

TAKE and GIVE NEEDS
Consolidated Financial Statements
For the Fiscal Year Ended March 31,2022

Tokyo, May 13, 2022

Stock Code : 4331 TSE Prime Market
 Representative : Kenji Iwase, Representative Director ,President
 Contact : Masahiro Tanida, Director
 TEL : +81-(0)3-3471-6806
 URL : <https://www.tgn.co.jp/company/english/company/>

1. Consolidated Financial Results

(Millions of yen: amounts are rounded down to nearest million yen)

(1) Results of Operations

	Total sales		Operating profit		Recurring profit		Net income attributable to owners of the parent		EPS
	JPY mn	%	JPY mn	%	JPY mn	%	JPY mn	%	JPY
Mar.31,2022	39,482	97.0	2,089	—	1,548	—	1,877	—	128.89
Mar.31,2021	20,044	△68.5	△11,191	—	△11,687	—	△16,214	—	△1,250.73

Note “%” indicates the year-on-year percentage change
 Comprehensive income
 Fiscal year ended March 31,2022 : 1,860 million yen
 Fiscal year ended March 31,2021 : △16,339million yen

(2) Financial Position

	Total Assets	Net Assets	Equity Ratio
	JPY mn	JPY mn	%
Mar.31,2022	54,032	11,843	21.9
Mar.31,2021	48,578	7,237	14.9

(Reference) Shareholders' equity
 Fiscal year ended March 31,2022 : 11,840 million yen
 Fiscal year ended March 31,2021 : 7,237 million yen

2. Dividends

	Dividends per Share(JPY)				
	1st Quarter	2nd Quarter	3rd Quarter	Year-End	Annual
	JPY	JPY	JPY	JPY	JPY
Year ended Mar.31,2021	—	0.00	—	0.00	0.00
Year ended Mar.31,2022	—	0.00	—	0.00	0.00
Year ending Mar.31,2023 (Forecast)	—	0.00	—	—	—

3. Forecast for the year ending March 31, 2023

	Total sales		Operating profit		Recurring profit		Net income attributable to owners of the parent		EPS
	JPY mn	%	JPY mn	%	JPY mn	%	JPY mn	%	JPY
Six months ending Sep.30,2022	20,000	11.1	1,200	—	900	—	600	34.8	38.31
Year ending Mar. 31,2023	43,500	10.2	3,000	43.6	2,400	55.0	2,500	33.1	176.86

4. Note

(1) Significant changes in scope of consolidation(changes in scope of consolidation of specifies subsidiaries): No
 Newly consolidated : None
 Excluded from the scope of consolidation : None

(2) Changes in accounting policies and accounting estimates
 [1] Changes in accounting policies by the revision of accounting standard: Yes
 [2] Changes in accounting policies other than those in [1]: No
 [3] Changes in accounting estimates: No
 [4] Restatement: No

(3) Number of shares issued(common stock)

[1] Number of shares issued (including treasury stock)	As of Mar.31,2022	13,059,330 Shares	As of Mar.31,2021	13,059,330 Shares
[2] Number of shares of treasury stock	As of Mar.31,2022	88,152 Shares	As of Mar.31,2021	91,612 Shares
[3] Number of average shares outstanding during April 1,2021-Mar.31,2022	As of Mar.31,2022	12,970,123 Shares	As of Mar.31,2021	12,964,402 Shares

*This consolidated financial report is not subject to review procedures by certified public accountants or an audit firm.

*Note to forecasts on the consolidated results of operations and other items.

Descriptions regarding the future are estimated based on the information that the Company is able to obtain at the present point in time and assumptions which are deemed to be reasonable. However, actual results may be different due to various factors.

*Supplementary materials on financial results can be found on the website"TDnet".

○ **Dividends on Class Shares**

The following shows breakdown of dividends per share on Class Preferred Shares with different rights from those of common shares.

Class 1 Preferred Shares	Dividends per Share(JPY)				
	1 st Quarter	2 nd Quarter	3 rd Quarter	Year-End	Annual
	JPY	JPY	JPY	JPY	JPY
Year ended Mar.31,2021	—	—	—	—	—
Year ended Mar.31,2022	—	44,000.00	—	44,000.00	88,000.00
Year ending Mar.31,2023 (Forecast)	—	44,000.00	—	44,000.00	88,000.00

Class 2 Preferred Shares	Dividends per Share(JPY)				
	1 st Quarter	2 nd Quarter	3 rd Quarter	Year-End	Annual
	JPY	JPY	JPY	JPY	JPY
Year ended Mar.31,2021	—	—	—	—	—
Year ended Mar.31,2022	—	15,000.00	—	15,000.00	30,000.00
Year ending Mar.31,2023 (Forecast)	—	15,000.00	—	15,000.00	30,000.00

The above Class 1 and Class 2 Preferred Shares were issued on Apr.20,2021.

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5. Consolidated Financial Statements

(1) Consolidated balance sheet

	<i>Million yen, rounded down</i>	
	As of Mar.31,2021	As of Mar.31, 2022
ASSETS		
Current assets		
Cash and deposits	4,594	11,792
Trade accounts receivable	218	346
Trade loans receivable	1,936	2,245
Merchandise	163	179
Supplies	57	64
Prepaid expenses	529	581
Other current assets	532	578
Allowance for doubtful accounts	△118	△144
Total current assets	7,912	15,644
Fixed assets		
Tangible fixed assets		
Buildings and structures	31,739	31,789
Accumulated depreciation and accumulated impairment loss	△18,108	△20,453
Buildings and structures (net)	13,631	11,335
Machinery and vehicles	110	110
Accumulated depreciation and accumulated impairment loss	△108	△109
Machinery and vehicles (net)	1	0
Furniture, tools and fixtures	6,343	6,559
Accumulated depreciation and accumulated impairment loss	△5,626	△6,049
Furniture, tools and fixtures (net)	717	509
Land	15,042	14,605
Lease assets	4,436	4,422
Accumulated depreciation and accumulated impairment loss	△1,764	△1,980
Lease assets (net)	2,671	2,442
Construction in progress	149	216
Total tangible fixed assets	32,214	29,110
Intangible fixed assets		
Goodwill	60	30
Other	195	192
Total intangible fixed assets	256	222
Investment and other assets		
Investment securities	105	79
Long-term loans	116	100
Long-term prepaid expenses	96	75
Deferred tax assets	3,131	3,955
Security deposits	4,811	4,910
Other	83	82
Allowance for doubtful accounts	△150	△148
Total investment and other assets	8,194	9,054
Total fixed assets	40,665	38,387
Total Assets	48,578	54,032

	<i>Million yen, rounded down</i>	
	As of Mar.31, 2021	As of Mar.31, 2022
LIABILITIES		
Current liabilities		
Trade accounts payable	1,092	1,319
Short-term borrowings	11,105	10,280
Current portion of long-term borrowings	4,689	4,938
Accounts payable - other	1,802	1,896
Accrued income taxes	102	915
Accrued bonuses	416	427
Provision for Share-based compensation	3	7
Contract liabilities	—	2,181
Other current liabilities	3,132	2,483
Total current liabilities	22,345	24,449
Long-term liabilities		
Long-term borrowings	13,992	13,111
Long-term lease obligations	3,202	2,935
Asset retirement obligations	1,194	1,185
Other	606	506
Total long-term liabilities	18,995	17,739
Total Liabilities	41,340	42,188
NET ASSETS		
Shareholders' equity		
Capital	5,264	2,000
Capital surplus	5,217	11,373
Retained earnings	△3,118	△1,394
Treasury shares	△184	△176
Total shareholders' equity	7,178	11,802
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	58	41
Total accumulated other comprehensive income	58	41
Total Net Assets	7,237	11,843
Total Liabilities and Net Assets	48,578	54,032

(2) Consolidated statement of income and comprehensive income

	<i>Million yen, rounded down</i>	
	As of Mar.31,2021	As of Mar.31, 2022
Net sales	20,044	39,482
Cost of sales	7,265	13,745
Gross profit	12,778	25,736
Selling, general and administrative expenses	23,969	23,646
Operating income	△11,191	2,089
Non-operating income		
Interest income	2	1
Insurance income	16	2
Compensation income	25	19
Foreign exchange gains	2	0
Other	25	34
Total non-operating income	72	57
Non-operating expenses		
Interest expense for borrowings	373	397
Provision of allowance for doubtful accounts	58	22
Commission fee	113	157
Other	22	20
Total non-operating expenses	568	598
Ordinary income	△11,687	1,548
Extraordinary income		
Gain on sales of subsidiaries and affiliates' stocks	715	—
Subsidy income	1,897	1,962
Total extraordinary income	2,613	1,962
Extraordinary loss		
Loss on temporary closure due to the effect of COVID-19	2,443	—
Impairment loss	2,426	1,664
Loss on sales of subsidiaries and affiliates' stocks	1,096	—
Loss on liquidation of business	739	—
Other	68	4
Total extraordinary loss	6,773	1,668
Profit before income taxes	△15,847	1,842
Income taxes-current	398	718
Income taxes-deferred	38	△753
Total income taxes	436	△35
Net Profit	△16,284	1,877
Profit attributable to non-controlling interests	△69	—
Net Profit attributable to owners of parent	△16,214	1,877

Consolidated statement of comprehensive income

	<i>Million yen, rounded down</i>	
	As of Mar.31, 2021	As of Mar.31, 2022
Net Profit	△16,284	1,877
Other comprehensive income		
Valuation difference on available-for-sale securities	58	△17
Deferred gains or losses on hedges	△24	—
Foreign exchange adjustment account	△88	—
Total other comprehensive income	△54	△17
Comprehensive income	△16,339	1,860
Comprehensive income attributable to		
Owners of the parent	△16,260	1,860
Non-controlling interests	△78	—

(3) Consolidated Statement of changes in shareholders' equity

Fiscal Year ended March 31, 2021

Million yen, rounded down

	Shareholders' equity				
	Capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of the period	5,264	5,208	13,246	△211	23,507
Changes during the period					
Dividends from surplus			△129		△129
Profit attributable to owners of parent			△16,214		△16,214
Acquisition of treasury shares				△0	△0
Disposal of treasury shares			△20	27	6
Capital increase of consolidated subsidiaries		9			9
Net changes of items other than shareholders' equity					
Total changes during the period	–	9	△16,364	26	△16,328
Balance at end of the period	5,264	5,217	△3,118	△184	7,178

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interest	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign exchange adjustment account	Total accumulated other comprehensive income			
Balance at beginning of the period	△0	22	81	104	6	180	23,797
Changes during the period							
Dividends from surplus							△129
Profit attributable to owners of parent							△16,214
Acquisition of treasury shares							△0
Disposal of treasury shares							6
Capital increase of consolidated subsidiaries							9
Net change of items other than shareholders' equity	58	△22	△81	△45	△6	△180	△231
Total changes during the period	58	△22	△81	△45	△6	△180	△16,560
Balance at end of the period	58	–	–	58	–	–	7,237

Million yen, rounded down

	Shareholders' equity				
	Capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of the period	5,264	5,217	△3,118	△184	7,178
Cumulative effects of changes in accounting policies			△153		△153
Restated balance	5,264	5,217	△3,272	△184	7,024
Changes during the period					
Issue of new shares	1,500	1,500			3,000
Transfer to other capital surplus from capital stock	△4,764	4,764			-
Dividends from surplus		△103			△103
Profit attributable to owners of parent			1,877		1,877
Acquisition of treasury shares				△0	△0
Disposal of treasury shares		△4		8	4
Net changes of items other than shareholders' equity					
Total changes during the period	△3,264	6,156	1,877	7	4,777
Balance at end of the period	2,000	11,373	△1,394	△176	11,802

	Share acquisition rights	Non-controlling interest	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of the period	58	58	7,237
Cumulative effects of changes in accounting policies			△153
Restated balance	58	58	7,083
Changes during the period			
Issue of new shares			3,000
Transfer to other capital surplus from capital stock			-
Dividends from surplus			△103
Profit attributable to owners of parent			1,877
Acquisition of treasury shares			△0
Disposal of treasury shares			4
Net changes of items other than shareholders' equity	△17	△17	△17
Total changes during the period	△17	△17	4,760
Balance at end of the period	41	41	11,843

(4) Consolidated statement of cash flows

	<i>Million yen, rounded down</i>	
	FY ended March 31, 2021	FY ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	△15,847	1,842
Depreciation and amortization	2,040	2,093
Impairment loss	2,426	1,664
Amortization of goodwill	30	30
Loss on temporary closure due to the effect of COVID-19	2,443	—
Loss on liquidation of business	739	—
Netting of security deposits and lease fees	151	102
Increase (decrease) in accrued bonuses	△277	11
Increase (decrease) in allowance for doubtful accounts	49	24
Increase (decrease) in provision for share-based executive compensation	△0	3
Gain on sales of subsidiaries and affiliates' stocks	380	—
Compensation income	△1,897	△1,962
Interest and dividends received	△2	△1
Insurance income	△16	△2
Non-operating commission fee	113	157
Interest expense	373	397
Decrease (increase) in operating loans receivable	838	△309
Decrease (increase) in accounts receivable	393	△128
Increase (decrease) in accounts payable	△194	226
Decrease (increase) in prepaid expenses	296	△49
Increase (decrease) in accounts payable	197	△239
Increase (decrease) in advances received	337	△1,542
Increase (decrease) in contract liabilities	—	1,615
Other	△1,083	1,249
Sub-total	△8,505	5,184
Interest and dividends received	2	1
Payments for loss on temporary closure due to the effect of COVID-19	△2,092	—
Interest paid	△383	△396
Insurance income	16	2
Subsidy income	1,897	1,962
Income taxes paid	△648	△103
Net cash provided by operating activities	△9,713	6,652

	<i>Million yen, rounded down</i>	
	FY ended March 31, 2021	FY ended March 31, 2022
Cash flows from investing activities		
Loss (gain) on trust deposits	△14	66
Purchase of software	△10	△49
Purchase of property, plant and equipment	△1,187	△327
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	△1,658	—
Payments of loans receivable	△470	—
Proceeds from collection of loans	263	135
Payments into security deposits	△109	△268
Proceeds from collection of security deposits	166	43
Others	△39	—
Net cash used in investing activities	△3,059	△401

	<i>Million yen, rounded down</i>	
	FY ended March 31, 2021	FY ended March 31, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	10,076	△745
Income from long-term borrowings	6,736	4,160
Repayment of long-term borrowings	△5,418	△4,872
Proceeds from sales of treasury shares	6	—
Purchase of treasury shares	△0	△0
Payment for non-operating commission fee	△113	△157
Proceeds from share issuance to non-controlling shareholders	9	—
Repayment of lease obligations	△266	△265
Dividends paid	△129	△103
Income from third-party allocation of shares	—	3,000
Net cash provided by financing activities	10,902	1,014
Effect of exchange rate changes on cash and cash equivalents	△4	—
Increase (decrease) in cash and cash equivalents	△1,874	7,264
Cash and cash equivalents at beginning of period	6,078	4,203
Cash and cash equivalents at end of period	4,203	11,468

6. Significant subsequent events

Reduction of capital and capital reserve

The Company resolved at its Board of Directors meeting held on April 27, 2022 to submit a proposal to reduce the amount of capital and capital reserve to the General Meetings of shareholders scheduled on June 24, 2022.

1. Purpose of reduction of capital and capital reserve

With the aim to improve financial conditions and to secure the future flexibility of capital policy, the Company reduces the amount of capital and capital reserve, pursuant to Article 447, paragraph (1) of the Companies Act.

2. Details of reduction of capital and capital reserve

The Company reduces its capital by JPY 1,900 mn (from JPY 2,000mn to JPY 100mn) and reduces its capital reserve by JPY 1,400mn (from JPY 1,500mn to JPY 100mn) and transfers all the reduced amount to other capital surplus.

3. Schedule

Resolution of the Board of Directors meeting:	April	27, 2022
Date of Public Notice for Objection by Creditors:	June	13, 2022
Resolution of the general meeting of shareholders:	June	24, 2022
Final Date for Objection by Creditors:	July	13, 2022
Effective Date:	July	15, 2022

4. Other significant matters

This is a transfer between accounting items in the "Net Assets" of the balance sheet. There is no change in the amount of net assets. There will be no changes in the number of shares issued and the reduction in capital will have no impact net asset value per share.