

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

## Summary of Consolidated Financial Results for the Nine Months Ended March 31, 2022 (Based on Japanese GAAP)

May 6, 2022

Company name: SUNNEXTA GROUP Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 8945 URL <https://www.sunnexa.co.jp/>  
 Representative: Representative Director, President AKIRA TAKAKI  
 Executive Officer, Head of Accounting and  
 Inquiries: Finance Group ISAMU YOSHIDA TEL 03-5229-8839  
 Scheduled date to file Quarterly Securities Report: May 11, 2022  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 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 March 31, 2022 (from July 1, 2021 to March 31, 2022)

(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 March 31, 2022	6,368	2.6	534	2.4	547	0.3	1,710	477.1
Nine months ended March 31, 2021	6,206	(2.3)	522	(9.4)	546	(6.5)	296	(16.7)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended March 31, 2022	173.70		168.45	
Nine months ended March 31, 2021	29.87		28.85	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2022	12,428	7,881	62.3
As of June 30, 2021	12,975	8,905	67.7

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended June 30, 2021	–	15.00	–	17.00	32.00
Year ending June 30, 2022	–	17.00	–		
Year ending June 30, 2022 (Forecast)				18.00	35.00

3. Forecast of consolidated financial results for the year ending June 30, 2022 (from July 1, 2021 to June 30, 2022)

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	8,750	2.7	840	0.5	870	(4.0)	1,850	245.8	191.84

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended March 31, 2022  
(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: Yes
- 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 March 31, 2022	11,231,300 shares	As of June 30, 2021	11,159,800 shares
----------------------	-------------------	---------------------	-------------------

Number of treasury shares at the end of the period

As of March 31, 2022	2,115,509 shares	As of June 30, 2021	1,146,888 shares
----------------------	------------------	---------------------	------------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended March 31, 2022	9,848,574 shares	Nine months ended March 31, 2021	9,922,612 shares
----------------------------------	------------------	----------------------------------	------------------

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of June 30, 2021	As of March 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	4,091,682	3,045,957
Accounts receivable - trade	355,698	–
Accounts receivable - trade, and contract assets	–	323,028
Money advanced to customers	1,474,858	4,547,550
Merchandise	1,395	1,696
Real estate for sale	92,536	182,164
Work in process	10,468	15,349
Raw materials and supplies	10,627	12,783
Other	624,677	484,755
Allowance for doubtful accounts	(1,722)	(6,041)
Total current assets	6,660,221	8,607,245
Non-current assets		
Property, plant and equipment	671,828	224,153
Intangible assets		
Goodwill	204,224	–
Other	134,589	322,677
Total intangible assets	338,813	322,677
Investments and other assets		
Investment securities	5,014,121	2,974,226
Other	290,479	300,648
Total investments and other assets	5,304,600	3,274,874
Total non-current assets	6,315,243	3,821,705
Total assets	12,975,464	12,428,951
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	189,313	133,318
Short-term borrowings	–	1,300,000
Income taxes payable	344,811	597,738
Customer deposits received	658,815	464,028
Provision for bonuses	62,040	144,966
Provision for bonuses for directors (and other officers)	10,128	8,559
Provision for shareholder benefit program	5,974	–
Other	1,136,906	970,325
Total current liabilities	2,407,988	3,618,936
Non-current liabilities		
Retirement benefit liability	188,740	191,897
Deferred tax liabilities	1,464,889	733,644
Other	8,717	2,818
Total non-current liabilities	1,662,346	928,359
Total liabilities	4,070,335	4,547,295

(Thousands of yen)

	As of June 30, 2021	As of March 31, 2022
Net assets		
Shareholders' equity		
Share capital	908,886	944,397
Capital surplus	1,100,036	1,135,547
Retained earnings	3,945,832	5,314,948
Treasury shares	(459,582)	(1,486,047)
Total shareholders' equity	5,495,172	5,908,846
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,290,312	1,837,384
Total accumulated other comprehensive income	3,290,312	1,837,384
Share acquisition rights	119,644	135,425
Total net assets	8,905,128	7,881,655
Total liabilities and net assets	12,975,464	12,428,951

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

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Nine months ended March 31, 2021	Nine months ended March 31, 2022
Net sales	6,206,802	6,368,903
Cost of sales	4,730,867	4,789,997
Gross profit	1,475,935	1,578,905
Selling, general and administrative expenses	953,797	1,044,017
Operating profit	522,138	534,888
Non-operating income		
Interest and dividend income	1,534	1,547
Commission income	2,030	899
Interest on tax refund	–	1,785
Surrender value of insurance policies	6,733	–
Insurance claim income	3,826	–
Subsidy income	8,423	7,453
Other	2,310	2,732
Total non-operating income	24,858	14,418
Non-operating expenses		
Interest expenses	105	76
Amortization of business commencement expenses	407	–
Other	383	1,710
Total non-operating expenses	897	1,787
Ordinary profit	546,100	547,519
Extraordinary income		
Gain on sale of investment securities	–	1,903,068
Gain on sale of shares of subsidiaries and associates	–	51,494
Gain on reversal of share acquisition rights	3,799	5,164
Total extraordinary income	3,799	1,959,727
Extraordinary losses		
Loss on retirement of non-current assets	228	308
Impairment losses	25,163	7,758
Retirement contributions for directors	51,300	–
Total extraordinary losses	76,692	8,067
Profit before income taxes	473,207	2,499,179
Income taxes	176,780	788,467
Profit	296,427	1,710,711
Profit attributable to owners of parent	296,427	1,710,711

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Nine months ended March 31, 2021	Nine months ended March 31, 2022
Profit	296,427	1,710,711
Other comprehensive income		
Valuation difference on available-for-sale securities	747,578	(1,452,928)
Total other comprehensive income	747,578	(1,452,928)
Comprehensive income	1,044,005	257,783
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,044,005	257,783
Comprehensive income attributable to non-controlling interests	—	—