

Translation

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Summary of Consolidated Financial Results for the Year Ended November 30, 2023 (Based on Japanese GAAP)

January 12, 2024

Company name: Astena Holdings Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 8095 URL <https://www.astena-hd.com>
 Representative: President Keitaro Iwaki
 Inquiries: Managing Executive Officer Minoru Kadokura TEL 03-3279-0481
 Scheduled date of ordinary general meeting of shareholders: February 28, 2024
 Scheduled date to file Securities Report: February 28, 2024
 Scheduled date to commence dividend payments: February 29, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended November 30, 2023 (from December 1, 2022 to November 30, 2023)

(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 November 30, 2023	51,984	4.7	1,127	37.6	1,363	53.7	1,162	100.6
Year ended November 30, 2022	49,636	–	819	–	887	–	579	–

	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 November 30, 2023	29.47	–	4.2	2.1	2.2
Year ended November 30, 2022	14.56	–	2.1	1.4	1.7

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of November 30, 2023	67,254	28,601	42.3	719.53
As of November 30, 2022	63,551	27,068	42.5	685.24

(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 November 30, 2023	1,643	(2,835)	1,077	6,758
Year ended November 30, 2022	(742)	(2,222)	(1,093)	6,803

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 November 30, 2022	–	9.00	–	9.00	18.00	727	123.6	2.6
Year ended November 30, 2023	–	9.00	–	9.00	18.00	722	61.1	2.6
Year ending November 30, 2024 (Forecast)	–	9.00	–	9.00	18.00		103.0	

3. Forecast of consolidated financial results for the year ending November 30, 2024 (from December 1, 2023 to November 30, 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
Six months ending May 31, 2024	27,300	1.6	35	(83.2)	35	(87.7)	(130)	–	(3.29)
Full year	56,000	7.7	1,150	2.0	1,150	(15.7)	690	(40.7)	17.47

4. Notes

(1) Changes in significant subsidiaries during the year ended November 30, 2023

(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: Yes

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 November 30, 2023	40,884,504 shares	As of November 30, 2022	40,772,366 shares
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Number of treasury shares at the end of the period

As of November 30, 2023	1,385,833 shares	As of November 30, 2022	1,389,642 shares
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Average number of shares during the period

Year ended November 30, 2023	39,461,187 shares	Year ended November 30, 2022	39,813,283 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of November 30, 2022	As of November 30, 2023
Assets		
Current assets		
Cash and deposits	6,925,821	6,881,270
Notes receivable - trade	1,498,490	1,002,023
Accounts receivable - trade	12,477,171	12,262,081
Contract assets	1,387,183	1,905,643
Electronically recorded monetary claims - operating	3,743,809	4,041,390
Merchandise and finished goods	5,915,864	6,348,158
Work in process	1,644,206	2,319,531
Raw materials and supplies	1,929,398	2,128,242
Accounts receivable - other	696,561	358,048
Other	566,706	658,721
Allowance for doubtful accounts	(35,679)	(11,055)
Total current assets	36,749,534	37,894,056
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,427,698	10,269,781
Accumulated depreciation	(6,364,667)	(6,394,067)
Buildings and structures, net	4,063,030	3,875,713
Machinery, equipment and vehicles	10,079,248	10,663,559
Accumulated depreciation	(8,212,905)	(8,631,375)
Machinery, equipment and vehicles, net	1,866,343	2,032,183
Tools, furniture and fixtures	3,569,803	3,849,773
Accumulated depreciation	(2,518,618)	(2,805,445)
Tools, furniture and fixtures, net	1,051,185	1,044,328
Land	3,138,980	2,439,883
Leased assets	520,770	468,632
Accumulated depreciation	(312,797)	(264,214)
Leased assets, net	207,972	204,418
Construction in progress	2,792,287	5,215,630
Total property, plant and equipment	13,119,799	14,812,158
Intangible assets		
Software	1,103,537	854,042
Goodwill	4,512,067	4,031,968
Technical assets	507,897	473,465
Customer relationship	2,043,608	1,821,991
Other	118,007	277,252
Total intangible assets	8,285,118	7,458,719
Investments and other assets		
Investment securities	3,814,234	4,842,272
Retirement benefit asset	469,274	748,601
Deferred tax assets	583,145	1,048,915
Long-term deposits	173,865	124,960
Other	380,666	349,215
Allowance for doubtful accounts	(23,818)	(24,383)
Total investments and other assets	5,397,366	7,089,582

(Thousands of yen)

	As of November 30, 2022	As of November 30, 2023
Total non-current assets	26,802,285	29,360,460
Deferred assets		
Organization expenses	–	233
Total deferred assets	–	233
Total assets	63,551,819	67,254,750

(Thousands of yen)

	As of November 30, 2022	As of November 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,475,155	8,503,064
Electronically recorded obligations - operating	3,667,121	3,570,394
Electronically recorded obligations - non-operating	3,045	16,704
Notes payable - facilities	66,199	762
Short-term borrowings	10,035,000	12,266,984
Accounts payable - other	632,551	526,488
Accrued expenses	2,508,458	2,534,995
Income taxes payable	920,241	572,640
Accrued consumption taxes	198,098	220,315
Provision for bonuses	419,387	628,277
Provision for product warranties	8,461	6,143
Other provisions	59,100	41,460
Other	799,254	1,093,390
Total current liabilities	27,792,074	29,981,620
Non-current liabilities		
Long-term borrowings	4,777,500	4,493,332
Lease liabilities	136,819	146,283
Deferred tax liabilities	728,789	965,738
Provision for share-based payments	66,255	104,846
Retirement benefit liability	2,570,515	2,553,267
Other	411,163	408,137
Total non-current liabilities	8,691,043	8,671,606
Total liabilities	36,483,118	38,653,227
Net assets		
Shareholders' equity		
Share capital	4,557,400	4,581,397
Capital surplus	6,538,828	6,574,102
Retained earnings	15,031,853	15,462,238
Treasury shares	(531,722)	(525,872)
Total shareholders' equity	25,596,360	26,091,866
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,007,002	1,703,144
Deferred gains or losses on hedges	(4,026)	(94)
Foreign currency translation adjustment	191,067	271,021
Remeasurements of defined benefit plans	196,203	354,348
Total accumulated other comprehensive income	1,390,246	2,328,419
Non-controlling interests	82,094	181,236
Total net assets	27,068,701	28,601,522
Total liabilities and net assets	63,551,819	67,254,750

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

(Thousands of yen)

	Fiscal year ended November 30, 2022	Fiscal year ended November 30, 2023
Net sales	49,636,012	51,984,426
Cost of sales	34,195,567	35,666,898
Gross profit	15,440,444	16,317,527
Selling, general and administrative expenses		
Packing and transportation costs	1,685,877	1,713,058
Advertising expenses	988,675	983,824
Provision of allowance for doubtful accounts	1,364	(2,273)
Remuneration, salaries and allowances	4,767,658	4,904,804
Retirement benefit expenses	291,499	227,569
Provision for bonuses	71,778	104,835
Welfare expenses	957,036	971,735
Travel and transportation expenses	234,539	333,030
Depreciation	1,079,587	1,145,642
Rent expenses	295,531	290,514
Other	4,246,993	4,516,800
Total selling, general and administrative expenses	14,620,543	15,189,542
Operating profit	819,901	1,127,984
Non-operating income		
Interest income	2,418	2,006
Dividend income	60,881	61,254
Rental income	17,616	13,463
Administrative service fee income	10,991	6,015
Reversal of allowance for doubtful accounts	226	107
Surrender value of insurance policies	31,536	75,966
Foreign exchange gains	74,678	20,584
Other	129,404	177,246
Total non-operating income	327,753	356,644
Non-operating expenses		
Interest expenses	52,556	60,826
Commission for syndicated loans	10,894	13,061
Share of loss of entities accounted for using equity method	58,223	4,145
Guarantee commission	28,579	–
Loss on valuation of goods	62,595	–
Other	47,337	42,646
Total non-operating expenses	260,186	120,680
Ordinary profit	887,467	1,363,948

(Thousands of yen)

	Fiscal year ended November 30, 2022	Fiscal year ended November 30, 2023
Extraordinary income		
Gain on sale of non-current assets	695,990	791,695
Gain on sale of investment securities	261,588	51,052
Gain on donation of a state subsidy	24,900	14,827
Other	–	17,517
Total extraordinary income	982,479	875,091
Extraordinary losses		
Loss on sale of non-current assets	–	4,135
Loss on disposal of non-current assets	30,511	29,664
Loss on valuation of investment securities	303,543	222,622
Loss on transition of retirement benefit plan	56,365	–
Impairment losses	36,201	418,267
Loss on withdrawal from business	25,000	–
Loss on liquidation of subsidiaries and associates	–	4,038
Total extraordinary losses	451,622	678,728
Profit before income taxes	1,418,325	1,560,311
Income taxes - current	1,317,815	1,010,846
Income taxes - deferred	(473,803)	(603,868)
Total income taxes	844,012	406,978
Profit	574,312	1,153,333
Loss attributable to non-controlling interests	(5,292)	(9,411)
Profit attributable to owners of parent	579,604	1,162,744

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended November 30, 2022	Fiscal year ended November 30, 2023
Profit	574,312	1,153,333
Other comprehensive income		
Valuation difference on available-for-sale securities	21,049	695,419
Deferred gains or losses on hedges	(3,362)	4,099
Foreign currency translation adjustment	87,227	79,953
Remeasurements of defined benefit plans, net of tax	103,588	158,144
Share of other comprehensive income of entities accounted for using equity method	184	556
Total other comprehensive income	208,688	938,172
Comprehensive income	783,000	2,091,505
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	788,293	2,100,917
Comprehensive income attributable to non-controlling interests	(5,292)	(9,411)

Consolidated statements of changes in equity

Fiscal year ended November 30, 2022

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,528,304	6,516,607	15,027,322	(254,106)	25,818,127
Cumulative effects of changes in accounting policies			157,096		157,096
Restated balance	4,528,304	6,516,607	15,184,418	(254,106)	25,975,223
Changes during period					
Issuance of new shares	29,096	29,096			58,192
Dividends of surplus			(732,428)		(732,428)
Profit attributable to owners of parent			579,604		579,604
Purchase of treasury shares				(309,827)	(309,827)
Disposal of treasury shares				32,212	32,212
Increase in retained earnings of subsidiaries due to change in scope of consolidation			258		258
Change in ownership interest of parent due to transactions with non-controlling interests		(6,874)			(6,874)
Net changes in items other than shareholders' equity					
Total changes during period	29,096	22,221	(152,564)	(277,615)	(378,863)
Balance at end of period	4,557,400	6,538,828	15,031,853	(531,722)	25,596,360

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	985,867	(763)	103,839	92,615	1,181,558	6,586	27,006,272
Cumulative effects of changes in accounting policies					–		157,096
Restated balance	985,867	(763)	103,839	92,615	1,181,558	6,586	27,163,368
Changes during period							
Issuance of new shares					–		58,192
Dividends of surplus					–		(732,428)
Profit attributable to owners of parent					–		579,604
Purchase of treasury shares					–		(309,827)
Disposal of treasury shares					–		32,212
Increase in retained earnings of subsidiaries due to change in scope of consolidation					–		258
Change in ownership interest of parent due to transactions with non-controlling interests					–		(6,874)
Net changes in items other than shareholders' equity	21,134	(3,262)	87,227	103,588	208,688	75,507	284,196
Total changes during period	21,134	(3,262)	87,227	103,588	208,688	75,507	(94,666)
Balance at end of period	1,007,002	(4,026)	191,067	196,203	1,390,246	82,094	27,068,701

Fiscal year ended November 30, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,557,400	6,538,828	15,031,853	(531,722)	25,596,360
Changes during period					
Issuance of new shares	23,997	23,997			47,995
Dividends of surplus			(721,846)		(721,846)
Profit attributable to owners of parent			1,162,744		1,162,744
Purchase of treasury shares				(58)	(58)
Disposal of treasury shares				5,907	5,907
Changes in equity due to capital transfer			(10,513)		(10,513)
Change in ownership interest of parent due to transactions with non-controlling interests		11,276			11,276
Net changes in items other than shareholders' equity					
Total changes during period	23,997	35,274	430,384	5,849	495,506
Balance at end of period	4,581,397	6,574,102	15,462,238	(525,872)	26,091,866

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,007,002	(4,026)	191,067	196,203	1,390,246	82,094	27,068,701
Changes during period							
Issuance of new shares					–		47,995
Dividends of surplus					–		(721,846)
Profit attributable to owners of parent					–		1,162,744
Purchase of treasury shares					–		(58)
Disposal of treasury shares					–		5,907
Changes in equity due to capital transfer					–		(10,513)
Change in ownership interest of parent due to transactions with non-controlling interests					–		11,276
Net changes in items other than shareholders' equity	696,142	3,932	79,953	158,144	938,172	99,142	1,037,314
Total changes during period	696,142	3,932	79,953	158,144	938,172	99,142	1,532,821
Balance at end of period	1,703,144	(94)	271,021	354,348	2,328,419	181,236	28,601,522

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended November 30, 2022	Fiscal year ended November 30, 2023
Cash flows from operating activities		
Profit before income taxes	1,418,325	1,560,311
Depreciation	2,117,715	2,216,413
Share-based payment expenses	50,543	86,436
Increase (decrease) in allowance for doubtful accounts	(3,112)	(25,325)
Increase (decrease) in provision for bonuses	117,502	207,719
Increase (decrease) in provision for product warranties	3,547	(2,318)
Increase (decrease) in retirement benefit liability	(58,540)	221,235
Interest and dividend income	(63,299)	(63,261)
Interest expenses	52,556	60,826
Guarantee Commission	28,579	–
Share of loss (profit) of entities accounted for using equity method	58,223	4,145
Impairment losses	36,201	418,267
Loss on transition of retirement benefit plan	56,365	–
Loss on withdrawal from business	25,000	–
Loss (gain) on liquidation of subsidiaries and associates	–	4,038
Foreign exchange losses (gains)	(71,528)	(40,443)
Loss (gain) on sale of non-current assets	(695,990)	(787,559)
Loss on retirement of non-current assets	30,511	29,664
Subsidy income	(24,900)	(21,766)
Loss (gain) on sale of investment securities	(261,588)	(51,052)
Loss (gain) on valuation of investment securities	303,543	222,622
Decrease (increase) in trade receivables and contract assets	(1,304,007)	171,711
Decrease (increase) in inventories	(960,776)	(1,286,143)
Decrease (increase) in returned assets	(41,181)	19,862
Increase (decrease) in trade payables	(14,649)	(298,180)
Decrease (increase) in accounts receivable - other	(95,269)	337,798
Increase (decrease) in accrued expenses	(780,613)	3,833
Increase (decrease) in accrued consumption taxes	(21,011)	29,555
Decrease (increase) in advance payments to suppliers	(68,496)	(115,302)
Increase (decrease) in refund liabilities	126,712	7,297
Decrease (increase) in distressed receivables	(500)	(564)
Other, net	398,122	84,243
Subtotal	357,984	2,994,066
Interest and dividends received	68,090	63,261
Interest paid	(53,582)	(60,148)
Payments of retirement benefits for directors (and other officers)	–	(690)
Income taxes paid	(1,258,524)	(1,443,669)
Income taxes refund	143,615	91,106
Net cash provided by (used in) operating activities	(742,416)	1,643,927

(Thousands of yen)

	Fiscal year ended November 30, 2022	Fiscal year ended November 30, 2023
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,770,969)	(3,820,827)
Proceeds from sale of property, plant and equipment	1,555,803	1,649,690
Purchase of intangible assets	(259,469)	(344,199)
Purchase of investment securities	(743,820)	(249,260)
Proceeds from sale of investment securities	449,368	68,180
Payments for acquisition of businesses	(627,015)	–
Subsidies received	8,300	30,066
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(75,937)
Proceeds from maturity of insurance funds	16,634	27,804
Other, net	148,841	(120,871)
Net cash provided by (used in) investing activities	(2,222,326)	(2,835,354)

(Thousands of yen)

	Fiscal year ended November 30, 2022	Fiscal year ended November 30, 2023
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,000,000	1,989,000
Proceeds from long-term borrowings	–	1,000,000
Repayments of long-term borrowings	(1,053,400)	(1,197,984)
Repayments of finance lease liabilities	(107,048)	(105,083)
Proceeds from share issuance to non-controlling shareholders	80,800	110,900
Dividends paid	(729,344)	(719,055)
Purchase of treasury shares	(309,827)	(58)
Proceeds from sale of treasury shares	32,212	–
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(6,874)	–
Net cash provided by (used in) financing activities	(1,093,483)	1,077,718
Effect of exchange rate change on cash and cash equivalents	52,670	65,841
Net increase (decrease) in cash and cash equivalents	(4,005,557)	(47,866)
Cash and cash equivalents at beginning of period	10,807,061	6,803,817
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	2,312	2,315
Cash and cash equivalents at end of period	6,803,817	6,758,266