

Translation

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Summary of Non-Consolidated Financial Results for the Six Months Ended September 30, 2024 (Based on Japanese GAAP)

October 31, 2024

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
 Scheduled date to file Semi-annual Securities Report: November 13, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of 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, 2024 (from April 1, 2024 to September 30, 2024)

(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, 2024	1,164	(14.5)	(128)	–	(152)	–	(153)	–
Six months ended September 30, 2023	1,361	(2.6)	46	–	24	–	23	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2024	(24.15)		–	
Six months ended September 30, 2023	3.79		3.78	

(2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of September 30, 2024	4,307		252		5.9	
As of March 31, 2024	4,629		405		8.8	

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, 2024	–	0.00	–	0.00	0.00
Year ending March 31, 2025	–	0.00	–	–	–
Year ending March 31, 2025 (Forecast)	–	–	–	0.00	0.00

3. Forecast of non-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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	3,072	16.1	62	6.9	20	(63.1)	19	(71.2)	3.01

4. Notes

(1) Application of special accounting methods for preparing Semi-annual 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, 2024	6,470,100 shares	As of March 31, 2024	6,470,100 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	132,600 shares	As of March 31, 2024	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, 2024	6,337,500 shares	Six months ended September 30, 2023	6,324,900 shares
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Semi-annual non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	781,536	707,698
Accounts receivable - trade	203,922	124,628
Merchandise and finished goods	330,396	270,560
Work in process	664	12,540
Raw materials and supplies	13,917	12,401
Other	41,963	41,259
Allowance for doubtful accounts	(123)	(80)
Total current assets	1,372,278	1,169,009
Non-current assets		
Property, plant and equipment		
Buildings	2,538,030	2,538,030
Accumulated depreciation	(554,469)	(622,378)
Buildings, net	1,983,561	1,915,651
Structures	528,839	528,839
Accumulated depreciation	(166,791)	(187,640)
Structures, net	362,048	341,199
Machinery, equipment and vehicles	965,330	965,330
Accumulated depreciation	(617,865)	(646,821)
Machinery, equipment and vehicles, net	347,464	318,509
Tools, furniture and fixtures	85,992	87,387
Accumulated depreciation	(80,336)	(82,732)
Tools, furniture and fixtures, net	5,655	4,654
Land	516,725	516,725
Total property, plant and equipment	3,215,455	3,096,740
Intangible assets	2,720	2,379
Investments and other assets	38,864	38,893
Total non-current assets	3,257,040	3,138,014
Total assets	4,629,318	4,307,023

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	102,057	79,625
Current portion of long-term borrowings	270,360	270,360
Accounts payable - other	58,381	61,531
Income taxes payable	5,984	3,650
Provision for bonuses	14,496	15,208
Provision for loss on disaster	–	11,490
Other	51,181	26,550
Total current liabilities	502,460	468,415
Non-current liabilities		
Long-term borrowings	3,715,790	3,580,610
Asset retirement obligations	5,494	5,498
Total non-current liabilities	3,721,284	3,586,108
Total liabilities	4,223,745	4,054,524
Net assets		
Shareholders' equity		
Share capital	280,708	280,708
Capital surplus	230,708	230,708
Retained earnings	(9,543)	(162,618)
Treasury shares	(96,299)	(96,299)
Total shareholders' equity	405,573	252,498
Total net assets	405,573	252,498
Total liabilities and net assets	4,629,318	4,307,023

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	1,361,864	1,164,225
Cost of sales	685,203	707,429
Gross profit	676,660	456,796
Selling, general and administrative expenses		
Freight costs	160,000	153,250
Provision for bonuses	14,176	12,362
Other	456,079	419,489
Total selling, general and administrative expenses	630,256	585,102
Operating profit (loss)	46,404	(128,306)
Non-operating income		
Commission income	330	321
Interest on tax refund	35	–
Insurance claim income	–	11,051
Miscellaneous income	479	412
Total non-operating income	844	11,785
Non-operating expenses		
Interest expenses	22,480	24,298
Provision for loss on disaster	–	11,490
Total non-operating expenses	22,480	35,788
Ordinary profit (loss)	24,769	(152,309)
Extraordinary income		
Gain on reversal of share acquisition rights	36	–
Total extraordinary income	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	24,687	(152,309)
Income taxes	740	765
Profit (loss)	23,946	(153,074)

Non-consolidated statements of cash flows

(Thousands of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit (loss) before income taxes	24,687	(152,309)
Depreciation	120,639	120,451
Increase (decrease) in allowance for doubtful accounts	49	(43)
Increase (decrease) in provision for bonuses	2,216	711
Increase (decrease) in provision for loss on disaster	–	11,490
Interest and dividend income	(4)	(66)
Interest expenses	22,480	24,298
Insurance claim income	–	(11,051)
Gain on reversal of share acquisition rights	(36)	–
Loss (gain) on sale of non-current assets	118	–
Loss on retirement of non-current assets	0	–
Decrease (increase) in trade receivables	(33,815)	79,293
Decrease (increase) in inventories	(90,231)	49,476
Increase (decrease) in trade payables	7,572	(22,432)
Increase (decrease) in accounts payable - other	(123,075)	3,150
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	25,078	(19,529)
Other, net	3,964	(5,693)
Subtotal	(40,356)	77,745
Interest and dividends received	4	66
Interest paid	(22,892)	(24,555)
Proceeds from insurance income	–	11,051
Income taxes paid	(1,386)	(1,530)
Net cash provided by (used in) operating activities	(64,630)	62,778
Cash flows from investing activities		
Purchase of property, plant and equipment	–	(1,395)
Proceeds from sale of property, plant and equipment	91	–
Payments of leasehold and guarantee deposits	–	(42)
Net cash provided by (used in) investing activities	91	(1,437)
Cash flows from financing activities		
Dividends paid	(8)	–
Repayments of long-term borrowings	(135,180)	(135,180)
Net cash provided by (used in) financing activities	(135,188)	(135,180)
Net increase (decrease) in cash and cash equivalents	(199,727)	(73,838)
Cash and cash equivalents at beginning of period	975,782	781,536
Cash and cash equivalents at end of period	776,055	707,698