

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended March 31, 2023 (Based on Japanese GAAP)

May 12, 2023

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 12, 2023  
 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, 2023 (from July 1, 2022 to March 31, 2023)

(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, 2023	12,959	28.3	1,437	38.9	1,403	52.0	967	32.7
Nine months ended March 31, 2022	10,104	1.5	1,035	(49.7)	923	(52.3)	728	(46.0)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended March 31, 2023	45.01	–
Nine months ended March 31, 2022	33.78	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2023	46,814	18,332	39.2
As of June 30, 2022	47,241	17,539	37.1

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	–	8.00	8.00
Year ending June 30, 2023	–	0.00	–		
Year ending June 30, 2023 (Forecast)				8.00	8.00

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	17,000	28.2	2,500	92.4	2,200	87.4	1,500	67.9	69.81

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended March 31, 2023  
 (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, 2023	21,635,819 shares	As of June 30, 2022	21,635,819 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	148,760 shares	As of June 30, 2022	148,500 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, 2023	21,487,214 shares	Nine months ended March 31, 2022	21,566,599 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of June 30, 2022	As of March 31, 2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	4,534	5,359
Accounts receivable - trade	1,304	1,631
Supplies	1,244	826
Consumption taxes refund receivable	89	63
Deferred income tax - non current	657	0
Other	200	278
<b>Total current assets</b>	<b>8,031</b>	<b>8,159</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	9,114	13,657
Accumulated depreciation	(1,847)	(2,221)
Buildings and structures, net	7,266	11,435
Machinery, equipment and vehicles	20,745	28,570
Accumulated depreciation	(6,688)	(7,631)
Machinery, equipment and vehicles, net	14,056	20,939
Tools, furniture and fixtures	269	306
Accumulated depreciation	(188)	(211)
Tools, furniture and fixtures, net	80	95
Land	3,334	3,847
Leased assets	652	329
Accumulated depreciation	(629)	(321)
Leased assets, net	23	7
Trees	846	1,116
Construction in progress	12,999	10
<b>Total property, plant and equipment</b>	<b>38,607</b>	<b>37,452</b>
<b>Intangible assets</b>		
Right to use electricity supply facilities	305	917
Other	12	10
<b>Total intangible assets</b>	<b>317</b>	<b>927</b>
<b>Investments and other assets</b>		
Deferred tax assets	69	73
Other	215	202
<b>Total investments and other assets</b>	<b>284</b>	<b>275</b>
<b>Total non-current assets</b>	<b>39,210</b>	<b>38,655</b>
<b>Total assets</b>	<b>47,241</b>	<b>46,814</b>

(Millions of yen)

	As of June 30, 2022	As of March 31, 2023
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	1,543	1,228
Short-term borrowings	–	350
Current portion of long-term borrowings	2,343	2,239
Accounts payable - other	680	377
Current portion of long-term accounts payable-other	0	–
Lease liabilities	24	9
Income taxes payable	109	307
Provision for bonuses	44	82
Provision for maintenance	418	598
Other	204	312
<b>Total current liabilities</b>	<b>5,368</b>	<b>5,507</b>
<b>Non-current liabilities</b>		
Long-term borrowings	24,099	22,693
Lease liabilities	7	–
Provision for share awards	29	51
Deferred tax liabilities	197	229
<b>Total non-current liabilities</b>	<b>24,334</b>	<b>22,974</b>
<b>Total liabilities</b>	<b>29,702</b>	<b>28,481</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	2,292	2,292
Capital surplus	1,292	1,292
Retained earnings	14,058	14,852
Treasury shares	(104)	(105)
<b>Total shareholders' equity</b>	<b>17,539</b>	<b>18,332</b>
<b>Total net assets</b>	<b>17,539</b>	<b>18,332</b>
<b>Total liabilities and net assets</b>	<b>47,241</b>	<b>46,814</b>

**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, 2022	Nine months ended March 31, 2023
Net sales	10,104	12,959
Cost of sales	8,240	10,819
Gross profit	1,863	2,140
Selling, general and administrative expenses	828	702
Operating profit	1,035	1,437
Non-operating income		
Interest income	0	14
Gain on sale of scraps	3	2
Gain on sale of non-current assets	1	6
Subsidy income	6	5
Subsidy income	8	14
Penalty income	–	160
Other	2	7
Total non-operating income	22	212
Non-operating expenses		
Interest expenses	125	213
Commission expenses	4	4
Loss on retirement of non-current assets	0	0
Other	4	28
Total non-operating expenses	134	246
Ordinary profit	923	1,403
Extraordinary income		
Subsidy income	228	–
Total extraordinary income	228	–
Extraordinary losses		
Head office relocation expenses	65	–
Other	0	–
Total extraordinary losses	66	–
Profit before income taxes	1,086	1,403
Income taxes - current	300	408
Income taxes - deferred	57	27
Total income taxes	357	436
Profit	728	967
Profit attributable to owners of parent	728	967

## Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended March 31, 2022	Nine months ended March 31, 2023
Profit	728	967
Comprehensive income	728	967
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	728	967
Comprehensive income attributable to non-controlling interests	—	—