

(TRANSLATION FOR REFERENCE ONLY)

This is a translation of the original Japanese text of the “Consolidated Financial Results for the Second Quarter of Fiscal Year Ending March 31, 2022.” Should there be any discrepancy between any part of this translation and the original Japanese text, the latter shall prevail.

Consolidated Financial Results

for the Second Quarter of Fiscal Year Ending March 31, 2022 <Japanese GAAP>

November 5, 2021

Company Name: **GLORY LTD.** Stock exchange listing: Tokyo (1st Section)
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Scheduled filing date of Quarterly Securities Report: November 11, 2021
 Scheduled date of dividend payments: December 3, 2021
 Preparation of quarterly earnings supplementary explanatory material: Yes
 Holding of quarterly earnings presentation: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded downward.)

1. Consolidated Financial Results for the Second Quarter of Fiscal Year Ending March 31, 2022 (from April 1, 2021 to September 30, 2021)

(1) Consolidated Operating Results (cumulative)

(The percentages show the changes from the corresponding period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Six months ended September 30, 2021	103,154	16.4	5,735	258.2	5,725	<u>304.5</u>	<u>2,443</u>	—
Six months ended September 30, 2020	88,625	(18.3)	1,600	(82.2)	<u>1,415</u>	<u>(83.0)</u>	<u>(635)</u>	—

(Note) Comprehensive income

Six months ended September 30, 2021: ¥3,837 million [— %]
 Six months ended September 30, 2020: ¥(694) million [— %]

	Net income per share	Fully diluted net income per share
	(Yen)	(Yen)
Six months ended September 30, 2021	<u>40.42</u>	—
Six months ended September 30, 2020	<u>(10.52)</u>	—

(Note) As of the end of the previous fiscal year, the Company finalized the provisional accounting treatment for business combinations, and the figures for the six months ended September 30, 2020 reflect the details of the finalization of the provisional accounting treatment.

(Reference) EBITDA (Operating income + Depreciation + Amortization of goodwill)

Six months ended September 30, 2021: ¥13,785 million [54.7 %]
 Six months ended September 30, 2020: ¥8,908 million [(43.5) %]

Net income before amortization of goodwill (Net income attributable to owners of parent + Amortization of goodwill)

Six months ended September 30, 2021: ¥4,868 million [131.7 %]
 Six months ended September 30, 2020: ¥1,570 million [(76.8) %]

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(2) Consolidated Financial Position

	Total assets	Net assets	Ownership equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of September 30, 2021	<u>316,539</u>	<u>197,011</u>	<u>61.4</u>	<u>3,215.13</u>
As of March 31, 2021	<u>330,608</u>	<u>196,332</u>	<u>58.4</u>	<u>3,195.82</u>

(Reference) Ownership equity

As of September 30, 2021: ¥194,411 million

As of March 31, 2021: ¥193,200 million

2. Dividends

(Record date)	Dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Annual
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Year ended March 31, 2021	—	30.00	—	36.00	66.00
Year ending March 31, 2022	—	34.00			
Year ending March 31, 2022 (forecast)			—	34.00	68.00

(Note) Revisions to the latest dividend forecast: None

3. Consolidated Financial Forecast for the Year Ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

(The percentages show the changes from the corresponding period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full year	225,000	3.5	10,000	(29.6)	9,500	(32.8)	7,500	31.4	124.04

(Note) Revisions to the latest consolidated financial forecast: Yes

For details on the revision to the consolidated financial forecast, please refer to the news release titled “Notices regarding Differences between Forecast and Actual Results for First Half of FY2021, and Revision to Consolidated Financial Forecast for FY2021” announced on the same day as this report (November 5, 2021).

(Reference) EBITDA

Year ending March 31, 2022: ¥26,100 million

Net income before amortization of goodwill

Year ending March 31, 2022: ¥12,300 million

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Notes:

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries involving a change in the scope of consolidation):
None

(2) Application of accounting methods specific to preparation of the quarterly consolidated financial statements: Yes

(3) Changes in accounting policies and estimates, and restatements

(a) Changes in accounting policies associated with revisions of accounting standards, etc.: Yes

(b) Changes in accounting policies other than (a): None

(c) Changes in accounting estimates: None

(d) Restatements: None

(Note) For more information, please refer to “2. Quarterly Consolidated Financial Statements and Significant Notes Thereto (3) Notes to Quarterly Consolidated Financial Statements, Changes in Accounting Policies” on page 11 of the Attachment.

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

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

As of September 30, 2021: 63,638,210 shares

As of March 31, 2021: 63,638,210 shares

(b) Number of treasury shares at the end of the period

As of September 30, 2021: 2,866,078 shares

As of March 31, 2021: 2,866,078 shares

(c) Average number of shares (cumulative from the beginning of the period)

Six months ended September 30, 2021: 60,464,411 shares

Six months ended September 30, 2020: 60,445,237 shares

(Note) In addition to the number of treasury shares at the end of the period, there also existed Company shares owned by the “Board Incentive Plan (BIP) Trust Account” and “Employee Stock Ownership Plan (ESOP) Trust Account.” (As of September 30, 2021: 304,580 shares, As of March 31, 2021: 317,905 shares)

(Note) Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

(Note) Explanation regarding the appropriate use of financial forecasts and other special items

(Caution concerning forward-looking statements)

The forward-looking statements such as operational forecasts contained in this report are based on the information currently available to the Company and certain assumptions which the Company regards as legitimate, and are not promises regarding the achievement of forecasts. Actual performance may differ greatly from these forecasts due to various present and future factors. For the assumptions and other related matters concerning the financial forecasts, please refer to “1. Qualitative Information on the Financial Statements, (2) Consolidated Financial Forecasts and Other Forward-looking Statements” on page 6 of the Attachment.

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Attachment

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1. Qualitative Information on the Financial Statements

(1) Operating Results

In the six months ended September 30, 2021, the global economy showed signs of recovery in the U.S. and Europe with the progress of initiatives, such as the relaxation of activity restrictions following vaccinations, in efforts to normalize economic activity.

On the other hand, in Asia, challenging conditions remained under the impact of the COVID-19 pandemic, including delays in vaccinations. In China, economic recovery slowed down due to factors that include the deterioration of corporate earnings caused by soaring raw material prices.

The Japanese economy saw a moderate recovery as capital investment and corporate earnings recovered. This was despite the strong downward pressure persisting in the food service and hotel industries, whose business foundations are face-to-face services that are largely affected by the pandemic.

Under such circumstances, sales to financial institutions and the retail industry were both strong in the overseas market. In particular, sales increased for sales proceeds deposit machines used in back-office operations and for self-service coin and banknote recyclers for cashiers used in the retail industry. This is largely attributable to a growing need for contact-free and self-service solutions to prevent COVID-19 infection, and the need for rigorous cash management. In addition, net sales exceeded the pre-COVID level for the Acrelec Group S.A.S., which is engaged in self-service kiosks related business.

In the domestic business, while the large-scale demand for the financial market in the previous year has run its course, sales increased in the retail and transportation market, supported by the sales of products such as self-service coin and banknote recyclers for cashiers, in response to labor shortages and the need for contact-free and self-service solutions. In addition, sales from maintenance services increased owing to the system modifications required in connection with the scheduled issuance of the new 500-yen coin.

As a result, net sales in this six-month period totaled ¥103,154 million (up 16.4% year on year). Of this, sales of merchandise and finished goods were ¥64,053 million (up 18.9% year on year) and sales from maintenance services were ¥39,100 million (up 12.5% year on year). Operating income was ¥5,735 million (up 258.2% year on year) owing to an increase in net sales, ordinary income was ¥5,725 million (up 304.5% year on year), and net income attributable to owners of parent was ¥2,443 million (vs. net loss attributable to owners of parent of ¥635 million in the corresponding period of the previous year).

Results of operations in each business segment are as follows.

Financial market

Sales of this segment's main product, open teller systems, were favorable and sales from maintenance services increased owing to the system modifications required in connection with the scheduled issuance of the new 500-yen coin. On the other hand, sales of coin and banknote recyclers for tellers were sluggish due to the large-scale demand in the previous year having run its course.

As a result, net sales in this segment were ¥17,852 million (down 7.1% year on year) and operating income was ¥3,196 million (up 68.9% year on year) mainly owing to an improvement in the product mix.

Retail and transportation market

Sales of this segment's main product, coin and banknote recyclers for cashiers, were steady, and sales of ticket vending machines and self-service medical payment kiosks were both robust. In addition, sales from maintenance services increased owing to the system modifications required in connection with the scheduled issuance of the new 500-yen coin.

As a result, net sales in this segment were ¥23,558 million (up 11.8% year on year) and operating income was ¥2,010 million (up 222.8% year on year).

Amusement market

The full-scale recovery of demand was not seen in this segment. However, sales increased for the main products, such as card systems and pachinko prize dispensing machines used in pachinko parlors, compared with the corresponding period of the previous year, where there was downward pressure from temporary store closures and short operating hours.

As a result, net sales in this segment were ¥5,754 million (up 18.1% year on year) and operating loss was ¥106 million (vs. operating loss of ¥279 million in the corresponding period of the previous year).

Overseas market

In the Americas and Europe, sales of RBG-series banknote recyclers for financial institutions and CI-series sales proceeds deposit machines for the retail industry were robust. In Asia, sales of UW-series banknote sorters were sluggish.

Furthermore, sales from Acrelec Group S.A.S. and its subsidiaries, which have been included in the scope of consolidation from the second quarter of the fiscal year ended March 31, 2021, totaled ¥8,470 million.

As a result, net sales in this segment were ¥54,850 million (up 29.3% year on year), operating income was ¥1,354 million (vs. operating loss of ¥196 million in the corresponding period of the previous year).

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In the “Other” business segment, net sales were ¥1,138 million (up 7.7% year on year) and operating loss was ¥720 million (vs. operating loss of ¥438 million in the corresponding period of the previous year).

(2) Consolidated Financial Forecasts and Other Forward-looking Statements

The demand for our products and services remains steady both in Japan and overseas. However, considering the uncertainty in the procurement of parts, such as semiconductors, soaring parts prices, and tight shipping conditions, we have maintained our original FY2021 forecasts for net sales, operating income, and ordinary income as disclosed on August 6, 2021. Net income attributable to owners of parent has been revised from the announced figure, considering the extraordinary income occurred as a result of the transfer of shares of viafintech GmbH.

For more information, please refer to the news release titled “Notices regarding Differences between Forecast and Actual Results for First Half of FY2021, and Revision to Consolidated Financial Forecast for FY2021” announced on November 5, 2021.

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2. Quarterly Consolidated Financial Statements and Significant Notes Thereto

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Assets		
Current assets		
Cash and deposits	<u>66,188</u>	<u>62,863</u>
Notes and accounts receivable - trade	55,660	–
Notes and accounts receivable - trade, and contract assets	–	41,633
Electronically recorded monetary claims - operating	684	708
Securities	50	50
Merchandise and finished goods	33,176	34,261
Work in process	6,943	10,141
Raw materials and supplies	12,397	13,586
Other	5,710	<u>5,442</u>
Allowance for doubtful accounts	(1,032)	(1,080)
Total current assets	<u>179,778</u>	<u>167,607</u>
Non-current assets		
Property, plant and equipment	39,183	38,471
Intangible assets		
Customer relationships	22,473	21,727
Goodwill	49,800	47,845
Other	8,369	8,794
Total intangible assets	80,642	78,366
Investments and other assets		
Investment securities	11,228	11,660
Other	<u>20,726</u>	<u>21,740</u>
Allowance for doubtful accounts	(951)	(1,307)
Total investments and other assets	<u>31,003</u>	<u>32,093</u>
Total non-current assets	<u>150,829</u>	<u>148,931</u>
Total assets	<u>330,608</u>	<u>316,539</u>
Liabilities		
Current liabilities		
Notes and accounts payable - trade	<u>10,543</u>	<u>9,681</u>
Electronically recorded obligations - operating	6,529	5,956
Short-term borrowings	15,656	16,012
Current portion of long-term borrowings	3,130	2,156
Income taxes payable	2,480	1,556
Provision for bonuses	7,553	6,240
Provision for bonuses for directors (and other officers)	91	54
Provision for stock grant	–	94
Other	<u>41,811</u>	<u>35,463</u>
Total current liabilities	<u>87,796</u>	<u>77,216</u>
Non-current liabilities		
Bonds payable	20,000	20,000
Long-term borrowings	3,939	171
Provision for stock grant	245	222
Retirement benefit liability	2,590	2,697
Other	19,703	19,219
Total non-current liabilities	46,478	42,310
Total liabilities	<u>134,275</u>	<u>119,527</u>

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GLORY LTD. (6457)
Consolidated Financial Results
for the Second Quarter of Fiscal Year
Ending March 31, 2022

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Net assets		
Shareholders' equity		
Share capital	12,892	12,892
Capital surplus	12,294	12,294
Retained earnings	<u>164,411</u>	<u>164,666</u>
Treasury shares	(9,241)	(9,202)
Total shareholders' equity	<u>180,357</u>	<u>180,651</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	680	612
Foreign currency translation adjustment	9,054	10,302
Remeasurements of defined benefit plans	3,109	2,844
Total accumulated other comprehensive income	12,843	13,759
Non-controlling interests	3,131	2,600
Total net assets	<u>196,332</u>	<u>197,011</u>
Total liabilities and net assets	<u>330,608</u>	<u>316,539</u>

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(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

(Millions of yen)

	Six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)	Six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)
Net sales	88,625	103,154
Cost of sales	53,684	60,553
Gross profit	34,941	42,600
Selling, general and administrative expenses	33,340	36,865
Operating income	1,600	5,735
Non-operating income		
Interest income	86	101
Dividend income	89	83
Foreign exchange gains	=	6
Share of profit of entities accounted for using equity method	-	15
Gain on investments in investment partnerships	138	73
Other	483	154
Total non-operating income	798	435
Non-operating expenses		
Interest expenses	271	342
Share of loss of entities accounted for using equity method	165	-
Foreign exchange losses	442	=
Other	104	102
Total non-operating expenses	983	445
Ordinary income	1,415	5,725
Extraordinary income		
Gain on sale of non-current assets	10	9
Gain on sale of investment securities	19	1
Total extraordinary income	30	10
Extraordinary losses		
Loss on retirement of non-current assets	7	13
Loss on valuation of investment securities	71	23
Provision for allowance for doubtful accounts	89	365
Other	0	0
Total extraordinary losses	169	403
Income before income taxes	1,277	5,332
Income taxes	1,635	2,533
Net income	(358)	2,799
Net income attributable to non-controlling interests	277	355
Net income (loss) attributable to owners of parent	(635)	2,443

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Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)	Six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)
Net income	(358)	2,799
Other comprehensive income		
Valuation difference on available-for-sale securities	528	(65)
Foreign currency translation adjustment	(1,051)	1,370
Remeasurements of defined benefit plans, net of tax	179	(264)
Share of other comprehensive income of entities accounted for using equity method	7	(2)
Total other comprehensive income	(335)	1,038
Comprehensive income	(694)	3,837
Comprehensive income attributable to		
Owners of parent	(927)	3,395
Non-controlling interests	233	441

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(3) Notes to Quarterly Consolidated Financial Statements

Notes Regarding Assumption of a Going Concern

Not applicable.

Application of Accounting Methods Specific to Preparation of the Quarterly Consolidated Financial Statements

Tax expense is calculated by rationally estimating the effective tax rate after application of tax-effect accounting to income before income taxes for the fiscal year including this second quarter, and then multiplying the income before income taxes for the period by the estimated effective tax rate.

Changes in Accounting Policies

(Application of Accounting Standard for Revenue Recognition, etc.)

The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the first quarter ended June 30, 2021, and it has recognized revenue at the time the control of promised goods or services is transferred to the customer at the amount expected to be received upon exchange of said goods or services. The application of the Accounting Standard for Revenue Recognition and relevant ASBJ regulations is subject to the transitional treatment provided for in the proviso to paragraph 84 of the Accounting Standard for Revenue Recognition. 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 ended June 30, 2021, was added to or deducted from the opening balance of retained earnings of the first quarter ended June 30, 2021, and thus the new accounting policy was applied from such opening balance; provided, however, that the new accounting policy was not retrospectively applied to contracts for which nearly all the revenue amounts had been recognized according to the previous treatment in periods prior to the beginning of the first quarter ended June 30, 2021, by applying the method provided for in paragraph 86 of the Accounting Standard for Revenue Recognition. Furthermore, by applying the method set forth in item (1) of the supplementary provisions of paragraph 86 of the Accounting Standard for Revenue Recognition, modifications to contracts carried out prior to the beginning of the first quarter ended June 30, 2021 were accounted for based on the contractual terms after all contract modifications were reflected. Consequently, this cumulative effect was added to or deducted from the opening balance of retained earnings of the first quarter ended June 30, 2021.

The impact of these changes on the opening balance of retained earnings and profit and loss in the six months ended September 30, 2021 is insignificant.

Due to the application of the Accounting Standard for Revenue Recognition and relevant ASBJ regulations, “Notes and accounts receivable - trade” under current assets of the consolidated balance sheet as of the end of the previous fiscal year has been included in “Notes and accounts receivable - trade, and contract assets” under current assets from the quarterly consolidated balance sheet as of June 30, 2021. In accordance with the transitional treatment provided for in paragraph 89-2 of the Accounting Standard for Revenue Recognition, figures for the previous fiscal year have not been restated in accordance with the new approach to presentation. Furthermore, the information on disaggregation of revenue from contracts with customers during the six months ended September 30, 2020 has not been disclosed as allowed by the transitional treatment provided for 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, etc.)

The Company has applied the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019) and relevant ASBJ regulations from the beginning of the first quarter ended June 30, 2021. Furthermore, in accordance with the transitional treatment prescribed in paragraph 19 of the Accounting Standard for Fair Value Measurement and paragraph 44-2 of the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019), the Company will prospectively apply the new accounting policy prescribed by the Accounting Standard for Fair Value Measurement and relevant ASBJ regulations. The impact of this on the quarterly consolidated financial statements is insignificant.

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Segment Information

(a) Six months ended September 30, 2020 (from April 1, 2020 to September 30, 2020)

Information on sales, profit (loss) by reportable segment

(Millions of yen)

	Reportable segments					Other (Note: 1)	Total	Reconcilia- tion	Amounts reported on the quarterly consolidated statement of income (Note: 2)
	Financial market	Retail and transportation market	Amusement market	Overseas market	Total				
Net sales									
(1) Sales to customers	19,208	21,076	4,874	42,409	87,569	1,056	88,625	–	88,625
(2) Intersegment sales or transfers	–	–	–	–	–	–	–	–	–
Total	19,208	21,076	4,874	42,409	87,569	1,056	88,625	–	88,625
Segment profit (loss)	1,893	622	(279)	(196)	2,039	(438)	1,600	–	1,600

Notes: 1. “Other” segment is merchandise and finished goods that is not included in the above reportable segments.
2. Segment profit (loss) corresponds to operating income of quarterly consolidated statement of income.
3. As of the end of the previous fiscal year, the Company finalized the provisional accounting treatment for business combinations, and segment profit (loss) reflects the details of the finalization of the provisional accounting treatment.

(b) Six months ended September 30, 2021 (from April 1, 2021 to September 30, 2021)

1. Information on sales, profit (loss) by reportable segment

(Millions of yen)

	Reportable segments					Other (Note: 1)	Total	Reconcilia- tion	Amounts reported on the quarterly consolidated statement of income (Note: 2)
	Financial market	Retail and transportation market	Amusement market	Overseas market	Total				
Net sales									
(1) Sales to customers	17,852	23,558	5,754	54,850	102,016	1,138	103,154	–	103,154
(2) Intersegment sales or transfers	–	–	–	–	–	–	–	–	–
Total	17,852	23,558	5,754	54,850	102,016	1,138	103,154	–	103,154
Segment profit (loss)	3,196	2,010	(106)	1,354	6,455	(720)	5,735	–	5,735

Notes: 1. “Other” segment is merchandise and finished goods that is not included in the above reportable segments.
2. Segment profit (loss) corresponds to operating income of quarterly consolidated statement of income.

2. Changes in reportable segments

The Company reclassified its business segments in the first quarter of FY2021, and the following changes have been made for the businesses that were previously included in “Other” segment. These changes have been reflected in this report accordingly.

- Part of **Biometric/Image recognition business** and of businesses that contribute to **Electronic settlement-related business** now included in “**Retail and transportation market**”

- Part of “**New businesses**” now included in “**Overseas market**”

Due to these changes, the segment information for the six months ended September 30, 2020 was prepared based on the classification of reportable segments after the changes.

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Significant Subsequent Events

(Extraordinary Income in Connection with the Transfer of Shares of a Subsidiary)

On August 22, 2021, the Company concluded a share transfer agreement to transfer all its shares of viafintech GmbH headquartered in Berlin, Germany (“viafintech”), a consolidated subsidiary of the Company, to paysafecard.com Wertkarten GmbH (“paysafecard”), and executed this transfer on November 1, 2021. As a result, the Company expects to record an extraordinary income in the quarterly consolidated financial statements for the third quarter of the fiscal year ending March 31, 2022.

1. Reasons for the share transfer

The Company has worked to expand the payment market in order to establish a new business domain. In order to further accelerate this business, the Company decided to transfer all its shares of viafintech to paysafecard, one of the global leaders in the payment market, and to conclude a partnership agreement with paysafecard. The Company believes that this partnership with paysafecard, who will develop the same business globally, will contribute to the even faster realization of the business vision that both viafintech and the Company aim for amid the sudden global expansion of the payment market.

2. Purchaser of shares

paysafecard.com Wertkarten GmbH

3. Timing of the share transfer

(1) Date of conclusion of the agreement	August 22, 2021
(2) Date of share transfer	November 1, 2021

4. Overview of the transferred subsidiary

(1) Company name	viafintech GmbH
(2) Principal business	Development and provision of online cash settlement platform
(3) Transactions with the Company	There are fund lending and outsourcing transactions between the Company and the said company.

5. Number of transferred shares, transfer price, and number of shares held before and after the transfer

(1) Number of shares held before the transfer	39,792 shares (number of voting rights: 39,792, shareholding ratio: 51.93%)
(2) Number of shares transferred	39,792 shares (number of voting rights: 39,792, shareholding ratio: 51.93%)
(3) Transfer price	Due to confidentiality obligation, the transfer price is not disclosed. The price was determined through negotiations based on third-party advice and internal discussions.
(4) Number of shares held after the transfer	0 shares (number of voting rights: 0, shareholding ratio: 0%)

6. Gain or loss on this transfer and amount of impact on consolidated profit or loss

As a result of this share transfer, the Company expects to record gain on sale of shares of subsidiaries and associates of 4 billion yen (estimate) as an extraordinary income in the quarterly consolidated financial statements for the third quarter of the fiscal year ending March 31, 2022.