

## Summary of Consolidated Financial Results for the Year Ended April 30, 2022 (Based on Japanese GAAP)



June 10, 2022

Company Name:	gumi Inc.		Stock exchange listing:	Tokyo	
Stock code:	3903	URL	https://gu3.co.jp/		
Representative:	Title	CEO	Name	Hiroyuki Kawamoto	
Inquiries:	Title	CFO	Name	Makoto Motoyoshi (TEL) 03 (5358) 5322	
Scheduled date of ordinary general meeting of shareholders:	July 27 2022				
Scheduled date to file Securities Report:	July 27 2022				
Scheduled date to commence dividend payments	—				
Preparation of supplementary material on financial results:	Yes				
Holding of quarterly financial results meeting:	Yes				

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended April 30, 2022 (from May, 2021 to April 30, 2022)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended April 30, 2022	18,942	1.7	△2,262	—	△3,890	—	△6,273	—
Year ended April 30, 2021	18,628	△6.0	1,514	△32.0	6,071	185.7	1,835	4.4

Note. Comprehensive income: FYE April 30, 2022: △5,929 millions of yen (—%) FYE April 30, 2021: 2,044 millions of yen (54.7%)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/ total assets	Operating profit/ net sales
	Yen	Yen	%	%	%
As of April 30, 2022	△214.07	—	△49.4	△17.9	△11.9
As of April 30, 2021	60.73	59.73	12.1	27.0	8.1

Notes: 1. Since “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29), etc. have been applied from the three months ended July 31, 2021, the above amounts of consolidated financial results reflect the application of the accounting standard, etc.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of April 30, 2022	18,362	10,084	50.2	316.11
As of April 30, 2021	25,012	17,190	64.7	535.17

(Reference) Equity capital: FYE April 30, 2022 9,221 millions of yen FYE April 30, 2021 16,189 millions of yen

Notes: 1. Since “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29), etc. have been applied from the three months ended July 31, 2021, the above amounts of consolidated financial results reflect the application of the accounting standard, etc.

(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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended April 30, 2022	△2,473	398	△248	6,302
Year ended April 30, 2021	2,805	△2,155	1,919	8,492

Notes: 1. Since “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29), etc. have been applied from the three months ended July 31, 2021, the above amounts of consolidated financial results reflect the application of the accounting standard, etc.

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (Consolidated)
	1 <sup>st</sup> quarter-end	2 <sup>nd</sup> quarter-end	3 <sup>rd</sup> quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FYE April 30, 2021	—	0.00	—	5.00	5.00	151	8.2	1.0
FYE April 30, 2022	—	0.00	—	0.00	0.00	—	—	—
FYE April 30, 2023 (Forecast)	—	—	—	—	—	—	—	—

Notes: 1. It is undetermined for the dividends in FYE April 30, 2023

### 3. Forecast of consolidated financial results FYE April 30, 2023 (May 1, 2022 to April 30, 2023)

Due to volatility of our business environmental changes, it is difficult to calculate and predict our accurate financial results. Therefore, we do not publish forecast of our business.

#### ※ Notes

##### (1) Changes in significant subsidiaries during the Year ended April 30, 2022

(changes in specified subsidiaries with the change in the scope of consolidation)

: No

##### (2) Changes in accounting policies, changes in accounting estimates and restatements

- |   |                  |
|---|------------------|
| 1) Changes in accounting policies due to the revision of accounting standards | : Applicable     |
| 2) Changes in accounting policies other than 1)                               | : Not applicable |
| 3) Changes in accounting estimates  | : Not applicable |
| 4) Restatements   | : Not applicable |

##### (3) Total number of issued shares (Common stock)

- 1) Total number of issued shares at the end of the period (including treasury shares)
- 2) Total number of treasury shares at the end of the period
- 3) Average number of shares during the period (cumulative)

	As of April 30, 2022	As of April 30, 2021
1) Total number of issued shares at the end of the period (including treasury shares)	31,271,400 Shares	31,231,900 shares
2) Total number of treasury shares at the end of the period	2,101,039 shares	980,039 shares
3) Average number of shares during the period (cumulative)	29,306,750 shares	30,227,710 shares

Reference: Non-consolidated financial summary

#### 1. Non-consolidated financial results for the year ended April 30, 2022 (from May, 2021 to April 30, 2022)

##### (1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended April 30, 2022	18,764	1.5	△2,837	—	△3,136	—	△5,383	—
Year ended April 30, 2021	18,493	△6.7	925	△55.1	810	△60.5	△2,100	—

	Earnings per share	Diluted earnings per share
	Yen	Yen
As of April 30, 2022	△183.68	—
As of April 30, 2021	△69.49	—

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

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of April 30, 2022	18,379	6,479	33.2	208.91
As of April 30, 2021	21,550	13,038	59.0	420.53

(Reference) Equity capital : FYE April 30, 2022 6,093 millions of yen FYE April 30, 2021 12,721 millions of yen

\* These financial results are outside the scope of annual review by certified public accountants and audit firms.

\* Explanation for the appropriate use of performance forecast and other special notes:

(Cautionary note on forward-looking statements)

The statements regarding forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management, and they are not meant to be a commitment by the Company. Therefore, there might be cases in which actual results differ materially from forecast values due to various factors.

## Consolidated financial statements

### Consolidated balance sheets

(Thousands of yen)

	As of April 30, 2021	As of April 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	8,492,510	6,302,742
Accounts receivable - trade and contract assets	1,812,179	1,852,967
Prepaid expenses	411,254	533,760
Accounts receivable - other	1,319,666	315,892
Income taxes refund receivable	2,564	213,049
Crypto assets	1,277,159	595,634
Other current asset	269,585	198,061
Total current assets	13,584,920	10,012,108
Non-current assets		
Property, plant and equipment		
Buildings	292,787	300,431
Accumulated depreciation	△ 184,641	△ 206,767
Buildings, net	108,146	93,663
Tools, furniture and fixtures	336,871	388,884
Accumulated depreciation	△ 309,632	△ 353,885
Tools, furniture and fixtures, net	27,239	34,999
Total property, plant and equipment	135,386	128,663
Intangible assets		
Software	493,142	359,920
Software in progress	3,405,522	2,548,821
Other intangible assets	73,855	25,051
Total intangible assets	3,972,519	2,933,793
Investment and other assets		
Leasehold and guarantee deposits	372,771	283,325
Investment securities	1,823,758	1,687,546
Shares of subsidiaries and associates	678,276	475,057
Investments in other securities of subsidiaries and associates	3,671,840	2,340,035
Deffered tax assets - long term -	506,086	184,905
Other investments	266,736	317,274
Total investments and other assets	7,319,469	5,288,143
Total non-current assets	11,427,375	8,350,600
<b>Total assets</b>	<b>25,012,295</b>	<b>18,362,709</b>

(Thousands of yen)

	As of April 30, 2021	As of April 30, 2022
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	542,982	393,015
Current portion of long-term borrowings	1,999,734	3,049,208
Asset retirement obligations	–	53,156
Accounts payable - other	1,016,574	1,120,955
Accrued expenses	33,344	69,714
Income taxes payable	763,577	442,151
Accrued consumption taxes	66,332	41,334
Deposits received	36,302	70,938
Provision for bonuses	100,239	106,754
Other current liabilities	16,922	395,350
Total current liabilities	4,576,010	5,742,578
Non-current liabilities		
Long-term borrowings	2,500,404	2,368,124
Asset retirement obligations	114,145	64,763
Deffered tax liabilities	631,297	102,880
Total non-current liabilities	3,245,846	2,535,767
Total liabilities	7,821,857	8,278,346
<b>Net assets</b>		
Shareholders' equity		
Share capital	9,399,470	9,417,653
Capital surplus	3,407,249	3,425,432
Retained earnings	4,336,840	△ 2,218,164
Treasury shares	△ 1,058,438	△ 2,058,370
Total shareholders' equity	16,085,121	8,566,551
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	74,790	71,151
Foreign currency translation adjustment	29,978	583,300
Total accumulated other comprehensive income	104,769	654,451
Share acquisition rights	316,551	385,108
Non-controlling interests	683,995	478,251
Total net assets	17,190,437	10,084,362
Total liabilities and net assets	25,012,295	18,362,709

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income  
(cumulative)**

Consolidated statements of income (cumulative)

(Thousands of yen)

	Fiscal year ended April 30, 2021	Fiscal year ended April 30, 2022
Net sales	18,628,710	18,942,037
Cost of Sales	13,633,170	17,043,634
Gross profit	4,995,540	1,898,403
Selling, general and administrative expenses	3,481,241	4,160,571
Operating profit (loss)	1,514,299	△ 2,262,168
Non-operating income		
Interest and dividend income	725	997
Gain on investments in investment partnerships	203,499	18,619
Gain on valuation of Crypto Assets	1,124,707	-
Gain on sale of Crypto Assets	930,898	22,201
Subsidy income	3,267	14,787
Gain on sale of non-current assets	47,668	-
Interest on tax refund	3,425	-
Gain from exemption of consumption	-	28,963
Share of profit of entities accounted for using equity method	2,368,830	-
Dividend income of insurance	-	10,000
Other non-operating income	2,013	7,807
Total non-operating income	4,685,035	103,376
Non-operating expenses		
Interest expenses	30,155	36,681
Foreign exchange losses	93,884	249,122
Loss on valuation of Crypto Assets	-	851,441
Share of loss of entities accounted for using equity method	-	571,027
Other non-operating expenses	4,164	22,981
Total non-operating expenses	128,204	1,731,255
Ordinary profit (loss)	6,071,130	△ 3,890,047
Extraordinary income		
Gain on sale of investment securities	-	11
Gain on reversal of share acquisition rights	9,398	-
Total extraordinary income	9,398	11
Extraordinary losses		
Impairment losses	1,688,647	1,906,092
Loss on valuation of investment securities	634,653	126,296
Loss on valuation of shares of subsidiaries and associates	-	217,684
Business restructuring cost	17,127	-
Retirement benefits for directors (and other officers)	-	150,000
Total extraordinary losses	2,340,429	2,400,072
Profit (loss) before income taxes	3,740,099	△ 6,290,109
Income taxes - current	753,221	436,777
Income taxes - deferred	1,187,512	△ 247,447
Total income taxes	1,940,733	189,330
Profit (loss)	1,799,366	△ 6,479,439
Loss attributable to non-controlling interests	△ 36,290	△ 205,744
Profit (loss) attributable to owner of parent	1,835,657	△ 6,273,694

## Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Fiscal year ended April 30, 2021	Fiscal year ended April 30, 2022
Profit (loss)	1,799,366	△ 6,479,439
Other comprehensive income		
Valuation difference on available-for-sale securities	52,770	△ 3,639
Foreign currency translation adjustment	126,646	335,668
Share of other comprehensive income of entities accounted for using equity method	65,517	217,653
Total other comprehensive income	244,933	549,682
Comprehensive income	2,044,300	△ 5,929,757
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,080,591	△ 5,724,012
Comprehensive income attributable to non-controlling interests	△ 36,290	△ 205,744

## Consolidated statements of cash flows

	(Thousands of yen)	(Thousands of yen)
	Fiscal year ended April 30, 2021	Fiscal year ended April 30, 2022
Cash flows from operating activities		
Profit (loss) before income taxes	3,740,099	△ 6,290,109
Depreciation	907,726	857,380
Impairment losses	1,688,647	1,906,092
Share-based payment expenses	109,115	102,306
Increase (decrease) in provision for bonuses	30,528	3,822
Interest and dividend income	△ 725	△ 997
Interest expenses	30,155	36,681
Foreign exchange losses (gains)	12,027	191,266
Subsidy income	△ 3,267	△ 14,787
Share of loss (profit) of entities accounted for using equity method	△ 2,368,830	571,027
Loss (gain) on investments in investment partnerships	△ 203,499	△ 18,619
Loss (gain) on valuation of crypto assets	△ 1,124,707	851,441
Loss (gain) on sale of crypto assets	△ 930,898	△ 22,201
Loss on valuation of shares of subsidiaries and associates	-	217,684
Loss (gain) on sale of investment securities	-	△ 11
Loss (gain) on valuation of investment securities	634,653	126,296
Business restructuring cost	17,127	-
Loss (gain) on sale of non-current assets	△ 47,668	-
Decrease (increase) in trade receivables	1,173,915	△ 14,907
Increase (decrease) in trade payables	△ 10,350	△ 152,151
Increase (decrease) in accounts payable - other	95,651	81,457
Increase (decrease) in accrued consumption taxes	△ 166,359	△ 25,005
Decrease (increase) in accounts receivable - other	△ 132,987	64,328
Decrease (increase) in prepaid expenses	5,548	△ 121,830
Decrease (increase) in consumption taxes refund receivable	△ 152,283	62,272
Other, net	△ 308,248	47,688
Subtotal	<u>2,995,372</u>	<u>△ 1,540,875</u>
Interest and dividends received	725	997
Interest paid	△ 29,798	△ 33,361
Business restructuring cost paid	△ 19,891	△ 4,419
Subsidies received	3,267	14,787
Income taxes refund (paid)	△ 144,038	△ 910,156
Net cash provided by (used in) operating activities	<u>2,805,637</u>	<u>△ 2,473,028</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	△ 13,152	△ 29,175
Proceeds from sale of intangible assets	260,958	-
Purchase of intangible assets	△ 2,591,467	△ 1,686,956
Proceeds from sale of investment securities	10,045	3,815
Purchase of investment securities	△ 3,353	△ 49,900
Purchase of investments in other securities of subsidiaries and affiliates	△ 159,300	△ 345,420
Purchase of crypto assets	△ 134,380	-
Proceeds from sale of crypto assets	59,585	948,491
Proceeds from distributions from investment partnerships	429,105	1,469,033
Payment for lease and guarantee deposits	△ 23,136	△ 3,466
Proceeds from repayment of lease and guarantee deposits	9,345	92,217
Net cash provided by (used in) investing activities	<u>△ 2,155,749</u>	<u>398,638</u>
Cash flows from financing activities		
Proceeds from long-term borrowings	5,500,000	9,634,250
Repayments of long-term borrowings	△ 3,458,824	△ 8,732,806
Proceeds from issuance of shares	27,513	39
Purchase of treasury shares	△ 38	△ 999,932
Dividends paid	△ 149,520	△ 150,008
Net cash provided by (used in) financing activities	<u>1,919,130</u>	<u>△ 248,456</u>
Effect of exchange rate change on cash and cash equivalents	90,056	133,078
Net increase (decrease) in cash and cash equivalents	<u>2,659,074</u>	<u>△ 2,189,768</u>
Cash and cash equivalents at beginning of period	<u>5,833,436</u>	<u>8,492,510</u>
Cash and cash equivalents at end of period	<u>8,492,510</u>	<u>6,302,742</u>

**Consolidated statements of changes in equity**

Fiscal year ended April 30, 2021

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance of beginning of period	9,377,841	3,385,620	2,652,130	△ 1,058,400	14,357,192
Changes during period					
Issuance of new shares	21,628	21,628			43,257
Dividends of surplus			△ 150,947		△ 150,947
Profit (loss) attributable to owners of parent			1,835,657		1,835,657
Purchase of treasury shares				△ 38	△ 38
Net changes in items other than shareholders' equity					–
Total changes during period	21,628	21,628	1,684,710	△ 38	1,727,928
Balance at end of period	9,399,470	3,407,249	4,336,840	△ 1,058,438	16,085,121

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	22,020	△ 162,184	△ 140,164	232,578	720,286	15,169,892
Changes during period						
Issuance of new shares						43,257
Dividends of surplus						△ 150,947
Profit (loss) attributable to owners of parent						1,835,657
Purchase of treasury shares						△ 38
Net changes in items other than shareholders' equity	52,770	192,163	244,933	83,972	△ 36,290	292,616
Total changes during period	52,770	192,163	244,933	83,972	△ 36,290	2,020,545
Balance at end of period	74,790	29,978	104,769	316,551	683,995	17,190,437



**Consolidated statements of changes in equity**

Fiscal year ended April 30, 2022

(Thousands of yen)

	Shareholders' equity				Total shareholders' equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	
Balance of beginning of period	9,399,470	3,407,249	4,336,840	△ 1,058,438	16,085,121
Cumulative effects of changes in accounting policies			△ 130,051		△ 130,051
Restated balance	9,399,470	3,407,249	4,206,789	△ 1,058,438	15,955,070
Changes during period					
Issuance of new shares	18,183	18,183			36,367
Dividends of surplus			△ 151,259		△ 151,259
Profit (loss) attributable to owners of parent			△ 6,273,694		△ 6,273,694
Purchase of treasury shares				△ 999,932	△ 999,932
Net changes in items other than shareholders' equity					-
Total changes during period	18,183	18,183	△ 6,424,954	△ 999,932	△ 7,388,519
Balance at end of period	9,417,653	3,425,432	△ 2,218,164	△ 2,058,370	8,566,551

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance of beginning of period	74,790	29,978	104,769	316,551	683,995	17,190,437
Cumulative effects of changes in accounting policies						△ 130,051
Restated balance	74,790	29,978	104,769	316,551	683,995	17,060,386
Changes during period						
Issuance of new shares						36,367
Dividends of surplus						△ 151,259
Profit (loss) attributable to owners of parent						△ 6,273,694
Purchase of treasury shares						△ 999,932
Net changes in items other than shareholders' equity	△ 3,639	553,321	549,682	68,557	△ 205,744	412,494
Total changes during period	△ 3,639	553,321	549,682	68,557	△ 205,744	△ 6,976,024
Balance at end of period	71,151	583,300	645,451	385,108	478,251	10,084,362