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## Non-consolidated Financial Results for the Six Months Ended January 31, 2023 [Japanese GAAP]

March 16, 2023

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, CAO

Phone: 03-4400-2946

Scheduled date of filing quarterly securities report: March 16, 2023

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, 2023 (August 01, 2022 to January 31, 2023)

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

	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended January 31, 2023	1,567	28.5	(189)	-	(197)	-	(201)	-
January 31, 2022	1,219	60.3	(496)	-	(506)	-	(506)	-

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended January 31, 2023	(18.22)		-	
January 31, 2022	(45.99)		-	

#### (2) Non-consolidated Financial Position

	Total assets		Net assets		Capital adequacy ratio
	Million yen		Million yen		%
As of January 31, 2023	2,865		1,447		46.4
July 31, 2022	2,878		909		28.4

(Reference) Equity: As of January 31, 2023: ¥ 1,331 million  
As of July 31, 2022: ¥ 818 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, 2022	-	0.00	-	0.00	0.00
Fiscal year ending July 31, 2023	-	0.00			
Fiscal year ending July 31, 2023 (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, 2023 :

Commemorative dividend	- yen
Special dividend	- yen

## 3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending July 31, 2023(August 01, 2022 to July 31, 2023)

(% 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	4,000	45.3	(220)	-	(241)	-	(242)	-	(21.77)

(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: No
- 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, 2023:	11,495,900 shares
July 31, 2022:	11,451,600 shares

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

January 31, 2023:	335,671 shares
July 31, 2022:	335,671 shares

3) Average number of shares during the period:

Six months ended January 31, 2023:	11,133,501 shares
Six months ended January 31, 2022:	11,012,324 shares

## Cash dividends of class shares

The following is the breakdown of dividends per share related to class shares that have different rights from common shares.

Class A shares	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended July 31, 2022	-	-	-	-	-
Fiscal year ending July 31, 2023	-	0.00			
Fiscal year ending July 31, 2023 (Forecast)			-	7,095.90	7,095.90

Quarterly Non-consolidated Financial Statements  
 Quarterly Non-consolidated Balance Sheets

(Thousand yen)

	As of July 31,2022	As of January 31,2023
<b>Assets</b>		
Current assets		
Cash and deposits	1,653,629	1,304,282
Accounts receivable and contract assets	44,484	54,038
Real estate for sale	810,602	1,121,596
Other	52,672	67,483
Total current assets	2,561,388	2,547,400
Non-current assets		
Property, plant and equipment	198,637	188,702
Investments and other assets		
Leasehold and guarantee deposits	89,211	98,026
Other	29,604	31,809
Total investments and other assets	118,815	129,836
Total non-current assets	317,453	318,538
Total assets	2,878,842	2,865,939
<b>Liabilities</b>		
Current liabilities		
Short-term borrowings	-	217,244
Current portion of bonds payable	102,000	108,250
Current portion of long-term borrowings	130,638	122,422
Accounts payable - other	137,626	92,726
Income taxes payable	2,495	2,276
Provision for bonuses	-	52,339
Provision for bonuses for directors (and other officers)	-	3,450
Other	165,515	101,780
Total current liabilities	538,275	700,489
Non-current liabilities		
Bonds payable	271,250	214,000
Convertible-bond-type bonds with share acquisition rights	700,000	-
Long-term borrowings	439,524	489,368
Other	20,185	14,652
Total non-current liabilities	1,430,959	718,020
Total liabilities	1,969,234	1,418,509
<b>Net assets</b>		
Shareholders' equity		
Share capital	14,314	21,279
Capital surplus	1,692,397	1,576,942
Retained earnings	(822,420)	(201,371)
Treasury shares	(62,486)	(62,486)
Total shareholders' equity	821,804	1,334,363
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(2,890)	(3,150)
Total valuation and translation adjustments	(2,890)	(3,150)
Share acquisition rights	90,692	116,216
Total net assets	909,607	1,447,430
Total liabilities and net assets	2,878,842	2,865,939

## Quarterly Non-consolidated Statements of Income

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

(Thousand yen)

	For the six months ended January 31,2022	For the six months ended January 31,2023
Net sales	1,219,301	1,567,340
Cost of sales	450,789	450,716
Gross profit	768,512	1,116,623
Selling, general and administrative expenses	1,265,115	1,306,303
Operating loss	(496,603)	(189,679)
Non-operating income		
Interest income	11	9
Insurance claim income	1,182	-
Commission income	-	1,083
Subsidy income	-	312
Other	522	180
Total non-operating income	1,716	1,586
Non-operating expenses		
Interest expenses	3,131	2,531
Interest on bonds	1,574	1,503
Bond issuance costs	2,100	-
Commission expenses	1,483	2,165
Share issuance costs	3,595	3,069
Other	78	57
Total non-operating expenses	11,964	9,326
Ordinary loss	(506,851)	(197,420)
Extraordinary income		
Gain on sale of non-current assets	704	384
Total extraordinary income	704	384
Loss before income taxes	(506,146)	(197,035)
Income taxes - current	346	4,335
Income taxes - deferred	-	-
Total income taxes	346	4,335
Loss	(506,493)	(201,371)

## Quarterly Non-consolidated Statements of Cash Flows

(Thousand yen)

	For the six months ended January 31,2022	For the six months ended January 31,2023
<b>Cash flows from operating activities</b>		
Loss before income taxes	(506,146)	(197,035)
Depreciation	15,289	19,145
Increase (decrease) in provision for bonuses	47,175	52,339
Increase (decrease) in provision for bonuses for directors (and other officers)	3,000	3,450
Interest and dividend income	(11)	(9)
Insurance claim income	(1,182)	-
Subsidy income	-	(312)
Gain on sale of non-current assets	(704)	(384)
Interest expenses	3,131	2,531
Interest expenses on bonds	1,574	1,503
Bond issuance costs	2,100	-
Share-based payment expenses	26,076	25,952
Share issuance costs	3,595	3,069
Commission expenses	1,483	2,165
Decrease (increase) in trade receivables	(1,650)	(9,553)
Decrease (increase) in inventories	1,294	(316,664)
Increase (decrease) in accrued consumption taxes	(15,852)	13,077
Increase (decrease) in accounts payable - other	(19,452)	(42,015)
Increase (decrease) in contract liabilities	-	4,580
Increase (decrease) in advances received	8,029	-
Other, net	(15,127)	(97,345)
Subtotal	(447,375)	(535,506)
Interest and dividends received	11	9
Interest paid	(5,541)	(4,792)
Proceeds from insurance income	1,182	-
Subsidies received	-	312
Income taxes refund (paid)	(691)	(4,553)
Net cash provided by (used in) operating activities	(452,414)	(544,530)

(Thousand yen)

	For the six months ended January 31,2022	For the six months ended January 31,2023
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(48,460)	(4,499)
Proceeds from sale of property, plant and equipment	704	401
Purchase of investment securities	(3,000)	-
Payments for asset retirement obligations	-	(2,387)
Payments of leasehold and guarantee deposits	(731)	(22,928)
Proceeds from refund of leasehold and guarantee deposits	-	10,456
Net cash provided by (used in) investing activities	(51,487)	(18,955)
<b>Cash flows from financing activities</b>		
Increase (decrease) in short-term borrowings	48,000	217,244
Proceeds from long-term borrowings	-	150,000
Repayments of long-term borrowings	(111,747)	(108,372)
Proceeds from issuance of bonds	122,149	-
Redemption of bonds	(40,000)	(51,000)
Payments for retirement by purchase of convertible bond-type bonds with subscription rights to shares	-	(700,000)
Proceeds from exercise of employee share options	3,760	13,196
Proceeds from issuance of share acquisition rights	295	305
Payment of commission	(1,483)	(2,165)
Proceeds from issuance of shares	796,404	694,930
Net cash provided by (used in) financing activities	817,378	214,138
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>313,477</b>	<b>(349,347)</b>
Cash and cash equivalents at beginning of period	2,197,304	1,607,621
Cash and cash equivalents at end of period	2,510,781	1,258,274