

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



February 12, 2025

Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 <under Japanese GAAP>

Company name: **OAT Agrio Co., Ltd.**
 Listing: Tokyo Stock Exchange
 Securities code: 4979
 URL: <https://www.oat-agrio.co.jp>
 Representative: Hisashi Oka, President CEO
 Contact: Hiroki Takase, Director (Board Member)
 TEL: +81-3-5283-0262

Scheduled date of ordinary general meeting of shareholders: March 25, 2025
 Scheduled date to commence dividend payments: March 11, 2025
 Scheduled date to file Annual Securities Report: March 25, 2025
 Preparation of supplementary material on financial results: None
 Holding of financial results presentation meeting: Yes (For institutional investors and analysts)

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated financial results for the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	29,773	2.7	3,114	(17.3)	3,242	(14.7)	2,077	(16.5)
December 31, 2023	28,988	7.5	3,766	12.6	3,800	12.2	2,488	10.0

Note: Comprehensive income Fiscal year ended December 31, 2024: ¥3,034 million [(24.8)%]
 Fiscal year ended December 31, 2023: ¥4,035 million [29.1%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
December 31, 2024	201.86	—	13.9	9.4	10.5
December 31, 2023	236.45	—	20.0	11.7	13.0

Reference: Equity in earnings (losses) of affiliates Fiscal year ended December 31, 2024: ¥5 million
 Fiscal year ended December 31, 2023: ¥1 million

Note: Diluted earnings per share is not presented because there are no potential shares.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2024	34,663	17,104	46.0	1,566.12
December 31, 2023	34,000	14,872	40.9	1,350.69

Reference: Equity As of December 31, 2024: ¥15,952 million
As of December 31, 2023: ¥13,889 million

(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	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2024	3,762	(555)	(2,482)	4,481
December 31, 2023	1,789	(585)	(1,052)	3,716

2. Dividends

	Dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended December 31, 2023	–	0.00	–	55.00	55.00	565	23.3	4.6
Fiscal year ended December 31, 2024	–	0.00	–	55.00	55.00	560	27.3	3.8
Fiscal year ending December 31, 2025 (Forecast)	–	30.00	–	30.00	60.00		29.2	

3. Consolidated earnings forecasts for the fiscal year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending December 31, 2025	30,820	3.5	3,320	6.6	3,210	(1.0)	2,090	0.6	205.18

Note: As the Company manages its operations on an annual basis, consolidated earnings forecasts for the first six months are omitted.

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- Changes in accounting policies in accordance with changes in accounting standards, etc.: None
 - Changes in accounting policies due to other reasons: None
 - Changes in accounting estimates: None
 - Restatement: None

(3) Number of shares issued (common shares)

- a. Number of shares issued at the end of the period (including treasury shares)

As of December 31, 2024	11,072,000 shares
As of December 31, 2023	11,072,000 shares

- b. Number of treasury shares at the end of the period

As of December 31, 2024	885,694 shares
As of December 31, 2023	788,582 shares

- c. Average number of shares outstanding during the period

Fiscal year ended December 31, 2024	10,292,711 shares
Fiscal year ended December 31, 2023	10,522,499 shares

Reference: Summary of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	15,348	(3.3)	1,695	(37.1)	2,250	(29.2)	1,843	(24.2)
December 31, 2023	15,879	3.0	2,694	14.4	3,180	14.8	2,432	12.9

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
December 31, 2024	179.09	—
December 31, 2023	231.19	—

Note: Diluted earnings per share is not presented because there are no potential shares.

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
December 31, 2024	26,108	13,016	49.9	1,277.86
December 31, 2023	26,579	11,904	44.8	1,157.63

Reference: Equity As of December 31, 2024: ¥13,016 million
As of December 31, 2023: ¥11,904 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, the statements herein do not constitute assurances regarding the Company's actual results. Actual financial and other results may differ substantially from the statements herein due to various factors.

Attached Materials

Index

- 1. Overview of operating results and others 2
 - (1) Overview of operating results for the fiscal year ended December 31, 2024 2
 - (2) Overview of financial position for the fiscal year ended December 31, 2024..... 3
 - (3) Overview of cash flows for the fiscal year ended December 31, 2024 3
 - (4) Future outlook 4
- 2. Basic stance on selection of accounting standards..... 5
- 3. Consolidated financial statements and significant notes thereto..... 6
 - (1) Consolidated balance sheet..... 6
 - (2) Consolidated statement of income and consolidated statement of comprehensive income..... 8
 - Consolidated statement of income 8
 - Consolidated statement of comprehensive income..... 9
 - (3) Consolidated statement of changes in equity..... 10
 - (4) Consolidated statement of cash flows..... 12
 - (5) Notes to consolidated financial statements..... 14
 - Notes on premise of going concern 14
 - Segment information 14
 - Per share information..... 14
 - Revenue recognition..... 15
 - Significant subsequent events..... 16

1. Overview of operating results and others

(1) Overview of operating results for the fiscal year ended December 31, 2024

In the fiscal year ended December 31, 2024, the Japanese economy maintained a recovery trend, despite a temporary sense of economic stagnation. Notable points include the Nikkei 225 index hitting an all-time high and the significant increase in the rate of increase in worker wages. Robust inbound tourism demand and corporate capital investment are expected to continue, but the outlook remains uncertain in light of entering an inflationary economy, unstable exchange rates, chronic labor shortages, and trends in global affairs.

Under such business conditions, in the fiscal year under review, net sales was 29,773 million, up ¥785 million or 2.7% year on year, operating profit was ¥3,114 million, down ¥651 million or 17.3% year on year, ordinary profit was ¥3,242 million, down ¥558 million or 14.7% year on year, and profit attributable to owners of parent was ¥2,077 million, down ¥410 million or 16.5% year on year.

During the fiscal year under review, the Company has been actively investing in research and development, which has led to a year-on-year increase in research and development expenses. As a result, selling, general and administrative expenses came to ¥11,327 million, up ¥1,146 million or 11.3% year on year.

The Group has a single business segment, the AgriTechno Business. The operating results by business fields in this segment are as follows.

In the agrichemicals field in Japan, the Group maintained steady sales results for a variety of products including the Company's mainstay pest control material *Hachi-Hachi*, and our green agrochemicals^(Note 1) *Suffoil* and *Toarrow*, which are the Company's focus. However, sales of the pest control materials *Oncol*, *Cyflumetofen*, *Kaligreen* and others declined year on year. In the overseas markets, the pest control material *Gatten* maintained favorable sales, while green agrochemicals such as *Kaligreen* also performed well. On the other hand, sales of *Cyflumetofen* showed steady growth, mainly in the latter six months, but decreased compared to the previous fiscal year. As a result, net sales in the agrichemicals field amounted to ¥11,075 million, down ¥809 million or 6.8% year on year.

In the fertilizer and biostimulant field in Japan, we saw an increase in sales of the biostimulants^(Note 2). This included *Potetoru*, as well as *Lidavital*, *Algamix*, and *Fullbody*. However, sales for greenhouse fertilizers, drip-fertigation fertilizers and others fell year on year, in part due to the impact of surplus inventories in the supply chain during the first six months. In the overseas markets, the mainstay product *Atonik* maintained favorable sales. Blue Wave Holding B.V., an affiliate in the Netherlands, and LIDA Plant Research, S.L., an affiliate in Spain, performed well, and our domestic subsidiaries, such as Asahi Chemical Manufacturing Co., Ltd. and Implanta Innovations Inc., among others, also saw year on year increases in both net sales and profit. As a result, net sales in the fertilizer and biostimulant field overall increased by ¥1,594 million, or 9.3% year on year, to ¥18,698 million.

The Group has been pressing forward with "Aggressive Investments for Further Growth" as set forth in our "New Mid-Term Business Plan [2024-2026]" under our management philosophy of "We contribute to the people in the world with our agritechnology and sincerity." We will make green agrochemicals, biostimulants, smart agriculture, and global development the cornerstones of the Group.

Going forward, we will continue to promote research and development for the development of global agriculture, aiming to achieve the stable supply of food with sufficient environmental considerations, as we pursue our vision of what the Company should be like in 2030.

(Note 1) Green agrochemicals: Safe and environmentally-friendly plant protection materials that provide peace of mind and can be used without any restriction on frequency, such as agents with agrochemical registrations derived naturally or from food additives, and organic JAS-compliant agrochemicals.

(Note 2) Biostimulant: General name for the materials and technologies that enhance the immune strength inherent in plants, and promote cold resistance, heat resistance, pest tolerance and growth stimulation.

We would also like to offer our sincere apologies for the great concern and inconvenience caused by the fire at our Naruto Factory on October 7, 2024. We will work together as a company to ensure that such an accident never happens again by strictly enforcing safety measures and preventing recurrence.

(2) Overview of financial position for the fiscal year ended December 31, 2024

Position of assets, liabilities, and net assets

(i) Assets

Total assets as of December 31, 2024, was ¥34,663 million, an increase of ¥663 million compared to December 31, 2023. This was the result of an increase of ¥1,083 million in current assets and a decrease of ¥420 million in non-current assets.

(Current assets)

Total current assets as of December 31, 2024, was ¥20,669 million, an increase of ¥1,083 million compared to December 31, 2023. This was mainly the result of increases of ¥793 million in cash and deposits and ¥733 million in accounts receivable-trade, decreases of ¥503 million in merchandise and finished goods and ¥581 million in raw materials and supplies, and increases of ¥415 million in work in process and ¥161 million in other.

(Non-current assets)

Total non-current liabilities as of December 31, 2024, was ¥13,994 million, a decrease of ¥420 million compared to December 31, 2023. This was mainly the result of increases of ¥105 million in machinery, equipment and vehicles and ¥99 million in leased assets, and decreases of ¥39 million in software, ¥440 million in goodwill and ¥37 million in investment securities.

(ii) Liabilities

(Current liabilities)

Total current liabilities as of December 31, 2024, was ¥13,533 million, a decrease of ¥1,700 million compared to December 31, 2023. This was mainly the result of an increase of ¥55 million in notes and accounts payable - trade, and decreases of ¥1,423 million in short-term borrowings and ¥118 million in other.

(Non-current liabilities)

Total non-current liabilities as of December 31, 2024, was ¥4,025 million, an increase of ¥132 million compared to December 31, 2023. This was mainly the result of an increase of ¥92 million in long-term borrowings.

(iii) Net assets

Total net assets as of December 31, 2024, was ¥17,104 million, an increase of ¥2,231 million compared to December 31, 2023. This was mainly the result of the recording of ¥2,077 million in profit attributable to owners of parent, ¥565 million in payment of dividends of surplus, and an increase of ¥715 million in foreign currency translation adjustment.

(3) Overview of cash flows for the fiscal year ended December 31, 2024

Cash and cash equivalents (hereinafter “cash”) as of December 31, 2024, was ¥4,481 million, an increase of ¥765 million compared to December 31, 2023. Cash flows during the fiscal year under review and their causes are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was ¥3,762 million (¥1,789 million was provided in the previous fiscal year). The main sources of cash were profit before income taxes of ¥3,217 million, depreciation of ¥1,126 million, amortization of goodwill of ¥730 million, and a decrease in inventories of ¥811 million. The main uses of cash were an increase in trade receivables of ¥462 million, a decrease in trade payables of ¥18 million, and income taxes paid of ¥1,370 million.

(Cash flows from investing activities)

Net cash used in investing activities was ¥555 million (¥585 million was used in the previous fiscal year). The main sources of cash were proceeds from withdrawal of time deposits of ¥280 million and proceeds from sale and redemption of investment securities of ¥48 million. The main uses of cash were purchase

of property, plant and equipment of ¥485 million, payments into time deposits of ¥282 million, purchase of securities of ¥49 million, and purchase of intangible assets of ¥56 million.

(Cash flows from financing activities)

Net cash used in financing activities was ¥2,482 million (¥1,052 million was used in the previous fiscal year). The main sources of cash were net increase in short-term borrowings of ¥693 million and proceeds from long-term borrowings of ¥2,045 million. The main uses of cash were repayments of long-term borrowings of ¥4,141 million, purchase of treasury shares of ¥252 million, and dividends paid of ¥565 million.

Reference: Trends in cash flow indicators

	Fiscal year ended December 31, 2022	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Equity ratio (%)	35.6	40.9	46.0
Market value equity ratio (%)	50.8	52.2	58.7
Ratio of cash flow to interest-bearing debt (%)	867.7	716.1	308.1
Interest coverage ratio (times)	9.2	10.8	20.5

Notes: 1. Equity ratio: Equity / Total assets

Market value equity ratio (%): Market capitalization / Total assets

Ratio of cash flow to interest-bearing debt (%): Interest-bearing debt / Cash flow

Interest coverage ratio (times): Cash flow / Interest payments

2. All items are calculated using consolidated financial data.
3. Market capitalization is based on number of shares issued excluding treasury shares.
4. Operating cash flow is used for cash flow.

(4) Future outlook

The Group aims to contribute to society through the provision of technology that boosts food production (agritechnology). Also, guided by the basic policy of increasing corporate profits and enhancing enterprise value, the Group will implement measures to grow earnings and strengthen its financial standing while pursuing business activities that contribute to sustainable agriculture that is friendly to people and the environment. As stated in our “New Mid-Term Business Plan [2024-2026],” we will make aggressive investments for further growth, realize innovations to solve the issues facing global agriculture, and propose “profitable agriculture.” We also recognize that contributing to sustainable agriculture that is friendly to people and the environment is a corporate social responsibility, and we will strive to improve corporate value for all stakeholders through the practice of sustainability management, and we will conduct corporate activities that flexibly respond to changes in the social environment. We will continue our efforts to address climate change risks and achieve carbon neutrality, as well as to promote compliance with the “Strategy for Sustainable Food Systems” formulated by the Japanese government in May 2021, which aims to build a sustainable food system, and the EU’s “Farm to Fork strategy.”

The following is a description of each of the key themes that the Company is continuously working on as fundamental businesses.

With regard to “the spread and expansion of green agrochemicals,” *Acaritouch* and *Suffoil* are expected to continue to expand in the domestic apple and citrus fruit markets. Overseas, we have obtained organic certification from the Organic Materials Review Institute (OMRI) for *Kaligreen* in the United States, and we are expanding sales, focusing on grapes. We will also be expanding into new produce crops such as cherries and strawberries. In addition, we will utilize this certification to promote the spread and expansion of the use of grapes and berries in Chile and Peru.

With regard to “the spread and expansion of biostimulant products,” we will continue to expand the range of crops for which these products are used in markets such as India and China, and we will work to strengthen our sales base through activities such as holding local farmer meetings. In Japan, we will also work to strengthen our activities to raise awareness of biostimulant products that respond to climate change, and to spread and expand their use.

With regard to “the promotion of smart agriculture in the greenhouse horticulture field,” we plan to further evolve our AI-based total cultivation solution service Agrio Strawberry Master using sensing technology, and accelerate our research and development to realize “profitable agriculture.” We will also continue to work on demonstration tests for PROBIOPONICS (hydroponics using organic fertilizers) with the aim of realizing a recycling-oriented circular society.

In terms of pursuing synergy effects on a global scale, we will continue to focus on the realization of collaborative projects between group companies, and we will promote optimization and efficiency in everything from procurement to production, inventory, and sales, utilizing our global network.

With regard to building a corporate culture and rising to the challenge of new businesses, we continue using social media and other methods to express “the joy of cultivating,” “the emotion of watching,” and “the contentment of eating.” We will focus on disseminating information through a variety of media, such as by launching a cultivation media site and making a corporate image video available, offering cultivation guidance and flower arrangement classes in various places, which we assume will help open the way to new businesses.

Under those business conditions, for the fiscal year ending December 31, 2025, we forecast net sales of ¥30,820 million, up 3.5% year on year, operating profit of ¥3,320 million, up 6.6% year on year, ordinary profit of ¥3,210 million, down 1.0% year on year, and profit attributable to owners of parent of ¥2,090 million, up 0.6% year on year.

The Company considers the distribution of profit to shareholders as one of the most important issues for management. Accordingly, the Company’s basic policy on profit distribution is to carry out the stable payment of dividends while considering the provision of the necessary internal reserves to strengthen the financial base and proactively develop business. Looking ahead, the Company shall strive for sustainable growth by investing business resources in business fields where growth is expected in the medium- to long-term in order to boost corporate value and maximize value for shareholders.

The Company plans to pay dividends from surplus for the fiscal year under review of ¥55 per share.

Concerning the dividends from surplus for the fiscal year ending December 31, 2025, the Company plans to pay an interim dividend of ¥30 per share and a year-end dividend of ¥30 per share, for a total annual dividend of ¥60 per share.

2. Basic stance on selection of accounting standards

The Group uses Japanese accounting standards to facilitate comparison with sector peer companies in Japan.

With respect to adoption of international financial reporting standards (IFRS), the Group follows a policy of responding in a suitable manner after giving consideration to various circumstances in Japan and overseas.

3. Consolidated financial statements and significant notes thereto

(1) Consolidated balance sheet

(Millions of yen)

	As of December 31, 2023	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	4,056	4,849
Notes receivable - trade	638	514
Electronically recorded monetary claims - operating	43	56
Accounts receivable - trade	6,736	7,470
Securities	-	87
Merchandise and finished goods	3,265	2,761
Work in process	1,613	2,029
Raw materials and supplies	2,332	1,750
Other	1,056	1,218
Allowance for doubtful accounts	(156)	(68)
Total current assets	19,586	20,669
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,184	1,088
Machinery, equipment and vehicles, net	797	902
Land	1,164	1,217
Leased assets, net	509	608
Other, net	323	322
Total property, plant and equipment	3,979	4,139
Intangible assets		
Goodwill	5,915	5,474
Software	209	170
Customer relation assets	2,694	2,566
Other	411	393
Total intangible assets	9,230	8,604
Investments and other assets		
Investment securities	522	484
Shares of subsidiaries and associates	88	98
Deferred tax assets	310	366
Other	282	299
Total investments and other assets	1,204	1,249
Total non-current assets	14,414	13,994
Total assets	34,000	34,663

(Millions of yen)

	As of December 31, 2023	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,189	2,245
Short-term borrowings	9,949	8,525
Accounts payable - other	617	746
Income taxes payable	572	283
Provision for bonuses	38	39
Provision for compensation for damages	26	27
Refund liability	166	109
Other	1,674	1,555
Total current liabilities	15,233	13,533
Non-current liabilities		
Long-term borrowings	2,355	2,447
Retirement benefit liability	233	240
Deferred tax liabilities	948	906
Other	357	430
Total non-current liabilities	3,893	4,025
Total liabilities	19,127	17,559
Net assets		
Shareholders' equity		
Share capital	461	461
Capital surplus	2,425	2,447
Retained earnings	9,918	11,431
Treasury shares	(973)	(1,193)
Total shareholders' equity	11,832	13,147
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	130	162
Foreign currency translation adjustment	1,934	2,649
Remeasurements of defined benefit plans	(8)	(7)
Total accumulated other comprehensive income	2,056	2,805
Non-controlling interests	983	1,151
Total net assets	14,872	17,104
Total liabilities and net assets	34,000	34,663

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Net sales	28,988	29,773
Cost of sales	15,041	15,331
Gross profit	13,947	14,442
Selling, general and administrative expenses	10,180	11,327
Operating profit	3,766	3,114
Non-operating income		
Interest income	40	41
Dividend income	6	7
Insurance claim income	0	7
Foreign exchange gains	194	212
Share of profit of entities accounted for using equity method	1	5
Other	19	45
Total non-operating income	263	320
Non-operating expenses		
Interest expenses	207	183
Commission for purchase of treasury shares	4	1
Other	18	7
Total non-operating expenses	230	192
Ordinary profit	3,800	3,242
Extraordinary income		
Gain on sale of non-current assets	3	0
Total extraordinary income	3	0
Extraordinary losses		
Loss on retirement of non-current assets	2	4
Loss on sale of non-current assets	-	20
Impairment losses	4	-
Total extraordinary losses	7	24
Profit before income taxes	3,796	3,217
Income taxes - current	1,288	1,142
Income taxes - deferred	(52)	(151)
Total income taxes	1,235	990
Profit	2,561	2,226
Profit attributable to non-controlling interests	73	148
Profit attributable to owners of parent	2,488	2,077

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Profit	2,561	2,226
Other comprehensive income		
Valuation difference on available-for-sale securities	58	31
Foreign currency translation adjustment	1,380	774
Remeasurements of defined benefit plans, net of tax	35	2
Total other comprehensive income	1,474	807
Comprehensive income	4,035	3,034
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,884	2,826
Comprehensive income attributable to non-controlling interests	151	208

(3) Consolidated statement of changes in equity

Fiscal year ended December 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	461	2,410	7,906	(408)	10,371
Changes during period					
Profit attributable to owners of parent			2,488		2,488
Purchase of treasury shares				(600)	(600)
Disposal of treasury shares		14		34	49
Dividends of surplus			(475)		(475)
Net changes in items other than shareholders' equity					-
Total changes during period	-	14	2,012	(565)	1,461
Balance at end of period	461	2,425	9,918	(973)	11,832

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	72	632	(44)	660	917	11,949
Changes during period						
Profit attributable to owners of parent				-		2,488
Purchase of treasury shares				-		(600)
Disposal of treasury shares				-		49
Dividends of surplus				-		(475)
Net changes in items other than shareholders' equity	58	1,301	35	1,396	66	1,462
Total changes during period	58	1,301	35	1,396	66	2,923
Balance at end of period	130	1,934	(8)	2,056	983	14,872

Fiscal year ended December 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	461	2,425	9,918	(973)	11,832
Changes during period					
Profit attributable to owners of parent			2,077		2,077
Purchase of treasury shares				(252)	(252)
Disposal of treasury shares		22		33	55
Dividends of surplus			(565)		(565)
Net changes in items other than shareholders' equity					-
Total changes during period		22	1,512	(219)	1,314
Balance at end of period	461	2,447	11,431	(1,193)	13,147

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	130	1,934	(8)	2,056	983	14,872
Changes during period						
Profit attributable to owners of parent				-		2,077
Purchase of treasury shares				-		(252)
Disposal of treasury shares				-		55
Dividends of surplus				-		(565)
Net changes in items other than shareholders' equity	31	715	1	748	167	916
Total changes during period	31	715	1	748	167	2,231
Balance at end of period	162	2,649	(7)	2,805	1,151	17,104

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	3,796	3,217
Depreciation	991	1,126
Amortization of goodwill	682	730
Loss on retirement of property, plant and equipment	2	1
Loss on retirement of intangible assets	–	3
Loss (gain) on sale of non-current assets	(3)	20
Impairment losses	4	–
Share of loss (profit) of entities accounted for using equity method	(1)	(5)
Insurance claim income	(0)	(7)
Interest and dividend income	(48)	(50)
Share-based payment expenses	49	55
Foreign exchange losses (gains)	(49)	42
Interest expenses	207	183
Increase (decrease) in retirement benefit liability	(4)	5
Increase (decrease) in allowance for doubtful accounts	88	(94)
Increase (decrease) in refund liability	35	(57)
Increase (decrease) in provision for bonuses	0	0
Decrease (increase) in trade receivables	(1,412)	(462)
Decrease (increase) in inventories	(75)	811
Increase (decrease) in trade payables	(895)	(18)
Increase (decrease) in accounts payable - other	(93)	138
Other, net	262	(383)
Subtotal	3,538	5,256
Interest and dividends received	37	58
Interest paid	(213)	(188)
Income taxes paid	(1,574)	(1,370)
Proceeds from insurance income	0	7
Net cash provided by (used in) operating activities	1,789	3,762
Cash flows from investing activities		
Payments into time deposits	(80)	(282)
Proceeds from withdrawal of time deposits	–	280
Purchase of property, plant and equipment	(397)	(485)
Proceeds from sale of property, plant and equipment	6	0
Purchase of intangible assets	(122)	(56)
Purchase of securities	–	(49)
Proceeds from redemption of securities	–	24
Purchase of investment securities	(0)	(25)
Proceeds from sale and redemption of investment securities	–	48
Other, net	8	(11)
Net cash provided by (used in) investing activities	(585)	(555)

(Millions of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,614	693
Proceeds from long-term borrowings	9	2,045
Repayments of long-term borrowings	(1,333)	(4,141)
Repayments of lease liabilities	(196)	(221)
Proceeds from issuance of shares	–	41
Purchase of treasury shares	(600)	(252)
Dividends paid	(474)	(565)
Dividends paid to non-controlling interests	(89)	(82)
Other, net	18	–
Net cash provided by (used in) financing activities	(1,052)	(2,482)
Effect of exchange rate change on cash and cash equivalents	193	41
Net increase (decrease) in cash and cash equivalents	344	765
Cash and cash equivalents at beginning of period	3,371	3,716
Cash and cash equivalents at end of period	3,716	4,481

(5) Notes to consolidated financial statements

Notes on premise of going concern

No items to report.

Segment information

[Segment information]

As the Group consists of a single business segment, the AgriTechno Business, this information is omitted.

Per share information

(Yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Net assets per share	1,350.69	1,566.12
Basic earnings per share	236.45	201.86

Notes: 1. Diluted earnings per share is not presented since no potential shares exist.

2. The basis of calculation of basic earnings per share is as follows.

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Profit attributable to owners of parent (millions of yen)	2,488	2,077
Amounts not attributable to common shareholders (millions of yen)	—	—
Profit attributable to owners of parent available to common shares (millions of yen)	2,488	2,077
Average number of shares outstanding of common shares during the period (shares)	10,522,499	10,292,711

Revenue recognition

The information on disaggregation of revenue from contracts with customers

Fiscal year ended December 31, 2023

As the Group consists of a single business segment, the AgriTechno Business, net sales is presented by service, and by domestic/overseas.

(1) By service

(Millions of yen)	
Service name	Amount
Agrichemicals	11,885
Fertilizer and biostimulant	16,930
Other	172
Revenue from contracts with customers	28,988
Other revenue	-
Sales to external customers	28,988

(2) By domestic/overseas

(Millions of yen)	
By domestic/overseas	Amount
Domestic	8,644
Overseas	20,344
Revenue from contracts with customers	28,988
Other revenue	-
Sales to external customers	28,988

Fiscal year ended December 31, 2024

As the Group consists of a single business segment, the AgriTechno Business, net sales is presented by service, and by domestic/overseas.

(1) By service

(Millions of yen)	
Service name	Amount
Agrichemicals	11,075
Fertilizer and biostimulant	18,487
Other	210
Revenue from contracts with customers	29,773
Other revenue	-
Sales to external customers	29,773

(2) By domestic/overseas

(Millions of yen)	
By domestic/overseas	Amount
Domestic	8,253
Overseas	21,519
Revenue from contracts with customers	29,773
Other revenue	-
Sales to external customers	29,773

Significant subsequent events

No items to report.