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November 7, 2024

Consolidated Financial Results for the Nine Months Ended September 30, 2024 (Under Japanese GAAP)

Company name: BALMUDA Inc.
 Listing: Tokyo Stock Exchange /
 Securities code: 6612
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the nine months ended September 30, 2024 (from January 1, 2024 to September 30, 2024)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2024	8,706	9.4	(238)	-	(229)	-	(231)	-
September 30, 2023	7,955	(36.3)	(1,143)	-	(1,029)	-	(1,820)	-

Note: Comprehensive income For the nine months ended September 30, 2024: (¥230) million -%
 For the nine months ended September 30, 2023: (¥1,806) million -%

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
September 30, 2024	(27.32)	-
September 30, 2023	(215.96)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	5,599	4,041	72.2
December 31, 2023	7,803	4,265	54.7

Reference: Equity
 As of September 30, 2024: ¥4,041 million
 As of December 31, 2023: ¥4,265 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 December 31, 2023	-	0.00	-	0.00	0.00
Fiscal year ending December 31, 2024	-	0.00	-		
Fiscal year ending December 31, 2024 (Forecast)				0.00	0.00

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

3. Forecast of Consolidated Earnings for the Fiscal Year ending December 31, 2024 (From January 1, 2024 to December 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	12,800	(1.6)	30	-	75	-	50	-	5.91

Note: Revisions to the forecast of Consolidated Earnings most recently announced: No

*Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) 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

- (4) 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, 2024	8,464,400 shares
As of December 31, 2023	8,443,900 shares

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

As of September 30, 2024	3,172 shares
As of December 31, 2023	3,167 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2024	8,459,956 shares
Nine months ended September 30, 2023	8,430,434 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These

statements do not purport that the Company pledges to realize such statements. Actual performance and other results may differ materially due to various factors.

[Reference] Net Sales by Regions/Product Category

(Millions of yen)				
Net Sales by Region	Nine months ended September 30, 2023	Nine months ended September 30, 2024	year-on-year changes	year-on-year changes(%)
Japan	5,520	5,626	106	1.9
South Korea	1,302	1,742	439	33.8
North America	410	401	(9)	(2.2)
Other	722	936	213	29.6
Total	7,955	8,706	750	9.4

(Millions of yen)				
Net Sales by Product Category	Nine months ended September 30, 2023	Nine months ended September 30, 2024	year-on-year changes	year-on-year changes(%)
Air conditioning	1,673	1,669	(3)	(0.2)
Kitchen appliance	5,282	6,466	1,183	22.4
Mobile terminals	2	—	(2)	(100.0)
Other	996	570	(426)	(42.8)
Total	7,955	8,706	750	9.4

Accompanying Materials

1. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of yen)

	As of December 31, 2023	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	1,167	1,502
Accounts receivable - trade	2,423	1,025
Merchandise and finished goods	2,629	1,629
Raw materials and supplies	312	314
Other	359	374
Total current assets	6,893	4,846
Non-current assets		
Property, plant and equipment	632	525
Intangible assets	203	161
Investments and other assets	73	65
Total non-current assets	909	752
Total assets	7,803	5,599

(Millions of yen)

	As of December 31, 2023	As of September 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	1,123	308
Short-term borrowings	600	100
Current portion of long-term borrowings	514	362
Accounts payable-other	458	221
Provision for bonuses	61	14
Provision for product warranties	292	232
Provision for loss on business liquidation	16	12
Other	142	213
Total current liabilities	3,209	1,465
Non-current liabilities		
Long-term borrowings	328	91
Total non-current liabilities	328	91
Total liabilities	3,537	1,557
Net assets		
Shareholders' equity		
Share capital	1,423	90
Capital surplus	1,420	2,759
Retained earnings	1,409	1,178
Treasury shares	(0)	(0)
Total shareholders' equity	4,252	4,026
Accumulated other comprehensive income		
Foreign currency translation adjustment	13	14
Total accumulated other comprehensive income	13	14
Total net assets	4,265	4,041
Total liabilities and net assets	7,803	5,599

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Net sales	7,955	8,706
Cost of sales	5,570	6,016
Gross profit	2,385	2,689
Selling, general and administrative expenses	3,528	2,928
Operating profit (loss)	(1,143)	(238)
Non-operating income		
Interest income	0	1
Dividend income	0	0
Foreign exchange gains	132	15
Miscellaneous income	3	2
Total non-operating income	136	19
Non-operating expenses		
Interest expenses	12	9
Amortization of business commencement expenses	7	—
Miscellaneous losses	1	0
Total non-operating expenses	21	9
Ordinary profit (loss)	(1,029)	(229)
Extraordinary income		
Gain on sale of non-current assets	0	—
Total extraordinary income	0	—
Extraordinary losses		
Loss on retirement of non-current assets	5	—
Loss on liquidation of business	532	—
Total extraordinary losses	538	—
Profit (loss) before income taxes	(1,567)	(229)
Income taxes - current	2	2
Income taxes - deferred	251	—
Total income taxes	253	2
Profit (loss)	(1,820)	(231)
Profit (loss) attributable to owners of parent	(1,820)	(231)

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Profit (loss)	(1,820)	(231)
Other comprehensive income		
Foreign currency translation adjustment	13	1
Total other comprehensive income	13	1
Comprehensive income	(1,806)	(230)
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	(1,806)	(230)