

SANYO TRADING COMPANY LIMITED

Financial Statements

Year Ended September 30, 2019

English translation from original Japanese-language documents

SANYO TRADING COMPANY LIMITED

Balance Sheets

As of September 30, 2019

Thousands of
U.S.Dollars

ASSETS

Current Assets

Cash and deposits	US\$	26,473
Notes receivable - trade		8,262
Electronically recorded monetary claims		8,734
Accounts receivable - trade		114,571
Merchandise		80,102
Goods in transit		12,706
Advance payments		2,143
Prepaid expenses		887
Short-term loans receivable from subsidiaries and affiliates		3,437
Accounts receivable - other		707
Other current assets		1,684
Allowance for doubtful accounts		(220)
Total current assets		<u>259,490</u>

Non-Current Assets

Property, plant and equipment		
Buildings		11,581
Structures		70
Machinery and equipment		109
Furniture and fixtures		579
Land		3,155
Lease assets		150
Total property, plant and equipment		<u>15,646</u>
Intangible assets		
Goodwill		1,987
Leasehold right		30
Software		5,457
Telephone subscription right		67
Right of using water facilities		4
Total intangible fixed asset		<u>7,547</u>
Investments and other assets		
Investment securities		22,173
Stocks of subsidiaries and affiliates		38,289
Investments in capital		0
Investments in capital of subsidiaries and affiliates		4,602
Long-term loans receivable		32
Loans receivable from affiliates		1,853
Long-term prepaid expenses		375
Guarantee deposits		1,412
Deferred tax assets — non-current		883
Other investments		1,715
Allowance for doubtful accounts		(9)
Total investments and other assets		<u>71,330</u>
Total non-current assets		<u>94,524</u>
Total assets	US\$	<u>354,015</u>

Thousands of
U.S.Dollars

LIABILITIES

Current Liabilities

Notes payable - trade	US\$	894
Accounts payable - trade		57,673
Short-term loans payable		5,416
Current portion of long-term loans payable		463
Accounts payable - other		2,668
Accrued expenses		1,974
Lease obligations		63
Income taxes payable		8,751
Advance received		11,950
Deposits received		21,968
Other current liabilities		652
Total current liabilities		112,476

Non-current Liabilities

Long-term loans payable		648
Provision for retirement benefits		7,160
Lease obligations		91
Long-term deposits received		933
Total long-term liabilities		8,833
Total liabilities		121,310

NET ASSETS

Stockholders' Equity

Capital stock		9,327
Capital surplus		
Legal capital surplus		3,408
Other capital surplus		525
Total capital surplus		3,934
Retained earnings		
Legal retained earnings		1,479
Other retained earnings		
Reserve for advanced depreciation of non-current assets		113
Reserve for special depreciation		25
General reserve		92,661
Retained earnings brought forward		119,249
Total other retained earnings		212,049
Total retained earnings		213,528
Less treasury stock		(1,678)
Total stockholders' equity		225,112

Valuation and translation adjustments

Valuation difference on available-for-sale securities		6,712
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Subscription rights to shares

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Total net assets		232,704
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Total liabilities and net assets	US\$	354,015
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SANYO TRADING COMPANY LIMITED

Statements of Income

For the year ended September 30, 2019

	Thousands of U.S.Dollars	
Net sales	US\$	567,235
Cost of sales		<u>465,870</u>
Gross profit		101,364
Selling, general and administrative expenses		<u>61,392</u>
Operating Income		39,972
Non-operating income		
Interest income		61
Dividends income		3,800
Foreign exchange gains		1,825
Other non-operating income		<u>1,074</u>
		6,762
Non-operating expenses		
Interest expenses		168
Sales discounts		81
Other non-operating expenses		<u>271</u>
		<u>521</u>
Ordinary income		46,213
Extraordinary Income		
Compensation income		163
		<u>163</u>
Extraordinary Loss		
Loss on disaster		272
		<u>272</u>
Income before income taxes		46,104
Income taxes - current		14,644
Income taxes - deferred		<u>(597)</u>
Net Income	US\$	<u><u>32,057</u></u>

SANYO TRADING COMPANY LIMITED

Statement of Changes in Net Assets

For the year ended September 30, 2019

	Thousands of U.S.Dollars										
	Stockholders' equity										
	Capital surplus				Retained earnings						
	Capital stock	Legal capital surplus	Other capital surplus	Total Capital surplus	Legal retained earnings	Other retained earnings			Retained earnings brought forward	Total retained earnings	
Reserve for advanced depreciation of non-current assets						Reserve for special depreciation	General reserve				
Balance as of October 1, 2018	US\$	9,327	3,408	525	3,934	1,479	113	37	92,661	96,597	190,889
Changes during the current year											
Cash dividends paid										(9,418)	(9,418)
Net income for the year										32,057	32,057
Purchase of treasury stock											
Disposal of treasury stock											
Reversal of reserve for special depreciation								(12)		12	
Other											
Total changes during the current year		—	—	—	—	—	—	(12)	—	22,652	22,639
Balance as of September 30, 2019	US\$	9,327	3,408	525	3,934	1,479	113	25	92,661	119,249	213,528

	Thousands of U.S.Dollars						
	Stockholders' equity		Valuation and translation adjustments				
	Treasury stock	Total stockholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	Subscription rights to shares	Total net assets	
Balance as of October 1, 2018	US\$	(1,675)	202,475	9,722	9,722	675	212,873
Changes during the current year							
Cash dividends paid			(9,418)				(9,418)
Net income for the year			32,057				32,057
Purchase of treasury stock		(2)	(2)				(2)
Disposal of treasury stock							
Reversal of reserve for special depreciation							
Other				(3,009)	(3,009)	204	(2,804)
Total changes during the current year		(2)	22,636	(3,009)	(3,009)	204	19,831
Balance as of September 30, 2019	US\$	(1,678)	225,112	6,712	6,712	880	232,704

(Note 1) The amount shown in U.S. Dollars are converted at T.T.M. rate (US\$1.00 = Yen107.92) as of September 30, 2019.

(Note 2) This statement is English translation of financial statements certified by Ernst & Young ShinNihon in Tokyo, Japan.

