

**Translation**

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## Summary of Non-consolidated Financial Results for the First Quarter Ended September 30, 2022 (Based on Japanese Accounting Standards)

November 10, 2022

Company Name: Net Marketing Co. Ltd.  
 Stock Exchange Listing: Tokyo Stock Exchange  
 Code Number: 6175  
 URL: <https://www.net-marketing.co.jp/>  
 Representative: Kunihisa Miyamoto, Representative Director and CEO  
 Contact: Makoto Sawano, General Manager of Administrative Division  
 (TEL) +81-3-6894-0139  
 Scheduled date to submit the quarterly report: November 11, 2022  
 Scheduled date of the start of dividend payments: –  
 Supplementary documents for quarterly results: None  
 Quarterly results briefing: None

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

### 1. Financial Results for the First Quarter Ended September 30, 2022 (from July 1, 2022 to September 30, 2022)

#### (1) Financial Results (Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First quarter ended September 30, 2022	1,276	(2.7)	130	(49.4)	138	(46.6)	21	(90.1)
First quarter ended September 30, 2021	1,312	–	257	–	260	–	217	–

	Net income per share	Diluted net income per share
	Yen	Yen
First quarter ended September 30, 2022	1.43	1.42
First quarter ended September 30, 2021	14.54	14.46

Because the Accounting Standard for Revenue Recognition (Accounting Standards Board of Japan (ASBJ) Statement No. 29), and other regulations have been applied from the beginning of the fiscal year ended June 30, 2022, year-on-year changes in net sales, operating income, ordinary income and net income for the first quarter of the fiscal year ended June 30, 2022 are not stated.

#### (2) Financial Position

	Total assets	Net assets	Ratio of shareholders' equity to total assets
	Million yen	Million yen	%
As of September 30, 2022	5,988	3,208	53.6
As of June 30, 2022	6,096	3,267	53.6

(Reference) Shareholders' equity: As of September 30, 2022: 3,208 million yen  
 As of June 30, 2022: 3,267 million yen

### 2. Dividends

	Dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended June 30, 2022	–	0.00	–	6.00	6.00
Year ending June 30, 2023	–				
Year ending June 30, 2023 (forecast)		–	–	–	–

(Note) Revisions to dividend forecasts published most recently: No

(Note) As announced in Notice of Tender Offer for Shares of the Company by BCPE Bronze Cayman L.P. and Announcement of Opinion dated August 10, 2022 and Notice of Consolidation of Shares, Abolition of the Provision on Share Units and Partial Revision of the Articles of Incorporation dated October 19, 2022, the Company's stock is scheduled to be delisted on December 16, 2022 through the tender offer and the series of subsequent procedures by the offeror. As a result, the dividend forecast for the fiscal year ending June 30, 2023 is not stated.

### 3. Financial Results Forecasts for the Fiscal Year Ending June 30, 2023 (from July 1, 2022 to June 30, 2023)

As announced in Notice of Tender Offer for Shares of the Company by BCPE Bronze Cayman L.P. and Announcement of Opinion dated August 10, 2022 and Notice of Consolidation of Shares, Abolition of the Provision on Share Units and Partial Revision of the Articles of Incorporation dated October 19, 2022, the Company's stock is scheduled to be delisted on December 16, 2022 through the tender offer and the series of subsequent procedures by the offeror. As a result, financial results forecasts for the fiscal year ending June 30, 2023 are not presented.

#### \* NOTE

(1) Application of Particular Accounting Treatment Concerning Preparation of Quarterly Financial Statements: None

(2) Changes in Accounting Principles, Changes in Accounting Estimates, and Retrospective Restatements

(i) Changes in accounting principles accompanying the amendment of accounting standards: Yes

(ii) Changes other than those in (i) above: None

(iii) Changes in accounting estimates: None

(iv) Retrospective restatements: None

(3) Number of Shares Issued (Common shares)

(i) Number of shares issued at the end of the period (including treasury stock)

As of September 30, 2022: 15,082,000 shares

As of June 30, 2022: 15,024,800 shares

(ii) Number of treasury stock at the end of the period

As of September 30, 2022: 228 shares

As of June 30, 2022: 188 shares

(iii) Average number of shares issued during the period

First three months ended September 30, 2022: 15,058,465 shares

First three months ended September 30, 2021: 14,938,212 shares

\* The summaries of financial results are positioned outside the scope of a quarterly review by certified public accountants and audit firm.

#### \* Explanations Regarding the Appropriate Use of Financial Results Forecasts and Other Items Worthy of Special Mention

As announced in Notice of Tender Offer for Shares of the Company by BCPE Bronze Cayman L.P. and Announcement of Opinion dated August 10, 2022 and Notice of Consolidation of Shares, Abolition of the Provision on Share Units and Partial Revision of the Articles of Incorporation dated October 19, 2022, the Company's stock is scheduled to be delisted on December 16, 2022 through the tender offer and the series of subsequent procedures by the offeror. As a result, financial results forecasts for the fiscal year ending June 30, 2023 are not presented.

## Quarterly Financial Statements

### (1) Quarterly Balance Sheets

(Unit: Thousand yen)

	Previous fiscal year (As of June 30, 2022)	End of first quarter of the fiscal year under review (As of September 30, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	4,120,490	3,892,735
Accounts receivable - trade	1,291,131	1,398,587
Other	165,519	131,531
Allowance for doubtful accounts	(10)	(11)
<b>Total current assets</b>	<b>5,577,131</b>	<b>5,422,843</b>
Non-current assets		
Property, plant and equipment	86,342	83,127
Intangible assets	138,586	195,572
Investments and other assets	294,590	287,048
<b>Total non-current assets</b>	<b>519,519</b>	<b>565,748</b>
<b>Total assets</b>	<b>6,096,650</b>	<b>5,988,591</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	2,022,979	1,971,162
Income taxes payable	95,089	11,928
Other	711,029	797,221
<b>Total current liabilities</b>	<b>2,829,098</b>	<b>2,780,311</b>
<b>Total liabilities</b>	<b>2,829,098</b>	<b>2,780,311</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	423,439	428,165
Capital surplus	413,439	418,165
Retained earnings	2,430,808	2,362,120
Treasury shares	(135)	(171)
<b>Total shareholders' equity</b>	<b>3,267,551</b>	<b>3,208,279</b>
<b>Total net assets</b>	<b>3,267,551</b>	<b>3,208,279</b>
<b>Total liabilities and net assets</b>	<b>6,096,650</b>	<b>5,988,591</b>

(2) Quarterly Statement of Income  
(First three-month period)

(Unit: Thousand yen)

	First quarter of the previous fiscal year (From July 1, 2021 to September 30, 2021)	First quarter of the fiscal year under review (From July 1, 2022 to September 30, 2022)
Net sales	1,312,306	1,276,565
Cost of sales	300,866	308,954
Gross profit	1,011,439	967,610
Selling, general and administrative expenses	753,967	837,424
Operating income	257,471	130,186
Non-operating income		
Interest income	15	18
Rewards income	2,614	2,495
Insurance claim income	–	6,113
Other	226	131
Total non-operating income	2,856	8,758
Non-operating expenses		
Foreign exchange losses	52	2
Other	0	0
Total non-operating expenses	52	2
Ordinary income	260,275	138,942
Extraordinary income		
Insurance claim income	100,000	–
Total extraordinary income	100,000	–
Extraordinary losses		
Information security expenses	45,660	–
Expenses for tender offer	–	103,091
Total extraordinary losses	45,660	103,091
Net income before income taxes	314,615	35,850
Income taxes - current	96,679	7,900
Income taxes - deferred	761	6,490
Total income taxes	97,440	14,390
Net income	217,174	21,459