

Translation

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## Summary of Non-Consolidated Financial Results for the Six Months Ended September 30, 2023 (Based on Japanese GAAP)

October 31, 2023

Company name: Fundely Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 3137 URL <https://www.fundely.co.jp/>  
 Representative: President, Founder Kosuke Abe  
 Director and General Manager of Administration Department Tomonori Kayano TEL 03-6741-5880  
 Inquiries: Administration Department  
 Scheduled date to file Quarterly Securities Report: November 13, 2023  
 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. Non-consolidated financial results for the six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)

#### (1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2023	1,361	(2.6)	46	–	24	–	23	–
Six months ended September 30, 2022	1,397	(12.6)	(17)	–	(41)	–	(41)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2023	3.79		3.78	
Six months ended September 30, 2022	(6.51)		–	

#### (2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of September 30, 2023	4,730		373		7.6	
As of March 31, 2023	4,935		349		6.8	

### 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, 2023	–	0.00	–	0.00	0.00
Year ending March 31, 2024	–	0.00			
Year ending March 31, 2024 (Forecast)			–	0.00	0.00

### 3. Forecast of non-consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	3,037	8.1	52	–	51	–	50	–	7.97

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: Yes

(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 September 30, 2023	⋮	6,457,500 shares	As of March 31, 2023	⋮	6,457,500 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	⋮	132,600 shares	As of March 31, 2023	⋮	132,600 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2023	⋮	6,324,900 shares	Six months ended September 30, 2022	⋮	6,357,500 shares
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**Quarterly non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	975,782	776,055
Accounts receivable - trade	131,738	165,553
Merchandise and finished goods	254,206	343,334
Work in process	1,918	3,976
Raw materials and supplies	12,931	11,977
Other	57,889	48,891
Allowance for doubtful accounts	(71)	(120)
Total current assets	1,434,395	1,349,668
Non-current assets		
Property, plant and equipment		
Buildings	2,538,445	2,538,445
Accumulated depreciation	(419,028)	(486,945)
Buildings, net	2,119,416	2,051,500
Structures	528,839	528,839
Accumulated depreciation	(125,093)	(145,942)
Structures, net	403,746	382,897
Machinery, equipment and vehicles	966,430	965,927
Accumulated depreciation	(560,803)	(589,507)
Machinery, equipment and vehicles, net	405,626	376,420
Tools, furniture and fixtures	99,136	89,306
Accumulated depreciation	(88,425)	(81,132)
Tools, furniture and fixtures, net	10,710	8,173
Land	516,725	516,725
Total property, plant and equipment	3,456,225	3,335,717
Intangible assets	3,353	3,062
Investments and other assets	41,865	41,852
Total non-current assets	3,501,444	3,380,632
Total assets	4,935,839	4,730,300

(Thousands of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	97,468	105,041
Current portion of long-term borrowings	270,360	270,360
Accounts payable - other	182,982	59,898
Income taxes payable	1,481	2,057
Provision for bonuses	14,731	16,948
Other	27,521	45,967
<b>Total current liabilities</b>	<b>594,546</b>	<b>500,273</b>
<b>Non-current liabilities</b>		
Long-term borrowings	3,986,150	3,850,970
Asset retirement obligations	5,487	5,491
<b>Total non-current liabilities</b>	<b>3,991,637</b>	<b>3,856,461</b>
<b>Total liabilities</b>	<b>4,586,183</b>	<b>4,356,734</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	279,864	279,864
Capital surplus	229,864	229,864
Retained earnings	(75,877)	(51,931)
Treasury shares	(96,299)	(96,299)
<b>Total shareholders' equity</b>	<b>337,550</b>	<b>361,497</b>
Share acquisition rights	12,105	12,069
<b>Total net assets</b>	<b>349,656</b>	<b>373,566</b>
<b>Total liabilities and net assets</b>	<b>4,935,839</b>	<b>4,730,300</b>

## Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	1,397,690	1,361,864
Cost of sales	758,514	685,203
Gross profit	639,175	676,660
Selling, general and administrative expenses		
Freight costs	181,156	160,000
Provision for bonuses	11,444	14,176
Other	464,066	456,079
Total selling, general and administrative expenses	656,666	630,256
Operating profit (loss)	(17,491)	46,404
Non-operating income		
Commission income	256	330
Bounty income	400	–
Interest on tax refund	–	35
Miscellaneous income	700	479
Total non-operating income	1,356	844
Non-operating expenses		
Interest expenses	24,279	22,480
Miscellaneous losses	651	–
Total non-operating expenses	24,931	22,480
Ordinary profit (loss)	(41,066)	24,769
Extraordinary income		
Gain on reversal of share acquisition rights	410	36
Total extraordinary income	410	36
Extraordinary losses		
Loss on sale of non-current assets	–	118
Loss on retirement of non-current assets	–	0
Total extraordinary losses	–	118
Profit (loss) before income taxes	(40,655)	24,687
Income taxes	740	740
Profit (loss)	(41,395)	23,946

## Non-consolidated statements of cash flows

(Thousands of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from operating activities		
Profit (loss) before income taxes	(40,655)	24,687
Depreciation	122,584	120,639
Increase (decrease) in allowance for doubtful accounts	29	49
Increase (decrease) in provision for bonuses	2,355	2,216
Interest and dividend income	(5)	(4)
Interest expenses	24,279	22,480
Gain on reversal of share acquisition rights	(410)	(36)
Loss (gain) on sale of non-current assets	–	118
Loss on retirement of non-current assets	–	0
Decrease (increase) in trade receivables	6,615	(33,815)
Decrease (increase) in inventories	8,338	(90,231)
Increase (decrease) in trade payables	(3,085)	7,572
Increase (decrease) in accounts payable - other	(3,529)	(123,075)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	(52,480)	25,078
Bounty income	(400)	–
Other, net	(2,900)	3,964
Subtotal	60,735	(40,356)
Interest and dividends received	5	4
Bounty income received	400	–
Interest paid	(24,557)	(22,892)
Income taxes paid	(920)	(1,386)
Net cash provided by (used in) operating activities	35,663	(64,630)
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	–	91
Purchase of intangible assets	(160)	–
Proceeds from refund of leasehold deposits	18	–
Net cash provided by (used in) investing activities	(142)	91
Cash flows from financing activities		
Repayments of long-term borrowings	(135,180)	(135,180)
Dividends paid	–	(8)
Net cash provided by (used in) financing activities	(135,180)	(135,188)
Net increase (decrease) in cash and cash equivalents	(99,658)	(199,727)
Cash and cash equivalents at beginning of period	1,066,839	975,782
Cash and cash equivalents at end of period	967,181	776,055