

September 1, 2023

To Whom It May Concern,

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Insource Co., Ltd.

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(Code number: 6200, Prime Market of the Tokyo Stock Exchange)

KPI (Key Performance Indicators) Progress Report for August, 2023

-No. of On-Site Training conducted (111.8% YoY) and attendees at Open Seminars (118.5% YoY),

No. of DX On-Site trainings (95.3% YoY) and Open Seminars (83.3% YoY) remained steady

Insource Co., Ltd. today announced KPI (Key Performance Indicators) Progress Report for August, 2023. For the KPI (Key Performance Indicators) impact on business performance, please refer to the “KPI (Key Performance Indicators) and Performance Correspondence Chart.”

1. Training Business

In August, 2023, the number of On-Site Training conducted was 1,438 times (111.8% YoY), of which online training was 362 times (Composition ratio: 25.2%). The number of attendees at Open Seminars was 11,052 (118.5% YoY), of which online attendees were 8,190 (Composition ratio: 74.1%). While On-Site Training, the number of DX-related trainings was 95.3% YoY, the number of attendees at Open Seminars for DX-related trainings was 83.3% YoY.

(1) Monthly number of On-Site Training conducted

(Unit: time)

| | 2023 | | | | | |
|-------------------------------|----------|----------|----------|----------|----------|----------|
| | March | April | May | June | July | August |
| Number of trainings conducted | 987 | 2,192 | 1,330 | 1,698 | 1,791 | 1,438 |
| (YoY) | (113.7%) | (113.2%) | (115.2%) | (111.3%) | (111.1%) | (111.8%) |
| Conducted online | 286 | 271 | 321 | 329 | 500 | 362 |
| (Composition ratio) | (29.0%) | (12.4%) | (24.1%) | (19.4%) | (27.9%) | (25.2%) |
| DX-related trainings* | 52 | 148 | 115 | 118 | 129 | 81 |
| (YoY) | (81.3%) | (138.3%) | (169.1%) | (129.7%) | (114.2%) | (95.3%) |

*Consolidated subsidiaries are included.

*DX-related trainings: IT and computer skills trainings. The figures before July 2022 have been changed due to a change in the counting method.

(2) Monthly number of attendees at Open Seminars

(Unit: attendee)

| | 2023 | | | | | |
|----------------------|----------|----------|----------|----------|----------|----------|
| | March | April | May | June | July | August |
| Number of attendees | 9,123 | 12,501 | 7,849 | 10,658 | 10,503 | 11,052 |
| (YoY) | (111.7%) | (115.6%) | (114.4%) | (119.9%) | (119.0%) | (118.5%) |
| Conducted online | 7,562 | 5,833 | 5,907 | 8,110 | 7,554 | 8,190 |
| (Composition ratio) | (82.9%) | (46.7%) | (75.3%) | (76.1%) | (71.9%) | (74.1%) |
| DX-related trainings | 982 | 1,327 | 1,117 | 1,403 | 1,179 | 1,185 |
| (YoY) | (92.2%) | (105.7%) | (158.2%) | (153.5%) | (137.3%) | (83.3%) |

*Consolidated subsidiaries are included.

2. IT Services Business

The number of paid subscribers for Leaf (HR support system) reached 625 organizations (+7 MoM) and the number of its users increased to 2,863,683 (+59,080 MoM). The cumulative number of orders delivered for Stress Check Support Service was 460 since the beginning of the fiscal year (+51 YoY).

(1) “Leaf (HR support system)”: Total number of paid subscribers (organizations)

(Unit: organization)

| | 2023 | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| | March | April | May | June | July | August |
| No. of paid subscribers (organizations) | 588 | 593 | 603 | 612 | 618 | 625 |
| (MoM) | (+20) | (+5) | (+10) | (+9) | (+6) | (+7) |
| (Changes from end of previous FY) | (+66) | (+71) | (+81) | (+90) | (+96) | (+103) |
| No. of users | 2,552,509 | 2,612,609 | 2,649,008 | 2,722,123 | 2,804,603 | 2,863,683 |
| No. of customization | 65 | 73 | 77 | 84 | 88 | 99 |
| Total no. since the beginning of FY | | | | | | |
| Web conversion service for appraisal forms | 184 | 185 | 186 | 190 | 191 | 192 |
| (MoM) | (+10) | (+1) | (+1) | (+4) | (+1) | (+1) |

*The number of customizations shows the number of organizations that add their own functions when implementing Leaf.

*Figures above are calculated at the end of each month.

(2) Stress Check Support Service: Number of orders delivered and orders to be delivered

(Unit: organization)

| | 2023 | | | | | |
|--|-------|-------|-------|-------|-------|--------|
| | March | April | May | June | July | August |
| No. of orders delivered (by month) | 171 | 3 | 5 | 5 | 4 | 25 |
| Cumulative no. of orders delivered * since the beginning of FY | 418 | 421 | 426 | 431 | 435 | 460 |
| (YoY) | (+38) | (+34) | (+30) | (+33) | (+33) | (+51) |
| No. of orders to be delivered (at the end of month) | 20 | 36 | 64 | 118 | 173 | 236 |
| (YoY) | (+1) | (+11) | (+21) | (+20) | (+19) | (+32) |

*Note that after clients’ inspection, the actual sales will be counted.

*This service has the highest number of deliveries in March every year.

3. e-Learning/video Business

The number of contents sold (outright purchases) was 88 (81.5% YoY). The number of rental viewers was 1,027 (168.1% YoY) with increased use of contents related to mental health and harassment prevention.

(1) e-Learning/videos: Total numbers of subscription IDs per month and the number of contents sold

(Unit: ID) (Unit: Content)

| | 2023 | | | | | |
|--|--------------------|--------------------|------------------|------------------|--------------------|-------------------|
| | March | April | May | June | July | August |
| No. of video contents sold (Outright purchase)* by month (YoY) | 583 (105.6%) | 93 (42.1%) | 87 (127.9%) | 147 (153.1%) | 128 (123.1%) | 88 (81.5%) |
| No. of rental viewers* by month (YoY) | 1,616 (137.3%) | 1,629 (143.3%) | 615 (113.3%) | 822 (43.1%) | 1,440 (115.6%) | 1,027 (168.1%) |
| STUDIO (e-Learning) users (MoM) | 79,335 (+4,636) | 81,497 (+2,162) | 81,989 (+492) | 82,200 (+211) | 83,275 (+1,075) | 84,232 (+957) |

*Calculation takes place at the end of every month.

4. Client Base

The total number of registered WEBinsource clients increased significantly by 256 MoM, and has continued to exceed our single month target of 200 organizations. Since the number of newly registered clients is an indicator of sales activity, we already achieved our target of 2,400 for this fiscal year and will continue to acquire new clients.

(1) WEBinsource: Total number of subscribers (organizations)

(Unit: organization)

| | 2023 | | | | | |
|--------------------------------|----------|----------|----------|---------|----------|----------|
| | March | April | May | June | July | August |
| No. of new subscribers | 309 | 234 | 264 | 280 | 297 | 256 |
| No. of accumulated subscribers | 20,088 | 20,322 | 20,586 | 20,866 | 21,163 | 21,419 |
| (YoY * No. of new subscribers) | (112.0%) | (104.5%) | (114.8%) | (94.6%) | (120.7%) | (103.2%) |
| (Progress rate: %) | (59.1%) | (68.9%) | (79.9%) | (91.5%) | (103.9%) | (114.6%) |

*Figures above are calculated at the end of each month.

5. Contents Development

The number of new contents developed was 30 for training (On-Site Training) and 17 for e-Learning. We have set a FY22 target of 350 for training and 210 for e-Learning, and we are taking steady steps toward the target.

(1) Number of new contents developed

(Unit: pieces)

| | 2023 | | | | | |
|--|---------|---------|---------|---------|---------|---------|
| | March | April | May | June | July | August |
| No. of new contents for On-Site Training | 30 | 30 | 30 | 31 | 31 | 30 |
| since the beginning of FY | 180 | 210 | 240 | 271 | 302 | 332 |
| (Progress rate: %) | (51.4%) | (60.0%) | (68.6%) | (77.4%) | (86.3%) | (94.9%) |
| No. of new contents for e-Learning | 19 | 15 | 15 | 20 | 20 | 17 |
| since the beginning of FY | 105 | 120 | 135 | 155 | 175 | 192 |
| (Progress rate: %) | (50.0%) | (57.1%) | (64.3%) | (73.8%) | (83.3%) | (91.4%) |

*Figures above are calculated at the end of each month.

(For reference) KPI (Key Performance Indicators) and Performance Correspondence Chart

| Performance | Related KPIs |
|-------------------------------|--|
| Monthly performance | <ul style="list-style-type: none"> ▪ Number of On-Site Training conducted (Composition ratio of sales in FY21: 49.5%) ▪ Attendees at Open Seminars (Same as above: 23.6%) ▪ Organizations and users of Leaf (Same as above: 12.7%) ▪ Number of e-Learning and videos sold (Same as above: 14.2%) |
| In several months to 6 months | <ul style="list-style-type: none"> ▪ Number of registered WEBinsource clients <p>WEBinsource is our entry level product for new customers, who are potential to purchase a variety of our services. The number of new registrations is an indicator of sales activity and a leading performance indicator for the next few months to six months.</p> |
| In 6 months to 2 or 3 years | <ul style="list-style-type: none"> ▪ Number of new contents developed <p>The increase in the number of trainings, e-Learning and videos and other contents developed will contribute to long-term growth of the company. It does not realize significant sales immediately, but rather contributes to business performance six months to two or three years afterwards.</p> |

We will keep expanding our businesses in order to adapt to changes in the social environment by offering a wide variety of services such as online training, IT and e-Learning and videos.

◇For Excel data of latest KPI, download from <https://www.insource.co.jp/en/ir/insmthdata.html>

※Available from September 1, 2023 at 20:00 JST

*Microsoft, Excel, Word, Windows, Teams is a trademark or registered trademark of Microsoft Corporation in the United States and other countries.

The preliminary figures above may differ from the upcoming financial statements. This information is created with the utmost caution, but we do not fully guarantee its accuracy.

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