

## Translation

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# Summary of Consolidated Financial Results for Six months Ended June 30, 2024 (Based on Japanese GAAP)

August 8, 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  
 Executive Officer  
 Inquiries: General Manager Corporate Planning Dept. Masahiko Ishino TEL 049-299-8199  
 Scheduled date to file Quarterly Securities Report: August 8, 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 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	%
Six months ended June 30, 2024	16,677	(20.3)	3,942	(40.8)	4,417	3.6	3,173	(8.6)
Six months ended June 30, 2023	20,924	54.9	6,662	102.3	4,263	(4.6)	3,470	18.9

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended June 30, 2024	72.31	71.27
Six months ended June 30, 2023	79.68	78.20

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	81,482	61,810	75.0
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	—	26.00	—	—	—
Year ending December 31, 2024 (Forecast)	—	—	—	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 June 30, 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 June 30, 2024	341,711 shares	As of December 31, 2023	543,054 shares
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Average number of shares during the period

As of June 30, 2024	43,887,547 shares	As of June 30, 2023	43,560,607 shares
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## Consolidated financial statements

### Consolidated balance sheets

(Thousands of yen)

	As of December 31, 2023	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	33,054,217	32,192,674
Notes and accounts receivable - trade	5,486,144	4,893,999
Work in process	9,199,169	10,306,112
Raw materials and supplies	8,789,521	8,363,416
Other	1,706,906	2,156,126
Allowance for doubtful accounts	(603,959)	(540,815)
Total current assets	57,631,999	57,371,513
Non-current assets		
Property, plant and equipment	11,406,542	13,450,062
Intangible assets		
Goodwill	343,120	268,811
Other	80,506	70,229
Total intangible assets	423,626	339,040
Investments and other assets		
Investment securities	350,000	390,572
Investments in capital	6,161,169	7,262,767
Deferred tax assets	873,076	820,575
Other	1,644,441	1,847,797
Total investments and other assets	9,028,688	10,321,712
Total non-current assets	20,858,858	24,110,815
Total assets	78,490,857	81,482,329

	(Thousands of yen)	
	As of December 31, 2023	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,283,843	1,847,983
Short-term loans payable	400,000	400,000
Lease obligations	3,108	2,049
Income taxes payable	523,362	723,333
Contract liabilities	14,743,418	10,840,774
Provision for bonuses	361,599	257,270
Provision for product warranties	345,742	358,390
Other	1,435,664	2,465,046
Total current liabilities	19,096,739	16,894,848
Non-current liabilities		
Lease obligations	7,974	5,955
Deferred tax liabilities	2,020,912	2,384,635
Retirement benefit liability	230,209	229,546
Asset retirement obligations	62,559	—
Other	156,591	156,855
Total non-current liabilities	2,478,247	2,776,993
Total liabilities	21,574,987	19,671,841
Net assets		
Shareholders' equity		
Capital stock	400,000	400,000
Capital surplus	9,348,189	9,635,910
Retained earnings	41,421,632	42,404,278
Treasury shares	(35,798)	(22,430)
Total shareholders' equity	51,134,022	52,417,758
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	—	(48,678)
Foreign currency translation adjustment	5,181,664	8,745,359
Total accumulated other comprehensive income	5,181,664	8,696,681
Non-controlling interests	600,182	696,046
Total net assets	56,915,870	61,810,487
Total liabilities and net assets	78,490,857	81,482,329

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

(Thousands of yen)

	Six months ended June 30, 2023	Six months ended June 30, 2024
Net sales	20,924,968	16,677,750
Cost of sales	10,393,367	8,592,021
Gross profit	10,531,600	8,085,729
Selling, general and administrative expenses	3,869,312	4,143,665
Operating profit	6,662,288	3,942,064
Non-operating income		
Interest income	59,892	50,036
Dividend income	—	6,004
Rental income	19,987	384
Share of profit of entities accounted for using equity method	—	127,046
Foreign exchange gains	369,457	578,699
Subsidy income	54,481	8,930
Gain on adjustment of account payable	62,116	—
Other	20,725	21,800
Total non-operating income	586,661	792,902
Non-operating expenses		
Interest expenses	2,534	2,504
Share of loss of entities accounted for using equity method	16,985	—
Loss on valuation of derivatives	2,954,878	281,574
Rental expenses	9,994	2,986
Donations	—	13,371
Other	731	17,404
Total non-operating expenses	2,985,124	317,840
Ordinary profit	4,263,824	4,417,126
Extraordinary losses		
Loss on retirement of non-current assets	343	3,907
Total extraordinary losses	343	3,907
Profit before income taxes	4,263,480	4,413,218
Income taxes	762,185	1,195,498
Profit	3,501,295	3,217,720
Profit attributable to non-controlling interests	30,564	44,326
Profit attributable to owners of parent	3,470,730	3,173,393

## Consolidated statements of comprehensive income

(Thousands of yen)

	Six months ended June 30, 2023	Six months ended June 30, 2024
Profit	3,501,295	3,217,720
Other comprehensive income		
Valuation difference on available-for-sale securities	—	(48,678)
Foreign currency translation adjustment	1,612,182	3,162,954
Share of other comprehensive income of entities accounted for using equity method	173,998	447,285
Total other comprehensive income	1,786,181	3,561,561
Comprehensive income	5,287,476	6,779,282
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,252,735	6,688,411
Comprehensive income attributable to non-controlling interests	34,741	90,871

## Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended June 30, 2023	Fiscal year ended June 30, 2024
Cash flows from operating activities		
Profit before income taxes	4,263,480	4,413,218
Depreciation	363,419	372,555
Amortization of goodwill	91,052	102,763
Increase (decrease) in allowance for doubtful accounts	88,299	(63,143)
Increase (decrease) in provision for bonuses	(98,126)	(129,434)
Increase (decrease) in provision for bonuses for directors	(160,700)	—
Increase (decrease) in provision for product warranties	140,203	12,648
Increase (decrease) in retirement benefit liability	15,193	(662)
Loss on retirement of non-current assets	343	3,907
Interest and dividend income	(59,892)	(56,041)
Interest expenses	2,534	2,504
Foreign exchange losses (gains)	(230,381)	(456,339)
Share of loss (profit) of entities accounted for using equity method	16,985	(127,046)
Decrease (increase) in notes and accounts receivable - trade	1,173,818	1,161,682
Decrease (increase) in inventories	(174,260)	446,696
Increase (decrease) in notes and accounts payable - trade	(3,452,158)	51,498
Increase (decrease) in Contract liabilities	(2,292,844)	(4,192,062)
Decrease (increase) in consumption taxes refund receivable	563,402	133,373
Other, net	1,218,217	109,837
Subtotal	1,468,586	1,785,953
Interest and dividends received	59,892	56,041
Interest expenses paid	(2,534)	(2,504)
Income taxes paid	(1,030,717)	(486,497)
Net cash provided by (used in) operating activities	495,226	1,352,992
Cash flows from investing activities		
Payments into time deposits	—	(31,500)
Proceeds from withdrawal of time deposits	—	18,900
Purchase of property, plant and equipment	(540,896)	(1,505,415)
Purchase of intangible assets	(36,615)	(1,137)
Purchase of investment securities	—	(110,572)
Loan advances	(381,416)	—
Payments of leasehold deposits	—	(40,037)
Proceeds from refund of leasehold deposits	—	51,656
Net cash provided by (used in) investing activities	(958,927)	(1,618,107)

	(Thousands of yen)	
	Fiscal year ended June 30, 2023	Fiscal year ended June 30, 2024
Cash flows from financing activities		
Repayments of lease obligations	(7,292)	(1,058)
Proceeds from exercise of share options	11,160	22,320
Cash dividends paid	(2,173,079)	(2,189,719)
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	252,789	—
Net cash provided by (used in) financing activities	(1,916,422)	(2,168,457)
Effect of exchange rate change on cash and cash equivalents	878,064	1,559,428
Net increase (decrease) in cash and cash equivalents	(1,502,058)	(874,142)
Cash and cash equivalents at beginning of period	34,922,724	32,976,337
Cash and cash equivalents at end of period	33,420,665	32,102,194