

TAKE and GIVE NEEDS
Consolidated Financial Statements
For the Q2 Fiscal Year Ending March 31,2023

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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
Sep.30,2022	22,602	25.5	2,789	—	2,580	—	4,178	838.2	314.14
Sep.30,2021	18,004	191.2	△119	—	△373	—	445	—	26.40

Note “%” indicates the year-on-year percentage change

Comprehensive income

Q2/FY ending Mar.2023 : 4,181 million yen

Q2/FY ended Mar.2022 : 416 million yen

(2) Financial Position

	Total Assets	Net Assets	Equity Ratio
	JPY mn	JPY mn	%
Sep.30,2022	56,376	15,932	28.3
Mar.31,2022	54,032	11,843	21.9

(Reference) Shareholders' equity

Q2/FY ending Mar.31,2023 : 15,932 million yen

FY ended Mar.31,2022 : 11,843 million yen

2. Dividends

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

3. Forecast for the Fiscal 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
Year ending Mar.31,2023	44,500	12.7	3,300	57.9	2,700	74.4	3,100	65.1	223.07

Note Revision to the forecast that has been disclosed lately : Yes

4. Note

(1) Significant changes in scope of consolidation (changes in scope of consolidation of specifies subsidiaries): No

(2) Application of accounting treatment peculiar to quarterly consolidated financial statement preparation: Yes

(3) Changes in accounting policies and accounting estimates

[1] Changes in accounting policies by the revision of accounting standard: No

[2] Changes in accounting policies other than those in [1]: No

[3] Changes in accounting estimates: No

[4] Restatement: No

(4) Number of shares issued (common stock)

[1] Number of shares issued (including treasury stock)

[2] Number of shares of treasury stock

[3] Number of average shares outstanding during April 1,2022-Sep 30,2022

As of Sep.30,2022	13,059,330 Shares	As of Mar. 31,2022,	13,059,330 Shares
As of Sep.30,2022	80,652 Shares	As of Mar.31,2022	88,152 Shares
As of Sep.30,2022	12,973,595 Shares	As of Sep.30,2021	12,968,895 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 Preferred 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.31,2022	—	44,000.00	—	44,000.00	88,000.00
Year ending Mar.31,2023	—	44,000.00	—	—	—
Year ending Mar.31,2023 (Forecast)	—	—	—	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.31,2022	—	15,000.00	—	15,000.00	30,000.00
Year ending Mar.31,2023	—	15,000.00	—	—	—
Year ending Mar.31,2023 (Forecast)	—	—	—	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.31,2022	As of Sep.30, 2022
ASSETS		
Current assets		
Cash and deposits	11,792	12,416
Trade accounts receivable	346	390
Trade loans receivable	2,245	2,555
Merchandise	179	215
Supplies	64	62
Prepaid expenses	581	687
Other current assets	578	700
Allowance for doubtful accounts	△144	△147
Total current assets	15,644	16,881
Fixed assets		
Tangible fixed assets		
Buildings and structures	31,789	31,814
Accumulated depreciation and accumulated impairment loss	△20,453	△20,938
Buildings and structures (net)	11,335	10,875
Machinery and vehicles	110	110
Accumulated depreciation and accumulated impairment loss	△109	△109
Machinery and vehicles (net)	0	0
Furniture, tools, and fixtures	6,559	6,672
Accumulated depreciation and accumulated impairment loss	△6,049	△6,193
Furniture, tools, and fixtures (net)	509	478
Land	14,605	14,605
Lease assets	4,422	4,422
Accumulated depreciation and accumulated impairment loss	△1,980	△2,094
Lease assets (net)	2,442	2,328
Construction in progress	216	584
Total tangible fixed assets	29,110	28,873
Intangible fixed assets		
Goodwill	30	15
Other	192	205
Total intangible fixed assets	222	220
Investment and other assets		
Investment securities	79	87
Long-term loans	100	91
Long-term prepaid expenses	75	145
Deferred tax assets	3,955	5,290
Security deposits	4,910	4,851
Other	82	81
Allowance for doubtful accounts	△148	△147
Total investment and other assets	9,054	10,400
Total fixed assets	38,387	39,495
Total Assets	54,032	56,376

	<i>Million yen, rounded down</i>	
	As of Mar.31, 2022	As of Sep.30, 2022
LIABILITIES		
Current liabilities		
Trade accounts payable	1,319	1,647
Short-term borrowings	10,280	10,160
Current portion of long-term borrowings	4,938	4,667
Accounts payable - other	1,896	1,336
Accrued income taxes	915	121
Accrued bonuses	427	426
Provision for Share-based compensation	7	2
Contract liabilities	2,181	2,377
Other current liabilities	2,483	1,713
Total current liabilities	24,449	22,454
Long-term liabilities		
Long-term borrowings	13,111	13,481
Long-term lease obligations	2,935	2,825
Asset retirement obligations	1,185	1,189
Other	506	492
Total long-term liabilities	17,739	17,989
Total Liabilities	42,188	40,443
NET ASSETS		
Shareholders' equity		
Capital	2,000	100
Capital surplus	11,373	13,166
Retained earnings	△1,394	2,783
Treasury shares	△176	△161
Total shareholders' equity	11,802	15,888
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	41	44
Total accumulated other comprehensive income	41	44
Total Net Assets	11,843	15,932
Total Liabilities and Net Assets	54,032	56,376

(2) Consolidated statement of income and comprehensive income*Million yen, rounded down*

	As of Sep.30, 2021	As of Sep.30, 2022
Net sales	18,004	22,602
Cost of sales	6,369	7,931
Gross profit	11,635	14,671
Selling, general and administrative expenses	11,754	11,881
Operating income	△119	2,789
Non-operating income		
Interest income	1	0
Insurance income	1	—
Reversal of allowance for doubtful accounts	32	—
Other	7	7
Total non-operating income	43	8
Non-operating expenses		
Interest expense for borrowings	194	214
Commission fee	100	—
Other	2	2
Total non-operating expenses	297	217
Ordinary income	△373	2,580
Extraordinary income		
Subsidy income	676	377
Total extraordinary income	676	377
Profit before income taxes	303	2,958
Total income taxes	△142	△1,220
Net Profit	445	4,178
Net Profit attributable to owners of parent	445	4,178

Consolidated statement of comprehensive income*Million yen, rounded down*

	As of Sep.30, 2021	As of Sep.30, 2022
Net Profit	445	4,178
Other comprehensive income		
Valuation difference on available-for-sale securities	△28	2
Total other comprehensive income	△28	2
Comprehensive income	416	4,181
Comprehensive income attributable to		
Owners of the parent	416	4,181
Non-controlling interests	—	—

(3) Notes to Quarterly Consolidated Financial Statements

(Notes Regarding the premise of a going concern)

Not applicable

(Notes Significant changes in shareholder's equity)

(Reduction of capital and capital reserve)

The Company resolved at its General Meetings of shareholders held on June 24,2022 to reduce the amount of capital and capital reserve, and it came into force on July 15,2022.

The Company reduced its capital by JPY 1,900mn and reduced its capital reserve by JPY 1,400mn. It transferred all the reduced amount to other capital surplus without changes in the number of shares issued.

It resulted in Capital : JPY100mn, Capital reserve : JPY100mn , Capital surplus : JPY13,059mn at the end of the first six months.

(Application of accounting treatment peculiar to quarterly consolidated financial statement preparation)

(Calculation of taxes)

Taxes are calculated by multiplying profit before income taxes for the second-quarter period under review by the reasonably estimated effective tax rate subsequent to the application of tax effect accounting to the profit income before income taxes for the current consolidated fiscal year ending March 31, 2023 including the second quarter under review.

However, in cases where the result of calculation using this effective tax rate lacks reasonableness in a significant manner, the Company bases calculations on the legal tax rate. Income taxes - deferred is included in total income taxes.

(Additional information)

(Accounting estimates connected to the spread of COVID-19 infections)

With respect to the assumptions accounting estimates for the impact of COVID-19 infections, there are no material differences with the content stated in the (Additional information) section for the previous consolidated fiscal year of statutory financial report.

(Recoverability of deferred tax assets after resolution about reduction of capital and capital reserve)

The Company resolved at its General Meetings of shareholders held on June 24,2022 to reduce the amount of capital and capital reserve. Then, it conducted a review of recoverability of deferred tax assets at the end of the first three months. As a result, deferred tax assets and the net profit attributable to owners of parent increased JPY1,402mn at the end of the first six months.