

## CONSOLIDATED FINANCIAL STATEMENTS (IFRS) (Non-Audited) (For the fiscal year 2023)

February 7, 2024

Company Name SUMIDA CORPORATION

Stock Exchange Listing: Tokyo Stock Exchange

Listing Code 6817 URL <https://www.sumida.com>

Representative: Kanji Hori, CEO

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Date of annual general meeting: March 26, 2024

The date of payout of  
dividends: March 6, 2024

Date of Submission of Marketable  
Securities Filings: March 21, 2024

Supplementary Materials Prepared for the Financial Statements: Yes

Presentation Held to Explain the Financial Statements: Yes

(Amounts of less than one million yen are omitted.)

### 1. Consolidated financial results for FY 2023 (January 1, 2023 - December 31, 2023)

#### (1) Operating results

(Percentages represent changes compared with the same period of the previous fiscal year.)

	Revenue		Operating profit		Profit before income taxes		Profit		Profit attributable to owners of parent		Comprehensive income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY 2023	147,672	6.5	8,564	4.6	5,856	(10.4)	5,102	(1.3)	5,064	(0.7)	8,438	(12.1)
FY 2022	138,600	32.1	8,189	53.8	6,534	67.6	5,168	91.7	5,099	94.0	9,601	50.6

	Basic earnings per share	Diluted earnings per share	Ratio of net income to equity attributable to owners of parent	Ratio of income before taxes to total assets	Ratio of operating income to revenue
	Yen	Yen	%	%	%
FY 2023	167.46	164.71	9.9	4.2	5.8
FY 2022	187.54	185.48	12.0	5.2	5.9

#### (2) Financial position

	Assets	Equity	Equity attributable to Owners of parent	Ratio of equity attributable to Owners of parent	Share attributable to owners of parent per share
	Million yen	Million yen	Million yen	%	Yen
FY 2023	142,786	57,312	55,056	38.6	1,687.39
FY 2022	134,846	48,877	46,829	34.7	1,722.08

#### (3) Consolidated cash flows

	Operating activities	Investing activities	Financing activities	Balance of cash and cash equivalents
	Million yen	Million yen	Million yen	Million yen
FY 2023	18,343	(10,702)	(7,782)	3,107
FY 2022	10,566	(8,174)	(4,130)	2,944

### 2. Dividends (January 1, 2023 - December 31, 2023)

	Cash dividends per share					Total amount of cash dividends (annual)	Dividend payout ratio (consolidated)	Ratio of dividends to owners of parent (consolidated)
	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	Million yen	Million yen
FY2022	-	14.00	-	33.00	47.00	1,278	25.1	3.1
FY2023	-	23.00	-	28.00	51.00	1,664	30.5	3.0
FY2024 (forecast)	-	26.00	-	27.00	53.00		30.3	

Note: Whether the dividend forecast under review has been revised: Yes

The dividend for FY2023 Year-end is scheduled to be submitted for approval to the Board of Directors at a meeting planned on February 22, 2024.

### 3. Forecast of Consolidated Results for FY 2024 (January 1, 2024 - December 31, 2024)

(Percentages represent changes with the previous fiscal year.)

	Revenue		Operating profit		Profit before income taxes		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY 2024	158,600	7.4	9,500	10.9	7,300	24.6	5,700	12.5	174.69

Note

(1) Changes in significant subsidiaries during FY 2023 (Changes in specific subsidiaries that caused change in scope of consolidation): None

(2) Changes in accounting policies and changes in accounting estimates

- |   |      |
|---|------|
| 1. Changes in accounting policies required by IFRS:             | Yes  |
| 2. Changes in accounting policies other than those in 1. above: | None |
| 3. Changes in accounting estimates:                             | None |

(3) Number of common shares outstanding (Shares)

1. Number of shares issued at the end of the period (including treasury stock)	As of Dec. 31, 2023	32,879,317	As of Dec. 31, 2022	27,444,317
2. Number of treasury stocks at the end of the period	As of Dec. 31, 2023	250,963	As of Dec. 31, 2022	250,742
3. Average number of shares issued during the period	As of Dec. 31, 2023	30,244,368	As of Dec. 31, 2022	27,193,746

Note:

The consolidated financial statements are not subject to audits by external auditors.

Note:

Explanation of the appropriate use of performance forecasts and other related items

Portions of this report that refer to performance forecasts or any other future events are believed to be reasonable under information available at the time of the forecasts. Actual financial results may materially differ from these forecasts due to potential risks and uncertainties.

**Consolidated financial statements and main notes****(1) Consolidated Balance Sheets**

(Units: Million yen)

	<b>At December 31, 2022</b>	<b>At December 31, 2023</b>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	2,944	3,107
Trade and other receivables	30,069	28,324
Inventories	30,143	29,209
Other current assets	5,272	7,006
<b>Total current assets</b>	<b>68,431</b>	<b>67,648</b>
Non-current assets		
Property, plant and equipment	46,416	52,084
Right-of-use asset	4,885	5,986
Goodwill	4,916	5,335
Intangible assets	6,935	7,404
Financial assets	589	630
Deferred tax assets	2,345	2,996
Other non-current assets	325	699
<b>Total non-current assets</b>	<b>66,415</b>	<b>75,137</b>
<b>Assets</b>	<b>134,846</b>	<b>142,786</b>

(Units: Million yen)

	At December 31, 2022	At December 31, 2023
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	14,906	15,036
Interest-bearing liabilities	23,607	23,490
Current portion of long-term debt	12,697	7,856
Current portion of long-term lease	1,040	1,087
Provisions	415	909
Income taxes payable	1,246	716
Accrued expenses	3,822	3,857
Other current liabilities	2,591	2,595
Total current liabilities	60,327	55,550
Non-current liabilities		
Long-term debt	17,330	20,030
Lease obligation	3,872	4,735
Retirement benefit liability	1,287	1,581
Provisions	21	21
Deferred tax liabilities	1,441	1,411
Other non-current liabilities	1,688	2,143
Total non-current liabilities	25,641	29,923
Liabilities	85,969	85,473
Equity		
Share capital	10,150	13,519
Capital surplus	9,898	13,078
Other components of equity	4,850	—
Retained earnings	18,530	21,722
Share options	290	460
Treasury shares	(520)	(520)
Accumulated other comprehensive income	3,630	6,797
Equity attributable to owners of parent	46,829	55,056
Non-controlling interests	2,047	2,255
Equity	48,877	57,312
Liabilities and equity	134,846	142,786

**(2) Consolidated Statement of Profit or Loss**

(Units: Million yen)

	<b>For the year ended December 31, 2022</b>	<b>For the year ended December 31, 2023</b>
Revenue	138,600	147,672
Cost of sales	(119,298)	(126,561)
Gross profit	19,302	21,110
Selling, general and administrative expenses	(11,319)	(12,282)
Other operating income	293	546
Other operating expenses	(86)	(809)
Operating profit	8,189	8,564
Finance income	129	41
Finance costs	(1,784)	(2,749)
Profit before income taxes	6,534	5,856
Income taxes	(1,366)	(754)
Profit	5,168	5,102
Profit attributable to:		
Owners of parent	5,099	5,064
Non-controlling interests	68	37

(Units : Yen)

	<b>For the year ended December 31, 2022</b>	<b>For the year ended December 31, 2023</b>
Earnings per share		
Basic earnings per share	187.54	167.46
Diluted earnings per share	185.48	164.71

## Consolidated Statement of Comprehensive Income

(Units: Million yen)

	For the year ended December 31, 2022	For the year ended December 31, 2023
Profit	5,168	5,102
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Gains and losses from investments in equity instruments designated at fair value through other comprehensive income	0	0
Remeasurements of defined benefit plans	203	(157)
Total of items that will not be reclassified to profit or loss	203	(157)
Items that may be reclassified subsequently to profit or loss		
Effective portion of cash flow hedges	113	(11)
Exchange differences on translation of foreign operations	4,117	3,506
Total of items that may be reclassified subsequently to profit or loss	4,230	3,494
Other comprehensive income (after income taxes)	4,433	3,336
Comprehensive income	9,601	8,438
Comprehensive income attributable to:		
Owners of parent	9,316	8,231
Non-controlling interests	285	207

### (3) Consolidated Statement of Change in Equity

(Units: Million yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Other components of equity	Retained earnings	Share options	Treasury shares
As of January 1, 2022	10,150	9,898	4,850	14,440	105	(519)
Cumulative effects of changes in accounting policies				(102)		
Restated balance	10,150	9,898	4,850	14,338	105	(519)
Profit				5,099		
Other comprehensive income						
Comprehensive income	-	-	-	5,099	-	-
Dividends				(679)		
Distribution of other capital instruments to owners				(228)		
Purchase of treasury shares						(0)
Share-based payments					185	
Total transactions with owners	-	-	-	(908)	185	(0)
As of December 31, 2022	10,150	9,898	4,850	18,530	290	(520)

(Units: Million yen)

	Equity attributable to owners of parent						Non-controlling interests	Equity
	Accumulated other comprehensive income					Total shareholders' equity		
	Remeasurements of defined benefit plans	Share of other comprehensive income of investments accounted for using the equity method	Effective portion of cash flow hedges	Exchange differences on translation of foreign operations	Accumulated other comprehensive income/(loss)			
As of January 1, 2022	(590)	41	(79)	41	(586)	38,338	1,762	40,101
Cumulative effects of changes in accounting policies					-	(102)		(102)
Restated balance	(590)	41	(79)	41	(586)	38,235	1,762	39,998
Profit					-	5,099	68	5,168
Other comprehensive income	192	0	113	3,910	4,216	4,216	217	4,433
Comprehensive income	192	0	113	3,910	4,216	9,316	285	9,601
Dividends					-	(679)		(679)
Distribution of other capital instruments to owners					-	(228)		(228)
Purchase of treasury shares					-	(0)		(0)
Share-based payments					-	185		185
Total transactions with owners	-	-	-	-	-	(722)	-	(722)
As of December 31, 2022	(397)	41	34	3,952	3,630	46,829	2,047	48,877

(Units: Million yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Other components of equity	Retained earnings	Share options	Treasury shares
As of January 1, 2023	10,150	9,898	4,850	18,530	290	(520)
Profit				5,064		
Other comprehensive income						
Comprehensive income	-	-	-	5,064	-	-
Redemption of other capital instruments		(150)	(4,850)			
Issuance of new shares	3,368	3,330				
Dividends				(1,647)		
Distribution of other capital instruments to owners				(224)		
Purchase of treasury shares						(0)
Share-based payments					169	
Total transactions with owners	3,368	3,180	(4,850)	(1,872)	169	(0)
As of December 31, 2023	13,519	13,078	-	21,722	460	(520)

(Units: Million yen)

	Equity attributable to owners of parent						Non-controlling interests	Equity
	Accumulated other comprehensive income					Total shareholders' equity		
	Remeasurements of defined benefit plans	Share of other comprehensive income of investments accounted for using the equity method	Effective portion of cash flow hedges	Exchange differences on translation of foreign operations	Accumulated other comprehensive income/(loss)			
As of January 1, 2023	(397)	41	34	3,952	3,630	46,829	2,047	48,877
Profit					-	5,064	37	5,102
Other comprehensive income	(148)	0	(11)	3,326	3,166	3,166	170	3,336
Comprehensive income	(148)	0	(11)	3,326	3,166	8,231	207	8,438
Redemption of other capital instruments					-	(5,000)		(5,000)
Issuance of new shares					-	6,698		6,698
Dividends					-	(1,647)		(1,647)
Distribution of other capital instruments to owners					-	(224)		(224)
Purchase of treasury shares					-	(0)		(0)
Share-based payments					-	169		169
Total transactions with owners	-	-	-	-	-	(4)	-	(4)
As of December 31, 2023	(546)	41	22	7,279	6,797	55,056	2,255	57,312



**(4) Consolidated Statement of Cash Flows**

(Units: Million yen)

	<b>For the year ended December 31, 2022</b>	<b>For the year ended December 31, 2023</b>
Cash flows from operating activities		
Profit (loss) before income taxes	6,534	5,856
Depreciation and amortization	8,120	9,361
Impairment loss	59	41
Interest and dividend income	(38)	(40)
Interest expenses	1,663	2,544
(Gains) losses on sales of property, plant and equipment	(99)	(2)
(Gains) losses on liquidation of subsidiaries	(2)	(384)
(Increase) decrease in trade and other receivables	(5,139)	4,016
(Increase) decrease in inventories	(982)	3,360
Increase (decrease) in trade and other payables	998	(1,024)
Other	1,925	(1,128)
Subtotal	13,038	22,600
Interest received	38	40
Interest paid	(1,500)	(2,417)
Income taxes paid	(1,009)	(1,879)
Net cash provided by (used in) operating activities	10,566	18,343
Cash flows from investing activities		
Purchase of property, plant and equipment	(8,204)	(9,804)
Proceeds from sales of property, plant and equipment	1,004	205
Purchase of intangible assets	(970)	(1,110)
Other	(3)	7
Net cash provided by (used in) investing activities	(8,174)	(10,702)

(Units: Million yen)

	<b>For the year ended December 31, 2022</b>	<b>For the year ended December 31, 2023</b>
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,901	(1,528)
Proceeds from long-term borrowings	8,591	10,201
Repayments of long-term borrowings	(13,481)	(14,650)
Redemption of other capital instruments	-	(5,000)
Proceeds from issuance of common shares	-	6,698
Dividends paid	(680)	(1,645)
Payment of distributions to owners of other capital instruments	(227)	(227)
Repayments of lease obligations	(1,233)	(1,629)
Other	(0)	(0)
Net cash provided by (used in) financing activities	(4,130)	(7,782)
Effect of exchange rate change on cash and cash equivalents	445	304
Net increase (decrease) in cash and cash equivalents	(1,292)	163
Cash and cash equivalents as at January 1	4,237	2,944
Cash and cash equivalents as at December 31	2,944	3,107

(5) Main notes to the consolidated financial statements

1. Notes to the financial assumptions for Goring Concern

None

2. Change in accounting policies required by IFRS

The Group has adopted *International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)* from the year ended December 31, 2023. The amendments provide a temporary mandatory exception from deferred tax accounting for corporate income tax which is enacted or substantively enacted in order to apply Pillar Two Model Rules published by OECD, which is effective immediately, and require new disclosures about the Pillar Two exposure.

The mandatory exception applies retrospectively. However, because no new legislation to implement the top-up tax was enacted at 31 December 2023 in any jurisdiction in which the Group operates and no related deferred tax was recognized at the date, the retrospective application has no impact on the Group's consolidated financial statements.