

# Financial Results for the First Quarter Fiscal Year Ended December 31, 2024



Openwork inc.

2024.5.14

# INDEX

- 01 Company Profile
- 02 Summary of the Financial Results for the First Quarter  
Fiscal Year Ended December 31, 2024
- Appendix

# 01 Company Profile



---

<b>Company name</b>	OpenWork Inc.
<b>Location</b>	39F, Shibuya Scramble Square, 2-24-12 Shibuya, Shibuya-ku, Tokyo 150-6139 Japan
<b>Business</b>	Working data platform business, including development and operation of "OpenWork," company review platform for changing jobs and finding employment
<b>Establishment</b>	June 2007
<b>Capital stock</b>	1,649 million yen (as of March 31, 2024)
<b>Parent company</b>	Link and Motivation Inc.
<b>Representative</b>	Haruki Ohsawa Chief Executive Officer
<b>Number of employees</b>	105 (as of March 31, 2024)

---

# CORPORATE SLOGAN

The world we seek to create

Your life, your career, your way.

# MISSION

The mission we will fulfill to achieve it

Creating a job market that unleashes the potential of each individual

# The World OpenWork Seeks to Create

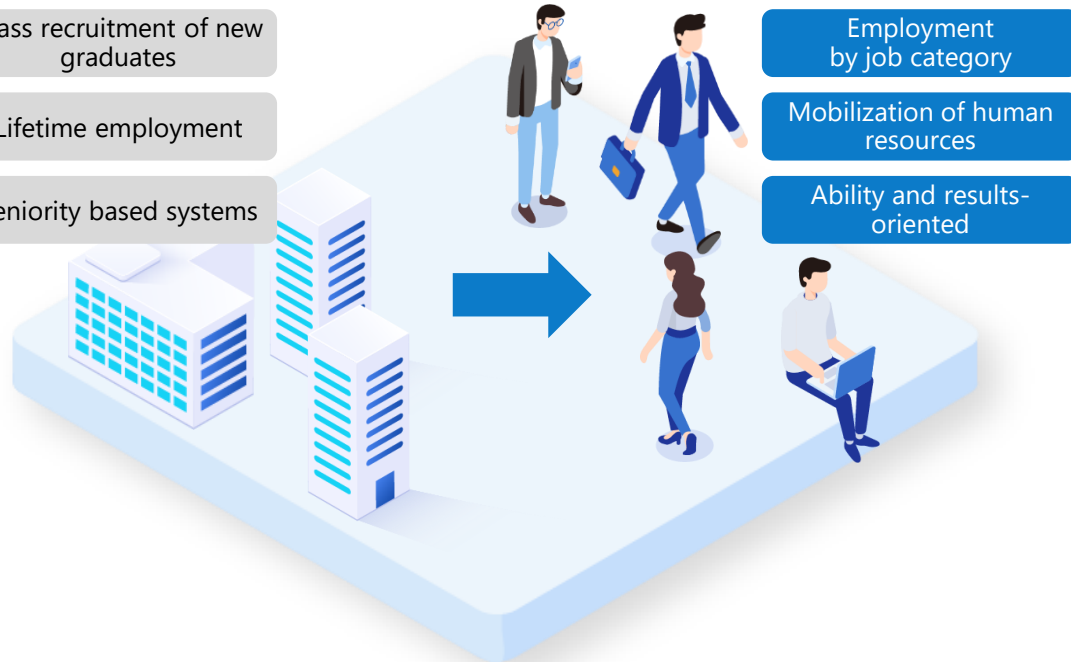
Situation

As society changes, the leading role of working is changing from company to individual.

Mass recruitment of new graduates

Lifetime employment

Seniority based systems



Issue

There is an inadequate framework for individual decision-making about work.

Advertising portrays images that are out of touch with the reality.

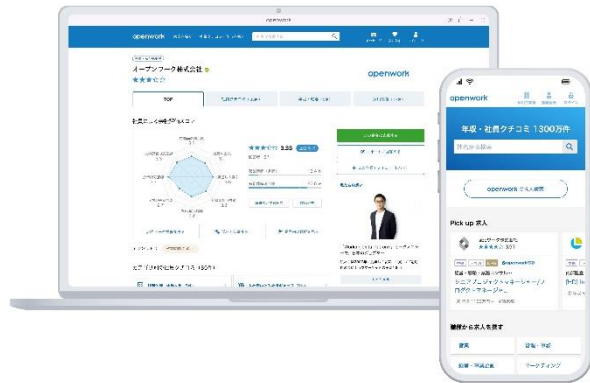
The actual conditions after joining the company are hidden from view.



Because transparency of information is important for the future of the job market, we started OpenWork.

# OpenWork and OpenWork Recruiting

## openwork



One of the largest  
company review services in Japan



Number of Users  
**6.3 million**

Number of  
Registered  
Web Resumes  
**1.11 mil**

Job Seeker  
Information

Company  
Information

Job Openings  
**64,000**

## openwork Recruiting



Recruitment service  
that allows you to meet a diverse  
range of talented people



Number of Contracted  
Companies  
**3,100**

\*As of March 31, 2024

# OpenWork, One of the Largest Company Review Services in Japan

You can browse company data based on company reviews posted by employees and former employees.



## Evaluation Score



## Company Review

代表取締役、在籍10~15年、現職(回答時)、中途入社、男性、オープンワーク

良いサービス、良いプロダクトを作ろうとする想いが共有され、一人一人が責任感を持ち、主体的に仕事に取り組んでいる。

まだ正社員で30名程度の規模のため、ほとんど階層がなくフラット、自分のやり方で仕事が任される環境。逆に言うと、きっちり仕事が管理され、フィードバックが綿密に行われるようなことあまりない。現状は、全員が中途入社で、大手人材会社、コンサル、ネット大手、Sierなどからメンバーが集まり、それぞれが特性を持ち合いながら仕事を進めている。

ジョブマーケットで新しい価値を生み出そうとしているベンチャー企業としては、マイペースで温厚なメンバーも多く、じっくり落ち着いて働ける社風。今後はもっとアグレッシブなメンバーが入るとを期待。

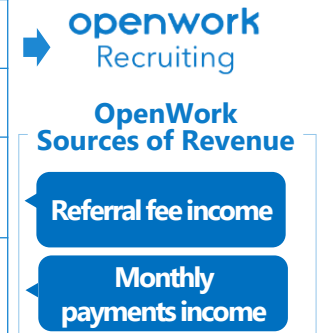
## Monthly Overtime Hours / Percentage of Paid Vacation Taken



## How to Browse Company Reviews

You can browse company reviews for a certain period of time by doing the following.

Register a web resume	Enables job seeking using OpenWork
Post a review	500 Japanese characters or more
Register with a partner service	Register with a HR service, etc. introduced by OpenWork
Register as a paid member	¥1,000/month (excluding tax)



Total Company Reviews and Evaluation Scores:

16.7 million

Total Registered Users:

6.3 million

\*As of March 31, 2024



# OpenWork Recruiting, a Direct Recruiting Service for Companies

OpenWork Recruiting allows you to meet a diverse range of talented people. It is the recruitment medium for an era of human resource management which converts job satisfaction into hiring power.

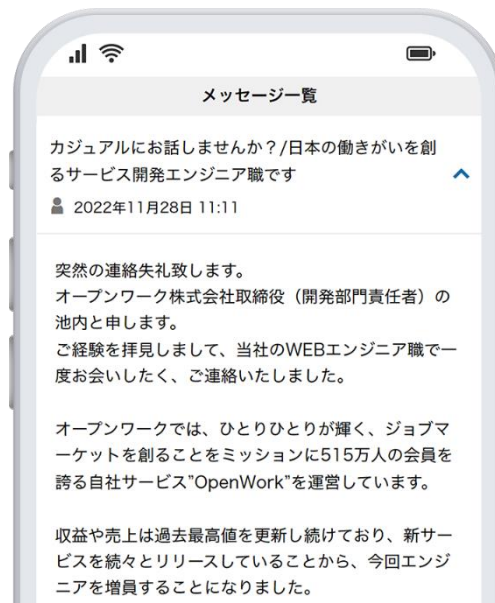
## Job Listings

List jobs on your company's page

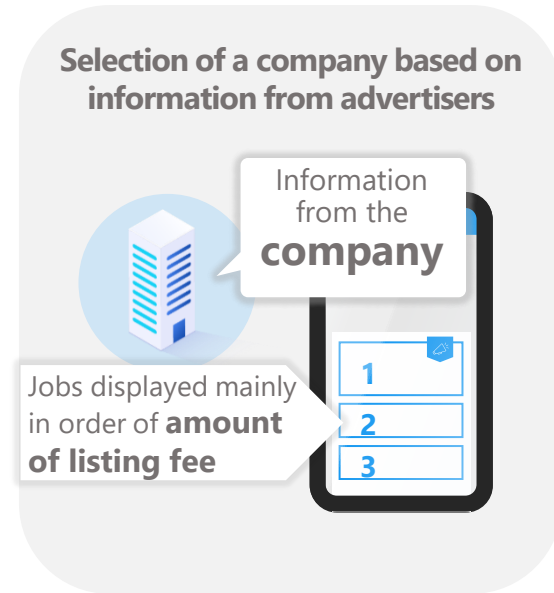


## Send Scout Mails

Directly approach users



## Conventional Model



## openwork Recruiting



## Service Usage Costs

Initial fee/basic usage fee	Free
Recruitment performance-based fee*	¥800,000/person (excluding tax)

\*For direct recruitment of working professionals by companies.  
 Different plans are available for students and recruitment via recruiting agencies.  
 \*A job listing fee plan is also available besides recruitment performance-based fee.

Job Openings

64,000

Registered Web Resumes

1.11 mil

Number of Contracted Companies

3,100

\*As of March 31, 2024

# 「Alternative data service」 using company review data to solve new social issues

We are providing a new service in which our company review data is used to solve the sustainability issues of forecasting capital markets and visibility of organizational problems.

## Alternative data\*service

Service name

**FIS**  
(Financial Indicator Service)

**DAP**  
(Data Analytics Platform)

Service details

OpenWork's company review data is anonymized and supplied for **uses such as company share price forecasting**

AI is used to analyze each company review and **compile a report on organizational problems** such as company culture and job satisfaction

Target clients

**Domestic/overseas asset management companies**

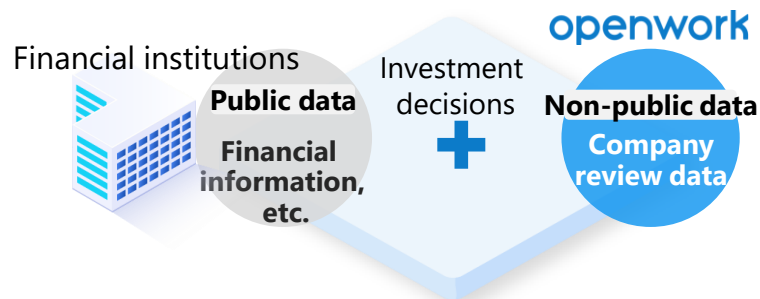
**All companies** (on which there are reviews)

\*Currently provided to major overseas hedge funds and domestic asset management companies

Service image

Employee evaluations are analyzed and used in ESG investing

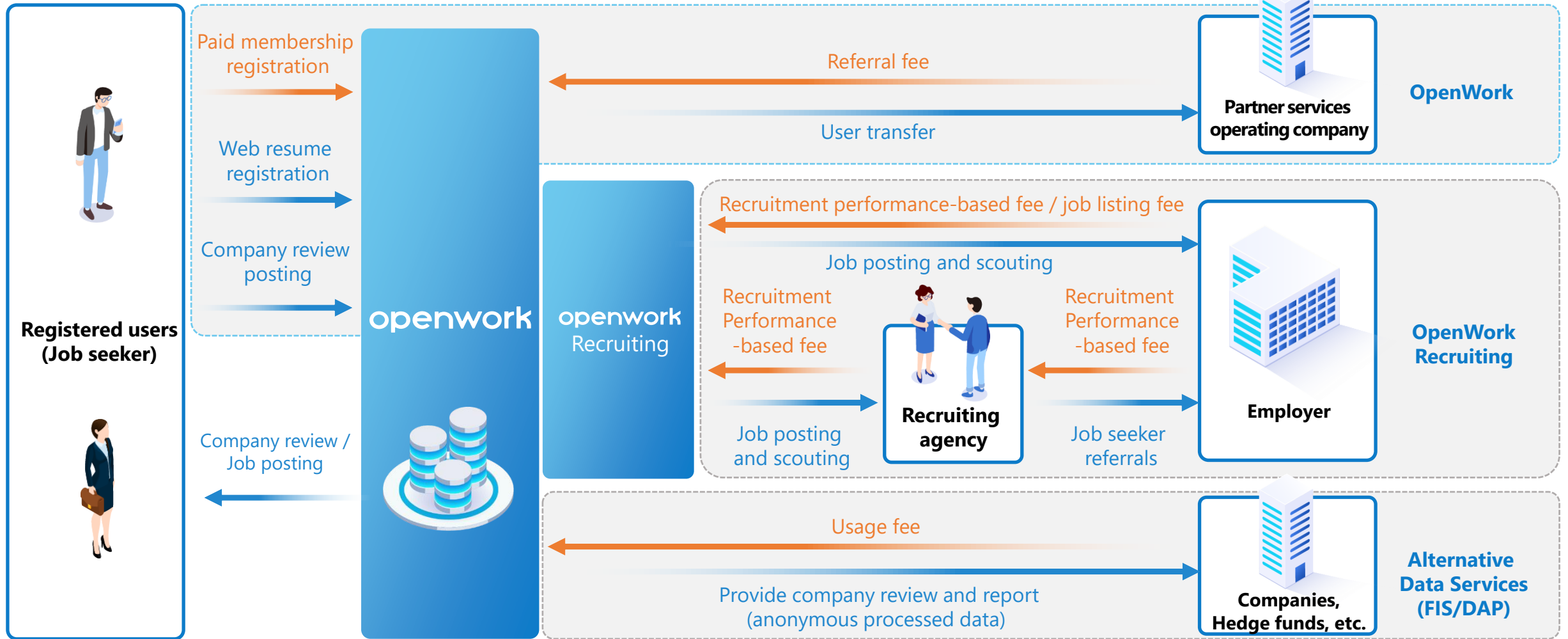
Supply of reports that visualize organizational problems for use in human capital disclosure, improving HR systems, etc.



\*New data where use cases had so far not developed

# Business Structure

We have developed services based on OpenWork's data and users.



# 02

## Summary of the Financial Results for the First Quarter Fiscal Year Ended December 31, 2024



## Executive Summary

- ✓ The mid-career recruitment market remains strong. The number of company review increased to 16.7 million(+14.2% YoY), and the number of web resumes increased to 1.11 million(+34.4% YoY) as expected and steady.
- ✓ Operating revenue totaled 778 million yen (+15.5% YoY), and Operating profit totaled 0.69 million yen(-73.5% YoY) . Operating profit declined as planned due to the concentration of advertising in 1Q.
- ✓ Operating revenue and operating profit in 1Q slightly exceeded forecasts, and progress toward the full-year operating revenue forecast (1,000 million yen, +16.8% YoY) is on track.

# Financial Results Summary

FYE Dec. 31, 2024  
1Q results

Operating revenue

¥ **778**<sub>mn</sub>

(+ 15.5% YoY, Full-year forecast achievement rate 22.9%)

Operating profit

¥ **69**<sub>mn</sub>

(+ 73.3% YoY, Full-year forecast achievement rate 7.0%)

Operating revenue

¥ **256**<sub>mn</sub>

(-6.2% YoY)

KPIs

User numbers

**6.3**<sub>mn</sub>

(+ 14.3% YoY)

Review numbers

**16.7**<sub>mn</sub>

(+ 14.5% YoY)

Details

Each KPIs increased steadily. Revenue decline was in line with expectations as adjusted for referrals to OpenWork Recruiting.

OpenWork  
Recruiting

¥ **511**<sub>mn</sub>

(+ 29.2% YoY)

Number of registered web resumes

**1.11**<sub>mn</sub>

(+ 34.4% YoY)

Number of job listings

**64,000**

(+ 19.3% YoY)

The number of registered web resumes continued strong rise of more than 30%. Operating revenue steadily grew from 4Q of FY23 and was in line with expectation.

## Highlights

Operating revenue up a steady 15.5% YoY. Revenue fall at OpenWork due to strategic factors and expected. Although operating profit are down from the previous year due to increased advertising expenses in 1Q with the plan, Progress for full-year operating revenue plan of OpenWork Recruiting (26.4% growth) and full-year operating profit plan of whole company is on track.

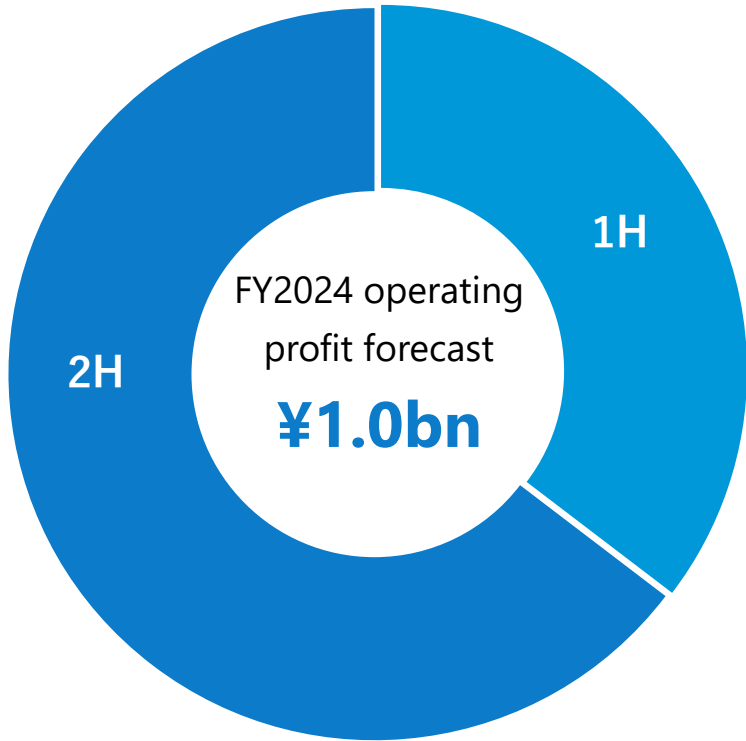
(millions of yen)

	4Q FY2022	4Q FY2023	YoY
Operating revenue	674	<b>778</b>	+15.5%
OpenWork	272	<b>256</b>	-6.2%
OpenWork Recruiting	396	<b>511</b>	+29.2%
Others	5	<b>10</b>	+108.8%
Operating expenses	409	<b>708</b>	+73.0%
Operating profit	264	<b>69</b>	-73.5%
Operating profit margin	39.2%	<b>9.0%</b>	-30.2pt
Ordinary profit	262	<b>70</b>	-73.3%
Net profit	180	<b>45</b>	-75.0%

# Progress of Operating Profit and Forecast

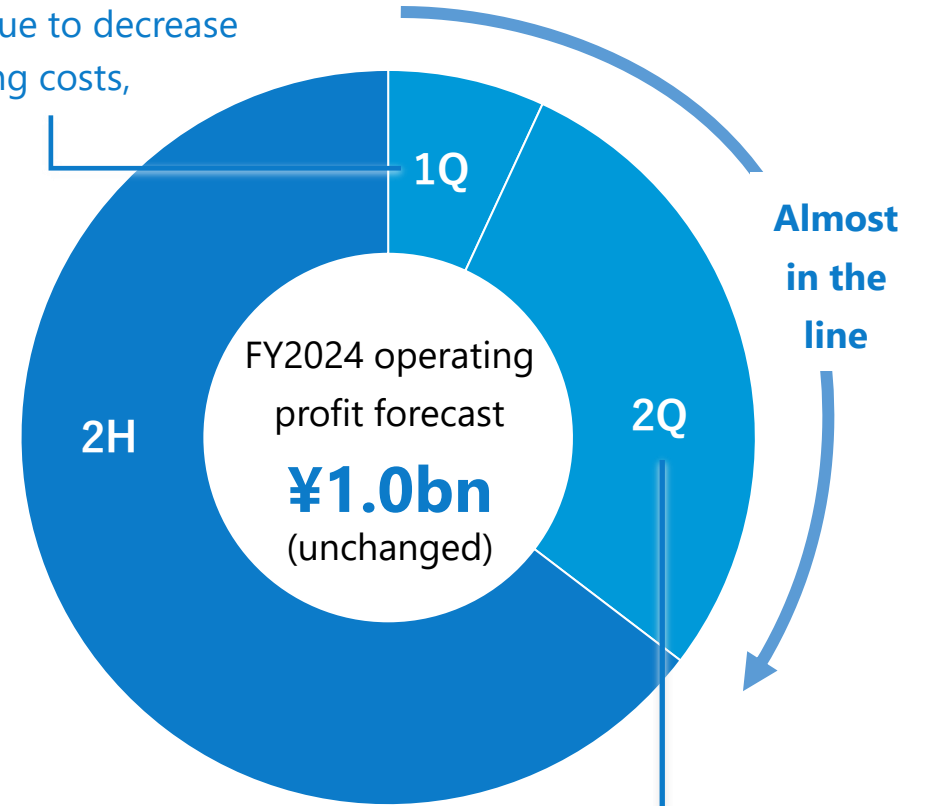
Result of the first half expected to be within the plan, and there is no change in full-year plan.

HoH split in FY2024 operating profit forecast  
(disclosed February 13, 2024)



Forecast as of March 31, 2024

Slightly higher than planned due to decrease in recruiting costs,

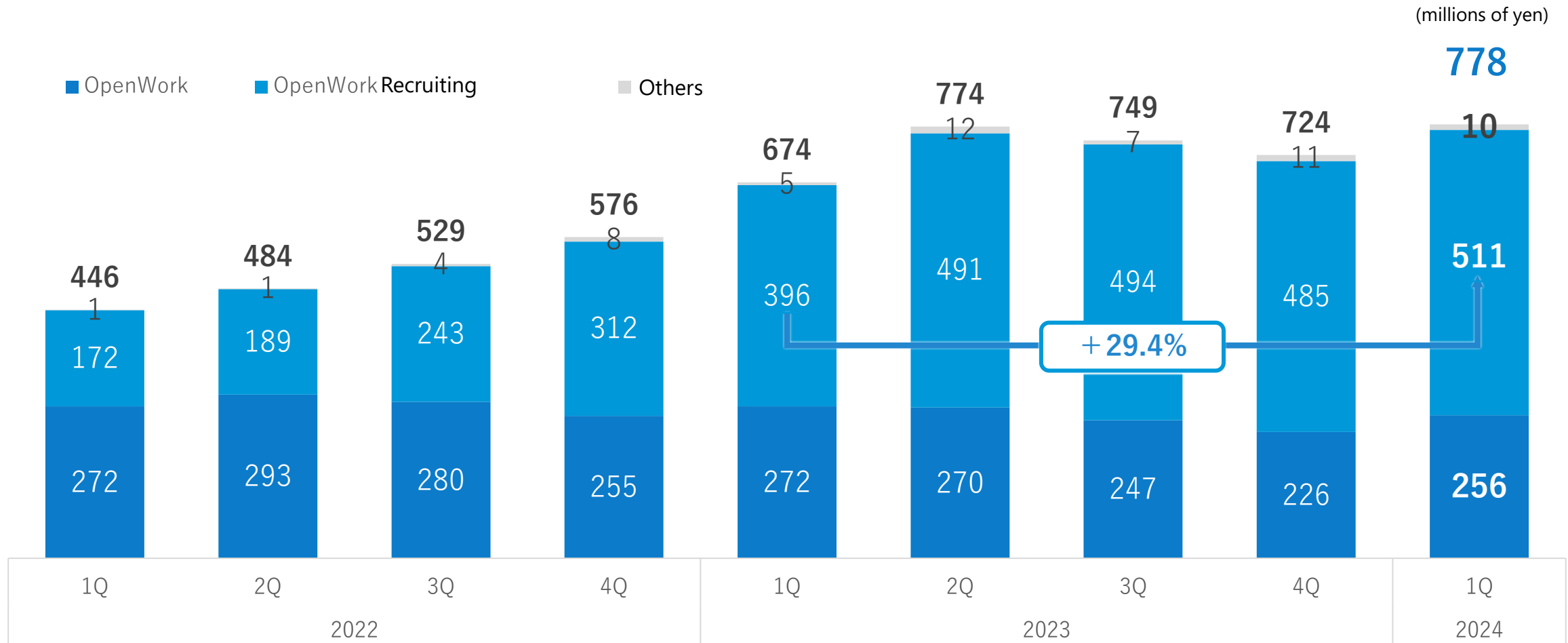


According to Number of people who decided to join the new company by OpenWork Recruiting, it seems be possible to achieve the plan of 2Q



## Change in Earnings (change in quarterly operating revenue by service)

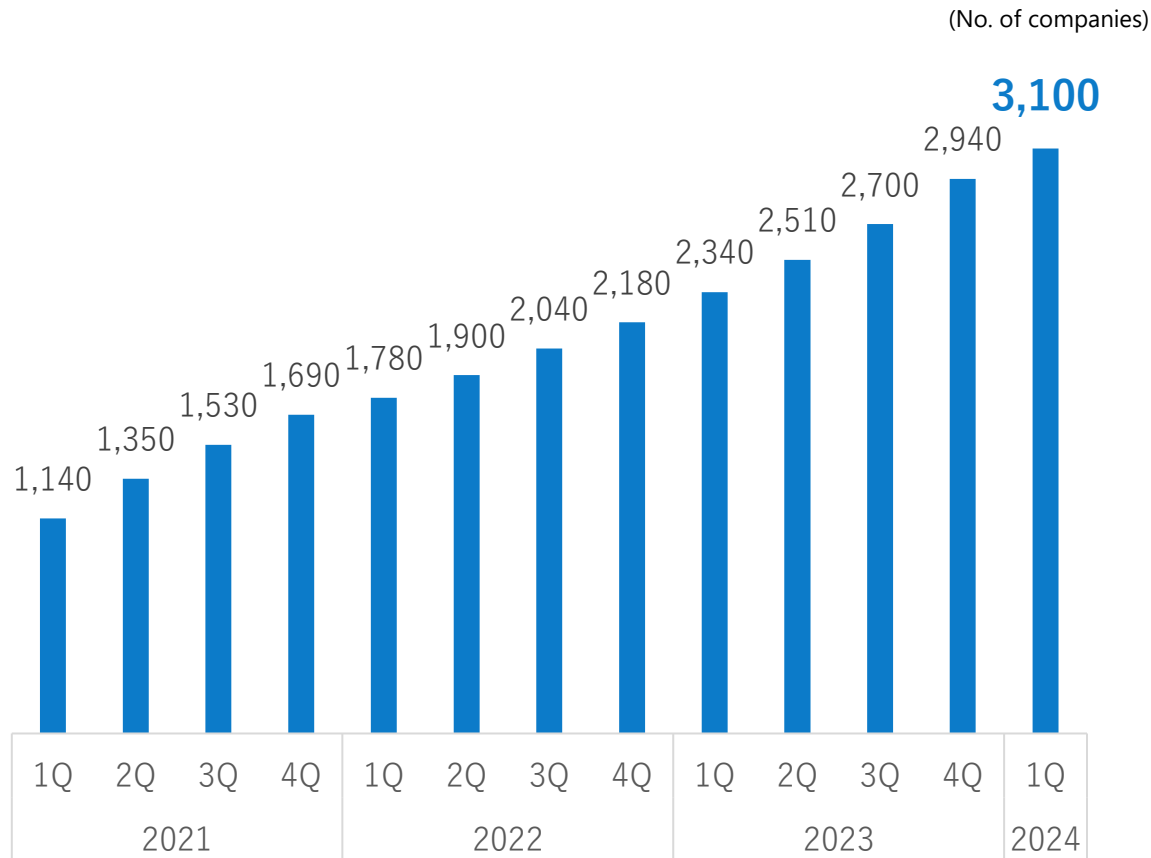
Although growth at OpenWork Recruiting moderated, Revenue of OpenWork Recruiting reached record high and continue steady growth.



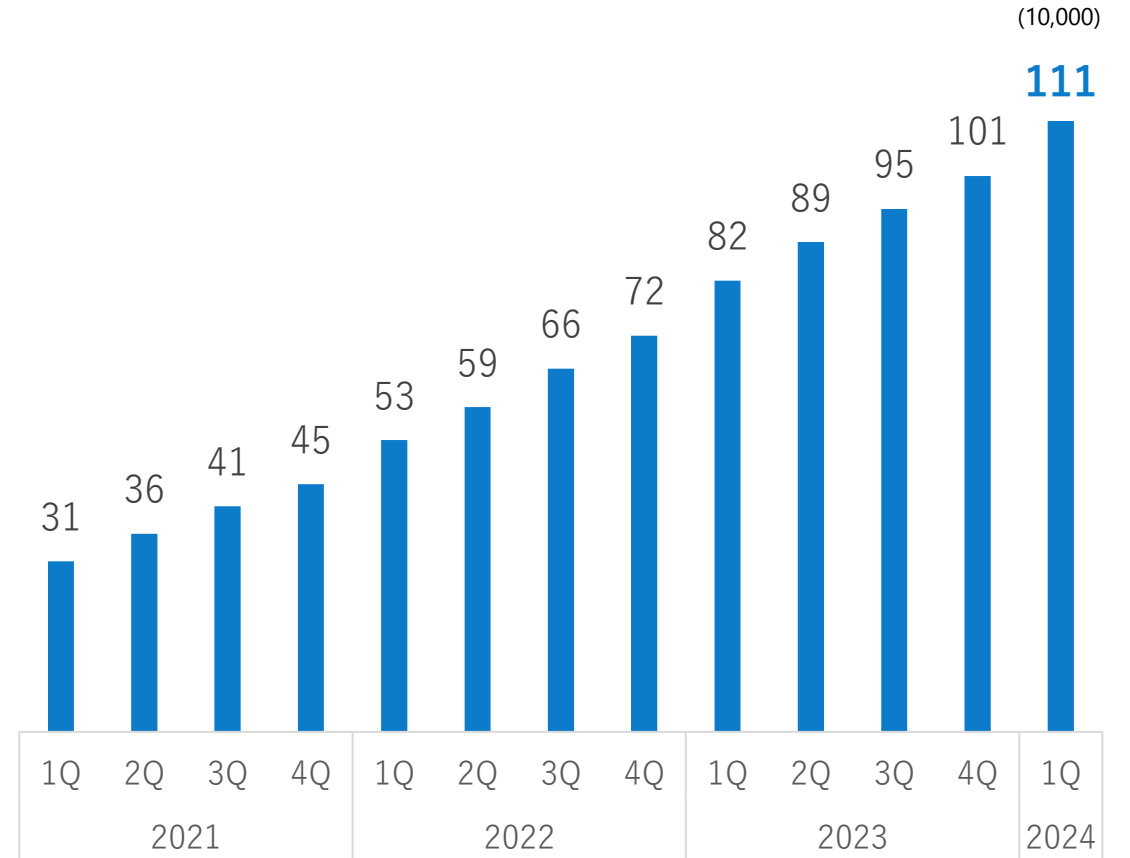
# KPIs for OpenWork Recruiting

Solid increases in both number of contracted companies and cumulative number of registered web resumes, surpassing 3,100 and 1.1mn respectively by end of 1Q.

## Number of contracted companies



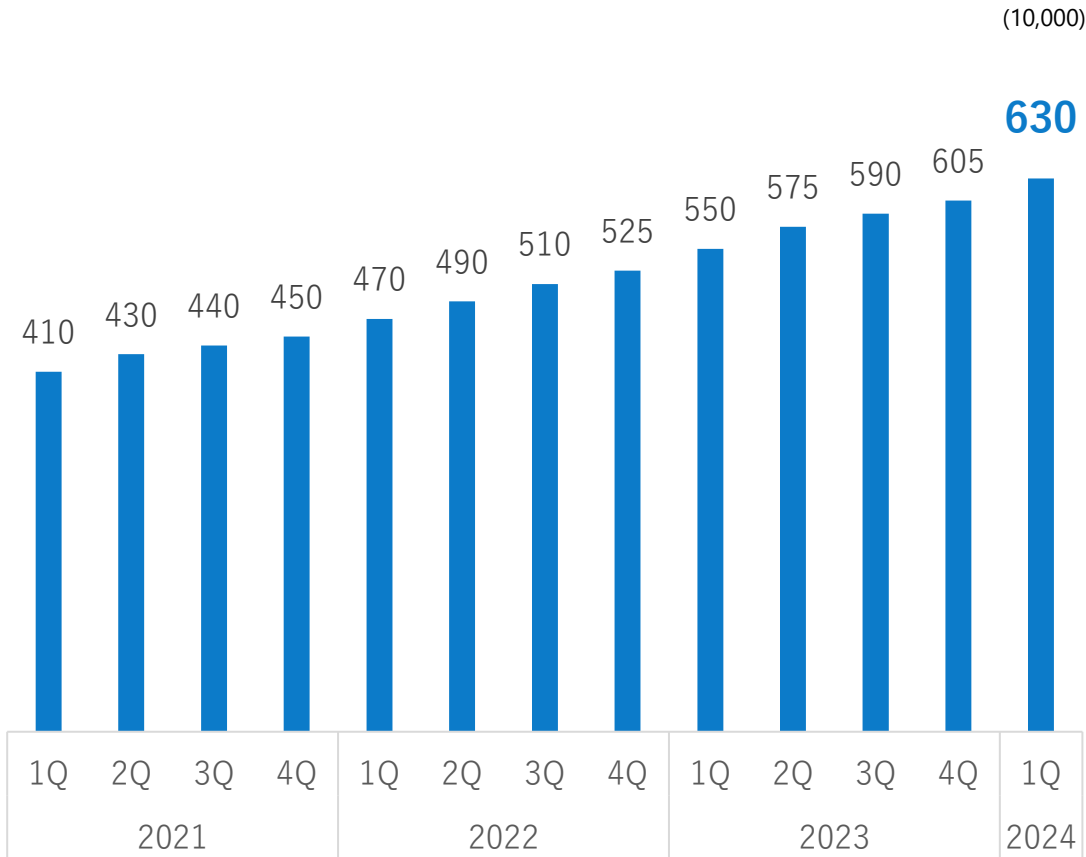
## Cumulative number of registered web resumes



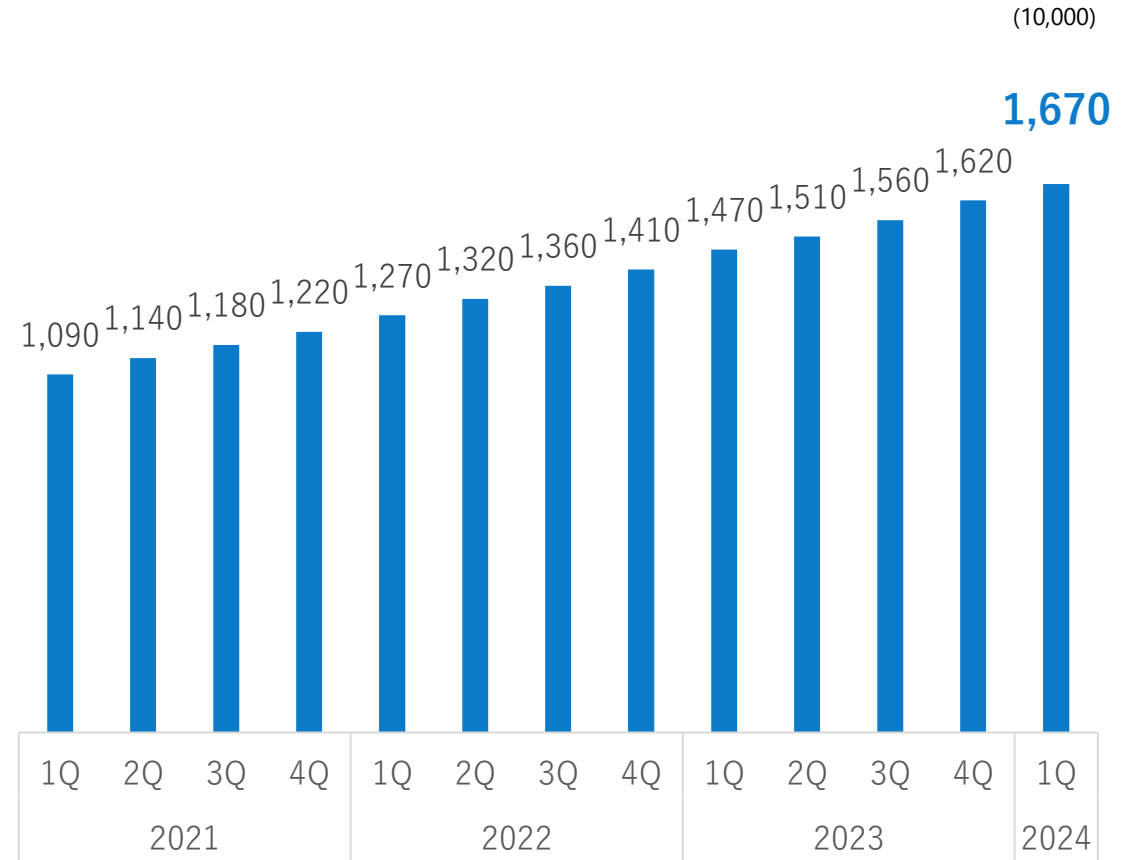
# KPIs for OpenWork

Cumulative number of registered users surpasses 6.3mn, cumulative number of employee reviews and evaluation scores surpasses 16.7mn. Steady increase in platform value.

### Cumulative number of registered users at OpenWork

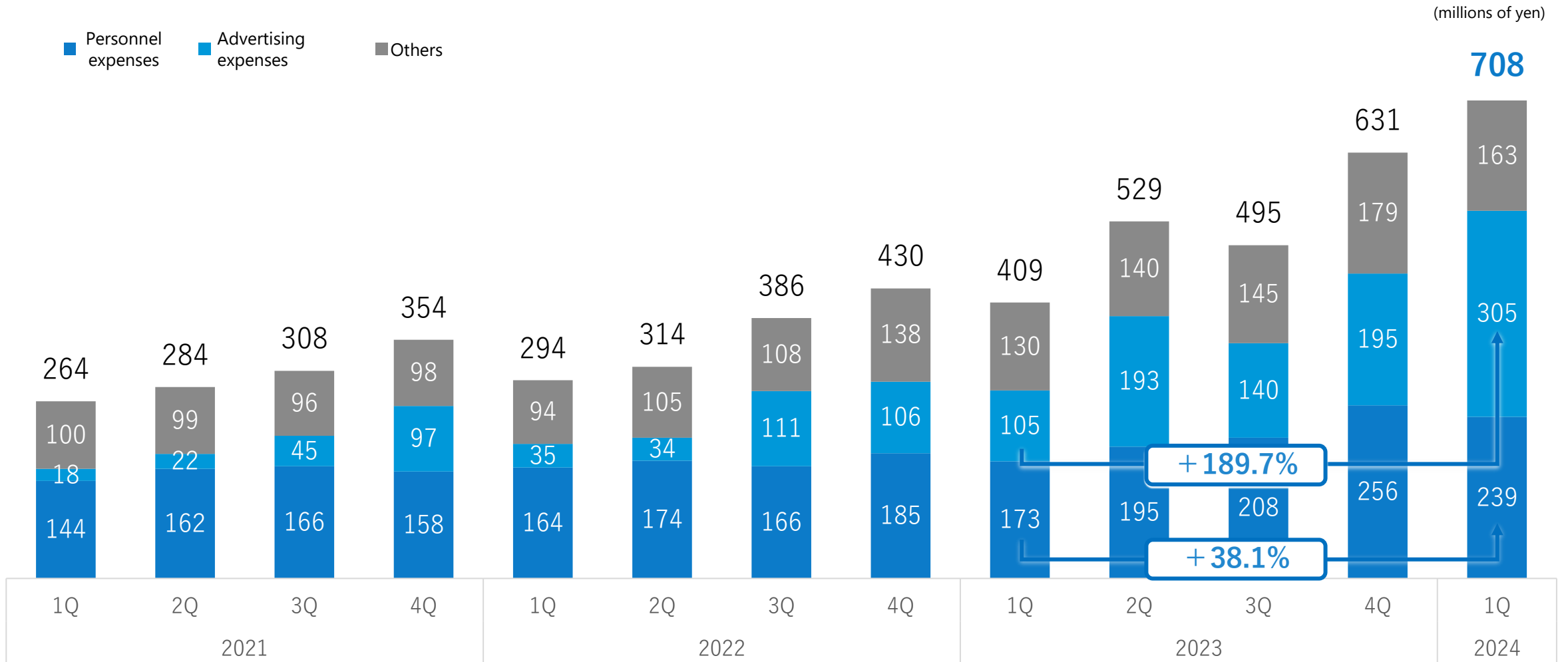


### Cumulative number of employee reviews and evaluation scores at OpenWork



# Change in Operating Expenses

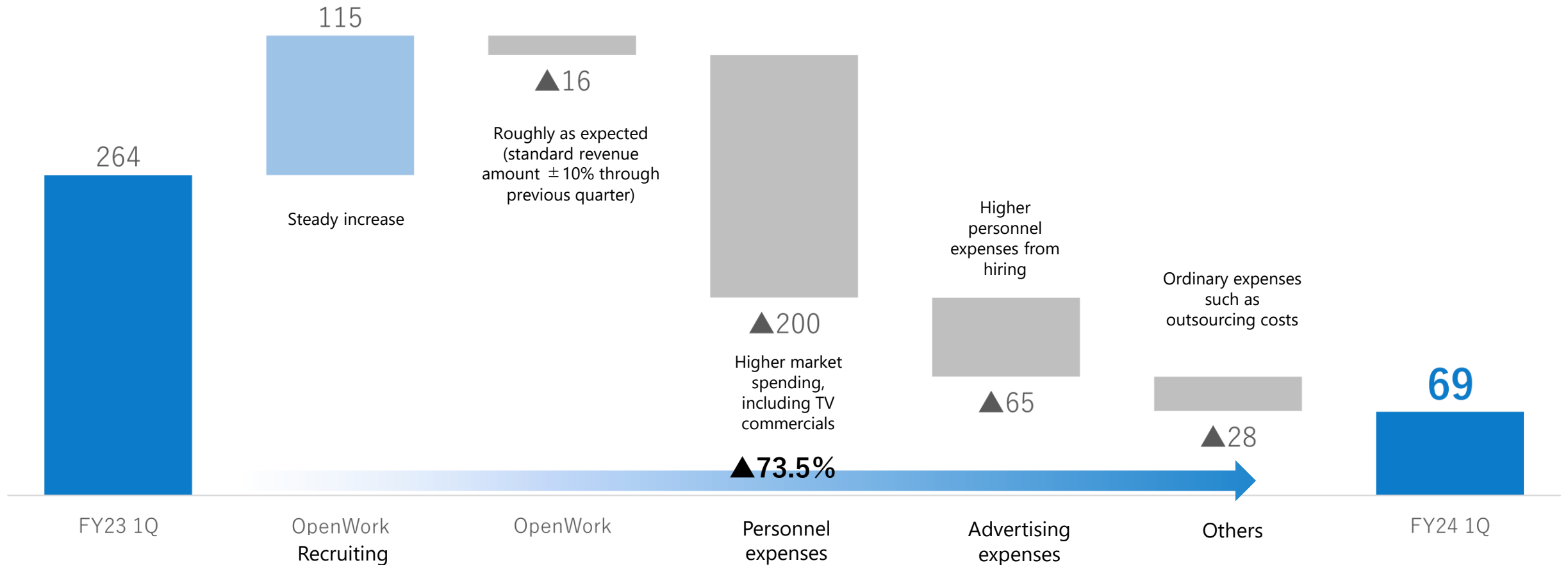
As large investment in marketing such as TV commercials in 1Q than ever, Advertising expenses increased about 3times YoY. Personnel expenses increased by strong hiring in 2H of previous year.



# Factors for Change in Operating Profit

Cause of decrease in Operating profit is advertising expenses. The pace of increase in other expenses was normal.

(millions of yen)

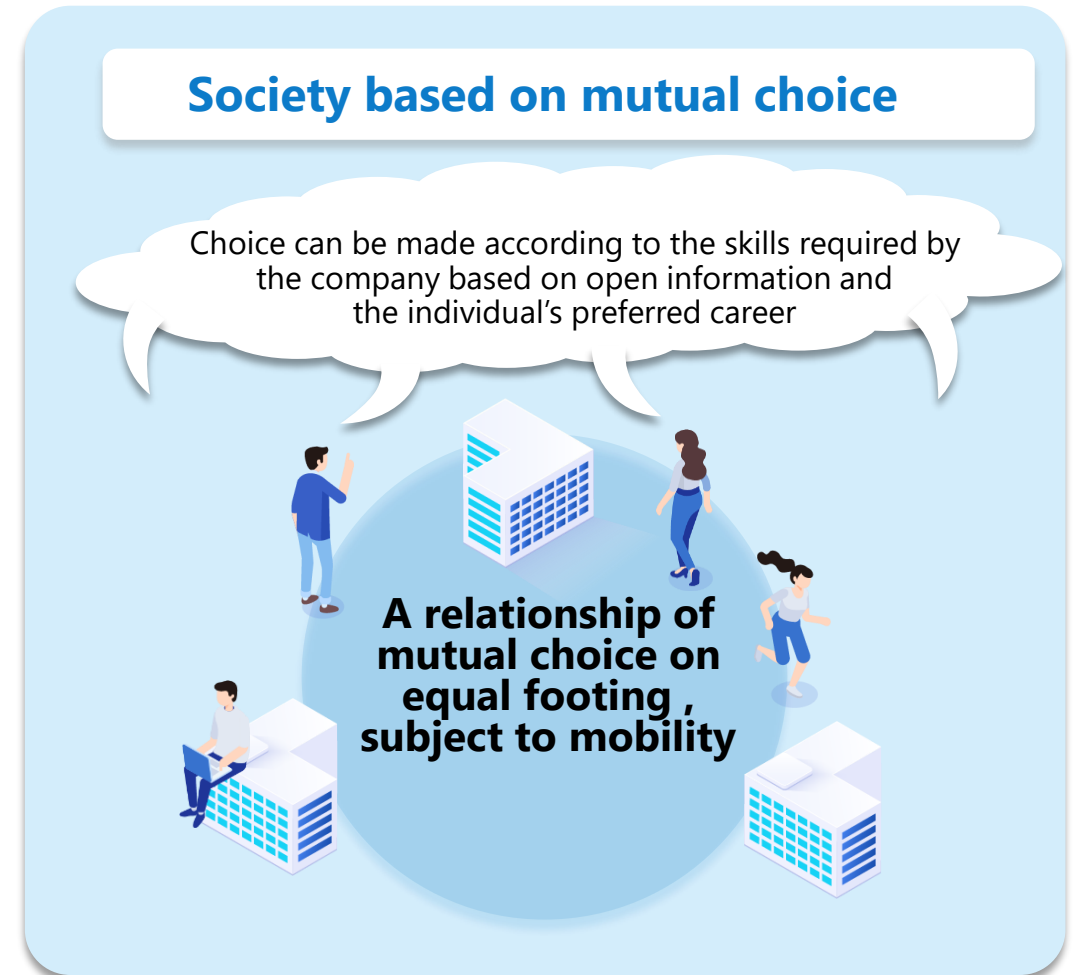
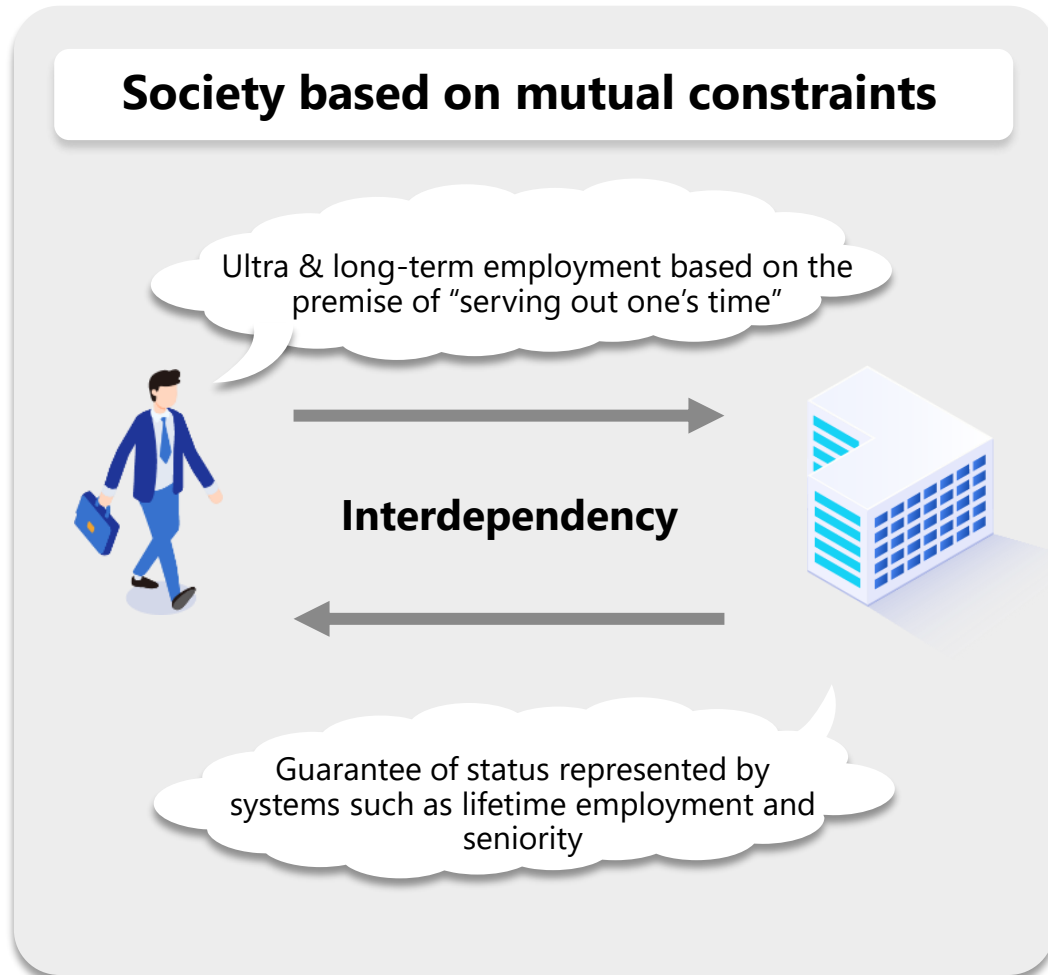


# Appendix



# Facilitation of Labor Mobility : Transition to a Society Based on Mutual Choice

We anticipate progress in the transition from the conventional era, in which individuals and companies are “bound” to each other and changing jobs is prone to risk , to the era of “choosing” each other with a mutually open attitude.



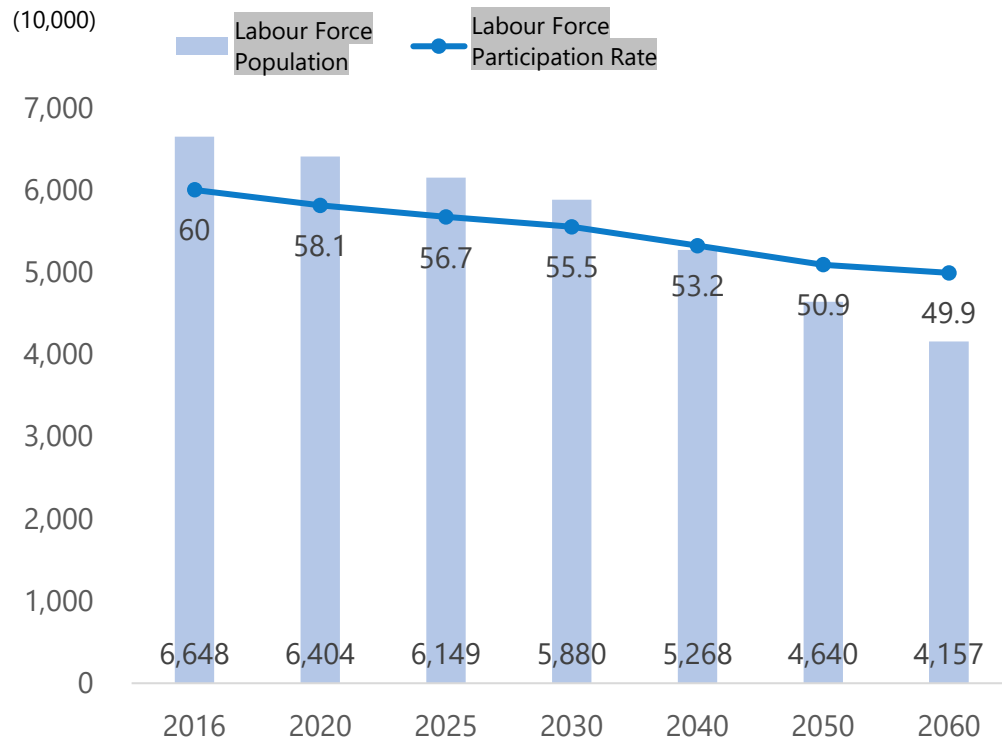
# (Reference) Macro Environment Promotes a Society Based on Mutual Choice

Macro environmental factors such as the declining domestic labor force and sluggish wage growth also drive the transition to a society based on mutual choice.

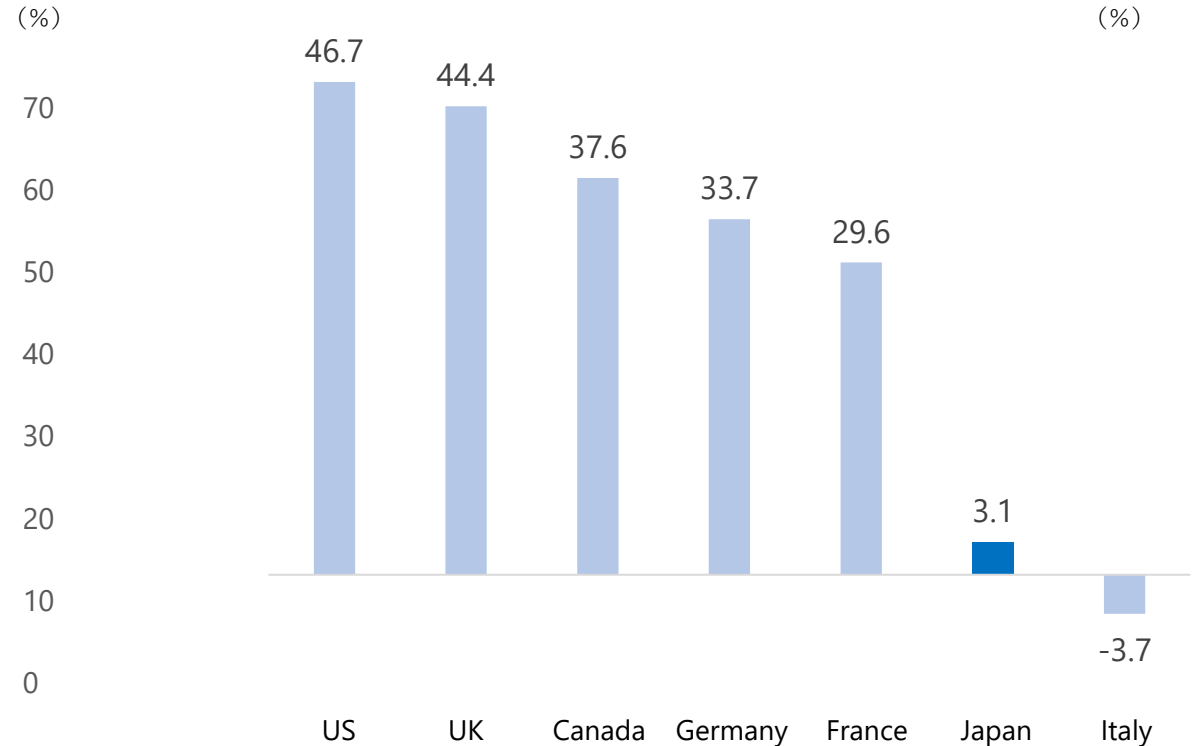
## Declining labor force

## Sluggish wage growth

### Domestic labor force



### Wage growth rates in G7 countries 1991~ 2020



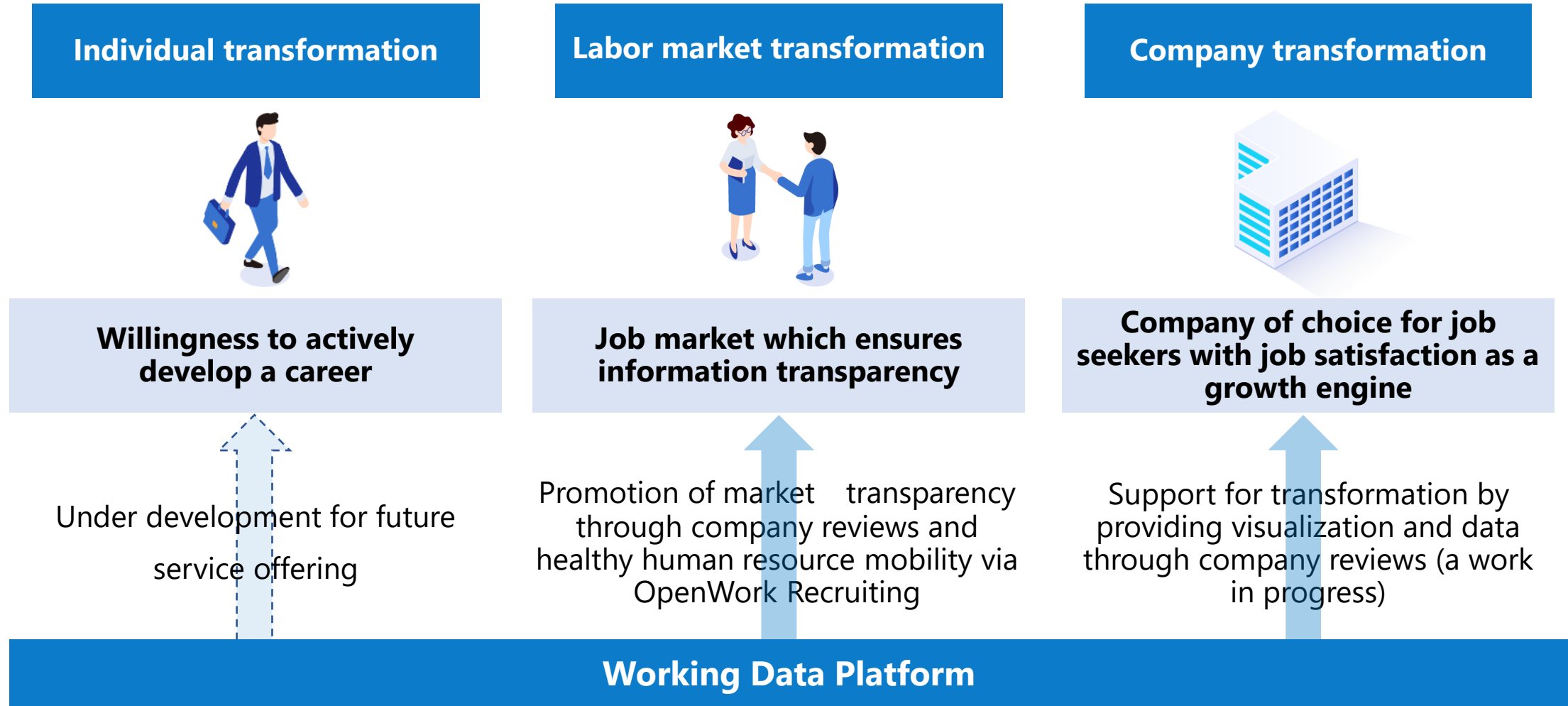
Source : Compiled by the Company based on the Ministry of Internal Affairs and Communications' "Labor Force Survey Annual Report" (2016) and the National Institute of Population and Social Security Research's "Population Projections for Japan" (2017).

Source: Compiled by the Company based on the Ministry of Health, Labour and Welfare's "Labour Economic Analysis, 2022 Edition . 1991 ~ 2020, with 1991 as 0.



# Facilitation of Labor Mobility : OpenWork's Initiatives for a Society Based on Mutual Choice

The 3 key points for the attainment of a society based on mutual choice are individuals, labor markets, and companies. So far, we have taken a 2 point approach - labor markets and companies- based on extensive working data.



# Direction of OpenWork's Business Development

OpenWork's services are broken down and redefined into four domains according to their respective roles, in order to drive the attainment of a society based on mutual choice.

The review platform that is the basis of each service = **openwork**

**"Individual transformation"**  
**(under development)**



New services to support individuals' long-term career development

**"Labor market transformation"**  
**OpenWork Recruiting**



Facilitation of human resources movement through OpenWork Recruiting

**"Company transformation"**  
**Alternative data service**



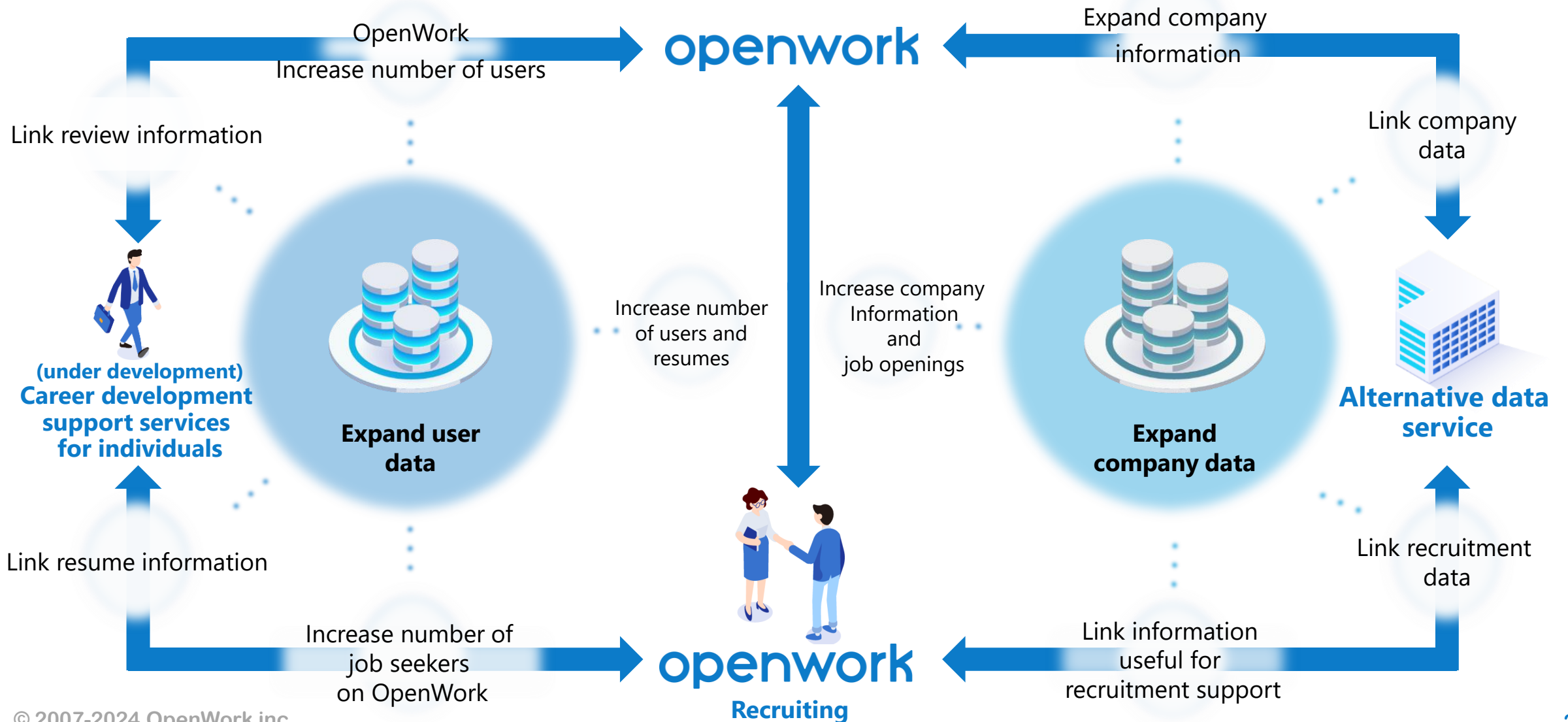
Promotion of company self-transformation by providing working data

# Future Policies in Each Domain

Domain	Direction	Growth Strategies	Contribution to profit
<b>OpenWork</b>	Aim to maximize platform value as a starting point for career consideration centred on corporate research	<ul style="list-style-type: none"> <li>✓ Further improve quality of data including external sources and reliability of ratings</li> <li>✓ Expand information collected and categories</li> </ul>	Medium (Strategic tapering off)
<b>OpenWork Recruiting</b>	Move from a start-up period to a growth period building on our strengths. Aim to expand share by simultaneously promoting competitive homogenization and differentiation	<ul style="list-style-type: none"> <li>✓ Improve matching accuracy by enhancing recommendation function</li> <li>✓ Strengthen new graduates business</li> </ul>	Large (New graduates business is small)
<b>Alternative data service (FIS/DAP)</b>	Develop markets against the backdrop of increasing importance of capital markets and human capital management	<ul style="list-style-type: none"> <li>✓ Expand sales channels in untapped financial markets such as Europe and Asia</li> <li>✓ Full-scale rollout of review reports (DAP)</li> </ul>	Small (Small scale for the time being)
<b>New domains</b>	Summarize concepts, develop service prototypes, and verify feasibility	<ul style="list-style-type: none"> <li>✓ Build infrastructure for data accumulation, collection, and utilization, with collaboration with other 3 domains in mind rather than standalone profits</li> </ul>	Undecided

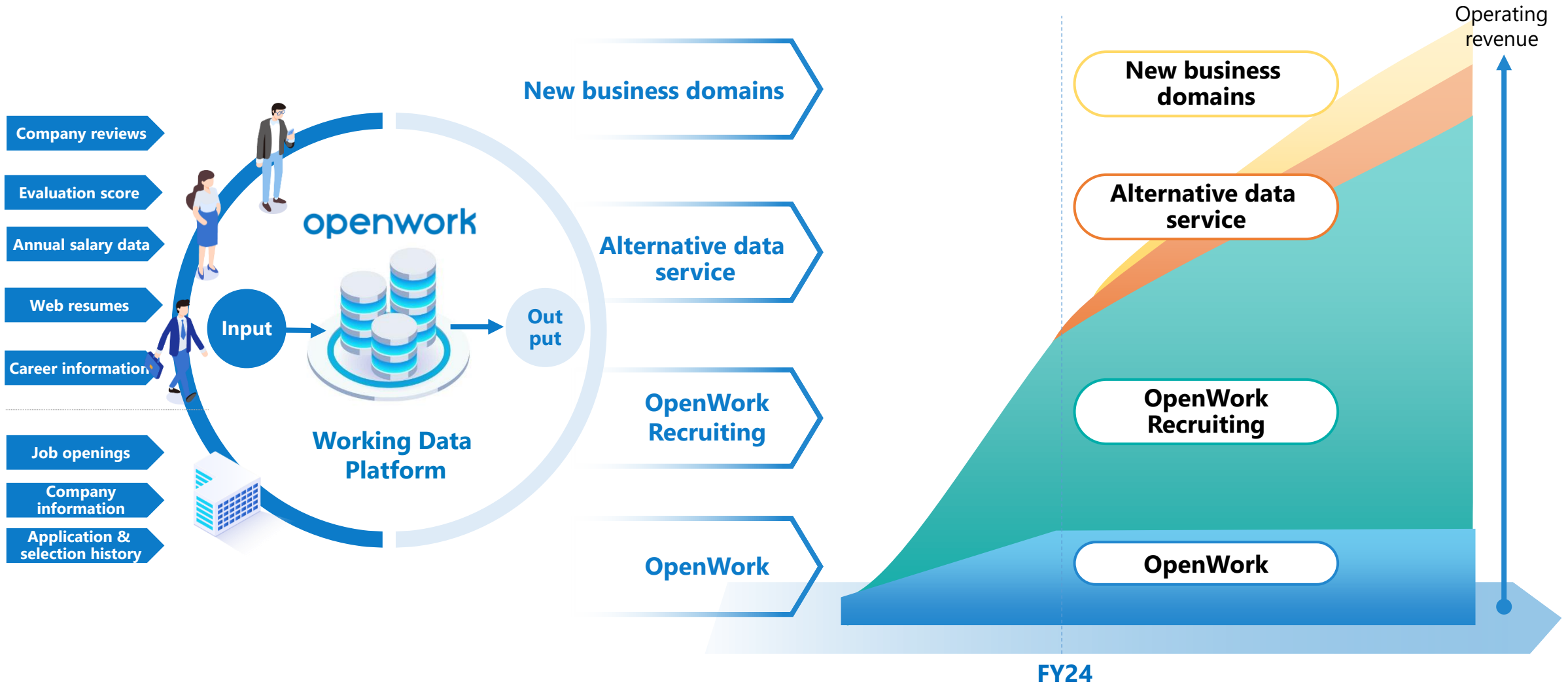
# (Reference) Collaboration among the four domains

Data collaboration with each of the 4 core domains to enhance the Working Data Platform, the Company's core domain.



# Concept of Future Growth

With OpenWork and OpenWork Recruiting as stable revenue sources, grow revenue by developing services that utilize existing working data and services in new domains based on expansion of working data.



# Balance Sheet

Equity ratio around 90% and financial position solid. Continued abundance of cash-on-hand.

## Assets

(millions of yen)	End-FY2023	FY2024 1Q
Current assets	6,231	<b>5,913</b>
Cash and deposits	5,954	<b>5,518</b>
Accounts receivables *1	253	<b>329</b>
Others	24	<b>64</b>
Fixed assets	157	<b>144</b>
Tangible fixed assets	22	<b>25</b>
Investments and other assets	135	<b>118</b>
<b>Total assets</b>	<b>6,389</b>	<b>6,057</b>

\*1 Advance payment of expenses + others

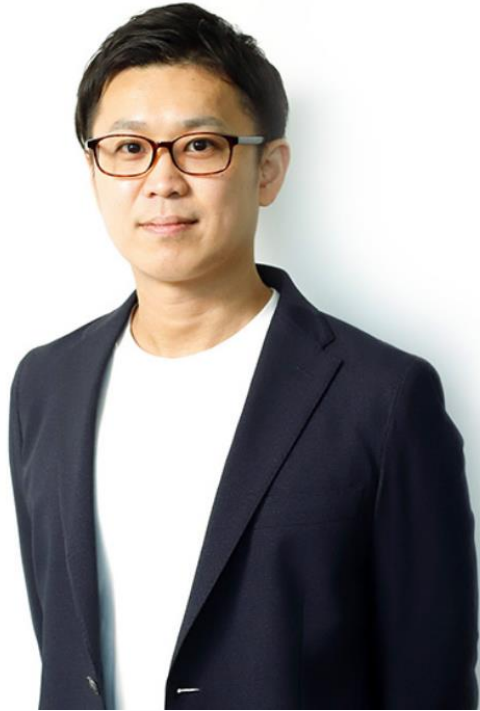
## Liabilities and net assets

(millions of yen)	End-FY2023	FY2024 1Q
Current liabilities	665	<b>278</b>
Accounts payable	227	<b>80</b>
Income taxes payable	167	<b>10</b>
Contract liabilities	102	<b>92</b>
Provision for bonuses *2	70	<b>33</b>
Others	97	<b>60</b>
<b>Total liabilities</b>	<b>665</b>	<b>278</b>
<b>Total net assets</b>	<b>5,724</b>	<b>5,779</b>
<b>Total liabilities and net assets</b>	<b>6,389</b>	<b>6,057</b>

\*2 Expenses payable + provision for directors' bonuses + others

## Message from the CEO

We would like to accelerate transformation in the Japanese labor market through OpenWork.



**Haruki Ohsawa**

Chief Executive Officer

I feel that Japan's biggest social issue is a job market that is not evolving.

There have been reports that individual labor productivity and engagement are low even in comparison with other countries. One cause of this is the mutually binding relationships between companies and individuals as symbolized by seniority based systems, mass recruitment of new graduates, and lifelong employment.

Through the ever-evolving power of technology, we hope to create a highly transparent job market that enables individuals to set themselves challenges with peace of mind.

We want to contribute to solving this problem which is unique to Japan.

OpenWork will accelerate transformation in the Japanese jobs market.

Haruki Ohsawa joined Link and Motivation, Inc. after graduating from The University of Tokyo Graduate School.

After serving as manager of the organizational HR consulting business for small- and medium-sized venture companies, he was appointed as General Manager of the Planning Department. He was responsible for new business establishment, business management, and human resources. He assumed the position of Director and Vice President of OpenWork Inc. in November 2019 and the position of Representative Director and President in April 2020.

Authored work : Excellent companies based on 13 million company reviews, Toyo Keizai Inc.

「働く」のすべてを、オープンに。



The information in this document includes forward-looking statements. These forward-looking statements are based on information available to the Company at the time of publication and certain assumptions judged to be reasonable, and involve risk and uncertainty. The Company does not guarantee the realization of these statements or future performance, and actual results may differ materially from forward-looking statements.

The factors affecting the a forementioned actual performance include general industry and market conditions, as well as general conditions in the domestic and international economies, such as interest rate and foreign exchange fluctuations.

As stated above, the forward-looking statements in this document are current as of when the document was prepared, and the Company has no obligation or policy to update the content to the latest information at any time.

