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August 12, 2022

## Consolidated Financial Results for the Six Months Ended June 30, 2022 (Under Japanese GAAP)

Company name: ZOOM CORPORATION  
 Listing: Tokyo Stock Exchange  
 Securities code: 6694  
 URL: <https://www.zoom.co.jp/>  
 Representative: Masahiro Iijima, CEO  
 Inquiries: Tatsuzo Yamada, CFO  
 Telephone: +81-3-5297-1001  
 Scheduled date to file quarterly securities report: August 12, 2022  
 Scheduled date to commence dividend payments: None  
 Preparation of supplementary material on quarterly financial results: Yes (in Japanese only)  
 Holding of quarterly financial results briefing: Yes (for institutional investors and analysts (in Japanese only))

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the six months ended June 30, 2022 (from January 1, 2022 to June 30, 2022)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
June 30, 2022	5,658	(7.1)	(94)	—	(44)	—	(104)	—
June 30, 2021	6,090	48.5	584	—	554	—	391	—

Note: Comprehensive income For the six months ended June 30, 2022: ¥542 million [(12.3)%]  
 For the six months ended June 30, 2021: ¥619 million [—%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended		
June 30, 2022	(24.43)	—
June 30, 2021	91.06	89.64

Note: The company conducted a two-for-one stock split of common stock on January 1, 2022. Earnings per share has been calculated as if this stock split had taken place at the beginning of the six months ended June 30, 2021.

Although dilutive shares exist, diluted earnings per share are not stated as earnings per share were negative in the six months ended June 30, 2022.

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
June 30, 2022	12,859	6,207	47.6
December 31, 2021	10,829	5,911	53.9

Reference: Equity  
 As of June 30, 2022: ¥6,120 million  
 As of December 31, 2021: ¥5,835 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2021	—	0.00	—	102.00	102.00
Fiscal year ending December 31, 2022	—	0.00			
Fiscal year ending December 31, 2022 (Forecast)			—	50.00	50.00

Note: Revisions to the forecast of cash dividends most recently announced: None

The company conducted a two-for-one stock split of common stock on January 1, 2022. For the fiscal year ended December 31, 2021, the actual amounts of dividends prior to the stock split are presented.

## 3. Forecast of consolidated financial results for the fiscal year ended December 31, 2022 (from January 1, 2022 to December 31, 2022)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full Year	13,000	(3.1)	700	(44.4)	650	(46.6)	400	(53.2)	92.87

Note: Revisions to the forecast of consolidated financial results most recently announced: None

\* **Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2022	4,594,824 shares
As of December 31, 2021	4,594,824 shares

- (ii) Number of treasury shares at the end of the period

As of June 30, 2022	329,963 shares
As of December 31, 2021	316,138 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended June 30, 2022	4,268,194 shares
Six months ended June 30, 2021	4,299,404 shares

Note: The company conducted a two-for-one stock split of common stock on January 1, 2022. Earnings per share has been calculated as if this stock split had taken place at the beginning of the fiscal year ended December 31, 2021.

\* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

The forecasted financial information described above are based on information currently available to and assumption considered to be reasonable. Actual financial results may differ significantly due to potential risks and uncertainties.

The Company plans to hold a financial results meeting for institutional investors and analysts on August 17, 2022. The materials for this financial results meeting shall be posted on the Company's website after the meeting has been held as soon as possible.

# **Contents of the Attached Materials**

## **1. Consolidated financial statements**

- (1) Consolidated balance sheets
- (2) Consolidated income statements
- (3) Consolidated comprehensive income statements
- (4) Consolidated cash flow statements

# 1. Consolidated financial statements

## (1) Consolidated balance sheets

(Millions of yen)

	As of December 31, 2021	As of June 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	2,067	1,758
Notes and accounts receivable- trade	1,950	-
Notes and accounts receivable - trade, and contract assets	-	1,608
Merchandise and finished goods	2,963	4,030
Raw materials and supplies	155	1,231
Other	915	1,280
Allowance for doubtful accounts	(18)	(18)
Current assets total	8,035	9,890
Non-currents assets		
Property, plant and equipment	548	495
Intangible assets		
Goodwill	1,397	1,519
Other	79	73
Intangible assets total	1,476	1,592
Investments and other assets		
Other	962	1,073
Allowance for doubtful accounts	(192)	(192)
Investments and other assets total	769	880
Non-current assets total	2,794	2,968
Assets total	10,829	12,859

(Millions of yen)

	As of December 31, 2021	As of June 30, 2022
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	1,000	1,476
Short-term loans payable	1,346	1,918
Current portion of long-term loans payable	160	167
Income taxes payable	265	67
Provision for bonuses	38	34
Provision for product warranties	57	55
Other	805	1,754
Current liabilities total	3,675	5,473
Non-current liabilities		
Long-term loans payable	1,041	964
Retirement benefit liability	150	162
Other	50	51
Non-current liabilities total	1,242	1,178
Liabilities total	4,917	6,652
<b>Equity</b>		
Shareholder's equity		
Capital stock	212	212
Capital surplus	261	261
Retained earnings	5,525	5,192
Treasury shares	(374)	(392)
Shareholder's equity total	5,625	5,273
Accumulated other comprehensive income		
Foreign currency translation adjustment	220	856
Remeasurements of defined benefit plans	(9)	(10)
Accumulated other comprehensive income total	210	846
Non-controlling interests	75	87
Equity total	5,911	6,207
Liabilities and equities total	10,829	12,859

## (2) Consolidated income statements

(Millions of yen)

	Six months ended June 30, 2021	Six months ended June 30, 2022
Net sales	6,090	5,658
Cost of sales	3,467	3,543
Gross profit	2,622	2,115
Selling, general and administrative expenses	2,038	2,209
Operating profit (loss)	584	(94)
Non-operating income		
Interest income	0	0
Foreign exchange gains	-	44
Refund of import duty	-	17
Subsidy income	-	2
Other	0	0
Total of non-operating income	1	64
Non-operating expense		
Interest expense	16	14
Sales discounts	8	-
Foreign exchange losses	6	-
Other	0	0
Total of non-operating expense	31	15
Ordinary profit (loss)	554	(44)
Extraordinary loss		
Loss on disposal of fixed assets	-	33
Total of extraordinary loss	-	33
Profit (loss) before income taxes	554	(77)
Income taxes	139	23
Profit (loss)	415	(101)
Profit attributable to non-controlling interests	23	3
Profit (loss) attributable to owners of parent	391	(104)

### (3) Consolidated comprehensive income statements

(Millions of yen)

	Six months ended June 30, 2021	Six months ended June 30, 2022
Profit (loss)	415	(101)
Other comprehensive income		
Foreign currency translation adjustment	203	644
Remeasurements of defined benefit plans	0	(0)
Total other comprehensive income	204	643
Comprehensive income	619	542
Comprehensive income attributable to owners of parent	594	531
Comprehensive income attributable to non-controlling interests	25	11



#### (4) Consolidated cash flow statements

(Million yen)

	Six months ended June 30, 2021	Six months ended June 30, 2022
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	554	(77)
Depreciation	110	113
Amortization of goodwill	89	99
Increase (decrease) in provision for product warranties	12	(3)
Increase (decrease) in provision for bonus	9	(3)
Increase (decrease) in allowance for doubtful accounts	(6)	(1)
Increase (decrease) in retirement benefit liability	3	(1)
Interest income	(0)	(0)
Interest expenses	16	14
Foreign exchange losses (gains)	13	17
Loss on disposal of fixed assets	-	33
Decrease (increase) in accounts receivable - trade	296	511
Decrease (increase) in inventory	(164)	(884)
Increase (decrease) in accounts payable - trade	(158)	285
Other	29	(368)
Subtotal	805	(266)
Interest and dividend income received	1	0
Interest expenses paid	(16)	(17)
Income tax paid	(198)	(218)
Net cash provided by (used in) operating activities	591	(502)
<b>Cash flows from investing activities</b>		
Decrease (increase) in long term deposit	32	(4)
Purchase of property, plant and equipment	(69)	(76)
Proceeds from sales of property, plant and equipment	3	0
Purchase of intangible asset	(1)	(14)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(285)	-
Other	1	1
Net cash provided by (used in) investing activities	(318)	(94)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loan	(239)	512
Repayments of long-term loan	(75)	(84)
Repayments of lease obligations	(6)	(5)
Proceeds from disposal of treasury shares	15	2
Purchase of treasury shares	(426)	(64)
Cash dividends paid	(138)	(217)
Dividend payments to non-controlling shareholders	(4)	-
Net cash provided by (used in) financing activities	(876)	141
Effect of exchange rate change on cash and cash equivalents	93	141
Net increase (decrease) in cash and cash equivalents	(510)	(313)
Cash and cash equivalents at beginning of period	2,697	2,032
Cash and cash equivalents at end of period	2,186	1,718