

Translation

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**Summary of Non-Consolidated Financial Results
for the Six Months Ended March 31, 2023
(Based on Japanese GAAP)**

May 15, 2023

Company name: Living Technologies Inc.
 Stock exchange listing: Tokyo
 Stock code: 4445 URL <https://www.lvn.co.jp/>
 Representative: President and Representative Director Daimu Kawai
 Director and General Manager of Corporate Planning Department Hiroyuki Kaneki TEL 03-5847-8556
 Inquiries: Planning Department
 Scheduled date to file Quarterly Securities Report: May 15, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the six months ended March 31, 2023 (from October 1, 2022 to March 31, 2023)

(1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

| | Operating revenue | | Operating profit | | Ordinary profit | | Profit | |
|---------------------------------|-------------------|-----|------------------|--------|-----------------|--------|-----------------|--------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Six months ended March 31, 2023 | 1,514 | 0.4 | 200 | (14.5) | 201 | (14.6) | 128 | (14.7) |
| Six months ended March 31, 2022 | 1,508 | 1.4 | 234 | 233.4 | 235 | 209.1 | 150 | 245.1 |

| | Earnings per share | | Diluted earnings per share | |
|---------------------------------|--------------------|--|----------------------------|--|
| | Yen | | Yen | |
| Six months ended March 31, 2023 | 95.50 | | 95.38 | |
| Six months ended March 31, 2022 | 112.00 | | 111.62 | |

(2) Non-consolidated financial position

| | Total assets | Net assets | Equity ratio |
|--------------------------|-----------------|-----------------|--------------|
| | Millions of yen | Millions of yen | % |
| As of March 31, 2023 | 1,988 | 1,274 | 63.5 |
| As of September 30, 2022 | 2,008 | 1,143 | 56.4 |

2. Cash dividends

| | Annual dividends per share | | | | |
|---|----------------------------|-----------------|-----------------|-----------------|-------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Year ended September 30, 2022 | – | 0.00 | – | 0.00 | 0.00 |
| Year ending September 30, 2023 | – | 0.00 | | | |
| Year ending September 30, 2023 (Forecast) | | | – | 0.00 | 0.00 |

3. Forecast of non-consolidated financial results for the year ending September 30, 2023 (from October 1, 2022 to September 30, 2023)

Percentages indicate year-on-year changes

| | Operating revenue | | Operating profit | | Ordinary profit | | Profit | | Earnings per share |
|-----------|-------------------|------|------------------|------|-----------------|------|-----------------|------|--------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Full year | 3,500 | 15.5 | 500 | 31.7 | 500 | 31.4 | 272 | 15.5 | 202.46 |

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: Yes

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

| | | | |
|----------------------|------------------|--------------------------|------------------|
| As of March 31, 2023 | 1,343,488 shares | As of September 30, 2022 | 1,343,488 shares |
|----------------------|------------------|--------------------------|------------------|

Number of treasury shares at the end of the period

| | | | |
|----------------------|-----------|--------------------------|------------------|
| As of March 31, 2023 | 22 shares | As of September 30, 2022 | 1,343,488 shares |
|----------------------|-----------|--------------------------|------------------|

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

| | | | |
|---------------------------------|------------------|---------------------------------|------------------|
| Six months ended March 31, 2023 | 1,343,466 shares | Six months ended March 31, 2022 | 1,342,222 shares |
|---------------------------------|------------------|---------------------------------|------------------|

Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

| | As of September 30, 2022 | As of March 31, 2023 |
|---|--------------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 1,279,834 | 1,127,609 |
| Accounts receivable - trade | 488,497 | 569,206 |
| Other | 94,563 | 32,683 |
| Allowance for doubtful accounts | (8,586) | (8,909) |
| Total current assets | 1,854,308 | 1,720,589 |
| Non-current assets | | |
| Property, plant and equipment | 8,272 | 11,055 |
| Intangible assets | 8,928 | 7,899 |
| Investments and other assets | | |
| Other | 138,429 | 250,375 |
| Allowance for doubtful accounts | (1,501) | (1,501) |
| Total investments and other assets | 136,928 | 248,874 |
| Total non-current assets | 154,128 | 267,829 |
| Total assets | 2,008,437 | 1,988,419 |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 4,925 | 2,360 |
| Current portion of long-term borrowings | 150,842 | 130,838 |
| Accounts payable - other | 273,041 | 215,037 |
| Income taxes payable | 135,528 | 79,996 |
| Other | 154,744 | 197,056 |
| Total current liabilities | 719,082 | 625,287 |
| Non-current liabilities | | |
| Long-term borrowings | 146,104 | 88,582 |
| Total non-current liabilities | 146,104 | 88,582 |
| Total liabilities | 865,186 | 713,869 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 194,260 | 194,260 |
| Capital surplus | 163,260 | 163,260 |
| Retained earnings | 776,213 | 904,513 |
| Treasury shares | (103) | (103) |
| Total shareholders' equity | 1,133,631 | 1,261,930 |
| Share acquisition rights | 9,619 | 12,619 |
| Total net assets | 1,143,251 | 1,274,549 |
| Total liabilities and net assets | 2,008,437 | 1,988,419 |

Non-consolidated statements of income (cumulative)

(Thousands of yen)

| | Six months ended March 31, 2022 | Six months ended March 31, 2023 |
|------------------------------|------------------------------------|------------------------------------|
| Operating revenue | 1,508,726 | 1,514,463 |
| Operating expenses | 1,273,925 | 1,313,673 |
| Operating profit | 234,801 | 200,789 |
| Non-operating income | | |
| Interest income | 177 | 6 |
| Miscellaneous income | 1,313 | 559 |
| Other | 135 | 364 |
| Total non-operating income | 1,626 | 930 |
| Non-operating expenses | | |
| Interest expenses | 707 | 447 |
| Total non-operating expenses | 707 | 447 |
| Ordinary profit | 235,719 | 201,272 |
| Profit before income taxes | 235,719 | 201,272 |
| Income taxes | 85,393 | 72,973 |
| Profit | 150,326 | 128,299 |

Non-consolidated statements of cash flows

(Thousands of yen)

| | Six months ended March 31, 2022 | Six months ended March 31, 2023 |
|--|------------------------------------|------------------------------------|
| Cash flows from operating activities | | |
| Profit before income taxes | 235,719 | 201,272 |
| Depreciation | 1,930 | 2,495 |
| Amortization of guarantee deposits | 300 | 4,867 |
| Share-based payment expenses | 2,999 | 2,999 |
| Increase (decrease) in allowance for doubtful accounts | (1,021) | 323 |
| Interest income | (177) | (6) |
| Interest expenses | 707 | 447 |
| Decrease (increase) in trade receivables | (205) | (80,708) |
| Increase (decrease) in trade payables | (437) | (2,565) |
| Increase (decrease) in accounts payable - other | 36,723 | (58,004) |
| Decrease (increase) in prepaid expenses | (3,027) | 63,642 |
| Increase (decrease) in accrued expenses | (18,641) | (11,155) |
| Increase (decrease) in accrued consumption taxes | (5,861) | (21,839) |
| Other, net | (5,055) | 68,663 |
| Subtotal | 243,953 | 170,429 |
| Interest received | 427 | 6 |
| Interest paid | (689) | (423) |
| Income taxes paid | (52,239) | (123,438) |
| Net cash provided by (used in) operating activities | 191,451 | 46,574 |
| Cash flows from investing activities | | |
| Payments into time deposits | (3,000) | (3,000) |
| Purchase of property, plant and equipment | – | (3,720) |
| Purchase of intangible assets | – | (529) |
| Proceeds from redemption of investment securities | 40,000 | – |
| Purchase of investment securities | – | (109,276) |
| Proceeds from refund of guarantee deposits | 2,817 | – |
| Payments of guarantee deposits | (3,925) | (4,537) |
| Other, net | 450 | (209) |
| Net cash provided by (used in) investing activities | 36,341 | (121,273) |
| Cash flows from financing activities | | |
| Repayments of long-term borrowings | (77,526) | (77,526) |
| Net cash provided by (used in) financing activities | (77,526) | (77,526) |
| Net increase (decrease) in cash and cash equivalents | 150,267 | (152,225) |
| Cash and cash equivalents at beginning of period | 1,096,336 | 1,261,831 |
| Cash and cash equivalents at end of period | 1,246,603 | 1,109,606 |