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**Summary of Financial Statements  
for the First Quarter of Fiscal 2023  
<under Japanese GAAP>**

February 9, 2023

Company Name: FinTech Global Incorporated  
(URL: <https://www.fgi.co.jp/en/>)

(Code Number: 8789 Tokyo Stock Exchange)

TEL: +81-50-5864-3978

Representative: President and Chief Executive Officer

Name: Nobumitsu Tamai

Contact: Director, Senior Executive Officer

Name: Takashi Senda

Scheduled date for filing of securities report: February 13, 2023

Scheduled date of commencement of dividend payment: —

Preparation of explanatory materials for quarterly financial results: Yes

Information meetings arranged related to quarterly financial results: None

(Rounded down to the nearest million)

1. Consolidated results for the first quarter of fiscal 2023  
(October 1, 2022 – December 31, 2022)

## (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenues		Operating income		Ordinary profit		Profit/(loss) attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First quarter of fiscal 2023	2,716	19.5	720	—	699	—	503	—
First quarter of fiscal 2022	2,272	12.5	62	18.3	39	328.0	(47)	—

(For reference) Comprehensive income: 556 million yen for the first quarter of fiscal 2023 (—%)  
8 million yen for the first quarter of fiscal 2022 (—%)

	Net income/(loss) per share	Net income per share (diluted)
	Yen	Yen
First quarter of fiscal 2023	2.50	2.49
First quarter of fiscal 2022	(0.24)	—

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
First quarter of fiscal 2023	17,531	7,905	40.3
Fiscal 2022	17,933	7,842	36.7

(For reference) Shareholders' equity: 7,064 million yen for the first quarter of fiscal 2023  
6,585 million yen for fiscal 2022

## 2. Dividends

	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2022	—	0.00	—	0.00	0.00
Fiscal 2023	—				
Fiscal 2023 (Forecast)		0.00	—	—	—

(Notes)

1. Change from the latest dividend forecast: None
2. Year-end dividend forecast for the fiscal year ending September 30, 2023 has not been made.

## 3. Consolidated financial forecasts for fiscal 2023 (October 1, 2022 – September 30, 2023)

(Percentages indicate year-on-year changes.)

	Revenues		Operating income		Ordinary profit		Profit attributable to owners of the parent		E.P.S.
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal 2023	10,100	8.6	1,400	138.2	1,400	158.8	1,000	467.8	4.97

(Notes)

1. Change from the latest consolidated financial forecasts: None
2. Forecast for the first two quarters of fiscal year ending September 30, 2023 has not been made.

\*Notes

(1) Changes in significant subsidiaries during the period (Changes in specified subsidiaries accompanying change in scope of consolidation): None

(2) Adoption of specific accounting policies for quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatements:

- (a). Changes in accounting policies required by accounting standard: Yes
- (b). Changes other than those in (a) above: None
- (c). Changes in accounting estimates: None
- (d). Restatements: None

(4) Number of shares issued (common shares)

1. Number of shares issued (including treasury stock):
 

201,305,200 shares for the first quarter of fiscal 2023
201,295,200 shares for fiscal 2022
2. Number of shares of treasury stock:
 

20 shares for the first quarter of fiscal 2023
20 shares for fiscal 2022
3. Average number of shares issued during the first quarter:
 

201,298,821 shares for the first quarter of fiscal 2023
201,134,050 shares for the first quarter of fiscal 2022

\* This summary of financial statements is exempt from the review procedures.

\* Explanation of the appropriate use of performance forecasts and other related items.

The forward-looking statements included in this summary of financial statements are based on the assumptions, forecasts, and plans of the Company as of the date on which this document is made public. The Company's actual results may differ substantially from such statements due to various risks and uncertainties.

## Consolidated Financial Statements and Primary Notes

### (1) Quarterly Consolidated Balance Sheets

(Unit: Thousands of yen)

	Fiscal 2022 (As of September 30, 2022)	First Quarter of Fiscal 2023 (As of December 31, 2022)
<b>Assets</b>		
Current assets		
Cash and time deposits	2,375,927	1,813,984
Accounts receivable - trade, and contract assets	1,113,702	1,117,632
Operational investment securities	2,482,469	2,850,721
Loans receivable, trade	371,665	356,715
Real estate for sale	4,057,167	4,057,167
Merchandise	133,602	151,060
Other	593,045	535,425
Allowance for doubtful accounts	(104,772)	(107,313)
<b>Total current assets</b>	<b>11,022,806</b>	<b>10,775,394</b>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	5,390,285	5,390,760
Accumulated depreciation	(717,453)	(764,036)
Buildings and structures, net	4,672,832	4,626,723
Other	1,205,951	1,162,295
<b>Total property, plant and equipment</b>	<b>5,878,784</b>	<b>5,789,018</b>
Intangible fixed assets		
Goodwill	117,736	111,870
Other	514,765	44,996
<b>Total intangible fixed assets</b>	<b>632,501</b>	<b>156,866</b>
Investments and other assets		
Investments in securities	105,581	536,689
Long-term loans receivable	35,004	32,921
Deferred tax assets	11,364	—
Other	257,016	250,704
Allowance for doubtful accounts	(10,047)	(10,041)
<b>Total investments and other assets</b>	<b>398,918</b>	<b>810,273</b>
<b>Total noncurrent assets</b>	<b>6,910,204</b>	<b>6,756,158</b>
<b>Total assets</b>	<b>17,933,011</b>	<b>17,531,553</b>

(Unit: Thousands of yen)

	<b>Fiscal 2022</b> (As of September 30, 2022)	<b>First Quarter of Fiscal 2023</b> (As of December 31, 2022)
<b>Liabilities</b>		
Current liabilities		
Accounts payable, trade	248,274	531,049
Current portion of long-term loans payable	529,252	444,663
Income taxes payable	133,150	92,891
Lease obligations	260,095	262,506
Accrued employee bonuses	191,888	168,711
Other	1,225,164	798,330
<b>Total current liabilities</b>	<b>2,587,825</b>	<b>2,298,151</b>
Noncurrent liabilities		
Long-term loans payable	7,184,342	7,065,123
Lease obligations	158,022	97,848
Deferred tax liabilities	19,737	17,657
Net defined benefit liability	110,067	112,987
Other	30,322	34,655
<b>Total noncurrent liabilities</b>	<b>7,502,492</b>	<b>7,328,271</b>
<b>Total liabilities</b>	<b>10,090,317</b>	<b>9,626,422</b>
Net assets		
Shareholders' equity		
Common stock	6,471,266	6,471,504
Additional paid-in capital	4,996,716	4,996,954
Retained earnings	(4,943,941)	(4,440,516)
Treasury shares	(0)	(0)
<b>Total shareholders' equity</b>	<b>6,524,040</b>	<b>7,027,941</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	35,680	9,734
Foreign currency translation adjustment	26,158	26,694
<b>Total accumulated other comprehensive income</b>	<b>61,839</b>	<b>36,428</b>
Stock acquisition rights	56,359	57,220
Non-controlling interests	1,200,454	783,540
<b>Total net assets</b>	<b>7,842,693</b>	<b>7,905,130</b>
<b>Total liabilities and net assets</b>	<b>17,933,011</b>	<b>17,531,553</b>

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income  
 Quarterly Consolidated Statements of Income

(Unit: Thousands of yen)

	First Quarter of Fiscal 2022 (From October 1, 2021 to December 31, 2021)	First Quarter of Fiscal 2023 (From October 1, 2022 to December 31, 2022)
Revenues	2,272,272	2,716,112
Cost of revenues	1,375,010	1,118,382
Gross profit	897,261	1,597,730
Selling, general and administrative expenses	834,437	877,310
Operating income	62,824	720,419
Non-operating income		
Interest income	243	321
Share of profit of entities accounted for using equity method	—	10,440
Subsidy income	4,421	78
Other	3,390	2,146
Total non-operating income	8,055	12,986
Non-operating expenses		
Interest expense	29,906	32,845
Share of loss of entities accounted for using equity method	315	—
Other	1,201	699
Total non-operating expenses	31,422	33,545
Ordinary profit	39,457	699,860
Extraordinary income		
Gain on liquidation of subsidiaries and associates	—	96
Gain on reversal of stock acquisition rights	91	273
Total extraordinary income	91	369
Extraordinary losses		
Loss on valuation of investments in capital of subsidiaries and associates	999	—
Loss on retirement of noncurrent assets	—	15,673
Total extraordinary loss	999	15,673
Income before income taxes	38,548	684,556
Income taxes (current)	38,947	103,338
Income taxes (deferred)	(13,569)	—
Total income taxes	25,378	103,338
Profit	13,170	581,217
Profit attributable to non-controlling interests	60,691	77,793
Profit (loss) attributable to owners of the parent	(47,521)	503,424

Quarterly Consolidated Statements of Comprehensive Income

(Unit: Thousands of yen)

	<b>First Quarter of Fiscal 2022</b> (From October 1, 2021 to December 31, 2021)	<b>First Quarter of Fiscal 2023</b> (From October 1, 2022 to December 31, 2022)
Profit	13,170	581,217
Other comprehensive income		
Valuation difference on available-for-sale securities	3,246	(25,946)
Foreign currency translation adjustment	(7,682)	1,227
Total other comprehensive income	(4,436)	(24,718)
Comprehensive income	8,734	556,499
Comprehensive income attributable to		
Owners of the parent	(48,935)	478,013
Non-controlling interests	57,670	78,485

(3) Notes to Quarterly Consolidated Financial Statements  
(Assumption of Going Concern)  
Not applicable.

(Significant Change in Shareholders' Equity)  
Not applicable.

(Change in accounting policies)

(Application of Accounting Standard for Fair Value Measurement)

The Company has applied the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021; hereafter, "Fair Value Measurement Implementation Guidance") effective from the beginning of the first quarter of the current fiscal year, and it has applied the new accounting policy provided for by the Fair Value Measurement Implementation Guidance prospectively in accordance with the transitional measures provided for in paragraph 27(2) of the Fair Value Measurement Implementation Guidance. The application of the Fair Value Measurement Implementation Guidance had no impact on the quarterly consolidated financial statements for the first quarter of the current fiscal year.

(Additional Information)

(Accounting estimates related to impact from spread of COVID-19)

There is no material change concerning the assumption, and the accounting estimates based on it, about how COVID-19, the disease caused by the new coronavirus, will spread further and influence economic and corporate activities, when it will subside, etc., which were stated in the Annual Securities Report for the previous fiscal year.

(Adoption of the Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System)

The Company and some of its domestic consolidated subsidiaries have made the transition from the consolidated corporate tax system to the group tax sharing system from the first quarter of the current fiscal year. Accordingly, the Company disclose corporate tax, local corporate tax and tax effect accounting with applying "the Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (PITF No.42 issued August 12, 2021) which set forth the accounting treatment. In addition, based on PITF No.42 Paragraph 32 Item (1), the company consider that there is no impact on the quarterly consolidated financial statements.

(Segment Information)

I. Three months ended December 31, 2021 (October 1, 2021 to December 31, 2021)

**1. Information about the amount of revenues, profits or losses pursuant to each reporting segment**

(Thousands of yen)

	Reporting Segments				Adjustment (Note 1)	Consolidated (Note 2)
	Investment Banking Business	Public Management Consulting Business	Entertainment Service Business	Total		
Revenues						
Revenues to third party	999,518	105,514	1,167,239	2,272,272	—	2,272,272
Inter-segment revenues and transfers	58,624	3,000	14,516	76,141	(76,141)	—
Total	1,058,143	108,514	1,181,756	2,348,414	(76,141)	2,272,272
Segment income	198,704	8,952	36,020	243,677	(180,852)	62,824

Notes:

1. Adjustment of segment income (loss), at ¥ (180,852) thousand, includes elimination of transactions among segments of ¥48,082 thousand and corporate expenses of ¥ (228,934) thousand, which are not allocatable to reporting segments. Corporate expenses are mainly general and administrative expenses, which do not belong to any reporting segments.
2. Segment income is reconciled with operating income in the quarterly consolidated statements.

II. Three months ended December 31, 2022 (October 1, 2022 to December 31, 2022)

**1. Information about the amount of revenues, profits or losses pursuant to each reporting segment**

(Thousands of yen)

	Reporting Segments				Adjustment (Note 1)	Consolidated (Note 2)
	Investment Banking Business	Public Management Consulting Business	Entertainment Service Business	Total		
Revenues						
Revenues to third party	1,932,664	87,502	695,944	2,716,112	—	2,716,112
Inter-segment revenues and transfers	57,100	3,000	17,581	77,682	(77,682)	—
Total	1,989,765	90,502	713,526	2,793,794	(77,682)	2,716,112
Segment income (loss)	933,300	(7,527)	(18,247)	907,524	(187,105)	720,419

Notes:

1. Adjustment of segment income (loss), at ¥ (187,105) thousand, includes elimination of transactions among segments of ¥54,210 thousand and corporate expenses of ¥ (241,316) thousand, which are not allocatable to reporting segments. Corporate expenses are mainly general and administrative expenses, which do not belong to any reporting segments.
2. Segment income (loss) is reconciled with operating income in the quarterly consolidated statements.