

Translation

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Summary of Consolidated Financial Results for the Three Months Ended September 30, 2023 (Based on Japanese GAAP)

November 14, 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: November 14, 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 three months ended September 30, 2023 (from July 1, 2023 to September 30, 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	%
Three months ended September 30, 2023	4,551	9.7	170	(56.5)	101	(79.2)	99	(70.9)
Three months ended September 30, 2022	4,148	20.2	392	(14.3)	485	15.9	342	13.4

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended September 30, 2023	4.64		–	
Three months ended September 30, 2022	15.93		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	45,526	18,117	39.8
As of June 30, 2023	45,718	18,190	39.8

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, 2023	–	0.00	–	8.00	8.00
Year ending June 30, 2024	–	–	–	–	–
Year ending June 30, 2024 (Forecast)	–	0.00	–	8.00	8.00

3. Forecast of consolidated financial results for the year ending June 30, 2024 (from July 1, 2023 to June 30, 2024)

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
Six months ending December 31, 2023	9,000	5.7	1,000	1.5	800	(20.6)	560	(19.0)	26.06
Full year	18,000	6.2	2,000	43.2	1,600	24.3	1,120	35.9	52.12

4. Notes

- (1) Changes in significant subsidiaries during the three months ended September 30, 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: 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, 2023	21,635,439 shares	As of June 30, 2023	21,635,439 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	148,500 shares	As of June 30, 2023	148,500 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, 2023	21,486,939 shares	Three months ended September 30, 2022	21,487,280 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of June 30, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	4,370	4,548
Accounts receivable - trade	1,706	1,857
Supplies	1,065	1,047
Consumption taxes refund receivable	79	51
Deferred income tax - non current	0	2
Other	374	392
Total current assets	7,598	7,899
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,661	13,664
Accumulated depreciation	(2,351)	(2,479)
Buildings and structures, net	11,309	11,184
Machinery, equipment and vehicles	28,548	28,566
Accumulated depreciation	(8,022)	(8,421)
Machinery, equipment and vehicles, net	20,525	20,144
Tools, furniture and fixtures	308	317
Accumulated depreciation	(221)	(227)
Tools, furniture and fixtures, net	87	89
Land	3,865	3,894
Leased assets	329	329
Accumulated depreciation	(323)	(326)
Leased assets, net	5	3
Trees	1,109	1,133
Construction in progress	16	33
Total property, plant and equipment	36,919	36,483
Intangible assets		
Right to use electricity supply facilities	901	847
Other	9	8
Total intangible assets	911	856
Investments and other assets		
Deferred tax assets	91	94
Other	197	193
Total investments and other assets	289	287
Total non-current assets	38,120	37,627
Total assets	45,718	45,526

(Millions of yen)

	As of June 30, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,287	1,371
Short-term borrowings	–	200
Current portion of long-term borrowings	2,186	2,166
Accounts payable - other	380	311
Lease liabilities	7	4
Income taxes payable	358	97
Provision for bonuses	43	79
Provision for maintenance	560	741
Other	212	233
Total current liabilities	5,036	5,206
Non-current liabilities		
Long-term borrowings	22,168	21,912
Provision for share awards	59	67
Deferred tax liabilities	263	223
Total non-current liabilities	22,491	22,203
Total liabilities	27,528	27,409
Net assets		
Shareholders' equity		
Share capital	2,292	2,292
Capital surplus	1,292	1,292
Retained earnings	14,709	14,636
Treasury shares	(104)	(104)
Total shareholders' equity	18,190	18,117
Total net assets	18,190	18,117
Total liabilities and net assets	45,718	45,526

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended September 30, 2022	Three months ended September 30, 2023
Net sales	4,148	4,551
Cost of sales	3,533	4,153
Gross profit	615	397
Selling, general and administrative expenses	223	227
Operating profit	392	170
Non-operating income		
Interest income	4	4
Gain on sale of scraps	0	1
Gain on sale of non-current assets	0	–
Penalty income	160	–
Subsidy income	7	13
Other	6	1
Total non-operating income	179	20
Non-operating expenses		
Interest expenses	67	73
Commission expenses	1	1
Loss on sale of non-current assets	–	4
Loss on retirement of non-current assets	0	0
Other	16	10
Total non-operating expenses	86	90
Ordinary profit	485	101
Profit before income taxes	485	101
Income taxes - current	166	43
Income taxes - deferred	(22)	(42)
Total income taxes	143	1
Profit	342	99
Profit attributable to owners of parent	342	99

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended September 30, 2022	Three months ended September 30, 2023
Profit	342	99
Comprehensive income	342	99
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	342	99
Comprehensive income attributable to non-controlling interests	—	—