

TAKE and GIVE NEEDS
Consolidated Financial Statements
For the Q3 Fiscal Year Ending March 31,2023

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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
Dec.31,2022	35,767	20.6	5,206	194.5	4,880	252.8	5,830	117.0	437.45
Dec.31,2021	29,651	106.7	1,768	—	1,383	—	2,686	—	195.26

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

Comprehensive income

Q3/FY ending Mar.2023 : 5,833 million yen

Q3/FY ended Mar.2022 : 2,649 million yen

(2) Financial Position

	Total Assets	Net Assets	Equity Ratio
	JPY mn	JPY mn	%
Dec.31,2022	55,360	17,482	31.6
Mar.31,2022	54,032	11,843	21.9

(Reference) Shareholders' equity

Q3/FY ending Mar.31,2023 : 17,482 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
	JPY	JPY	JPY	JPY	JPY
Year ended Mar.31,2022	—	0.00	—	0.00	0.00
Year ending Mar.31,2023	—	0.00	—		
Year ending Mar.31,2023 (Forecast)				20.00	20.00

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

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 : No

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)	As of Dec.31,2022	13,059,330 Shares	As of Mar. 31,2022,	13,059,330 Shares
[2] Number of shares of treasury stock	As of Dec.31,2022	80,874 Shares	As of Mar.31,2022	88,152 Shares
[3] Number of average shares outstanding during April 1,2022-December 31,2022	As of Dec.31,2022	12,975,266 Shares	As of Dec.31,2021	12,969,751 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 Dec.31, 2022
ASSETS		
Current assets		
Cash and deposits	11,792	12,255
Trade accounts receivable	346	476
Trade loans receivable	2,245	2,089
Merchandise	179	170
Supplies	64	69
Prepaid expenses	581	612
Other current assets	578	1,060
Allowance for doubtful accounts	△144	△149
Total current assets	15,644	16,584
Fixed assets		
Tangible fixed assets		
Buildings and structures	31,789	31,838
Accumulated depreciation and accumulated impairment loss	△20,453	△21,215
Buildings and structures (net)	11,335	10,623
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	6,825
Accumulated depreciation and accumulated impairment loss	△6,049	△6,289
Furniture, tools, and fixtures (net)	509	535
Land	14,605	14,605
Lease assets	4,422	4,491
Accumulated depreciation and accumulated impairment loss	△1,980	△2,151
Lease assets (net)	2,442	2,339
Construction in progress	216	645
Total tangible fixed assets	29,110	28,749
Intangible fixed assets		
Goodwill	30	9
Other	192	190
Total intangible fixed assets	222	199
Investment and other assets		
Investment securities	79	88
Long-term loans	100	87
Long-term prepaid expenses	75	145
Deferred tax assets	3,955	4,709
Security deposits	4,910	4,861
Other	82	81
Allowance for doubtful accounts	△148	△147
Total investment and other assets	9,054	9,826
Total fixed assets	38,387	38,776
Total Assets	54,032	55,360

	<i>Million yen, rounded down</i>	
	As of Mar.31, 2022	As of Dec.31, 2022
LIABILITIES		
Current liabilities		
Trade accounts payable	1,319	1,065
Short-term borrowings	10,280	10,475
Current portion of long-term borrowings	4,938	4,492
Accounts payable - other	1,896	1,270
Accrued income taxes	915	99
Accrued bonuses	427	218
Provision for Share-based compensation	7	4
Contract liabilities	2,181	1,778
Other current liabilities	2,483	1,554
Total current liabilities	24,449	20,959
Long-term liabilities		
Long-term borrowings	13,111	12,431
Long-term lease obligations	2,935	2,849
Asset retirement obligations	1,185	1,191
Other	506	446
Total long-term liabilities	17,739	16,918
Total Liabilities	42,188	37,878
NET ASSETS		
Shareholders' equity		
Capital	2,000	100
Capital surplus	11,373	13,166
Retained earnings	△1,394	4,332
Treasury shares	△176	△161
Total shareholders' equity	11,802	17,437
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	17,482
Total Liabilities and Net Assets	54,032	55,360

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

	As of Dec.31, 2021	As of Dec.31, 2022
Net sales	29,651	35,767
Cost of sales	10,314	12,467
Gross profit	19,336	23,300
Selling, general and administrative expenses	17,568	18,094
Operating income	1,768	5,206
Non-operating income		
Interest income	1	1
Insurance income	1	—
Compensation income	19	—
Reversal of allowance for doubtful accounts	33	—
Subsidy for adjustments for the Employment of Persons with Disabilities	3	4
Other	16	12
Total non-operating income	75	17
Non-operating expenses		
Interest expense for borrowings	293	324
Commission fee	157	—
Other	9	18
Total non-operating expenses	460	343
Ordinary income	1,383	4,880
Extraordinary income		
Subsidy income	1,557	378
Total extraordinary income	1,557	378
Profit before income taxes	2,940	5,259
Total income taxes	253	△571
Net Profit	2,686	5,830
Net Profit attributable to owners of parent	2,686	5,830

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

	As of Dec.31, 2021	As of Dec.31, 2022
Net Profit	2,686	5,830
Other comprehensive income		
Valuation difference on available-for-sale securities	△37	3
Total other comprehensive income	△37	3
Comprehensive income	2,649	5,833
Comprehensive income attributable to		
Owners of the parent	2,649	5,833
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 Q3/FY2022.

(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 third-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 third 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 JPY731mn at the end of the Q3/FY2022.