

FY2024 1st Quarter Financial Results

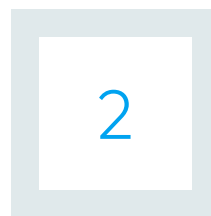
Livesense Inc. (TSE Standard Market : 6054)

May 14, 2024

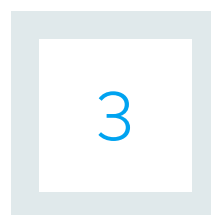
Agenda



Financial Results



Progress



Appendix

1. Financial Results

Executive Summary for the 1st Quarter

| Sales and income up owing to business growth, driven by Machbaito. Progress being made mostly according to plan.

(Millions of JPY)

	FY2023/3Q	FY2024/3Q	YoY
Net Sales	1,292	1,568	+21.3%
Operating Income	48	116	143.5%
Ordinary Income	88	155	75.2%
Quarterly net income attributable to owners of parent	73	134	+83.1%

| Machbaito sales up owing to expanded business with major customers. Progress also made on cultivating new companies and updating system infrastructure.

| Tenshoku Draft's is working to expand its recruitment services in order to strengthen its position in the engineer job market.

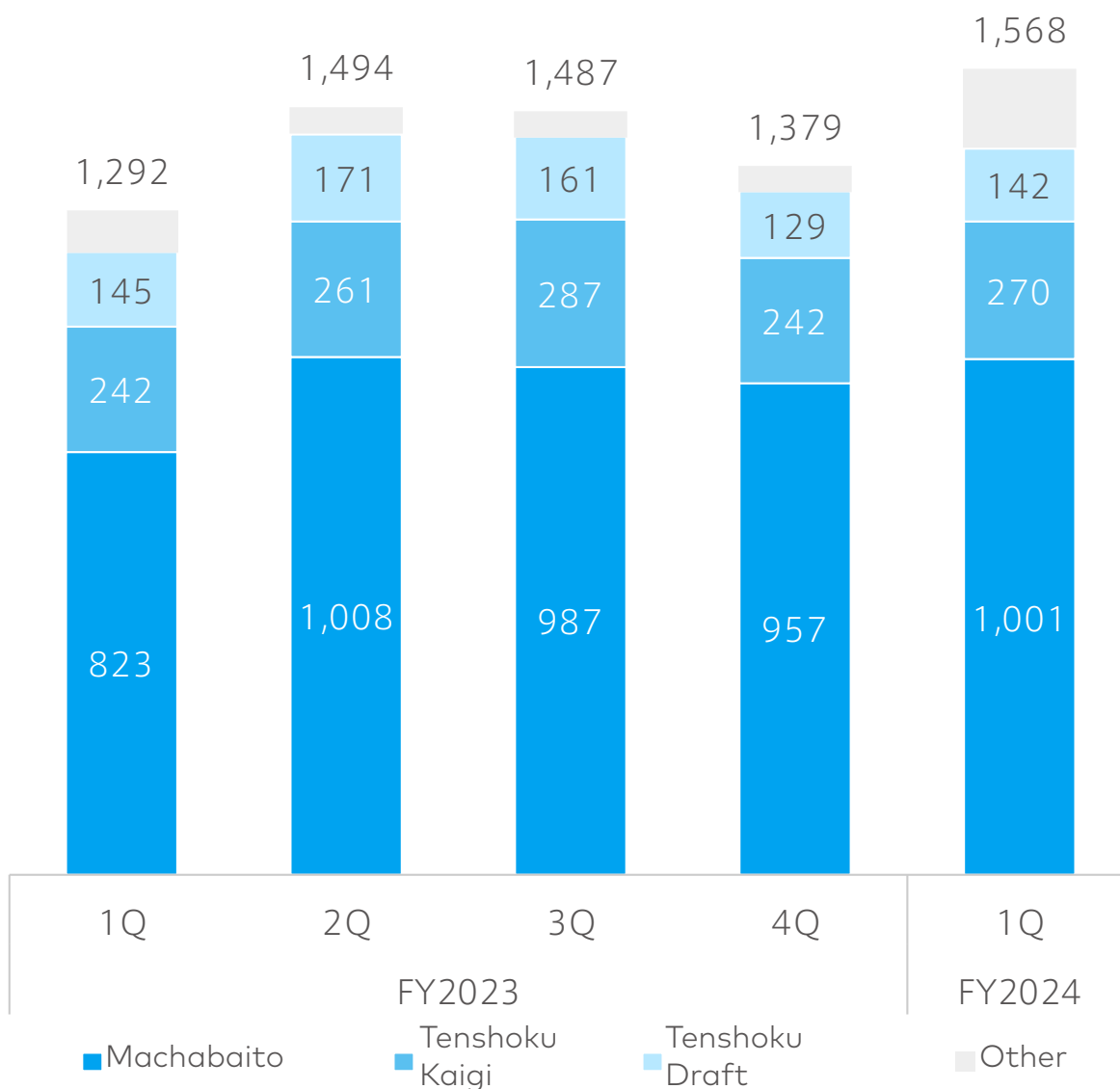
Quarterly Net Sales and Operating Income

| Machbaito drove sales growth. Sales up in each business QoQ.

| Operating income also grew YoY with increased sales

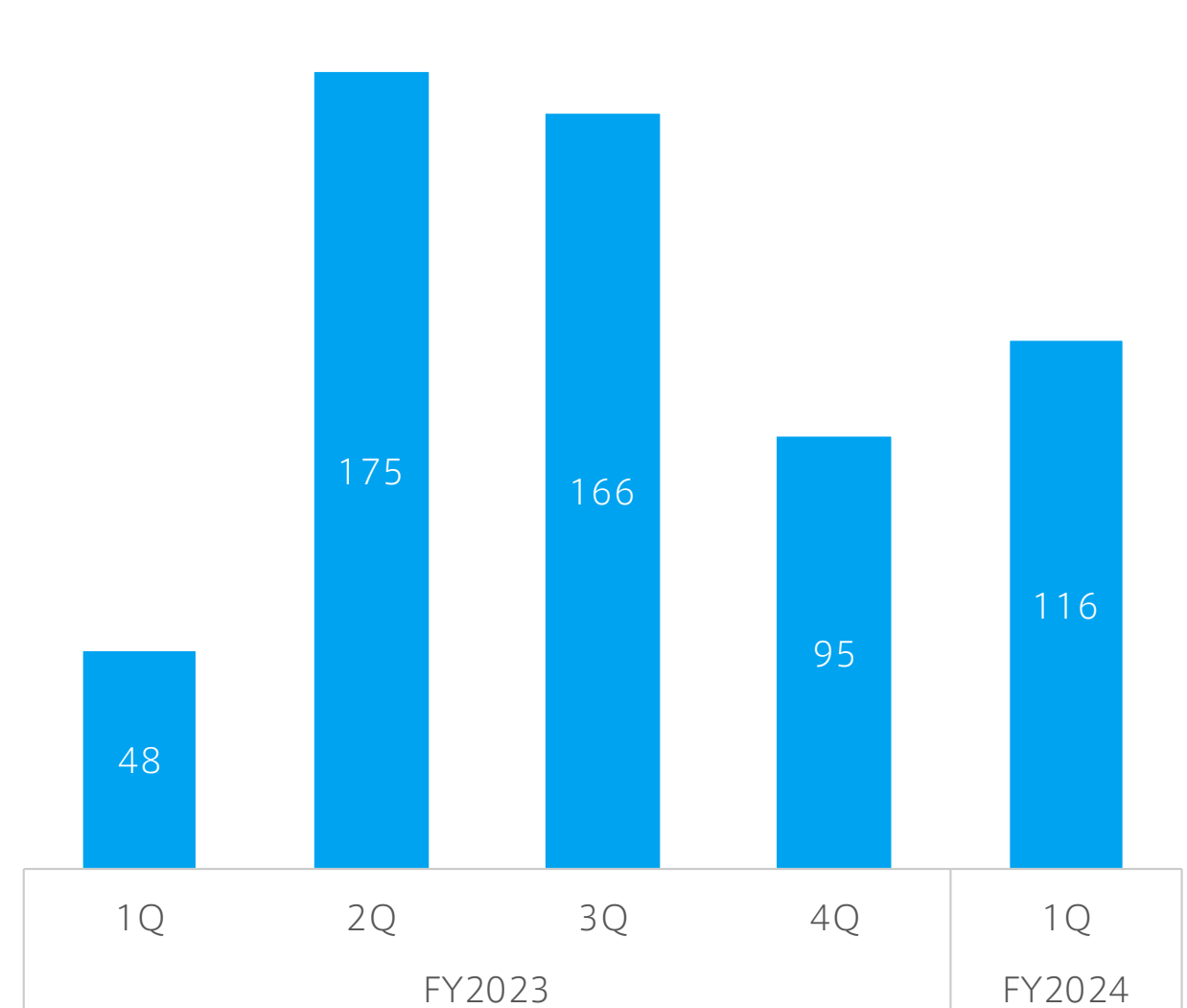
Net sales

(Millions of JPY)



Operating income

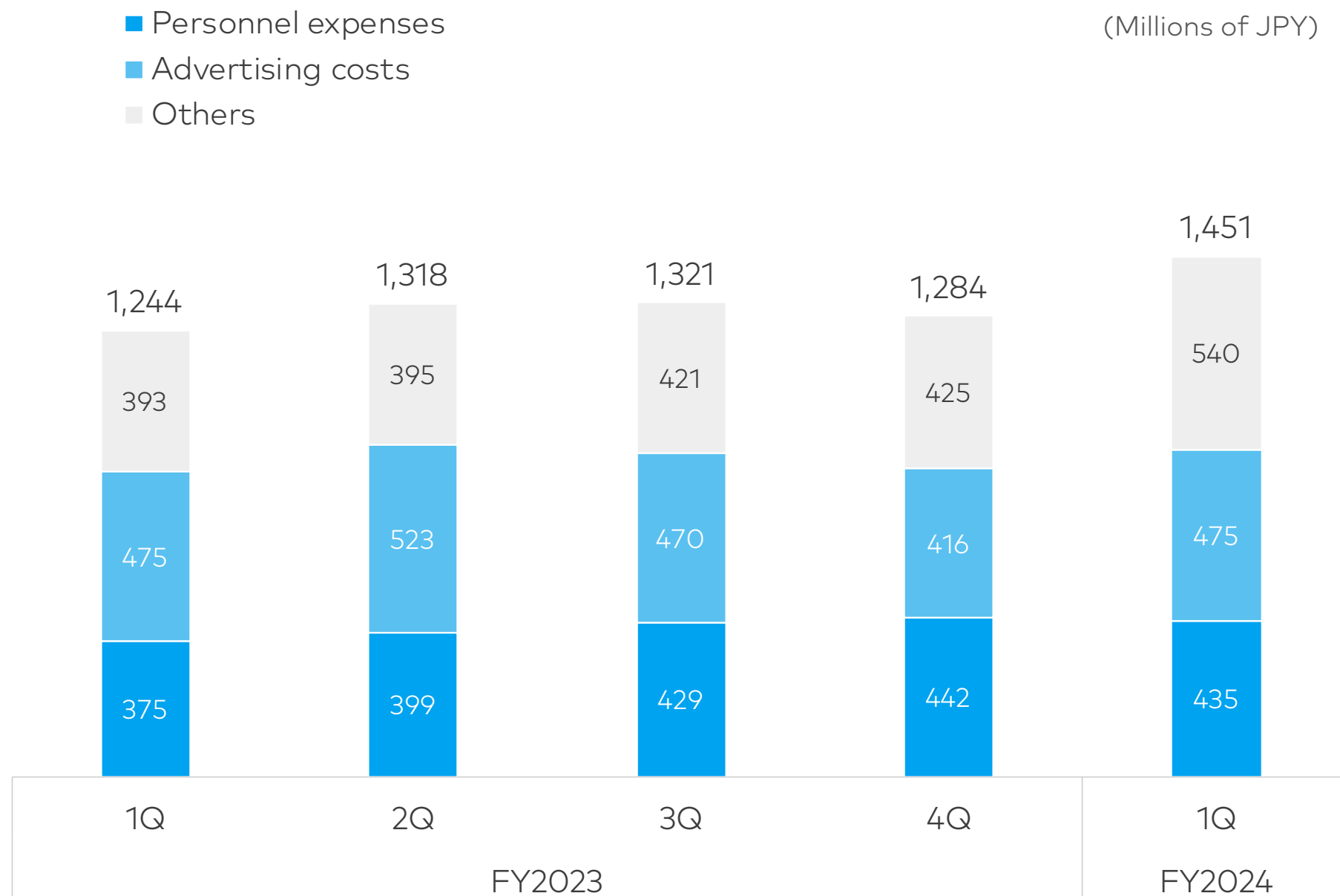
(Millions of JPY)



*Other includes real estate sales in purchase and resale business

Operating Expenses

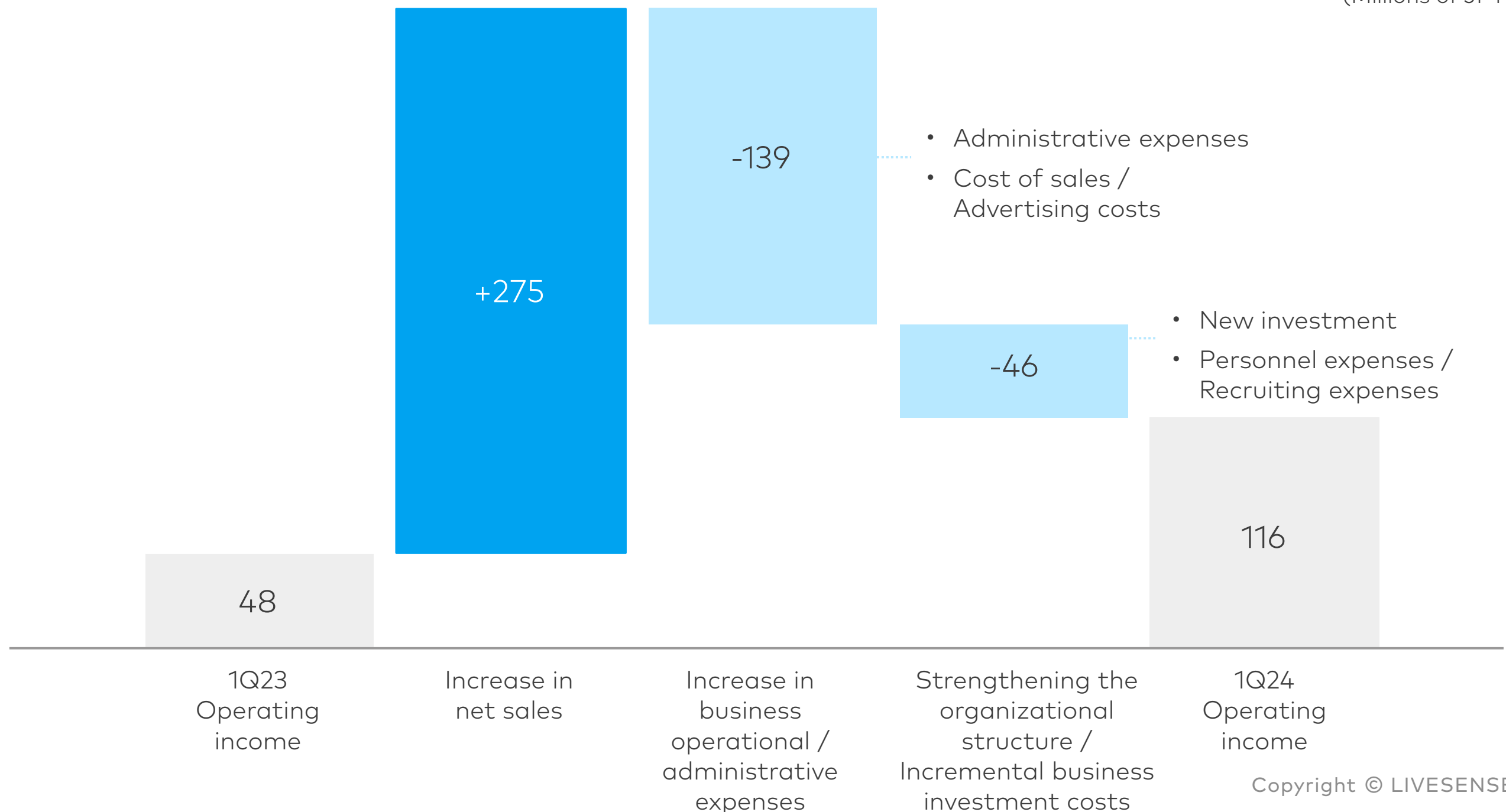
- Personnel expenses up due to strengthening of organizational structure and revision of compensation system carried out in previous year
- Other expenses, including cost of real estate, up due to increased sales in Purchase and Resale



Trends in Operating Income: Variance Analysis

- | Income up as increase in sales exceeded increase in business operational / administrative expenses
- | Costs of strengthening of organizational structure / business investment expected to increase in the future

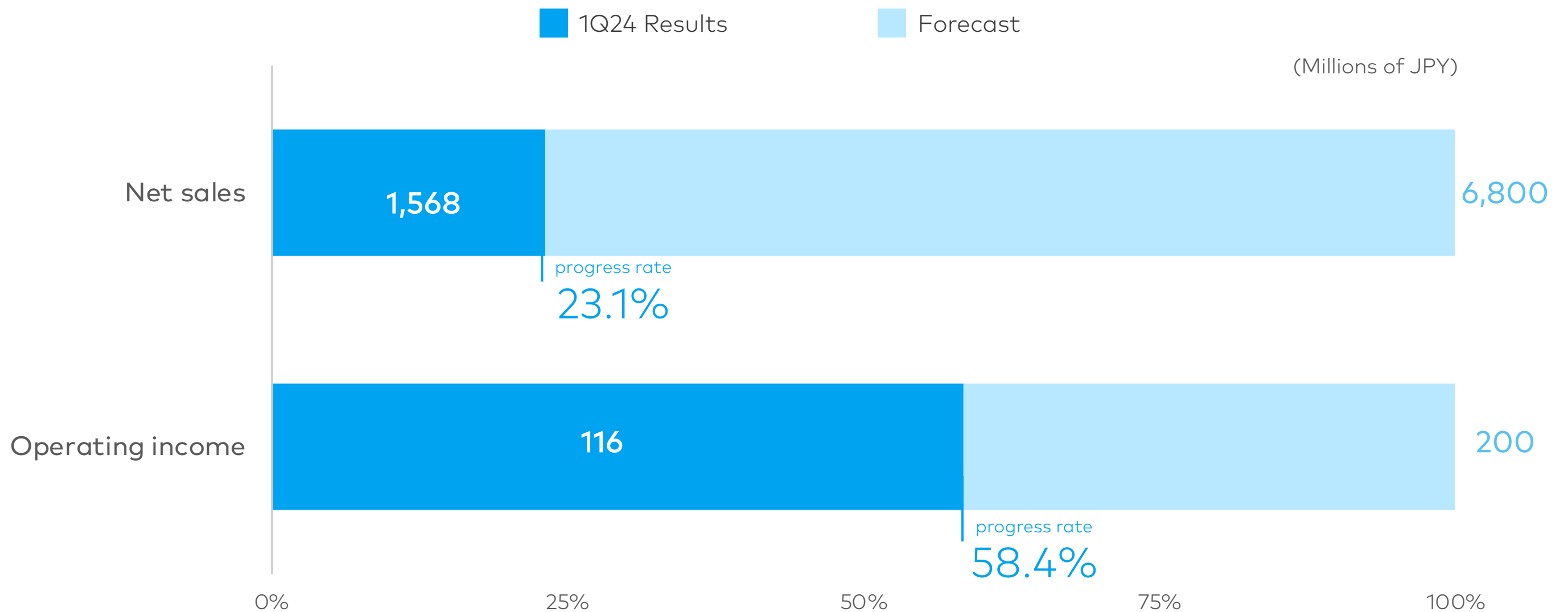
(Millions of JPY)



Progress Towards Financial Forecasts

| Progress being made on net sales mostly according to initial plan

| Progress on income also in line with expectations. Plan is to strengthen organizational structure and business investment from 2Q on



2. Progress

| Company-wide Policy

Investment in strengthening the foundation and creating new revenue streams to achieve sustainable growth

Focus 1

Strengthening investment to accelerate Machbaito growth

- Expand sales system to promote growth strategy
- Developing a system infrastructure to prepare for accelerated growth

- Expansion of transactions with major customers progressing favorably
- Strengthening sales organization and developing new business
- Updating system infrastructure, including company interface

Focus 2

Creating new revenue streams

- Develop new services utilizing existing assets
- Realize PMF * quickly in knew and batonn

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

Develop new products and services utilizing existing assets

- Promote use of Tenshoku Draft Agent to strengthen Tenshoku Draft's market position. Also hold exclusive high-class events

Realize PMF quickly in knew and batonn

- Build patterns and usage experiences of introduction and utilization support in batton based on examples of use accumulated in the previous fiscal year. Also release a function for summarizing entire interview

Business Strategy

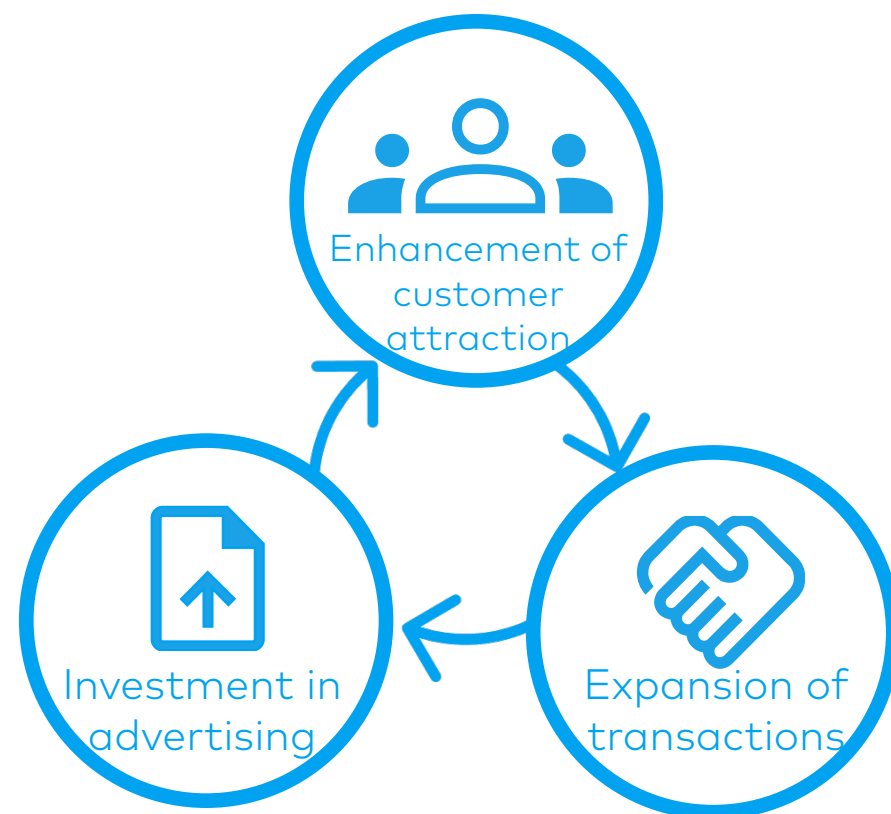
Promote expansion of transactions with major customers and cultivation of new customer groups. Strengthen sales system to accelerate growth

 Initiative starting in FY2024



Accelerating Growth by Strengthening Sales Structure

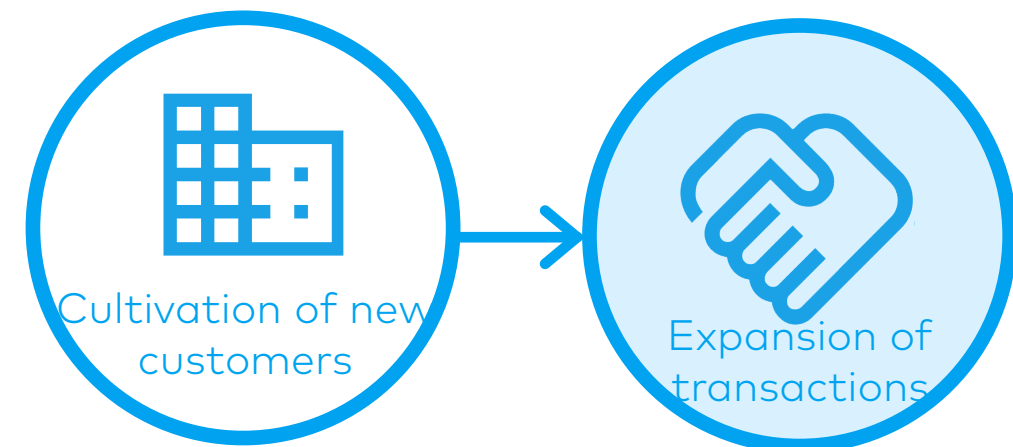
Expansion of transactions with major customers



Earning trust from customers by increasing number of applications in advance. Aiming for sustainable growth by using revenue from transaction expansion in business investments



Cultivation of new customers

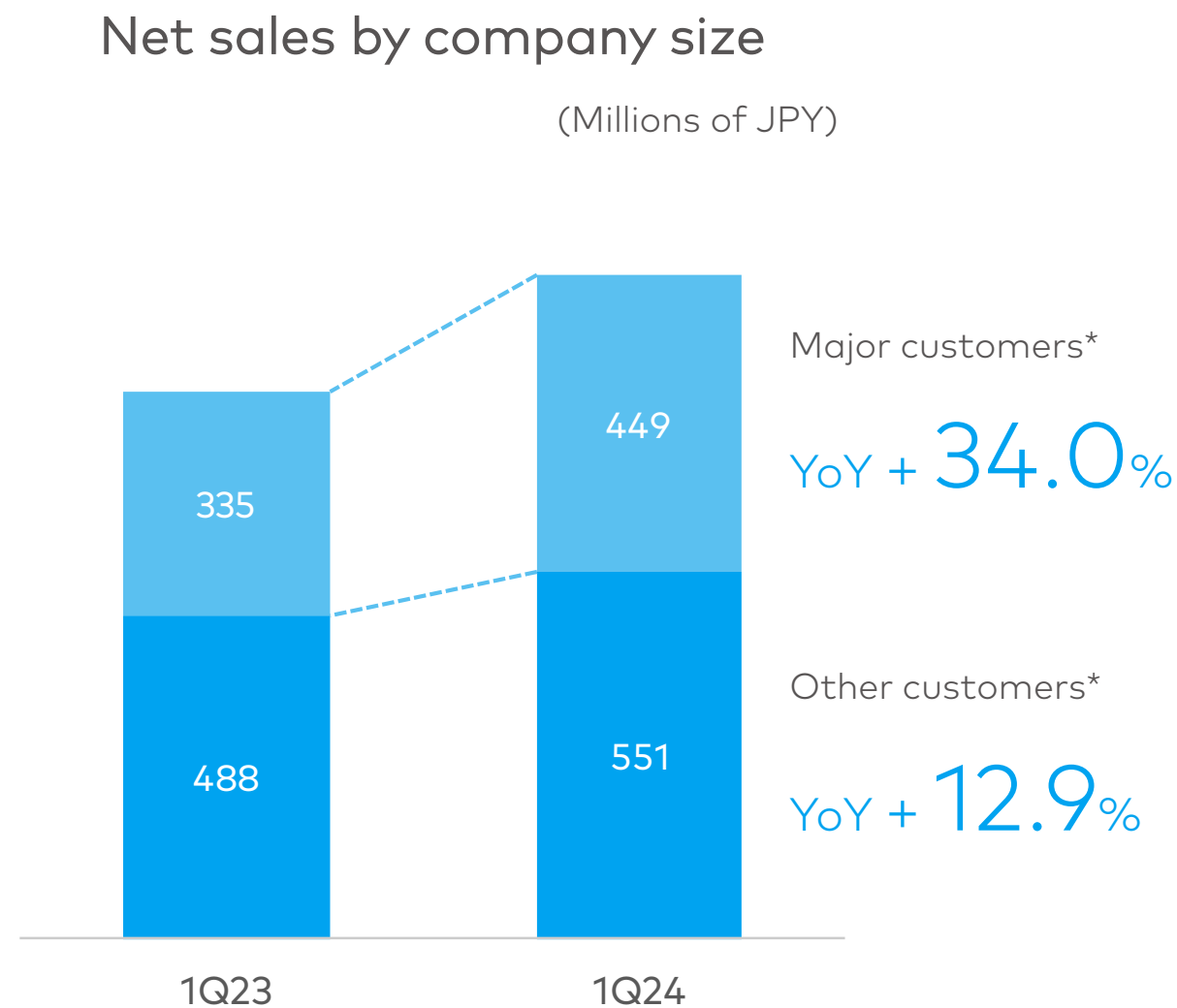
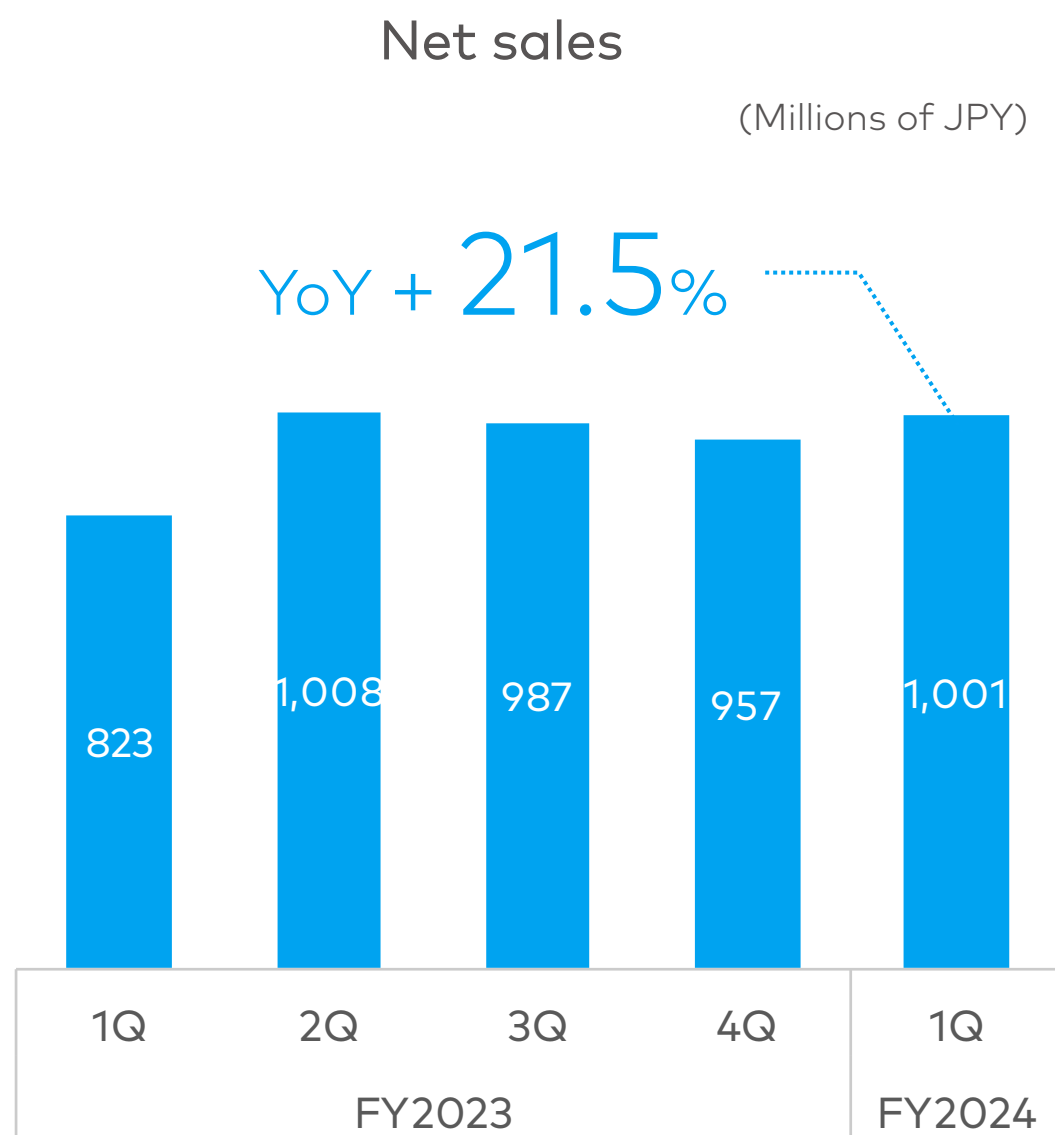


Cultivating industries and occupations that were not traditionally main targets, aiming to expand customer base

Progress on Strategy

Sales up 21.6% YoY with expansion of transactions with major partners. Strengthening sales organization and developing new business

Updating system infrastructure, including company interface, as necessary for business scale expansion



* Classification based on our internal standards

Develop New Services Utilizing Existing Assets

- | Developing system to provide broader career support to strengthen Tenshoku Draft's market position
- | Strengthening of recruitment service and held exclusive high-class events in 1Q

□ Current situation □ FY2024 and beyond

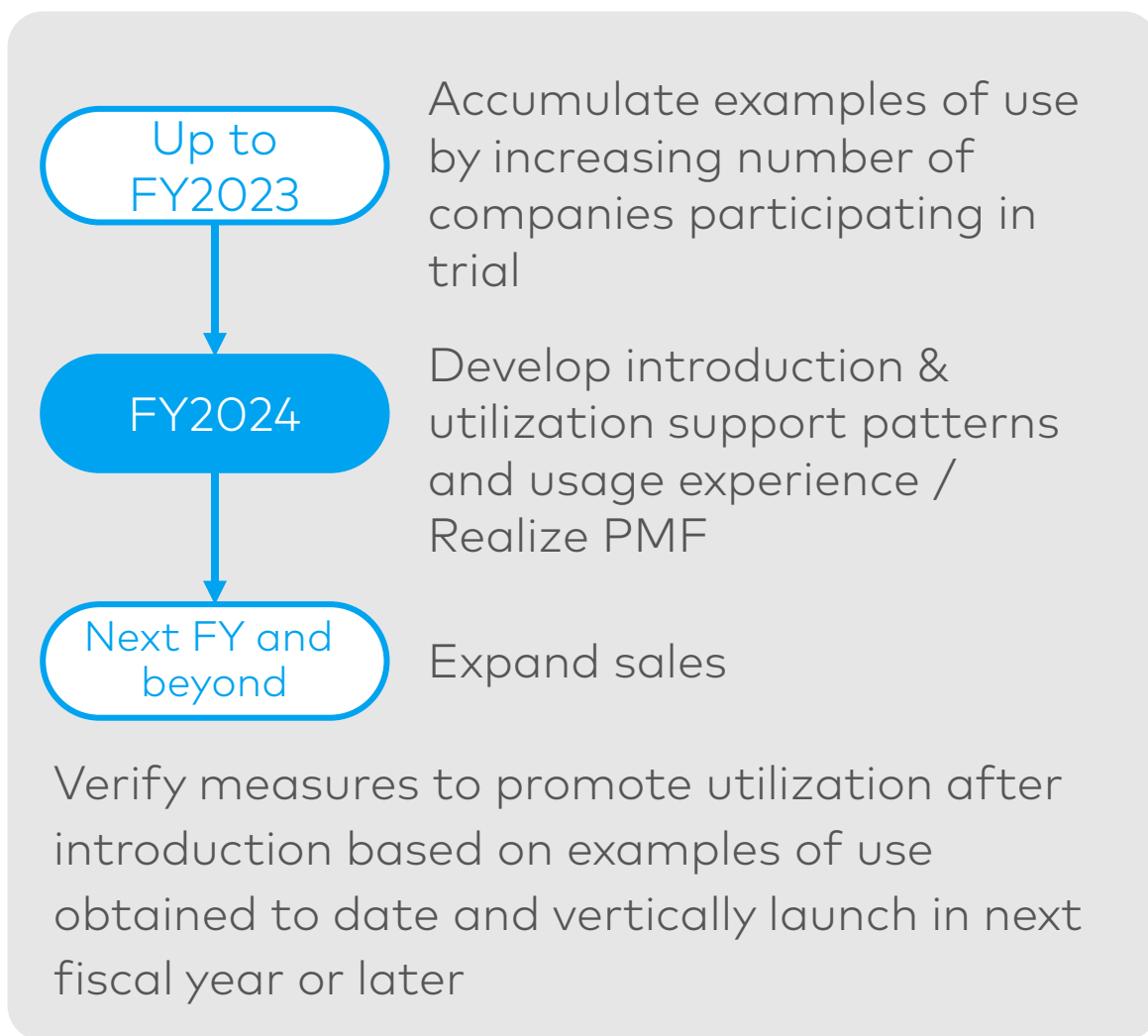
Increasing options will help recruit job seekers who have not previously been hired



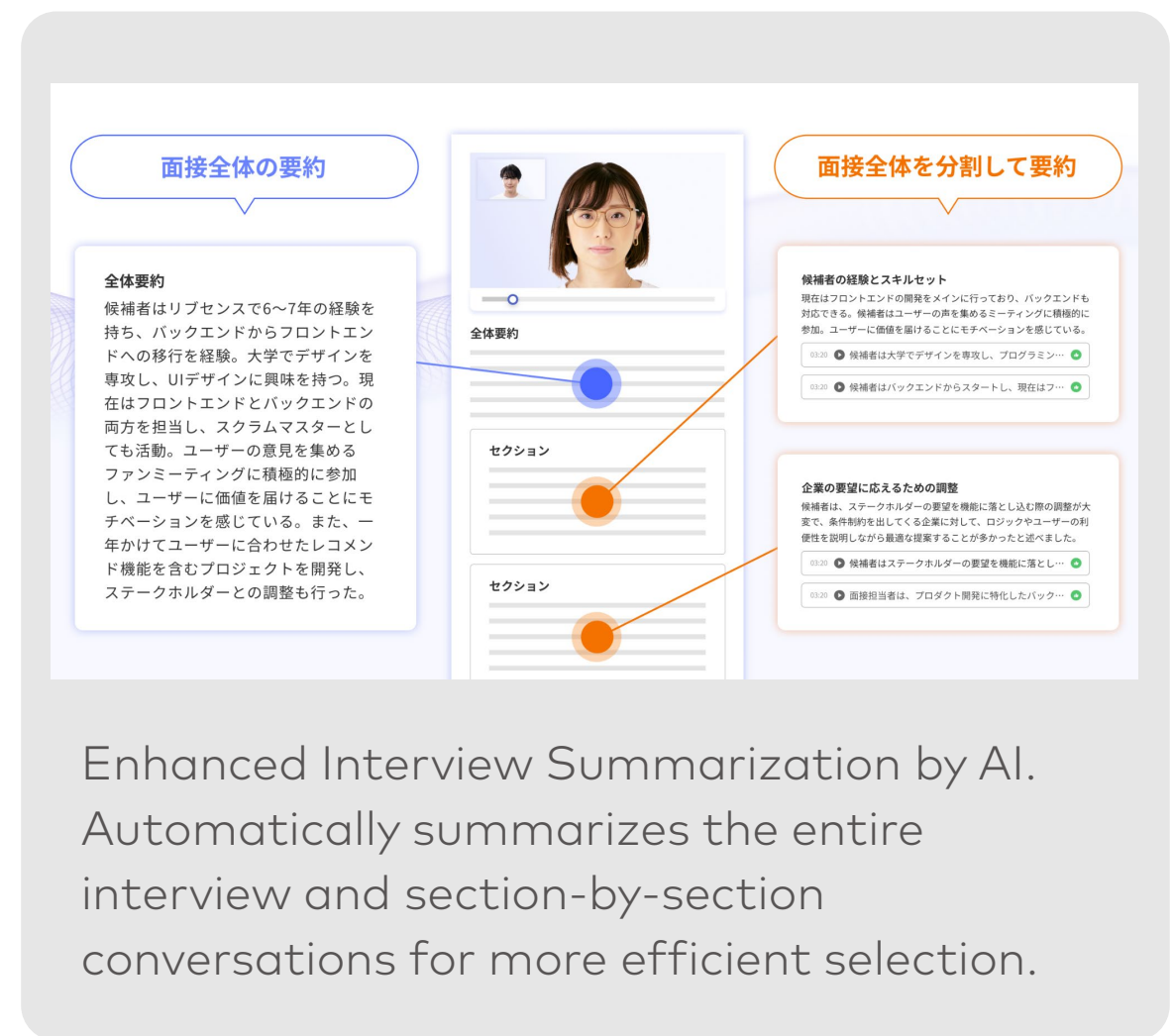
Implement PMF for knew and batonn

- | Build patterns and usage experiences of introduction and utilization support in batton based on examples of use accumulated in the previous fiscal year for future vertical launch
- | Release a function for summarizing entire interviews to improve UX

Progress and outlook on verification

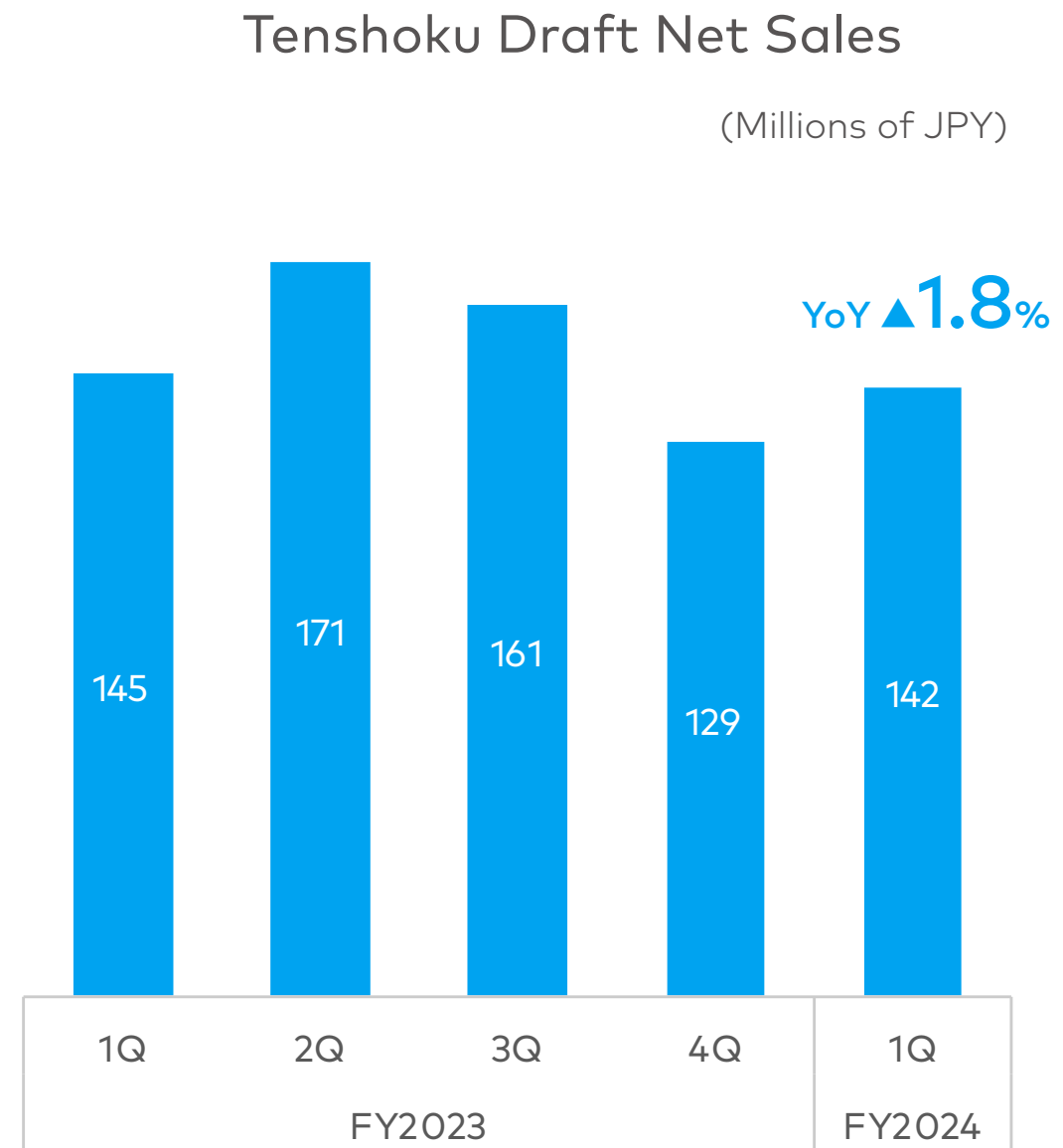
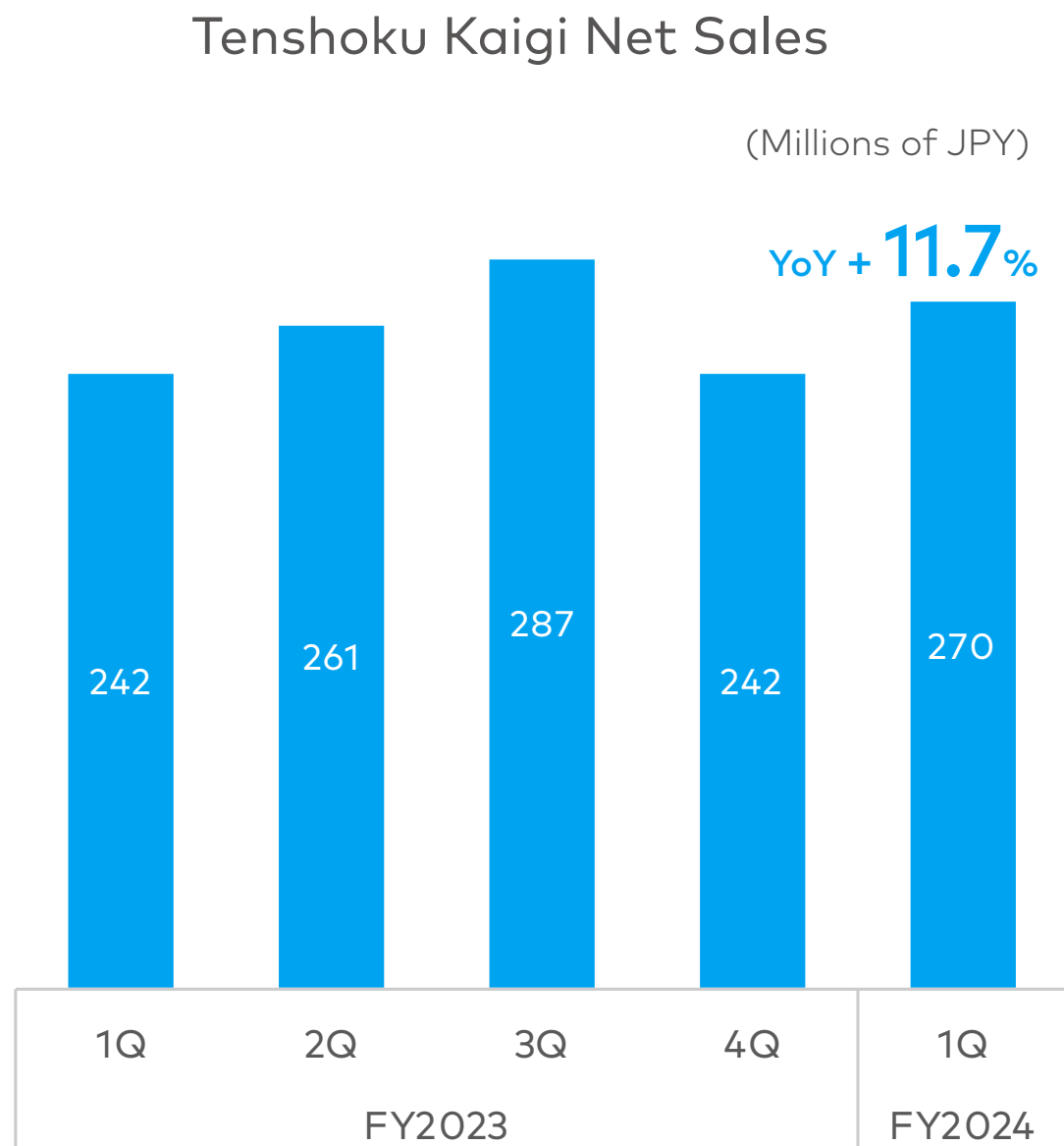


Summarize entire interview using AI



Current Situation in Main Businesses

- | Tenshoku Kaigi sales up YoY owing to budget increases by partners and increased Review Pass sales
- | Tenshoku Draft sales flat YoY but recovered QoQ



Introduction of Liveshare Restricted Stock Compensation System

Introduced with the aim of improving employee engagement. Features include ability to continue to hold shares after retirement and eligibility of all employees

Overview of system

	Granted upon joining the Company	Granted annually
Eligibility	All employees*1	All full-time employees above a certain rank and position
Number of shares granted	Equivalent to around 150,000 yen*2	Granted according to the previous year's performance and rank/position*3
Timing	Upon joining the Company	Once a year
Transfer restriction period	Approx. 5 years	
Handling upon retirement	Continued holding	

Overview of disposal

Payment date	May 29, 2024
Number and type of shares	90,600 ordinary shares of the Company
Disposal price	234 yen per share
Total amount of disposal	21,200,400 yen
Allottee(s)	151 of the Company's employees (including executive officers who are employees): 90,600 shares

*1. Applies to indefinite-term full-time employees regardless of work location, job duties, or work hours.

*2. A unit of shares equivalent to around 150,000 yen is granted based on the share price on the day before the resolution date.

*3. The previous year's operating income multiplied by a certain coefficient (1-10%) is used as the basis, and the amount is granted according to rank and position.

3. Appendix

Origin of the company name / Business Philosophy

18

| Origin of the company name

LIVE + SENSE

| Business Philosophy

Happiness Begetting
Happiness.

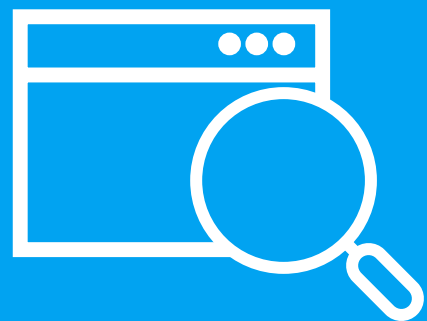
| Corporate Vision

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

System Innovation through DX

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.

High Transparency

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



User
information volume



Realize fair trade
by ensuring
equal information
for both sides



Company
information volume

Business Examples



Provides reviews of more than 200,000 companies and visualizes working conditions at companies to deliver optimal support for job changes.



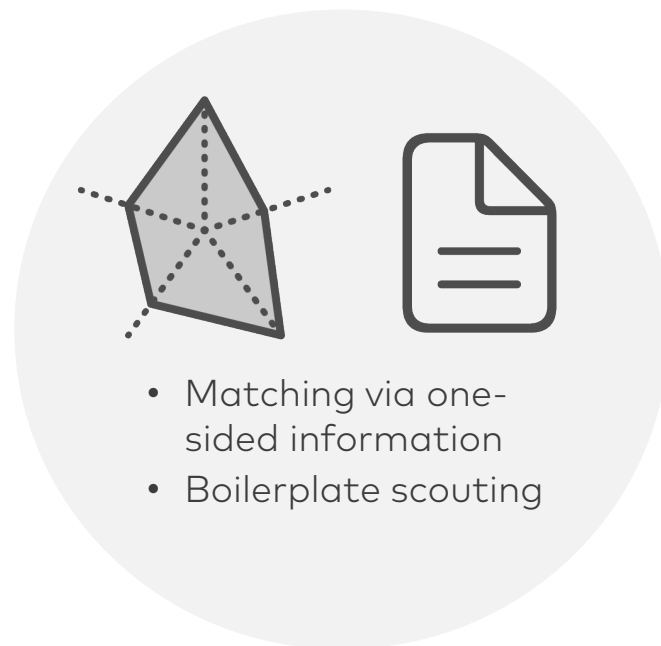
Promotes fairness in job changes through a system that shows annual income and position before selection.



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

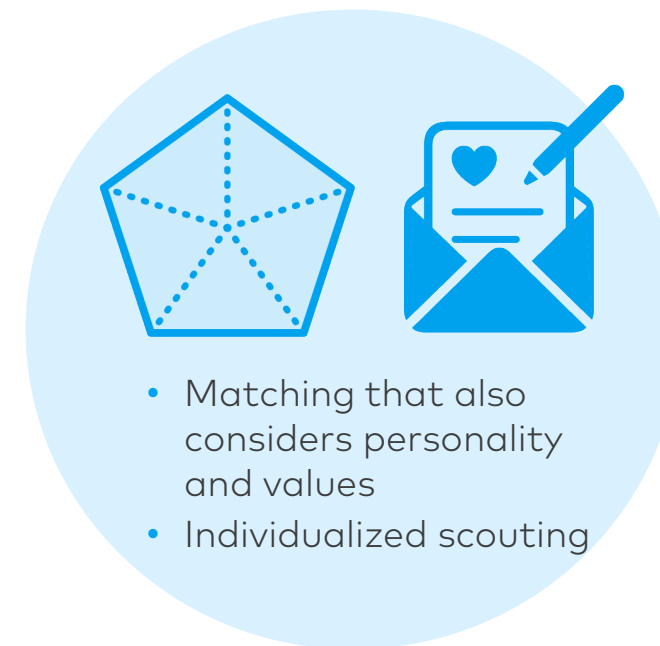
Respect for People

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



Overly mechanical matching

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



Personalized matching

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

Business Examples



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



Partners are proposed based on the entered preferences, making it possible to match users according to overall preferences.

3. Appendix

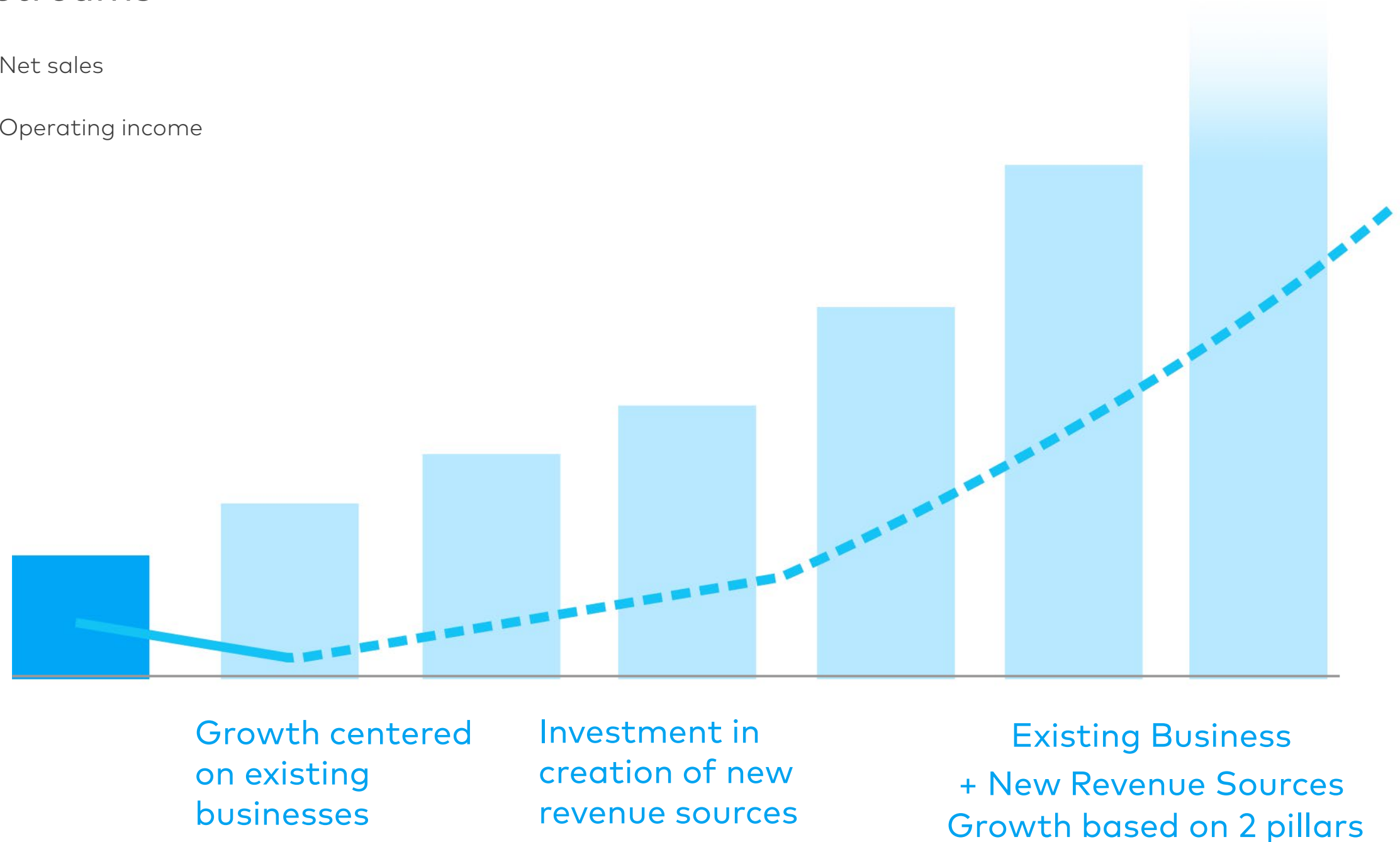
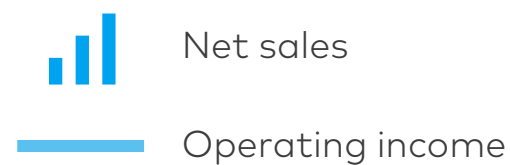
Corporate Philosophy

3. Appendix

FY2024 Policy

Medium-to Long-term Vision

- | Achieve growth centered on existing businesses in short term. Actively invest in creating new revenue streams at same time
- | Expand both sales and profit in medium term by adding growth from new revenue streams



| Company-wide Policy

Investment in strengthening the foundation and creating new revenue streams to achieve sustainable growth

Focus ①

Strengthening investment to accelerate Machbaito growth

- Expand sales system to promote growth strategy
- Promote system infrastructure development and UX improvements to accelerate growth next fiscal year and beyond

Focus ②

Creating new revenue streams

- Develop new products and services utilizing existing assets
- Realize PMF quickly in knew and batonn

Growth Strategy

Promoting expansion of transactions with new customer groups in addition to initiatives from FY2023

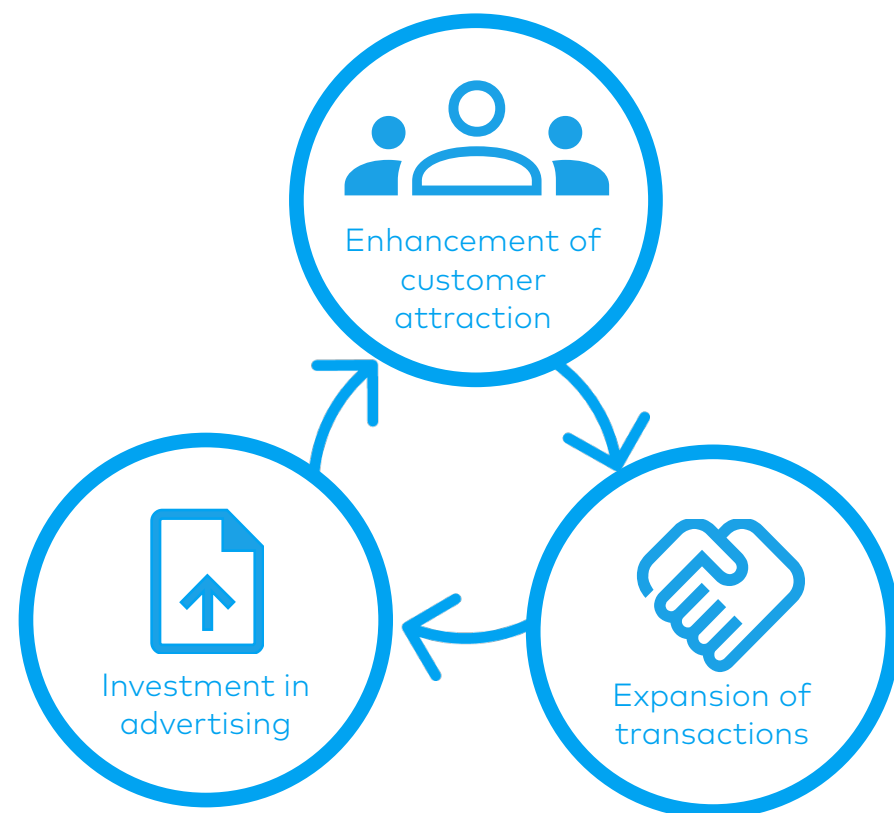
Strengthen sales system and work on accelerating growth

 ... New Initiatives for FY2024



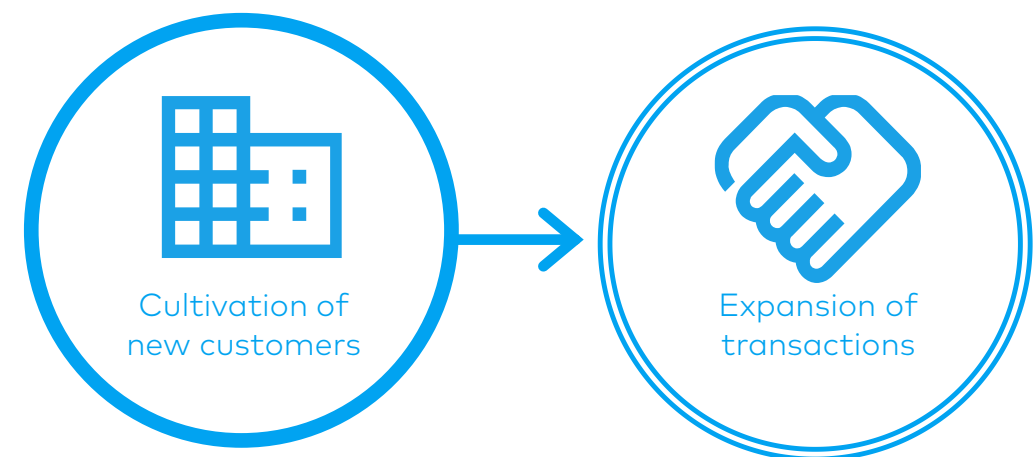
Accelerating Growth by Strengthening Sales Structure

Expansion of transactions with major customers



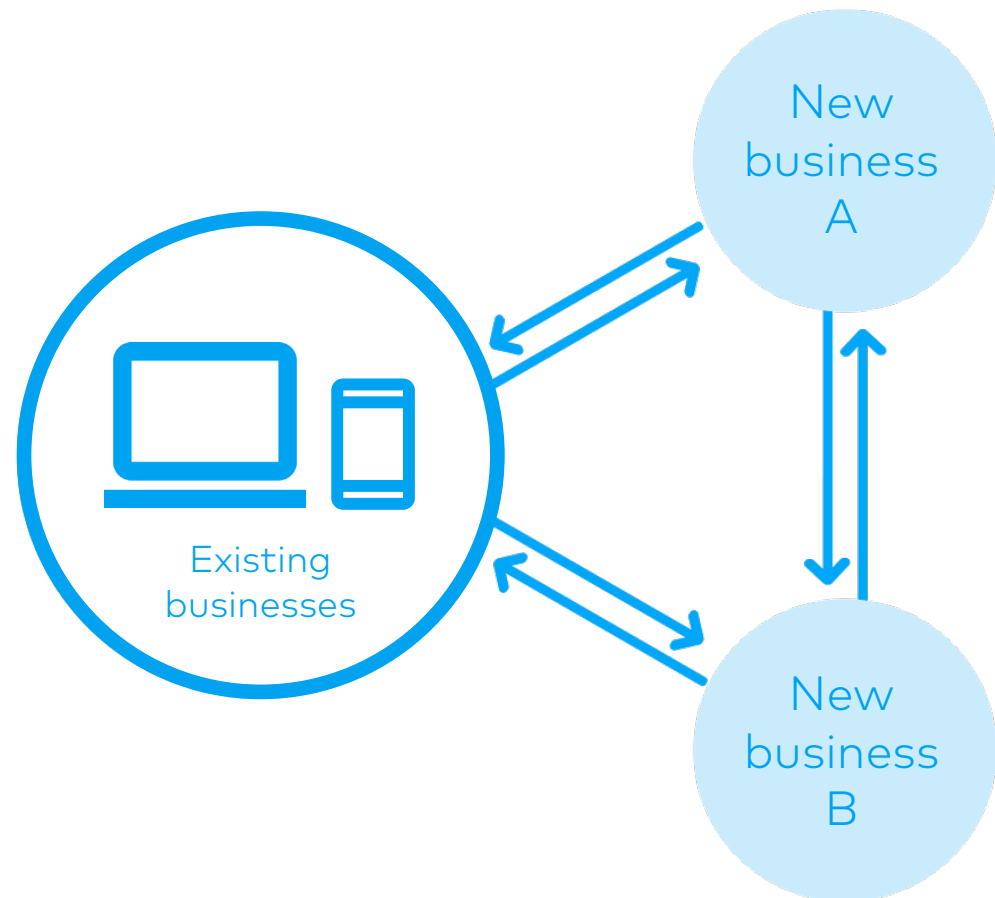
Earning trust from customers by increasing number of applications in advance. Aiming for sustainable growth by using revenue from transaction expansion in business investments

Cultivation of new customers



Cultivating industries and occupations that were not traditionally main targets, aiming to expand customer base

| Create products and businesses that will become new revenue streams based on two perspectives



Create revenue streams linked to existing businesses

Develop new products and services utilizing strengths and assets of existing businesses. Generate new revenue and strengthen business foundation through synergy such as expanded customer contact and higher barriers to entry

knew batonn

Create new businesses

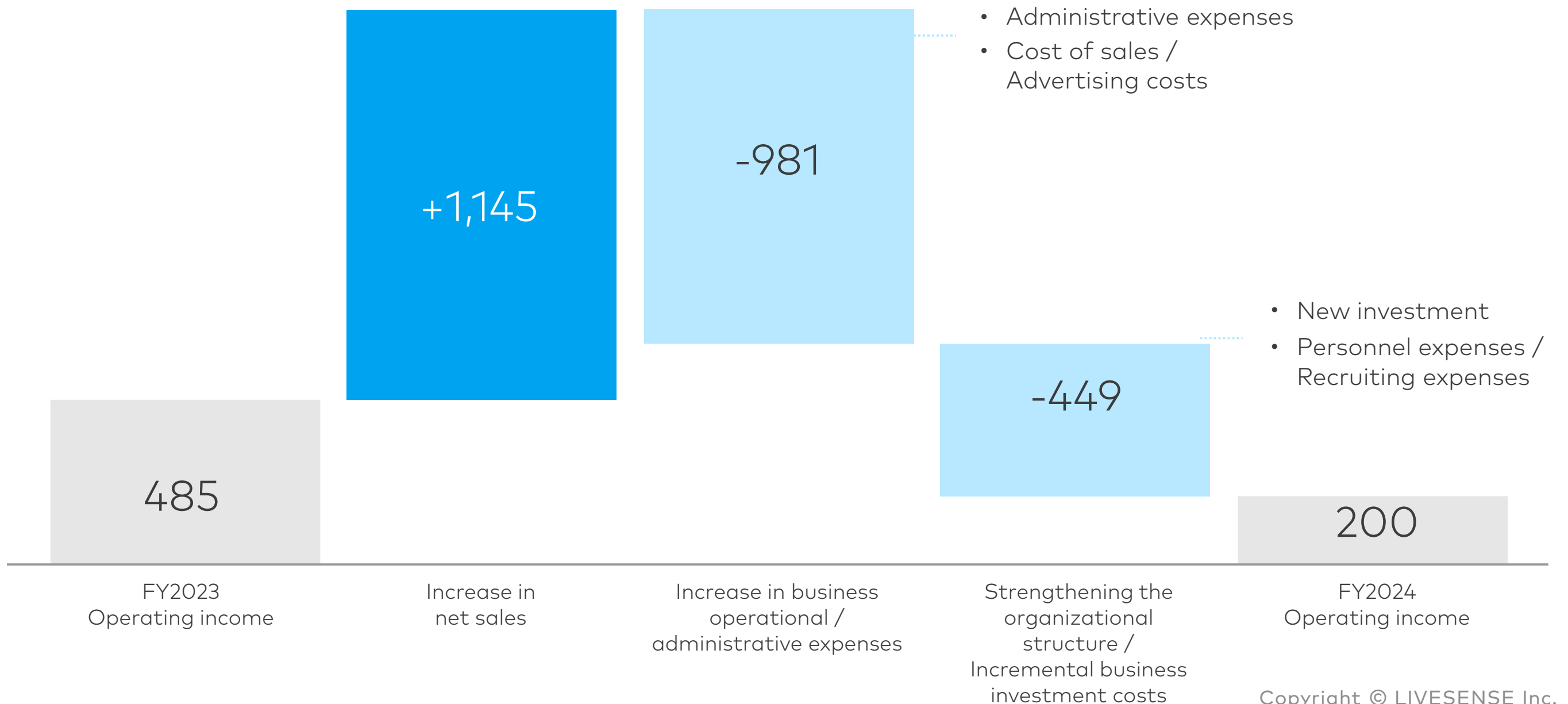
Create new businesses not confined to existing business domains. Recent focus is on achieving PMF quickly in *knew* and *batonn*, which are under verification

Operating Income Forecast

| Cost of sales and advertising costs increase in tandem with sales growth

| Expect to increase spending by approximately 450 million yen due to strengthening organizational structure and business investment

(Millions of JPY)



Financial Forecasts for FY2024

- | Increase in sales to be driven by Machbaito. Operating income to drop with increase in expenses and new investment
- | Scale of investment may vary depending on business opportunities, progress on verification, etc.

(Millions of JPY)

	FY23 (A)	FY24 forecast (B)	YoY	Amount of change (B-A)
Net Sales	5,654	6,800	+20.3%	+1,145
Operating Income	485	200	-58.8%	- 285
Ordinary Income	649	360	-44.6%	- 289
Profit attributable to owners of parent	716	350	-51.1%	- 366

3. Appendix

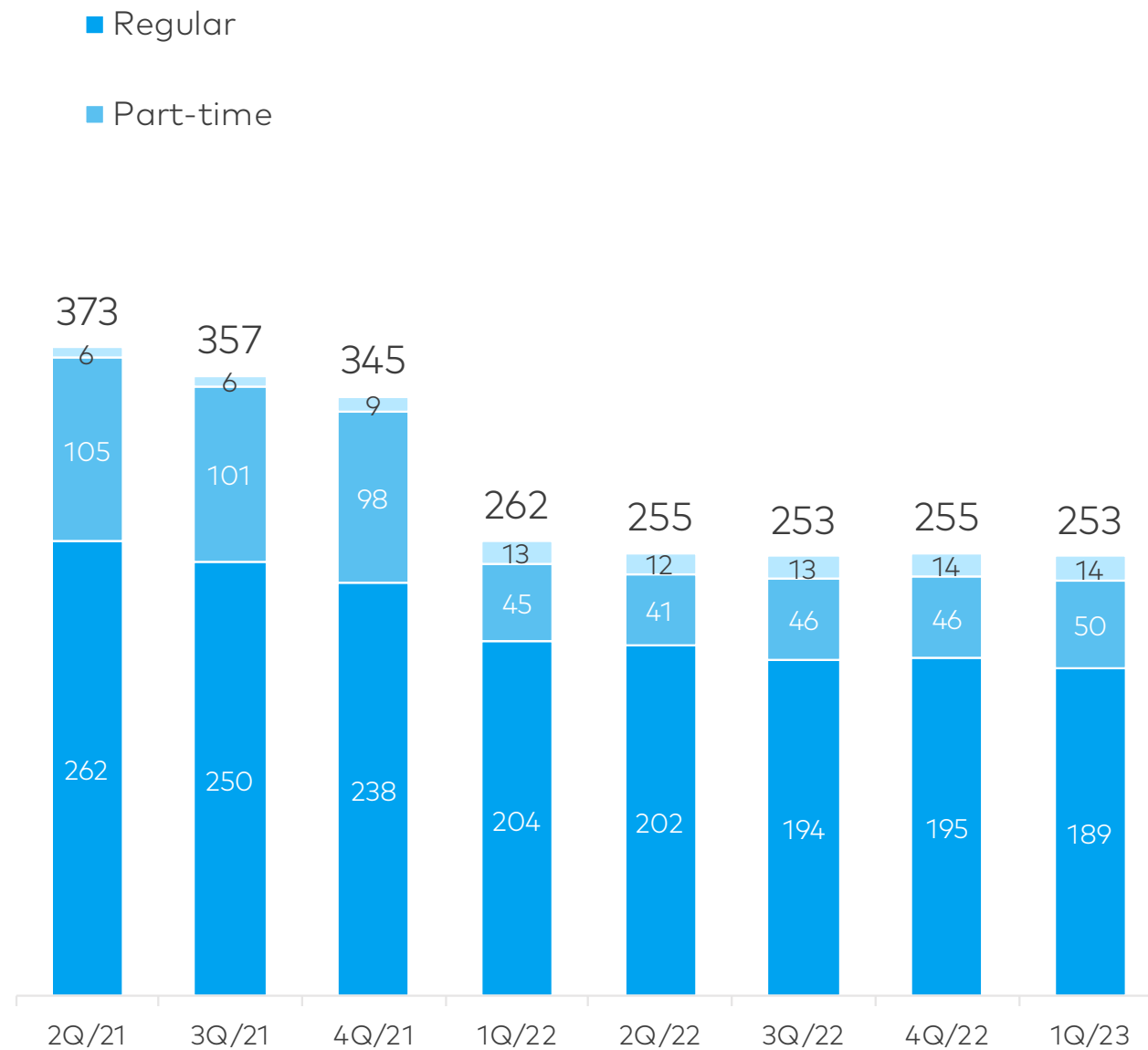
Corporate Profile

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
Listing Market	Tokyo Stock Exchange Prime Market (Securities code: 6054)
Number of Employees (Non-Consolidated)	Full-Time: 211 (as of March 31, 2024) *Aggregation criteria changed from the first quarter of FY2024.
Consolidated Subsidiaries	PHIL LIFE Inc.

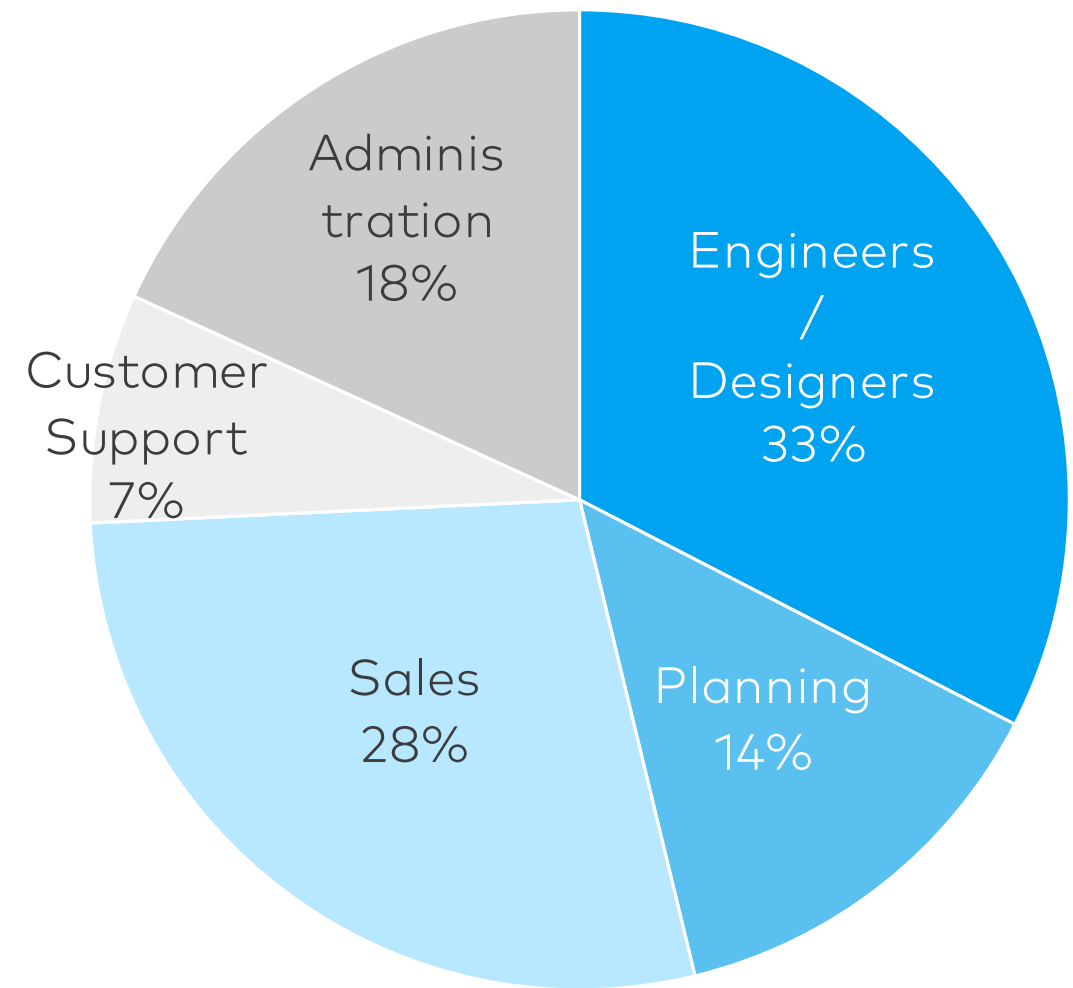
No. of Employees (Consolidated)

(People)



*Aggregation standards have been changed from the first quarter of FY2024. The number of employees in the past has been retroactively adjusted.

Breakdown of Full-time Employees



*Change in job classification from the first quarter of FY2024
 *Only for non-consolidated and head office regular employees
 Full-time regular employees are mainly responsible for customer support and sales.



LIVENSENSE

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.