

*August 9, 2022***Notice of Recording of Gain on Sale of Investment Securities (Extraordinary Income)
and Upward Revision to Consolidated Business Forecasts**

Segue Group Co., Ltd. announces that as a result of the sale of a portion of the investment securities held by our consolidated subsidiary, J's Communication Co., Ltd., we recorded the gain on sale of investment securities as an extraordinary income as described below. In conjunction with this, we have revised our consolidated business forecasts announced on February 10, 2022 as follows.

1. Sale of investment securities**(1) Reasons for sale of investment securities**

To ensure the efficient management of assets and strengthen the financial position.

(2) Details of sale of investment securities

(1) Shares sold	Two listed securities held by our consolidated subsidiaries
(2) Acquisition period	April 2022 to June 2022
(3) Gain on sale of investment securities	174 million yen

2. Revisions to business forecasts

Revisions to consolidated full-year business forecasts for the fiscal year ending December 2022 (January 1, 2022 to December 31, 2022)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecasts (A)	13,300	760	760	520	46.68
Revised forecasts (B)	13,300	760	804	656	58.75
Change (B-A)	0	0	44	136	12.07
Percentage change (%)	0.0	0.0	5.9	26.3	25.8
(Reference) Previous results (FY12/21)	12,038	638	686	454	39.62

(2) Reasons for the revision

For the fiscal year ending December 2022, although the impact of delivery delays due to the shortage of semiconductors has continued, sales of alternative products and growth in sales of in-house products have been strong, and the forecast for net sales and operating income remains unchanged.

On the other hand, in the first half of the fiscal year, due to the impact of the rapid depreciation of the yen, we recorded a foreign exchange gain of 154 million yen from the valuation of assets held in foreign currencies and a gain of 174 million yen from the sale of the above investment securities. Among these, we have decided to change the forecasts of ordinary income and net income attributable to owners of parent as described above, taking into account the fact that foreign exchange gains are expected to be higher due to uncertainty about future trends in foreign exchange rates.

*The above forecasts are based on information available as of the date of announcement of this document. Actual results may differ from the forecasts due to various factors.