

Translation

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**Summary of Consolidated Financial Results
for the Nine Months Ended September 30, 2021
(Based on Japanese GAAP)**

November 12, 2021

Company name: Unite and Grow Inc.
 Stock exchange listing: Tokyo
 Stock code: 4486 URL <http://www.ug-inc.net/>
 Representative: President and CEO Kiichiro Suda
 Director and General Manager of Administration Division Mieko Oka TEL 03(5577)2091
 Inquiries: Administration Division
 Scheduled date to file Quarterly Securities Report: November 12, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended September 30, 2021 (from January 1, 2021 to September 30, 2021)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended September 30, 2021	1,509	20.8	241	50.7	241	50.8	167	52.6
Nine months ended September 30, 2020	1,249	5.3	160	0.9	160	2.2	109	(1.8)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended September 30, 2021	45.51		42.32	
Nine months ended September 30, 2020	30.15		27.86	

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of September 30, 2021	1,956		1,345		68.8	
As of December 31, 2020	1,770		1,189		67.2	

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended December 31, 2020	–	0.00	–	6.00	6.00
Year ending December 31, 2021	–	0.00	–		
Year ending December 31, 2021 (Forecast)				8.00	8.00

3. Forecast of consolidated financial results for the year ending December 31, 2021 (from January 1, 2021 to December 31, 2021)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	2,074	19.7	249	15.2	249	15.0	173	8.7	47.46

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended September 30, 2021
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) 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: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2021	3,698,400 shares	As of December 31, 2020	3,648,200 shares
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Number of treasury shares at the end of the period

As of September 30, 2021	26 shares	As of December 31, 2020	26 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2021	3,675,306 shares	Nine months ended September 30, 2020	3,635,436 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of December 31, 2020	As of September 30, 2021
Assets		
Current assets		
Cash and deposits	1,566,522	1,753,180
Accounts receivable - trade	13,598	11,178
Other	17,966	22,718
Total current assets	1,598,087	1,787,077
Non-current assets		
Property, plant and equipment		
Buildings, net	74,520	70,915
Other, net	19,361	16,753
Total property, plant and equipment	93,881	87,669
Intangible assets		
Software	19,040	22,329
Other	0	-
Total intangible assets	19,040	22,329
Investments and other assets		
Deferred tax assets	8,889	8,197
Other	50,828	50,828
Total investments and other assets	59,718	59,026
Total non-current assets	172,640	169,025
Total assets	1,770,727	1,956,102

(Thousands of yen)

	As of December 31, 2020	As of September 30, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	7,920	7,199
Current portion of long-term borrowings	7,316	–
Accounts payable - other	131,017	44,112
Income taxes payable	42,718	53,028
Advances received	303,426	424,474
Other	67,260	61,254
Total current liabilities	559,659	590,070
Non-current liabilities		
Asset retirement obligations	12,205	12,229
Other	9,081	8,025
Total non-current liabilities	21,287	20,255
Total liabilities	580,946	610,325
Net assets		
Shareholders' equity		
Share capital	305,037	310,347
Capital surplus	284,182	289,492
Retained earnings	600,616	745,992
Treasury shares	(55)	(55)
Total shareholders' equity	1,189,780	1,345,777
Total net assets	1,189,780	1,345,777
Total liabilities and net assets	1,770,727	1,956,102

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended September 30, 2020	Nine months ended September 30, 2021
Net sales	1,249,304	1,509,390
Cost of sales	676,862	785,980
Gross profit	572,442	723,409
Selling, general and administrative expenses	412,208	481,946
Operating profit	160,233	241,463
Non-operating income		
Interest income	17	14
Other	2	44
Total non-operating income	19	59
Non-operating expenses		
Interest expenses	209	128
Share issuance costs	9	39
Other	-	0
Total non-operating expenses	219	168
Ordinary profit	160,033	241,355
Profit before income taxes	160,033	241,355
Income taxes - current	44,641	73,398
Income taxes - deferred	5,795	691
Total income taxes	50,437	74,089
Profit	109,596	167,265
Profit attributable to owners of parent	109,596	167,265

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended September 30, 2020	Nine months ended September 30, 2021
Profit	109,596	167,265
Comprehensive income	109,596	167,265
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	109,596	167,265