

Supplementary Presentation

# Financial Results for the Year Ended March 31, 2025



**SUNCORPORATION**

May 15, 2025

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## Financial Results for FY3/25

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## Financial Results for FY3/25

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## Financial Highlights

### FY3/25 (Year on Year)

| (Million yen)                           | FY3/24(a) | FY3/25(a) | Change | Change (%) |
|---|-----------|-----------|--------|------------|
| Net sales                               | 10,045    | 10,837    | 791    | 7.9%       |
| Operating profit                        | 312       | 1         | (311)  | (99.6)%    |
| Ordinary profit                         | (4,114)   | 709       | 4,824  | —          |
| Profit attributable to owners of parent | (3,777)   | 17,228    | 21,006 | —          |

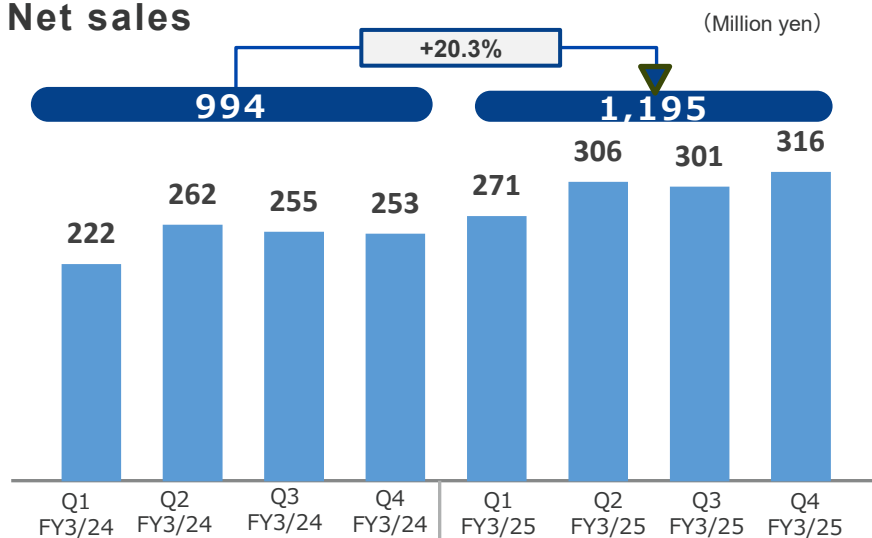
- Net sales increased 791 million yen year on year due to efforts to reinforce strategies for the existing businesses were successful taken in line with the Medium-Term Management Plan.
- Operating profit decreased 311 million yen year on year due to increased expenses for future strengthening of sales force and corporate functions.
- Ordinary profit increased 4,824 million yen year on year due to the rebound of the equity method investment loss of 4,498 million yen in Cellebrite for the fiscal year ended March 31, 2024.
- Profit increased 21,006 million yen year on year due to a gain on change in equity of 17,560 million yen recorded as extraordinary income in the third quarter of the fiscal year ended March 31, 2025.

#### Note

Gain on change in equity of 17,560 million yen was recognized as an extraordinary income because Cellebrite's net assets increased due to the achievement of the terms of debt instruments in Cellebrite, an equity-method affiliate.

## Global Data Intelligence Business

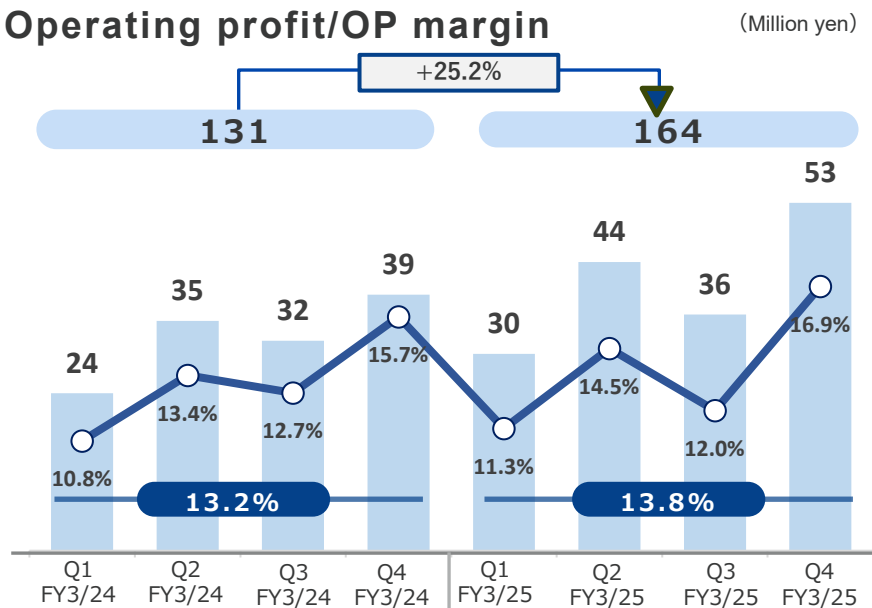
## ■ Net sales



## Main reasons for change

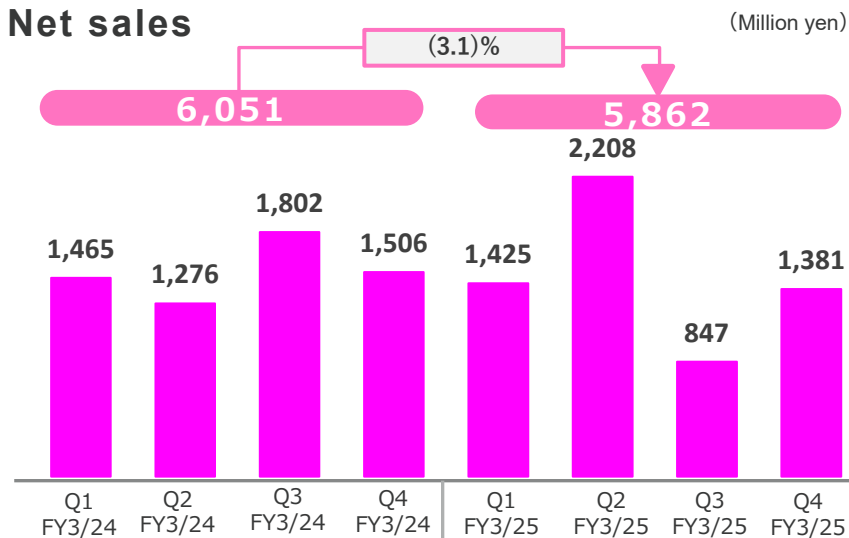
- Net sales and operating profit increased in full year (YoY)
  - ✓ Net sales rose due to an increase in sales and subscription contracts, mainly for Cellebrite products.
  - ✓ Operating profit also rose due to increase in sales
- Net sales and operating profit increased in Q4 (YoY)
  - ✓ Net sales rose due to an increase in sales and subscription contracts, mainly for Cellebrite products.
  - ✓ Operating profit also rose due to increase in sales

## ■ Operating profit/OP margin



## Entertainment-Related Business

## ■ Net sales



## Main reasons for change

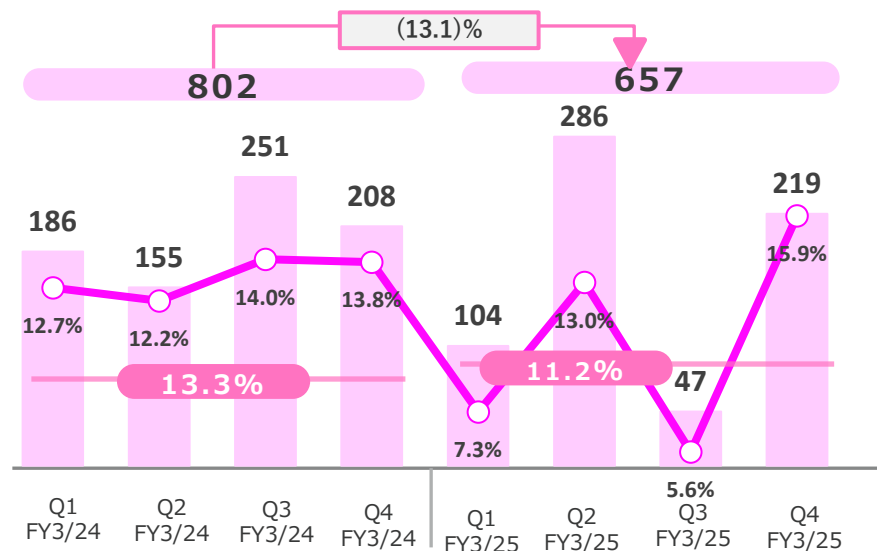
## ■ Net sales and operating profit decreased in full year (YoY)

- ✓ Game machine business sales declined due to lower shipments of game machine parts
- ✓ Operating profit also declined due to a decrease in shipment volume of game machine parts, etc. and a surge in raw material costs caused by the yen's depreciation, etc

## ■ Net sales and operating profit decreased in Q4 (YoY)

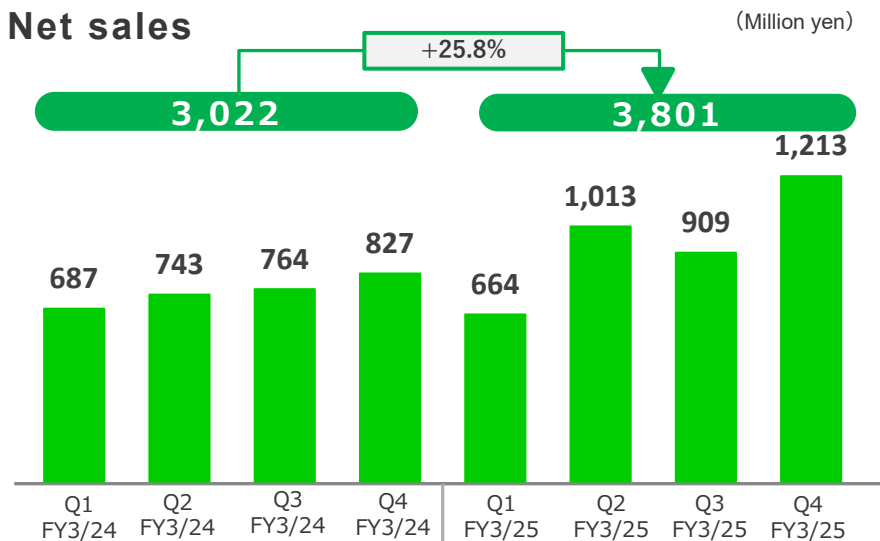
- ✓ Game machine business sales declined due to lower shipments of game machine parts
- ✓ Operating profit increased due to control of SG&A expense

## ■ Operating profit/OP margin

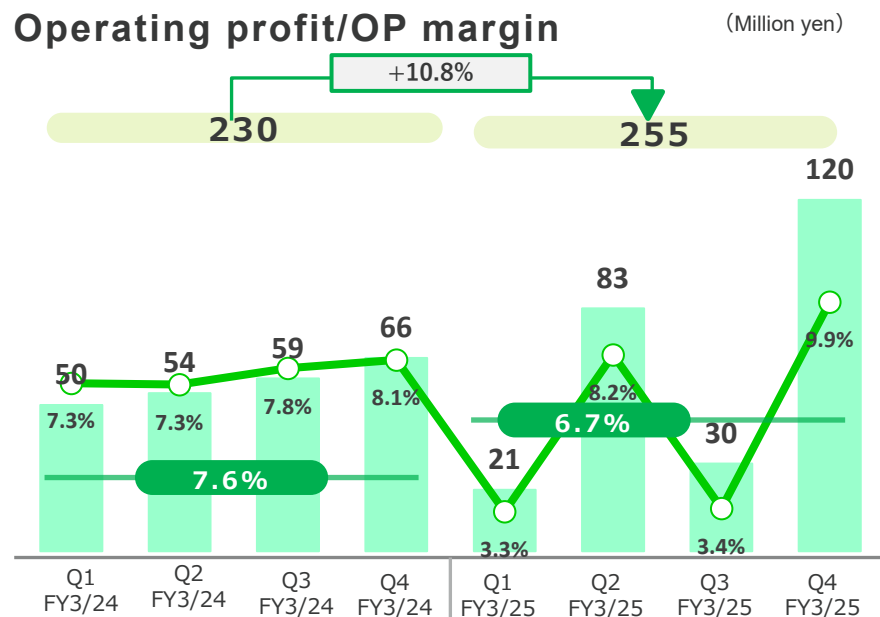


## New IT-Related Business

## ■ Net sales



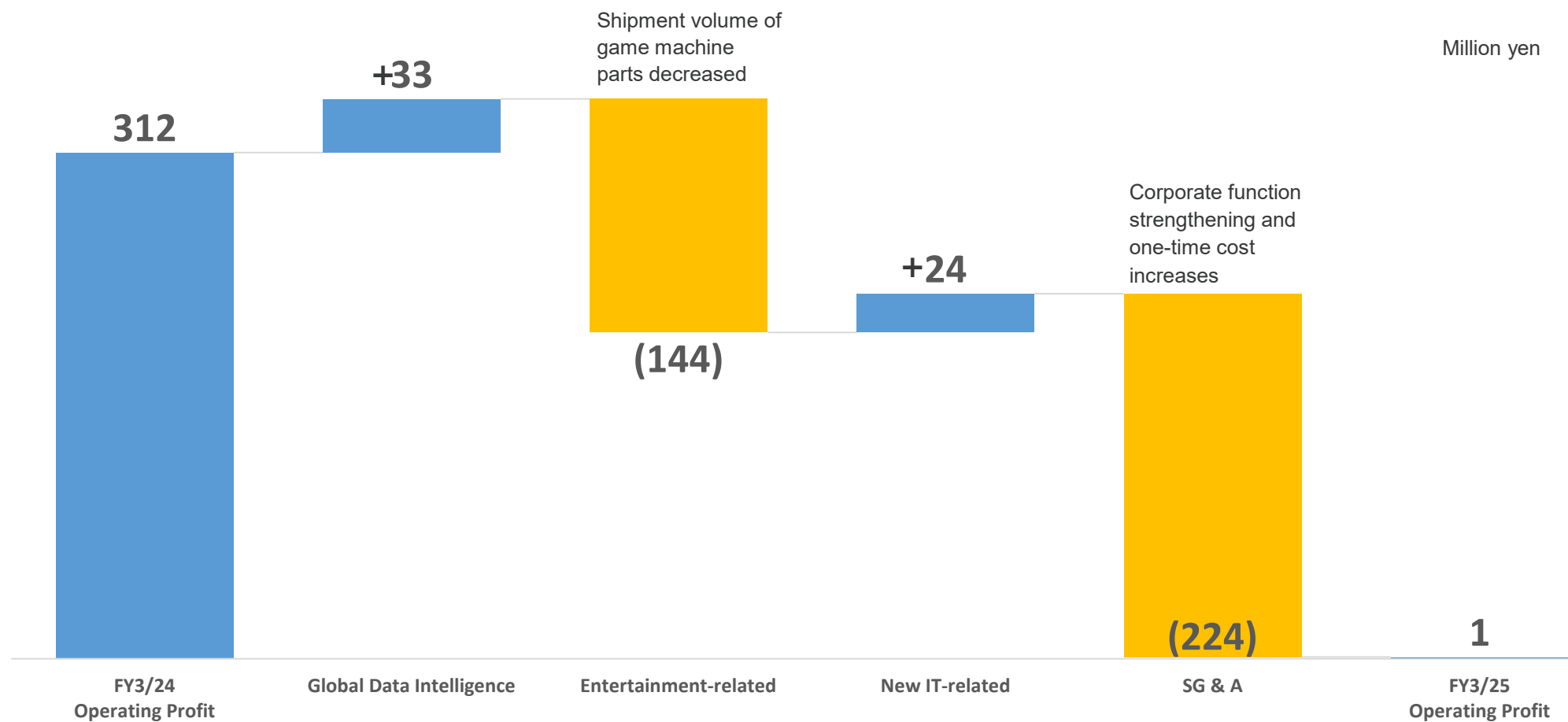
## ■ Operating profit/OP margin



## Main reasons for change

- Net sales and operating profit increased in full year (YoY)
  - ✓ Sales rose due to strong sales of strategic products for vending machines “A330” and “A900” and industrial network equipment “Rooster”, etc.
  - ✓ Operating profit also rose due to increase in sales
- Net sales and operating profit increased in Q4 (YoY)
  - ✓ Sales rose due to strong sales of strategic products for vending machines “A330” and “A900” and industrial network equipment “Rooster”, etc.
  - ✓ Operating profit also rose due to increase in sales

## Analysis of change in Operating Profit



## Balance Sheet

- Equity ratio increased by 10.2 pt to 89.5% compared to the end of March 2024

| Million yen                             | March 31, 2024 | March 31, 2025 | Change       |
|---|----------------|----------------|--------------|
| Current assets                          | 23,449         | 16,733         | (6,716)      |
| Non-current assets                      | 23,388         | 36,394         | 13,005       |
| Property, plant and equipment           | 1,580          | 1,405          | (174)        |
| Intangible assets                       | 687            | 683            | (3)          |
| Investments and other assets            | 21,121         | 34,305         | 13,183       |
| <b>Total assets</b>                     | <b>46,838</b>  | <b>53,127</b>  | <b>6,289</b> |
| Current liabilities                     | 4,905          | 5,240          | 335          |
| Non-current liabilities                 | 4,674          | 278            | (4,395)      |
| Net assets                              | 37,259         | 47,608         | 10,348       |
| <b>Total liabilities and net assets</b> | <b>46,838</b>  | <b>53,127</b>  | <b>6,289</b> |



## Statement of Cash Flows

- Free cash flow generated during the period totaled 1,243 million yen, a year-on-year increase of 2,296 million yen

| Million yen                                | FY3/24  | FY3/25  | Change  |
|--|---------|---------|---------|
| Cash flows from operating activities       | 2,509   | (1,669) | (4,178) |
| Cash flows from investing activities       | (3,562) | 2,912   | 6,475   |
| Cash flows from financing activities       | (385)   | (788)   | (403)   |
| Cash and cash equivalents at end of period | 1,519   | 1,986   | 466     |
| Free cash flows                            | (1,052) | 1,243   | 2,296   |

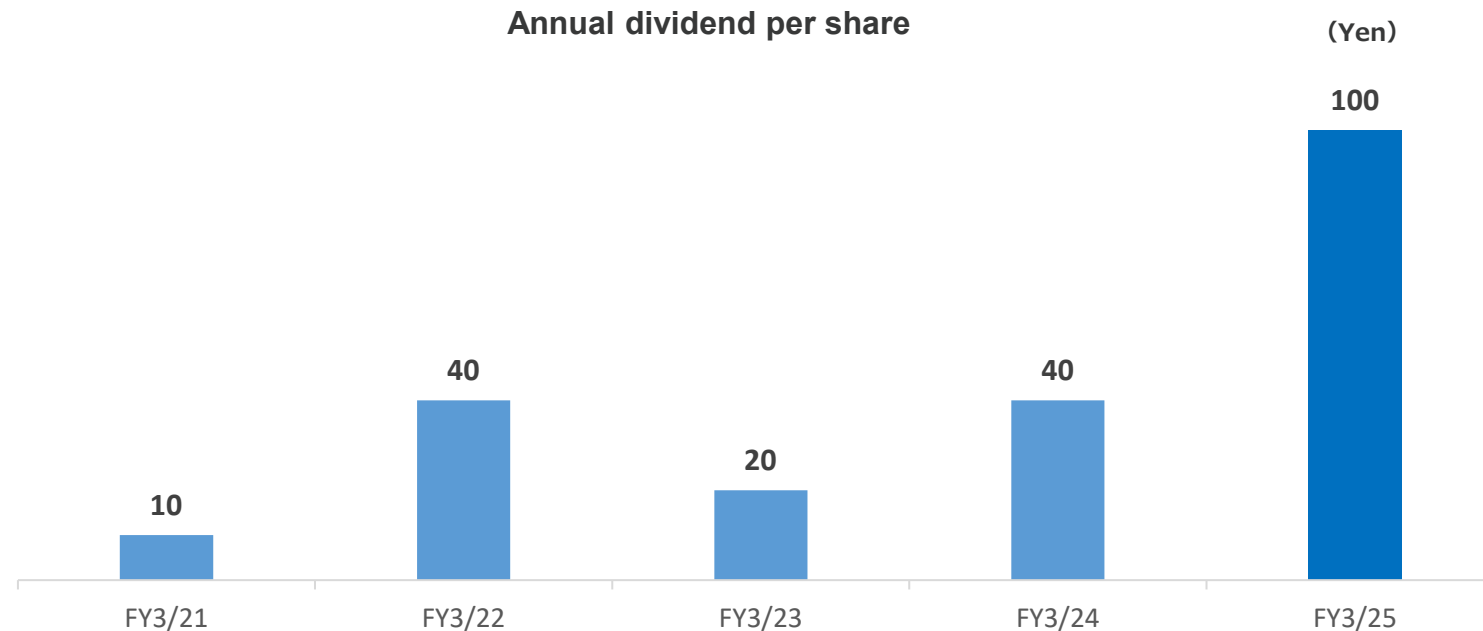
## Shareholder Return

### Basic Policy

- Consideration of medium- to long-term free cash flow trends in order to enhance corporate value over the medium to long term, to develop business for the future and to strengthen the management base
- Dividend levels are determined based on earnings trends and other business performance and future prospects, while also taking into consideration the balance with safety and retained earnings.

### Dividend for the fiscal year ended March 31, 2025

- The year-end dividend for the fiscal year ending March 31, 2025 is **50 yen** per share, and the annual dividend is **100 yen** per share, including the interim dividend of 50 yen per share already paid.



## FY3/26 Consolidated Financial Forecasts

### FY3/26 Full Year

| (Million yen)                           | FY3/25 (a) | FY3/26 (f) | Change   | Change (%) |
|---|------------|------------|----------|------------|
| Net sales                               | 10,837     | 16,247     | 5,409    | 49.9%      |
| Operating profit                        | 1          | 1,385      | 1,383    | —          |
| Ordinary profit                         | 709        | 6,191      | 5,481    | 772.1%     |
| Profit attributable to owners of parent | 17,228     | 4,296      | (12,932) | (75.0)%    |

## Quarterly Consolidated Financial Results

| (Million yen)           | FY3/24         |                |              |              |                | FY3/25       |              |               |              |               |
|-------------------------|----------------|----------------|--------------|--------------|----------------|--------------|--------------|---------------|--------------|---------------|
|                         | Q1             | Q2             | Q3           | Q4           | Full Year      | Q1           | Q2           | Q3            | Q4           | Full Year     |
| <b>Net sales</b>        | <b>2,370</b>   | <b>2,277</b>   | <b>2,819</b> | <b>2,577</b> | <b>10,045</b>  | <b>2,356</b> | <b>3,437</b> | <b>2,136</b>  | <b>2,906</b> | <b>10,837</b> |
| <b>Gross profit</b>     | <b>700</b>     | <b>692</b>     | <b>818</b>   | <b>752</b>   | <b>2,963</b>   | <b>658</b>   | <b>837</b>   | <b>587</b>    | <b>752</b>   | <b>2,835</b>  |
| Gross profit margin     | 29.6%          | 30.4%          | 29.0%        | 29.2%        | 29.5%          | 27.9%        | 24.4%        | 27.5%         | 25.9%        | 26.2%         |
| <b>SG &amp; A</b>       | <b>675</b>     | <b>646</b>     | <b>671</b>   | <b>657</b>   | <b>2,650</b>   | <b>789</b>   | <b>731</b>   | <b>731</b>    | <b>581</b>   | <b>2,833</b>  |
| SG & A ratio            | 28.5%          | 28.4%          | 23.8%        | 25.5%        | 26.4%          | 33.5%        | 21.3%        | 34.3%         | 20.0%        | 26.1%         |
| <b>Operating profit</b> | <b>25</b>      | <b>45</b>      | <b>147</b>   | <b>94</b>    | <b>312</b>     | <b>(130)</b> | <b>105</b>   | <b>(144)</b>  | <b>170</b>   | <b>1</b>      |
| Operating profit margin | 1.1%           | 2.0%           | 5.2%         | 3.7%         | 3.1%           | -            | 3.1%         | -             | 5.9%         | 0.0%          |
| <b>Ordinary profit</b>  | <b>(2,792)</b> | <b>(1,656)</b> | <b>181</b>   | <b>152</b>   | <b>(4,114)</b> | <b>(75)</b>  | <b>166</b>   | <b>(78)</b>   | <b>697</b>   | <b>709</b>    |
| Ordinary profit margin  | -              | -              | 6.4%         | 5.9%         | -              | -            | 4.8%         | -             | 24.0%        | 6.6%          |
| <b>Profit</b>           | <b>(2,614)</b> | <b>(1,614)</b> | <b>83</b>    | <b>367</b>   | <b>(3,777)</b> | <b>207</b>   | <b>194</b>   | <b>16,668</b> | <b>158</b>   | <b>17,228</b> |
| Profit margin           | -              | -              | 3.0%         | 14.3%        | -              | 8.8%         | 5.6%         | 780.1%        | 5.4%         | 159.0%        |

## Quarterly Segment Results

| (Millions of yen)        |                       | FY3/24 |       |       |       |           | FY3/25 |       |       |       |           |
|--------------------------|-----------------------|--------|-------|-------|-------|-----------|--------|-------|-------|-------|-----------|
|                          |                       | Q1     | Q2    | Q3    | Q4    | Full Year | Q1     | Q2    | Q3    | Q4    | Full Year |
| Global Data Intelligence | Sales                 | 222    | 262   | 255   | 253   | 994       | 271    | 306   | 301   | 316   | 1,195     |
|                          | Segment profit        | 24     | 35    | 32    | 39    | 131       | 30     | 44    | 36    | 53    | 164       |
|                          | Segment profit margin | 10.8%  | 13.4% | 12.7% | 15.7% | 13.2%     | 11.3%  | 14.5% | 12.0% | 16.9% | 13.8%     |
| Entertainment-related    | Sales                 | 1,465  | 1,276 | 1,802 | 1,506 | 6,051     | 1,425  | 2,208 | 847   | 1,381 | 5,862     |
|                          | Segment profit        | 186    | 155   | 251   | 208   | 802       | 104    | 286   | 47    | 219   | 657       |
|                          | Segment profit margin | 12.7%  | 12.2% | 14.0% | 13.8% | 13.3%     | 7.3%   | 13.0% | 5.6%  | 15.9% | 11.2%     |
| New IT-related           | Sales                 | 687    | 743   | 764   | 827   | 3,022     | 664    | 1,013 | 909   | 1,213 | 3,801     |
|                          | Segment profit        | 50     | 54    | 59    | 66    | 230       | 21     | 83    | 30    | 120   | 255       |
|                          | Segment profit margin | 7.3%   | 7.3%  | 7.8%  | 8.1%  | 7.6%      | 3.3%   | 8.2%  | 3.4%  | 9.9%  | 6.7%      |
| Adjustment               | Sales                 | (4)    | (5)   | (3)   | (9)   | (22)      | (4)    | (90)  | 77    | (5)   | (21)      |
|                          | Segment profit        | (235)  | (198) | (196) | (220) | (851)     | (287)  | (308) | (258) | (221) | (1,076)   |
| Total                    | Sales                 | 2,370  | 2,277 | 2,819 | 2,577 | 10,045    | 2,356  | 3,437 | 2,136 | 2,906 | 10,837    |
|                          | Segment profit        | 25     | 45    | 147   | 94    | 312       | (130)  | 105   | (144) | 170   | 1         |
|                          | Segment profit margin | 1.1%   | 2.0%  | 5.2%  | 3.7%  | 3.1%      | -      | 3.1%  | -     | 5.9%  | 0.0%      |

## Corporate Profile

|                        |   |
|------------------------|---|
| Company Name           | SUNCORPORATION  |
| Date of Establishment  | April 16, 1971  |
| Corporate Headquarters | NAGOYA BUILDING SAKURA-KAN 2F, 4-2-25 Meieki, Nakamura-ku Nagoya, Aichi 450-0002, Japan             |
| Representative         | Ryusuke Utsumi, President and Representative Director   |
| Capital                | 2,097 million yen (as of March 31, 2024)  |
| Number of Directors    | 9 (including 4 Outside, 1 Female)<br>The Company is a company with audit and supervisory committee. |
| Number of Employees    | 304 (Consolidated)(as of March 31, 2025)  |

## Management Philosophy



MISSION

Resolving social issues with SUNCORPORATION's technologies

Management philosophy

Making people happy through telecommunication & entertainment

VALUES

Corporate philosophy

**"Maintaining the spirit of a company that takes on challenges"**

Company slogan

- Materializing
- Challenging
- Accomplishing

Guidelines for Action

- View success as the starting point for new success
- Treat improvement and elimination of waste as permanent issues
- Progress stops the moment you say "this is fine"
- Don't be satisfied with yesterday's success
- The moment you succeed is exactly when you should reflect on your actions

VISION

Aiming for sales of **50 billion** yen and an operating profit margin of **15%** or more

## Developing the Business in Three Segments Revolving around Technology



### Global Data Intelligence (digital intelligence)

- Developing and selling mobile forensic equipment
- Adding sales of threat intelligence solutions specialized in the deep web and dark web



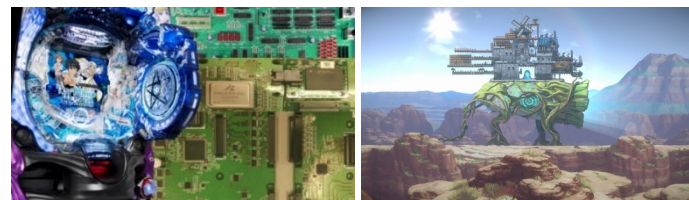
### Entertainment (amusement machines and games)

#### Amusement machines

- Planning, developing, and manufacturing amusement machines
- Developing video content for amusement machines

#### Games

- Developing and selling game content



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"Art of Charon" on sale on Steam  
©SUNSOFT



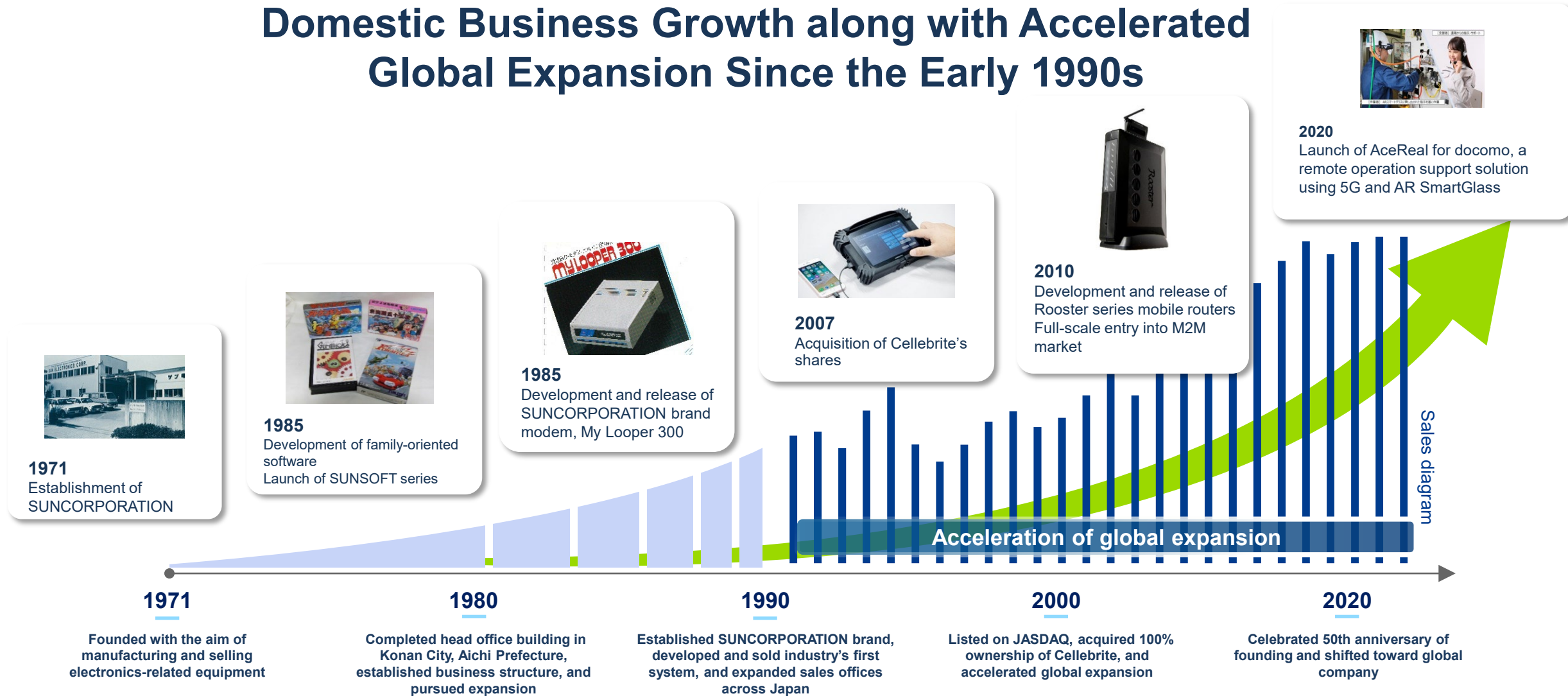
### New IT-Related (M2M/IoT)

- Developing, manufacturing, and selling industrial communications equipment and IoT solutions
- Developing and selling B2B operational support solutions using SmartGlass





## Domestic Business Growth along with Accelerated Global Expansion Since the Early 1990s



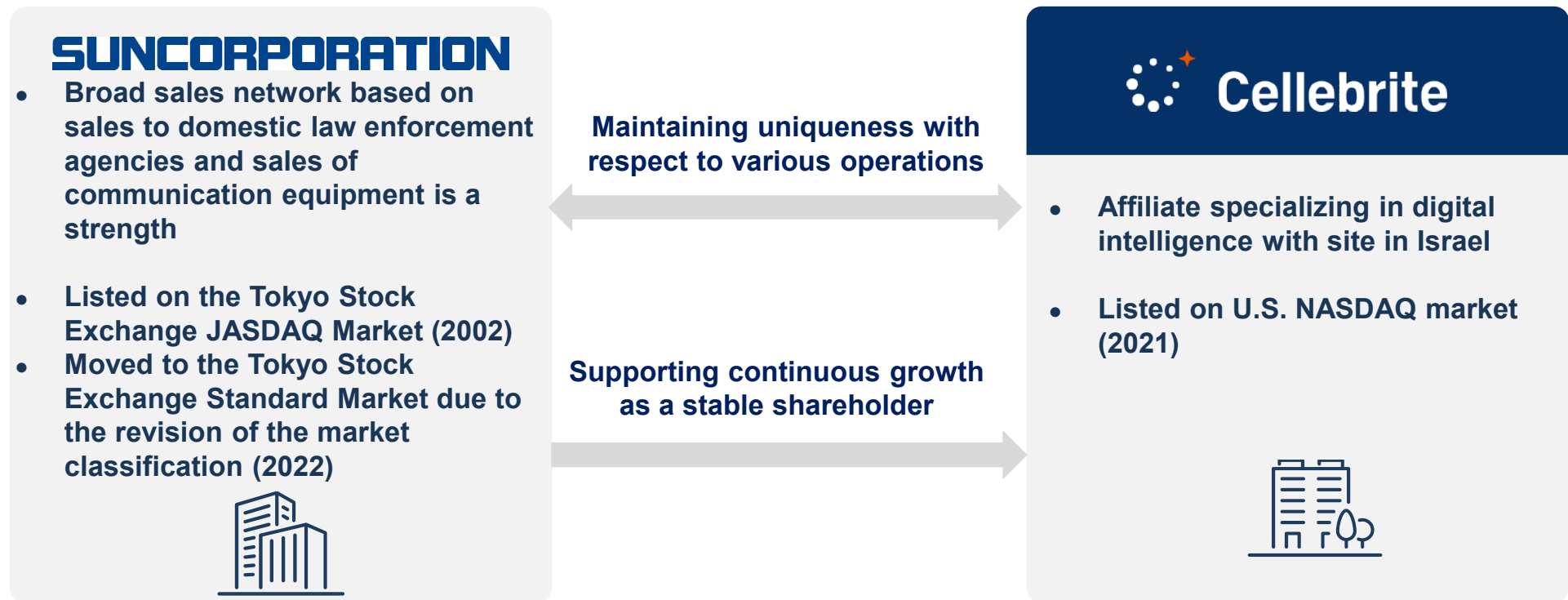
## SUNCORPORATION's Global Business

Growing through businesses that are not limited to specific areas by combining technologies and expertise developed in domestic businesses with new technologies and talent exchange acquired globally



## Relationship with Cellebrite (Performance)

**Profit or loss on valuation occurring due to the Cellebrite shares we own has an impact on SUNCORPORATION's performance (ordinary profit, current net income)**



## Relationship with Cellebrite (Business)

## Driving domestic forensic products and digital intelligence market

### Supplying related products, training, and services



## Disclaimer

# SUNCORPORATION

The purpose of this document is to provide information about the company's business, management strategy and performance. It is not intended to solicit investment in securities issued by SUNCORPORATION.

Furthermore, this document was created based on financial results and corporate data available as of May 15, 2025.

The opinions and forecasts included in this document are based on the company's judgment at the time the material was prepared. SUNCORPORATION makes no guarantees or promises regarding the accuracy or completeness of the information, which is subject to change without notice in the future.

IR inquiries: Investor Relations Office, SUNCORPORATION

E-mail: [ir@sun-denshi.co.jp](mailto:ir@sun-denshi.co.jp)

