

Translation

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

February 5, 2025

Company name: MIGALO HOLDINGS Inc.
 Stock exchange listing: Tokyo
 Stock code: 5535 URL <https://www.migalo.co.jp/>
 Representative: CEO Sei Nakanishi
 Inquiries: CFO Koji Iwase TEL 03-6302-3627
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors, analysts and general investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 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 December 31, 2024	40,340	24.1	2,343	(4.1)	1,876	(12.0)	1,298	(7.6)
Nine months ended December 31, 2023	32,512	–	2,443	–	2,132	–	1,404	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2024	44.43	44.01
Nine months ended December 31, 2023	48.29	48.09

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	55,853	11,154	19.8
As of March 31, 2024	48,446	10,456	21.4

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	–	–	–	45.00	45.00
Year ending March 31, 2025	–	12.00	–		
Year ending March 31, 2025 (Forecast)				8.00	–

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
Full year	51,000	19.5	2,650	6.0	2,100	2.8	1,300	16.8	44.46

4. Notes

- (1) Significant changes in the scope of consolidation during the nine months ended December 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 December 31, 2024	29,411,600 shares	As of March 31, 2024	29,352,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	165,308 shares	As of March 31, 2024	165,108 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2024	29,221,260 shares	Nine months ended December 31, 2023	29,090,248 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	8,898,146	8,974,169
Accounts receivable - trade	510,275	539,349
Inventories	36,330,489	43,600,416
Other	686,290	718,796
Allowance for doubtful accounts	(1,703)	(2,368)
Total current assets	46,423,497	53,830,364
Non-current assets		
Property, plant and equipment	153,571	164,327
Intangible assets	808,688	1,004,168
Investments and other assets		
Other	1,199,670	993,686
Allowance for doubtful accounts	(138,936)	(138,936)
Total investments and other assets	1,060,734	854,750
Total non-current assets	2,022,995	2,023,247
Total assets	48,446,492	55,853,611
Liabilities		
Current liabilities		
Accounts payable - trade	1,947,673	1,750,551
Short-term borrowings	9,719,246	9,449,185
Current portion of bonds payable	68,000	368,000
Current portion of long-term borrowings	8,092,321	8,464,900
Income taxes payable	326,167	408,551
Provision for bonuses	74,882	17,842
Provision for bonuses for directors (and other officers)	67,000	—
Provision for costs after sales	140,783	184,024
Other	2,726,408	2,688,574
Total current liabilities	23,162,482	23,331,631
Non-current liabilities		
Bonds payable	734,000	380,000
Long-term borrowings	13,788,234	20,693,597
Other	305,647	294,059
Total non-current liabilities	14,827,881	21,367,656
Total liabilities	37,990,364	44,699,287
Net assets		
Shareholders' equity		
Share capital	73,431	77,827
Capital surplus	1,098,456	599,065
Retained earnings	9,108,681	10,407,054
Treasury shares	(48,732)	(48,891)
Total shareholders' equity	10,231,837	11,035,057
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	119,093	—
Total accumulated other comprehensive income	119,093	—
Share acquisition rights	6,147	24,038
Non-controlling interests	99,049	95,227
Total net assets	10,456,128	11,154,323
Total liabilities and net assets	48,446,492	55,853,611

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

Consolidated statements of income (cumulative)

	(Thousands of yen)	
	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	32,512,916	40,340,824
Cost of sales	26,812,110	34,296,061
Gross profit	5,700,805	6,044,763
Selling, general and administrative expenses	3,257,691	3,701,585
Operating profit	2,443,114	2,343,178
Non-operating income		
Interest income	77	614
Dividend income	5,604	2,922
Other	9,860	6,474
Total non-operating income	15,541	10,011
Non-operating expenses		
Interest expenses	235,541	344,433
Commission expenses	81,421	127,363
Other	9,468	4,885
Total non-operating expenses	326,430	476,682
Ordinary profit	2,132,225	1,876,507
Extraordinary income		
Gain on sale of investment securities	—	214,215
Total extraordinary income	—	214,215
Profit before income taxes	2,132,225	2,090,722
Income taxes - current	724,243	828,454
Income taxes - deferred	(1,187)	(31,282)
Total income taxes	723,055	797,171
Profit	1,409,169	1,293,551
Profit (loss) attributable to non-controlling interests	4,320	(4,821)
Profit attributable to owners of parent	1,404,849	1,298,373

Consolidated statements of comprehensive income (cumulative)

	(Thousands of yen)	
	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	1,409,169	1,293,551
Other comprehensive income		
Valuation difference on available-for-sale securities	38,440	(119,093)
Total other comprehensive income	38,440	(119,093)
Comprehensive income	1,447,610	1,174,457
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,443,290	1,179,279
Comprehensive income attributable to non-controlling interests	4,320	(4,821)