

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on IFRS)

May 13, 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 of ordinary general meeting of shareholders: June 29, 2022
 Scheduled date to file Securities Report: June 30, 2022
 Scheduled date to commence dividend payments: June 13, 2022
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes

(Amounts are rounded off to the nearest million yen)

1. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Consolidated operating results

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	%
Year ended March 31, 2022	237,930	19.2	10,192	32.1	17,959	129.5	12,422	116.2	11,678	147.9	14,058	87.8
Year ended March 31, 2021	199,535	(3.8)	7,713	46.2	7,826	69.7	5,746	124.5	4,711	126.6	7,487	361.7

	Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to revenue
	Yen	Yen	%	%	%
Year ended March 31, 2022	101.01	–	25.5	9.9	4.3
Year ended March 31, 2021	40.61	–	12.2	4.6	3.9

(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	Equity attributable to owners of parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	188,049	56,934	51,342	27.3	442.65
As of March 31, 2021	174,011	45,322	40,195	23.1	348.45

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	16,818	(5,610)	(8,744)	11,844
Year ended March 31, 2021	16,454	(2,580)	(14,453)	9,195

2. Cash dividends

	Annual dividends per share					Total cash dividends	Dividend payout ratio	Ratio of dividends to equity attributable to owners of parent
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	–	10.00	–	10.00	20.00	2,307	49.3	6.0
Year ended March 31, 2022	–	11.00	–	11.00	22.00	2,545	21.8	5.6
Year ending March 31, 2023 (Forecast)	–	11.50	–	11.50	23.00		48.5	

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
Six months ending September 30, 2022	120,000	3.6	4,000	(7.9)	3,900	(67.6)	2,200	(73.2)	18.97
Full year	248,000	4.2	9,000	(11.7)	8,700	(51.6)	5,500	(52.9)	47.42

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022
(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 March 31, 2022	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 March 31, 2022	3,393,364 shares	As of March 31, 2021	4,026,580 shares
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Average number of shares during period

Year ended March 31, 2022	115,616,415 shares	Year ended March 31, 2021	116,015,440 shares
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Consolidated financial statements
Consolidated statement of financial position

	As of March 31, 2021	As of March 31, 2022
	Millions of yen	Millions of yen
Assets		
Current assets		
Cash and cash equivalents	9,195	11,844
Trade and other receivables	16,660	19,694
Other financial assets	137	87
Inventories	42,475	37,543
Other current assets	4,781	4,579
Total current assets	73,247	73,748
Non-current assets		
Property, plant and equipment	62,833	68,250
Goodwill	12,684	13,513
Intangible assets	956	1,088
Investment property	6,616	6,448
Investments accounted for using equity method	8,674	4,277
Other financial assets	7,699	19,479
Deferred tax assets	1,184	1,146
Other non-current assets	116	100
Total non-current assets	100,763	114,301
Total assets	174,011	188,049

	As of March 31, 2021	As of March 31, 2022
	Millions of yen	Millions of yen
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	23,738	28,274
Trade and other payables	38,220	35,577
Other financial liabilities	6,125	6,485
Income taxes payable	1,191	2,479
Contract liabilities	13,585	12,103
Other current liabilities	2,717	3,294
Total current liabilities	85,577	88,212
Non-current liabilities		
Bonds and borrowings	20,688	18,027
Other financial liabilities	18,314	18,258
Provisions	551	585
Deferred tax liabilities	1,749	3,997
Other non-current liabilities	1,809	2,035
Total non-current liabilities	43,111	42,903
Total liabilities	128,689	131,115
Equity		
Share capital	4,297	4,297
Capital surplus	2,842	2,975
Treasury shares	(1,028)	(866)
Other components of equity	874	1,539
Retained earnings	33,210	43,397
Total equity attributable to owners of parent	40,195	51,342
Non-controlling interests	5,127	5,592
Total equity	45,322	56,934
Total liabilities and equity	174,011	188,049

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
	Millions of yen	Millions of yen
Revenue	199,535	237,930
Cost of sales	166,398	198,039
Gross profit	33,136	39,891
Selling, general and administrative expenses	26,917	29,929
Other income	2,725	584
Other expenses	1,231	354
Operating profit	7,713	10,192
Finance income	407	458
Finance costs	787	730
Share of profit of investments accounted for using equity method	493	223
Other non-operating income and expenses	–	7,817
Profit before tax	7,826	17,959
Income tax expense	2,080	5,537
Profit	5,746	12,422
Profit attributable to		
Owners of parent	4,711	11,678
Non-controlling interests	1,035	744
Profit	5,746	12,422
Earnings per share		
Basic earnings per share	40.61	101.01
Diluted earnings per share	–	–

Consolidated statements of comprehensive income

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
	Millions of yen	Millions of yen
Profit	5,746	12,422
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	669	941
Share of other comprehensive income of investments accounted for using equity method	13	(5)
Total of items that will not be reclassified to profit or loss	682	936
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	1,064	696
Share of other comprehensive income of investments accounted for using equity method	(5)	5
Total of items that may be reclassified to profit or loss	1,059	700
Other comprehensive income, net of tax	1,741	1,636
Comprehensive income	7,487	14,058
Comprehensive income attributable to		
Owners of parent	6,404	13,276
Non-controlling interests	1,083	782
Comprehensive income	7,487	14,058

Consolidated statement of changes in equity

Fiscal year ended March 31, 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	Financial assets measured at fair value through other comprehensive income
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	–
Profit						
Other comprehensive income				1,024		670
Total	–	–	–	1,024	–	670
Change in scope of consolidation						
Changes in ownership interest in subsidiaries						
Purchase of treasury shares			(755)			
Disposal of treasury shares		(8)				
Forfeiture of share acquisition rights		3			(3)	
Transfer to retained earnings						(670)
Dividends						
Total transactions with owners	–	(5)	(755)	–	(3)	(670)
Balance at March 31, 2021	4,297	2,842	(1,028)	740	134	–

	Equity attributable to owners of parent				
	Other components of equity	Retained earnings	Total	Non-controlling interests	Total
	Total	Total	Total	Total	Total
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
Balance at April 1, 2020	(146)	30,156	36,882	3,823	40,705
Profit	–	4,711	4,711	1,035	5,746
Other comprehensive income	1,693		1,693	48	1,741
Total	1,693	4,711	6,404	1,083	7,487
Change in scope of consolidation	–		–	245	245
Changes in ownership interest in subsidiaries	–		–	21	21
Purchase of treasury shares	–		(755)		(755)
Disposal of treasury shares	–		(8)		(8)
Forfeiture of share acquisition rights	(3)		–		–
Transfer to retained earnings	(670)	670	–		–
Dividends	–	(2,327)	(2,327)	(45)	(2,372)
Total transactions with owners	(673)	(1,658)	(3,091)	221	(2,870)
Balance at March 31, 2021	874	33,210	40,195	5,127	45,322

Fiscal year ended March 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	Financial assets measured at fair value through other comprehensive income
Millions of yen	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				666		932
Total	–	–	–	666	–	932
Change in scope of consolidation						
Changes in ownership interest in subsidiaries		0				
Disposal of treasury shares		132	162			
Forfeiture of share acquisition rights		2			(2)	
Transfer to retained earnings						(932)
Dividends						
Total transactions with owners	–	133	162	–	(2)	(932)
Balance at March 31, 2022	4,297	2,975	(866)	1,407	132	–

	Equity attributable to owners of parent				
	Other components of equity	Retained earnings	Total	Non-controlling interests	Total
	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	–	11,678	11,678	744	12,422
Other comprehensive income	1,598		1,598	38	1,636
Total	1,598	11,678	13,276	782	14,058
Change in scope of consolidation	–		–	23	23
Changes in ownership interest in subsidiaries	–		0	(262)	(262)
Disposal of treasury shares	–		293		293
Forfeiture of share acquisition rights	(2)		–		–
Transfer to retained earnings	(932)	932	–		–
Dividends	–	(2,422)	(2,422)	(78)	(2,500)
Total transactions with owners	(933)	(1,491)	(2,129)	(317)	(2,446)
Balance at March 31, 2022	1,539	43,397	51,342	5,592	56,934

Consolidated statements of cash flows

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
	Millions of yen	Millions of yen
Cash flows from operating activities		
Profit before tax	7,826	17,959
Depreciation and amortization	8,772	9,568
Impairment losses	1,071	29
Gain on bargain purchase	(1,185)	–
Interest and dividend income	(93)	(189)
Interest expenses	730	700
Foreign exchange loss (gain)	(250)	(103)
Share of loss (profit) of investments accounted for using equity method	(493)	(223)
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	(219)	11
Loss on retirement of fixed assets	14	33
Decrease (increase) in trade receivables	(1,151)	(1,873)
Decrease (increase) in inventories	607	7,876
Increase (decrease) in trade payables	(1,542)	(5,285)
Increase (decrease) in contract liabilities	4,348	(2,132)
Increase (decrease) in accrued consumption taxes	761	857
Other	(94)	403
Subtotal	19,105	19,813
Interest and dividends received	179	238
Interest paid	(750)	(696)
Income taxes refund (paid)	(2,079)	(2,537)
Net cash provided by (used in) operating activities	16,454	16,818
Cash flows from investing activities		
Payments into time deposits	(7)	(47)
Proceeds from withdrawal of time deposits	5	11
Purchase of property, plant and equipment	(5,797)	(8,839)
Proceeds from sale of property, plant and equipment	2,706	1,850
Purchase of intangible assets	(73)	(121)
Purchase of investment securities	(0)	(29)
Proceeds from sale of investment securities	13	9
Proceeds (Payments) from (for) acquisition of subsidiaries	289	(735)
Proceeds from sale of investments in associates	–	2,186
Payments for loans receivable	(91)	(15)
Collection of loans receivable	170	179
Payments of leasehold and guarantee deposits	(120)	(123)
Proceeds from refund of leasehold and guarantee deposits	118	110
Payments for acquisition of businesses	–	(35)
Proceeds from sale of businesses	200	–
Other	6	(13)
Net cash provided by (used in) investing activities	(2,580)	(5,610)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
	Millions of yen	Millions of yen
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(9,416)	2,040
Proceeds from long-term borrowings	14,173	5,678
Repayments of long-term borrowings	(9,969)	(7,157)
Redemption of bonds	(14)	(13)
Capital contribution from non-controlling interests	–	23
Purchase of treasury shares	(755)	–
Proceeds from sale of treasury shares	13	–
Dividends paid	(2,327)	(2,422)
Dividends paid to non-controlling interests	(45)	(78)
Repayments of lease liabilities	(6,111)	(6,814)
Other	(1)	(1)
Net cash provided by (used in) financing activities	<u>(14,453)</u>	<u>(8,744)</u>
Effect of exchange rate changes on cash and cash equivalents	283	185
Net increase (decrease) in cash and cash equivalents	(295)	2,650
Cash and cash equivalents at beginning of period	<u>9,490</u>	<u>9,195</u>
Cash and cash equivalents at end of period	<u><u>9,195</u></u>	<u><u>11,844</u></u>