



September 17, 2021

Company name: SanBio Co., Ltd.  
Representative: Keita Mori, Representative Director  
and President  
(TSE Mothers Code: 4592)  
Contact: Yoshihiro Kakutani, Corporate Officer  
of Management Administration  
(TEL. +81-3-6264-3481)

### **Notice on Recording of Non-Operating Income and Extraordinary Loss**

SanBio Company Limited (hereafter, “the Company”) hereby announces that it recorded non-operating income on gain on forgiveness of debt and extraordinary loss on retirement of fixed assets in the first six months of the fiscal year ending January 2022 (February 1, 2021–July 31, 2021).

1. Non-operating income (gain on forgiveness of debt)

The Company’s US subsidiary SanBio, Inc. had received a Paycheck Protection Program (PPP) loan, a government-backed loan to help small businesses keep their workforce employed during the COVID-19 pandemic, but confirmed that its PPP loan in entirety had been forgiven. As a result, the subsidiary booked non-operating income of 126 million yen on gain on forgiveness of debt in the first six months of the fiscal year under review.

2. Extraordinary loss (loss on retirement of fixed assets)

In the first six months of the fiscal year under review, the Company booked an extraordinary loss of 10 million yen on retirement of fixed assets due to changes in the head office layout.

3. Impact on earnings performance

Please see “Consolidated Financial Results for the Six Months Ended July 31, 2021 (Japanese GAAP)” announced on September 14, 2021, regarding the impact of the abovementioned non-operating income (gain on forgiveness of debt) and extraordinary loss (loss on retirement of fixed assets) on the Company’s earnings performance.