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## Consolidated Financial Results for the Six Months Ended January 31, 2025 [Japanese GAAP]



March 13, 2025

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 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 4194  
 URL: <https://www.visional.inc/>  
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 Scheduled date of filing semi-annual securities report: March 14, 2025  
 Scheduled date of commencing dividend payments: –  
 Availability of supplementary explanatory materials on financial results: Available  
 Schedule of financial results briefing session: Scheduled (for institutional investors and securities analysts)

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Six Months Ended January 31, 2025 (August 1, 2024 – January 31, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended January 31, 2025	36,930	17.5	10,224	4.4	10,819	6.1	7,549	4.7
January 31, 2024	31,432	19.0	9,791	68.1	10,193	65.3	7,212	74.0

(Note) Comprehensive income: Six months ended January 31, 2025: ¥7,682 million [6.8%]  
 Six months ended January 31, 2024: ¥7,191 million [73.1%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
January 31, 2025	190.21	182.60
January 31, 2024	184.25	174.18

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of January 31, 2025	81,835	59,015	71.8
As of July 31, 2024	76,314	52,388	68.3

(Reference) Equity: As of January 31, 2025: ¥58,729 million  
 As of July 31, 2024: ¥52,158 million

## 2. Dividends

	Annual Dividend				
	1Q	2Q	3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended July 31, 2024	—	0.00	—	0.00	0.00
Fiscal year ending July 31, 2025	—	0.00			
Fiscal year ending July 31, 2025 (Forecast)			—	0.00	0.00

(Note) Revision to the forecast for dividends announced most recently: None

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending July 31, 2025 (August 1, 2024 - July 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Full-year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	76,400	15.5	19,150	7.4	19,600	6.1	13,470	3.7	339.79

(Note) Revision to the financial results forecast announced most recently: None

### \* Notes:

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Accounting methods adopted particularly for the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: None
  - 2) Changes in accounting policies other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Retrospective restatement: None
- (4) Total number of issued shares (common shares)
  - 1) Total number of issued shares at the end of the period (including treasury shares):

January 31, 2025:	39,748,600 shares
July 31, 2024:	39,642,100 shares
  - 2) Total number of treasury shares at the end of the period:

January 31, 2025:	269 shares
July 31, 2024:	236 shares
  - 3) Average number of shares during the period:

Six months ended January 31, 2025:	39,688,699 shares
Six months ended January 31, 2024:	39,143,549 shares

\* These semi-annual financial results are outside the scope of review conducted by certified public accountants or an audit firm.

### \* Explanation of the proper use of financial results forecast and other notes

The statements regarding the forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management. Therefore, there might be cases in which actual results differ materially from forecast values due to various factors.

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## 1. Qualitative Information on Semi-annual Financial Results

### (1) Explanation of Operating Results

Statements in this document about the future reflect the Group's judgments as of the end of the six months ended January 31, 2025.

In the six months ended January 31, 2025, the Japanese economy recovered gradually despite continued stagnation in certain areas of private consumption and other variables. While a gradual recovery is expected to continue going forward, the downside risks to the Japanese economy posed by a downturn in the global economy resulting from the trend of trade policies in each country, the continued high interest rate levels in Europe and the U.S., ongoing concerns about the continued slowdown of the Chinese economy, and other factors remain unresolved and the outlook continues to be uncertain.

Under these circumstances, the Group's core BizReach business continued to boost performance of the entire Group for the six months ended January 31, 2025, backed by a continued willingness of companies to recruit human resources.

As a result, in the six months ended January 31, 2025, the Group recorded net sales of ¥36,930 million (up 17.5% year on year), operating profit of ¥10,224 million (up 4.4% year on year), ordinary profit of ¥10,819 million (up 6.1% year on year), and profit attributable to owners of parent of ¥7,549 million (up 4.7% year on year).

Performance by segment was as follows. (Net sales represent net sales to external customers.)

#### (i) HR Tech

The HR Tech segment consists of BizReach, HRMOS, and other HR Tech services.

In the BizReach business, as of the end of the six months ended January 31, 2025, the cumulative number of registered direct employers (Note 1) increased to more than 34,700 (compared to more than 31,700 as of the end of the previous fiscal year), the number of active headhunters (Note 2) rose to more than 8,400 (compared to more than 7,800 as of the end of the previous fiscal year), and the number of scoutable job seekers (Note 3) increased to more than 2.81 million (compared to more than 2.58 million as of the end of the previous fiscal year), as a result of the continued strength of human resources demand in the professional human resources domain and aggressive advertising. All of its growth indices have grown in comparison to the end of the previous fiscal year, and the BizReach business recorded net sales of ¥32,129 million (up 16.8% year on year), and adjusted operating profit before corporate expense allocation (Note 4) of ¥13,233 million (up 8.5% year on year).

In the HRMOS business, we are conducting marketing activities to expand the number of customers while continuing product investments. In November 2024, we released a new function of HRMOS Expenses that automatically obtains and displays time information recorded in HRMOS Attendance Management on transportation expenses and business trip-related reimbursement slips, and in January 2025, as a new function of HRMOS ATS, we released a recruitment planning function by which progress against the annual hiring plan can be confirmed in real time. In addition, in response to the outflow of employees that is now a new management issue, we have launched Internal BizReach by HRMOS, a new service aiming at creating a company at which employees will want to continue working by promoting internal scouting activities that provide employees with career options. This service is furnished with generative AI trained on data accumulated through BizReach, and realizes optimal matching of employees to internal positions through automatic generation of internal resumes and internal position specifications in addition to highly accurate employee searches and recommendations.

As for the combined KPI of HRMOS ATS service and HRMOS Talent Management service, ARR (Note 5) rose 30.5% to ¥3,182 million, the number of unique paying customers (Note 6) increased 23.8% to 2,159, and ARPU (Note 7) rose 5.4% to ¥122,852 from the end of the same period of the previous fiscal year. The

churn rate (Note 8), which is a 12 month average, was 0.56%.

The HRMOS business recorded net sales of ¥2,383 million (up 36.6% year on year), and an adjusted operating loss before corporate expense allocation (Note 4) of ¥121 million (loss of ¥495 million for the same period of the previous fiscal year).

As a result, in the six months ended January 31, 2025, the HR Tech segment recorded net sales of ¥35,760 million (up 18.7% year on year) and segment profit of ¥11,754 million (up 9.9% year on year).

(Notes) 1. The total number of direct employers that have subscribed to BizReach, excluding headhunters

2. The number of headhunters that have been screened by BizReach, Inc.

3. The number of registered BizReach users who have configured their employment history to be disclosed to direct employers or who have configured their employment history to be disclosed to headhunters

4. This is the operating profit or loss of the business before bearing the personnel expenses and ancillary outsourcing and other general administrative expenses associated with accounting, legal, human resources, and other business administration, and also personnel costs and ancillary outsourcing and other costs of the information systems and design divisions that cannot be charged directly to specific products and services

5. Annual Recurring Revenue. This is calculated by multiplying the MRR (Monthly Recurring Revenue) in the final month of the quarter by 12. The MRR is the total monthly revenue from customers subject to recurring billing as of the end of the target period (excluding one-time revenue)

6. The number of unique paying users of HRMOS ATS and HRMOS Talent Management services

7. Average Revenue per User. MRR as of the end of the month ÷ number of unique paying customers

8. Reduction in MRR due to the cancellation in the current month divided by MRR at the end of the previous month is defined as the single-month churn rate, and the churn rate is the average of the last 12 months

## (ii) Incubation

The Incubation segment includes Trabox, M&A Succeed, Yamory, and Assured, etc. As the Company transferred all shares of BizHint, Inc., the Company's consolidated subsidiary, on December 1, 2023, the BizHint business has been excluded from the scope of consolidation.

Each business in the Incubation segment conducted activities within the limits of profits generated from the HR Tech segment, including human resource investment, new-product development and advertising activities. In the six months ended January 31, 2025, the segment recorded net sales of ¥1,115 million (down 9.9% year on year) and segment loss of ¥774 million (loss of ¥324 million for the same period of the previous fiscal year).

## (2) Explanation of Financial Position

As of the end of the six months ended January 31, 2025, total assets amounted to ¥81,835 million, a ¥5,521 million increase since the end of the previous fiscal year. This was primarily due to a ¥2,503 million increase in cash and deposits to ¥60,611 million, a ¥1,396 million increase in accounts receivable – trade to ¥7,150 million due to the growth in net sales, and a ¥1,276 million increase in goodwill to ¥3,799 million due to purchase of shares of subsidiaries resulting in change in scope of consolidation.

As of the end of the six months ended January 31, 2025, total liabilities amounted to ¥22,820 million, a ¥1,105 million decrease since the end of the previous fiscal year. This was primarily due to a ¥882 million decrease in income tax payable to ¥3,427 million.

As of the end of the six months ended January 31, 2025, net assets amounted to ¥59,015 million, a ¥6,627 million increase since the end of the previous fiscal year. This was mainly due to a ¥1,108 million decrease in capital surplus due to the additional purchase of shares of subsidiaries and a ¥7,549 million increase in retained earnings due to the recording of profit attributable to owners of parent.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

The content of the consolidated financial results forecast for the fiscal year ending July 31, 2025 is unchanged from the forecast issued on September 12, 2024.

## 2. Semi-annual Consolidated Financial Statements and Principal Notes

### (1) Semi-annual Consolidated Balance Sheets

(in millions of yen)

	As of July 31, 2024	As of January 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	58,107	60,611
Notes and accounts receivable - trade	5,753	7,150
Other	1,846	2,388
Allowance for doubtful accounts	(55)	(65)
<b>Total current assets</b>	<b>65,652</b>	<b>70,084</b>
Non-current assets		
Property, plant and equipment	1,880	2,051
Intangible assets		
Goodwill	2,523	3,799
Other	1,329	1,168
<b>Total intangible assets</b>	<b>3,852</b>	<b>4,968</b>
Investments and other assets		
Other	4,932	4,734
Allowance for doubtful accounts	(3)	(3)
<b>Total investments and other assets</b>	<b>4,929</b>	<b>4,730</b>
<b>Total non-current assets</b>	<b>10,662</b>	<b>11,751</b>
<b>Total assets</b>	<b>76,314</b>	<b>81,835</b>

(in millions of yen)

	As of July 31, 2024	As of January 31, 2025
<b>Liabilities</b>		
Current liabilities		
Current portion of long-term borrowings	9	2
Income tax payable	4,310	3,427
Contract liabilities	8,615	10,204
Provision for bonuses	1,084	1,187
Other	7,849	6,199
Total current liabilities	21,869	21,021
Non-current liabilities		
Liabilities from application of equity method	1,813	1,653
Long-term borrowings	37	9
Deferred tax liabilities	206	110
Other	—	25
Total non-current liabilities	2,056	1,798
<b>Total liabilities</b>	<b>23,926</b>	<b>22,820</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	6,503	6,524
Deposits for subscriptions of shares	2	0
Capital surplus	10,467	9,358
Retained earnings	35,213	42,763
Treasury shares	(1)	(2)
Total shareholders' equity	52,185	58,644
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(26)	24
Foreign currency translation adjustment	—	60
Total accumulated other comprehensive income	(26)	85
Share acquisition rights	170	206
Non-controlling interests	58	80
<b>Total net assets</b>	<b>52,388</b>	<b>59,015</b>
<b>Total liabilities and net assets</b>	<b>76,314</b>	<b>81,835</b>

(2) Semi-annual Consolidated Statement of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

Six months ended January 31

(in millions of yen)

	For the six months ended January 31, 2024	For the six months ended January 31, 2025
Net sales	31,432	36,930
Cost of sales	2,655	3,320
Gross profit	28,776	33,610
Selling, general and administrative expenses	18,985	23,385
Operating profit	9,791	10,224
Non-operating income		
Share of profit of entities accounted for using equity method	159	159
Penalty income	216	404
Other	33	35
Total non-operating income	410	599
Non-operating expenses		
Interest expenses	0	0
Commitment fees	2	2
Foreign exchange losses	4	0
Provision of allowance for doubtful accounts	0	0
Other	0	0
Total non-operating expenses	8	4
Ordinary profit	10,193	10,819
Extraordinary income		
Gain on sale of shares of subsidiaries	462	—
Total extraordinary income	462	—
Extraordinary losses		
Loss on valuation of investment securities	10	—
Total extraordinary losses	10	—
Profit before income taxes	10,645	10,819
Income taxes - current	3,365	3,168
Income taxes - deferred	67	80
Total income taxes	3,432	3,249
Profit	7,212	7,570
Profit attributable to non-controlling interests	—	21
Profit attributable to owners of parent	7,212	7,549

Semi-annual Consolidated Statement of Comprehensive Income

Six months ended January 31

(in millions of yen)

	For the six months ended January 31, 2024	For the six months ended January 31, 2025
Profit	7,212	7,570
Other comprehensive income		
Valuation difference on available-for-sale securities	(20)	50
Foreign currency translation adjustment	—	60
Total other comprehensive income	(20)	111
Comprehensive income	7,191	7,682
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,191	7,661
Comprehensive income attributable to non-controlling interests	—	21

## (3) Semi-annual Consolidated Statements of Cash Flows

(in millions of yen)

	For the six months ended January 31, 2024	For the six months ended January 31, 2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	10,645	10,819
Depreciation	336	412
Amortization of goodwill	250	267
Share-based payment expenses	27	35
Penalty income	(216)	(404)
Share of loss (profit) of entities accounted for using equity method	(159)	(159)
Increase (decrease) in provision for bonuses	88	102
Decrease (increase) in trade receivables	(413)	(1,358)
Loss (gain) on sale of shares of subsidiaries	(462)	—
Increase (decrease) in contract liabilities	831	1,588
Decrease (increase) in inventories	0	(10)
Increase (decrease) in accounts payable - other	(58)	(876)
Other, net	(550)	(550)
Subtotal	10,319	9,865
Interest and dividends received	0	0
Interest paid	(0)	(0)
Penalty received	228	373
Income taxes refund (paid)	(1,466)	(4,030)
Net cash provided by (used in) operating activities	9,081	6,209
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(37)	(1,132)
Purchase of investment securities	—	(50)
Payments of leasehold and guarantee deposits	(6)	(39)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(1,507)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	465	—
Other, net	0	148
Net cash provided by (used in) investing activities	420	(2,582)
<b>Cash flows from financing activities</b>		
Repayments of long-term borrowings	(4)	(34)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	43	40
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	(1,130)
Other, net	(0)	(0)
Net cash provided by (used in) financing activities	38	(1,124)
Effect of exchange rate change on cash and cash equivalents	—	0
Net increase (decrease) in cash and cash equivalents	9,541	2,502
Cash and cash equivalents at beginning of period	41,170	58,107
Cash and cash equivalents at end of period	50,711	60,609

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Segment information, etc.)

(Segment information)

For the six months ended January 31, 2024 (from August 1, 2023 to January 31, 2024)

Information on net sales and profit (loss) by reportable segment

(in millions of yen)

	Reportable segment			Reconciliations (Note 1)	Amounts in the semi- annual consolidated financial statements (Note 2)
	HR Tech	Incubation	Total		
Net sales					
Net sales to external customers	30,123	1,237	31,361	71	31,432
Intersegment sales or transfers	17	41	59	(59)	—
Total	30,140	1,279	31,420	12	31,432
Segment profit (loss)	10,691	(324)	10,366	(575)	9,791

(Notes) 1. Reconciliations of segment profit (loss) are general and administrative expenses that are not allocable to the reportable segments.

2. Segment profit (loss) is adjusted based on operating profit.

For the six months ended January 31, 2025 (from August 1, 2024 to January 31, 2025)

Information on net sales and profit (loss) by reportable segment

(in millions of yen)

	Reportable segment			Reconciliations (Note 1)	Amounts in the semi- annual consolidated financial statements (Note 2)
	HR Tech	Incubation	Total		
Net sales					
Net sales to external customers	35,760	1,115	36,876	54	36,930
Intersegment sales or transfers	38	0	39	(39)	—
Total	35,798	1,116	36,915	15	36,930
Segment profit (loss)	11,754	(774)	10,980	(755)	10,224

(Notes) 1. Reconciliations of segment profit (loss) are general and administrative expenses that are not allocable to the reportable segments.

2. Segment profit (loss) is adjusted based on operating profit.