

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

February 9, 2024

Company name: TENOX CORPORATION  
 Stock exchange listing: Tokyo  
 Stock code: 1905 URL <https://www.tenox.co.jp/>  
 Representative: President and Representative Director Masayuki Sato  
 Inquiries: Director and Management General Manager Takuya Sakaguchi TEL 03-3455-7758  
 Scheduled date to file Quarterly Securities Report: February 13, 2024  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(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	%
Nine months ended December 31, 2023	15,070	11.3	315	(33.1)	359	(30.1)	285	(29.4)
Nine months ended December 31, 2022	13,545	26.9	472	97.9	514	85.4	403	96.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	43.59		42.68	
Nine months ended December 31, 2022	61.10		59.84	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	18,188	12,505	66.8
As of March 31, 2023	18,770	12,467	64.4

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	12.00	–	23.00	35.00
Year ending March 31, 2024	–	19.00	–		
Year ending March 31, 2024 (Forecast)				19.00	38.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 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
Full year	21,000	14.6	450	(31.1)	495	(28.7)	340	(29.6)	51.97

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2023  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly 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: No
- 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, 2023	7,347,680 shares	As of March 31, 2023	7,347,680 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	793,808 shares	As of March 31, 2023	818,204 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	6,541,662 shares	Nine months ended December 31, 2022	6,605,138 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	9,545,508	7,412,415
Notes receivable, accounts receivable from completed construction contracts, contract assets and other	3,493,874	3,547,243
Electronically recorded monetary claims - operating	1,244,489	1,990,249
Costs on construction contracts in progress	832,536	765,787
Accounts receivable - other	453,004	466,320
Other	74,930	307,346
Allowance for doubtful accounts	(1,443)	(217)
Total current assets	15,642,901	14,489,143
Non-current assets		
Property, plant and equipment	2,218,937	2,400,526
Intangible assets		
Goodwill	16,257	13,006
Other	40,930	83,072
Total intangible assets	57,188	96,078
Investments and other assets		
Other	854,925	1,205,433
Allowance for doubtful accounts	(3,072)	(3,072)
Total investments and other assets	851,852	1,202,360
Total non-current assets	3,127,978	3,698,966
Total assets	18,770,879	18,188,109

(Thousands of yen)

	As of March 31, 2023	As of December 31, 2023
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes payable, accounts payable for construction contracts and other	4,392,628	4,310,186
Current portion of long-term borrowings	9,940	9,940
Income taxes payable	206,100	58,186
Contract liabilities	203,459	157,609
Provision for loss on construction contracts	27,800	26,800
Other provisions	142,691	38,302
Other	697,373	428,839
<b>Total current liabilities</b>	<b>5,679,993</b>	<b>5,029,865</b>
<b>Non-current liabilities</b>		
Long-term borrowings	9,940	9,940
Retirement benefit liability	493,365	504,698
Provisions	68,682	90,858
Other	51,500	47,741
<b>Total non-current liabilities</b>	<b>623,488</b>	<b>653,237</b>
<b>Total liabilities</b>	<b>6,303,482</b>	<b>5,683,103</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,710,900	1,710,900
Capital surplus	2,330,219	2,340,256
Retained earnings	8,581,570	8,582,816
Treasury shares	(557,014)	(541,382)
<b>Total shareholders' equity</b>	<b>12,065,674</b>	<b>12,092,590</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	29,098	79,432
Foreign currency translation adjustment	(11,115)	(17,392)
<b>Total accumulated other comprehensive income</b>	<b>17,983</b>	<b>62,040</b>
Share acquisition rights	89,636	89,636
Non-controlling interests	294,103	260,739
<b>Total net assets</b>	<b>12,467,397</b>	<b>12,505,006</b>
<b>Total liabilities and net assets</b>	<b>18,770,879</b>	<b>18,188,109</b>

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

### Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	13,545,691	15,070,747
Cost of sales	11,551,610	13,044,340
Gross profit	1,994,081	2,026,406
Selling, general and administrative expenses	1,522,066	1,710,830
Operating profit	472,015	315,575
Non-operating income		
Interest income	73	651
Dividend income	8,333	9,712
Purchase discounts	14,926	17,816
Gain on sale of goods	5,176	6,323
Foreign exchange gains	12,491	7,194
Other	1,461	2,354
Total non-operating income	42,462	44,053
Non-operating expenses		
Interest expenses	7	–
Loss on sale of trade receivables	59	–
Commission expenses	89	27
Non deducted consumption tax	–	119
Other	61	10
Total non-operating expenses	218	158
Ordinary profit	514,259	359,471
Extraordinary income		
Gain on sale of non-current assets	31,749	30,999
Total extraordinary income	31,749	30,999
Extraordinary losses		
Loss on disposal of non-current assets	0	163
Other	–	0
Total extraordinary losses	0	163
Profit before income taxes	546,009	390,307
Income taxes	157,137	137,647
Profit	388,872	252,659
Loss attributable to non-controlling interests	(14,714)	(32,463)
Profit attributable to owners of parent	403,587	285,123

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	388,872	252,659
Other comprehensive income		
Valuation difference on available-for-sale securities	(13,789)	50,333
Foreign currency translation adjustment	(6,169)	(6,276)
Total other comprehensive income	(19,958)	44,057
Comprehensive income	368,913	296,717
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	383,628	329,180
Comprehensive income attributable to non-controlling interests	(14,714)	(32,463)