



## FY2024 3Q Financial Results Briefing Document

August 13, 2024

# Topics

## Sales revenue

- 3Q YTD Sales revenue : 5,268 mil.yen, **YoY 123%**
- 3Q YTD progress in FY24 Sales revenue : **73.2%** (FY23 : 68.9%)

## Operating profit

- 3Q YTD Operating profit : 1,213 mil.yen, **YoY 148%**
- 3Q YTD progress in FY24 Operating profit : **75.9%** (FY23 : 66.2%)

## Own-service (Az support)

- 3Q Non-consolidated Sales revenue : remarkable 266 mil.yen, **YoY 183%**
- 3Q Operating profit : **33 mil.yen**, along with prior investment

# Table of contents

- 01 FY2024 3Q Performance reporting
- 02 Forecast of FY2024 & Growth Strategy
- 03 Supplementary materials

FY2024 3Q

Performance reporting

## Consolidated 3Q YTD results (9 months)

3Q YTD Sales revenue ended in YoY 123%, due to sales increase of main genres and expansion of Az support. Operating profit ended in YoY 148%, due to sales increase and continuous appropriate control of Advertisement cost ratio. Though YoY of Net income decreased due to the effect of tax effect accounting, 3Q YTD recorded pretty good progress toward FY2024 Forecast.

	3Q YTD results FY2024	3Q YTD results FY2023	YoY change
Sales revenue	5,268 mil.yen	4,294 mil.yen	+974 mil.yen (123%)
Operating profit	1,213 mil.yen	821 mil.yen	+391 mil.yen (148%)
Net income <sup>※</sup>	1,002 mil.yen	1,087 mil.yen	(85) mil.yen (92%)

※Profit attributable to owners of the parent company

## Consolidated 3Q results (3 months)

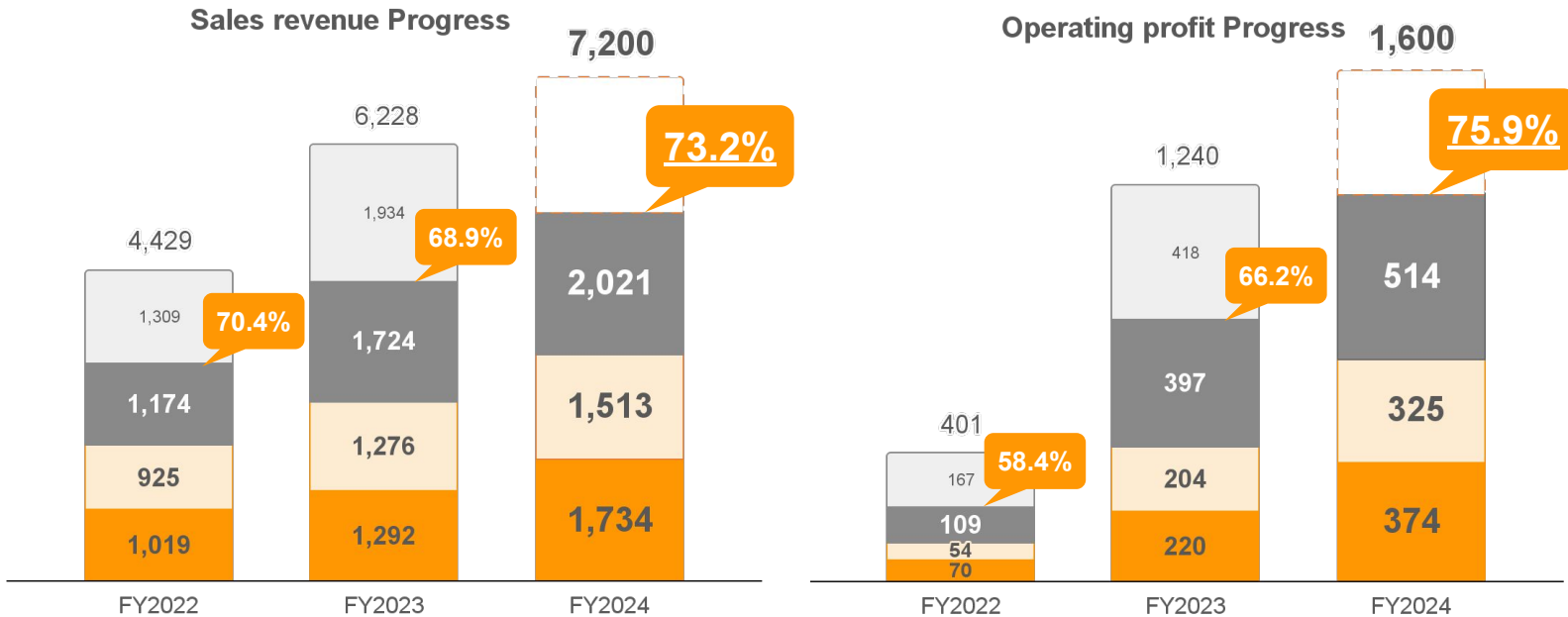
3Q Sales revenue ended in YoY 117%, due to sales increase of main genres and expansion of Az support. Operating profit ended in YoY 129%, due to sales increase and continuous appropriate control of Advertisement cost ratio. YoY of Net income decreased due to the effect of tax effect accounting.

	3Q results FY2024	3Q results FY2023	YoY change
Sales revenue	2,021 mil.yen	1,724 mil.yen	+296 mil.yen (117%)
Operating profit	514 mil.yen	397 mil.yen	+116 mil.yen (129%)
Net income <sup>※</sup>	420 mil.yen	444 mil.yen	(24) mil.yen (94%)

※Profit attributable to owners of the parent company

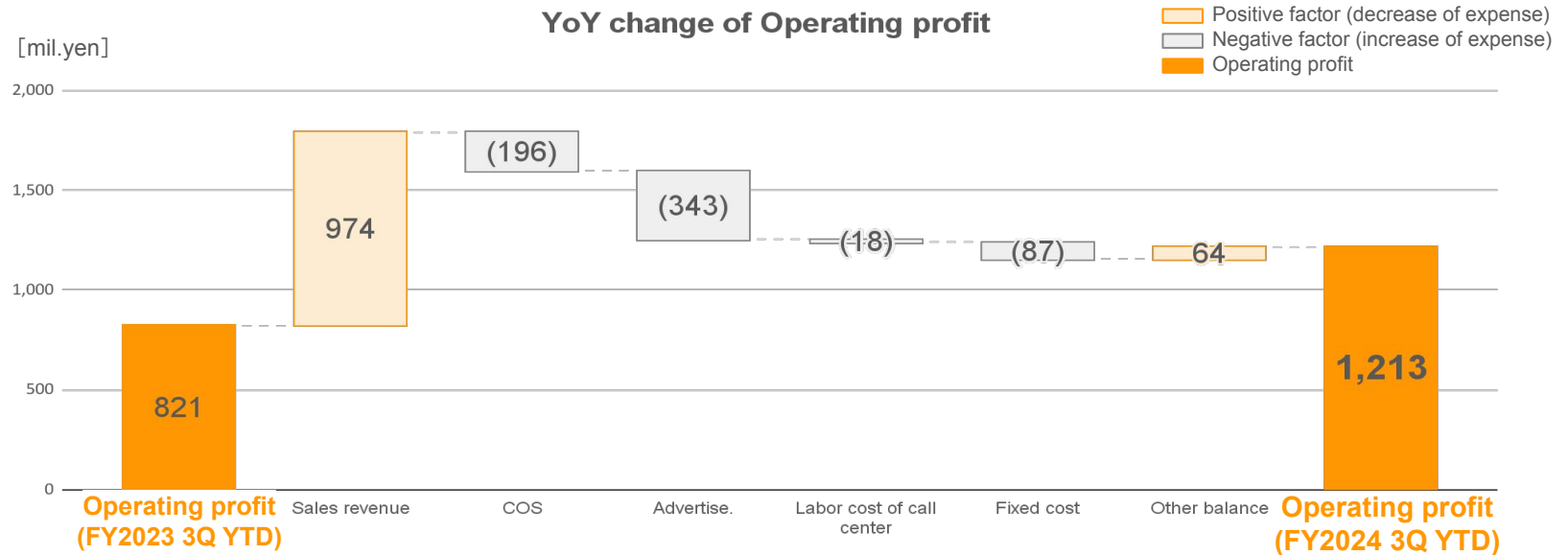
# Progress toward FY2024 Forecast

3Q YTD Sales revenue progress rate toward FY2024 was at 73.2%, exceeding that of previous 3Q YTD. Similarly, 3Q YTD Operating profit progress rate was at 75.9%, well above that of previous 3Q YTD. The progress of both of Sales revenue and Operating profit toward FY2024 forecast are pretty good.



# Analysis of YoY change of Operating profit of 3Q YTD

Starting from 821 mil.yen of Operating profit of FY2023 3Q YTD, Sales revenue increased. Though COS and Advertisement cost increased along with Sales revenue increase, both cost ratios to Gross profit are maintained at the certain level. Consequently, Operating profit of FY2024 3Q YTD recorded 1,213 mil.yen (YoY +391mil.yen).

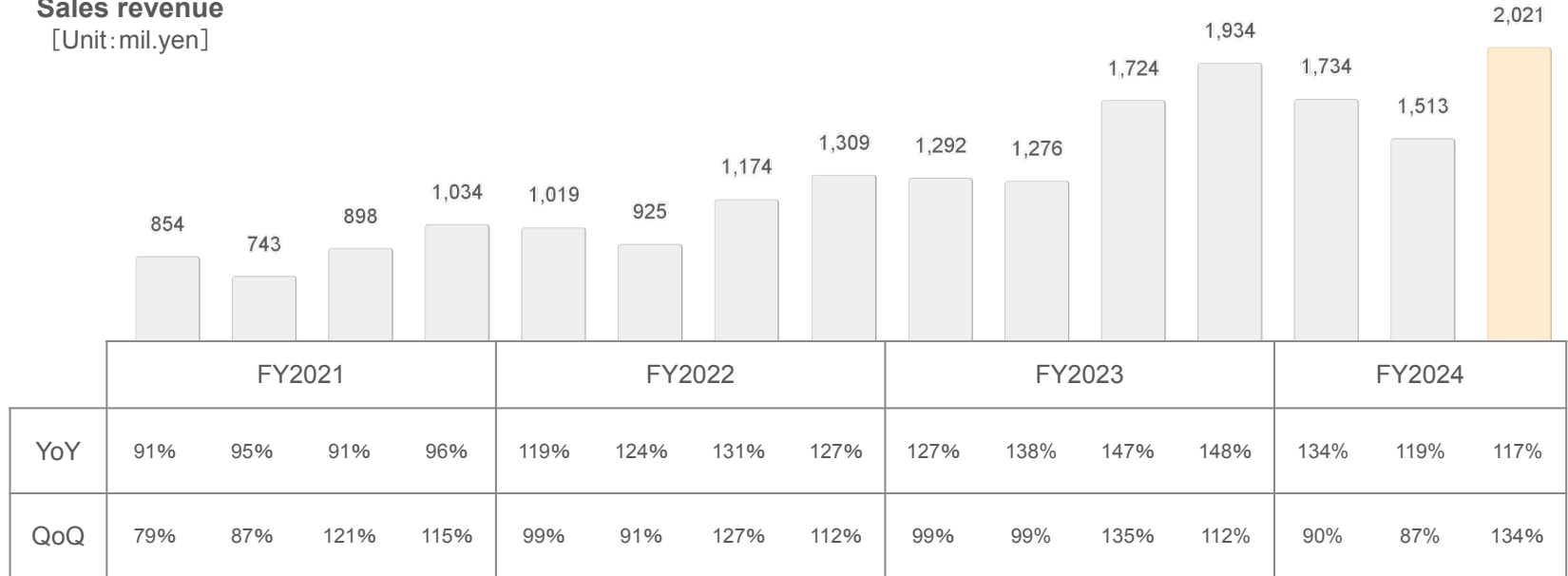




# Sales revenue trend of “Household problems” business

FY2024 3Q Sales revenue ended in YoY 117%, hitting a record high. Even excluding effect of Az support consolidated in FY2023 3Q, still now, stable growth is maintained (pro forma 3Q YoY was 114%).

**Sales revenue**  
[Unit: mil.yen]



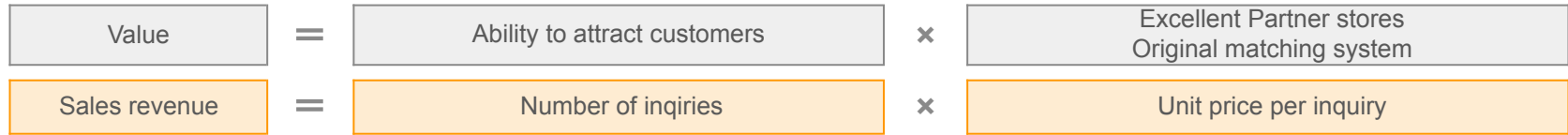
# Transition of KPI of Business

Sales revenue increased continuously. COS ratio rose along with Our-own service (includ. Az support) and Business alliance. Advertisement cost ratio was kept around proper 46%. Ratios of Labor cost of Call center, Fixed cost were also kept stably. As a result, 3Q Operating profit ended in 514 mil.yen.

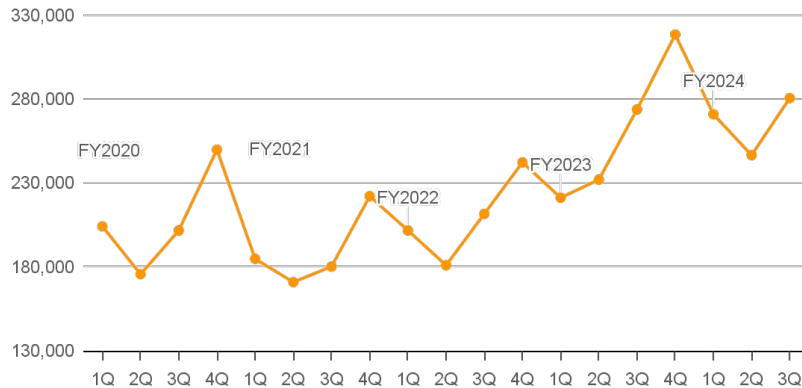
[mil.yen] (Ratio to GP)	FY2022					FY2023					FY2024		
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q
Sales revenue	1,019	925	1,174	1,309	4,429	1,292	1,276	1,724	1,934	6,228	1,734	1,513	2,021
Cost of sales (Ratio to sales)	29 (3%)	35 (4%)	44 (4%)	61 (5%)	172 (4%)	61 (5%)	77 (6%)	112 (7%)	153 (8%)	405 (7%)	155 (9%)	117 (8%)	175 (9%)
SGA	921	843	1,020	1,080	3,866	1,017	999	1,201	1,359	4,577	1,216	1,115	1,336
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%)	840 (46%)
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%)	115 (6%)
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%)	380 (21%)
Other balance	3	7	0	0	11	7	4	(13)	(2)	(4)	13	45	4
Operating profit	70	54	109	167	401	220	204	397	418	1,240	374	325	514

# Transition of KPI of Sales revenue

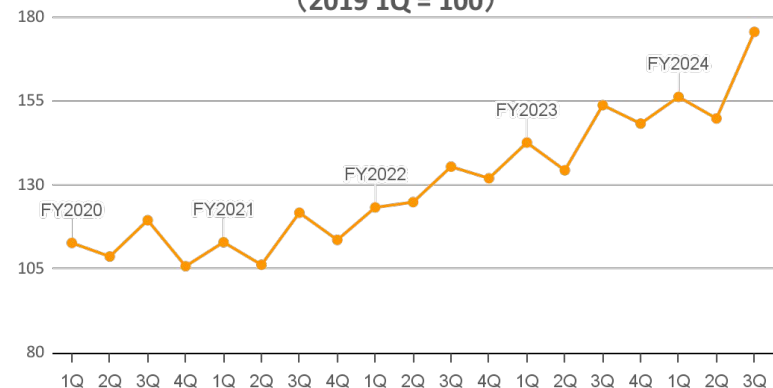
“Number of inquiries” is gradually turning from levelling off trend to increasing trend since FY2023.  
 “Unit price per inquiry” is on the rapid upward trend, thanks to optimized matching methodology and amazingly increased Our-own service (includ. Az support consolidated since FY2023 3Q).



**Number of inquiries**



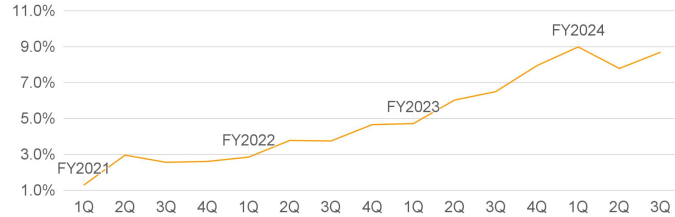
**Unit price per inquiry  
(2019 1Q = 100)**



# Transition of KPI of Profit Structure (Cost)

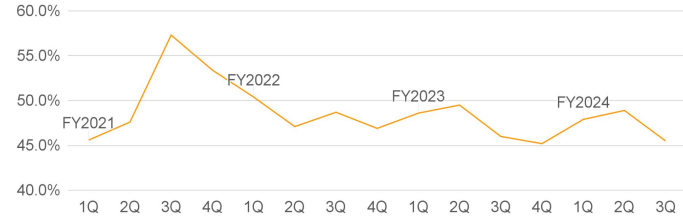
## Cost of Sales ratio

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



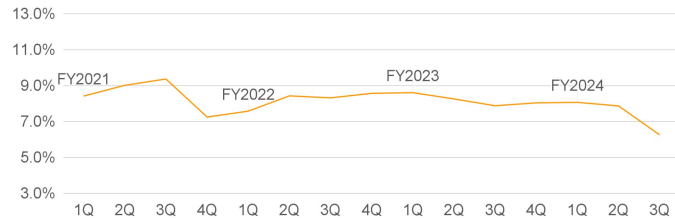
## Advertisement cost (PPC) ratio

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



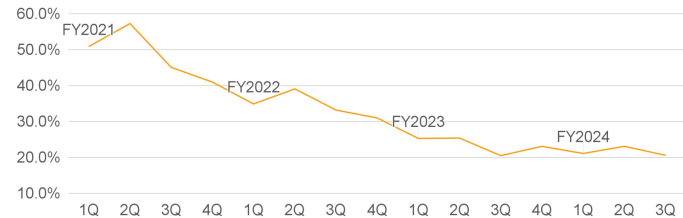
## Labor cost of Call Center ratio

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



## Fixed cost ratio

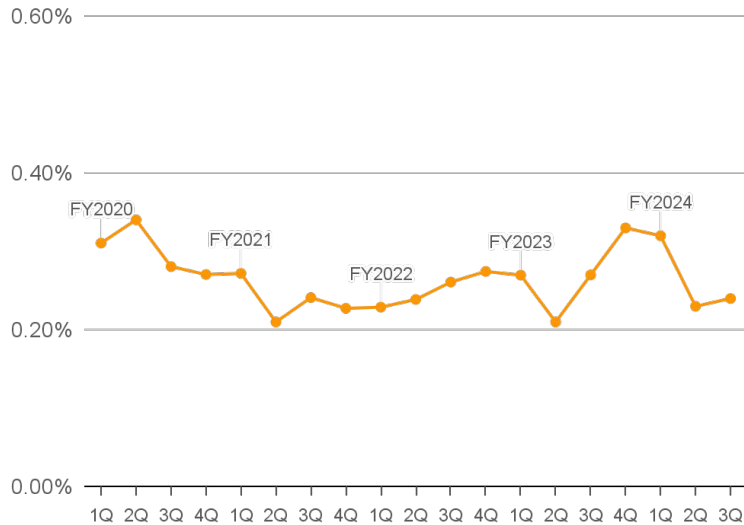
Maintaining Fixed cost (includ. Az support) within the certain range. Ratio to Gross profit is maintained at the certain level.



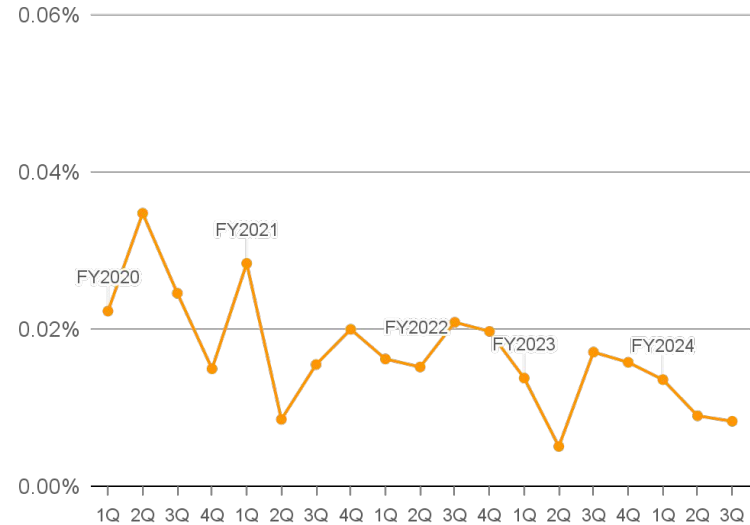
# For Satisfaction of Customers and Partner Stores

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 in FY2023 2Q, both KPI returned to the non-problematic low level.

### Claim ratio from customers



### Claim ratio from partner stores



# Transition of Az support Business Result

Az support 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 3Q Sales of YoY 183%. Along with such a prior investment (mostly, labor cost), 33 mil.yen of Operating profit (almost the same YoY) was secured.

	3Q FY2023	4Q FY2023	1Q FY2024	2Q FY2024	3Q FY2024
Sales	145 mil.yen	121 mil.yen	119 mil.yen	114 mil.yen	266 mil.yen (YoY 183%)
Operating profit	34 mil.yen	28 mil.yen	19 mil.yen	5 mil.yen	33 mil.yen
(impact on Consolidated Sales)	89 mil.yen	81 mil.yen	78 mil.yen	78 mil.yen	157 mil.yen

# Forecast of FY2024 & Growth Strategy

# Forecast of FY2024

The progress toward Forecast of FY2024 (Sales revenue of 7,200 mil.yen; Operating profit of 1,600 mil.yen; Net income of 1,300 mil.yen; Dividend per share of 15.00 yen) are pretty good. Hence, Forecast of FY2024 are not revised from the latest disclosure.

	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 <sup>※</sup>	1,300 mil.yen (YoY 98%)	1,320 mil.yen
Dividend per share	15.00 yen	0.00 yen

※Profit attributable to owners of the parent company



## Rationale of Forecast of FY2024

For Forecast of FY2024, Sales revenue will be 7,200 mil.yen (YoY 116%). COS ratio will rise a little bit with increase of Our-own service (includ. Az support), etc. Meanwhile, ratios of Advertisement cost and Call Center labor cost, and amount of Other Fixed cost are expected at the same level. Consequently, Operating profit is expected to be 1,600 million yen.

	FY2024 Forecast	FY2023 Actual
Sales revenue	<b><u>7,200 mil.yen (YoY 116%)</u></b>	6,228 mil.yen (YoY 141%)
COS (Cost of sales) ratio	Rise w/ Az support, etc.	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	<b><u>1,600 mil.yen</u></b>	1,240 mil.yen
Net income*	<b><u>1,300 mil.yen</u></b>	1,320 mil.yen

※Profit attributable to owners of the parent company

# Our strength brought by improvement of Service Quality

---

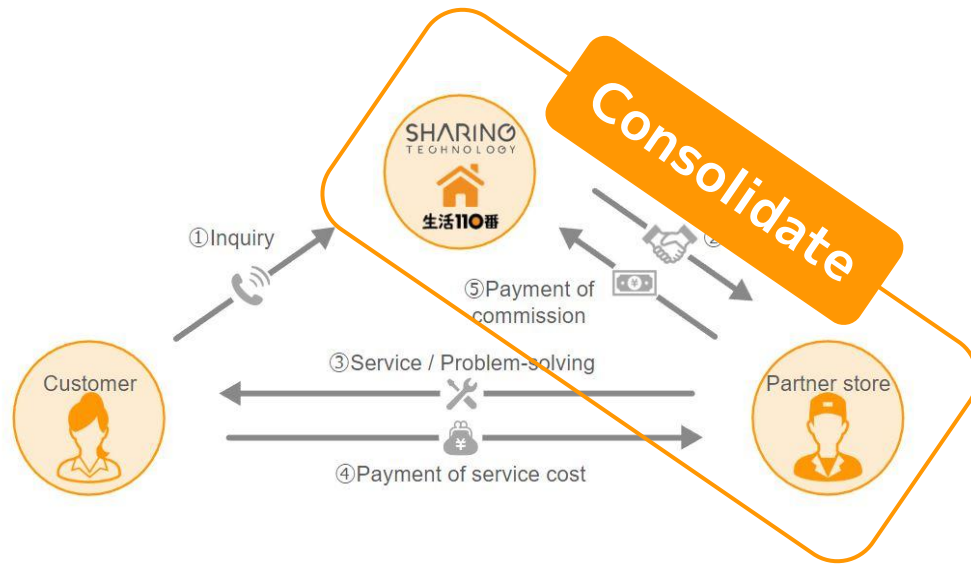
Since FY2019, we have pursued Service Quality improvement, which started to bring apparent rise of profit from FY2022. SHARETECH will continue this policy, and aim business expansion. Improvement of Service Quality directly leads to rise of Close Rate. Subsequently, rise of Close Rate raises profitability. 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 its first M&A of a Service provider in Apr. '23. Az support after M&A has consistently achieved good performance. With expanding Az support, SHARETECH will seek for M&A opportunity, examining closely. Quantitatively, Az support (59 mil.yen of Operating profit in 3Q 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 M&A)

# PMI of Az support

Az support 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	<b><u>501 mil.yen</u></b> (326 mil.yen) ※2
Operating profit	(21) mil.yen	<b><u>88 mil.yen</u></b> (27.1%) ※2

※1 12-months apply 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 started to appear since 3Q )

# 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 6,700 partner stores nationwide that can provide support for various “Household problems”. We accept customers who visit our website or call us, 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 6,700 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



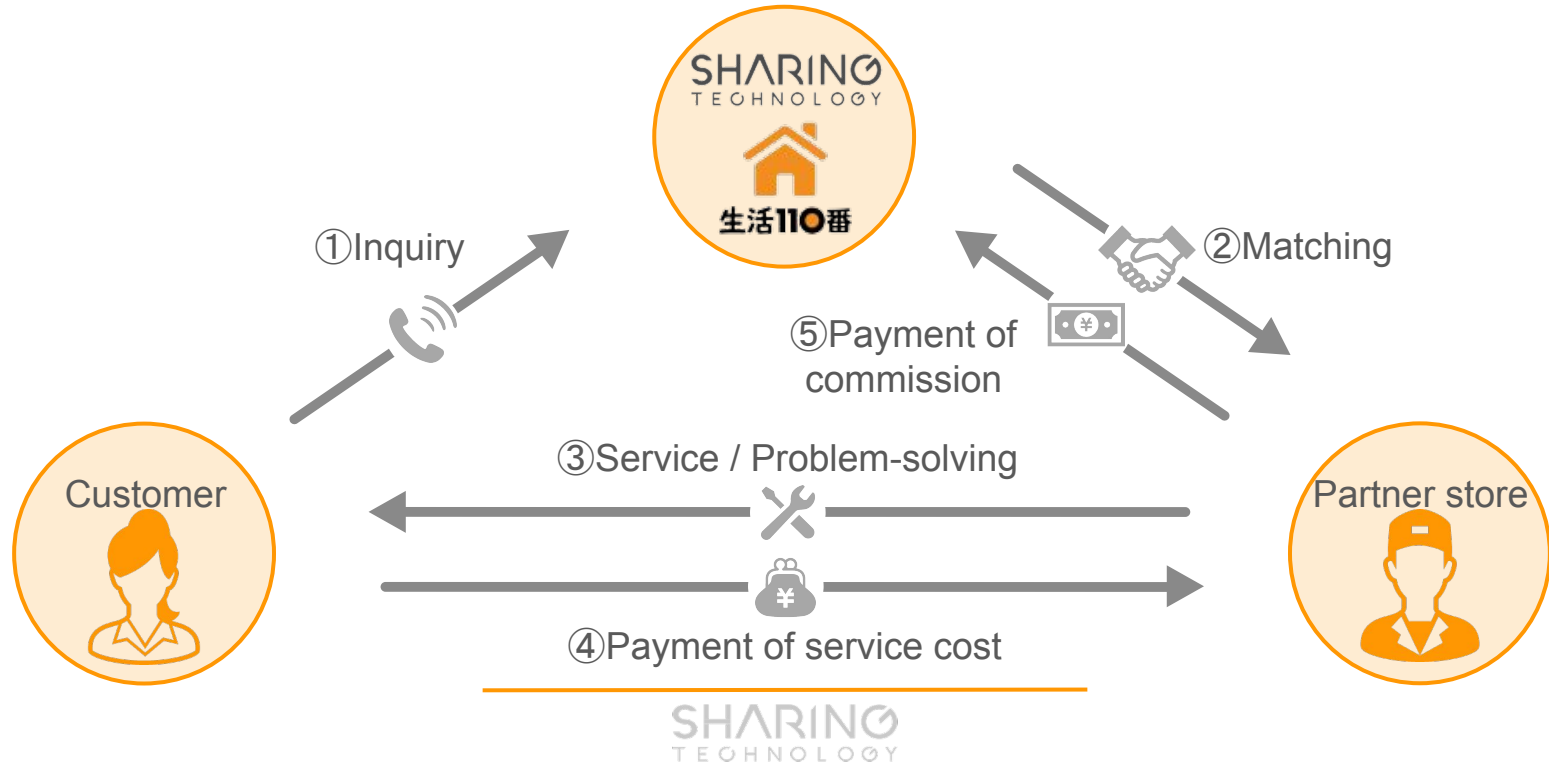
One genre per site



Mainly listing inflow

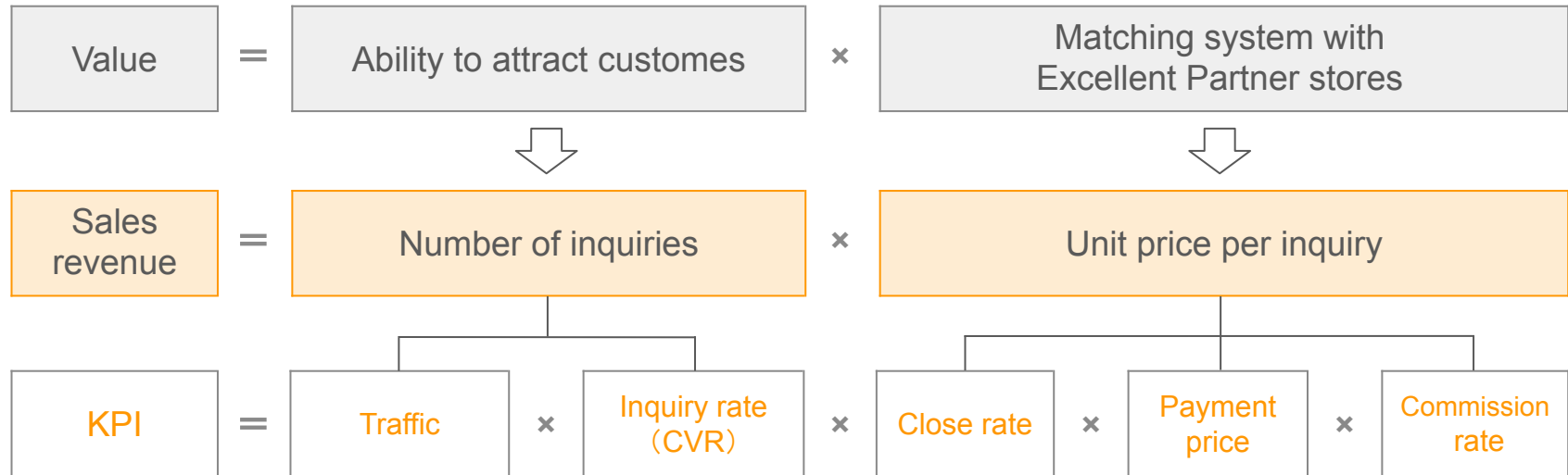
# Business Flow

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

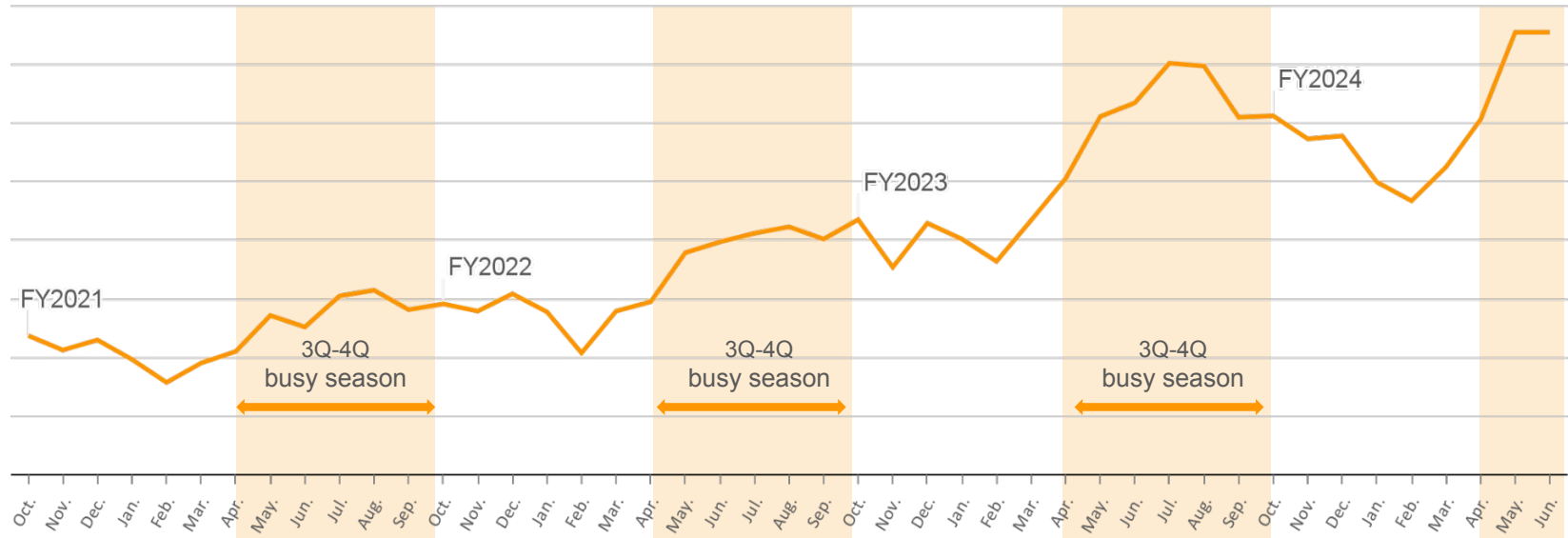
Our value source (Value) is defined as our ability to attract customers, our matching system to solve customers' problems, and excellent partner stores network. Each "Number of inquiries" and "Unit price per inquiry" is represented as numeric value. "Number of inquiries" is broken down into "Traffic",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



# Monthly Sales revenue

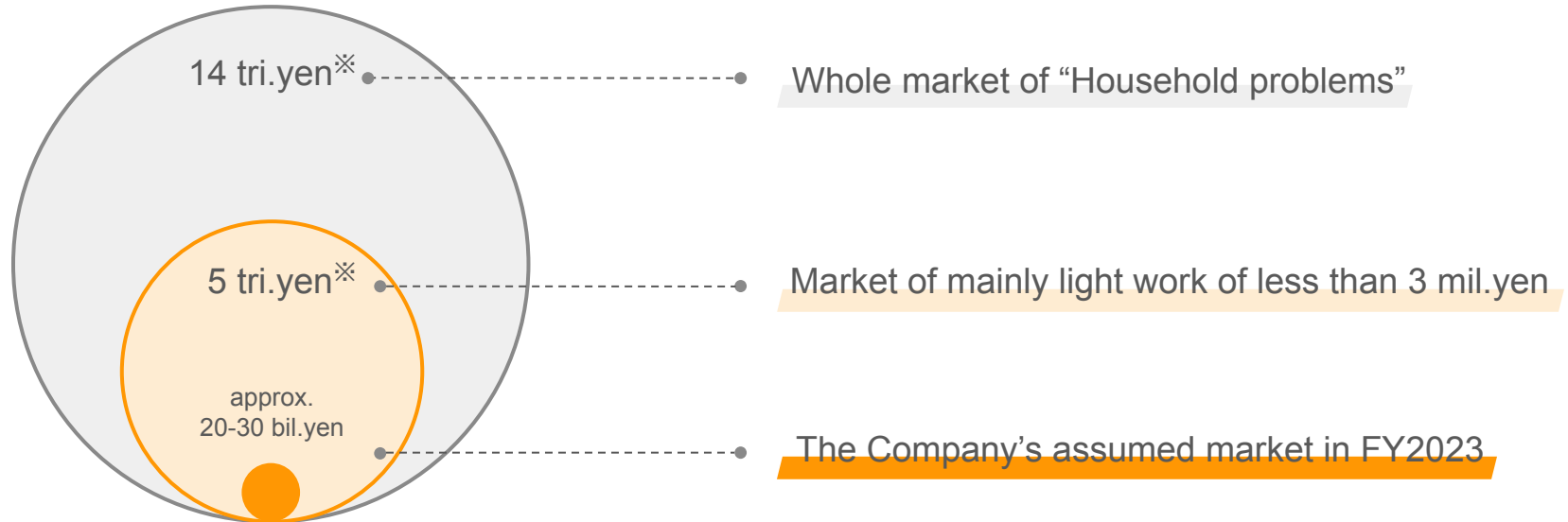
“Household problems” business has seasonality (e.g. Summer with pest control and mowing/gardening, early autumn of our 2nd half with typhoon damages on residential houses). Such a seasonality continues, and Sales revenue are expected to grow in the current fiscal year.

Sales trend fluctuating with Seasonality



# Market of “Household problems” business

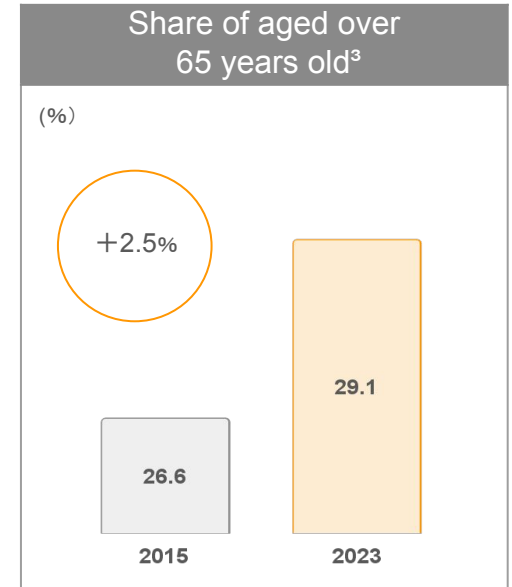
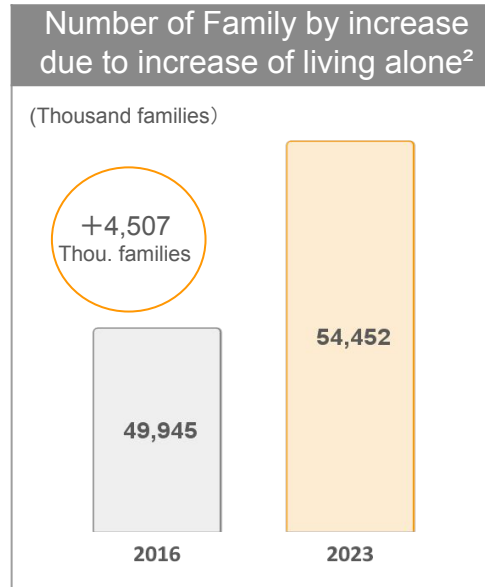
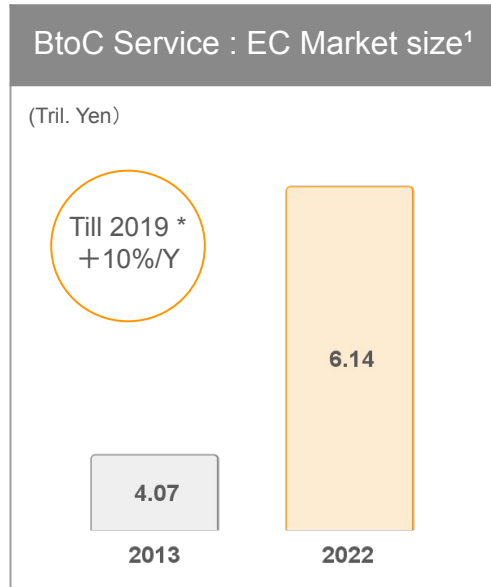
Domestic market of “Household problems” business is approx. 14 tri.yen, and of that, the market of low-price light work is estimated 5 tri.yen. With increase of the aged and people living alone, this market is expected to grow further. In addition, with an ongoing shift from current phone book to online, 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 2023”

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 data-bbox="272 472 426 625"> <p>11 住み続けられるまちづくりを</p>  </div> <div data-bbox="498 472 653 625"> <p>12 つくる責任つかう責任</p>  </div> </div>	<p><b>Contribution by “Household problems” business</b></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 data-bbox="218 718 372 871"> <p>5 ジェンダー平等を実現しよう</p>  </div> <div data-bbox="386 718 540 871"> <p>8 働きがいも経済成長も</p>  </div> <div data-bbox="554 718 709 871"> <p>10 人や国の不平等をなくそう</p>  </div> </div>	<p><b>Contribution by Gender Equality organization</b></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 3Q Balance sheet

[million.yen]

	FY2024 3Q (As of Jun. 30,2024)	FY2023 (As of Sep. 30,2023)	Change from Previous year-end
Current assets	4,408	2,842	+1,566
Fixed assets	1,132	1,283	(150)
Total assets	5,541	4,126	+1,415
Current liabilities	1,746	1,443	+302
Fixed liabilities	373	493	(119)
Total equity	3,420	2,188	+ 1,232
Capital ratio	61.7%	53.0%	+ 8.7pt



# FY2024 3Q YTD P/L statement

[million.yen]

	FY2024 3Q YTD (From Oct. 1, 2023 to Jun. 30,2024)	FY2023 3Q YTD (From Oct. 1, 2022 to Jun. 30,2023)	YoY change
Sales revenue	5,268	4,294	+ 974
Cost of sales	448	252	+ 196
Gross profit	4,819	4,042	+ 777
SGA expense	3,668	3,218	+ 450
Operating profit	1,213	821	+ 391
Pre-tax profit	1,215	818	+ 397
Net income*	1,002	1,087	(85)

※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** 183.54 million yen \*As of the end of Jun.,2024
- **Number of Employees** 190 (including 32 temporary and part-time workers) \*As of the end of Jun.,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.