



Q3 FY2025 Financial Results

November 2025

**Unite &
Grow**

TSE:4486 / Growth Market

Unite and Grow Inc. offers a time-sharing service of corporate IT engineers under the product name “SHARED SHAIN”(Shared IT Professionals).

The main features are as follows:

- Targeting medium and small enterprises in the Tokyo metropolitan area (growing companies with 50 to 1,000 employees).
- The service is provided only by our internal full-time employees with long-term employment (without using partner companies).
- We do not sell hardware or software (completely neutral to IT vendors)
- Standardizing services and prices through our unique “membership-based quasi-delegation contract”.
- By not setting up sales or staffing departments and involving all employees in indirect operations, including recruitment and training, we increase organizational strength and nurture proactive individuals.

Through these initiatives, we have achieved differentiation that can be said to be the only one in the industry, and by aggregating knowledge and experience, we are increasing profitability.

Agenda

01 | **Q3 FY2025 Financial Results**

02 | **FY2025 Full Year Forecast**

03 | **Growth Strategies**

Appendix

1. Q3 FY2025 Financial Results

Q3 FY2025 Financial Highlights

Achieved double-digit growth in net sales and a 60% increase in operating profit compared to the same period of the previous year.
Net sales and operating profit reached record highs on a quarterly basis.

Net sales	Operating profit	Quarterly net profit
<div>2,549million yen</div> <div>Year-on-year +18.1%</div>	<div>438million yen</div> <div>Year-on-year +58.3%</div>	<div>324million yen</div> <div>Year-on-year +6.6%</div>

Q3 Topics

- The number of Shared IT Professionals at the end of Q3 was 276, an increase of 34 from the end of the previous fiscal year.
- The number of client companies supported was 412, an increase of 17 from the end of the previous fiscal year.
- Average number of client companies per Shared IT Professional: 3.28; Average number of Shared IT Professionals per client company: 3.69.
- Implemented a stock grant from the President to employees, making all employees shareholders. Aims to enhance management participation awareness, revitalize the entire organization, and create corporate value.
- Plans to enhance employee benefits by introducing a company housing system for young employees.

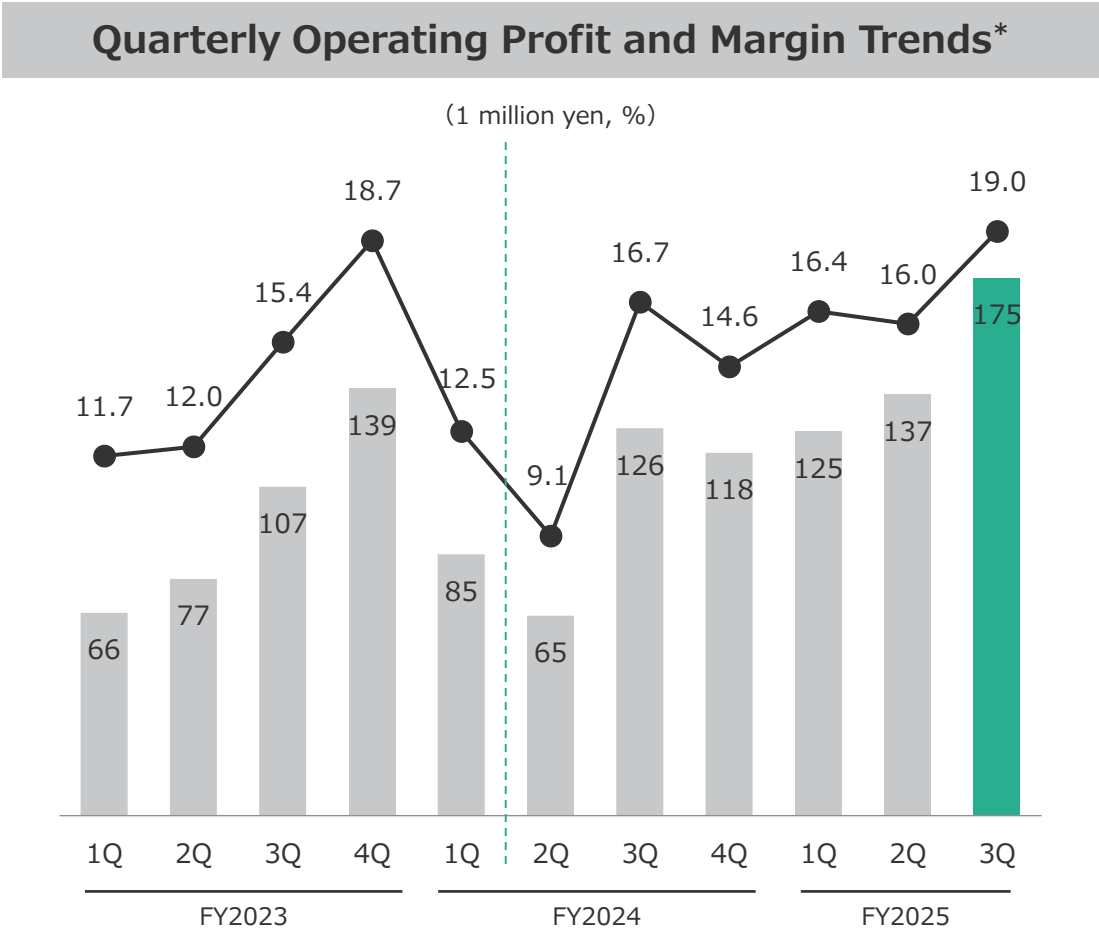
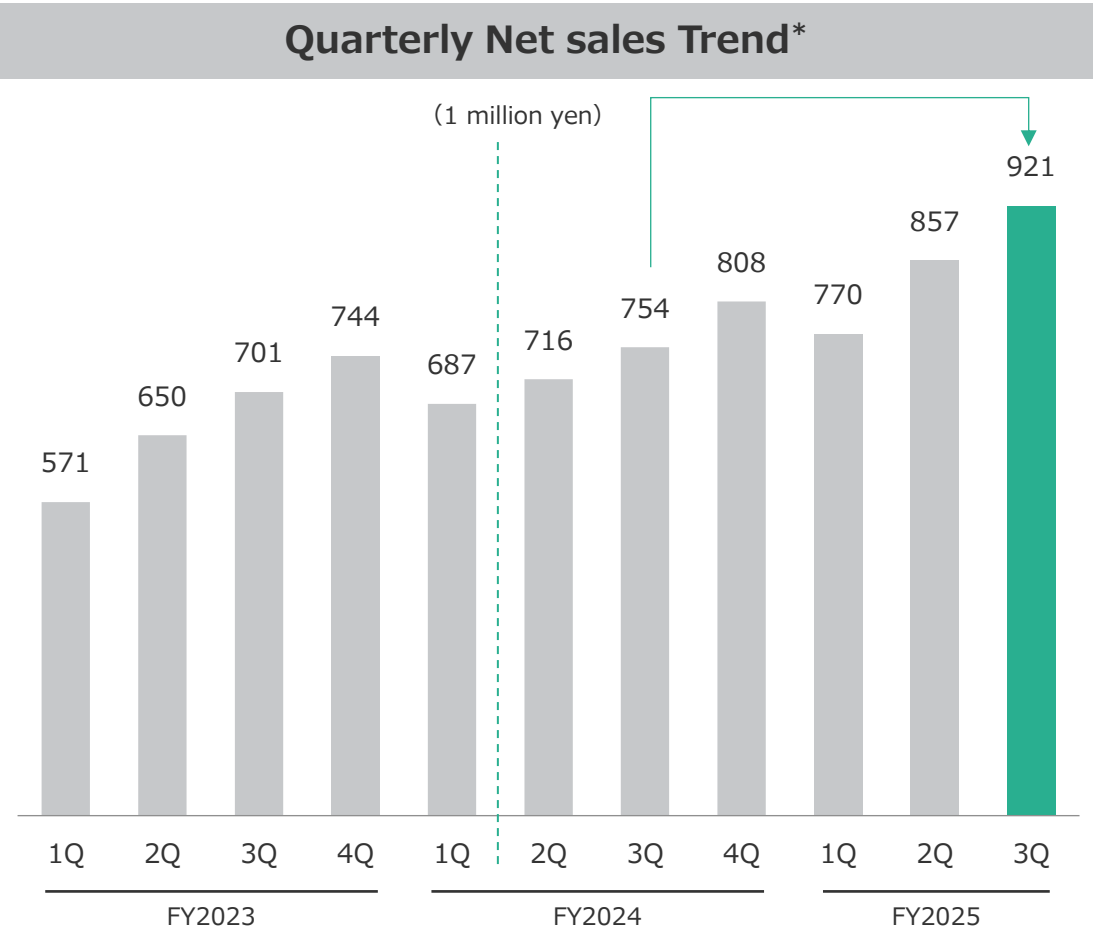
Profit and Loss Statement

- Net sales increased by 18% year-on-year due to an increase in Shared IT Professionals and a rise in hourly billing rates resulting from the gradual implementation of price revisions. By service category, although the growth rate of Consulting and Operation remained at 12% due to the separation of IT Infrastructure, the specialized services, System Development and IT Infrastructure, performed steadily due to an increase in projects.
- Gross profit margin increased due to higher hourly billing rates, and operating profit margin also rose due to lower recruitment costs per hire.
- Net profit growth was limited to 6% due to the absence of the 96-million-yen extraordinary gain from the subsidiary merger recorded in the previous fiscal year.

		Q3 FY2024		Q3 FY2025		
		Actual (1 million yen)	Sales ratio (%)	Actual (1 million yen)	Sales ratio (%)	Year-on-year (%)
						Progress Rate Against Plan (%)
Net sales		2,158	100.0	2,549	100.0	+18.1
	Consulting and Operation	2,047	94.8	2,290	89.9	+11.9
	System Development	111	5.2	157	6.2	+41.0
	IT Infrastructure	—	—	101	4.0	—
Cost of sales		1,152	53.4	1,340	52.6	+16.4
Gross profit		1,006	46.6	1,208	47.4	+20.0
SG&A expenses		729	33.8	769	30.2	+5.5
Operating profit		277	12.8	438	17.2	+58.3
Ordinary profit		293	13.6	439	17.2	+49.9
Quarterly net profit		304	14.1	324	12.7	+6.6

Quarterly Trends in Net Sales and Operating Profit

- Both net sales and operating profit reached new record highs on a quarterly basis.
- Net sales continued to set new quarterly record highs, driven by an increase in Shared IT Professionals and higher hourly billing rates.
- Operating profit increased and profit margin improved due to reduced SG&A expenses, thanks to lower recruitment costs per hire resulting from increased referrals and alumni hires. Note that recruitment is ongoing, and unutilized SG&A expenses are planned to be used in Q4.

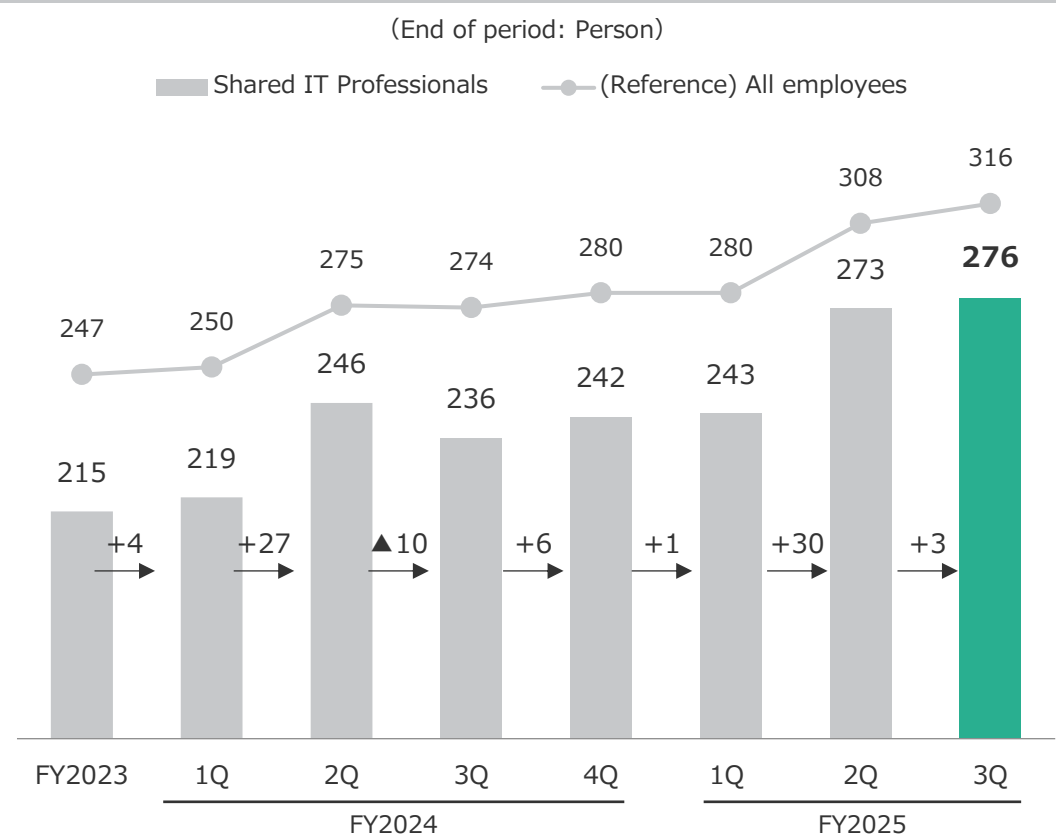


* Data prior to Q2 FY2024 represents consolidated results.

Business KPIs (1)

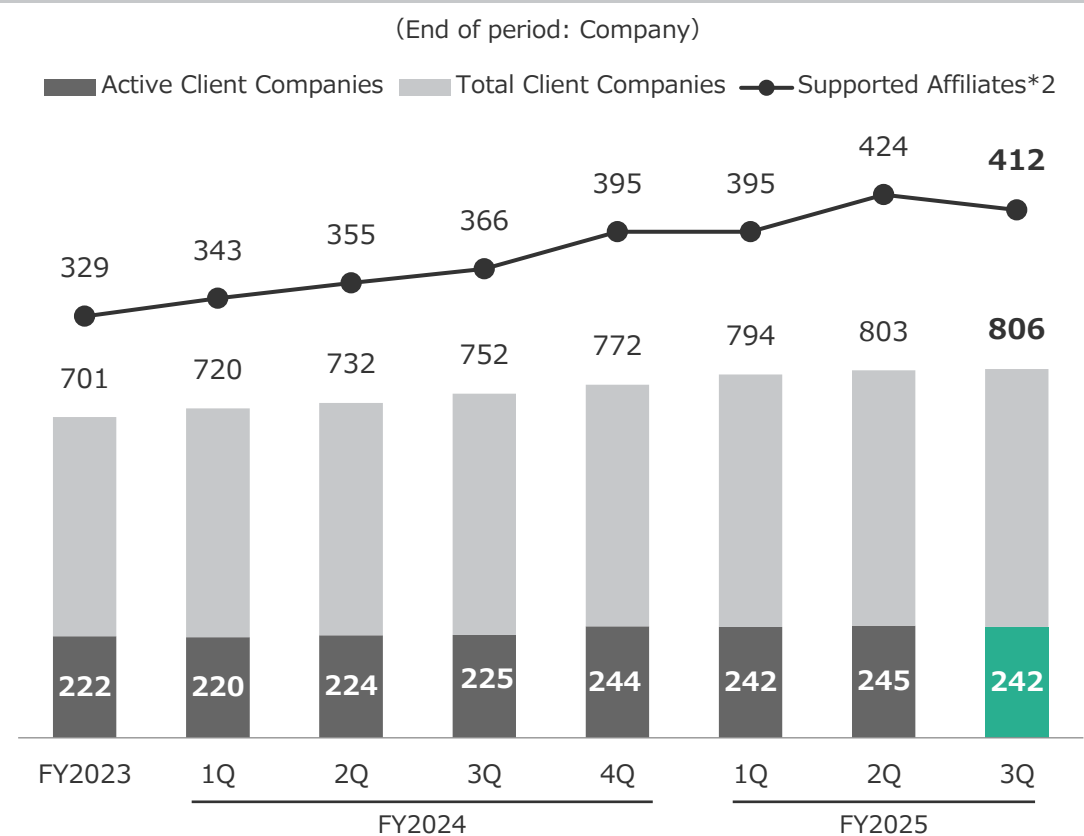
- The number of Shared IT Professionals increased by 34 from Q4 of the previous fiscal year.
- The number of Active Client Companies decreased by 2 from the end of the previous fiscal year, while the number of Supported Affiliates*2 increased by 17 from the end of the previous fiscal year but decreased by 12 compared to Q2. This was due to the completion of small-scale, fixed-term projects and had no particular impact on performance.

Number of Shared IT Professionals*1



*1 The number of Shared IT Professionals represents the number of professionals actively working.

Number of Sharing Companies

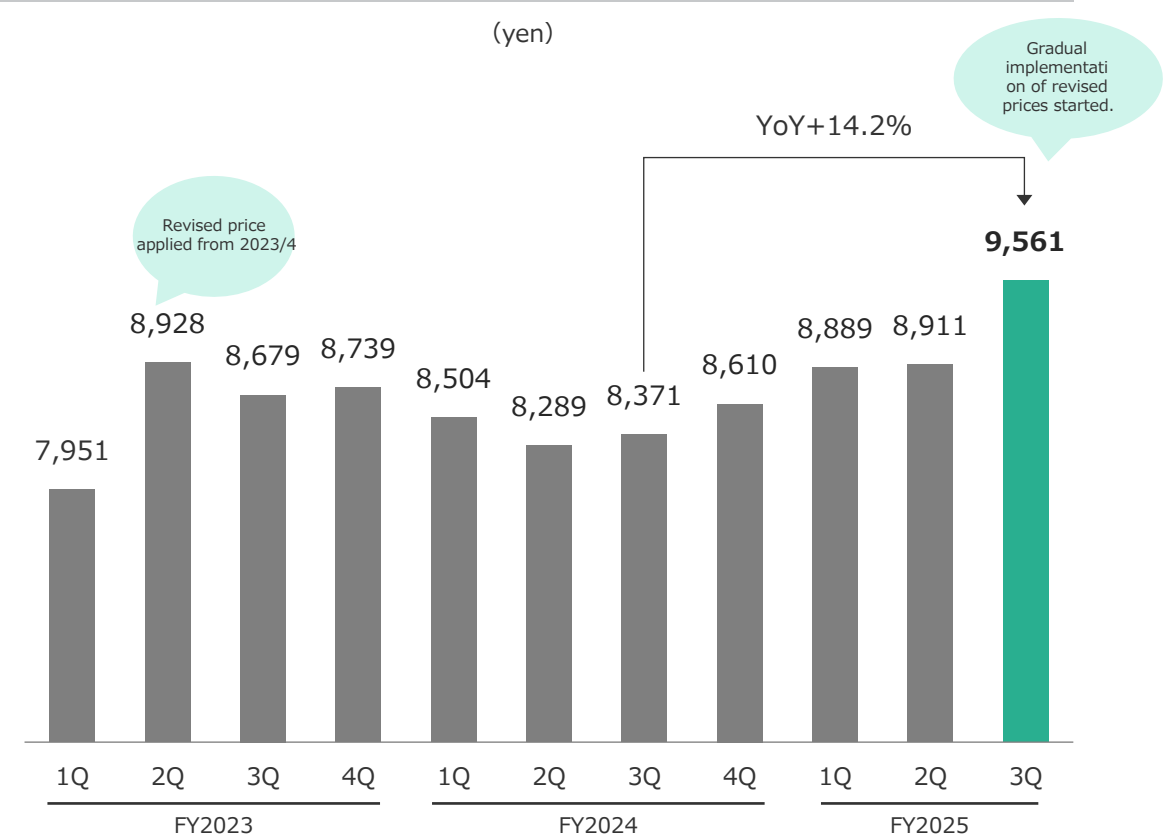


*2 Represents affiliated/group companies of Active Client Companies. These companies are not included in the counts of Total/Active Client Companies.

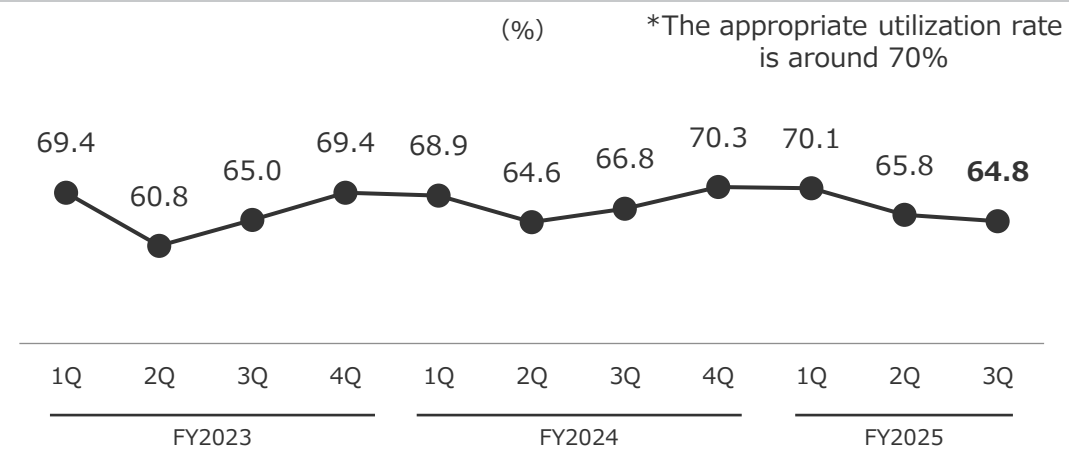
Business KPIs (2)

- The average hourly billing rate significantly increased to the ¥9,500 range due to the application of price revisions*1.
- The utilization rate decreased compared to Q2 due to adjustments in working hours to mitigate the impact of price revisions on existing clients. It is expected to improve to the appropriate range from the next fiscal year onwards.

Hourly Billing Rate of Shared IT Professionals



Utilization Rate Trend



Human Resources Related

Retention Rate

(2025.3Q)

90.3%

Gender Ratio

(2025.3Q)

62.7%

Male

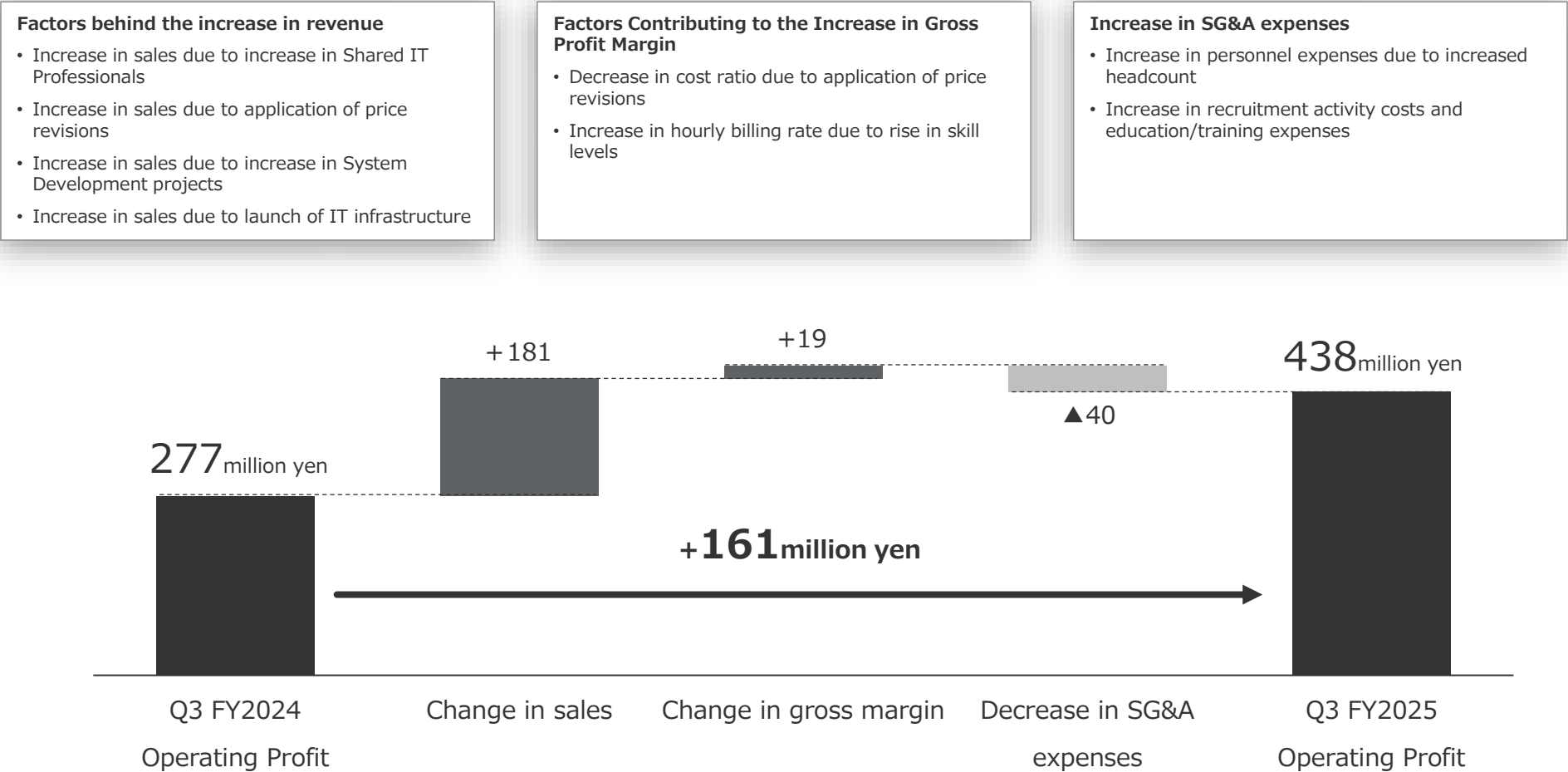
37.3%

Female

*1 New prices applied to new clients from April onwards. Existing clients gradually transitioned to new prices.

Factors of Increase/Decrease in Operating Profit

- In addition to an increase of 40 Shared IT Professionals, the application of price revisions boosted net sales, significantly contributing to profit growth.
- The application of price revisions reduced the cost ratio, leading to an increase in gross profit margin.
- Although SG&A expenses increased due to higher personnel costs from increased staffing, recruitment activity costs, and education/training expenses, this was absorbed by the effects of increased revenue and higher gross profit margin, resulting in a 161 million yen increase in operating profit.



Balance Sheet

- Increase in contract liabilities, cash and cash equivalents due to increase in the number of client companies supported.
- Accrued expenses decreased due to payments of year-end bonuses and expenses.
- Equity ratio remained at around 70%.

(Unit: million yen)

Items	FY2024 Year-end	Q3 FY2025 End	Change from Previous Year-End
Assets			
Current assets			
Cash and cash equivalents	2,701	2,797	+96
Accounts receivable	3	0	▲ 3
Total current assets	2,739	2,843	+103
Fixed assets			
Property, plant and equipment	82	72	▲ 10
Intangible fixed assets	160	128	▲ 31
Investments and other assets	96	91	▲ 5
Total fixed assets	339	292	▲ 47
Total assets	3,079	3,135	+56

(Unit: million yen)

Items	FY2024 Year-end	Q3 FY2025 End	Change from Previous Year-End
Liabilities			
Current liabilities			
Accrued expenses	197	71	▲ 126
Contract liabilities	571	699	+127
Total Current Liabilities	1,003	971	▲ 32
Fixed liabilities			
Total fixed liabilities	34	12	▲ 21
Total liabilities	1,037	983	▲ 54
Net assets			
Total shareholders' equity	2,041	2,152	+110
Total net assets	2,041	2,152	+110
Total liabilities and net assets	3,079	3,135	+56

2. FY2025 Full Year Forecast

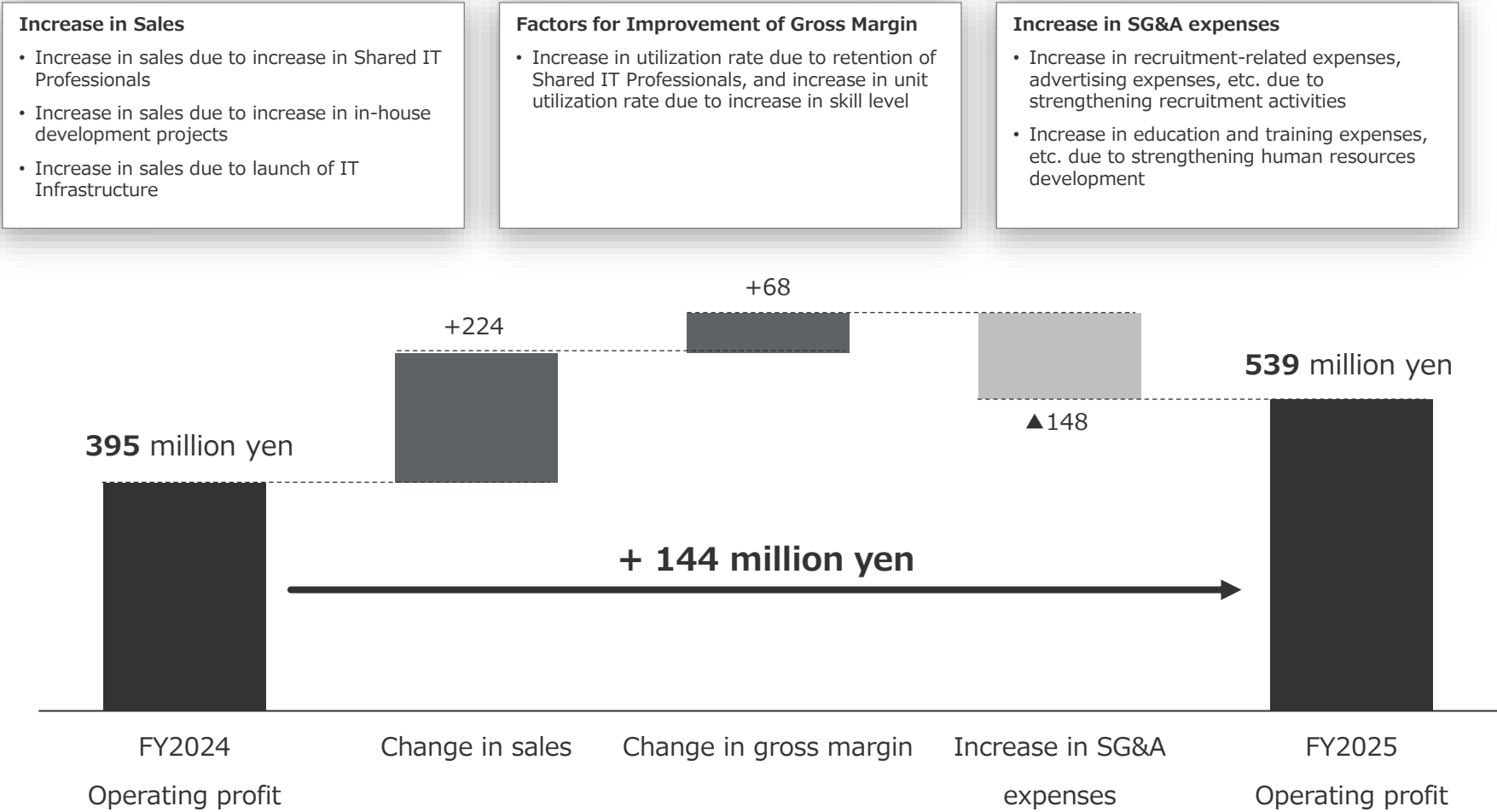
FY2025 Full Year Forecast

- No change from the initial forecast. We project a 16% increase in revenue due to continued strengthening of recruitment activities, launch of IT infrastructure, effective utilization of young employees, and increased utilization rate
- We aim to achieve profit growth that exceeds revenue growth for both operating profit and ordinary profit through management rationalization and operational efficiency improvements
- Net profit is expected to show only a slight increase due to the absence of the extraordinary gain of 96 million yen from the absorption merger in the previous fiscal year

		FY2024 Results		FY2025 Forecast		Comparison	
		Actual (1 million yen)	Sales ratio (%)	Forecast (1 million yen)	Sales ratio (%)	Year-on-year (%)	Change in Sales Ratio (pt)
Net sales		2,967	100.0	3,449	100.0	+16.2	-
	Consulting and Operation	2,804	94.5	3,083	89.4	+9.9	▲5.1
	System Development	162	5.5	225	6.5	+38.9	+1.0
	IT Infrastructure	—	—	140	4.1	—	—
Cost of sales		1,588	53.5	1,777	51.5	+11.9	▲2.0
Gross profit		1,379	46.5	1,671	48.5	+21.2	+2.0
SG&A expenses		983	33.1	1,132	32.8	+15.1	▲0.3
Operating profit		395	13.3	539	15.6	+36.5	+2.3
Ordinary profit		411	13.9	542	15.7	+31.7	+1.8
Net profit		384	13.0	392	11.4	+2.2	▲1.6

Forecast of Factors of Increase/Decrease in Operating Profit

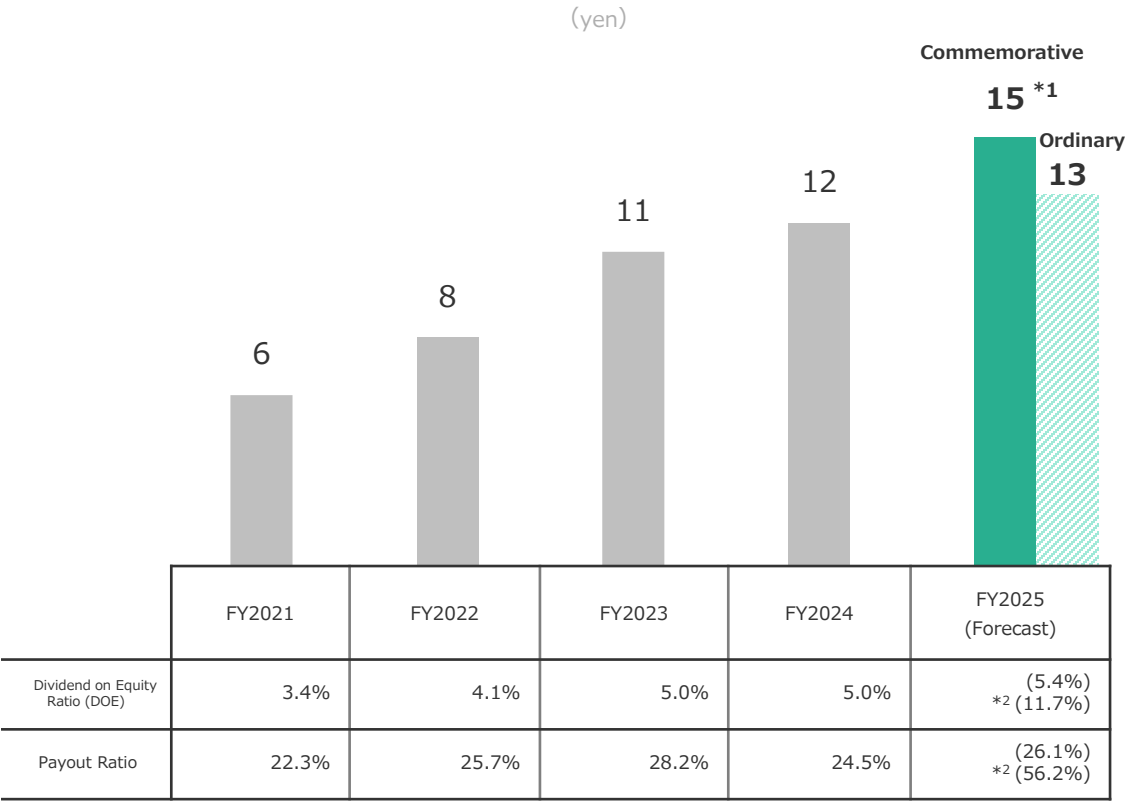
- Significant profit growth is anticipated due to the launch of IT Infrastructure and the increased productivity of young employees
- Continued strengthening of new graduates and mid-career hiring will lead to ongoing increases in expenses related to recruitment and education



Approach to Shareholder Returns and Medium-Term Investment

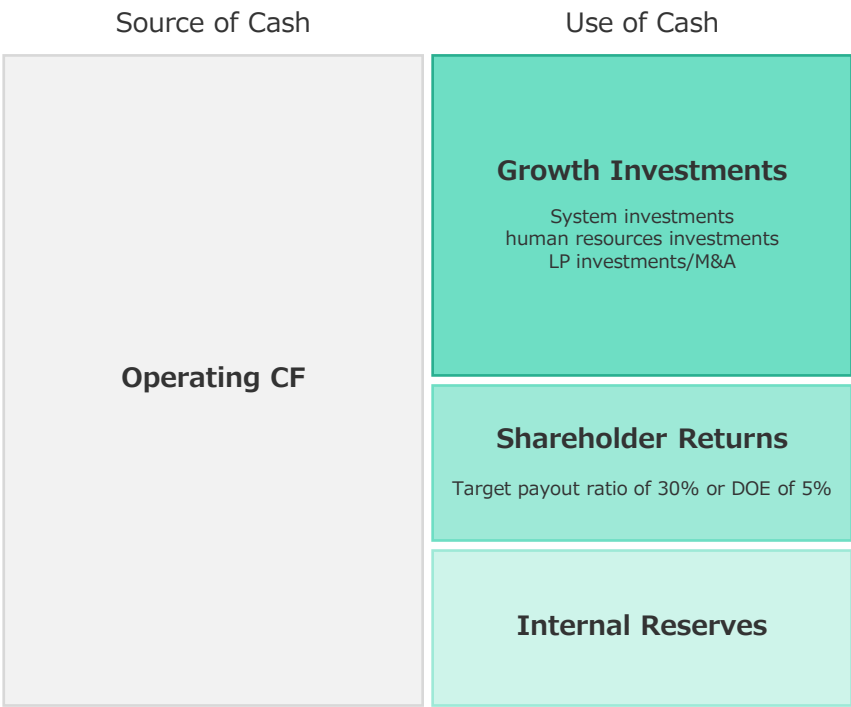
- The year-end dividend for FY2025 is forecasted to be 13 yen per share, an increase of 1 yen in the ordinary dividend. A 20th anniversary commemorative interim dividend of 15 yen per share*1 was paid.
- Regarding shareholder returns, we will continue to implement stable dividends, with a target payout ratio of 30% and a dividend on equity (DOE) of 5% as a guideline, while comprehensively considering our performance, financial condition, and future business development. The cash generated will be allocated primarily to growth investments such as system and human resource investments, with shareholder returns distributed flexibly.

Changes in Dividends*1



*1 The year-end dividend amounts for prior years have been retroactively adjusted to reflect the 2-for-1 stock split effective July 1, 2025.
*2 For FY2025 (Forecast), the lower figures represent the DOE and Payout Ratio including the commemorative dividend.

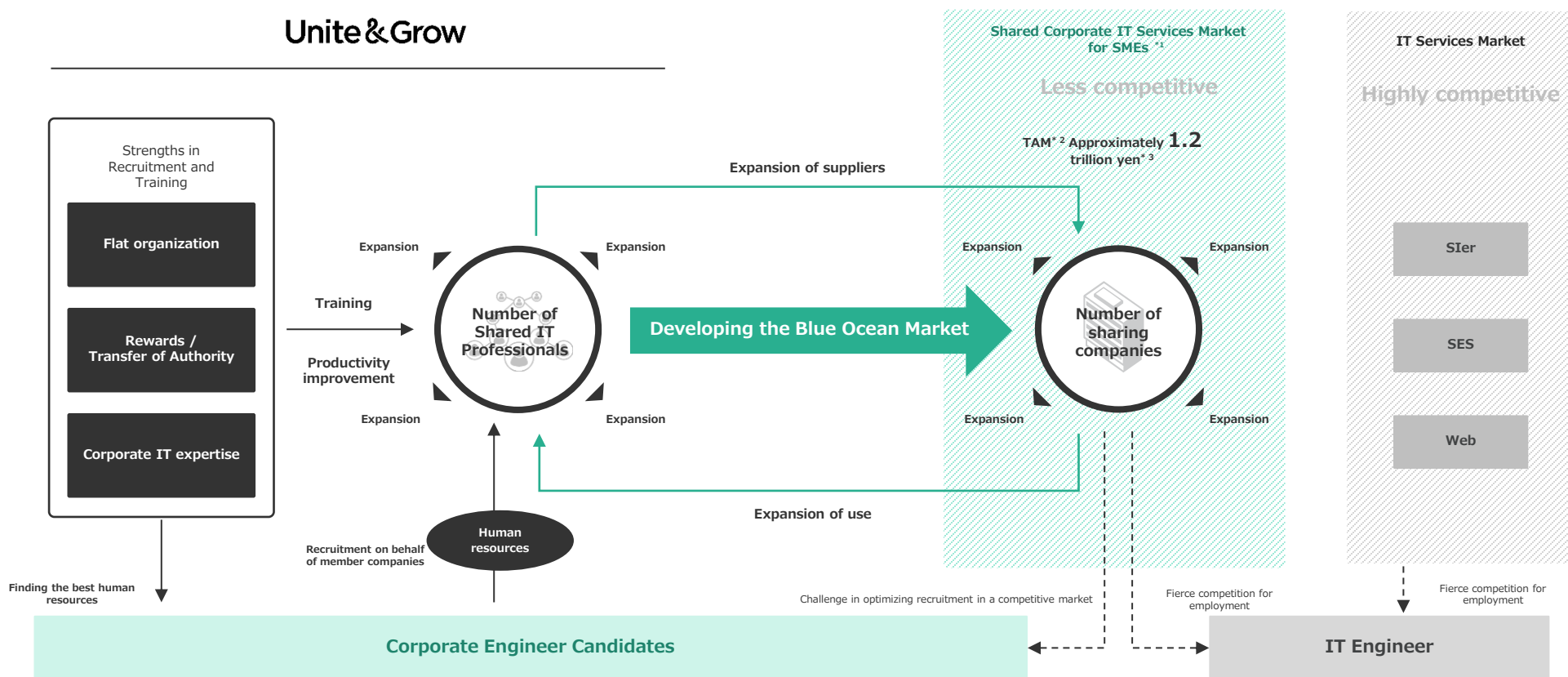
Cash Allocation



3. Growth Strategies

Our Growth Model for Developing the Blue Ocean Market

- The shared corporate IT services market for small and medium-sized growth companies can be described as a blue ocean market with limited competition
- Our goal is to become the leading provider of shared corporate IT services by expanding the number of skilled Shared IT Professionals and growing our membership of growing companies nationwide



*1) A term coined by our company.

*2) TAM is an abbreviation of Total Addressable Market.

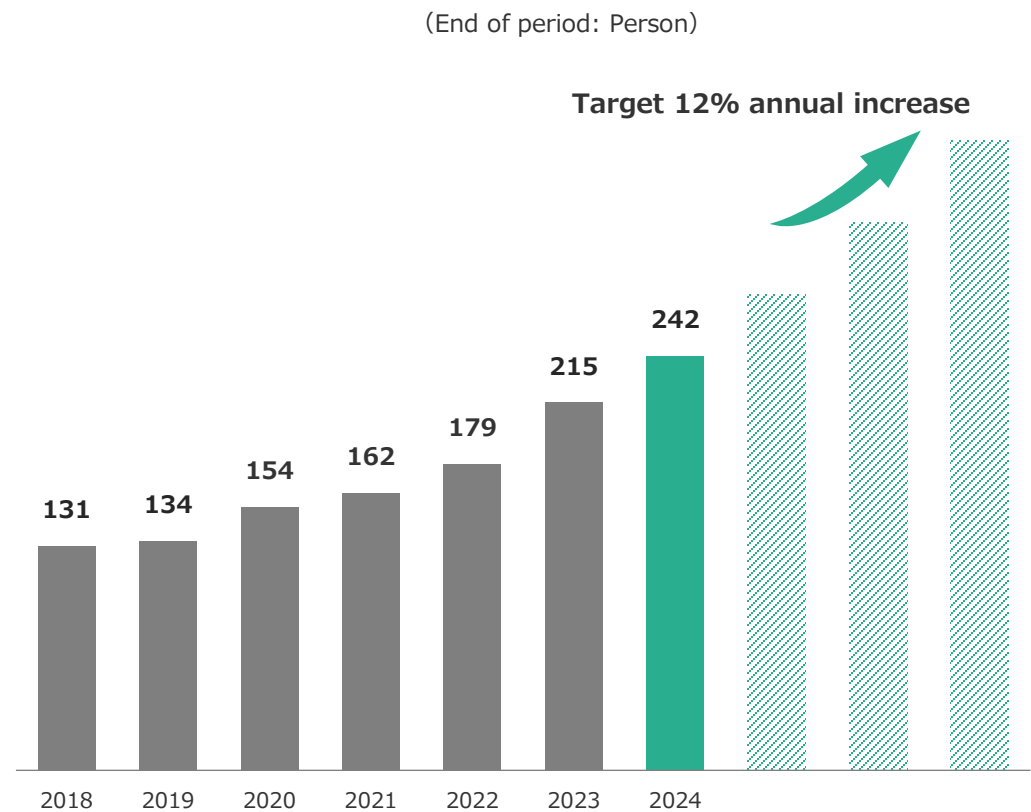
*3) Estimated as of February 14, 2025.

Calculated as: Number of potential clients (based on 2021 Economic Census) × Sharing index × Average revenue per Shared IT Professional
(98,000 companies × (3.52 people divided by 3.35 companies) × 12.2 million yen ≈ 1.2 trillion yen.)

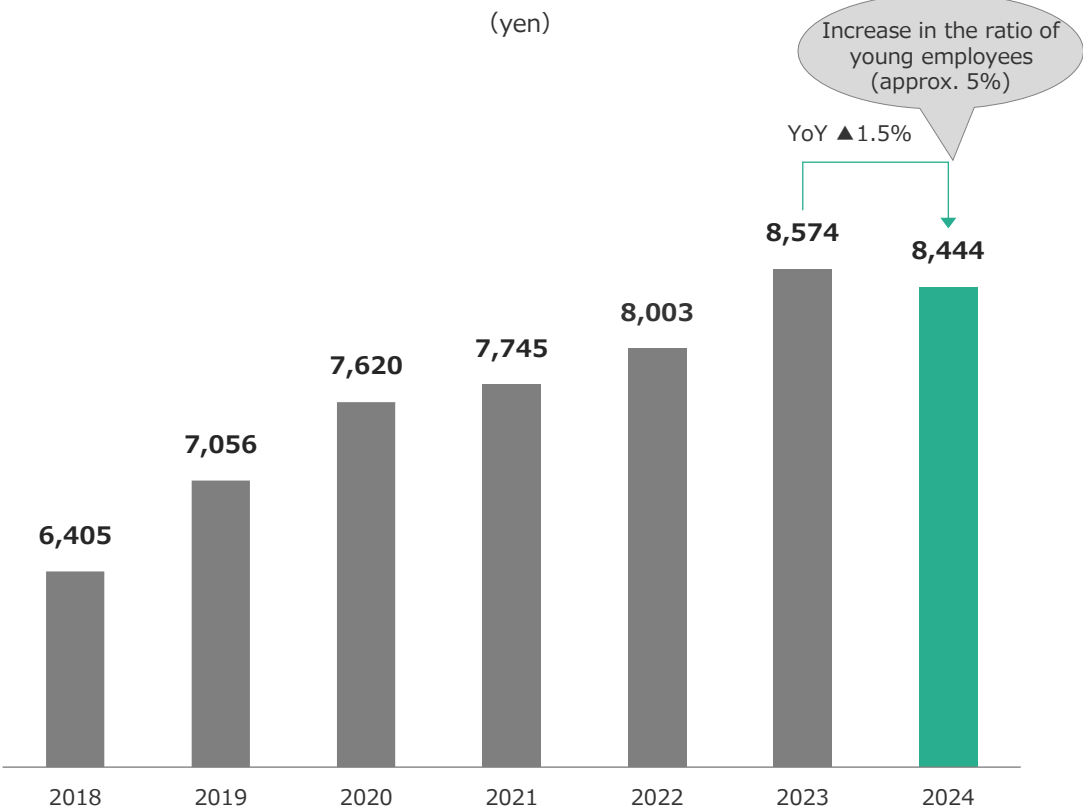
Basic Growth Strategy

- With a target of 15% compound annual growth rate (CAGR) for business performance, the growth rate target for Shared IT Professionals is set at 12% annually. We will expand our growth foundation in a sustainable manner through both recruitment and training.
- While promoting an increase in the number of sharing companies, we will strengthen support for existing clients to expand transactions and enhance our competitiveness.

Growth of Shared IT Professionals



Hourly Revenue per Shared IT Professional



Growth Strategy Highlights

**Monetizing the Shared
Corporate IT Services Market
for SMEs**

01 | Focus on Growing Companies in the Greater Tokyo Area

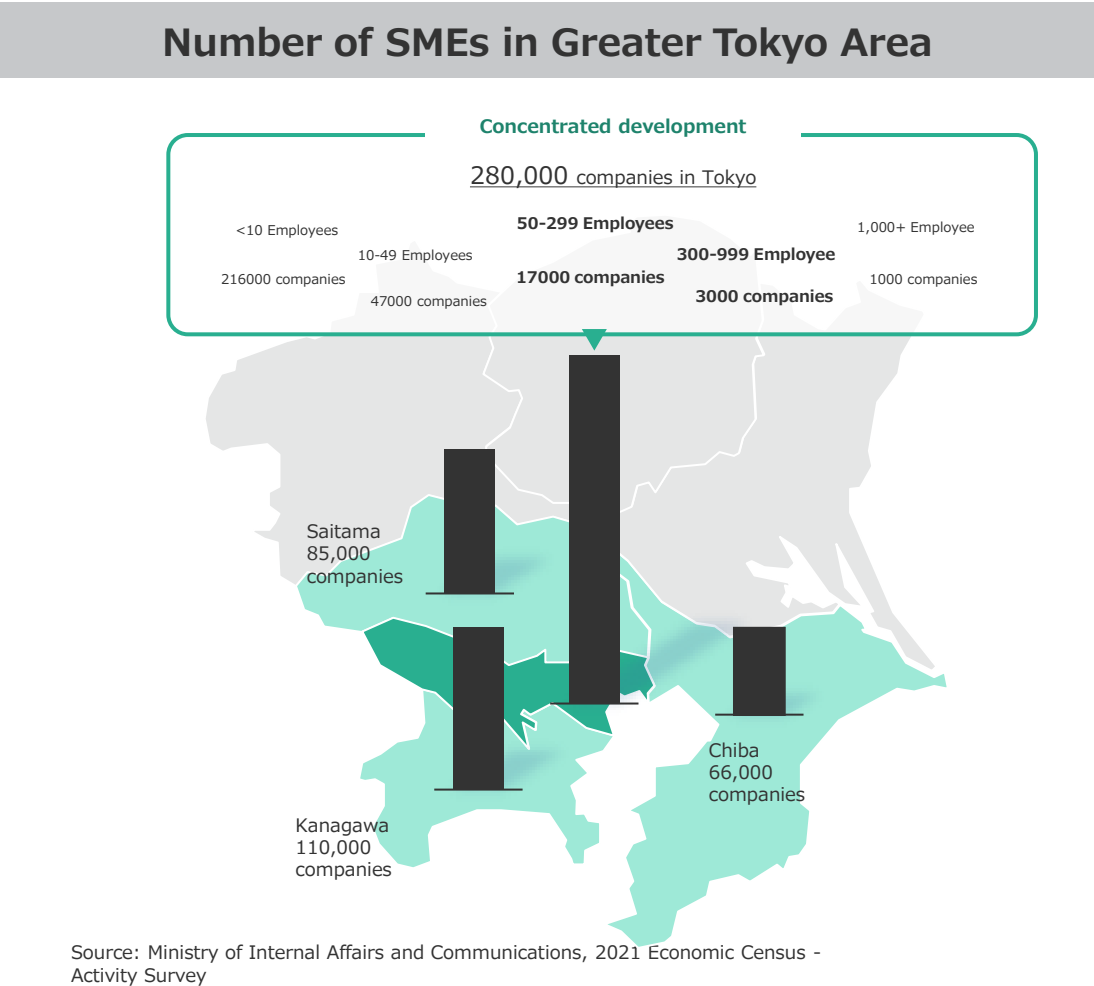
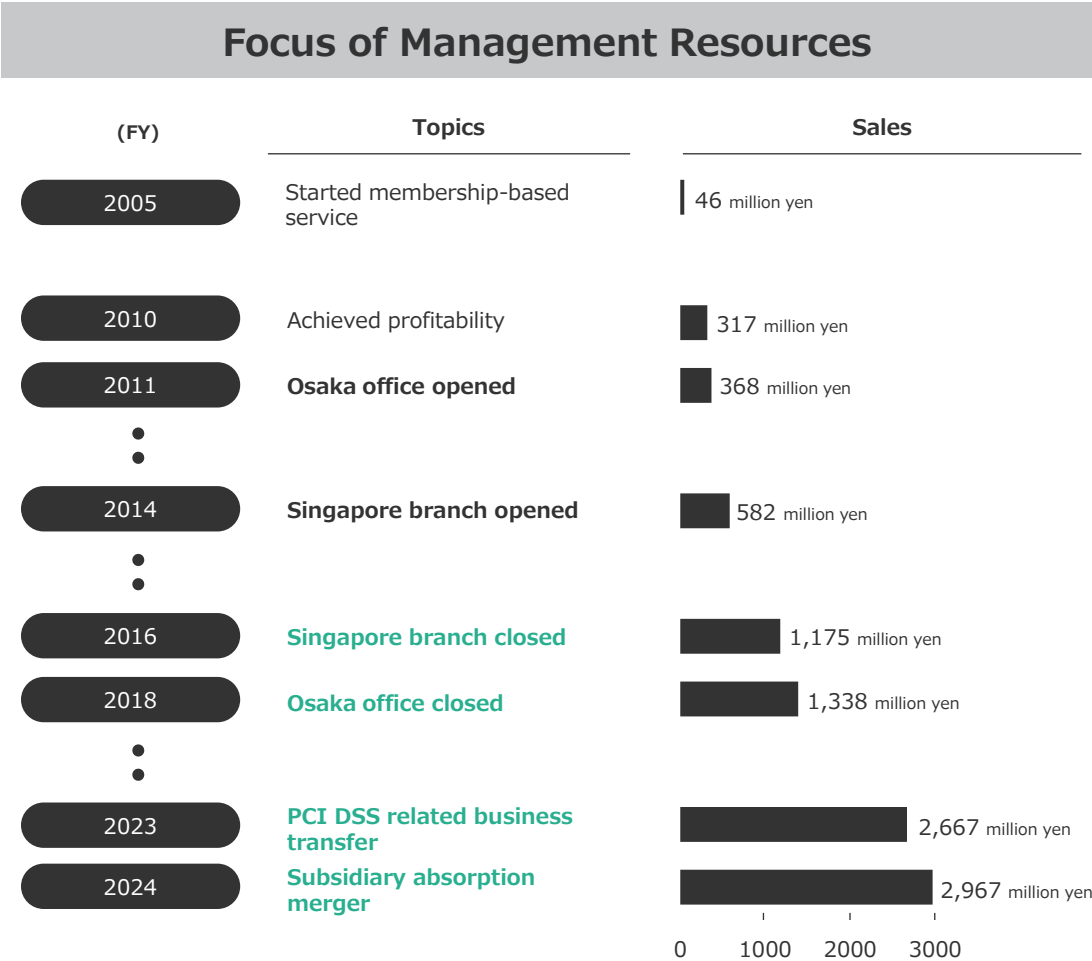
02 | Scalable Growth While Maintaining Strengths

03 | Leveraging Client Experience for Internal Training and Development

04 | Developing Specialized Service Offerings

01. Focus on Growing Companies in the Greater Tokyo Area

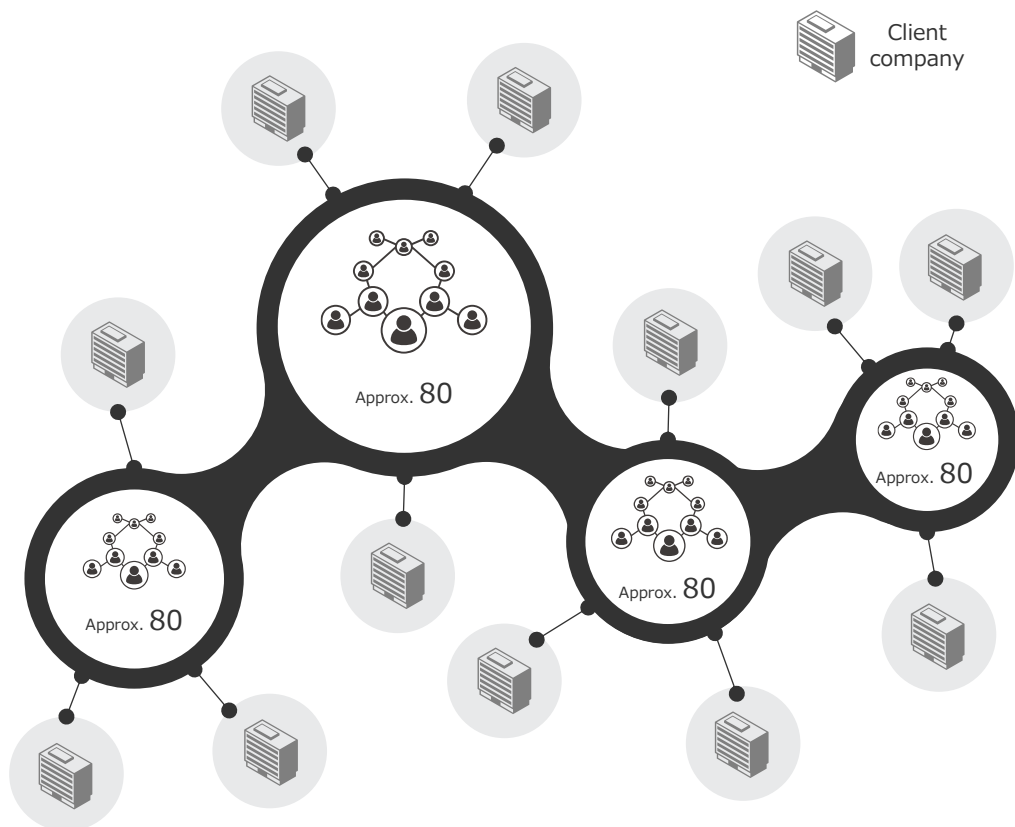
- We target growing companies with 50-1,000 employees to achieve the expansion of our business foundation
- The Greater Tokyo Area offers substantial client acquisition potential, and we will concentrate our efforts there for near-term growth



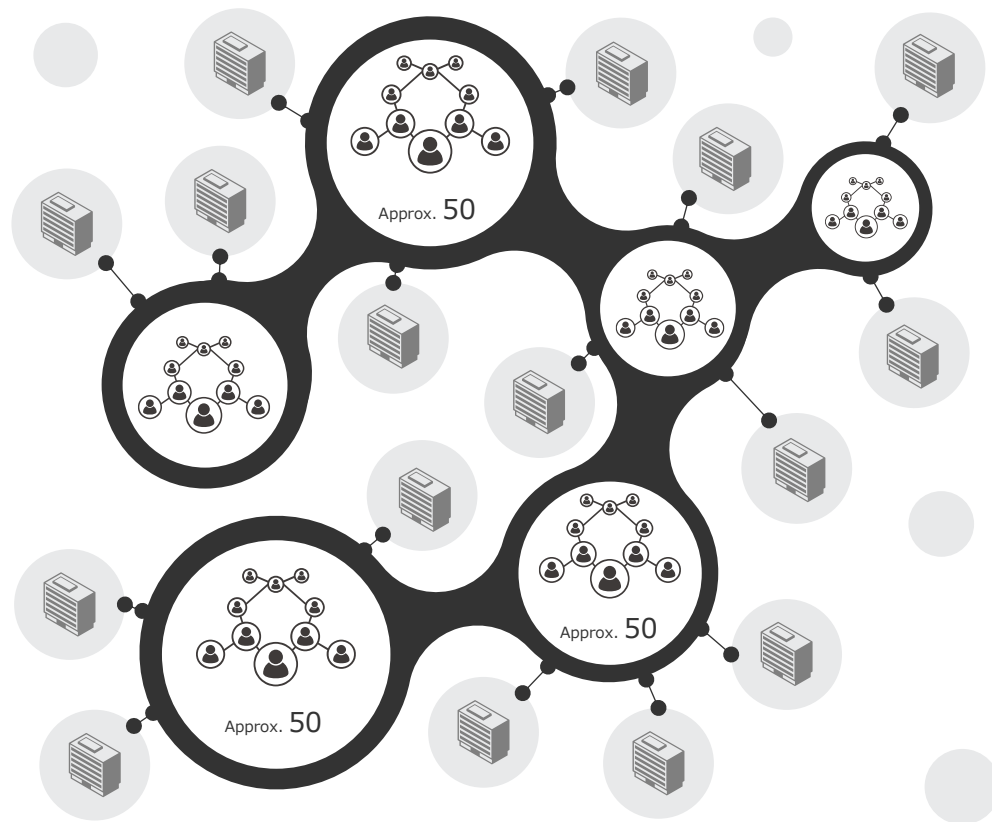
02. Scalable Growth While Maintaining Strengths

- Accelerate communication flow and maintain and improve sharing density by making about 50 employees a division
- Drive continuous business growth through flexible staffing while increasing individual strengths through a flat organizational structure

FY2022~2024



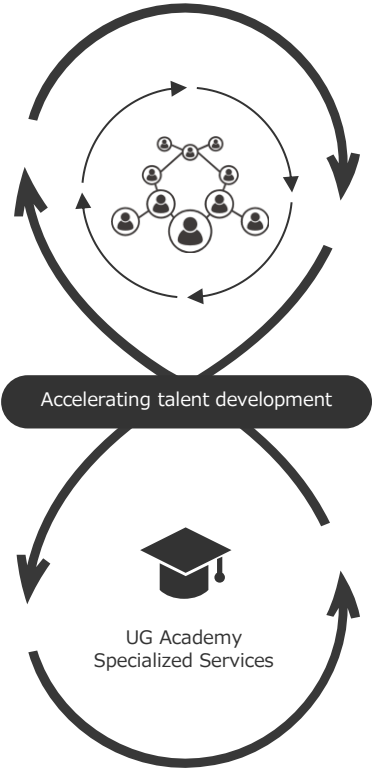
FY2025~



03-1. Leveraging Client Experience for Internal Training and Development

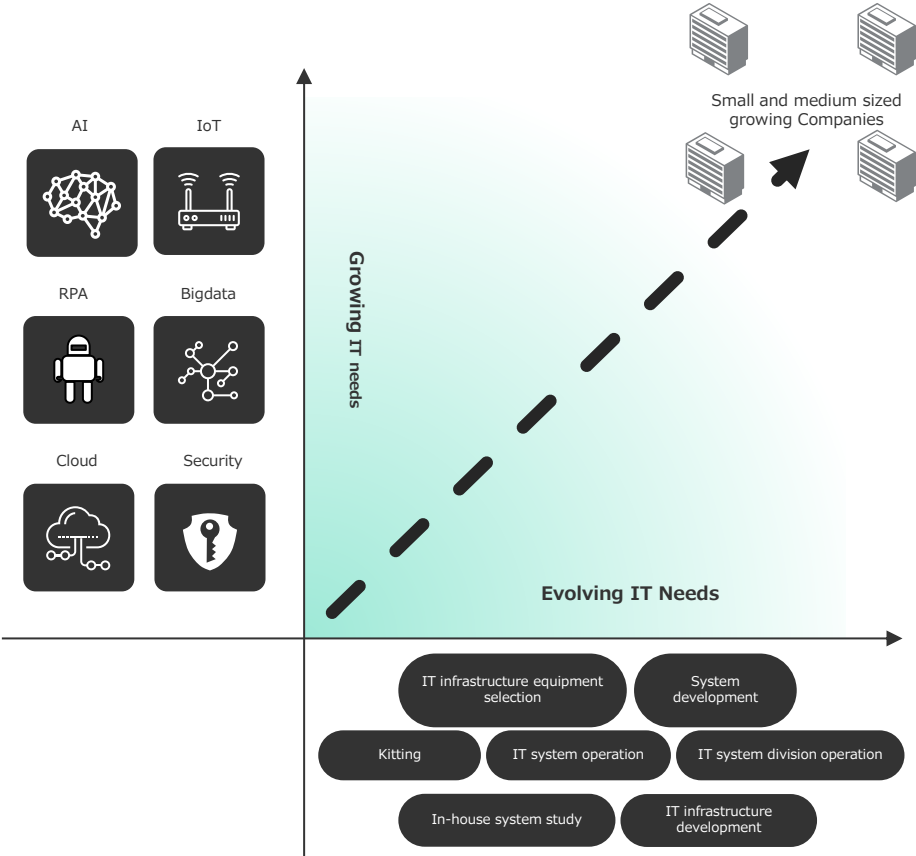
- Deepen our expertise across diverse client needs, accumulating problem-solving experience to enhance individual and organizational know-how
- Promote both individual and corporate growth by sharing experiences through UG Academy and specialized services

Skill Enhancement through Client Interaction



Enhancing employee capabilities through structured internal training

Expanding Client Needs



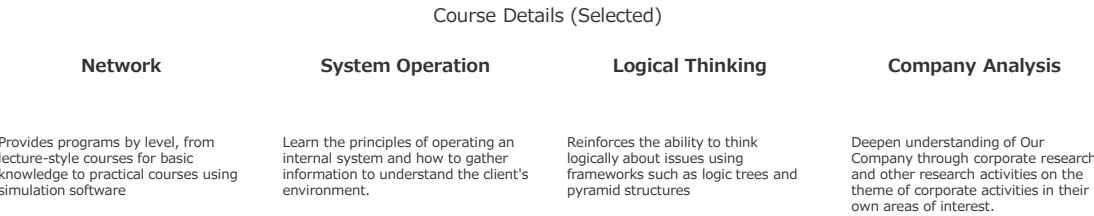
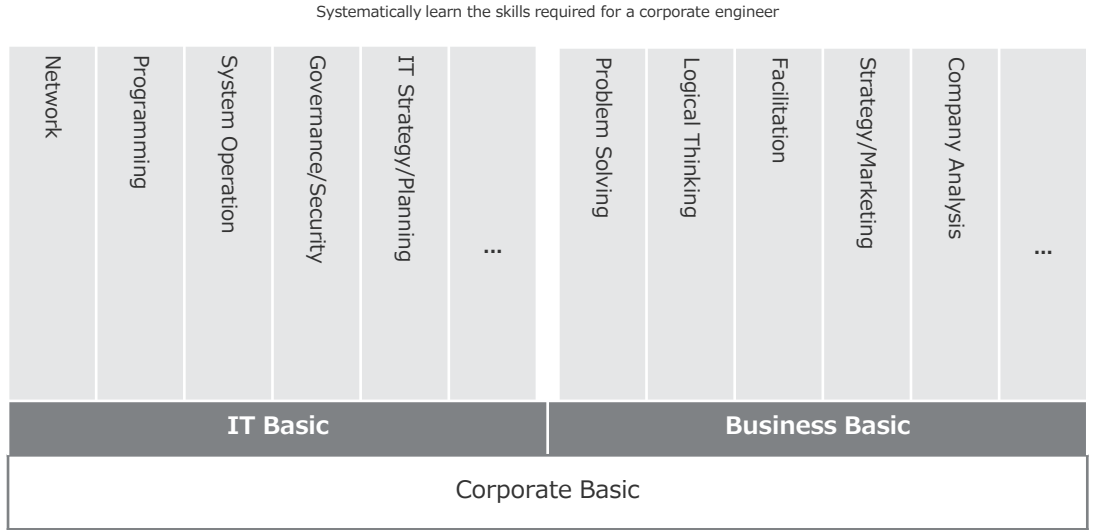
03-2. Leveraging Client Experience for Internal Training and Development

- Significant growth in skill level upgrades from L2 to L3 in FY2024 due to continuous in-house training
- UG Academy, a training institution for corporate engineers, has been systematized, accelerating the development of necessary expertise as a corporate engineer

Skill Level Development*1 (FY2024)



UG Academy Curriculum*2

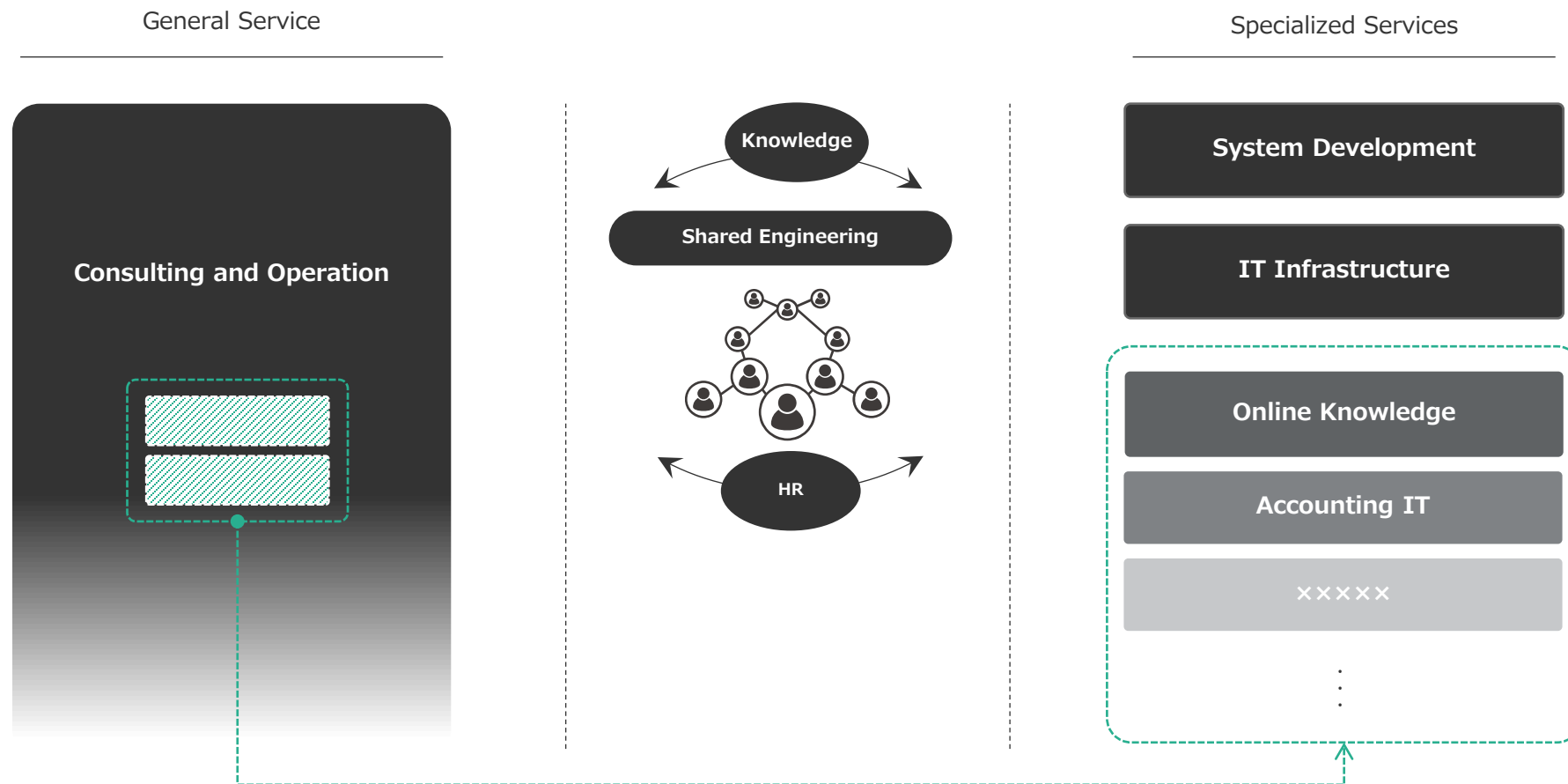


*1) Skill level of the employee enrolled as of January compared to the composition of the same employee's skill level as of December.

* Excerpted from our corporate website: UG Academy <https://www.ug-inc.net/ug-academy>

04. Developing Specialized Service Offerings

- Enhance value creation through the development of highly specialized services that expand our service offerings
- Strengthen our business capabilities by developing individual expertise in different areas and creating synergies across our service portfolio



Exploring high-demand services within our existing business areas

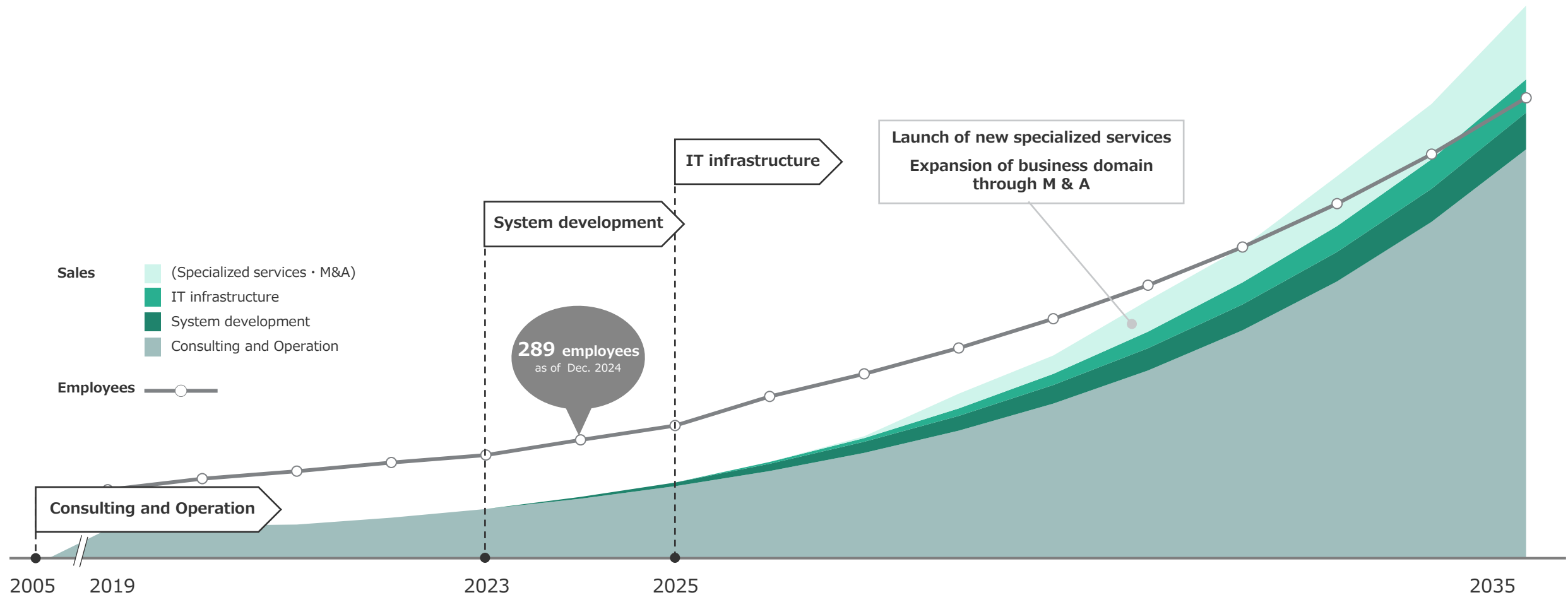
Medium- to Long-term Growth Image

UG Vision 30th

Centered on achieving 15% average annual growth in our business, we will work to continuously enhance corporate value by launching specialized services based on our core "Consulting and Operation" service and developing new businesses through M&A and other initiatives.

To be achieved sequentially

Employees	Sales	Operating Profit	Market Capitalization
1,000	10 billion yen	2 billion yen	30 billion yen



Appendix



Main Features and Strengths

01

A Business Model Optimized for Mid-sized and Small Growing Clients

02

Efficient and Leveraged Revenue Model

03

High Employee Motivation Through Delegation and Focus on Site

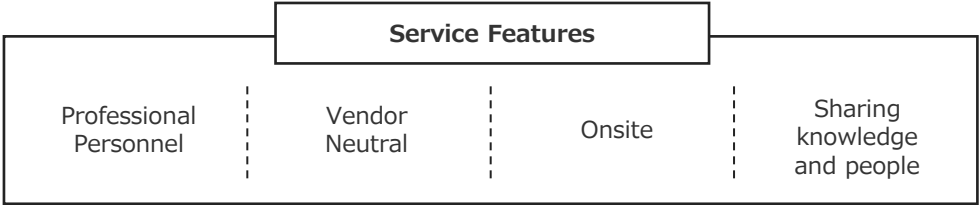
04

Shared Engineering as an Entry Barrier

Optimization for Clients (1/4) : Services and Skills Definition

- Our Company has established a service model by focusing exclusively on small to medium-sized growing companies.
- By reviewing the skill level of our shared employees on a semiannual basis, we strive to provide the same quality at the same price and build a long-term relationship of trust with our clients.

Service Optimization



Skill Optimization



- Quantify the skills and experience needed by the corporate IT departments of small and medium-sized enterprises
- 23 items**



- Add value to the corporate IT department by quantifying essential business skills that can be utilized across industries and job types
- 5 items**



20 levels of shared IT Professional's skills

Optimization for Clients (2/4) : Skill Level Components Details

Hard Skills: 23 items

IT Strategy and Planning	Control and Security	OA Infrastructure	
IT strategy	App security technology	Platform technology	TEL technology
New business development	Infrastructure security technology	DB technology	Cloud technology
Business system planning	security operation design	NW Technology	Facility Management
Strategic System Planning	IT Control	Storage SAN Technology	
OA system planning			
Infrastructure planning			
Management	Programming Tests	IT Service Desk	Other Skills
Project Management	Programming	System operation	Other skills
	Test planner	User support / Client support	

Soft Skills: 5 items

Client Insight skills

Problem-solving skills

Communication skills

Self-management skills

Collaboration skills

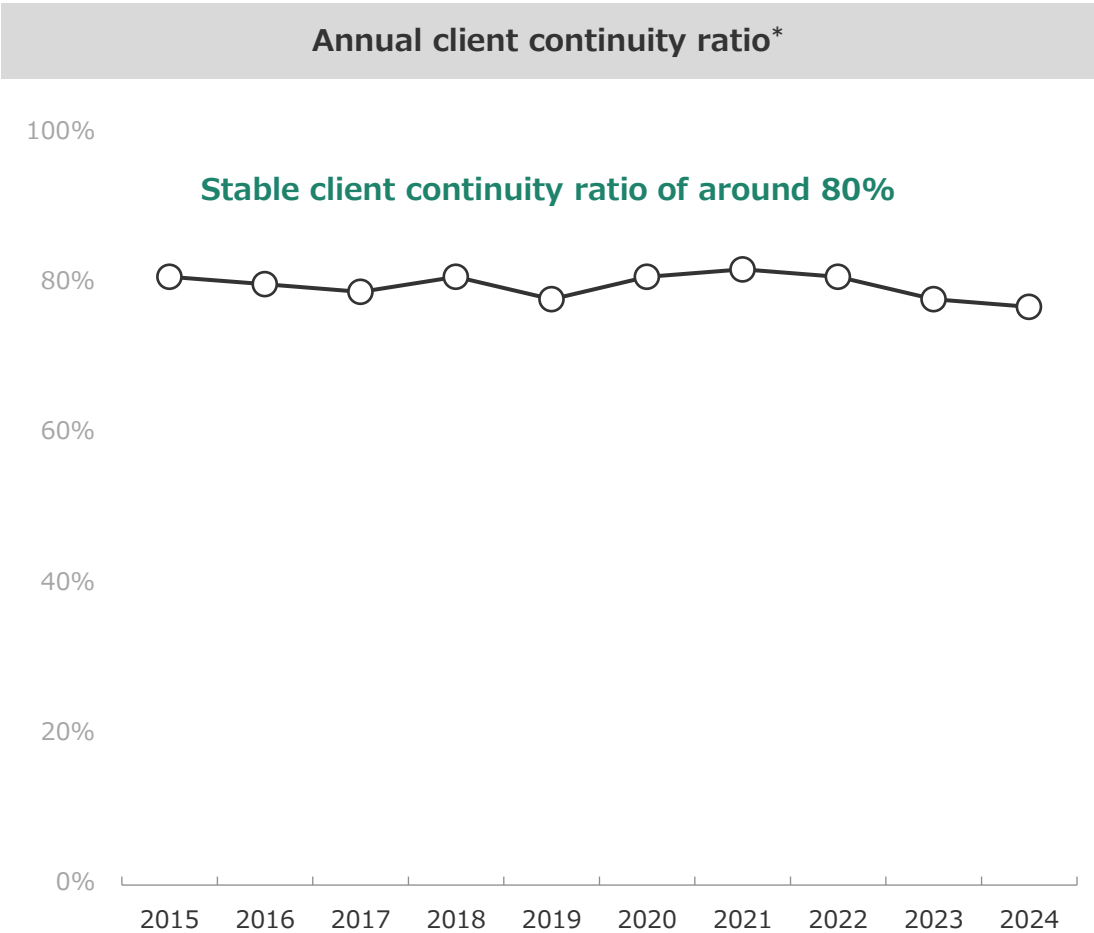
Optimization for Clients (3/4) : Start with a Small-Scale Engagement in business

- Our Company's timeshare service meets the clients' needs with agile and flexible responses, making it possible to start small.
- Our service model fosters client confidence and makes it easy to expand the scale of transactions.

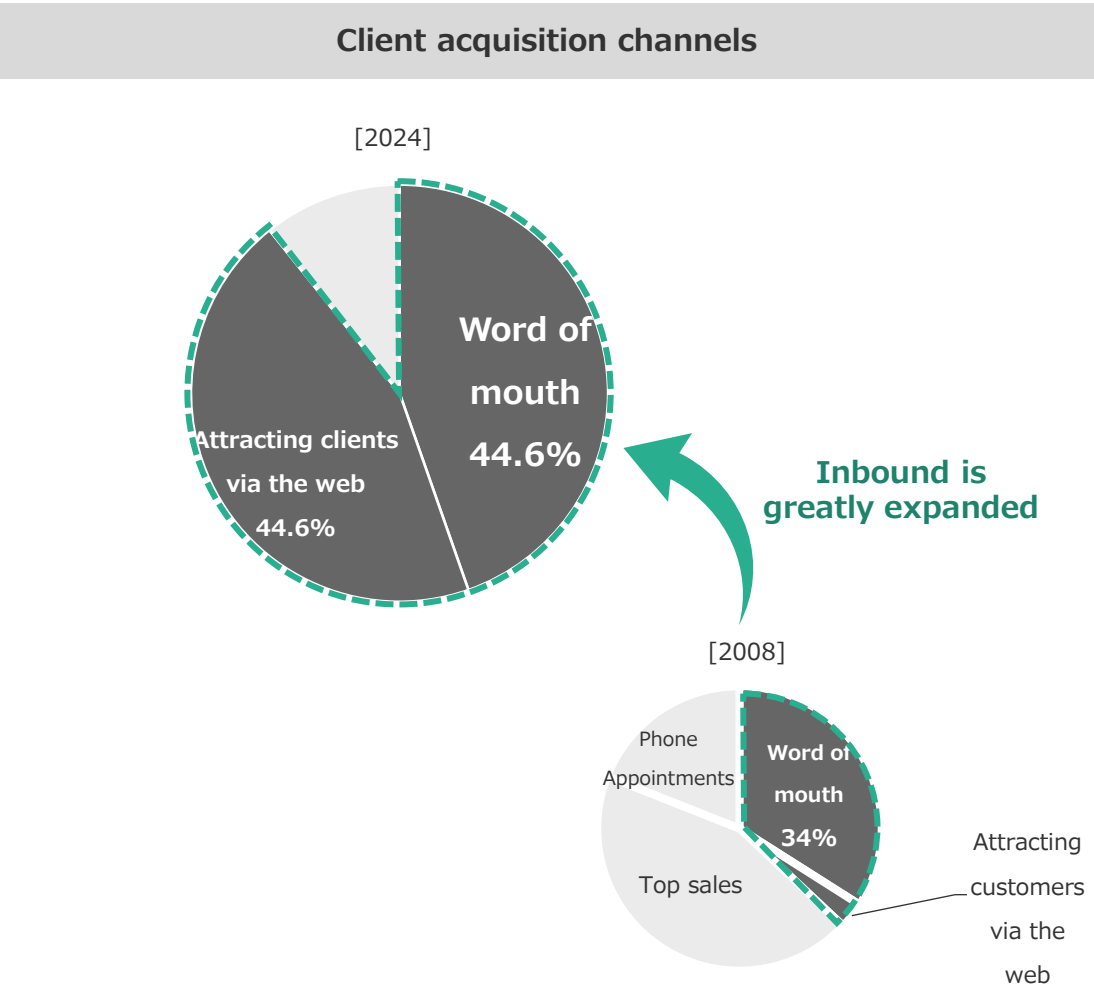
		July to October 2024 (Approximately 4 months)	November 2024 to January 2025 (Approximately 3 months)	From February 2025
Monthly usage fee		500,000 yen/month	1.9 million yen/month	3 million yen/month
Structure		2 persons	4 persons	6 persons
Work Contents	<ul style="list-style-type: none"> Planning IT strategy based on the Medium-Term Management Plan Making proposals to the management 		L6-C 20h/month	L6-C 4h/month
	<ul style="list-style-type: none"> Management of Information Systems Division IT infrastructure renewal project 			L4-B 48h/month
	<ul style="list-style-type: none"> Strengthening information security Operation of IT infrastructure 	L3-A 16h/month	L3-A 16h/month	L3-A 16h/month
	<ul style="list-style-type: none"> Consideration of replacement of core systems Organization of business flow 			L3-B 80h/month
	<ul style="list-style-type: none"> Helpdesk IT Asset Management Documentation 	L2-B 30h/month	L2-B 20h/month L1-D 120h/month	L2-B 20h/month L1-D 120h/month
Remarks		<ul style="list-style-type: none"> The Company received the order in recognition of the recruitment difficulty in the corporate IT department and the ability to respond flexibly to operation. 	<ul style="list-style-type: none"> Earn the trust of the head of corporate IT and be asked to propose a company-wide IT strategy 	<ul style="list-style-type: none"> Promote operations based on the established IT strategy Share entire operations with clients on Our Company Exchange information on a regular basis with each level of client organization

Optimization for Clients (4/4) : High continuity and inbound orders

- Established a stable client base with an annual client continuity ratio of around 80%.
- Our client acquisition channel is mainly inbound (word-of-mouth, referral, and online searches) and requires minimal client acquisition costs.

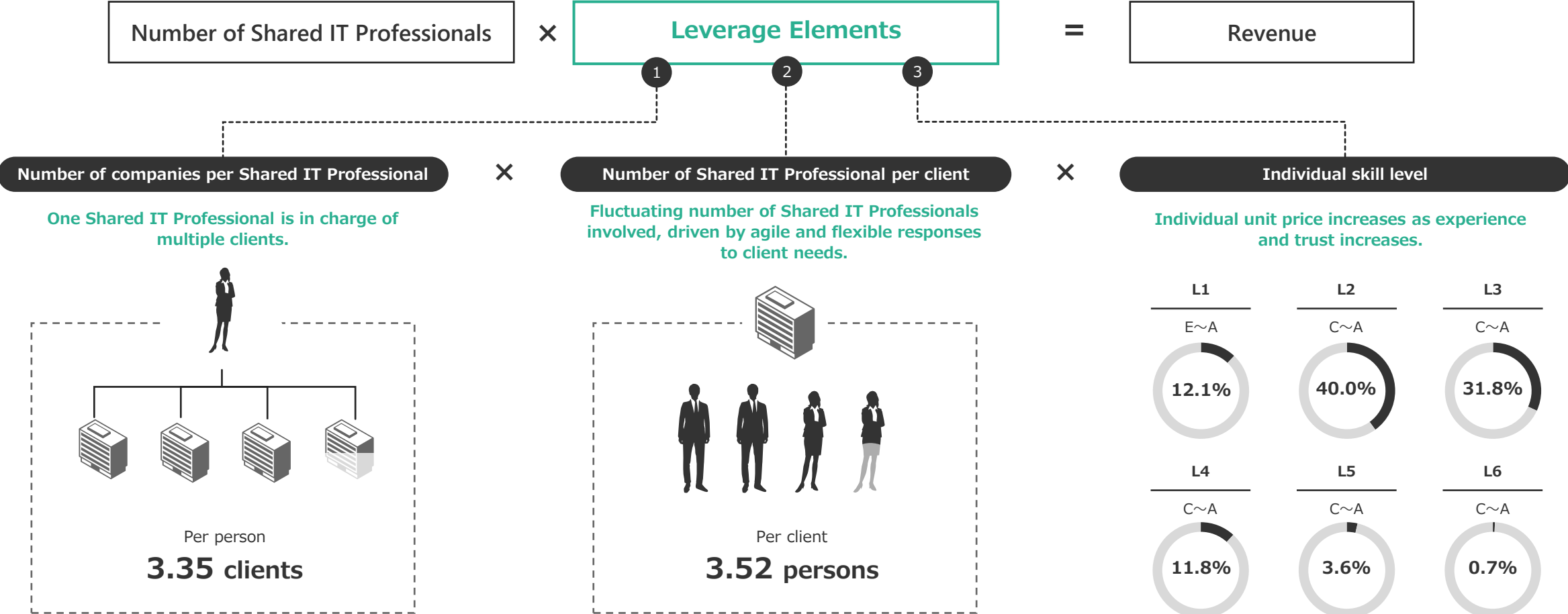


※ Annual client continuity ratio is the percentage of clients with continuous transactions after 13 months from the start of transactions. (Figures are based on the year end)



Efficient and Leveraged Revenue Model (1/3)

- The revenue model of Our business has a leverage factor as we offer a unique service model (timeshare).
- The revenue per shared IT professional is based on a structure including the number of companies an IT professional works for, the number of IT professionals working for one company, and the skill level of the individual, where leverage is generated as each of these increase.



※ The leverage factor is as of the end of FY2024.

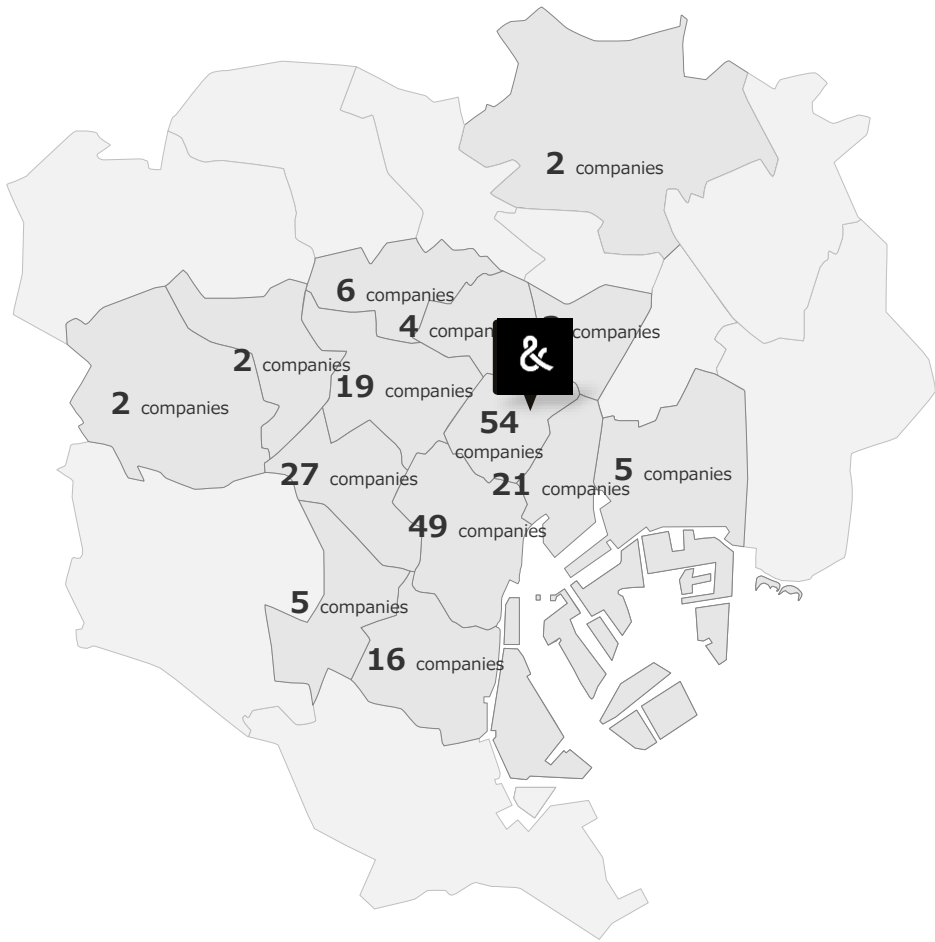
Efficient and Leveraged Revenue Model (2/3)

- The Cost of Service/Hour, which is a shared IT professional's selling price, varies based on the hours served and skill level of the professional.
- The more we focus on providing high value work to our clients and demonstrate high skills in a short period of time, the better Our Company's bottom line will be.

		Low ← Skill Level → High					
		L1 E D C B A	L2 C B A	L3 C B A	L4 C B A	L5 C B A	L6 C B A
<div>Short time ↑</div> <div>Hours per month</div> <div>↓ Long time</div>	Less than 8H	Hourly Rate × 3					Hourly Rate × 16
	9~39H						
	40~79H						
	80~139H						
	140~160H	Hourly Rate 1					Hourly Rate × 11

Efficient and Leveraged Revenue Model (3/3)

- We established a service provision policy focus on an area within a 50-minute radius of Our Head Office (in Ochanomizu). In others words, we provide services focusing on efficiency (We are flexible in handling clients' regional locations, etc.)



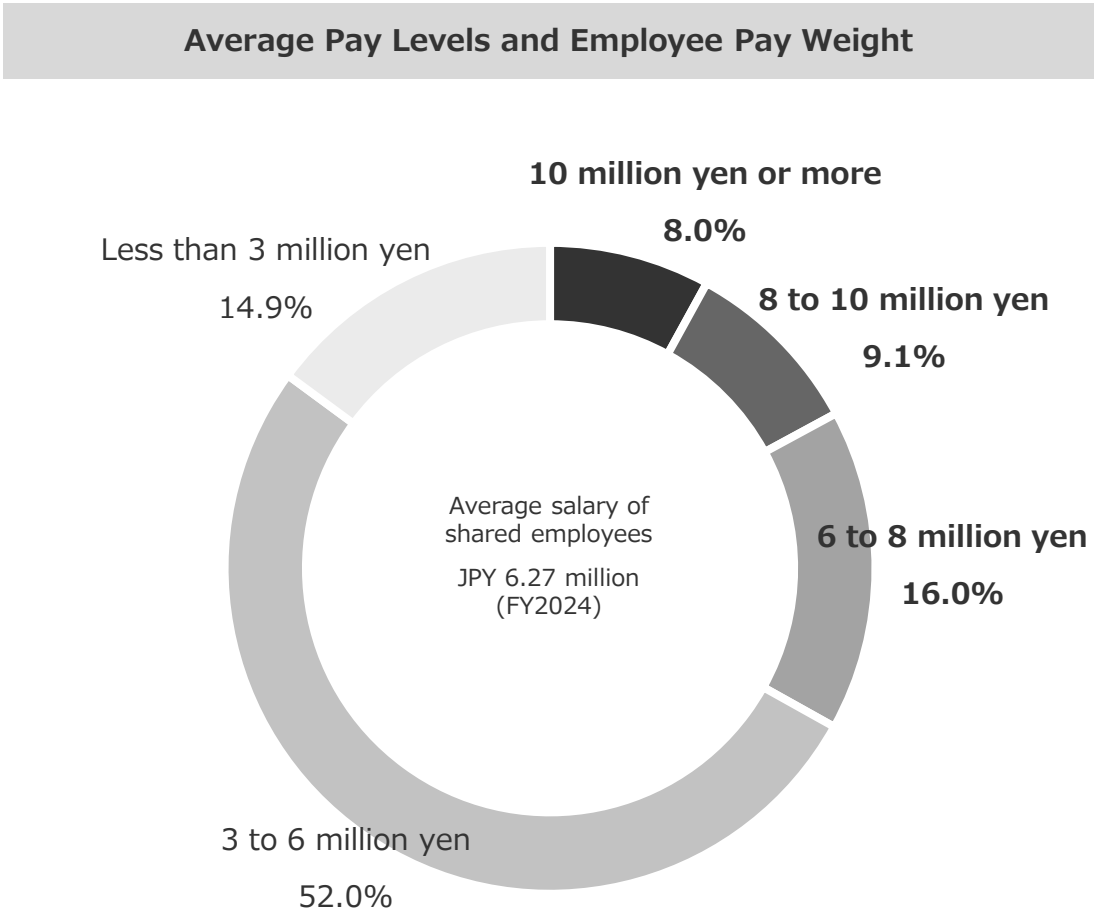
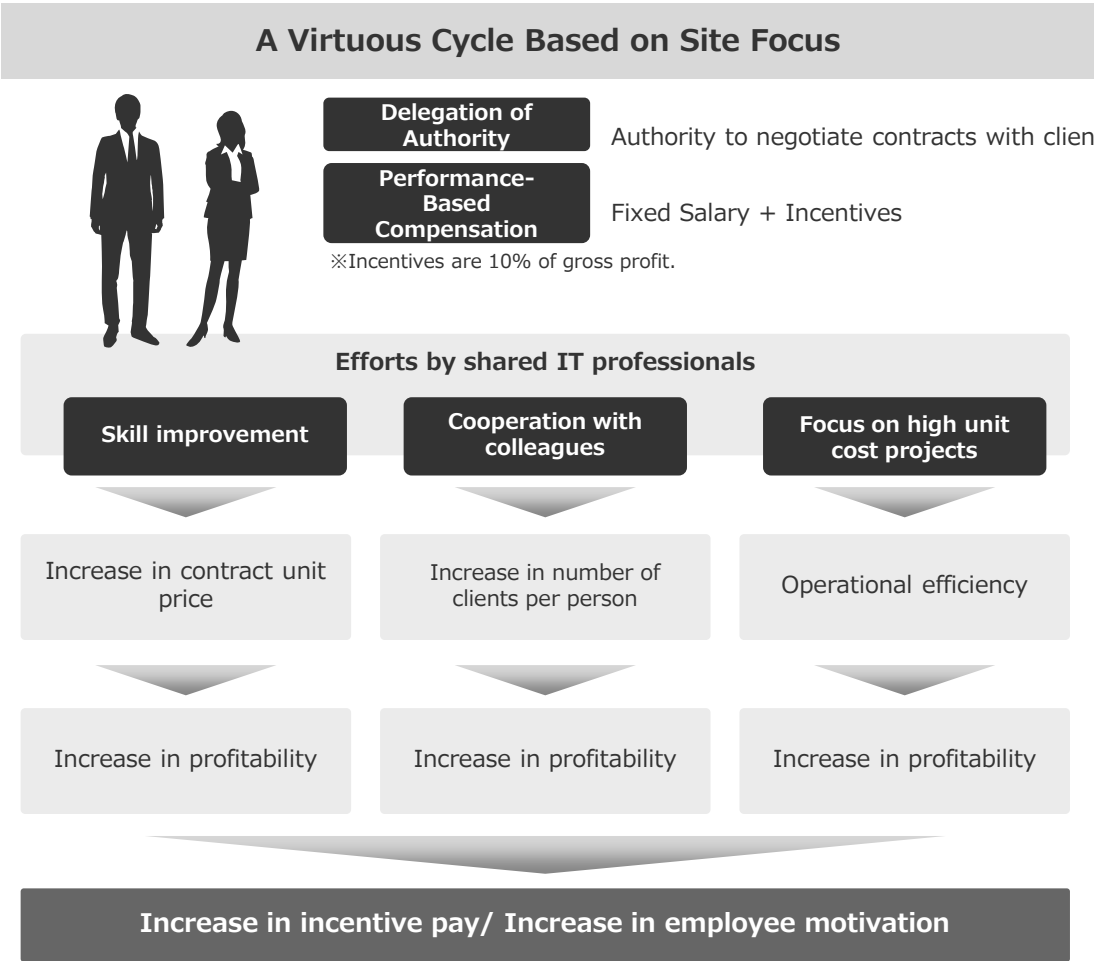
Efficient Business Development

(FY2024)

244 active member companies
within a 50-minute door-to-door radius.

High Employee Motivation Through Delegation and Focus on Site

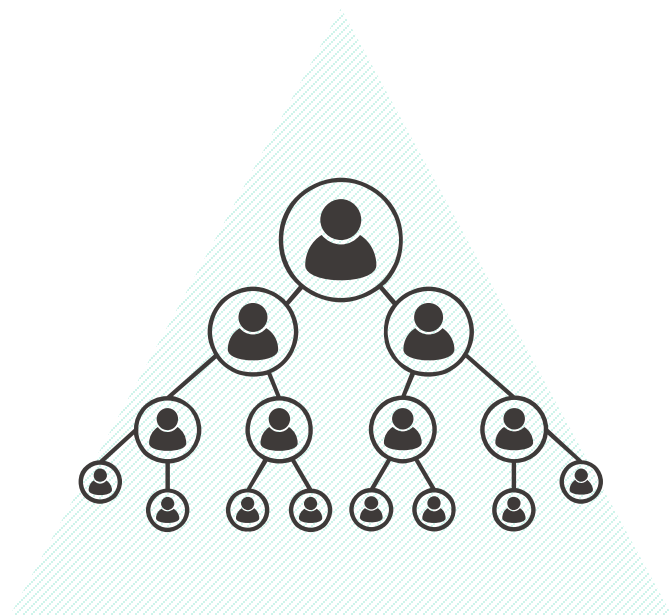
- We have established of a virtuous cycle by building an organization that values the independent judgment of employees.
- Measures to enhance employee motivation, including performance-based compensation, have a positive impact on Our Company's business performance.



Shared Engineering as Entry Barrier

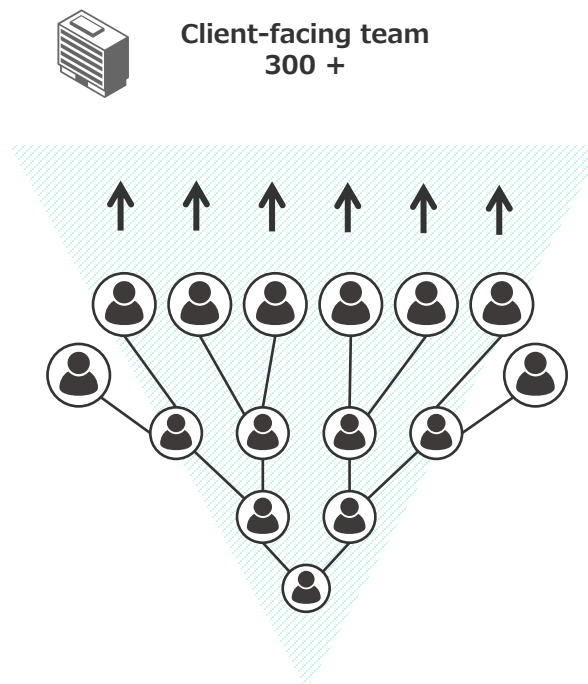
- By building a flat organizational culture and human resources network, we can achieve “mutual use of knowledge”, “rapid personnel rotation”, “natural and continuous improvement of skills”, and “respect and promotion of autonomy”.
- To emulate Our Company's services, it is essential to begin by establishing a Teal-style organizational culture.

Management Structure



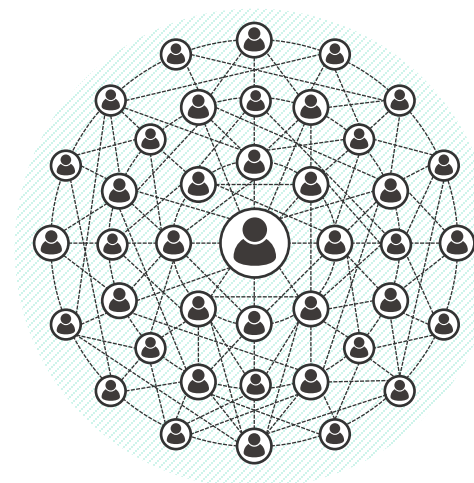
- Manage and control with a pyramid chart.
- Budget control, labor management, compliance, information security management, etc.

Service Operations



- Inverted Pyramid Organization with On-Site Leadership.
- Candidate System for Sales and Staffing.
- One person is responsible for multiple clients.
- Multiple staff are responsible for one company.

Organizational Culture



- Establish a network-type organization by implementing various initiatives and support to deepen mutual ties.
- There is little micromanagement; employees find their own work.
- More than half of the employees are in some kinds of internal jobs and maintain and develop connections.

Notes:

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 Japanese original shall prevail.

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