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November 14, 2023

Consolidated Financial Results for the Six Months Ended September 30, 2023(Under Japanese GAAP)

Company name: Enbio Holdings, Inc
Listing: Tokyo Stock Exchange
Securities code: 6092
URL: https://www.enbio-holdings.com
Representative: Yoshikazu Nakamura, President & Chief Operating Officer
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Scheduled date to file quarterly securities report: November 14, 2023
Scheduled date to commence dividend payments: -
Preparation of supplementary material on quarterly financial results: Yes
Holding of quarterly financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1.Consolidated financial results for the six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2023	5,482	(2.7)	409	(70.3)	548	(64.1)	321	(67.0)
September 30, 2022	5,636	31.0	1,378	96.1	1,529	126.9	972	159.0

Note:Comprehensive income For the six months ended September 30, 2023 ¥408 million [-60.6%]
For the six months ended September 30, 2022 ¥1,034 million [193.5%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2023	41.11	–
September 30, 2022	146.42	–

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2023	18,265	8,261	44.7	1,003.11
March 31, 2023	17,349	6,857	39.1	1,022.70

Reference:Equity As of September 30, 2023 ¥8,162 million
As of March 31, 2023 ¥6,788 million

2.Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	0.00	-	8.00	8.00
Fiscal year ended March 31, 2024	-	0.00			
Fiscal year ending March 31, 2024 (Forecast)			-	8.00	8.00

Note:Revisions to the forecast of cash dividends most recently announced: None

3.Forcast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full Year	9,727	19.8	487	(64.1)	339	(74.8)	201	(75.2)	25.72

Note:Revisions to the financial results forecast most recently announced: None

***Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2023	8,175,200 shares
As of March 31, 2023	6,675,200 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2023	37,844 shares
As of March 31, 2023	37,844 shares

(iii) Average number of shares outstanding during the period

Six months ended September 30, 2023	7,817,684 shares
Six months ended September 30, 2022	6,675,200 shares

Quarterly Consolidated Financial Statements

Quarterly consolidated balance sheet

(Thousands of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	2,828,655	3,351,049
Notes and accounts receivable - trade, and contract assets	806,430	1,421,480
Inventories	3,373,229	2,480,015
Other	324,758	237,287
Allowance for doubtful accounts	△14,911	△14,691
Total current assets	7,318,162	7,475,141
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	568,322	573,522
Machinery, equipment and vehicles, net	4,356,267	4,769,845
Land	1,882,939	2,206,399
Construction in progress	194,233	394,168
Other, net	14,846	15,230
Total property, plant and equipment	7,016,610	7,959,166
Intangible assets		
Goodwill	110,082	106,077
Other	399,467	386,552
Total intangible assets	509,549	492,630
Investments and other assets	2,505,632	2,338,145
Total non-current assets	10,031,793	10,789,941
Total assets	17,349,955	18,265,083
Liabilities		
Current liabilities		
Accounts payable - trade	400,577	639,034
Accounts payable - other, and accrued expenses	85,125	108,328
Short-term borrowings	854,416	1,336,000
Current portion of long-term borrowings	2,293,250	815,281
Income taxes payable	316,025	92,731
Contract liabilities	405,475	321,587
Provision for bonuses	31,582	30,741
Other	84,988	254,271
Total current liabilities	4,471,441	3,597,976
Non-current liabilities		
Long-term borrowings	5,749,288	6,110,909
Asset retirement obligations	128,911	140,368
Derivative liabilities	60,144	25,457
Other	82,929	129,284
Total non-current liabilities	6,021,273	6,406,020
Total liabilities	10,492,714	10,003,996

(Thousands of yen)

	As of March 31, 2023	As of September 30, 2023
Net assets		
Shareholders' equity		
Share capital	1,797,334	2,325,334
Capital surplus	1,876,574	2,405,238
Retained earnings	3,111,508	3,374,208
Treasury shares	△15,421	△15,421
Total shareholders' equity	6,769,995	8,089,359
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	△18,193	7,914
Deferred gains or losses on hedges	△45,961	△18,690
Foreign currency translation adjustment	82,166	84,045
Total accumulated other comprehensive income	18,011	73,268
Non-controlling interests	69,234	98,459
Total net assets	6,857,241	8,261,086
Total liabilities and net assets	17,349,955	18,265,083

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the six months)

(Thousands of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	5,636,865	5,482,836
Cost of sales	3,555,254	4,244,419
Gross profit	2,081,610	1,238,416
Selling, general and administrative expenses	703,298	829,044
Operating profit	1,378,311	409,372
Non-operating income		
Interest and dividend income	19,953	23,016
Foreign exchange gains	173,259	163,055
Rental income from buildings	2,445	2,865
Insurance claim income	1,139	14,788
Reversal of allowance for doubtful accounts	7,107	220
Other	12,690	5,424
Total non-operating income	216,596	209,369
Non-operating expenses		
Interest expenses	62,089	56,449
Commission expenses	2,514	6,991
Other	1,192	6,355
Total non-operating expenses	65,795	69,796
Ordinary profit	1,529,111	548,945
Extraordinary losses		
Impairment losses	78,111	-
Loss on retirement of non-current assets	-	1,412
Total extraordinary losses	78,111	1,412
Profit before income taxes	1,451,000	547,533
Income taxes - current	485,253	146,646
Income taxes - deferred	△4,813	48,021
Total income taxes	480,439	194,667
Profit	970,560	352,865
Profit (loss) attributable to non-controlling interests	△2,163	31,477
Profit attributable to owners of parent	972,724	321,387

Quarterly Consolidated Statements of Comprehensive Income (For the six months)

(Thousands of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	970,560	352,865
Other comprehensive income		
Valuation difference on available-for-sale securities	△20,087	26,107
Deferred gains or losses on hedges	37,142	27,738
Foreign currency translation adjustment	46,937	1,317
Total other comprehensive income	63,992	55,163
Comprehensive income	1,034,553	408,029
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,036,447	376,644
Comprehensive income attributable to non-controlling interests	△1,893	31,384

Quarterly Consolidated Statement of Cash Flows

(Thousands of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	1,451,000	547,533
Depreciation	190,467	206,536
Impairment losses	78,111	-
Amortization of goodwill	4,004	4,004
Increase (decrease) in allowance for doubtful accounts	△7,107	△220
Increase (decrease) in provision for loss on construction contracts	517	-
Interest and dividend income	△19,953	△23,016
Interest expenses	62,089	56,449
Foreign exchange losses (gains)	△173,891	△164,004
Loss on retirement of non-current assets	-	1,412
Decrease (increase) in trade receivables	212,316	△613,037
Decrease (increase) in inventories	723,193	883,032
Increase (decrease) in trade payables	△66,094	235,289
Increase (decrease) in contract liabilities	645	△83,887
Other, net	82,668	320,059
Subtotal	2,537,967	1,370,149
Interest and dividends received	5,989	17,490
Interest paid	△62,898	△57,094
Income taxes refund (paid)	△352,670	△308,481
Net cash provided by (used in) operating activities	2,128,386	1,022,064
Cash flows from investing activities		
Payments into time deposits	△0	△0
Purchase of property, plant and equipment	△725,594	△679,755
Purchase of intangible assets	△1,530	-
Purchase of investment securities	△6,084	△935
Purchase of long-term prepaid expenses	△19,750	△5,966
Loan advances	△23,841	△73,585
Other, net	△11,649	△28,884
Net cash provided by (used in) investing activities	△788,451	△789,128
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	68,000	481,583
Proceeds from long-term borrowings	628,675	921,985
Repayments of long-term borrowings	△848,716	△2,038,332
Redemption of bonds	△17,500	△18,500
Commission expenses paid	△2,514	△10,834
Proceeds from issuance of shares	-	1,056,000
Dividends paid	△52,733	△52,914
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	△1,500
Net cash provided by (used in) financing activities	△224,788	337,487
Effect of exchange rate change on cash and cash equivalents	△76,521	△96,979
Net increase (decrease) in cash and cash equivalents	1,038,625	473,443
Cash and cash equivalents at beginning of period	2,341,616	2,798,635
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	-	48,950
Cash and cash equivalents at end of period	3,380,241	3,321,029