

Translation

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**Summary of Consolidated Financial Results
for the Year Ended March 31, 2024
(Based on Japanese GAAP)**

May 15, 2024

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 of ordinary general meeting of shareholders: June 27, 2024
 Scheduled date to file Securities Report: June 27, 2024
 Scheduled date to commence dividend payments: June 28, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

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	%
Year ended March 31, 2024	18,574	16.6	2,825	36.2	2,867	38.7	1,481	35.5
Year ended March 31, 2023	15,936	17.4	2,074	23.5	2,068	20.4	1,093	12.0

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2024	41.06	40.51	23.7	15.9	15.2
Year ended March 31, 2023	30.25	29.87	19.4	13.5	13.0

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	19,549	7,141	32.5	176.60
As of March 31, 2023	16,442	6,657	37.5	170.49

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	2,992	(604)	(586)	8,780
Year ended March 31, 2023	1,457	(1,069)	(149)	6,978

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	—	0.00	—	10.00	10.00	361	33.1	6.4
Year ended March 31, 2024	—	0.00	—	13.50	13.50	485	32.9	7.8
Year ending March 31, 2025 (Forecast)	—	0.00	—	16.50	16.50		33.5	

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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	20,000	7.7	3,400	20.3	3,400	18.6	1,800	21.5	49.89

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2024	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 March 31, 2024	537,272 shares	As of March 31, 2023	339,345 shares
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Average number of shares during the period

Year ended March 31, 2024	36,082,306 shares	Year ended March 31, 2023	36,155,399 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	6,929	8,780
Accounts receivable - trade	1,866	2,561
Merchandise	11	21
Work in process	1	1
Supplies	15	19
Advance payments	1,192	1,755
Accounts receivable - other	809	865
Other	607	858
Allowance for doubtful accounts	(0)	(0)
Total current assets	11,432	14,861
Non-current assets		
Property, plant and equipment		
Buildings	651	1,118
Accumulated depreciation	(104)	(130)
Buildings, net	546	987
Vehicles	39	55
Accumulated depreciation	(33)	(37)
Vehicles, net	6	18
Tools, furniture and fixtures	98	130
Accumulated depreciation	(77)	(88)
Tools, furniture and fixtures, net	21	41
Vessels	88	88
Accumulated depreciation	(87)	(88)
Vessels, net	1	0
Land	108	156
Construction in progress	309	–
Total property, plant and equipment	993	1,204
Intangible assets		
Goodwill	327	109
Customer related assets	231	180
Software	217	48
Utility model right	450	350
Other	–	11
Total intangible assets	1,226	699
Investments and other assets		
Investment securities	2,046	1,846
Long-term loans receivable	126	111
Deferred tax assets	363	418
Other	329	469
Allowance for doubtful accounts	(75)	(61)
Total investments and other assets	2,790	2,783
Total non-current assets	5,010	4,687
Total assets	16,442	19,549

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	4,571	4,853
Accounts payable - other	376	1,785
Income taxes payable	571	659
Deposits received	106	243
Contract liabilities	3,542	4,177
Provision for bonuses	61	54
Provision for bonuses for directors (and other officers)	170	179
Other	244	243
Total current liabilities	9,646	12,196
Non-current liabilities		
Asset retirement obligations	39	124
Deferred tax liabilities	90	77
Other	9	9
Total non-current liabilities	139	211
Total liabilities	9,785	12,407
Net assets		
Shareholders' equity		
Share capital	317	317
Capital surplus	3,816	3,815
Retained earnings	2,656	3,776
Treasury shares	(200)	(440)
Total shareholders' equity	6,589	7,468
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(425)	(1,118)
Total accumulated other comprehensive income	(425)	(1,118)
Share acquisition rights	30	30
Non-controlling interests	461	760
Total net assets	6,657	7,141
Total liabilities and net assets	16,442	19,549

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	15,936	18,574
Cost of sales	10,902	12,519
Gross profit	5,033	6,054
Selling, general and administrative expenses	2,959	3,228
Operating profit	2,074	2,825
Non-operating income		
Gain on sale of investment securities	–	4
Foreign exchange gains	–	0
Rental income	8	11
Commission income	14	14
Reversal of allowance for doubtful accounts	–	10
Other	1	5
Total non-operating income	24	46
Non-operating expenses		
Loss on sale of investment securities	23	–
Commission expenses	6	3
Foreign exchange losses	1	–
Total non-operating expenses	31	3
Ordinary profit	2,068	2,867
Extraordinary losses		
Impairment losses	–	68
Total extraordinary losses	–	68
Profit before income taxes	2,068	2,798
Income taxes - current	917	1,085
Income taxes - deferred	(140)	(51)
Total income taxes	777	1,034
Profit	1,290	1,764
Profit attributable to non-controlling interests	197	283
Profit attributable to owners of parent	1,093	1,481

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	1,290	1,764
Other comprehensive income		
Valuation difference on available-for-sale securities	116	(693)
Total other comprehensive income	116	(693)
Comprehensive income	1,407	1,071
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,210	788
Comprehensive income attributable to non-controlling interests	197	283

Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	317	3,709	1,816	(202)	5,640
Changes during period					
Capital increase of consolidated subsidiaries		103			103
Dividends of surplus			(253)		(253)
Profit attributable to owners of parent			1,093		1,093
Disposal of treasury shares		3		2	6
Net changes in items other than shareholders' equity					
Total changes during period	–	106	840	2	949
Balance at end of period	317	3,816	2,656	(200)	6,589

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Balance at beginning of period	(542)	(542)	33	264	5,396
Changes during period					
Capital increase of consolidated subsidiaries					103
Dividends of surplus					(253)
Profit attributable to owners of parent					1,093
Disposal of treasury shares					6
Net changes in items other than shareholders' equity	116	116	(2)	197	311
Total changes during period	116	116	(2)	197	1,260
Balance at end of period	(425)	(425)	30	461	6,657

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	317	3,816	2,656	(200)	6,589
Changes during period					
Purchase of shares of consolidated subsidiaries		(0)			(0)
Dividends of surplus			(361)		(361)
Profit attributable to owners of parent			1,481		1,481
Purchase of treasury shares				(239)	(239)
Net changes in items other than shareholders' equity					
Total changes during period		(0)	1,119	(239)	879
Balance at end of period	317	3,815	3,776	(440)	7,468

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Balance at beginning of period	(425)	(425)	30	461	6,657
Changes during period					
Purchase of shares of consolidated subsidiaries					(0)
Dividends of surplus					(361)
Profit attributable to owners of parent					1,481
Purchase of treasury shares					(239)
Net changes in items other than shareholders' equity	(693)	(693)		298	(394)
Total changes during period	(693)	(693)		298	484
Balance at end of period	(1,118)	(1,118)	30	760	7,141

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	2,068	2,798
Depreciation	276	296
Amortization of goodwill	218	218
Impairment losses	–	68
Increase (decrease) in allowance for doubtful accounts	(6)	(14)
Increase (decrease) in provision for bonuses	16	(7)
Increase (decrease) in provision for bonuses for directors (and other officers)	19	8
Foreign exchange losses (gains)	1	(0)
Loss (gain) on sale of investment securities	23	(4)
Decrease (increase) in trade receivables	83	(694)
Decrease (increase) in inventories	(8)	(14)
Decrease (increase) in advance payments to suppliers	24	(35)
Decrease (increase) in prepaid pension costs	(1,192)	(562)
Decrease (increase) in advances paid	(10)	(26)
Decrease (increase) in accounts receivable - other	(386)	(55)
Decrease (increase) in prepaid expenses	121	(293)
Increase (decrease) in trade payables	163	282
Increase (decrease) in accounts payable - other	(4)	1,211
Increase (decrease) in deposits received	(135)	136
Increase (decrease) in Contract liabilities	683	634
Other, net	66	19
Subtotal	2,023	3,968
Interest received	0	0
Income taxes paid	(785)	(1,036)
Income taxes refund	219	60
Net cash provided by (used in) operating activities	1,457	2,992
Cash flows from investing activities		
Purchase of property, plant and equipment	(5)	(171)
Proceeds from sale of property, plant and equipment	–	1
Purchase of intangible assets	(635)	(9)
Purchase of investment securities	(3,556)	(577)
Proceeds from sale of investment securities	3,023	265
Proceeds from collection of loans receivable	135	14
Loan advances	(31)	(2)
Payments of leasehold deposits	–	(136)
Other, net	0	11
Net cash provided by (used in) investing activities	(1,069)	(604)
Cash flows from financing activities		
Dividends paid	(252)	(360)
Proceeds from share issuance to non-controlling shareholders	103	24
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	–	(9)
Purchase of treasury shares	–	(239)
Net cash provided by (used in) financing activities	(149)	(586)
Effect of exchange rate change on cash and cash equivalents	(1)	0
Net increase (decrease) in cash and cash equivalents	236	1,801
Cash and cash equivalents at beginning of period	6,742	6,978
Cash and cash equivalents at end of period	6,978	8,780