

Translation

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Summary of Consolidated Financial Results for the Six Months Ended March 31, 2023 (Based on Japanese GAAP)

May 12, 2023

Company name: Speee, Inc.
 Stock exchange listing: Tokyo
 Stock code: 4499 URL <https://speee.jp/>
 Representative: Representative Director, CEO Hideki Otsuka
 Inquiries: Director, CFO Masataka Nishida TEL 050-1748-0088
 Scheduled date to file Quarterly Securities Report: May 12, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended March 31, 2023 (from October 1, 2022 to March 31, 2023)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		EBITDA		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended March 31, 2023	6,466	20.4	584	(34.8)	617	(32.3)	670	(29.2)	377	(36.0)
Six months ended March 31, 2022	5,369	–	897	–	910	–	946	–	590	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended March 31, 2023	36.60	35.76
Six months ended March 31, 2022	58.24	57.56

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2023	10,439	6,407	61.4
As of September 30, 2022	8,923	5,940	66.6

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended September 30, 2022	–	0.00	–	0.00	0.00
Year ending September 30, 2023	–	0.00			
Year ending September 30, 2023 (Forecast)			–	0.00	0.00

3. Forecast of consolidated financial results for the year ending September 30, 2023 (from October 1, 2022 to September 30, 2023)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	13,192	17.4	917	(41.2)	935	(41.2)	373	(65.5)	36.56

4. Notes

- (1) Changes in significant subsidiaries during the six months ended March 31, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of March 31, 2023	10,386,350 shares	As of September 30, 2022	10,221,800 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	172 shares	As of September 30, 2022	122 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended March 31, 2023	10,326,599 shares	Six months ended March 31, 2022	10,146,646 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

	(Thousands of yen)	
	As of September 30, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	5,674,554	6,044,092
Notes and accounts receivable - trade	2,211,319	2,544,293
Other	367,973	426,624
Allowance for doubtful accounts	(101,982)	(116,326)
Total current assets	8,151,864	8,898,683
Non-current assets		
Property, plant and equipment	122,852	441,392
Intangible assets		
Software	103,736	129,626
Software in progress	49,018	26,893
Other	1,342	1,174
Total intangible assets	154,097	157,694
Investments and other assets	494,224	941,899
Total non-current assets	771,173	1,540,985
Total assets	8,923,038	10,439,669
Liabilities		
Current liabilities		
Accounts payable - trade	423,798	437,084
Current portion of long-term borrowings	445,408	663,977
Accounts payable - other	566,186	985,118
Accrued expenses	220,453	245,247
Income taxes payable	408,070	299,780
Provision for bonuses	198,534	204,106
Other	281,793	197,419
Total current liabilities	2,544,244	3,032,733
Non-current liabilities		
Long-term borrowings	378,104	673,899
Asset retirement obligations	60,306	165,750
Other	—	159,514
Total non-current liabilities	438,410	999,164
Total liabilities	2,982,654	4,031,898
Net assets		
Shareholders' equity		
Share capital	1,376,792	1,420,606
Capital surplus	1,366,802	1,410,616
Retained earnings	3,196,404	3,574,357
Treasury shares	(473)	(542)
Total shareholders' equity	5,939,527	6,405,037
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	145	—
Total accumulated other comprehensive income	145	—
Share acquisition rights	710	2,734
Total net assets	5,940,383	6,407,771
Total liabilities and net assets	8,923,038	10,439,669

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

	(Thousands of yen)	
	Six months ended March 31, 2022	Six months ended March 31, 2023
Net sales	5,369,021	6,466,952
Cost of sales	844,252	987,115
Gross profit	4,524,768	5,479,836
Selling, general and administrative expenses	3,627,451	4,894,940
Operating profit	897,317	584,896
Non-operating income		
Gain on investments in investment partnerships	890	—
Subsidy income	2,120	13,477
Commission income	11,649	20,207
Other	1,773	3,372
Total non-operating income	16,433	37,057
Non-operating expenses		
Interest expenses	2,759	3,485
Loss on investments in investment partnerships	—	873
Other	0	438
Total non-operating expenses	2,759	4,797
Ordinary profit	910,991	617,156
Profit before income taxes	910,991	617,156
Income taxes - current	323,263	268,961
Income taxes - deferred	(3,163)	(29,757)
Total income taxes	320,099	239,203
Profit	590,891	377,952
Profit attributable to owners of parent	590,891	377,952

Consolidated statements of comprehensive income (cumulative)

	(Thousands of yen)	
	Six months ended March 31, 2022	Six months ended March 31, 2023
Profit	590,891	377,952
Other comprehensive income		
Valuation difference on available-for-sale securities	6	(145)
Total other comprehensive income	6	(145)
Comprehensive income	590,897	377,806
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	590,897	377,806

Consolidated statements of cash flows

	(Thousands of yen)	
	Six months ended March 31, 2022	Six months ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	910,991	617,156
Depreciation	33,088	50,184
Increase (decrease) in allowance for doubtful accounts	25,444	14,344
Increase (decrease) in provision for bonuses	(1,571)	5,571
Interest income	(168)	(99)
Foreign exchange losses (gains)	—	298
Interest expenses	2,759	3,485
Loss (gain) on investments in investment partnerships	(890)	873
Decrease (increase) in trade receivables	(80,185)	(332,973)
Increase (decrease) in trade payables	(22,829)	13,285
Increase (decrease) in accounts payable - other	51,572	272,767
Decrease (increase) in other assets	(47,967)	17,903
Increase (decrease) in other liabilities	(31,380)	166,376
Increase (decrease) in accrued consumption taxes	(9,797)	(85,822)
Other, net	0	(16,205)
Subtotal	829,066	727,146
Interest and dividends received	168	99
Interest paid	(2,519)	(3,422)
Income taxes paid	(153,557)	(375,291)
Net cash provided by (used in) operating activities	673,157	348,532
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,633)	(95,115)
Purchase of intangible assets	(27,381)	(27,365)
Purchase of investment securities	(19,998)	(6,000)
Proceeds from distributions from investment partnerships	1,090	—
Payments of leasehold and guarantee deposits	—	(423,325)
Proceeds from divestments	—	50,000
Loan advances	(1,620)	(3,360)
Net cash provided by (used in) investing activities	(49,541)	(505,165)
Cash flows from financing activities		
Proceeds from long-term borrowings	500,000	900,000
Repayments of long-term borrowings	(280,099)	(385,636)
Proceeds from issuance of shares	9,909	11,876
Purchase of treasury shares	(215)	(69)
Net cash provided by (used in) financing activities	229,595	526,170
Net increase (decrease) in cash and cash equivalents	853,211	369,537
Cash and cash equivalents at beginning of period	4,762,604	5,674,554
Cash and cash equivalents at end of period	5,615,815	6,044,092