

KNT-CT HOLDINGS CO., LTD.

CONSOLIDATED STATEMENTS OF OPERATIONS

Years ended March 31, 2021 and 2020

|                                                        | Millions of Yen                   |                                   |
|--------------------------------------------------------|-----------------------------------|-----------------------------------|
|                                                        | <u>Apr 1, 2020 - Mar 31, 2021</u> | <u>Apr 1, 2019 - Mar 31, 2020</u> |
| Operating revenue                                      |                                   |                                   |
| Tour revenue                                           | ¥ 87,889                          | ¥ 385,362                         |
| Cost of tour revenue                                   | 65,916                            | 318,077                           |
| Gross profit                                           | <u>21,972</u>                     | <u>67,284</u>                     |
| Selling, general and administrative expenses           | <u>49,054</u>                     | <u>68,893</u>                     |
| Operating income                                       | (27,082)                          | (1,608)                           |
| Other income(expense)                                  |                                   |                                   |
| Interest and dividend income                           | 177                               | 295                               |
| Interest expense                                       | (61)                              | (64)                              |
| Exchange gains(losses)                                 | 357                               | (198)                             |
| Subsidy income                                         | 9,731                             | 69                                |
| Gain on sales of investment securities                 | 132                               | -                                 |
| Loss on business restructuring                         | (7,189)                           | -                                 |
| Impairment Loss                                        | (3,649)                           | (1,646)                           |
| Equity in losses of affiliates                         | (8)                               | 28                                |
| Other, net                                             | <u>(81)</u>                       | <u>(51)</u>                       |
| Income(loss)before income taxes                        | (27,674)                          | (3,176)                           |
| Income taxes current                                   | 55                                | 228                               |
| Income taxes deferred                                  | 749                               | 4,050                             |
| Profit(Loss) attributable to non-controlling interests | (23)                              | (10)                              |
| Profit(Loss) attributable to owners of parent          | <u>(¥28,456)</u>                  | <u>(¥7,443)</u>                   |
|                                                        | <u>Yen</u>                        |                                   |
| Amounts per share of common stock:                     |                                   |                                   |
| Net income(Loss)                                       | (¥1,041.50)                       | (¥272.44)                         |
| Cash dividends applicable to the year                  | 0.00                              | 0.00                              |