

Consolidated Results for the First of the Fiscal Year to September 2022

(Japanese Accounting Standards)



February 14, 2022

Company Name: Nexyz Group Corporation

Securities Code: 4346

(English Translation of “Kessan Tanshin”)

Exchanges Listed: TSE1

Location of Company Headquarters: Tokyo

(URL <https://www.nexyzgroup.jp/>)

Position of Representative: President and Representative Director

Name: Takami Kondo

Contact : Executive Managing Director, Administrative Division Manager

Name: Yasuhiro Matsui Tel.+81-3-5459-7444

(Amounts truncated to the nearest million yen.)

1. Consolidated results for the First Quarter of the Fiscal Year to September 2022

(from Oct. 1, 2021 to Dec. 31, 2021)

(1) Consolidated Results of Operations

(Amounts in percentages show a comparison with the previous same period results.)

	Net Sales		Operating Income		Ordinary Income	
	Yen Mln	%	Yen Mln	%	Yen Mln	%
December 2021	4,373	—	104	—	106	—
December 2020	4,975	25.2	314	37.8	316	38.5
(Note) Comprehensive income	December 2021	25 million yen	(—%)	December 2020	150 million yen	(228.4%)

	Net income attributable to owners of the parent		Earnings per Share		Fully Diluted Earnings per Share	
	Yen Mln	%	Yen	Yen	Yen	Yen
December 2021	6	—	0.51		0.50	
December 2020	111	—	8.61		8.48	

(Note)The Group has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29) and related guidance from the beginning of the fiscal year ending September 30, 2022. Accordingly, all figures for the first quarter of the fiscal year ending September 30, 2022 are figures after application of the said standard and guideline, and no year-on-year changes are presented.

(Note) The percentage change of net income attributable to owners of the parent from the corresponding period of previous year is not shown for the three months ended December 31, 2020 because the rate of change exceeded 1,000%.

(2) Consolidated Financial Position

(Amounts truncated to the nearest million yen.)

	Total Assets		Net Assets Value		Capital Ratio		Net Assets per Share	
	Yen Mln	%	Yen Mln	%	%	Yen	Yen	
December 2021	12,710		2,612		8.0		77.85	
September 2021	14,606		3,978		12.3		138.99	

(Note) Shareholders' equity: December 2021 1,012 million yen September 2021 1,803 million yen

(Note)The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29) and related guidance from the beginning of the fiscal year ending September 30, 2022. Accordingly, all figures for the first quarter of the fiscal year ending September 30, 2022 are figures after application of the said standard and guideline.

2. Consolidated annual dividend

	Annual Dividend Per Share				
	End of first quarter (Yen)	End of second quarter (Yen)	End of third quarter (Yen)	End of Year (Yen)	Total (Yen)
September 2021	—	20.00	—	20.00	40.00
September 2022	—				
September 2022 (Forecast)		0.00	—	20.00	20.00

3. Consolidated Forecast for the fiscal year ending September 2022 (October 1, 2021~September 30, 2022)

(Percentages indicate changes from the previous term)

	Net Sales		Operating Income		Ordinary Income	
	Yen Mln	%	Yen Mln	%	Yen Mln	%
Full Fiscal Year	19,000	—	300	—	300	—

	Net income attributable to owners of the parent		Earnings per Share	
	Yen Mln	%	Yen	Yen
Full Fiscal Year	170	—	13.08	

Note: Revisions to the most recently disclosed dividend forecasts: No

(Note)The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29) and related guidance from the beginning of the fiscal year ending September 30, 2022. The forecast of consolidated financial results stated above shows amounts after application of the said standard and guideline, and no year-on-year changes are presented for both the full year and the quarter.

(Millions of yen)

	As of September 30, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	3,427	3,425
Notes and accounts receivable - trade	3,460	1,697
Lease receivables	3,158	2,136
Merchandise	522	570
Accounts receivable - other	172	287
Other	585	694
Allowance for doubtful accounts	△420	△214
Total current assets	10,906	8,596
Non-current assets		
Property, plant and equipment		
Buildings, net	1,039	1,030
Tools, furniture and fixtures, net	112	109
Other, net	10	9
Total property, plant and equipment	1,163	1,149
Intangible assets		
Goodwill	1	0
Software	73	72
Total intangible assets	75	72
Investments and other assets		
Investment securities	890	892
Leasehold and guarantee deposits	620	726
Deferred tax assets	429	758
Other	1,355	1,236
Allowance for doubtful accounts	△834	△721
Total investments and other assets	2,461	2,892
Total non-current assets	3,700	4,114
Total assets	14,606	12,710

(Millions of yen)

	As of September 30, 2021	As of December 31, 2021
Liabilities		
Current liabilities		
Accounts payable – trade	1,269	1,270
Short-term borrowings	1,200	1,250
Current portion of long-term borrowings	1,836	1,850
Accounts payable – other	393	477
Income taxes payable	211	52
Contract Cancellation Adjustment Reserve	1,545	1,585
Provision for bonuses	316	67
Other	699	818
Total current liabilities	7,473	7,372
Non-current liabilities		
Long-term borrowings	2,870	2,457
Other	283	268
Total non-current liabilities	3,153	2,726
Total liabilities	10,627	10,098
Net assets		
Shareholders' equity		
Share capital	1,198	1,210
Capital surplus	9	20
Retained earnings	1,302	487
Treasury shares	△899	△898
Total shareholders' equity	1,611	819
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	191	191
Foreign currency translation adjustment	1	1
Total accumulated other comprehensive income	192	192
Share acquisition rights	6	0
Non-controlling interests	2,168	1,598
Total net assets	3,978	2,612
Total liabilities and net assets	14,606	12,710

(Millions of yen)

	Three months ended December 31, 2020	Three months ended December 31, 2021
Net sales	4,975	4,373
Cost of sales	2,432	2,230
Gross profit	2,542	2,142
Selling, general and administrative expenses	2,228	2,038
Operating profit	314	104
Non-operating income		
Receipt benefit	6	—
Subsidies for employment adjustment	3	—
Administrative service fee income	—	10
Other	4	4
Total non-operating income	14	15
Non-operating expenses		
Interest expenses	8	7
Commission expenses	2	3
Other	0	2
Total non-operating expenses	11	13
Ordinary profit	316	106
Extraordinary income		
Gain on reversal of share acquisition rights	—	4
Total extraordinary income	—	4
Extraordinary losses		
Loss on valuation of investment securities	—	0
Total extraordinary losses	—	0
Profit before income taxes	316	110
Income taxes - current	121	47
Income taxes - deferred	44	38
Total income taxes	166	86
Profit	150	24
Profit attributable to non-controlling interests	39	17
Profit attributable to owners of parent	111	6

(Millions of yen)

	Three months ended December 31, 2020	Three months ended December 31, 2021
Profit	150	24
Other comprehensive income		
Valuation difference on available-for-sale securities	△0	—
Foreign currency translation adjustment	0	0
Total other comprehensive income	0	0
Comprehensive income	150	25
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	111	6
Comprehensive income attributable to non-controlling interests	39	18