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November 9, 2022

## Consolidated Financial Results for the Nine Months Ended September 30, 2022 (IFRS)

Company name: MODEC, INC.  
 Listing: Tokyo Stock Exchange  
 Securities code: 6269  
 URL: <https://www.modec.com>  
 Representative: Takeshi Kanamori, Representative Director, President  
 Inquiries: Yasuhiro Takano, Director, Executive Managing Officer  
 Telephone: +81-3-5290-1200  
 Scheduled date to file quarterly securities report: November 10, 2022  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on quarterly financial results: Yes "3Q 2022 Results Presentation"  
 Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to millions.)

### 1. Consolidated financial results for the nine months ended September 30, 2022 (from January 1, 2022 to September 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 | % |
| Nine months ended  |             |        |                  |   |                   |   |             |   |
| September 30, 2022 | 288,349     | (13.7) | 5,968            | - | 4,480             | - | 1,792       | - |
| September 30, 2021 | 333,958     | -      | (6,007)          | - | (1,187)           | - | (2,768)     | - |

|                    | Profit attributable to owners of parent |   | Total comprehensive income |       | Basic earnings per share | Diluted earnings per share |
|--------------------|---|---|----------------------------|-------|--------------------------|----------------------------|
|                    | million yen                             | % | million yen                | %     | yen                      | yen                        |
| Nine months ended  |   |   |                            |       |                          |                            |
| September 30, 2022 | 1,883                                   | - | 35,082                     | 788.9 | 33.41                    | 33.40                      |
| September 30, 2021 | (2,992)                                 | - | 3,946                      | -     | (53.10)                  | (53.10)                    |

#### (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              |              |              |   |  |
| September 30, 2022 | 456,884      | 115,385      | 112,332                                 | 24.6   |
| 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 nine months ended September 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:

September 30, 2022 1 US dollar = 144.81 Japanese yen at the TTM rate of Sumitomo Mitsui Banking Corporation as of September 30, 2022.

September 30, 2021 1 US dollar = 111.95 Japanese yen at the TTM rate of Sumitomo Mitsui Banking Corporation as of September 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<br>December 31, 2021                | yen<br>—                   | yen<br>15.00       | yen<br>—          | yen<br>0.00 | yen<br>15.00 |
| Year ending<br>December 31, 2022               | —                          | 0.00               |                   |             |              |
| Year ending<br>December 31, 2022<br>(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 September 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 September 30, 2022 | 38,196 shares |
| As of December 31, 2021  | 45,100 shares |

(iii) Average number of shares outstanding during the period

|                                      |                   |
|--------------------------------------|-------------------|
| Nine months ended September 30, 2022 | 56,367,059 shares |
| Nine months ended September 30, 2021 | 56,358,435 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 nine months ended September 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.

**[Reference] Consolidated financial results for the nine months ended 2022 and earnings forecast for the year ending December 2022 presented in functional currency of the Company, US dollars**

(US dollar amounts are rounded down to thousands.)

**1. Consolidated financial results for the nine months ended September 30, 2022 (from January 1, 2022 to September 30, 2022)**

**(1) Consolidated operating results**

(Percentages indicate year-on-year changes.)

|                    | Revenue       |        | Operating profit |   | Profit before tax |   | Profit        |   |
|--------------------|---------------|--------|------------------|---|-------------------|---|---------------|---|
|                    | US\$ thousand | %      | US\$ thousand    | % | US\$ thousand     | % | US\$ thousand | % |
| Nine months ended  |               |        |                  |   |                   |   |               |   |
| September 30, 2022 | 1,991,229     | (33.2) | 41,214           | — | 30,939            | - | 12,378        | - |
| September 30, 2021 | 2,983,102     | -      | (53,666)         | - | (10,604)          | - | (24,731)      | - |

|                    | Profit attributable to owners of parent |   | Total comprehensive income |       | Basic earnings per share | Diluted earnings per share |
|--------------------|---|---|----------------------------|-------|--------------------------|----------------------------|
|                    | US\$ thousand                           | % | US\$ thousand              | %     | US\$                     | US\$                       |
| Nine months ended  |   |   |                            |       |                          |                            |
| September 30, 2022 | 13,006                                  | — | 242,264                    | 587.2 | 0.23                     | 0.23                       |
| September 30, 2021 | (26,732)                                | - | 35,254                     | -     | (0.47)                   | (0.47)                     |

**(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 |
|--------------------|---------------|---------------|---|--|
|                    | US\$ thousand | US\$ thousand | US\$ thousand                           | %  |
| As of              |               |               |   |  |
| September 30, 2022 | 3,155,060     | 796,807       | 775,719                                 | 24.6   |
| December 31, 2021  | 3,425,542     | 554,759       | 532,541                                 | 15.5   |

**2. 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 |
|-----------|---------------|--------|------------------|---|-------------------|---|---------------|---|---|---|--------------------------|
|           | US\$ thousand | %      | US\$ thousand    | % | US\$ thousand     | % | US\$ thousand | % | US\$ thousand                           | % | US\$                     |
| Full Year | 2,400,000     | (38.5) | -                | - | 30,000            | - | 22,000        | - | 22,000                                  | - | 0.39                     |