

Thank you for visiting our website.

We would like to inform you that there was an error in the English translation of the "Financial Results Summary" posted on our website for the following period.

The relevant part has been corrected and reposted.

There are no corrections to the information disclosed in Japanese or the figures in the corresponding columns of the English translation.

We apologize for any inconvenience caused.

We will strengthen our internal system to prevent such things from happening again in the future.

#### Differences

8<sup>th</sup>line from the bottom of “3. Consolidated financial statements and Notes” ” (1) Consolidated balance sheet”

Item names listed in "Assets - Non-current assets - Investments and other assets "

Incorrect: Allowance for doubtful accounts

Correct: Total investments and other assets

#### Applicable period

FY2023 Q1 (June 2022), Q2 (September 2022),

Q3 (December 2022), Q4 (March 2023)

FY2024 Q1 (June 2023), Q2 (September 2023),

Q3 (December 2023), Q4 (March 2024)

FY2024 Q1 (June 2024), Q4 (October 2024)



# FY2023 March The 1Q Summary of Accounting Statements

## [Japanese Standards] (consolidated)

August 12, 2022

Listed company name      Tamagawa Holdings Co., Ltd.      Exchange      Tokyo  
 Code No.                      6838      URL                      https://www.tmex.co.jp  
 Representative      (Title)      President      (Name)      Toru Masuzawa  
 Contact person      (Title)      Finance & Accounting Manager      (Name)      Yasuhisa Masuda (TEL)      03-6435-6933  
 Quarterly report to be submitted :      August. 12, 2022      Dividends payment to be started :      —  
 Preparation of supplementary explanation document for the quarterly accounting statement :      No  
 Explanatory meeting for the quarterly accounting statement :      No

(amount under. mil yen rounded off)

(% indication: change compared with the same quarter of the previous year)

### 1. Consolidated performance of FY 2022 Mar.: 1Q (from Apr 1, 2022 to June 30, 2022)

(1) Consolidated management result (cumulative)      (1) Consolidated management result (cumulative)

	Sales amount		Operating profit		Ordinary profit		Quarterly profit belonging to the parent company's shareholders	
	mil.yen	%	mil.yen	%	mil.yen	%	mil.yen	%
FY2023 Mar. 1Q	460	△ 76.3	△ 224	—	△ 195	—	△ 164	—
FY2022 Mar. 1Q	1,940	66.5	183	193.0	169	182.4	132	120.9

(Note) Comprehensive profit: FY2023 Mar. 1Q      △ 122mil.yen ( — %)      FY2022 Mar. 1Q      133mil.yen ( 118.6%)

	Quarterly net profit per share	Quarterly net profit per share after issuable share adjustment
	yen	yen
FY2023 Mar. 1Q	△ 27.99	—
FY2022 Mar. 1Q	23.14	22.33

### (2) Consolidated financial status

	Gross asset	Net asset	Own capital ratio
	mil.yen	mil.yen	%
FY2023 Mar. 1Q	8,166	5,278	64.5
FY2022 Mar.	8,359	5,442	65.0

(Reference) Own capital: FY2023 Mar. 1Q      5,268mil yen      FY2022 Mar.      5,432mil yen

### 2. Status of dividends

	Annual dividends				
	End 1Q	End 2Q	End 3Q	Term end	Total
	yen	yen	yen	yen	yen
FY2022 Mar.	—	0.00	—	7.00	7.00
FY2023 Mar.	—				
FY2023 Mar. (forecast)		0.00	—	5.00 ~ 30.0	5.00 ~ 30.0

(Note) Correction from the dividend forecast recently announced:      None      (Note)

### 3. Consolidated performance forecast of FY 2023 Mar. (from Apr 1, 2022 to Mar. 31, 2023)

(% indication: change compared with the same quarter of the previous year)

	Sales amount		Operating profit		Ordinary profit		Current net profit belonging to the parent company's shareholders		Current net profit per share
Full business year	mil. yen	%	mil. yen	%	mil. yen	%	mil. yen	%	yen
	5,019	△19.5	65	△82.7	3	△98.8	2	△98.2	0.5
	~5,813	~△6.8	~166	~△56.1	~104	~△68.4	~73	~△50.7	~12.7

(Note) Correction from the performance forecast recently announced: None (Note)

#### ※ Notes

(1) Material transfer of subsidiary in the current quarter consolidated cumulative period: None

(Specified subsidiary transfer with change of the consolidated scope)

New —(company name)

Excluded —(company name)

(2) Application of accounting process specific to preparation of the quarterly consolidated accounting: None

(3) Change of accounting policy, change of accounting estimate, redisplay of revision

- ① Change of accounting policy for revision of accounting standard, etc. : Yes
- ② Change of the accounting standard except for ① : None
- ③ Change of the accounting estimate : None
- ④ Redisplay of revision : None

(Note) For details, see attached document P8. Quarterly Consolidated Financial Statements and Main Notes (3) Notes to Quarterly Consolidated Financial Statements (Changes in Accounting Policies)".

(4) Number of shares issued (ordinary shares)

- ① Number of term-end shares issued (including own shares)
- ② Number of term-end own shares
- ③ Average number of midterm shares (quarterly accumulation)

FY2023 Mar. 1Q	5,927,900	shares	FY2022 Mar.	5,927,900	shares
FY2023 Mar. 1Q	61,484	shares	FY2022 Mar.	61,484	shares
FY2023 Mar. 1Q	5,866,416	shares	FY2022 Mar.	5,728,470	shares

- \* The quarterly summary of accounting statement is not subject to quarterly review by the certified accountant or audit company.
- \* Explanation on appropriate use of the performance forecast and other special notes

Description concerning the future of performance forecast, etc. described in this document is based on the information currently obtained by us and the certain precondition judged as reasonable, and the actual performance, etc. may drastically vary due to various factors. Please see p.3 "Explanation on the Future Forecast Information of the Consolidated Performance Forecast, etc." for assumption as the precondition of the performance forecast. and attention for usage of performance forecast.

# 1. Qualitative information concerning the financial statement of the current quarter

## (1) Explanation on the management result

Although the restriction on the economic activities was eased during the effect of Covid-19 pandemic, the Japanese economics in the accumulative period is shifting with further confusion and uncertain situation of the future due to the impacts on the global economics given by trend and perspective of the issues between US and China, uncertainty in the policies, global semiconductor shortage, rise of oil price, etc. with the addition of the worsened situation between Russia and Ukraine.

Under such economic circumstances, for the electronic and communication device business, in addition to sales expansion business mainly in the 5G related market and public office and public service related market, through the efforts according to transition of the time including innovation and enhancement of the website with the purpose of increase of new clients' inquiries as non-contact type sales (inside sales) due to Covid-19 pandemic, we have been also dedicated to new markets and client exploration to acquire orders from new fields.

We have also worked on enhancement of proposal of our self-developed products by continuously promoting "effort for high added-value products," "expansion and exploration of business field" and "co-development with the company of business tie-up."

As a result, newly explored clients and inquiries are increasing from new markets besides the existing analog high frequency products, including optics related products used for various business-use wireless, digital signal processor, etc. indispensable for high-speed signal processing, millimeter wave band and terahertz band products, etc. necessary for wireless transmission of data of large volumes, where our active efforts have been made such as "academic-industrial cooperation research for Beyond 5G/6G."

In the mobile communication field, since demands for the existing products is decreasing due to the impact of containment of infrastructure investment, an increase of demand for infrastructure sharing is expected as the means to expand the infrastructure by containing investment and we will aim for and engage in sales expansion of infrastructure sharing related devices.

Proposals made remotely and in person for new clients related to mobile communication facilities for overseas have been restarted thanks to the gradual deregulation of various regulations regarding Covid-19.

Demands for the optical transmission device, digital signal processor, etc. are increasing as business-use wireless, disaster measures, and surveillance system in the public field. We will work on further demand expansion in this field. In addition, we have joined the national project as "National Resilience" from the development stage to secure long-term and stable order receipt.

In addition, by enhancing proposals of self-developed products along with promotion of active business domain expansion by introducing our self-developed technology for surveillance units targeting the Drone business market and joining the private satellite business, we will continue the activities for profit expansion in order to establish the stable business base.

In the renewable energy business, we have been working on development of small wind power plants by leveraging the capital including project finance by sellout of power plants and banks, co-financing, sustainable financing. In the current first quarter consolidated accumulative period, newly 6 units of small wind power plants were interconnected in Hokkaido and Akita Prefectures. Additionally, thanks to the sustainable loan, 15 units of small wind power plants will be newly developed in the areas with good wind condition in Hokkaido.

We will start reformation of various institutions and structures including organizations of the same business in aiming for building of the one and only business model in the renewable energy business as the domestic company mainly whose main business is owning of the small wind power plants since this term with the perspective of introduction of IFRS (International Financial Reporting Standards) at the earliest time to have our stakeholders guarantee elaborate profiting structure and growth. Simultaneously, we will aim to reduce business risk by securing risk dispersion, profitability and maneuverability with development of the small wind power plants, each of which is small in order to contribute to continuous reduction of greenhouse gas by accelerating development of new renewable energy power source.

As the measures for the terms after next term, we will also start diversification of power source for the future including participation in middle and large sized projects such as the project with the large wind power plant (1.984MW) in Nemuro City, Hokkaido and in the project of the small waterpower plant in Flores Island, Nusa Tenggara, Indonesia.

As the result of the above, the amount of orders received in the current first quarter consolidated accumulative period was 1,064 mil. yen (53.8% decrease compared with the same term of the previous year), and the sales amount was 460 mil. yen (76.3% decrease compared with the same term of the previous year). In terms of profit and loss, operating loss was recorded as 224 mil. yen (Operating profit of 183 mil. yen in the same term of the previous year), and since 48 mil. yen of the exchange profit due to an impact of rapidly weakened yen and 45 mil. yen of the profit from sellout of the fixed asset were recorded, ordinary loss was recorded as 195 mil. yen (Ordinary profit of 169 mil. yen in the same term of the previous year), and the net loss of the quarter belonging to the parent company shareholders was 164 mil. yen (Quarter net profit belonging to the parent company of 132 mil. yen in the same term of the previous year).

In the electronic/ communication device business, as the demand is stably increasing and is expected to continuously transit steadily, we will continue to promote the sales expansion activities in the existing market. Furthermore, we will promote active business domain expansion through participation in new markets. We have also started to receive orders in the new market and will continue the activities for profit expansion in order to establish the stable business base as the entire electronic/communication device business. On the other hand, due to the inevitable impact of

worldwide difficulty in procuring the electronic parts and postponed sales which had been expected in the beginning of the term, the business performance has been pushed down. We will continue to focus on resolution of difficulty in procuring the parts.

Our group will actively conduct investment activities is actively considering not only overseas development of the general environmental business but also the renewable energy business mainly in Southeast Asia in addition to the domestic development, aiming for expansion of operation of the business. Our group will engage in CO2 reduction and the measures for global warming will all employees of the group more than ever, and will actively disclose the information of ESG management for our stakeholders and take on an active challenge for achievement of SDGs goals.

Management result by segments is as follows.

a. Electronic/communication device business

For electronic/communication device business, since advance ordering by the customers increased as the measures against delayed delivery due to the worldwide supply shortage of the semiconductors and non-iron metal materials, the amount of orders received was 1,015 mil. yen (20.9% decrease compared with the same term of the previous year).

For the sales amount, however, the impact cannot be avoided despite measures against the recent difficulty in procuring the electronic components, and we could not achieve the plan made at the beginning of the period due to delay of sales by delay of delivery of some components, resulting in 410 mil. yen (49.8% decrease compared to the same period of the previous year) and the segment loss resulted in 93 mil. yen (134 mil. yen of segment profit in the same period of the previous year).

b. Renewable energy business

The small wind power plants and low-pressure solar power plants in Hokkaido in our possession in the current first quarter consolidated accumulative period are selling power in a good state. However, the sales amount and segment profit have been decreasing due to sellout of the solar power plants in Hokkaido Noboribetsu City Solar Power Plant in the previous term (June 2021). In the current consolidated accounting year, we are promoting development of small wind power plants in Hokkaido and Tohoku region by leveraging the fund including co-financing and sustainable loan.

As a result of the above, the amount of orders received resulted in 49 mil. yen (95.1% decrease compared with the previous term), the sales amount of 49 mil. yen (95.6% decrease compared with the previous term), , and segment loss of 23 mil. yen (148 mil. yen of segment profit in the same period of the previous year).

## 2.Consolidated financial statements and Notes

### (1)Consolidated balance sheet

(In thousand yen)

	FY 2022 (consolidated) (As of March 31,2022)	1Q FY 2023 (consolidated) (As of June 30,2022)
<b>Assets</b>		
Current Assets		
Cash and deposits	2,060,604	1,726,347
Notes and accounts receivable - trade	2,205,186	1,351,056
Merchandise and finished goods	—	40,000
Goods and products	781,903	1,132,182
Work in proces	1,077,617	1,395,534
Raw materials and supplies	482,925	539,705
Advance payments - trade	57,205	113,774
Other	172,694	308,080
Allowance for doubtful accounts	△27,692	△28,866
Total current assets	6,810,444	6,577,814
Non-current assets		
Property, plant and equipment		
Buildings and structures	527,933	535,321
Accumulated depreciation	△379,316	△387,190
Buildings and structures, net	148,617	148,130
Machinery, equipment and vehicles	386,774	386,774
Accumulated depreciation	△189,356	△193,231
Machinery and equipment, net	197,417	193,543
Tools, furniture and fixtures	936,939	971,377
Accumulated depreciation	△766,358	△788,370
Tools, furniture and fixtures, net	170,580	183,007
Land	315,686	315,686
Construction in progress	0	3,627
Total property, plant and equipment	832,302	843,996
Intangible assets		
Goodwill	5,539	5,470
Software	57,316	59,487
Other	0	0
Total intangible assets	62,856	64,958
Investments and other assets		
Investment securities	186,910	200,366
Long-term loans receivable	187,457	203,867
Deferred tax assets	108,460	113,605
Other	139,124	134,969
Total investments and other assets	621,953	652,808
Total non-current assets	1,517,112	1,561,763
Deferred assets		
Share issuance cost	29,985	25,203
Development expenses	12	—
Business commencement expenses	1,843	1,521
Total deferred assets	31,841	26,725
Total assets	8,359,398	8,166,303

(In thousand yen)

	FY 2022 (consolidated) (As of March 31,2022)	1Q FY 2023 (consolidated) (As of June 30,2022)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	700,884	579,197
Short-term loans payable	146,655	145,731
Current portion of long-term loans payable	267,873	220,295
Lease obligations	4,965	4,764
Accounts payable - other	211,349	200,847
Income taxes payable	67,927	9,746
Advances received	42,782	29,472
Provision for bonuses	36,709	24,450
Provision for product warranties	100,980	6,628
Other	55,986	52,071
Total current liabilities	150,038	55,590
Non-current liabilities	1,786,153	1,328,796
Fixed liabilities		
corporate bond	100,000	100,000
Long-term loans payable	584,527	1,017,395
Lease obligations	14,302	12,439
Retirement benefit liability	255,023	257,422
Asset retirement obligations	15,243	13,083
Other	161,634	158,520
Total non-current liabilities	1,130,731	1,558,862
Total liabilities	2,916,884	2,887,658
<b>Net assets</b>		
Shareholders' equity		
Capital stock	2,485,241	2,485,241
Capital surplus	1,683,419	1,642,354
Retained earnings	1,273,405	1,109,202
Treasury shares	△61,373	△61,373
Total shareholders' equity	5,380,693	5,175,425
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	15,354	3,494
Foreign currency translation adjustment	36,285	89,544
Accumulated other comprehensive income	51,639	93,038
Share acquisition rights	10,180	10,180
Total net assets	5,442,513	5,278,645
Total liabilities and net assets	8,359,398	8,166,303

(2) Quarterly consolidated statements of income and Quarterly consolidated statements of comprehensive income  
Quarterly

Consolidated statements of income

Consolidates first quarter period

(In thousand yen)

	FY 2022 (consolidated) (As of March 31,2022)	1Q FY 2023 (consolidated) (As of June 30,2022)
Net Sales	1,940,650	460,050
Cost of sales	1,437,979	357,617
Gross profit	502,671	102,432
Selling, general and administrative expenses	318,735	326,656
Operating profit (loss (△))	183,935	△224,223
Non-operating income		
Interest income	576	570
Dividend income	36	41
Insurance income	1,563	764
Gain on forgiveness of debts	—	48,387
Other	4,962	4,713
Total non-operating income	7,138	54,477
Non-operating expenses		
Interest expenses	11,374	5,377
Foreign exchange losses	1,996	—
Share of loss of entities accounted for using equity method	938	969
Other	5,476	5,193
Total non-operating expenses	—	9,400
Ordinary profit (loss (△))	169,443	△195,100
special profit		
Gain on sale of fixed assets	—	45,000
Total extraordinary profit	—	45,000
Extraordinary loss		
office relocation costs	—	8,094
Total extraordinary loss	—	8,094
Profit (loss (△)) before income taxes	169,443	△158,195
Income taxes - current	4,436	6,402
Income taxes - deferred	32,422	△395
Total income taxes	36,858	6,007
Profit (loss (△))	132,584	△164,202
Profit (loss (△)) attributable to non-controlling interests	132,584	△164,202



Quarterly consolidated statements of comprehensive income

Consolidated first quarter period

(In thousand yen)

	FY 2022 (consolidated) (As of March 31,2022)	1Q FY 2023 (consolidated) (As of June 30,2022)
Profit (loss (△))	132,584	△164,202
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,075	△11,860
Foreign currency translation adjustment	△147	53,259
Total other comprehensive income	928	41,398
Comprehensive income	133,512	△122,803
(breakdown)		
Comprehensive income attributable to owners of parent	133,512	△122,803

### (3) Notes for the quarterly consolidated financial statements

(Notes for precondition of continuing company): NA

I . Current 1Q consolidated cumulative period (from April 1, 2021 to June 30, 2021)

Information concerning the sales amount and the amount of profit or loss per report segment

(unit: thousand yen)

	Report segment			Adjusted amount (Note) 1	Amount recorded in quarterly consolidated profit and loss statement (Note) 2
	Electronic / communication device business	Renewable energy business	Total		
Sales amount	276,767	—	276,767	—	276,767
Mobile communication infrastructure	256,755	—	256,755	—	256,755
Government office	144,768	—	144,768	—	144,768
Public project	139,598	—	139,598	—	139,598
FA ・ Measurement ・ Other	—	1,021,424	1,021,424	—	1,021,424
Solar power plant	—	99,302	99,302	—	99,302
Wind power plant	817,890	1,120,727	1,938,617	—	1,938,617
Revenue from Contracts with Customers	—	2,032	2,032	—	2,032
Other profit	817,890	1,122,760	1,940,650	—	1,940,650
Sales amount to external clients	—	—	—	—	—
Between segments Internal sales or transfer amount	817,890	1,122,760	1,940,650	—	1,940,650
Total	134,430	148,729	283,160	△99,224	183,935
Segment profit	276,767	—	276,767	—	276,767

(Note) 1. Adjusted amount of segment profit △99,224 thousand yen is △99,224 thousand yen of the group management department cost which has not been distributed to the business segment.

2. Segment profit matches the operating profit in the quarter consolidated profit and loss statement.

II . Current 1Q consolidated cumulative period (from April 1, 2022 to June 30, 2022)

Information concerning the sales amount and the amount of profit or loss per report segment

(unit: thousand yen)

	Report segment			Adjusted amount (Note) 1	Amount recorded in quarterly consolidated profit and loss statement (Note) 2
Sales amount	141,555	—	141,555	—	141,555
Mobile communication infrastructure	114,059	—	114,059	—	114,059
Government office	95,055	—	95,055	—	95,055
Public project	59,737	—	59,737	—	59,737
FA ・ Measurement ・ Other	—	26,495	26,495	—	26,495
Solar power plant	—	20,355	20,355	—	20,355
Wind power plant	410,408	46,850	457,259	—	457,259
Revenue from Contracts with Customers	—	2,790	2,790	—	2,790
Other profit	410,408	49,641	460,050	—	460,050
Sales amount to external clients	—	—	—	—	—
Between segments Internal sales or transfer amount	410,408	49,641	460,050	—	460,050
Total	△93,995	△23,623	△117,619	△106,604	△224,223
Segment profit					

(Note) 1. Adjusted amount of segment loss △106,604 thousand yen is △106,604 thousand yen of the group management department cost which has not been distributed to the business segment.

2. Segment loss matches the operating loss in the quarter consolidated profit and loss statement.

(Profit acknowledgement related) Information dissolving the profits occurring from the agreement with client is as described in "Notes (segment information, etc.)."