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**Summary of Financial Statements  
for the First Quarter of Fiscal 2024  
<under Japanese GAAP>**

February 9, 2024

Company Name: FinTech Global Incorporated

(Code Number: 8789 Tokyo Stock Exchange)

(URL: <https://www.fgi.co.jp/en/>)

TEL: +81-3-6456-4600

Representative: President and Chief Executive Officer

Name: Nobumitsu Tamai

Contact: Executive Vice President, Senior Executive Officer

Name: Takashi Senda

Scheduled date for filing of securities report: February 13, 2024

Scheduled date of commencement of dividend payment: —

Preparation of explanatory materials for quarterly financial results: Yes

Information meetings arranged related to quarterly financial results: None

(Rounded down to the nearest million)

1. Consolidated results for the first quarter of fiscal 2024  
(October 1, 2023 – December 31, 2023)

## (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenues		Operating income		Ordinary profit		Profit attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First quarter of fiscal 2024	3,434	26.5	976	35.5	953	36.3	589	17.0
First quarter of fiscal 2023	2,716	19.5	720	—	699	—	503	—

(For reference) Comprehensive income: 699 million yen for the first quarter of fiscal 2024 (25.8%)  
556 million yen for the first quarter of fiscal 2023 (—%)

	Net income per share	Net income per share (diluted)
	Yen	Yen
First quarter of fiscal 2024	2.93	2.92
First quarter of fiscal 2023	2.50	2.49

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
First quarter of fiscal 2024	19,921	9,932	44.4
Fiscal 2023	19,123	9,393	43.4

(For reference) Shareholders' equity: 8,846 million yen for the first quarter of fiscal 2024  
8,292 million yen for fiscal 2023

## 2. Dividends

	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2023	—	0.00	—	0.00	0.00
Fiscal 2024	—				
Fiscal 2024 (Forecast)		0.00	—	1.50	1.50

(Note)

Change from the latest dividend forecast: None

## 3. Consolidated financial forecasts for fiscal 2024 (October 1, 2023 – September 30, 2024)

(Percentages indicate year-on-year changes.)

	Revenues		Operating income		Ordinary profit		Profit attributable to owners of the parent		EPS
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal 2024	10,000	7.5	1,800	33.9	1,600	25.3	1,200	(25.2)	6.00

(Notes)

1. Change from the latest consolidated financial forecasts: None
2. Forecast for the first two quarters of fiscal year ending September 30, 2024 has not been made.

\*Notes

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

(2) Adoption of specific accounting policies for quarterly consolidated financial statements: None

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

- (a) Changes in accounting policies required by accounting standard: None
- (b) Changes other than those in (a) above: None
- (c) Changes in accounting estimates: None
- (d) Restatements: None

(4) Number of shares issued (common shares)

1. Number of shares issued (including treasury stock):
 

201,321,700 shares for the first quarter of fiscal 2024
201,305,200 shares for fiscal 2023
2. Number of shares of treasury stock:
 

20 shares for the first quarter of fiscal 2024
20 shares for fiscal 2023
3. Average number of shares issued during the first quarter:
 

201,311,647 shares for the first quarter of fiscal 2024
201,298,821 shares for the first quarter of fiscal 2023

\* This summary of financial statements is exempt from the review procedures.

\* Explanation of the appropriate use of performance forecasts and other related items

(Caution regarding forward-looking statements)

The forward-looking statements included in this summary of financial statements are based on the assumptions, forecasts, and plans of FinTech Global Incorporated (hereafter, “FGI” and “the Company”) as of the date on which this document is made public. The Company’s actual results may differ substantially from such statements due to various risks and uncertainties.

(Impact of acquiring treasury stock)

On February 9, 2024, the Board of Directors of the Company approved a resolution to repurchase its own shares pursuant to Article 156 of the Companies Act, which is applicable in lieu of Article 165, Paragraph 3 of this act. As a result, the “EPS” in the above article 3, “Consolidated financial forecasts for fiscal 2024” is described taking into consideration the impact of this treasury stock acquisition.

## 1. Qualitative Information on Business Results and Financial Position

### (1) Business Results

The FGI Group is promoting private equity investment associated with business succession solution services where FGI buys a business struggling with succession issues to solve the situation.

In the first quarter of—October 1, 2023 to December 31, 2023—of the fiscal 2024 consolidated accounting period for FinTech Global Incorporated (FGI) ending September 30, 2024, steady progress on several business succession projects and growth in aircraft asset management services fueled revenues, which shot up 26.5% year on year, to ¥3,434 million, and gross profit, which jumped 31.6% year on year, to ¥2,102 million. Selling, general and administrative expenses climbed 28.4%, to ¥1,126 million, reflecting higher personnel costs and payment fees, but gross profit rose, driving solid increases of 35.5% in operating income, to ¥976 million, and 36.3% in ordinary profit, to ¥953 million, as well as a 17.0% improvement in profit attributable to owners of the parent, to ¥589 million.

(Unit: Millions of yen)

	First Quarter of Fiscal 2023	First Quarter of Fiscal 2024	YOY Change
Revenues	2,716	3,434	718
Investment banking business	1,989	2,673	684
Public management consulting business	90	119	28
Entertainment service business	713	713	0
Elimination	(77)	(71)	5
Gross profit	1,597	2,102	505
Investment banking business	1,446	1,857	410
Public management consulting business	48	73	24
Entertainment service business	134	210	75
Elimination	(32)	(37)	(5)
Operating income [Segment income/ (loss)]	720	976	255
Investment banking business	933	1,191	258
Public management consulting business	(7)	5	13
Entertainment service business	(18)	1	19
Elimination or corporate expenses	(187)	(222)	(35)
Ordinary profit	699	953	254
Income before income taxes	684	954	269
Income attributable to owners of parent	503	589	85

A breakdown of performance by business segment is presented below. Revenues include intersegment revenues and transfers.

### **a. Investment Banking Business**

The investment banking business marked a brisk shift in demand for business succession projects and recorded a year-on-year increase in revenues on services provided, including upfront fees as well as management fees during the contract period and performance fees on asset management services for acquisition funds. Along with this, the investment banking business steadily pursued new private equity investment opportunities as well as exits, but the existence of projects for which FGI will not recognize exit amounts as revenue until the second quarter or after caused a year-on-year decrease in revenues from private equity investment. The balance of assets under management settled at ¥134.1 billion, up 20.0% from the end of fiscal 2023, reflecting investment by overseas investors into residences, and the foundation for stock-type earnings—that is, recurring fee revenues—was further reinforced. Aircraft asset management services maintained a favorable direction, fueled by greater demand for technical services, such as aircraft inspections, and aircraft registration services and complemented by aircraft remarketing contracts.

As a result, investment banking revenues jumped 34.4% year on year, to ¥2,673 million, and segment income grew 27.7%, to ¥1,191 million.

### **b. Public Management Consulting Business**

The public management consulting business focuses on services designed to help local public entities in their efforts to prepare financial documents. Here, Public Management Consulting Corporation (PMC), with knowledge about preparing financial documents and expertise in information technology and large-volume data processing, continued to attract inquiries from large local governments with big-volume financial information seeking help to prepare financial documents. Demand was steady, with the number of requests for contract services from prefectures to prepare financial documents for the fiscal year running from April 1, 2023 through March 31, 2024—rising by one, to nine, and the number of requests from ordinance-designated cities and special zones rising by two, to 13. PMC also provides services to support the review of general management plans, including those for public facilities, and saw an increase in requests from local governments readying to take an innovative approach and seeking PMC's advice on preparing plans to extend the service life of facilities and make effective use of such facilities.

As a result, the segment posted revenues of ¥119 million, surging 31.5% year on year, and reversed from a loss position of ¥7 million a year ago, with income of ¥5 million.

### **c. Entertainment Service Business**

In the entertainment service business, an emphasis was on attracting guests to Moominvalley Park with appealing events, such as “Winter Wonderland in Moominvalley Park 2023” and “Winter Fireworks in Moominvalley.” The number of visitors to Metsä, which comprises Metsä Village and Moominvalley Park, slipped 2.1% year on year, to about 200,000. But the ticket format was revised from one used in the previous year that split entry into daytime or evening hours to one that enabled guests to have fun at Moominvalley Park through the day and into the evening as well. Extended hours spent on site led to higher spending per guest on merchandise and food and beverages.

Given the above, segment revenues settled at ¥713 million, on a par with the corresponding period a year ago. Reflecting the results of a review on such expenses as outsourcing office work and utilizing temporary staff, the cost ration improved by 10.6 points, to 70.6%, and this pushed the segment out of the red with income of ¥1 million compared with a loss of ¥18 million in the first quarter of fiscal 2023.

## **(2) Consolidated Financial Position**

### **Assets**

Total assets at the end of the first quarter of fiscal 2024 stood at ¥19,921 million, up 4.2% from the end of fiscal 2023 on September 30, 2023. The change is largely attributable to increases of ¥289 million cash and

deposits, ¥269 million in accounts receivable, trade and contract assets, and ¥215 million in corporate taxes payable under other current assets, which neutralized a decrease of ¥74 million in property, plant and equipment, mainly depreciation and amortization on Moominvalley Park buildings and interior and exterior fixtures.

### ***Liabilities***

Total liabilities at the end of the first quarter of fiscal 2024 amounted to ¥9,988 million, up 2.7% from the end of fiscal 2023 on September 30, 2023. The change reflects increases of ¥224 million in accounts payable, trade and ¥65 million in short-term loans payable, which overshadowed decreases of ¥60 million in lease obligations under current liabilities and ¥73 million in long-term loans payable.

### ***Net assets***

Net assets at the end of the first quarter of fiscal 2024 came to ¥9,932 million, up 5.7% from the end of fiscal 2023 on September 30, 2023. The primary cause of this change is an increase of ¥589 million in retained earnings paralleling quarterly profit attributable to owners of the parent.

## **(3) Information on Forward-Looking Statements, including Consolidated Performance Forecast**

(Unit: Millions of yen)

	Fiscal 2024 First Quarter (Actual)	Fiscal 2024 Full Year (Forecast)	Progress toward goal
Revenues	3,434	10,000	34.3%
Operating income	976	1,800	54.2%
Ordinary profit	953	1,600	59.6%
Profit attributable to owners of the parent	589	1,200	49.1%

The consolidated performance forecast for fiscal 2024, ending September 30, 2024, is as presented in the table above. It is unchanged from the outlook presented in the summary of financial statements for fiscal 2023 released on November 8, 2023.

The first quarter saw favorable progress in the investment banking business on project formation using private equity investment associated with business succession solution services and brisk demand for aircraft asset management services. These conditions pushed revenues and all profit categories steadily toward performance targets. Management expects efforts on business succession projects to remain favorable in the second quarter onward but has decided not to adjust the performance forecast at this time. Certain factors, such as the capture of new projects, circumstances surrounding investment exits and Metsä revenue status, require careful watch as a changing environment may impact progress toward targets.

Note that the consolidated performance forecast is based on information currently available to management and certain assumptions deemed reasonable. Actual results may differ substantially from expectations for a variety of reasons.

## 2. Consolidated Financial Statements and Primary Notes

### (1) Quarterly Consolidated Balance Sheets

(Unit: Thousands of yen)

	Fiscal 2023 (As of September 30, 2023)	First Quarter of Fiscal 2024 (As of December 31, 2023)
<b>Assets</b>		
Current assets		
Cash and time deposits	2,918,561	3,207,644
Accounts receivable - trade, and contract assets	1,355,231	1,624,600
Operational investment securities	2,848,142	2,873,523
Loans receivable, trade	346,365	342,915
Real estate for sale	4,095,967	4,106,745
Merchandise	160,768	156,944
Other	883,381	1,190,703
Allowance for doubtful accounts	(131,170)	(145,906)
<b>Total current assets</b>	<b>12,477,247</b>	<b>13,357,169</b>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	5,379,191	5,379,319
Accumulated depreciation	(902,259)	(948,770)
Buildings and structures, net	4,476,932	4,430,549
Other	1,053,136	1,024,975
<b>Total property, plant and equipment</b>	<b>5,530,068</b>	<b>5,455,524</b>
Intangible fixed assets		
Goodwill	105,272	99,337
Other	25,987	23,055
<b>Total intangible fixed assets</b>	<b>131,260</b>	<b>122,393</b>
Investments and other assets		
Investments in securities	535,327	538,486
Long-term loans receivable	16,672	14,589
Deferred tax assets	140,877	132,127
Other	292,531	301,119
Allowance for doubtful accounts	(30)	(26)
<b>Total investments and other assets</b>	<b>985,377</b>	<b>986,296</b>
<b>Total noncurrent assets</b>	<b>6,646,706</b>	<b>6,564,215</b>
<b>Total assets</b>	<b>19,123,953</b>	<b>19,921,384</b>

(Unit: Thousands of yen)

	<b>Fiscal 2023</b> (As of September 30, 2023)	<b>First Quarter of Fiscal 2024</b> (As of December 31, 2023)
<b>Liabilities</b>		
Current liabilities		
Accounts payable, trade	308,710	533,485
Short-term loans payable	77,954	143,500
Current portion of long-term loans payable	6,082,038	6,051,616
Income taxes payable	125,884	171,902
Lease obligations	149,086	88,444
Accrued employee bonuses	257,626	235,964
Other	879,363	987,431
Total current liabilities	7,880,663	8,212,345
Noncurrent liabilities		
Long-term loans payable	1,290,817	1,217,480
Lease obligations	50,723	43,592
Deferred tax liabilities	97,175	97,727
Net defined benefit liability	126,297	132,745
Other	284,955	284,955
Total noncurrent liabilities	1,849,970	1,776,501
Total liabilities	9,730,633	9,988,846
<b>Net assets</b>		
Shareholders' equity		
Common stock	5,372,574	5,373,336
Capital surplus	974,443	975,205
Retained earnings	1,794,907	2,384,078
Treasury shares	(0)	(0)
Total shareholders' equity	8,141,924	8,732,619
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	67,416	30,918
Foreign currency translation adjustment	83,266	82,960
Total accumulated other comprehensive income	150,683	113,879
Stock acquisition rights	77,299	77,593
Non-controlling interests	1,023,412	1,008,445
Total net assets	9,393,319	9,932,538
Total liabilities and net assets	19,123,953	19,921,384

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

(Unit: Thousands of yen)

	First Quarter of Fiscal 2023 (From October 1, 2022 to December 31, 2022)	First Quarter of Fiscal 2024 (From October 1, 2023 to December 31, 2023)
Revenues	2,716,112	3,434,905
Cost of revenues	1,118,382	1,332,007
Gross profit	1,597,730	2,102,897
Selling, general and administrative expenses	877,310	1,126,658
Operating income	720,419	976,239
Non-operating income		
Interest income	321	2,218
Dividend income	—	203
Foreign exchange gains	1,136	16,063
Share of profit of entities accounted for using equity method	10,440	1,351
Subsidy income	78	2,279
Other	1,010	2,809
Total non-operating income	12,986	24,925
Non-operating expenses		
Interest expense	32,845	30,912
Loss on valuation of investment securities	—	14,970
Other	699	1,403
Total non-operating expenses	33,545	47,285
Ordinary profit	699,860	953,879
Extraordinary income		
Gain on liquidation of subsidiaries and associates	96	—
Gain on reversal of stock acquisition rights	273	511
Total extraordinary income	369	511
Extraordinary losses		
Loss on retirement of noncurrent assets	15,673	—
Total extraordinary loss	15,673	—
Income before income taxes	684,556	954,391
Income taxes (current)	103,338	196,353
Income taxes (deferred)	—	23,426
Total income taxes	103,338	219,779
Profit	581,217	734,611
Profit attributable to non-controlling interests	77,793	145,440
Profit attributable to owners of the parent	503,424	589,170



Quarterly Consolidated Statements of Comprehensive Income

(Unit: Thousands of yen)

	<b>First Quarter of Fiscal 2023</b> (From October 1, 2022 to December 31, 2022)	<b>First Quarter of Fiscal 2024</b> (From October 1, 2023 to December 31, 2023)
Profit	581,217	734,611
Other comprehensive income (loss)		
Valuation difference on available-for-sale securities	(25,946)	(36,498)
Foreign currency translation adjustment	1,227	1,774
Total other comprehensive income (loss)	(24,718)	(34,723)
Comprehensive income	556,499	699,887
Comprehensive income attributable to		
Owners of the parent	478,013	552,366
Non-controlling interests	78,485	147,520

(3) Notes to Quarterly Consolidated Financial Statements  
(Assumption of Going Concern)  
Not applicable.

(Significant Change in Shareholders' Equity)  
Not applicable.

(Segment Information)

I. Three months ended December 31, 2022 (October 1, 2022 to December 31, 2022)

**1. Information about the amount of revenues, profits or losses pursuant to each reporting segment**

(Thousands of yen)

	Reporting Segments				Adjustment (Note 1)	Consolidated (Note 2)
	Investment Banking Business	Public Management Consulting Business	Entertainment Service Business	Total		
Revenues						
Revenues to third party	1,932,664	87,502	695,944	2,716,112	—	2,716,112
Inter-segment revenues and transfers	57,100	3,000	17,581	77,682	(77,682)	—
Total	1,989,765	90,502	713,526	2,793,794	(77,682)	2,716,112
Segment income (loss)	933,300	(7,527)	(18,247)	907,524	(187,105)	720,419

Notes:

1. Adjustment of segment income (loss), at ¥ (187,105) thousand, includes elimination of transactions among segments of ¥54,210 thousand and corporate expenses of ¥ (241,316) thousand, which are not allocatable to reporting segments. Corporate expenses are mainly general and administrative expenses, which do not belong to any reporting segments.
2. Segment income (loss) is reconciled with operating income in the quarterly consolidated statements.

II. Three months ended December 31, 2023 (October 1, 2023 to December 31, 2023)

**1. Information about the amount of revenues, profits or losses pursuant to each reporting segment**

(Thousands of yen)

	Reporting Segments				Adjustment (Note 1)	Consolidated (Note 2)
	Investment Banking Business	Public Management Consulting Business	Entertainment Service Business	Total		
Revenues						
Revenues to third party	2,633,175	116,004	685,725	3,434,905	—	3,434,905
Inter-segment revenues and transfers	40,659	3,000	28,242	71,901	(71,901)	—
Total	2,673,835	119,004	713,967	3,506,807	(71,901)	3,434,905
Segment income	1,191,828	5,674	1,501	1,199,003	(222,764)	976,239

Notes:

1. Adjustment of segment income, at ¥ (222,764) thousand, includes elimination of transactions among segments of ¥62,674 thousand and corporate expenses of ¥ (285,439) thousand, which are not allocatable to reporting segments. Corporate expenses are mainly general and administrative expenses, which do not belong to any reporting segments.
2. Segment income is reconciled with operating income in the quarterly consolidated statements.