

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results For the Six Months ended September 30, 2021 (IFRS)

November 12, 2021

Company name: TORIDOLL Holdings Corporation

Stock exchange listing: Tokyo Stock Exchange

Stock code: 3397

URL: <https://www.toridoll.com>

Representative: Takaya Awata, President, Representative Director

Inquiries: Satoshi Yamaguchi, Head of Finance Division and Finance Department

TEL: +81-3-4221-8900

Date of release of quarterly securities report: November 12, 2021

Starting date of dividend payments: -

Preparation of explanatory materials on quarterly financial results: Yes

Information meetings arranged related to quarterly financial results: Yes (for institutional investors, analysts, and financial institutions, in Japanese)

(Amounts are rounded to the nearest million)

1. Consolidated Financial Results for the Six Months Ended September 30, 2021

(1) Consolidated Operating Results

(% figures denote year-on-year change)

	Total trading transactions		Business profit		Operating profit		Profit before tax		Profit for the period	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2021	76,642	20.7	3,988	—	8,208	—	7,718	—	5,378	—
Six months ended September 30, 2020	63,473	(20.7)	(3,551)	—	(2,707)	—	(3,505)	—	(2,073)	—

	Profit for the period attributable to owners of the parent		Comprehensive income for the period		Earnings per share attributable to owners of the parent (basic)	Earnings per share attributable to owners of the parent (diluted)
	Millions of yen	%	Millions of yen	%	Yen	Yen
Six months ended September 30, 2021	5,404	—	6,178	—	60.28	59.82
Six months ended September 30, 2020	(2,094)	—	(3,283)	—	(26.52)	(26.52)

(Reference) EBITDA (*)

Six months ended September 30, 2021: ¥ 13,915million (increased 144.7% year-on-year basis)

Six months ended September 30, 2020: ¥ 5,688 million

Adjusted EBITDA

Six months ended September 30, 2021: ¥ 14,501 million (increased 111.9% year-on-year basis)

Six months ended September 30, 2020: ¥ 6,843 million

(*) The Company discloses EBITDA as comparative information.

EBITDA = Operating Profit + Other Operating Expenses - Other Operating Income
+ Depreciation + Amortization

Adjusted EBITDA = EBITDA + Impairment Loss + Extraordinary Expenses

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent ratio	Equity per share attributable to owners of parent
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of September 30, 2021	209,830	45,966	45,447	21.7	524.40
As of March 31, 2021	209,411	39,940	39,461	18.8	456.92

2. Dividends

	Annual dividend per share				
	Q1	Q2	Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended March 31, 2021	—	0.00	—	4.50	4.50
Fiscal Year ended March 31, 2022	—	0.00			
Fiscal Year ending March 31, 2022 (Forecast)			—	—	—

3. Consolidated Financial Result Forecasts for the Fiscal Year Ending March 31, 2022

Percentages indicate year-on-year changes

Fiscal year	Total trading transactions		Business profit		Operating profit		Profit before tax		Profit for the period	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
	155,000	15.0	6,400	—	6,800	—	5,700	—	3,100	—

Fiscal year	Profit for the period attributable to owners of the parent		Earnings per share attributable to owners of the parent (basic)
	Millions of yen	%	Yen
	2,700	—	26.78

* Notes

- (1) Changes in significant subsidiaries during the period
(changes in specified subsidiaries resulting in the change in scope consolidation): No
New: —
Excluded: —
- (2) Changes in accounting policies and accounting estimates
 - 1) Changes in accounting policies as required by IFRS: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
- (3) Number of shares outstanding (ordinary shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2021	87,515,552 shares
As of March 31, 2021	87,221,952 shares
 - 2) Number of treasury shares at the end of the period

As of September 30, 2021	851,372 shares
As of March 31, 2021	858,344 shares

3) Average number of shares during the period

Six months ended September 30, 2021	86,438,005 shares
Six months ended September 30, 2020	86,247,711 shares

*Summary quarterly financial statements are not subject to quarterly review by a public certified accountant or an auditing firm.

* Appropriate use of financial results forecasts and other notes

The forward-looking statements in this report are based upon various assumptions, including, without limitation, business forecasts, management's estimates, assumptions, and projections at the time of publication. These statements do not represent a promise or commitment by the Company to achieve these forecasts. Actual results may differ significantly from these forecasts due to a wide range of factors.

Method of obtaining supplementary results materials

The company plans to hold financial results meeting online for institutional investors, analysts, and financial institutions on November 15, 2021. Presentation materials will be posted on its website.

Condensed Quarterly Consolidated Financial Statements
Condensed Quarterly Consolidated Statements of Financial Position

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Assets		
Current assets		
Cash and cash equivalents	24,969	29,972
Trade and other receivables	5,497	4,618
Inventories	718	439
Other current assets	1,638	2,030
Total current assets	32,823	37,059
Non-current assets		
Property, plant and equipment	31,955	31,707
Right-of-use assets	78,110	75,968
Intangible assets and goodwill	40,258	40,165
Investments accounted for using the equity method	3,684	3,883
Other financial assets	13,706	12,977
Deferred tax assets	7,778	7,035
Other non-current assets	1,096	1,036
Total non-current assets	176,588	172,771
Total assets	209,411	209,830

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Liabilities		
Current liabilities		
Trade and other payables	12,232	9,507
Short-term loans payable	7,022	4,023
Current portion of long-term loans payable	13,295	12,517
Lease liabilities	14,429	14,235
Income taxes payable	1,215	1,593
Provisions	970	847
Other current liabilities	5,249	4,639
Total current liabilities	54,412	47,361
Non-current liabilities		
Long-term loans payable	41,974	45,971
Lease liabilities	66,605	63,791
Provisions	4,002	4,169
Deferred tax liabilities	1,383	1,462
Other non-current liabilities	1,096	1,110
Total non-current liabilities	115,059	116,503
Total liabilities	169,471	163,864
Equity		
Equity attributable to owners of the parent		
Capital stock	4,208	4,401
Capital surplus	2,348	2,612
Other equity instruments	10,847	10,847
Retained earnings	23,131	27,903
Treasury shares	(1,026)	(1,023)
Other components of equity	(46)	707
Total equity attributable to owners of the parent	39,461	45,447
Non-controlling interests	478	519
Total equity	39,940	45,966
Total liabilities and equity	209,411	209,830

Condensed Quarterly Consolidated Statements of Income

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Total trading transactions	63,473	76,642
Cost of sales	(16,548)	(18,750)
Gross profit	46,925	57,892
Selling, general and administrative expenses	(50,477)	(53,904)
Impairment loss	(1,123)	(586)
Other operating income	2,711	6,390
Other operating expenses	(744)	(1,584)
Operating profit (loss)	(2,707)	8,208
Finance income	55	161
Finance costs	(618)	(615)
Finance income (costs), net	(562)	(455)
Share of profit (loss) of investments accounted for using the equity method	(236)	(36)
Profit (loss) before tax	(3,505)	7,718
Income tax expense	1,432	(2,340)
Profit (loss) for the period	(2,073)	5,378
Profit (loss) for the period attributable to		
Owners of the parent	(2,094)	5,404
Non-controlling interests	22	(26)
Profit (loss) for the period	(2,073)	5,378
Earnings (losses) per share attributable to owners of the parent (yen)		
Basic earnings (losses) per share	(26.52)	60.28
Diluted earnings (losses) per share	(26.52)	59.82

Condensed Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit (loss) for the period	(2,073)	5,378
Other comprehensive income		
Items that may be reclassified to profit or loss		
Exchange differences on translating foreign operations	(1,014)	550
Share of other comprehensive income of investments accounted for using the equity method	(197)	250
Other comprehensive income	(1,211)	800
Comprehensive income for the period	(3,283)	6,178
Comprehensive income for the period attributable to		
Owners of the parent	(3,297)	6,194
Non-controlling interests	14	(16)

Condensed Quarterly Consolidated Statements of Changes in Equity

For the six months ended September 30, 2020

(Millions of yen)

	Equity attributable to owners of the parent								Total	Non-controlling interests	Total equity
	Capital stock	Capital surplus	Other equity instruments	Retained earnings	Treasury shares	Other components of equity		Total			
						Exchange differences on translating foreign operations	Subscription rights to shares				
As of April 1, 2020	4,159	3,848	10,847	29,503	(2,124)	(1,224)	418	(806)	45,427	1,138	46,565
Profit (loss) for the period				(2,094)				—	(2,094)	22	(2,073)
Other comprehensive income						(1,203)		(1,203)	(1,203)	(8)	(1,211)
Total comprehensive income for the period	—	—	—	(2,094)	—	(1,203)	—	(1,203)	(3,297)	14	(3,283)
Issuance of new shares (exercise of subscription rights)	12	12					(6)	(6)	19		19
Share-based payment transactions	1	1					45	45	47		47
Purchase and disposal of treasury shares		(0)			1,102			—	1,102		1,102
Dividends				(533)				—	(533)	(48)	(581)
Distribution to owners of other equity instruments				(192)				—	(192)		(192)
Change in ownership interests in subsidiaries without loss of control		(1,184)				(50)		(50)	(1,234)	(665)	(1,899)
Other		(327)						—	(327)		(327)
Total transaction amount with owners	13	(1,498)	—	(726)	1,102	(50)	39	(11)	(1,119)	(713)	(1,832)
As of September 30, 2020	4,173	2,350	10,847	26,683	(1,022)	(2,477)	457	(2,019)	41,011	438	41,450

For the six months ended September 30, 2021

(Millions of yen)

	Equity attributable to owners of the parent								Total	Non-controlling interests	Total equity
	Capital stock	Capital surplus	Other equity instruments	Retained earnings	Treasury shares	Other components of equity		Total			
						Exchange differences on translating foreign operations	Subscription rights to shares				
As of April 1, 2021	4,208	2,348	10,847	23,131	(1,026)	(519)	473	(46)	39,461	478	39,940
Profit (loss) for the period				5,404				—	5,404	(26)	5,378
Other comprehensive income						789		789	789	11	800
Total comprehensive income for the period	—	—	—	5,404	—	789	—	789	6,194	(16)	6,178
Issuance of new shares (exercise of subscription rights)	193	193					(88)	(88)	297		297
Share-based payment transactions	0	0					52	52	52		52
Purchase and disposal of treasury shares		(6)			3			—	(2)		(2)
Dividends				(389)				—	(389)		(389)
Distribution to owners of other equity instruments				(192)				—	(192)		(192)
Change in ownership interests in subsidiaries without loss of control		18						—	18	57	74
Other		60		(53)				—	7		7
Total transaction amount with owners	193	265	—	(633)	3	—	(36)	(36)	(208)	57	(152)
As of September 30, 2021	4,401	2,612	10,847	27,903	(1,023)	270	437	707	45,447	519	45,966

Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Cash flows from operating activities		
Profit (loss) before tax	(3,505)	7,718
Depreciation and amortization	10,361	10,513
Impairment loss	1,123	586
Interest income	(55)	(78)
Interest expenses	504	500
Share of loss (profit) of investments accounted for using the equity method	236	36
Decrease (increase) in trade and other receivables	(1,433)	354
Decrease (increase) in inventories	45	(37)
Increase (decrease) in trade and other payables	1,751	(2,070)
Other, net	980	(1,873)
Subtotal	10,007	15,649
Interest income received	53	98
Interest expenses paid	(532)	(493)
Income taxes paid	(198)	(732)
Net cash provided by (used in) operating activities	9,329	14,522
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,489)	(3,343)
Purchase of intangible assets	(59)	(41)
Collection of long-term loans receivable	7	1,967
Payments for lease and guarantee deposits	(329)	(138)
Proceeds from collection of lease and guarantee deposits	305	389
Payments of construction assistance fund receivables	(215)	(14)
Collection of construction assistance fund receivables	250	259
Purchase of investments accounted for using the equity method	—	(1,200)
Other, net	(497)	445
Net cash provided by (used in) investing activities	(5,027)	(1,677)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	6,994	(3,000)
Proceeds from long-term loans payable	521	12,075
Repayments of long-term loans payable	(6,028)	(8,855)
Repayments of lease liabilities	(7,710)	(7,880)
Cash dividends paid	(533)	(389)
Distribution to owners of other equity instruments	(277)	(276)
Payments for purchase of shares of subsidiaries that do not result in change in scope of consolidation	(801)	—
Other, net	(29)	305
Net cash provided by (used in) financing activities	(7,864)	(8,020)
Net increase (decrease) in cash and cash equivalents	(3,562)	4,825
Cash and cash equivalents at beginning of period	25,801	24,969
Effect of exchange rate change on cash and cash equivalents	(215)	178
Cash and cash equivalents at end of period	22,025	29,972