

**Translation**

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## Summary of Consolidated Financial Results for the Nine Months Ended October 31, 2024 (Based on Japanese GAAP)

December 11, 2024

Company name: Morozoff Limited  
 Stock exchange listing: Tokyo  
 Stock code: 2217 URL <https://www.morozoff.co.jp>  
 Representative: Representative Director and President Shinji Yamaguchi  
 Director and General Manager of Business Kenji Isono  
 Inquiries: Management Division TEL 078-822-5000  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on financial results: No  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

## 1. Consolidated financial results for the nine months ended October 31, 2024 (from February 1, 2024 to October 31, 2024)

## (1) Consolidated operating results (cumulative)

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                         | %      |
| Nine months ended October 31, 2024 | 22,340          | 3.2 | 210              | (56.3) | 233             | (53.7) | 345                                     | 35.3   |
| Nine months ended October 31, 2023 | 21,652          | 8.7 | 480              | 11.8   | 504             | (19.1) | 255                                     | (24.4) |

|                                    | Earnings per share |  | Diluted earnings per share |  |
|------------------------------------|--------------------|--|----------------------------|--|
|                                    | Yen                |  | Yen                        |  |
| Nine months ended October 31, 2024 | 50.12              |  | –                          |  |
| Nine months ended October 31, 2023 | 36.26              |  | –                          |  |

## (2) Consolidated financial position

|                        | Total assets    | Net assets      | Equity ratio |
|------------------------|-----------------|-----------------|--------------|
|                        | Millions of yen | Millions of yen | %            |
| As of October 31, 2024 | 24,578          | 18,413          | 74.9         |
| As of January 31, 2024 | 27,919          | 19,719          | 70.6         |

## 2. Cash dividends

|   | Annual dividends per share |                 |                 |                 |       |
|---|----------------------------|-----------------|-----------------|-----------------|-------|
|   | 1st quarter-end            | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total |
|   | Yen                        |                 |                 |                 |       |
| Year ended January 31, 2024             | –                          | 0.00            | –               | 98.00           | 98.00 |
| Year ending January 31, 2025            | –                          | 35.00           | –               |                 |       |
| Year ending January 31, 2025 (Forecast) |                            |                 |                 | 43.00           | 78.00 |

## 3. Forecast of consolidated financial results for the year ending January 31, 2025 (from February 1, 2024 to January 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                |
| Full year | 35,850          | 2.6 | 2,000            | (19.2) | 2,020           | (19.8) | 1,350                                   | (21.3) | 195.98             |

4. Notes

- (1) Significant changes in the scope of consolidation during the nine months ended October 31, 2024: No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) 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

(4) Number of issued shares (common shares)

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

|                        |                  |                        |                  |
|------------------------|------------------|------------------------|------------------|
| As of October 31, 2024 | 7,088,452 shares | As of January 31, 2024 | 7,088,452 shares |
|------------------------|------------------|------------------------|------------------|

Number of treasury shares at the end of the period

|                        |                |                        |                |
|------------------------|----------------|------------------------|----------------|
| As of October 31, 2024 | 351,287 shares | As of January 31, 2024 | 171,117 shares |
|------------------------|----------------|------------------------|----------------|

Average number of shares during the period (cumulative from the beginning of the fiscal year)

|                                    |                  |                                    |                  |
|------------------------------------|------------------|------------------------------------|------------------|
| Nine months ended October 31, 2024 | 6,888,454 shares | Nine months ended October 31, 2023 | 7,038,347 shares |
|------------------------------------|------------------|------------------------------------|------------------|

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

|   | As of January 31, 2024 | As of October 31, 2024 |
|---|------------------------|------------------------|
| <b>Assets</b>   |                        |                        |
| <b>Current assets</b>                                 |                        |                        |
| Cash and deposits                                     | 7,130,761              | 5,515,474              |
| Notes and accounts receivable - trade                 | 6,726,775              | 2,152,318              |
| Securities  | 499,950                | 499,850                |
| Merchandise and finished goods                        | 2,144,975              | 3,200,309              |
| Work in process                                       | 338,301                | 1,223,282              |
| Raw materials and supplies                            | 497,382                | 622,982                |
| Other   | 115,363                | 660,426                |
| Allowance for doubtful accounts                       | (1,000)                | (1,000)                |
| <b>Total current assets</b>                           | <b>17,452,510</b>      | <b>13,873,644</b>      |
| <b>Non-current assets</b>                             |                        |                        |
| <b>Property, plant and equipment</b>                  |                        |                        |
| Buildings and structures, net                         | 2,310,368              | 2,212,940              |
| Land  | 3,644,738              | 3,644,738              |
| Other, net  | 1,642,958              | 1,608,067              |
| <b>Total property, plant and equipment</b>            | <b>7,598,065</b>       | <b>7,465,746</b>       |
| <b>Intangible assets</b>                              |                        |                        |
| Other   | 191,505                | 226,037                |
| <b>Total intangible assets</b>                        | <b>191,505</b>         | <b>226,037</b>         |
| <b>Investments and other assets</b>                   |                        |                        |
| Investment securities                                 | 1,496,133              | 1,354,471              |
| Retirement benefit asset                              | 277,639                | 727,461                |
| Other   | 903,891                | 933,232                |
| Allowance for doubtful accounts                       | –                      | (2,500)                |
| <b>Total investments and other assets</b>             | <b>2,677,664</b>       | <b>3,012,666</b>       |
| <b>Total non-current assets</b>                       | <b>10,467,235</b>      | <b>10,704,451</b>      |
| <b>Total assets</b>                                   | <b>27,919,745</b>      | <b>24,578,096</b>      |
| <b>Liabilities</b>                                    |                        |                        |
| <b>Current liabilities</b>                            |                        |                        |
| Notes and accounts payable - trade                    | 1,048,751              | 1,567,567              |
| Electronically recorded obligations - operating       | 2,185,384              | 278,720                |
| Short-term borrowings                                 | 1,590,000              | 1,590,000              |
| Income taxes payable                                  | 553,000                | 48,880                 |
| Provision for bonuses                                 | 206,050                | 437,377                |
| Other   | 1,950,561              | 1,521,197              |
| <b>Total current liabilities</b>                      | <b>7,533,747</b>       | <b>5,443,743</b>       |
| <b>Non-current liabilities</b>                        |                        |                        |
| Retirement benefit liability                          | 80,692                 | 80,137                 |
| Other   | 585,440                | 641,169                |
| <b>Total non-current liabilities</b>                  | <b>666,132</b>         | <b>721,307</b>         |
| <b>Total liabilities</b>                              | <b>8,199,880</b>       | <b>6,165,050</b>       |
| <b>Net assets</b>                                     |                        |                        |
| <b>Shareholders' equity</b>                           |                        |                        |
| Share capital   | 3,737,467              | 3,737,467              |
| Capital surplus                                       | 3,922,552              | 3,924,810              |
| Retained earnings                                     | 12,146,385             | 11,571,532             |
| Treasury shares                                       | (565,558)              | (1,363,209)            |
| <b>Total shareholders' equity</b>                     | <b>19,240,846</b>      | <b>17,870,602</b>      |
| <b>Accumulated other comprehensive income</b>         |                        |                        |
| Valuation difference on available-for-sale securities | 486,662                | 481,966                |
| Revaluation reserve for land                          | 290,138                | 290,138                |
| Foreign currency translation adjustment               | 86,331                 | 106,258                |
| Remeasurements of defined benefit plans               | (384,115)              | (335,920)              |
| <b>Total accumulated other comprehensive income</b>   | <b>479,017</b>         | <b>542,443</b>         |
| <b>Total net assets</b>                               | <b>19,719,864</b>      | <b>18,413,045</b>      |
| <b>Total liabilities and net assets</b>               | <b>27,919,745</b>      | <b>24,578,096</b>      |

## Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

### Consolidated statements of income (cumulative)

(Thousands of yen)

|   | Nine months ended<br>October 31, 2023 | Nine months ended<br>October 31, 2024 |
|---|---------------------------------------|---------------------------------------|
| Net sales   | 21,652,754                            | 22,340,734                            |
| Cost of sales                                     | 10,439,267                            | 10,784,964                            |
| Gross profit                                      | 11,213,486                            | 11,555,769                            |
| Selling, general and administrative expenses      | 10,732,644                            | 11,345,472                            |
| Operating profit                                  | 480,842                               | 210,297                               |
| Non-operating income                              |                                       |                                       |
| Dividend income                                   | 18,971                                | 18,295                                |
| Electricity sale income                           | 9,419                                 | 9,047                                 |
| Other   | 16,867                                | 17,865                                |
| Total non-operating income                        | 45,258                                | 45,208                                |
| Non-operating expenses                            |                                       |                                       |
| Interest expenses                                 | 17,521                                | 17,299                                |
| Other   | 3,808                                 | 4,628                                 |
| Total non-operating expenses                      | 21,330                                | 21,927                                |
| Ordinary profit                                   | 504,770                               | 233,578                               |
| Extraordinary income                              |                                       |                                       |
| Gain on sale of investment securities             | 5,153                                 | 346,384                               |
| Total extraordinary income                        | 5,153                                 | 346,384                               |
| Extraordinary losses                              |                                       |                                       |
| Loss on sale and retirement of non-current assets | 12,434                                | 9,082                                 |
| Impairment losses                                 | 623                                   | –                                     |
| Other   | –                                     | 1,851                                 |
| Total extraordinary losses                        | 13,058                                | 10,933                                |
| Profit before income taxes                        | 496,865                               | 569,029                               |
| Income taxes                                      | 241,641                               | 223,785                               |
| Profit  | 255,223                               | 345,244                               |
| Profit attributable to owners of parent           | 255,223                               | 345,244                               |

## Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

|  | Nine months ended<br>October 31, 2023 | Nine months ended<br>October 31, 2024 |
|--|---------------------------------------|---------------------------------------|
| Profit   | 255,223                               | 345,244                               |
| Other comprehensive income                                     |                                       |                                       |
| Valuation difference on available-for-sale securities          | 86,354                                | (4,696)                               |
| Foreign currency translation adjustment                        | 45,636                                | 19,926                                |
| Remeasurements of defined benefit plans, net of tax            | 41,899                                | 48,195                                |
| Total other comprehensive income                               | 173,890                               | 63,425                                |
| Comprehensive income   | 429,113                               | 408,670                               |
| Comprehensive income attributable to                           |                                       |                                       |
| Comprehensive income attributable to owners of parent          | 429,113                               | 408,670                               |
| Comprehensive income attributable to non-controlling interests | —                                     | —                                     |