

Translation

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

August 9, 2024

Company name: ECONACH HOLDINGS CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 3521 URL <https://www.econach.co.jp/>
 Representative: Representative Director and President Ryuta Suzuki
 Inquiries: Accounting Department Manager Yoshiyuki Nomura TEL 03-6418-4391
 Scheduled date to commence dividend payments: <tse-ed-
 t:DividendPayableDateAsPlanned><CurrentAccumulatedQ1Instant>
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 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 June 30, 2024	459	1.4	42	–	41	–	21	–
Three months ended June 30, 2023	453	51.3	(15)	–	(16)	–	(27)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	0.81		–	
Three months ended June 30, 2023	(1.02)		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	5,879	4,749	80.8
As of March 31, 2024	6,008	4,728	78.7

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2024	–	–	–	0.00	0.00
Year ending March 31, 2025	–	–	–	–	–
Year ending March 31, 2025 (Forecast)	–	–	–	0.00	0.00

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 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	1,900	0.4	240	27.3	235	28.2	130	35.1	4.91

4. Notes

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) 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: Yes
 - 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 June 30, 2024	26,466,366 shares	As of March 31, 2024	26,466,366 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	12,433 shares	As of March 31, 2024	12,083 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	26,454,025 shares	Three months ended June 30, 2023	26,457,973 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	1,228,015	1,175,503
Accounts receivable - trade	94,063	80,317
Merchandise	1,758	1,289
Raw materials and supplies	1,349	1,207
Other	19,858	12,339
Allowance for doubtful accounts	(2,499)	(2,440)
Total current assets	1,342,547	1,268,218
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,447,027	2,388,669
Machinery, equipment and vehicles, net	41,204	39,020
Tools, furniture and fixtures, net	87,697	92,838
Land	1,834,794	1,834,794
Total property, plant and equipment	4,410,722	4,355,321
Intangible assets		
Leasehold interests in land	83,445	83,445
Software	4,081	5,199
Telephone subscription right	1,528	1,528
Total intangible assets	89,056	90,173
Investments and other assets		
Investment securities	600	600
Other	168,139	166,166
Allowance for doubtful accounts	(2,197)	(688)
Total investments and other assets	166,541	166,078
Total non-current assets	4,666,320	4,611,573
Total assets	6,008,867	5,879,792

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	36,514	33,638
Current portion of long-term borrowings	193,622	193,622
Accounts payable - other	96,294	54,875
Income taxes payable	57,855	15,101
Contract liabilities	10,147	11,383
Advances received	6,207	8,089
Provision for bonuses	5,593	9,495
Provision for shareholder benefit program	1,948	1,562
Other	84,528	53,327
Total current liabilities	492,712	381,094
Non-current liabilities		
Long-term borrowings	600,670	555,988
Deferred tax liabilities	10,288	15,588
Deferred tax liabilities for land revaluation	10,052	10,052
Asset retirement obligations	162,530	162,977
Long-term deposits received	4,223	4,379
Total non-current liabilities	787,765	748,986
Total liabilities	1,280,478	1,130,080
Net assets		
Shareholders' equity		
Share capital	100,000	100,000
Capital surplus	4,235,309	4,235,309
Retained earnings	376,820	398,188
Treasury shares	(2,750)	(2,796)
Total shareholders' equity	4,709,379	4,730,701
Accumulated other comprehensive income		
Revaluation reserve for land	19,010	19,010
Total accumulated other comprehensive income	19,010	19,010
Total net assets	4,728,389	4,749,711
Total liabilities and net assets	6,008,867	5,879,792

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	453,059	459,524
Cost of sales	428,792	371,650
Gross profit	24,266	87,874
Selling, general and administrative expenses	40,009	45,096
Operating profit (loss)	(15,743)	42,777
Non-operating income		
Rental income from non-current assets	384	384
Commission income	295	282
Other	1,031	346
Total non-operating income	1,711	1,012
Non-operating expenses		
Interest expenses	2,330	2,015
Other	75	6
Total non-operating expenses	2,406	2,021
Ordinary profit (loss)	(16,438)	41,768
Profit (loss) before income taxes	(16,438)	41,768
Income taxes - current	11,338	15,101
Income taxes - deferred	(710)	5,299
Total income taxes	10,628	20,401
Profit (loss)	(27,066)	21,367
Profit (loss) attributable to owners of parent	(27,066)	21,367

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit (loss)	(27,066)	21,367
Comprehensive income	(27,066)	21,367
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(27,066)	21,367
Comprehensive income attributable to non-controlling interests	—	—