

Engaged in the on-demand printing service business targeting apparel and general merchandise

This report is an English translation of part of the report issued on March 4, 2022.
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[7793 IMAGE MAGIC Sector : Other Products]

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Apr. 2020	2,842	37.6	109	-	106	17.6x	85	6.2x	64.9	253.4	0.0
Apr. 2021	4,330	52.3	220	102.0	221	107.9	152	77.9	109.3	358.5	0.0
Apr. 2022 f	5,333	23.2	450	103.8	429	94.1	330	116.2	193.9	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending April 2022 are the company's forecasts.

Mainly Engaged in On-Demand Printing Service

IMAGE MAGIC is engaged in the on-demand printing service business provided through the internet and the on-demand printing solutions business, in which it provides software and hardware for on-demand printing to apparel manufacturers, printing companies and other businesses.

The on-demand printing service business accounted for 89.0% of net sales in the first half of the fiscal year ending April 2022 and the on-demand printing solutions business accounted for 11.0%.

On-Demand Printing Service

In the on-demand printing service, the company prints and processes data it receives from customers through internet websites and delivers in a short period of time from accepting the orders. In addition to needs including orders for personal gifts and corporate novelty goods, it responds to needs from apparel manufacturers and other companies wanting to ship goods immediately after accepting orders to avoid unnecessary stocks.

The breakdown of products subject to printing is approximately 30% for T-shirts, approximately 30% for apparel products other than T-shirts and approximately 40% for other general merchandise, etc., with the composition of general merchandise on an increasing trend.

In the first half of the fiscal year ending April 2022, approximately 40% were for in-house sales and approximately 60% were for orders received from partner companies. Major partners include GMO Pepabo (3633 TSE First Section) and Fast Retailing (9983 TSE First Section).

On-Demand Printing Solutions

In the business, the company provides its expertise on production management systems accumulated through the on-demand printing service as cloud services as well as sells its original hardware (printers, folding machines, packaging and shipping machines) used in production/shipping processes. The sales of hardware accounted for over 50% of the sales of the on-demand printing solutions business in the first half of the fiscal year ending April 2022.

IMAGE MAGIC (7793 TSE Mothers) - - - - - March 15,2022**Financial Statements**

Statement of income	Fiscal Year	Apr.2020		Apr.2021		Six month to Oct.2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		2,842	100.0	4,330	100.0	2,709	100.0
Cost of sales		1,832	64.5	2,943	68.0	1,714	63.3
Gross profit		1,010	35.5	1,387	32.0	995	36.7
Selling, general and administrative expenses		900	31.7	1,166	26.9	654	24.1
Operating profit		109	3.8	220	5.1	341	12.6
Non-operating income		0	-	3	-	0	-
Non-operating expenses		3	-	3	-	2	-
Ordinary profit		106	3.7	221	5.1	339	12.5
Profit before income taxes		100	3.5	182	4.2	386	14.3
Net profit		85	3.0	152	3.5	267	9.9

Balance sheet	Fiscal Year	Apr.2020		Apr.2021		Oct.2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		894	65.1	1,222	63.0	1,419	67.4
Cash and deposits		515	37.5	574	29.6	574	27.3
Accounts receivable-trade		200	14.6	351	18.1	500	23.8
Inventories		118	8.7	202	10.4	260	12.4
Non-current assets		478	34.9	718	37.0	686	32.6
Property, plant and equipment		406	29.6	640	33.0	597	28.4
Intangible assets		22	1.6	16	0.8	24	1.2
Investments and other assets		49	3.6	61	3.2	65	3.1
Total assets		1,373	100.0	1,941	100.0	2,106	100.0
Current liabilities		505	36.8	853	44.0	794	37.7
Accounts payable - trade		89	6.5	180	9.3	206	9.8
Short-term borrowings		-	-	100	5.2	-	-
Current portion of long-term borrowings		107	7.8	122	6.3	127	6.1
Non-current liabilities		404	29.5	496	25.6	420	20.0
Long-term borrowings		370	27.0	341	17.6	276	13.1
Net assets		462	33.7	590	30.4	890	42.3
Owners' equity		462	33.7	590	30.4	890	42.3

Statement of cash flows	Fiscal Year	Apr.2020	Apr.2021	Six month to Oct.2021
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		232	358	219
Depreciation		118	178	82
Cash flows from investing activities		-256	-486	-77
Cash flows from financing activities		255	187	-141
Dividends paid		-	-	-
Net increase in cash and cash equivalents		230	59	0
Cash and cash equivalents		515	574	574

Note:Non-consolidated basis.

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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