

Consolidated Financial Results for the Third Quarter of Term Ending December 2024 (Based on J-GAAP)

November 14, 2024

Company name: VELTRA Corporation
Stock code: 7048 URL <https://corp.veltra.com>
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Listing: Tokyo Stock Exchange

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Scheduled date to submit Quarterly Securities Report: Thursday, November 14, 2024

Scheduled date to commence dividend payments: —

Availability of supplementary briefing material on quarterly results: Available

Scheduled date of Quarterly Results Briefing Session: Not scheduled

(Figures are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Third Quarter of the Term Ending December 2024 (from January 1, 2024 to September 30, 2024)

(1) Consolidated Results of Operations (cumulative)

(% indicates YoY changes)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Third quarter of the term ending December 2024	3,201	143.7	(242)	—	(334)	—	(319)	—
Third quarter of the term ended December 2023	2,228	188.8	(84)	—	(133)	—	(172)	—

(Note) Comprehensive income: Third quarter of the term ending December 2024: -332 million yen (-%)

Third quarter of the term ended December 2023: -96 million yen (-%)

	Profit per share	Fully diluted profit per share
	Yen	Yen
Third quarter of the term ending December 2024	(8.77)	—
Third quarter of the term ended December 2023	(4.84)	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
Third quarter of the term ending December 2024	9,629	2,909	26.1
Term ended December 2023	6,466	1,360	20.5

(Reference) Shareholders' equity: Third quarter of the term ending December 2024: 2,509 million yen

Term ended December 2023: 1,327 million yen

2. Dividends

	Annual dividends				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Term ending December 2023	—	0.00	—	0.00	0.00
Term ending December 2024	—	0.00	—		
Term ending December 2024(forecasts)				0.00	0.00

(Note) Revisions of dividend forecast from recently announced figures: Not applicable

3. Consolidated Forecasts for the Term Ending December 2024 (from January 1, 2024 to December 31, 2024)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	4,200	34.5	(318)	—	(418)	—	(450)	—	(12.33)

(Note) Revisions of forecast of financial results from recently announced figures: Applicable

* Notes

- (1) Significant changes of subsidiaries during the consolidated cumulative current quarter (changes in specific subsidiaries involving changes in the scope of consolidation): Not applicable
New: 1 company (company name) Linktivity Korea Inc. , Excluded: — (company name)
- (2) Adoption of specific accounting treatments to the preparation of consolidated quarterly financial statements: Not applicable
- (3) Changes in accounting policies, changes in accounting estimates and restatements
- 1) Changes in accounting policies due to the revision of accounting standards: Not applicable
 - 2) Changes in accounting policies other than 1): Not applicable
 - 3) Changes in accounting estimates: Not applicable
 - 4) Restatements: Not applicable

(4) Total number of issued shares (common stock)

- 1) Total number of issued shares at the end of the period (including treasury shares)
- 2) Total number of treasury shares at the end of the period
- 3) Average number of shares during the period (cumulative)

Third quarter of the term ending December 2024	36,593,580 shares	Term ended December 2023	35,580,100 shares
Third quarter of the term ending December 2024	97 shares	Term ended December 2023	97 shares
Third quarter of the term ending December 2024	36,443,168 shares	Third quarter of the term ending December 2023	35,562,576 shares

* These consolidated quarterly financial results are outside the scope of quarterly review by a certified public accountant or an audit firm.

* Explanation for the appropriate use of performance forecasts and other special notes

The statements regarding forecast of financial results in this report are based on the information that is available, as well as estimates, assumptions and projections that are believed to be reasonable at the time of publication, and they are not meant to be a commitment by the Company. Therefore, there might be cases in which actual results differ significantly from forecast values. For conditions regarding assumptions used in projecting financial results and instructions to use projected financial results, please refer to "1. Qualitative Information on Quarterly Financial Results (3) Explanation of Forecast of Consolidated Financial Results and Other Forward-Looking Information" on page 3 of the appendix to this report.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of December 31, 2023	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	3,695,659	6,062,883
Trade accounts receivable	1,883,285	2,441,283
Other	226,493	230,066
Total current assets	5,805,439	8,734,234
Non-current assets		
Property, plant and equipment	35,121	38,910
Intangible assets		
Software	268,239	376,671
Software in progress	28,172	74,292
Other	216	216
Total intangible assets	296,627	451,180
Investments and other assets	329,256	405,564
Total non-current assets	661,006	895,655
Total assets	6,466,445	9,629,889
Liabilities		
Current liabilities		
Trade accounts payable	2,573,651	3,375,841
Short-term borrowings	500,000	500,000
Accounts payable - other	178,359	410,538
Income taxes payable	30,005	32,791
Advances received	1,504,435	2,078,126
Provision for bonuses	-	7,431
Provision for point card certificates	40,809	41,086
Contract liabilities	157,472	176,528
Other	121,183	97,893
Total current liabilities	5,105,916	6,720,238
Total non-current liabilities	379	427
Total liabilities	5,106,295	6,720,666
Net assets		
Shareholders' equity		
Share capital	1,823,717	2,078,171
Capital surplus	2,062,606	3,296,339
Retained earnings	△2,629,324	△2,949,070
Treasury shares	△70	△70
Total shareholders' equity	1,256,929	2,425,369
Accumulated other comprehensive income		
Deferred gains or losses on hedges	△1,572	△121
Foreign currency translation adjustment	72,147	84,172
Total accumulated other comprehensive income	70,575	84,050
Share acquisition rights	16,216	16,216
Non-controlling interests	16,428	383,586
Total net assets	1,360,149	2,909,223
Total liabilities and net assets	6,466,445	9,629,889

(2) Consolidated Quarterly Statements of Income and Comprehensive Income
(Consolidated Quarterly Statements of Income)
(Third quarter consolidated cumulative period)

(Thousands of yen)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Operating revenue	2,228,640	3,201,634
Operating expenses	2,313,322	3,444,307
Operating loss	△84,681	△242,672
Non-operating income		
Interest income	26	368
Other	651	1,261
Total non-operating income	677	1,630
Non-operating expenses		
Interest expenses	1,813	2,304
Foreign exchange losses	46,137	74,949
Share issuance costs	-	8,875
Other	1,717	7,571
Total non-operating expenses	49,669	93,700
Ordinary loss	△133,673	△334,742
Loss before income taxes	△133,673	△334,742
Income taxes - current	35,382	15,726
Income taxes - deferred	-	△4,508
Total income taxes	35,382	11,218
Loss	△169,056	△345,960
Profit (loss) attributable to non-controlling interests	3,017	△26,214
Loss attributable to owners of parent	△172,073	△319,745

(Quarterly Consolidated Statement of Comprehensive Income)
(Third quarter consolidated cumulative period)

(Thousands of yen)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Loss	△169,056	△345,960
Other comprehensive income		
Deferred gains or losses on hedges	2,004	1,450
Foreign currency translation adjustment	70,227	12,024
Total other comprehensive income	72,231	13,475
Comprehensive income	△96,824	△332,485
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	△99,841	△306,270
Comprehensive income attributable to non-controlling interests	3,017	△26,214