

April 14, 2025

Non-consolidated Financial Results for the Fiscal Year Ended February 28, 2025 (Under Japanese GAAP)

Company name: VALUE CREATION Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 9238
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Scheduled date of annual general meeting of shareholders: May 28, 2025
 Scheduled date to commence dividend payments: May 29, 2025
 Scheduled date to file annual securities report: May 29, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Non-consolidated financial results for the fiscal year ended February 28, 2025 (from March 1, 2024 to February 28, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2025	3,431	16.4	121	(29.6)	131	(21.0)	86	(24.5)
February 29, 2024	2,948	4.4	172	52.3	166	37.5	114	32.9

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
February 28, 2025	37.54	33.87	15.8	3.3	3.5
February 29, 2024	55.11	48.94	34.8	4.8	5.9

Note: 1. Diluted net income per share for the fiscal year ending February 29, 2024 is calculated by considering the average share price from the initial listing date to the end of the current fiscal year as the average share price during the period, since the Company was listed on the Growth Market of the Tokyo Stock Exchange on November 22, 2023.

2. The Company conducted a 20-for-1 common stock split on August 25, 2023 and a 2-for-1 common stock split on March 16, 2024. “Basic earnings per share” and “diluted earnings per share” are calculated on the assumption that the said share split was conducted at the beginning of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2025	4,304	581	13.5	252.88
February 29, 2024	3,628	509	14.0	221.34

Reference: Equity

As of February 28, 2025: ¥ 581 million
 As of February 29, 2024: ¥ 509 million

Note: The Company conducted a 20-for-1 common stock split on August 25, 2023 and a 2-for-1 common stock split on March 16, 2024. “Net assets per share” is calculated on the assumption that the said share split was conducted at the beginning of the previous fiscal year.

(3) Non-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
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
February 28, 2025	230	(257)	(47)	1,138
February 29, 2024	326	(87)	140	1,212

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio	Ratio of dividends to net assets
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
February 29, 2024	-	0.00	-	12.00	12.00	13	10.9	4.1
Fiscal year ended February 28, 2025	-	0.00	-	6.50	6.50	14	17.3	2.7
Fiscal year ending February 28, 2026 (Forecast)		0.00		7.00	7.00		12.4	

Note: On March 16, 2024, the Company conducted a 2-for-1 stock split for its common stock. For the fiscal year ending February 29, 2024, the actual dividend amount before the stock split is shown.

3. Forecast of non-consolidated financial results for the fiscal year ending February 28, 2026 (from March 1, 2025 to February 28, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending February 28, 2026	3,820	11.3	193	58.8	197	50.1	130	50.7	56.59

Note: Since we manage our business performance on an annual basis, we have omitted a forecast for the second quarter (cumulative).

* Notes

(1) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(2) Number of issued shares (common shares)

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

As of February 28, 2025	2,300,800 shares
As of February 29, 2024	2,300,800 shares

(ii) Number of treasury shares at the end of the period

As of February 28, 2025	74 shares
As of February 29, 2024	74 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended February 28, 2025	2,300,726 shares
Fiscal year ended February 29, 2024	2,075,239 shares

Note: A 20-for-1 stock split of shares of common stock was conducted on August 25, 2023 and a 2-for-1 stock split of shares of common stock was conducted on March 16, 2024. "Total number of issued shares at the end of the period," "number of treasury shares at the end of the period," and "average number of shares outstanding during the period" are calculated on the assumption that the said share split was conducted at the beginning of the previous fiscal year.

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. Please refer to "(4) Future outlook" of "1. Overview of Operating Results and Others" on page 3 of the attached materials for the conditions that form the assumptions for the forecasts of financial results and cautions concerning the use thereof.

Balance sheet

(Thousands of yen)

	As of February 29, 2024	As of February 28, 2025
Assets		
Current assets		
Cash and deposits	1,212,314	1,138,938
Accounts receivable - trade	2,237,769	2,731,350
Advance payments to suppliers	23,329	25,742
Prepaid expenses	10,743	25,783
Other	22,724	20,054
Allowance for doubtful accounts	(1,537)	(955)
Total current assets	3,505,343	3,940,914
Non-current assets		
Property, plant and equipment		
Buildings, net	3,618	82,423
Tools, furniture and fixtures, net	5,090	7,756
Total property, plant and equipment	8,708	90,179
Intangible assets		
Software	-	21,818
Software in progress	27,272	-
Total intangible assets	27,272	21,818
Investments and other assets		
Investments in capital	30	150,030
Long-term prepaid expenses	931	724
Deferred tax assets	11,527	11,591
Leasehold deposits	73,973	56,230
Membership	-	32,900
Other	600	600
Total investments and other assets	87,062	252,076
Total non-current assets	123,044	364,074
Total assets	3,628,388	4,304,988

	As of February 29, 2024	As of February 28, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	1,761,981	2,430,042
Short-term borrowings	100,000	100,000
Current portion of long-term borrowings	243,216	214,387
Accounts payable - other	471,504	441,848
Accrued expenses	56,640	83,377
Income taxes payable	48,708	20,045
Contract liabilities	13,098	16,347
Deposits received	10,615	13,178
Other	33,593	28,579
Total current liabilities	2,739,357	3,347,806
Non-current liabilities		
Long-term borrowings	379,783	375,366
Total non-current liabilities	379,783	375,366
Total liabilities	3,119,140	3,723,172
Net assets		
Shareholders' equity		
Share capital	157,839	157,839
Capital surplus		
Legal capital surplus	123,839	123,839
Total capital surplus	123,839	123,839
Retained earnings		
Other retained earnings		
Retained earnings brought forward	227,651	300,220
Total retained earnings	227,651	300,220
Treasury shares	(82)	(82)
Total shareholders' equity	509,247	581,816
Total net assets	509,247	581,816
Total liabilities and net assets	3,628,388	4,304,988

Statement of income

(Thousands of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Net sales	2,948,333	3,431,976
Cost of sales	1,949,200	2,332,870
Gross profit	999,132	1,099,105
Selling, general and administrative expenses	826,355	977,489
Operating profit	172,777	121,616
Non-operating income		
Refund	17,134	18,887
Other	416	2,392
Total non-operating income	17,551	21,279
Non-operating expenses		
Interest expenses	10,738	10,143
Listing expenses	11,672	-
Other	1,168	1,095
Total non-operating expenses	23,579	11,239
Ordinary profit	166,750	131,657
Profit before income taxes	166,750	131,657
Income taxes - current	59,099	45,348
Income taxes - deferred	(6,707)	(64)
Total income taxes	52,391	45,283
Profit	114,358	86,373

Statement of changes in equity

Fiscal year ended February 29, 2024

(Thousands of yen)

	Shareholders' equity							Total net assets
	Share capital	Capital surplus		Retained earnings		Treasury shares	Total shareholders' equity	
		Legal capital surplus	Total capital surplus	Other retained earnings	Total retained earnings			
Balance at beginning of period	34,000	-	-	113,292	113,292	-	147,292	147,292
Issuance of new shares	123,839	123,839	123,839				247,678	247,678
Dividends of surplus								
Profit				114,358	114,358		114,358	114,358
Purchase of treasury shares						(82)	(82)	(82)
Total changes during period	123,839	123,839	123,839	114,358	114,358	(82)	361,954	361,954
Balance at end of period	157,839	123,839	123,839	227,651	227,651	(82)	509,247	509,247

Statement of changes in equity

Fiscal year ended February 28, 2025

(Thousands of yen)

	Shareholders' equity							Total net assets
	Share capital	Capital surplus		Retained earnings		Treasury shares	Total shareholders' equity	
		Legal capital surplus	Total capital surplus	Other retained earnings	Total retained earnings			
Balance at beginning of period	157,839	123,839	123,839	227,651	227,651	(82)	509,247	509,247
Issuance of new shares								
Dividends of surplus				(13,804)	(13,804)		(13,804)	(13,804)
Profit				86,373	86,373		86,373	86,373
Purchase of treasury shares								
Total changes during period	-	-	-	72,568	72,568	-	72,568	72,568
Balance at end of period	157,839	123,839	123,839	300,220	300,220	(82)	581,816	581,816

Statement of cash flows

(Thousands of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Cash flows from operating activities		
Profit before income taxes	166,750	131,657
Depreciation	10,964	18,801
Interest income	(5)	(307)
Interest expenses	10,738	10,143
Listing expenses	11,672	-
Share issuance costs	1,082	-
Decrease (increase) in trade receivables	124,293	(493,581)
Increase (decrease) in trade payables	53,631	638,553
Increase (decrease) in accrued expenses	2,872	26,736
Other, net	1,182	(19,649)
Subtotal	383,182	312,354
Interest received	5	307
Interest paid	(10,738)	(10,143)
Income taxes paid	(45,818)	(70,683)
Other, net	-	(1,073)
Net cash provided by (used in) operating activities	326,630	230,760
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,428)	(94,817)
Purchase of intangible assets	(27,272)	-
Payments for investments in capital	-	(150,000)
Proceeds from refund of leasehold deposits	-	18,924
Payments of leasehold deposits	(58,996)	-
Purchase of membership	-	(32,900)
Other, net	2,223	1,707
Net cash provided by (used in) investing activities	(87,474)	(257,085)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(20,838)	-
Proceeds from long-term borrowings	250,000	230,000
Repayments of long-term borrowings	(323,996)	(263,246)
Dividends paid	-	(13,804)
Proceeds from issuance of shares	246,596	-
Payments of listing expenses	(11,672)	-
Other, net	(82)	-
Net cash provided by (used in) financing activities	140,007	(47,050)
Effect of exchange rate change on cash and cash equivalents	0	0
Net increase (decrease) in cash and cash equivalents	379,163	(73,375)
Cash and cash equivalents at beginning of period	833,150	1,212,314
Cash and cash equivalents at end of period	1,212,314	1,138,938