

Consolidated Results for the First of the Fiscal Year to September 2023

(Japanese Accounting Standards)



February 14, 2023

Company Name: Nexyz.Group Corporation

Securities Code: 4346

(English Translation of “Kessan Tanshin”)

Exchanges Listed: TSE (Prime Market)

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 2023

(from Oct. 1, 2022 to Dec. 31, 2022)

(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 2022	4,932	12.8	207	97.9	205	93.7
December 2021	4,373	—	104	—	106	—
(Note) Comprehensive income	December 2022	172 million yen	(—%)	December 2021	25 million yen	(—%)

	Net income attributable to owners of the parent		Earnings per Share		Fully Diluted Earnings per Share	
	Yen Mln	%	Yen	Yen	Yen	%
December 2022	143	—	11.60	—	—	—
December 2021	6	—	0.51	—	0.50	—

(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, 2022 because the rate of change exceeded 1,000%.

(Note) Diluted net income per share is not presented because there are no dilutive shares for the three months ended December 31, 2022.

(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.

(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
December 2022	12,950	2,829	8.3	82.81
September 2022	13,615	2,867	8.8	91.82
(Note) Shareholders' equity:	December 2022	1,077 million yen	September 2022	1,194 million yen

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 2022	—	0.00	—	20.00	20.00
September 2023	—				
September 2023 (Forecast)		0.00	—	20.00	20.00

3. Consolidated Forecast for the fiscal year ending September 2023 (October 1, 2022 ~ September 30, 2023)

(Percentages indicate changes from the previous term)

	Net Sales		Operating Income		Ordinary Income	
	Yen Mln	%	Yen Mln	%	Yen Mln	%
Full Fiscal Year	19,000	△ 1.1	700	83.0	700	85.4

	Net income attributable to owners of the parent		Earnings per Share	
	Yen Mln	%	Yen	Yen
Full Fiscal Year	400	115.1	30.75	—

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

(Millions of yen)

	As of September 30, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	2,831	3,361
Notes and accounts receivable - trade	2,055	2,050
Lease receivables	3,508	2,373
Merchandise	659	653
Accounts receivable - other	679	628
Other	852	907
Allowance for doubtful accounts	△1,011	△1,123
Total current assets	9,574	8,851
Non-current assets		
Property, plant and equipment		
Buildings, net	1,004	995
Tools, furniture and fixtures, net	94	110
Other, net	7	5
Total property, plant and equipment	1,106	1,111
Intangible assets		
Software	68	69
Other	0	2
Total intangible assets	68	71
Investments and other assets		
Investment securities	937	934
Leasehold and guarantee deposits	703	698
Deferred tax assets	688	733
Other	1,293	1,396
Allowance for doubtful accounts	△755	△848
Total investments and other assets	2,866	2,915
Total non-current assets	4,041	4,098
Total assets	13,615	12,950

(Millions of yen)

	As of September 30, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	1,839	1,338
Short-term borrowings	2,200	2,200
Current portion of long-term borrowings	2,040	1,734
Accounts payable - other	609	705
Income taxes payable	51	53
Contract Cancellation Adjustment Reserve	1,048	1,011
Other	984	1,372
Total current liabilities	8,774	8,417
Non-current liabilities		
Long-term borrowings	1,673	1,443
Other	300	259
Total non-current liabilities	1,974	1,703
Total liabilities	10,748	10,121
Net assets		
Shareholders' equity		
Share capital	1,210	1,210
Capital surplus	20	20
Retained earnings	667	550
Treasury shares	△898	△898
Total shareholders' equity	999	883
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	193	192
Foreign currency translation adjustment	2	1
Total accumulated other comprehensive income	195	194
Non-controlling interests	1,672	1,751
Total net assets	2,867	2,829
Total liabilities and net assets	13,615	12,950

(Millions of yen)

	Three months ended December 31, 2021	Three months ended December 31, 2022
Net sales	4,373	4,932
Cost of sales	2,230	2,228
Gross profit	2,142	2,703
Selling, general and administrative expenses	2,038	2,496
Operating profit	104	207
Non-operating income		
Receipt benefit	—	1
Administrative service fee income	10	—
Income on support of operating	—	1
Other	4	3
Total non-operating income	15	6
Non-operating expenses		
Interest expenses	7	7
Commission expenses	3	0
Other	2	0
Total non-operating expenses	13	8
Ordinary profit	106	205
Extraordinary income		
Gain on sale of investment securities	—	9
Gain on reversal of share acquisition rights	4	—
Total extraordinary income	4	9
Extraordinary losses		
Loss on valuation of investment securities	0	0
Total extraordinary losses	0	0
Profit before income taxes	110	215
Income taxes - current	47	91
Income taxes - deferred	38	△49
Total income taxes	86	41
Profit	24	173
Profit attributable to non-controlling interests	17	29
Profit attributable to owners of parent	6	143

(Millions of yen)

	Three months ended December 31, 2021	Three months ended December 31, 2022
Profit	24	173
Other comprehensive income		
Valuation difference on available-for-sale securities	—	△0
Foreign currency translation adjustment	0	△1
Total other comprehensive income	0	△1
Comprehensive income	25	172
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6	143
Comprehensive income attributable to non-controlling interests	18	29