

[NOTICE: This Consolidated Financial Summary is a translation of the Japanese original for reference purposes only, and in the event of any discrepancy, the Japanese original shall prevail.]

Consolidated Financial Summary under Japanese GAAP
for the First Nine Months of the Fiscal Year Ending September 30, 2022

August 10, 2022

Company Name: Amvis Holdings, Inc.	Stock Exchange Listings: Tokyo
Code Number: 7071	URL: https://www.amvis.com/en/
Representative: Keiichi Shibahara, Representative Director and CEO	
For Inquiry: Tetsuya Nakagawa, Director and CFO	TEL: +81-3-6262-5105
Quarterly Securities Report Issue Date: August 10, 2022	Dividend Payment Date: —
Supplementary Information for Financial Statements: Available	
Explanatory Meeting to be held: No	

(Amounts of less than one million yen are truncated)

1. Consolidated Financial Results for the First Nine Months of the Fiscal Year Ending September 30, 2022

(1) Consolidated Operating Results (% represents the change from the same period in the previous fiscal year)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Nine Months Ended								
June 30, 2022	16,410	53.0	4,398	74.9	4,323	69.2	3,055	69.1
June 30, 2021	10,724	66.4	2,514	91.1	2,555	106.7	1,807	108.4

Notes Comprehensive Income
 Nine months ended June 30, 2022: 3,055 million yen / 69.1%
 Nine months ended June 30, 2021: 1,807 million yen / 108.4%

	Earnings per Share	Diluted Earnings per Share
Nine Months Ended	yen	yen
June 30, 2022	62.92	62.30
June 30, 2021	39.03	38.18

Notes
 As of January 1, 2022, Amvis Holdings, Inc. (hereinafter referred to as the “Company”) has implemented a 2-for-1 stock split. Therefore, earnings per share and diluted earnings per share are calculated as if the stock split had been implemented at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Shareholders' Equity Ratio
As of	million yen	million yen	%
June 30, 2022	39,118	19,177	49.0
September 30, 2021	31,922	16,341	51.2

Reference Shareholders' equity:
 As of June 30, 2022: 19,177 million yen
 As of September 30, 2021: 16,341 million yen

2. Dividends on Common Stock

	Dividends per Share				
	First quarter end	Second quarter end	Third quarter end	Fiscal year end	Annual
	yen	yen	yen	yen	yen
Fiscal Year Ended September 30, 2021	—	0.00	—	9.00	9.00
Fiscal Year Ending September 30, 2022	—	0.00	—		
Fiscal Year Ending September 30, 2022 (Forecast)				6.00	6.00

Notes
 1. Revision of the forecast from most recently announced figures: No
 2. As of January 1, 2022, the Company has implemented a 2-for-1 stock split. Therefore, dividends per share for the fiscal year ended September 30, 2021 is calculated based on the number of shares not taking into account the stock split. If the stock split had been implemented at the beginning of the previous fiscal year, dividends per share for the fiscal year ended September 30, 2021 is 4.50 yen. As for fiscal year ending September 30, 2022, dividends per share practically increase by 1.50 yen.

3. Consolidated Earnings Forecasts for the Fiscal Year Ending September 30, 2022

(% represents the change from the previous fiscal year)

	Net Sales		Operating Profit		Profit Attributable to Owners of Parent		Earnings per Share
	million yen	%	million yen	%	million yen	%	yen
Fiscal Year Ending September 30, 2022	22,487	46.6	5,800	53.3	3,975	51.3	81.87

Notes

- Revision of the forecast from most recently announced figures: No
- As of January 1, 2022, the Company has implemented a 2-for-1 stock split. Therefore, earnings per share for the fiscal year ending September 30, 2022 is calculated taking into account the stock split.

Notes

- Changes in significant subsidiaries during the period: No
- Application of special accounting methods for the preparation of the quarterly consolidated financial statements: Yes
- Changes in accounting policies, accounting estimates and restatement of correction
 - Changes in accounting policies due to revision of accounting standards: Yes
 - Other changes in accounting policies: No
 - Changes in accounting estimates: No
 - Restatement of corrections: No

4. Number of shares outstanding (common shares)

(A) Total shares outstanding including treasury shares

As of June 30, 2022	48,560,000 shares
As of September 30, 2021	48,560,000 shares

(B) Shares of treasury shares held

As of June 30, 2022	456 shares
As of September 30, 2021	456 shares

(C) Average outstanding shares

Nine Months Ended June 30, 2022	48,559,544 shares
Nine Months Ended June 30, 2021	46,296,464 shares

Notes

As of January 1, 2022, the Company has implemented a 2-for-1 stock split. Therefore, total shares outstanding including treasury shares, shares of treasury shares held and average outstanding shares are calculated as if the stock split had been implemented at the beginning of the previous fiscal year.

This report is exempt from the quarterly review procedures by CPAs or Audit firms

Notes for using earnings forecasts in this report and others

Disclaimer regarding forward-looking information including appropriate use of forecast financial results

This report contains forward-looking statements, such as earnings forecasts, regarding the intent, beliefs and current expectations of the Company and its management with respect to the expected financial condition and results of operations of the Company. Actual performance and results may differ from those forecasts due to various factors. Please see "1. Qualitative Information about Consolidated Results for the First Nine Months (1) Explanation of Forecasts of Consolidated Financial Results and Other Forward-Looking Information" on page 4 for matters related to the above forecasts.

Table of Contents of Appendix

1. Qualitative Information about Consolidated Results for the First Nine Months	4
(1) Explanation of Forecasts of Consolidated Financial Results and Other Forward-Looking Information	4
2. Quarterly Consolidated Financial Statements and Principal Notes	5
(1) Quarterly Consolidated Balance Sheets	5
(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income	7
(3) Notes to Quarterly Consolidated Financial Statements	9
(Going Concern Assumption)	9
(Significant Changes in the Amount of Shareholder's Equity)	9
(Adoption of Specific Accounting Methods for the Preparation of Quarterly Consolidated Financial Statements)	9
(Changes in Accounting Policies)	9
(Significant Subsequent Events)	10

1. Qualitative Information about Consolidated Results for the First Nine Months

(1) Explanation of Forecasts of Consolidated Financial Results and Other Forward-Looking Information

The Company has revised the forecast of consolidated financial results for the fiscal year ending September 30, 2022 on July 25, 2022, in light of the performance in the first nine months of the consolidated fiscal year, as well as its future outlook.

The forecasted statements are based on information currently available and certain assumptions that the Company regards as reasonable. Actual performance and other results may differ from these forecasted figures due to various factors.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Unit: million yen)

	As of September 30, 2021	As of June 30, 2022
Assets		
Current Assets		
Cash and Deposits	11,192	11,393
Accounts Receivable	3,271	4,413
Inventories	7	9
Other	504	485
Allowance for Doubtful Accounts	(39)	(50)
Total Current Assets	14,937	16,251
Non-Current Assets		
Property, Plant and Equipment		
Buildings and Structures, Net	8,963	11,666
Machinery, Equipment and Vehicles, Net	4	11
Tools, Furniture and Fixtures, Net	107	85
Leased Assets, Net	3,646	4,559
Land	1,301	1,404
Construction in Progress	1,211	2,864
Total Property, Plant and Equipment	15,234	20,591
Intangible Assets		
Goodwill	6	-
Other	21	42
Total Intangible Assets	28	42
Investments and Other Assets		
Leasehold and Guarantee Deposits	1,055	1,469
Deferred Tax Assets	292	292
Other	332	444
Total Investments and Other Assets	1,679	2,206
Total Non-Current Assets	16,942	22,840
Deferred Assets		
Share Issuance Cost	42	26
Total Deferred Assets	42	26
Total Assets	31,922	39,118

(Unit: million yen)

	As of September 30, 2021	As of June 30, 2022
Liabilities		
Current Liabilities		
Accounts Payable	42	60
Short-Term Borrowings	1,373	1,956
Current Portion of Long-Term Borrowings	998	1,469
Lease Obligations	80	101
Accounts Payable - Other and Accrued Expenses	979	1,122
Income Taxes Payable	1,069	607
Provision for Bonuses	368	655
Other	159	257
Total Current Liabilities	5,072	6,230
Non-Current Liabilities		
Long-Term Borrowings	6,596	8,829
Lease Obligations	3,701	4,648
Asset Retirement Obligations	181	182
Net Defined Benefit Liability	5	9
Other	23	40
Total Non-Current Liabilities	10,508	13,709
Total Liabilities	15,580	19,940
Net Assets		
Shareholders' Equity		
Share Capital	5,838	5,838
Capital Surplus	5,808	5,808
Retained Earnings	4,696	7,533
Treasury Shares	(1)	(1)
Total Shareholders' Equity	16,341	19,178
Accumulated Other Comprehensive Income		
Remeasurements of Defined Benefit Plans	(0)	(0)
Total Accumulated Other Comprehensive Income	(0)	(0)
Total Net Assets	16,341	19,177
Total Liabilities and Net Assets	31,922	39,118

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

	(Unit: million yen)	
	Nine Months Ended June 30, 2021	Nine Months Ended June 30, 2022
Net Sales	10,724	16,410
Cost of Sales	6,419	9,482
Gross Profit	4,305	6,927
Selling, General and Administrative Expenses	1,791	2,529
Operating Profit	2,514	4,398
Non-Operating Income		
Subsidy Income	133	72
Gain on Bad Debts Recovered	5	1
Penalty Income	10	11
Miscellaneous Income	13	12
Total Non-Operating Income	161	97
Non-Operating Expenses		
Interest Expenses	109	156
Amortization of Share Issuance Cost	9	15
Miscellaneous Loss	1	0
Total Non-Operating Expenses	121	172
Ordinary Profit	2,555	4,323
Profit before Income Taxes	2,555	4,323
Income Taxes	748	1,268
Profit	1,807	3,055
Profit Attributable to Non-Controlling Interests	-	-
Profit Attributable to Owners of Parent	1,807	3,055

[Quarterly Consolidated Statements of Comprehensive Income]

(Unit: million yen)

	Nine Months Ended June 30, 2021	Nine Months Ended June 30, 2022
Profit	1,807	3,055
Other Comprehensive Income		
Remeasurements of Defined Benefit Plans	-	0
Total Other Comprehensive Income	-	0
Comprehensive Income	1,807	3,055
(Details)		
Attributable to Owners of Parent	1,807	3,055
Attributable to Non-Controlling Interests	-	-

(3) Notes to Quarterly Consolidated Financial Statements

(Going Concern Assumption)

Not applicable.

(Significant Changes in the Amount of Shareholder's Equity)

Not applicable.

(Adoption of Specific Accounting Methods for the Preparation of Quarterly Consolidated Financial Statements)

Tax Expense Calculations

Tax expenses are calculated by multiplying profit before income taxes by an effective tax rate, which are reasonably estimated by applying tax effect accounting to estimated profit before income taxes for the consolidated fiscal year including this nine months.

(Changes in Accounting Policies)

Application of Accounting Standard for Revenue Recognition and other related standards

The Company began applying the "Accounting Standard for Revenue Recognition" (The Accounting Standards Board of Japan (hereinafter referred to as the "ASBJ") Statement No. 29, March 31, 2020; hereinafter referred to as the "Revenue Recognition Accounting Standard") and other related standards at the beginning of the first quarter of the current consolidated fiscal year. Accordingly, when control of any promised goods or services is transferred to customers, revenue is recognized in the amount expected to be received in exchange for said goods or services. The application of the Revenue Recognition Accounting Standard and other related standards is in accordance with the transitional treatment stipulated in the proviso of paragraph 84 of the Revenue Recognition Accounting Standard. The cumulative effect of the retrospective application, assuming the new accounting policy had been applied to periods prior to the beginning of the first quarter of the current consolidated fiscal year, was added to or subtracted from the beginning balance of retained earnings of the first quarter of the current consolidated fiscal year, and thus the new accounting policy was applied, having started from the said beginning balance. The changes in accounting policies have no impact on the quarterly consolidated financial statements.

The Company has made no reclassification for the previous consolidated fiscal year by using the new method of presentation in accordance with the transitional treatment stipulated in Paragraph 89-2 of the Revenue Recognition Accounting Standard. Furthermore, the Company does not state information on the breakdown of revenue generated from the contracts with customers for the first nine months of the previous consolidated fiscal year in accordance with the transitional treatment stipulated in Paragraph 28-15 of the "Accounting Standard for Quarterly Financial Reporting" (ASBJ Statement No. 12, March 31, 2020).

Application of Accounting Standard for Fair Value Measurement and other related standards

The Company began applying the "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30, July 4, 2019; hereinafter referred to as the "Fair Value Measurement Accounting Standard") and other related standards at the beginning of the first quarter of the current consolidated fiscal year. The Company has decided to apply the new accounting policies outlined in the Fair Value Measurement Accounting Standard and other related standards for the foreseeable future in accordance with the transitional treatments stipulated in Paragraph 19 of the Fair Value Measurement Accounting Standard and Paragraph 44-2 of the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, July 4, 2019). The changes in accounting policies have no impact on the quarterly consolidated financial statements.

(Significant Subsequent Events)

Common stock split

The Company has resolved at a Board of Directors meeting held on August 10, 2022, to implement a stock split and partially amend the Articles of Incorporation.

(1) Purpose of the Stock Split

The purpose of the stock split is to improve the liquidity of the Company's stock and expand its investor base by reducing the stock price per investment unit.

(2) Method of the Stock Split

Each share of common stock owned by shareholders listed or recorded in the closing register of shareholders on the record date of September 30, 2022 will be split into two shares.

(3) Increase in Shares Due to the Stock Split

Total number of issued shares prior to the stock split:	48,735,200 shares
Increase in shares due to the stock split:	48,735,200 shares
Total number of issued shares following the stock split:	97,470,400 shares
Total number of authorized shares following the stock split:	320,000,000 shares

Note:

The above-indicated figures for the total number of issued shares and the increase in shares are based on the total number of issued shares as of July 31, 2022, and may rise due to the exercise of stock acquisition rights before the record date for the stock split.

(4) Schedule of the Stock Split

Public notice of record date:	September 8, 2022
Record date:	September 30, 2022
Effective date:	October 1, 2022

(5) Impact on Per Share Information

Per share information assuming that the stock split was implemented at the beginning of the previous consolidated fiscal year is as follows respectively.

	Nine Months Ended June 30, 2021	Nine Months Ended June 30, 2022
Earnings per Share	19.52 yen	31.46 yen
Diluted Earnings per Share	19.09 yen	31.15 yen

(6) Partial Amendment to the Articles of Incorporation Relating to the Stock Split

(a) Reason for the amendment

In conjunction with the stock split, pursuant to Article 184, Paragraph 2 of the Companies Act, by resolution of the Board of Directors on August 10, 2022, the Company will amend Article 6 (Total Number of Authorized Shares) of its Articles of Incorporation, effective October 1, 2022.

(b) Details of the amendment

The details of the amendment are as follows.

(Amendment is underlined)

Current Articles of Incorporation	Articles of Incorporation after Amendment
Article 6 (Total Number of Authorized Shares) The total number of shares authorized to be issued by the Company shall be <u>160,000,000</u> shares.	Article 6 (Total Number of Authorized Shares) The total number of shares authorized to be issued by the Company shall be <u>320,000,000</u> shares.

(c) Schedule of the amendment

Effective date: October 1, 2022