



ZIGExN Co., Ltd.

# Presentation for New Investors

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2. **Competitive Advantage**
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# 1

## Company & Business Overview

# Company Overview

## Overview



Company name	ZIGExN.Co.,Ltd	
Location of headquarters	3-4-8 Toranomom, Minato-ku, Tokyo, Japan	
Listing market	Prime of TSE Market (security code: 3679)	
Date of establishment	June 1, 2006	
Consolidated revenue	23,249 million yen (FY2024/3)	
Consolidated capital	125 million yen (as of March 31 ,2024)	
Consolidated employees	837 (as of March 31 ,2024)	
Board member	Representative Director	Joe Hirao
	Director	Sachiko Hatano
	Director	Sato Shinji
	Outside Director	Yasuo Usuba
	Outside Director	Jun Sakaki
	Full-time Outside Corporate Auditor	Mari Yajima
	Outside Corporate Auditor	Takashi Miyazaki
	Outside Corporate Auditor	Kengo Wada

## Basic Principle

ZIGExN aims at “maximizing opportunities in life” and seeks harmony and sustainable development with society by providing a platform to connect to the world through the Internet.

## Management Principle

### OVER the DIMENSION !

Reverse common sense and values in society through overwhelmingly unusual services and establishment of an overwhelmingly unusual company.

## Purpose

**Update Your Story - for a better future -**  
**Update the future of everyone at the crossroads of life.**

Note: Consolidated employees include full-time and contract employees and exclude temporary employees (dispatched and part-time employees) and employees dispatched by the temporary staffing business.

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# CEO Profile



## Representative Director, President and CEO Joe Hirao

### Brief record

Born in 1982. Graduated from the Faculty of Environment and Information Studies, Keio University in 2005.

Winner of Award of Excellence in the Student Entrepreneur Championship organized by the Tokyo Metropolitan Small and Medium Enterprise Support Center.

Founded two companies while at university, and joined Recruit while still managing one company.

Won several awards in the New RING new business contest while competing as a newcomer. Received New Value Creation award at the Internet Marketing Office.

Established the forerunner to ZIGExN in 2006, becoming a director at 23 years of age.

Appointed president and representative director at age 25, going independent after an MBO at age 27.

2013: Listed on the TSE Mothers market at age 30

2018: Relisted in the TSE first section at age 35

2022: Transitioned to the TSE Prime Market

## Publication of the Book

### Entrepreneurial Thinking

#### Issue Discovery, Solution, and Practice Techniques that Produce Unparalleled Results with the “Power of Separate Solution”

Published to share his own ideas to employees and various other stakeholders, strengthening engagement and triggering a change in consciousness.

The author's royalties related to this book will be donated to Ashoka Japan, a general incorporated association, and Teach For Japan, a certified non-profit organization that is taking on the challenge of transforming public education by capturing its unique teacher training as its main business, utilizing its network of 61 countries around the world, in addition to finding and supporting social entrepreneurs.

# History of ZIGExN



Changed company name to ZIGExN Co., Ltd.  
Moved headquarters to Shinjuku, Shnjuku-ku, Tokyo.



Moved headquarters to Toranomon, Minato-ku, Tokyo.

Changed from the 1<sup>st</sup> section of TSE market to the Prime Market.

Announced the largest-ever share buyback limit of 2.8 billion yen.

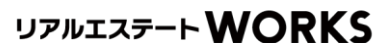
15<sup>th</sup> anniversary of establishment.  
Released 2<sup>nd</sup> medium-term management plan "Z CORE".

Established in Ebisu, Shibuya-ku, Tokyo

Listed on the TSE Mothers Market.

2017

Changed market listing to the First Section of the TSE.



Made REJOB Co., Ltd. into a wholly owned subsidiary.



The current renovation business (Life Support) and MIRAxS Co., Ltd. joined ZIGExN group.



Made Ties, Awesome Agents, Struct (now UpBase), Beyond Borders, and TSD wholly owned subsidiaries

Launched the Life Media Platform Business

Began providing "SMOCCA" a real estate leasing platform.



2006

2008

2009

2010

2013

2014

2018

2020

2021

2022

2023

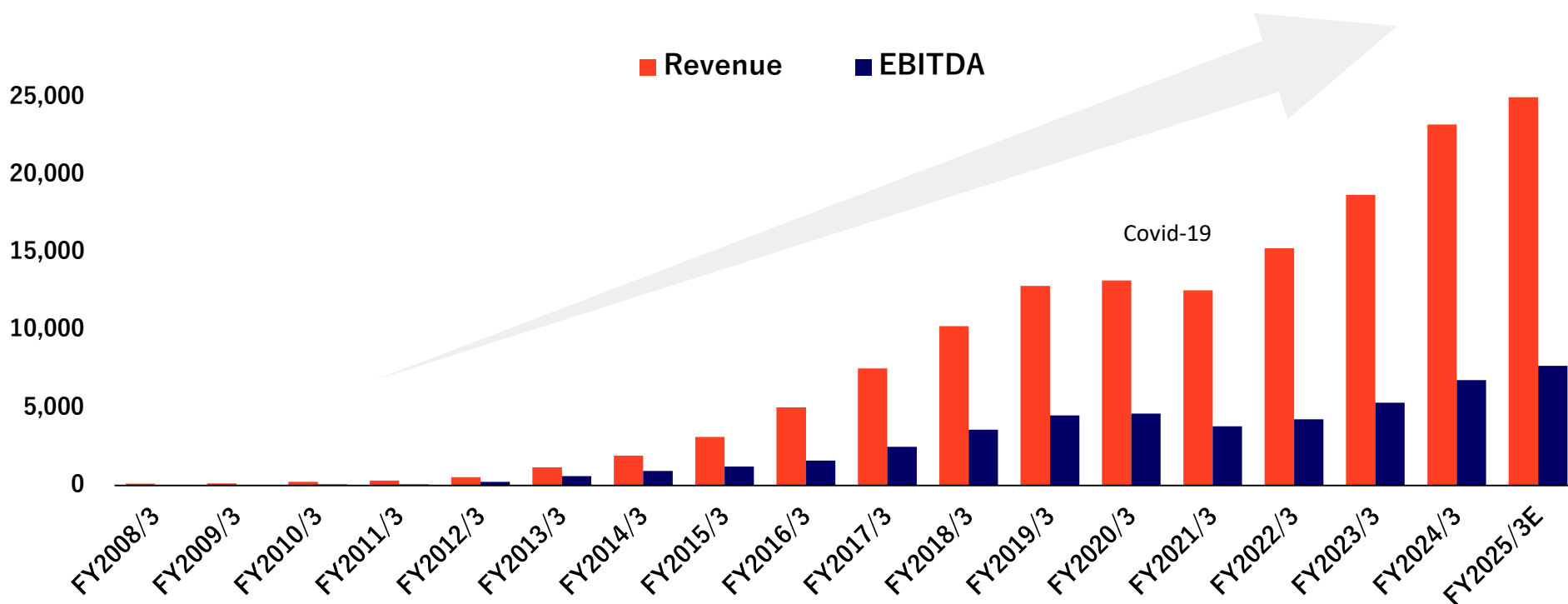
2024

# Performance Summary

- Achieved increased revenue for 13 straight terms from founding to FY2020/3.
- Despite being heavily impacted by COVID-19 in the travel and Human Resource segment, revenue and profits returned to a YoY growth trend starting from Q4 of FY2021/3 thanks to the diversified portfolio, and in FY2024/3, the company achieved record revenue and profit.

## Consolidated Revenue · EBITDA

(Unit: yen in millions)



Note: FY2025/3E is the financial forecast for the current fiscal year.

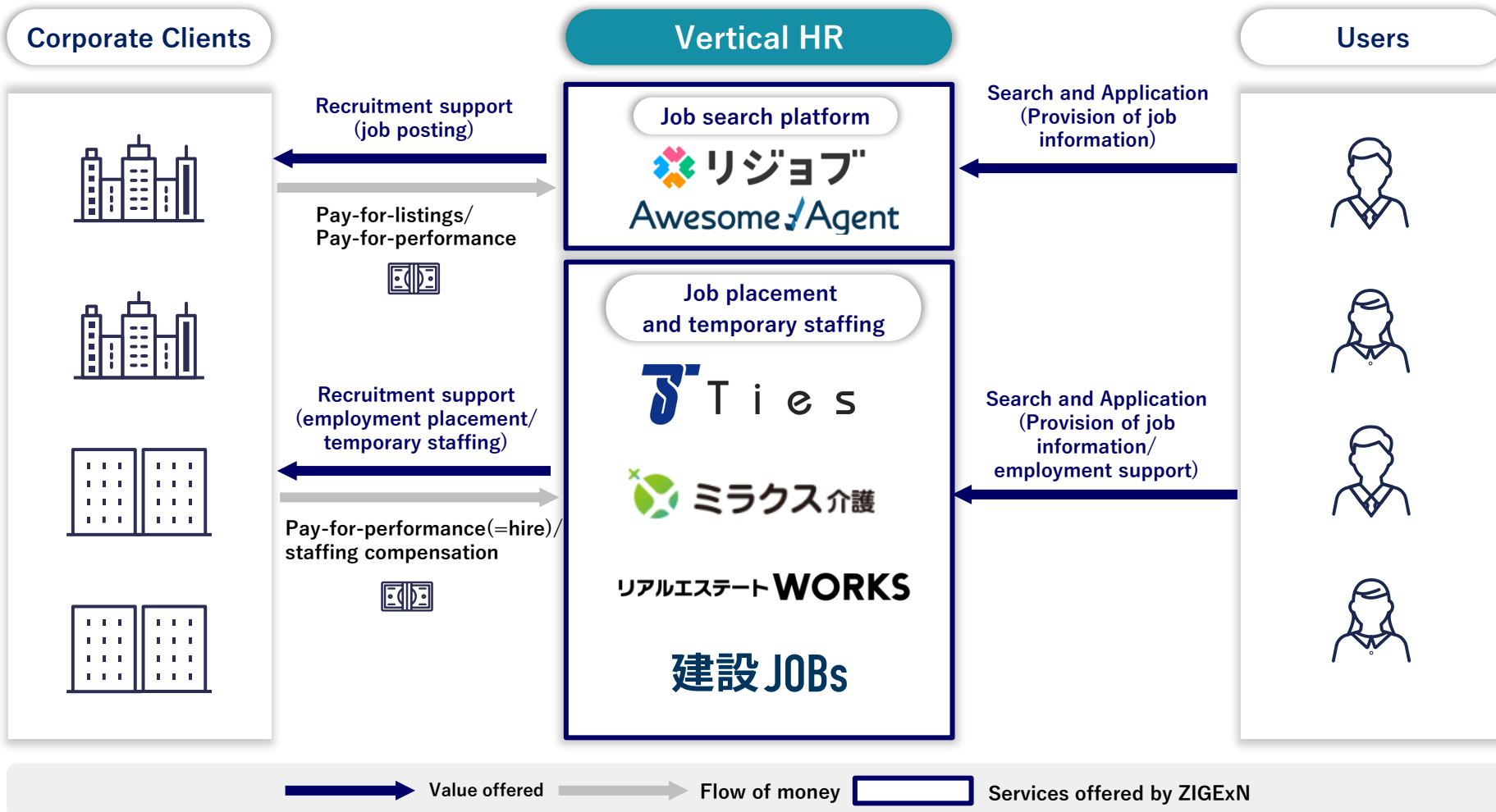
# Overview of main services by segment

<p><b>Vertical HR</b></p> <p>Consists of mainstay businesses specializing in particular domains in the human resources fields</p>	<ul style="list-style-type: none"> <li>● Hair salon/health care REJOB</li> <li>● Manufacturing Ties</li> <li>● Nursing MIRAxS</li> <li>● Construction Struct</li> <li>● Real estate REAL ESTATE WORKS</li> <li>● Logistics Awesome Agent</li> </ul>	<ul style="list-style-type: none"> <li>Job search platform specializing in the beauty industry</li> <li>Job placement specialized in the manufacturing industry</li> <li>Job placement and temporary staffing specialized in the nursing care and childcare industries</li> <li>Job placement specialized in the construction industry</li> <li>Job placement specialized in the real estate industry</li> <li>Job search platform specializing in the logistics industry</li> </ul>	<ul style="list-style-type: none"> <li><a href="https://relax-job.com/">https://relax-job.com/</a></li> <li><a href="https://www.ee-ties.com/">https://www.ee-ties.com/</a></li> <li><a href="https://miraxs.co.jp/service/">https://miraxs.co.jp/service/</a></li> <li><a href="https://kensetsu-jobs.struct-inc.co.jp/">https://kensetsu-jobs.struct-inc.co.jp/</a></li> <li><a href="https://realestateworks.jp/">https://realestateworks.jp/</a></li> <li><a href="https://awesomergroup.co.jp/service/">https://awesomergroup.co.jp/service/</a></li> </ul>
<p><b>Living Tech</b></p> <p>Consists of mainstay businesses related to real estate</p>	<ul style="list-style-type: none"> <li>● Real estate leasing Smocca</li> <li>● Overseas real estate SEKAI PROPERTY</li> <li>● Renovation RESHOP-NAVI</li> <li>● Energy enepi</li> </ul>	<ul style="list-style-type: none"> <li>Portal site for real estate leasing</li> <li>Overseas real estate agent</li> <li>Platform for comparing remodeling prices</li> <li>Platform for comparing propane gas (LP gas) prices</li> </ul>	<ul style="list-style-type: none"> <li><a href="https://smocca.jp">https://smocca.jp</a></li> <li><a href="https://ja.sekaiproperty.com/">https://ja.sekaiproperty.com/</a></li> <li><a href="https://rehome-navi.com/">https://rehome-navi.com/</a></li> <li><a href="https://enepi.jp/">https://enepi.jp/</a></li> </ul>
<p><b>Life Service</b></p> <p>Consists of businesses which create stable cash flows</p>	<ul style="list-style-type: none"> <li>● Franchises Franchise Hikaku.net</li> <li>● System BrainLab</li> <li>● Automobile TCV</li> <li>● Travel APPLE WORLD</li> <li>TRAVELIST</li> <li>TSD (Rikisha)</li> </ul>	<ul style="list-style-type: none"> <li>Franchise search platform</li> <li>Development of temporary staffing management system</li> <li>Platform for the export of used cars</li> <li>Hotel Booking system for travel agencies</li> <li>Comprehensive travel EC</li> <li>Hotel Booking system for travel agencies</li> </ul>	<ul style="list-style-type: none"> <li><a href="https://www.fc-hikaku.net/">https://www.fc-hikaku.net/</a></li> <li><a href="https://www.brainlab.co.jp/">https://www.brainlab.co.jp/</a></li> <li><a href="https://biz.tc-v.com/">https://biz.tc-v.com/</a></li> <li><a href="https://appleworld.co.jp/business.html">https://appleworld.co.jp/business.html</a></li> <li><a href="https://travelist.jp/">https://travelist.jp/</a></li> <li><a href="https://www.rikisha-easyrez.jp/">https://www.rikisha-easyrez.jp/</a></li> </ul>



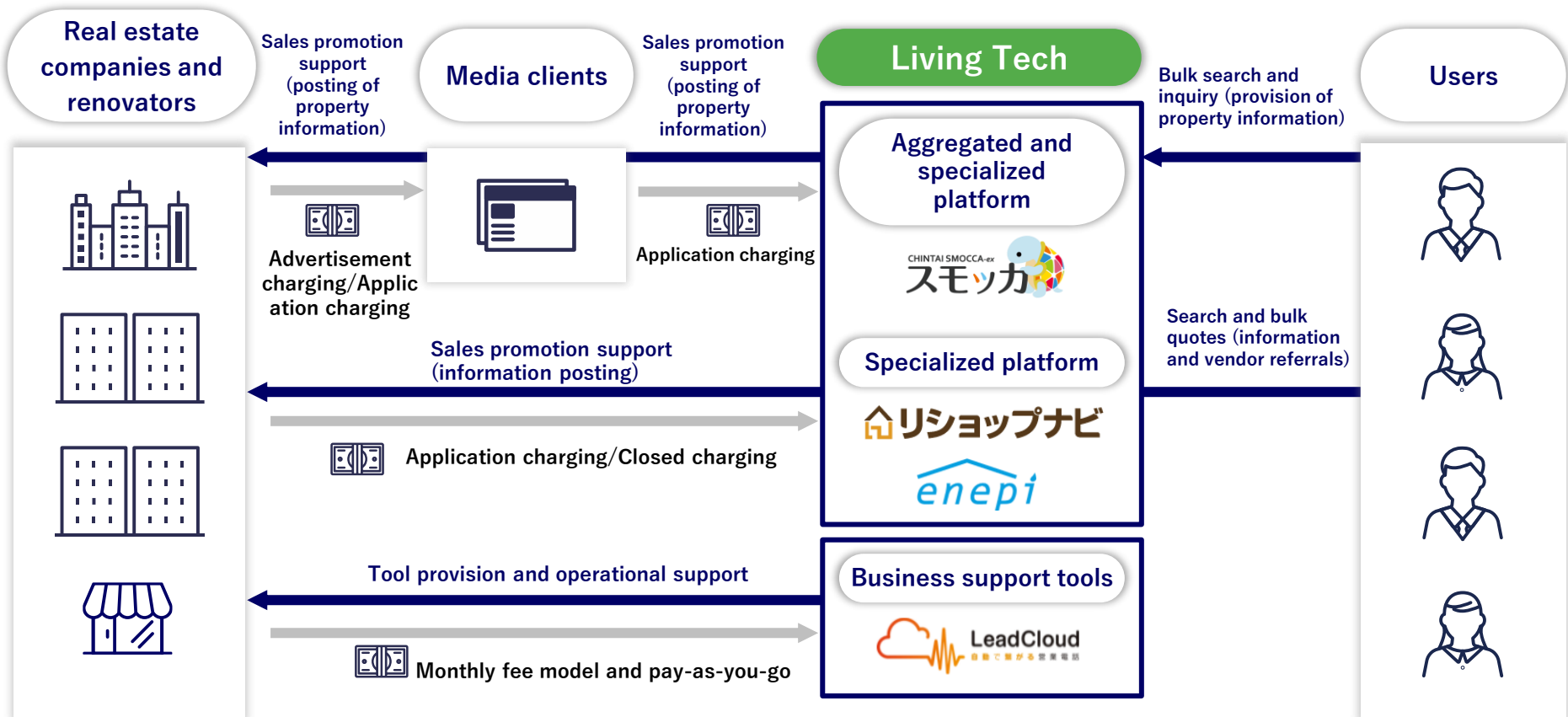
# Vertical HR segment: Business model

- The Vertical HR segment consists of domain-specific HR businesses (job search platform and job placement / temporary staffing).



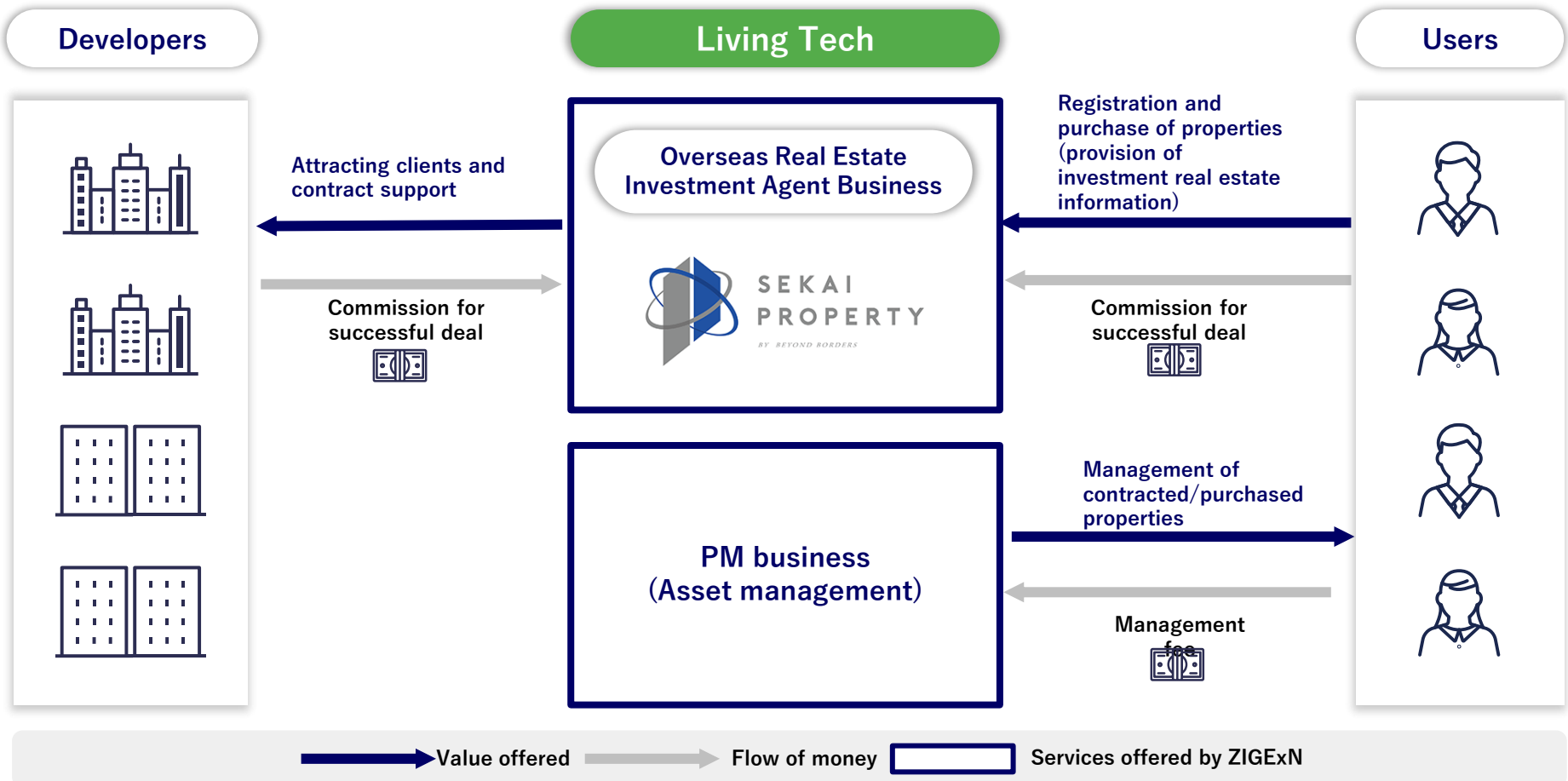
# Living Tech segment: Business model

- The Living Tech consists of (1) "Aggregation platform", which allows users to search and apply for information from multiple websites at once, "Specialized platform" and "Business Support Tools", which have their own direct clients, and (2) the real estate investment agent business, which introduces properties mainly in Southeast Asia to wealthy individuals in Japan.



# Living Tech segment: Business model (2)

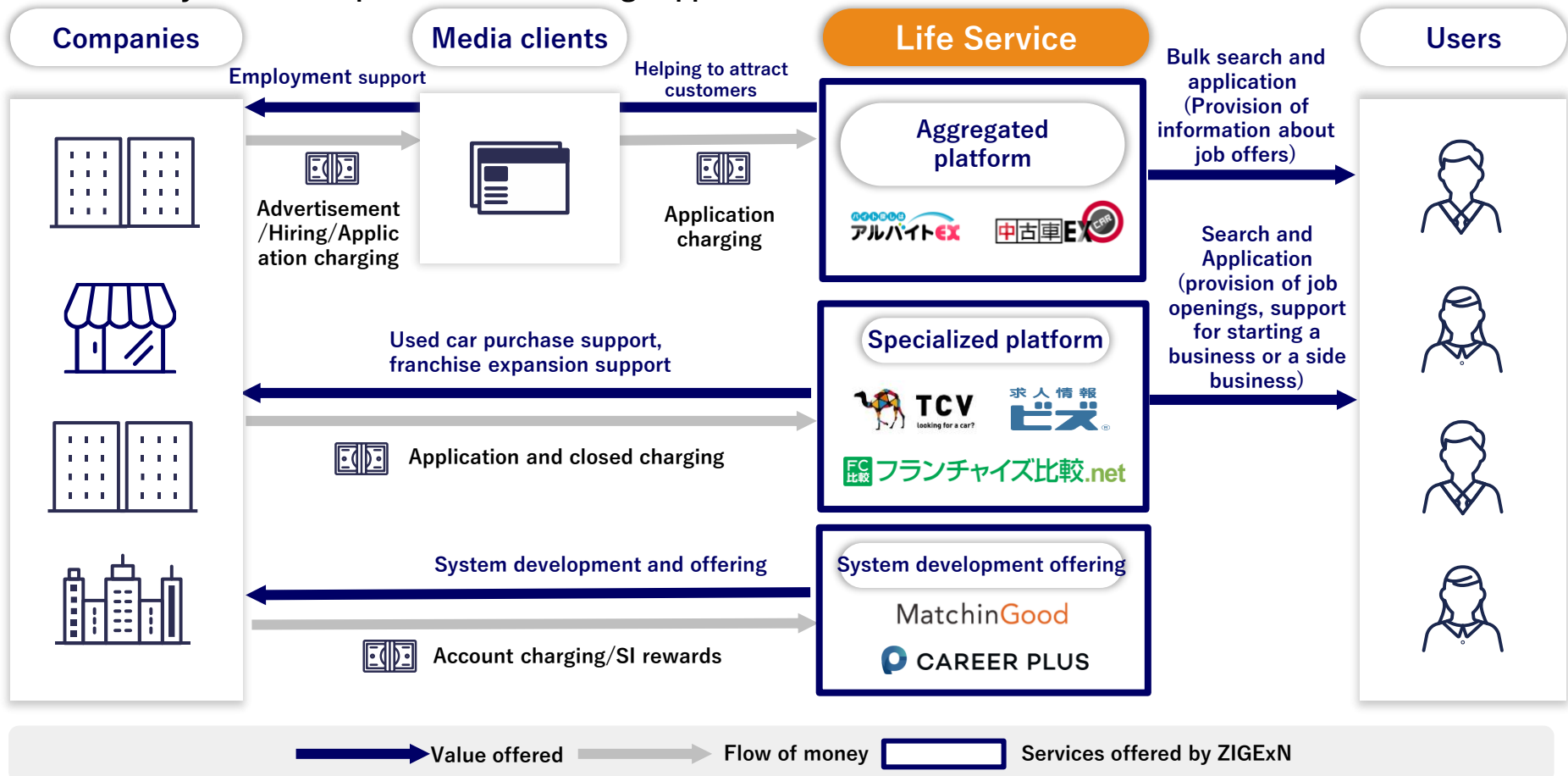
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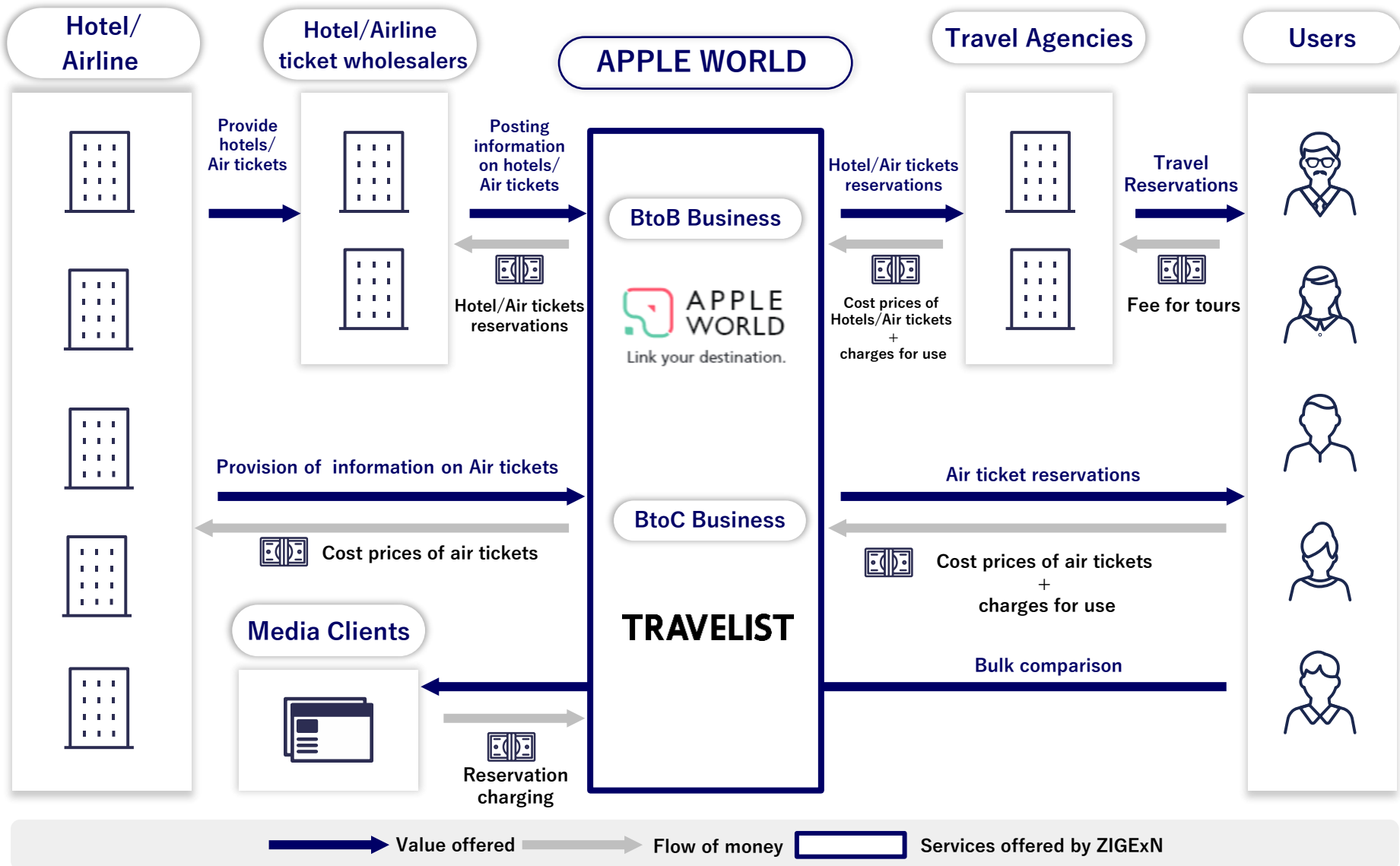
# Life Service segment: Business model (1)

- The Life Service segment has a vast database similar to a core business and is recognized as the foundation of our management resources.

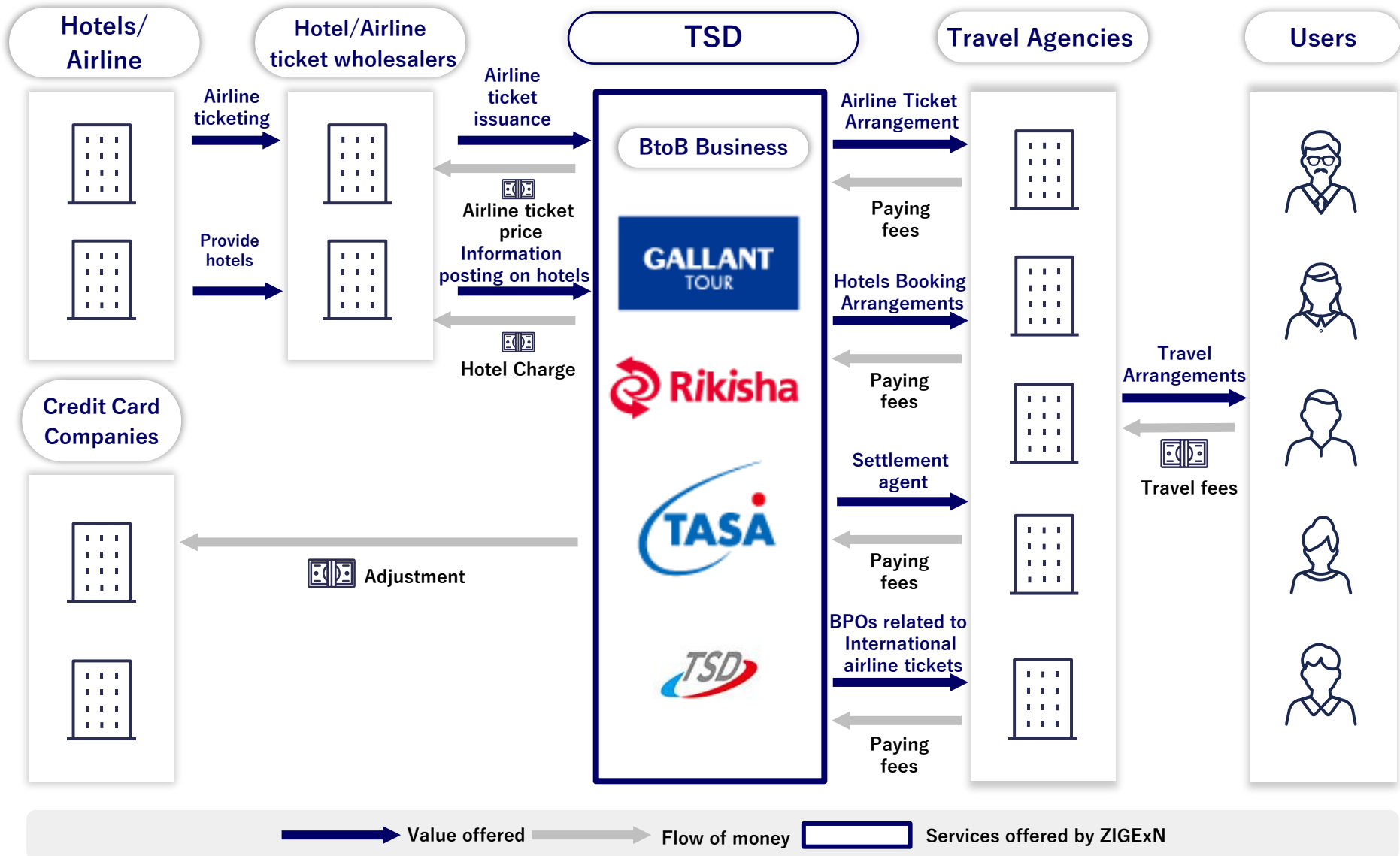
We have three types of business model: aggregated media, specialized media, and system development, which includes system development and marketing support.



# Life Service segment: Business model (2) (Travel)



# Life Service segment: Business model (2) (Travel)



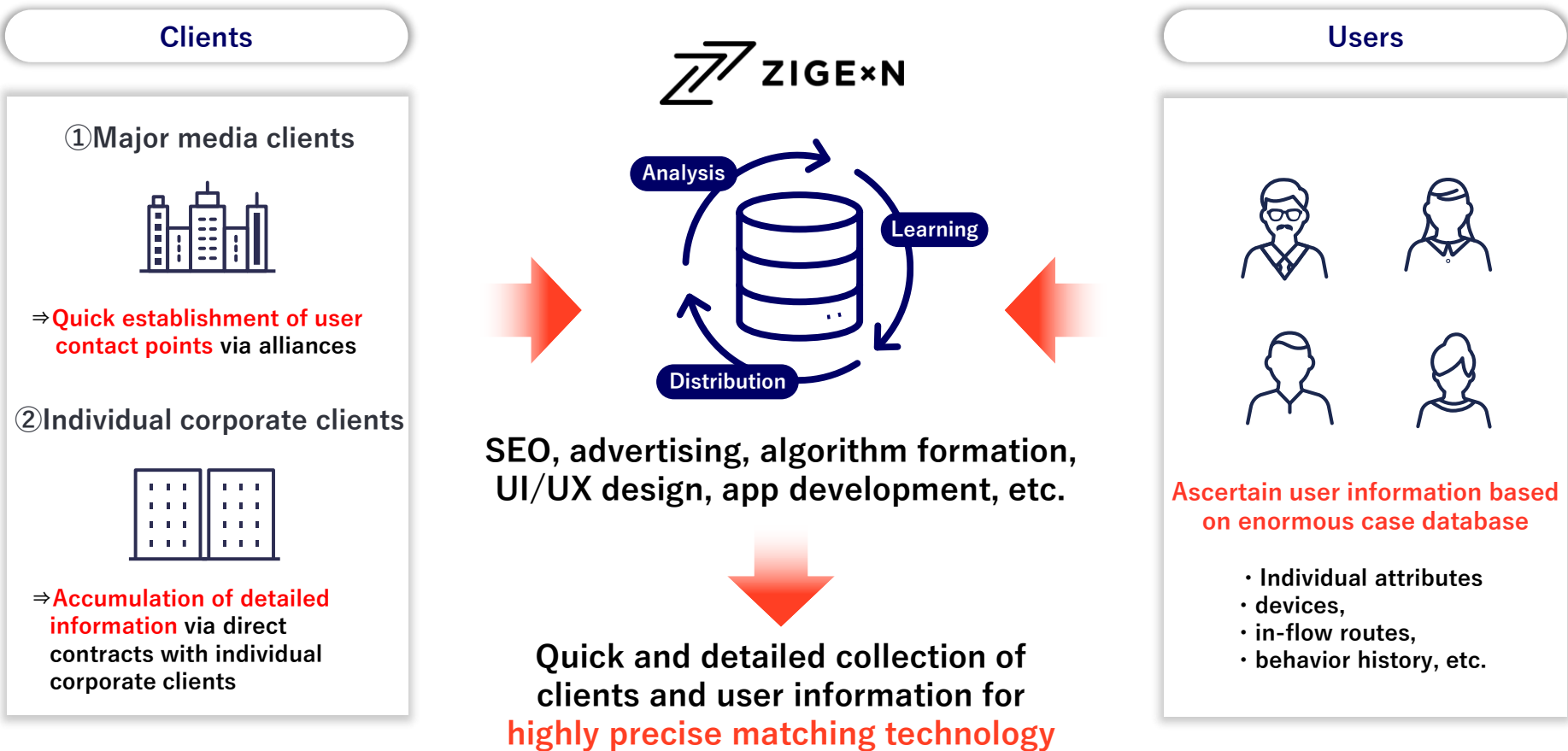


# 2

## Competitive Advantage

# Sources of strength (1) -Matching Technology-

- We quickly build clients and users contact points and have **collected and analyzed information on both for over ten years.**
- We then collect and compile more detailed information by also focusing on alliances with individual companies. This results in successfully establishing highly precise matching technology that promotes user behavior (assembling and moving) on a database-driven basis.



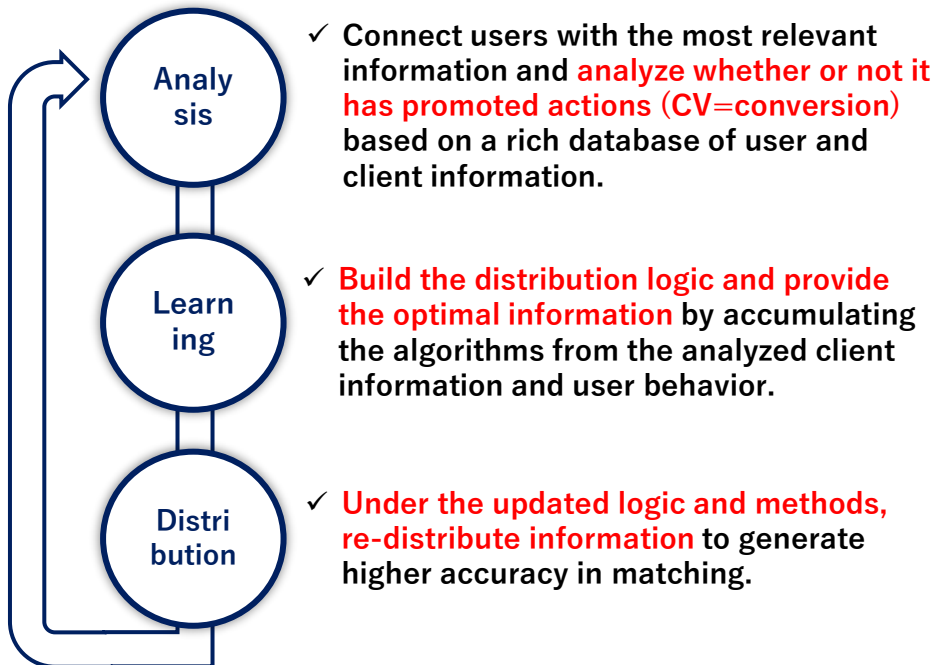


## Sources of strength (1) -Specific Example of Matching Technology -

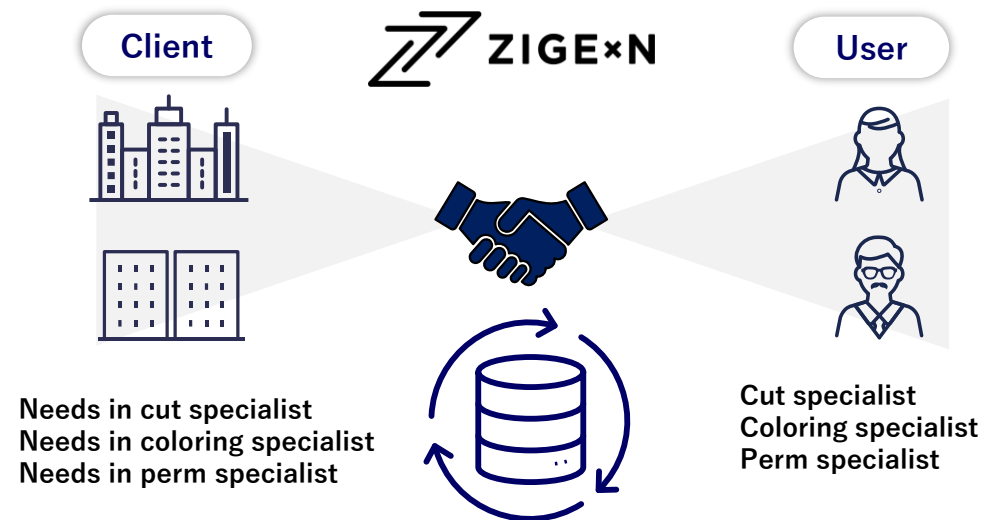
- Matching technology is the ability to provide users with the **most appropriate information to encourage them to take action**.
- Establish a cycle of **analysis, learning, and distribution to generate highly accurate matching** from a rich and unique database
- Operating multiple platforms enables us a rapid lateral expansion of various knowledge and best practices in strategies.

### Specific Example of Matching Technology

#### Example (1) Cycle of Analysis, Learning, Distribution



#### Example (2) Beauty industry

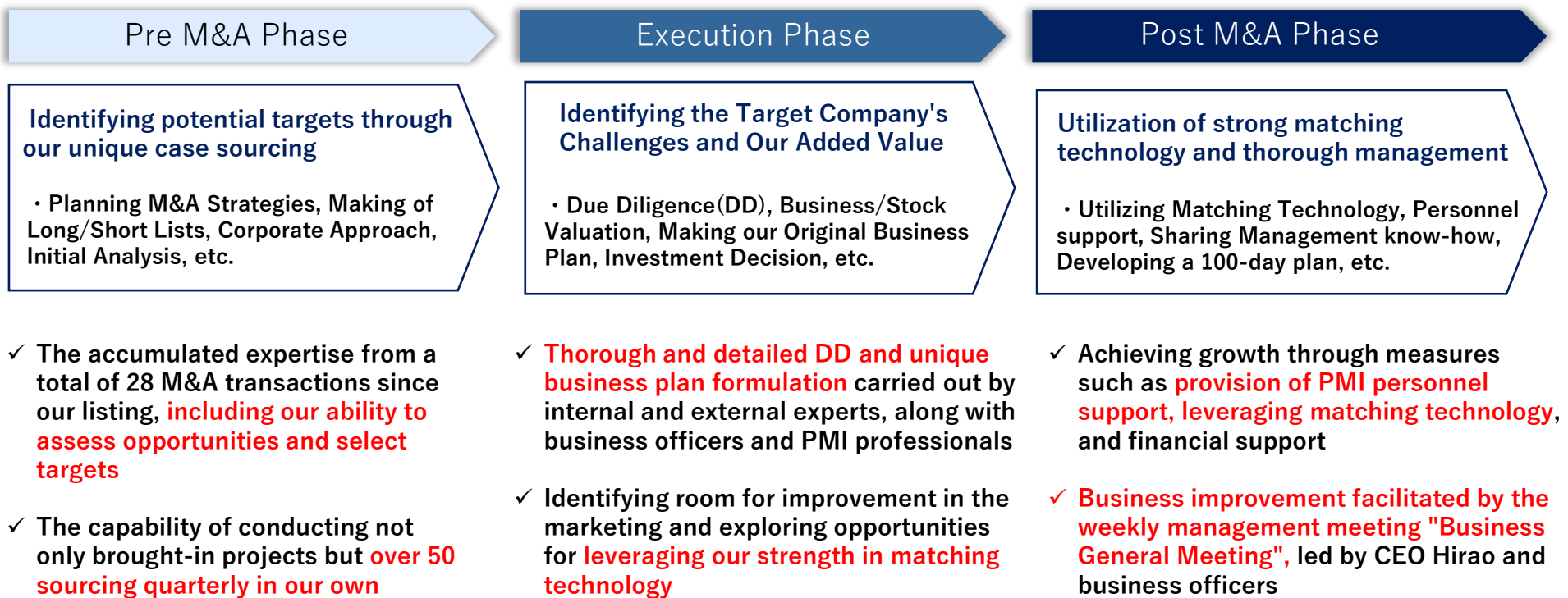


**From a specialization in specific fields, we analyze the needs of users and clients to achieve highly accurate matching from a unique and extensive database.**

## Sources of strength (2) -ZIGExN Value Integration (ZVI)-

- Established our unique and highly replicable PMI methodology called "ZVI (ZIGExN Value Integration)" based on the extensive M&A experience, various knowledge and resources such as PMI personnel.
- We achieve performance improvements for the target companies by finding opportunities with our unique sourcing approach, identifying the challenges of target companies, determining the added value we can bring, and leveraging our strengths in matching technology, sharing our management know-how, and providing personnel support.

### Process of ZVI (ZIGExN Value Integration)



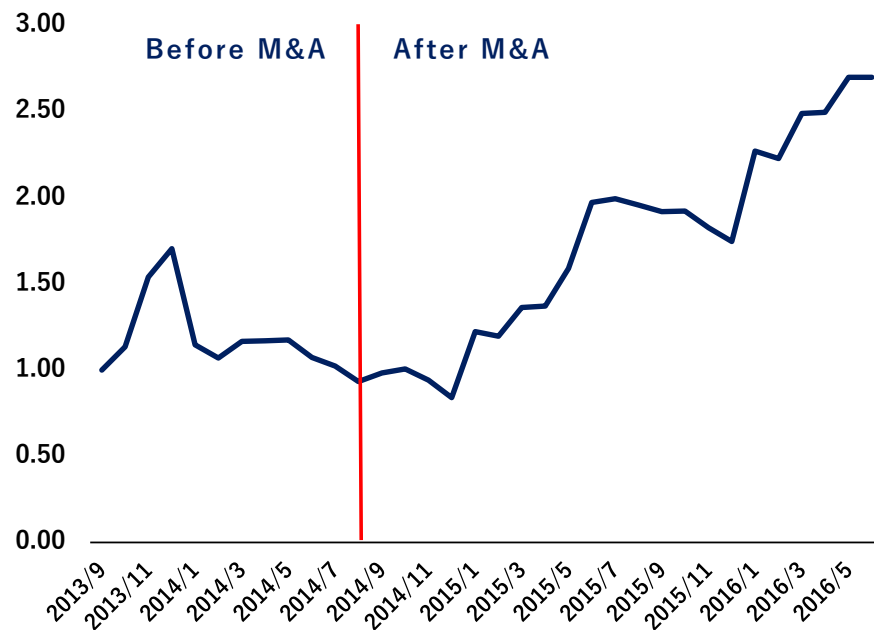
## Sources of strength (2)

### – Example of improvement through ZIGExN Value Integration (ZVI)-

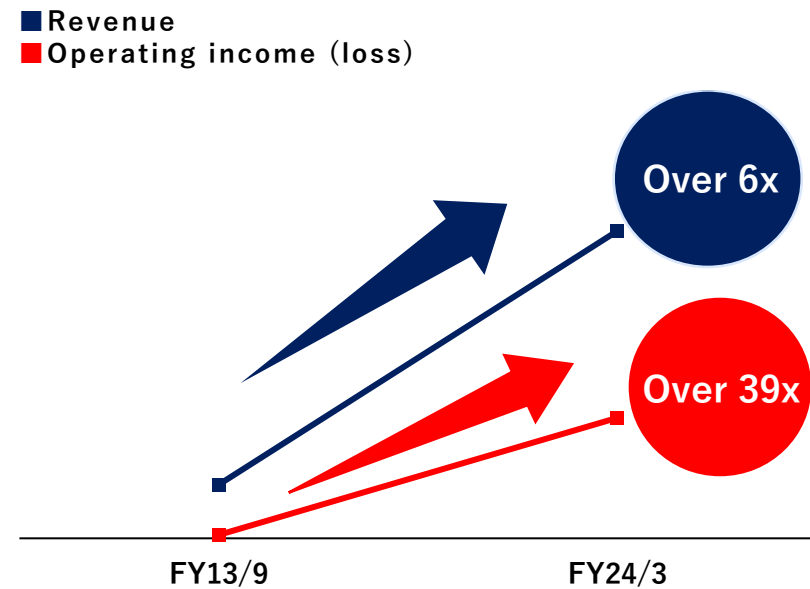
- Identifying opportunities for marketing improvement in M&A target companies, such as **enhancing customer acquisition and CVR (conversion rate)** and achieving performance improvement in group companies by **leveraging matching technology which is our strength.**

### Example of improvement through ZVI : Vertical HR REJOB

Number of Sessions (Visits)



Performance trend

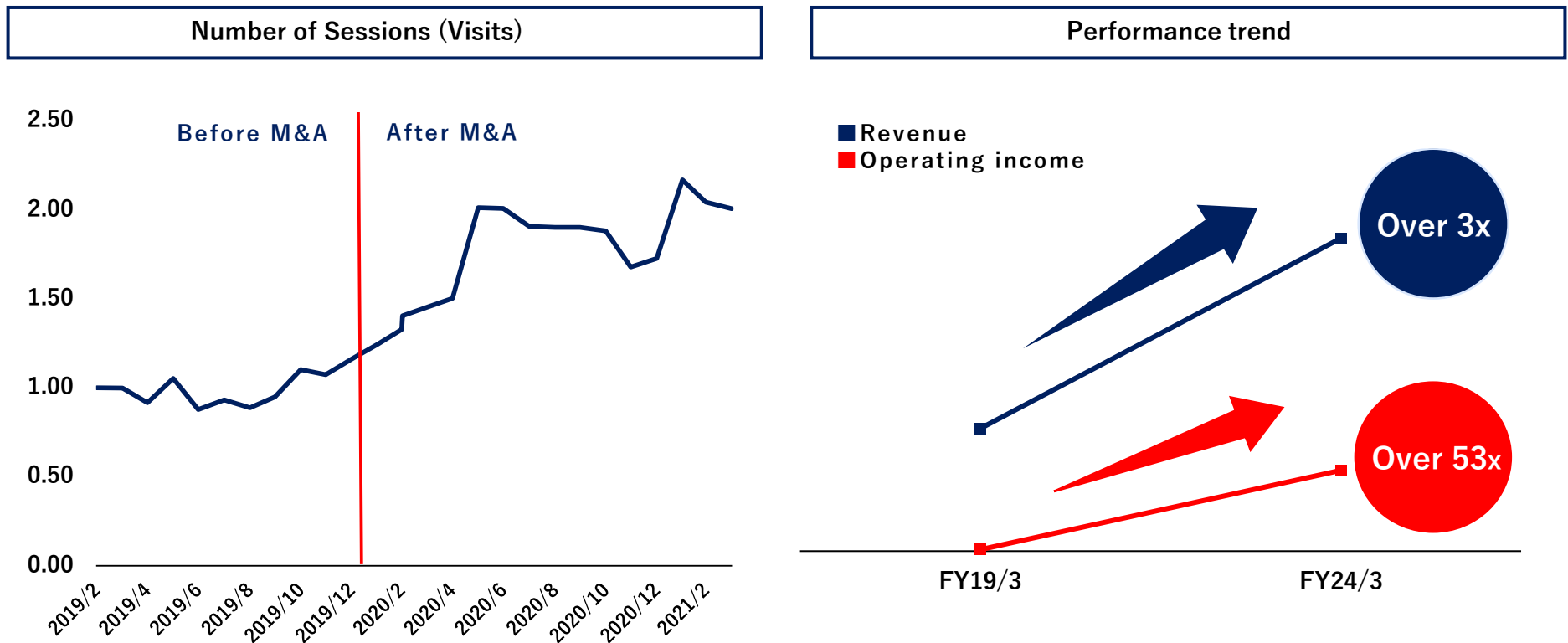


## Sources of strength (2)

### – Example of improvement through ZIGExN Value Integration (ZVI)-

- Identifying opportunities for marketing improvement in M&A target companies, such as **enhancing customer acquisition and CVR (conversion rate)**, and achieving performance improvement in group companies by **leveraging matching technology which is our strength.**

### Example of improvement through ZVI : Living Tech renovation business

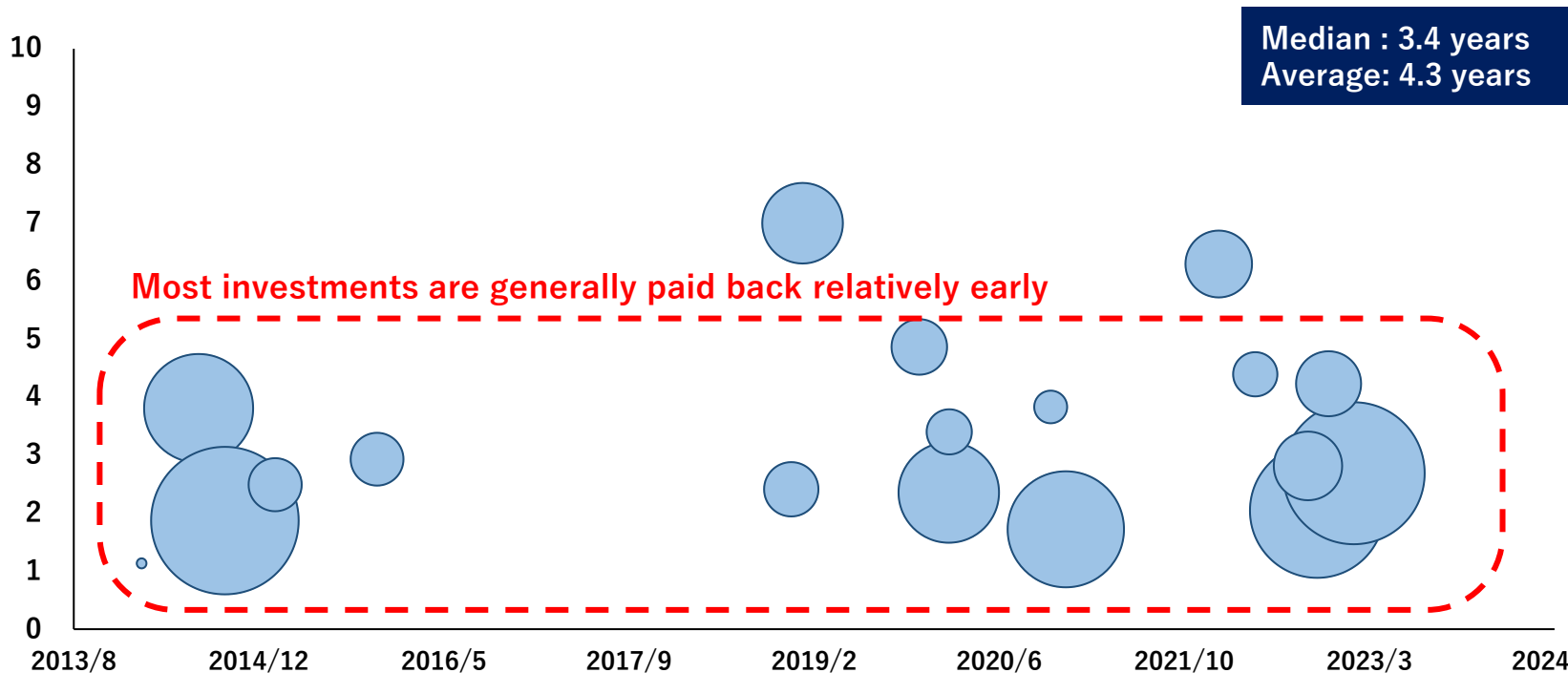


# M&A performance - Payback period -

- Regarding the payback period, in addition to the acquisition of the property at a fair price, the PMI, which leverages our strengths, has accelerated business growth, resulting in a relatively early payback period of approximately 3 to 5 years.

Payback period for each deal (payback period, EBITDA basis)

(Unit: years)



Note 1: The graph includes not only projects where investments have already been recovered, but also projects where the investment is expected to be recovered, calculated based on conservative assumptions. Sanko Ad and APW, which recorded impairment losses on goodwill, were excluded.

Note 2: Payback period is calculated based on EV (enterprise value) at the time of the M&A activity divided by cumulative EBITDA.

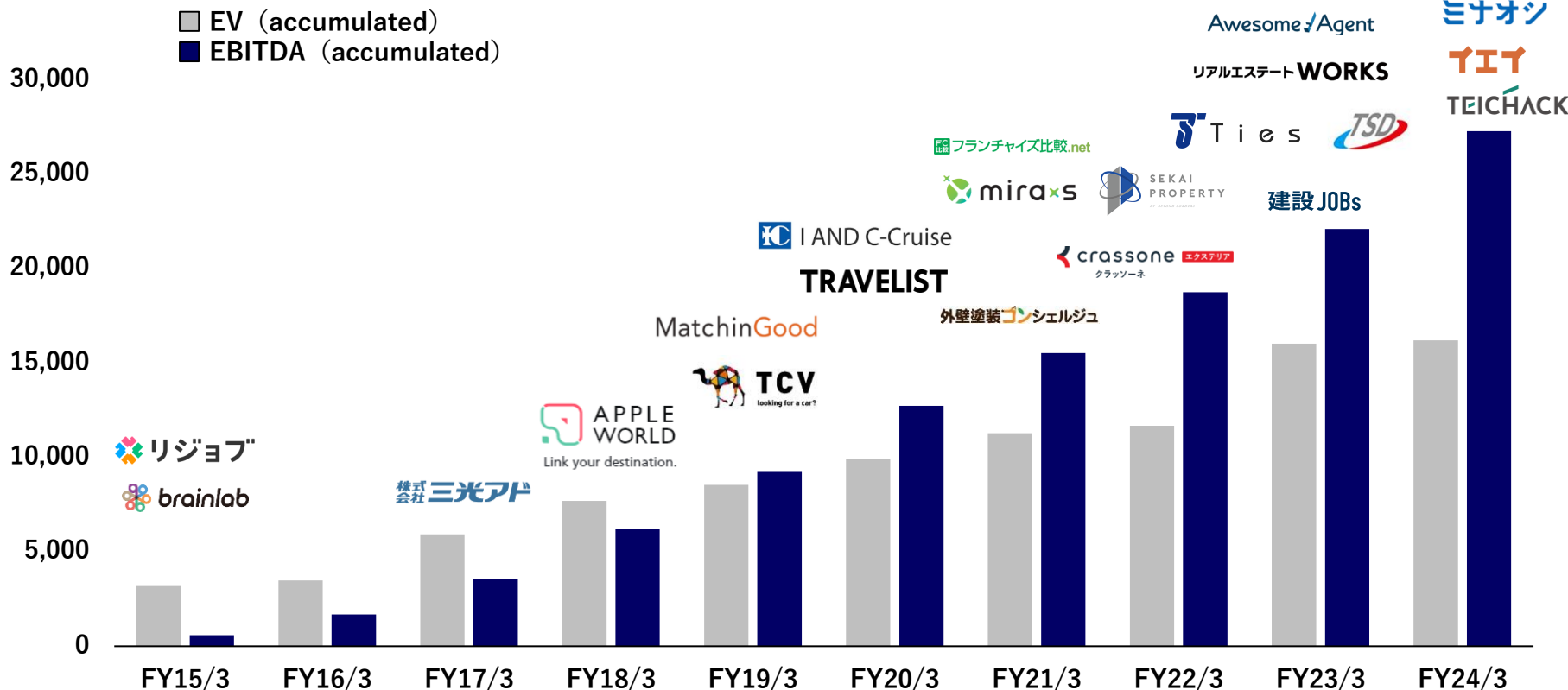
Note 3: The size of the bubble represents the size of the EV (enterprise value) at the time of the M&A activity.

# Results of M&A Investment

- Cumulative total of 28 cases until FY2024/3, excluding 3 acquired within the past one year and 1 sold, the EBITDA for the current period was 5.2 billion yen against a current period EV of 16 billion yen.
- Annual return of 32.4%; cumulative return of 172.3%.

## Results of M&A Investment

(Unit: yen in millions)



Note: Shows only the logos of mainstay businesses acquired via M&A that fiscal year.

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# 3

## Growth Strategy



## 2nd Medium-term Management Plan “Z CORE”

### Purpose

## Update Your Story —For a Better Future

Updating the future of everyone standing at life's crossroads

### Management Plan

In FY3/2026

- Revenue of more than **35bn yen**  
EBITDA of more than **10bn yen**
- Create Z CORE (revenue of **10bn yen**)

### KPI (Key Performance Indicators)

Revenue CAGR (compound annual growth rate) over 5 years (FY3/2022~FY3/2026) in the main stay business of **30%**

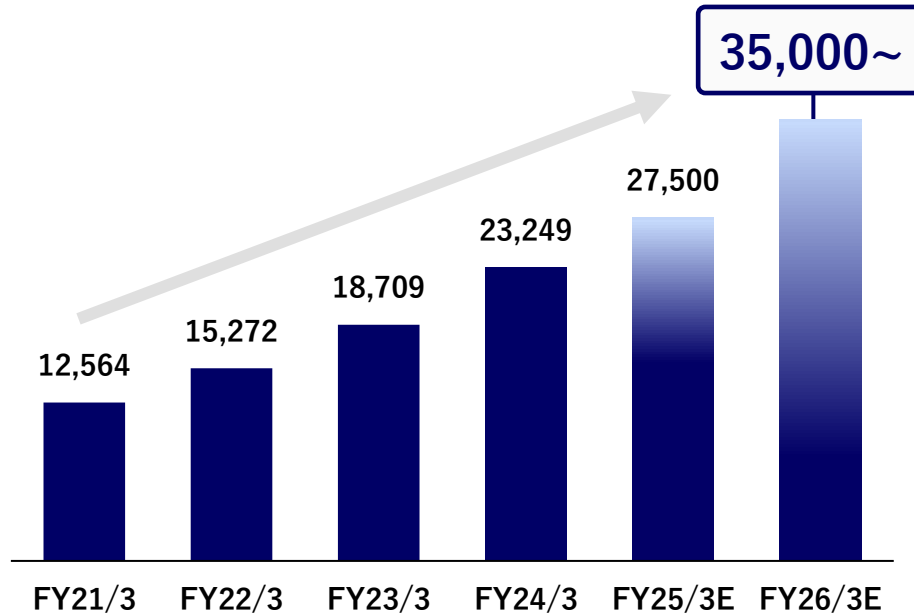


## Progress of the 2nd Medium-term Management Plan and Projection

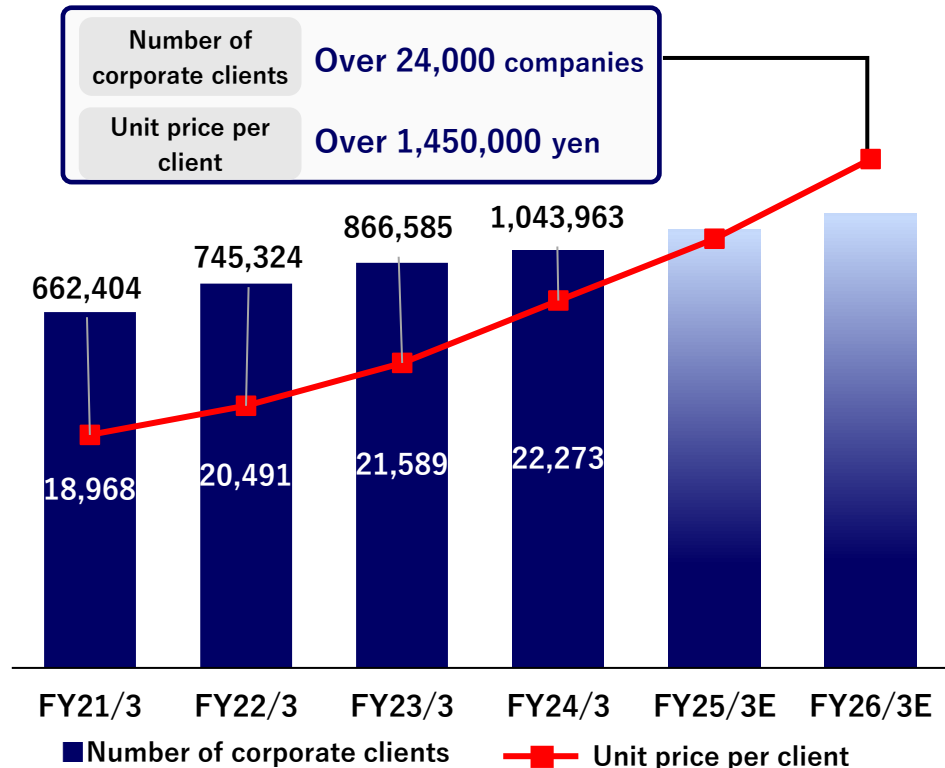
- (1) Unit price per client price is expected to increase due to M&As in high-price businesses and price increases in some sectors.
- (2) We plan to focus on the development of enterprise clients and the improvement of client loyalty to increase unit price per client.
- Based on the above, we aim to achieve revenue of over 35 billion yen by raising the unit price per client while continuing to stably expand the client base of SMBs.

Projected trends in consolidated revenue (Unit: yen in millions)

Aim to achieve the Medium-term Management Plan by creating Z CORE (mainstay businesses with revenue exceeding 10 billion yen)



Projected trends in the number of corporate clients and unit price per client (Unit: company) (Unit: yen)



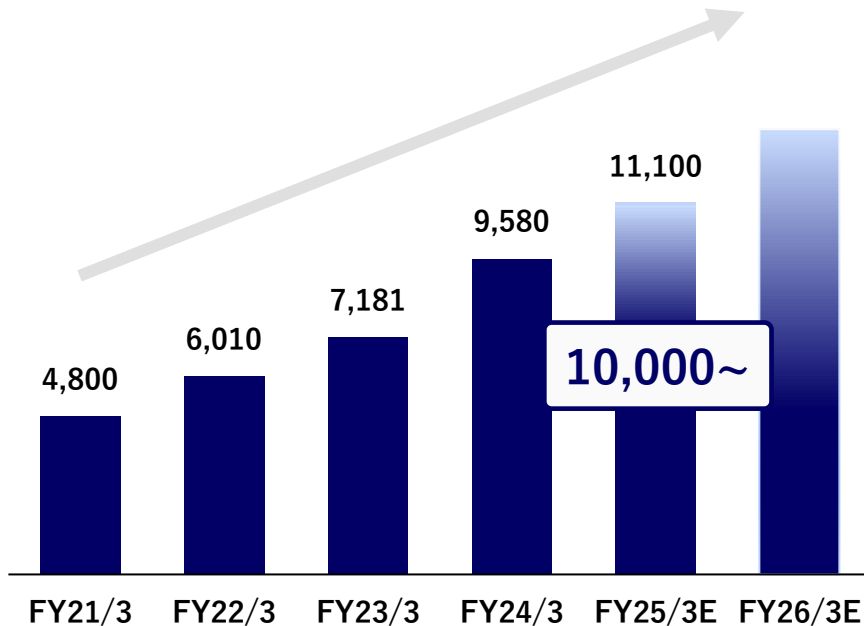
# Progress of the 2nd Medium-term Management Plan and Projection - Vertical HR -

- In Vertical HR, progress towards the FY26/3 revenue exceeding 10 billion yen is proceeding smoothly, and aiming to achieve it ahead of schedule.
- With Ties at the center, progress has been made particularly focusing on accumulating PMI know-how in the area of specialized talent business and preparing for knowledge standardization.
- In the future, we will strengthen lateral collaboration as Vertical HR, connecting it to the development of our business model and achieving synergy among group companies.

Projected trends in VHR revenue

(Unit: yen in millions)

**Expected to achieve Z CORE (mainstay business with revenue exceeding 10B yen) ahead of schedule**

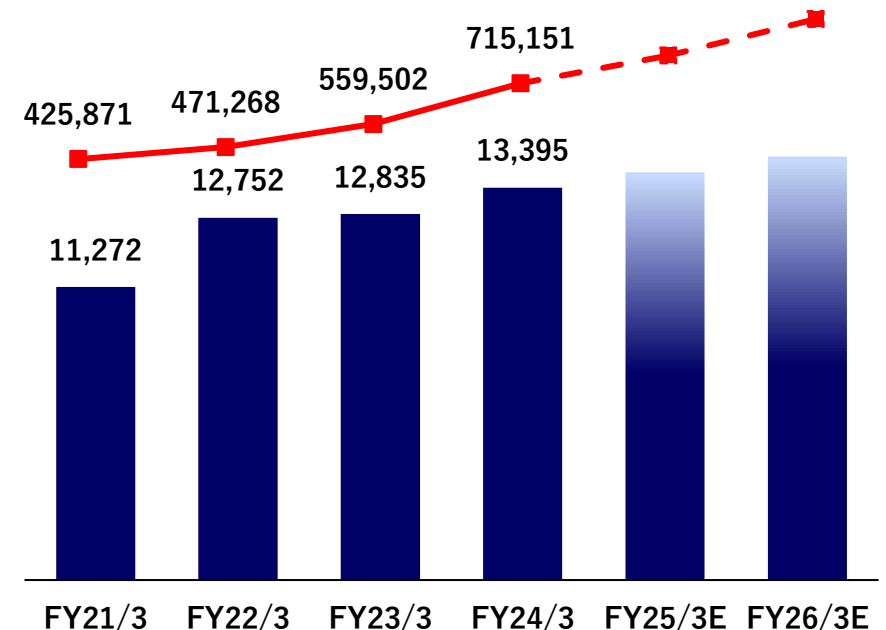


Projected trends in number of clients and unit price per client (VHR)

(Unit: company)

(Unit: yen)

■ Number of corporate clients    ■ Unit price per client

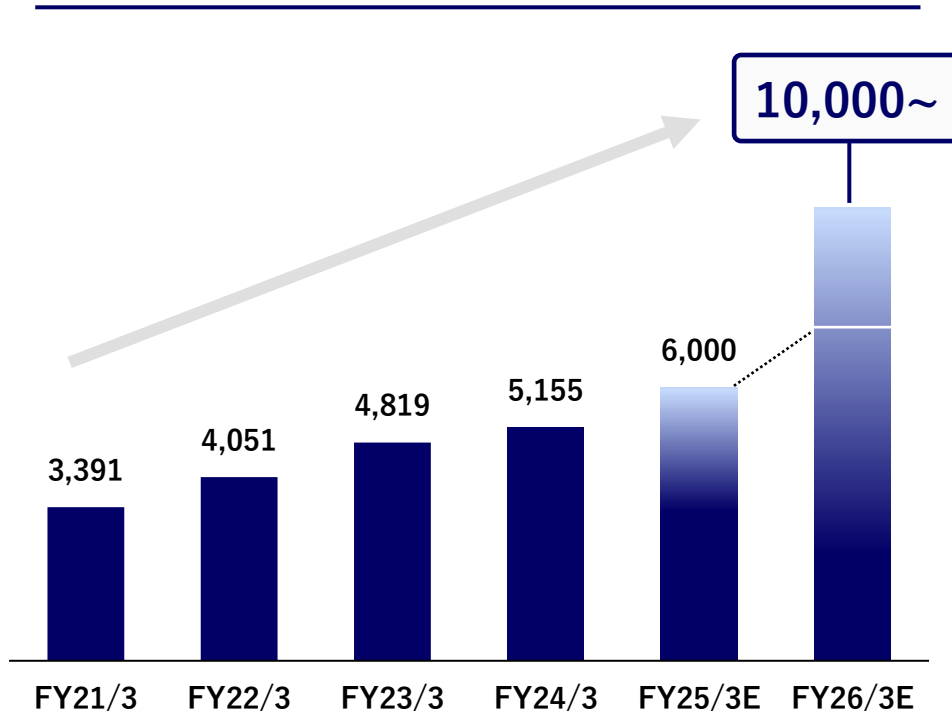


Note: The graph is for illustration purposes only and does not guarantee future trends.

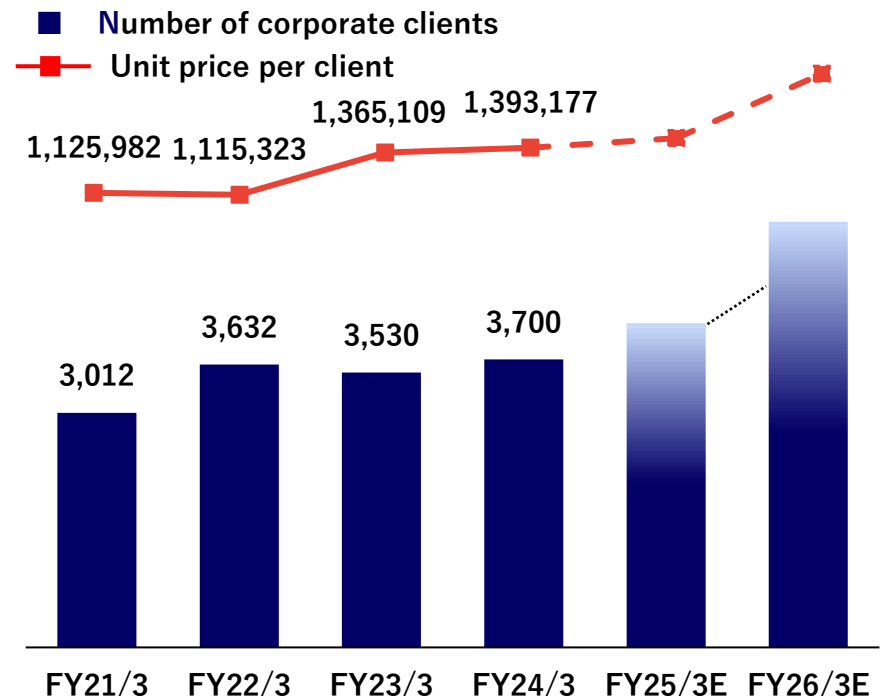
# Progress of the 2nd Medium-Term Management Plan and Projection- Living Tech -

- In Living Tech, while achieving an increase in revenue compared to the previous year, there are still challenges remaining towards the goal of achieving revenue of 10 billion yen by FY26/3.
- In M&A, there was only one small-scale acquisition, the Yeay business. However, we entered into the buying and selling sector in the real estate, which has a larger market size than the leasing sector.
- The goal of achieving revenue exceeding 10 billion yen by FY3/26 is maintained, aiming for its accomplishment through a combination of organic and inorganic growth, involving improvements in existing businesses and the promotion of M&A.

Projected trends in LT revenue (Unit: yen in millions)



Projected trends in number of clients and unit price per client (LT) (Unit: company) (Unit: yen)



Note: The graph is for illustration purposes only and does not guarantee future trends.

# Highlights of Strategy in Each Segment

- In pursuit of the creation of the mainstay business "Z CORE" with annual revenue exceeding 10 billion yen as outlined in the second medium-term management plan, and towards achieving the performance target for FY26/3, initiatives are being implemented from both organic growth and M&A strategy perspectives.

## Details of strategies for each segment

### Vertical HR

Increase the value provided by specializing in specific areas, optimize the business model, and expand into new areas

- Selecting our own target areas based on industry/sector, user trends, supply-demand gap, etc.
- Build highly unique databases/contents by specializing in specific areas to enhance matching capabilities.
- Diversify the value offered (business models) based on the demand in each field

### Living Tech

Product improvement and category expansion in the housing area by leveraging the client and user base

- Improve the value provided through product/service updates to broaden the range of services offered, and increase the unit price accordingly.
- Entry into new categories including adjacent areas

### Life Service

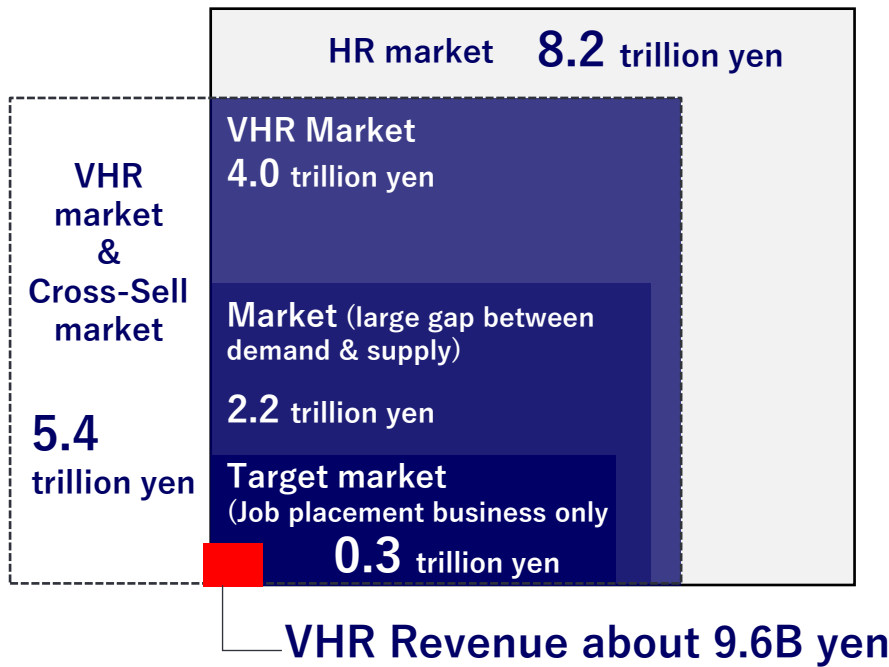
Improve ability to attract users in individual service areas and strengthen service functions in adjacent fields

- Enhancement of value provided through expansion of product lineup in the travel domain, etc.
- Build highly unique databases/content in each area to enhance user attraction

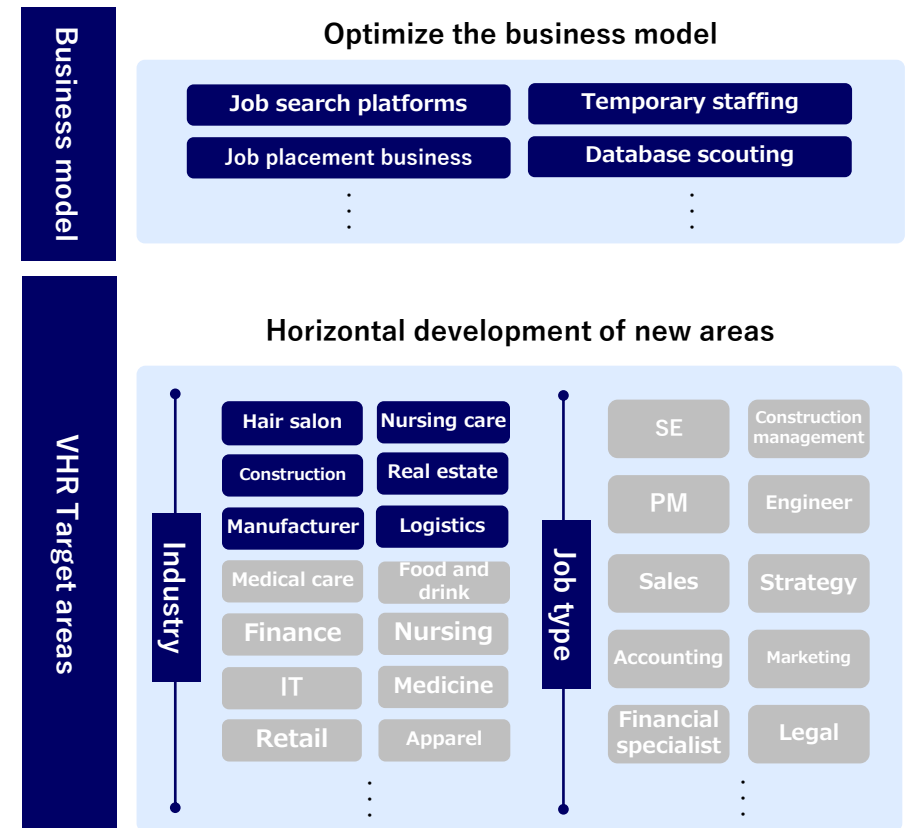
# Market Size and Strategy in Vertical HR

- Considering the competitive environment and unit price in the industry, we enter into economically viable areas and **optimize the business model and expand to new areas horizontally** based on the business operation know-how and successful measures of REJOB, Ties, and others.

## Room for Market Expansion



## Growth Strategies



Note 1: The human resources business market is mainly comprised of the temporary staffing and Recruitment agency industries. The VHR market is calculated by excluding non-professional (clerical work, transportation, cleaning and packaging) from the temporary staffing industry.

Note 2: Based on Yano Research Institute Ltd. survey, Ministry of Internal Affairs and Communications Labor Force Survey, and Ministry of Health, Labour and Welfare "Survey on Employment Trends".

# Existing domains & horizontal collaboration in Vertical HR

- Analyze the strengths and success factors of each business, **integrate business operation know-how** in sales, marketing, systems, etc., and **share information to accelerate the speed of growth through horizontal collaboration as Vertical HR.**

## Business Overview

Domain	リジオブ	ミラクス	建設JOBS	リアルエステートWORKS	T i e s	AwesomeAgent
	Hair salon/ health care	Nursing care	Construction	Real Estate	Manufacturing	logistics
Strength	<ul style="list-style-type: none"> <li>It has the solid clients base with a high retention rate.</li> <li>Its high DB value and optimal UX attracts a large number of repeat users.</li> </ul>	<ul style="list-style-type: none"> <li>The only company in the group to have a temporary staffing business.</li> <li>Continuously accumulating know-how.</li> </ul>	<ul style="list-style-type: none"> <li>In the construction domain, it has the ability to provide referrals with a high level of client satisfaction.</li> </ul>	<ul style="list-style-type: none"> <li>The company has major clients in the real estate domain.</li> </ul>	<ul style="list-style-type: none"> <li>With major clients base, the company has a large market share in mid-career recruiting.</li> <li>The company's excellent consultants can provide optimal matching.</li> </ul>	<ul style="list-style-type: none"> <li>In the Tokai and Kanto Regions,</li> <li>It has the top-class number of job postings in the driver domain.</li> </ul>
Market	Market Size (Growth Rate): Approx. 26-30 billion yen (approx. 1-3%)	Market Size (Growth Rate): Approx. 24-30 billion yen (approx. 16%)	Market Size (Growth Rate): Approx. 21-27 billion yen (approx. 14%)	Market Size (Growth Rate): Approx. 14-20 billion yen (approx. 13%)	Market Size (Growth Rate): Approx. 53-56 billion yen (approx. 5%)	Market Size (Growth Rate): Approx. 17-20 billion yen (approx. 10%)

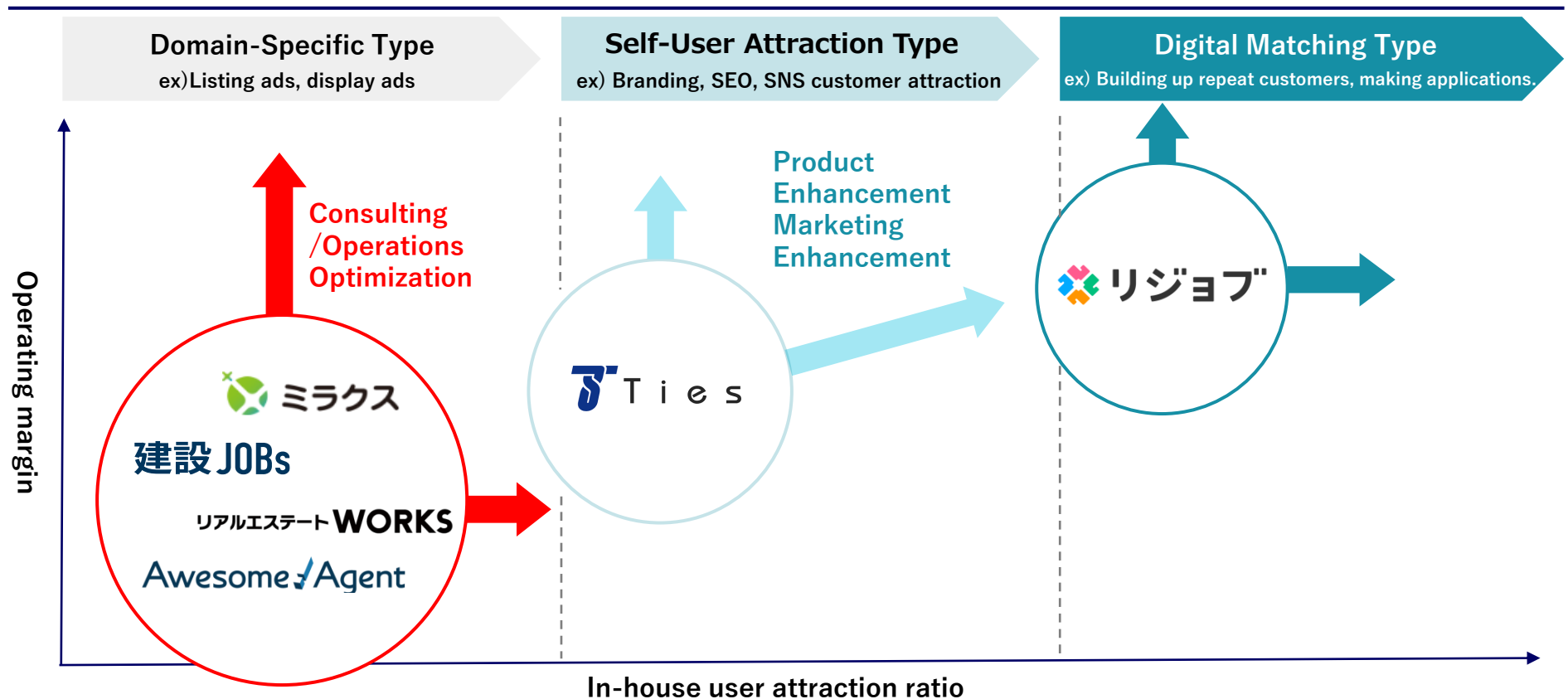
**Accelerate the speed of growth through horizontal collaboration by consolidating business operation know-how and sharing information**

Note: The market size is estimated by our company based on references including the Ministry of Health, Labour and Welfare's "Health Administration Report," "Job Placement Business Report," and "Employment Trends Survey," as well as the Ministry of Internal Affairs and Communications' "Service Industry Trends Survey" and "Population, Demographic Dynamics, and Household Survey based on Basic Resident Registers," along with the National Tax Agency's "Private Sector Wage Structure Survey," among others.

# Growth strategy in Vertical HR

- The HR market is a fragmented market, and **commonality is not always optimal, so the value of domain-specific intervention is significant.**
- Within the HR market, we select the areas considering the size of the supply-demand gap, the competitive environment, and the characteristics of the industry.
- The company is **promoting the evolution of its business model** from a general domain-specific HR business to the self-user attracting HR business, and digital matching HR business.

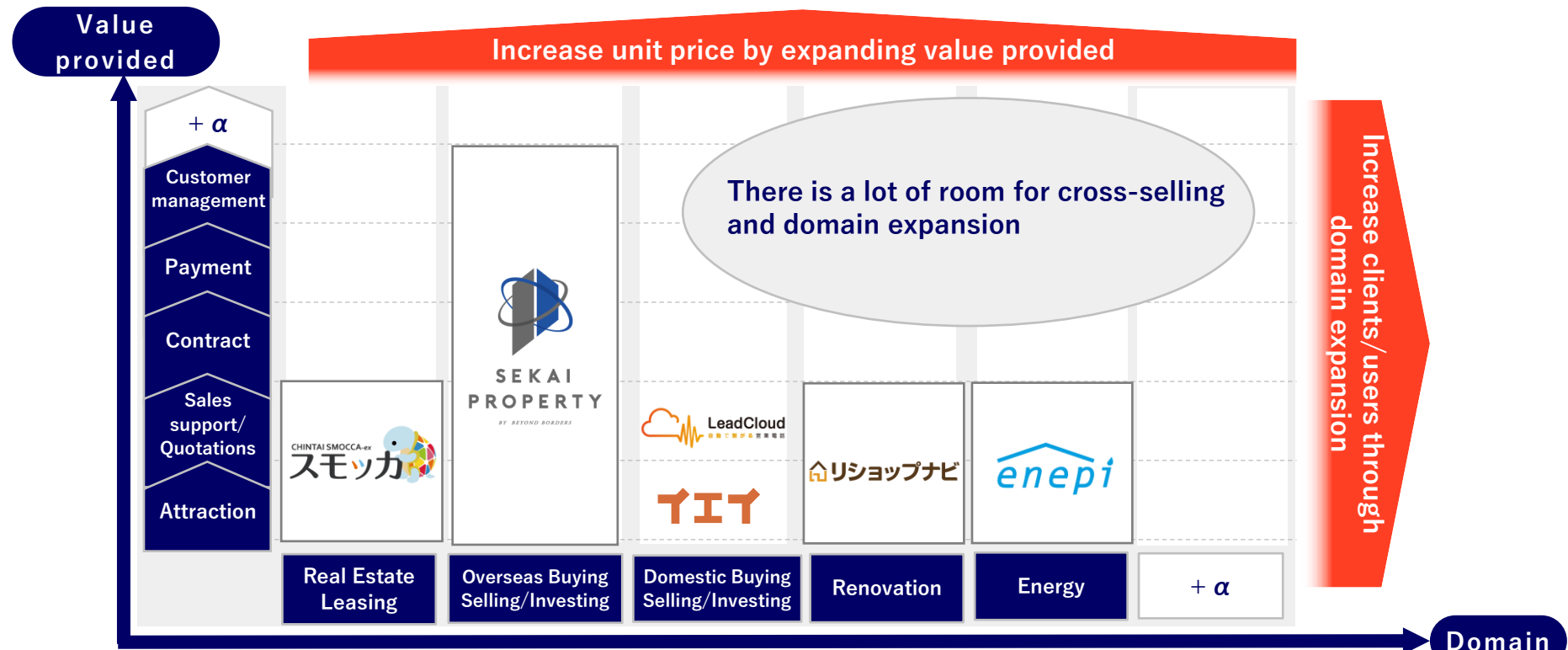
## Vertical HR Phase



# Growth Strategy in Living Tech

- Aim for growth through **expansion of business domains** centered on the platform models, **the business model expansion**, and **enhancement of the value provided through cross-selling**.
- Explore opportunities for expansion into higher value-added business models while maintaining high-profit margins, leveraging our marketing and DX expertise and our corporate client and user base.
- Although it's a small-scale project, we have successfully achieved domain expansion through the M&A of the real estate appraisal service "Yeay" in the previous year.

## Improvement of value proposition to the client

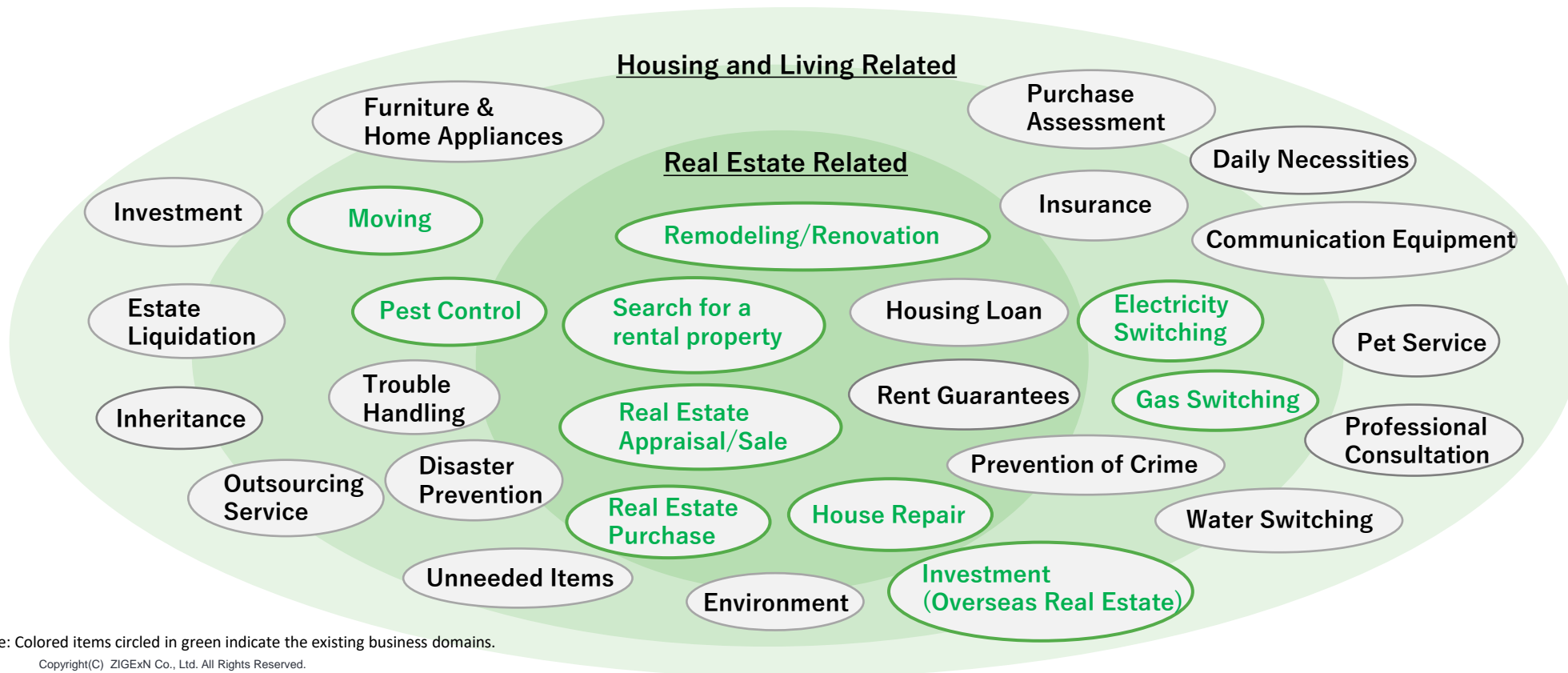




# Growth strategy in Living Tech

- The users of the existing services have a wide variety of needs, and we aim to **improve growth rate and profitability by adding the cross-selling services** in a way that meets their needs.
- Currently, the energy sector is achieving high growth especially thanks to successful cross-selling measures between gas switching services and electricity switching services.

## Improvement of value proposition to the users

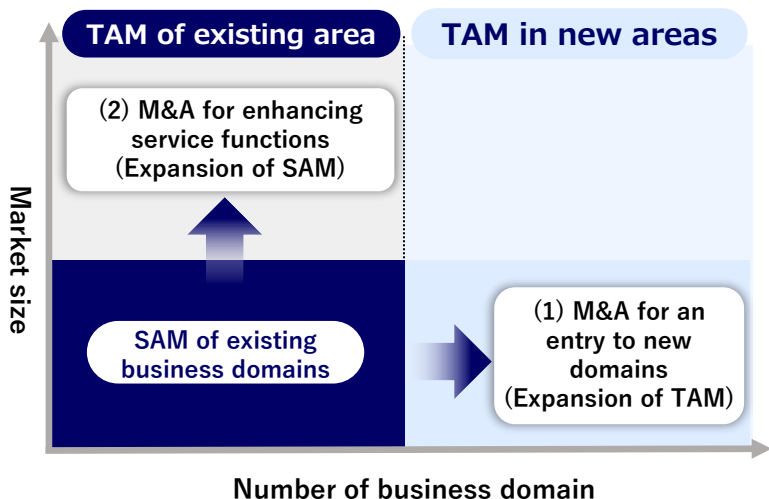


Note: Colored items circled in green indicate the existing business domains.

# M&A Strategy -Overview-

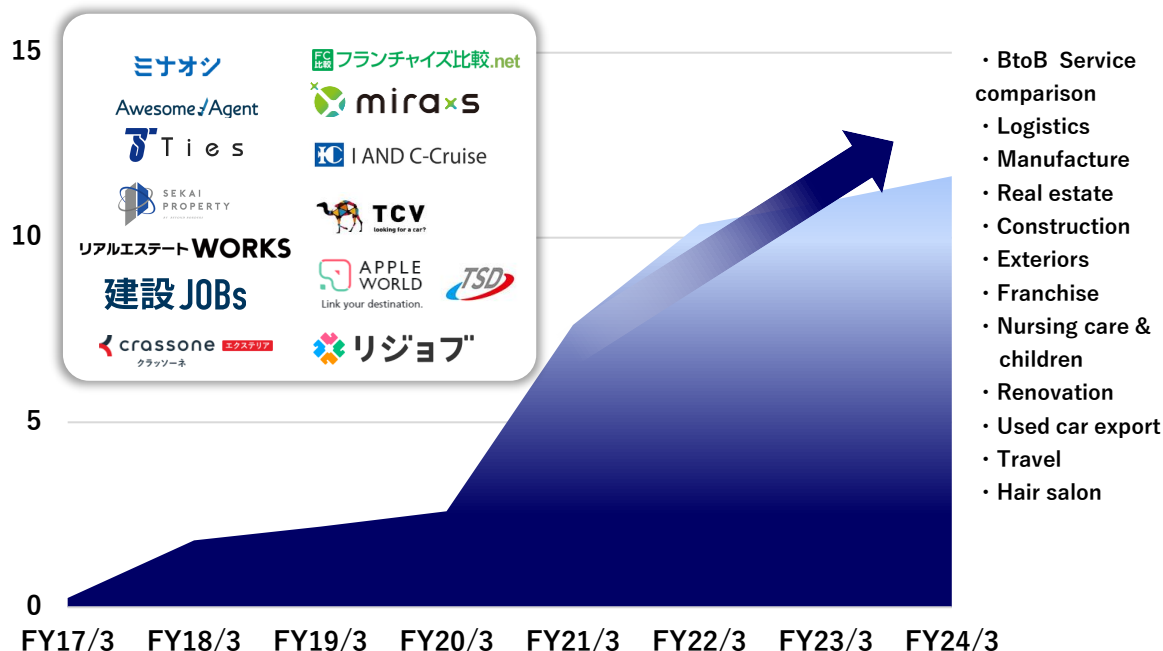
- (1) Expand TAM through MA&s with the main focus on user-attracting website, aiming for horizontal expansion into adjacent/new areas.
- (2) Expand SAM through M&As based on cross-sell and up-sell synergies generated by the contact points with users and corporate clients as a platformer.
- The comprehensive investment strategy combining (1) and (2) enables the constant deal sourcing and highly reproducible discontinuous growth through M&A activities.

## Overview of investment strategy



## Expansion of TAM through M&A

(Unit: Trillion yen)



Note 1: TAM stands for Total Addressable Market, which refers to the overall market size that a given business could potentially capture; SAM stands for Serviceable Available Market, which refers to the demand for the targeted portion of TAM.

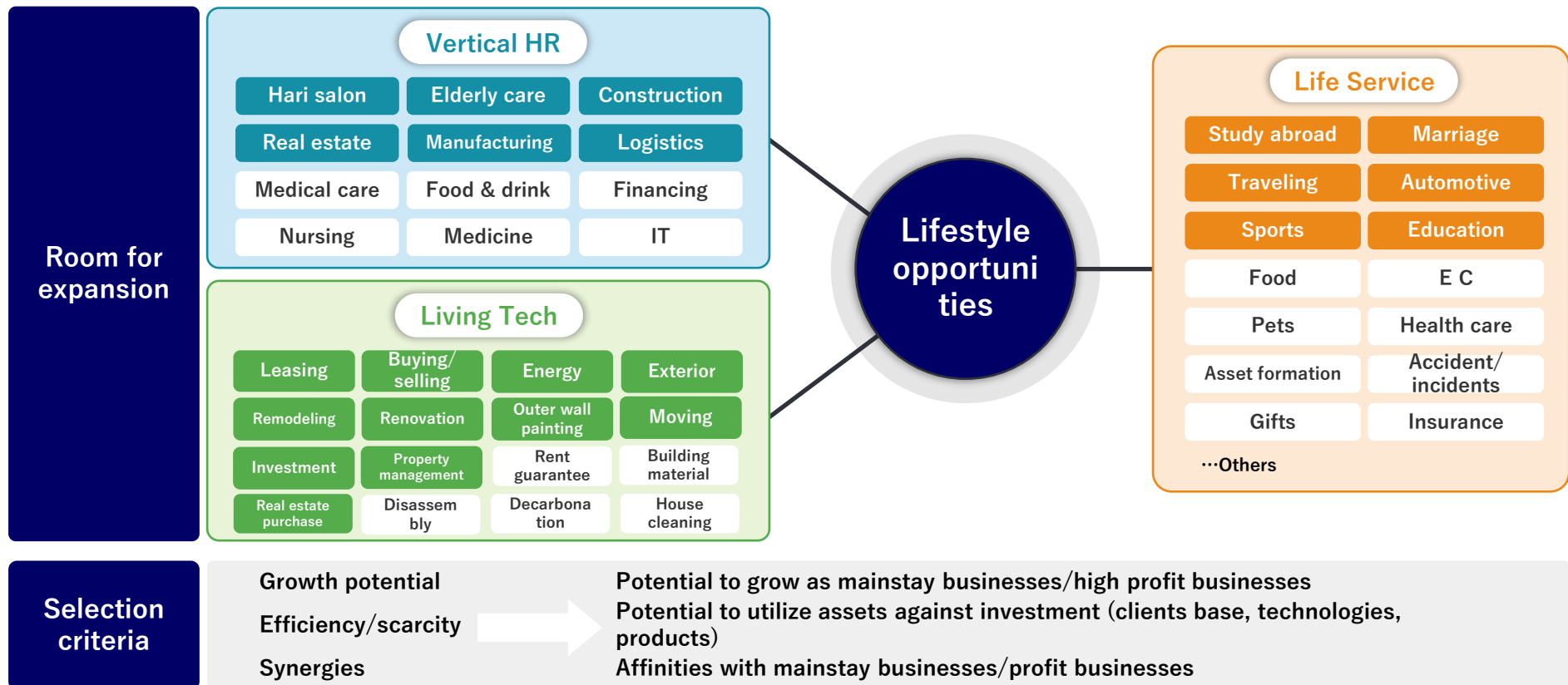
Note 2: Cumulative TAM of major businesses acquired through M&A during the fiscal year is shown.

Note 3: Based on survey data from Yano Research Institute, Ministry of Land, Infrastructure, Transport and Tourism, and Japan Tourism Agency.

Note 4: Only the promotional expenses are included as TAM.

# M&A Strategy -an entry to new business domains-

- In order to further promote the discontinuous growth, we will maintain our strategic investment policy, using accumulated cash flow as funding for future M&As.
- We recognize that there are plenty of domains where there is a demand to improve information asymmetry using ZVI, the Company’s method of PMI.
- We plan to carry out a strategic investment with priority **on highly profitable businesses and businesses with high growth potential capable of becoming mainstay businesses** in the future, considering whether or not they have assets like client bases.





# 4

## Recent Financial Results

# Yearly financial results - Revenue -

**Consolidated Revenue**  
**23,249M<sub>yen</sub>**  
(YoY +24.3%)

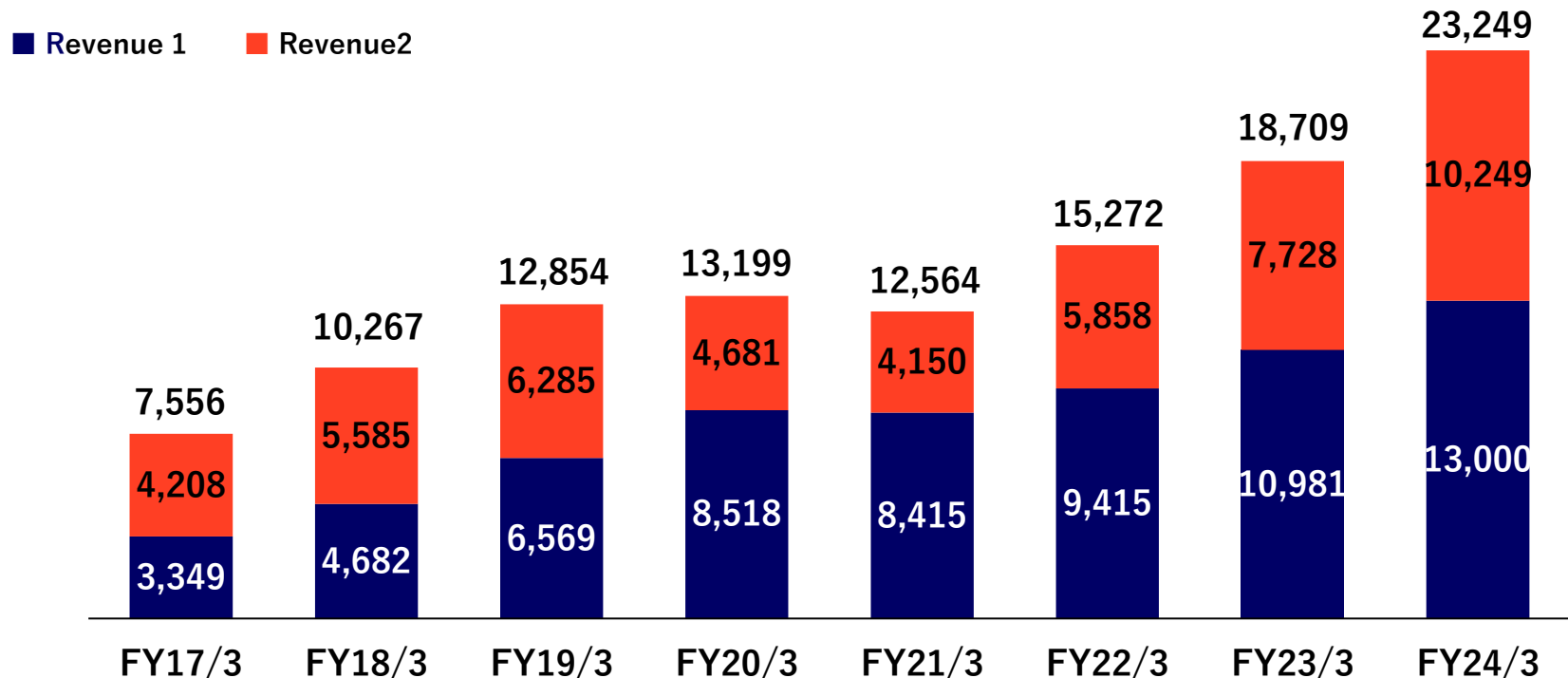
**Revenue 1  
(number of clients focused)**  
**13,000M<sub>yen</sub>**  
(YoY +18.4%)

**Revenue 2  
(number of large companies and its unit price-focused)**  
**10,249M<sub>yen</sub>**  
(YoY +32.6%)

- Revenue 1: Steady growth is primarily attributed to the stable expansion of REJOB and the recovery and growth of the travel business, both of which have contributed to consistent expansion.
- Revenue 2 : Significant expansion is mainly attributed to the growth of the Job placement business, primarily centered around Ties.

## Consolidated Revenue

(yen in millions)



Note: Yearly financial results since the introduction of the International Financial Reporting Standards (IFRS) are shown.

# Rate of achievement against the financial forecast for FY2024/3

- As the group, both revenue and profits have landed within the expected range outlined in the guidance.
- In particular, Vertical HR and Life Service have shown strong progress, setting new record highs.

## Revenue

**23,249M<sub>yen</sub>**

(Achievement rate: 100%)

## EBITDA

**6,781M<sub>yen</sub>**

(Achievement rate: 104%)

## Operating Income

**5,394M<sub>yen</sub>**

(Achievement rate: 102%)

## EPS

**36.53<sub>yen</sub>**

(Achievement rate : 104%)

(yen in millions)	FY2023/3 Results	FY2024/3 Results	YoY(%)	FY2024/3 Forecast	Achievement rate(%)
Revenue	18,709	23,249	+24%	23,300	100%
● Vertical HR	7,181	9,580	+33%	9,300	103%
● Living Tech	4,819	5,155	+7%	5,800	89%
● Life Service	6,709	8,514	+27%	8,200	104%
EBITDA(Note 1)	5,334	6,781	+27%	6,500	104%
Operating income	4,180	5,394	+29%	5,300	102%
Net income attributable to owners of the parent company	2,930	3,800	+30%	3,650	104%
Basic earnings per share (EPS)	27.85	36.53	+31%	35.10	104%

Note: EBITDA = operating income (loss) + depreciation and amortization + impairment losses + loss on retirement of non-current assets and revaluation - gain on bargain purchase

# Revenue 1 (number of clients focused) vs Revenue 2 (number of large companies and its unit price-focused)

**Revenue 1**

**3,432** Myen

(YoY +12.1%)

**Revenue 2**

**2,897** Myen

(YoY +14.6%)

- Revenue 1 (number of clients focused) primarily consists of in-house platforms such as REJOB.
- Revenue 2 (number of large companies and its unit price focused) primarily consists of the job placement business such as Ties.
- Based on the stable base of revenue 1, we **aim to achieve both stability and growth** by also focusing on revenue 2 that emphasizes unit price per client.

## Revenue classification

**Revenue 1**

**(number of clients focused)**

Vertical HR : REJOB, MIRAxS (Temporary Staffing), Awesome Agent  
 Living Tech : Smocca (in-house platform), Renovation Business  
 Life Service : BrainLab (ID, Option), Apple World (Wholesale), TSD, etc.

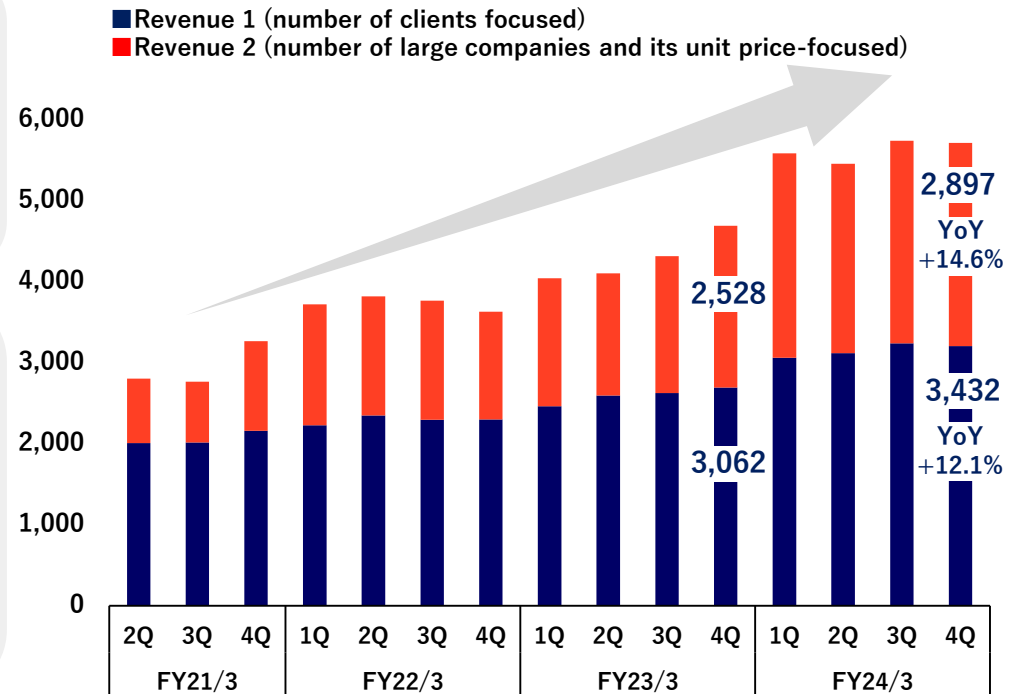
**Revenue 2**

**(number of large companies and its unit price-focused)**

Vertical HR : Ties, MIRAxS (Job Placement), Kensetsu-Jobs,  
 Real Estate Works  
 Living Tech : Smocca (aggregation platform)  
 Life Service : BrainLab (SI), Comparison Platform (FC, Marriage, etc.),  
 Apple World (Travelist), HR Aggregation Platform, etc.

## Revenue 1 and Revenue 2

(yen in millions)



# Number and unit price of corporate clients

Number of corporate clients

**22,273**  
companies  
(YoY +3.2%)

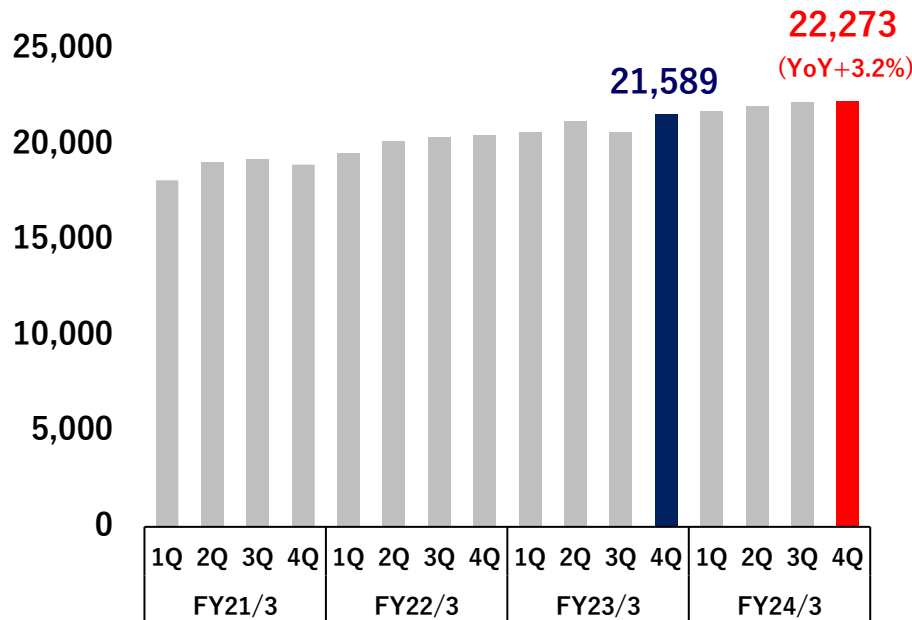
Unit price per corporate client

**1.04**Myen  
(YoY +20.5%)

- The number of corporate clients has reached a record high, mainly due to contributions from REJOB, travel business APW/TSD, and the new group-in companies in the previous and current years.
- The unit price per corporate client has steadily increased due to changes in product mix resulting from high-unit-price business group-ins and price increases in certain businesses.
- To achieve the financial target for FY26/3, we will work to increase corporate clients and raise the unit price per client.

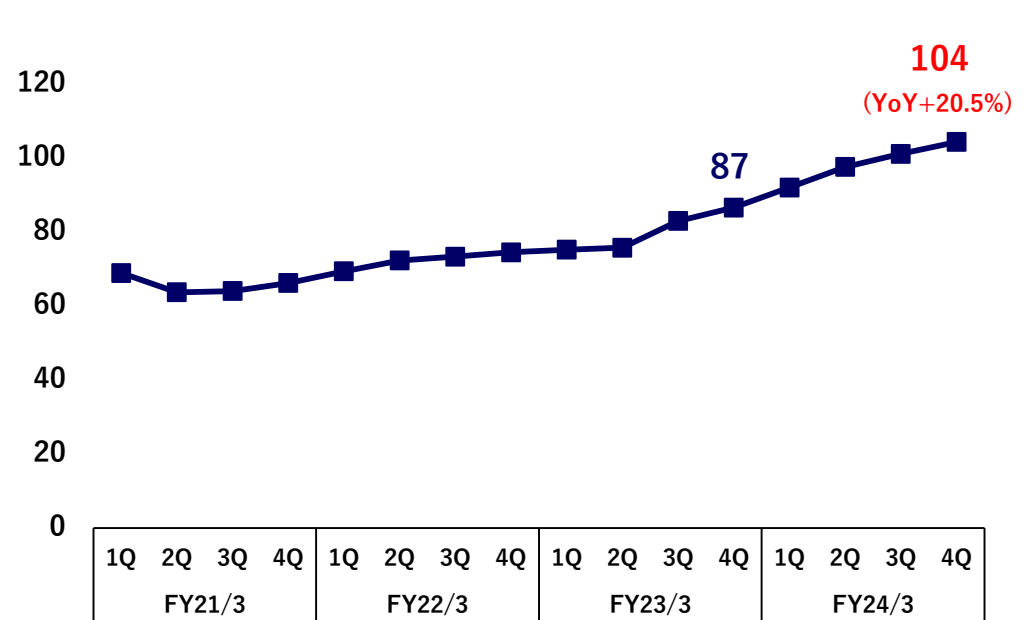
Number of corporate clients

(companies)



Unit price per corporate client

(yen in 10 thousand)



Note 1: Companies that generated revenue within one year are counted as corporate clients.

Note 2: Unit price per corporate client= Consolidated sales revenue divided by the number of corporate clients

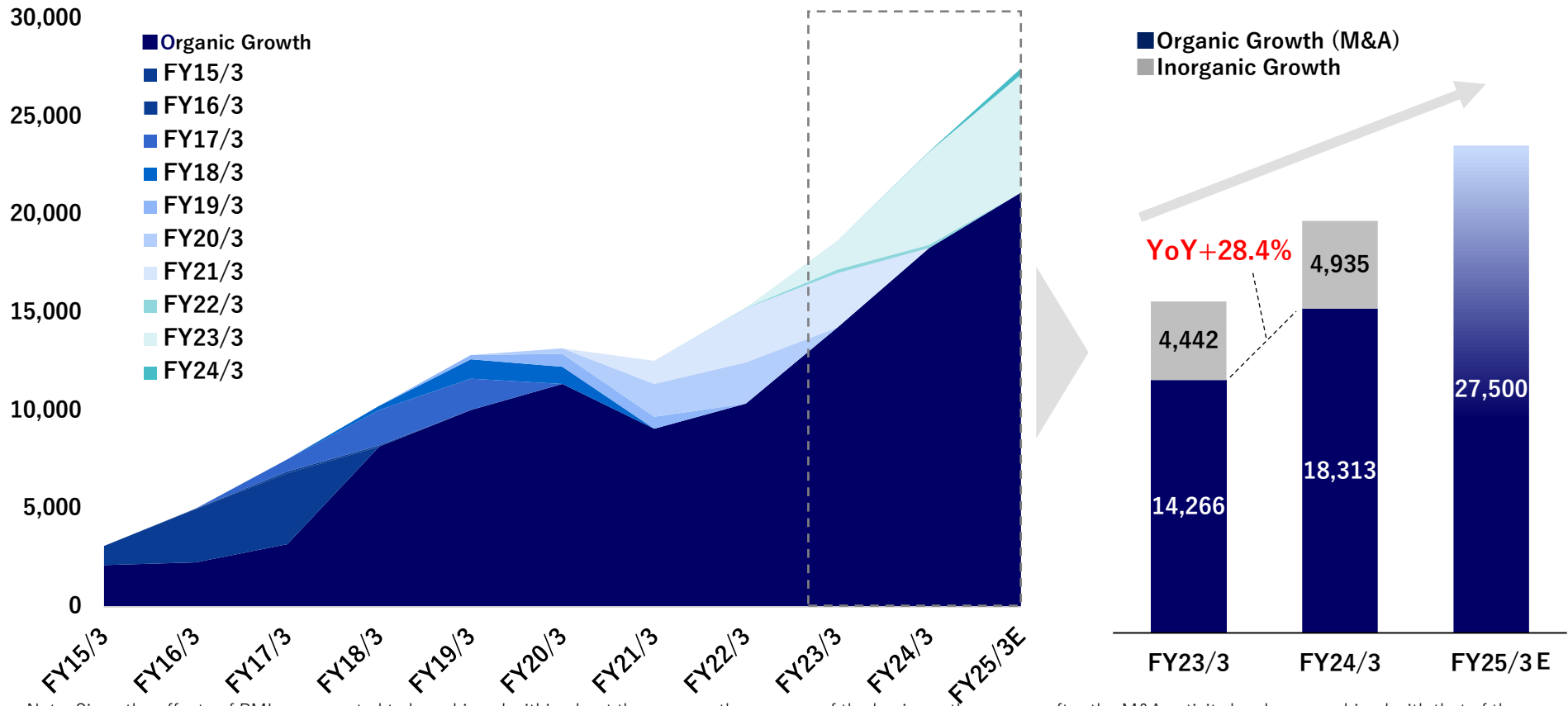


## Organic Growth and Inorganic (M&A) Growth

- Achieving accelerated revenue growth through proactive M&A initiatives. We continue to aspire to execute M&A activities for medium to long-term growth in the future.

### Organic/Inorganic Revenue

(yen in millions)



Note: Since the effects of PMI are expected to be achieved within about three years, the revenue of the business three years after the M&A activity has been combined with that of the company's own start-up business.

# Yearly financial results - Profits -

**EBITDA**

**6,781M<sub>yen</sub>**

(YoY + 27.1%)

**Operating income**

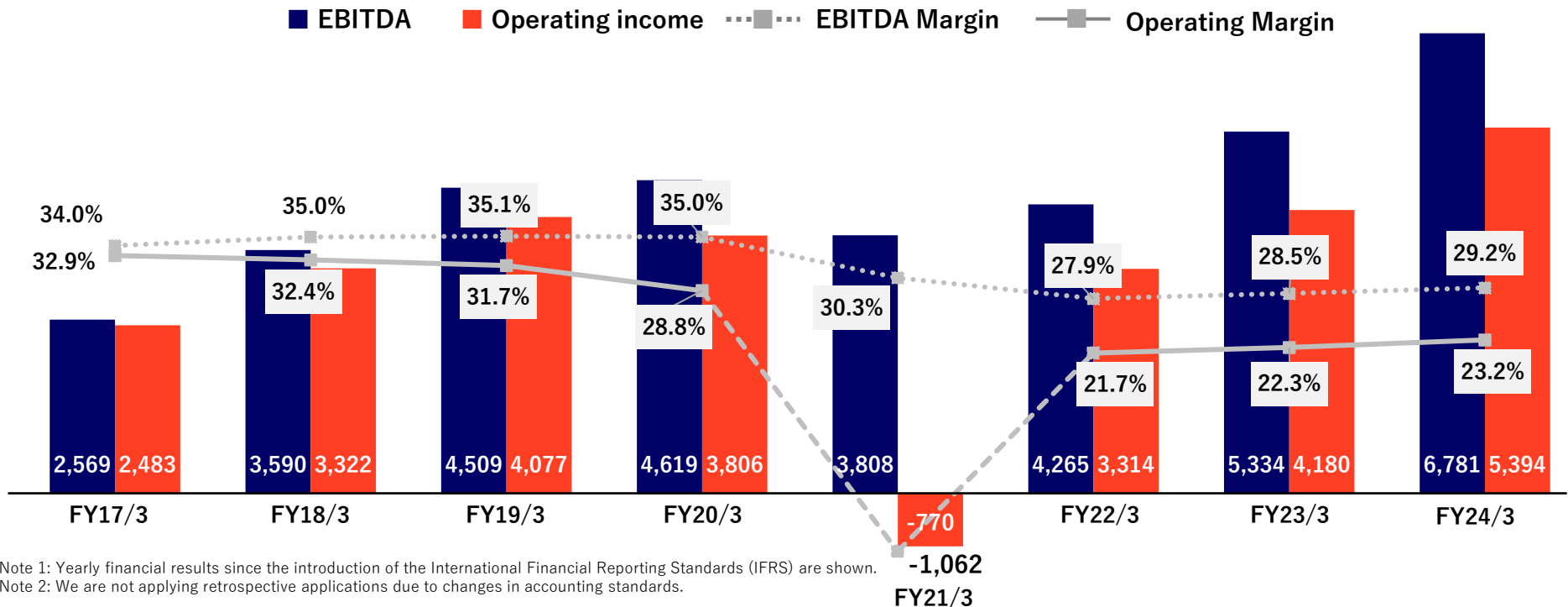
**5,394M<sub>yen</sub>**

(YoY + 29.1%)

- EBITDA and operating profit have **reached record highs**, partly due to the recovery of the travel business and the contribution of a smooth PMI centered around Ties, etc.
- Post-COVID-19 **profit margins have improved** due to the recovery of the travel business and a reevaluation of advertising investments.

## Consolidated EBITDA and operating income

(yen in millions)



Note 1: Yearly financial results since the introduction of the International Financial Reporting Standards (IFRS) are shown.

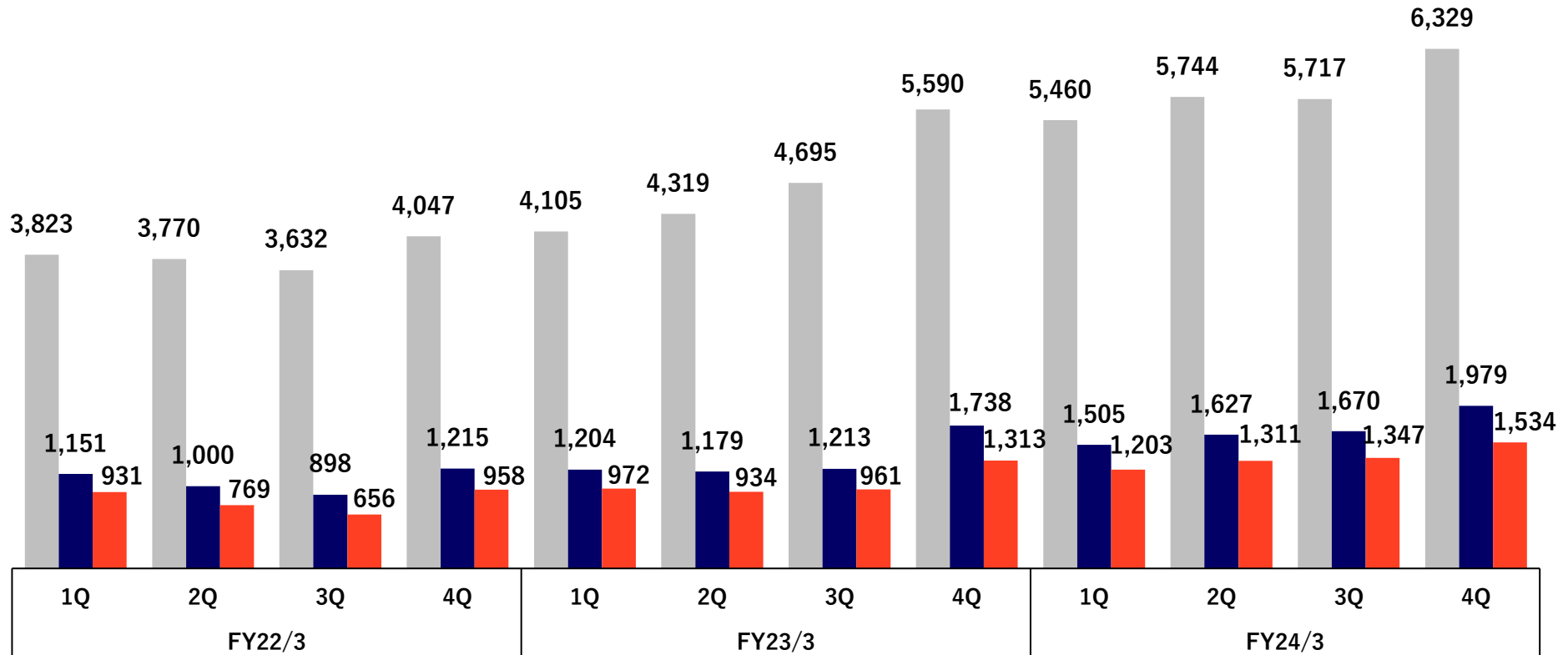
Note 2: We are not applying retrospective applications due to changes in accounting standards.

# Quarterly financial results

<p><b>Revenue</b></p> <p><b>6,329M<sub>yen</sub></b></p> <p>(YoY +13.2%)</p>	<p><b>EBITDA</b></p> <p><b>1,979M<sub>yen</sub></b></p> <p>(YoY +13.8%)</p>	<p><b>Operating Income</b></p> <p><b>1,534M<sub>yen</sub></b></p> <p>(YoY +16.8%)</p>
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- Revenue and profit indicators have reached their **highest levels ever in a quarter**.
- **Profit margins are improving** driven by the recovery of APW, the inclusion of high-profit margin TSD in the group, and a discerning assessment of the ROAS.
- We recognize that the operating profit margin is a challenge. Through improved ROAS and increased labor productivity, we aim to achieve a 30% operating profit margin in the future.

Quarterly financial results    ■ Revenue    ■ EBITDA    ■ Operating Income    ..... EBITDA Margin    — Operating Margin    (yen in millions)



# Yearly financial results – Cash Flow -

**CF from Operations**

**6,841M<sub>yen</sub>**

(Previous Year:  
5,706M<sub>yen</sub>)

**CF from Investing**

**-961M<sub>yen</sub>**

(Previous Year:  
-4,601M<sub>yen</sub>)

**CF from Financing**

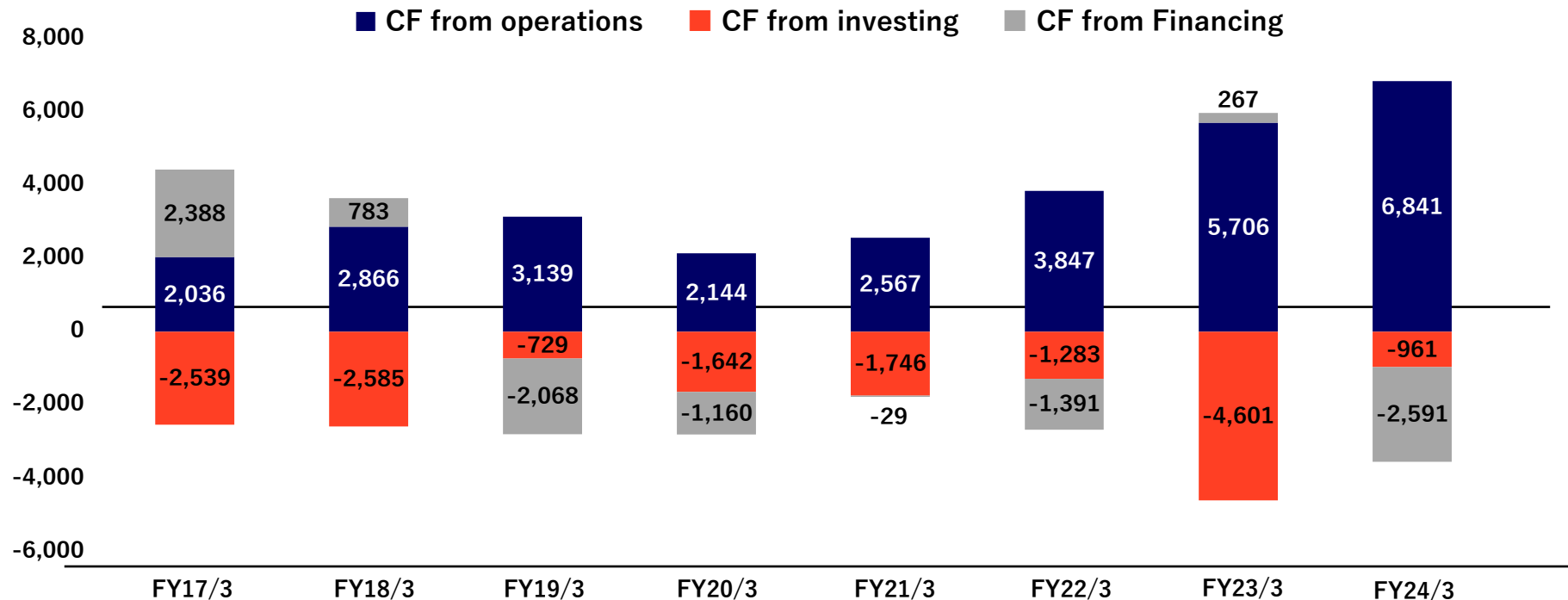
**-2,591M<sub>yen</sub>**

(Previous Year:  
267M<sub>yen</sub>)

- CF from operations: Significantly surpassed previous records reflecting the steady growth of existing businesses and the strong PMI centered around Ties.
- CF from investing: Executing a total of three strategic investments and software development investments to drive future growth.
- CF from Financing: Repayment of loans has improved financial stability.

## Consolidated cash flows

(yen in millions)



# Revenue by business segment

**Vertical HR**

**2,637M yen**  
(YoY +19.6%)

**Living Tech**

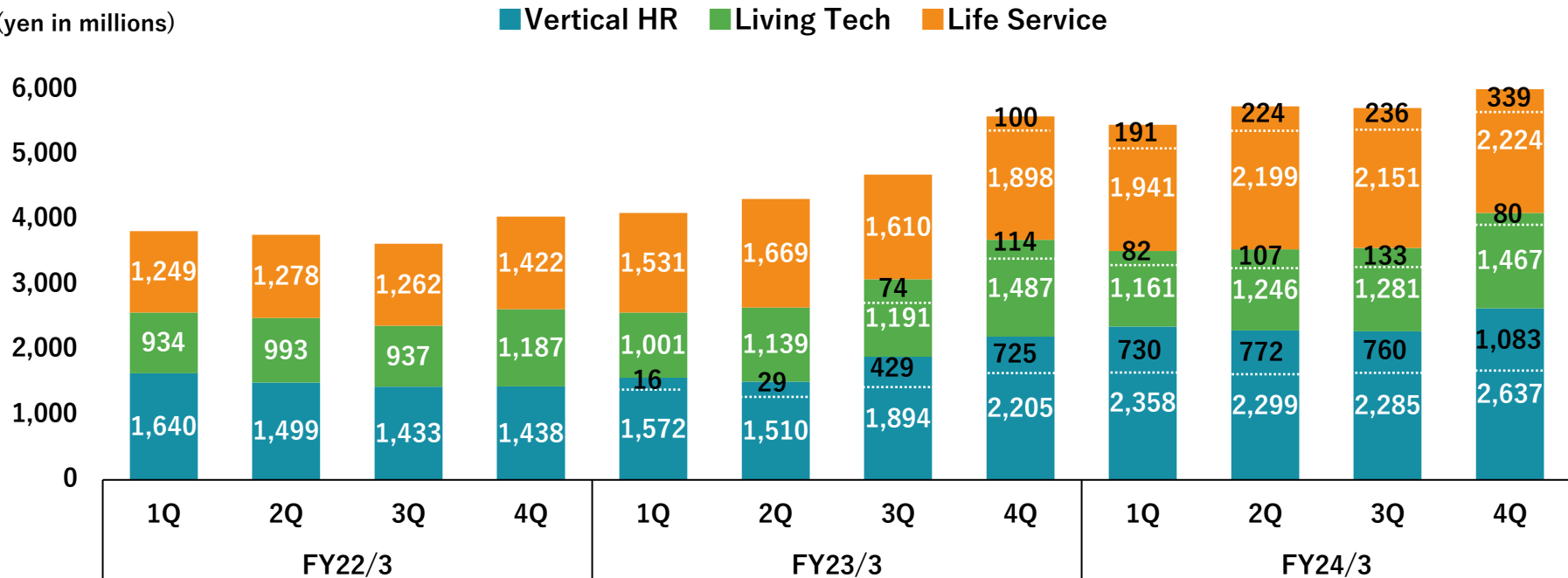
**1,467M yen**  
(YoY -1.3%)

**Life Service**

**2,224M yen**  
(YoY +17.2%)

- **Vertical HR:** Organic growth due to the stable growth of REJOB, and the growth of previous fiscal year M&A businesses such as Ties, is making a significant contribution.
- **Living Tech:** Smocca and renovation businesses are experiencing flat performance YoY due to the effects of macroeconomic stabilization. SEKAI PROPERTY, being in the initial stages of PMI, exhibits significant revenue volatility, and efforts are directed toward securing stable earnings in the future.
- **Life Service:** APW and TSD have led the growth from the recovery in travel demand.

(yen in millions)



Note1: Black figures in FY3/23 indicate revenue contribution from M&A group-in business in FY3/23  
 Note2: For FY3/24 Q1, some figures had errors and they have been corrected to the accurate numbers.

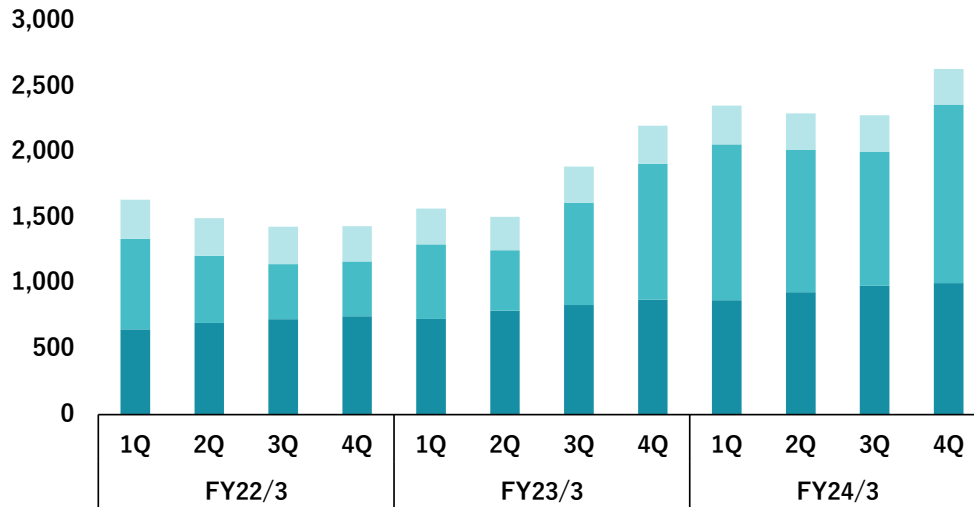
# Business situation in mainstay businesses - Vertical HR -

- Pay-for-listings: Both REJOB and Awesome Agent are progressing steadily and have set new all-time highs.
- Pay-for-performance: Achieved an increase in revenue compared to the same period last year, mainly due to the stable growth of REJOB and the smooth PMI of Ties.

## Revenue

(yen in millions)

- Pay-for-listings
- Pay-for-performance (=hire)
- Others



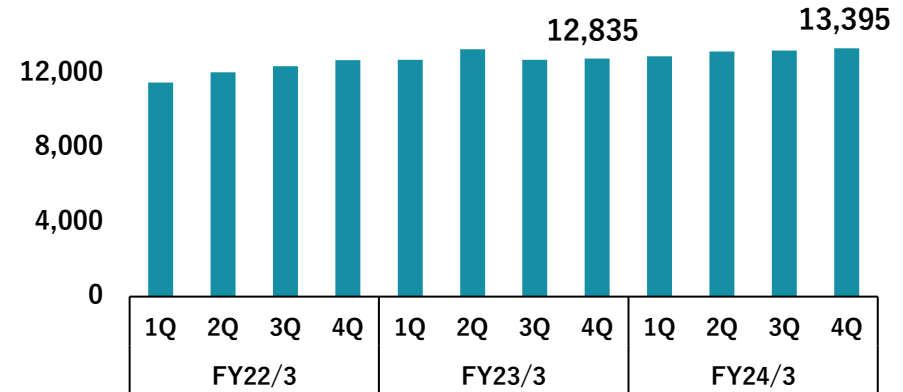
Note 1: The number of clients is counted as the number of corporate clients for which revenue has been generated within one year from each quarter-end (=LTM basis)

Note 2: The number of members is cumulative.

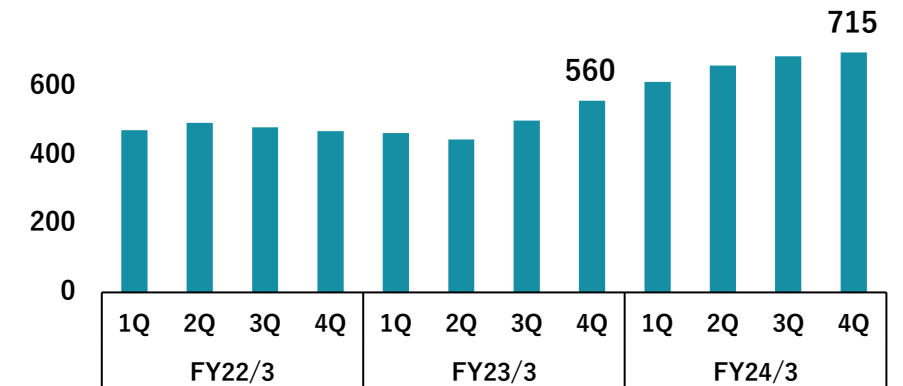
Note 3: Pay-for-listings refers to the revenue generated from the Pay-for-listings revenue of REJOB and Awesome Agent.

Note 4: Pay-for-performance is composed of the revenue from the performance-based revenue of REJOB and employment placement businesses such as Ties.

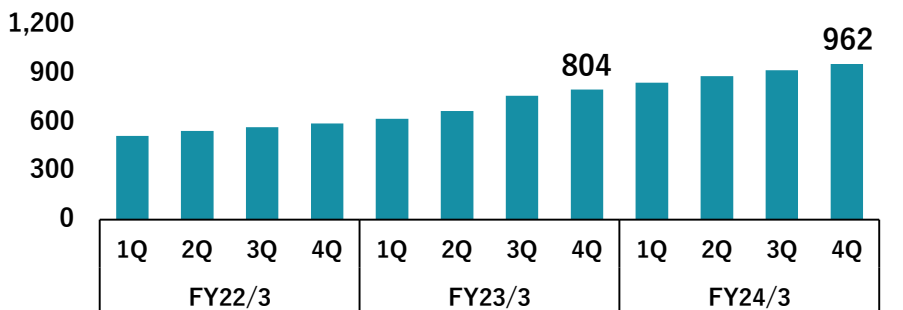
Number of clients (companies)



Unit price per client (thousand yen)



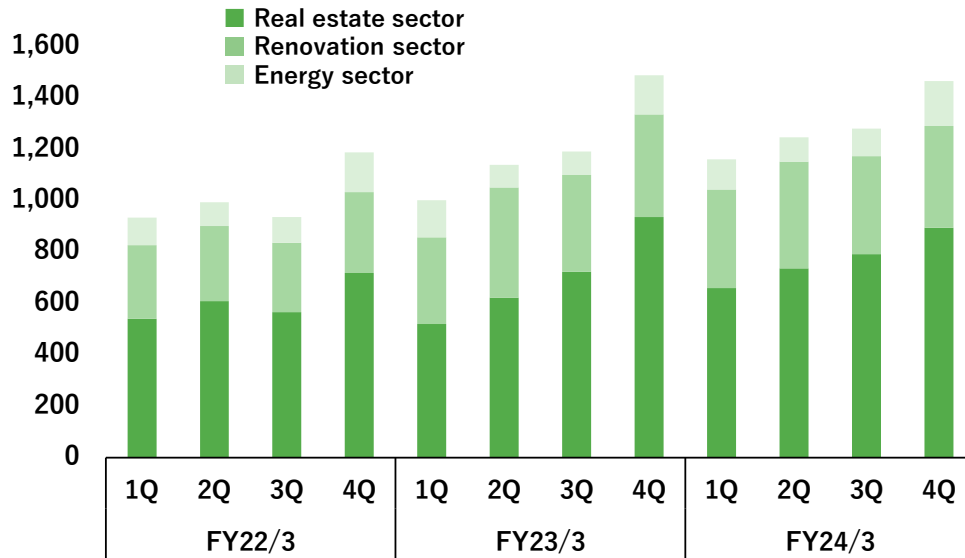
Number of members (thousand people)



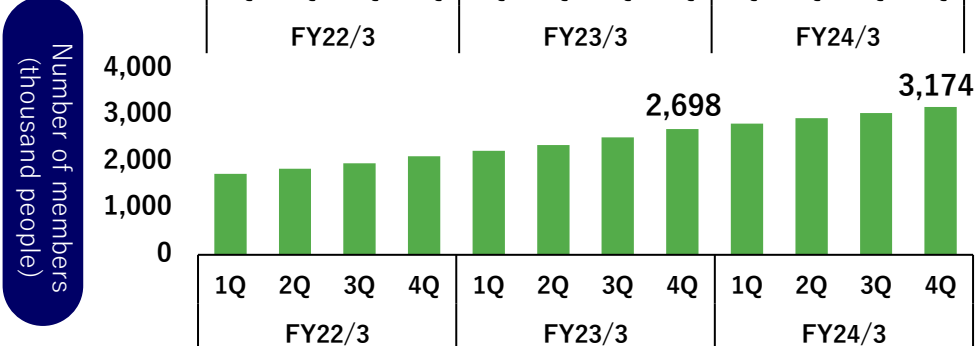
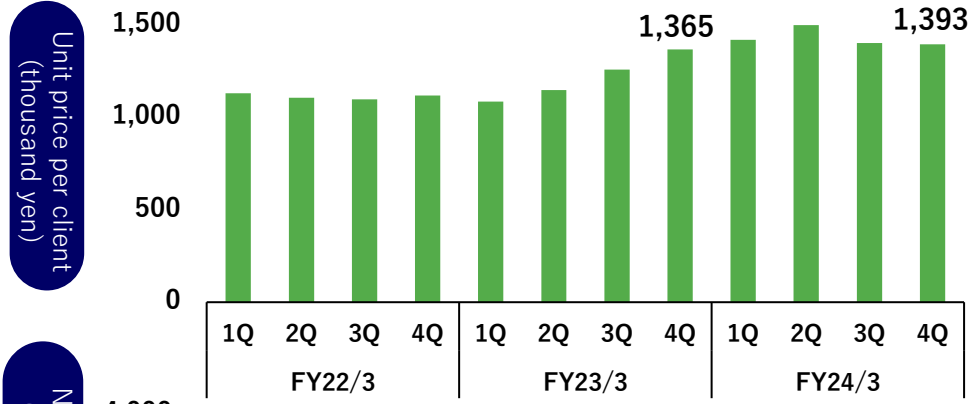
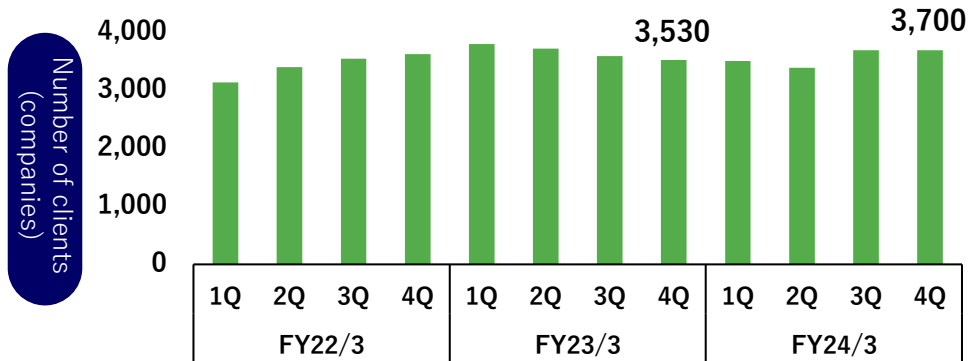
# Business situation in mainstay businesses -Living Tech-

- As a result of the change in mix due to new M&A activities, the customer base has increased, while the unit price has remained relatively stable.
- The renovation and housing sector has remained relatively stable YoY due to the effects of macroeconomic stabilization and competitive pressures.
- The energy sector is seeing increased revenue trends, driven by the entry into the electricity switching domain.

**Revenue** (yen in millions)



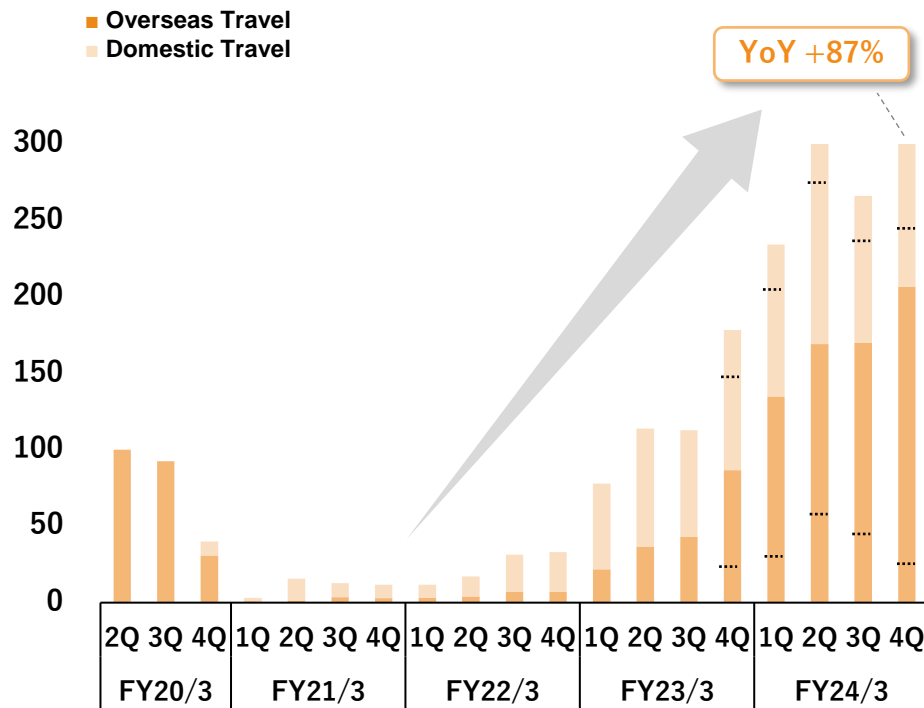
Note 1: The real estate sector mainly includes Smocca and SEKAI PROPERTY(acquired in Q2 of FY23/3) and the renovation sector mainly includes Reshop-Navi.  
 Note 2: The number of members is cumulative.



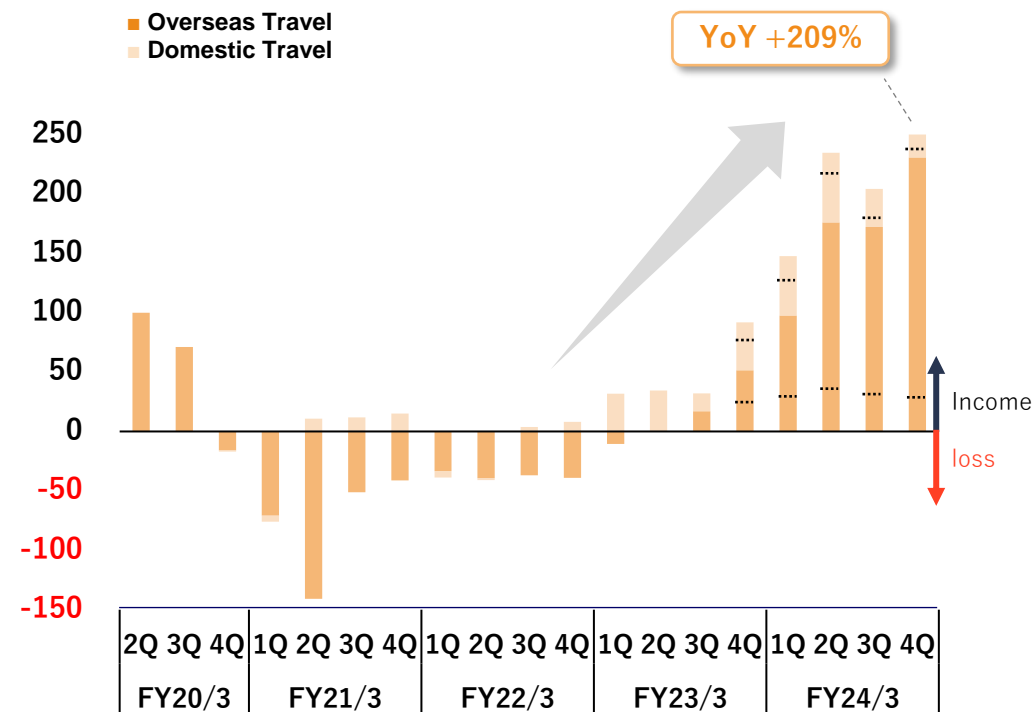
# Other business situation -Life Service: Travel domain-

- Overseas: Stable growth trends are being maintained due to the recovery of the macro environment and the steady accumulation of customer numbers.
- Domestic: Stabilization in marketing improvements has progressed, leading to a return to a QoQ growth trend in revenue and profit. Moving forward, we will focus on enhancing profitability by strengthening cross-selling of new products and implementing repeat strategies through the app.
- We aim to elevate our growth trajectory through initiatives that effectively capture the macroeconomic environment and the release of new products.

## Revenue



## Operating income (loss)



Note 1: Revenue and operating income (loss) are indexed to 100, the record high before the Covid-19 pandemic in Q2 FY3/20.

Note 2: Services related to domestic travel were acquired in Q4 of FY3/20.

Note 3: The upper dotted line in the bar chart shows the contribution from TSD, which was acquired in February 2023.



# Financial forecast for FY2025/3

- **Planning a revenue and profit growth** in FY2025/3 to achieve the 2nd mid-term management plan.

## Revenue

**27,500**M yen  
(YoY: 118%)

## EBITDA

**7,700**M yen  
(YoY: 114%)

## Operating income

**6,300**M yen  
(YoY: 117%)

(yen in millions)	FY2024/3 Results	FY2025/3 Forecast	YoY
Revenue	23,249	27,500	118%
● Vertical HR	9,580	11,100	116%
● Living Tech	5,155	6,000	116%
● Life Service	8,514	10,400	122%
EBITDA(Note 1)	6,781	7,700	114%
Operating Income	5,394	6,300	117%
Net income attributable to owners of the parent company	3,800	4,300	113%
Basic earnings per share (EPS)	36.53	41.90	115%

### Vertical HR

Expect high growth driven by the stable growth of existing businesses and the smooth PMI centered around Ties and other initiatives.

### Living Tech

Expect a steady performance growth through product improvements in existing businesses and the advancement of PMI in new group inclusion initiatives.

### Life Service

Expect strong performance growth due to capturing demand resulting from the macroeconomic recovery in the travel sector.

Note 1: EBITDA = operating income (loss) + depreciation and amortization + impairment losses + loss on retirement of non-current assets and revaluation - gain on bargain purchase

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# 5

## Financial Policy



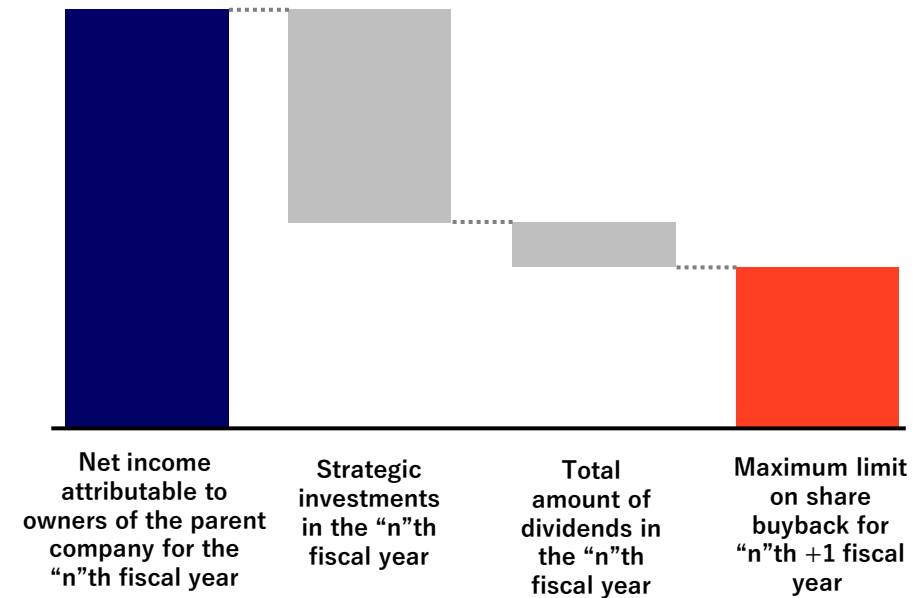
# Financial policy

- In principle, we continue the financial policy that the maximum amount of share buyback limit for the following year shall be the amount of net income for the year less the amount of strategic investments and the total amount of dividends.
- The acquired treasury shares will be used for considerations in future M&A activities, etc.

## Policy on medium-term shareholder returns

<b>Dividend payout ratio</b>	<b>12 - 20%</b>
<b>Share buyback</b>	<b>Implemented by setting a maximum limit on share buybacks</b>

## Acquisition limit for share buybacks



Note 1: The amount of strategic investment refers to the amount of the company investment in M&A projects, capital tie-ups, etc. to obtain the managerial resources which are highly likely to be included as assets in the balance sheet.

Note 2: In case the level of financial conditions or the preconditions of market situation change substantially from the present ones, it is possible that we will flexibly modify the financial policy.

# Financial strategy and strategic investments (M&A)

## Strategic investment

**244M yen**

(Previous year:  
4.32B)

## Dividend forecast

**7.5 yen**

(Previous year:  
6.5 yen)

- For FY2025/3, the share buyback is set at 2.8 billion yen (with an upper limit of 4.2 million share: 4.04% of the total outstanding shares (excluding treasury stocks)).
- For FY2024/3, the dividend per share is set at 6.5 yen, consisting of an ordinary dividend of 5.0 yen per share plus a commemorative dividend of 1.5 yen per share, anticipating future revenue and profit growth. For the FY2025/3, a dividend increase to 7.5 yen per share is planned.
- In principle, we continue the financial policy that the maximum amount of share buyback limit for the following year shall be the amount of net income for the year less the amount of strategic investments and the total amount of dividends.
- The amount will be determined by considering factors such as the free float ratio within the limit and other relevant considerations.

## Cash flows and shareholder returns

(yen in millions)	FY2023/3	FY2024/3	FY2025/3
<b>Net income attributable to owners of the parent company</b>	2,930	3,800	
- Strategic investment	4,323	244	
- Total dividends	416	676	
Dividend per share	4.0yen	6.5yen	7.5yen
<b>Limit for share buybacks</b>	1,400	0	2,800

Note 1: The amounts of strategic investments refer to the amounts of investments we made to acquire management resources with a highly asset-like nature, such as M&As and capital tie-ups.

Note 2: We could flexibly revise the policy if conditions in markets, financial conditions, etc. differ significantly from our assumptions.

Note 3: The amounts of strategic investments include the investment in Retty made on December 16, 2022.

Note 4: : The strategic investment amount of FY2024/3 includes specialist fees for deals that were not concluded in FY3/2024, as well as investments in shares of listed companies for FY3/2025.

# Balance sheet condition

Goodwill-to-capital ratio

0.5x

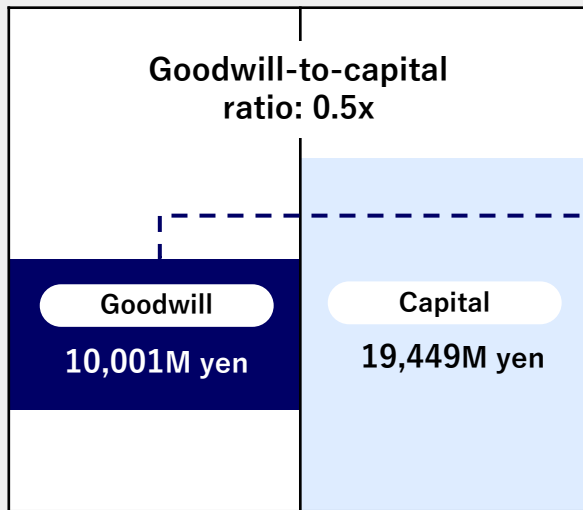
Total amount of goodwill

10,001M yen

- Financial health remained solid with the goodwill-to-capital ratio of 0.5x and the ratio of equity attributable to owners of the parent to total assets at 56.3%, which are within the Company's financial standards.

## Balance Sheet (B/S)

Total Assets (liabilities and capital): 34,535M yen



## Balance Sheet (B/S)

10,001M yen

REJOB	1,756M yen
Ties	1,393M yen
Life Support	1,108M yen
Brain Lab (CP)	988M yen
Partner Solution	782M yen
TSD	668M yen
Others	3,306M yen

Note 1: Same cash generating unit (CGU) as the one used for goodwill impairment testing

Note 2: Life Support refers to renovation and energy businesses such as the former IACC. The former IACC was merged with ZIGExN in July 2020.

Note 3: BrainLab (CP) refers to the Career Plus system business for human resource introduction companies.

Note 4: Partner Solution refers to the comparison media business acquired from Basic Inc. through a business transfer.

# Goodwill impairment testing

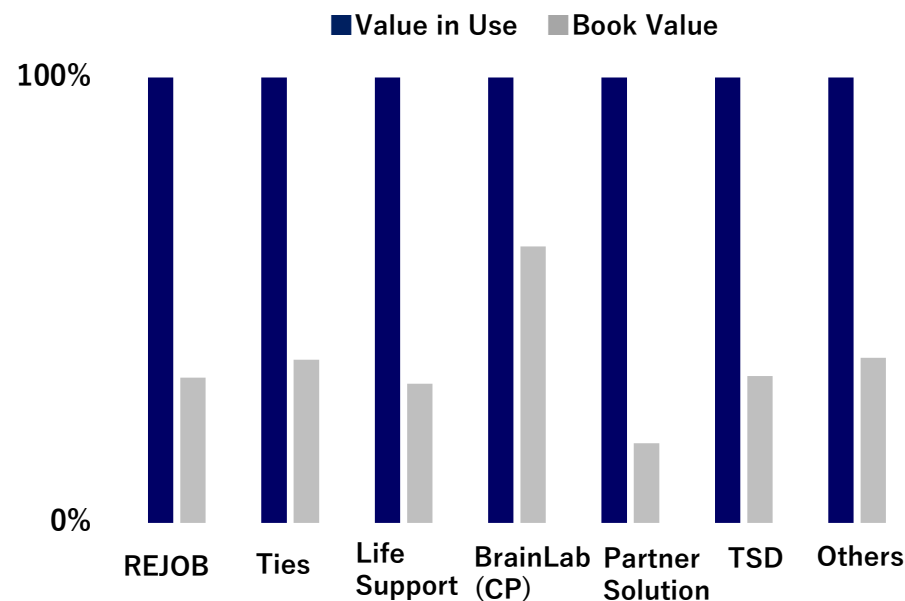
- A total of 17 CGUs comprising goodwill were tested for impairment by comparing the carrying amount with the recoverable amount in accordance with IFRS.
- No impairment losses are recognized as the recoverable amounts exceed the carrying amounts significantly in the major CGUs with significant goodwill amounts.

## Goodwill

Total amount of goodwill :  
10,001M yen

REJOB	1,756M yen
Ties	1,393M yen
Life Support	1,108M yen
Brain Lab (CP)	988M yen
Partner Solution	782M yen
TSD	668M yen
Others	3,306M yen

## Impairment Testing



Note 1: In impairment testing, the recoverable amount is the value in use or the fair value after subtracting disposal cost, whichever is higher, but the above graph shows a comparison of the book value with the value in use calculated on a cash flow basis in accordance with business plans.

Note 2: In each cash generating unit (CGU), the ratio of the value in use to the book value when the value in use is set to 1 is shown.

Note 3: The base date for the impairment test is the end of December 2023.

# 6

## Reference Materials



# Executive structure -Officers and corporate-

- Promote sophistication of business execution functions from the perspectives of both business growth and expansion of corporate functions.
- A rich executive structure with diverse skills through a variety of routes, including professionals, mid-career workers, and group joins through M&A.

Name	Main Position	Career
Joe Hirao	Representative Director and President, Operating Officer and CEO	Entrepreneur as a student; appointed Representative Director of ZIGExN in 2008, after working for Recruit.
Ippei Suzuki	Operating Officer, President and Representative Director of REJOB	Joined the Company in 2011 after serving as Director of VOLARE (now NYLE) and in other positions
Sachiko Hatano	Operating Officer, Head of Business Management Dept.	Joined the Company in 2018 after working at AZSA & Co. (now KPMG AZSA LLC) and Lifenet Insurance Company
Shinji Sato	Operating Officer, Head of Management Promotion Dept.	Joined the Company in 2020 after Founding "I AND C-Cruise, Inc." (now Life Support Div.) as Director and COO
Ryosuke Imai	Operating Officer President and Representative Director of Ties Co., Ltd. and UpBase Inc.	Joined the Company in 2013 as a new graduate
Takeshi Fukada	Operating Officer President and Representative Director of Apple World Inc. and TSD Inc.	Joined the Company in 2018 after working in SAP Japan, KPMG FAS, Nexon, DeNA Travel
Sho Hayakawa	Head of Management Strategy Dept. President and Representative Director of and A company	Joined the Company in 2020 after working at Mori Hamada & Matsumoto
Mayuko Sugihara	Head of Office, Public Relations and Sustainability Promotion	Joined the Company in 2019 after serving as Operating Officer of Voltage
Yuji Takano	Head of Information System Office	Joined the Company in 2018 after working at SE Holdings and Incubations Group, AirTrip and other firms
Ryota Takeya	Head of Internal Auditing Office	Joined the Company in 2020 after working at Yahoo!, PricewaterhouseCoopers Arata, DeNA and other firms



# Executive structure -Business officers and specialists-

- Abundant business officers and specialists with diverse backgrounds and skills lead the business and execute PMI for M&A.

Name	Businesses and Areas of Responsibility	Career
Ippei Suzuki	REJOB	Joined the Company in 2011 after serving as Director of VOLARE (now NYLE) and in other positions
Ryota Aoki	Ties	Joined the Company in 2022 after founding Struct (now UpBase) and serving as its president and representative director.
Keisuke Iwaya	UpBase	Joined the Company in 2022 after founding Struct (now UpBase) and serving as its Director and in other positions
Takanori Amano	MIRAxS	Joined the Company in 2016 after working in the Recruit Group
Haruhisa Daita	Awesome Agents, Sanko Ad	Joined the Company in 2019 after serving as head of the Taiyo Kikaku Sales Group
Tadayoshi Endo	Beyond Borders	Founded Beyond Borders after working for S.M.S. and joined the Company in 2022
Mirai Ogura	Real Estate	Joined the Company in 2018 as a new graduate
Yu Ishizuka	Life Support	Joined I&C Cruises (now Life Support Div.) as a new graduate in 2017, joined the Company in 2020
Nakae Norihiro	BrainLab	Joined the Company in 2014 after working at Staffservice, Asterisk and Techfirm
Takeshi Fukada	APW, TSD	Joined the Company in 2018 after working at SAP Japan, KPMG FAS, DeNA Travel, and other firms
Tetsushi Yuki	Partner Solution, CORDA	After working for Benesse Group, joined our subsidiary in 2019, transferred to the Company in 2021
Shinji Sato	Automobile, TCV	Joined the Company in 2020 after Founding "I AND C-Cruise, Inc." as Director and COO
Ryosuke Imai	HR	Joined the Company in 2013 as a new graduate
Taisaku Nishio	Marketing	Joined the Company in 2017 as a new graduate
Tatsuya Nagai	Engineer, Products	Joined the Company in 2017 after working for a web production company
Daichi Ishiguro	Engineer (Vietnam Offshore Base)	Joined the Company in 2018 as a new graduate

# Members of the Board of Directors and Board of Statutory Auditors

- The committee consists of members with extensive experience and expertise.
- The Board of Directors is positioned as a supervisory body for business execution and an important decision-making body.

Name	Main Position	Career
Joe Hirao	Representative Director	Entrepreneur as a student; appointed Representative Director (current) of ZIGExN in 2008, after working for Recruit.
Sachiko Hatano	Director	After working at AZSA & Co. (now KPMG AZSA LLC) and Lifenet Insurance Company, joined the Company in 2018. Certified public accountant. Currently serves as a Director , operating officer of the Company , head of the Business Management Department and Director at other Group companies.
Shinji Sato	Director	Joined the Company in 2020 after Founding "I AND C-Cruise, Inc." (now Life Support Div.) as Director and COO
Yasuo Usuba	Outside Director	After working at Recruit, IBM, and GE Commercial Finance and serving as head of Channel Sales at Google, currently serves as Director and COO at LocationMind, outside Director of the Company since June 2021.
Jun Sakaki	Outside Director	After working at Dai-ichi Kangyo Bank (currently Mizuho Bank), completed Master's course at Stanford University. Worked at the Boston Consulting Group and AlixPartners. Currently serves as CEO of IKYU Corporation and operating officer and General Manager, Commerce Company Travel Management Division, LINE Yahoo!, outside Director of the Company since June 2022.
Mari Yajima	Full-Time Outside Director	Worked for Ernst & Young ShinNihon (now EY Ernst & Young ShinNihon LLC), AXA Life Insurance, and AXA Direct Life Insurance as a Director of Internal Audit. She is a certified public accountant.
Takashi Miyazaki	Outside Auditor	Partner at Nagashima Ohno & Tsunematsu. Attorney at law. Outside Auditor of the Company since June 2016.
Kengo Wada	Outside Auditor	After working at KPMG AZSA LLC, GCA, and serves as Representative Director at AI Partners, Inc. . Certified public accountant, certified public tax accountant. Outside Auditor of the Company since June 2017.

# Board of Directors

- The Company aims to grow its core business and manage the expanding business through a management team that is both offensive and defensive, by infusing the experience in business operations and strategy execution at other companies that the candidate for outside director possesses.

## Skill Matrix of Directors













Director	Corporate management	Management strategy	Marketing / Technology	Organization / HR	Accounting / Finance	M&A / PMI	SDGs / ESG
Hirao	●	●	●	●		●	●
Hatano				●	●	●	●
Sato	●	●		●		●	●
Usuba	●	●	●	●	●		
Sakaki	●	●	●	●		●	

## Diversity Matrix of Directors

Director	Independence	Gender	Age
Hirao	Internal	Male	41 years old
Hatano	Internal	Female	41 years old
Sato	Internal	Male	40 years old
Usuba	Independent	Male	61 years old
Sakaki	Independent	Male	51 years old

# SDGs materiality of ZIGExN

- Create value for all stakeholders, making efforts from those through business, such as updating society/industry by DX/cultivating SDGs engagement by businesses to those related to the increased satisfaction of employees.

ZIGExN's materiality	Major efforts	Relevant SDGs items
Update society and industry with DX	<ul style="list-style-type: none"> <li>• Support for DX at SMEs</li> <li>• Business support through “LeadCloud” , and “CAREER PLUS” of Brainlab, Inc.</li> <li>• Support in attracting users through Media Platform.</li> </ul>	 
Fostering SDGs engagement through the media	<ul style="list-style-type: none"> <li>• Promotion of ZIGExN Media × SDGs (SDGs Award, etc.)</li> </ul>	
Meaningful work environment	<ul style="list-style-type: none"> <li>• Selection and systematic training of candidates for next-generation business managers</li> <li>• Implementation of Next Leader Project.</li> <li>• Conducting surveys for visualization of engagements</li> </ul>	
Creation of local communities	<ul style="list-style-type: none"> <li>• Job creation, IT, and development of global human resource in Oita Office</li> <li>• Cooperation with the Oita Industrial Human Resource Center (Oita Sangyo-Human resource Center)</li> <li>• Recruitment of interns and organization of events in Kyoto</li> </ul>	 
Equality of employment opportunity	<ul style="list-style-type: none"> <li>• Promotion of vocational education by holding representative lectures in cooperation with universities and educational institutions</li> <li>• Special lecture at SFC and implementation of industry-university collaborative projects with APU</li> </ul>	
Empowerment of diverse human resources	<ul style="list-style-type: none"> <li>• Empowerment of women and increase in the ratio of women in managerial positions</li> <li>• Facilitating exchanges with overseas branches.</li> </ul>	
Environmentally conscious corporate and business activities	<ul style="list-style-type: none"> <li>• Management framework for sustainability-related risks.</li> <li>• Responses to CDP and disclosure of information based on TCFD recommendations.</li> <li>• Promotion of environmentally friendly management.</li> </ul>	  
Stronger governance, ensuring transparency	<ul style="list-style-type: none"> <li>• Conducting iR for domestic and international institutional investors/individual investors.</li> <li>• Reviewing institutional design such as compensation committees, nominating committees, etc.</li> <li>• Engagement of new outside directors.</li> </ul>	

# Major SDG/ESG initiatives (1)

- We position efforts in human capital management and sustainability as increasingly vital management challenges, promoting their integration with business strategies

## Meaningful work environment

### Employee development aimed at creating "UPDATERS"

Updated the training system for the medium to long term, with a focus on onboarding, to support employee development and skill enhancement, creating an environment conducive to employee success.

The annual program for new graduate employees has concluded, recognizing new graduate MVPs. This system acknowledges growth achieved with the support of OJT and mentors.



Events were held every month by ZNOW, an organization that promotes company-wide communication. At the end of the fiscal year, an offline company-wide gathering celebrated the achievements of employees.



## Eco-friendly corporate and business activities

### Responses to CDP

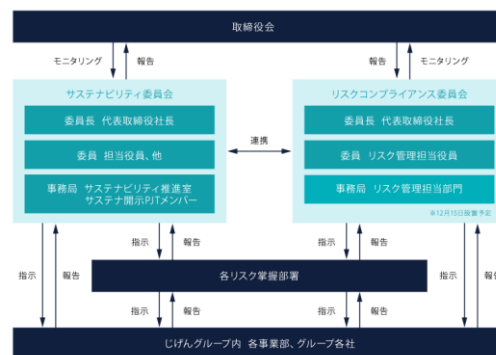
Starting from the fiscal year 2023, we began responding to the international environmental NGO, "CDP".



### The establishment of the Sustainability Committee

Under the monitoring of ZIGExN's Board of Directors, there is a collaboration between the Risk and Compliance Committee and the Environment & Sustainability Committee to address risks associated with environmental sustainability.

It serves as a platform for reporting and consulting with the management team regarding the sustainability of the group, as well as making decisions and reviewing necessary policies and initiatives. (The inaugural Sustainability Committee meeting was also held on April 19<sup>th</sup>)



Based on the framework of the Task Force on Climate-related Financial Disclosures (TCFD), an assessment was conducted to understand the risks and opportunities posed by future climate change on business activities. This information was also disclosed on the corporate website.

# Major SDG/ESG initiatives (2)

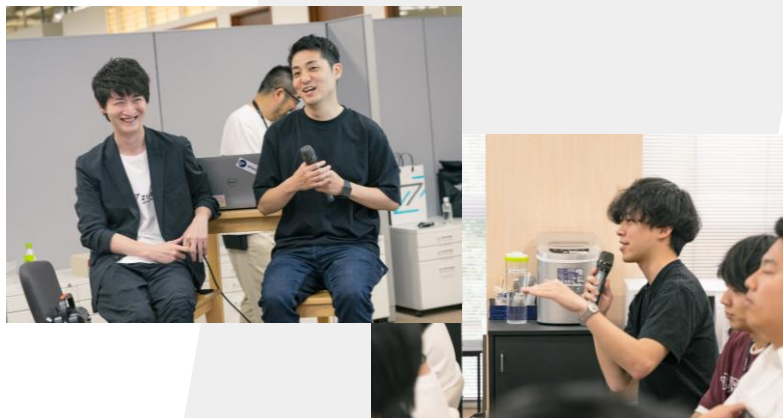
- To realize our hope of “Change people’s lives through interaction with ZIGExN” embedded in our purpose “UPDATE YOUR STORY-For a Better Future”, we provide platforms for connections in various situations.

## Diverse active talents

### Implementation of alumni

Aiming for the continuous growth of the organization and the promotion of value creation, we held our inaugural alumni gathering.

We conducted lectures for current employees on careers and business, facilitated mutual introductions of diverse talents connected through authenticity, and created business opportunities. These initiatives aim to activate innovation and provide a platform for new connections.



## Creation of local communities

### Initiatives in Kyoto Prefecture

In 2022, the company established an office in Kyoto City, Kyoto, and operates a 3x3 pro team called "ZIGExN UPDATERS.EXE". In September 2023, we hosted the "3x3UNITED Area Final KYOTO Round." event, where interns from the Kyoto office and players were involved in planning and managing the event, which drew significant attention and excitement.



Additionally, the activities of "ZIGExN UPDATERS.EXE" and initiatives in the Kyoto office have been extensively covered by the media.



# Number of clients posting ads on the platform of the mainstay businesses

**Vertical HR**  
Number of clients posting ads on the platform

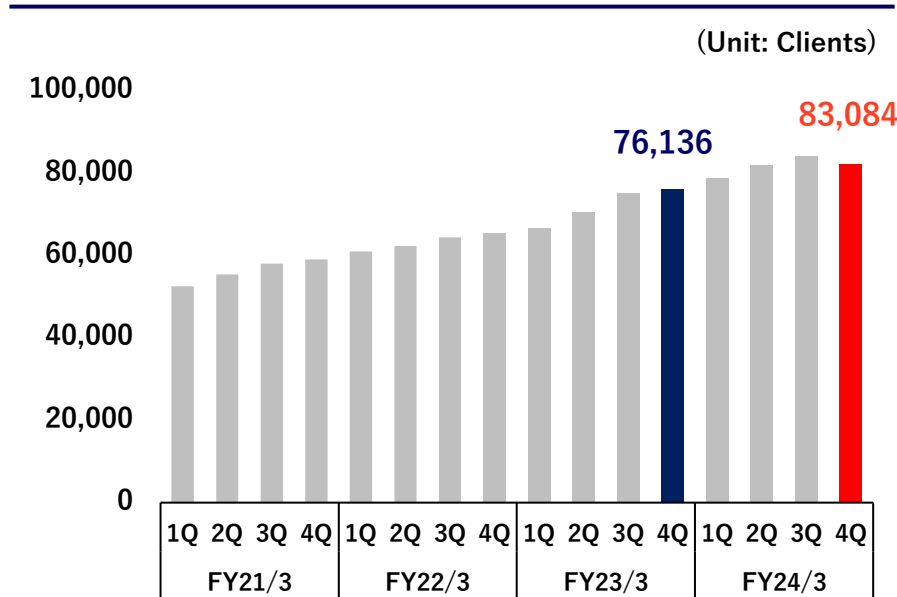
**83,084**  
(YoY: +9.1%)

**Living Tech**  
Number of clients posting ads on the platform

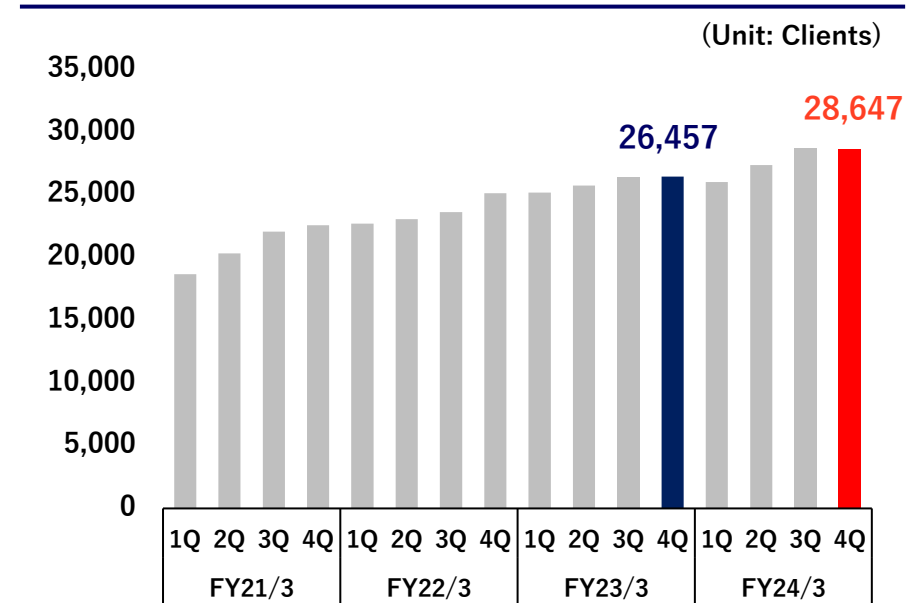
**28,647**  
(YoY: +8.3%)

- **Vertical HR:** Due to prioritizing the improvement of service quality per client, there was a slight decrease QoQ. However, stable growth YoY was achieved thanks to the stable expansion of REJOB and contributions from the previous period's M&A business.
- **Living Tech:** Steady progress in renovation and leasing sectors, pushing for sales reinforcement for further expansion.

Vertical HR Number of clients posting ads on the platform



Living Tech Number of clients posting ads on the platform



Note 1: The number of clients posting ads on the platform of Vertical HR includes that of clients posting free ads that may be charged in the future.

Note 2: The number of establishments listed on Living Tech is calculated only for establishments that have made one or more listings during the final month of each quarter, excluding establishments with ongoing free listings.

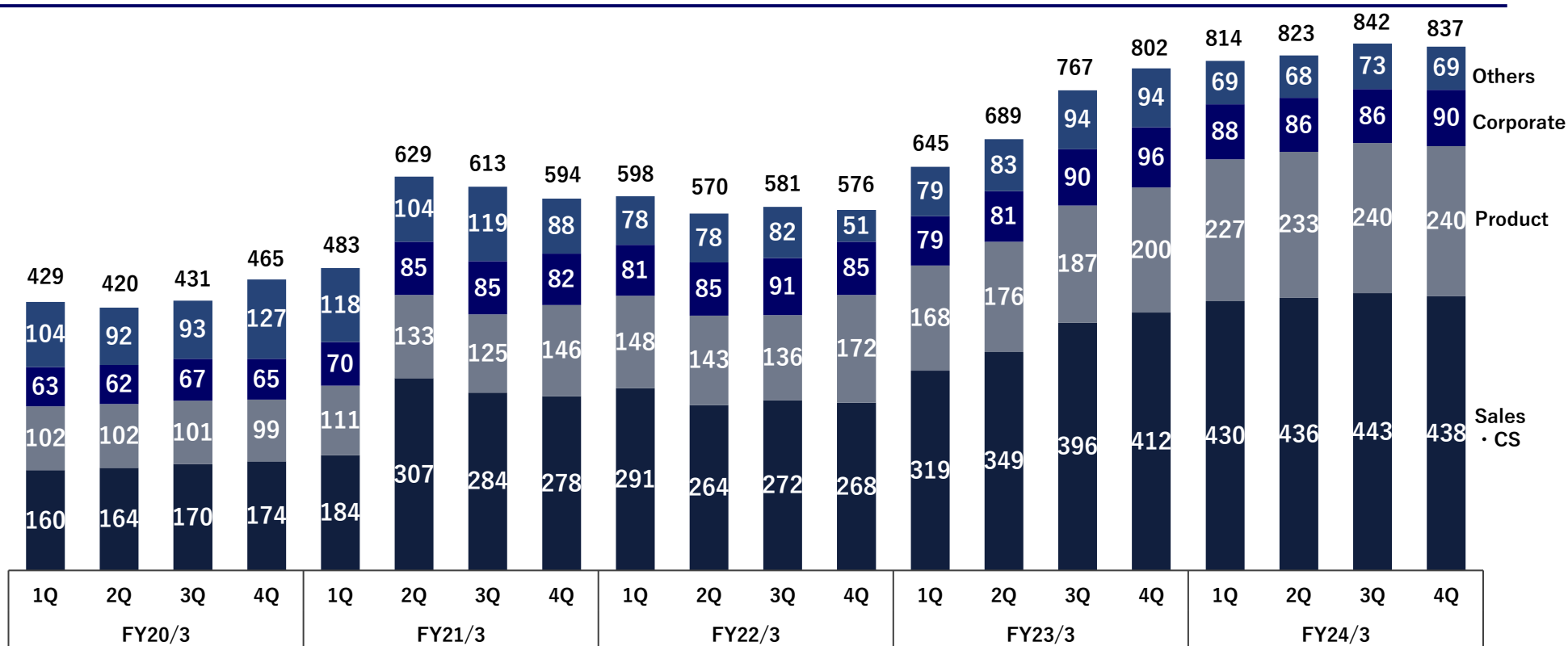
Note 3: The graph depicting the transition of the above-mentioned establishment numbers includes the transition of establishment numbers before the acquisition of shares in MIRAxS (formerly HITOWA Career Support) and Life Support Div. (formerly I&S Cruise).

Note 4: Figures on Vertical HR are retroactively corrected due to the aggregation error.

# Trend in the number of employees at end of quarter

- The number of employees stood at 837. While carefully selecting hiring positions, we will continue to strengthen our organization as our business expands.

## Number of employees by job function



Note 1: Employees of temporary staffing business in MIRAxS are not included.

Note 2: The product consists of marketing, engineers, and designers. Others consist of business officers, managers, etc. Sales/CS includes sales management.

Note 3: From FY23/3 onwards, sales management will be transferred from other departments to sales and customer service for refinement. From FY24/3 onwards, contracted employees will be excluded from the count."

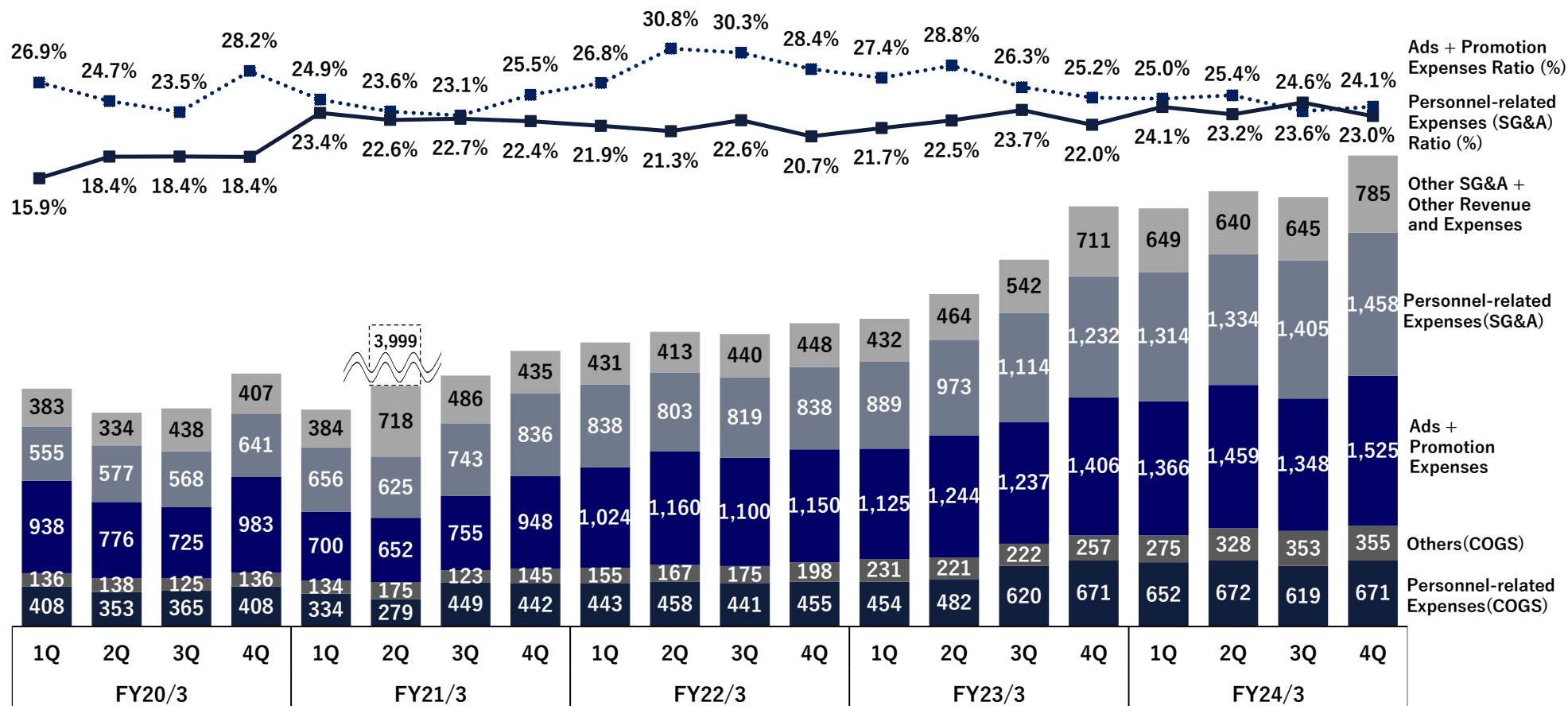


# Quarterly trend of expenses

- Advertising and promotional expenses, as well as personnel-related costs, are expected to remain stable through appropriate cost-control measures.
- There are no plans for significant investments in the future, and the policy is to maintain a generally consistent level with the current situation.

## Quarterly trend of expenses

(Unit : yen in millions)



Note: The dotted line in FY21/3 2Q indicates impairment losses, such as goodwill.

# Trend of balance sheets as at the end of quarters

Equity attributable to owners  
of the parent to total assets

**56.3%**

Goodwill-to-capital ratio

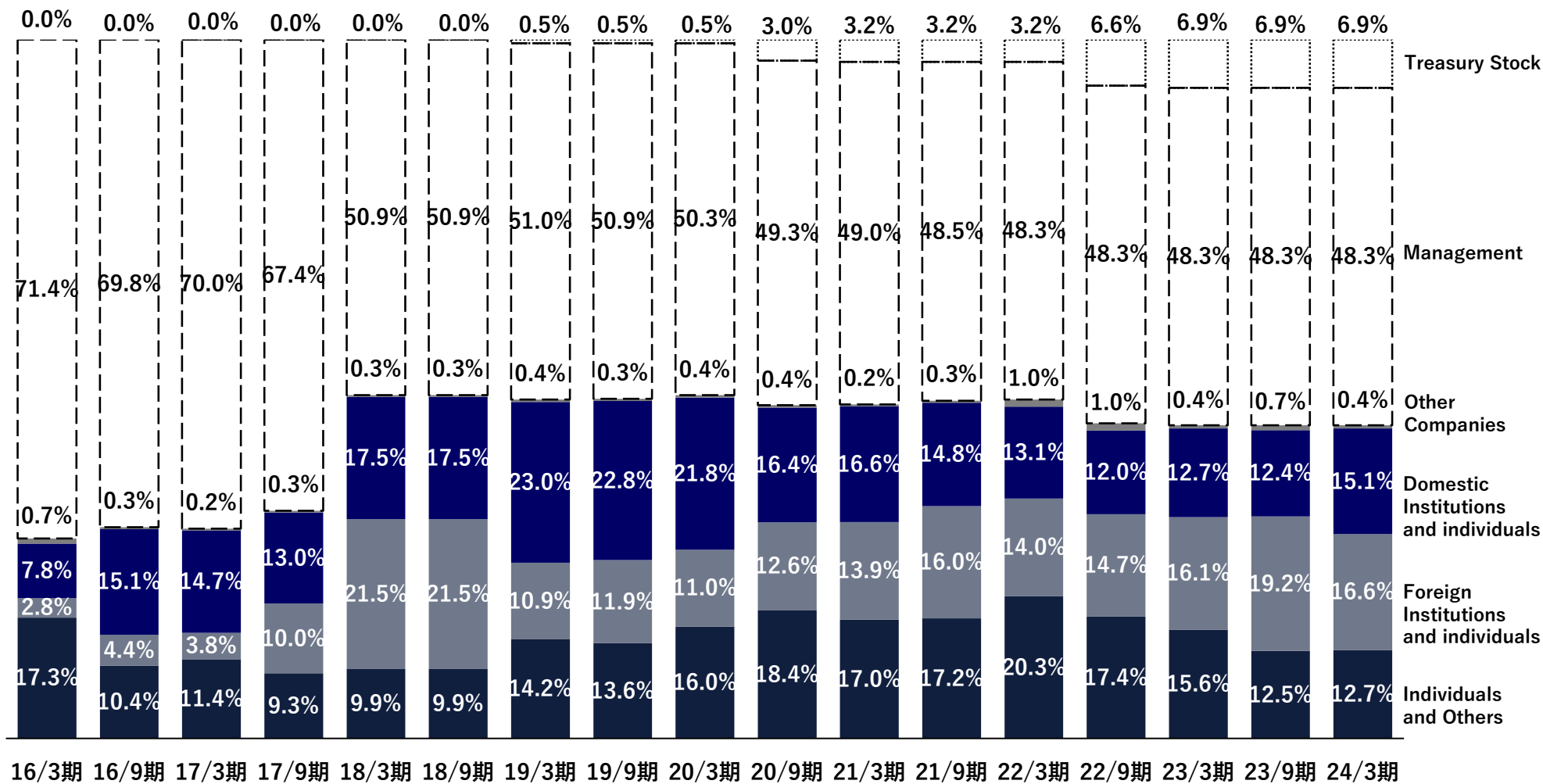
**0.5x**

- The percentage of equity attributable to the owners of the parent (the equity ratio in the JGAAP) stood at 56.3% and the goodwill-to-capital ratio was 0.5 times.

(yen in millions)	FY3/2023				FY3/2024			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Current Assets	11,152	11,380	11,026	14,308	14,248	15,436	13,376	18,879
Cash & Cash Equivalents	8,186	8,155	7,815	9,953	9,776	10,579	8,934	13,241
Non-Current Assets	11,034	11,548	13,657	16,086	16,062	16,068	15,905	15,656
Goodwill	7,107	7,556	9,227	9,911	9,911	9,911	9,955	10,001
Intangible Assets	1,713	1,836	2,004	2,419	2,434	2,456	2,466	2,441
<b>Total Assets</b>	<b>22,186</b>	<b>22,928</b>	<b>24,683</b>	<b>30,393</b>	<b>30,310</b>	<b>31,504</b>	<b>29,281</b>	<b>34,535</b>
Liabilities	7,504	8,269	9,494	14,320	13,801	14,054	10,875	15,086
Current Liabilities	6,522	7,366	7,572	11,037	10,309	11,023	8,396	13,087
Short-term Loans	2,040	2,057	2,632	3,051	2,296	2,140	2,071	2,255
Non-Current Liabilities	983	903	1,922	3,283	3,493	3,031	2,479	1,999
Short-term Loans	448	415	1,461	2,178	2,486	2,118	1,663	1,299
Capital	14,682	14,659	15,189	16,073	16,509	17,450	18,406	19,449
<b>Total liabilities &amp; Capital</b>	<b>22,186</b>	<b>22,928</b>	<b>24,683</b>	<b>30,393</b>	<b>30,310</b>	<b>31,504</b>	<b>29,281</b>	<b>34,535</b>
<b>Attributable to owners of the parent to Total assets(%)</b>	<b>66.2%</b>	<b>63.9%</b>	<b>61.5%</b>	<b>52.9%</b>	<b>54.5%</b>	<b>55.4%</b>	<b>62.9%</b>	<b>56.3%</b>
Current Assets	2,488	2,472	4,093	5,229	4,782	4,258	3,734	3,554

# Financial Strategy: Shareholder Structure

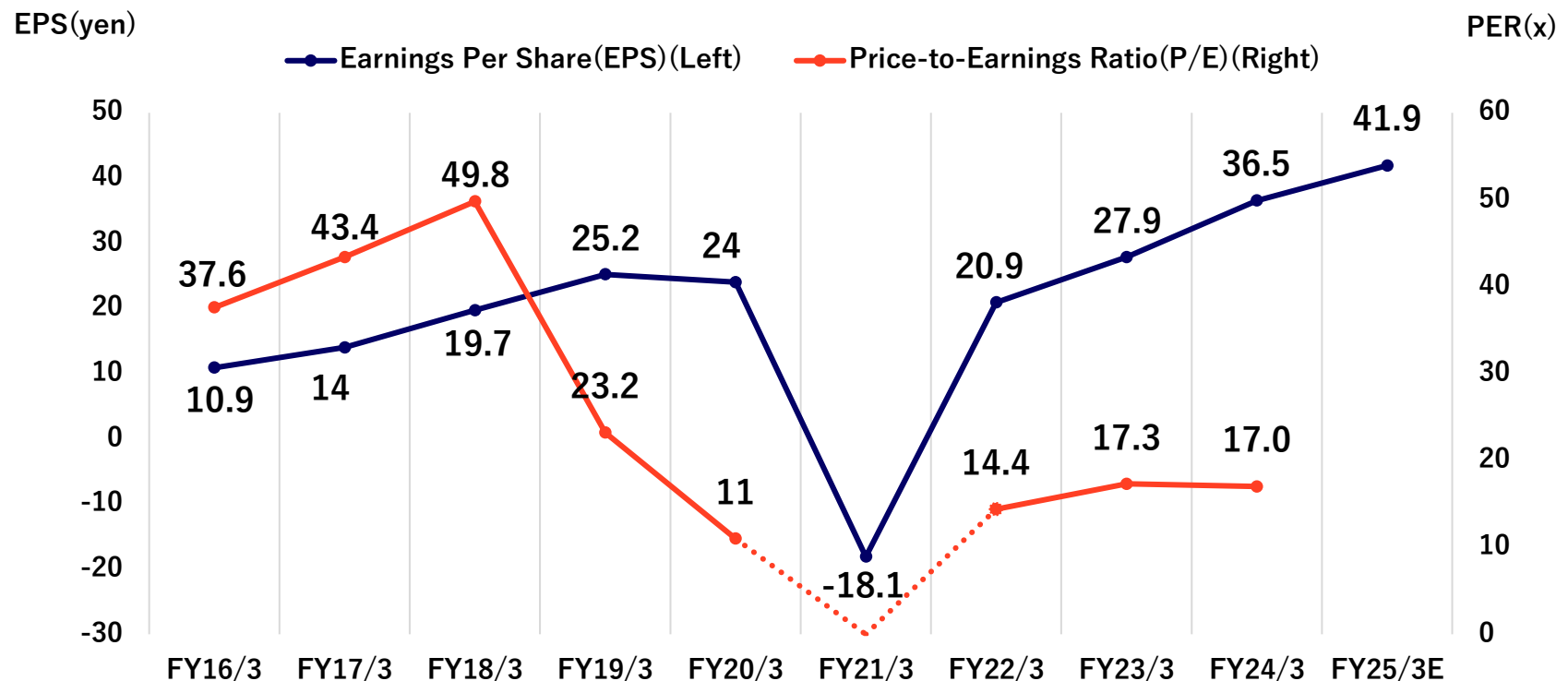
- At the end of FY24/3, the institutional investor ratio (domestic corporations + foreign corporations) increased by 2.9% from the end of FY23/3 to 31.7%.



# EPS & PER

- EPS reached a new record high due to solid performance growth in existing businesses and PMI of new M&A companies .
- In FY2025/3, we aim to further increase EPS by further promoting PMI centered on Ties, implementing strategic investments, and conducting sharebuybacks.

## EPS & PER



Note 1: Figures for FY25/3 are earnings forecasts.

Note 2: A net loss was recorded in FY3/21.



This briefing and briefing materials are based on information available as of the date of the announcement and the judgment of the company. We will assume no obligation for updating or changing the information if future events changed the details. In addition, please understand that actual results may differ from future prospects included in this briefing and briefing materials due to changes in various factors because the prospects include many uncertain factors.