

Summary of Consolidated Financial Results for the 3rd Quarter Ended December 31, 2021 [Japan GAAP]

February 7, 2022

Company **ipet Holdings, Inc.**
 Stock Code 7339
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 Expected date of filing of quarterly report: February 10, 2022
 Preparation of quarterly supplementary material for financial results: Yes
 Quarterly results briefing: None

Listed on the TSE
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 Expected starting date of dividend payment: -

The Company discloses its operating results based on both internal indicators used by managements' decision making ("Non-GAAP Indicator") and indicators based on Japanese GAAP ("J-GAAP Indicators"). The difference between the two indicators is method of calculating policy reserves, which is based on the unearned premium method for Non-GAAP indicator and the initial year balance method for J-GAAP indicator. For details, please refer to page 21 and page 40 of the supplementary material for financial results.

(Rounded down to million yen)

1. Consolidated business results for the Nine months ended December 2021 (April 1, 2021 through December 31, 2021)

(1) ① Consolidated results of operations based on the unearned premium method (Non-GAAP)

(% change from the previous corresponding period)

| | Recurring revenue | | Recurring profit | | Net income attributable to owners of parent | |
|-----------------------------|-------------------|------|------------------|------|---|-------|
| | Million yen | % | Million yen | % | Million yen | % |
| Nine months ended Dec. 2021 | 21,006 | 26.7 | 473 | 86.3 | 300 | 101.7 |
| Nine months ended Dec. 2020 | 16,584 | - | 254 | - | 148 | - |

| | Net income per share | | Diluted net income per share | |
|-----------------------------|----------------------|--|------------------------------|--|
| | Yen | | Yen | |
| Nine months ended Dec. 2021 | 27.72 | | 27.36 | |
| Nine months ended Dec. 2020 | 13.77 | | 13.57 | |

(Reference)

Adjusted recurring profit

Nine months ended Dec. 2021: 1,121 million yen

Nine months ended Dec. 2020: 777 million yen

Adjusted net income

Nine months ended Dec. 2021: 766 million yen

Nine months ended Dec. 2020: 525 million yen

Adjusted net income per share

Nine months ended Dec. 2021: 70.81 yen

Nine months ended Dec. 2020: 48.63 yen

Diluted net income per share

Nine months ended Dec. 2021: 69.89 yen

Nine months ended Dec. 2020: 47.92 yen

(Note) Since the Company was established on October 1, 2020 through a sole-share transfer, % change from the previous corresponding period of the previous fiscal year are not presented.

② Consolidated results of operations based on the initial year balance method (J-GAAP)

(% change from the previous corresponding period)

| | Recurring revenue | | Recurring profit | | Net income attributable to owners of parent | |
|-----------------------------|-------------------|------|------------------|-------|---|-------|
| | Million yen | % | Million yen | % | Million yen | % |
| Nine months ended Dec. 2021 | 21,006 | 26.7 | 142 | -55.1 | 61 | -68.2 |
| Nine months ended Dec. 2020 | 16,584 | - | 317 | - | 194 | - |

(Note) Comprehensive profit

Nine months ended December 2021: 22 million yen (-92.4%)

Nine months ended December 2020: 296 million yen (- %)

| | Net income per share | Diluted net income per share |
|-----------------------------|-------------------------|---------------------------------|
| Nine months ended Dec. 2021 | Yen 5.71 | Yen 5.63 |
| Nine months ended Dec. 2020 | 17.99 | 17.72 |

(Note) Since the Company was established on October 1, 2020 through a sole-share transfer, % change from the previous corresponding period of the previous fiscal year are not presented.

(2) Consolidated financial position

| | Total assets | Net assets | Shareholders' equity ratio |
|-----------------|--------------|-------------|-------------------------------|
| | Million yen | Million yen | % |
| As of Dec. 2021 | 20,972 | 5,028 | 24.0 |
| As of Mar. 2021 | 17,408 | 4,992 | 28.7 |

(Reference) Shareholders' equity

As of December 2021: 5,028 million yen

As of March 2021: 4,992 million yen

2. Dividends

| | Annual dividend | | | | |
|----------------------------------|-----------------|-----------|-----------|----------|-------|
| | End of 1Q | End of 2Q | End of 3Q | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Year ended Mar. 2021 | - | - | - | 0.00 | 0.00 |
| Year ending Mar. 2022 | - | 0.00 | - | | |
| Year ending Mar. 2022 (forecast) | | | | 0.00 | 0.00 |

(Note 1) Revisions to dividend forecast for the current quarter: None

(Note 2) Since the Company was established on October 1, 2020 through a sole-share transfer, results until the second quarter of the previous fiscal year are not presented.

3. Forecast of consolidated business results based on the unearned premium method for the fiscal year ending March 2022 (Non-GAAP) (April 1, 2021 through March 31, 2022)

(% change from the previous corresponding period)

| | Recurring revenue | | Recurring profit | | Net income attributable to owners of parent | | Net income per share |
|-----------------------|-------------------|------|------------------|-------|--|---|----------------------|
| | Million yen | % | Million yen | % | Million yen | % | Yen |
| Year ending Mar. 2022 | 28,600 | 25.0 | 250 | -37.7 | 80 | - | 7.39 |

(Note 1) Revisions to business forecast for the current fiscal year: Yes

(Reference)

Adjusted recurring profit

Year ending Mar. 2022: 1,130 million yen (1.0%)

Adjusted net income

Year ending Mar. 2022: 710 million yen (-%)

In addition to the above, the status of LTV (Life Time Value), etc., as an important performance indicator of our group, is disclosed in the supplementary material for financial results.

***Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the scope of consolidation): None

(2) Changes in accounting policies, accounting estimates and restatement

- | | |
|--|--------|
| ① Changes in accounting policies associated with revision of accounting standards: | : Yes |
| ② Changes in accounting policies other than ① | : None |
| ③ Changes in accounting estimates | : None |
| ④ Restatement | : None |

(3) Shares outstanding (common shares)

① Number of shares outstanding at the end of period (treasury shares included)

| | |
|---------------------|-------------------|
| As of December 2021 | 10,853,773 shares |
| As of March 2021 | 10,811,773 shares |

② Number of treasury shares at the end of period

| | |
|---------------------|-----------|
| As of December 2021 | 42 shares |
| As of March 2021 | 42 shares |

③ Average number of shares during period (quarterly cumulative period)

| | |
|---------------------------------|-------------------|
| Nine months ended December 2021 | 10,824,487 shares |
| Nine months ended December 2020 | 10,802,219 shares |

***Quarterly financial summary is not subject to the quarterly review procedures by certified public accountants or auditing firms.**

***Explanation regarding appropriate use of business forecasts and other special instructions**

(Notes on forward-looking statements)

Above forecasts are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable at the time this report was prepared. The Company does not make promises about the achievements. Actual results may differ significantly from the forecasts due to various factors.

(Supplementary material for quarterly financial results)

Supplementary material for quarterly financial results will be disclosed on TDnet and posted on the Company's website immediately after the announcement of financial results.