

Translation

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## Summary of Non-Consolidated Financial Results for the Year Ended December 31, 2022 (Based on Japanese GAAP)

February 13, 2023

Company name: Toyokumo, Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 4058 URL <https://toyokumo.co.jp/>  
 Representative: President CEO Yuji Yamamoto  
 Inquiries: Director General Manager CFO Kazuhiko Ishii TEL 050(3816)6668  
 Scheduled date of ordinary general meeting of shareholders: March 27, 2023  
 Scheduled date to file Securities Report: March 27, 2023  
 Scheduled date to commence dividend payments: March 28, 2023  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

### 1. Non-consolidated financial results for the year ended December 31, 2022 (from January 1, 2022 to December 31, 2022)

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

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	%
Year ended December 31, 2022	1,937	–	639	52.8	638	51.5	427	48.9
Year ended December 31, 2021	1,576	43.9	418	70.1	421	79.5	286	90.9

	Earnings per share	Diluted earnings per share	Profit/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended December 31, 2022	42.19	39.01	27.6	26.5	33.0
Year ended December 31, 2021	28.25	26.11	21.8	21.5	26.5

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

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2022	2,610	1,634	62.6	163.09
As of December 31, 2021	2,205	1,458	66.1	143.50

#### (3) Non-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 December 31, 2022	650	(4)	(250)	2,296
Year ended December 31, 2021	443	(162)	0	1,901

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Non-consolidated)	Ratio of dividends to net assets (Non-consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended December 31, 2021	–	0.00	–	5.00	5.00	50	17.7	3.9
Year ended December 31, 2022	–	0.00	–	7.00	7.00	70	16.6	4.6
Year ending December 31, 2023 (Forecast)	–	0.00	–	10.00	10.00		20.5	

3. Forecast of non-consolidated financial results for the year ending December 31, 2023 (from January 1, 2023 to December 31, 2023)

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	2,330	20.3	720	12.6	720	12.7	490	14.7	48.88

4. Notes

(1) 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

(2) Number of issued shares (common shares)

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

As of December 31, 2022	10,162,000 shares	As of December 31, 2021	10,162,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2022	137,110 shares	As of December 31, 2021	64 shares
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Average number of shares during the period

Year ended December 31, 2022	10,122,120 shares	Year ended December 31, 2021	10,152,659 shares
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**Non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of December 31, 2021	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	1,901,353	2,296,011
Accounts receivable - trade	29,274	44,675
Prepaid expenses	71,493	78,918
Allowance for doubtful accounts	(1,220)	(1,889)
Total current assets	2,000,901	2,417,715
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings	51,583	51,583
Accumulated depreciation	(1,076)	(4,305)
Facilities attached to buildings, net	50,507	47,278
Tools, furniture and fixtures	32,687	37,088
Accumulated depreciation	(9,155)	(16,985)
Tools, furniture and fixtures, net	23,531	20,103
Total property, plant and equipment	74,038	67,381
Intangible assets		
Trademark right	185	162
Software	114	–
Total intangible assets	299	162
Investments and other assets		
Leasehold deposits	108,862	102,642
Deferred tax assets	21,065	22,394
Total investments and other assets	129,927	125,036
Total non-current assets	204,266	192,580
Total assets	2,205,167	2,610,296

(Thousands of yen)

	As of December 31, 2021	As of December 31, 2022
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	21,857	23,762
Accounts payable - other, and accrued expenses	118,810	164,452
Income taxes payable	112,914	147,175
Accrued consumption taxes	36,901	52,927
Deposits received	9,731	25,228
Unearned revenue	446,698	–
Contract liabilities	–	561,230
Other	–	579
Total current liabilities	746,914	975,355
Total liabilities	746,914	975,355
<b>Net assets</b>		
Shareholders' equity		
Share capital	380,025	380,025
Capital surplus		
Legal capital surplus	350,025	350,025
Total capital surplus	350,025	350,025
Retained earnings		
Other retained earnings		
Retained earnings brought forward	728,333	1,104,561
Total retained earnings	728,333	1,104,561
Treasury shares	(130)	(199,670)
Total shareholders' equity	1,458,252	1,634,940
Total net assets	1,458,252	1,634,940
Total liabilities and net assets	2,205,167	2,610,296

## Non-consolidated statements of income

(Thousands of yen)

	Fiscal year ended December 31, 2021	Fiscal year ended December 31, 2022
Net sales	1,576,514	1,937,067
Cost of sales	173,987	59,580
Gross profit	1,402,527	1,877,487
Selling, general and administrative expenses	984,008	1,238,156
Operating profit	418,518	639,331
Non-operating income		
Interest income	12	16
Subsidy income	3,000	–
Other	0	–
Total non-operating income	3,013	16
Non-operating expenses		
Commission for purchase of treasury shares	–	598
Total non-operating expenses	–	598
Ordinary profit	421,531	638,749
Profit before income taxes	421,531	638,749
Income taxes - current	147,901	213,041
Income taxes - deferred	(13,174)	(1,329)
Total income taxes	134,726	211,711
Profit	286,805	427,037

## Non-consolidated statements of changes in equity

Fiscal year ended December 31, 2021

(Thousands of yen)

	Shareholders' equity							Total net assets
	Share capital	Capital surplus		Retained earnings		Treasury shares	Total shareholders' equity	
		Legal capital surplus	Total capital surplus	Other retained earnings	Total retained earnings			
Balance at beginning of period	379,725	349,725	349,725	441,527	441,527	–	1,170,977	1,170,977
Changes during period								
Issuance of new shares - exercise of share acquisition rights	300	300	300	–	–	–	600	600
Profit	–	–	–	286,805	286,805	–	286,805	286,805
Purchase of treasury shares	–	–	–	–	–	(130)	(130)	(130)
Total changes during period	300	300	300	286,805	286,805	(130)	287,274	287,274
Balance at end of period	380,025	350,025	350,025	728,333	728,333	(130)	1,458,252	1,458,252

Fiscal year ended December 31, 2022

(Thousands of yen)

	Shareholders' equity							Total net assets
	Share capital	Capital surplus		Retained earnings		Treasury shares	Total shareholders' equity	
		Legal capital surplus	Total capital surplus	Other retained earnings	Total retained earnings			
Balance at beginning of period	380,025	350,025	350,025	728,333	728,333	(130)	1,458,252	1,458,252
Changes during period								
Dividends of surplus	–	–	–	(50,809)	(50,809)	–	(50,809)	(50,809)
Profit	–	–	–	427,037	427,037	–	427,037	427,037
Purchase of treasury shares	–	–	–	–	–	(199,540)	(199,540)	(199,540)
Total changes during period	–	–	–	376,228	376,228	(199,540)	176,687	176,687
Balance at end of period	380,025	350,025	350,025	1,104,561	1,104,561	(199,670)	1,634,940	1,634,940

## Non-consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended December 31, 2021	Fiscal year ended December 31, 2022
Cash flows from operating activities		
Profit before income taxes	421,531	638,749
Depreciation	19,245	11,196
Depreciation and amortization on other	3,861	6,219
Increase (decrease) in allowance for doubtful accounts	359	668
Interest income	(12)	(16)
Subsidy income	(3,000)	–
Expenses for treasury stocks	–	598
Decrease (increase) in trade receivables	(8,711)	(15,400)
Increase (decrease) in trade payables	2,018	1,904
Increase (decrease) in unearned revenue	121,737	–
Increase (decrease) in contract liabilities	–	114,532
Increase (decrease) in accounts payable - other, and accrued expenses	34,857	45,903
Increase (decrease) in accrued consumption taxes	2,081	16,025
Decrease (increase) in other assets	(39,110)	(7,425)
Increase (decrease) in other liabilities	2,299	18,508
Subtotal	557,158	831,464
Interest received	12	16
Subsidies received	3,000	–
Income taxes paid	(116,804)	(181,342)
Net cash provided by (used in) operating activities	443,366	650,139
Cash flows from investing activities		
Purchase of property, plant and equipment	(76,042)	(4,662)
Payments of leasehold and guarantee deposits	(111,453)	–
Proceeds from refund of leasehold and guarantee deposits	35,904	–
Payments for asset retirement obligations	(10,870)	–
Net cash provided by (used in) investing activities	(162,461)	(4,662)
Cash flows from financing activities		
Dividends paid	–	(50,680)
Purchase of treasury shares	(130)	(200,138)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	600	–
Net cash provided by (used in) financing activities	469	(250,819)
Net increase (decrease) in cash and cash equivalents	281,374	394,657
Cash and cash equivalents at beginning of period	1,619,978	1,901,353
Cash and cash equivalents at end of period	1,901,353	2,296,011