Translation

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

August 8, 2024

Company name: EF-ON INC.
Stock exchange listing: Tokyo
Stock code: 9514 URL https://www.ef-on.co.jp/
Representative: President and Representative Director TOMOTADA SHIMAZAKI
Inquiries: Executive Director HISAHITO KOIKE TEL 03-4500-6450
Scheduled date of ordinary general meeting of shareholders: September 27, 2024
Scheduled date to file Securities Report: September 27, 2024
Scheduled date to commence dividend payments: September 9, 2024
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: Yes (for institutional investors and analysts)

(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	17,473	3.1	600	(57.0)	346	(73.1)	281	(65.9)
Year ended June 30, 2023	16,949	27.8	1,397	7.5	1,286	9.6	824	(7.7)

	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	13.14	–	1.5	0.8	3.4
Year ended June 30, 2023	38.36	–	4.6	2.8	8.2

(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	45,262	18,234	40.3	853.77
As of June 30, 2023	45,718	18,190	39.8	846.57

(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	2,578	(630)	(745)	5,210
Year ended June 30, 2023	3,673	(1,542)	(2,292)	4,008

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	–	8.00	8.00	173	20.9	1.0
Year ended June 30, 2024	–	0.00	–	8.00	8.00	173	60.9	0.9
Year ending June 30, 2025 (Forecast)	–	0.00	–	8.00	8.00		24.1	

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
Six months ending December 31, 2024	9,000	1.3	550	18.3	480	49.0	340	15.0	15.88
Full year	18,500	5.9	1,200	99.9	1,000	188.7	710	152.5	33.17

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	21,635,189 shares	As of June 30, 2023	21,635,439 shares

Number of treasury shares at the end of the period

As of June 30, 2024	277,900 shares	As of June 30, 2023	148,500 shares

Average number of shares during the period

Year ended June 30, 2024	21,406,040 shares	Year ended June 30, 2023	21,487,164 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	4,370	5,574
Accounts receivable - trade	1,706	1,832
Supplies	1,065	767
Consumption taxes refund receivable	79	149
Deferred income tax - non current	0	8
Other	374	410
Total current assets	7,598	8,743
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,661	13,683
Accumulated depreciation	(2,351)	(2,865)
Buildings and structures, net	11,309	10,817
Machinery, equipment and vehicles	28,548	29,022
Accumulated depreciation	(8,022)	(9,679)
Machinery, equipment and vehicles, net	20,525	19,342
Tools, furniture and fixtures	308	323
Accumulated depreciation	(221)	(249)
Tools, furniture and fixtures, net	87	74
Land	3,865	3,975
Leased assets	329	–
Accumulated depreciation	(323)	–
Leased assets, net	5	–
Trees	1,109	1,153
Construction in progress	16	87
Total property, plant and equipment	36,919	35,451
Intangible assets		
Right to use electricity supply facilities	901	813
Other	9	7
Total intangible assets	911	821
Investments and other assets		
Deferred tax assets	91	66
Other	197	180
Total investments and other assets	289	246
Total non-current assets	38,120	36,519
Total assets	45,718	45,262

(Millions of yen)

	As of June 30, 2023	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,287	1,379
Current portion of long-term borrowings	2,186	2,100
Accounts payable - other	380	447
Lease liabilities	7	–
Income taxes payable	358	113
Provision for bonuses	43	42
Provision for maintenance	560	500
Other	212	217
Total current liabilities	5,036	4,802
Non-current liabilities		
Long-term borrowings	22,168	21,782
Provision for share awards	59	85
Deferred tax liabilities	263	358
Total non-current liabilities	22,491	22,226
Total liabilities	27,528	27,028
Net assets		
Shareholders' equity		
Share capital	2,292	2,292
Capital surplus	1,292	1,292
Retained earnings	14,709	14,817
Treasury shares	(104)	(168)
Total shareholders' equity	18,190	18,234
Total net assets	18,190	18,234
Total liabilities and net assets	45,718	45,262

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	16,949	17,473
Cost of sales	14,658	15,992
Gross profit	2,290	1,480
Selling, general and administrative expenses	893	880
Operating profit	1,397	600
Non-operating income		
Interest income	18	19
Gain on sale of scraps	4	5
Gain on sale of non-current assets	7	2
Subsidy income	32	52
Subsidy income	6	0
Penalty income	160	–
Interest on tax refund	1	1
Other	16	17
Total non-operating income	247	98
Non-operating expenses		
Interest expenses	283	278
Commission expenses	6	28
Loss on sale of non-current assets	–	4
Loss on retirement of non-current assets	39	0
Other	29	39
Total non-operating expenses	357	352
Ordinary profit	1,286	346
Profit before income taxes	1,286	346
Income taxes - current	418	25
Income taxes for prior periods	–	(80)
Income taxes - deferred	43	120
Total income taxes	462	65
Profit	824	281
Profit attributable to owners of parent	824	281

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended June 30, 2023	Fiscal year ended June 30, 2024
Profit	824	281
Comprehensive income	824	281
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	824	281
Comprehensive income attributable to non-controlling interests	–	–

Consolidated statements of changes in equity

Fiscal year ended June 30, 2023

(Millions of yen)

	Shareholders' equity					Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at beginning of period	2,292	1,292	14,058	(104)	17,539	17,539
Changes during period						
Dividends of surplus			(173)		(173)	(173)
Profit attributable to owners of parent			824		824	824
Purchase of treasury shares				(0)	(0)	(0)
Disposal of treasury shares						
Cancellation of treasury shares			(0)	0	–	–
Net changes in items other than shareholders' equity					–	–
Total changes during period	–	–	650	–	650	650
Balance at end of period	2,292	1,292	14,709	(104)	18,190	18,190

Fiscal year ended June 30, 2024

(Millions of yen)

	Shareholders' equity					Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at beginning of period	2,292	1,292	14,709	(104)	18,190	18,190
Changes during period						
Dividends of surplus			(173)		(173)	(173)
Profit attributable to owners of parent			281		281	281
Purchase of treasury shares				(68)	(68)	(68)
Disposal of treasury shares				4	4	4
Cancellation of treasury shares			(0)	0	–	–
Net changes in items other than shareholders' equity						
Total changes during period	–	–	108	(63)	44	44
Balance at end of period	2,292	1,292	14,817	(168)	18,234	18,234

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	1,286	346
Depreciation	2,250	2,286
Increase (decrease) in provision for share awards	30	26
Loss (gain) on sale of non-current assets	(7)	2
Loss on retirement of non-current assets	39	0
Penalty income	(160)	–
Provision for maintenance	142	(60)
Interest and dividend income	(18)	(19)
Interest expenses	283	278
Commission expenses	6	28
Decrease (increase) in trade receivables	(401)	(125)
Decrease (increase) in inventories	178	298
Decrease (increase) in other assets	681	(77)
Increase (decrease) in trade payables	(256)	92
Decrease (increase) in consumption taxes refund receivable	9	(69)
Increase (decrease) in accrued consumption taxes	10	8
Increase (decrease) in other liabilities	34	(131)
Subtotal	4,110	2,884
Interest and dividends received	18	19
Interest paid	(282)	(277)
Income taxes paid	(336)	(249)
Income taxes refund	2	202
Penalty received	160	–
Net cash provided by (used in) operating activities	3,673	2,578
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,532)	(647)
Proceeds from sale of property, plant and equipment	10	6
Purchase of intangible assets	(0)	(0)
Long-term loan advances	(20)	–
Subsidies received	–	10
Payments of guarantee deposits	(3)	(0)
Proceeds from refund of guarantee deposits	3	1
Other, net	(0)	0
Net cash provided by (used in) investing activities	(1,542)	(630)

(Millions of yen)

	Fiscal year ended June 30, 2023	Fiscal year ended June 30, 2024
Cash flows from financing activities		
Proceeds from long-term borrowings	300	1,800
Repayments of long-term borrowings	(2,388)	(2,271)
Repayments of lease liabilities	(24)	(7)
Purchase of treasury shares	(0)	(68)
Proceeds from sale of treasury shares	–	4
Dividends paid	(173)	(173)
Decrease (increase) in collateral money payable for loan transactions	(0)	(0)
Other, net	(6)	(28)
Net cash provided by (used in) financing activities	(2,292)	(745)
Net increase (decrease) in cash and cash equivalents	(161)	1,202
Cash and cash equivalents at beginning of period	4,169	4,008
Cash and cash equivalents at end of period	4,008	5,210