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Consolidated Financial Results for the Six Months Ended February 28, 2022 [Japanese GAAP]

April 14, 2022

Company name: Valence Holdings Inc.

Stock exchange listing: Tokyo Stock Exchange

Securities code: 9270

URL: <https://www.valence.inc/>

Representative: (Title) Representative Director

(Name) Shinsuke Sakimoto

Contact: (Title) Director and CFO

(Name) Shinichiro Sato (TEL) +81-3-4580-9983

Scheduled date for filing quarterly securities report:

Scheduled date for commencing dividend payments: —

April 14, 2022

Preparation of supplementary quarterly financial results briefing materials: Yes

Holding of quarterly financial results briefing:

Yes (For institutional investors and analysts)

(Amounts of less than one million yen are truncated.)

1. Consolidated financial results for the six months ended February 28, 2022 (September 1, 2021 to February 28, 2022)

(1) Consolidated operating results (cumulative)

(% indicates year-over-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended February 28, 2022	26,113	10.0	213	220.5	182	402.7	(47)	—
Six months ended February 28, 2021	23,743	16.9	66	(90.3)	36	(94.3)	(123)	—

Note: Comprehensive income: Six months ended February 28, 2022 (11) million yen [- %]

Six months ended February 28, 2021 (114) million yen [- %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended February 28, 2022	(3.63)	—
Six months ended February 28, 2021	(9.39)	—

(2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio
	Million yen	Million yen	%
As of February 28, 2022	20,934	7,121	32.9
As of August 31, 2021	18,727	7,270	38.0

(Reference only) Equity Six months ended February 28, 2022 6,881 million yen Fiscal year ended in August 2021 7,115 million yen

2. Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal Year-end	Total
Fiscal year ended in August 2021	—	0.00	—	25.00	25.00
Fiscal year ending in August 2022	—	0.00	—	—	—
Fiscal year ending in August 2022 (forecast)	—	—	—	25.00	25.00

Note: Revision to the dividend forecast announced most recently: None

3. Consolidated financial results forecast for the fiscal year ending in August 2022 (September 1, 2021 to August 31, 2022)

(% indicates year-over-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	64,300	22.4	1,800	54.0	1,700	74.0	920	26.9	69.85

Note: Revision to the financial results forecast announced most recently: None

* Notes

(1) Changes in significant subsidiaries during the current period (changes in specified subsidiaries resulting in the changes in the scope of consolidation): None

(2) Accounting treatments adopted specially for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and retrospective restatements

1) Changes in accounting policies due to application of new or revised accounting standards: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatements: None

(Note) For details, please refer to “2. Quarterly consolidated financial statements and major notes (4) Notes on quarterly consolidated financial statements (Changes in accounting policies)” on page 12 of the attached materials.

(4) Number of shares of common stock issued

1) Number of shares issued at the end of the period (including treasury share)

As of February 28, 2022	13,334,420 shares	Fiscal year ended in August 2021	13,326,170 shares
As of February 28, 2022	160,227 shares	Fiscal year ended in August 2021	134,384 shares
Six months ended February 28, 2022	13,168,189 shares	Six months ended February 28, 2021	13,186,308 shares

2) Number of shares of treasury share at the end of the period

3) Average number of shares of common stock during the period (cumulative)

* These quarterly financial results are not subject to quarterly review procedures to be performed by certified public accountants or an audit firm.

* Explanation on appropriate use of financial results forecasts and other matters of note

Financial results forecasts and other forward-looking statements provided in these materials are based on information available to the Company and certain other assumptions deemed reasonable as of the date of publication of this document, and do not represent any guarantee that the Company will achieve these results. Actual financial results and other aspects of business performance may differ significantly from these forecasts owing to various factors. Please refer to “1. (3) Explanation of consolidated financial results forecast and other forward-looking information” on page 5 of the attached materials for conditions forming the basis for financial results forecasts, notes regarding the use of financial results forecasts, and other information.

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1. Qualitative information on quarterly financial results

(1) Explanation of business results

The Company Group is currently promoting efforts to achieve the VG1000 mid-term management plan for the period through the fiscal year ending in August 2025. The Company Group aims to transform itself into a recurring revenue model to achieve sustainable growth by becoming a Global Reuse Platformer, providing partners (“partner” referring hereinafter to a reuse business operator in an auction) around the world with one-stop support in the buying and selling of luxury brand items.

In the fiscal year ending in August 2022, the second year of the mid-term management plan, the Company Group will continue to make proactive investments as it did in the previous fiscal year and plans to increase expenses related to system development, operation, and maintenance in addition to advertising and personnel expenses. In terms of system development, the outsourcing and amortization costs for operation and maintenance of systems, including existing systems, are expected to increase due to the development of AI for purchasing and sales channel selection, the development of customer management infrastructure, and the development for the launch of fulfillment services.

As a result of the business activities based on the above plan, the Company Group’s consolidated financial results for the six months under review were as follows. Effective from the first quarter of the fiscal year ended in August, 2022, the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020), etc., has been applied. With regard to the application of the Accounting Standard or Revenue Recognition, etc., in accordance with the transitional treatment prescribed in the provisions of Paragraph 84 of the Accounting Standard for Revenue Recognition, the new accounting policy has not been applied retrospectively for the six months ended February 28, 2021. For details, please refer to “2. Quarterly consolidated financial statements and major notes (4) Notes on quarterly consolidated financial statements (Changes in accounting policies).”

Net sales	26,113 million yen	(Up 10.0% from the previous corresponding period)
Operating profit	213 million yen	(Up 220.5% from the previous corresponding period)
Ordinary profit	182 million yen	(Up 402.7% from the previous corresponding period)
Loss attributable to owners of parent	47 million yen	(Loss attributable to owners of parent for the previous corresponding period was 123 million yen)

The Company Group has only one business segment—reuse business involving brand name products, antiques, works of art, and other items. Thus, information by segment is omitted.

Specific initiatives in the six months under review were as follows.

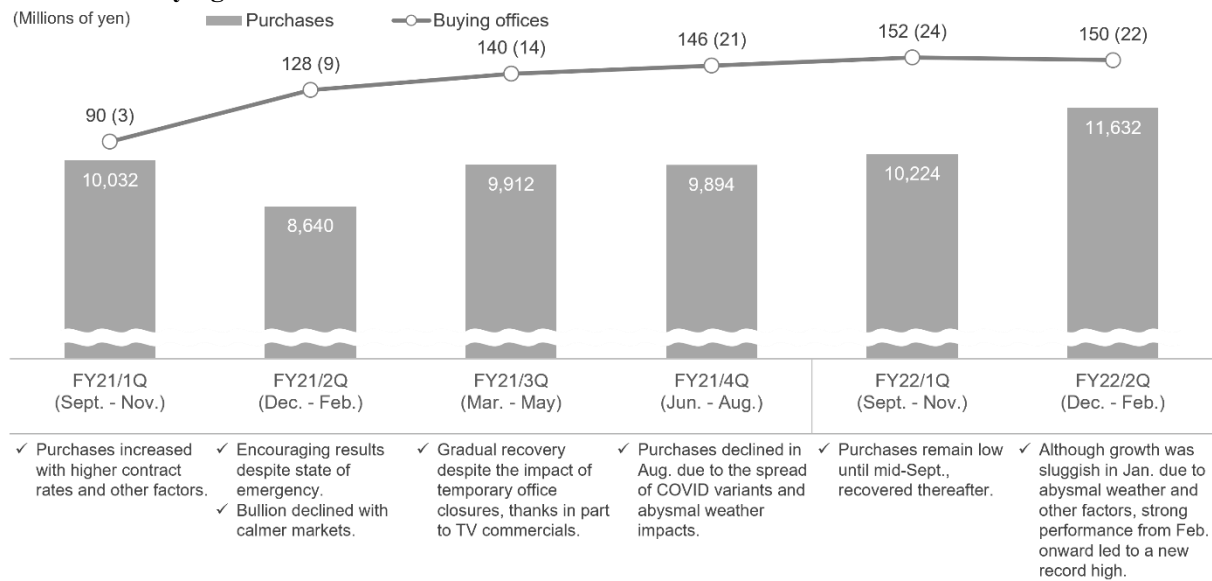
With regard to purchases, purchase volume, which had been gradually recovering since September, was sluggish in January due to the weather and other factors. However, in addition to strengthening search engine optimization (SEO) measures, the bullion and watch markets soared, resulting in strong performance in February. In addition, the Company Group has appointed KANJANI ∞ (Eight) as the image character of *Nanboya* since January 20 and conducted a campaign to celebrate this appointment and other measures to attract more customers.

Turning to office policy, the Company Group opened 3 new offices in Japan and 5 new offices overseas, bringing the total number of buying offices of the Company Group as a whole as of the end of the six months under review to 128 offices in Japan and 22 offices overseas. In addition, in order to further expand purchasing, the Company Group is strengthening purchases not only by opening new offices under its own brand but also through alliances with other industries.

As a result, purchases during the six months under review totaled 11,632 million yen, a new record high.

Quarterly trends in purchases and the number of buying offices are as follows.

Purchases and Buying Offices



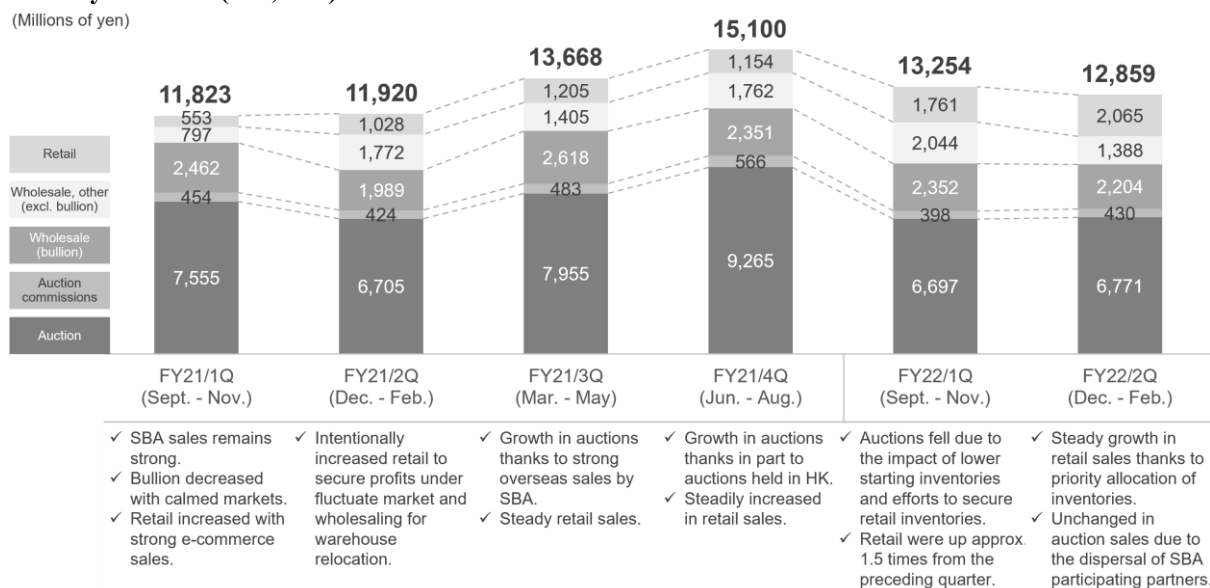
With respect to selling operations, net sales decreased compared to the previous quarter due to the Company Group's continued priority on securing inventory for retail enhancement measures planned for the second half of the fiscal year. The number of STAR BUYERS AUCTIONS ("SBA") held has significantly increased since November, but participation by partners was dispersed due to the time difference in bid closing times, which made it difficult for overseas partners to participate, and the difficulty for some partners to allocate staff due to the increased number of events. As a result, the rates of winning bids decreased, and it became difficult for bids to rise, resulting in sluggish net sales growth and a decrease in the gross profit margin. While the Company Group has changed the closing time for bidding in categories with high overseas bidding since the end of January, it has decided to hold the auction four times a month starting in March to create an environment in which partners can participate more easily. The Company Group will continue to improve the volume of goods per event, inventory turnover period, rates of successful sales, and gross profit margin, as well as convenience for partners.

As for retail measures, the Company Group opened ALLU OMOTESANDO as its flagship store in February. This store not only sells but also purchases items in an effort to strengthen engagement with customers. In addition, the Company Group has launched a new approach to customer engagement by introducing sustainability initiatives, such as displaying the amount of contribution to environmental impact reduction on product tags.

Gross profit margin was affected by the dispersion of participating partners due to the increase in the number of SBAs held, as well as an increase in the proportion of bullion and watches in the sales mix, which pushed down the gross profit margin from the previous quarter.

Quarterly net sales by channel (toB and toC) are as follows.

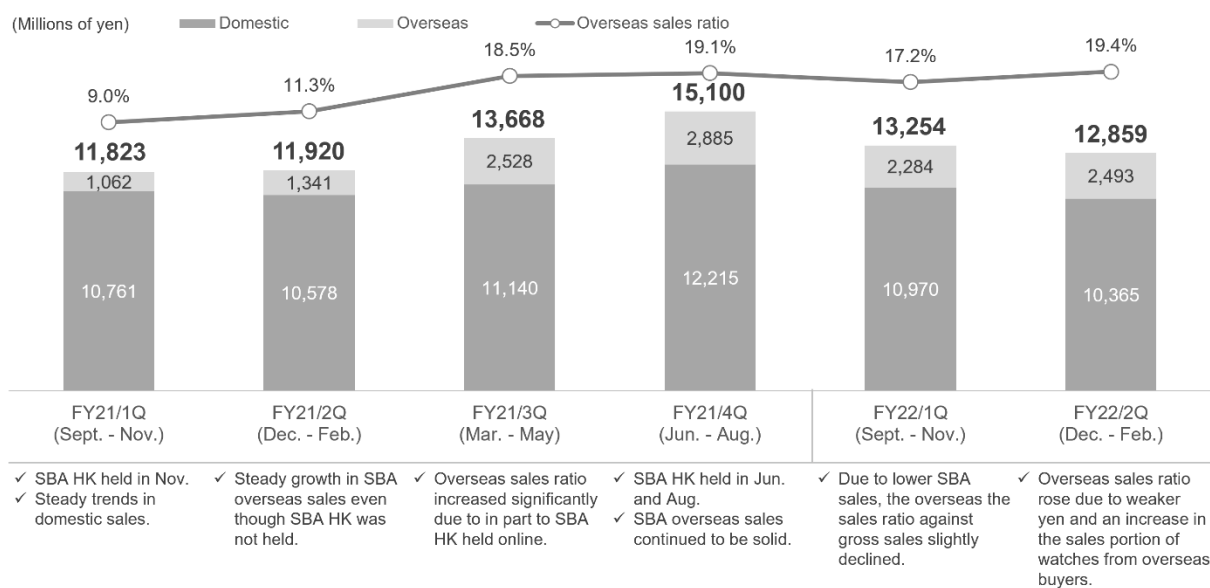
Net Sales by Channel (toB, toC)



The ratio of overseas sales to total net sales increased 2.2 percentage points from the previous quarter to 19.4%. This was due to a higher proportion of watches in the sales mix, many of which are sold to overseas bidders, as a result of soaring watch market prices, in addition to the impact of the weaker yen. The Company Group also believes that the change in the closing time for bidding for watches to a time that facilitates participation by overseas partners from the end of January also had an impact.

Quarterly net sales (in domestic and overseas) are as follows.

Net Sales (Domestic, Overseas)



(2) Explanation of financial conditions

1) Status of assets, liabilities, and net assets

(Assets)

As of the end of the six months under review, current assets were 15,028 million yen, up 1,618 million yen from the end of the previous consolidated fiscal year. This was mainly due to a decrease of 2,088 million yen in cash and deposits due to procurement of merchandise and dividend payments on the one hand, and an increase of 2,718 million yen in merchandise as a result of securing inventory for purchase expansion and retail measures on the other. Non-current assets were 5,906 million yen, up 588 million yen from the end of the previous consolidated fiscal year, mainly due to the acquisition of property, plant, and equipment associated with new office openings, etc. and an increase in guarantee deposits. As a result, total assets were 20,934 million yen, up 2,206 million yen from the end of the previous consolidated fiscal year.

(Liabilities)

Current liabilities as of the end of the six months under review were 12,721 million yen, up 2,419 million yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 2,659 million yen in short-term loans payable to secure funds for purchases on the one hand, and a decrease of 86 million yen in current portion of long-term loans payable due to repayment and a decrease of 104 million yen in income taxes payable on the other. Non-current liabilities were 1,091 million yen, down 63 million yen from the end of the previous consolidated fiscal year, mainly due to a decrease of 66 million yen in provision for directors' retirement benefits. As a result, total liabilities were 13,812 million yen, up 2,355 million yen from the end of the previous consolidated fiscal year.

(Net assets)

Net assets as of the end of the six months under review were 7,121 million yen, down 148 million yen from the end of the previous consolidated fiscal year, mainly due to a decrease of 393 million yen in retained earnings as a result of dividend payments, the application of the revenue recognition standard, and the loss attributable to owners of parent.

2) Status of cash flow

Cash and cash equivalents as of the end of the six months under review were 6,181 million yen, down 2,088 million yen from the end of the previous consolidated fiscal year.

An overview of cash flows by category in the six months under review and major underlying factors are presented below.

(Cash flow from operating activities)

Cash flow from operating activities in the six months under review was an outflow of 3,504 million yen (the result for the previous corresponding period was an outflow of 130 million yen), due mainly to fund decreases, including a 2,719 million yen increase in inventories, an 830 million yen increase in consumption taxes receivable/payable, and 377 million yen in income taxes paid, etc.

(Cash flow from investment activities)

Cash flow from investment activities in the six months under review was an outflow of 789 million yen (the result for the previous corresponding period was an outflow of 188 million yen), due mainly to fund decreases, including outflows of 495 million yen due to purchase of property, plant and equipment and 210 million yen due to purchase of intangible assets.

(Cash flow from financing activities)

Cash flow from financing activities in the six months under review was an inflow of 2,186 million yen (the result for the previous corresponding period was an inflow of 1,990 million yen), due mainly to fund decreases including 329 million yen in cash dividends paid and an outflow of 93 million yen due to the repayment of long-term loans payable on the one hand, and fund increases including a 2,659 million yen increase in short-term loans payable on the other.

(3) Explanation of consolidated financial results forecast and other forward-looking information

No changes have been made to the consolidated financial results forecast for the fiscal year ending in August 2022 announced on October 14, 2021.

2. Quarterly consolidated financial statements and major notes

(1) Quarterly consolidated balance sheet

(Unit: thousand yen)

	Previous consolidated fiscal year (August 31, 2021)	Six months under review (February 28, 2022)
Assets		
Current assets		
Cash and deposits	8,270,558	6,182,532
Accounts receivable - trade	260,438	316,399
Merchandise	3,921,002	6,639,443
Other	1,093,433	2,093,406
Allowance for doubtful accounts	(135,830)	(203,674)
Total current assets	13,409,602	15,028,106
Non-current assets		
Property, plant and equipment		
Buildings and structures (net)	1,857,866	2,014,977
Other (net)	629,478	784,924
Total property, plant and equipment	2,487,345	2,799,901
Intangible assets		
Other	437,848	567,046
Total intangible assets	437,848	567,046
Investments and other assets		
Shares of subsidiaries and associates	315,315	312,874
Guarantee deposits	1,224,529	1,294,106
Other	853,263	933,408
Allowance for doubtful accounts	(680)	(1,232)
Total investments and other assets	2,392,427	2,539,156
Total non-current assets	5,317,621	5,906,104
Total assets	18,727,224	20,934,211

(Unit: thousand yen)

	Previous consolidated fiscal year (August 31, 2021)	Six months under review (February 28, 2022)
Liabilities		
Current liabilities		
Accounts payable - trade	119,801	199,037
Short-term loans payable	8,340,494	11,000,240
Current portion of long-term loans payable	101,018	15,000
Income taxes payable	268,516	164,483
Provision for bonuses	325,234	257,345
Asset retirement obligations	24,680	11,649
Other	1,122,245	1,073,603
Total current liabilities	10,301,990	12,721,359
Non-current liabilities		
Long-term loans payable	211,250	203,750
Provision for directors' retirement benefits	66,595	-
Asset retirement obligations	648,412	702,508
Other	228,924	185,324
Total non-current liabilities	1,155,182	1,091,582
Total liabilities	11,457,173	13,812,942
Net assets		
Shareholders' equity		
Capital stock	1,144,576	1,146,179
Capital surplus	1,180,011	1,255,812
Retained earnings	4,978,670	4,585,512
Treasury shares	(213,079)	(167,616)
Total shareholders' equity	7,090,178	6,819,888
Accumulated other comprehensive income		
Foreign currency translation adjustment	25,435	61,332
Total accumulated other comprehensive income	25,435	61,332
Share acquisition rights	154,436	240,048
Total net assets	7,270,051	7,121,268
Total liabilities and net assets	18,727,224	20,934,211

(2) Quarterly consolidated statements of income and comprehensive income

Quarterly consolidated statement of income

For the six months ended February 28

(Unit: thousand yen)

	Previous six-month period (from September 1, 2020 to February 28, 2021)	Six months under review (from September 1, 2021 to February 28, 2022)
Sales	23,743,921	26,113,758
Cost of sales	17,802,952	19,199,689
Gross profit	5,940,969	6,914,068
Selling, general and administrative expenses	5,874,384	6,700,657
Operating profit	66,585	213,411
Non-operating income		
Interest income	251	54
Gain on valuation of derivatives	1,586	3,511
Benefits	9,655	–
Subsidy income	–	2,670
Other	10,830	4,054
Total non-operating income	22,324	10,290
Non-operating expenses		
Interest expenses	20,112	27,122
Commission fee	756	676
Foreign exchange losses	7,791	8,945
Loss on extinguishment of share-based remuneration expenses	11,100	947
Share of loss of entities accounted for using equity method	–	2,440
Other	12,762	656
Total non-operating expenses	52,524	40,789
Ordinary profit	36,384	182,912
Extraordinary income		
Gain on bargain purchase	69,486	–
Total extraordinary income	69,486	–
Extraordinary losses		
Impairment loss	31,578	54,435
Office relocation expenses	9,263	–
Loss on cancellation of rental contracts	6,596	–
Total extraordinary losses	47,438	54,435
Profit before income taxes	58,432	128,477
Income taxes - current	311,737	263,111
Income taxes - deferred	(129,504)	(86,811)
Total income taxes	182,232	176,299
Profit (loss)	(123,799)	(47,821)
Profit (loss) attributable to owners of the parent	(123,799)	(47,821)

Quarterly consolidated statement of comprehensive income

For the six months ended February 28

(Unit: thousand yen)

	Previous six-month period (from September 1, 2020 to February 28, 2021)	Six months under review (from September 1, 2021 to February 28, 2022)
Profit (loss)	(123,799)	(47,821)
Other comprehensive income		
Foreign currency translation adjustment	9,559	35,896
Total other comprehensive income	9,559	35,896
Comprehensive income	(114,240)	(11,925)
Comprehensive income attributable to:		
Owners of the parent	(114,240)	(11,925)

(3) Quarterly consolidated cash flow statement

(Unit: thousand yen)

	Previous six-month period (from September 1, 2020 to February 28, 2021)	Six months under review (from September 1, 2021 to February 28, 2022)
Cash flow from operating activities		
Profit before income taxes	58,432	128,477
Depreciation expenses	325,919	296,390
Goodwill amortization	73,418	-
Share-based payment expenses	194,127	136,848
Increase (decrease) in allowance for doubtful accounts	(79,389)	68,396
Increase (decrease) in provision for bonuses	39,336	(67,888)
Increase (decrease) in provision for directors' retirement benefits	(5,472)	(66,595)
Interest and dividend income	(251)	(54)
Interest expenses	20,112	27,122
Share of loss (profit) of entities accounted for using equity method	-	2,440
Subsidy income	-	(2,670)
Benefits	(9,655)	-
Gain on bargain purchase	(69,486)	-
Impairment loss	31,578	54,435
Office relocation expenses	9,263	-
Loss on cancellation of rental contracts	6,596	-
Decrease (increase) in accounts receivable - trade	137,729	(55,961)
Decrease (increase) in inventories	(885,605)	(2,719,100)
Increase (decrease) in accounts payable - trade	94,226	79,235
Decrease/increase in consumption taxes receivable/payable	(245,232)	(830,083)
Other	220,973	(180,017)
Subtotal	(83,379)	(3,129,024)
Interest and dividend income received	251	54
Interest expenses paid	(20,462)	(27,773)
Subsidies received	-	2,570
Benefits received	9,655	-
Payments for cancellation of rental contracts	(6,596)	-
Income taxes paid	(269,951)	(377,167)
Income taxes refund	239,593	27,129
Cash flow from operating activities	(130,890)	(3,504,211)
Cash flow from investment activities		
Purchase of property, plant and equipment	(218,141)	(495,416)
Purchase of intangible assets	(25,187)	(210,336)
Fulfillment of asset retirement obligations	(20,015)	(3,757)
Payments for guarantee deposits	(108,608)	(84,164)
Proceeds from collection of guarantee deposits	25,681	4,024
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	657,681	-
Loan advances	(500,000)	-
Other	-	18
Cash flow from investment activities	(188,590)	(789,631)
Cash flow from financing activities		
Increase (decrease) in short-term loans payable	2,425,392	2,659,000
Repayment of long-term loans payable	(119,136)	(93,518)
Proceeds from issuance of shares	50,088	3,206
Purchase of treasury shares	(158)	(136)
Cash dividends paid	(327,819)	(329,379)

(Unit: thousand yen)

	Previous six-month period (from September 1, 2020 to February 28, 2021)	Six months under review (from September 1, 2021 to February 28, 2022)
Other	(37,959)	(52,632)
Cash flow from financing activities	1,990,406	2,186,539
Effect of exchange rate change on cash and cash equivalents	9,355	19,221
Increase (decrease) in cash and cash equivalents	1,680,281	(2,088,081)
Opening balance of cash and cash equivalents	6,275,644	8,269,430
Closing balance of cash and cash equivalents	7,955,926	6,181,348

(4) Notes on quarterly consolidated financial statements

(Notes regarding going concern assumptions)

Not applicable

(Notes in the case of significant changes in the amount of shareholders' equity)

Not applicable

(Change in scope of consolidation or equity method application)

As of the end of the first quarter of the current fiscal year, Valuence Art & Antiques Inc. has been excluded from the scope of consolidation as it was dissolved through an absorption-type merger with Valuence Japan Inc.

(Changes in accounting policies)

(Application of the Accounting Standard for Revenue Recognition, etc.)

The Company Group has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020; hereinafter, the "Accounting Standard for Revenue Recognition"), etc., from the beginning of the first quarter of the fiscal year ended in August, 2022. It recognizes revenue at the amount expected to be received in exchange for the promised goods or services when control of the goods or services is transferred to the customer. As a result, the Company Group has changed its method of recognizing net sales and cost of sales to one that recognizes the amount excluding the amount equivalent to net sales and cost of sales of merchandise that is expected to be returned as net sales and cost of sales.

In addition, the Company Group has applied the alternative treatment prescribed in Paragraph 98 of the Guidance on Accounting Standard for Revenue Recognition and recognizes revenue at the time of shipment for domestic sales of merchandise if the period between the time of shipment and the time when control of the merchandise is transferred to the customer is normal time.

With respect to the application of the Accounting Standard for Revenue Recognition, etc., the Company Group has followed the transitional treatment prescribed in the provisions of Paragraph 84 of the Accounting Standard for Revenue Recognition. The cumulative effect of retroactively applying the new accounting policy prior to the beginning of the first quarter of the fiscal year ended in August, 2022 has been added to or deducted from retained earnings at the beginning of the first quarter of the fiscal year ended in August, 2022, and the new accounting policy has been applied from the balance at the beginning of the first quarter of the fiscal year ended in August, 2022.

In accordance with the transitional treatment prescribed in Paragraph 89-2 of the Accounting Standard for Revenue Recognition, no reclassification has been made for the previous fiscal year using the new presentation method. In addition, in accordance with the transitional treatment prescribed in Paragraph 28-15 of the Accounting Standard for Quarterly Financial Reporting (ASBJ Statement No. 12, March 31, 2020), disaggregated information on revenue from contracts with customers for the six months ended February 28, 2021 is not provided.

As a result, the balance of retained earnings at the beginning of the term decreased by 15,541 thousand yen since the cumulative effect was reflected in net assets at the beginning of the first quarter of the fiscal year ended in August, 2022.

Compared with the previous method, this change decreased net sales by 181,400 thousand yen, cost of sales by 163,003 thousand yen, and operating profit, ordinary profit, and profit before income taxes by 18,396 thousand yen in the six months under review.

In addition, 18,387 thousand yen of returned assets are included in other under current assets, and 23,585 thousand yen of refund liabilities are included in other under current liabilities.

(Application of the Accounting Standard for Fair Value Measurement, etc.)

The Company Group has applied the Accounting Standard for Fair Value Measurement (ASBJ Statement No. 30, July 4, 2019; hereinafter, the "Accounting Standard for Fair Value Measurement"), etc., from the beginning of the first quarter of the fiscal year ended in August, 2022, and the new accounting policies set forth by the Accounting Standard for Fair Value Measurement, etc., will be applied prospectively in accordance with the transitional treatment set forth in Paragraph 19 of the Accounting Standard for Fair Value Measurement and Paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019).

This change has no impact on the quarterly consolidated financial statements.

(Additional information)

There are no significant changes to the assumptions provided under “(Additional Information)” in the Securities Report for the previous consolidated fiscal year concerning accounting estimates related to the effect of the spread of COVID-19.

(Important subsequent events)

At a meeting of the Board of Directors held on April 14, 2022, the Company Group resolved matters concerning acquisition of its own shares pursuant to provisions of Article 459, Paragraph (1) of the Companies Act and Article 33 of the Articles of Incorporation.

1) Reasons for the acquisition of own shares

To improve capital efficiency and implement a flexible capital policy in response to changes in the business environment.

2) Details of acquisition

- | | | |
|-----|--|---|
| (1) | Class of shares to be acquired | Common shares of the Company |
| (2) | Total number of shares can be acquired | Up to 350,000 shares
(Proportion of total number of shares outstanding [excluding treasury shares]: 2.66%) |
| (3) | Total share acquisition amount | Up to 500,000,000 yen |
| (4) | Method of acquisition | Market purchase on the Tokyo Stock Exchange |
| (5) | Period of acquisition | From April 15, 2022 to August 24, 2022 |