

Livesense Inc. (TSE Standard Market : 6054)

FY2025 1st Quarter Financial Results

May 15, 2025



1. Financial Results
2. Progress on Business Policy
3. Appendix

1. Financial Results



Quarterly
Performance

Net Sales | ¥1,577 million YoY +¥9 million (+0.6%)
Operating Income | -¥100 million YoY -¥216 million

- Income down due to decline in Machbaito sales and higher personnel expenses from increased hiring in FY2024
- Above factors already reflected in financial forecasts, with sales and operating income generally progressing as expected

Progress
on Business
Policy

Expanding existing
businesses

Machbaito: Sales down due to changes in the business environment in the previous fiscal year. Sales generally progressed as expected.
Tenshoku Draft: Sales down due to continued impact of intensified competition in the IT engineer career change market

Strengthening brand

Machbaito: Pursue differentiation through more efficient and faster hiring processes
Tenshoku Draft: Implement rebranding. Strengthen communication to grow awareness

Creating new revenue
streams

Plans generally progressed as expected in Tenshoku Kaigi, IESHIL, and batonn

Full-year Consolidated Performance



Income down due to decline in Machbaito sales and higher personnel expenses from increased hiring in FY2024

(Millions of JPY)

	1Q24	1Q25	YoY	Performance forecast comparison	Increase/decrease factors
Net Sales	1,568	1,577	+0.6%	24.3%	
Cost of Sales	354	467	+31.9%	-	Cost of real estate sales up with increased reselling business transactions
SG&A Expenses	1,096	1,209	+10.3%	-	Increased expenses due to strengthened hiring in FY2024 and recognition of previously deferred investment costs
EBITDA	117	-99	-	-	
Operating Income	116	-100	-	-	
Ordinary Income	155	-60	-	-	
Profit attributable to owners of parent	134	-89	-	-	

*EBITDA: Operating income + depreciation and amortization + amortization of goodwill. No amortization of goodwill in Q1 of FY2024 or FY2025

Net Sales Breakdown



Sales down for Machbaito due to changes in major client trends and strengthened advertising by competitors.
Tenshoku Draft sales down due to continued impact of intensified competition in the IT engineer career change market

(Millions of JPY)

	1Q24	1Q25	YoY	Increase/decrease factors
Net Sales	1,568	1,577	+0.6%	
Machbaito	1,001	896	-10.4%	Sales down due to changes in major client trends and strengthened advertising by competitors
Tenshoku Kaigi	270	276	+1.9%	
Tenshoku Draft	142	126	-11.7%	Sales down due to intensified competition in the engineer career change market
Other	153	279	+81.3%	IESHIL reselling business transactions increased

Costs Breakdown



Personnel expenses up due to strengthened hiring in FY2024. Other expenses up due to increased transactions in the reselling business.

Advertising costs and other expenses include approx. ¥48 million in deferred investments from FY2024

(Millions of JPY)

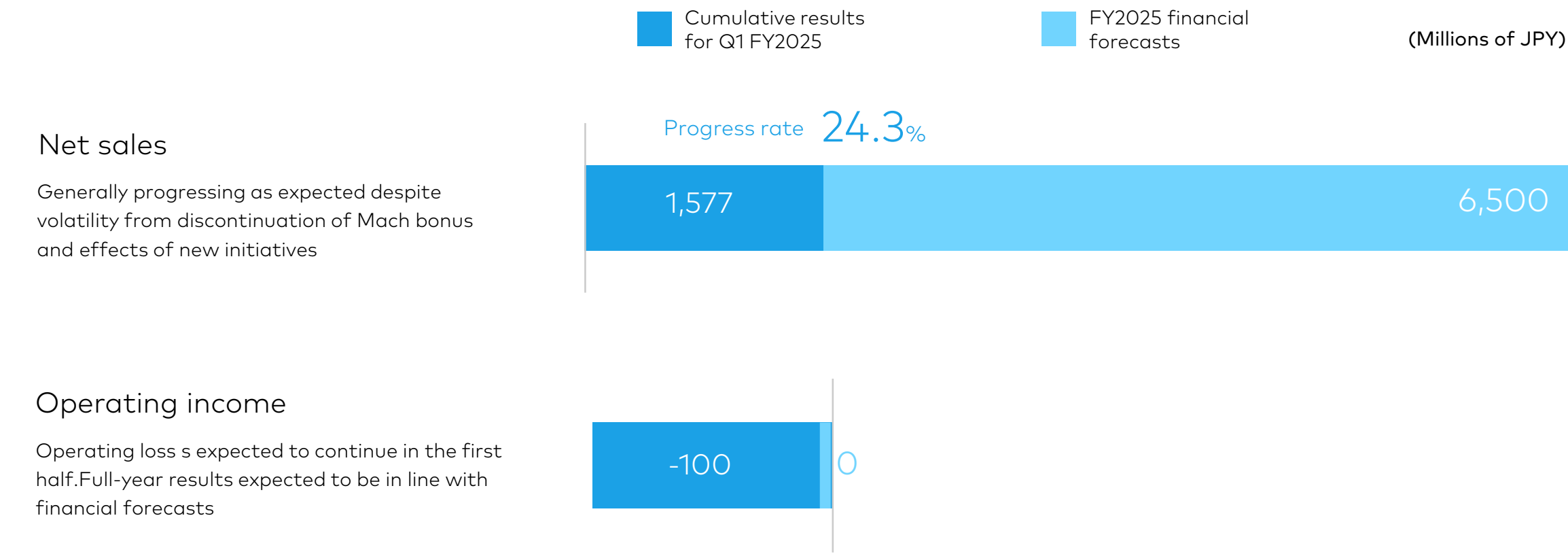
	1Q24	1Q25	YoY	Increase/decrease factors
Personnel expenses	448	530	+18.4%	Increase due to personnel increase from strengthened hiring in FY2024
Advertising costs	475	499	+4.9%	Increase due to recognition of investments deferred from FY2024
Others	527	647	+22.9%	Cost of real estate sales up with increased reselling business transactions Includes recognition of investments deferred from FY2024

*Starting from this fiscal year, aggregation standards changed due to hiring-related expenses being included in personnel expenses. Accordingly, personnel expenses for the same period of the previous fiscal year have been restated.

Progress Towards Financial Forecasts



Previously mentioned changes in the business environment and cost increases already reflected. Net sales and operating income generally progressing as expected.



2. Progress on Business Policy

Progress | FY2025 Company-wide Policy



Promote measures below to achieve medium-to long-term growth.
Prioritize measures that will contribute to income in FY2025 based on most recent changes in business environment

FY2025 Company-wide Policy

Balance securing income with initiatives for medium-to long-term

- 1

Expanding existing businesses
- 2

Strengthening brand
- 3

Creating new revenue streams

Machbaito: Sales down due to changes in the business environment in the previous fiscal year. Transaction expansion and new customer cultivation generally progressed as expected.

Tenshoku Draft: Sales down due to continued impact of intensified competition in the IT engineer career change market

Machbaito: Pursue differentiation through more efficient and faster hiring processes

Tenshoku Draft: Implemented rebranding. Strengthen communication to grow awareness

Verify new revenue sources in each business and achieve PMF*

Create new revenue streams, including M&A, while accelerating growth through synergy with existing businesses

*PMF refers to product market fit. State where service is accepted by customers in particular market



Recent sales decline in core businesses within expectations. Company-wide Policy generally progressed as expected.

Expanding existing businesses

Machbaito: Sales down due to changes in the business environment in the previous fiscal year. Transaction expansion and new customer cultivation generally progressed as expected.
Tenshoku Draft: Sales down due to continued impact of intensified competition in the IT engineer career change market

Strengthening brand

Machbaito: Pursue differentiation through more efficient and faster hiring processes
Tenshoku Draft: Implemented rebranding. Strengthen communication to grow awareness

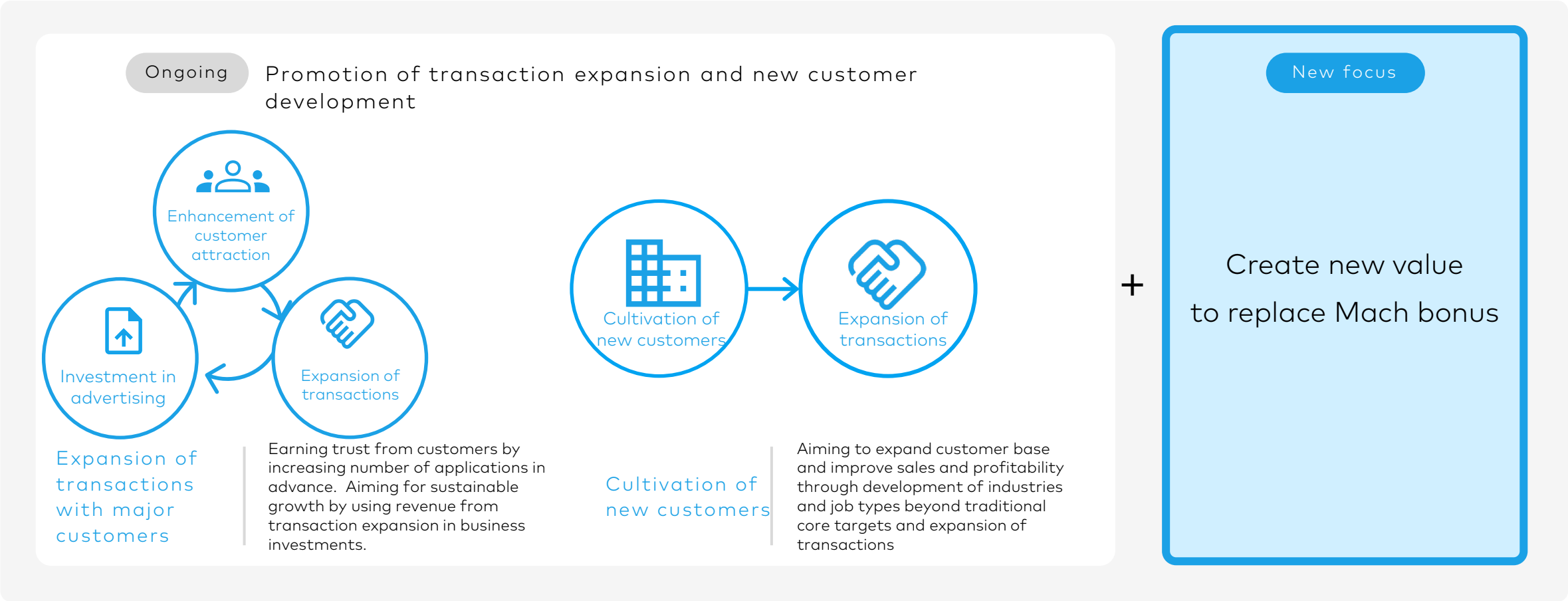
Creating new revenue streams

Tenshoku Kaigi: Expanded features to improve scouting service usage rate among customers
IESHIL: Increased traffic through expanded content for buyers. Also developing new content
batonn: New acquisition progressing as initially expected



Expanding transactions with major customers and cultivating new customers has contributed to net sales growth and will be continued.

Will also focus on creating new service value due to discontinuation of Mach Bonus

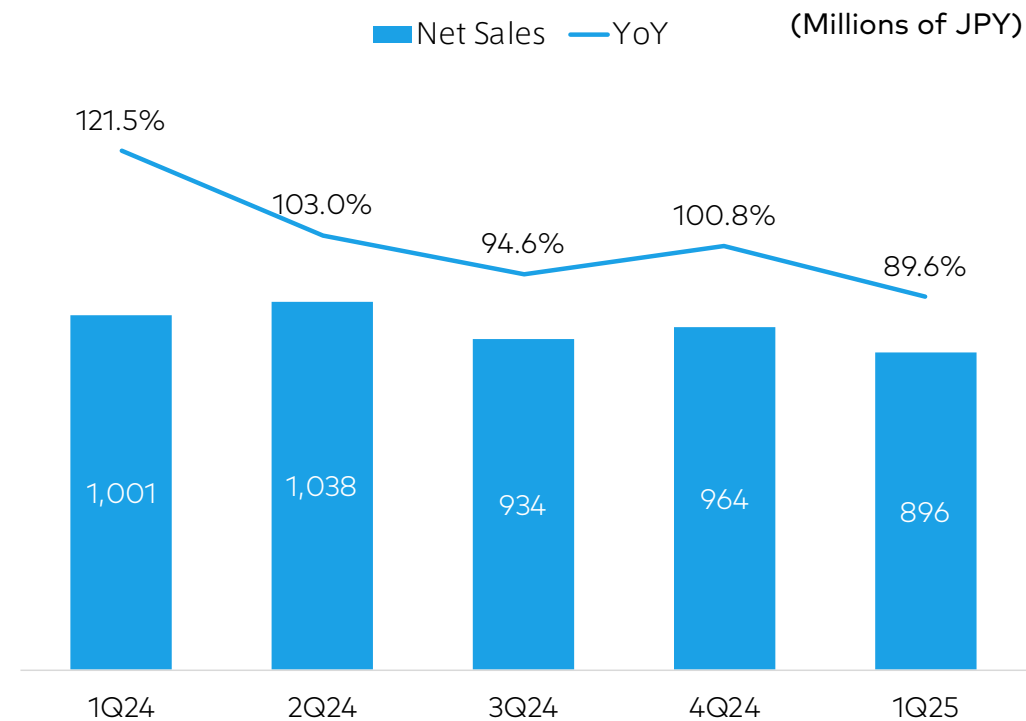


Machbaito | Promotion of Transaction Expansion and New Customer Development

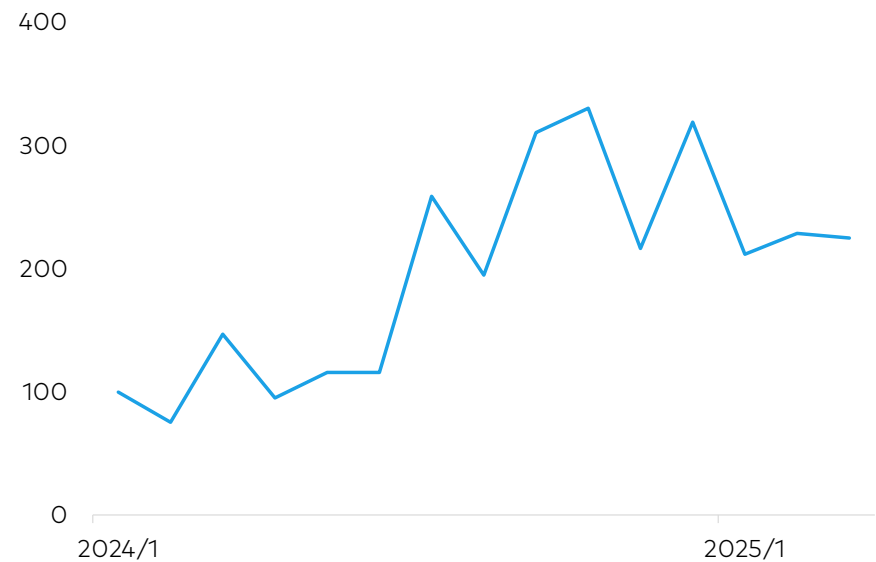


Sales down due to changes in hiring policies among major customers and increased advertising by competitors in the previous fiscal year.
Recovery expected through progress in transaction expansion going forward. New customer development generally progressing as planned.

Net Sales



Number of New Job Listings



*The number of new job listings for each month is shown as a relative value, with January FY2024 = 100.



Mach Bonus discontinued at the end of March due to the ban on monetary gifts for job seekers. The impact on FY2025 performance is expected to be a decrease of approximately ¥350 million in sales and a decrease of approximately ¥100 million in operating profit.

Background/Initial
Expectations

Provision of monetary gifts to job seekers to be prohibited starting in April

With prohibition on providing monetary gifts to users of job information services, Machbaito discontinued Mach bonus at the end of March. Initial estimate of the impact as follows:

Short
term

Sales and monetary gifts to decrease. Net impact on profit expected to be minor

Medium to
long term

Risk of decreased differentiation from competitors and reduced sustainability of success fee-based model

Update as of
April

The impact on business performance is a decrease of approximately ¥350 million in sales and a decrease of approximately approximately ¥100 million in operating profit.

Estimate reflects both the recent changes in user behavior and cost reductions following the suspension of Mach bonus. May change in the future.

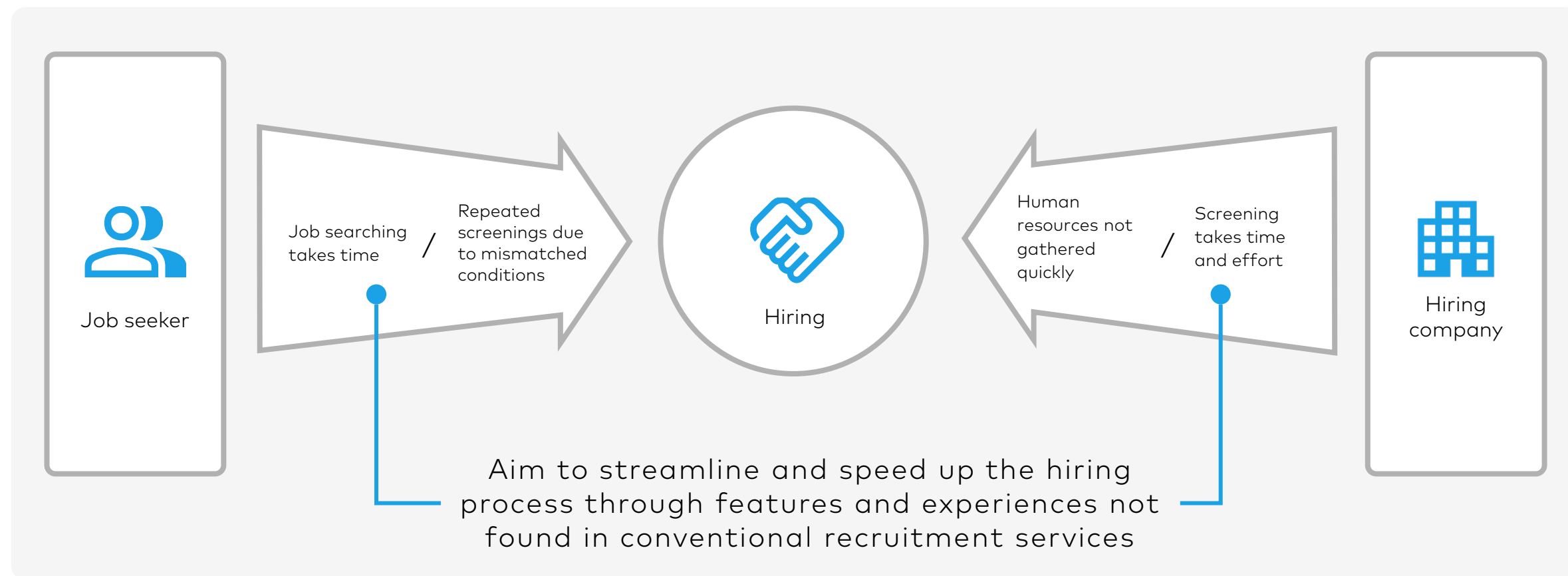
Success fee-based model remaining in place

Success fee-based model to continue after Mach bonus discontinuation, as measures to prevent fraud have been established for it

Machbaito | Create New Value to Replace Mach Bonus



Leverage application-to-hire data and proprietary matching expertise to pursue differentiation through more efficient and faster hiring processes





Establish brand recognition in the IT engineer career change market through the Tenshoku Draft Series and expand both scouting and recruitment services



Tenshoku Draft | Establishment of Position Through Rebranding and Strengthening Communication



Implement rebranding to expand business domain and strengthened communications in parallel
Expand visibility both online and offline to establish the brand



Rebranding

Aim to provide services that support IT engineers in developing careers aligned with their skills, work styles, and income preferences—not just traditional job changes



Strengthening brand communication



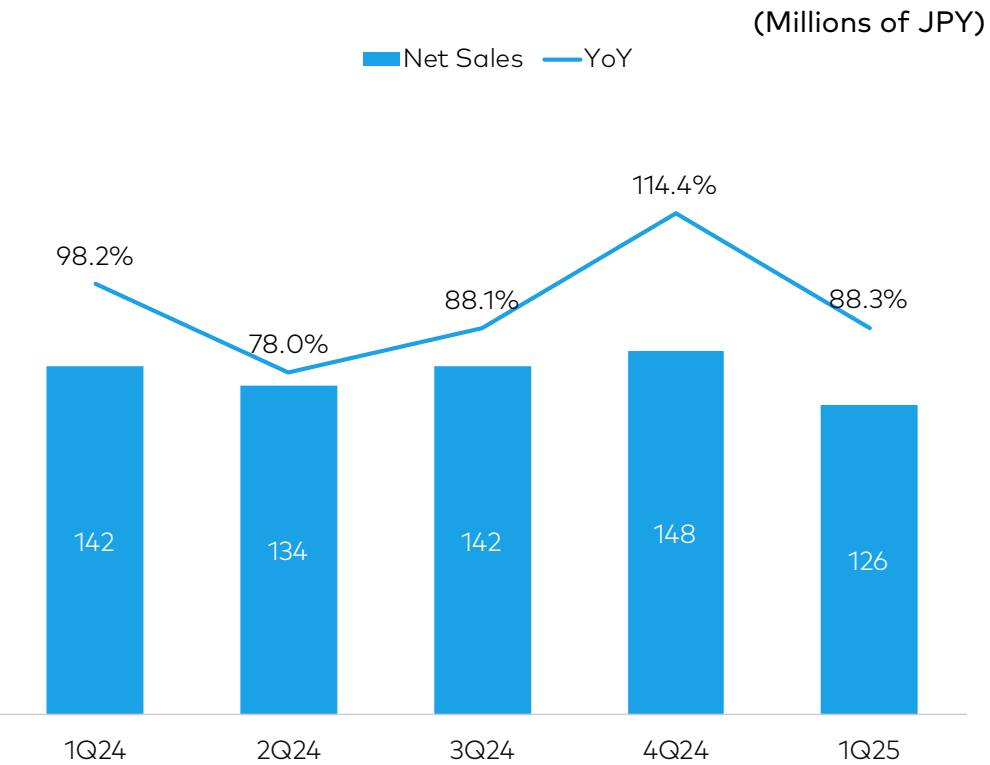
Communicate career-related information and the vision of Tenshoku Draft through various channels. Includes owned media, career insights for IT engineers, event appearances, beer sponsorships, and more.

Tenshoku Draft | Expansion of Both Scouting and Recruitment Services Through Enhanced Customer Attraction

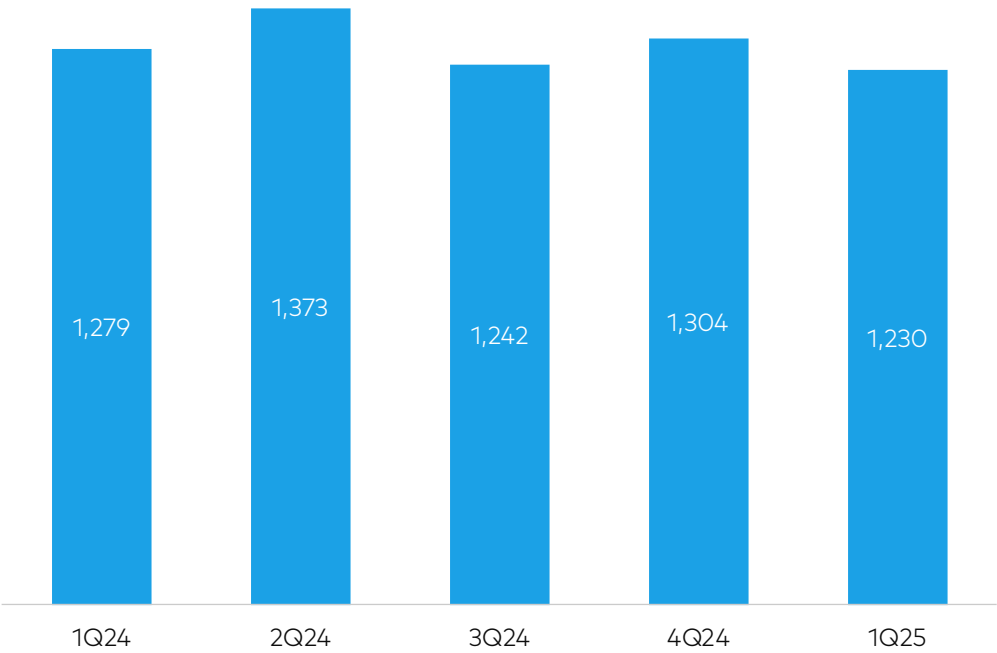


Sales down due to continued impact of intensified competition in the IT engineer career change market.
Number of new registrants flat YoY.
Drive user and sales growth through increased brand awareness

Net Sales



New subscribers per quarter



Creating new revenue streams



All generally progressing as expected



FY2025 Policy	<ul style="list-style-type: none">• Grow scouting service	<ul style="list-style-type: none">• Develop property purchase system and value provided in reselling business• Expand target by enhancing site functionality and content	<ul style="list-style-type: none">• Strengthen cultivation of new customers
Progress	<ul style="list-style-type: none">• Expanding features to improve convenience and thereby boost customer usage rate	<ul style="list-style-type: none">• Traffic increasing through added content on condominium asset value and living environment scores• Ongoing development for publishing condominium reviews	<ul style="list-style-type: none">• Expansion of user companies and cultivation of prospective customers both progressing as expected

3. Appendix



Origin of the company name

LIVE + SENSE

Business Philosophy

Happiness Begetting
Happiness.

Corporate Vision

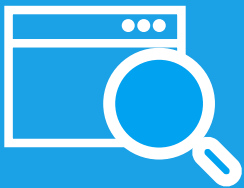
Invent the next common.



Basic Philosophy

We will view structural distortions preventing optimal choices as social issues to be solved with technology.

Three business themes based on basic philosophy



System Innovation through DX

Improve convenience and efficiency by updating old system and solving issues and distortions in each field



High Transparency

Realize society where better choices can be made by eliminating asymmetry of information



Respect for Humanity

Increase satisfaction with choices through matching that incorporates diverse preferences and values, breaking free from excessive mechanization



Improve convenience and efficiency of everyday life and business by updating old system and solving issues of inconvenience and inefficiency.



Old system

Inconveniences remain due to overlooking DX delays and system that is dependent on people



Updated system

Improve convenience through system innovation and make everyday life and business situations smarter and more efficient

Business Examples



Promoted digitalization in the part-time job industry in which paper-based job listings were the norm.

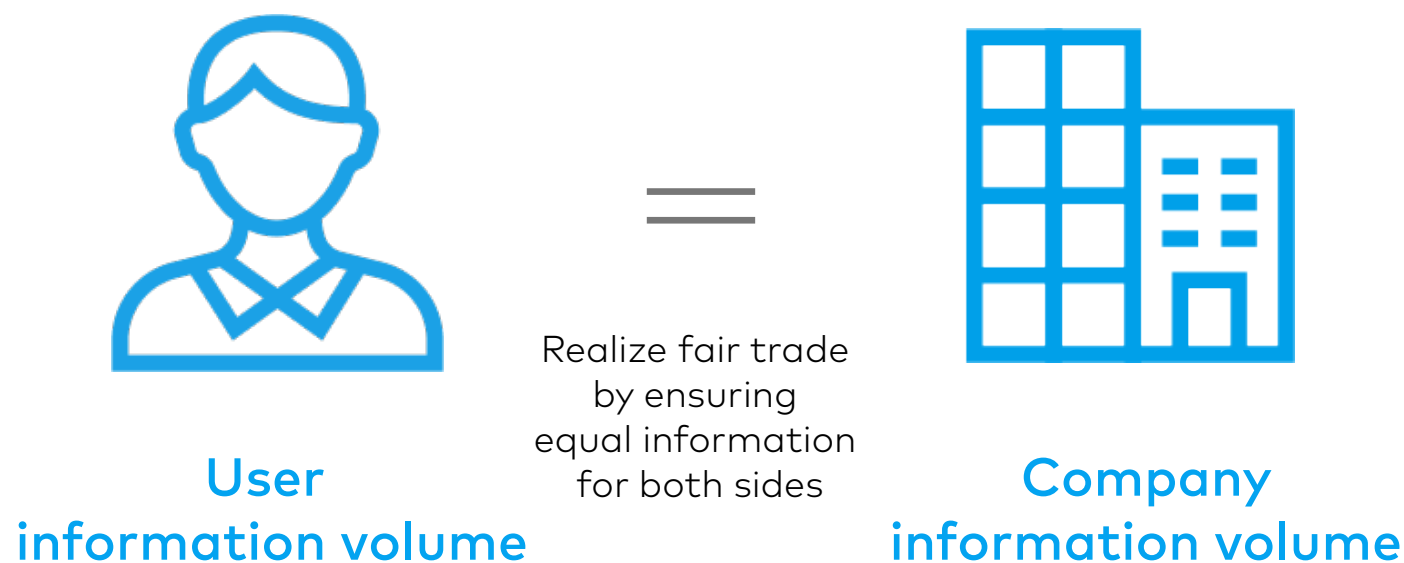
Made it easier to find part-time jobs.



Eliminated dependence on people and omissions through digitalization of interview content and evaluations and functions to attract candidates. Aiming to realize efficient hiring with fewer mismatches.



Reduce mismatches by eliminating asymmetry of information and realize a society with better choices for individuals and organizations.



Business Examples



転職会議

Provides reviews of more than 240,000 companies and visualizes working conditions at companies to deliver optimal support for job changes.

転職 **DRAFT**

Promotes fairness in job changes through a system that shows annual income and position before selection.



Promotes transparency in real estate transactions by providing users with information such as new construction prices, foundation safety, and disaster risk.



Increase satisfaction with choices through matching that incorporates diverse preferences and values, breaking free from excessive mechanization.



- Matching via one-sided information
- Boilerplate scouting

Overly mechanical matching

Although mechanization has increased the volume of information, this sometimes makes it difficult to reach the best decision



- Matching that also considers personality and values
- Individualized scouting

Personalized matching

Increase satisfaction in decision-making through matching that reflects individual diversity and individualized proposals

Business Examples

転職 **DRAFT**

Individualized scouting by companies based on resume content made it easier for job applicants to find a job matching their preferences.

Consolidated Balance Sheets



(Millions of JPY)

	FY2024	FY2025	YoY
Assets			
Current assets	4,765	4,661	-104
Cash and deposits	3,925	3,865	-60
Fixed assets	175	164	-11
Tangible fixed assets	0	0	-0
Intangible fixed assets	5	4	-0
Investments and other	170	159	-11
Total assets	4,941	4,825	-115
Liabilities			
Current liabilities	720	689	-31
Fixed liabilities	13	13	±0
Total liabilities	734	703	-31
Equity			
Shareholders' equity	4,173	4,083	-89
Common stock	237	237	±0
Capital surplus	219	225	±0
Retained earnings	3,894	3,799	-89
Treasury stock	-178	-178	±0
Total Equity	4,207	4,122	-84

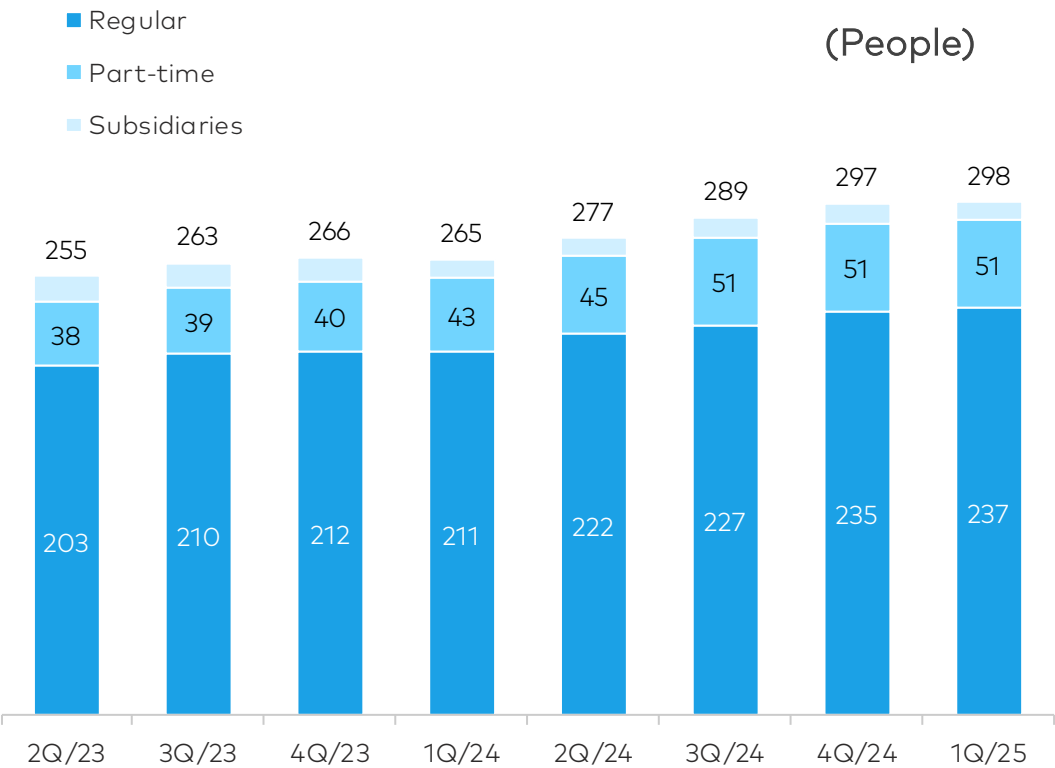


Company name	Livesense Inc.
CEO/Founder	Taichi Murakami
Business Philosophy	Happiness Begetting Happiness.
Corporate Vision	Invent the next common.
Established	February 8, 2006
Listing Market	Tokyo Stock Exchange Prime Market (Securities code: 6054)
Number of Employees (Non-Consolidated)	Full-Time: 237 (as of March 31, 2025)
Consolidated Subsidiaries	PHIL LIFE Inc.

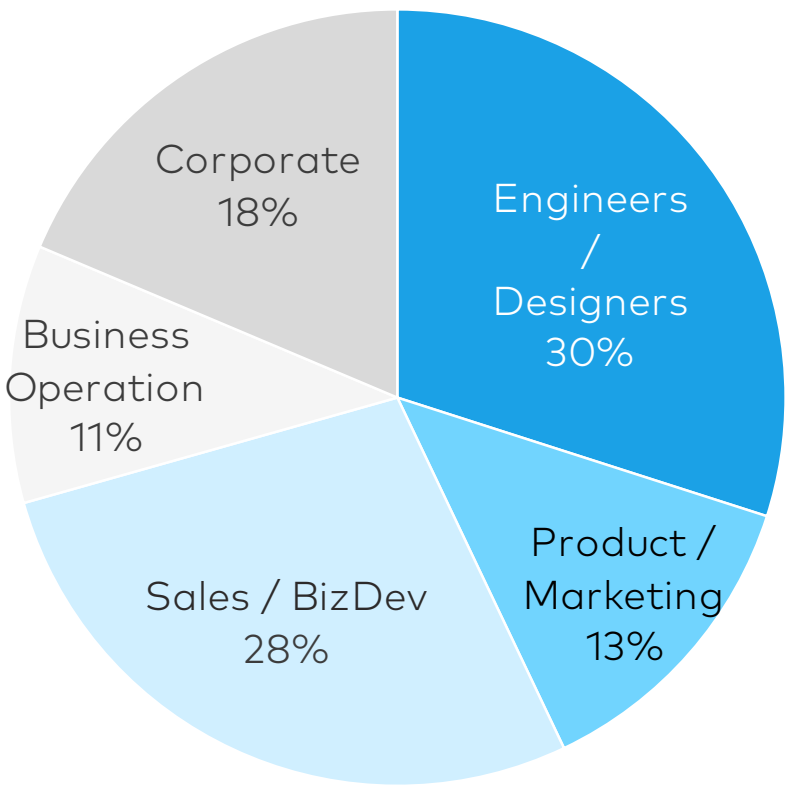




No. of Employees (Consolidated)



Breakdown of Full-time Employees



*Non-consolidated: Head Office Regular Employees only.
(Our 'Regular Employees in Specific Functions' are mainly responsible for customer support and sales.)



Livesense Inc. (below, the Company) has prepared this material to provide current information about the Company.

The Company prepared this material using generally known information about social and economic conditions and certain assumptions that we deemed to be reasonable. The information found in this material is subject to change without notice due to changes in business conditions or for other reasons. This material contains forward-looking statements, which are based on current expectations, forecasts and assumptions that involve risks. These forward-looking statements contain uncertainties, and actual results may differ substantially from these statements. These risks and uncertainties include general industry and market conditions as well as general Japanese and international economic conditions such as changes in interest rates and exchange rates. The Company has no obligation to update or correct the forward-looking statements contained in this material, regardless of any new information, future events, etc. In light of the above, investors are advised to use their own judgment when making investments.



LIVESENSE