



PTW

Pole To Win Holdings, Inc.

**Supplementary Information
to the Financial Results
for the Six Months Ended July 31, 2023**

- Stock Code | 3657
- Abbreviation | Pole HD

September 14, 2023



Net Sales
¥22,340M
13.6% increase YoY

Gross Profit
¥5,506M
2.1% increase YoY

Operating Profit
¥491M
63.6% decrease YoY

Topics

- Record quarterly sales driven by Media Contents and Overseas Solutions
- AQUAPLUS contributed to the newly consolidated result from the first quarter of the current fiscal year.
- Cost of Sales increased due to regularizing employees, advanced hiring of human resources in growth fields, and higher prices and personnel costs, especially overseas, while gross profit increased slightly.
- Operating profit decreased due to the enhancement of HR functions, consolidation of centers to strengthen the business foundation, IT system renewal, and increased sales-related expenses.
- Results of acquisition of treasury shares: Acquisition period December 2022 - June 2023. Total number of shares acquired: 2,147,000 shares; total acquisition cost: ¥1,999 million
- Upon receipt of a report on misconduct by a former director of a subsidiary, director compensation was reduced in order to ensure that efforts are made to prevent the recurrence of such misconduct and to clarify management responsibility.

- Established a special investigation committee and received the investigation report as described in the "Notice Regarding the Establishment of a Special Investigation Committee for Allegations of Misconduct by a Former Director of a Subsidiary of the Company" disclosed on July 25, 2023.

Findings of the Special Investigation Committee:

Found improper spending practices as misconduct by a former director of a subsidiary. The subsidiary made disguised payments for acquisition of rights and disguised payments for subcontracting expenses to a co-conspirator, and embezzled these payments.

Measures to prevent recurrence in response to the Committee's findings:

Clarify management responsibility among parent and subsidiary companies, enhance internal audits, and improve the Whistleblower system.

Impact amount and whether prior period financial statements have been revised:

There was no revision of prior year accounts, and the overstatement of cost of sales (¥93 million) was recorded as a reduction to cost of sales.

A claim for compensation to former director and others (¥188 million) was recorded as long-term accounts receivable-other and a provision of allowance for doubtful accounts was recorded for the same amount.

The former director and others are willing to repay the amount and HIKE is currently negotiating repayment method.

Reduction of Executive Compensation:

In order to clarify management responsibility, the following reductions in executive compensation were implemented:

President & CEO of the Company and Representative Director of HIKE: Each 30% of monthly base remuneration for three months

Director & CFO of the Company: 15% of monthly basic remuneration for three months

Future Actions:

We again apologize to our shareholders, business partners, and other stakeholders for any inconvenience and concern we have caused.

The entire Group will implement measures to prevent recurrence and work to restore trust.

Our Business Field for Fiscal Year Ending January 31, 2024

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- Effective from the fiscal year ending January 31, 2023, the reportable segment changed to a single segment of "Service Life Cycle Solutions Business".
- Sales, operations, and business environment of main business are as follows.

Unit: ¥ millions (Amounts less than ¥1 million omitted)

Service Life Cycle Solutions Business					
Business (Sales Breakdown)	Domestic Solutions (57.0%)		Overseas Solutions (28.4%)	Media Contents (14.6%)	
FY2024 2Q Sales	12,739 0.7% increase YoY		6,350 11.3% increase YoY	3,251 148.7% increase YoY	
Main Business	Game <ul style="list-style-type: none"> • Testing • Customer Support • Localization • Support for Overseas Expansion 	E-Commerce <ul style="list-style-type: none"> • Monitoring • Customer Support 	Technology <ul style="list-style-type: none"> • Third-party Verification • Environment Set Up • Server Monitoring • Data Center Operations • Kitting 	<ul style="list-style-type: none"> • Testing • Localization • Voice Recording • Customer Support • Game Development • Art Production 	<ul style="list-style-type: none"> • Art Production • Game Publishing • Animation Production • Marketing Support • Barrier-free Subtitle • Audio Guide Production
Business growth prospects	Stable field			Steady growth field	Growth field
Expected CAGR	Stable field		Growth field	20%	20%
	10%			20%	20%

(Note) 1. Percentage rounded down to one decimal place. 2. "Net sales" represents "Revenues from external clients".

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1-1. Overview of Consolidated Financial Results for the Six Months Ended July 31, 2023 - Change YoY -

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- Record quarterly sales driven by Media Contents and Overseas Solutions
- Cost of sales increased due to the regularizing employees, proactive hiring, and rising costs of personnel expenses and rising prices, resulted in a slight rise in gross profit.
- Selling, general and administrative expenses increased due to enhancement of HR functions, center consolidation, IT system renewal, and sales-related expenses, resulting in a decrease in operating profit, an allowance for doubtful accounts of ¥188 million (non-operating), and a goodwill impairment losses of ¥316 million (extraordinary losses).

Unit: ¥ millions (Amounts less than ¥1 million omitted)

	Current Year FY2024 2Q (2023/2- 2023/7)		Previous Year FY2023 2Q (2022/2- 2022/7)		Change YoY	
	Result	Margin	Result	Margin	Results	%
Net Sales	22,340	-	19,661	-	+2,679	+13.6%
Gross Profit	5,506	24.6%	5,395	27.4%	+111	+2.1%
Operating Profit	491	2.2%	1,351	6.9%	-859	-63.6%
Ordinary Profit	422	1.9%	1,653	8.4%	-1,231	-74.5%
Before taxes and other adjustments	130	0.6%	1,013	5.2%	-882	-87.1%
Quarterly Net Profit						
Quarterly Net Profit attributable to parent company shareholders	-354	-1.6%	161	0.8%	-516	-%
Reference: EBITDA	1,034	4.6%	1,933	9.8%	-899	-46.5%

(Note) Percentages rounded down to one decimal place

1-2. Overview of Consolidated Financial Results for the Six Months Ended July 31, 2023 - vs. Forecast -

- For Media Contents, both sales and profit exceeded projections due to AQUAPLUS' s results and revenue sharing of game development investments.
- Due to a decrease in orders from some clients in overseas solutions, rising prices and labor cost increases, both sales and profit fell short of the forecast.

Unit: ¥ millions (Amounts less than ¥1 million omitted)

	Result FY2024 2Q (2023/2-2023/7)		Forecast FY2023 2Q (2023/2-2023/7)		vs Forecast	
	Result	Margin	Forecasts	Margin	Change	Achievement
Net Sales	22,340	-	24,067	-	-1,727	-7.2%
Operating Profit	491	2.2%	1,338	5.6%	-847	-63.3%
Ordinary Profit	422	1.9%	1,340	5.6%	-918	-68.5%
Quarterly Net Profit attributable to parent company shareholders	-354	-1.6%	882	3.7%	-1,237	-%

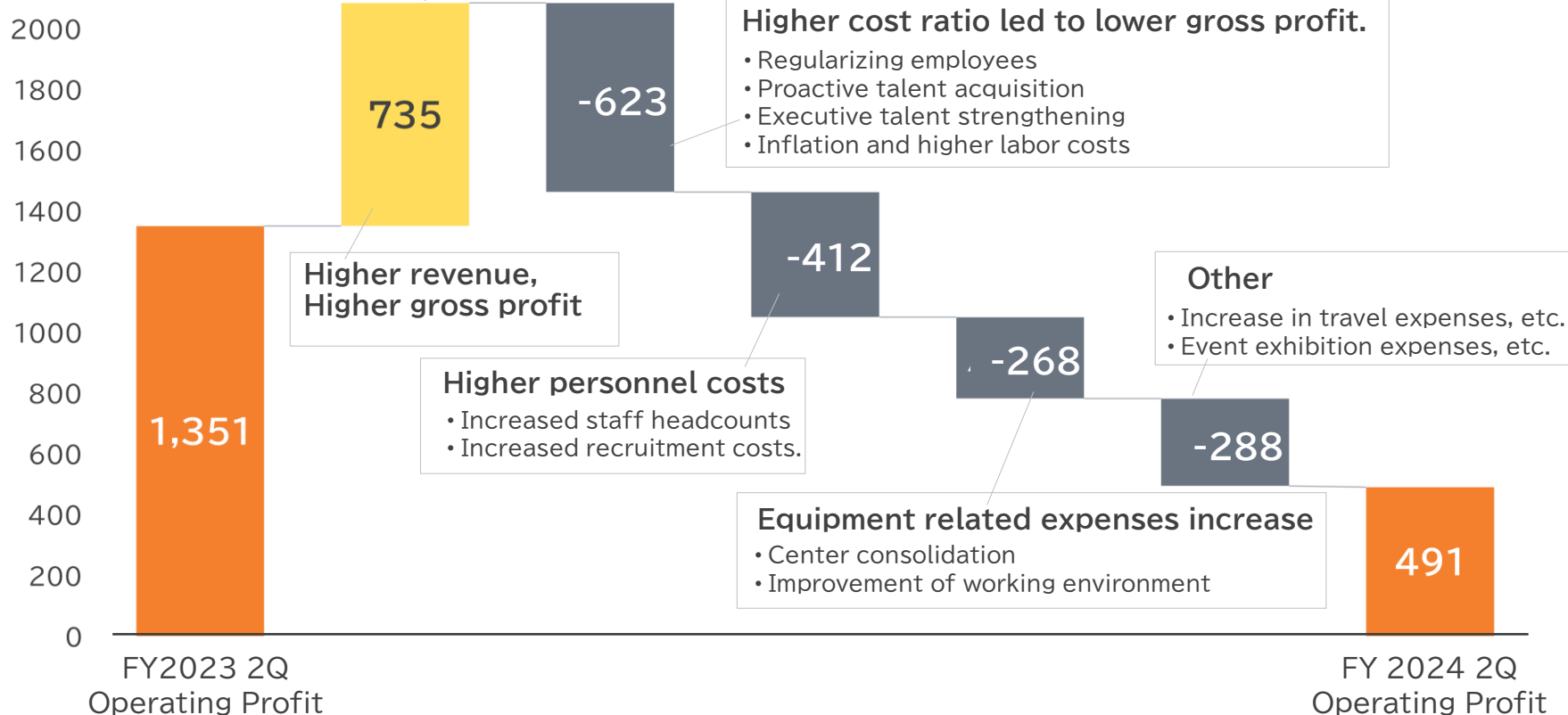
(Note) Percentages rounded down to one decimal place

1-3 . Operating Profit Analysis for the Six Months Ended July 31, 2023 - YoY -

- Cost of sales increased due to regularizing employees, advanced hiring in growth fields, price hikes and higher personnel costs especially in overseas, while gross profit increased slightly.
- In SG&A expenses, operating profit decreased due to the enhancement of HR functions in domestic solutions, consolidation and development of centers to strengthen the business foundation, IT system renewal, and an increase in sales-related expenses in overseas solutions.

Unit: ¥ millions

(Amounts less than ¥1 million omitted)



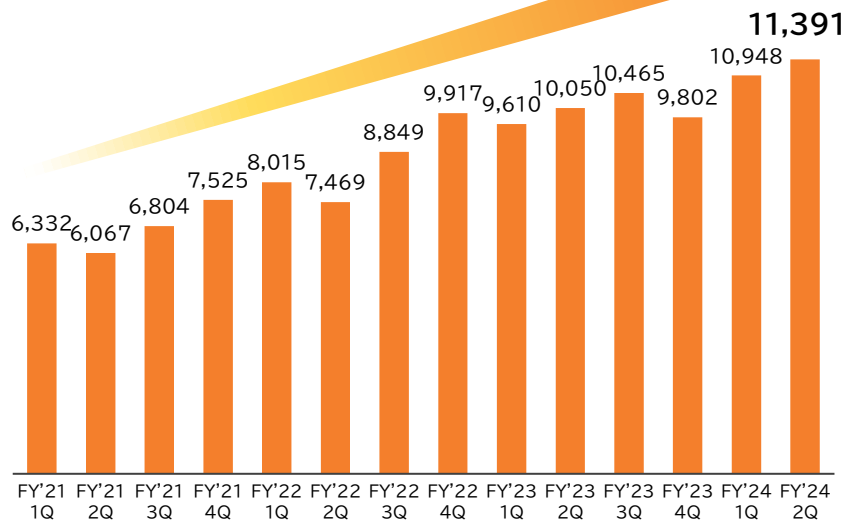
1-4. Overview of Consolidated Financial Results for the Fiscal Year Ending January 31, 2024



- Net sales increased 1.9 times from FY2021 2Q to FY2024 2Q due to organic growth and M&A.
- Gross profit margin declined due to regularizing employees, advanced hiring in preparation for increased orders, and rising prices and labor costs, especially overseas. Promoting operational efficiency and selling price increases to clients.
- Proactive investments in business growth (strengthening of business foundation, new businesses, M&A), temporarily lower operating margin.

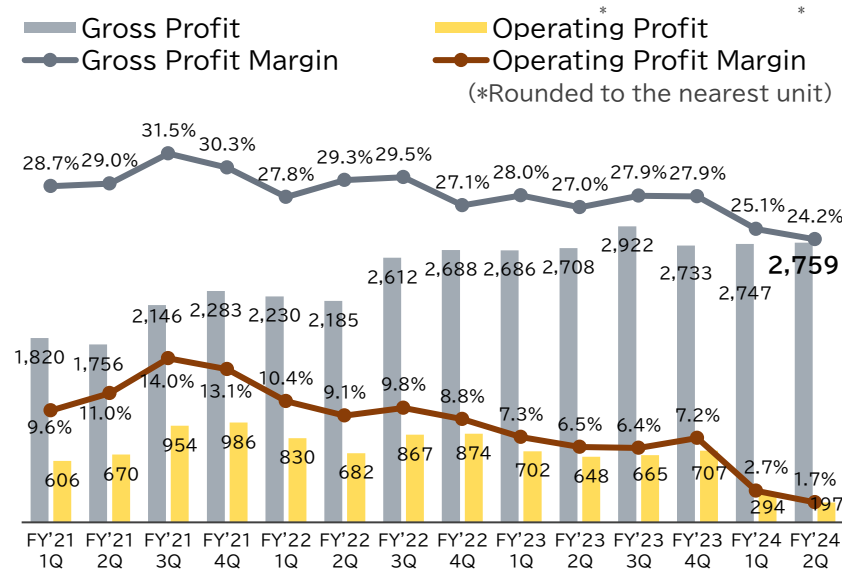
Net Sales

Unit: ¥ millions (Amounts less than ¥1 million omitted)



Gross Profit and Operating Profit

Unit: ¥ millions (Amounts less than ¥1 million omitted)



New Subsidiaries



1-5. Business Overviews by Segment

for the Six Months Ended July 31, 2023 - Change YoY -

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- **Domestic Solutions:** Sales remained flat due to a decrease in the game field despite expansion in the e-commerce field, and profit decreased due to an increase in personnel and facility expenses.
- **Overseas Solutions:** Sales increase due partly to the yen's depreciation, but profit decreased due to rising cost of living, higher personnel costs, new businesses, and increased sales-related expenses.
- **Media Contents:** AQUAPLUS, and revenue-sharing profit from investment in game development contributes to sales and profit.

Unit: ¥ millions (Amounts less than ¥1 million omitted)

		Current Year FY2024 2Q (2023/2-2023/7)		Previous Year FY2023 2Q (2022/2-2022/7)		Change YoY	
		Actual	Margin	Actual	Margin	Actual	%
Domestic Solutions	Ext.	12,739		12,651		+88	+0.7%
	Int.	50		36		+13	+38.4%
	Total	12,789		12,687		+102	+0.8%
	Operating Profit	697	5.5%	1,671	13.2%	-974	-58.3%
Overseas Solution	Ext.	6,350		5,703		+647	+11.3%
	Int.	746		836		-90	-10.8%
	Total	7,096		6,539		+556	+8.5%
	Operating Profit	-65	-1.0%	53	0.9%	-119	-
Media Contents	Ext.	3,251		1,307		+1,943	+148.7%
	Int.	10		16		-5	-34.5%
	Total	3,261		1,323		+1,938	+146.4%
	Operating Profit	55	1.7%	-301	-23.0%	+356	-

(Note) 1. Percentage rounded down to one decimal place. 2. Operating profit and net sales by service category are for reference only, based on internal management figures. Other than these, there are company-wide expenses. 3. "Ext. (External)" in "Net Sales" refers to sales to external clients, and "Int.(Internal)" refers to net sales and transfers between internal operations. Operating profit margins are calculated using the "External" net sales as the denominator.

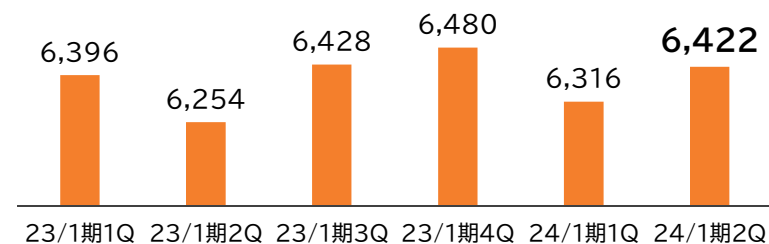
1-6. Domestic Solutions Performance Overview for the Six Months Ended July 31, 2023

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- Expansion of data annotation (tagging) and merchant screening for cashless payment in the steady growth e-commerce field. Slight increase in sales in the stable game field due to a decrease in projects from some clients and the postponement of some projects.
- Operating profit fell by 58.3% YoY due to regularizing employees, hiring new staff, proactive recruitment in the Tech field for order growth, center consolidation, and IT system renewal. Center integration and IT system renewal is expected to continue through FY2026.
- Through the above measures, expand testing and development business in the Tech field and improve operational efficiency to increase revenue and improve profitability.

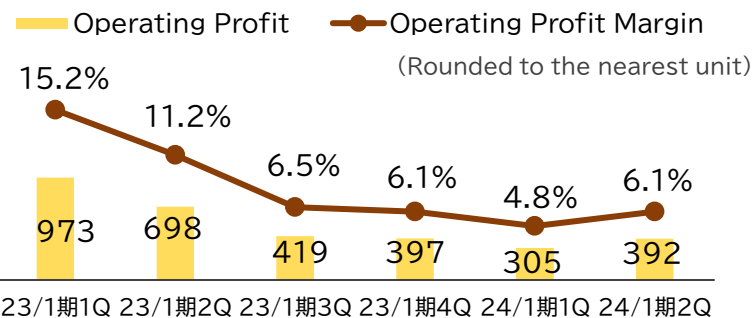
Net Sales

Unit: ¥ millions (Amounts less than ¥1 million omitted)



Operating Profit

Unit: ¥ millions (Amounts less than ¥1 million omitted)



	FY' 23 1Q	FY' 23 2Q	FY' 23 3Q	FY' 23 4Q	FY' 24 1Q	FY' 24 2Q
Regular employee	907	916	1,233	1,235	1,314	1,344
Part-time employee	2,836	2,944	2,768	2,901	2,978	3,004
Total (persons)	3,743	3,860	4,001	4,136	4,292	4,348

(Note) 1. Percentage rounded down to one decimal place. 2. Operating profit and net sales by service category are for reference only, based on internal management figures. Other than these, there are company-wide expenses. 3. Operating margin is calculated using "external" sales as the denominator.

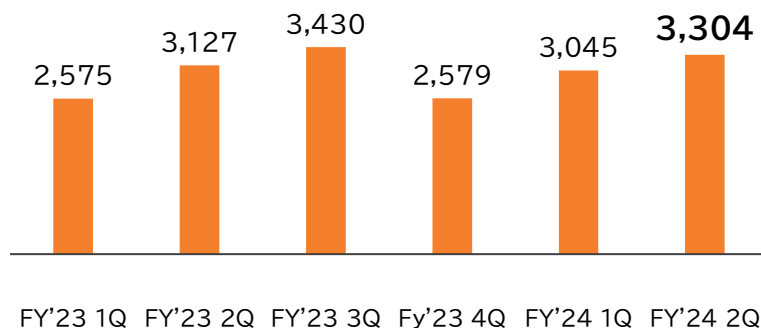
1-7 . Overseas Solutions Performance Overview for the Six Months Ended July 31, 2023

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- Sales increased 11.3% YoY due to the effect of the yen's depreciation, but voice recording in some clients decreased.
- Operating profit decreased due to rising cost of sales, higher personnel costs, higher cost of sales from new product businesses (social media management, game publishing, etc.), and higher sales-related expenses.
- Promote the establishment of local subsidiaries to recruit executive, sales, and development personnel for business expansion and to secure staff in various regions

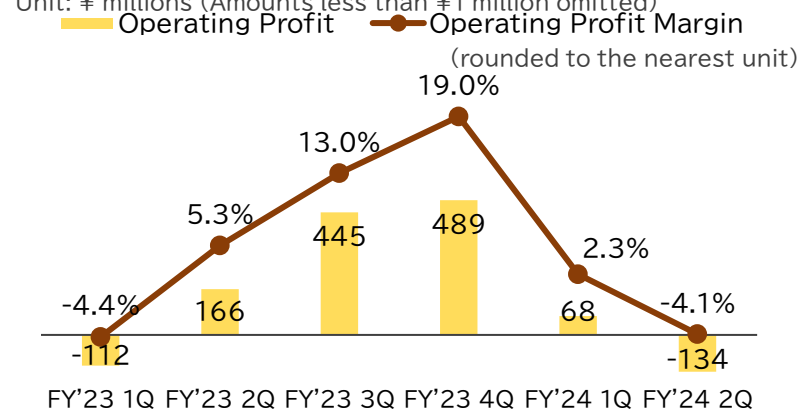
Net Sales

Unit: ¥ millions (Amounts less than ¥1 million omitted)



Operating Profit

Unit: ¥ millions (Amounts less than ¥1 million omitted)



	FY' 23 1Q	FY' 23 2Q	FY' 23 3Q	FY' 23 4Q	FY' 24 1Q	FY' 24 2Q
Regular employee	1,545	1,485	1,469	1,524	1,751	1,727
Part-time employee	1,099	1,394	1,386	1,267	960	1,161
Total (persons)	2,644	2,879	2,855	2,791	2,711	2,888

(Note) 1. Percentage rounded down to one decimal place. 2. Operating profit and net sales by service category are for reference only, based on internal management figures. Other than these, there are company-wide expenses. 3. Operating margin is calculated using "external" sales as the denominator.

1-8 . Media Contents Business Results

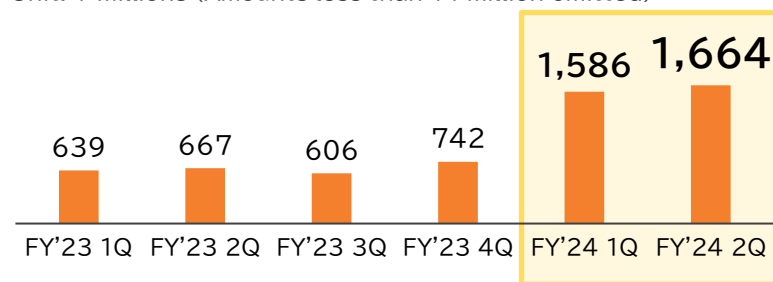
for the Six Months Ended July 31, 2023

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- Newly consolidated AQUAPLUS, which became a subsidiary in December 2022, contributed to sales 2.5 times that of the same period of the previous year.
- AQUAPLUS and revenue sharing from game development investments contributed to operating profit, bringing 2Q to become profitable.
- The Company expects to receive orders for animation production of ¥400 million in 2024, ¥800 million in 2025, ¥1.2 billion in 2026, and ¥1.3 billion in 2027. Studio organization to be expanded from the current 70 to 100 by 2024 and 200 by 2026. Aiming for revenue sharing in animation production investment by leveraging the strength of the master contractor studio.
- Continued investment in securing personnel and studio expansion to carry out animation production and production business in the next fiscal year and beyond.

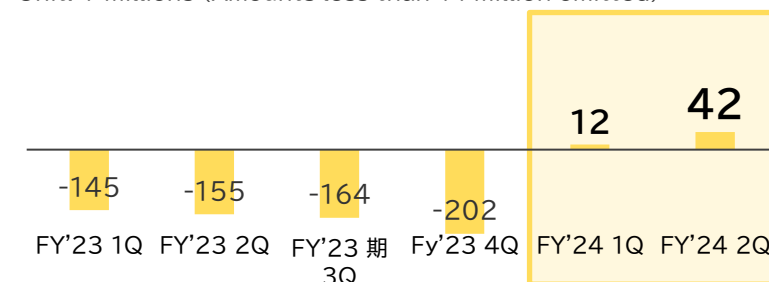
Net Sales

Unit: ¥ millions (Amounts less than ¥1 million omitted)



Operating Profit

Unit: ¥ millions (Amounts less than ¥1 million omitted)



	FY' 23 1Q	FY' 23 2Q	FY' 23 3Q	FY' 23 4Q	FY' 24 1Q	FY' 24 2Q
Regular employee	161	157	170	231	256	274
Part-time employee	98	104	105	116	117	105
Total (persons)	259	261	275	347	373	379

(Note) 1. Percentage rounded down to one decimal place. 2. Operating profit and net sales by service category are for reference only, based on internal management figures. Other than these, there are company-wide expenses.

3. Operating margin is calculated using "external" sales as the denominator.

1-9. Consolidated Financial Position

for the Six Months Ended July 31, 2023 - vs. FY2023 -

- Increase in non-current assets due to opening of centers
- Decrease in cash and deposits due to dividend payment, purchase of treasury shares, etc.
- Current liabilities increased due to a ¥1,000 million increase in short-term borrowing. Equity ratio 58.4%.

Unit: ¥ millions (Amounts less than ¥1 million omitted)

	As of Jul. 31, 2023	As of Jan. 31, 2023	Results
Current assets	18,692	20,244	-1,552
(of which, cash and deposits)	(8,547)	(11,192)	(-2,644)
Tangible assets	1,928	1,547	+381
Intangible assets	2,733	2,871	-138
Investments and other assets	3,117	2,795	+321
Non-current assets	7,779	7,215	+564
Total assets	26,471	27,459	-987
Current liabilities	9,943	8,664	+1,279
Non-current liabilities	1,072	1,102	-30
Total liabilities	11,015	9,766	+1,249
Total net assets	15,456	17,693	-2,236
(of which, treasury shares)	(-2,552)	(-703)	(-1,849)
Total liabilities and net assets	26,471	27,459	-987

1-10. Consolidated Cash Flows for the Six Months Ended July 31, 2023

- Cash flow from investments -¥1,367 million due to opening of centers and acquisition of investment securities.
- Cash flow from financing: -¥1,647 million due to purchase of treasury shares(-¥1,863 million), dividend payments (-¥559 million), and short-term borrowings (+¥1,000 million).
- Cash and deposits level is ¥8,547 million.

Unit: ¥ millions (Amounts less than ¥1 million omitted)

	FY2024 2Q (2023/2-2023/7)	FY2023 2Q (2022/2-2022/7)	Change YoY
Cash flows from operating activities	177	980	-802
Cash flows from investing activities	-1,367	-884	-482
Cash flows from financing activities	-1,647	-821	-825
Effect of exchange rate changes on cash and cash equivalents	191	458	-266
Net increase in cash and cash equivalents	-2,644	-267	-2,377
Cash and cash equivalents at beginning of year	11,192	9,735	+1,457
Cash and cash equivalents at end of year	8,547	9,467	-919

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2-1. Consolidated Forecasts for the Fiscal Year Ending January 31, 2024

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- Revised full-year forecast based on 2Q results and future forecast. Dividends forecast unchanged at +¥1.
- Media Contents increased sales and profit due to robust revenue sharing of game development investments.
- Decrease in sales and profit reflecting lower orders and postponement of orders from some clients in Domestic Solutions and Overseas Solutions, rising cost of living and higher personnel costs.

Unit:¥ millions (Amounts less than ¥1 million omitted)

	FY2024 Forecast		Revised ratio		FY2023 Result	YoY change	
	After revision	Before revision	Amount	%		Amount	%
Net sales	47,113	50,136	-3,023	-6.0%	39,929	+7,183	+18.0%
Operating profit	1,744	3,174	-1,430	-45.1%	2,724	-979	-36.0%
Ordinary profit	1,776	3,177	-1,401	-44.1%	2,689	-912	-33.9%
Profit attributable to owners of parent	440	1,952	-1,512	-77.5%	795	-355	-44.7%
Net profit per share (yen)	12.20	52.72	-40.52	-	21.18	-8.98	-
Cash dividends per share (yen)	16	16	-	-	15	+1	-

(Note) Percentages rounded down to one decimal place

2-2 . Consolidated Forecasts for the Fiscal Year Ending January 31, 2024 - Progress -

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- Orders are expected to recover in the second half of the fiscal year, and the Company aims to achieve its full-year sales forecast by improving utilization ratio, etc.

Unit:¥ millions (Amounts less than ¥1 million omitted)

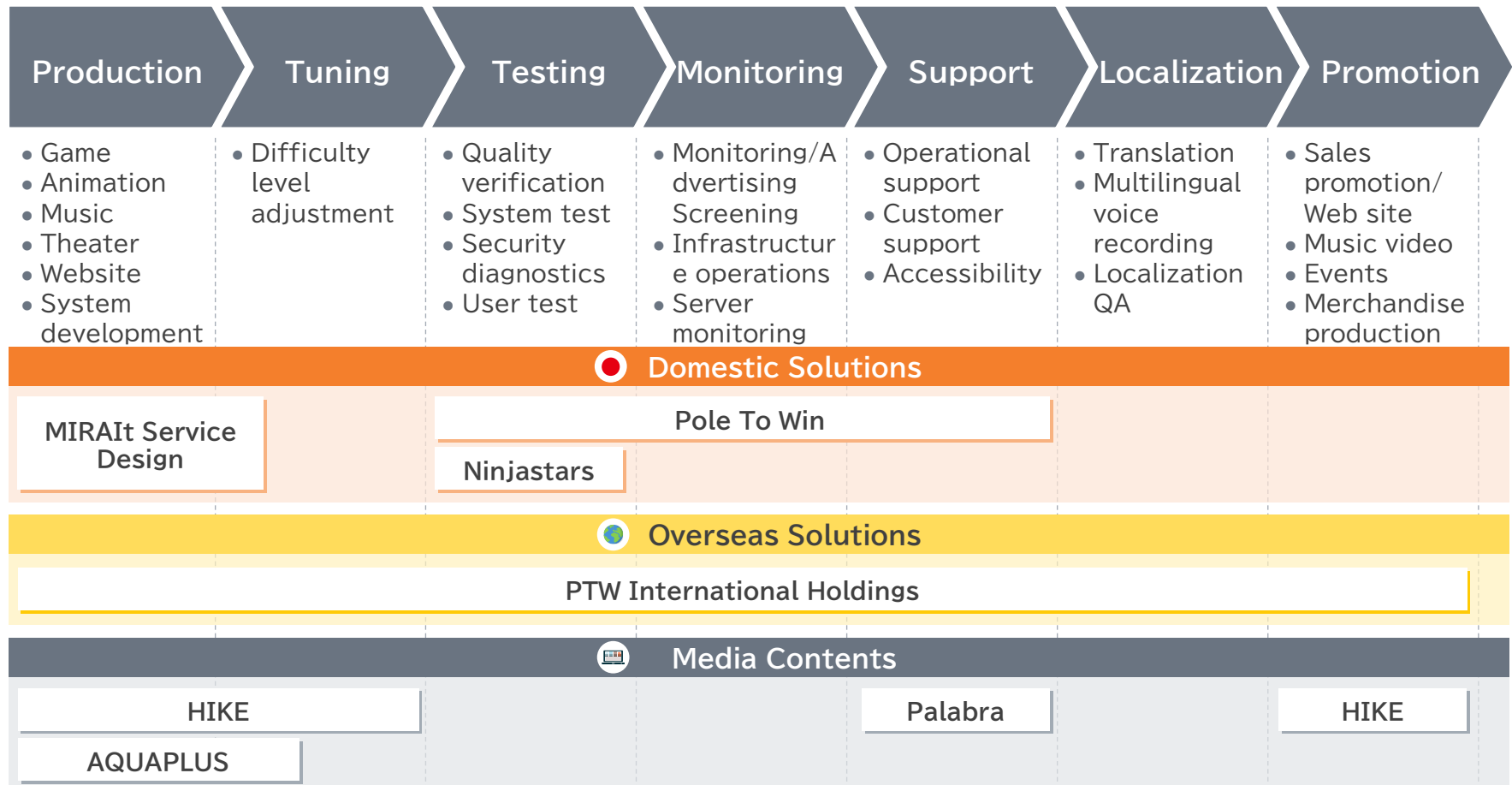
	Results For the Six Months Ended July 31, 2023	FY2024	
		Revised Forecast	Progress
Net Sales	22,340	47,113	47.4%
Operating Profit	491	1,744	28.2%
Ordinary Profit	422	1,776	23.8%
Profit attributable to owners of parent	-354	440	-%

(Note) Percentages rounded down to one decimal place

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3-1. Characteristics of Our Business

- Hold solutions for client’s Service Life Cycle and provide from all phases.
- In Media Contents, the Group has achieved a cycle of business expansion linked to domestic and overseas solutions through IP production, including contracted animation production and game publishing.



3-2. Strengths of Our Business

- Accumulated deep knowledge in the game industry due to a track record mainly in testing.
- Expansion into e-commerce, Tech, overseas, and media content industries to achieve business expansion into all-round services.

IP Producing Capability

Based on our experience and knowledge in the game industry, we produce a wide range of IPs, including game, animation, theater, and MD adaptations, and monetize the IPs to the maximum extent possible.

Service lines which support all along the value chain

Expand service lineup to include art production, marketing, and voice recording, besides utilizing M&A.

Deep knowledge of the gaming industry

Utilizing strong business relationships with the game industry, we offer services such as game co-development and tuning.

Game Testing as
a starting point to

All-round service
Business Expansion

Testing/Verification & Evaluation Leading Company

Involved in more than 6,000 video game titles and 10,000 mobile titles as the first quality assurance specialist in Japan.

Track Record in Internet Support

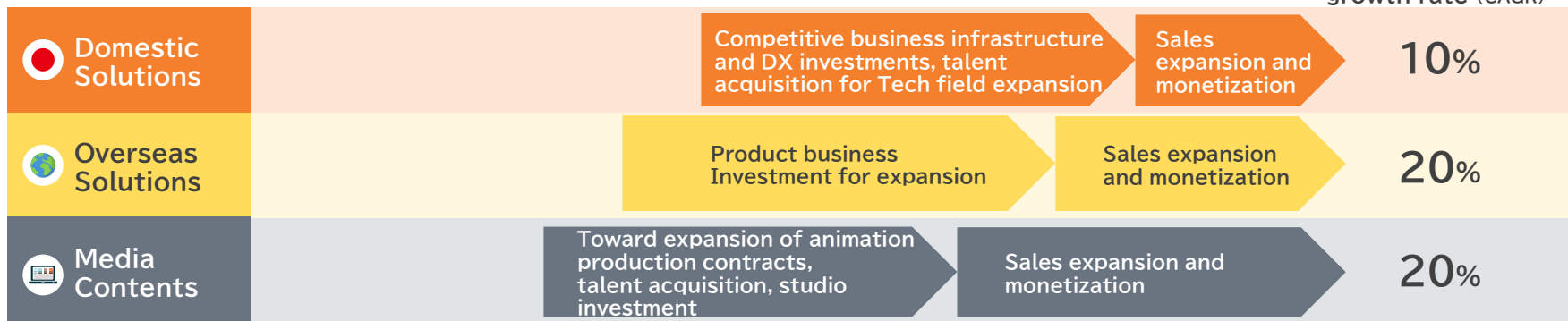
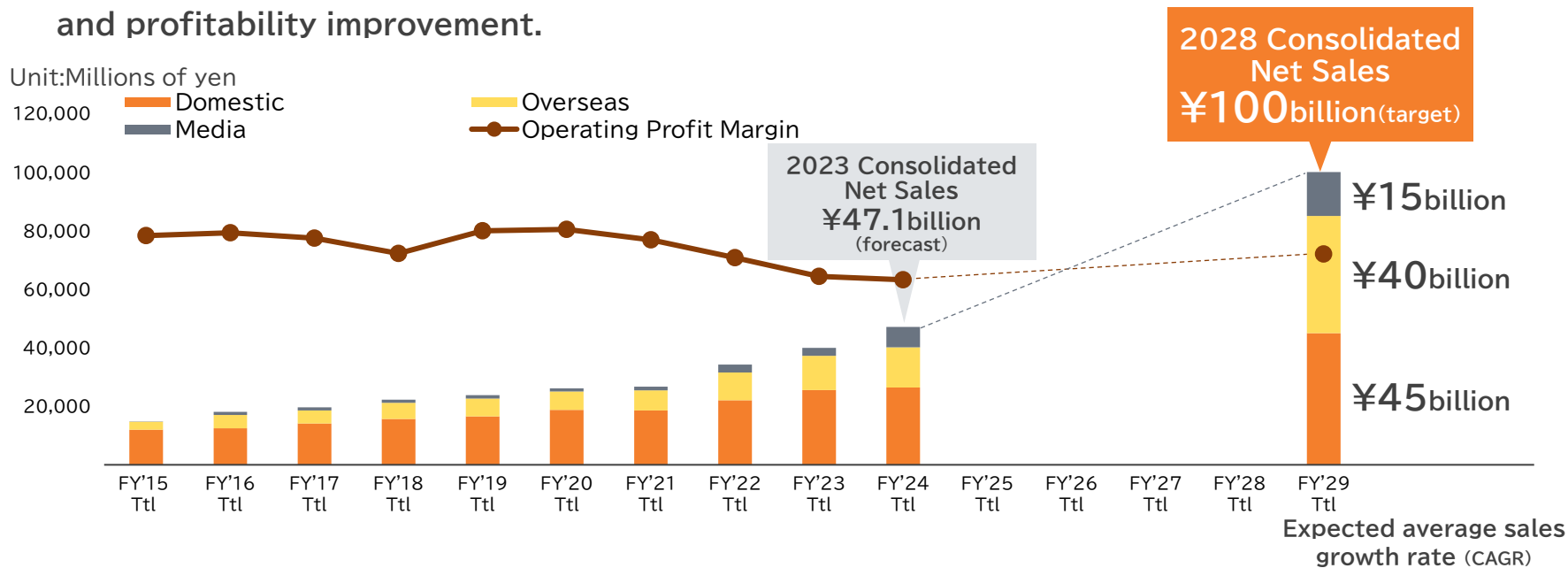
Accumulated knowledge of anti-fraud measures through a track record of more than 20 years of experience in monitoring and screening major online services.

Overseas Expansion

Steadily expanding business regions organically and through M&A, reaching to 3,000 employees at 18 sites in 12 overseas countries, with overseas sales accounting for approximately 30% of total sales.

3-3. Business Expansion of the Group






- Proactive investment in business growth (strengthening of business base, DX, new businesses, M&A) in each business through FY2026 will cause a temporary decline in operating profit margin.
- Aim for sales of ¥100 billion and operating margin of 10% through continuous sales expansion and profitability improvement.



3-4. Utilize M&A

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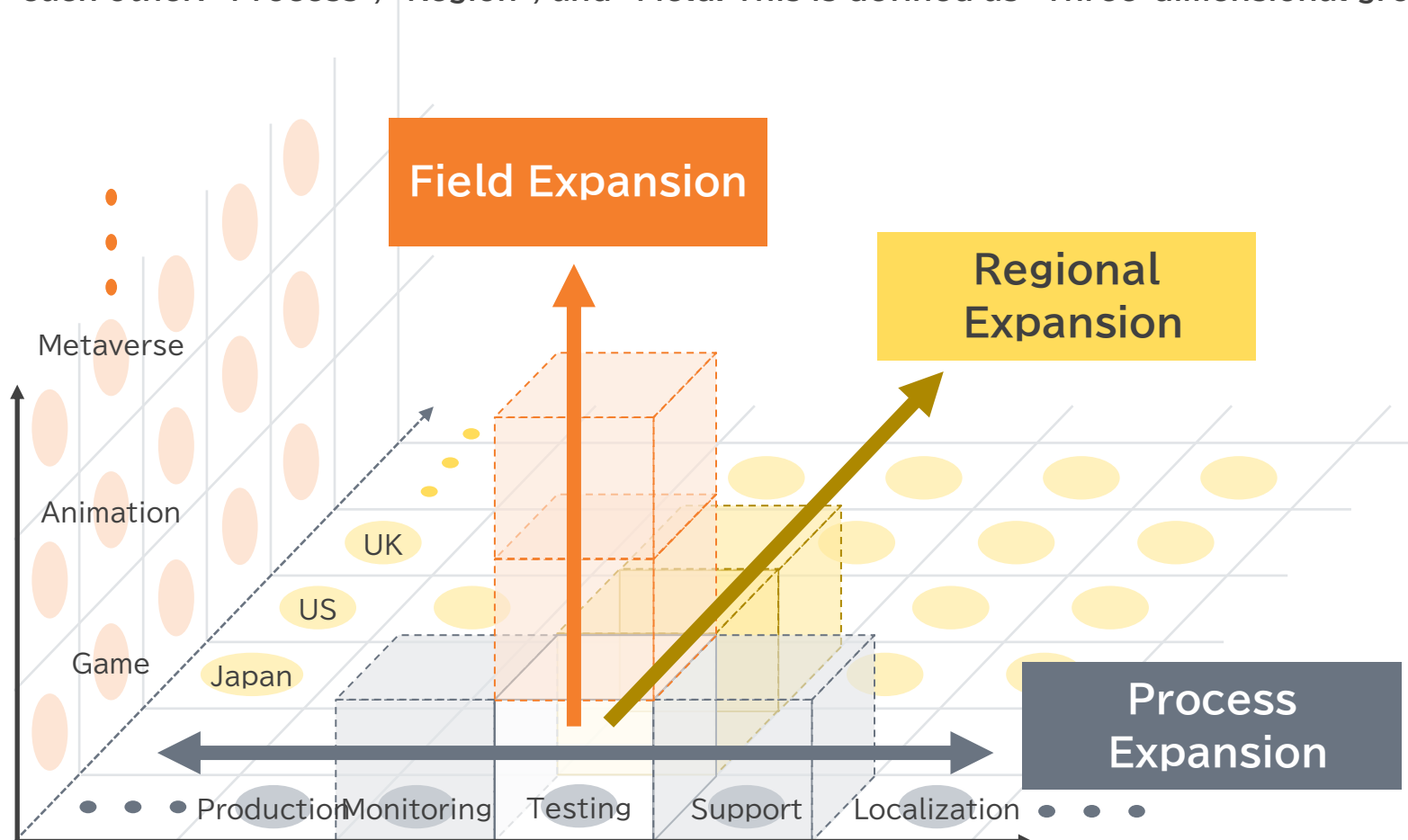
- Actively utilize M&A to achieve steady growth in core businesses and expand new businesses.
- Continue to promote M&A to expand the Group's "Process", "Region", and "Field".

Business Classification	Major M&A to Date					
Domestic Solutions	 July 2012	 September 2012	 March 2018	 July 2021	 January 2022	
Overseas Solutions	 October 2012	 August 2015	 March 2016	 December 2019	 January 2021	 August 2021
Media Contents	 March 2010	 January 2015	 March 2019	 November 2019	 October 2020	 August 2021
				 November 2022	 December 2022	

3-5. Growth Strategy (1)

■ Growth effects interacting in three vectors

- With "Service Life Cycle (SLC)" at the core of our business, we are committed to formulate and promote three-dimensional growth strategies in each of the three vectors that interact with each other: "Process", "Region", and "Field". This is defined as "Three-dimensional growth".



(Note) For details on "Service Life Cycle" and "Service Life Cycle Solutions," please refer to "4. Reference: Corporate Profile/Business Description".

3-5. Growth Strategy (2)

Process

Expand "Process" where solutions can be provided

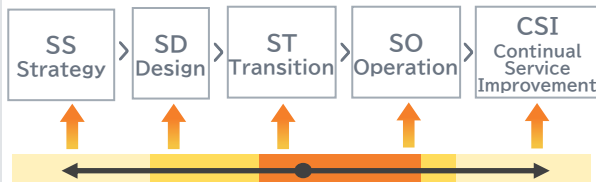
Challenges from the outsourcing side to the creative side

Starting from our strengths in "Testing" and "Monitoring", expand the number of processes we can handle while taking into account client needs.

Increase outsourcing opportunities through a system capable of providing one-stop solutions.

Furthermore, challenge the SS domain (IP creation) as a media content business.

Investment in a risk-reducing structure that allows BPO to be outsourced on a priority basis.



Region

Expand "Regions" through increasing locations and scaling them

Strengthen base building and collaboration on a global scale.

Expect top-line growth from increased opportunities to win projects in localization and culturalization that occur in each region mutually.

18 sites in 12 countries, 3,000 employees

Expand overseas sales ratio to approx. 30%



Field

Expand "Field" by leveraging knowledge

While maintaining stable stages such as "Games" and "Monitoring", expand investment in new fields such as "Animation" and "Metaverse" as growth stages based on our know-how.



(Note) For details on "Service Life Cycle" and "Service Life Cycle Solutions," please refer to "4. Reference: Corporate Profile/Business Description".

3-6. Establishment of Business and Organizational Structure

- Establish business and organizational structures with an eye to maximizing group profits and promote the formation of Process, Region and Field to realize Service Life Cycle solutions.



Current Issues

- Establishment of a group management system with a cross-functional paradigm and strengthening of collaboration among group subsidiaries are in progress.
- Business expansion through M&A and needs to strengthen discipline in the PMI (Process Management Integration).
- Room for further improvement in the investment decision-making process for businesses in the start-up phase, such as Media Contents, to maximize future returns.



Actions to address the issues

- To meet client needs, develop a service line that can be offered in all phases.
- Achieve organic growth by enhancing collaboration among business units.
- Consider reconfiguring the business portfolio based on discipline in response to industry changes.
- Reexamine the investment withdrawal criteria to be able to respond to changes in the external environment in timely manner.

3-7. Capital policy

- Examine and formulate a policy for capital allocation that balances investment in growth and shareholder returns, including the establishment of business and organizational structures and we plan to report specific verification results and plans by the end of this fiscal year.



Current Issues

- There is room for optimization in the capital allocation policy with respect to the following three items.

Determine the balance between shareholder return and growth investment

Determine the level of shareholder return

Determine the level of required minimum cash and deposits



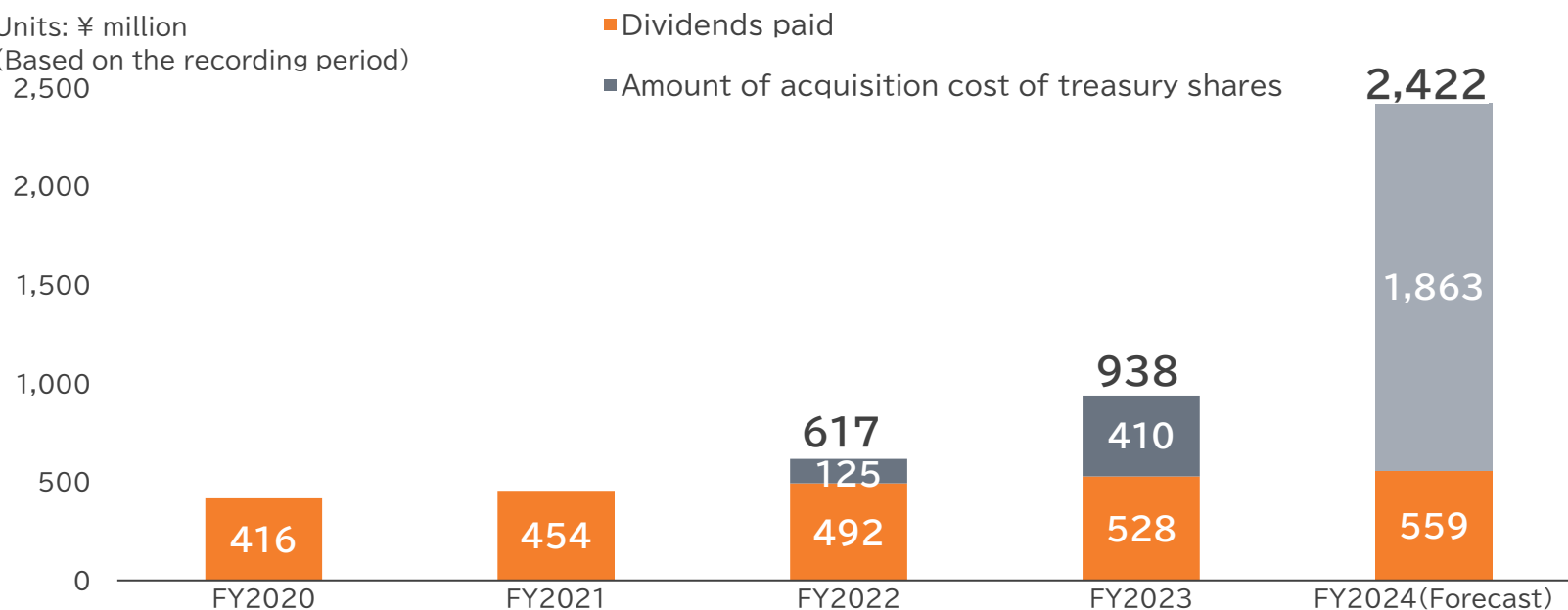
Actions to address the issues

- Committed to increasing corporate value by optimizing allocation to investment in growth and shareholder returns, without building up excess cash and deposits.
- Concentrate growth investments into investment opportunities where return on capital exceeds hurdle rate
- Verify the optimal level of shareholder return by using the bottom-up method, which is based on the amount of invested capital, and the top-down method, which is based on DOE and other factors.

3-8. Shareholder Return Results

- We position shareholder returns as an important management issue, while securing sufficient funds necessary for future growth.
- Currently targeting a payout ratio of 25%, but examining the optimal level of shareholder returns.

Units: ¥ million
(Based on the recording period)



Dividends Paid	416	454	492	528	559
Share Repurchase Amount	-	-	125	410	1,863
Total	416	454	617	938	2,422
Total Return Ratio	23.3%	21.4%	27.8%	118.0%	550.4%
Dividend per Share _(yen)	12	13	14	15	16
Payout Ratio	25.4%	23.2%	23.9%	70.8%	131.1%

(Note) 1. Planned figures for FY2024 are provided for reference only. 2. Dividends per share and payout ratio are based on the resolution period.

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4-1. Corporate Profile

Company Name	Pole To Win Holdings, Inc.
Representatives	Tamiyoshi Tachibana, Chairman Teppei Tachibana, President & CEO
Head Office	Shinjuku NS Building, 2-4-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo, Japan
Date Established	February 2, 2009
Share capital	¥1,239.06 million
Number of Group Employees	7,287 (Number of regular employees: 2,998) *As of January 31, 2023
Stock Exchange /Securities Code	Tokyo Stock Exchange, Prime Market (Securities code: 3657 Abbreviation: Pole HD)
Business Description	<p>The control and management of the business activities of the Group as a whole, comprising the Company and its 43 consolidated subsidiaries, and operations incidental or related thereto.</p> <p>■ Major Group Businesses</p> <p>Service Life Cycle Solutions Business</p> <ul style="list-style-type: none"> ● Domestic Solutions <ul style="list-style-type: none"> – E-commerce: Monitoring and customer support – Game: Testing, Customer support, Localization, Overseas expansion support – Technology: Third-party verification, Environment construction, Server monitoring, Data center operations and Kitting ● Overseas Solutions <ul style="list-style-type: none"> – Testing, Localization, Voice recording, Customer support, Product development support, and Art production ● Media Contents <ul style="list-style-type: none"> – Art production, Game publishing, Animation production, and Marketing support – Barrier-free subtitles and Audio guides production

(As of July 31, 2023)

4-2. Group Organization (43 Consolidated Subsidiaries)



Domestic Solutions

- **Pole To Win, Inc.**
 - MSD Holdings Inc.
 - MIRAI Service Design co.ltd
 - Ninjastars Inc.
- **PTW Japan Co., Ltd.**
- **ADOOR Inc.**



Overseas Solutions

- **PTW International Holdings Limited**
 - PTW Shanghai Co., Ltd.
 - PTW America, Inc.
 - PTW International UK Limited
 - PTWI India Private Limited
 - PTW (Singapore) Pte. Ltd.
 - PTW Korea Co., Ltd.
 - SIDE UK Limited
 - PTW Romania SRL.
 - PTW International (Malaysia) Sdn. Bhd.
 - SIDE LA, LLC
 - PTW Canada Solutions, Inc.
 - 1518 Studios, Inc.
 - OneXP LLC
 - OneXP UK Limited
 - 1518 Studios Rus LLC
 - SIDE France SAS
 - PTW New Zealand Limited
 - PTW Brazil LTDA
 - PTWI Mexico, S. de R.L. de C.V.
 - PTWI Poland LLC
 - PTW Ireland Limited
 - PTWI Spain SLU
 - PTW Portugal, Unipessoal Lda.
 - PTWI Australia Pty Ltd
 - PTWI Philippines, Inc.
 - PTW Greece L.L.C.
 - PTW International Holdings Inc.
 - POLE TO WIN VIET NAM JOINT STOCK COMPANY



Media Contents

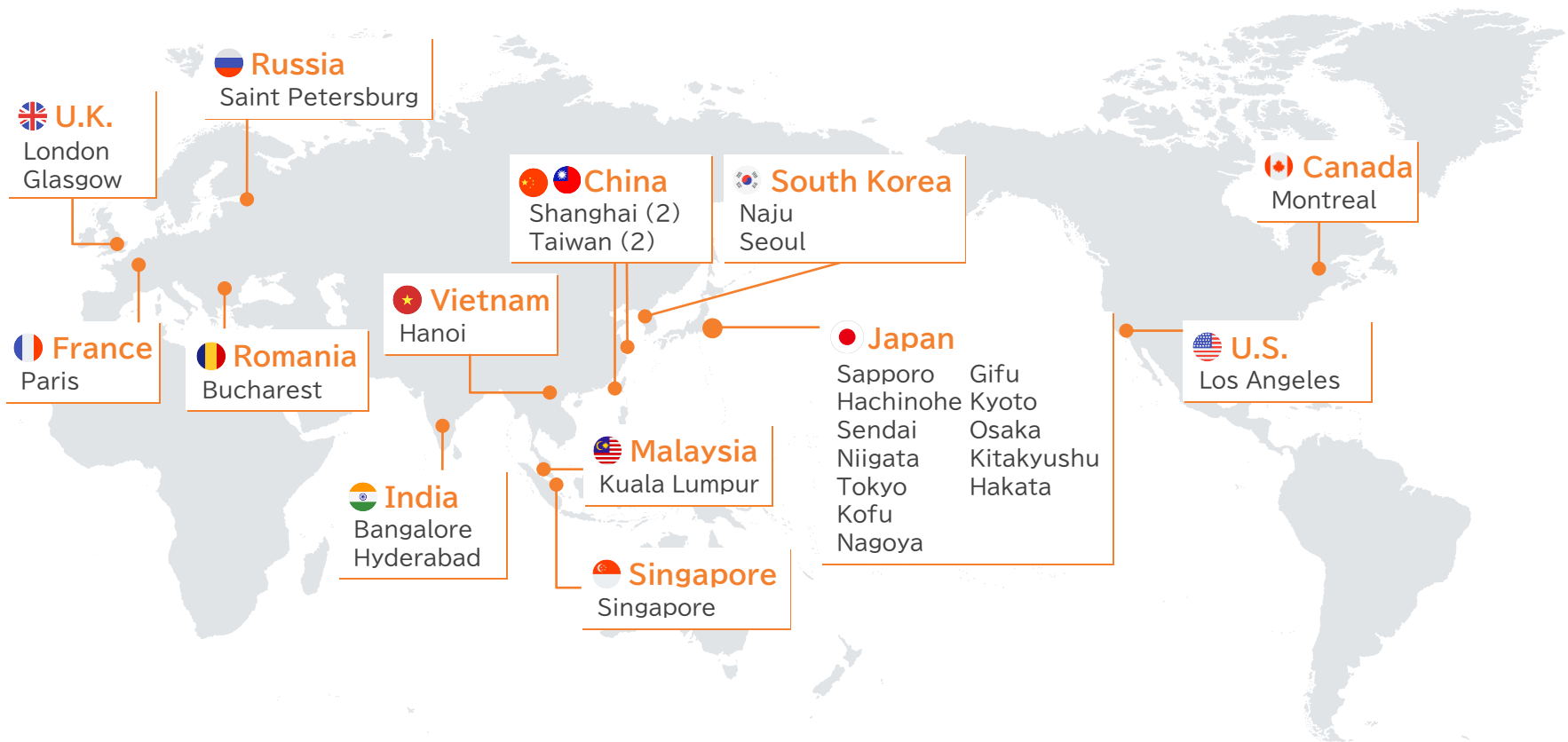
- **HIKE Inc.**
 - Panda Graphics TAIWAN INC.
 - Panda Graphics(Shanghai) Technology Co., Ltd.
 - CREST JOB Inc.
- **Palabra Inc.**
 - CREST company Inc.
 - AQUAPLUS CO., Ltd
 - FIXRECORDS Co., Ltd

(As of July 31, 2023)

4-3. Business Sites

Operating in

12 cities in Japan
18 sites in 12 overseas countries



(Excluding countries and sites not yet in operation as of July 31, 2023)

4-4. Business Origin (1)

From Small Insights to Japan's First Business

As Japan's first business specializing in "Testing/verification & evaluation" and "Internet support", the Group has a proven track record and client base. The origin of our business was a problem that a game development company with which we had a relationship at the time had.

In those days, the engineer who programmed the game would check directly to see if the game they had created worked correctly. It was a time when "sleeping on the floor of the company on a piece of cardboard and developing games while growing a beard", a scene often depicted in manga and TV dramas, was actually happening at game development companies.

The founding members casually overheard this problem the game development company had, and this led to the idea of outsourcing game testing to an outside company and making it into a business.

4-4. Business Origin (2)

Continuing to meet the ever-changing needs of clients

As we continued in the Testing/Verification & Evaluation Business, we accumulated experience and know-how, and were entrusted with more advanced assignments and more work. As we receive work in this way and continue to communicate with them, we were exposed to other problems that development companies have.

For example, customer support services. If the client is going to outsource the customer service after the service is released, we, who already have a thorough understanding of the service content through the testing/verification & evaluation process, can take care of it all together, which will bring great benefits to the client.

In this way, we have expanded the scope of our services in a way that continues to meet the needs of the video game industry.

Recently, in addition to various BPO services in the video game industry such as localization, voice recording, art production and marketing support, we have also started to offer third-party software verification and security diagnostics in other industries.

Similarly, Internet Supporting Business also provides e-commerce listing checks, customer support, evolving from social media post monitoring, identity verification services for cashless payment, customer support and monitoring with xTech including anti-fraud measures.

We have now integrated these businesses into a single segment called the Service Life Cycle Solutions Business, but we will continue to provide solution services that transcend frameworks and continue to meet the challenges faced by clients.



4-4. Business Origin (3)

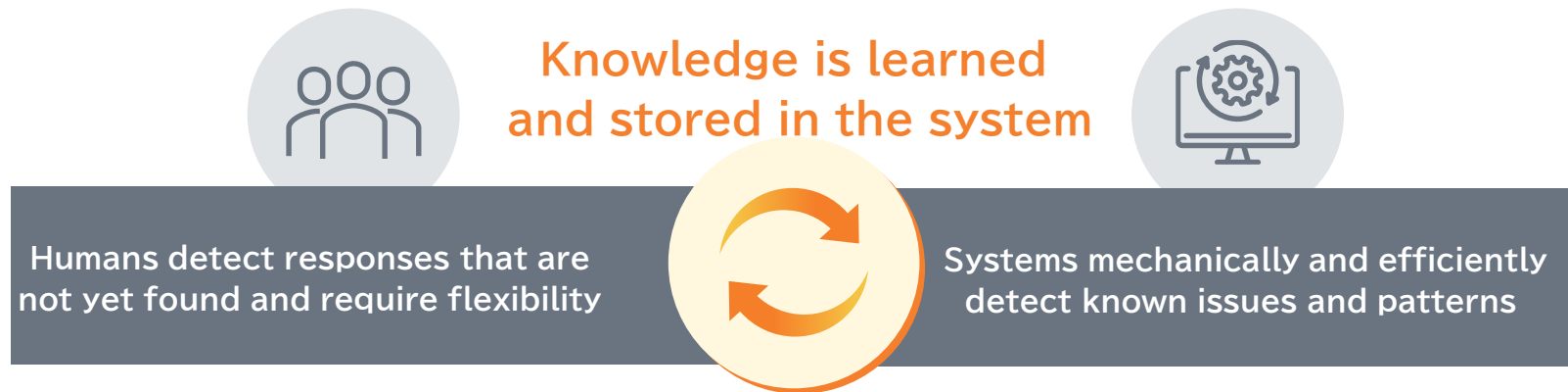
Business quality realized by both "Systems and People"

Although business processes are undergoing digital transformation, and automation and assistance by AI are evolving, our group's strength lies in final check by "People" and combining the advantages of both "Systems and People".

For example, in testing (quality verification by a third party) business and server monitoring, the system detects errors that can be judged mechanically, while our staff directly checks and reports on areas that cannot be judged as issues in the data, but are thought to be "not appropriate" based on our experience.

In e-commerce item checks and social media postings monitoring, the system uses known patterns of fraud behaviour to efficiently counter malpractice, while our staff comprehensively assesses and handles fraud behaviour using new and unprecedented methods.

In an environment where quality definitions, error patterns, and fraud behaviours are constantly evolving, both "Systems and People" are simultaneously increasing flexibility and efficiency.

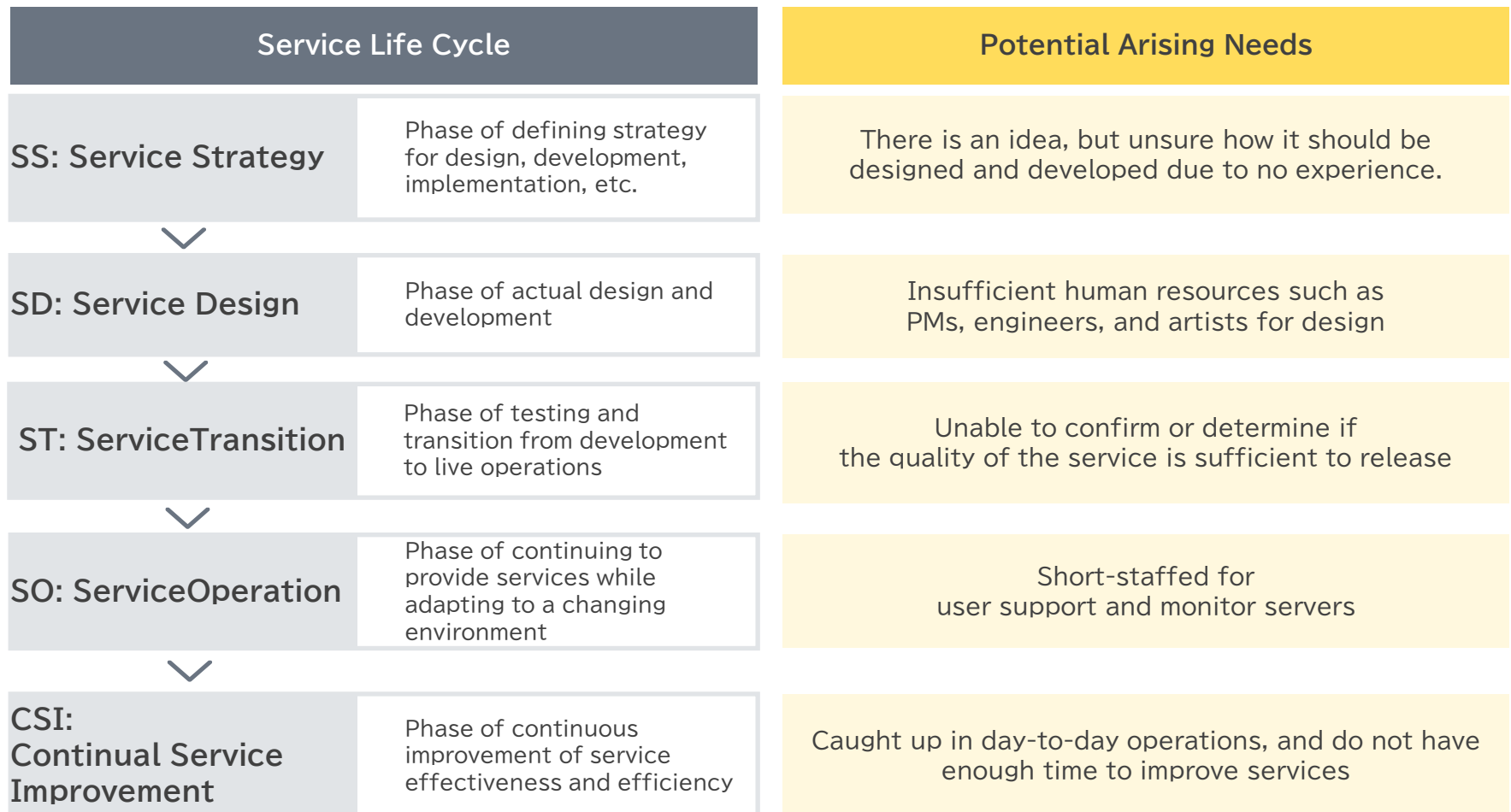


Optimizing human operating costs

4-5. Service Life Cycle (1)

■ Service Life Cycle and Needs

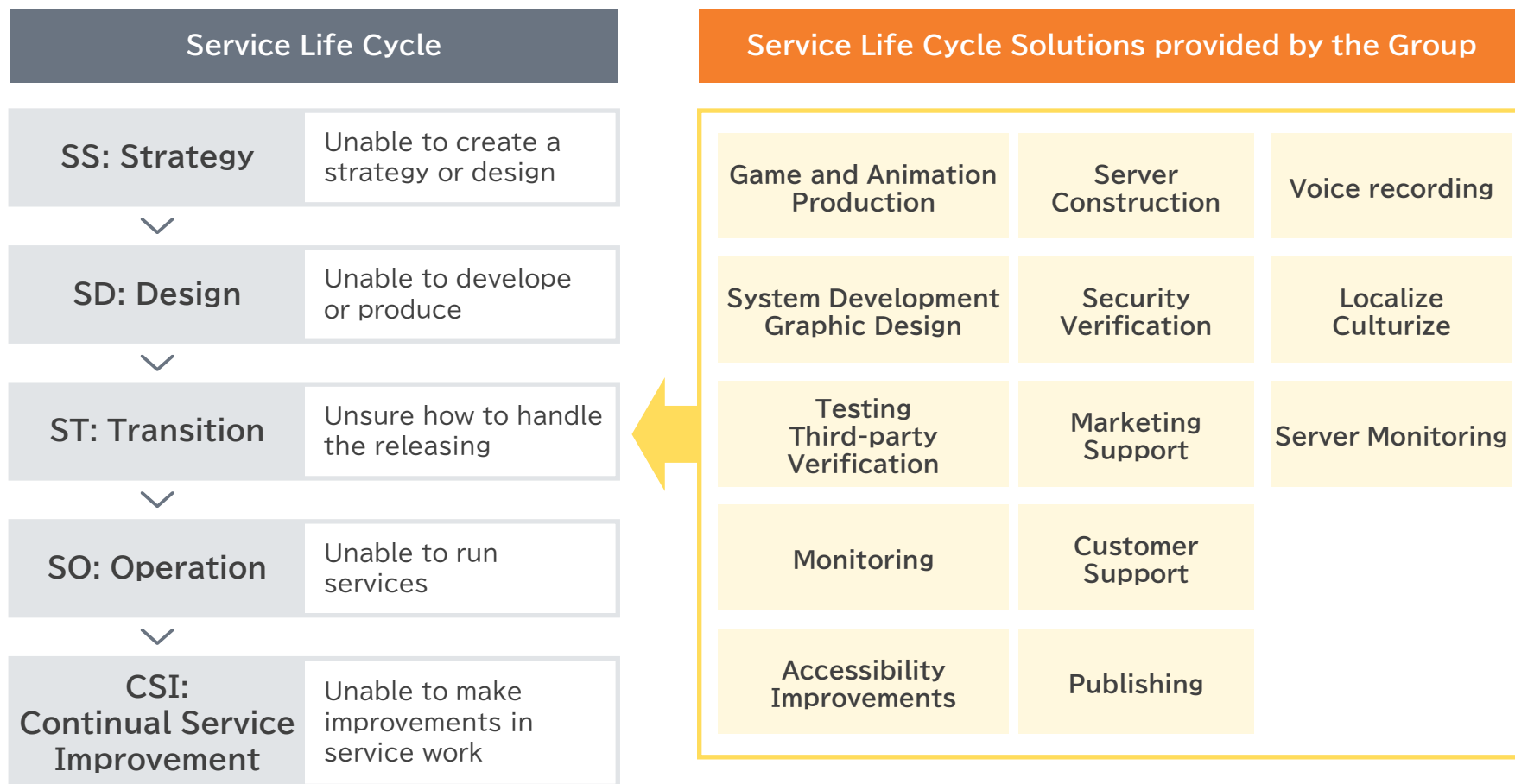
- The five phases that occurs commonly in all services from "start to end" is defined as the Service Life Cycle.
- With many companies now having limited resources and knowledge, needs are arising at every phase.



4-5. Service Life Cycle (2)

■ Service Life Cycle Solutions

- We provide solutions to the needs that arise at each phase of the “Service Lifecycle”.
- We have established a one-stop system that enables us to provide a one-shot service as well as to undertake all services as a single contract.
- Domestically, each phase is provided by Media Contents and Domestic Solutions, while overseas, all phases are combined into Overseas Solutions.



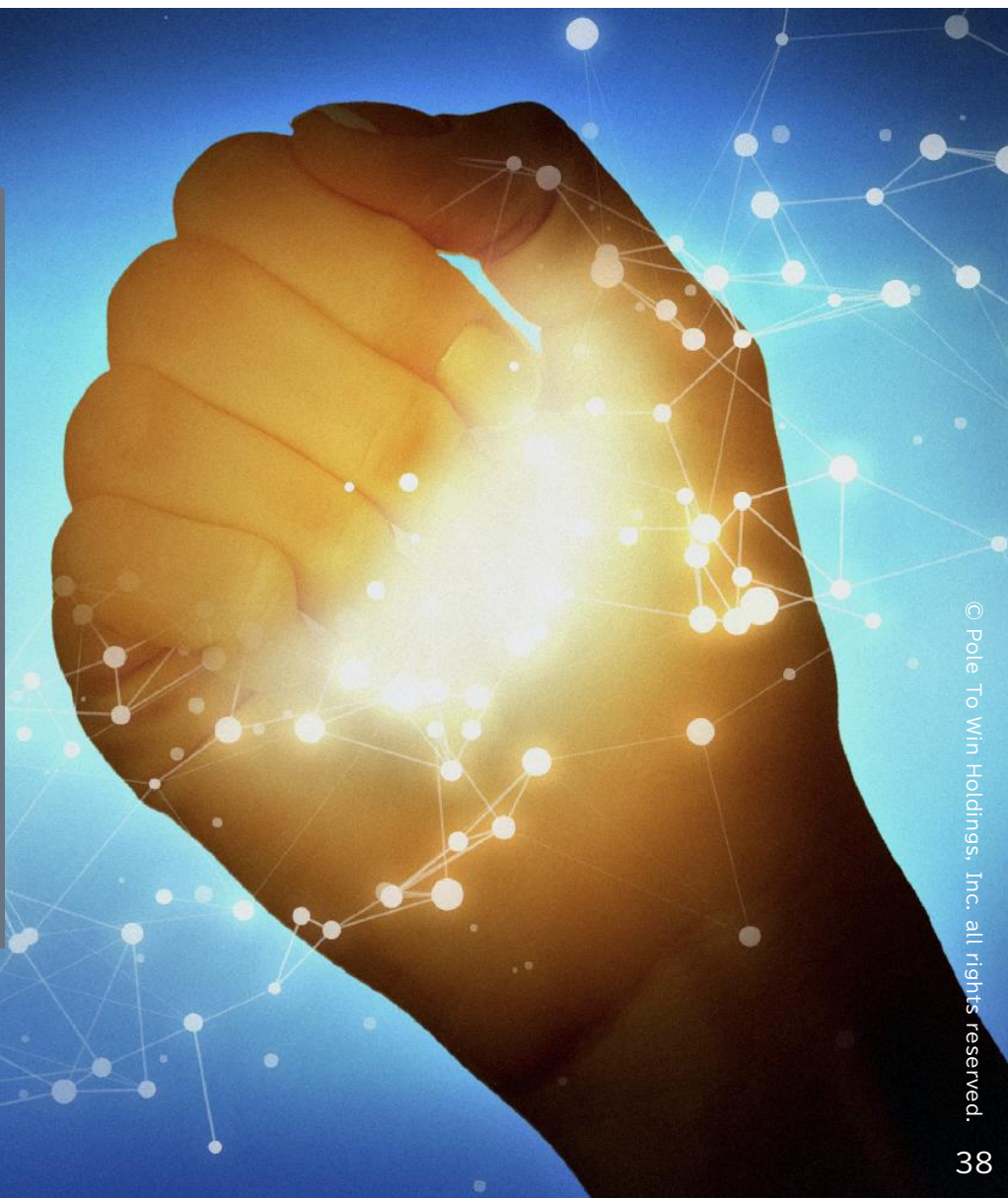
4-6. Corporate Slogan

PTW

Seize The New

As needs, markets, and environments continue to change, we cannot sustainably increase our corporate value if we remain stable.

Through trial and error and by new challenges, we "seize" the future and make it our own.



The information on this website includes forward-looking statements. These forward-looking statements do not guarantee our future financial results, 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.

Pole To Win 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.