

Translation

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Summary of Consolidated Financial Results for the Six Months Ended December 31, 2024 (Based on Japanese GAAP)

February 6, 2025

Company name: CHARM CARE CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 6062 URL <https://www.charmcc.jp/>
 Representative: Chairman and CEO Takahiko Shimomura
 Inquiries: Director Managing Executive Officer Yoshihiko Maeda TEL 06-6445-3389
 Scheduled date to file Semi-annual Securities Report: February 6, 2025
 Scheduled date to commence dividend payments: –
 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 six months ended December 31, 2024 (from July 1, 2024 to December 31, 2024)

(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	%
Six months ended December 31, 2024	20,051	7.9	1,753	11.6	1,877	7.0	1,271	11.9
Six months ended December 31, 2023	18,587	25.2	1,570	67.6	1,755	49.0	1,136	50.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended December 31, 2024	38.93		38.88	
Six months ended December 31, 2023	34.81		34.76	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	53,035	19,008	35.8
As of June 30, 2024	47,339	18,706	39.4

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 June 30, 2024	–	0.00	–	30.00	30.00
Year ending June 30, 2025	–	0.00			
Year ending June 30, 2025 (Forecast)			–	34.00	34.00

3. Forecast of consolidated financial results for the year ending June 30, 2025 (from July 1, 2024 to June 30, 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	50,150	4.9	4,905	(8.9)	5,015	(13.8)	4,765	11.4	145.90

4. Notes

(1) Significant changes in the scope of consolidation during the six months ended December 31, 2024: Yes

(2) Application of special accounting methods for preparing semi-annual consolidated financial statements: Yes

(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: Yes

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 December 31, 2024	32,712,000 shares	As of June 30, 2024	32,712,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	43,612 shares	As of June 30, 2024	53,653 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended December 31, 2024	32,662,026 shares	Six months ended December 31, 2023	32,642,615 shares
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Semi-annual consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of June 30, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	12,640	7,296
Accounts receivable - trade	3,284	3,578
Real estate for sale	—	3,367
Real estate for development	2,361	2,879
Money held in trust	5,275	6,002
Other	860	1,093
Allowance for doubtful accounts	(7)	(7)
Total current assets	24,415	24,210
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,515	11,245
Land	1,823	2,073
Leased assets, net	166	403
Construction in progress	2,728	4
Other, net	1,030	1,383
Total property, plant and equipment	12,264	15,110
Intangible assets		
Goodwill	2,588	2,498
Other	91	206
Total intangible assets	2,680	2,704
Investments and other assets		
Investment securities	10	2,066
Guarantee deposits	5,639	6,185
Deferred tax assets	1,768	1,768
Other	561	989
Total investments and other assets	7,979	11,009
Total non-current assets	22,924	28,824
Total assets	47,339	53,035

(Millions of yen)

	As of June 30, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	339	388
Short-term borrowings	4,667	6,361
Current portion of long-term borrowings	904	1,174
Lease liabilities	69	124
Income taxes payable	1,753	725
Accounts payable - other	2,209	2,407
Contract liabilities	11,644	13,300
Provision for bonuses	144	150
Other	307	345
Total current liabilities	22,040	24,976
Non-current liabilities		
Long-term borrowings	5,122	7,200
Lease liabilities	113	316
Retirement benefit liability	742	814
Asset retirement obligations	217	221
Deferred tax liabilities	180	201
Other	215	295
Total non-current liabilities	6,592	9,050
Total liabilities	28,632	34,027
Net assets		
Shareholders' equity		
Share capital	2,759	2,759
Capital surplus	2,762	2,768
Retained earnings	13,205	13,492
Treasury shares	(43)	(35)
Total shareholders' equity	18,684	18,985
Accumulated other comprehensive income		
Deferred gains or losses on hedges	(0)	0
Remeasurements of defined benefit plans	(11)	(11)
Total accumulated other comprehensive income	(12)	(11)
Share acquisition rights	34	34
Total net assets	18,706	19,008
Total liabilities and net assets	47,339	53,035

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended December 31, 2023	Six months ended December 31, 2024
Net sales	18,587	20,051
Cost of sales	15,569	16,555
Gross profit	3,017	3,496
Selling, general and administrative expenses	1,446	1,742
Operating profit	1,570	1,753
Non-operating income		
Interest income	2	2
Subsidy income	176	108
Other	31	56
Total non-operating income	209	167
Non-operating expenses		
Interest expenses	23	38
Other	2	4
Total non-operating expenses	25	43
Ordinary profit	1,755	1,877
Extraordinary income		
Subsidy income	—	59
Total extraordinary income	—	59
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	—	59
Total extraordinary losses	—	59
Profit before income taxes	1,755	1,877
Income taxes	618	605
Profit	1,136	1,271
Profit attributable to owners of parent	1,136	1,271

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended December 31, 2023	Six months ended December 31, 2024
Profit	1,136	1,271
Other comprehensive income		
Deferred gains or losses on hedges, before tax	0	0
Remeasurements of defined benefit plans, before tax	5	0
Total other comprehensive income	5	0
Comprehensive income	1,141	1,271
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,141	1,271

Consolidated statements of cash flows

(Millions of yen)

	Six months ended December 31, 2023	Six months ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	1,755	1,877
Depreciation	324	451
Amortization of goodwill	107	108
Increase (decrease) in provision for bonuses	3	(9)
Increase (decrease) in retirement benefit liability	44	59
Interest income	(2)	(2)
Subsidy income	(176)	(108)
Interest expenses	23	38
Loss on tax purpose reduction entry of non-current assets	—	59
Decrease (increase) in trade receivables	(215)	(294)
Decrease (increase) in inventories	(1,539)	(3,885)
Increase (decrease) in trade payables	26	49
Increase (decrease) in accounts payable - other	147	48
Increase (decrease) in contract liabilities	1,176	1,594
Other, net	107	(472)
Subtotal	1,785	(484)
Interest received	1	0
Interest paid	(23)	(42)
Subsidies received	92	39
Income taxes paid	(1,166)	(1,514)
Income taxes refund	379	—
Net cash provided by (used in) operating activities	1,067	(2,000)
Cash flows from investing activities		
Purchase of property, plant and equipment	(999)	(2,452)
Purchase of intangible assets	(284)	(115)
Purchase of investment securities	—	(2,056)
Decrease (increase) in money held in trust	(310)	(667)
Payments of guarantee deposits	(95)	(511)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(558)
Other, net	117	8
Net cash provided by (used in) investing activities	(1,571)	(6,353)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,625	1,693
Proceeds from long-term borrowings	190	2,874
Repayments of long-term borrowings	(497)	(526)
Repayments of lease liabilities	(47)	(57)
Dividends paid	(717)	(979)
Other, net	—	(0)
Net cash provided by (used in) financing activities	553	3,005
Net increase (decrease) in cash and cash equivalents	49	(5,348)
Cash and cash equivalents at beginning of period	6,813	12,640
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	—	5
Cash and cash equivalents at end of period	6,862	7,296