



SHIKIGAKU

FY2/25 Three month ended Result Presentation

July 10, 2024

TSE Growth: 7049 JP

Result Summary

Segment	Summary	Comment
Consolidated	<p>Sales : ¥1,330m (YoY +11.2%)</p> <p>OP : ¥90m (¥-146m last year)</p>	<p>Sales reached record high in 1Q alone</p> <p>OP made black ink for three consecutive quarters</p>
Organizational Consulting	<p>Sales : ¥1,159m (YoY +10.8%)</p> <p>OP : ¥56m (¥-118m last year)</p> <p>Sales per head of consultant : ¥4.44m/month(¥3.06m last year)</p> <p>Number of consultant as of 1Q : 69 (95 last year)</p> <p>Order backlog : ¥790m (YoY +12.7%)</p>	<p>Sales of Organizational Consulting reached record high in 1Q alone as well</p> <p>The number of clients of Shikigaku basic service was 700 in 1Q, increased 134 YoY</p> <p>Sales per head of consultant also reached record high due to discontinuation of M&A business and hired more inside-sales role workers</p>
Sports Entertainment	<p>Sales : ¥170m (YoY +43.4%)</p> <p>OP : ¥64m (¥-21m last year)</p>	<p>Made OP black ink in 1Q alone</p>
VC fund Hands-on fund	<p>New investment : 1</p>	<p>IPO-ed of investee, itamiarts in April 2024</p> <p>New investment to Soccer.com</p> <p>An investee faces phase of exit in Hands-on fund</p>

FY2/25 1Q result presentation

Income Summary

Sales reached **record high** in 1Q alone

OP made another black ink due to cost deduction of mainly advertisement & marketing expenses

(¥m)	FY2/24	FY2/25	YoY	FY2/25	Progress
	1Q (Mar-May)	1Q (Mar-May)		Company forecast	
Sales	1,195	1,330	11.2%	5,245	25.4%
CoGS + SG&A	1,342	1,239	▲7.7%	5,077	24.4%
(Within HR cost and Hiring cost)	543	504	▲7.1%	2,153	23.4%
(Within advertisement & marketing cost*)	304	150	▲50.6%	650	23.1%
Operating profit	▲146	90	-	168	53.6%
Recurring profit	▲147	110	-	166	66.3%
Net profit attribute to the owners	▲81	106	-	37	286.5%
EPS (¥)	▲9.30	12.20	-	4.21	289.8%

*Marketing cost includes outsourcing and commission cost related to advertising

Segment

Sales of Organizational Consulting reached **record high**
Sport Entertainment improved sales and OP YoY

(¥m)	FY2/24	FY2/25	YoY
	1Q (Mar-May)	1Q (Mar-May)	
Sales	1,195	1,330	11.2%
Organizational Consulting	1,047	1,159	10.8%
Sports Entertainment	118	170	43.4%
VC Fund	30	-	-
VC Fund with hands-on support	-	-	-
Operating profit	▲146	90	-
Organizational Consulting	▲118	56	-
Sports Entertainment	▲21	64	-
VC Fund	▲16	▲19	-
VC Funds with hands-on support	▲1	▲2	-

FY2/25	Progress
Company forecast	
5,245	25.4%
4,621	25.1%
624	27.2%
-	-
-	-

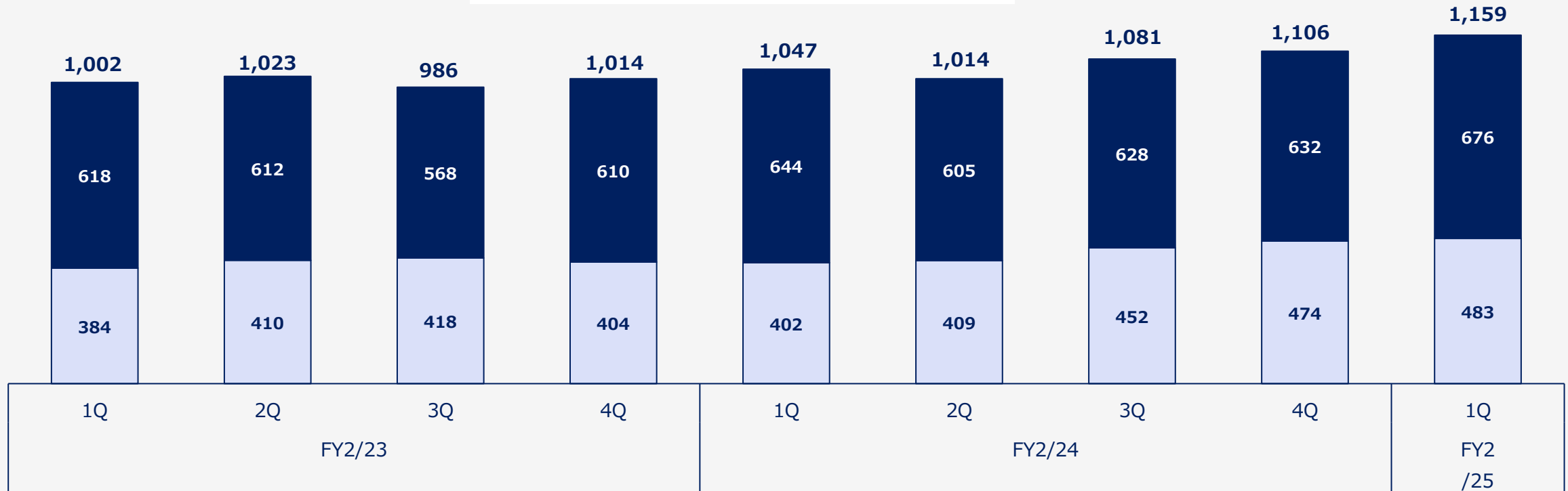
Organizational Consulting – sales breakdown

Sales of Organizational Consulting was **¥1,159m**, marked **record high** for three consecutive quarters

Organizational Consulting – sales breakdown

□ Platform service ■ Management consulting service

(¥m)



Growth story in FY2/25 (Quote: Growth presentation released on 28 May 2024, Japanese only)

Utilize “Market environment” and “Our asset of experience” to achieve **solid growth** in FY2/25



Growth Scenario 1 : Growth of Platform service (most focused)

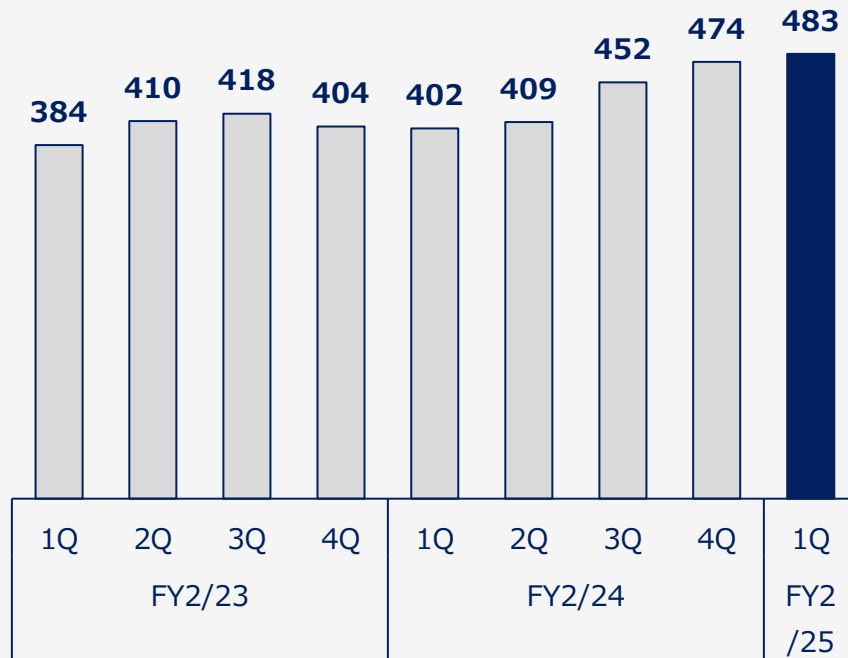
Increased monthly charge of Platform Service from ¥200,000 to ¥300,000 in April 2024

Retained customers are inline due to a price increase

Our challenge is to reduce cancelations by improving quality of our services

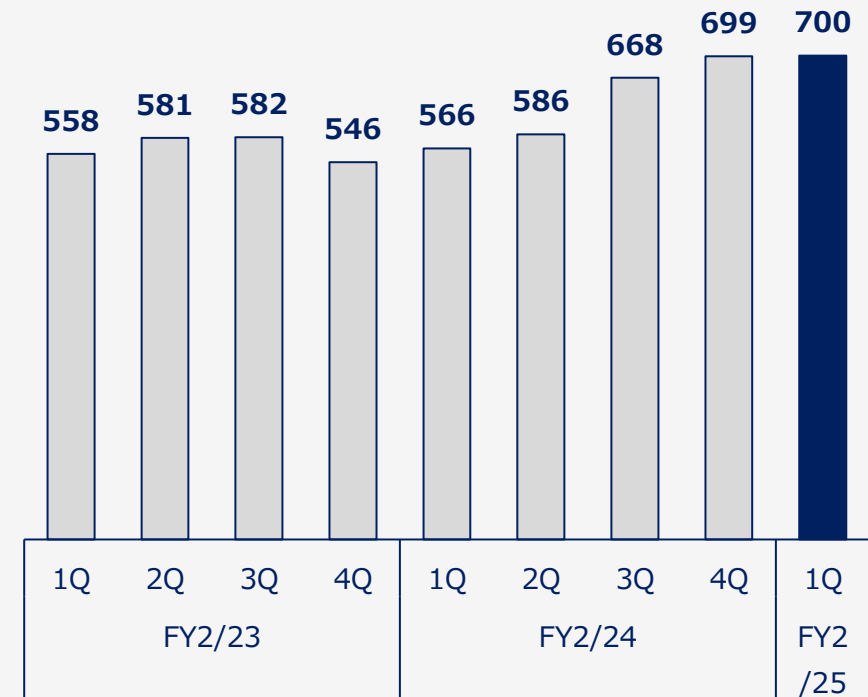
Sales of platform service

(¥m)



Retained costumers (Shikigaku Basic Services)

(Company)

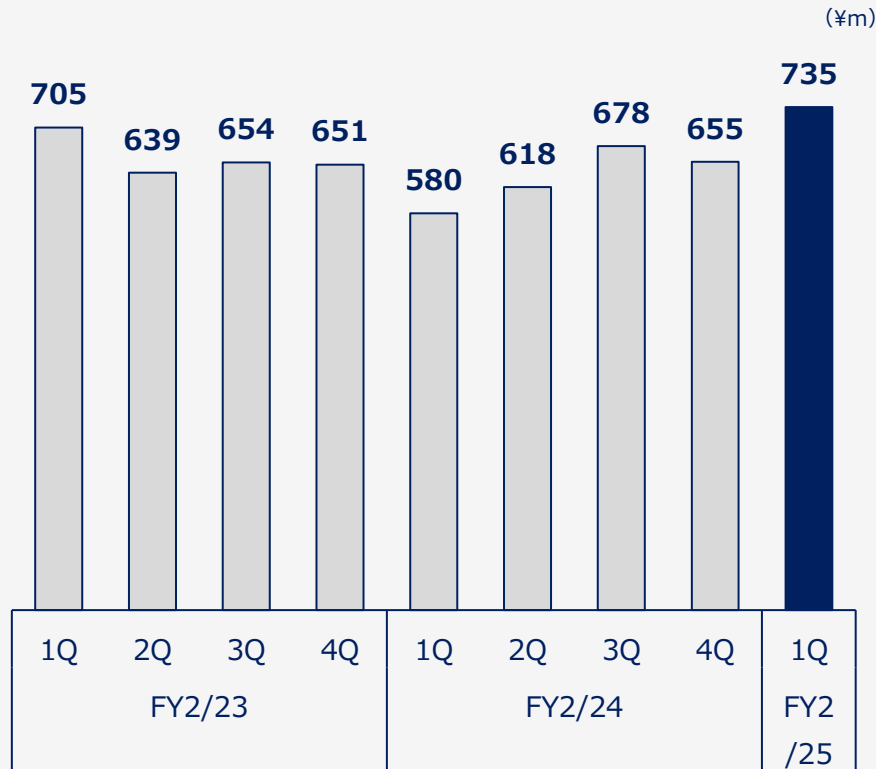


Growth Scenario 1 : Organic growth of order intake

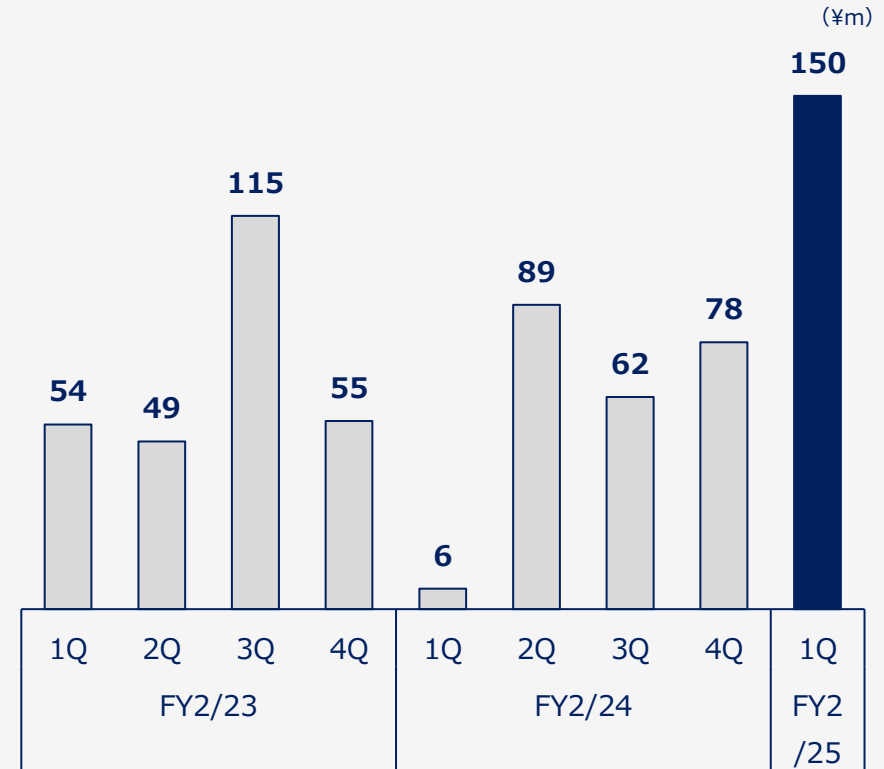
Order intake of Management Consulting service was **¥735m**, marked **record high**

Surge of repeat orders from, large-cap company order intake was **¥150m**, marked **record high**

Order intake of Management Consulting service



Large-cap company order intake



Exit phase

Collection of investment



Shikigaku fund #1

8 total investments, 3 companies successfully made IPO

Fund is closed and no fund raising

Phase of exit

Developing phase

Growth of investees



Shikigaku fund #2

17 total investments

Fund is closed and no fund raising

Phase of exit or/and utilizing Shikigaku theory

Seeding phase

Seeking investment



Shin-shin Kiei Fund

4 total investments

No fund raising with having an investment capacity

Phase of utilizing Shikigaku theory

Achieved 3 IPOs out of 8 total investments

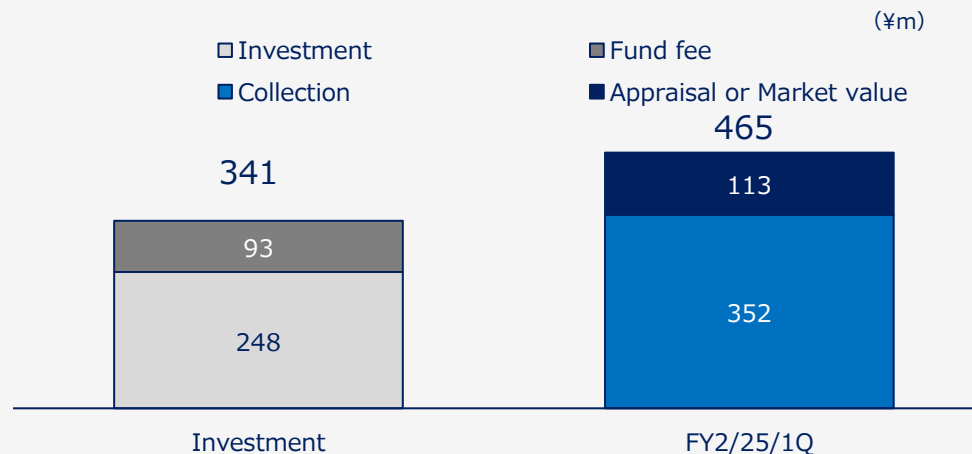
Sold all shares of Geocode and partially in Aidma HD with profit

Exit phase
Collection of investment



Shikigaku fund #1 (Launch in Oct 2019)	Investment (¥m)	Collection (¥m)	Collection ratio (collection ÷ investment)	Appraisal or Market value (¥m)	Collection+Appraisal or Market value (¥m)
Geocode (TSE:STD 7357)	29	101	348%	—	101
Aidma HD (TSE:GRT 7373)	35	250	714%	14	264
itamiarts (TSE:GRT 168A)	52	—	—	46	46
5 unlisted companies	129	—	—	*153	53
Unexcused investment (fund management fee)	93	—	—	—	—
Total	341	352	103%	113	465

investment vs estimated returns



*1 : Fund book value (post impairment or valuation loss)+unearned profit from appraisal value

Growth Scenario 2 : Corporate revitalization and monetization of VC Investment

Fund has been full investment, no more investment capacity

Due to investee's **up-round fund raising**, appraisal or market value has increased

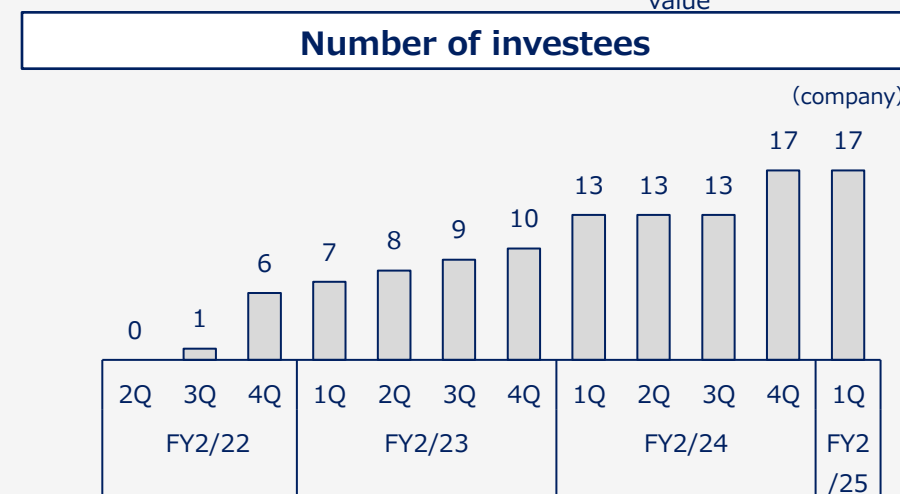
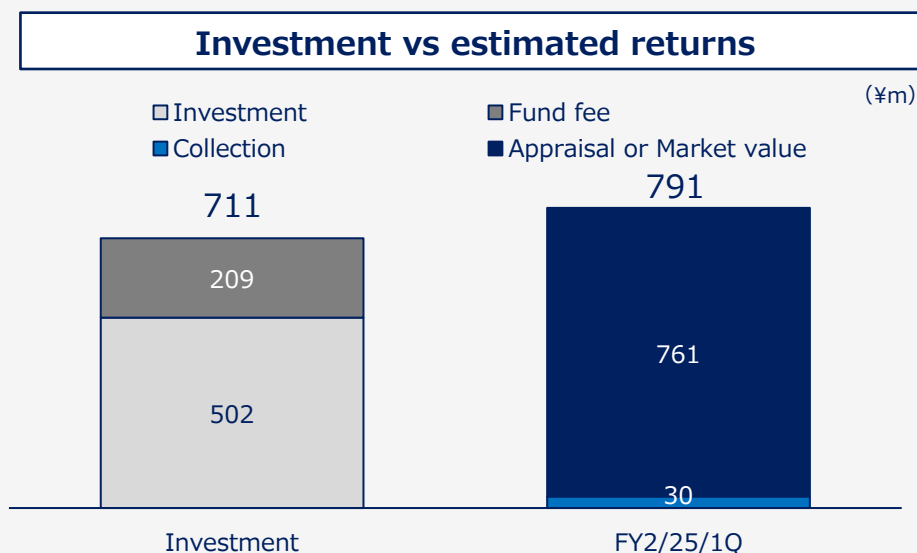
Developing phase

Growth of investees



Shikigaku fund #2 (Launch in June 2021)	Investment (¥m)	Collection (¥m)	Collection ratio (collection ÷ Investment)	Appraisal or Market value (¥m)	Collection+Appraisal or Market value (¥m)
17 unlisted companies	502	30	6%	*1761	791
Unexcused investment (fund management fee)	209	—	—	—	—
Total	711	30	4%	761	791

*1 : Fund book value (post impairment or valuation loss)+unearned profit from appraisal value



Growth Scenario 2 : Corporate revitalization and new investment of VC

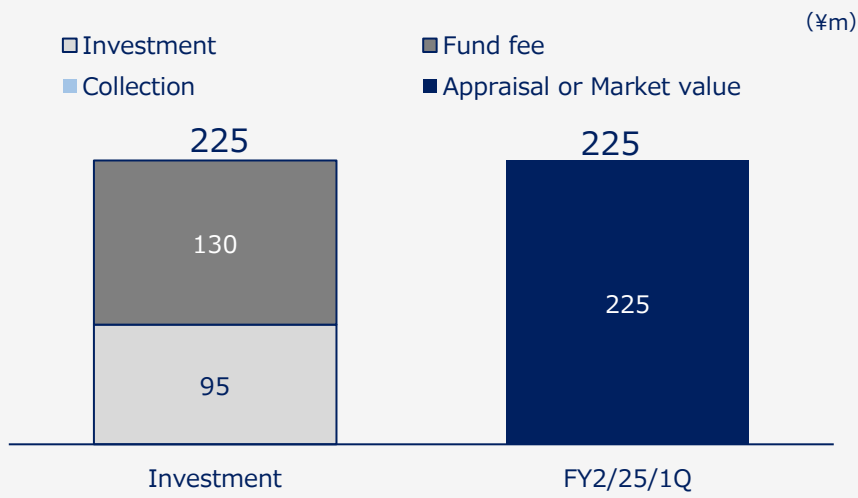
JV with TKP (TSE growth: 3479 JP) , fund capital ceiling is ¥750m, ¥399m for Shikigaku
 Increase investees' value by utilizing TKP and Shikigaku business alliance

Seeding phase
 Seeking investment



Shin-shin Kiei fund (Launch in July 2023)	Investment (¥m)	Collection (¥m)	Collection ratio (collection ÷ Investment)	Appraisal or Market value (¥m)	Collection+Appraisal or Market value (¥m)
4 unlisted companies	95	—	—	95	95
Unexcused investment	130	—	—	130	130
Total (*capital call portion)	225	—	—	225	225

Investment vs estimated returns



Number of investees



Growth Scenario 2 : VC hands-on

Commenced one investment with hands-on support in March 2022

Investee turned to **black ink with sales growth of 140%**, despite red ink for 3 consecutive years

Shinsei Shikigaku Fund (Launch in June 2021)	Investment (¥m)	Collection (¥m)	Collection ratio (collection ÷ Investment)	Appraisal or Market value (¥m)
1 unlisted company	315	—	—	315
Unexcused investment	281	—	—	281
Total (*capital call portion)	596	—	—	596

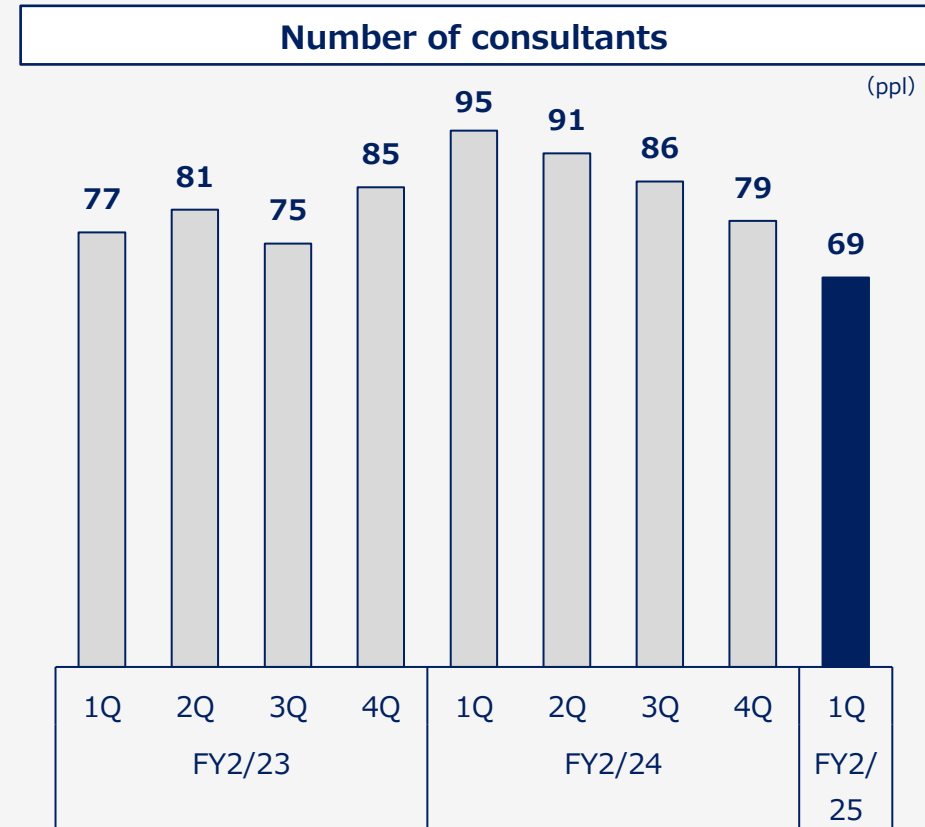
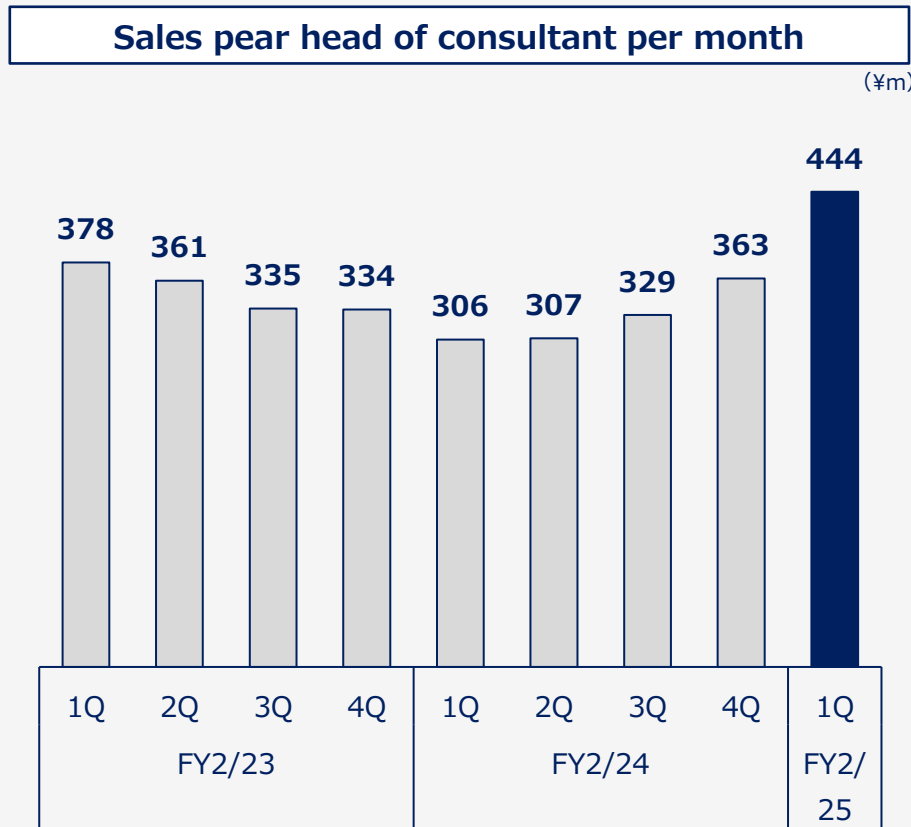
We demonstrated that it is **possible for us to improve corporate value** by doing corporate succession and revitalization with utilizing Shikigaku theory. We have decided to accelerate new investments, seeking for a couple of new invests, a due diligence is underway in **a company** and **done 5 top meetings**

Appendix : KPI (Consultant related)

Record high in sales per head of consultant per month, due to quality improvement and increasing inside-sales staff

Decreased **5** consultants due to **disposal of M&A business** and **5** resignations

Hired 2 consultant candidates and actively hiring consultants



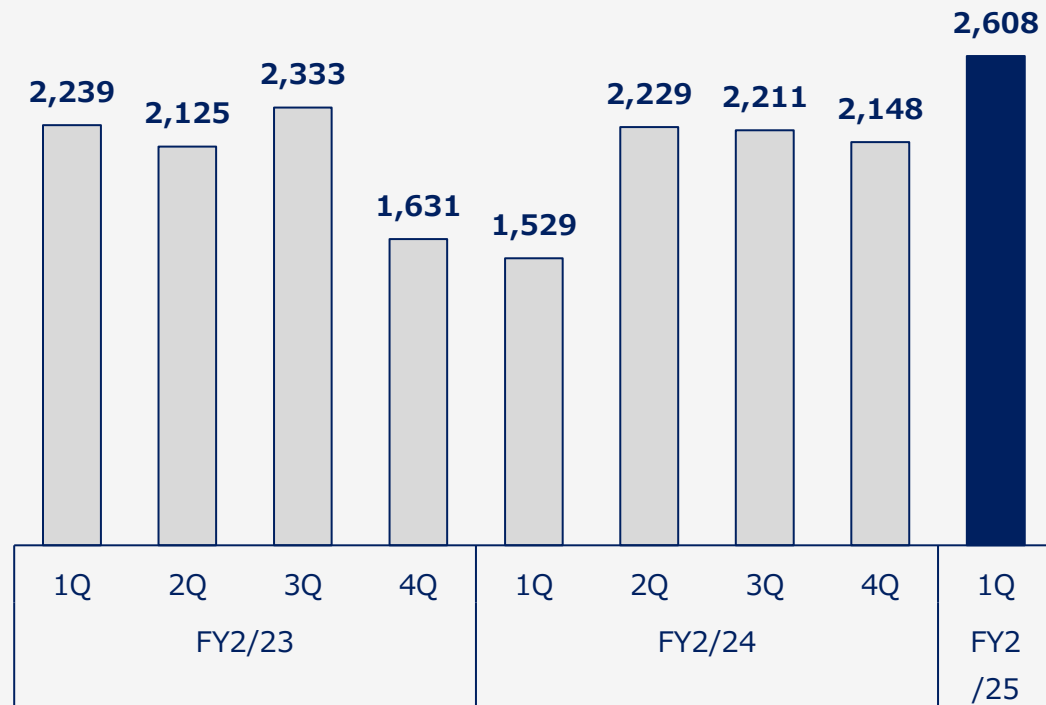
Appendix : KPI (Management consulting service)

Order intake of Management Consulting per client **increased YoY, ¥2,608K**

New contract was 132, which decreased QoQ, whereas order intake per client has increased thus total order intake has positive impacts

Order intake per client of management consulting

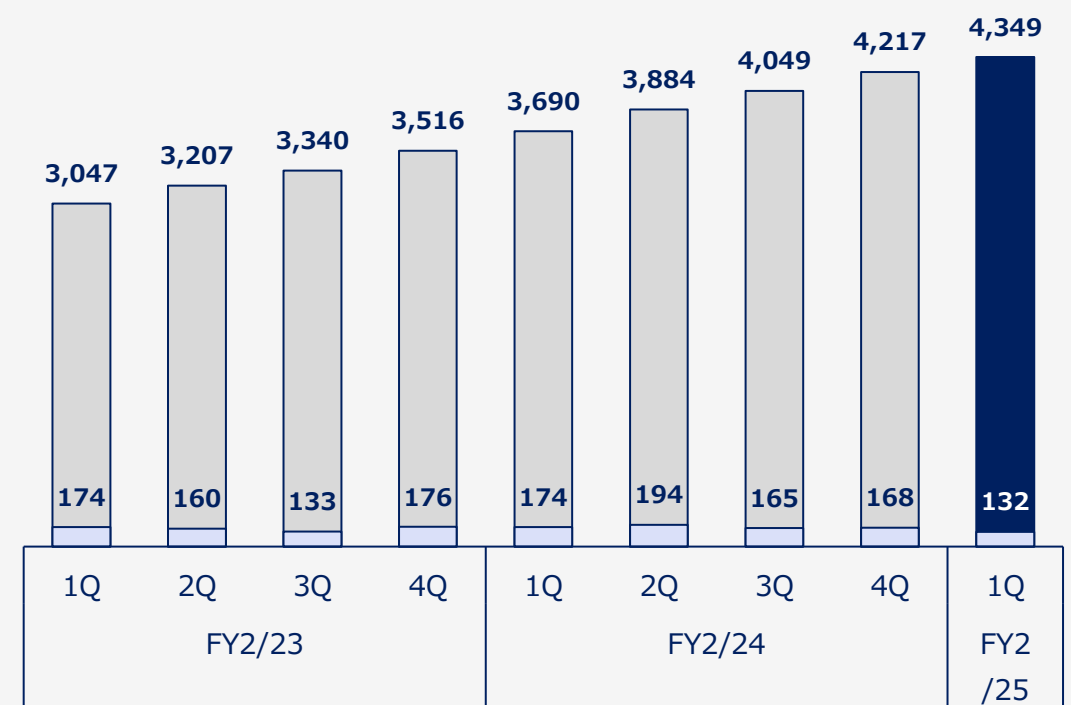
(¥'000)



Accumulated contracts (management consulting services)

(company)

■ Accumulated contract ■ New contract



Appendix : Fukushima Firebonds (B2 League)

Only professional sports team in Fukushima prefecture, founded in 2013, acquired by Shikigaku in 2020

To respect local community, we host, attend, support, 565 regional events or activities



**2023-24 シーズン
地域活動実績**

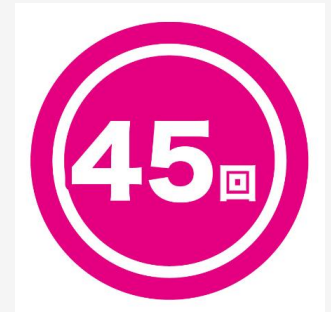
合計 565回

2024.6.21 現在

Activities at schools
and local facilities



Local events

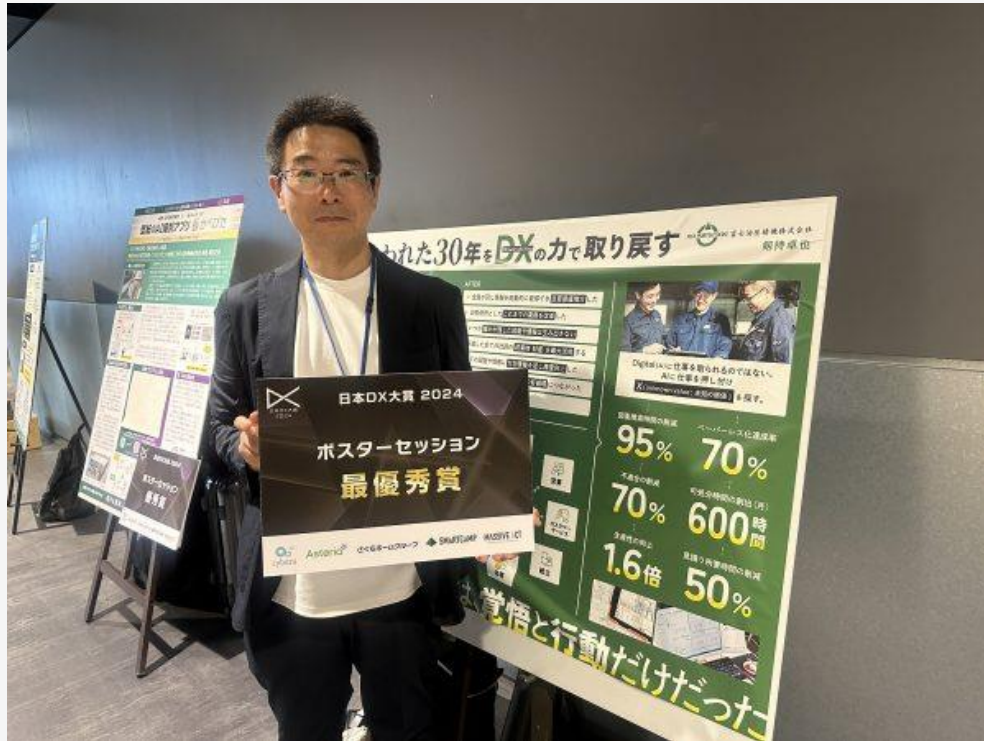


Collaborations with local organizations
and Independent activities



Appendix : Investee received award

Investee, Fuji-Yuatsu received “the Japan DX award”



失われた30年をDXの力で取り戻す

富士油圧株式会社 取締役 新持卓也

BEFORE	AFTER
● 高技術者依存に依存する 他責意識 があった	● 全員が同じ情報を能動的に取得でき 自律意識増大した
● 図面や情報入手するために必要な業務 があった	● 旧態依然とした これまでの業務を改善 した
● 繰り返される「車輪の再発明」があった	● いつか 誰かが残した図面や情報は生み出さない
● 階層による 技術の断絶 があった	● 所属した全ての社員の 成果物 財産 を最大活用 する
● 「常識」という 曖昧文化 があった	● 全ての図面や情報に 付加情報を 足し 精度向上 した
● 人と人の指示依頼による 過大な負担 があった	● 対人折衝激減による 対人関係の好循環 につながった
● 働く場所、時間は 固定化 されていた	● リモートワークが可能 になった

Digital(AI)に仕事を取られるのではない。AIに仕事を押し付け (Unknown value / 未知の価値) を探す。

BEFORE	AFTER
図面検索時間の削減	ペーパーレス化達成率
95%	70%
不適合の削減	可処分時間の創出 (月)
70%	600時間
生産性の向上	見積り所要時間の削減
1.6倍	50%

改革に必要なことは、覚悟と行動だけだった

Appendix : IR release in 1Q

Date	Contents	Growth Scenario
19 March, 2024	Launch of Marketing BPO service "Shikigaku Growth Marketing"	Scenario1 New service to increase order intake
25 March, 2024	Fund; new investment to Soccer.com	Scenario2 New investment
8, April, 2024	IPO of investee, itamiatrs (TSE growth 168A)	Scenario2 Exit
20 May, 2024	Kushikatsu Tanaka (TSE STD 3547) becomes client	Scenario1 Organic growth of order intake of Management Consulting

Cautionary Note Regarding Forward-Looking Statements

Forward-looking statements included in this material are based on judgments and assumptions based on information available at the time this material was created, and we do not guarantee its accuracy. In addition, this document includes financial figures that have not been audited by an independent certified public accountant or audit firm.

Please note that actual performance may differ significantly from the forecast due to various uncertainties included in these judgments and assumptions, changes in risk factors, changes in the economic environment, etc.

This document has been prepared for informational purposes only. This material is not intended to solicit the sale or purchase of securities, or any similar act, whether in Japan or overseas.

Inquiries
ir@shikigaku.com