

# Summary of Consolidated Financial Results

## for the First Two Quarters of the Fiscal Year

### Ending December 31, 2024

#### [Japanese GAAP]



August 13, 2024

Company name: ProjectHoldings, Inc.  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 9246  
 URL: <https://phd.co.jp>  
 Representative: Yunosuke Doi, Representative Director, President and CEO  
 Contact: Ryo Matsumura, Managing Director and CFO  
 Phone: +81-3-6459-1025  
 Scheduled date of filing quarterly securities report: August 13, 2024  
 Scheduled date of commencing dividend payments: –  
 Availability of supplementary explanatory materials on quarterly financial results: Yes  
 Schedule of quarterly financial results briefing session: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen.)

### 1. Financial Results for the First Two Quarters Ended, December 31, 2024 (January 1, 2024 – June 30, 2024)

(1) Consolidated Operating Results (Cumulative) (Percentage figures represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
The first two quarters ended								
June 30, 2024	2,689	(14.1)	(151)	–	(183)	–	(64)	–
June 30, 2023	3,129	68.6	420	2.7	422	4.3	244	(12.5)

(Note) Comprehensive income: The first two quarters ended, June 30, 2024: ¥(64)million[– %]

The first two quarters ended, June 30, 2023: ¥244 million [(12.5)%]

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
The first two quarters ended				
June 30, 2024		(11.92)		–
June 30, 2023		42.46		40.99

### (2) Consolidated Financial Position

	Total assets		Net assets		Equity ratio	
	Million yen		Million yen		%	
As of June 30, 2024		6,016		2,591		43.0
As of December 31, 2023 (End of previous fiscal year)		5,712		2,653		46.4

(Reference) Equity: As of June 30, 2024: ¥2,585 million

As of December 31, 2023: ¥2,647 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2023	–	0.00	–	0.00	0.00
Fiscal year ending December 31, 2024	–	0.00			
Fiscal year ending December 31, 2024 (Forecast)			–	0.00	0.00

(Note) Revision to the forecast for dividends announced most recently: None

## 3. Financial Results Forecast for the Fiscal Year Ending December 31, 2024 (January 1, 2024 - December 31, 2024)

(% indicates year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share	
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%		Yen
	5,750	(8.5)	(190)	–	(220)	–	(120)	–		(22.15)

(Note) Revision to the forecast for dividends announced most recently: None

**\* Notes:**

- (1) Changes in significant subsidiaries during the period under review: Yes  
(Changes in specified subsidiaries resulting in changes in scope of consolidation):  
Newly included: None, Excluded: ProjectHRsolutions Inc.
- (2) Application of special accounting methods for preparation of quarterly consolidated financial statements : Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: None
  - 2) Changes in accounting policies other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Retrospective restatement: None
- (4) Total number of issued and outstanding shares (common shares)
- 1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

As of June 30, 2024:	5,872,450 shares
As of December 31, 2023:	5,872,450 shares
  - 2) Total number of treasury shares at the end of the period:

As of June 30, 2024:	453,607 shares
As of December 31, 2023:	461,855 shares
  - 3) Average number of shares during the period:

Three months ended June 30, 2024:	5,416,989 shares
Three months ended June 30, 2023:	5,764,193 shares

\*These quarterly financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

\* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Group and certain assumptions deemed reasonable, and the Group does not intend to promise the achievement of these forecasts. Actual results may differ significantly from these forecasts due to a wide range of factors.

\* Disclaimer

This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

2. Quarterly Consolidated Financial Statements  
(1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of December 31, 2023	As of June 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	2,772,342	2,632,478
Notes and accounts receivable - trade	697,151	558,051
Allowance for doubtful accounts	(6,865)	(100)
Notes and accounts receivable - trade, net	690,286	557,951
Other	133,868	290,903
Total current assets	3,596,496	3,481,333
Non-current assets		
Property, plant and equipment	57,180	598,738
Intangible assets		
Goodwill	907,405	738,038
Other	213,059	202,579
Total intangible assets	1,120,465	940,618
Investments and other assets		
Investment securities	55,797	45,787
Leasehold deposits	809,611	757,800
Other	70,370	191,742
Total investments and other assets	935,779	995,330
Total non-current assets	2,113,425	2,534,686
Deferred assets	2,726	760
Total assets	5,712,648	6,016,780
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	299,534	222,159
Accounts payable - other	208,791	250,404
Current portion of bonds payable	20,000	10,000
Current portion of long-term borrowings	437,232	635,804
Income taxes payable	65,447	76,510
Provision for bonuses	2,200	85,910
Provision for bonuses for directors (and other officers)	21,600	1,350
Provision for loss on sublease	—	30,034
Other	150,215	109,710
Total current liabilities	1,205,021	1,421,884
Non-current liabilities		
Bonds payable	5,000	—
Long-term borrowings	1,775,652	1,858,214
Other	73,425	145,114
Total non-current liabilities	1,854,077	2,003,328
Total liabilities	3,059,099	3,425,212
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,029,016	50,000
Capital surplus	633,216	1,601,279
Retained earnings	1,742,872	1,678,326
Treasury shares	(757,196)	(743,677)
Total shareholders' equity	2,647,909	2,585,928
Share acquisition rights	5,639	5,639
Total net assets	2,653,548	2,591,568
Total liabilities and net assets	5,712,648	6,016,780

## (2) Quarterly Consolidated Statements of Income and Comprehensive Income

## Quarterly Consolidated Statement of Income

(Cumulative)

(Thousands of yen)

	January 1 <sup>st</sup> -June 30 <sup>th</sup> 2023	January 1 <sup>st</sup> -June 30 <sup>th</sup> 2024
Net sales	3,129,202	2,689,061
Cost of sales	1,935,321	1,775,792
Gross profit	1,193,881	913,269
Selling, general and administrative expenses	773,518	1,064,628
Operating profit (loss)	420,362	(151,359)
Non-operating income		
Interest income	15	24
Dividend income	3	—
Insurance claim income	—	5,905
The mutual relief system for the prevention of SME bankruptcies contributions refunded cancellation	8,003	—
Subsidy income	570	1,710
Commission income	—	1,855
Income from point	629	165
Other	677	95
Total non-operating income	9,899	9,755
Non-operating expenses		
Interest expenses	4,812	10,089
Amortization of share issuance costs	1,748	1,626
Provision for loss on sublease	—	30,034
Other	931	544
Total non-operating expenses	7,492	42,295
Ordinary profit (loss)	422,769	(183,898)
Extraordinary income		
Gain on sale of investment securities	—	76,476
Gain on sale of shares of subsidiaries and associates	—	50,560
Total extraordinary income	—	127,037
Extraordinary losses		
Settlement payments	—	21,552
Loss on retirement of non-current assets	—	6,409
Total extraordinary losses	—	27,962
Profit (loss) before income taxes	422,769	(84,824)
Income taxes	178,004	(20,277)
Profit (loss)	244,764	(64,546)
Profit (loss) attributable to owners of parent	244,764	(64,546)

Quarterly Consolidated Statement of Comprehensive Income  
(Cumulative)

(Thousands of yen)

	January 1 <sup>st</sup> -June 30 <sup>th</sup> 2023	January 1 <sup>st</sup> -June 30 <sup>th</sup> 2024
Profit (loss)	244,764	(64,546)
Comprehensive income	244,764	(64,546)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	244,764	(64,546)

## (3) Quarterly Consolidated Statements of Cash Flows

(Thousands of yen)

	January 1 <sup>st</sup> -June 30 <sup>th</sup> 2023	January 1 <sup>st</sup> -June 30 <sup>th</sup> 2024
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	422,769	(84,824)
Depreciation	81,633	109,754
Amortization of lease deposits	5,866	11,739
Amortization of share issuance costs	1,748	1,626
Amortization of bond issuance costs	573	339
Share-based payment expenses	3,157	—
Settlement payments	—	21,552
Increase (decrease) in allowance for doubtful accounts	—	(3,525)
Interest and dividend income	(18)	(24)
Insurance claim income	—	(5,905)
Interest expenses on borrowings and bonds	5,034	10,098
Loss (gain) on sale of investment securities	—	(76,476)
Loss (gain) on sale of shares of subsidiaries and associates	—	(50,560)
Loss on retirement of non-current assets	—	6,409
Decrease (increase) in trade receivables	(53,623)	92,597
Increase (decrease) in trade payables	29,214	(74,392)
Increase (decrease) in provision for bonuses	10,800	83,710
Increase (decrease) in accounts payable - other	73,060	136,686
Increase (decrease) in accrued expenses	(864)	(66,539)
Increase (decrease) in accrued consumption taxes	(88,079)	41,675
Decrease (increase) in consumption taxes refund receivable	—	(126,352)
Other, net	(8,113)	(14,184)
<b>Subtotal</b>	<b>483,158</b>	<b>13,405</b>
Interest and dividends received	18	24
Proceeds from insurance income	—	5,905
Interest paid	(5,519)	(10,551)
Settlement paid	—	(21,552)
Income taxes paid	(282,373)	(95,304)
<b>Net cash provided by (used in) operating activities</b>	<b>195,284</b>	<b>(108,073)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of investment securities	—	86,486
Purchase of investments in subsidiaries resulting in change of scope of consolidation	(506,510)	—
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	—	167,883
Purchase of property, plant and equipment	(21,852)	(580,091)
Payments of leasehold deposits	(187)	(19,806)
Proceeds from refund of leasehold deposits	525	40,286
Other, net	(1,192)	6,000
<b>Net cash provided by (used in) investing activities</b>	<b>(529,217)</b>	<b>(299,242)</b>

(Thousands of yen)

	January 1 <sup>st</sup> -June 30 <sup>th</sup> 2023	January 1 <sup>st</sup> -June 30 <sup>th</sup> 2024
Cash flows from financing activities		
Proceeds from long-term borrowings	720,000	500,000
Repayments of long-term borrowings	(88,417)	(218,866)
Redemption of bonds	(29,000)	(15,000)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	41,215	—
Purchase of treasury shares	—	(3)
Proceeds from disposal of treasury shares	—	2,568
Other, net	(1,375)	(1,247)
Net cash provided by (used in) financing activities	642,422	267,452
Net increase (decrease) in cash and cash equivalents	308,489	(139,863)
Cash and cash equivalents at beginning of period	2,220,324	2,772,342
Increase (decrease) in cash and cash equivalents resulting from change in accounting period of subsidiaries	76,948	—
Cash and cash equivalents at end of period	2,605,761	2,632,478