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Consolidated Financial Results for the Six Months Ended June 30, 2025 [Japanese GAAP]



August 12, 2025

Company name: K&O Energy Group Inc.
Stock exchange listings: Tokyo Stock Exchange
Securities code: 1663
URL: <https://www.k-and-o-energy.co.jp/>
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Scheduled date to file semi-annual securities report: August 13, 2025
Dividend payable date (as planned): September 1, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended June 30, 2025 (from January 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2025	48,536	(0.6)	6,606	17.8	7,134	20.3	5,496	48.6
June 30, 2024	48,834	(3.1)	5,606	8.2	5,930	5.6	3,699	9.5

(Note) Comprehensive income: Six months ended June 30, 2025: ¥5,936 million [15.8%]
Six months ended June 30, 2024: ¥5,127 million [30.2%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2025	206.02	205.25
June 30, 2024	138.81	138.19

(2) Consolidated Financial Positions

	Total assets	Net assets	Equity-to-asset ratio
	Million yen	Million yen	%
As of June 30, 2025	122,264	104,583	82.8
As of December 31, 2024	119,447	99,406	80.6

(Reference) Equity As of June 30, 2025: ¥101,290 million
As of December 31, 2024: ¥96,291 million

2. Dividends

	Annual dividend per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2024	—	20.00	—	22.00	42.00
Fiscal year ending December 31, 2025	—	24.00			
Fiscal year ending December 31, 2025 (Forecast)			—	26.00	50.00

(Note) Correction of dividend forecast from the most recent dividend forecast: Yes

We have revised the year-end dividend forecast for the fiscal year ending December 31, 2025 to ¥26.00 per share, an increase of ¥2.00 from ¥24.00 per share of the previous dividend forecast. For details, please refer to “Notice Regarding Revision to Dividend Forecast for the Fiscal Year Ending December 31, 2025 (12th Term)” announced today, on August 12, 2025.

3. Consolidated Financial Results Forecasts for the Fiscal Year Ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	90,700	(1.9)	9,000	2.0	10,000	1.7	7,200	16.7	269.82

(Note) Correction of financial forecast from the most recent financial forecast: Yes

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes
(Note) For details, please refer to “2. Semi-annual Consolidated Financial Statements and Principal Notes, (4) Notes to Semi-annual Consolidated Financial Statements (Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements)” on page 9 of the attachment (in Japanese).

(3) Changes in accounting policies, accounting estimates and retrospective restatement

1) Changes in accounting policies based on revisions of accounting standard: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(Note) For details, please refer to “2. Semi-annual Consolidated Financial Statements and Principal Notes, (4) Notes to Semi-annual Consolidated Financial Statements (Changes in accounting policies)” on page 9 of the attachment (in Japanese).

(4) Number of issued shares (common stock)

1) Number of issued shares at the end of the period (including treasury shares)

June 30, 2025: 28,336,061 shares

December 31, 2024: 28,336,061 shares

2) Number of treasury shares at the end of the period

June 30, 2025: 1,647,528 shares

December 31, 2024: 1,673,141 shares

3) Average number of shares outstanding during the period

Six months ended June 30, 2025: 26,681,071 shares

Six months ended June 30, 2024: 26,649,171 shares

* These semi-annual consolidated financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

* Notes for using forecasted information and other notes

- Forward-looking statements and other statements about the future in this document are based on information currently available to the Company and certain assumptions deemed reasonable. Actual performance and other results may differ significantly due to various factors. For the financial results forecast, etc., please refer to “1. Qualitative Information on Semi-annual Financial Results for the Period under Review, (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the attachment (in Japanese).

- Due to the nature of the Group’s business, which is heavily weighted toward gas business, the Group’s performance is subject to significant seasonal fluctuations caused by temperatures and other factors.

(1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of December 31, 2024	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	28,498	16,812
Notes and accounts receivable - trade, and contract assets	10,487	8,759
Securities	5,550	19,935
Inventories	2,387	2,383
Other	2,259	1,851
Allowance for doubtful accounts	(4)	(3)
Total current assets	49,178	49,738
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,417	9,664
Machinery, equipment and vehicles, net	18,900	19,402
Other, net	13,298	13,271
Total property, plant and equipment	41,615	42,338
Intangible assets	1,850	1,729
Investments and other assets		
Investment securities	15,837	17,943
Other	10,998	10,548
Allowance for doubtful accounts	(34)	(34)
Total investments and other assets	26,802	28,458
Total non-current assets	70,268	72,525
Total assets	119,447	122,264
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,867	4,920
Provisions	35	37
Income taxes payable	1,795	2,594
Other	5,029	3,649
Total current liabilities	13,728	11,203
Non-current liabilities		
Retirement benefit liability	4,368	4,295
Provisions	262	289
Other	1,680	1,892
Total non-current liabilities	6,312	6,477
Total liabilities	20,040	17,680

(Million yen)

	As of December 31, 2024	As of June 30, 2025
Net assets		
Shareholders' equity		
Share capital	8,000	8,000
Capital surplus	13,979	14,017
Retained earnings	73,100	78,010
Treasury shares	(1,187)	(1,169)
Total shareholders' equity	93,891	98,858
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,116	2,153
Remeasurements of defined benefit plans	283	278
Total accumulated other comprehensive income	2,399	2,432
Share acquisition rights	155	133
Non-controlling interests	2,959	3,159
Total net assets	99,406	104,583
Total liabilities and net assets	119,447	122,264

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income
Semi-annual Consolidated Statements of Income

(Million yen)

	For the six months ended June 30, 2024	For the six months ended June 30, 2025
Net sales	48,834	48,536
Cost of sales	37,823	36,784
Gross profit	11,011	11,752
Selling, general and administrative expenses	5,404	5,145
Operating profit	5,606	6,606
Non-operating income		
Interest income	148	197
Dividend income	98	259
Other	86	84
Total non-operating income	333	541
Non-operating expenses		
Interest expenses	5	6
Miscellaneous losses	—	4
Other	3	1
Total non-operating expenses	9	12
Ordinary profit	5,930	7,134
Extraordinary income		
Compensation for forced relocation	267	1,447
Total extraordinary income	267	1,447
Extraordinary losses		
Loss on retirement of non-current assets	205	163
Provision for environmental measures	60	—
Other	7	—
Total extraordinary losses	274	163
Profit before income taxes	5,923	8,418
Income taxes	1,844	2,494
Profit	4,079	5,924
Profit attributable to non-controlling interests	379	427
Profit attributable to owners of parent	3,699	5,496

Semi-annual Consolidated Statements of Comprehensive Income

(Million yen)

	For the six months ended June 30, 2024	For the six months ended June 30, 2025
Profit	4,079	5,924
Other comprehensive income		
Valuation difference on available-for-sale securities	1,052	16
Remeasurements of defined benefit plans, net of tax	(4)	(4)
Total other comprehensive income	1,048	11
Comprehensive income	5,127	5,936
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,725	5,529
Comprehensive income attributable to non-controlling interests	401	406

(3) Semi-annual Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended June 30, 2024	For the six months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	5,923	8,418
Depreciation	2,815	3,041
Interest and dividend income	(246)	(457)
Interest expenses	5	6
Decrease (increase) in trade receivables	1,849	1,672
Decrease (increase) in inventories	8	24
Increase (decrease) in trade payables	(1,709)	(1,947)
Increase (decrease) in retirement benefit liability	47	(73)
Increase (decrease) in other provisions	99	27
Loss on retirement of non-current assets	10	62
Compensation for forced relocation	(267)	(1,447)
Other, net	28	442
Subtotal	8,567	9,772
Interest and dividends received	246	457
Interest paid	(6)	(7)
Income taxes refund (paid)	(1,407)	(1,620)
Proceeds from compensation for forced relocation	684	1,030
Net cash provided by (used in) operating activities	8,084	9,631
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,340)	(4,586)
Purchase of short-term and long-term investment securities	(45,266)	(46,608)
Proceeds from sale and redemption of short-term and long-term investment securities	33,637	33,256
Other, net	32	90
Net cash provided by (used in) investing activities	(13,937)	(17,847)
Cash flows from financing activities		
Proceeds from long-term borrowings	405	405
Repayments of long-term borrowings	(210)	(205)
Dividends paid	(557)	(585)
Other, net	(215)	(185)
Net cash provided by (used in) financing activities	(578)	(570)
Net increase (decrease) in cash and cash equivalents	(6,431)	(8,786)
Cash and cash equivalents at beginning of period	22,509	28,829
Cash and cash equivalents at end of period	16,078	20,042