

Translation

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

February 14, 2024

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: February 14, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(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	8,882	4.3	464	(52.8)	322	(68.0)	295	(57.2)
Six months ended December 31, 2022	8,515	27.0	985	24.2	1,007	41.0	691	42.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended December 31, 2023	13.78		–	
Six months ended December 31, 2022	32.16		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	45,317	18,244	40.3
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	–	0.00			
Year ending June 30, 2024 (Forecast)			–	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
Full year	18,000	6.2	1,200	(14.1)	900	(30.1)	630	(23.6)	29.36

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	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 December 31, 2023	283,660 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)

Six months ended December 31, 2023	21,458,517 shares	Six months ended December 31, 2022	21,487,249 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of June 30, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	4,370	4,635
Accounts receivable - trade	1,706	1,863
Supplies	1,065	1,148
Consumption taxes refund receivable	79	70
Deferred income tax - non current	0	7
Other	374	302
Total current assets	7,598	8,027
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,661	13,664
Accumulated depreciation	(2,351)	(2,608)
Buildings and structures, net	11,309	11,055
Machinery, equipment and vehicles	28,548	28,735
Accumulated depreciation	(8,022)	(8,835)
Machinery, equipment and vehicles, net	20,525	19,899
Tools, furniture and fixtures	308	318
Accumulated depreciation	(221)	(234)
Tools, furniture and fixtures, net	87	83
Land	3,865	3,931
Leased assets	329	329
Accumulated depreciation	(323)	(328)
Leased assets, net	5	0
Trees	1,109	1,136
Construction in progress	16	85
Total property, plant and equipment	36,919	36,193
Intangible assets		
Right to use electricity supply facilities	901	833
Other	9	8
Total intangible assets	911	842
Investments and other assets		
Deferred tax assets	91	66
Other	197	188
Total investments and other assets	289	254
Total non-current assets	38,120	37,290
Total assets	45,718	45,317

(Millions of yen)

	As of June 30, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,287	1,470
Current portion of long-term borrowings	2,186	2,117
Accounts payable - other	380	809
Lease liabilities	7	2
Income taxes payable	358	148
Provision for bonuses	43	40
Provision for maintenance	560	517
Other	212	187
Total current liabilities	5,036	5,293
Non-current liabilities		
Long-term borrowings	22,168	21,404
Provision for share awards	59	74
Deferred tax liabilities	263	300
Total non-current liabilities	22,491	21,779
Total liabilities	27,528	27,073
Net assets		
Shareholders' equity		
Share capital	2,292	2,292
Capital surplus	1,292	1,292
Retained earnings	14,709	14,832
Treasury shares	(104)	(172)
Total shareholders' equity	18,190	18,244
Total net assets	18,190	18,244
Total liabilities and net assets	45,718	45,317

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended December 31, 2022	Six months ended December 31, 2023
Net sales	8,515	8,882
Cost of sales	7,078	7,960
Gross profit	1,437	921
Selling, general and administrative expenses	452	456
Operating profit	985	464
Non-operating income		
Interest income	9	9
Gain on sale of scraps	1	3
Gain on sale of non-current assets	0	1
Subsidy income	2	0
Penalty income	160	–
Subsidy income	8	33
Other	6	4
Total non-operating income	189	52
Non-operating expenses		
Interest expenses	141	142
Commission expenses	3	25
Loss on sale of non-current assets	–	4
Loss on retirement of non-current assets	0	0
Other	21	22
Total non-operating expenses	166	195
Ordinary profit	1,007	322
Profit before income taxes	1,007	322
Income taxes - current	281	44
Income taxes for prior periods	–	(80)
Income taxes - deferred	35	61
Total income taxes	316	26
Profit	691	295
Profit attributable to owners of parent	691	295

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended December 31, 2022	Six months ended December 31, 2023
Profit	691	295
Comprehensive income	691	295
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	691	295
Comprehensive income attributable to non-controlling interests	—	—