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February 14, 2025

Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (Under Japanese GAAP)

Company name: ZOOM CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 6694
URL: https://www.zoom.co.jp/
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Scheduled date of annual general meeting of shareholders: March 27, 2025
Scheduled date to commence dividend payments: March 28, 2025
Scheduled date to file annual securities report: March 27, 2025
Preparation of supplementary material on financial results: Yes (in Japanese only)
Holding of financial results briefing: Yes (for institutional investors and analysts (in Japanese only))

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

1. Consolidated financial results for the fiscal year ended December 31, 2024 (from 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	18,072	1.0	531	(7.3)	554	(14.7)	40	(54.0)
December 31, 2023	17,901	35.3	573	(13.6)	649	(9.8)	88	(76.4)

Note: Comprehensive income For the fiscal year ended December 31, 2024: ¥ 797 million [(14.2) %]
For the fiscal year ended December 31, 2023: ¥ 929 million [1.0 %]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
December 31, 2024	9.41	—	0.6	2.8	2.9
December 31, 2023	20.64	20.61	1.4	3.9	3.2

Reference: Share of profit (loss) of entities accounted for using equity method
For the fiscal year ended December 31, 2024: ¥ - million
For the fiscal year ended December 31, 2023: ¥ - million
Note: Diluted earnings per share is not presented for the fiscal year ended December 31, 2024, as there were no dilutive shares.

(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
December 31, 2024	20,087	8,621	35.7	1,646.27
December 31, 2023	19,260	7,923	34.6	1,540.33

Reference: Equity
As of December 31, 2024: ¥7,166 million
As of December 31, 2023: ¥6,662 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 end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2024	584	(241)	15	3,287
December 31, 2023	817	(2,443)	2,231	2,826

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended December 31, 2023	—	0.00	—	30.00	30.00	129	145.3	2.0
Fiscal year ended December 31, 2024	—	0.00	—	31.00	31.00	134	329.5	1.9
Fiscal year ending December 31, 2025 (Forecast)	—	0.00	—	32.00	32.00		41.0	

3. Forecast of consolidated financial results for the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

	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	18,500	2.4	900	69.3	830	49.8	340	731.8	78.10

*** 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 December 31, 2024	4,594,824 shares
As of December 31, 2023	4,594,824 shares

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

As of December 31, 2024	241,663 shares
As of December 31, 2023	269,163 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended December 31, 2024	4,345,314 shares
Fiscal year ended December 31, 2023	4,309,123 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	8,067	(4.0)	143	(59.6)	178	(64.2)	145	(66.6)
December 31, 2023	8,405	6.5	353	(1.7)	498	(20.8)	436	(14.6)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
December 31, 2024	33.50	—
December 31, 2023	101.23	101.08

Note: Diluted earnings per share is not presented for the fiscal year ended December 31, 2024, as there were no dilutive shares.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2024	12,650	5,169	40.9	1,187.46
December 31, 2023	12,408	5,122	41.3	1,184.28

Reference: Equity

As of December 31, 2024: ¥5,169 million

As of December 31, 2023: ¥5,122 million

Note: Reasons for the difference between non-consolidated business results and actual results for the previous fiscal year.
In the fiscal year under review, the Company struggled mainly in North America and Southern Europe, resulting in a decline in sales, and a deterioration in the gross profit margin due to sluggish sales of high-priced products with high gross profit margins, resulting in the difference between the actual results for the fiscal year under review and the actual results for the previous fiscal year.

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

The forecasted financial information described above is based on information currently available to and the assumption considered to be reasonable. Actual financial results may differ significantly due to potential risks and uncertainties.

The Company plans to hold a financial results briefing for institutional investors and analysts on February 19, 2025. A video of the briefing will be posted on the Company's website shortly after the briefing.

Additionally, the materials from this briefing have been disclosed via TDnet and made available on the Company's website.

Contents of the Attached Materials

1. Consolidated financial statements
(1)Consolidated balance sheets
(2)Consolidated income statements
(3)Consolidated comprehensive income statements
(4)Consolidated cash flow statements

1. Consolidated financial statements

(1)Consolidated balance sheets

(Million yen)

	As of December 31, 2023	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	2,847	3,315
Notes and accounts receivable- trade	2,267	2,538
Merchandise and finished goods	6,668	7,348
Raw materials and supplies	1,106	901
Income taxes receivable	315	158
Accounts receivable - other	268	258
Other	308	471
Allowance for doubtful accounts	(60)	(27)
Current assets total	13,721	14,965
Non-currents assets		
Property, plant and equipment		
Buildings and structures, net	74	65
Machinery, equipment and vehicles, net	10	10
Tools, furniture and fixtures, net	446	415
Leased assets, net	958	897
Construction in progress	2	62
Property, plant and equipment total	1,491	1,451
Intangible assets		
Goodwill	3,241	2,991
Other	46	62
Intangible assets total	3,287	3,054
Investments and other assets		
Investment securities	1	1
Deferred tax assets	605	482
Other	354	142
Allowance for doubtful accounts	(201)	(9)
Investments and other assets total	759	616
Non-current assets total	5,538	5,122
Assets total	19,260	20,087

(Million yen)

	As of December 31, 2023	As of December 31, 2024
Liabilities		
Current liabilities		
Accounts payable-trade	1,396	1,569
Short-term loans payable	3,410	4,129
Current portion of long-term loans payable	495	508
Short-term lease liabilities	95	106
Accounts payable-other	1,019	692
Liabilities related to chargeable subcontracting	87	101
Income taxes payable	115	106
Provision for bonuses	32	38
Provision for product warranties	79	48
Other	412	458
Current liabilities total	7,143	7,760
Non-current liabilities		
Long-term loans payable	2,966	2,508
Long-term lease liabilities	957	903
Deferred tax liabilities	101	111
Retirement benefit liability	167	181
Non-current liabilities total	4,193	3,705
Liabilities total	11,336	11,466
Equity		
Shareholder's equity		
Capital stock	212	212
Capital surplus	261	261
Retained earnings	5,302	5,208
Treasury shares	(316)	(280)
Shareholder's equity total	5,460	5,401
Accumulated other comprehensive income		
Foreign currency translation adjustment	1,201	1,763
Remeasurements of defined benefit plans	1	0
Accumulated other comprehensive income total	1,202	1,764
Non-controlling interests	1,260	1,455
Equity total	7,923	8,621
Liabilities and equities total	19,260	20,087

(2)Consolidated income statements

(Million yen)

	For the year ended December 31, 2023	For the year ended December 31, 2024
Net sales	17,901	18,072
Cost of sales	10,831	11,142
Gross profit	7,069	6,929
Selling, general and administrative expenses	6,496	6,397
Operating profit	573	531
Non-operating income		
Interest income	30	48
Dividends income	241	50
Refund of import duty	13	10
Subsidy income	0	-
Insurance premiums refunded cancellation	0	51
Recoveries of written off receivables	-	3
Other	3	5
Total of non-operating income	290	169
Non-operating expense		
Interest expense	101	92
Foreign exchange losses	48	53
Commission for syndicate loan-trade	62	0
Other	1	0
Total of non-operating expense	214	146
Ordinary profit	649	554
Extraordinary loss		
Loss on disposal of fixed assets	11	0
Other	-	0
Total of extraordinary loss	11	0
Profit before income taxes	637	554
Income taxes-current	336	216
Income taxes-deferred	(16)	167
Total income taxes	319	384
Profit	318	170
Profit attributable to non-controlling interests	229	129
Profit attributable to owners of parent	88	40

(3)Consolidated comprehensive income statements

(Million yen)

	For the year ended December 31, 2023	For the year ended December 31, 2024
Profit	318	170
Other comprehensive income		
Foreign currency translation adjustment	609	627
Remeasurements of defined benefit plans	1	(0)
Total other comprehensive income	610	627
Comprehensive income	929	797
Comprehensive income attributable to owners of parent	563	602
Comprehensive income attributable to non-controlling interests	365	194

(4)Consolidated cash flow statements

(Million yen)

	For the year ended December 31, 2023	For the year ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	637	554
Depreciation	367	336
Amortization of goodwill	437	469
Increase (decrease) in provision for product warranties	23	(31)
Increase (decrease) in provision for bonus	(1)	5
Increase (decrease) in allowance for doubtful accounts	33	(229)
Increase (decrease) in retirement benefit liability	6	6
Interest and dividend income	(272)	(98)
Interest expenses	101	92
Foreign exchange losses (gains)	(76)	(8)
Insurance premiums refunded cancellation	(0)	(51)
Loss on disposal of fixed assets	11	0
Decrease (increase) in accounts receivable - trade	635	(92)
Decrease (increase) in inventory	(915)	(135)
Decrease (increase) in accounts receivable - other	968	12
Increase (decrease) in accounts payable - trade	(798)	50
Increase (decrease) in accounts payable - other	88	(399)
Other	125	131
Subtotal	1,373	613
Interest and dividends received	272	98
Interest expenses paid	(100)	(87)
Income tax paid	(728)	(40)
Net cash provided by (used in) operating activities	817	584
Cash flows from investing activities		
Decrease (increase) in term deposit	(6)	(6)
Purchase of property, plant and equipment	(217)	(203)
Proceeds from sales of property, plant and equipment	0	-
Purchase of intangible asset	(11)	(35)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(2,207)	-
Other	(0)	2
Net cash provided by (used in) investing activities	(2,443)	(241)
Cash flows from financing activities		
Net increase (decrease) in short-term loan	134	670
Proceeds from long-term loans payable	3,300	-
Repayments of long-term loan	(929)	(451)
Repayments of lease obligations	(66)	(74)
Proceeds from disposal of treasury shares	7	0
Cash dividends paid	(214)	(129)
Net cash provided by (used in) financing activities	2,231	15
Effect of exchange rate change on cash and cash equivalents	159	103
Net increase (decrease) in cash and cash equivalents	764	461
Cash and cash equivalents at beginning of period	2,156	2,826
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(94)	-
Cash and cash equivalents at end of period	2,826	3,287