

Translation

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## Summary of Consolidated Financial Results for the Year ended March 31, 2022 (IFRS)

May 13, 2022

Company name: TORIDOLL Holdings Corporation

Stock exchange listing: Tokyo Stock Exchange

Stock code: 3397

URL: <https://www.toridoll.com>

Representative: Takaya Awata, President, Representative Director

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Date of ordinary general meeting of shareholders: June 29, 2022

Starting date of dividend payments: June 15, 2022

Date of release of securities report: June 29, 2022

Preparation of explanatory materials on financial results: Yes

Information meetings arranged related to financial results: Yes (for institutional investors, analysts, and financial institutions, in Japanese)

(Amounts are rounded to the nearest million)

### 1. Consolidated Financial Results for the Year Ended March 31, 2022

#### (1) Consolidated Operating Results

(% figures denote year-on-year change)

	Revenue		Business profit		Operating profit		Profit before tax		Profit for the year	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2022	153,355	13.8	5,431	—	14,243	—	13,935	—	9,241	—
Year ended March 31, 2021	134,760	(13.9)	(3,872)	—	(7,336)	—	(9,119)	—	(5,419)	—

	Profit for the year attributable to owners of the parent		Comprehensive income for the year		Earnings per share attributable to owners of the parent (basic)	Earnings per share attributable to owners of the parent (diluted)
	Millions of yen	%	Millions of yen	%	Yen	Yen
Year ended March 31, 2022	8,979	—	14,427	—	99.25	98.46
Year ended March 31, 2021	(5,456)	—	(4,645)	—	(67.71)	(67.71)

	Profit ratio to equity attributable to owners of the parent	Profit before tax ratio to total assets	Operating profit ratio to revenue
	%	%	%
Year ended March 31, 2022	17.7	6.2	9.3
Year ended March 31, 2021	(12.9)	(4.3)	(5.4)

(Reference) Share of profit (loss) of investments accounted for using the equity method:

Year ended March 31, 2022: ¥ (151) million

Year ended March 31, 2021: ¥ (877) million

EBITDA (\*):

Year ended March 31, 2022: ¥ 23,169 million (increased 116.7% year-on-year basis)

Year ended March 31, 2021: ¥ 10,692 million

Adjusted EBITDA:

Year ended March 31, 2022: ¥ 27,357 million (increased 57.3% year-on-year basis)

Year ended March 31, 2021: ¥ 17,395 million

(\*) The Company discloses EBITDA as comparative information.

EBITDA = Operating profit + Other Operating Expenses - Other Operating Income + Depreciation + Amortization

Adjusted EBITDA = EBITDA + Impairment Loss + Extraordinary Expenses

## (2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent ratio	Equity per share attributable to owners of parent
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	240,840	69,978	62,024	25.8	714.46
As of March 31, 2021	209,411	39,940	39,461	18.8	456.92

## (3) Consolidated Cash Flows

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	35,118	(5,659)	(2,903)	53,463
Year ended March 31, 2021	21,258	(9,399)	(13,149)	24,969

## 2. Dividends

	Annual dividend per share					Total amount of dividends per annum	Dividend payout ratio (Consolidated)	Dividend on equity attributable to owners of parent (Consolidated)
	Q1	Q2	Q3	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	—	0.00	—	4.50	4.50	389	—	0.9
Year ended March 31, 2022	—	0.00	—	7.50	7.50	651	7.6	1.3
Year ending March 31, 2023 (Forecast)	—	0.00	—	7.50	7.50		71.0	

## 3. Consolidated Financial Result Forecasts for the Fiscal Year Ending March 31, 2023

Percentages indicate year-on-year changes

	Revenue		Business profit		Operating profit		Profit before tax		Profit for the period	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
1 <sup>st</sup> half	86,500	12.9	3,200	(19.8)	2,700	(67.1)	1,800	(76.7)	1,100	(79.5)
Fiscal year	177,000	15.4	6,200	14.2	4,000	(71.9)	2,700	(80.6)	1,800	(80.5)

	Profit for the period attributable to owners of the parent	Earnings per share attributable to owners of the parent (basic)
	Millions of yen	Yen
1 <sup>st</sup> half	900 (83.3)	8.16
Fiscal year	1,300 (85.5)	10.55

**\* Notes**

(1) Changes in significant subsidiaries during the period  
(changes in specified subsidiaries resulting in the change in scope consolidation): No  
New: —  
Excluded: —

(2) Changes in accounting policies and accounting estimate  
1) Changes in accounting policies as required by IFRS: No  
2) Changes in accounting policies other than 1) above: No  
3) Changes in accounting estimate: No

(3) Number of shares outstanding (ordinary shares)

1) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2022	87,663,352 shares
As of March 31, 2021	87,221,952 shares

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

As of March 31, 2022	851,372 shares
As of March 31, 2021	858,344 shares

3) Average number of shares during the period

Year ended March 31, 2022	86,575,941 shares
Year ended March 31, 2021	86,272,724 shares

\*Summary financial statements are not subject to audit procedures by a public certified accountant or an auditing firm.

\* Appropriate use of financial results forecasts and other notes

The forward-looking statements in this report are based upon various assumptions, including, without limitation, business forecasts, management's estimates, assumptions, and projections at the time of publication. These statements do not represent a promise or commitment by the Company to achieve these forecasts. Actual results may differ significantly from these forecasts due to a wide range of factors.

Method of obtaining supplementary results materials

The company plans to hold financial results meeting at the venue and online for institutional investors, analysts, and financial institutions on May 17, 2022. Presentation materials will be posted on its website.

## 1. Summary of Business Performance

### a. Overview of Financial Results for the Fiscal Year Ended March 2022

#### i. Consolidated Financial Highlights

During the consolidated fiscal year under review ended March 31, 2022, the business environment surrounding the Group was affected by the pandemic continuing from the previous fiscal year, and the number of customers visiting our restaurants changed dramatically due to the repeated declaration and lifting of the states of emergency and COVID-19 quasi-emergency measures.

Given this environment, the Group has been focusing on improving management efficiency. Our efforts in Japan are focused on promoting our takeaway services, implementing recovery measures to boost customer confidence, and strategically closing down underperforming locations. Also, we have continued to aggressively open new stores abroad, especially in Asia and the UK, despite the negative impact of the pandemic.

As a result, revenue increased by 13.8% year-on-year to ¥153,355 million, driven by the strong growth of Marugame Seimen, an authentic Sanuki udon chain, and overseas businesses.

Business profit\* recorded ¥5,431 million, a significant increase of ¥9,303 million from the business loss of ¥3,872 million in the previous fiscal year due to increased profits across all segments.

We have assessed the profitability of all locations across the Group and closed underperforming locations. As a result, an impairment loss of ¥4,188 million (¥6,674 million in the previous fiscal year) was recognized in FY 2022. Despite this, the Group recorded the highest ever operating profit\*\*, jumped by ¥21,579 million to ¥14,243 million, up from an operating loss of ¥7,336 million in the same period last year, with the addition of government subsidies of 12,866 million yen, including a time-shortened cooperation grant related to new coronavirus infection.

As a result, the profit for the year attributable to owners of the parent company enjoyed a full V-shaped recovery, hitting a record high of ¥8,979 million, a significant increase of ¥14,435 million from the loss for the year attributable to owners of the parent company of ¥5,456 million in the previous fiscal year.

(Millions of yen)

	FY 2021	FY 2022	Year-on-year change	
			Amount	Percentage
Revenue	134,760	153,355	+ 18,594	+ 13.8%
Business profit*	(3,872)	5,431	+ 9,303	—
Operating profit**	(7,336)	14,243	+ 21,579	—
Profit for the period attributable to owners of the parent	(5,456)	8,979	+ 14,435	—

\*Business profit is calculated by deducting the cost of goods sold and selling, general and administrative expenses from revenue.

\*\*Operating profit is calculated by adding other operating income to and deducting impairment losses and other operating expenses from business profit

## ii. Business Performance by Segment

(Millions of yen)

Revenue	FY 2021	FY 2022	Year-on-year change	
			Amount	Percentage
Marugame Seimen	80,995	92,129	+ 11,134	+ 13.7%
Overseas	31,273	41,069	+ 9,797	+ 31.3%
Other	22,493	20,156	△2,336	△10.4%
Total	134,760	153,355	+ 18,594	+ 13.8%

(Millions of yen)

Business profit	FY 2021	FY 2022	Year-on-year change	
			Amount	Percentage
Marugame Seimen	2,332	10,586	+ 8,254	+ 354.0%
Overseas	1,301	1,448	+ 147	+ 11.3%
Other	197	836	+ 639	+ 324.8%
Adjustments*	(7,702)	(7,439)	+ 263	—
Total	(3,872)	5,431	+ 9,303	—

\*Adjustments are corporate expenses that are not allocated to each segment in financial reporting.

(Store)

Number of locations	Marugame Seimen	Overseas		Other		Total
	Company-owned	Company-owned	Franchise and etc.*	Company-owned	Franchise and etc.	
At the end of March 2021	858	222	404	256	8	1,746
Openings in FY 2022	9	42	47	13	0	111
Closures in FY 2022	35	10	61	31	0	137
At the end of March 2022	832	254	390	238	8	1,720

\*This includes stores other than company-owned stores, including stores operated by franchisees or joint ventures.

### Marugame Seimen Segment

Marugame Seimen launched Marugame Udon Bento in April 2021. It became a huge hit, selling over 20 million units and driving the revenue growth for the period when revenue from dine-in customers plunged due to the pandemic. Also, we have been able to stimulate new demand, for example, dine-in customers buying takeaway items after their meals. The sudden increase in the sales of takeaway items, including Marugame Udon Bento, temporarily slowed down the service for dinners. To alleviate the situation, we quickly improved in-store operations by installing a takeaway counter at most roadside locations, which resulted in a synergetic effect on the sales of tempura at stores where a takeaway counter was installed.

As a result, segment revenue increased by 13.7% year-on-year to ¥92,129 million. Segment profit also rose dramatically, up 354.0% year-on-year to ¥10,586 million, due to the positive effect of increased revenue and improved profitability per existing store achieved by closing down underperforming locations.

### Overseas Segment

Business profit and revenue soared, driven by the excellent performance of TamJai, based in Hong Kong, which opened 29 stores this fiscal year. Marugame Udon Hawaii Store maintained strong sales momentum, helped by increasing inbound tourism.

Taiwan Marugame Udon has suffered a significant loss of sales and profit from the pandemic, partly due to reducing the number of promotions. In the UK, four Marugame Udon stores are opened this fiscal year. Thanks to effective location strategies and marketing initiatives, the stores have been hailed a great success despite COVID-19 restrictions, contributing to rising the recognition of udon which had been virtually unknown in the UK.

Taiwan Marugame Udon has suffered a significant loss of sales and profit from the pandemic, partly due to reducing the number of promotions. In the UK, four Marugame Udon stores are opened this fiscal year. Thanks to effective location strategies and marketing initiatives, the stores have been hailed a great success despite COVID-19 restrictions, contributing to rising the recognition of udon which had been virtually unknown in the UK.

### Other Segment

Other segment include Kona's Coffee, Nikuno Yamaki Shoten, Butaya Tonichi, Toridoll, Nagata Honjyouken, Tempura Makino, Ramen Zundoya, Banpaiya among others.

Kona's Coffee, a coffee chain with the concept of "the closest Hawaii," has enjoyed a substantial increase in revenue and profit due to the success of measures to encourage customers to visit, including releasing seasonal limited-edition pancakes and running in-store Hawaiian hula shows, and promoting the sales of freshly roasted coffee and Hawaiian goods.

Nikuno Yamaki Shoten launched new products such as Korean cold noodles and re-engineered its takeaway menu to increase sales, while Butaya Tonichi closed its underperforming sites, reviewed resource allocation, and promoted the brand through pop-up stores at events. These all worked well, and both have returned to profitability from the operating loss in the previous fiscal year.

The Japanese-style pub chains, Toridoll and Banpaiya, suffered a decrease in revenue due to restrictions on opening hours.

## **b. Overview of Financial Position**

Total consolidated assets at the end of the fiscal year under review increased by ¥31,429 million, up 15.0% year-on-year, to ¥240,840 million. This is mainly due to increases in cash and cash equivalents of ¥28,494 million from the previous fiscal year.

Total liabilities at the end of the fiscal year under review increased by ¥1,391 million, up 0.8% year-on-year, to ¥170,862 million. This is mainly due to increases in long-term loans payable and lease liabilities by ¥1,910 million and ¥2,336 million, respectively, and a decrease in short-term loans payable by ¥2,998 million from the previous fiscal year.

Total equity increased by ¥30,038 million, up 75.2% year-on-year to ¥69,978 million. This is mainly due to increases in capital surplus and retained earnings of ¥9,529 million and ¥8,207 million from the end of the previous fiscal year, respectively.

## **c. Overview of Cash Flow**

The consolidated balance of cash and cash equivalents (hereafter, "cash") at the end of the fiscal year under review increased by ¥28,494 million, up 114.1% year-on-year to ¥53,463 million from the end of the previous fiscal year.

The status of each cash flow and main factors are as follows:

### **Cash Flows from Operating Activities**

Cash obtained from operating activities totaled ¥35,118 million, up 65.2% from the previous fiscal year. This is mainly due to depreciation and amortization of ¥21,926 million, profit before tax of ¥13,935 million, and a decrease in trade and other payables of ¥1,403 million.

### **Cash Flows from Investing Activities**

Cash used in investing activities decreased to ¥5,659 million, down by 39.8% year-on-year. This is mainly due to income from the collection of long-term loans receivable of ¥2,020 million against an expense of ¥6,898 million for the purchase of intangible assets.

#### Cash Flows from Financing Activities

Cash gained from financing activities totaled ¥2,903 million, down 77.9% year-on-year. This is mainly due to proceeds from long-term loans payable of ¥16,571 million and proceeds from share issuance to non-controlling shareholders of ¥15,439 million, against expenditures for repayments of lease liabilities of ¥16,013 million, repayments of long-term loans payable of ¥15,401 million, and a net decrease in short-term loans payable of ¥3 billion.

#### d. Financial Forecast

Consolidated forecast for the fiscal year 2023 (April 1, 2022, to March 31, 2023)

We expect to see revenue increase across all segments, up 15.4% year-on-year to ¥177 billion for the coming fiscal year, as we plan to open a number of new stores in Japan and overseas. Business profit is also expected to increase, up 10.5% year-on-year to ¥6 billion, as we expect flat growth for the Marugame Seimen segment and unprecedented growth for the Overseas and Other segments.

On the other hand, we expect operating profit and profit for the period attributable to owners of the parent to decrease, down 71.9% and 85.5%, to ¥4 billion and ¥1.3 billion, respectively, as government subsidies for businesses impacted by the pandemic are expected to decrease significantly.

(Millions of yen)

	FY 2022	FY 2023	Year-on-year change	
			Amount	Percentage
Revenue	153,355	177,000	+23,645	+15.4%
Business profit*	5,431	6,000	+569	+10.5%
Operating profit**	14,243	4,000	(10,243)	(71.9)%
Profit for the period attributable to owners of the parent	8,979	1,300	(7,679)	(85.5)%

\*Business profit is calculated by deducting the cost of goods sold and selling, general and administrative expenses from revenue.

\*\*Operating profit is calculated by adding other operating income to and deducting impairment losses and other operating expenses from business profit

#### iii. Business Performance by Segment

(Millions of yen)

Revenue	FY 2022	FY 2023	Year-on-year change	
			Amount	Percentage
Marugame Seimen	92,129	97,000	+4,871	+5.3%
Overseas	41,069	57,000	+15,931	+38.8%
Other	20,156	23,000	+2,844	+14.1%
Total	153,355	177,000	+23,645	+15.4%



(Millions of yen)

Business profit	FY 2021	FY 2022	Year-on-year change	
			Amount	Percentage
Marugame Seimen	10,586	10,500	(86)	(0.8)%
Overseas	1,448	2,300	+852	+58.8%
Other	836	1,200	+364	+43.6%
Adjustments*	(7,439)	(8,000)	(561)	—
Total	5,431	6,000	+569	+10.5%

\*Adjustments are corporate expenses that are not allocated to each segment in financial reporting.

(Store)

Number of locations	Marugame Seimen	Overseas		Other		Total
	Company-owned	Company-owned	Franchise and etc.*	Company-owned	Franchise and etc.	
At the end of March 2022	832	254	390	236	8	1,720
Openings in FY 2023	20	86	99	33	0	238
Closures in FY 2023	19	6	50	19	0	94
At the end of March 2023	833	334	439	250	8	1,864

\*This includes stores other than company-owned stores, including stores operated by franchisees or joint ventures.

## Marugame Seimen Segment

Marugame Seimen will focus on achieving strong, sustainable, and balanced growth for both dine-in and takeaway services. We will promote the unique selling points of Marugame Seimen, which takes pride in serving the freshest udon made from scratch, cut, and cooked on the premises. We will also continue to encourage customers to visit our restaurants by launching popular dishes, such as Tomato Egg Curry Udon and Freshly Grilled Beef Udon cooked and served in front of customers, and an exciting range of seasonal and promotional products with high added value.

We will continue to promote massively popular Marugame Udon Bento to be a long-term feature on our menu by launching new products and TV commercials while opening a number of new format stores built for seamless dine-in and takeaway operations.

Given these factors, we plan to increase segment revenue by up 5.3% year-on-year to ¥97 billion. On the other hand, segment profit is expected to remain almost flat, down 0.8% year-on-year to ¥10.5 billion due to renovations and the installment of a takeaway counter to make our stores more functional and inviting for customers and employees.

## Overseas Segment

Although the economic picture is still uncertain due to the prolonged pandemic, we will open a number of company-owned and franchise stores across multiple brands, including TamJai SamGor, Marugame Udon, Wok to Walk, Pokeworks, and Boat Noodle.

For this year, our focus will be on building up brand value and strengthening our revenue streams through efforts such as branding activities tailored to the development stage of individual brands and providing support to our franchise partners,

such as advising on improving business management and menu development, as TORIDOLL Holdings Corporation has been supporting company-owned stores.

Given these factors, we plan to boost segment revenue and profit, up 38.8% and 58.8% year-on-year to ¥57 billion and ¥2.3 billion, respectively.

### **Other Segment**

For domestic brands included in the Other segment, we will develop takeaway products and promote sales of goods. Also, we will continue to evolve our business portfolio to deliver growth through investing in brands with solid growth potential and profitability.

Given these factors, we plan to increase segment revenue and profit, up 14.1% and up 43.6% year-on-year to ¥23 billion and ¥1.2 billion, respectively.

### **e. Dividend payout policy and annual dividends per share for FY 2022 and FY2023**

TORIDOLL Holdings Corporation places one of the highest priorities on the appropriate distribution of profits to shareholders. Guided by this principle, we strive to provide steady shareholder returns reflecting the profitability and performance of the business while maintaining efforts to maximize retained earnings to make the investment required for the Group's growth. To ensure stable and constant dividend payment, our sustainable dividend policy sets the adjusted dividend payout ratio\* to be at least 2% while targeting the dividend payout ratio of 20%.

For FY 2022, we have decided to pay the annual dividend of ¥7.50 per share. The annual dividend per share for FY2023 is expected to be ¥7.50 per share.

\*The adjusted dividend payout ratio is calculated by dividing dividends paid by (net income attributable to owners of the parent + depreciation and amortization + other operating expenses - other operating income + impairment losses + non-recurring expenses) and multiplying the result by 100.

## Consolidated Financial Statements

### Consolidated Statements of Financial Position

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and cash equivalents	24,969	53,463
Trade and other receivables	5,497	5,518
Inventories	718	502
Other current assets	1,638	1,605
Total current assets	32,823	61,087
Non-current assets		
Property, plant and equipment	31,955	31,783
Right-of-use assets	78,110	80,430
Intangible assets and goodwill	40,258	42,838
Investments accounted for using the equity method	3,684	3,819
Other financial assets	13,706	13,146
Deferred tax assets	7,778	6,276
Other non-current assets	1,096	1,460
Total non-current assets	176,588	179,752
Total assets	209,411	240,840

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Liabilities</b>		
Current liabilities		
Trade and other payables	12,232	10,773
Short-term loans payable	7,022	4,024
Current portion of long-term loans payable	13,295	12,555
Lease liabilities	14,429	14,936
Income taxes payable	1,215	2,438
Provisions	970	1,171
Other current liabilities	5,249	4,816
Total current liabilities	54,412	50,713
Non-current liabilities		
Long-term loans payable	41,974	43,884
Lease liabilities	66,605	68,435
Provisions	4,002	4,761
Deferred tax liabilities	1,383	1,556
Other non-current liabilities	1,096	1,514
Total non-current liabilities	115,059	120,150
Total liabilities	169,471	170,862
<b>Equity</b>		
Equity attributable to owners of the parent		
Capital stock	4,208	4,498
Capital surplus	2,348	11,877
Other equity instruments	10,847	10,847
Retained earnings	23,131	31,338
Treasury shares	(1,026)	(1,020)
Other components of equity	(46)	4,483
Total equity attributable to owners of the parent	39,461	62,024
Non-controlling interests	478	7,954
Total equity	39,940	69,978
Total liabilities and equity	209,411	240,840

## Consolidated Statements of Income

	(Millions of yen)	
	Year ended March 31, 2021	Year ended March 31, 2022
Revenue	134,760	153,355
Cost of sales	(34,729)	(38,180)
Gross profit	100,031	115,174
Selling, general and administrative expenses	(103,903)	(109,743)
Impairment loss	(6,674)	(4,188)
Other operating income	4,959	15,490
Other operating expenses	(1,749)	(2,491)
Operating profit (loss)	(7,336)	14,243
Finance income	163	1,022
Finance costs	(1,069)	(1,178)
Finance income (costs), net	(906)	(157)
Share of profit (loss) of investments accounted for using the equity method	(877)	(151)
Profit (loss) before tax	(9,119)	13,935
Income tax expense	3,700	(4,694)
Profit (loss) for the year	(5,419)	9,241
Profit (loss) for the year attributable to		
Owners of the parent	(5,456)	8,979
Non-controlling interests	37	262
Profit (loss) for the year	(5,419)	9,241
Earnings (losses) per share attributable to owners of the parent (yen)		
Basic earnings (losses) per share	(67.71)	99.25
Diluted earnings (losses) per share	(67.71)	98.46

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	Year ended March 31, 2021	Year ended March 31, 2022
Profit (loss) for the year	(5,419)	9,241
Other comprehensive income		
Items that may be reclassified to profit or loss		
Exchange differences on translating foreign operations	1,009	4,877
Share of other comprehensive income of investments accounted for using the equity method	(235)	308
Other comprehensive income	774	5,185
Comprehensive income for the year	(4,645)	14,427
Comprehensive income for the year attributable to		
Owners of the parent	(4,702)	13,599
Non-controlling interests	57	828

## Consolidated Statements of Changes in Equity

For the year ended March 31, 2021

(Millions of yen)

	Equity attributable to owners of the parent								Total	Non-controlling interests	Total equity
	Capital stock	Capital surplus	Other equity instruments	Retained earnings	Treasury shares	Other components of equity					
						Exchange differences on translating foreign operations	Subscription rights to shares	Total			
As of April 1, 2020	4,159	3,848	10,847	29,503	(2,124)	(1,224)	418	(806)	45,427	1,138	46,565
Profit (loss) for the year				(5,456)				—	(5,456)	37	(5,419)
Other comprehensive income						755		755	755	19	774
Total comprehensive income for the period	—	—	—	(5,456)	—	755	—	755	(4,702)	57	(4,645)
Issuance of new shares (exercise of subscription rights)	47	47					(23)	(23)	70		70
Share-based payment transactions	2	2					83	83	86		86
Purchase and disposal of treasury shares		(0)			1,098			—	1,098		1,098
Dividends				(533)				—	(533)	(51)	(585)
Issue of other equity instruments				(387)				—	(387)		(387)
Change in ownership interests in subsidiaries without loss of control		(1,184)				(50)		(50)	(1,234)	(665)	(1,899)
Other		(364)		5			(5)	(5)	(364)		(364)
Total transaction amount with owners	48	(1,500)	—	(915)	1,098	(50)	55	5	(1,264)	(716)	(1,980)
As of March 31, 2021	4,208	2,348	10,847	23,131	(1,026)	(519)	473	(46)	39,461	478	39,940

For the year ended March 31, 2022

(Millions of yen)

	Equity attributable to owners of the parent								Total	Non-controlling interests	Total equity
	Capital stock	Capital surplus	Other equity instruments	Retained earnings	Treasury shares	Other components of equity					
						Exchange differences on translating foreign operations	Subscription rights to shares	Total			
As of April 1, 2021	4,208	2,348	10,847	23,131	(1,026)	(519)	473	(46)	39,461	478	39,940
Profit for the year				8,979				—	8,979	262	9,241
Other comprehensive income						4,620		4,620	4,620	565	5,185
Total comprehensive income for the period	—	—	—	8,979	—	4,620	—	4,620	13,599	828	14,427
Issuance of new shares (exercise of subscription rights)	291	291					(133)	(133)	449		449
Share-based payment transactions							167	167	167		167
Purchase and disposal of treasury shares		(5)			6			—	1		1
Dividends				(389)				—	(389)		(389)
Issue of other equity instruments				(388)				—	(388)		(388)
Change in ownership interests in subsidiaries without loss of control		9,121				(125)		(125)	8,996	6,648	15,645
Other		121		5				—	127		127
Total transaction amount with owners	291	9,529	—	(772)	6	(125)	34	(91)	8,963	6,648	15,611
As of March 31, 2022	4,498	11,877	10,847	31,338	(1,020)	3,976	507	4,483	62,024	7,954	69,978



## Consolidated Statements of Cash Flows

	(Millions of yen)	
	Year ended March 31, 2021	Year ended March 31, 2022
Cash flows from operating activities		
Profit (loss) before tax	(9,119)	13,935
Depreciation and amortization	21,238	21,926
Impairment loss	6,674	4,188
Interest income	(151)	(220)
Interest expenses	1,027	1,016
Share of loss (profit) of investments accounted for using the equity method	877	151
Decrease (increase) in trade and other receivables	(1,037)	(517)
Decrease (increase) in inventories	118	(74)
Increase (decrease) in trade and other payables	2,471	(1,403)
Other, net	413	(1,681)
Subtotal	22,510	37,319
Interest income received	98	188
Interest expenses paid	(1,036)	(988)
Income taxes paid	(313)	(1,401)
Net cash provided by (used in) operating activities	21,258	35,118
Cash flows from investing activities		
Purchase of property, plant and equipment	(8,783)	(6,898)
Purchase of intangible assets	(69)	(69)
Collection of long-term loans receivable	72	2,020
Payments for lease and guarantee deposits	(463)	(539)
Proceeds from collection of lease and guarantee deposits	562	758
Payments of construction assistance fund receivables	(357)	(14)
Collection of construction assistance fund receivables	504	517
Purchase of investments accounted for using the equity method	—	(1,200)
Other, net	(866)	(234)
Net cash provided by (used in) investing activities	(9,399)	(5,659)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	6,994	(3,000)
Proceeds from long-term loans payable	9,721	16,571
Repayments of long-term loans payable	(12,454)	(15,401)
Repayments of lease liabilities	(15,539)	(16,013)
Proceeds from share issuance to non-controlling shareholders	—	15,439
Cash dividends paid	(533)	(389)
Distribution to owners of other equity instruments	(558)	(560)
Payments for purchase of shares of subsidiaries that do not result in change in scope of consolidation	(801)	—
Other, net	21	449
Net cash provided by (used in) financing activities	(13,149)	(2,903)
Net increase (decrease) in cash and cash equivalents	(1,290)	26,557
Cash and cash equivalents at beginning of period	25,801	24,969
Effect of exchange rate change on cash and cash equivalents	457	1,937
Cash and cash equivalents at end of period	24,969	53,463