

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.



**Summary of Consolidated Financial Results for the Three Months Ended May 31, 2024
(Based on Japanese GAAP)**

July 12, 2024

Company Name: OXIDE Corporation
 Stock Exchange Listing: Tokyo
 Stock Code: 6521 URL: <https://www.opt-oxide.com>
 Representative: President (COO & CFO) Masayuki Yamamoto
 Inquiries: Director (CSO), Head of Corporate Strategy Division Seiji Uchida TEL +81-551-26-0022
 Scheduled date of filing of quarterly report: July 12, 2024
 Scheduled date to commence dividend payments: —
 Preparation of supplementary materials on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended May 31, 2024 (from March 1, 2024 to May 31, 2024)

(1) Consolidated operating results (cumulative)

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	%
Three months ended May 31, 2024	1,388	2.1	(406)	-	(360)	-	(260)	-
Three months ended May 31, 2023	1,359	-	(48)	-	69	-	39	-

Note: Comprehensive income (million yen) Three months ended May 31, 2024 (85)(-%)
 Three months ended May 31, 2023 (74)(-%)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended May 31, 2024	(23.68)	-
Three months ended May 31, 2023	3.97	3.61

(Note) 1. The Company started preparing quarterly consolidated financial statements from the first quarter of the fiscal year ending February 28, 2025. Therefore, the figures and year-on-year changes for the three months ended May 31, 2024.

2. Diluted net income per share for the first quarter of the fiscal year ending February 28, 2025 is not presented because there were dilutive shares but a net loss per share.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of May 31, 2024	20,048	7,524	37.5
As of February 29, 2024	19,251	7,610	39.5

Reference : Equity (million yen) February 28, 2025 7,524
 Year ended February 29, 2024 7,610

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended February 29, 2024	-	0.00	-	0.00	0.00
Fiscal year ending February 28, 2025	-				
Year ending February 28, 2025 (Forecast)		0.00	-	0.00	0.00

(Note) Revision to the most recent dividend forecast: No

3. Forecast of consolidated financial results for the year ending February 28, 2025 (from March 1, 2024 to February 28, 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	8,553	29.5	202	-	129	-	16	-	1.45

(Note) Revisions to the financial results forecast most recently announced: No

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in the scope of consolidation): No

(2) Application of accounting methods specific to the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatements

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

(4) Number of issued shares (common shares)

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

As of May 31, 2024	11,005,525 Shares	As of February 29, 2024	11,005,525 Shares
--------------------	-------------------	-------------------------	-------------------

Number of treasury shares at the end of the period

As of May 31, 2024	602 Shares	As of February 29, 2024	467 Shares
--------------------	------------	-------------------------	------------

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

Three months ended May 31, 2024	11,004,959 Shares	Three months ended May 31, 2023	9,965,937 Shares
---------------------------------	-------------------	---------------------------------	------------------

* This quarterly financial report is not subject to quarterly review procedures by certified public accountants or an audit firm.

* Proper use of financial results forecasts, and other special matters

The forward-looking statements, including the financial results 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 achieve the stated performance. Actual business and other results may differ substantially due to various factors. These statements do not purport that the Company pledges to achieve the stated performance.

Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheet

(Thousands of yen)

	As of February 29, 2024	As of May 31, 2024
Assets		
Current assets		
Cash and deposits	1,631,297	1,422,412
Notes and accounts receivable - trade	1,350,683	944,652
Electronically recorded monetary claims - operating	11,853	1,738
Merchandise and finished goods	207,458	264,024
Work in process	2,501,779	2,885,822
Raw materials and supplies	1,401,026	1,299,173
Other, net	455,007	917,825
Total Current Assets	7,559,106	7,735,647
Non-current assets		
Property, plant and equipment		
Buildings and Structures, net	2,592,049	2,636,785
Machinery, equipment and vehicles, net	3,909,362	4,026,315
Other, net	1,630,214	1,905,028
Total property, plant and equipment	8,131,626	8,568,129
Intangible assets		
Goodwill	1,641,346	1,679,898
Customer-related assets	1,140,346	1,178,506
Other	262,290	265,771
Total Intangible assets	3,043,983	3,124,176
Investments and other assets	516,994	620,219
Total non-current assets	11,692,604	12,312,526
Total assets	19,251,711	20,048,174

(Thousands of yen)

	As of February 29, 2024	As of May 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	261,690	278,376
Short-term borrowings	1,500,000	2,550,000
Current portion of bonds payable	7,000	8,000
Current portion of long-term borrowings	905,866	938,646
Income taxes payable	32,844	11,462
Provision for bonuses	122,200	182,993
Provision for repairs	68,880	96,530
Provision for product warranties	108,734	91,298
Other	1,595,035	1,303,904
Total Current Liabilities	4,602,253	5,461,211
Non-current liabilities		
Bonds payable	154,500	150,000
Long-term borrowings	6,638,761	6,644,374
Provision for employee stock compensation	5,654	6,633
Retirement benefit liability	522	549
Other	239,593	260,650
Total non-current liabilities	7,039,032	7,062,208
Total liabilities	11,641,285	12,523,419
Net assets		
Shareholders' equity		
Share capital	3,177,014	3,177,014
Capital surplus	3,633,837	3,633,837
Retained earnings	652,271	391,645
Treasury shares	(1,591)	(1,591)
Total shareholders' equity	7,461,530	7,200,905
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	962	1,251
Foreign currency translation adjustment	147,932	322,597
Total accumulated other comprehensive income	148,895	323,848
Total net assets	7,610,426	7,524,754
Total liabilities and net assets	19,251,711	20,048,174

(2) Quarterly consolidated statements of income (cumulative) and quarterly consolidated statements of comprehensive income (cumulative)

Quarterly consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended May 31, 2023	Three months ended May 31, 2024
Net sales	1,359,203	1,388,064
Cost of sales	865,595	1,007,162
Gross profit	493,607	380,901
Selling, general and administrative expenses	542,559	786,912
Operating loss	(48,952)	(406,010)
Non-operating income		
Interest income	6,076	184
Foreign exchange gains	43,918	100,085
Subsidy income	97,262	2,323
Other	744	1,415
Total non-operating income	148,001	104,009
Non-operating expenses		
Interest expenses	22,383	34,366
Commission expenses	5,324	22,485
Other	2,140	2,117
Total non-operating expenses	29,848	58,968
Ordinary profit Ordinary loss	69,200	(360,970)
Extraordinary income		
Gain on sale of non-current assets	5,328	2,366
Total extraordinary income	5,328	2,366
Profit before income taxes and Loss before income taxes	74,528	(358,603)
Income taxes - current	28,210	2,290
Income taxes - deferred	6,777	(100,268)
Total income taxes	34,988	(97,978)
Profit or Loss	39,539	(260,625)
Profit attributable to non-controlling interests	-	-
Profit (loss) attributable to owners of parent	39,539	(260,625)

Quarterly consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended May 31, 2023	Three months ended May 31, 2024
Profit or Loss	39,539	(260,625)
Other comprehensive income		
Valuation difference on available-for-sale securities	163	289
Foreign currency translation adjustment	(114,555)	174,664
Total of other comprehensive income	(114,391)	174,953
Comprehensive income	(74,851)	(85,671)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(74,851)	(85,671)
Comprehensive income attributable to non-controlling interests	-	-