

Translation

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Summary of Consolidated Financial Results for Three months Ended March 31, 2024 (Based on Japanese GAAP)

May 13, 2024

Company name: Optorun Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 6235 URL <https://www.optorun.co.jp/>
 Representative: Representative Director and President/CEO Bin Fan
 Director and Executive Officer
 Inquiries: General Manager of Corporate Management Koji Kondo TEL 049-299-8199
 Dept.
 Scheduled date to file Quarterly Securities Report: May 13, 2024
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated Results for Year Ended December 31, 2024 (January 1, 2024 to March 31, 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	%
Three months ended March 31, 2024	11,298	24.7	3,964	51.7	4,324	138.3	3,283	134.1
Three months ended March 31, 2023	9,063	77.1	2,613	253.1	1,814	64.4	1,402	133.0

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended March 31, 2024	74.95	73.85
Three months ended March 31, 2023	32.24	31.64

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2024	76,958	59,509	76.5
As of December 31, 2023	78,490	56,915	71.7

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 December 31, 2023	—	0.00	—	50.00	50.00
Year ended December 31, 2024	—	—	—	—	—
Year ending December 31, 2024 (Forecast)	—	26.00	—	26.00	52.00

3. Forecast of consolidated financial results for the year ending December 31, 2024

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	37,000	0.5	7,500	△23.1	7,600	25.6	5,400	16.6	123.25

4. Notes

- (1) Changes in significant subsidiaries during the year ended March 31, 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 March 31, 2024	44,358,000 shares	As of December 31, 2023	44,358,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	543,054 shares	As of December 31, 2023	543,054 shares
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Average number of shares during the period

As of March 31, 2024	43,814,946 shares	As of March 31, 2023	43,510,026 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of December 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	33,054,217	33,328,733
Notes and accounts receivable - trade	5,486,144	3,709,649
Work in process	9,199,169	6,848,004
Raw materials and supplies	8,789,521	9,365,446
Other	1,706,906	2,436,000
Allowance for doubtful accounts	(603,959)	(503,838)
Total current assets	57,631,999	55,183,995
Non-current assets		
Property, plant and equipment	11,406,542	11,873,563
Intangible assets		
Goodwill	343,120	305,558
Other	80,506	75,163
Total intangible assets	423,626	380,722
Investments and other assets		
Investment securities	350,000	350,000
Investments in capital	6,161,169	6,645,828
Deferred tax assets	873,076	682,602
Other	1,644,441	1,842,195
Total investments and other assets	9,028,688	9,520,626
Total non-current assets	20,858,858	21,774,912
Total assets	78,490,857	76,958,907

(Thousands of yen)

	As of December 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,283,843	2,326,444
Short-term loans payable	400,000	400,000
Lease obligations	3,108	2,816
Income taxes payable	523,362	503,880
Contract liabilities	14,743,418	9,441,138
Provision for bonuses	361,599	120,229
Provision for product warranties	345,742	428,528
Other	1,435,664	1,589,071
Total current liabilities	19,096,739	14,812,109
Non-current liabilities		
Lease obligations	7,974	7,533
Deferred tax liabilities	2,020,912	2,173,657
Retirement benefit liability	230,209	236,437
Asset retirement obligations	62,559	62,758
Other	156,591	156,687
Total non-current liabilities	2,478,247	2,637,074
Total liabilities	21,574,987	17,449,183
Net assets		
Shareholders' equity		
Capital stock	400,000	400,000
Capital surplus	9,348,189	9,348,189
Retained earnings	41,421,632	42,514,614
Treasury shares	(35,798)	(35,798)
Total shareholders' equity	51,134,022	52,227,005
Accumulated other comprehensive income		
Foreign currency translation adjustment	5,181,664	6,654,438
Total accumulated other comprehensive income	5,181,664	6,654,438
Non-controlling interests	600,182	628,279
Total net assets	56,915,870	59,509,723
Total liabilities and net assets	78,490,857	76,958,907

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Three months ended March 31, 2023	Three months ended March 31, 2024
Net sales	9,063,015	11,298,019
Cost of sales	4,485,218	5,380,609
Gross profit	4,577,796	5,917,410
Selling, general and administrative expenses	1,964,099	1,952,427
Operating profit	2,613,696	3,964,982
Non-operating income		
Interest income	26,969	31,119
Rental income	13,757	187
Foreign exchange gains	—	345,545
Subsidy income	226	—
Gain on adjustment of account payable	58,051	—
Share of profit of entities accounted for using equity method	—	70,550
Other	4,106	14,540
Total non-operating income	103,111	461,943
Non-operating expenses		
Interest expenses	157	128
Share of loss of entities accounted for using equity method	9,813	—
Foreign exchange losses	13,572	—
Loss on valuation of derivatives	869,237	83,772
Rental expenses	8,592	1,477
Donations	—	13,094
Other	534	3,517
Total non-operating expenses	901,909	101,990
Ordinary profit	1,814,898	4,324,935
Extraordinary losses		
Loss on retirement of non-current assets	—	3,821
Total extraordinary losses	—	3,821
Profit before income taxes	1,814,898	4,321,114
Income taxes	414,104	1,030,391
Profit	1,400,794	3,290,723
Profit attributable to non-controlling interests	(2,042)	6,992
Profit attributable to owners of parent	1,402,837	3,283,730

Consolidated statements of comprehensive income

(Thousands of yen)

	Three months ended March 31, 2023	Three months ended March 31, 2024
Profit	1,400,794	3,290,723
Other comprehensive income		
Foreign currency translation adjustment	520,299	1,304,749
Share of other comprehensive income of entities accounted for using equity method	80,926	189,127
Total other comprehensive income	601,226	1,493,877
Comprehensive income	2,002,020	4,784,600
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,003,617	4,756,504
Comprehensive income attributable to non-controlling interests	(1,596)	28,096