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## Non-consolidated Financial Results for the Six Months Ended September 30, 2022 [Japanese GAAP]



October 31, 2022

Company name: CONEXIO Corporation  
 Stock exchange listing: Tokyo  
 Code number: 9422  
 URL: <https://www.conexio.co.jp>  
 Representative: Hiroshi Suguta President  
 Contact: Shinya Nakada Deputy General Manager, Financial Accounting Corporate Planning  
 Digital Transformation Division  
 Phone: 03-5408-3105  
 Scheduled date of filing quarterly securities report: November 09, 2022  
 Scheduled date of commencing dividend payments: December 06, 2022  
 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 September 30, 2022 (April 01, 2022 to September 30, 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	%
Six months ended September 30, 2022	89,465	0.3	1,392	(59.2)	1,469	(57.7)	811	(67.9)
September 30, 2021	89,224	14.3	3,410	(27.2)	3,472	(30.6)	2,526	(25.0)

  

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2022	18.15	-
September 30, 2021	56.47	-

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

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of September 30, 2022	92,678	52,871	57.0
March 31, 2022	100,965	53,625	53.1

(Reference) Equity: As of September 30, 2022: ¥ 52,871 million

As of March 31, 2022: ¥ 53,625 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 March 31, 2022	-	35.00	-	35.00	70.00
Fiscal year ending March 31, 2023	-	35.00	-	-	-
Fiscal year ending March 31, 2023(Forecast)	-	-	-	35.00	70.00

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

### 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	200,000	3.5	8,600	6.5	8,700	6.1	5,700	1.5	127.41

(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

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|--|----|
| 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):

September 30, 2022:	44,737,938 shares
March 31, 2022:	44,737,938 shares

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

September 30, 2022:	194 shares
March 31, 2022:	194 shares

3) Average number of shares during the period:

Six months ended September 30, 2022:	44,737,744 shares
Six months ended September 30, 2021:	44,737,785 shares

\* This Financial Results is not subject to audit procedures.

\* Explanation of appropriate use of financial forecasts and other special notes

- Financial forecasts and other forward-looking statements herein are based on information available to the Company and certain assumptions deemed reasonable as at the time of preparing this report. The Company does not guarantee that any forecasts would be met. Actual results may vary significantly from the forecasts due to a wide range of factors.

## 1. Quarterly Non-consolidated Financial Statements

### (1) Quarterly Non-consolidated Balance Sheets

(Million yen)

	As of March 31,2022	As of September 30,2022
<b>Assets</b>		
Current assets		
Cash and deposits	21,425	24,134
Accounts receivable - trade	27,996	19,264
Merchandise and finished goods	6,437	7,264
Accounts receivable - other	26,065	23,793
Deposits paid	117	118
Other	993	1,113
Allowance for doubtful accounts	(6)	(5)
Total current assets	83,028	75,683
Non-current assets		
Property, plant and equipment	3,979	3,807
Intangible assets		
Goodwill	1,183	1,116
The right of career shop management	6,949	6,618
Other	549	634
Total intangible assets	8,683	8,370
Investments and other assets	5,274	4,816
Total non-current assets	17,936	16,994
Total assets	100,965	92,678
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	15,391	11,699
Accrued agency commission	6,757	4,343
Accounts payable - other	13,154	11,263
Income taxes payable	275	874
Provision for bonuses	1,852	2,389
Provision for bonuses for directors (and other officers)	5	10
Other	4,411	4,213
Total current liabilities	41,848	34,795
Non-current liabilities		
Provision for retirement benefits	3,178	3,354
Asset retirement obligations	624	620
Other	1,687	1,035
Total non-current liabilities	5,491	5,010
Total liabilities	47,339	39,806

(Million yen)

	As of March 31,2022	As of September 30,2022
Net assets		
Shareholders' equity		
Share capital	2,778	2,778
Capital surplus	585	585
Retained earnings	50,260	49,507
Treasury shares	(0)	(0)
Total shareholders' equity	53,624	52,870
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	0	0
Total valuation and translation adjustments	0	0
Total net assets	53,625	52,871
Total liabilities and net assets	100,965	92,678

(2) Quarterly Non-consolidated Statements of Income

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

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Net sales	89,224	89,465
Cost of sales	63,081	65,972
Gross profit	26,143	23,493
Selling, general and administrative expenses	22,732	22,100
Operating profit	3,410	1,392
Non-operating income		
Interest income	0	0
Dividend income	0	0
Support money of store move etc income	16	32
Reversal of allowance for doubtful accounts	1	1
Surrender value of insurance policies	31	-
Late charges income	-	46
Other	17	16
Total non-operating income	66	97
Non-operating expenses		
Interest expenses	0	0
Loss on sale and retirement of non-current assets	-	3
Payment late charges	-	14
Other	4	2
Total non-operating expenses	5	20
Ordinary profit	3,472	1,469
Extraordinary income		
Compensation for forced relocation	211	-
Gain on revision of retirement benefit plan	280	-
Other	-	0
Total extraordinary income	491	0
Extraordinary losses		
Head office relocation expenses	127	-
Loss on store closings	10	95
Loss on sale and retirement of non-current assets	6	10
Impairment losses	25	48
Total extraordinary losses	170	154
Profit before income taxes	3,793	1,315
Income taxes - current	1,361	633
Income taxes - deferred	(94)	(129)
Total income taxes	1,267	503
Profit	2,526	811

(3) Quarterly Non-consolidated Statements of Cash Flows

	(Million yen)	
	For the six months ended September 30, 2021	For the six months ended September 30, 2022
Cash flows from operating activities		
Profit before income taxes	3,793	1,315
Depreciation	1,024	987
Amortization of goodwill	61	60
Impairment losses	25	48
Loss on store closings	10	95
Increase (decrease) in allowance for doubtful accounts	(0)	(1)
Increase (decrease) in provision for bonuses	(1,149)	537
Increase (decrease) in provision for bonuses for directors (and other officers)	(62)	5
Increase (decrease) in provision for retirement benefits	(2,486)	176
Gain on revision of retirement benefit plan	(280)	-
Interest and dividend income	(0)	(0)
Interest expenses	0	0
Compensation for forced relocation	(211)	-
Head office relocation expenses	127	-
Foreign exchange losses (gains)	(0)	(0)
Loss (gain) on sale of investment securities	-	(0)
Decrease (increase) in trade receivables	11,068	8,741
Decrease (increase) in accounts receivable - other	1,670	2,272
Decrease (increase) in inventories	1,381	(870)
Increase (decrease) in trade payables	(6,447)	(6,105)
Increase (decrease) in accounts payable - other	(2,642)	(1,805)
Increase (decrease) in accrued consumption taxes	(106)	46
Increase (decrease) in accounts payable relating to introduction of defined-contribution pension plan	2,020	(675)
Other, net	(998)	(195)
Subtotal	6,798	4,633
Interest and dividends received	0	0
Interest paid	(0)	(0)
Proceeds from compensation for forced relocation	211	-
Payments for loss on store closings	(15)	(108)
Income taxes refund (paid)	(1,775)	(80)
Other, net	29	76
Net cash provided by (used in) operating activities	5,248	4,521
Cash flows from investing activities		
Purchase of property, plant and equipment	(455)	(388)
Purchase of intangible assets	(98)	(208)
Proceeds from sale of investment securities	-	0
Purchase of investment securities	(20)	-
Payments of leasehold and guarantee deposits	(460)	(106)
Proceeds from refund of leasehold and guarantee deposits	43	611
Purchase of long-term prepaid expenses	(30)	(41)
Other, net	(3)	(111)
Net cash provided by (used in) investing activities	(1,024)	(244)
Cash flows from financing activities		
Dividends paid	(1,565)	(1,565)
Other, net	(0)	(1)
Net cash provided by (used in) financing activities	(1,565)	(1,567)

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Effect of exchange rate change on cash and cash equivalents	0	0
Net increase (decrease) in cash and cash equivalents	2,658	2,710
Cash and cash equivalents at beginning of period	21,665	21,542
Cash and cash equivalents at end of period	24,324	24,253