

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

## Consolidated Financial Results for the Nine Months Ended June 30, 2024 [Japanese GAAP]

August 9, 2024

Company name: 4Cs HD Co., Ltd.

Listing: Tokyo

Securities code: 3726

URL: <https://www.4cs-holdings.co.jp>

Representative: Tomomi Terada

,President and Representative Director

Inquiries: Hirohiko Matsuno

,Director, General Manager of Corporate Planning Office

Telephone: +81-92-720-5460

Scheduled date to commence dividend payments: -

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. Consolidated Financial Results for the Nine Months Ended June 30, 2024 (October 1, 2023 to June 30, 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	%
Nine months ended June 30, 2024	1,672	7.0	(74)	-	(82)	-	(89)	-
June 30, 2023	1,563	(12.1)	(154)	-	(156)	-	(157)	-

(Note) Comprehensive income:     Nine months ended June 30, 2024:     ¥           (89) million [           -%]  
   Nine months ended June 30, 2023:     ¥           (157) million [           -%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
June 30, 2024	(10.81)	-
June 30, 2023	(20.63)	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
June 30, 2024	2,327	1,356	58.2
September 30, 2023	1,643	518	31.4

(Reference) Equity:     As of   June 30, 2024:           ¥           1,354 million  
   As of   September 30, 2023:       ¥           515 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended September 30, 2023	-	0.00	-	0.00	0.00
Fiscal year ending September 30, 2024	-	0.00	-		
Fiscal year ending September 30, 2024 (Forecast)				-	-

(Note) Revision to the forecast for dividends announced most recently: None

(Note) Breakdown of the 3rd quarter dividend for the fiscal year ending September 30, 2024 :

Commemorative dividend	- yen
Special dividend	- yen

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending September 30, 2024(October 1, 2023 to September 30, 2024)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	-		-		-		-		-

(Note) Revision to the financial results forecast announced most recently: None

\* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included:	-	(Company name:	)
Excluded:	-	(Company name:	)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

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

June 30, 2024:	10,077,670 shares
September 30, 2023:	8,077,670 shares

2) Number of treasury shares at the end of the period:

June 30, 2024:	9,579 shares
September 30, 2023:	9,869 shares

3) Average number of shares outstanding during the period:

Nine months ended June 30, 2024:	8,281,106 shares
Nine months ended June 30, 2023:	7,609,938 shares

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

\* Proper use of earnings forecasts, and other special matters

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of September 30, 2023	As of June 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	539,510	1,206,298
Accounts receivable - trade	193,914	140,493
Merchandise and finished goods	407,801	363,888
Raw materials and supplies	34,568	27,239
Other	66,814	231,196
Allowance for doubtful accounts	(137)	(85)
<b>Total current assets</b>	<b>1,242,472</b>	<b>1,969,030</b>
Non-current assets		
Property, plant and equipment	540	384
Intangible assets		
Goodwill	213,690	193,037
Customer relationship	101,044	85,090
Other	1,936	837
<b>Total intangible assets</b>	<b>316,671</b>	<b>278,965</b>
Investments and other assets	83,702	79,315
<b>Total non-current assets</b>	<b>400,914</b>	<b>358,664</b>
<b>Total assets</b>	<b>1,643,387</b>	<b>2,327,695</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	62,977	53,729
Short-term borrowings	300,000	300,000
Current portion of long-term borrowings	112,829	92,295
Lease liabilities	433	-
Income taxes payable	24,792	20,669
Provision for bonuses	1,180	-
Provision for point card certificates	3,560	3,588
Provision for shareholder benefit program	28,237	-
Other	151,907	160,215
<b>Total current liabilities</b>	<b>685,916</b>	<b>630,498</b>
Non-current liabilities		
Bonds payable	200,000	200,000
Long-term borrowings	144,512	76,615
Deferred tax liabilities	19,738	9,687
Asset retirement obligations	73,455	52,996
Other	1,598	1,146
<b>Total non-current liabilities</b>	<b>439,303</b>	<b>340,446</b>
<b>Total liabilities</b>	<b>1,125,220</b>	<b>970,944</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,122,822	1,586,822
Capital surplus	611,956	1,076,068
Retained earnings	(1,216,215)	(1,305,717)
Treasury shares	(3,152)	(3,095)
<b>Total shareholders' equity</b>	<b>515,410</b>	<b>1,354,078</b>
Share acquisition rights	2,755	2,672
<b>Total net assets</b>	<b>518,166</b>	<b>1,356,750</b>

Total liabilities and net assets	1,643,387	2,327,695
----------------------------------	-----------	-----------

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Thousands of yen)

	For the nine months ended June 30, 2023	For the nine months ended June 30, 2024
Net sales	1,563,484	1,672,875
Cost of sales	503,835	563,017
Gross profit	1,059,649	1,109,857
Selling, general and administrative expenses	1,214,038	1,184,119
Operating loss	(154,389)	(74,261)
Non-operating income		
Interest income	4	3
Income on compensation	39	-
Subsidy income	719	-
Commission income	4,090	4,090
Other	1,792	595
Total non-operating income	6,647	4,689
Non-operating expenses		
Interest expenses	3,435	3,518
Interest expenses on bonds	909	1,501
Share acquisition rights issuance costs	3,338	-
Share issuance costs	244	6,631
Other	501	813
Total non-operating expenses	8,429	12,464
Ordinary loss	(156,172)	(82,036)
Extraordinary income		
Gain on sale of non-current assets	738	1,269
Gain on reversal of share acquisition rights	167	-
Total extraordinary income	905	1,269
Loss before income taxes	(155,267)	(80,767)
Income taxes - current	15,976	18,998
Income taxes - deferred	(14,231)	(10,264)
Total income taxes	1,744	8,733
Loss	(157,011)	(89,501)
Loss attributable to owners of parent	(157,011)	(89,501)

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Thousands of yen)

	For the nine months ended June 30, 2023	For the nine months ended June 30, 2024
Loss	(157,011)	(89,501)
Comprehensive income	(157,011)	(89,501)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(157,011)	(89,501)
Comprehensive income attributable to non-controlling interests	-	-