

Summary of Consolidated Financial Results

for the First Three Quarters of the Fiscal Year

Ending December 31, 2024

[Japanese GAAP]



November 14, 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
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 Scheduled date of commencing dividend payments: –
 Availability of supplementary explanatory materials on financial results: Yes
 Schedule of 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 Three Quarters Ended, December 31, 2024 (January 1, 2024 – September 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 three quarters ended								
September 30, 2024	3,923	(16.9)	(201)	—	(239)	—	(17)	—
September 30, 2023	4,723	58.7	665	(3.8)	657	(4.1)	402	(12.4)

(Note) Comprehensive income: The first three quarters ended, September 30, 2024: ¥(17)million[– %]
 The first three quarters ended, September 30, 2023: ¥402 million [(12.4)%]

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
The first three quarters ended				
September 30, 2024		(3.16)		—
September 30, 2023		69.74		67.57

(Note) In the first two quarters ended June 30, 2024, the Company finalized the provisional accounting treatment for the business combination, and the consolidated financial position for the first three quarters ended September 30, 2023 reflects the details of the finalization of the provisional accounting treatment.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2024	5,912	2,642	44.6
As of December 31, 2023 (End of previous fiscal year)	5,712	2,653	46.4

(Reference) Equity: As of September 30, 2024: ¥2,637 million
 As of December 31, 2023: ¥2,647 million

(Note) In the first two quarters ended June 30, 2024, the Company finalized the provisional accounting treatment for the business combination, and the consolidated financial position for the first three quarters ended September 30, 2023 reflects the details of the finalization of the provisional accounting treatment.

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
	Million yen %	Million yen %	Million yen %	Million yen %	Yen
Full year	5,750 (8.5)	(190) –	(220) –	20 (96.6)	3.69

(Note) Revision to the disclosed earning forecast announced most recently: None

*** Notes:**

- (1) Significant changes in the scope of consolidation during the period: Yes
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 shares (common shares)
- 1) Total number of issued shares at the end of the period (including treasury shares):

As of September 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 September 30, 2024:	441,108 shares
As of December 31, 2023:	461,855 shares
 - 3) Average number of shares during the period:

Three months ended September 30, 2024:	5,420,048 shares
Three months ended September 30, 2023:	5,777,628 shares

* Review of the accompanying quarterly consolidated financial statements by a certified public accountant or auditing firm: None

* 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 September 30, 2024
Assets		
Current assets		
Cash and deposits	2,772,342	2,436,160
Notes and accounts receivable - trade	697,151	570,117
Allowance for doubtful accounts	(6,865)	(2,850)
Notes and accounts receivable - trade, net	690,286	567,267
Other	133,868	450,293
Total current assets	3,596,496	3,453,721
Non-current assets		
Property, plant and equipment	57,180	586,509
Intangible assets		
Goodwill	907,405	708,378
Other	213,059	197,339
Total intangible assets	1,120,465	905,718
Investments and other assets		
Investment securities	55,797	35,797
Leasehold deposits	809,611	751,450
Other	70,370	179,256
Total investments and other assets	935,779	966,503
Total non-current assets	2,113,425	2,458,732
Deferred assets	2,726	110
Total assets	5,712,648	5,912,564
Liabilities		
Current liabilities		
Accounts payable - trade	299,534	193,365
Accounts payable - other	208,791	263,551
Current portion of long-term borrowings	437,232	634,804
Income taxes payable	65,447	82,735
Provision for bonuses	2,200	59,259
Provision for bonuses for directors (and other officers)	21,600	2,025
Provision for loss on sublease	—	21,843
Provision for shareholder benefit program	—	10,369
Other	170,215	125,909
Total current liabilities	1,205,021	1,393,862
Non-current liabilities		
Long-term borrowings	1,775,652	1,714,754
Other	78,425	161,299
Total non-current liabilities	1,854,077	1,876,053
Total liabilities	3,059,099	3,269,916
Net assets		
Shareholders' equity		
Share capital	1,029,016	50,000
Capital surplus	633,216	1,584,467
Retained earnings	1,742,872	1,725,732
Treasury shares	(757,196)	(723,191)
Total shareholders' equity	2,647,909	2,637,008
Share acquisition rights	5,639	5,639
Total net assets	2,653,548	2,642,647
Total liabilities and net assets	5,712,648	5,912,564

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

(Cumulative)

(Thousands of yen)

	January 1 st -September 30 th 2023	January 1 st -September 30 th 2024
Net sales	4,723,636	3,923,383
Cost of sales	2,917,244	2,636,875
Gross profit	1,806,391	1,286,507
Selling, general and administrative expenses	1,140,891	1,487,623
Operating profit (loss)	665,499	(201,115)
Non-operating income		
Interest income	27	220
Insurance claim income	—	5,905
Subsidy income	2,850	2,280
Commission income	—	1,855
Income from point	707	353
Other	924	158
Total non-operating income	4,510	10,772
Non-operating expenses		
Interest expenses	8,355	16,713
Amortization of share issuance costs	2,612	2,209
Provision for loss on sublease	—	30,034
Other	1,573	680
Total non-operating expenses	12,541	49,639
Ordinary profit (loss)	657,468	(239,982)
Extraordinary income		
Gain on sale of investment securities	—	196,855
Gain on sale of shares of subsidiaries and associates	—	50,560
Other	—	22
Total extraordinary income	—	247,439
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	657,468	(20,505)
Income taxes	254,514	(3,365)
Profit (loss)	402,954	(17,140)
Profit (loss) attributable to owners of parent	402,954	(17,140)

Quarterly Consolidated Statement of Comprehensive Income
(Cumulative)

(Thousands of yen)

	January 1 st -September 30 th 2023	January 1 st -September 30 th 2024
Profit (loss)	402,954	(17,140)
Comprehensive income	402,954	(17,140)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	402,954	(17,140)