

FY2021 1st Quarter Financial Results

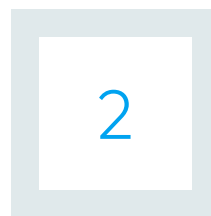
Livesense Inc. (TSE1: 6054)

May 14, 2021

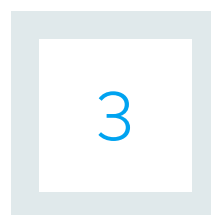
Agenda



Financial Results



Progress



Appendix

1. Financial Results

Executive Summary for the 1st Quarter

Shrinking of corporate hiring activities continued due to COVID-19. Consolidated sales and income remained on decline but bounced back QoQ.

- Net sales ¥876 million (YoY -¥474 million -35.1%)
- Operating income -¥360 million (YoY -¥233 million -%)

Machbaito sales flat due to declaration of state of emergency in January and other factors. Tenshoku Kaigi sales bounced back QoQ.

- Promoted strengthening of sales, marketing, and matching in Machbaito. Sales flat due to declaration of state of emergency and other factors
- Tenshoku Kaigi sales up 21.5% QoQ owing to strengthening of referral cultivation efforts
- Progress made on optimizing corporate expenses by consolidating offices in Tokyo area

Steady progress being made on development of new businesses. Some services pre-released.

- Development continues for launch of several new businesses this year
- Proposal-type matching service "knew" pre-released

Quarterly Financial Results Overview

(Millions of JPY)

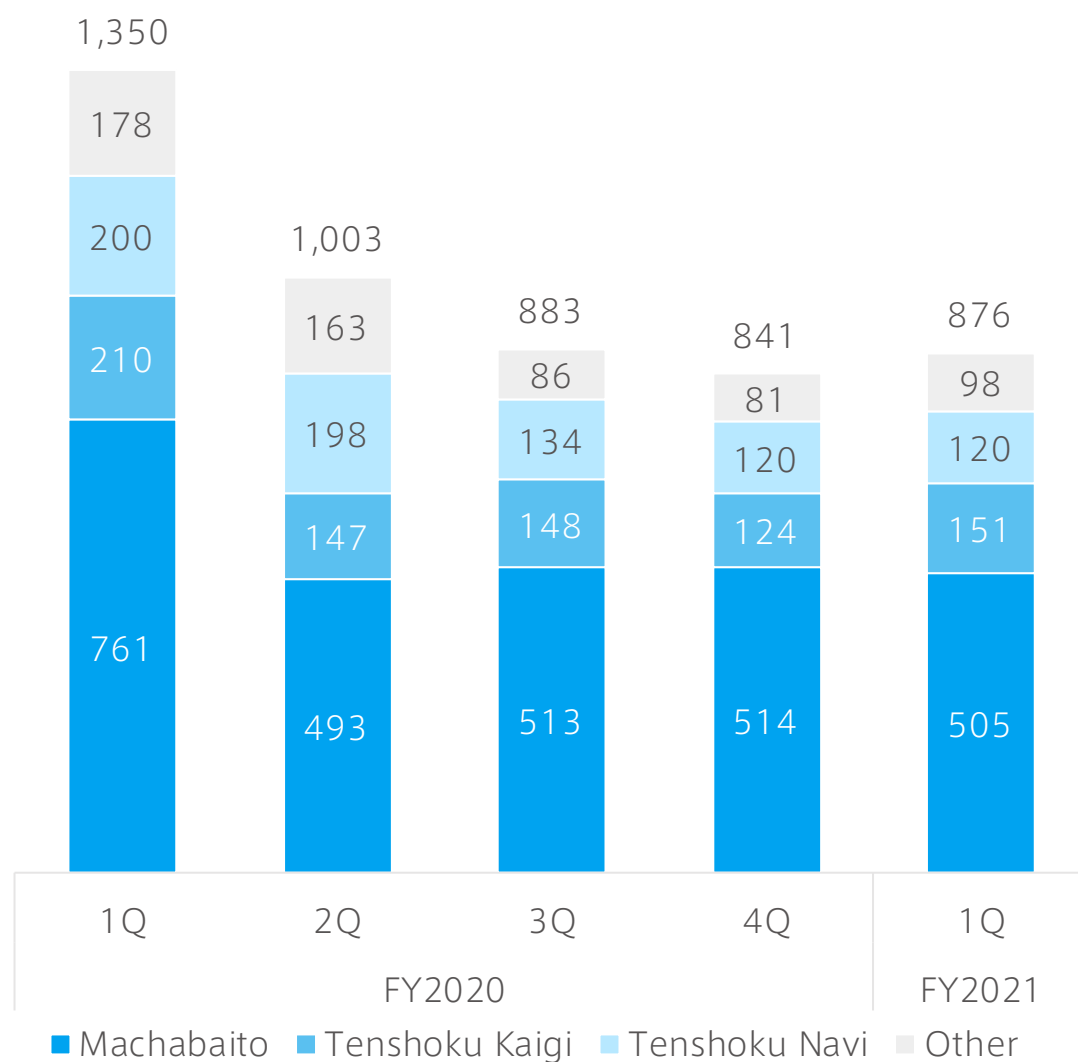
	FY2020 1Q	FY2021 1Q	YoY
Net Sales	1,350	876	-35.1%
Operating Income	-127	-360	—
Operating Margin(%)	—	—	—
Ordinary Income	-132	-319	—
Profit attributable to owners of parent	-229	-312	—

Quarterly Net Sales and Operating Income

Consolidated net sales down 35.1% YoY, consolidated operating income down ¥233 million YoY due to COVID-19 and other factors. Sales and income bounced back QoQ.

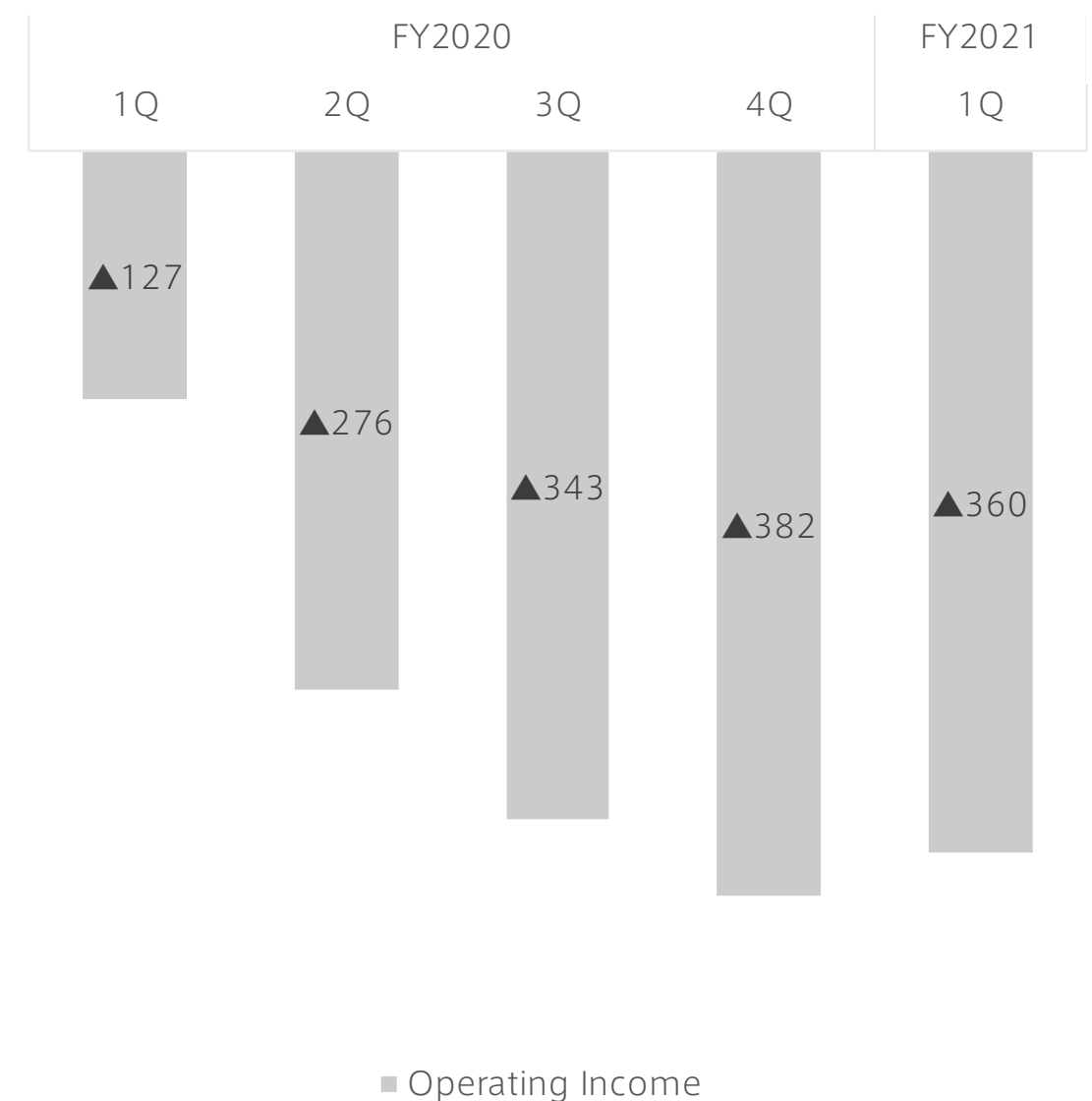
Net Sales

(Millions of JPY)



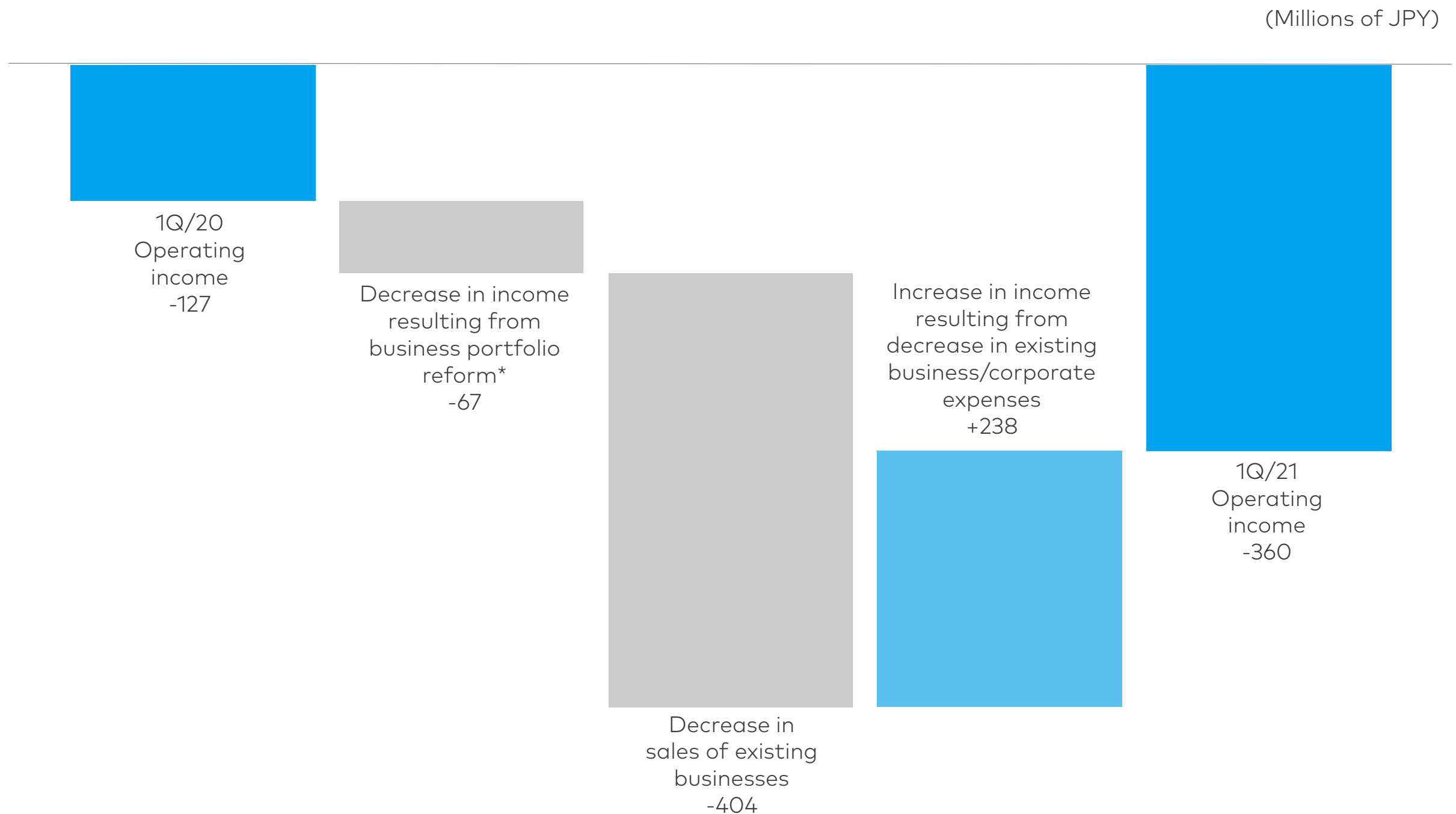
Operating Income

(Millions of JPY)



Operating Income -YoY Comparison

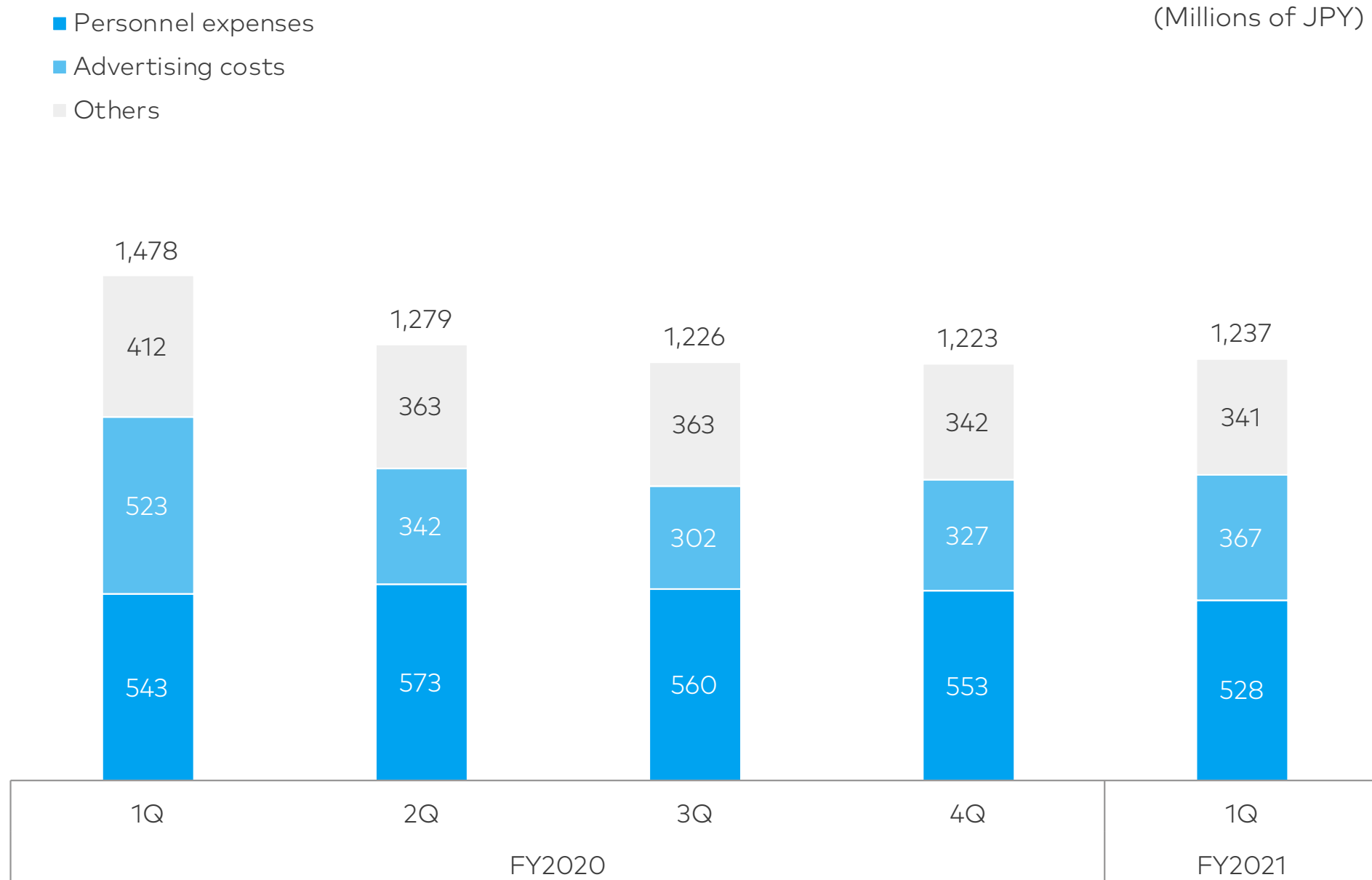
| Promoting reform of business portfolio pushed income down ¥60 million.
COVID-19 and other factors pushed income down ¥ 160 million.



* Syukatsu Kaigi transfer + new business investments

Operating Expenses

| Advertising costs gradually rising.
Will invest for regrowth while promoting optimization of costs.



2. Progress

| Policy:

Balance restructuring for profitability with launching new businesses to become pillars of the future in pursuit of our corporate vision "Invent the next common."

- **Enhance profitability of existing businesses**

- Restructure to be able to create profits even if COVID-19 pandemic continues
- Get each business back on track for growth as quickly as possible by rolling out know-how from Machbaito to other businesses

- **Launch new businesses**

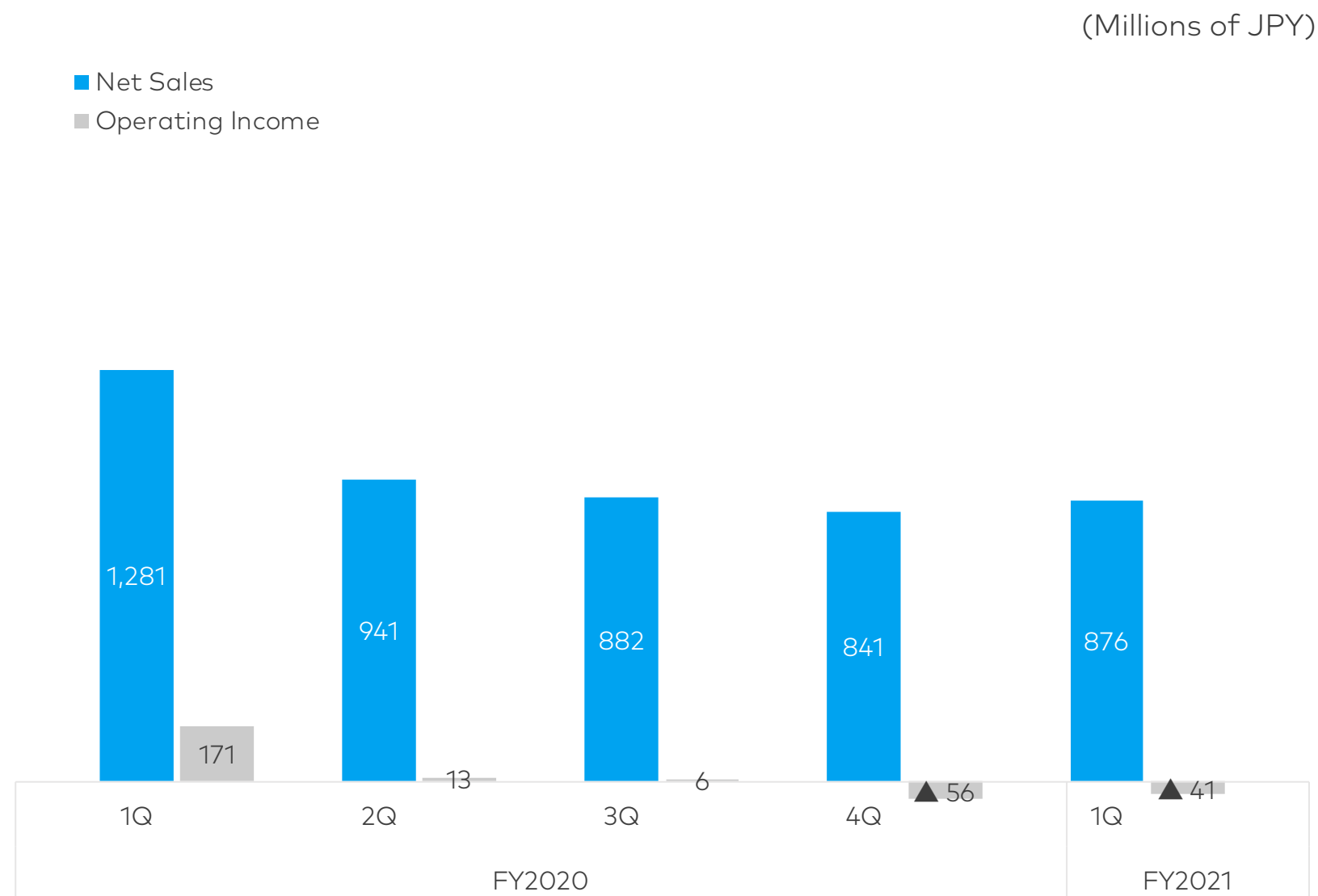
- Aim to launch several new businesses within the year through proprietary development or M&A

2. Progress

Existing Businesses

Net Sales and Operating Income of Existing Businesses

Net sales and operating income of existing businesses other than transferred business, new business and corporate expenses.

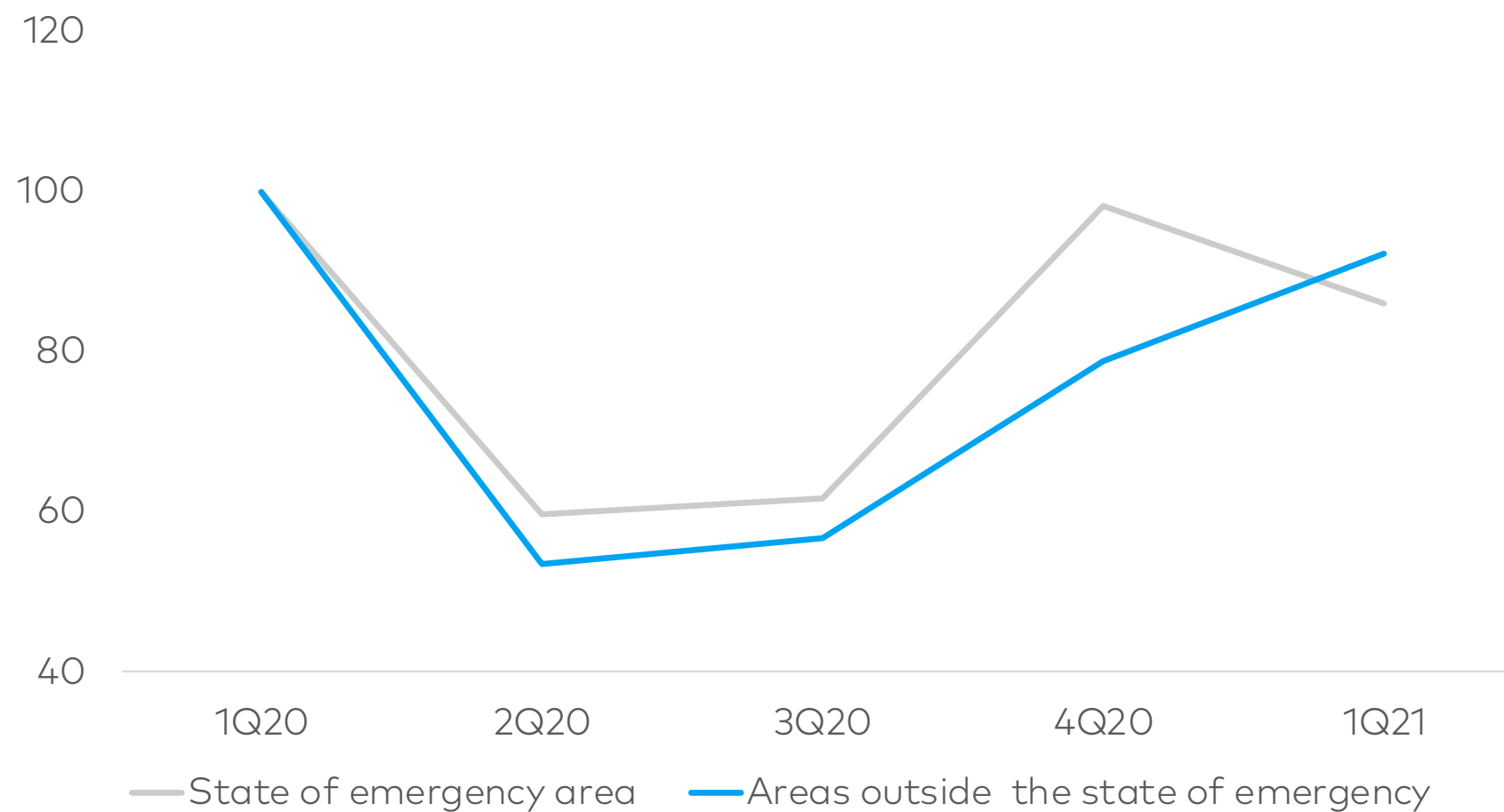


* Net sales and operating income of existing businesses other than new business and corporate expenses

Machbaito

- | Recruiting up in areas not subject to declaration of state of emergency issued in January.
- | Aim to improve user/company UX and profitability by further increasing accuracy of matching through linking of sales, marketing and media.

Trend in recruiting numbers

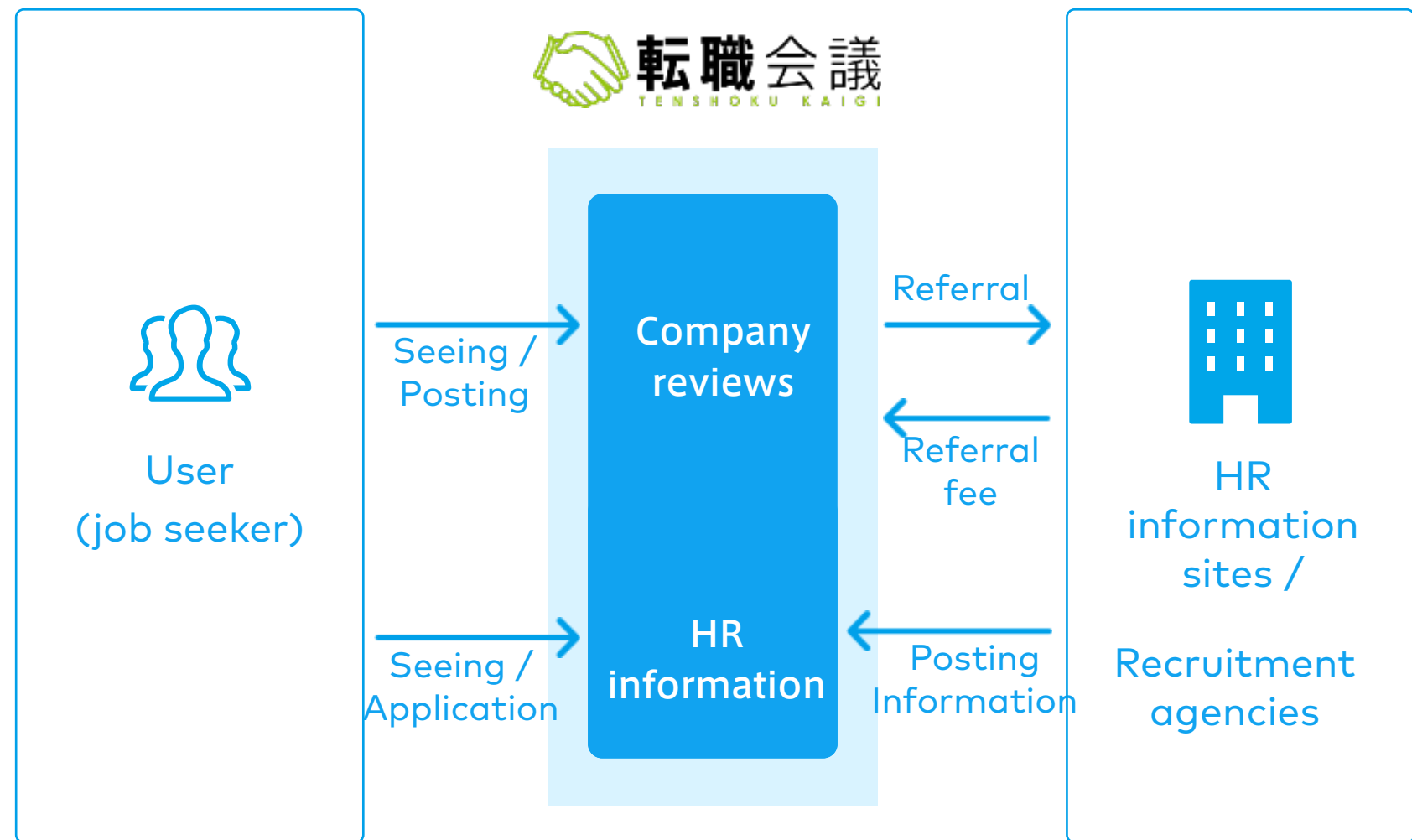


*Trend in number of postings with 1Q 2020 as 100.

Tenshoku Kaigi

- | Sales up from previous quarter owing to strengthening of referral cultivation efforts.
- | Work on further securing referrals and promote matching of users and recruitment agencies.

Tenshoku Kaigi Business Model



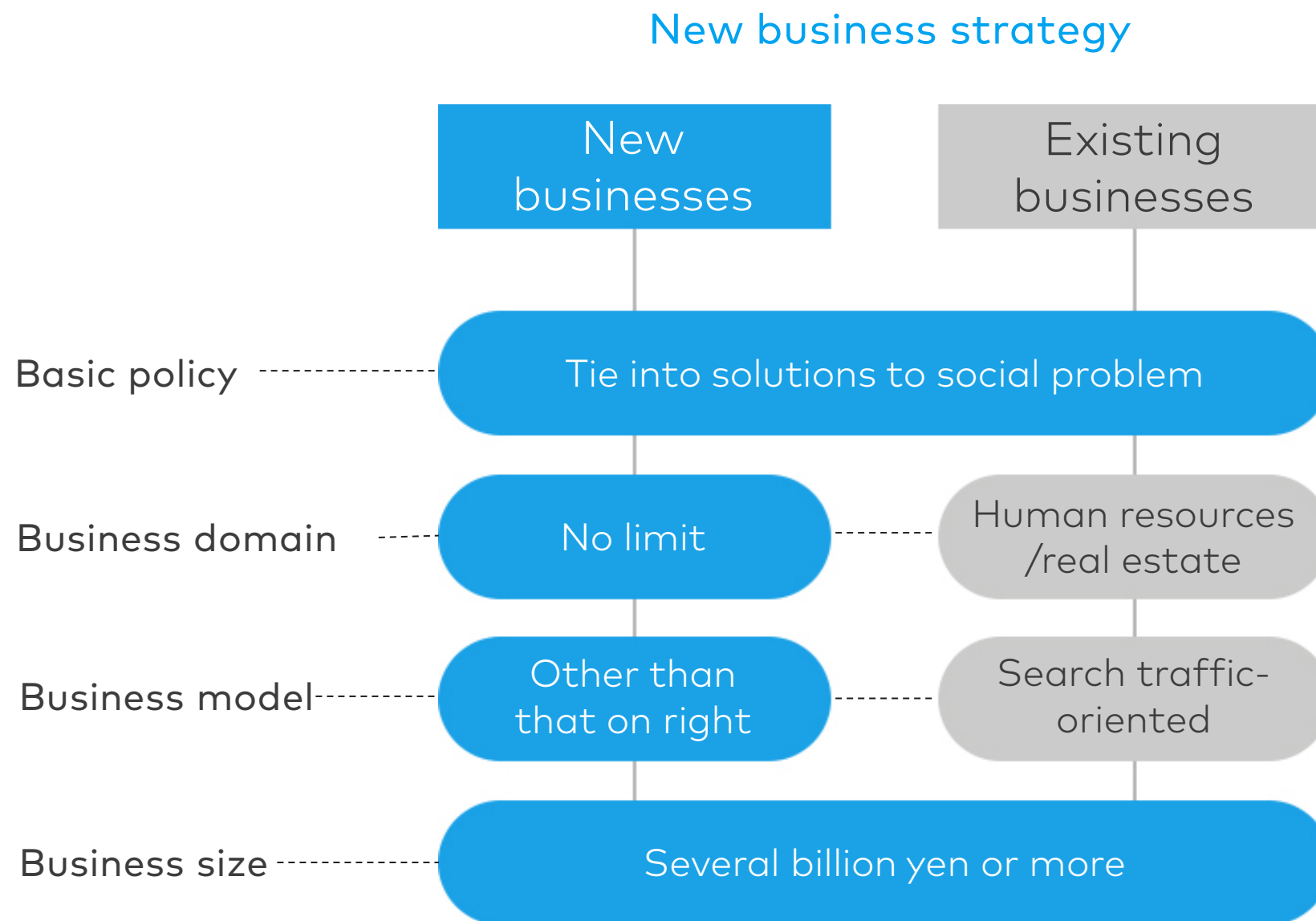
2. Progress

New Businesses

Launching New Business

| Aim to launch several new businesses in FY2021.

| Test marketing underway for multiple proposals. Expect to invest more than previous year.



Status of New Business Initiatives

knew

17

| Proposal-type matching service "knew" pre-released.



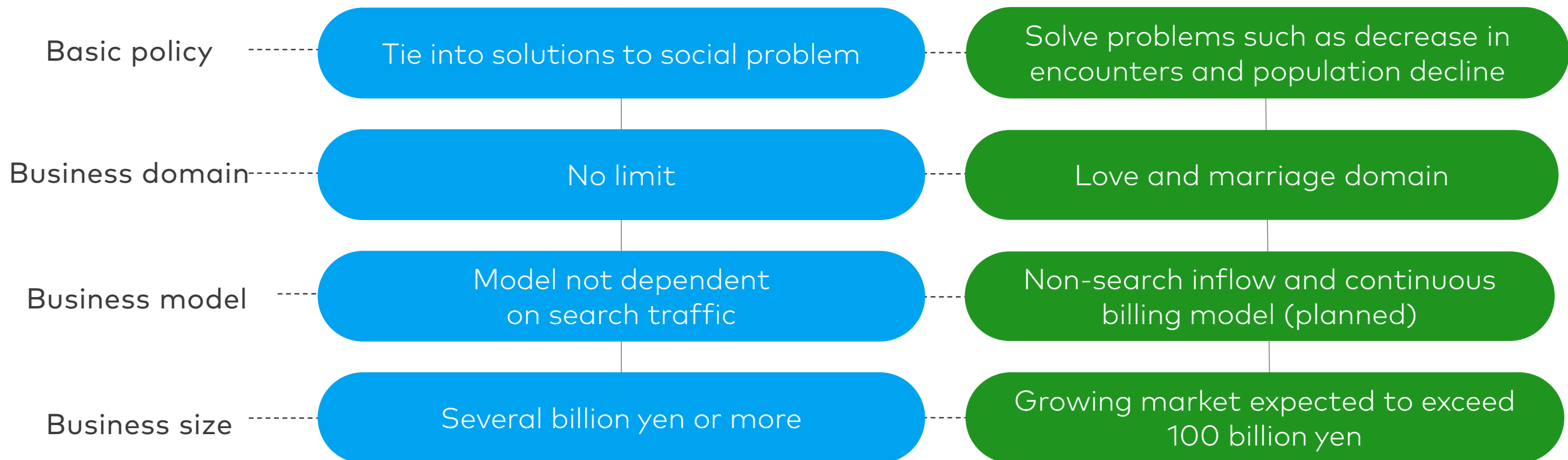
Status of New Business Initiatives

knew

- | Matching app market expected to grow around 20% annually in love and marriage field relating to one of life's most important decisions.
- | Domain is one in which the Company's strengths, such as optimization through prediction models and algorithms can be leveraged.
Full-scale investment to come after verifying competitive advantage.

New businesses

knew



3. Appendix

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Corporate Profile

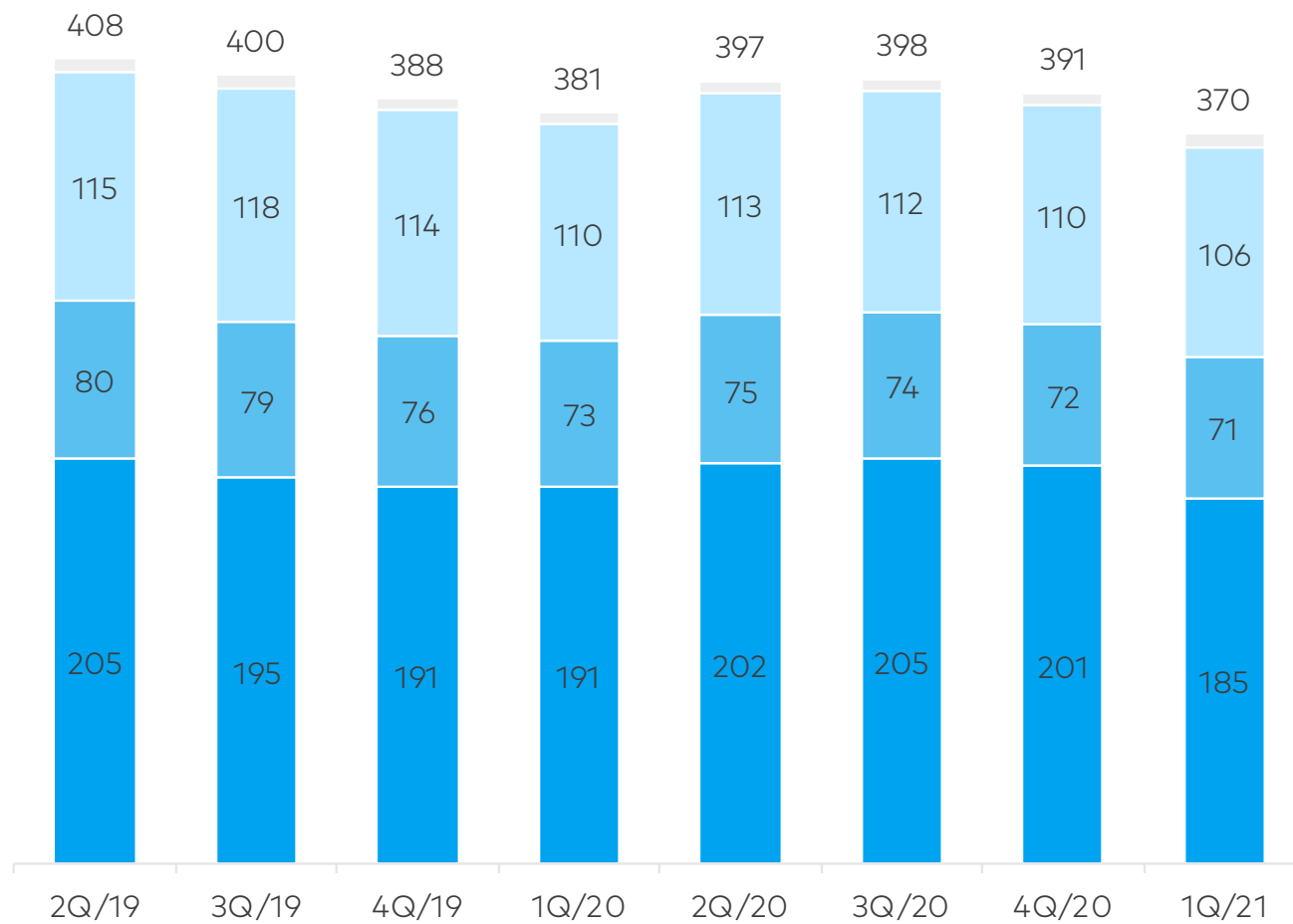
Corporate Profile

Company name	Livesense Inc.
CEO/Founder	Taichi Murakami
Business Philosophy	Happiness Begetting Happiness.
Corporate Vision	Invent the next common.
Established	February 8, 2006
Date listed	TSE 1st Section: October 1, 2012 TSE Mothers: December 7, 2011
Number of Employees (Non-Consolidated)	Full-Time: 256 (as of March 31, 2021)
Consolidated Subsidiaries	PHIL LIFE Inc.

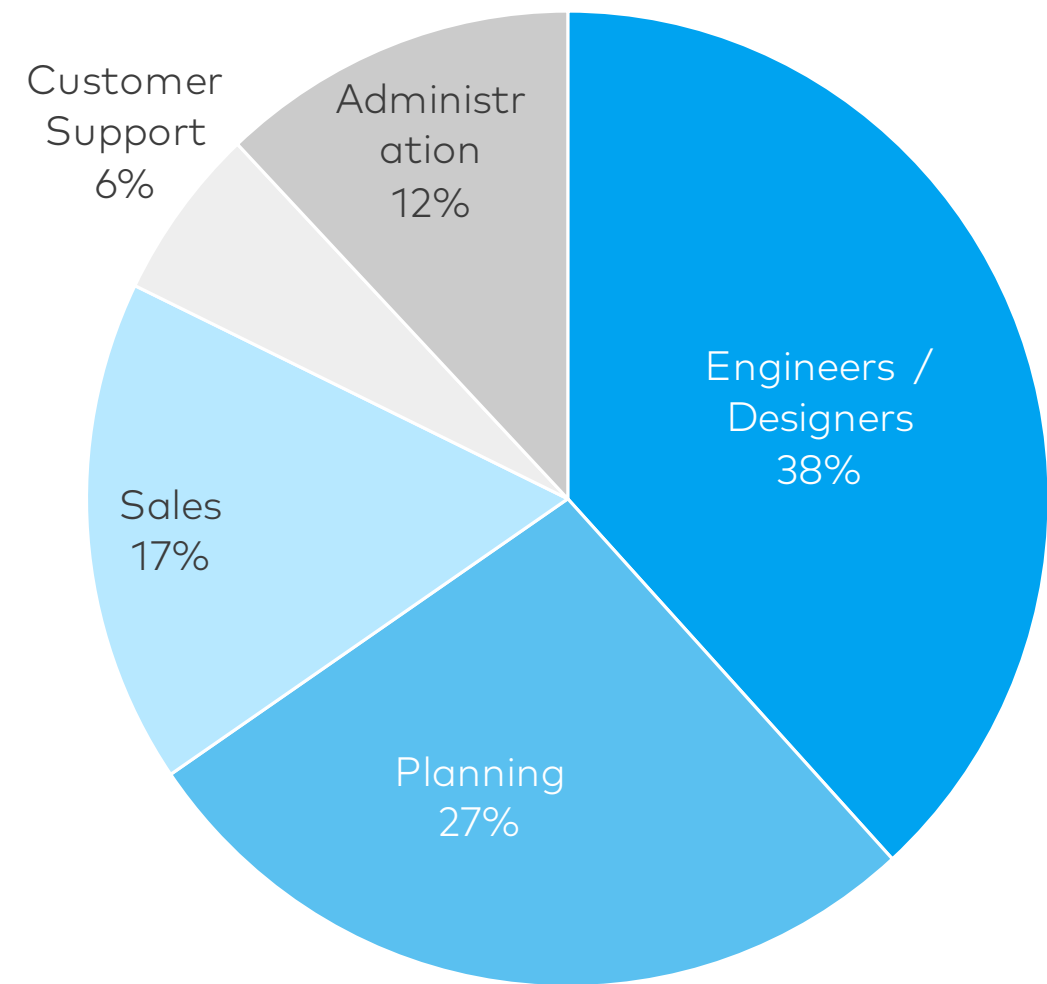
No. of Employees (Consolidated)

(People)

- Regular/HQ
- Regular/R
- Part-time
- Regular/Subsidiaries
- Part-time/Subsidiaries



Breakdown of Full-time Employees



*Non-consolidated, head office full-time employees only

*Local full-time employees primarily in charge of customer support and sales

3. Appendix

Our Strategy for FY2021

What Livesense is aiming for

| Become a company that can continue to pursue our corporate vision "Invent the next common." through our business portfolio.

Becoming a company that continues to "Invent the next common."

Optimization of Business Portfolio



Existing businesses

Strengthen profitability
and establish
competitive advantage

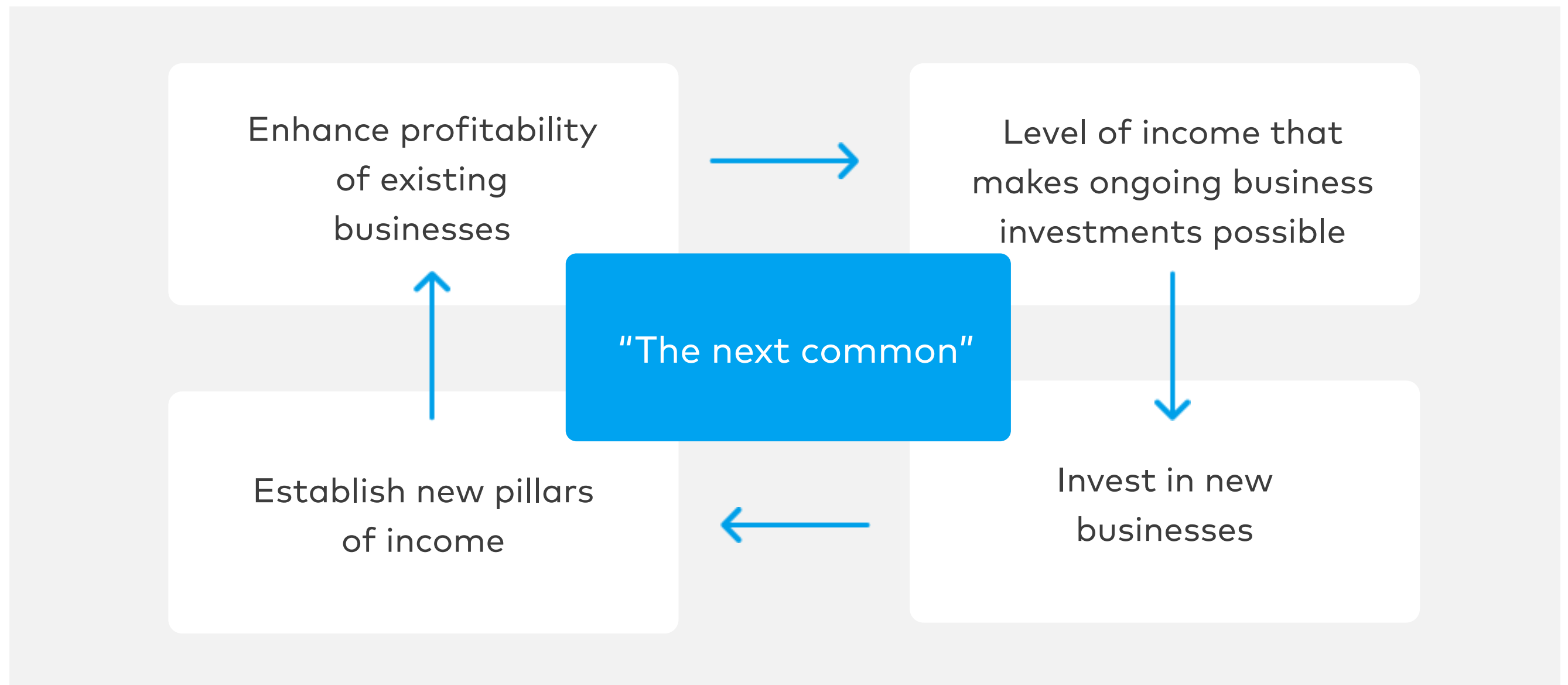


New businesses

Diversify business models
and create next pillars

What Livesense is aiming for

| Focus on enhancing profitability of existing businesses. Invest profits from existing businesses into new businesses in the aim of establishing new pillars of income.



| Policy:

Balance restructuring for profitability with launching new businesses to become pillars of the future in pursuit of our corporate vision "Invent the next common."

- **Enhance profitability of existing businesses**

- Restructure to be able to create profits even if COVID-19 pandemic continues
- Get each business back on track for growth as quickly as possible by rolling out know-how from Machbaito to other businesses

- **Launch new businesses**

- Aim to launch several new businesses within the year through proprietary development or M&A

Enhancing Profitability of Existing Businesses: Business Model

| Main format is success fee-based.

| Key to growth is user acquisition and accuracy of matching.

Differences in sales models by fee format

Success fee-based

Machbaito/Tenshoku Navi



User acquisition and matching are important

Posting fee-based

Regular job posting sites



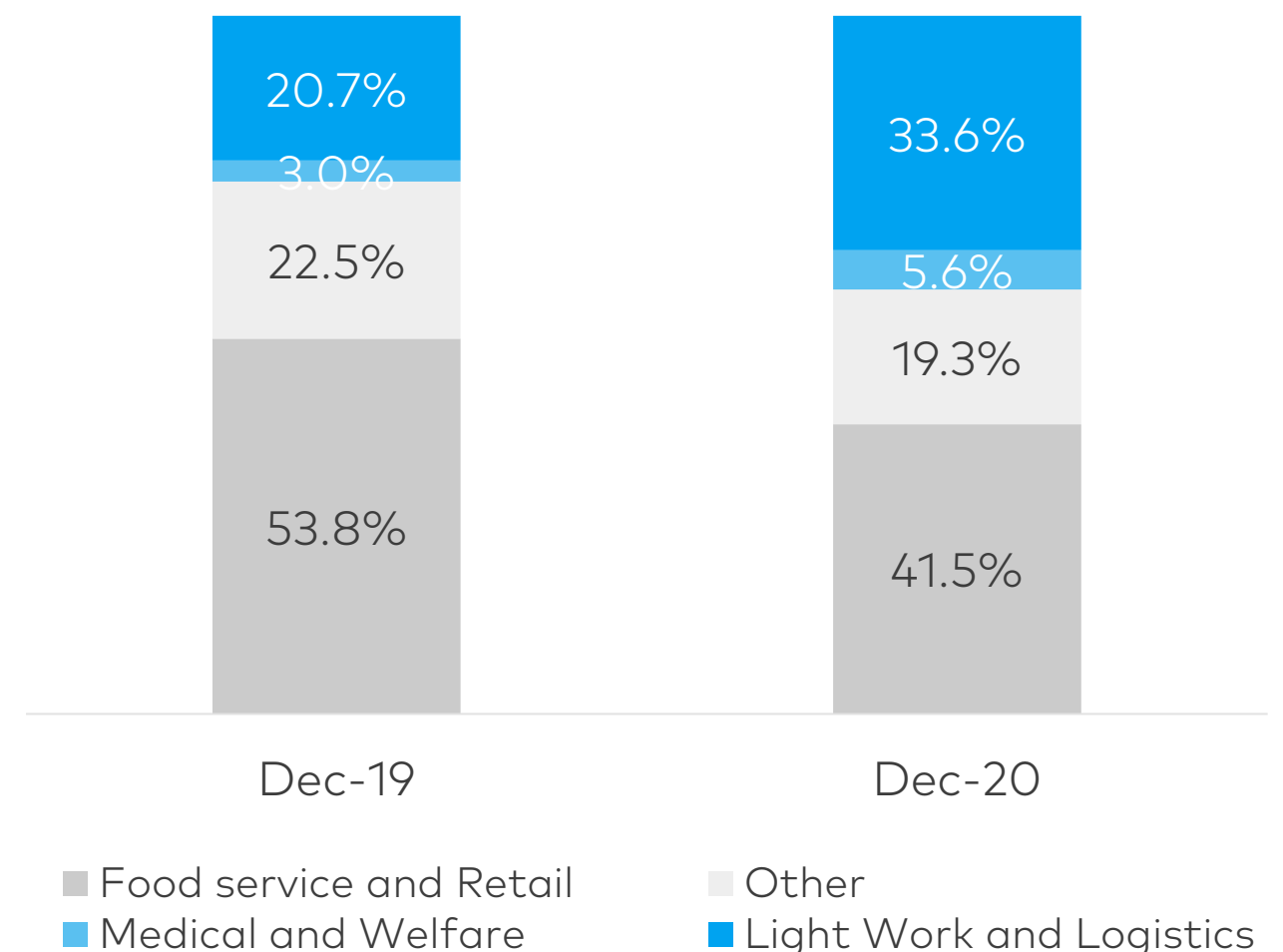
Sales to acquire corporate customers are important

Enhancing Profitability of Existing Businesses: Growth Strategy

- Promote efficient customer attraction and matching through linking of sales, marketing and media.
- Accelerate growth by rolling out business model of Machbaito, which has had some success, to Tenshoku Navi, which has similar business model.



Change in sales composition (Machbaito)



Number of users

No negative impact from COVID-19
Utilize data to efficiently attract users with greatest needs

Hiring rate

Large disparity in needs depending on industry/job category
Cultivate companies with hiring needs and High accuracy matching utilizing large volumes of data

Enhancing Profitability of Existing Businesses: Cost Strategy

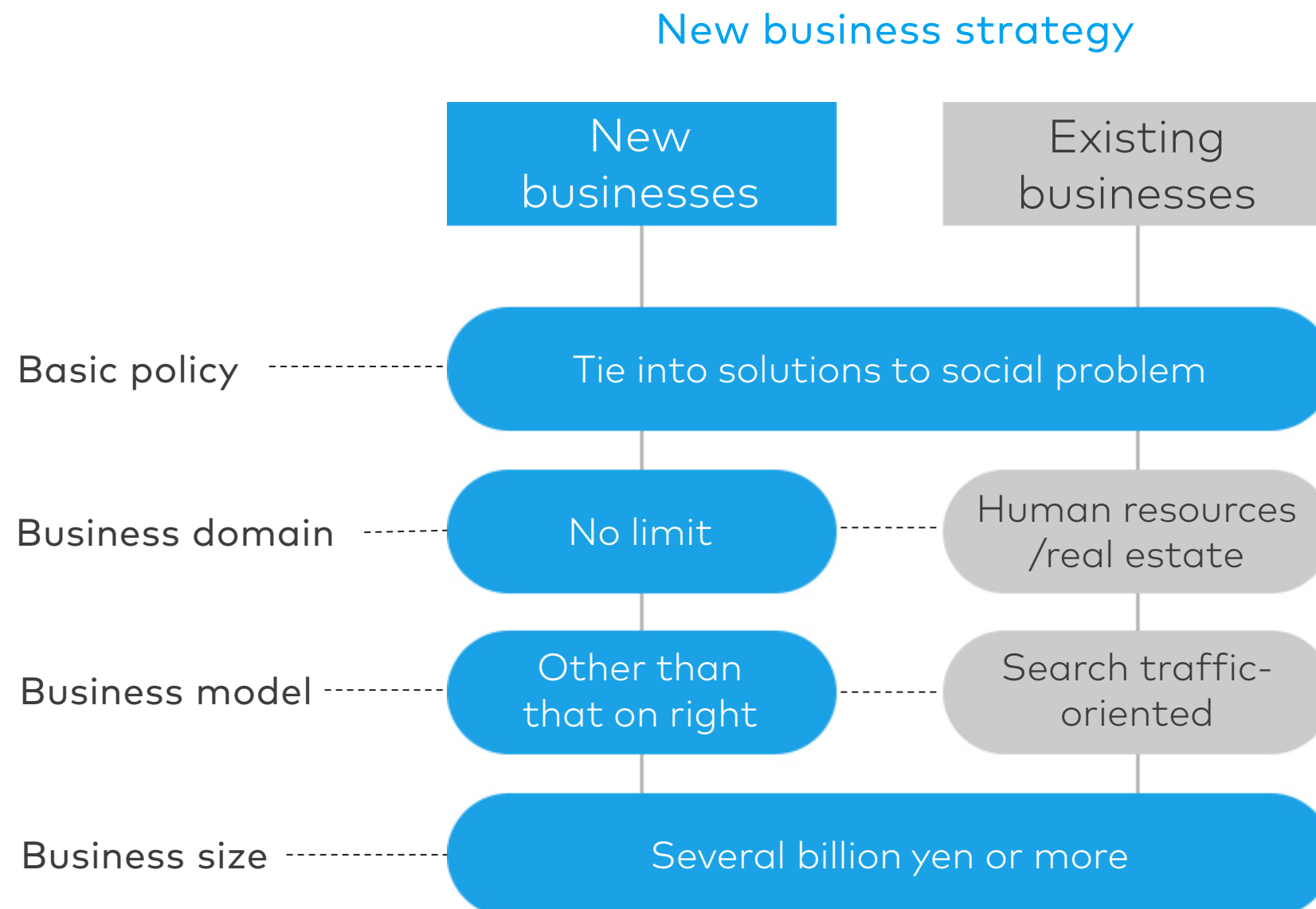
- | Work on cost reduction leading to greater, sustainable profitability.
- | Consolidate offices in Tokyo area and review positioning.
Limit job types for mid-career hiring and work on streamlining business operations.

- ✓ Aim for working a hybrid schedule of on-site and remote to maximize productivity based on the theme of freedom and self-control
- ✓ Position offices as "cultural facilities" and redefine the role. Consolidate offices in the Tokyo area
- ✓ Thoroughly review system of business operations and transform into a robust business structure



Launching New Business

- | Aim to launch several new businesses in FY2021.
- | Test marketing underway for multiple proposals. Expect to invest more than previous year.





LIVESENSE

あたりまえを、発明しよう。

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.