



Group Join of Work Style Tech Ltd.

December 7, 2023 | kaonavi, inc. (TSE Growth : 4435)

Transaction Summary

Acquire 51.8% of Work Style Tech Ltd.'s (WST) outstanding shares, and start to report consolidated income statements from FY25/3

Transaction Highlights

Contract date	December 7, 2023
Closing date	By January 31, 2024 (scheduled)
Acquisition value	JPY 736MM
% shares acquired	51.8%
Impact on financials	As the deemed acquisition date (applied for consolidation accounting purpose) of WST is March 31, 2024, the impact on the financial results of FY24/3 is expected to be limited

Shareholding Structure after This Transaction



Overview of WST

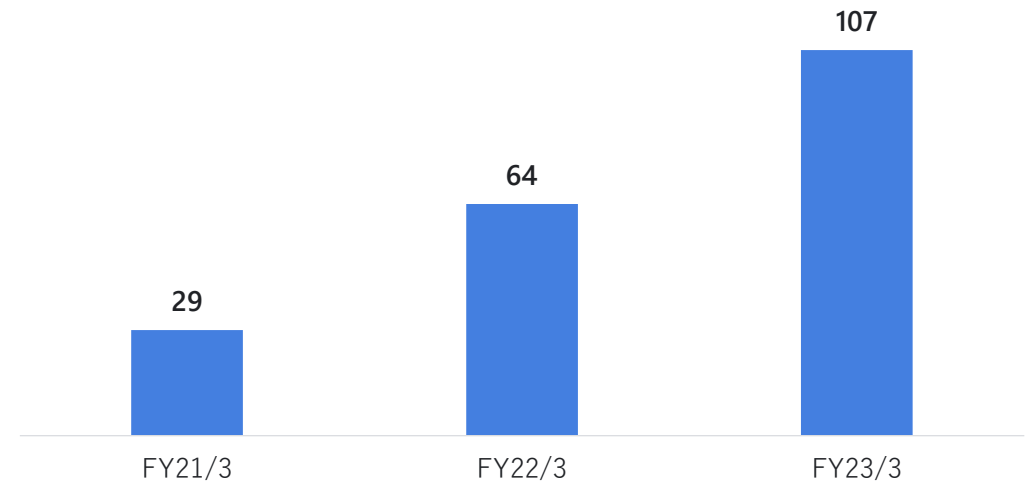
Provides “WelcomeHR”, a cloud-based mobile solution that easily streamlines labor management without tapping PCs

Company Overview

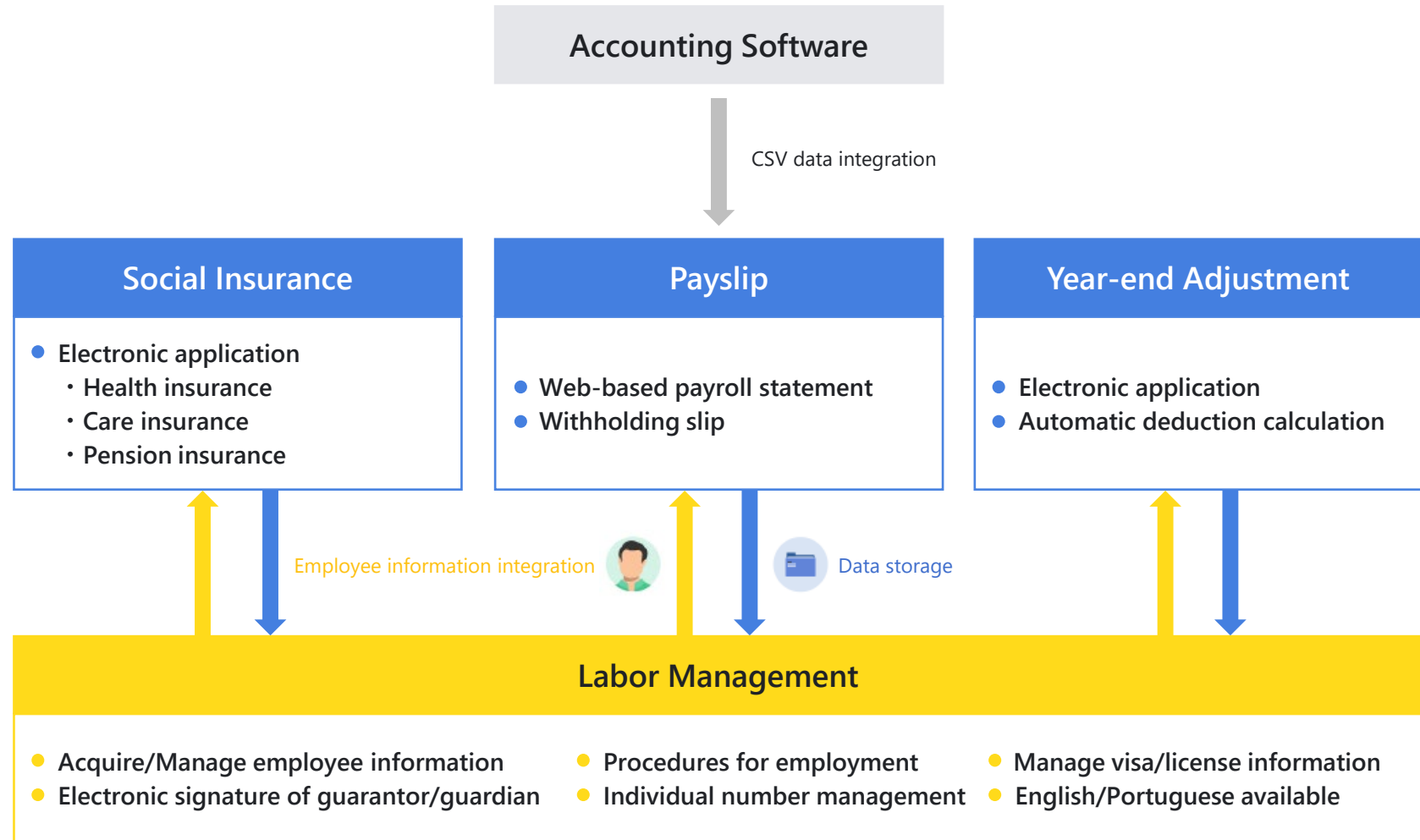
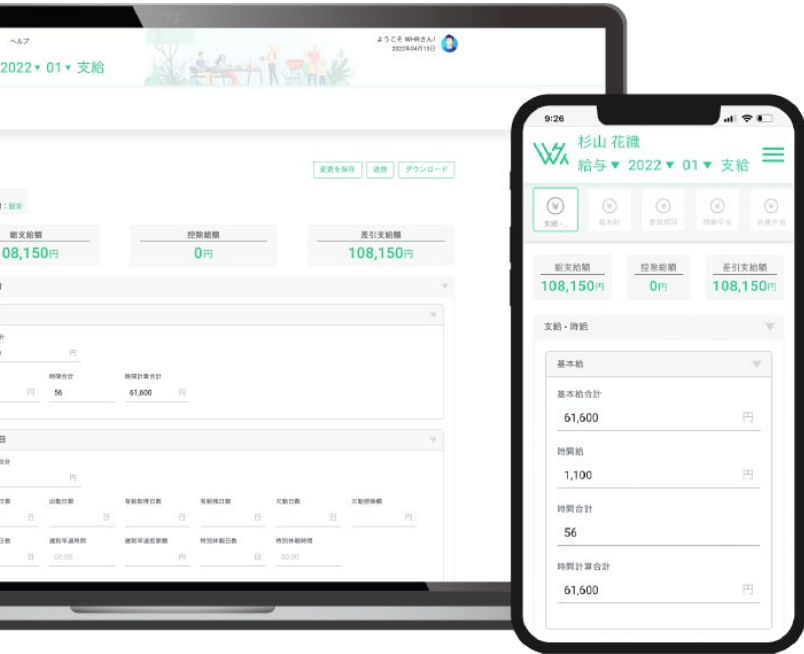
Name	Work Style Tech Ltd.
Established	April 26, 2016
Representative	Gustavo Dore Rodrigues
# of employees	16 (as of March 31, 2023)
Business description	Providing a cloud-based labor management software “WelcomeHR”

Trends in Net Sales

JPY MM

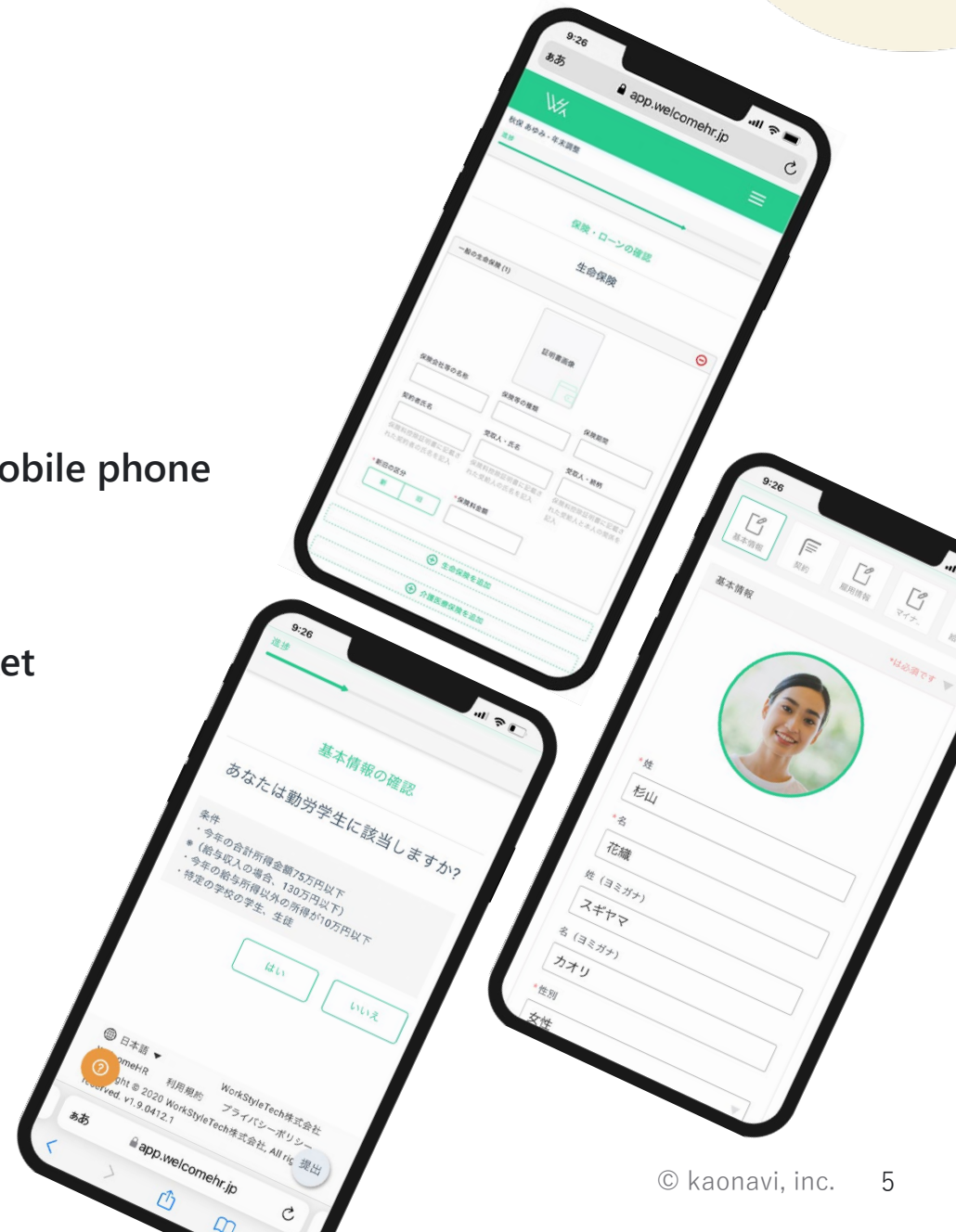


WelcomeHR Services



Strengths of WelcomeHR

- 1 Simple UI/UX design that delivers convenient experiences on a mobile phone
- 2 Service design fit for the contingent/part-time employment market



Purpose and Expected Synergy Effects

Purpose

To execute **the expansion of HR data platform** as defined in the mid-term management policy

- Adding labor management capability to expand the HR data platform
- Gaining touch points for the contingent/part-time employment market

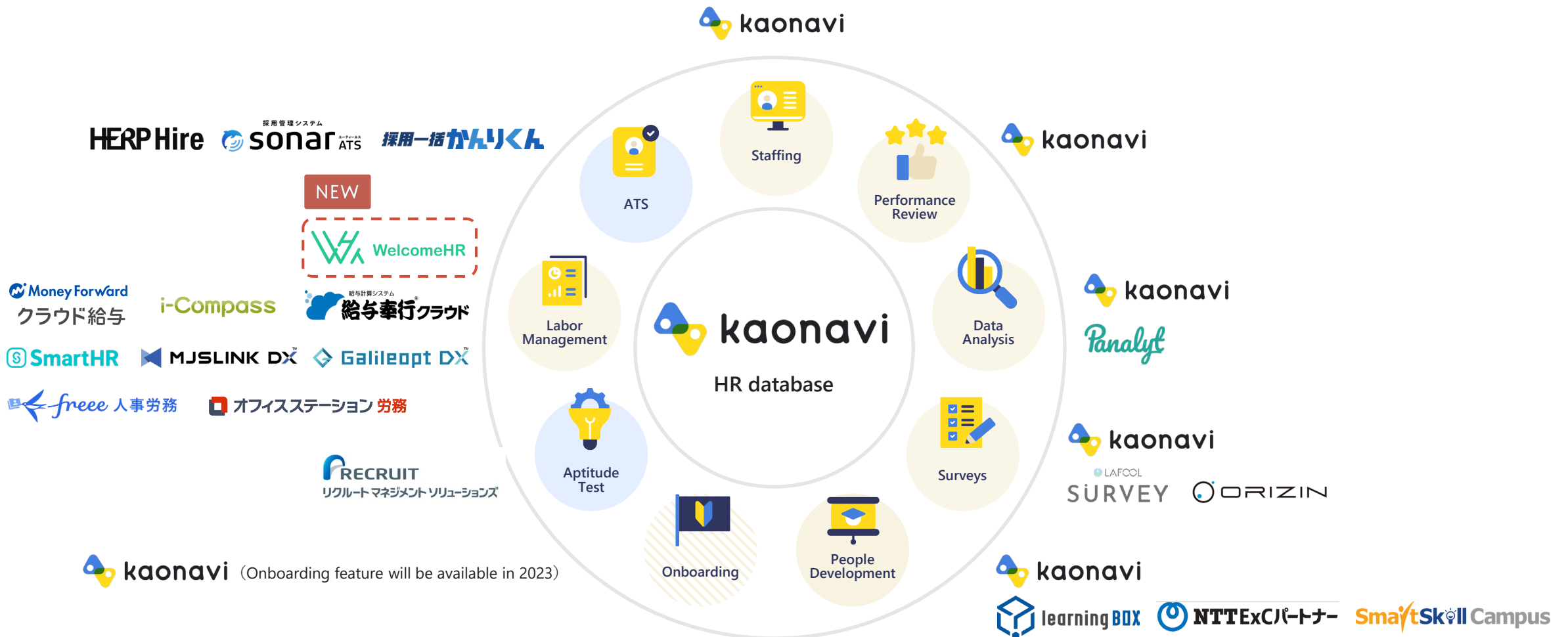
Synergy Effects

To realize **reinforcement of business competitiveness** and **uplift of operational efficiency**

- Satisfy customer needs for both talent management and labor management solutions
- Increase ARPU by cross-selling to kaonavi's existing customers
- Improve marketing and sales efficiency in acquiring new customers

Expansion of HR Data Platform

Integrating labor management into the HR data platform as a new capability offered by kaonavi group



* Connect Partners that can use API integration with KAONAVI (as of September 2023)

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