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May 11, 2023

## Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (Under Japanese GAAP)

Company name: Techno Medica Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 6678  
 URL: <http://www.technomedica.co.jp>  
 Representative: Masatomo Saneyoshi, President and CEO  
 Inquiries: Kazuto Tsugawa, Director and General Manager of Corporate Management Division  
 Telephone: +81-45-948-1961  
 Scheduled date of annual general meeting of shareholders: June 28, 2023  
 Scheduled date to commence dividend payments: June 29, 2023  
 Scheduled date to file annual securities report: June 28, 2023  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results briefing: Yes (for Securities analysts, Institutional Investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Non-consolidated financial results for the fiscal year Ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

#### (1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2023	9,367	△3.4	1,649	△11.4	1,668	△9.9	1,150	△10.2
March 31, 2022	9,699	7.3	1,861	15.8	1,851	13.6	1,281	11.1

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended					
March 31, 2023	136.35	—	7.2	8.8	17.6
March 31, 2022	150.85	—	8.4	10.3	19.2

Reference: Share of profit (loss) of entities accounted for using equity method  
 For the fiscal year ended March 31, 2023 ¥ - million  
 For the fiscal year ended March 31, 2022: ¥ - million

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
March 31, 2023	19,443	16,386	84.3	1,933.89
March 31, 2022	18,508	15,650	84.6	1,858.63

Reference: Equity  
 As of March 31, 2023: ¥16,386 million  
 As of March 31, 2022: ¥15,650 million

**(3) Non-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
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2023	887	△155	△505	11,750
March 31, 2022	2,062	2,489	△598	11,523

**2. Cash dividends**

	Annual dividends per share					Total cash dividends (Total)	Payout ratio	Ratio of dividends to net assets
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2022	—	0.00	—	60.00	60.00	505	39.8	3.3
Fiscal year ended March 31, 2023	—	0.00	—	60.00	60.00	508	44.0	3.2
Fiscal year ending March 31, 2024 (Forecast)	—	0.00	—	55.00	55.00		51.6	

**\* Notes**

- (1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of March 31,2023	8,760,000 shares
As of March 31,2022	8,760,000 shares

- (ii) Number of treasury shares at the end of the period

As of March 31,2023	286,501 shares
As of March 31,2022	339,751 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Fiscal year ended March 31,2023	8,439,821 shares
Fiscal year ended March 31,2022	8,494,402 shares

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

Earnings forecasts contained in these disclosure materials are based on available information to the company and assumptions believed to be reasonable by management. This is not a promise or guarantee by the company that it will achieve these goals. Actual results may differ substantially due to several factors such as economic situation, market trend, exchange rates and other factors.

### 3. Non-Consolidated Financial Statements

#### (1) Non-Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	11,523,507	11,750,289
Notes receivable - trade	30,587	40,614
Electronically recorded monetary claims - operating	533,349	433,431
Accounts receivable - trade	3,088,090	3,100,078
Merchandise and finished goods	909,427	1,452,633
Work in process	191,018	251,901
Raw materials and supplies	128,854	160,986
Prepaid expenses	36,791	28,170
Consumption taxes refund receivable	-	83,757
Other	31,124	5,167
<b>Total current assets</b>	<b>16,472,750</b>	<b>17,307,030</b>
Non-current assets		
Property, plant and equipment		
Buildings	1,199,326	1,265,334
Accumulated depreciation	△674,876	△715,226
Buildings, net	524,450	550,108
Structures	2,577	5,042
Accumulated depreciation	△2,386	△2,481
Structures, net	191	2,561
Machinery and equipment	350,019	359,914
Accumulated depreciation	△228,589	△235,335
Machinery and equipment, net	121,429	124,578
Tools, furniture and fixtures	292,694	313,396
Accumulated depreciation	△233,612	△251,111
Tools, furniture and fixtures, net	59,081	62,284
Land	787,326	787,326
Construction in progress	-	742
<b>Total property, plant and equipment</b>	<b>1,492,479</b>	<b>1,527,602</b>
Intangible assets		
Telephone subscription right	1,177	1,177
Patent right	1,099	868
Software	30,739	20,935
<b>Total intangible assets</b>	<b>33,017</b>	<b>22,981</b>
Investments and other assets		
Investments in capital	7,510	7,510
Long-term prepaid expenses	49,100	97,799
Deferred tax assets	363,419	375,332
Other	115,682	130,300
Allowance for doubtful accounts	△25,714	△25,384
<b>Total investments and other assets</b>	<b>509,998</b>	<b>585,558</b>
<b>Total non-current assets</b>	<b>2,035,494</b>	<b>2,136,141</b>
<b>Total assets</b>	<b>18,508,245</b>	<b>19,443,171</b>

(Thousands of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	1,282,543	1,499,557
Accounts payable - other	146,856	164,342
Accrued expenses	81,284	86,283
Income taxes payable	370,527	248,686
Accrued consumption taxes	148,050	-
Advances received	296,351	514,149
Deposits received	9,496	9,368
Provision for bonuses	157,533	168,376
Provision for bonuses for directors (and other officers)	21,375	19,125
Unearned revenue	114,530	98,769
Other	1,657	1,783
Total current liabilities	2,630,205	2,810,442
Non-current liabilities		
Provision for retirement benefits	192,291	210,230
Provision for product warranties	63	44
Other	35,598	35,598
Total non-current liabilities	227,954	245,874
Total liabilities	2,858,160	3,056,316
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,069,800	1,069,800
Capital surplus		
Legal capital surplus	967,926	967,926
Total capital surplus	967,926	967,926
Retained earnings		
Legal retained earnings	18,483	18,483
Other retained earnings		
General reserve	8,800,000	8,800,000
Retained earnings brought forward	5,442,468	6,072,440
Total retained earnings	14,260,952	14,890,924
Treasury shares	△648,593	△541,795
Total shareholders' equity	15,650,085	16,386,854
Total net assets	15,650,085	16,386,854
Total liabilities and net assets	18,508,245	19,443,171

## (2) Non-Consolidated Statements of Income

(Thousands of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	9,699,077	9,367,586
Cost of sales		
Beginning finished goods inventory	1,430,258	909,427
Cost of products manufactured	4,360,965	5,280,498
Total	5,791,224	6,189,925
Ending finished goods inventory	909,427	1,452,633
Cost of finished goods sold	4,881,796	4,737,292
Gross profit	4,817,281	4,630,294
Selling, general and administrative expenses	2,955,413	2,980,841
Operating profit	1,861,868	1,649,453
Non-operating income		
Interest income	1,184	162
Dividend income	1,679	1,603
Rental income	6,508	6,918
Compensation income	368	1,892
Foreign exchange gains	6,528	-
Other	1,207	8,751
Total non-operating income	17,476	19,328
Non-operating expenses		
Commission expenses	2,374	-
Provision of allowance for doubtful accounts	25,714	-
Foreign exchange losses	-	15
Other	197	465
Total non-operating expenses	28,286	481
Ordinary profit	1,851,058	1,668,300
Extraordinary losses		
Loss on retirement of non-current assets	-	2,526
Total extraordinary losses	-	2,526
Profit before income taxes	1,851,058	1,665,773
Income taxes - current	608,265	526,952
Income taxes - deferred	△38,592	△11,912
Total income taxes	569,673	515,040
Profit	1,281,384	1,150,733

## (3) Non-Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	
						General reserve	Retained earnings brought forward
Balance at beginning of period	1,069,800	967,926	-	967,926	18,483	8,800,000	4,597,660
Changes during period							
Dividends of surplus							△434,496
Profit							1,281,384
Purchase of treasury shares							
Disposal of treasury shares			△2,079	△2,079			
Transfer of loss on disposal of treasury shares			2,079	2,079			△2,079
Total changes during period	-	-	-	-	-	-	844,808
Balance at end of period	1,069,800	967,926	-	967,926	18,483	8,800,000	5,442,468

	Shareholders' equity			Total net assets
	Retained earnings	Treasury shares	Total shareholders' equity	
	Total retained earnings			
Balance at beginning of period	13,416,144	△493,719	14,960,151	14,960,151
Changes during period				
Dividends of surplus	△434,496		△434,496	△434,496
Profit	1,281,384		1,281,384	1,281,384
Purchase of treasury shares		△164,398	△164,398	△164,398
Disposal of treasury shares		9,524	7,444	7,444
Transfer of loss on disposal of treasury shares	△2,079			-
Total changes during period	844,808	△154,874	689,934	689,934
Balance at end of period	14,260,952	△648,593	15,650,085	15,650,085

Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	
						General reserve	Retained earnings brought forward
Balance at beginning of period	1,069,800	967,926	-	967,926	18,483	8,800,000	5,442,468
Changes during period							
Dividends of surplus							△505,214
Profit							1,150,733
Purchase of treasury shares							
Disposal of treasury shares			△15,546	△15,546			
Transfer of loss on disposal of treasury shares			15,546	15,546			△15,546
Total changes during period	-	-	-	-	-	-	629,971
Balance at end of period	1,069,800	967,926	-	967,926	18,483	8,800,000	6,072,440

	Shareholders' equity			Total net assets
	Retained earnings	Treasury shares	Total shareholders' equity	
	Total retained earnings			
Balance at beginning of period	14,260,952	△648,593	15,650,085	15,650,085
Changes during period				
Dividends of surplus	△505,214		△505,214	△505,214
Profit	1,150,733		1,150,733	1,150,733
Purchase of treasury shares				
Disposal of treasury shares		106,797	91,251	91,251
Transfer of loss on disposal of treasury shares	△15,546			-
Total changes during period	629,971	106,797	736,769	736,769
Balance at end of period	14,890,924	△541,795	16,386,854	16,386,854



## (4) Non-Consolidated Statements of Cash Flows

(Thousands of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
<b>Cash flows from operating activities</b>		
Profit before income taxes	1,851,058	1,665,773
Depreciation	120,974	108,056
Increase (decrease) in provision for retirement benefits	17,997	17,938
Increase (decrease) in provision for bonuses	3,179	10,843
Increase (decrease) in provision for bonuses for directors (and other officers)	3,375	△2,250
Increase (decrease) in provision for product warranties	△40	△18
Interest and dividend income	△2,864	△1,765
Increase (decrease) in allowance for doubtful accounts	25,714	△330
Loss on retirement of property, plant and equipment	-	2,526
Decrease (increase) in trade receivables	△46,100	77,902
Decrease (increase) in inventories	416,728	△636,220
Increase (decrease) in trade payables	147,717	217,013
Decrease (increase) in other assets	17,246	△4,614
Increase (decrease) in other liabilities	135,300	74,907
Subtotal	2,690,287	1,529,763
Interest and dividends received	2,864	1,765
Income taxes paid	△630,173	△644,289
Net cash provided by (used in) operating activities	2,062,978	887,240
<b>Cash flows from investing activities</b>		
Proceeds from withdrawal of time deposits	2,568,592	-
Payments of guarantee deposits	△4,066	△26,379
Proceeds from refund of guarantee deposits	4,785	9,748
Purchase of property, plant and equipment	△65,740	△133,181
Purchase of intangible assets	△14,431	△5,557
Net cash provided by (used in) investing activities	2,489,140	△155,370
<b>Cash flows from financing activities</b>		
Purchase of treasury shares	△164,398	-
Dividends paid	△434,240	△505,088
Net cash provided by (used in) financing activities	△598,638	△505,088
Net increase (decrease) in cash and cash equivalents	3,953,479	226,782
Cash and cash equivalents at beginning of period	7,570,028	11,523,507
Cash and cash equivalents at end of period	11,523,507	11,750,289