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ProjectCompany,Inc.

Q2 Financial Results Briefing for the Fiscal Year Ending December 2023

August 15, 2023

Event Summary

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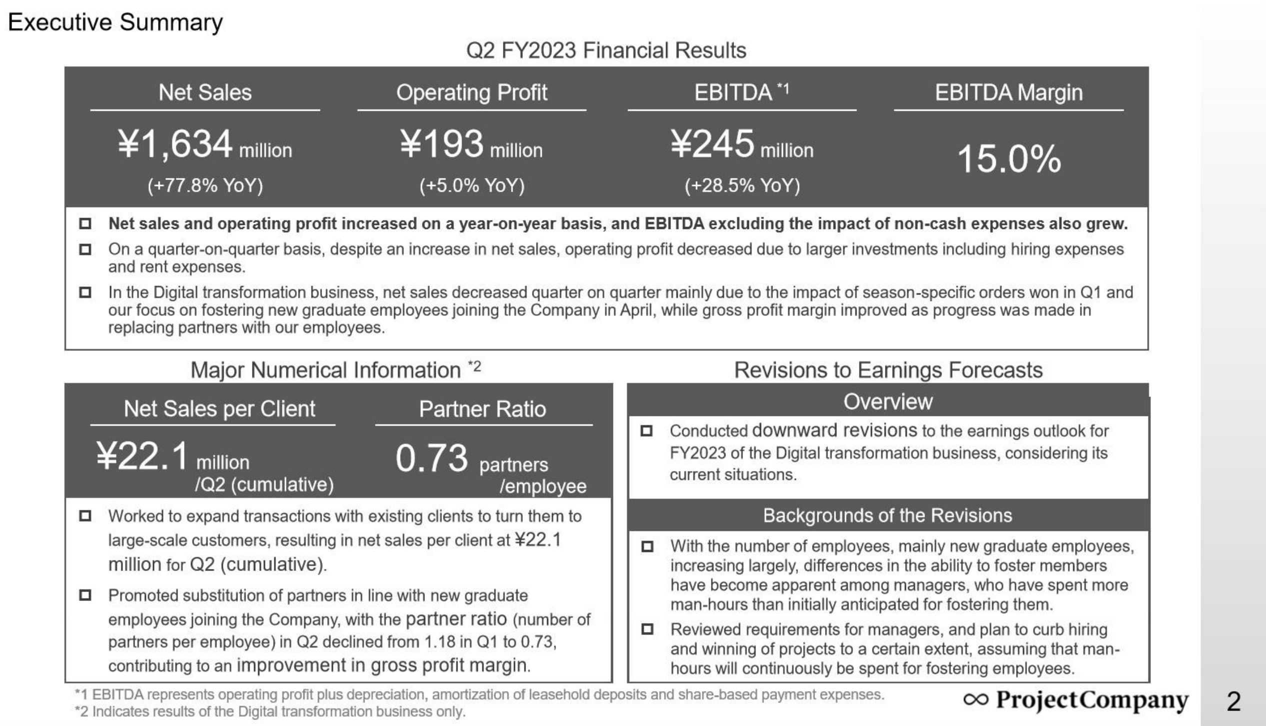
[Venue]	Webcast	
[Number of Speakers]	2	
	Yunosuke Doi	Representative Director and President, Group CEO
	Ryo Matsumura	Senior Managing Director, Group CFO
[Analyst Names]*	Masao Yoshida	Ichiyoshi Research Institute

*Analysts that our company was able to identify from the audio who spoke during Q&A.

Presentation

Doi: Now that the time has arrived, we would like to open the presentation of the financial results of ProjectCompany, Inc. for Q2 of the fiscal year ending December 31, 2023. Once again, I am Doi, Representative Director and President, Group CEO of ProjectCompany, Inc.

Matsumura: I am Matsumura, Senior Managing Director, Group CFO.



Doi: Thank you very much for taking time out of your busy schedule today to attend our financial results briefing.

As a quick reminder, here is a summary of today's explanation.

Full-year results for H1 of the fiscal year ending December 31, 2023, showed net sales of JPY1,634 million and operating income of JPY193 million. Compared to the same period of the previous year, both revenues and profit increased, and EBITDA, excluding the impact of non-cash expense items, has also increased.

On the other hand, despite the QoQ increase in sales, operating income declined due to the impact of increased investment in recruiting and other expenses.

In addition, in light of the current situation in the Digital transformation business, we have revised downward our forecast for FY2023, and today I will explain the background and countermeasures to this revision.

Contents

The flow of today's explanation is as described in the table of contents here. First, I would like to provide an overview of our group and then explain our business results for Q2 of the fiscal year ending December 31, 2023, and the revisions to our business forecast.

Group Management Philosophy

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Group Management Philosophy

Creating a Project-based Society

The Japanese economy remains stagnant and is feared to keep declining going forward if no change is made to the situation.
We believe that the only way for the Japanese economy and, by extension, the Japanese society to regain vitality is for Japanese companies to break out of their conventional organization structure that is vertical, top-down and “task-based,” and transform it into a “project-based” structure where talents with the ability to promote projects on their capacity are organically connected around their missions and work together as a team toward their goals. Based on this management philosophy, we work together to expand our businesses for creating a “project-based society.”

I will now give an overview of the group. Our group management philosophy is "creating a project-based society”. I will discuss the thoughts behind this management philosophy and the recognition of the issues on which it is premised.

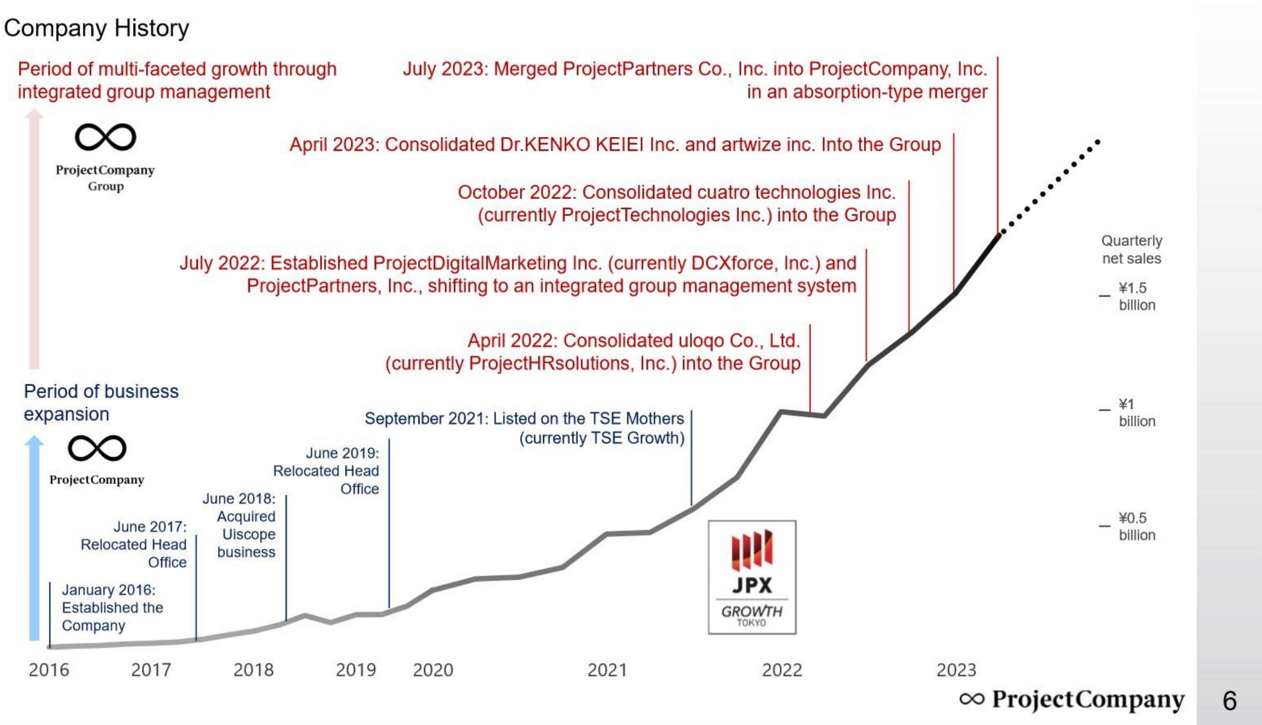
The Japanese economy has been stagnant for a long time since the bubble period, and there are fears that it will continue to decline at this rate.

We believe this is due to the fact that the Japanese system is still before the shift to the information industry and is preoccupied with the development of human resources based on industrial capitalism. In an industrial capitalist society, the winners were those who could make things with high specifications, such as making safe cars and fine, high-tech products, and those who did the prescribed work in the factory and did their jobs properly as they were told were valued as good human resources.

However, the world is now shifting from an industrial capitalist society to an information capitalist society, and the quality of human resources required is shifting from task-oriented personnel who do exactly what they are told to project-oriented personnel who can promote projects on their own initiative. In the US, many companies like GAFA are actually born from a single project that changes society, but unfortunately, this is not the case in Japan. We believe that innovation is not occurring because of the industrial structure, but rather because the more prerequisite layer, the quality of human resources and the way of thinking, is task-based.

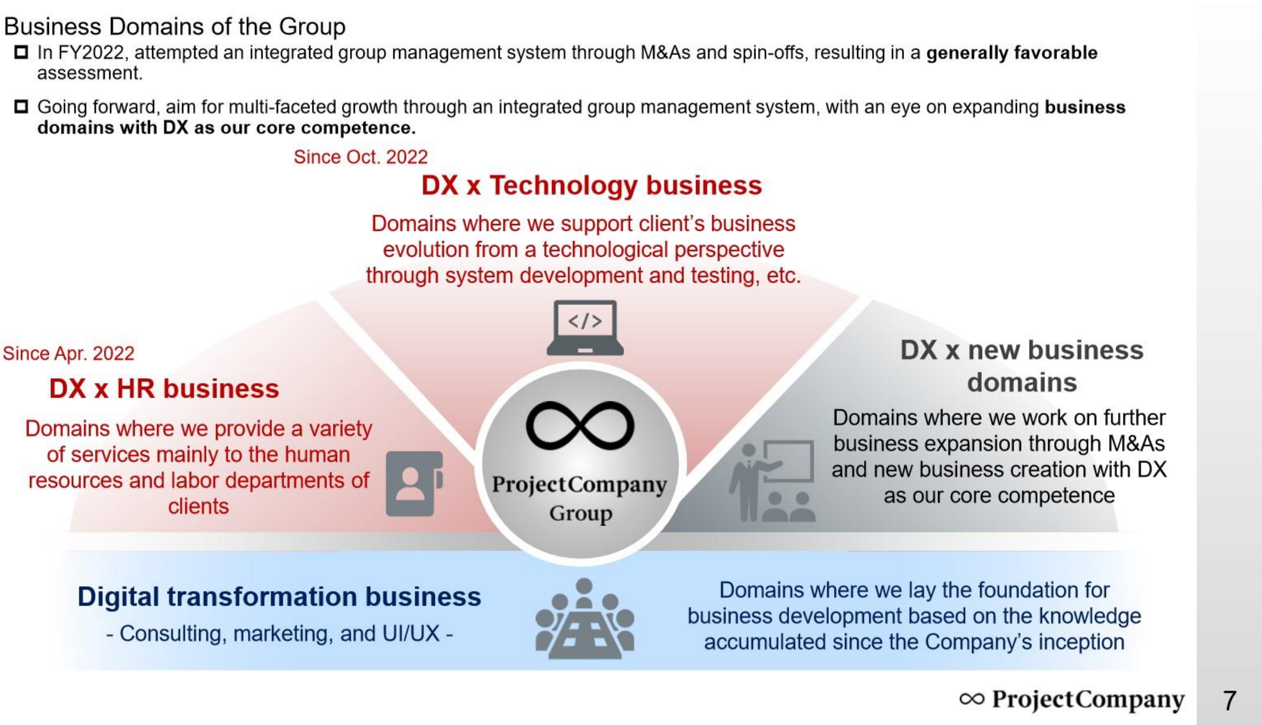
We believe that the only way for the Japanese economy and society to regain vitality is for Japanese companies to break away from the traditional task-based organizational structure of stove-piping and transform themselves into a project-based structure where people who can promote projects on their own are organically linked together based on their mission and come together as a team to achieve their goals.

Recognizing these issues, we will work together to develop our business based on our management philosophy of creating a project-based society.



Our history. To reiterate, our company, ProjectCompany, Inc., was founded in January 2016 by our President, Mr. Doi, and Vice President, Mr. Ito.

Thanks to your support, we have been expanding our business steadily since our establishment and were listed on the Mothers market in September 2021. Since last year, we have been pursuing diversified growth through group management throughM&A, including uloqo Co., Ltd., an HR solution service company, currently ProjectHRsolutions, Inc..

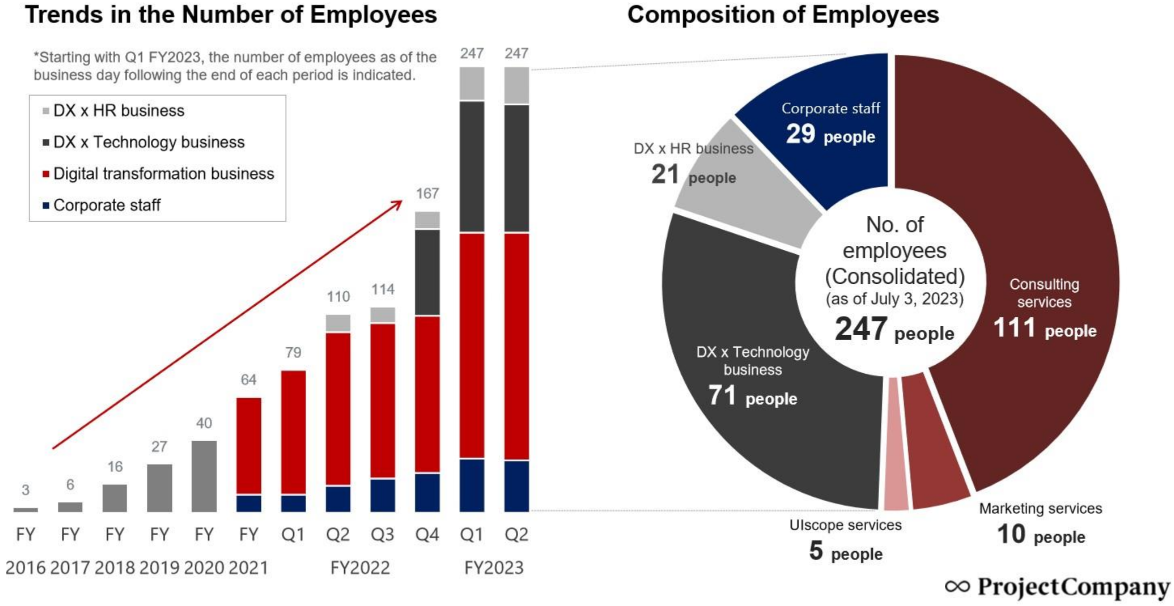


Our business strategy is based on the consulting, marketing, UI/UX, and all-in-one Digital transformation support areas in which we have accumulated knowledge since our founding, while also aiming for diversified growth based on DX, such as entering the DX x HR business and DX x Technology business through M&A in the last fiscal year.

We intend to continue to expand our business domain based on DX through M&A and new business creation.

Situation of Employees

- The number of employees was 247 as of July 3, 2023, remaining **flat from the previous quarter**. Focus is placed on training new graduate employees to make them ready for work.



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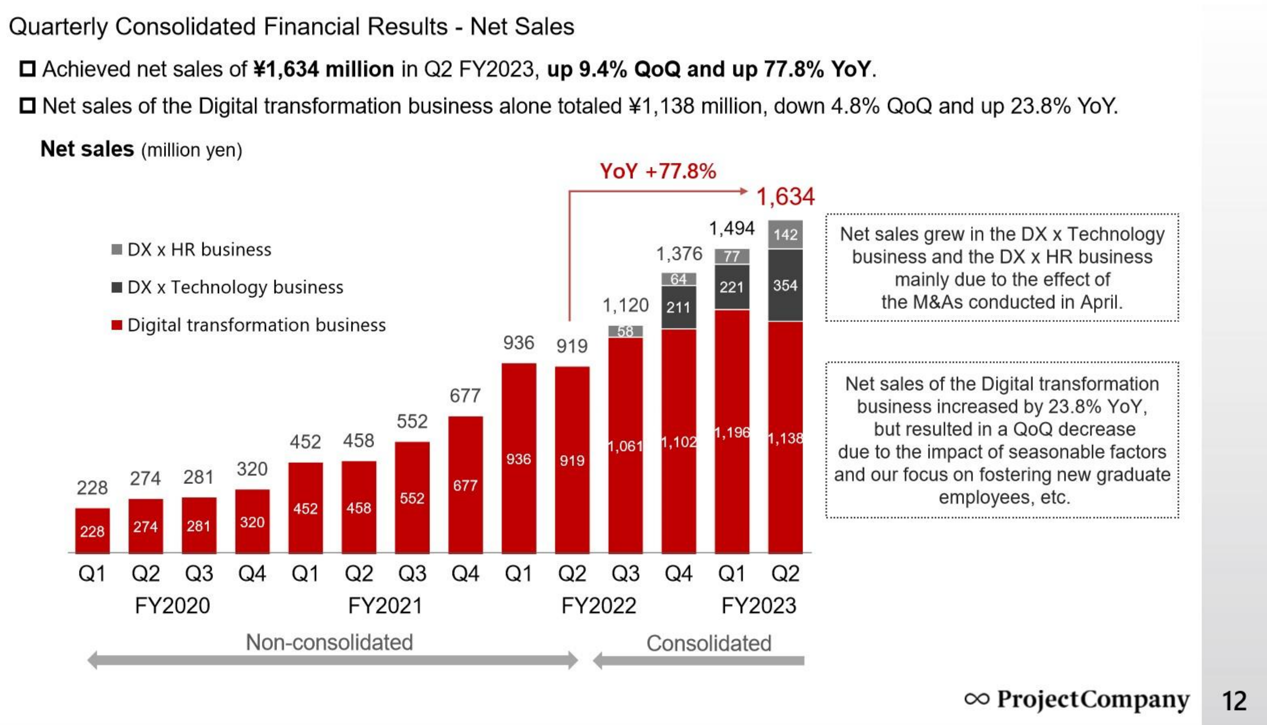
Here is the employee situation. The number of employees had been steadily increasing since the Company's establishment, but due to a decrease in the number of mid-career hires since H2 of the previous fiscal year, the number of employees remained unchanged from the previous quarter to 247 as of July 3, 2023.

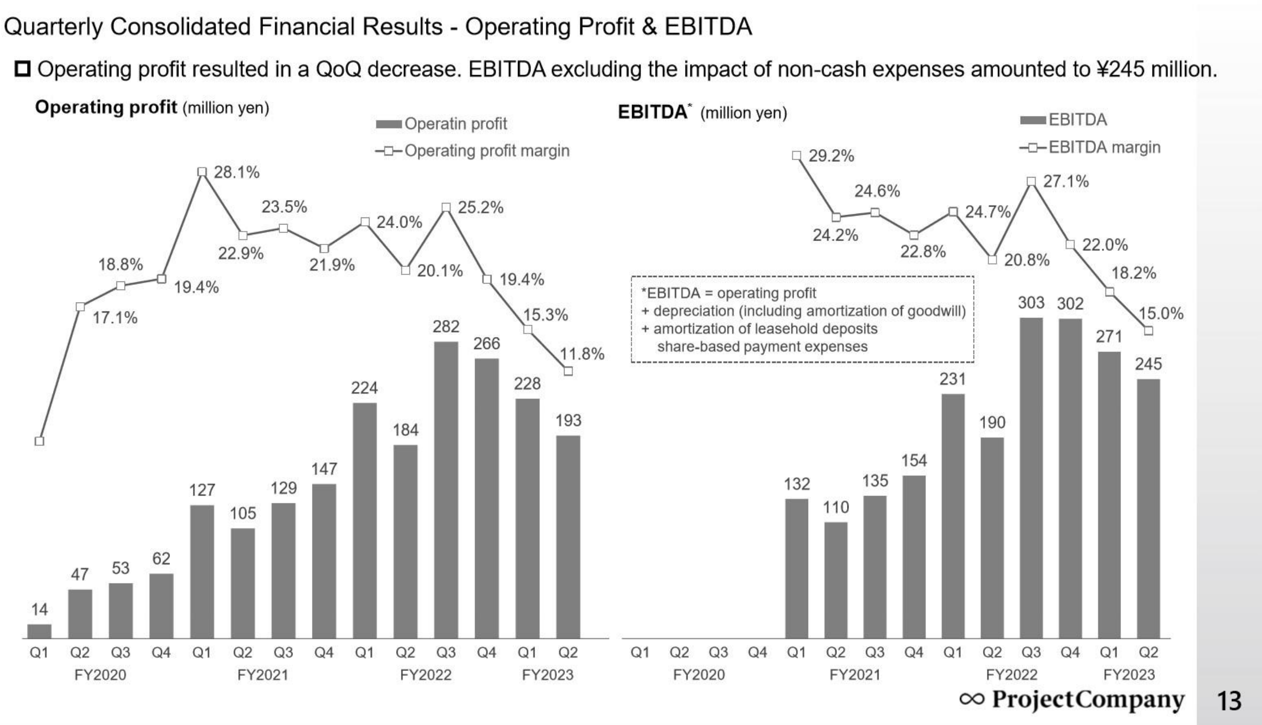
In the current situation, we are focusing on making the new graduates who joined our company in April this year more competitive.



Matsumura: From here, Matsumura will explain the results for Q2 of FY2023.

Consolidated sales for Q2 were JPY1,634 million, up 9.4% in QoQ and 77.8% in YoY.

However, sales growth was largely due to the consolidation of artwize Inc., a DX x Technology business, and Dr. KENKO KEIEI Inc., a DX x HR business, which joined the group in April through M&A. The Digital transformation business, our core business, grew by 23.8% YoY. However, due to the impact of seasonality in Q1 and a focus on training new graduates, sales declined in Q1.



Profitability. Consolidated operating income for Q2 was JPY193 million, an increase in YoY but a decrease in QoQ due to a significant increase in recruiting expenses and office rent compared to Q1.

The operating margin was 11.8%. EBITDA, excluding non-cash charges, was JPY245 million.

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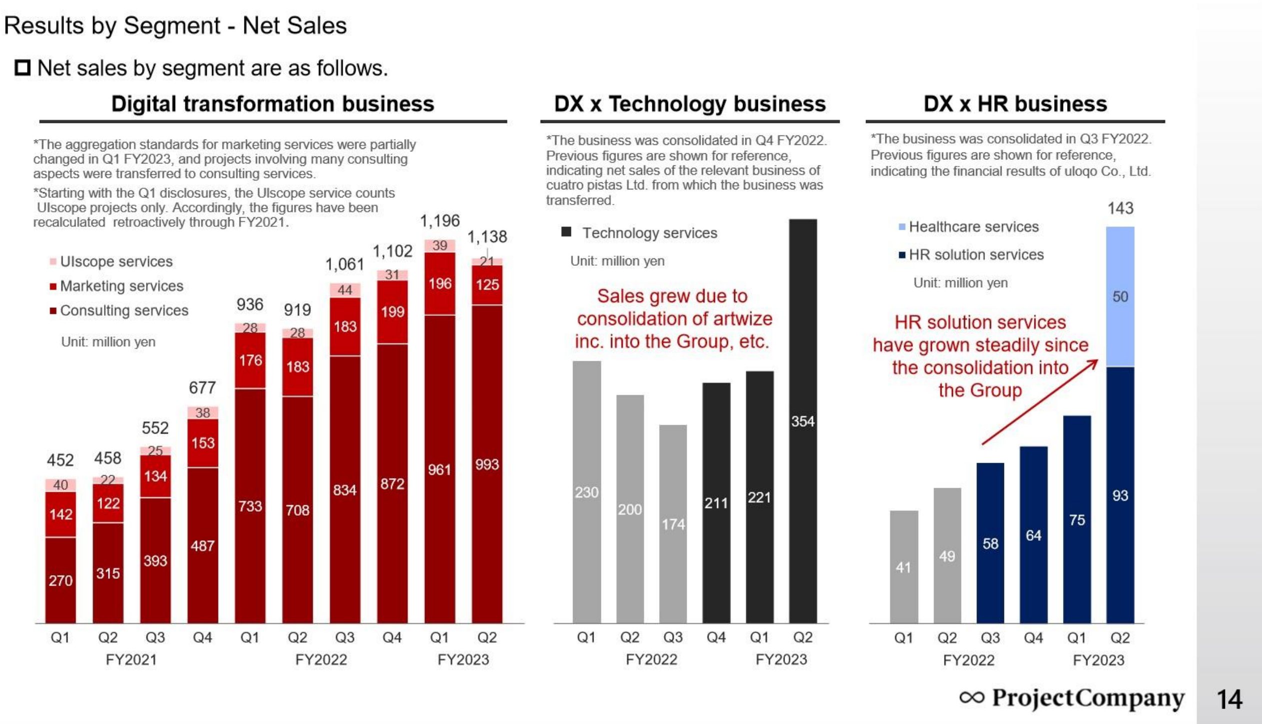

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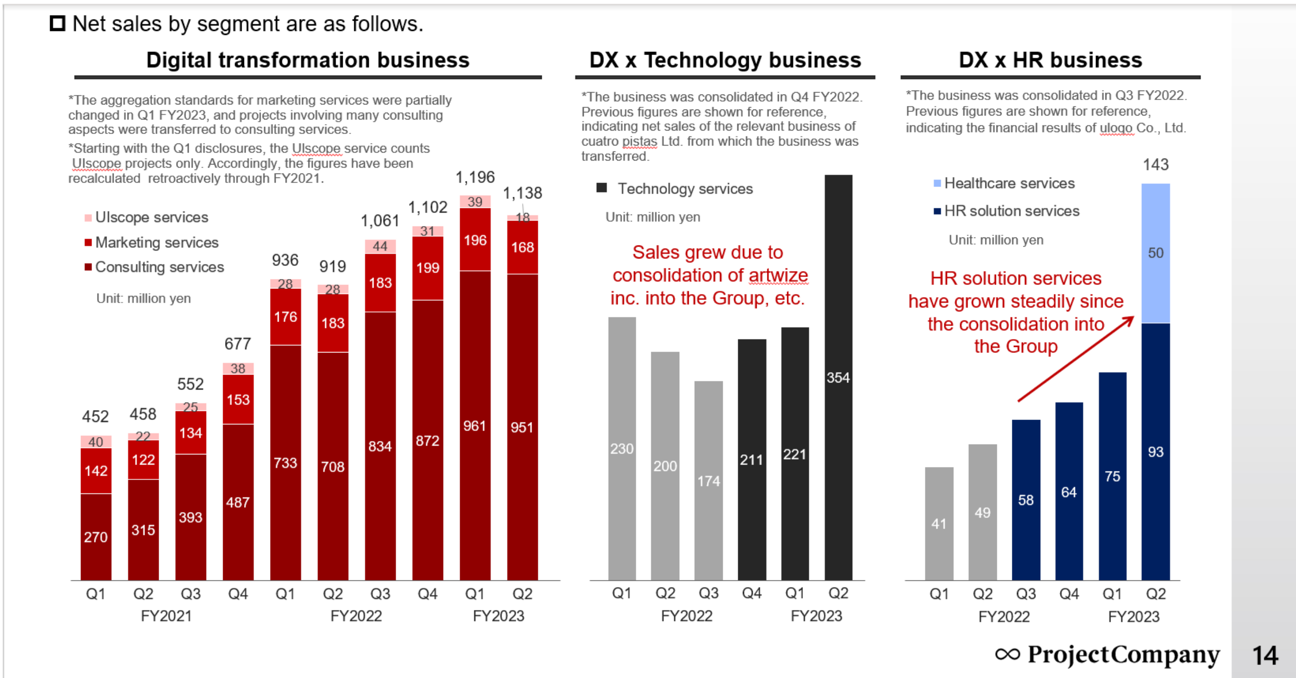


Sales trends by segment and by service.

In the Digital transformation business, sales of consulting services increased in QoQ. On the other hand, sales of marketing services, which had a large spot order in Q1, and UIscope services, which are basically shot research projects with large quarterly fluctuations in sales, declined in QoQ.

The DX x Technology business was significantly impacted by the addition of artwize Inc. to the group, resulting in an increase in sales in QoQ, while the DX x HR business saw a significant increase in sales in QoQ due to the addition of Dr. KENKO KEIEI Inc.'s healthcare service in addition to the HR solution service, which has been steadily increasing in sales since joining the group(*).

* We revised the figures of “Segment of the Digital Transformation business” on the Financial Results for the First Two Quarters of the Fiscal Year Ending December 31, 2023 projected at the Financial Results briefing since the figures were wrong, and disclosed on 16th August 2023.

Results by Segment - Cost of Sales & Gross Profit

- Cost of sales and gross profit by segment are as follows. In the Digital transformation business and DX x Technology business, gross profit margin rose in line with the increase in the number of regular employees, etc.

	Digital transformation business		DX x Technology business		DX x HR business	
	Results (million yen)	QoQ	Results (million yen)	QoQ	Results (million yen)	QnQ
Net sales	1,138	-4.8%	354	+60.0%	142	+84.4%
Personnel expenses (cost of sales)	168	+22.6%	71	+83.1%	20	+33.3%
Outsourcing expenses (cost of sales)	475	-16.4%	197	+39.7%	28	+460%
Other costs	3	+50.0%	1	-	0	-
Gross profit*	491	+6.1%	85	+117.9%	93	+72.5%
Gross profit margin	43.1%	+2.3pts	24.0%	+6.0pts	65.5%	-6.4pts
SG&A expenses	475	+34.6% QoQ				
Operating profit	193	-15.4% QoQ				
Operating profit margin	11.8%	-3.5pts QoQ				

*The figures are before allocation of SG&A expenses such as rent expenses to cost of sales, and accordingly do not correspond to gross profit as stated in the summary of financial results and quarterly report, etc.

Next are cost of sales and gross profit by segment.

In the Digital Transformation and DX x Technology businesses, the gross profit margin improved as a result of an increase in the ratio of professional employees due to hiring in April and intergroup collaboration, which led to the acquisition of more profitable projects in part in the DX x Technology segment.

In the DX x HR business, the gross profit margin remained high at 65.5%, although the start of consolidation of Dr. KENKO KEIEI Inc. put downward pressure on the gross profit margin.

As a result of the above, while gross profit increased in QoQ, SG&A expenses increased 34.6% in QoQ, resulting in a decrease in operating income of negative 15.4% in QoQ.

Breakdown of SG&A Expenses

□ The breakdown of selling, general and administrative expenses (SG&A expenses) is as follows. On a quarter-on-quarter basis, **hiring expenses and rent expenses increased significantly.**.

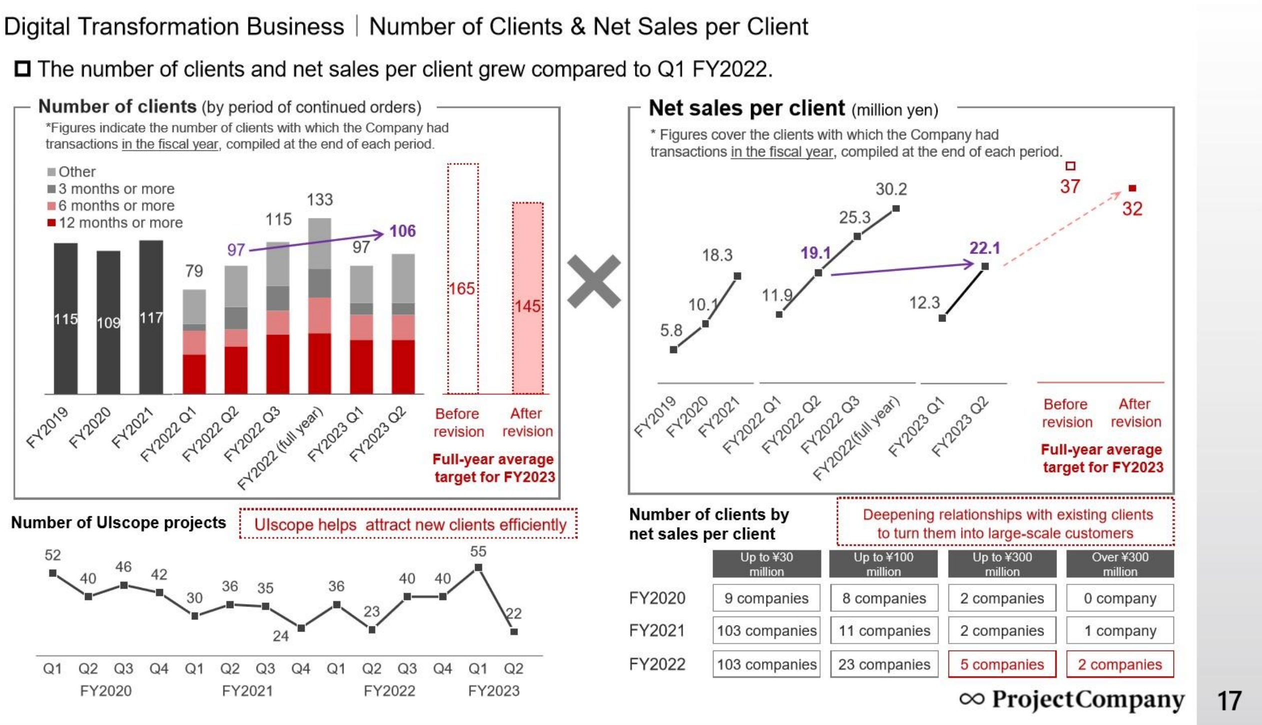
	Results (million yen)	SG&A expenses to net sales	QoQ	Description
Personnel expenses / outsourcing expenses (SG&A expenses)	159	9.7%	+14.4%	Remuneration for directors and officers, salaries for back-office employees and outsourcing expenses, etc.
Hiring expenses	101	6.2%	+40.3%	Agent fees and event expenses, etc.
Rent expenses	76	4.7%	+166.7%	Office rent, etc.
Depreciation, etc. (including amortization of goodwill)	46	2.8%	+18.6%	Amortization of goodwill, depreciation of other non-current assets and share-based payment expenses, etc.
Other SG&A expenses	92	5.6%	+39.4%	M&A-related expenses (brokerage fees), etc.
Total SG&A expenses	475	29.1%	+34.6%	

Hiring expenses rose by approximately 40% QoQ as 2024 graduates' acceptance of job offers peaked, while rent expenses increased significantly in line with the start of move-in to the temporary office in preparation for the office relocation in January 2024.

Next is a breakdown of its SG&A expenses. Since April through June is the peak period for accepting job offers from employees scheduled to join the company in April 2024, recruiting expenses recorded at the time of accepting job offers increased by 40.3% in QoQ.

In addition, rent expenses increased 166.7% due to the start of occupancy in temporary offices during the period in preparation for the office relocation in January next year.

In addition, the recording of approximately JPY20 million in M&A-related expenses in other SG&A expenses contributed to the increase in SG&A expenses.



This section describes the major KPIs of our core business, Digital transformation business.

First, let us look at the number of clients and revenue per client, which make up the revenue of the Digital transformation business.

The number of clients indicates the cumulative number of clients with which transactions were made from the beginning of the fiscal year to the end of each quarter, and the number of clients by the end of Q2 was 106. In Q2, the number of UIscope projects, which is the starting point for our client acquisition, was only 22, so the number of clients increased by only nine in the QoQ.

Sales per client were JPY22.1 million, an increase of JPY3 million over the same period last year.

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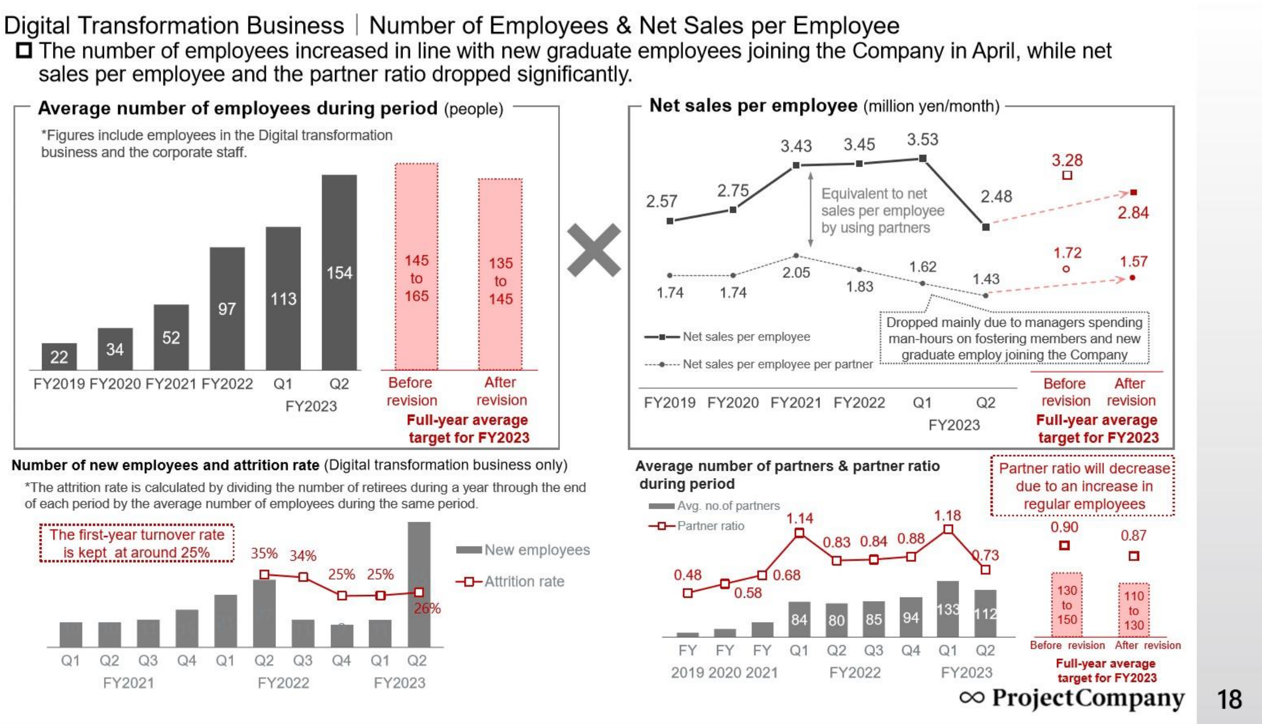

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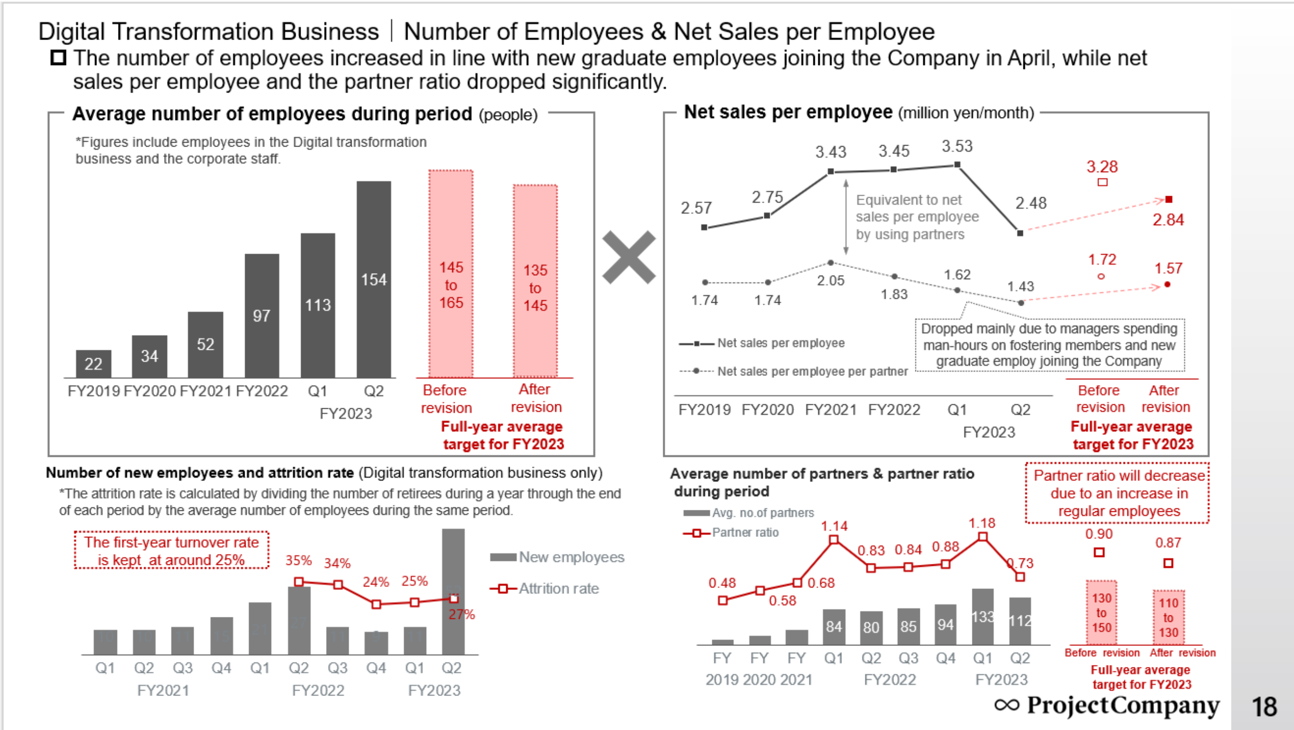


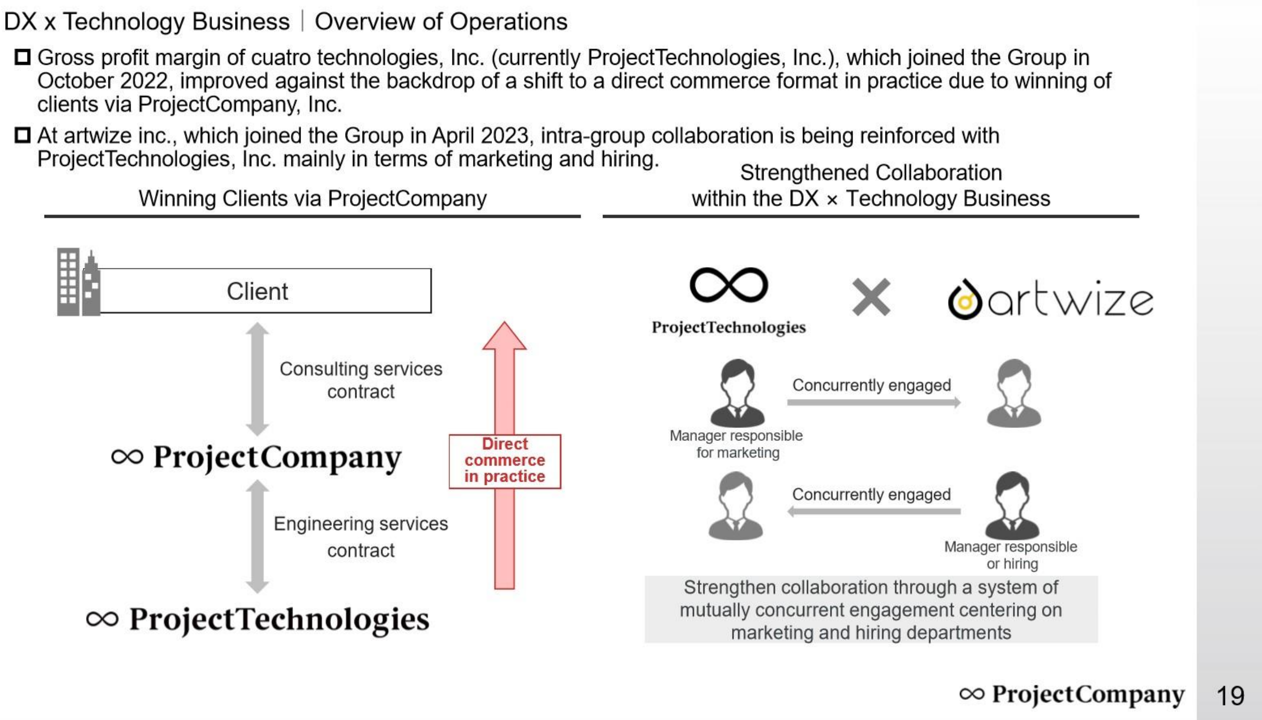
The same table shows the average number of employees and sales per employee during the period, which are components of sales in the Digital transformation business.

While the average number of employees during the period increased to 154 with the hiring of new graduates in April, sales per employee and the partner ratio declined significantly.

The decline in sales per employee was due to both the impact of the lower partner ratio and the impact of lower sales per employee including partners. While the former is also a factor in improving profit margins, the latter is due to an increase in the ratio of new hires and an increase in the man-hour of manager for training members, according to our analysis. We believe that raising sales per employee, including partners, through future human resource development is important for earnings recovery.

As a result of a recent review of the attrition rate, the actual turnover rate for Q1 has changed from the figure presented in the financial results presentation for Q1. I am terribly sorry (*).

* We revised the figures of “Segment of the Digital transformation business” on the Financial Results for the First Two Quarters of the Fiscal Year Ending December 31, 2023 projected at the Financial Results briefing and the Financial Results for the First Quarter of the Fiscal Year Ending December 31, 2023 since the figures were wrong, and disclosed on 16th August 2023.



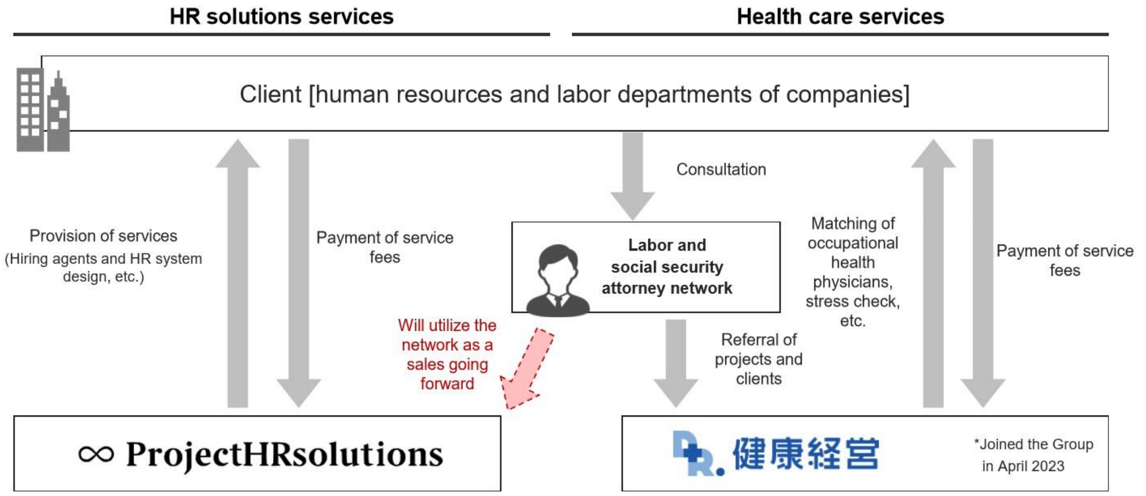
Lastly, I will explain the business overview outside of the Digital transformation business.

First, let me talk about the DX x Technology business. ProjectTechnologies, Inc., which joined the group in October last year, has been able to improve its gross profit margin by acquiring clients through the ProjectCompany, Inc., which in effect has become a direct sales channel, and we believe that synergies are now being realized.

In addition, artwize Inc., which joined the group in April, is in the process of strengthening collaboration between the same businesses within the group, particularly in the sales and recruiting divisions, by establishing a mutual dual-employment system with ProjectTechnologies, Inc., which is in the same line of business.

DX x HR Business | Overview of Operations

- Steady growth in business performance was seen at uloqo Co., Ltd. (currently ProjectHRsolutions, Inc.), which joined the Group in April 2022, as it utilized the Group’s know-how with a focus on organization building.
- In April 2023, the Company acquired shares of Dr.KENKO KEIEI Inc., which mainly provides occupational health physician referral services, in an effort to expand the range of services it offers in the HR and labor areas and to enhance its sales channels by utilizing the labor and social security attorney network of Dr.KENKO KEIEI Inc.



Next is an overview of the DX x HR business. As for ProjectHRSolutions, Inc, which joined the Group in April last year, we injected the Group's know-how, mainly in the area of organization building, and the company has gradually established an organization from the starting phase of a small organization size and is steadily growing its business performance.

In addition, this past April we acquired a stake in Dr. KENKO KEIEI Inc., an industrial physician referral service. Although the nature of our services is somewhat different, we would like to grow our business through synergy by expanding our menu of offerings and cross selling our services to the corporate personnel and labor area as well.

Overview of Revisions to Earnings Forecasts

☐ Made downward revisions to forecasts of net sales and profits mainly in the Digital transformation business.

Unit: million yen	FY2022 (actual)	Forecast at beginning of period	Latest revisions		Major backgrounds of the revisions
Net sales	4,352	7,470	6,420	-14.1%	✓ Reviewed the personnel plan based on the current status of the Digital transformation business (described later) ✓ Included artwize inc., which joined the Group in April, into the earnings forecast
Digital transformation business	4,019	6,100	4,660	-23.6%	
DX× Technology business	210	890	1,270	+42.7%	
DX×HR business	122	480	490	+2.1%	
Gross profit*1 (Gross profit margin)	1,939 (44.6%)	3,110 (41.6%)	2,530 (39.4%)	-18.6% (-2.2pts)	✓ Revised the estimated gross profit margin of the Digital transformation business based on the status of new graduate employees, etc. (how ready they are for specific assignments)
Digital transformation business	1,814 (45.1%)	2,710 (44.4%)	1,950 (41.8%)	-28.0% (-2.6pts)	
DX× Technology business	43 (20.5%)	140 (15.7%)	280 (22.0%)	+100.0% (+6.3pts)	
DX×HR business	82 (67.2%)	260 (54.2%)	300 (61.2%)	+15.4% (+7.0pts)	
Operating profit (Operating profit margin)	958 (22.0%)	1,270 (17.0%)	720 (11.2%)	-43.3% (-5.8pts)	✓ Operating margin declined due to the impact of fixed costs in SG&A expenses in line with the revisions to net sales and gross profit margin
EBITDA*2 (EBITDA margin)	1,016 (23.4%)	1,470 (19.7%)	920 (14.3%)	-37.4% (-5.4pts)	

*1 The figures are before allocation of SG&A expenses to cost of sales, and accordingly do not correspond to gross profit as stated in the consolidated financial statements.
*2 EBITDA represents operating profit plus depreciation, amortization of leasehold deposits and share-based payment expenses.

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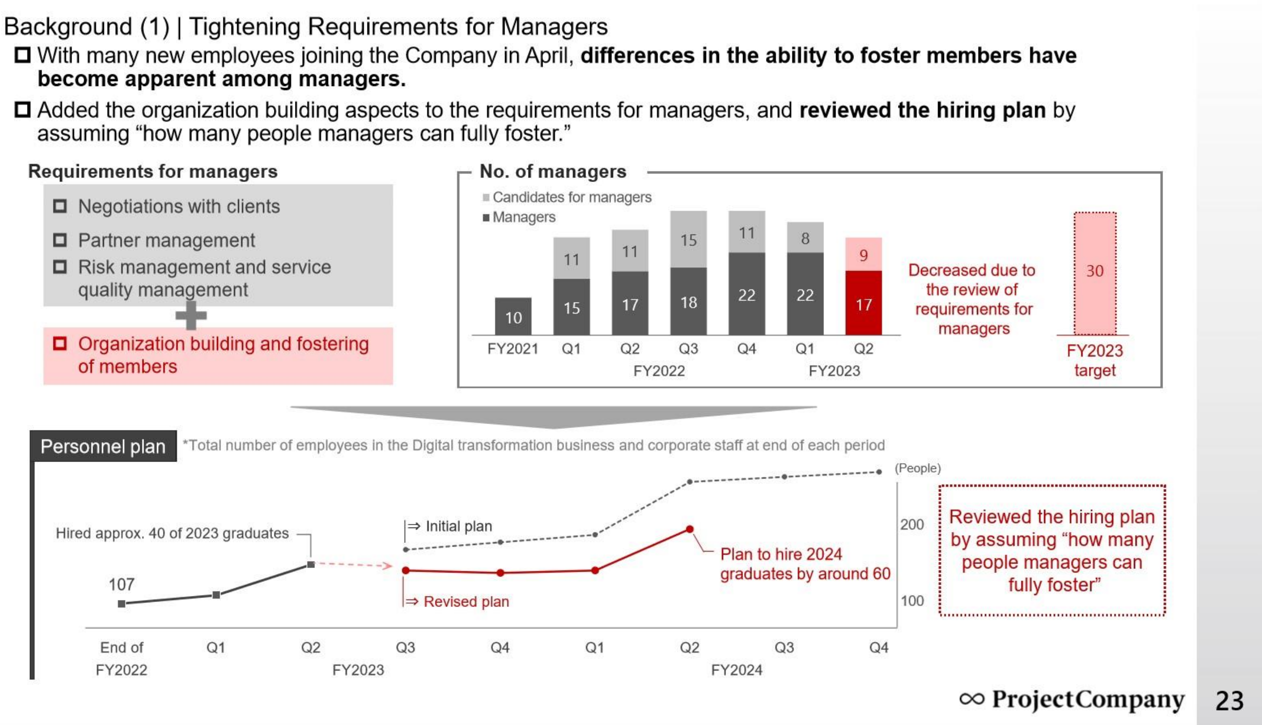
I will now explain the downward revision of the FY2023 earnings forecast.

We will provide an overview of this modification. Mainly in light of the current situation in the Digital transformation business, we have revised our net sales forecast to JPY6,420 million, down 14.1% from our initial forecast, and our gross profit forecast to JPY2,530 million, down 18.6% from the same period last year.

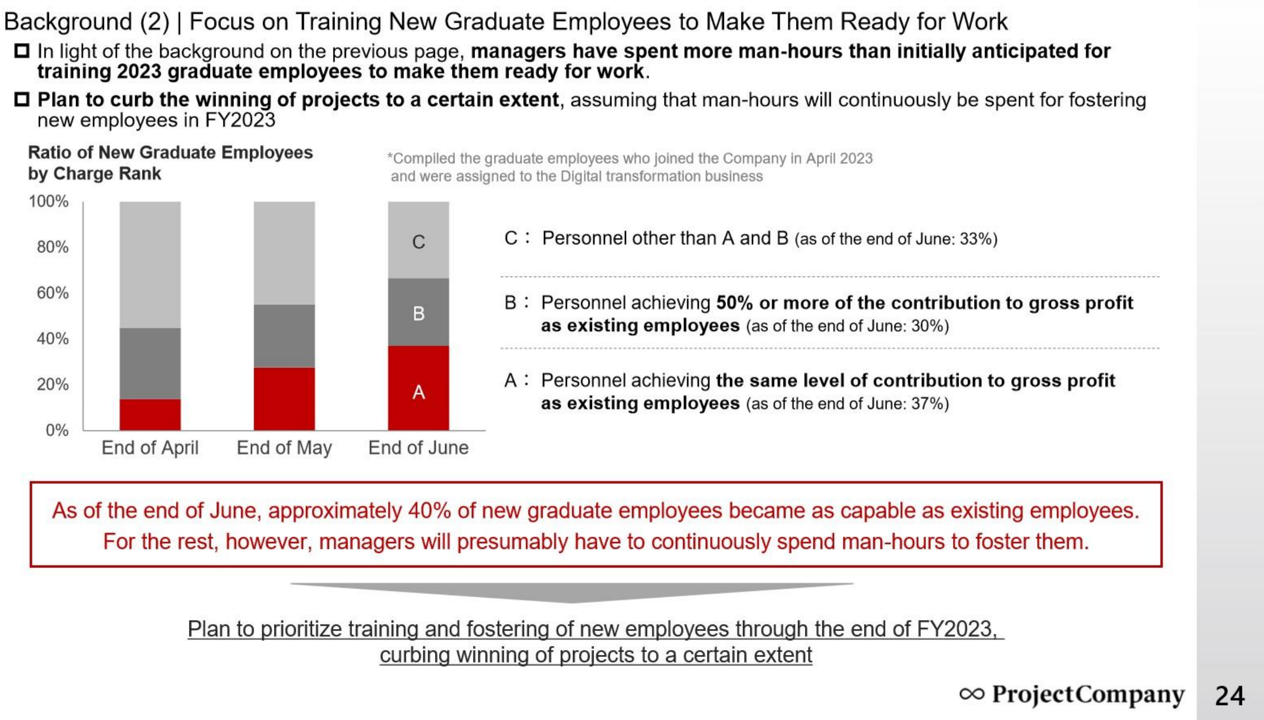
In conjunction with the revision of net sales and gross profit, the forecast for operating income has been lowered to JPY720 million due to the fixed cost impact of SG&A expenses and other factors.



I would like to explain the background behind the revision of the earnings forecast. The first point is the tightening of manager personnel requirements and the associated revision of staffing plans. With many new employees, including new graduates, joining the company in April, the gap in member development skills among managers became apparent in Q2.

In response, we added the perspectives of organization building and member development to the manager personnel requirements and took another look at them. As a result, the number of managers decreased to 17 at the end of Q2 compared to the end of the previous quarter. Based on the number of managers that can be trained, we are reviewing our personnel plan for H2 of the year and beyond.

At the beginning of the period, we had assumed that the number of employees at the end of FY2023 would increase by approximately 70% from the end of the previous period, but as a result of this revision, the number of employees is now expected to increase by only approximately 35%.



The second factor behind the revision of the earnings forecast is the focus on launching and training new graduate employees. As shown on the slide, as of the end of June, nearly 40% of the new graduates who joined the company in April had risen to the same level as existing employees, while managers continue to need to devote a certain number of man-hours to training the other members.

In response to this situation, we have decided to place priority on employee training and plan to curtail the acquisition of projects to a certain extent during FY2023. As a result, average sales per employee, which were expected to be approximately JPY3.3 million per month in our initial earnings forecast, are now expected to be only about JPY2.8 million per month.

Initiatives for the Years Ahead

- In the short term, plan to **partly entrust fostering of members to those who used to be managers** by the end of 2023 as a target, and continuously monitor the situation based on the ratio of 2023 new graduate employees by charge rank (see p.24).
- As a medium- to long-term initiative, will introduce a system in which units of a small group of newly selected managers with a certain degree of discretion will closely coordinate with the executive team to achieve results in both budget progress management and organizational management, thereby **fostering such managers in a more sophisticated manner for the next fiscal year and thereafter**.

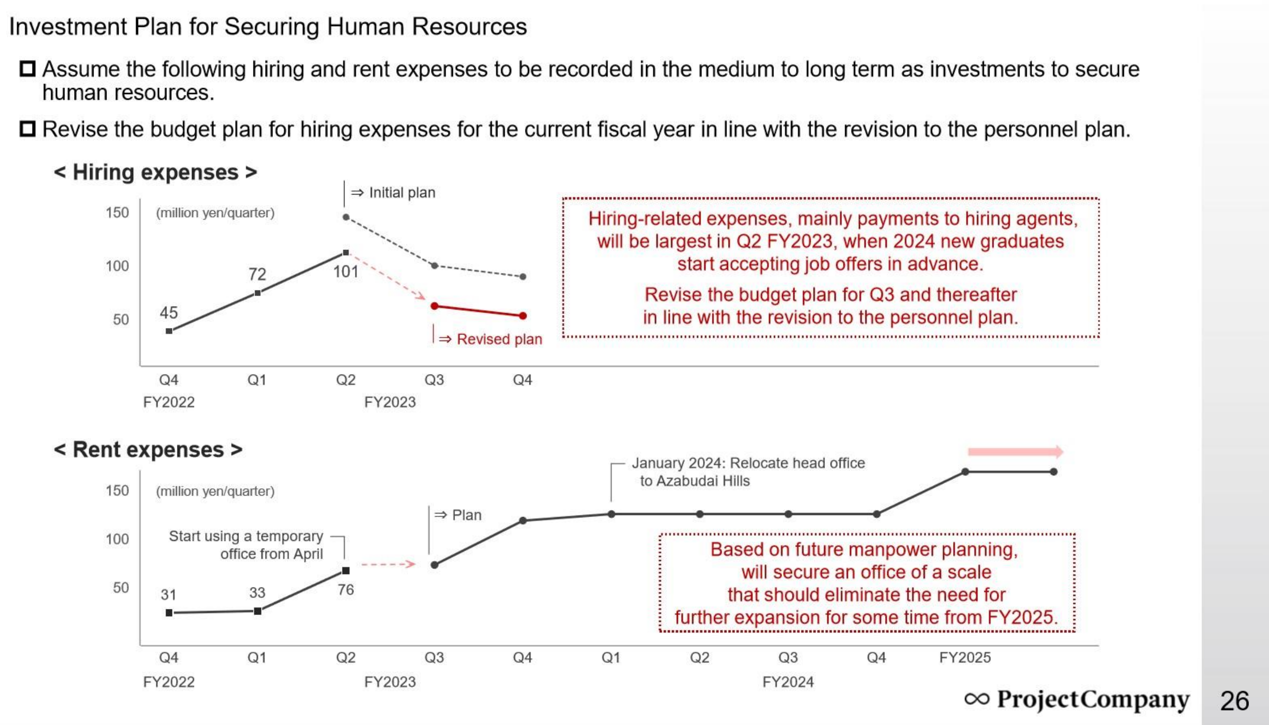
	Details of Initiatives	Follow-up of Results
In the short term To be done by the end of 2023	Employees who had experienced the role of managers at ProjectCompany and have been reassigned to back-office operations or group companies will partly be engaged in **fostering the members including new graduate employees**	Rate of 2023 new graduate employees by charge rank [☞ p. 24]
In the medium to long term Exert effects in 2024 and thereafter	**Foster managers in a more sophisticated manner** by introducing a system in which **units of a small group** of managers, who are selected under new requirements for managers and are **given a certain degree of discretion**, will **closely coordinate with the executive team** to achieve results in both budget progress management and organizational management	Number of managers and candidates for managers [☞ p. 23]

Against this background, the Company takes the downward revision of the forecast for the Digital transformation business very seriously.

As a short-term measure, we are partially replacing the training of new graduates and other members by utilizing human resources who had been managers at our company in the past and were reassigned to back offices, group companies, etc.

In addition, with a view to demonstrating effectiveness in the next fiscal year and beyond, we are in the process of upgrading manager training by creating a system that aims to demonstrate results in terms of both budget and organization, in close cooperation with the executive team, while giving manager personnel a certain degree of discretion.

We plan to follow up on the results of these measures with the percentage of new graduate employees by charge rank and the number of manager personnel.



Next, we will present our investment plan for recruiting personnel, which we have been disclosing for some time, as well as our hiring expenses and rent expenses.

Recruitment expenses are expected to remain below the initial forecast from Q3 onward, in line with the recent revision of the headcount plan.

There are no major changes from the previous disclosure for rent expense, which is mainly office rent, and we expect it to increase from Q3 onward in preparation for the relocation to Azabudai Hills, which is scheduled for January 2024.

Finally, we are acutely aware of our responsibility for the disappointing results of the downward revision of our earnings forecast for this fiscal year. I deeply regret my lack of ability as a manager and the fact that I may have been somewhat prideful as we have continued to increase sales and profits since the establishment of the company.

However, my vision of creating a project-based society and achieving sales of JPY1 trillion by 2045, which I have committed myself to as a manager, has not wavered one bit.

As a first step, we intend to restore the trust of investors and fulfill our management responsibility by quickly rebuilding our business performance and business structure.

We will do our utmost to repay our long-term shareholders with a return in the form of increased corporate value, and we would like to ask for your continued support in this endeavor.

Question & Answer

Speaker [M]: I would be happy to take your questions then. Mr. Yoshida, please.

Yoshida [Q]: Thanks for your help. There are several.

First, I would like to know more about the circumstances of the downward revision. At the February briefing, I asked President Doi if he thought it would be difficult to train more people in the short term, and he responded that he saw this as a challenge in a sense. I think you worked on it in your own way, where it was different and harder than usual, but I would like to know more about what actually happened in the last three months and why the training was not as good as you thought it would be.

For example, as a specific example, if you went to a customer and participated in a project where problems occurred with personnel at the beginning of the start-up, or something like that, I think it would damage the brand, so can you actually tell us a little more about that, and how it happened?

Doi [A]: First of all, I think that the difference between what I explained in February and my view is that the capacity for training managers is very large. In fact, there were about 20 manager candidates, or rather, managers, to which about 40 new graduates came, and each of us had to train about two new graduates, who were in a completely new state.

What happened in that case was that the manager had to spend a great deal of time training the new graduates as they entered the project delivery or helping them with output, in other words, they had to spend a lot of time training and reviewing them to ensure output quality.

As a result, they could not generate the man-hours that managers should be doing, such as enhancing sales within the client, creating new numbers, or developing partners and assigning them to new projects. There were also differences in ability in training, with some managers able to start up early, while others were not able to train their staff very well and simply followed through on their own.

Because of these factors, we were unable to generate the capacity for organizational expansion that we had originally envisioned, and we were also unable to spend enough man-hours acquiring new projects, which led to this revision.

Yoshida [Q]: So that would have led to a lower manager utilization rate within the company, but can I assume that there was no inconvenience or complaints from customers?

Doi [A]: I think that is correct.

Yoshida [M]: I understand. Thank you very much.

Doi [A]: To add, to begin with, new graduate employees are not completely ready to charge from the beginning, so including that aspect, we are in a situation where we are not causing any major inconvenience to our customers, or brand damage has not occurred.

Yoshida [Q]: On the second point, on page 24 of the slide, the graph shows a decrease in the number of managers, what is actually happening? If the number of candidates has increased a bit, can you tell us why the number has decreased in this area, whether some people have dropped from managers to candidates or have actually retired?

Doi [A]: It does not mean that there are retirements, but rather that there are 17 members who have been filled as managers as a result of the review of requirements, and as you mentioned, some members who were originally managers have dropped out or are no longer candidates for manager.

Yoshida [Q]: So, you are aiming for 30 people, but basically you are aiming for 30 people, including those who were originally manager candidates who are coming back again?

Doi [A]: You are correct. However, we will continue to tighten our grip on manager discernment, as some of our standards cannot be successfully reduced to this type of discernment unless we raise them firmly.

Yoshida [Q]: Next, we are looking at slide 25. What percentage of new graduates by rank of start-up status did President Doi originally envision, say, at the end of June?

Doi [A]: Using the definition on this material, as of the end of June, we had an image that if we had three months, the C personnel would already be about 10% or less than 10%, and A and B together would constitute about 90%. However, I have the image that the composition ratio here did not quite work out as I had envisioned due to issues of training methods and capacity, and that it has taken some time.

Yoshida [Q]: I would like to know as much as possible about your future hiring plans, as well as overall employee figures, and what you envision for future growth. I wonder if the target figures of JPY10 billion and JPY2 billion in the mid-range plan, one year ahead of schedule, have been changed this time as originally planned.

In this context, can you also tell us how you plan to handle the number of employees and the number of hires? In addition, I would like to know what the number of customers would look like.

Doi [A]: First of all, regarding our future outlook and plans, our basic premise is that we are taking this incident very seriously, we need to rebuild firmly this year and see how far we can expand our organizational capacity at the end of the year, while assessing the capacity of our managers, etc.

Basically, we have not yet lowered the TARGET 100 that we have set forth in our mid-term plan. We will continue to refine this plan as we assess the situation through the end of the year.

As for the personnel plan, as I explained in my presentation, I think what we have learned is that we must hire according to the training capacity of managers. I think there are two directions there. I believe that it is necessary to do these two things well: the number of people to be hired, and the speed at which the personnel's are growing at fast or slow, and reflect this in the hiring criteria.

In terms of the number of new graduates, I think we can basically expand the number of new graduates from the number we hired this year to a slightly higher pace than we are currently able to do with our current organizational capacity. As for mid-career hiring, we would like to continue to hire about three people each month as planned.

Matsumura [A]: I would like to add a supplement.

The basis of the staffing plan shown on page 24 is based on the assumption that mid-career hires will be made at the level mentioned by Doi and that there will be a certain amount of turnover.

We had set a very high target of 100 new graduates for 2024 at the beginning of the term, but during the term we shifted the target slightly to 60 to 80, or about 60 now, and this is a revision after accepting 40 new graduates this year.

Therefore, for the current fiscal year, we will not increase the number of employees too much but will focus on the establishment of managers or the establishment of new graduates by managers and return to an organizational situation where we can accept new graduates in April next year. Conversely, we will make a decision on how many mid-career workers we will hire after 2024 and how many new graduates we will hire in 2025, taking into account the organizational situation there.

With that in mind, we have not lowered the TARGET 100 at this stage, but we believe that we need to examine again whether this is an appropriate level based on the landing at the end of the fiscal year.

Yoshida [M]: I understand. Thank you very much.

Matsumura [M]: With this, I would like to conclude the presentation of the financial results of ProjectCompany, Inc. for Q2 of fiscal year 2023.

Doi [M]: Thank you very much for your time today. Thank you for your continued support.

[END]