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November 11, 2024

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

Company name: MIRARTH HOLDINGS, Inc.  
 Listing: Prime market of the Tokyo Stock Exchange  
 Securities code: 8897  
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 Scheduled date to file semi-annual securities report: November 12, 2024  
 Scheduled date to commence dividend payments: December 4, 2024  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
Sep.30, 2024	86,363	45.9	4,580	93.2	3,537	155.9	2,077	—
Sep.30, 2023	59,179	△19.5	2,370	△45.2	1,382	△63.7	87	△97.0

Note: Comprehensive income For the six months ended September 30, 2024: ¥2,707 million [867.1%]  
 For the six months ended September 30, 2023: ¥279 million [△90.3%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended		
Sep.30, 2024	16.47	16.33
Sep.30, 2023	0.79	0.79

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
Sep.30,2024	344,942	83,791	22.5
Mar.31,2024	337,447	71,669	19.5

Reference: Equity  
 As of Sep.30,2024: ¥77,644 million  
 As of Mar.31,2024: ¥65,717 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 Mar.31,2024	—	6.00	—	18.00	24.00
Fiscal year ending Mar.31,2025	—	7.00			
Fiscal year ending Mar.31,2025 (Forecast)			—	23.00	30.00

Note: Revisions to the forecast of cash dividends most recently announced: No

## 3. Forecast of Consolidated Financial Results of Year ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	205,700	11.1	17,000	10.0	16,000	23.2	10,700	30.8	81.86

(NOTE)Revisions to the most recently announced earnings forecasts: No

**\* Notes**

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

Newly included: - companies (-)

Excluded: - companies (-)

(2) Adoption of accounting treatment specific to the preparation of semi-annual 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 other than the above: 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	140,300,000 shares
As of March.31,2024	121,000,000 shares

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

As of September.30,2024	4,668,608 shares
As of March.31,2024	10,902,707 shares

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

Six months ended September.30,2024	126,112,366 shares
Six months ended September.30,2023	109,831,425 shares

\* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

(Cautionary Statement Regarding Forward-Looking Statements)

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and on certain assumptions deemed to be reasonable, and do not constitute guarantees by the Company of future performance. Actual results may differ materially from the forecast depending on a range of factors.

(How to obtain supplementary financial results materials)

Supplementary materials for financial results are posted on the Company's website and disclosed via TDnet.

(How to obtain a copy of the financial results presentation)

Video of the financial results presentation will be available on the Company's website.

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## 1. Qualitative Information on Quarterly Financial Results for the Period under Review

## (1) Explanation of Results of Operations

## ① Results of Operations by Segment

In Real Estate Business, Net sales for this segment was 76,630 Millions of yen (up 52.2% from the same quarter of the previous fiscal year) due to factors such as New built-for-sale condominium, liquidation, new detached house, renewal and resale, real estate rental, real estate management, and real estate Other.

In Energy Business, Net sales of this business was 5,559 Millions of yen (down 2.2% from the same quarter of the previous fiscal year) due to the revenue from electricity sale of power generation facilities.

In Asset Management Business, Net sales was 592 Millions of yen (up 113.9% from the same quarter of the previous fiscal year) due to management fees and other factors.

In Other Businesses, Net sales of this business was 3,582 Millions of yen (up 24.4% from the same quarter of the previous fiscal year) due to construction contracting and other factors.

Consequently, 2nd quarter of fiscal year under review's results of operations are as follows : Net sales 86,363 Millions of yen (up 45.9% from the same quarter of the previous fiscal year), Operating income 4,580 Millions of yen (up 93.2% from the same quarter of the previous fiscal year), Ordinary income 3,537 Millions of yen (up 155.9% from the same quarter of the previous fiscal year), and net income attributable to owners of the parent of 2,077 Millions of yen ( Net income attributable to owners of the parent of 87 million yen for the same period of the previous year).

## ② Progress of contract execution

Regarding 2nd quarter of fiscal year under review sales actual, 2,056 units were contracted for units 2,200 units scheduled to be delivered to Full year, and the progress rate is 93.5%.

(Contract status for new built-for-sale condominiums)

	Units scheduled for delivery	Number of contracted units scheduled for delivery	Contract progress ratio (%)	Units under contract From April to June
Previous period	2,200	2,022	91.9	975
Current period	2,200	2,056	93.5	1,282

## (2) Explanation of Financial Position

## Assets, Liabilities and Net Assets

As for the status of the Group's assets, liabilities, and net assets at the end of the previous fiscal year, total assets amounted to 344,942 million yen, up 7,494 million yen from the end of the previous fiscal year, mainly due to steady purchase of business assets, etc.

## (Current Assets)

Current assets totaled 192,154 million yen, up 216 million yen from the end of the previous fiscal year, mainly due to steady purchase of business assets, etc

## (Fixed Assets)

Fixed assets totaled 152,738 million yen, up 7,297 million yen from the end of the previous fiscal year, mainly due to the steady purchase of business assets.

## (Current Liabilities)

Current liabilities totaled 127,396 million yen, up 4,858 million yen from the end of the previous fiscal year, mainly due to an increase in short-term loans payable and transfers of loans payable into long- and short-term categories.

## (Fixed Liabilities)

Long-term liabilities amounted to 133,753 million yen, down 9,486 million yen from the end of the previous fiscal year, mainly due to the reclassification of loans payable into long- and short-term categories.

## (Net Assets)

Total net assets totaled 83,791 million yen, up 12,122 million yen from the end of the previous fiscal year, mainly due to the issuance of new shares through public offering, third-party allotment and disposal of treasury stock.

(3)Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements

There is no change in the consolidated earnings forecast from Full year forecast announced on May 13, 2024.

## 2. Semi-annual Consolidated Financial Statements and Major Notes

## (1) Semi-annual Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31,2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	42,740	37,781
Notes, accounts receivable-trade and contract assets	8,335	5,337
Real estate for sale	47,381	43,361
Power generation facilities for sale	65	65
Real estate for sale in progress	76,598	90,515
Costs incurred on uncompleted contracts	40	237
Other	17,053	15,133
Allowance for doubtful accounts	△277	△277
Total current assets	<u>191,937</u>	<u>192,154</u>
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	27,755	30,068
Machinery, equipment and vehicles, net	52,453	51,282
Land	33,759	35,373
Other, net	3,790	6,646
Total property, plant and equipment	<u>117,759</u>	<u>123,369</u>
Intangible assets		
Goodwill	3,420	3,184
Other	4,643	4,651
Total intangible assets	<u>8,063</u>	<u>7,836</u>
Investments and other assets		
Other	19,619	21,533
Allowance for doubtful accounts	△0	△0
Total investments and other assets	<u>19,619</u>	<u>21,532</u>
Total fixed assets	<u>145,441</u>	<u>152,738</u>
Deferred assets	68	49
Total assets	<u>337,447</u>	<u>344,942</u>
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	27,119	14,923
Short-term borrowings	25,621	37,247
Current portion of bonds payable	2,806	3,156
Current portion of long-term loans payable	44,102	50,920
Income taxes payable	3,571	1,458
Allowance	1,464	1,507
Other	17,851	18,182
Total current liabilities	<u>122,537</u>	<u>127,396</u>
Fixed liabilities		
Long-term loans payable	130,673	121,058
Bonds payable	7,008	6,529
Allowance	100	59
Liabilities related to retirement benefits	1,314	1,386
Other	4,144	4,720
Total Fixed liabilities	<u>143,240</u>	<u>133,753</u>
Total liabilities	<u>265,778</u>	<u>261,150</u>

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Net assets		
Shareholders' equity		
Capital stock	4,819	9,056
Capital surplus	3,375	8,046
Retained earnings	61,514	61,610
Treasury stock	△4,066	△1,741
Total shareholders' equity	65,643	76,972
Accumulated other comprehensive income		
Net unrealized gains on available-for-sale securities	127	619
Foreign currency translation adjustments	△36	67
Remeasurements of defined benefit plans	△17	△14
Total accumulated other comprehensive income	73	672
Subscription rights to shares	277	448
Non-controlling interest	5,674	5,698
Total net assets	71,669	83,791
Total liabilities and net assets	337,447	344,942



(2) Semi-annual Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income  
(Semi-annual Consolidated Statements of Income for the Six Months from April 1 to September 30, 2024)

(Millions of yen)

	Six Months ended September 30, 2023	Six Months ended September 30, 2024
Net sales	59,179	86,363
Cost of sales	45,391	68,114
Gross profit	13,787	18,249
Selling, general and administrative expenses	11,417	13,669
Operating income	2,370	4,580
Non-operating income		
Interest income	23	7
Dividend income	75	91
Commission received	32	50
Insurance income	220	92
Gain from equity method investment	108	40
Miscellaneous income	125	108
Total non-operating income	585	388
Non-operating expenses		
Interest expenses	1,411	1,358
Miscellaneous expenses	161	72
Total non-operating expenses	1,573	1,431
Ordinary income	1,382	3,537
Extraordinary income		
Marginal gain on step acquisitions		
Gain on negative goodwill	—	0
Gain on exchange of fixed assets	—	0
Gain on sales of subsidiaries and affiliates' stocks	6	143
Total extraordinary income	6	144
Extraordinary loss		
Loss on disposal of fixed assets	—	31
Impairment loss	408	—
Office relocation expenses	—	133
Total extraordinary loss	408	165
Intermediate net income before adjustments for taxes, etc. before allocation of anonymous portfolio gains and losses	980	3,516
Distribution of loss in partnership	260	171
Current net income for the quarter before income taxes and minority interests	719	3,344
Income taxes, inhabitant taxes and business taxes	1,062	1,211
Income tax adjustments	△488	24
Total income and other taxes	574	1,235
Quarterly net income	145	2,108
Net income attributable to noncontrolling interests	58	31
Net income attributable to owners of the parent	87	2,077

(Semi-annual Consolidated Statements of Comprehensive Income for the Six Months from April 1 to September 30, 2024)

	(Millions of yen)	
	Six Months ended September 30, 2023	Six Months ended September 30, 2024
Quarterly net income	145	2,108
Other comprehensive income		
Net unrealized gains on available-for-sale securities	125	491
Foreign currency translation adjustments	8	104
Remeasurements of defined benefit plans	0	2
Total other comprehensive income	134	598
Quarterly comprehensive income	279	2,707
(Comprising)		
Quarterly comprehensive income attributable to owners of the parent	221	2,676
Quarterly comprehensive income attributable to non-controlling interests	58	31

(3) Notes Items Related to the Quarterly Consolidated Financial Statements

(Notes on Significant Changes in the amount of Shareholders' Equity)

The Company resolved at a meeting of its Board of Directors held on May 20, 2024 to issue new shares of common stock and dispose of treasury stock through a public offering and issue new shares through a third-party allotment. The payment for the issuance of new shares by way of third-party allotment was completed on July 2, 2024. As a result, capital stock and capital surplus increased by 4,237 million yen and 4,670 million yen, respectively, and treasury stock decreased by 2,325 million yen during the current interim consolidated accounting period, resulting in 9,056 million yen in capital stock, 8,046 million yen in capital surplus and 1,741 million yen in treasury stock at the end of the current interim consolidated accounting period.

(Notes on Going Concern)

Not applicable.