

Translation

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Summary of Non-Consolidated Financial Results for the Three Months Ended April 30, 2022 (Based on Japanese GAAP)

June 13, 2022

Company name: Ascentech K.K.
 Stock exchange listing: Tokyo
 Stock code: 3565 URL <https://www.ascentech.co.jp/>
 Representative: CEO Naohiro Sato
 Inquiries: CFO Masanobu Sato TEL 03(5296)9331
 Scheduled date to file Quarterly Securities Report: June 13, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the three months ended April 30, 2022 (from February 1, 2022 to April 30, 2022)

(1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

| | Net sales | | Operating profit | | Ordinary profit | | Profit | |
|-----------------------------------|-----------------|-------|------------------|--------|-----------------|-------|-----------------|-------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Three months ended April 30, 2022 | 1,561 | (9.7) | 192 | (11.6) | 208 | (2.7) | 144 | (4.2) |
| Three months ended April 30, 2021 | 1,730 | 1.5 | 217 | 24.6 | 214 | 20.1 | 151 | 22.1 |

| | Earnings per share | | Diluted earnings per share | |
|-----------------------------------|--------------------|--|----------------------------|--|
| | Yen | | Yen | |
| Three months ended April 30, 2022 | 10.81 | | 10.80 | |
| Three months ended April 30, 2021 | 11.17 | | 10.93 | |

(2) Non-consolidated financial position

| | Total assets | Net assets | Equity ratio |
|------------------------|-----------------|-----------------|--------------|
| | Millions of yen | Millions of yen | % |
| As of April 30, 2022 | 3,835 | 2,399 | 62.4 |
| As of January 31, 2022 | 3,576 | 2,351 | 65.6 |

2. Cash dividends

| | Annual dividends per share | | | | |
|---|----------------------------|-----------------|-----------------|-----------------|-------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Year ended January 31, 2022 | – | 0.00 | – | 7.00 | 7.00 |
| Year ending January 31, 2023 | – | | | | |
| Year ending January 31, 2023 (Forecast) | | 0.00 | – | 7.00 | 7.00 |

3. Forecast of non-consolidated financial results for the year ending January 31, 2023 (from February 1, 2022 to January 31, 2023)

Percentages indicate year-on-year changes

| | Net sales | | Operating profit | | Ordinary profit | | Profit | | Earnings per share |
|---------------------------------|-----------------|-------|------------------|------|-----------------|-----|-----------------|-----|--------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Six months ending July 31, 2022 | 3,350 | (1.3) | 410 | 1.7 | 410 | 3.2 | 284 | 2.2 | 21.19 |
| Full year | 6,600 | 1.8 | 780 | 10.2 | 780 | 9.2 | 540 | 8.7 | 40.30 |

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

| | | | |
|----------------------|-------------------|------------------------|-------------------|
| As of April 30, 2022 | 13,536,800 shares | As of January 31, 2022 | 13,536,800 shares |
|----------------------|-------------------|------------------------|-------------------|

Number of treasury shares at the end of the period

| | | | |
|----------------------|----------------|------------------------|----------------|
| As of April 30, 2022 | 140,372 shares | As of January 31, 2022 | 140,372 shares |
|----------------------|----------------|------------------------|----------------|

Average number of shares during the period (cumulative from the beginning of the fiscal year)

| | | | |
|-----------------------------------|-------------------|-----------------------------------|-------------------|
| Three months ended April 30, 2022 | 13,396,428 shares | Three months ended April 30, 2021 | 13,532,028 shares |
|-----------------------------------|-------------------|-----------------------------------|-------------------|

Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

| | As of January 31, 2022 | As of April 30, 2022 |
|---|------------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 1,417,545 | 1,697,525 |
| Accounts receivable - trade | 1,004,551 | 1,046,761 |
| Merchandise | 369,919 | 327,593 |
| Work in process | 26,111 | 33,980 |
| Other | 282,692 | 190,239 |
| Total current assets | 3,100,820 | 3,296,100 |
| Non-current assets | | |
| Property, plant and equipment | 50,259 | 58,540 |
| Intangible assets | 77,745 | 90,844 |
| Investments and other assets | | |
| Other | 357,396 | 399,989 |
| Allowance for doubtful accounts | (9,720) | (9,720) |
| Total investments and other assets | 347,676 | 390,269 |
| Total non-current assets | 475,682 | 539,654 |
| Total assets | 3,576,502 | 3,835,755 |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 298,538 | 466,678 |
| Income taxes payable | 118,517 | 63,490 |
| Advances received | 752,291 | — |
| Contract liabilities | — | 784,592 |
| Other | 25,373 | 91,026 |
| Total current liabilities | 1,194,720 | 1,405,788 |
| Non-current liabilities | | |
| Other | 30,755 | 30,755 |
| Total non-current liabilities | 30,755 | 30,755 |
| Total liabilities | 1,225,475 | 1,436,543 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 235,653 | 235,653 |
| Capital surplus | 262,653 | 262,653 |
| Retained earnings | 2,028,359 | 2,078,806 |
| Treasury shares | (192,738) | (192,738) |
| Total shareholders' equity | 2,333,927 | 2,384,375 |
| Valuation and translation adjustments | | |
| Valuation difference on available-for-sale securities | 10,323 | 8,985 |
| Deferred gains or losses on hedges | 924 | — |
| Total valuation and translation adjustments | 11,247 | 8,985 |
| Share acquisition rights | 5,851 | 5,851 |
| Total net assets | 2,351,026 | 2,399,211 |
| Total liabilities and net assets | 3,576,502 | 3,835,755 |

Non-consolidated statements of income (cumulative)

(Thousands of yen)

| | Three months ended April 30, 2021 | Three months ended April 30, 2022 |
|--|--------------------------------------|--------------------------------------|
| Net sales | 1,730,305 | 1,561,681 |
| Cost of sales | 1,380,591 | 1,235,470 |
| Gross profit | 349,714 | 326,210 |
| Selling, general and administrative expenses | 131,750 | 133,485 |
| Operating profit | 217,963 | 192,724 |
| Non-operating income | | |
| Interest income | 7 | 7 |
| Foreign exchange gains | — | 15,663 |
| Subsidy income | 3,944 | — |
| Other | — | 417 |
| Total non-operating income | 3,952 | 16,088 |
| Non-operating expenses | | |
| Interest expenses | — | 50 |
| Foreign exchange losses | 7,416 | — |
| Other | 0 | — |
| Total non-operating expenses | 7,416 | 50 |
| Ordinary profit | 214,499 | 208,762 |
| Profit before income taxes | 214,499 | 208,762 |
| Income taxes - current | 51,406 | 58,658 |
| Income taxes - deferred | 11,936 | 5,278 |
| Total income taxes | 63,342 | 63,936 |
| Profit | 151,156 | 144,825 |