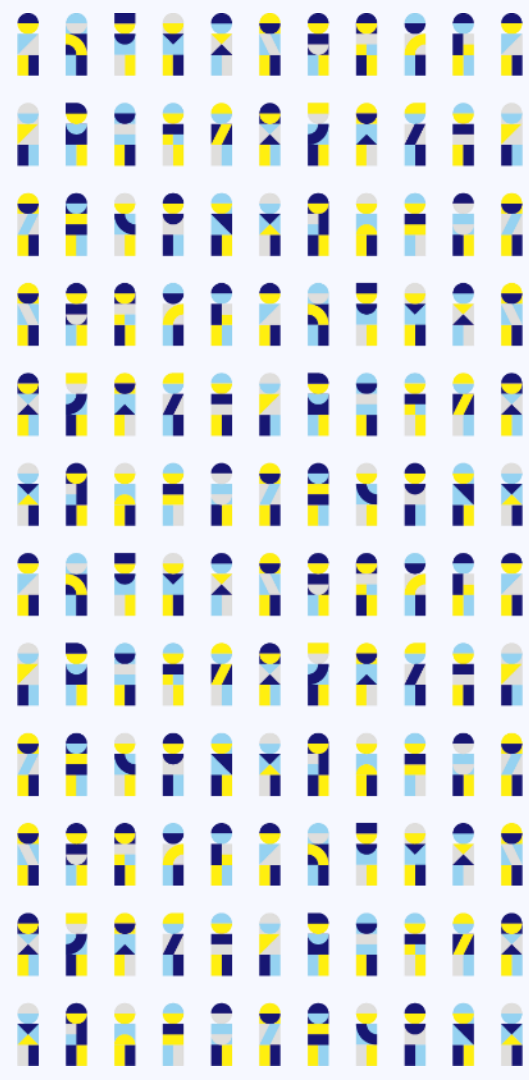




FY2024 1Q Financial Results

Securities code: TSE Growth 3900





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.

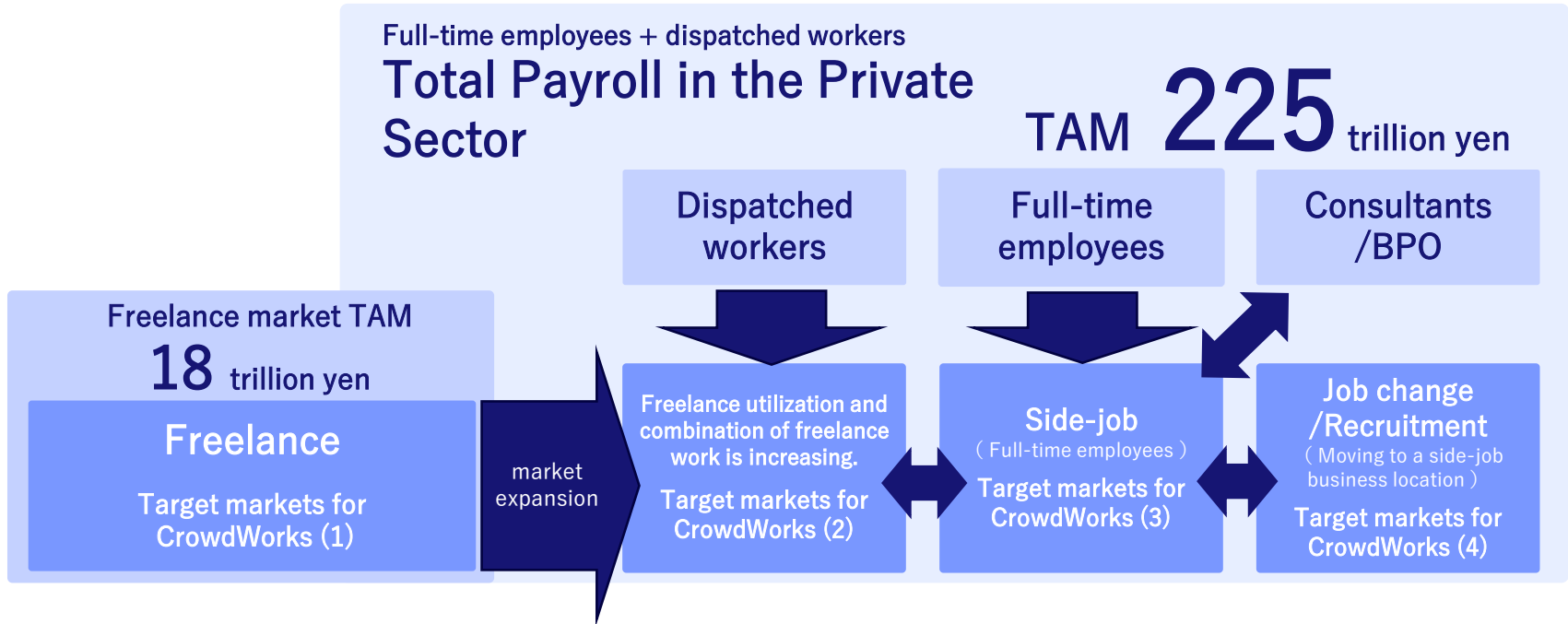
We believe in the infinite potential of people. We believe that people's talents can be tapped to significantly improve others' lives. CrowdWorks' mission is to become a modern infrastructure for talent.



To Improve Productivity in Japan
「YOSHIDA300」

HR Mobility Accelerates Our TAM is 225 trillion yen

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.



「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

FY2024 1Q Results



FY2024 1Q Performance

Achieved more than 30% in Net Sales, Gross Profit and EBITDA.

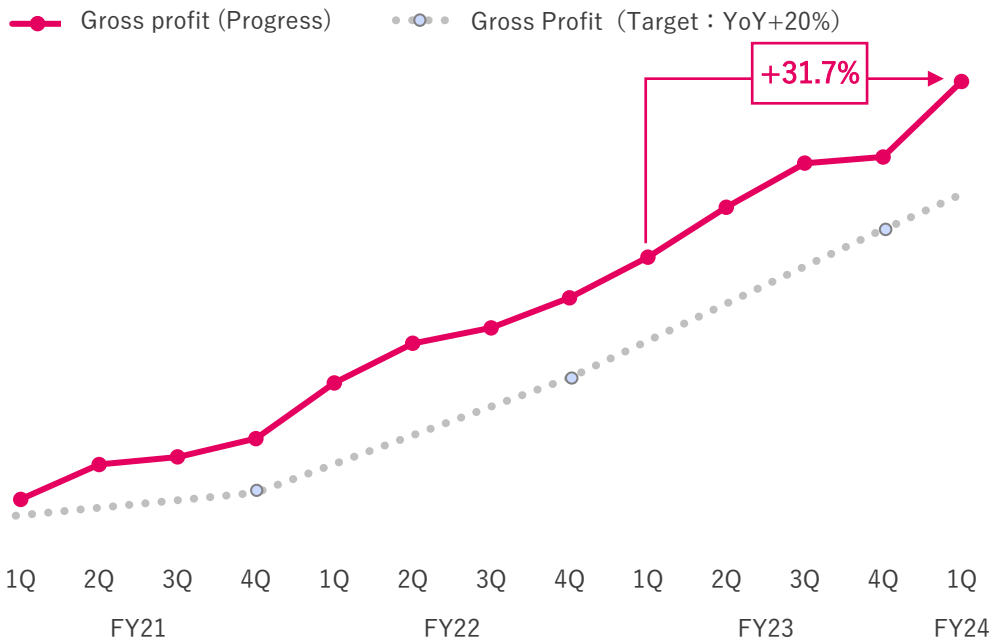
[Million yen]	FY2023 1Q	FY2024 1Q	YoY
GMV	5,461	6,941	+27.1%
Nat Sales	2,977	4,077	+37.0%
Gross Profit	1,396	1,839	+31.7%
EBITDA (Non-GAAP)	280	433	+54.6%

- GMV: Gross Merchandise Value
- 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.



Progress on Mid-long-term Targets

Gross profit +20% or more for **13 consecutive quarters**.



Gross Profit

YoY

+20% or more
13 consecutive
quarters achieved



FY2024 1Q Progress Rate against Full Year Forecast

Achieved 25% against our full year forecast.

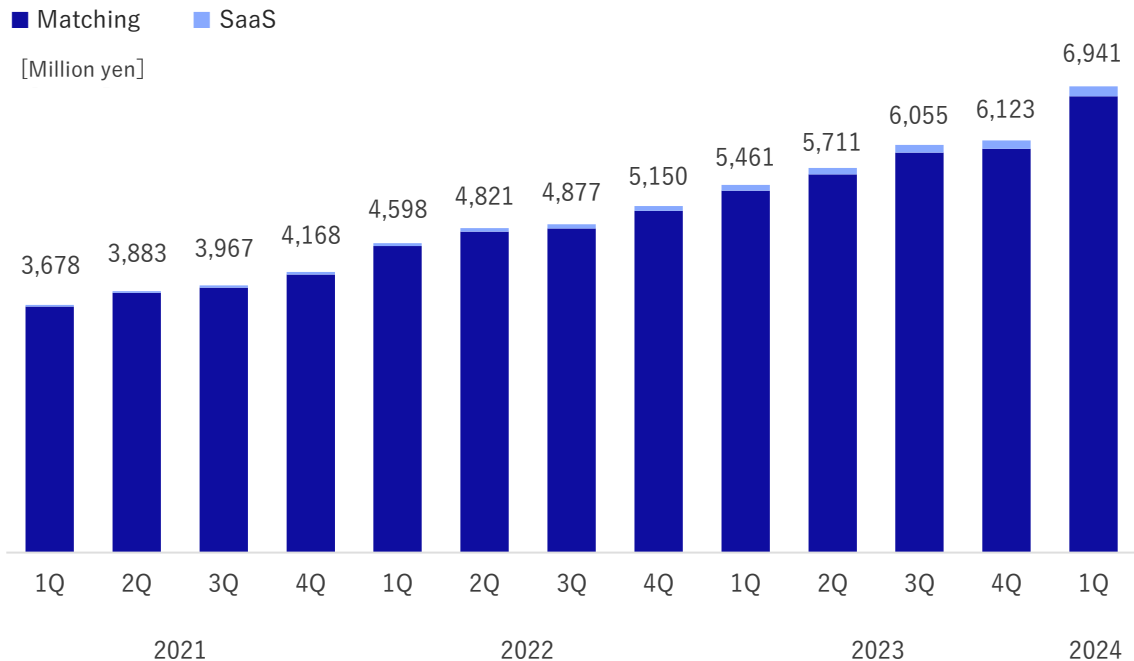
[Million yen]	FY2024 Full Year Forecast	FY2024 1Q Result	Progress Rate
GMV	28,020	6,941	24.8%
Nat Sales	15,860	4,077	25.7%
Gross profit	7,370	1,839	25.0%
EBITDA (Non-GAAP)	1,570	433	27.6%

- GMV: Gross Merchandise Value
- 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.



GMV Quarterly Transition

YoY **+26.8% growth**, matching business remains strong.



FY24 1Q
YoY
+27.1%

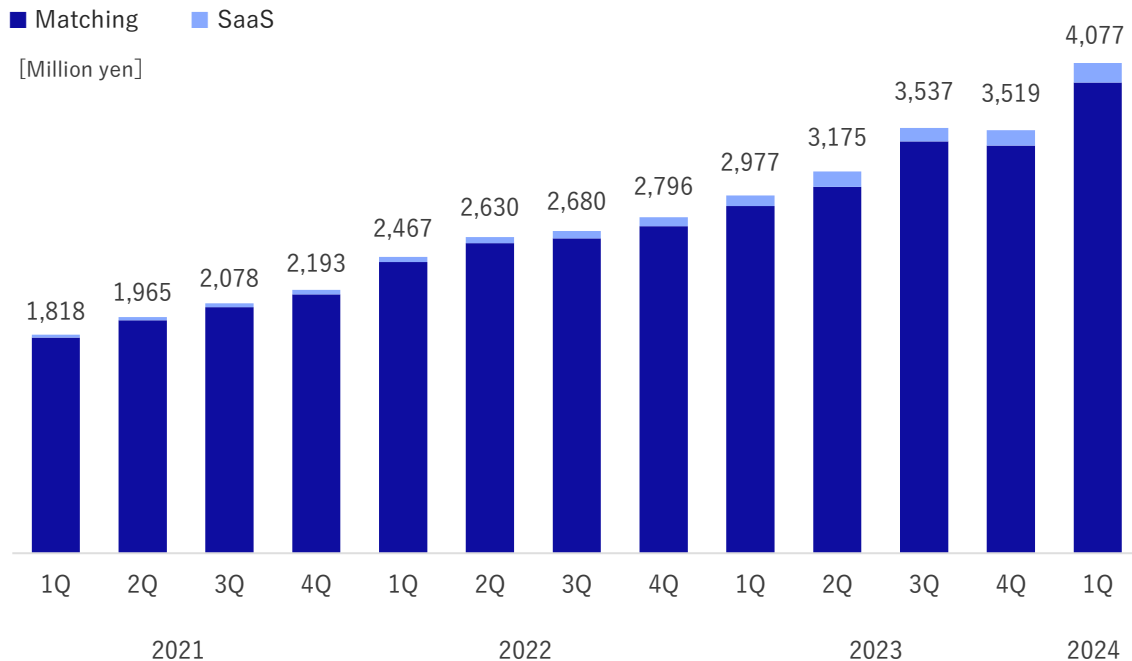




Net Sales Quarterly Transition

Matching business is growing YoY **+37.0%**.

SaaS business is growing as well.

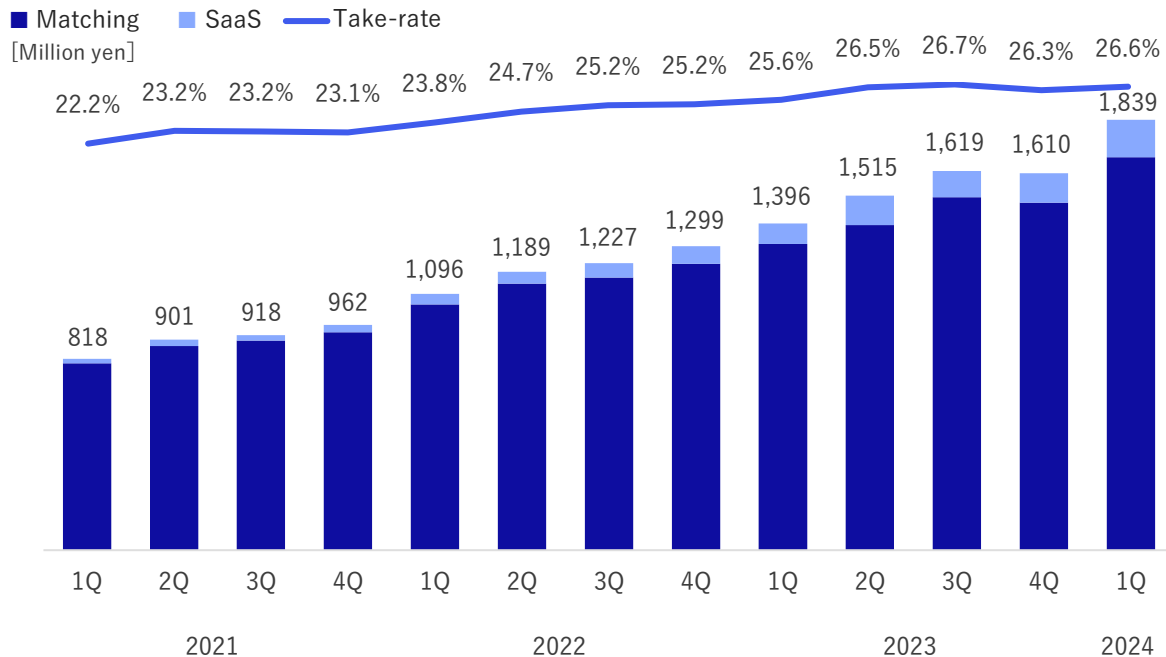


FY24 1Q
YoY
+37.0%



Gross Profit and Take Rate Quarterly Transition

YoY **+31.7%** growth, SaaS business with high gross margin contributes to growth.
The take rate also remained strong, with YoY **+1.0pt**.



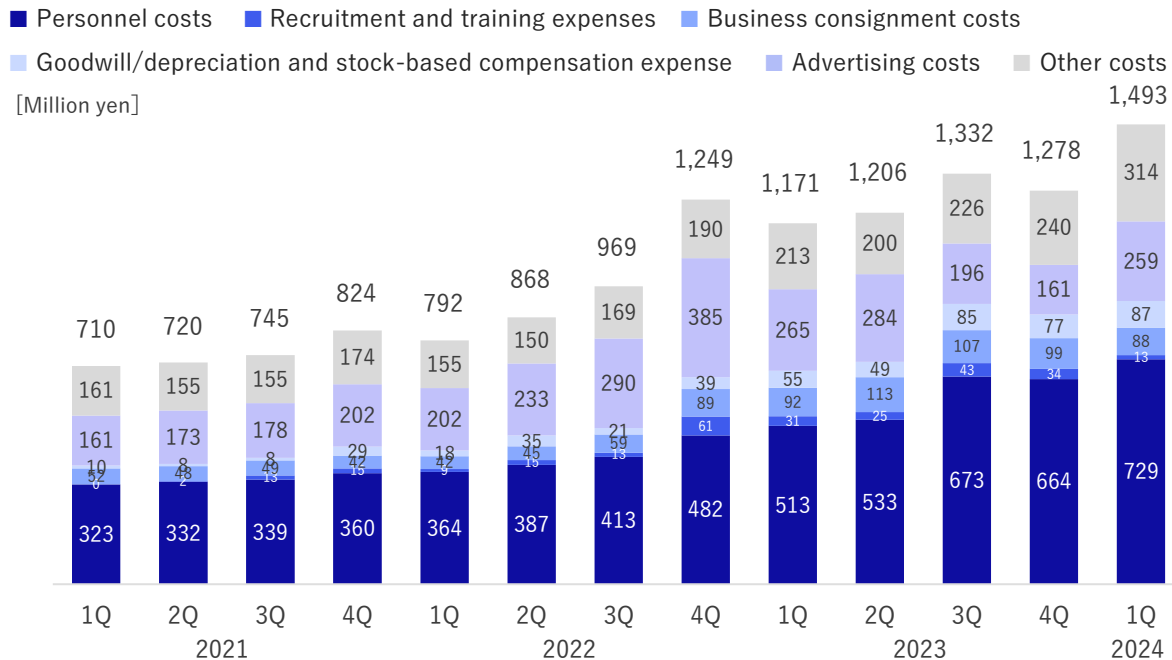
Gross Profit
YoY
+31.7%

Take-rate
YoY
+1.0pt



SG&A Expenses Quarterly Transition

YoY+27.5% in line with initial forecast. FY2024 is expected to be a trend with no significant difference or bias in each expense between the first half and the second half of the year.



FY24 1Q
YoY
+27.5%



Productivity Improvement through Management Evolution

9 Improvements

■ Improving productivity in management

1. Improved Productivity in Decision-Making Process
2. 8 items of the management policy have been updated

■ Improving productivity in business

3. FY2024 1Q Gross Profit Labor Cost Ratio Improved 2.3pt
4. "Account Sales Skills" added to CW Sales Model
5. Progress in business automation through the usage of generative AI
6. Strengthen worker matching with 12 marketing indicators and 2 AI algorithm indicators

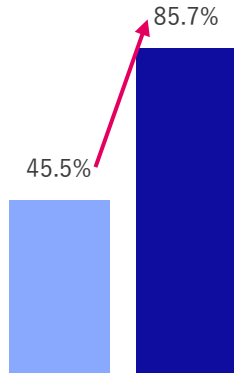
■ Increased productivity in organizational operations

7. Focused on developing the next generation of management personnel, producing 1 executive officer and 2 general managers
8. Balancing growth and shareholder returns, employee stock ownership plan participation rate of 56.5%
9. Strengthened operations in the corporate division, resulting in an in-house collection rate of 98.2%

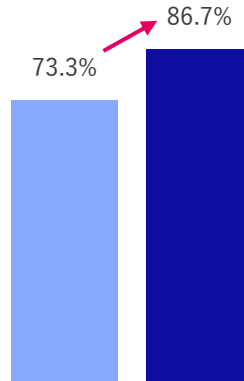
1. Improved Productivity in Decision-Making Process

Improved decision-making rate (resolution decision rate) at weekly management meetings by designating more responsibility to directors & executive officers.

% of "Resolutions" on all agendas



% of decisions on "Resolutions" proposed



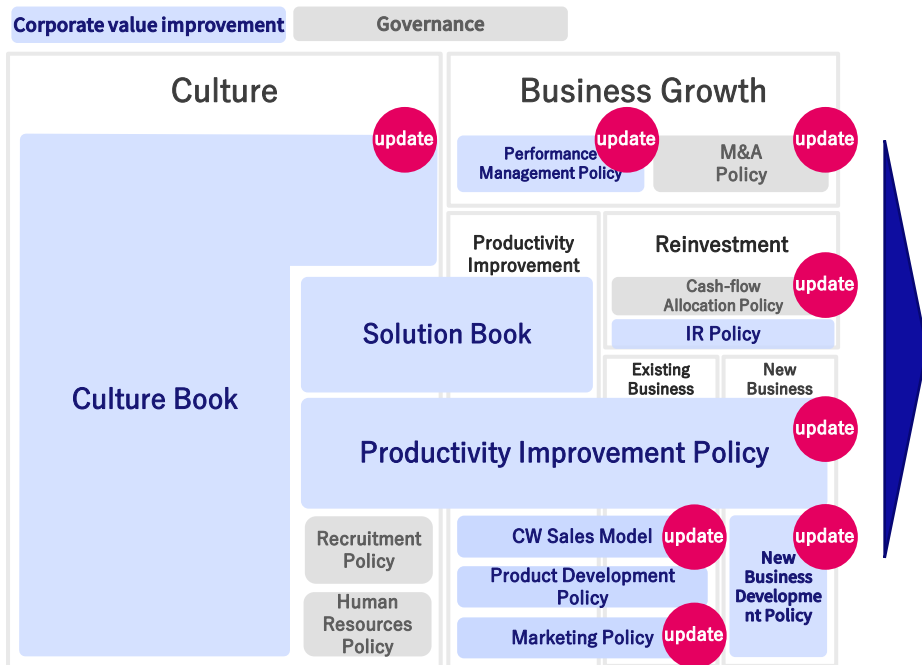
FY2023 1Q

FY2024 1Q

**Resolution Decision
Rate
86.7%**

2. 8 items of the management policy have been updated

We have formulated various policies as specific strategies to better embody the CW Culture. New initiatives are being created every day from a system in which anyone, from members to directors, can propose policy revisions.



“CW Growth League”

Born from the revision of the performance management policy. Performance management process according to business stage.



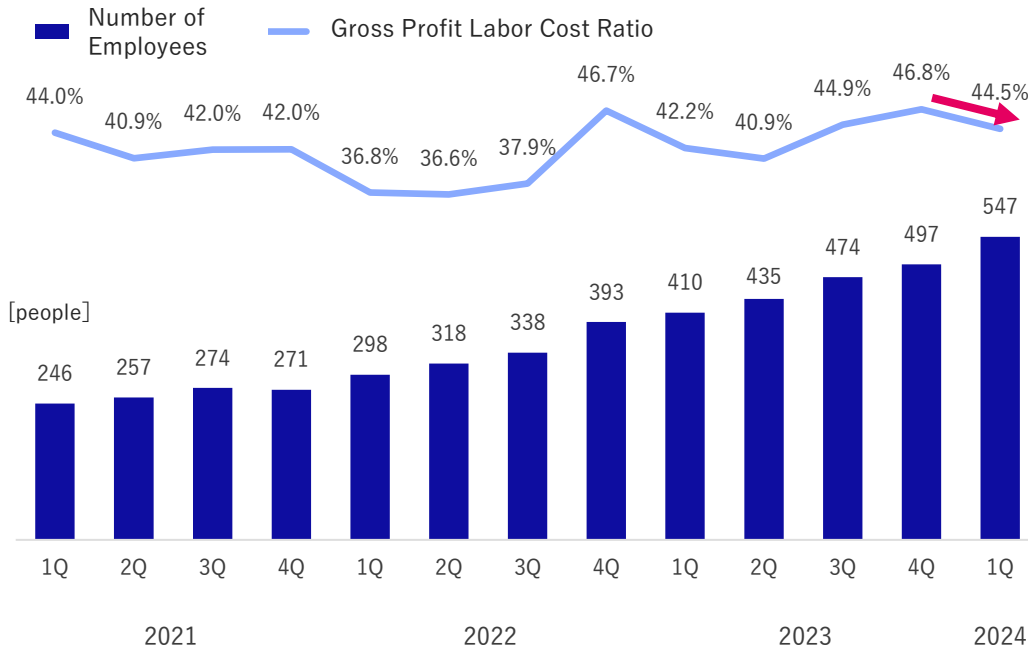
“One CrowdWorks Marketing”

Born from the revision of the marketing policy. Company-wide productivity improvement marketing measures.



3. FY2024 1Q Gross Profit Labor Cost Ratio Improved 2.3pt

As a result of daily productivity efforts, profit margins improved.
Gross profit labor cost ratio improved to -2.3pt in QoQ, aiming below 40%.



Gross Profit
Labor Cost Ratio
QoQ
**2.3pt
Improved**

4. "Account Sales Skills" added to CW Sales Model

To strengthen the account sales in the agent model, we strengthened the level of sales behavior. CW Sales Model has been updated to enable sales activity toward client's managerial issues.



CW Sales Model Conference Presentation Scene



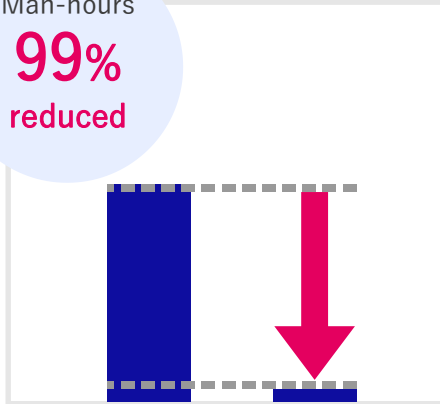
5. Progress in business automation through the usage of generative AI

The weekly productivity improvement knowledge sharing contest "PIP" has accumulated a total of 276 cases in FY23. We have added AI category in PIP and have seen strong progress in business automation.

Generative AI × Development

Introducing generative AI "GitHub Copilot" succeeds in streamlining code modification of Crowdworks

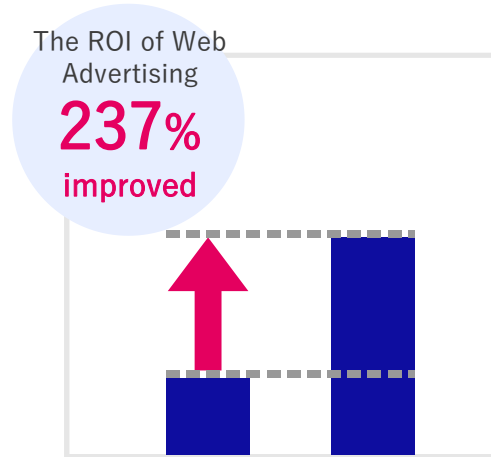
Man-hours
99%
reduced



Generative AI × Marketing

Improved ROI of web advertising by utilizing automatic generation services such as ad text and LP prediction using generative AI

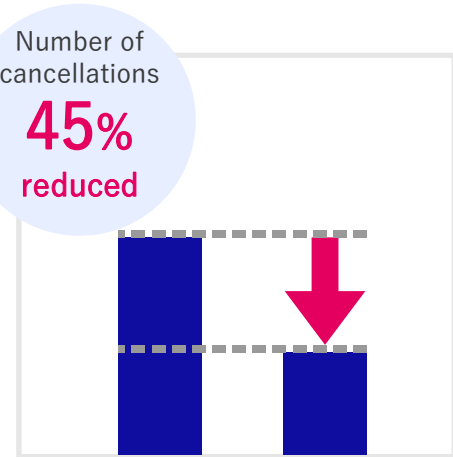
The ROI of Web Advertising
237%
improved



Automation × Sales

Improved the number of cancellations of business meetings by automating the sending of pre-negotiation reminders and schedules.

Number of cancellations
45%
reduced



6. Strengthen worker matching with 12 marketing indicators and 2 AI algorithm indicators

To deliver more compensation to workers, and to match clients with workers that better meet their needs, we have set new Productivity Improvement Indicators for agent matching and direct matching.

Agent: CrowdTech

12 marketing indicators

- Strengthen business management metrics with an emphasis on worker utilization.
- Increase LTV to Improve worker productivity (increase compensation).

ITエンジニアの皆さん
あなたのスキルを活かして
フリーランス
業務委託で
お仕事しませんか?
ITエンジニア 1314万円
Backendエンジニア 120万円
データサイエンティスト 145万円
Crowdtech
詳しくはこちら

Direct: CrowdWorks.jp

Matching AI Algorithm 2 Indicators

- Collaboration with PKSHA to improve direct matching AI algorithms based on two important indicators.
- Improving the matching experience for both workers and clients.

7. Focused on developing the next generation of management personnel, producing 1 executive officer and 2 general managers

“Management training program” and “Management meeting observer program” were implemented to foster the next generation of management personnel.

Management training program

- Held every other month
- Lecture by CEO and executives
- 1st term: 25 people, 2nd term: 30 participated
- Business improvement and new business ideas are presented

Management meeting observer program

- Next generation management candidates participate as observers for 3 months.
- Management Meeting: Held weekly
 - Management training camp: Held monthly
 - A total of 10 participants up to the 3rd term.

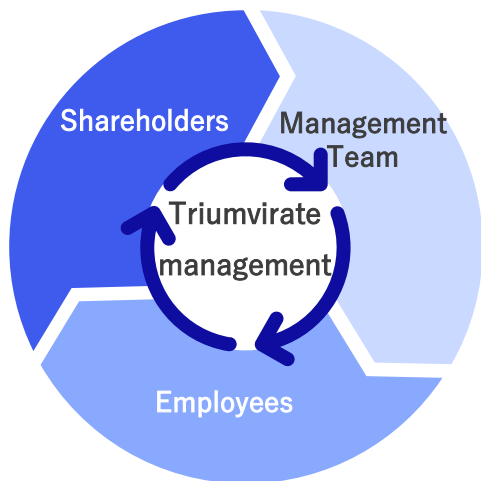
1 Executive Officer
2 General Managers

(1 each in business and corporate)
Through our own human resource development program

*April 22 ~ January 24

8. Balancing growth and shareholder returns, employee stock ownership plan participation rate reached 56.5%

Management and employees are committed to CW's growth, and the profits are returned to shareholders with the aim of further growth as a trinity.



Management Team

Granting of SO
(stock-based
compensation)

2022: 410 million yen

2023: 200 million yen

Stock-based
remuneration

Employees

Employee Stock
Ownership Plan

% of strain-holding

2021: 22.5%

2022: 20.6%

2023: 56.5%

Shareholders

Shareholder Returns

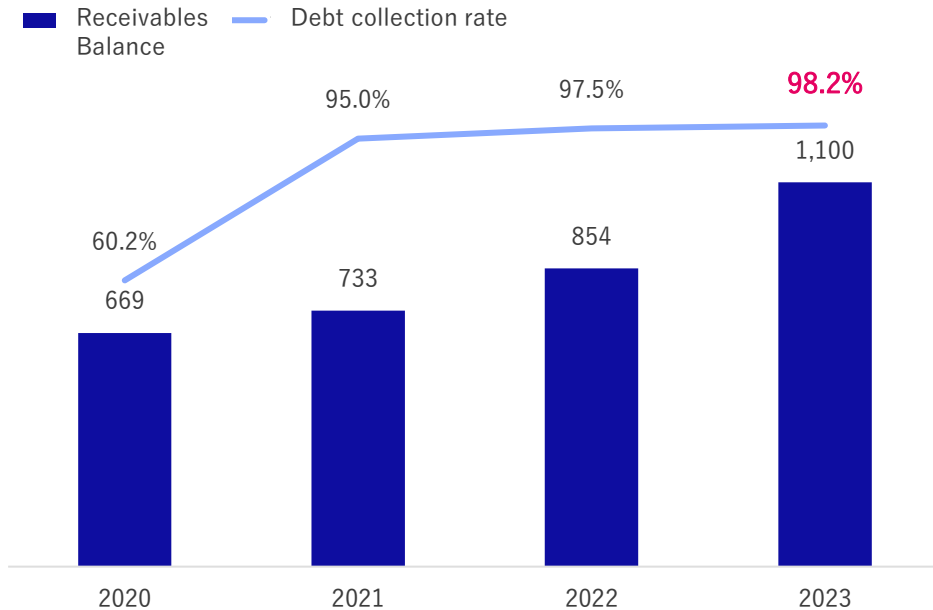
Implementation details /
timing under consideration

**Aiming for mid-long-
term stock price growth**



9. Strengthened operations in the corporate division, resulting in an in-house collection rate of 98.2%

We have made daily improvements, such as continuously reviewing credit standards, and the in-house collection rate of receivables has improved to 98.2%.



Debt collection rate
98.2%

To improve productivity in Japan

「YOSHIDA300」 Progress

1. Matching

2. SaaS

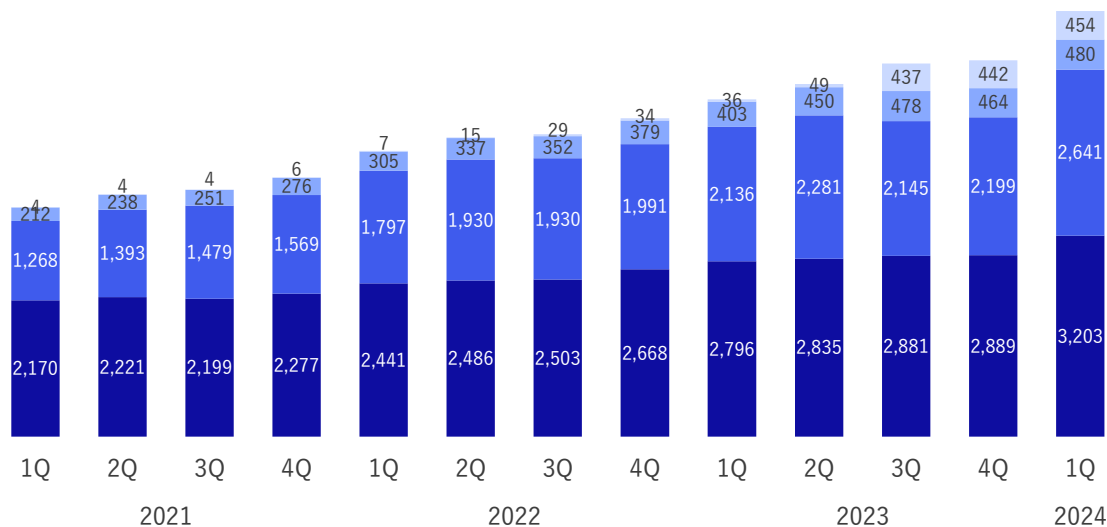
3. M&A

By Category - GMV Quarterly Transition

Achieving solid growth across all areas.

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

[Million yen]



(YoY)

Side-job area

+1,135.2%

Assistant/admin area

+19.0%

Engineer/designer area

+23.6%

WEB production/outsourcing area

+14.5%

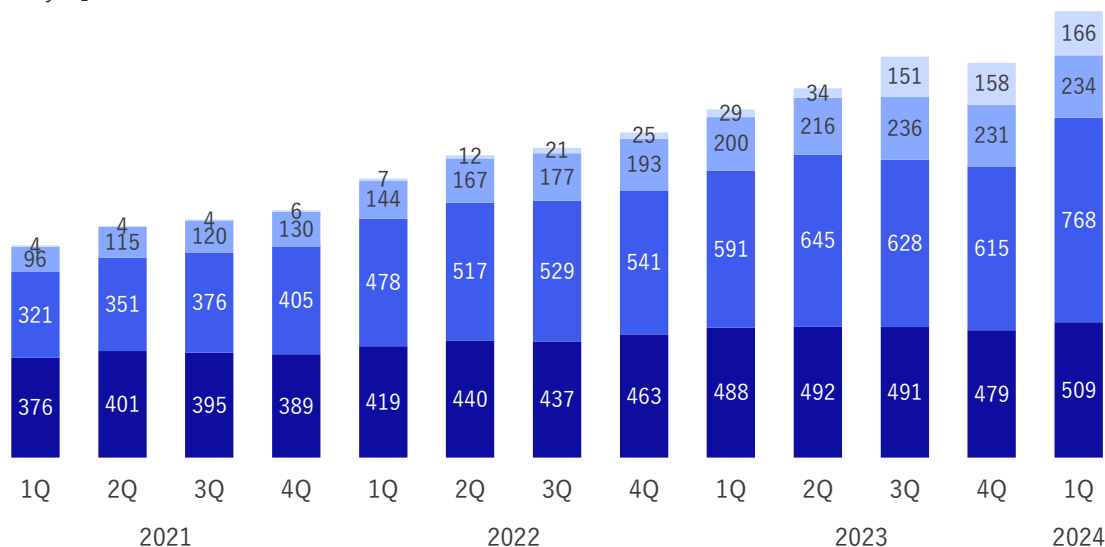


By Category - Gross Profit Quarterly Transition

Gross profit also grew positively in all areas.

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

[Million yen]



(YoY)

Side-job area

+473.1%

Assistant/admin area

+17.0%

Engineer/designer area

+30.0%

Web production/outsourcing area

+4.3%



Account Sales Progress & Unit price hike in Agent Matching

Account sales system and measures to increase unit price progressed well, and through this process we have been accumulating examples and cases on how to increase transaction value.

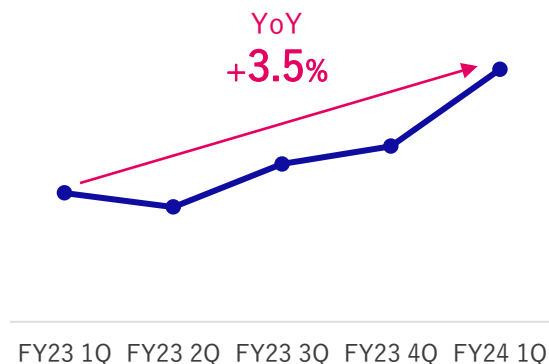
Account Sales Progress

Promote cross-departmental sales.
Succeeded in increasing unit price per company.

		FY23 1Q		FY24 1Q
Company A Manufacturing industry	Sales [mil. yen]	2.5	▶	17
	No. of workers	3	▶	20
Company B Info and communication industry	Sales [mil. yen]	2.8	▶	12
	No. of workers	8	▶	17
Company C Info and communication industry	Sales [mil. yen]	1.6	▶	9.3
	No. of workers	3	▶	12

Increase in compensation per worker

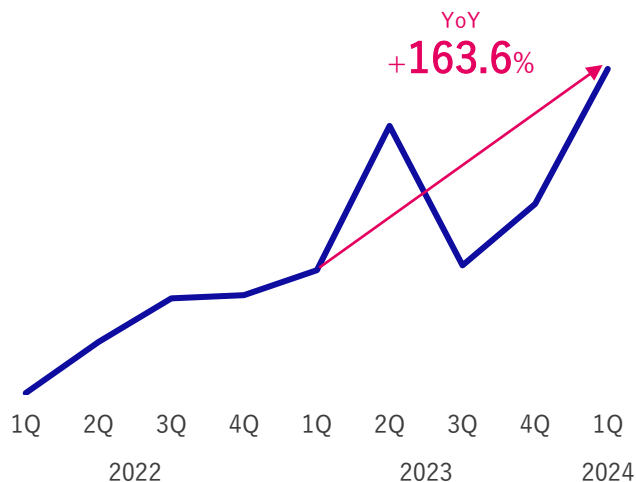
Flat price increase of 3% from this FY.
Continuous price hikes will follow through.



Side-job area: Rising order unit price, continued strong demand for high-skill talent

Continued strong demand for consultants and other high-skilled talent at CrowdWorks Consulting with an upward trend in order unit prices.

Increase in the unit price of orders in CrowdWorks Consulting



Example : Increase in sales and man-months of side job personnel utilization

Client	Operator of a restaurant chain
HR Needs	Managerial Classes
Position Details	Sales of nationwide FC development Procurement of ingredients, etc.

	FY2023 1Q	FY2024 1Q	YoY
Sales [Million yen]	2.8	11	+286%
Working man-month	9 h	20 h	+122%

To improve productivity in Japan

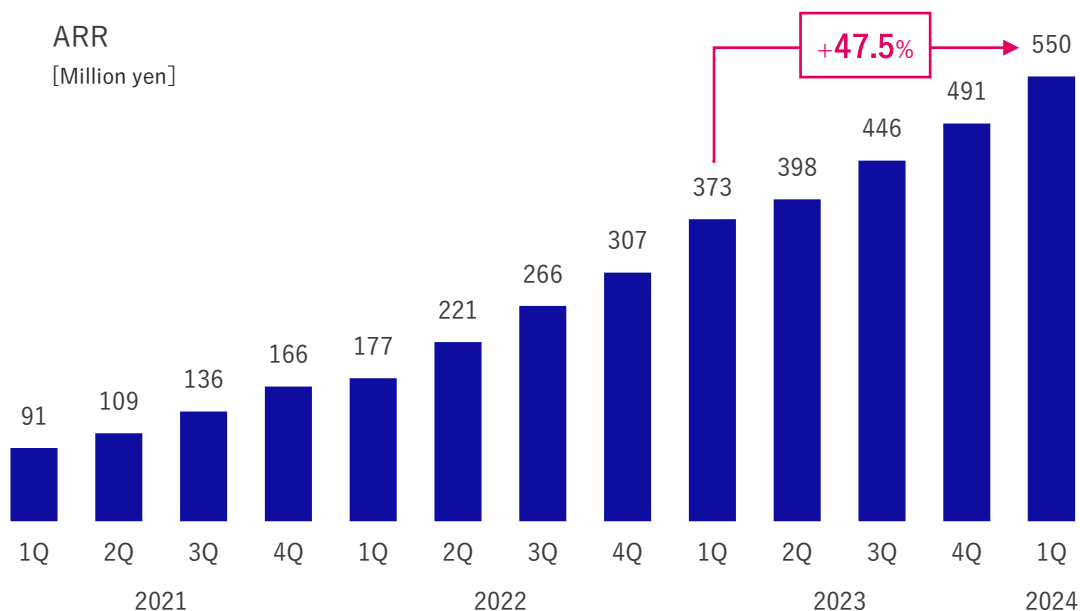
「YOSHIDA300」 Progress

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

CrowdLog Continues to Achieve High Growth

2024 1Q: ARR 550 million yen, annual growth rate +47.5%.

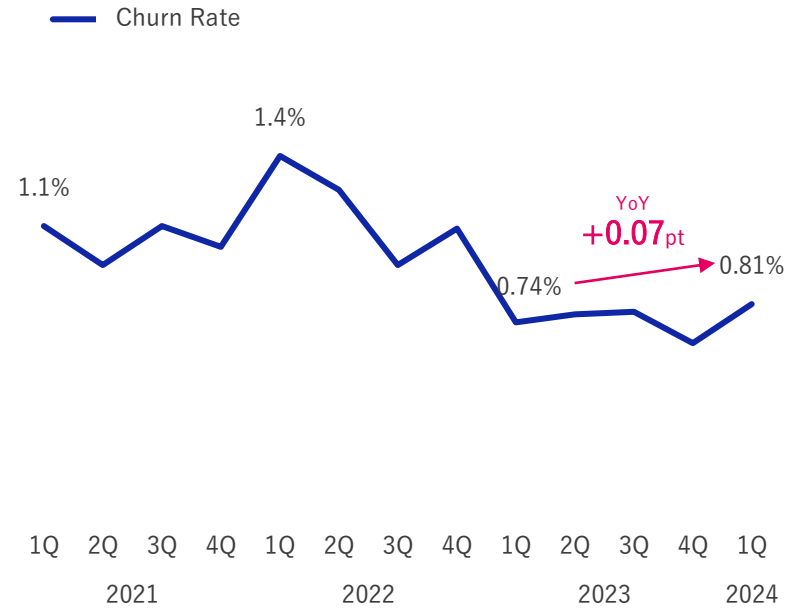
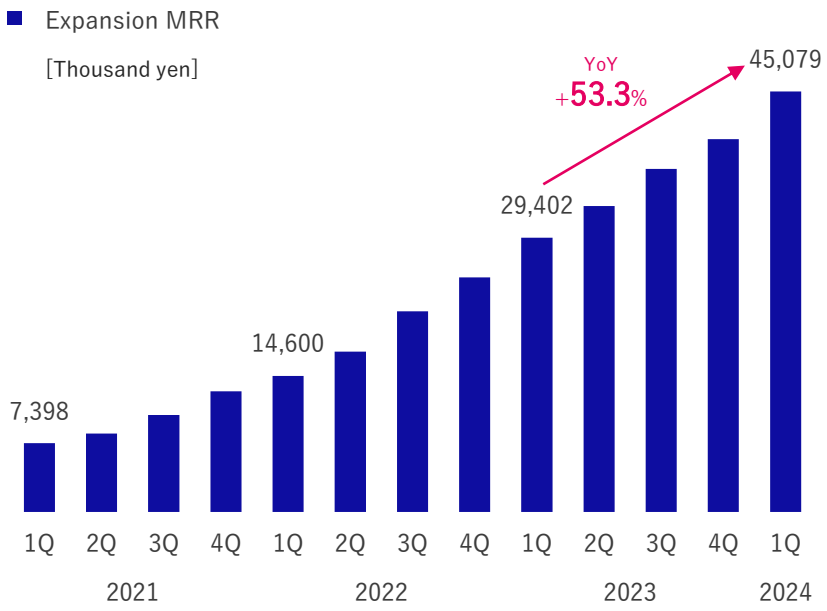
Increase the growth angle by upselling and revising prices through further functional enhancements.



ARR
exceeds
550 mil yen

CrowdLog Continues to Upsell from Enterprise

Continued upsells from enterprises.
Continue to have a low churn rate by improving functions and continue to aim for less than 1%.



CrowdLog Expanding Capabilities

We have newly added Automatic collection logs function to Crowdlog. Automatic registration of man-hours reduces the entry burden for new clients. This function development will also allow us to expand use of the system to medical facilities, manufacturers, and educational institutions.

▼CrowdLog

Man-hour management by "inputting" daily work by employees



▼timeKeeper (Function Expansion)

"Automatic" collection of daily operations from system logs



Many implementations from IT, software,
and start-up companies

Expanding the number of target companies

- ✓ Medical Practice
 - ✓ manufacturing industry
 - ✓ Construction
 - ✓ Educational corporation
- etc.

To expand
wide range of
industries

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

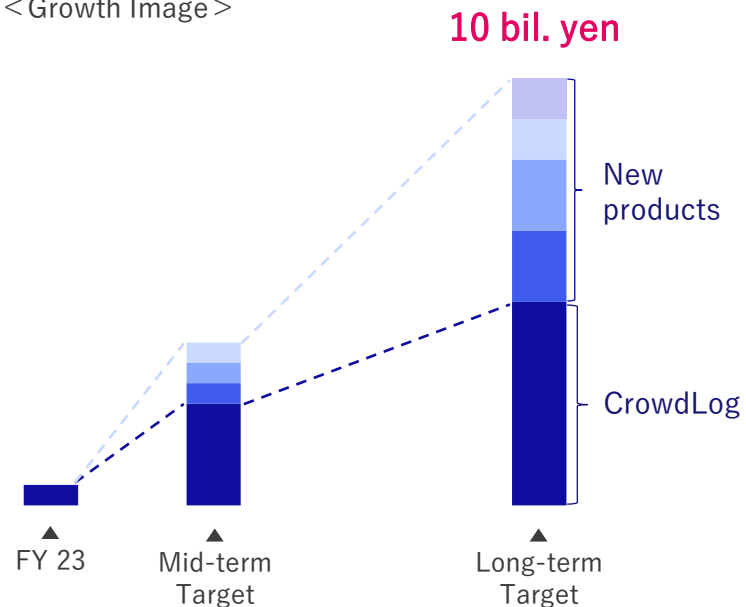
CrowdLog: 5 billion yen

- Market expansion with man-hour management
- 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

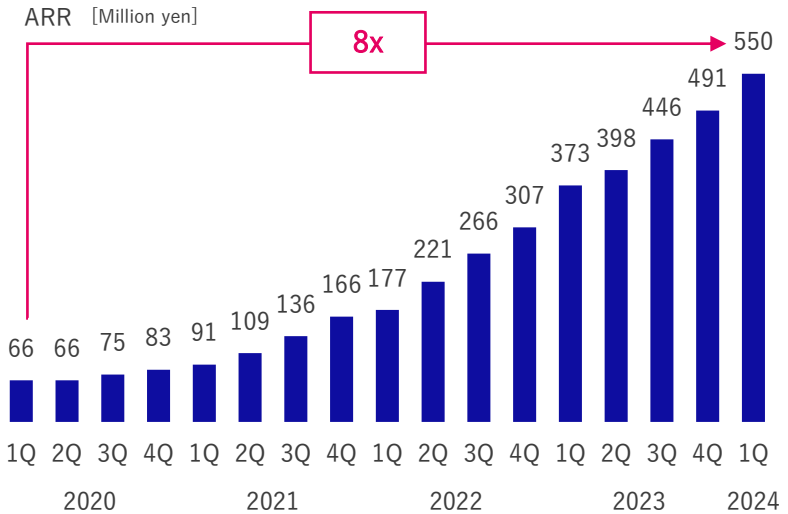
1. Matching
2. SaaS
- 3. M&A**

Group-in companies contribute to the growth of the entire company

CrowdLog: ARR grows to about 8 times post group-in while reducing the margin of profit decline.
 Peaceful Morning: Revenue and gross profit both grew by more than +40% YoY.

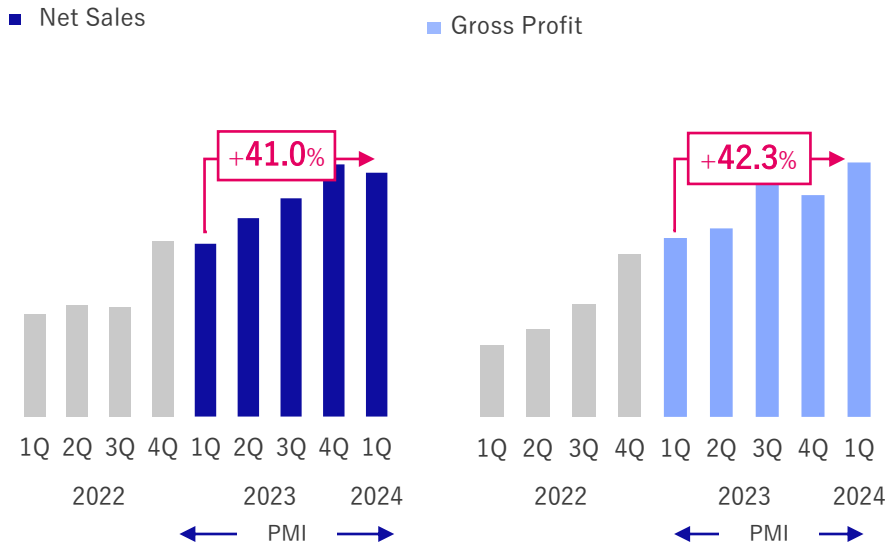
CrowdLog (Acquired in 1Q FY2020)

Business Model : Man-hour management SaaS



Peaceful Morning (Acquired in 1Q FY2023)

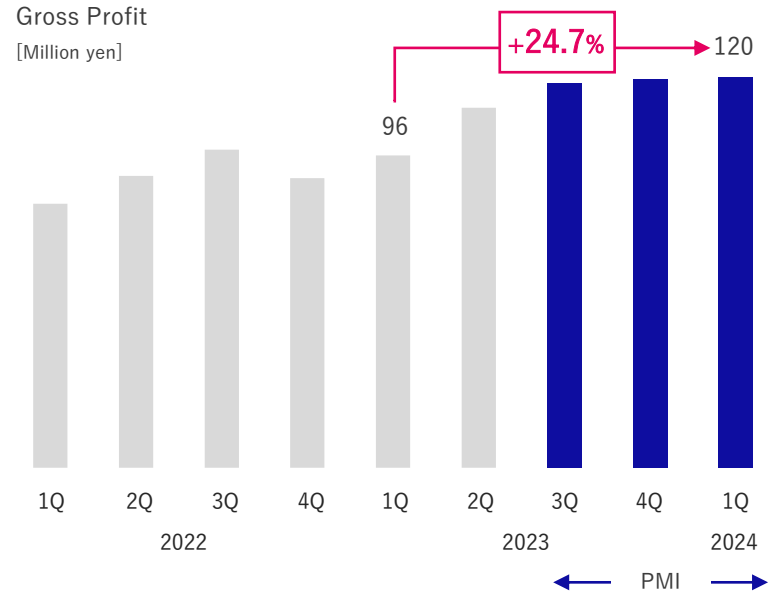
Business Model: Agent matching platform specialized in RPA



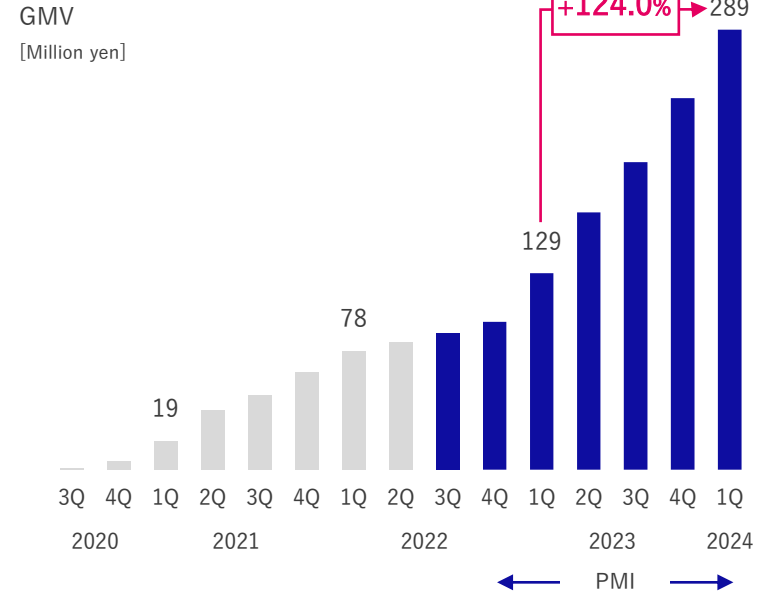
Group-in companies contribute to the growth of the entire company

Shuumatu Worker: Gross profit growth of **+24.7% YoY**.
 Member Pay: Dramatic growth after group-in, **+124.0% YoY**.

Shuumatu Worker (Acquired in 3Q FY2023)
 Business Model: Agent matching platform specialized in side-job

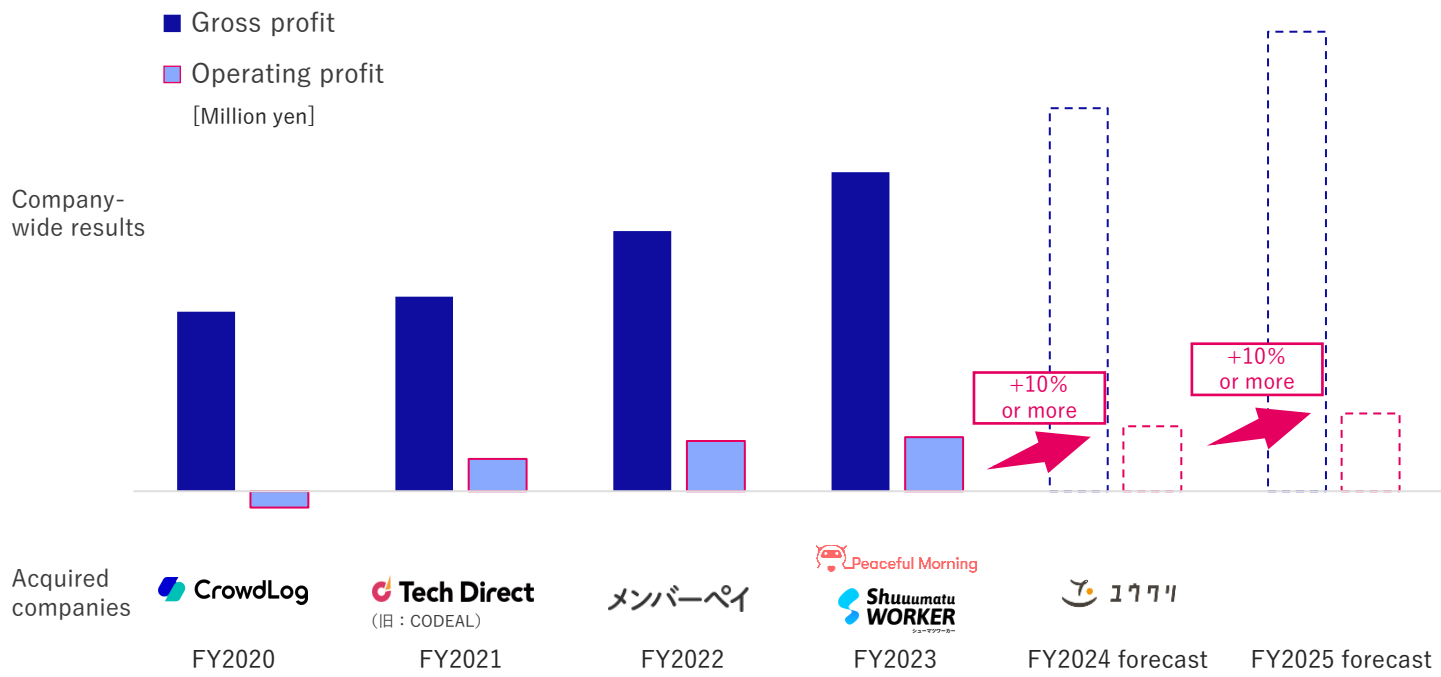


Member Pay (Acquired in 3Q 2022, Merged in 2Q FY2024)
 Business Model: Online Monthly Flat-rate Payment Service



Conduct Continuous M&A but also Committed to Achieve Continuous Earnings Growth

Continue to aim for 10% growth in operating profit growth rate as a bottom-line commitment while conducting M&A.



Mutual interaction between management and members of the Group-in companies

Synergistic effects in terms of business and culture through interactions among management and sales members between CW and Group-in companies have been very active.

Group-in Company → Participation in CrowdWorks

Executives from each company participated in the following CW's events to absorb management expertise.

- Management Camp: 2 people
- Growth Meeting (Overall Business Meeting): 3 people
- CW Sales Model Conference: 5 people

Participants' Comments

Management M: The speed of management and business has increased dramatically. My management level has been raised.

Management T: The variety of ways to do things, the resolution to grow, etc. have opened my way of thinking.

CW → Participation in Group-in Companies

- Secondment of management and frontline members
 - Sharing management methods through 1 on 1 meetings
 - secondees win company-wide MVP award
- CW conducts company-wide pass-up (cross-sell) campaign for group-in company's commercial products

Participants' Comments

- Communication with the seconded members has become smoother.
- A new challenge every day, and the day goes by in the blink of an eye pass.

M&A Strategy & Focus

Target: **Businesses that can be expected to accelerate growth by utilizing CW's assets**

Matching Business Area

- ① Freelance
- ② Full-time employee
- ③ Side-job
- ④ General office dispatch · Engineer dispatch

SaaS · other areas

- ① Consulting
- ② HR tech · SaaS
- ③ Reskilling · Education

3 Disciplines

- ① Conduct 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

PMI Policy

- ① Providing CW Worker/Client Resources
- ② Provision and establishment of productivity improvement know-how
- ③ Provision of management personnel

Appendix

FY2024 Forecast



Forecast for FY2024

No change from the initial forecast.

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%

- GMV: Gross Merchandise Value
- 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.

Supplementary Materials for Performance

Profit and Loss Statement

[Million yen]	*Consolidated	FY2023 1Q	FY2023 2Q	FY2023 3Q	FY2023 4Q	FY2024 1Q
GMV		5,461	5,711	6,055	6,123	6,941
Net Sales		2,977	3,175	3,537	3,519	4,077
Gross Profit		1,396	1,515	1,619	1,610	1,839
GMV Gross Profit Ratio (take rate)		25.6%	26.5%	26.7%	26.3%	26.5%
Net Sales Gross Profit Ratio		46.9%	47.7%	45.8%	45.8%	45.1%
SG&A Expenses		1,171	1,206	1,332	1,278	1,493
EBITDA (Non-GAAP)		280	357	372	410	433
Net Sales EBITDA(Non-GAAP) Ratio		9.4%	11.3%	10.5%	11.7%	10.6%
Gross Profit EBITDA(Non-GAAP) Ratio		20.1%	23.6%	23.0%	25.5%	23.5%
Operating Profit		225	308	286	332	346
Net Sales Operating Profit ratio		7.6%	9.7%	8.0%	9.5%	8.5%
Ordinary Profit		219	355	310	352	356
Net Profit		149	230	217	499	213
Depreciation and Amortization		5	5	13	8	7
Amortization of Goodwill		6	6	34	34	42
Stock compensation expense		43	37	37	35	37

- GMV: Gross Merchandise Value
- 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.

FY2024 1Q Performance by Segment

Matching

[Million yen]	FY2023 1Q	FY2023 2Q	FY2023 3Q	FY2023 4Q	FY2024 1Q
GMV	5,373	5,616	5,943	5,996	6,775
Net Sales	2,889	3,047	3,425	3,392	3,911
Gross Profit	1,308	1,388	1,508	1,484	1,677
GMV Gross Profit Ratio (take rate)	24.4%	24.7%	25.4%	24.8%	24.8%
Net Sales Gross Profit Ratio	45.3%	45.6%	44.0%	43.7%	42.9%
Operating Profit	302	348	327	344	351
Net Sales Operating Profit ratio	10.5%	11.4%	9.6%	10.1%	9.0%

SaaS (+ other)

GMV	87	95	111	127	165
Net Sales	87	95	111	127	165
Gross Profit	87	95	111	126	162
Operating Profit	▲77	▲70	▲40	▲11	▲5

FY2024 1Q Performance by Category (area)

GMV [Million yen]	FY2022 1Q	FY2022 2Q	FY2022 3Q	FY2022 4Q	FY2023 1Q	FY2023 2Q	FY2023 3Q	FY2023 4Q	FY2024 1Q
WEB production/outsourcing area	2,441	2,486	2,503	2,668	2,796	2,835	2,881	2,889	3,203
Engineer/designer area	1,797	1,930	1,930	1,991	2,136	2,281	2,145	2,199	2,641
Assistant/admin area	305	337	352	379	403	450	478	464	480
Side-job area	7	15	29	34	36	47	437	442	454
Total	4,552	4,769	4,815	5,074	5,373	5,616	5,943	5,996	6,775
Nat Sales [Million yen]									
WEB production/outsourcing area	399	426	420	441	458	459	462	461	864
Engineer/designer area	1,725	1,811	1,825	1,869	2,001	2,097	2,058	2,034	2,127
Assistant/admin area	288	325	344	374	391	440	465	454	465
Side-job area	7	15	29	35	36	49	438	442	455
Total	2,421	2,578	2,619	2,720	2,889	3,047	3,425	3,392	3,911
Gross profit [Million yen]									
WEB production/outsourcing area	419	440	437	463	488	492	491	479	509
Engineer/designer area	478	517	529	541	591	645	628	615	767
Assistant/admin area	144	167	177	193	200	216	236	231	234
Side-job area	7	12	21	25	29	34	151	158	166
Total	1,050	1,138	1,165	1,223	1,308	1,388	1,508	1,484	1,677

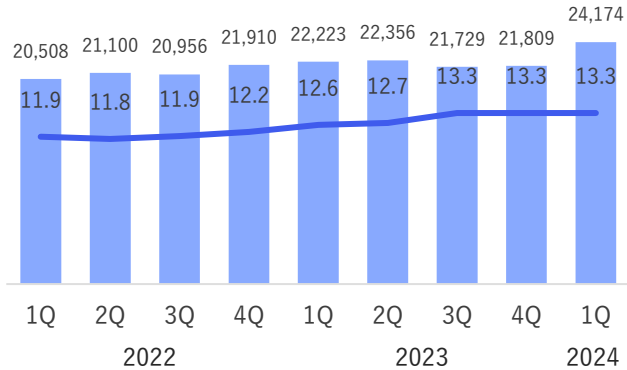
By Category (area) KPI Quarterly Transition

WEB production/outsourcing area: Both the number of clients and unit price remained steady due to a decrease in low unit price projects and an increase in high unit price projects.

Engineer/designer area: CrowdTech alone recovered in terms of both the number of clients and unit price, with unit price up more than 8% YoY.

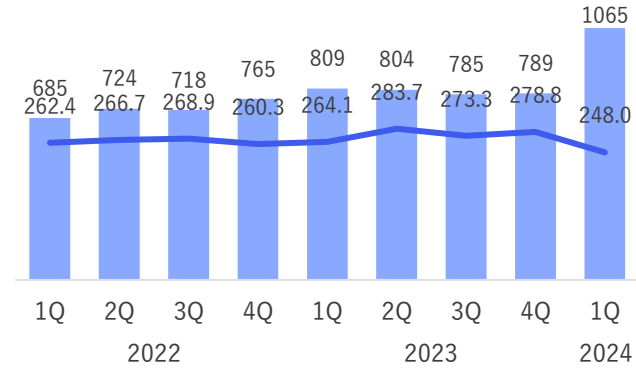
Web production/outsourcing area (Direct)

GMV	3,203 mil yen	YoY	+14.5%
Ordering Clients	24,174	YoY	+8.8%
Unit Price	132,504 yen	YoY	+5.3%



Engineer/designer area (Agent)

GMV	2,641 mil yen	YoY	+23.6%
Ordering Clients	1,065	YoY	+31.6%
Unit Price	2,480,181 yen	YoY	-6.1%



■ Ordering Clients — Ordering Unit Price

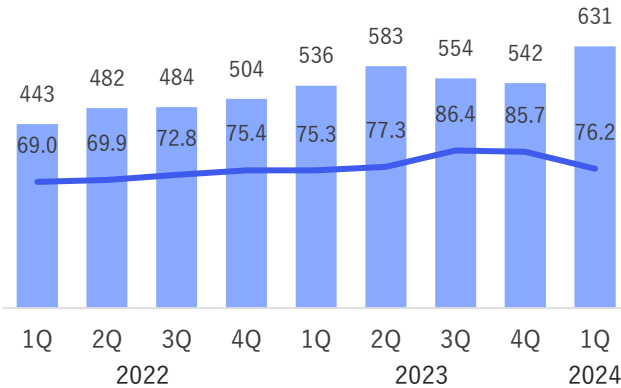
By Category (area) KPI Quarterly Transition

Assistant/admin area : Continuation rates improved, and new acquisitions were strong.

Side-job area: Strong need for high-skilled side workers, especially at CrowdWorks Consulting (former: LinksAgent), contributes to higher unit prices.

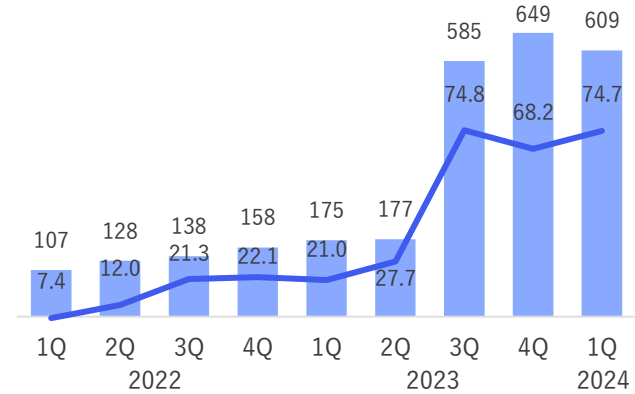
Assistant/admin area (Agent)

GMV	480 mil yen	YoY	+19.0%
Ordering Clients	631	YoY	+17.7%
Unit Price	761,614 yen	YoY	+1.1%



Side-job area (Direct/Agent)

GMV	454 mil yen	YoY	+1,134.7%
Ordering Clients	609	YoY	+248.0%
Unit Price	746,577 yen	YoY	+254.8%



■ Ordering Clients — Ordering Unit Price

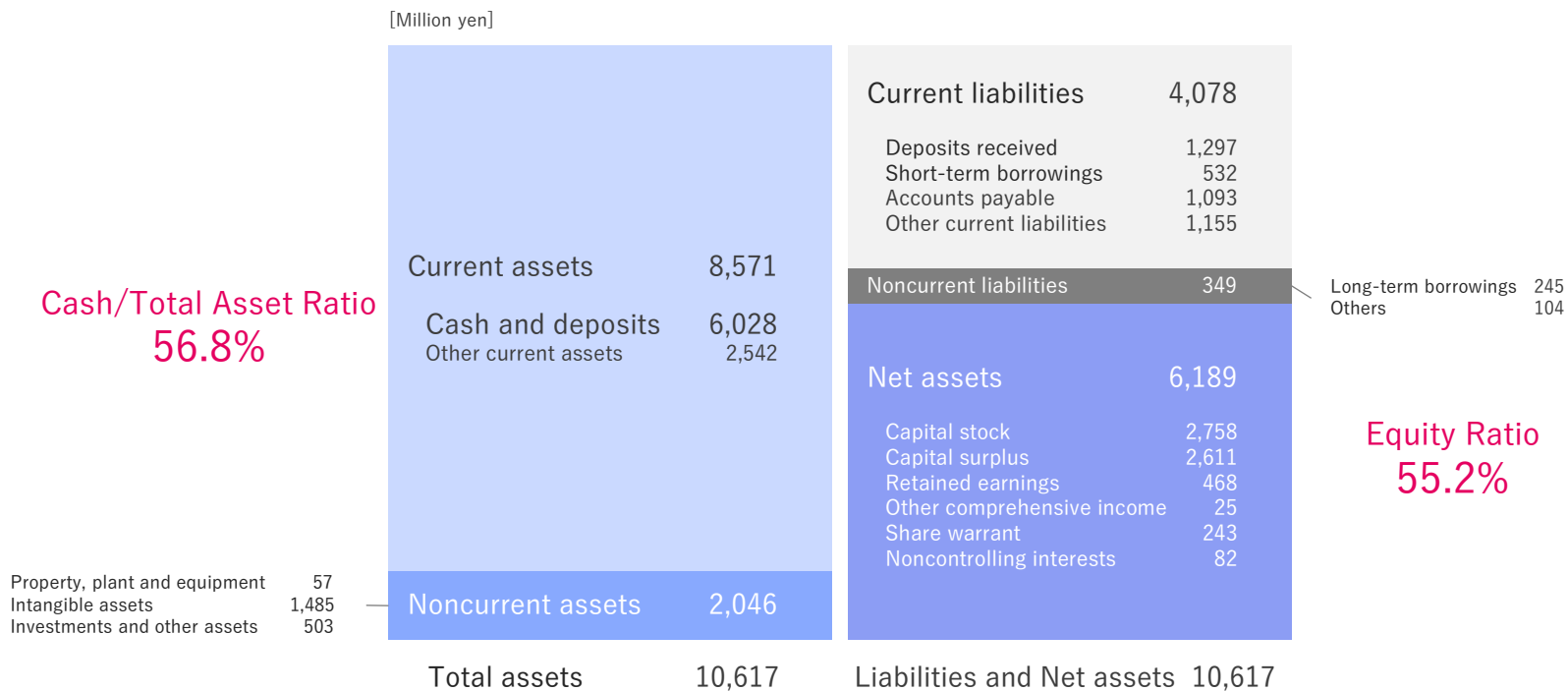


Profit Model (FY24 1Q)

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	[Million yen] 3,228	604	578	
	Ads fees =	Additional optional fees such as ads placement (Option fee 8,000~30,000 yen)	Net sales = System usage fee + Ads fee Gross profit = System usage fee + Ads fee				
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	3,551	3,378	1,143	
SaaS + Other	Service Usage fees =	Monthly service (platform) usage fees	GMV = Service usage fees Net sales= Service usage fees Gross profit= Service usage fees	165	165	162	
				Adjustment*	▲4	▲71	▲45
				Total	6,941	4,077	1,839

Consolidated B/S Summary

Established a sound financial base with a cash-to-deposit ratio of 56.8% and an equity ratio of 55.2%.





Balance Sheet

	FY2023 (consolidated)	FY2024 (consolidated)	Compared to FY23 FY-end
[Million yen]	FY-end	1Q	
Current Assets	7,903	8,571	+667
Non-current Assets	2,091	2,046	▲44
Total Assets	9,995	10,617	+622
Current Liabilities	3,739	4,078	+338
Non-current liabilities	216	349	+133
Net Assets	6,039	6,189	+150
Capital Adequacy Ratio	57.9%	55.2%	▲2.7pt



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 80,000 companies registering annually
2. The only company 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

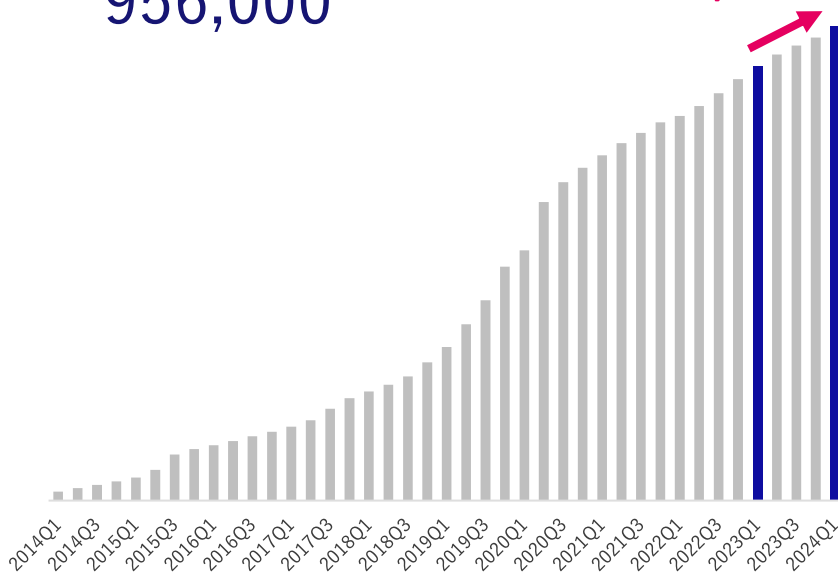
1. One of the largest HR databases in Japan

One of the largest platforms in Japan with approximately 80,000 clients and 600,000 workers registering organically. This enables us to meet a wide variety of client needs

Number of Registered Clients

956,000

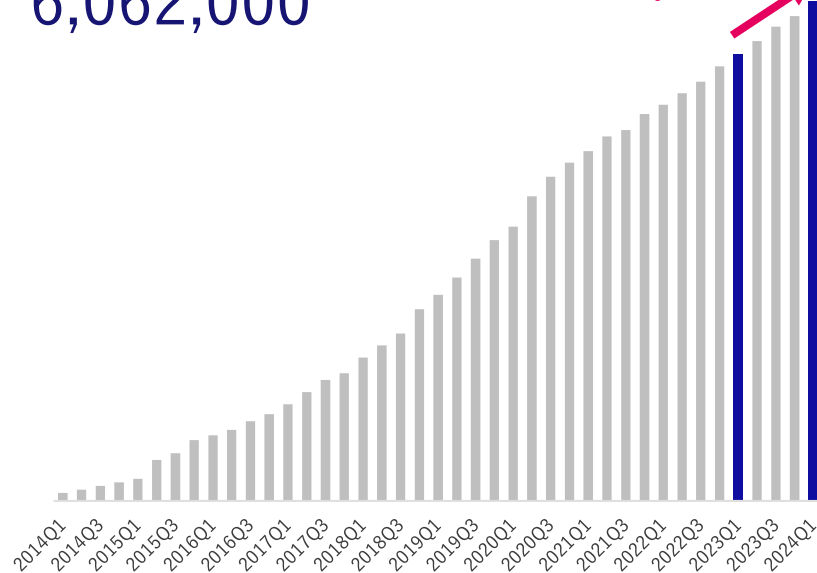
+81,000



Number of Registered Workers

6,062,000

+642,000



2. The only company 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



PIP*

(Internal productivity improvement knowledge sharing contest)

Sharing productivity improvement success cases
company-wide/across organizations

*PIP: "Productivity Improvement Pitch"



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

Productivity Improvement KPIs

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

FYI: FY2024 1Q Examples of Productivity Improvements (Selected)

Improvement theme		1Q Examples (Oct.-Dec.)	Results	
Marketing	Improve LTV/CPA unit economics by changing investment allocation and marketing methods.	[LinksAgent] Successfully increased the rate of business negotiations by changing the approach, conducting preliminary questionnaires, and uncovering management issues of clients.	Rate of business negotiations	28.9% Improved
		[CrowdTech] Successfully increased the number of new registrations of clients and workers by optimizing the display of nominated searches in listing public notices.	Number of new registrations	150% Improved
		[CrowdTech] Successfully increased gross profit per deal by shifting from a sales method of interviewing apparent needs to a method of eliciting latent needs, thereby increasing added value.	Gross profit per deal	18.0% Improved
Process Change	Review business processes to reduce costs and improve gross profit to cost ratio	[CrowdLog] By creating patterns of client issues and creating templates of proposal materials according to these patterns, the company succeeded in reducing man-hours as well as the quality of sales activities.	Documentation time / month	28.4% Reduction
		[CrowdTech] Successfully prevented mismatches and improved matching efficiency by assigning a dedicated worker in charge and enhancing the worker support system.	% of pre-contract negotiations conducted	6.3% Improved
		[PARK] Successfully reduced man-hours by consolidating inquiries from each contact point to a single contact point.	Man-hour /month	54.0% Reduction

4. CW Sales Model Sales efficiency improvement is structured

Sales skills “3 Skills”

Know-how and knowledge to improve decision rates



Behavioral standards “6 Bases”

Definition of quantity and quality of actions to achieve goals

Product Sales	Inside Sales Skills
	Field Sales Skills
	Customer Success Skills

Account Sales Skills

Hearing on management issues and making proposals to solve them

Contact time

Level of resources devoted to time spent in contact with customers.

Record

Level of comprehensiveness of recorded customer information/activity information that leads to sales.

Plan

Level of ability to create a plan that is directly linked to results.

Action

Level of how well the plan was executed.

Absorption

Level of how well the successful experiences of others is permeated within the entire organization.

Speed

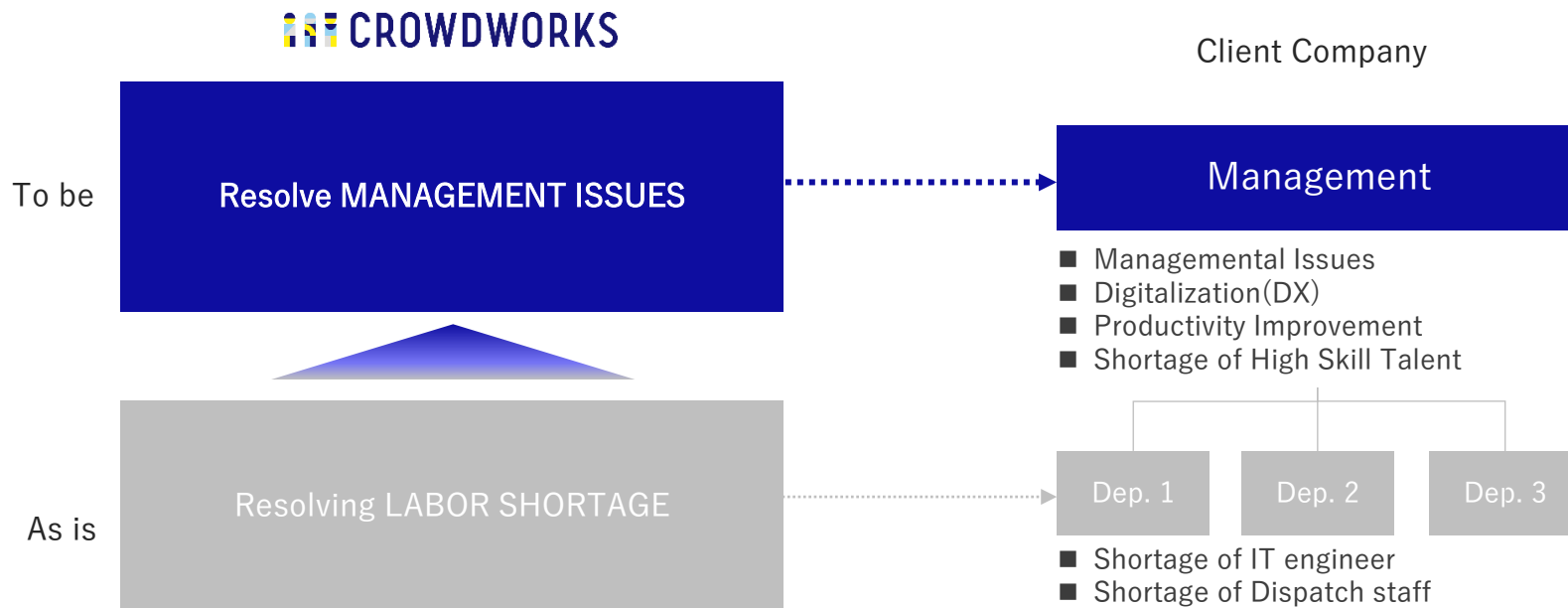
Level of how quickly the action or result was realized.

Basic Mindset “3 Stances”

- (1) Carry CW's Mission, Vision, and Values on your shoulders,
- (2) Have 100% confidence in your products,
- and (3) Respect your clients and communicate them openly

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

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.

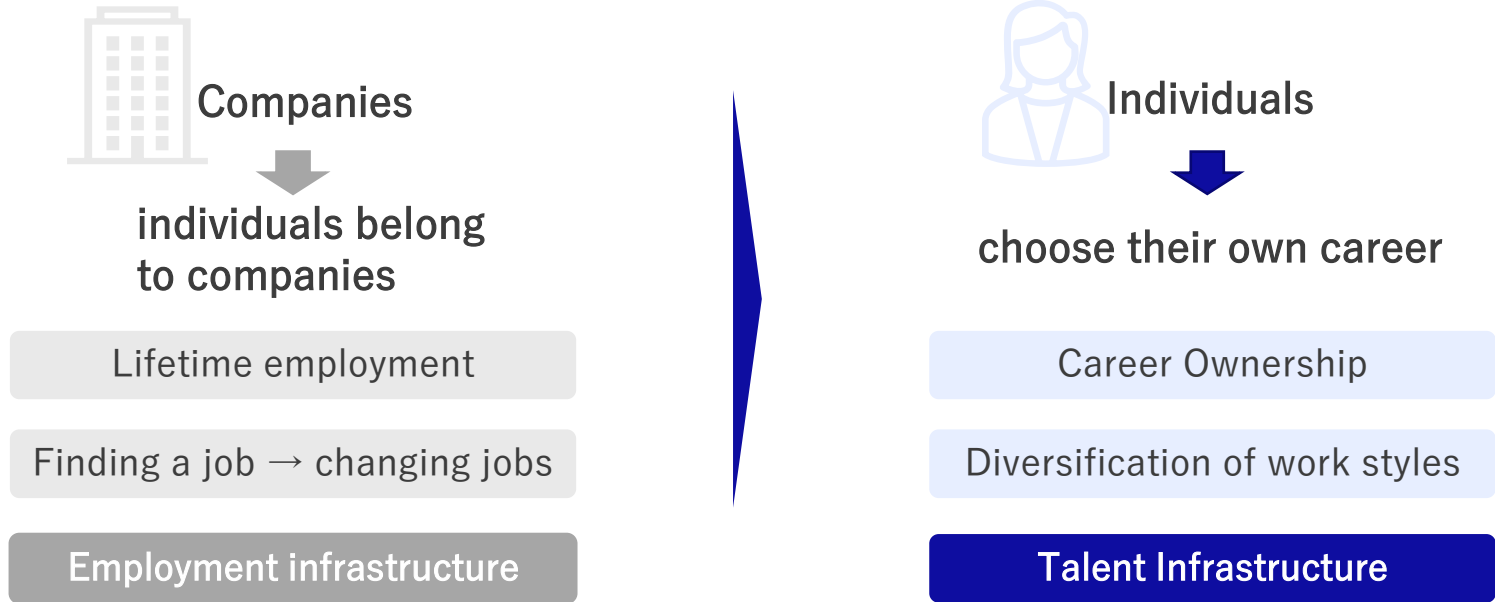
Writers, designers, engineers, video distributors, school instructors, and many others are making a career out of what they are good at, helping others, and bringing smiles to the people around them.

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.



What is Talent Infrastructure

The labor market is in a phase of change in which the individual and individual thoughts take the lead in reshaping careers and points of contact with society, moving away from the traditional way of working.



Mobilization of HR and Wage Increase are important themes for Japan

To facilitate the movement of labor to growth sectors, we will contribute to raising wages in the field of non-regular employment.

Government's Approach toward Mobilization of HR & Wage Increase

Equal pay for equal work

Improving wages not only for full-time employees, but also for fixed-term and part-time employees

Improving the Treatment of Non-regular Workers

Increased protection for freelance and gig workers for companies

Correction of the annual income barrier*

The issue of 2.65 million workers adjusting their working hours due to concerns about a decrease in take-home income due to the payment of social insurance premiums and national pension is on the way to be solved.

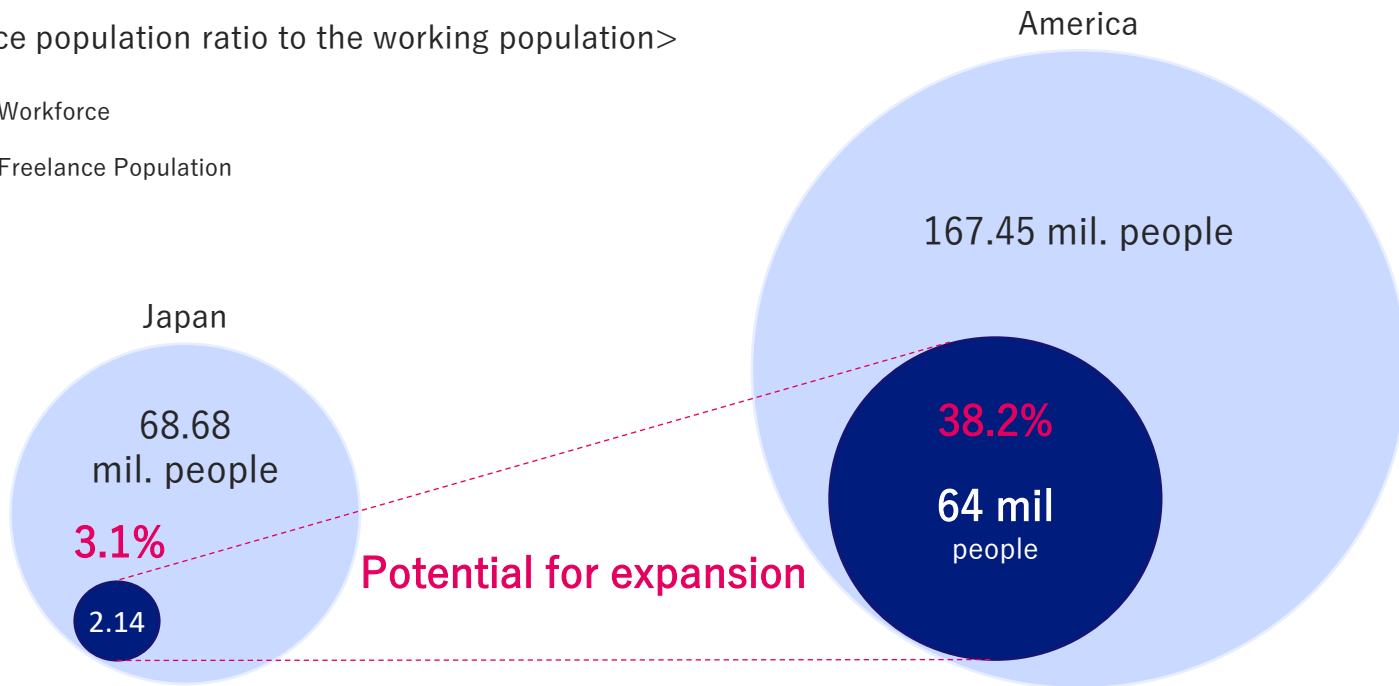
CW contributes to the facilitation of labor while raising workers' wages & unit price

The potential of Japan's freelance market

Japan's freelance market is immature, and it is expected to continue to expand due to new freelance laws and changes in work styles

< freelance population ratio to the working population >

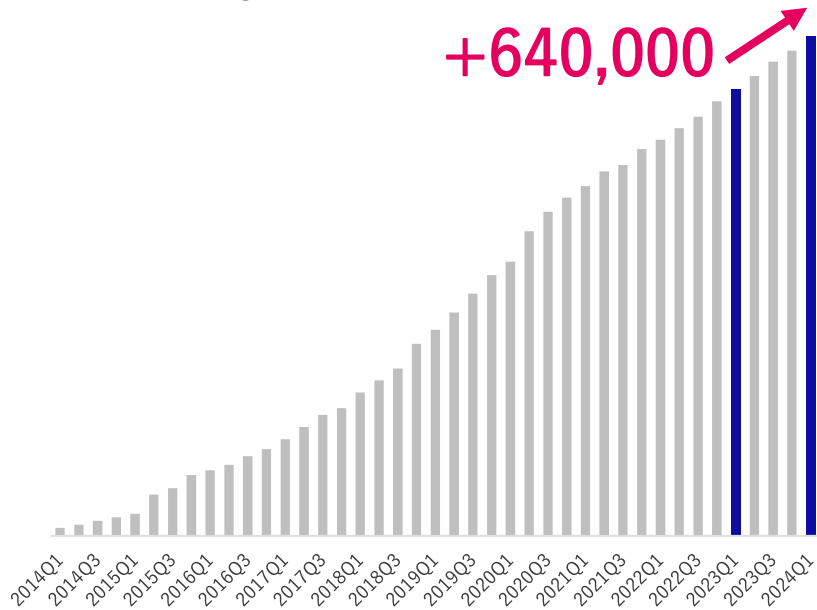
- Workforce
- Freelance Population



Worker Assets that continue to grow organically

CW is one of the largest platforms in Japan, with about 600,000 workers registering organically. Ability to meet a wide variety of client needs with the overwhelming scale of worker assets is our core strength.

<Number of registered workers in CrowdWorks>



Number of Registered Workers

Over 6 million people

A large number of high-class and specialized human resources are also registered.

High-class
side job
talent
150,000

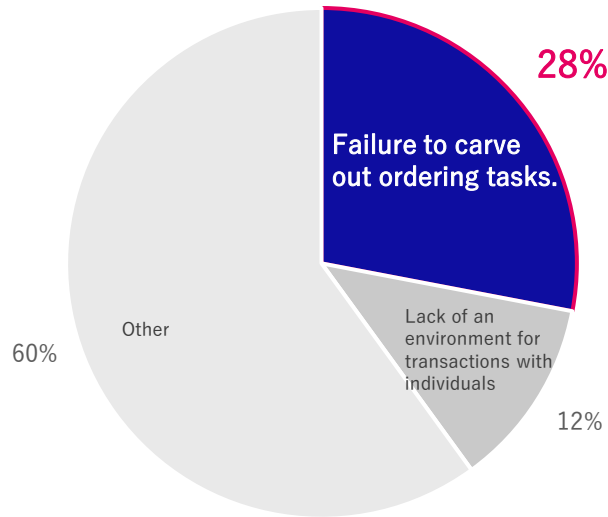
IT Human
Resources
every kind
200,000

Resident
Dispatch
manpower
30,000

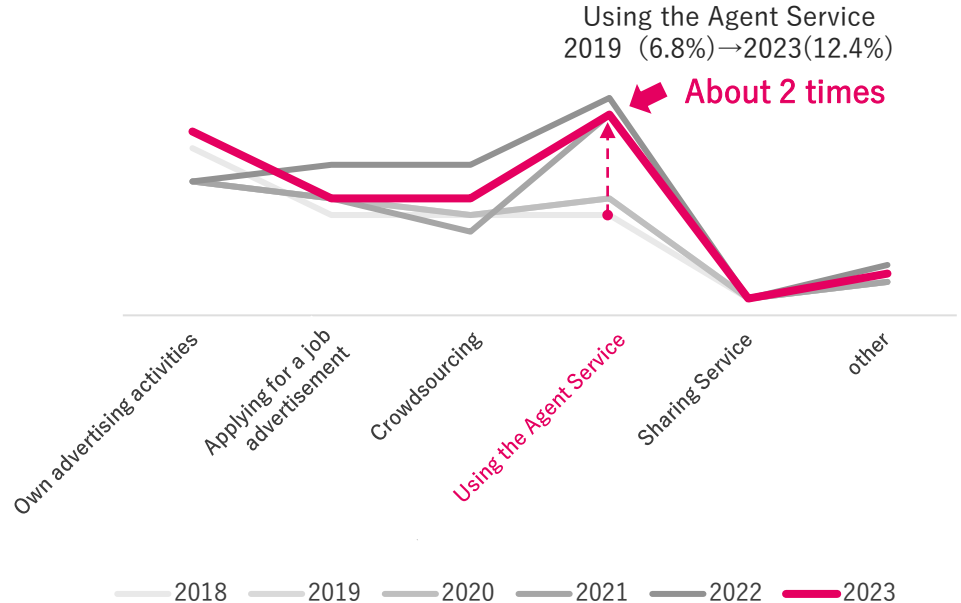
Agent-type Matching is a Solution for Corporate Issues and Outsourcing

As corporate issues become more complex, the agent function makes it possible to clarify client issues and send workers. We will continue to expand the possibilities of freelance and side jobs by strengthening account sales.

< Client's Issues in Freelance Ordering >

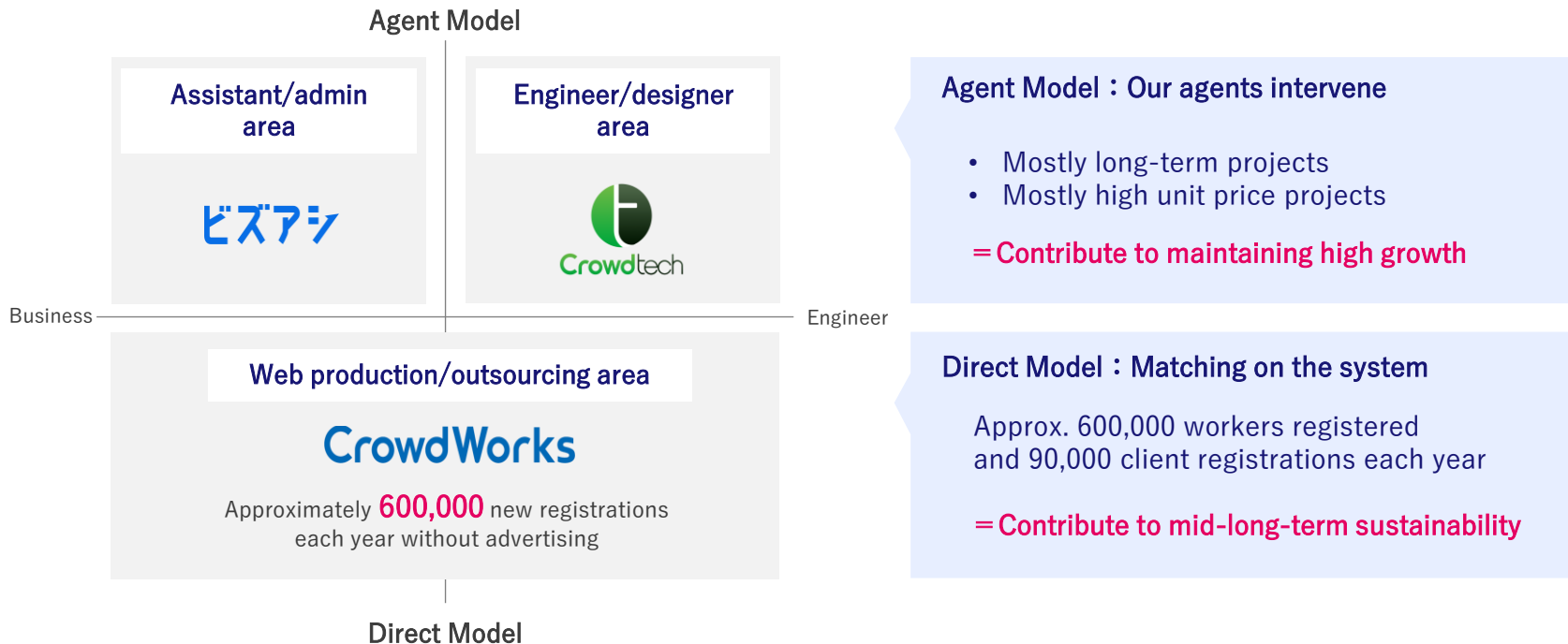


< Job acquisition pathways (annual transitions) where workers earn the most income >



Unique Positioning in the Industry Growing both Direct & Agent Matching Model

The direct model contributes to medium- and long-term sustainability, while the agent model contributes to high growth through the introduction of high-skilled personnel.



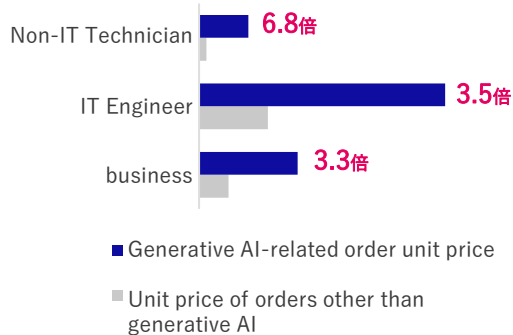
Deliver more Compensation by increasing the Cost per Worker

In each business, we will increase the compensation of workers and accelerate the achievement of our vision of 2 trillion yen in distribution.

WEB/outsourcing area

Generated AI-related
work order unit price
3-7 times more

CrowdWorks

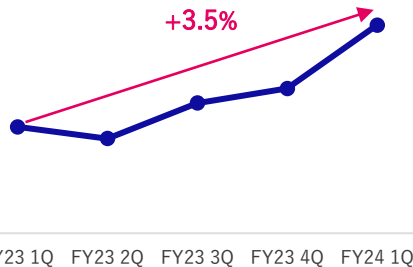


Engineer/designer area

Operating unit cost per worker
YoY+3.5%

Crowdtech

CrowdTech Operating Unit Price Trends



New Initiatives

Resident Dispatch and Consulting
Entering a new area with a high unit price

CROWDWORKS Consulting

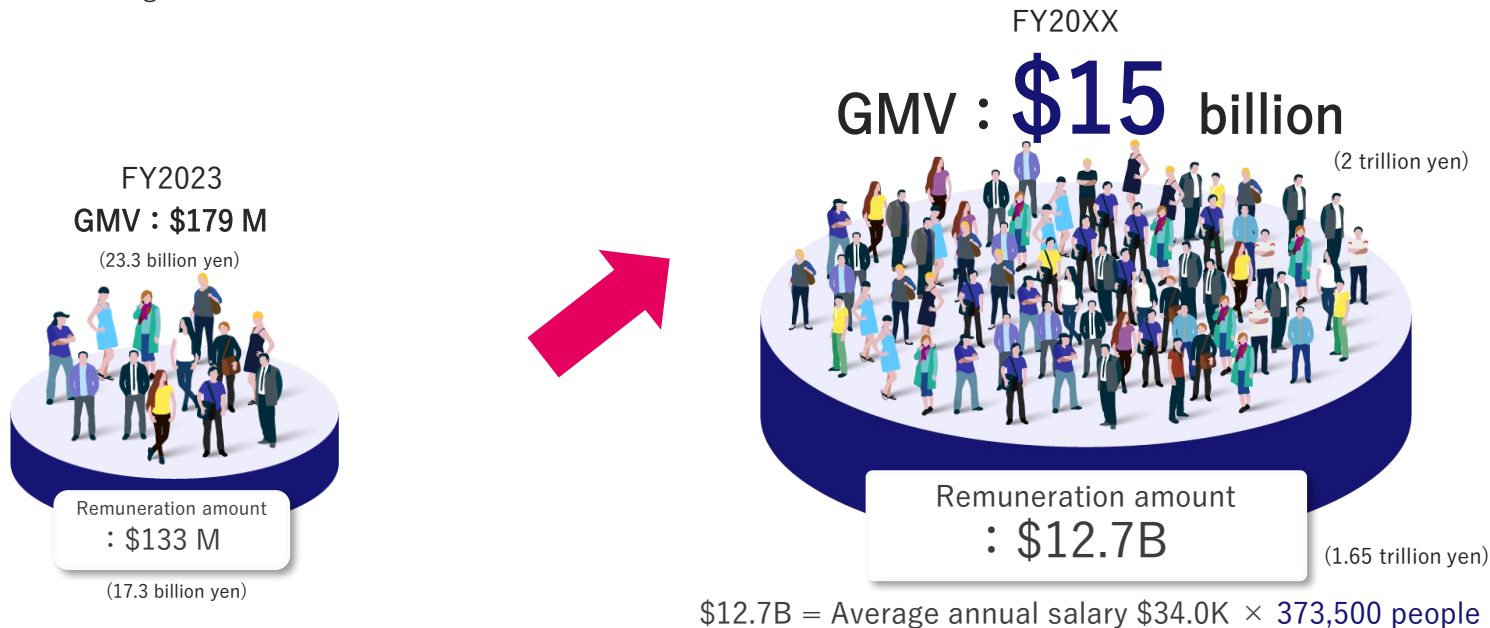
Entry into the consulting field



Responding to the Needs of
Temporary Staffing

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.



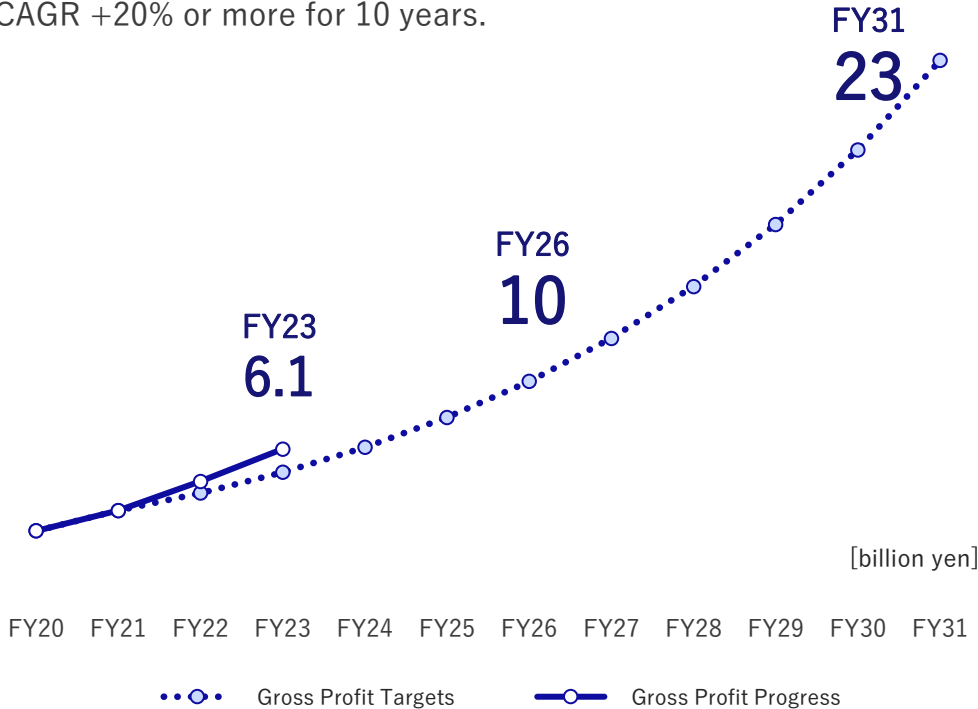
(Sources) *Average annual salary \$31.0K National Tax Agency, "Results of the Survey on the Actual Status of Private Salary for 2021"

* 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-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 : 2,758,909,106 JPY
Founded : Nov 11, 2011
Services : Operates internet services primarily
CrowdWorks, Japan's largest
crowdsourcing service

《Cumulative group registrations》
6,062,000 CrowdWorkers (users)
956 thousand clients
12 ministries and agencies
83 local government

* The numbers of workers and clients of CrowdWorks, Inc. services as of end Dec. 2023



Matching Business

CrowdWorks

No.1 Crowdsourcing Service in Japan

CrowdLinks

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

Tech Direct (Former: 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

ユウギ

Agent service specializing in
creative personnel

Business Model – No.1 online talent matching platform

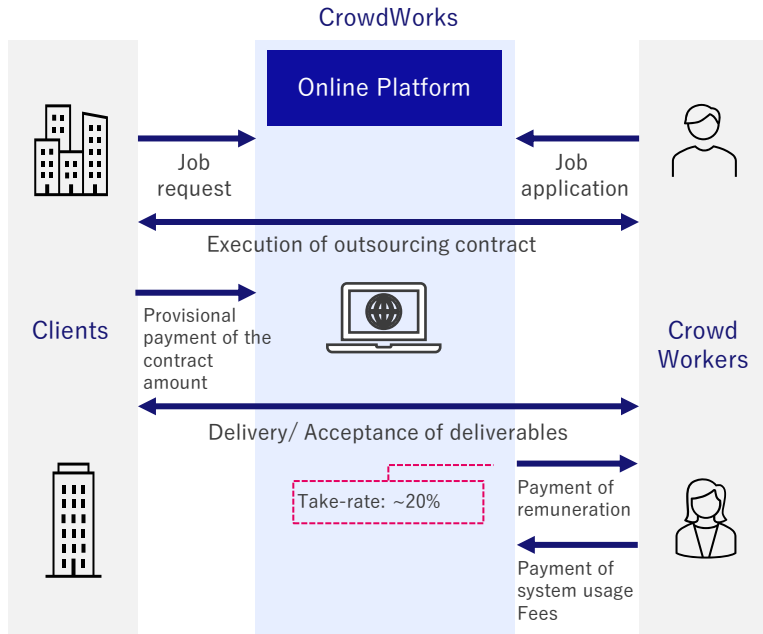
Since 2012, we have developed a platform business offering people to work in ways unbound by traditional employment styles: freelance, side work, work from home, and more.

We have approx. **80,000** client companies and **600,000** new worker registrations every year with almost no ads.

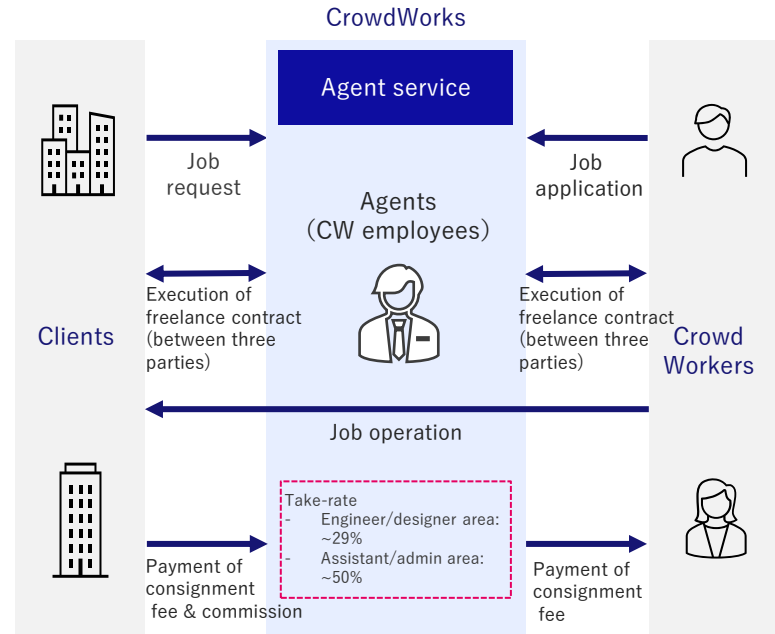


Business Model – Matching Business

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.

Classification of categories

Added a new category, "Side-job area," from FY23 3Q. CrowdLinks, etc., which had been classified in the web production/outsourcing area, and SW, which was acquired, are now classified in the side-job area.

Before (~FY23 2Q)	
Engineer/Designer area	CrowdTech CODEAL
	Peaceful Morning
Assistant/Admin area	BizAssist
WEB production /outsourcing area	CrowdWorks
	Minna-no-College
	CrowdLinks Links Agent Links Research



After (FY23 3Q~)	
Engineer/Designer area	CrowdTech TechDirect (former:CODEAL)
	Peaceful Morning (RPA)
	YU-CRE (FY24 1Q group-in)
Assistant/Admin area	BizAssist
WEB production /outsourcing area	CrowdWorks
	Minna-no-College, Other
Side-job area	CrowdLinks Links Agent
	Shuumatu Worker (FY23 3Q group-in)

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
80,000 clients and 600,000 new workers register each year

Agent Matching

Engineer/designer area
Crowdtech

Our profit : Operating hour unit /month

Take-rate : ~29%



- 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.

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 field 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



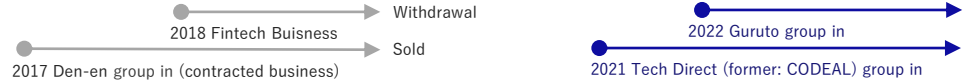
Non-IT



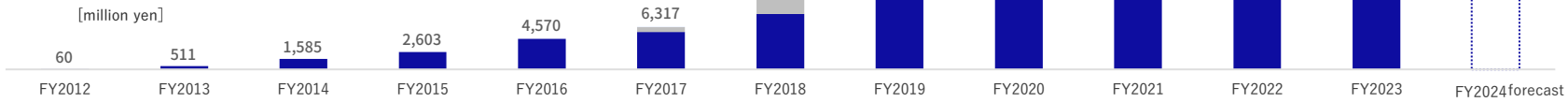
Management Transition

M&A

Services



- Matching business GMV
- Project contracting business GMV
- SaaS business GMV
- Other GMV



■ [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.

[Inquiries concerning this material]

CrowdWorks, Inc.

IR · PR

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