



Non-consolidated Financial Results for the Year Ended March 31, 2023 [Japanese GAAP]

May 12, 2023

Company name: QD Laser, Inc.

Stock exchange listing: Tokyo

Code number: 6613

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

Representative: Mitsuru Sugawara

President and Chief Executive Officer

Contact: Shinji Konoya

Chief Financial Officer

Phone: +81-44-333-3338

Scheduled date of Annual General Meeting of Shareholders: June 27, 2023

Scheduled date of commencing dividend payments: -

Scheduled date of filing annual securities report: June 27, 2023

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

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

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(1) Non-consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2023	1,159	5.3	(556)	-	(546)	-	(550)	-
March 31, 2022	1,101	23.0	(931)	-	(893)	-	(880)	-

	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, 2023	(15.16)	-	(13.8)	(12.2)	(48.0)
March 31, 2022	(25.17)	-	(23.9)	(20.6)	(84.6)

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2023: ¥ - million
Fiscal year ended March 31, 2022: ¥ - million

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2023	4,918	4,439	90.1	115.04
March 31, 2022	4,018	3,583	88.9	99.86

(Reference) Equity: As of March 31, 2023: ¥ 4,432 million
As of March 31, 2022: ¥ 3,570 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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2023	(515)	(22)	1,298	3,581
March 31, 2022	(700)	(90)	377	2,821

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	Millions of yen	%	%
March 31, 2022	-	0.00	-	0.00	0.00	-	-	-
March 31, 2023	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending								
March 31, 2024 (Forecast)	-	0.00	-	0.00	0.00		-	

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,446	24.8	(559)	-	(577)	-	(582)	-	(15.11)

* 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: No
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: Yes
- 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, 2023: 38,525,780 shares
March 31, 2022: 35,755,180 shares

2) Number of treasury shares at the end of the period:

March 31, 2023: 206 shares
March 31, 2022: 86 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2023: 36,296,904 shares
Fiscal Year ended March 31, 2022: 35,006,332 shares

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	2,821,052	3,581,034
Accounts receivable - trade	282,514	380,077
Merchandise and finished goods	281,550	225,739
Work in process	72,002	78,578
Raw materials and supplies	158,017	239,426
Accounts receivable - other	79,166	78,756
Prepaid expenses	16,107	9,372
Short-term loans receivable	19,000	23,970
Other	6	557
Total current assets	3,729,418	4,617,513
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings, net	175,714	145,499
Machinery and equipment, net	63,665	45,342
Tools, furniture and fixtures, net	12,517	51,913
Leased assets, net	2,167	113
Construction in progress	-	24,029
Total property, plant and equipment	254,065	266,897
Intangible assets		
Patent right	2,887	2,475
Trademark right	2,167	1,760
Software	2,054	2,231
Leased assets	1,647	329
Total intangible assets	8,756	6,796
Investments and other assets		
Shares of subsidiaries and associates	3,372	4,735
Guarantee deposits	22,415	22,415
Other	40	40
Total investments and other assets	25,827	27,190
Total non-current assets	288,649	300,885
Total assets	4,018,067	4,918,398

(Thousands of yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	143,475	204,834
Current portion of long-term borrowings	91,404	8,004
Lease liabilities	3,867	488
Accounts payable - other	61,103	134,534
Accrued expenses	4,489	4,495
Income taxes payable	25,879	31,605
Deposits received	2,873	3,369
Provision for bonuses	45,159	46,295
Other	5,088	2,747
Total current liabilities	383,341	436,373
Non-current liabilities		
Long-term borrowings	15,988	7,984
Lease liabilities	488	-
Deferred tax liabilities	4,326	3,611
Asset retirement obligations	30,429	30,622
Total non-current liabilities	51,232	42,217
Total liabilities	434,573	478,591
Net assets		
Shareholders' equity		
Share capital	2,564,185	3,270,235
Capital surplus		
Legal capital surplus	5,047,956	5,754,007
Total capital surplus	5,047,956	5,754,007
Retained earnings		
Other retained earnings		
Retained earnings brought forward	(4,041,490)	(4,591,869)
Total retained earnings	(4,041,490)	(4,591,869)
Treasury shares	(129)	(198)
Total shareholders' equity	3,570,522	4,432,174
Share acquisition rights	12,971	7,632
Total net assets	3,583,494	4,439,807
Total liabilities and net assets	4,018,067	4,918,398

Non-consolidated Statements of Income

(Thousands of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Net sales	1,101,346	1,159,479
Cost of sales		
Beginning finished goods inventory	261,265	281,550
Cost of products manufactured	1,201,450	761,595
Total	1,462,715	1,043,145
Transfer to other account	20,517	8,169
Ending finished goods inventory	281,550	225,739
Total cost of sales	1,160,648	809,236
Gross profit (loss)	(59,302)	350,243
Selling, general and administrative expenses	872,245	907,014
Operating loss	(931,547)	(556,770)
Non-operating income		
Interest income	158	290
Foreign exchange gains	21,400	9,952
Subsidy income	16,798	10,334
Subsidy income	31,873	9,059
Other	1,407	775
Total non-operating income	71,637	30,412
Non-operating expenses		
Interest expenses	2,473	648
Share issuance costs	13,696	16,833
Financing expenses	3,000	3,000
Rental expenses	1,087	-
Loss on tax purpose reduction entry of non-current assets	12,885	-
Other	483	43
Total non-operating expenses	33,625	20,525
Ordinary loss	(893,536)	(546,884)
Extraordinary income		
Gain on reversal of asset retirement obligations	21,397	-
Total extraordinary income	21,397	-
Extraordinary losses		
Impairment losses	4,967	-
Total extraordinary losses	4,967	-
Loss before income taxes	(877,106)	(546,884)
Income taxes - current	4,210	4,210
Income taxes - deferred	(349)	(714)
Total income taxes	3,860	3,495
Loss	(880,967)	(550,379)

Non-consolidated Statements of Changes in Equity
For the fiscal year ended March 31, 2022

(Thousands of 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

For the fiscal year ended March 31, 2023

(Thousands of 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	2,564,185	5,047,956	5,047,956	(4,041,490)	(4,041,490)	(129)	3,570,522	12,971	3,583,494
Changes during period									
Issuance of new shares	706,050	706,050	706,050				1,412,101		1,412,101
Loss				(550,379)	(550,379)		(550,379)		(550,379)
Purchase of treasury shares						(69)	(69)		(69)
Net changes in items other than shareholders' equity								(5,338)	(5,338)
Total changes during period	706,050	706,050	706,050	(550,379)	(550,379)	(69)	861,651	(5,338)	856,313
Balance at end of period	3,270,235	5,754,007	5,754,007	(4,591,869)	(4,591,869)	(198)	4,432,174	7,632	4,439,807

Non-consolidated Statements of Cash Flows

(Thousands of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Cash flows from operating activities		
Loss before income taxes	(877,106)	(546,884)
Depreciation	50,376	68,164
Impairment losses	4,967	-
Increase (decrease) in provision for bonuses	(6,079)	1,135
Interest and dividend income	(158)	(290)
Interest expenses	2,473	648
Foreign exchange losses (gains)	(10,092)	440
Share issuance costs	13,696	16,833
Subsidy income	(31,873)	(9,059)
Subsidy income	(16,798)	(10,334)
Loss on tax purpose reduction entry of non-current assets	12,885	-
Asset retirement obligations interest expenses	90	192
Gain on reversal of asset retirement obligations	(21,397)	-
Decrease (increase) in trade receivables	(56,543)	(97,563)
Decrease (increase) in inventories	293,544	(32,173)
Increase (decrease) in trade payables	(74,833)	61,358
Decrease (increase) in other current assets	(683)	6,578
Increase (decrease) in other current liabilities	(21,912)	14,542
Other, net	3,000	2
Subtotal	(736,444)	(526,406)
Interest and dividends received	158	290
Interest paid	(2,462)	(632)
Income taxes paid	(4,415)	(4,210)
Subsidies received	31,873	9,059
Subsidies received	10,654	6,584
Net cash provided by (used in) operating activities	(700,636)	(515,315)
Cash flows from investing activities		
Purchase of property, plant and equipment	(60,104)	(15,040)
Purchase of intangible assets	(3,503)	(1,620)
Payments for asset retirement obligations	(7,603)	-
Purchase of shares of subsidiaries and associates	-	(1,363)
Short-term loan advances	(42,940)	(54,910)
Proceeds from collection of short-term loans receivable	23,940	49,940
Net cash provided by (used in) investing activities	(90,210)	(22,994)
Cash flows from financing activities		
Repayments of long-term borrowings	(257,964)	(91,404)
Proceeds from issuance of shares	626,555	1,380,876
Repayments of lease liabilities	(3,744)	(3,867)
Proceeds from issuance of share acquisition rights	15,651	13,199
Other, net	(3,003)	(71)
Net cash provided by (used in) financing activities	377,495	1,298,732
Effect of exchange rate change on cash and cash equivalents	10,092	(440)
Net increase (decrease) in cash and cash equivalents	(403,259)	759,982
Cash and cash equivalents at beginning of period	3,224,311	2,821,052
Cash and cash equivalents at end of period	2,821,052	3,581,034