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# Non-consolidated Financial Results for the Six Months Ended January 31, 2022 [Japanese GAAP]

March 15, 2022

Company name: TSUKURUBA Inc.
Stock exchange listing: Tokyo
Code number: 2978
URL: https://tsukuruba.com/
Representative: Hiroki Murakami Representative Director, CEO
Contact: Ryohei Koike Executive Officer, CFO
Phone: 03-4400-2946
Scheduled date of filing quarterly securities report: March 15, 2022
Scheduled date of commencing dividend payments: -
Availability of supplementary briefing material on quarterly financial results: Yes
Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

1. Non-consolidated Financial Results for the Six Months Ended January 31, 2022 (August 01, 2021 to January 31, 2022)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Net income | |
|---|---|---|---|---|---|---|---|---|
| Six months ended | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| January 31, 2022 | 1,219 | 60.3 | (496) | - | (506) | - | (506) | - |
| January 31, 2021 | 760 | (23.37) | (118) | - | (112) | - | (119) | - |

| | Basic earnings per share | Diluted earnings per share |
|---|---|---|
| Six months ended | Yen | Yen |
| January 31, 2022 | (45.99) | - |
| January 31, 2021 | (12.62) | - |

(2) Non-consolidated Financial Position

| | Total assets | Net assets | Capital adequacy ratio |
|---|---|---|---|
| As of | Million yen | Million yen | % |
| January 31, 2022 | 3,378 | 1,203 | 33.5 |
| July 31, 2021 | 3,037 | 879 | 27.5 |

(Reference) Equity: As of January 31, 2022: ¥ 1,132 million
As of July 31, 2021: ¥ 835 million

2. Dividends

| | Annual dividends | | | | |
|---|---|---|---|---|---|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended July 31, 2021 | - | 0.00 | - | 0.00 | 0.00 |
| Fiscal year ending July 31, 2022 | - | 0.00 | | | |
| Fiscal year ending July 31, 2022 (Forecast) | | | - | 0.00 | 0.00 |

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending July 31, 2022 :

Commemorative dividend - yen

Special dividend - yen

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending July 31, 2022(August 01, 2021 to July 31, 2022)

(% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Net income | | Basic earnings per share |
|---|---|---|---|---|---|---|---|---|---|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| Full year | 2,450 | 50.8 | (890) | - | (911) | - | (911) | - | (93.04) |

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Accounting policies adopted specially for the preparation of quarterly Non-consolidated financial statements: No

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

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

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

January 31, 2022: 11,390,600 shares

July 31, 2021: 10,126,900 shares

2) Total number of treasury shares at the end of the period:

January 31, 2022: 335,671 shares

July 31, 2021: 335,671 shares

3) Average number of shares during the period:

Six months ended January 31, 2022: 11,012,324 shares

Six months ended January 31, 2021: 9,507,244 shares

# Quarterly Non-consolidated Financial Statements

## Quarterly Non-consolidated Balance Sheets

(Thousand yen)

| | As of July 31,2021 | As of January 31,2022 |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 2,243,310 | 2,556,787 |
| Accounts receivable - trade | 30,845 | - |
| Accounts receivable and contract assets | - | 32,496 |
| Real estate for sale | 319,106 | 338,381 |
| Work in process | 176 | - |
| Other | 53,444 | 51,077 |
| Total current assets | 2,646,884 | 2,978,743 |
| Non-current assets | | |
| Property, plant and equipment | 283,595 | 293,411 |
| Investments and other assets | | |
| Leasehold and guarantee deposits | 95,391 | 92,208 |
| Other | 12,009 | 13,908 |
| Total investments and other assets | 107,400 | 106,117 |
| Total non-current assets | 390,996 | 399,529 |
| Total assets | 3,037,880 | 3,378,272 |
| Liabilities | | |
| Current liabilities | | |
| Short-term borrowings | - | 48,000 |
| Current portion of bonds payable | 80,000 | 102,000 |
| Current portion of long-term borrowings | 111,193 | 153,224 |
| Accounts payable - other | 118,962 | 96,548 |
| Income taxes payable | 690 | 345 |
| Provision for bonuses | - | 47,175 |
| Provision for bonuses for directors (and other officers) | - | 3,000 |
| Other | 119,615 | 88,542 |
| Total current liabilities | 430,460 | 538,835 |
| Non-current liabilities | | |
| Bonds payable | 260,000 | 322,250 |
| Convertible-bond-type bonds with share acquisition rights | 700,000 | 700,000 |
| Long-term borrowings | 746,549 | 592,771 |
| Other | 21,077 | 20,983 |
| Total non-current liabilities | 1,727,626 | 1,636,004 |
| Total liabilities | 2,158,087 | 2,174,840 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 30,632 | 11,880 |
| Deposits for subscriptions of shares | 200,000 | - |
| Capital surplus | 1,149,915 | 1,689,963 |
| Retained earnings | (482,465) | (506,493) |
| Treasury shares | (62,486) | (62,486) |
| Total shareholders' equity | 835,596 | 1,132,862 |
| Share acquisition rights | 44,197 | 70,569 |
| Total net assets | 879,793 | 1,203,432 |
| Total liabilities and net assets | 3,037,880 | 3,378,272 |

## Quarterly Non-consolidated Statements of Income

### Quarterly Non-consolidated Statements of Income (For the six months)

(Thousand yen)

| | For the six months ended January 31,2021 | For the six months ended January 31,2022 |
|---|---|---|
| Net sales | 760,725 | 1,219,301 |
| Cost of sales | 167,625 | 450,789 |
| Gross profit | 593,099 | 768,512 |
| Selling, general and administrative expenses | 711,496 | 1,265,115 |
| Operating loss | (118,396) | (496,603) |
| Non-operating income | | |
| Interest income | 7 | 11 |
| Insurance claim income | - | 1,182 |
| Subsidy income | 21,142 | - |
| Other | 227 | 522 |
| Total non-operating income | 21,378 | 1,716 |
| Non-operating expenses | | |
| Interest expenses | 3,492 | 3,131 |
| Interest on bonds | 694 | 1,574 |
| Bond issuance costs | 10,017 | 2,100 |
| Commission expenses | 579 | 1,483 |
| Share issuance costs | - | 3,595 |
| Other | 307 | 78 |
| Total non-operating expenses | 15,090 | 11,964 |
| Ordinary loss | (112,109) | (506,851) |
| Extraordinary income | | |
| Gain on reversal of share acquisition rights | 1,276 | - |
| Gain on sale of non-current assets | 961 | 704 |
| Gain on reversal of asset retirement obligations | 1,895 | - |
| Total extraordinary income | 4,133 | 704 |
| Extraordinary losses | | |
| Loss on liquidation of investments | 3,095 | - |
| Office transfer related expenses | 8,531 | - |
| Total extraordinary losses | 11,627 | - |
| Loss before income taxes | (119,603) | (506,146) |
| Income taxes - current | 346 | 346 |
| Income taxes - deferred | - | - |
| Total income taxes | 346 | 346 |
| Loss | (119,949) | (506,493) |

## Quarterly Non-consolidated Statements of Cash Flows

(Thousand yen)

| | For the six months ended January 31,2021 | For the six months ended January 31,2022 |
|---|---|---|
| Cash flows from operating activities | | |
| Loss before income taxes | (119,603) | (506,146) |
| Depreciation | 11,847 | 15,289 |
| Increase (decrease) in provision for bonuses | 34,411 | 47,175 |
| Increase (decrease) in provision for bonuses for directors (and other officers) | - | 3,000 |
| Interest and dividend income | (7) | (11) |
| Insurance claim income | - | (1,182) |
| Subsidy income | (21,142) | - |
| Gain on sale of non-current assets | (961) | (704) |
| Interest expenses | 3,492 | 3,131 |
| Interest expenses on bonds | 694 | 1,574 |
| Bond issuance costs | 10,017 | 2,100 |
| Gain on reversal of share acquisition rights | (1,276) | - |
| Share-based payment expenses | 11,523 | 26,076 |
| Share issuance costs | - | 3,595 |
| Commission expenses | 579 | 1,483 |
| Gain on reversal of asset retirement obligations | (1,895) | - |
| Office transfer related | 8,531 | - |
| Loss on liquidation of investments | 3,095 | - |
| Decrease (increase) in trade receivables | (188) | (1,650) |
| Decrease (increase) in inventories | (705) | 1,294 |
| Increase (decrease) in accrued consumption taxes | 12,320 | (15,852) |
| Increase (decrease) in accounts payable - other | (6,110) | (19,452) |
| Increase (decrease) in advances received | 4,125 | 8,029 |
| Other, net | 1,942 | (15,127) |
| Subtotal | (49,311) | (447,375) |
| Interest and dividends received | 7 | 11 |
| Interest paid | (3,263) | (5,541) |
| Proceeds from insurance income | - | 1,182 |
| Subsidies received | 21,142 | - |
| Income taxes refund (paid) | 507 | (691) |
| Net cash provided by (used in) operating activities | (30,916) | (452,414) |

(Thousand yen)

| | For the six months ended January 31,2021 | For the six months ended January 31,2022 |
|---|---|---|
| Cash flows from investing activities | | |
| Proceeds from withdrawal of time deposits | 46,730 | - |
| Purchase of property, plant and equipment | (25,175) | (48,460) |
| Proceeds from sale of property, plant and equipment | 1,099 | 704 |
| Purchase of intangible assets | (57,521) | - |
| Purchase of investment securities | - | (3,000) |
| Payments for asset retirement obligations | (8,100) | - |
| Payments of leasehold and guarantee deposits | - | (731) |
| Proceeds from refund of leasehold and guarantee deposits | 44,220 | - |
| Net cash provided by (used in) investing activities | 1,252 | (51,487) |
| Cash flows from financing activities | | |
| Increase (decrease) in short-term borrowings | - | 48,000 |
| Proceeds from long-term borrowings | 260,000 | - |
| Repayments of long-term borrowings | (60,120) | (111,747) |
| Proceeds from issuance of bonds | 189,982 | 122,149 |
| Redemption of bonds | (20,000) | (40,000) |
| Proceeds from issuance of convertible bond-type bonds with share acquisition rights | 698,548 | - |
| Proceeds from exercise of employee share options | 17,880 | 3,760 |
| Proceeds from issuance of share acquisition rights | 9,627 | 295 |
| Payment of commission | (579) | (1,483) |
| Proceeds from issuance of shares | - | 796,404 |
| Net cash provided by (used in) financing activities | 1,095,338 | 817,378 |
| Net increase (decrease) in cash and cash equivalents | 1,065,673 | 313,477 |
| Cash and cash equivalents at beginning of period | 1,519,889 | 2,197,304 |
| Cash and cash equivalents at end of period | 2,585,562 | 2,510,781 |