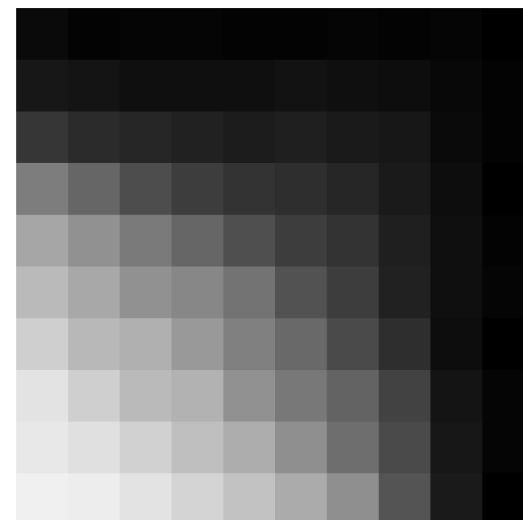
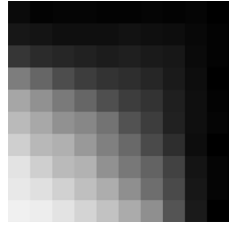


# Investor Presentation

Avant Group Corporation  
(TSE Prime 3836)

October 2022





# Who we are

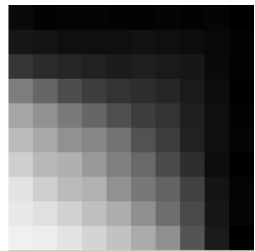
# About Avant Group

- Name: Avant Group Corporation
- Founded: May 26, 1997
- Representative: Tetsuji Morikawa,  
President and Group CEO
- Market Cap: ¥55B (TSE Prime 3836.T)

## Core Value

1. Focused on niche and highly specialized business areas
2. Close ties with quality customers
3. Business model that brings in recurring sales

### Holding Co.



AVANT  
GROUP

### Four Operating Cos.



AVANT



株式会社 インターネットディスクロージャー  
Internet Disclosure Co.,Ltd.



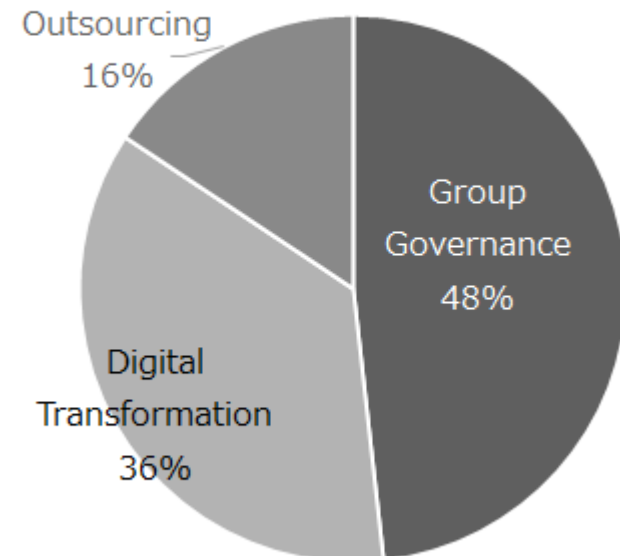
ZEAL



DIVA

### Three Business Segments

Net sales ¥18.70B

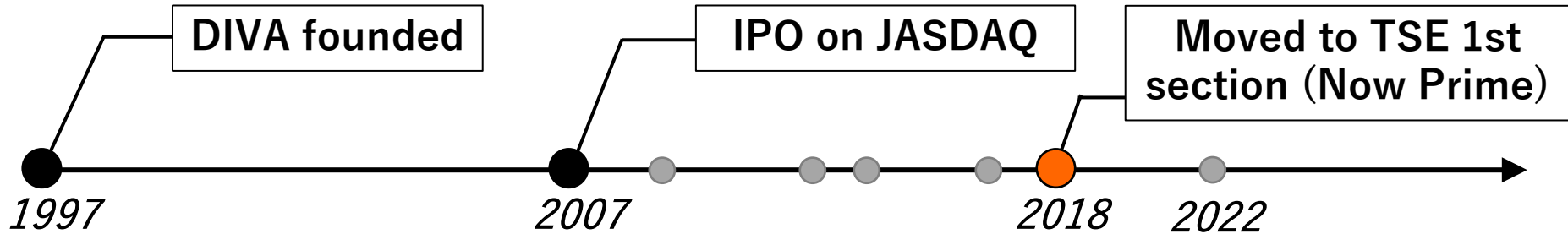


# The Avant Group in the Next Ten Years

*First ten years*

*Second Stage*

*Be GLOBAL*



DIVA

AVANT

AVANT GROUP

DIVA<sup>®</sup>  
Rebranded  
ZEAL  
BI EVANGELISTS  
Joined Group in 2012

株式会社 インターネットディスクロージャー  
Internet Disclosure Co., Ltd.  
Joined Group in 2009

FIERTE  
Founded in 2017

AVANT  
ZEAL DIVA

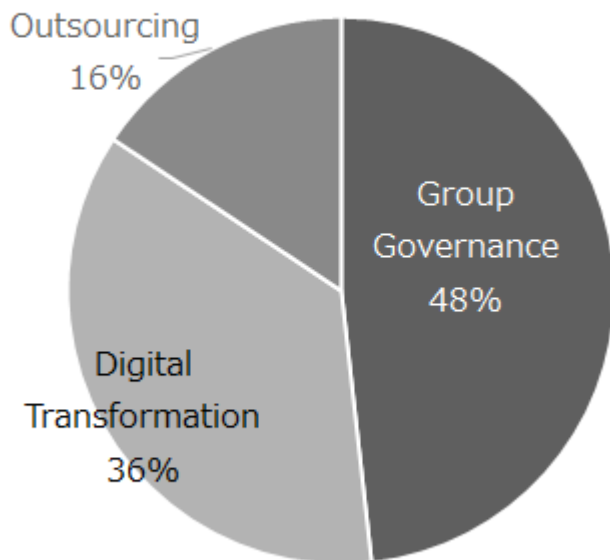
The Company was founded as DIVA CORPORATION in 1997. On the back of a series of regulatory change in disclosure, the Company quickly established itself as leading developer of consolidated accounting software in Japan.

In order to maintain growth momentum in the Group, the Company made a series of acquisition, and shifted to a holding company in 2013 to practice excellence in group management.

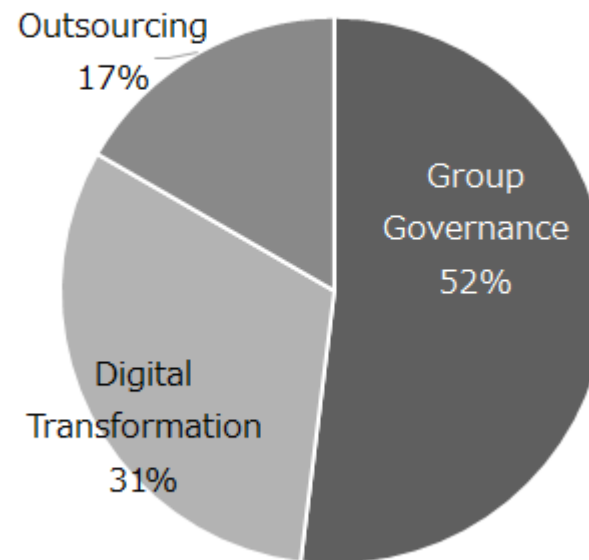
The Group set long term strategy “BE GLOBAL” a company-wide drive to become a world-class software company. In 2022, Avant Group celebrates 25th anniversary with new Group structure and new branding.

# | Segment Information (FY June 2022)

Net sales ¥18.70B



OP income ¥3.24B

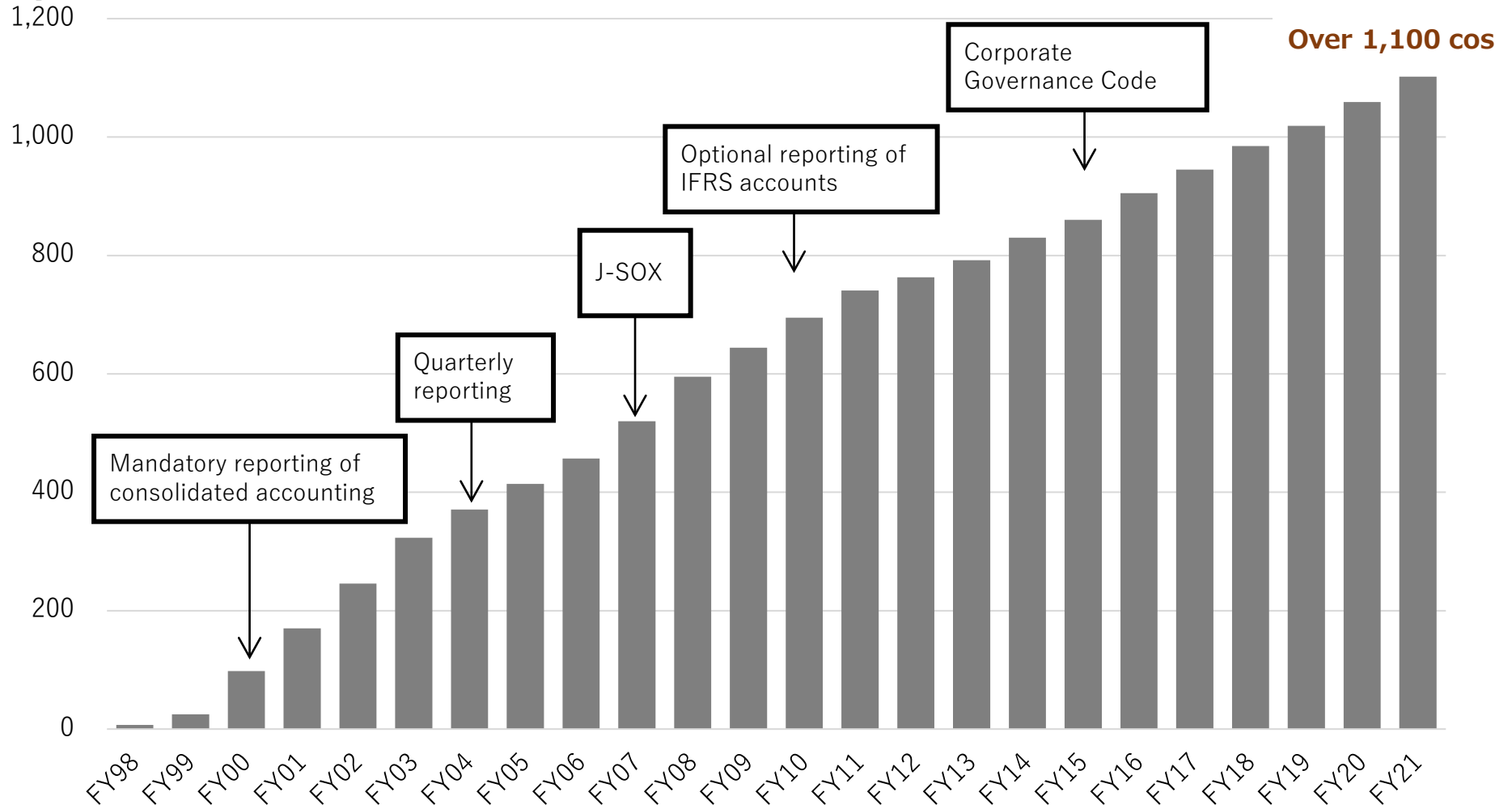


Segment	YoY
Group Governance	+14.9%
Digital Transformation	+12.2%
Outsourcing	+22.8%
Consolidated	+15.2%

Segment	OP Margins
Group Governance	22.0%
Digital Transformation	17.7%
Outsourcing	21.7%
Consolidated	17.4%

# DivaSystem: Rapid Growth History

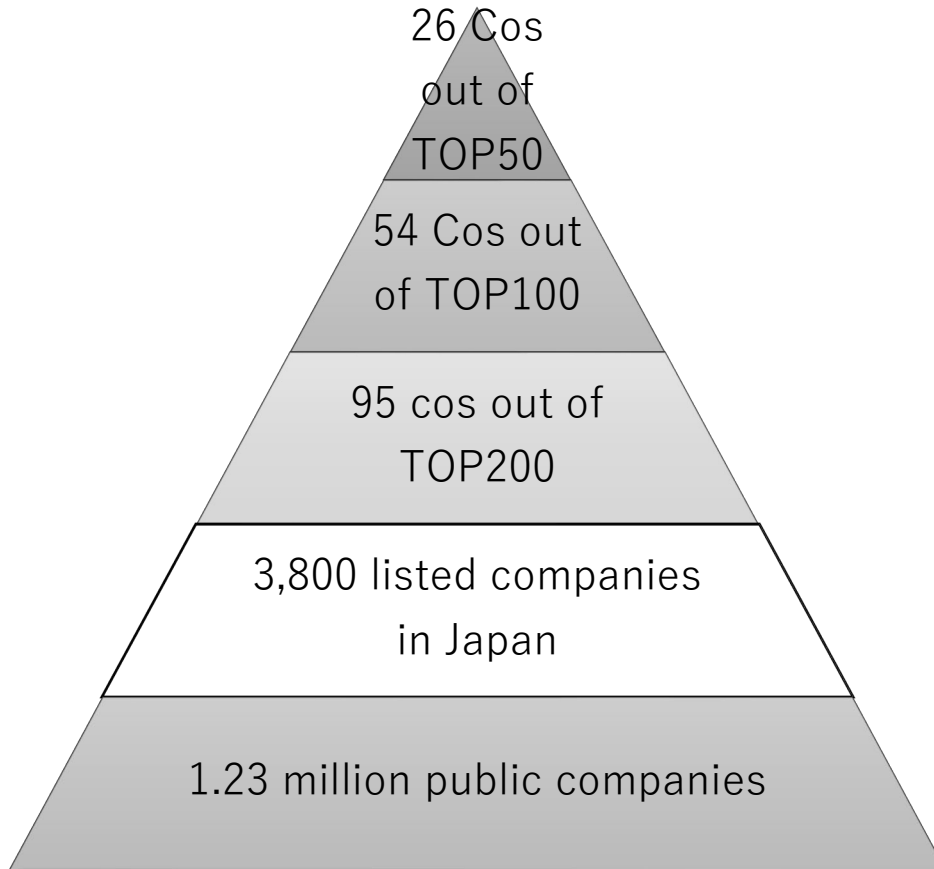
 **DivaSystem** LCA have accumulated solid customer base as disclosure requirement evolved..



# Divasystem's Solid Customer Base



- Sold to over 1,100 companies<sup>1</sup>
- Leading market share of 43.2%<sup>2</sup> in FY2021. More than half of TSE listed top 100 companies
- Offers financial and managerial accounting, governance solutions

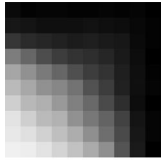


Toyota Motor Corporation  
Nippon Telegraph and Telephone  
KDDI Corporation  
Daikin Industries, Ltd.  
Hitachi Group  
Chugai Pharmaceutical Co., Ltd.  
Denso Corporation  
Seven & i Holdings Co., Ltd.  
Astellas Pharma Inc.  
Fujifilm Holdings  
Bridgestone Corporation  
Mitsui Fudosan Co., Ltd.  
Mitsubishi Estate Co., Ltd.  
Panasonic Corporation  
Kao Corporation, etc. (June-2022 Market Cap.)

<sup>1</sup> As of December 2020




<sup>2</sup> Fuji-Keizai Management “2021 Software Business New Market” Consolidated Accounting Software (Package) Market Share

# New Diva to assist disclosure for better engagement



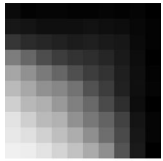
DIVA

In addition to tools for creating financial data for reporting, DIVA offers a wide range of solutions to support business decisions, including performance management and governance.

Products	Details
 <b>DivaSystem LCA</b>	The core consolidated accounting system. It supports operations from data collection to consolidated processing, reporting, and disclosure.
 <b>DivaSystem FBX</b>	A system that enables the collection and integration of various reporting information from group companies. It supports the construction of financial and non-financial databases and the management of forecast and actual progress.
 <b>DivaSystem Dx3-Advance</b>	Visualize the chain of account codes from consolidated to subsidiary, and drill down from consolidated accounts to subsidiary journal details.



# Business Process Outsourcing by New Diva



DIVA

- Started as outsourcing department at DIVA in 2004, incorporated in August 2017
- More than 100 customers for various accounting process outsourcing and treasury management solutions

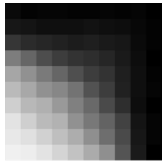
## Outsourcing of accounting

Ajinomoto Co., Inc.	APAMAN Co., Ltd.	AMADA Co., Ltd.	Ichishin Holdings Co., Ltd.	IDOM Inc.	IMAGICA Group Inc.
HIS Co., Ltd.	SMBC Nikko Securities Inc.	Tokyo FM Broadcasting Co., Ltd.	Kawasaki Heavy Industries, Ltd.	Qol Co., Ltd.	KUBOTA Corporation
Cosmo Energy Holdings Co., Ltd.	Japan Best Rescue System Co., Ltd.	JERA Co., Inc.	SystemSoft	Sojitz Corporation	Taisho Pharmaceutical Holdings Co., Ltd.
Tsumura & Co.	Trend Micro Inc.	Nitto Denko Corporation	Nifco Inc.	Punch Industry Co., Ltd.	PHC Holdings Corporation
Hitachi Metal Ltd.	Hitachi Ltd.	Hitachi Transport System, Ltd.	Fukoku Co., Ltd.	Benefit One Inc.	Sumitomo Mitsui Banking Corporation
Sumitomo Mitsui Financial Group	Mitsubishi Heavy Industries, Ltd.	Mitsubishi Estate Co., Ltd.	Yoshinoya Holdings Co., Ltd.	RISA Partners, Inc.	

## Treasury management solution




A&D Company, Limited	KDDI Corporation	Kobe Steel, Ltd.	THK Co., Ltd.	Toei Animation
Nifco Inc.	Mitsui Chemicals, Inc.	UACJ Corporation		

# Avant's information platform to assist value creation



AVANT

Avant provides one-stop support for improving our customers' corporate value with a focus on group management, consolidated accounting, and business management, from consulting to system planning, construction, and support for installation, as well as operation and maintenance. In order to meet a wide variety of needs, we provide optimal solutions to our customers by deploying our self-developed Financial Data Lake and handling industry-leading business management software in Japan and overseas, such as DivaSystem provided by our group companies.

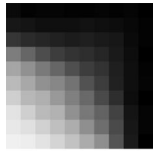
Products	Details
	Based on the know-how accumulated in the consolidated accounting system, this management accounting software enables multi-axis management by product, customer, and location. It also enables drill-down to account item details and future forecasts based on scenarios.
	Based on our know-how of consolidated accounting systems and our own database of listed companies, this system enables the calculation of KPIs, comparison with other companies, and analysis of corporate value.
	The system enables advanced management analysis by linking with Diva systems and inputting PSI information, etc. The system enables interactive scenario development using scenario inputs such as ROIC simulations, future forecasts for each foreseeable scenario, and decision making by comparing future scenarios.



New Products

Third Party Products

# Digital Transformation Business



ZEAL

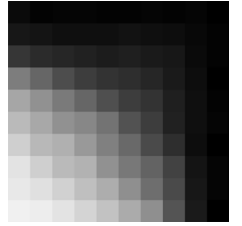
- Founded in 1991, acquired in 2012. More than 30 years of experience in business intelligence
- Installation of BI/DWH system to more than 1,000 clients
- Close relationship with Microsoft, Oracle, IBM, SAP and more

## Recent cases

Asahi Kasei Corp. ~Data Utilization Infrastructure Development	PERSOL CAREER CO., LTD. ~Virtual Data Integration	Ricoh Company. Ltd. ~Data Utilization Infrastructure Development	Sumitomo Riko Company Limited ~e-Learning System
Reed Health Care, Inc. ~Sales support system	DOME Corporation ~Building a large-scale data integration and analysis platform	Selery ~Installation of ZEUSCloud	Trustbank, Inc. ~Data analysis environment
Yamato Contact Service Co., Ltd. ~Customer sentiment analysis environment	Sojitz Corporation ~Data application and analysis training	JGC Holdings Corporation ~Data application and analysis training	JGC Holdings Corporation ~Building Data Analysis Infrastructure
Goh Shoji Co., Inc. ~Inventory management templates	Nomura Real Estate Development Co., Ltd. ~Performance management system	Audio-Technica Corporation ~Sales force automation system	Kyorindo Drug Store Co., Ltd. ~Cloud ERP

## Major Products

Amazon QuickSight/Amazon Redshift/Amazon Web Service/ASTERIA WARP/Birst/Board/BusinessSPECTRE/CCH Tagetik/Coracle Cloud Platform/Databricks/DataSpider Servista/Denodo/Dr.Sum/IBM InfoSphere DataStage/IBM Planning Analytics/IBM SPSS/IIJ GIO/IMB Cognos Analytics/Incora Enterprise Analytics/Infor d/EPM/Informatica PowerCenter/Intra-mart Accel Platform/Microsoft Azure Synapse Analytics/Microsoft Power BI/Microsoft SQL Server/MicroStrategy/MotionBoard/Oracle Analytics Cloud/Oracle Business Intelligence/Oracle Data Integrator/Oracle EPM Cloud/Oracle Essbase/Oracle Exadata/Oracle Exalytics/Oracle Hyperion Planning/QlikView/SAP Analytics Cloud/SAP BusinessObjects/SAS Analytics Cloud for Planning/SAS Visual Analytics/SAS Viya/SISENSE/Snowflake/Tableau/ThoughtSpot/Workday Adaptive Planning/Yellowfin/ZEAL CO-ODE/ZEAL DX-Leading Room/ZEUSCloud



# The Reorganization

# Management View of Current Mid-term Plan

The delay in structural reform was a result of problems with investments in software business development

		FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Target
Operational KPI	Net Sales (¥B)	140.7	156.9	162.3	187.0	180~220
	OP Income (¥B)	19.6	22.7	27.9	32.4	31~38
Strategic KPI	Recurring Sales Ratio (%)	31.4	32.7	36.0	34.6	70
	Sales Growth + OP Margins (Points)	30.2	26.0	20.8	32.6	40 or more
Financial KPI	ROE (%)	24.6	23.5	23.7	21.1	20 or more
	Dividends (yen)	7.5	9.0	11.0	13.0	15 or more

# Materiality of Avant Group

– Materiality (Strategy) of Avant Group –

## Be a software company that helps increase corporate value

### ◆ Background ◆

Since its establishment, the Avant Group has been striving for the creation of high-quality management and employment with the mission of “spreading accountability. In particular, in the field of consolidated accounting systems that support consolidated management, the company has gained a high reputation in the market and has demonstrated an overwhelming presence. On the other hand, the business environment surrounding companies has changed drastically in recent years, and **it has become important for management information to be used not only for operations and disclosure obligations, but also to enhance corporate value.**

**The background to this is the expansion of ESG investment and society's demand for sustainable corporate management;** there is no future for the Avant Group without adapting to these changing needs, and we cannot be useful to society and customers if we remain complacent about the status quo. To move to the next stage of growth, the most important task of the Avant Group is to **"become a software company that helps increase corporate value.**

### ◆ Strategic Approach ◆

The target customers for the promotion of this materiality are **"any company that is expected to increase its corporate value.** In response to these customers, we will **shift the core business model of the Group to "software-based BPO that helps improve corporate value,"** and at the same time, we will **develop killer software that support numerous customers.**

### ◆ Our Goal ◆

The Avant Group aims to **establish a world-class software business** based on the **concept of "Software as a BPO"** by addressing this materiality. In order to contribute to the enhancement of corporate value of many customers, **it is essential to convert services into software.** By promoting the “spreading accountability” and becoming an entity that has an impact not only on corporate management but also on capital markets and society, we will take **a big step toward realizing our vision of "becoming a world-class software company.**

# Overall picture of reorganization

(Before)

# AVANT

## Group Governance Business

Software implementation consulting business specializing in consolidated accounting and group management

- Consolidated disclosure support system "DivaSystem", "FBX", "Dx-3", etc. ①
- Group management support systems "DivaSystem SMD", "Compass", "Empower", etc. ②
- Timely Disclosure Information Search Service ③



# DIVA®

## Outsourcing Business

BPO business specializing in consolidated financial statements and disclosure

- Non-consolidated and consolidated financial closing operations BPO ④
- Cash Management Solution BPO ⑤

# FIERTE

## DX Promotion Business

SI business specializing in BI and data utilization

- Data platform ⑥
- Business Intelligence ⑦
- CPM ⑧

# ZEAL BI EVANGELISTS



Split ①

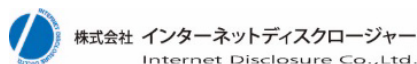
trade name change

trade name change

Split ⑧

Inherit ①

Inherit ⑧



# DIVA

# AVANT

# ZEAL

Consolidated accounting and disclosure software and BPO to support creative disclosure

- Disclosure support system "DivaSystem", "FBX", "Dx-3", etc.
- Non-consolidated and consolidated financial closing operations ④, cash management solutions and other BPO ⑤.
- Timely Disclosure Information Search Service ③

Implementation and operation of management content to help increase corporate value

- Group management support systems "DivaSystem SMD", "Compass", "Empower" ②, CPM ⑧, etc.
- System implementation consulting ⑨

Development and operation of management information DX infrastructure

- Data platform ⑥
- Business Intelligence ⑦

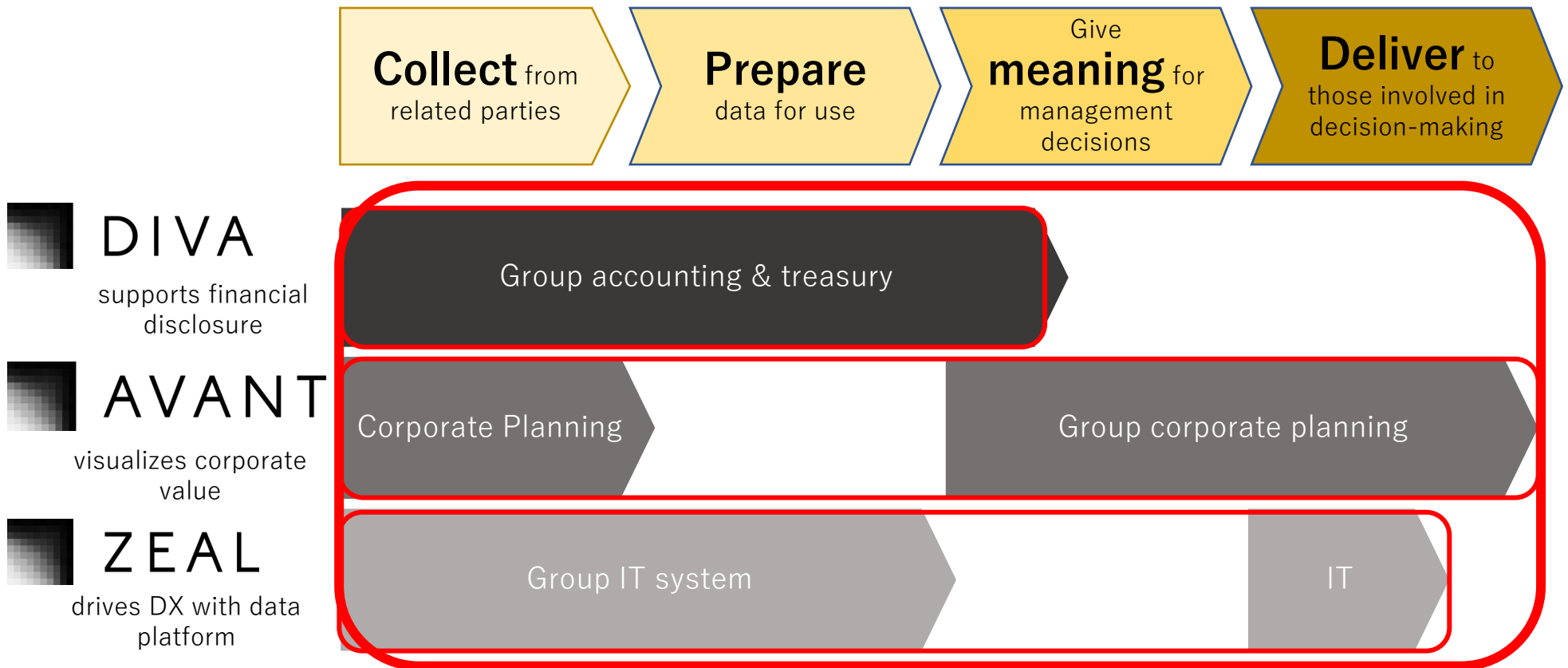
(October 1)

# AVANT GROUP

Group companies are wholly owned subsidiaries of the holding company

# Business development after reorganization

Information flow and the role of each group company in enhancing corporate value



As the Avant Group, we utilize and develop all types of **software** to support information flows that help improve corporate value.



# Governance Structure of Avant Group

## Avant Group Corporation

(Trade name changed from Avant Co.)

Representative Director Tetsuji Morikawa Group CEO

Director Hisayoshi Kasuga Group CFO

Director Naohisa Fukutani

Director John Robertson

Director (Audit Committee Member) Tsuyoshi Noshiro

Director (Audit Committee Member) Chie Goto

Director (Audit Committee Member) Makoto Nakano

Takahiro Okabe COO (Chief Operating Officer)

Gen Nagata COO (Chief Operating Officer)

CBO (Chief Business-Development Officer)

Hiroki Takemura CRO (Chief Risk-Management Officer)

Tatsu Nakayama CDO (Chief Digital-Transformation Officer)

Masamitsu Suzuki CLO (Chief Legal Officer)

Eriko Satonaka CHRO (Chief Human Resources Officer)

## DIVA Corporation

(Trade name changed from Fierte Co.)

Representative Director Gen Nagata

Hiroki Takemura, Executive Vice President

Tetsuya Kawamura, Director

Shuichi Miyama, Director

Yoko Hosokawa, Director

## Avant Corporation

(Trade name changed from DIVA Co.)

Representative Director Takahiro Okabe

Director Teppei Terashima

Director Tachi Nakayama

Director Shingo Moroi

## ZEAL Corporation

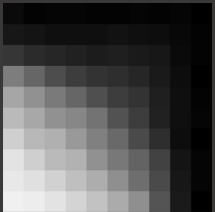
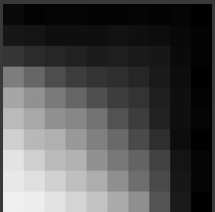
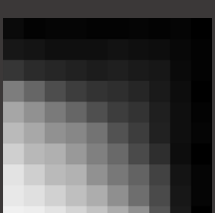
Representative Director Takahiro Okabe

Director Yoshiyuki Numata

Hiroyuki Morita, Director

Director Kunihiko Nakamura

# Operating Companies and Market

	Business	Market environment
 <p>DIVA</p>	<p>In addition to developing, implementing, and maintaining the DivaSystem consolidated accounting system and related products such as DivaSystem Dx3-Advance and DivaSystem FBX, the company is also involved in the outsourcing of consolidated and non-consolidated financial closing operations using DivaSystem. The company also provides comprehensive support for corporate value creation processes through information disclosure.</p>	<ul style="list-style-type: none"> <li>For Japanese companies, group management is inevitable for efficiency improvement, industry restructuring, and overseas expansion. The consolidated accounting system market is growing at around 6%, due in part to the need to accelerate the settlement of accounts and strengthen disclosure. With the rapid shift of systems to the cloud, <b>cloud systems are growing at about 20%. The outsourcing market is expected to grow by 20-25%</b>, supported by needs for DX reforms, addressing gerrymandering, changing work styles, and strengthening governance.</li> </ul>
 <p>AVANT</p>	<p>In addition to the introduction and maintenance of the DivaSystem consolidated accounting system and related products, and the development of group management support systems such as DivaSystem SMD, DIVA Compass, and DIVA Empower, the company also develops and implements systems that combine software developed by other companies to meet the needs of its customers and help them create corporate value.</p>	<ul style="list-style-type: none"> <li>The Corporate Governance Code requires companies to make decisive management decisions based on management information and to realize corporate value enhancement, and companies need solutions (DX of management) to integrate and analyze various types of information to make management decisions, execution, and reporting. <b>The DX solutions and consulting market is expected to grow 30%.</b></li> </ul>
 <p>ZEAL</p>	<p>Through digital transformation, we provide data platforms and BI solutions that organize, integrate, and analyze internal and external data, make it "visible" in the form of reports and graphs, and provide information that is useful for management decision-making. We provide support through consulting and system development. The company also offers ZEUSCloud, a cloud-based analysis platform developed in-house, and ZEAL DX Learning Room, an e-learning service.</p>	<ul style="list-style-type: none"> <li>Leading companies that view management reform through DX as the foundation of their competitiveness are actively introducing systems. The base of DX is also expected to expand in the future, and <b>the DX system integration market is expected to grow by 30%.</b></li> </ul>

# Overview of Next Mid-term Management Strategy

## Strategy

- Contribute to clients seeking to improve their corporate value through " Management DX".
- Clarify the direction of operating companies, consolidate low-margin products, and actively hire to develop future core products and strengthen the implementation-based consulting business.
- Strengthen relationships with 1,400 customers, mainly listed companies, and provide products and services that meet customer needs, regardless of the company's own products. Accelerate the shift to cloud computing and aim to accelerate top-line growth by increasing sales per customer and the number of customers.

## Growth and Profitability

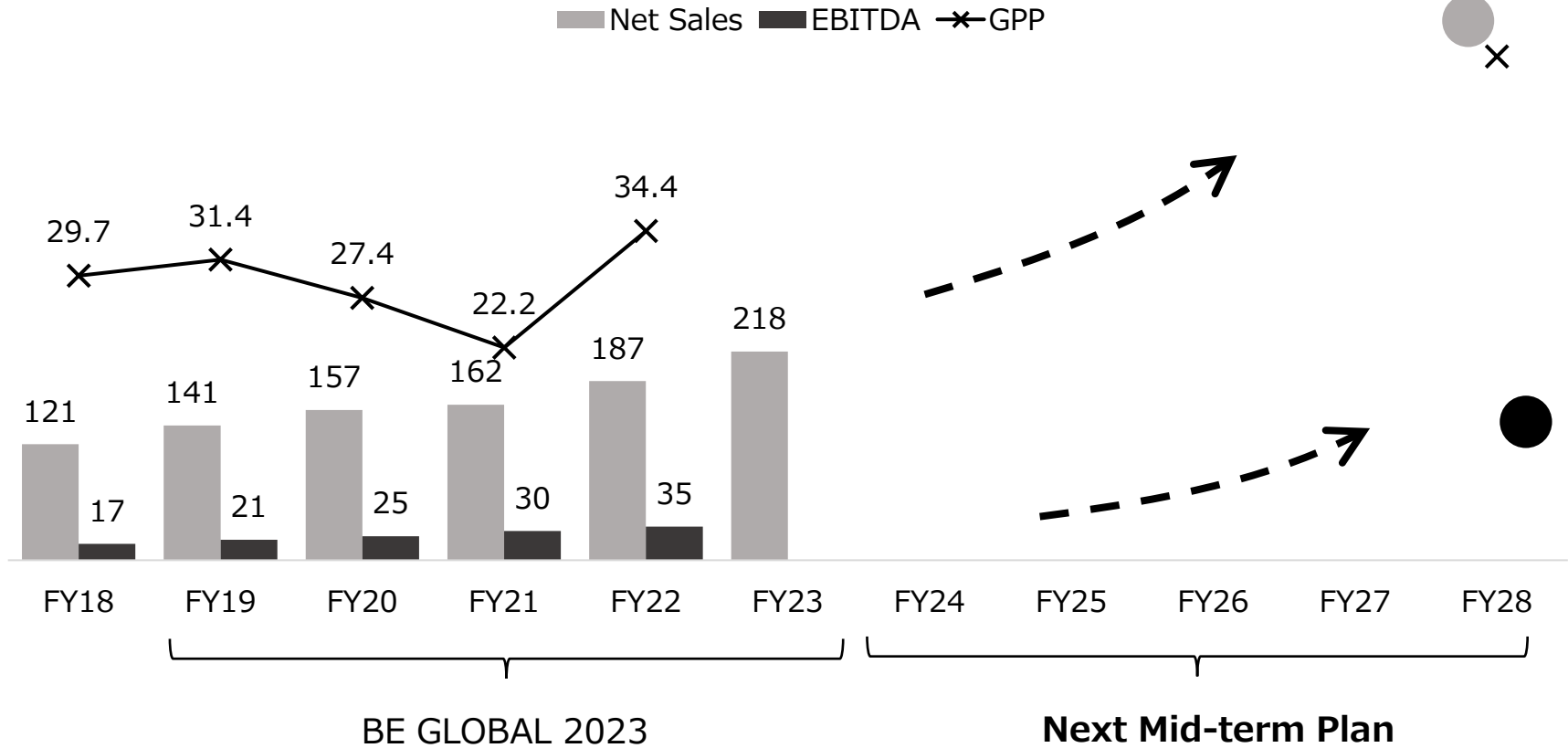
- Sales growth 20% or more (5-year CAGR)
- GPP 40 points or more (since FY27)

GPP=Net Sales Growth Rate + EBITDA Margin

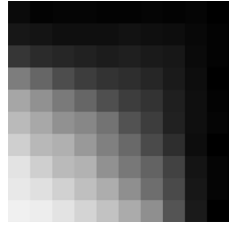
## Capital strategy

- ROE over 20%
- DOE over 8%

# Aiming for 20% sales growth and 40 GPP points



GPP: 31.8 points  
 Sales CAGR: 12.4  
 Average EBITDA margin 16.4%



# Financials

# Fiscal June 2022 Results Highlights

## Seven consecutive fiscal years of sales and profit growth

- Demand continued to grow, and the Co achieved increases in both sales and profit despite a slight deterioration in profit margins due to higher personnel and other costs. Net income attributable to shareholders of the parent company increased only slightly due to the impact of an impairment loss on the investment in Metapraxis in the U.K.
- We expect double-digit sales growth in FY June 2023, but expect a decline in profit due to the upfront burden of scheme development for the next mid-term business plan.

(millions of yen)

	FY21/06	FY22/06	FY22/06 (Before accounting impact)	Year-on-Year (Before accounting impact)	
				Variance	%CHG
Net Sales	16,236	18,703	18,804	+ 2,567	+ 15.8%
Cost of Revenue	8,572	9,782	10,091	+ 1,519	+ 17.7%
SG&A expenses	4,867	5,674	5,674	+ 806	+ 16.6%
Operating Income	2,796	3,247	3,038	+ 242	+ 8.7%
OP Margin	17.2%	17.4%	16.2%	-	1.1 point
Ordinary Income	2,808	2,988	2,780	27	1.0%
Net Income	1,888	2,045	1,897	+ 8	+ 0.4%
EBITDA	3,038	3,582	3,374	+ 335	+ 11.0%

# Results by Business Segment

## Profit increase due to DX and Outsourcing offsetting decrease in G-governance profit

- All companies continue to achieve high levels of growth in sales and profits. Operating income in the Group Governance business declined slightly due to increased hiring, performance-linked personnel expenses, and outsourcing costs, but in line with expectations.

(millions of yen)

		FY21/06	FY22/06	FY22/06 (Before accounting impact)	Year-on-Year (Before accounting impact)	
					Variance	%CHG
Group Governance	Net Sales	8,160	9,372	9,109	+ 949	+ 11.6%
	Operating Income	1,935	2,060	1,915	19	1.0%
	OP Margin	23.7%	22.0%	21.0%	-	2.7 point
Digital Transformation	Net Sales	6,250	7,015	7,370	+ 1,120	+ 17.9%
	Operating Income	811	1,244	1,174	+ 363	+ 44.8%
	OP Margin	13.0%	17.7%	15.9%	-	+ 3.0 point
Outsourcing	Net Sales	2,479	3,044	3,052	+ 572	+ 23.1%
	Operating Income	523	661	667	+ 143	+ 27.5%
	OP Margin	21.1%	21.7%	21.9%	-	+ 0.8 point

# Group Cost Structure

## Subcontracting costs will increase due to accelerating revenue growth, while personnel costs are expected to increase

- Fixed labor costs and other expenses will increase due to an increase in personnel to strengthen product development and consulting sales, but are within the expected range. Outsourcing expenses increased in the G-Governance and DX businesses due to the accelerated pace of revenue growth.
- Operating margins will decrease only slightly, as the increase in fixed costs will be partially offset by the effect of higher revenue and improved profitability of the DX business.

(millions of yen)

	FY21/06	FY22/06	FY22/06 (Before accounting impact)	Year-on-Year	
				Variance	%CHG
<b>Net Sales</b>	<b>16,236</b>	<b>18,703</b>	<b>18,804</b>	<b>+2,567</b>	<b>+15.8%</b>
<b>Personnel expenses</b>	<b>8,047</b>	<b>9,051</b>	<b>9,051</b>	<b>+1,003</b>	<b>+12.5%</b>
<b>Basic compensation</b>	<b>6,218</b>	<b>6,841</b>	<b>6,841</b>	<b>+622</b>	<b>+10.0%</b>
<b>Performance-related</b>	<b>1,828</b>	<b>2,209</b>	<b>2,209</b>	<b>+380</b>	<b>+20.8%</b>
<b>Outsourcing expenses</b>	<b>2,386</b>	<b>2,910</b>	<b>2,910</b>	<b>+523</b>	<b>+21.9%</b>
<b>Office expenses</b>	<b>948</b>	<b>896</b>	<b>896</b>	<b>-52</b>	<b>-5.5%</b>
<b>Others</b>	<b>2,056</b>	<b>2,598</b>	<b>2,907</b>	<b>+850</b>	<b>+41.4%</b>
<b>Total expenses</b>	<b>13,440</b>	<b>15,456</b>	<b>15,765</b>	<b>+2,325</b>	<b>+17.3%</b>
<b>Operating income</b>	<b>2,796</b>	<b>3,247</b>	<b>3,038</b>	<b>+242</b>	<b>+8.7%</b>
<b>Operating income</b>	<b>17.2%</b>	<b>17.4%</b>	<b>16.2%</b>	<b>-</b>	<b>- 1.1 point</b>

(Note) Expense items are shown on an incurred basis, and adjustments in cost of sales calculations are included in "Others". The adoption of the revenue recognition accounting standard had an impact on net sales and cost of sales, but not on SG&A expenses.



# Financial Condition & Cash Flows

## Financial Status

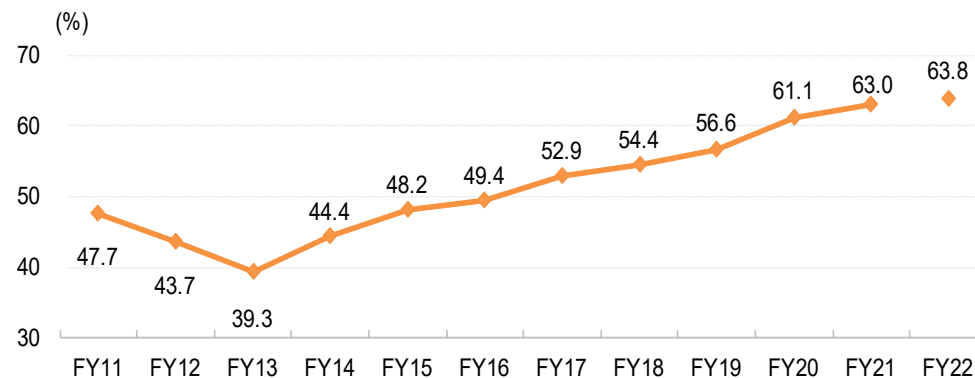
Jun 2022

**Total Assets**  
**16.6**  
**billion yen**

**Total Liabilities**  
**6.0**  
**billion yen**

**Net Assets**  
**10.5**  
**billion yen**

## Equity Ratios



## Key Factors for change

(millions of yen)

• Profit before income taxes	2,988
• Depreciation	349
• Increase in provision for bonuses	273
• Share of loss (profit) of entities accounted for using equity m	269
• Increase in notes and A/R-trade and contract assets	(258)
• Increase in trade payables	202
• Income taxes paid	(925)
• Purchase of intangible assets	(317)
• Proceeds from refund of leasehold and guarantee deposits	216
• Dividend payments	(413)

## Cash Flows

FY21/06

FY22/06

(millions of yen)

**Operating CF**

**2,561**

**3,026**

**Investment CF**

**(789)**

**(398)**

**Free CF**

**1,771**

**2,627**

**Financial CF**

**(359)**

**(433)**

# Earnings forecast for the FY ending June 30, 2023

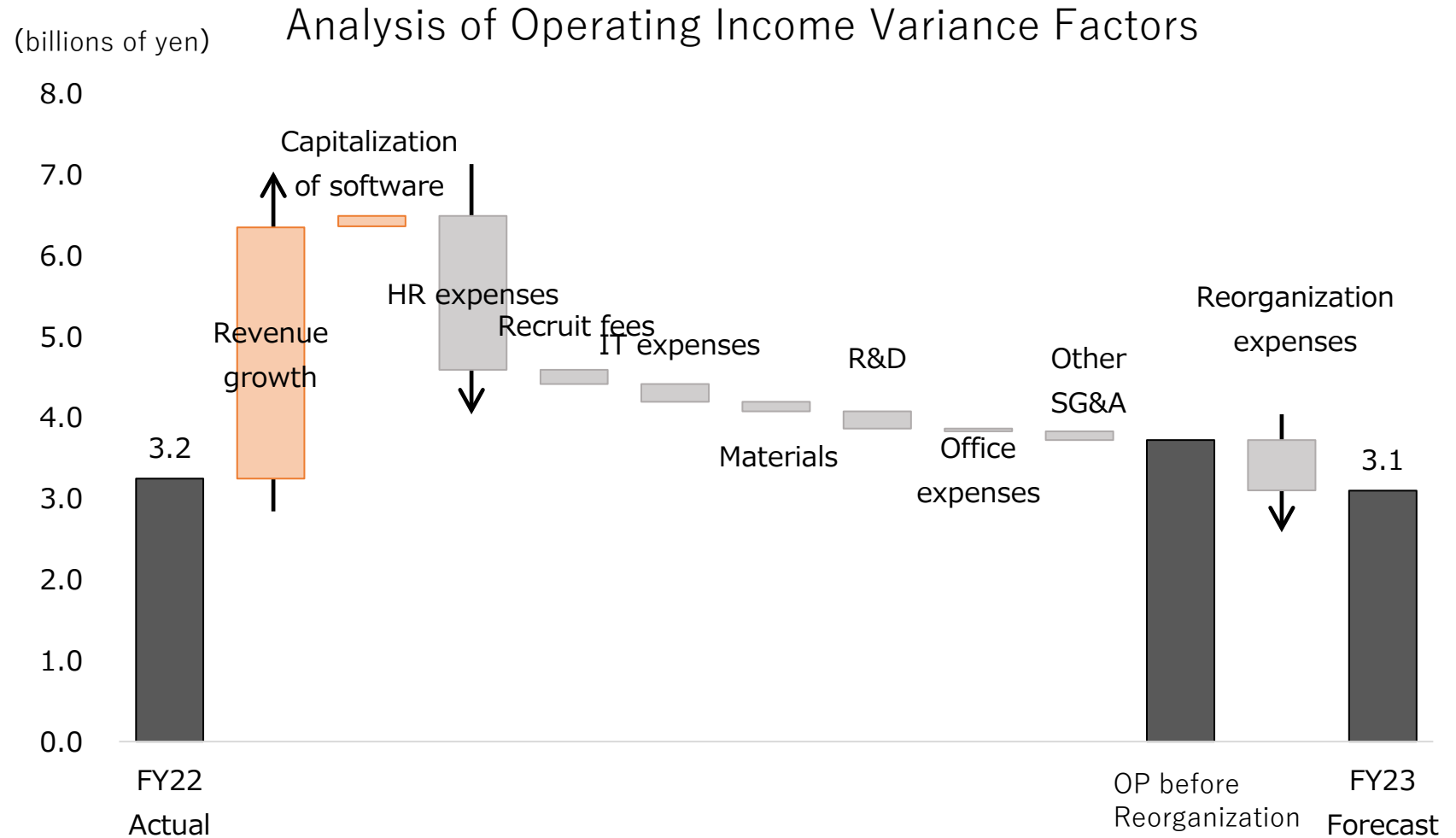
## Expect to maintain the pace of revenue growth, but income will decline due to upfront investments

- The company positions the fiscal year ending June 30, 2023 as a preparation for the start of the next medium-term management plan, and the upfront investment phase will continue.
- Although the company expects to maintain the pace of sales growth in all segments, it forecasts a decrease in profit due to an increase in personnel expenses resulting from aggressive hiring, an increase in expenses accompanying organizational restructuring, and expenses to prepare the environment for accelerating the shift to cloud, including discontinuation of low-margin products and projects in existing businesses.

(millions of yen)

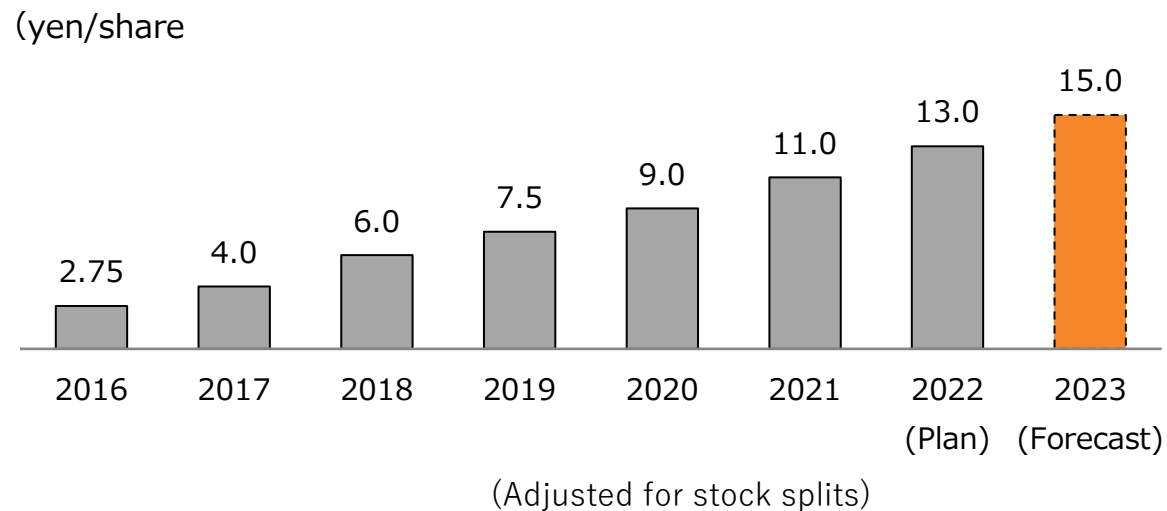
	2022 June (Actual)	2023 June (Forecast)	Variance	% CHG
<b>Net Sales</b>	<b>18,703</b>	<b>21,800</b>	<b>+ 3,096</b>	<b>+ 16.6%</b>
<b>Operating Income</b>	<b>3,247</b>	<b>3,100</b>	<b>147</b>	<b>4.5%</b>
<b>OP Margin</b>	<b>17.4%</b>	<b>14.2%</b>	<b>—</b>	<b>—</b>
<b>Net Income</b>	<b>2,045</b>	<b>2,030</b>	<b>15</b>	<b>0.7%</b>

# Assumptions for FY June 2023 Forecasts



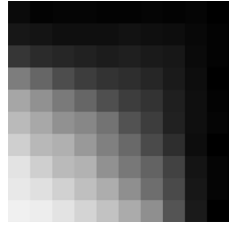
# Shareholder Return Policy

- Cash dividends are an important part of shareholder return policy. AVANT plans to maintain sustainable growth in dividends and rely on dividends on equities (DoE) rather than cash income which could fluctuate and unpredictable.
- AVANT's ratio of dividends to net assets should be higher than the average of all companies listed on the Tokyo Stock Exchange, and over the long term, AVANT aims to reach 8%, which is the average of the top 10% of companies in terms of the ratio of dividends to net assets.



	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Plan	FY2023 Forecast
Dividends per share (yen)	2.75	4.0	6.0	7.5	9.0	11.0	13.0	15.0
DOE (AVANT)	3.41%	4.18%	5.20%	5.27%	5.17%	5.18%	5.05%	-
DOE (TSE Average)	2.64%	2.70%	2.86%	2.93%	2.94%	2.88%	3.18%	-

(Note) The average ratio of dividends to net assets for companies listed on the Tokyo Stock Exchange is a weighted average of the monthly figures of companies published for the 12 months through June.



# Reference

# 10-year Financial Summary

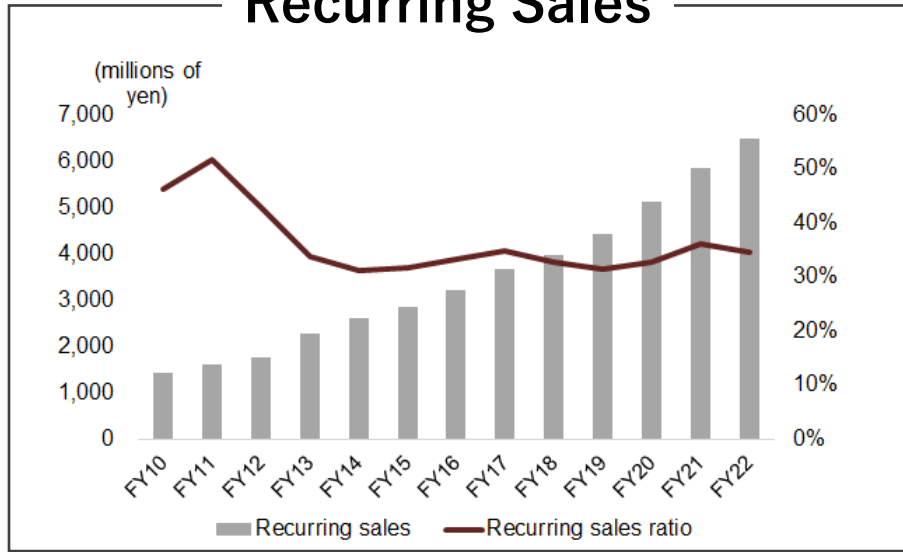
(millions of yen, yen)

	FY13 (13/6)	FY14 (14/6)	FY15 (15/6)	FY16 (16/6)	FY17 (17/6)	FY18 (18/6)	FY19 (19/6)	FY20 (20/6)	FY21 (21/6)	FY22 (22/6)
Net sales	6,732	8,300	8,928	9,612	10,532	12,110	14,077	15,691	16,236	18,703
Cost of sales	4,061	4,580	5,133	5,452	5,834	6,946	7,779	8,525	8,572	9,782
Gross profit	2,670	3,720	3,795	4,159	4,697	5,163	6,298	7,166	7,664	8,921
SG&A expenses	2,022	2,631	2,990	3,050	3,391	3,532	4,332	4,887	4,867	5,674
Operating income	647	1,088	805	1,109	1,306	1,631	1,966	2,278	2,796	3,247
EBITDA	840	1,295	1,047	1,346	1,552	1,786	2,133	2,506	3,038	3,582
Net income	362	623	402	660	663	1,062	1,317	1,537	1,888	2,045
EPS (yen)	9.66	16.60	10.71	17.60	17.67	28.28	35.06	40.92	50.24	54.37
DPS (yen)	1.13	3.38	2.25	2.75	4.00	6.00	7.50	9.00	11.00	13.00
Total property, plant & equipment	170	254	199	210	207	222	277	469	407	398
Intangible assets	522	405	301	201	100	172	165	191	608	676
Investments and other	288	377	398	559	747	921	1,574	1,614	1,893	1,800
Unearned revenue	185	173	109	284	272	300	356	342	366	0
Current portion of L-T debt	129	122	122	122	28	--	--	--	--	--
Long term debt	396	273	151	28	--	--	--	--	--	--
Net assets	1,879	2,460	2,739	3,311	3,873	4,792	5,898	7,194	8,787	10,597
Total assets	4,785	5,537	5,681	6,709	7,325	8,814	10,415	11,780	13,956	16,617

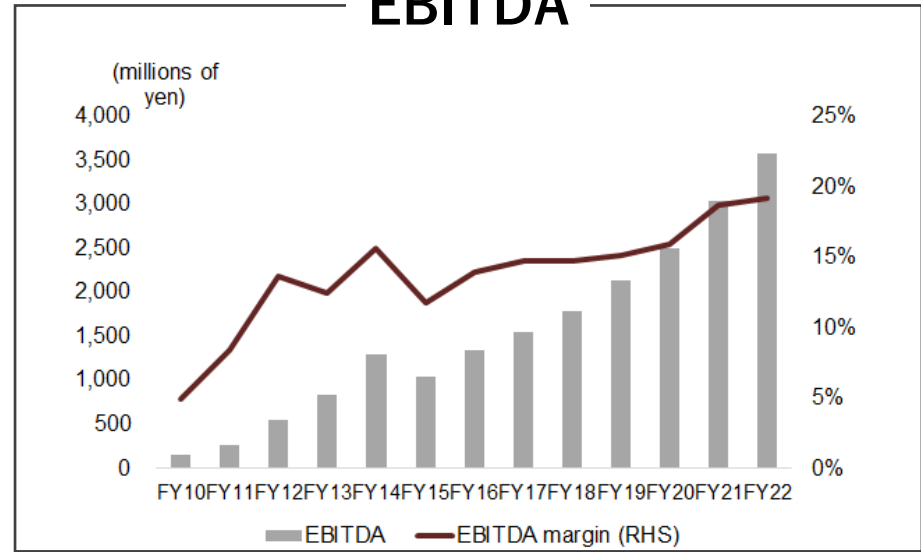
(Note) per share data are adjusted for two-for-one stock splits

# Trends in Financial KPIs

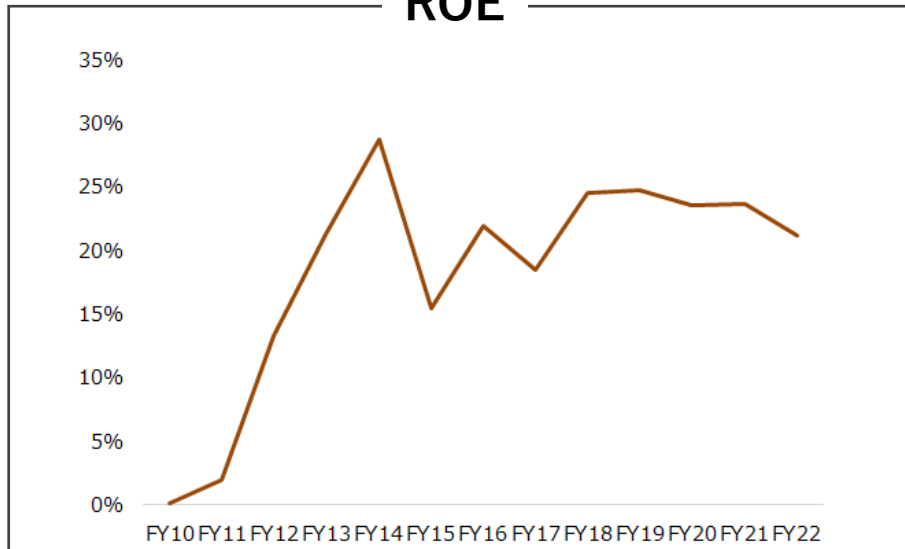
## Recurring Sales



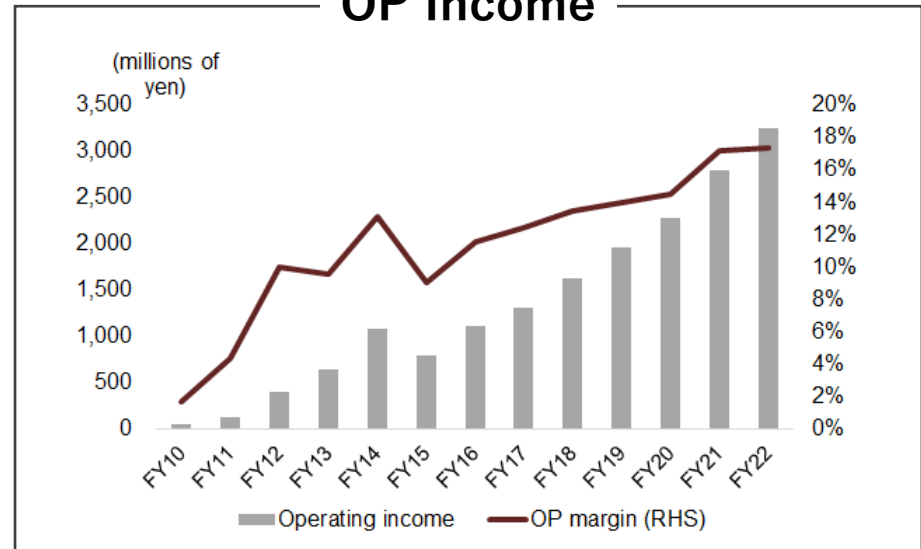
## EBITDA



## ROE



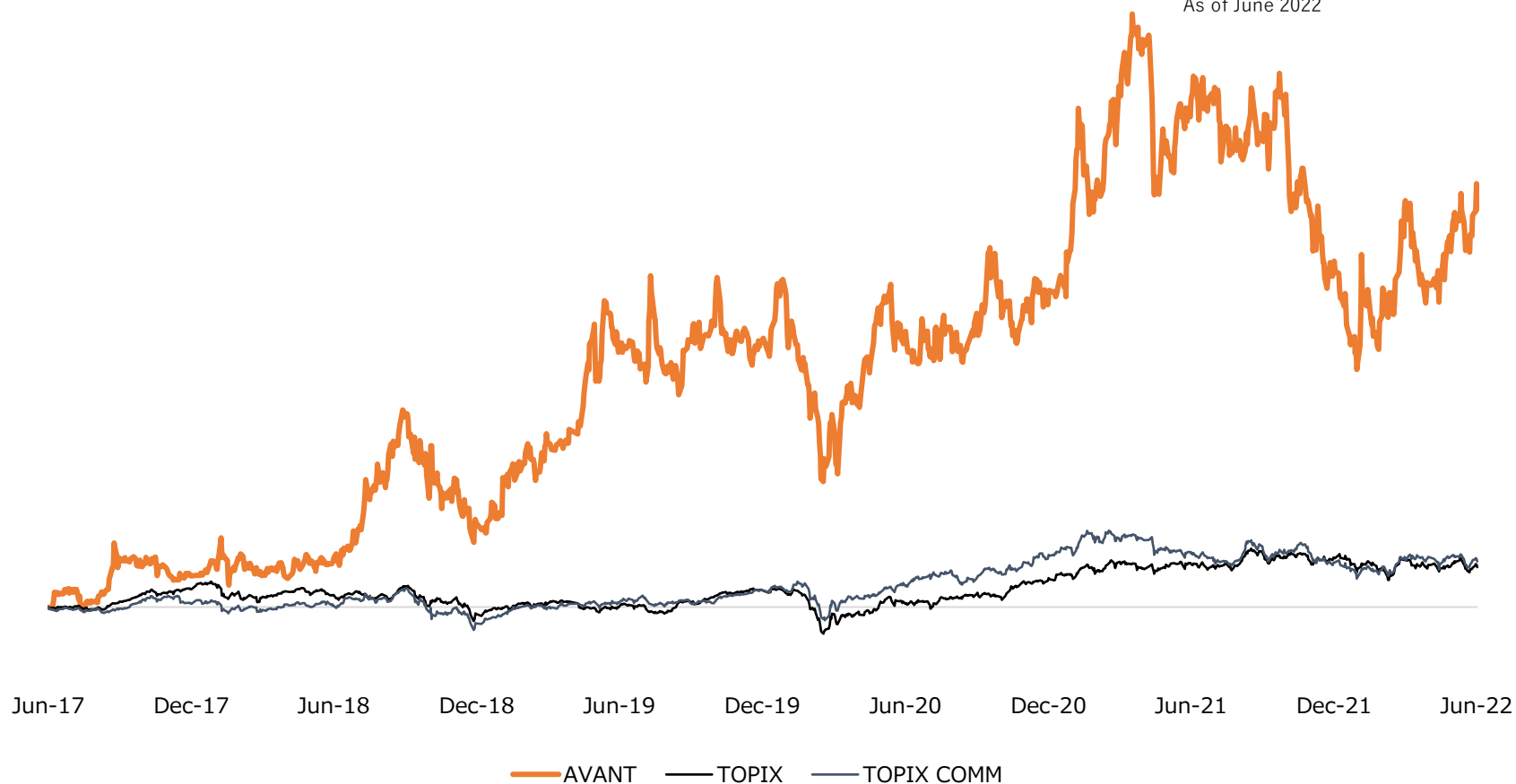
## OP Income



# AVANT TSR vs TOPIX

	One year	Three years	Five years
AVANT	82.4%	136.6%	389.0%
TOPIX	98.6%	129.4%	130.3%
TOPIX INFO & COMM	95.9%	139.1%	151.7%

As of June 2022

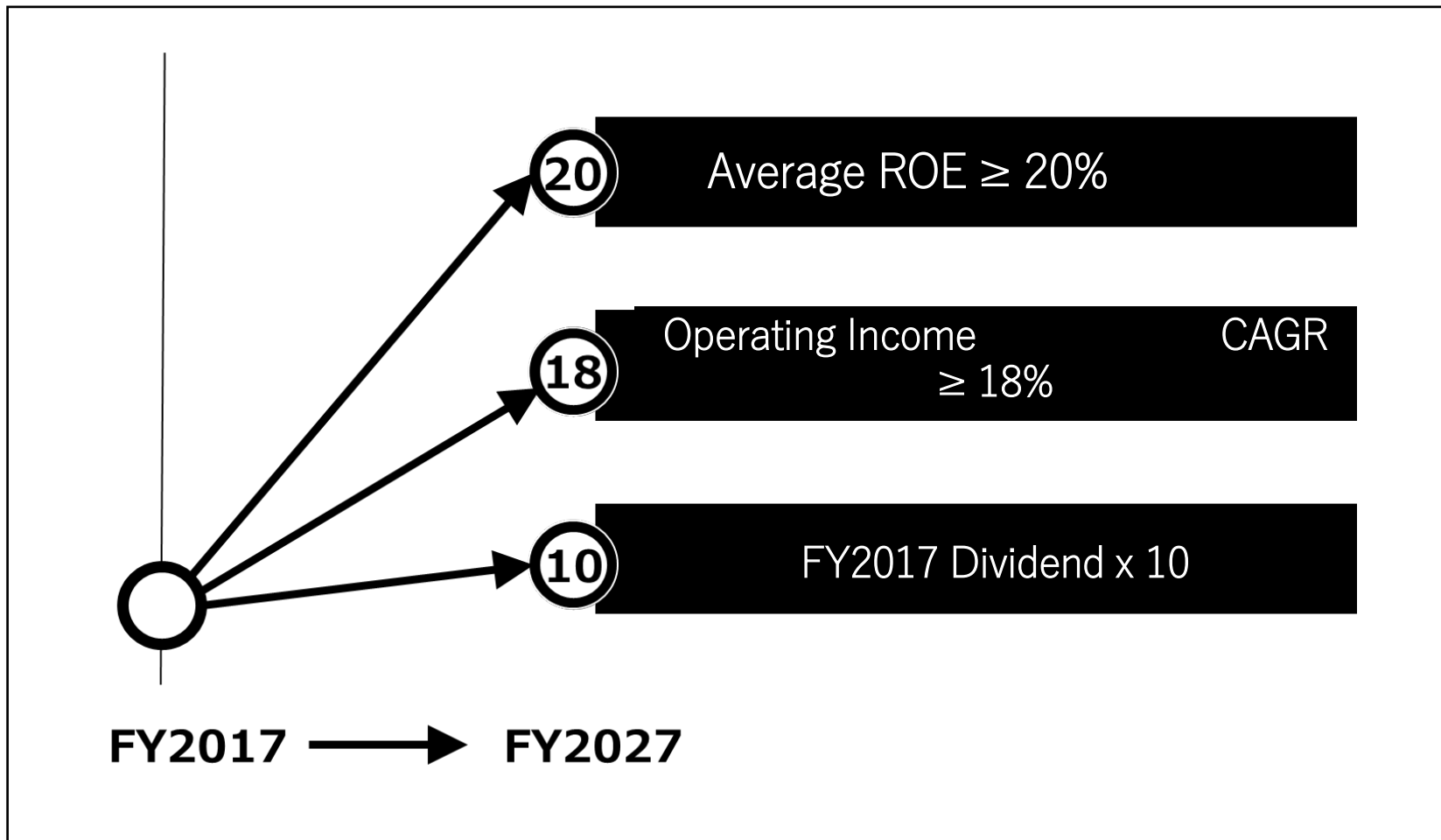


Source: Thomson Reuters



# Long-term Performance Goal

## AVANT Group's Long-Term Performance Goals for the Period from FY2017 to FY2027



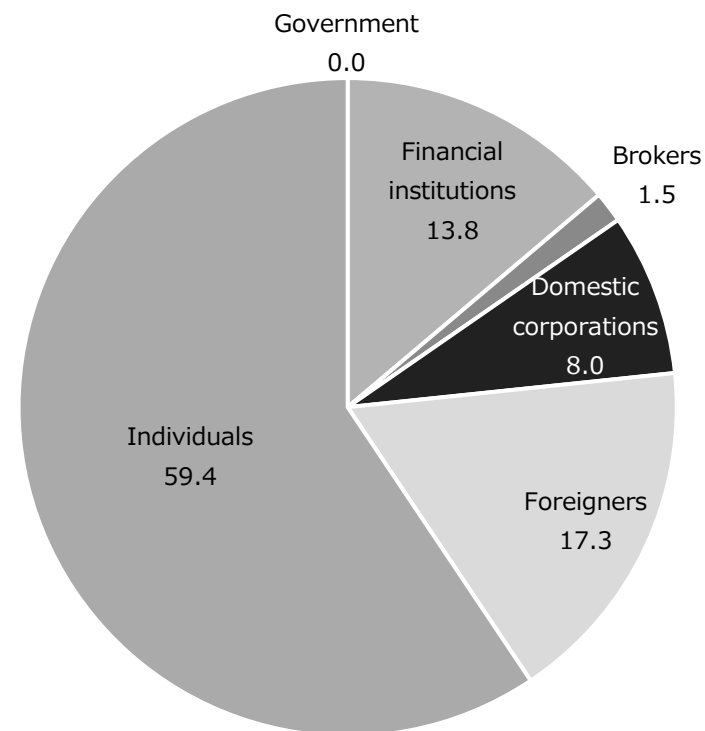
# Shareholder Structure

## Major Shareholders

Name	Shares held (shares)	(%)
Tetsuji Morikawa	9,764,000	25.95
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,067,700	8.15
Avant Employee Stock Ownership Association	2,287,200	6.08
Tsuyoshi Noshiro	1,868,800	4.97
OBIC Business Consulting Co., Ltd.	1,600,000	4.25
Custody Bank of Japan, Ltd. (Trust Account)	1,537,100	4.09
JP MORGAN CHASE BANK 385174	1,146,900	3.05
SSBTC CLIENT OMNIBUS ACCOUNT	911,291	3.33
FCP SEXTANT ATOUR DU MONDE	874,600	2.32
PCA Corporation	778,400	2.07

As of June 2022

## Shareholders by Type



# Governance System



Representative  
Group CEO  
Tetsuji  
Morikawa



Director  
Group CFO  
Naoyoshi  
Kasuga



Outside  
director  
Naohisa  
Fukutani



Outside  
director  
Jon Robertson



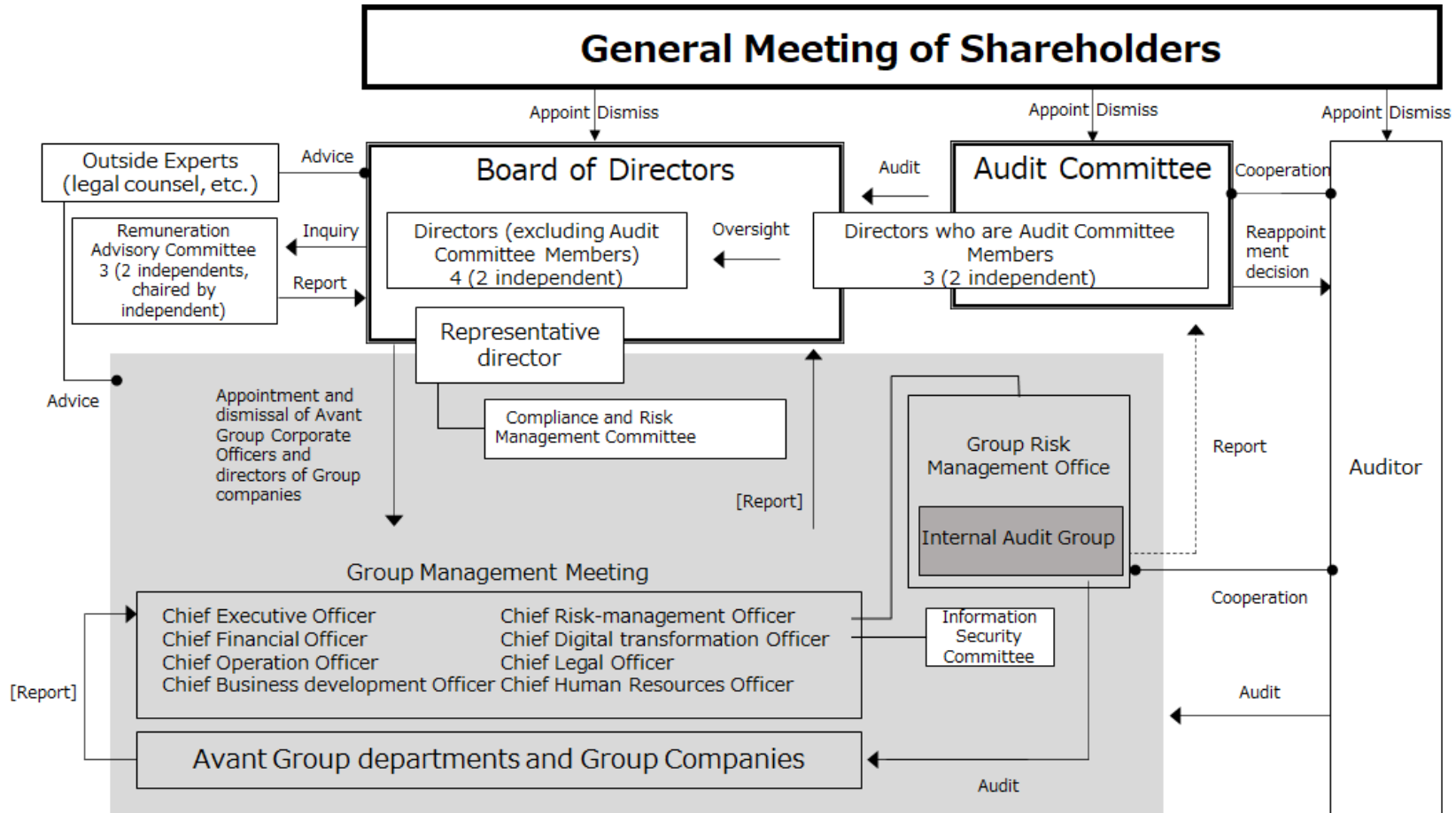
Director  
Audit  
Committee  
Tsuyoshi  
Noshiro

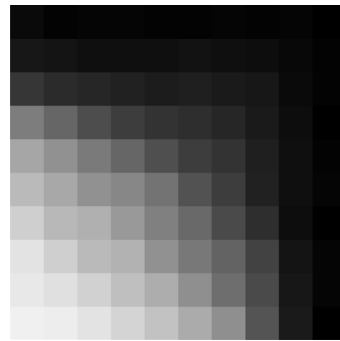


Outside  
director  
Audit  
Committee  
Chie Goto



Outside  
director  
Audit  
Committee  
Makoto Nakano





AVANT GROUP

SUSTAINABILITY IS VALUE