

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2023 (Based on IFRS)

May 15, 2023

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 28, 2023
 Scheduled date to file Securities Report: June 29, 2023
 Scheduled date to commence dividend payments: June 12, 2023
 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, 2023 (from April 1, 2022 to March 31, 2023)

(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, 2023	266,329	11.9	12,856	26.1	12,646	(29.6)	9,334	(24.9)	7,180	(38.5)	17,911	27.4
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

	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, 2023	61.91	–	12.4	6.1	4.8
Year ended March 31, 2022	101.01	–	25.5	9.9	4.3

(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, 2023	229,834	72,740	64,500	28.1	556.10
As of March 31, 2022	188,049	56,934	51,342	27.3	442.65

(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, 2023	11,173	(9,794)	(623)	12,644
Year ended March 31, 2022	16,818	(5,610)	(8,744)	11,844

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, 2022	–	11.00	–	11.00	22.00	2,545	21.8	5.6
Year ended March 31, 2023	–	11.50	–	12.00	23.50	2,726	38.0	4.7
Year ending March 31, 2024 (Forecast)	–	12.00	–	12.00	24.00		37.1	

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
Six months ending September 30, 2023	135,000	6.7	5,000	(14.5)	4,800	(21.1)	3,000	(18.2)	25.86
Full year	290,000	8.9	12,000	(6.7)	11,600	(8.3)	7,500	4.5	64.66

4. Notes

(1) Changes in significant subsidiaries during the year ended March 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 March 31, 2023	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 March 31, 2023	3,393,364 shares	As of March 31, 2022	3,393,364 shares
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Average number of shares during period

Year ended March 31, 2023	115,987,670 shares	Year ended March 31, 2022	115,616,415 shares
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Consolidated financial statements
Consolidated statement of financial position

	As of March 31, 2022	As of March 31, 2023
	Millions of yen	Millions of yen
Assets		
Current assets		
Cash and cash equivalents	11,844	12,644
Trade and other receivables	19,694	22,541
Other financial assets	87	125
Inventories	37,543	56,206
Other current assets	4,579	6,013
Total current assets	73,748	97,529
Non-current assets		
Property, plant and equipment	68,250	73,386
Goodwill	13,513	13,376
Intangible assets	1,088	1,185
Investment property	6,448	7,299
Investments accounted for using equity method	4,277	4,501
Other financial assets	19,479	30,953
Deferred tax assets	1,146	1,490
Other non-current assets	100	113
Total non-current assets	114,301	132,304
Total assets	188,049	229,834

	As of March 31, 2022	As of March 31, 2023
	Millions of yen	Millions of yen
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	28,274	42,134
Trade and other payables	35,577	45,669
Other financial liabilities	6,485	6,487
Income taxes payable	2,479	1,709
Contract liabilities	12,103	10,947
Other current liabilities	3,294	2,675
Total current liabilities	88,212	109,620
Non-current liabilities		
Bonds and borrowings	18,027	19,199
Other financial liabilities	18,258	18,039
Provisions	585	569
Deferred tax liabilities	3,997	7,574
Other non-current liabilities	2,035	2,092
Total non-current liabilities	42,903	47,473
Total liabilities	131,115	157,093
Equity		
Share capital	4,297	4,297
Capital surplus	2,975	3,150
Treasury shares	(866)	(866)
Other components of equity	1,539	1,789
Retained earnings	43,397	56,130
Total equity attributable to owners of parent	51,342	64,500
Non-controlling interests	5,592	8,240
Total equity	56,934	72,740
Total liabilities and equity	188,049	229,834

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

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
	Millions of yen	Millions of yen
Revenue	237,930	266,329
Cost of sales	198,039	222,422
Gross profit	39,891	43,907
Selling, general and administrative expenses	29,929	32,926
Other income	584	2,562
Other expenses	354	687
Operating profit	10,192	12,856
Finance income	458	413
Finance costs	730	866
Share of profit of investments accounted for using equity method	223	242
Other non-operating income and expenses	7,817	–
Profit before tax	17,959	12,646
Income tax expense	5,537	3,311
Profit	12,422	9,334
Profit attributable to		
Owners of parent	11,678	7,180
Non-controlling interests	744	2,154
Profit	12,422	9,334
Earnings per share		
Basic earnings per share	101.01	61.91
Diluted earnings per share	–	–

Consolidated statements of comprehensive income

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
	Millions of yen	Millions of yen
Profit	12,422	9,334
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	941	8,178
Share of other comprehensive income of investments accounted for using equity method	(5)	(5)
Total of items that will not be reclassified to profit or loss	936	8,173
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	696	374
Share of other comprehensive income of investments accounted for using equity method	5	29
Total of items that may be reclassified to profit or loss	700	403
Other comprehensive income, net of tax	1,636	8,576
Comprehensive income	14,058	17,911
Comprehensive income attributable to		
Owners of parent	13,276	15,718
Non-controlling interests	782	2,193
Comprehensive income	14,058	17,911

Consolidated statement of changes in equity

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

Fiscal year ended March 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	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, 2022	4,297	2,975	(866)	1,407	132	–
Profit						
Other comprehensive income				375		8,162
Total	–	–	–	375	–	8,162
Changes in ownership interest in subsidiaries		48				
Disposal of treasury shares		(6)				
Forfeiture of share acquisition rights		132			(132)	
Issuance of share acquisition rights					8	
Transfer to retained earnings						(8,162)
Dividends						
Total transactions with owners	–	174	–	–	(124)	(8,162)
Balance at March 31, 2023	4,297	3,150	(866)	1,782	8	–

	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, 2022	1,539	43,397	51,342	5,592	56,934
Profit	–	7,180	7,180	2,154	9,334
Other comprehensive income	8,537		8,537	39	8,576
Total	8,537	7,180	15,718	2,193	17,911
Changes in ownership interest in subsidiaries	–		48	574	622
Disposal of treasury shares	–		(6)		(6)
Forfeiture of share acquisition rights	(132)		–		–
Issuance of share acquisition rights	8		8		8
Transfer to retained earnings	(8,162)	8,162	–		–
Dividends	–	(2,610)	(2,610)	(118)	(2,728)
Total transactions with owners	(8,287)	5,553	(2,560)	455	(2,104)
Balance at March 31, 2023	1,789	56,130	64,500	8,240	72,740

Consolidated statements of cash flows

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
	Millions of yen	Millions of yen
Cash flows from operating activities		
Profit before tax	17,959	12,646
Depreciation and amortization	9,568	10,665
Impairment losses	29	361
Gain on bargain purchase	–	(1,834)
Interest and dividend income	(189)	(257)
Interest expenses	700	823
Foreign exchange loss (gain)	(103)	62
Share of loss (profit) of investments accounted for using equity method	(223)	(242)
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	11	4
Loss on retirement of fixed assets	33	96
Decrease (increase) in trade receivables	(1,873)	(118)
Decrease (increase) in inventories	7,876	(10,625)
Increase (decrease) in trade payables	(5,285)	6,047
Increase (decrease) in contract liabilities	(2,132)	(1,489)
Increase (decrease) in accrued consumption taxes	857	(574)
Other	403	472
Subtotal	19,813	16,037
Interest and dividends received	238	306
Interest paid	(696)	(791)
Income taxes refund (paid)	(2,537)	(4,379)
Net cash provided by (used in) operating activities	16,818	11,173
Cash flows from investing activities		
Payments into time deposits	(47)	(173)
Proceeds from withdrawal of time deposits	11	71
Purchase of property, plant and equipment	(8,839)	(13,499)
Proceeds from sale of property, plant and equipment	1,850	2,779
Purchase of intangible assets	(121)	(209)
Purchase of investment securities	(29)	(1)
Proceeds from sale of investment securities	9	340
Proceeds (Payments) from (for) acquisition of subsidiaries	(735)	1,088
Proceeds from sale of investments in associates	2,186	–
Payments for loans receivable	(15)	(14)
Collection of loans receivable	179	131
Payments of leasehold and guarantee deposits	(123)	(297)
Proceeds from refund of leasehold and guarantee deposits	110	74
Payments for acquisition of businesses	(35)	(112)
Proceeds from sale of businesses	–	31
Other	(13)	(4)
Net cash provided by (used in) investing activities	(5,610)	(9,794)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
	Millions of yen	Millions of yen
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,040	9,698
Proceeds from long-term borrowings	5,678	8,734
Repayments of long-term borrowings	(7,157)	(8,375)
Redemption of bonds	(13)	(291)
Proceeds from issuance of share acquisition rights	–	8
Capital contribution from non-controlling interests	23	25
Proceeds from sale of treasury shares	–	10
Dividends paid	(2,422)	(2,610)
Dividends paid to non-controlling interests	(78)	(118)
Repayments of lease liabilities	(6,814)	(7,702)
Other	(1)	(1)
Net cash provided by (used in) financing activities	<u>(8,744)</u>	<u>(623)</u>
Effect of exchange rate changes on cash and cash equivalents	185	43
Net increase (decrease) in cash and cash equivalents	2,650	799
Cash and cash equivalents at beginning of period	<u>9,195</u>	<u>11,844</u>
Cash and cash equivalents at end of period	<u><u>11,844</u></u>	<u><u>12,644</u></u>