

(News Release / Translation)

**May 12, 2026**

Name of company	V-Technology Co., Ltd. TSE Prime Market / Code No:7717
Name of the Representative	Shigeto Sugimoto / President and CEO
Person to contact:	Masahiro Ono / Chief of IR Office
TEL	045-338-1980

**Notice Regarding Recording of Non-Operating Expenses****(Loss on Investments Accounted for Using the Equity Method), Extraordinary Losses (Impairment Losses),  
and Income Taxes – Deferred**

The Company hereby announces that it has recorded non-operating expenses (loss on investments accounted for using the equity method), extraordinary losses (impairment losses), and income taxes – deferred in the fourth quarter of the consolidated fiscal year ending March 31, 2026 (January 1, 2026 to March 31, 2026), as described below.

**Details****1. Recording of Non-Operating Expenses (Loss on Investments Accounted for Using the Equity Method)**

In the fourth quarter of the consolidated fiscal year ending March 31, 2026 (January 1, 2026 to March 31, 2026), the Company recorded a loss on investments accounted for using the equity method of ¥560 million as non-operating expenses. This was primarily due to the recording of an impairment loss on production equipment by Xianyang CHVT New Display Technology Co., Ltd., an equity-method affiliate of the Company. As a result, the loss on investments accounted for using the equity method amounted to ¥737 million in the financial results for the fiscal year ended March 31, 2026.

**2. Recording of Extraordinary Losses (Impairment Losses)**

In the fourth quarter of the consolidated fiscal year ending March 31, 2026 (January 1, 2026 to March 31, 2026), the Company recorded impairment losses of ¥352 million. This was primarily due to the fact that, at Japan CREATE Co., Ltd., a consolidated subsidiary of the Company, the earnings projected in the business plan formulated at the time of the share acquisition are no longer expected to be achieved. Accordingly, the Company reduced the book value of the related goodwill to its recoverable amount and recorded an impairment loss. In addition, with respect to assets scheduled for disposal, as their use is to be discontinued, the book value was reduced to

the recoverable amount, and an impairment loss was recorded. As a result, impairment losses amounted to ¥364 million in the financial results for the fiscal year ended March 31, 2026.

### **3. Recording of Income Taxes – Deferred**

In the fourth quarter of the consolidated fiscal year ending March 31, 2026 (January 1, 2026 to March 31, 2026), based on the current estimate of future taxable income, the Company examined the recoverability of deferred tax assets and, as a result, reversed deferred tax assets and recorded income taxes – deferred of ¥545 million. Consequently, income taxes – deferred amounted to ¥(89) million in the financial results for the fiscal year ended March 31, 2026.

### **4. Impact on Business Results**

The above items have been reflected in the “Summary of Consolidated Financial Statements for the year ended March 31, 2026 (Japanese GAAP)” announced today.