

# Financial Results Briefing Materials

for the First Quarter of the Fiscal Year Ending December 31, 2025

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May 13, 2025

KINJIRO CO., LTD.

**Note:** This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

# **1. Consolidated Financial Results**

for the First Quarter of the Fiscal Year Ending December 31, 2025 (FY2025)

# **2. Revised Plan**

for the Fiscal Year Ending December 31, 2025 (FY2025)

# **3. Progress on Our Mid-Term Management Plan**

# **4. Topics**

# **1. Consolidated Financial Results**

**for the First Quarter of the Fiscal Year Ending December 31, 2025 (FY2025)**

## **2. Revised Plan**

**for the Fiscal Year Ending December 31, 2025 (FY2025)**

## **3. Progress on Our Mid-Term Management Plan**

## **4. Topics**

# Summary of Consolidated Financial Results for the First Quarter of FY2025

■ Growth in the HRM Business accelerated, strongly driving growth

In the Cloud Business, acquisition of cloud license contracts progressed steadily  
The On-Premises Business also grew due to ongoing higher-than-expected demand

**As a result, net sales and all profits grew higher than initially projected, leading to an upward revision to the initial plans for the first half and the full year**

(Unit: Million yen)

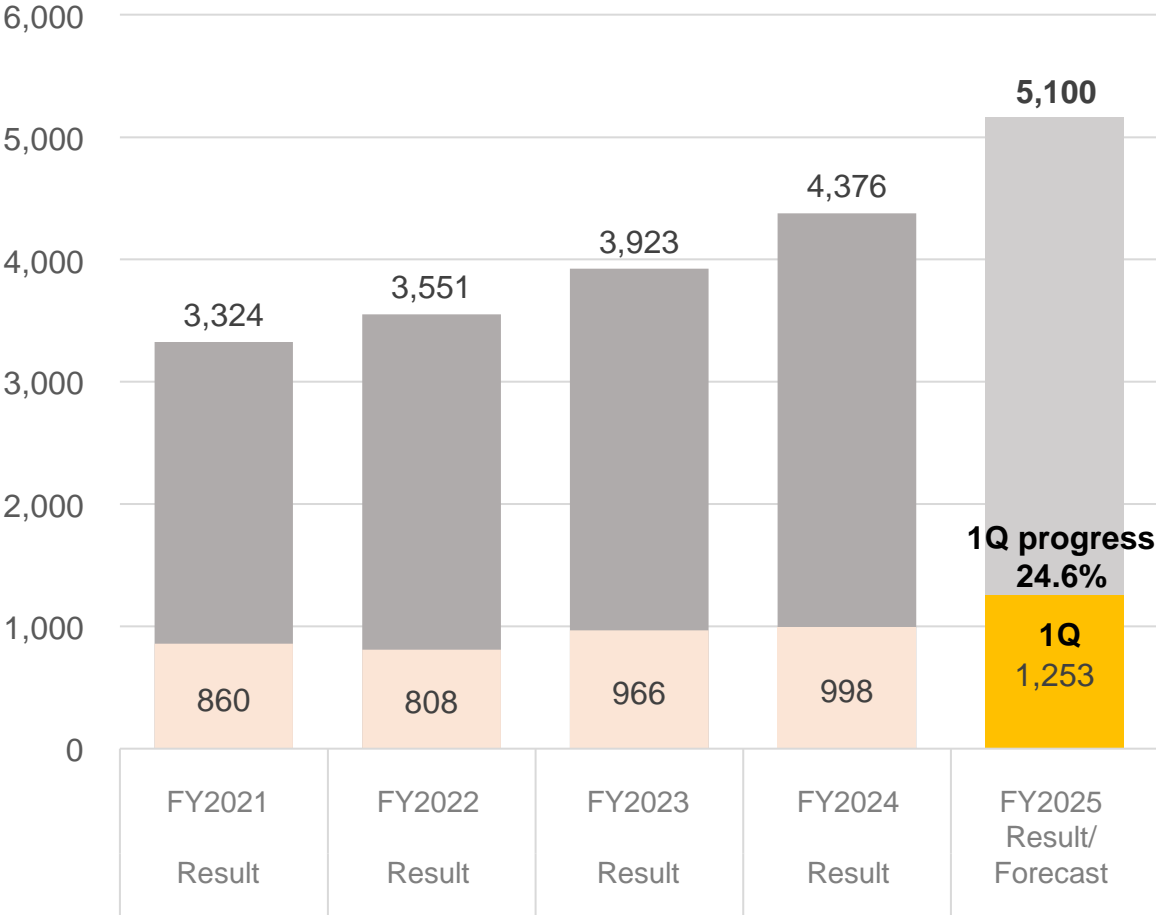
	FY2024 1Q results	FY2025 1Q results	YoY change (%)	FY2025 1H forecast	Achievement rate against FY2025 1H forecast
Net sales	998	1,253	+26%	2,500	50%
Operating profit	126	350	+178%	557	63%
Ordinary profit	125	349	+179%	553	63%
Profit	83	233	+180%	360	65%

\*The revised FY2025 full-year forecast was released on May 13, 2025.

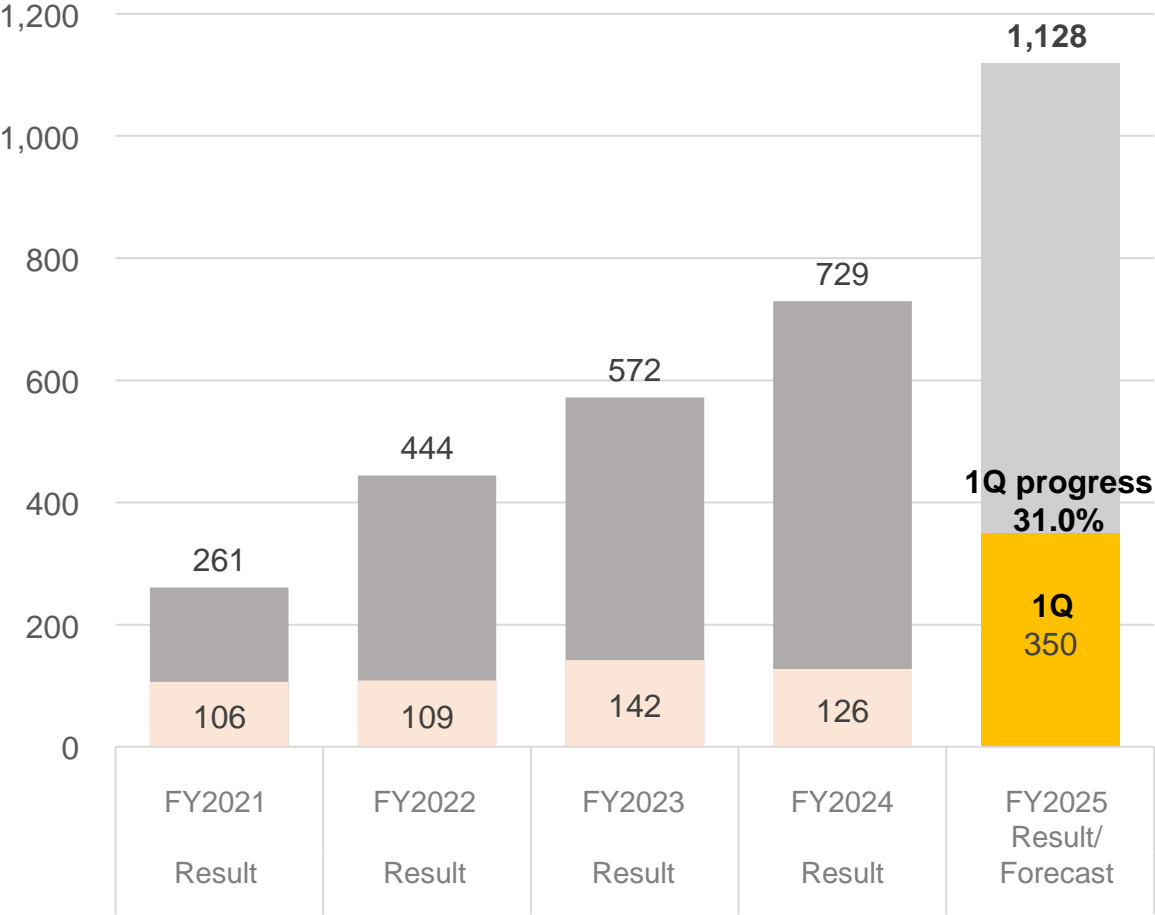
# Trends in Consolidated Financial Results for the First Quarter of FY2025

■ Progress rates for the first quarter against the full-year plan were 24.6% for net sales and 31.0% for operating profit, showing year-on-year improvement.

Net sales (Unit: Million yen)



Operating profit (Unit: Million yen)



\*The revised FY2025 full-year forecast was released on May 13, 2025.

# YoY Changes in Net Sales by Business Segment

■ The Cloud Business as a whole grew significantly by 41% YoY.

(Unit: Million yen)

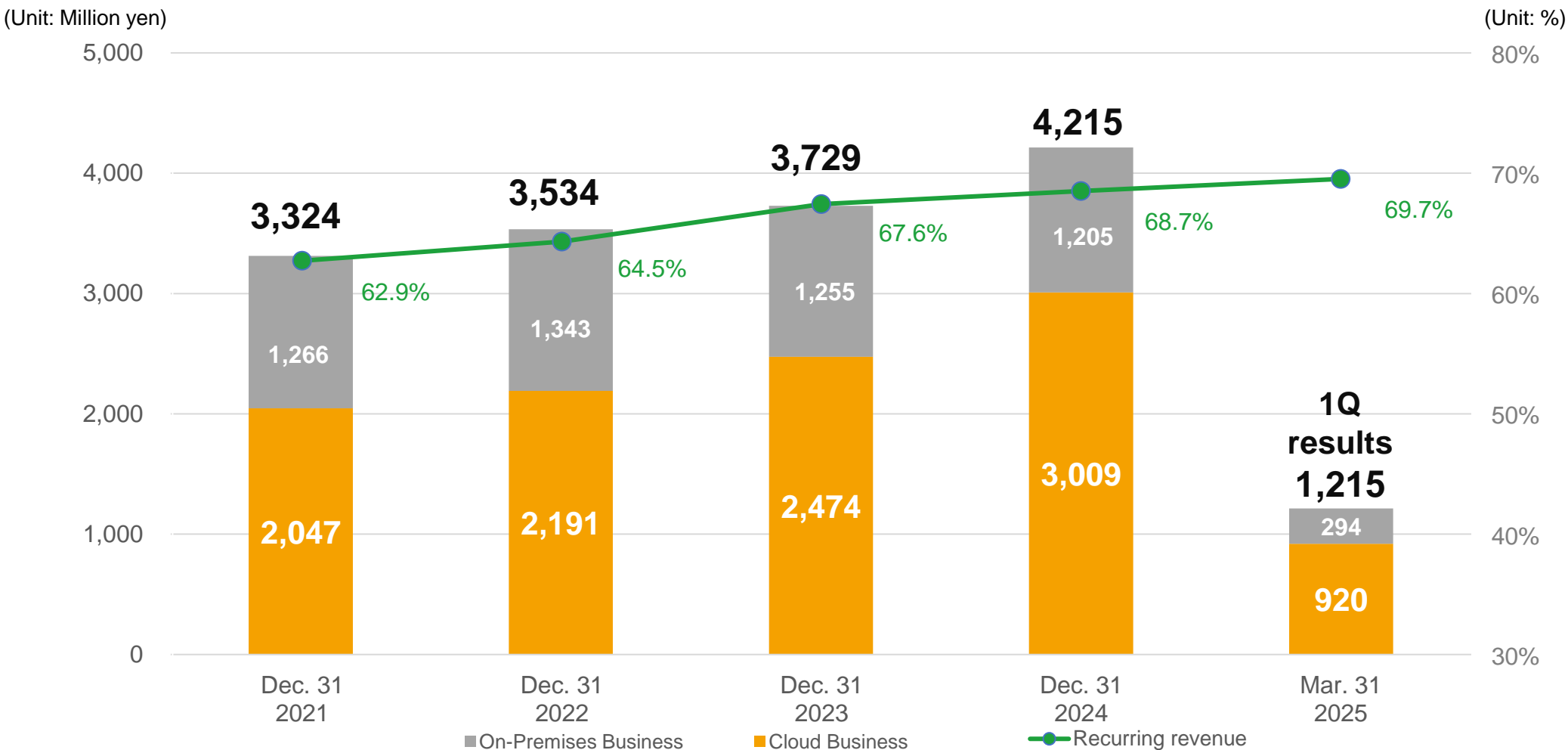
Business segment		Sales segment	FY2024	FY2025	YoY changes	
			1Q results	1Q results	(%)	
Net sales	HRM Business	Cloud Business	Cloud License	515	701	+36%
			Cloud Consultation Support	105	157	+49%
			Others	31	61	+97%
			Subtotal	652	920	+41%
		On-Premises Business	Premium Support	144	140	-3%
			Software Products	88	96	+9%
			Software Consultation Support	44	38	14%
			Employment Information Device	21	20	-4%
		Subtotal	298	294	-1%	
		Total		950	1,215	+28%
*Recurring Revenue		665	847	+27%		
Real Estate Rental Business		48	37	-23%		
Total		998	1,253	+26%		

\*Includes revenue from cloud licensing, premium support, and other services.

# Transition to a Cloud Company

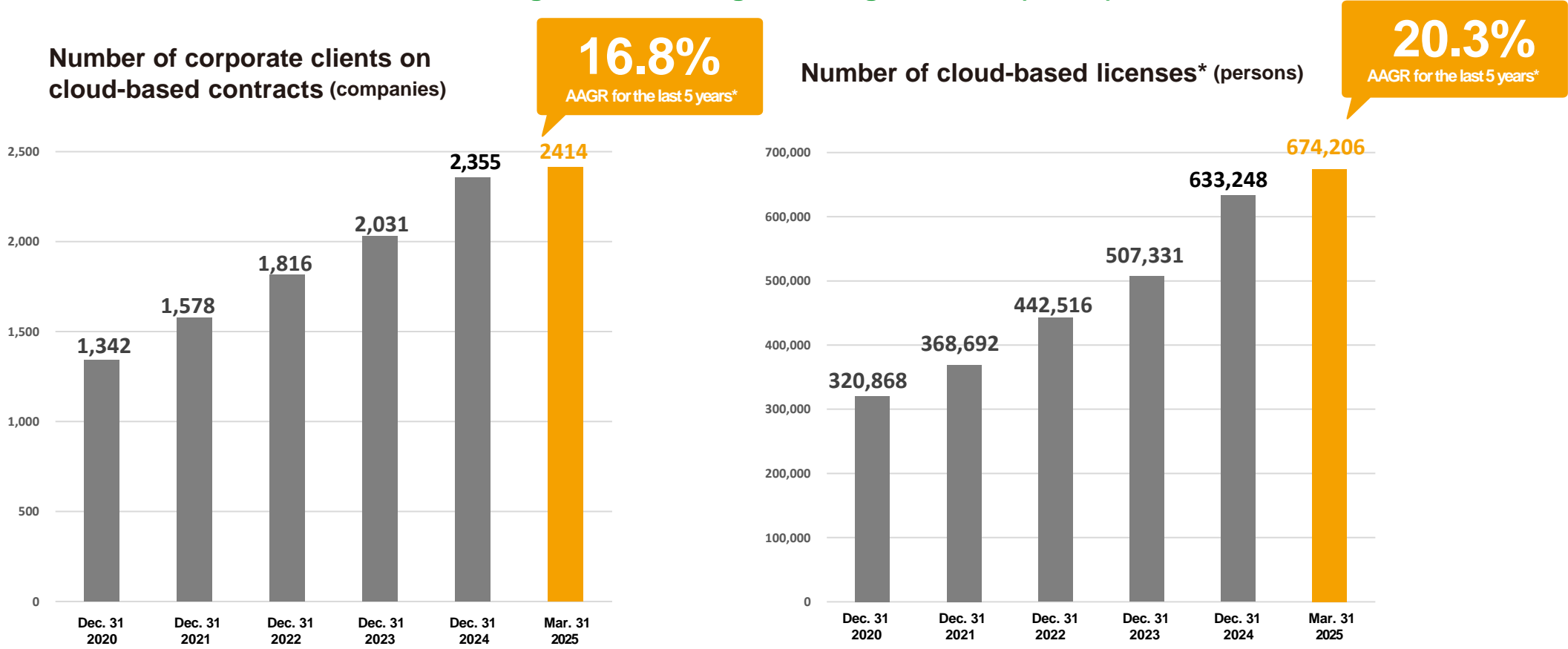
## ■ Trend in the HRM Business

- The ratio of net sales of the Cloud Business to total net sales significantly grew; 61.6% in FY2021 to 75.7% in FY2025 1Q.
- Recurring revenue ratio, which represents stable income, also increased from 62.9% in FY2021 to 69.7% in FY2025 1Q.



# Number of Corporate Clients on Contract and Number of Licenses

■ Growth in the number of licenses remains strong, with an average annual growth rate (AAGR) of 20.3%.



\*The number of licenses for each employee at a corporate client is counted as one, even where the employee uses multiple services (Recruitment, HR, Salary, Health & Productivity Management).

## ARPU trend

ARPU	June 2023	September 2023	December 2023	March 2024	June 2024	September 2024	December 2024	March 2025
Enterprise	351 yen	353 yen	352 yen	351 yen	370 yen	379 yen	389 yen	395 yen

\*AAGR for the last 5 years is calculated for the period from April 2020 to March 2025.



# Cloud-Based Contract Cancellation Rate

■ The average rate of cloud-based contracts cancelled per month remains low at 0.25%.

Cloud-based contract cancellation rate\*



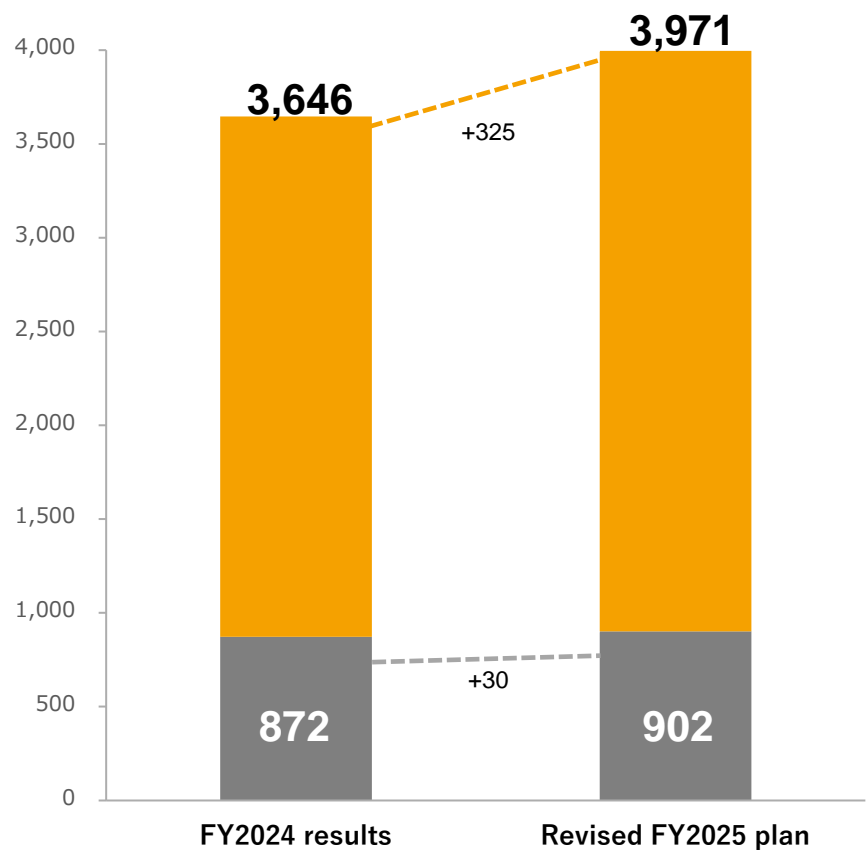
\*The monthly average cancellation rate is calculated by dividing revenue from customers who cancelled their contracts in the current month by revenue from total customers in the previous month.

# Cost Structure

## ■ Cost structure for the first quarter of the fiscal year ending December 31, 2025

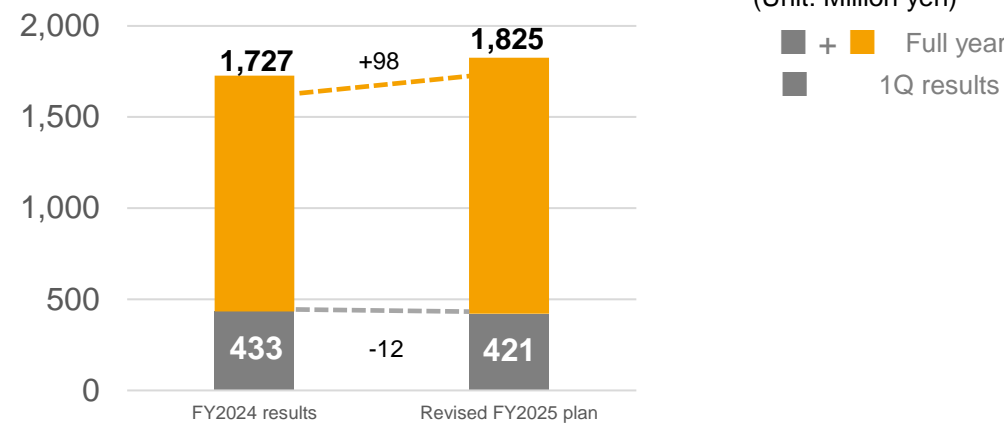
- The YoY cost rose by +30 million yen due to upfront investments for Cloud Business expansion (expenses for Cloud Business) and increases in amortization of software and other expenses.

Expenses trend (consolidated)

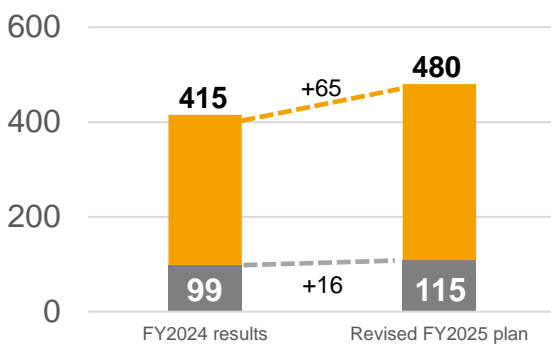


\*The revised FY2025 full-year forecast was released on May 13, 2025.

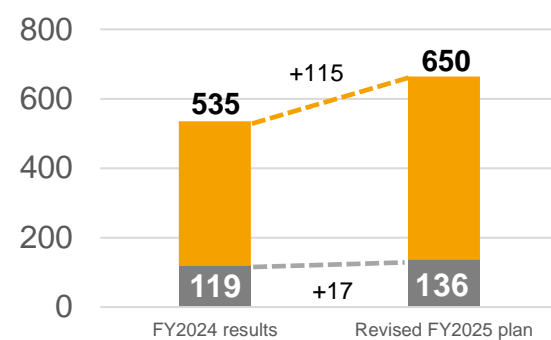
Personnel expenses



Expenses for Cloud Business



Amortization of software



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# Summary of Revised Plan for FY2025

■ We will continue to expand our business with the Cloud Business as a growth driver.

- We plan to grow net sales by 17%, operating profit by 55%, and profit by 55% year on year.

(Unit: Million yen)

	FY2024 Results	Revised FY2025 Plans	YoY changes
Net sales	4,376	5,100	+17%
Operating profit	729	1,128	+55%
Ordinary profit	733	1,106	+51%
Profit	461	715	+55%

\*The revised FY2025 full-year forecast was released on May 13, 2025.

# Revised FY2025 Plan (Net Sales)

■ We will continue to accelerate the growth of the Cloud Business.

\*Includes revenue from cloud licensing, premium support, and other services.

(Unit: Million yen)

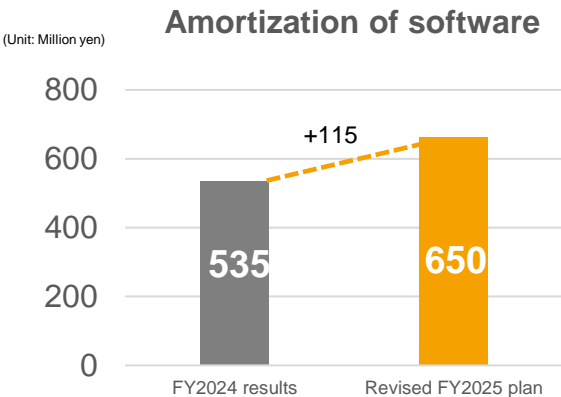
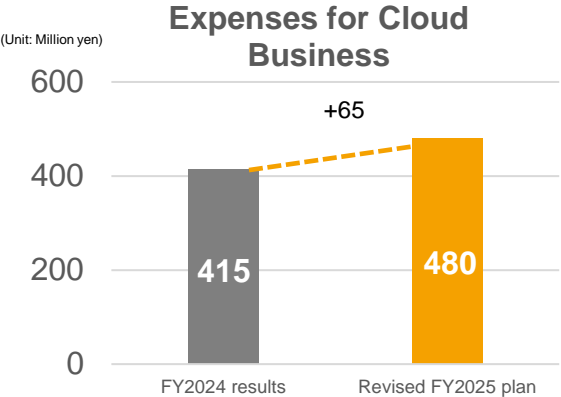
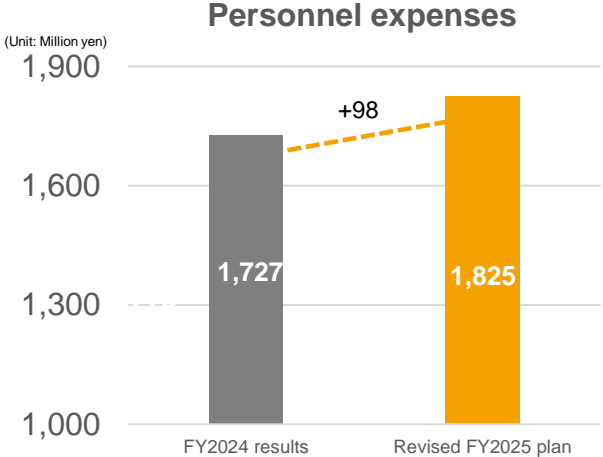
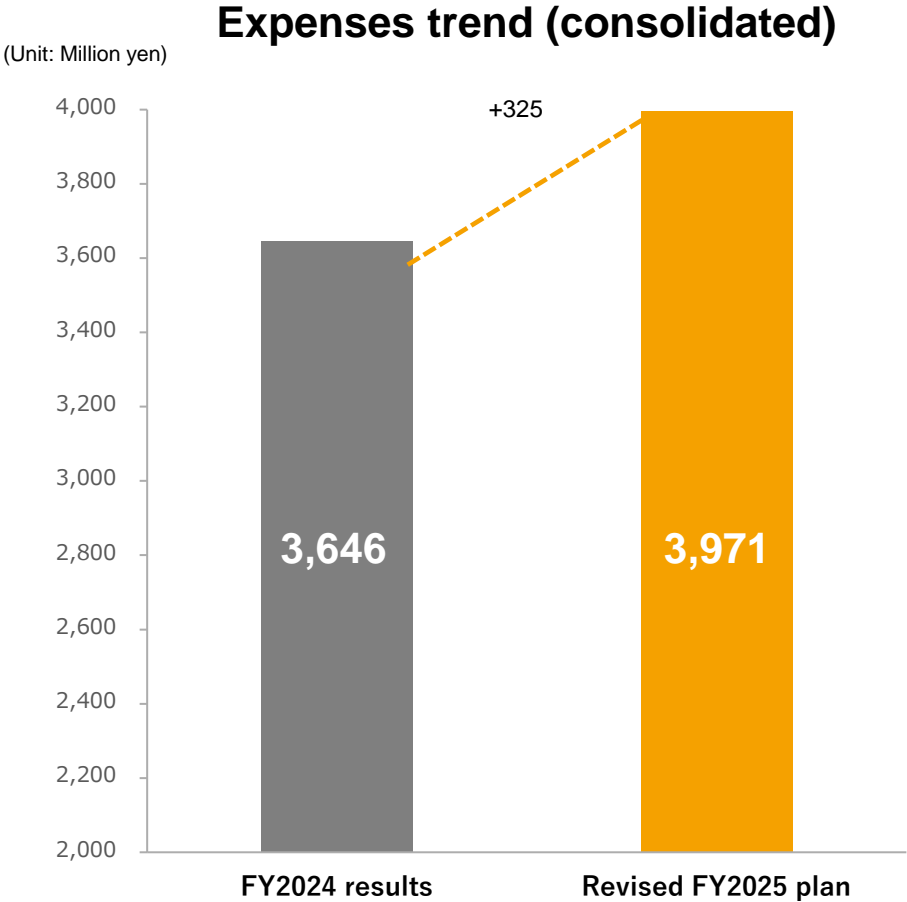
Business segment		Sales segment		FY2024	Revised	YoY changes
				Full-year results	FY2025 Plans	(%)
Net sales	HRM Business	Cloud Business	Cloud License	2,301	3,083	+34%
			Cloud Consultation Support	540	599	+11%
			Others	167	177	+6%
			Subtotal	3,009	3,860	+28%
		On-Premises Business	Premium Support	572	543	-4%
			Software Products	389	337	-13%
			Software Consultation Support	149	142	-4%
			Employment Information Device	94	65	-31%
		Subtotal	1,205	1,088	-10%	
		Total			4,215	4,949
*Recurring Revenue			2,897	3,652	+26%	
Real Estate Rental Business			161	150	-7%	
Total			4,376	5,100	+17%	

\*The revised FY2025 full-year forecast was released on May 13, 2025.

# Revised FY2025 Plan (Cost)

## ■ Cost structure for FY2025

- We expect an increase in personnel expenses primarily due to increases in salaries in addition to an increase in upfront investments for Cloud Business expansion (expenses for Cloud Business and amortization of software and other expenses).



\*The revised FY2025 full-year forecast was released on May 13, 2025.

# Shareholder Returns

## ■ Basic policy

We recognize shareholder returns as a key management priority and distribute dividends while taking into consideration internal reserves necessary for future business development and financial reinforcement.

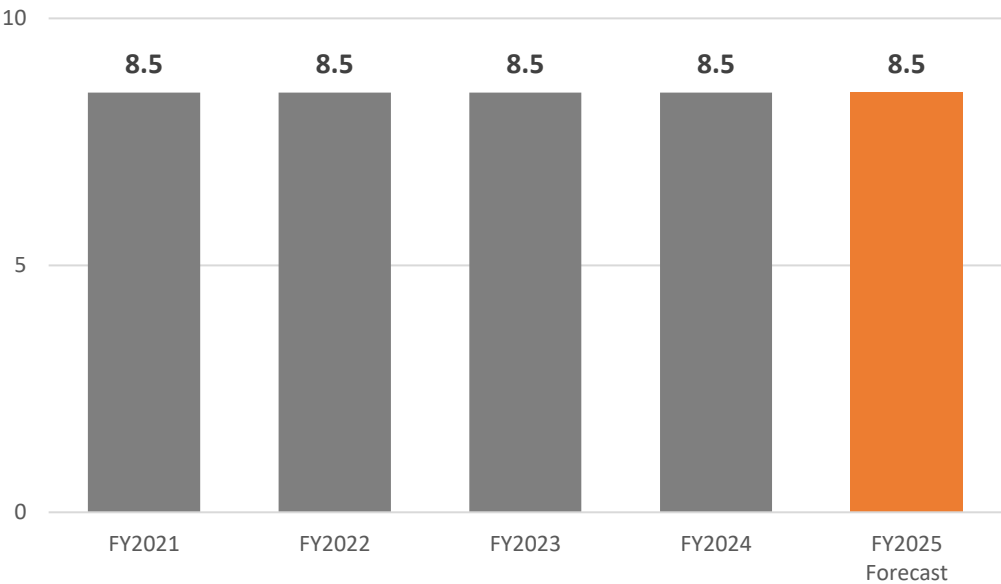
We effectively utilize internal reserves to invest in internal systems, recruit talent that will contribute to future growth, and fund advertising spending to ultimately increase competitiveness and profitability while working to enhance financial stability to strengthen our corporate structure.

Stock-related measures we took in the past:

Time	Description
October 2020	Was listed on the Mothers Market of the Tokyo Stock Exchange
July–October 2021	Conducted share buybacks (517,500 shares)
September 2021	Chose to be listed on the Growth Market of the Tokyo Stock Exchange
February 2022	Introduced a restricted stock program for directors
July 2024	Conducted a 2-for-1 stock split

## ■ Dividend Trends

(Unit: Yen)



\*The figures in the graph reflect the stock split conducted in July 2024.

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# Mid-Term Management Plan

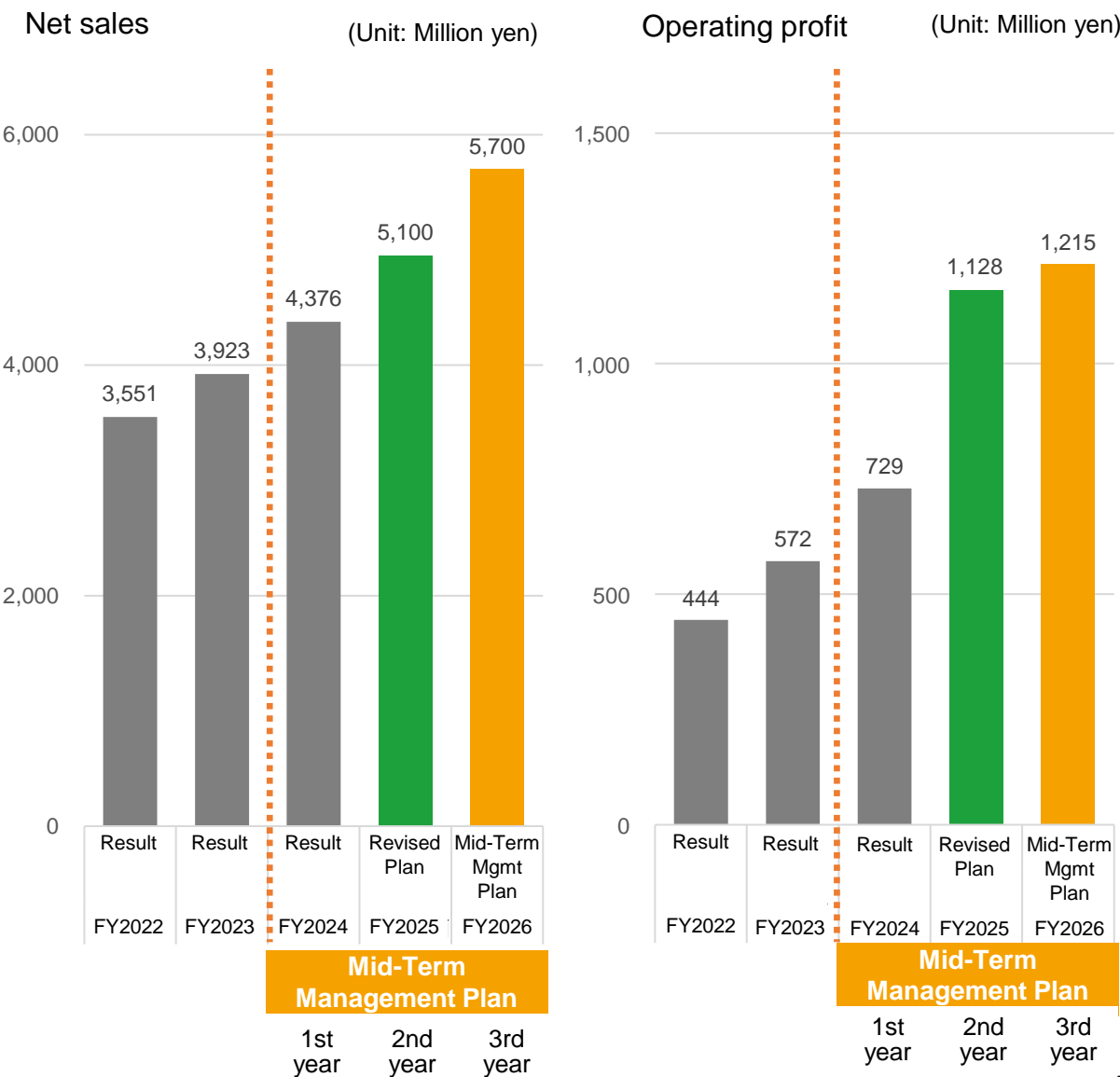
## Targeted Management Metrics

- We plan to increase upfront investments such as product development to accelerate the growth of the Cloud Business.
- Increases in amortization of software associated with product development are forecasted to slow down compared with FY2024 from FY2025 onward.
- Expenses for cloud facility are projected to rise from FY2025 onward in conjunction with efforts to achieve target of 1 million cloud licenses in FY2027 or later.

(Unit: Million yen)

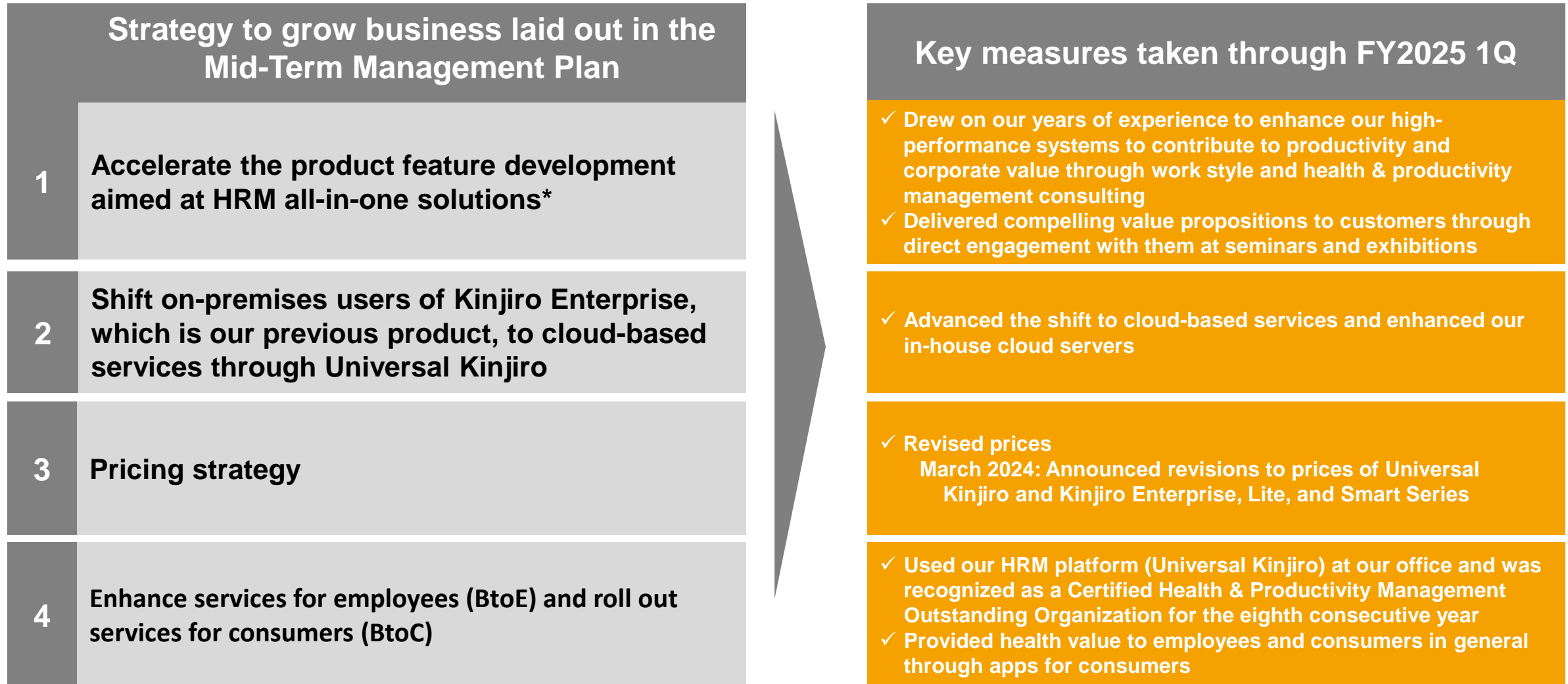
	FY2022	FY2023	FY2024	FY2025	FY2026
	Results	Results	Results	Revised Plan	Mid-Term Mgmt Plan
Net sales	3,551	3,923	4,376	5,100	5,700
Operating profit	444	572	729	1,128	1,215
Operating profit margin	12.5	14.6	16.7	22.1	19.3

\*The revised FY2025 full-year forecast was released on May 13, 2025.



# Mid-Term Management Plan

## ■ Business strategy: Increase recurring revenue with the Cloud Business as a growth driver

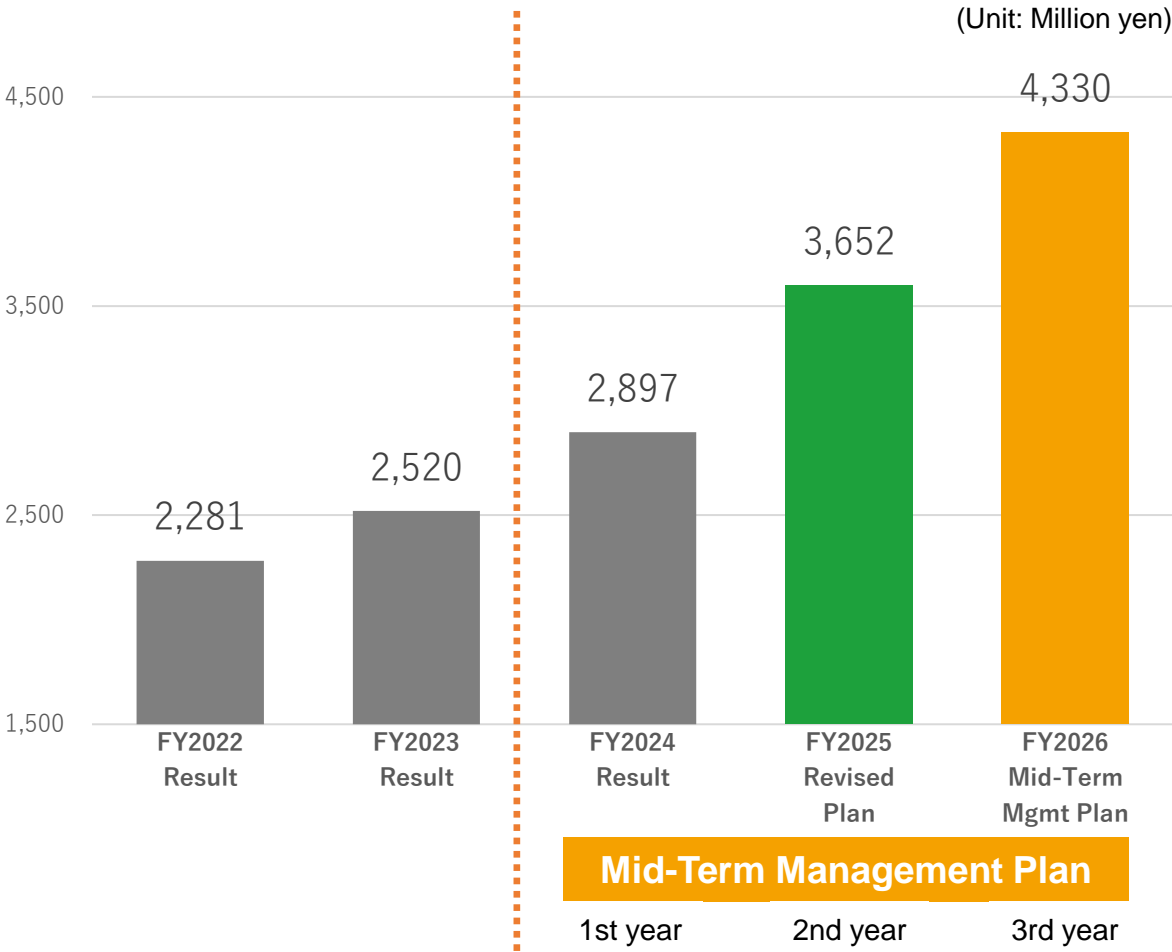


\*Our HRM solutions provide employment, attendance, HR, salary, and human capital data to facilitate health & productivity management.

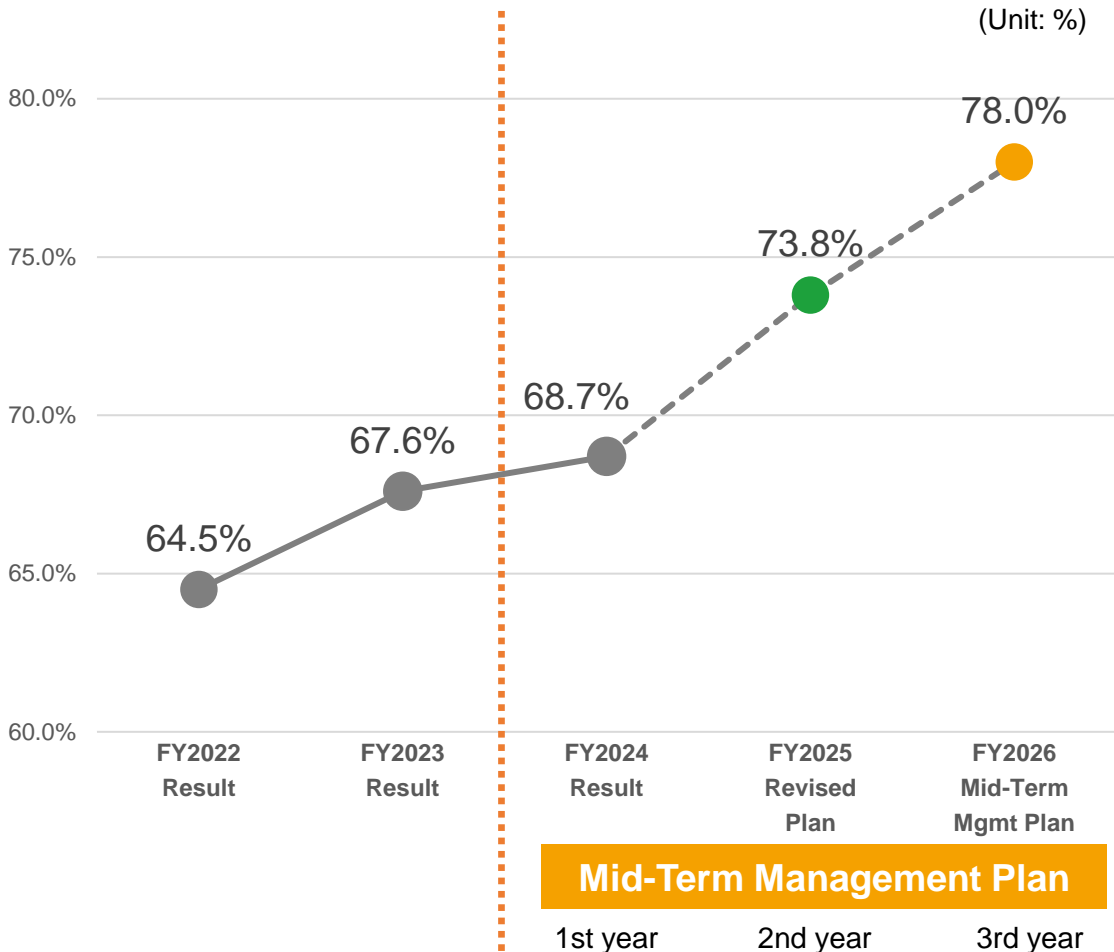
# Trends in Key Management Metrics (Five Years)

■ Key metrics strongly indicate our steady progress on our mid-term growth strategy

■ Trend in recurring revenue



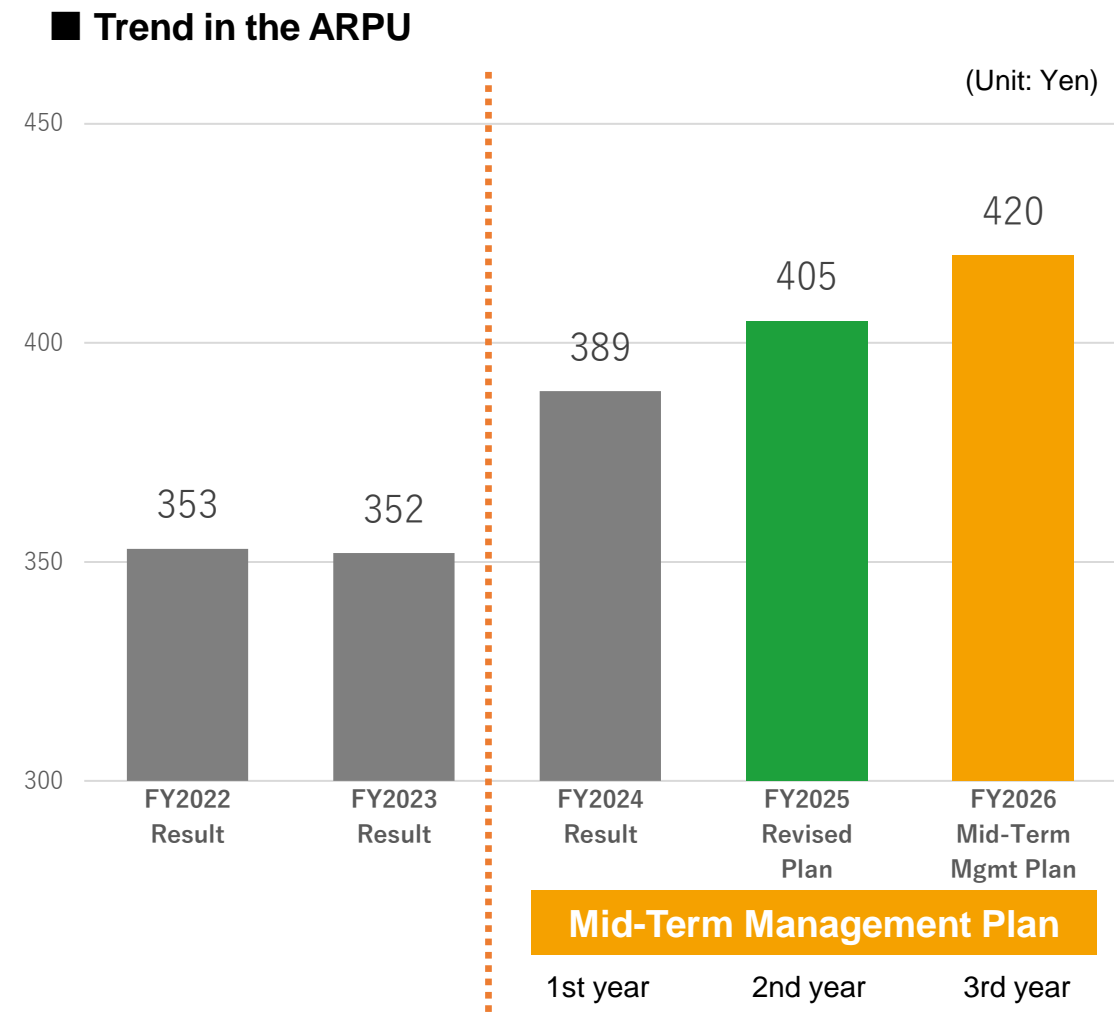
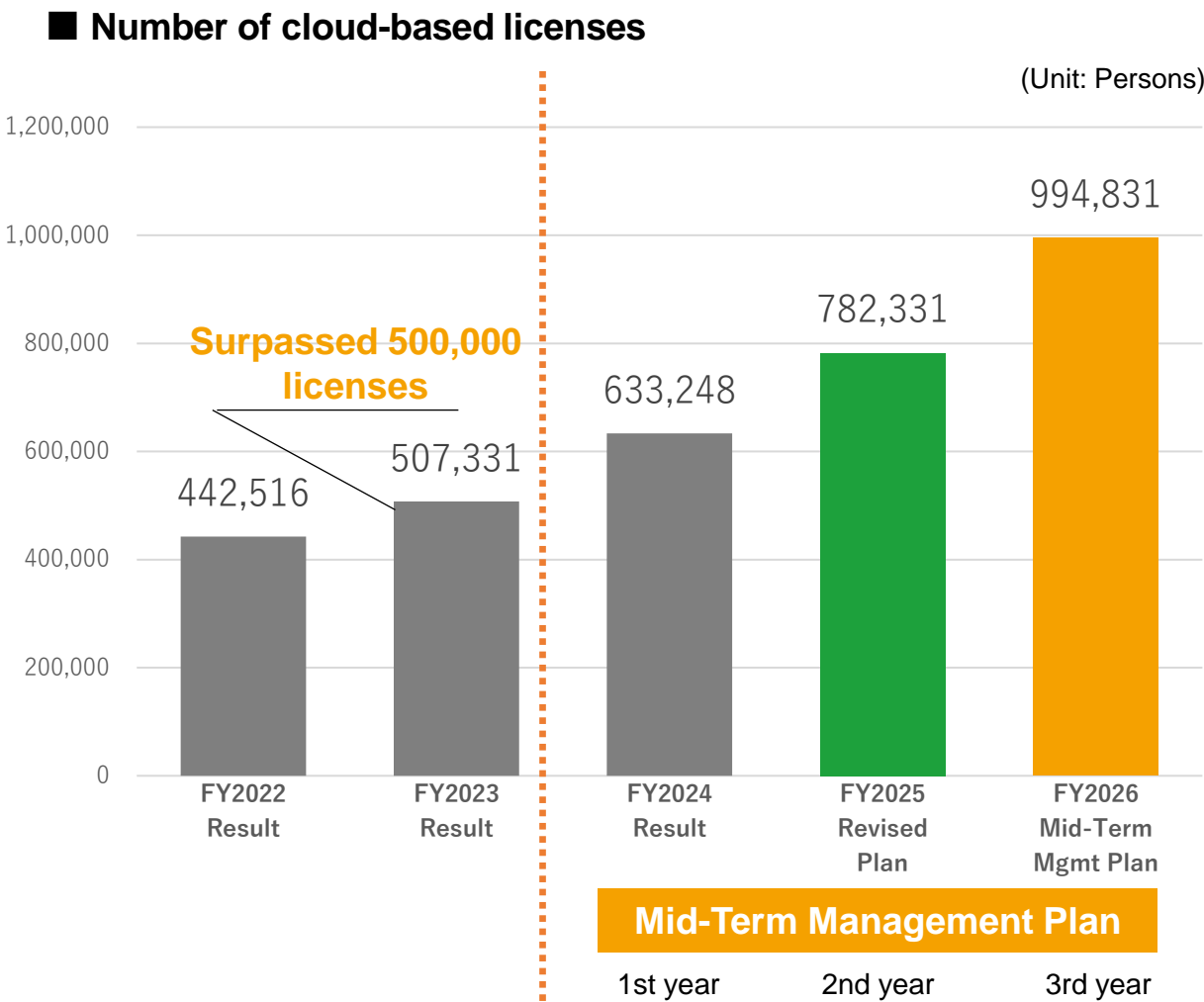
■ Trend in the recurring revenue ratio



\*The revised FY2025 full-year forecast was released on May 13, 2025.

# Trends in Key Management Metrics (Five Years)

■ Key metrics strongly indicate our steady progress on our mid-term growth strategy



\*The revised FY2025 full-year forecast was released on May 13, 2025.

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# Kinjiro's Mission and Strength

## ■ Offer products and services that solve social challenges faced by modern Japan

Performance delivered by each and every worker will become increasingly important going forward as the labor force is expected to decline significantly.

Solve social challenges faced by Japan by contributing to corporate clients' HRM with "Universal Kinjiro" and "Health x Life."

**勤次郎**  
UNIVERSAL KINJIRO

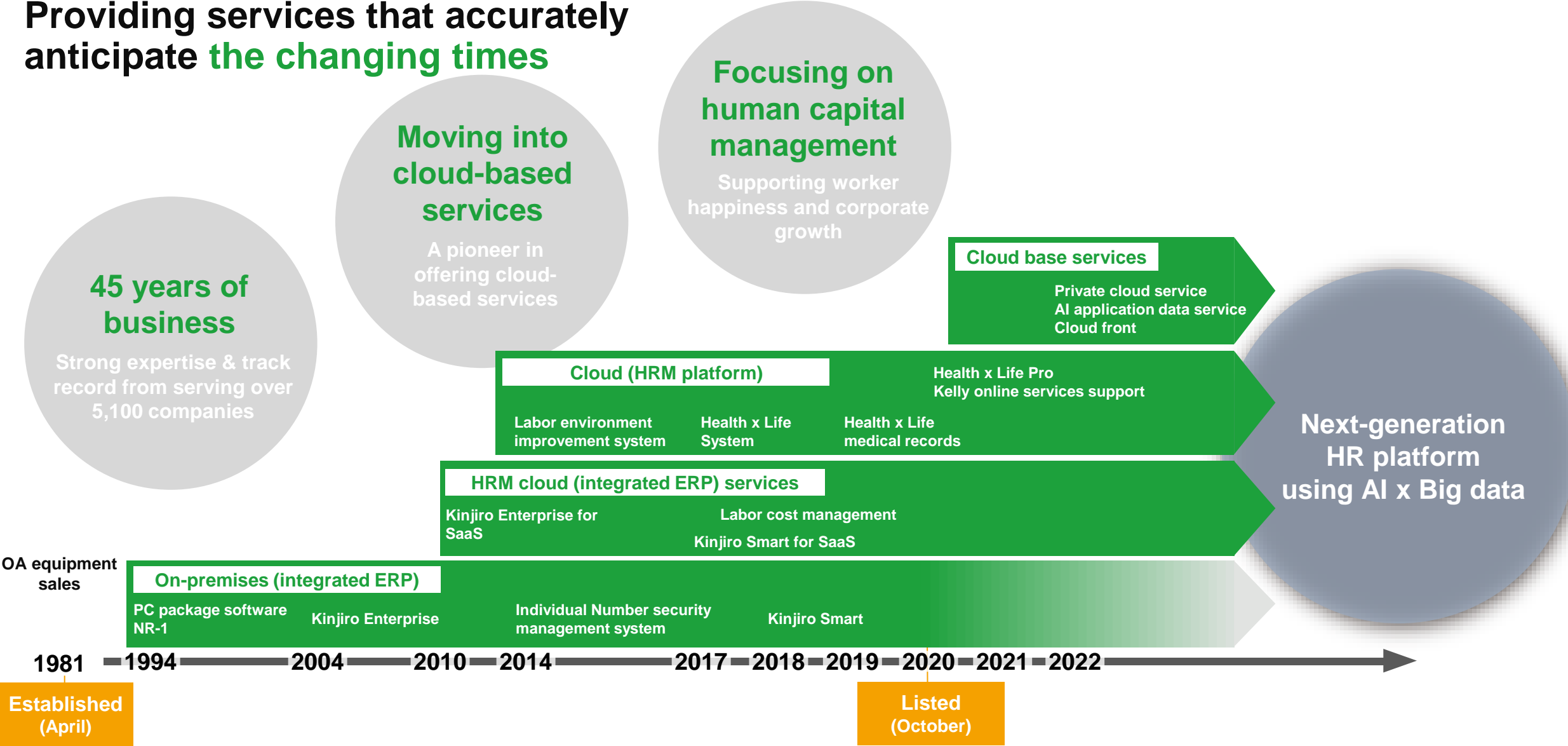


SUSTAINABLE DEVELOPMENT GOALS



# Our History

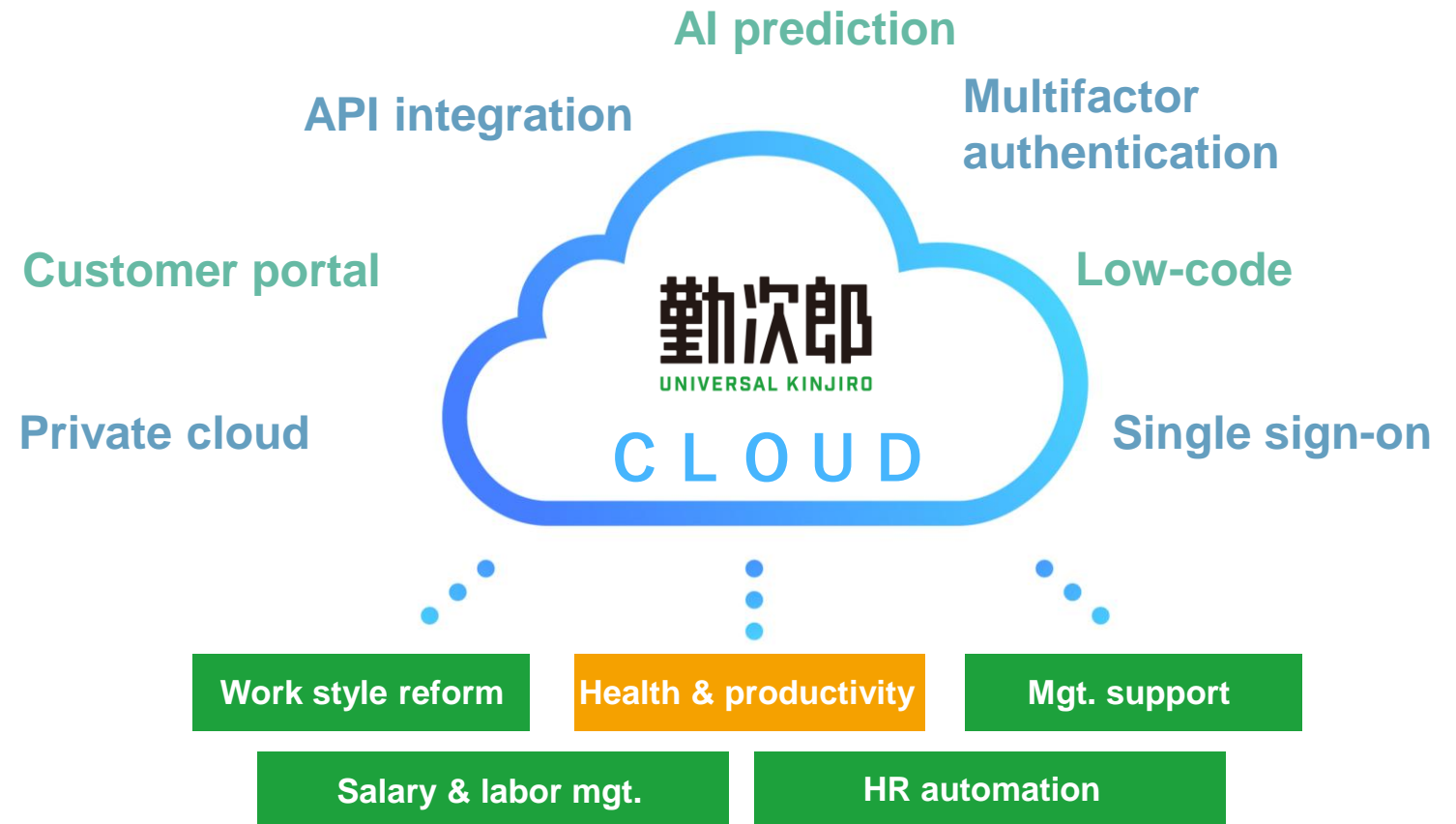
Providing services that accurately anticipate **the changing times**



# Business Scope

Simultaneously manage work and health to achieve work style reform and health & productivity management, and help enhance corporate value by improving labor productivity

The health and happiness of employees builds the company's future

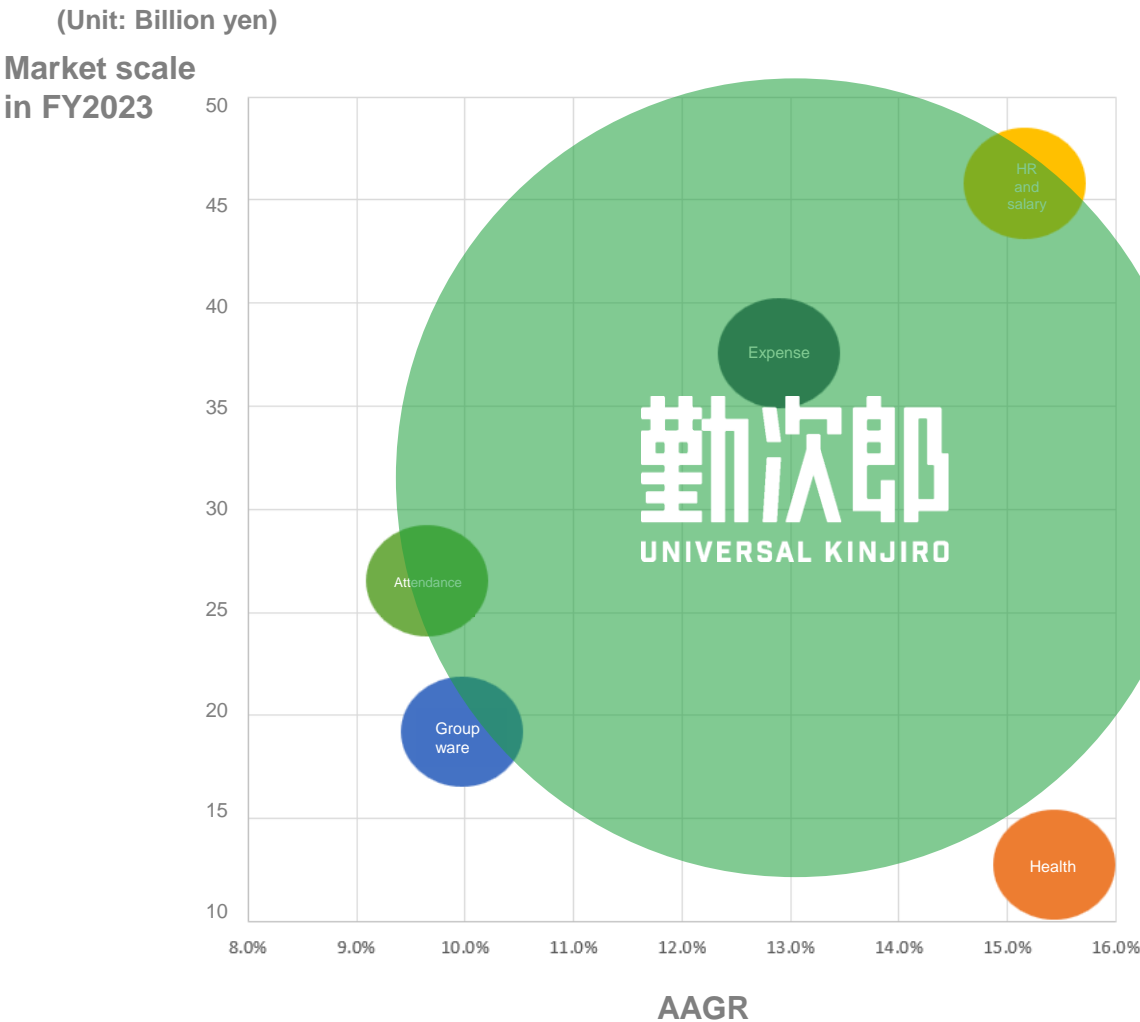




# Human Capital Management

## Market scale in FY2023 (billion yen) and AAGR ('28/'23)

● Attendance mgt. ● Health mgt. ● HR and salary ● Expense settlement ● Groupware



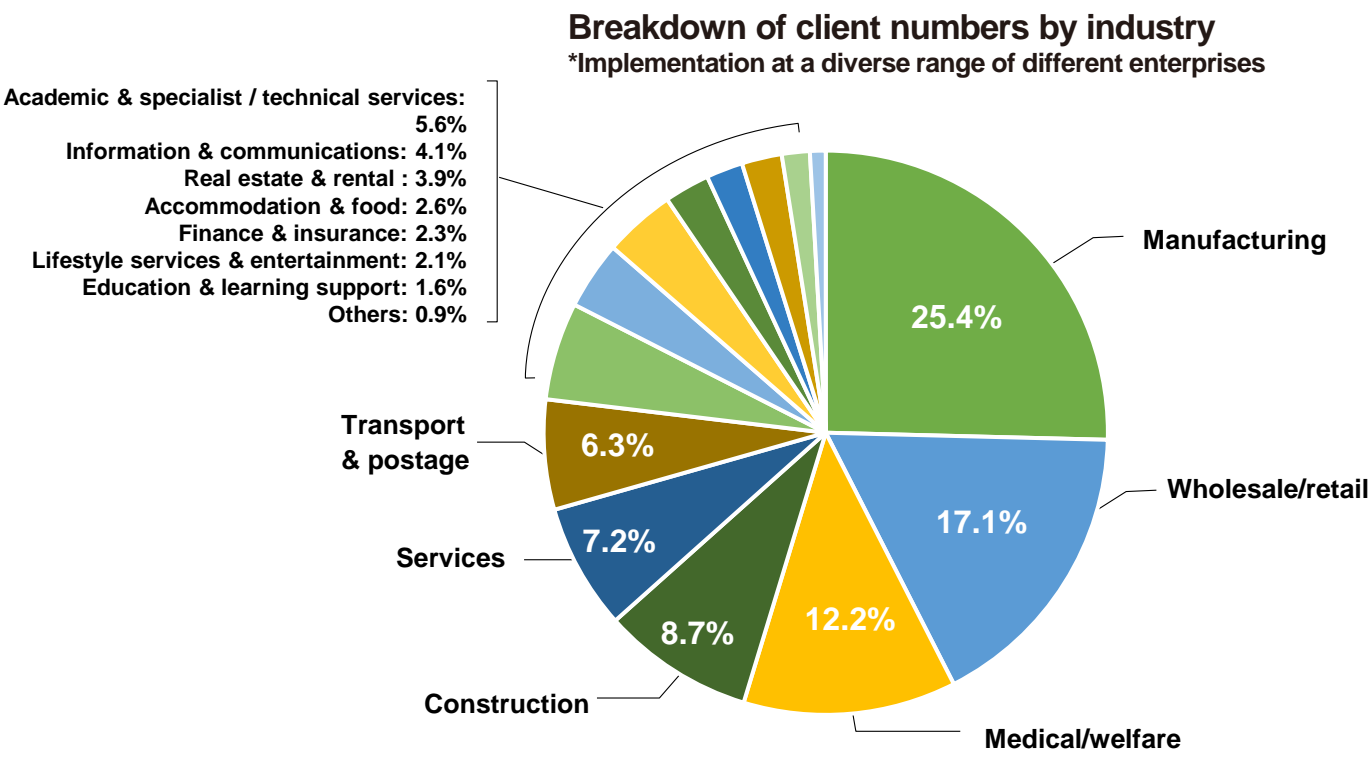
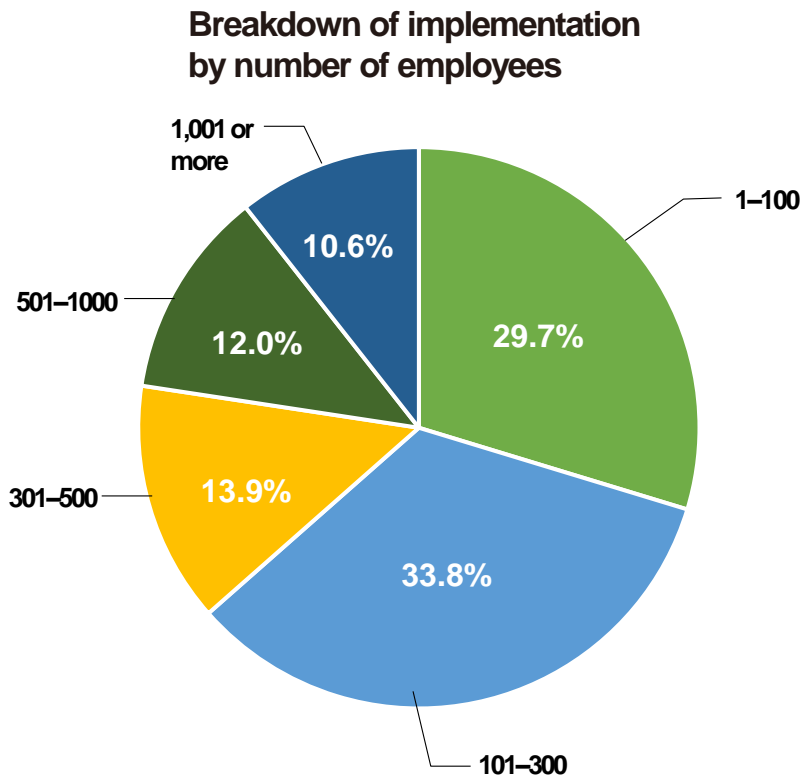
Aiming to become **No. 1 in HRM services** by strengthening health management systems, a growing market

	AAGR	Market scale
Groupware	9.8%	18.7 billion yen
Attendance mgt.	9.5%	26.8 billion yen
HR and salary	15.2%	45.5 billion yen
Expense settlement	12.8%	37.7 billion yen
Health mgt.	15.5%	11.6 billion yen

Source: Fuji Chimera Research Institute, “Software Business New Market 2024 Edition”

# Kinjiro Enterprise Installations Breakdown by Scale and Industry

■ Meet the needs of diverse enterprises in different sizes, ranging from SMEs to large enterprises, in different industries



\*Implementation results in cloud business and on-premises business as of March 31, 2025

# Sustainability: Health & Productivity Management Initiatives

## ■ Recognized as a “Certified Health & Productivity Management Outstanding Organization” for the Eighth Consecutive Year

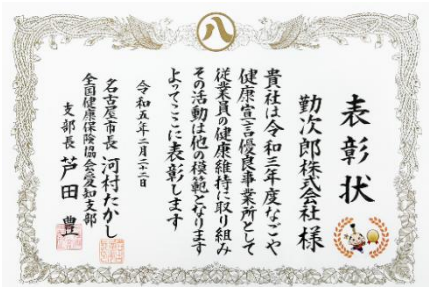
Kinjiro was ranked in the top 300 among 3,869 organizations, which were recognized by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi as “Certified Health & Productivity Management Organizations (White 500).”

## ■ Using HRM platforms at our office

Kinjiro was recognized as a Certified Health & Productivity Management Outstanding Organization for the eighth consecutive year through the use of Universal Kinjiro (HRM platform) at our office.

## ■ Awarded the “Award for Outstanding Business Facilities under the Nagoya Health Declaration”

Kinjiro received the “Healthy Declaration Excellent Office” award from Nagoya City and Japan Health Insurance Association (JHIA) two years in a row.



2025  
健康経営優良法人  
KENKO Investment for Health  
大規模法人部門  
ホワイト500

### Health & Productivity Management Survey Feedback Sheet

確定版

CODE: A04013

令和6年度 健康経営度調査フィードバックシート

法人名: 勤次郎株式会社

英文名: Kinjiro Co.,Ltd

加入保険者: 全国健康保険協会 愛知支部

所属業種: 情報・通信業

上場

①健康経営度評価結果

■総合順位: 251~300位 / 3869 社中

■総合評価: 62.9 ↓1.3 (前回偏差値 64.2)

※「ホワイト500」に該当するかについては、回答法人全体ではなく申請法人に絞った順位で判定するため、フィードバックシートの順位から繰り上がり認定される場合があります。

②評価の内訳

側面	重み	貴社	回答法人全体トップ	業種トップ	業種平均
総合評価	-	62.9	69.2	67.1	50.8
経営理念・方針	3	63.2	68.7	68.5	50.1
組織体制	2	67.7	68.3	67.7	50.2
制度・施策実行	2	67.0	71.9	70.6	51.9
評価・改善	3	56.5	69.9	66.3	51.1

■貴社 ■回答法人 ▲業種 ◆業種

全体トップ

トップ

平均

※各側面の数値は、回答法人全体の平均に基づく偏差値です。各側面の数値に重みを掛けた値を合算して、得点・順位を算出しています。

※トップの数値は項目毎の最高値です。なお、所属業種の有効回答が5社未満の場合、業種トップには「-」を表示しています。

# FY2025 Kinjiro Genki Project Activities

- Further enhanced our health & productivity management initiatives through the “Kinjiro Genki Project” led by young employees, and held various events



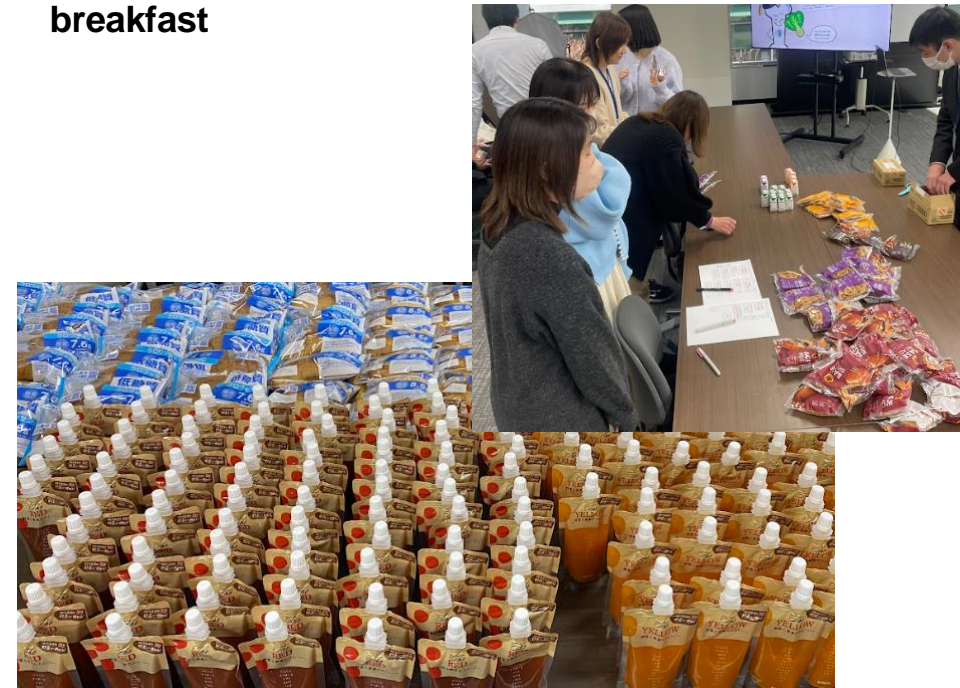
Concept for FY2025 activities:

**Feel light in mind and body: Toward a healthy future where smiles bring us together**

- ◆ Morning cleanup project: Outdoor cleanup
  - A monthly event for cleaning up the area around the Nagoya headquarters and getting exercise



- ◆ Meal project: Breakfast distribution
  - Monthly distribution of healthy breakfast, with the aim of reducing the rate of meal skipping as well as communicating the importance of breakfast



# Disclaimer

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To the extent that statements in this presentation do not relate to historical or current facts, they constitute forward-looking statements. These statements represent the judgment of our senior management, based on the information currently available, and involve risks and uncertainties. Actual results may differ significantly from the outlook for performance and other matters presented here, due to various factors including economic conditions, the status of competition within the industry, and the success or failure of new services.

**The health and happiness of employees builds  
the company's future**

