



Non-consolidated Financial Results for the Year Ended March 31, 2022 [Japanese GAAP]

May 12, 2022

Company name: QD Laser, Inc.

Stock exchange listing: Tokyo

Code number: 6613

URL: <https://www.qdlaser.com/>

Representative: Mitsuru Sugawara

Contact: Shinji Konoya

Phone: 044-333-3338

President and Chief Executive Officer

Chief Financial Officer

Scheduled date of Annual General Meeting of Shareholders: June 28, 2022

Scheduled date of commencing dividend payments: -

Scheduled date of filing annual securities report: June 28, 2022

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

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

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 01, 2021 to March 31, 2022)

(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	%
Fiscal year ended March 31, 2022	1,101	23.0	(931)	-	(893)	-	(880)	-
March 31, 2021	895	18.4	(654)	-	(707)	-	(879)	-

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2022	(25.17)	-	(23.9)	(20.6)	(84.6)
March 31, 2021	(32.94)	-	(31.8)	(18.6)	(73.1)

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2022: ¥ - million
Fiscal year ended March 31, 2021: ¥ - million

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	4,018	3,583	88.9	99.86
March 31, 2021	4,675	3,808	81.5	110.13

(Reference) Equity: As of March 31, 2022: ¥ 3,570 million
As of March 31, 2021: ¥ 3,808 million

(3) Non-consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2022	(700)	(90)	377	2,821
March 31, 2021	(822)	(44)	2,643	3,224

2. Dividends

	Annual dividends					Total dividends	Payout ratio	Dividends to net assets
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2021	-	0.00	-	0.00	0.00	-	-	-
March 31, 2022	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending								
March 31, 2023 (Forecast)	-	0.00	-	0.00	0.00		-	

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 01, 2022 to March 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	1,277	16.0	(567)	-	(558)	-	(562)	-	(15.73)

* Notes:

(1) 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

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

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

March 31, 2022: 35,755,180 shares
March 31, 2021: 34,584,180 shares

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

March 31, 2022: 86 shares
March 31, 2021: 80 shares

3) Average number of shares during the period:

Fiscal Year ended March 31, 2022: 35,006,332 shares
Fiscal Year ended March 31, 2021: 26,707,673 shares

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

(Thousand yen)

	As of March 31,2021	As of March 31,2022
Assets		
Current assets		
Cash and deposits	3,224,311	2,821,052
Accounts receivable - trade	225,970	282,514
Merchandise and finished goods	261,265	281,550
Work in process	161,047	72,002
Raw materials and supplies	382,802	158,017
Accounts receivable - other	82,688	79,166
Prepaid expenses	11,627	16,107
Short-term loans receivable	-	19,000
Other	97	6
Total current assets	4,349,812	3,729,418
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings, net	192,569	175,714
Machinery and equipment, net	60,076	63,665
Tools, furniture and fixtures, net	5,433	12,517
Leased assets, net	4,221	2,167
Construction in progress	26,400	-
Total property, plant and equipment	288,701	254,065
Intangible assets		
Patent right	-	2,887
Trademark right	2,573	2,167
Software	5,268	2,054
Leased assets	2,964	1,647
Total intangible assets	10,806	8,756
Investments and other assets		
Shares of subsidiaries and associates	3,372	3,372
Guarantee deposits	22,415	22,415
Other	40	40
Total investments and other assets	25,827	25,827
Total non-current assets	325,335	288,649
Total assets	4,675,147	4,018,067

(Thousand yen)

	As of March 31,2021	As of March 31,2022
Liabilities		
Current liabilities		
Accounts payable - trade	218,308	143,475
Current portion of long-term borrowings	257,964	91,404
Lease liabilities	3,744	3,867
Accounts payable - other	133,381	61,103
Accrued expenses	4,898	4,489
Income taxes payable	4,415	25,879
Deposits received	3,245	2,873
Provision for bonuses	51,238	45,159
Other	13,559	5,088
Total current liabilities	690,754	383,341
Non-current liabilities		
Long-term borrowings	107,392	15,988
Lease liabilities	4,355	488
Deferred tax liabilities	4,675	4,326
Asset retirement obligations	59,338	30,429
Total non-current liabilities	175,762	51,232
Total liabilities	866,517	434,573
Net assets		
Shareholders' equity		
Share capital	2,242,753	2,564,185
Capital surplus		
Legal capital surplus	4,726,525	5,047,956
Total capital surplus	4,726,525	5,047,956
Retained earnings		
Other retained earnings		
Retained earnings brought forward	(3,160,522)	(4,041,490)
Total retained earnings	(3,160,522)	(4,041,490)
Treasury shares	(126)	(129)
Total shareholders' equity	3,808,629	3,570,522
Share acquisition rights	-	12,971
Total net assets	3,808,629	3,583,494
Total liabilities and net assets	4,675,147	4,018,067

Non-consolidated Statements of Income

(Thousand yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Net sales	895,620	1,101,346
Cost of sales		
Beginning finished goods inventory	280,129	261,265
Cost of products manufactured	575,873	1,201,450
Total	856,002	1,462,715
Transfer to other account	-	20,517
Ending finished goods inventory	261,265	281,550
Total cost of sales	594,736	1,160,648
Gross profit (loss)	300,883	(59,302)
Selling, general and administrative expenses	955,708	872,245
Operating loss	(654,825)	(931,547)
Non-operating income		
Interest income	253	158
Foreign exchange gains	-	21,400
Subsidy income	10,494	16,798
Subsidy income	-	31,873
Other	468	1,407
Total non-operating income	11,217	71,637
Non-operating expenses		
Interest expenses	5,254	2,473
Foreign exchange losses	14,893	-
Share issuance costs	-	13,696
Going public expenses	32,405	-
Financing expenses	-	3,000
Rental expenses	-	1,087
Loss on tax purpose reduction entry of non-current assets	-	12,885
Other	11,606	483
Total non-operating expenses	64,161	33,625
Ordinary loss	(707,769)	(893,536)
Extraordinary income		
Gain on reversal of asset retirement obligations	-	21,397
Total extraordinary income	-	21,397
Extraordinary losses		
Impairment losses	168,817	4,967
Total extraordinary losses	168,817	4,967
Loss before income taxes	(876,587)	(877,106)
Income taxes - current	4,419	4,210
Income taxes - deferred	(1,177)	(349)
Total income taxes	3,242	3,860
Loss	(879,829)	(880,967)

Non-consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31,2021

(Thousand yen)

	Shareholders' equity							Share acquisition rights	Total net assets
	Share capital	Capital surplus		Retained earnings		Treasury shares	Total shareholders equity		
		Legal capital surplus	Total capital surplus	Other retained earnings	Total retained earnings				
				Retained earnings brought forward					
Balance at beginning of period	763,310	3,247,082	3,247,082	(2,280,692)	(2,280,692)	-	1,729,699	-	1,729,699
Changes during period									
Issuance of new shares	1,479,442	1,479,442	1,479,442				2,958,885		2,958,885
Loss				(879,829)	(879,829)		(879,829)		(879,829)
Purchase of treasury shares						(126)	(126)		(126)
Net changes in items other than shareholders' equity								-	-
Total changes during period	1,479,442	1,479,442	1,479,442	(879,829)	(879,829)	(126)	2,078,930	-	2,078,930
Balance at end of period	2,242,753	4,726,525	4,726,525	(3,160,522)	(3,160,522)	(126)	3,808,629	-	3,808,629

For the fiscal year ended March 31,2022

(Thousand yen)

	Shareholders' equity							Share acquisition rights	Total net assets
	Share capital	Capital surplus		Retained earnings		Treasury shares	Total shareholders equity		
		Legal capital surplus	Total capital surplus	Other retained earnings	Total retained earnings				
				Retained earnings brought forward					
Balance at beginning of period	2,242,753	4,726,525	4,726,525	(3,160,522)	(3,160,522)	(126)	3,808,629	-	3,808,629
Changes during period									
Issuance of new shares	321,431	321,431	321,431				642,863		642,863
Loss				(880,967)	(880,967)		(880,967)		(880,967)
Purchase of treasury shares						(3)	(3)		(3)
Net changes in items other than shareholders' equity								12,971	12,971
Total changes during period	321,431	321,431	321,431	(880,967)	(880,967)	(3)	(238,107)	12,971	(225,135)
Balance at end of period	2,564,185	5,047,956	5,047,956	(4,041,490)	(4,041,490)	(129)	3,570,522	12,971	3,583,494

Non-consolidated Statements of Cash Flows

(Thousand yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Cash flows from operating activities		
Loss before income taxes	(876,587)	(877,106)
Depreciation	71,763	50,376
Impairment losses	168,817	4,967
Increase (decrease) in provision for bonuses	(7,749)	(6,079)
Interest and dividend income	(253)	(158)
Interest expenses	5,254	2,473
Foreign exchange losses (gains)	15,990	(10,092)
Share issuance costs	-	13,696
Going public expenses	32,405	-
Subsidy income	-	(31,873)
Subsidy income	(10,494)	(16,798)
Loss on tax purpose reduction entry of non-current assets	3,346	12,885
Asset retirement obligations interest expenses	107	90
Gain on reversal of asset retirement obligations	-	(21,397)
Decrease (increase) in trade receivables	(28,354)	(56,543)
Decrease (increase) in inventories	(212,397)	293,544
Increase (decrease) in trade payables	23,270	(74,833)
Decrease (increase) in other current assets	46,113	(683)
Increase (decrease) in other liabilities	(62,243)	(21,912)
Other, net	5,650	3,000
Subtotal	(825,361)	(736,444)
Interest and dividends received	253	158
Interest paid	(5,254)	(2,462)
Income taxes paid	(3,114)	(4,415)
Subsidies received	-	31,873
Subsidies received	10,494	10,654
Net cash provided by (used in) operating activities	(822,982)	(700,636)
Cash flows from investing activities		
Purchase of property, plant and equipment	(43,970)	(60,104)
Purchase of intangible assets	-	(3,503)
Payments for asset retirement obligations	-	(7,603)
Short-term loan advances	-	(42,940)
Proceeds from collection of short-term loans receivable	-	23,940
Other, net	(353)	-
Net cash provided by (used in) investing activities	(44,324)	(90,210)
Cash flows from financing activities		
Repayments of short-term borrowings	(100,000)	-
Repayments of long-term borrowings	(174,644)	(257,964)
Proceeds from issuance of shares	2,926,353	626,555
Repayments of lease liabilities	(3,625)	(3,744)
Proceeds from issuance of share acquisition rights	-	15,651
Other, net	(4,650)	(3,003)
Net cash provided by (used in) financing activities	2,643,434	377,495
Effect of exchange rate change on cash and cash equivalents	(15,990)	10,092
Net increase (decrease) in cash and cash equivalents	1,760,136	(403,259)
Cash and cash equivalents at beginning of period	1,464,175	3,224,311
Cash and cash equivalents at end of period	3,224,311	2,821,052