

# Business Plan and Opportunities for Growth

September 26, 2025

Zenken Corporation

TSE Growth: 7371

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01

# Company Profile

Company Profile

Our History

Business Segments

Business Overview

Financial Summary

Business Results

## Create New Opportunities

Dedicated to using marketing skills and overseas human resources to solve social problems in Japan and other countries and contribute to the creation of a sustainable future

**Company name:** Zenken Corporation

**Representative:** Junnosuke Hayashi, Representative Director, President

**Established:** July 1978 (Founded in 1975, 50th Anniversary)

**Head Office:** Azabudai Hills Mori JP Tower, 1-3-1 Azabudai, Minato-ku, Tokyo, 106-0041

**Capital:** ¥439 million (As of June 30, 2025)

**Listing:** Tokyo Stock Exchange, Growth Market (7371)

**Employees (consolidated):** 466 (plus 61 temporary employees, as of June 30, 2025)

**Consolidated subsidiary:** Zenken Care Corporation (100% ownership)

# Our History

Originating with an education business, the company evolved and grew in response to changes in the business environment.

Currently, web marketing is the core business and we are focusing on the overseas human resources business, which has excellent prospects for growth.

**1975**

## Established

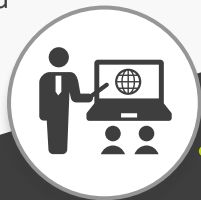
Started a lifelong education and culture business including language classes, textbook publishing and other activities



**2005**

## Started the web marketing business

Used IT business knowledge to start a web marketing business with media that helps client companies attract more customers



**2000**

## Started the IT business

Started an internet-based PC education business



**2021**

## Listed on TSE Mothers (currently Growth)



**2018**

## Started the overseas human resources business

Combined IT and language education skills to start an overseas IT human resources business



**2024**

## Started overseas hospitality sector personnel business



**2022**

## Started the overseas nursing care personnel business



**2025**

## 50th anniversary of founding

Advancing to the next stage of growth backed by 50 years of accomplishments



Zenken operates businesses based on the Marketing, Overseas Human Resources and Real Estate segments.

The web marketing business, which mainly produces media for attracting customers, is the core business. The growth business is services for placements of people from other countries at companies in Japan, and real estate is positioned as a stable business.

|                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Growth Business</b><br><br><b>Overseas Human Resources Segment</b> | <ul style="list-style-type: none"><li>• Placement of non-Japanese personnel in the engineering/nursing care/hospitality sectors</li><li>• Language training business for organizations</li><li>• Study abroad placement business</li><li>• Japanese language education business</li></ul>                                                                                                                                                                           |
| <b>Core Business</b><br><br><b>Marketing Segment</b>                  | <ul style="list-style-type: none"><li>• Production and operation of web media for strategic content marketing that specializes in niche market categories</li><li>• Comprehensive consulting for sales support for client companies that are leaders in niche market categories</li><li>• Production and operation of job branding media by using human resource marketing</li><li>• Operation of “VOiCE” for the posting of remarks by current employees</li></ul> |
| <b>Stable Business</b><br><br><b>Real Estate Segment</b>              | <ul style="list-style-type: none"><li>• Management of two office buildings owned by Zenken: Zenken Plaza and Zenken Plaza II</li></ul>                                                                                                                                                                                                                                                                                                                              |

- Ideas for web marketing strategies for many industries and business sectors, internal production and operation of highly specialized media for attracting customers, and support for activities to attract customers
- Experience and expertise from the production and operation of more than 8,400 media

## Core Business

# Web Marketing Business

Web marketing produces and operates media targeting niche market sectors for attracting customers

Example of media for attracting customers



Aiming to be the leader in producing and operating niche market media



- Focusing resources on services for placements and retention of non-Japanese human resources in the engineering, nursing care, hospitality and other sectors as Zenken's growth business
- Language education has been our core business since Zenken was established in 1975. Currently, business activities include language training services for organizations, study abroad placement services, operation of Japanese language schools and other services.

## Priority as a Growth Business

# Overseas Human Resources Business

Placements of people from other countries in engineering, nursing care, hospitality and other sectors in Japan as Japan's working age population continues to decline

## Overseas engineers



- Partnerships with 51 engineering universities in Bengaluru, India
- Placements of engineers and Japanese language classes and other services to increase retention of non-Japanese employees

## Overseas nursing care personnel/ hospitality sector personnel



- Alliance with NSDCI
- Placements of graduates of universities with nursing care and tourism courses and training programs to earn professional qualifications. In addition, Zenken operates its own nursing care facilities.

## Language training business for organizations

- Zenken sends instructors to companies, mainly for TOEIC and business English classes
- One-to-one online English conversation lessons for junior and senior high school students



## Study abroad placement business

- Placements of Japanese students at high schools and universities in other countries
- Asia representative for U.S. university scholarship programs



## Japanese language education business

- Japanese language school in Shinjuku certified by the Ministry of Education, Culture, Sports, Science and Technology





- Zenken owns two buildings only a 5-minute walk from Shinjuku Station; leasing these buildings generates a consistent income stream.

## Stable Business

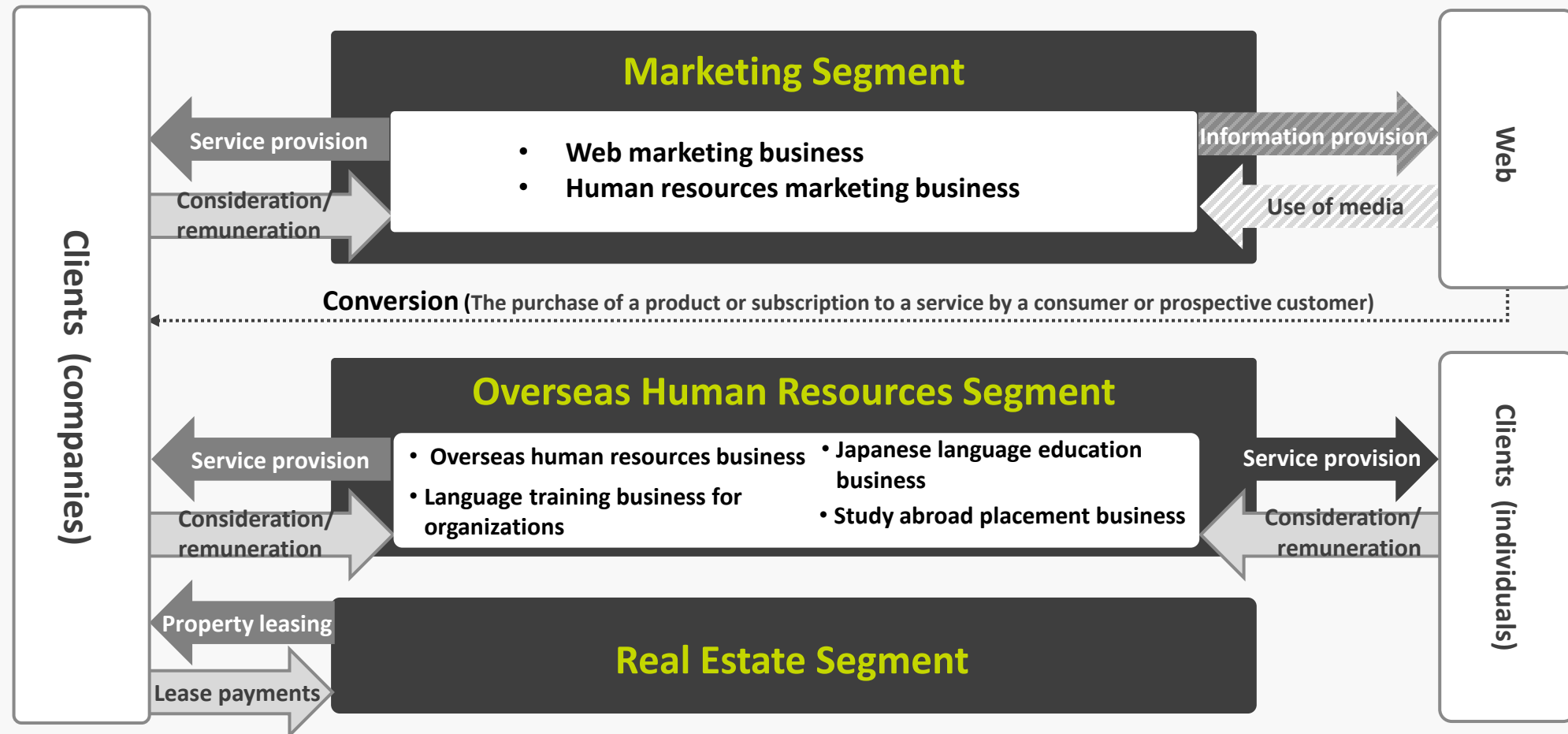
# Real Estate Business

Zenken owns two buildings only a 5-minute walk from Shinjuku Station; a consistent income stream by leasing these buildings.



# Business Overview: Business Flowchart

- The Marketing segment encompasses production and operation of media for attracting customers and has a business model that generates media production fees and monthly operation fees from clients.
- The Overseas Human Resources segment has a business model that generates placement fees and fees for language classes.
- The Real Estate segment has a business model that generates leasing income from office buildings owned by Zenken.



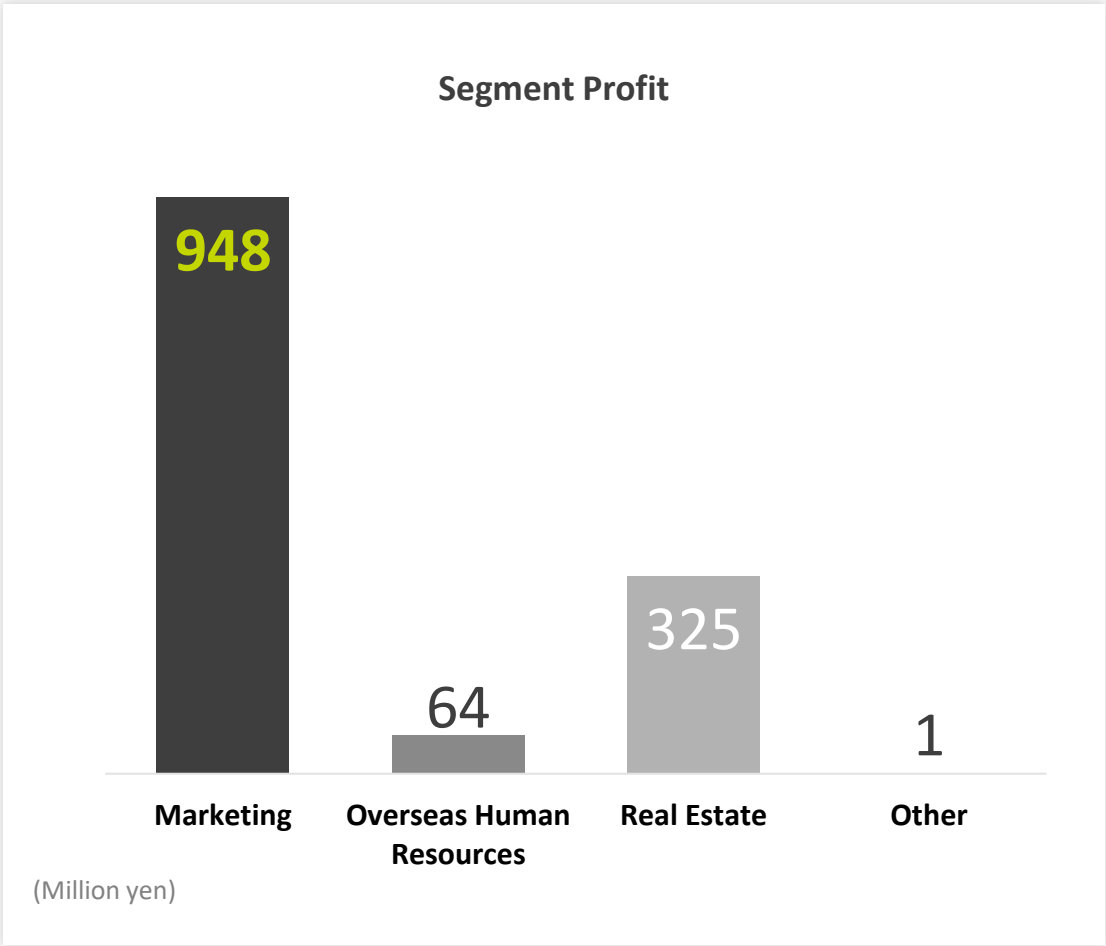
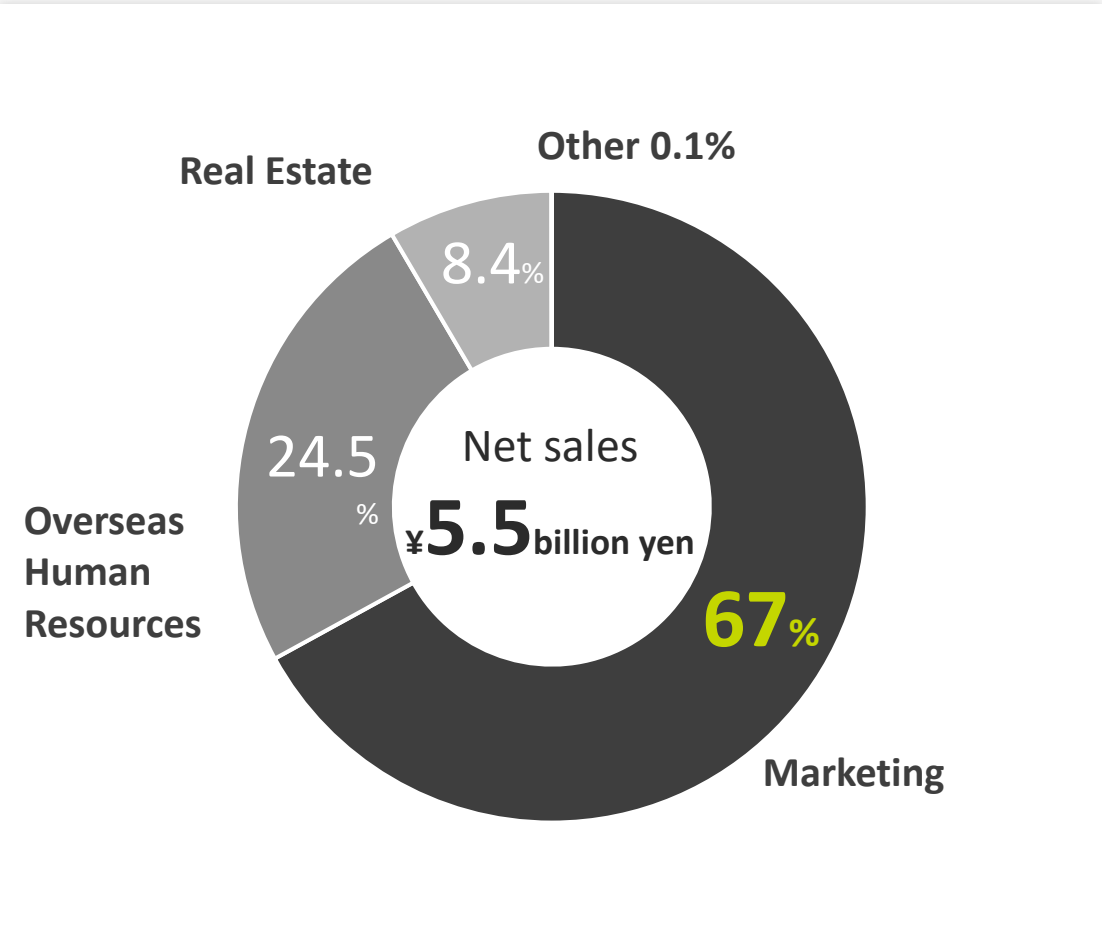
# Financial Summary: FY6/25 Consolidated Financial Highlights

- Net sales decreased ¥90 million YoY and operating profit increased ¥36 million YoY.
- Sales decreased 1.6% as growth of new media was offset by the decline in the number of operating media.

|                  | Results        | YoY        | Major Causes                                                                                                                                                                              |
|------------------|----------------|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Net sales        | ¥5,536 million | Down 1.6 % | In the web marketing business, new media increased but the decline in the number of operating media during FY6/24 impacted sales.                                                         |
| Operating profit | ¥386 million   | Up 10.5 %  | Higher earnings in all segments mainly because of a reexamination of every expense category and higher sales in the Overseas Human Resources segment. Profitability continued to improve. |
| Operating margin | 7.0 %          | Up 1.2 pts |                                                                                                                                                                                           |

# Financial Summary: FY6/25 Financial Highlights (By Segment)

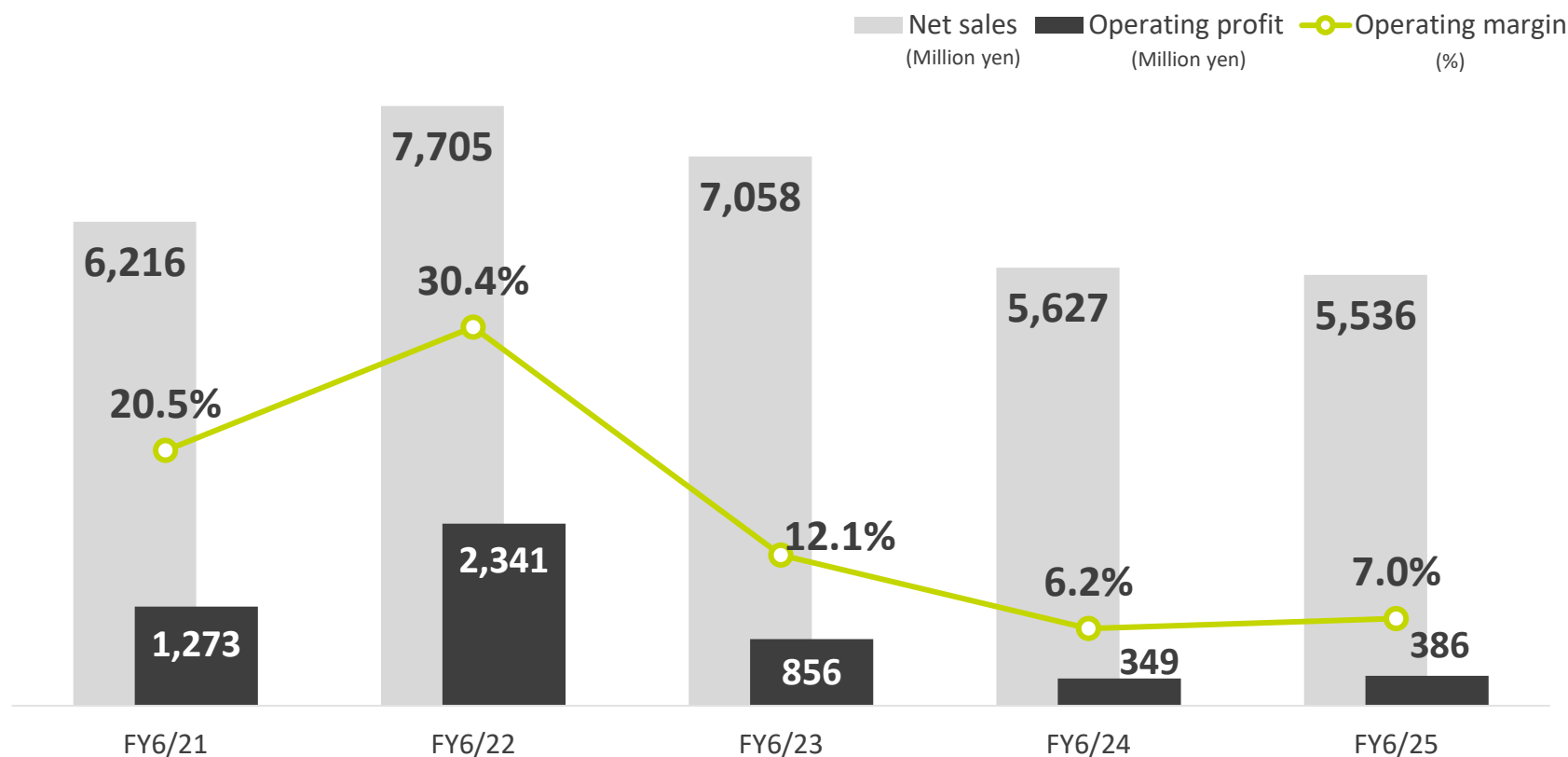
The Marketing segment, our core business, is 67% of sales. The Marketing segment is 70.9% of earnings.



# Business Results: Net Sales, Operating Profit and Operating Margin

Corporate value growth is the goal of Zenken. The most important performance indicators are net sales and operating profit.

- In May 2023, Zenken sold Sciseed, which was a consolidated subsidiary that has a COVID-19 vaccine reservation management system and other operations.
- Sales and earnings decreased in FY6/24 due to the sale of all shares in Sciseed in May 2023 and its exclusion from consolidation, as well as a decline in orders in the web marketing business.
- Sales decreased in FY6/25 as new media increased but the decline in the number of operating media during FY6/24 impacted sales. Higher earnings mainly because of a reexamination of every expense category, profitability in the Overseas Human Resources segment and other factors.

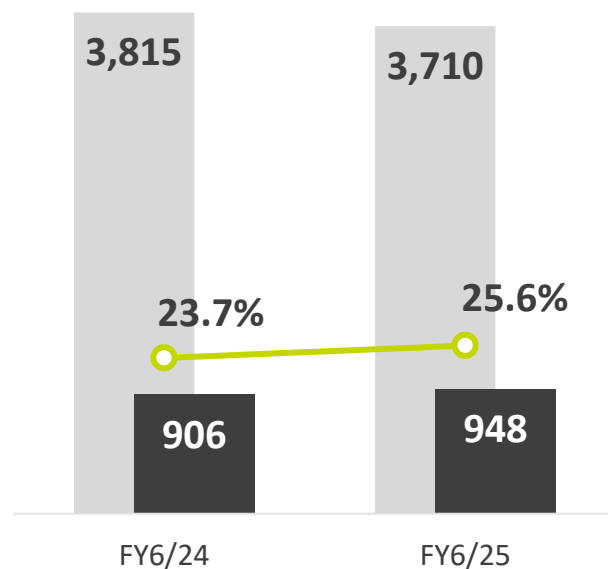


# Business Results by Segment

- In the core Marketing segment, sales decreased due to a fewer number of operating media during FY6/24. However, earnings increased due to greater efficiency in business operations.
- In the Overseas Human Resources segment, which is positioned as a growth business, sales and earnings increased due to growth of human resources business.
- The Real Estate segment sales and earnings were stable due to no change in the occupancy of leasing properties.

## Marketing Segment

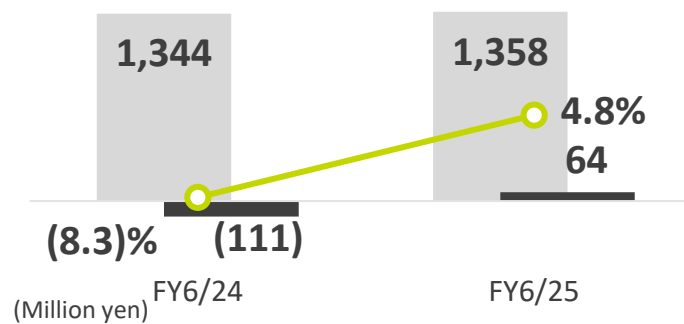
■ Net sales  
■ Operating profit  
—○— Operating margin



(Million yen)

## Overseas Human Resources Segment

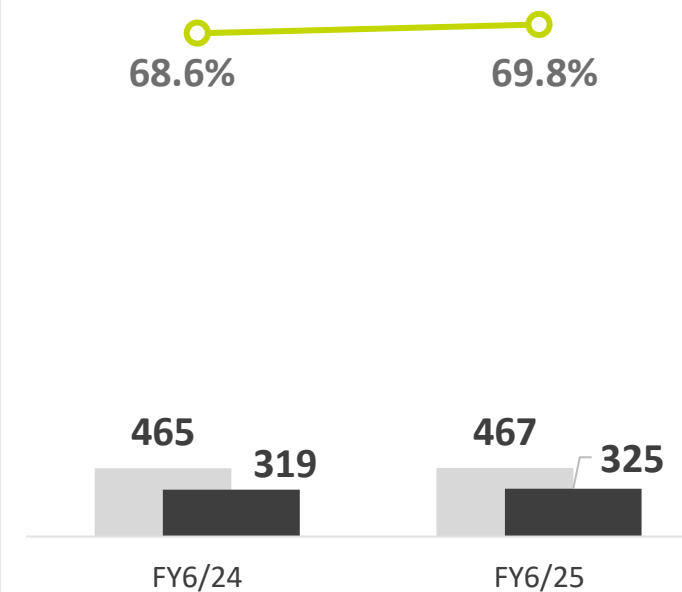
■ Net sales  
■ Operating profit  
—○— Operating margin



(Million yen)

## Real Estate Segment

■ Net sales  
■ Operating profit  
—○— Operating margin



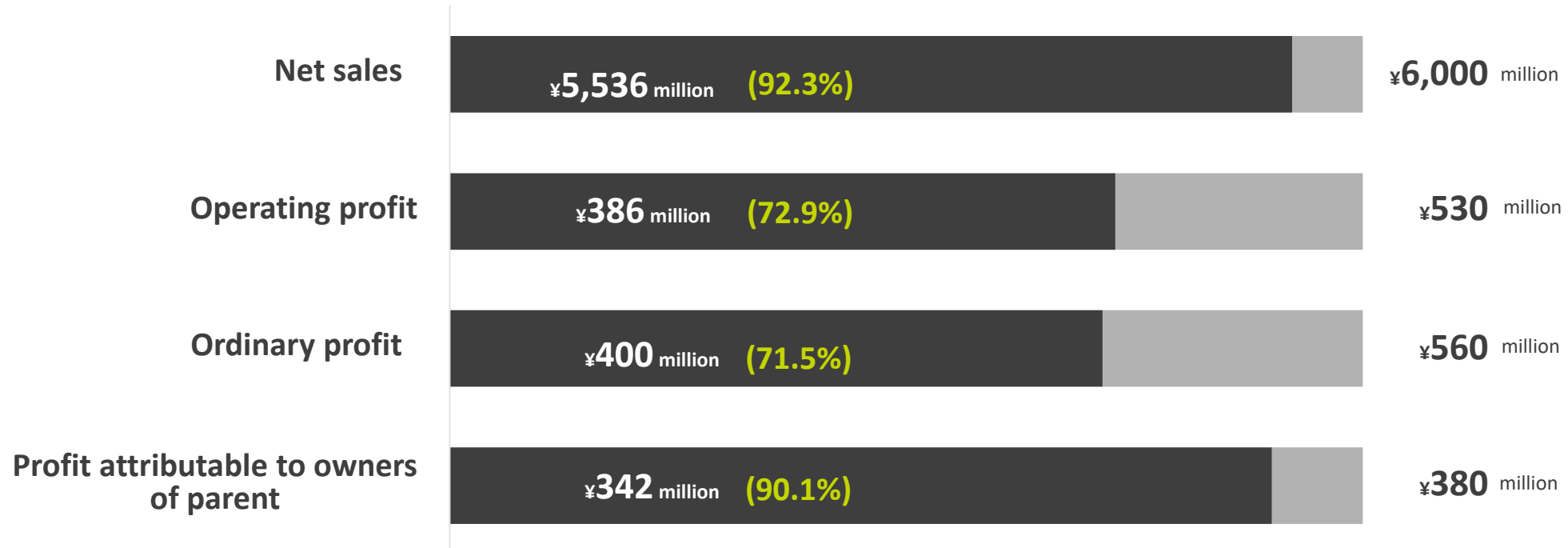
(Million yen)

# Business Results: Comparing Forecasts and Results for FY6/25 (Consolidated)

- Sales and earnings were below the forecasts mainly because of the performance of the Marketing segment.
- The FY6/25 year-end dividend is 13 yen per share as planned.

## Differences between the Consolidated Forecast and Results for FY6/25 (July 1, 2024 – June 30, 2025)

FY6/25 Consolidated Forecast

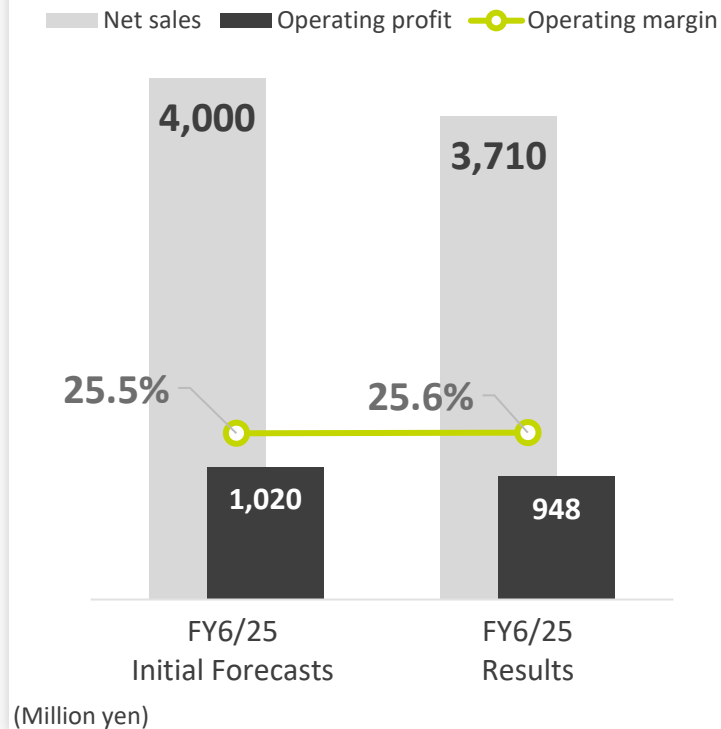




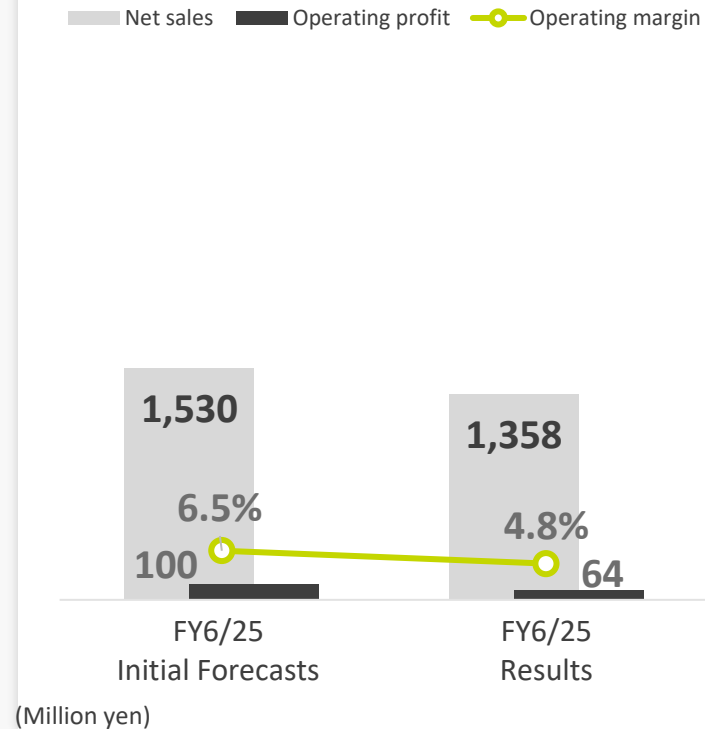
# Business Results: Comparing Forecasts and Results for FY6/25 (By Segment)

- Performance of the Marketing segment and Overseas Human Resources segment is below the initial forecasts primarily because orders were not as high as expected.
- Real Estate segment sales and earnings were higher than the forecasts as operations remain stable, backed by 100% occupancy of leased properties.

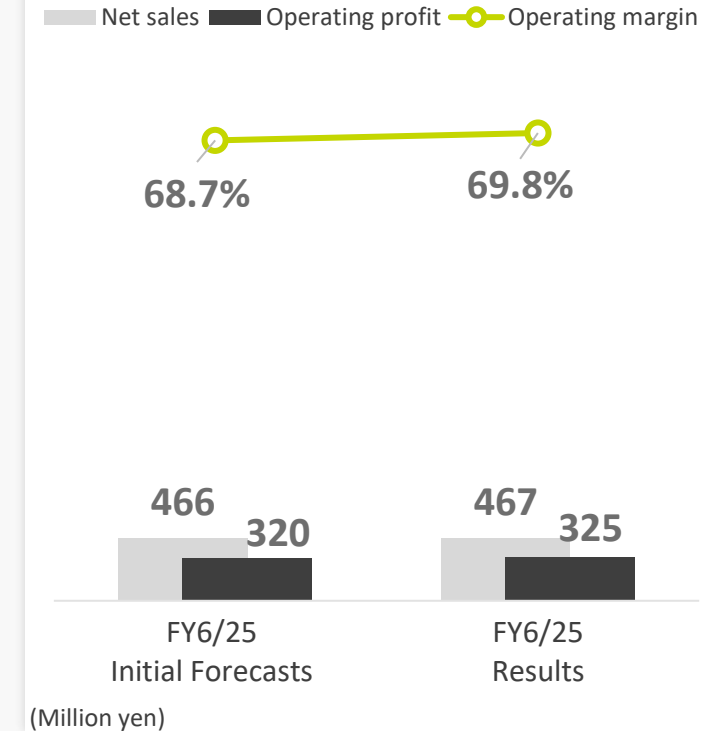
## Marketing Segment



## Overseas Human Resources Segment



## Real Estate Segment



# Our Businesses, the Business Climate, Strengths and Other Information

Our Business

Business Climate

Business Model and Strengths

Performance Indicators

Core profit centers are marketing and HR due to focusing on customers' challenges.  
Continuing to solve social issues by assisting with recruiting and retaining foreign workers.

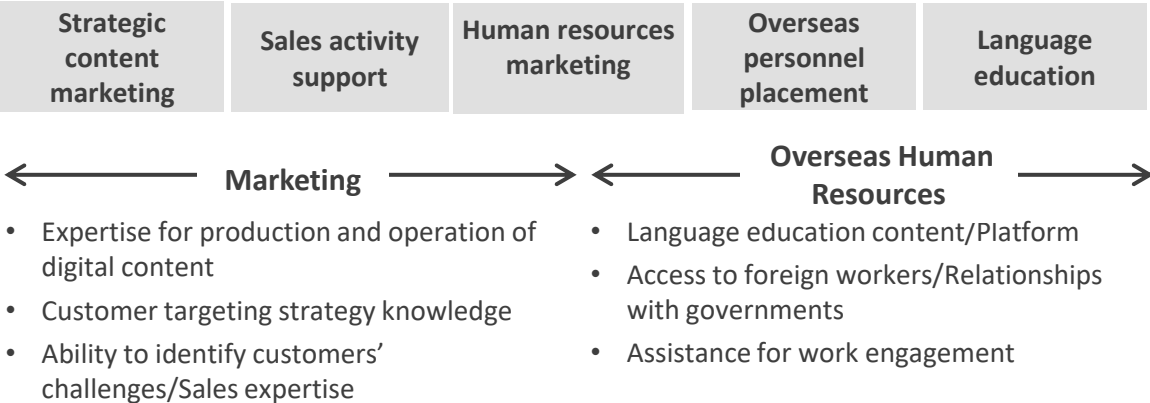
Zenken Business Model and Strengths

Challenges faced by client companies

- Labor shortage (engineering, nursing care/hospitality sectors)
- Difficulties in recruiting and retention (new graduates, experienced workers)
- Weak sales (attracting customers, sales activities, follow-up on contacts, closing)



Zenken



A business platform for providing services other companies cannot match



A Source of Value for Society and Customers

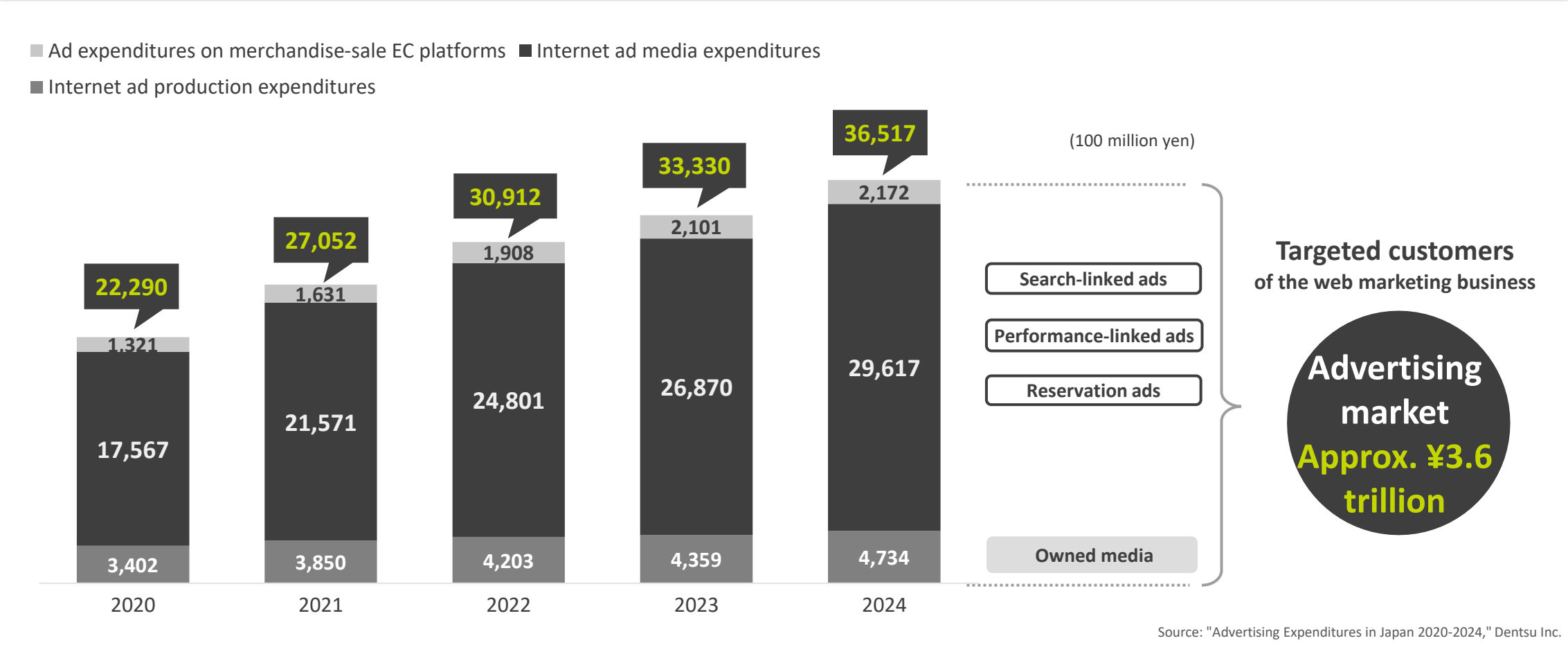
- Japanese economy/Corporate sales growth/Targeting external demand (Overseas expansion of companies with niche category global leadership and supply of people with English language skills)
- Sales support for niche category leaders and companies outside major metro areas (Adding customers, branding support)
- Social infrastructure support by supplying nursing care and other essential workers
- Able to provide non-Japanese workers with specialized skills
- Support for improving work engagement and employee retention at Japanese companies
- Growth of consumer spending in Japan due to the larger number of foreign residents
- Growth of spending in Japan by foreign tourists



Declining and aging population  
Social assimilation of foreign residents  
Declining internal demand  
Weaker yen/Higher prices

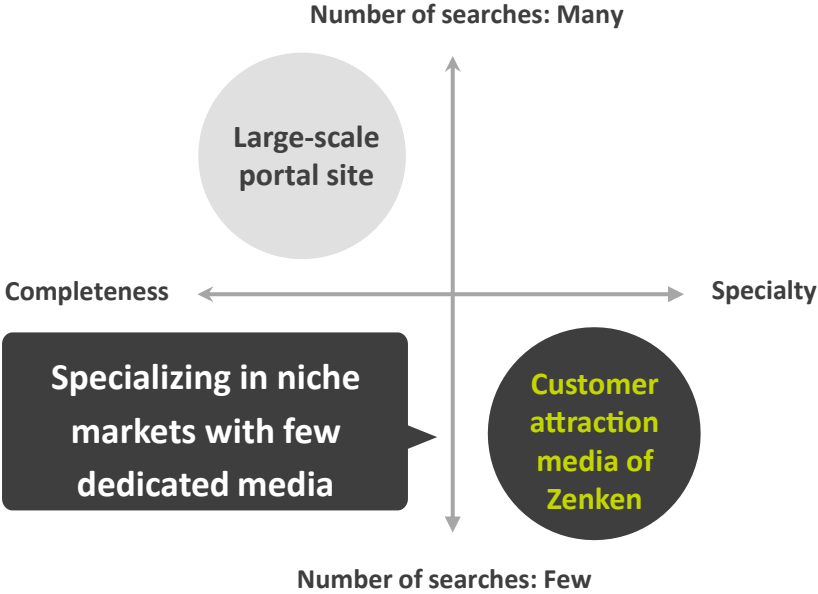
The size of Japan's internet advertising market increased to a new record high backed by the rising use of digital technologies in society.

There are many more market sectors that this business can add. The goal is steady growth by meeting even the most exacting needs of customers, focusing on B-to-B.



Expansion and enhancement of content by using sales support and other services based on using web media for niche markets to attract new customers

Distinctive Strengths of Zenken Media



Changing Environment for the Web Marketing Business



Diversification beyond web media to include marketing methods using video content and SNS



As the use of AI searches and AI search engines increases, Zenken must take actions that reflect the new algorithms

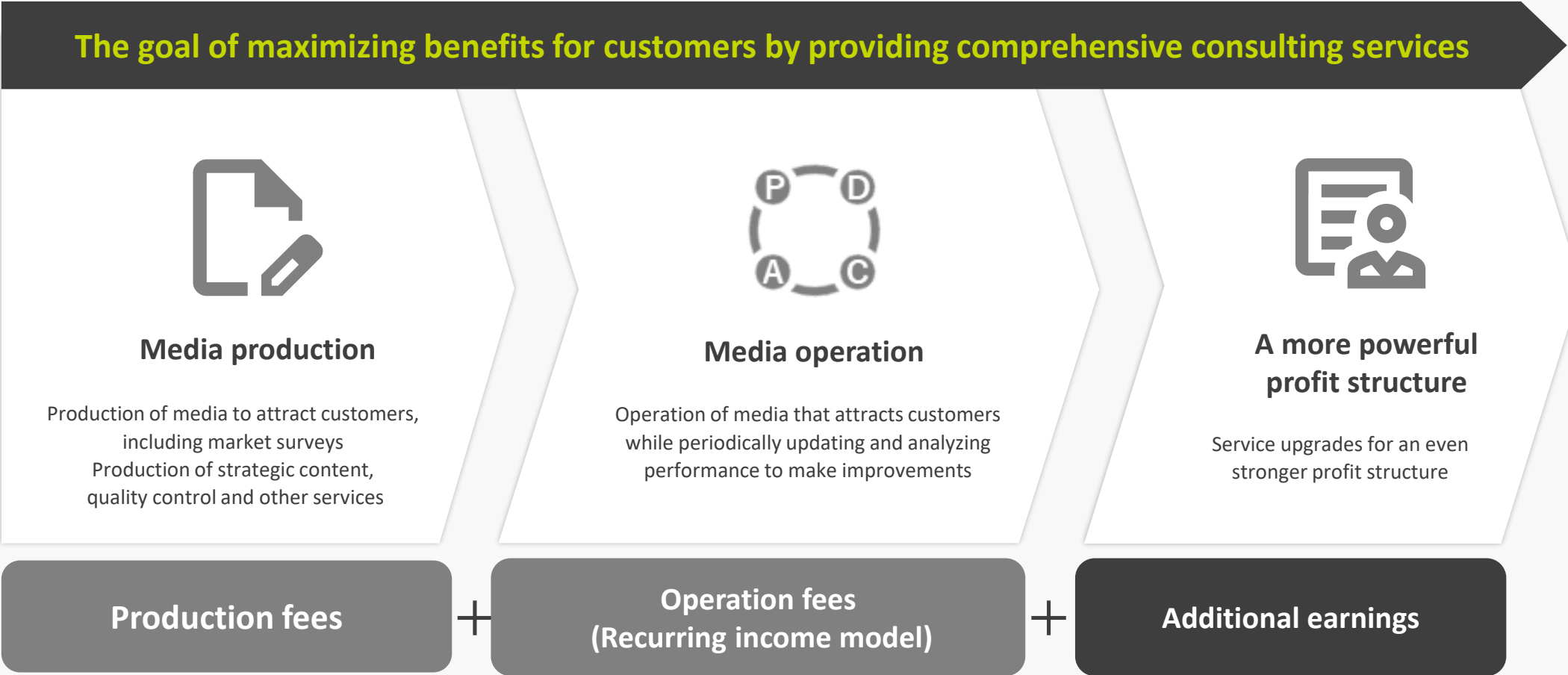


Risk of slowing growth by focusing only on conventional web marketing



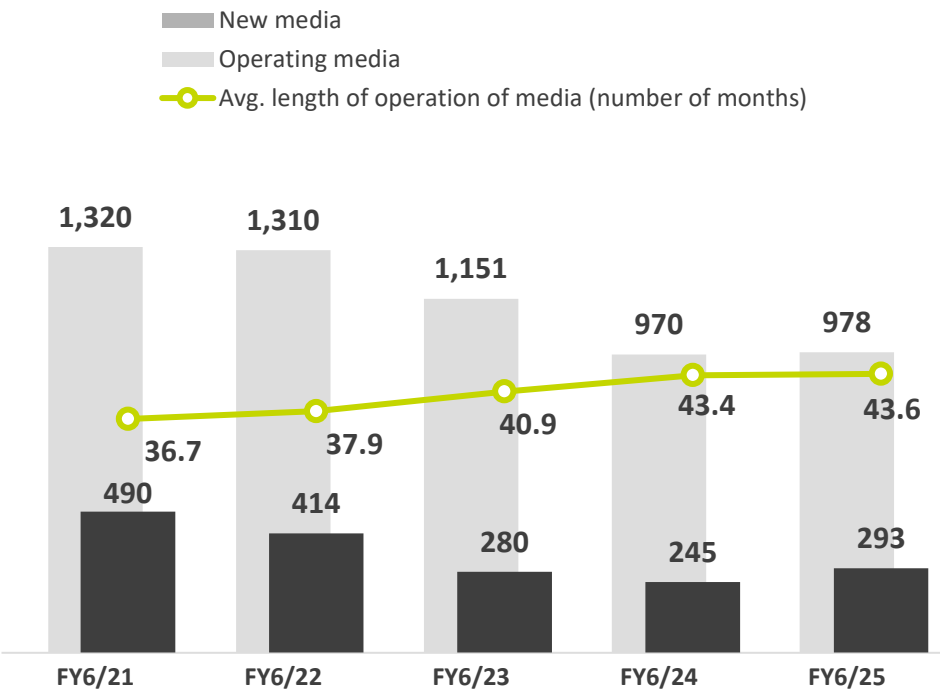
Use web marketing to attract customers and upgrade capabilities for comprehensive consulting that involves the sales operations of client companies

A business model centered on income mainly from production and operation (sponsor) fees for notification-type Ad media owned and operated by Zenken

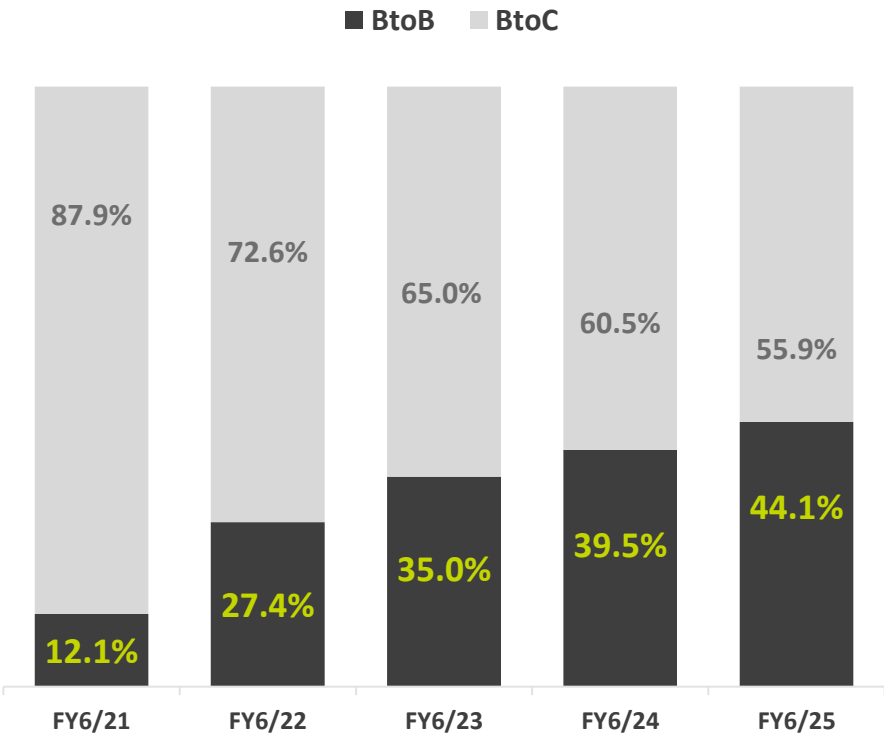


Shifting key customers from B-to-C to B-to-B; the number of new media increased YoY.  
New media increased 48 YoY to 293, and operating media increased 8 YoY to 978. Average length of operation of media remained strong at 43.6 months.

[Yearly] Number of Media and Average Length of Operation



Change in Composition of Media



As Japan’s population falls, the recruiting and retention of non-Japanese workers will be essential for maintaining the country’s social capital.

The urgent need for non-Japanese workers in Japan’s labor market



 Zenken is dedicated to helping supply workers to end the labor shortage, which is a social issue in Japan, by providing support for hiring and retaining people from other countries.

\*1 Source: Cabinet Office “White Paper on the Aging Society” (2025)  
\*2 Source: PERSOL RESEARCH AND CONSULTING CO., LTD. “Labor Market Future Estimates 2030”  
\*3 Source: Ministry of Economy, Trade and Industry “Survey on IT Human Resources Supply and Demand” (March 2019)  
\*4 Source: Ministry of Health, Labour and Welfare “Measures for Securing Nursing Care Personnel”  
\*5 Source: Ministry of Health, Labour and Welfare “Notification of the Employment Status of Foreign Nationals’ Reporting Status” (as of October 31, 2023)



Using relationships with Asian universities and government agencies, we are enlarging targeted domains, by extending placements of engineers to civil engineering and construction sectors and expanding Specified Skilled Workers from nursing care into hospitality sectors.

## Access to qualified people overseas



## Companies/industries having difficulty hiring people

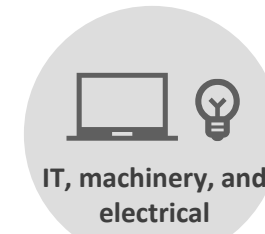
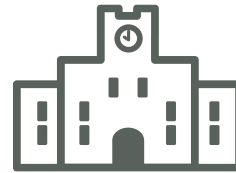
Engineers



Bengaluru, India

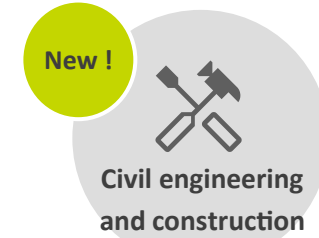
Partnerships with  
**51** universities

(As of the end of June 2025)



IT, machinery, and  
electrical

Shortages of engineers in the IT,  
machinery and electrical  
equipment companies in Japan  
(Started providing people in 2018)



New !

Civil engineering  
and construction

Shortage of engineers in the civil  
engineering and construction  
industry  
(Started providing people in 2025)

Specified Skilled  
Workers



**Exclusive contract**  
with employment agency  
in Indonesia



Alliance with NSDCI



Nursing care

Shortage of personnel required  
by nursing care facilities  
(Started providing people in 2022)

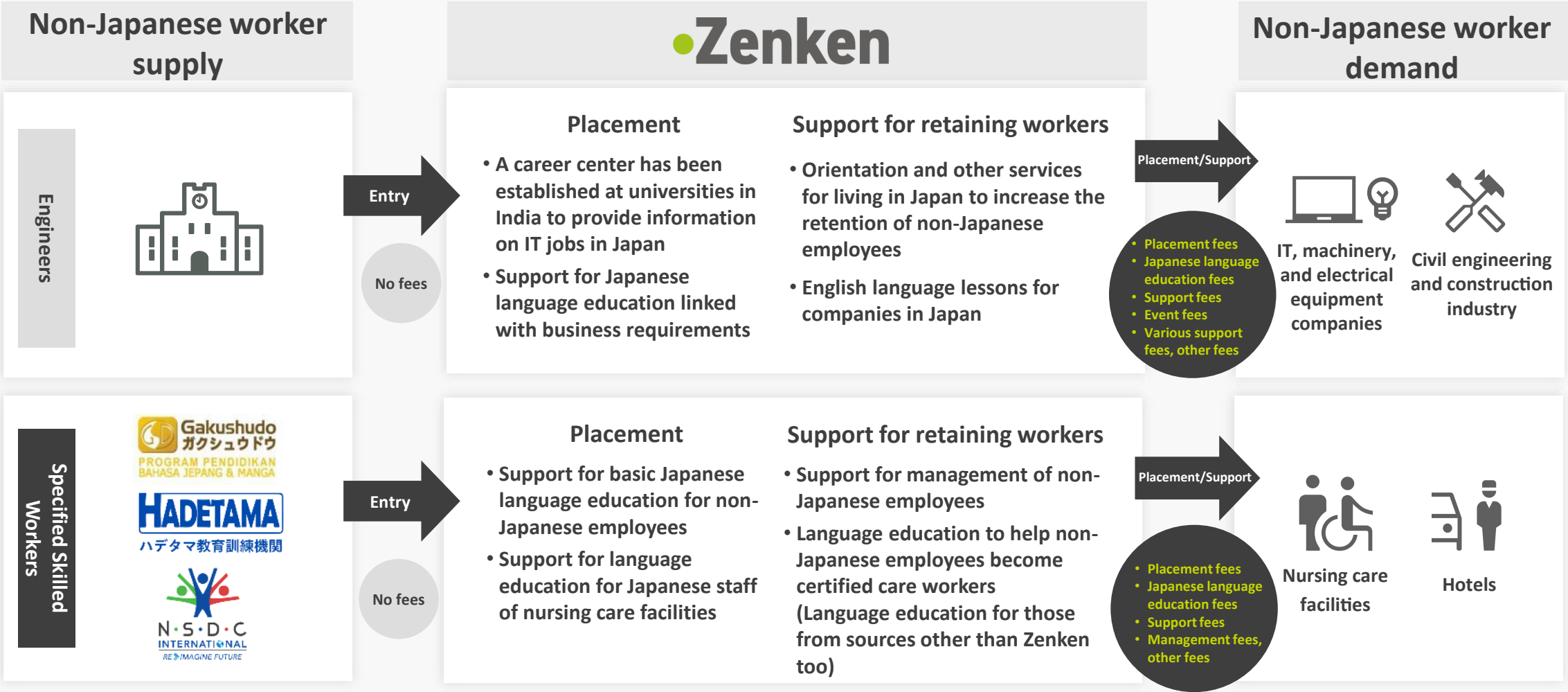


New !

Hotels

Shortage of personnel required  
in the hospitality sector  
(Started providing people in 2024)

One-time fees from placements and recurring income afterward from retention support service fees, including follow-up programs to improve Japanese language skills, management and other fees.



**Zenken Plaza is entirely leased by a single tenant.**  
**Zenken Plaza II is entirely leased by several tenants.**



03

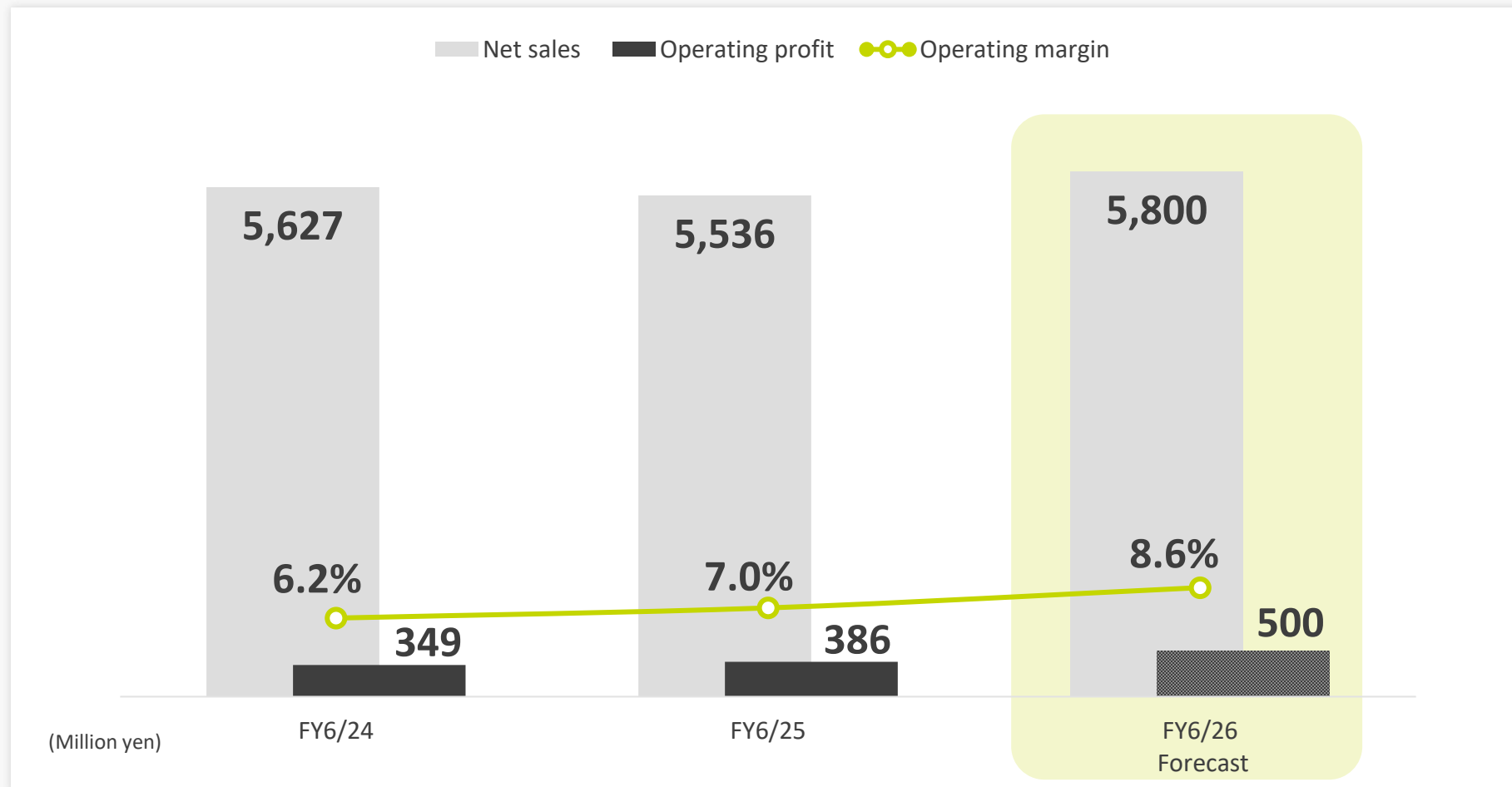
# FY6/26 Outlook

Consolidated Outlook

Outlook by Segment

# FY6/26 Consolidated Outlook

- The Overseas Human Resources segment, which is positioned as a key source of growth, plans to grow even faster by using ties with local governments and business associations to add more channels for placing workers from other countries in jobs in Japan.

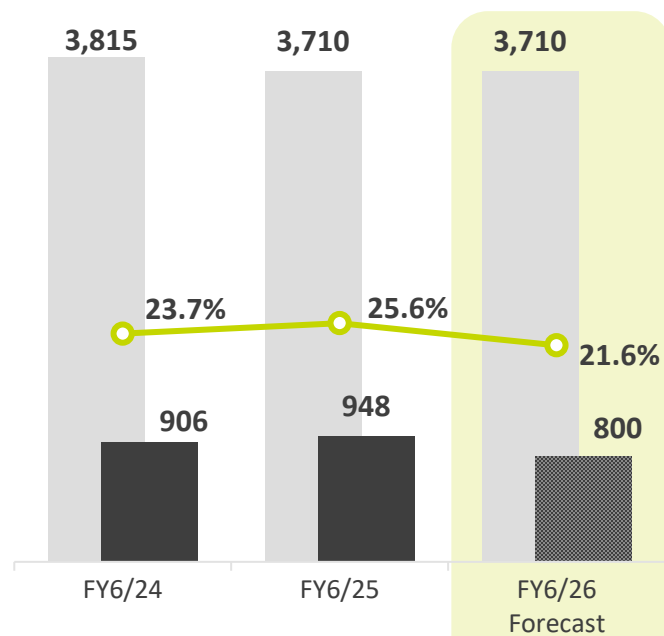


# FY6/26 Outlook by Segment

- Forecast lower earnings in the Marketing segment due to expenses as this business adapts to changes in market conditions by adding sales support and other new services and starting operations in new business categories
- Forecast higher sales and earnings in the Overseas Human Resources segment, especially in engineers and nursing care/hospitality sectors personnel
- Forecast almost no change and strong earnings in the Real Estate segment

## Marketing Segment

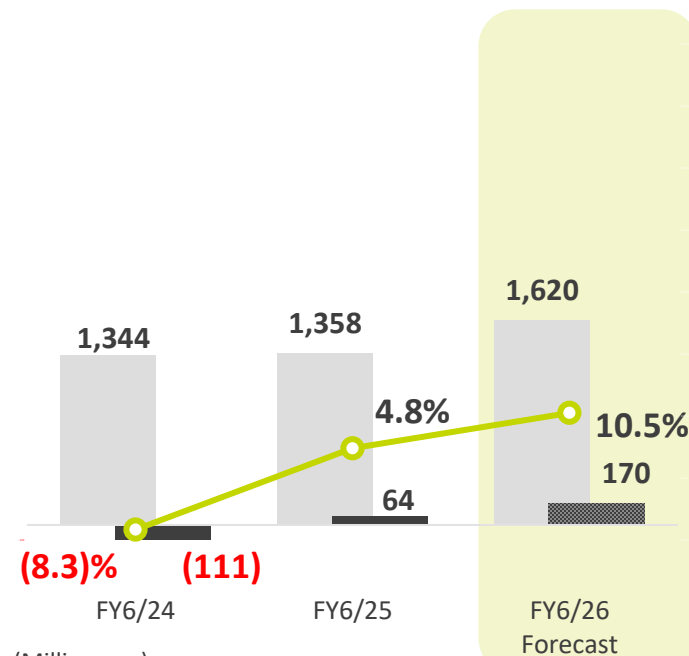
Net sales Operating profit Operating margin



(Million yen)

## Overseas Human Resources Segment

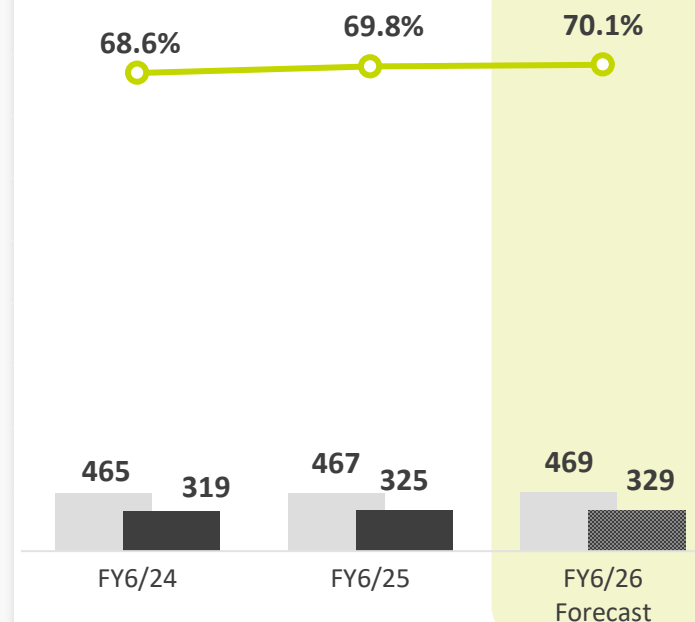
Net sales Operating profit Operating margin



(Million yen)

## Real Estate Segment

Net sales Operating profit Operating margin



(Million yen)

# Medium-term Management Plan

Executive Summary

Road to 250 Numerical Targets

Medium-term Growth Strategy Review  
(announced in August 2022)

Road to 250 Business Strategy

Capital Strategy/Dividend Policy/M&A Strategy

Capital Allocation

Sustainability Initiatives

# 01

## Structural Transformation of Business Operations

- Our goal is faster growth of the Overseas Human Resources segment with the engineering and nursing care/hospitality categories as our main targets. (The plan is to raise sales of this business from 25% in FY6/25 to 43% in FY6/30.)
- In the Marketing segment, due to risk associated with the reduction of web searches, expertise acquired and customer base developed through production and operation of media will be leveraged to strengthen sales support and organizational engagement support services.

# 02

## More Shareholder Distributions and M&A Activity

- Starting with FY6/26, the basic policy for the dividend is, in principle, to maintain or increase the dividend and avoid a reduction, while basing the dividend on a dividend-on-equity ratio (DOE) of 2.5% or a payout ratio of 50%, whichever is higher.
- During “Road to 250,” we are planning on M&A expenditures of about ¥10 billion in total. Based on our policy for investments, the goal is to use our M&A strategy to increase the speed of the transformation of our business structure.

# 03

## Increase Market Cap to ¥25 Billion to Aim for a Prime Market Listing

- In FY6/30, the plan’s final year, the goals are consolidated sales of ¥13 billion, operating profit of ¥3 billion, a dividend per share of ¥80, and an ROE of at least 13%. All goals exclude potential contributions from M&A activity.
- In addition to reaching these goals, we plan to use M&A for additional sales and earnings. As we use financial leverage to lower the cost of capital for the growth of corporate value, our goal is a market capitalization of at least ¥25 billion in FY6/30, aiming for a Prime Market listing.

\* Market capitalization targets for FY6/30 are based on business plans and not on specific prerequisites.

\* See page 50 for more information about plans for M&A investments.



The goal is ROE of at least 13% backed mainly by Overseas Human Resources profit growth and higher shareholder distributions

M&A expenditures of up to ¥10 billion, market cap target of ¥25 billion

|                       | FY6/25 Results | FY6/30 Targets |                                                                                                                                                                                                                                               |
|-----------------------|----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Net sales             | ¥5.53 billion  | ¥13.0 billion  | <ul style="list-style-type: none"> <li>Raise Overseas Human Resources from 25% to 43% of sales</li> <li>Sales target does not include M&amp;A contributions (same shall apply up to the M&amp;A investment below)</li> </ul>                  |
| Operating profit      | ¥0.38 billion  | ¥3.0 billion   | <ul style="list-style-type: none"> <li>Target is an operating margin of 23% by significantly increasing sales in the highly profitable Overseas Human Resources segment and improving productivity in the shared services category</li> </ul> |
| Profit                | ¥0.34 billion  | ¥2.0 billion   | <ul style="list-style-type: none"> <li>Assumes a statutory effective tax rate of 30.62%</li> </ul>                                                                                                                                            |
| Net income per share  | ¥28            | ¥165           | <ul style="list-style-type: none"> <li>Based on 12.15 million shares, the current number of shares issued</li> </ul>                                                                                                                          |
| Dividend per share    | ¥13            | ¥80            | <ul style="list-style-type: none"> <li>Based on a payout ratio of 50% (previous guideline was 40%)</li> </ul>                                                                                                                                 |
| ROE                   | 2.8%           | At least 13%   | <ul style="list-style-type: none"> <li>Higher than the cost of equity (8%-10% assumption using the CAPM and other parameters) as earnings increase significantly and the growth of equity is held down.</li> </ul>                            |
| D/E ratio             | 0.05 times     | 0.6 times      | <ul style="list-style-type: none"> <li>Planning on about ¥10 billion of additional borrowings by using the value of company-owned real estate</li> </ul>                                                                                      |
| M&A investment        | –              | ¥10.0 billion  | <ul style="list-style-type: none"> <li>M&amp;A deals will be carefully chosen; only investments likely to increase net income per share after goodwill amortization will be approved.</li> </ul>                                              |
| Market capitalization | ¥8.0 billion   | ¥25.0 billion  | <ul style="list-style-type: none"> <li>The goal is to use organic growth and M&amp;A deals to raise market capitalization to ¥25 billion.</li> </ul>                                                                                          |

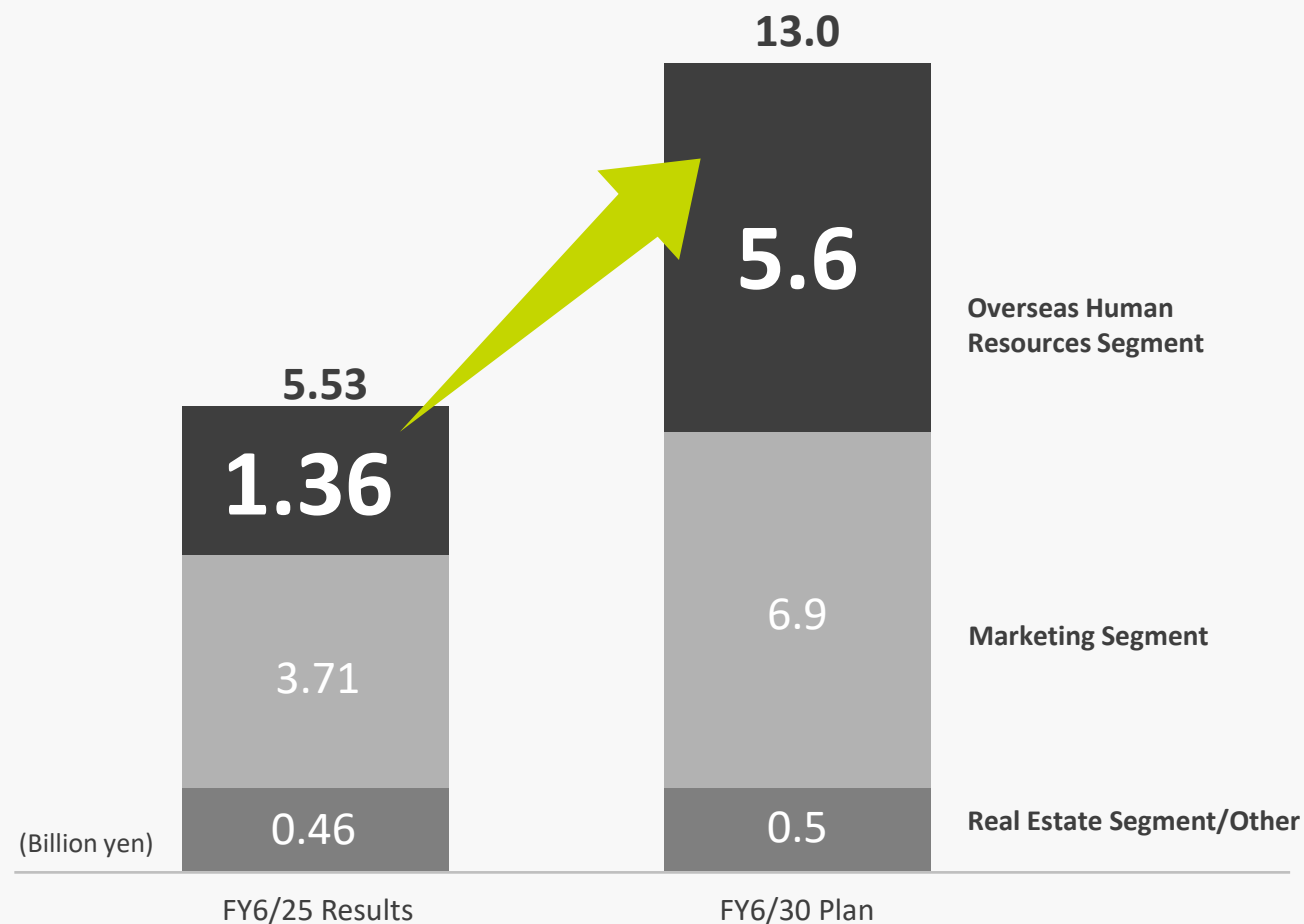
\* Market capitalization for FY6/25 is as of the end of June 2025. Targets for FY6/30 are based on business plans and not on specific prerequisites.

\* See page 50 for more information about plans for M&A investments.

**Faster Growth of the Overseas Human Resources segment**  
**The goal is 43% of total sales in FY6/30, the plan's final year**

Overseas Human Resources pct. of total sales

**25% » 43%**



**Successfully shifted customers to the B-to-B sector in the web marketing business**

**Services for engineers have become profitable on a monthly basis**

**The Specified Skilled Worker category is expected to become profitable in FY6/26, setting a base for faster growth**

### Core Business

## Further Expansion of the Web Marketing Business

- Shifting key customers from B-to-C to B-to-B because of changes in laws and regulations and for other reasons
- Following a reexamination of targeted market categories, a successful transformation of the customer base was made to focus mainly on the B-to-B sector, including manufacturers that rank first in niche categories.
- Measures are still needed concerning the risk of cancellations caused by changes in laws and regulations and the social environment.

### Growth Business

## Growth of the Overseas Human Resources Business

- Services for engineers have become profitable on a monthly basis.
- In the Specified Skilled Worker category (nursing care/hospitality), orders from nursing care facility operators are increasing and there are hospitality category orders too. This category is expected to become profitable in FY6/26.
- There is still some resistance in Japan to placing foreign workers in jobs at companies and other employers. To make this our core business, we will step up sales activities for overseas human resource services and increase measures to educate the public about importance of our services.

Two main challenges faced by small and midsize companies in Japan are “difficulty of hiring people” and “flat and declining sales and orders”

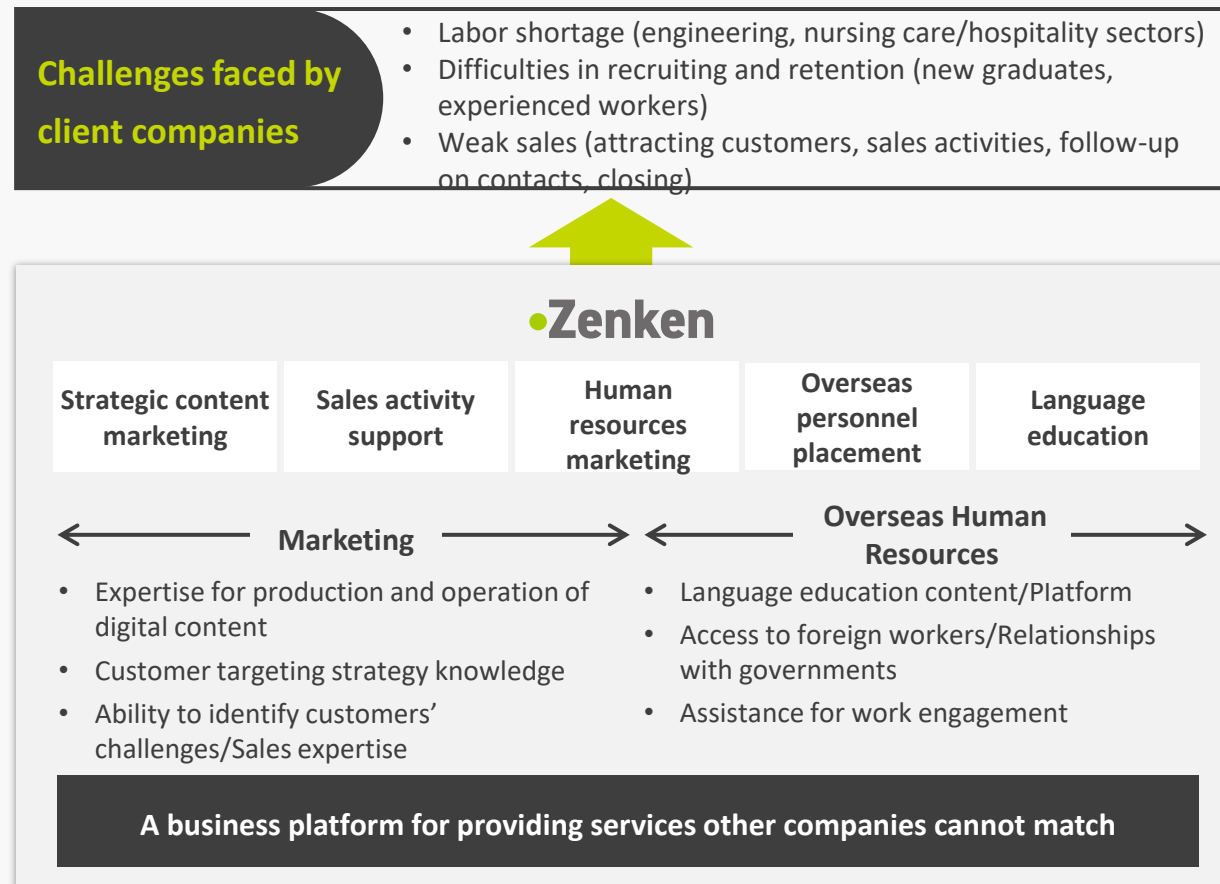
Major Challenges Faced by Companies (All industries)



Note: Responses received in Oct-Dec for every year  
Source: Prepared by Zenken based on “Nationwide Small and Medium Enterprise Survey (Small/Medium Enterprise Section” of Japan Finance Corporation

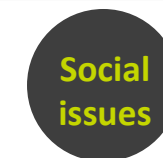
**Core profit centers are marketing and HR due to focusing on customers' challenges.**  
**Continuing to solve social issues by assisting with recruiting and retaining foreign workers.**

## Zenken Business Model and Strengths



## A Source of Value for Society and Customers

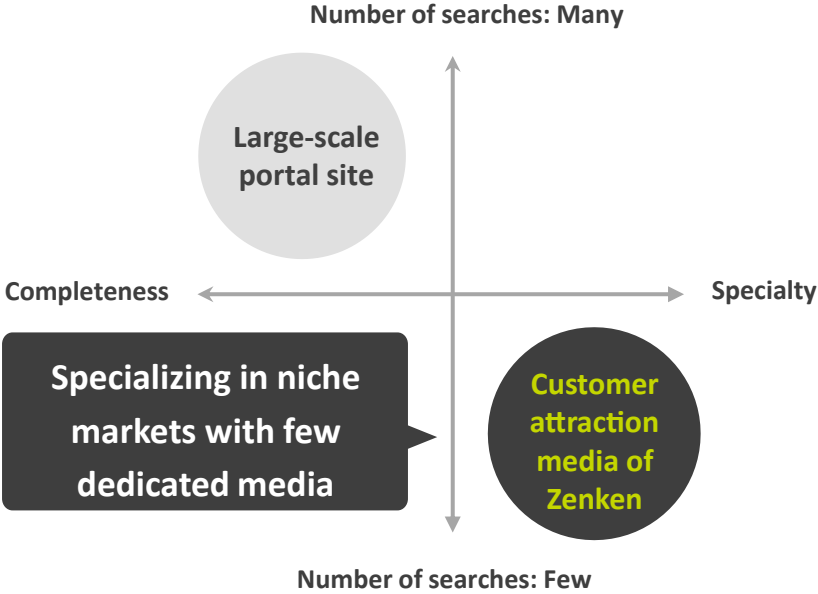
- Japanese economy/Corporate sales growth/Targeting external demand (Overseas expansion of companies with niche category global leadership and supply of people with English language skills)
- Sales support for niche category leaders and companies outside major metro areas (Adding customers, branding support)
- Social infrastructure support by supplying nursing care and other essential workers
- Able to provide non-Japanese workers with specialized skills
- Support for improving work engagement and employee retention at Japanese companies
- Growth of consumer spending in Japan due to the larger number of foreign residents
- Growth of spending in Japan by foreign tourists



Declining and aging population  
 Social assimilation of foreign residents  
 Declining internal demand  
 Weaker yen/Higher prices

Expansion and enhancement of content by using sales support and other services based on using web media for niche markets to attract new customers

Distinctive Strengths of Zenken Media



Changing Environment for the Web Marketing Business



Diversification beyond web media to include marketing methods using video content and SNS



As the use of AI searches and AI search engines increases, Zenken must take actions that reflect the new algorithms



Risk of slowing growth by focusing only on conventional web marketing



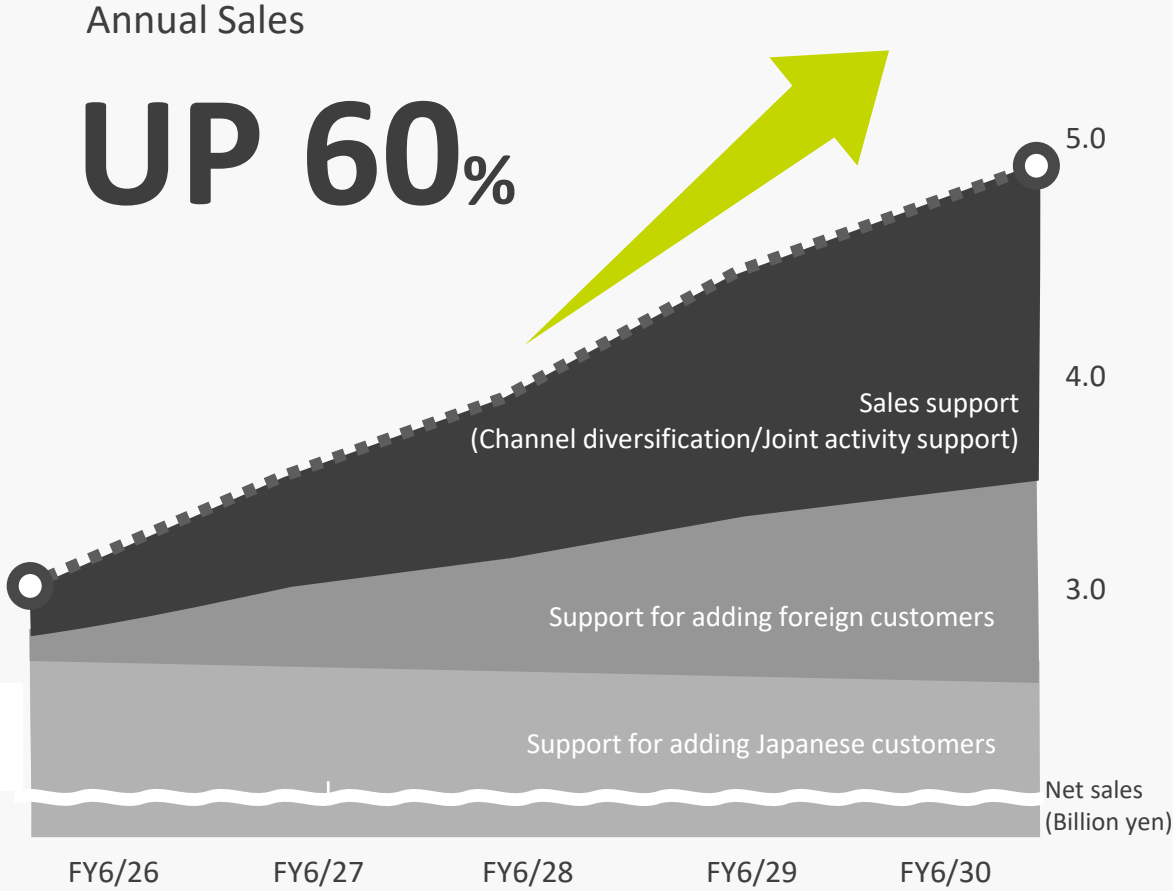
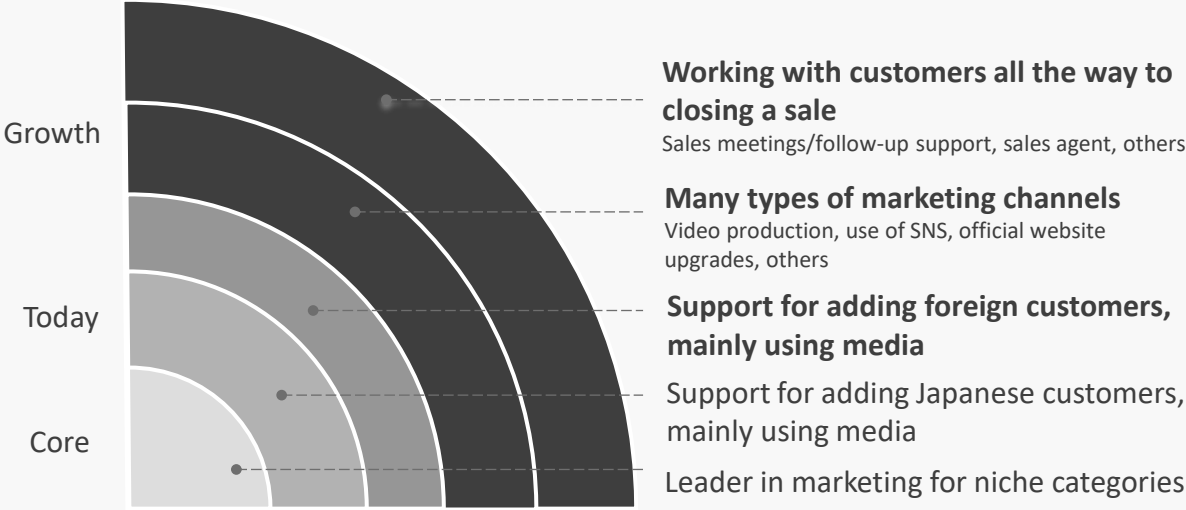
Use web marketing to attract customers and upgrade capabilities for comprehensive consulting that involves the sales operations of client companies

Use conventional web marketing for supporting attraction of customer and use comprehensive consulting to maximize benefits for customers

Goals for 2030

- Maximize sales of clients
- Expand from using specialized media to add customers to providing comprehensive consulting to assist clients

Zenken’s core competence is its leadership in the niche marketing category. We plan to diversify this skill in stages for more growth. By upgrading and expanding assistance for clients, we aim to maximize the benefits of our services for clients and achieve even higher client satisfaction.



Corporate HR budgets are shifting from mainly recruiting to improving engagement for better employee retention.

The Recruiting Market/Retention Issues



Zenken Solutions

Business climate

- Faster pace of reviews of HR strategies with excessive emphasis on recruiting, partially due to rising cost of recruiting activities
- Companies are increasing HR expenditures for retaining current employees and increasing engagement.

Recruiting Expenditures/HR Budgets



Job Branding

Media

Hold down the cost of recruiting by contacting job seekers with mindsets similar to companies that have job openings

|                     |                    |                      |
|---------------------|--------------------|----------------------|
| Building management | Security personnel | Construction workers |
| Recruiting cost     | Recruiting cost    | Recruiting cost      |
| ¥1,200,000 →        | ¥140,000 →         | ¥1,000,000 →         |
| ¥300,000            | ¥10,000            | ¥400,000             |

voice

- Posting remarks by current employees. Converting job activities into words improves retention and helps promote active engagements of employees
- Remarks by employees also have the advantage of supporting contact with potential applicants and people still under consideration after they applied for a job

New !

Engagement

- For higher recruiting productivity, use workshops and other events for people who have received an early acceptance of their applications to reduce the number of these people who then decide to join a different company instead.
- A full line of consulting services for engagement, including onboarding of new employees



## Benchmarks for client company/operating media for overseas media and HR media

|                                           |                                                 | FY6/26 Targets | FY6/30 Targets |
|-------------------------------------------|-------------------------------------------------|----------------|----------------|
| Strategic content marketing/Sales support | Comprehensive consulting clients (end of FY)    | 880            | 970            |
|                                           | └ Overseas marketing clients (end of FY)        | 25             | 360            |
|                                           | Avg. annual sales/client (end of FY)            | ¥3.4 million   | ¥4.9 million   |
| Human resources marketing                 | Operating job branding media (end of FY)        | 150            | 400            |
|                                           | VOiCE listed companies (end of FY)              | 290            | 650            |
|                                           | Companies with engagement programs (cumulative) | 10             | 130            |

As Japan’s population falls, the recruiting and retention of non-Japanese workers will be essential for maintaining the country’s social capital.

The urgent need for non-Japanese workers in Japan’s labor market

**Falling working age population in Japan**  
due to declining birthrate and aging population



The working age population is expected to drop from 73.1 million in 2025 to 55.4 million in 2050 \*1.

**Down by about 17 million**

More labor shortages are expected in Japan’s labor market



Expected **shortage of 6.44 million** in 2030  
vs. the demand for workers \*2

IT sector  
Shortage of **790,000** (2030) \*3

Nursing care  
Shortage of **690,000** (2040) \*4

**Non-Japanese workers**  
expected to increase

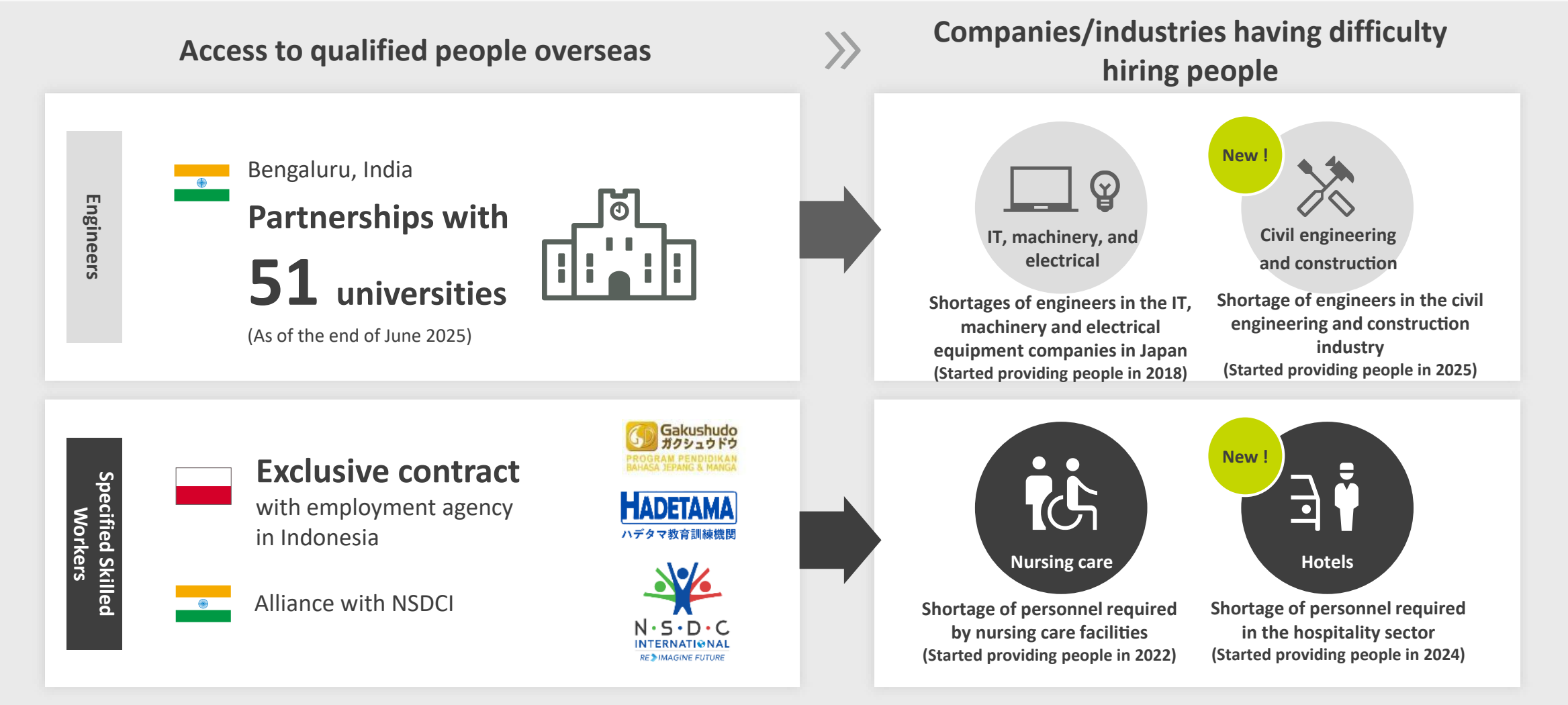


**More than 2 million**  
non-Japanese workers in Japan  
in 2023 \*5  
**(Record high)**

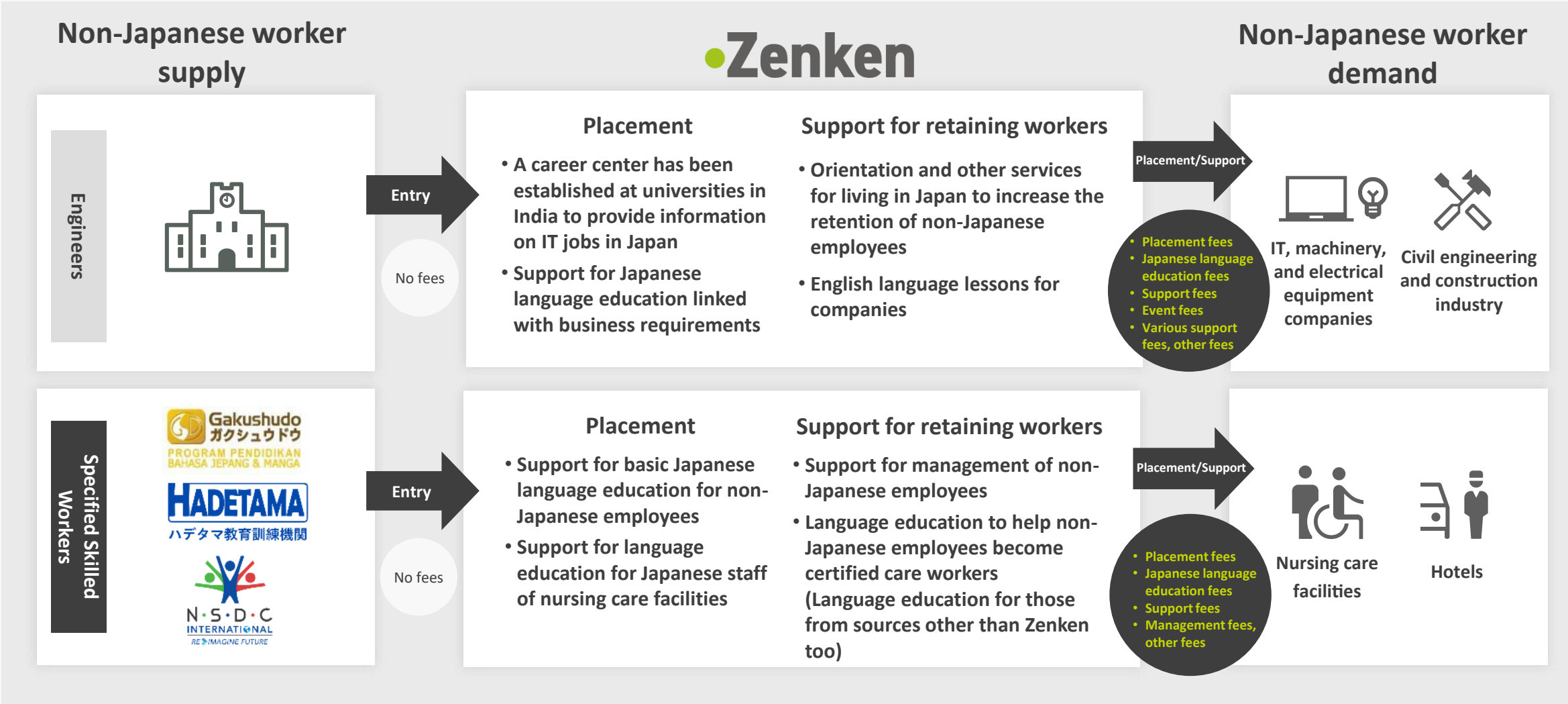
 **Zenken is dedicated to helping supply workers to end the labor shortage, which is a social issue in Japan, by providing support for hiring and retaining people from other countries.**

\*1 Source: Cabinet Office “White Paper on the Aging Society” (2025)  
\*2 Source: PERSOL RESEARCH AND CONSULTING CO., LTD. “Labor Market Future Estimates 2030”  
\*3 Source: Ministry of Economy, Trade and Industry “Survey on IT Human Resources Supply and Demand” (March 2019)  
\*4 Source: Ministry of Health, Labour and Welfare “Measures for Securing Nursing Care Personnel”  
\*5 Source: Ministry of Health, Labour and Welfare “Notification of the Employment Status of Foreign Nationals’ Reporting Status” (as of October 31, 2023)

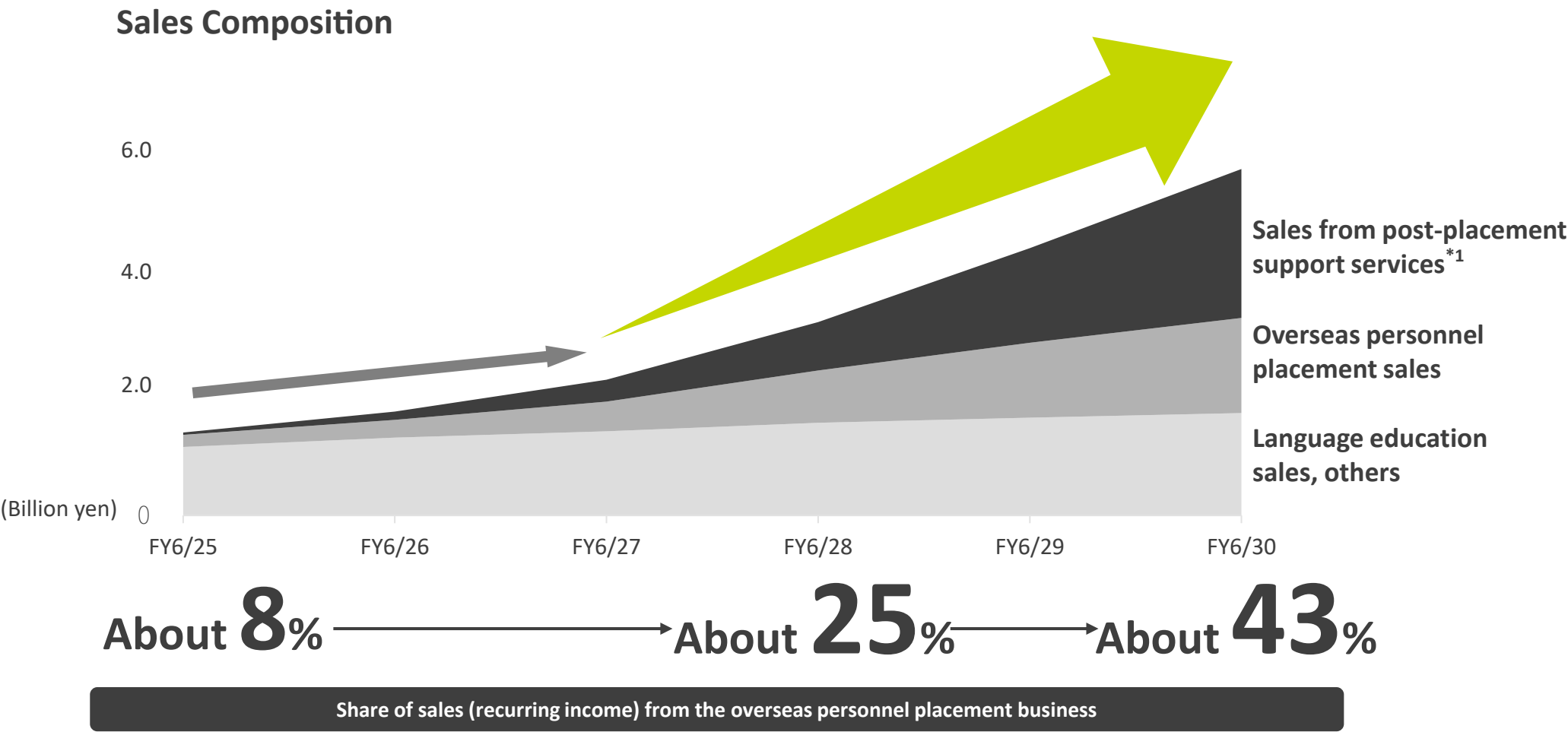
Using relationships with Asian universities and government agencies, we are enlarging targeted domains, by extending placements of engineers to civil engineering and construction sectors and Specified Skilled Workers to nursing care and hospitality sectors.



One-time fees from placements and recurring income afterward from retention support service fees, including follow-up programs to improve Japanese language skills, management and other fees.



During the plan’s second half, recurring income from support services after placements will grow even faster.



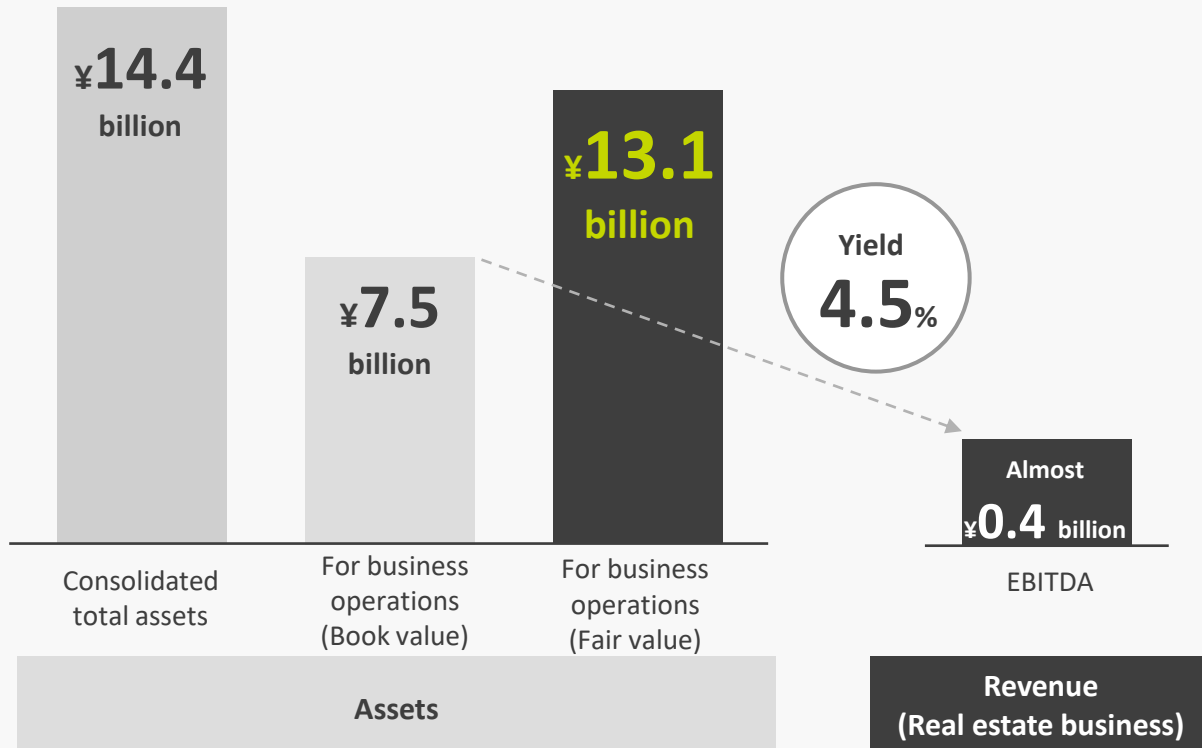
<sup>\*1</sup> Support includes education for acquiring basic Japanese language skills required before/after placement at a Japanese company, orientations about life in Japan, periodic counseling, classes for the certified care worker test, and other services.

Targets for the rapid growth of placements of foreign workers

|                           |                                                 | FY6/26 Targets | FY6/30 Targets |
|---------------------------|-------------------------------------------------|----------------|----------------|
| Engineers                 | No. of engineers placements (annual)            | 170            | 500            |
|                           | No. of companies placing engineers (cumulative) | 170            | 600            |
| Specified Skilled Workers | No. of nursing care placements (annual)         | 170            | 1,600          |
|                           | No. of hospitality sector placements (annual)   | 20             | 600            |
|                           | No. of people receiving support (end of FY)     | 200            | 4,200          |

## Use capital more efficiently by using the value of company-owned real estate as the base for increasing financial leverage

### The Zenken Real Estate Business

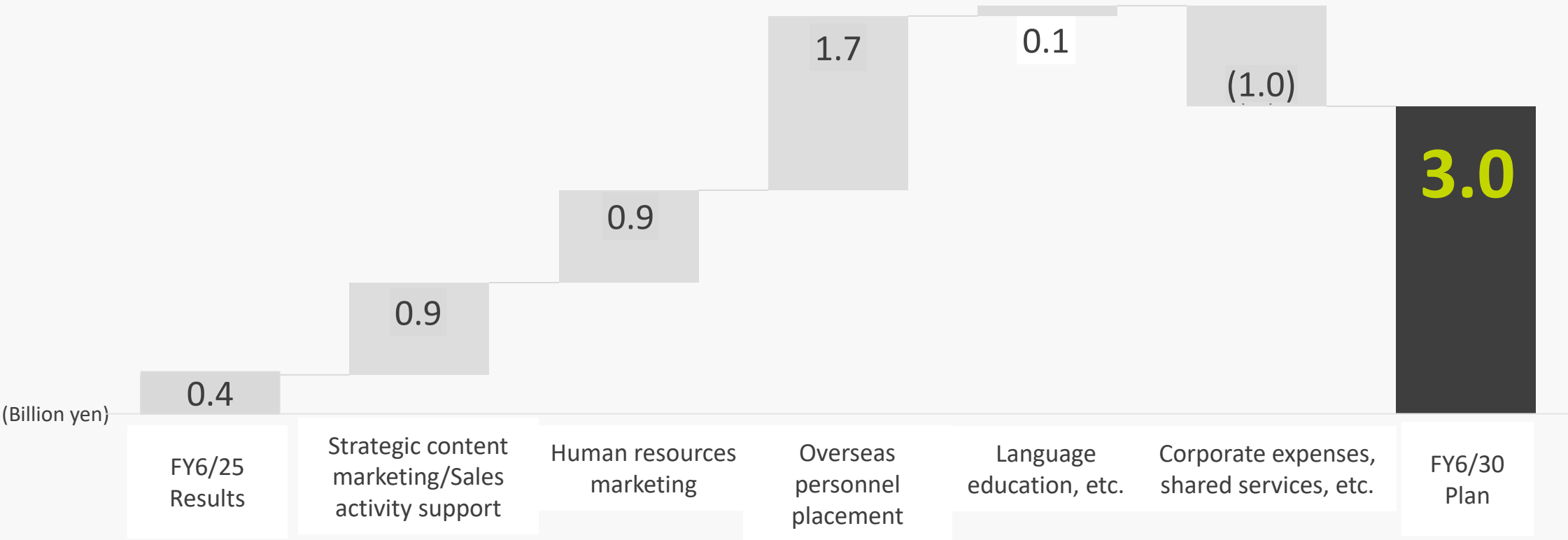


### Strategic Goals

- Real estate is a capital-intensive business that generally does not have a positive effect on the efficient use of capital.
- Even if real estate holdings are sold prior to M&A deals and other investments, earning a return from safe assets that is higher than the current return would be difficult. Furthermore, determining the best timing for property sales would be required.
- Higher financial leverage backed by the value of real estate holdings is expected to allow speeding up M&A and other investments for growth, resulting in a gradual increase in the efficient use of capital.

Earnings growth during “Road to 250” is expected to be backed by the core Marketing business as well as overseas personnel placement, including placement services for Specified Skilled Workers in the nursing care/hospitality sectors.

Change in Consolidated Operating Profit



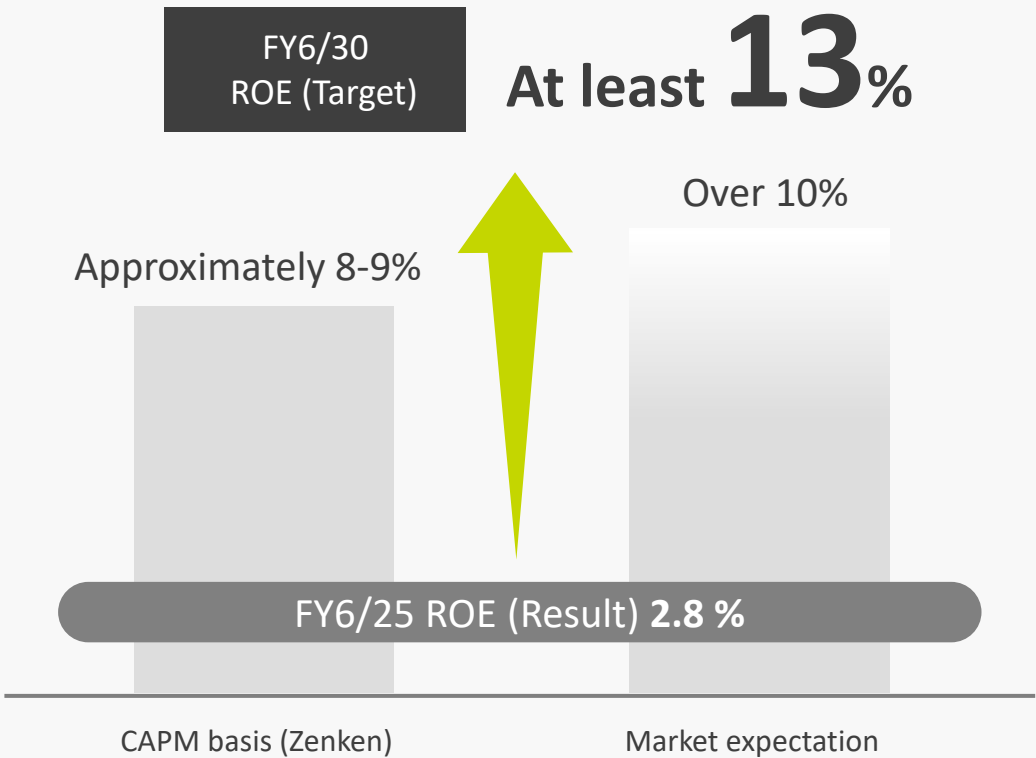


The current ROE of 2.8% is below the cost of equity, which is between 8% and 10%.

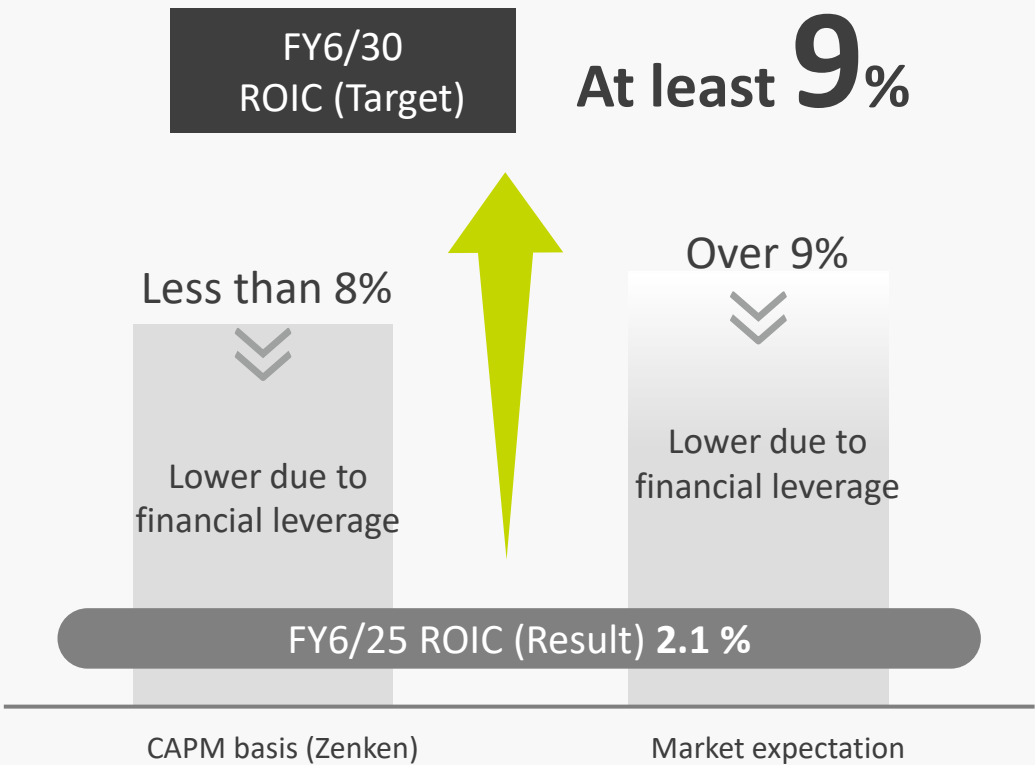
“Road to 250” has the goal of raising the ROE to at least 13%, which is more than market expectations, by FY6/30.

The WACC is expected to decrease due to the use of borrowings (financial leverage) to fund M&A activity.

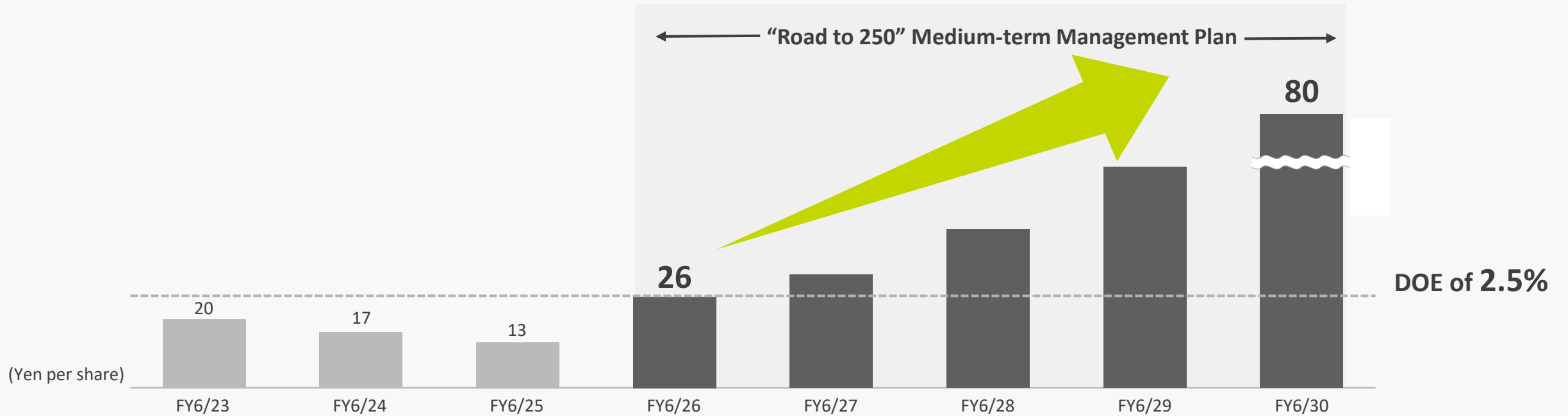
Cost of Equity



WACC (Weighted average cost of capital)



Shifting to a policy of maintaining or increasing dividends during “Road to 250” based on a payout ratio of 50% and the new guideline of a DOE of 2.5%.



A payout ratio of 40% was the basic policy for these fiscal years.

- The basic policy is, in principle, to maintain or increase payments and avoid a reduction.
- While placing importance on the stability of dividends and the distribution of earnings to shareholders, the policy is to base dividends on a DOE of 2.5% or a payout ratio of 50%, whichever is higher.

Notes: 1. The DOE is calculated by dividing total fiscal year dividends by shareholders' equity.

2. If extraordinary income or losses has a significant impact on earnings, the dividend will be determined after excluding this income or loss for the purpose of maintaining the stability of dividend payments.

3. If there is a significant change in shareholders' equity due to the acquisition of a company or some other reason, the basic policy for the dividend may be reviewed and changed while retaining the intent of this dividend policy.

**The goal is higher corporate value supported by planned M&A expenditures of up to ¥10 billion and a suitable level of financial leverage.**

## M&A Expenditures

- The Overseas Human Resources segment will be in a phase of faster growth during the next several years. In the Marketing segment, the pace of changes in the business climate is increasing. We need to keep up a faster pace to take actions including M&A activities.
- Higher financial leverage (more loans backed by quality properties owned by Zenken) will be used to back planned M&A expenditures of up to ¥10 billion during the five years of “Road to 250.”
- Planned M&A expenditures for faster growth will be made while increasing distributions to shareholders.

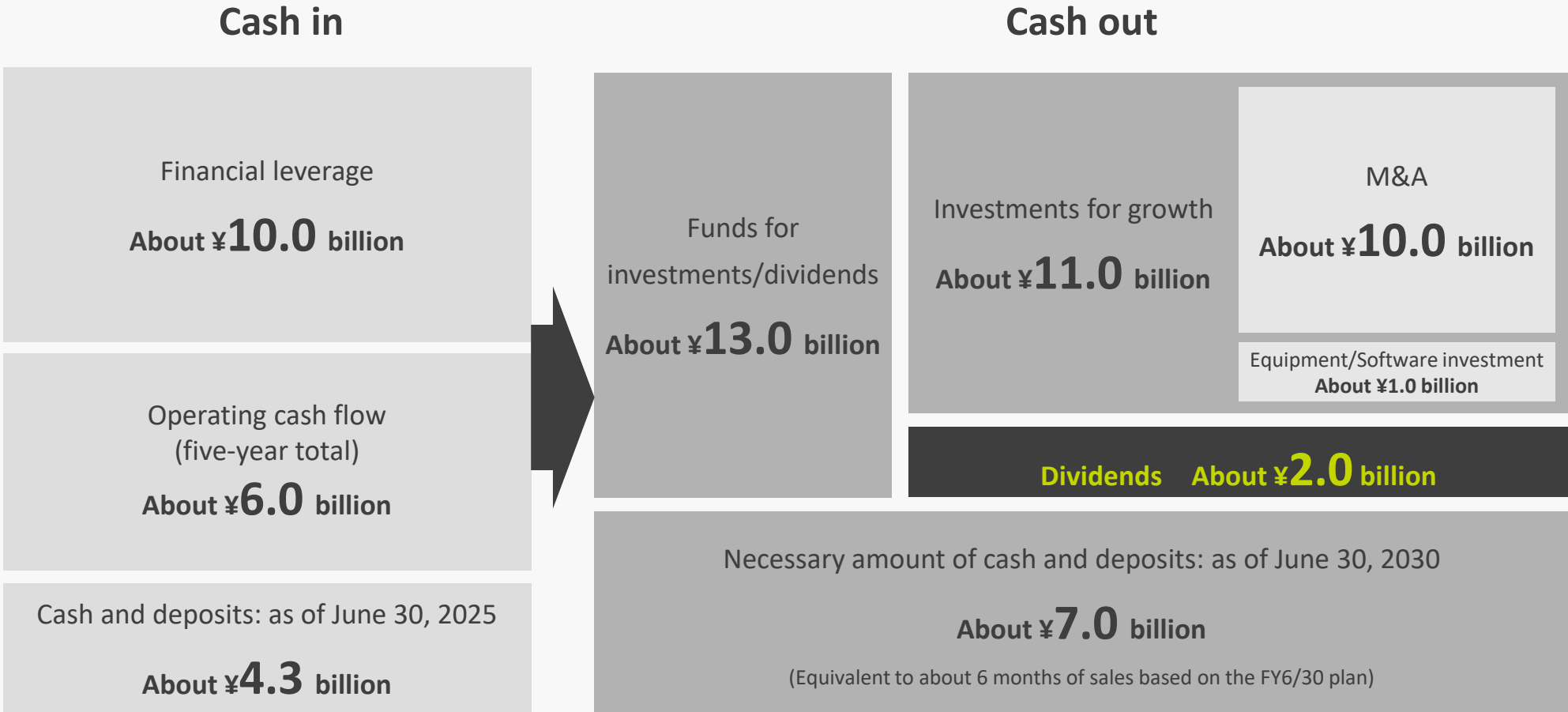
## Standards for Investments

- As a rule, only M&A opportunities expected to increase EPS after goodwill amortization will be approved.
- In addition, only deals expected to increase shareholder value will be approved. Considerations include a positive net present value, the valuation multiples of stock to be acquired, potential synergies, and other factors.

## Target Business Categories

- Categories where growth of businesses involving Specified Skilled Workers is speeding up and cross-selling is expected
- Categories where growth of businesses involving overseas engineers is speeding up and categories where Zenken can contribute to creating new solutions
- Categories where Zenken can assist clients adapt to changes in the business climate in the marketing business and can develop new solutions
- Categories where the growth of solutions involving human resources is speeding up and synergies are expected

Capital allocation if the entire ¥10 billion M&A budget is used  
(Estimates based on a simulation during “Road to 250”)



## Human resource growth and progress both inside and outside Zenken is the central theme of all initiatives



### Use business activities for solving social issues

Japan's working age population is falling as the overall population ages and declines. The Zenken Group is using the strengths of its Marketing and Overseas Human Resources businesses to provide services for bringing people from other countries to Japan (the internationalization of Japan).



### Progress with diversity, mutual respect and job satisfaction

People are the driving force behind Zenken's initiatives for playing a role in solving social issues. We must have a diverse workforce and a corporate culture where people respect each other and where all employees can advance and accomplish their goals. We are implementing an HR strategy and building an internal environment for these purposes.



### Sound and transparent management

Zenken is dedicated to the sound and transparent management of business operations that is essential for solving social issues while continuing the growth of corporate value.

05

# Risk Factors and Countermeasures

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Significant risk factors as of the date of this presentation that may have a major effect on business growth and achieving business goals and actions to reduce vulnerability to these risk factors

| Significant Risk Factors                                             | Explanation                                                                                                                                                                                                                                                                                                                                                                                      | Countermeasures                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Risks involving recruiting and training highly skilled people</b> | To continue to grow, the Zenken Group requires employees with the necessary skills. One of the highest priorities is therefore measures to consistently hire and train people needed for the growth of businesses. If recruiting activities fall short of plans or more key personnel than expected leave the Zenken Group, there may be a significant impact on the group's sales and earnings. | <ul style="list-style-type: none"><li>• Establish a Human Resources Strategy Headquarters to strengthen strategies involving human resources</li><li>• Establish recruiting plans that reflect current market conditions</li><li>• More opportunities concerning training and other educational programs</li></ul> |
| <b>High dependence on a specific business</b>                        | The Zenken Group's core Marketing segment accounts for about 70% of sales and a large share of the group's resources. If this segment shrinks due to a shift in the business climate or some other reason or is unable to adapt to a change in market conditions, there may be a significant impact on the group's sales and earnings.                                                           | <ul style="list-style-type: none"><li>• Diversifying sources of earnings (Overseas Human Resources Business and other businesses) by expanding operations to cover more business sectors</li></ul>                                                                                                                 |

\*There is no information about the likelihood, timing or other characteristics of these risk factors due to the difficulty of making reliable forecasts for these items.

\*Other information is stated in "Part I Company Information, Section 2. Businesses, 3. Business and Other Risks" of the Securities Report.

# Appendix

Financial Highlights

FY6/25 Financial Summary by Segment



# Financial Highlights

|                                                      |               | FY6/21     | FY6/22     | FY6/23     | FY6/24     | FY6/25     |
|------------------------------------------------------|---------------|------------|------------|------------|------------|------------|
| Net sales                                            | (Million yen) | 6,216      | 7,705      | 7,058      | 5,627      | 5,536      |
| Ordinary profit                                      | (Million yen) | 1,320      | 2,349      | 884        | 390        | 400        |
| Profit attributable to owners of parent              | (Million yen) | 956        | 1,584      | 426        | 243        | 342        |
| Share capital                                        | (Million yen) | 429        | 432        | 437        | 438        | 439        |
| Total number of shares outstanding                   | (Shares)      | 11,852,400 | 11,982,700 | 12,227,200 | 12,292,800 | 12,328,100 |
| Net assets                                           | (Million yen) | 10,679     | 12,147     | 12,354     | 12,233     | 12,370     |
| Total assets                                         | (Million yen) | 13,506     | 15,288     | 14,370     | 14,287     | 14,492     |
| Net assets per share                                 | (Yen)         | 901.02     | 1,013.73   | 1,010.43   | 1,009.11   | 1,017.50   |
| Net income per share                                 | (Yen)         | 85.14      | 133.40     | 35.49      | 20.07      | 28.19      |
| Equity ratio                                         | (%)           | 79.1       | 79.5       | 86.0       | 85.6       | 85.4       |
| Return on equity                                     | (%)           | 9.7        | 13.9       | 3.5        | 2.0        | 2.8        |
| Operating cash flow                                  | (Million yen) | 1,510      | 2,080      | (539)      | 682        | 606        |
| Investing cash flow                                  | (Million yen) | (50)       | (12)       | (1,099)    | (522)      | 282        |
| Financing cash flow                                  | (Million yen) | 496        | (186)      | (491)      | (496)      | (186)      |
| Cash and cash equivalents at end of period           | (Million yen) | 4,189      | 6,071      | 3,941      | 3,605      | 4,307      |
| Number of employees<br>(average temporary employees) |               | 443 (97)   | 468 (86)   | 467 (81)   | 475 (75)   | 466 (61)   |

# FY6/25 Financial Summary by Segment

| (Million yen)                           |                    | FY6/24 | FY6/25 | YoY change |       |
|-----------------------------------------|--------------------|--------|--------|------------|-------|
|                                         |                    |        |        | Amount     | %     |
| Marketing Segment                       | Sales              | 3,815  | 3,710  | -105       | -2.8  |
|                                         | Segment profit     | 906    | 948    | 41         | 4.6   |
| Overseas Human Resources Segment        | Sales              | 1,344  | 1,358  | 13         | 1.0   |
|                                         | Segment profit     | (111)  | 64     | 176        | -     |
| Real Estate Segment                     | Sales              | 465    | 467    | 1          | 0.3   |
|                                         | Segment profit     | 319    | 325    | 6          | 2.0   |
| Other                                   | Sales              | 1      | 1      | 0          | 0.2   |
|                                         | Segment profit     | 1      | 1      | -0         | -42.0 |
| Subtotal                                | Sales              | 5,627  | 5,536  | -90        | -1.6  |
|                                         | Segment profit     | 1,116  | 1,340  | 223        | 20.0  |
|                                         | Corporate expenses | (766)  | (953)  | -76        | -     |
| Operating profit                        |                    | 349    | 386    | 36         | 10.5  |
| Ordinary profit                         |                    | 390    | 400    | 9          | 2.4   |
| Profit attributable to owners of parent |                    | 243    | 342    | 98         | 40.5  |
| Operating margin (%)                    |                    | 6.2    | 7.0    | 0.8        | 12.3  |

# Precautions concerning This Presentation

- Zenken prepared this presentation based on the assumption that information that was available was accurate and complete. All information that is not about Zenken is from publicly accessible information. Zenken does not guarantee in any way that any of this information is accurate or complete.
- This presentation may include forecasts based on assumptions, outlooks and plans as of the date of this presentation. These forward-looking statements are based on information that is currently available and on assumptions that Zenken believes are reasonable. These statements are not promises by Zenken concerning future results of operations.
- There may be significant differences between forecasts and actual performance because of changes in the economy, shifts in customers' needs and user preferences, competition with other companies, revisions to laws and regulations, and many other factors.
- Zenken plans to update the information in this presentation in about September 2026.

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