

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended March 31, 2022 (Based on Japanese GAAP)

May 13, 2022

Company name: EF-ON INC.
 Stock exchange listing: Tokyo
 Stock code: 9514 URL <http://www.ef-on.co.jp/>
 Representative: President and Representative Director TOMOTADA SHIMAZAKI
 Inquiries: Executive Director HISAHITO KOIKE TEL 03-4500-6450
 Scheduled date to file Quarterly Securities Report: May 13, 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 nine months ended March 31, 2022 (from July 1, 2021 to March 31, 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	%
Nine months ended March 31, 2022	10,104	1.5	1,035	(49.7)	923	(52.3)	728	(46.0)
Nine months ended March 31, 2021	9,956	10.2	2,058	(10.8)	1,937	(12.0)	1,347	1.4

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended March 31, 2022	33.78		–	
Nine months ended March 31, 2021	62.29		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2022	47,793	17,374	36.4
As of June 30, 2021	45,603	16,924	37.1

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended June 30, 2021	–	0.00	–	8.00	8.00
Year ending June 30, 2022	–	0.00	–		
Year ending June 30, 2022 (Forecast)				8.00	8.00

3. Forecast of consolidated financial results for the year ending June 30, 2022 (from July 1, 2021 to June 30, 2022)

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	13,500	2.7	1,650	(36.2)	1,500	(37.4)	1,050	(37.3)	48.69

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended March 31, 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: 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: Yes
- 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 March 31, 2022	21,636,579 shares	As of June 30, 2021	21,636,579 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	149,200 shares	As of June 30, 2021	– shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended March 31, 2022	21,566,599 shares	Nine months ended March 31, 2021	21,637,441 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of June 30, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	5,272	5,100
Notes and accounts receivable - trade	1,270	1,172
Supplies	874	1,127
Consumption taxes receivable	31	55
Deferred income tax - non current	508	691
Other	123	217
Total current assets	8,081	8,364
Non-current assets		
Property, plant and equipment		
Buildings and structures	8,847	9,113
Accumulated depreciation	(1,589)	(1,761)
Buildings and structures, net	7,257	7,351
Machinery, equipment and vehicles	21,243	20,684
Accumulated depreciation	(6,483)	(6,377)
Machinery, equipment and vehicles, net	14,760	14,306
Tools, furniture and fixtures	236	268
Accumulated depreciation	(156)	(178)
Tools, furniture and fixtures, net	79	90
Land	3,229	3,291
Leased assets	772	652
Accumulated depreciation	(695)	(616)
Leased assets, net	77	35
Trees	770	831
Construction in progress	10,839	12,893
Total property, plant and equipment	37,015	38,802
Intangible assets		
Right to use electricity supply facilities	329	317
Other	8	12
Total intangible assets	338	329
Investments and other assets		
Deferred tax assets	88	77
Other	80	219
Total investments and other assets	168	297
Total non-current assets	37,521	39,428
Total assets	45,603	47,793

(Millions of yen)

	As of June 30, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,000	1,563
Short-term borrowings	200	–
Current portion of long-term borrowings	1,938	2,330
Accounts payable - other	1,145	571
Current portion of long-term accounts payable-other	70	1
Lease obligations	58	35
Income taxes payable	308	63
Provision for bonuses	44	81
Provision for maintenance	403	560
Other	175	362
Total current liabilities	5,344	5,570
Non-current liabilities		
Long-term borrowings	23,194	24,663
Long-term accounts payable - other	0	–
Lease obligations	32	9
Provision for share awards	–	21
Deferred tax liabilities	107	153
Total non-current liabilities	23,334	24,848
Total liabilities	28,678	30,418
Net assets		
Shareholders' equity		
Share capital	2,292	2,292
Capital surplus	1,292	1,292
Retained earnings	13,339	13,894
Treasury shares	–	(105)
Total shareholders' equity	16,924	17,374
Total net assets	16,924	17,374
Total liabilities and net assets	45,603	47,793

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended March 31, 2021	Nine months ended March 31, 2022
Net sales	9,956	10,104
Cost of sales	7,301	8,240
Gross profit	2,654	1,863
Selling, general and administrative expenses	596	828
Operating profit	2,058	1,035
Non-operating income		
Interest income	0	0
Gain on sale of scraps	2	3
Subsidy income	4	6
Subsidy income	6	8
Gain on sale of non-current assets	–	1
Other	6	2
Total non-operating income	18	22
Non-operating expenses		
Interest expenses	111	125
Commission expenses	4	4
Loss on retirement of non-current assets	2	0
Other	20	4
Total non-operating expenses	139	134
Ordinary profit	1,937	923
Extraordinary income		
Gain on reversal of share acquisition rights	8	–
Subsidy income	–	228
Total extraordinary income	8	228
Extraordinary losses		
Head office relocation expenses	–	65
Other	–	0
Total extraordinary losses	–	66
Profit before income taxes	1,946	1,086
Income taxes - current	441	300
Income taxes - deferred	157	57
Total income taxes	598	357
Profit	1,347	728
Profit attributable to owners of parent	1,347	728

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended March 31, 2021	Nine months ended March 31, 2022
Profit	1,347	728
Comprehensive income	1,347	728
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,347	728
Comprehensive income attributable to non-controlling interests	—	—