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## Summary of Consolidated Financial Results for the Three Months Ended August 31, 2023 [Japanese GAAP]



October 13, 2023

Company name: Enjin Co., Ltd.  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 7370  
 URL: <https://www.y-enjin.co.jp/>  
 Representative: Kohdai Honda, Representative Director and President  
 Contact: Yuji Hirata, Director and General Manager, Corporate Management Division  
 Phone: +81-3-4590-0808  
 Scheduled date of filing quarterly securities report: October 13, 2023  
 Scheduled date of commencing dividend payments: –  
 Availability of supplementary explanatory materials on quarterly financial results: Available  
 Schedule of quarterly financial results briefing session: Not scheduled

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Three Months Ended August 31, 2023 (June 1, 2023–August 31, 2023)

#### (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

|                                    | Net sales   |   | Operating profit |   | Ordinary profit |   | Profit attributable to owners of parent |   |
|------------------------------------|-------------|---|------------------|---|-----------------|---|---|---|
|                                    | Million yen | % | Million yen      | % | Million yen     | % | Million yen                             | % |
| Three months ended August 31, 2023 | 849         | – | 239              | – | 256             | – | 178                                     | – |
| August 31, 2022                    | –           | – | –                | – | –               | – | –                                       | – |

(Note) Comprehensive Income: For the three months ended August 31, 2023: ¥178 million [ - %]  
 For the three months ended August 31, 2022: ¥– million [ - %]

|                                    | Basic earnings per share | Diluted earnings per share |
|------------------------------------|--------------------------|----------------------------|
|                                    | Yen                      | Yen                        |
| Three months ended August 31, 2023 | 24.53                    | 24.37                      |
| August 31, 2022                    | –                        | –                          |

\* Due to the adoption of consolidated financial statements since the end of the consolidated fiscal year ended May 31, 2023, the year-on-year changes for the three months ended August 31, 2023 as well as the figures and year-on-year changes for the three months ended August 31, 2022 are not included in this statement.

#### (2) Consolidated Financial Position

|                       | Total assets | Net assets  | Equity ratio |
|-----------------------|--------------|-------------|--------------|
|                       | Million yen  | Million yen | %            |
| As of August 31, 2023 | 5,005        | 4,177       | 83.3         |
| As of May 31, 2023    | 5,478        | 4,163       | 75.9         |

(Reference) Equity: As of August 31, 2023: ¥4,169 million  
 As of May 31, 2023: ¥4,156 million

## 2. Dividends

|  | Annual dividends |                 |                 |              |              |
|--|------------------|-----------------|-----------------|--------------|--------------|
|  | 1st quarter-end  | 2nd quarter-end | 3rd quarter-end | Year-end     | Total        |
| Fiscal year ended<br>May 31, 2023                | Yen<br>–         | Yen<br>13.00    | Yen<br>–        | Yen<br>22.80 | Yen<br>35.80 |
| Fiscal year ending<br>May 31, 2024               | –                |                 |                 |              |              |
| Fiscal year ending<br>May 31, 2024<br>(Forecast) |                  | 13.00           | –               | 23.80        | 36.80        |

(Note) Revision to the forecast for dividends announced most recently: None

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending May 31, 2024 (June 1, 2023–May 31, 2024)

(% indicates changes from the previous corresponding period.)

|           | Net sales   |   | Operating profit |   | Ordinary profit |   | Profit attributable to owners of parent |   | Basic earnings per share |
|-----------|-------------|---|------------------|---|-----------------|---|---|---|--------------------------|
| Full year | Million yen | % | Million yen      | % | Million yen     | % | Million yen                             | % | Yen                      |
|           | 3,204       | – | 1,018            | – | 1,018           | – | 682                                     | – | 92.63                    |

(Note) Revision to the financial results forecast announced most recently: None

**\* Notes:**

(1) Changes in significant subsidiaries during the three months ended on August 31, 2023 (changes in specified subsidiaries resulting in change in scope of consolidation): None

Newly included: – companies (Company name) –

Excluded: – companies (Company name) –

(2) Accounting methods adopted particularly for the preparation of quarterly financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Total number of issued and outstanding shares (common shares)

1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

August 31, 2023: 7,268,200 shares

May 31, 2023: 7,253,800 shares

2) Total number of treasury shares at the end of the period:

August 31, 2023: 67 shares

May 31, 2023: 67 shares

3) Average number of shares during the period (cumulative):

Three months ended August 31, 2023: 7,258,533 shares

Three months ended August 31, 2022: 7,388,142 shares

\* These quarterly financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

\* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information available to the Company as of the date of publication of this document and certain assumptions deemed reasonable, and do not represent the Company's commitment that they will be achieved. Actual results may differ significantly due to various factors.

## Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance Sheets

(Thousand yen)

|   | As of May 31, 2023 | As of August 31, 2023 |
|---|--------------------|-----------------------|
| <b>Assets</b>                           |                    |                       |
| Current assets                          |                    |                       |
| Cash and deposits                       | 4,083,823          | 3,415,657             |
| Accounts receivable - trade             | 105,990            | 170,220               |
| Inventories                             | 7,892              | 9,258                 |
| Accounts receivable - other             | 332,514            | 320,248               |
| Prepaid expenses                        | 78,003             | 95,162                |
| Other                                   | 231                | 81                    |
| Allowance for doubtful accounts         | (24,918)           | (25,017)              |
| Total current assets                    | 4,583,537          | 3,985,610             |
| Non-current assets                      |                    |                       |
| Property, plant and equipment           | 156,107            | 185,798               |
| Intangible assets                       |                    |                       |
| Goodwill                                | 97,915             | 95,467                |
| Other                                   | 36,578             | 38,149                |
| Total intangible assets                 | 134,493            | 133,617               |
| Investments and other assets            |                    |                       |
| Investment securities                   | 393,734            | 388,557               |
| Distressed receivables                  | 23,673             | 23,493                |
| Deferred tax assets                     | 62,084             | 41,387                |
| Other                                   | 148,469            | 270,126               |
| Allowance for doubtful accounts         | (23,673)           | (23,493)              |
| Total investments and other assets      | 604,287            | 700,070               |
| Total non-current assets                | 894,888            | 1,019,486             |
| Total assets                            | 5,478,426          | 5,005,096             |
| <b>Liabilities</b>                      |                    |                       |
| Current liabilities                     |                    |                       |
| Accounts payable - trade                | 394,171            | 87,217                |
| Current portion of long-term borrowings | 3,384              | 3,684                 |
| Accounts payable - other                | 37,697             | 30,194                |
| Accrued expenses                        | 67,502             | 47,703                |
| Income taxes payable                    | 270,013            | 66,122                |
| Advances received                       | 345,274            | 413,876               |
| Provision for bonuses                   | 65,869             | 29,219                |
| Other                                   | 75,474             | 92,807                |
| Total current liabilities               | 1,259,388          | 770,825               |
| Non-current liabilities                 |                    |                       |
| Long-term borrowings                    | 24,946             | 24,025                |
| Other                                   | 30,167             | 32,374                |
| Total non-current liabilities           | 55,113             | 56,399                |
| Total liabilities                       | 1,314,502          | 827,225               |

(Thousand yen)

|                                  | As of May 31, 2023 | As of August 31, 2023 |
|----------------------------------|--------------------|-----------------------|
| Net assets                       |                    |                       |
| Shareholders' equity             |                    |                       |
| Share capital                    | 904,012            | 904,650               |
| Capital surplus                  | 874,012            | 874,650               |
| Retained earnings                | 2,378,231          | 2,390,905             |
| Treasury shares                  | (218)              | (218)                 |
| Total shareholders' equity       | 4,156,038          | 4,169,986             |
| Share acquisition rights         | 7,884              | 7,884                 |
| Total net assets                 | 4,163,923          | 4,177,871             |
| Total liabilities and net assets | 5,478,426          | 5,005,096             |

(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income  
Three Months Ended August 31, 2023

(Thousand yen)

|  | For the three months ended<br>August 31, 2023 |
|--|---|
| Net sales                                      | 849,644                                       |
| Cost of sales                                  | 181,448                                       |
| Gross profit                                   | 668,195                                       |
| Selling, general and administrative expenses   | 428,671                                       |
| Operating profit                               | 239,524                                       |
| Non-operating income                           |   |
| Interest income                                | 30  |
| Dividend income                                | 14  |
| Gain on investments in silent partnerships     | 20,257  |
| Other  | 311   |
| Total non-operating income                     | 20,614  |
| Non-operating expenses                         |   |
| Interest expenses                              | 63  |
| Loss on investments in investment partnerships | 957   |
| Loss on retirement of non-current assets       | 1,916   |
| Other  | 320   |
| Total non-operating expenses                   | 3,258   |
| Ordinary profit                                | 256,879                                       |
| Profit before income taxes                     | 256,879                                       |
| Income taxes - current                         | 58,124  |
| Income taxes - deferred                        | 20,696  |
| Total income taxes                             | 78,821  |
| Profit   | 178,058                                       |
| Profit attributable to owners of parent        | 178,058                                       |

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended August 31, 2023

(Thousand yen)

|  | For the three months ended<br>August 31, 2023 |
|--|---|
| Profit   | 178,058                                       |
| Comprehensive income                                     | 178,058                                       |
| Comprehensive income attributable to                     |   |
| Comprehensive income attributable to owners of<br>parent | 178,058                                       |