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November 12, 2024

Consolidated Financial Results for the Six Months Ended September 30, 2024 (Under Japanese GAAP)

Company name: MAMEZO DIGITAL HOLDINGS CO., LTD. Listing: Tokyo Stock Exchange
Securities code: 202A URL: https://www.mamezo-dhd.com/
Representative: Tetsuya Nakahara, President and Representative Director
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2024	5,266	-	971	-	948	-	621	-
September 30, 2023	-	-	-	-	-	-	-	-

Note: Comprehensive income For the six months ended September 30, 2024: ¥621 million [- %]
For the six months ended September 30, 2023: ¥ - million [- %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	38.77	37.86
September 30, 2023	-	-

Note: 1. Since the Company did not disclose consolidated financial statements for the six months ended September 30, 2023, figures for the six months ended September 30, 2023, and percentages year-on-year changes are not shown.
2. The Company conducted a reverse stock split on April 15, 2024, at a ratio of 1 for 5 shares of common stock. Basic earnings per share and diluted earnings per share are calculated on the assumption that the reverse stock split has been conducted at the beginning of the previous fiscal year.
3. Since the Company was listed on the Growth Market of the Tokyo Stock Exchange on June 27, 2024, diluted earnings per share for the six months ended September 30, 2024 is calculated by considering the average share price from the initial listing date to the end of the six months ended September 30, 2024 as the average share price during the period.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	3,743	2,596	69.4
March 31, 2024	3,543	2,261	63.8

Reference: Equity: As of September 30, 2024: ¥2,596 million As of March 31, 2024: ¥2,261 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	22.44	-	4.35	26.79
Fiscal year ending March 31, 2025	-				
Fiscal year ending March 31, 2025 (Forecast)		0.00	-	59.58	59.58

Note: Revisions to the forecast of cash dividends most recently announced: None
The Company conducted a reverse stock split on April 15, 2024, at a ratio of 1 for 5 shares of common stock. The dividend for the fiscal year ended March 31, 2024 is the amount prior to the reverse stock split.

3. Consolidated earnings forecast for the fiscal 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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2025	10,552	10.1	2,071	15.1	2,050	12.7	1,366	17.8	85.18

Note: Revisions to the consolidated earnings forecast of cash dividends most recently announced: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of semi-anuual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of September 30, 2024	16,050,000 shares
As of March 31, 2024	16,000,000 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2024	- shares
As of March 31, 2024	- shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	16,026,503 shares
Six months ended September 30, 2023	- shares

Note: The Company conducted a reverse stock split on April 15, 2024, at a ratio of 1 for 5 shares of common stock. Total number of issued shares at the end of the period (including treasury shares), number of treasury shares at the end of the period and average number of shares outstanding during the period (cumulative from the beginning of the fiscal year) are calculated on the assumption that the reverse stock split has been conducted at the beginning of the previous fiscal year.

* Review of the Japanese-language originals of the attached semi-annual consolidated financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters
The forward-looking statements such as Consolidated earnings forecast in this document are based on the information available at the time of publication and certain assumptions that the Company judges as rational and are not intended to be a promise by the Company to achieve these forecasts. In addition, actual financial results may vary significantly due to various reasons.

Semi-annual Consolidated Financial Statements

(1) Semi-annual Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	828,367	1,207,949
Notes receivable - trade	7,190	—
Accounts receivable - trade	1,173,126	1,210,873
Contract assets	18,234	78,390
Finished goods	11,870	11,870
Work in process	33,712	16,382
Raw materials	53,990	32,768
Income taxes refund receivable	237,827	—
Other	234,674	161,033
Total current assets	2,598,993	2,719,268
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	82,043	102,896
Machinery and equipment, net	109,281	77,348
Tools, furniture and fixtures, net	21,648	22,723
Leased assets, net	—	2,929
Construction in progress	218,122	292,934
Total property, plant and equipment	431,095	498,831
Intangible assets		
Software	112,330	95,265
Other	1,468	1,394
Total intangible assets	113,799	96,659
Investments and other assets		
Deferred tax assets	215,942	199,907
Other	183,402	228,412
Total investments and other assets	399,344	428,320
Total non-current assets	944,239	1,023,811
Total assets	3,543,232	3,743,080

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	135,723	138,352
Lease liabilities	—	666
Accounts payable - other	138,540	100,922
Accrued expenses	146,600	113,570
Income taxes payable	326,945	322,761
Accrued consumption taxes	181,319	145,665
Provision for bonuses	242,616	251,714
Provision for loss on orders received	1,652	—
Other	99,857	62,080
Total current liabilities	1,273,255	1,135,735
Non-current liabilities		
Lease liabilities	—	2,555
Asset retirement obligations	6,633	6,704
Other	1,481	1,481
Total non-current liabilities	8,114	10,741
Total liabilities	1,281,370	1,146,476
Net assets		
Shareholders' equity		
Share capital	100,000	130,714
Capital surplus	500	31,214
Retained earnings	2,161,135	2,434,448
Total shareholders' equity	2,261,635	2,596,377
Share acquisition rights	226	226
Total net assets	2,261,862	2,596,603
Total liabilities and net assets	3,543,232	3,743,080

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual consolidated statement of income (For the six months)

(Thousands of yen)

	Six months ended September 30, 2024
Net sales	5,266,105
Cost of sales	3,534,977
Gross profit	1,731,128
Selling, general and administrative expenses	759,714
Operating profit	971,413
Non-operating income	
Interest income	22
Subsidy income	4,797
Other	300
Total non-operating income	5,120
Non-operating expenses	
Interest expenses	333
Listing-related expenses	25,406
Other	2,120
Total non-operating expenses	27,860
Ordinary profit	948,674
Extraordinary losses	
Loss on retirement of non-current assets	7,896
Total extraordinary losses	7,896
Profit before income taxes	940,778
Income taxes - current	303,430
Income taxes - deferred	16,034
Total income taxes	319,464
Profit	621,313
Profit attributable to owners of parent	621,313

Semi-annual consolidated statement of comprehensive income (For the six months)

(Thousands of yen)

	Six months ended September 30, 2024
Profit	621,313
Comprehensive income	621,313
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	621,313

(3) Semi-annual Consolidated Statements of Cash Flows

(Thousands of yen)

	Six months ended September 30, 2024
Cash flows from operating activities	
Profit before income taxes	940,778
Depreciation	40,829
Increase (decrease) in provision for bonuses	9,098
Increase (decrease) in provision for loss on orders received	△1,652
Interest income	△22
Interest expenses	333
Loss on retirement of non-current assets	7,896
Decrease (increase) in trade receivables	△90,713
Decrease (increase) in inventories	38,551
Increase (decrease) in trade payables	2,629
Increase (decrease) in accounts payable - other, and accrued expenses	△70,319
Increase (decrease) in accrued consumption taxes	△35,654
Other, net	△16,841
Subtotal	824,913
Interest received	22
Interest paid	△333
Income taxes refund (paid)	△72,527
Other, net	4,797
Net cash provided by (used in) operating activities	756,871
Cash flows from investing activities	
Purchase of property, plant and equipment	△47,477
Purchase of intangible assets	△3,195
Other, net	△39,934
Net cash provided by (used in) investing activities	△90,606
Cash flows from financing activities	
Repayments of lease liabilities	△111
Proceeds from issuance of shares	61,428
Dividends paid	△348,000
Net cash provided by (used in) financing activities	△286,682
Net increase (decrease) in cash and cash equivalents	379,582
Cash and cash equivalents at beginning of period	828,367
Cash and cash equivalents at end of period	1,207,949