

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: TENOX CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 1905 URL <https://www.tenox.co.jp/>
 Representative: President and Representative Director Sunao Wakao
 Inquiries: Accounting Manager Atsushi Taniyama TEL 03-3455-7758
 Scheduled date to commence dividend payments: –
 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	5,957	27.3	(28)	–	(3)	–	(6)	–
Three months ended June 30, 2023	4,678	10.2	272	171.4	285	140.1	223	125.3

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	(0.93)		–	
Three months ended June 30, 2023	34.19		33.47	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	19,459	12,579	62.8
As of March 31, 2024	19,066	12,689	64.5

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 March 31, 2024	–	19.00	–	19.00	38.00
Year ending March 31, 2025	–				
Year ending March 31, 2025 (Forecast)		21.00	–	22.00	43.00

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	25,000	23.7	890	70.8	930	66.7	650	67.5	99.16

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: Yes
- (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: 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 June 30, 2024	7,347,680 shares	As of March 31, 2024	7,347,680 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	783,561 shares	As of March 31, 2024	792,750 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	6,560,777 shares	Three months ended June 30, 2023	6,530,117 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	8,367,784	8,472,894
Notes receivable, accounts receivable from completed construction contracts, contract assets and other	3,127,594	3,351,589
Electronically recorded monetary claims - operating	1,657,896	1,682,465
Costs on construction contracts in progress	1,000,210	690,844
Accounts receivable - other	716,331	678,558
Other	417,463	573,189
Allowance for doubtful accounts	(2,010)	(548)
Total current assets	15,285,271	15,448,995
Non-current assets		
Property, plant and equipment	2,587,641	2,728,517
Intangible assets		
Goodwill	11,922	10,838
Other	92,436	105,293
Total intangible assets	104,358	116,132
Investments and other assets		
Other	1,092,792	1,169,332
Allowance for doubtful accounts	(3,072)	(3,072)
Total investments and other assets	1,089,719	1,166,259
Total non-current assets	3,781,719	4,010,909
Total assets	19,066,990	19,459,904

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	4,608,237	4,992,405
Long-term loans payable within one year	9,940	9,940
Income taxes payable	30,906	45,285
Contract liabilities	300,777	139,854
Provision for loss on construction contracts	5,600	13,700
Other provisions	118,940	37,632
Other	668,329	991,252
Total current liabilities	5,742,731	6,230,069
Non-current liabilities		
Retirement benefit liability	502,194	511,047
Provisions	88,219	87,425
Other	44,240	52,033
Total non-current liabilities	634,655	650,507
Total liabilities	6,377,386	6,880,577
Net assets		
Shareholders' equity		
Share capital	1,710,900	1,710,900
Capital surplus	2,340,256	2,340,661
Retained earnings	8,685,750	8,551,000
Treasury shares	(540,658)	(534,635)
Total shareholders' equity	12,196,248	12,067,926
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	118,514	161,631
Foreign currency translation adjustment	(12,002)	(17,199)
Total accumulated other comprehensive income	106,512	144,432
Share acquisition rights	89,636	84,715
Non-controlling interests	297,207	282,252
Total net assets	12,689,604	12,579,327
Total liabilities and net assets	19,066,990	19,459,904

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	4,678,876	5,957,875
Cost of sales	3,845,249	5,387,586
Gross profit	833,626	570,289
Selling, general and administrative expenses	561,107	598,727
Operating profit (loss)	272,519	(28,438)
Non-operating income		
Interest income	188	314
Dividend income	6,078	9,317
Purchase discounts	5,607	3,519
Gain on sale of goods	2,632	1,347
Foreign exchange gains	–	9,935
Other	243	348
Total non-operating income	14,750	24,784
Non-operating expenses		
Foreign exchange losses	1,358	–
Non deducted consumption tax	–	111
Other	27	0
Total non-operating expenses	1,386	111
Ordinary profit (loss)	285,883	(3,765)
Extraordinary income		
Gain on sale of non-current assets	11,699	–
Total extraordinary income	11,699	–
Extraordinary losses		
Loss on disposal of non-current assets	0	185
Total extraordinary losses	0	185
Profit (loss) before income taxes	297,583	(3,950)
Income taxes	88,307	16,203
Profit (loss)	209,276	(20,153)
Loss attributable to non-controlling interests	(13,982)	(14,054)
Profit (loss) attributable to owners of parent	223,259	(6,099)

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit (loss)	209,276	(20,153)
Other comprehensive income		
Valuation difference on available-for-sale securities	43,173	43,117
Foreign currency translation adjustment	417	(5,196)
Total other comprehensive income	43,591	37,920
Comprehensive income	252,867	17,766
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	266,850	31,820
Comprehensive income attributable to non-controlling interests	(13,982)	(14,054)