Translation

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Summary of Consolidated Financial Results for the Year Ended June 30, 2024 (Based on Japanese GAAP)

August 13, 2024

Company name: GREENS CO.,LTD.
Stock exchange listing: Tokyo, Nagoya
Stock code: 6547 URL https://www.kk-greens.jp/
Representative: President & Representative Director Muraki Takeya
Inquiries: Director and General Manager Administration Div. Hiroya Ito TEL 059(351)5593
Scheduled date of ordinary general meeting of shareholders: September 26, 2024
Scheduled date to file Securities Report: September 26, 2024
Scheduled date to commence dividend payments: September 27, 2024
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended June 30, 2024 (from July 1, 2023 to June 30, 2024)

(1) Consolidated operating results

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	%
Year ended June 30, 2024	40,969	12.4	5,019	35.8	4,829	38.3	4,888	16.6
Year ended June 30, 2023	36,439	43.3	3,697	–	3,492	–	4,191	–

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended June 30, 2024	338.03	–	74.1	19.2	12.3
Year ended June 30, 2023	305.33	284.93	124.8	14.0	10.1

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2024	26,614	7,824	29.4	264.22
As of June 30, 2023	23,786	5,367	22.6	(108.12)

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended June 30, 2024	6,013	(1,658)	(3,362)	7,720
Year ended June 30, 2023	4,629	(539)	(7,376)	6,727

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended June 30, 2023	–	0.00	–	9.00	9.00	115	2.9	–
Year ended June 30, 2024	–	0.00	–	23.00	23.00	318	6.8	29.5
Year ending June 30, 2025 (Forecast)	–	0.00	–	27.00	27.00		10.9	

3. Forecast of consolidated financial results for the year ending June 30, 2025 (from July 1, 2024 to June 30, 2025)

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	46,800	14.2	5,000	(0.4)	4,400	(8.9)	3,600	(26.4)	248.05

4. Notes

(1) Significant changes in the scope of consolidation during the year ended June 30, 2024: No

(2) 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

(3) Number of issued shares (common shares)

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

As of June 30, 2024	13,878,263 shares	As of June 30, 2023	12,886,200 shares

Number of treasury shares at the end of the period

As of June 30, 2024	9,843 shares	As of June 30, 2023	9,742 shares

Average number of shares during the period

Year ended June 30, 2024	13,749,186 shares	Year ended June 30, 2023	12,876,458 shares

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of June 30, 2023	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	6,727	7,720
Accounts receivable - trade	2,146	2,544
Raw materials and supplies	116	103
Prepaid expenses	961	964
Other	40	132
Allowance for doubtful accounts	(0)	(2)
Total current assets	9,992	11,462
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,432	4,270
Tools, furniture and fixtures, net	403	543
Land	1,828	1,892
Leased assets, net	139	103
Construction in progress	2	–
Total property, plant and equipment	6,806	6,809
Intangible assets	109	136
Investments and other assets		
Investment securities	76	117
Long-term loans receivable	8	–
Guarantee deposits	5,638	5,920
Deferred tax assets	1,093	1,429
Other	95	762
Allowance for doubtful accounts	(33)	(25)
Total investments and other assets	6,879	8,205
Total non-current assets	13,794	15,151
Total assets	23,786	26,614

(Millions of yen)

	As of June 30, 2023	As of June 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	1,088	1,194
Short-term borrowings	2,600	2,600
Current portion of long-term borrowings	821	824
Accounts payable - other	1,338	1,356
Accrued expenses	708	1,477
Income taxes payable	64	62
Accrued consumption taxes	523	730
Other	321	403
Total current liabilities	7,467	8,649
Non-current liabilities		
Long-term borrowings	10,227	9,402
Asset retirement obligations	549	612
Other	175	124
Total non-current liabilities	10,951	10,139
Total liabilities	18,419	18,789
Net assets		
Shareholders' equity		
Share capital	100	100
Capital surplus	3,251	1,170
Retained earnings	2,021	6,534
Treasury shares	(8)	(9)
Total shareholders' equity	5,363	7,795
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3	28
Total accumulated other comprehensive income	3	28
Total net assets	5,367	7,824
Total liabilities and net assets	23,786	26,614

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended June 30, 2023	Fiscal year ended June 30, 2024
Net sales	36,439	40,969
Cost of sales	26,337	27,520
Gross profit	10,101	13,448
Selling, general and administrative expenses	6,404	8,429
Operating profit	3,697	5,019
Non-operating income		
Interest income	0	0
Dividend income	1	2
Penalty income	36	48
Subsidy income	86	12
Rental income	4	12
Other	71	22
Total non-operating income	201	98
Non-operating expenses		
Interest expenses	144	284
Borrowing fee	202	3
Other	59	0
Total non-operating expenses	406	288
Ordinary profit	3,492	4,829
Extraordinary income		
Gain on sale of non-current assets	43	0
Total extraordinary income	43	0
Extraordinary losses		
Loss on retirement of non-current assets	27	1
Impairment losses	163	118
Dismantling and removal cost	239	106
Total extraordinary losses	430	226
Profit before income taxes	3,105	4,603
Income taxes - current	64	62
Income taxes - deferred	(1,150)	(348)
Total income taxes	(1,086)	(285)
Profit	4,191	4,888
Profit attributable to owners of parent	4,191	4,888

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended June 30, 2023	Fiscal year ended June 30, 2024
Profit	4,191	4,888
Other comprehensive income		
Valuation difference on available-for-sale securities	10	24
Total other comprehensive income	10	24
Comprehensive income	4,202	4,913
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,202	4,913

Consolidated statements of changes in equity

Fiscal year ended June 30, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	100	3,433	(2,170)	(8)	1,354
Changes during period					
Dividends of surplus - other capital surplus		(181)			(181)
Profit (loss) attributable to owners of parent			4,191		4,191
Net changes in items other than shareholders' equity					
Total changes during period	–	(181)	4,191	–	4,009
Balance at end of period	100	3,251	2,021	(8)	5,363

	Accumulated other comprehensive income		Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of period	(7)	(7)	1,347
Changes during period			
Dividends of surplus - other capital surplus			(181)
Profit (loss) attributable to owners of parent			4,191
Net changes in items other than shareholders' equity	10	10	10
Total changes during period	10	10	4,020
Balance at end of period	3	3	5,367

Fiscal year ended June 30, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	100	3,251	2,021	(8)	5,363
Changes during period					
Dividends of surplus			(375)		(375)
Profit (loss) attributable to owners of parent			4,888		4,888
Purchase of treasury shares				(2,080)	(2,080)
Cancellation of treasury shares		(2,080)		2,080	–
Net changes in items other than shareholders' equity					
Total changes during period	–	(2,080)	4,512	(0)	2,431
Balance at end of period	100	1,170	6,534	(9)	7,795

	Accumulated other comprehensive income		Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of period	3	3	5,367
Changes during period			
Dividends of surplus			(375)
Profit (loss) attributable to owners of parent			4,888
Purchase of treasury shares			(2,080)
Cancellation of treasury shares			–
Net changes in items other than shareholders' equity	24	24	24
Total changes during period	24	24	2,456
Balance at end of period	28	28	7,824

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended June 30, 2023	Fiscal year ended June 30, 2024
Cash flows from operating activities		
Profit before income taxes	3,105	4,603
Depreciation	559	536
Impairment losses	163	118
Loss (gain) on sale of non-current assets	(43)	(0)
Loss on retirement of non-current assets	27	1
Interest and dividend income	(2)	(2)
Interest expenses	144	284
Decrease (increase) in trade receivables	(164)	(398)
Decrease (increase) in inventories	(14)	12
Increase (decrease) in trade payables	139	105
Borrowing fees	202	3
Increase (decrease) in accrued consumption taxes	141	206
Increase (decrease) in accounts payable - other	406	75
Increase (decrease) in accrued expenses	128	767
Other, net	40	44
Subtotal	4,835	6,357
Interest and dividends received	2	2
Interest paid	(144)	(282)
Income taxes refund (paid)	(64)	(64)
Net cash provided by (used in) operating activities	4,629	6,013
Cash flows from investing activities		
Purchase of property, plant and equipment	(767)	(590)
Proceeds from sale of property, plant and equipment	147	1
Purchase of intangible assets	(33)	(70)
Purchase of investment securities	(3)	(3)
Payments of guarantee deposits	(30)	(365)
Proceeds from refund of guarantee deposits	173	80
Purchase of long-term prepaid expenses	–	(691)
Other, net	(25)	(18)
Net cash provided by (used in) investing activities	(539)	(1,658)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(7,000)	–
Proceeds from long-term borrowings	883	–
Repayments of long-term borrowings	(773)	(821)
Dividends paid	(181)	(375)
Payments of borrowing fee	(202)	(3)
Purchase of treasury shares	–	(2,080)
Repayments of finance lease liabilities	(102)	(82)
Net cash provided by (used in) financing activities	(7,376)	(3,362)
Effect of exchange rate change on cash and cash equivalents	0	0
Net increase (decrease) in cash and cash equivalents	(3,287)	992
Cash and cash equivalents at beginning of period	10,015	6,727
Cash and cash equivalents at end of period	6,727	7,720