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May 14,2024

Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Under Japanese GAAP)

Company name: LIFEDRINK COMPANY Co., Ltd.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 2585
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 Phone: +81-6-6453-3220
 Scheduled date of general shareholders' meeting: June ,26 2024
 Scheduled date to commence dividend payments: June ,27,2024
 Scheduled date of file securities report: June ,27 2024
 Preparation of supplementary material on financial results: Yes
 Presentation of financial results: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the Fiscal year ended March 31, 2024 (April 1, 2023 - March 31,2024)

(1) Consolidated operating results

(Percentages represent changes from the previous year)

Fiscal year ended	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2024	38,236	26.4	4,712	51.2	4,606	51.0	3,155	52.0
March 31, 2023	30,250	-	3,116	-	3,050	-	2,076	-

Note: comprehensive income For the fiscal year ended March 31, 2024 3,498 million yen +65.3%
 For the fiscal year ended March 31, 2023 2,117 million yen

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2024	242.71	241.34	32.4	17.4	12.3
March 31, 2023	162.57	158.94	25.5	13.8	10.3

Reference: Equity in earnings of affiliated companies Fiscal year ended March 31, 2024: 11 million yen
 Fiscal year ended March 31, 2023: 12 million yen

Note : Since we have prepared consolidated financial statements from the fiscal year ended March 31, 2023, the figures for the fiscal year ended March 31, 2023 and the percentage change from the previous fiscal year are not shown. The percentage change in consolidated operating results for the fiscal year ended March 31, 2023 compared to the non-consolidated operating results for the fiscal year ended March 31, 2022 is as follows: Revenue increased 19.1%, operating profit increased 38.4%, ordinary profit increased 45.0%, and profit attributable to owners of parent decreased 10.5%.

Note 2: Since we have prepared consolidated financial statements from the fiscal year ended March 31, 2023, return on equity and ratio of ordinary profit to total assets are calculated based on shareholders' equity and total assets at the end of the fiscal year, respectively.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2024	30,646	11,342	37.0	868.73
March 31, 2023	22,165	8,157	36.8	628.84

Reference: Equity As of March 31, 2024 11,342 million yen As of March 31, 2023 8,157 million yen

(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
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2024	4,610	(8,770)	3,553	3,736
March 31, 2023	3,774	(5,003)	1,659	4,326

2.Cash dividends

	Dividends per share					Total dividends (annual)	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2023	-	0.00	-	28.00	28.00	363	17.2	4.5
March 31, 2024	-	0.00	-	37.00	37.00	483	15.2	4.9
Fiscal year ending March 31, 2025 (Forecast)	-	0.00	-	45.00	45.00		15.1	

Note: Since we have prepared consolidated financial statements from the fiscal year ended March 31, 2023, the ratio of dividends to net assets (consolidated) for the fiscal year ending March 31, 2023 is calculated based on net assets per share at the end of the fiscal year.

3. Consolidated financial results forecast for the fiscal year ended March 31, 2024 (April 1, 2024 - March 31, 2025)

(Percentages represent changes from the previous year.)

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Fiscal year earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending March 31, 2025	44,000	15.1	5,750	22.0	5,650	22.6	3,850	22.0	294.87

Reference: EBITDA Fiscal year ending March 31, 2025 7,500 million yen +28.4%

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates and restatement of corrections

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies other than (i): None

(iii) Changes in accounting estimates: None

(iv) Restatements: None

(3) Number of shares issued (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2024	13,056,795 shares
As of March 31, 2023	12,973,040 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2024	52 shares
As of March 31, 2023	26 shares

(iii) Average number of shares during the period

Fiscal year ended March 31, 2024	13,002,816 shares
Fiscal year ended March 31, 2023	12,775,568 shares

(Reference) Summary of Non-Consolidated Financial Results

1. Non-Consolidated Performance for Fiscal Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024)

(1) Non-Consolidated Results of Operation

	Revenue		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2024	33,993	15.9	4,428	40.8	4,301	40.2	2,954	38.5
March 31, 2023	29,336	15.5	3,144	39.7	3,068	45.9	2,133	(8.0)

	Earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2024	227.23	225.95
March 31, 2023	167.02	163.29

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
Fiscal year ended	Million yen	Million yen	%	Yen
March 31, 2024	29,400	11,126	37.8	852.16
March 31, 2023	21,341	8,142	38.2	627.67

Reference: Equity Fiscal year ended March 31, 2024 11,126 million yen Fiscal year ended March 31, 2023 8,142 million yen

Note: Quarterly financial results reports are exempt from quarterly reviews by certified public accountants or an audit firm.

Note: Explanation for appropriate use of earnings forecast and other notes

*Cautionary statement regarding forward-looking statements, etc.

The forward-looking statements in this document, including earnings forecasts, are based on information currently available to the Company and certain assumptions that the Company deems reasonable, and are not intended to be a promise by the Company that they will be achieved. Actual results may differ materially due to various factors.

*How to obtain supplementary financial results materials

Supplementary materials for financial results will be posted on the Company's website after the announcement of financial results.

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1. Consolidated Financial Statements

(1) Consolidated Balance Sheets As of March 31, 2024

(Million yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	4,326	3,736
Notes receivable - trade	205	111
Accounts receivable - trade	4,192	4,764
Merchandise and finished goods	933	1,495
Work in process	155	130
Raw materials and supplies	792	735
Other	330	811
Allowance for doubtful accounts	(30)	(31)
Total current assets	10,905	11,753
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,131	6,712
Machinery, equipment and vehicles, net	3,279	3,213
Land	1,529	2,960
Leased assets, net	739	586
Construction in progress	1,088	4,438
Other, net	123	86
Total property, plant and equipment	9,892	17,998
Intangible assets	137	229
Investments and other assets		
Investment securities	118	109
Deferred tax assets	907	162
Other	205	392
Total investments and other assets	1,231	665
Total non-current assets	11,260	18,893
Total assets	22,165	30,646

(Million yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	1,592	1,738
Short-term borrowings	3,000	1,000
Current portion of long-term borrowings	964	969
Accounts payable - other	1,249	2,299
Income taxes payable	380	601
Provision for bonuses	72	78
Provision for bonuses for directors (and other officers)	12	12
Other	1,125	945
Total current liabilities	8,397	7,645
Non-current liabilities		
Long-term borrowings	5,080	11,305
Deferred tax liabilities	15	2
Retirement benefit liability	24	25
Other	490	324
Total non-current liabilities	5,610	11,657
Total liabilities	14,007	19,303
Net assets		
Shareholders' equity		
Share capital	1,071	1,095
Capital surplus	1,254	1,279
Retained earnings	5,791	8,584
Treasury shares	(0)	(0)
Total shareholders' equity	8,117	10,959
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	0	—
Deferred gains or losses on hedges	40	383
Total accumulated other comprehensive income	40	383
Total net assets	8,157	11,342
Total liabilities and net assets	22,165	30,646

(2) Consolidated Statements of Income and Comprehensive Income
(Consolidated Statements of Income)
For the fiscal year ended March 31, 2024

(Million yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Revenue	30,250	38,236
Cost of sales	17,489	21,901
Gross profit	12,760	16,334
Selling, general and administrative expenses	9,644	11,622
Operating profit	3,116	4,712
Non-operating income		
Interest and dividend income	0	5
Compensation income	12	7
Foreign exchange gains	—	15
Subsidy income	0	12
Share of profit of entities accounted for using equity method	12	11
Other	3	19
Total non-operating income	28	71
Non-operating expenses		
Interest expenses	49	58
Commission expenses	17	48
Foreign exchange losses	15	—
Other	11	71
Total non-operating expenses	94	177
Ordinary profit	3,050	4,606
Extraordinary income		
Gain on sale of non-current assets	2	0
Gain on sale of investment securities	0	0
Subsidy income	—	13
Gain on sale of businesses	13	—
Total extraordinary income	16	14
Extraordinary losses		
Loss on sale of non-current assets	—	1
Loss on retirement of non-current assets	0	41
Loss on tax purpose reduction entry of non-current assets	—	13
Impairment losses	3	34
Office relocation expenses	23	—
Total extraordinary losses	26	91
Profit before income taxes	3,039	4,529
Income taxes - current	487	792
Income taxes - deferred	475	580
Total income taxes	962	1,373
Profit	2,076	3,155
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	2,076	3,155

(Consolidated Statements of Comprehensive Income)
For the fiscal year ended March 31, 2024

(Million yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	2,076	3,155
Other comprehensive income		
Valuation difference on available-for-sale securities	0	(0)
Deferred gains or losses on hedges	40	343
Total other comprehensive income	40	343
Comprehensive income	2,117	3,498
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,117	3,498
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Changes in Shareholder's Equity
For the fiscal year ended March 31, 2023 (April 1,2022-March 31,2023)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,045	1,228	4,041	—	6,315
Changes during period					
Issuance of new shares - exercise of share acquisition rights	19	19			39
Restricted stock payment	5	5			11
Dividends of surplus			(326)		(326)
Profit attributable to owners of parent			2,076		2,076
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	25	25	1,750	(0)	1,802
Balance at end of period	1,071	1,254	5,791	(0)	8,117

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total accumulated other comprehensive income	
Balance at beginning of period	0	—	0	6,315
Changes during period				
Issuance of new shares - exercise of share acquisition rights				39
Restricted stock payment				11
Dividends of surplus				(326)
Profit attributable to owners of parent				2,076
Purchase of treasury shares				(0)
Net changes in items other than shareholders' equity	0	40	40	40
Total changes during period	0	40	40	1,842
Balance at end of period	0	40	40	8,157

For the fiscal year ended March 31, 2024 (April 1,2023-March 31,2024)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,071	1,254	5,791	(0)	8,117
Changes during period					
Issuance of new shares - exercise of share acquisition rights	8	8			16
Restricted stock payment	16	16			32
Dividends of surplus			(363)		(363)
Profit attributable to owners of parent			3,155		3,155
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	24	24	2,792	(0)	2,841
Balance at end of period	1,095	1,279	8,584	(0)	10,959

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total accumulated other comprehensive income	
Balance at beginning of period	0	40	40	8,157
Changes during period				
Issuance of new shares - exercise of share acquisition rights				16
Restricted stock payment				32
Dividends of surplus				(363)
Profit attributable to owners of parent				3,155
Purchase of treasury shares				(0)
Net changes in items other than shareholders' equity	(0)	343	343	343
Total changes during period	(0)	343	343	3,184
Balance at end of period	—	383	383	11,342

(4) Consolidated Statements of Cash flows
For the fiscal year ended March 31, 2024 (April 1,2023-March 31,2024)

(Million yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	3,039	4,529
Depreciation	1,123	1,129
Impairment losses	3	34
Office relocation expences	23	—
Loss (gain) on sale of businesses	(13)	—
Loss (gain) on sale of investment securities	(0)	(0)
Increase (decrease) in provisions	23	7
Loss (gain) on sale of non-current assets	(2)	1
Subsidy income	—	(13)
Loss on retirement of non-current assets	0	41
Loss on tax purpose reduction entry of non-current assets	—	13
Decrease (increase) in trade receivables	(640)	(478)
Decrease (increase) in inventories	261	(479)
Increase (decrease) in trade payables	251	150
Other, net	242	290
Subtotal	4,312	5,226
Interest and dividends received	0	4
Interest paid	(44)	(58)
Subsidies received	0	22
Income taxes paid	(493)	(584)
Net cash provided by (used in) operating activities	3,774	4,610
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,411)	(8,697)
Proceeds from sale of businesses	37	—
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,537)	—
Other, net	(91)	(72)
Net cash provided by (used in) investing activities	(5,003)	(8,770)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(500)	(2,000)
Proceeds from long-term borrowings	3,565	7,200
Repayments of long-term borrowings	(654)	(969)
Repayments of lease liabilities	(458)	(300)
Dividends paid	(326)	(363)
Other, net	33	(12)
Net cash provided by (used in) financing activities	1,659	3,553
Effect of exchange rate change on cash and cash equivalents	—	16
Net increase (decrease) in cash and cash equivalents	431	(589)
Cash and cash equivalents at beginning of period	3,894	4,326
Cash and cash equivalents at end of period	4,326	3,736