

# Summary of Financial Results for the First Quarter of the Fiscal Year Ending September 30, 2022 [Japan Standards] (Consolidated)



February 14, 2022

Company name: CrowdWorks, Inc. Stock listing: Tokyo Stock Exchange  
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 Scheduled filing date of quarterly report: February 14, 2022 Scheduled payment date of dividend: -  
 Supplementary materials for the quarterly financial results: Yes  
 Investor conference for the quarterly financial results: None

(Million yen, rounded down)

## 1. Consolidated Financial Results for the First Quarter of the Fiscal Year Ending September 30, 2022 (From October 1, 2021 to December 31, 2021)

### (1) Consolidated Financial Performance (% figures show year-on-year increase or decrease)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Q1 FY ending Sep. 30, 2022	2,467	35.7	303	181.5	315	168.3	214	135.1
Q1 FY ended Sep. 30, 2021	1,818	(22.4)	107	-	117	-	91	-

Note: Comprehensive income Q1 FY ending September 30, 2022: 214 million yen (171.7%)  
 Q1 FY ended September 30, 2021: 78 million yen (-%)

	Profit per share		Diluted profit per share	
	Yen	Yen	Yen	Yen
Q1 FY ending Sep. 30, 2022	14.09		13.86	
Q1 FY ended Sep. 30, 2021	6.00		5.89	

### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of Dec. 31, 2021	6,568	3,991	60.5
As of Sep. 30, 2021	-	-	-

Reference: Shareholders' equity As of December 31, 2021: 3,976 million yen  
 As of September 30, 2021: - million yen

As consolidated financial statements were not prepared for the fiscal year ended September 30, 2021, figures for the fiscal year ended September 30, 2021 are not provided.

## 2. Dividends

	Annual dividends per share				
	End of Q1	End of Q2	End of Q3	End of Q4	Annual
	Yen	Yen	Yen	Yen	Yen
FY ending Sep. 30, 2022	-	0.00	-	0.00	0.00
FY ended Sep. 30, 2021	-	-	-	-	-
FY ending Sep. 30, 2022 (Forecast)	-	0.00	-	0.00	0.00

Note: Revision of most recently published dividend forecast: None

## 3. Consolidated Financial Forecasts for the Fiscal Year Ending September 30, 2022 (From October 1, 2021 to September 30, 2022)

(% figures represent year-on-year increase or decrease)

	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	10,000	-	750	-	-	-	-	-	-

Note: Revision of most recently published financial forecast: Yes

\* Notes

- (1) Changes in significant subsidiaries during the three-month period ended December 31, 2021 : None  
 (Changes in specific subsidiaries affecting the scope of consolidation)  
 No. of new companies: - (Company name: ) No. of excluded companies: - (Company name: )
- (2) Application of accounting procedures specific to preparing quarterly consolidated financial statements : Yes
- (3) Changes in accounting principles, changes in accounting estimates and restatements
- (i) Changes in accounting policies associated with revision of accounting standards : Yes
- (ii) Changes in accounting policies other than the above (i) : None
- (iii) Changes in accounting estimates : None
- (iv) Restatements : None

(4) Number of outstanding shares (common stock)

- (i) Number of shares outstanding at term-end (including treasury shares)
- (ii) Number of treasury shares at term-end
- (iii) Average number of shares outstanding during term (quarterly total)

Dec. 31, 2021	15,258,360 shares	Sep. 30, 2021	15,255,160 shares
Dec. 31, 2021	86 shares	Sep. 30, 2021	86 shares
Dec. 31, 2021	15,256,654 shares	Dec. 31, 2020	15,225,074 shares

\* The summary of quarterly financial results is not subject to the quarterly review by certified public accountants or audit corporations.

\* Explanation regarding the appropriate use of the earnings forecast, and other noteworthy items

The forward-looking statements such as result forecasts included in this document are based on the information available to the Company at the time of the announcement and on certain assumptions considered reasonable, and the Company makes no representations as to their achievability. Actual results may differ materially from the forecast, depending on a range of factors.

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## 1. Qualitative Information Regarding the Quarterly (Cumulative) Accounts

### (1) Overview of Operating Results

The forward-looking statements contained in this document are based on the judgments of the CrowdWorks Group (CrowdWorks, Inc. and its consolidated subsidiaries, hereinafter referred to as the “Group”) as of the filing date of this document.

#### (1) Operating Results

In the first quarter of the current consolidated fiscal year, economic activities in Japan have resumed amid the prolonged COVID-19 crisis, but the economic environment remains uncertain due to the impact of infectious diseases caused by the variant strain.

In the Group, the COVID-19 crisis has led to changes in the values of companies and individuals regarding the way they work. This has led to an expansion of opportunities for women, seniors, and people with disabilities, who are potential labor forces, and an expansion of options for employees to work outside of working at companies, including side jobs or second jobs. With work-style reform laws gradually taking effect since April 2019, including legislation on equal wages for equal work in April 2020 and an extension of employment of older employees until age 70 effective by the revision of the Act on Stabilization of Employment of Elderly Persons in April 2021, the reform of employment system has been making progress.

In response to this trend, there have been structural changes in the way employees work, such as an increase in the number of companies that recruit human resources regardless of the type of employment, and the introduction at large companies of a four-day workweek system, which allows employees to work side jobs or second jobs. In addition, as off-line communication has been limited due to the coronavirus outbreak, the digitalization of corporate activities and the shift to e-commerce have brought about changes to the way human resources are procured, such as the utilization of external professionals (freelancers, side jobbers, double jobbers) and crowd workers working via the Internet. These developments have provided a boost to the Company’s market, with 4.8 million registered users (0.55 million more users compared with the previous fiscal year) and 780,000 registered clients (80,000 more clients compared with the previous fiscal year) as of the end of December 2021.

In such an environment, under a policy to concentrate our investment in the matching business, which is our core business, the Company has been striving to achieve both growth and profit increase by improving productivity. As a result, the Group achieved a record quarterly operating surplus in the quarter under review owing to progress in productivity improvement initiatives; in addition to the fact that all indicators of the gross merchandise value (GMV), net sales, and gross profit of the matching business exceeded the performance forecast during the consolidated first quarter of this fiscal year.

In the matching business, there is a high corporate need for specialist personnel such as engineers and designers, and the use of specialist personnel (freelancers) on the premise of remote work is increasing. Demand for online office assistants is also booming due to the introduction of telework during the COVID-19 crisis and the digitization of business operations.

In the SaaS business, the number of subscribers who introduce CrowdLog, an SaaS service that efficiently manages the operation of freelancers and in-house human resources, is steadily increasing, and the Company plans to continue upfront investment.

As a result of the foregoing, the Group’s business results for the consolidated first quarter of this fiscal year were net sales of 2,467,313 thousand yen (year-on-year increase of +35.7%), operating profit of 303,531 thousand yen (year-on-year increase of +181.5%), ordinary profit of 315,421 thousand yen (year-on-year increase of +168.3%), and profit attributable to owners of parent of 214,934 thousand yen (year-on-year increase of +135.1%).

Financial results by segment are as follows:

#### (i) Matching Business

In the matching business for the first quarter under review, the GMV, net sales, and gross profit have exceeded the performance forecast, thanks to the continuous investment in web advertising and hiring human resources through strengthening the sales structure. In addition, the Group recorded a record-high quarterly operating profit by working to further improve productivity.

As a result, the GMV, which indicates the total amount of transactions, was 4,552,789 thousand yen (year-on-year increase of +24.5%), net sales were 2,421,779 thousand yen (year-on-year increase of +34.9%), gross profit was 1,050,771 thousand yen (year-on-year increase of +31.6%), and segment profit was 337,337 thousand yen (year-on-year increase of +116.4%).

#### (ii) SaaS Business

During the first quarter under review, the SaaS business achieved by cultivating large corporate clients and strengthening marketing, the number of customers introducing business management tools increased steadily, and measures were taken to increase the unit price.

As a result, net sales and gross profit were 42,689 thousand yen (year-on-year increase of +89.6%), and segment loss was 36,643 thousand yen (previous-years segment loss was 48,234 thousand yen).

## (2) Overview of Financial Position

Since consolidated financial statements were not prepared for the 10th consolidated fiscal year, comparative information for quarterly consolidated financial statements is not presented.

### (Assets)

Total assets at the end of the first quarter of this consolidated fiscal year were 6,568,790 thousand yen. Current assets stood at 6,014,084 thousand yen, and for the main components, cash and deposits stood at 4,391,841 thousand yen, and accounts receivable - trade stood at 788,258 thousand yen, while accounts receivable - other stood at 795,040 thousand yen. Non-current assets stood at 554,706 thousand yen, and for the main components, property, plant and equipment stood at 63,061 thousand yen, intangible assets stood at 128,368 thousand yen, and investments and other assets stood at 363,276 thousand yen.

### (Liabilities)

Total liabilities at the end of the first quarter of this consolidated fiscal year were 2,577,481 thousand yen. Current liabilities stood at 2,523,960 thousand yen, and for the main components, deposits received stood at 1,191,959 thousand yen, and accounts payable - other stood at 690,227 thousand yen. Non-current liabilities stood at 53,520 thousand yen.

### (Net assets)

Net assets at the end of the first quarter of this consolidated fiscal year stood at 3,991,309 thousand yen. The increase in net assets was due to an increase in retained earnings resulting from the recording of profit attributable to owners of parent.

## (3) Overview of Forecast of Operating Results Including Consolidated Financial Results

It can be assumed that the domestic online market for human resources matching will also continue to expand in the medium- to long-term future owing to the structural shortages of human resources and the accelerated social trend toward seeking diversified work styles.

The fiscal year ending September 2022 is the final fiscal year of the “Three-year productivity improvement plan” for which we have been working on since the fiscal year ended September 2020. As with the fiscal years so far, we aim to achieve growth and profit increase by promoting productivity improvement and business structure reform while continuing to make concentrated investments in the matching business.

Although the economic situation remains uncertain due to the spread of COVID-19 variants, companies are diversifying their means of securing human resources regardless of the type of employment or work in the face of COVID-19, which has continued since 2020. In particular, there is a high demand for matching specialist (freelance) personnel in the fields of engineering, design, and office administration, and growth more than 40% is continuing.

As a result of the above, for the financial results for the Group for the fiscal year ending September 2022, we revised upward the GMV (gross merchandise value) to 18,500 million yen, net sales to 10,000 million yen, gross profit to 4,600 million yen, operating profit to 750 million yen, and Non-GAAP operating profit excluding share-based remuneration expenses to 850 million yen.

### Consolidated Financial Forecasts for the Fiscal Year Ending September 30, 2022

Since the Company has shifted to consolidated financial statements again from the fiscal year ending September 30, 2022, year-on-year comparisons are not provided. Please see "[Reference] Comparison with Consolidated Conversion Results for the Fiscal Year Ended September 30, 2021" below for a comparison of consolidated results for the fiscal year ended September 30, 2021.

(% figures show year-on-year increase or decrease)

	GMV (Gross merchandise value)		Net sales		Gross profit		Operating profit		Non-GAAP operating profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2022 Full year Forecast (Consolidated)	18,500	-	10,000	-	4,600	-	750	-	850	-
[Appendix] FY2021 Full-year Result (Non-consolidated)	15,347	-	7,769	-	3,484	-	575	-	593	-

(Note 1) Since the Company has shifted to consolidated financial results from the fiscal year ending September 30, 2022, year-on-year comparisons are not provided.

(Note 2) The Company discloses non-GAAP operating profit as a measure of its essential operating performance. non-GAAP operating profit is the sum of financial accounting figures (Japan GAAP) exclude stock compensation expense.

[Reference] Comparison with Consolidated Conversion Results for the Fiscal Year Ended September 30, 2021

The Company has converted non-consolidated results for the fiscal year ended September 30, 2021 into consolidated results for the purpose of comparison with the results of past fiscal years.

The consolidated conversion results for the fiscal year ended September 30, 2021 are the results on a consolidated basis, including the results of the consolidated subsidiaries that were absorbed and dissolved after the second quarter of the fiscal year ended September 30, 2021.

As a result, GMV (gross transaction volume) for the fiscal year ending September 30, 2022 is expected to be 18,500 million yen (+17.9% growth), net sales 10,000 million yen (+24.1% growth), gross profit 4,600 million yen (+27.7% growth), operating profit 750 million yen (+24.9% growth), and non-GAAP operating profit, excluding the stock compensation expense is expected to be 850 million yen (+37.3% growth).

(% figures show year-on-year increase or decrease)

	GMV (Gross merchandise value)		Net sales		Gross profit		Operating profit		Non-GAAP operating profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2022 Full year Forecast (Consolidated)	18,500	+17.9	10,000	+24.1	4,600	+27.7	750	+24.9	850	+37.3
[Appendix] FY2021 Full-year Result (Consolidated- Conversion)	15,698	-	8,055	-	3,600	-	600	-	619	-

(Note 3) Year-on-year changes in the consolidated earnings forecast for the fiscal year ending September 30, 2022 are calculated based on the percentage change from the consolidated results for the fiscal year ended September 30, 2021.

This forecast is based on the assumption that no further declarations of a state of emergency will be issued by the central government owing to a resurgence of COVID-19.

## 2. Quarterly (Cumulative) Consolidated Financial Statements and Main Noted Items

### (1) Quarterly (Cumulative) Consolidated Balance Sheet

(Thousand yen)	
Q1 Fiscal Year Ending September 30, 2022 (As of December 31, 2021)	
<b>Assets</b>	
Current assets	
Cash and deposits	4,391,841
Accounts receivable - trade	788,258
Accounts receivable - other	795,040
Operational investment securities	26,960
Other	31,552
Allowance for doubtful accounts	(19,569)
Total current assets	6,014,084
Non-current assets	
Property, plant and equipment	63,061
Intangible assets	
Goodwill	100,865
Other	27,502
Total intangible assets	128,368
Investments and other assets	363,276
Total non-current assets	554,706
Total assets	6,568,790
<b>Liabilities</b>	
Current liabilities	
Short-term borrowings	103,036
Accounts payable - other	690,227
Deposits received	1,191,959
Other	538,738
Total current liabilities	2,523,960
Non-current liabilities	
Long-term borrowings	22,770
Other	30,750
Total non-current liabilities	53,520
Total liabilities	2,577,481
<b>Net assets</b>	
Shareholders' equity	
Capital stock	2,694,380
Capital surplus	2,652,380
Retained earnings	(1,386,240)
Treasury shares	(120)
Total shareholders' equity	3,960,400
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	16,012
Total accumulated other comprehensive income	16,012
Subscription rights to shares	14,896
Total net assets	3,991,309
Total liabilities and net assets	6,568,790

## (2) Quarterly (Cumulative) Consolidated Statements of Income and Comprehensive Income

### Quarterly (Cumulative) Consolidated Statement of Income

The First Quarter of Consolidated Fiscal Year

	(Thousand yen)	
	Q1 Fiscal Year Ended September 30, 2021 (Oct. 1, 2020 to Dec. 31, 2020)	Q1 Fiscal Year Ending September 30, 2022 (Oct. 1, 2021 to Dec. 31, 2021)
Net sales	1,818,033	2,467,313
Cost of sales	1,000,011	1,371,007
Gross profit	818,021	1,096,305
Selling, general and administrative expenses	710,207	792,774
Operating profit	107,813	303,531
Non-operating income		
Gain from lapsed deposits received	12,651	15,327
Other	3,137	4,620
Total non-operating income	15,788	19,947
Non-operating expenses		
Share of loss of entities accounted for using equity method	3,835	7,840
Other	2,193	216
Total non-operating expenses	6,028	8,057
Ordinary profit	117,573	315,421
Profit before income taxes	117,573	315,421
Income taxes	26,165	100,486
Net profit	91,407	214,934
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	91,407	214,934



Quarterly Consolidated Statement of Comprehensive Income

The First Quarter of Consolidated Fiscal Year

(Thousand yen)

	Q1 Fiscal Year Ended September 30, 2021 (Oct. 1, 2020 to Dec. 31, 2020)	Q1 Fiscal Year Ending September 30, 2022 (Oct. 1, 2021 to Dec. 31, 2021)
Profit	91,407	214,934
Other comprehensive income		
Valuation difference on available-for-sale securities	(12,445)	(396)
Total other comprehensive income	(12,445)	(396)
Comprehensive income	78,962	214,538
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	78,962	214,538
Comprehensive income attributable to non-controlling interests	-	-

### (3) Notes on Quarterly (Cumulative) Consolidated Financial Statements

(Notes Regarding Going Concern Assumptions)

Not applicable.

(Notes on Significant Changes in the Amount of Shareholders' Equity)

Not applicable.

(Application of Accounting Procedures Specific to Preparing Quarterly Consolidated Financial Statements)

(Calculation of tax expenses)

Tax expenses are calculated by reasonably estimating the effective tax rate after tax effect accounting is applied to the pre-tax profit for the consolidated fiscal year, including the first quarter of the current consolidated fiscal year, and by multiplying this effective tax rate and the pre-tax profit.

(Changes in accounting policies)

Effective from the beginning of the first quarter of the current consolidated fiscal year, the Group has adopted the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020, hereinafter referred to as the "Revenue Recognition Accounting Standard"), etc., in which revenue is recognized at the amount expected to be received in exchange for the promised goods or services upon the transfer of control of those goods or services to customers.

In addition, with respect to the application of the Revenue Recognition Accounting Standard, etc., the transitional treatment set forth in the proviso of Paragraph 84 of the Revenue Recognition Accounting Standard is followed, and the cumulative effect amount of the retroactive application of the new accounting policy prior to the beginning of the first quarter of the current consolidated fiscal year is added to or subtracted from the retained earnings at the beginning of the first quarter of the current consolidated fiscal year, and the new accounting policy is applied from the beginning balance. However, by applying the method set forth in Paragraph 86 of the Revenue Recognition Accounting Standard, the new accounting policy has not been retroactively applied to contracts for which almost all amounts of revenue were recognized in accordance with the previous treatment prior to the beginning of the first quarter of the current consolidated fiscal year. In addition, by applying the method specified in Paragraph 86 additional passage (1) of the Revenue Recognition Accounting Standard, changes in contracts made prior to the beginning of the first quarter of the current consolidated fiscal year are accounted for in accordance with the contract terms after reflecting all changes in contracts, and the cumulative effect amount is added to or subtracted from retained earnings at the beginning of the first quarter of the current consolidated fiscal year.

As a result, there is no impact on profit and loss for the first quarter of the current fiscal year and the balance of retained earnings at the beginning of the current fiscal year.

Since the Company has adopted the revenue recognition accounting standard, etc., the information on revenue from contracts with customers for the first quarter of the previous fiscal year has not been broken down in accordance with the transitional treatment prescribed in Paragraph 28-15 of the "Accounting Standard for Quarterly Financial Reporting" (ASBJ Statement No. 12, March 31, 2020).

The Group has adopted the "Accounting Standard for Calculation of Market Value" (ASBJ Statement No. 30, July 4, 2019, hereinafter referred to as the "Accounting Standard for Market Value Calculation"), etc. from the beginning of the first quarter of the current consolidated fiscal year, and in accordance with the transitional treatment prescribed in Paragraph 19 of the Accounting Standard for Market Value Calculation and Paragraph 44-2 of the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, July 4, 2019), the new accounting policy prescribed in the Accounting Standard for Market Value Calculation, etc. will be applied in the future. There is no impact on the quarterly consolidated financial statements.

(Segment information, etc.)

[Segment information]

Previous consolidated cumulative first quarter (October 1, 2020 to December 31, 2020)

1. Information of net sales and profit (loss) of each reportable segment

(Thousand yen)

	Reportable segments			Other (Note)	Adjusted amount	Amounts shown on quarterly (cumulative) consolidated statement of income
	Matching	SaaS	Total			
Net sales						
(1) Sales to external customers	1,795,317	22,517	1,817,834	198	-	1,818,033
(2) Internal sales or exchange between segments	-	-	-	-	-	-
Total	1,795,317	22,517	1,817,834	198	-	1,818,033
Segment profit (loss)	155,865	(48,234)	107,631	182	-	107,813

Note: The category of "Other" indicates business segments which are not included in reportable segments, and includes any newly developed business, etc.

2. Information of impairment loss on non-current assets, of goodwill, etc. for each reportable segment  
Not applicable.

Current consolidated cumulative first quarter (October 1, 2021 to December 31, 2021)

1. Information of net sales and profit (loss) of each reportable segment

(Thousand yen)

	Reportable segments			Other (Note)	Adjusted amount	Amounts shown on quarterly (cumulative) consolidated statement of income
	Matching	SaaS	Total			
Net sales						
Goods or services to be transferred at one point of time	416,318	-	416,318	14	-	416,332
Goods or services to be transferred over a period of time	2,005,460	42,689	2,048,150	-	-	2,048,150
Revenue from contracts with customers	2,421,779	42,689	2,464,468	14	-	2,464,483
Other revenue	-	-	-	2,829	-	2,829
(1) Sales to external customers	2,421,779	42,689	2,464,468	2,844	-	2,467,313
(2) Internal sales or exchange between segments	-	-	-	-	-	-
Total	2,421,779	42,689	2,464,468	2,844	-	2,467,313
Segment profit (loss)	337,337	(36,643)	300,693	2,837	-	303,531

Note: The category of "Other" indicates business segments which are not included in reportable segments, and includes any newly developed business, etc.

2. Information of impairment loss on non-current assets, of goodwill, etc. for each reportable segment  
(Significant changes in the amount of goodwill)

In the Matching Business segment, the Company acquired all shares of CODEAL Corporation, making it a wholly owned subsidiary.

The amount of increase in goodwill due to this event was 101,244 thousand yen in the first quarter of the current fiscal year.

(Business combinations-related matters)

(Business Combination through Acquisition)

On October 1, 2021, the Company acquired all shares of CODEAL Corporation, making CODEAL Corporation a wholly owned subsidiary.

(1) Outline of the Business Combination

- (i) Name and business contents of the acquired corporation  
Name of the acquired corporation: CODEAL Corporation  
Description of business: Operation of IT human resource matching services
- (ii) Main reasons for the business combination  
The Group is developing an online human resource matching business centered on crowdsourcing, a system for individuals to earn remuneration using the Internet, with the aim of expanding opportunities for individuals and freelancers to earn remuneration and enhancing systems for accumulating and utilizing trust.  
CODEAL Corporation offers the direct matching platform “CODEAL” for immediately work-ready IT talent, with over 15,000 registered users, mostly engineers.  
The Company believes that acquiring CODEAL Corporation will enable it to acquire the assets of its customers and workers and newly expand its monthly billing service model, thereby securing the profitability of its matching business over the medium- to long-term and strengthening its growth potential.
- (iii) Date of business combination  
October 1, 2021
- (iv) Legal form of business combination  
Acquisition of shares for cash
- (v) Name of the entity after the business combination  
There are no changes.
- (vi) Ratio of voting rights acquired  
100.0%
- (vii) Main rationale for the decision to acquire  
This was because the Company acquired the shares in exchange for cash.

(2) Period of performance of the acquired entity included in the consolidated financial statements

From October 1, 2021 to December 31, 2021

(3) Acquisition cost of acquired entity and breakdown by type of consideration

Consideration for the acquisition	Cash	152,520 thousand yen
Acquisition cost		152,520 thousand yen

(4) Details and amounts of major acquisition-related expenses

Advisory fees and commissions: 1,500 thousand yen

(5) Amount, cause of occurrence, amortization method, and amortization period of goodwill arising

- (i) Amount of goodwill arising  
102,244 thousand yen
- (ii) Cause of occurrence  
The excess earning power expected from future business development.
- (iii) Amortization method and amortization period  
10-year straight-line depreciation

(6) Amount of assets accepted and liabilities assumed on the date of business combination and major breakdown thereof

Current assets	101,891 thousand yen
Non-current assets	329 thousand yen
Total assets	102,220 thousand yen
Current liabilities	24,633 thousand yen
Non-current liabilities	26,312 thousand yen
Total liabilities	50,945 thousand yen

(7) Estimated amount of effect on the consolidated statement of income for the current consolidated fiscal year if the business combination is assumed to have been completed on the day of commencement of the consolidated fiscal year and calculation method thereof

Not applicable.

(Material subsequent events)

Not applicable.

### 3. Other

Material Events Related to Going Concern Assumptions, etc.

Not applicable.