

Translation

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Summary of Non-Consolidated Financial Results for the Three Months Ended April 30, 2022 (Based on Japanese GAAP)

June 14, 2022

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: June 14, 2022
 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 three months ended April 30, 2022 (from February 1, 2022 to April 30, 2022)

(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	%
Three months ended April 30, 2022	1,671	–	544	–	545	–	381	–
Three months ended April 30, 2021	1,831	36.3	710	49.2	713	49.8	495	48.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended April 30, 2022	9.16		–	
Three months ended April 30, 2021	11.89		11.88	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of April 30, 2022	14,067	10,664	75.5
As of January 31, 2022	13,676	10,858	79.1

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended January 31, 2022	–	0.00	–	10.00	10.00
Year ending January 31, 2023	–				
Year ending January 31, 2023 (Forecast)		–	–	–	–

3. 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:	Yes
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 April 30, 2022	42,642,000 shares	As of January 31, 2022	42,642,000 shares
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Number of treasury shares at the end of the period

As of April 30, 2022	1,262,340 shares	As of January 31, 2022	1,000,040 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended April 30, 2022	41,596,860 shares	Three months ended April 30, 2021	41,641,960 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of January 31, 2022	As of April 30, 2022
Assets		
Current assets		
Cash and deposits	12,844,859	12,294,227
Accounts receivable - trade	320,402	237,676
Merchandise	8,060	7,588
Supplies	4,533	604
Advance payments to suppliers	32,525	61,430
Prepaid expenses	42,409	48,735
Accounts receivable - other	58,232	77,729
Deposits paid	–	601,927
Other	1,873	510
Total current assets	13,312,897	13,330,431
Non-current assets		
Property, plant and equipment		
Buildings	27,889	27,655
Tools, furniture and fixtures	18,620	17,392
Total property, plant and equipment	46,509	45,047
Intangible assets		
Software	11,711	14,040
Other	18	18
Total intangible assets	11,730	14,059
Investments and other assets		
Investment securities	222,764	332,209
Shares of subsidiaries and associates	104	285,896
Leasehold and guarantee deposits	32,336	32,336
Long-term prepaid expenses	3,327	2,559
Deferred tax assets	46,431	24,880
Total investments and other assets	304,964	677,882
Total non-current assets	363,203	736,989
Total assets	13,676,101	14,067,420
Liabilities		
Current liabilities		
Accounts payable - other	247,234	690,830
Accrued expenses	4,297	1,551
Income taxes payable	429,404	152,434
Accrued consumption taxes	64,235	73,174
Deposits received	2,008,973	2,393,653
Provision for point card certificates	44,151	21,754
Provision for bonuses	–	15,946
Other	11,593	46,552
Total current liabilities	2,809,889	3,395,898
Non-current liabilities		
Asset retirement obligations	7,228	7,248
Total non-current liabilities	7,228	7,248
Total liabilities	2,817,118	3,403,146

(Thousands of yen)

	As of January 31, 2022	As of April 30, 2022
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 surplus	391,474	391,474
Retained earnings		
Other retained earnings		
Retained earnings brought forward	10,460,495	10,415,179
Total retained earnings	10,460,495	10,415,179
Treasury shares	(415,429)	(564,823)
Total shareholders' equity	10,818,443	10,623,733
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	20	20
Total valuation and translation adjustments	20	20
Share acquisition rights	40,519	40,519
Total net assets	10,858,982	10,664,273
Total liabilities and net assets	13,676,101	14,067,420

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended April 30, 2021	Three months ended April 30, 2022
Net sales	1,831,571	1,671,749
Cost of sales	353,976	332,885
Gross profit	1,477,595	1,338,864
Selling, general and administrative expenses	766,763	794,808
Operating profit	710,831	544,056
Non-operating income		
Interest income	50	58
Foreign exchange gains	2,297	4,881
Subsidy income	1,000	800
Other	342	77
Total non-operating income	3,691	5,817
Non-operating expenses		
Commission expenses	–	298
Miscellaneous losses	731	4,053
Total non-operating expenses	731	4,351
Ordinary profit	713,791	545,521
Extraordinary income		
Gain on sale of non-current assets	–	24
Total extraordinary income	–	24
Extraordinary losses		
Loss on sale of non-current assets	55	–
Loss on retirement of non-current assets	2,937	–
Total extraordinary losses	2,993	–
Profit before income taxes	710,798	545,546
Income taxes - current	198,854	142,749
Income taxes - deferred	16,850	21,550
Total income taxes	215,705	164,299
Profit	495,092	381,246