

Translation

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Summary of Consolidated Financial Results for the Three Months Ended May 31, 2023 (Based on Japanese GAAP)

July 13, 2023

Company name: OXIDE Corporation
 Stock exchange listing: Tokyo
 Stock code: 6521 URL <https://www.opt-oxide.com>
 Representative: President and CEO Yasunori Furukawa
 Inquiries: Vice President and CFO Masayuki Yamamoto TEL +81-551-26-0022
 Scheduled date to file Quarterly Securities Report: July 13, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended May 31, 2023 (from March 1, 2023 to May 31, 2023)

(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 May 31, 2023	1,359	–	(48)	–	69	–	39	–
Three months ended May 31, 2022	–	–	–	–	–	–	–	–

Note: Comprehensive income Three months ended May 31, 2023 ¥(74) million [–%]
 Three months ended May 31, 2022 ¥– million [–%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended May 31, 2023	3.97		3.61	
Three months ended May 31, 2022	–		–	

Note: The Company started preparing quarterly consolidated financial statements from the first quarter of the fiscal year ending February 29, 2024. Therefore, the figures and year-on-year changes for the three months ended May 31, 2022 and the year-on-year changes for the three months ended May 31, 2023 are not shown.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of May 31, 2023	18,457	4,947	26.8
As of February 28, 2023	–	–	–

Reference: Equity As of May 31, 2023 ¥4,947 million
 As of February 28, 2023 ¥– million

Note: The Company started preparing quarterly consolidated financial statements from the first quarter of the fiscal year ending February 29, 2024. Therefore, the figures as of February 28, 2023 are not shown.

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 February 28, 2023	–	0.00	–	0.00	0.00
Year ending February 29, 2024	–	–	–	–	–
Year ending February 29, 2024 (Forecast)	–	0.00	–	0.00	0.00

Note: Revisions to the cash dividend forecast most recently announced: No

3. Forecast of consolidated financial results for the year ending February 29, 2024 (from March 1, 2023 to February 29, 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	8,773	–	471	–	652	–	430	–	43.14

Notes: 1. Revisions to the financial results forecast most recently announced: No

2. The Company started preparing quarterly consolidated financial statements from the first quarter of the fiscal year ending February 29, 2024. Therefore, the year-on-year changes are not shown.

4. Notes

(1) Changes in significant subsidiaries during the three months ended May 31, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: No

(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 May 31, 2023	9,988,800 shares	As of February 28, 2023	9,958,800 shares
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Number of treasury shares at the end of the period

As of May 31, 2023	393 shares	As of February 28, 2023	360 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended May 31, 2023	9,965,937 shares	Three months ended May 31, 2022	9,819,880 shares
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Note: The Company implemented a two-for-one common share split effective March 1, 2023. The “total number of issued shares at the end of the period,” “number of treasury shares at the end of the period” and “average number of shares during the period” were calculated on the assumption that the share split had been conducted at the beginning of the fiscal year ended February 28, 2023.

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of financial results forecasts, and other special matters

The forward-looking statements, including the financial results forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to achieve the stated performance. Actual business and other results may differ substantially due to various factors.

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

As of May 31, 2023

Assets	
Current assets	
Cash and deposits	1,735,463
Notes and accounts receivable - trade	886,857
Electronically recorded monetary claims - operating	50,908
Merchandise and finished goods	428,712
Work in process	2,458,185
Raw materials and supplies	1,406,760
Other	561,425
Total current assets	7,528,313
Non-current assets	
Property, plant and equipment	
Machinery, equipment and vehicles	6,032,904
Accumulated depreciation	(1,987,457)
Machinery, equipment and vehicles, net	4,045,447
Other	4,957,484
Accumulated depreciation	(1,372,800)
Other, net	3,584,683
Total property, plant and equipment	7,630,130
Intangible assets	
Goodwill	2,771,030
Other	69,836
Total intangible assets	2,840,867
Investments and other assets	458,671
Total non-current assets	10,929,669
Total assets	18,457,983

(Thousands of yen)

As of May 31, 2023

Liabilities	
Current liabilities	
Notes and accounts payable - trade	484,351
Short-term borrowings	1,700,000
Current portion of bonds payable	7,000
Current portion of long-term borrowings	933,880
Income taxes payable	38,083
Provision for bonuses	190,153
Provision for repairs	72,400
Provision for product warranties	53,278
Other	1,327,410
Total current liabilities	4,806,559
Non-current liabilities	
Bonds payable	8,000
Long-term borrowings	8,665,430
Retirement benefit liability	792
Other	29,917
Total non-current liabilities	8,704,140
Total liabilities	13,510,699
Net assets	
Shareholders' equity	
Share capital	1,745,946
Capital surplus	2,202,768
Retained earnings	1,114,114
Treasury shares	(1,433)
Total shareholders' equity	5,061,396
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	443
Foreign currency translation adjustment	(114,555)
Total accumulated other comprehensive income	(114,112)
Total net assets	4,947,283
Total liabilities and net assets	18,457,983

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

	(Thousands of yen)
	Three months ended
	May 31, 2023
Net sales	1,359,203
Cost of sales	865,595
Gross profit	493,607
Selling, general and administrative expenses	542,559
Operating loss	(48,952)
Non-operating income	
Interest income	6,076
Foreign exchange gains	43,918
Subsidy income	97,262
Other	744
Total non-operating income	148,001
Non-operating expenses	
Interest expenses	22,383
Other	7,465
Total non-operating expenses	29,848
Ordinary profit	69,200
Extraordinary income	
Gain on sale of non-current assets	5,328
Total extraordinary income	5,328
Profit before income taxes	74,528
Income taxes - current	28,210
Income taxes - deferred	6,777
Total income taxes	34,988
Profit	39,539
Profit attributable to non-controlling interests	—
Profit attributable to owners of parent	39,539

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended May 31, 2023
Profit	39,539
Other comprehensive income	
Valuation difference on available-for-sale securities	163
Foreign currency translation adjustment	(114,555)
Total other comprehensive income	(114,391)
Comprehensive income	(74,851)
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	(74,851)
Comprehensive income attributable to non-controlling interests	—