

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on IFRS)

February 14, 2024

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: February 14, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts are rounded off to the nearest million yen)

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(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	%
Nine months ended December 31, 2023	222,179	14.9	9,189	(9.3)	8,719	(13.1)	5,857	(19.2)	5,343	(2.0)	13,840	26.5
Nine months ended December 31, 2022	193,384	12.2	10,133	50.5	10,032	(30.3)	7,245	(27.5)	5,451	(43.3)	10,939	7.6

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	45.49	45.42
Nine months ended December 31, 2022	47.00	47.00

(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 December 31, 2023	268,850	84,708	76,018	28.3
As of March 31, 2023	229,834	72,740	64,500	28.1

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, 2023	–	11.50	–	12.00	23.50
Year ending March 31, 2024	–	12.00	–		
Year ending March 31, 2024 (Forecast)				12.00	24.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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	300,000	12.6	13,000	1.1	12,800	1.2	8,000	11.4	67.73

4. Notes

(1) Changes in significant subsidiaries during the nine months ended December 31, 2023
(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 December 31, 2023	:	119,381,034 shares	As of March 31, 2023	:	119,381,034 shares
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Number of treasury shares at end of period

As of December 31, 2023	:	1,261,364 shares	As of March 31, 2023	:	3,393,364 shares
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Average number of shares during period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	:	117,462,347 shares	Nine months ended December 31, 2022	:	115,987,670 shares
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Condensed quarterly consolidated financial statements
Condensed quarterly consolidated statement of financial position

	As of March 31, 2023	As of December 31, 2023
	Millions of yen	Millions of yen
Assets		
Current assets		
Cash and cash equivalents	12,644	10,819
Trade and other receivables	22,541	23,441
Other financial assets	125	236
Inventories	56,206	72,322
Other current assets	6,013	9,036
Total current assets	97,529	115,854
Non-current assets		
Property, plant and equipment	73,386	83,446
Goodwill	13,376	13,901
Intangible assets	1,185	1,340
Investment property	7,299	7,427
Investments accounted for using equity method	4,501	4,570
Other financial assets	30,953	40,766
Deferred tax assets	1,490	1,434
Other non-current assets	113	110
Total non-current assets	132,304	152,996
Total assets	229,834	268,850

	As of March 31, 2023	As of December 31, 2023
	Millions of yen	Millions of yen
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	42,134	53,135
Trade and other payables	45,669	48,313
Other financial liabilities	6,487	6,939
Income taxes payable	1,709	1,229
Contract liabilities	10,947	9,773
Other current liabilities	2,675	2,514
Total current liabilities	109,620	121,902
Non-current liabilities		
Bonds and borrowings	19,199	24,252
Other financial liabilities	18,039	24,486
Provisions	569	675
Deferred tax liabilities	7,574	10,747
Other non-current liabilities	2,092	2,079
Total non-current liabilities	47,473	62,239
Total liabilities	157,093	184,141
Equity		
Share capital	4,297	4,297
Capital surplus	3,150	3,678
Treasury shares	(866)	(322)
Other components of equity	1,789	2,855
Retained earnings	56,130	65,509
Total equity attributable to owners of parent	64,500	76,018
Non-controlling interests	8,240	8,691
Total equity	72,740	84,708
Total liabilities and equity	229,834	268,850

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

Condensed quarterly consolidated statements of income

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
	Millions of yen	Millions of yen
Revenue	193,384	222,179
Cost of sales	161,469	186,617
Gross profit	31,915	35,563
Selling, general and administrative expenses	23,925	27,361
Other income	2,318	1,274
Other expenses	175	286
Operating profit	10,133	9,189
Finance income	337	474
Finance costs	617	1,030
Share of profit of investments accounted for using equity method	179	86
Profit before tax	10,032	8,719
Income tax expense	2,787	2,861
Profit	7,245	5,857
Profit attributable to		
Owners of parent	5,451	5,343
Non-controlling interests	1,794	514
Profit	7,245	5,857
Earnings per share		
Basic earnings per share	47.00	45.49
Diluted earnings per share	47.00	45.42

Condensed quarterly consolidated statements of comprehensive income

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
	Millions of yen	Millions of yen
Profit	7,245	5,857
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	3,633	6,842
Share of other comprehensive income of investments accounted for using equity method	(8)	7
Total of items that will not be reclassified to profit or loss	3,625	6,849
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	38	1,107
Share of other comprehensive income of investments accounted for using equity method	31	27
Total of items that may be reclassified to profit or loss	69	1,133
Other comprehensive income	3,694	7,983
Comprehensive income	10,939	13,840
Comprehensive income attributable to		
Owners of parent	9,120	13,256
Non-controlling interests	1,819	584
Comprehensive income	10,939	13,840

Condensed quarterly consolidated statement of changes in equity

Nine months ended December 31, 2022 (from April 1, 2022 to December 31, 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				58	
Comprehensive income	–	–	–	58	–
Changes in ownership interest in subsidiaries		47			
Disposal of treasury shares		(6)			
Forfeiture of share acquisition rights		132			(132)
Issuance of share acquisition rights					8
Transfer to retained earnings					
Dividends					
Total transactions with owners	–	173	–	–	(124)
Balance at December 31, 2022	4,297	3,149	(866)	1,465	8

	Equity attributable to owners of parent					
	Other components of equity					
	Financial assets measured at fair value through other comprehensive income	Total	Retained earnings	Total	Non-controlling interests	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	–	–	5,451	5,451	1,794	7,245
Other comprehensive income	3,611	3,669		3,669	25	3,694
Comprehensive income	3,611	3,669	5,451	9,120	1,819	10,939
Changes in ownership interest in subsidiaries		–		47	557	604
Disposal of treasury shares		–		(6)		(6)
Forfeiture of share acquisition rights		(132)		–		–
Issuance of share acquisition rights		8		8		8
Transfer to retained earnings	(3,611)	(3,611)	3,611	–		–
Dividends		–	(2,610)	(2,610)	(118)	(2,728)
Total transactions with owners	(3,611)	(3,736)	1,002	(2,561)	439	(2,122)
Balance at December 31, 2022	–	1,472	49,849	57,902	7,850	65,751

Nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

	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, 2023	4,297	3,150	(866)	1,782	8
Profit					
Other comprehensive income				1,068	
Comprehensive income	–	–	–	1,068	–
Change in scope of consolidation					
Changes in ownership interest in subsidiaries		0			
Disposal of treasury shares		529	544		
Exercise of share acquisition rights					(3)
Transfer to retained earnings					
Dividends					
Total transactions with owners	–	529	544	–	(3)
Balance at December 31, 2023	4,297	3,678	(322)	2,850	5

	Equity attributable to owners of parent					
	Other components of equity		Retained earnings	Total	Non-controlling interests	Total
	Financial assets measured at fair value through other comprehensive income	Total				
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance at April 1, 2023	–	1,789	56,130	64,500	8,240	72,740
Profit		–	5,343	5,343	514	5,857
Other comprehensive income	6,845	7,913		7,913	70	7,983
Comprehensive income	6,845	7,913	5,343	13,256	584	13,840
Change in scope of consolidation		–		–	13	13
Changes in ownership interest in subsidiaries		–		0	30	30
Disposal of treasury shares		–		1,073		1,073
Exercise of share acquisition rights		(3)		(3)		(3)
Transfer to retained earnings	(6,845)	(6,845)	6,845	–		–
Dividends		–	(2,809)	(2,809)	(177)	(2,985)
Total transactions with owners	(6,845)	(6,847)	4,036	(1,739)	(133)	(1,872)
Balance at December 31, 2023	–	2,855	65,509	76,018	8,691	84,708

Condensed quarterly consolidated statements of cash flows

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
	Millions of yen	Millions of yen
Cash flows from operating activities		
Profit before tax	10,032	8,719
Depreciation and amortization	7,935	9,075
Impairment losses	20	—
Gain on bargain purchase	(1,834)	—
Interest and dividend income	(215)	(283)
Interest expenses	592	1,005
Foreign exchange loss (gain)	90	(116)
Share of loss (profit) of investments accounted for using equity method	(179)	(86)
Loss (gain) on sale of fixed assets	4	(658)
Loss on retirement of fixed assets	60	68
Decrease (increase) in trade receivables	2,194	2,356
Decrease (increase) in inventories	(11,312)	(13,588)
Increase (decrease) in trade payables	2,241	(1,213)
Increase (decrease) in contract liabilities	(2,163)	(1,411)
Increase (decrease) in accrued consumption taxes	(1,471)	197
Other	(325)	(1,883)
Subtotal	5,670	2,181
Interest and dividends received	265	338
Interest paid	(550)	(950)
Income taxes refund (paid)	(4,443)	(3,405)
Net cash provided by (used in) operating activities	941	(1,835)
Cash flows from investing activities		
Payments into time deposits	(120)	(237)
Proceeds from withdrawal of time deposits	26	167
Purchase of property, plant and equipment	(10,175)	(9,572)
Proceeds from sale of property, plant and equipment	2,154	3,089
Purchase of intangible assets	(35)	(106)
Purchase of investment securities	(1)	(1)
Proceeds from sale of investment securities	340	35
Proceeds (Payments) from (for) acquisition of subsidiaries	1,088	(23)
Payments for loans receivable	(8)	(10)
Collection of loans receivable	109	72
Payments of leasehold and guarantee deposits	(109)	(165)
Proceeds from refund of leasehold and guarantee deposits	53	243
Payments for acquisition of businesses	—	(43)
Proceeds from sale of businesses	31	—
Other	(5)	(23)
Net cash provided by (used in) investing activities	(6,650)	(6,574)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
	Millions of yen	Millions of yen
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	9,909	9,009
Proceeds from long-term borrowings	6,382	12,062
Repayments of long-term borrowings	(5,162)	(6,946)
Redemption of bonds	(95)	(250)
Proceeds from sale of treasury shares	10	1,070
Proceeds from issuance of share acquisition rights	8	—
Proceeds from sale of interests in subsidiaries to non-controlling interests	—	583
Capital contribution from non-controlling interests	25	30
Dividends paid	(2,610)	(2,809)
Dividends paid to non-controlling interests	(118)	(177)
Repayments of lease liabilities	(5,531)	(6,285)
Other	(1)	(1)
Net cash provided by (used in) financing activities	2,816	6,288
Effect of exchange rate changes on cash and cash equivalents	(59)	298
Net increase (decrease) in cash and cash equivalents	(2,951)	(1,824)
Cash and cash equivalents at beginning of period	11,844	12,644
Cash and cash equivalents	8,893	10,819