

# Translation

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## Summary of Consolidated Financial Results for the Year Ended December 31, 2024 (Based on Japanese GAAP)

February 14, 2025

Company name: Euglena Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 2931 URL <http://www.euglena.jp/>  
 Representative: Representative Director, President Mitsuru Izumo  
 Inquiries: Director, Co-CEO and CFiO Tomohiro Wakahara TEL 03(3453)4907  
 Scheduled date of ordinary general meeting of shareholders: March 28, 2025  
 Scheduled date to file Securities Report: March 31, 2025  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

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

#### (1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Adjusted EBITDA*		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended December 31, 2024	47,618	2.4	4,329	94.8	300	–	431	–	(650)	–
Year ended December 31, 2023	46,482	4.7	2,222	(16.1)	(1,464)	–	(1,419)	–	(2,652)	–

\* Because management has shifted its focus to cash flow management, the Company now presents adjusted EBITDA as a key performance indicator to show its capacity for generating free cash flows. For the definition and calculation method of adjusted EBITDA, please refer to “3. Forecast of consolidated financial results for the year ending December 31, 2025 (from January 1, 2025 to December 31, 2025).”

Note 1: Comprehensive income Year ended December 31, 2024 ¥400 million [–%]  
 Year ended December 31, 2023 ¥(2,478) million [–%]

	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 December 31, 2024	(4.85)	–	(2.5)	0.6	0.6
Year ended December 31, 2023	(22.76)	–	(13.6)	(2.4)	(3.2)

Reference: Share of profit (loss) of entities accounted for using equity method

Year ended December 31, 2024 ¥42 million  
 Year ended December 31, 2023 ¥3 million

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2024	73,256	32,113	43.3	232.44
As of December 31, 2023	59,619	20,214	33.9	172.57

Reference: Equity As of December 31, 2024 ¥31,702 million  
 As of December 31, 2023 ¥20,213 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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended December 31, 2024	3,420	(7,990)	(485)	13,731
Year ended December 31, 2023	658	(646)	5,828	15,651

## 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 December 31, 2023	—	0.00	—	0.00	0.00	—	—	—
Year ended December 31, 2024	—	0.00	—	0.00	0.00	—	—	—
Year ending December 31, 2025 (Forecast)	—	0.00	—	0.00	0.00		—	

## 3. Forecast of consolidated financial results for the year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

Percentages indicate year-on-year changes

	Net sales		Adjusted EBITDA*		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	%	Millions of yen	%	Yen
Full year	48,000	0.8	5,000	15.5	1,200	298.8	—	—	—	—	—

Reference: Adjusted EBITDA = EBITDA (Operating profit + Amortization of goodwill and Depreciation) + Subsidy income + Stock-related remuneration + Inventory step-up effect.

## 4. Notes

(1) Significant changes in the scope of consolidation during the year ended December 31, 2024: Yes

(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: No

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 December 31, 2024	136,411,986 shares	As of December 31, 2023	117,150,662 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	20,682 shares	As of December 31, 2023	20,605 shares
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Average number of shares during the period

Year ended December 31, 2024	134,315,620 shares	Year ended December 31, 2023	116,571,500 shares
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\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

\* Proper use of financial results forecast, and other special matters

The forward-looking statements, including the earnings forecasts, shown in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements.

# Consolidated financial statements

## Consolidated balance sheets

(Millions of yen)

	As of December 31, 2023	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	15,791	20,631
Notes and accounts receivable - trade	3,817	4,262
Merchandise and finished goods	2,129	1,845
Work in process	430	337
Raw materials and supplies	1,124	1,478
Other	1,217	2,413
Allowance for doubtful accounts	(81)	(104)
Total current assets	24,431	30,865
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,319	7,553
Machinery, equipment and vehicles	3,446	3,963
Tools, furniture and fixtures	836	1,057
Land	2,062	1,912
Leased assets	101	43
Construction in progress	6	36
Accumulated depreciation	(7,266)	(8,518)
Total property, plant and equipment	5,506	6,048
Intangible assets		
Goodwill	11,639	12,231
Customer-related intangible assets	14,796	19,975
Other	1,328	1,357
Total intangible assets	27,764	33,564
Investments and other assets		
Investment securities	836	748
Guarantee deposits	350	482
Long-term loans receivable	—	1,054
Deferred tax assets	750	144
Other	127	407
Allowance for doubtful accounts	(148)	(59)
Total investments and other assets	1,917	2,777
Total non-current assets	35,187	42,390
Total assets	59,619	73,256

(Millions of yen)

	As of December 31, 2023	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,396	1,467
Short-term borrowings	3,293	4,144
Accounts payable - other	4,009	3,384
Contract liabilities	1,406	1,408
Lease liabilities	6	3
Income taxes payable	724	846
Provision for bonuses	386	512
Asset retirement obligations	195	7
Other	852	1,034
Total current liabilities	12,271	12,811
Non-current liabilities		
Bonds payable	—	1,000
Convertible-bond-type bonds with share acquisition rights	4,800	4,800
Long-term borrowings	16,971	15,964
Lease liabilities	1	6
Provision for retirement benefits for directors (and other officers)	4	5
Retirement benefit liability	412	420
Asset retirement obligations	74	182
Deferred tax liabilities	4,857	5,943
Other	10	9
Total non-current liabilities	27,133	28,331
Total liabilities	39,404	41,142
Net assets		
Shareholders' equity		
Share capital	15,867	16,331
Capital surplus	15,198	16,882
Retained earnings	(10,961)	(2,260)
Treasury shares	(34)	(34)
Total shareholders' equity	20,070	30,918
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	138	5
Deferred gains or losses on hedges	1	(0)
Foreign currency translation adjustment	1	779
Remeasurements of defined benefit plans	1	(0)
Total accumulated other comprehensive income	142	784
Share acquisition rights	1	1
Non-controlling interests	—	409
Total net assets	20,214	32,113
Total liabilities and net assets	59,619	73,256

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

(Millions of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Net sales	46,482	47,618
Cost of sales	14,707	14,350
Gross profit	31,774	33,267
Selling, general and administrative expenses	33,239	32,966
Operating profit (loss)	(1,464)	300
Non-operating income		
Interest income	2	7
Subsidy income	473	102
Commission income	27	1
Gain on Liquidation receipt	—	280
Foreign exchange gains	41	89
Share of profit of entities accounted for using equity method	3	42
Surrender value of insurance policies	—	18
Other	130	194
Total non-operating income	680	736
Non-operating expenses		
Interest expenses on bonds	1	9
Interest expenses	476	469
Share issuance costs	37	2
Other	120	123
Total non-operating expenses	635	605
Ordinary profit (loss)	(1,419)	431
Extraordinary income		
Gain on reversal of share acquisition rights	1	0
Gain on sale of non-current assets	34	92
Gain on sale of investment securities	—	395
Total extraordinary income	35	488
Extraordinary losses		
Loss on sale of non-current assets	2	0
Impairment losses	117	1,135
Loss on valuation of investment securities	17	—
Losses due to the termination of operation of the demonstration plant	581	—
Loss on liquidation of subsidiaries and associates	7	—
Loss on sale of shares of subsidiaries and associates	—	88
Total extraordinary losses	727	1,225
Loss before income taxes	(2,110)	(305)
Income taxes - current	1,055	813
Income taxes - deferred	(509)	(885)
Total income taxes	546	(71)
Loss	(2,657)	(233)
Profit (loss) attributable to non-controlling interests	(4)	417
Loss attributable to owners of parent	(2,652)	(650)

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Loss	(2,657)	(233)
Other comprehensive income		
Valuation difference on available-for-sale securities	143	(137)
Deferred gains or losses on hedges	1	(1)
Foreign currency translation adjustment	36	776
Remeasurements of defined benefit plans, net of tax	(7)	(4)
Share of other comprehensive income of entities accounted for using equity method	4	1
Total other comprehensive income	178	633
Comprehensive income	(2,478)	400
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(2,475)	(9)
Comprehensive income attributable to non-controlling interests	(2)	409

## Consolidated statements 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	13,985	13,316	(8,309)	(34)	18,957
Changes during period					
Issuance of new shares	1,882	1,882			3,765
Loss attributable to owners of parent			(2,652)		(2,652)
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					–
Total changes during period	1,882	1,882	(2,652)	(0)	1,112
Balance at end of period	15,867	15,198	(10,961)	(34)	20,070

	Valuation and translation adjustments					Share acquisition rights	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 valuation and translation adjustments			
Balance at beginning of period	0	–	(39)	5	(34)	427	2	19,353
Changes during period								
Issuance of new shares								3,765
Loss attributable to owners of parent								(2,652)
Purchase of treasury shares								(0)
Net changes in items other than shareholders' equity	137	1	41	(3)	177	(426)	(2)	(251)
Total changes during period	137	1	41	(3)	177	(426)	(2)	860
Balance at end of period	138	1	1	1	142	1	–	20,214

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	15,867	15,198	(10,961)	(34)	20,070
Changes during period					
Issuance of new shares	463	463			926
Deficit disposition		(9,396)	9,396		–
Loss attributable to owners of parent			(650)		(650)
Increase by share exchanges		10,615			10,615
Purchase of treasury shares				(0)	(0)
The increase in retained earnings due to the decrease in profits of an equity-method			8		8
Change in scope of consolidation			(52)		(52)
Net changes in items other than shareholders' equity					–
Total changes during period	463	1,683	8,701	(0)	10,848
Balance at end of period	16,331	16,882	(2,260)	(34)	30,918

	Valuation and translation adjustments					Share acquisition rights	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 valuation and translation adjustments			
Balance at beginning of period	138	1	1	1	142	1	–	20,214
Changes during period								
Issuance of new shares								926
Deficit disposition								–
Loss attributable to owners of parent								(650)
Increase by share exchanges								10,615
Purchase of treasury shares								(0)
The increase in retained earnings due to the decrease in profits of an equity-method								8
Change in scope of consolidation								(52)
Net changes in items other than shareholders' equity	(132)	(1)	777	(2)	641	(0)	409	1,050
Total changes during period	(132)	(1)	777	(2)	641	(0)	409	11,898
Balance at end of period	5	(0)	779	(0)	784	1	409	32,113



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Cash flows from operating activities		
Loss before income taxes	(2,110)	(305)
Depreciation	2,124	2,621
Amortization of goodwill	846	977
Impairment losses	117	1,135
Losses due to the termination of operation of the demonstration plant	581	—
Share-based payment expenses	257	312
Loss (gain) on valuation of investment securities	17	—
Loss (gain) on liquidation of subsidiaries and associates	7	—
Loss (gain) on sale of investment securities	—	(395)
Loss (gain) on sale of shares of subsidiaries and associates	—	88
Loss (gain) on sale of property, plant and equipment	(31)	(91)
Surrender value of insurance policies	—	(18)
Bad debt expenses	0	—
Increase (decrease) in allowance for doubtful accounts	61	9
Increase (decrease) in provision for retirement benefits and retirement benefits for directors (and other officers)	32	(3)
Increase (decrease) in provision for bonuses	154	92
Interest and dividend income	(2)	(7)
Subsidy income	(473)	(102)
Gain on reversal of share acquisition rights	(1)	(0)
Interest expenses	476	469
Interest expenses on bonds	1	9
Share issuance costs	37	—
Foreign exchange losses (gains)	3	793
Share of loss (profit) of entities accounted for using equity method	(3)	(42)
Decrease (increase) in trade receivables	(4)	(193)
Decrease (increase) in inventories	931	572
Increase (decrease) in trade payables	(27)	(151)
Increase (decrease) in accounts payable - other	(596)	(196)
Decrease/increase in consumption taxes receivable/payable	124	273
Other, net	(331)	(1,008)
Subtotal	2,193	4,840
Interest and dividends received	2	7
Subsidies received	392	93
Expenses associated with the termination of operation of the demonstration plant	—	(581)
Interest paid	(475)	(478)
Income taxes paid	(1,593)	(933)
Income taxes refund	138	472
Net cash provided by (used in) operating activities	658	3,420

(Millions of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Cash flows from investing activities		
Decrease (increase) in time deposits	0	(6,726)
Purchase of property, plant and equipment	(313)	(419)
Proceeds from sale of property, plant and equipment	114	665
Purchase of intangible assets	(380)	(313)
Purchase of investment securities	(0)	(118)
Purchase of shares of subsidiaries and associates	(24)	–
Proceeds from sale and redemption of investment securities	–	462
Proceeds from distributions from investment partnerships	–	56
Proceeds from liquidation of associates	0	–
Decrease (increase) in short-term loans receivable	(15)	(13)
Long-term loan advances	–	(1,043)
Payments of guarantee deposits	(41)	(3)
Proceeds from refund of guarantee deposits	19	10
Proceeds from cancellation of insurance funds	–	18
Payments for asset retirement obligations	(5)	(106)
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	–	(505)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	–	47
Net cash provided by (used in) investing activities	(646)	(7,990)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	99	1,289
Proceeds from long-term borrowings	563	1,529
Repayments of long-term borrowings	(2,589)	(4,294)
Repayments of lease liabilities	(9)	(8)
Proceeds from issuance of convertible bond-type bonds with subscription rights to shares	4,800	–
Proceeds from issuance of bonds	–	1,000
Proceeds from issuance of share acquisition rights	1	–
Proceeds from issuance of shares	2,962	–
Purchase of treasury shares	(0)	(0)
Net cash provided by (used in) financing activities	5,828	(485)
Effect of exchange rate change on cash and cash equivalents	(2)	4
Net increase (decrease) in cash and cash equivalents	5,837	(5,049)
Cash and cash equivalents at beginning of period	9,814	15,651
Increase in cash and cash equivalents resulting from share exchanges	–	3,129
Cash and cash equivalents at end of period	15,651	13,731