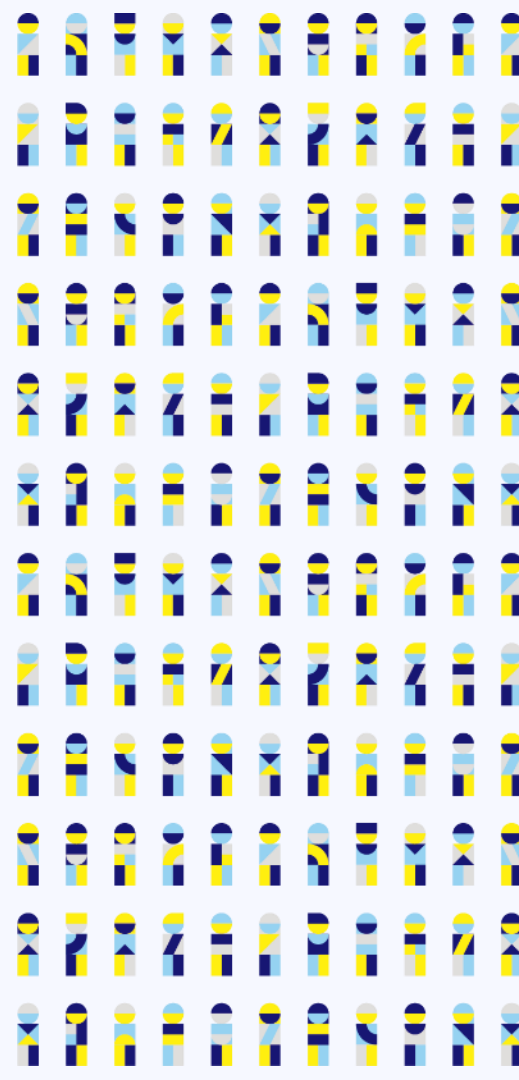




FY2023 Financial Results

(Business Plan & Growth Potential)

Securities code : TSE Growth 3900



FY2023 Summary



FY2023 Performance

Achieved record high growth in both sales and income.

High growth of more than 25% YoY in both Gross Profit and EBITDA.

[million yen]	FY2022	FY2023	前年比
GMV	19,447	23,351	+20.0%
Net Sales	10,574	13,210	+24.9%
Gross Profit	4,812	6,142	+27.6%
EBITDA (Non-GAAP)	1,047	1,420	+35.6%



FY2023 Forecasts were achieved for all indicators

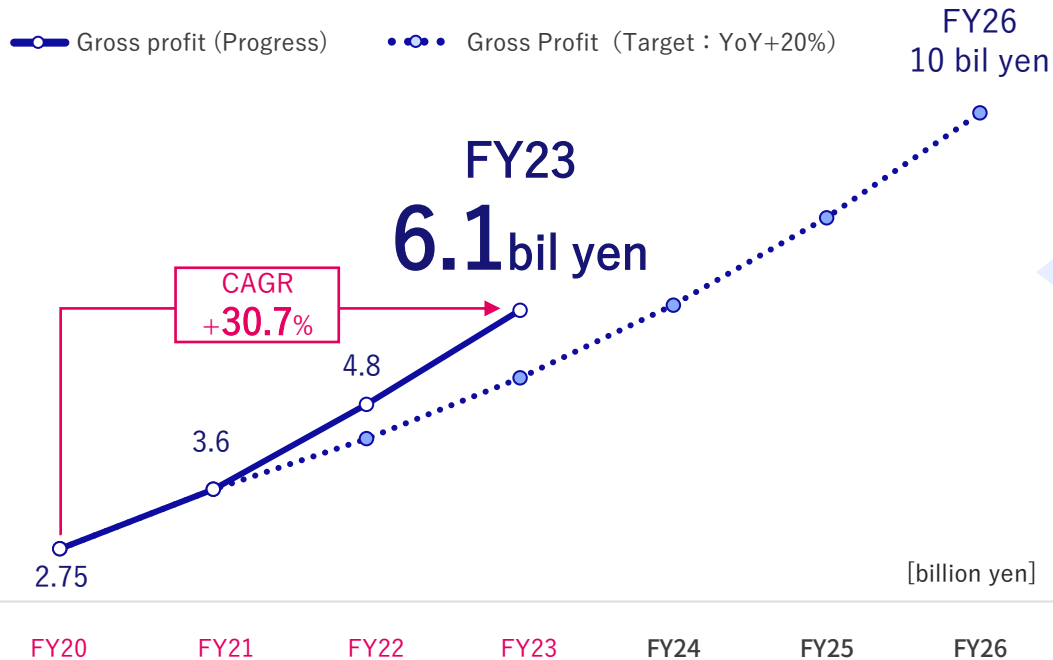
Achieved all indicators against forecasts.

[million yen]	FY2023 Forecast	FY2023 Result	% of achievement
GMV	22,800 ▶	23,351	102.4%
Net Sales	13,000 ▶	13,210	101.6%
Gross Profit	5,900 ▶	6,142	104.1%
EBITDA (Non-GAAP)	1,200 ▶	1,420	118.4%

Progress on Mid-Long-term Targets

Gross profit for FY2023 topped 6.1 billion yen.

Gross profit **CAGR +20% growth for 3 consecutive years.**



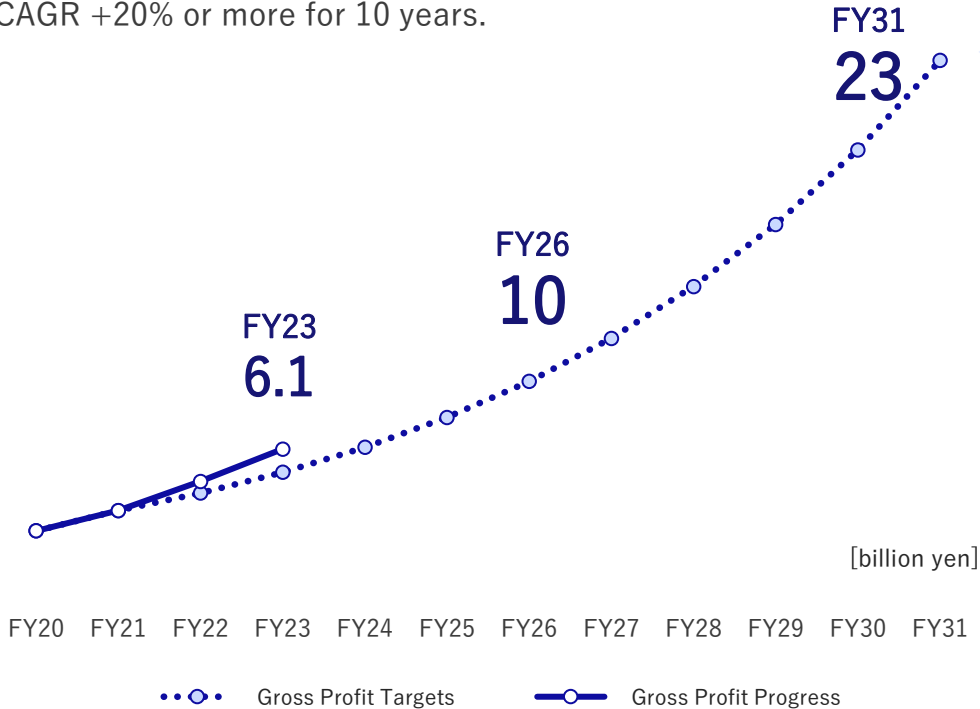
Gross Profit

FY20-23 CAGR
+30.7%

Ahead of Schedule
to our Targets

Mid-Long-term Growth Targets

Aim to achieve gross profit of 23.0 billion yen in FY31
by maintaining the mid- to long-term target of Gross profit
CAGR +20% or more for 10 years.



Gross Profit

**CAGR +20%
or more
Achieved for
3 years**



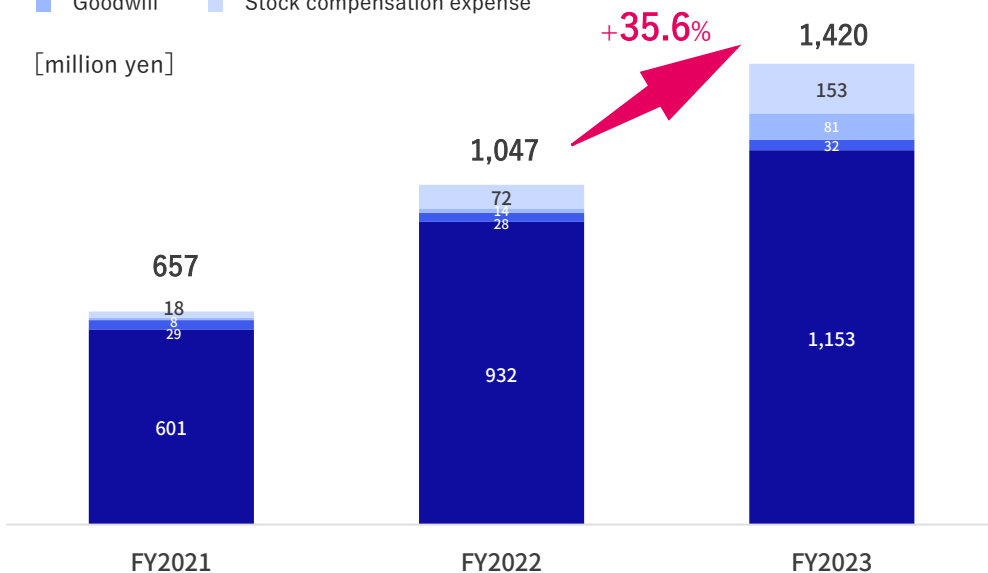
EBITDA (Non-GAAP)

Achieved YoY +35.6%.

Stock compensation expense increased sharply to +112.7%.

- Operating Profit
- Depreciation and amortization
- Goodwill
- Stock compensation expense

[million yen]



EBITDA (Non-GAAP)

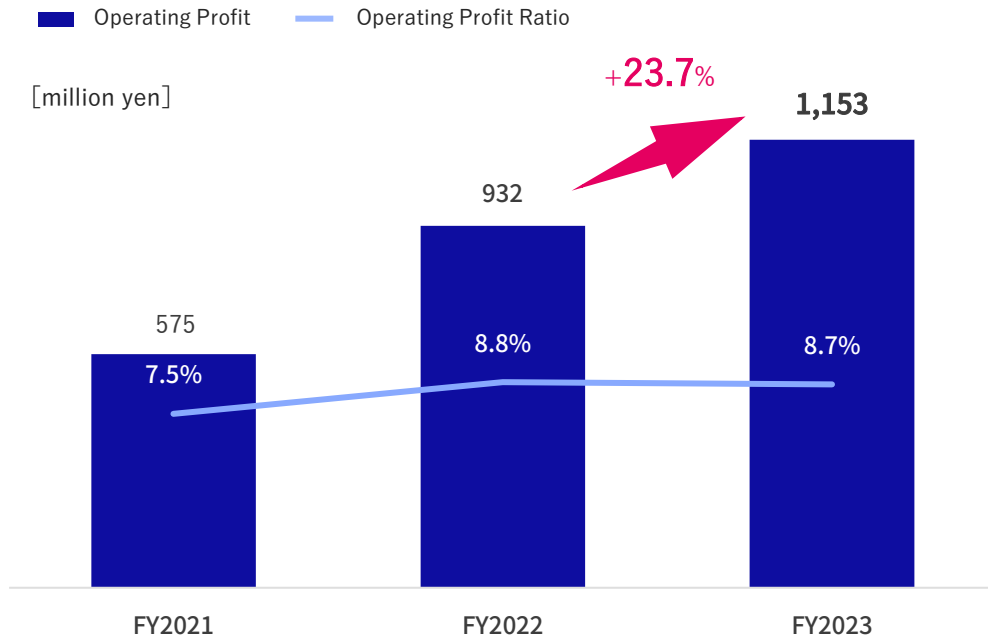
+35.6%

YoY increase



Operating Profit

Achieved record profits through productivity improvements.
Operating profit margin also maintained in the upper 8% range.



Operating Profit

+23.7%

YoY increase

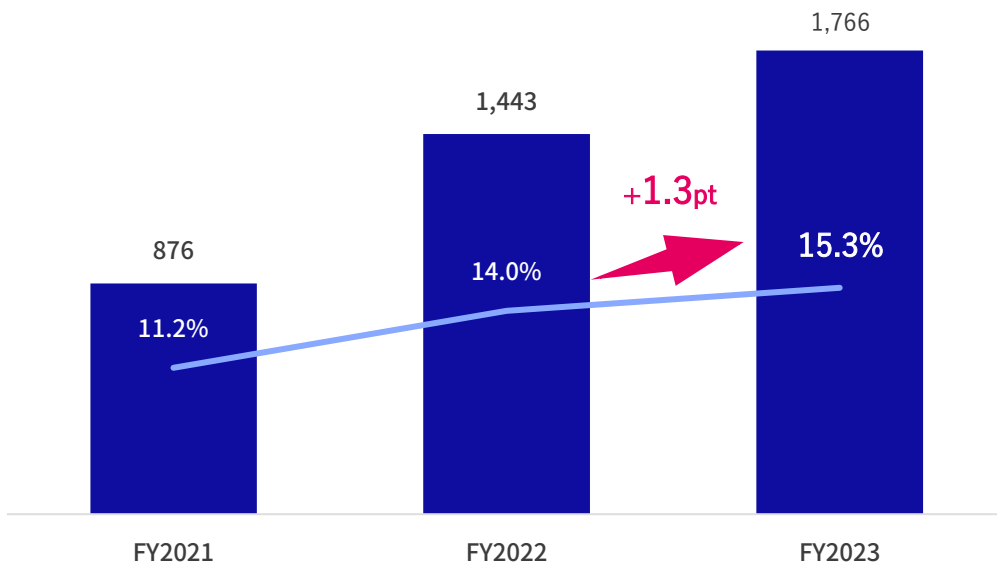
OP Margin of 3 Core Matching Businesses

Operating margin of 15.3%.

for the three highly profitable matching businesses.

Operating Income and Margin for CrowdWorks, CrowdTech, and BizAssist

■ Operating Profit — Operating Profit Ratio



OP Margin of 3 Core Matching Businesses

15.3%

Stable & High Profitability

To Improve Productivity in Japan
「YOSHIDA300」



MISSION

Talent infrastructure

More than ever before, the world today is a place in which talent and experience can be used for the betterment of other people's lives.

Writers, designers, engineers, video distributors, school instructors, and many others are making a career out of what they are good at, helping others, and bringing smiles to the people around them.

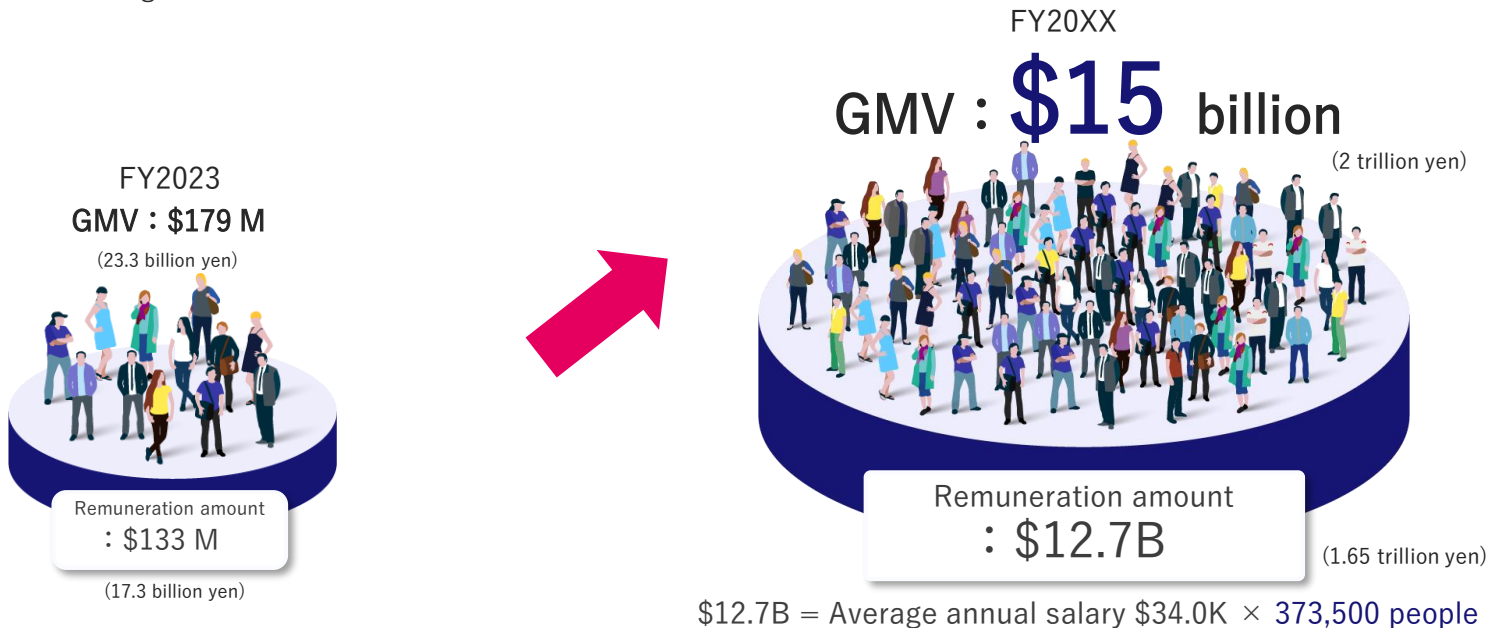
We believe in the infinite potential of people. We believe that people's talents can be tapped to significantly improve others' lives. CrowdWorks' mission is to become a modern infrastructure for talent.





VISION

Achieving our goal of “The company that delivers rewards to people the most in the world”, Over the long-term, CrowdWorks aims to reach “\$15 billion in work distribution GMV.” We will build Japan’s largest online employment infrastructure with more than 373,500 people in terms of average annualized income.



(Sources) *Average annual salary \$31.0K National Tax Agency, "Results of the Survey on the Actual Status of Private Salary for 2021"

* 372,000 Number level of employees ranking No. 1 in Japan; Reference: Yahoo Finance as of Nov. 10, 2022 1. Toyota 372,000 people, 1. Hitachi 372,000 people, 2. NTT 341,000 people

* The dollar notation is expressed as 1 dollar = 130 yen

Shift Toward Purpose Management

CW's "Purpose Management" is to connect the significance of our daily efforts to achieve goals and improve productivity with society through our mission "Talent Infrastructure".

CW's 「Purpose Management」 =

Mission

+

Productivity
Improvement

Team that always speaks with mission, is connected by mission, and helps each other.

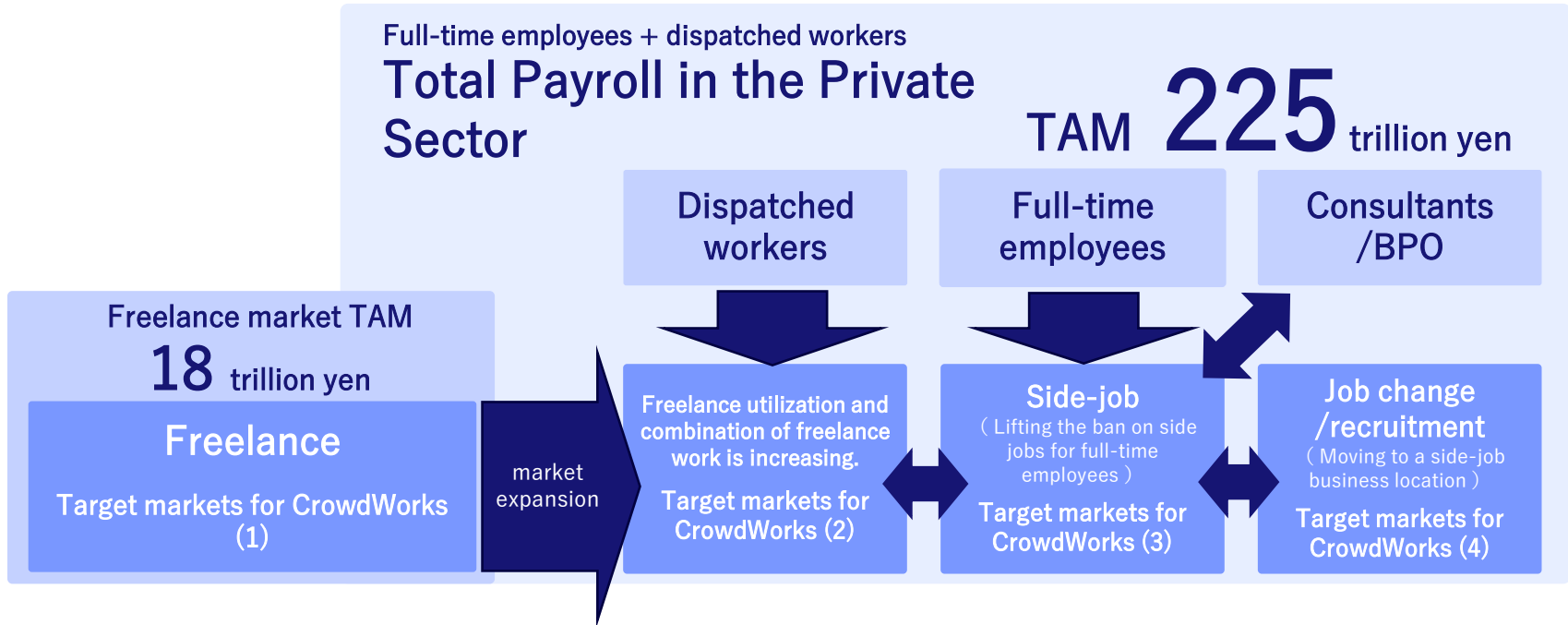
CW's management method that achieved both 20% gross profit growth and over 1 billion yen in operating profit.



CW MVP Presentation Scene

HR mobility accelerates, TAM expands to 225 trillion yen in total payroll

The labor market has changed dramatically with the lifting of the ban on side-job, the spread of remote work, and the government's promotion of work style reforms. CrowdWorks' TAM expands from the freelance market to the overall labor market with a total payroll of 225 trillion yen.



To improve productivity in Japan

「YOSHIDA300」 Progress

1. Matching

2. SaaS

3. M&A

「YOSHIDA300」 Objectives

- ① Net sales: 30 bil. Yen
- ② EBITDA 2.5 bil. Yen
- ③ Annual growth rate of operating income: +10% or more

Business Objectives

Net sales 30 bil. yen = Existing and new businesses 18 bil. yen + M&A 12 bil. yen
EBITDA 2.5 bil. yen = Existing and new businesses 1.6 bil. yen + M&A 0.9 bil. yen



Matching
(Existing Businesses)



SaaS
(New Business)



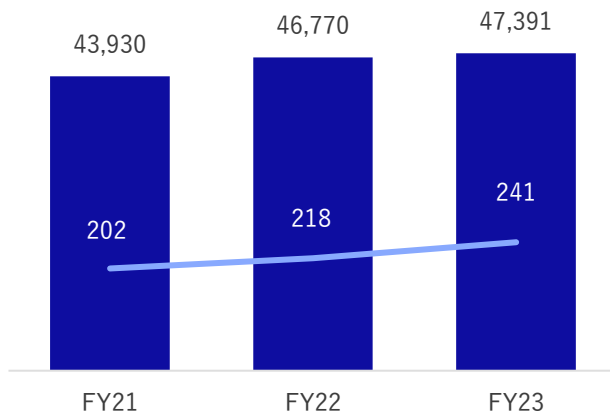
M&A

Matching Business All KPI indicators improved

Among engineers/designers, the number of companies placing orders with CrowdTech alone is +7.8% YoY, while the unit price per order is +3% YoY.

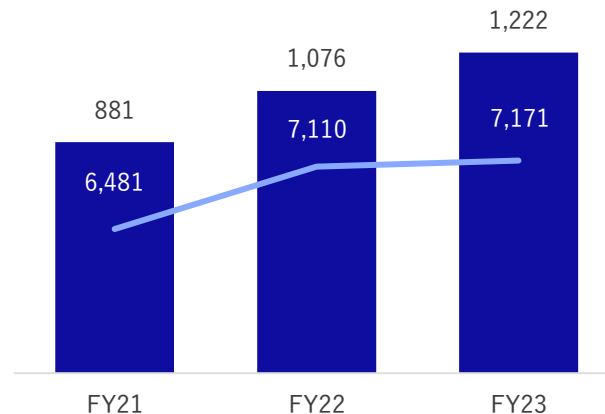
Web production/Outsourcing area (Direct)

GMV	11,451 mil yen	YoY	+12.4%
Ordering Clients	47,391	YoY	+1.3%
×			
Unit Price	241,000 yen	YoY	+10.5%



Engineer/Designer area (Agent)

GMV	8,756 mil yen	YoY	+14.5%
Ordering Clients	1,222	YoY	+13.6%
×			
Unit Price	7,171,000 yen	YoY	+0.9%



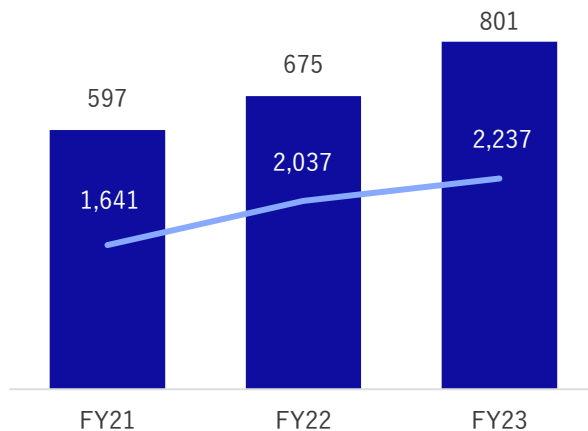
■ Ordering Clients — Ordering Unit Price (thousand yen)

Matching Business All KPI indicators improved

In the side-job area, Shuumatsu Worker contributed to both the number of companies and unit price.

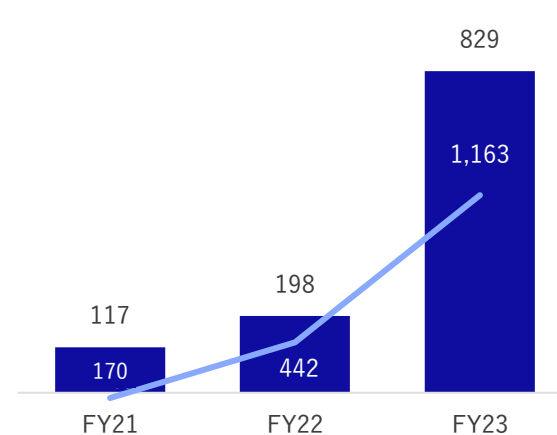
Assistant/Admin area (Agent)

GMV	1,797 mil yen	YoY	+30.7%
Ordering Clients	801	YoY	+18.7%
×			
Unit Price	2,237,000 yen	YoY	+9.8%



Side-job area (Direct · Agent)

GMV	964 mil yen	YoY	+1003.7%
Ordering Clients	829	YoY	+318.7%
×			
Unit Price	1,163,000 yen	YoY	+163.1%

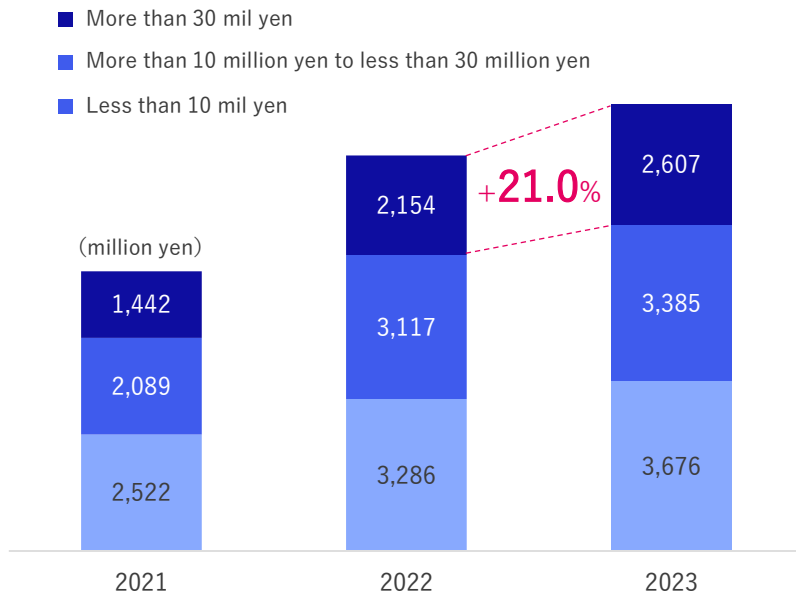


■ Ordering Clients — Ordering Unit Price (thousand yen)

Growth Strategy Account Sales Progress

Client sales of more than 30 million per client per year +21.0% YoY.

Sales Transition by annual sales size per client



< Account Sales Case - Major Advertising Agency >

Successfully increased the number of deals and unit price by promoting cross-cell activities.

	FY22	FY23	YoY
Number of workers	79	101	+27.8%
Unit price	640 thousand yen	725 thousand yen	+13.3%

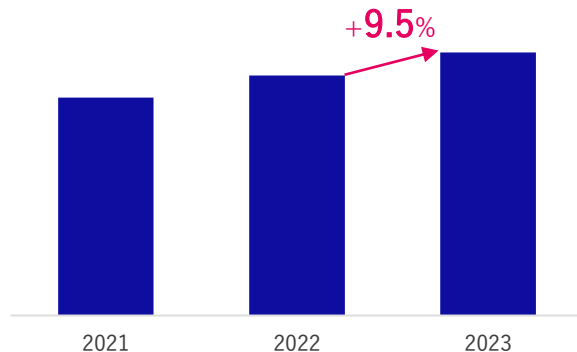
Growth Strategy Improving and sustaining unit price per contract

- ① Steady increase in the number of "certified workers" whose unit price per contract is higher.
- ② Built a support system for both workers and clients to increase the rate of contract extension for clients and compensation for workers.

① Certified Worker Program

Workers with high client evaluations have higher contract unit prices.

Number of certified workers



② Support system for both workers and clients

Assigning our representatives to both worker and client to create an environment/relationship to increase satisfaction for both sides.

Contract term extension rate in the initial contract

FY23 3Q	FY23 4Q
62.6%	→ 75.0%

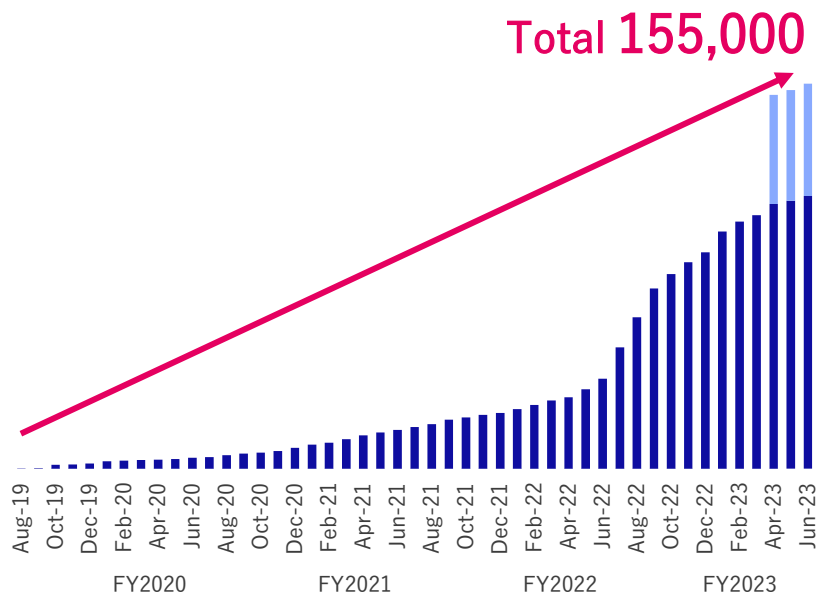
Workers who answered "very satisfied" with the support system

FY23 4Q
67.4%

Side-job area Accelerate matching of consulting personnel

The need for high-level personnel such as consultants continues to be strong.

- CroudLinks Total Number of Registrants
- Shuumatsu Worker Total Number of Registrants



< Project Cases >

Case 1: New business planning and development of planning personnel

Target: New business will be operational from April 2024.

Consulting Talent Matching



Experience in supporting about 100 business concept development projects at major consulting firms and securities firms.

Case 2: Business Improvement and Productivity Enhancement

Target: To establish a corporate division structure to accommodate business expansion

Consulting Talent Matching

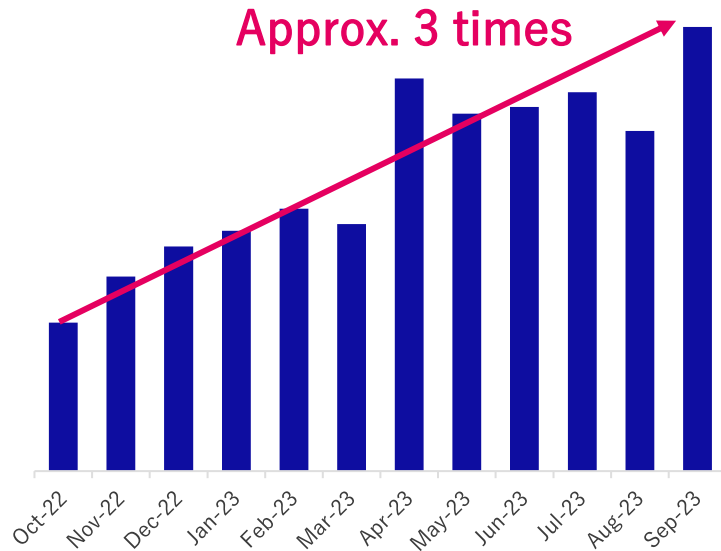


Engaged in system implementation and business improvement support at a major consulting firm.

Web/Outsourcing Area Accelerating business development through generated AI

- ① GMV of AI-related projects tripled YoY due to the effects of the Generate AI job specials and other factors.
- ② Business alliance with PKSHA Technology to enhance our matching algorithm.

① GMV Trends in Generative AI Related Projects



② Business alliance with PKSHA

PKSHA × **CROWDWORKS**
TECHNOLOGY

1. Research and demonstration of matching algorithms by utilizing big data related to a worker database of more than 5 million workers, etc.
2. Interactive AI-based recruitment of jobs and tasks by companies and generation of applications and entries by workers.
3. Explore the possibility of using AI in recommending appropriate jobs from companies to workers.

To improve productivity in Japan

「YOSHIDA300」 Progress

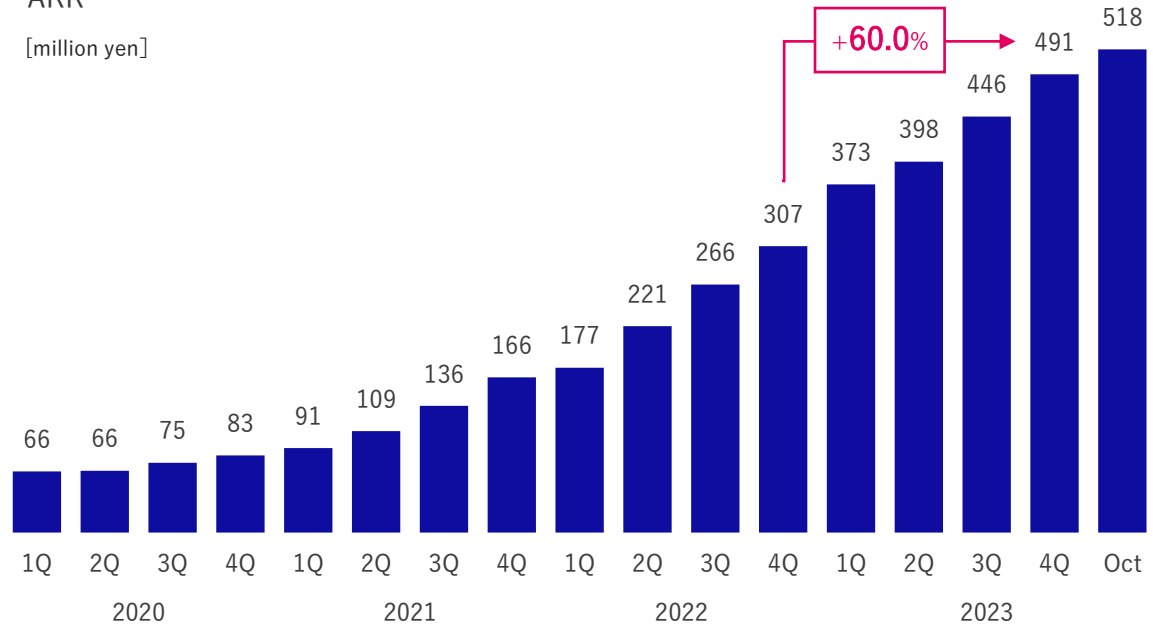
1. Matching
- 2. SaaS**
3. M&A

CrowdLog Continued high growth

As of October 2023: ARR exceeds 500 million yen.
Annual growth rate also remains high at +60.0%.

ARR

[million yen]

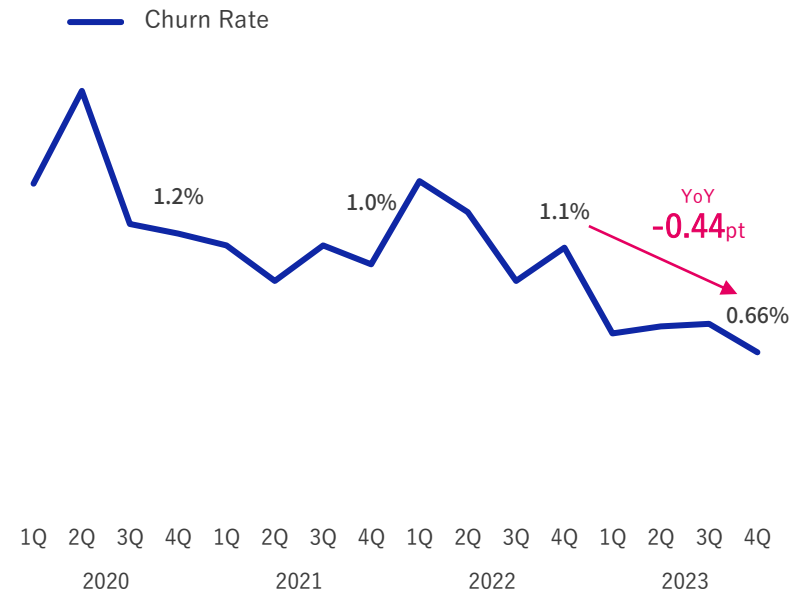
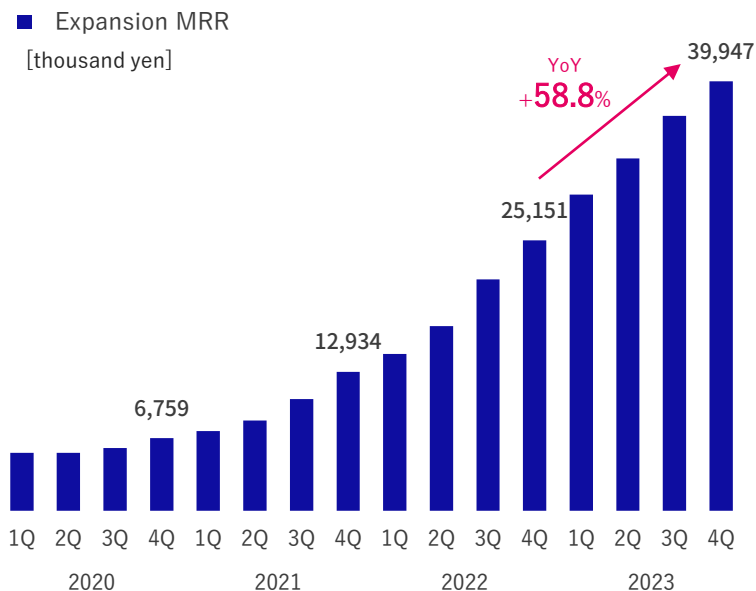


ARR exceeds 500 mil yen

CrowdLog Continued up-selling from major clients

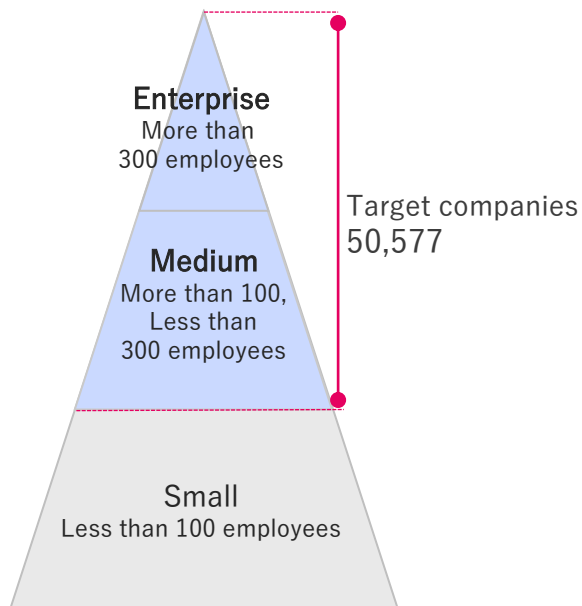
Continued up-selling from large companies.

Sustained low average churn rate through functional improvements tailored to needs.



CrowdLog Expansion centered on major companies

Targeting companies with 100 or more employees as the target group of companies (SAM), aiming for an ARR of 5 billion yen by improving unit price and number of companies.



Focus on expansion to medium to large companies

Introduction & up-selling to major companies (example)

Company A Retailing More than 1,400 employees	Yearly 1 mil yen	▶	Yearly 12 mil yen
Company B info/communication industry More than 500 employees	2 mil yen	▶	6 mil yen
Company C Wholesale industry More than 1,500 employees (group total)	2 mil yen	▶	3 mil yen
Company D Advertising More than 500 employees	1 mil yen	▶	6 mil yen

Growth Strategy CrowdLog x HRSaaS collaboration launched

Further expand approach to large enterprises upselling through functional enhancements and collaboration with peripheral HRSaaS to achieve the next target of ARR 5 billion.



Installed in

720 companies



Measures to further expand introduction to major companies

① Expand sales by linking with other companies' HRSaaS

- Set sales through functional linkage with other companies' HR SaaS such as attendance management tools. (KING OF TIME, Jobcan, Kinkakuji New Alliances)
- Enables access to approximately **200,000** client resources held by HR SaaS with where collaboration is possible.

② Sales expansion through distributor agreement with SB C&S

- Approximately **13,000** sales partners can now handle.
- Expanding sales network to major and regional companies to increase orders.

Growth Strategy SaaS ARR 10 billion yen Strategy

Set a mid-long-term target of 10 billion yen ARR from CrowdLog & new SaaS products.

ARR 10 bil. yen Strategy

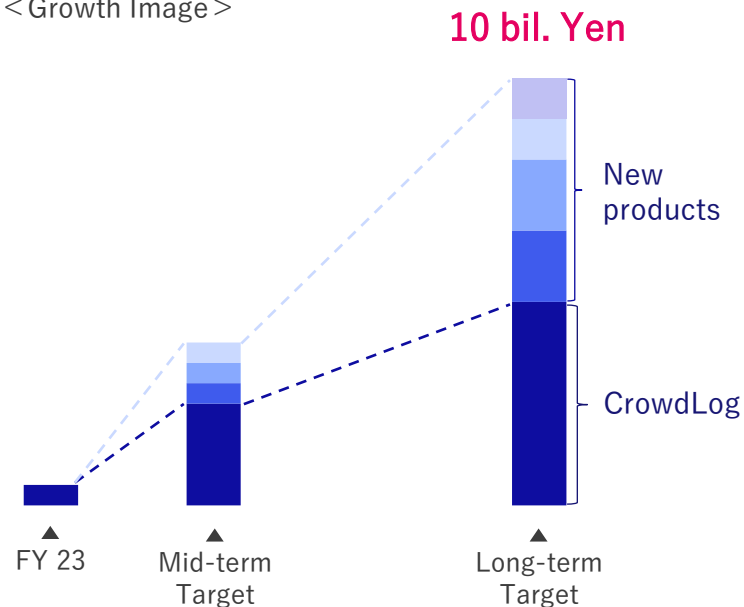
CrowdLog: 5 billion yen

- Market expansion with man-hour management SaaS
- Expansion of contracted companies with more than 300 employees
- Increase marketing investments while adhering to investment efficiencies set forth in the Productivity Policy.
- Continue to improve in unit cost

New product: 5 billion yen

- Generate three services with an ARR of 100 million yen
- Develop 2 x 1.5 billion yen ARR scale + 2 x 800 million yen ARR scale services
- Consideration of both in-house start-up and M&A

<Growth Image>



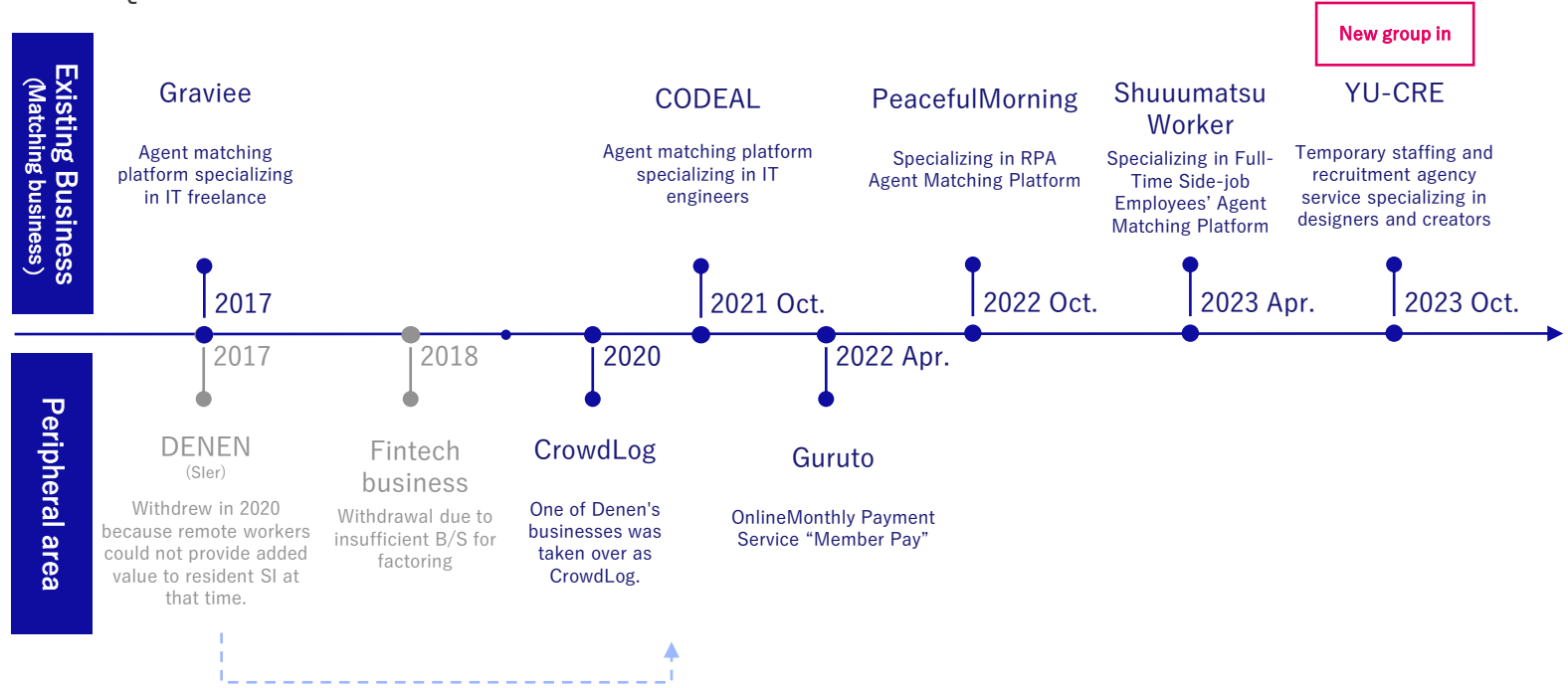
To improve productivity in Japan

「YOSHIDA300」 Progress

1. Matching
2. SaaS
3. M&A

M&A Milestones

M&A activities centered on the matching business. We plan to accelerate M&A from hereon. YU-CRE, which became a consolidated subsidiary in October, will be included in consolidated results from FY2024 1Q.



Results after grouping in

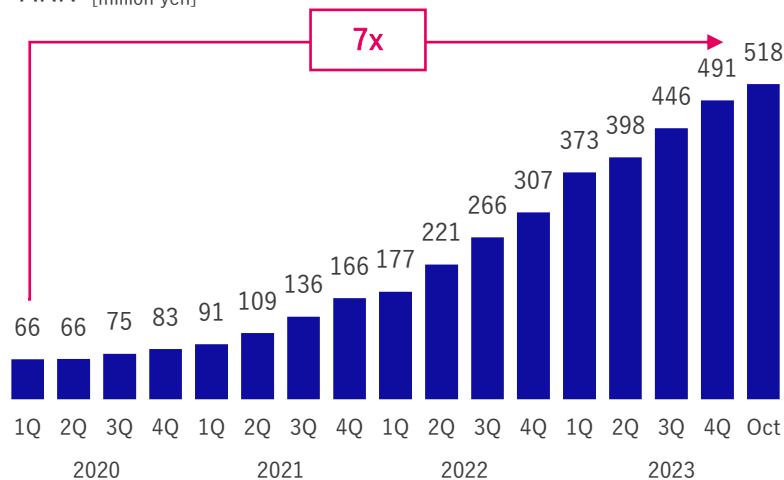
CrowdLog : ARR exceeded ¥500 million while loss declined

Peaceful Morning : Turned profitable in FY23 while continuing top-line growth and maintained profitability after goodwill thereafter.

CrowdLog (Acquired in 1Q FY2020)

Business Model : Man-hour management SaaS

ARR [million yen]

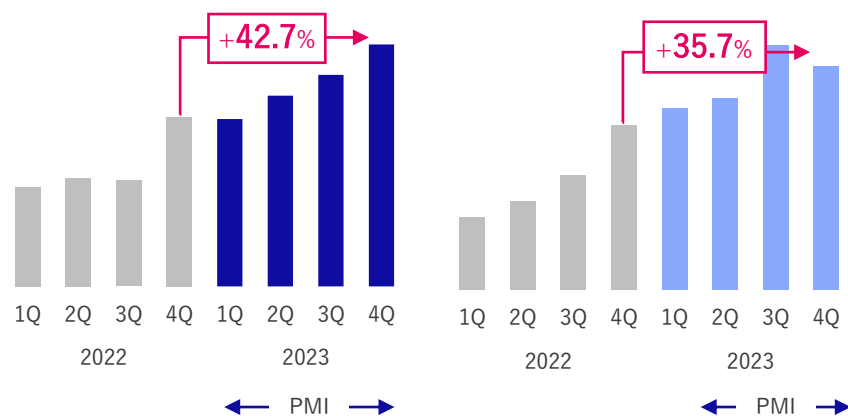


PeacefulMorning (Acquired in 1Q FY2023)

Business Model: Agent matching platform specialized in RPA

■ Net Sales

■ Gross Profit



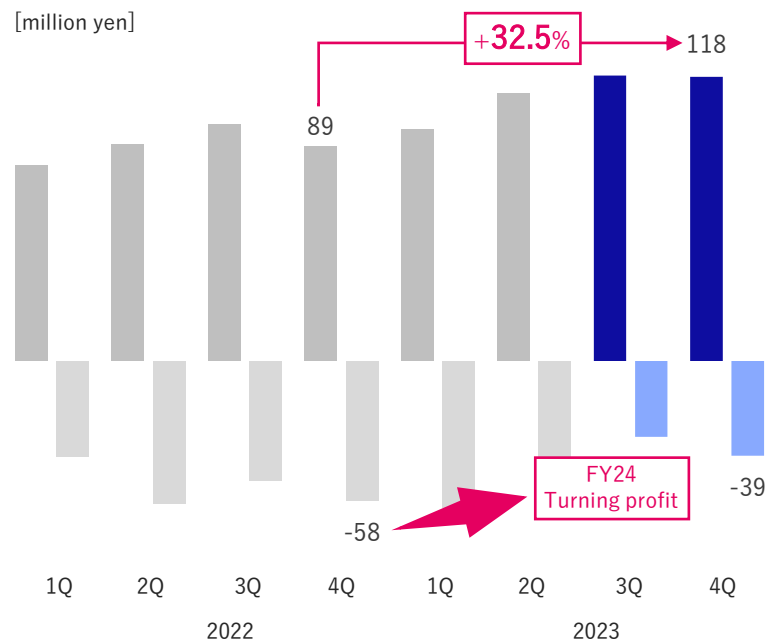
Shuumatsu Worker Performance after Group-in

Shuumatsu Worker, which completed rights transfer in 3Q, **achieved black ink before goodwill in August 2023.**

Aim to return to operating profit for the full year of FY2024.

■ Gross profit ■ Operating profit after goodwill

[million yen]



Cooperation measures

1 Inter-business clients/workers transfer

- 1 Increased number of contracts for multiple services by passing up clients and workers from existing businesses to SW.

2 Application of CW Sales Model

- 2 SW members attended the CW Sales Model Conference. Know-how was shared to improve productivity.

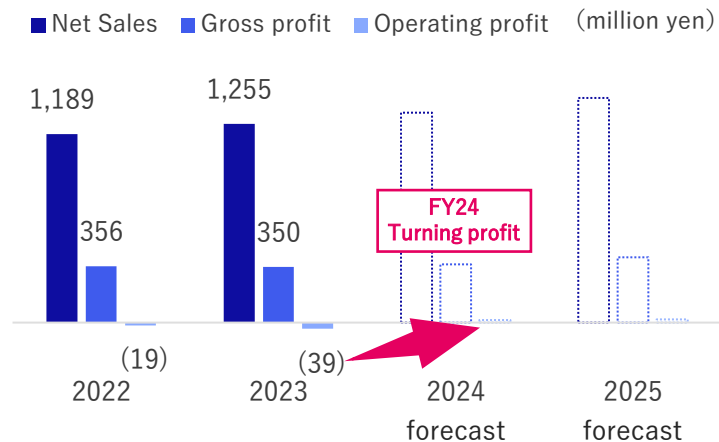
YU-CRE Group in from FY2024 1Q

1. Providing new options, such as freelancing, to companies utilizing temporary staffing.
2. Possible to propose permanent and temporary staffing to existing CW clients.
3. CW's productivity improvement model to increase profitability.

Company Profile

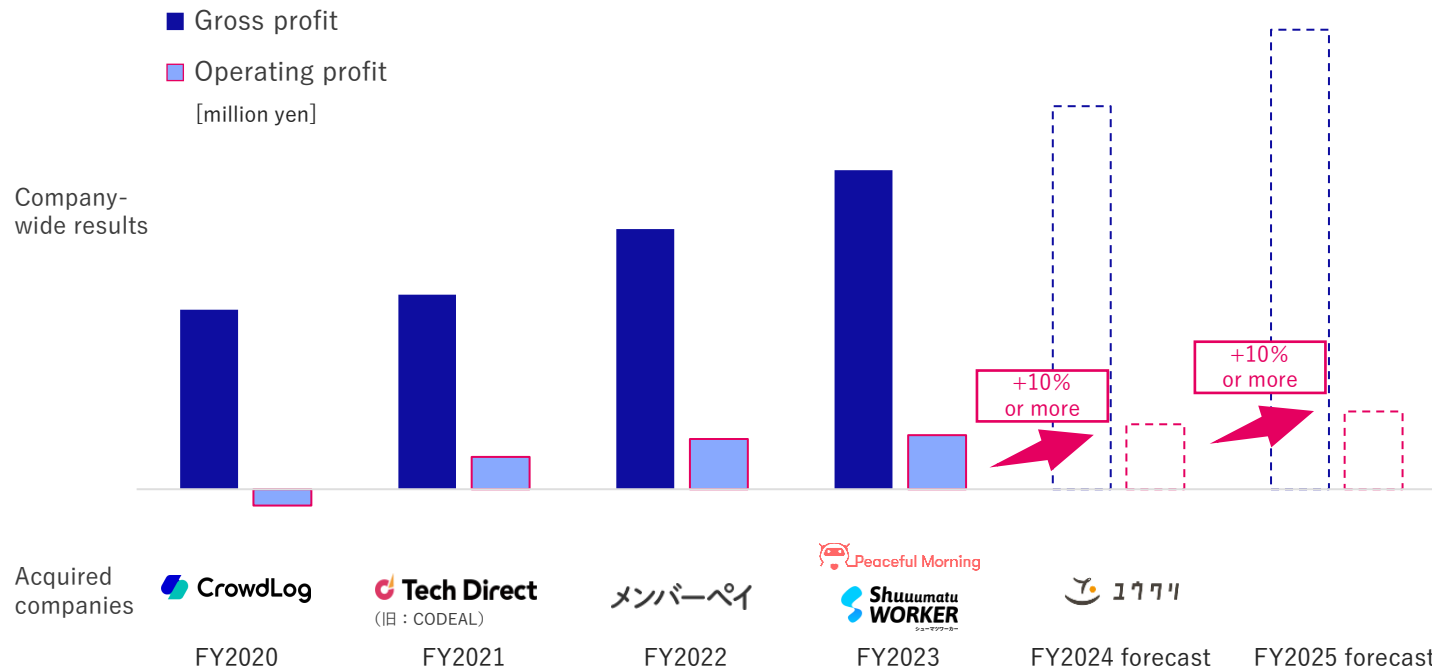
Name	YU-CRE Co.,Ltd	
Location	Shibuya-ku, Tokyo	
Established	1984	
Number of employees	40 (As of March 10, 2011)	
Business	Human resource agent service providing temporary staffing, career change, and freelance support for professional designers and creators. ➤ Registered workers over 30,000	

Business Performance



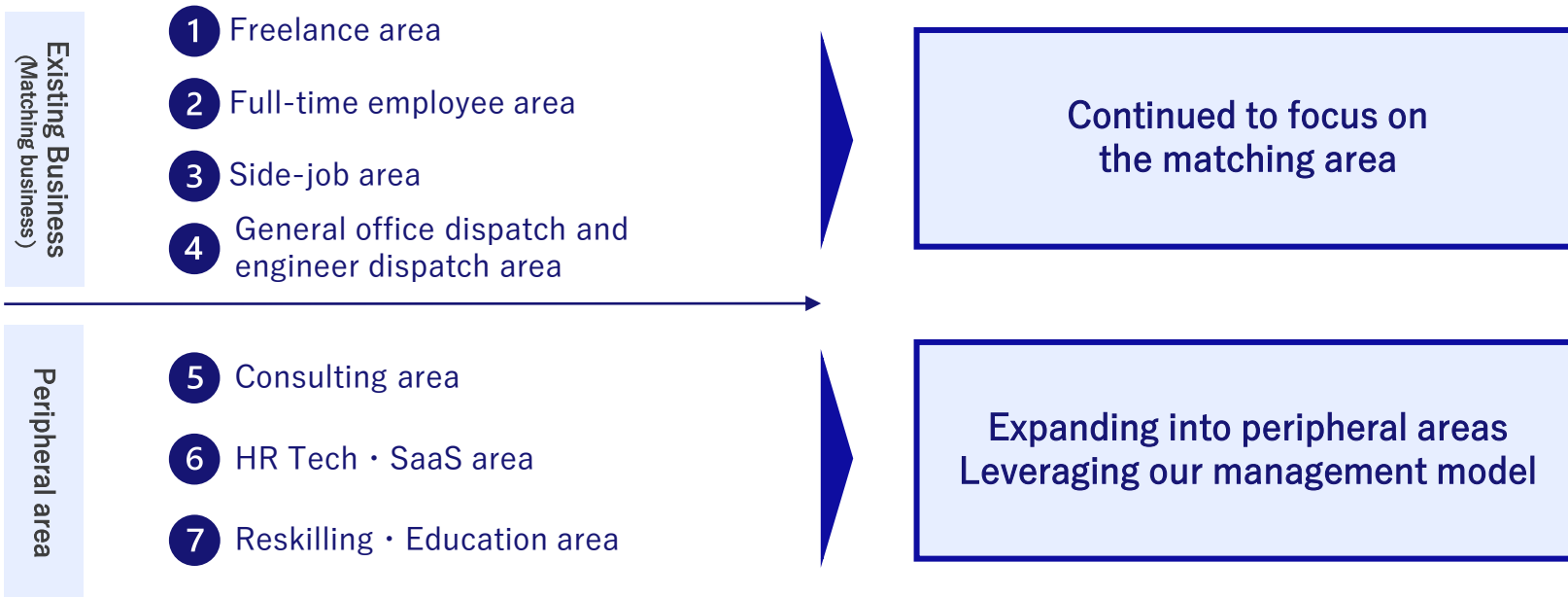
Continuous M&A" and "company-wide operating income growth including goodwill

Continue to aim for 10% growth in operating profit growth rate at the lower limit while conducting M&A



Future Strategies and Focus Areas

We will continue to focus on the matching business as for the area of M&A. Through leveraging our core values, we will expand our M&A activities in the following 7 areas.



M&A 3 Disciplines and Sourcing KPIs

Three Disciplines

- ① Avoiding overpriced acquisitions by conducting multiple comparisons with similar listed companies when considering acquisitions
- ② Achieve positive operating income after goodwill within 36 months
- ③ Return on investment in excess of WACC within 36 months

Sourcing KPIs

Thorough KPI management

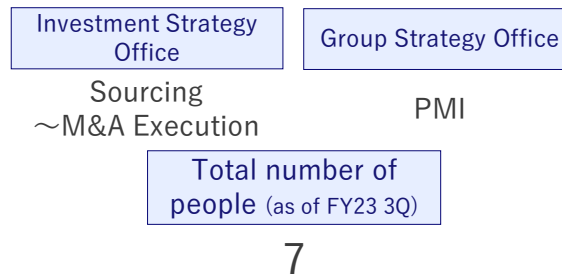
FY2023 (Oct. 2022 – Sep. 2023) Results



Accelerate M&A strategy by improving our pipeline

Strengthen M&A organization

Strengthen M&A structure to maximize synergies



FY2024 Forecast



Forecast for FY2024

Increased revenue and profit despite M&A, continuing to aim for 30% growth in gross profit.

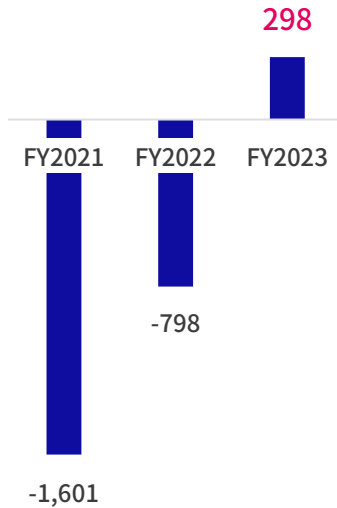
[million yen]	FY2023 Result	FY2024 Forecast	YoY
GMV	23,351 ▶	28,020	+20.0%
Net Sales	13,210 ▶	15,860	+20.1%
Gross Profit	6,142 ▶	7,370	+20.0%
EBITDA (Non-GAAP)	1,420 ▶	1,570	+10.5%

- M&A: No specific deals have been finalized at this time other than Yucli, which was added to the group in October.
- EBITDA (Non-GAAP): Operating profit + Depreciation and amortization + Amortization of goodwill + Stock-based compensation expense.
- Figures are rounded down to the nearest million yen.
- Year-on-year comparisons are calculated in accordance with the rules for financial statements, taking into account figures less than one million yen.

Shareholder Return Policy

Positive turnaround in retained earnings; shareholder return measures to be considered in the future.

Retained Earnings



$$\text{TSR}(\%) = (\text{capital gains} + \text{dividends in year } n) / (\text{share price at the end of year } n-1)$$

Capital gain
(Shareholder gains due to higher stock prices)



Income Gain
(Shareholder gains from dividends)

- Increase gross profit as a source of CF (CAGR +20% or more for 10 years)
- Aiming for medium- to long-term stock price appreciation
- Share buybacks also an option

- Priority given to accumulation of retained earnings
- Not planned in the short term, but will consider in the medium to long term

Appendix

Crowdworks Management Model

~Achieved the target for three consecutive years,
and to achieve 10 consecutive years of gross profit growth of 20% or more~

1. One of the largest HR databases in Japan,
with approx. 600,000 people and 90,000 companies registering annually
2. The only one in the industry where platform and agent model grow simultaneously
3. Productivity Improvement Culture
4. Structuring sales efficiency (CW Sales Model)
5. Account sales structure to improve contract value per client company

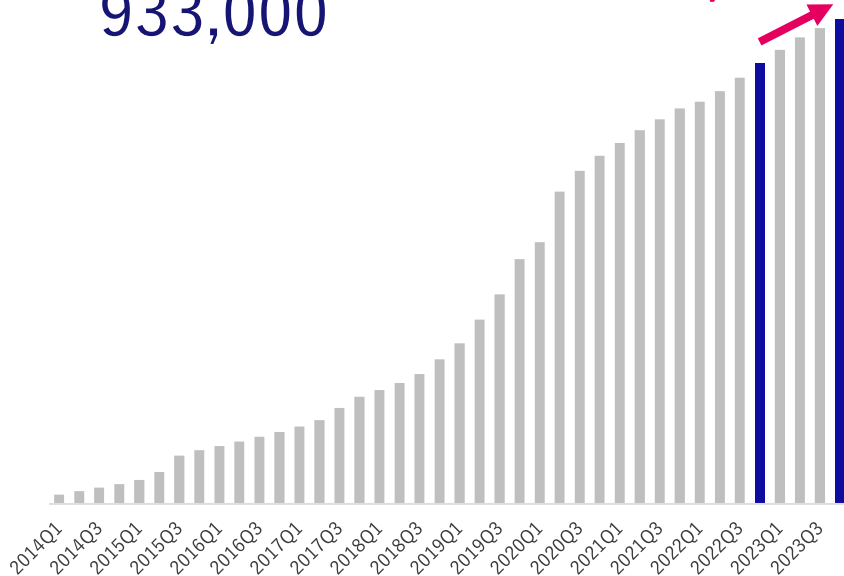
1. One of the largest HR databases in Japan

One of the largest platforms in Japan with approximately 100,000 clients and 600,000 workers registering organically. This enables us to meet a wide variety of client needs

Number of Registered Clients

933,000

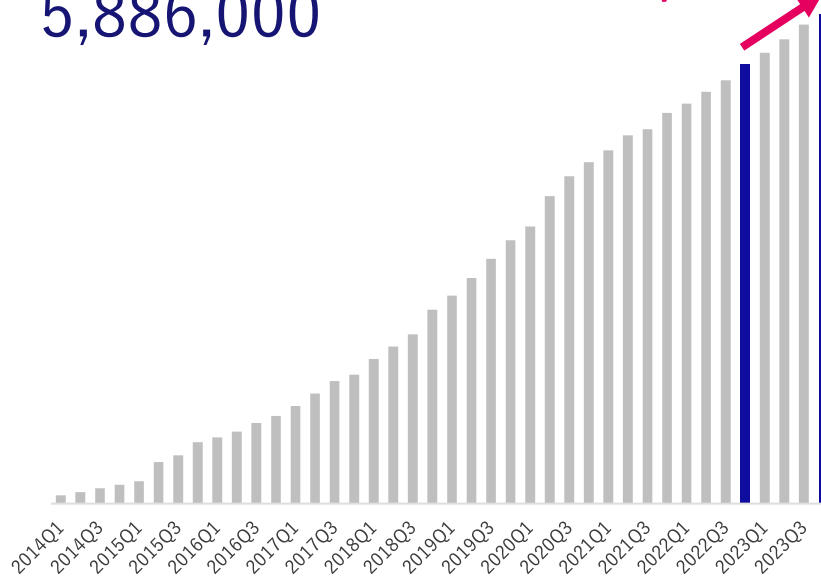
+84,000



Number of Registered Workers

5,886,000

+611,000



2. The only one in the industry where platform and agent model grow simultaneously

New business launches are structured through both the platform model and the agent model.



3. Productivity Improvement Culture

The driving force behind recent profitability performance is our Productivity Improvement Policy.

Through Productivity Improvement Policy and our PIP (a productivity improvement knowledge sharing contest), we have established a corporate culture capable of achieving sustainable growth in sales and profits.

Productivity Improvement Policy

Define goals and internal rules for productivity improvement



A corporate culture capable of achieving sustainable growth in sales and profits

PIP*

(Internal productivity improvement knowledge sharing contest)

Sharing productivity improvement success cases company-wide/across organizations

*PIP: "Productivity Improvement Pitch"



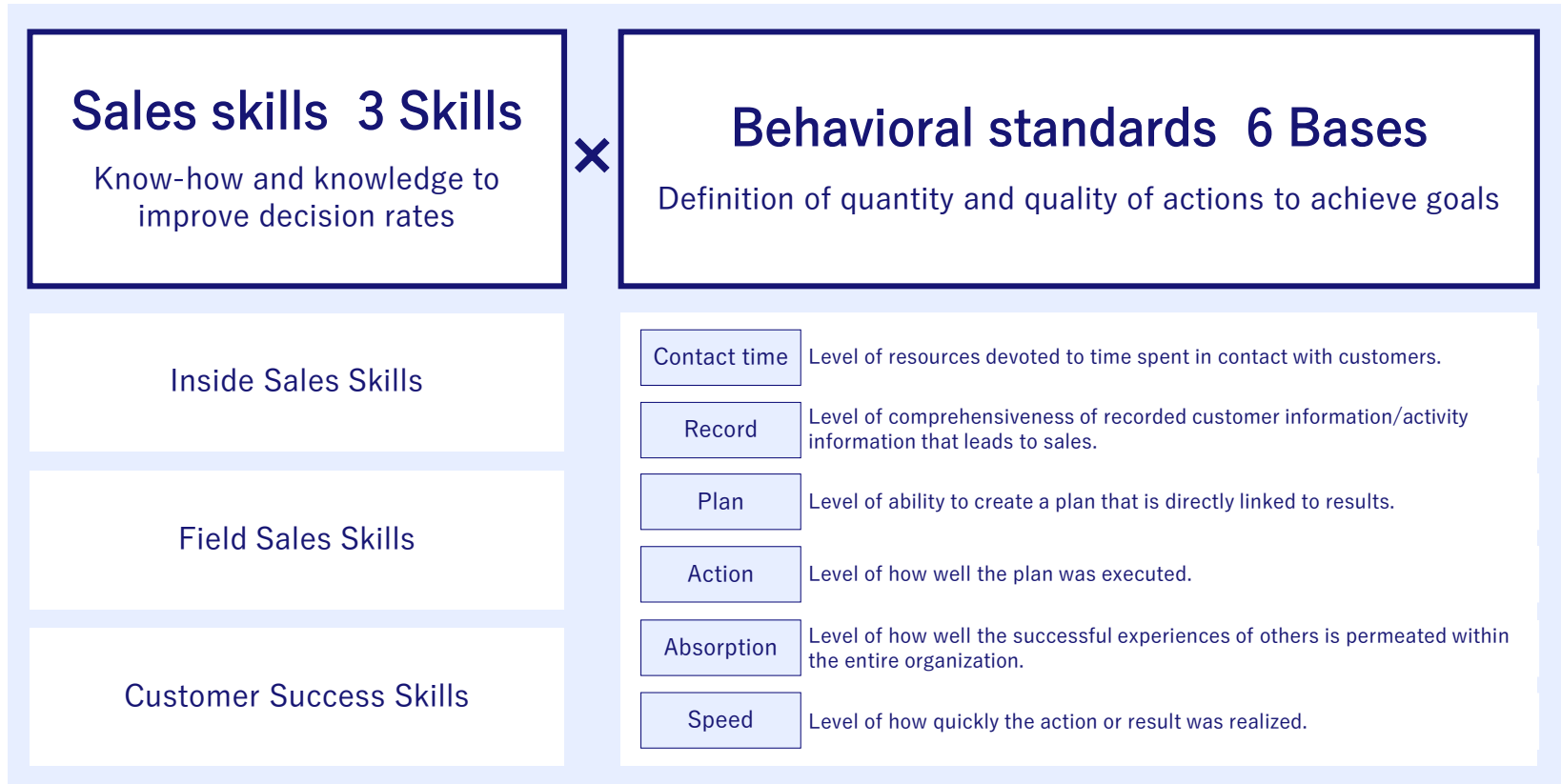
Productivity Improvement KPIs

- (1) Gross Profit Labor Cost Ratio
- (2) SG&A Expense Ratio Change and Gross Profit Growth Rate

FYI: FY2023 4Q Examples of Productivity Improvements (Selected)

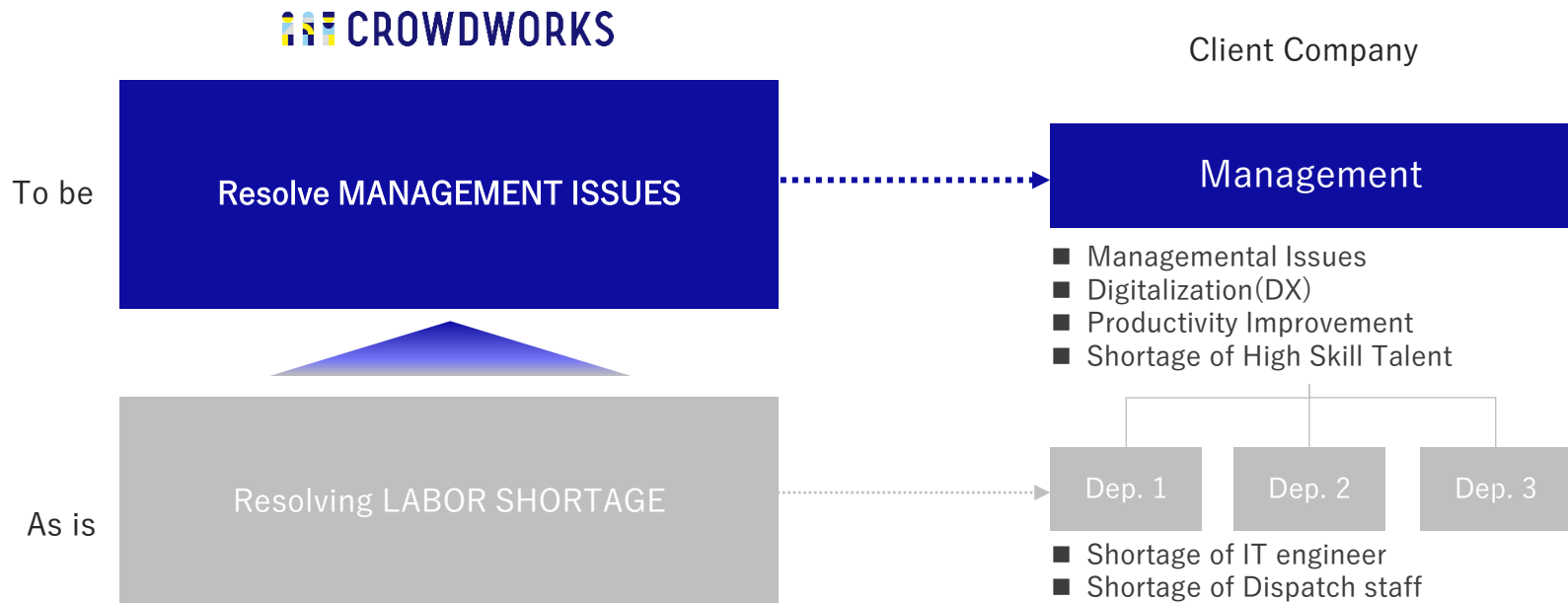
Improvement theme		4Q Examples (July-Sep.)		Results
Marketing	Improve LTV/CPA unit economics by changing investment allocation and marketing methods.	[CrowdWorks] Successfully improved PaidCAC by using a service that predicts and automatically generates ad text using generative AI to improve ad text and by collaborating with other companies.	PaidCAC	42.2% reduction
		[CrowdLog] Successfully reduced costs to close contracts by strengthening "non-advertising" sales activities, such as strengthening collaboration with time and attendance partners.	PaidCAC	60.0% reduction
Process Change	Review business processes to reduce costs and improve gross profit to cost ratio	[CrowdTech] Successfully streamlined worker database updates through use of landing pages and other operational changes.	Update Work Time / month	83.3% reduction
		[CrowdWorks] Succeeded in increasing the number of contracts by reviewing the service content of whole outsourcing.	Monthly Contract Amount/Month	94.0% reduction
Engineering	Improve productivity by systematizing and automating through the introduction of technology	[CrowdLog] Successfully reduced test execution time by running parallel unit tests with multiple databases.	Test Execution Time/ time	15.3% reduction
		[CrowdWorks] Successfully implemented "GitHub Copilot Chat," a generative AI, to improve efficiency of code modification.	Correction time per area	98.4% reduction

4. CW Sales Model Sales efficiency improvement is structured



5. Account sales structure to improve contract value per client company

Shift to an "account sales" structure that contributes to productivity improvement of Japanese companies by providing multiple services.



Company Introduction



MISSION

Talent infrastructure

More than ever before, the world today is a place in which talent and experience can be used for the betterment of other people's lives.

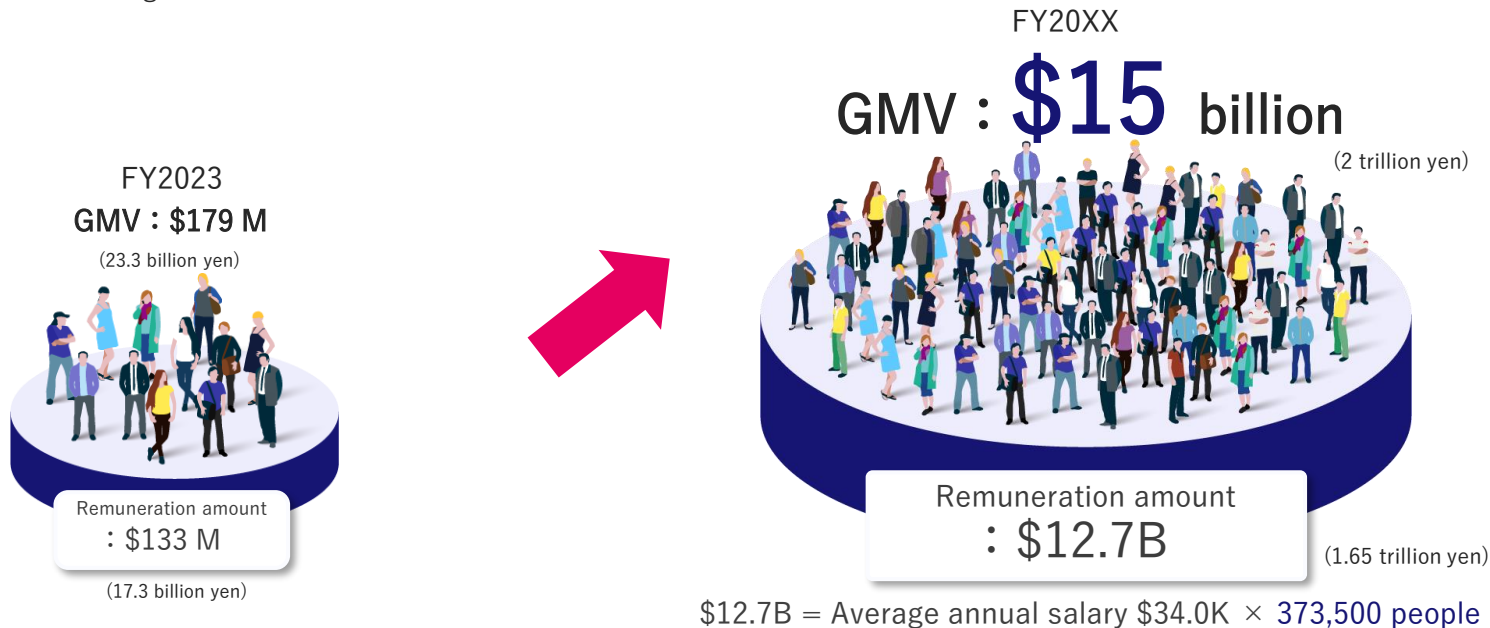
Writers, designers, engineers, video distributors, school instructors, and many others are making a career out of what they are good at, helping others, and bringing smiles to the people around them.

We believe in the infinite potential of people. We believe that people's talents can be tapped to significantly improve others' lives. CrowdWorks' mission is to become a modern infrastructure for talent.



VISION

Achieving our goal of “The company that delivers rewards to people the most in the world”, Over the long-term, CrowdWorks aims to reach “\$15 billion in work distribution GMV.” We will build Japan’s largest online employment infrastructure with more than 373,500 people in terms of average annualized income.



(Sources) *Average annual salary \$31.0K National Tax Agency, "Results of the Survey on the Actual Status of Private Salary for 2021"

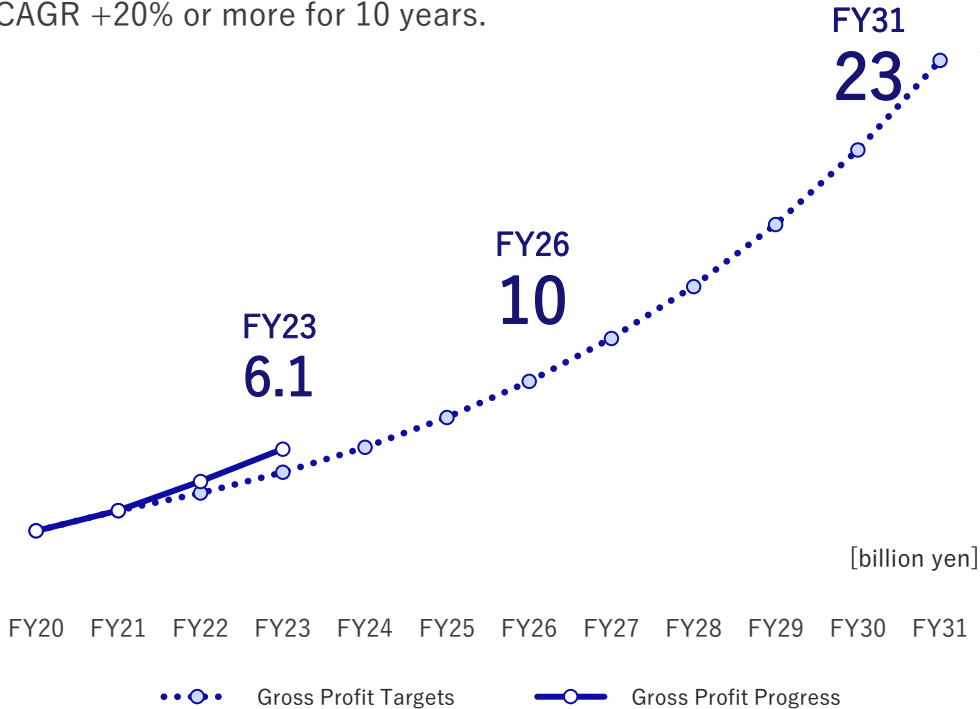
* 372,000 Number level of employees ranking No. 1 in Japan; Reference: Yahoo Finance as of Nov. 10, 2022 1. Toyota 372,000 people, 1. Hitachi 372,000 people, 2. NTT 341,000 people

* The dollar notation is expressed as 1 dollar = 130 yen



Mid-Long-term Growth Targets

Aim to achieve gross profit of 23.0 billion yen in FY31 by maintaining the mid- to long-term target of Gross profit CAGR +20% or more for 10 years.



Gross Profit

**CAGR +20%
or more
Achieved for
3 years**

Company Profile



CrowdWorks, Inc.

President and CEO : Koichiro Yoshida
Capital : 2,751,307,506 JPY
Founded : Nov 11, 2011
Services : Operates internet services primarily
CrowdWorks, Japan's largest
crowdsourcing service

《Cumulative group registrations》
5,886,000 CrowdWorkers (users)
933 thousand clients
12 ministries and agencies
83 local government

* The numbers of workers and clients of CrowdWorks, Inc. services as of Sep. 30. 2023



Matching Business

CrowdWorks

No.1 Crowdsourcing Service in Japan

CrowdLinks

Specialized Side Job / Second Business
Matching for High-Value Professionals

CODEAL

Multi-job matching service for IT
professionals

PARK

Skills EC online store creation service

Peaceful Morning

One-stop service for RPA implementation
and development

Shuumatsu WORKER

Agent Matching PF Specializing in Full-
Time Employees Side Job Talent

SaaS Business

CrowdLog

Cloud man-hour management service
that visualizes work styles

Crowdtech

Engineers Matching Service for
Freelancers to Companies

ビズアシ

Specialized Project Matching Service for
Online Administrative Work

Links Agent

Agent service for professional side jobs
and dual jobs

みんなのカレッジ (Minna-no-College)

Online education program to broaden
your career opportunities

メンバーペイ (MemberPay)

Online Membership Management and
Monthly payment platform

1777

Agent service specializing in
creative personnel

Business Model – No.1 online talent matching platform

Since 2012, we have developed a platform business offering people to work in ways unbound by traditional employment styles: freelance, side work, work from home, and more.

We have approx. **90,000** client companies and **600,000** new worker registrations every year with almost no ads.



Client Companies

933,000



 **CROWDWORKS**



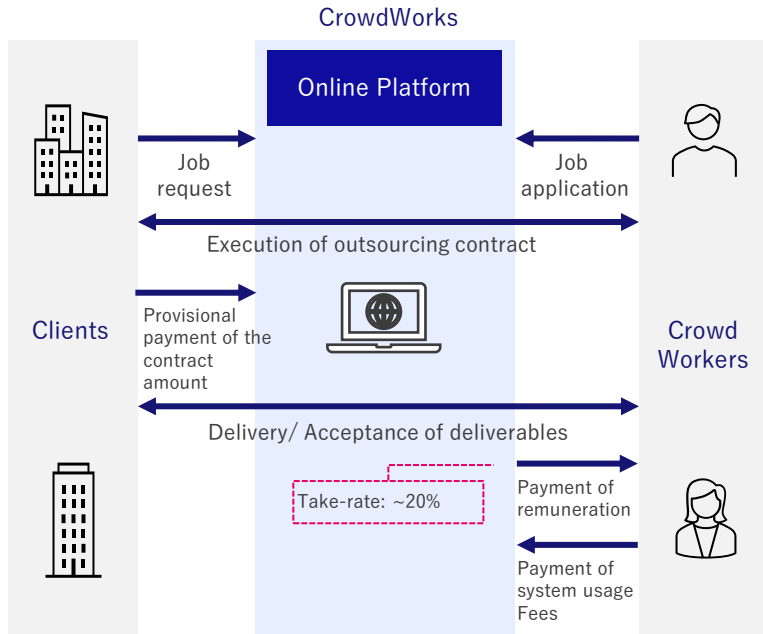
Crowd Workers

5,886,000

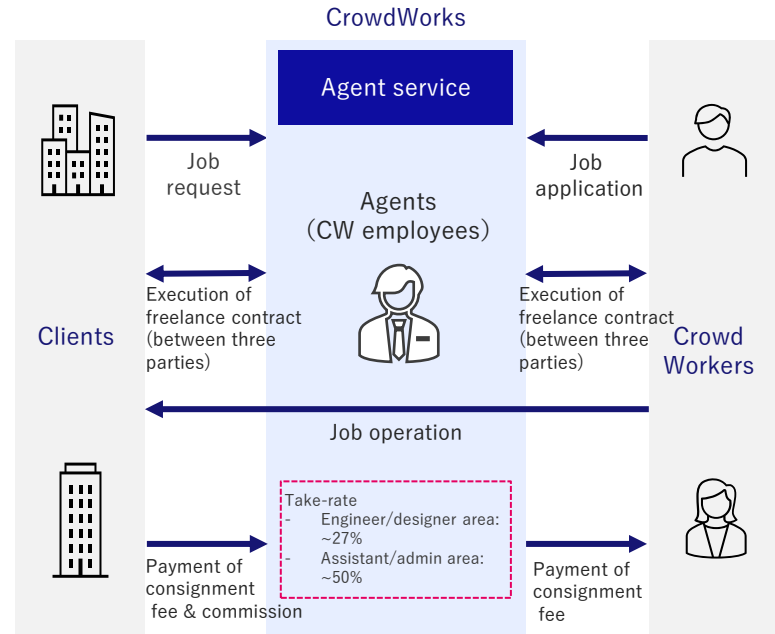
- Comparison of GMV with competitors in FY22: Coconara 12.71 billion yen, Lancers 10.03 billion yen *CW 19.45 billion yen
- Number of clients and workers is as of the end of Sep. 2023

Business Model – Matching Business

Direct matching (Systems-based matching)



Agent Matching (Support-based Matching)



• The above direct matching represents the business model of CrowdWorks. Some direct matching services (e.g. CrowdLinks) use monthly usage fees from companies as revenue and differ from the above model.

Service Introduction - Matching Business

Direct Matching

Web production/outsourcing area

CrowdWorks

Our profit : System usage fee*

Take-rate : ~20%



- Japan's largest worker and company matching platform
- Strengths in brand recognition and customer attraction
90,000 clients and 600,000 new workers register each year

Agent Matching

Engineer/designer area

Crowdtch

Our profit : Operating hour unit /month

Take-rate : ~27%



- One of the largest in # of IT personnel in Japan
Database of 100,000 IT personnel
- Assign speedily
Engineers can be assigned in as little as 3 days
- Diverse working styles
70% of projects less than 4 weeks
95% remote work projects

Assistant/admin area

ビズアシ

Our profit : Operating hour unit /month

Take-rate : ~50%



- High-skilled assistants
Experienced administrative personnel with IT tools
- Flexibility
From 30 hours/month, minimum 1 month contract
- Remote-work
100% remote work
Highly skilled personnel can be recruited without geographical restrictions

Service Introduction - Side-job area

High-class personnel working for large and well-known companies are registering one after another

Direct Matching

CrowdLinks

Our profit

: Service (platform) usage fees
*Monthly



- No matching fees
Unlimited matching with high-class side/company workers
- Direct contract with High-Class Talent DB
Able to request work from a variety of high-class business professionals

Agent Matching

Links Agent

Our profit

: Operating hour unit/month



- Human resource proposals by professional consultants
Propose high-class business-side personnel who have passed the screening process out of 70,000 candidates
- Reduced recruitment lead time
Can be up and running in as little as 3 days from proposal

Service Introduction - SaaS Business

CrowdLog is service in the area of man-hour management. Various companies, including large corporations, have started to use this service.



Business model SaaS

Our profit

Service (platform) usage fees
*Monthly



- Excel management
Eliminate complexity of project costing and input tabulation
- Aggregation automation and visualization
Automatic calculation and visualization of project man-hours

IT



Non-IT

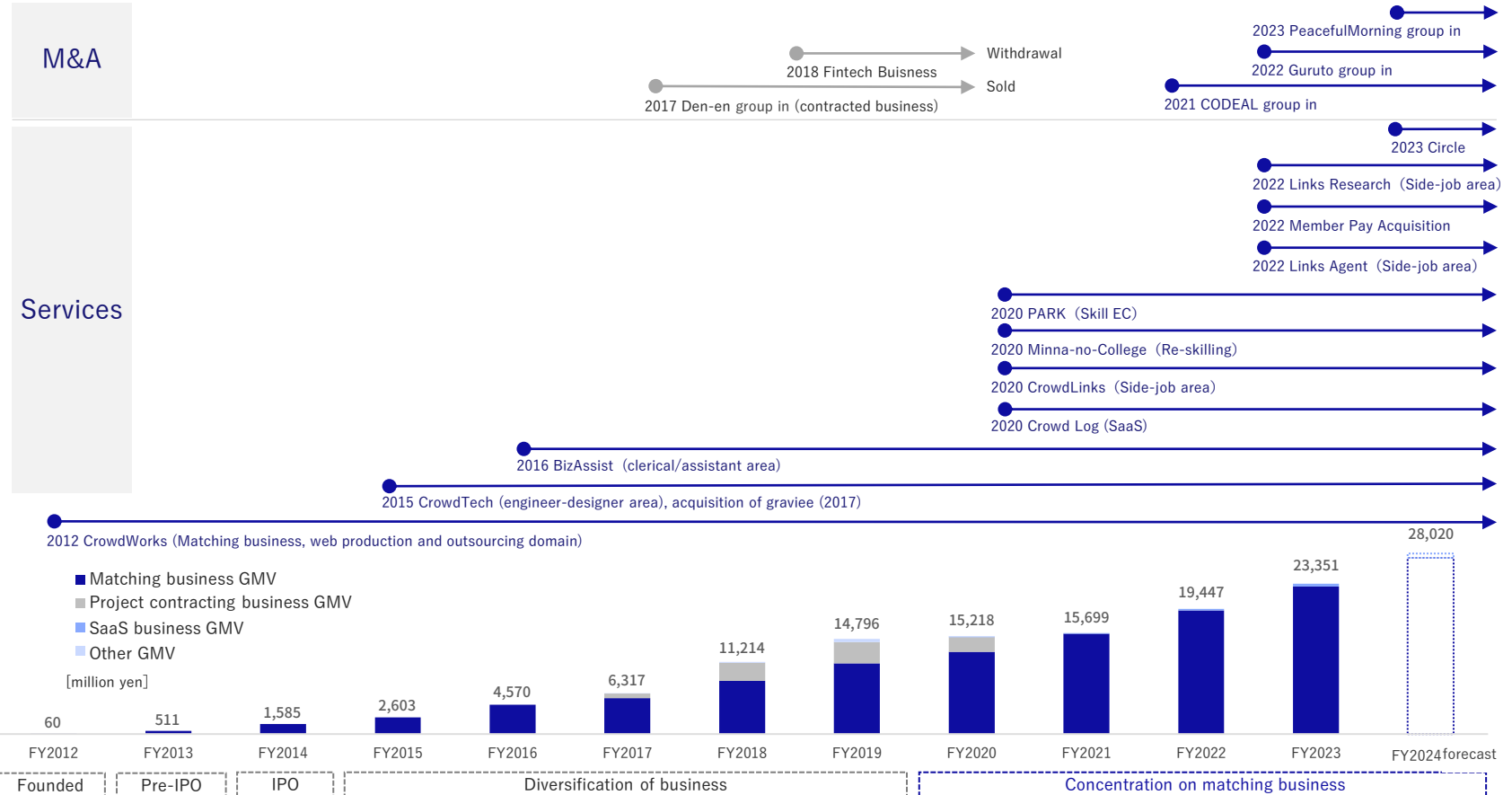




Profit Model (4Q Cumulative)

Type	Our Profit	Definition of profit	Calculation	GMV	Net sales	Gross profit
Direct Matching	System usage fee	5-20% of the business consignment fees = (contract amount) between a client company and an individual	GMV = Business consignment fee Net sales = System usage fee + Ads fee Gross profit = System usage fee + Ads fee	[million yen] 11,501	2,234	2,209
	Ads fees	Additional optional fees such as ads placement (Option fee 8,000~30,000 yen)				
Agent Matching	Matching fees	Business consignment amount minus worker compensation (cost of sales) (Cost ratio 50-80%)	GMV = Business consignment fee Net sales = Business consignment fee Gross profit = Business consignment fee - Cost price	11,428	10,820	3,646
SaaS	Service Usage fees	= Monthly service (platform) usage fees	GMV = Service usage fees Net sales= Service usage fees Gross profit= Service usage fees	421	421	421
Adjustment*				-	▲265	▲134
Total				23,351	13,210	6,142

Management Transition



Supplementary Materials for Performance

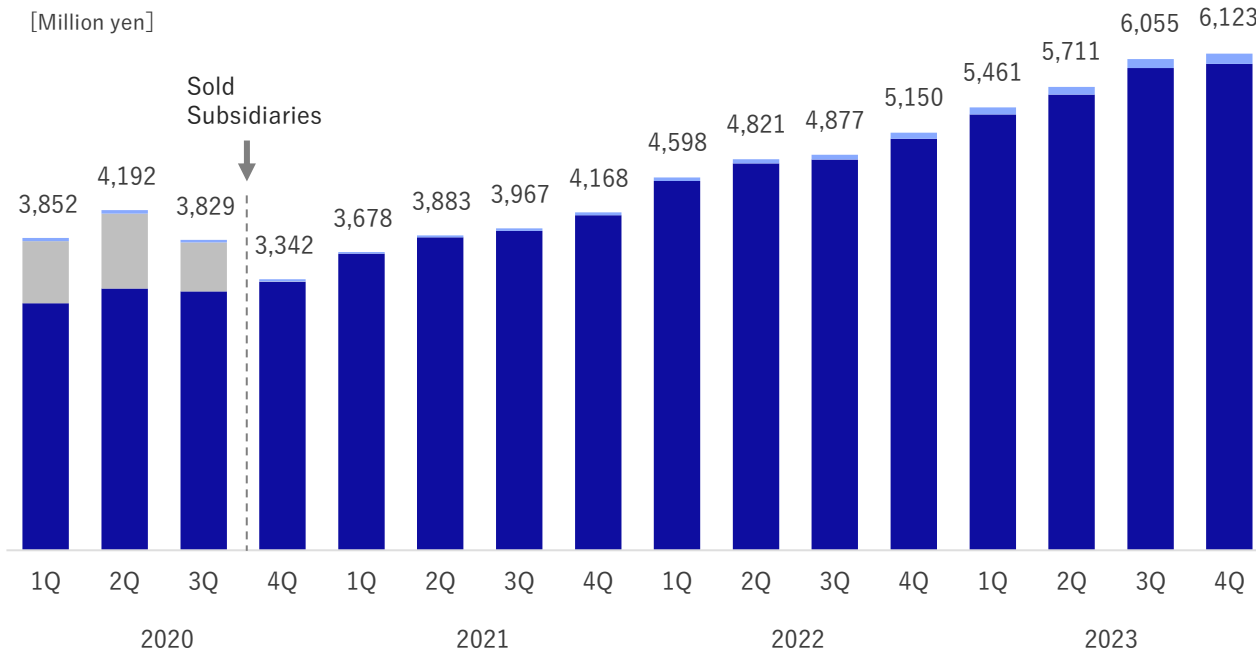
FY2023 4Q Results

Entire Company GMV Quarterly Transition

YoY: +18.9%, steady growth.

■ Matching ■ Project Contracting ■ SaaS

[Million yen]



FY23 4Q
YoY
+18.9%



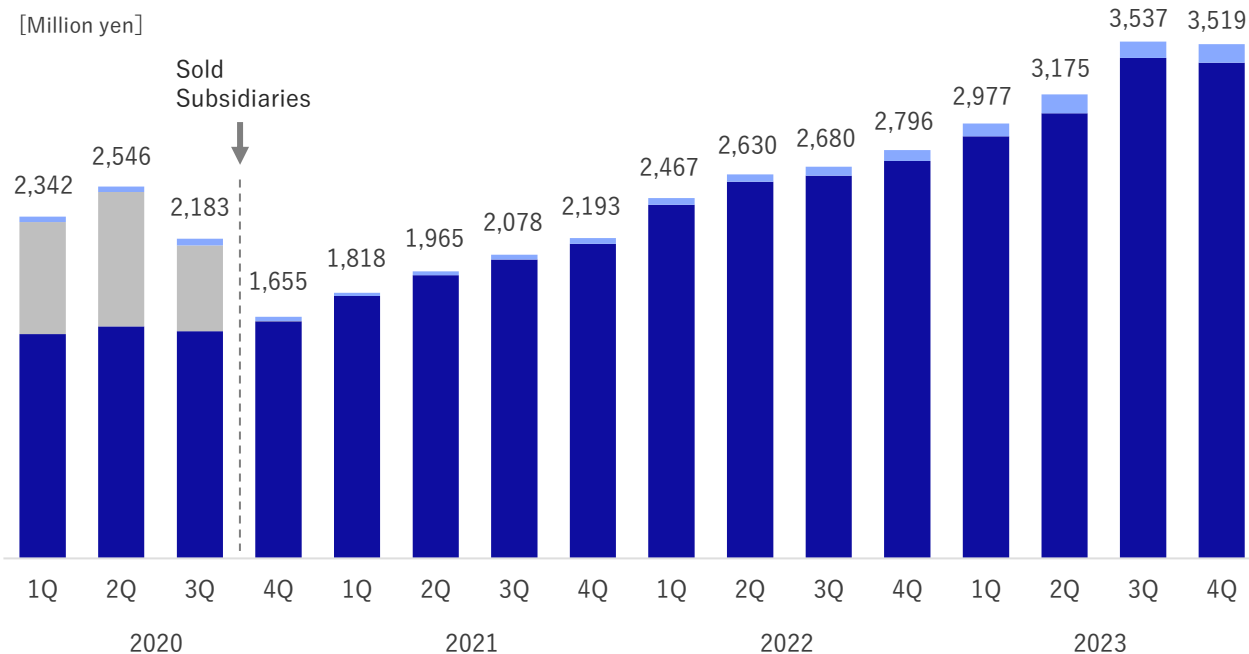
Entire Company Net Sales Quarterly Transition

High growth rate of +25.9% YoY.

New contract decisions of leading indicators in the agent business are recovering.

■ Matching ■ Project Contracting ■ SaaS

[Million yen]



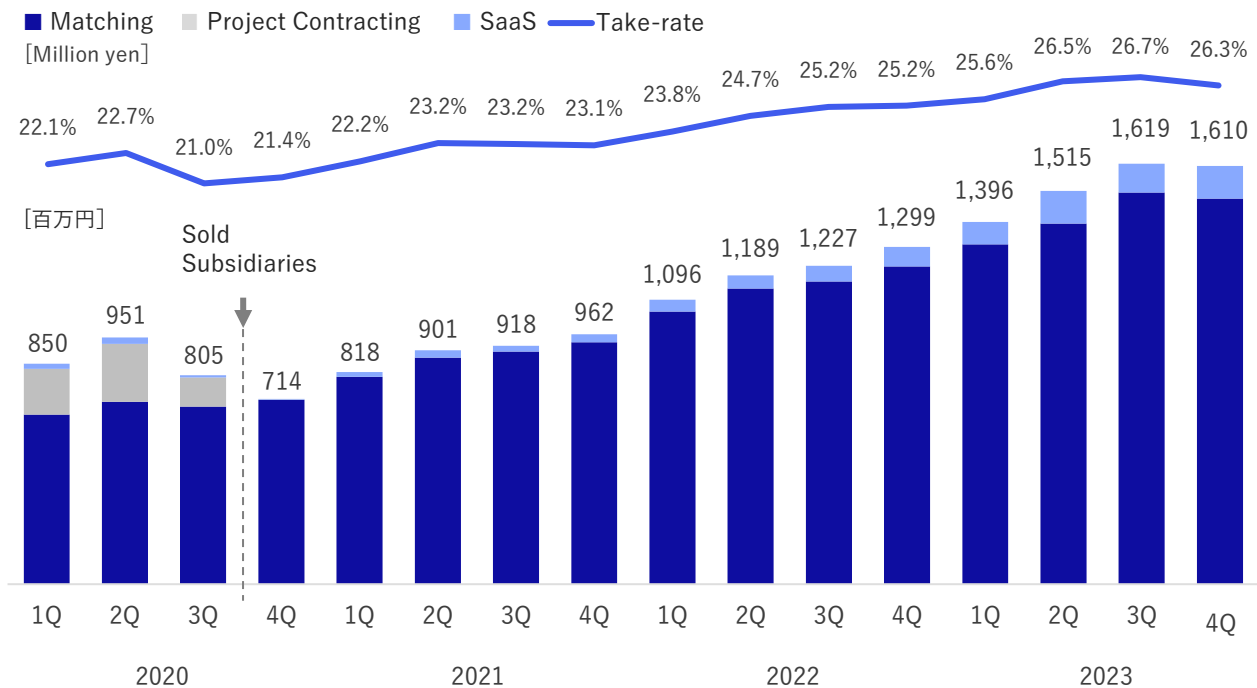
FY23 4Q
YoY
+25.9%



Entire Company Gross Profit & Take-rate Quarterly Transition

SaaS with high gross profit contributed to the growth rate.

Take rate was +1.1 pt YoY due to successful efforts to improve unit price.



FY23 4Q
テイクレート

+1.1pt

売上総利益
YoY

+23.9%

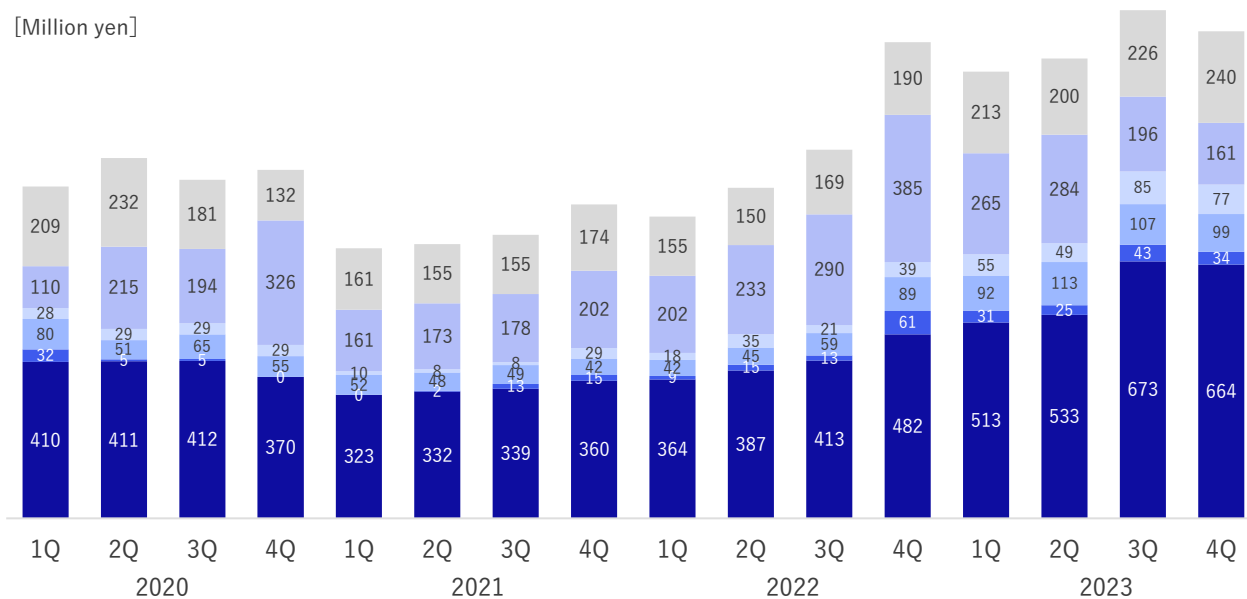


Entire Company SG&A Expenses Quarterly Transition

Continued to control overall SG&A expenses without significant quarterly deviations

■ Personnel costs
 ■ Recruitment and training expenses
 ■ Business consignment costs
■ Goodwill/depreciation and stock-based compensation expense
 ■ Advertising costs
 ■ Other costs

[Million yen]



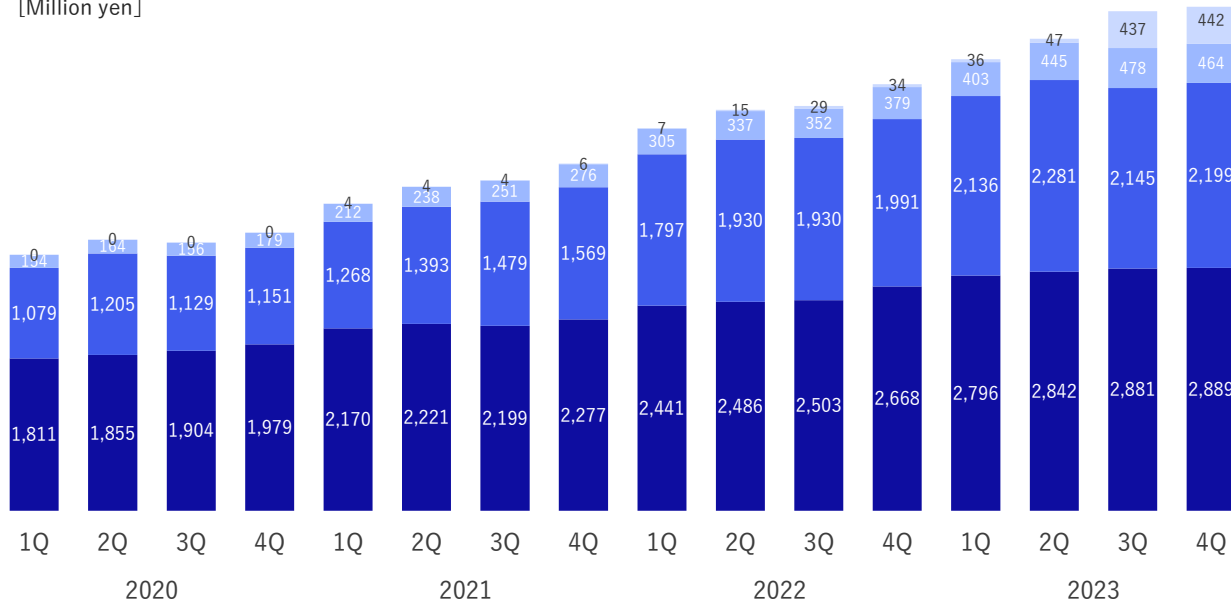
FY23 4Q
YoY
+2.3%

By Category GMV Quarterly Transition

Strengthening sales structure to adapt to changes in the market environment while ensuring current growth.

■ Web production/outsourcing area ■ Engineer/designer area ■ Assistant/admin area ■ Side-job area

[Million yen]



(YoY)

Side-job area

+1,169.5%

Assistant/admin area

+22.2%

Engineer/designer area

+10.5%

WEB/outsourcing area

+ 8.3%





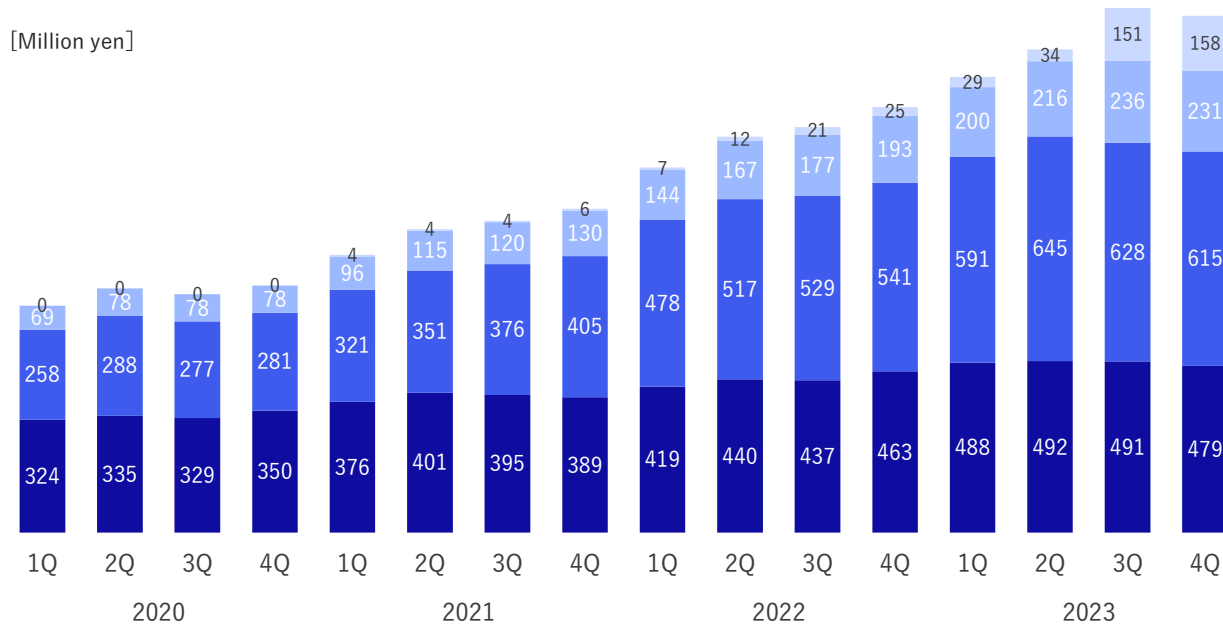
By Category Gross Profit Quarterly Transition

Growth rate driven by side-job area and assistant/admin area.

Continue to aim for company-wide growth.

■ Web production/outsourcing area ■ Engineer/designer area ■ Assistant/admin area ■ Side-job area

[Million yen]



(YoY)

Side-job area
+519.6%

Assistant/admin area
+19.6%

Engineer/designer area
+13.7%

WEB/outsourcing area
+3.4%

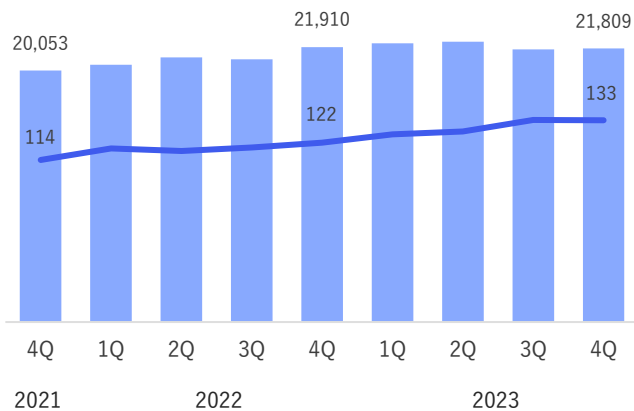
By Category KPI Quarterly Transition

In the web/outsourcing area, GMV grew due to an increase in high unit-price projects despite a decline in low unit-price projects.

Crowd tech in the engineer/designer space is recovering from a temporary drop in demand in April and May.

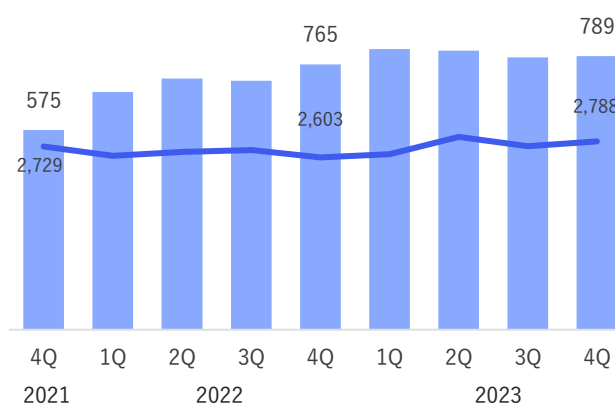
Web/outsourcing area (Direct)

GMV	2,889 mil yen	YoY	+8.3%
Ordering Clients	21,809	YoY	-0.5%
×			
Unit Price	132,502 yen	YoY	+8.8%



Engineer/designer area (Agent)

GMV	2,199 mil yen	YoY	+10.5%
Ordering Clients	789	YoY	+3.1%
×			
Unit Price	2,787,915 yen	YoY	+7.1%



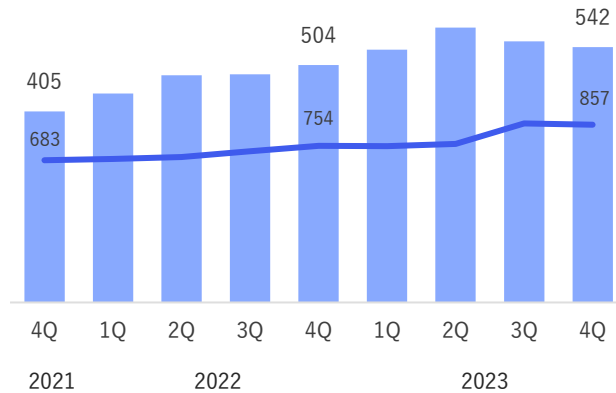
■ Ordering Clients — Ordering Unit Price

By Category KPI Quarterly Transition

In the Assistant/admin area, the number of companies, mainly SMEs, declined, but high unit prices continued. SW in Side-job area increased unit price by revising prices, and the number of ordering clients increased by promoting cross-selling with CW.

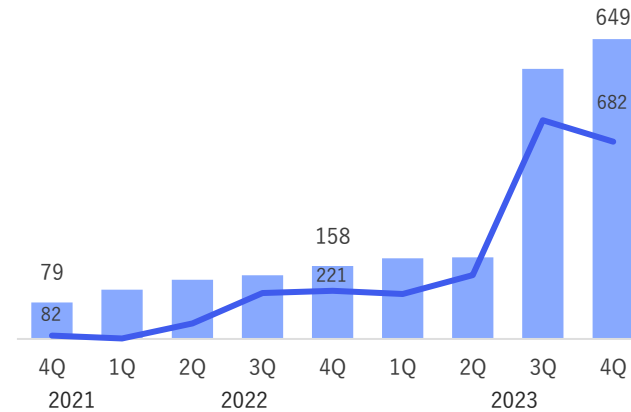
Assistant/admin area (Agent)

GMV	464 mil yen	YoY	+22.2%
Ordering Clients	542	YoY	+7.5%
×			
Unit Price	856,981 yen	YoY	+13.6%



Side-job area (Direct/Agent)

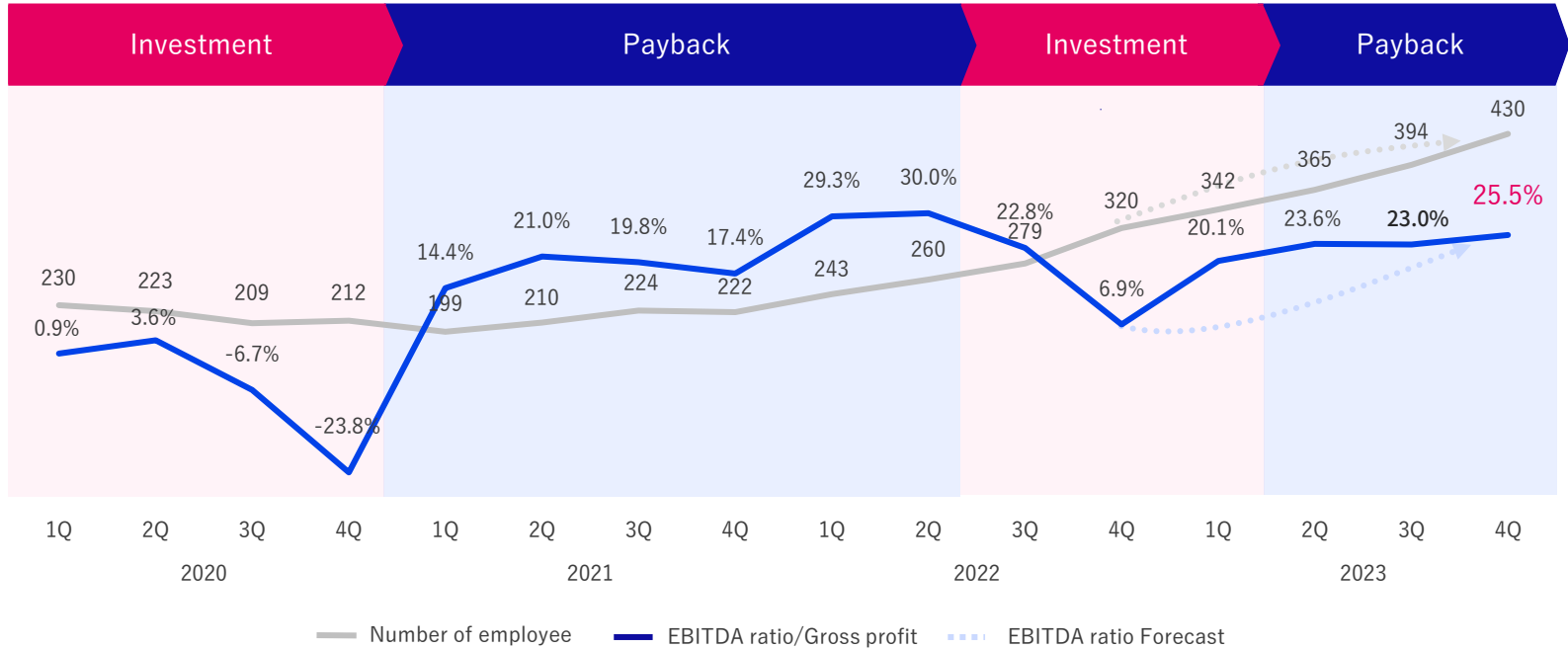
GMV	442 mil yen	YoY	+1,169.5%
Ordering Clients	649	YoY	+310.8%
×			
Unit Price	681,606 yen	YoY	+209.1%



■ Ordering Clients — Ordering Unit Price

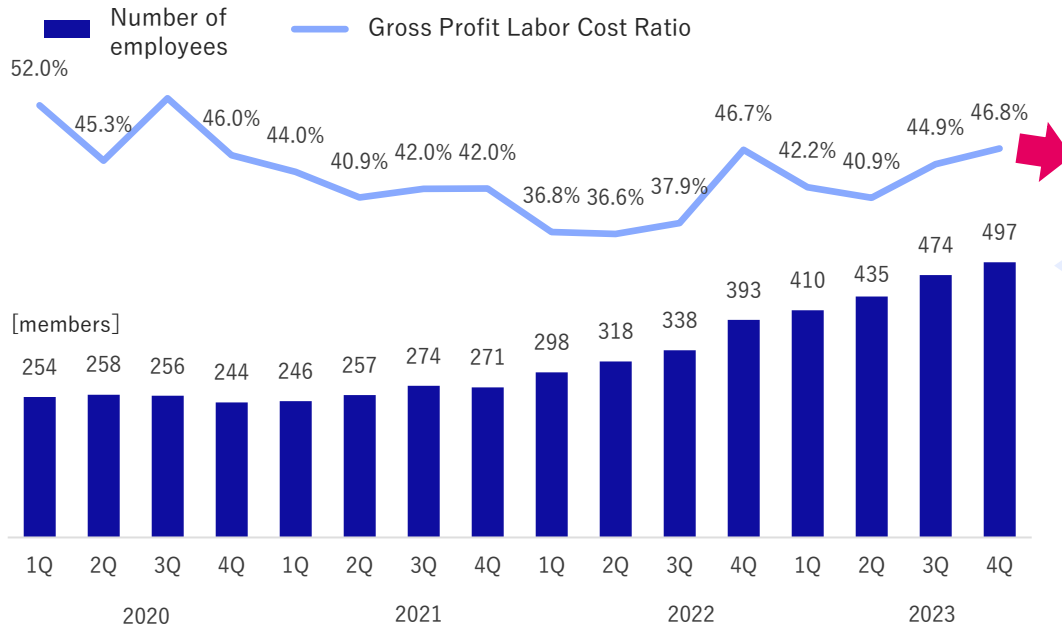
FY2023 4Q Improved Profit Margin for the Entire Company

Landed at 25.5% while maintaining an upward swing from the initial forecast.



FY2023 4Q Gross Profit Labor Cost Ratio

Gross profit to labor cost ratio increased by 0.1 pt YoY due to progress in hiring. Aiming for less than 40% for the next step.



Net increase of
104 personnel YoY

Aim to achieve a labor cost to gross profit ratio of less than **40%**

Profit and Loss Statement

(百万円) Consolidated	*All	FY2022 4Q	FY2023 1Q	FY2023 2Q	FY2023 3Q	FY2023 4Q
GMV		5,150	5,461	5,711	6,055	6,123
Net Sales		2,796	2,977	3,175	3,537	3,519
Gross Profit		1,299	1,396	1,515	1,619	1,610
GMV Gross Profit Ratio (take rate)		25.2%	25.6%	26.5%	26.7%	26.3%
Net Sales Gross Profit Ratio		46.5%	46.9%	47.7%	45.8%	45.8%
SG&A Expenses		1,249	1,171	1,206	1,332	1,278
EBITDA (Non-GAAP)		89	280	357	372	410
Net Sales EBITDA(Non-GAAP) Ratio		3.2%	9.4%	11.3%	10.5%	11.7%
Gross Profit EBITDA(Non-GAAP) Ratio		6.9%	20.1%	23.6%	23.0%	25.5%
Operating Profit		50	225	308	286	332
Net Sales Operating Profit ratio		1.8%	7.6%	9.7%	8.0%	9.5%
Ordinary Profit		68	219	355	310	352
Net Profit		202	149	230	217	499
Depreciation and Amortization		5	5	5	13	8
Amortization of Goodwill		2	6	6	34	34
Stock compensation expense		31	43	37	37	35

FY2023 4Q Performance by Segment

Matching

(million yen)	FY2022 4Q	FY2023 1Q	FY2023 2Q	FY2023 3Q	FY2023 4Q
GMV	5,074	5,373	5,616	5,943	5,996
Net Sales	2,720	2,889	3,047	3,425	3,392
Gross Profit	1,223	1,308	1,388	1,508	1,484
GMV Gross Profit Ratio (take rate)	29.4%	24.4%	24.7%	25.4%	24.8%
Net Sales Gross Profit Ratio	55.0%	45.3%	45.6%	44.0%	43.7%
Operating Profit	150	302	348	327	344
Net Sales Operating Profit ratio	5.5%	10.5%	11.4%	9.6%	10.1%

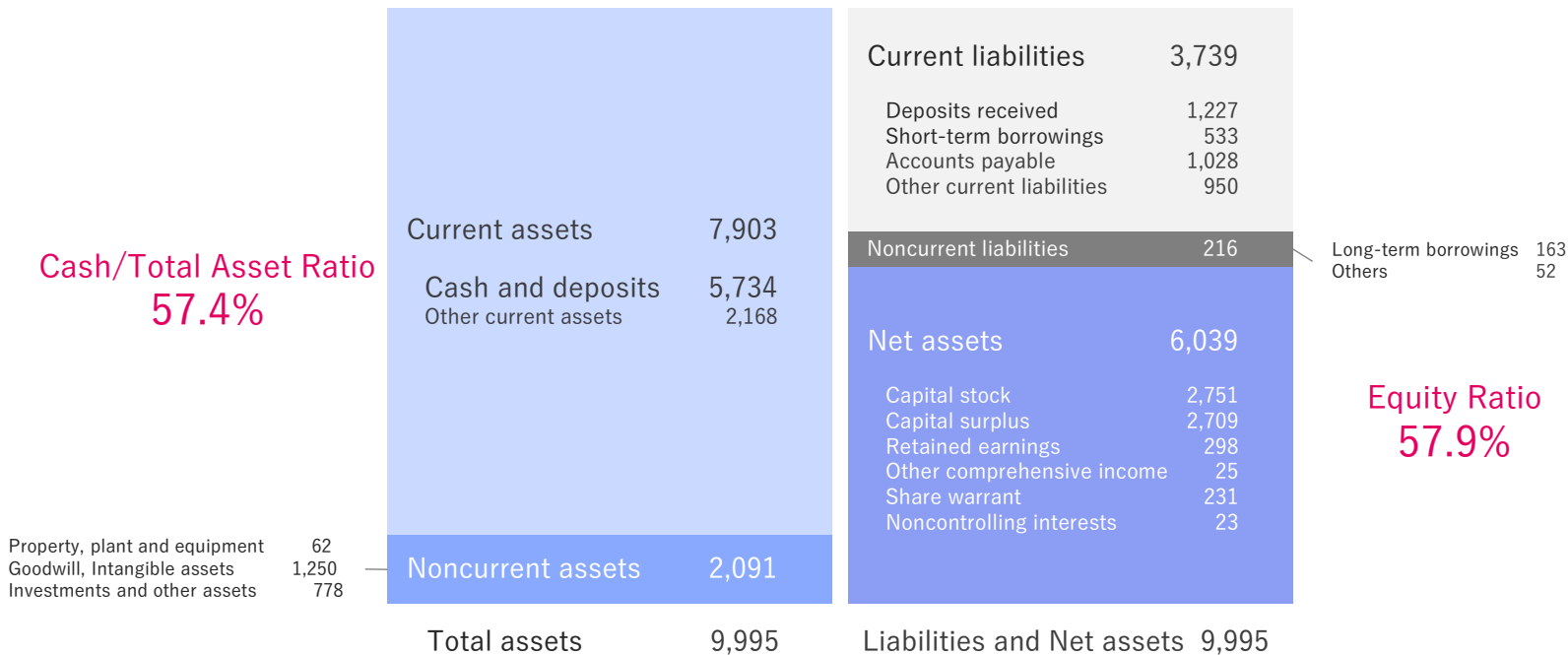
SaaS

GMV	75	87	95	111	127
Net Sales	75	87	95	111	127
Gross Profit	75	87	95	111	126
Operating Profit	▲100	▲77	▲70	▲40	▲11



Consolidated B/S Summary

Established a sound financial base with a cash-to-deposit ratio of 57.4% and an equity ratio of 57.9%.





FY2023 4Q Balance Sheet

	FY2022 (consolidated)	FY2023 (consolidated)	YoY
(million yen)	FY-end	FY-end	
Current Assets	6,888	7,903	+1,014
Non-current Assets	749	2,091	+1,341
Total Assets	7,638	9,995	+2,356
Current Liabilities	2,921	3,739	+818
Non-current liabilities	50	216	+165
Net Assets	4,666	6,039	+1,372
Capital Adequacy Ratio	59.9%	57.9%	▲2.0pt



Other supplementary material Agent Matching

Agent Matching GMV* is expanding in a wide range of industries

Successfully expanded GMV in a wide range of industries, with information and communications and corporate services (human resources, BPO, and consulting) as core targets.

Industry	FY22 4Q	FY23 4Q	Increase rate	Industry	FY22 4Q	FY23 4Q	Increase rate	Industry	FY22 4Q	FY23 4Q	Increase rate
Info & communication	5,597	6,141 Mil. yen	+10%	To B service	1,547	1,743 Mil. yen	+13%	To C service	395	488 Mil. yen	+24%
Medical Biotech	336	360 Mil. yen	+7%	Retail	271	355 Mil. yen	+31%	Distribution	108	248 Mil. yen	+129%
Finance	152	183 Mil. yen	+21%	Machinery Electricity	120	166 Mil. yen	+38%	Consumer goods	91	128 Mil. yen	+40%
Construction	68	120 Mil. yen	+75%	Real estate	78	82 Mil. yen	+5%	Others	243	239 Mil. yen	-1%
								GMV Total	9.0	10.2 Bil. yen	+14%

Agent Matching Division of Labor by Molding

Decomposition of roles in the sales organization and division of labor by process.

Successfully defined and molded a code of conduct through the CW Sales Model + Productivity Improvement.





ESG and Human Capital Management

Achieve Growth While Resolving Social Issues

Social Issues in Japan

Structural labor shortage from low birthrate and aging population	Shortage of DX talent	Consistent career development for women	Greater employment of senior citizen talent
Change from lifetime employment & seniority-focused society	Systemic and social changes associated with Side-Jobs	Addressing the remote work society	Recurrent education Life skills education



By creating the infrastructure for talent
We will resolve social issues



By creating the infrastructure for talent
We will grow sales and profits

SDGs to achieve through the infrastructure for the individual





Our Sustainability Goal

In FY23, the first year of focusing on sustainability management, the company first determined its sustainability targets.

Sustainability Goal

**Through Sustainability Initiatives,
Create Sustainable Growth with All Stakeholders**

- ✓ Expansion of work options for the society
- ✓ Gender Equality Inside and Outside the Company
- ✓ Reduction of greenhouse gas emissions





Compilation and current status of our ESG data (selected)

Started collecting data to understand the current situation in order to achieve sustainability goals.

Below are some of the data specifically collected in the "S (Social)" section.

	FY21	FY22	FY23	Definition / Goals
Average pay raise rate	+7.4%	+6.2%	+2.6%	Aim for a cycle in which expansion of gross profit per employee leads to a higher average salary increase rate.
No. of managers	24	40	52	Target a ratio of 1:7 between the number of managers and all employees at this stage.
% of female managers	16.7%	7.5%	19.2%	Target 30% by FY2026
% of female board members	9.1%	9.1%	0.0%	Aim to appoint 2 female directors by FY2026
Hiring rate by referral	7.1%	10.0%	13.5%	Number of referrals/new hires by employees; aim to maintain at least 30%.
Return rate of women on parental leave	100%	100%	100%	Aim for 100% continuity
No. of users of shortened working hours	4	4	3	Policy to actively support requests for shorter working hours.
Shareholding Association Participation Ratio	22.5%	20.6%	56.5%	Aim to maximize shareholder value by conducting business operations from the same perspective of shareholders, management, and employees Aim for 70% by FY2026



Risk and Risk Countermeasures

Risk and risk countermeasures

Entry	Major Risks	Potential for emergence	Time of emergence	Degree of influence of emergence	Risk Countermeasures
Matching Business Demand side	<p>Falling production outsourcing demand Fluctuation in talent market demand/supply</p> <p>Our company matches companies' production outsourcing projects with workers. In the event that demand for outsourcing and hiring of workers shrinks due to economic and business conditions, our financial position and business performance may be affected.</p>	Low	Short-to medium-term	Significant	<ul style="list-style-type: none"> Promote switching to online production outsourcing, and present the value of using online production for better cost effectiveness Raise awareness of online talent, improve service recognition, and promote efficient use of people resources
Matching Business Supply Side	<p>Decline in profitability due to intensified competition for highly-skilled talent</p> <p>Our company provides companies with freelance and side-job worker matching services. In the event that competition for human resources becomes fierce and the cost of sales rises, there is a possibility that our financial position and business performance will be affected.</p>	Moderate	Short-to medium-term	Moderate	<ul style="list-style-type: none"> Expand demand for services that do not rely on matching with highly-skilled personnel and develop a flexible organizational structure Strengthen measures to promote ongoing use and worker support
Matching Business Recruitment and Training	<p>Delayed talent recruitment/rising recruitment costs, rising turnover rates driving delays in sales structure expansion and delayed service development</p> <p>In order to expand our business, we are actively hiring core human resources, including engineers and sales personnel. On the other hand, if there is a delay in hiring due to a shortage of human resources or if we incur higher-than-expected hiring costs, our financial condition and business performance may be affected.</p>	Moderate	Medium-to long-term	Moderate	<ul style="list-style-type: none"> Reduce costs by recruiting employees through referrals Reduce employee turnover by instilling a culture and clarifying hiring criteria Improve employee engagement through enhanced benefits and training programs
Information Security	<p>Illegal acts between individuals, troubles, etc. that are detrimental to the safety and soundness of the site</p> <p>Our CrowdWorks, transactions are freely conducted among an unspecified number of users using the message function. If illegal activities or problems that cannot be handled under our guidelines occur, our business and earnings could be affected.</p>	Low	Medium-to long-term	Moderate	<ul style="list-style-type: none"> Establishment of Terms of Use and various guidelines Establish a system for notifications to be sent to the Company when violations are discovered, utilizing a violation reporting system and a malicious case detection function, etc.
Regulatory	<p>Laws and regulations that will affect our services</p> <p>If new laws and regulations are enacted or existing laws and regulations are strengthened, and the businesses operated by our group become subject to regulations or other restrictions, our group's business and earnings could be significantly affected.</p>	Low	Medium-to long-term	Significant	<ul style="list-style-type: none"> Establishment of a government contact point, monitoring of institutional reforms and response through policy recommendations to relevant ministries and agencies
M&A	<p>Not getting the expected effect after the acquisition</p> <p>As part of our growth strategy, we at times make corporate acquisitions. However, if the acquisition does not produce the initially expected results, our group's business performance may be significantly affected.</p>	Moderate	Medium-to long-term	Moderate	<ul style="list-style-type: none"> Conducting careful research and consideration in compliance with the objectives, target company requirements, evaluation process, decision criteria, etc., as stipulated in our M&A policy.

[Precautions concerning future prospects]

Forward-looking statements such as the business forecasts described in this material are not intended to promise the realization of the Company. Please note that the actual results may differ depending on various factors.

The "Business Plan and Growth Potential" in this financial report is an updated version of the one released in Aug. 2023. The next release is expected in November or December 2024.

[Inquiries concerning this material]

CrowdWorks, Inc.

IR · PR

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