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July 30, 2021

Consolidated Financial Results for the First Three Months of Fiscal Year Ending March 31, 2022 (Under IFRS)

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 Listing: Tokyo Stock Exchange
 Securities code: 2130
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 Scheduled date to file quarterly securities report: August 4, 2021
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: None

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

1. Consolidated financial results for the first three months of fiscal year ending March 31, 2022 (from April 1, 2021 to June 30, 2021)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

| | Revenue | | Operating profit | | Profit before tax | | Profit | |
|--------------------|-----------------|------|------------------|---|-------------------|---|-----------------|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Three months ended | | | | | | | | |
| June 30, 2021 | 3,108 | 24.9 | 9 | — | 7 | — | 17 | — |
| June 30, 2020 | 2,489 | 13.2 | (58) | — | (59) | — | (11) | — |

| | Profit attributable to owners of parent | | Total comprehensive income | | Basic earnings per share | Diluted earnings per share |
|--------------------|---|---|----------------------------|---|--------------------------|----------------------------|
| | Millions of yen | % | Millions of yen | % | Yen | Yen |
| Three months ended | | | | | | |
| June 30, 2021 | 17 | | 17 | | 1.38 | 1.34 |
| June 30, 2020 | (11) | | (11) | | (0.90) | (0.90) |

(2) Consolidated financial position

| | Total assets | Total equity | Equity attributable to owners of parent | Ratio of equity attributable to owners of parent to total assets |
|---------------|-----------------|-----------------|---|--|
| | Millions of yen | Millions of yen | Millions of yen | % |
| As of | | | | |
| June 30, 2021 | 7,692 | 4,449 | 4,449 | 57.9 |
| June 30, 2020 | 8,648 | 4,614 | 4,614 | 53.4 |

2. Cash dividends

| | Annual dividends per share | | | | |
|--|----------------------------|--------------------|-------------------|-----------------|-------|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2021 | — | 0.00 | — | 17.50 | 17.50 |
| Fiscal year ending March 31, 2022 | — | | | | |
| Fiscal year ending March 31, 2022 (Forecast) | | 0.00 | — | 23.50 | 23.50 |

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated earnings forecast for the fiscal year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Percentages indicate year-on-year changes.)

| | Revenue | | Operating profit | | Profit before tax | | Profit | |
|------------------------|-----------------|------|------------------|-------|-------------------|-------|-----------------|-------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| First half(cumulative) | 7,000 | 29.4 | 504 | 242.9 | 490 | 244.9 | 328 | 174.3 |
| Full year | 15,200 | 25.8 | 1,800 | 42.6 | 1,790 | 43.4 | 1,199 | 33.8 |

| | Profit attributable to owners of parent | | Basic earnings per share |
|------------------------|---|-------|--------------------------|
| | Millions of yen | % | Yen |
| First half(cumulative) | 328 | 174.3 | 25.50 |
| Full year | 1,199 | 33.8 | 93.22 |

(Note) Changes from the latest financial forecast: None

1. The above consolidated earnings forecast is based on IFRS.

2. “Basic earnings per share” was calculated based on the average number of shares in FY 3/2021 (12,861,722).

* **Notes**

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

Newly included: —

Excluded: —

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

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

| | |
|----------------------|-------------------|
| As of June 30, 2021 | 13,129,300 shares |
| As of March 31, 2021 | 12,980,300 shares |

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

| | |
|----------------------|---------------|
| As of June 30, 2021 | 90,093 shares |
| As of March 31, 2021 | 90,046 shares |

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

| | |
|----------------------------------|-------------------|
| Three months ended June 30, 2021 | 12,983,331 shares |
| Three months ended June 30, 2020 | 12,848,699 shares |

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

(Notes regarding the description, etc. related to the future)

The descriptions about the future, such as the business forecast, in this document are based on the information the company has obtained so far and certain assumptions that are considered reasonable, and our company does not guarantee that the results will be as forecasted. There is a possibility that actual business performance, etc. will be considerably different from the forecast due to various factors. For the assumptions for the earnings forecast, notes for the use of the forecast, etc., please refer to “1, Qualitative Information Regarding the Financial Results for the Current Quarter, (3) Explanation Regarding the Future Forecast Information such as Consolidated Earnings Forecast” on page 4 of the Appendix.

(How to obtain the material for supplementary explanations on financial results and the contents of the session for briefing financial results)

The material for supplementary explanations on financial results will be uploaded to the website of our company on Friday, July 30, 2021.

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1. Qualitative Information Regarding the Financial Results for the Current Quarter

(1) Explanation Regarding Business Results

• Management's Explanation and Analysis of Business Results

Due to the climate change caused by global warming, severe natural disasters have been occurring frequently all over the world. In Japan, the Carbon-Neutral policy to virtually eliminate the emission of greenhouse gases such as carbon dioxide, which are a major cause of global warming, by 2050 was announced, and as the debate around deregulation to proactively utilize this policy began, we are expecting businesses, including marketing activities, to transform into a model for decarbonization or resolving societal issues. In addition, as the business environment changes drastically due to the global spread of the novel coronavirus, there is an increasing need for companies to fundamentally rethink their business itself and further accelerate corporate transformation through Digital Shift or DX (Digital Transformation) for continuous value creation.

As the DX Market gradually becomes more active, each company is having difficulty to recruit and train creative personnel who are versed in the Internet and digital technology on its own, and such personnel shortage is now a huge hurdle in DX. In Japan, the jobs-to-applicants ratio for IT engineers in June 2021 was 7.84, showing a significantly high demand compared to the overall average ratio of 1.86 (Persol Career Co., Ltd.: Jobs-to-Applicants Ratio Report, published on July 15, 2021), and a shortage of approximately 790,000 IT engineers is expected in 2030 (Ministry of Economy, Trade and Industry: Survey (Outline) Regarding the Supply and Demand of IT Personnel, published in April 2019).

Under such circumstances, we uphold to create a spiritually rich society through "MEMBERSHIP" as its mission, and aims to convert our client companies' management style, marketing activities, services, and products into "Sustainable Ones for the Earth and Society." During the 26th Regular General Meeting of Stockholders held in June 2021, we decided to specify "Initiatives Toward Societal Issues such as Climate Change and Depopulation" in the articles of incorporation, then announced that we would become a leading force in the accelerating actualization of a sustainable society.

We are primarily developing two businesses centered around the DX domain.

<EMC Business Outline>

We have organized the Engagement Marketing Center (EMC), which consists of teams dedicated to continuously improve business results and user engagement for the clients of large companies by using digital means. EMC Company is the center of this business and supporting the pursuit of DX for client companies. It offers a comprehensive support service from discovering issues and requirement definition from the point of view of client companies, to the development and operation of digital services and products.

As companies are accelerating digital shift, the EMC business has been increasing the sales especially from existing client companies steadily. Although the number of clients companies implemented by the EMC model decreased to 44 (down 3 from the end of the previous term) since some projects were shifted to the PGT business, the utilization rate of existing employees, excluding newly graduates who have just joined in April, 2021, improved significantly from the same quarter of the previous year, and the revenue of this consolidated cumulative first quarter reached 2,129 million yen (IFRS *Reference Value: Up 15.1% year on year), showing a favorable trend. Further, the number of digital creators belonging to the EMC business rose to 950 (up 175 from the end of the previous term).

<PGT Business Outline>

In the PGT (Product Growth Team) business, we have shifted the focus of its services from the conventional business that was offering creators with specialized skills, to supporting client's product growth in the field of new technology by autonomous teams of digital creators, for Internet and start-up companies with high growth potential, which are also proactive in mainly digital and IT technology investment. The PGT business creates occupations in the New Technology and New Growth Support domains, centered around Members Career Company and Members Edge Company. We plan to start up in-house companies proactively this term especially in the engineering domain, which has a high added value, and make efforts to enhance profitability by achieving high average price and high performance. We have established the following in-house companies in FY 3/2022.

-SaaS Plus Company (established in April 2021), which offers a SaaS-based growth team business

-DevOps Lead Company (established in July 2021), which supports the promotion of DevOps by offering a team of professional personnel

With the prosperity of the DX market, the PGT business has continued to grow steadily through support services in

specialized domains such as data and UX (*1) domains, as well as through the rapid growth of the engineering domain, driving the growth of our corporate group. Due to an increase in profitability owing to the steady growth of the specialized domain support services with high added value along with an improvement in the utilization rate during the first quarter of the current term, the overall revenue of the PGT business reached 1,132 million yen (IFRS *Reference Value: Up 42.4% from the same quarter of the previous year), the number of client companies reached 138 (up 31 from the end of the same quarter of the previous year), and the number of digital creators belonging to the PGT business reached 697 (up 168 from the end of the previous term).

<Our Corporate Group's Policies and Initiatives>

Our corporate group engages in continuous recruitment as upfront investment, predicting a significant shortage of creators who are versed in digital technology and the Internet. We have been extensively recruiting graduates of art universities, technical colleges, technical schools on Web-related creation, four-year universities, and graduate schools. A total of 364 newly graduates joined us in April 2021 (including local bases), up 128 from the previous year. We assigned new employees' tasks earlier than usual in the current consolidated fiscal year and started business operations with them in June.

Through the continuous expansion in the service domain of both EMC and PGT businesses, along with the early training and early operation for new employees, we will increase profitability and strengthen our investments in recruitment and training.

Further, our corporate group has been promoting a company-wide work-from-home workstyle and the utilization of remote environments. We will continue capital investment for the reduction of office space and the implementation of a smooth remote work, to establish a work system that will produce even better results.

<Overview of Consolidated Financial Statements>

For the first quarter of the current consolidated term, revenue was 3,108 million yen (up 24.9% in the same quarter of the previous year), operating profit was 9 million yen (a loss of 58 million yen in the same quarter of the previous year), quarterly profit before income taxes was 7 million yen (a loss of 59 million yen in the same quarter of the previous year), and profit attributable to the owners of the parent was 17 million yen (a loss of 11 million yen in the same quarter of the previous year).

Revenue has been steadily growing, increasing 24.9% in the same quarter of the previous year mainly due to the favorable trend in the high added value domain of the PGT Business, and reached a new record for the first quarter. Operating profit increased 67 million yen from the same quarter of the previous year and marked a surplus in the first quarter for the first time in six years. The main factors behind this were an increase in the added-value sales per person and an improvement of the utilization rate, along with a reduction in fixed costs due to remote working.

As we continue to work on fulfilling our long-term vision, VISION 2030 (https://www.members.co.jp/ir/pdf/20200508_04.pdf), we will take initiatives with the aim of achieving the important KPIs of 100,000 social creators (*2), the total amount of social engagement (*3) of 10 billion, 10,000 employees, and an operating profit of 10 billion yen in 2030.

(*1) UX (User Experience): The experience one gains by using a product or service.

(*2) Social Creator: A motivated creator (artisan) with design thinking, who tries to resolve societal issues through the promotion of business, systemic design, and output.

(*3) Social Engagement: The number of contacts with the contents, products, and services worked on by Members Group as its policy to resolve societal issues.

(2) Explanation Regarding the Financial Standing

i) Status of Assets, Liabilities, and Shareholders' Equity

The total assets at the first quarter of the current consolidated term were 7,692 million yen (down 956 million yen from the end of the previous consolidated fiscal year). This is primarily due to an increase of 162 million yen in other current assets and an increase of 55 million yen in inventories, along with a decrease of 754 million yen in trade and other receivables, a decrease of 330 million yen in cash and cash equivalents, and a decrease of 80 million yen in right-to-use assets.

Total liabilities stood at 3,242 million yen (down 792 million yen from the end of the previous consolidated fiscal year). This was primarily due to a decrease of 335 million yen in income taxes payable, a decrease of 168 million yen in trade and other payables, a decrease of 117 million yen in other current liabilities, and a decrease of 88 million yen in contract liabilities.

Total equity was 4,449 million yen (down 164 million yen from the end of the previous consolidated fiscal year). This was primarily due to an increase of 25 million yen in capital stock, an increase of 25 million yen in capital surplus, and a decrease of 207 million yen in retained earnings.

ii) Status of Cash Flows

The cash and cash equivalent (hereinafter referred to as “funds”) at the end of the first quarter of the current consolidated term was 3,810 million yen, down 330 million yen from the end of the previous consolidated fiscal year. The status of each cash flow for the first quarter and the factors behind them are as follows.

(Cash Flows from Operating Activities)

The funds used during the first quarter as a result of operating activities amounted to 74 million yen (173 million yen acquired during the same quarter of the previous year). The income was mainly from a decrease of 665 million yen in trade and other receivables, the expenditure was mainly from 348 million yen paid as income taxes paid, 259 million yen paid in others, and a decrease in trade and other payables of 173 million yen.

(Cash Flows from Investing Activities)

The funds acquired during the first quarter as a result of investing activities amounted to 2 million yen (1 million yen used in the same quarter of the previous year). The income was mainly from 2 million yen in other income.

(Cash Flows from Financing Activities)

The funds used during the first quarter as a result of financing activities amounted to 258 million yen (down 309 million yen from the same quarter of the previous year). The expenditure was mainly from 220 million yen as dividends paid and 81 million yen in expenditure for the repayment of lease liabilities.

(3) Explanation Regarding the Future Forecast Information such as Consolidated Earnings Forecast

There are no changes in the consolidated earnings forecast for the cumulative second quarter of FY 3/2022 as well as the entire fiscal year, announced on May 7, 2021.

(Regarding the Dividend Forecast)

From the point of enhancing the return of profits to all of our shareholders and further increasing enterprise value, we will retain earnings in preparation for new business investment for long-term profit growth and the expansion in business activities, as well as set a fundamental policy of the distribution of profits according to the improvement of business results and a continuous increase in the dividend amount. Our medium-term target of an equity dividend ratio attributable to owners of the consolidated parent company is about 5%.

After comprehensively taking into account of the DOE and dividend payout ratio, the term-end dividend for FY 3/2022 is planned to be 23.50 yen.

2. Summary of Consolidated Financial Statements and Major Notes

(1) Summary of Quarterly Consolidated Balance Sheets

[unit: thousand yen]

| | Previous consolidated accounting year (Mar. 31, 2021) | 1st quarter of the current consolidated accounting year (Jun. 30, 2021) |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 4,140,847 | 3,810,108 |
| Trade receivables and other receivables | 2,842,456 | 2,088,082 |
| Inventory assets | 31,803 | 87,540 |
| Other current assets | 173,103 | 335,759 |
| Total current assets | 7,188,210 | 6,321,491 |
| Non-current assets | | |
| Tangible fixed assets | 252,811 | 248,648 |
| Rights to use as assets | 491,002 | 410,963 |
| Goodwill | 116,115 | 116,115 |
| Intangible assets | 8,436 | 6,926 |
| Other financial assets | 266,909 | 264,627 |
| Deferred tax assets | 323,802 | 322,350 |
| Other non-current assets | 1,309 | 916 |
| Total non-current assets | 1,460,387 | 1,370,548 |
| Total assets | 8,648,597 | 7,692,039 |

[unit: thousand yen]

| | Previous consolidated accounting year (Mar. 31, 2021) | 1st quarter of the current consolidated accounting year (Jun. 30, 2021) |
|---|---|---|
| Liabilities and shareholders' equity | | |
| Liabilities | | |
| Current liabilities | | |
| Lease liabilities | 234,773 | 194,119 |
| Trade payables and other payables | 974,844 | 806,051 |
| Income taxes payable | 356,050 | 20,885 |
| Contract liabilities | 234,351 | 145,765 |
| Other current liabilities | 1,970,892 | 1,853,487 |
| Total current liabilities | <u>3,770,912</u> | <u>3,020,310</u> |
| Non-current liabilities | | |
| Lease liabilities | 157,327 | 115,300 |
| Allowance | 106,181 | 106,448 |
| Total non-current liabilities | <u>263,509</u> | <u>221,748</u> |
| Total liabilities | <u>4,034,422</u> | <u>3,242,059</u> |
| Shareholders' equity | | |
| Capital stock | 910,405 | 935,493 |
| Capital surplus | 228,752 | 253,839 |
| Treasury shares | (8,240) | (8,370) |
| Other components of equity | 55,622 | 49,021 |
| Retained earnings | 3,427,635 | 3,219,996 |
| Total equity attributable to owners of the parent | <u>4,614,175</u> | <u>4,449,980</u> |
| Total shareholders' equity | <u>4,614,175</u> | <u>4,449,980</u> |
| Total liabilities and equity | <u>8,648,597</u> | <u>7,692,039</u> |

(2) Summary of Quarterly Consolidated Statements of Income

[unit: thousand yen]

| | 1Q FY2021 (Apr. 1, 2020 to Jun. 30, 2020) | 1Q FY2022 (Apr. 1, 2021 to Jun. 30, 2021) |
|--|--|--|
| Revenue | 2,489,503 | 3,108,629 |
| Cost of sales | 1,768,295 | 2,216,001 |
| Gross profit | 721,207 | 892,628 |
| Selling, general and administrative expenses | 801,130 | 890,483 |
| Other income | 23,041 | 8,261 |
| Other expenses | 1,162 | 1,349 |
| Operating profit (loss) | (58,043) | 9,056 |
| Finance income | 8 | 0 |
| Finance costs | 1,954 | 1,544 |
| Profit (loss) before income taxes | (59,989) | 7,512 |
| Income taxes | (48,422) | (10,429) |
| Profit (loss) for the period | (11,566) | 17,941 |
| Profit (loss) attributable to | | |
| Owners of parent | (11,566) | 17,941 |
| Net profit (loss) | (11,566) | 17,941 |
| Earnings per share | | |
| Basic earnings (loss) per share (yen) | (0.90) | 1.38 |
| Diluted earnings (loss) per share (yen) | (0.90) | 1.34 |

(3) Summary of Quarterly Consolidated Statements of Comprehensive Income

[unit: thousand yen]

| | 1Q FY2021 (Apr. 1, 2020 to Jun. 30, 2020) | 1Q FY2022 (Apr. 1, 2021 to Jun. 30, 2021) |
|---|--|--|
| Profit (loss) for the period | (11,566) | 17,941 |
| Other comprehensive income | | |
| Items that will not be reclassified to profit or loss | | |
| Financial assets measured at fair value through other comprehensive income | 346 | - |
| Total of items that will not be reclassified to profit or loss | 346 | - |
| Total comprehensive income | 346 | - |
| Comprehensive income | (11,220) | 17,941 |
| Comprehensive income attributable to | | |
| Owners of parent | (11,220) | 17,941 |
| Comprehensive income | (11,220) | 17,941 |

(4) Summary of Quarterly Consolidated Statements of Changes in Equity

Consolidated first quarter of the prior fiscal year ended March 2021 (Apr. 1, 2020 to Jun. 30, 2020)

[unit: thousand yen]

| | Equity attributable to owners of parent | | | | | | Non-controlling interests | Total equity |
|---------------------------------------|---|-----------------|-----------------|----------------------------|-------------------|-----------|---------------------------|--------------|
| | Capital stock | Capital surplus | Treasury shares | Other components of equity | Retained earnings | Total | | |
| Balance on April 1, 2020 | 901,143 | 474,594 | (7,922) | 44,627 | 2,709,135 | 4,121,578 | 67,513 | 4,189,092 |
| Profit for the period | - | - | - | - | (11,566) | (11,566) | - | (11,566) |
| Other comprehensive income | - | - | - | 346 | - | 346 | - | 346 |
| Total comprehensive income | - | - | - | 346 | (11,566) | (11,220) | - | (11,220) |
| Execution of employee stock options | 329 | 329 | - | (79) | - | 579 | - | 579 |
| Dividends | - | - | - | - | (179,874) | (179,874) | - | (179,874) |
| Transfer to retained earnings | - | - | - | (346) | 346 | - | - | - |
| Purchase of non-controlling interests | - | (255,104) | - | - | - | (255,104) | (67,513) | (322,618) |
| Total transactions with owners | 329 | (254,775) | - | (425) | (179,528) | (434,400) | (67,513) | (501,914) |
| Balance on June 30, 2020 | 901,472 | 219,819 | (7,922) | 44,548 | 2,518,040 | 3,675,958 | - | 3,675,958 |

Consolidated first quarter of the current fiscal year ending March 2022 (Apr. 1, 2021 to Jun. 30, 2021)

[unit: thousand yen]

| | Equity attributable to owners of parent | | | | | | Total equity | |
|-------------------------------------|---|-----------------|-----------------|----------------------------|-------------------|-----------|--------------|-----------|
| | Capital stock | Capital surplus | Treasury shares | Other components of equity | Retained earnings | Total | | |
| Balance on April 1, 2021 | 910,405 | 228,752 | (8,240) | 55,622 | 3,427,635 | 4,614,175 | 4,614,175 | |
| Profit for the period | - | - | - | - | 17,941 | 17,941 | - | 17,941 |
| Total comprehensive income | - | - | - | - | 17,941 | 17,941 | - | 17,941 |
| Execution of employee stock options | 25,087 | 25,087 | - | (6,601) | - | 43,573 | - | 43,573 |
| Purchase of treasury shares | - | - | (129) | - | - | (129) | - | (129) |
| Dividends | - | - | - | - | (225,579) | (225,579) | - | (225,579) |
| Total transactions with owners | 25,087 | 25,087 | (129) | (6,601) | (225,579) | (182,135) | - | (182,135) |
| Balance on June 30, 2021 | 935,493 | 253,839 | (8,370) | 49,021 | 3,219,996 | 4,449,980 | - | 4,449,980 |

(5) Summary of Quarterly Consolidated Statements of Cash Flows

[unit: thousand yen]

| | 1Q FY2021 (Apr. 1, 2020 to Jun. 30, 2020) | 1Q FY2022 (Apr. 1, 2021 to Jun. 30, 2021) |
|--|--|--|
| Cash flows from operating activities | | |
| Profit (loss) before income taxes | (59,989) | 7,512 |
| Depreciation and amortization | 79,576 | 87,316 |
| Finance income | - | (0) |
| Finance costs | 1,863 | 1,384 |
| (Increase) decrease in inventories | (47,879) | (55,736) |
| (Increase) decrease in trade and other receivables | 812,460 | 665,931 |
| Increase (decrease) in trade and other payables | (376,624) | (173,233) |
| Other | (57,543) | (259,709) |
| Subtotal | <u>351,864</u> | <u>273,464</u> |
| Interest and dividends received | - | 0 |
| Proceeds from subsidy income | 6,008 | 1,508 |
| Interest paid | (1,218) | (1,071) |
| Income taxes paid | (183,495) | (348,187) |
| Cash flows from operating activities | <u>173,158</u> | <u>(74,284)</u> |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (6,766) | - |
| Proceeds from sales of investments | 5,346 | - |
| Other | - | 2,236 |
| Cash flows from investing activities | <u>(1,420)</u> | <u>2,236</u> |
| Cash flows from financing activities | | |
| Repayments of lease liabilities | (70,681) | (81,257) |
| Proceeds from exercise of employee stock options | 579 | 43,573 |
| Payments for purchase of treasury shares | - | (129) |
| Dividends paid | (175,440) | (220,876) |
| Purchase of non-controlling interests | (322,618) | - |
| Cash flows from financing activities | <u>(568,160)</u> | <u>(258,690)</u> |
| Net increase (decrease) in cash and cash equivalents | <u>(396,422)</u> | <u>(330,739)</u> |
| Cash and cash equivalents at beginning of period | <u>3,115,696</u> | <u>4,140,847</u> |
| Cash and cash equivalents at end of period | <u>2,719,273</u> | <u>3,810,108</u> |

(6) Notes to Summary of Consolidated Financial Statements

(Notes on Going Concern Assumption)

There is no related information.

(Significant Subsequent Events)

There is no related information.