

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2022 (Based on IFRS)

November 14, 2022

Company name: VT HOLDINGS CO., LTD.  
 Stock exchange listing: Tokyo, Nagoya  
 Securities code: 7593 URL <https://www.vt-holdings.co.jp>  
 Representative: President & CEO Kazuho Takahashi  
 Inquiries: Managing Director Ichiro Yamauchi TEL 052-203-9500  
 Scheduled date to file Quarterly Securities Report: November 14, 2022  
 Scheduled date to commence dividend payments: December 2, 2022  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes

(Amounts are rounded off to the nearest million yen)

1. Consolidated financial results for the six months ended September 30, 2022 (from April 1, 2022 to September 30, 2022)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2022	126,549	9.3	5,850	34.7	6,083	(49.5)	4,183	(50.3)	3,669	(55.4)	8,491	(31.3)
Six months ended September 30, 2021	115,816	33.4	4,342	17.1	12,051	231.2	8,413	200.4	8,219	272.7	12,351	248.8

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2022	31.64	-
Six months ended September 30, 2021	71.25	-

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Millions of yen	Millions of yen	Millions of yen	%
As of September 30, 2022	199,235	64,107	58,020	29.1
As of March 31, 2022	188,049	56,934	51,342	27.3

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2022	-	11.00	-	11.00	22.00
Year ending March 31, 2023	-	11.50	-	-	-
Year ending March 31, 2023 (Forecast)	-	-	-	11.50	23.00

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	260,000	9.3	12,500	22.6	12,500	(30.4)	7,500	(35.8)	64.66

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2022  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Changes in accounting policies and changes in accounting estimates
- Changes in accounting policies required by IFRS: No
  - Changes in accounting policies due to other reasons: No
  - Changes in accounting estimates: No

(3) Number of issued shares (ordinary shares)

Total number of issued shares at end of period (including treasury shares)

As of September 30, 2022	∴	119,381,034 shares	As of March 31, 2022	∴	119,381,034 shares
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Number of treasury shares at end of period

As of September 30, 2022	∴	3,393,364 shares	As of March 31, 2022	∴	3,393,364 shares
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Average number of shares during period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2022	∴	115,987,670 shares	Six months ended September 30, 2021	∴	115,354,454 shares
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**Condensed quarterly consolidated financial statements**  
**Condensed quarterly consolidated statement of financial position**

	As of March 31, 2022	As of September 30, 2022
	Millions of yen	Millions of yen
Assets		
Current assets		
Cash and cash equivalents	11,844	8,699
Trade and other receivables	19,694	20,838
Other financial assets	87	65
Inventories	37,543	41,421
Other current assets	4,579	6,304
Total current assets	73,748	77,327
Non-current assets		
Property, plant and equipment	68,250	69,479
Goodwill	13,513	13,601
Intangible assets	1,088	1,034
Investment property	6,448	7,354
Investments accounted for using equity method	4,277	4,352
Other financial assets	19,479	24,887
Deferred tax assets	1,146	1,098
Other non-current assets	100	103
Total non-current assets	114,301	121,908
Total assets	188,049	199,235

	As of March 31, 2022	As of September 30, 2022
	Millions of yen	Millions of yen
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	28,274	33,220
Trade and other payables	35,577	35,422
Other financial liabilities	6,485	6,497
Income taxes payable	2,479	1,773
Contract liabilities	12,103	11,668
Other current liabilities	3,294	2,460
Total current liabilities	88,212	91,040
Non-current liabilities		
Bonds and borrowings	18,027	18,362
Other financial liabilities	18,258	17,476
Provisions	585	569
Deferred tax liabilities	3,997	5,731
Other non-current liabilities	2,035	1,951
Total non-current liabilities	42,903	44,088
Total liabilities	131,115	135,128
Equity		
Share capital	4,297	4,297
Capital surplus	2,975	3,107
Treasury shares	(866)	(866)
Other components of equity	1,539	1,642
Retained earnings	43,397	49,839
Total equity attributable to owners of parent	51,342	58,020
Non-controlling interests	5,592	6,087
Total equity	56,934	64,107
Total liabilities and equity	188,049	199,235

**Condensed quarterly consolidated statements of income and condensed quarterly consolidated statements of comprehensive income**

**Condensed quarterly consolidated statements of income**

	Six months ended September 30, 2021	Six months ended September 30, 2022
	Millions of yen	Millions of yen
Revenue	115,816	126,549
Cost of sales	97,080	105,342
Gross profit	18,736	21,206
Selling, general and administrative expenses	14,551	15,450
Other income	308	249
Other expenses	150	155
Operating profit	4,342	5,850
Finance income	145	516
Finance costs	382	378
Share of profit of investments accounted for using equity method	128	95
Other non-operating income and expenses	7,817	–
Profit before tax	12,051	6,083
Income tax expense	3,637	1,900
Profit	8,413	4,183
Profit attributable to		
Owners of parent	8,219	3,669
Non-controlling interests	194	513
Profit	8,413	4,183
Earnings per share		
Basic earnings per share	71.25	31.64
Diluted earnings per share	–	–

## Condensed quarterly consolidated statements of comprehensive income

	Six months ended September 30, 2021	Six months ended September 30, 2022
	Millions of yen	Millions of yen
Profit	8,413	4,183
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	4,062	4,068
Share of other comprehensive income of investments accounted for using equity method	(1)	(6)
Total of items that will not be reclassified to profit or loss	4,062	4,062
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(125)	216
Share of other comprehensive income of investments accounted for using equity method	1	30
Total of items that may be reclassified to profit or loss	(124)	247
Other comprehensive income, net of tax	3,938	4,309
Comprehensive income	12,351	8,491
Comprehensive income attributable to		
Owners of parent	12,155	7,946
Non-controlling interests	197	546
Comprehensive income	12,351	8,491

## Condensed quarterly consolidated statement of changes in equity

Six months ended September 30, 2021 (from April 1, 2021 to September 30, 2021)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Treasury shares	Other components of equity		
				Exchange differences on translation of foreign operations	Share acquisition rights	
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen		
Balance at April 1, 2021	4,297	2,842	(1,028)	740	134	
Profit						
Other comprehensive income				(123)		
Comprehensive income	–	–	–	(123)	–	
Change in scope of consolidation						
Forfeiture of share acquisition rights		1			(1)	
Transfer to retained earnings						
Dividends						
Total transactions with owners	–	1	–	–	(1)	
Balance at September 30, 2021	4,297	2,843	(1,028)	617	133	

	Equity attributable to owners of parent						
	Financial assets measured at fair value through other comprehensive income			Total		Non-controlling interests	Total
	Total	Retained earnings	Total	Total			
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
Balance at April 1, 2021	–	874	33,210	40,195	5,127	45,322	
Profit		–	8,219	8,219	194	8,413	
Other comprehensive income	4,059	3,935		3,935	3	3,938	
Comprehensive income	4,059	3,935	8,219	12,155	197	12,351	
Change in scope of consolidation		–		–	23	23	
Forfeiture of share acquisition rights		(1)		–		–	
Transfer to retained earnings	(4,059)	(4,059)	4,059	–		–	
Dividends		–	(1,154)	(1,154)	(51)	(1,205)	
Total transactions with owners	(4,059)	(4,060)	2,905	(1,154)	(28)	(1,182)	
Balance at September 30, 2021	–	749	44,334	51,197	5,295	56,492	

Six months ended September 30, 2022 (from April 1, 2022 to September 30, 2022)

	Equity attributable to owners of parent				
	Share capital	Capital surplus	Treasury shares	Other components of equity	
				Exchange differences on translation of foreign operations	Share acquisition rights
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
Balance at April 1, 2022	4,297	2,975	(866)	1,407	132
Profit					
Other comprehensive income				227	
Comprehensive income	–	–	–	227	–
Changes in ownership interest in subsidiaries		0			
Forfeiture of share acquisition rights		132			(132)
Issuance of share acquisition rights					8
Transfer to retained earnings					
Dividends					
Total transactions with owners	–	132	–	–	(124)
Balance at September 30, 2022	4,297	3,107	(866)	1,634	8

	Equity attributable to owners of parent					
	Financial assets measured at fair value through other comprehensive income	Other components of equity		Retained earnings	Non-controlling interests	Total
		Total	Total			
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
Balance at April 1, 2022	–	1,539	43,397	51,342	5,592	56,934
Profit		–	3,669	3,669	513	4,183
Other comprehensive income	4,049	4,277		4,277	32	4,309
Comprehensive income	4,049	4,277	3,669	7,946	546	8,491
Changes in ownership interest in subsidiaries		–		0	25	25
Forfeiture of share acquisition rights		(132)		–	–	–
Issuance of share acquisition rights		8		8	–	8
Transfer to retained earnings	(4,049)	(4,049)	4,049	–	–	–
Dividends		–	(1,276)	(1,276)	(75)	(1,351)
Total transactions with owners	(4,049)	(4,174)	2,773	(1,268)	(50)	(1,319)
Balance at September 30, 2022	–	1,642	49,839	58,020	6,087	64,107



## Condensed quarterly consolidated statements of cash flows

	Six months ended September 30, 2021	Six months ended September 30, 2022
	Millions of yen	Millions of yen
Cash flows from operating activities		
Profit before tax	12,051	6,083
Depreciation and amortization	4,680	5,208
Interest and dividend income	(140)	(187)
Interest expenses	343	355
Foreign exchange loss (gain)	40	16
Share of loss (profit) of investments accounted for using equity method	(128)	(95)
Loss (gain) on sales of investments accounted for using equity method	(1,380)	–
Gain on remeasurement relating to exclusion of equity method	(6,436)	–
Loss (gain) on sale of fixed assets	(0)	3
Loss on retirement of fixed assets	7	56
Decrease (increase) in trade receivables	(885)	(823)
Decrease (increase) in inventories	7,287	(3,368)
Increase (decrease) in trade payables	(9,879)	(1,150)
Increase (decrease) in contract liabilities	(2,507)	(448)
Increase (decrease) in accrued consumption taxes	630	(984)
Other	(711)	(174)
Subtotal	2,970	4,492
Interest and dividends received	193	244
Interest paid	(342)	(357)
Income taxes refund (paid)	(1,457)	(2,584)
Net cash provided by (used in) operating activities	1,365	1,795
Cash flows from investing activities		
Payments into time deposits	(40)	(76)
Proceeds from withdrawal of time deposits	1	6
Purchase of property, plant and equipment	(3,393)	(6,334)
Proceeds from sale of property, plant and equipment	1,007	825
Purchase of intangible assets	(37)	(28)
Purchase of investment securities	(4)	(0)
Proceeds from sale of investment securities	9	336
Proceeds (Payments) from (for) acquisition of subsidiaries	(785)	–
Proceeds from sale of investments in associates	2,186	–
Payments for loans receivable	(6)	(6)
Collection of loans receivable	98	80
Payments of leasehold and guarantee deposits	(66)	(71)
Proceeds from refund of leasehold and guarantee deposits	62	38
Payments for acquisition of businesses	(35)	–
Proceeds from sale of businesses	–	31
Other	(7)	(4)
Net cash provided by (used in) investing activities	(1,010)	(5,203)

	Six months ended September 30, 2021	Six months ended September 30, 2022
	Millions of yen	Millions of yen
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	6,078	4,232
Proceeds from long-term borrowings	3,000	4,567
Repayments of long-term borrowings	(3,075)	(3,641)
Redemption of bonds	(5)	(11)
Proceeds from issuance of share acquisition rights	–	8
Capital contribution from non-controlling interests	23	25
Dividends paid	(1,154)	(1,276)
Dividends paid to non-controlling interests	(51)	(75)
Repayments of lease liabilities	(3,327)	(3,581)
Other	(1)	(1)
Net cash provided by (used in) financing activities	<u>1,488</u>	<u>247</u>
Effect of exchange rate changes on cash and cash equivalents	(49)	17
Net increase (decrease) in cash and cash equivalents	1,795	(3,145)
Cash and cash equivalents at beginning of period	<u>9,195</u>	<u>11,844</u>
Cash and cash equivalents	<u><u>10,989</u></u>	<u><u>8,699</u></u>