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**Consolidated Financial Results for the  
Three Months Ended June 30, 2024  
[Japanese GAAP]**

August 9, 2024

Company name: Raysum Co., Ltd. Stock exchange listing: Tokyo Stock Exchange  
 Code number: 8890 URL: <http://www.raysum.co.jp/en/>  
 Representative: Tsuyoshi Komachi, President and Representative Director  
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 Scheduled date of commencing dividend payments: —  
 Availability of supplementary briefing material on financial results: Yes  
 Schedule of financial results briefing session: None

(Figures are rounded down to the nearest million yen)

**1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (April 1, 2024 to June 30, 2024)**

(1) Consolidated Results of Operations (% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended June 30, 2024	15,615	(0.3)	1,437	(62.3)	1,335	(64.9)	885	(64.1)
Three months ended June 30, 2023	15,663	125.0	3,812	417.9	3,806	352.1	2,467	386.8

(Note) Comprehensive income: Three months ended June 30, 2024: 964 million yen (-62.2%)  
 Three months ended June 30, 2023: 2,548 million yen (327.8%)

	Profit per share	Diluted profit per share
	yen	yen
Three months ended June 30, 2024	30.84	—
Three months ended June 30, 2023	86.28	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
As of June 30, 2024	142,325	58,394	41.0
As of March 31, 2024	130,513	62,452	47.8

(Reference) Equity: As of June 30, 2024: 58,334 million yen  
 As of March 31, 2024: 62,389 million yen

**2. Dividends**

	Annual dividends				
	Q1 end	Q2 end	Q3 end	Year end	Total
	yen	yen	yen	yen	yen
Fiscal year ended March 31, 2024	—	0.00	—	175.00	175.00
Fiscal year ending March 31, 2025 (Forecast)	—	0.00	—	196.00	196.00

(Note) Changes to the most recent dividend forecast announced: Not applicable

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	115,000	22.0	23,000	0.8	21,500	(1.7)	14,000	21.6	487.78

(Note) Changes to the most recent financial results forecast announced: Not applicable

#### \*Notes

- (1) Significant changes of subsidiaries in the first three months of the fiscal year under review (affecting specified subsidiaries resulting in changes in scope of consolidation): Not applicable
- (2) Application of accounting method specific to preparation of quarterly consolidated financial statements: Not applicable
- (3) Changes in accounting policies, changes in accounting estimates and restatements
  - 1) Changes in accounting policies due to the revision of accounting standards: Yes
  - 2) Any changes in accounting policies other than 1) above: Not applicable
  - 3) Changes in accounting estimates: Not applicable
  - 4) Restatements: Not applicable
- (4) Total number of issued shares (common stock)

- 1) Total number of issued shares at the end of the period (including treasury shares):

Three months ended June 30, 2024	29,081,400 shares
Fiscal year ended March 31, 2024	29,081,400 shares

- 2) Total number of treasury shares at the end of the period:

Three months ended June 30, 2024	379,744 shares
Fiscal year ended March 31, 2024	379,744 shares

- 3) Average number of shares during the period:

Three months ended June 30, 2024	28,701,656 shares
Three months ended June 30, 2023	28,598,607 shares

\* This quarterly financial report is not subject to quarterly review by a certified accountant or auditing company.

#### \* Explanation of the proper use of performance forecast and other note

(Note on forward-looking statements, etc.)

Performance forecasts and other forward-looking statements presented in this report are based on information currently available to the Company and certain assumptions deemed to be reasonable, and are not to be read as guarantees of future performance by the Company. In addition, actual performance may differ substantially due to various factors.

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## 1. Qualitative Information on Quarterly Financial Results

### (1) Explanation of Results of Operations

The consolidated financial results for the first three months of the fiscal year under review recorded net sales of 15,615 million yen (year-on-year decrease of 0.3%), operating profit of 1,437 million yen (year-on-year decrease of 62.3%), ordinary profit of 1,335 million yen (year-on-year decrease of 64.9%) and profit attributable to owners of parent of 885 million yen (year-on-year decrease of 64.1%). We were able to get off to a steady start toward achieving our full-year performance targets, thanks in part to the sale of several properties in our mainstay business of Value Creation Services.

Business results by segment are as follows.

#### (Value Creation Services)

In this business, we pursue the potential value of each real estate asset tailored to the individual needs of our customers. By becoming owners ourselves, we undertake usage changes, major renovations, and attract new tenants to create and provide valuable real estate assets for our customers. We redefine valuable, high-quality assets for our customers as rare real estate properties that offer long-term stable profitability and high liquidity. Based on this premise, we are committed to our business.

In the first three months of the fiscal year under review, we managed to deliver to customers land with a leasehold interest in Chiyoda-ku, Tokyo, an office building in Hakata-ku, Fukuoka City, a commercial building in Suginami-ku, Tokyo, a large commercial building located near Omotesando Station in Minato-ku, Tokyo, and other properties. In the first three months of the fiscal year under review, Value Creation Services posted net sales of 13,572 million yen (year-on-year decrease of 3.5%) and segment profit of 1,934 million yen (year-on-year decrease of 53.1%), getting off to a steady start toward the achievement of the full-year performance targets for the segment.

We are earnestly carrying out necessary repair works, conversion preparations, tenant leasing and sales activities, and are proceeding with the smooth procurement of properties that will lead to sales in the next and subsequent fiscal years.

#### (Value-Add Services)

In this business, we conduct leasing management, building management and other services to maintain and enhance the value of the properties we have provided to clients. We listen to clients' requests in detail and aim to improve the long-term asset value in ways such as proposing measures to increase property value for the future, taking advantage of opportunities such as tenant replacement.

In the first three months of the fiscal year under review, Value-Add Services posted net sales of 1,453 million yen (year-on-year increase of 24.8%) and segment profit of 310 million yen (year-on-year increase of 14.8%). This improvement was thanks to rental income from properties held being higher than in the same period of the previous fiscal year.

#### (Future Value Creation Services)

In this business, we mainly conduct businesses that address future social issues, such as community hostels, advanced medical facilities that are indispensable in a super-ageing society and development of emergency power sources to prepare for frequent natural disasters, under our own operation. The experience and knowledge gained through these business operations will be utilized in conceiving and proposing ideas for Value Creation Services and Value-Add Services in the future.

While the full recovery of inbound demand and other factors contributed to sales and profit both increasing year-on-year in the accommodation business, expenses such as hiring more personnel in the emergency gas engine generator business, which is expected to have future potential, increased. Therefore, in the first three months of the fiscal year under review, Future

Value Creation Services posted net sales of 589 million yen (year-on-year increase of 33.9%), and segment loss of 382 million yen (segment loss of 331 million yen in the same period of the previous fiscal year).

## (2) Explanation of Financial Position

### 1) Changes in Financial Position

#### (Assets)

Current assets increased 11,690 million yen compared with the end of the previous fiscal year to 130,232 million yen. This was primarily attributable to cash and deposits decreasing 5,820 million yen to 29,907 million yen, real estate for sale increasing 14,638 million yen to 66,852 million yen, and real estate for sale in process increasing 1,373 million yen to 30,611 million yen.

Non-current assets increased 122 million yen compared with the end of the previous fiscal year to 12,092 million yen. This was attributable to a decrease of 23 million yen in property, plant and equipment from an increase due to acquisition and a decrease due to depreciation, etc.; an increase of 14 million yen in intangible assets; and an increase of 131 million yen in investments and other assets.

As a result, total assets as at the end of the first quarter of the fiscal year under review increased 11,812 million yen compared with the end of the previous fiscal year to 142,325 million yen.

#### (Liabilities)

Liabilities increased 15,870 million yen compared with the end of the previous fiscal year to 83,930 million yen. This was primarily attributable to an increase of 15,307 million yen in borrowings due to the difference between new fundraising and repayment of borrowings, an increase of 538 million yen in income taxes payable, and an increase of 401 million yen in accounts payable due to construction work on properties, etc.

#### (Net assets)

Total net assets decreased 4,058 million yen compared with the end of the previous fiscal year to 58,394 million yen. This was primarily attributable to an increase of 885 million yen in retained earnings following the recording of profit attributable to owners of parent, and a decrease of 5,022 million yen due to dividends of surplus.

Furthermore, the equity ratio as of the end of the first quarter of the fiscal year under review has become 41.0%.

### 2) Cash Flows

Cash and cash equivalents (hereinafter, “funds”) at the end of the first quarter of the fiscal year under review decreased 5,822 million yen compared with the end of the previous fiscal year to 29,888 million yen.

Cash flows in the first three months of the fiscal year under review and the major contributing factors are as follows.

#### (Cash flows from operating activities)

Net cash used in operating activities amounted to 15,949 million yen. The main factor for inflow was the increase in funds related to 13,572 million yen in net sales in Value Creation Services. The main factors for outflow were the decrease in funds related to 26,967 million yen of payment for purchases of real estate for sale, 1,015 million yen of payment in line with the progressing development of real estate for sale in process and payment for repair works on real estate for sale in Value Creation Services; the expenditure of selling, general and administrative expenses.

#### (Cash flows from investing activities)

Net cash used in investing activities amounted to 285 million yen. The main factors for outflow were purchase of investment Securities of 155 million yen, and loan advances of 57 million yen.

#### (Cash flows from financing activities)

Net cash provided by financing activities amounted to 10,326 million yen. The main factor for inflow was the difference of 15,307 million yen between new fundraising and repayment of borrowings, and the main factor for outflow was dividends paid of 4,957 million yen.

## (3) Explanation of Consolidated Financial Results Forecast and Other Information on Future Forecasts

The consolidated financial results forecast remain unchanged from the full-year consolidated financial results forecast in “Consolidated Financial Results for the Fiscal Year Ended March 31, 2024” announced on May 10, 2024.

2. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	35,728	29,907
Trade accounts receivable	306	589
Real estate for sale	52,214	66,852
Real estate for sale in process	29,237	30,611
Raw materials	13	29
Advance payments to suppliers	169	1,317
Income taxes refund receivable	31	28
Other	985	1,041
Allowance for doubtful accounts	△145	△146
Total current assets	118,542	130,232
Non-current assets		
Property, plant and equipment		
Buildings, net	2,668	2,629
Land	840	840
Construction in progress	—	29
Other, net	523	508
Total property, plant and equipment	4,032	4,008
Intangible assets		
Other	210	225
Total intangible assets	210	225
Investments and other assets		
Investment securities	2,728	3,041
Deferred tax assets	1,583	1,388
Investments in capital	1,119	1,119
Long-term loans receivable	2,401	2,458
Other	1,623	1,579
Allowance for doubtful accounts	△1,729	△1,729
Total investments and other assets	7,727	7,858
Total non-current assets	11,970	12,092
Total assets	130,513	142,325

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
<b>Liabilities</b>		
Current liabilities		
Short-term borrowings	990	8,690
Current portion of long-term borrowings	1,475	1,883
Accounts payable - other	1,051	1,452
Income taxes payable	4,222	4,761
Advances received	672	979
Provision for bonuses for directors (and other officers)	298	0
Provision for bonuses	109	39
Other	1,111	1,136
Total current liabilities	9,932	18,942
Non-current liabilities		
Long-term borrowings	52,353	59,552
Deferred tax liabilities	238	—
Other	5,535	5,435
Total non-current liabilities	58,127	64,988
Total liabilities	68,060	83,930
<b>Net assets</b>		
Shareholders' equity		
Share capital	4,242	4,242
Capital surplus	11,041	11,041
Retained earnings	47,873	43,735
Treasury shares	△1,098	△1,098
Total shareholders' equity	62,059	57,922
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	246	322
Foreign currency translation adjustment	82	90
Total accumulated other comprehensive income	329	412
Non-controlling interests	63	60
Total net assets	62,452	58,394
<b>Total liabilities and net assets</b>	<b>130,513</b>	<b>142,325</b>

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income  
(Quarterly Consolidated Statements of Income – First Quarter of Consolidated Fiscal Year)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	15,663	15,615
Cost of sales	10,438	11,641
Gross profit	5,224	3,973
Selling, general and administrative expenses	1,412	2,536
Operating profit	3,812	1,437
Non-operating income		
Interest income	3	11
Foreign exchange gains	171	151
Rental income from buildings	1	0
Benefits income	1	0
Other	12	5
Total non-operating income	189	169
Non-operating expenses		
Interest expenses	114	200
Commission for a financial loan	54	63
Provision of allowance for doubtful accounts	21	–
Other	6	7
Total non-operating expenses	196	271
Ordinary profit	3,806	1,335
Profit before income taxes	3,806	1,335
Income taxes - current	1,078	509
Income taxes - deferred	262	△55
Total income taxes	1,340	453
Profit	2,465	882
Loss attributable to non-controlling interests	△2	△2
Profit attributable to owners of parent	2,467	885

(Quarterly Consolidated Statements of Comprehensive Income – First Quarter of Consolidated Fiscal Year)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	2,465	882
Other comprehensive income		
Valuation difference on available-for-sale securities	74	75
Foreign currency translation adjustment	8	7
Total other comprehensive income	83	82
Comprehensive income	2,548	964
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,550	967
Comprehensive income attributable to non-controlling interests	△2	△2



## (3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	3,806	1,335
Depreciation	115	105
Amortization of goodwill	—	4
Increase (decrease) in provision for bonuses	87	△70
Increase (decrease) in provision for bonuses for directors (and other officers)	—	△298
Increase (decrease) in allowance for doubtful accounts	22	0
Interest and dividend income	△3	△11
Interest expenses	114	200
Decrease (increase) in trade receivables	46	△282
Decrease (increase) in real estate for sale	△2,687	△14,569
Decrease (increase) in real estate for sale in process	△14,549	△1,373
Decrease (increase) in advance payments to suppliers	95	△1,148
Decrease (increase) in deposits paid	357	7
Increase (decrease) in advances received	△117	306
Increase (decrease) in accounts payable - other	14	311
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	5	11
Increase (decrease) in lease deposits received	471	△70
Decrease (increase) on investments in silent partnership	—	△77
Other, net	△200	△135
<b>Subtotal</b>	<b>△12,422</b>	<b>△15,756</b>
Interest and dividends received	2	10
Interest paid	△111	△196
Income taxes refund (paid)	△4,026	△7
<b>Net cash provided by (used in) operating activities</b>	<b>△16,557</b>	<b>△15,949</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	△498	△46
Purchase of intangible assets	△7	△28
Loan advances	△126	△57
Proceeds from collection of loans receivable	2	3
Purchase of investment securities	—	△155
Other, net	△32	△1
<b>Net cash provided by (used in) investing activities</b>	<b>△662</b>	<b>△285</b>
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	—	7,700
Proceeds from long-term borrowings	12,778	19,108
Repayments of long-term borrowings	△6,406	△11,501
Dividends paid	△1,557	△4,957
Repayments of finance lease liabilities	△22	△22
<b>Net cash provided by (used in) financing activities</b>	<b>4,791</b>	<b>10,326</b>
Effect of exchange rate change on cash and cash equivalents	100	86
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>△12,329</b>	<b>△5,822</b>
Cash and cash equivalents at beginning of period	27,511	35,710
Cash and cash equivalents at end of period	15,182	29,888

(4) Notes on Quarterly Consolidated Financial Statements

(Notes to changes of accounting policies)

(Application of the Accounting Standard for Current Income Taxes)

The Accounting Standard for Current Income Taxes (ASBJ Statement No. 27; October 28, 2022; hereinafter“2022 Revised Accounting Standard”) has been applied since the beginning of the first-quarter period.

Revisions concerning the recognition classification of income taxes (tax on other comprehensive income) follow the transitional treatment set forth in the proviso of paragraph 20-3 of the 2022 Revised Accounting Standard and in the proviso of paragraph 65-2(2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28; October 28, 2022; hereinafter “2022 Revised Guidance”). This change in accounting policy has no impact on the quarterly consolidated financial statements.

Furthermore, the 2022 Revised Guidance has been applied since the beginning of the first-quarter period to revisions related to the review of treatment in consolidated financial statements when conducting a tax deferral of gains or losses on sale arising from the sale of subsidiary shares, etc. between consolidated companies. This change in accounting policy is applied retrospectively, and the consolidated financial statements for the previous year’s quarters and the previous consolidated fiscal year are after retrospective application. This change in accounting policy has no impact on the consolidated financial statements for the previous year’s quarters and the previous consolidated fiscal year.

(Segment Information)

Information on net sales and profit (loss) by reporting segment and breakdown information on revenues

I. Three months ended June 30, 2023 (April 1, 2023 to June 30, 2023)

(Millions of yen)

	Reportable segments			Total	Reconciling items	Per quarterly consolidated financial statements
	Value Creation Services	Value-Add Services	Future Value Creation Services			
Sales						
Revenues generated from contracts with customers	14,058	182	391	14,631	—	14,631
Other revenues	—	982	48	1,031	—	1,031
Revenues from external customers	14,058	1,165	439	15,663	—	15,663
Transactions with other segments	—	22	0	23	(23)	—
Net sales	14,058	1,187	440	15,686	(23)	15,663
Operating profit (loss)	4,125	270	(331)	4,063	(251)	3,812

(Note) 1. The amount of -251 million yen in adjustments of segment profit (loss) is the company-wide expenses of administrative expenses (-251 million yen) that are not allocated to each segment. The amount of segment profit (loss) after deduction of this adjustment is the same as the amount of 3,812 million yen of operating profit stated in the quarterly consolidated statements of income.

2. Other revenues mostly consist of rental revenue based on the Accounting Standard for Lease Transactions.

II. Three months ended June 30, 2024 (April 1, 2024 to June 30, 2024)

(Millions of yen)

	Reportable segments			Total	Reconciling items	Per quarterly consolidated financial statements
	Value Creation Services	Value-Add Services	Future Value Creation Services			
Sales						
Revenues generated from contracts with customers	13,572	203	540	14,316	—	14,316
Other revenues	—	1,250	48	1,303	—	1,303
Revenues from external customers	13,572	1,453	589	15,615	—	15,615
Transactions with other segments	—	27	1	28	(28)	—
Net sales	13,572	1,481	590	15,644	(28)	15,615
Operating profit (loss)	1,934	310	(382)	1,863	(425)	1,437

(Note) 1. The amount of -425 million yen in adjustments of segment profit (loss) is the company-wide expenses of administrative expenses (-425 million yen) that are not allocated to each segment. The amount of segment profit

(loss) after deduction of this adjustment is the same as the amount of 1,437 million yen of operating profit stated in the quarterly consolidated statements of income.

2. Other revenues mostly consist of rental revenue based on the Accounting Standard for Lease Transactions.

(Notes in the Event of Material Change in the Amount of Shareholders' Equity)

Not applicable.

(Notes on the Going Concern Assumption)

Not applicable.