

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



September 13, 2023

Company name: coly Inc.

Stock exchange listing: Tokyo Stock Exchange

Code number: 4175

URL: <https://colyinc.com>

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Scheduled date of filing quarterly securities report: September 13, 2023

Scheduled date of commencing dividend payments: –

Availability of supplementary explanatory materials on quarterly financial results: Available

Schedule of quarterly financial results briefing session: Scheduled (for institutional investors and analysts)

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

1. Financial Results for the Six Months Ended July 31, 2023 (February 1, 2023 - July 31, 2023)

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

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended								
July 31, 2023	2,036	(16.9)	(685)	–	(684)	–	(685)	–
July 31, 2022	2,449	(16.8)	(173)	–	(172)	–	(108)	–

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended		
July 31, 2023	(124.65)	–
July 31, 2022	(19.80)	–

(Note) Diluted earnings per share are not presented as diluted shares did not exist.

(2) Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of July 31, 2023	6,579	5,911	89.8
As of January 31, 2023	7,243	6,597	91.1

(Reference) Equity: As of July 31, 2023: ¥5,911 million

As of January 31, 2023: ¥6,597 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 January 31, 2023	—	0.00	—	0.00	0.00
Fiscal year ending January 31, 2024	—	0.00			
Fiscal year ending January 31, 2024 (Forecast)			—	0.00	0.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Financial Results Forecast for the Fiscal Year Ending January 31, 2024 (February 1, 2023 - January 31, 2024)

The financial results forecast for the fiscal year ending January 31, 2024 is not disclosed. For details, please see “1. Qualitative Information on the Quarterly Financial Results (3) Explanation of Financial Results Forecast and Other Forward-Looking Statements” on page 3 of the Attachments (Written only in Japanese).

* Notes:

- (1) Accounting methods adopted particularly for the preparation of quarterly financial statements: Yes
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (3) Total number of issued and outstanding shares (common shares)
 - 1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

July 31, 2023:	5,502,900 shares
January 31, 2023:	5,502,900 shares
 - 2) Total number of treasury shares at the end of the period:

July 31, 2023:	80 shares
January 31, 2023:	80 shares
 - 3) Average number of shares during the period:

Six months ended July 31, 2023:	5,502,820 shares
Six months ended July 31, 2022:	5,502,864 shares

* These quarterly financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes
(Note regarding forward-looking statements, etc.)

The earnings forecasts have been determined by the Company based on information available to the Company as of the date of publication of this document and include such factors as risks and uncertain factors. Accordingly, actual achievements, financial results, etc. may differ from the forecasts described in this document. For matters regarding the above earnings forecasts, please see “1. Qualitative Information on the Quarterly Financial Results (3) Explanation of Financial Results Forecast and Other Forward-Looking Statements” on page 3 of the Attachments (Written only in Japanese).

(Access to supplementary explanatory materials on financial results)

The Company is scheduled to hold a financial results briefing session for institutional investors and securities analysts on Friday, September 15, 2023. Supplementary explanatory materials on financial results to be used for the briefing session are scheduled to be posted on the Company’s website on Wednesday, September 13, 2023 (Written only in Japanese).

2. Quarterly Financial Statements

(1) Quarterly Balance Sheets

(Thousand yen)

	As of January 31, 2023	As of July 31, 2023
Assets		
Current assets		
Cash and deposits	6,097,511	5,636,109
Accounts receivable - trade	492,791	408,358
Merchandise	114,370	87,098
Other	338,436	135,950
Total current assets	7,043,109	6,267,516
Non-current assets		
Property, plant and equipment		
Buildings, net	24,590	46,262
Machinery and equipment, net	–	1,802
Tools, furniture and fixtures, net	15,067	15,345
Construction in progress	990	–
Total property, plant and equipment	40,647	63,410
Intangible assets		
Software	6,215	5,163
Total intangible assets	6,215	5,163
Investments and other assets		
Leasehold deposits	151,981	161,362
Other	1,953	82,374
Total investments and other assets	153,934	243,737
Total non-current assets	200,798	312,311
Total assets	7,243,907	6,579,828

(Thousand yen)

	As of January 31, 2023	As of July 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	93,942	79,728
Income taxes payable	5,737	16,843
Contract liabilities	187,933	214,134
Provision for bonuses	22,049	21,614
Other	336,378	335,576
Total current liabilities	646,042	667,897
Total liabilities	646,042	667,897
Net assets		
Shareholders' equity		
Share capital	1,910,309	1,910,309
Capital surplus	1,905,309	1,905,309
Retained earnings	2,782,449	2,096,516
Treasury shares	(203)	(203)
Total shareholders' equity	6,597,864	5,911,931
Total net assets	6,597,864	5,911,931
Total liabilities and net assets	7,243,907	6,579,828

(2) Quarterly Statements of Income
Six Months Ended July 31

(Thousand yen)

	For the six months ended July 31, 2022	For the six months ended July 31, 2023
Net sales	2,449,976	2,036,662
Cost of sales	1,510,741	1,484,906
Gross profit	939,234	551,755
Selling, general and administrative expenses	1,112,236	1,237,472
Operating loss	(173,001)	(685,717)
Non-operating income		
Interest income	33	31
Interest on refund of income taxes	–	1,331
Other	128	89
Total non-operating income	161	1,452
Non-operating expenses		
Interest expenses	12	–
Foreign exchange losses	104	34
Other	–	1
Total non-operating expenses	117	35
Ordinary loss	(172,956)	(684,229)
Extraordinary losses		
Loss on retirement of non-current assets	–	73
Total extraordinary losses	–	73
Loss before income taxes	(172,956)	(684,373)
Income taxes	(63,999)	1,559
Loss	(108,956)	(685,933)

(3) Quarterly Statements of Cash Flows

(Thousand yen)

	For the six months ended July 31, 2022	For the six months ended July 31, 2023
Cash flows from operating activities		
Loss before income taxes	(172,956)	(684,373)
Depreciation	3,760	7,643
Amortization of lease deposits	450	581
Interest and dividend income	(33)	(31)
Interest expenses	12	–
Loss on retirement of non-current assets	–	73
Decrease (increase) in trade receivables	103,876	84,432
Decrease (increase) in merchandise	(22,599)	27,271
Decrease (increase) in prepaid expenses	(17,555)	(6,813)
Increase (decrease) in trade payables	49,946	(14,213)
Increase (decrease) in accounts payable - other	39,565	(32,898)
Increase (decrease) in accrued expenses	68,674	11,507
Increase (decrease) in contract liabilities	(15,557)	26,200
Increase (decrease) in accrued consumption taxes	(31,466)	38,289
Increase (decrease) in provision for bonuses	7,577	(435)
Decrease (increase) in investment	–	(80,222)
Decrease (increase) in other assets	(16,292)	(35,615)
Increase (decrease) in other liabilities	6,623	20,684
Subtotal	4,024	(637,919)
Interest and dividends received	33	31
Interest paid	(12)	–
Income taxes paid	(86,049)	(4)
Income taxes refund	–	217,780
Net cash provided by (used in) operating activities	(82,003)	(420,111)
Cash flows from investing activities		
Purchase of property, plant and equipment	(17,596)	(31,327)
Purchase of investment securities	(70,380)	–
Payments for contributions in lease deposits	(2,802)	(9,963)
Net cash provided by (used in) investing activities	(90,778)	(41,290)
Cash flows from financing activities		
Repayments of long-term borrowings	(3,000)	–
Purchase of treasury shares	(70)	–
Net cash provided by (used in) financing activities	(3,070)	–
Net increase (decrease) in cash and cash equivalents	(175,852)	(461,402)
Cash and cash equivalents at beginning of period	6,899,241	6,097,511
Cash and cash equivalents at end of period	6,723,388	5,636,109