

**ZIGExN**  
Update Your Story

ZIGExN Co., Ltd. | Integrated Report 2021

# ZIGExN REPORT 2021

# Philosophy



## What We Have Valued Since Our Founding

### 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



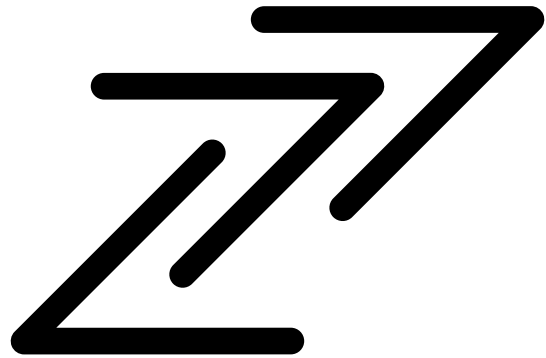
**Figuring Out What We Can Do for Society**

## **Update Your Story For a Better Future**

We took the 15th anniversary of our founding to establish a new “purpose” for our Company’s existence: “Update Your Story for a Better Future.” These words encompass the idea that you are the main star of your life, and that we hope you advance your life through the services of ZIGExN.

We will incorporate the mentality of this purpose into all aspects of management, from business, service, and governance to ESG, and aim to be a “comprehensive life platform company” that updates the future of everyone at the crossroads of life.

# 15th Vision



**ZIGExN**  
**Update Your Story**

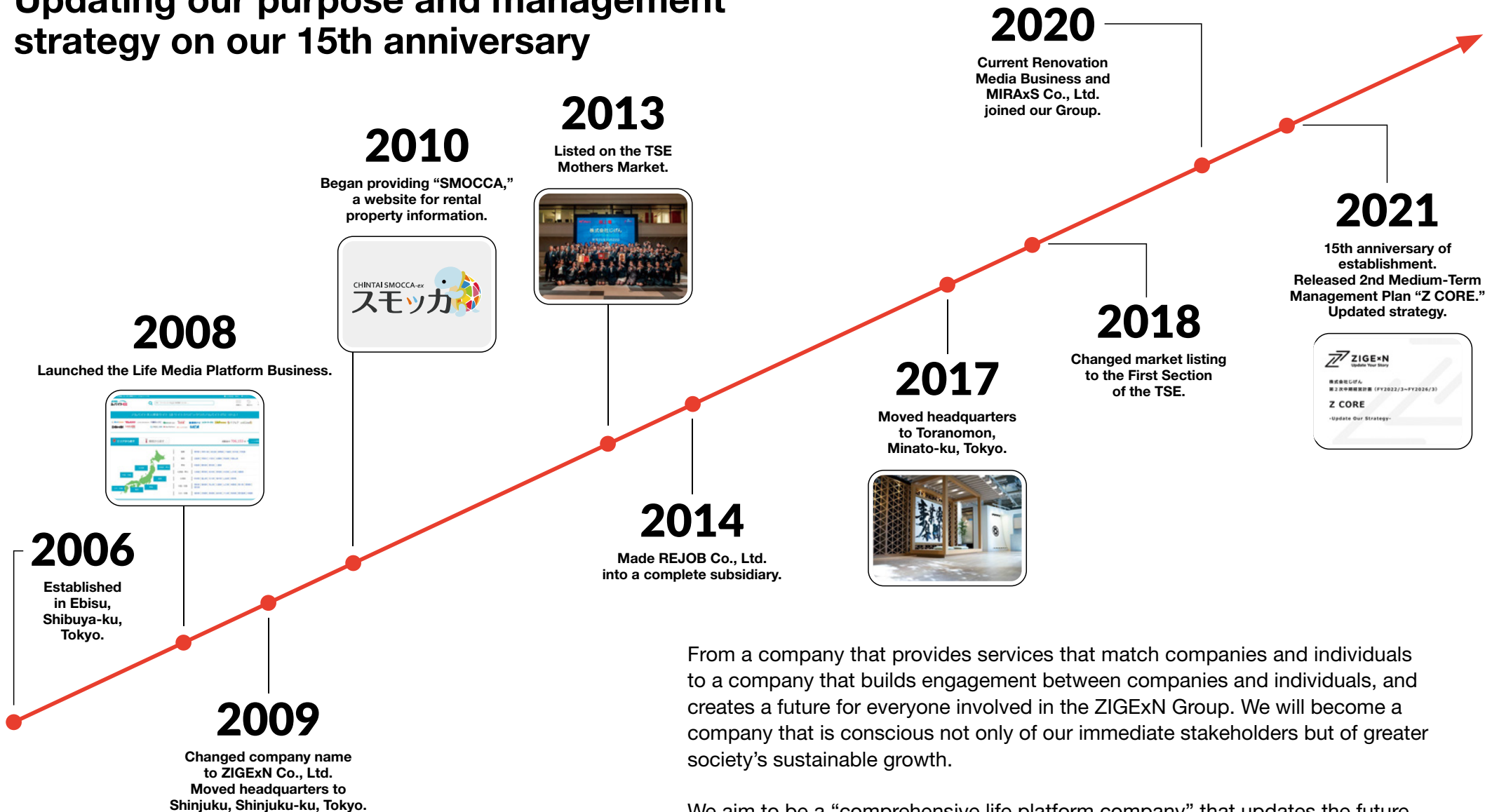
**Becoming a company that achieves joint prosperity with society and aims for sustainable growth**

We created our new logo based on the combination of the first character “じ” of ZIGExN (じげん) in Japanese and the letter “Z” of ZIGExN in English. It portrays the discontinuous growth and our transformation into a company that aims for sustainable growth through coexistence and co-prosperity with society.

The black and white colors evoke a zebra. Startups that emphasize sustainability and adopt coexistence as their value are called zebra startups. Additionally, companies that have achieved sudden growth in a short span of time are called unicorn companies. Our company logo, which resembles both a zebra and a unicorn, embodies our intention to become a company that blends both, which has traditionally been regarded as difficult to balance.

# History

## Updating our purpose and management strategy on our 15th anniversary



From a company that provides services that match companies and individuals to a company that builds engagement between companies and individuals, and creates a future for everyone involved in the ZIGExN Group. We will become a company that is conscious not only of our immediate stakeholders but of greater society's sustainable growth.

We aim to be a "comprehensive life platform company" that updates the future of everyone at the crossroads of life.

# Message



## Joe Hirao

Representative Director,  
Operating Officer and CEO

Joe Hirao was born in 1982. In 2005, he graduated from the Faculty of Environment and Information Studies at Keio University.

He established two companies while in school, and joined a company named RECRUIT while managing one in 2005. After experiencing areas such as the human resources division, the internet marketing branch, and the business development office, he became a director of the company that would become the predecessor to ZIGExN. Following that, he was appointed Representative Director, Operating Officer and CEO, and made the Company independent through an MBO. In 2013, the Company was listed on the TSE Mothers Market, then changed to the First Section of the TSE in June 2018. Since 2011, we have been awarded in the “Japan Technology Fast 50” for nine consecutive years, and selected as one of “Forbes Asia’s 200 Best Under A Billion” for two consecutive years since 2018.

## Becoming a company that achieves joint prosperity with society and aims for sustainable growth

### Decided to Evolve ZIGExN at the Turning Point of the 15th Anniversary

In June 2021, ZIGExN celebrated its 15th anniversary. To mark this occasion, we have established “Update Your Story for a Better Future” as our corporate purpose.

We also renewed our corporate logo using the initial “Z” as a motif of the “ㇿ” of ZIGExN in Japanese, the logo expresses the discontinuous growth and its transformation into a company that aims for sustainable growth through coexistence and co-prosperity with society.

The company name “ZIGExN” expresses our desire to create a company that can go beyond and become the “foundation”(元) of the “future”(次) as a “venture” company. With the management principle “OVER the DIMENSION!” as our origin, we have been refining our technology with the strength of our diverse services and marketing capabilities in order to eliminate the information gap in the world and create opportunities for everyone to make their best decisions from a wider range of options.

Since the foundation, the ZIGExN Group has achieved 13 consecutive terms of revenue growth. The number of corporate clients has increased nearly 100 times from 200 to 20,000 over the past 10 years, and although we were strongly affected by COVID-19 especially in 2020, both sales revenue and profits increased year on year in the 4Q of the fiscal year ended March 2021 because of the diversified business portfolio.

# Message

However, in the wake of the COVID-19 disaster, we recognized that we need more preparation for unforeseen risks. We have been thinking about what we can do now, and we have come to the conclusion that we should take the opportunity of our 15th anniversary to further evolve ZIGExN. While maintaining profits and growth, we will also make investments and sharpen our business operations. The 2nd Medium-Term Management Plan “Z CORE” shows the direction and goals of ZIGExN’s evolution in business strategy.

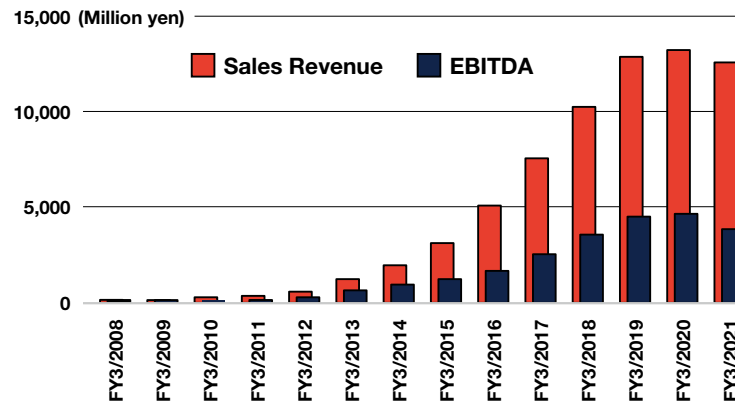
## Strategy to Create “Z CORE” with Sales Revenue Exceeding 10 Billion Yen

“Z CORE” refers to a business with sales revenue of more than 10 billion yen as a segment that has strong market potential or high growth potential. There are three key elements. These are “selection and concentration,” “expansion of matching technology,” and “expansion of the customer base.”

In our business strategy, we have also adopted a contrary perspective, narrowing down business domains through selection and concentration. Through our unique business portfolio analysis, “ZPM (ZIGExN Portfolio Management),” we will conduct upfront investment in our core businesses to achieve “Z CORE” with sales revenue exceeding 10 billion yen.

At the same time, we have revised our segmentation. We have reorganized the existing segments of Human Resources, Real Estate, and Lifestyle into three segments: “Vertical HR” and “Living Tech,” which consist of our core businesses, and “Life Service.” In the Life Service segment, we will generate stable cash flow and expand the database, which is the source of our matching technology, and by utilizing the knowledge, human resources, and generated cash, we will achieve further growth in our core business.

## ● Sales Revenue and EBITDA



In terms of investment strategy, we will continue to look for M&A opportunities and make strategic investments in businesses that can become our future core business. Based on the growth of existing businesses, we aim to achieve sales revenue of over 35 billion yen and EBITDA of over 10 billion yen in FY3/2026.

Based on the M&A conducted in the past, we have yielded a high return on investment, with an annual return on investment of 27% based on EV/EBITDA multiples for FY3/2021, and a cumulative return on investment of 155%. Through our unique PMI method “ZVI (ZIGExN Value Integration),” we improve the conversion rate of the businesses or services, and by applying our matching technology, we have increased the enterprise value in a short period of time. We will turn the diverse culture coming from M&A into our strength and further promote value creation.



# Message



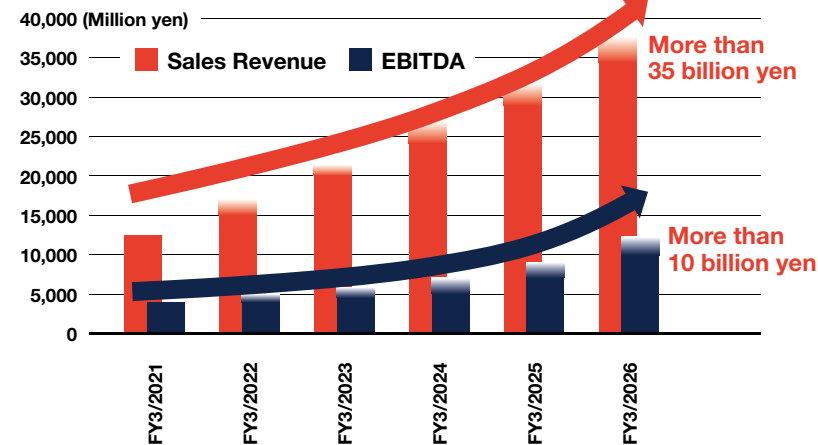
## Continuing Efforts and Challenges for Further Growth

We will also evolve ZIGExN as an organization. Up until now, we have been focusing on the employability of our employees with the mindset “each and every one of us should be an entrepreneur,” but we see there is much more to be done in terms of well-being.

For example, support for employees’ childcare, nursing care, and education. In addition, remote working provides an opportunity to increase engagement not only with employees but also with various other people.

We will enhance the well-being of individuals through flexible work styles, such as flexible work hours, shortened working hours, and working in the countryside, and further refine the “well-doing” of the business. This will lead to a richer life for each and every employee of our Group, and our purpose of “Update Your Story.”

## ● Financial Performance



In April 2021, we officially established the Sustainability Promotion Office and started working on ESG/SDGs. We will set up KPIs and create a team that commits to achieving them.

Originally, our business has focused on resolving information asymmetry, and we will continue to pursue both corporate growth and the sustainable growth of society.

The hiragana name “ZIGExN (じげん)” is based on our desire to communicate from Japan to the world, and in the future, we will take a step toward global expansion.

Currently, we are a listed IT company in Japan that is investing in Africa, and we are looking not only at Europe and the United States, but also at Asia, the Middle East, South America, and other areas. We hope to utilize the potential of the Japanese-style internet business throughout the world.

We think that management resources are abundant around the world. In the next 15 years, we will continue to expand more and continue to make further efforts so that people will say, “We are glad that it updated the Company at that time, and it became a better company.”

August 11, 2021



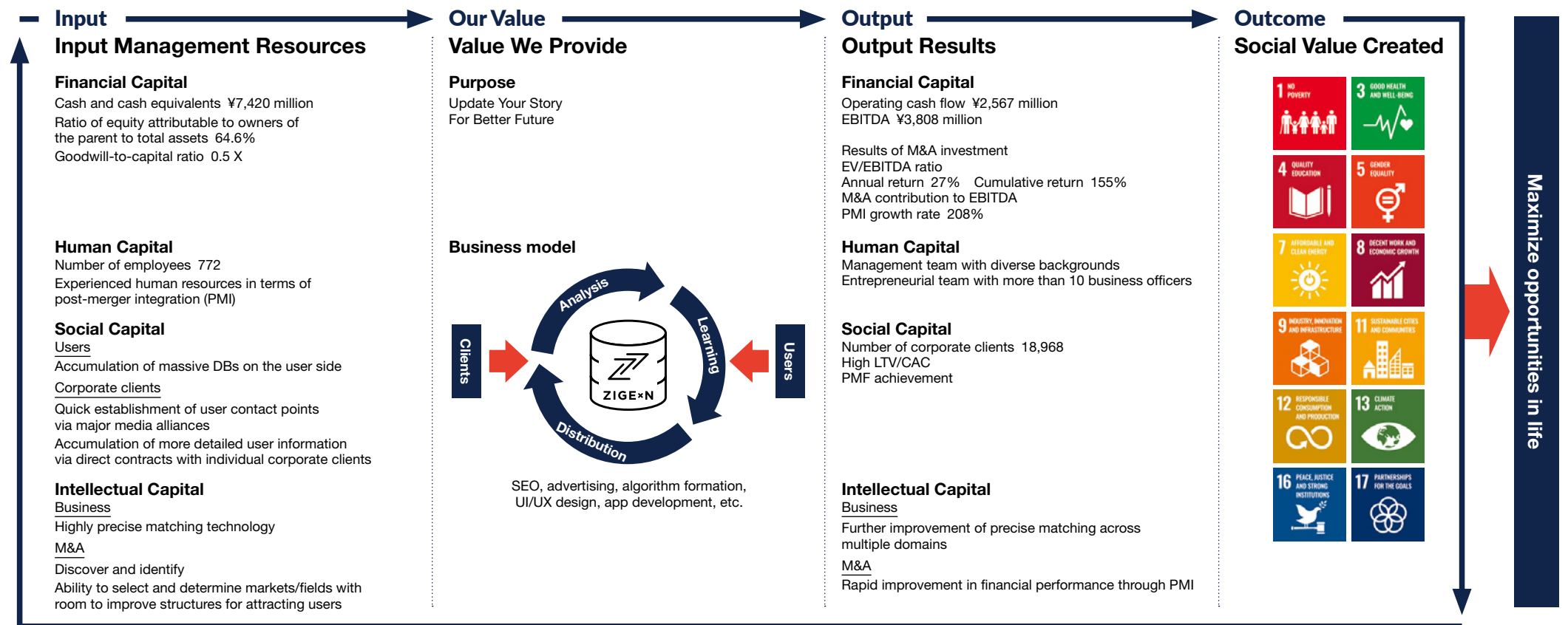
# Corporate Value

## ZIGExN's Value Creation Process

Based on the most important management resource, human capital, the ZIGExN Group create value utilizing our highly precise matching technology and leveraging M&A, and we will achieve medium- to long-term growth.

Then, through our Life Service Platform Business, we will provide social value to all stakeholders associated with the Company and maximize opportunities in life.

### Value Creation Process



Note: Figures are as of March 31, 2021

# Corporate Value

## Value Creation ① | Highly Precise Matching Technology

### Learn, Distribute and Analyze Accumulated Information with Matching Technology

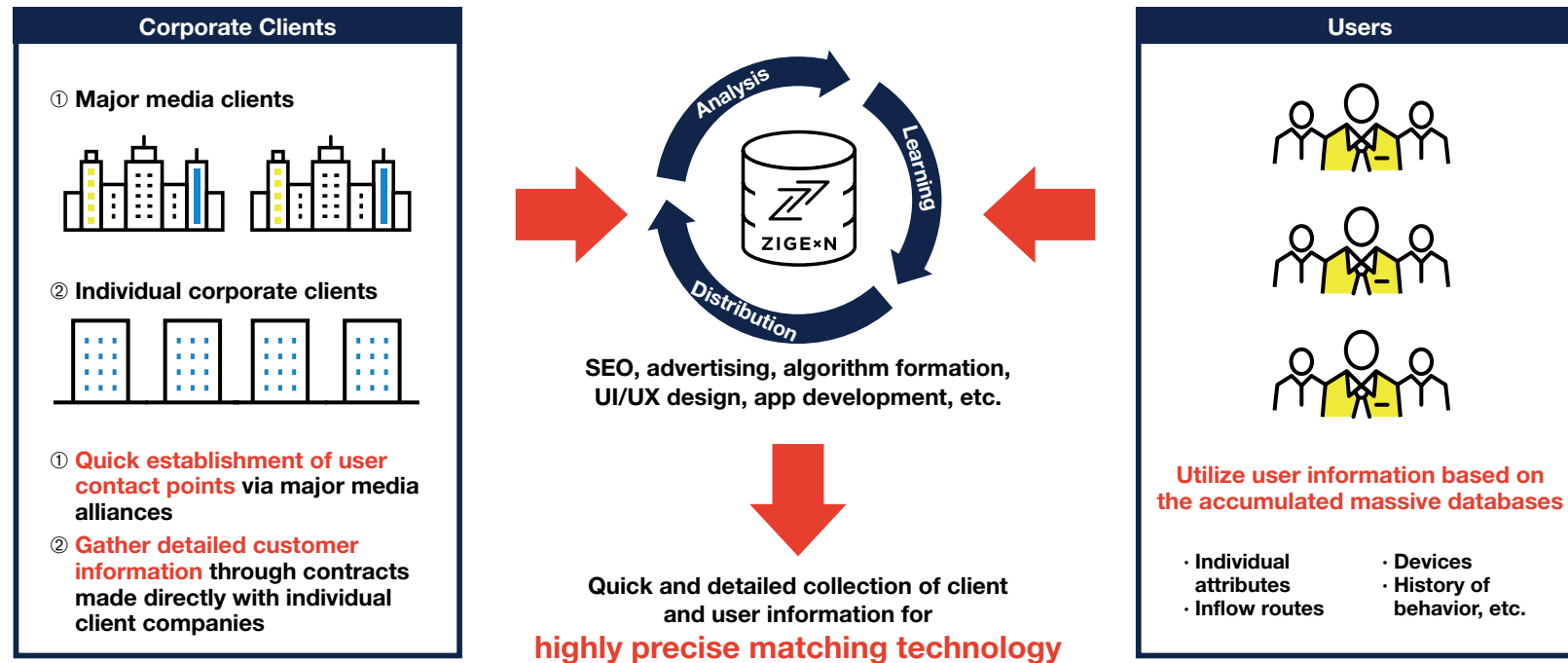
ZIGExN believes that internet media plays two major roles. The first is to gather users and the other role is to promote users' behavior. Especially, we are better at promoting users' behavior.

With our strength of a highly precise matching technology cultivated since our foundation, we have continued to compile learning, distributing

and analyzing of information on both user and client side, and now have a unique technology in Japan.

We quickly build client and user contact points and have collected and analyzed information on both user and client side for over 10 years. This has resulted in successfully establishing highly precise matching technology that promotes user behavior (gather and move) on a database-driven basis.

### ● ZIGExN's Core Technology



# Corporate Value

## Value Creation | M&A Strategy Using ZVI

### Raising the Rate of Successful M&A through Our Original PMI Method

Since listing publicly, the ZIGEXN Group has conducted 19 M&A. We have been accumulating knowledge of PMI that brings about successful M&A.

Through our original PMI method of ZIGEXN Value Integration (ZVI), we identify issues in marketing and put our marketing knowledge and improve it with our highly precise matching technology. In some cases, we achieved good results within only three months of an M&A because of the

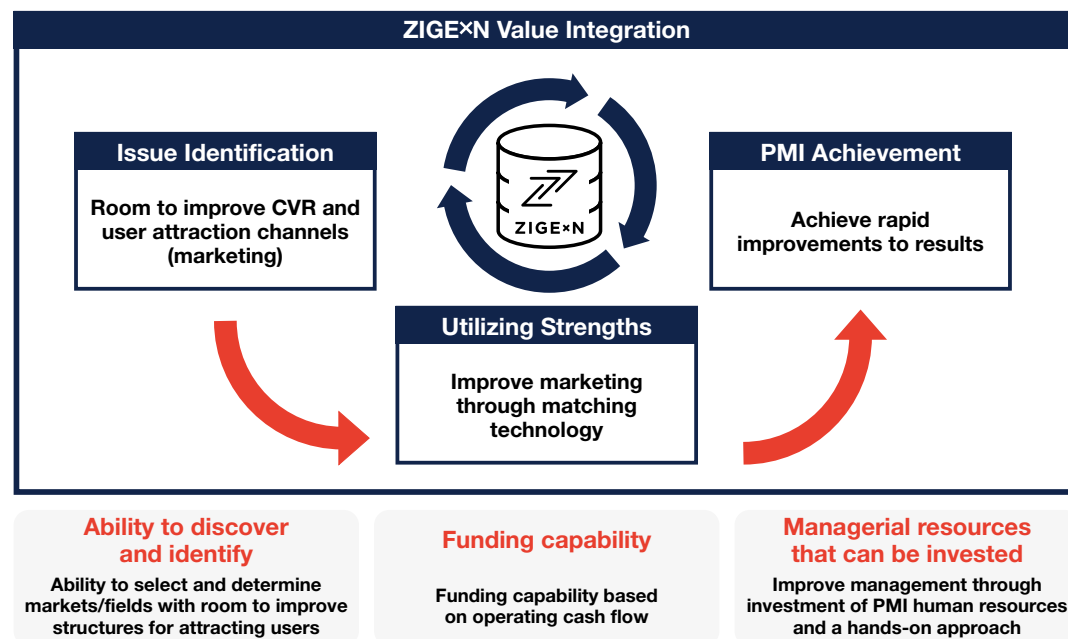
rapid spiral of the accurate issue identification, the leverage of our strengths and PMI achievement.

PMI accumulation has resulted in a PMI contribution ratio of 208%; that is the growth in EBITDA through PMI compared to total EBITDA of acquired businesses at the time of acquisition. Regarding 14 of the 19 cumulative M&A investments (excluding 1 company that was sold and 4 M&A conducted in the past year), the EV/EBITDA ratio shows a high annual return on investment of 27% and a cumulative return of 155%.

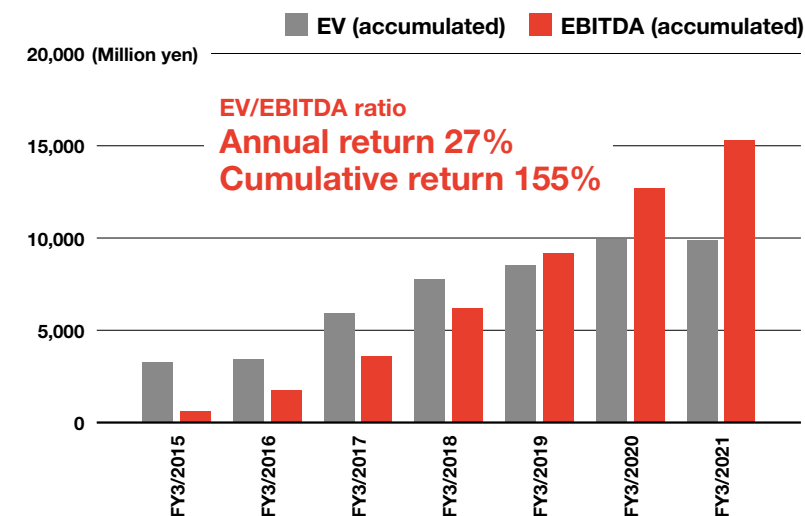
#### PMI

Abbreviation for post-merger integration. PMI entails specific management, administration and awareness to maximize results in the integration process following an M&A (merger and acquisition of a company).

### M&A Strategy Using ZVI



### Results of M&A Investment



Note: Annual returns refer to FY3/2021 results.

# Corporate Value

## Value Creation ③ | Business Officers with an Entrepreneurial Mindset

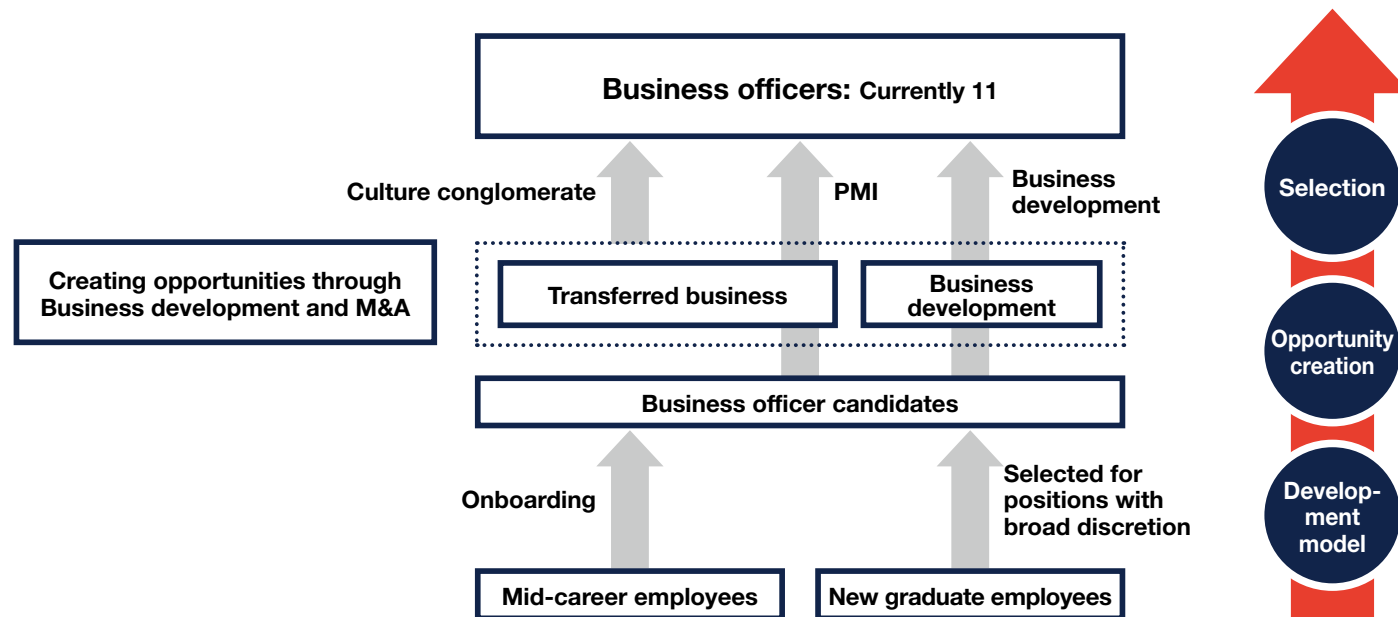
### Discretion and Experience in Decision-Making Grow Individuals and Companies

The ZIGExN Group has maintained discontinuous growth in the fiercely changing IT industry. Moving forward, we will continue to create many new businesses and Group companies through M&A, launching new businesses and alliances with other companies. Therefore, business leaders who can manage and lead a business will be required at those times. The ZIGExN Group's business officers are entrusted with a wide range of responsibilities, which makes them nothing short of "management" of people, goods and money.

Business officers are expected to drive business from many aspects, harboring an entrepreneurial mindset amidst a wealth of opportunities to experience opportunities with significant discretion and expand business. This is because we believe that granting discretion to business officers and broadening the scope and volume of decisions they make will lead to growth. Our employees come from diverse backgrounds, including new graduates, mid-career hires or via M&A, but by selecting employees with an emphasis on practical abilities and providing opportunities for training, we grow ourselves and the organization.

**Entrepreneurship**  
We believe the entrepreneurial spirit in each and every ZIGExN employee is the source of the organization's strength.

### ● Business Officer Creation Cycle



# Contents

About ZIGExN .....	01
CEO Message .....	05
ZIGExN's Value Creation Process .....	08
<b>2nd Medium-Term Management Plan</b> .....	<b>13</b>
Business Selection and Concentration Using ZPM .....	14
Expanding Matching Technologies .....	15
Investment to Accelerate Expansion of the Client Base .....	16
<b>Profile of Mainstay Businesses</b> .....	<b>18</b>
Life Service Platform Business .....	19
ZIGExN's Core Business Model .....	20
Messages from Managers of Mainstay Businesses .....	21
<b>ESG/SDGs Initiatives</b> .....	<b>25</b>
ZIGExN's SDGs Materiality .....	26
Main ESG/SDGs Initiatives .....	27
Investing in People .....	28
<b>Corporate Governance</b> .....	<b>31</b>
Corporate Governance Structure .....	32
Board of Directors & Board of Auditors .....	33
Executive Structure .....	34
Compliance .....	35
<b>Financial Data and Corporate Information</b> .....	<b>36</b>



# Strategy

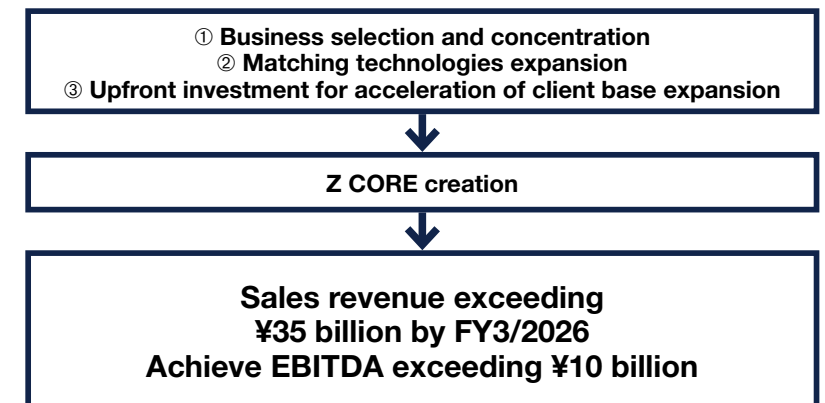


## 2nd Medium-Term Management Plan Creating Z CORE

Under the 2nd Medium-Term Management Plan, we aim for the creation of Z CORE, which is a mainstay business with sales exceeding ¥10 billion. We have formed the following three main strategies in this effort:

- ① Selection and concentration, taking into account tail risk and market potential;
- ② Expand our strength in matching technology; and
- ③ Accelerate expansion our highly expandable, controllable and sustainable client base.

Then, for new business segments, we will concentrate on Vertical HR, comprising the beauty, nursing care and nursing recruitment businesses, and Living Tech, which is made up of the real estate and renovation businesses, and incorporate these into Z CORE through upfront investments.



# Strategy

## Strategy ① | Business Selection and Concentration Using ZPM

### Management Analysis Using ZIGExN Portfolio Management

ZIGExN has formulated ZIGExN Portfolio Management (ZPM), a portfolio from our original viewpoint to promote business selection and concentration. All of our businesses have been broadly categorized into three areas around the two axes of sales growth rate and profitability, and we are building a strong management structure by selecting appropriate markets and allocating management resources in detailed areas.

For the mainstay businesses of Vertical HR and Living Tech, in particular, we have set CAGR targets and are promoting growth for each, and aim for CAGR of 30% for our mainstay businesses overall.

### Promoting Growth in Mainstay Businesses through a Strong Management Structure

We will also manage our next main businesses using ZPM.

In potential businesses where growth and incorporation into Z CORE are possible, we have set up a sound cost structure to withstand investment. In fundamental areas, we will maintain the high profitability they offer while improving sales growth rates. In the remaining turnaround areas, we will review business policies and work on shifting to other areas, while establishing a system to mass-produce candidate Z CORE businesses in the medium term.

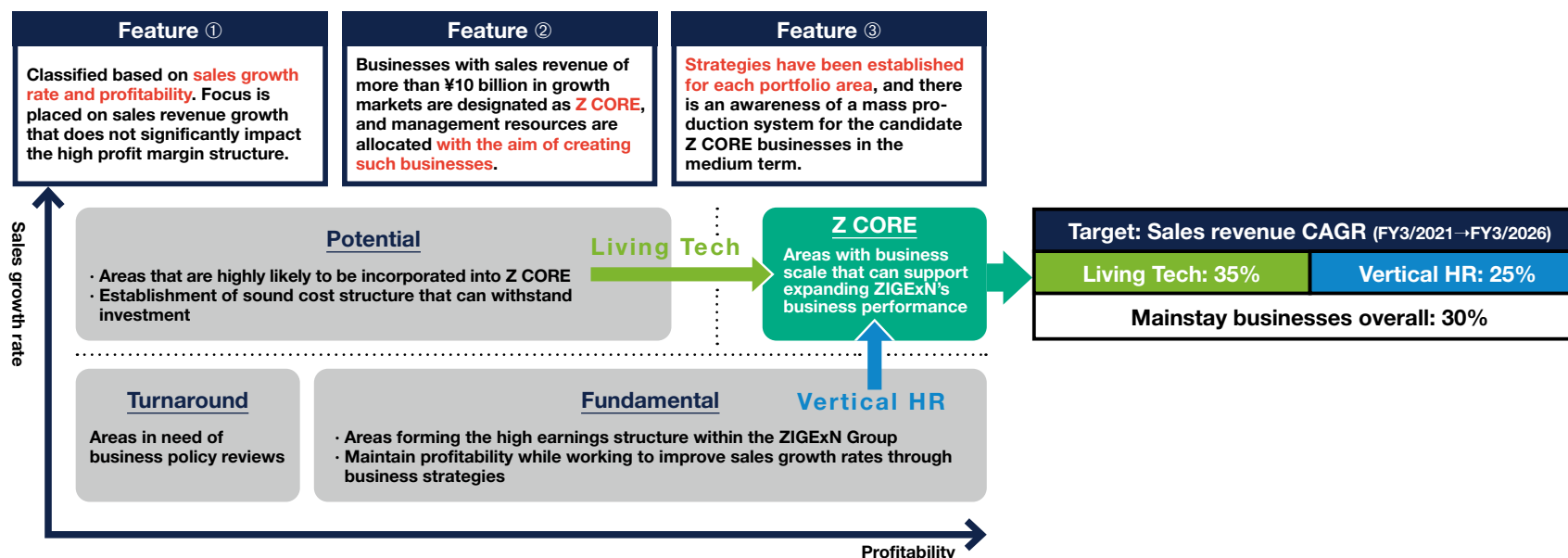
### ZPM

An acronym for ZIGExN Portfolio Management. Using standard project and portfolio management (PPM) as a base, this is a portfolio management method with ZIGExN's original segmentation and regulated strategic directionality for each area.

### CAGR

Compound annual growth rate

### ● Selection and Concentration for Z CORE



# Strategy

## Strategy ② | Expanding Matching Technologies

### Maximize Value Provided in Areas other than Attracting Users

The ZIGExN Group has developed businesses in a wide variety of areas in the field of support using its highly precise matching technology to attract and move users.

Going forward, we aim to maximize the value we provide users and clients by extending client contact points at both ends of value chain in our business model and providing services focused on operational efficiency to help solve issues faced by companies.

For example, we will broaden the benefits for both ZIGExN and clients and further improve LTV by developing and providing products to manage the users we have attracted as we advance into the business support area of DX.

### Expanding Services in Areas other than Attracting Users

We have already started an effectiveness study in the real estate business regarding support the process after attraction, and have been evaluated favorably. We also plan to support sales before attraction and services for overall operations.

We see changes in the environment brought about by the COVID-19 pandemic as opportunities and will expand our matching technology by extending the reciprocal role we have played up until now.

### DX

Digital transformation. Refers to the use of products or services utilizing data or digital technologies to reform business models, operations, organizations, etc.

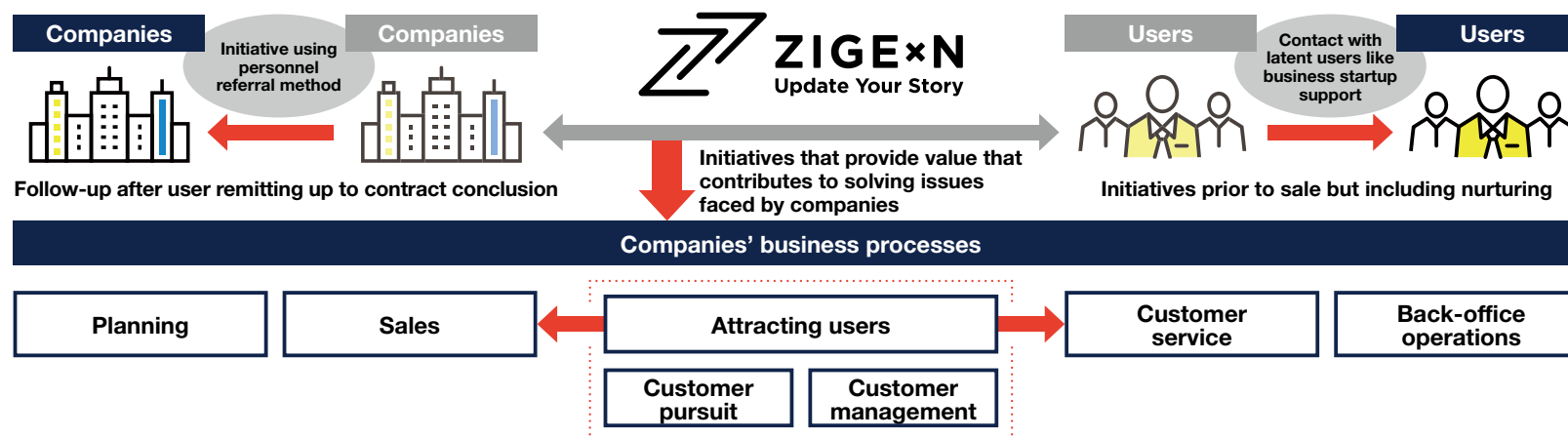
### LTV

Customers' Lifetime Value. Refers to the lifelong benefits an individual or single company receives.

### Nurturing

Nurture clients

### ● Example of Expanding Customer Contact Points



**By providing options that enable not only attracting users but more efficient operations overall, we will maximize lifestyle opportunities.**

**First, we will work on the peripheral areas of attracting users.**



# Strategy

## Strategy ② | Investment to Accelerate Expansion of the Client Base

### Upfront Investment in Expansion of Client Base that has Room to Grow

The 2nd Medium-Term Management Plan makes clear that upfront investment is a priority for expanding the client base. Upfront investment with a focus on corporate clients in particular will lead to expanding sales revenue for the creation of Z CORE. ZIGExN believes its expansion lies in client development taking into account the LTV/CAC index, which shows how much revenue can be earned for the cost of acquiring a client, an internal factor serving as a backdrop to the strategy. Similarly, the client side is also key in M&A and organic growth, and we believe there is ample room to grow from our perspective.

### Proactive Investment in DX Needs to Maximize Effects

Meanwhile, in the external environment, DX needs have rapidly escalated due to the COVID-19 pandemic. We believe this will continue in all industries in the future, but there are many areas where the competition has yet to invest proactively, so moving quickly could lead to business opportunities.

Taking a comprehensive view of our competition, the industry environment and the status of our PMF, we judge that rapidly implementing upfront investment presents a wonderful opportunity to maximize its effects. We periodically check investment effects and invest with discipline.

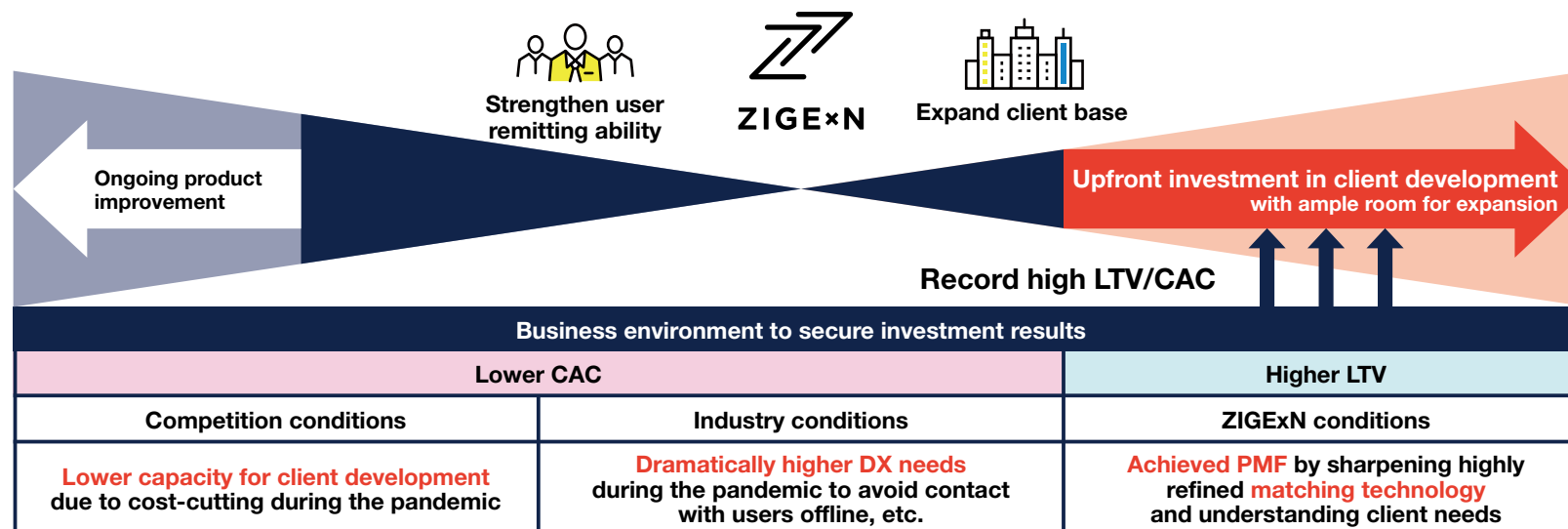
**LTV**  
Lifetime Value

**CAC**  
Customer acquisition cost

**Organic growth**  
Organic growth is growth that occurs autonomously. Companies use internal resources to grow by increasing sales of existing products and services.

**PMF**  
Product Market Fit. This refers to a supplied product being a match for and accepted by the market.

### ● Bird's Eye View of the Business Environment for Competition, Industry and ZIGExN



In the above graphic, users are on the left and corporate clients on the right. By maximizing the area of the ribbon model, we will also increase corporate value.

## Client Value Circulation with Expansion of the Client Base as a Starting Point

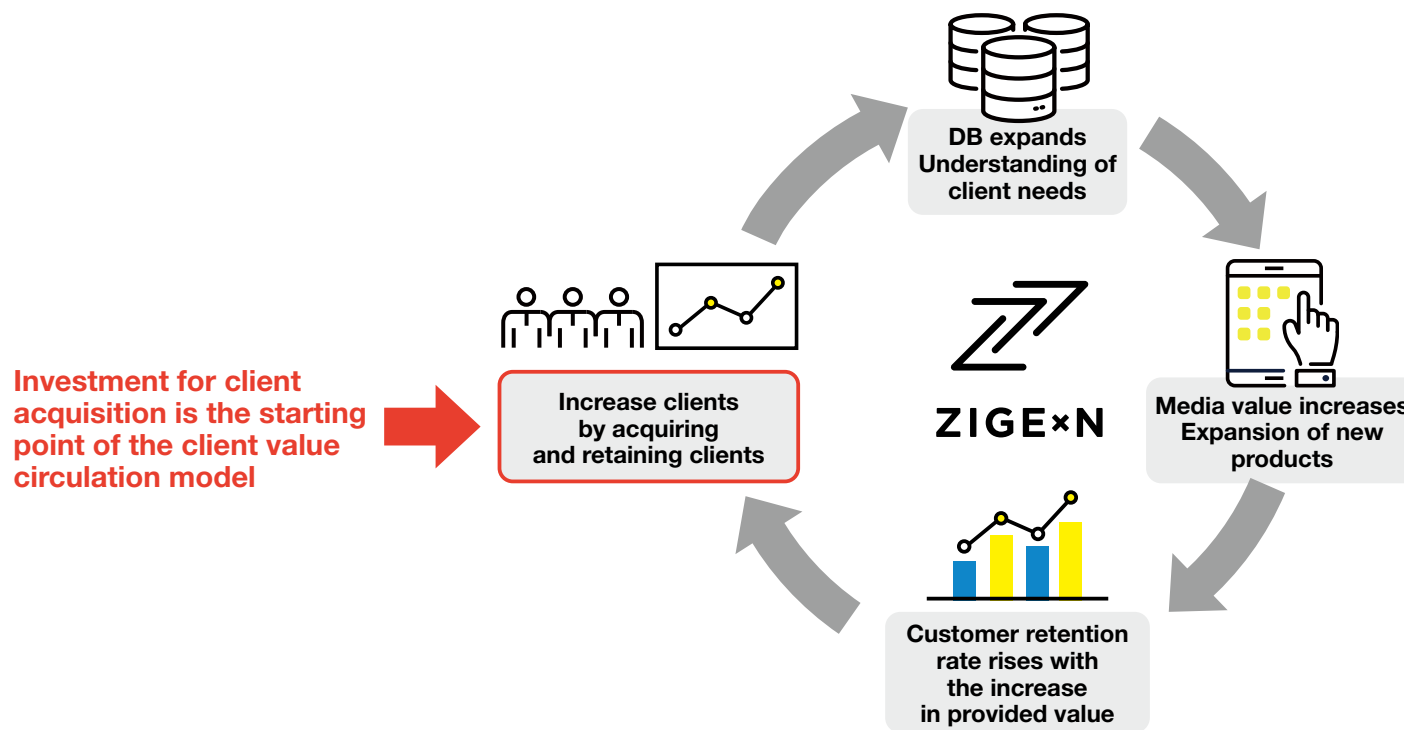
Investment in expanding the client base is the key to ZIGExN's client value circulation. ZIGExN's client value circulation is a continuing spiral that starts with the accumulation of a database through expansion of the client base, bringing about an increase in the media value for users, which leads to an improved retention rate for existing clients that in turn leads to capturing new clients.

We will promote expansion of our client base by boldly stepping on the gas through aggressive upfront investment and create and provide clients with multilayered value by expanding new products based on client needs.

Then, using this expansion of the client base as the starting point for the client value circulation model, we will create value by rapidly executing the value circulation spiral.

Heading toward FY3/2026, the final year of the 2nd Medium-Term Management Plan, we have positioned 2022 and 2023 for upfront investment, after which and in the final year, we will create Z CORE. We will strive to achieve the numerical targets in the 2nd Medium-Term Management Plan of sales revenue exceeding ¥35 billion and EBITDA of over ¥10 billion.

### ● Client Value Circulation Model



# Business Division



## Eliminating Information Asymmetry with Internet Media

The ZIGExN Group has been aiming to eliminate the information asymmetry by providing its Life Service Platform Business that involve matching companies with individuals through internet media. To such ends, we deploy multiple business models particularly with respect to media of our business partners and providing solutions for business entities. This includes the EX websites that enable users to perform global searches and application submissions with respect to information across multiple media sources. It also includes specialized media containing aggregated information on corporations in specific industries and geographic regions.

Whereas the Company has been greatly affected by drastic changes in demand caused by the COVID-19 pandemic, it has also taken the situation as an opportunity to reassess its business environment and update its business strategy.

# Business Division

## Life Service Platform Business

### Resegmentation of Our Existing Media into Three Segments Focusing on Our Mainstay Businesses

Central to the ZIGExN Group's internet media business, the Life Service Platform Business\* has come to serve as the foundation of our management resources with more than 40 media brand holdings thus far across its three business segments, namely Human Resources, Real Estate and Lifestyle. Among these, our REJOB beauty industry recruitment media and RESHOP-NAVI home renovation search media offerings have grown into the industry's top media brands. SMOCCA real estate leasing media has also achieved steady growth as one of the top forms of media in the industry and has been serving as a driver of our entire business.

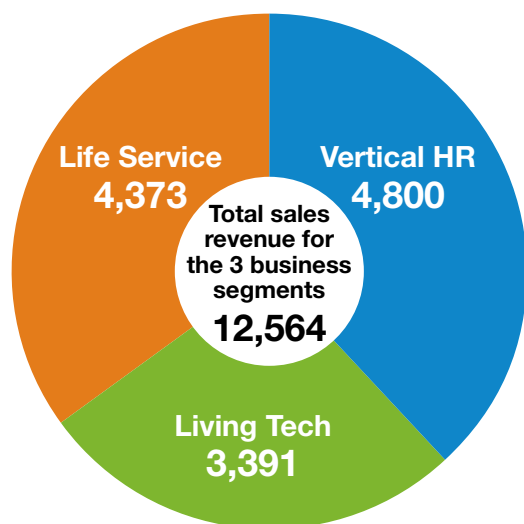
We substantially reorganized these business segments under the 2nd Medium-Term Management Plan. We largely divided our mainstay businesses into two segments, such that the Vertical HR segment includes the hair salon and nursing care-related businesses of REJOB and MIRAXS. Meanwhile, the Living Tech segment includes the leasing and home renovation-related businesses of SMOCCA and RESHOP-NAVI in the Real Estate domain. We will strive to further increase sales revenue by extensively investing in these two segments.

The remaining fields of business will fall under the Life Service segment, which we will continue to operate as an important management resource for developing ZIGExN's data and technologies.

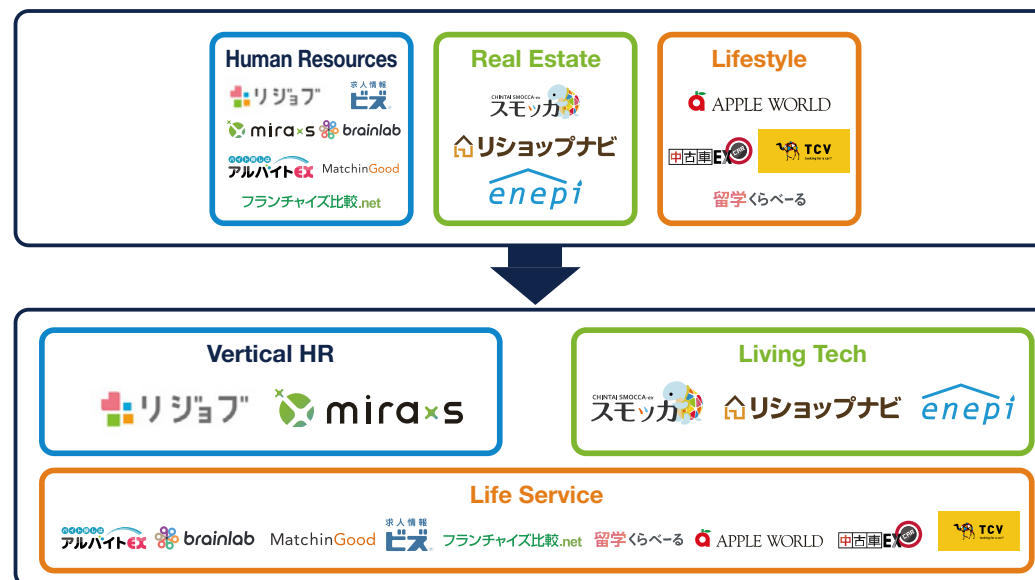
\* Renamed from the Life Media Platform Business effective April 2021

### ● Sales Revenue Mix by Business Segment

Sales revenue for FY2021/3 (Millions of yen)



### ● Reorganization of Business Segments



# Business Division

## ZIGExN's Core Business Model

ZIGExN has been providing value to the world through its ongoing efforts to effectively and optimally match companies and platform users by deploying its Life Service Platform Business linking the two across a wide range of areas relating to people's lives, such as beauty, nursing care and daycare, housing and home renovation.

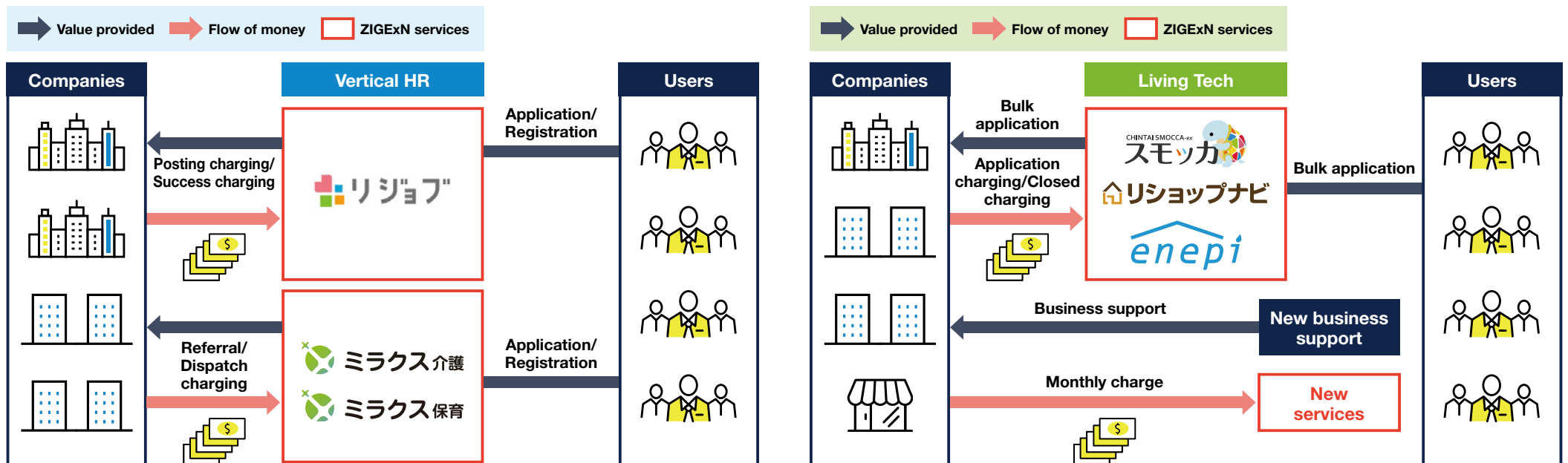
This business model is one that involves generating payments from companies by providing value in the way of gathering platform users who align with their needs. Our services enable users to efficiently access their desired information in order to make optimal choices.

REJOB, within the Vertical HR segment, mainly develops services in the hair salon domain, generating payments from companies by providing value in the way of linking them with platform users looking for job listings such as beauticians and salon staff.

The Living Tech segment's Chintai SMOCCA services involve handling media for searching rental property listings and providing new real estate-specific software as a service (SaaS) offerings that facilitate operations of real estate companies, centered on the pay-for-performance charging model based on the inquiry volume. In so doing, Chintai SMOCCA services maximize the value it provides to our clients and establish multiple tiers of revenue through the provision of that value.

**SaaS**  
(Software as a Service)  
The term "software as a service" (SaaS) refers to software and means of providing software that enable users to gain access to software features as necessary via the internet.

### ZIGExN's Business Model





## REJOB Media Recruitment Services Specifically for the Beauty and Healthcare Industry

### Ippei Suzuki

President and Representative Director,  
REJOB Co., Ltd.



### Seeking more Meaningful Encounters and Greater Compassion

REJOB Co., Ltd. is a ZIGExN Group company that operates REJOB media recruitment services specifically for the beauty and healthcare industry. REJOB offers the industry's first low-cost recruitment services enlisting pay-per-performance pricing. It boasts the largest number of listings in the industry, with 350,000 registered members and 29,000 listed stores.

REJOB cites as its social vision, "we help create a spiritually abundant society by forming more connections among people worldwide," and accordingly seeks more meaningful encounters and greater compassion through attentive operations given the beauty and healthcare industry's high rate of employee turnover. This includes conveying the dreams and aspirations of employers in job listings, as well as a guarantee of a full refund in the case of early resignation and monetary incentives upon completion of one year of employment.

### Extensive Support for Professionals Ranging from Training to Employee Empowerment

We seek to redouble our efforts in deploying REJOB CARE media recruitment services specifically for professional caregivers and social workers. Moreover, amid a scenario of diversifying needs with respect to work styles, we intend to increasingly engage in efforts with companies to come up with work arrangements aligned with the specific needs of employees. This will involve offering different schedules in terms of the number of working days and working hours as well as full-time schedules five days per week.

We furthermore hope to build better futures in the industry by consistently facilitating 1) training, 2) employment, and 3) employee empowerment of industry professionals. This serves as our Specialty Platform for Personal Advancement by OMOTENASHI (SPA) concept in the hospitality industry encompassing beauty and healthcare.

## | MIRAxS Media Recruitment Services Specifically for the Nursing Care, Daycare and Medical Industries

### Takanori Amano

President and Representative Director,  
MIRAxS Co., Ltd.



### Strengthening Services by Rallying Human Capabilities Combined with ZIGExN's Technological Strengths

MIRAxS Co., Ltd. handles MIRAxS media recruitment services specifically for the nursing care, daycare and medical industries. Underpinned by its vision of “a future brimming with smiling faces,” we aim to operate MIRAxS in a manner that brings smiles to individuals, their family members and everyone else involved.

The distinctive strength of MIRAxS lies in its human support capabilities with respect to recruitment drawing on its nationwide network of industry-savvy consultants. MIRAxS became a new company of the ZIGExN Group in September 2020, thereby enabling it to provide higher-quality services as well as giving it access to ZIGExN's high-precision matching technology.

### Contributing to Industry and Society by Developing and Creating Services

Going forward, we aim to increase best-match outcomes between employers and job seekers through more in-depth integration of the ZIGExN Group's matching technology. We seek to create new services by enhancing technologies and business models.

Demand for talented professionals is bound to increase in the nursing care, daycare and medical industries in Japan, given the nation's declining birthrate and aging population, increasing diversity and rapid pace of digital transformation (DX). We aim to improve the quality of our services and create new services in order to fulfill our mission of addressing social issues by striving to eliminate structural labor shortages and staffing mismatches, helping companies streamline operations, and contributing to service quality improvement.



## | Chintai SMOCCA Real Estate Leasing Media Services

### Ryosuke Imai

Operating Officer, ZIGExN Co., Ltd.  
Housing Division



クライアント様のご意見を商品に反映。

顧客満足度は年々上昇！



### Offering Japan's Largest Database of Properties

Chintai SMOCCA services handled by ZIGExN involve access to an information query website that enables users to perform searches for rental housing from Japan's largest database of properties with some 3.5 million listings, encompassing everything from listings available on major portal websites to properties held by local real estate companies.

We seek to maximize the residential relocation experiences of users upon reinterpreting ZIGExN's principle of "maximizing opportunities in life" as that of "maximizing relocation experiences." To achieve such aims, we will actively provide business support that includes automatic telephone systems and customer management services, to enable companies with direct user contact to concentrate on proposals and customer service operations worthy of their focus.

### Maximizing the Residential Relocation Experience Drawing on Corporate Business Support

Going forward, we will set our sights on expanding the value chain while further promoting corporate business support. During the summer of 2021, we plan to deploy sales support services tailored to real estate sales operations, in addition to embarking on full-scale release of customer management service systems.

We intend to increase user satisfaction when it comes to moving and relocation, and accordingly create environments where people in the industry are able to work more vigorously drawing on our corporate business support services.

In so doing, we hope these efforts give rise to achieving our "maximizing opportunities in life" principle.



## リショップナビ | RESHOP-NAVI Home Renovation Media Services

### Shinji Sato

Operating Officer, ZIGExN Co., Ltd.  
Life Support Division



リショップナビなら**効率的に**  
**リフォーム希望のお客様と出会えます!!**

<p>リショップナビが選ばれる理由 <b>1</b></p> <p>カスタマーサポートにて 事前にヒアリングします!</p> 	<p>リショップナビが選ばれる理由 <b>2</b></p> <p>貴社のご希望に沿ったお客様を 選定してご紹介</p> 	<p>リショップナビが選ばれる理由 <b>3</b></p> <p>成約手数料は一切なし! 利益を下げない集客を実現</p> 
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### Highest Number of Users in the Industry as a Result of M&A Synergies

The RESHOP-NAVI home renovation comparison website is one of the largest such websites in Japan, with more than 2,000 company members including large and small construction contractors nationwide, home builders and retailers. We provide services that enable users to undertake home renovation with peace of mind, such as being able to view merchant reviews and home renovation project track records and preliminary telephone consultations with our in-house customer support representatives.

We have succeeded in further extending RESHOP-NAVI's ability to attract customers by incorporating ZIGExN's specialty marketing strengths through post-merger integration initiatives undertaken upon bringing operating company I AND C-Cruise Co. Ltd. into the ZIGExN Group in February 2020. As such, RESHOP-NAVI currently boasts the most users of any home renovation portal website.

### Raising Awareness and Helping to Increase Productivity in the Industry

There are bound to be more potential users of our services, particularly amid a still low rate of online penetration in the home renovation industry. As such, we need to fortify our promotions to raise awareness of the website. In addition, we seek to promote the appeal of increased productivity that results from adopting our services amid a scenario where we have gained few member companies online thus far. The role of home renovation is likely to gradually increase as the number of new residences decrease, making pre-owned homes more prevalent. Therefore, we will strive to further improve our RESHOP-NAVI services with the aim of encouraging people to more readily consider home renovation options.

# Sustainability



## Aiming to be a Company that Solves Social Issues through Our Business

The ZIGExN Group, with our Sustainability Promotion Office taking the lead, will further advance our business, organizational and social activities toward creating a sustainable society while valuing dialogue with management, employees and outside stakeholders.

### ● Value Co-Creation with Stakeholders



# Sustainability

## ZIGExN's SDGs Materiality

### Sustainability Promotion Office Leading in Selection of Materiality

The Sustainability Promotion Office launched in April 2021 was central in selecting materiality.

To select topics, we conducted a survey among employees and investors about what would interest stakeholders and then narrowed down the

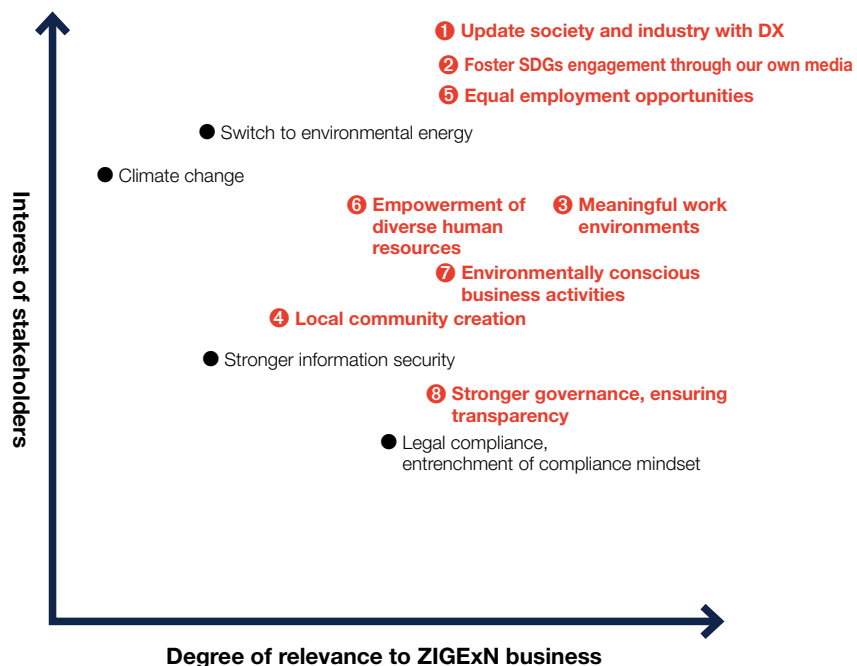
candidates by sorting their compatibility with our business. After discussion with executive management, priorities were decided.

A questionnaire was sent to employees to measure their interest in and understanding of the SDGs, as well as to ask them for specific ideas for sustainability initiatives, resulting in 101 suggestions.

### SDGs

Sustainable Development Goals (SDGs) are 17 goals for global achievement by 2030 that were adopted by the United Nations in 2015 to achieve a sustainable society.

### ZIGExN's SDGs Materiality



ZIGExN's Materiality	Specific initiatives	ZIGExN's Materiality	Specific initiatives
<b>1 Update society and industry with DX</b>	<ul style="list-style-type: none"> <li>Promote DX in small- and medium-sized businesses</li> </ul>	<b>5 Equality of employment opportunity</b>	<ul style="list-style-type: none"> <li>Collaborate with universities and educational institutions and promote occupational training in such ways as president's speeches</li> </ul>
<b>2 Foster SDGs engagement through our own media</b>	<ul style="list-style-type: none"> <li>Promote ZIGExN's SDGs (hold SDGs Awards, etc.)</li> </ul>	<b>6 Empowerment of diverse human resources</b>	<ul style="list-style-type: none"> <li>Advance women's opportunities, raise the rate of women managers</li> </ul>
<b>3 Meaningful work environments</b>	<ul style="list-style-type: none"> <li>Select next-generation candidates for positions of responsibility, plan development</li> <li>Enhance training content for employees</li> <li>Conduct surveys to visualize engagement</li> </ul>	<b>7 Environmentally conscious business activities</b>	<ul style="list-style-type: none"> <li>Disclose CO<sub>2</sub> emissions</li> <li>Collect PET bottles and caps, ban paper cups, reduce photocopy paper used and raise the rate of electronic contracts introduced</li> </ul>
<b>4 Local community creation</b>	<ul style="list-style-type: none"> <li>Create jobs for the Oita office</li> <li>Develop IT, global human resources</li> </ul>	<b>8 Stronger governance, ensuring transparency</b>	<ul style="list-style-type: none"> <li>Strengthen governance, strive to raise corporate value on the New Prime market</li> </ul>

# Sustainability

## Main ESG/SDGs Initiatives

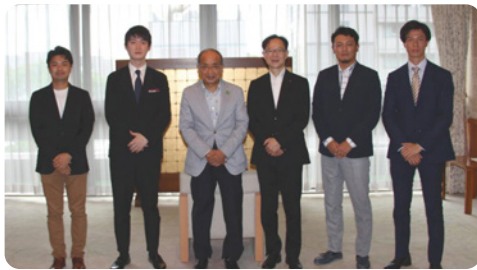


### Solving Social Issues through Our Business

#### Local Communities Update

##### ● Newly Established the ZIGExN Oita Office

We opened a new office in the summer of 2021 with the goals of creating employment in Oita Prefecture and developing IT human resources. We will connect this to collaboration with companies in the city and educational institutions to energize the community.



##### ● SMOCCA x Hino City Project

A collaboration with Hino City in Tokyo to release “Data de Miru Hinoshi (Hino Seen through Data),” a special website to communicate the city’s comfortable lifestyle via data and information.

<https://smocca.jp/life/tokyo/hino> (Only in Japanese)



##### ● REJOB Tsubomi Project

We borrowed a rice paddy in Saitama Prefecture and worked with local residents to form a multi-generational community to experience rice harvesting and cooking. Harvested rice was also donated for children’s meals.



##### ● TCV Mask Support Project

We donated masks to elementary school children in Central Province, Zambia, through the Japanese Embassy in Zambia, which has a service base. The masks were manufactured on request with designs and production at a local plant.



#### Future for Youth Update

##### ● REJOB SaKuRa Project

We hold courses to train therapists for low-income earners in developing countries with the aim of increasing the beautician and relaxation population around the world. In total, the courses have produced over 500 graduates.



##### ● REJOB Scholarships

We provide scholarships to vocational school students to support their development, employment and the success of young people who want to work in the beauty industry. We have supported the future of the industry since 2017.



##### ● ZIGExN President Lectures

The president shares his entrepreneurial experiences in lectures at universities, pitch events and lectures for junior and senior high school students in the aim to nurture and create entrepreneurs and management human resources to confront social issues.



##### ● Car-Tana AFRICA DREAM SOCCERTOUR

Car-Tana.com, the predecessor of TCV, supported children’s dreams and hopes by sponsoring AFRICA DREAM SOCCER TOUR supported by Car-Tana.com, hosted in three African countries.



# Sustainability

## Investing in People

### Achieving “Well-do-being”

ZIGExN has always placed particular emphasis on improving the employability of employees, that is, their “well-doing.” What this means is that by providing employees with a healthy yet demanding training environment, each and every individual can hone their skills and we can proactively provide more opportunities for even further growth.

Going forward, we will continue to add further growth as individual employees through “well-doing” and also strengthen our efforts to achieve “well-being,” or a healthy state of body and mind.

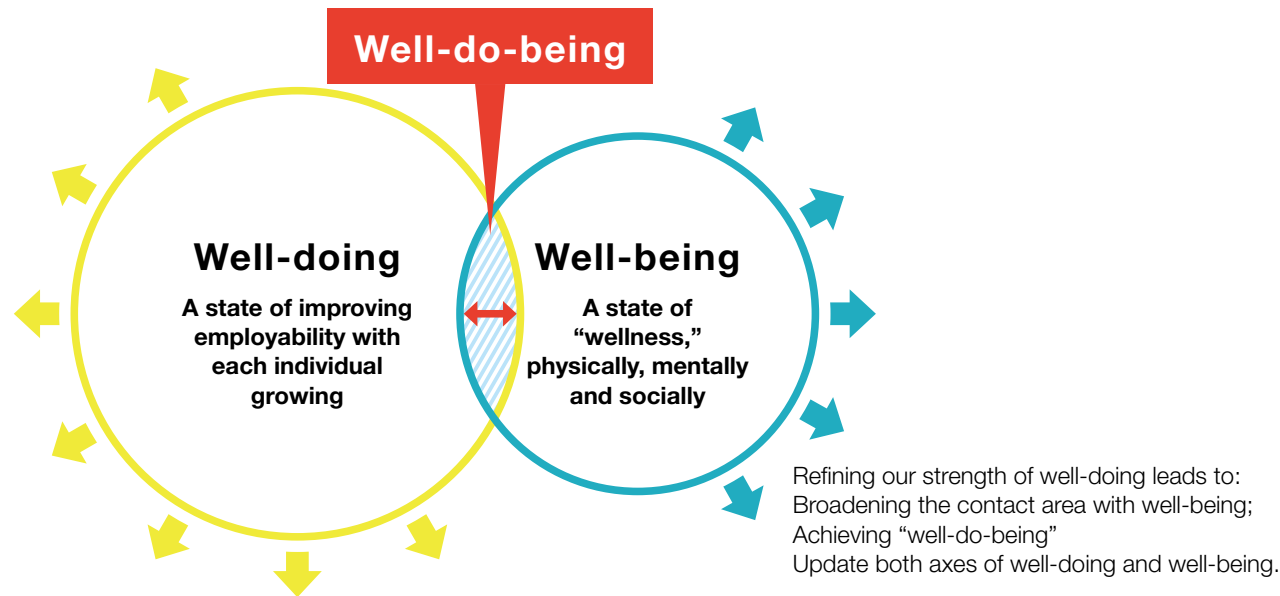
In recent years, it has become increasingly important for both companies and employees to ensure the career development and physical and mental health of each employee in light of changes in the employment market brought about by the COVID-19 pandemic, the shift from membership-based to job-based employment and the increased mobility of human resources through the promotion of second jobs.

ZIGExN has created the new term of “well-do-being” to describe a combination of “well-doing” and “well-being” and implying something even stronger and seeks to strive even harder to achieve this.

### Employability

Employability refers not only to an ability to change jobs, but now when the lifelong employment system seems poised to change, it is important to develop a high level of competence as a businessperson, within and outside of companies, to maintain a labor-management relationship that can develop.

### ● Well-do-being Achievement and Update



# Sustainability

## Training Leaders and Individual Growth

ZIGExN has been developing business for more than 10 years and the managers and people in positions of responsibility growing each of our businesses are the source of our competitive edge.

## Training for Managers and People in Positions of Responsibility

### ● Holding Corporate Management Meetings

These meetings are held once every two weeks and attended by management, including the president. The progress of each of the more than 10 businesses we run is closely monitored according to the plan devised by the person in a position of responsibility, who is given direct feedback. This achieves training of people in positions of responsibility, who maximize ZIGExN's strengths, and enhances management capabilities by accelerating the PDCA cycle.

### ● Formulate Medium-Term Management Plans for Each Business

Medium-term management plans are formulated once every three years, in principle, and updated annually. The president confirms all medium-term management plans and provides direct feedback to operating officers, business officers, and leaders. Leader-level employees and management examine the medium-term business vision and share this, advancing the perspective of younger employees.

### ● Promotion of Young Employees

We proactively promote young employees with potential to managerial positions, developing them by giving them roles and opportunities such as making them a manager in the third year after graduating, putting them in a position of responsibility for a business in their fifth year of employment or appointing new graduates as operating officers.

We promote individual growth in such ways as through merit-based appointments, assigning higher-level tasks to encourage growth and providing open opportunities. Maximizing growth opportunities for every individual.

## Improving Employability

### ● President Conducts Management Training

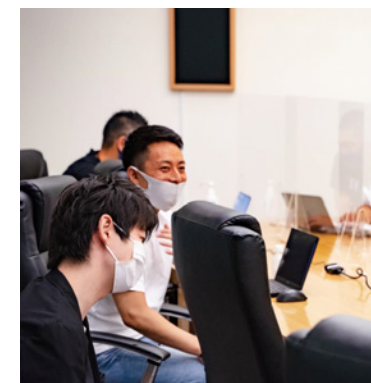
The president personally conducted management training in July 2021. It was an online course for Group company managements on the 10 items necessary to become a manager at ZIGExN. This was not only training, but also promoted the improved employability of managers remotely as the president was able to directly deliver a message to the Group managers from afar.

### ● Internal Awards System ZEUS

Once every quarter we presented an award at the Companywide meeting to selected employees who have performed the three achievements of grown sales, improved operations and raised corporate value. Recipients are presented their awards by their supervisors, receiving a ZEUS statue and cash prize, and the key points and expertise behind their success is delivered and shared through a Companywide online meeting.

### ● Quarterly Personnel Evaluations

We hold quarterly personnel evaluations to increase the frequency of communication between supervisors and subordinates to adapt quickly to the business environment with many changes. Raising the speed of individual employees' PDCA cycle also accelerates growth speed.



# Sustainability

## Promoting Communication and Diverse Working Styles

ZIGExN promotes “vertical, horizontal and diagonal communication” within the workplace and we have introduced numerous systems to support diverse and free work styles. These systems incorporate

### Promoting Communication

#### ● Anniversary

Our foundation commemoration day is an anniversary event celebrated Companywide. It becomes an opportunity for mixing, and to learn from directors or former employees talking about their experiences. After the 15th anniversary commemorated in May 2021, we conducted a 5-grade assessment of satisfaction about the event, with approximately 80% of participants giving it a score of at least 4/5.

#### ● Shuffle Lunches

We hold cross-divisional lunches for small groups once a quarter. During the COVID-19 pandemic, the lunches have been held online with shared themes such as “What will you do when the pandemic is over?” The lunches give employees a chance to get to know each other.

#### ● Wakurabu

In-house clubs authorized by the Company. We subsidize activities for the clubs, of which there are more than 10, and promote vertical connections among them.

#### ● In-house Currency GAT

An in-house currency to express “ariGAT! (thank you). Employees can send GAT to supervisors or colleagues every month. 1 GAT can be exchanged for Amazon gift cards worth ¥1,000.

employees’ opinions and are always being reviewed and updated to be appropriate for the times.

### Promoting Diverse Working Styles

#### ● Work from Home System

We introduced a work from home system for such reasons as to reduce commuting time, allowing employees to have more free time and to support health promotion through home cooking.

#### ● Flextime System

We plan to move to a flextime system from October 2021. From the same time, more weight will be applied to personnel evaluation system results, and by combining the flextime and work from home systems, aim to create a system that enables a diversity of employees to autonomously choose a working style and improve their results.

#### ● P-Day

A paid leave system that allows taking time off in 1-hour units. Up to a maximum of 24 hours can be taken annually for individuals’ convenience to allow for such acts as childcare or to go to the hospital.

#### ● Limited Full-Time Employee System

We introduced this system for employees working shorter hours with time limitations and for full-time employees in regional areas with restrictions on being transferred. We support work styles that match individuals’ lifestyles.



# Corporate Governance



## Further increasing corporate value

ZIGExN has established a code of conduct, which is to serve a pivotal role in values and behavior shared by every executive and employee, grounded on its basic philosophy and management policies, which form the basis of its business activities.

In the course of carrying out initiatives based on the code of conduct, we will strive to achieve sustainable growth and increase our corporate value with our sights set on implementing our basic philosophy, and will furthermore make appropriate business decisions in a timely manner in order to earn the confidence of our shareholders and other stakeholders. At the same time, we will strive to increase our corporate value upon establishing a corporate governance structure equipped with substantial management transparency and the business monitoring function.

\* For further details, refer to the "Corporate Governance Report." (in Japanese)  
<https://www2.tse.or.jp/disc/36790/140120210701460703.pdf>



# Corporate Governance

## Corporate Governance Structure

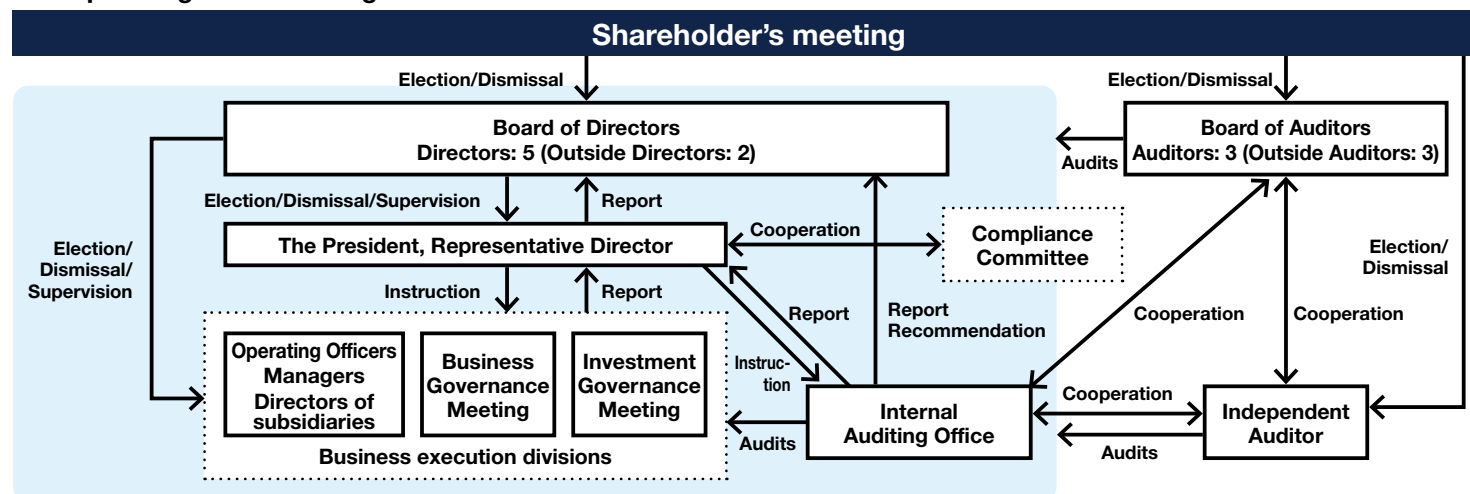
### Corporate governance structure

ZIGExN strives to ensure sound and efficient management through mutual cooperation and has accordingly established the Internal Auditing Office to take on the role of monitoring business on a daily basis. This is in addition to its shareholders' meeting, Board of Directors and Board of Auditors, which constitute bodies established pursuant to the Companies Act of Japan. In addition, we have established the Business Governance Meeting and the Investment Governance Meeting to carry out instructional work. They consist of Operating Officers including full-time Directors, business officers selected from respective businesses and subsidiaries, and full-time Outside Auditors.

### Evaluating effectiveness of the Board of Directors

In April 2021, we identified issues and reviewed improvement measures with respect to four Directors and three Auditors. This involved conducting interviews on an individual basis upon having performed evaluations assessed on a five-point scale with respect to each of 17 categories related to effectiveness of the Board of Directors. There was an average score of four or higher in seven evaluation categories, including Board of Directors meeting frequency, quality of discussions and management supervision, but there were also issues warranting improvement such as workforce suitability, percentage of Outside Directors and officer training.

### Corporate governance organization chart



### Issues and remedial measures upon evaluating effectiveness of the Board of Directors

Category	Issues and remedial measures
<b>Officer composition</b>	Outside Directors are to constitute no less than one-third of a company's Directors under the June 2021 revision of Japan's Corporate Governance Code. In accordance with that revision, we increased the number of Outside Directors to two Outside Directors at our shareholders' meeting held in June 2021, from one Outside Director (one-fourth) previously in the fiscal year ended March 2021. We will also focus on business operations experience and business administration with respect to Directors.
<b>Materials for meetings of the Board of Directors</b>	Our findings indicated that Outside Directors have been struggling to comprehend and understand the content of meeting materials given the increasing complexity of such materials and enormous volume of content pertaining to M&As and other such matters. Based on those findings, we will consider options that would involve having the Secretariat summarize such materials and provide opportunities for preliminary explanations of such materials as necessary.
<b>Matters for discussion and deliberation</b>	We will review and simplify content in order to focus on important matters with respect to matters to be resolved by the Board of Directors and matters to be reported. Approvals for some matters to be resolved have been shifted to the President and Representative Director. Our findings indicated that there is a need to stimulate qualitative discussions focusing on management issues. Based on those findings, we have simplified routine matters to be resolved and have instead established themes for discussion in relation to management issues.
<b>Training</b>	We will consider options that would involve inviting outside officers in particular to "Asukai" kickoff gatherings and update meetings to give them more opportunities to learn about ZIGExN. We are having Operating Officers take part in meetings of the Board of Directors as observers, and have increased the number of opportunities for training involving management decision-making by officers.

# Corporate Governance

## Board of Directors & Board of Auditors

### Board of Directors & Board of Auditors

The Board of Directors selects Directors who are professionals capable of performing to their full potential toward increasing the ZIGEXN Group's corporate value, upon considering the Board's diversity and appropriate scale. The Board of Directors furthermore makes important managerial decisions and supervises business execution. Meanwhile, the Board of Auditors supervises management. The Company enrolls in management risk protection insurance to provide coverage particularly when it comes to liability for damages potentially arising due to acts performed pursuant to the position of officer.

### Policy for determining remuneration of Directors

The Company assigns employment grades and job titles to Directors other than Outside Directors in alignment with their professional responsibilities, as is the case with other employees. Under the policy for determining remuneration, the Board of Directors deliberates on and makes decisions on fixed remuneration upon having comprehensively assessed factors such as managerial responsibility assumed as a Director, the Company's financial performance, and economic trends, in addition to remuneration levels aligned with respective employment grades, job titles, and extent of engagement in business operations. Decisions on such fixed remuneration are entrusted to a Representative Director upon having taken into account personnel evaluations and other assessments, and then the Board of Directors engages in deliberations over two occasions for the sake of preliminary reporting and then for resolving such matters.

Remuneration for Outside Directors consists of fixed remuneration only. The Board of Directors deliberates on and resolves matters of such remuneration upon having comprehensively assessed factors such as managerial responsibility assumed as a Director, the Company's financial performance, and economic trends. Base remuneration consists of fixed monetary remuneration on a monthly basis, with no provision for performance-linked remuneration, non-monetary remuneration, or other such forms of remuneration.

When making decisions on specifics particularly regarding remuneration for individual directors, the Board of Directors assesses such matters in alignment with decision-making policy given that it takes a multifaceted approach encompassing consistency of decision-making policy with respect to reviewing such matters.

### Reasons for appointment of new Outside Director



#### Isao Moriyasu

Isao Moriyasu assumed his current position in June 2021, prior to which he was employed by Oracle Corporation Japan and DeNA, where he served as Director and COO, and also as Representative Director, President, and CEO. At DeNA Co., Ltd., he gained extensive managerial experience and practical experience through his ongoing efforts to drive and promote DeNA's business. The Company appointed him to the position of Outside Director in June 2021, and accordingly furnished notification regarding his role as an independent officer to the Tokyo Stock Exchange, given that the Company seeks to gain access to his advice and recommendations made on the basis of such experience and knowledge in the course of the Company's management and decision-making.



#### Yasuo Usuba

Yasuo Usuba currently serves as Director and COO at LocationMind. Prior to that, he was employed by companies such as Recruit, IBM Japan, GE Consumer Finance, and Google's Channel Sales. He has gained extensive practical experience relating to business strategy, marketing and sales through his engagement in corporate activities thus far. The Company appointed him to the position of Outside Director in June 2021, and accordingly furnished notification regarding his role as an independent officer to the Tokyo Stock Exchange, given that the Company seeks to gain access to his advice and recommendations made on the basis of such experience and knowledge in the course of the Company's management and decision-making.

### Directors and diversity: Matrix of skills

	Independence	Gender	Age	Corporate management	Management strategy	Technology	Organization / HR	Accounting / Finance	M&A / PMI	SDGs / ESG
<b>Joe Hirao</b> Representative Director	Internal	Male	38 years old	●	●	●	●		●	●
<b>Takanori Amano</b> Director	Internal	Male	41 years old	●			●		●	●
<b>Sachiko Hatano</b> Director	Internal	Female	38 years old				●	●	●	●
<b>Isao Moriyasu</b> Outside Director	Independent	Male	47 years old	●	●	●	●			●
<b>Yasuo Usuba</b> Outside Director	Independent	Male	58 years old	●	●	●	●	●		

#### Shoji Onoue Full-Time Outside Auditor

After serving as Operating Officer at Mitsui Mining & Smelting, and full-time Outside Auditor at Culture Convenience Club, etc., appointed Outside Auditor at the Company in 2013 and serves as Auditor at other Group companies.

#### Takashi Miyazaki Outside Auditor

Partner at Nagashima Ohno & Tsunematsu. Attorney at law. Outside Auditor of the Company since 2016.

#### Kengo Wada Outside Auditor

After working at KPMG AZSA LLC, GCA and other firms, established AIPartners, Inc. and serves as its Representative Director. Certified public accountant, certified public tax accountant. Outside Auditor of the Company since 2017.

# Corporate Governance

## Executive Structure

The ZIGExN Group seeks to enhance functions of business execution in terms of both achieving business growth and expanding corporate functions underpinned by its executive structure of leadership amply equipped with diverse skills and wide-ranging professional backgrounds including career employees, mid-career employees, and those with experience in mergers and acquisitions.



**Takanori Amano**  
Operating Officer, Head of Corporate Communication Division  
Head of Sustainability Promotion Office  
President and Representative Director of MIRAxS  
Joined the Company in 2016 after working in the Recruit Group



**Sachiko Hatano**  
Operating Officer  
Head of Corporate Management Division  
Joined the Company in 2018 after working at AZSA & Co. (now KPMG AZSA LLC) and Lifenet Insurance Company



**Joe Hirao**  
Representative Director, 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



**Haruhisa Daita**  
President and Representative Director of Sanko Ad  
President and Representative Director of BizMo  
Joined the Company in 2019 after serving as head of the Taiyo Kikaku Sales Group



**Norihiro Nakae**  
President and Representative Director of Brain Lab  
Joined the Company in 2014 after working at Staffservice, Asterisk and Techfirm



**Takeshi Fukada**  
President and Representative Director of APW  
Joined the Company in 2018 after working at SAP Japan, KPMG FAS, DeNA Travel, and other firms



**Naoki Ozawa**  
President and Director of TCV  
Joined the Company in 2016 after serving as Representative Director of Carchs Holdings and working at AGASTA



**Sho Hayakawa**  
Head of Corporate Strategy Division  
Joined the Company in 2020 after working at the law firm Mori Hamada & Matsumoto and completing a one-year period of secondment to the Company



**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

Notes 1: Lists ZIGExN Operating Officers, the Representative Directors of major Group companies, and corporate managers.  
2: Lists titles current as of July 2021.

# Corporate Governance

## Compliance

The Directors and employees of the Company and its subsidiaries are to act in alignment with the highest of ethical standards in compliance with laws, regulations and the Articles of Incorporation. We strive to develop and promote our compliance framework and have accordingly established the Compliance Committee, which meets on a regular basis. The Representative Director, President and CEO chairs the committee, which is subordinate to the Board of Directors.

In addition, we strive to ensure early identification with respect to acts of non-compliance. To such ends, we have established a point of contact for responding to compliance-related reports received from those engaged in business of the Company, and have furthermore set forth “Rules for Internal Reporting.” We also appropriately establish systems for internal reporting with respect to our subsidiaries.

We take a firm stance in acting systematically against antisocial forces and organizations in alliance with law enforcement authorities, attorneys-at-law, and others. We furthermore establish internal control systems in seeking full regulatory compliance. This has involved setting forth “Basic Policies for the Development of Internal Control Systems” to ensure appropriateness of our operations, and also establishing “Job Function Regulations” as well as “Rules for Internal Reporting.”

## Compliance Committee and Harassment Prevention Committee

Our Compliance Committee and the Harassment Prevention Committee have been established subordinate to the Board of Directors. They engage in initiatives that involve prompting awareness of compliance, monitoring for acts of non-compliance, and preventing harassment. The committees consist of the President and Representative Director, Directors and Operating Officers, and two Outside Auditors.

## Stance on fortifying risk management systems

We have established the “Risk Management Regulations” to address risks and furthermore prepare documentation detailing our response to risks that include natural disasters, violations of intellectual property rights, and unwarranted divulgence of information. We furthermore strive to ensure swift response and management when disasters strike by implementing measures that include establishment of emergency task forces headed by Representative Directors of the Company and its respective subsidiaries. In addition, we have established the Incident Prevention Office that coordinates with our respective business units for ensuring early identification of risks and preventing risks from materializing by collecting and sharing information at all times.

## Information security

We seek to properly manage large volumes of personal information and confidential information handled in the course of conducting business operations. To such ends, we have established personal information protection regulations and obtained PrivacyMark (JIS Q 15001) certification in August 2010.

In addition, we stringently apply our in-house regulations and concurrently seek to enhance our information management systems through initiatives that include regularly implementing in-house training and developing security systems.



# Financial Data and Corporate Information

## ● Consolidated Financial Highlights

Performance Indicators	(Unit: Millions of yen)				
	FY2017/3	FY2018/3	FY2019/3	FY2020/3	FY2021/3
Sales revenue	7,534	10,267	12,854	13,199	12,564
EBITDA	2,677	3,590	4,509	4,619	3,808
Operating income (loss)	2,483	3,322	4,077	3,806	(1,062)
Income (loss) before income tax	2,475	3,318	4,075	3,800	(1,069)
Net income (loss) attributable to owners of the parent	1,473	2,170	2,811	2,669	(1,964)
Basic earnings per share (yen)	14.00	19.69	25.23	24.02	(18.05)

## ● Consolidated Financial Position

Financial Indicators	(Unit: Millions of yen)				
	FY2017/3	FY2018/3	FY2019/3	FY2020/3	FY2021/3
Total assets	14,116	18,378	20,047	22,406	20,101
Equity attributable to owners of the parent	6,596	11,378	13,802	16,261	12,988
Ratio of equity attributable to owners of the parent to total assets (%)	46.7	61.9	68.8	72.6	64.6
Goodwill-to-capital ratio (times)	0.8	0.7	0.6	0.6	0.5
Equity attributable to owners of the parent per share (yen)	61.70	102.53	124.27	146.34	120.13

## ● Status of Consolidated Cash Flows

Consolidated Cash Flows	(Unit: Millions of yen)				
	FY2017/3	FY2018/3	FY2019/3	FY2020/3	FY2021/3
Cash flows from operating activities	2,036	2,866	3,139	2,144	2,567
Cash flows from investing activities	(2,539)	(2,585)	(729)	(1,642)	(1,746)
Cash flows from financial activities	2,388	783	(2,068)	(1,160)	(29)

## ● Consolidated Statement of Financial Position

As of March 31, 2020 and 2021

	(Unit: Millions of yen)	
	FY2020/3	FY2021/3
Assets		
Current assets		
Cash and cash equivalents	6,631	7,420
Trade and other receivables	2,014	1,976
Other financial assets	3	1
Other current assets	783	563
Total current assets	9,430	9,960
Non-current assets		
Tangible fixed assets	141	101
Right-of-use assets	1,211	926
Goodwill	9,428	6,655
Intangible assets	1,348	1,251
Other financial assets	470	444
Deferred tax assets	378	763
Other non-current assets	1	1
Total non-current assets	12,977	10,141
Total assets	22,406	20,101

	(Unit: Millions of yen)	
	FY2020/3	FY2021/3
Liabilities and net assets		
Liabilities		
Current liabilities		
Short-term loans	431	637
Operating and other liabilities	861	841
Other financial liabilities	1,379	1,189
Income taxes payable	535	423
Allowance	170	118
Lease liabilities	416	410
Other current liabilities	769	653
Total current liabilities	4,560	4,271
Non-current liabilities		
Long-term loans	622	2,132
Allowance	128	157
Lease liabilities	753	500
Deferred tax liabilities	44	13
Other non-current liabilities	35	32
Total non-current liabilities	1,582	2,834
Total liabilities	6,142	7,105
Net assets		
Share capital	2,552	2,552
Share premium	2,538	2,538
Retained earnings	11,578	9,281
Treasury shares	(401)	(1,399)
Other	(6)	16
Total equity attributable to owners of the parent	16,261	12,988
Non-controlling interests	2	8
Total net assets	16,264	12,997
Total liabilities and net assets	22,406	20,101

### ● Consolidated Statement of Income

Fiscal years ended March 31, 2020 and 2021

	(Unit: Millions of yen)	
	FY2020/3	FY2021/3
Sales revenue	13,199	12,564
Cost of sales	(2,069)	(2,081)
Gross profit	11,130	10,484
Selling, general and administrative expenses	(7,393)	(7,661)
Other revenue	76	131
Other expenses	(7)	(4,016)
Operating income (loss)	3,806	(1,062)
Financial revenue	1	0
Financial expenses	(7)	(7)
Income (loss) before income tax	3,800	(1,069)
Income taxes — current	(1,131)	(889)
Net income (loss)	2,670	(1,958)
Net income (loss) attributable to		
Owners of the parent	2,669	(1,964)
Non-controlling interests	0	6
Net earnings per share		
Basic earnings per share (yen)	24.02	(18.05)
Diluted earnings per share (yen)	24.02	(18.05)

### ● Consolidated Statement of Comprehensive Income

Fiscal years ended March 31, 2020 and 2021

	(Unit: Millions of yen)	
	FY2020/3	FY2021/3
Net income (loss)	2,670	(1,958)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Exchange difference on foreign operations	(7)	7
Total of items that may be reclassified subsequently to profit or loss	(7)	7
Total other comprehensive income	(7)	7
Net comprehensive income	2,663	(1,951)
Total net comprehensive income attributable to		
Owners of the parent	2,662	(1,957)
Non-controlling interests	0	6

## ● Corporate Overview

### Company Profile

Corporate name	ZIGExN Co., Ltd.
Location of headquarters	3-4-8 Toranomom, Minato-ku, Tokyo 105-0001, Japan
Name of representative	Representative Director, Operating Officer, CEO Joe Hirao
Established	June 1, 2006
IPO	First Section, Tokyo Stock Exchange (securities code: 3679)
Share capital	2,552 million yen (consolidated basis, as of March 31, 2021)

### Officers

Director, Operating Officer	Takanori Amano
Director, Operating Officer	Sachiko Hatano
Outside Director	Isao Moriyasu
Outside Director	Yasuo Usuba
Full-Time Outside Corporate Auditor	Shoji Onoue
Outside Corporate Auditor	Takashi Miyazaki
Outside Corporate Auditor	Kengo Wada

Business	Life Service Platform Business
Main Banks	Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Resona Bank, Limited
Employees	772 (consolidated basis, as of March 31, 2021)

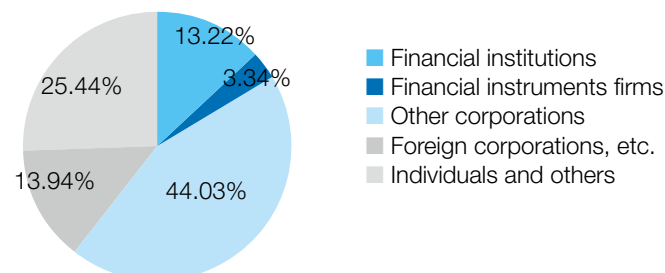
### Stock Information

Listing	First Section, Tokyo Stock Exchange
Securities code	3679
Date of IPO	November 22, 2013
Fiscal year	April 1 to March 31
Record date for determining shareholders	March 31
General Meeting of Shareholders	Every year in June
Shareholder registry administrator	1-4-1 Marunouchi, Chiyoda-ku, Tokyo 100-8233, Japan
Contact information for stock procedures	SMBC Trust Bank Ltd. Transfer Agent Department 2-8-4 Izumi, Suginami-ku, Tokyo 168-0063, Japan
Public notification method	Public notices will be made electronically. However, in the event that electronic public notices cannot be made due to an accident or other unavoidable circumstances, public notices will be made in the Nikkei. Public notice URL: <a href="https://zigexn.co.jp/ir/public_notice/">https://zigexn.co.jp/ir/public_notice/</a>
Total number of shares authorized to be issued	200,000,000 shares
Total number of shares issued	111,700,000 shares

### Major Shareholders

Shareholder name	Number of shares held (thousand)	Percentage of shares held (%)
Jogen Co., Ltd.	48,900	45.22
Custody Bank of Japan, Ltd. (trust account)	7,303	6.75
Joe Hirao	5,054	4.67
The Master Trust Bank of Japan, Ltd. (trust account)	3,442	3.18
BBH FOR FIDELITY PURITAN TR:FIDELITY SR INTRINSIC OPPORTUNITIES FUND	1,950	1.80
SSBTC CLIENT OMNIBUS ACCOUNT	1,886	1.74
Hiroyuki Yoshioka	1,300	1.20
Morgan Stanley MUFG Securities Co., Ltd.	996	0.92
GOVERNMENT OF NORWAY	830	0.76
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	805	0.74

### Shareholder Composition





**● History**

<b>2006</b>	June	Corporate	Established in Ebisu, Shibuya-ku, Tokyo.
	March	Service	Launched the Life Media Platform Business. Began providing "Tenshoku EX," a job portal for full-time workers.
	July	Service	Began providing "Jidosha EX," a website for car searches.
<b>2008</b>	August	Service	Began providing "Haken EX," a job portal for dispatch workers.
	August	Corporate	Moved headquarters to Takadanobaba, Shinjuku-ku, Tokyo.
	September	Service	Began providing "Arubaito EX," a job portal for part-time workers.
<b>2009</b>	September	Corporate	Changed company name to ZIGExN Co., Ltd.
	September	Corporate	Moved headquarters to Shinjuku, Shinjuku-ku, Tokyo.
	December	Service	Began providing "Kangoshi Kyujin EX," a job portal for nurses.
<b>2010</b>	February	Service	Began providing "Hikkoshi Mitsumori EX," a website for an estimate of moving costs.
	June	Service	Began providing "Chintai SMOCCA!-ex," a website for rental property searches.
	August	Corporate	Obtained Privacy Mark (JIS Q 15001) certification.
	September	Corporate	Established ZIGExN Holdings Co., Ltd. and acquired all of the Company's shares.
<b>2011</b>	April	Corporate	Absorbed and merged with ZIGExN Holdings Co., Ltd.
<b>2012</b>	February	Corporate	Established NIZIGExN Co., Ltd. as a subsidiary.
	February	Corporate	Moved headquarters to Akasaka, Minato-ku, Tokyo.
<b>2013</b>	January	Corporate	Established ZIGExN VeNtura Co., Ltd. as an overseas strategic subsidiary.
	November	Corporate	Listed on the TSE Mothers Market.
	March	Corporate	Moved headquarters to Shinjuku, Shinjuku-ku, Tokyo.
<b>2014</b>	July	Corporate	Made Brainlab Inc. a wholly owned subsidiary.
	September	Corporate	Made REJOB Co., Ltd. a wholly owned subsidiary.
<b>2015</b>	March	Service	Began providing "Maisumi EX," a website for comprehensive housing comparison.
<b>2016</b>	April	Corporate	Made Area Business Marketing Co., Ltd. a wholly owned subsidiary.
	June	Corporate	Absorbed and merged with Area Business Marketing Co., Ltd.
<b>2017</b>	January	Corporate	Made Sanko Ad Co., Ltd. a wholly owned subsidiary.
	January	Corporate	Moved headquarters to Toranomon, Minato-ku, Tokyo.
	February	Corporate	Made Apple World Holdings Co., Ltd. a wholly owned subsidiary.
<b>2018</b>	June	Corporate	Changed market listing to the First Section of the TSE.
	December	Corporate	Made Trade Car View Co., Ltd. a wholly owned subsidiary.
	January	Corporate	Made MatchinGood Co., Ltd. a wholly owned subsidiary.
<b>2019</b>	April	Corporate	Blainlab Inc. absorbed and merged with Matchingood Co., Ltd.
	December	Corporate	Changed company name from Trade Car View Co., Ltd. to TCV Co., Ltd.
	February	Corporate	Made I AND C-Cruise Co., Ltd. a wholly owned subsidiary.
<b>2020</b>	July	Corporate	Absorbed and merged with I AND C-Cruise Co., Ltd.
	September	Corporate	Made PCH Holdings Co., Ltd. and HITOWA Career Support Co., Ltd. wholly owned subsidiaries.
	December	Corporate	Acquired comparison media businesses such as franchise comparison media, marriage agency comparison media, and so on.
<b>2021</b>	January	Corporate	Changed company name from HITOWA Career Support Co., Ltd. to MIRAxS Co., Ltd.