



February 29, 2024

Company name: Simplex Holdings, Inc.
Representative: Hideki Kaneko
Representative Director, President and CEO
(Securities code:4373; TSE Prime Market)

Simplex announces its investment in Flagxs

Simplex Holdings, Inc. (Head Office: Minato-ku, Tokyo; Representative Director, President and CEO: Hideki Kaneko; hereinafter the “Company”) hereby announces that Simplex Inc., a subsidiary of the Company, (Head Office: Minato-ku, Tokyo; Representative Director, President and CEO: Hideki Kaneko; hereinafter “Simplex”) has made a minority investment of approximately 150 million yen in Flagxs Inc. (Head Office: Shibuya-ku, Tokyo; Representative Director and CEO: Masaki Hayashibe; hereinafter “Flagxs Inc.”).

1. About Flagxs Inc.

Flagxs Inc. provides a digital transformation (DX) consulting service and a cloud service with the DX platform branded Flagxs mainly in the PMO (project management office) area, with the aim of helping clients with their DX in project management and thereby improving project operation productivity. As Flagxs can be used not only for the SI (system integration) area, but also for a range of projects of non-financial companies, including those for research and product development, the company is developing its business in a market with a wide variety of clients.

(1) Company name	Flagxs Inc.
(2) Description of business	Consulting for project management and development, operation and maintenance of internet services
(3) Establishment	May 28, 2020
(4) Head office	REID-C Shibuya Dogenzaka Building 4F, 1-16-16 Dogenzaka, Shibuya-ku, Tokyo
(5) Representative	Masaki Hayashibe, Representative Director and CEO
(6) URL	https://www.flagxs.com/

2. About Simplex

Since its foundation in 1997, Simplex has been engaged in business as a technology partner for Japan’s leading financial institutions with mega banks and major securities firms at the top of its client list. Currently, we also offer its solutions to clients in the non-financial sector by drawing on its wealth of expertise cultivated in the financial sector. In March 2019 and April 2021, two companies were added to the group—namely, Deep Percept Inc., an AI technology firm and Xspear Consulting, Inc., a comprehensive consulting firm, respectively. Together with Simplex, which has worked to create added value since its foundation, we have been working as one team to help our clients in the public and financial sectors and other industry-leading firms with their digital transformation.

3. Expected synergies from the investment

Simplex has been using Flagxs in projects for its own customers since before the investment, and has already verified and evaluated its effectiveness and implementation effects. Flagxs Inc. intends to use the proceeds from the investment for additional development and marketing of Flagxs, and this additional development plan incorporates requests from Simplex based on its knowledge and insight as a user and is thus expected to appeal to the market.

The investment has put Simplex in a position to proactively provide feedback to further improve the functionality of Flagxs so that Flagxs Inc. can efficiently implement ongoing additional development toward realizing PMF (product-market fit) and promotions to win more users. Simplex will also be benefited from the improved functionality of Flagxs in terms of further improved productivity in project management for its own clients and strengthening its ability to propose PMO-related projects.

4. Outlook

The Company assesses that the impact of the investment on its consolidated operating results for the current fiscal year will be minor. Nevertheless, if the initiative going forward is found to have any impact on its operating results, the Company will promptly make an announcement.

Contact

Segawa, Public Relations, Corporate Innovation Division,
Simplex Holdings, Inc.

Inquiry form: <https://www.simplex.holdings/contact/>

– End of Document –