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Consolidated Financial Results for the Year Ended December 31, 2024 [Japanese GAAP]

February 13, 2025

Company name: ACSL Ltd.
Listing: Tokyo
Securities code: 6232
URL: https://www.acsl.co.jp/
Representative: Satoshi Washiya Representative Director and CEO
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Scheduled date of annual general meeting of shareholders: March 27, 2025
Scheduled date to commence dividend payments: -
Scheduled date to file annual securities report: March 28, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

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

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	2,655	196.3	(2,293)	-	(2,188)	-	(2,371)	-
December 31, 2023	896	(45.2)	(2,071)	-	(2,102)	-	(2,543)	-

(Note) Comprehensive income: Fiscal year ended December 31, 2024: ¥ (2,366) million [-%]
Fiscal year ended December 31, 2023: ¥ (2,604) million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
December 31, 2024	(159.94)	-	(211.8)	(45.3)	(86.4)
December 31, 2023	(197.05)	-	(101.9)	(41.8)	(231.1)

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended December 31, 2024: ¥ 49 million
Fiscal year ended December 31, 2023: ¥ (10) million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2024	4,563	194	2.0	6.14
December 31, 2023	5,094	2,264	42.2	147.99

(Reference) Equity: As of December 31, 2024: ¥ million
As of December 31, 2023: ¥ 2,147 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2024	(1,902)	(46)	1,691	1,243
December 31, 2023	(2,572)	(94)	2,809	1,499

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
December 31, 2023	-	0.00	-	0.00	0.00	-	-	-
December 31, 2024	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending December 31, 2025 (Forecast)	-	0.00	-	0.00	0.00		-	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025 (January 1, 2025 to December 31, 2025)

The Company has not provided the consolidated earnings forecast for the next period due to the difficulty at this point in time to appropriately and reasonably calculate the ernings forecasts. The Company will disclose the earnings forecasts as soon as it becomes possible, based on progress going forward.

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

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

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

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(3) Number of issued shares (common shares)

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

December 31, 2024: 14,930,675 shares

December 31, 2023: 14,514,261 shares

2) Number of treasury shares at the end of the period:

December 31, 2024: 157 shares

December 31, 2023: 130 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended December 31, 2024: 14,826,876 shares

Fiscal Year ended December 31, 2023: 12,906,348 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(1) Non-consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	2,666	201.4	(2,097)	-	(2,137)	-	(2,259)	-
December 31, 2023	884	(45.9)	(1,975)	-	(2,116)	-	(2,459)	-

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
December 31, 2024	(152.40)	-
December 31, 2023	(190.60)	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2024	4,751	384	5.9	18.87
December 31, 2023	5,176	2,347	43.1	153.75

(Reference) Equity: As of December 31, 2024: ¥ 281 million

As of December 31, 2023: ¥ 2,231 million

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousands of yen)

	As of December 31, 2023	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	1,499,555	1,243,580
Accounts receivable - trade	139,282	491,497
Merchandise and finished goods	491,762	397,627
Work in process	572,699	227,278
Raw materials	1,175,419	1,164,564
Advance payments to suppliers	96,904	110,947
Other	227,678	242,287
Total current assets	4,203,302	3,877,782
Non-current assets		
Property, plant and equipment		
Buildings, net	8,926	-
Tools, furniture and fixtures, net	59,255	3,724
Total property, plant and equipment	68,181	3,724
Intangible assets		
Software	201,348	111,643
Other	7,640	-
Total intangible assets	208,989	111,643
Investments and other assets		
Investment securities	241,987	197,577
Long-term loans receivable	321,661	347,843
Other	50,729	24,687
Total investments and other assets	614,379	570,107
Total non-current assets	891,549	685,476
Total assets	5,094,851	4,563,259
Liabilities		
Current liabilities		
Accounts payable - trade	317,574	191,630
Short-term borrowings	895,000	1,320,097
Accounts payable - other	161,614	548,652
Income taxes payable	43,087	186
Contract liabilities	100,910	10,784
Other	85,035	58,340
Total current liabilities	1,603,222	2,129,691
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	1,215,812	798,962
Long-term borrowings	0	1,440,000
Deferred tax liabilities	11,302	-
Total non-current liabilities	1,227,114	2,238,962
Total liabilities	2,830,337	4,368,654
Net assets		
Shareholders' equity		
Share capital	971,479	149,981
Capital surplus	6,304,929	2,391,778
Retained earnings	(5,137,336)	(2,464,236)
Treasury shares	(382)	(414)
Total shareholders' equity	2,138,689	77,108
Accumulated other comprehensive income		
Foreign currency translation adjustment	9,210	14,519
Total accumulated other comprehensive income	9,210	14,519
Share acquisition rights	115,585	102,594
Non-controlling interests	1,028	382
Total net assets	2,264,514	194,605
Total liabilities and net assets	5,094,851	4,563,259

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousands of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Net sales	896,362	2,655,602
Cost of sales	1,131,519	2,504,706
Gross profit	(235,157)	150,895
Selling, general and administrative expenses	1,836,038	2,444,117
Operating loss	(2,071,195)	(2,293,221)
Non-operating income		
Interest income	337	493
Share of profit of entities accounted for using equity method	-	49,891
Subsidy income	131,973	183,596
Foreign exchange gains	31,065	-
Other	6,320	4,095
Total non-operating income	169,696	238,077
Non-operating expenses		
Interest expenses	9,112	25,422
Share of loss of entities accounted for using equity method	10,249	-
Share issuance costs	60,845	2,037
Bond issuance costs	119,087	-
Foreign exchange losses	-	105,520
Other	2,141	194
Total non-operating expenses	201,437	133,175
Ordinary loss	(2,102,936)	(2,188,320)
Extraordinary income		
Gain on sale of investment securities	-	37,920
Gain on reversal of share acquisition rights	1,855	13,316
Total extraordinary income	1,855	51,237
Extraordinary losses		
Impairment losses	-	48,327
Loss on valuation of investment securities	431,712	99,311
Loss on liquidation of subsidiaries and associates	-	2,754
Loss on redemption of convertible bond	-	19,298
Loss on closing of business office	-	11,820
Premium allowance of retirement	-	62,573
Total extraordinary losses	431,712	244,085
Loss before income taxes	(2,532,793)	(2,381,168)
Income taxes - current	5,351	2,423
Income taxes - deferred	6,298	(11,302)
Total income taxes	11,650	(8,878)
Loss	(2,544,444)	(2,372,290)
Loss attributable to non-controlling interests	(1,253)	(893)
Loss attributable to owners of parent	(2,543,190)	(2,371,396)

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Loss	(2,544,444)	(2,372,290)
Other comprehensive income		
Valuation difference on available-for-sale securities	(66,514)	-
Foreign currency translation adjustment	2,284	310
Share of other comprehensive income of entities accounted for using equity method	3,934	4,998
Total other comprehensive income	(60,294)	5,309
Comprehensive income	(2,604,739)	(2,366,980)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(2,603,357)	(2,366,087)
Comprehensive income attributable to non-controlling interests	(1,381)	(893)

Consolidated Statements of Changes in Equity

For the fiscal year ended December 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	17,497	5,350,947	(2,594,146)	(382)	2,773,917
Changes during period					
Issuance of new shares	915,101	915,101			1,830,202
Issuance of new shares - exercise of share acquisition rights	38,880	38,880			77,760
Loss attributable to owners of parent			(2,543,190)		(2,543,190)
Net changes in items other than shareholders' equity					
Total changes during period	953,981	953,981	(2,543,190)	-	(635,228)
Balance at end of period	971,479	6,304,929	(5,137,336)	(382)	2,138,689

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	66,386	2,990	69,377	91,977	3,510	2,938,782
Changes during period						
Issuance of new shares						1,830,202
Issuance of new shares - exercise of share acquisition rights						77,760
Loss attributable to owners of parent						(2,543,190)
Net changes in items other than shareholders' equity	(66,386)	6,219	(60,167)	23,608	(2,481)	(39,040)
Total changes during period	(66,386)	6,219	(60,167)	23,608	(2,481)	(674,268)
Balance at end of period	-	9,210	9,210	115,585	1,028	2,264,514

For the fiscal year ended December 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	971,479	6,304,929	(5,137,336)	(382)	2,138,689
Changes during period					
Issuance of new shares	121,581	121,581			243,162
Issuance of new shares - exercise of share acquisition rights	33,342	33,342			66,685
Capital reduction	(976,421)	976,421			-
Deficit disposition		(5,044,497)	5,044,497		-
Loss attributable to owners of parent			(2,371,396)		(2,371,396)
Purchase of treasury shares				(32)	(32)
Net changes in items other than shareholders' equity					
Total changes during period	(821,498)	(3,913,151)	2,673,100	(32)	(2,061,581)
Balance at end of period	149,981	2,391,778	(2,464,236)	(414)	77,108

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	9,210	9,210	115,585	1,028	2,264,514
Changes during period					
Issuance of new shares					243,162
Issuance of new shares - exercise of share acquisition rights					66,685
Capital reduction					-
Deficit disposition					-
Loss attributable to owners of parent					(2,371,396)
Purchase of treasury shares					(32)
Net changes in items other than shareholders' equity	5,309	5,309	(12,991)	(646)	(8,327)
Total changes during period	5,309	5,309	(12,991)	(646)	(2,069,909)
Balance at end of period	14,519	14,519	102,594	382	194,605

Consolidated Statements of Cash Flows

(Thousands of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Cash flows from operating activities		
Loss before income taxes	(2,532,793)	(2,381,168)
Depreciation	118,433	140,916
Impairment losses	-	48,327
Bond issuance costs	119,087	-
Loss (gain) on valuation of investment securities	431,712	99,311
Loss (gain) on sale of investment securities	-	(37,920)
Loss on valuation of inventories	168,792	20,183
Interest income	(337)	(493)
Interest expenses	9,112	25,422
Decrease (increase) in trade receivables	251,262	(352,214)
Decrease (increase) in inventories	(1,209,577)	430,227
Decrease (increase) in advance payments to suppliers	266,889	(14,043)
Increase (decrease) in trade payables	(273,793)	(125,944)
Increase (decrease) in accounts payable - other	(215,623)	429,951
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	16,704	58,628
Other, net	292,043	(213,858)
Subtotal	(2,558,088)	(1,872,677)
Interest and dividends received	321	575
Interest paid	(9,439)	(25,494)
Income taxes paid	(5,090)	(5,158)
Net cash provided by (used in) operating activities	(2,572,295)	(1,902,755)
Cash flows from investing activities		
Purchase of property, plant and equipment	(40,378)	(21,964)
Purchase of intangible assets	(54,126)	(60,088)
Proceeds from sale of investment securities	-	37,920
Other, net	60	(2,764)
Net cash provided by (used in) investing activities	(94,444)	(46,895)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(105,000)	425,097
Proceeds from long-term borrowings	-	1,440,000
Proceeds from issuance of shares	1,595,990	-
Proceeds from issuance of shares resulting from exercise of share acquisition rights	41,376	19,294
Proceeds from issuance of convertible bonds with share acquisition rights	1,270,412	-
Expenditure for redemption of convertible bonds with share acquisition rights	-	(193,108)
Proceeds from issuance of share acquisition rights	8,045	-
Proceeds from share issuance to non-controlling shareholders	-	247
The amount of payment of the dividend to non-controlling shareholders	(1,100)	-
Other, net	-	(32)
Net cash provided by (used in) financing activities	2,809,724	1,691,498
Effect of exchange rate change on cash and cash equivalents	318	2,176
Net increase (decrease) in cash and cash equivalents	143,303	(255,975)
Cash and cash equivalents at beginning of period	1,356,252	1,499,555
Cash and cash equivalents at end of period	1,499,555	1,243,580