

June 9,2023

To whom it may concern

Company Name: Avant Group Corporation
Name of Representative: Tetsuji Morikawa, President
and Group CEO
(Code: 3836, TSE Prime Market)
Inquiries: Naoyoshi Kasuga, Director and Group CFO
(TEL: 03-6388-6739)

(Corrections) : " Consolidated Summary Report under Japanese GAAP for the second quarter of the fiscal year ending June 30, 2023 " and " Financial Results Presentation for the second quarter of Fiscal Year June 2023"

Avant Group Corporation (the "Company") hereby announces that there have been corrections made to the above-mentioned disclosure material released on January 31, 2023 (JST).

Note that no corrections have been made to numerical data (XBRL data).

1. Reason for corrections

Following the publication of the " Consolidated Summary Report under Japanese GAAP for the second quarter of the fiscal year ending June 30, 2023 " and "Financial Results Presentation for the second quarter of Fiscal Year June 2023", it was found that there were some errors in the contents, and corrections have been made.

2. Details of corrections

Corrections are underlined.

Consolidated Summary Report under Japanese GAAP for the second quarter of the fiscal year ending June 30, 2023 Page 4

1. Qualitative Information on Financial Results for the Current Quarter

(1) Management's Discussion on Business Operations

【Before corrections】

(i) Orders Received

(millions of yen, rounded down to the nearest unit)

	Fiscal Year ended June 30, 2022 Second quarter		Fiscal Year ending June 30, 2023 Second quarter		Year on Year Change	
					Amount	
	Orders Received	Outstandin g Orders	Orders Received	Outstanding Orders	Orders Received	Outstandin g Orders
Group Governance Businesses	4,516	2,586	5,432	3,397	915	810
Digital Transformation Business	3,374	1,247	4,212	1,403	838	155
Outsourcing Business	1,946	1,937	<u>1,393</u>	2,023	<u>(552)</u>	85
Elimination of inter-segment transactions	(402)	(327)	<u>(155)</u>	(332)	<u>247</u>	(5)
Total	9,434	5,444	<u>10,882</u>	6,490	<u>1,448</u>	1,046

【After corrections】

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(millions of yen, rounded down to the nearest unit)

	Fiscal Year ended June 30, 2022 Second quarter		Fiscal Year ending June 30, 2023 Second quarter		Year on Year Change	
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Digital Transformation Business	3,374	1,247	4,212	1,403	838	155
Outsourcing Business	1,946	1,937	<u>1,674</u>	2,023	<u>(271)</u>	85
Elimination of inter-segment transactions	(402)	(327)	<u>(376)</u>	(332)	<u>26</u>	(5)
Total	9,434	5,444	<u>10,943</u>	6,490	<u>1,508</u>	1,046

Results by Business Segment

- Group Governance and Outsourcing businesses increased sales and profits, but profit margins deteriorated due to increased growth-related costs; Digital Transformation business led the increase in profit thanks to the effect of increased sales.

(Millions of yen)

		FY6/23			FY6/23		
		Q2	YoY Variance		H1	YoY Variance	
			Yr earlier	% chg		Yr earlier	% chg
Group Governance	Net Sales	2,741	2,322	18.0%	5,151	4,279	20.4%
	Operating Income	626	599	4.5%	1,020	885	15.2%
	OPM	22.9%	25.8%	-2.9pt	19.8%	20.7%	-0.9pt
	Orders	2,843	2,629	8.1%	5,432	4,516	20.3%
	Order Backlog	3,397	2,586	31.4%	3,397	2,586	31.3%
Digital Transformation (DX)	Net Sales	2,023	1,806	12.0%	3,940	3,370	16.9%
	Operating Income	430	365	17.8%	718	552	30.1%
	OPM	21.3%	20.2%	1.1pt	18.2%	16.4%	1.8pt
	Orders	2,112	2,078	1.6%	4,212	3,374	24.8%
	Order Backlog	1,403	1,247	12.5%	1,403	1,247	12.5%
Outsourcing	Net Sales	930	755	23.2%	1,816	1,466	23.9%
	Operating Income	219	195	12.3%	418	356	17.3%
	OPM	23.6%	25.9%	-2.2pt	23.0%	24.3%	-1.3pt
	Orders	560	1,223	-54.2%	1,393	1,946	-28.4%
	Order Backlog	2,023	1,937	4.4%	2,023	1,937	4.4%

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[After corrections]

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