

# Translation

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## Summary of Consolidated Financial Results for the Three Months Ended September 30, 2022 (Based on Japanese GAAP)

November 14, 2022

Company name: GREENS CO.,LTD.  
 Stock exchange listing: Tokyo, Nagoya  
 Stock code: 6547 URL <https://www.kk-greens.jp/>  
 Representative: President & Representative Director Muraki Takeya  
 Director and General Manager  
 Inquiries: Hiroya Ito TEL 059(351)5593  
 Administration Div.  
 Scheduled date to file Quarterly Securities Report: November 14, 2022  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the three months ended September 30, 2022 (from July 1, 2022 to September 30, 2022)

#### (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	%
Three months ended September 30, 2022	8,517	66.7	710	–	691	–	676	–
Three months ended September 30, 2021	5,109	44.1	(1,404)	–	(1,405)	–	(1,412)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended September 30, 2022	52.51	48.75
Three months ended September 30, 2021	(109.67)	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2022	22,467	1,841	8.2
As of June 30, 2022	25,932	1,347	5.2

### 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 June 30, 2022	–	0.00	–	0.00	0.00
Year ending June 30, 2023	–				
Year ending June 30, 2023 (Forecast)		–	–	6.00	6.00

### 3. Forecast of consolidated financial results for the year ending June 30, 2023 (from July 1, 2022 to June 30, 2023)

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	33,000	29.7	1,500	–	1,200	–	900	–	69.89

#### 4. Notes

- (1) Changes in significant subsidiaries during the three months ended September 30, 2022  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (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 September 30, 2022	12,886,200 shares	As of June 30, 2022	12,886,200 shares
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Number of treasury shares at the end of the period

As of September 30, 2022	9,742 shares	As of June 30, 2022	9,742 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended September 30, 2022	12,876,458 shares	Three months ended September 30, 2021	12,876,458 shares
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## Quarterly consolidated financial statements

### Consolidated balance sheets

(Thousands of yen)

	As of June 30, 2022	As of September 30, 2022
Assets		
Current assets		
Cash and deposits	10,015,145	6,263,430
Accounts receivable - trade	1,981,839	2,323,841
Raw materials and supplies	102,008	114,283
Prepaid expenses	971,809	1,036,380
Other	90,812	66,959
Allowance for doubtful accounts	(1,680)	(1,920)
Total current assets	13,159,936	9,802,975
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,058,180	2,019,017
Tools, furniture and fixtures, net	442,212	410,511
Land	1,815,257	1,815,257
Leased assets, net	197,987	181,324
Construction in progress	2,122,834	2,122,834
Total property, plant and equipment	6,636,473	6,548,945
Intangible assets	140,698	125,872
Investments and other assets		
Investment securities	59,795	60,256
Long-term loans receivable	18,681	16,411
Guarantee deposits	5,784,034	5,788,130
Other	174,082	163,560
Allowance for doubtful accounts	(41,000)	(39,000)
Total investments and other assets	5,995,594	5,989,358
Total non-current assets	12,772,766	12,664,176
Total assets	25,932,702	22,467,151

(Thousands of yen)

	As of June 30, 2022	As of September 30, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	949,587	1,062,371
Short-term borrowings	9,600,000	5,600,000
Current portion of long-term borrowings	3,780,887	3,783,483
Accounts payable - other	866,836	873,573
Accrued expenses	579,015	589,191
Income taxes payable	64,769	15,871
Accrued consumption taxes	382,263	260,735
Provision for bonuses	–	161,180
Other	359,971	507,125
Total current liabilities	16,583,331	12,853,532
Non-current liabilities		
Long-term borrowings	7,158,337	6,972,834
Asset retirement obligations	563,783	543,909
Other	280,183	255,781
Total non-current liabilities	8,002,305	7,772,524
Total liabilities	24,585,636	20,626,057
Net assets		
Shareholders' equity		
Share capital	100,000	100,000
Capital surplus	3,433,240	3,251,596
Retained earnings	(2,170,244)	(1,494,133)
Treasury shares	(8,917)	(8,917)
Total shareholders' equity	1,354,078	1,848,545
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(7,012)	(7,450)
Total accumulated other comprehensive income	(7,012)	(7,450)
Total net assets	1,347,065	1,841,094
Total liabilities and net assets	25,932,702	22,467,151

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

## Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended September 30, 2021	Three months ended September 30, 2022
Net sales	5,109,106	8,517,666
Cost of sales	5,422,699	6,452,774
Gross profit (loss)	(313,593)	2,064,892
Selling, general and administrative expenses	1,090,932	1,354,327
Operating profit (loss)	(1,404,526)	710,564
Non-operating income		
Interest income	153	136
Penalty income	11,558	6,065
Subsidy income	41,065	10,382
Other	8,532	4,893
Total non-operating income	61,309	21,478
Non-operating expenses		
Interest expenses	25,026	24,329
Commission expenses	17,180	–
Compensation expenses	12,176	15,042
Other	7,540	688
Total non-operating expenses	61,923	40,060
Ordinary profit (loss)	(1,405,140)	691,982
Extraordinary income		
Gain on sale of non-current assets	8,897	–
Total extraordinary income	8,897	–
Extraordinary losses		
Loss on retirement of non-current assets	0	–
Total extraordinary losses	0	–
Profit (loss) before income taxes	(1,396,242)	691,982
Income taxes	15,871	15,871
Profit (loss)	(1,412,113)	676,110
Profit (loss) attributable to owners of parent	(1,412,113)	676,110

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Three months ended September 30, 2021	Three months ended September 30, 2022
Profit (loss)	(1,412,113)	676,110
Other comprehensive income		
Valuation difference on available-for-sale securities	2,878	(438)
Total other comprehensive income	2,878	(438)
Comprehensive income	(1,409,234)	675,672
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,409,234)	675,672