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August 10, 2022

Consolidated Financial Results for the Six Months Ended June 30, 2022 (IFRS)

Company name: MODEC, INC.
 Listing: Tokyo Stock Exchange
 Securities code: 6269
 URL: <http://www.modec.com>
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 Scheduled date to file quarterly securities report: August 12, 2022
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes “2Q 2022 Results Presentation”
 Holding of quarterly financial results briefing: Yes (to institutional investors and analysts)

(Yen amounts are rounded down to millions unless otherwise noted.)

1. Consolidated financial results for the six months ended June 30, 2022 (from January 1, 2022 to June 30, 2022)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
	million yen	%	million yen	%	million yen	%	million yen	%
Six months ended								
June 30, 2022	187,951	(19.5)	5,326	76.8	3,393	47.1	2,078	(66.5)
June 30, 2021	233,515	-	3,012	-	6,413	-	6,206	-

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	million yen	%	million yen	%	yen	yen
Six months ended						
June 30, 2022	2,069	(66.1)	23,311	86.4	36.71	36.69
June 30, 2021	6,101	-	12,506	-	108.27	108.22

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	million yen	million yen	million yen	%
As of				
June 30, 2022	451,447	99,080	96,095	21.3
December 31, 2021	393,971	63,802	61,247	15.5

Note: The original condensed consolidated financial statements of MODEC, INC. and its subsidiaries (hereinafter “the Company”) for the six months ended June 30, 2022 and 2021 and for the year ended December 31, 2021 are presented in US dollars on page 4 of this material. The amount presented for consolidated operating results and consolidated financial position are converted to Japanese yen, respectively, as follows:

June 30, 2022 1 US dollar = 136.64 Japanese yen at the TTM rate of Sumitomo Mitsui Banking Corporation as of June 30, 2022.

June 30, 2021 1 US dollar = 110.61 Japanese yen at the TTM rate of Sumitomo Mitsui Banking Corporation as of June 30, 2021.

December 31, 2021 1 US dollar = 115.01 Japanese yen at the TTM rate of Sumitomo Mitsui Banking Corporation as of December 30, 2021.

The percentage indicating year-on-year changes is calculated on Japanese yen basis presented above.

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Year ended December 31, 2021	yen —	yen 15.00	yen —	yen 0.00	yen 15.00
Year ending December 31, 2022	—	0.00			
Year ending December 31, 2022 (Forecast)			—	0.00	0.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Earnings forecast for 2022 (from January 1, 2022 to December 31, 2022)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Basic earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full Year	276,024	(38.5)	-	-	3,450	-	2,530	-	2,530	-	44.89

Note 1: Revisions to the forecast most recently announced: None

Note 2: The original consolidated earnings forecast of the Company is presented in US dollars on page 4 of this material. The amount presented for the earnings forecast for 2022 is converted to Japanese yen at 115.01 yen at the TTM rate of Sumitomo Mitsui Banking Corporation as of December 30, 2021.

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies and changes in accounting estimates
- (i) Changes in accounting policies required by IFRS: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

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

As of June 30, 2022	56,408,000 shares
As of December 31, 2021	56,408,000 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2022	38,196 shares
As of December 31, 2021	45,100 shares

(iii) Average number of shares outstanding during the period

Six months ended June 30, 2022	56,365,663 shares
Six months ended June 30, 2021	56,356,166 shares

* Quarterly financial results are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts and other special matters

- The Company adopted International Financial Reporting Standards (hereinafter "IFRS") from the year ended December 31, 2021 for the consolidated financial statements. Therefore, the financial results for the six months ended June 30, 2021 are presented in accordance with IFRS.
- Accompanying condensed quarterly consolidated financial statements and selected notes are presented in functional currency of the Company, US dollars.
- While earnings forecast and other forward-looking statement included in this material are based on information currently available to the Company and are based on assumptions deemed reasonable, they are not a guarantee of future performance or outcomes. Actual results may differ materially subject to various factors.