

KNT-CT HOLDINGS CO., LTD.  
CONSOLIDATED BALANCE SHEETS

March 31, 2022 and 2021

ASSETS	Millions of Yen	
	March 31, 2022	March 31, 2021
<b>CURRENT ASSETS:</b>		
Cash and deposits	¥ 56,206	¥ 24,284
Notes and accounts receivable - trade	-	16,885
Notes and accounts receivable - trade, and contract assets	27,419	-
Allowance for doubtful accounts	(51)	(34)
Inventories	99	115
Advances paid to suppliers	5,087	5,815
Prepaid expenses and other current assets	3,205	4,081
Total current assets	<u>91,967</u>	<u>51,148</u>
<b>PROPERTY AND EQUIPMENT, at cost:</b>		
Land	139	135
Buildings	817	1,016
Equipment	1,401	1,706
Construction in progress	12	-
Accumulated depreciation	(1,962)	(2,601)
Total property and equipment	<u>408</u>	<u>257</u>
<b>INTANGIBLE ASSETS</b>		
Software	504	53
Other	0	0
Total intangible assets	<u>505</u>	<u>53</u>
<b>INVESTMENTS AND OTHER ASSETS:</b>		
Investment securities	3,891	4,478
Allowance for doubtful accounts	(341)	(380)
Net defined benefit asset	1,930	1,956
Deferred tax asset	5	-
Other assets	3,975	5,303
Total investments and other assets	<u>9,460</u>	<u>11,358</u>
Total assets	<u><u>¥ 102,341</u></u>	<u><u>¥ 62,817</u></u>

KNT-CT HOLDINGS CO., LTD.  
CONSOLIDATED BALANCE SHEETS

March 31, 2022 and 2021

LIABILITIES	Millions of Yen	
	March 31, 2022	March 31, 2021
<b>CURRENT LIABILITIES:</b>		
Accounts payable trade	¥ 22,676	¥ 18,917
Advances received	47,733	47,264
Accrued income taxes	789	225
Accrued expenses and other current liabilities	3,802	1,935
Total current liabilities	<u>75,002</u>	<u>68,344</u>
Deferred tax liabilities	1,125	1,215
Allowance for losses on uncollected gift coupon for future use	-	913
Other long-term liabilities	1,896	1,998
Total liabilities	<u>78,025</u>	<u>72,471</u>
<b>STOCKHOLDERS' EQUITY:</b>		
Common stock,		
Authorized - 38,000,000 shares		
Issued - 27,331,013 shares	8,041	8,041
Capital surplus	47,204	7,204
Retained earnings	(32,700)	(26,851)
Treasury stock	(14)	(13)
Total stockholders' equity	<u>22,531</u>	<u>(11,618)</u>
<b>APPRAISAL AND TRANSLATION DIFFERENCES</b>		
Net unrealized holding gains on securities	1,015	1,205
Foreign currency translation adjustment	469	263
Remeasurements of defined benefit plans	267	457
Total appraisal and translation differences	<u>1,752</u>	<u>1,926</u>
<b>NON-CONTROLLING INTERESTS</b>	<u>31</u>	<u>37</u>
Total Net Assets	<u>24,315</u>	<u>(9,654)</u>
Total liabilities and Net Assets	<u>¥ 102,341</u>	<u>¥ 62,817</u>