

Translation

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

May 13, 2022

Company name: RIBOMIC Inc.
 Stock exchange listing: Tokyo
 Stock code: 4591 URL <https://www.ribomic.com/>
 Representative: President and CEO Yoshikazu Nakamura
 Board Director of Business Administration
 Inquiries: Hisato Oiwa TEL 03(3440)3745
 Division
 Scheduled date of ordinary general meeting of shareholders: June 28, 2022
 Scheduled date to file Securities Report: June 29, 2022
 Scheduled date to commence dividend payments: –
 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 March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Non-consolidated operating results

Percentages indicate year-on-year changes

	Operating revenues		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2022	80	(12.0)	(1,748)	–	(1,635)	–	(1,684)	–
Year ended March 31, 2021	91	(24.2)	(1,239)	–	(1,184)	–	(1,187)	–

	Earnings per share	Diluted earnings per share	Profit/equity	Ordinary income/total assets	Operating income/net revenues
	Yen	Yen	%	%	%
Year ended March 31, 2022	(59.95)	–	(31.5)	(29.5)	–
Year ended March 31, 2021	(46.17)	–	(29.1)	(28.2)	–

Reference: Share of income of investments accounted for using the equity method.

Year ended March 31, 2022 ¥ – Million

Year ended March 31, 2021 ¥ – Million

Note : 1. RIBOMIC Inc. (hereinafter “the Company”) has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020), etc. effective from the beginning of this fiscal year.

2. Diluted earnings per share is not shown because a net loss per share was incurred even though dilutive common shares exist.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	4,954	4,693	94.7	164.33
As of March 31, 2021	6,119	6,002	98.1	215.04

Reference: Equity As of March 31, 2022 ¥4,693 Million

As of March 31, 2021 ¥6,001 Million

Note : RIBOMIC Inc. (hereinafter “the Company”) has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020), etc. effective from the beginning of this fiscal year.

(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 March 31, 2022	(1,499)	689	354	2,901
Year ended March 31, 2021	(1,149)	(1,699)	4,988	3,338

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 March 31, 2021	—	0.00	—	0.00	0.00	—	—	—
Year ended March 31, 2022	—	0.00	—	0.00	0.00	—	—	—
Year ending March 31, 2023 (Forecast)	—	0.00	—	0.00	0.00		—	

3. Forecast of non-consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

Percentages indicate year-on-year changes

	Operating revenues		Operating income		Ordinary income		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	65	(18.5)	(2,402)	—	(2,293)	—	(2,294)	—	(80.35)

Note: The Company only provides full-year forecasts as it manages its performance on an annual basis.

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 March 31, 2022	28,559,340 shares	As of March 31, 2021	27,908,784 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	— shares	As of March 31, 2021	— shares
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Average number of shares during the period

Year ended March 31, 2022	28,102,677 shares	Year ended March 31, 2021	25,712,891 shares
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* This financial results report is exempt from the audit procedures.

* Explanation on appropriate use of business forecasts, and other special notes.

1. Business forecasts and other forward-looking statements contained in this report are based on information currently available to the company and on certain assumptions that the company considers to be reasonable, and do not constitute guarantees of future performance. Actual results may differ significantly from these forecasts due to various factors.

2. Supplementary materials are disclosed via TDnet and available on the company's website.

3. The company plans to hold a financial results meeting for institutional investors and analysts on May 17, 2022.

Non-consolidated financial statements
Non-consolidated balance sheets

	(Thousands of yen)	
	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	3,338,038	2,901,796
Securities	2,500,000	1,800,000
Supplies	3,038	2,411
Advance payments - trade	153,984	121,931
Prepaid expenses	18,358	21,631
Accounts receivable - other	201	617
Consumption taxes receivable	35,894	59,121
Other	823	841
Total current assets	6,050,339	4,908,352
Non-current assets		
Property, plant and equipment		
Buildings	22,851	22,851
Accumulated depreciation	(15,220)	(16,035)
Accumulated impairment loss	-	(6,816)
Buildings, net	7,631	0
Tools, furniture and fixtures	268,436	235,586
Accumulated depreciation	(245,336)	(194,390)
Accumulated impairment loss	-	(41,195)
Tools, furniture and fixtures, net	23,099	0
Total property, plant and equipment	30,731	0
Intangible assets		
Software	151	-
Total intangible assets	151	-
Investments and other assets		
Shares of subsidiaries and associates	22,552	22,552
Leasehold deposits	12,800	11,907
Long-term prepaid expenses	3,085	11,664
Total investments and other assets	38,438	46,124
Total non-current assets	69,320	46,124
Total assets	6,119,660	4,954,476
Liabilities		
Current liabilities		
Accounts payable - other	43,357	177,951
Accrued expenses	11,137	12,260
Income taxes payable	39,537	34,694
Advances received	3,666	3,666
Deposits received	6,262	5,957
Other	13,000	26,000
Total current liabilities	116,960	260,530
Total liabilities	116,960	260,530

	(Thousands of yen)	
	As of March 31, 2021	As of March 31, 2022
Net assets		
Shareholders' equity		
Capital Stock	6,542,185	238,294
Capital surplus		
Legal capital surplus	6,515,185	6,139,732
Total capital surpluses	6,515,185	6,139,732
Retained earnings		
Other retained earnings		
Retained earnings brought forward	(7,055,932)	(1,684,754)
Total retained earnings	(7,055,932)	(1,684,754)
Total shareholders' equity	6,001,438	4,693,273
Share acquisition rights	1,261	673
Total net assets	6,002,699	4,693,946
Total liabilities and net assets	6,119,660	4,954,476

Non-consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Operating revenues	91,963	80,909
Operating expenses		
Research and development expenses	957,605	1,482,132
Selling, general and administrative expenses	374,000	346,888
Total operating expenses	1,331,606	1,829,021
Operating loss	(1,239,643)	(1,748,112)
Non-operating income		
Interest income	248	116
Subsidy income	82,727	102,171
Foreign exchange gains	-	11,192
Other	1,221	1,712
Total non-operating income	84,196	115,192
Non-operating expenses		
Share issuance cost	20,414	2,613
Foreign exchange losses	9,137	-
Total non-operating expenses	29,552	2,613
Ordinary loss	(1,184,998)	(1,635,532)
Extraordinary losses		
Loss on retirement of non-current assets	985	-
Impairment losses	-	48,011
Total extraordinary losses	985	48,011
Loss before income taxes	(1,185,984)	(1,683,544)
Income taxes – current	1,210	1,210
Total income taxes	1,210	1,210
Loss	(1,187,194)	(1,684,754)

Non-consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(Thousands of yen)

	Shareholders' equity						Share acquisition rights	Total net assets
	Share capital	Capital surplus		Retained earnings		Total shareholders' equity		
		Legal capital surplus	Total capital surplus	Other retained earnings	Total retained earnings			
				Retained earnings brought forward				
Balance at beginning of period	4,029,956	4,002,956	4,002,956	(5,868,737)	(5,868,737)	2,164,174	16,773	2,180,948
Changes of items during period								
Issuance of new shares	2,512,228	2,512,228	2,512,228			5,024,457		5,024,457
Loss				(1,187,194)	(1,187,194)	(1,187,194)		(1,187,194)
Net changes of items other than shareholders' equity							(15,512)	(15,512)
Total changes of items during period	2,512,228	2,512,228	2,512,228	(1,187,194)	(1,187,194)	3,837,263	(15,512)	3,821,750
Balance at end of current period	6,542,185	6,515,185	6,515,185	(7,055,932)	(7,055,932)	6,001,438	1,261	6,002,699

Fiscal year ended March 31, 2022

(Thousands of yen)

	Shareholders' equity						Share acquisition rights	Total net assets
	Share capital	Capital surplus		Retained earnings		Total shareholders' equity		
		Legal capital surplus	Total capital surplus	Other retained earnings	Total retained earnings			
				Retained earnings brought forward				
Balance at beginning of period	6,542,185	6,515,185	6,515,185	(7,055,932)	(7,055,932)	6,001,438	1,261	6,002,699
Changes of items during period								
Capital reduction	(6,492,185)	(563,747)	(563,747)			(7,055,932)		(7,055,932)
Deficit disposition				7,055,932	7,055,932	7,055,932		7,055,932
Issuance of new shares	188,294	188,294	188,294			376,589		376,589
Loss				(1,684,754)	(1,684,754)	(1,684,754)		(1,684,754)
Net changes of items other than shareholders' equity							(587)	(587)
Total changes of items during period	(6,303,890)	(375,452)	(375,452)	5,371,178	5,371,178	(1,308,164)	(587)	(1,308,752)
Balance at end of current period	238,294	6,139,732	6,139,732	(1,684,754)	(1,684,754)	4,693,273	673	4,693,946

Non-consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Loss before income taxes	(1,185,984)	(1,683,544)
Depreciation	26,726	15,508
Impairment losses	-	48,011
Foreign exchange losses (gains)	1,440	(18,688)
Share issuance costs	20,414	2,613
Interest income	(248)	(116)
Share-based compensation expenses	-	3,111
Decrease (increase) in trade receivables	108,830	-
Decrease (increase) in inventories	3,325	626
Decrease (increase) in advance payments	(151,593)	32,052
Increase (decrease) in advances received	(3,208)	-
Increase (decrease) in accounts payable - other	19,557	112,322
Other, net	11,570	(11,551)
Subtotal	(1,149,170)	(1,499,653)
Interest income received	1,361	1,698
Income taxes paid	(1,229)	(1,268)
Net cash provided by (used in) operating activities	(1,149,038)	(1,499,224)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,586)	(10,443)
Net decrease (increase) in short-term investment securities	(2,100,022)	700,000
Proceeds from withdrawal of time deposits	401,790	-
Other, net	(134)	-
Net cash provided by (used in) investing activities	(1,699,952)	(689,556)
Cash flows from financing activities		
Proceeds from issuance of common shares	4,988,530	354,721
Net cash provided by (used in) financing activities	4,988,530	354,721
Effect of exchange rate change on cash and cash equivalents	(1,440)	18,704
Net increase (decrease) in cash and cash equivalents	2,138,099	(436,241)
Cash and cash equivalents at beginning of period	1,199,938	3,338,038
Cash and cash equivalents at end of period	3,338,038	2,901,796