

Translation

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

February 13, 2024

Company name: KOA SHOJI HOLDINGS CO.,LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 9273 URL <https://www.koashoji-hd.com/>  
 Representative: President and Representative Director Toshiyuki SHUTO  
 Inquiries: Director in charge of Finance & Accounting Miyoko KOMATSU TEL 045(560)6607  
 Scheduled date to file Quarterly Securities Report: February 14, 2024  
 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 six months ended December 31, 2023 (from July 1, 2023 to December 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	%
Six months ended December 31, 2023	11,382	1.9	2,393	10.8	2,440	12.1	1,563	12.1
Six months ended December 31, 2022	11,166	7.8	2,160	(0.3)	2,176	1.4	1,394	(0.2)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended December 31, 2023	39.46	–
Six months ended December 31, 2022	35.19	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	29,642	21,985	74.2
As of June 30, 2023	28,464	20,923	73.5

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, 2023	–	0.00	–	12.00	12.00
Year ending June 30, 2024	–	0.00			
Year ending June 30, 2024 (Forecast)			–	13.00	13.00

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
Full year	22,980	4.2	4,380	3.1	4,380	7.0	2,770	3.1	69.92

4. Notes

- (1) Changes in significant subsidiaries during the six months ended December 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: 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 December 31, 2023	39,619,980 shares	As of June 30, 2023	39,619,980 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	1,356 shares	As of June 30, 2023	1,356 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended December 31, 2023	39,618,624 shares	Six months ended December 31, 2022	39,618,624 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of June 30, 2023	As of December 31, 2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	10,767,016	11,036,296
Notes and accounts receivable - trade	3,910,453	4,171,983
Electronically recorded monetary claims - operating	4,406,195	4,961,492
Merchandise and finished goods	1,415,639	1,409,802
Work in process	563,125	454,165
Raw materials and supplies	483,358	642,781
Other	284,469	151,038
<b>Total current assets</b>	<b>21,830,258</b>	<b>22,827,561</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	4,889,478	4,931,286
Accumulated depreciation	(2,336,069)	(2,434,757)
Buildings and structures, net	2,553,408	2,496,528
Machinery, equipment and vehicles	3,798,624	3,817,029
Accumulated depreciation	(2,267,079)	(2,465,315)
Machinery, equipment and vehicles, net	1,531,544	1,351,713
Tools, furniture and fixtures	1,351,945	1,378,901
Accumulated depreciation	(1,085,743)	(1,124,432)
Tools, furniture and fixtures, net	266,201	254,468
Land	1,761,774	1,761,774
Construction in progress	163,026	576,885
<b>Total property, plant and equipment</b>	<b>6,275,955</b>	<b>6,441,371</b>
<b>Intangible assets</b>		
Other	33,879	23,308
<b>Total intangible assets</b>	<b>33,879</b>	<b>23,308</b>
<b>Investments and other assets</b>		
Investment securities	56,775	81,946
Deferred tax assets	222,079	231,191
Retirement benefit asset	29,891	21,538
Other	15,652	15,675
<b>Total investments and other assets</b>	<b>324,399</b>	<b>350,352</b>
<b>Total non-current assets</b>	<b>6,634,234</b>	<b>6,815,031</b>
<b>Total assets</b>	<b>28,464,493</b>	<b>29,642,592</b>

(Thousands of yen)

	As of June 30, 2023	As of December 31, 2023
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	1,504,004	1,720,406
Electronically recorded obligations - operating	686,818	978,432
Short-term borrowings	850,000	850,000
Current portion of long-term borrowings	349,904	373,904
Income taxes payable	810,011	887,768
Provision for bonuses	48,558	35,338
Other	984,618	666,396
<b>Total current liabilities</b>	<b>5,233,914</b>	<b>5,512,247</b>
<b>Non-current liabilities</b>		
Long-term borrowings	1,941,288	1,766,336
Deferred tax liabilities	1,460	4,112
Provision for retirement benefits for directors (and other officers)	137,624	144,138
Retirement benefit liability	135,597	150,163
Other	91,119	79,999
<b>Total non-current liabilities</b>	<b>2,307,090</b>	<b>2,144,749</b>
<b>Total liabilities</b>	<b>7,541,004</b>	<b>7,656,997</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	522,277	522,277
Capital surplus	205,828	205,828
Retained earnings	20,172,089	21,259,972
Treasury shares	(407)	(407)
<b>Total shareholders' equity</b>	<b>20,899,787</b>	<b>21,987,670</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	11,915	27,090
Deferred gains or losses on hedges	11,785	(29,165)
<b>Total accumulated other comprehensive income</b>	<b>23,700</b>	<b>(2,074)</b>
<b>Total net assets</b>	<b>20,923,488</b>	<b>21,985,595</b>
<b>Total liabilities and net assets</b>	<b>28,464,493</b>	<b>29,642,592</b>

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

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Six months ended December 31, 2022	Six months ended December 31, 2023
Net sales	11,166,974	11,382,942
Cost of sales	7,973,282	7,924,332
Gross profit	3,193,692	3,458,609
Selling, general and administrative expenses	1,033,450	1,065,308
Operating profit	2,160,241	2,393,300
Non-operating income		
Interest and dividend income	1,841	1,948
Foreign exchange gains	3,644	12,844
Commission income	9,331	3,942
Compensation income	7,004	640
Insurance claim income	–	26,533
Other	2,820	4,269
Total non-operating income	24,641	50,177
Non-operating expenses		
Interest expenses	3,949	3,359
Loss on valuation of investment securities	3,071	–
Other	996	9
Total non-operating expenses	8,017	3,368
Ordinary profit	2,176,866	2,440,109
Profit before income taxes	2,176,866	2,440,109
Income taxes - current	778,653	869,987
Income taxes - deferred	3,868	6,816
Total income taxes	782,522	876,803
Profit	1,394,344	1,563,306
Profit attributable to owners of parent	1,394,344	1,563,306

## Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended December 31, 2022	Six months ended December 31, 2023
Profit	1,394,344	1,563,306
Other comprehensive income		
Valuation difference on available-for-sale securities	175	15,175
Deferred gains or losses on hedges	(66,649)	(40,951)
Total other comprehensive income	(66,473)	(25,775)
Comprehensive income	1,327,870	1,537,530
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,327,870	1,537,530

## Consolidated statements of cash flows

(Thousands of yen)

	Six months ended December 31, 2022	Six months ended December 31, 2023
Cash flows from operating activities		
Profit before income taxes	2,176,866	2,440,109
Depreciation	339,027	350,895
Increase (decrease) in provision for bonuses	(12,929)	(13,219)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	6,216	6,514
Decrease (increase) in retirement benefit asset	7,227	8,353
Increase (decrease) in retirement benefit liability	5,493	14,566
Loss (gain) on valuation of investment securities	3,071	–
Interest and dividend income	(1,841)	(1,948)
Interest expenses	3,949	3,359
Insurance claim income	–	(26,533)
Foreign exchange losses (gains)	(416)	609
Loss (gain) on sale and retirement of non-current assets	437	0
Decrease (increase) in trade receivables	(1,411,175)	(816,827)
Decrease (increase) in inventories	(394,553)	(48,493)
Increase (decrease) in trade payables	720,564	508,016
Decrease (increase) in accounts receivable - other	(6,967)	1,576
Other, net	(122,442)	(208,767)
Subtotal	1,312,525	2,218,212
Interest and dividends received	4,115	1,780
Interest paid	(3,661)	(3,121)
Subsidies received	766	776
Proceeds from insurance income	–	26,533
Income taxes paid	(795,361)	(795,596)
Income taxes refund	–	91,733
Net cash provided by (used in) operating activities	518,384	1,540,318
Cash flows from investing activities		
Purchase of non-current assets	(104,085)	(628,193)
Payments into time deposits	(85,011)	(91,012)
Proceeds from withdrawal of time deposits	72,011	78,011
Other, net	(2,698)	(3,125)
Net cash provided by (used in) investing activities	(119,784)	(644,320)
Cash flows from financing activities		
Repayments of long-term borrowings	(150,952)	(150,952)
Dividends paid	(436,130)	(475,266)
Other, net	(12,971)	(12,890)
Net cash provided by (used in) financing activities	(600,053)	(639,109)
Effect of exchange rate change on cash and cash equivalents	416	(609)
Net increase (decrease) in cash and cash equivalents	(201,037)	256,279
Cash and cash equivalents at beginning of period	8,421,859	10,035,504
Cash and cash equivalents at end of period	8,220,822	10,291,783