



3rd Quarter Financial Results, Ending Sep. 2021 [IFRS] (Consolidated)

Aug. 13, 2021

Listed Company Name SHARINGTECHNOLOGY INC. Listed exchange TSE
 Code number 3989 URL <https://www.sharing-tech.co.jp>
 Representative (Title) Representative Director, CEO (Name) Nobuhiro Moriyoshi
 Contact person (Title) Head of Control Center (Name) Satoru Yano (TEL) 052 (414) 6025
 Scheduled date for submission of quarterly report Aug. 13, 2021 Start of distribution of dividends (scheduled) -
 Supplementary explanation of quarterly financial results: Yes
 Quarterly Results Briefing: No (For Institutional Investor and Analyst)

(Rounded down to the nearest million yen)

1. Consolidated results for the third quarter of the year ending September 2021

(October 1, 2020 – June 30, 2021)

(1) Consolidated Business Results (Cumulative) (Percentages represent change compared to the same quarter last year)

	Sales revenue		Operating profit		Pre-tax profit		Quarterly profit		Quarterly profit attributable to the owner of the parent company		Quarterly comprehensive profit Total amount	
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%
3rd Quarter of FY ending September 2021	2,497	(12.6)	(132)	-	(149)	-	(170)	-	(170)	-	(170)	-
3rd Quarter of FY ending September 2020	2,856	-	211	-	187	-	(1,309)	-	(1,336)	-	(1,497)	-

	Quarterly earnings per share		Quarterly diluted earnings per share	
	Yen	Sen	Yen	Sen
3rd Quarter of FY ending September 2021	(7.90)		(7.90)	
3rd Quarter of FY ending September 2020	(71.04)		(70.55)	

※From the previous fiscal year, MEISHI Consultant, INC, Denshi Print Kogyo Co., Ltd, Shiotani Glass Co., Ltd., Re-abroad Inc. and Hotel business were classified under discontinued operations. Profit from discontinued operations in the previous and current quarterly condensed consolidated statements of income is presented separately from the profit from continuing operations. Sales revenue, operating profit, pre-tax profit in the above table are amounts related to continuing operations only. Since the corresponding business units of the fiscal year ending September 2020 were reclassified by the same way, year-on-year change is not stated.

(2) Consolidated Financial Status

	Total assets	Total equity	Equity attributable to the owner of the parent company	Ratio of equity attributable to the owner of the parent company to total assets
	million yen	million yen	million yen	%
3rd Quarter of FY ending September 2021	4,354	1,140	1,140	26.19
End of September 2020	5,776	1,110	1,110	19.22

2. Cash Dividends

	Annual dividend									
	End of 1 st quarter		End of 2 nd quarter		End of 3 rd quarter		End of Period		Total	
	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen
Fiscal year ending September 2020	-		0.00		-		0.00		0.00	
Fiscal year ending September 2021	-		0.00		-					
Fiscal year ending September 2021 (forecast)							-		-	

Note: Revisions to the forecasts most recently announced: None

3. Consolidated earnings forecast for the period ending September 2021 (October 1, 2020 - September 30, 2021)

Sales revenue of the consolidated financial forecast for the full year for fiscal year ending September 30, 2021, which was announced on November 13, 2020, has been revised to 3,400 million yen. Operating loss is estimated approximately 200 million yen after adding 3Q YTD actual and 4Q estimate. However, since there still exists possibility of additional expenses such as appraisal loss of assets, the revision to operating loss is TBD (to be decided).

Note: Revisions to the forecasts most recently announced: Yes

※ Note

(1) Changes in significant subsidiaries during the quarter : No
(changes in specified subsidiaries accompanying changes in scope of consolidation)
New - (company name) - , Excluded - (company name) -

(2) Changes in accounting Guideline · Changes in accounting estimates

- ① Changes in accounting Guideline required by IFRS : No
② Change of accounting Guideline other than ① : No
③ Changes in accounting estimates : No

(3) Number of issued shares (common stock)

- ① Number of issued shares at the end of the quarter (including treasury shares)
② Number of treasury shares at the end of the quarter
③ Average number of shares outstanding (Quarter-to-Date)

3Q of FY Sep. 2021	21,818,800 shares	Fiscal year Sep. 2020	19,627,400 shares
3Q of FY Sep. 2021	219,592 shares	Fiscal year Sep. 2020	219,592 shares
3Q of FY Sep. 2021	21,594,886 shares	3Q of FY Sep. 2020	18,812,553 shares

※ Quarterly financial results are not covered by quarterly reviews of certified public accountants or auditing firms

※ Explanation of the Proper Use of Performance Forecasts and Other Special Instructions

(Concerning the forward-looking statements)

Consolidated forecasts and other statements regarding the future contained in this document are based on information currently available to the Company and, are not intended to promise to achieve such achievement as our company. Actual results may differ depending on various factors.

2. Condensed Consolidated Financial Statements and Notes

(1) Condensed Quarterly Statement of Financial Position

	Previous fiscal year (September 30, 2020)	3rd quarter consolidated accounting period (June 30, 2021)
Category	Amount (thousand yen)	Amount (thousand yen)
(Assets)		
Current assets		
Cash and cash equivalents	2,190,375	2,004,610
Trade receivables and other receivables	387,604	345,747
Inventory	1,648	2,041
Other current assets	363,600	70,236
Total current assets	2,943,229	2,422,636
Assets held for sale	20,792	-
Total current assets	2,964,021	2,422,636
Non-current asset		
Property, plant and equipment	598,941	117,611
Right-Of-Use asset	595,741	351,126
Goodwill	519,223	519,223
Intangible asset	749,836	669,010
Other financial assets	332,730	262,016
Other non-current assets	15,642	13,288
Total non-current assets	2,812,117	1,932,277
Total assets	5,776,138	4,354,913

	Previous fiscal year (September 30, 2020)	3rd quarter consolidated accounting period (June 30, 2021)
Category	Amount (thousand yen)	Amount (thousand yen)
(Liabilities and Capital)		
Current Liabilities		
Operating payables and other payables	358,900	359,389
Bonds and borrowings	1,285,404	1,325,364
Lease obligations	238,093	217,075
Corporate income tax payable etc.	7,767	40,639
Other current liabilities	237,843	156,441
Total current liabilities	2,128,008	2,098,909
Non-current liabilities		
Bonds and borrowings	1,998,020	864,118
Lease obligations	362,479	137,946
Allowance	133,000	70,000
Deferred tax liabilities	44,510	43,479
Total non-current liabilities	2,538,009	1,115,544
Total liabilities	4,666,018	3,214,453
Capital		
Capital	1,195,679	1,308,067
Capital surplus	1,208,504	1,297,142
Treasury stock	(290,364)	(290,364)
Retained earnings	(808,433)	(965,385)
Components of other capital	(195,265)	(209,001)
Total equity attributable to owners of the parent	1,110,120	1,140,459
Total equity	1,110,120	1,140,459
Total liabilities and equity	5,776,138	4,354,913

(2) Condensed Quarterly Statement of Income and Quarterly Comprehensive Income

Condensed Quarterly Statement of Income

3rd Quarter Consolidated Period

	3rd quarter YTD of previous fiscal year (From October 1, 2019 to June 30, 2020)	3rd quarter YTD of current fiscal year (From October 1, 2020 to June 30, 2021)
Category	Amount (thousand yen)	Amount (thousand yen)
Continuing operations		
Sales revenue	2,856,340	2,497,581
Cost of sales	47,858	57,981
Gross profit	2,808,482	2,439,600
Selling, general and administrative expenses	2,621,684	2,687,518
Other income	27,034	197,582
Other expenses	2,387	82,453
Operating profit (loss)	211,445	(132,789)
Financial revenue	5	10
Financial expenses	23,974	16,647
Quarterly profit (loss) before income taxes	187,476	(149,426)
Income tax expense	8,453	21,261
Quarterly earnings (loss) from continuing operations	179,022	(170,687)
Discontinued operations		
Quarterly earnings (loss) from discontinued operations	(1,488,669)	-
Quarterly earnings (loss)	(1,309,646)	(170,687)
Attribution of quarterly earnings (loss)		
Owner of the parent company	(1,336,493)	(170,687)
Non-controlling interest	26,847	-
Total	(1,309,646)	(170,687)

Quarterly earnings per share		
Basic quarterly earnings per share (loss) (yen)		
Continuing operations	8.09	(7.90)
Discontinued operations	(79.13)	-
Total	(71.04)	(7.90)
Quarterly earnings per diluted share (loss) (Yen)		
Continuing operations	8.03	(7.90)
Discontinued operations	(78.58)	-
Total	(70.55)	(7.90)

Condensed Quarterly Statements of Comprehensive Income

3rd quarter YTD of current fiscal year

	3rd quarter YTD of previous fiscal year (From October 1, 2019 to June 30, 2020)	3rd quarter YTD of current fiscal year (From October 1, 2020 to June 30, 2021)
Category	Amount (thousand yen)	Amount (thousand yen)
Quarterly earnings (loss)	(1,309,646)	(170,687)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(188,130)	-
Other comprehensive income after tax	(188,130)	-
Quarterly comprehensive income	(1,497,777)	(170,687)
Attribution of quarterly comprehensive income		
Owner of the parent company	(1,524,624)	(170,687)
Non-controlling interest	26,847	-
Total	(1,497,777)	(170,687)

(3) Condensed Quarterly Statement of Cash Flows

	3rd quarter YTD of previous fiscal year (From October 1, 2019 to June 30, 2020)	3rd quarter YTD of current fiscal year (From October 1, 2020 to June 30, 2021)
Category	Amount (thousand yen)	Amount (thousand yen)
Net cash provided by (used in) operating activities		
Quarterly profit (loss) before income taxes	(1,288,097)	(149,426)
Quarterly profit (loss) before income taxes from Continuing operations	187,476	(149,426)
Quarterly profit (loss) before income taxes from Discontinued operations	(1,475,573)	-
Depreciation and Amortization	477,791	375,936
Reversal of obligations on disposal of assets	-	(57,845)
Loss on disposal of shares of subsidiaries	998,239	-
Loss on business liquidation	378,043	-
Interest income and dividends received	(1,322)	(10)
Interest expense and corporate bond interest	33,048	10,425
Appraisal gains / losses of investment securities (negative is profit)	-	70,704
Gain on sale of fixed assets	(133,563)	(71,046)
Increase (decrease) in trade receivables and other receivables (negative is increase)	186,249	41,857
Increase (decrease) in inventory assets	190,406	(392)
Increase (decrease) in other current assets	(107,439)	(13,401)
Increase (decrease) in operating liabilities and other obligations	500,731	8,108
Increase (decrease) of consumption tax payable etc.	29,008	(49,987)
Increase (decrease) in other current liabilities	176,892	(30,787)
Other assets and liabilities	9,418	-
Others	(19,662)	4,395
subtotal	1,429,744	138,530
Interest and dividend received	1,322	10
Interest paid	(34,766)	(10,834)
Income taxes (paid) refund	(369,749)	298,779
Net cash provided by (used in) operating activities	1,026,550	426,486
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(399,672)	(2,359)
Revenue from sale of fixed assets	375,291	502,800
Purchase of intangible assets	(88,504)	(78,918)
Net (increase) decrease in time deposits	381,327	-
Revenue from sale of securities	85,022	20,802
Payment from sale of shares of subsidiaries accompanying changes in scope of consolidation	(796,853)	-
Others	15,938	-
Net cash provided by (used in) investing activities	(427,449)	442,324
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(61,716)	-
Proceeds from issuance of bonds and long-term loans payable	519,716	-
Repayment of long-term loan payable and redemption of bonds	(1,305,998)	(1,100,163)
Proceeds from issuance of stock option	9,594	-
Proceeds from issuance of stock by exercise of stock option	411,650	224,120
Repayment of lease obligations	(314,545)	(178,533)

Others	4,293	-
Net cash provided by (used in) financing activities	(737,005)	(1,054,576)
Increase (decrease) in cash and cash equivalents	(137,905)	(185,765)
Beginning balance of cash and cash equivalents	2,116,954	2,190,375
Cash and cash equivalents at the end of the quarter	1,979,049	2,004,610