

Translation

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Summary of Non-Consolidated Financial Results for the Nine Months Ended October 31, 2021 (Based on Japanese GAAP)

December 14, 2021

Company name: Enigmo Inc.
 Stock exchange listing: Tokyo
 Stock code: 3665 URL <http://http://www.enigmo.co.jp/>
 Representative: Representative Director, CEO Shokei SUDA
 Executive Officer,
 Inquiries: Chief Director of Corporate Operation Yoichi KANEDA TEL 03-6894-3665
 Scheduled date to file Quarterly Securities Report: December 14, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the nine months ended October 31, 2021 (from February 1, 2021 to October 31, 2021)

(1) Non-consolidated operating results (cumulative)

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	%
Nine months ended October 31, 2021	5,298	12.3	1,974	4.9	1,994	6.0	1,358	4.0
Nine months ended October 31, 2020	4,719	14.3	1,883	9.1	1,881	10.1	1,306	10.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended October 31, 2021	32.62		32.60	
Nine months ended October 31, 2020	31.38		–	

(2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of October 31, 2021	12,881		10,164		78.6	
As of January 31, 2021	12,737		9,220		72.1	

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended January 31, 2021	–	0.00	–	10.00	10.00
Year ending January 31, 2022	–	0.00	–		
Year ending January 31, 2022 (Forecast)				–	–

3. Forecast of non-consolidated financial results for the year ending January 31, 2022 (from February 1, 2021 to January 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	7,521	6.3	2,800	(7.7)	2,810	(7.3)	1,920	(8.5)	46.11

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: No

(2) 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: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of October 31, 2021	42,642,000 shares	As of January 31, 2021	42,642,000 shares
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Number of treasury shares at the end of the period

As of October 31, 2021	1,000,040 shares	As of January 31, 2021	1,000,040 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended October 31, 2021	41,641,960 shares	Nine months ended October 31, 2020	41,641,960 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of January 31, 2021	As of October 31, 2021
Assets		
Current assets		
Cash and deposits	11,807,725	12,082,261
Accounts receivable - trade	331,943	286,686
Merchandise	5,071	7,507
Supplies	5,061	4,686
Advance payments - trade	61,089	41,372
Prepaid expenses	42,347	46,461
Accounts receivable - other	84,629	56,096
Other	1,281	4,815
Total current assets	12,339,150	12,529,887
Non-current assets		
Property, plant and equipment		
Buildings	43,382	28,122
Tools, furniture and fixtures	25,363	19,396
Total property, plant and equipment	68,746	47,519
Intangible assets		
Software	10,652	12,740
Other	18	18
Total intangible assets	10,671	12,759
Investments and other assets		
Investment securities	193,341	206,331
Shares of subsidiaries and associates	104	104
Leasehold and guarantee deposits	63,820	32,336
Long-term prepaid expenses	5,351	4,095
Deferred tax assets	56,020	48,132
Total investments and other assets	318,638	290,999
Total non-current assets	398,056	351,278
Total assets	12,737,206	12,881,166
Liabilities		
Current liabilities		
Accounts payable - other	362,214	363,734
Accrued expenses	8,094	8,262
Income taxes payable	666,181	129,308
Accrued consumption taxes	149,736	66,027
Deposits received	2,273,483	2,096,123
Asset retirement obligations	13,800	–
Provision for point card certificates	33,300	39,334
Other	2,665	6,948
Total current liabilities	3,509,476	2,709,737
Non-current liabilities		
Asset retirement obligations	7,152	7,209
Total non-current liabilities	7,152	7,209
Total liabilities	3,516,629	2,716,947

(Thousands of yen)

	As of January 31, 2021	As of October 31, 2021
Net assets		
Shareholders' equity		
Share capital	381,903	381,903
Capital surplus		
Legal capital surplus	321,103	321,103
Other capital surplus	70,371	70,371
Total capital surpluses	391,474	391,474
Retained earnings		
Other retained earnings		
Retained earnings brought forward	8,821,715	9,763,742
Total retained earnings	8,821,715	9,763,742
Treasury shares	(415,429)	(415,429)
Total shareholders' equity	9,179,664	10,121,691
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(160)	(160)
Deferred gains or losses on hedges	554	2,168
Total valuation and translation adjustments	394	2,008
Share acquisition rights	40,519	40,519
Total net assets	9,220,577	10,164,219
Total liabilities and net assets	12,737,206	12,881,166

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended October 31, 2020	Nine months ended October 31, 2021
Net sales	4,719,579	5,298,707
Cost of sales	877,385	1,018,867
Gross profit	3,842,194	4,279,839
Selling, general and administrative expenses	1,959,098	2,305,291
Operating profit	1,883,095	1,974,547
Non-operating income		
Interest income	107	104
Foreign exchange gains	–	17,376
A lecture and a manuscript fee income	28	–
Subsidy income	–	2,420
Gain on sales of goods	96	–
Other	0	607
Total non-operating income	232	20,508
Non-operating expenses		
Foreign exchange losses	1,784	–
Share issuance costs	180	–
Miscellaneous loss	–	643
Total non-operating expenses	1,964	643
Ordinary profit	1,881,363	1,994,412
Extraordinary income		
Gain on sales of non-current assets	232	–
Gain on sales of investment securities	3,077	–
Total extraordinary income	3,310	–
Extraordinary losses		
Loss on sales of non-current assets	217	55
Loss on retirement of non-current assets	–	32,507
Total extraordinary losses	217	32,562
Profit before income taxes	1,884,456	1,961,849
Income taxes - current	587,714	596,227
Income taxes - deferred	(9,982)	7,175
Total income taxes	577,732	603,403
Profit	1,306,723	1,358,446