

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on IFRS)

August 13, 2021

Company name: VT HOLDINGS CO., LTD.  
 Stock exchange listing: Tokyo, Nagoya  
 Securities code: 7593 URL <http://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: August 13, 2021  
 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 three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(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	%
Three months ended June 30, 2021	60,575	86.8	1,956	–	9,726	–	6,853	–	6,750	–	9,368	–
Three months ended June 30, 2020	32,426	(39.6)	(146)	–	(205)	–	(244)	–	(160)	–	121	(82.4)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2021	58.51	–
Three months ended June 30, 2020	(1.37)	–

(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 June 30, 2021	180,826	53,508	48,300	26.7
As of March 31, 2021	174,011	45,322	40,195	23.1

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, 2021	–	10.00	–	10.00	20.00
Year ending March 31, 2022	–	–	–	–	–
Year ending March 31, 2022 (Forecast)	–	11.00	–	11.00	22.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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
Six months ending September 30, 2021	112,000	29.0	4,000	7.9	11,500	216.0	8,000	262.8	69.35
Full year	232,000	16.3	8,600	11.5	16,100	105.7	10,800	129.2	93.62

4. Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 2021  
 (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

(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 June 30, 2021	119,381,034 shares	As of March 31, 2021	119,381,034 shares
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Number of treasury shares at end of period

As of June 30, 2021	4,026,580 shares	As of March 31, 2021	4,026,580 shares
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Average number of shares during period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2021	115,354,454 shares	Three months ended June 30, 2020	117,248,959 shares
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**Condensed quarterly consolidated financial statements**  
**Condensed quarterly consolidated statement of financial position**

	As of March 31, 2021	As of June 30, 2021
	Millions of yen	Millions of yen
Assets		
Current assets		
Cash and cash equivalents	9,195	11,955
Trade and other receivables	16,660	15,884
Other financial assets	137	110
Inventories	42,475	37,381
Other current assets	4,781	4,766
Total current assets	73,247	70,096
Non-current assets		
Property, plant and equipment	62,833	63,093
Goodwill	12,684	13,386
Intangible assets	956	964
Investment property	6,616	6,594
Investments accounted for using equity method	8,674	4,137
Other financial assets	7,699	21,453
Deferred tax assets	1,184	990
Other non-current assets	116	111
Total non-current assets	100,763	110,729
Total assets	174,011	180,826

	As of March 31, 2021	As of June 30, 2021
	Millions of yen	Millions of yen
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	23,738	31,404
Trade and other payables	38,220	29,691
Other financial liabilities	6,125	6,222
Income taxes payable	1,191	669
Contract liabilities	13,585	10,501
Other current liabilities	2,717	2,990
Total current liabilities	85,577	81,476
Non-current liabilities		
Bonds and borrowings	20,688	20,483
Other financial liabilities	18,314	18,379
Provisions	551	553
Deferred tax liabilities	1,749	4,599
Other non-current liabilities	1,809	1,827
Total non-current liabilities	43,111	45,842
Total liabilities	128,689	127,318
Equity		
Share capital	4,297	4,297
Capital surplus	2,842	2,843
Treasury shares	(1,028)	(1,028)
Other components of equity	874	941
Retained earnings	33,210	41,246
Total equity attributable to owners of parent	40,195	48,300
Non-controlling interests	5,127	5,208
Total equity	45,322	53,508
Total liabilities and equity	174,011	180,826

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

**Condensed quarterly consolidated statements of income**

	Three months ended June 30, 2020	Three months ended June 30, 2021
	Millions of yen	Millions of yen
Revenue	32,426	60,575
Cost of sales	26,990	51,376
Gross profit	5,437	9,199
Selling, general and administrative expenses	5,918	7,320
Other income	364	159
Other expenses	30	82
Operating profit(loss)	(146)	1,956
Finance income	89	63
Finance costs	212	182
Share of profit of investments accounted for using equity method	65	72
Other non-operating income and expenses	—	7,817
Profit (loss) before tax	(205)	9,726
Income tax expense	40	2,874
Profit (loss)	(244)	6,853
Profit (loss) attributable to		
Owners of parent	(160)	6,750
Non-controlling interests	(84)	103
Profit (loss)	(244)	6,853
Earnings per share		
Basic earnings (loss) per share	(1.37)	58.51
Diluted earnings (loss) per share	—	—

## Condensed quarterly consolidated statements of comprehensive income

	Three months ended June 30, 2020	Three months ended June 30, 2021
	Millions of yen	Millions of yen
Profit (loss)	(244)	6,853
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	293	2,440
Share of other comprehensive income of investments accounted for using equity method	1	(0)
Total of items that will not be reclassified to profit or loss	294	2,440
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	85	68
Share of other comprehensive income of investments accounted for using equity method	(14)	7
Total of items that may be reclassified to profit or loss	71	75
Other comprehensive income, net of tax	365	2,515
Comprehensive income	121	9,368
Comprehensive income attributable to		
Owners of parent	200	9,258
Non-controlling interests	(78)	110
Comprehensive income	121	9,368

## Condensed quarterly consolidated statement of changes in equity

Three months ended June 30, 2020 (from April 1, 2020 to June 30, 2020)

	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	Millions of yen
Balance at April 1, 2020	4,297	2,847	(272)	(283)	137
Loss					
Other comprehensive income				67	
Comprehensive income	–	–	–	67	–
Purchase of treasury shares			(251)		
Forfeiture of share acquisition rights		3			(3)
Transfer to retained earnings					
Dividends					
Total transactions with owners	–	3	(251)	–	(3)
Balance at June 30, 2020	4,297	2,849	(523)	(216)	134

	Equity attributable to owners of parent					
	Financial assets measured at fair value through other comprehensive income	Total	Retained earnings	Total	Non-controlling interests	Total
Balance at April 1, 2020	–	(146)	30,156	36,882	3,823	40,705
Loss		–	(160)	(160)	(84)	(244)
Other comprehensive income	293	360		360	6	365
Comprehensive income	293	360	(160)	200	(78)	121
Purchase of treasury shares		–		(251)		(251)
Forfeiture of share acquisition rights		(3)		–		–
Transfer to retained earnings	(293)	(293)	293	–		–
Dividends		–	(1,174)	(1,174)	(28)	(1,202)
Total transactions with owners	(293)	(296)	(881)	(1,424)	(28)	(1,453)
Balance at June 30, 2020	–	(82)	29,115	35,657	3,717	39,374

Three months ended June 30, 2021 (from April 1, 2021 to June 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	
Loss						
Other comprehensive income				68		
Comprehensive income	–	–	–	68	–	
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 June 30, 2021	4,297	2,843	(1,028)	809	133	

	Equity attributable to owners of parent					
	Financial assets measured at fair value through other comprehensive income	Other components of equity		Total	Non-controlling interests	Total
		Total	Retained earnings			
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
Loss	–	–	6,750	6,750	103	6,853
Other comprehensive income	2,440	2,508		2,508	7	2,515
Comprehensive income	2,440	2,508	6,750	9,258	110	9,368
Change in scope of consolidation		–		–	23	23
Forfeiture of share acquisition rights		(1)		–		–
Transfer to retained earnings	(2,440)	(2,440)	2,440	–		–
Dividends		–	(1,154)	(1,154)	(51)	(1,205)
Total transactions with owners	(2,440)	(2,441)	1,286	(1,154)	(28)	(1,182)
Balance at June 30, 2021	–	941	41,246	48,300	5,208	53,508



## Condensed quarterly consolidated statements of cash flows

	Three months ended	Three months ended
	June 30, 2020	June 30, 2021
	Millions of yen	Millions of yen
Cash flows from operating activities		
Profit (loss) before tax	(205)	9,726
Depreciation and amortization	2,163	2,329
Interest and dividend income	(33)	(35)
Interest expenses	204	172
Foreign exchange loss (gain)	(49)	(19)
Share of loss (profit) of investments accounted for using equity method	(65)	(72)
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	4	(0)
Loss on retirement of fixed assets	1	27
Decrease (increase) in trade receivables	(317)	(397)
Decrease (increase) in inventories	3,970	6,476
Increase (decrease) in trade payables	(7,523)	(9,226)
Increase (decrease) in contract liabilities	(580)	(3,459)
Increase (decrease) in accrued consumption taxes	871	686
Other	521	404
Subtotal	(1,039)	(1,204)
Interest and dividends received	81	90
Interest paid	(226)	(170)
Income taxes refund (paid)	(756)	(1,031)
Net cash provided by (used in) operating activities	(1,940)	(2,315)
Cash flows from investing activities		
Payments into time deposits	–	(36)
Purchase of property, plant and equipment	(1,373)	(1,237)
Proceeds from sale of property, plant and equipment	431	441
Purchase of intangible assets	(4)	(14)
Purchase of investment securities	–	(4)
Proceeds from sale of investment securities	13	1
Proceeds (Payments) from (for) acquisition of subsidiaries	–	(772)
Proceeds from sale of investments in associates	–	2,186
Collection of loans receivable	45	51
Payments of leasehold and guarantee deposits	(28)	(46)
Proceeds from refund of leasehold and guarantee deposits	30	39
Payments for acquisition of businesses	–	(35)
Other	(3)	(6)
Net cash provided by (used in) investing activities	(889)	569

	Three months ended June 30, 2020	Three months ended June 30, 2021
	Millions of yen	Millions of yen
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,363	6,623
Proceeds from long-term borrowings	3,475	2,200
Repayments of long-term borrowings	(1,266)	(1,474)
Capital contribution from non-controlling interests	–	23
Purchase of treasury shares	(251)	–
Dividends paid	(1,174)	(1,154)
Dividends paid to non-controlling interests	(28)	(51)
Repayments of lease liabilities	(1,682)	(1,685)
Other	(0)	(0)
Net cash provided by (used in) financing activities	<u>1,437</u>	<u>4,481</u>
Effect of exchange rate changes on cash and cash equivalents	28	25
Net increase (decrease) in cash and cash equivalents	(1,364)	2,760
Cash and cash equivalents at beginning of period	<u>9,490</u>	<u>9,195</u>
Cash and cash equivalents	<u><u>8,126</u></u>	<u><u>11,955</u></u>