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February 14, 2022

## Consolidated Financial Results for the Fiscal Year Ended December 31, 2021 (Under Japanese GAAP)

Company name: ZOOM CORPORATION  
 Listing: Tokyo Stock Exchange  
 Securities code: 6694  
 URL: <https://www.zoom.co.jp/>  
 Representative: Masahiro Iijima, CEO  
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 Scheduled date of annual general meeting of shareholders: March 29, 2022  
 Scheduled date to commence dividend payments: March 30, 2022  
 Scheduled date to file annual securities report: March 29, 2022  
 Preparation of supplementary material on financial results: Yes (in Japanese only)  
 Holding of 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 fiscal year ended December 31, 2021 (from January 1, 2021 to December 31, 2021)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2021	13,417	28.8	1,258	66.6	1,216	169.8	854	69.9
December 31, 2020	10,419	21.0	755	159.4	450	41.4	502	100.4

Note: Comprehensive income For the fiscal year ended December 31, 2021: ¥1,233 million [208.2%]  
 For the fiscal year ended December 31, 2020: ¥400 million [72.7%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
December 31, 2021	199.56	196.91	15.6	11.6	9.4
December 31, 2020	111.78	110.26	10.1	5.0	7.2

Reference: Share of profit (loss) of entities accounted for using equity method  
 For the fiscal year ended December 31, 2021: ¥ - million  
 For the fiscal year ended December 31, 2020: ¥(240) million

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 2020.

#### (2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
December 31, 2021	10,829	5,911	53.9	1,363.96
December 31, 2020	10,198	5,136	50.2	1,142.28

Reference: Equity  
 As of December 31, 2021: ¥5,835 million  
 As of December 31, 2020: ¥5,116 million

Note: The company conducted a two-for-one stock split of common stock on January 1, 2022. Net assets per share has been calculated as if this stock split had taken place at the beginning of the fiscal year ended December 31 2020.

### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2021	637	(478)	(937)	2,032
December 31, 2020	990	(1,269)	716	2,697

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended December 31, 2020	—	0.00	—	62.00	62.00	138	27.7	2.8
Fiscal year ended December 31, 2021	—	0.00	—	102.00	102.00	218	25.6	4.1
Fiscal year ending December 31, 2022 (Forecast)	—	0.00	—	50.00	50.00		53.8	

Note: The company conducted a two-for-one stock split of common stock on January 1, 2022. For the fiscal year ended December 31, 2020 and 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

\* **Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): /None

Newly included: - companies (Company name)

Excluded: - companies (Company name)

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of December 31, 2021	4,594,824 shares
As of December 31, 2020	4,594,824 shares

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

As of December 31, 2021	316,138 shares
As of December 31, 2020	115,462 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended December 31, 2021	4,279,837 shares
Fiscal year ended December 31, 2020	4,498,419 shares

Note: The company conducted a two-for-one stock split of common stock on January 1, 2022. Total number of issued shares, Number of treasury shares and Average number of shares outstanding has been calculated as if this stock split had taken place at the beginning of the fiscal year ended December 31, 2020.

**[Reference] Overview of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended December 31, 2021 (from January 1, 2021 to December 31, 2021)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
December 31, 2021	9,594	19.0	1,012	137.9	990	148.1	775	430.4
December 31, 2020	8,059	14.1	425	83.8	399	32.9	146	(41.3)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended		
December 31, 2021	181.23	178.82
December 31, 2020	32.51	32.07

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, 2020.

**(2) Non-consolidated financial position**

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
December 31, 2021	8,396	4,595	54.7	1,074.07
December 31, 2020	8,469	4,278	50.5	955.13

Reference: Equity

As of December 31, 2021: ¥4,595 million

As of December 31, 2020: ¥4,278 million

Note: The company conducted a two-for-one stock split of common stock on January 1, 2022. Net assets per share has been calculated as if this stock split had taken place at the beginning of the fiscal year ended December 31, 2020

\* Financial results reports are exempt from audit 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 February 18, 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

(Million yen)

	As of December 31, 2020	As of December 31, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	2,731	2,067
Accounts receivable - trade	1,658	1,950
Merchandise and finished goods	2,516	2,963
Raw materials and supplies	117	155
Accounts receivable - other	417	544
Other	252	371
Allowance for doubtful accounts	(32)	(18)
Current assets total	7,661	8,035
Non-currents assets		
Property, plant and equipment		
Buildings and structures, net	35	30
Machinery, equipment and vehicles, net	8	6
Tools, furniture and fixtures, net	352	372
Leased assets, net	69	57
Construction in progress	61	80
Property, plant and equipment total	526	548
Intangible assets		
Goodwill	1,309	1,397
Other	83	79
Intangible assets total	1,393	1,476
Investments and other assets		
Investment securities	20	23
Deferred tax assets	511	590
Other	83	348
Allowance for doubtful accounts	-	(192)
Investments and other assets total	616	769
Non-current assets total	2,536	2,794
Assets total	10,198	10,829

(Million yen)

	As of December 31, 2020	As of December 31, 2021
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	1,133	1,000
Short-term loans payable	1,601	1,346
Current portion of long-term loans payable	120	160
Accounts payable-other	564	604
Income taxes payable	164	265
Provision for bonuses	27	38
Provision for product warranties	74	57
Other	198	201
Current liabilities total	3,883	3,675
Non-current liabilities		
Long-term loans payable	990	1,041
Retirement benefit liability	129	150
Other	58	50
Non-current liabilities total	1,177	1,242
Liabilities total	5,061	4,917
<b>Equity</b>		
Shareholder's equity		
Capital stock	212	212
Capital surplus	261	261
Retained earnings	4,842	5,525
Treasury shares	(87)	(374)
Shareholder's equity total	5,230	5,625
Accumulated other comprehensive income		
Foreign currency translation adjustment	(103)	220
Remeasurements of defined benefit plans	(10)	(9)
Accumulated other comprehensive income total	(113)	210
Non-controlling interests	19	75
Equity total	5,136	5,911
Liabilities and equities total	10,198	10,829

## (2) Consolidated income statements

(Million yen)

	For the year ended December 31, 2020	For the year ended December 31, 2021
Net sales	10,419	13,417
Cost of sales	6,131	7,713
Gross profit	4,288	5,704
Selling, general and administrative expenses	3,533	4,446
Operating profit	755	1,258
Non-operating income		
Interest income	1	1
Refund of import duty	3	6
Subsidy income	2	3
Other	6	1
Total of non-operating income	13	12
Non-operating expense		
Interest expense	30	29
Sales discounts	18	16
Share of loss of entities accounted for using equity method	240	-
Foreign exchange losses	20	7
Tax dues	6	-
Other	2	0
Total of non-operating expense	318	54
Ordinary profit	450	1,216
Extraordinary income		
Gain on step acquisitions	178	-
Total of extraordinary income	178	-
Extraordinary loss		
Loss on disposal of fixed assets	0	0
Total of extraordinary loss	0	0
Profit before income taxes	628	1,216
Income taxes-current	225	341
Income taxes-deferred	(111)	(33)
Total income taxes	114	307
Profit	514	908
Profit attributable to non-controlling interests	11	54
Profit attributable to owners of parent	502	854



### (3) Consolidated comprehensive income statements

(Million yen)

	For the year ended December 31, 2020	For the year ended December 31, 2021
Profit	514	908
Other comprehensive income		
Foreign currency translation adjustment	(114)	324
Remeasurements of defined benefit plans	(3)	0
Accounted for using equity method	3	-
Total other comprehensive income	(114)	325
Comprehensive income	400	1,233
Comprehensive income attributable to owners of parent	389	1,177
Comprehensive income attributable to non-controlling interests	10	56

## (4) Consolidated cash flow statements

(Million yen)

	For the year ended December 31, 2020	For the year ended December 31, 2021
Cash flows from operating activities		
Profit before income taxes	628	1,216
Depreciation	199	226
Amortization of goodwill	115	181
Increase (decrease) in provision for product warranties	15	(16)
Increase (decrease) in provision for bonus	2	6
Increase (decrease) in allowance for doubtful accounts	4	(15)
Increase (decrease) in retirement benefit liability	(6)	8
Interest income	(1)	(1)
Interest expenses	30	29
Foreign exchange losses (gains)	(26)	31
Share of (profit) loss of entities accounted for using equity method	240	-
Loss on step acquisitions (gains)	(178)	-
Loss on disposal of fixed assets	0	0
Decrease (increase) in accounts receivable - trade	(181)	49
Decrease (increase) in inventory	(29)	(197)
Decrease (increase) in accounts receivable - other	(22)	(115)
Increase (decrease) in accounts payable - trade	208	(370)
Increase (decrease) in accounts payable - other	198	(0)
Other	(107)	31
Subtotal	1,090	1,064
Interest and dividend income received	13	1
Interest expenses paid	(36)	(30)
Income tax paid	(77)	(398)
Net cash provided by (used in) operating activities	990	637
Cash flows from investing activities		
Decrease (increase) in long term deposit	(2)	(4)
Proceeds from withdrawal of time deposits	-	34
Purchase of property, plant and equipment	(180)	(213)
Proceeds from sales of property, plant and equipment	-	3
Purchase of intangible asset	(13)	(15)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(1,072)	(285)
Collection of loans receivable	0	-
Other	(0)	2
Net cash provided by (used in) investing activities	(1,269)	(478)
Cash flows from financing activities		
Net increase (decrease) in short-term loan	386	(380)
Proceeds from long-term loans payable	1,200	155
Repayments of long-term loan	(90)	(152)
Repayments of lease obligations	(14)	(13)
Proceeds from disposal of treasury shares	4	22
Purchase of treasury shares	(69)	(426)
Cash dividends paid	(82)	(138)
Dividend payments to non-controlling shareholders	(618)	(4)
Net cash provided by (used in) financing activities	716	(937)
Effect of exchange rate change on cash and cash equivalents	(51)	113
Net increase (decrease) in cash and cash equivalents	384	(664)
Cash and cash equivalents at beginning of period	2,312	2,697
Cash and cash equivalents at end of period	2,697	2,032