

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 14, 2023

Company name: m-up holdings, Inc.
 Stock exchange listing: Tokyo
 Stock code: 3661 URL <http://www.m-upholdings.co.jp/>
 Representative: CEO Mito Koichiro
 Inquiries: CFO Fujiike Toshiki TEL 03-5467-7125
 Scheduled date to file Quarterly Securities Report: August 14, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2023	4,393	13.8	783	29.2	786	29.4	430	35.7
Three months ended June 30, 2022	3,861	25.5	605	66.6	608	76.0	317	60.7

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	11.91		11.78	
Three months ended June 30, 2022	8.77		8.74	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	15,898	6,398	36.6
As of March 31, 2023	16,442	6,657	37.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	0.00	–	10.00	10.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		0.00	–	12.00	12.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	17,500	9.8	2,500	20.5	2,500	20.9	1,500	37.2	41.49

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2023	36,496,388 shares	As of March 31, 2023	36,496,388 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	339,371 shares	As of March 31, 2023	339,345 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2023	36,157,032 shares	Three months ended June 30, 2022	36,153,043 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	6,929	6,161
Accounts receivable - trade	1,866	2,672
Merchandise	11	16
Work in process	1	1
Supplies	15	25
Advance payments	1,192	440
Cryptocurrency	0	0
Other	1,416	1,994
Allowance for doubtful accounts	(0)	(0)
Total current assets	11,432	11,312
Non-current assets		
Property, plant and equipment	993	987
Intangible assets		
Goodwill	327	273
Customer related assets	231	218
Other	667	596
Total intangible assets	1,226	1,088
Investments and other assets		
Investment securities	2,046	1,754
Other	818	831
Allowance for doubtful accounts	(75)	(75)
Total investments and other assets	2,790	2,510
Total non-current assets	5,010	4,585
Total assets	16,442	15,898
Liabilities		
Current liabilities		
Accounts payable - trade	4,571	3,567
Accounts payable - other	376	902
Income taxes payable	571	178
Deposits received	106	110
Contract liabilities	3,542	4,339
Provision for bonuses	61	13
Provision for bonuses for directors (and other officers)	170	34
Other	244	231
Total current liabilities	9,646	9,378
Non-current liabilities		
Asset retirement obligations	39	39
Deferred tax liabilities	90	72
Other	9	9
Total non-current liabilities	139	121
Total liabilities	9,785	9,500

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Net assets		
Shareholders' equity		
Share capital	317	317
Capital surplus	3,816	3,816
Retained earnings	2,656	2,708
Treasury shares	(200)	(200)
Total shareholders' equity	6,589	6,641
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(425)	(818)
Total accumulated other comprehensive income	(425)	(818)
Share acquisition rights	30	30
Non-controlling interests	461	544
Total net assets	6,657	6,398
Total liabilities and net assets	16,442	15,898

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	3,861	4,393
Cost of sales	2,596	2,848
Gross profit	1,265	1,545
Selling, general and administrative expenses	659	762
Operating profit	605	783
Non-operating income		
Rental income	0	0
Commission income	4	3
Outsourcing service income	–	1
Other	0	0
Total non-operating income	4	5
Non-operating expenses		
Loss on sale of electronically recorded monetary claims	0	–
Commission expenses	1	1
Other	0	0
Total non-operating expenses	2	2
Ordinary profit	608	786
Profit before income taxes	608	786
Income taxes - current	128	170
Income taxes - deferred	104	117
Total income taxes	232	288
Profit	375	498
Profit (loss) attributable to non-controlling interests	58	68
Profit attributable to owners of parent	317	430

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	375	498
Other comprehensive income		
Valuation difference on available-for-sale securities	29	(393)
Total other comprehensive income	29	(393)
Comprehensive income	404	105
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	346	37
Comprehensive income attributable to non-controlling interests	58	68