# FY2024 3Q Financial Results Presentation

VisasQ Inc. (Stock Code: 4490)

January 14th, 2025

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# FY2024 3Q Consolidated Financial Results Summary

- For the FY2024 3Q consolidated financial results (cumulative), transaction volume was JPY 10.7 billion (+9.5% Y-o-Y), operating revenue was JPY 7.3 billion (+9.3% Y-o-Y), and adjusted EBITDA was JPY 600 million (+0.7% Y-o-Y).
  - Consolidated transaction volume is generally progressing smoothly and in line with the earnings forecast for 10% growth.
  - While various profit metrics have exceeded the earnings forecast, we will monitor the progress of 4Q performance and consider revising the forecast if necessary.
- The Japan Corporate Business achieved a growth rate exceeding that of the 2Q.
- The Japan ENS Business's performance is progressing as expected.
- The Ex-Japan ENS Business fell short of expectations in the third quarter due to responding to product enhancement requests from a specific client, but we completed the response within the 4Q.

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# FY2024 3Q Consolidated Financial Results and Earnings Forecast

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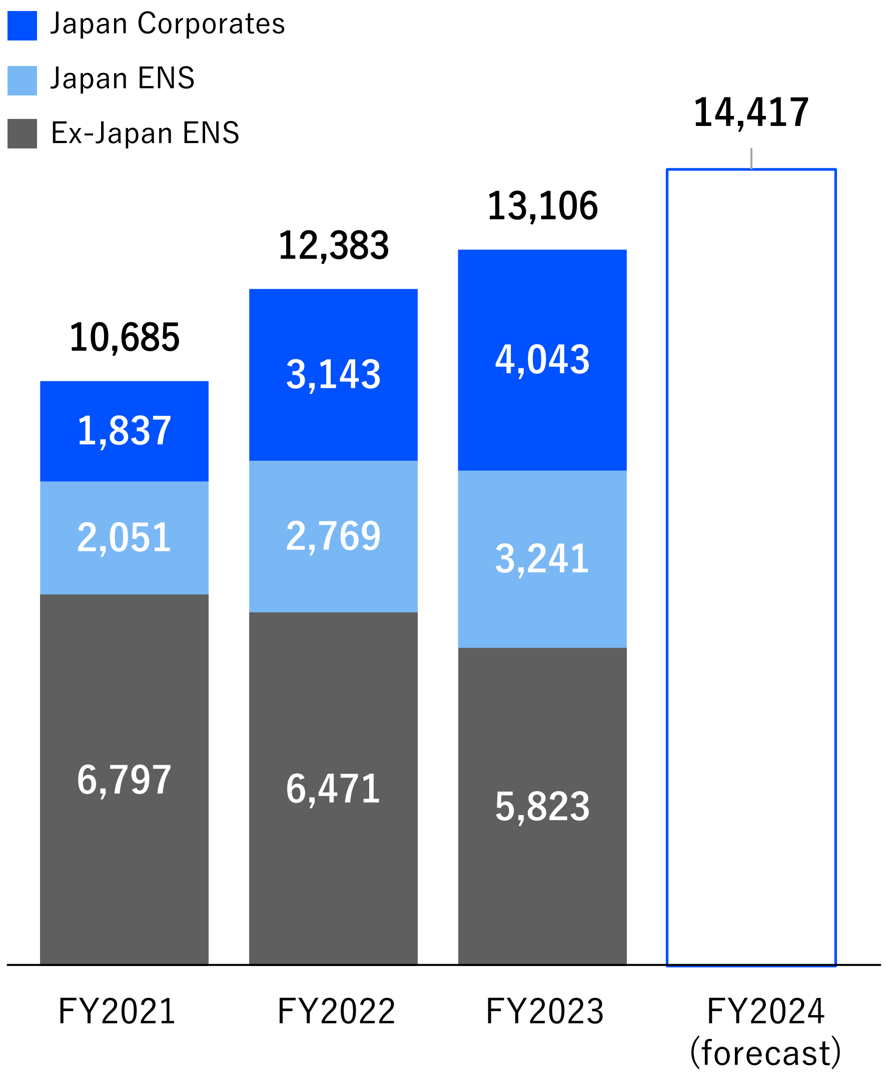
- FY2024 3Q consolidated financial results (cumulative) are generally progressing smoothly in line with the earnings forecast
- While the progress rate for operating profit and other metrics is high, we will consider revising performance forecasts as needed, confirming the results for FY2024 4Q

| (JPY M) | FY2024 3Q (cumulative) | FY2024 consolidated earnings forecast (announced July 2024) | Progress rate | Same period of previous FY[2] | Y-o-Y |
|---|---|---|---|---|---|
| Transaction volume | 10,667 | 14,417 | 74% | 9,745 | +9.5% |
| Operating revenue | 7,309 | 9,724 | 75% | 6,686 | +9.3% |
| Adjusted EBITDA[1] | 657 | 435 | 151% | 651 | +0.9% |
| Adjusted EBITDA margin | 6.2% | 3.0% | - | 6.7% | - |
| Operating income | 820 | 600 | 137% | -177 | - |
| Ordinary profit | 806 | 550 | 146% | -65 | - |
| Net income | 196 | 50 – 100 | 196% – 392% | -182 | - |

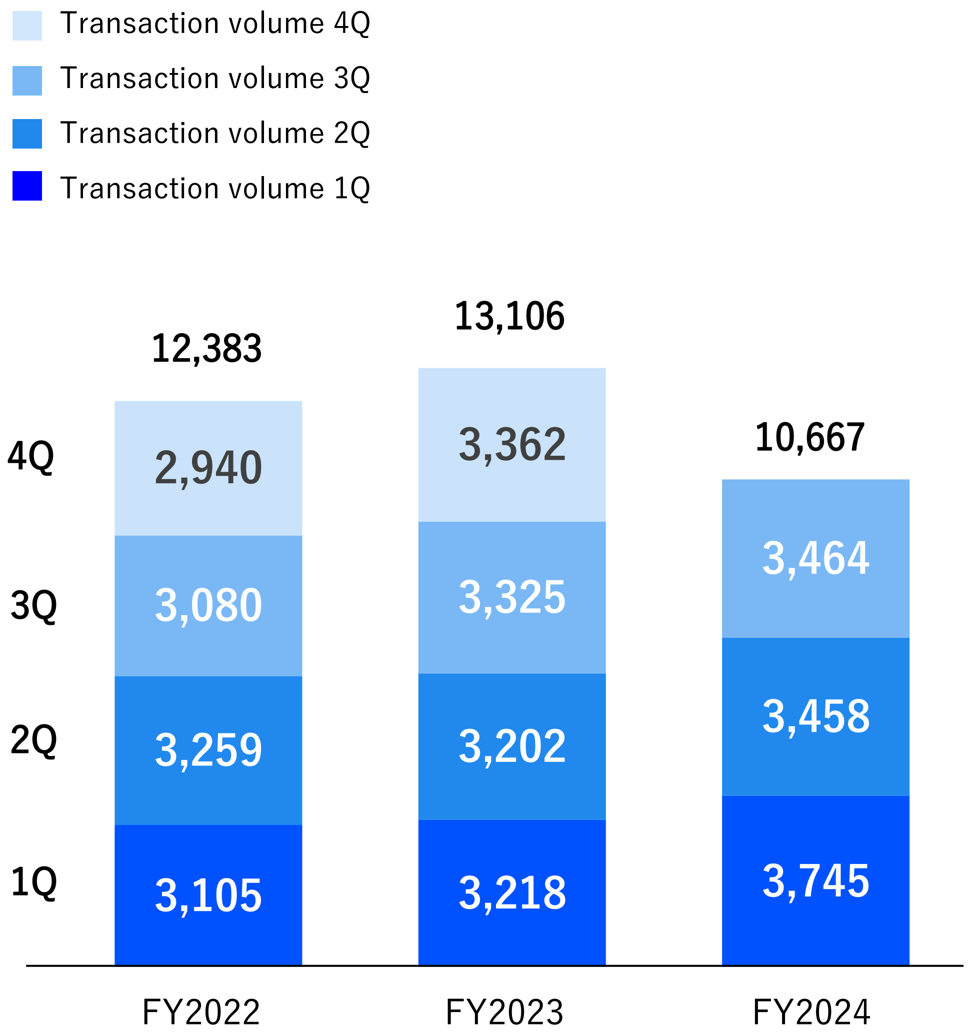
(1) "Adjusted EBITDA" is adjusted EBITDA assuming that Coleman's software has been fully expensed, and is calculated as operating income + depreciation expenses + stock-based compensation expenses + software development costs recorded as impairment losses.
(2) Coleman's results included in the figures for "Same period of the previous FY" have been converted at 1 USD = approximately JPY 140, which is the full-year exchange rate for the previous fiscal year. The exchange rate for the current fiscal year is forecast to be 1 USD = JPY 145, with the actual exchange rate for the cumulative 3Q being 1 USD = approximately JPY 151.
* Each amount is rounded off. (To be the same afterwards)

# Trends in Transaction Volume

## Transaction volume (by business segment)




## Transaction volume (quarterly totals)



# FY2024 : Overview of Initiatives and Progress

| Business/ Investment | FY2024 Initiatives | Progress | Assumptions for Earnings Forecast | FY2024 3Q (cumulative) |
|---|---|---|---|---|
| Japan Business | Increase compensation levels to strengthen our hiring and retention competitiveness and training expenditures (approx. JPY 350 million) | Slightly lower than expected | Transaction volume growth rate: Around +15%<br>Operating income margin: Around 35% | Transaction volume growth rate: +12%<br>Operating income margin: 35% |
| Japan Corporates Business | ・Increase number of client accounts<br>- Aim to develop and deepen target clients by strengthening sales, and to expand horizontally within clients<br>- Lower the priority of acquiring new clients through advertising<br>・Grow transaction volume per account<br>- Aim for transaction volume per account growth by both acquiring new users within client accounts and cross-selling<br>- Investments for UI/UX improvements and new product development (approx. JPY 50 million) | Below expectations, but showing signs of recovery | Transaction volume growth rate: Around +20%<br>Operating income margin: Around 25% | Transaction volume growth rate: +10%<br>Operating income margin: 23% |
| Japan ENS Business(1) | ・Further increase share of matching in Japan<br>・Gradually transfer clients to Coleman's platform and proactively promote overseas experts (approx. JPY 250 million)<br>・Establish an overseas-stationed team that specializes in dealing with Japanese clients (approx. JPY 75 million) | As expected | Transaction volume growth rate: Around +15%<br>Operating income margin: Around 45% | Transaction volume growth rate: +14%<br>Operating income margin: 47% |
| Ex-Japan ENS Business(2) | ・Improvements to the external environment are not factored in<br>・Reinforce sales activities to increase the number of active users (both new and existing clients)<br>・Expect continuous productivity improvements via measures such as reviewing incentives, strengthening training, and investing in AI | Slightly below expectations due to temporary factors | Transaction volume growth rate: Around +5%<br>(yen base: +5% or slightly higher; dollar base: +5% or slightly lower)<br>Operating income margin: Around 20%(3) | Transaction volume growth rate: +7%<br>(dollar base: 0%)<br>Operating income margin: 20% |

(1) The Japan ENS Business includes income from overseas institutional investors, etc. with whom VISASQ has done business.
(2) The Ex-Japan ENS Business includes the results of VISASQ's overseas subsidiary, Coleman (fiscal year: January to December) and VISASQ SINGAPORE (fiscal year: March to February).
Coleman's results are reflected in the consolidated financial results with a two-month lag.
(3) Operating income margin forecast of Ex-Japan ENS Business is changed from [Around 25%] to [Around 20%] due to the change in allocation of labor cost which has no impact to company-wide profits.

# Japan Corporates Business : Performance Trend (including VISASQ lite)(1)

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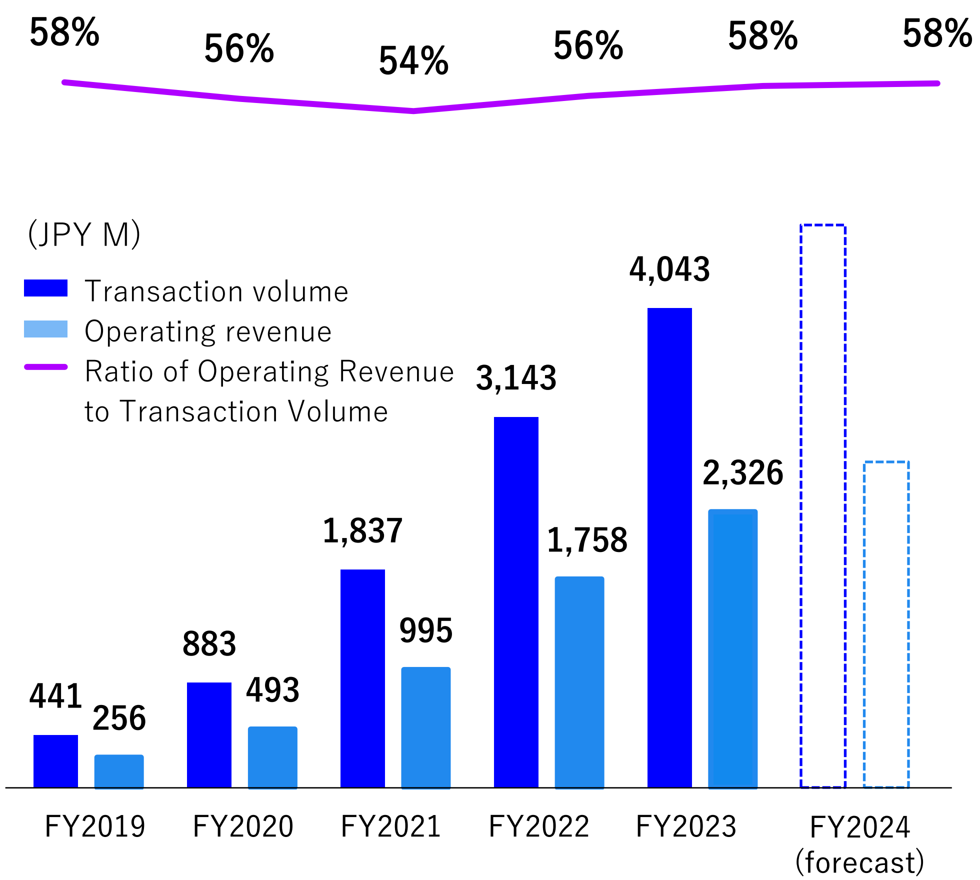
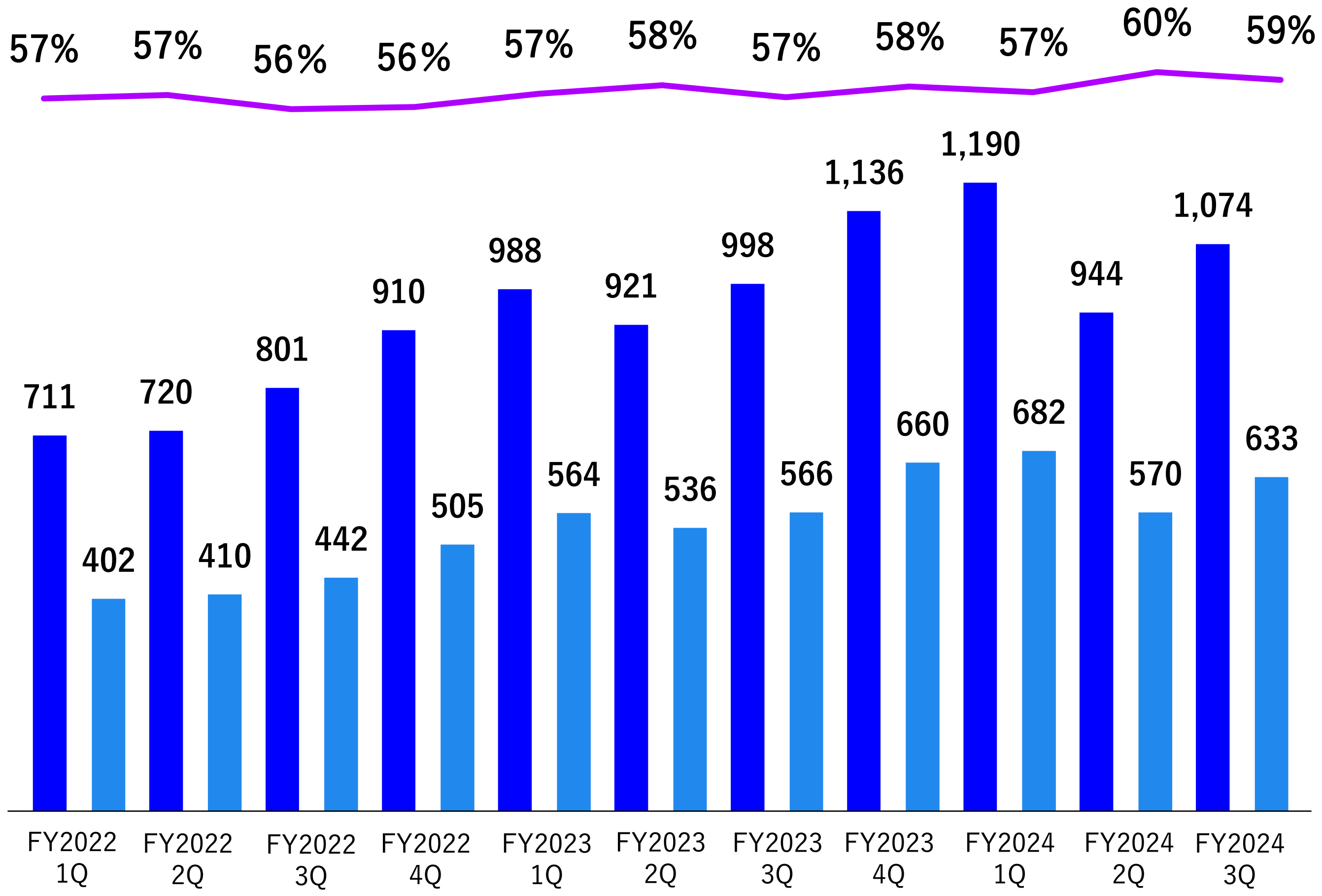
- The transaction volume for 3Q was JPY 1.074 billion (+7.6% Y-o-Y), showing a recovery trend when compared to the 2Q transaction volume of JPY 944 million (+2.5% Y-o-Y) (details on P. 9)

## Annual




## Quarterly

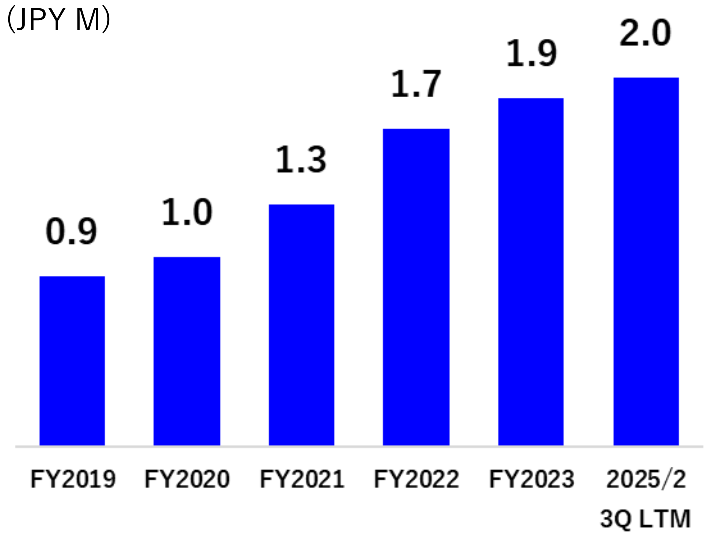



(1) Results for each period aren't subject to accounting audits. (To be the same afterwards)

# Japan Corporates Business : Trend in Major KPIs (excluding VISASQ lite)

- Excluding VISASQ lite, the transaction volume for 3Q was JPY 827 million (+9.3% Y-o-Y), showing a recovery trend when compared to the 2Q transaction volume of JPY 718 million (+2.0% Y-o-Y)
- The number of active accounts used in the last twelve months (LTM) increased by 67 compared to the end of FY2023, a recovery compared to the previous quarter's increase of 6
- In the new strategic focus area of deepening relationships with large companies under the new 3-year strategic plan, the transaction volume for targeted clients in 3Q increased by 16.7% Y-o-Y, with the number of accounts used during the period also showing steady growth
- On the other hand, for customers other than large companies, while the number of accounts used has been favorably growing, the transaction volume per account for new clients has decreased. Efforts are underway to reinforce our proposal capabilities

## Transaction volume per account

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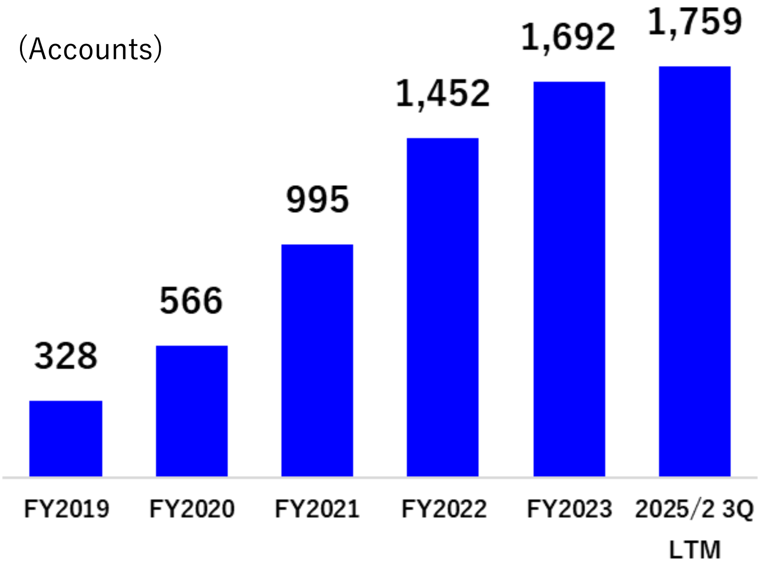
## Number of client accounts(1)(2)

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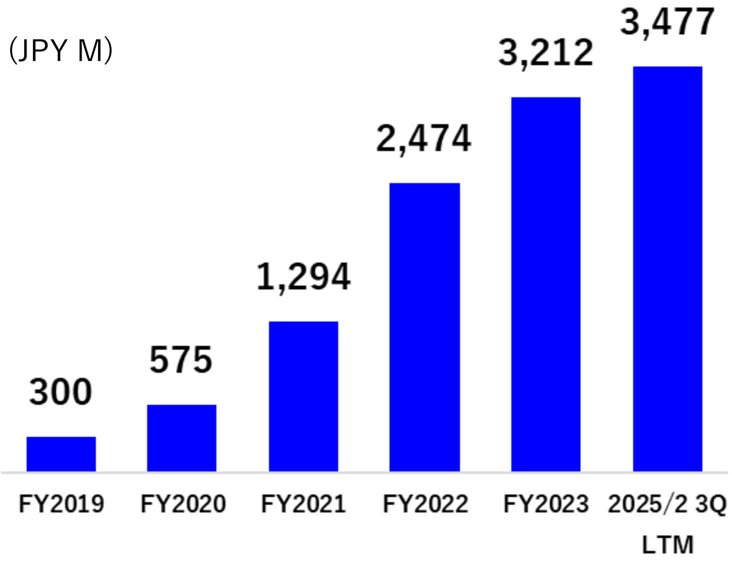
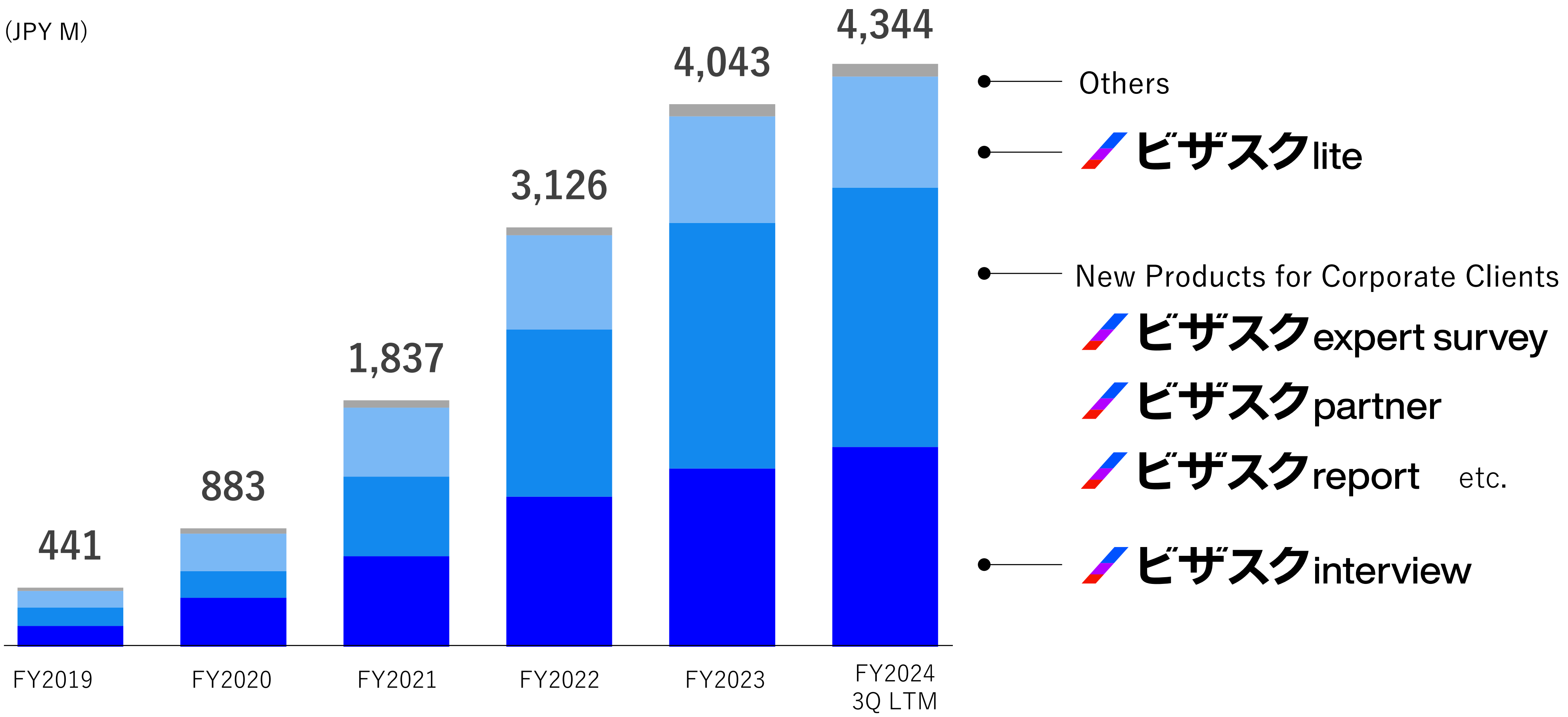
## Transaction volume(3)



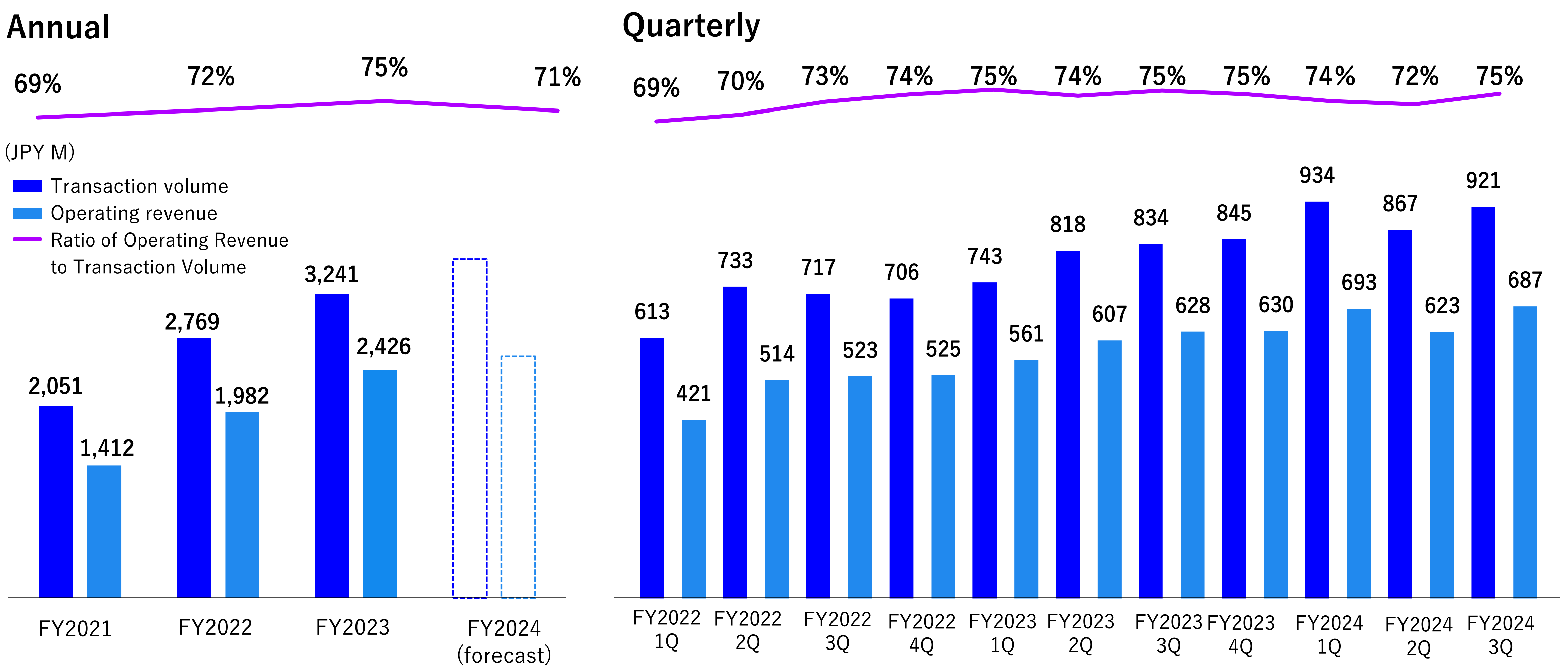

(1) “Client” refers to corporate customer with a corporate contract and who uses VISASQ’s full-support format and does not include corporate customers who use only VISASQ lite.
(2) “Number of client accounts” is the total number of clients who have consumed or requested tickets for services other than “VISASQ lite” during the past year based on the contract with VISASQ. In the event that multiple departments of the same corporate have entered into separate contracts, each contract is counted.
(3) Correction of past errors in transaction volume calculations.

# Japan Corporates Business :
# Trend in Transaction Volume by Major Commercial Products(1)




(1) The transaction volume for each product category are figures for managerial accounting purposes and are not subject to accounting audits.

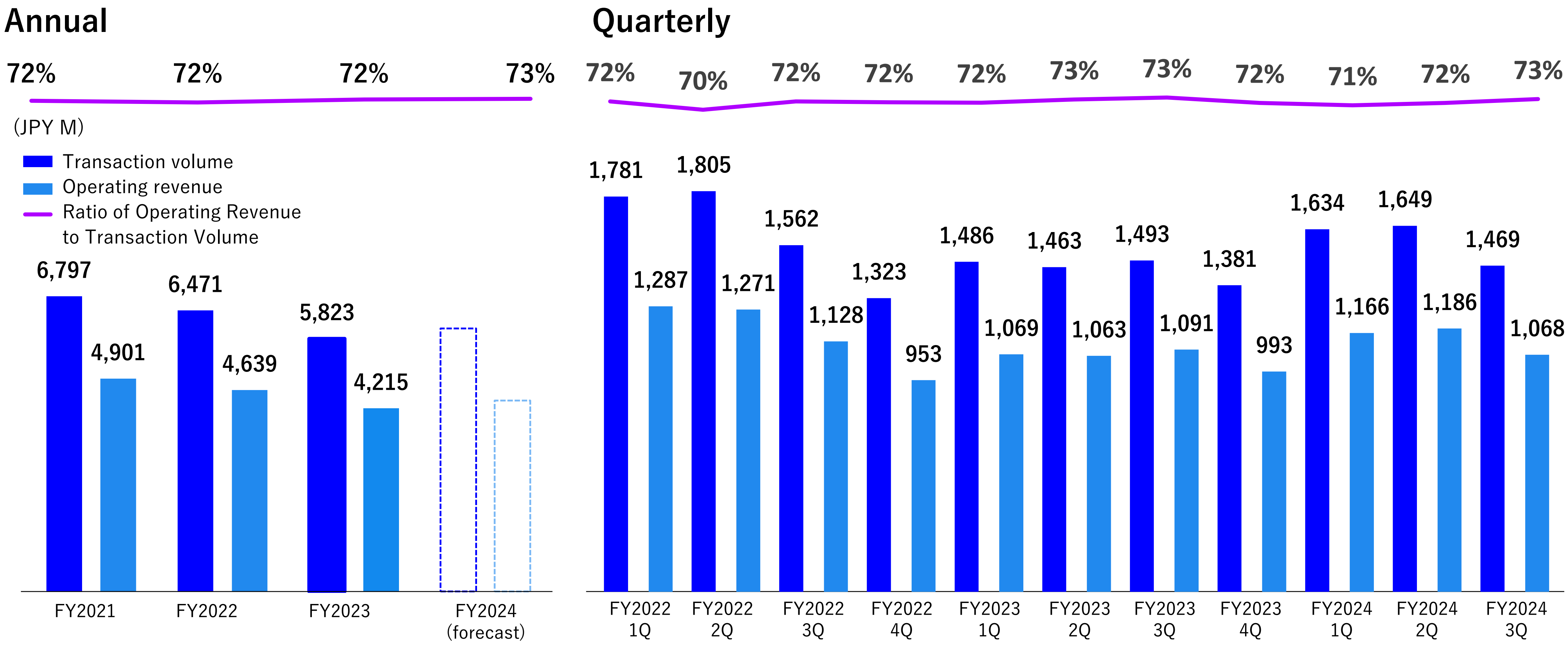
# Japan ENS Business : Performance Trend(1)




(1) Results for each period aren't subject to accounting audits. (To be the same afterwards)

# Ex-Japan ENS Business : Performance Trend(1)

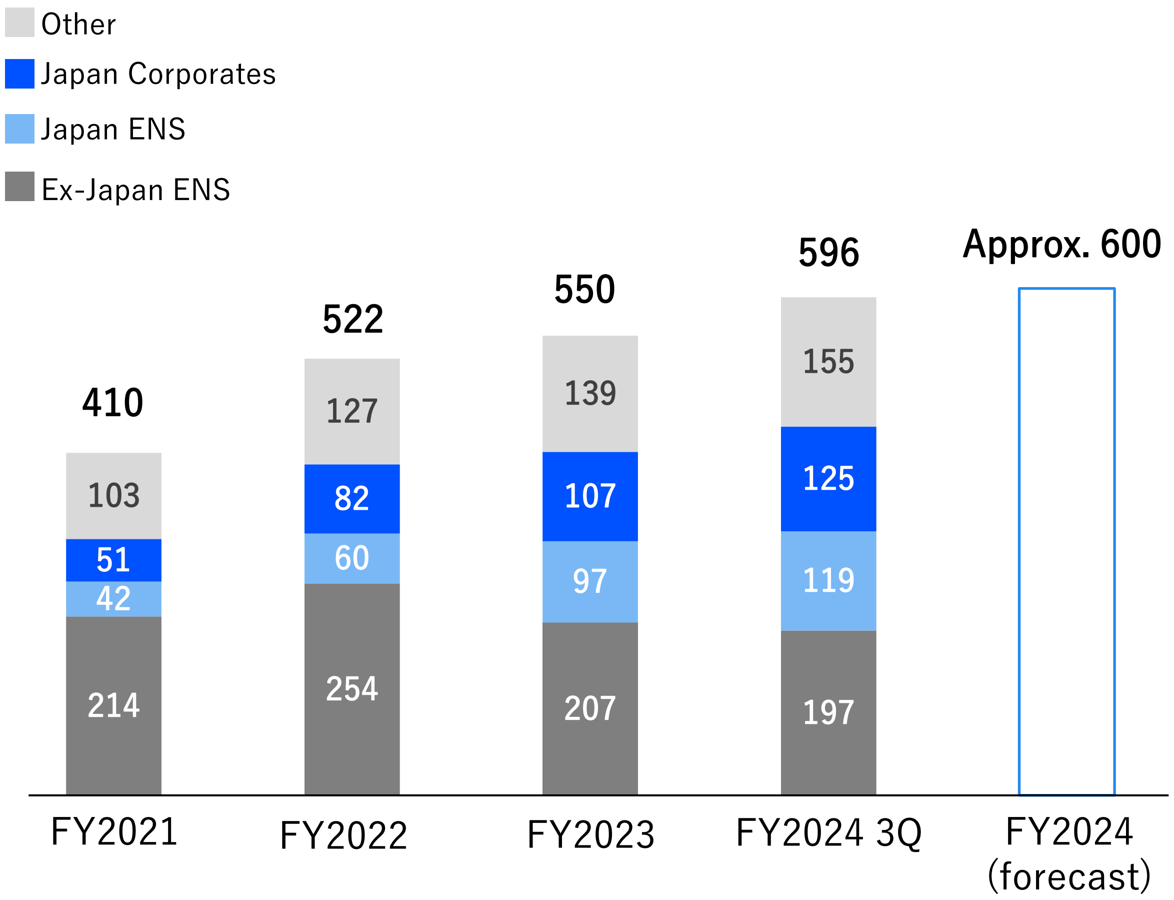
- In 3Q the Ex-Japan ENS Business fell short of expectations due to responding to product enhancement requests from a specific client, but the response was completed within 4Q




(1) Coleman's results included in Global ENS are converted into Japanese yen using the average exchange rate for each fiscal year. The exchange rate for FY2022 was 1 USD = approximately JPY 131, the exchange rate for FY2023 was 1 USD = approximately JPY 140, and the exchange rate for FY2024 was forecast to be 1 USD = JPY 145 while the actual exchange rate for FY2024 was 1 USD = approximately JPY 151. Results for each period are not subject to accounting audits. (To be the same afterwards)

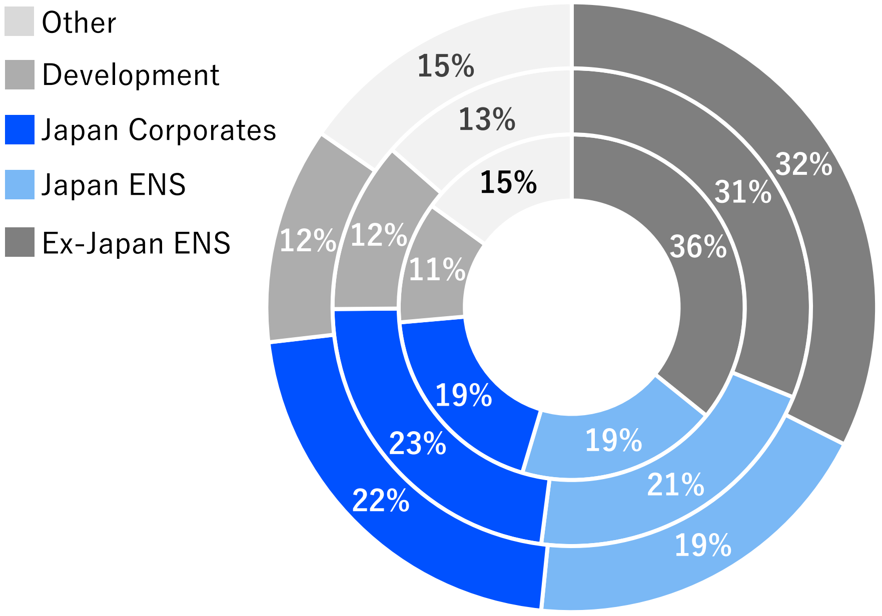
# Headcount by Business[1]

## Headcounts (average during the period)




## Personnel Ratios (as of the end of the period)

Outer: FY2024 forecast
Middle: FY2024 3Q
Inner: FY2023




(1) Direct personnel expenses is counted in Japan Corporates, Japan ENS and Ex-Japan ENS.

# Quarterly Trends in Adjusted EBITDA by Each Business(1)

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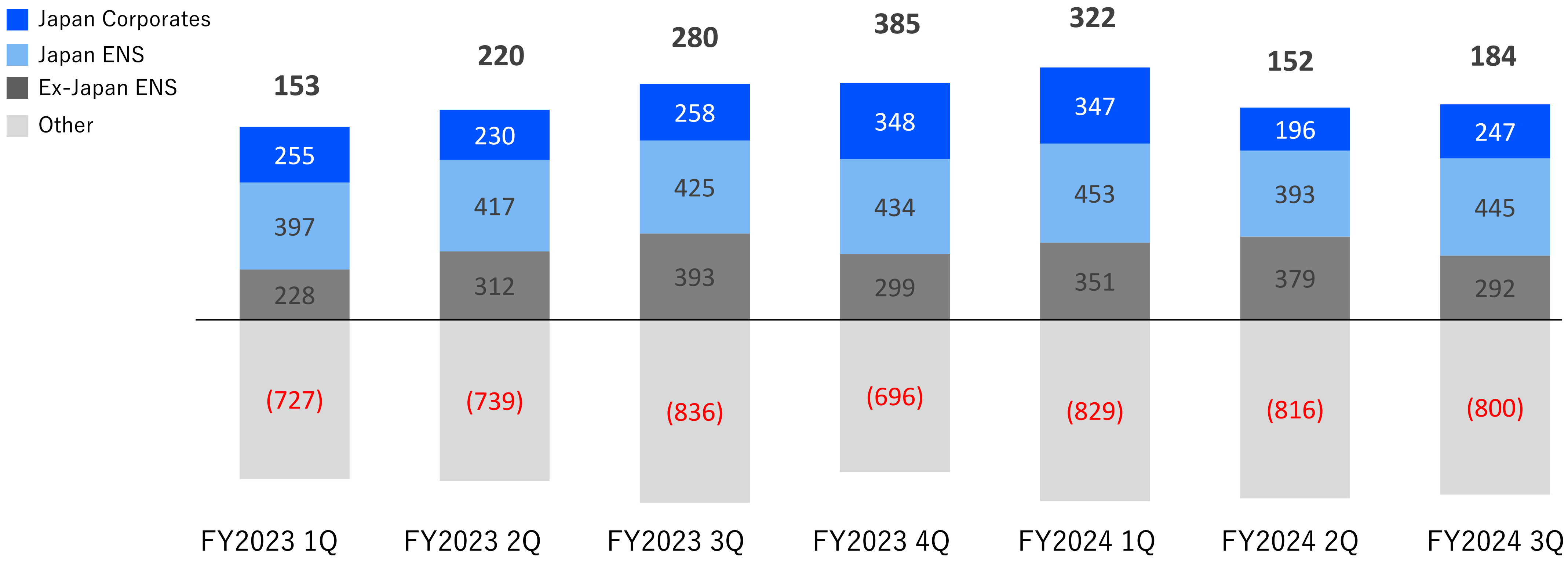
- The Japan Business, despite continued investments, saw increased profits due to its contribution to revenue growth
- The Ex-Japan ENS Business experienced a temporary decline in revenue in 3Q on a dollar basis, with costs remaining flat, which resulted in a decline in profits on a yen basis

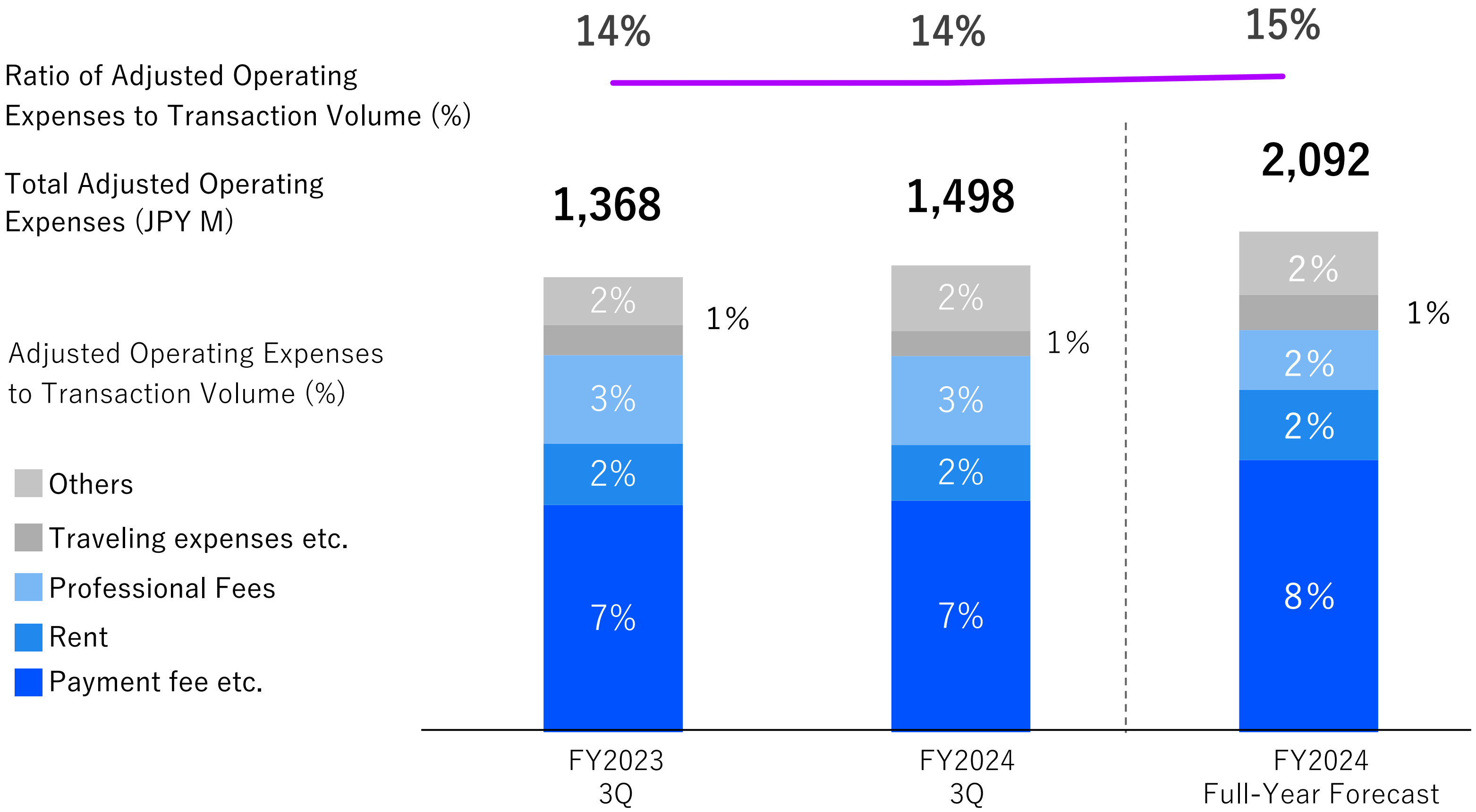
## Quarterly Trends in Adjusted EBITDA by Each Business(2)




(1) Figure of each business is management accounting values and are not subject to an accounting audit.
(2) Correction of past errors in Other(FY2024 1Q and FY2024 Q2).

# Consolidated Adjusted Operating Expense Breakdown(1)
## (Excluding expenses attributable to the Businesses and personnel expenses)

The ratio of adjusted operating expenses to transaction volume in FY2024 3Q was almost same as FY2024 Forecast and same period of FY2023




(1) "Adjusted operating expenses" refer to the amount after deducting depreciation, amortization of goodwill, and stock-based compensation expenses (including trust-type SO-related expense) from operating expenses.

# Reconciliation of Adjusted EBITDA and Supplement on P/L Statements

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| (JPY M) | FY2024 3Q | Supplement |
|---|---|---|
| Reconciliation of adjusted EBITDA | | |
| Operating income | 820 | GAAP operating income |
| +) Stock-based compensation expenses and depreciation expenses | +28 | Stock-based compensation expense for employees and depreciation expenses |
| —) Extraordinary losses | -191 | Impairment loss of Software expense in Coleman, which is a development cost expensed in FY2024 3Q and treated as a deduction item for adjusted EBITDA to demonstrate ability to generate business profits |
| Adjusted EBITDA | 657 | Continuous disclosure to demonstrate ability to generate business profits |
| Supplement on P/L statements | | |
| Operating income | 820 | GAAP operating income |
| Non-operating revenue | +67 | Rent received for JPY 21 M, and refund received in Coleman (refund of sales tax) JPY 37 M etc. |
| Non-operating expense | -82 | Return of sales tax to clients, including unrefunded amount, in Coleman JPY 42 M, and interest payments of JPY 31 M, etc. |
| Ordinary profit | 805 | |
| Extraordinary loss | -326 | Impairment loss of software expense in Coleman JPY 191 M<br>Impairment of office lease assets in Coleman (lump sum expense of office rent for the rest of lease terms (approx. 4 yr. and 1 yr.) JPY 135 M |
| Corporate tax expense etc. | -282 | |
| Net income | 196 | |

# Overview of Consolidated Balance Sheet

| (JPY M) | End of February 2024 | End of November 2024 |
|---|---|---|
| Current assets | 6,968 | 6,429 |
| Fixed assets | 325 | 313 |
| **Assets** | **7,293** | **6,742** |
| Current liabilities | 4,114 | 3,627 |
| Fixed liabilities | 2,877 | 2,582 |
| **Liabilities** | **6,991** | **6,209** |
| Shareholder Equity | -3,045 | -2,835 |
| Accumulated other comprehensive income | 3,281 | 3,298 |
| Stock acquisition right | 66 | 69 |
| **Equity** | **302** | **532** |
| **Total liabilities and equity** | **7,293** | **6,742** |

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# Make Insightful Connections Possible

To build a better future through
a global platform that reduces barriers and
enables the direct exchange of mission-critical knowledge

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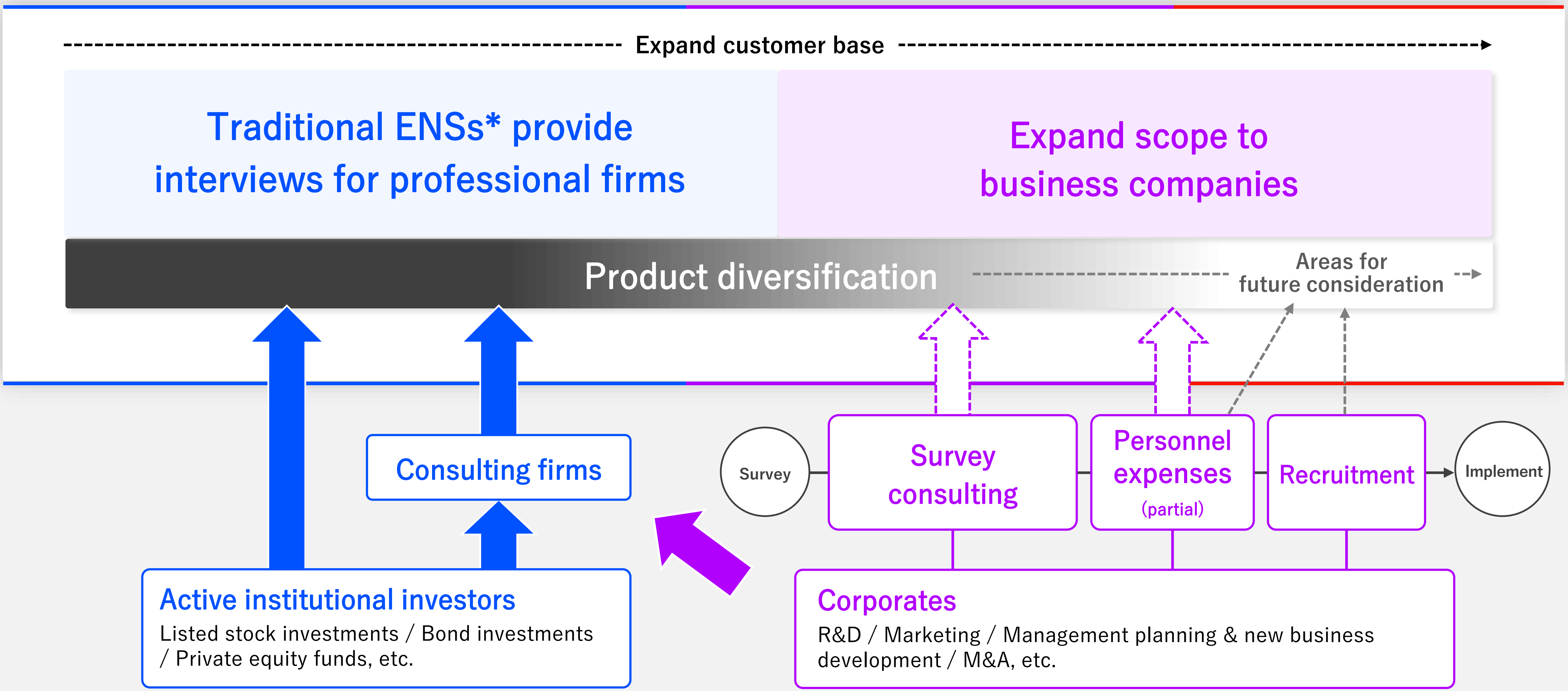
# VISAQ aims to be a leading knowledge platform




* Expert Network Service



VISASQ

# Japan：
# Diverse Product Development to Meet a Wide Range of Knowledge Needs

- Developed a variety of products, with our hourly VISASQ interviews at the core
- Expanding our coverage areas to meet a wide range of knowledge needs

| | | | |
|---|---|---|---|
| Survey | 3 trillion JPY(1) | VISASQ now | Receive responses from 5 or more experts within 24-hours |
| | | VISASQ survey | Online questionnaire surveys in specific BtoB areas |
| Consulting | 1 trillion JPY(2) | VISASQ interview | Hourly interviews (in person / phone / video conference) |
| | | VISASQ report | Providing all-in-one service, including survey design, desk research, holding interviews, and delivering reports |
| Personnel expenses | Part of 200 trillion JPY(3) | VISASQ partner | Support from experts in a wide range of industries and with flexible hours (outsourcing) |
| Recruitment | 1 trillion JPY(4) | Areas for future consideration | |

(1) Total of (a) external research expenditures from the Survey of Research and Development by the Statistics Bureau, Ministry of Internal Affairs and Communications and (b) insight industry sales by the Japan Marketing Research Association
(2) IDC Japan, August 2023 "Japan Business Consulting Forecast, 2023-2027" (#JPJ49210623) (total of Japan business consulting and IT consulting expenditures)
(3) Survey on Private-Sector Wages by the National Tax Agency
(4) Total of (a) recruitment advertisements by the Association of Job Information of Japan and (b) recruitment market by Yano Research Institute

# Expanding into Three Customer Segments with the Coleman Acquisition

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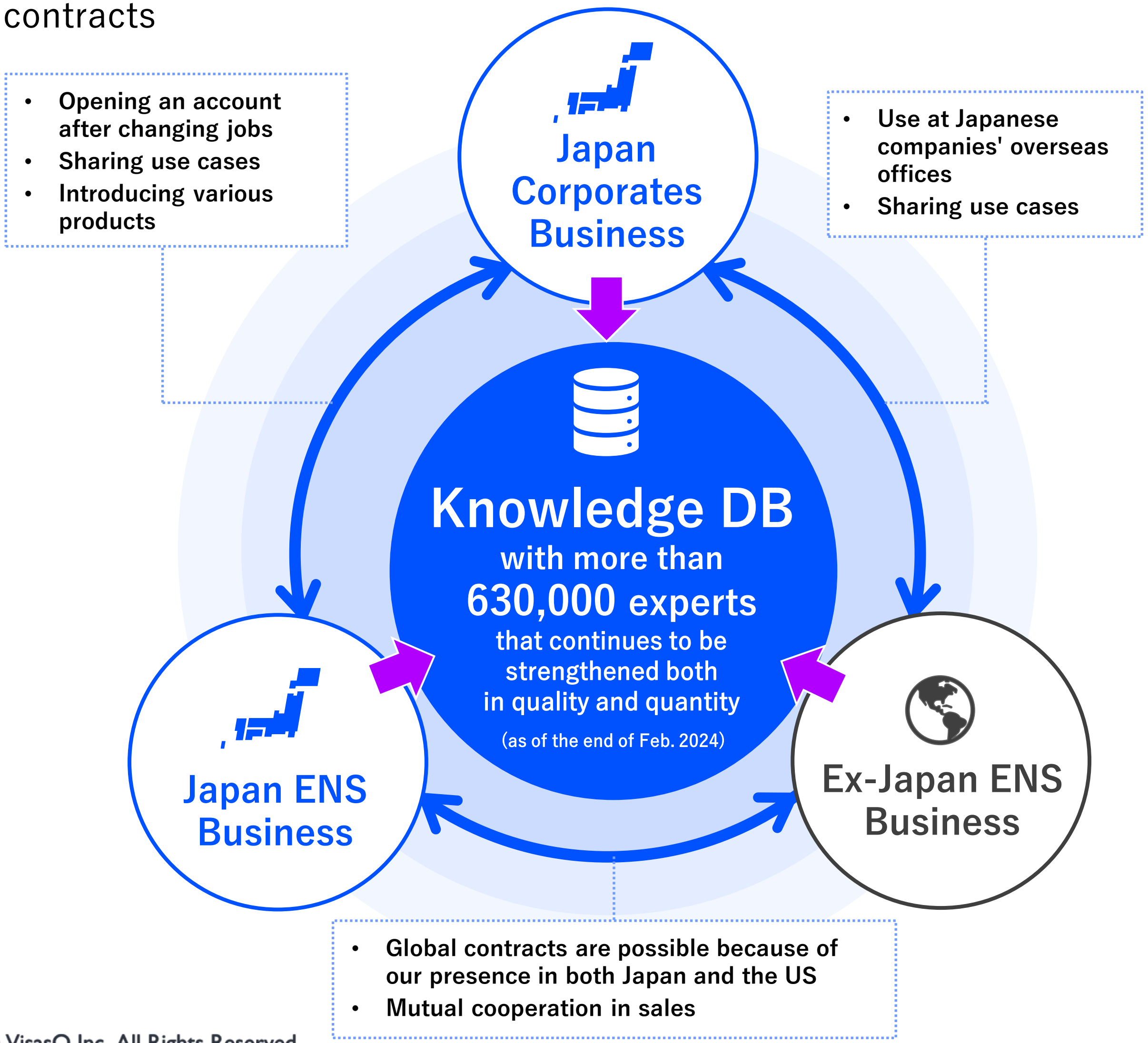
The needs of our **Japan Corporates, Japan ENS, and Ex-Japan ENS** clients have expanded our knowledge database of <u>**over 630,000 experts in Japan and around the world.**</u> On the sales side, we are demonstrating mutual effects through case studies, customer interactions, and global contracts




## Japan Corporates Business

Strength：Diverse products and recognized as a pioneer in "spot consulting"
Growth potential：Promoting the creation of an integrated platform to meet expanding knowledge needs
Competitive environment： VISASQ establishes unique positioning as a pioneer

## Japan ENS Business

Strength：Strong positioning based on database of Japanese experts
Growth potential：Strengthening introductions for overseas experts
Competitive environment:：Small players with limited expert networks

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## Ex-Japan ENS Business

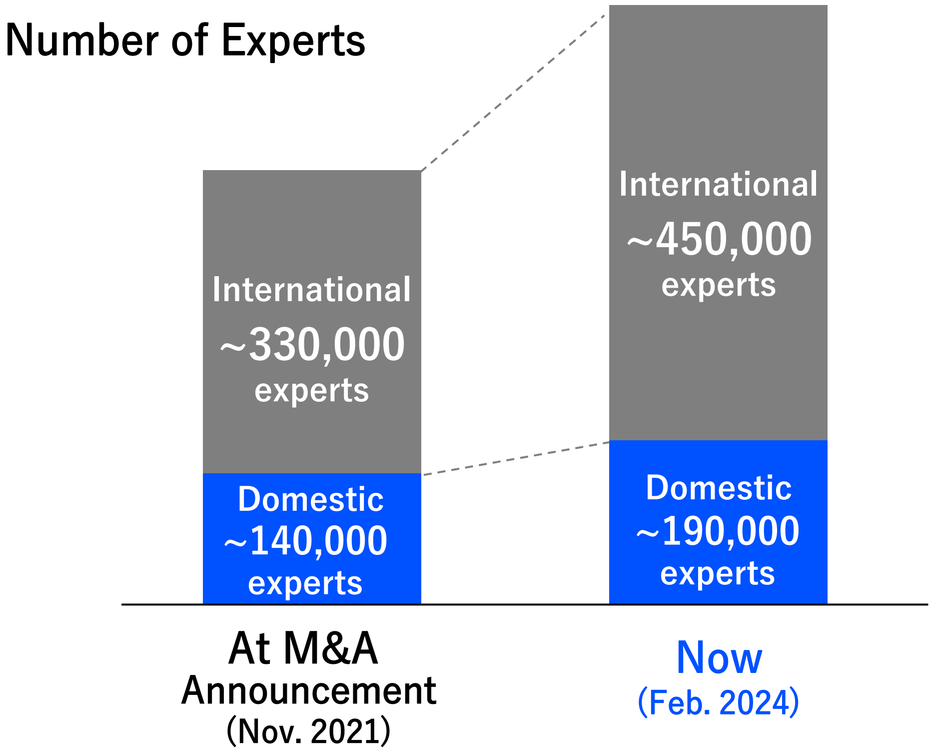
Strength：Name recognition from the beginning of the industry (particularly for connections with institutional investors)
Growth potential：
- Market recovery and growth
- Improving productivity via technology investment and organizational strengthening

Competitive environment：Expert network centered on the US and Europe, with small/absent bases in Japan

# Knowledge Database that is Expanding both Domestically and Internationally

- VISASQ's greatest strength is its database, which has the domestic knowledge of approx. 190,000 experts and the international knowledge of approx. 450,000 experts
- Our database continues to be strengthened both in quality and quantity along with our number of projects

**Comparison of regional database status at time of M&A announcement and now**




**7 global locations worldwide**

# Aiming for a Transaction Volume of 30.0 billion JPY in FY2029 (3-Year Plan x 2)

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## Japan Market

### Overwhelmingly be the First-to-Mind for Knowledge Needs

**Japan Corporates Business**

**From Research to Implementation**

- From new businesses development to business expansion, develop products that meet clients' knowledge needs
- Increase visibility in a vast market

**Japan ENS Business**

**Japan : Overseas =65% : 35%**

- Assume that half or more than half of client needs are global, and, long-term, aim to have similar number of matches domestically and globally
- Further increase share for Japanese expert matching

## Ex-Japan ENS

**Achieve growth that exceeds market growth and productivity that can continue generating profits regardless of the external environment**

Registered experts with knowledge

More than

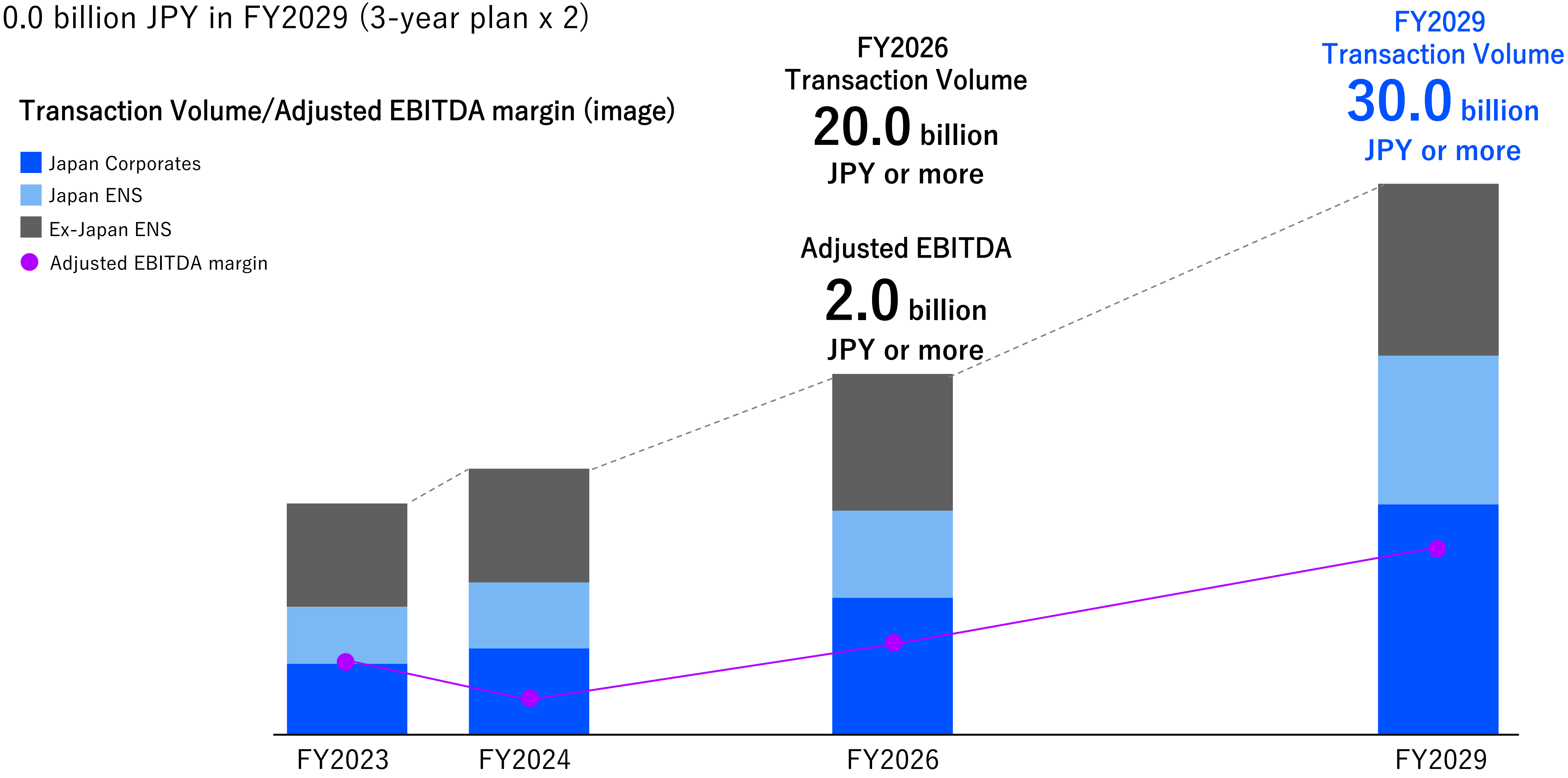
**1 million**

experts

Offer a variety of ways to utilize knowledge, from online surveys to interviews, outsourcing, and more

# Performance Guidance

Discuss what to prioritize over the next three years in order to realize a platform with transaction volume of 30.0 billion JPY in FY2029 (3-year plan x 2)



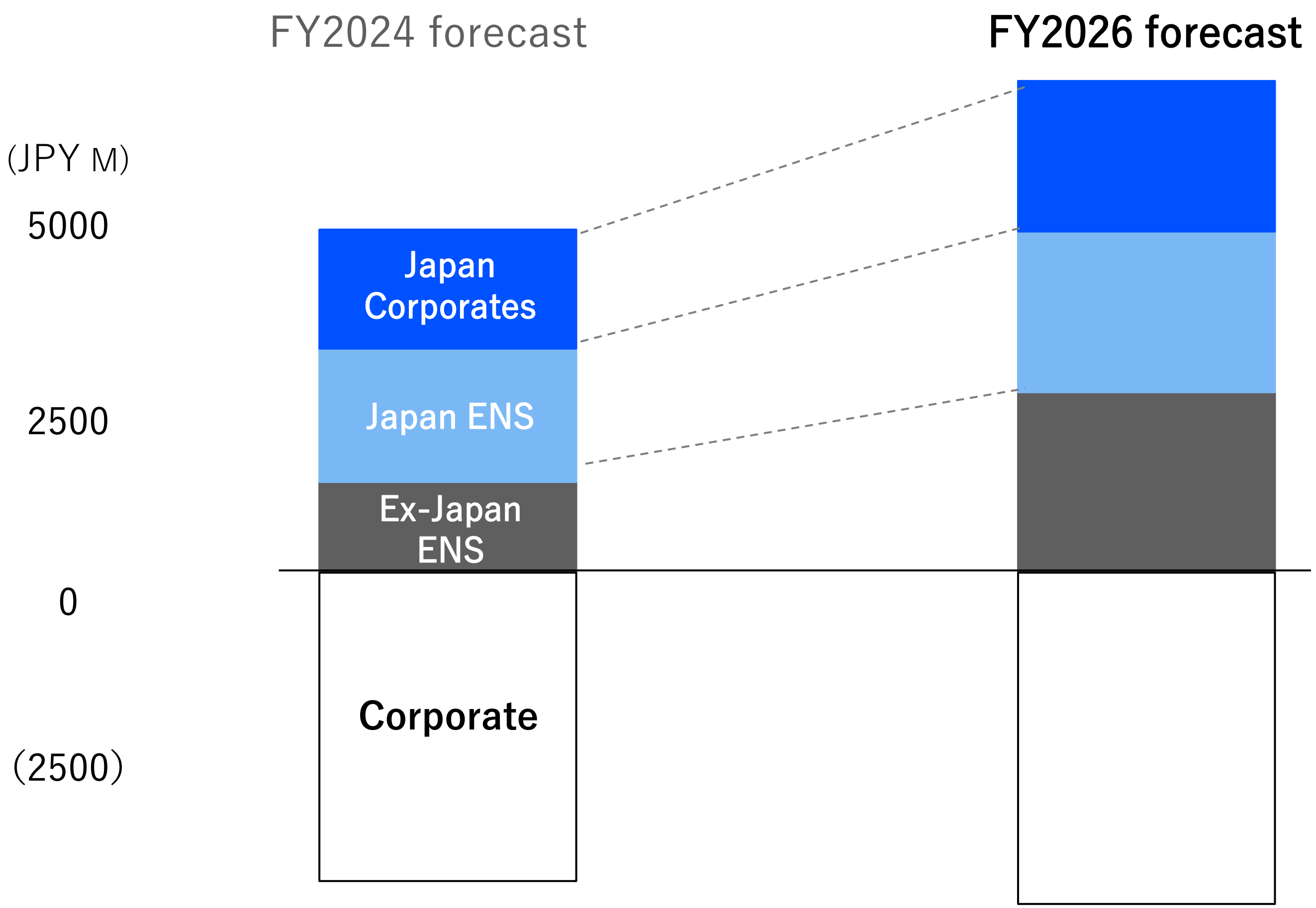
# Growth Measures Serving as Guidance Assumptions

| | Assumptions | FY2026 Financial Indicators |
|---|---|---|
| Domestic Businesses | ・Concentrating resources to achieve the fastest growth | Transaction volume: 12.5 billion JPY or more<br>Operating income margin: Around 30% |
| Japan Corporates Business | ・Focus on developing and deepening target clients and increasing repeat rate (number of accounts is a result indicator)<br>-Organizational changes to strengthen client relationship and service delivery operation<br>-Improving product UI/UX<br>・Incorporate investments in new product development to meet diverse knowledge needs | Transaction volume: 7.5 billion JPY or more<br>Operating income margin: Around 25% |
| Japan ENS Business | ・Further refining domestic strengths and increase market share<br>・Achieving high growth through overseas expert matching<br>-Transferring clients to Coleman platform (starting sequentially from April 2024)<br>-Strengthening support for 24-hour overseas expert matching for Japanese clients | Transaction volume: 5.0 billion JPY or more<br>Operating income margin: Around 40% |
| Ex-Japan ENS Business | ・Improving productivity to continue generating profits regardless of the external environment<br>-Increasing projects that can demonstrate competitiveness through differentiation and appeals<br>-Investments for utilizing generative AI<br>-Continuously improving incentive design and training | Transaction volume: 7.5 billion JPY or more<br>Operating income margin: Around 30% |
| Company-wide synergy / product strategy | ・Unifying the service brand in English to VISASQ/COLEMAN<br>・Developing the strengths of each platform by specializing in client characteristics | Development / IT Investments : Transaction volume ratio of around 10% |

# Guidance : Adjusted EBITDA Breakdown by Each Business

- Continue to invest aggressively in Japan businesses toward FY2029.
- By handling Ex-Japan ENS and Corporate expenses efficiently, aiming for adjusted EBITDA of 2 billion JPY or more in FY2026

Adjusted EBITDA Breakdown



# Japan Corporates Business : Existing Areas

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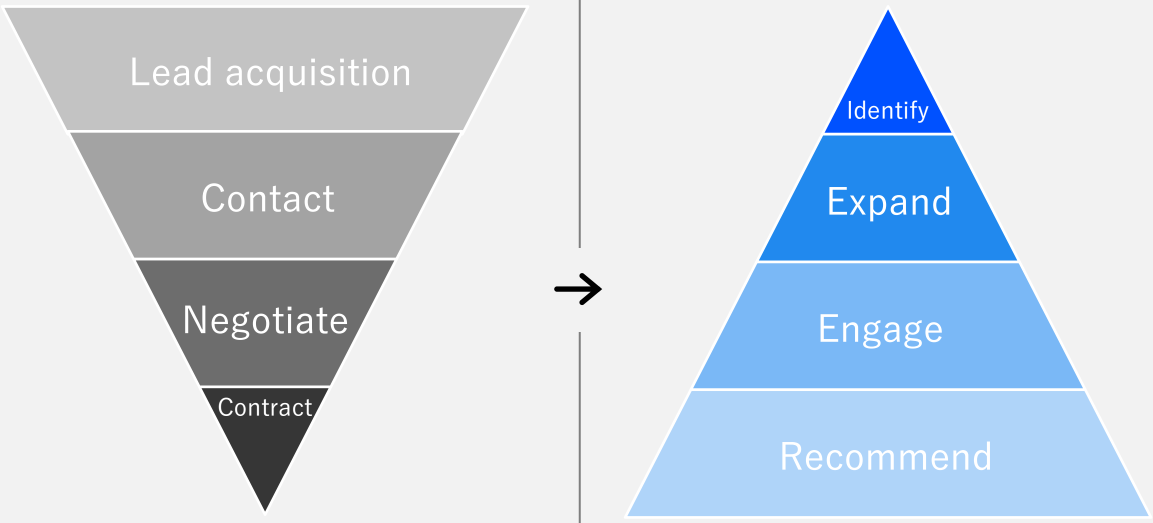
Develop and deepen target clients and increase repeat rates by evolving our marketing and sales structure and by optimizing products for corporate clients

## Evolve marketing and sales structure to deeply cultivate large clients




Customer acquisition through marketing measures

**Expand transaction volume per account by strengthening sales structure**

+

## Improve product UI/UX

Client portal for both ENS business and corporates business

↓

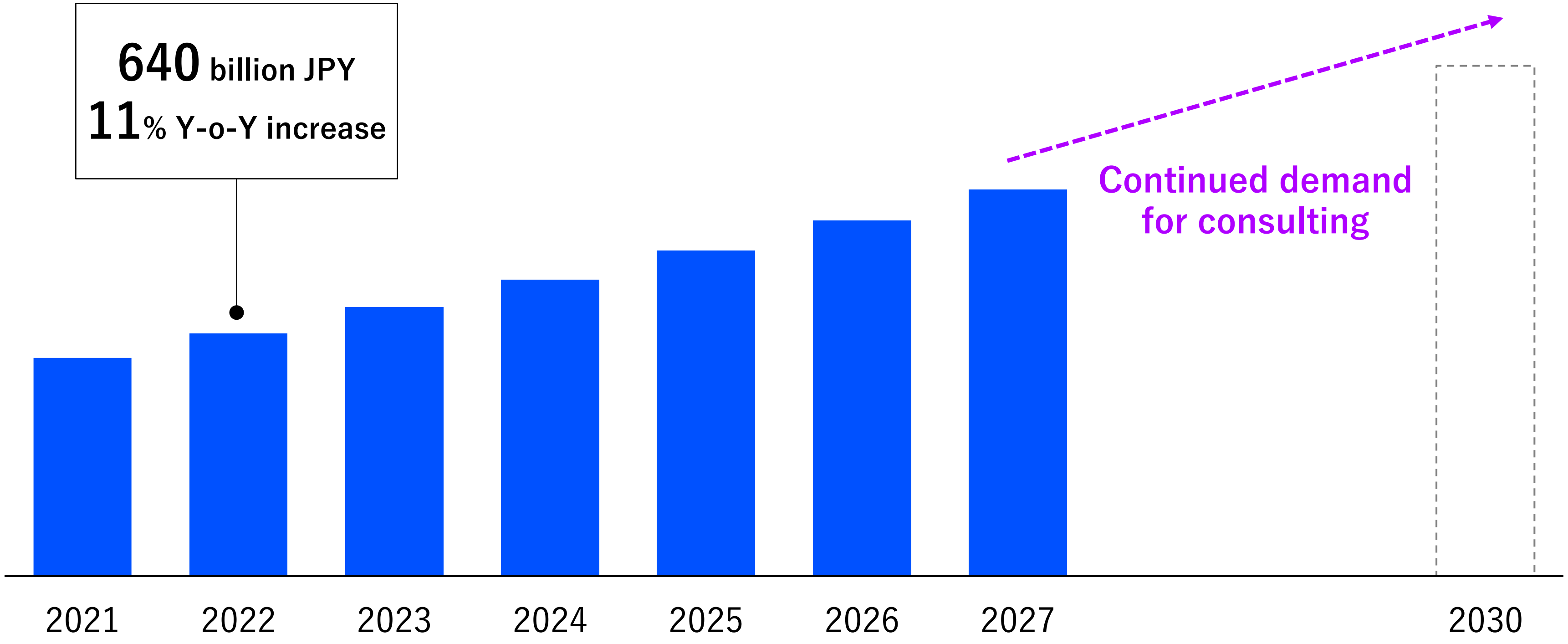
**Optimize for corporate client**

**Aim to improve repeat rate and acquire new users through our product**

# Japan ENS Business



- Spending in the Japan business consulting market, to which our major clients belong, reached approx. 640 billion JPY in 2022 (11% Y-o-Y increase)
- Although the business consulting market is susceptible to economic fluctuations, it is expected that in Japan there will be continued future demand for consulting in areas such as corporate transformation (DX)

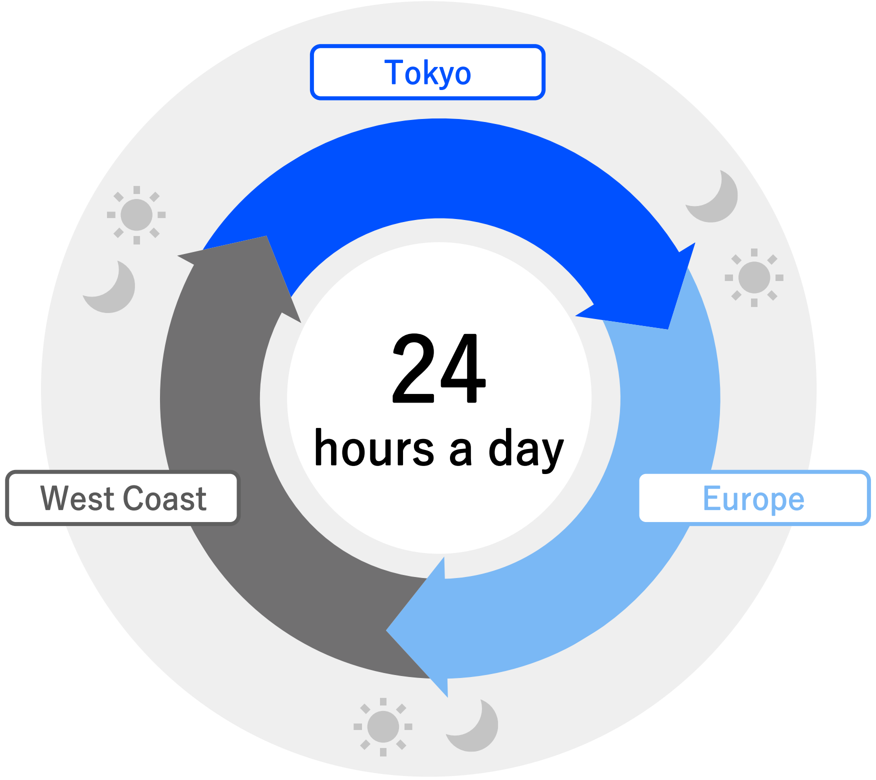



Source：IDC Japan, August 2023 “Japan Business Consulting Forecast, 2023-2027” (#JPJ49210623)
Forecasts until 2027 are from IDC Japan. From 2028 onwards, VISASQ’s calculations are based on IDC Japan’s CAGR (forecast).

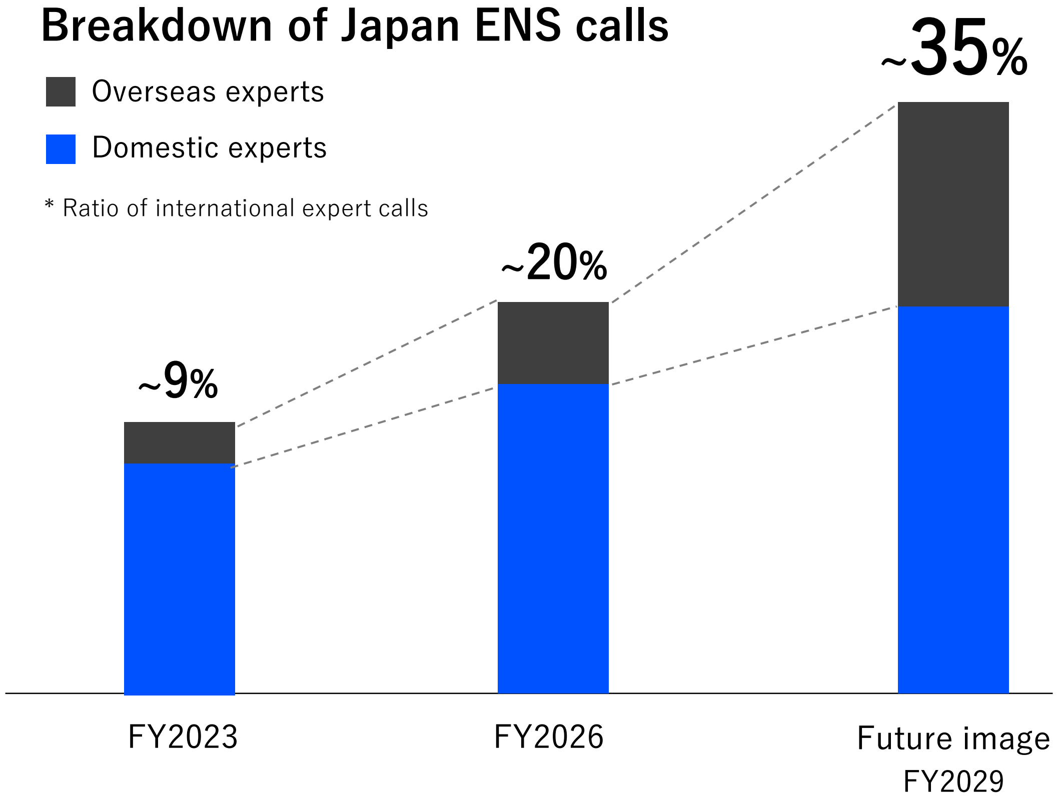
# Japan ENS Business

In order to strengthen our 24 hours a day service for Japanese clients, we plan to launch a new team of Japanese-language speakers in time zones on the US West Coast and Europe (FY2025~FY2026)

## Three Locations, 24 Hours a Day

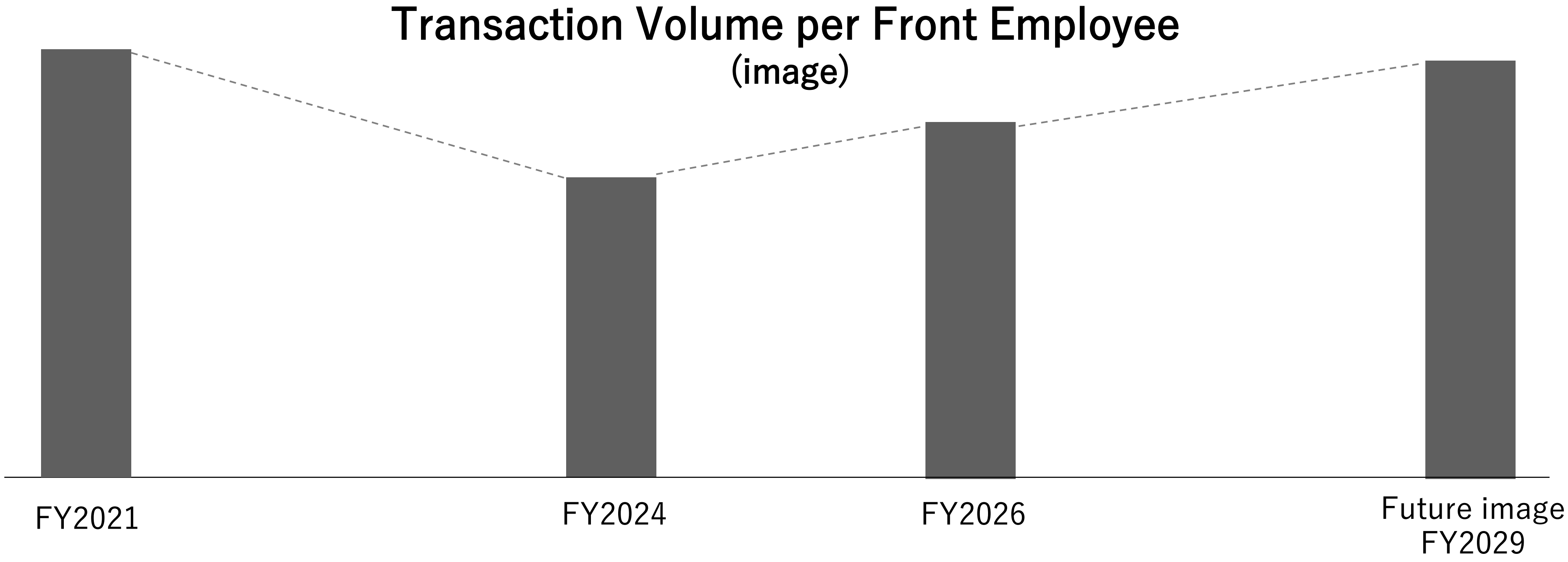



## Trends in Number of Domestic and Overseas Calls



# Ex-Japan ENS Business

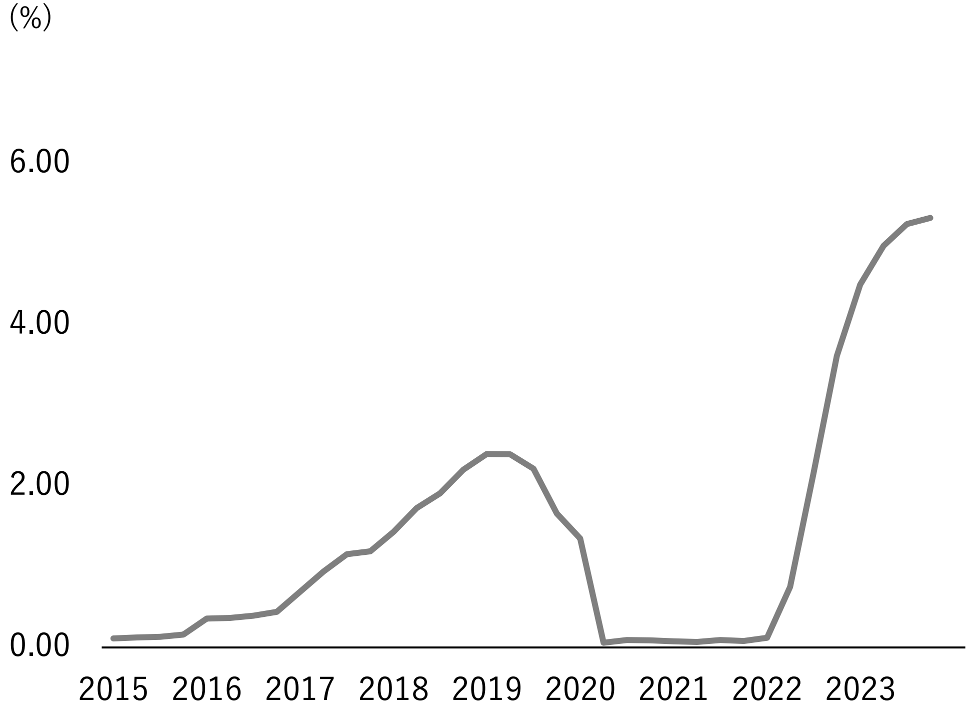
- In order to improve the profitability of the Ex-Japan ENS business, it is essential to have both growth in transaction volume and improvements in per-person transaction volume
- Against the large TAM, there is significant room for acquiring new customers and increasing the number of users within clients by strengthening sales and marketing
- Improve productivity through AI investments and continuous improvements to incentive design and training



# (Reference) External Factors Affecting the Ex-Japan ENS Business : Trends in the Overseas M&A Market

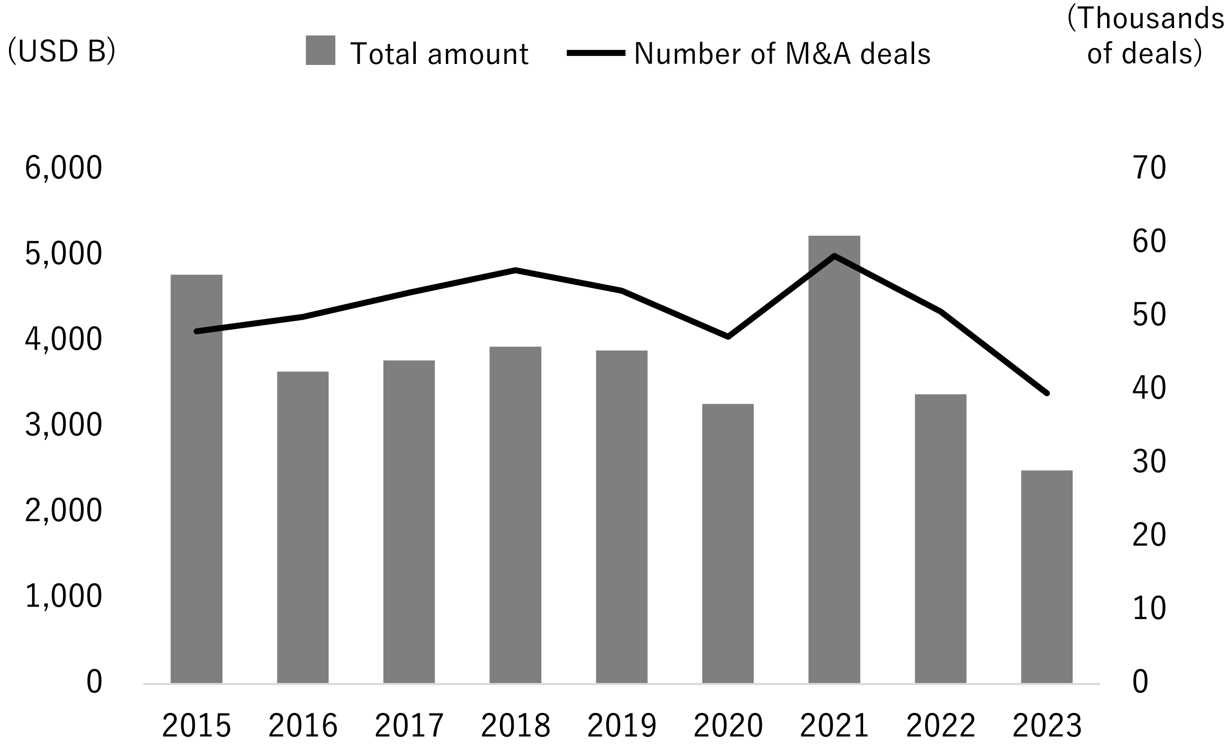
The M&A market has been stagnant against a backdrop of rising and persistently high policy interest rates in the US and around the world

## US Federal Funds Rate




Source：Created by VISASQ based on materials published by the Federal Reserve Bank of St. Louis.

## Global M&A Trend



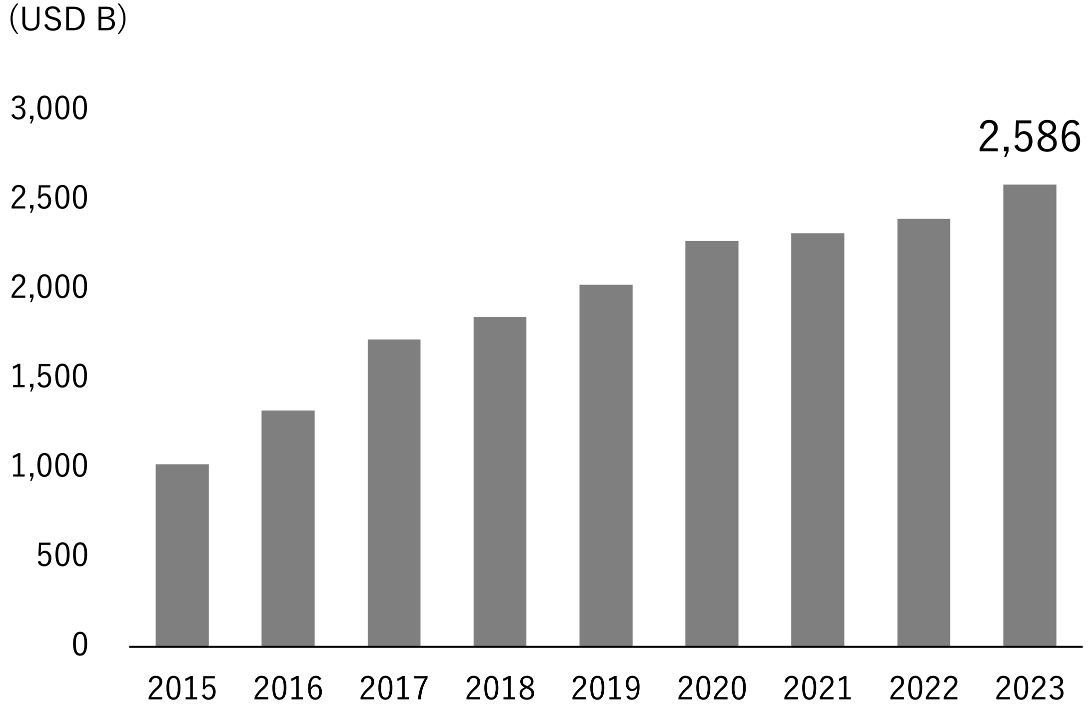

Source： Created by VISASQ based on materials published by Institute for Mergers, Acquisitions & Alliances.

# (Reference) External Factors Affecting the Ex-Japan ENS Business : Trends in the Overseas M&A Market and Stock Market

VISASQ

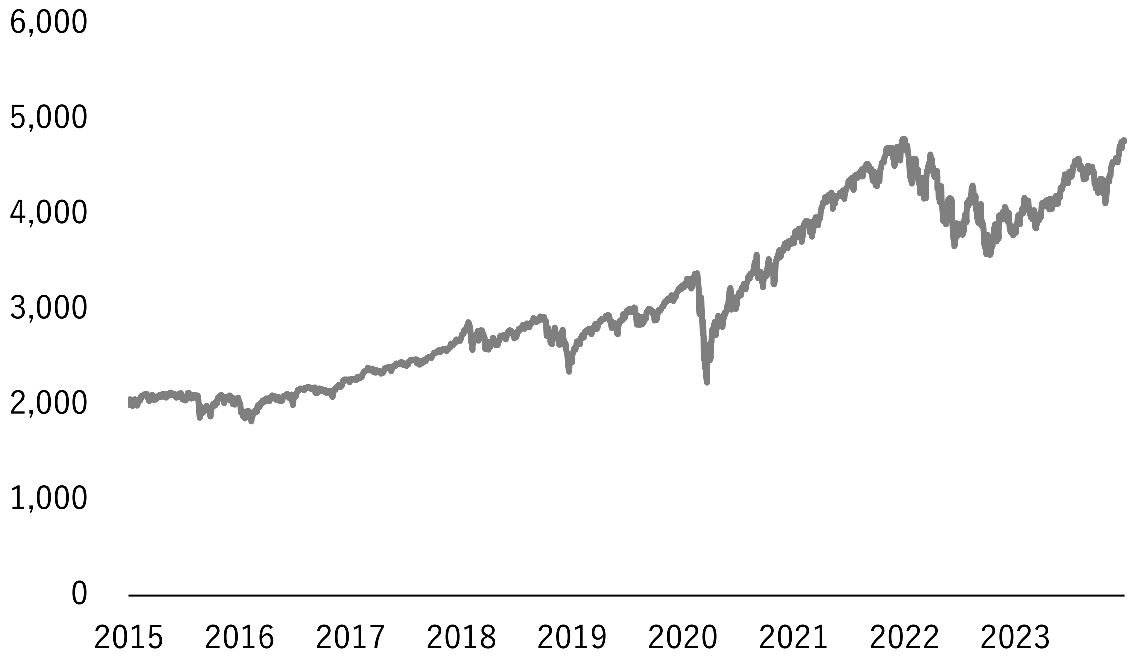
Private equity funds have built up their dry powder and, in light of the prospects for future declines in policy interest rates, signs of revitalization and a recovery in US equities are favorable factors

## Global Private Equity Dry Powder Trend




Source： Created by VISASQ based on materials published by S&P Global Market Intelligence.

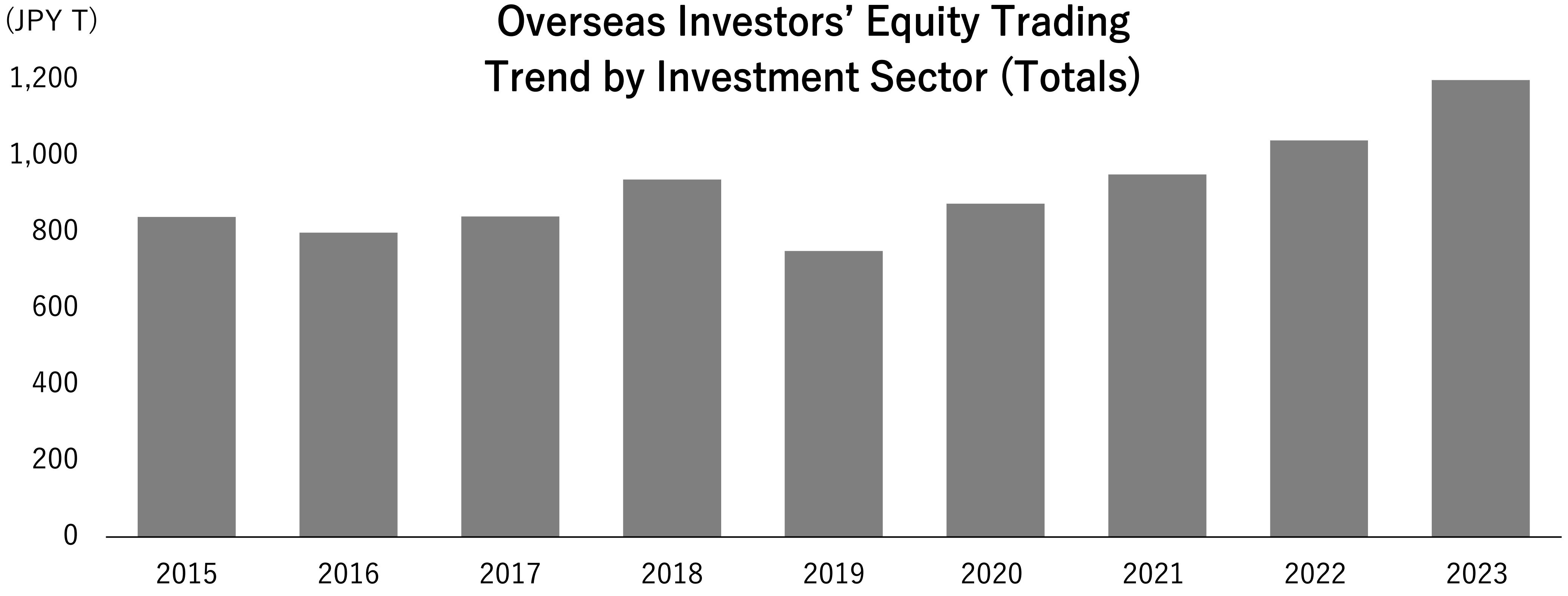
## S&P 500 Index




Source： Created by VISASQ based on materials published by S&P Global.

# (Reference) External Factors Affecting the Ex-Japan ENS Business : Focus on Japan

With our strengths in Japanese expert matching, the increasing attention being paid to Japanese equities by overseas investors is a tailwind for VISASQ




Source： Created by VISASQ based on materials published by the Japan Exchange Group.

# Executive Management Members

VISASQ

## Global Management Committee

CEO, Representative Director

### Eiko Hashiba

Eiko worked at Goldman Sachs, L'Oreal Japan, and Unison Capital, founded the company in March 2012, and officially released the VISASQ service in October 2013. She holds a B.A. in Economics from the University of Tokyo and an MBA from MIT.

Co-Head of Global ENS
（Japan, Product）

### Takeshi Shichikura

Takeshi worked at the Development Bank of Japan, where he assisted local governments and provided long-term corporate loans, after which he was involved in venture investment at DBJ Capital.  He joined VISASQ in 2016, leading the business for professional firms. He graduated from Hitotsubashi University.

Head of Knowledge Platform

### Yu Miyazaki

Yu joined Recruit HR Marketing in 2006, and was responsible for sales, new product development, and corporate planning at Recruit Jobs. He joined VISASQ in 2019, concurrently served as GM of CEO Office and GM of VISASQ lite division, launching corporate marketing and driving growth of VISASQ lite. From April 2024 he concurrently serves as Co-head of Japan and Japan Corporate Business Division, VP of Product Development. He graduated from Yokohama National University.

Co-Head of Global ENS
（ex-Japan）

### Masayuki Ogata

Masayuki started his career at the Ministry of Internal Affairs and Communications in 2001, and worked for the various government agencies including Cabinet Office and Ministry of Foreign Affairs. He then joined Accenture strategy group and engaged in global market entry and global alliance projects for Japanese enterprises. After he experienced IPO at freee as COO（a member of board）and led product management team as CXO, he joined VISASQ in 2023. He holds an LLM from Stanford University and MBA from HKUST.

# Executive Management Members

## Global Management Committee

Executive Officer, CFO

### Mamoru Kokaze

Mamoru joined Mitsubishi UFJ Morgan Stanley Securities in 2011. He joined VISASQ in January 2022 as Executive Officer and CFO, where he is responsible for developing financial strategies after the acquisition of Coleman, IR, etc. as well as strengthening overall corporate functions. He graduated from Keio University, Faculty of Law.

General Counsel

### Conrad Gordon

Conrad served as Deputy General Counsel at Stifel Financial Corp. before joining Coleman. He has been appointed as General Council at VISASQ, and oversees global legal and compliance matters. He graduated from Duke University with a BA in history and also holds a JD degree from Brooklyn Law School.

Co-CTO

### Kenya Aono

Kenya joined TKC Corporation in 2015 and was in charge of developing web services and smartphone apps as a software engineer.
He joined VISASQ in April 2019 and, as an engineer, led projects to improve the efficiency of matching operations and global system integration.
From September 2024, he was in charge of the Platform Development Division.
From January 2025, he serves as Co-CTO.

Co-CTO

### Isaak Karaev

Isaak Karaev is a serial entrepreneur, having successfully built four software and information technology companies. Multex, which he founded in 1993, was the first Internet based Wall Street information and technology business and became one of the first publically traded New York based technology company, and was sold to Reuters in 2003. After leaving Reuters in 2004 Mr. Karaev founded and built InfoNgen, which uses Semantic Web and NLP technology to aggregate and categorize vast amounts of Internet based news, blogs and social media. InfoNgen was sold to EPAM Systems in 2010. From January 2025, he serves as Co-CTO.

# Overview of New Stock Incentives

- In order to achieve medium-term management plan, stock incentives will be provided to management so that they are committed to achieving performance targets and increasing the stock price. In addition to issuing new paid Stock Options in line with the performance goals for FY2029 (3-year plan x 2), PSUs will also be designed for a wider range of members.
- Going forward, including PSUs and paid SOs, we are expecting an annual issuance of approx. 1% of the total number of issued shares

## Image of Issuance/Exercise Period

(Black lines indicate future issuance schedule)

| | Type | Dilution rate[1] | FY2024 – FY2030以降 |
|---|---|---|---|
| Paid Stock Option | Performance-linked stock acquisition rights | Designed for 1% over 2 years every 2 years | • Newly issued with performance targets through FY2029 as achievement requirements<br>• Exercisable based on performance after FY2026<br>• Going forward, every two years we plan to issue paid SOs with exercise conditions that are linked to medium-term performance targets |
| PSU (Performance Share Units) | Performance-linked stock compensation | Designed for 2% over 4 years every 4 years | • Existing PSUs for Coleman employees (valid through the end of FY2025) expanded, Newly granted on the condition that company-wide performance is achieved<br>• Within the originally disclosed amount of 114,600 shares (including already issued shares)<br>• We plan to redesign the PSUs in a way that is linked to the performance targets of the medium-term management plan from FY2026 onwards<br>• Conditions of grant：Achievements and tenure for 4 years |

(1) Dilution rate using the total number of common shares that have been issued (9,204,850 shares) as the denominator.

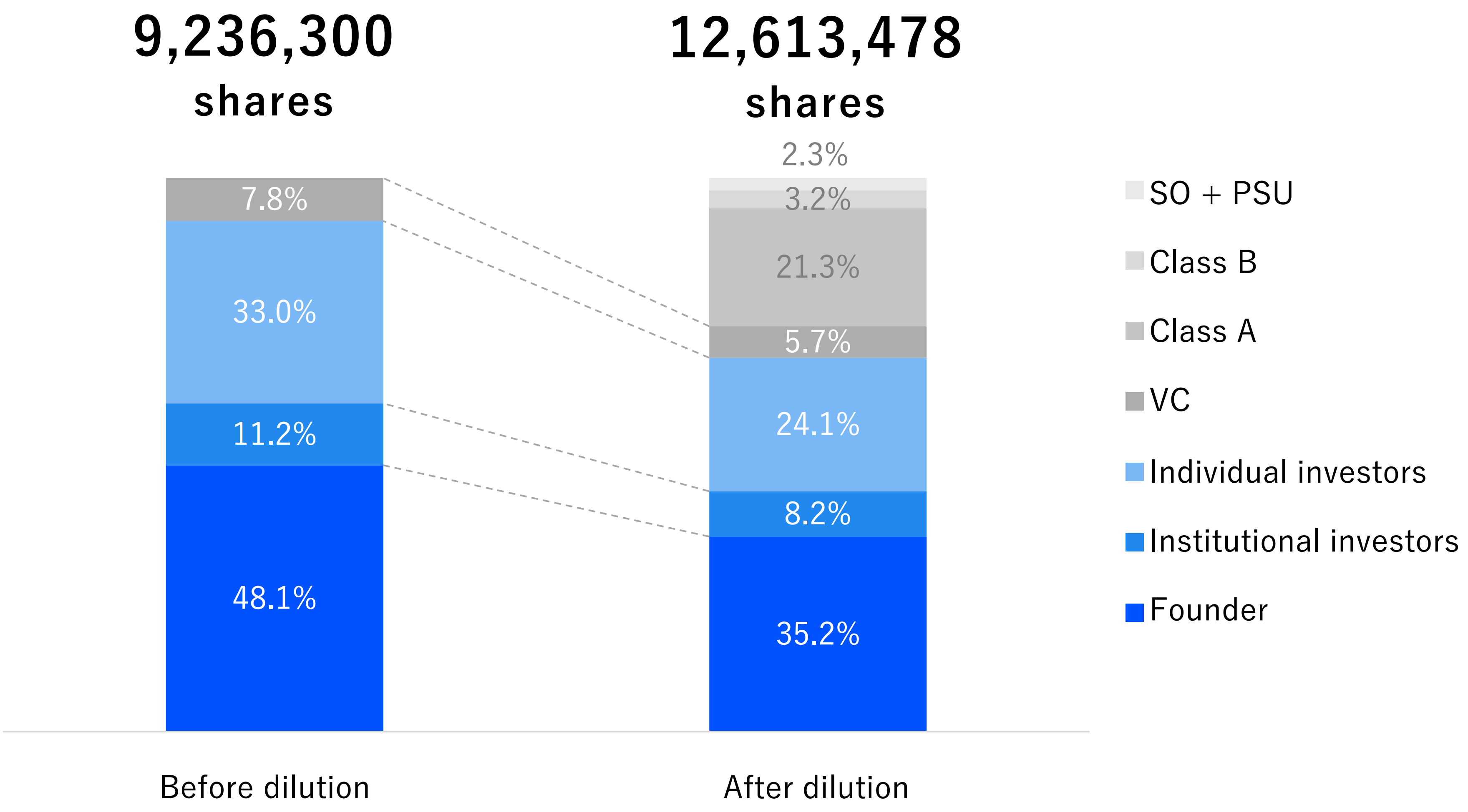
# APPENDIX

# Company Profile

| | |
|---|---|
| Company name | VisasQ Inc. |
| Head office location | 9F and 10F 4-7-7 Aobadai, Meguro-ku Tokyo 153-0042, Japan |
| Date of establishment | March 2012 |
| Services | Knowledge sharing platform in the business domain |
| CEO | Eiko Hashiba |
| Number of employees | 613 (as of end-November 2024) |
| Number of shares | Total number of issued shares: 9,236,300(1)<br>Number of shares after dilution: 12,613,478 |

(1) As of Aug. 31st, 2024, including preferred stocks.

# Stock Information(1)




(1) As of Aug. 31st, 2024, "Before dilution" is counted only common shares. "After dilution" is after taking into account cumulative dividends on preferred stock as well as the remaining dilutive shares of SO and PSU.

# VISAQ and SDGs

By connecting experts' insights to various needs,
we maximize the value of the insights.

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We enhance innovation across the globe by aggregating and sharing people's insights, beyond the boundaries between organizations, generations and regions.

# (Reference) Business Risks and Responses

| Main business risks | Possibility of occurrence / Timing of occurrence | Impact on growth realization and business plan execution | Details or risk and mitigation strategy |
|---|---|---|---|
| Competitors | Medium / Any time | • Decline in market share<br>• Fall in order prices | There is competition with a) overseas companies that mainly run similar businesses overseas and b) relatively small domestic companies. We are unique in that we have a knowledge sharing platform of over 690,000 registered experts and provide a variety of services based on this database. An overseas company which attempted to develop similar businesses in Japan would find it difficult to create a database of insights of Japanese experts, due to differences in culture, values, language, etc. |
| Service stability and security | Low / Any time | • Loss of clients<br>• Defection of experts | Experts may unintentionally provide clients with information that is subject to confidentiality obligations. For that reason, under the full support format, we have a dedicated matching team to check if there are any items that seem inappropriate in the content of the request. Also, VISASQ lite checks the content of the request, including automatic detection of keywords. We also provide regular training to our experts to ensure they are alert to the risks and advise them to pay attention to their confidentiality obligations. |
| Focus on specific business partners | Low / Risk is declining | • Decline in transaction volume | There are two business partners whose business accounts for more than 10% of our sales (as of end-Feb. 2024). The business relationship with those companies is good and stable. Furthermore, as the transaction volumes of other clients are increasing, the proportion of transaction volume of this company is declining. |
| Overseas expansion and M&A | Medium / Occasional | • Shrink in overseas expansion<br>• Increase in costs | While demonstrating its competitive advantage in Japan, the Company is expanding overseas by establishing a local subsidiary in Singapore in April 2020 and acquiring Coleman in the USA in November 2021. If the Company considers executing further investments in the future, it may incur costs for the consideration of such investments, as well as other risks that differ from business development solely by itself in Japan, but the Company intends to proceed with business development after taking sufficient measures to minimize the risks. |

In the interests of proactive information disclosure, this report describes matters that our company considers particularly important to investors' judgment. The information contained in this section does not necessarily include all risks associated with investments in our company shares. Being aware of these risks, we are committed to avoiding them and responding promptly if they do occur. For risks other than those described in this section, please refer to "Business Risks" in the securities report in addition to this document.

# Disclaimer

## Handling of this document

This document contains forward-looking statements. These statements were made solely from the information available at the time. Furthermore, these statements do not guarantee future results, and involve risks and uncertainties. Please be aware that the actual results may differ significantly from forecasts due to environmental changes, etc. Factors that affect the actual results include, but are not limited to, domestic and overseas economic conditions and industry trends relating to VisasQ.

In addition, the information about other companies included in this document are cited from publicly available information, etc., and our Company has not performed any verification on the accuracy, appropriateness, etc. of such information, and offers no guarantee of such.

This is an English translation of the original Japanese language document and has been prepared solely for reference purposes. No warranties or assurances are given regarding the accuracy or completeness of this English translation. In the event of any discrepancy between this English translation and the original Japanese language document, the original Japanese language document shall prevail in all respects.

Contact information: IR (email: ir@visasq.com)

Regarding the progress of the management indicators disclosed in this document, we plan to disclose them in the explanatory material which is supplementary to the quarterly financial results announcement. and, in addition, we plan to disclose the latest information, including the progress status of the materials, at the financial results announcement.