

Results for the Fiscal Year Ended March 31, 2024



MEITEC Group Holdings Inc.

May 9, 2024

Disclaimer regarding forward-looking statements

Earnings forecasts and other forward-looking statements in this release are based on data currently available to management and certain assumptions that management believes are reasonable.

Actual results may therefore differ materially from these statements for various reasons.

Some important factors that might have an effect on business performance pertain to Business Risks stated in the Company's annual securities report and other information already released, but factors influencing business performance are not limited to those released.

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Develop a new era. by People and Technology
MEITEC
Engineering Firm at The Core
MEITEC GROUP

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1. Results for the Fiscal Year Ended March 31, 2024

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Comments on Results

1. Consolidated net sales rose 6.6% year on year, operating profit rose 7.3%, profit before income taxes rose 6.8%, and profit rose by 0.7% due to the disappearance of the impact of decreased tax burden.
2. In the Engineering Solutions Business, orders were strong as our main clients have continued to investment in technological development.
3. We achieved increases in both the number of engineers assigned to clients and the utilization ratio, leading to a year-on-year increase in net sales of 5.8% at Meitec and 10.5% at Meitec Fielders and an increase in operating profit of 4.8% at Meitec and 22.3% at Meitec Fielders.
4. In the Recruiting & Placement Business, both sales and profit decreased year on year for the Engineers due to a decline in the number of job placements. It is becoming more difficult to acquire individuals who truly desire to switch jobs.

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Results for the Fiscal Year Ended March 31, 2024 (Group Consolidated)

(Fractions of one million yen are rounded down)	FY ended March. 31, 2023	FY ended March. 31, 2024	YoY Amount	% Change	Past Forecasts	Progress toward the FY forecast
Net sales	119,069	126,976	+ 7,907	+ 6.6%	126,500	+ 476
Cost of sales	86,360	92,741	+ 6,381	+ 7.4%	92,000	+ 741
Cost of sales to Net sales	72.5%	73.0%	+ 0.5%			
SG&A Expenses	16,245	16,573	+ 328	+ 2.0%	17,100	(527)
Operating profit	16,462	17,660	+ 1,197	+ 7.3%	17,400	+ 260
Operating profit margins	13.8%	13.9%	+ 0.1%		13.8%	+ 0.2%
Ordinary profit	16,540	17,667	+ 1,126	+ 6.8%	17,400	+ 267
Extraordinary income & loss	(3)	(6)	(3)			
Profit before income taxes	16,537	17,660	+ 1,122	+ 6.8%		
Income taxes	4,285	5,317	+ 1,032	+ 24.1%		
Profit attributable to owners of parent	12,252	12,343	+ 90	+ 0.7%	11,900	+ 443
Profit margins	10.3%	9.7%	(0.6%)			
Return on Equity (ROE)	26.6%	26.1%	(0.5%)			

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Results for the Fiscal Year Ended March 31, 2024 (Business Domains)

(Fractions of one million yen are rounded down)		FY ended March. 31, 2023	FY ended March. 31, 2024	YoY Amount	% Change
Engineering Solutions Business	Sales	117,456	125,610	+ 8,154	+ 6.9%
	Component ratio	98.6%	98.9%	+ 0.3%	
	Meitec	83,765	88,653	+ 4,888	+ 5.8%
	Meitec Fielders	30,471	33,662	+ 3,190	+ 10.5%
	Operating profit	15,915	17,139	+ 1,223	+ 7.7%
	Component ratio	96.7%	97.0%	+ 0.4%	
Recruiting & Placement Business for Engineers	Sales	1,681	1,398	(282)	(16.8%)
	Component ratio	1.4%	1.1%	(0.3%)	
	Operating profit	547	458	(88)	(16.1%)
	Component ratio	3.3%	2.6%	(0.7%)	

* Figures are on an actual basis reflecting the sum of results for Meitec under the former structure in the first half of the fiscal year prior to the transition to a holding company structure and the new Meitec since October 1, 2023.

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Results for the Fiscal Year Ended March 31, 2024 (MEITEC)

(Fractions of one million yen are rounded down)	FY ended March. 31, 2023	FY ended March. 31, 2024	YoY Amount	% Change	Past Forecasts	Progress toward the FY forecast
Net sales	83,765	88,653	+4,888	+5.8%	88,000	+653
Cost of sales	60,117	63,769	+3,652	+6.1%	63,000	+769
Cost of sales to Net sales	71.8%	71.9%	+0.2%		71.6%	+0.3%
SG&A Expenses	10,436	11,035	+598	+5.7%	11,200	(165)
Operating profit	13,212	13,848	+636	+4.8%	13,800	+48
Operating profit margins	15.8%	15.6%	(0.2%)		15.7%	(0.1%)
Ordinary profit	14,113	15,066	+952	+6.7%	15,000	+66
Extraordinary income & loss	(3)	(6)	(2)			
Profit before income taxes	14,110	15,060	+949	+6.7%		
Profit	10,719	10,668	(50)	(0.5%)	10,500	+168
Utilization ratio (Company-wide)	97.2%	97.7%	+0.5%		97.5%	+0.2%
Working Hours 〈h/day〉	8.38	8.33	(0.05)	(0.6%)	8.33	—
Number of Recruitment	699	673	(26)	(3.7%)	699	(26)
Newly graduated	474	459	(15)	(3.2%)	459	—
Mid-career	225	214	(11)	(4.9%)	240	(26)
Turnover Ratio	6.0%	6.1%	+0.1%		6.6%	(0.5%)
Number of Engineers	7,703	7,870	+167	+2.2%		

* Figures are on an actual basis reflecting the sum of results for Meitec under the former structure in the first half of the fiscal year prior to the transition to a holding company structure and the new Meitec since October 1, 2023.

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Results for the Fiscal Year Ended March 31, 2024 (MEITEC Fielders)

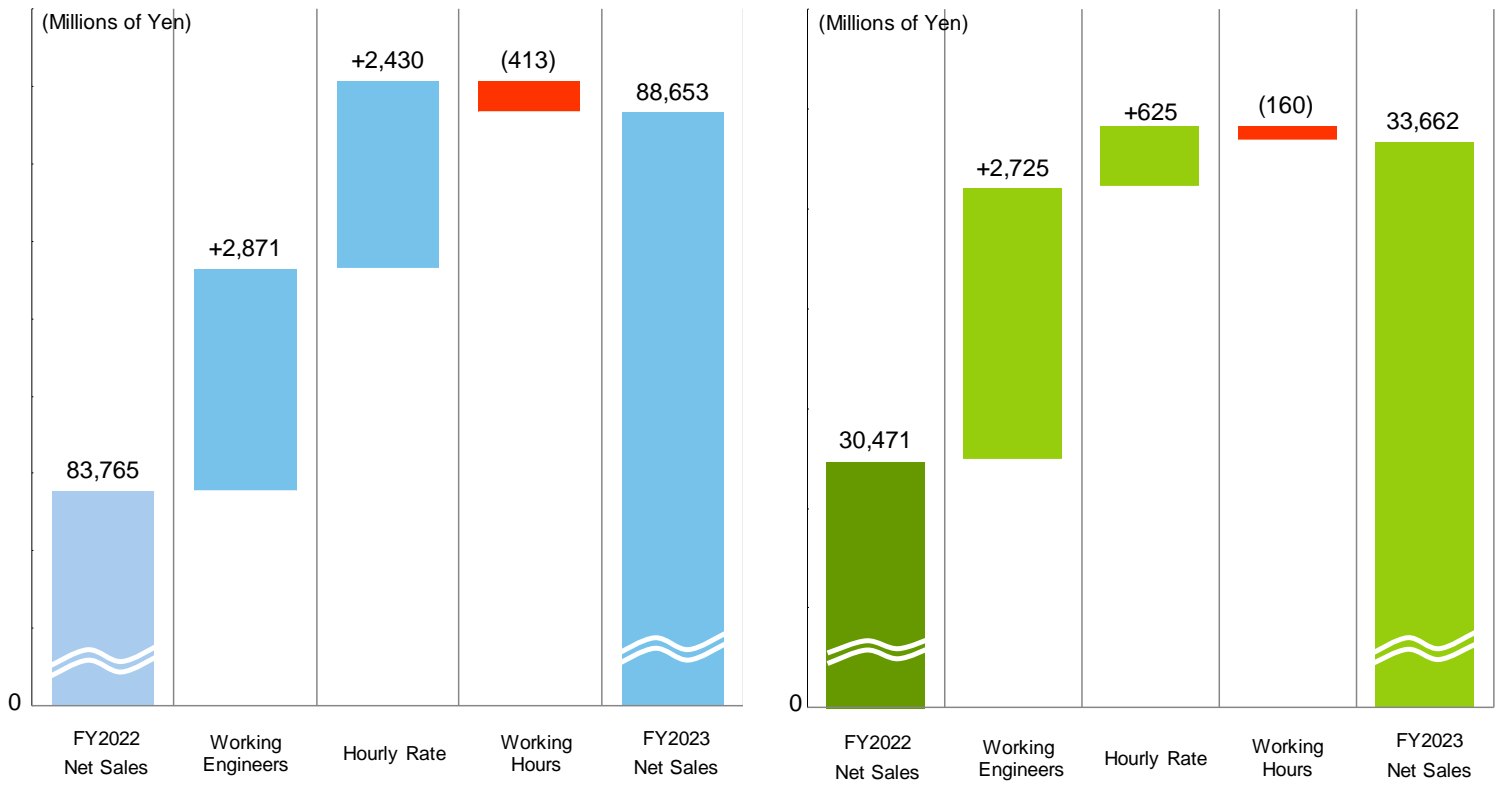
(Fractions of one million yen are rounded down)	FY ended March. 31, 2023	FY ended March. 31, 2024	YoY Amount	% Change	Past Forecasts	Progress toward the FY forecast
Net sales	30,471	33,662	+3,190	+10.5%	33,700	(38)
Cost of sales	23,561	26,225	+2,664	+11.3%	26,200	+25
Cost of sales to Net sales	77.3%	77.9%	+0.6%		77.7%	+0.2%
SG&A Expenses	4,375	4,336	(39)	(0.9%)	4,600	(264)
Operating profit	2,534	3,100	+565	+22.3%	2,900	+200
Operating profit margins	8.3%	9.2%	+0.9%		8.6%	+0.6%
Ordinary profit	2,535	3,097	+562	+22.2%	2,900	+197
Extraordinary income & loss	0	—	—			
Profit before income taxes	2,535	3,097	+562	+22.2%		
Profit	1,913	2,321	+407	+21.3%	2,000	+321
Utilization ratio (Company-wide)	93.3%	95.5%	+2.2%		94.9%	+0.6%
Working Hours 〈h/day〉	8.26	8.21	(0.05)	(0.6%)	8.21	—
Number of Recruitment	1,008	830	(178)	(17.7%)	965	(135)
Newly graduated	411	365	(46)	(11.2%)	365	—
Mid-career	597	465	(132)	(22.1%)	600	(135)
Turnover Ratio	13.9%	14.3%	+0.4%		12.3%	+2.0%
Number of Engineers	4,203	4,383	+180	+4.3%		

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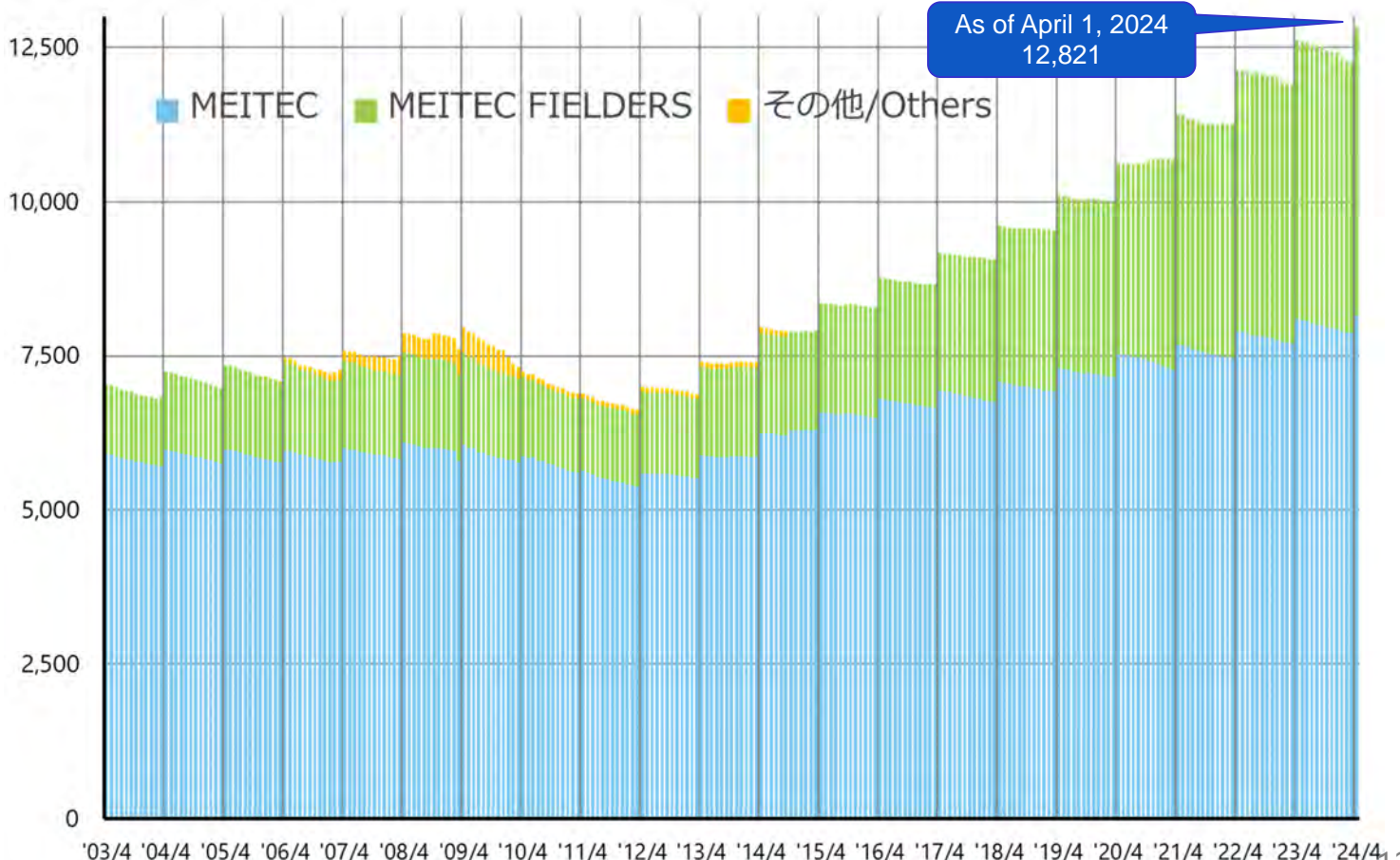
Comparison of Net Sales

メイテック/MEITEC

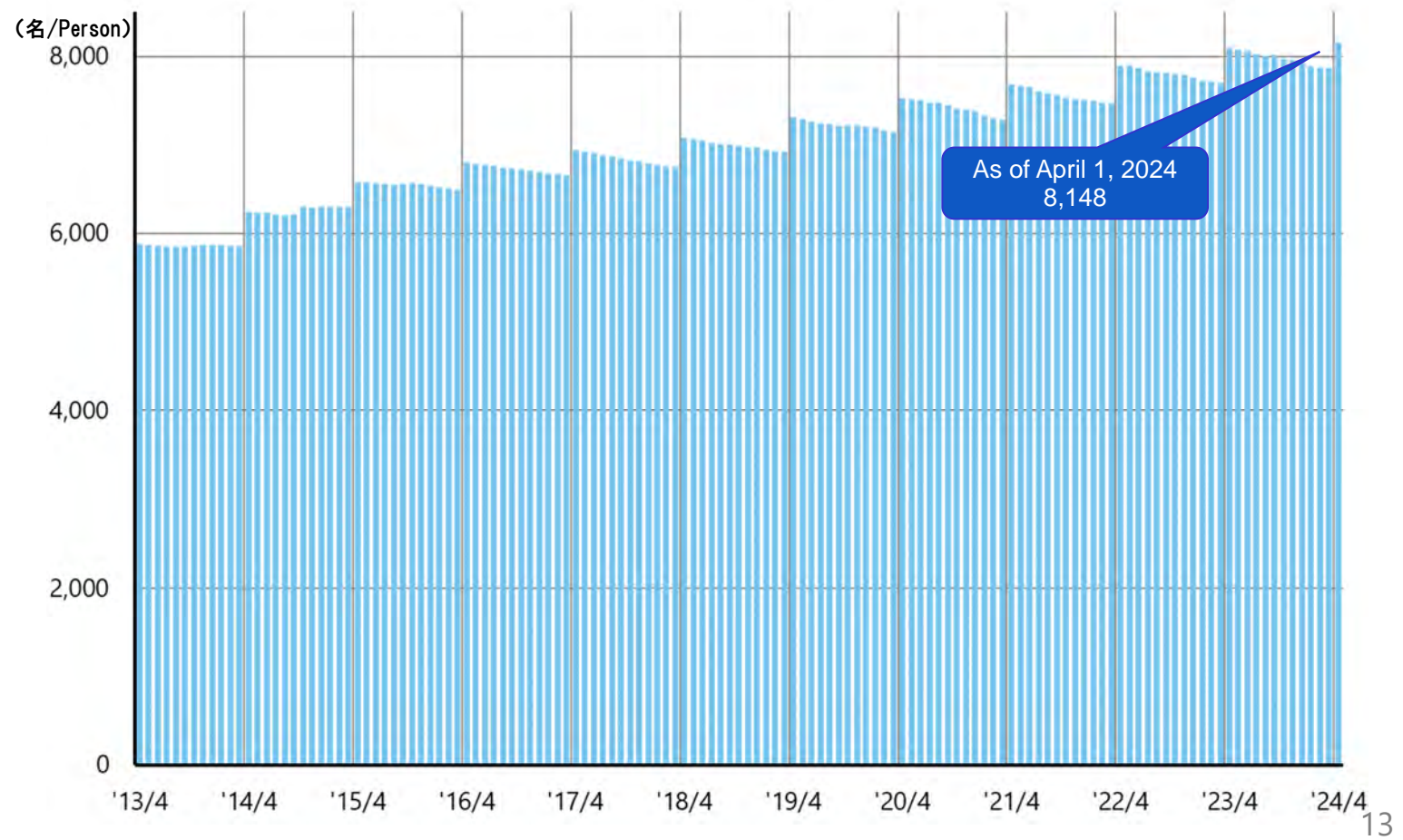
メイテックフィールドーズ /MEITEC Fielders



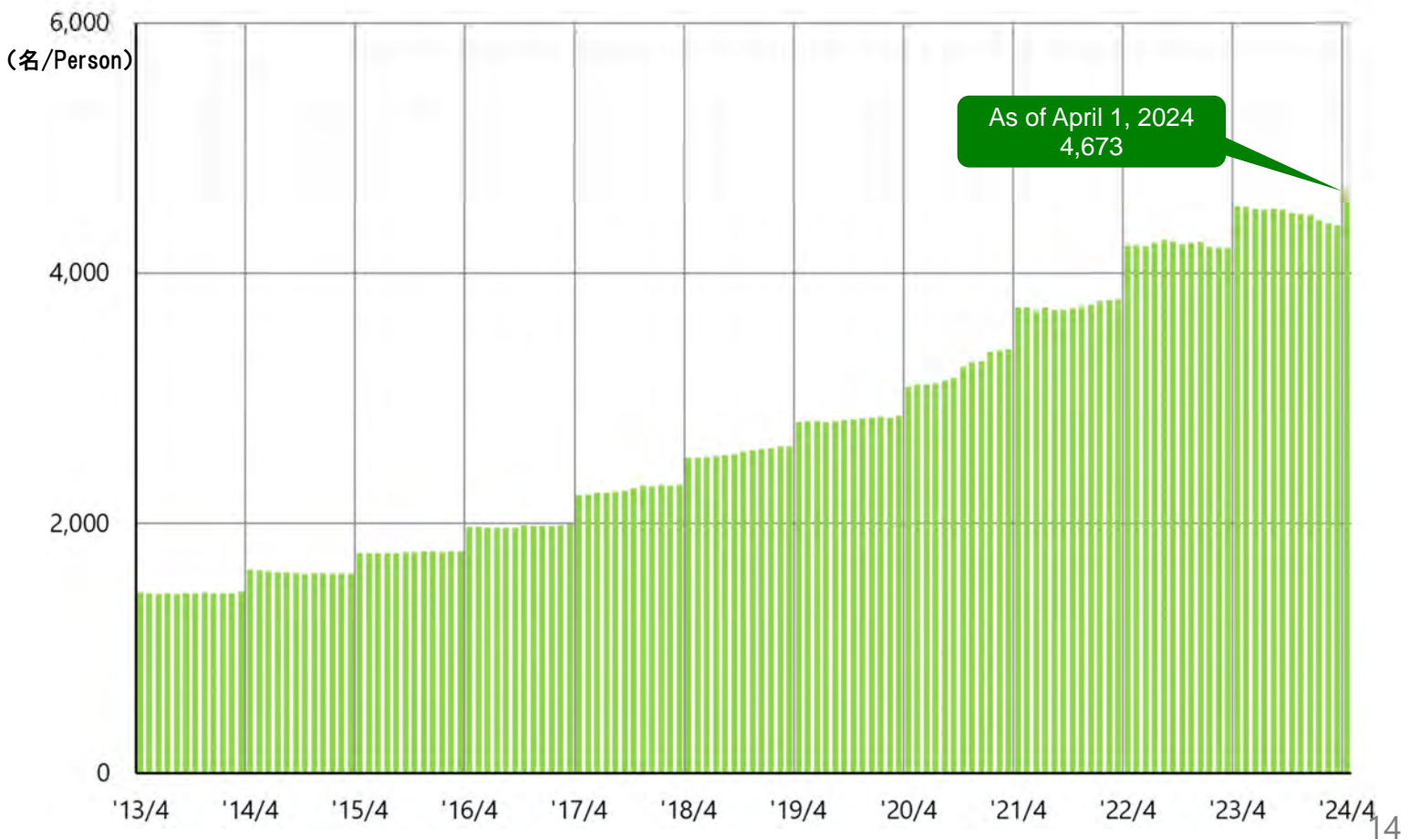
Number of Engineers (Group Consolidated)



Number of Engineers (MEITEC)



Number of Engineers (MEITEC Fielders)

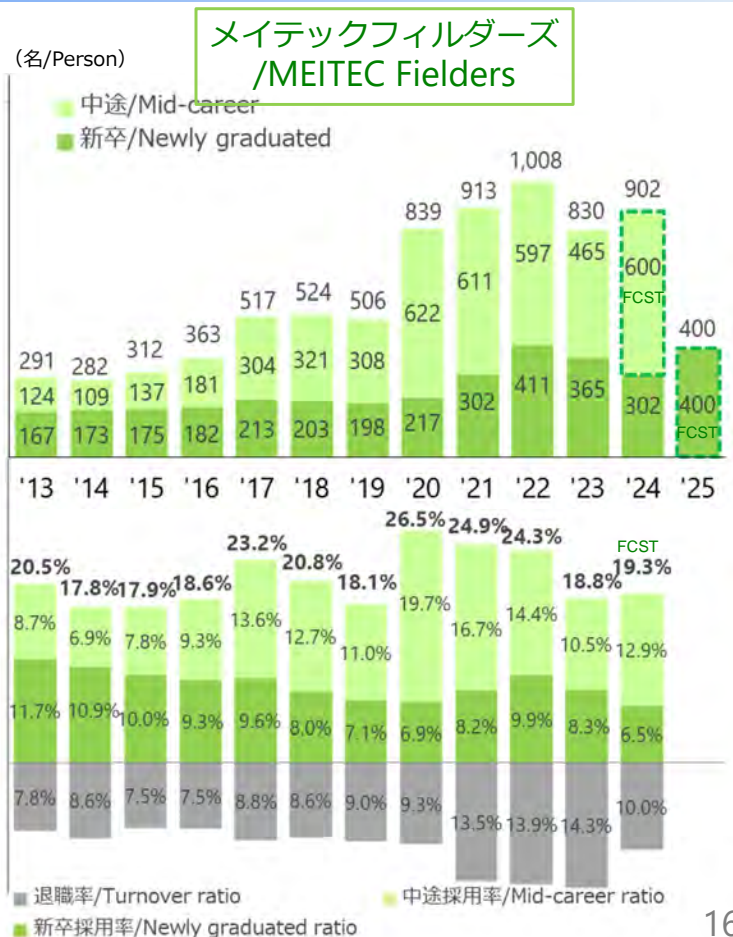
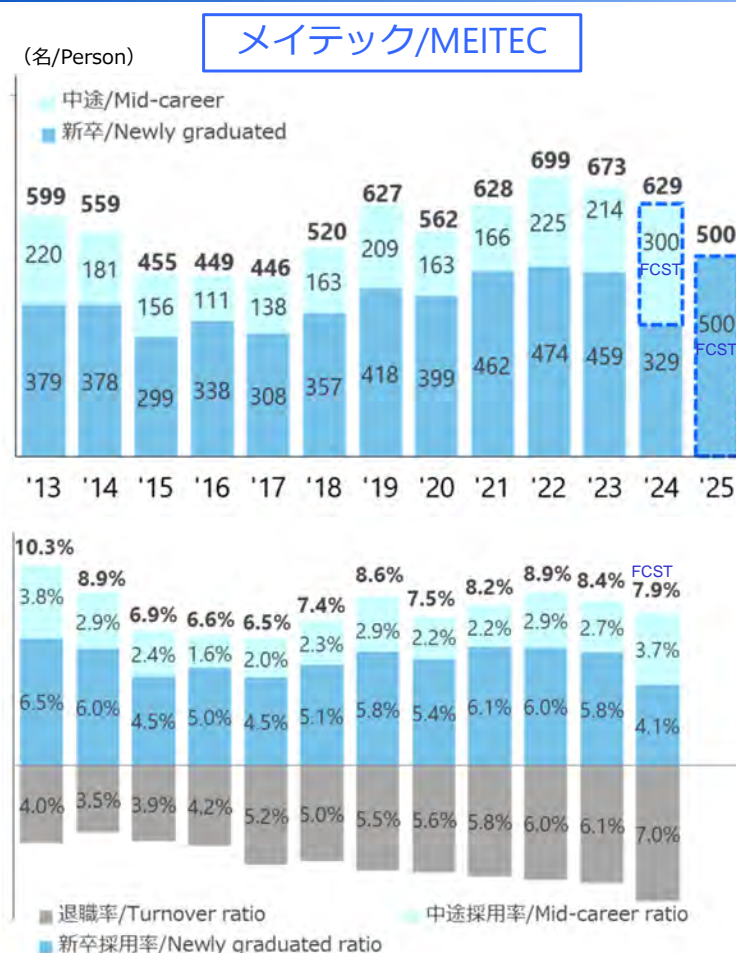


Status of Recruitment and Hiring Target

(Person)	Meitec			Meitec Fielders			2 group companies		
	Total	New Graduates	Mid-career	Total	New Graduates	Mid-career	Total	New Graduates	Mid-career
FY2025		Target			Target			Target	
April 2025		500			400			900	
YoY Target comparison		+171			+98			+269	
FY2024	Target	Actual	Target	Target	Actual	Target	Target	Actual	Target
April 2024	629	329	300	902	302	600	1,531	631	900
YoY Target comparison	(44)	(130)	+86	+72	(63)	+135	+28	(193)	+221
		(171)			(148)			(319)	
FY2023	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
April 2023	673	459	214	830	365	465	1,503	824	679
YoY Target comparison	(26)	(15)	(11)	(178)	(46)	(132)	(204)	(61)	(143)
	(47)	(21)	(26)	(170)	(35)	(135)	(217)	(56)	(161)

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Recruitment and Turnover



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Comments on Hiring [New Graduate Hiring]

April 2024 New Graduate Hiring Results :Meitec

1. There has been an extraordinarily strong corporate appetite for hiring new graduates, and with recruitment activities beginning earlier and lasting longer, new graduate hiring proved difficult.
2. Although we missed our target for the number of new engineers joining the Company, we maintained the approach that our hiring standards must be maintained.

April 2025 New Graduate Hiring Targets :Meitec

1. Compared to the previous year, students are receiving more job offers earlier, and we are aware that the job offer rate to new graduates is already high.
2. Compared to the previous year, refusals of job offers are coming earlier as students feel pressured to accept offers.
3. We aim to increase the number of students who accept job offers through differentiation and concentration.
4. We will quickly implement measures to limit job refusals.

April 2024 New Graduate Hiring Results :Meitec Fielders

1. Against the backdrop of an extraordinarily strong appetite for new graduate hiring, we believe that we have been impacted by competitors lowering their hiring standards to prioritize securing hiring numbers.
2. This, combined with the difficulty posed by recruitment activities beginning earlier and lasting longer, led the number of new engineers joining the Company to fall below targets.

April 2025 New Graduate Hiring Targets :Meitec Fielders

1. Middle-zone students are continuing to pursue job hunting activities actively.
2. We will work to increase the quantity and quality of relationships with students and to increase the number of new graduates accepting job offers.

Comments on Hiring [Mid-career Hiring]

Mid-career Hiring Results: Meitec

1. In a challenging hiring environment with a persistently high openings-to-applicants ratio, the number of mid-career hires was on a par with the previous fiscal year.
2. We maintained our hiring standards to maintain our high added value.

Mid-career Hiring Targets: Meitec

1. Even with many companies loosening their hiring standards, we are still seeing large-scale personnel restructuring.
2. We aim to maintain our hiring standards, to create appeal for the significance of working as a lifetime professional engineer with high-level, broad-based technologies and skills, and to achieve our high hiring targets.

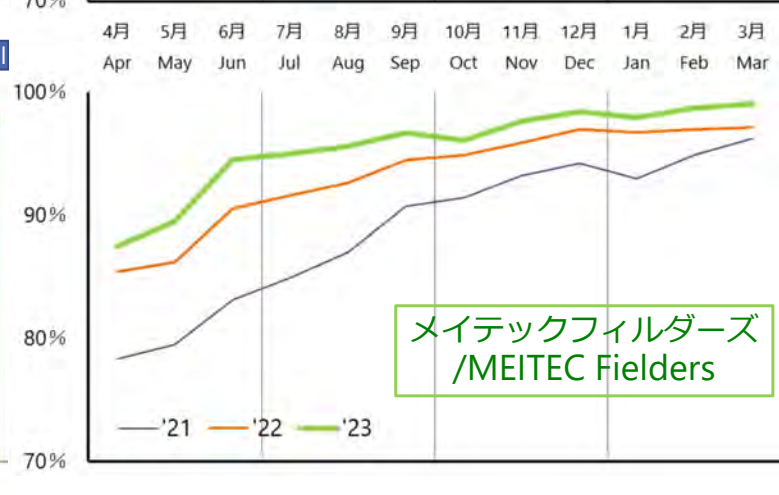
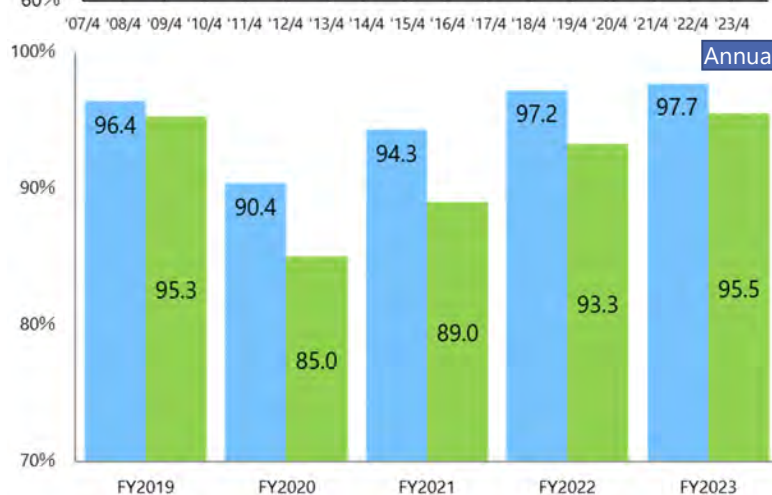
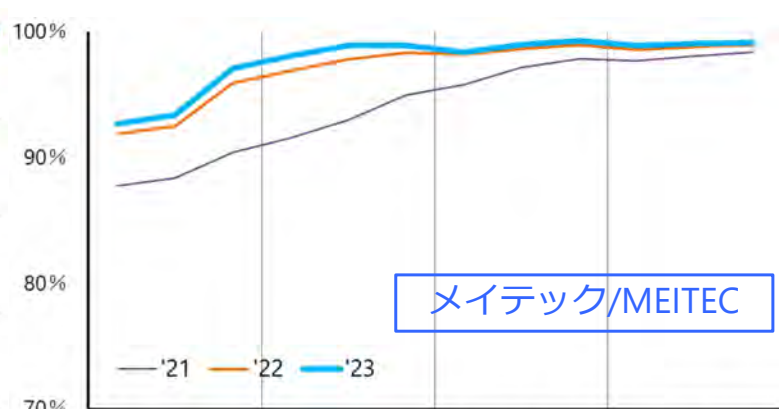
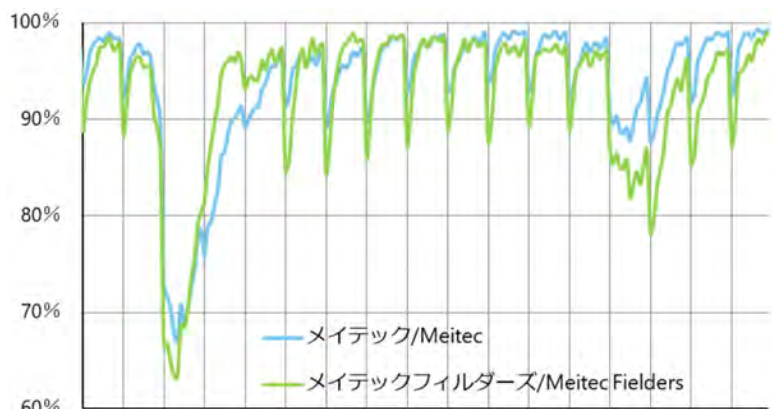
Mid-career Hiring Results: Meitec Fielders

1. We have been impacted by companies that had limited themselves to the high-end in the past and are now encroaching on the middle zone and lowering their hiring standards.
2. Although we maintained our hiring standards, there are areas for improvement in the flexibility of our differentiation policies, etc.

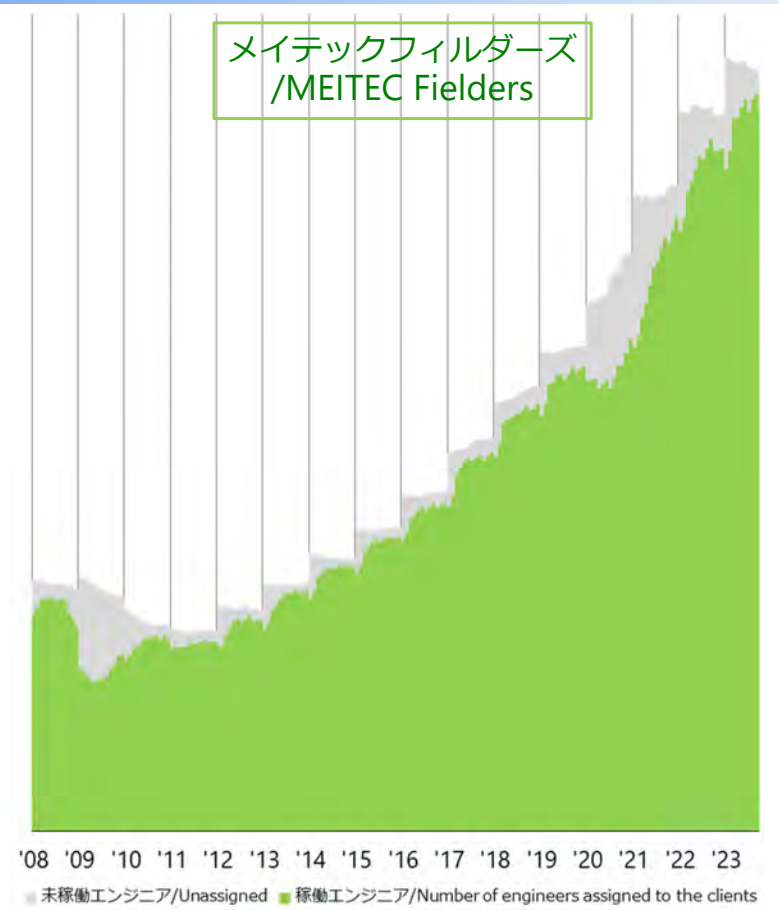
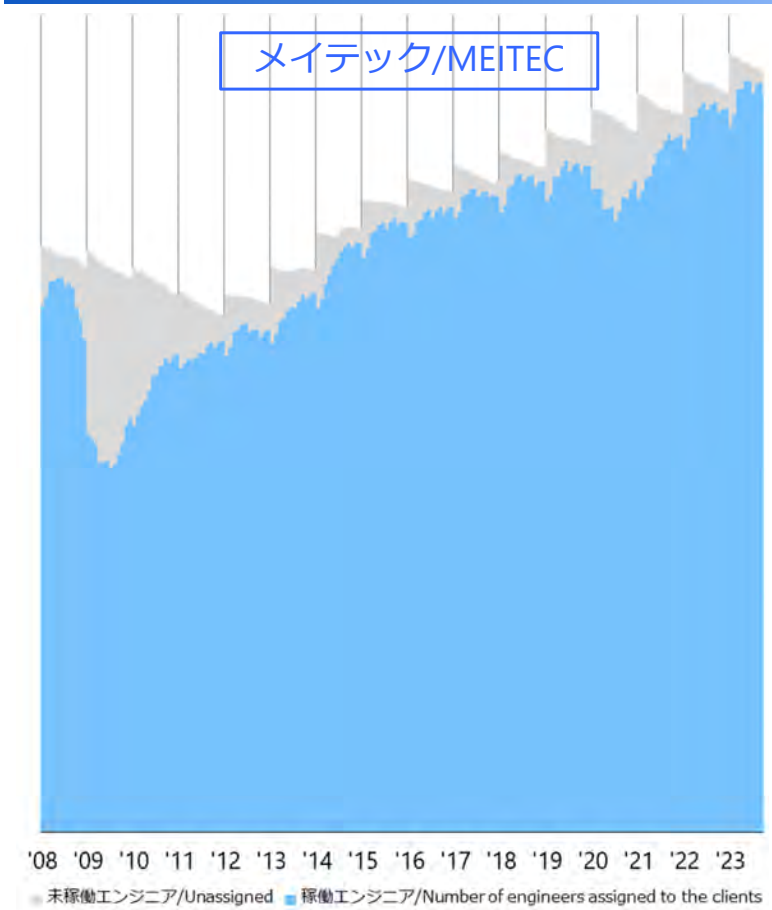
Mid-career Hiring Targets: Meitec Fielders

1. Considering the level of turnover ratio, we will maintain our hiring standards.
2. We would like to continue to implement flexible differentiation policies dynamically.
3. From the hiring targets announced by competitors, the market seems in disarray, which is cause for concern.

Utilization Ratio



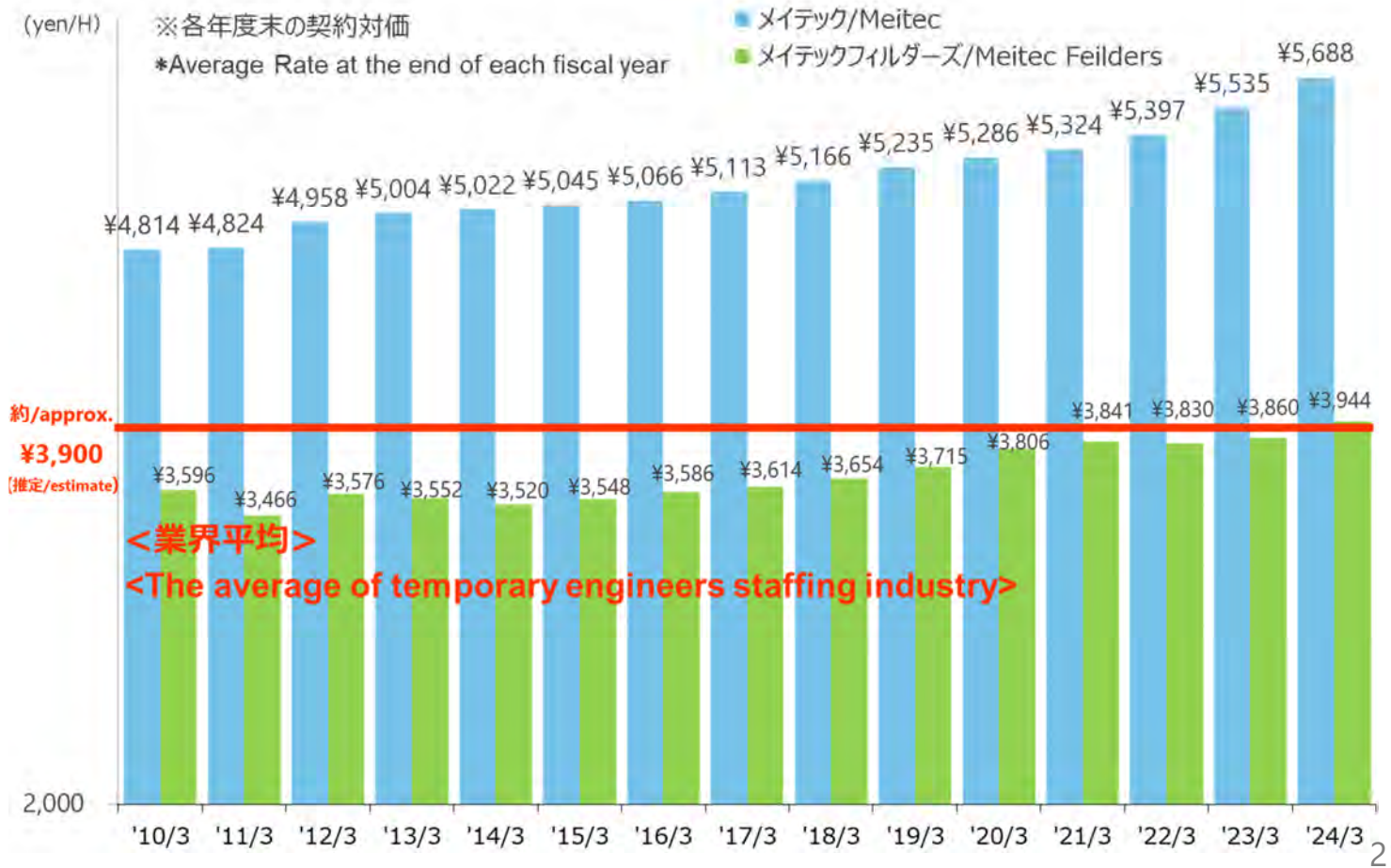
Number of Engineers Assigned to the Clients (Key factor of Sales)



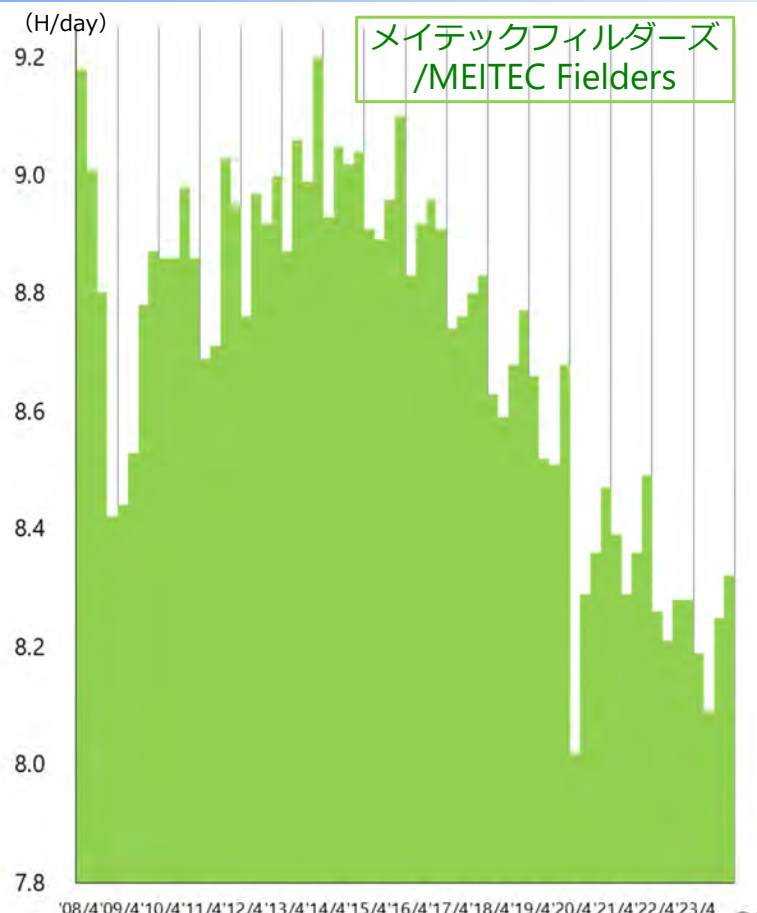
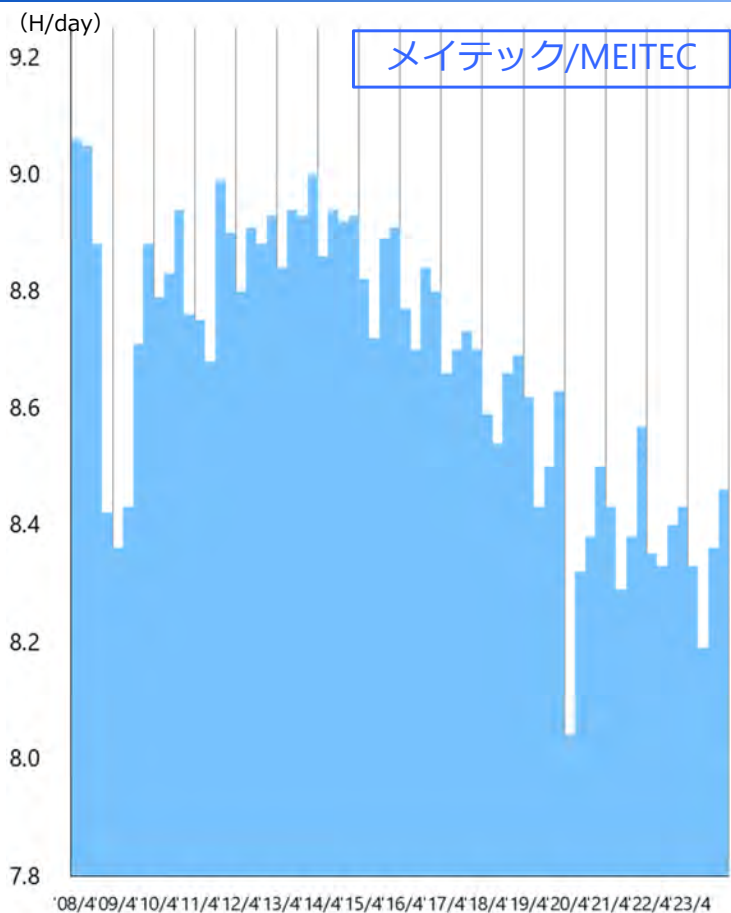
'08 '09 '10 '11 '12 '13 '14 '15 '16 '17 '18 '19 '20 '21 '22 '23
 ■ 未稼働エンジニア/Unassigned ■ 稼働エンジニア/Number of engineers assigned to the clients

'08 '09 '10 '11 '12 '13 '14 '15 '16 '17 '18 '19 '20 '21 '22 '23
 ■ 未稼働エンジニア/Unassigned ■ 稼働エンジニア/Number of engineers assigned to the clients

Trend in Average Rate = (Market Value)



Working Hours

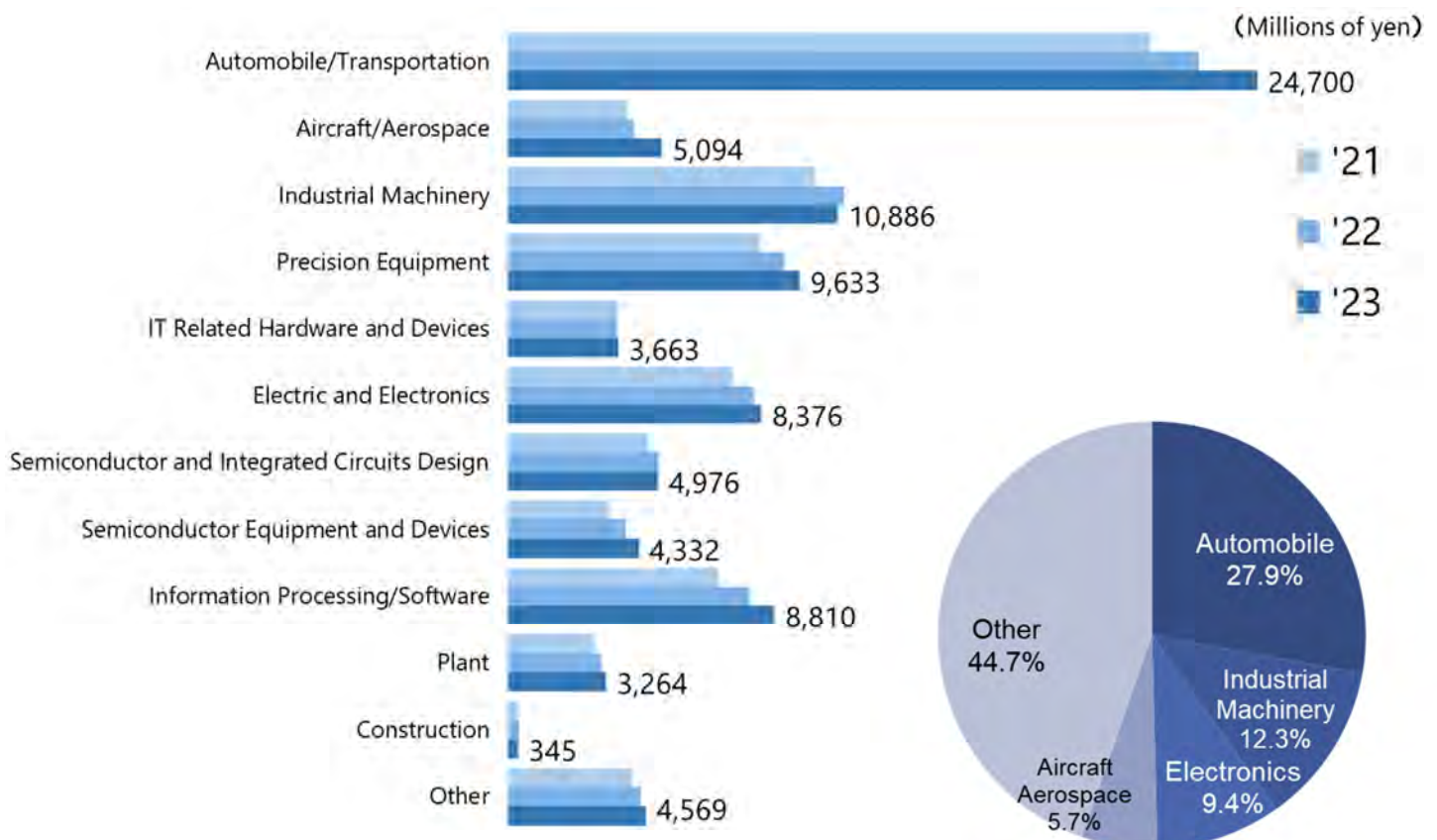


Top 10 Clients by Sales (MEITEC)

5 Years ago			Previous year			(Fractions of one million yen are rounded down)		
FY2018			FY2022			FY2023		
1	Denso		1	Denso		1	Denso	
2	Mitsubishi Heavy Industries		2	Sony Semiconductor Solutions		2	Sony Semiconductor Solutions	
3	Panasonic		3	Mitsubishi Heavy Industries		3	Mitsubishi Heavy Industries	
4	Toyota Motor		4	Nikon		4	Nikon	
5	Sony Semiconductor Solutions		5	Hitachi High-Tech		5	Hitachi High-Tech	
6	Canon		6	Denso Ten		6	Denso Ten	
7	Nikon		7	Toyota Motor		7	Subaru	
8	Honda R&D		8	Subaru		8	Honda Motor	
9	Olympus		9	Panasonic		9	Panasonic	
10	Omron		10	Yamaha Motor		10	Yamaha Motor	
Top 10 Total	17,910	24.2%	Top 10 Total	19,608	23.4%	Top 10 Total	21,495	24.2%
Top 20 Total	25,607	34.6%	Top 20 Total	28,465	34.0%	Top 20 Total	31,396	35.4%
Others	48,430	65.4%	Others	55,299	66.0%	Others	57,256	64.6%
Total	74,036	100.0%	Total	83,765	100.0%	Total	88,653	100.0%

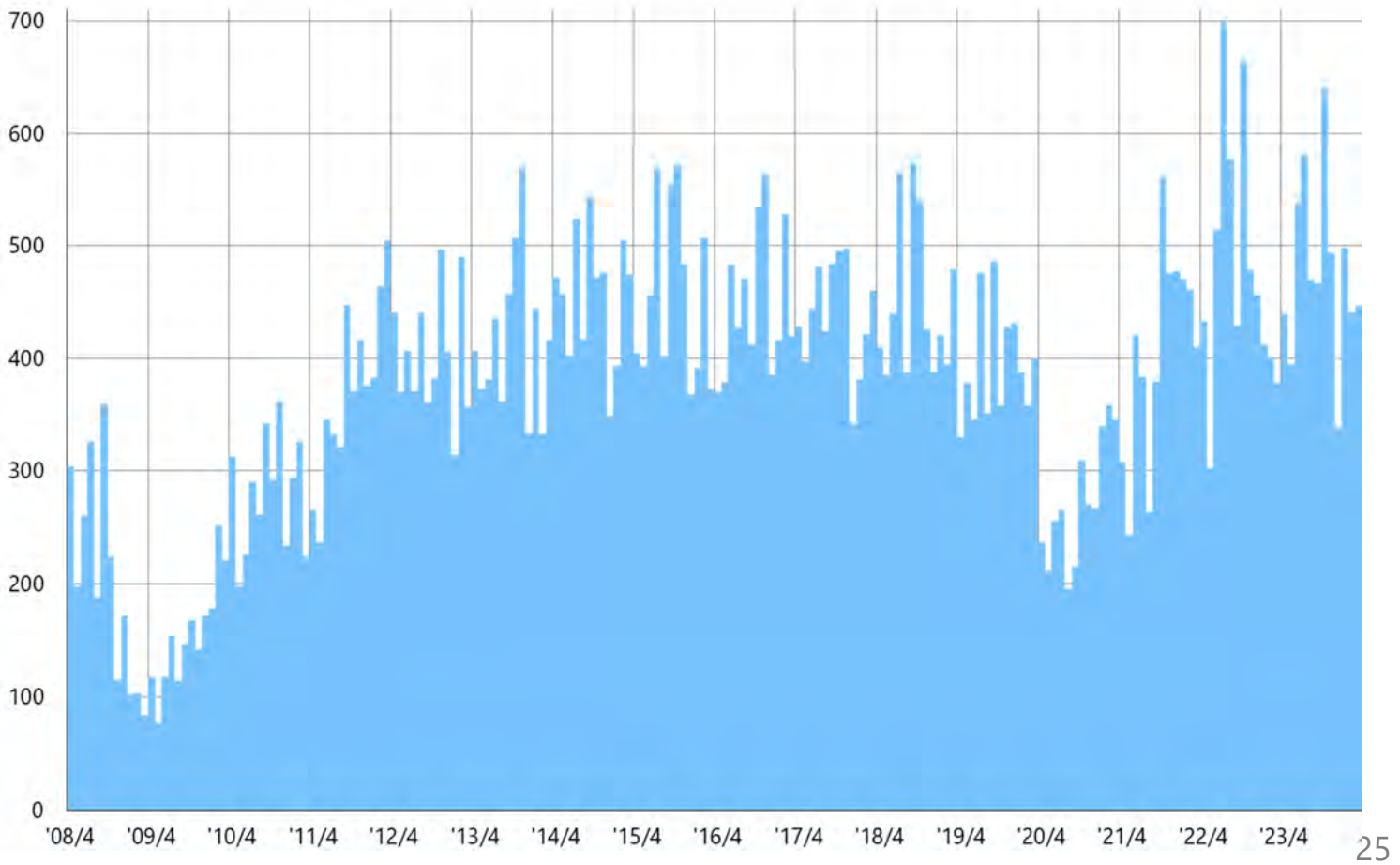
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Sales by the Industrial Segments (MEITEC)



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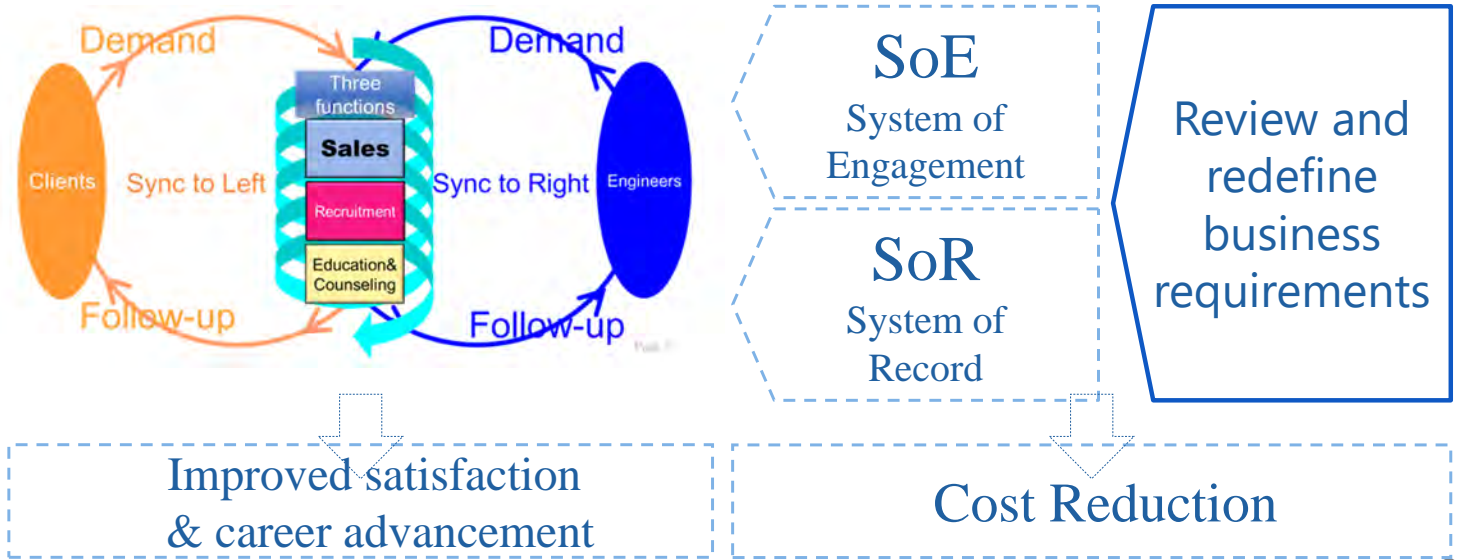
Trend in New Orders by Month (MEITEC)



2. Progress on Mid-term Management Plan[2023-2025]

Basic policy and progress on Mid-term Management Plan 1)

1	(1) an approach oriented to the two groups of users of our services,	3	Synchronize and strongly promote (1) strengthening engagement, (2) efficiently pursuing aptitude, and (3) reducing operating expenses
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Basic policy and progress on Mid-term Management Plan 2)

1	Actively pursue further added value by combining (2) diverse service variations	2	Actively enhance the “power of numbers” while continuing to compete based on quality
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The combined offensive is still only halfway through	The goal of the “power of numbers” is a strong recovery
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Hardware technology and software technology	New graduate recruitment and mid-career recruitment
Conventional technology and next generation technology	Number of technical training courses and participants

Progress on Mid-term Management Plan[2023-2025] 3)

		1st year actual	2nd year forecast	Mid-Term Management Plan
(Billion Yen)		FY2023	FY2024	FY2025
Group Consolidated	Net Sales	127.0	132.7	145.0
	Operating Profit	17.7	17.5	19.0
	Margin	13.9%	13.2%	13%
	Profit	12.3	12.1	13.0
	ROE	26.1%	25.4%	30%
Meitec	Net Sales	88.7	91.2	95.0
	Operating Profit	13.8	13.7	14.3
	Margin	15.6%	15.0%	15%
Meitec Fielders	Net Sales	33.7	36.3	44.5
	Operating Profit	3.1	3.3	4.5
	Margin	9.2%	9.0%	10%

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3. Summary of Forecasts for the Fiscal Year Ending March 31, 2025

1. Although we expect continued increased sales, we also expect the rate of increase in sales to decline due mainly to April new graduate hires falling below previous year levels.
2. We have priced in the increase in IT system-related SG&A expenses and expect operating profit to be on a par with previous year levels.
3. We have priced in the disappearance of the impact of decreased tax burden and expect profit to decline slightly.

Forecast for the Fiscal Year Ending March 31, 2025 (Group Consolidated)

(Fractions of one million yen are rounded down)	Annual forecast	YoY		1st half forecast	YoY		2nd Half forecast
		Amount	% Change		Amount	% Change	
Net sales	132,700	+ 5,723	+ 4.5%	65,000	+ 2,446	+ 3.9%	67,700
Cost of sales	97,500	+ 4,758	+ 5.1%	48,030	+ 2,357	+ 5.2%	49,470
SG&A Expenses	17,700	+ 1,126	+ 6.8%	8,770	+ 510	+ 6.2%	8,930
Operating profit	17,500	(160)	(0.9%)	8,200	(420)	(4.9%)	9,300
Operating profit margins	13.2%	(0.7%)		12.6%	(1.2%)		14.0%
Ordinary profit	17,600	(67)	(0.4%)	8,200	(425)	(4.9%)	9,400
Profit attributable to owners of parent	12,100	(243)	(2.0%)	5,600	(150)	(2.6%)	6,500
Earnings per Share	156.72	(1.29)		72.53	(0.80)		

Forecast for the Fiscal Year Ending March 31, 2025 (MEITEC)

(Fractions of one million yen are rounded down)	Annual forecast	YoY		1st half forecast	YoY		2nd Half forecast
		Amount	% Change		Amount	% Change	
Net sales	91,200	+2,546	+2.9%	44,900	+1,159	+2.7%	46,300
Cost of sales	65,400	+1,630	+2.6%	32,500	+1,041	+3.3%	32,900
Cost of sales to Net sales	71.7%	(0.2%)		72.4%	+0.5%		71.1%
SG&A Expenses	12,100	+1,064	+9.7%	6,000	+571	+10.5%	6,100
Operating profit	13,700	(148)	(1.1%)	6,400	(453)	(6.6%)	7,300
Operating profit margins	15.0%	(0.6%)		14.3%	(1.4%)		15.8%
Ordinary profit	13,700	(1,366)	(9.1%)	6,400	(1,662)	(20.6%)	7,300
Profit	9,400	(1,268)	(11.9%)	4,400	(1,346)	(23.4%)	5,000
Utilization ratio (Company-wide)	97.7%	—		97.0%	+0.5%		98.5%
Working Hours <h/day>	8.33	—		8.26	—		8.41
Number of Recruitment	629	(44.00)					
Newly graduated	329	(130)					
Mid-career	300	+86					
Turnover Ratio	7.0%	+0.9%		500		+171	

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Forecast for the Fiscal Year Ending March 31, 2025 (MEITEC Fielders)

(Fractions of one million yen are rounded down)	Annual forecast	YoY		1st half forecast	YoY		Forecast 2nd Half
		Amount	% Change		Amount	% Change	
Net sales	36,300	+2,637	+7.8%	17,600	+1,136	+6.9%	18,700
Cost of sales	28,450	+2,224	+8.5%	13,850	+1,011	+7.9%	14,600
Cost of sales to Net sales	78.4%	+0.5%		78.7%	+0.7%		78.1%
SG&A Expenses	4,600	+263	+6.1%	2,200	+6	+0.3%	2,400
Operating profit	3,250	+149	+4.8%	1,550	+118	+8.3%	1,700
Operating profit margins	9.0%	(0.2%)		8.8%	+0.1%		9.1%
Ordinary profit	3,250	+152	+4.9%	1,550	+117	+8.2%	1,700
Profit	2,250	(71)	(3.1%)	1,050	+64	+6.6%	1,200
Utilization ratio (Company-wide)	95.9%	+0.4%		94.7%	+1.6%		97.1%
Working Hours <h/day>	8.21	—		8.14	—		8.28
Number of Recruitment	902	+72.00					
Newly graduated	302	(63)					
Mid-career	600	+135					
Turnover Ratio	10.0%	(4.3%)		400		+98	

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- Basic Policy Regarding Profit Distribution to be revised effective FYE March 31, 2025
- Because voices concerned over lowering liquidity outweighed those expecting higher EPS

	Until FYE Mar. 31, 2024	From FYE Mar. 31, 2025
Total Return Ratio	100% or less	Consistent
Dividends	Dividend related to performances: Equal or more than 50% of consolidated profit	Dividends form the basis of this method
Treasury shares acquisition	Appropriate payment considering Total Return Ratio and Dividend Payout Ratio	When PBR falls below 3

New Basic Policy Regarding Profit Distribution

Conditions for implementing profit distribution

1. Enhancement of “quality and quantity” of shareholders’ equity
2. Balance of funds exceeds 3 months worth of monthly sales forecast

Policy

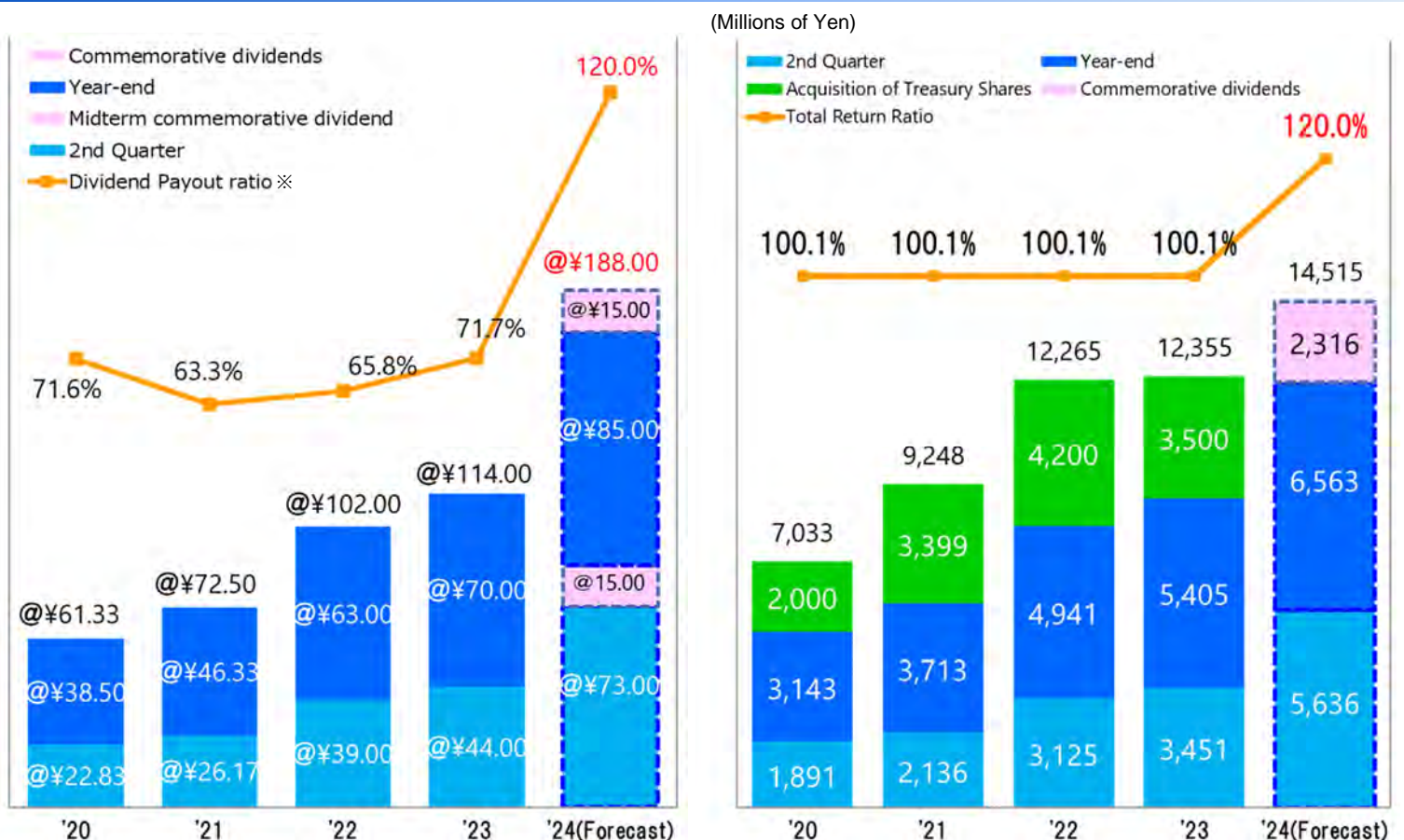
1. Total payout ratio of 100% or less in principle
2. Minimum dividend payout equal to dividend on equity ratio of 5%
3. Dividends form the basis of the distribution method
4. When PBR falls below 3, treasury shares acquisition will be considered
5. Maximum treasury shares will be 5% of total shares issued

Supplementary explanation on holding treasury shares

Treasury shares will be held to enable flexible financial policies to hedge risks accompanying implementation and growth of future growth strategies to achieved targets of the Management Plan

1. We will maintain our 100% total return ratio that has been in place since FY2020.
2. According to our new policy, because our PBR exceeds $3\times$, we plan not to acquire treasury shares and to pay 100% dividends.
3. We would like to express our gratitude in welcoming the 50th anniversary of our founding on July 17 of this year.
 Interim dividends of ¥15 plus year-end dividends of ¥15 equal annual dividend of ¥30.
4. We expect a 120% total payout ratio only for FY2024.
5. Lastly, I would like to mention that these changes to our policy differ from the general approach to progressive dividends.

Results and Forecast of Profit Distribution

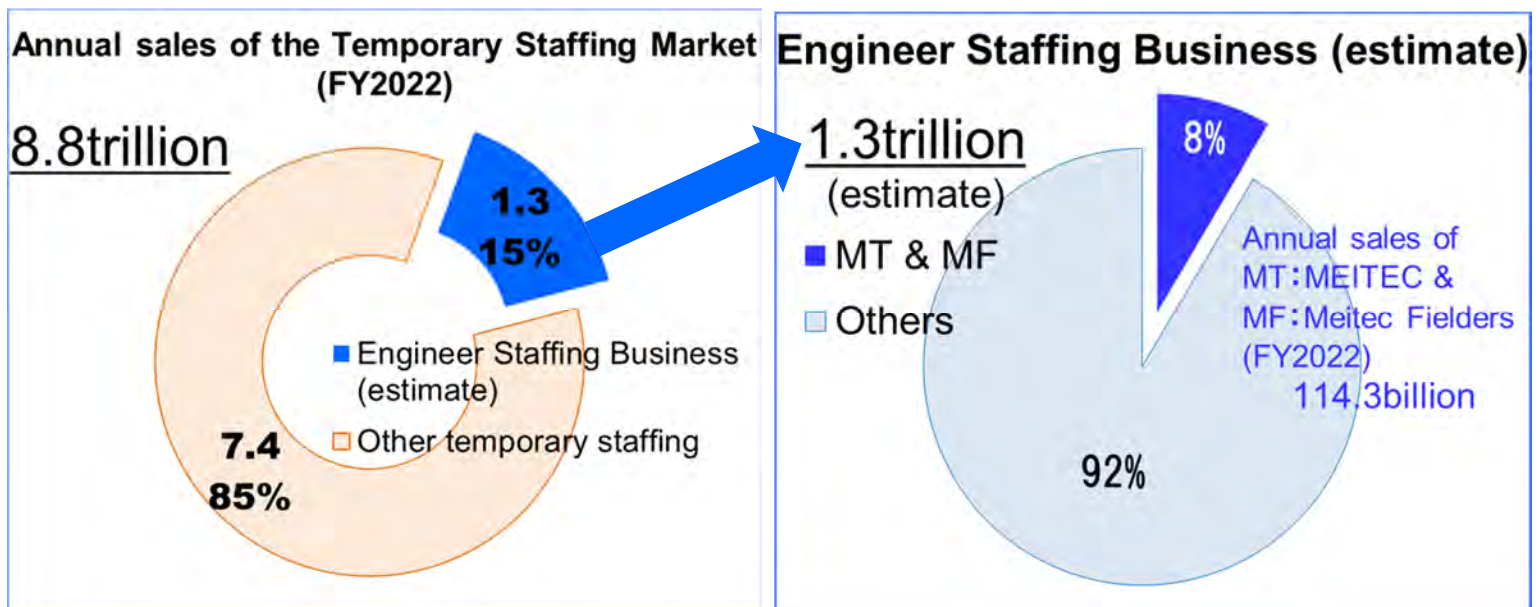


* The dividend payout ratio is the ratio of the total amount of dividends paid out to shareholders relative to the net income.

4. Reference Materials

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Market of Engineer Staffing Business (estimate)

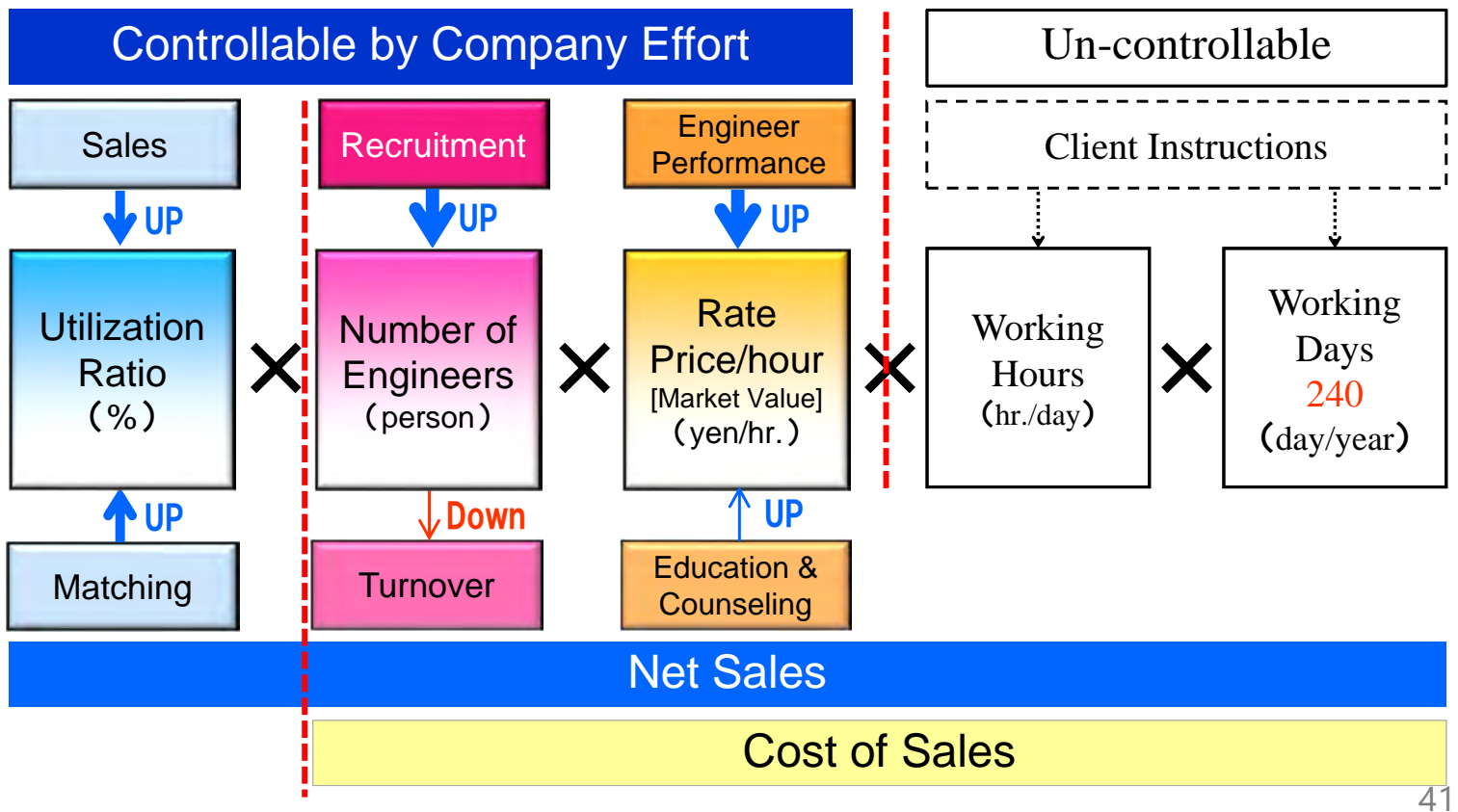


March-2024		Engineer Staffing (estimate)
Meitec	Meitec Fielders	
¥5,688	¥3,944	
		approx.¥3,900

Source: MHLW statistics . We calculated the estimate originally. * We assume no responsibility for our estimation.

Sales and Cost

- ✓ Increasing the number of engineers and sustaining and improving the high "utilization ratio and prices" are the key to a growth.



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Forecast for the Fiscal Year Ending March 31, 2025

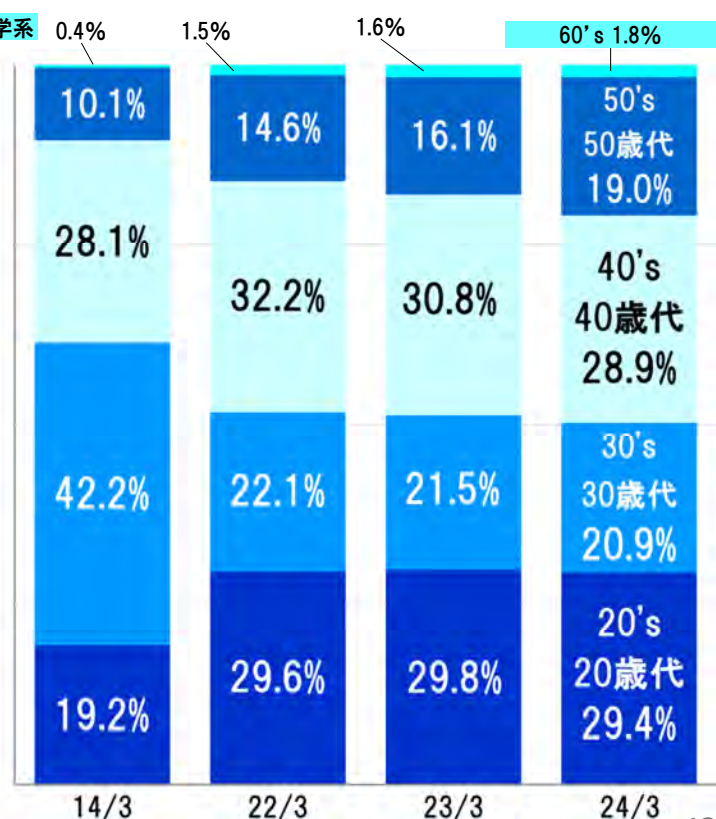
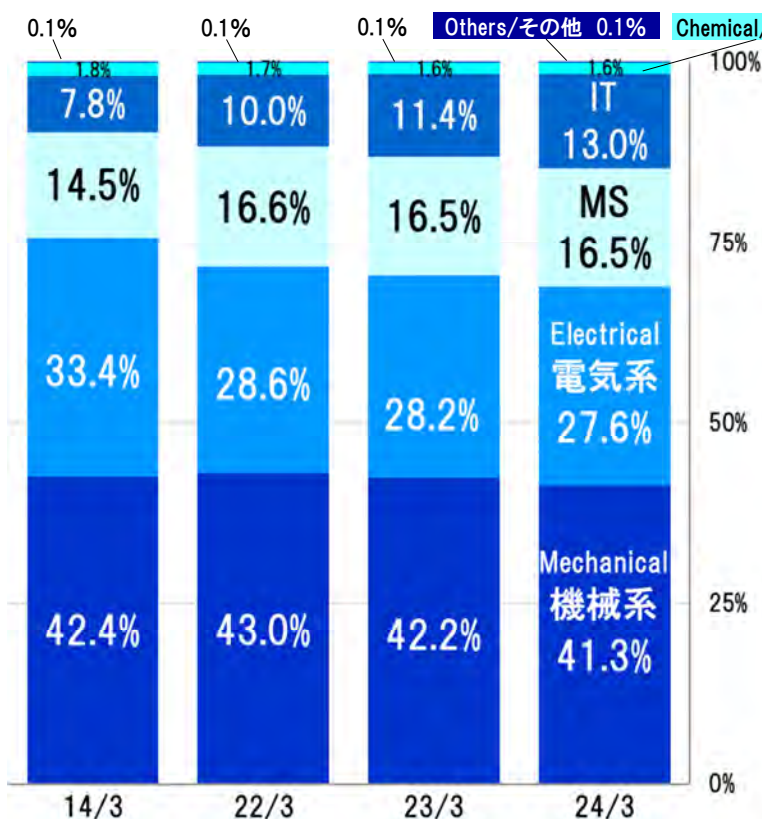
(Millions of yen)	Engineering Solutions Business			Recruiting & Placement Business for Engineers
	Meitec	Meitec Fielders	Meitec Cast	Meitec Next
Net sales	91,200	36,300	3,500	1,490
YoY Amount	+2,546	+2,637	+56	+91
% Change	+2.9%	+7.8%	+1.6%	+6.5%
Operating profit	13,700	3,250	210	500
YoY Amount	(137)	+149	(6)	+41
% Change	(1.0%)	+4.8%	(2.9%)	+9.0%
Margin	+15.0%	+9.0%	+6.0%	+33.6%
% Change	(0.6%)	(0.3%)	(0.3%)	+0.7%
Ordinary profit	13,700	3,250	210	500
Profit	9,400	2,250	140	320

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Distribution of Engineers by Technical Fields and Age (MEITEC)

技術分野/Technical field

年齢/According to age

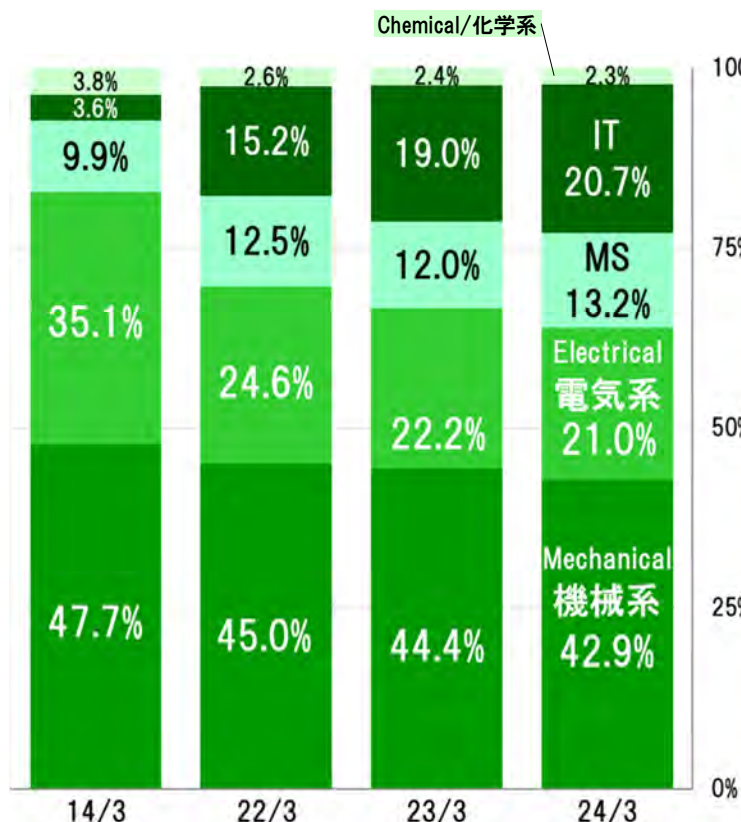


MS: Micro Computer System

Distribution of Engineers by Technical Fields and Age (MEITEC Fielders)

技術分野/Technical field

年齢/According to age



MS: Micro Computer System

Sales by the Industrial Segments (MEITEC)

(Fractions of one million yen are rounded down)

Meitec	FY2019	FY2020	FY2021	FY2022	FY2023			
	Net Sales				Net Sales	Total Net Sales(%)	Change	Change (%)
Automobile/Transportation	22,513	20,239	21,161	22,769	24,700	27.9%	+1,930	+ 8.5%
Aircraft/Aerospace	4,636	4,084	3,936	4,198	5,094	5.7%	+895	+ 21.3%
Industrial Machinery	10,544	9,373	10,154	11,101	10,886	12.3%	(215)	(1.9%)
Precision Equipment	7,069	7,516	8,339	9,139	9,633	10.9%	+494	+5.4%
IT Related Hardware and Devices	3,615	3,604	3,658	3,623	3,663	4.1%	+40	+ 1.1%
Electric and Electronics	7,831	7,119	7,437	8,156	8,376	9.4%	+219	+ 2.7%
Semiconductors and Integrated Circuits Design	3,962	4,107	4,636	4,990	4,976	5.6%	(13)	(0.3%)
Semiconductor Equipment and Devices	2,698	2,942	3,372	3,897	4,332	4.9%	+434	+ 11.1%
Information Processing/Software	5,778	5,871	6,964	7,996	8,810	9.9%	+813	+ 10.2%
Plant	2,823	2,664	2,878	3,107	3,264	3.7%	+156	+ 5.0%
Construction	295	290	357	374	345	0.4%	(28)	(7.6%)
Others	3,526	3,638	4,112	4,409	4,569	5.2%	+160	+3.6%
Total	75,297	71,452	77,010	83,765	88,653	100.0%	+4,888	+ 5.8%

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Sales by the Industrial Segments (MEITEC Fielders)

(Fractions of one million yen are rounded down)

Meitec Fielders	FY2019	FY2020	FY2021	FY2022	FY2023			
	Net Sales				Net Sales	Total Net Sales(%)	Change	Change (%)
Automobile/Transportation	6,761	6,117	6,996	7,849	8,829	26.2%	+979	+ 12.5%
Aircraft/Aerospace	401	397	420	393	562	1.7%	+169	+ 43.0%
Industrial Machinery	3,984	4,012	4,699	5,764	6,285	18.7%	+521	+ 9.0%
Precision Equipment	2,709	2,838	3,375	3,654	3,934	11.7%	+280	+ 7.7%
IT Related Hardware and Devices	782	644	629	685	805	2.4%	+120	+ 17.5%
Electric and Electronics	2,231	2,191	2,549	3,108	3,456	10.3%	+348	+ 11.2%
Semiconductors and Integrated Circuits Design	702	731	882	1,087	1,128	3.4%	+40	+ 3.8%
Semiconductor Equipment and Devices	1,351	1,163	1,476	1,826	1,804	5.4%	(21)	(1.2%)
Information Processing/Software	766	1,142	1,881	2,693	3,056	9.1%	+362	+ 13.5%
Plant	710	922	1,079	1,139	1,317	3.9%	+178	+ 15.7%
Construction	11	9	27	48	43	0.1%	(5)	(10.3%)
Others	969	1,136	1,795	2,220	2,437	7.2%	+216	+ 9.7%
Total	21,383	21,308	25,814	30,471	33,662	100.0%	+3,190	+ 10.5%

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Trend of Performances (Group Consolidated)

(Millions of Yen)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net sales	79,898	53,776	61,790	66,955	70,330	74,906	82,136	87,888	89,979	93,618	97,736	100,995	96,626	107,140	119,069	126,976
Cost of sales	57,177	46,765	48,832	49,875	51,639	55,370	60,481	64,661	66,417	69,250	71,701	73,823	72,203	78,917	86,360	92,741
Cost of sales to Net sales	71.6%	87.0%	79.0%	74.5%	73.4%	73.9%	73.6%	73.6%	73.8%	74.0%	73.4%	73.1%	74.7%	73.7%	72.5%	73.0%
Gross profit	22,720	7,010	12,957	17,079	18,691	19,536	21,654	23,227	23,561	24,368	26,035	27,171	24,422	28,223	32,708	34,234
Selling, general and administrative expenses	13,439	11,939	10,337	11,629	12,337	12,556	12,114	12,352	12,418	12,910	13,399	14,245	14,188	15,405	16,245	16,573
SG&A expenses to Net sales	16.8%	22.2%	16.7%	17.4%	17.5%	16.8%	14.7%	14.1%	13.8%	13.8%	13.7%	14.1%	14.7%	14.4%	13.6%	13.1%
Operating profit	9,280	(4,928)	2,620	5,450	6,354	6,979	9,540	10,874	11,142	11,458	12,635	12,926	10,234	12,817	16,462	17,660
Operating profit margins	11.6%	(9.2%)	4.2%	8.1%	9.0%	9.3%	11.6%	12.4%	12.4%	12.2%	12.9%	12.8%	10.6%	12.0%	13.8%	13.9%
Non-operating income	87	4,729	2,146	114	97	50	113	29	20	19	15	55	81	144	89	44
Non-operating expenses	107	77	178	32	24	51	10	58	17	11	7	6	9	13	11	37
Ordinary profit	9,260	(276)	4,588	5,531	6,427	6,978	9,643	10,845	11,145	11,465	12,643	12,975	10,306	12,948	16,540	17,667
Ordinary profit margins	11.6%	(0.5%)	7.4%	8.3%	9.1%	9.3%	11.7%	12.3%	12.4%	12.2%	12.9%	12.8%	10.7%	12.1%	13.9%	13.9%
Extraordinary income	13	32	378	—	58	—	20	1,084	31	337	26	—	—	—	—	0
Extraordinary loss	1,094	130	234	4	215	146	3,621	65	45	262	18	3	4	5	3	6
Profit before income taxes	8,178	(374)	4,732	5,526	6,270	6,832	6,041	11,865	11,131	11,541	12,651	12,971	10,301	12,942	16,537	17,660
Total income taxes and others	3,875	530	1,041	2,699	277	2,858	2,381	3,781	3,193	3,409	3,822	3,878	3,272	3,701	4,285	5,317
Profit attributable to owners of parent	4,303	(904)	3,690	2,827	5,993	3,973	3,659	8,083	7,937	8,132	8,829	9,093	7,028	9,240	12,252	12,343
Profit margins	5.4%	(1.7%)	6.0%	4.2%	8.5%	5.3%	4.5%	9.2%	8.8%	8.7%	9.0%	9.0%	7.3%	8.6%	10.3%	9.7%

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Trend of Performances (MEITEC)

(Millions of Yen)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net sales	60,457	41,319	48,260	53,188	55,822	58,876	64,675	68,878	70,083	72,252	74,036	75,297	71,452	77,010	83,765	88,653
Cost of sales	43,109	36,074	38,777	39,987	41,240	43,742	47,857	50,884	52,013	53,861	54,620	55,138	53,438	56,503	60,117	63,769
Cost of sales to Net sales	71.3%	87.3%	80.4%	75.2%	73.9%	74.3%	74.0%	73.9%	74.2%	74.5%	73.8%	73.2%	74.8%	73.4%	71.8%	71.9%
Gross profit	17,348	5,245	9,482	13,200	14,582	15,134	16,817	17,994	18,069	18,391	19,416	20,159	18,014	20,507	23,648	24,883
Selling, general and administrative expenses	8,540	8,210	7,758	8,587	9,179	9,382	8,891	8,932	8,856	9,048	9,258	9,776	9,414	9,960	10,436	11,035
SG&A expenses to Net sales	14.1%	19.9%	16.1%	16.1%	16.4%	15.9%	13.7%	13.0%	12.6%	12.5%	12.5%	13.0%	13.2%	12.9%	12.5%	12.4%
Operating profit	8,807	(2,964)	1,724	4,613	5,402	5,751	7,925	9,061	9,213	9,342	10,157	10,382	8,600	10,546	13,212	13,848
Operating profit margins	14.6%	(7.2%)	3.6%	8.7%	9.7%	9.8%	12.3%	13.2%	13.1%	12.9%	13.7%	13.8%	12.0%	13.7%	15.8%	15.6%
Non-operating income	564	3,840	1,976	389	314	426	523	517	601	769	769	913	956	592	913	1,238
Non-operating expenses	76	53	150	14	19	426	10	52	16	6	6	5	8	13	11	20
Ordinary interests in income	9,294	822	3,550	4,988	5,698	6,149	8,438	9,526	9,798	10,105	10,921	11,290	9,547	11,125	14,113	15,066
Ordinary profit margins	15.4%	2.0%	7.4%	9.4%	10.2%	10.4%	13.0%	13.8%	14.0%	14.0%	14.8%	15.0%	13.4%	14.4%	16.8%	17.0%
Extraordinary income	7	2	3	—	462	—	324	1,088	200	364	16	—	—	—	—	0
Extraordinary loss	2,912	626	318	66	228	372	3,673	50	222	261	52	2	4	5	3	6
Profit before income taxes	6,389	197	3,236	4,921	5,932	5,776	5,089	10,563	9,776	10,208	10,885	11,287	9,542	11,120	14,110	15,060
Total income taxes	3,391	144	1,094	2,331	(124)	2,352	1,749	3,171	2,702	2,747	3,117	3,174	2,719	3,068	3,391	4,391
Profit	2,998	53	2,141	2,590	6,056	3,425	3,340	7,391	7,073	7,461	7,768	8,112	6,823	8,051	10,719	10,668
Profit margins	5.0%	0.1%	4.4%	4.9%	10.8%	5.8%	5.2%	10.7%	10.1%	10.3%	10.5%	10.8%	9.5%	10.5%	12.8%	12.0%

*Actual figures for fiscal year 2023 are on an actual basis reflecting the sum of results for Meitec under the former structure in the first half of the fiscal year prior to the transition to a holding company structure and the new Meitec since October 1, 2023.

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Trend of Performances (MEITEC Fielders)

(Millions of Yen)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net sales	10,582	7,050	8,175	8,510	9,349	10,587	11,911	13,327	14,865	16,981	19,336	21,383	21,308	25,814	30,471	33,662
Cost of sales	7,744	6,621	6,361	6,387	7,061	8,084	9,154	10,288	11,540	13,173	14,941	16,476	16,542	20,015	23,561	26,225
Cost of sales to Net sales	73.2%	93.9%	77.8%	75.1%	75.5%	76.4%	76.9%	77.2%	77.6%	77.6%	77.3%	77.1%	77.6%	77.5%	77.3%	77.9%
Gross profit	2,837	429	1,814	2,122	2,287	2,502	2,757	3,039	3,325	3,808	4,394	4,906	4,765	5,798	6,910	7,436
Selling, general and administrative expenses	2,018	1,890	1,238	1,585	1,639	1,646	1,682	1,834	1,978	2,351	2,660	2,962	3,586	4,067	4,375	4,336
SG&A expenses to Net sales	19.1%	26.8%	15.1%	18.6%	17.5%	15.5%	14.1%	13.8%	13.3%	13.8%	13.8%	13.9%	16.8%	15.8%	14.4%	12.9%
Operating profit	819	(1,461)	575	537	648	856	1,073	1,204	1,346	1,456	1,734	1,944	1,178	1,731	2,534	3,100
Operating profit margins	7.7%	(20.7%)	7.0%	6.3%	6.9%	8.1%	9.0%	9.0%	9.1%	8.6%	9.0%	9.1%	5.5%	6.7%	8.3%	9.2%
Non-operating income	6	848	182	3	3	1	—	—	1	—	1	1	—	1	0	3
Non-operating expenses	—	5	1	—	—	15	—	—	1	4	—	—	2	—	0	5
Ordinary profit	825	(618)	757	540	651	841	1,074	1,205	1,346	1,452	1,735	1,945	1,177	1,732	2,535	3,097
Ordinary profit margins	7.8%	(8.8%)	9.3%	6.3%	7.0%	7.9%	9.0%	9.0%	9.1%	8.6%	9.0%	9.1%	5.5%	6.7%	8.3%	9.2%
Extraordinary income	—	—	1	—	—	—	—	—	—	1	—	—	—	—	—	—
Extraordinary loss	13	2	1	—	—	—	5	7	—	—	—	—	—	—	0	—
Profit before income taxes	811	(620)	756	540	651	841	1,068	1,198	1,346	1,453	1,735	1,945	1,177	1,732	2,535	3,097
Total income taxes	344	313	(187)	264	272	358	420	412	301	422	444	484	370	395	621	776
Profit	467	(933)	943	275	378	483	648	786	1,045	1,031	1,291	1,461	805	1,337	1,913	2,321
Profit margins	4.4%	(13.2%)	11.5%	3.2%	4.0%	4.6%	5.4%	5.9%	7.0%	6.1%	6.7%	6.8%	3.8%	5.2%	6.3%	6.9%

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Trend of Performances (MEITEC Next)

(Millions of Yen)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net sales	480	334	438	593	734	872	1,131	1,321	1,483	1,662	1,762	1,639	1,216	1,530	1,681	1,398
Cost of sales																
Cost of sales to Net sales																
Gross profit	480	334	438	593	734	872	1,131	1,321	1,483	1,662	1,762	1,639	1,216	1,530	1,681	1,398
Selling, general and administrative expenses	559	349	333	446	512	577	746	887	966	1,116	1,203	1,204	942	1,055	1,134	939
SG&A expenses to Net sales	116.5%	104.5%	76.0%	75.2%	69.8%	66.2%	66.0%	67.1%	65.1%	67.2%	68.2%	73.5%	77.5%	69.0%	67.5%	67.2%
Operating profit	(78)	(14)	104	147	221	295	385	433	517	545	559	434	273	474	547	458
Operating profit margins	(16.3%)	(4.2%)	23.7%	24.8%	30.1%	33.8%	34.0%	32.8%	34.9%	32.8%	31.8%	26.5%	22.5%	31.0%	32.5%	32.8%
Non-operating income	—	2	2	—	—	—	—	—	—	—	—	—	—	0	0	0
Non-operating expenses	—	—	—	—	—	—	—	—	—	—	—	1	—	0	—	—
Ordinary profit	(78)	(12)	106	147	221	295	385	433	517	545	559	432	274	474	547	458
Ordinary profit margins	(16.3%)	(3.6%)	24.2%	24.8%	30.1%	33.8%	34.0%	32.8%	34.9%	32.8%	31.7%	26.4%	22.5%	31.0%	32.5%	32.8%
Extraordinary income	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Extraordinary loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	0
Profit before income taxes	(78)	(13)	106	147	221	295	385	433	517	544	559	432	274	474	547	458
Total income taxes	1	—	—	—	19	95	141	145	182	193	198	152	96	169	190	158
Profit	(79)	(14)	105	147	201	200	243	288	334	350	361	279	177	305	356	299
Profit margins	(16.5%)	(4.2%)	24.0%	24.8%	27.4%	22.9%	21.5%	21.8%	22.6%	21.1%	20.5%	17.1%	14.6%	20.0%	21.2%	21.4%

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Trend of Balance Sheets (Group Consolidated)

(Millions of Yen)	2008/3/31	2009/3/31	2010/3/31	2011/3/31	2012/3/31	2013/3/31	2014/3/31	2015/3/31	2016/3/31	2017/3/31	2018/3/31	2019/3/31	2020/3/31	2021/3/31	2022/3/31	2023/3/31	2024/3/31
Cash and deposits	18,512	18,526	14,732	23,999	26,686	26,592	30,104	34,773	35,413	37,259	41,753	45,052	47,033	45,132	49,706	51,028	52,744
Notes and accounts receivable - trade	12,841	10,985	9,582	10,245	10,675	10,887	11,297	12,858	13,823	13,400	13,816	13,884	14,696	14,600	16,098	17,354	18,215
Total current assets	35,356	33,295	28,444	37,661	40,643	41,802	44,998	51,639	53,104	54,742	59,325	60,036	62,679	60,885	66,937	69,484	74,767
Property, plant and equipment	13,374	12,818	12,069	11,688	11,257	10,908	10,555	7,207	5,721	5,552	5,399	5,402	5,332	5,122	5,002	4,785	4,656
Total non-current assets	22,428	20,934	19,180	18,053	16,915	16,199	16,447	13,458	11,363	11,634	11,608	14,579	14,814	14,153	14,652	15,091	15,993
Total assets	57,784	54,230	47,625	55,714	57,559	58,002	61,445	65,098	64,468	66,377	70,934	74,615	77,493	75,038	81,590	84,576	90,761
Total current liabilities	13,764	11,026	6,392	10,016	11,165	9,683	12,589	15,797	13,650	14,662	16,176	16,927	17,228	14,272	19,669	20,824	25,791
Total non-current liabilities	6,422	7,034	7,789	8,603	9,183	9,895	12,667	11,735	13,212	13,860	14,617	15,317	15,937	16,294	16,633	17,032	17,273
Total liabilities	20,186	18,061	14,181	18,619	20,349	19,579	25,257	27,532	26,862	28,523	30,794	32,244	33,166	30,566	36,302	37,856	43,064
Shareholders' equity	38,048	36,747	34,101	37,745	38,017	39,264	38,299	39,619	39,973	39,970	42,078	44,173	45,950	45,898	46,457	47,671	48,122
Other net assets	(449)	(577)	(658)	(651)	(808)	(841)	(2,111)	(2,054)	(2,367)	(2,116)	(1,939)	(1,802)	(1,623)	(1,426)	(1,169)	(951)	(425)
Total net assets	37,598	36,169	33,443	37,094	37,209	38,422	36,188	37,565	37,605	37,854	40,139	42,371	44,327	44,472	45,287	46,719	47,696

Cash flows from operating activities	8,486	6,308	(1,545)	9,291	5,753	5,205	8,893	8,434	6,910	10,186	10,957	10,273	9,837	5,487	13,532	12,808	14,667
Cash flows from investing activities	124	623	(19)	287	(292)	(465)	(398)	(275)	1,487	(325)	(464)	(240)	(536)	(307)	(270)	(446)	(1,064)
Cash flows from financing activities	(5,997)	(5,580)	(1,835)	(104)	(2,769)	(4,837)	(4,991)	(3,495)	(7,752)	(8,011)	(5,999)	(6,734)	(7,319)	(7,080)	(8,688)	(11,040)	(11,886)
Net increase (decrease) in cash and cash equivalents	+2,634	+1,313	(3,394)	+9,467	+2,691	(93)	+3,511	+4,668	+643	+1,845	+4,493	+3,298	+1,980	(1,900)	+4,574	+1,321	+1,716

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Trend of Profit Distributions and Forecast

(Fractions of one million yen are rounded)		FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	Actual	Forecast
												FY2023	FY2024
Total Return Ratio		101.2%	116.8%	100.0%	100.1%	80.0%	80.0%	80.0%	100.1%	100.1%	100.1%	100.1%	120.0%
Dividend Payout ratio		55.9%	92.2%	53.0%	54.7%	61.6%	63.1%	61.3%	71.6%	63.3%	65.8%	71.7%	120.0%
Dividend on Equity		6.0%	9.2%	11.4%	11.6%	12.9%	13.6%	12.9%	11.4%	13.1%	17.6%	18.8%	
Annual Dividends	Per Share	@¥24.00	@¥37.00	@¥48.00	@¥50.50	@¥59.00	@¥66.50	@¥67.33	@¥61.33	@¥72.50	@¥102.00	@¥114.00	@¥188.00
	Millions of Yen	2,220	3,373	4,286	4,344	5,008	5,567	5,575	5,033	5,848	8,065	8,855	14,515
2nd Quarter	Per Share	@¥10.50	@¥14.67	@¥21.00	@¥22.67	@¥24.83	@¥28.00	@¥28.83	@¥22.83	@¥26.17	@¥39.00	@¥44.00	@¥88.00
	Millions of Yen	983	1,344	1,908	1,968	2,119	2,344	2,387	1,891	2,136	3,125	3,451	6,794
Year-end	Per Share	@¥13.50	@¥22.33	@¥27.00	@¥27.83	@¥34.17	@¥38.50	@¥38.50	@¥38.50	@¥46.33	@¥63.00	@¥70.00	@¥100.00
	Millions of Yen	1,237	2,029	2,378	2,375	2,889	3,223	3,188	3,143	3,713	4,941	5,405	7,721
Acquisition of Treasury Shares	Thousands of shares	641	269	921	915	257	280	303	390	500	1,704	1,400	
	Millions of Yen	1,800	899	3,799	3,600	1,500	1,500	1,700	2,000	3,399	4,200	3,500	
Total Shareholders Return	Millions of Yen	4,020	4,273	8,086	7,944	6,508	7,067	7,275	7,033	9,248	12,265	12,355	14,515
Retirement of Treasury Stock	Thousands of shares	500	300	900	1,300		700	300	400	500	1,800	4,500	
Stock Price TSE#9744	As of April 1	¥731	¥952	¥1,322	¥1,288	¥1,502	¥1,987	¥1,710	¥1,355	¥2,013	¥2,220	¥2,363	¥2,961
	As of March 31	¥977	¥1,342	¥1,312	¥1,507	¥1,963	¥1,677	¥1,433	¥2,037	¥2,217	¥2,364	¥2,987	
Profit	Millions of Yen	3,974	3,660	8,084	7,937	8,132	8,829	9,093	7,029	9,241	12,253	12,343	12,100
Earnings per Share		@¥42.77	@¥40.04	@¥89.75	@¥91.44	@¥95.55	@¥105.14	@¥109.45	@¥85.26	@¥113.85	@¥153.87	@¥158.01	@¥156.72
Net Assets per Share		@¥394.28	@¥412.93	@¥426.20	@¥443.52	@¥474.67	@¥506.14	@¥535.34	@¥544.81	@¥565.21	@¥595.74	@¥617.78	

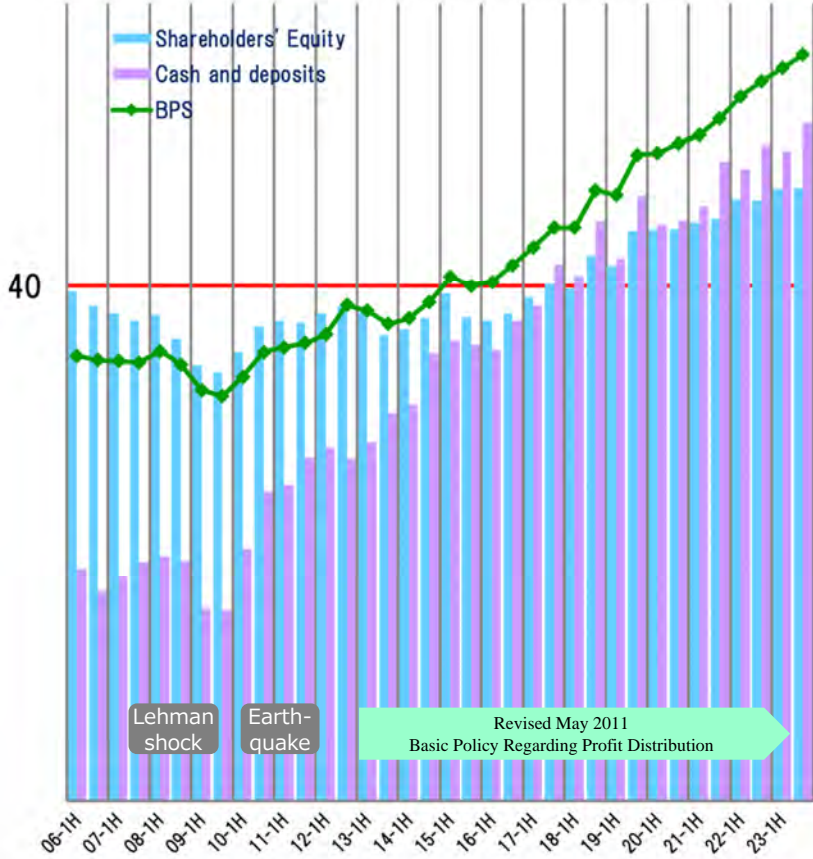
*1 The dividend payout ratio is the ratio of the total amount of dividends paid out to shareholders relative to the net income.

*2 Dividend forecast for 2024 includes 50th anniversary commemorative dividend of 30 yen

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Shareholders' Equity and Cash and Deposit

(billions of yen)



- Protecting employment of engineers under economic crisis is essential for sustainable growth for indefinite employment engineer staffing business.
 → Engineers can continue to concentrate on brushing up their own career under assumption of stable employment.
- With consideration of remaining fund, prioritize the “improvement of "quality and quantity" of shareholders' equity” which would lead to the safeness of finance.

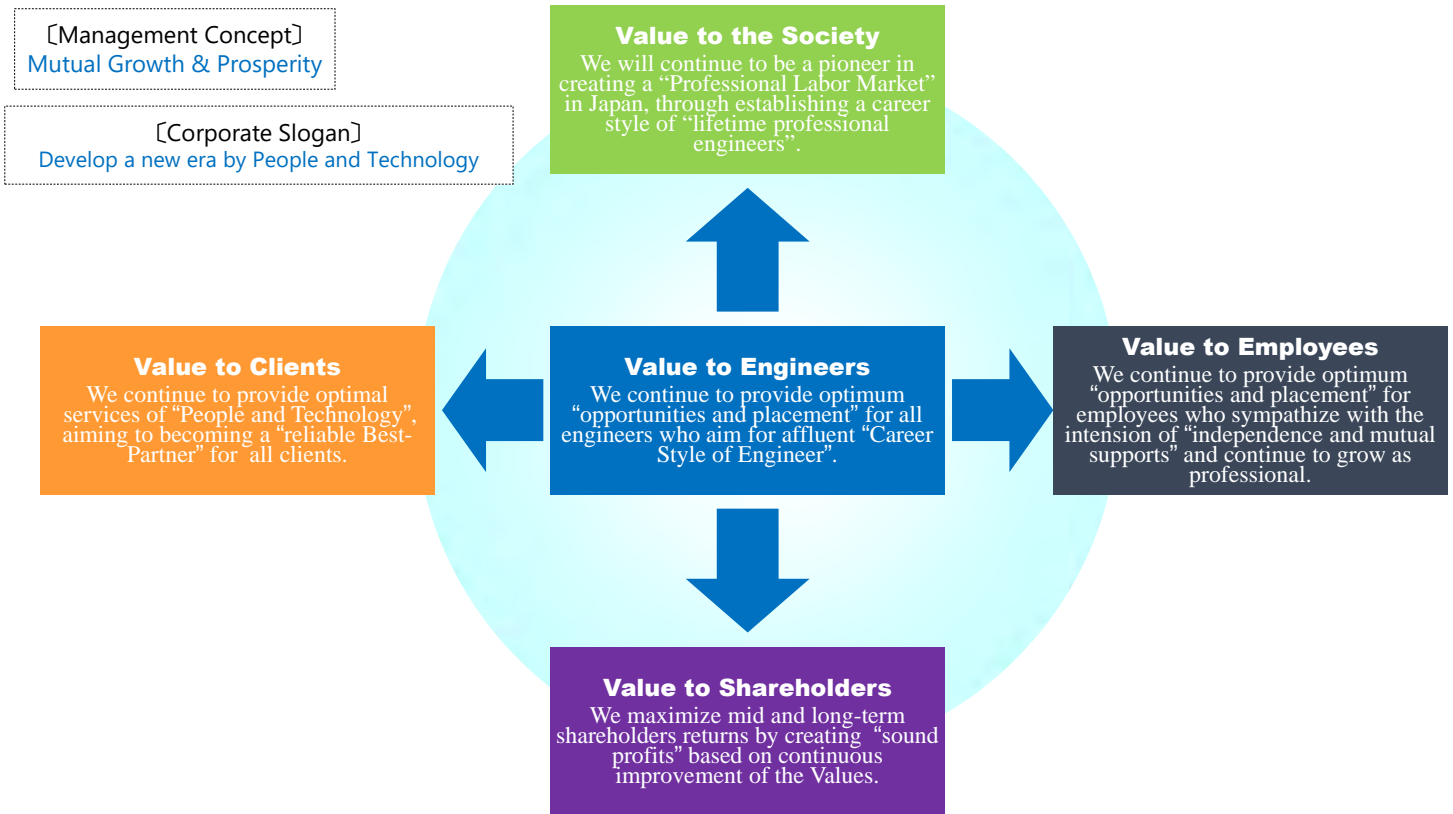
Trend of ROE



	'13	'14	'15	'16	'17	'18	'19	'20	'21	'22	'23	'24
ROE	10.7%	9.9%	21.5%	21.1%	20.9%	21.4%	21.0%	15.8%	20.6%	26.6%	26.1%	25.4%
Profit	3,973	3,659	8,084	7,937	8,132	8,829	9,093	7,028	9,240	12,252	12,343	12,100
Shareholders' Equity	36,142	37,516	37,544	37,851	40,136	42,371	44,327	44,472	45,288	46,719	47,697	47,647

"Ideal State of the MEITEC Group"

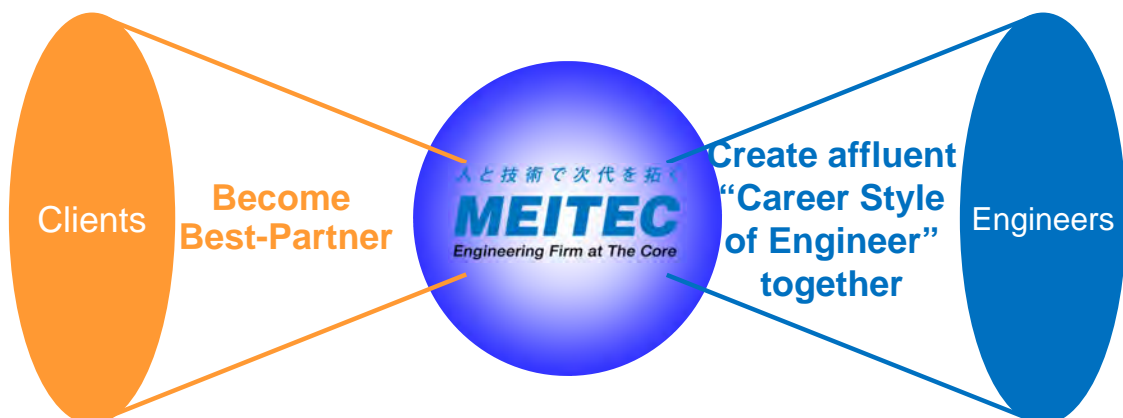
We, the Meitec Group, with cooperation of all the employees, shall improve the five values continuously from the "Value to Engineers" as a starting point.



Purpose to pursued


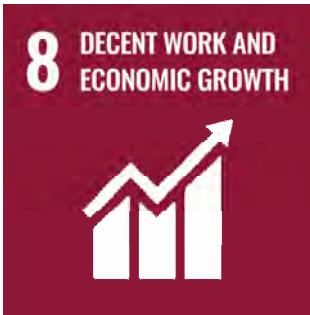



Further "increase the level of satisfaction" of clients and engineers

"increase the level of satisfaction"



Engineering Firm at The Core

We are a group of engineers that plays a core role in manufacturing through its “People and Technology.”

Environment	Social	Governance
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <ul style="list-style-type: none"> Contribute to solving environmental, energy, etc. issues by promoting technological innovation Contribute to the industry and economic growth by promoting technological innovation and innovation 	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>Contribute to sustainable economic growth through creating a Professional Labor Market</p>	 <p>4 QUALITY EDUCATION</p> <p>Promote higher technical education and lifelong learning</p>
		 <p>5 GENDER EQUALITY</p> <p>Provide fair “opportunities and placement” regardless of nationality, gender or age</p>
		 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> <p>Ensure full compliance with the Employee Code of Conduct in the Group’s Basic Policy Regarding Corporate Governance</p>



人と技術で次代を拓く

MEITEC

Engineering Firm at The Core

[Management Concept]
Mutual Growth & Prosperity



We, a group of engineers, work with clients to solve social problems through their development work.

Materiality common to many clients



MEITEC Group will transform the two elements of The Core

The Core

1.The Core in how we see ourselves means that we are a group of companies that produces “important and indispensable” value for the technological innovation of manufacturers.

2.The Core in how we see ourselves also means that we are a group of companies that is able to offer an “important and indispensable” way of working, as engineers who consider their profession as the core of society.



New Mid-term Management Plan

Materiality common to many clients



Engineering Firm at The Core

We are a group of engineers that plays a core role in manufacturing through its “People and Technology.”

The Core

1.The Core in how we see ourselves means that we are a group of companies that produces “important and indispensable” value for the technological innovation of manufacturers.

2.The Core in how we see ourselves also means that we are a group of companies that is able to offer an “important and indispensable” way of working, as engineers who consider their profession as the core of society.

Engineering Firm at The Core

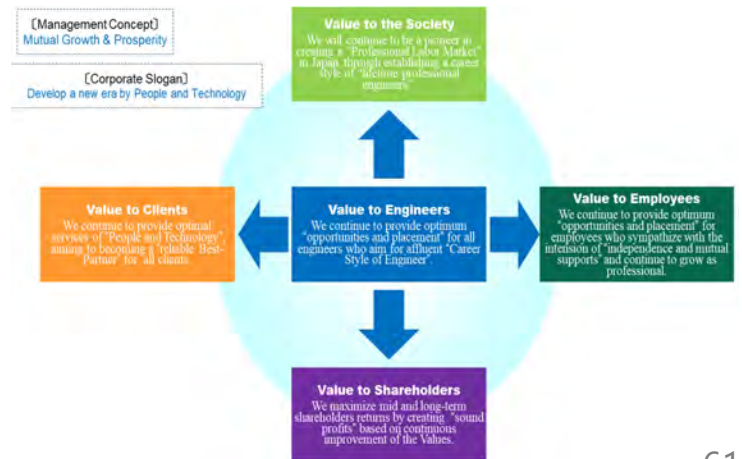
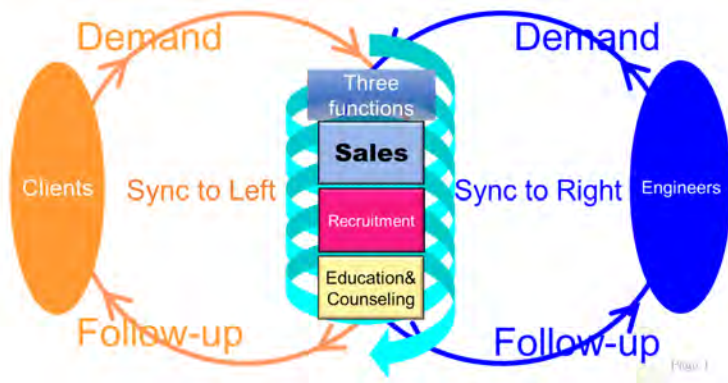
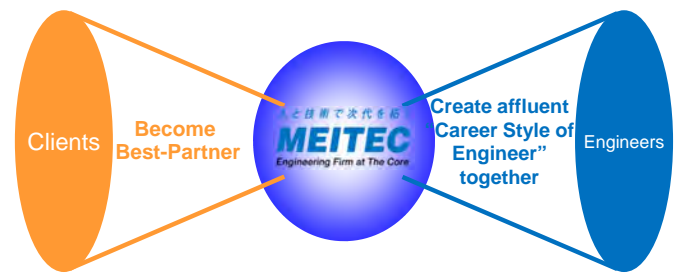
We are a group of engineers that plays a core role in manufacturing through its “People and Technology.”



Always Market-oriented



Constant Bidirectional contact



- 1 Actively pursue further added value by combining (1) an approach oriented to the two groups of users of our services, and (2) diverse service variations
- 2 Actively enhance the “power of numbers” while continuing to compete based on quality
- 3 Synchronize and strongly promote (1) strengthening engagement, (2) efficiently pursuing aptitude, and (3) reducing operating expenses

Performance goals (1)

FY2025 Mid-term Management Plan	Group Consolidated	Engineering Solutions Business			Recruiting&Placement Business for Engineers
		billion yen			
		Meitec	Meitec Fielders		
Net Sales	145.0	95.0	44.5	1.8	
Operating Profit	19.0	14.3	4.5	0.6	
Margin	13%	15%	10%	33%	
Profit	13.0				
ROE	30%				

Performance goals (2)

Consolidated net sales



Consolidated operating profit and operating profit margins



Consolidated profit and margins



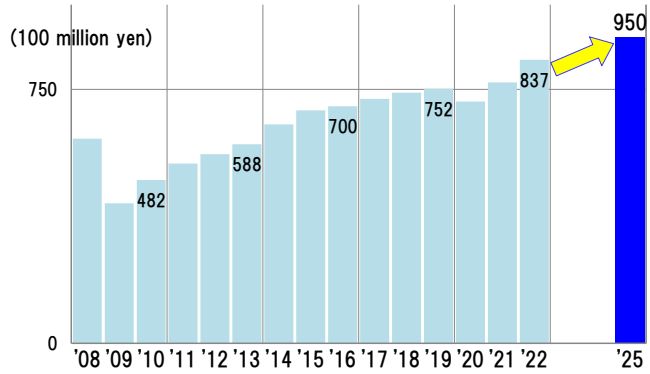
Consolidated ROE



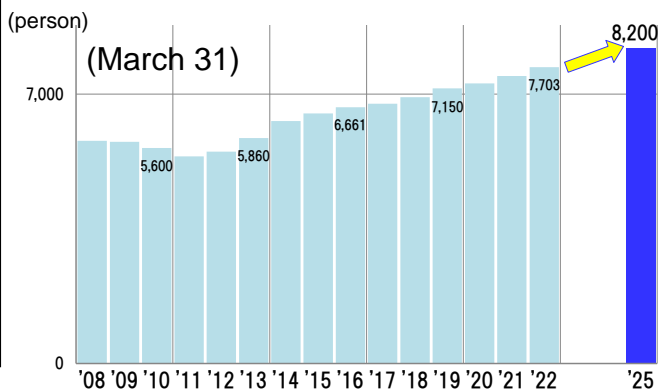
Meitec

Accelerate with a focus on operations that increase value for customers of the two services

Net Sales

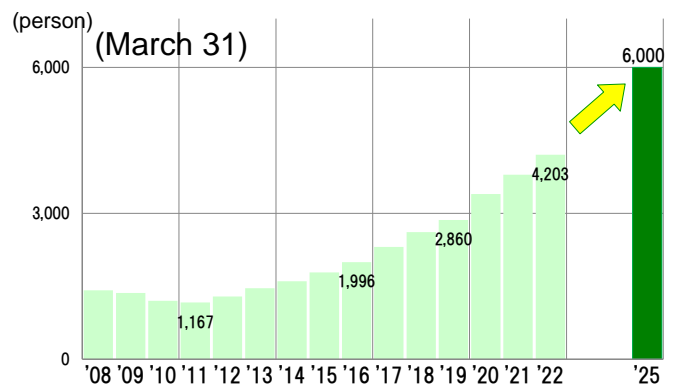
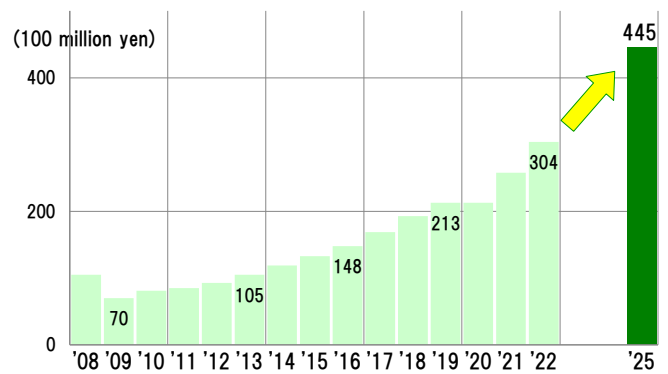


Number of Engineers



Meitec Fielders

Aiming to be No. 1 in the Midrange Zone, strive to increase speed (expansion, transfer, decision)



Engineering Firm at The Core

We are a group of engineers that plays a core role in manufacturing through its “People and Technology.”

We would like to be a group that creates affluent “Career Style of Engineer” to engineers, reaching the stage where our clients call us their truly, indispensable “Best Partner.”

We have developed a new era by people and technology up until now. Taking pride in that achievement, we will remain a group that plays a core role in both the engineer recruiting market, labor market and the market of design and development operations.



Engineering Firm

“Engineering Firm” in our description means that all the members of the Meitec Group belong to a group of engineering professionals who improve each other and keep growing with the spirit of “independence and mutual support.”

The Core

The Core in how we see ourselves means that we are a group of companies that produces “important and indispensable” value for the technological innovation of manufacturers.

The Core in how we see ourselves also means that we are a group of companies that is able to offer an “important and indispensable” way of working, as engineers who consider their profession as the core of society.

1. Type of organization

company with audit and supervisory committee

2. Composition of the Board of directors, etc.

- A) Approximately 10 directors
- B) Majority are Independent outside directors
- C) At least 2 Internal directors
- D) Gender and male/female ratio of at least 10% each
- E) Number of directors who are not Audit and supervisory committee member
 \geq Number of directors who are Audit and Supervisory Committee member
- F) Tenure of an Independent outside director is up to eight years
- G) Independent outside directors may serve concurrently at no more than three listed companies, including the Company

3. The Company established following distinctive committee chaired by an outside director.

- ✓ Officer Appointment Advisory Committee

Chairman: Outside Director;

Members: CEO and Outside Directors

Evaluating appropriateness of processes

- Appointment/dismissal of Representative Director & CEO
- Nomination of directors candidates
- Performance evaluation and Remuneration of inside executive directors

4. Calculation Method of Executive Remuneration

Remuneration Amounts to Individual Executives ¥1K=JPY1,000-

Executive Category	Yearly payment	Monthly
CEO, President, Representative	¥28,800K	(Monthly ¥2,400K)
Senior Vice President	¥24,000K	(Monthly ¥2,000K)
Executive	¥19,200K	(Monthly ¥1,600K)
Chairman of the Audit and Supervisory Committee	¥24,000K	(Monthly ¥2,000K)
Independent Outside	¥10,800K	(Monthly ¥900K)

Performance-linked Remuneration for internal Executive Directors(only).

Consolidated profit (not including performance-linked directors' remuneration)	x within 2.5% Upper limit: 250 million yen annually
Of which the equivalent to 20% of post-tax value	Allocated for purchase of treasury shares (Directors shareholding association method)

Independent Outside Directors and Directors who are Audit and Supervisory Committee Members are not eligible for payment.

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Shareholders by Business Segments

Shareholder Segment	(As of the Fiscal year ended March 31, 2024)			
	Shareholders	%	Shares Held	%
Banks	6	0.1%	570,000	0.7%
Trust Banks	11	0.2%	19,819,000	25.4%
Life and nonlife insurance companies	20	0.3%	9,094,338	11.7%
Securities financing and other financial companies	5	0.1%	105,480	0.1%
Securities companies	35	0.5%	1,994,610	2.6%
Business concerns and other companies	78	1.1%	442,375	0.6%
Overseas companies and investors	293	4.0%	37,436,422	48.0%
Individuals and others	6,881	93.9%	8,537,775	11.0%
Total	7,329	100.0%	78,000,000	100.0%

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5. Main questions and answers in dialogue with investors

- TSE request: Action to Implement Management that is Conscious of Cost of Capital and Stock Price
- Ratio of female directors
- Climate-related disclosures
- Human Rights policy disclosures

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TSE request : Action to Implement Management that is Conscious of Cost of Capital and Stock Price

- Why is there no company name on the list published by the TSE?
→ Disclosed as "under consideration" in the CG report in February 2024
- Why did you suddenly disclose that it was "under consideration"?

From "under consideration" in February 2024 to revised disclosure in May 2024.

1. Analysis of current situation

- ✓ Focus on equity spread level over the long term, with particular attention given to β value of cost of equity
- ✓ Profitability and market evaluation are mostly at a high level and initiatives taken up until now to address these will be continued
- ✓ Opinions are divided on the level of cash and deposits, and emphasis is placed on the importance of financial soundness

2. Planning & disclosure

- ✓ Targets of the ROE and a clear policy on profit distribution has been disclosed in the medium-term plan, which also takes into account consistency in fiscal discipline

3. Implementation of initiatives

- ✓ Through dialogues, we have confirmed a high interest in the β value, and strategies under consideration for adoption that affect numerical fluctuation will continue to be raised in dialogues

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Main questions during the first quarter of the fiscal year ending March 31, 2023



Reference: Main questions during the first quarter of the fiscal year ending March 31, 2023



■ **Added May 2024**

1. From the perspective of creating shareholder value without sacrificing a wide range of stakeholders, should you not accelerate shareholder returns?
2. As you are experiencing continued favorable business results, isn't it time to revise the profit distribution policy? Since fiscal 2009, the Company has proven that it generates steady cash flow, even during difficult times in the Japanese and global economy. Therefore, should you not lift shareholder profits one time and return them to the regular standard of three months' worth of trading? Cash returns could be in the form of either a large-scale share repurchase or a special dividend – either way would be fine.
3. Historically, growth through acquisitions has not been a part of your strategy. Thinking about the growth strategy going forward, the benefits of holding treasury stock are waning. Should you not lower the current upper limit of 5% for treasury stock holdings? Lowering this could raise share prices.

The policy of holding treasury stock at a maximum of 5% will be maintained.

However, treasury stock as of the end of March 2024 is approximately 1%.

Reference: Answers to main questions during the first quarter of the fiscal year ending March 31, 2023 1/3

Reference: Answers to main questions during the first quarter of the fiscal year ending March 31, 2023 2/3

Reference: Answers to main questions during the first quarter of the fiscal year ending March 31, 2023 3/3

Ratio of female directors

- We support boards that commit to having at least 30% women on their boards. Please tell me why 30% female ratio is not reasonable.

Our current policy is as follows. 4.2.2 4)

By gender there shall be at least 10% each of men and women.

The election proposals scheduled to be submitted to the general meeting of shareholders in June 2024 are as follows.

Total number of directors: 7, 2 female, 5 male, female ratio 28.6%

We agree with the importance of gender on boards.

At the same time, we also believe it is important to deeply consider the characteristics of each business.

Therefore, we would like to avoid adopting only a uniform format.

However, we regard the points raised as very important opinions and will use them to improve balance and diversity in the future.

- Please provide details as we were unable to find any climate-related disclosures in line with the TCFD recommendations.

We agree with the TCFD recommendations. However, we have not made any disclosures in accordance with this framework.

Most of our group's sales come from design and development work performed by our engineer employees. Most of our engineer employees' work is performed at our customers' facilities, where they work in teams with our own employees to develop technology that is subject to confidentiality obligations.



Therefore, it is impossible to know the specific details of technology development work.

As a result, we are unable to identify or assess the impact of climate change on our technology business, which accounts for a significant portion of our revenue, and are unable to envision pattern scenarios.

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Human Rights policy disclosures

- Please provide more details as we were unable to find any human rights policy disclosures. If you do not currently have one, we would ask that you priorities the development publication of a policy.

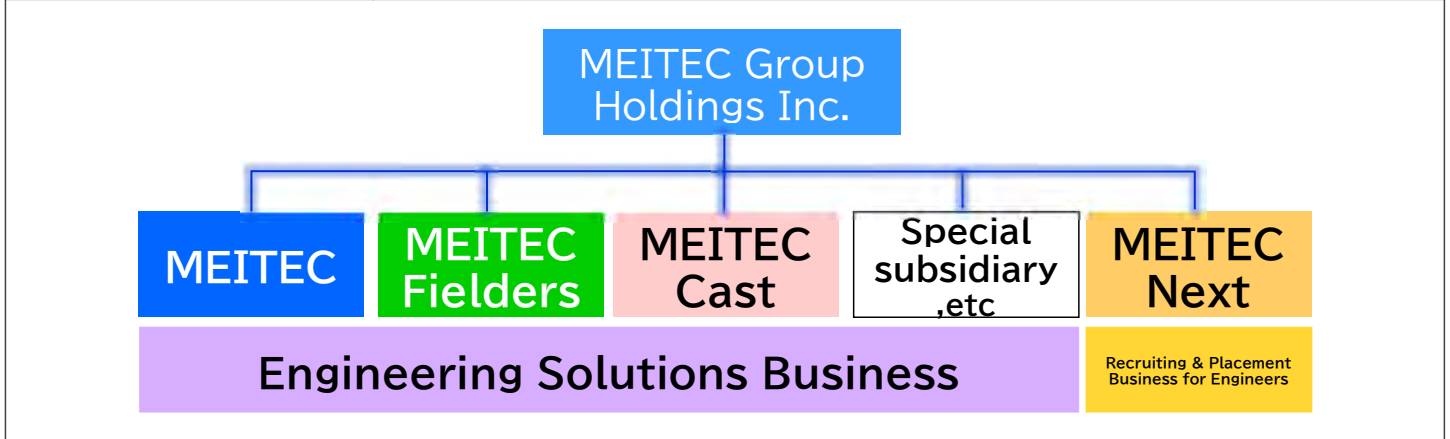
We are preparing to make it public in late May 2024.

The current proposal is to enact it in accordance with the Responsible Business Alliance Code of Conduct version 8.0 (2024).

At the current stage of consideration, we believe that we have no choice but to exclude from application only paragraph Article A. Labor, 4) “Deductions from wages as a disciplinary measure shall not be permitted.”

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Company Name	MEITEC Group Holdings Inc.
Tokyo Headquarters	Taito-ku, Tokyo
Atsugi Headquarters	Atsugi, Kanagawa
Stock listings	Tokyo Stock Exchange, Prime Market(No. 9744)
Incorporated	July 17, 1974



Develop a new era by People and Technology

MEITEC

Engineering Firm at The Core
MEITEC GROUP HOLDINGS