

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on Japanese GAAP)

May 13, 2024

Company name: MATSUYA FOODS HOLDINGS CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 9887 URL <https://www.matsuyafoods-holdings.co.jp>
 Representative: President and Representative Director Kazutoshi Kawarabuki
 Inquiries: Director Youichi Nakamura TEL 0422-38-1121
 Scheduled date of ordinary general meeting of shareholders: June 26, 2024
 Scheduled date to file Securities Report: June 27, 2024
 Scheduled date to commence dividend payments: June 27, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

Percentages indicate year-on-year changes

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|---------------------------|-----------------|------|------------------|-------|-----------------|--------|---|-------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Year ended March 31, 2024 | 127,611 | 19.7 | 5,322 | 262.5 | 5,978 | 52.7 | 2,915 | 132.3 |
| Year ended March 31, 2023 | 106,598 | 12.8 | 1,468 | — | 3,914 | (38.8) | 1,255 | 13.6 |

| | Earnings per share | Diluted earnings per share | Profit attributable to owners of parent/equity | Ordinary profit/total assets | Operating profit/net sales |
|---------------------------|--------------------|----------------------------|--|------------------------------|----------------------------|
| | Yen | Yen | % | % | % |
| Year ended March 31, 2024 | 152.94 | — | 6.8 | 7.0 | 4.2 |
| Year ended March 31, 2023 | 65.87 | — | 3.1 | 5.0 | 1.4 |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|----------------------|-----------------|-----------------|--------------|----------------------|
| | Millions of yen | Millions of yen | % | Yen |
| As of March 31, 2024 | 91,120 | 43,873 | 48.1 | 2,301.46 |
| As of March 31, 2023 | 79,697 | 41,403 | 52.0 | 2,171.84 |

(3) Consolidated cash flows

| | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|---------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| Year ended March 31, 2024 | 13,236 | (11,888) | 2,741 | 16,020 |
| Year ended March 31, 2023 | 8,647 | (6,570) | (595) | 11,779 |

2. Cash dividends

| | Annual dividends per share | | | | | Total cash dividends (Total) | Dividend payout ratio (Consolidated) | Ratio of dividends to net assets (Consolidated) |
|---------------------------------------|----------------------------|-----------------|-----------------|-----------------|-------|------------------------------|--------------------------------------|---|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total | | | |
| | Yen | Yen | Yen | Yen | Yen | Millions of yen | % | % |
| Year ended March 31, 2023 | — | 12.00 | — | 12.00 | 24.00 | 457 | 36.4 | 1.1 |
| Year ended March 31, 2024 | — | 12.00 | — | 12.00 | 24.00 | 457 | 15.7 | 1.1 |
| Year ending March 31, 2025 (Forecast) | — | 12.00 | — | 12.00 | 24.00 | | 38.1 | |

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Earnings per share |
|--------------------------------------|-----------------|------|------------------|--------|-----------------|--------|---|--------|--------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Six months ending September 30, 2024 | 65,600 | 11.1 | 800 | (50.2) | 1,100 | (41.6) | 300 | (77.4) | 15.74 |
| Full year | 136,500 | 7.0 | 3,000 | (43.6) | 3,650 | (39.0) | 1,200 | (58.8) | 62.95 |

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

| | | | |
|----------------------|-------------------|----------------------|-------------------|
| As of March 31, 2024 | 19,063,968 shares | As of March 31, 2023 | 19,063,968 shares |
|----------------------|-------------------|----------------------|-------------------|

Number of treasury shares at the end of the period

| | | | |
|----------------------|------------|----------------------|------------|
| As of March 31, 2024 | 435 shares | As of March 31, 2023 | 317 shares |
|----------------------|------------|----------------------|------------|

Average number of shares during the period

| | | | |
|---------------------------|-------------------|---------------------------|-------------------|
| Year ended March 31, 2024 | 19,063,616 shares | Year ended March 31, 2023 | 19,056,031 shares |
|---------------------------|-------------------|---------------------------|-------------------|

Consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

| | As of March 31, 2023 | As of March 31, 2024 |
|--|----------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 14,879,375 | 19,120,428 |
| Notes and accounts receivable - trade, and contract assets | 3,158,418 | 4,517,253 |
| Merchandise and finished goods | 1,123,274 | 1,373,299 |
| Raw materials and supplies | 6,605,085 | 4,815,812 |
| Other | 1,229,822 | 2,340,816 |
| Total current assets | 26,995,977 | 32,167,609 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 51,865,574 | 56,405,379 |
| Accumulated depreciation | (32,625,903) | (34,088,465) |
| Buildings and structures, net | 19,239,670 | 22,316,914 |
| Machinery, equipment and vehicles | 8,428,119 | 8,533,757 |
| Accumulated depreciation | (6,084,952) | (6,301,636) |
| Machinery, equipment and vehicles, net | 2,343,167 | 2,232,120 |
| Tools, furniture and fixtures | 10,764,655 | 12,160,386 |
| Accumulated depreciation | (8,311,365) | (8,851,867) |
| Tools, furniture and fixtures, net | 2,453,290 | 3,308,519 |
| Land | 9,344,454 | 9,344,473 |
| Leased assets | 3,892,652 | 3,925,420 |
| Accumulated depreciation | (2,256,534) | (1,458,061) |
| Leased assets, net | 1,636,117 | 2,467,359 |
| Other | — | 732,373 |
| Accumulated depreciation | — | (192,717) |
| Other, net | — | 539,655 |
| Construction in progress | 364,641 | 349,121 |
| Total property, plant and equipment | 35,381,342 | 40,558,163 |
| Intangible assets | | |
| Software | 399,043 | 379,228 |
| Other | 66,207 | 110,118 |
| Total intangible assets | 465,250 | 489,346 |
| Investments and other assets | | |
| Investment securities | 89,831 | 91,301 |
| Leasehold and guarantee deposits | 11,533,793 | 12,177,859 |
| Long-term prepaid expenses | 296,277 | 389,817 |
| Deposits for stores in preparation | 404,635 | 689,909 |
| Deferred tax assets | 3,488,067 | 3,676,626 |
| Investment property | 547,901 | 398,473 |
| Accumulated depreciation | (363,922) | (297,758) |
| Investment property, net | 183,979 | 100,714 |
| Other | 867,336 | 789,098 |
| Allowance for doubtful accounts | (9,344) | (9,650) |
| Total investments and other assets | 16,854,578 | 17,905,677 |
| Total non-current assets | 52,701,170 | 58,953,187 |
| Total assets | 79,697,148 | 91,120,797 |

| | (Thousands of yen) | |
|--|----------------------|----------------------|
| | As of March 31, 2023 | As of March 31, 2024 |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 2,314,082 | 2,775,744 |
| Short-term borrowings | 24,713 | — |
| Current portion of long-term borrowings | 4,401,756 | 5,596,116 |
| Accounts payable - other | 5,141,215 | 6,757,413 |
| Lease liabilities | 433,510 | 776,867 |
| Income taxes payable | 749,906 | 1,567,640 |
| Provision for bonuses | 1,307,282 | 1,306,865 |
| Other | 2,836,966 | 3,193,849 |
| Total current liabilities | 17,209,433 | 21,974,496 |
| Non-current liabilities | | |
| Long-term borrowings | 14,905,769 | 17,708,058 |
| Provision for retirement benefits for directors (and other officers) | 567,800 | 567,800 |
| Lease liabilities | 1,355,802 | 2,510,214 |
| Asset retirement obligations | 4,088,121 | 4,341,955 |
| Deferred tax liabilities | 2,927 | 2,038 |
| Other | 164,161 | 142,252 |
| Total non-current liabilities | 21,084,583 | 25,272,318 |
| Total liabilities | 38,294,016 | 47,246,815 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 6,655,932 | 6,655,932 |
| Capital surplus | 6,976,341 | 6,976,404 |
| Retained earnings | 27,867,606 | 30,148,225 |
| Treasury shares | (726) | (1,430) |
| Total shareholders' equity | 41,499,153 | 43,779,131 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 1,123 | 1,935 |
| Foreign currency translation adjustment | (97,145) | 92,914 |
| Total accumulated other comprehensive income | (96,021) | 94,850 |
| Total net assets | 41,403,131 | 43,873,981 |
| Total liabilities and net assets | 79,697,148 | 91,120,797 |

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

| | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|---|-------------------------------------|-------------------------------------|
| Net sales | 106,598,594 | 127,611,491 |
| Cost of sales | 35,862,789 | 43,611,731 |
| Gross profit | 70,735,804 | 83,999,759 |
| Selling, general and administrative expenses | 69,267,404 | 78,676,996 |
| Operating profit | 1,468,400 | 5,322,763 |
| Non-operating income | | |
| Interest income | 14,998 | 20,960 |
| Dividend income | 1,875 | 1,878 |
| Rental income | 209,377 | 198,732 |
| Sponsorship money income | 57,985 | 53,666 |
| Subsidy incomes | 1,991,194 | — |
| Outsourcing service income | 222,224 | 284,875 |
| Other | 316,483 | 486,159 |
| Total non-operating income | 2,814,139 | 1,046,273 |
| Non-operating expenses | | |
| Interest expenses | 86,438 | 112,612 |
| Rental expenses | 198,015 | 195,507 |
| Other | 83,823 | 82,170 |
| Total non-operating expenses | 368,277 | 390,290 |
| Ordinary profit | 3,914,262 | 5,978,746 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 1,579 | 6,911 |
| Gain on receipt of donated non-current assets | 17,099 | 10,124 |
| Compensation for expropriation | 93,607 | 128,633 |
| Other | 5,818 | 257 |
| Total extraordinary income | 118,105 | 145,926 |
| Extraordinary losses | | |
| Loss on sale of non-current assets | 1,694 | 40,692 |
| Loss on retirement of non-current assets | 6,564 | 15,794 |
| Loss on store closings | 18,564 | 11,740 |
| Impairment losses | 1,256,013 | 1,238,781 |
| Loss on reversal of foreign currency translation adjustment | — | 133,179 |
| Other | 100,775 | 17,333 |
| Total extraordinary losses | 1,383,612 | 1,457,522 |
| Profit before income taxes | 2,648,755 | 4,667,151 |
| Income taxes - current | 1,432,475 | 1,941,445 |
| Income taxes - deferred | (38,859) | (189,806) |
| Total income taxes | 1,393,615 | 1,751,639 |
| Profit | 1,255,139 | 2,915,512 |
| Profit attributable to owners of parent | 1,255,139 | 2,915,512 |

Consolidated statements of comprehensive income

(Thousands of yen)

| | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|--|-------------------------------------|-------------------------------------|
| Profit | 1,255,139 | 2,915,512 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 59 | 811 |
| Foreign currency translation adjustment | (17,009) | 190,060 |
| Total other comprehensive income | (16,950) | 190,872 |
| Comprehensive income | 1,238,189 | 3,106,384 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 1,238,189 | 3,106,384 |
| Comprehensive income attributable to non-controlling interests | — | — |

Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Thousands of yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 6,655,932 | 6,963,229 | 27,069,804 | (17,998) | 40,670,967 |
| Changes during period | | | | | |
| Dividends of surplus | | | (457,338) | | (457,338) |
| Profit (loss) attributable to owners of parent | | | 1,255,139 | | 1,255,139 |
| Purchase of treasury shares | | | | (1,513) | (1,513) |
| Disposal of treasury shares | | 13,112 | | 18,785 | 31,898 |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | — | 13,112 | 797,801 | 17,271 | 828,185 |
| Balance at end of period | 6,655,932 | 6,976,341 | 27,867,606 | (726) | 41,499,153 |

| | Accumulated other comprehensive income | | | Total net assets |
|--|---|---|--|------------------|
| | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Total accumulated other comprehensive income | |
| Balance at beginning of period | 1,064 | (80,136) | (79,071) | 40,591,896 |
| Changes during period | | | | |
| Dividends of surplus | | | | (457,338) |
| Profit (loss) attributable to owners of parent | | | | 1,255,139 |
| Purchase of treasury shares | | | | (1,513) |
| Disposal of treasury shares | | | | 31,898 |
| Net changes in items other than shareholders' equity | 59 | (17,009) | (16,950) | (16,950) |
| Total changes during period | 59 | (17,009) | (16,950) | 811,235 |
| Balance at end of period | 1,123 | (97,145) | (96,021) | 41,403,131 |

Fiscal year ended March 31, 2024

(Thousands of yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 6,655,932 | 6,976,341 | 27,867,606 | (726) | 41,499,153 |
| Changes during period | | | | | |
| Dividends of surplus | | | (457,527) | | (457,527) |
| Profit (loss) attributable to owners of parent | | | 2,915,512 | | 2,915,512 |
| Purchase of treasury shares | | | | (782) | (782) |
| Disposal of treasury shares | | 63 | | 77 | 141 |
| Change in scope of consolidation | | | (177,365) | | (177,365) |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | | 63 | 2,280,619 | (704) | 2,279,978 |
| Balance at end of period | 6,655,932 | 6,976,404 | 30,148,225 | (1,430) | 43,779,131 |

| | Accumulated other comprehensive income | | | Total net assets |
|--|---|---|--|------------------|
| | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Total accumulated other comprehensive income | |
| Balance at beginning of period | 1,123 | (97,145) | (96,021) | 41,403,131 |
| Changes during period | | | | |
| Dividends of surplus | | | | (457,527) |
| Profit (loss) attributable to owners of parent | | | | 2,915,512 |
| Purchase of treasury shares | | | | (782) |
| Disposal of treasury shares | | | | 141 |
| Change in scope of consolidation | | | | (177,365) |
| Net changes in items other than shareholders' equity | 811 | 190,060 | 190,872 | 190,872 |
| Total changes during period | 811 | 190,060 | 190,872 | 2,470,850 |
| Balance at end of period | 1,935 | 92,914 | 94,850 | 43,873,981 |

Consolidated statements of cash flows

(Thousands of yen)

| | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|---|-------------------------------------|-------------------------------------|
| Cash flows from operating activities | | |
| Profit before income taxes | 2,648,755 | 4,667,151 |
| Depreciation and amortization | 3,841,363 | 4,543,653 |
| Impairment losses | 1,256,013 | 1,238,781 |
| Increase (decrease) in provision for bonuses | 77,825 | (857) |
| Interest and dividend income | (16,873) | (22,838) |
| Interest expenses | 86,438 | 112,612 |
| Subsidy incomes | (1,991,194) | – |
| Loss (gain) on sale and retirement of property, plant and equipment | (86,928) | (79,057) |
| Loss on store closings | 18,564 | 11,740 |
| Transfer adjust exrenses from construction in progress and deposits for stores in preparation | 1,651,481 | 1,793,093 |
| Decrease (increase) in trade receivables | (581,552) | (1,349,060) |
| Decrease (increase) in inventories | 507,059 | 1,388,805 |
| Increase (decrease) in trade payables | 331,701 | 441,577 |
| Increase (decrease) in accrued consumption taxes | 1,423,826 | (158,629) |
| Decrease (increase) in consumption taxes refund receivable | – | (28,758) |
| Other, net | 337,960 | 1,785,378 |
| Subtotal | 9,504,442 | 14,343,591 |
| Subsidies received | 1,991,194 | – |
| Income taxes paid | (2,848,021) | (1,107,488) |
| Net cash provided by (used in) operating activities | 8,647,614 | 13,236,102 |
| Cash flows from investing activities | | |
| Purchase of property,plant,equipment and the increase of construction in progress | (5,894,331) | (9,157,816) |
| Proceeds from sales of property,plant and equipment and expropriation | 93,540 | 269,614 |
| Expenses from the increase of lease,guarantee deposits,and deposits for stores in preparation | (778,175) | (1,594,448) |
| Proceeds from collection of lease,guarantee deposits,and deposits for stores in preparation | 166,917 | 68,066 |
| Interest and dividends received | 2,775 | 7,176 |
| Purchase of shares of subsidiaries and associates | – | (322,531) |
| Other, net | (160,854) | (1,158,732) |
| Net cash provided by (used in) investing activities | (6,570,128) | (11,888,671) |
| Cash flows from financing activities | | |
| Proceeds from short-term borrowings | 4,025,350 | 6,500,000 |
| Repayments of short-term borrowings | (4,000,000) | (6,525,766) |
| Proceeds from long-term borrowings | 4,200,000 | 8,500,000 |
| Repayments of long-term borrowings | (3,939,089) | (4,503,351) |
| Repayments of lease liabilities | (369,121) | (661,582) |
| Proceeds from sale of treasury shares | 31,898 | 141 |
| Purchase of treasury shares | (1,513) | (782) |
| Interest paid | (85,840) | (109,753) |
| Dividends paid | (457,338) | (457,527) |
| Net cash provided by (used in) financing activities | (595,655) | 2,741,378 |

| | (Thousands of yen) | |
|---|-------------------------------------|-------------------------------------|
| | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
| Effect of exchange rate change on cash and cash equivalents | 6,414 | 5,999 |
| Net increase (decrease) in cash and cash equivalents | 1,488,246 | 4,094,808 |
| Cash and cash equivalents at beginning of period | 10,291,129 | 11,779,375 |
| Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation | — | 146,243 |
| Cash and cash equivalents at end of period | 11,779,375 | 16,020,428 |