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[Submitted Documents]	Quarterly Report
[Grounds]	Article 24-4-7, Paragraph 1 of the Financial Instruments and Exchange Act
[Submitted to]	Director General, Fukuoka Regional Finance Bureau
[Date of submission]	November 12, 2021
[Quarterly accounting period]	The second quarter of the 22nd period (from July 1, 2021, to September 30, 2021)
[Company name]	OPTiM CORPORATION
[Name and title of representative]	President Shunji Sugaya
[Location of the head office]	1 Honjo-machi, Saga City, Saga Prefecture (The above is the location of the head office for registration purposes, and the actual business is conducted at the nearest contact point.)
[Phone number]	0952-41-4277
[The name of the administrative contact person]	We do not have an administrative contact as we have no administrative department.
[The nearest contact point]	1-2-20 Kaigan, Minato-ku, Tokyo
[Phone number]	03-6435-8570
[The name of the administrative contact person]	Board Director of Administration Akihiro Hayashi
[Place for public inspection]	Tokyo Stock Exchange, Inc.  (2-1, Nihonbashi Kabuto-cho, Chuo-ku, Tokyo)

## Section I. Corporate Information

### 1. Outline of the Company

#### 1. Changes in Major Management Indicators, etc.

Term		For the first half quarter of the 21st period	For the first half quarter of the 22nd period	For the 21st period
Accounting period		From April 1, 2020, to September 30, 2020	From April 1, 2021, to September 30, 2021	From April 1, 2020, to March 31, 2021
Net sales	(1,000 yen)	3,051,093	3,521,478	7,517,790
Ordinary profit	(1,000 yen)	514,748	516,550	2,000,453
Profit attributable to owners of parent	(1,000 yen)	321,488	319,884	1,237,601
Comprehensive income	(1,000 yen)	321,919	319,416	1,295,583
Net assets	(1,000 yen)	3,382,163	4,671,220	4,355,888
Total assets	(1,000 yen)	4,574,719	5,844,057	6,248,906
Basic earnings per share	(Yen)	5.84	5.81	22.49
Diluted earnings per share	(Yen)	5.80	5.77	22.32
Capital adequacy ratio	(%)	71.9	78.4	68.2
Net cash provided by (used in) operating activities	(1,000 yen)	510,363	566,164	1,323,462
Net cash provided by (used in) investing activities	(1,000 yen)	(325,941)	(867,887)	(1,151,757)
Net cash provided by (used in) financing activities	(1,000 yen)	559	(4,084)	620
Cash and cash equivalents at end of period	(1,000 yen)	1,467,677	1,147,869	1,453,676

Term		For the second quarter of the 21st period	For the second quarter of the 22nd period
Accounting period		From July 1, 2020, to September 30, 2020	From July 1, 2021, to September 30, 2021
Basic earnings per share	(Yen)	5.61	3.34

- (Note) 1. Since the Company prepares quarterly consolidated financial statements, trends in the major management indicators, etc., of the submitting company are not stated.
2. The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020), etc., has been applied from the beginning of the first quarter of the current consolidated fiscal year, and the major management indicators, etc., for the first half and the second quarter of the current consolidated fiscal year are those after the application of the said accounting standard, etc.

#### 2. Details of Business

During the second quarter of the current fiscal year, there were no significant changes in the details of the businesses operated by the Group (the Company and its affiliated companies).

Effective from the first quarter of the consolidated accounting period, DXGoGo, Inc. has been included in the scope of application of the equity method.

As a result, as of September 30, 2021, the Group consists of the Company, four subsidiaries, and four affiliates.

## 2. Status of Business

### 1. Business and Other Risks

During the second quarter of the current fiscal year, there were no new risks associated with the business, etc., or significant changes in the risks associated with the business, etc., described in the Annual Securities Report for the previous fiscal year.

### 2. Management's Analysis of Financial Position, Operating Results and Status of Cash Flows

The forward-looking statements in this document are based on judgments made as of the end of the second quarter of the current fiscal year.

Note that the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020), etc., has been applied from the beginning of the first quarter of the consolidated accounting period. For details, please refer to Changes in Accounting Policies in Section 4, Status of Accounting, 1 Quarterly Consolidated Financial Statements, Notes.

#### (1) Status of Financial Condition and Results of Operations

##### (i) Results of operations

During the first half of the current consolidated fiscal year, the Japanese economy continued to show signs of recovery amid the still severe conditions caused by the impact of the novel coronavirus pandemic (hereinafter referred to as COVID-19) but the pace of recovery has been weakening.

In this market environment, by promoting two types of DX (\*1), categorized as Corporate DX for digitalization to improve internal operations and efficiency, as well as Industrial DX for digitalization to create businesses using digital technologies, the Group will continue to promote the concept of  $\circ \circ \times$  IT to develop new markets.

First, with regard to Corporate DX in the first half of the current consolidated fiscal year, the Company continued to expand stock-type sales, centering on Optimal Biz, which has maintained the top market share for 11 consecutive years (Deloitte Tohmatsu MIC Research Institute Co., Ltd., Cloud Services Market Status and Outlook FY2013 Edition, IT Asset Management (including MDM) Market Total Sales, FY2011 to FY2012 Results (Published in 2013)/Collaboration/Contents and Mobile Management Package Software Market Outlook FY2014 Edition, MDM Market Trends, Number of IDs of MDM Shipments (Including SaaS and ASP), FY2013 Results (Published in 2014)/Collaboration/Contents and Mobile Management Package Software Market Outlook, MDM Market Trends, Number of IDs of MDM Shipments (Including SaaS and ASP), FY2014 to FY2017 Results (Published in 2015 to 2018)/Collaboration and Mobile Management Software Market Outlook, MDM Market Trends, Number of IDs of MDM Shipments (Including SaaS and ASP), FY2018 to FY2020 Results and FY2021 Forecast (Published in 2019 to 2021)).

In the first half of the current consolidated fiscal year, we launched sales of a new cloud authentication infrastructure service, OPTiM ID+ (Plus). OPTiM ID+ is a cloud-based ID management service that allows users to log on to multiple cloud services used by an organization with a single ID and password. By introducing OPTiM ID+, the workload related to information leakage prevention, which tends to become complicated, will be reduced, such as by enabling information system administrators to operate accounts in a unified manner. It can also be used in conjunction with Optimal Biz to permit logins to cloud services only from devices that are managed by Optimal Biz and whose security is guaranteed. This realizes both the convenience provided by PC, mobile, and cloud services and stronger security measures.

In addition, we announced that OPTiM Contract, an AI-based contract management service, will start to collaborate with Adobe Sign, a cloud-based electronic sign service of Adobe Document Cloud provided by Adobe Inc. This will enable the centralized management not only of scanned data of conventional paper-based contracts and Microsoft Word text files, but also electronic contracts concluded with Adobe Sign, thereby reducing costs and risks associated with concluding contracts and management operations required for all corporate activities.

Next, for Industrial DX, stock-type sales mainly of OPTiM Cloud IoT OS continued to expand from the first quarter.

First of all, OPTiM AI Camera, an AI image analysis service that can be used regardless of industry, is steadily gaining popularity, and we have completed the verification of the connection between OPTiM AI Camera Enterprise and ArgosView, a Video Management System (VMS) service, in collaboration with Panasonic Net Solutions Co., Ltd. The combination of OPTiM AI Camera Enterprise and ArgosView makes it easier to check the congestion status of vast and multiple facilities and floors through AI image analysis, which will contribute to studies of measures to prevent the spread of COVID-19. It also makes it possible to check the times spent by customers at locations, which can be used for store marketing.

The following describes our initiatives in each of the Industrial DX fields.

In the construction field, we provided OPTiM Geo Scan, an application that enables users to acquire high-precision 3D data

by simply scanning surveyed objects such as soil structures with a smartphone or tablet equipped with a Light Detection and Ranging (LiDAR: a type of sensor technology that uses laser light to accurately detect the distance to an object, its position, and its shape) sensor, with disaster drills in 2021 conducted by the Kyushu Regional Development Bureau of the Ministry of Land, Infrastructure, Transport and Tourism. By using OPTiM Geo Scan for disaster recovery activities, we can expect to reduce the costs of surveying equipment and shorten the surveying time, which will contribute to the collection of 3D data and disaster recovery activities using this data. In addition, we have started to connect OPTiM Geo Scan with ScanX, K.K.'s service, ScanX, which enables 3D point cloud data to be processed, analyzed and shared on the cloud. Through this connection, it will be possible to carry out everything from surveying to the creation of 3D data and data sharing with the client after editing, simply by using only the OPTiM Geo Scan account. In addition, we are making progress in our efforts to develop the LANDLOG platform and for smart construction in collaboration with Komatsu Ltd.

In the agricultural field, we and six other companies—Kubota Corporation, inaho Inc., Routrek Networks, Inc., Legmin inc., and KantoKoushin-KUBOTA—have started a demonstration experiment for smart house cultivation. By bringing together the automation solutions using robots, AI, and other technologies of each of the participating companies, we have established a demonstration environment that enables us to mutually utilize the data collected in each cultivation process, such as irrigation (watering), fertilization, pest control (prevention and extermination of pests), and harvesting. In addition, we are working on initiatives such as spraying pesticides as needed using drones in the Shirakawa area of Fukushima Prefecture, and conducting direct seeding cultivation using drones in Niigata Prefecture and various other areas to reduce the burden of rice cultivation. In this way, we are aiming to develop new solutions through conducting a series of various demonstration experiments.

In the medical field, the introduction of the hinotori™ Surgical Robot System (hereinafter referred to as hinotori™), the first made-in-Japan robotic assisted surgery system, is being promoted, and the Group continues to support its introduction in terms of software, including the Medicaroid Intelligent Network System (MINS), a platform for the network support system for hinotori™. In addition, alongside the spread of COVID-19, demand is rising for the Online Medical Care Platform reflecting the growing need for online medical care. In response to this, we have started a joint research project with Kobe University, a national university corporation, and ZAIKEN Co., Ltd. to investigate the safety and usefulness of a new form of medical treatment that utilizes a small electrocardiograph mailing system for outpatient treatment of atrial fibrillation patients, using the Online Medical Pocket Doctor and duranta, a wearable electrocardiograph. Through this research, we are investigating the safety and usefulness of a new medical care format in cardiovascular outpatient clinics that combines online and face-to-face consultations.

In the field of intellectual property, a patent for an AI analysis and management system for contracts (Patent No. 6290459) received the Prize of the Minister of Education, Culture, Sports, Science and Technology at the Kyushu Regional Awards for Invention in 2021. In addition, Patent Result Co., Ltd. has ranked Shunji Sugaya, the President of the Company, as number one for individual patent assets in the field of information and communications in Japan from 1993 to 2020.

We will hold an event called OPTiM INNOVATION 2021 to introduce our activities in these various fields, as well as AI and IoT solutions that can be immediately applied to business. This year, we plan to hold the event on separate days for each of the multiple industries in which the Group is involved under the theme of DX to Change Your Work. The first event is OPTiM INNOVATION 2021 Construction for the construction industry, the second is OPTiM INNOVATION 2021 Agri for the agriculture industry, and the third and fourth are OPTiM INNOVATION 2021 Medical for the medical industry, and OPTiM INNOVATION 2021 Final for all kinds of companies, including the office, retail and manufacturing industries. At OPTiM INNOVATION 2021 Construction, we will introduce the latest developments for digital transformation at construction sites, such as i-Construction, ICT utilization, 3D construction, and BIM (\*2)/CIM (\*3), as well as updated information, introduction and utilization cases, and the future prospects of OPTiM Geo Scan, a surveying application that will revolutionize construction sites. At OPTiM INNOVATION 2021 Agri, we will introduce new services related to smart agriculture promoted by our Group, examples of projects using cutting-edge technologies including our patented Pinpoint Pesticide Spraying Technology, and initiatives with partners.

As a result, the consolidated operating results for the first half of the current fiscal year were as follows: net sales of 3,521,478,000 yen (up 15.4% year on year), operating profit of 571,878,000 yen (up 75.6% year on year), ordinary profit of 516,550,000 yen (up 0.4% year on year), and profit attributable to owners of parent of 319,884,000 yen (down 0.5% year on year).

As mentioned above, both sales and profits have been steadily increasing.

The gap between operating profit and ordinary profit is large, but this is due to the fact that all three joint ventures established from the previous fiscal year to the current fiscal year are in an investment phase and therefore they are incurring upfront expenses.

Profit attributable to owners of parent decreased year on year, but this was caused by the fact that in the previous fiscal year, there were postings of non-operating income as a special factor, including commissions income (approximately 92 million yen)

due to the delay in the finalization of government subsidies, etc., and a gain on investments in investment partnerships (approximately 99 million yen).

The Group's sales structure is heavily weighted toward the second half of the fiscal year due to the fact that stock-type sales are the mainstay of the Group's sales and that the acceptance inspection period for flow-type customization income tends to be concentrated in the second half of the fiscal year.

On the other hand, there are concerns about the long-term economic impact of COVID-19 on a global scale. Even now that the emergency declaration and quasi-emergency measures imposed nationwide in Japan have been lifted, the future status of the COVID-19 pandemic and its impact on society remain uncertain, and the extent of its impact on the Group is unpredictable. In the event that infections spread again in the future and the pandemic does not come to an end, this may lead to a slowdown of the economy itself, which may have an impact on our group.

The Group's sales structure is heavily weighted toward the second half of the fiscal year due to the fact that stock-type sales are the mainstay of the Group's sales and that the acceptance inspection period for flow-type customization income tends to be concentrated in the second half of the fiscal year.

- \*1 DX: Digital transformation. The concept is that the penetration of IT will change people's lives for the better in all aspects, meaning that companies will use technology to fundamentally change the performance and scope of their business.
- \*2 BIM: Abbreviation for Building Information Modeling. It is an initiative to improve the efficiency and sophistication of overall construction production and management systems by introducing 3D models from the planning, survey, and design stages to facilitate information sharing among related parties throughout the project through linking and developing 3D models in the subsequent construction and maintenance/management stages.
- \*3 CIM: Abbreviation for Construction Information Modeling/Management. This refers to the introduction of BIM, which has been used in the field of architecture, in the field of civil engineering.

## (ii) Analysis of financial position

### (Assets)

The balance of assets at the end of the second quarter of the current consolidated fiscal year was 5,844,057,000 yen, a decrease of 404,849,000 yen from the end of the previous consolidated fiscal year. This was mainly due to decreases of 651,282,000 yen in notes and accounts receivable-trade and contract assets, and 305,807,000 yen in cash and deposits, despite increases of 324,443,000 yen in software and 177,375,000 yen in software in progress.

### (Liabilities)

The balance of total liabilities at the end of the second quarter of the current consolidated fiscal year was 1,172,837,000 yen, a decrease of 720,180,000 yen on the end of the previous consolidated fiscal year. This was mainly due to a decrease of 261,795,000 yen in notes and accounts payable-trade and 357,166,000 yen in income taxes payable.

### (Net assets)

The balance of net assets at the end of the second quarter of the current consolidated fiscal year was 4,671,220,000 yen, an increase of 315,331,000 yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 319,884,000 yen in retained earnings resulting from profit attributable to owners of parent.

## (2) Analysis of Cash Flow Status

Cash and cash equivalents (hereinafter referred to as cash) at the end of the second quarter of the current consolidated fiscal year decreased by 305,807,000 yen on the end of the previous consolidated fiscal year to 1,147,869,000 yen.

The status of each cash flow and their factors during the first half of the current consolidated fiscal year are as follows.

### (Net cash provided by (used in) operating activities)

Net cash provided by operating activities amounted to 566,164,000 yen (compared to 510,363,000 yen provided in the same period of the previous fiscal year). This was mainly due to a decrease in notes and accounts receivable-trade of 651,282,000 yen and a decrease in notes and accounts payable-trade of 252,252,000 yen.

### (Net cash provided by (used in) investing activities)

Net cash used in investing activities amounted to 867,887,000 yen (compared to 325,941,000 yen used in the same period of

the previous fiscal year). This was mainly due to payments of 613,531,000 yen for the acquisition of intangible fixed assets and payments of 151,169,000 yen for leasehold and guarantee deposits.

(Net cash provided by (used in) financing activities)

Net cash used in financing activities amounted to 4,084,000 yen (compared to 559,000 yen provided in the same period of the previous fiscal year). This was mainly due to the payment of 4,200,000 yen in dividends paid to non-controlling interests.

(3) Management policy and strategy, etc.

During the first half of the current fiscal year, there were no significant changes to the management policies and strategies, etc., determined by the Group.

(4) Factual and financial issues to be addressed

During the first half of the current fiscal year, there were no significant changes to the issues that the Group must address.

(5) Research and development activities

The total amount of our Group's research and development expenses for the first half of the current fiscal year was 595,486,000 yen. Note that research and development expenses under selling, general and administrative expenses totaled 543,757,000 yen. This was due to the fact that contract income related to research and development was treated as a deduction from selling, general and administrative expenses.

There were no significant changes in the status of the Group's research and development activities during the first half of the current fiscal year.

(6) Factors that may have a significant impact on operating results

There were no significant changes in the major factors affecting the Group's operating results during the first half of the current consolidated fiscal year.

(7) Analysis of sources of capital and liquidity of funds

(i) Demand for funds

The main demand for working capital in the Group's business activities is for labor and subcontracting costs for research and development investments.

(ii) Financial policy

Cash and cash equivalents at the end of the second quarter of the current fiscal year totaled 1,147,869,000 yen, or 19.6% of total assets.

The Group conducts research and development activities and capital investment mainly with funds generated from operating activities.

### 3. Important contracts, etc., for management purposes

There was no decision or conclusion of any important contract for management, etc., during the second quarter of the current consolidated fiscal year.

### 3. Status of the Submitting Company

#### 1. Status of Shares, etc.

##### (1) Total Number of Shares, etc.

##### (i) Total number of shares

Type	Total number of shares authorized (shares)
Common stock	195,712,000
Total	195,712,000

##### (ii) Number of issued shares

Type	Number of issued shares as of the end of the second quarter (shares) (As of September 30, 2021)	Number of issued shares as of the date of submission (shares) (As of November 12, 2021)	Name of listed financial instruments exchange or registered and licensed financial instruments business association	Details
Common stock	55,130,688	55,138,272	Tokyo Stock Exchange, Inc. (First Section)	The number of shares per unit is 100 shares. This is the standard stock of the Company with full voting rights and no restrictions on the content of rights.
Total	55,130,688	55,138,272	-	-

(Note) Number of issued shares as of the date of submission does not include the number of shares issued upon exercise of stock acquisition rights from November 1, 2021, to the date of submission of this quarterly report.

##### (2) Status of Stock Acquisition Rights, etc.

##### (i) Details of the stock option plan

Not applicable.

##### (ii) Status of other stock acquisition rights, etc.

Not applicable.

##### (3) Status of Exercise of Bonds with Stock Acquisition Rights Subject to Exercise Price Revision, etc.

Not applicable.

##### (4) Changes in Total Number of Issued Shares, Share Capital, etc.

Period	Increase or decrease in the number of issued shares (Shares)	Balance of total number of issued shares (Shares)	Increase or decrease in share capital (1,000 yen)	Balance of share capital (1,000 yen)	Increase or decrease in legal capital surplus (1,000 yen)	Balance of legal capital surplus (1,000 yen)
From July 1, 2021 to September 30, 2021 (Note) 1	1,216	55,130,688	29	443,806	29	408,306

(Note) 1. The increase is due to the exercise of stock acquisition rights.

2. During the period from October 1, 2021 to October 31, 2021, the total number of issued shares increased by 7,584 shares, and share capital and legal capital surplus increased by 182,000 yen respectively due to the exercise of stock acquisition rights.



(5) Status of Major Shareholders

As of September 30, 2021

Name	Address	Number of shares held (Shares)	Ratio of the number of shares held to the total number of shares issued (excluding treasury stock) (%)
Shunji Sugaya	Minato-ku, Tokyo	35,184,800	63.92
Nippon Telegraph and Telephone East Corporation	3-19-2 Nishi-shinjuku, Shinjuku-ku, Tokyo	3,200,000	5.81
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo	1,333,300	2.42
The Master Trust Bank of Japan, Ltd. (Trust Account)	2-11-3 Hamamatsucho, Minato-ku, Tokyo	1,302,600	2.37
The Dai-ichi Life Insurance Company, Limited (Standing proxy, Custody Bank of Japan, Ltd.)	1-13-1 Yurakucho, Chiyoda-ku, Tokyo (1-8-12 Harumi, Chuo-ku, Tokyo)	791,600	1.44
Katsuzo Ogami	Kita-ku, Osaka City, Osaka Prefecture	669,500	1.22
FUJIFILM Business Innovation Corp.	9-7-3 Akasaka, Minato-ku, Tokyo	589,280	1.07
Custody Bank of Japan, Ltd. (Trust Account 9)	1-8-12 Harumi, Chuo-ku, Tokyo	587,400	1.07
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC) (Standing proxy, MUFG Bank, Ltd.)	PETERBOROUGH COURT 133 FLEET STREET LONDON EC4A 2BB UNITED KINGDOM 2-7-1 Marunouchi, Chiyoda-ku, Tokyo	528,397	0.96
Koichiro Nonomura	Ota-ku, Tokyo	300,800	0.55
Total	-	44,487,677	80.83

(6) Status of Voting Rights

(i) Number of issued shares

As of September 30, 2021

Classification	Number of shares (shares)	Number of voting right	Details
Shares without voting right	-	-	-
Shares with restricted voting rights (Treasury stock, etc.)	-	-	-
Shares with restricted voting rights (Other)	-	-	-
Shares with full voting rights (Treasury stock, etc.)	(Shares owned by the Company) Common stock 89,300	-	-
Shares with full voting rights (Other)	Common stock 55,009,900	550,099	-
Shares less than a basic unit	Common stock 31,488	-	Shares less than one unit (100 shares)
Total number of issued shares	55,130,688	-	-
Total number of voting rights of shareholders	-	550,099	-

(ii) Treasury stock, etc.

As of September 30, 2021

Owner's name	Owner's address	The number of shares owned under the name of the Company (shares)	The number of shares owned under the name of other companies (shares)	Total number of shares owned	Ratio of the number of shares owned to the total number of issued shares (%)
(Shares owned by the Company) OPTiM CORPORATION	1 Honjo-machi, Saga City, Saga Prefecture	89,300	-	89,300	0.16
Total	-	89,300	-	89,300	0.16

## 2. Status of Officers

Not applicable.

## 4. Status of Accounting

### 1. Method of preparation of quarterly consolidated financial statements

The Company's quarterly consolidated financial statements are prepared in accordance with the Regulations Concerning Terminology, Forms and Preparation Methods of Quarterly Consolidated Financial Statements. (Cabinet Office Ordinance No. 64, 2007).

### 2. Audit certification

The Company received a quarterly review of its quarterly consolidated financial statements for the second quarter (July 1, 2021 to September 30, 2021) and the second quarter cumulative period (April 1, 2021 to September 30, 2021) by Grant Thornton Taiyo LLC under the provisions of Article 193-2, paragraph 1 of the Financial Instruments and Exchange Act.

## 1. Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance Sheets

(1,000 yen)

	(As of March 31, 2021)	(As of September 30, 2021)
<b>Assets</b>		
Current assets		
Cash and deposits	1,453,676	1,147,869
Notes and accounts receivable - trade	1,807,181	-
Notes and accounts receivable - trade, and contract assets	-	1,155,898
Inventories	* 101,376	* 68,977
Other	153,079	158,085
Total current assets	3,515,313	2,530,831
Non-current assets		
Property, plant and equipment	253,562	208,608
Intangible assets		
Software	671,005	995,448
Software in progress	131,510	308,885
Other	17,157	13,868
Total intangible assets	819,673	1,318,202
Investments and other assets		
Leasehold and guarantee deposits	336,116	484,851
Deferred tax assets	636,647	595,925
Other	687,592	705,638
Total investments and other assets	1,660,356	1,786,415
Total non-current assets	2,733,593	3,313,226
Total assets	6,248,906	5,844,057
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	612,195	350,400
Short-term borrowings	17,150	17,150
Income taxes payable	531,856	174,690
Provision for bonuses	135,322	102,933
Other provisions	23,054	11,963
Asset retirement obligations	-	55,230
Other	511,495	455,213
Total current liabilities	1,831,074	1,167,581
Non-current liabilities		
Asset retirement obligations	61,943	5,255
Total non-current liabilities	61,943	5,255
Total liabilities	1,893,017	1,172,837
<b>Net assets</b>		
Shareholders' equity		
Share capital	443,749	443,806
Capital surplus	727,880	727,938
Retained earnings	3,110,494	3,430,378
Treasury shares	(75,272)	(75,272)
Total shareholders' equity	4,206,852	4,526,851
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	52,861	52,861
Total accumulated other comprehensive income	52,861	52,861
Non-controlling interests	96,175	91,507
Total net assets	4,355,888	4,671,220
Total liabilities and net assets	6,248,906	5,844,057

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

(Quarterly Consolidated Statements of Income]

For the first half of the consolidated accounting period

(1,000 yen)

	For the six months ended September 30, 2020	For the six months ended September 30, 2021
Net sales	3,051,093	3,521,478
Cost of sales	1,145,478	1,525,333
Gross profit	1,905,615	1,996,145
Selling, general and administrative expenses	* 1,579,993	* 1,424,266
Operating profit	325,621	571,878
Non-operating income		
Interest income	3	3
Commission income	92,630	0
Insurance claim income	1,301	1,168
Subsidy income	-	269
Gain on investments in investment partnerships	99,182	748
Consumption tax gain	-	14,410
Miscellaneous income	4,190	2,578
Total non-operating income	197,308	19,179
Non-operating expenses		
Foreign exchange losses	1,664	5
Loss on retirement of non-current assets	-	2,772
Share of loss of entities accounted for using equity method	6,517	71,630
Miscellaneous losses	-	98
Total non-operating expenses	8,181	74,507
Ordinary profit	514,748	516,550
Profit before income taxes	514,748	516,550
Income taxes - current	164,691	156,412
Income taxes - deferred	28,138	40,722
Total income taxes	192,829	197,134
Profit	321,919	319,416
Profit (loss) attributable to non-controlling interests	430	(467)
Profit attributable to owners of parent	321,488	319,884

Quarterly Consolidated Statements of Comprehensive Income

For the first half of the consolidated accounting period

(1,000 yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
Profit	321,919	319,416
Comprehensive income	321,919	319,416
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	321,488	319,884
Comprehensive income attributable to non-controlling interests	430	(467)

(3) [Quarterly consolidated statements of cash flows]

(1,000 yen)

	For the six months ended September 30, 2020	For the six months ended September 30, 2021
Net cash provided by (used in) operating activities		
Profit before income taxes	514,748	516,550
Depreciation and amortization expense	58,381	159,351
Amortization of goodwill	-	3,289
Increase (decrease) in provision for bonuses for board directors (and other officers)	(10,094)	(11,090)
Increase (decrease) in provision for bonuses	(33,563)	(32,388)
Interest and dividend income	(3)	(3)
Foreign exchange losses (gains)	1,713	-
Loss (gain) on investments in investment partnerships	(98,358)	(748)
Share of loss (profit) of entities accounted for using equity method	5,694	71,630
Decrease (increase) in trade receivables	588,611	651,282
Decrease (increase) in inventories	(10,508)	32,398
Increase (decrease) in trade payables	(137,689)	(252,252)
Loss (gain) on sales of non-current assets	(124)	-
Loss on retirement of non-current assets	-	2,772
Decrease (increase) in accounts receivable - other	(11,677)	(5,975)
Increase (decrease) in accounts payable - other	(126,597)	3,643
Increase (decrease) in accrued expenses	(14,236)	4,111
Increase (decrease) in accrued consumption taxes	(73,392)	(126,386)
Increase (decrease) in unearned revenue	161,413	66,571
Increase (decrease) in deposits received	(61,387)	(4,383)
Other	(179)	(8,025)
Subtotal	752,748	1,070,347
Interest and dividends received	3	3
Income taxes paid	(242,388)	(504,186)
Net cash provided by (used in) operating activities	510,363	566,164
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(11,195)	(15,048)
Proceeds from sales of property, plant and equipment	1,015	-
Purchase of intangible assets	(313,672)	(613,531)
Purchase of investment securities	(30,000)	-
Loan advances	(21,000)	-
Payments for asset retirement obligations	-	(800)
Purchase of shares of subsidiaries and associates	(82,000)	(98,000)
Proceeds from distributions from investment partnerships	129,447	9,200
Payments of leasehold and guarantee deposits	(199)	(151,169)
Proceeds from refund of leasehold and guarantee deposits	1,465	1,264
Other	198	198
Net cash provided by (used in) investing activities	(325,941)	(867,887)
Net cash provided by (used in) financing activities		
Dividends paid to non-controlling interests	-	(4,200)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	559	115
Net cash provided by (used in) financing activities	559	(4,084)
Effect of exchange rate change on cash and cash equivalents	(1,713)	-
Net increase (decrease) in cash and cash equivalents	183,267	(305,807)
Cash and cash equivalents at beginning of period	1,263,910	1,453,676
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	20,500	-
Cash and cash equivalents at end of period	* 1,467,677	* 1,147,869

[Notes]

(Change in the scope of consolidation or application of the equity method)

(1) Significant changes in the scope of application of the equity method

Effective from the first quarter of the consolidated accounting period, the newly established DXGoGo Inc., has been included in the scope of application of the equity method.

(Change in accounting policy)

(Application of Accounting Standard for Revenue Recognition, etc.)

The Company has adopted "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020, hereinafter referred to as "Revenue Recognition Accounting Standard") and other related standards from the beginning of the first quarter of the consolidated accounting period, and it will recognize revenue at the amount expected to be received in exchange for the promised goods or services when the control of the goods or services is transferred to the customer.

Regarding the application of the revenue recognition accounting standard, etc., the Company followed the transitional treatment prescribed in the proviso of Paragraph 84 of the Revenue Recognition Accounting Standard and calculated the cumulative effect of retroactively applying the new accounting policy prior to the beginning of the first quarter of the current consolidated fiscal year, but there was no such cumulative effect and no impact on profit and loss for the first half of the current consolidated fiscal year.

Due to the application of the Revenue Recognition Accounting Standard, notes and accounts receivable-trade, which was included in current assets in the consolidated balance sheet for the previous fiscal year, is now included in notes, accounts receivable-trade and contract assets from the first quarter of the consolidated accounting period. In accordance with the transitional treatment prescribed in Paragraph 89-2 of the Revenue Recognition Accounting Standard, the Company has not made any reclassifications based on the new presentation method for the previous consolidated fiscal year.

In accordance with the transitional treatment prescribed in Paragraph 28-15 of the Accounting Standard for Quarterly Financial Reporting (ASBJ Statement No. 12, March 31, 2020), information on revenues from contracts with customers for the six months ended September 30, 2020, has not been broken down.

(Changes in accounting estimates)

(Changes in the useful lives of tangible fixed assets)

During the second quarter of the current consolidated fiscal year, we decided to relocate the Tokyo head office. As a result of the relocation, the useful lives of fixed assets that will no longer be available for use have been reduced and this change will be applied proactively.

As a result of this change, each of operating profit, ordinary profit, and profit (loss) before income taxes for the first half of the current consolidated fiscal year decreased by 16,385,000 yen compared to the amounts based on the previous method.

(Additional information)

(Application of Accounting Standard for Fair Value Measurement)

The Company has applied the Accounting Standard for Fair Value Measurement (ASBJ Statement No. 30, July 4, 2019; hereinafter referred to as the Fair Value Measurement Accounting Standard), etc., from the beginning of the first quarter of the consolidated accounting period and will apply the new accounting policy prescribed by the Fair Value Measurement Accounting Standard, etc., prospectively in accordance with the transitional treatment prescribed in Paragraph 19 of the Fair Value Measurement Accounting Standard and Paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019). There is no impact on the quarterly consolidated financial statements, as the Company does not hold any financial instruments whose fair value is used as the value on the quarterly consolidated balance sheet.

(Accounting estimate for the impact of the spread of the new coronavirus)

During the second quarter of the current fiscal year, there were no significant changes from the Additional Information described in the Annual Securities Report for the previous fiscal year.



Quarterly Consolidated Balance Sheets

\* The breakdown of inventory assets is as follows.

	As of March 31, 2021	As of September 30, 2021
Merchandise and finished goods	92,123,000 yen	55,943,000 yen
Work in process	6,749,000 yen	10,838,000 yen
Raw materials and supplies	2,503,000 yen	2,195,000 yen

(Notes to Quarterly Consolidated Statements of Income)

\* The major items and amounts of selling, general and administrative expenses are as follows.

	For the six months ended September 30,2020	For the six months ended September 30,2021
Salary and allowance	266,302,000 yen	316,231,000 yen
Provision for bonuses	36,423,000 yen	38,681,000 yen
Provision for bonuses for board directors (and other officers)	11,318,000 yen	11,963,000 yen
Research and development expenses	777,444,000 yen	543,757,000 yen

(Matters related to quarterly consolidated statements of cash flows)

\* The following table shows the relationship between the balance of cash and cash equivalents at the end of the quarter and the amount of items recorded in the quarterly consolidated balance sheets.

	For the six months ended September 30,2020	For the six months ended September 30,2021
Cash and deposits	1,467,677,000 yen	1,147,869,000 yen
Cash and cash equivalents	1,467,677,000 yen	1,147,869,000 yen

(Segment information, etc.)

[Segment information]

I For the six months ended September 30, 2020

Since the Group's only business is the license sales and maintenance support service (Optimal) business, this information is omitted.

II For the six months ended September 30, 2021

Since the Group's only business is the license sales and maintenance support service (Optimal) business, this information is omitted.

(Matters related to revenue recognition)

Disaggregated information on revenue from contracts with major customers is as follows.

For the six months ended September 30, 2021

(1,000 yen)	
	Amount
Stock-type income	2,903,972
Flow-type income	617,505
Revenue from contracts with customers	3,521,478
Sales from external customers	3,521,478

(Per share information)

Basic earnings per share and the basis for its calculation, as well as diluted earnings per share and the basis for its calculation, are as follows.

Item	For the six months ended September 30, 2020	For the six months ended September 30, 2021
(1) Basic earnings per share	5.84 yen	5.81 yen
(Basis for calculation)		
Profit attributable to owners of parent (1,000 yen)	321,488	319,884
Amount not attributable to common shareholders (1,000 yen)	-	-
Net income attributable to owners of the parent related to common stock (1,000 yen)	321,488	319,884
Average number of shares of common stock during the period (shares)	55,037,508	55,040,711
(2) Diluted earnings per share	5.80 yen	5.77 yen
(Basis for calculation)		
Adjustment to profit attributable to owners of parent (1,000 yen)	-	-
Increase in the number of common stocks (shares)	408,593	402,221
Summary of dilutive shares not included in the calculation of diluted earnings per share due to the absence of dilutive effects, but with significant changes on the end of the previous fiscal year	-	-

(Significant subsequent events)

Not applicable.

2. Other

Not applicable.

## Section II. Information on the Guarantee Company, etc., of the Submitting Company

Not applicable.

## Independent Auditor's Quarterly Review Report

November 12, 2021

OPTiM CORPORATION

To the Board of Directors

Grant Thornton Taiyo LLC

Tokyo Office

Designated Limited Liability Partner  
Corporate Executive Partner

Certified Public Accountant

Youichi Honma

Seal

Designated Limited Liability Partner  
Corporate Executive Partner

Certified Public Accountant

Motoki Ishikawa

Seal

### Auditor's conclusion

We have conducted a quarterly review of the quarterly consolidated financial statements; namely, the quarterly consolidated balance sheet, quarterly consolidated statement of income, quarterly consolidated statement of comprehensive income, quarterly consolidated statements of cash flows and notes for the second quarter (from July 1, 2021 to September 30, 2021) and the cumulative second quarter (from April 1, 2021 to September 30, 2021) of the consolidated fiscal year from April 1, 2021 to March 31, 2022 of OPTiM CORPORATION, which are included in the section of Status of Accounting in accordance with the provisions of Article 193-2, paragraph 1 of the Financial Instruments and Exchange Act.

In the quarterly review conducted by our firm, we did not find anything in all material respects to cause us to believe that the above quarterly consolidated financial statements do not present fairly and in conformity with accounting principles for quarterly consolidated financial statements generally accepted in Japan, the financial position of OPTiM CORPORATION and its consolidated subsidiaries as of September 30, 2021, as well as the results of operations and the status of cash flows for the first half ended September 30, 2021.

### Basis for the auditor's conclusion

We have conducted our quarterly review in accordance with the quarterly review standards generally accepted in Japan. In the quarterly review standards, our responsibility is stated in the section of Responsibility of the Auditor in Quarterly Review of Quarterly Consolidated Financial Statement. We are independent of the Company and its consolidated subsidiaries in accordance with the rules of professional ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that we have obtained the evidence that forms the basis for our conclusions.

### Responsibility of management, Corporate Auditors, and Board of Corporate Auditors for quarterly consolidated financial statements

The Company's management is responsible for the preparation and fair presentation of the quarterly consolidated financial statements in accordance with the standards for the preparation of quarterly consolidated financial statements generally accepted in Japan. This includes the establishment and operation of internal control deemed necessary by management to prepare and properly present quarterly consolidated financial statements that are free from material misstatement, either due to fraud or error.

In preparing the quarterly consolidated financial statements, management evaluates whether it is appropriate to prepare quarterly consolidated financial statements based on the premise of going concern, and if it is necessary to disclose matters concerning going concern in accordance with the standards for preparing quarterly consolidated financial statements generally accepted in Japan, management is responsible for disclosing such matters.

The responsibility of the Corporate Auditors and the Board of Corporate Auditors is to monitor the execution of duties by the Directors in the preparation and operation of the financial reporting process.

#### Auditor's responsibility for the quarterly review of the quarterly consolidated financial statements

The auditor's responsibility is to express a conclusion on the quarterly consolidated financial statements based on the quarterly review conducted by the auditor from an independent position in the quarterly review report.

Throughout the course of the quarterly review, the auditor will exercise professional judgment in accordance with quarterly review standards generally accepted in Japan and will conduct the following with professional skepticism.

- Conduct quarterly review procedures, including questioning, analytical procedures, and other procedures primarily with respect to management and persons responsible for financial and accounting matters. Quarterly review procedures are limited procedures compared to an audit of annual financial statements performed in accordance with auditing standards generally accepted in Japan.
- In the event that the auditor determines that there is a material uncertainty regarding events or circumstances that may cast significant doubt on the Company's ability to continue as a going concern, the auditor concludes, based on the evidence available, that there is no matter that causes the auditor to believe that the quarterly consolidated financial statements do not present fairly, in conformity with preparation standards for quarterly consolidated financial statements generally accepted in Japan. In addition, if a material uncertainty regarding the premise of a going concern is recognized, the quarterly review report should draw readers' attention to the notes to the quarterly consolidated financial statements, or if the notes to the quarterly consolidated financial statements regarding the material uncertainty are not appropriate, a limited conclusion or a negative conclusion on the quarterly consolidated financial statements should be expressed. Although the auditor's conclusions are based on evidence obtained up to the date of the quarterly review report, it is possible that future events or circumstances may make it impossible for the entity to continue as a going concern.
- Evaluate whether there is anything that causes us to believe that the presentation of the quarterly consolidated financial statements and the notes thereto do not conform to the standards for the preparation of quarterly consolidated financial statements generally accepted in Japan, and whether there is anything that causes us to believe that the quarterly consolidated financial statements, their presentation, their composition, and their contents, including the related notes thereto, do not present fairly the underlying transactions and accounting events.
- Obtain evidence concerning the financial information of the Company and its consolidated subsidiaries in order to express a conclusion on the quarterly consolidated financial statements. The auditor is responsible for directing, supervising and performing the quarterly review of the quarterly consolidated financial statements. The auditor shall be solely responsible for the auditor's conclusions.

The auditor shall report to the Corporate Auditors and the Board of Corporate Auditors on the scope of the planned quarterly review, the timing of the review, and any significant findings of the quarterly review.

The auditor shall report to the Corporate Auditors and the Board of Corporate Auditors on the auditor's compliance with the provisions of professional ethics in Japan regarding independence, on matters that may reasonably be considered to affect the auditor's independence, and on safeguards, if any, taken to remove or reduce disincentives.

#### Conflicts of interest

There are no interests between the Company or its consolidated subsidiaries and our audit firm or its executive partners that should be disclosed pursuant to the provisions of the Certified Public Accountants Law.

End

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- (Note) 1. The above is an electronic version of the matters stated in the original quarterly review report, the original of which is kept separately by the Company (the company submitting the quarterly report).
2. XBRL data is not included in the scope of this quarterly review.