

Poletowin Pitcrew Holdings, Inc.

Supplementary Information to the Financial Results for the Nine Months Ended October 31, 2021

<Summary>

Net sales:	¥24,334 million	(26.7% increase QoQ)
Operating profit:	¥2, 422 million	(8.6% increase QoQ)
Net profit:	¥1,624 million	(5.8% increase QoQ)

➤ <Testing/Verification & Evaluation Business >

- Net sales increased 29.3% QoQ. Operating profit decreased 3.9% QoQ.
- Sales to overseas clients and orders for voice recording and graphic development increased.
- Sales of media and content-related businesses of subsidiaries QBIST Inc. and CREST Inc. increased.
- Increase in one-time expenses related to M&A and upfront expenses related to the media contents business.

➤ <Internet Supporting Business>

- Net sales increased 18.0% QoQ. Operating profit increased 62.7% QoQ.
- Orders for monitoring, anti-fraud, and customer support related to e-commerce sites and QR code payments increased.
- Orders for data recognition evaluation in AI-related services and customer support for the game market increased.

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1-1. Overview of Consolidated Financial Results for the Nine Months Ended October 31, 2021

Units: ¥ million (Amounts less than ¥1 million omitted)

	FY2022.1 Nine Months Ended October 31, 2021		FY2021.1 Nine Months Ended October 31, 2020		Change QoQ	
	Results	Margin	Results	Margin	Results	Margin
Net sales	24,334	- %	19,203	- %	+5,131	+26.7%
Operating profit	2,422	10.0%	2,231	11.6%	+191	+8.6%
Ordinary profit	2,428	10.0%	2,468	12.9%	-39	-1.6%
Profit attributable to owners of parent	1,624	6.7%	1,535	8.0%	+88	+5.8%

*Percentages rounded down to one decimal place

1-2. Segment Overviews for the Nine Months Ended October 31, 2021

Testing/Verification & Evaluation Business

Net Sales ¥18,641 million (76.6% of net sales)

	FY2022.1 3Q	FY2021.1 3Q	Change YoY	
			Change	Margin
Net sales	18,641	14,414	+4,227	+29.3%
Operating profit	1,821	1,895	-74	-3.9%
Operating margin	9.8%	13.2%	-3.4%pt	-

Units: ¥ million
(Amounts less than ¥1 million omitted)

*Percentages rounded down to one decimal place

Internet Supporting Business

Net Sales ¥5,498 million (22.6% of net sales)

	FY2022.1 3Q	FY2021.1 3Q	Change YoY	
			Change	Margin
Net sales	5,498	4,660	+837	+18.0%
Operating profit	604	371	+233	+62.7%
Operating margin	11.0%	8.0%	+3.0%pt	-

Units: ¥ million
(Amounts less than ¥1 million omitted)

*Percentages rounded down to one decimal place

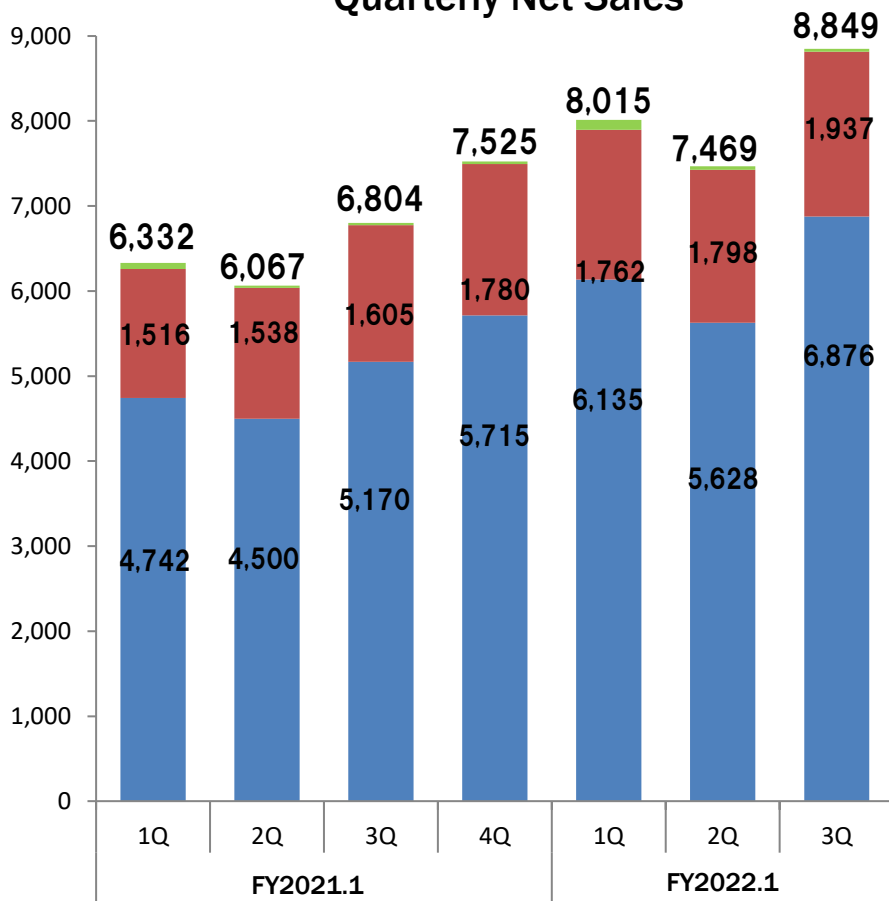
1-3. Quarterly Net Sales and Operating Profit

Units: ¥ million (Amounts less than ¥1 million omitted)

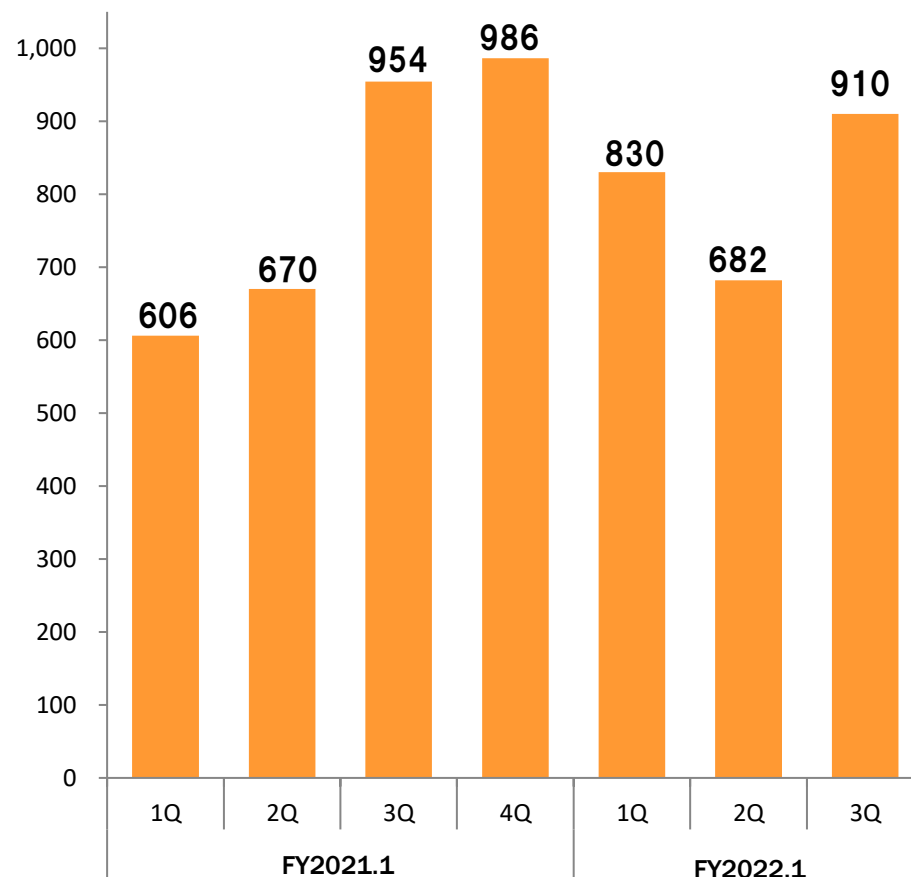
Units: ¥ million (Amounts less than ¥1 million omitted)

- Testing/Verification & Evaluation Business
- Internet Supporting Business
- Others

Quarterly Net Sales



Quarterly Operating Profit



Note: Quarterly net sales and operating profit are internal management figures provided as reference information

1-4. Financial Position: Consolidated Balance Sheets

Units: ¥ million (Amounts less than ¥1 million omitted)

	As of Oct. 31, 2021	As of Jan. 31, 2021	Change
Total current assets	16,711	17,102	-391
Cash and deposits	9,764	11,158	-1,393
Total property, plant and equipment	867	694	+173
Total intangible assets	2,887	940	+1,947
Investments and other assets	1,976	1,652	+324
Total non-current assets	5,732	3,286	+2,445
Total assets	22,443	20,389	+2,054
Total current liabilities	4,873	4,454	+419
Total non-current liabilities	504	260	+244
Total liabilities	5,378	4,714	+663
Total net assets	17,065	15,675	+1,390
Capital stock	1,239	1,239	-
Capital surplus	2,379	2,379	-
Retained earnings	13,503	12,372	+1,131
Treasury shares	-167	-167	-0
Total liabilities and net assets	22,443	20,389	+2,054

2-1. Consolidated Forecasts for the Year Ending January 31, 2022

Units (except for per-share figures): ¥ million (Amounts less than ¥1 million omitted)

	Fiscal 2022.1 Forecasts		Fiscal 2021.1 Results	YoY change	
	Initial Forecasts (disclosed on March 15)	Revised Forecasts (disclosed on September 3)		Amount	%
Net sales	30,077	33,224	26,729	+6,495	+24.3%
Operating profit	3,452	3,535	3,217	+317	+9.9%
Ordinary profit	3,392	3,539	3,595	-56	-1.6%
Profit attributable to owners of parent	2,123	2,157	2,119	+37	+1.7%
Net profit per share	¥55.66	¥56.53	¥55.99	¥+0.54	—
Cash dividends per share	¥14	¥14	¥13	¥+1	—

*Percentages rounded down to one decimal place

2-2. Progress of Consolidated Forecasts for the Year Ending January 31, 2022

Units: ¥ million (Amounts less than ¥1 million omitted)

	Results For the Nine months Ended October 31, 2021	FY2022.1	
		Forecast	Progress
Net sales	24,334	33,224	73.2%
Operating profit	2,422	3,535	68.5%
Ordinary profit	2,428	3,539	68.6%
Profit attributable to owners of parent	1,624	2,157	75.3%

*Percentages rounded down to one decimal place

2-3. Shareholder Returns (Forecast of Cash Dividends per Share)

Dividend policy

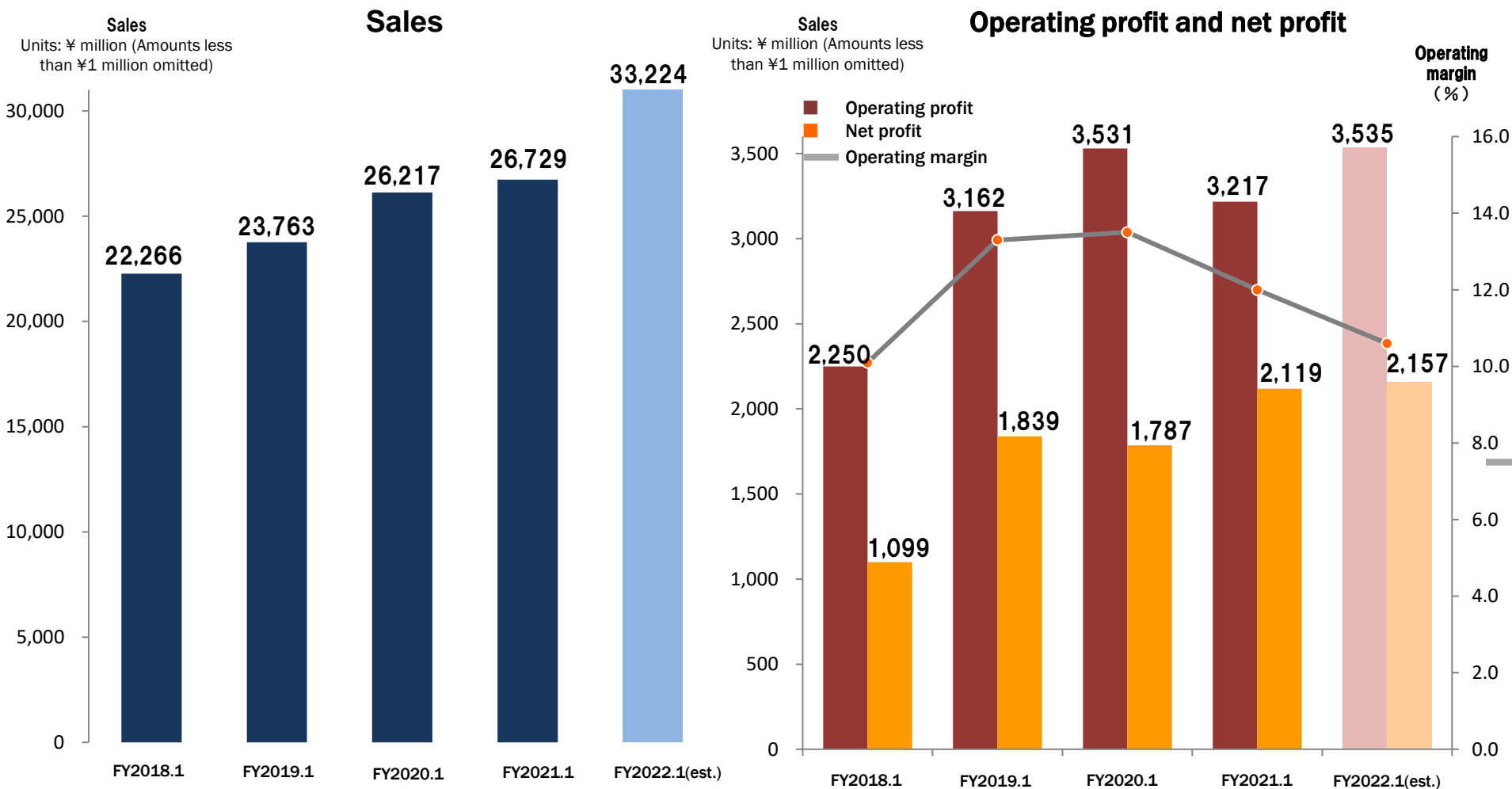
Target payout ratio of 25% to consolidated net profit

Yearly dividends per share

Fiscal 2019 → Fiscal 2020 → Fiscal 2021 → Fiscal 2022 Forecast

¥11 /share **¥12 /share** **¥13 /share** **¥14 /share**

2-4. Consolidated Fiscal Performance and Plan



Note: FY2022.1 estimates are forecasts disclosed on September 3, 2021.

3-1. Corporate Profile



(As of October 31, 2021)

Company Name	Poletowin Pitcrew Holdings, Inc.	
Representatives	Tamiyoshi Tachibana, Chairman Teppei Tachibana, President & CEO	
Head Office	Shinjuku NS Building, 2-4-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo 163-0811, Japan	
Date Established	February 2, 2009	
Capital	¥1,239 Million (As of January 31, 2021)	
Stock Exchange/ Securities Code	Tokyo Stock Exchange (First Section) (Securities Code: 3657 Abbreviation: Pole HD)	
Business Description	<p>Operations ancillary and pertaining to the control and management of business activities of the Company and the entire Group encompassed 40 consolidated subsidiaries.</p> <p>Major Group businesses</p> <ol style="list-style-type: none"> 1. Testing/Verification & Evaluation Business Detecting defects (finding bugs) in support of enhancing the quality of software and hardware 2. Internet Supporting Business Detecting fraud and illegal or harmful information on the Internet to help websites operate soundly 3. Others Including medical related service, publishing and media businesses 	
Consolidated Financial Results (Fiscal 2021)	<p>Net Sales: ¥26,729 Million</p> <p>Ordinary Profit: ¥ 3,595 Million</p> <p>Net profit: ¥ 2,119 Million</p>	<p>No. of Employees on Consolidated Basis: 5,693 (including 2,276 full-time employees as of January 31, 2021)</p>

3-2. Group Composition

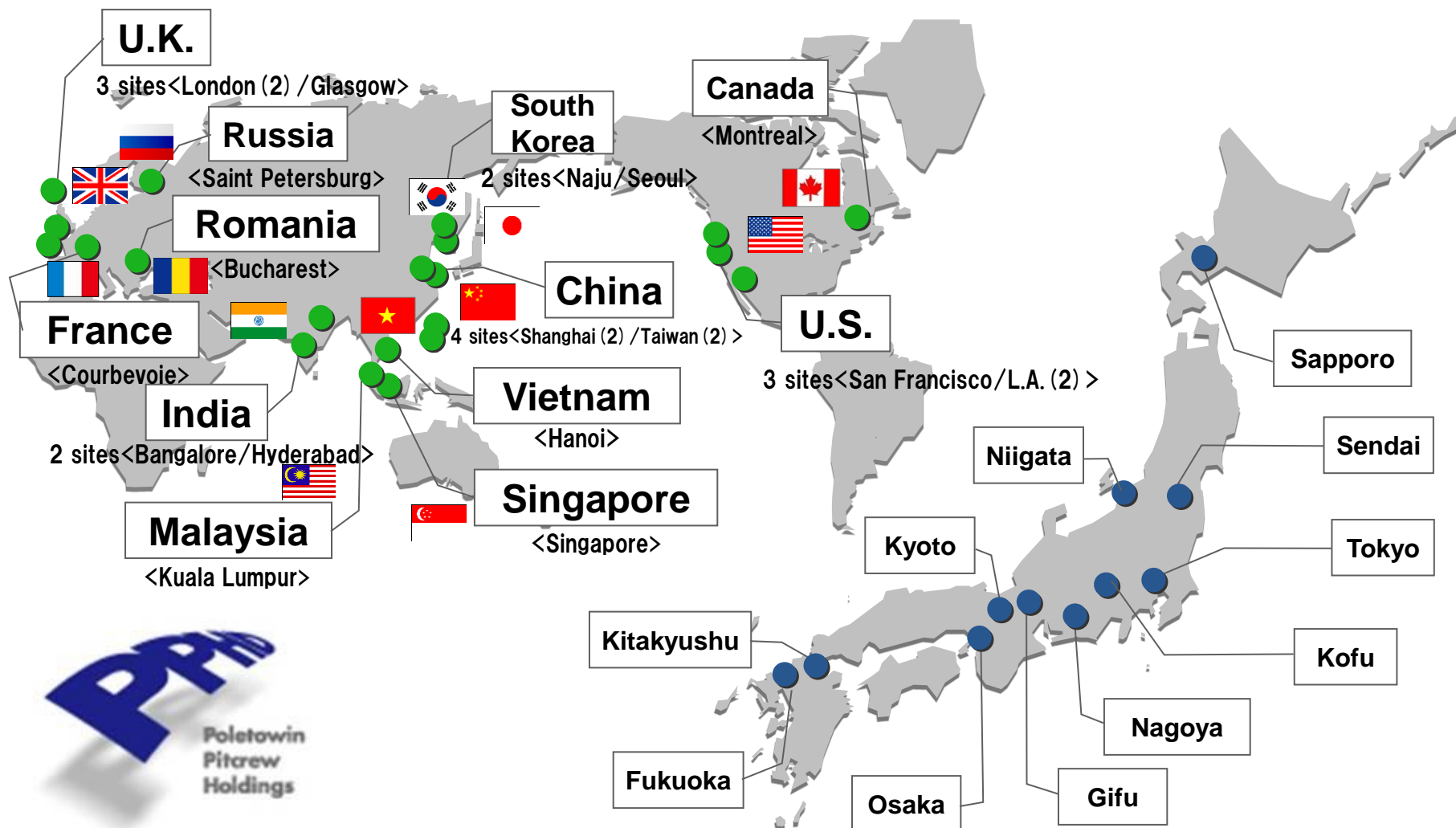
(As of October 31, 2021)



3-3. Business Sites

■ Operating in 11 cities in Japan and 21 sites in 12 overseas countries

(As of October 31, 2021)



- The information on this website includes forward-looking statements. These forward-looking statements do not guarantee our future financial results, but involve risks and uncertainties that could cause actual results to differ materially from those discussed in the forward-looking statements.
- Risks and uncertainties include general and industry market conditions, and general domestic and international economic conditions such as interest rate and foreign exchange fluctuations.
- Poletowin Pitcrew Holdings, Inc., bears no obligation to update and revise the forward-looking statements disclosed herein, even in the event of new information, future events and other material incidents arising.