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Consolidated Financial Results for the Six Months Ended September 30, 2023 [Japanese GAAP]

November 14, 2023

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 filing quarterly securities report: November 14, 2023

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2023 (April 1, 2023 to September 30, 2023)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2023	4,648	(78.1)	71	-	(4,448)	-	(4,229)	-
September 30, 2022	21,195	35.6	(1,445)	-	12,788	683.7	6,414	537.1

(Note) Comprehensive income: Six months ended September 30, 2023: ¥ (1,393) million [-%]
Six months ended September 30, 2022: ¥ 11,061 million [395.9%]

	Basic earnings per share	Diluted earnings per share
Six months ended September 30, 2023	Yen (189.88)	Yen -
September 30, 2022	270.30	257.22

Note: Diluted net income per share for the second quarter of fiscal year 2024 is not shown in the above table because net income per share was negative despite the existence of dilutive shares.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of September 30, 2023	Millions of yen 40,372	Millions of yen 32,300	%
March 31, 2023	41,767	35,013	83.6

(Reference) Equity: As of September 30, 2023: ¥ 32,186 million

As of March 31, 2023: ¥ 34,908 million

Note: In the first quarter of the current fiscal year, the Company finalized the provisional accounting for the business combination, and the consolidated financial position for the fiscal year ending March 31, 2023 reflects the details of the finalization of the provisional accounting.

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	0.00	-	20.00	20.00
Fiscal year ending March 31, 2024	-	0.00			
Fiscal year ending March 31, 2024 (Forecast)			-	-	-

Note: The dividend forecast for the fiscal year ending March 31, 2024 is currently undetermined.

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit	
	Millions of yen	%	Millions of yen	%
Full year	10,000	(73.3)	10	-
	~11,000	~(70.6)	~100	-

(Note) Revision to the financial results forecast announced most recently: No

It is difficult to reasonably estimate the impact of changes in the fair value of contingent consideration, certain restricted stock and derivative warrant liabilities of our equity method investment Cellebrite DI Ltd. The Company has not yet determined the fair value of the restricted stock and derivative warrant liability.

* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) 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

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

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

September 30, 2023: 24,007,728 shares

March 31, 2023: 23,998,828 shares

2) Number of treasury shares at the end of the period:

September 30, 2023: 1,794,181 shares

March 31, 2023: 1,366,387 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2023: 22,272,742 shares

Six months ended September 30, 2022: 23,732,042 shares

※ Quarterly financial statements are not subject to a quarterly review by a certified public accountant or firm of accountants.

※ Explanation of the appropriate use of earnings guidance and other special disclosures

The forward-looking statements in this document, including earnings guidance, are based on information currently available to the Company and certain assumptions that the Company believes are reasonable. Actual results could differ materially as a result of various factors.