

# FY2024 3rd Quarter

## Financial Results Briefing for Institutional Investors

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YCP Holdings (Global) Limited

November 2024

# Agenda

- Introduction
- FY2024 3rd Quarter Financial Highlights
- Introduction of Management Services
- Introduction of Professional Solutions Services
- Introduction of Principal Investments
- Forecast for FY2024–2026

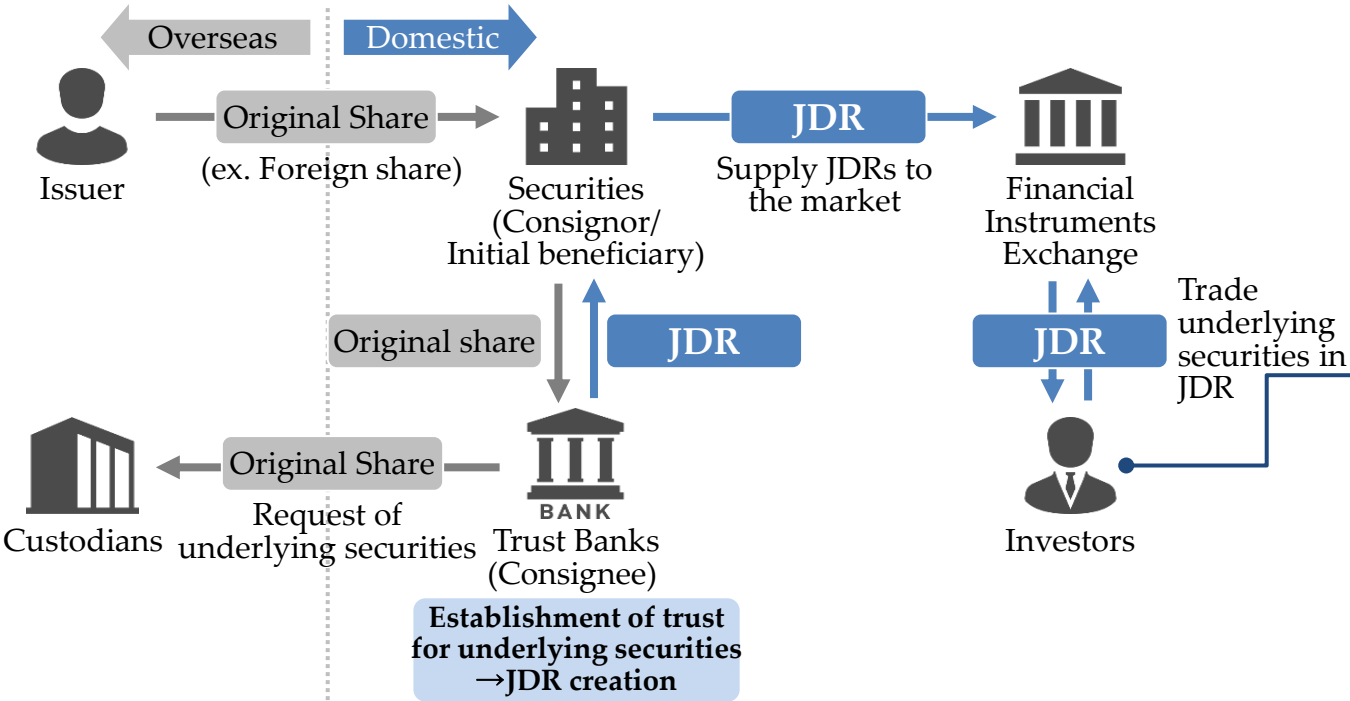
# Introduction



# Introduction: What is JDR (Japanese Depository Receipt)?

- **The JDR scheme was introduced in September 2007, modeled after the ADR in the U.S.** The first JDR was listed on the Tokyo Stock Exchange in September 2017.
- **Advantages for Investors:** Enables investment in foreign companies in JPY and in Japanese Standard Time, with the same transactions and taxation as domestic stocks, etc.
- **Advantages for Issuer(s):** Funding can be raised through the Japanese securities market, which has a large and stable trading volume.

## Scheme of JDR issuance\*



## Key Points for JDR

Transactions	<ul style="list-style-type: none"> <li>• Can be traded through securities</li> <li>• Eligible for trading in specific accounts and with no need to open a foreign securities trading account</li> <li>• Settlement and receipt of distributions is in JPY</li> <li>• Taxation is the same as for domestic share</li> </ul>
Shareholder's Meeting	<ul style="list-style-type: none"> <li>• Since the shareholders of the issuing company are the JDR trustee (trust bank), JDR investors cannot attend the general shareholders' meeting, but can interact with the issuing company at JDR investor briefings, etc.</li> </ul>
Exercise of Voting Rights	<ul style="list-style-type: none"> <li>• JDR investors cannot directly exercise their voting rights on the underlying share, but can indirectly exercise their voting rights by instructing the JDR trustee to exercise their voting rights</li> </ul>

\*Cited from the JDR issuance scheme (example) on the Japan Exchange Group website: <https://www.jpx.co.jp/equities/listing-on-tse/new/basic/05.html>

# Indexes for investment

JDR price used for calculation:	<b>531</b> JPY	Closing price of JDR on the TSE Growth Market as of November 18, 2024
Total number of issued shares:	<b>22.3</b> million shares	Total number of issued shares as of November 18, 2024
The number of listed JDRs:	<b>21.0</b> million JDRs	The number of listed JDRs as of November 18, 2024 (= Number of shares for which the JDR trust has been established, out of the total number of shares outstanding)
Market capitalization:	<b>118.3</b> billion JPY	JDR closing price as of November 18, 2024 * Total number of issued shares
Estimated PER (FY2024):	<b>12.28</b> times	JDR closing price as of November 18, 2024 / FY2024 estimated EPS 0.30 USD
Actual PBR (FY2024 Q3):	<b>1.07</b> times	JDR closing price as of November 18, 2024 / FY2024 Q3 actual BPS 3.27 USD
Estimated ROE (FY2024):	<b>8.8</b> %	FY2024 estimated profit for the year 6,744k USD / FY2024 Q3 actual net asset 77,069k USD
Estimated ROA (FY2024):	<b>5.1</b> %	FY2024 estimated profit for the year 6,744k USD / FY2024 Q3 actual total asset 31,658k USD
Shareholder's equity ratio:	<b>58.5</b> %	FY2024 Q3 actual net asset 77,069k USD / FY2024 Q3 actual total asset 31,658k USD

\*Conversion to Japanese yen is calculated at USD 1 = JPY 142.82 (exchange rate on September 30, 2024).

# Company Overview

YCP Holdings started its business in August 2011 as Yamato Capital Partners (now YCP Japan). In 2013, to be an international organization, the firm name was changed to YCP, and it became a Hong Kong-based holdings company. In 2021, the Company, YCP Holdings (Global) Limited, was established in Singapore as the Group's controlling function and was listed on the Growth Market of the Tokyo Stock Exchange.

## Overview of the YCP

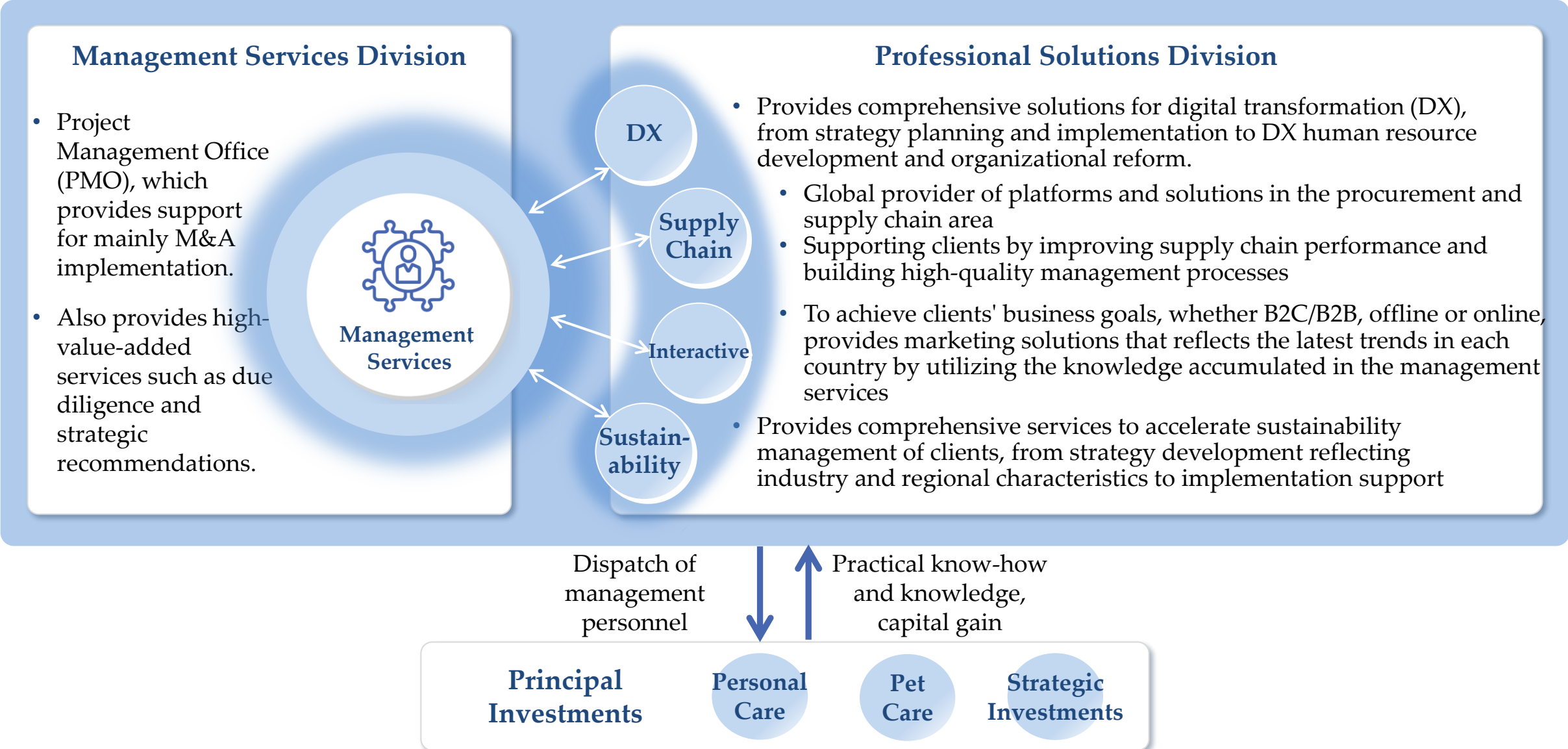
Company Name	YCP Holdings (Global) Limited (Listed : 9257, Growth Market, Tokyo Stock Exchange)
Headquarters	20 Collyer Quay #12-06, 20 Collyer Quay, Singapore
Share Capital	44,926,326 USD
Nature of Business	1. Management Services 2. Professional Solutions 3. Principal Investments
Year of Founding	August 2011
Group CEO	Yuki Ishida
Number of employees*	Number of professionals : 454 Total number including portfolio companies : 752

## Global Locations



\*As of September 30, 2024: the number of professionals by region is the total number of people in the Management Service and Operations divisions.

# Business Overview



# Changes to the reporting segments in the financial statements

The results of the Digital Transformation Division (DXD) and Interactive Solutions Division (ISD) were disclosed as part of Management Services until FY2023, but will be transferred to Professional Solutions Services from FY2024 onwards due to the steady growth of the Professional Solutions Services segment.

	~ FY2022	FY2023	FY2024 ~
<b>Management Services</b>	DXD & ISD were included in Management Services	DXD & ISD were included in Management Services	Disclosed the result of Management Services only*1
<b>Digital Transformation</b>			Disclosed as Professional Solutions Services *2
<b>Interactive Solutions</b>			
<b>Supply Chain Solutions</b>	N/A (Before starting business)	Disclosed as Professional Solutions Services (FY23Q3~)	

Actual figures showing YoY comparison in the next page onwards are unaudited figures calculated exclusively for for this presentation.

\*1 : The result of Management Services for FY2023 in this material excludes the results of DXD and ISD (unaudited figures) in order to ensure an accurate YoY comparison.

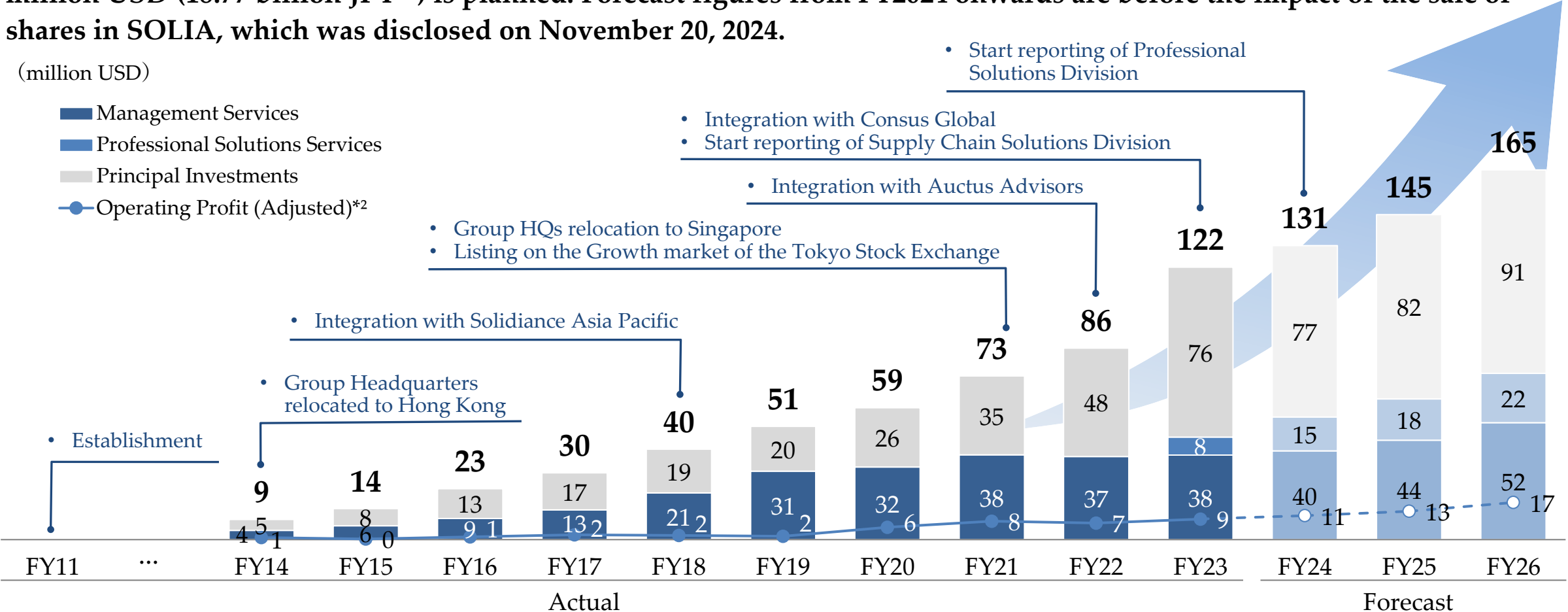
\*2 : The result of Professional Solutions Services for FY2023 in this material includes the results of DXD and ISD (unaudited figures) in order to ensure an accurate YoY comparison.



# Performance in Previous Years & Forecast of FY2024-2026

The company marked revenue of 121.8 million USD (17.40 billion JPY\*1) and operating profit of 9.1 million USD (1.30 billion JPY\*1) in FY2023. The average annual growth rate over the last five years was 24.7%. For FY2024, revenue of 131.4 million USD (18.77 billion JPY\*1) is planned. Forecast figures from FY2024 onwards are before the impact of the sale of shares in SOLIA, which was disclosed on November 20, 2024.

(million USD)



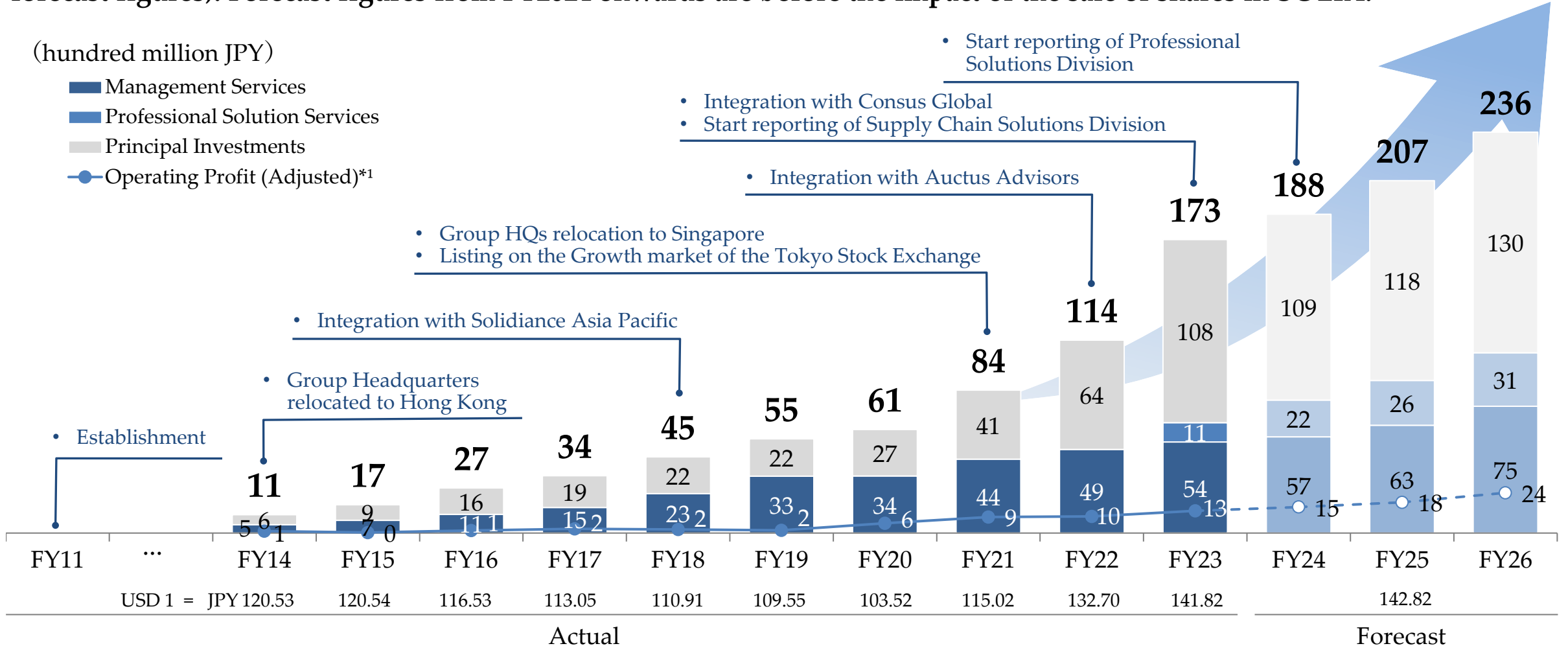
\*1 : Conversion to Japanese yen is calculated at USD 1 = JPY 142.82 (exchange rate on September 30, 2024).

\*2 : Represents operating profit excluding one-time non-cash transactions arising from activities other than core business, primarily from Principal Investments, such as gains/losses on sales of subsidiaries and businesses, fair value gain/loss on an equity investment at fair value through profit or loss, and gains from bargain purchase

\*3 : Figures before FY2018 are for reference purposes prior to listing

# (Reference) Performance & Forecast in JPY

The graph on the previous page has been converted to JPY with FX rate at each year end (or the most recent quarter end for forecast figures). Forecast figures from FY2024 onwards are before the impact of the sale of shares in SOLIA.



\*1 : Represents operating profit excluding one-time non-cash transactions arising from activities other than core business, primarily from Principal Investments, such as gains/losses on sales of subsidiaries and businesses, fair value gain/loss on an equity investment at fair value through profit or loss, and gains from bargain purchase

\*2 : Figures before FY2018 are for reference purposes prior to listing

# FY2024 3rd Quarter Financial Highlights



# FY2024 Q3 Financial Highlights (Cumulative)

## FY2024 Q3 Financial Highlights (Cumulative)

Revenue	YoY	Year-end performance outlook vs forecast*2
<b>94.1</b> million USD (13.45 billion JPY*1)	<b>103.9%</b>	<b>97.5%</b>

Operating Profit	YoY	Year-end performance outlook vs forecast*2
<b>5.6</b> million USD (0.80 billion JPY*1)	<b>77.0%</b>	<b>81.9%</b>

Profit for the Period	YoY	Year-end performance outlook vs forecast*2
<b>3.1</b> million USD (0.44 billion JPY*1)	<b>66.0%</b>	<b>76.5%</b>

\*1 : Conversion to Japanese yen is calculated at USD 1 = JPY 142.82 (exchange rate on September 30, 2024).

\*2 : Calculated by adding up actual results of Q1-Q3 & forecasts for Q4 and comparing them with the consolidated forecasts disclosed in Tanshin

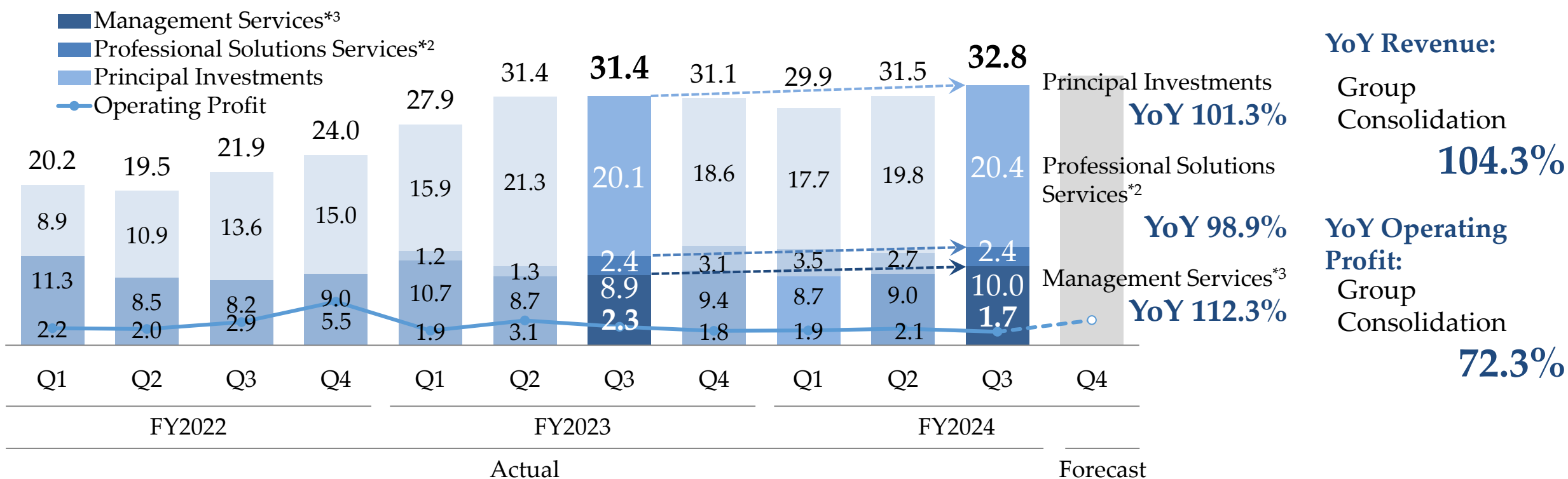
## Highlights

- In Management Services, segment revenue was YoY 85.7% and segment profit was YoY 76.3% due to the impact of bad debt provisions for two clients in India, the economic slowdown in China, and the prolonged depreciation of JPY, despite the strong business performance in India, Southeast Asia, and Europe.
- The business expansion into Professional Solutions Services generated revenue of 8.5 million USD (1,210 million JPY\*) and operating profit of 0.6 million USD (90 million JPY\*).
- For Principal Investments, segment revenue was YoY 101.1% and segment profit was YoY 94.2% due to one-off expenses in the food & beverage business and the loss on the transfer of a veterinary hospital, despite the solid performance of personal care area and pet care area. The impact of the sale of shares in SOLIA, disclosed on November 20, is expected to be reflected from FY2024 Q4.
- As a result, consolidated Group revenue was YoY 103.9% and Group operating profit was YoY 77.0%.

# FY2024 Q3 Group Consolidated Results

In FY2024 Q3, the Group marked revenue of 32.8 million USD (4.68 billion JPY\*1) and operating profit of 1.7 million USD (0.17 billion JPY\*1) as a result of the continued impact of JPY depreciation and the economic slowdown in China, despite a recovery in project orders in Management Services, and the solid performance of Principal Investments.

## Revenue and Operating Profit Trends(million USD)



\*1 : Conversion to Japanese yen is calculated at USD 1 = JPY 142.82 (exchange rate on September 30, 2024).

\*2 : The figures for Professional Solutions Services are the sum of three areas: Supply Chain, Digital Transformation, and Interactive Solution areas.

\*3 : The figures of Management Services in FY2023 in this presentation exclude the unaudited results of Professional Solutions Services (DX and Interactive areas) for the purpose of YoY comparison.

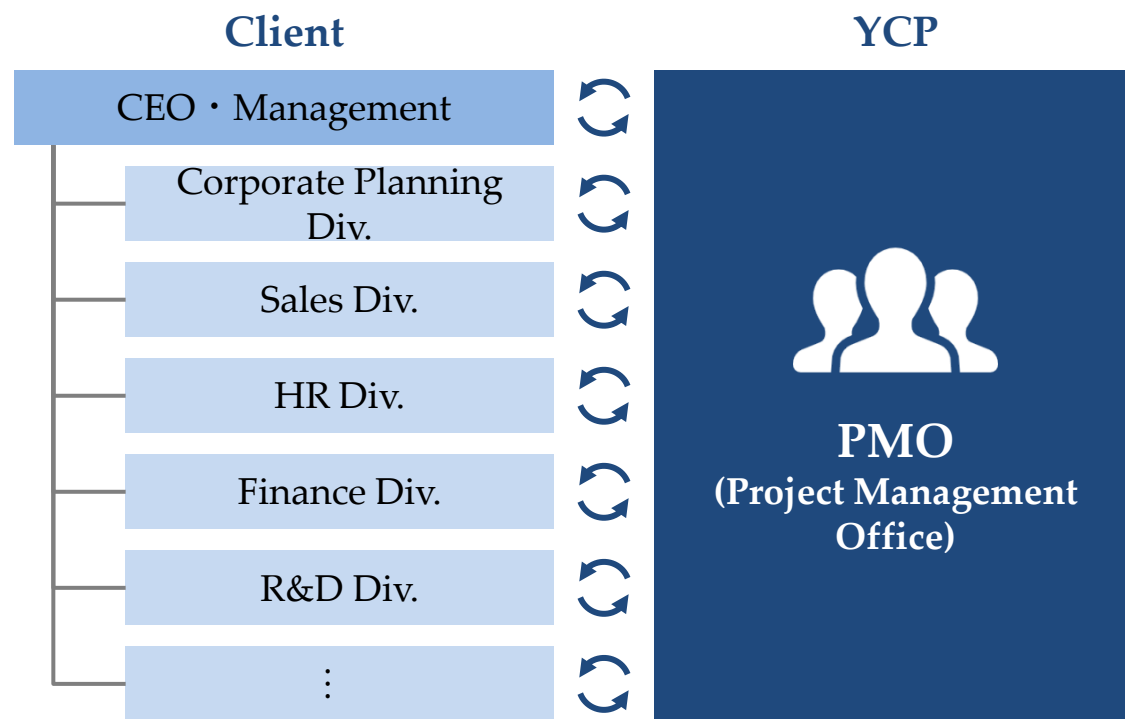
# Introduction of Management Services



# Introduction of Management Services Businesses

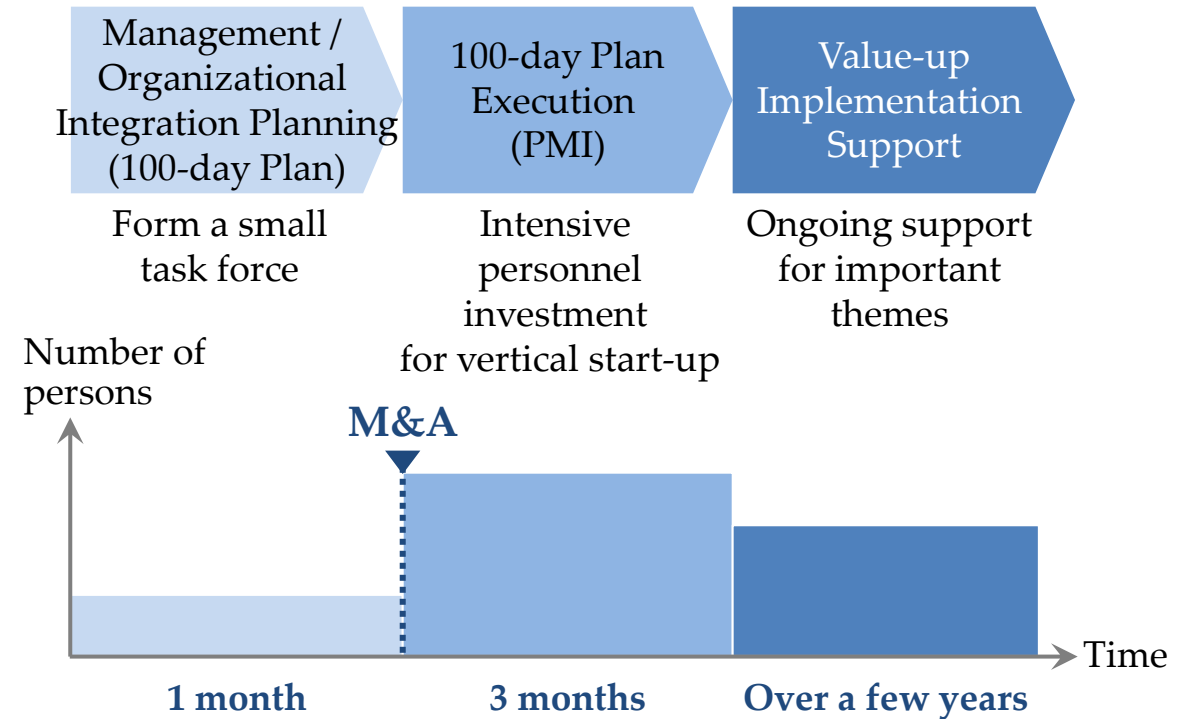
YCP Solidiance and YCP Auctus, the brands of our Management Services division, provide PMO-type execution support services such as M&A and DX implementation for clients throughout Asia, accounting for approximately 80% of our segment revenue.

## What is PMO (Project Management Office)?



A special task organization that provides flexible, cross-functional support when there are major corporate changes such as M&A and DX implementation.

## PMO Support in M&A

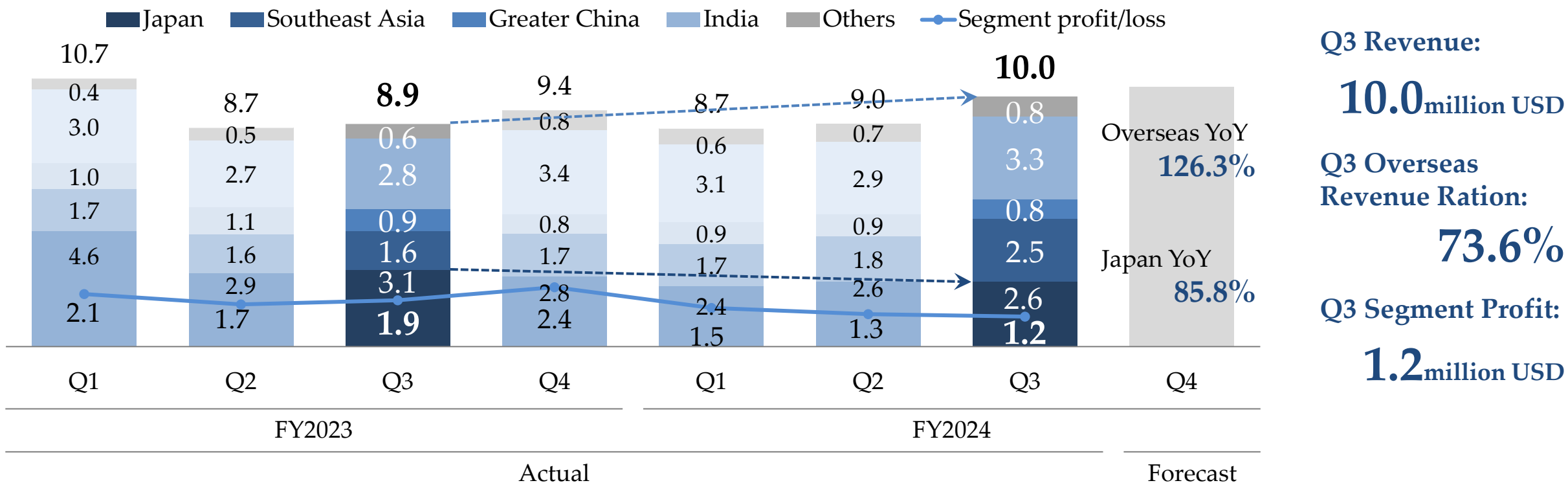


We begin providing support from one month prior to M&A execution and continue to provide long-term support via our PMO.

# Business Performance of Management Services

In FY2024 Q3, revenue was 10.0 million USD (1.43 billion JPY\*1) and segment profit was 1.2 million USD (0.17 billion JPY\*1). Though business performance expanded strongly in all regions, especially in India and SEA, the impact of bad debt provisions amounting 0.6 million USD (0.9 million JPY\*1) in India region and the impact of weaker JPY in Japan region, which is a major contributor to profit, resulted in revenue of YoY 112.3% and segment profit/loss of YoY 63.6%.

## Revenue and Segment Profit/Loss \*2 (million USD)



\*1 : Conversion to Japanese yen is calculated at USD 1 = JPY 142.82 (exchange rate on September 30, 2024).

\*2 : The figures of Management Services in FY2023 in this presentation exclude the unaudited results of Professional Solutions Services (DX and Interactive areas) for the purpose of YoY comparison.



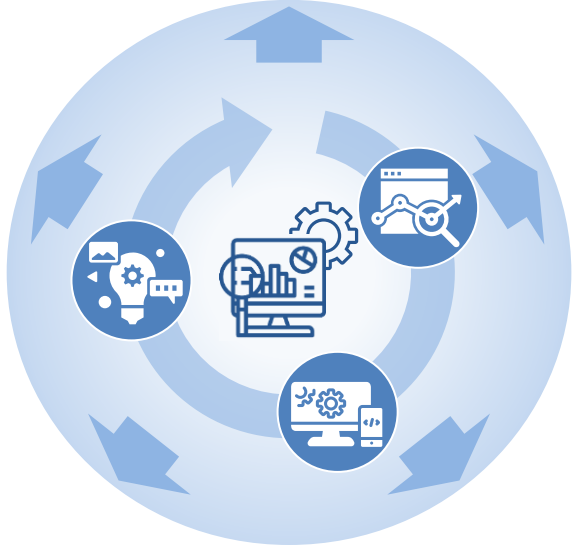
# Introduction of Professional Solutions Services



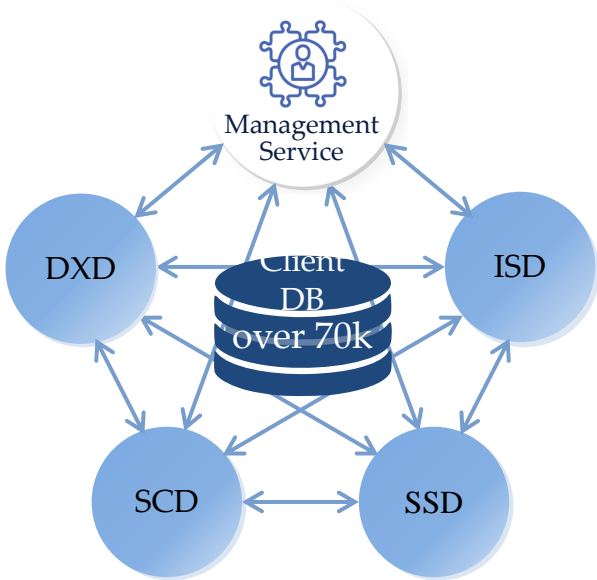
# Introduction and Overview of Professional Solutions Services Businesses

The Group has established new business divisions specializing in specific areas where we receive many inquiries from clients. We aim to develop standardized/scalable solutions and expand the business via cross- or up-selling between business divisions.

## Growth Strategy



Product development through standardization of solutions to pursue scalability



Cross-/up-selling between business divisions, including a database of over 70,000 existing contacts at more than 20 locations around the world

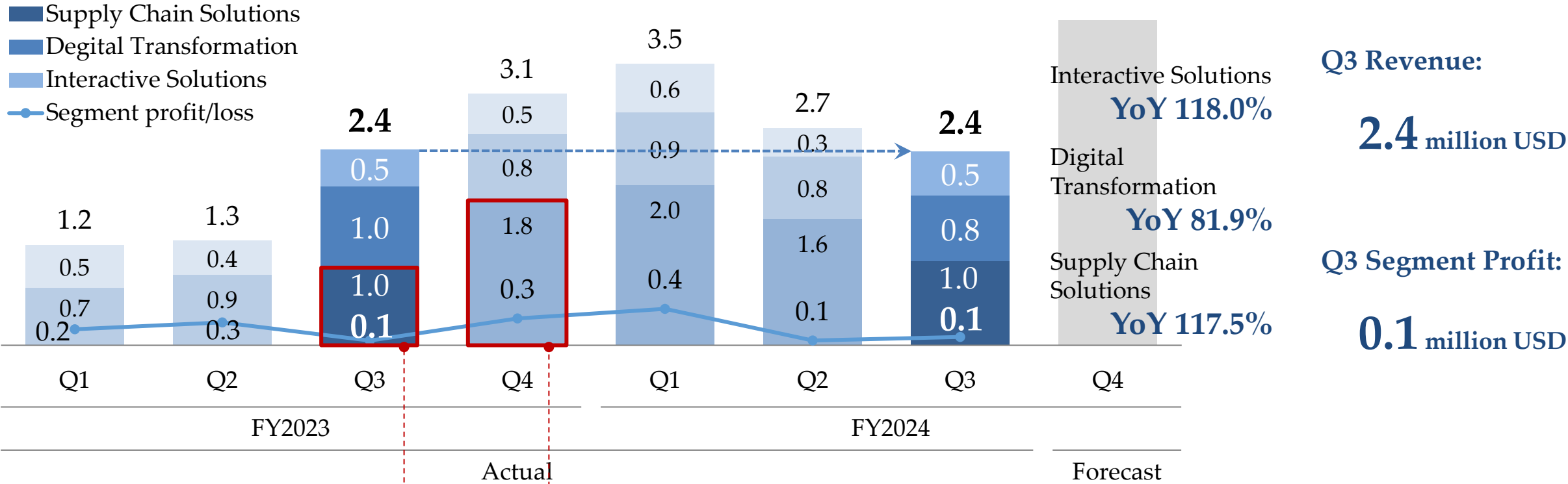
## Overview of New Professional Services

<b>Digital Transformation Solutions (DXD)</b>	Solutions for digital transformation of client's business, digital new business planning	Established in May 2022
<b>Interactive Solutions (ISD)</b>	One-stop solution, from awareness building and attracting customers, to providing a cross-border e-commerce platform	
<b>Supply Chain Solutions (SCD)</b>	Solutions in the area of supply chain such as procurement stabilization and cost reduction, operational efficiency and DX	Established in April 2023
<b>Sustainability Solutions (SSD)</b>	Comprehensive solutions reflecting industry and regional characteristics to accelerate clients' sustainability management.	Established in October 2024

# Business Performance of Professional Solutions Services

From FY2024 Q1, the Group started reporting on a new segment, Professional Solutions Services, consisting of 3 areas: Digital Transformation, Interactive Solutions, and Supply Chain Solutions. The overall revenue in Q3 was 2.4 million USD (0.34 billion JPY\*) and segment profit was 0.1 million USD (10 million JPY\*).

## Revenue and Segment Profit/Loss \* (million USD)



In FY2023 Q3/Q4, only the result of Supply Chain division in the red box was disclosed. The figures for DX and Interactive Solutions division are for reference only (unaudited).

\*Conversion to Japanese yen is calculated at USD 1 = JPY 142.82 (exchange rate on September 30, 2024).

# Introduction of Principal Investments



# Introduction and Overview of Business: What is Principal Investments?

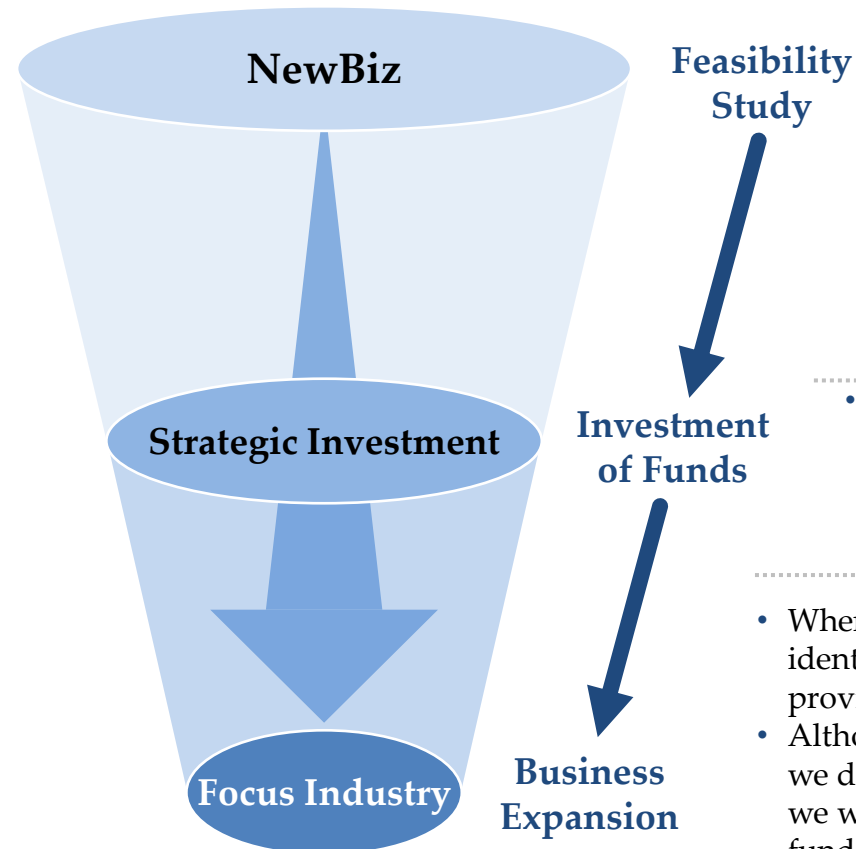
Utilizing the professional platform cultivated through the Management Services business, we invest our own funds in small and medium-sized emerging companies.

## Investment Requirements

The following criteria are set as the Group's investment requirements:

1. Expected business scale of USD 100 million or more in sales
2. A business that can expand globally and utilize the Group's professional platform
3. Investment size should not exceed USD 20 million, including debt.
4. Minimum 30% IRR (Internal Rate of Return)
5. Good learning opportunity for the Group's professionals to "Strive for Growth"

## Flow of Principal Investment, from Start-up to Expansion



- Gather new business proposals or areas to enter through M&A twice a year through our "NewBiz" event.
  - All professionals can participate, provided that one partner backs them up.
- If the idea is selected as part of NewBiz, its business potential will be verified through consumer interviews and other market research
  - There are always around 10 NewBiz ideas under consideration.
- Once the business potential is recognized, an investment memorandum (investment plan) is prepared to raise funds, with the aim of expanding the business as a portfolio of strategic investment areas.
- When its scalability is recognized, the business will be identified as a focus industry and additional investment is provided to support further business growth.
- Although we are not expected to exit in the short-term, if we determine that the scalability of the business is limited, we will sell the business to maximize the recovery of funds for investment in other new businesses.

## Introduction of Personal Care

SOLIA, a major consolidated subsidiary, develops brands specializing in personal care products throughout Asia. SOLIA is adopting the D2C model of direct online sales and leveraging our global platform.

### Core Brand



### Business Strategy



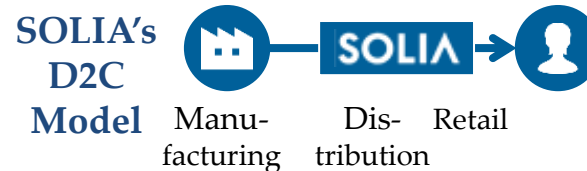
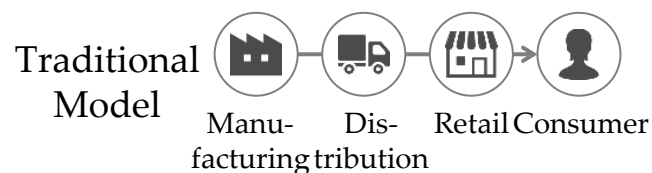
DX



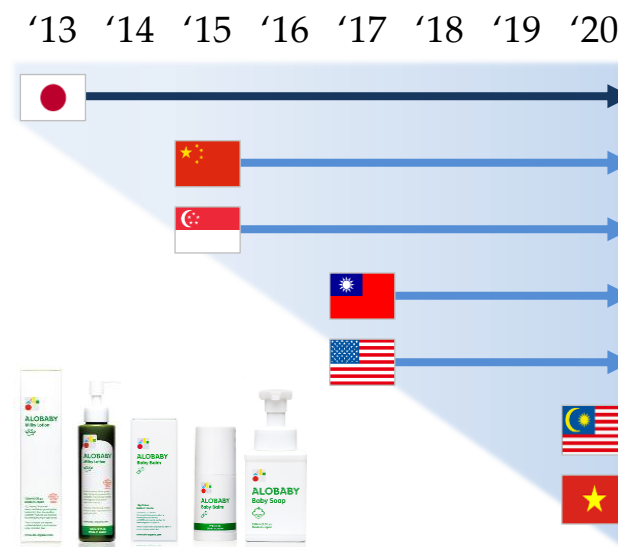
Cross-Border



#### SOLIA's D2C Model



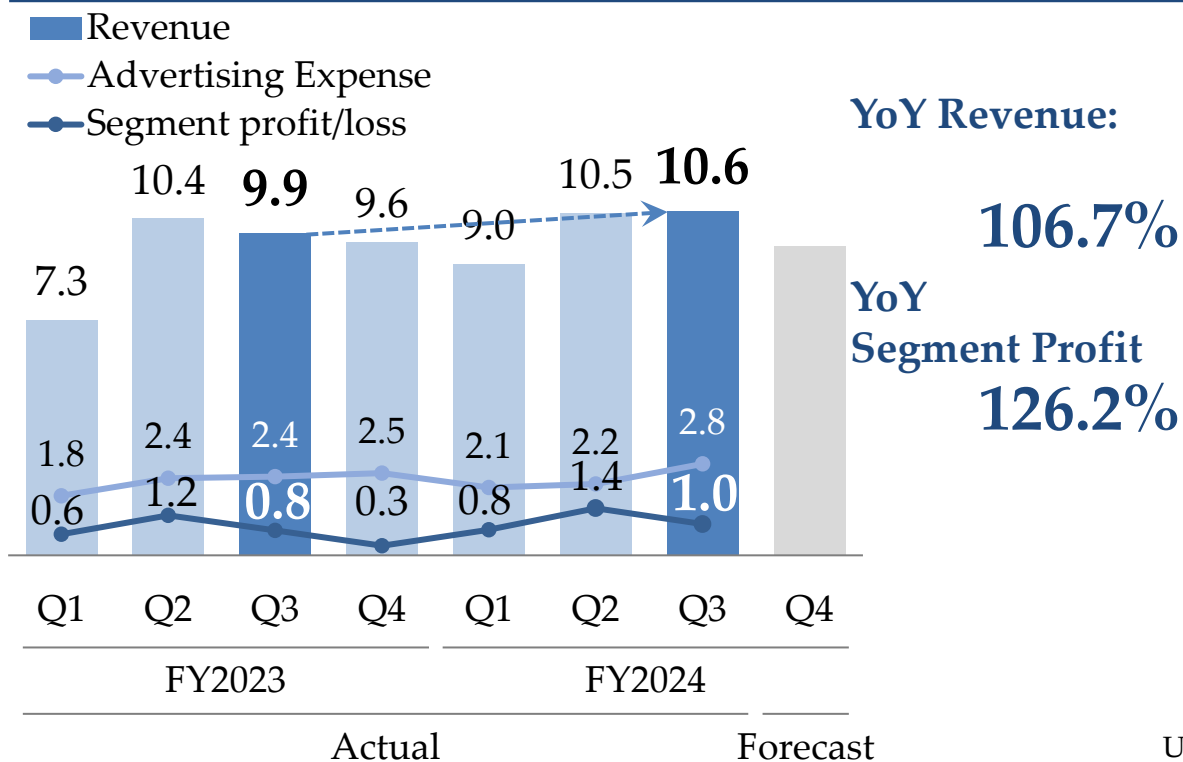
#### ALOBABY's Overseas Expansion



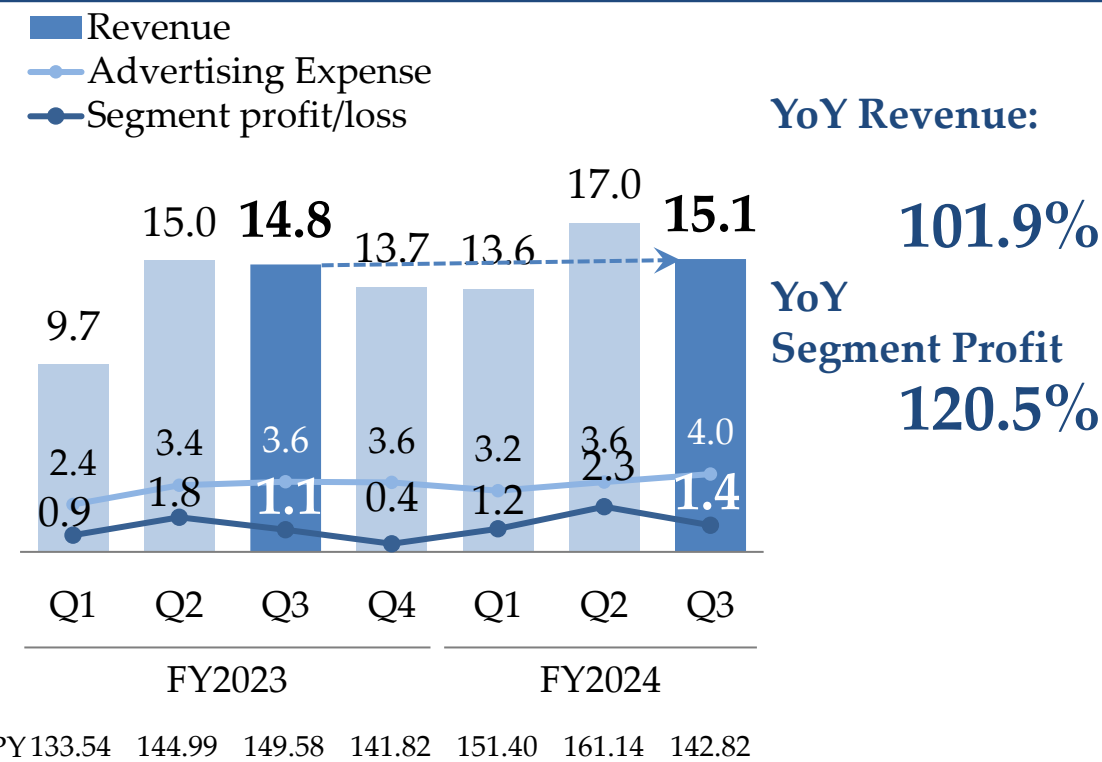
# Business Performance of Personal Care Area

In FY2024 Q3, revenue marked 10.6 million USD (1.51 billion JPY\*) and segment profit marked 1.0 million USD (0.14 billion JPY\*). The steady expansion of the main brands ALOBABY and AMBiQUE resulted in steady growth of both revenue and segment profit.

## Business Performance (million USD)



## (Reference) Business Performance in Local Currency\*\* (hundred million JPY)



USD 1 = JPY 133.54 144.99 149.58 141.82 151.40 161.14 142.82

\*Conversion to Japanese yen is calculated at USD 1 = JPY 142.82 (exchange rate on September 30, 2024).

\*\* Conversion to Japanese yen is calculated at USD-JPY exchange rate at each quarter end.

# Sale of shares in SOLIA

On November 20, 2024, a share transfer agreement was signed to sell the shares in SOLIA by the Group to a third party for 4.05 billion JPY. The share transfer is scheduled to take place on December 25, 2024.

## Summary of the share transfer

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Number of SOLIA shares held by the Group	1,000 shares
Number of SOLIA shares to be transferred	1,000 shares
Transfer price per share	4.05 million JPY
The proceed from the share transfer	4.05 billion JPY
Initial investment amount	10 million JPY
Date of SPA execution	November 20, 2024
Expected date of share transfer	December 25, 2024



# Introduction of Pet Care

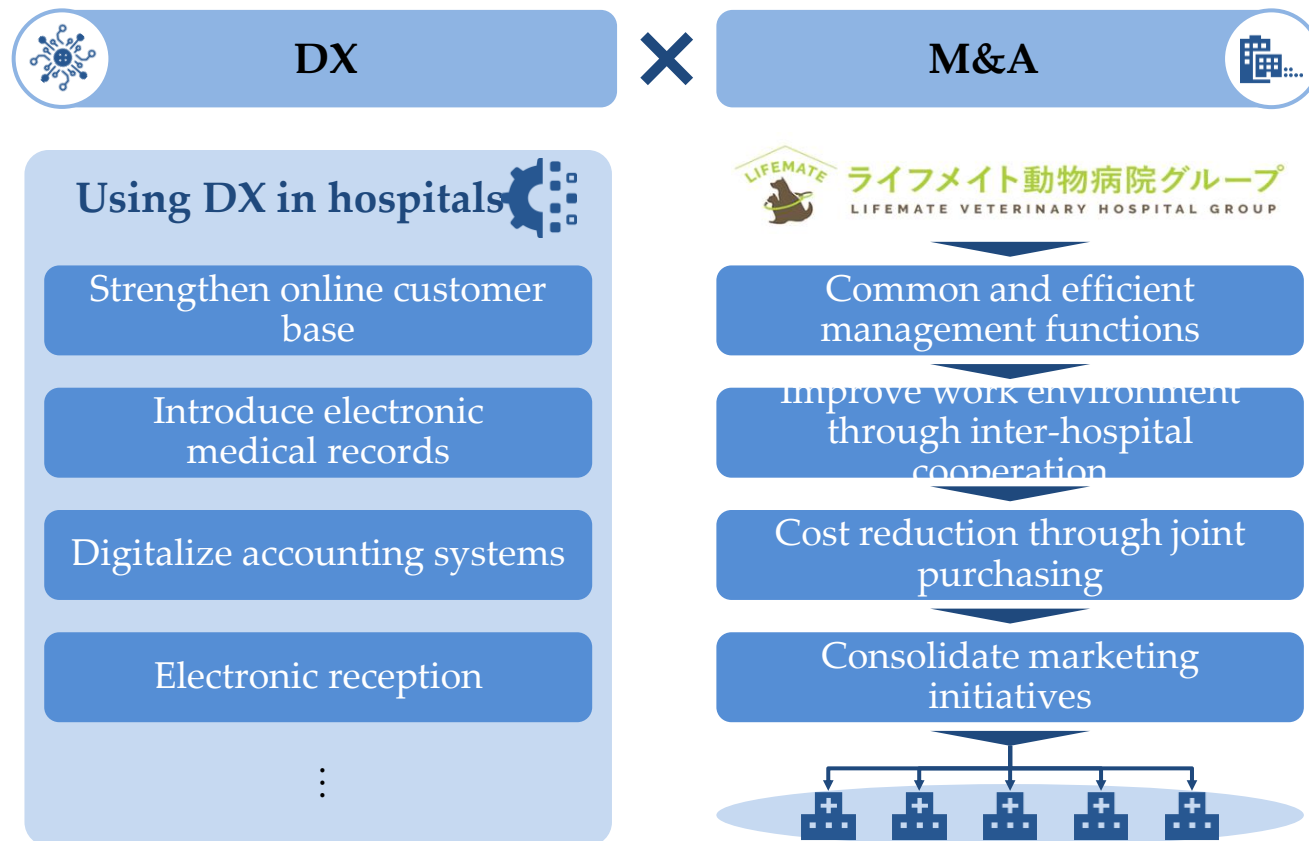
We scale up business by grouping multiple veterinary hospitals through business succession and DX. The Group currently owns and operates a total of 10 hospitals: 4 advanced care hospitals and 6 veterinary hospitals.

## Operation of Veterinary Hospitals



We group several veterinary hospitals together through business succession. We currently operate 10 hospitals in Kanto and Hokkaido and are constantly considering M&A opportunities.

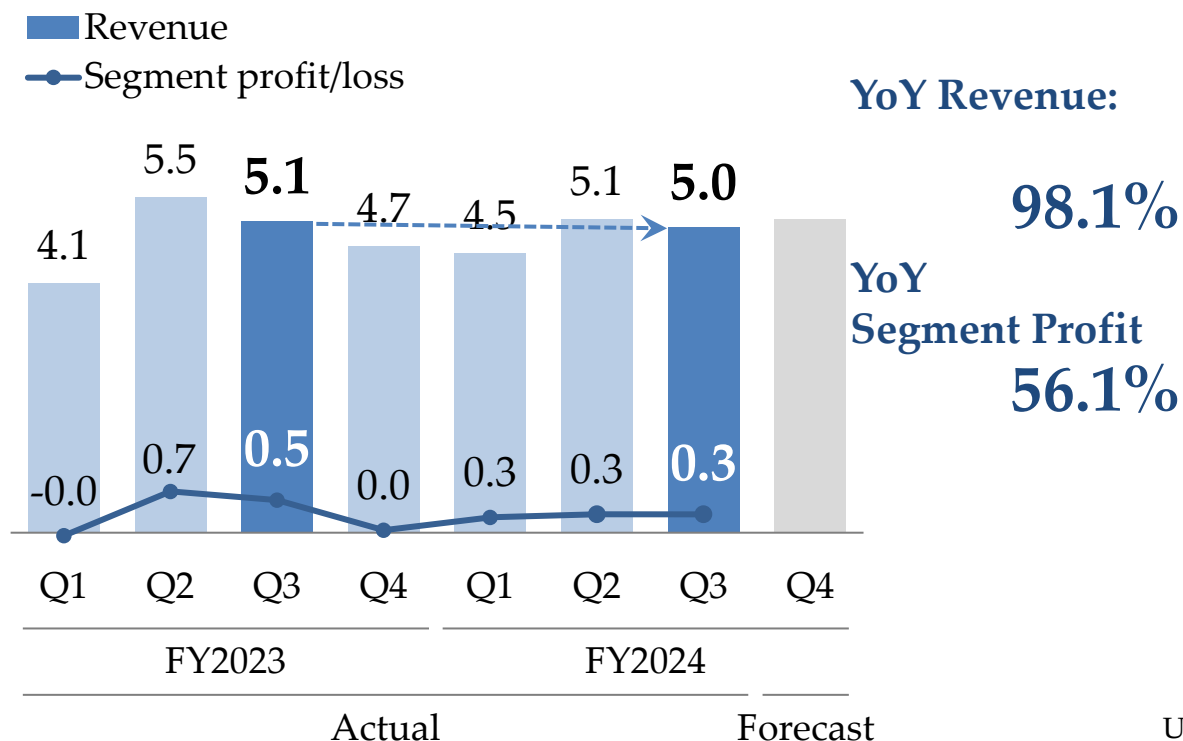
## Business Strategy



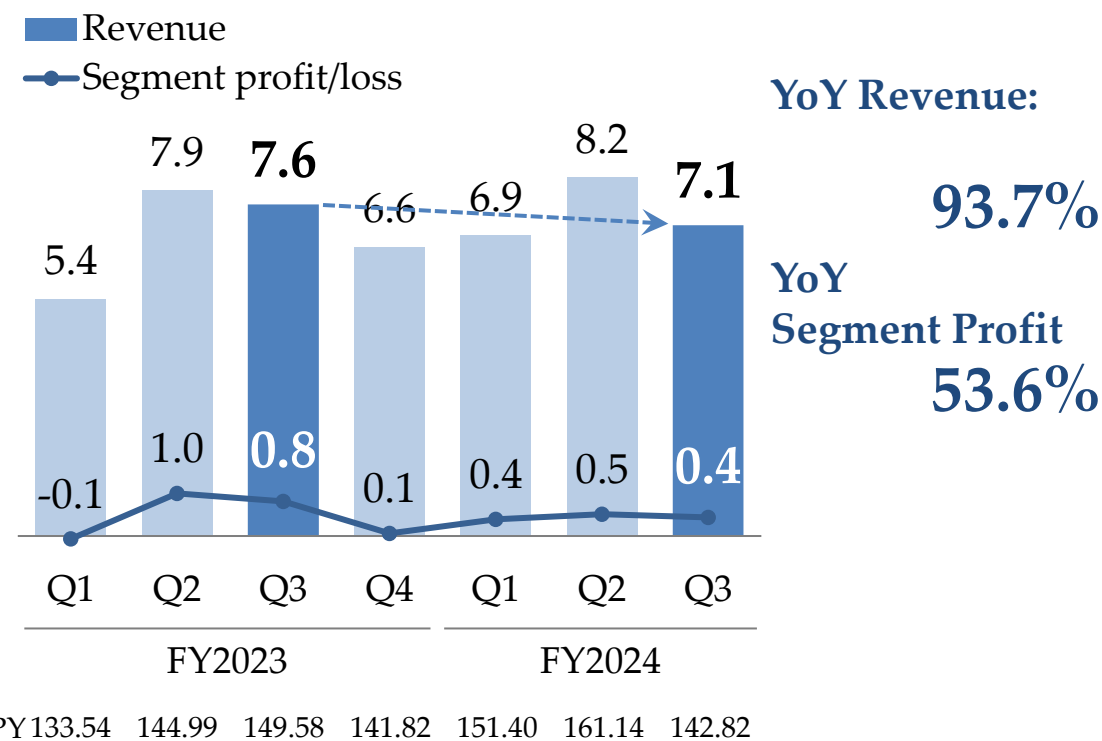
# Business Performance of Pet Care Area

In FY2024 Q3, revenue was 5.0 million USD ( 0.71 billion JPY\*) and segment profit was 0.3 million JPY (40 million JPY\*). While revenue remained at the same level, the profit declined due to one-off costs associated with the relocation of a hospital in Nerima, Tokyo and losses associated with from the transfer of business of another hospital in Tokyo.

## Business Performance (million USD)



## (Reference) Business Performance in Local Currency\*\* (hundred million JPY)



USD 1 = JPY 133.54 144.99 149.58 141.82 151.40 161.14 142.82

\*Conversion to Japanese yen is calculated at USD 1 = JPY 142.82 (exchange rate on September 30, 2024).

\*\* Conversion to Japanese yen is calculated at USD-JPY exchange rate at each quarter end.

# Strategic Investments

YCP is aggressively investing in business seeds that will become our future priority areas as strategic investment areas. Mainly, we are developing Japanese restaurants and providing services for seniors in Singapore, Hong Kong, and Japan.

## Food and Beverage Service



## GO Food



With the mission to "bring smiles to people's faces around the world through food," the company is optimizing the cooking process and thoroughly improving operational efficiency to develop high-quality Japanese food brands overseas.

## Supporting Service for Columbarium

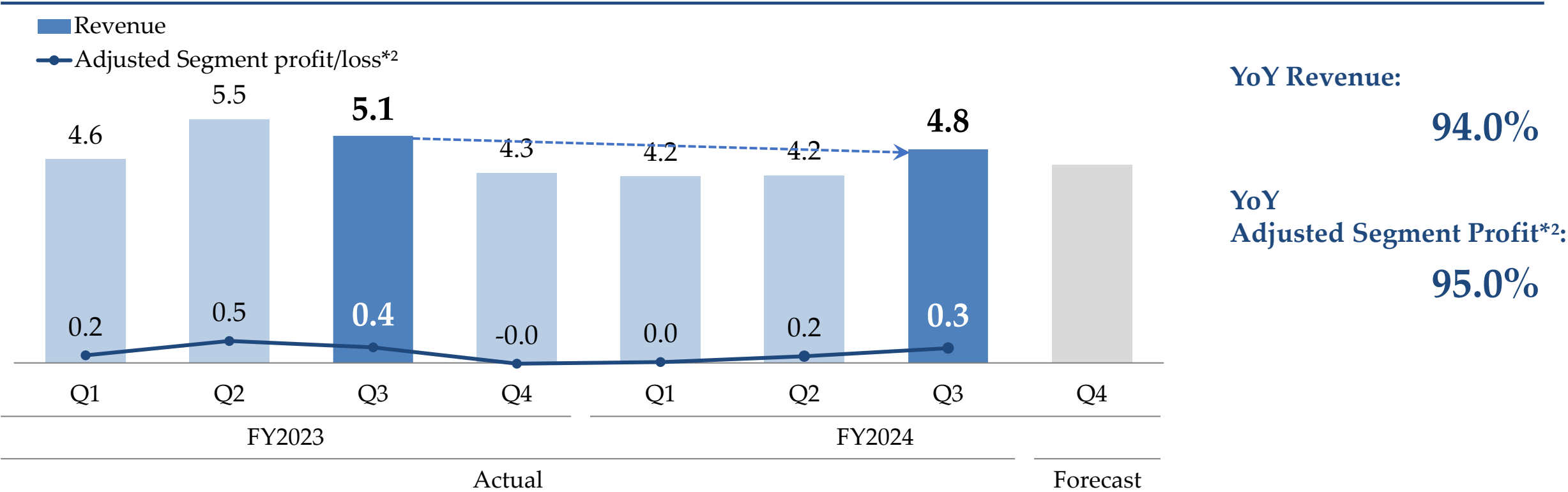


We offer a new option that requires no management, no successor, and no religious affiliation.

# Business Performance in Strategic Investments Area

In FY2024 Q3, revenue was 4.8 million USD (0.69 billion JPY\*1) and adjusted segment profit\*2 was 0.3 million JPY (40 million JPY\*1) due to the soft performance of food and beverage businesses in Hong Kong and Singapore effected by the economic slowdown in China.

## Business Performance (million USD)



\*1 : Conversion to Japanese yen is calculated at USD 1 = JPY 142.82 (exchange rate on September 30, 2024).

\*2 : Adjusted Segment profit/loss = Segment profit/loss excluding one-time non-cash transactions from activities other than core business, such as gains/losses on sales of subsidiaries and businesses, fair value gain/loss on an equity investment at fair value through profit or loss, and gains from bargain purchase

# Forecast for FY2024–2026



# Growth Strategy for the Entire Group

In parallel with the organic growth of the Management Services business, which forms the basis of the Group, the knowledge and experience accumulated through Management Services business is transferred to Professional Solutions Services and Principal Investments, creating a virtuous circle that achieves growth in these three businesses as a whole.

## 1. Organic Growth of Management Services

Continuously increase the number of professionals, capture the strong demand of various clients, and accumulate knowledge and experience



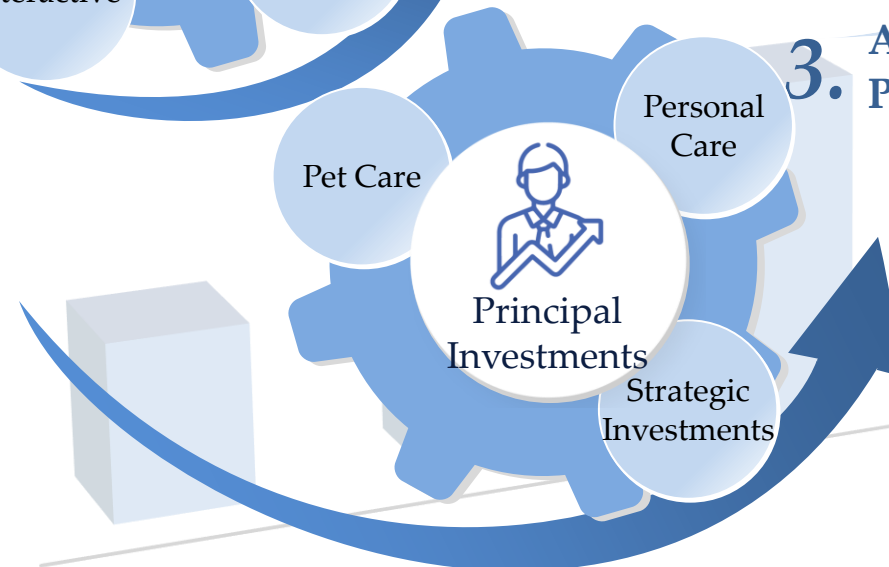
## 2. Develop peripheral areas of Management Services

Driving the growth of the Group by using accumulated knowledge to develop highly scalable solutions to solve clients' business challenges.



## 3. Accelerate growth of Principal Investments

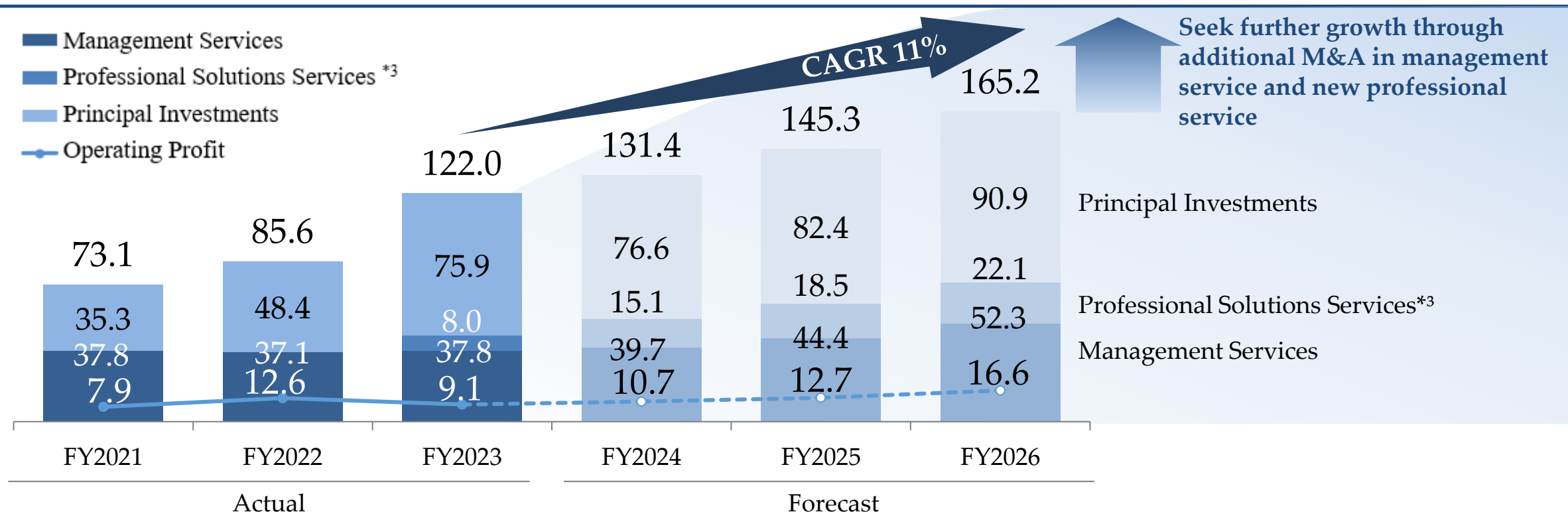
Utilize the Group's network to develop new investment themes across Asia and maximize the Group's funds through listing/trade sale in the future.



# Forecast for FY2024–2026: Group Consolidated

On a consolidated basis, the Company is targeting revenue of 165.2 million USD (23.59 billion JPY\*<sup>1</sup>) and operating profit of 16.6 million USD (2.37 billion JPY\*<sup>1</sup>) by FY2026 only from organic growth, and will make full use of new M&A (not yet incorporated in the plan) for further growth. The profit decrease in FY2023 was due to a one-off revaluation gain\*<sup>2</sup> from Ipet TOB recorded in FY2022.

## Revenue and Operating Profit (million USD)



\*1 : Conversion to Japanese yen is calculated at USD 1 = JPY 142.82 (exchange rate on September 30, 2024).

\*2 : "Other income and gains" of US\$4.9 million (JPY 0.69billion\*<sup>1</sup>) and "General and administrative expenses" of -US\$1.2 million (-JPY 0.17billion\*<sup>1</sup>) were booked in FY2022, due to TOB.

\*3 : Some areas of Professional Solutions Services, with relatively smaller business scale, will be disclosed under Management Services.

