Translation

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

May 13, 2024

Company name: Origin Company, Limited
Stock exchange listing: Tokyo
Stock code: 6513 URL https://www.origin.co.jp/
Representative: Hideki Inaba, President CEO
Contact: Atsushi Akamatsu, Senior Executive Officer, CFO and General Manager, Accounting Department
Phone: +81-48-755-9242
Scheduled date of ordinary general meeting of shareholders: June 27, 2024
Scheduled date to file Securities Report: June 27, 2024
Scheduled date to commence dividend payments: June 28, 2024
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 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	%
Year ended March 31, 2024	28,205	-12.0	-583	–	42	-97.1	-1,468	–
Year ended March 31, 2023	32,036	-1.0	574	-73.0	1,461	-48.4	365	-83.2

Note: Comprehensive income Year ended March 31, 2024 ¥595 million [-61.8%]
Year ended March 31, 2023 ¥1,561 million [-54.6%]

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2024	-255.11	–	-6.1	0.1	-2.1
Year ended March 31, 2023	60.71	–	1.5	3.2	1.8

Reference: Share of profit (loss) of entities accounted for using equity method Year ended March 31, 2024 ¥-22 million
Year ended March 31, 2023 ¥5 million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	47,568	26,347	50.4	4,270.58
As of March 31, 2023	44,130	26,653	55.0	4,106.29

Reference: Equity As of March 31, 2024 ¥23,950 million
As of March 31, 2023 ¥24,265 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	11	200	1,020	8,033
Year ended March 31, 2023	1,772	-1,464	-1,882	6,577

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	–	20.00	–	20.00	40.00	239	65.9	1.0
Year ended March 31, 2024	–	15.00	–	15.00	30.00	172	–	0.7
Year ending March 31, 2025 (Forecast)	–	20.00	–	20.00	40.00		112.2	

3. Forecasts of 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 attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	30,000	6.4	350	–	700	–	200	–	35.66

* As the Company manages financial results annually, forecasts of consolidated financial results for the first six months are omitted.

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024
(changes in specified subsidiaries resulting in the change in scope of consolidation): 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	6,699,986 shares	As of March 31, 2023	6,699,986 shares

Number of treasury shares at the end of the period

As of March 31, 2024	1,091,644 shares	As of March 31, 2023	790,706 shares

Average number of shares during the period

Year ended March 31, 2024	5,757,963 shares	Year ended March 31, 2023	6,021,536 shares

* Number of treasury shares excluded for calculating the number of treasury shares at the end of the period and average number of shares during the period include the Company’s shares held by the trust account related to stock remuneration system (BBT=Board Benefit Trust).

Reference: Summary of non-consolidated financial results

Non-consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Non-consolidated operating results

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	%
Year ended March 31, 2024	21,084	-16.1	-1,318	–	600	-66.6	-410	–
Year ended March 31, 2023	25,142	1.9	-189	–	1,797	-28.6	1,064	-56.7

	Earnings per share	Diluted earnings per share
	Yen	Yen
Year ended March 31, 2024	-70.91	–
Year ended March 31, 2023	175.84	–

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	38,307	19,577	51.1	3,468.92
As of March 31, 2023	33,877	19,107	56.4	3,214.53

Reference: Equity As of March 31, 2024 ¥19,577 million
As of March 31, 2023 ¥19,107 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

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

(Caution concerning forward-looking statements)

The forward-looking statements, including the earnings forecasts, shown in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable and actual results may differ substantially due to various factors.

(Financial results meeting and how to obtain supplementary materials on financial results)

The Company plans to hold the financial results meeting by video streaming on Friday, May 24, 2024. The Company will post the materials for the financial results meeting on its website.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	9,356	9,903
Notes and accounts receivable - trade, and contract assets	7,470	7,006
Electronically recorded monetary claims - operating	2,259	3,342
Merchandise and finished goods	1,795	1,678
Work in process	3,701	3,918
Raw materials and supplies	2,616	2,715
Other	354	334
Allowance for doubtful accounts	-9	-11
Total current assets	27,543	28,887
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,150	13,450
Accumulated depreciation	-9,591	-9,971
Buildings and structures, net	3,559	3,479
Machinery, equipment and vehicles	8,967	8,655
Accumulated depreciation	-7,972	-7,678
Machinery, equipment and vehicles, net	994	976
Land	4,748	4,747
Construction in progress	59	47
Other	5,160	5,246
Accumulated depreciation	-4,613	-4,669
Other, net	547	577
Total property, plant and equipment	9,908	9,828
Intangible assets	419	420
Investments and other assets		
Investment securities	5,765	7,892
Long-term loans receivable	27	30
Deferred tax assets	48	45
Other	464	509
Allowance for doubtful accounts	-47	-47
Total investments and other assets	6,258	8,431
Total non-current assets	16,586	18,680
Total assets	44,130	47,568

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,254	2,085
Electronically recorded obligations - operating	3,584	4,479
Current portion of long-term borrowings	303	574
Income taxes payable	271	188
Provision for bonuses	558	471
Provision for bonuses for directors (and other officers)	13	5
Provision for product compensation	107	117
Provision for environmental measures	52	8
Provision for demolition of non-current assets	8	45
Unearned revenue	81	81
Other	1,888	2,451
Total current liabilities	9,123	10,509
Non-current liabilities		
Long-term borrowings	164	1,840
Provision for share awards for directors (and other officers)	13	18
Provision for environmental measures	–	766
Retirement benefit liability	2,398	1,975
Asset retirement obligations	30	30
Long-term unearned revenue	5,345	5,266
Deferred tax liabilities	315	772
Other	85	39
Total non-current liabilities	8,353	10,710
Total liabilities	17,477	21,220
Net assets		
Shareholders' equity		
Share capital	6,103	6,103
Capital surplus	3,454	3,454
Retained earnings	12,312	10,637
Treasury shares	-1,236	-1,609
Total shareholders' equity	20,634	18,585
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,344	3,837
Foreign currency translation adjustment	1,286	1,528
Total accumulated other comprehensive income	3,630	5,365
Non-controlling interests	2,387	2,396
Total net assets	26,653	26,347
Total liabilities and net assets	44,130	47,568

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

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	32,036	28,205
Cost of sales	24,637	21,635
Gross profit	7,399	6,569
Selling, general and administrative expenses	6,825	7,152
Operating profit (loss)	574	-583
Non-operating income		
Interest income	68	57
Dividend income	128	180
Royalty income	51	60
Rental income	126	126
Foreign exchange gains	476	231
Share of profit of entities accounted for using equity method	5	–
Other	132	140
Total non-operating income	988	796
Non-operating expenses		
Interest expenses	6	12
Share of loss of entities accounted for using equity method	–	22
Arrangement Fee	–	48
Other	95	87
Total non-operating expenses	101	170
Ordinary profit	1,461	42
Extraordinary income		
Gain on sale of non-current assets	8	24
Total extraordinary income	8	24
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on retirement of non-current assets	71	33
Impairment losses	5	42
Environmental expenses	4	–
Provision for environmental measures	52	793
Provision for demolition of non-current assets	66	45
Loss on trouble measures	–	85
Extra retirement payments	–	50
Total extraordinary losses	200	1,051
Profit (loss) before income taxes	1,269	-985
Income taxes - current	469	452
Income taxes - deferred	228	-189
Total income taxes	697	263
Profit (loss)	572	-1,248
Profit attributable to non-controlling interests	206	220
Profit (loss) attributable to owners of parent	365	-1,468

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit (loss)	572	-1,248
Other comprehensive income		
Valuation difference on available-for-sale securities	462	1,482
Foreign currency translation adjustment	520	344
Share of other comprehensive income of entities accounted for using equity method	5	17
Total other comprehensive income	988	1,844
Comprehensive income	1,561	595
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,192	265
Comprehensive income attributable to non-controlling interests	368	330

Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,103	3,454	12,350	-846	21,061
Changes during period					
Dividends of surplus			-400		-400
Provision of reserve for employees' welfare fund			-3		-3
Profit (loss) attributable to owners of parent			365		365
Purchase of treasury shares				-393	-393
Disposal of treasury shares				3	3
Net changes in items other than shareholders' equity					
Total changes during period	–	–	-37	-389	-427
Balance at end of period	6,103	3,454	12,312	-1,236	20,634

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	1,875	928	2,803	2,533	26,399
Changes during period					
Dividends of surplus					-400
Provision of reserve for employees' welfare fund					-3
Profit (loss) attributable to owners of parent					365
Purchase of treasury shares					-393
Disposal of treasury shares					3
Net changes in items other than shareholders' equity	468	358	827	-146	681
Total changes during period	468	358	827	-146	253
Balance at end of period	2,344	1,286	3,630	2,387	26,653

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,103	3,454	12,312	-1,236	20,634
Changes during period					
Dividends of surplus			-205		-205
Provision of reserve for employees' welfare fund			-0		-0
Profit (loss) attributable to owners of parent			-1,468		-1,468
Purchase of treasury shares				-373	-373
Disposal of treasury shares				–	–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	-1,675	-373	-2,048
Balance at end of period	6,103	3,454	10,637	-1,609	18,585

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	2,344	1,286	3,630	2,387	26,653
Changes during period					
Dividends of surplus					-205
Provision of reserve for employees' welfare fund					-0
Profit (loss) attributable to owners of parent					-1,468
Purchase of treasury shares					-373
Disposal of treasury shares					–
Net changes in items other than shareholders' equity	1,492	241	1,734	9	1,743
Total changes during period	1,492	241	1,734	9	-305
Balance at end of period	3,837	1,528	5,365	2,396	26,347

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit (loss) before income taxes	1,269	-985
Depreciation	986	971
Impairment losses	5	42
Provision for demolition of non-current assets	66	45
Increase (decrease) in allowance for doubtful accounts	-9	1
Interest and dividend income	-196	-237
Interest expenses	6	12
Foreign exchange losses (gains)	-181	-101
Increase (decrease) in provision for bonuses	-18	-89
Increase (decrease) in retirement benefit liability	-30	-426
Increase (decrease) in provision for environmental measures	52	723
Share of loss (profit) of entities accounted for using equity method	-5	22
Loss (gain) on sale and retirement of non-current assets	63	9
Extra retirement payments	–	50
Loss on trouble measures	–	85
Decrease (increase) in trade receivables	1,563	-364
Decrease (increase) in inventories	231	-117
Increase (decrease) in trade payables	-1,864	683
Increase (decrease) in long-term unearned revenue	-78	-78
Other, net	197	111
Subtotal	2,057	360
Interest and dividends received	201	237
Interest paid	-6	-12
Extra retirement payments	–	-50
Income taxes paid	-479	-523
Net cash provided by (used in) operating activities	1,772	11
Cash flows from investing activities		
Net decrease (increase) in time deposits	-641	1,022
Purchase of property, plant and equipment	-696	-658
Payments for retirement of property, plant and equipment	-42	-96
Proceeds from sale of property, plant and equipment	15	34
Purchase of intangible assets	-62	-45
Other, net	-36	-55
Net cash provided by (used in) investing activities	-1,464	200
Cash flows from financing activities		
Proceeds from long-term borrowings	50	2,500
Repayments of long-term borrowings	-579	-553
Repayments of lease liabilities	-48	-27
Proceeds from sale of treasury shares	0	–
Purchase of treasury shares	-392	-372
Dividends paid	-400	-205
Dividends paid to non-controlling interests	-511	-319
Net cash provided by (used in) financing activities	-1,882	1,020
Effect of exchange rate change on cash and cash equivalents	395	224
Net increase (decrease) in cash and cash equivalents	-1,177	1,456
Cash and cash equivalents at beginning of period	7,755	6,577
Cash and cash equivalents at end of period	6,577	8,033