



SHIKIGAKU

MANAGETECH COMPANY

FY2/24 Full year ended Result Presentation

April 12, 2024

TSE Growth: 7049 JP

Agenda

1 | FY2/24 Full year Result Presentation

2 | FY2/25 Forecast

Result summary

Segment	Summary	Comment
Consolidated	<p>Sales : ¥4,829m (YoY +8.3%) OP : ¥-113m (¥-57m last year)</p>	<p>Announced downward revision on 11 January 2024 OP turned to black ink in 2H ¥-194m in 1H, ¥81m in 2H</p>
Organizational Consulting	<p>Sales : ¥4,248m (YoY +5.6%) OP : ¥37m (YoY -77.5%) Sales per head of consultant : ¥363m/month (¥334m last 4Q) Number of consultant as 4Q end : 79 (85 last year) Order backlog : ¥779m (YoY +19.7%)</p>	<p>4Q alone OP was ¥31m Increased new clients in platform service (stock income) with cancelation rate of 1-3% Regular client increased to 699 companies at end of 4Q, increased by 153 companies YoY. Sales per head of consultant has a trend to recovery</p>
Sports Entertainment	<p>Sales : ¥551m (YoY +31.2%) Operating profit : ¥-84m (¥-164m last year)</p>	<p>Average home game attendees increased to 2,131 in 2023-24 season, increased by 36.0% YoY.</p>
VC fund Hands-on fund	<p>New investment : 7 in full year, 4 in 4Q alone</p>	<p>Fund 1: Investee company made IPO in April 2024 (itamiarts, Ticker:168A) Portfolio (investment) is set in Fund 2, Launched Fund 3. EXIT phase in one investee in Hand-on fund</p>

Income Summary

(¥m)	FY2/23	FY2/24	YoY	FY2/23	FY2/24	YoY	FY2/23	Progress	FY2/23	Progress
	4Q (Dec-Feb)	4Q (Dec-Feb)		Full year (Mar-Feb)	Full year (Mar-Feb)		Forecast (Initial)		Forecast (Post Revision)	
Sales	1,154	1,281	11.0%	4,458	4,829	8.3%	5,224	92.4%	4,831	100.0%
CoGS and SG&A	1,114	1,249	12.1%	4,515	4,943	9.5%	5,055	97.8%	4,951	99.8%
HR and Hiring	511	503	▲1.6	2,090	2,087	▲0.1%	2,256	92.5%	2,120	98.4%
Advertisement and Marketing	111	177	59.5%	724	842	16.3%	900	93.5%	854	98.6%
Operating profit	40	31	▲22.5%	▲57	▲113	-	168	-	▲119	-
Recurring profit	42	32	▲23.8%	▲73	▲111	-	157	-	▲121	-
Net Income Attributable to Owners of the Parent	▲134	16	-	▲252	▲97	-	35	-	▲82	-
EPS(¥)	▲16.6	1.9	-	▲31.2	▲11.1	-	3.9	-	▲9.3	-

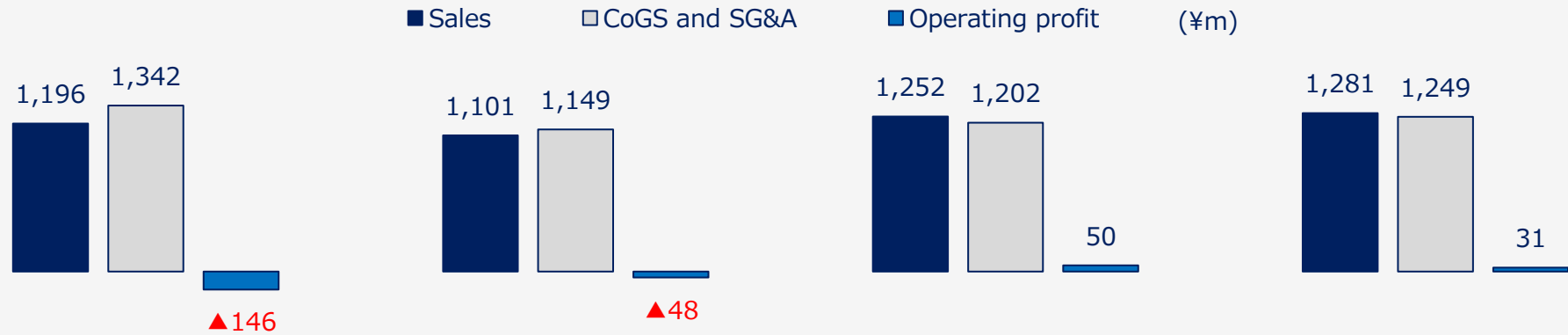
Segment

Consolidated OP maintained black ink with ¥31m 4Q alone

(¥m)	FY2/23	FY2/24	YoY
	4Q (Dec-Feb)	4Q (Dec-Feb)	
Sales	1,154	1,281	11.0%
Organizational Consulting	1,011	1,105	9.3%
Sports Entertainment	142	175	23.2%
VC Funds	-	-	-
Hands-on Funds	-	-	-
Operating profit	40	31	▲ 22.5%
Organizational Consulting	79	67	▲ 15.2%
Sports Entertainment	▲ 30	0	-
VC Funds	▲ 20	▲ 41	-
Hands-on Funds	▲ 1	▲ 1	-

	FY2/23	FY2/24	YoY
	Full year (Mar-Feb)	Full year (Mar-Feb)	
Sales	4,458	4,829	8.3%
Organizational Consulting	4,024	4,248	5.6%
Sports Entertainment	420	551	31.2%
VC Funds	-	30	-
Hands-on Funds	-	-	-
Operating profit	▲ 57	▲ 113	-
Organizational Consulting	167	37	▲ 77.5%
Sports Entertainment	▲ 164	▲ 84	-
VC Funds	▲ 93	▲ 79	-
Hands-on Funds	▲ 8	▲ 7	-

Quarterly base result and comment

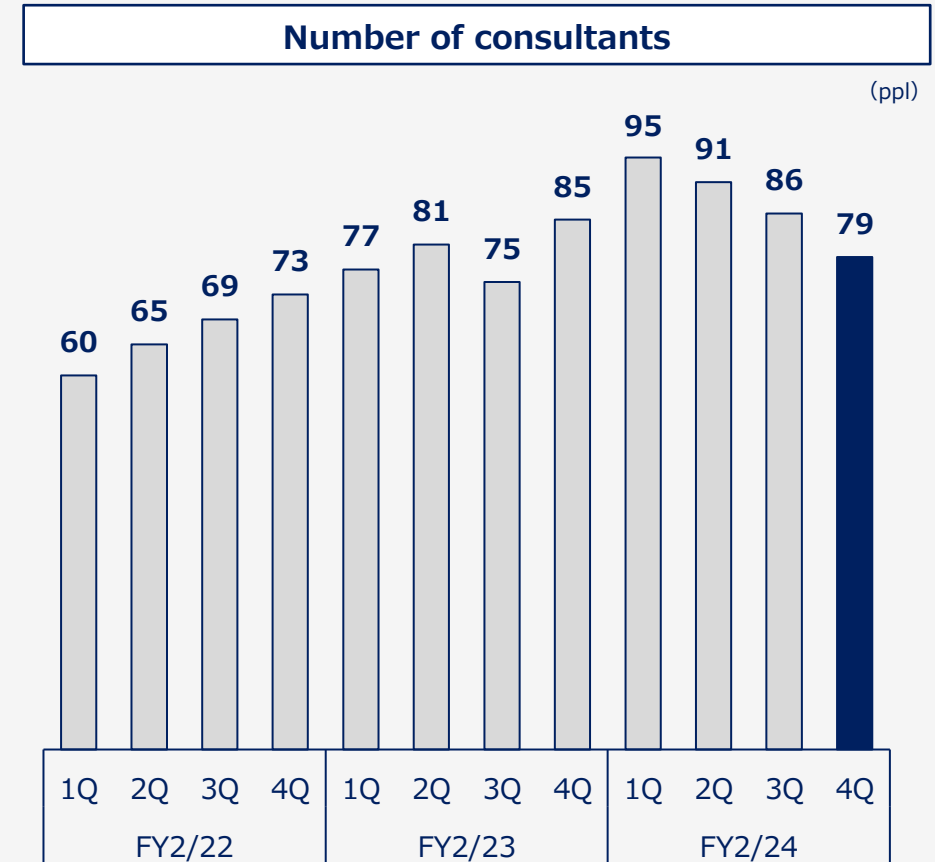
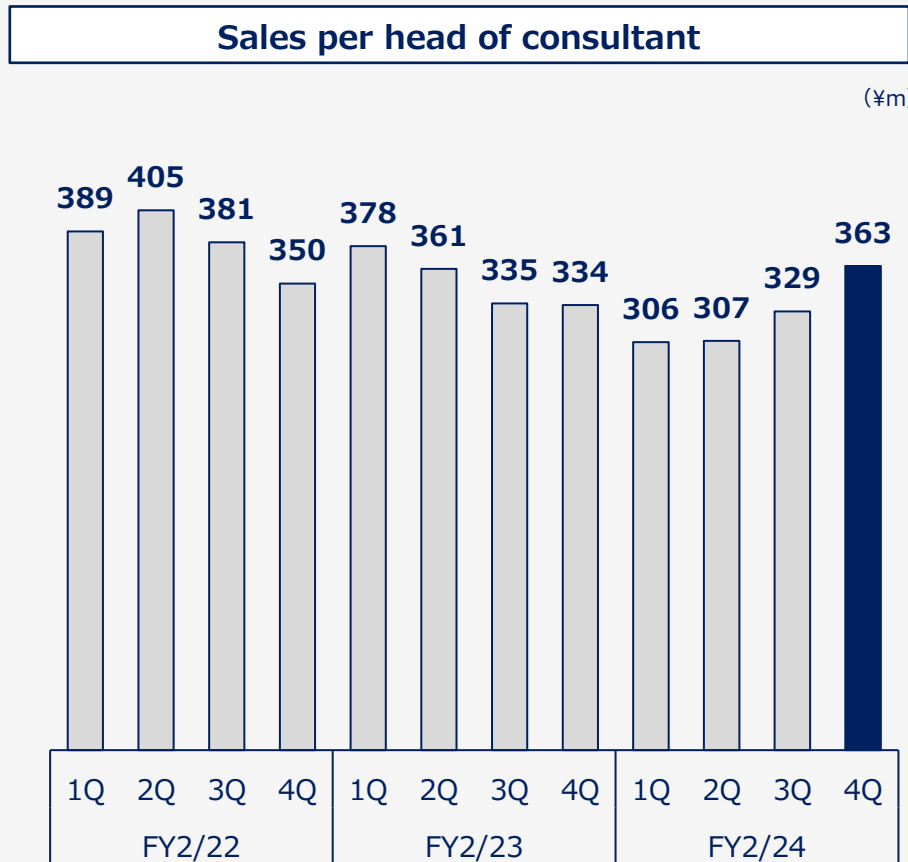


	1Q	2Q	3Q	4Q
Sales	Sales expansion based on a logic of "Number of consultant times sales per head of consultant"	Focus of stock income to maintain client retention	Number of regular customer: 2Q end 586 companies 3Q end 668 companies	Number of regular customer: 4Q end 699 companies
Operating cost	Record high sales of ¥644m in Management Consulting Service	Sales decreased QoQ, ¥605m in Management Consulting Service	Sales recovered QoQ, ¥628m in Management Consulting Service	Sales improved QoQ, ¥632m in Management Consulting Service
Others	Aggressively spent advertisement cost	Cost saving, by not aggressively spending advertisement. Suspended hiring	Investment to new service, such as BPO and POC, BtoC business	Remain investment in new service. Restarting hiring
Others	Revised Operating Strictures Exited one investee in VC funds	n/a	Revised HE agency services	Losses in valuation of operating investment securities in VC funds

KPI (1/4)

Due to improve of quality of consultant sales per head of consultant has recovered.

Whereas, suspended hiring results hit a bottom of number of consultant, FY2/25 forecast is remain 79



KPI (2/4)

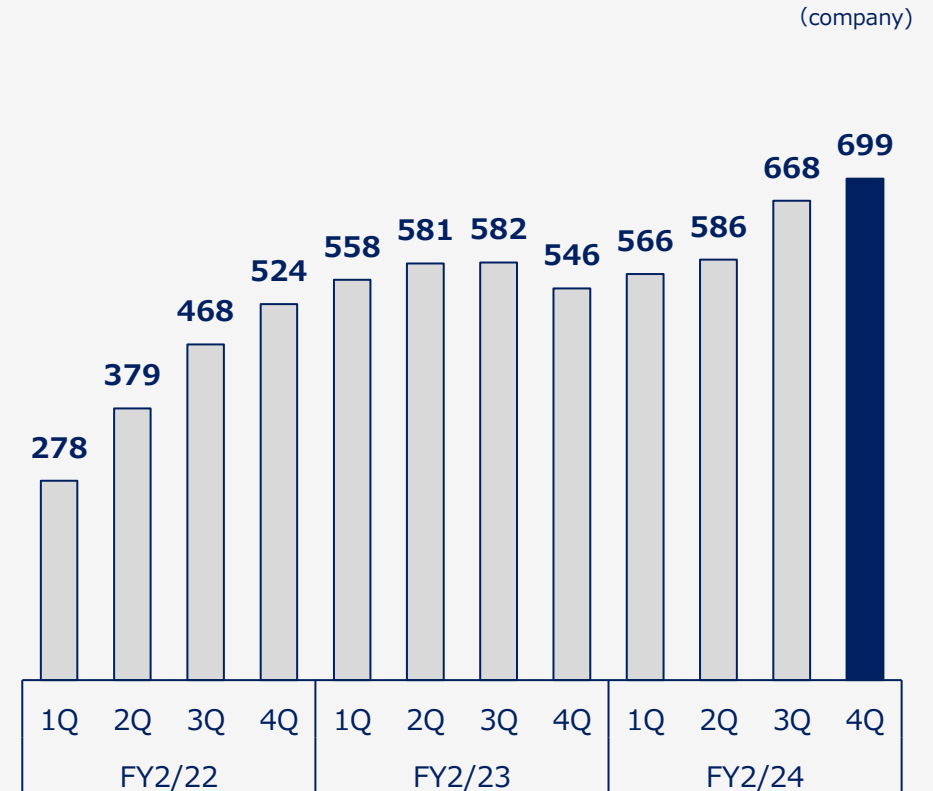
Accumulated contracts reached **4,000** within 9 years since founding

Retained costumers of Shikigaku basic services (Flagship service) hit **Record high**

**Accumulated contracts
(management consulting services)**



**Retained costumers
(Shikigaku basic services)**



KPI (3/4)

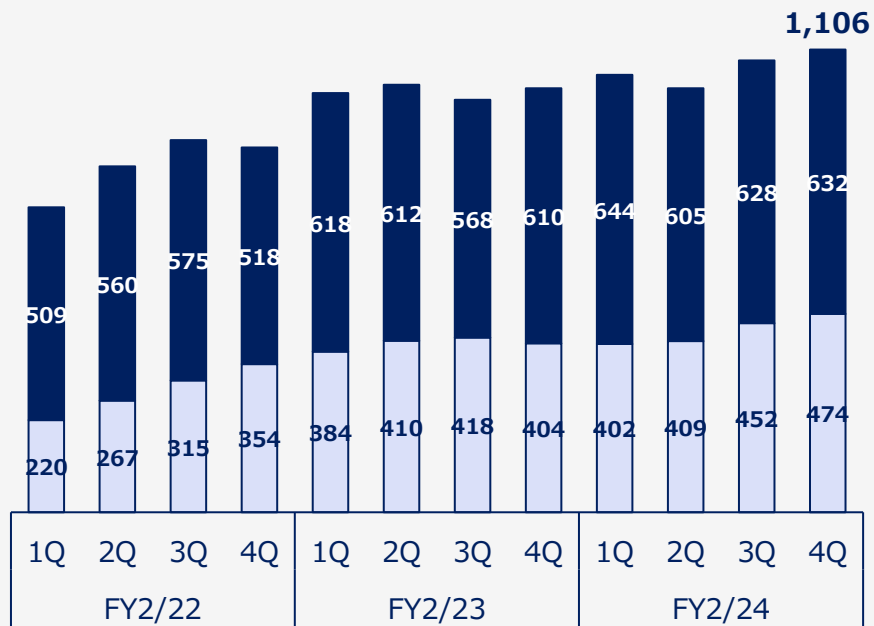
Platform service(stock type income) reached **record high sales , ¥474m**

Sales of Management consulting reached **record high sales, ¥1,106m**

Sales – Management consulting

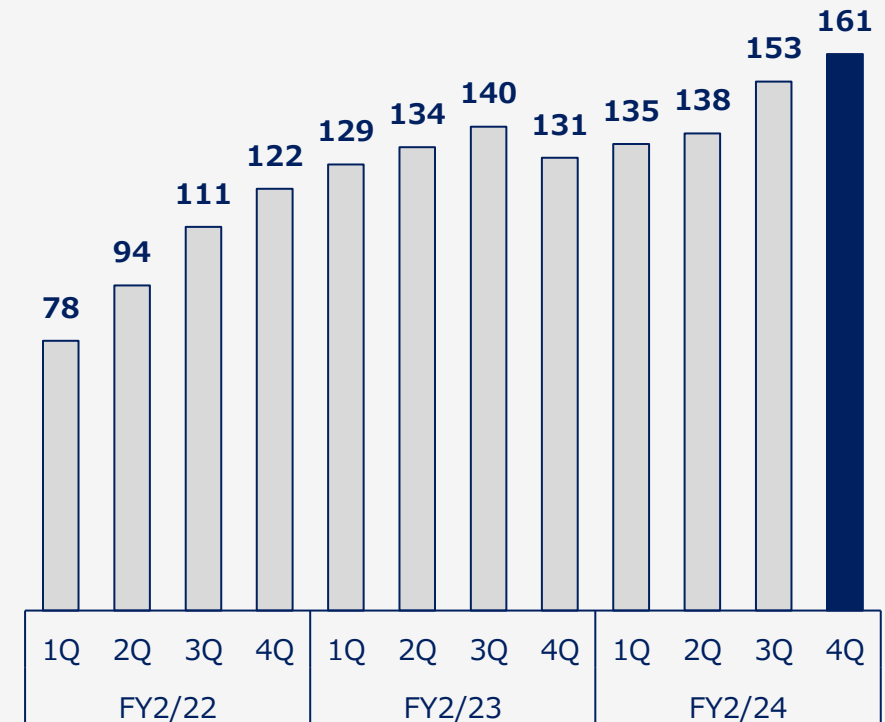
(¥m)

□ Platform service ■ Management consulting



Platform services – monthly sales

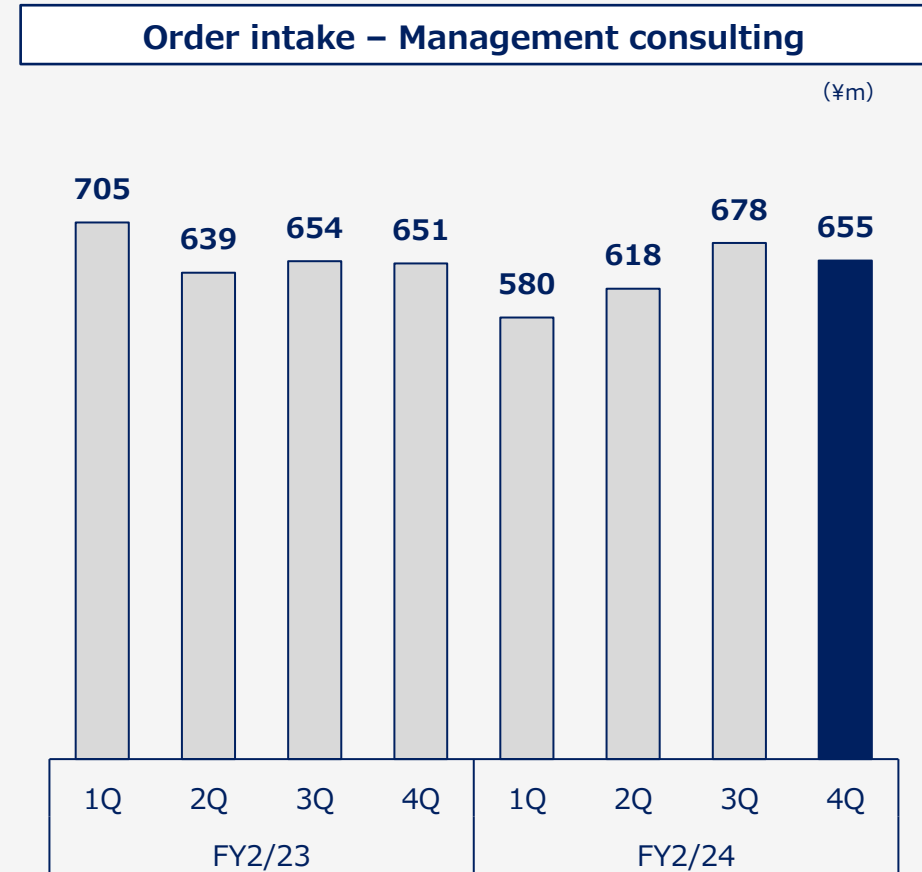
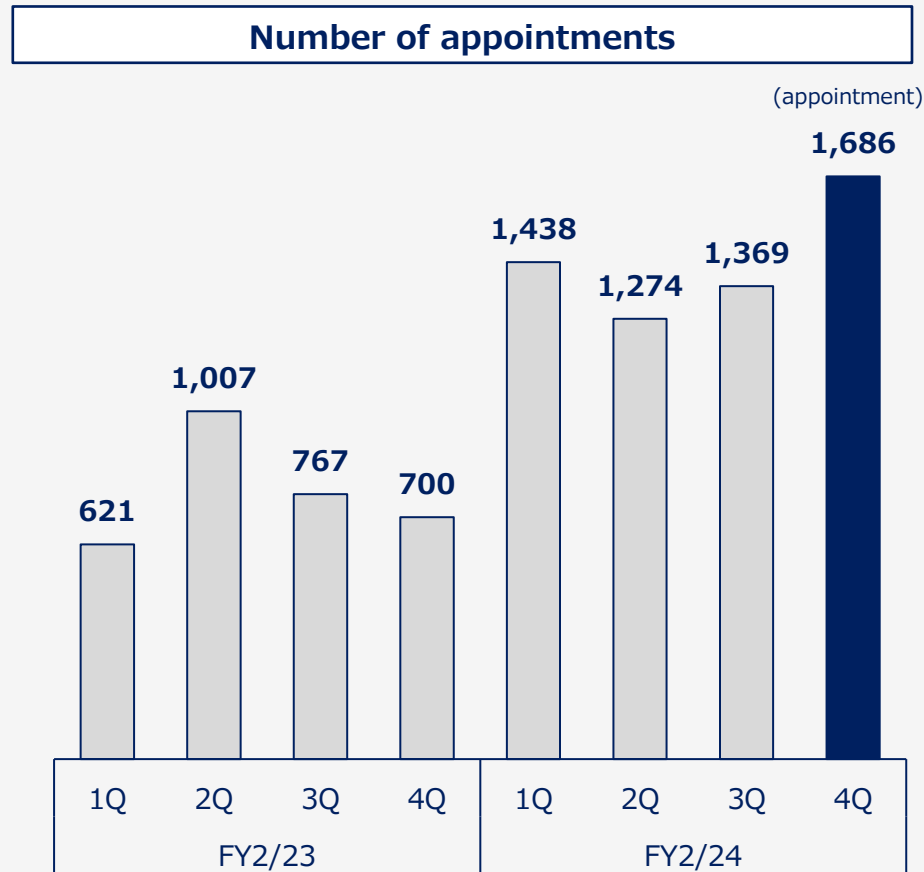
(¥m)



KPI (4/4)

Advertising and Marketing cost was ¥177m in 4Q (QoQ -3.3%)

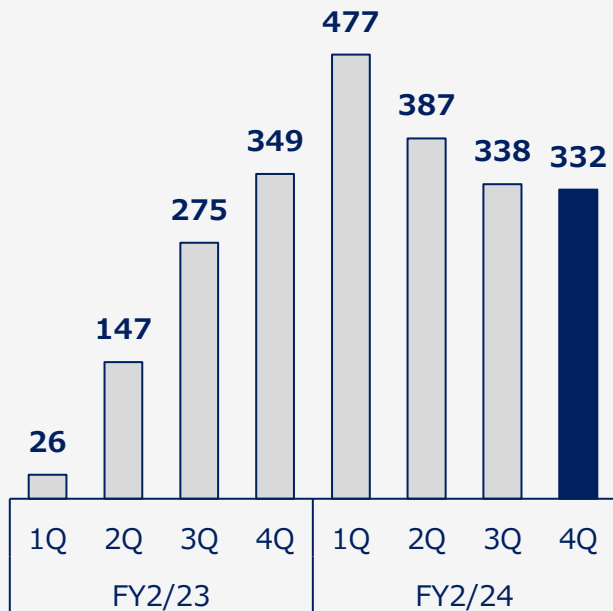
1,686 new appointments in 4Q (QoQ +23.2%) , improved cost-effectiveness



Large Company Order Intake

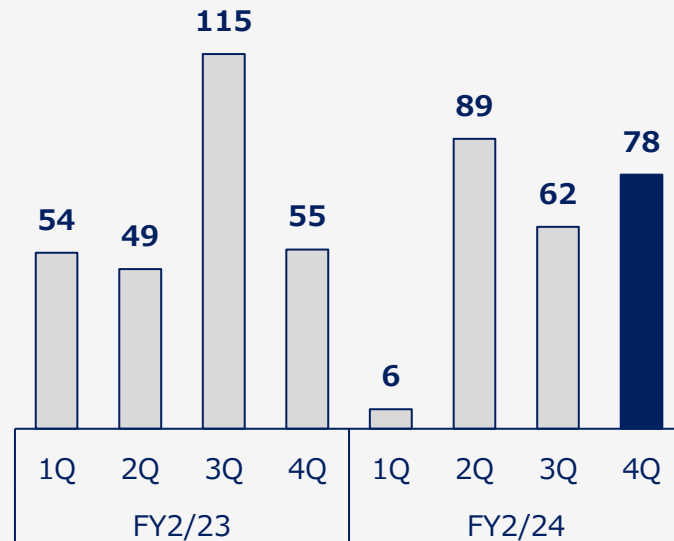
Number of appointments

(appointment)



Order intake

(¥m)



Major clients



Segment Highlights – VC Fund

Shikigaku Fund #1 Launched October, 2019	Invested (¥m) (A)	Collected (¥m) (B)	Return (B/A)
Geocode (7357 JP)	29	101	339.3%
Aidoma HD (7373 JP)	35	250	696.5%
6 unlisted companies	181	—	—
Cash	93	—	—
Total	341	352	103.2%

Shikigaku Fund #2 Launched June, 2021	Invested (¥m) (A)	Collected (¥m) (B)	Return (B/A)
17 unlisted companies	502	30	6.0%
Cash	209	—	—
Total	711	30	4.2%

Shinshinkiei Fund Launched July, 2023	Invested (¥m) (A)	Collected (¥m) (B)	Return (B/A)
3 unlisted companies	65	—	—
Cash	160	—	—
Total	225	—	—

Segment Highlights – hands-on Fund

Invested a company in March 2022

Investee improved its financial condition

Penetrated our method of management “Shikigaku method of organizational business structure”

Two candidates of board members to send to another investees

Shinsei x Shikigaku Fund Launched June, 2021	Invested (¥m) (A)	Collected (¥m) (B)	Return (B/A)
1 unlisted company	315	—	—
Cash	281	—	—
Total	596	—	—

Agenda

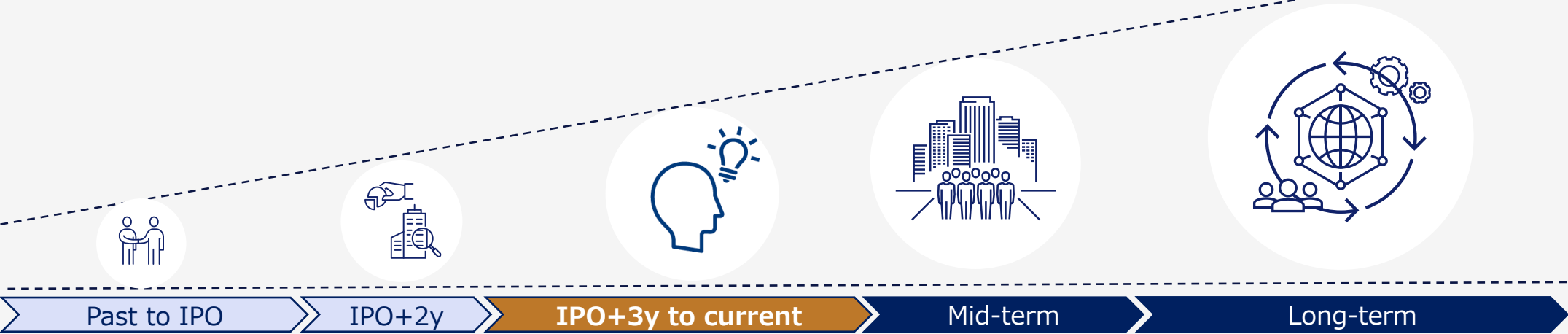
1 | FY2/24 Full year Result Presentation

2 | **FY2/25 Forecast**

Corporate philosophy and our view

Corporate philosophy

“識学を広める事で人々の持つ可能性を最大化する”



Condition	<p>“Shikigaku” Penetrated Venture CEOs</p>	<p>Trial and error to penetrate “Shikigaku”</p>	<p>Becomes standard idea for work to use Shikigaku method</p>	<p>More widely recognized, used non-business scene</p>
Social Impact	<p>Tested an usefulness of Shikigaku method: Certain number of clients and IPO shows “Shikigaku method” is Usefulness</p>	<p>More opportunities to use Shikigaku method, launch new business, BPO, fund, books etc.</p>	<p>“Shikigaku method” becomes a common sense Common understanding that “Shikigaku method” works ALL</p>	

Focus in operating segment in FY2/25

Consolidated Annual Sales **¥5,245m** Operating Profit **¥168m**

Focus : Increase stock income and cost reductions

**Organizational
Consulting
Segment**

Sales **¥4,523m** Operating profit **¥452m** Operating profit margin **10.0%**

Main services are Platform service (stock type income), Management consulting service (flow type income) and Career service in HR (upsell service) , core services in consultant business in general.

Focus : Seeking way to penetrate “Shikigaku method” (investment within profit)

Main services are marketing BPO, and BtoC services such as HR recruitment service, it is to enhance and encourage to remain our clients. We do trial & error in this business area.

**VC Funds
&
Hands-on Fund
Segment**

Focus : Expand portfolio and make realized gain

Forecast includes cost but not sales nor profit from exit of investees. Focusing on exiting, expanding portfolio and seeking investment opportunities in Fund 1, 2 and 3 respectively

**Sports
Entertainment
Segment**

Focus : Usefulness of “Shikigaku method” in sports business

Manages Pro-Basketball team in Fukushima ,only pro-sports team in Fukushima prefecture

To do in operating segment in FY2/25

Segment	Focus	To do
Organizational Consulting Segment	<p>Sales in Platform service</p> <p>Improving quality of consultant</p>	<p>Increase sales and clients retention of our flagship service, platform service</p> <p>Also, utilize its enhanced platform services, 1) enhance existing service and to make new service (enhancing hard service) and 2) maintain current number of consultant to get more experience faster (enhancing soft service)</p> <p>Result: Improve client satisfaction then lower cancelation rate thus improve condition of our client's relationship</p>
VC Funds & Hands-on Fund Segment	<p>Exit</p> <p>IPO support</p> <p>Collaboration</p>	<p>Fund 1 (VC) : IPO support and exit</p> <p>Fund 2 (VC) : Improve profitability in investee and IPO support</p> <p>Shinshinkiei Fund (VC) : Increase number of investee</p> <p>Shinsei Fund (hands-on) : Collaboration and Restructuring also considering exit</p>
Sports Entertainment Segment	<p>Sponsors</p> <p>Testing utilization of "Shikigaku method"</p>	<p>Increase the number of sponsor and sponsored amount per company.</p> <p>Collaboration of municipal government, more consignment business network and development project of Arena. Remain keep investing in the team.</p>

FY2/25 Forecast

Sales increase slowly with profits

Cost control focus, no mass-hiring and large scale advertisement for branding. Also improve productivity to make profits, maintain operating style in 2H FY2/24

(¥m)	FY2/24	FY2/25 (forecast)	YoY
Sales	4,829	5,245	8.6%
Organizational Consulting	4,248	4,621	8.8%
Sports Entertainment	551	624	13.2%
VC Fund	-	-	-
Hands-on Fund	-	-	-
CoGS and SG&A	4,943	5,077	2.7%
HR and hiring	2,087	2,153	3.2%
Advertisement and marketing	842	650	▲ 22.8%
Operating profit	▲ 113	168	-
Recurring profit	▲ 111	166	-
Net Income Attributable to Owners of the Parent	▲ 97	37	-
Consultant (ppl)	79	79	0.0%

FY2/25 Forecast – Sports Entertainment

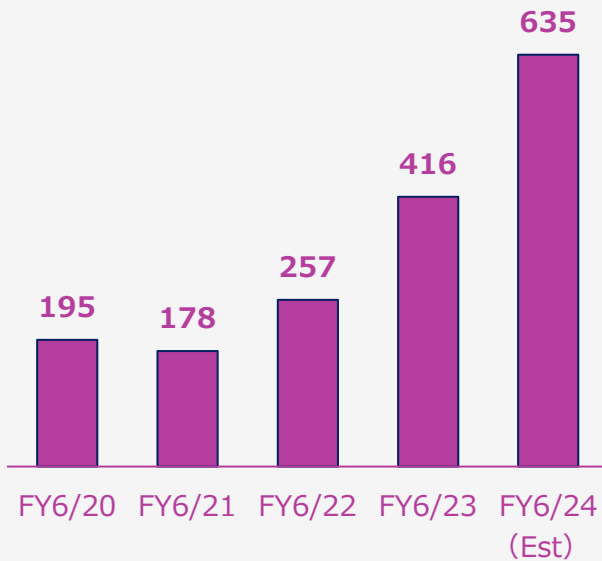


Acquired in April 2020.

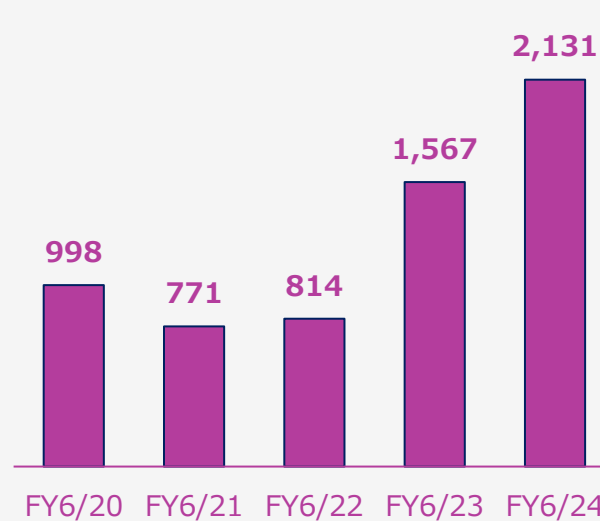
Dispatch consultant and additional investment to improve operations

The number of sponsor, average home-game attendees, and sales hit record high

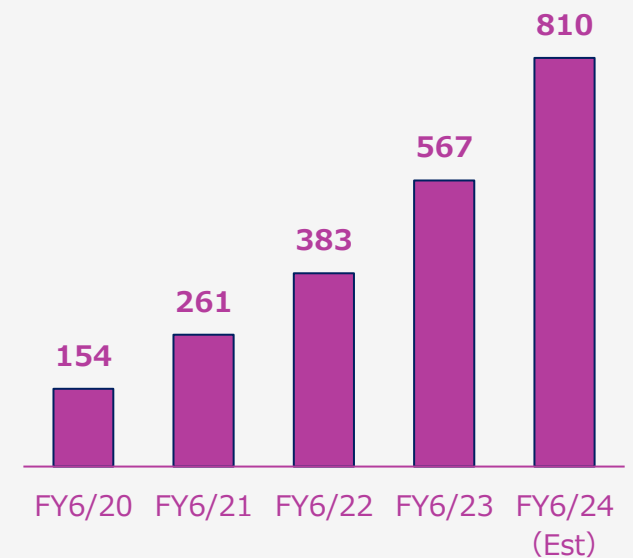
Sponsor (company)



Home-game attendee (ppl)



Sales (¥m)



Disclaimer

Forward-looking statements included in this material are based on judgments and assumptions based on information available at the time this material was created, and we do not guarantee its accuracy. In addition, this document includes financial figures that have not been audited by an independent certified public accountant or audit firm.

Please note that actual performance may differ significantly from the forecast due to various uncertainties included in these judgments and assumptions, changes in risk factors, changes in the economic environment, etc.

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