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February 14, 2023

## Consolidated Financial Results for the Fiscal Year Ended December 31, 2022 (Under Japanese GAAP)

Company name: ZOOM CORPORATION  
 Listing: Tokyo Stock Exchange  
 Securities code: 6694  
 URL: <https://www.zoom.co.jp/>  
 Representative: Masahiro Iijima, CEO  
 Inquiries: Tatsuzo Yamada CFO  
 Telephone: +81-3-5297-1001  
 Scheduled date of annual general meeting of shareholders: March 28, 2023  
 Scheduled date to commence dividend payments: March 29, 2023  
 Scheduled date to file annual securities report: March 28, 2023  
 Preparation of supplementary material on financial results: Yes (in Japanese only)  
 Holding of financial results briefing: Yes (for institutional investors and analysts (in Japanese only))

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended December 31, 2022 (from January 1, 2022 to December 31, 2022)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2022	13,235	(1.4)	664	(47.2)	720	(40.8)	377	(55.8)
December 31, 2021	13,417	28.8	1,258	66.6	1,216	169.8	854	69.9

Note: Comprehensive income For the fiscal year ended December 31, 2022: ¥ 920 million [(25.4)%]  
 For the fiscal year ended December 31, 2021: ¥1,233 million [208.2%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
December 31, 2022	88.36	87.88	6.1	5.9	5.0
December 31, 2021	199.56	196.91	15.6	11.6	9.4

Reference: Share of profit (loss) of entities accounted for using equity method  
 For the fiscal year ended December 31, 2022: ¥ - million  
 For the fiscal year ended December 31, 2021: ¥ - million

Note: The company conducted a two-for-one stock split of common stock on January 1, 2022. Earnings per share has been calculated as if this stock split had taken place at the beginning of the fiscal year ended December 31, 2021.

## (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2022	13,650	6,590	47.5	1,513.92
December 31, 2021	10,829	5,911	53.9	1,363.96

Reference: Equity

As of December 31, 2022: ¥6,489 million

As of December 31, 2021: ¥5,835 million

Note: The company conducted a two-for-one stock split of common stock on January 1, 2022. Net assets per share has been calculated as if this stock split had taken place at the beginning of the fiscal year ended December 31, 2021.

## (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2022	(586)	(175)	726	2,156
December 31, 2021	637	(478)	(937)	2,032

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended December 31, 2021	Yen —	Yen 0.00	Yen —	Yen 102.00	Yen 102.00	Millions of yen 218	% 25.6	% 4.1
Fiscal year ended December 31, 2022	—	0.00	—	50.00	50.00	214	56.6	3.5
Fiscal year ending December 31, 2023 (Forecast)	—	0.00	—	30.00	30.00		32.4	

Note: The company conducted a two-for-one stock split of common stock on January 1, 2022. For the fiscal year ended December 31, 2021, the actual amounts of dividends prior to the stock split are presented.

## 3. Forecast of consolidated financial results for the fiscal year ended December 31, 2023 (from January 1, 2023 to December 31, 2023)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full Year	15,230	15.1	1,030	55.1	910	26.4	400	5.9	92.68

\* **Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): /None

Newly included: - companies (Company name)

Excluded: - companies (Company name)

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2022	4,594,824 shares
As of December 31, 2021	4,594,824 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2022	308,063 shares
As of December 31, 2021	316,138 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended December 31, 2022	4,272,696 shares
Fiscal year ended December 31, 2021	4,279,837 shares

Note: The company conducted a two-for-one stock split of common stock on January 1, 2022. Total number of issued shares, Number of treasury shares and Average number of shares outstanding has been calculated as if this stock split had taken place at the beginning of the fiscal year ended December 31, 2021.

**[Reference] Overview of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended December 31, 2022 (from January 1, 2022 to December 31, 2022)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
December 31, 2022	7,896	(17.7)	359	(64.4)	629	(36.5)	511	(34.1)
December 31, 2021	9,594	19.0	1,012	137.9	990	148.1	775	430.4

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended		
December 31, 2022	119.60	118.94
December 31, 2021	181.23	178.82

Note: The company conducted a two-for-one stock split of common stock on January 1, 2022. Earnings per share has been calculated as if this stock split had taken place at the beginning of the fiscal year ended December 31, 2021.

**(2) Non-consolidated financial position**

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
December 31, 2022	9,566	4,864	50.9	1,134.83
December 31, 2021	8,396	4,595	54.7	1,074.07

Reference: Equity

As of December 31, 2022:	¥4,864 million
As of December 31, 2021:	¥4,595 million

Note: The company conducted a two-for-one stock split of common stock on January 1, 2022. Net assets per share has been calculated as if this stock split had taken place at the beginning of the fiscal year ended December 31, 2021

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

The forecasted financial information described above are based on information currently available to and assumption considered to be reasonable. Actual financial results may differ significantly due to potential risks and uncertainties.

The Company plans to hold a financial results meeting for institutional investors and analysts on February 24, 2023. The materials for this financial results meeting shall be posted on the Company's website after the meeting has been held as soon as possible.

# **Contents of the Attached Materials**

## **1. Consolidated financial statements**

- (1) Consolidated balance sheets
- (2) Consolidated income statements
- (3) Consolidated comprehensive income statements
- (4) Consolidated cash flow statements

# 1. Consolidated financial statements

## (1) Consolidated balance sheets

(Million yen)

	As of December 31, 2021	As of December 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	2,067	2,171
Accounts receivable- trade	1,950	2,109
Merchandise and finished goods	2,963	4,013
Raw materials and supplies	155	1,288
Income taxes receivable	-	45
Accounts receivable - other	544	938
Other	371	293
Allowance for doubtful accounts	(18)	(18)
Current assets total	8,035	10,841
Non-currents assets		
Property, plant and equipment		
Buildings and structures, net	30	65
Machinery, equipment and vehicles, net	6	5
Tools, furniture and fixtures, net	372	412
Leased assets, net	57	137
Construction in progress	80	25
Property, plant and equipment total	548	647
Intangible assets		
Goodwill	1,397	1,374
Other	79	63
Intangible assets total	1,476	1,437
Investments and other assets		
Investment securities	23	26
Deferred tax assets	590	553
Other	348	341
Allowance for doubtful accounts	(192)	(197)
Investments and other assets total	769	723
Non-current assets total	2,794	2,808
Assets total	10,829	13,650

(Million yen)

	As of December 31, 2021	As of December 31, 2022
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	1,000	1,080
Short-term loans payable	1,346	2,513
Current portion of long-term loans payable	160	177
Accounts payable-other	604	647
Liabilities related to chargeable subcontracting	-	1,072
Income taxes payable	265	41
Provision for bonuses	38	34
Provision for product warranties	57	54
Other	201	287
Current liabilities total	3,675	5,907
Non-current liabilities		
Long-term loans payable	1,041	897
Retirement benefit liability	150	145
Other	50	109
Non-current liabilities total	1,242	1,152
Liabilities total	4,917	7,060
<b>Equity</b>		
Shareholder's equity		
Capital stock	212	212
Capital surplus	261	261
Retained earnings	5,525	5,653
Treasury shares	(374)	(366)
Shareholder's equity total	5,625	5,761
Accumulated other comprehensive income		
Foreign currency translation adjustment	220	728
Remeasurements of defined benefit plans	(9)	0
Accumulated other comprehensive income total	210	728
Non-controlling interests	75	100
Equity total	5,911	6,590
Liabilities and equities total	10,829	13,650

## (2) Consolidated income statements

(Million yen)

	For the year ended December 31, 2021	For the year ended December 31, 2022
Net sales	13,417	13,235
Cost of sales	7,713	8,014
Gross profit	5,704	5,221
Selling, general and administrative expenses	4,446	4,557
Operating profit	1,258	664
Non-operating income		
Interest income	1	0
Foreign exchange income	-	21
Refund of import duty	6	18
Subsidy income	3	4
Insurance premiums refunded cancellation	-	57
Other	1	2
Total of non-operating income	12	103
Non-operating expense		
Interest expense	29	44
Sales discounts	16	-
Foreign exchange losses	7	-
Other	0	3
Total of non-operating expense	54	47
Ordinary profit	1,216	720
Extraordinary loss		
Loss on disposal of fixed assets	0	35
Total of extraordinary loss	0	35
Profit before income taxes	1,216	684
Income taxes-current	341	203
Income taxes-deferred	(33)	86
Total income taxes	307	290
Profit	908	394
Profit attributable to non-controlling interests	54	16
Profit attributable to owners of parent	854	377



### (3) Consolidated comprehensive income statements

(Million yen)

	For the year ended December 31, 2021	For the year ended December 31, 2022
Profit	908	394
Other comprehensive income		
Foreign currency translation adjustment	324	505
Remeasurements of defined benefit plans	0	19
Total other comprehensive income	325	525
Comprehensive income	1,233	920
Comprehensive income attributable to owners of parent	1,177	895
Comprehensive income attributable to non-controlling interests	56	24

#### (4) Consolidated cash flow statements

(Million yen)

	For the year ended December 31, 2021	For the year ended December 31, 2022
Cash flows from operating activities		
Profit before income taxes	1,216	684
Depreciation	226	237
Amortization of goodwill	181	209
Increase (decrease) in provision for product warranties	(16)	(4)
Increase (decrease) in provision for bonus	6	(3)
Increase (decrease) in allowance for doubtful accounts	(15)	(1)
Increase (decrease) in retirement benefit liability	8	(16)
Interest income	(1)	(0)
Interest expenses	29	44
Foreign exchange losses (gains)	31	(65)
Insurance premiums refunded cancellation	-	(57)
Loss on disposal of fixed assets	0	35
Decrease (increase) in accounts receivable - trade	49	18
Decrease (increase) in inventory	(197)	(899)
Decrease (increase) in accounts receivable - other	(115)	(378)
Increase (decrease) in accounts payable - trade	(370)	(85)
Increase (decrease) in accounts payable - other	(0)	25
Other	31	18
Subtotal	1,064	(237)
Interest and dividend income received	1	0
Interest expenses paid	(30)	(42)
Income tax paid	(398)	(307)
Net cash provided by (used in) operating activities	637	(586)
Cash flows from investing activities		
Decrease (increase) in term deposit	29	19
Purchase of property, plant and equipment	(213)	(240)
Proceeds from sales of property, plant and equipment	3	-
Purchase of intangible asset	(15)	(26)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(285)	-
Proceeds from cancellation of insurance funds	-	72
Other	2	(0)
Net cash provided by (used in) investing activities	(478)	(175)
Cash flows from financing activities		
Net increase (decrease) in short-term loan	(380)	1,151
Proceeds from long-term loans payable	155	-
Repayments of long-term loan	(152)	(140)
Repayments of lease obligations	(13)	(10)
Proceeds from disposal of treasury shares	22	7
Purchase of treasury shares	(426)	(64)
Cash dividends paid	(138)	(217)
Dividend payments to non-controlling shareholders	(4)	-
Net cash provided by (used in) financing activities	(937)	726
Effect of exchange rate change on cash and cash equivalents	113	159
Net increase (decrease) in cash and cash equivalents	(664)	123
Cash and cash equivalents at beginning of period	2,697	2,032
Cash and cash equivalents at end of period	2,032	2,156