

Presentation

Financial Results for the Year Ended March 31, 2025



SUNCORPORATION

May 30, 2025

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Financial Highlights

FY3/25 (Year on Year)

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

- Net sales increased 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 year on year due to increased expenses for future strengthening of sales force and corporate functions.
- Ordinary profit and profit increased year on year due to share of Cellebrite's equity in profit of affiliates and gain on change in equity in Cellebrite.

FY3/26 Forecasts (Year on Year)

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

- Net sales are expected to increase through existing businesses and M&A and business alliances in accordance with the medium-term management plan.
- Operating profit is expected to recover through sales increase, improvement of cost of sales, and control of SG&A expenses.

Shareholder Return

- Dividend per share for the fiscal year ended March 31, 2025 is 50 yen per share for the interim period and 50 yen per share for the year-end period, for an annual dividend of 100 yen per share.

Management Policies and Strategies

Management Policies

- Focusing on the information technology and entertainment fields
- Striving to enhance corporate value
- Taking proactive actions with entrepreneurial spirit

Strategic Themes of Mid-Term Management Plan

- Aiming to enhance existing business strategy and establish a future growth base

Individual Strategic Themes

- Improving earning power of existing business (implementing price revisions and cost price reductions)
- Creating new growth drivers (developing new businesses, new products, new services)
- Establishing management base to support business (organizational operation based on digital transformation of information)

Progress of Medium-Term Management Plan

- Although earnings forecasts for the fiscal year ended March 31, 2025 were not achieved, there is no change in the target for the final year of the medium-term management plan (fiscal year ending March 31, 2027).

Progress of the Medium-Term Management Plan (FY3/25-FY3/27)

(Million yen)	FY3/24(a)	FY3/25(a)	FY3/26(f)	FY3/27(f)
Net sales	10,045	10,837	16,247	19,200
Operating profit	312	1	1,385	2,100
Ordinary profit	3.1%	0.0%	8.5%	10.9%

【 Progress in the First Year of the Medium-Term Management Plan】

- In existing businesses, new products and services are added.
- As M&A and business alliances,
 - Acquired domestic sales rights for products of MyWaves Technologies Limited, a leader in the field of sleep quality improvement using SleepTech. MyWaves products are currently being prepared for sale through Sun Digital Health Inc..
 - Acquisition of additional shares of FUJISHOJI CO., LTD

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	—

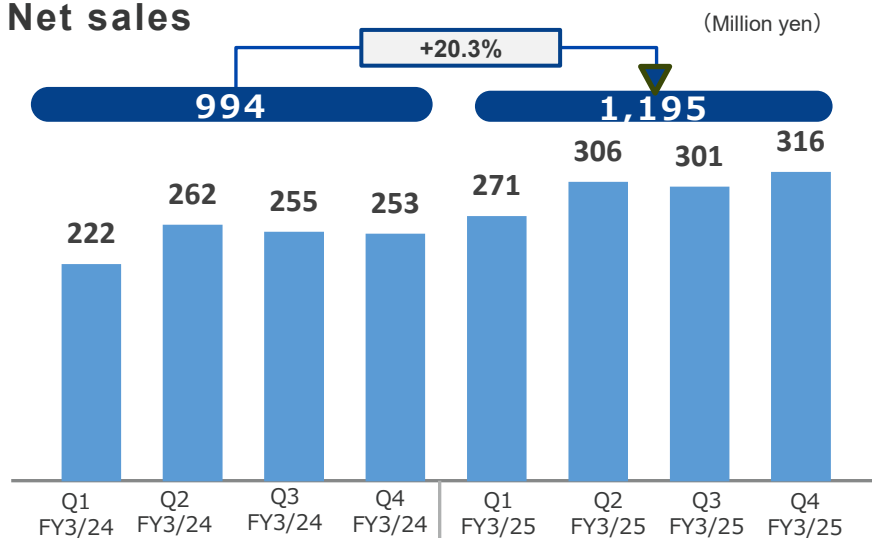
- Net sales increased 791 million yen year on year due to efforts to reinforce strategies for the existing businesses were successful taken in line with the Medium-Term Management Plan.
- Operating profit decreased 311 million yen year on year due to increased expenses for future strengthening of sales 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

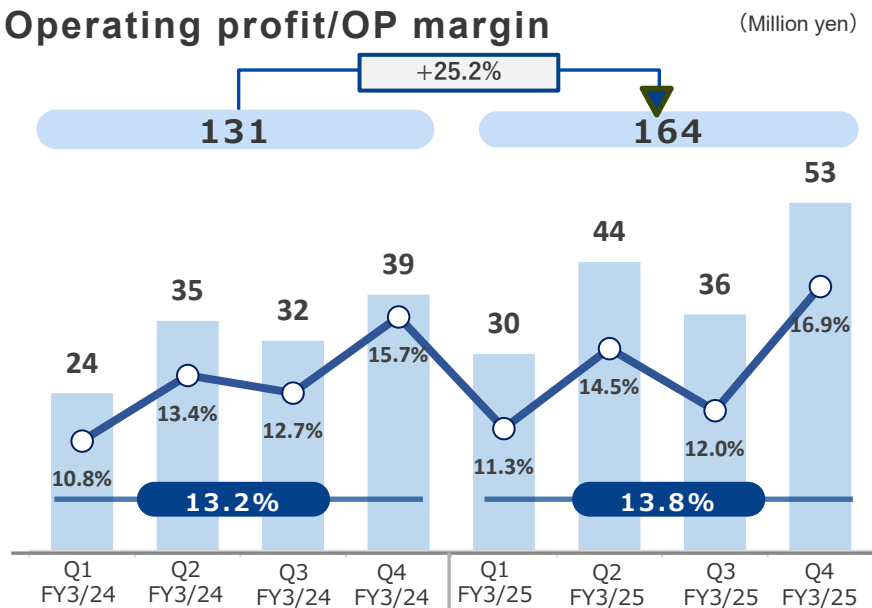
■ Net sales



Main reasons for change

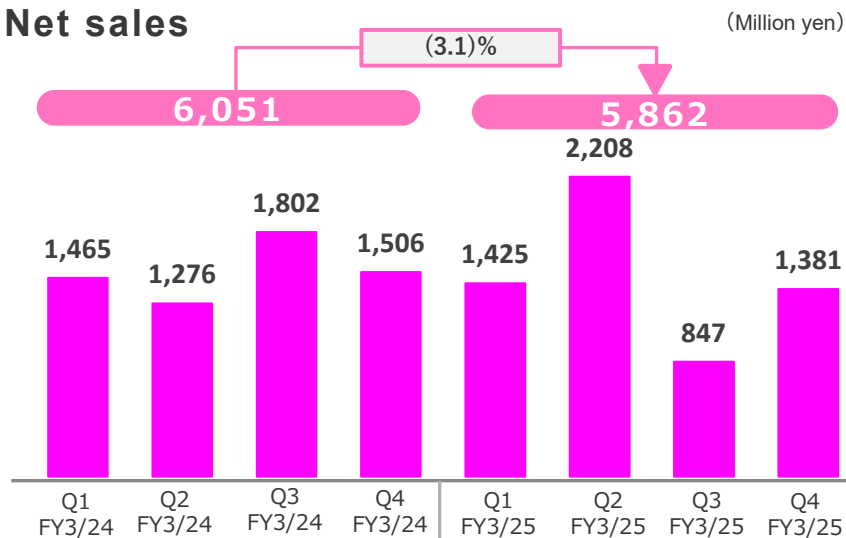
- Net sales and operating profit increased in full year (YoY)
 - ✓ Net sales rose due to an increase in sales and subscription contracts, mainly for Cellebrite products.
 - ✓ Operating profit also rose due to increase in sales
- Net sales and operating profit increased in Q4 (YoY)
 - ✓ Net sales rose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

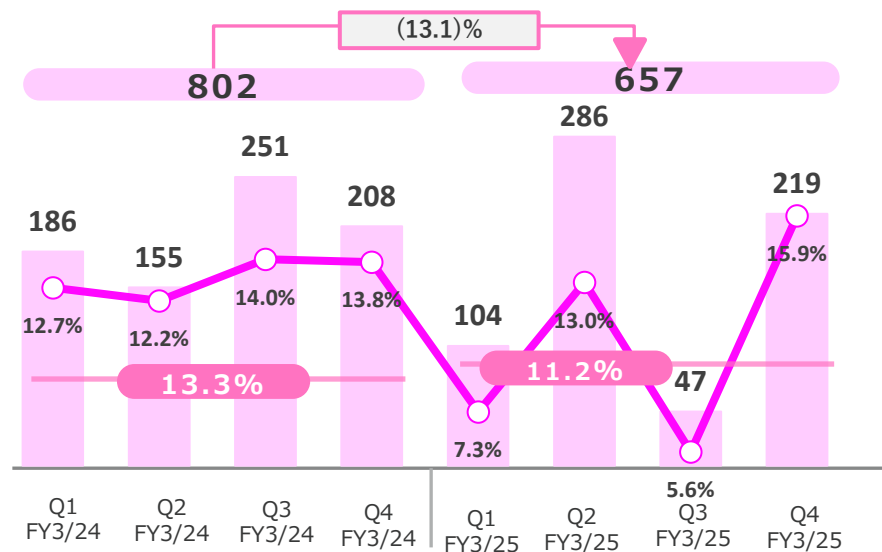


Entertainment-Related Business

■ Net sales



■ Operating profit/OP margin

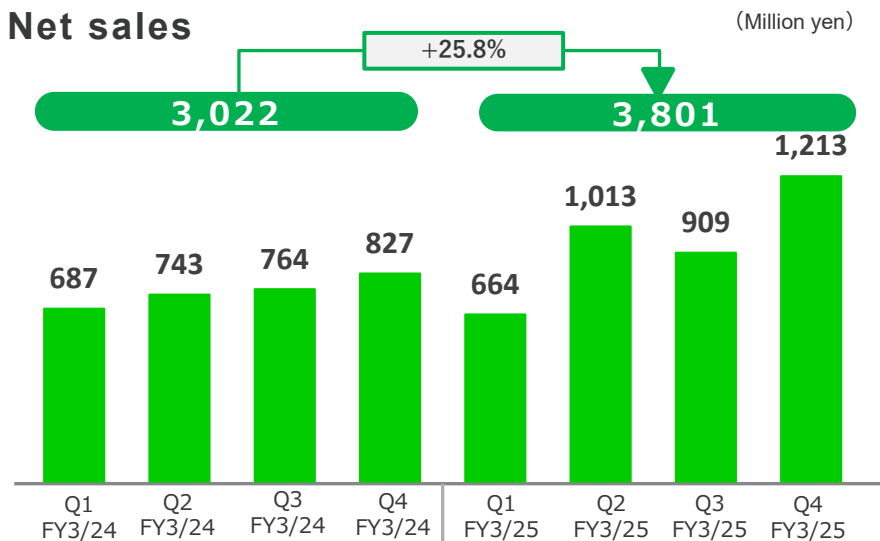


Main reasons for change

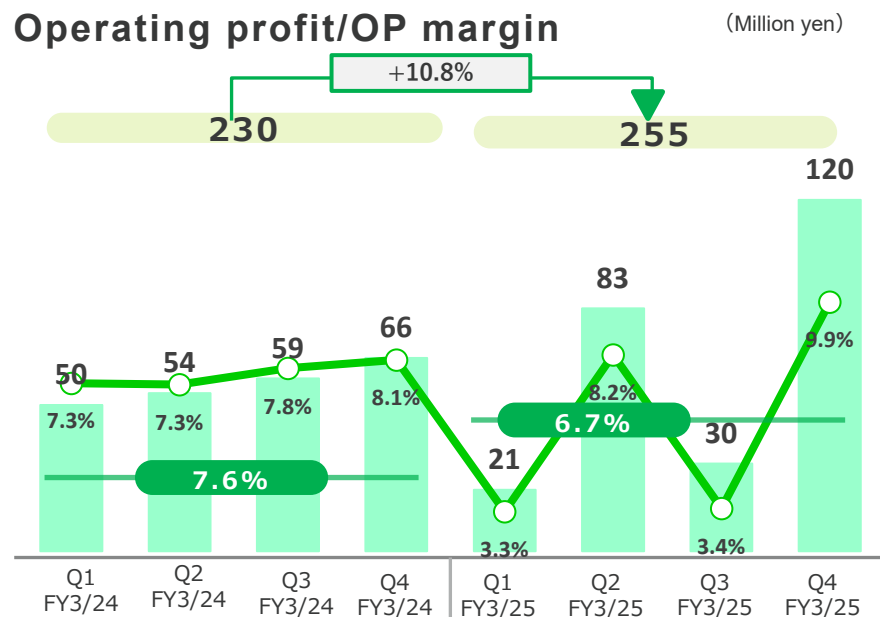
- Net sales and operating profit decreased in full year (YoY)
 - ✓ Game machine business sales declined due to lower shipments of game machine parts
 - ✓ Operating profit also declined due to a decrease in shipment volume of game machine parts, etc. and a surge in raw material costs caused by the yen's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

New IT-Related Business

■ Net sales



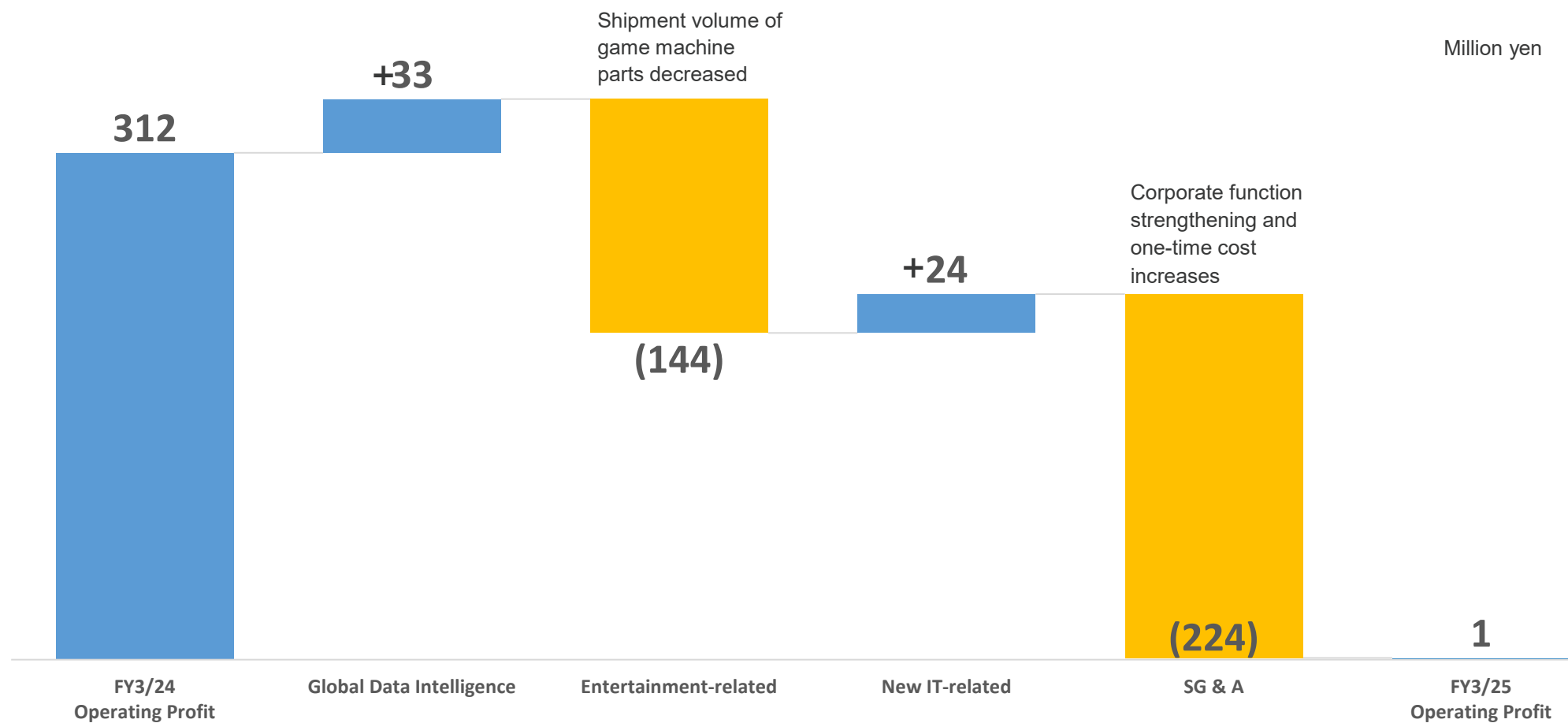
■ Operating profit/OP margin



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
Total assets	46,838	53,127	6,289
Current liabilities	4,905	5,240	335
Non-current liabilities	4,674	278	(4,395)
Net assets	37,259	47,608	10,348
Total liabilities and net assets	46,838	53,127	6,289

Statement of Cash Flows

- Free cash flow generated during the period totaled 1,286 million yen, a year-on-year increase of 2,336 million yen

Million yen	FY3/24	FY3/25	Change
Cash flows from operating activities	2,509	(1,668)	(4,177)
Cash flows from investing activities	(3,562)	2,952	6,514
Cash flows from financing activities	(385)	(829)	(444)
Cash and cash equivalents at end of period	1,519	1,986	467
Free cash flows	(1,052)	1,286	2,336

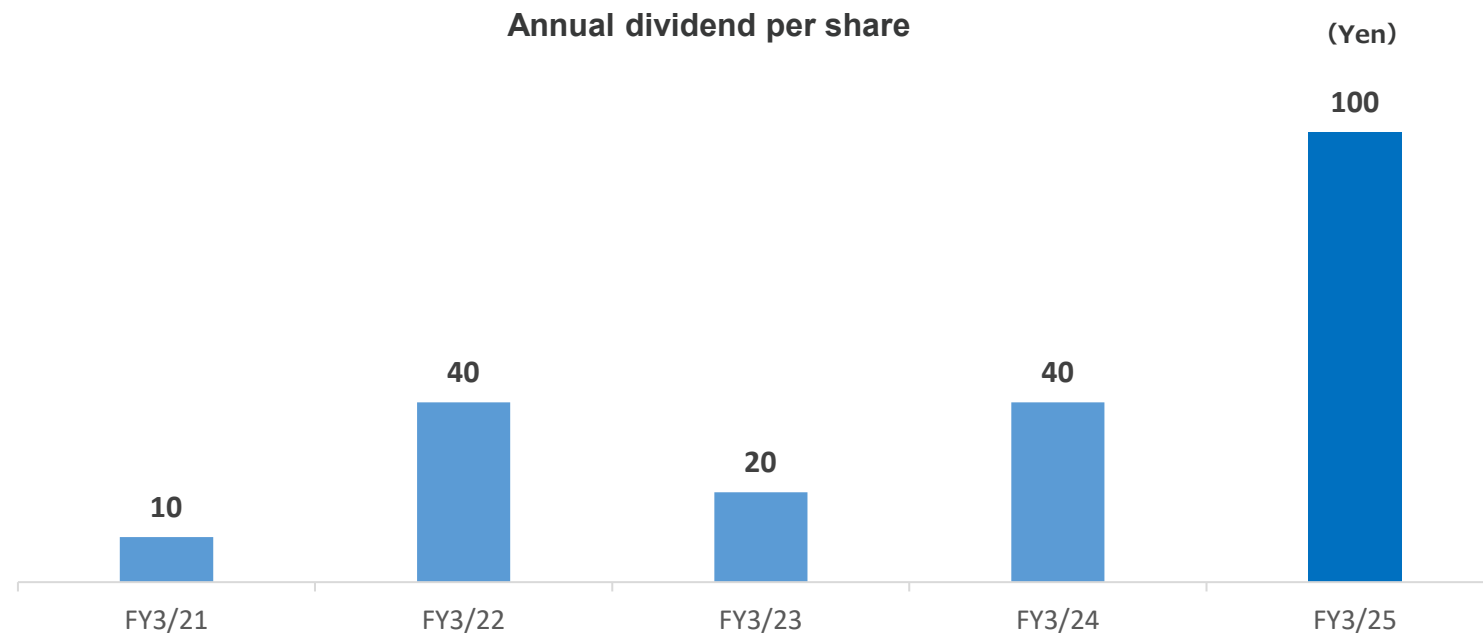
Shareholder Return

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

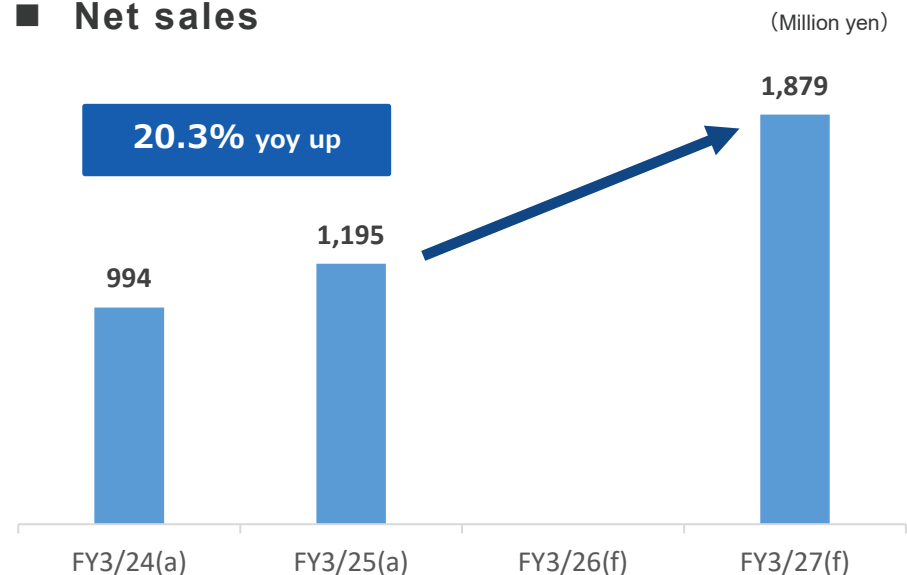
FY3/26 Full Year

(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)%

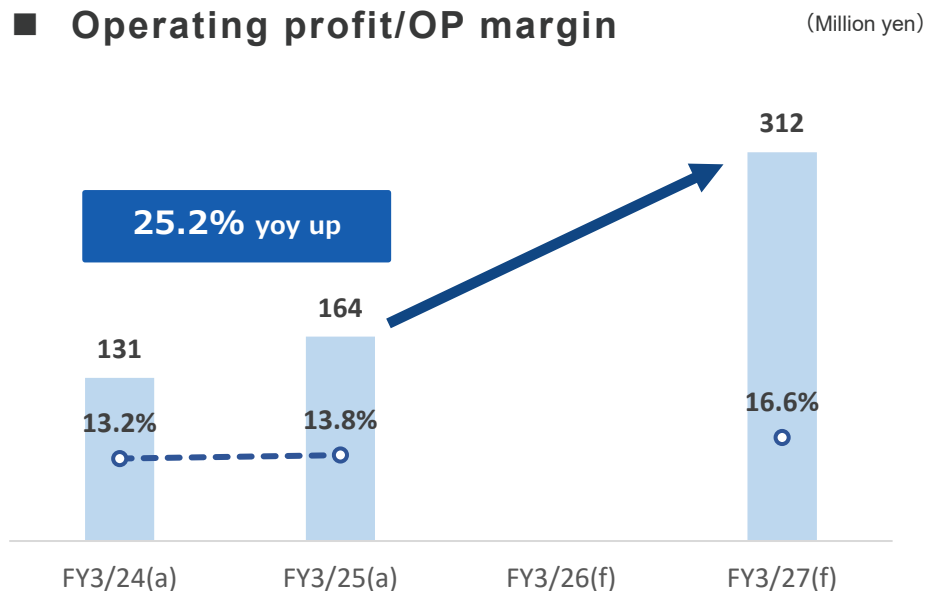
- Net sales are expected to increase through existing businesses and M&A and business alliances in accordance with the medium-term management plan.
- Operating profit is expected to recover through sales increase, improvement of cost of sales, and control of SG&A expenses.
- Ordinary profit is expected to be Cellebrite's equity in profit of affiliates.

Global Data Intelligence Business

■ Net sales



■ Operating profit/OP margin

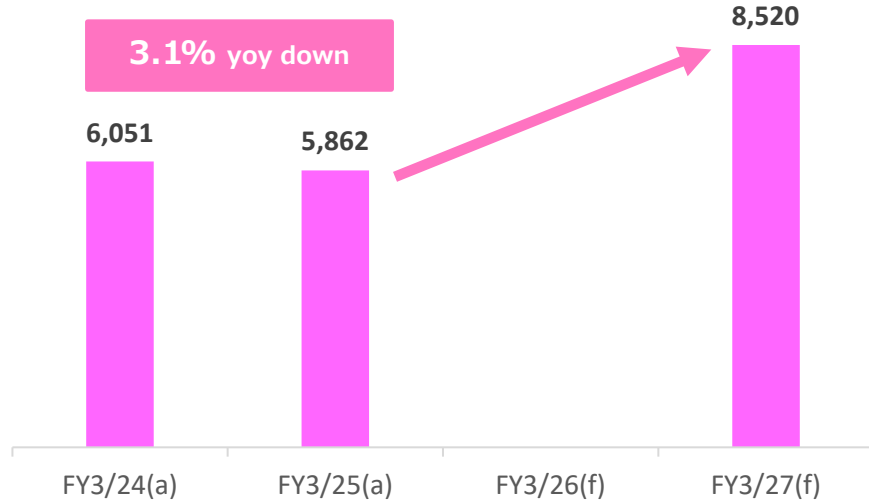


Main Products and Services	Features, Status of Approaches
Inseyets (Cellebrite)	A next-generation digital forensics solution that replaces UFED by accelerating automated processes such as collection, extraction, reporting, and triage, eliminating the need for manual human intervention between processes, and leading to a significant reduction in investigator workload. Main Products in FY2024
Pathfinder (Cellebrite)	Using AI and machine learning, investigative teams effectively process digital data through advanced filtering, categorization, tagging, and analysis
F-note	Reporting and backup data extracted from Cellebrite's UFED system is also supported. Software manufactured by SUNCORPORATION
Training	In addition to official Cellebrite training, our original digital forensics training for beginner and intermediate users
Cybersixgill	Intelligence Solution Specializing in Collecting and Analyzing Information on the Deep and Dark Web. Full-scale sales of a threat intelligence reporting service utilizing this tool began in April 2025.
TRM	The only multi-chain crypto asset tracking and investigation tool that supports 30 different blockchains, the most in the industry, and is capable of automatic cross-chain tracking between different blockchains and forensic investigation of blockchains by linking information from a variety of information sources.
ShadowDragon	ShadowDragon's platform of target-centric, open source intelligence tools helps identify and investigate malicious actors and watchdogs, assess threats, and quickly uncover connections without requiring specialized technical knowledge. ShadowDragon's suite of tools, including SocialNet™, Monitor™, and its flagship platform, Horizon™, are available for sale beginning in April 2025.

Entertainment-Related Business

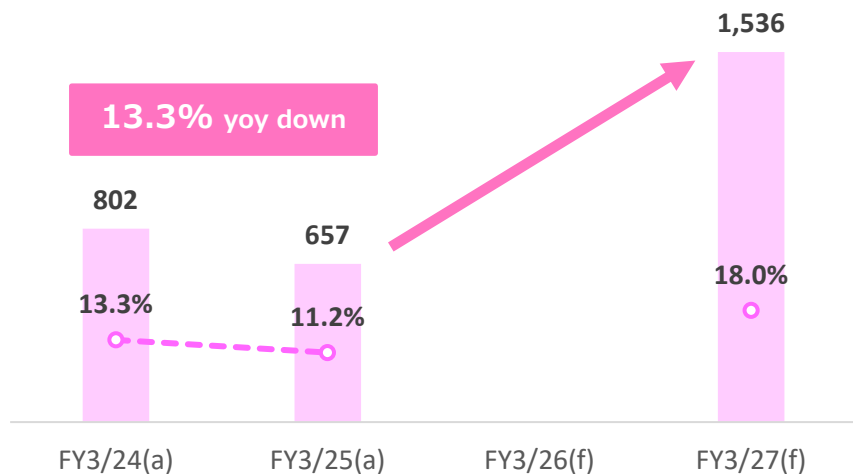
■ Net sales

(Million yen)



■ Operating profit/OP margin

(Million yen)

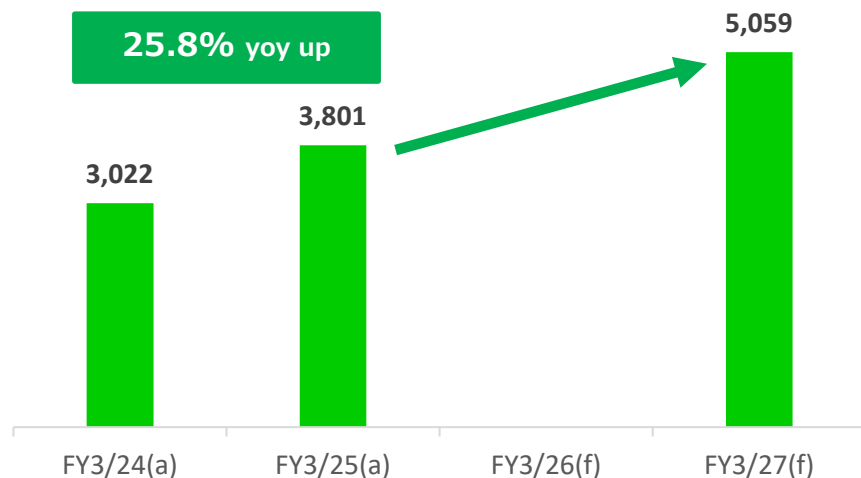


Main Products and Services	Features, Status of Approaches
Game machine business	The game machine business is being commissioned to provide a full range of services from total content development (from pachinko and pachislot planning to design, video production, and programming) and control board design to manufacturing
Actual pachinko and pachislot machine simulation apps	To support operation and improve content visibility in the actual machine market, we are developing pachinko and pachislot machine simulation apps for smartphones April 2024 "P Hi Ammo no Aria – Hihigami Descend – Lucky Trigger ver" March 2025 "P Certain Magical Index 2 Light PREMIUM 2000 ver"
Game content business	New releases for the fiscal year ended March 31, 2025 April 2024 "Ikki Unite" Nintendo Switch May 2024 "Ikki Unite" packaged version for Nintendo Switch October 2024 "Clock Tower Rewind" DL version and packaged version November 2024 "Ark of Charon" Steam (PC) Dec. 2024 "Gimmick! 2" DL, packaged version In the fiscal year ending March 31, 2026, the company plans to release three new titles for consumers (Switch, Steam), etc.

New IT-Related Business

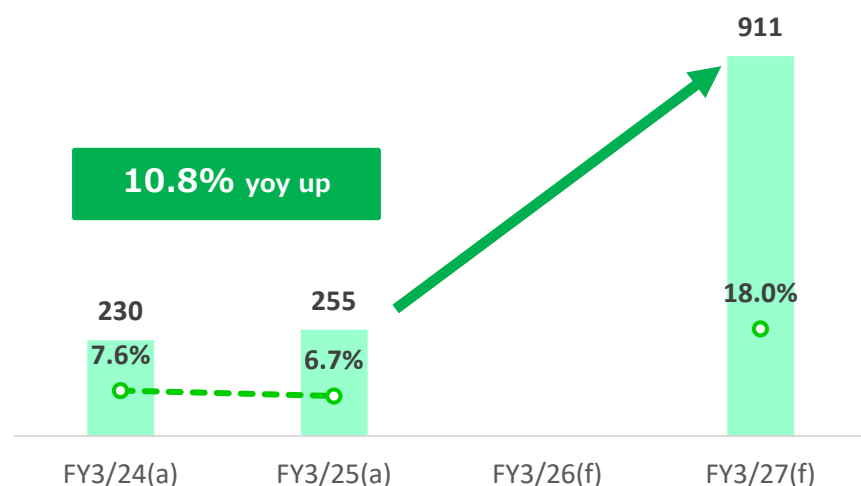
■ Net sales

(Million yen)



■ Operating profit/OP margin

(Million yen)



Main Products and Services	Features, Status of Approaches
IoT Router Rooster	Promoting sales of strategic products “A330” and “A900” for beverage vending machines to reduce management costs and improve operational efficiency such as product restocking
IoT Service (SunDMS)	Device management solution that works with industrial network equipment “Rooster” to streamline maintenance and operation of IoT devices installed in remote areas and multiple locations.
Rooster New Products	In March 2025, Rooster brand launches the DRX5510, a router supporting 5G. The “DRX5510” has a dual-SIM configuration that enables flexible line selection according to the application and situation, as well as backup operation in the event of network failure. The product has started to acquire conformance labels for the “Security Requirements Conformance Assessment and Labeling System” (JC-STAR) for IoT products as stipulated by the Information-technology Promotion Agency, Japan (IPA).
IoT Sensor Solution	The sensor device “Okudake Sensor” is now in full-scale phase for temperature control in food hygiene control (HACCP) and predictive maintenance using acceleration (vibration) sensors. Started providing camera solutions to expand data business.
EKTeck (Consolidated subsidiary)	Through the EKTech Group, EKTeck is expanding its business by providing secure enterprise wireless communication systems using cell phone technology to blue-chip general business companies in Malaysia, supporting the connection of peripheral devices connected to wireless routers, providing 24-hour monitoring services for these network systems, and developing a system integration business that handles security products such as surveillance cameras and firewalls. We will expand our business through the development of a system integration business that handles security products such as cameras and firewalls, as well as 24-hour monitoring services for these network systems.

Investment in Growth Fields

No change in the growth investment quota of 12.5 billion yen for the period of the medium-term management plan (3 years)

Term of New Medium-Term Management Plan (3 Years)

Growth investment
12,500
million yen

Expected breakdown:

- M&A and capital alliances
– 7,500 million yen
- Capital investment
– 5,000 million yen

Strengthening
business
growth base

Strengthening
management
base

Details	Existing business		New business	Enhancing capabilities
	Enhancing	Maintaining capabilities		
M&A	○		○	○
Venture investment	○		○	
Investment in new equipment	○	○	○	
Equipment upgrading		○		
Large-scale improvements	○	○		
HR/training	○		○	○
M&A				○
DX investment				○

Anticipated R&D fields

Smart
factories

Data
business

Healthcare

New areas

Security

Progress in Growth Investment Performance

Hundred Million yen	FY3/25(a)	FY3/26(f)	FY3/27(f)	3-year total
Growth investment	11			125
M&A Capital alliance	9			75
Capital investment	2			50

<Progress in the First Year of the Medium-Term Management Plan>

- In existing businesses, new products and services are added.
- As M&A and business alliances,
 - Acquired domestic sales rights for products of MyWaves Technologies Limited, a leader in the field of sleep quality improvement using SleepTech. MyWaves products are currently being prepared for sale through Sun Digital Health Inc..
 - Acquisition of additional shares of FUJISHOJI CO., LTD

Quarterly Consolidated Financial Results

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



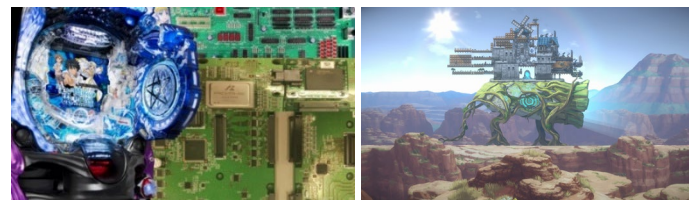
Entertainment (amusement machines and games)

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

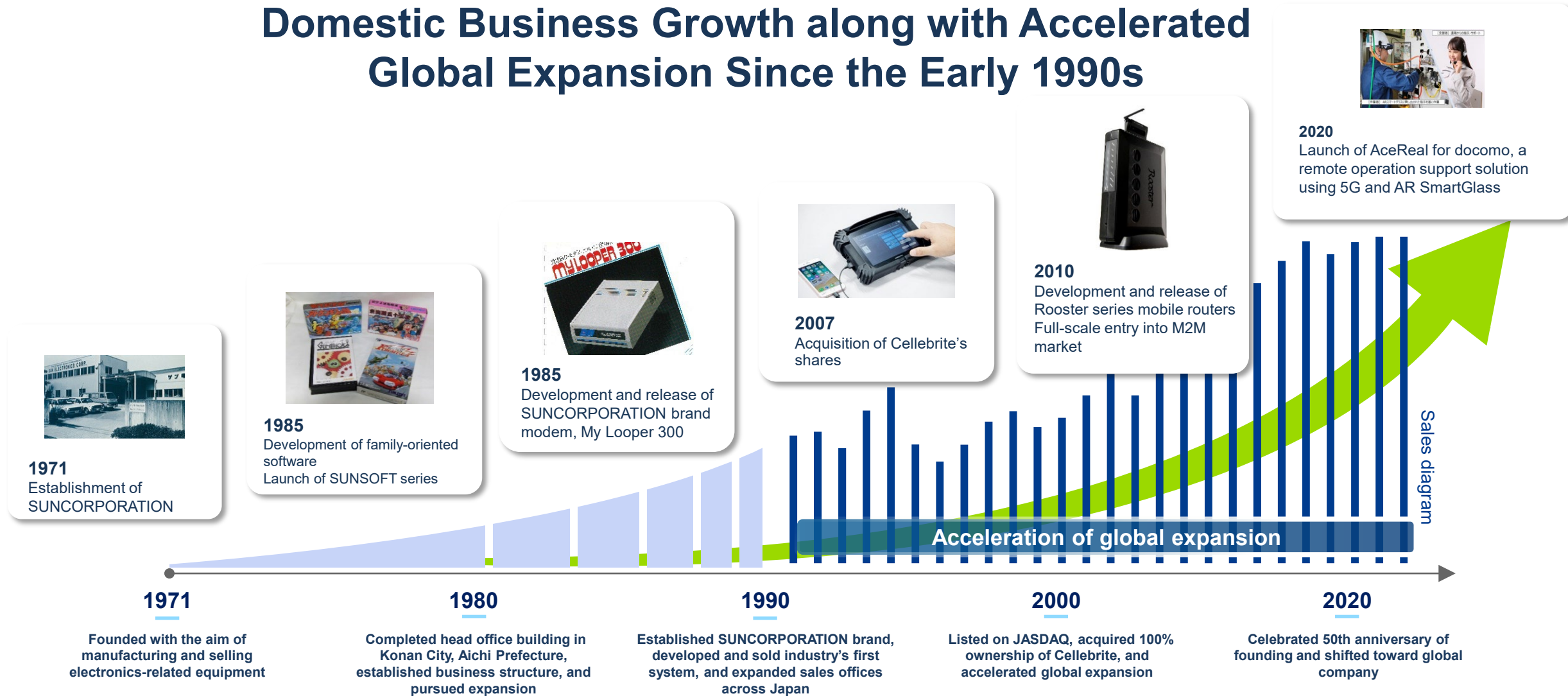


New IT-Related (M2M/IoT)

- 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



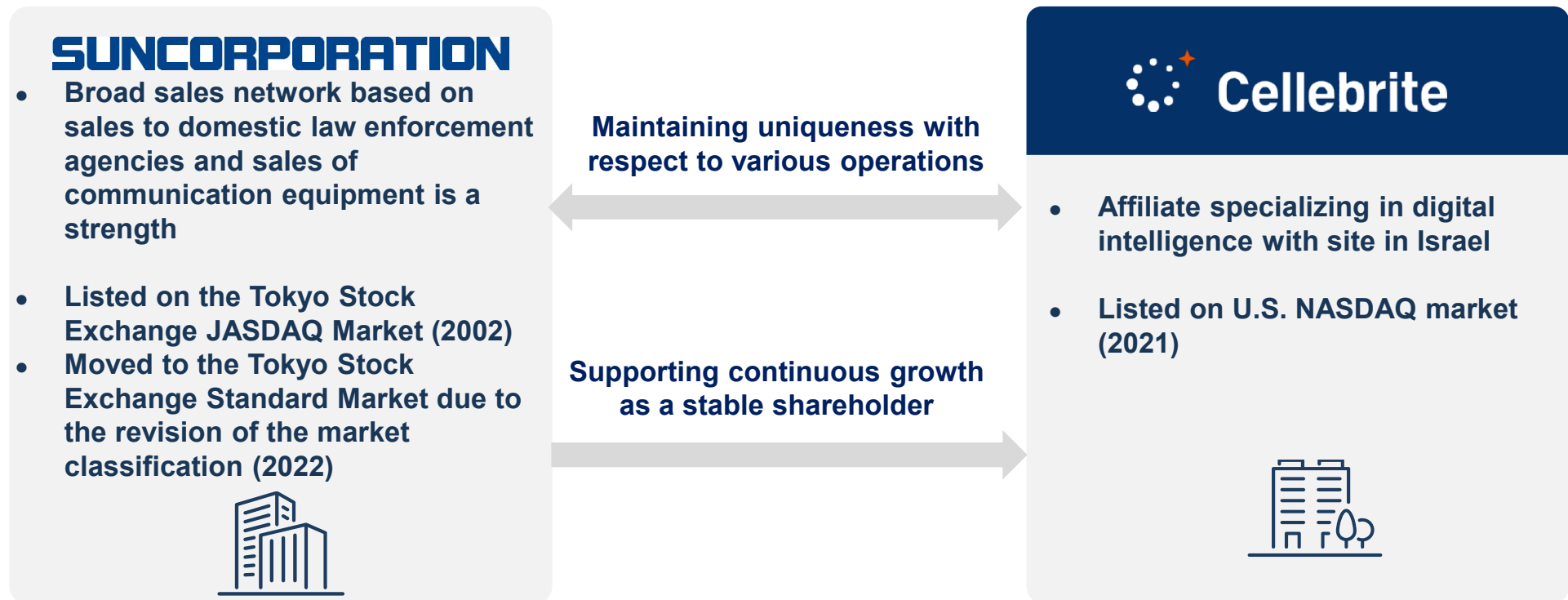
SUNCORPORATION's Global Business

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.

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