

Kakuyasu Group Co.,Ltd.
 Representative Director and President Yoshiyuki Maegaichi
 (Ticker Code : 7686 Tokyo Stock Exchange Standard Market)
 Inquiry to Executive Officer Hiroyuki Yamamoto

Results of Unlisted Parent Company

This is to announce the latest financial results for the fiscal year ending March 2023 of SKY Group Holdings Co., Ltd., an unlisted parent company of the Company as follows.

1. Overview of the unlisted parent company

(1) Company Name	SKY Group Holdings Co., Ltd.
(2) Headquarters	Room 907, Yamaman Building, 1-12 Kanda Suda-cho, Chiyoda-ku, Tokyo
(3) Company Representative:	Jiro Soma, Representative Director and President
(4) Business:	Asset management and real estate rental business
(5) Paid-in Capital:	JPY 10 million
(6) Relationship with the Company	
i. Capital relationship:	Voting rights in the Company held by the parent company: 47.39%, as of March 31, 2023
ii. Personnel relationship:	No personnel relationship with the company.
iii. Transactional relationship:	No business relationship with the company.

2. Shareowners of SKY Holdings Co.,Ltd.

(1) Company Name	Sprout Limited.
(2) Headquarters	Room 907, Yamaman Building, 1-12 Kanda Suda-cho, Chiyoda-ku, Tokyo
(3) Ownership	100.0%

3. Brief Bio of the representative of SKY Group Holdings Co.,Ltd.

(1) Name	Jiro Soma
(2) Representative Director and President since	June 2018
(3) Prior	Nikka Whisky: 1977 - 2001
	Asahi Breweries: 2001 - 2010
	Asahi Business Produce: 2010 - 2014
	Niigata Prefecture Sado Deep Sea Water: 2014 - 2018
(4) Concurrently serve as	Representative Director and President of Space Art Juban Co., Ltd. since May 2020

4. Financial statements of the parent company

Balance Sheet
(As of March 31, 2023)

(JPY thousand)

	Amount		Amount
(Assets)		(Liabilities)	
Current assets	1,445,657	Current liabilities	5,785,627
Cash and deposits	146,035	Short-term borrowings	2,760,000
Operating accounts receivable	1,980	Current portion of long-term borrowings	2,750,387
Supplies	14	Accounts payable – other	155
Prepaid expenses	2,919	Accrued expenses	716
Short-term loans receivable	1,281,500	Deposits received	3,159
Unreceivable refundable consumption tax, etc.	0	Unearned revenue	23,781
Unreceivable refund corporate tax, etc.	12,967	Reserve for loss on sales of fixed assets	90,804
Others	239	Others	156,622
Non-current assets	9,339,614	Non-current liabilities	3,890,359
Property, plant and equipment	1,109	Long-term borrowings	3,782,380
Tools, furniture and fixtures	1,109	Others	107,979
Intangible assets	3,223	Total liabilities	9,675,986
Software	3,223	(Net assets)	
Investments and other assets	9,335,281	Shareholders' equity	1,109,285
Shares of subsidiaries and associates	2,459,611	Share capital	10,000
Investments in capital	10	Capital surplus	1,663,649
Investments in capital of subsidiaries and associates	106,708	Legal capital surplus	2,500
Long-term loans receivable from subsidiaries and associates	788,700	Other capital surplus	1,661,149
Distressed receivables	1,195,071	Retained earnings	△ 564,363
Investment property	5,977,749	Other retained earnings	△ 564,363
Others	2,502	Retained earnings brought forward	△ 564,363
Allowance for doubtful accounts	△ 1,195,071	Total net assets	1,109,285
Total assets	10,785,271	Total liabilities and net assets	10,785,271

Statement of Income
(from April 2022 to March 31, 2023)

(JPY thousand)

Account	Amount	
Sales		342,442
Cost of sales		117,518
Gross profit		224,923
Selling, general and administrative expenses		176,565
Operating profit (loss)		48,357
Non-operating income		
Interest income	13,127	
Others	1,128	14,255
Non-operating expenses		
Interest expenses	42,627	
Investment partnership operating loss	6,649	49,276
Ordinary profit (loss)		13,336
Extraordinary income		
Reversal of allowance for doubtful accounts	32,200	32,200
Extraordinary losses		
Provision for loss on sales of fixed assets	90,804	90,804
Profit (loss) before income taxes		△ 45,268
Income taxes - current	950	950
Profit (loss)		△ 46,218

Disclaimer: This is an English translation of the disclosure. This translation is prepared and provided for the reader' s convenience.