

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: CHARM CARE CORPORATION  
 Stock exchange listing: Tokyo  
 Stock code: 6062 URL <https://www.charmcc.jp/>  
 Representative: Chairman and President Takahiko Shimomura  
 Inquiries: Director Managing Executive Officer Yoshihiko Maeda TEL 06-6445-3389  
 Scheduled date of ordinary general meeting of shareholders: September 26, 2024  
 Scheduled date to file Securities Report: September 27, 2024  
 Scheduled date to commence dividend payments: September 27, 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	47,829	26.2	5,386	28.3	5,817	25.6	4,276	33.4
Year ended June 30, 2023	37,887	30.3	4,197	81.8	4,633	85.3	3,206	8.6

	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	130.97	130.79	25.3	12.8	11.3
Year ended June 30, 2023	98.28	98.10	23.3	11.5	11.1

#### (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	47,339	18,706	39.4	571.74
As of June 30, 2023	43,304	15,135	34.8	462.34

#### (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	10,534	(1,668)	(3,039)	12,640
Year ended June 30, 2023	496	(2,242)	1,618	6,813

### 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	—	22.00	22.00	717	22.4	4.7
Year ended June 30, 2024	—	0.00	—	30.00	30.00	979	22.9	5.2
Year ending June 30, 2025 (Forecast)	—	0.00	—	34.00	34.00		23.3	

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	20,150	8.4	1,720	9.5	1,795	2.3	1,200	5.6	36.74
Full year	50,150	4.9	4,905	(8.9)	5,015	(13.8)	4,765	11.4	145.90

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	32,712,000 shares	As of June 30, 2023	32,712,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	53,653 shares	As of June 30, 2023	82,628 shares
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Average number of shares during the period

Year ended June 30, 2024	32,650,458 shares	Year ended June 30, 2023	32,626,171 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of June 30, 2023	As of June 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	6,813	12,640
Accounts receivable - trade	2,885	3,284
Real estate for sale	1,628	–
Real estate for development	4,171	2,361
Money held in trust	4,731	5,275
Other	1,225	860
Allowance for doubtful accounts	(7)	(7)
Total current assets	21,448	24,415
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,802	6,515
Land	1,822	1,823
Leased assets, net	212	166
Construction in progress	1,383	2,728
Other, net	817	1,030
Total property, plant and equipment	11,037	12,264
Intangible assets		
Goodwill	2,802	2,588
Other	71	91
Total intangible assets	2,873	2,680
Investments and other assets		
Investment securities	610	10
Guarantee deposits	5,298	5,639
Deferred tax assets	1,357	1,768
Other	679	561
Total investments and other assets	7,944	7,979
Total non-current assets	21,856	22,924
Total assets	43,304	47,339

(Millions of yen)

	As of June 30, 2023	As of June 30, 2024
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	300	339
Short-term borrowings	5,374	4,667
Current portion of long-term borrowings	955	904
Lease liabilities	87	69
Income taxes payable	1,272	1,753
Accounts payable - other	1,823	2,209
Contract liabilities	9,713	11,644
Provision for bonuses	135	144
Other	397	307
<b>Total current liabilities</b>	<b>20,060</b>	<b>22,040</b>
<b>Non-current liabilities</b>		
Long-term borrowings	6,597	5,122
Lease liabilities	146	113
Retirement benefit liability	664	742
Asset retirement obligations	214	217
Deferred tax liabilities	214	180
Other	271	215
<b>Total non-current liabilities</b>	<b>8,108</b>	<b>6,592</b>
<b>Total liabilities</b>	<b>28,168</b>	<b>28,632</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	2,759	2,759
Capital surplus	2,758	2,762
Retained earnings	9,646	13,205
Treasury shares	(66)	(43)
<b>Total shareholders' equity</b>	<b>15,098</b>	<b>18,684</b>
<b>Accumulated other comprehensive income</b>		
Deferred gains or losses on hedges	(0)	(0)
Remeasurements of defined benefit plans	(11)	(11)
<b>Total accumulated other comprehensive income</b>	<b>(12)</b>	<b>(12)</b>
Share acquisition rights	50	34
<b>Total net assets</b>	<b>15,135</b>	<b>18,706</b>
<b>Total liabilities and net assets</b>	<b>43,304</b>	<b>47,339</b>

**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	37,887	47,829
Cost of sales	31,049	39,518
Gross profit	6,837	8,311
Selling, general and administrative expenses	2,639	2,924
Operating profit	4,197	5,386
Non-operating income		
Interest income	3	3
Subsidy income	447	420
Other	51	80
Total non-operating income	502	505
Non-operating expenses		
Interest expenses	58	55
Other	8	18
Total non-operating expenses	67	74
Ordinary profit	4,633	5,817
Extraordinary income		
Gain on sale of non-current assets	529	1,159
Subsidy income	30	–
Total extraordinary income	560	1,159
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	29	–
Loss on valuation of investment securities	–	600
Impairment losses	299	–
Total extraordinary losses	329	600
Profit before income taxes	4,864	6,376
Income taxes - current	1,818	2,545
Income taxes - deferred	(161)	(445)
Total income taxes	1,657	2,100
Profit	3,206	4,276
Profit attributable to owners of parent	3,206	4,276

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended June 30, 2023	Fiscal year ended June 30, 2024
Profit	3,206	4,276
Other comprehensive income		
Deferred gains or losses on hedges	4	0
Remeasurements of defined benefit plans, net of tax	7	(0)
Total other comprehensive income	11	0
Comprehensive income	3,218	4,276
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,218	4,276

## Consolidated statements of changes in equity

Fiscal year ended June 30, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,759	2,755	6,994	(76)	12,432
Changes during period					
Dividends of surplus			(554)		(554)
Profit attributable to owners of parent			3,206		3,206
Disposal of treasury shares		3		10	13
Net changes in items other than shareholders' equity					
Total changes during period	–	3	2,652	10	2,665
Balance at end of period	2,759	2,758	9,646	(66)	15,098

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	(4)	(19)	(23)	50	12,458
Changes during period					
Dividends of surplus					(554)
Profit attributable to owners of parent					3,206
Disposal of treasury shares					13
Net changes in items other than shareholders' equity	4	7	11		11
Total changes during period	4	7	11	–	2,676
Balance at end of period	(0)	(11)	(12)	50	15,135

Fiscal year ended June 30, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,759	2,758	9,646	(66)	15,098
Changes during period					
Dividends of surplus			(717)		(717)
Profit attributable to owners of parent			4,276		4,276
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		4		23	27
Net changes in items other than shareholders' equity					
Total changes during period	-	4	3,558	23	3,585
Balance at end of period	2,759	2,762	13,205	(43)	18,684

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	(0)	(11)	(12)	50	15,135
Changes during period					
Dividends of surplus					(717)
Profit attributable to owners of parent					4,276
Purchase of treasury shares					(0)
Disposal of treasury shares					27
Net changes in items other than shareholders' equity	0	(0)	0	(15)	(15)
Total changes during period	0	(0)	0	(15)	3,570
Balance at end of period	(0)	(11)	(12)	34	18,706



## 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	4,864	6,376
Depreciation	642	706
Impairment losses	299	–
Amortization of goodwill	214	217
Loss (gain) on sale of non-current assets	(529)	(1,159)
Loss (gain) on valuation of investment securities	–	600
Increase (decrease) in allowance for doubtful accounts	4	(0)
Increase (decrease) in provision for bonuses	11	8
Increase (decrease) in retirement benefit liability	90	77
Interest income	(3)	(3)
Interest expenses	58	55
Loss on tax purpose reduction entry of non-current assets	29	–
Subsidy income	(478)	(420)
Decrease (increase) in trade receivables	(289)	(398)
Decrease (increase) in inventories	(3,320)	3,431
Increase (decrease) in trade payables	36	38
Increase (decrease) in accounts payable - other	181	355
Increase (decrease) in contract liabilities	842	1,931
Other, net	(45)	39
Subtotal	2,608	11,857
Interest received	0	1
Interest paid	(59)	(56)
Subsidies received	475	434
Income taxes paid	(2,527)	(2,081)
Income taxes refund	–	379
Net cash provided by (used in) operating activities	496	10,534
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,074)	(3,724)
Proceeds from sale of property, plant and equipment	1,150	898
Purchase of intangible assets	(39)	(296)
Proceeds from sale of intangible assets	–	2,292
Purchase of investment securities	(310)	–
Investments in money held in trust	(287)	(543)
Payments of guarantee deposits	(616)	(448)
Proceeds from refund of guarantee deposits	30	41
Other, net	(94)	113
Net cash provided by (used in) investing activities	(2,242)	(1,668)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	3,234	(706)
Proceeds from long-term borrowings	570	1,330
Repayments of long-term borrowings	(1,531)	(2,855)
Repayments of lease liabilities	(100)	(89)
Dividends paid	(554)	(717)
Other, net	–	(0)
Net cash provided by (used in) financing activities	1,618	(3,039)
Net increase (decrease) in cash and cash equivalents	(128)	5,826
Cash and cash equivalents at beginning of period	6,941	6,813
Cash and cash equivalents at end of period	6,813	12,640