



FY2024 2Q Financial Results Briefing Document

May 15, 2024

Topics

Sales revenue

- 2Q YTD Sales revenue : 3,247 mil.yen, **YoY 126%**
- 2Q YTD progress in FY24 Sales revenue : **45.1%** (FY23 : 41.3%)

Operating profit

- 2Q YTD Operating profit : 699 mil.yen, **YoY 165%**
- 2Q YTD progress in FY24 Operating profit : **43.7%** (FY23 : 34.2%)

Shareholder returns

- Revised Dividend Forecast to **15 yen per share**
- Shareholder returns policy is under discussion **toward Stable Dividend**

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FY2024 2Q

Performance reporting

Consolidated 2Q YTD results (6 months)

2Q YTD Sales revenue ended in YoY 126%, due to sales increase of main genres, succeeding 1Q. Operating profit ended in YoY 165%, due to sales increase and continuous appropriate control of Advertisement cost. Though YoY of Net income decreased due to the effect of tax effect accounting, 2Q YTD recorded pretty good progress toward FY2024 Forecast.

	2Q YTD results FY2024	2Q YTD results FY2023	YoY change
Sales revenue	3,247 mil.yen	2,569 mil.yen	+677 mil.yen (126%)
Operating profit	699 mil.yen	424 mil.yen	+274 mil.yen (165%)
Net income [※]	581 mil.yen	642 mil.yen	(60) mil.yen (91%)

※Profit attributable to owners of the parent company

Consolidated 2Q results (3 months)

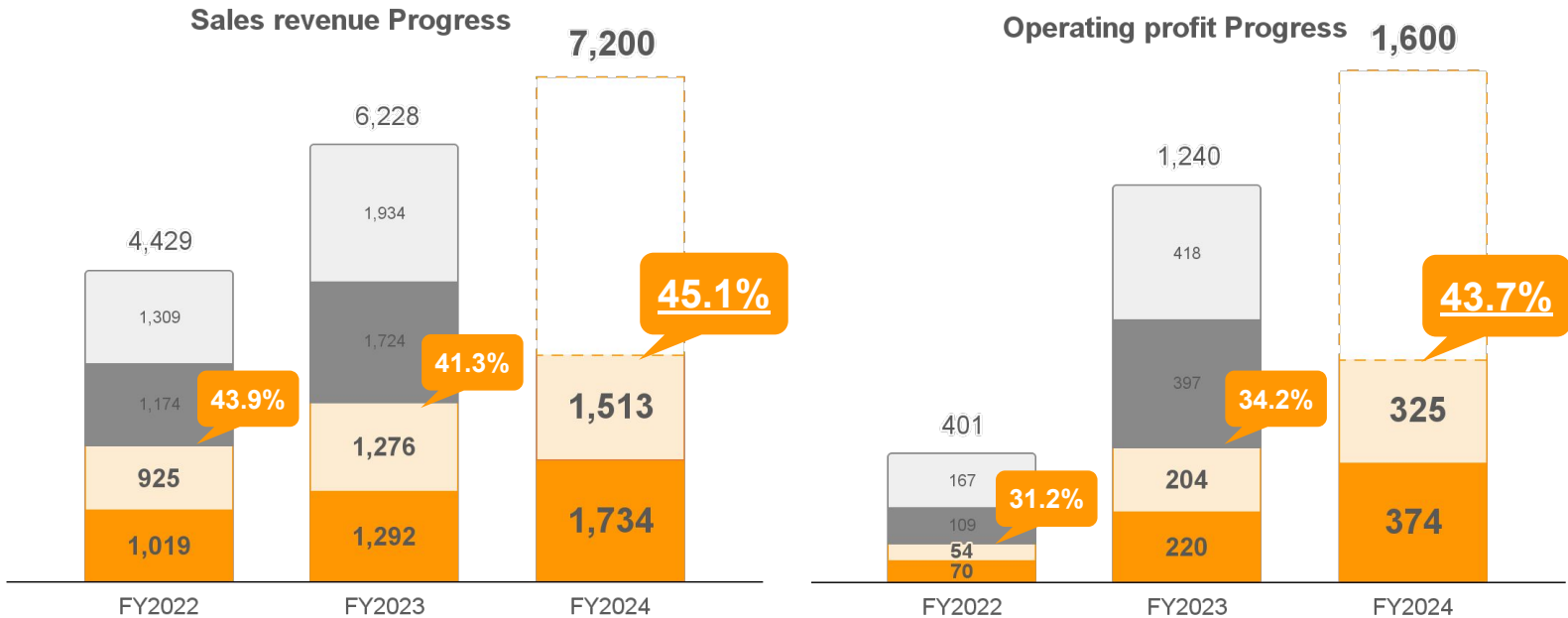
2Q Sales revenue ended in YoY 119%, due to sales increase of main genres. Operating profit ended in YoY 159%, due to sales increase and continuous appropriate control of Advertisement cost. Though Net income seems to be distorted due to the effect of tax effect accounting, 2Q YTD recorded pretty good progress toward FY2024 Forecast, as described in the previous page.

	2Q results FY2024	2Q results FY2023	YoY change
Sales revenue	1,513 mil.yen	1,276 mil.yen	+236 mil.yen (119%)
Operating profit	325 mil.yen	204 mil.yen	+120 mil.yen (159%)
Net income [※]	326 mil.yen	362 mil.yen	(36) mil.yen (90%)

※Profit attributable to owners of the parent company

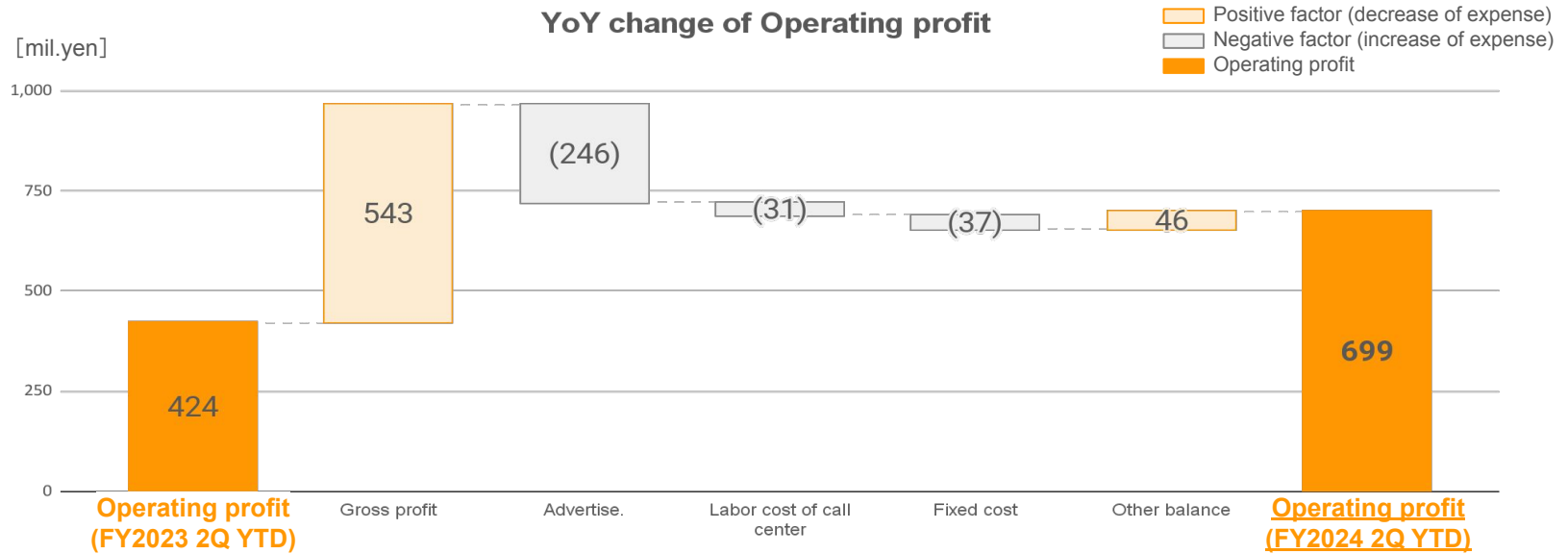
Progress toward FY2024 Forecast

2Q YTD Sales revenue progress rate toward FY2024 was at 45.1%, exceeding that of previous 2Q YTD. Similarly, 2Q YTD Operating profit progress rate was at 43.7%, well above that of previous 2Q YTD. Since 2Q YTD progress are usually lower by seasonality, current progress toward FY2024 is pretty good, and further progress is expected in the latter second half.



Analysis of YoY change of Operating profit of 2Q YTD

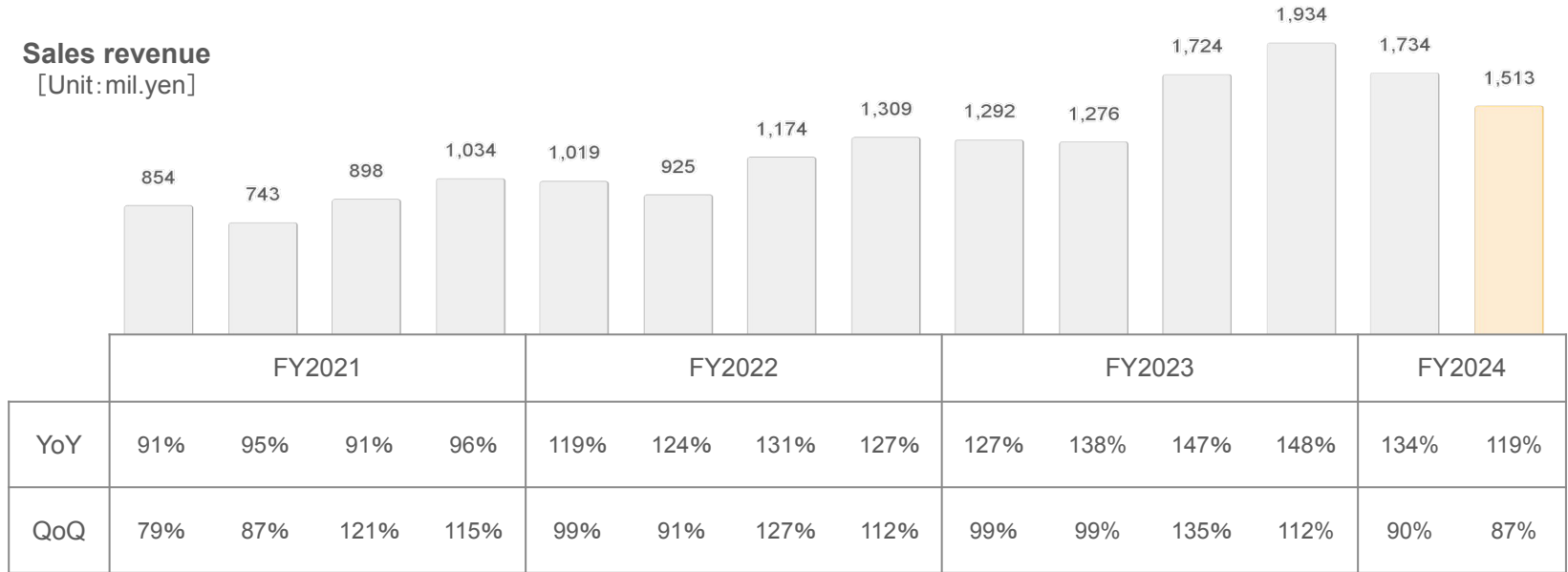
Starting from 424 mil.yen of Operating profit of FY2023 2Q YTD, Gross profit increased. Though cost of Advertisement and Call Center labor increased along with Gross profit increase, cost ratio to Gross profit are maintained at the certain level. Operating profit of FY2024 2Q YTD recorded 699 mil.yen (YoY +274 mil.yen).



Sales revenue trend of “Household problems” business

FY2024 2Q Sales revenue ended in YoY 119%. Even excluding effect of Az support newly consolidated in FY 2023 3Q, still now, stable growth is maintained (pro forma 2Q YoY was 112%). Though QoQ of FY2023 2Q was pretty good, QoQ of FY2024 2Q was as usual.

Sales revenue
[Unit: mil.yen]



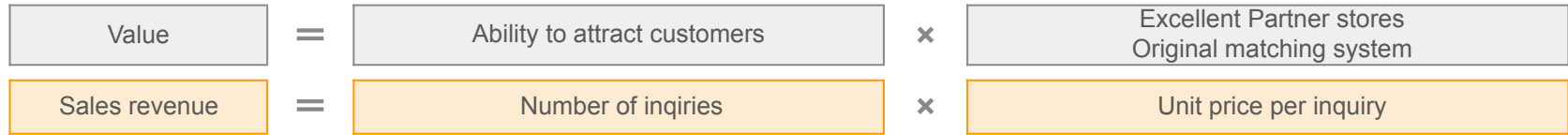
Transition of KPI of Business

Sales revenue continued to increase. COS ratio rose along with Our-own service (includ. Az support) and Business alliance. Advertisement cost ratio to GP was optimized around 49%. Ratio of Labor cost of Call center and Fixed cost were also kept properly. In result, FY2024 2Q Operating profit ended in 325 mil.yen.

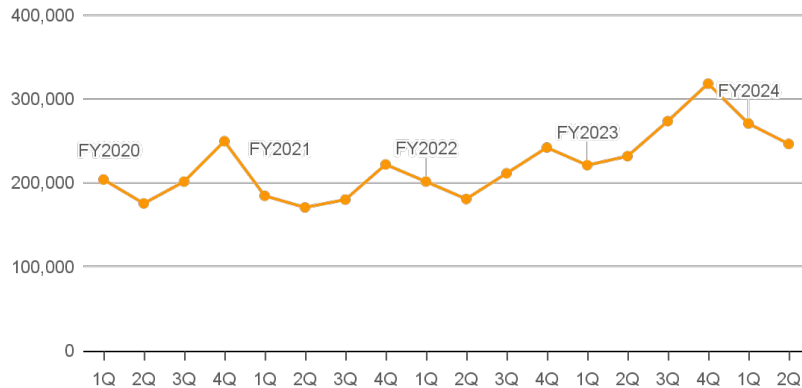
[mil.yen] (Ratio to GP)	FY2022					FY2023					FY2024	
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q
Sales revenue	1,019	925	1,174	1,309	4,429	1,292	1,276	1,724	1,934	6,228	1,734	1,513
Cost of sales (Ratio to sales)	29 (3%)	35 (4%)	44 (4%)	61 (5%)	172 (4%)	61 (5%)	77 (6%)	112 (7%)	153 (8%)	405 (7%)	155 (9%)	117 (8%)
SGA	921	843	1,020	1,080	3,866	1,017	999	1,201	1,359	4,577	1,216	1,115
Advertise.	499 (51%)	419 (47%)	550 (49%)	585 (47%)	2,055 (48%)	598 (49%)	594 (50%)	741 (46%)	804 (45%)	2,739 (47%)	755 (48%)	683 (49%)
Labor cost of Call center	75 (8%)	75 (8%)	94 (8%)	107 (9%)	353 (8%)	106 (9%)	99 (8%)	127 (8%)	143 (8%)	476 (8%)	127 (8%)	109 (8%)
Fixed cost	346 (35%)	348 (39%)	375 (33%)	387 (31%)	1,458 (34%)	312 (25%)	305 (25%)	331 (21%)	411 (23%)	1,360 (23%)	333 (21%)	322 (23%)
Other balance	3	7	0	0	11	7	4	(13)	(2)	(4)	13	45
Operating profit	70	54	109	167	401	220	204	397	418	1,240	374	325

Transition of KPI of Sales revenue

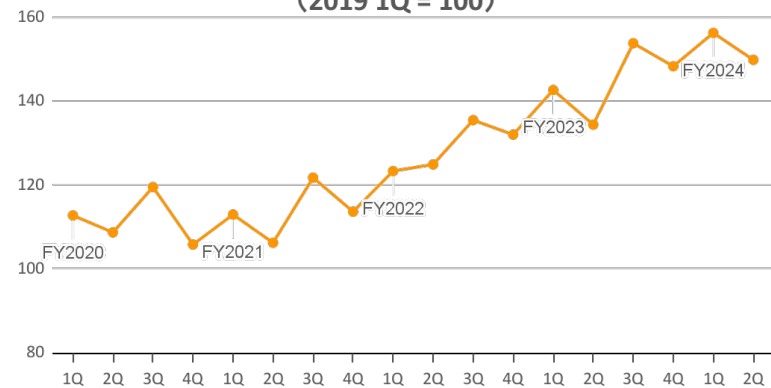
“Number of inquiries” is gradually turning from levelling off trend to increasing trend since FY2023.
 “Unit price per inquiry” is also on the upward trend, thanks to optimized matching methodology and increased Our-own service (includ. Az support consolidated since FY2023 3Q).



Number of inquiries



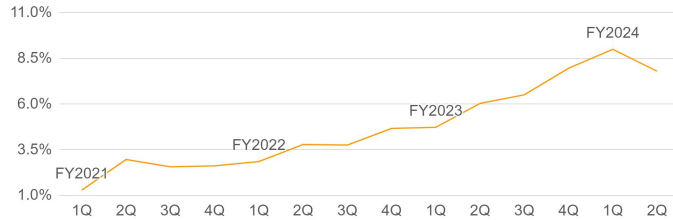
**Unit price per inquiry
(2019 1Q = 100)**



Transition of KPI of Profit Structure (Cost)

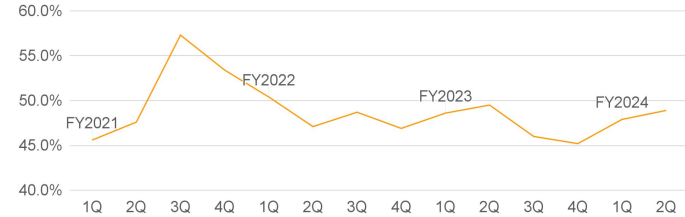
Cost of Sales ratio

Cost (service, entrustment) ratio rising by increasing Our-own service (includ. Az Support) and alliance with business entities.



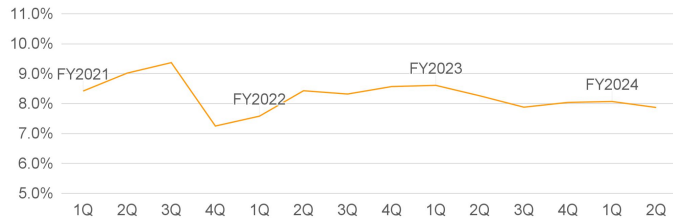
Advertisement cost (PPC) ratio

Improving from FY2021 in the rapid worsening competition. Since FY2022, certain level kept.



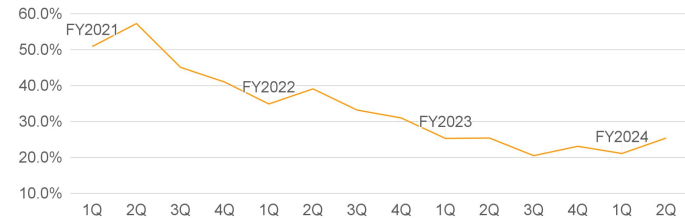
Labor cost of Call Center ratio

Maintaining the certain level. Although labor cost per headcount increases, maintained at the same level by efficiency and optimization.



Fixed cost ratio

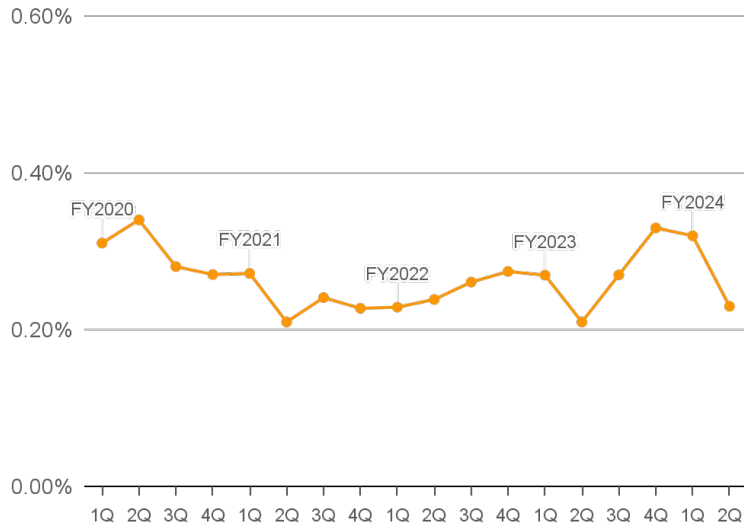
Maintaining Fixed cost at the certain level. Ratio to Gross profit is expected to decrease along with the increase of Sales revenue.



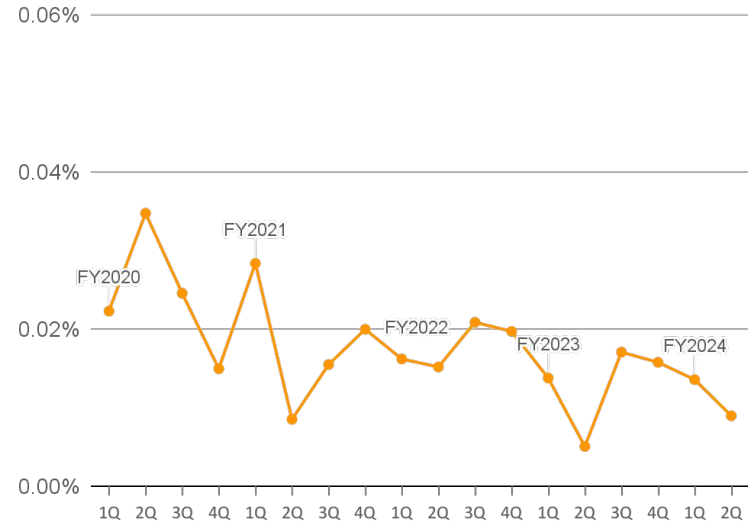
For Satisfaction of Customers and Partner Stores

Claim ratios from customers and partner stores are continuously low, with stable trend at certain level. For further satisfaction, we will make the best effort to implement friendly platform both for customers and partner stores. Just after some increase from FY2023 2Q, both KPI returned to the non-problematic low level.

Claim ratio from customers



Claim ratio from partner stores



Transition of Az support's Business Result

Az support (Former name : Fujisawa) acquired in Apr. '23, turned to surplus by PMI, just after M&A. Since FY2024, Az support has been focusing on business expansion, and has entered into amazing business expansion phase, with Sales of YoY 165% (preliminary figures) in Apr. '24.

	3Q ended Sep. '23 (3 months)	4Q ended Sep. '23 (3 months)	1Q ended Sep. '24 (3 months)	2Q ended Sep. '24 (3 months)	Apr. '24 Preliminary (1 month)
Sales	145 mil.yen	121 mil.yen	119 mil.yen	114 mil.yen	66 mil.yen (YoY 165%)
Operating profit	34 mil.yen	28 mil.yen	19 mil.yen	5 mil.yen	(0) mil.yen
(Sales for Consolidation)	89 mil.yen	81 mil.yen	78 mil.yen	78 mil.yen	35 mil.yen

PMI of Az support

Az support (Former name : Fujisawa) acquired in Apr. '23, turned to surplus thanks to enhancement of business structure by PMI. Az support's Operating profit ratio for consolidation (Operating profit divided by Sales for consolidation) was 27.1%, which means that Az support does not negatively affect Sharetech Group's Operating profit ratio.

	At M&A	PMI
Period	May '22 ~ Apr. '23 (12 months) ※1	Apr. '23 ~ Mar. '24 (12 months) ※1
Sales	442 mil.yen	<u>501 mil.yen</u> (326 mil.yen) ※2
Operating profit	(21) mil.yen	<u>88 mil.yen</u> (27.1 %) ※2

※1 12-month apple to apple comparison bet. M&A and PMI

※2 Sales and Operating profit ratio for consolidation

PMI of Az support

■ Done in FY2023

- Furbish up sales operation
(Systemize customer control, etc.)
- Integrate Administration Departments
(Merge to Parents Admini. Dep't.)
- Streamline management
(Optimization of SGA)


■ Facilitated since FY2024


- Enhance sales activity
(Outcome will appear from 3Q)

Forecast of FY2024 Dividend

Forecast of FY2024 Dividend

The Company has revised FY2024 year-end dividend per share forecast from 0 yen to 15 yen. In view of steady growth of business since FY2022, we judged that the Group has established business structure to enable shareholder returns, while balancing investment for future growth. Future shareholder returns is under discussion, toward stable continuous dividend payment.





May 15, 2024

Company SHARINGTECHNOLOGY INC.
 Name of Representative Nobuhiko Moriyoshi
 (Code:3989; TSE Growth)
 Contact Head of Control Center
 Information Satoru Yano
 (TEL. 052-414-6025)

**Notice Regarding Revision of Dividend Forecast (First Dividend)
of the fiscal year ending September 30, 2024**

SHARINGTECHNOLOGY INC. has revised its year-end dividend per share forecast of the fiscal year ending September 30, 2024, by resolution of the meeting of the Board of Directors held on today.

1. Reason for the revision
 The Group considers shareholder returns to be one of its important management policies. Meanwhile, until now, the Group has considered it is at the phase of growth, and has given priority to enhancement of business structure by increasing internal reserves for investment for business efficiency and expansion, etc.
 In result, the Group has been achieving high growth of the sales revenue and the operating profit. Especially, the operating profit has been stably increasing since the fiscal year ending September 30, 2022. Consequently, the Company reported a record high of 2Q YTD in the fiscal year ending September 30, 2024. In view of such steady growth of business and stable financial structure, we will pay our first dividends at the end of the current fiscal year, after judging that the Group has established business structure to enable shareholders returns, while balancing investment for future growth.
 And, the detail of dividend payment policy after the next fiscal year is under discussion, toward stable continuous dividend payment.

2. Details of Revision of Dividend Forecast of the fiscal year ending September 30, 2024

	Annual dividend (Yen)		
	End of 2 nd quarter	End of period	Total
Previous forecast	0.00	0.00	0.00
Revised forecast		15.00	15.00
Fiscal year ending Sep. 2024	0.00		
Fiscal year ending Sep. 2023	0.00	0.00	0.00

End.

Net income (forecast) ^{※1}	1,300 mil.yen
Earnings per share ^{※2}	57.47 yen
Dividend per share ^{※2}	<u>15.00 yen</u>
Payout ratio	<u>26.1 %</u>

※1 Profit attributable to owners of the parent company
 ※2 Calculated based on average number of shares outstanding in 2Q YTD (22,619,686 shares)

Forecast of FY2024 & Growth Strategy (No change)

Forecast of FY2024 (revised only Dividend forecast)

Forecast of FY2024 Sales revenue of 7,200 mil.yen, Operating profit of 1,600 mil.yen, and Net income of 1,300 mil.yen are not revised from the latest disclosure. Meanwhile, Dividend per share has been revised to 15.00 yen.

	FY2024 Forecast	FY2023 Actual
Sales revenue	7,200 mil.yen (YoY 116%)	6,228 mil.yen
Operating profit	1,600 mil.yen (YoY 129%)	1,240 mil.yen
Net income [※]	1,300 mil.yen (YoY 98%)	1,320 mil.yen
Dividend per share	<u>15.00 yen</u>	0.00 yen

※Profit attributable to owners of the parent company

Rationale of Forecast of FY2024

Earnings Forecast is based upon FY2023 Actual. Sales revenue will be 7,200 mil.yen (YoY 116%). COS ratio will rise a little bit with increase of Our-own service and Alliance with business entities. Meanwhile, cost ratio of Advertisement and Call Center labor, and amount of other Fixed cost are expected at the same level. In result, Operating profit is expected to be 1,600 million yen.

	FY2024 Forecast	FY2023 Actual
Sales revenue	<u>7,200 mil.yen (YoY 116%)</u>	6,228 mil.yen (YoY 141%)
COS (Cost of sales) ratio	Rise w/ Own-service, Alliance	7% (to Sales)
Advertisement cost ratio	Same Level	47% (to Gross profit)
Call Center labor cost ratio	Same Level	8% (to Gross profit)
Fixed cost	Same Level Amount	1,360 mil.yen
Other balance	Same Level Amount	(4) mil.yen
Operating profit	<u>1,600 mil.yen</u>	1,240 mil.yen
Net income*	<u>1,300 mil.yen</u>	1,320 mil.yen

※Profit attributable to owners of the parent company

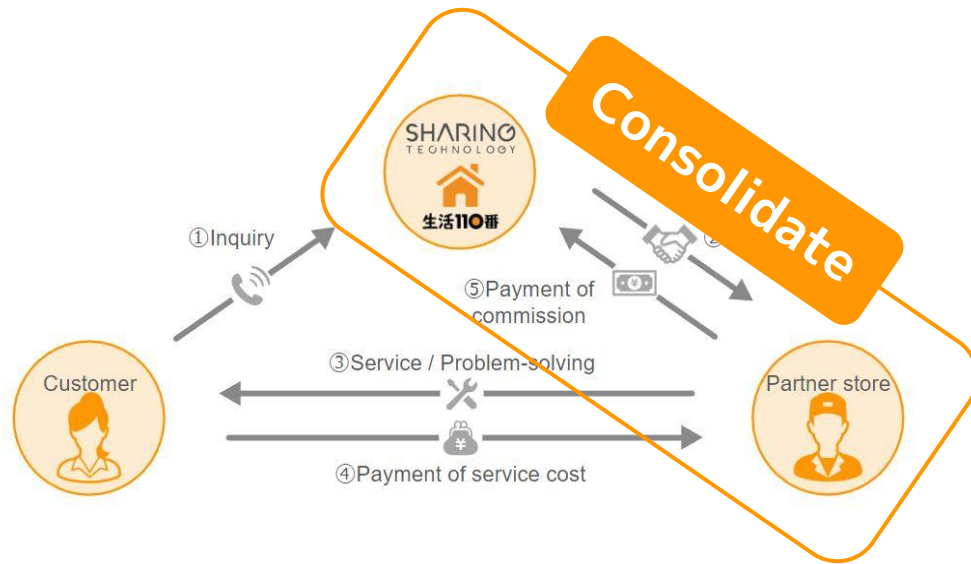
Our strength brought by improvement of Service Quality

Since FY2019, we have pursued Service Quality improvement, which started to bring apparent rise of profit from FY2022. SHARETECH will continue this policy, and aim business expansion. Improvement of Service Quality directly leads to rise of Close Rate. Subsequently, rise of Close Rate raises profitability. In the end, more profitability enables Aggressive advertisement. Thus, this virtuous circle shall be our strength.



Rationale of M&A of Service provider

SHARETECH carried out the first M&A of a Service provider in Apr. '23. Az support after M&A has consistently contributed good performance. With expanding Az support, SHARETECH will seek for M&A opportunity, examining closely. Quantitatively, Az support, which contributed 25 mil.yen of Operating profit in 2Q YTD, FY2024, will play an important role of “Household problems” business.
※At this moment, there has been no decision made for M&A.



Rationale of M&A

■ Criterion of M&A

- Quality service
(Confirm quality of past service)
- Match of Management
(Share long-term growth vision)
- Synergy of genre
(Synergy with SHARETECH)
- Payback period
(Payback period after PMI)

Supplementary materials

Contributing to a safe life by creating a new mechanism

We will provide peace of mind for customers with “Household problems” at the earliest possible moment. We hope that existence of our service will improve the sense of ease of customers with respect to future "Household problems". We have always improved and will always improve our service in response to the needs of society.

VALUE

Speed × Flexibility

Meet the needs of customers, service provider stores, associates, the times, at the earliest time possible.

We will run to the clear and present goal at top speed.

Besides that, we will keep running at real top speed by coping with changes of needs flexibly.

Diversity × Togetherness

Solve any "Household problems" of any category throughout Japan, in cooperation with our specialists in all fields. We believe that respecting diversity of age, gender, value systems, exchanging opinions, creating services together, will inspire to all stakeholders. With this firm belief, our team will surely produce the best result.

Challenge × Growth

Keep challenging and growing in ever-changing world of service, technology, and sensibility.

Any failure shall be a stepping stone to the next challenge.

We will appreciate associate's challenge and growth with one another.

Solving “Household problems”

We have contracts with about 6,500 partner stores nationwide that can provide support for various “Household problems”. We accept customers who visit our website and introduce them to our partner stores.



Over 150 genres
From light work to renovations

Accepted 24 hours a day,
365 days a year
In-house call center

Corresponding throughout Japan
About 6,500 partner stores

Type of our Websites

We operate 2 types of websites relating to “Household problems” business. One is “Seikatsu 110”, a portal site that posts multiple genres onto a single site. Another is vertical media websites that specialize in specific genres. The portal site mainly receives inflow from organic SEO, while vertical media sites have high inflow ratio from listings.



生活110番



Portal site



Over 150 genres



Mainly organic inflow



ペット葬儀110番 電気工事110番 etc.



Vertical media site



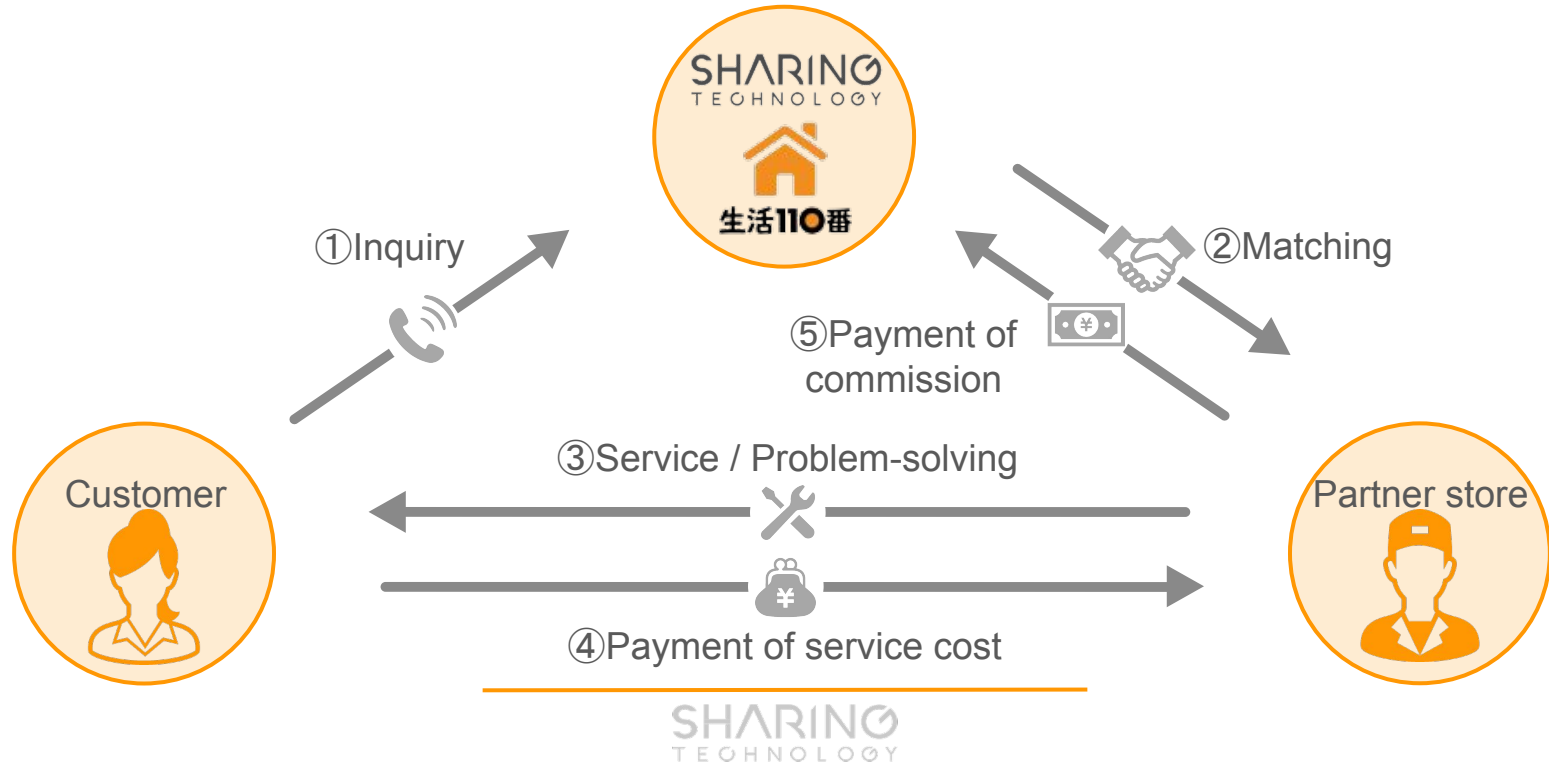
One genre per site



Mainly listing inflow

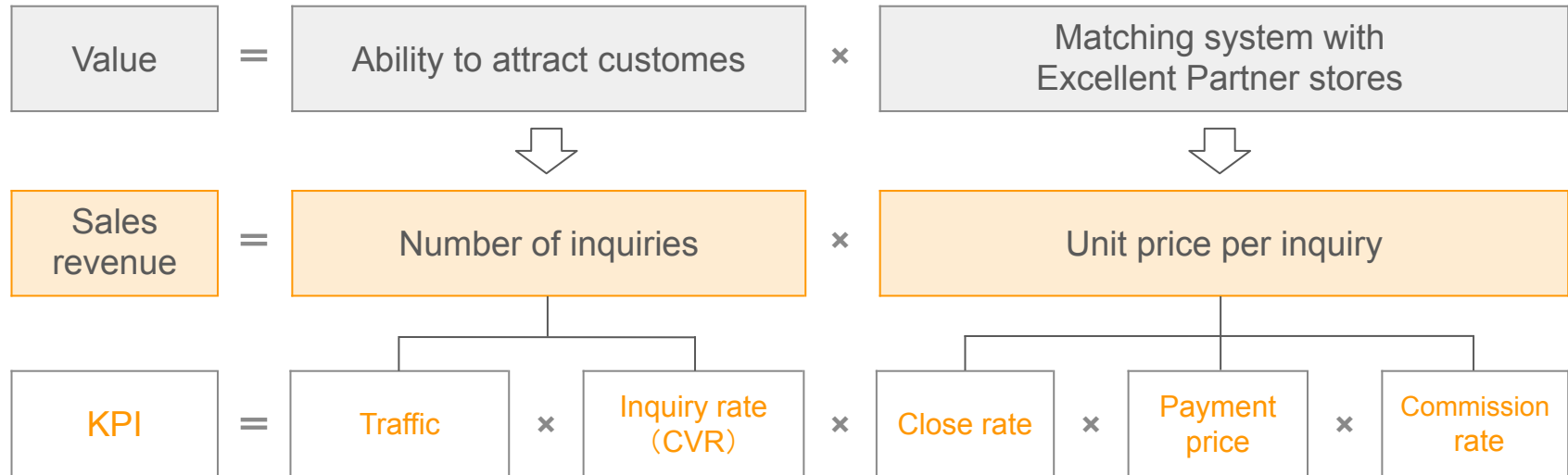
Business Flow

Customers with “Household problems” contact us through our website. Then, we match the most appropriate Partner store judging (1) Genre (2) Location (3) Preferred service date and time. We receive Commission either after service completion, or after introducing.



Profit Model

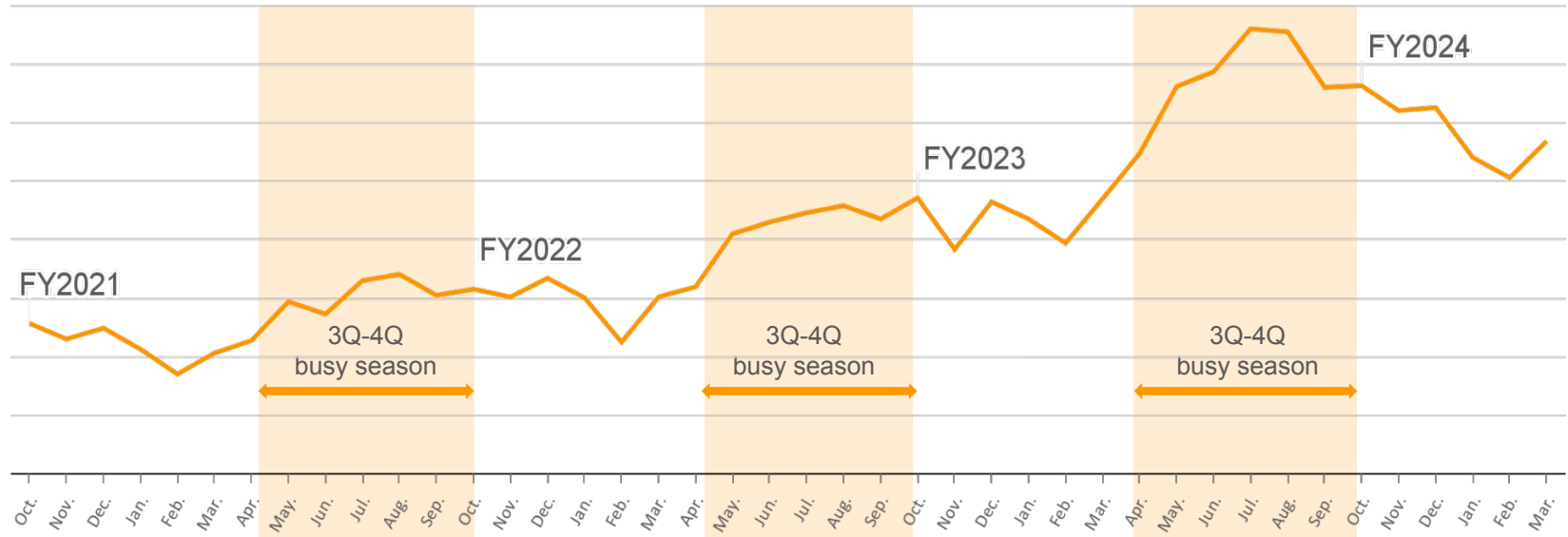
Our value source (Value) is defined as our ability to attract customers, our matching system to solve customers' problems, and excellent partner stores network. Each "Number of inquiries" and "Unit price per inquiry" is represented as numeric value. "Number of inquiries" is broken down into "Traffic", "Inquiry rate(CVR)", meanwhile, "Unit price per inquiry" is broken down into "Close rate", "Payment price", "Commission rate".



Monthly Sales revenue

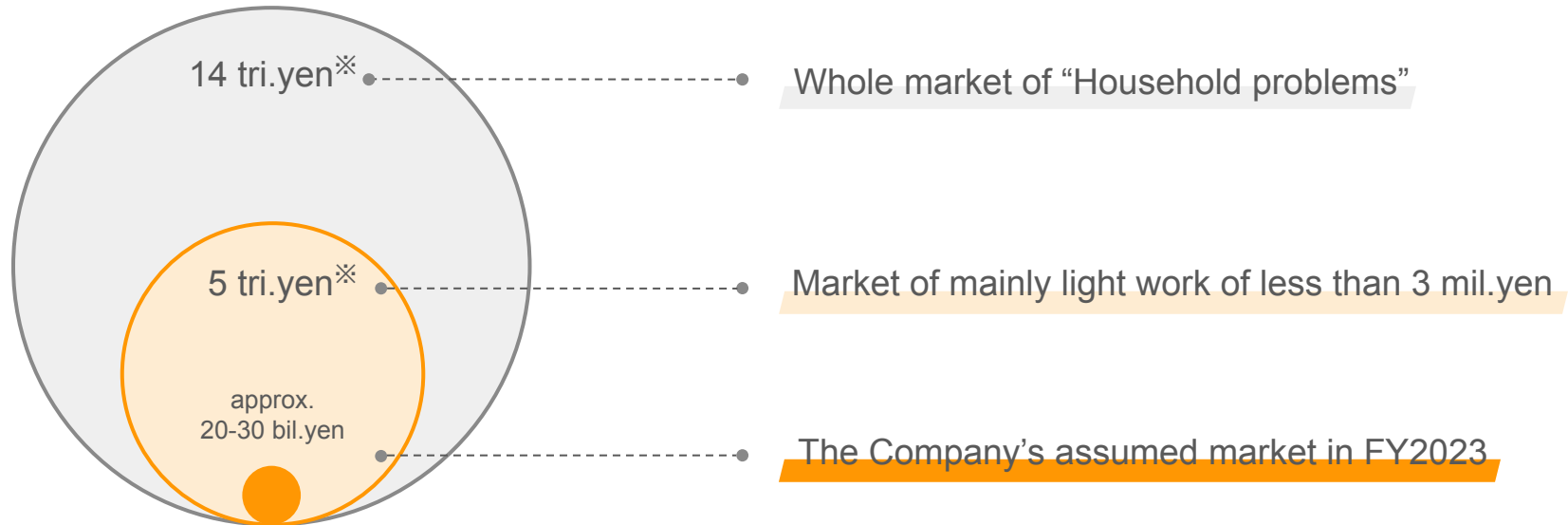
“Household problems” business has seasonality (e.g. Summer with pest control and mowing/ gardening, early autumn of our 2nd half with typhoon damages on residential houses). Such a seasonality continues, and Sales revenue are expected to grow in the current fiscal year.

Sales trend fluctuating with Seasonality



Market of “Household problems” business

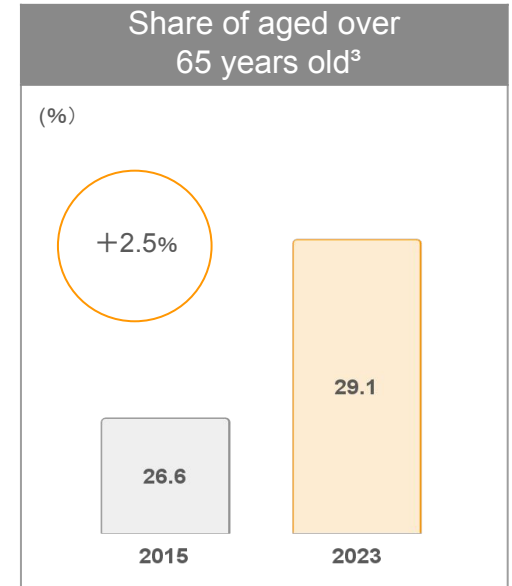
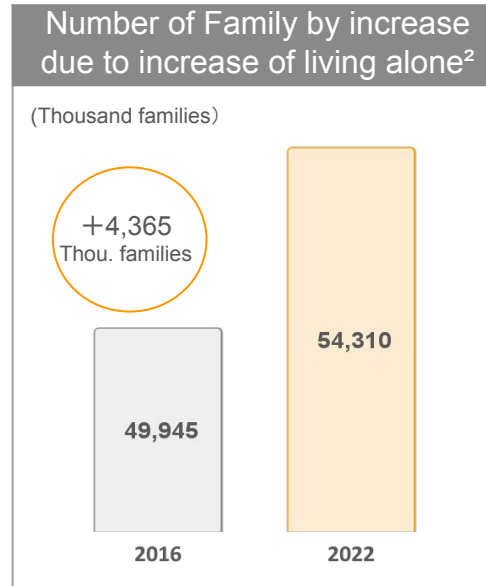
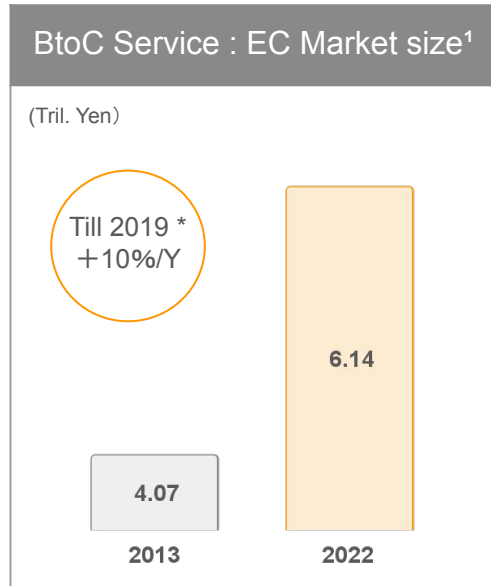
Domestic market of “Household problems” business is approx. 14 tri.yen, and of that, the market of low-price light work is estimated 5 tri.yen. With increase of the aged and people living alone, this market is expected to grow further. In addition, with an ongoing shift from current phone book to online, we assume further expansion of our business opportunities.



※ estimated based on a survey of frequency and price of “Household problems” services that targeted 20,000 respondents conducted by an external specialized agency

Follow wind of Market opportunity

The increase of single and aged families, and spread of EC service will enlarge the market of our “Household problem” business.






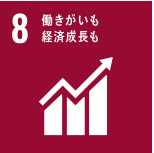

1 Ministry of Economy, Trade and Industry “Infrastructure of Data Driven Society (EC Market Research)” *Due to COVID-19, growth ratio temporarily decrease in 2020-2022

2 Ministry of Health, Labour and Welfare “Comprehensive Survey of Living Condition 2022”

3 Ministry of Public Management, Home Affairs Posts and Telecommunications “Statistics Topics No. 138 Japanese aged society”

SHARETECH'S ESG/SDGs

As a member of society, we, a business entity, recognize the importance ESG(Environment, Society, Governance) and SDGs(Sustainable Development Goal), along with improvement of Corporate Value. We will manage our Company to fulfill social responsibility and contribute to sustainable future, through business activity and business entity.

Relevant SDGs items	Contents of Activities
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>11 住み続けられるまちづくりを</p> </div> <div style="text-align: center;">  <p>12 つくる責任つかう責任</p> </div> </div>	<p>Contribution by “Household problems” business</p> <p>“Household problems” business extend the life of buildings by repair/maintenance of houses and facilities, reduce new construction. This will contribute to heighten sustainability of cities, promote efficient use of resources, and diminish disposals. Thus, we aim to reduce the environmental impact, realize economical efficiency, and contribute to sustainable future.</p>
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>5 ジェンダー平等を実現しよう</p> </div> <div style="text-align: center;">  <p>8 働きがいも経済成長も</p> </div> <div style="text-align: center;">  <p>10 人や国の不平等をなくそう</p> </div> </div>	<p>Contribution by Gender Equality organization</p> <p>Our organization respects equal opportunity including gender equality. Concretely, <u>female ratio of leader and above position in our Call Center is 95.7%(female ratio in Call Center is 87.3%)</u>. Excluding Call Center, female ratio of managerial position is 28.6%(female ratio in all company is 59.2%).Although our female managerial position ratio is above the average, we will continue to raise the ratio, and contribute to sustainable future.</p>

FY2024 2Q Balance sheet

[million.yen]

	FY2024 2Q (As of Mar. 31,2024)	FY2023 (As of Sep. 30,2023)	Change from Previous year-end
Current assets	3,370	2,842	+528
Fixed assets	1,193	1,283	(90)
Total assets	4,563	4,126	+437
Current liabilities	1,250	1,443	(193)
Fixed liabilities	406	493	(87)
Total equity	2,906	2,188	+718
Capital ratio	63.7%	53.0%	+10.7pt

FY2024 2Q YTD P/L statement

[million.yen]

	FY2024 2Q YTD (From Oct. 1, 2023 to Mar. 31,2024)	FY2023 2Q YTD (From Oct. 1, 2022 to Mar. 31,2023)	YoY change
Sales revenue	3,247	2,569	+677
Cost of sales	273	139	+134
Gross profit	2,973	2,430	+543
SGA expense	2,332	2,016	+315
Operating profit	699	424	+274
Pre-tax profit	702	422	+280
Net income*	581	642	(60)

※Profit attributable to owners of the parent company

Company profile

- **Company name** SHARINGTECHNOLOGY INC.
- **Head Office** JP Tower Nagoya 19F, 1-1-1 Meieki, Nakamura-ku, Nagoya-shi, Aichi 450-6319
- **TEL** TEL: +81-52-414-5919
- **Executive officers**

Representative Director, CEO	Nobuhiro Moriyoshi
Director, COO	Yoshitaka Katayama
Director	Eisaku Ueda
Director Audit and Supervisory Committee Member	Chiaki Harada
Outside Director Audit and Supervisory Committee Member	Hiroo Asai
Outside Director Audit and Supervisory Committee Member	Yuichi Zenri
- **Capital** 140.97 million yen *As of the end of Mar.,2024
- **Number of Employees** 187 (including 37 temporary and part-time workers) *As of the end of Mar.,2024
- **Accounting Period** End of September
- **Market** Securities Code: 3989 (Tokyo Stock Exchange, Growth)

Precautions relating to future forecasts

The disclosed documents include matters relating to the future outlook of forecasts, perspectives, goals and plans relating to SHARINGTECHNOLOGY Group, and have been generated on the basis of forecasts at the time of disclosure based on the information that could be obtained at the time of disclosure.

Certain assumptions have been utilized for these matters, and they include risks and uncertainties that are merely decisions made by SHARINGTECHNOLOGY Group's management and subjective predictions.

As a result, please note that due to various factors, the performances, operating results and financial situations may yield different results compared to the current forecasts, perspectives, goals.

The disclosed documents are intended for providing information about the Company, and are not intended for soliciting to purchase or disposal of the Company's stock. We ask that all investors make your own judgments relating to investments.