*Note: This document is a translation of a part of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.*

# Consolidated Financial Results for the Year Ended March 31, 2024 [Japanese GAAP]

May 14, 2024


Company name: SUNCORPORATION
Stock exchange listing: Tokyo
Code number: 6736
URL: https://www.sun-denshi.co.jp
Representative: Ryusuke Utsumi President and Representative Director
Contact: Yoshimi Kimura Representative and Executive managing director
Phone: +81-52-756-5981


Scheduled date of Annual General Meeting of Shareholders: June 25, 2024
Scheduled date of commencing dividend payments: June 26, 2024
Scheduled date of filing annual securities report: June 26, 2024
Availability of supplementary briefing material on annual financial results: Yes
Schedule of annual financial results briefing session: Yes

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|---|---|---|---|---|---|---|---|---|
| Fiscal year ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| March 31, 2024 | 10,045 | (73.2) | 312 | - | (4,114) | - | (3,777) | - |
| March 31, 2023 | 37,449 | 0.7 | (1,711) | - | 14,174 | 46.5 | 6,878 | 144.0 |

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥ 3,531 million [ (73.9)%]
Fiscal year ended March 31, 2023: ¥ 13,510 million [ 61.3%]

| | Basic earnings per share | Diluted earnings per share | Rate of return on equity | Ordinary profit to total assets ratio | Operating profit to net sales ratio |
|---|---|---|---|---|---|
| Fiscal year ended | Yen | Yen | % | % | % |
| March 31, 2024 | (169.82) | - | (10.2) | (9.3) | 3.1 |
| March 31, 2023 | 292.82 | 278.46 | 23.2 | 22.9 | (4.6) |

(Note: Diluted net income per share for the fiscal year ended March 31, 2024 is not shown in the above table, because net loss per share was recorded, although there are residual shares.

(2) Consolidated Financial Position

| | Total assets | Net assets | Capital adequacy ratio | Net assets per share |
|---|---|---|---|---|
| As of | Millions of yen | Millions of yen | % | Yen |
| March 31, 2024 | 46,838 | 37,259 | 79.3 | 1,670.86 |
| March 31, 2023 | 41,767 | 35,013 | 83.6 | 1,542.39 |

(Reference) Equity: As of March 31, 2024: ¥ 37,157 million
As of March 31, 2023: ¥ 34,908 million

(Note: In the consolidated fiscal year ended March 31, 2024, the Company finalized the provisional accounting treatment for the business combination, and the consolidated financial position for the fiscal year ended March 31, 2023 reflects the details of the finalization of the provisional accounting treatment.

(3) Consolidated Cash Flows

| | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at the end of period |
|---|---|---|---|---|
| Fiscal year ended | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| March 31, 2024 | 2,509 | (3,562) | (385) | 1,519 |
| March 31, 2023 | (13,518) | (25,131) | 25,574 | 2,934 |

2. Dividends

| | Annual dividends | | | | | Total dividends | Payout ratio (consolidated) | Dividends to net assets (consolidated) |
|---|---|---|---|---|---|---|---|---|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total | | | |
| Fiscal year ended | Yen | Yen | Yen | Yen | Yen | Millions of yen | % | % |
| March 31, 2023 | - | 0.00 | - | 20.00 | 20.00 | 452 | 6.8 | 1.6 |
| March 31, 2024 | - | 0.00 | - | 40.00 | 40.00 | 889 | (23.6) | 2.5 |
| Fiscal year ending March 31, 2025 (Forecast) | - | - | - | - | - | | - | |

(Note: The dividend forecast for the fiscal year ending March 31, 2025 is undecided at this time.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | |
|---|---|---|---|---|
| | Millions of yen | % | Millions of yen | % |
| Full year | 12,285 | 22.29 | 709 | 126.66 |

With regard to the forecast for the year ending 31 March 2025, the impact of recent geopolitical risks and financial instability is uncertain, and it is difficult to reasonably estimate the impact on the Company's results of changes in the fair value of price adjustment clauses, certain restricted rights shares and derivative warrant liabilities recognised in Cellebrite DI Ltd, an equity method affiliate of the Company. The impact of changes in the fair value of price adjustment clauses, certain restricted rights shares and derivative warrant liabilities recognised in Cellebrite DI Ltd. on the Company's results is difficult to reasonably calculate at this stage, and therefore the profit for each segment below ordinary income has not yet been determined.

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No
2) Changes in accounting policies other than 1) above: No
3) Changes in accounting estimates: No
4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):
March 31, 2024: 24,007,728 shares
March 31, 2023: 23,998,828 shares

2) Number of treasury shares at the end of the period:
March 31, 2024: 1,769,277 shares
March 31, 2023: 1,366,387 shares

3) Average number of shares outstanding during the period:
Fiscal Year ended March 31, 2024: 22,245,178 shares
Fiscal Year ended March 31, 2023: 23,490,418 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Net income | |
|---|---|---|---|---|---|---|---|---|
| Fiscal year ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| March 31, 2024 | 8,435 | 4.8 | 357 | 118.4 | 433 | (87.3) | 439 | (86.3) |
| March 31, 2023 | 8,051 | 0.1 | 163 | 45.5 | 3,415 | (60.2) | 3,212 | (86.6) |

| | Basic earnings per share | Diluted earnings per share |
|---|---|---|
| Fiscal year ended | Yen | Yen |
| March 31, 2024 | 19.75 | 19.73 |
| March 31, 2023 | 136.78 | 136.55 |

(2) Non-consolidated Financial Position

| | Total assets | Net assets | Capital adequacy ratio | Net assets per share |
|---|---|---|---|---|
| As of | Millions of yen | Millions of yen | % | Yen |
| March 31, 2024 | 45,640 | 37,299 | 81.5 | 1,672.64 |
| March 31, 2023 | 36,848 | 31,876 | 86.2 | 1,403.78 |

(Reference) Equity: As of March 31, 2024: ¥ 37,197 million
As of March 31, 2023: ¥ 31,771 million

*The financial results are not subject to audit by a certified public accountant or auditing firm.

* Explanation of the appropriate use of earnings forecasts and other special notes

With regard to the forecast for the year ending 31 March 2025, the impact of recent geopolitical risks and financial instability is uncertain, and it is difficult to reasonably estimate the impact on the Company's results of changes in the fair value of price adjustment clauses, certain restricted rights shares and derivative warrant liabilities recognised in Cellebrite DI Ltd, an equity method affiliate of the Company. The impact of changes in the fair value of price adjustment clauses, certain restricted rights shares and derivative warrant liabilities recognised in Cellebrite DI Ltd. on the Company's results is difficult to reasonably calculate at this stage, and therefore, the profit for the various levels below ordinary income has not yet been determined. For further details, please refer to page 7, ‘1. Business results (4) Future outlook’.