

August 25,2023

To whom it may concern

Company Name: Avant Group Corporation  
Name of Representative: Tetsuji Morikawa, President  
and Group CEO  
(Code: 3836, TSE Prime Market)  
Inquiries: Naoyoshi Kasuga, Director and Group CFO  
(TEL: 03-6388-6739)

**(Corrections and corrections of numerical data): Partial Corrections and Numerical Data (XBRL) in the "Consolidated Summary Report under Japanese GAAP for the Fiscal Year ended June 30, 2023 " and "Financial Results Briefing for the Fiscal Year ended June 2023"**

Avant Group Corporation (the "Company") is re-submitting the corrected XBRL data for the disclosure document published on 4 August 2023 (JST), as the following corrections have been made.

No corrections have been made to the Summary Information (XBRL).

1. Reason for corrections

Following the publication of the "Consolidated Summary Report under Japanese GAAP for the Fiscal Year ended June 30, 2023 " and "Financial Results Briefing for the Fiscal Year ended June 2023"announced on August 4, 2023", it was found that there were some errors in the contents, and corrections have been made.

2. Details of corrections

Corrections are underlined.

(i) Orders Received

【Before corrections】

(i) Orders Received

(millions of yen, rounded down to the nearest unit)

	Fiscal Year ended June 30, 2022		Fiscal Year ended June 30, 2023		Year on Year Change	
	Orders Received	Outstandi ng Orders	Orders Received	Orders Received	Amount	
					Outstandin g Orders	Orders Received
Group Governance Businesses	10,155	3,132	<u>10,301</u>	<u>3,400</u>	<u>145</u>	<u>267</u>
Digital Transformation Business	6,902	1,131	<u>9,060</u>	<u>1,810</u>	<u>2,158</u>	<u>679</u>
Outsourcing Business	3,751	2,164	<u>4,039</u>	<u>2,448</u>	<u>288</u>	<u>283</u>
Elimination of inter-segment transactions	(797)	(357)	(688)	(300)	108	57
Total	20,012	6,070	<u>22,713</u>	<u>7,359</u>	<u>2,700</u>	<u>1,288</u>

【After corrections】

(i) Orders Received

(millions of yen, rounded down to the nearest unit)

	Fiscal Year ended June 30, 2022		Fiscal Year ended June 30, 2023		Year on Year Change	
	Orders Received	Outstandi ng Orders	Orders Received	Orders Received	Amount	
					Outstandin g Orders	Orders Received
Group Governance Businesses	10,155	3,132	<u>9,839</u>	<u>2,938</u>	<u>(316)</u>	<u>(193)</u>
Digital Transformation Business	6,902	1,131	<u>9,208</u>	<u>1,957</u>	<u>2,305</u>	<u>826</u>
Outsourcing Business	3,751	2,164	<u>4,016</u>	<u>2,425</u>	<u>264</u>	<u>260</u>
Elimination of inter-segment transactions	(797)	(357)	(688)	(300)	108	57
Total	20,012	6,070	<u>22,375</u>	<u>7,021</u>	<u>2,362</u>	<u>950</u>

(2) Discussion on Financial Position for the Fiscal Year under Review

【Before corrections】

a 110 million yen increase in accounts payable

【After corrections】

a 120 million yen increase in accounts payable

## 3. Consolidated Financial Statements and Notes

## (1) Consolidated Balance Sheets

【Before corrections】

(Thousands of yen)

	As of June 30, 2022	As of June 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	662,316	634,758
Lease liabilities	12,428	12,257
Accounts payable - other, and accrued expenses	392,568	<u>503,111</u>
Income taxes payable	586,626	354,192
Contract liabilities	2,355,344	2,796,086
Asset retirement obligations	15,606	–
Provision for bonuses	1,050,315	1,038,329
Provision for bonuses for directors (and other officers)	170,813	172,380
Provision for loss on orders received	17,743	61,594
Provision for compensation for damage	–	<u>9,596</u>
Other	556,718	539,812
Total current liabilities	<u>5,820,483</u>	<u>6,122,119</u>
Non-current liabilities		
Lease liabilities	18,324	6,039
Asset retirement obligations	180,576	210,900
Deferred tax liabilities	–	<u>38,016</u>
Total non-current liabilities	<u>198,900</u>	<u>254,956</u>
Total liabilities	<u>6,019,383</u>	<u>6,377,076</u>
<b>Net assets</b>		
Shareholders' equity		
Share capital	329,128	345,113
Capital surplus	265,928	281,913
Retained earnings	9,872,031	11,477,458
Treasury shares	(608)	(608)
Total shareholders' equity	<u>10,466,479</u>	<u>12,103,876</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	103,126	183,925
Deferred gains or losses on hedges	236	302
Foreign currency translation adjustment	27,820	40,411
Total accumulated other comprehensive income	<u>131,183</u>	<u>224,639</u>
Total net assets	<u>10,597,663</u>	<u>12,328,516</u>
Total liabilities and net assets	<u>16,617,046</u>	<u>18,705,593</u>

[After corrections]

(Thousands of yen)

	As of June 30, 2022	As of June 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	662,316	634,758
Lease liabilities	12,428	12,257
Accounts payable - other, and accrued expenses	392,568	<u>512,708</u>
Income taxes payable	586,626	354,192
Contract liabilities	2,355,344	2,796,086
Asset retirement obligations	15,606	–
Provision for bonuses	1,050,315	1,038,329
Provision for bonuses for directors (and other officers)	170,813	172,380
Provision for loss on orders received	17,743	61,594
Other	556,718	539,812
Total current liabilities	<u>5,820,483</u>	<u>6,122,119</u>
Non-current liabilities		
Lease liabilities	18,324	6,039
Asset retirement obligations	180,576	210,900
Deferred tax liabilities	–	38,016
Total non-current liabilities	<u>198,900</u>	<u>254,956</u>
Total liabilities	<u>6,019,383</u>	<u>6,377,076</u>
<b>Net assets</b>		
Shareholders' equity		
Share capital	329,128	345,113
Capital surplus	265,928	281,913
Retained earnings	9,872,031	11,477,458
Treasury shares	(608)	(608)
Total shareholders' equity	<u>10,466,479</u>	<u>12,103,876</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	103,126	183,925
Deferred gains or losses on hedges	236	302
Foreign currency translation adjustment	27,820	40,411
Total accumulated other comprehensive income	<u>131,183</u>	<u>224,639</u>
Total net assets	<u>10,597,663</u>	<u>12,328,516</u>
Total liabilities and net assets	<u>16,617,046</u>	<u>18,705,593</u>

## 3. Consolidated Financial Statements and Notes

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

## Consolidated Statements of Income

【Before corrections】

	(Thousands of yen)	
	Fiscal year ended June 30, 2022 (From July 1, 2021 to June 30, 2022)	Fiscal year ended June 30, 2023 (From July 1, 2022 to June 30, 2023)
Net sales	18,703,387	21,424,584
Cost of sales	9,782,137	12,028,711
Gross profit	8,921,250	9,395,873
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	356,348	396,002
Employees' salaries and bonuses	1,527,471	1,598,420
Provision for bonuses	1,047,472	1,047,155
Provision for bonuses for directors (and other officers)	170,813	173,579
Legal welfare expenses	224,193	246,204
Outsourcing expenses	55,071	76,652
Rent expenses on land and buildings	239,805	231,184
Utilities expenses	81,375	84,138
Commission expenses	615,796	746,590
Depreciation	263,488	269,179
Research and development expenses	382,473	375,674
Other	709,749	861,698
Total selling, general and administrative expenses	5,674,060	6,106,482
Operating profit	3,247,189	3,289,390
Non-operating income		
Interest income	240	96
Dividend income	6,563	10,192
Gain on investments in investment partnerships	9,043	7,386
Subsidy income	2,127	531
Other	1,102	4,559
Total non-operating income	19,077	22,766
Non-operating expenses		
Provision for loss on compensation for damage	-	9,596
Interest expenses	742	485
Share of loss of entities accounted for using equity method	269,244	-
Loss on investments in investment partnerships	-	11,975
Commission expenses	5,682	5,791
Foreign exchange losses	695	4,426
Share issuance costs	281	228
Compensation for damage	-	13,377
Other	647	289
Total non-operating expenses	277,294	46,172
Ordinary profit	2,988,973	3,265,983
Extraordinary losses		
Impairment losses	-	186,613
Total extraordinary losses	-	186,613
Profit before income taxes	2,988,973	3,079,370
Income taxes - current	1,186,181	1,009,937
Income taxes - deferred	(242,241)	(25,087)
Total income taxes	943,939	984,850
Profit	2,045,033	2,094,520
Profit attributable to non-controlling interests	-	-

	(Thousands of yen)	
	Fiscal year ended June 30, 2022 (From July 1, 2021 to June 30, 2022)	Fiscal year ended June 30, 2023 (From July 1, 2022 to June 30, 2023)
Profit attributable to owners of parent	2,045,033	2,094,520

[After corrections]

	(Thousands of yen)	
	Fiscal year ended June 30, 2022 (From July 1, 2021 to June 30, 2022)	Fiscal year ended June 30, 2023 (From July 1, 2022 to June 30, 2023)
Net sales	18,703,387	21,424,584
Cost of sales	9,782,137	12,028,711
Gross profit	8,921,250	9,395,873
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	356,348	396,002
Employees' salaries and bonuses	1,527,471	1,598,420
Provision for bonuses	1,047,472	1,047,155
Provision for bonuses for directors (and other officers)	170,813	173,579
Legal welfare expenses	224,193	246,204
Outsourcing expenses	55,071	76,652
Rent expenses on land and buildings	239,805	231,184
Utilities expenses	81,375	84,138
Commission expenses	615,796	746,590
Depreciation	263,488	269,179
Research and development expenses	382,473	375,674
Other	709,749	861,698
Total selling, general and administrative expenses	5,674,060	6,106,482
Operating profit	3,247,189	3,289,390
Non-operating income		
Interest income	240	96
Dividend income	6,563	10,192
Gain on investments in investment partnerships	9,043	7,386
Subsidy income	2,127	531
Other	1,102	4,559
Total non-operating income	19,077	22,766
Non-operating expenses		
Interest expenses	742	485
Share of loss of entities accounted for using equity method	269,244	-
Loss on investments in investment partnerships	-	11,975
Commission expenses	5,682	15,388
Foreign exchange losses	695	4,426
Share issuance costs	281	228
Compensation for damage	-	13,377
Other	647	289
Total non-operating expenses	277,294	46,172
Ordinary profit	2,988,973	3,265,983
Extraordinary losses		
Impairment losses	-	186,613
Total extraordinary losses	-	186,613
Profit before income taxes	2,988,973	3,079,370
Income taxes - current	1,186,181	1,009,937
Income taxes - deferred	(242,241)	(25,087)
Total income taxes	943,939	984,850
Profit	2,045,033	2,094,520
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	2,045,033	2,094,520

## 3. Consolidated Financial Statements and Notes

## (4) Consolidated Statements of Cash Flows

【Before corrections】

	(Thousands of yen)	
	Fiscal year ended June 30, 2022 (From July 1, 2021 to June 30, 2022)	Fiscal year ended June 30, 2023 (From July 1, 2022 to June 30, 2023)
Cash flows from operating activities		
Profit before income taxes	2,988,973	3,079,370
Depreciation	349,494	449,223
Impairment losses	-	186,613
Share-based payment expenses	16,640	20,262
Increase (decrease) in allowance for doubtful accounts	260	(63)
Increase (decrease) in provision for bonuses	273,579	(11,986)
Increase (decrease) in provision for bonuses for directors (and other officers)	44,311	8,190
Increase (decrease) in provision for loss on orders received	17,669	43,850
Interest and dividend income	(6,804)	(10,288)
Interest expenses	742	485
Commission expenses	5,682	<u>5,791</u>
Share issuance costs	281	228
Compensation for damage	-	13,377
Share of loss (profit) of entities accounted for using equity method	269,244	-
Loss (gain) on investments in investment partnerships	(9,043)	4,589
Increase (decrease) in provision for compensation for damage	-	<u>9,596</u>
Subsidy income	(2,127)	(531)
Decrease (increase) in notes and accounts receivable trade and contract assets	(258,725)	61,014
Decrease (increase) in inventories	(38,948)	(25,368)
Decrease (increase) in prepaid expenses	4,913	(279,472)
Increase (decrease) in trade payables	202,862	(27,558)
Increase (decrease) in accounts payable - other, and accrued expenses	105,245	<u>(128,220)</u>
Increase (decrease) in accrued consumption taxes	105,396	(51,169)
Increase (decrease) in contract liabilities	26,613	440,741
Increase (decrease) in deposits received	22,829	35,591
Other, net	(175,457)	<u>(85,749)</u>
Subtotal	<u>3,943,635</u>	<u>3,738,519</u>
Interest and dividends received	6,804	10,480
Interest paid	(742)	(485)
Compensation paid for damage	-	(13,377)
Subsidies received	2,127	531
Income taxes paid	(925,207)	<u>(1,560,275)</u>
Net cash provided by (used in) operating activities	<u>3,026,616</u>	<u>2,175,390</u>



[After corrections]

	(Thousands of yen)	
	Fiscal year ended June 30, 2022 (From July 1, 2021 to June 30, 2022)	Fiscal year ended June 30, 2023 (From July 1, 2022 to June 30, 2023)
Cash flows from operating activities		
Profit before income taxes	2,988,973	3,079,370
Depreciation	349,494	449,223
Impairment losses	–	186,613
Share-based payment expenses	16,640	20,262
Increase (decrease) in allowance for doubtful accounts	260	(63)
Increase (decrease) in provision for bonuses	273,579	(11,986)
Increase (decrease) in provision for bonuses for directors (and other officers)	44,311	8,190
Increase (decrease) in provision for loss on orders received	17,669	43,850
Interest and dividend income	(6,804)	(10,288)
Interest expenses	742	485
Commission expenses	5,682	<u>15,388</u>
Share issuance costs	281	228
Compensation for damage	–	13,377
Share of loss (profit) of entities accounted for using equity method	269,244	–
Loss (gain) on investments in investment partnerships	(9,043)	4,589
Subsidy income	(2,127)	(531)
Decrease (increase) in notes and accounts receivable trade and contract assets	(258,725)	61,014
Decrease (increase) in inventories	(38,948)	(25,368)
Decrease (increase) in prepaid expenses	4,913	(279,472)
Increase (decrease) in trade payables	202,862	(27,558)
Increase (decrease) in accounts payable - other, and accrued expenses	105,245	<u>(118,623)</u>
Increase (decrease) in accrued consumption taxes	105,396	(51,169)
Increase (decrease) in contract liabilities	26,613	440,741
Increase (decrease) in deposits received	22,829	35,591
Other, net	(175,457)	<u>(95,345)</u>
Subtotal	<u>3,943,635</u>	<u>3,738,519</u>
Interest and dividends received	6,804	10,480
Interest paid	(742)	(485)
Compensation paid for damage	–	(13,377)
Subsidies received	2,127	531
Income taxes paid	(925,207)	<u>(1,560,275)</u>
Net cash provided by (used in) operating activities	<u>3,026,616</u>	<u>2,175,390</u>

[Before corrections]

(millions of yen)

	FY6/23 Q4	YoY Variance		FY6/23	YoY Variance		
		Yr earlier	% chg		Yr earlier	% chg	
Group Governance	Net Sales	2,208	2,566	-14.0%	10,033	9,372	7.0%
	Operating Income	192	507	-62.1%	1,709	2,060	-17.0%
	OPM	8.7%	19.8%	-11.1pt	17.0%	22.0%	-4.9pt
	Orders	<u>3,084</u>	3,340	-7.7%	<u>10,301</u>	10,155	<u>1.4%</u>
	Order Backlog	<u>3,400</u>	3,132	<u>8.6%</u>	<u>3,400</u>	3,132	<u>8.6%</u>
Digital Transformation (DX)	Net Sales	2,207	1,741	26.8%	8,381	7,015	19.5%
	Operating Income	280	263	6.5%	1,521	1,244	22.3%
	OPM	12.7%	15.1%	-2.4pt	18.1%	17.7%	0.4pt
	Orders	<u>2,662</u>	2,063	<u>29.0%</u>	<u>9,060</u>	6,902	<u>31.3%</u>
	Order Backlog	<u>1,810</u>	1,131	<u>60.0%</u>	<u>1,810</u>	1,131	<u>60.0%</u>
Outsourcing	Net Sales	982	791	24.1%	3,755	3,044	23.4%
	Operating Income	195	82	137.8%	824	661	24.7%
	OPM	19.9%	10.5%	9.4pt	21.9%	21.7%	0.2pt
	Orders	<u>1,548</u>	1,240	<u>24.8%</u>	<u>4,039</u>	3,751	<u>7.7%</u>
	Order Backlog	<u>2,448</u>	2,164	<u>13.1%</u>	<u>2,448</u>	2,164	<u>13.1%</u>

[After corrections]

(millions of yen)

	FY6/23 Q4	YoY Variance		FY6/23	YoY Variance		
		Yr earlier	% chg		Yr earlier	% chg	
Group Governance	Net Sales	2,208	2,566	-14.0%	10,033	9,372	7.0%
	Operating Income	192	507	-62.1%	1,709	2,060	-17.0%
	OPM	8.7%	19.8%	-11.1pt	17.0%	22.0%	-4.9pt
	Orders	<u>2,622</u>	3,340	<u>-21.5%</u>	<u>9,839</u>	10,155	<u>-3.1%</u>
	Order Backlog	<u>2,938</u>	3,132	<u>-6.2%</u>	<u>2,938</u>	3,132	<u>-6.2%</u>
Digital Transformation (DX)	Net Sales	2,207	1,741	26.8%	8,381	7,015	19.5%
	Operating Income	280	263	6.5%	1,521	1,244	22.3%
	OPM	12.7%	15.1%	-2.4pt	18.1%	17.7%	0.4pt
	Orders	<u>2,810</u>	2,063	<u>36.2%</u>	<u>9,208</u>	6,902	<u>33.4%</u>
	Order Backlog	<u>1,957</u>	1,131	<u>73.0%</u>	<u>1,957</u>	1,131	<u>73.1%</u>
Outsourcing	Net Sales	982	791	24.1%	3,755	3,044	23.4%
	Operating Income	195	82	137.8%	824	661	24.7%
	OPM	19.9%	10.5%	9.4pt	21.9%	21.7%	0.2pt
	Orders	<u>1,525</u>	1,240	<u>23.0%</u>	<u>4,016</u>	3,751	<u>7.1%</u>
	Order Backlog	<u>2,425</u>	2,164	<u>12.1%</u>	<u>2,425</u>	2,164	<u>12.1%</u>

Ends