

# Restar Holdings Corporation

FY2021 (Apr 2021 – Mar 2022)

Consolidated Financial Presentation

May 11, 2022



FY2021 (Apr 2021 – Mar 2022)  
Consolidated Financial Highlights



# Financial Highlights

million yen	Full year FY20		Full year FY21		YoY	
	Amount	% of Net Sales	Amount	% of Net Sales	Growth	% Growth
Net Sales	323,815	—	399,590	—	75,775	23.4%
Gross Profit	25,122	7.8%	30,080	7.5%	4,958	19.7%
SG & A	18,883	5.8%	22,595	5.7%	3,711	19.7%
Operating Profit	6,238	1.9%	7,485	1.9%	1,246	20.0%
Ordinary Profit	5,689	1.8%	6,731	1.7%	1,041	18.3%
Profit Attributable to Owners of Parent	4,054	1.3%	5,964	1.5%	1,909	47.1%

## ➤ Net sales

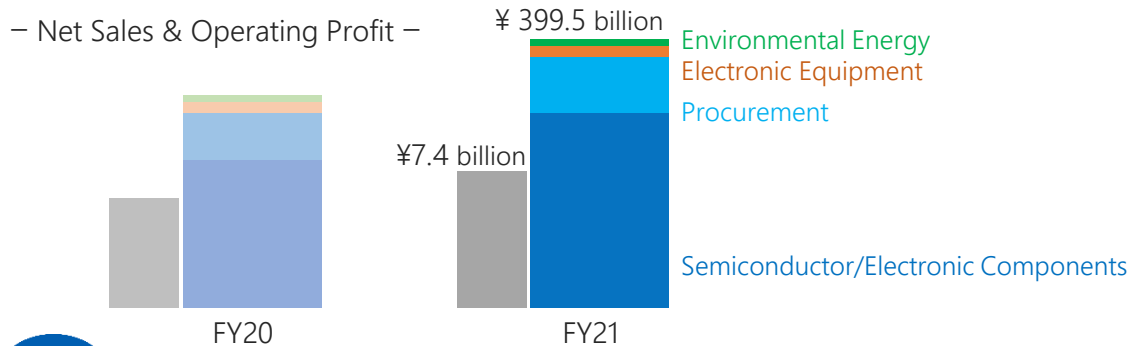
Despite tight supply-demand conditions for semiconductors and other components, Semiconductor and Electronic Components business and Procurement business captured robust customer demand for consumer electronics and in-vehicle equipment, resulting in an increase in overall sales. Sales in Electronic Equipment business was affected due to difficulties in procuring certain products and parts.

## ➤ Operating profit and ordinary profit

Increased due to gross profit growth from net sales increase and managing SG&A expenses

## ➤ Profit attributable to owners of parent

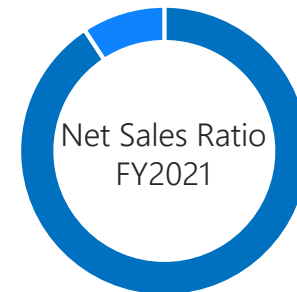
Profit attributable to owners of the parent increased due to the recording of 1,936 million yen in extraordinary income as gain on negative goodwill



# Semiconductor/Electronic Components

■ Devices ■ EMS

million yen	Full year FY20	Full year FY21	YoY	
	Amount	Amount	Growth	% Growth
Net Sales	225,428	290,743	65,314	29.0%
Segment profit	6,719	7,883	1,163	17.3%

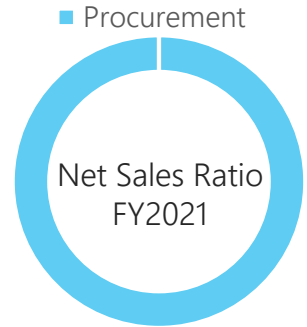


- Devices : Net sales increased due to higher demand for consumer equipment, automotive equipment, industrial equipment, and server-related equipment
- EMS : Net sales Increased due to increased in orders for smartphones and tablet terminals, and increased in the number of components installed due to higher functionality of these products
- Segment : Increased due to higher sales in device and such
- Forthcoming efforts : With strong products as a core business, striving to add even higher value by strengthening modularization and solution proposals, and expanding business in focused areas such as industrial equipment and automotive equipment. In the EMS business, respond to new needs such as for household appliances



# Procurement

million yen	Full year FY20	Full year FY21	YoY	
	Amount	Amount	Growth	% Growth
Net Sales	72,044	84,446	12,402	17.2%
Segment profit (loss)	(127)	695	822	-



## ■ Procurement

Net sales to the Panasonic Group increased due to higher demand for industrial, automotive and PC components, as well as strong performance in businesses to a new customer other than the Panasonic Group

## ■ Segment profit

Increased due to increased net sales, special demand businesses under lack of semiconductors, and improvement of gross profit on yen depreciation

## □ Forthcoming efforts

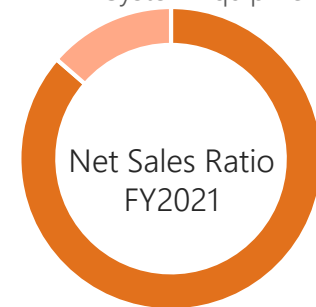
Expand added values in procurement functions and win new orders



# Electronic Equipment

■ Electronic Equipment  
■ System Equipment

million yen	Full year FY20	Full year FY21	YoY	
	Amount	Amount	Growth	% Growth
Net Sales	20,085	21,000	915	4.6%
Segment profit	818	426	(392)	(47.9%)



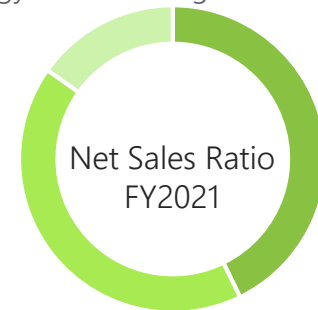
- **Electronic Equipment** : Net sales increased due to large-scale broadcasting-related equipment sales, and steady demand for shooting equipment and conference systems
- **System Equipment** : Although sales of personal authentication equipment for my number as a new product were launched, net sales decreased due to lower demand for cashless payment terminals, mainly in conjunction with lower demand for vending machines for offices and other products, and the impact of shipments due to supply chain disruptions.
- **Segment Profit** : Decreased due to costs increase in electronic equipment for the investment to expand business and lower sales in system equipment
- **Forthcoming efforts**
  - Electronic Equipment : Focusing on new corporate projects and large-scale LED business
  - System Equipment : Expand manufacturing and sales of devices related to personal identification number authentication and develop new highly competitive products in collaboration with Card Services Inc



# Environmental Energy

■ Energy ■ PPS ■ Vegetable Factory

million yen	Full year FY20	Full year FY21	YoY	
	Amount	Amount	Growth	% Growth
Net Sales	9,370	9,437	66	0.7%
Segment profit (loss)	(344)	236	581	-



## ■ Energy

Net sales increased due to growth of solar and wind power generation in Japan and new solar power generation in Taiwan

## ■ Power producer and supplier (PPS)

Net sales decreased due to lower demand from private sectors because of continuation of remote work

## ■ Vegetable Factory

Decreased in sales due to lower demand from convenience stores and lower shipments from the Kazuno Plant after a fire accident in August 2021

## ■ Segment profit

Returned to profitability due to increased profit in energy business and improved profitability in plant factory business

## □ Forthcoming efforts

Strengthen efforts toward After \*FIT and \*\*FIP strategies, expand business in renewable energy including decarbonization, and promote support businesses to realize local production for local consumption of energy, as well as improve production efficiency and develop new products in the vegetable factory business



\*FIT : Feed-in Tariff、\*\*FIP : Feed-in Premium (a system that electricity retailers purchase at a price linked to the market price with subsidy added on top)

# Consolidated Balance Sheet

Increase in accounts receivable due to consolidation of PALTEK and increase in sales, increase in inventories, and increase in short-term loans payable

(unit: million yen)	As of March 31, 2021	As of March 31, 2022
Assets		
Current Assets	146,133	185,599
Non-current Assets	44,252	56,358
Total Assets	190,385	241,958
Liabilities and Net Assets		
Current Liabilities	94,095	139,329
Non-current Liabilities	20,031	20,954
Net Assets	76,258	81,674
Total Liabilities and Net Assets	190,385	241,958
Capital Adequacy Ratio	38.6%	32.0%





# Cash flow

(unit: million yen)

Cash and Cash Equivalents at Beginning of Period	40,203
■ Cash Flows from Operating Activities	(27,308)
> Main factors : Increase in inventories and trade receivables	
■ Cash Flows from Investing Activities	(15,954)
> Main factors : Payment for property, plant and equipment and purchase of shares of subsidiaries resulting in change in scope of consolidation	
■ Cash Flows from Financing Activities	34,955
> Main factors : Increase short-term borrowings and repayments long-term borrowings and dividend paid	
■ Effect of Exchange Rate Change on Cash and Cash Equivalents	1,542
Cash and Cash Equivalents at End of Period	33,438



# FY22 Full-Year Forecast ①

million yen	Full year FY21 Ended Mar 31, 2022	Full year FY22 Ending Mar 31, 2023	YoY
Net Sales	399,590	445,000	11.4%
Operating Profit	7,485	8,500	13.6%
Ordinary Profit	6,731	7,500	11.4%
Profit Attributable to Owners of Parent	5,964	6,000	0.6%

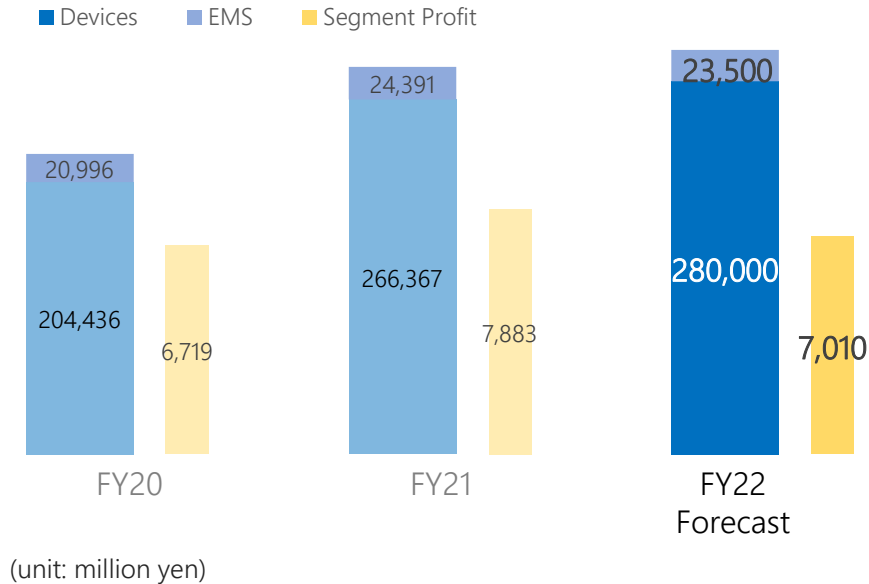
## ■ Points for FY22 forecast

- Although uncertainties of market continue, Net Sales increase due to strong demand for semiconductors in "Semiconductor/Electronic Components" & "Procurement"
- Operating profit increases due to improved profitability in "Electronic Equipment" and "Environmental Energy"
- Profit attributable to owners of the parent slightly increased (negative goodwill gain was recorded in the previous fiscal year)



# FY22 Full-Year Forecast ②

## ■ Semiconductor/Electronic Components



### 【Points for the forecast】

- Continued growth due to strong semiconductor demand despite uncertainties
- Profit slightly declines in FY22 as special demand business occurred in FY21 is not included in

### Business Overview

#### Devices

- Expand image sensing systems for industrial equipment and other applications by leveraging with our strength devices
- Further value-added expansion through modularization and system solution development

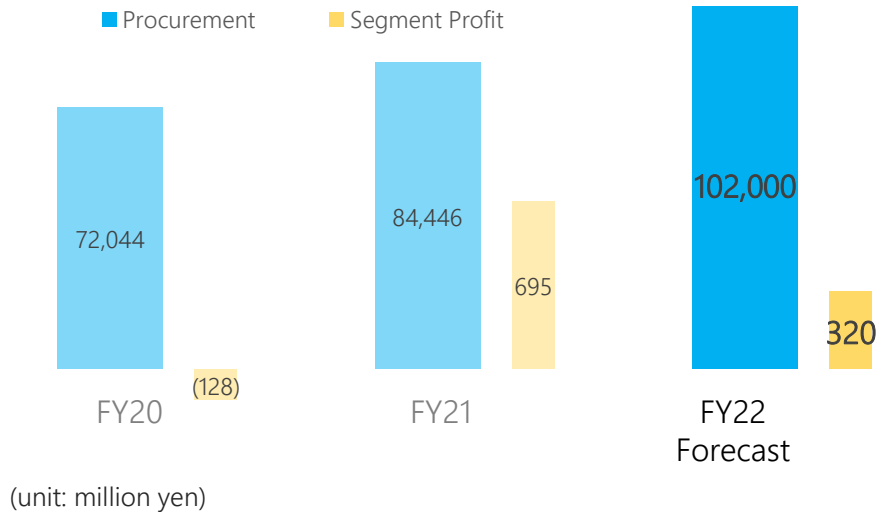
#### EMS

- EMS for OLED for smartphones and tablets, etc
- Obtained IATF 16949 certification, a technical specification for automotive sector quality management systems, and strengthened business for automotive applications



# FY22 Full-Year Forecast ③

## ■ Procurement



### 【 Points for the forecast 】

- Expand procurement business to major customers and other customers
- Profit declines in FY22 as not including forex impact as well as special demand business occurred in FY21 is not included in

### Business Overview

#### Procurement

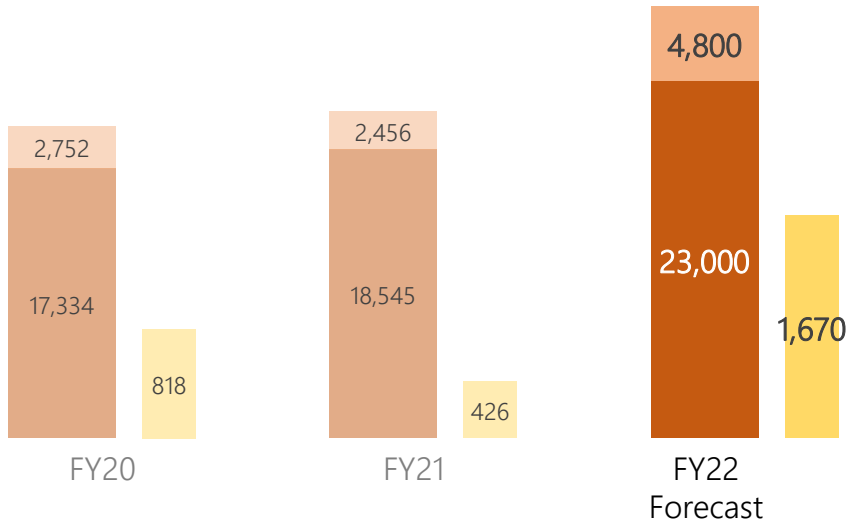
- While the procurement SCM business for the Panasonic Group is the main business, the procurement business for other customers is being expanded
- Contributing to the expansion of our group's sales by leveraging the procurement expertise in the trading company function and our procurement capabilities utilizing various networks in a market where supply and demand are tightening



# FY22 Full-Year Forecast ④

## Electronic Equipment

■ Electronic Equip. ■ System Equip. ■ Segment Profit



(unit: million yen)

### 【 Points for the forecast 】

- Expand business through synergies with M&A companies
  - Electronic Equip. : TACSYSYSTEM, Inc. (audio area)
  - System Equip. : Cardservice, Inc. (cashless payment terminals)

### Business Overview

Electronic Equipment

- Expand business through solutions by integrating video and audio with TACSYSYSTEM having strength in the audio area and joining a group company
- Development of new commercial products to meet the new normal

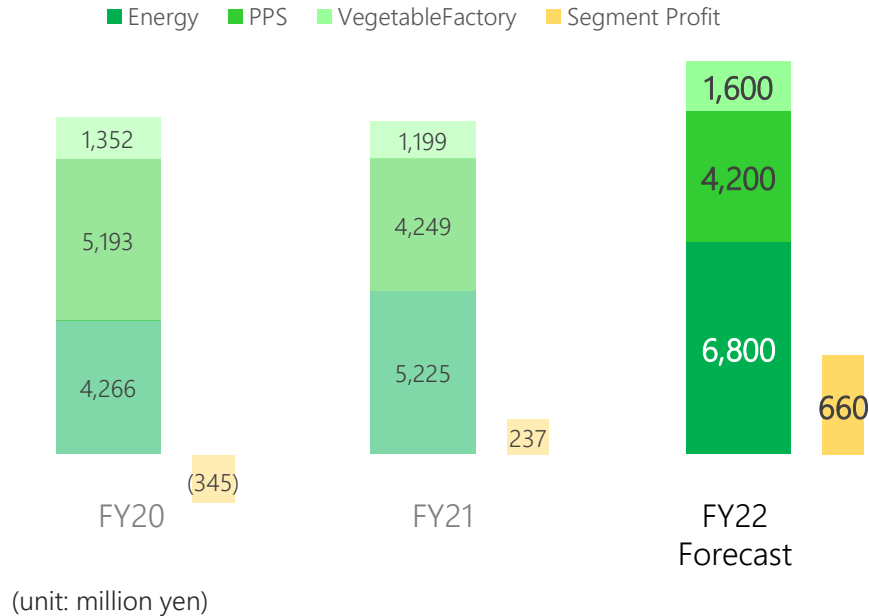
System Equipment

- Cardservice having a 40% share in the domestic market for cashless payment terminals joined in the group
- Expand business in the cashless payment and facial/biometric authentication business areas



# FY22 Full-Year Forecast ⑤

## ■ Environmental Energy



### 【 Points for the forecast 】

- Contribution to earnings from expansion of solar power installation
- Earnings improvement through cost improvements on PPS and Vegetable factory

### Business Overview

#### Energy

- Approximately 147 MW of solar power generation in Japan (over 50 sites) including small-scale wind power generation, planning further expansion
- Developing farmland sharing by installing solar power on abandoned farmland and farming on the land

#### PPS

- Electricity supply to government offices and companies
- Having own power supply and reducing the risk of power procurement
- Carbon neutral menu is also served to meet the decarbonization needs of customers

#### Vegetable Factory

- Cultivation and sales of green leaf lettuce and other vegetables at five fully enclosed vegetable factories in Japan
- Improving earnings by developing high value-added products and local consumption, and promoting consulting business

# Dividends Policy

## Focus on financial stability based on consolidated full-year forecasts

- Improve a return to our shareholders by dividends payment as well as considering shares buyback
- Continue to review appropriate capital allocation along with positive strategic investment
- Aim to increase corporate value through further profit growth and improved capital efficiency

	Dividends per share (¥)		
	2nd quarter-end	Year-end	Total
Dividends Forecast (May 11, 2022)	40.00	50.00	90.00



# Management Principles of the Restar Group

## Mission

We help society evolve by leveraging information and technology to create and deliver new value and services.

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## Vision

We aim to be “the Electronics Value Platformer” that accommodates all manner of stakeholder needs.  
“Global (in view and scale)” “ Social Contribution”  
“Collaboration and Innovation”

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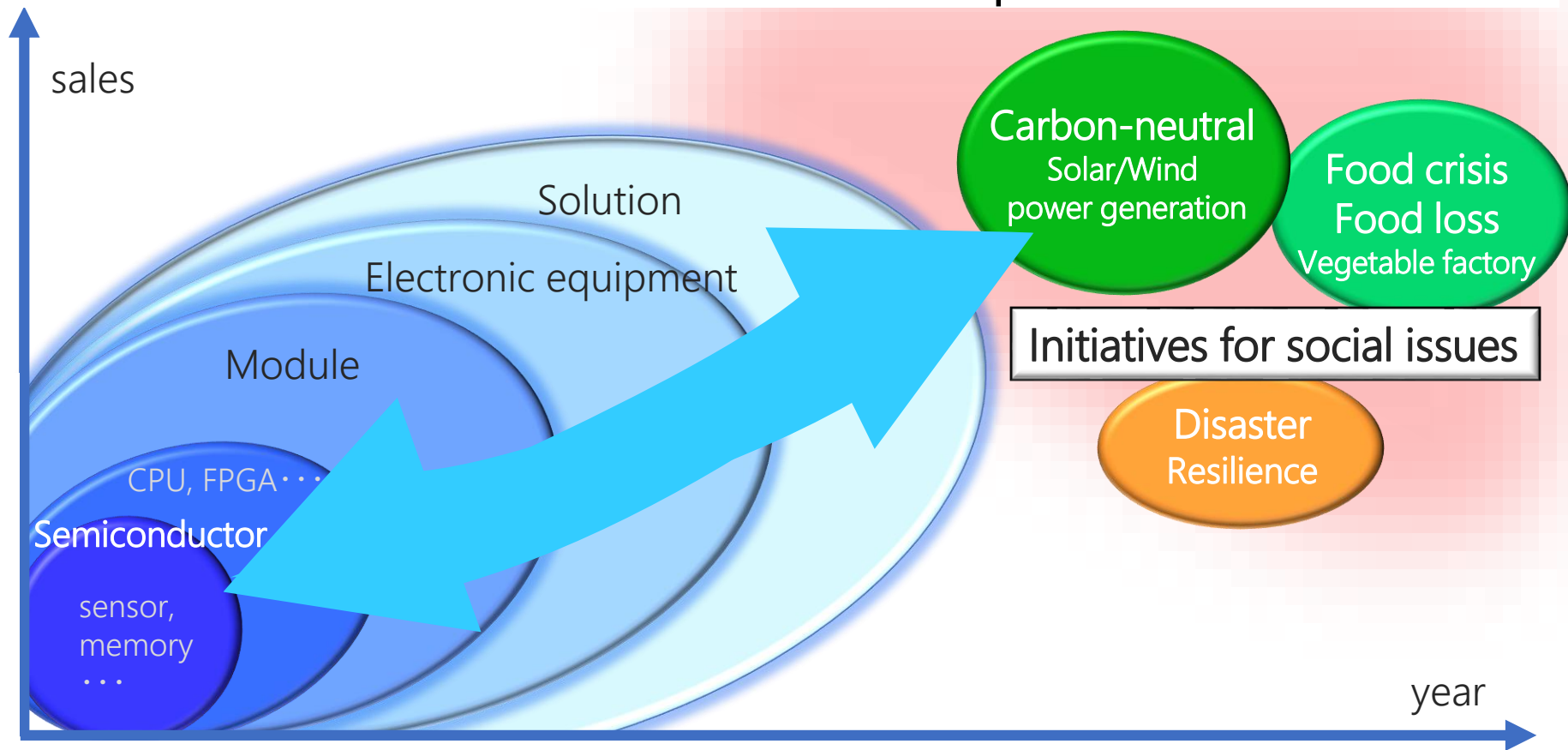
## Value

- Through collaboration, we reflect diverse points of view as we create new cultures and values.
- Through innovative ideas and passion, we take on challenges and aim for higher targets.
- By expanding our business arena to encompass the entire world, we contribute to sustainable social evolution.





# Direction of the Restar Group's initiatives



## The Electronics Value Platformer

Solving our customers' issues by electronics

Create an innovative  
business

Information × Technology  
Improve added value

Businesses Synergies

Various business  
activities

< Business Topics >

1. Strengthen business foundation and expand business through M&A
2. Collaboration within the group toward a decarbonized society
3. Proposal example of local government resilience solution

# 1. Strengthen business foundation and expand business through M&A

Semiconductor/Electronic  
Components

EMS

Lavinics Co., Ltd.

Company : Lavinics Co., Ltd (Korea)  
Biz. outline : printed circuit assembly for household appliances  
Group join : April 2022

- Expansion of EMS business and sharing of technology
- Expand business portfolio by entering the household appliances market (customers and products)

Electronic Equipment

Electronic Equipment

 TAC SYSTEM

Company : TACSYSTEM, Inc. (Japan)  
Biz. outline : Sales and wholesale of professional audio and video equipment system  
Group join : April 2022

- Fusion of Restar Communications' strength in video and Tac System's strength in sound  
→ Aiming to be "the industry's top runner in comprehensive one-stop services for video and audio solutions"

System Equipment



Cardservice Inc.

Company : Cardservice Inc.  
Biz. outline : Sales of various payment terminals, system development of overall credit card payment systems  
Group join : Feb 2022

- Strengthening the lineup of price-competitive foreign-made terminals by making them compatible with Japanese standards
- Joint development and expansion of cross-selling

Strengthen business foundation and expand business through M&A strategy



## 2. Collaboration within the group toward a decarbonized society

Electricity retailer

V-Poser Co., Ltd



Renewable energy generator

Vitec Enesta Co., Ltd



Sales of CO2-free electricity with tracking

【Customer merit】

- ① Serving tracked non-fossil certificates to customers aiming to achieve \*RE100
- ② Local generation and consumption, and meeting the need for electricity generated in areas with familiarity

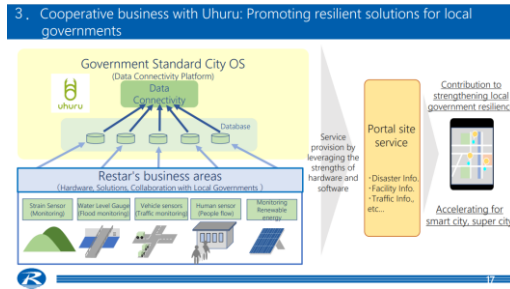
\*RE100 : global corporate renewable energy initiative bringing together hundreds of large and ambitious businesses committed to 100% renewable electricity

The press release on this matter (Japanese only) > <https://www.restargp.com/news/3705/>



# 3. Proposal example of local government resilience solution

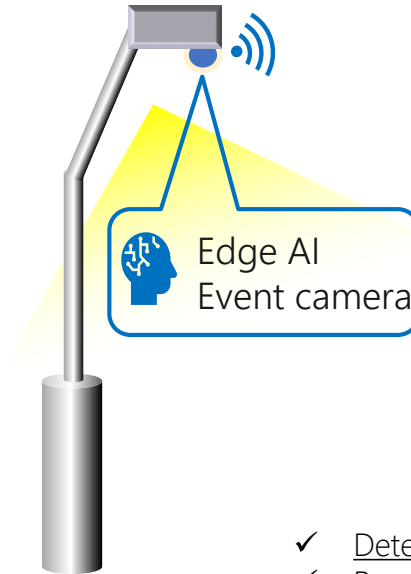
## Promoting to strengthening local government resilience



Refer to FY21 Q3

Consolidated Financial Presentation

### Solution example



Smart streetlight (image)



- Surveillance camera viewer
- Road Anomaly Detection
- Human and vehicle flow measurement data
- Generate big data, etc

Event sensor detectable in the dark



No people can be seen due to backlighting from headlight

In the same situation, a moving human is detected by the event sensor in the green frame

- ✓ Detects moving people and vehicles at night and in backlight
- ✓ Record day and night with low-capacity data
- ✓ Utilize accumulated big data for urban development and resilience

The press release on this matter (Japanese only) > <https://pdf.irpocket.com/C3156/Xq7P/lIlgT/VSN6.pdf>

# < Investor Relations Contact >

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Actual results may differ from these projections due to changes in various external and internal factors.

Important factors that may affect actual results include, but are not limited to, global and Japanese economic trends, sharp fluctuations in foreign exchange rates, war and terrorist activities, disasters, and epidemics. war, terrorist activities, disasters and epidemics, etc.

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