

FY2024 2Q Financial Results Presentation

VisasQ Inc. (Stock Code: 4490)

October 15th, 2024



FY2024 2Q Consolidated Financial Results Summary

- The consolidated results for FY2024 2Q (cumulative) were transaction volume at JPY 7.2 billion yen (+12% Y-o-Y), operating revenue at JPY 4.9 billion (+12% Y-o-Y), and adjusted EBITDA at JPY 500 million (+26% Y-o-Y).
- Although adjusted EBITDA and net profit have already exceeded the full-year forecast, the cost of investments based on the 3-year strategic plan are mainly recognized in the second half, and the full-year earnings forecast remains unchanged.

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3-year strategic plan (announced April 2024)

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| **FY2024 2Q results**

3-year strategic plan (announced
April 2024)

Appendix

FY2024 2Q Consolidated Financial Results and Earnings Forecast

- The cumulative progress for FY2024 2Q is generally in line with expectations
- Though there has been substantial progress on profits at this stage, as shown on page 7, costs associated with a variety of measures for each business segment are recognized in the second half, and the earnings forecast remains unchanged

(JPY M)	FY2024 2Q (cumulative)	FY2024 consolidated earnings forecast (announced July 2024)	Progress rate	Same period of previous FY ⁽²⁾	Y-o-Y
Transaction volume	7,223	14,417	50%	6,419	+12.5%
Operating revenue	4,936	9,724	51%	4,401	+12.2%
Adjusted EBITDA ⁽¹⁾	472	435	108%	373	+26.6%
Adjusted EBITDA margin	6.5%	3.0%	-	5.8%	-
Operating income	583	600	97%	-159	-
Ordinary profit	569	550	103%	-177	-
Net income	107	50~100	107% ~ 214%	-222	-

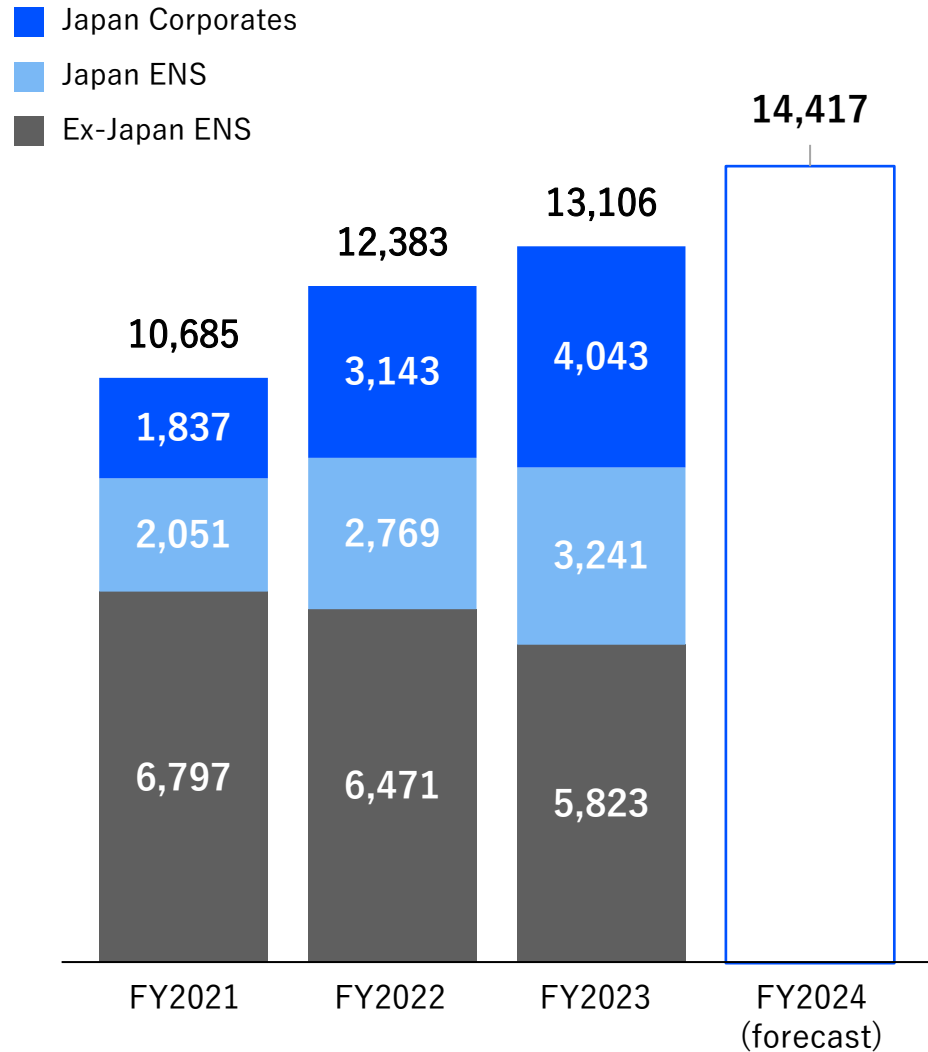
(1) "Adjusted EBITDA" is adjusted EBITDA assuming that Coleman's software has been fully expensed, and is calculated as operating income + depreciation expenses + stock-based compensation expenses + software development costs recorded as impairment losses.

(2) Coleman's results included in the figures for "Same period of the previous FY" have been converted at 1 USD = approximately JPY 140, which is the full-year exchange rate for the previous fiscal year. The exchange rate for the current fiscal year is forecast to be 1 USD = JPY 145, with the actual exchange rate for 2Q being 1 USD = approximately JPY 152.

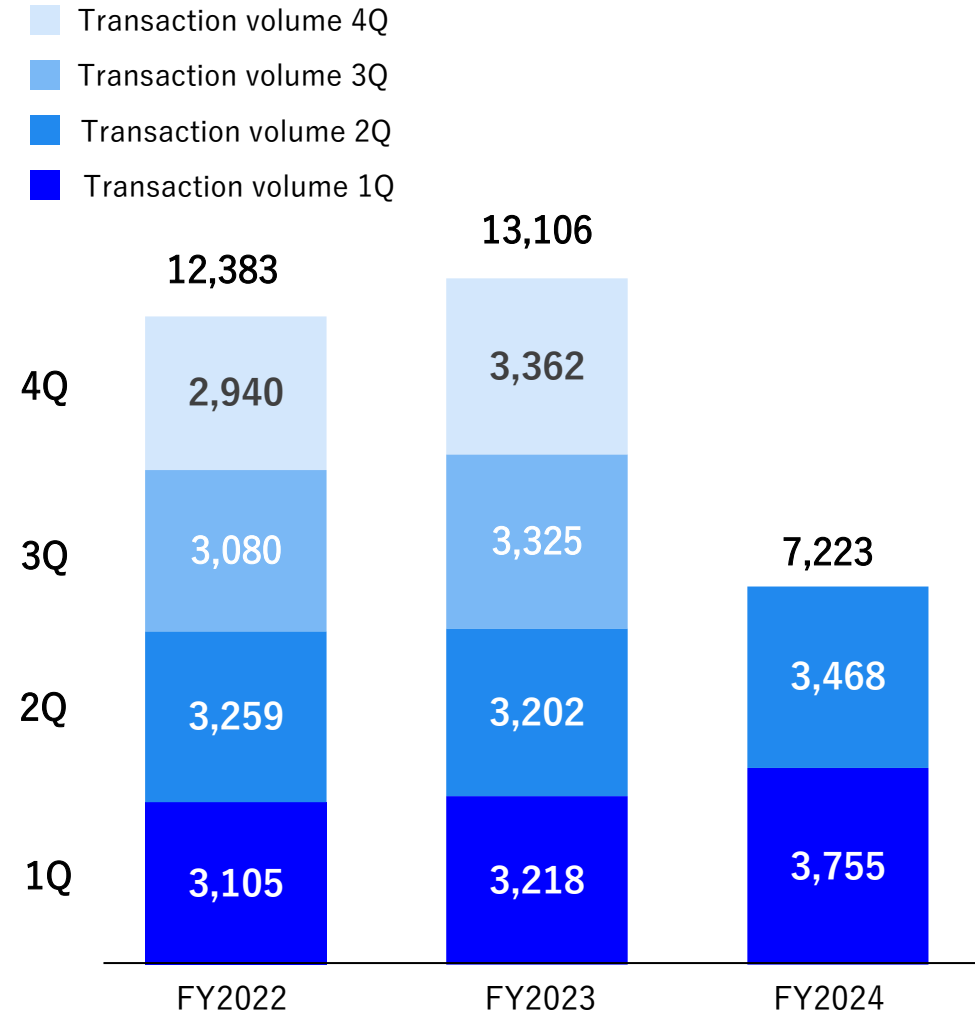
* Each amount is rounded off. (To be the same afterwards)

Trends in Transaction Volume

Transaction volume (by business segment)



Transaction volume (quarterly totals)



FY2024 : Overview of Initiatives and Progress

Business/ Investment	FY2024 Initiatives	Progress	Assumptions for Earnings Forecast	FY2024 2Q (cumulative)
Japan Business	Increase compensation levels and training expenditures (approx. 350 million JPY)	Generally as expected	Transaction volume growth rate: Around +15% Operating income margin: Around 35%	Transaction volume growth rate: +13% Operating income margin: 35%
Japan Corporates Business	<ul style="list-style-type: none"> • Increase number of client accounts <ul style="list-style-type: none"> - Aim to develop and deepen target clients by strengthening sales, and to expand horizontally within clients - Lower the priority of acquiring new clients through advertising • Grow transaction volume per account <ul style="list-style-type: none"> - Aim for transaction volume per account growth by both acquiring new users within client accounts and cross-selling - Investments for UI/UX improvements and new product development (approx. 50 million JPY) 	Slightly lower than expected	Transaction volume growth rate: Around +20% Operating income margin: Around 25%	Transaction volume growth rate: +12% Operating income margin: 25%
Japan ENS Business⁽¹⁾	<ul style="list-style-type: none"> • Further increase share of matching in Japan • Gradually transfer clients to Coleman's platform and proactively promote overseas experts (approx. 250 million JPY) • Establish an overseas-stationed team that specializes in dealing with Japanese clients (approx. 75 million JPY) 	As expected	Transaction volume growth rate: Around +15% Operating income margin: Around 45%	Transaction volume growth rate: +15% Operating income margin: 46%
Ex-Japan ENS Business⁽²⁾	<ul style="list-style-type: none"> • Improvements to the external environment are not factored in • Reinforce sales activities to increase the number of active users (both new and existing clients) • Expect continuous productivity improvements via measures such as reviewing incentives, strengthening training, and investing in AI 	Generally as expected <small>(excl. exchange rate effects)</small>	Transaction volume growth rate: Around +5% <small>(yen base: +5% or slightly higher; dollar base: +5% or slightly lower)</small> Operating income margin: Around 20% ⁽³⁾	Transaction volume growth rate: +12% <small>(dollar base: +4%)</small> Operating income margin: 22%

(1) The Japan ENS Business includes income from overseas institutional investors, etc. with whom VISASQ has done business.

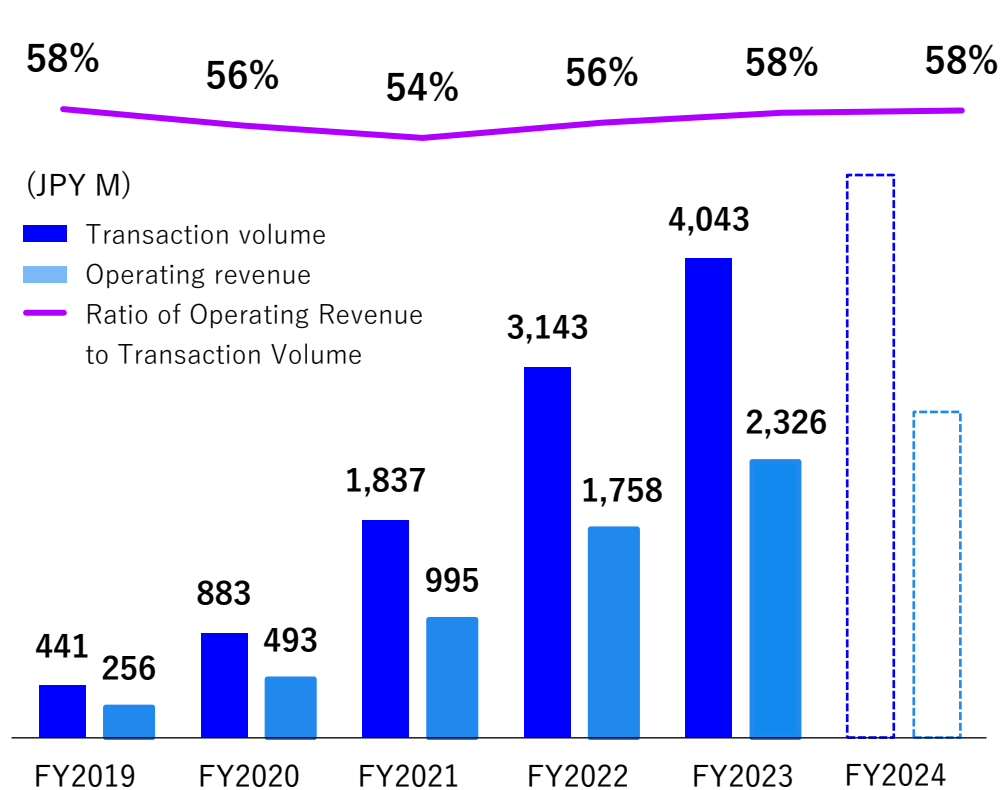
(2) The Ex-Japan ENS Business includes the results of VISASQ's overseas subsidiary, Coleman (fiscal year: January to December) and VISASQ SINGAPORE (fiscal year: March to February). Coleman's results are reflected in the consolidated financial results with a two-month lag.

(3) Operating income margin forecast of Ex-Japan ENS Business is changed from [Around 25%] to [Around 20%] due to the change in allocation of labor cost which has no impact to company-wide profits.

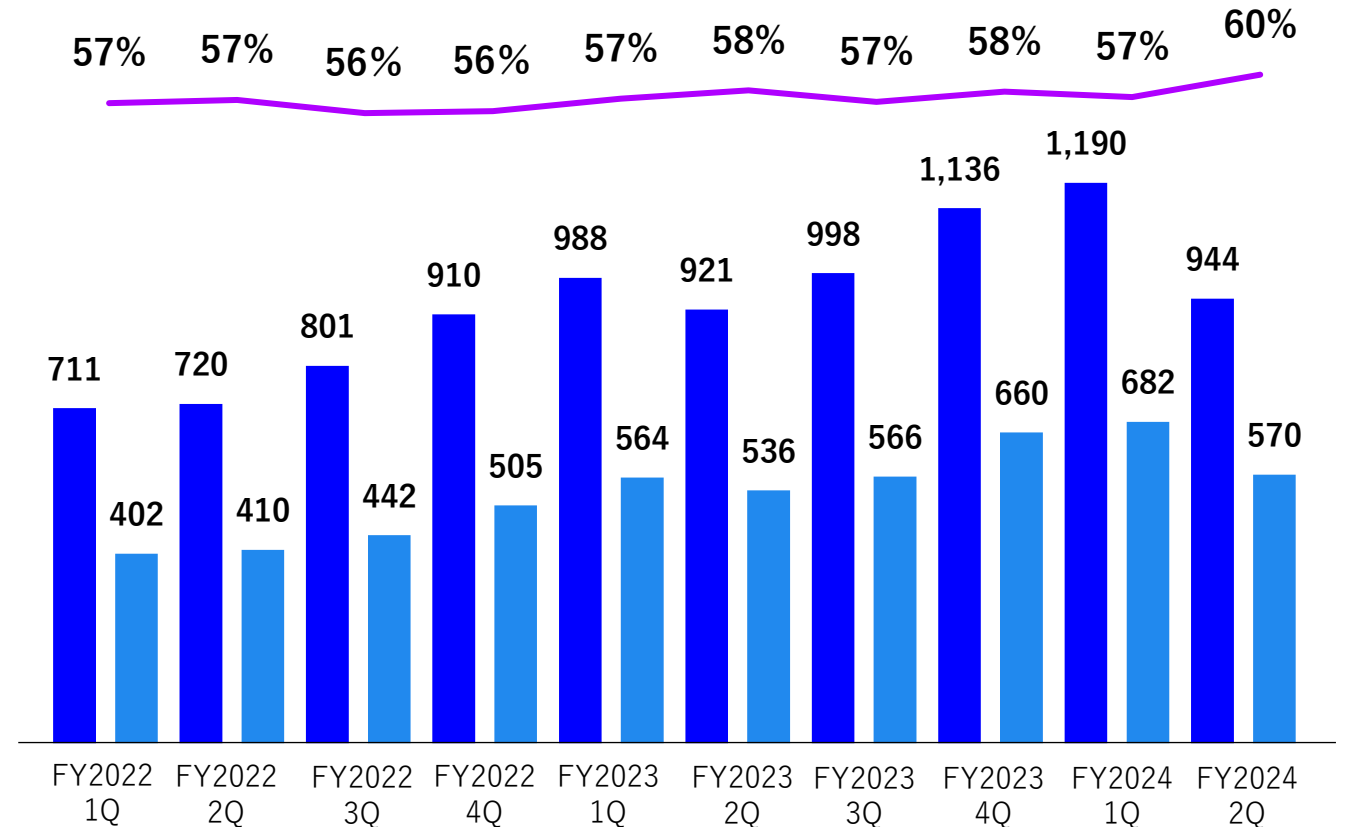
Japan Corporates Business : Performance Trend (including VISASQ lite)⁽¹⁾

- In addition to seasonality, activity decreased due to training and handover associated with organizational changes, but is expected to recover in the second half of the year
- Ratio of Operating Revenue to Transaction Volume temporarily increased due to product mix etc.

Annual



Quarterly



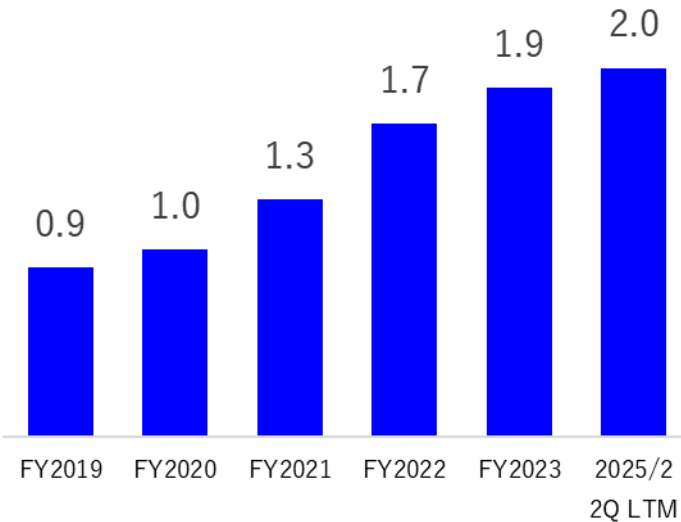
(1) Results for each period aren't subject to accounting audits. (To be the same afterwards)

Japan Corporates Business: Trend in Major KPIs (excluding VISASQ lite)

- Transaction volume per account is progressing smoothly
- As for our focus on deepening relationships with major clients, although activity decreased due to training and handover associated with organizational changes, customer contact points have been expanding smoothly from this summer
- In our 3-year strategic plan, we are focusing on increasing transactions from target customers and improving repeat rates, and will continue to promote these efforts

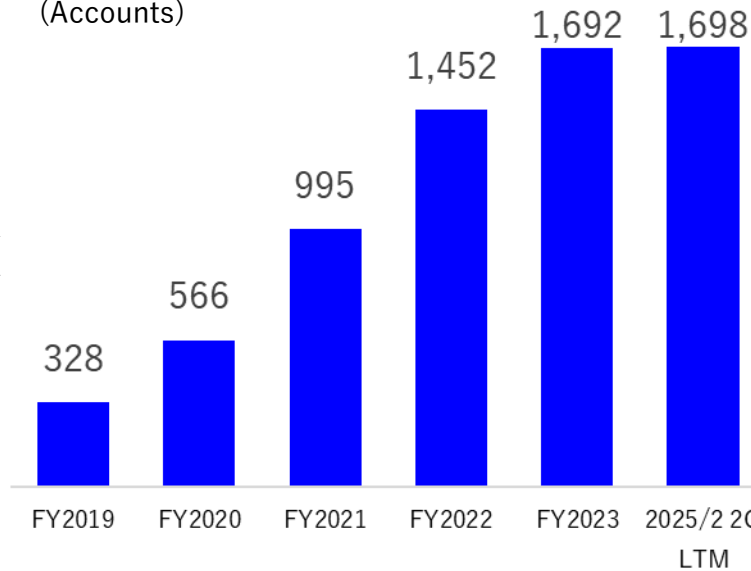
Transaction volume per account

(JPY M)



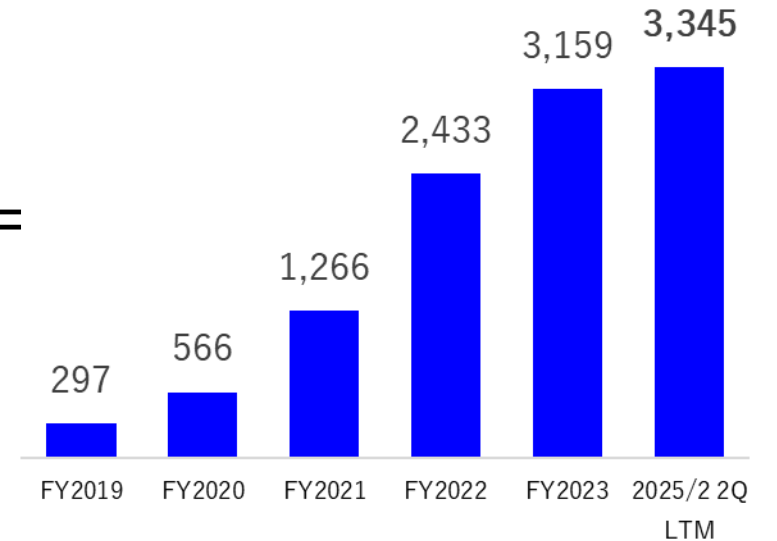
Number of client accounts⁽¹⁾⁽²⁾

(Accounts)



Transaction volume

(JPY M)

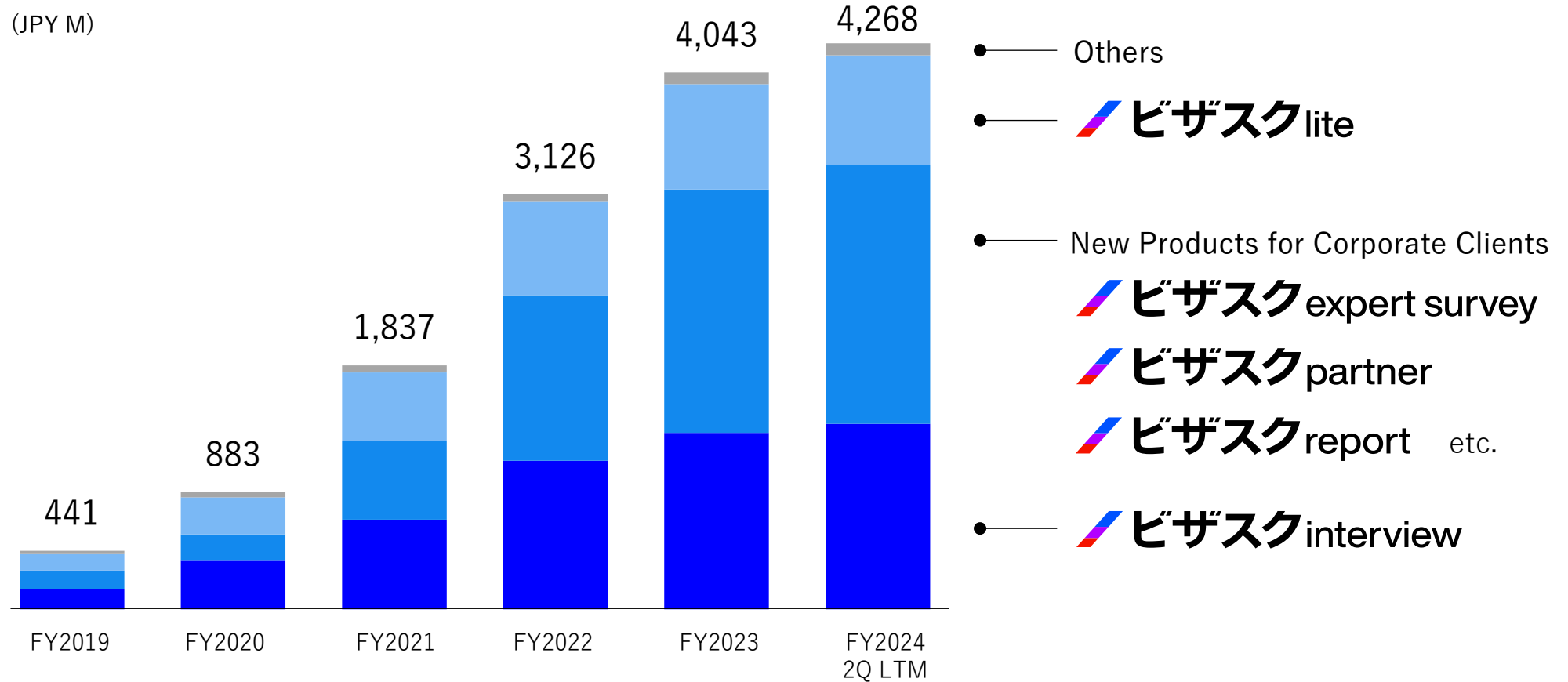


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(1) "Client" refers to corporate customer with a corporate contract and who uses VISASQ's full-support format and does not include corporate customers who use only VISASQ lite.
 (2) "Number of client accounts" is the total number of clients who have consumed or requested tickets for services other than "VISASQ lite" during the past year based on the contract with VISASQ.
 In the event that multiple departments of the same corporate have entered into separate contracts, each contract is counted.

Japan Corporates Business : Trend in Transaction Volume by Major Commercial Products⁽¹⁾

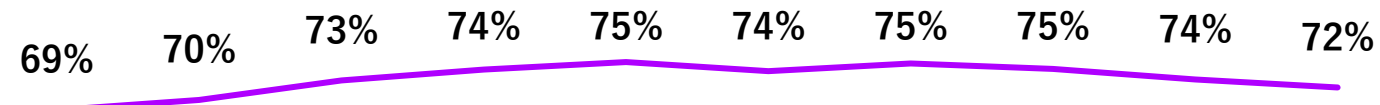


(1) The transaction volume for each product category are figures for managerial accounting purposes and are not subject to accounting audits.

Japan ENS Business : Performance Trend⁽¹⁾

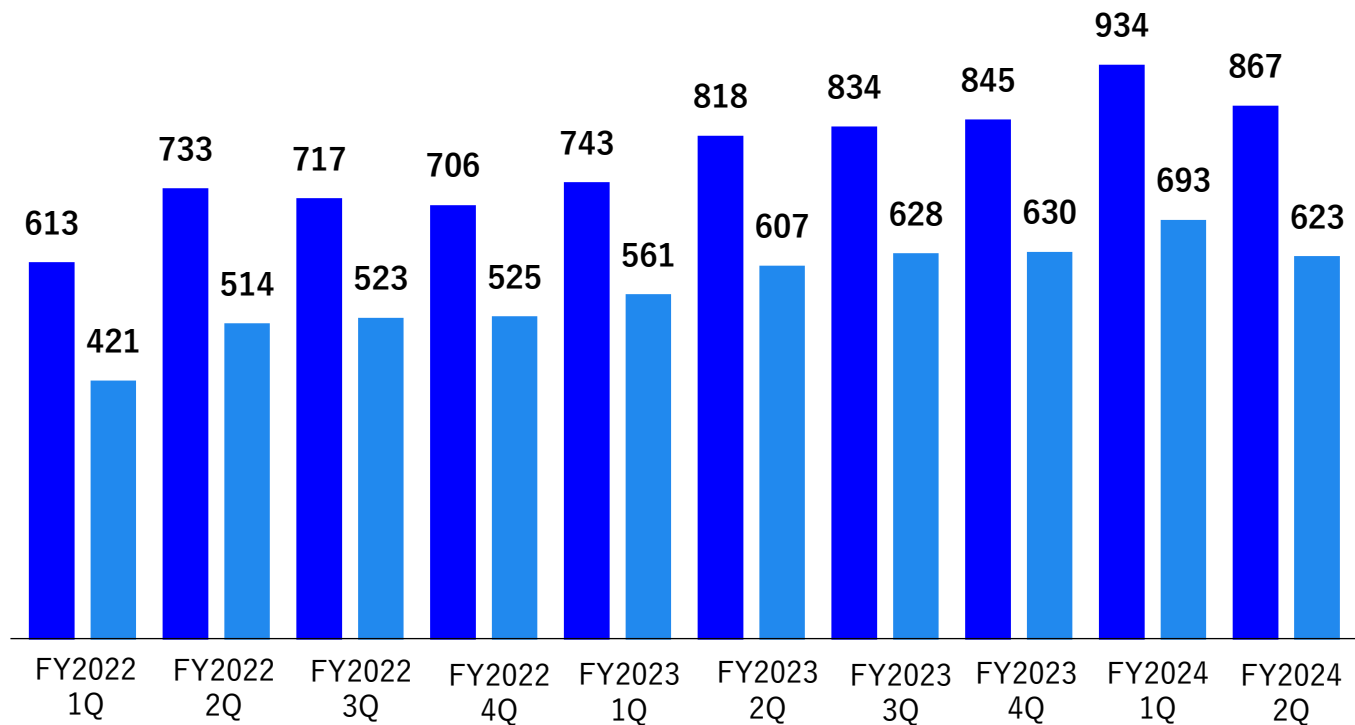
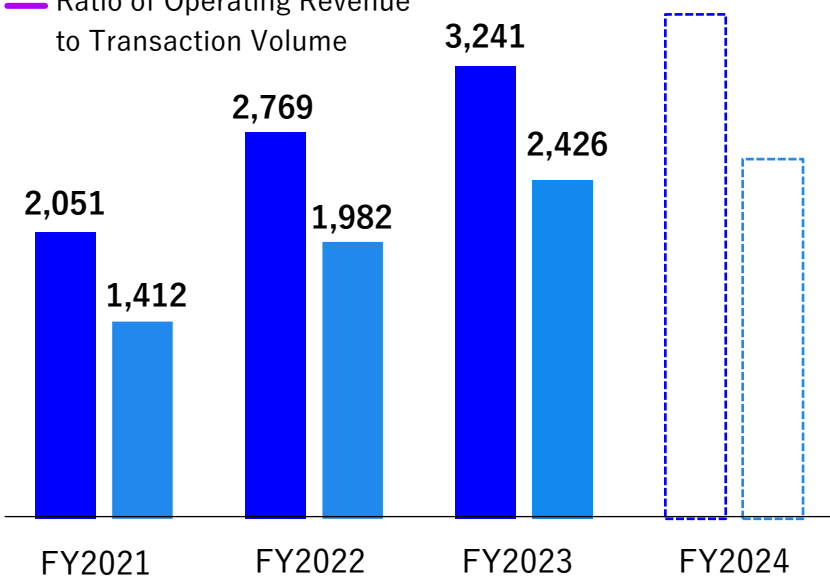
Annual

Quarterly



(JPY M)

- Transaction volume
- Operating revenue
- Ratio of Operating Revenue to Transaction Volume



(1) Results for each period aren't subject to accounting audits. (To be the same afterwards)

Ex-Japan ENS Business : Performance Trend⁽¹⁾

Annual

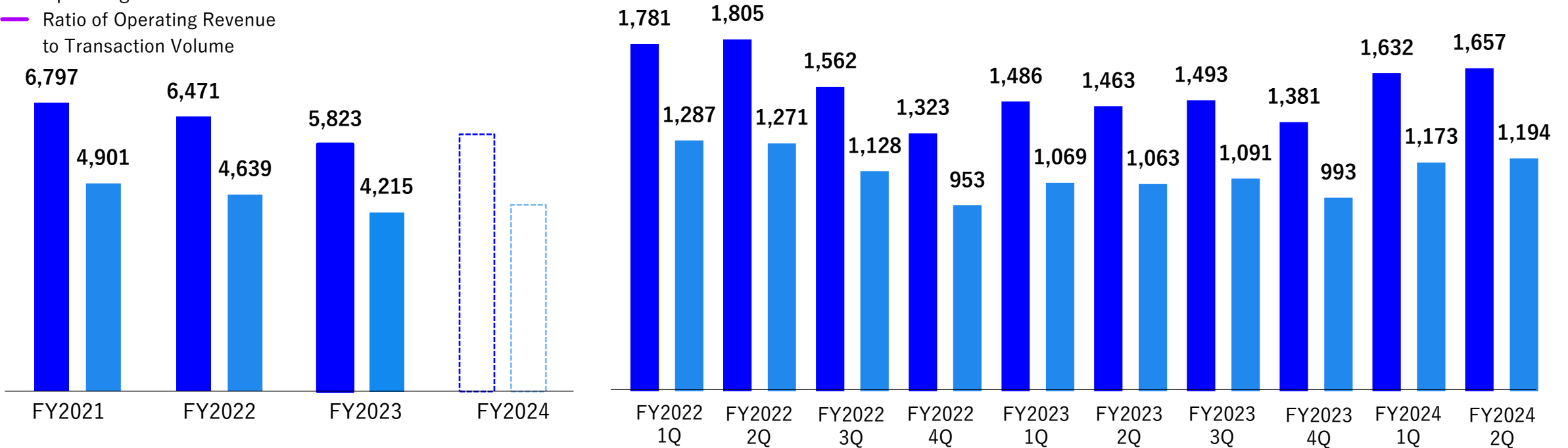
Quarterly

72% 72% 72% 73%

72% 70% 72% 72% 72% 73% 73% 72% 72% 72%

(JPY M)

- Transaction volume
- Operating revenue
- Ratio of Operating Revenue to Transaction Volume

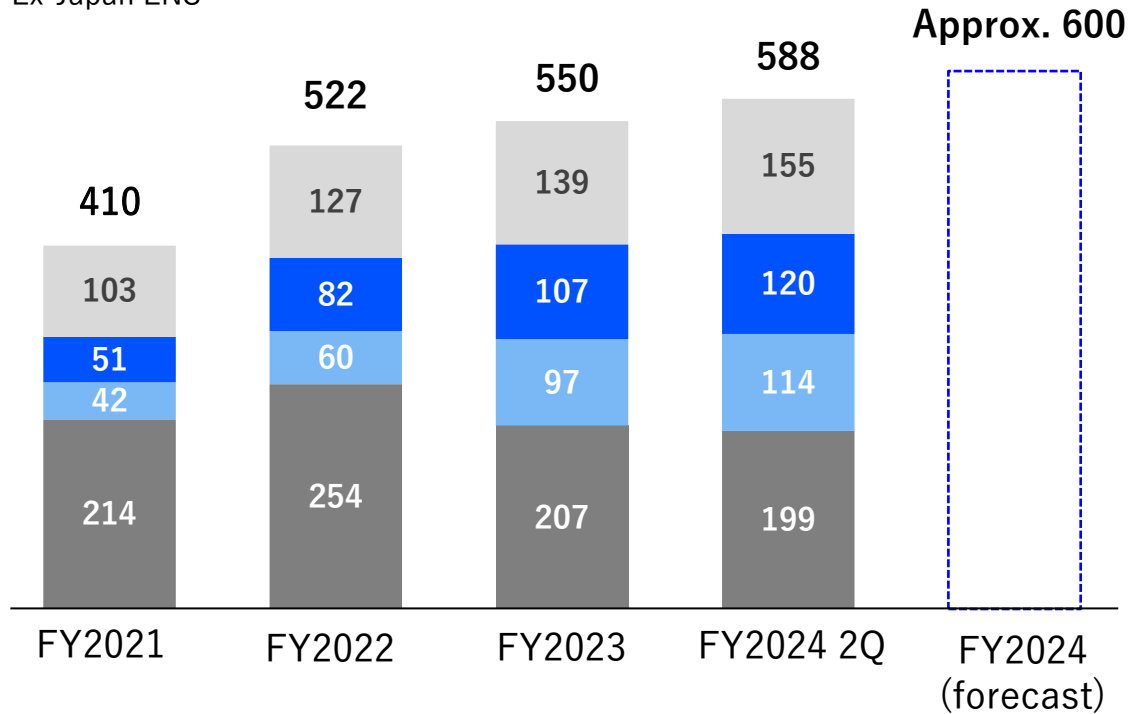


(1) Coleman's results included in Global ENS are converted into Japanese yen using the average exchange rate for each fiscal year. The exchange rate for FY2022 was 1 USD = approximately JPY 131, the exchange rate for FY2023 was 1 USD = approximately JPY 140, and the exchange rate for FY2024 was forecast to be 1 USD = JPY 145 while the actual exchange rate for FY2024 was 1 USD = approximately JPY 152. Results for each period are not subject to accounting audits. (To be the same afterwards)

Headcount by Business⁽¹⁾

Headcounts (average during the period)

- Other
- Japan Corporates
- Japan ENS
- Ex-Japan ENS



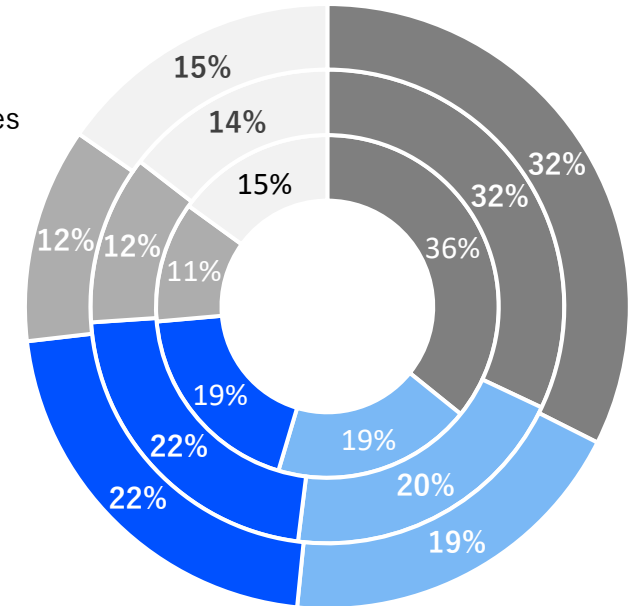
Personnel Ratios (as of the end of the period)

Outer: FY2024 forecast

Middle: FY2024 2Q

Inner: FY2023

- Other
- Development
- Japan Corporates
- Japan ENS
- Ex-Japan ENS

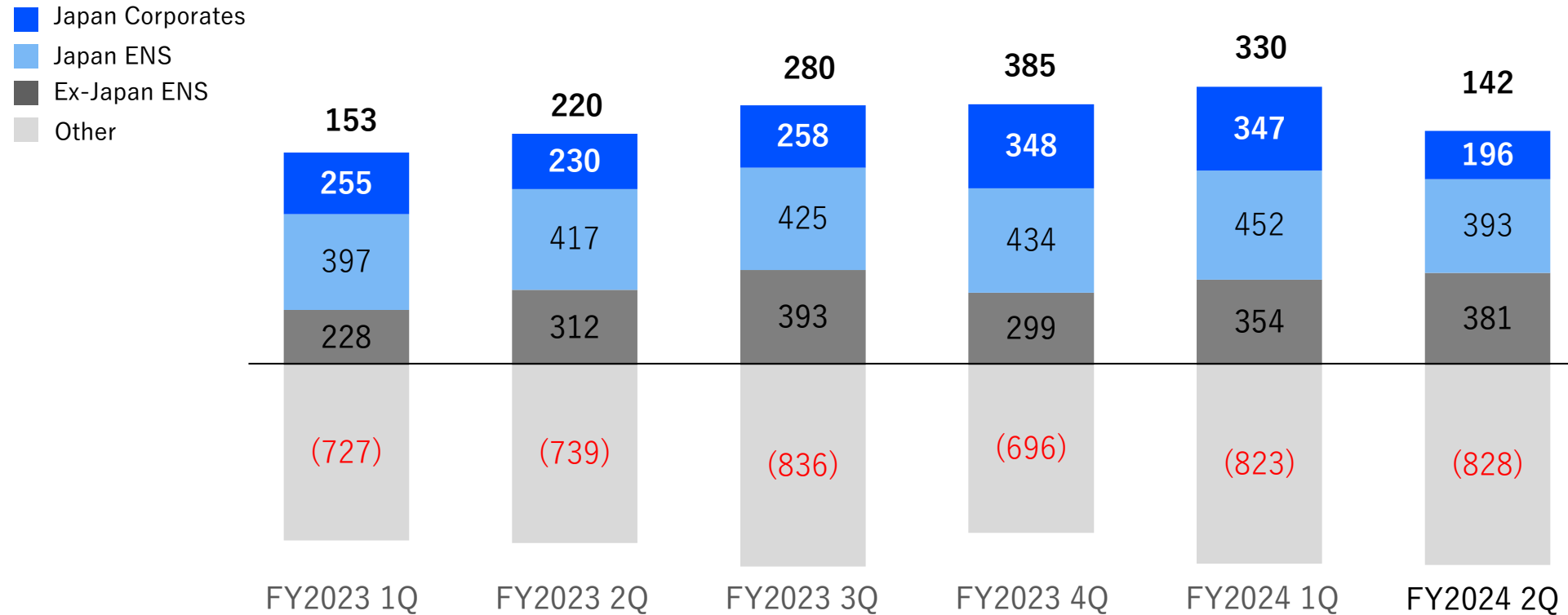


(1) Direct personnel expenses is counted in Japan Corporates, Japan ENS and Ex-Japan ENS.

Quarterly Trends in Adjusted EBITDA by Each Business⁽¹⁾

- The Japan Corporate is implementing/planning various growth investments in line with the 3-year strategic plan
- In the Ex-Japan ENS, profitability improved compared with the same period of the previous fiscal year due to a review of the organizational structure, etc.

Quarterly Trends in Adjusted EBITDA by Each Business

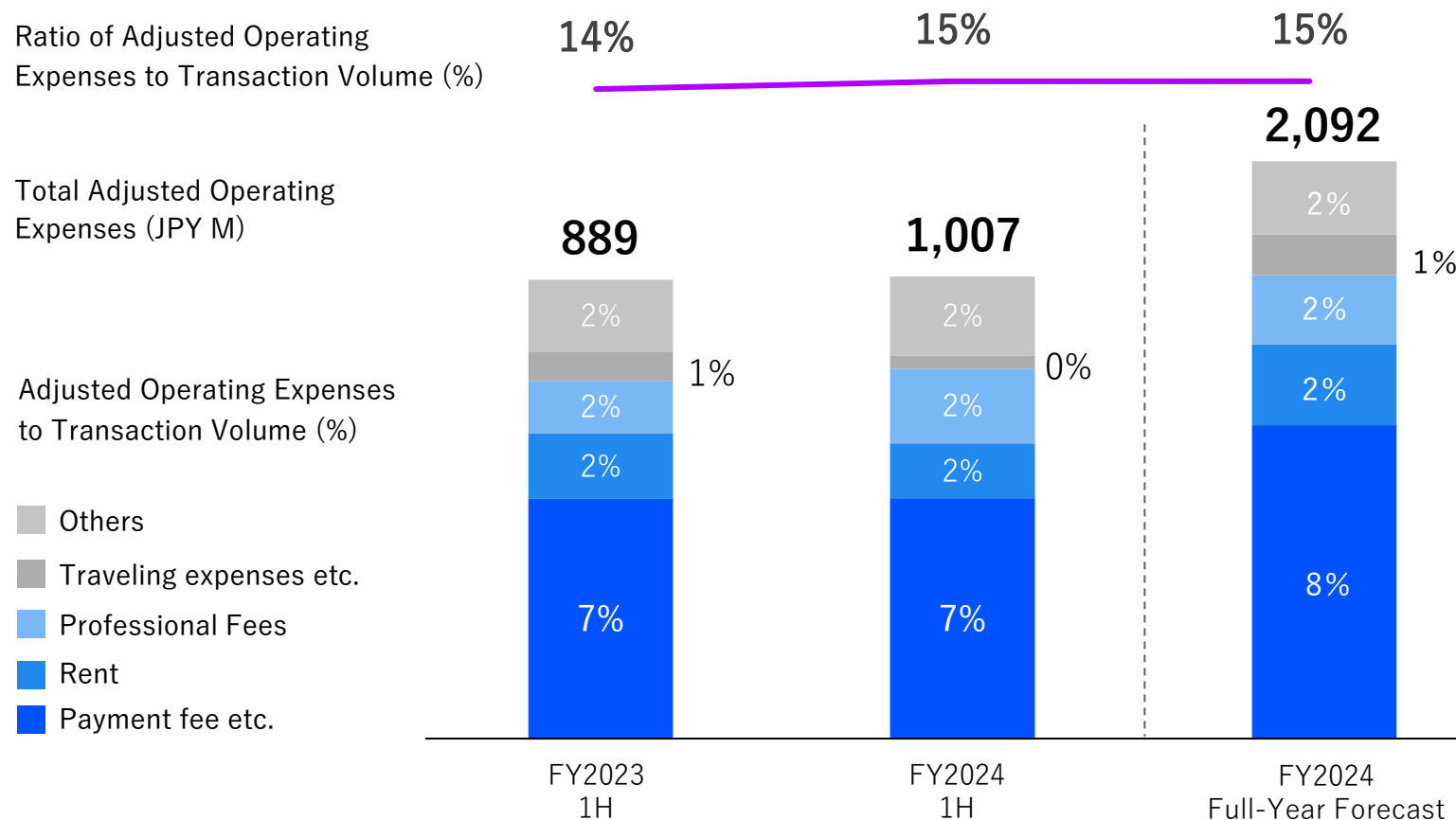


(1) Figure of each business is management accounting values and are not subject to an accounting audit.

Consolidated Adjusted Operating Expense Breakdown⁽¹⁾

(Excluding expenses attributable to the Businesses and personnel expenses)

The ratio of adjusted operating expenses to transaction volume in FY2024 1H was almost same as FY2024 Forecast and almost same period of the previous FY2023



(1) "Adjusted operating expenses" refer to the amount after deducting depreciation, amortization of goodwill, and stock-based compensation expenses (including trust-type SO-related expense) from operating expenses.

Reconciliation of Adjusted EBITDA and Supplement on P/L Statements

(JPY M)	FY2024 2Q	Supplement
Reconciliation of adjusted EBITDA		
Operating income	583	GAAP operating income
+) Stock-based compensation expenses and depreciation expenses	+13	Stock-based compensation expense for employees and depreciation expenses
—) Extraordinary losses	-125	Impairment loss of Software expense in Coleman, which is a development cost expensed in FY2024 2Q and treated as a deduction item for adjusted EBITDA to demonstrate ability to generate business profits
Adjusted EBITDA	472	Continuous disclosure to demonstrate ability to generate business profits
Supplement on P/L statements		
Operating income	583	GAAP operating income
Non-operating revenue	+58	Refund received in Coleman (refund of sales tax) JPY 37M etc.
Non-operating expense	-72	Return of sales tax to clients, including unrefunded amount, in Coleman JPY 42M etc.
Ordinary profit	569	
Extraordinary loss	-263	Impairment loss of software expense in Coleman JPY 125 M Impairment of office lease assets in Coleman (lump sum expense of office rent for the rest of lease terms (approx. 4 yr. and 1 yr.) JPY 139 M
Corporate tax expense etc.	-197	
Net income	107	

Overview of Consolidated Balance Sheet

(JPY M)	End of February 2024	End of August 2024
Current assets	6,968	6,706
Fixed assets	325	301
Assets	7,293	7,008
Current liabilities	4,114	3,772
Fixed liabilities	2,877	2,726
Liabilities	6,991	6,498
Shareholder Equity	-3,045	-2,925
Accumulated other comprehensive income	3,281	3,366
Stock acquisition right	66	68
Equity	302	509
Total liabilities and equity	7,293	7,008

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| **3-year strategic plan (announced
April 2024)**

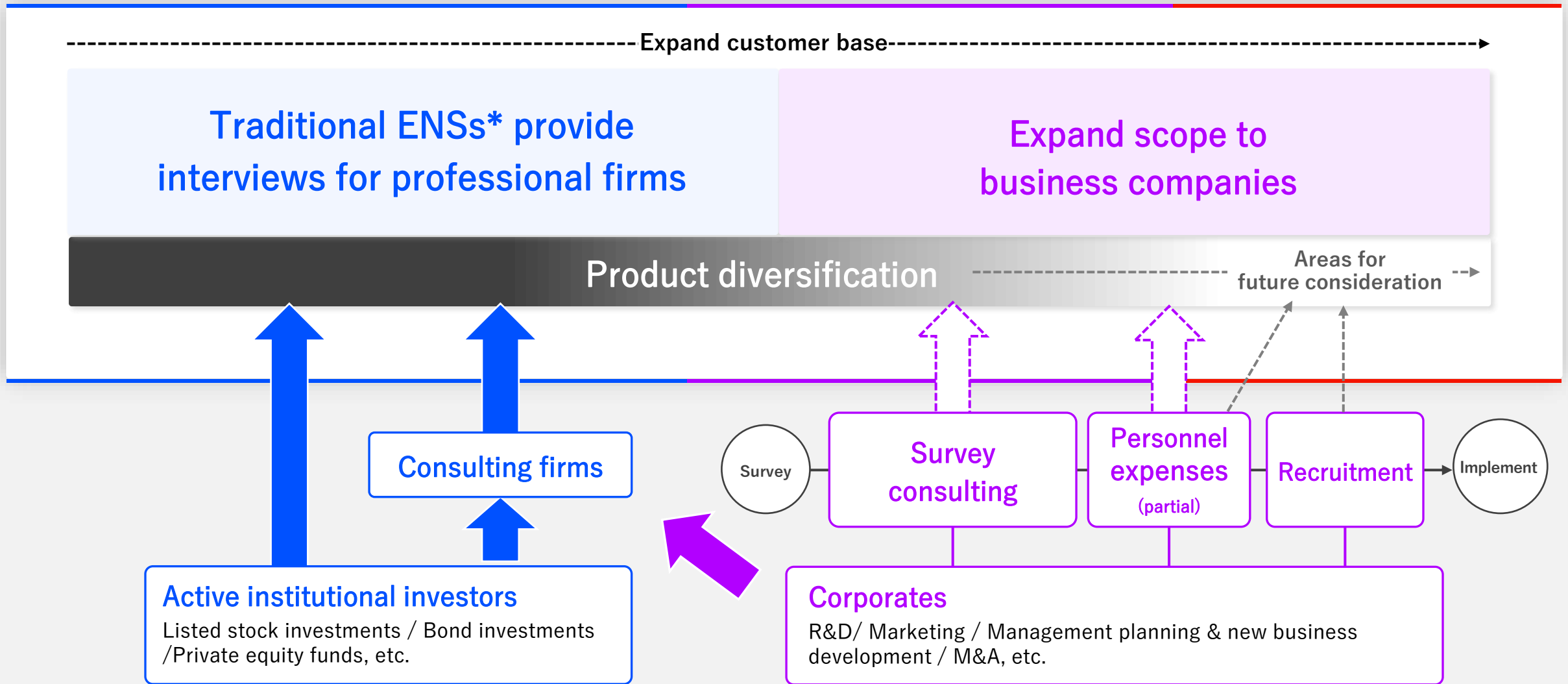
Appendix

Make Insightful Connections Possible

To build a better future through
a global platform that reduces barriers and
enables the direct exchange of mission-critical knowledge



VISASQ aims to be a leading knowledge platform



* Expert Network Service

Japan :

Diverse Product Development to Meet a Wide Range of Knowledge Needs

- Developed a variety of products, with our hourly VISASQ interviews at the core
- Expanding our coverage areas to meet a wide range of knowledge needs

Survey	3 trillion JPY⁽¹⁾	VISASQ now	Receive responses from 5 or more experts within 24-hours
		VISASQ survey	Online questionnaire surveys in specific BtoB areas
Consulting	1 trillion JPY⁽²⁾	VISASQ interview	Hourly interviews (in person / phone / video conference)
		VISASQ report	Providing all-in-one service, including survey design, desk research, holding interviews, and delivering reports
Personnel expenses	Part of 200 trillion JPY⁽³⁾	VISASQ partner	Support from experts in a wide range of industries and with flexible hours (outsourcing)
Recruitment	1 trillion JPY⁽⁴⁾	Areas for future consideration	

(1) Total of (a) external research expenditures from the Survey of Research and Development by the Statistics Bureau, Ministry of Internal Affairs and Communications and (b) insight industry sales by the Japan Marketing Research Association

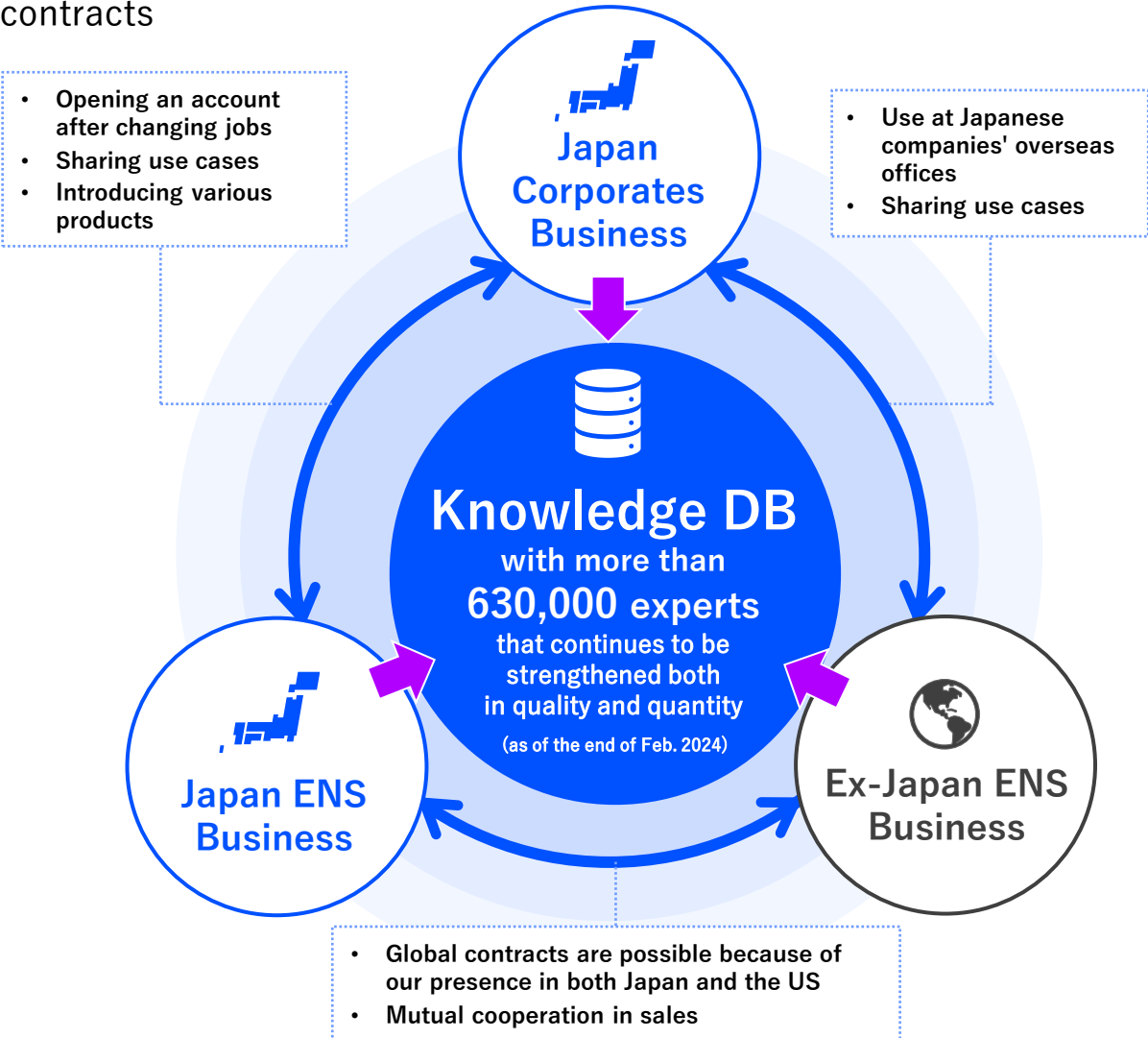
(2) IDC Japan, August 2023 "Japan Business Consulting Forecast, 2023-2027" (#JPJ49210623) (total of Japan business consulting and IT consulting expenditures)

(3) Survey on Private-Sector Wages by the National Tax Agency

(4) Total of (a) recruitment advertisements by the Association of Job Information of Japan and (b) recruitment market by Yano Research Institute

Expanding into Three Customer Segments with the Coleman Acquisition

The needs of our Japan Corporates, Japan ENS, and Ex-Japan ENS clients have expanded our knowledge database of over 630,000 experts in Japan and around the world. On the sales side, we are demonstrating mutual effects through case studies, customer interactions, and global contracts



Japan Corporates Business

Strength : Diverse products and recognized as a pioneer in "spot consulting"
Growth potential : Promoting the creation of an integrated platform to meet expanding knowledge needs
Competitive environment : VISASQ establishes unique positioning as a pioneer

Japan ENS Business

Strength : Strong positioning based on database of Japanese experts
Growth potential : Strengthening introductions for overseas experts
Competitive environment : Small players with limited expert networks

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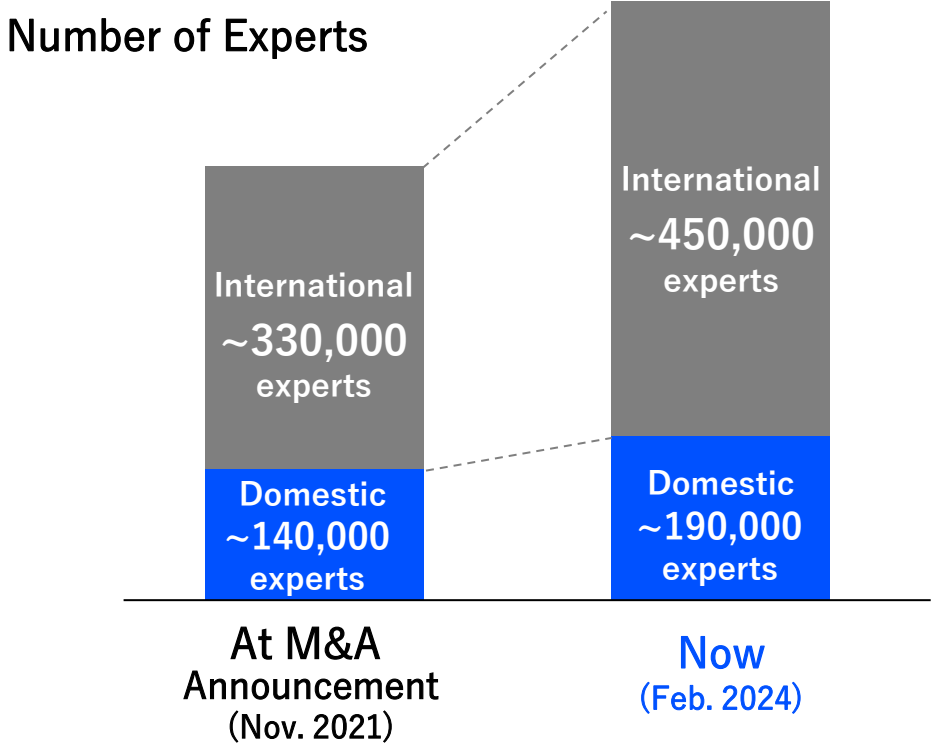
Ex-Japan ENS Business

Strength : Name recognition from the beginning of the industry (particularly for connections with institutional investors)
Growth potential :
 - Market recovery and growth
 - Improving productivity via technology investment and organizational strengthening
Competitive environment : Expert network centered on the US and Europe, with small/absent bases in Japan

Knowledge Database that is Expanding both Domestically and Internationally

- VISASQ’s greatest strength is its database, which has the domestic knowledge of approx. 190,000 experts and the international knowledge of approx. 450,000 experts
- Our database continues to be strengthened both in quality and quantity along with our number of projects

Comparison of regional database status at time of M&A announcement and now



7 global locations worldwide



Aiming for a Transaction Volume of 30.0 billion JPY in FY2029 (3-Year Plan x 2)

Japan Market

Overwhelmingly be the First-to-Mind for Knowledge Needs

Japan Corporates Business

From Research to Implementation

- From new businesses development to business expansion, develop products that meet clients' knowledge needs
- Increase visibility in a vast market

Japan ENS Business

Japan : Overseas
=65% : 35%

- Assume that half or more than half of client needs are global, and, long-term, aim to have similar number of matches domestically and globally
- Further increase share for Japanese expert matching

Registered experts
with knowledge

More than

1 million
experts

Offer a variety of ways to utilize knowledge, from online surveys to interviews, outsourcing, and more

Ex-Japan ENS

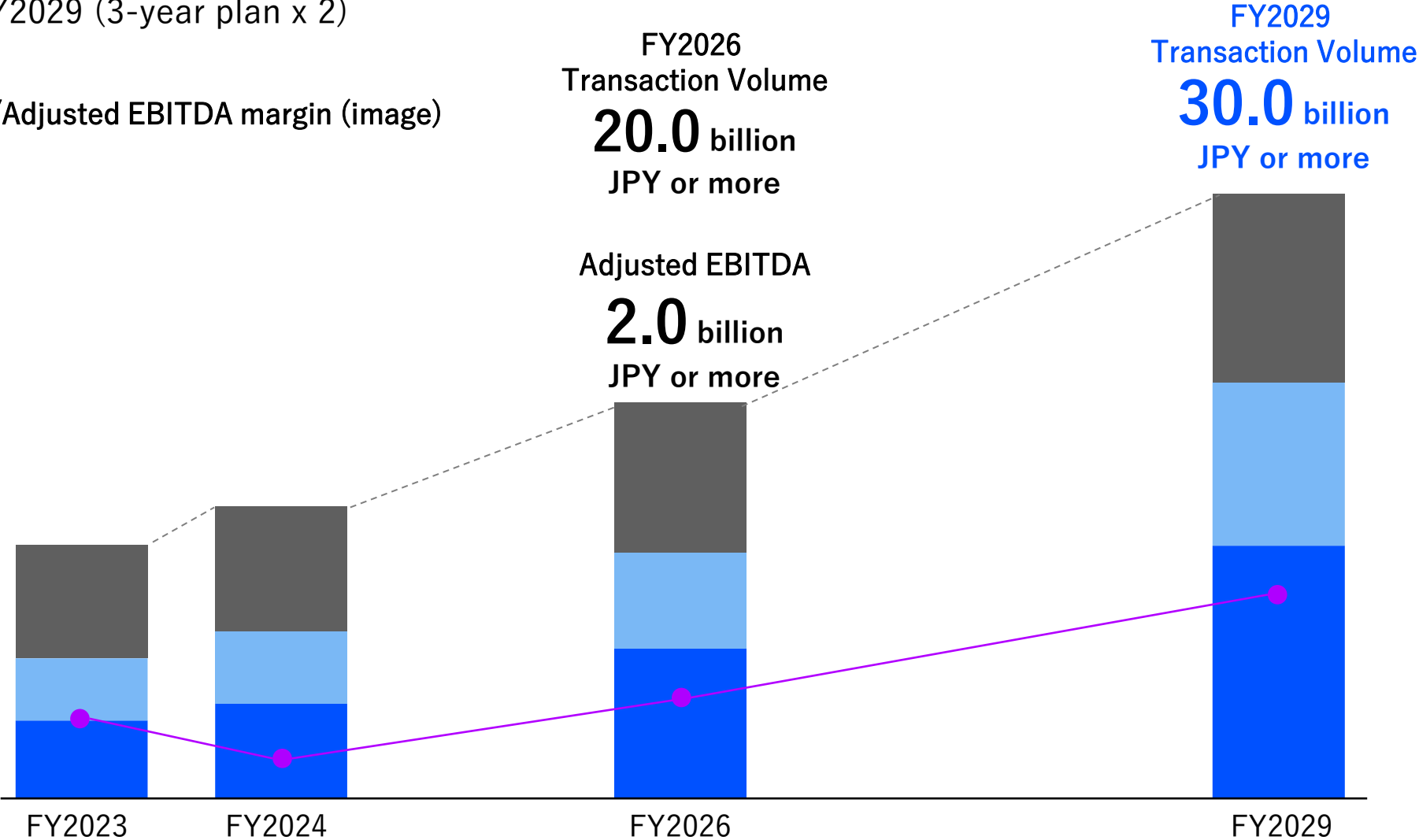
Achieve growth that exceeds market growth and productivity that can continue generating profits regardless of the external environment

Performance Guidance

Discuss what to prioritize over the next three years in order to realize a platform with transaction volume of 30.0 billion JPY in FY2029 (3-year plan x 2)

Transaction Volume/Adjusted EBITDA margin (image)

- Japan Corporates
- Japan ENS
- Ex-Japan ENS
- Adjusted EBITDA margin

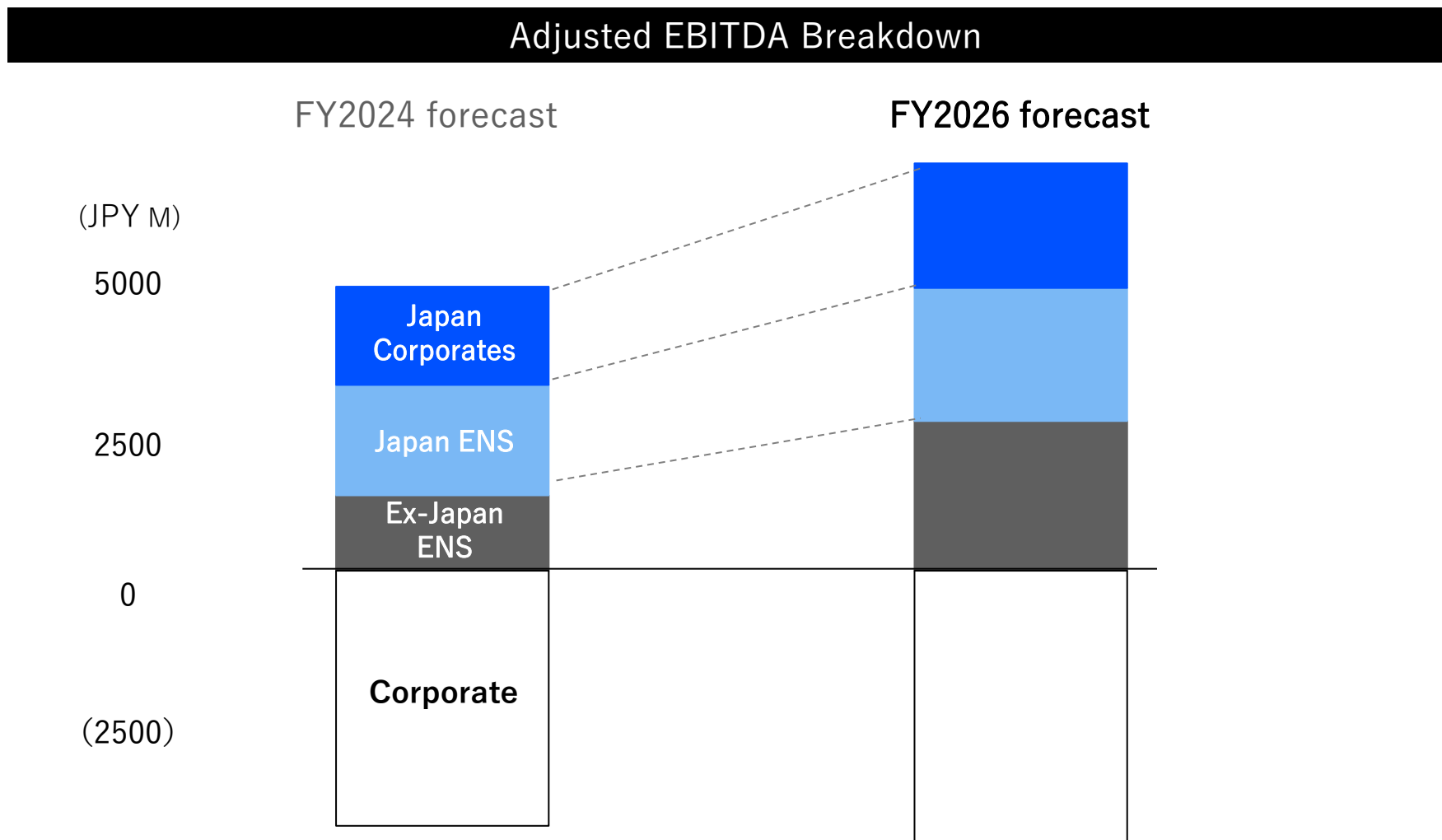


Growth Measures Serving as Guidance Assumptions

	Assumptions	FY2026 Financial Indicators
Domestic Businesses	<ul style="list-style-type: none"> • Concentrating resources to achieve the fastest growth 	Transaction volume: 12.5 billion JPY or more Operating income margin: Around 30%
Japan Corporates Business	<ul style="list-style-type: none"> • Focus on developing and deepening target clients and increasing repeat rate (number of accounts is a result indicator) <ul style="list-style-type: none"> - Organizational changes to strengthen client relationship and service delivery operation - Improving product UI/UX • Incorporate investments in new product development to meet diverse knowledge needs 	Transaction volume: 7.5 billion JPY or more Operating income margin: Around 25%
Japan ENS Business	<ul style="list-style-type: none"> • Further refining domestic strengths and increase market share • Achieving high growth through overseas expert matching <ul style="list-style-type: none"> - Transferring clients to Coleman platform (starting sequentially from April 2024) - Strengthening support for 24-hour overseas expert matching for Japanese clients 	Transaction volume: 5.0 billion JPY or more Operating income margin: Around 40%
Ex-Japan ENS Business	<ul style="list-style-type: none"> • Improving productivity to continue generating profits regardless of the external environment <ul style="list-style-type: none"> - Increasing projects that can demonstrate competitiveness through differentiation and appeals - Investments for utilizing generative AI - Continuously improving incentive design and training 	Transaction volume: 7.5 billion JPY or more Operating income margin: Around 30%
Company-wide synergy / product strategy	<ul style="list-style-type: none"> • Unifying the service brand in English to VISASQ/COLEMAN • Developing the strengths of each platform by specializing in client characteristics 	Development / IT Investments : Transaction volume ratio of around 10%

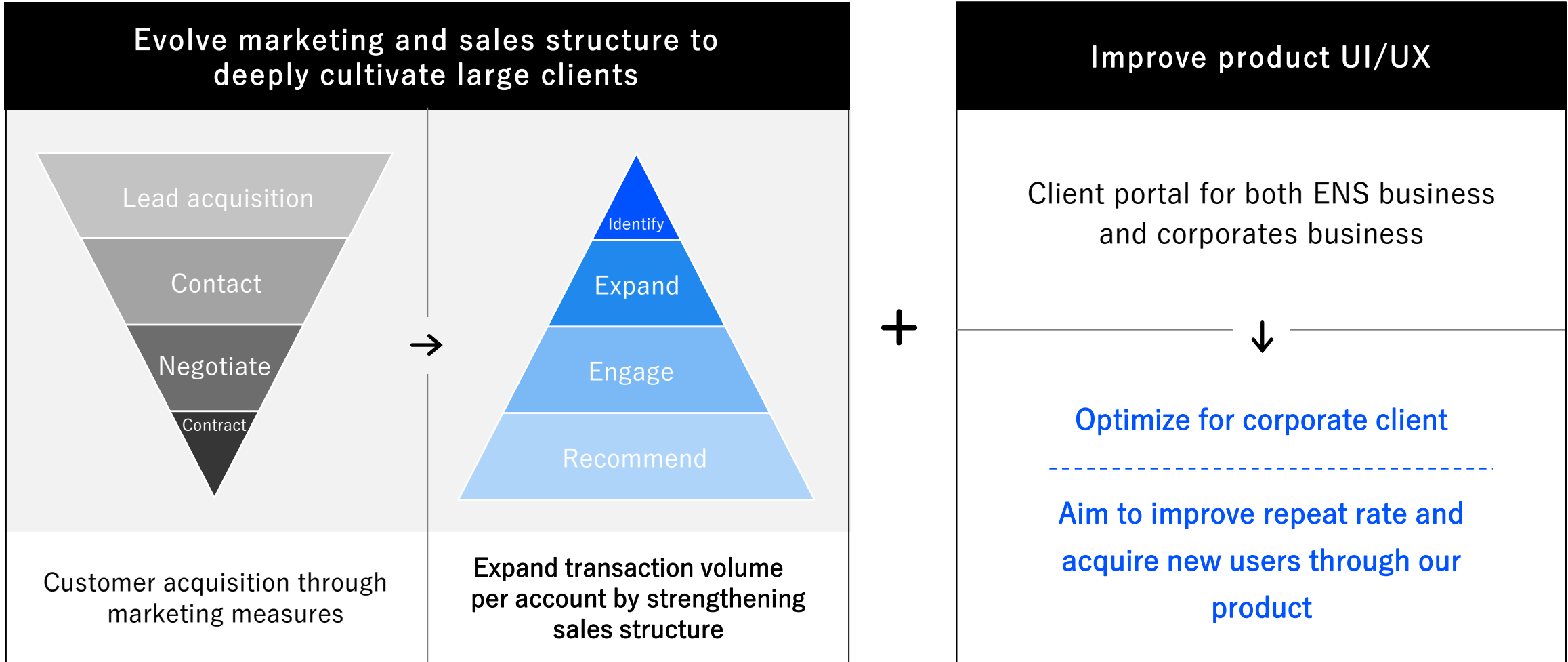
Guidance : Adjusted EBITDA Breakdown by Each Business

- Continue to invest aggressively in Japan businesses toward FY2029.
- By handling Ex-Japan ENS and Corporate expenses efficiently, aiming for adjusted EBITDA of 2 billion JPY or more in FY2026

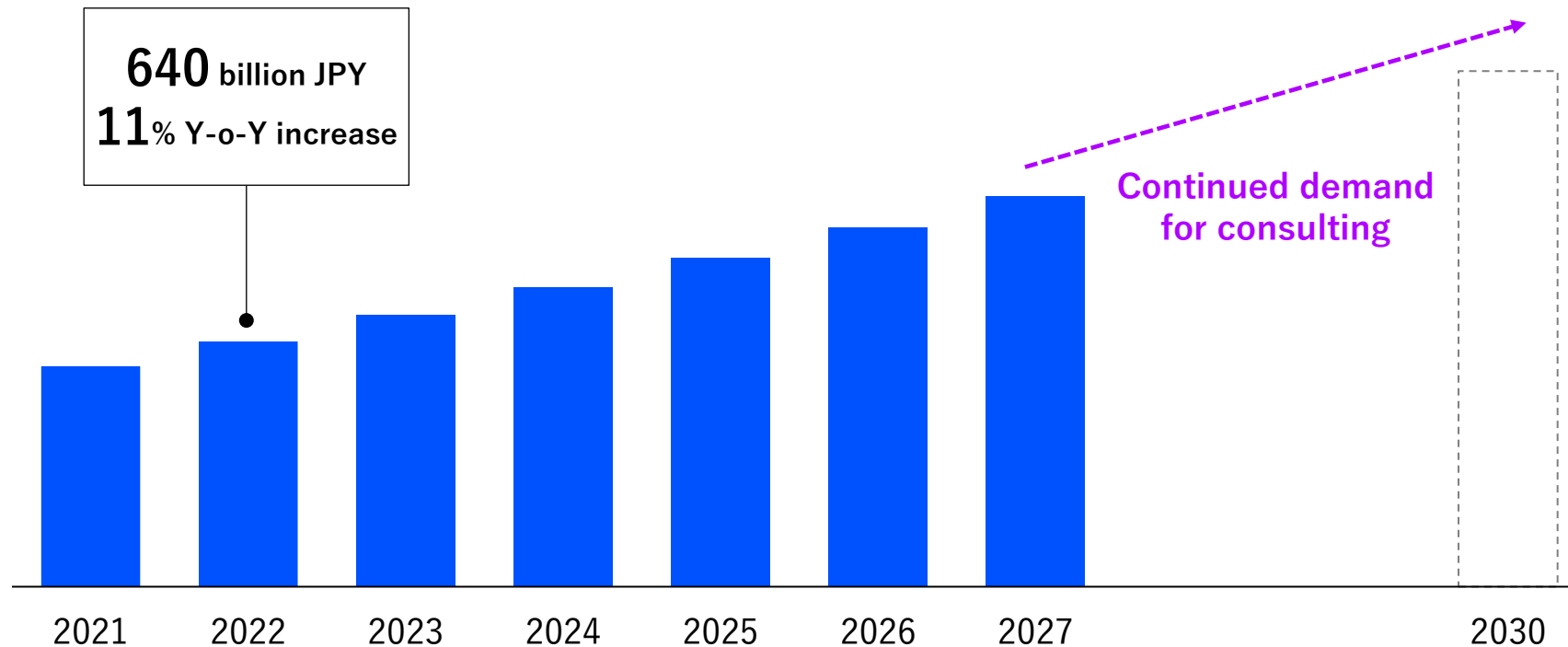


Japan Corporates Business : Existing Areas

Develop and deepen target clients and increase repeat rates by evolving our marketing and sales structure and by optimizing products for corporate clients



- Spending in the Japan business consulting market, to which our major clients belong, reached approx. 640 billion JPY in 2022 (11% Y-o-Y increase)
- Although the business consulting market is susceptible to economic fluctuations, it is expected that in Japan there will be continued future demand for consulting in areas such as corporate transformation (DX)



Source : IDC Japan, August 2023 “Japan Business Consulting Forecast, 2023-2027” (#JPJ49210623)
Forecasts until 2027 are from IDC Japan. From 2028 onwards, VISASQ’s calculations are based on IDC Japan’s CAGR (forecast).

In order to strengthen our 24 hours a day service for Japanese clients, we plan to launch a new team of Japanese-language speakers in time zones on the US West Coast and Europe (FY2025~FY2026)

Three Locations, 24 Hours a Day

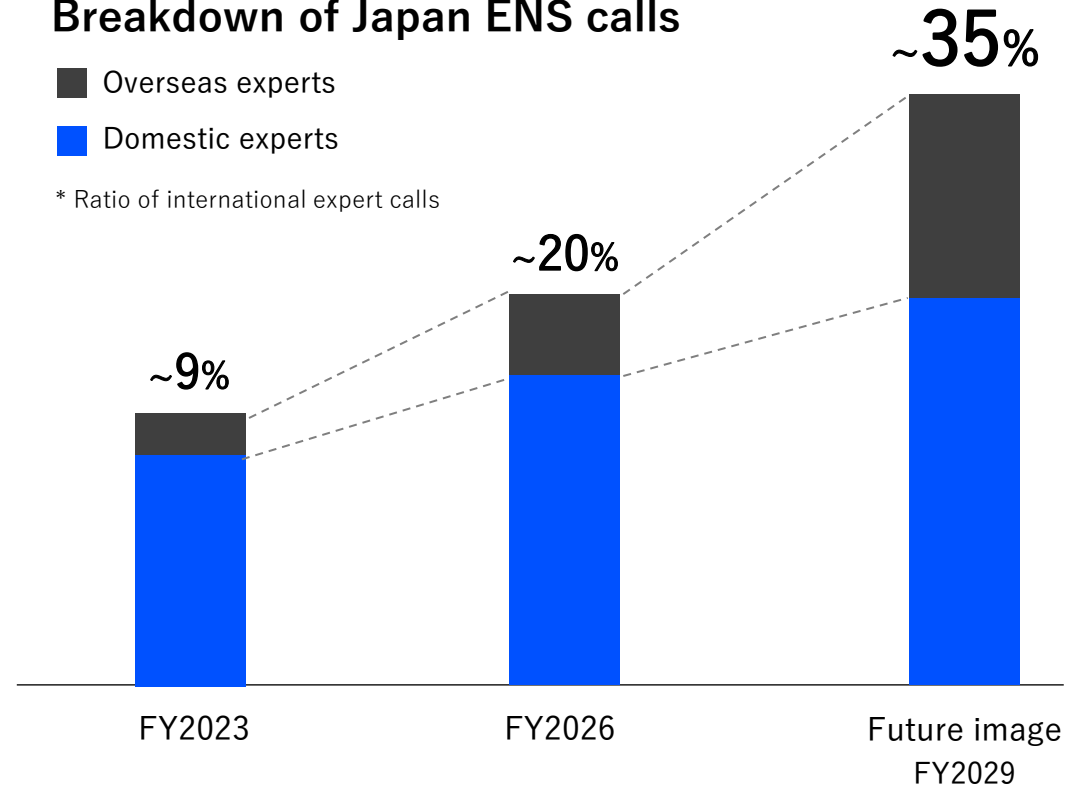


Trends in Number of Domestic and Overseas Calls

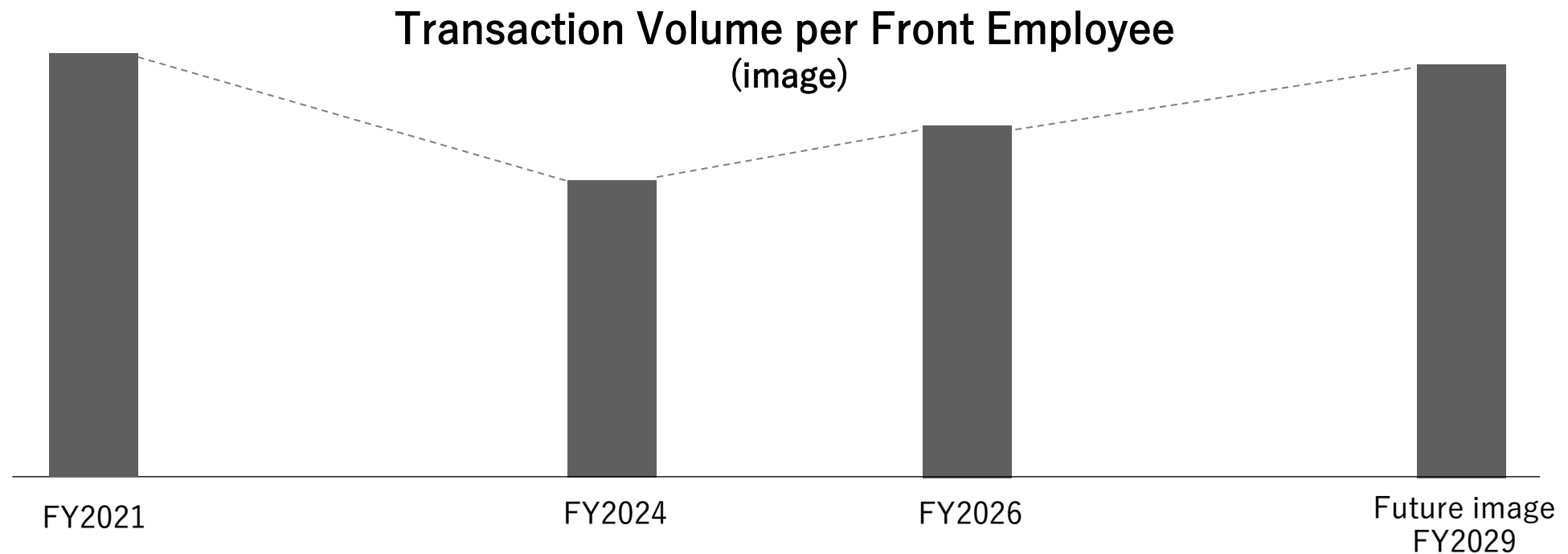
Breakdown of Japan ENS calls

- Overseas experts
- Domestic experts

* Ratio of international expert calls



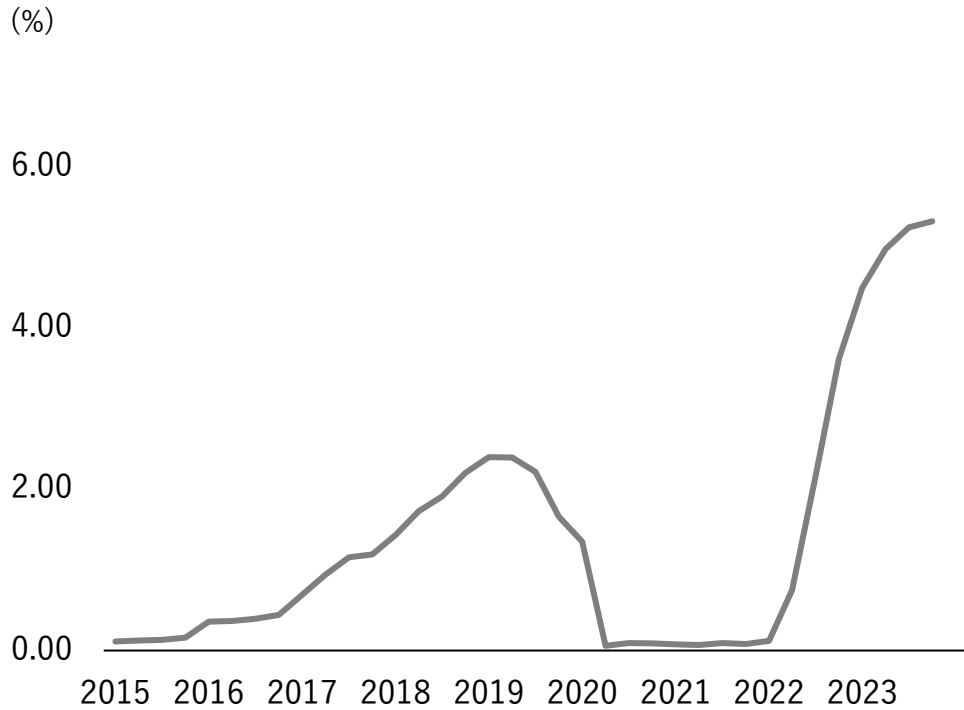
- In order to improve the profitability of the Ex-Japan ENS business, it is essential to have both growth in transaction volume and improvements in per-person transaction volume
- Against the large TAM, there is significant room for acquiring new customers and increasing the number of users within clients by strengthening sales and marketing
- Improve productivity through AI investments and continuous improvements to incentive design and training



(Reference) External Factors Affecting the Ex-Japan ENS Business : Trends in the Overseas M&A Market

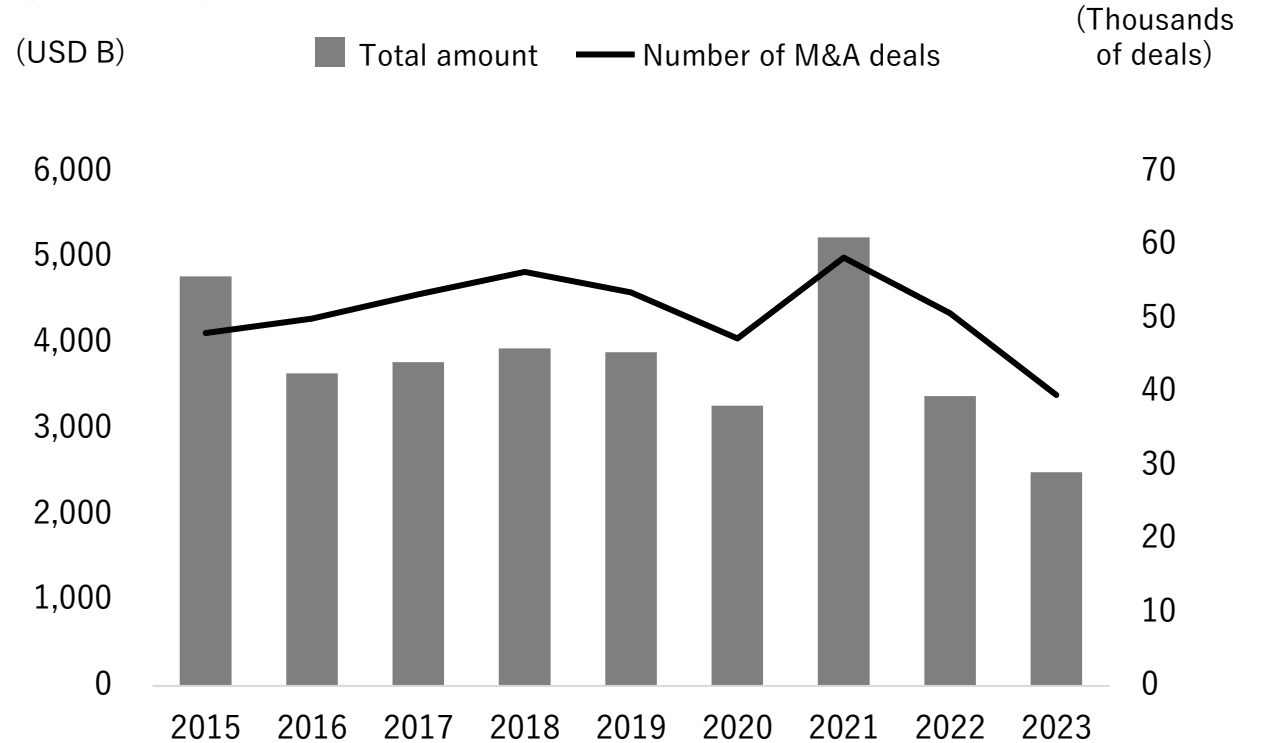
The M&A market has been stagnant against a backdrop of rising and persistently high policy interest rates in the US and around the world

US Federal Funds Rate



Source : Created by VISASQ based on materials published by the Federal Reserve Bank of St. Louis.

Global M&A Trend

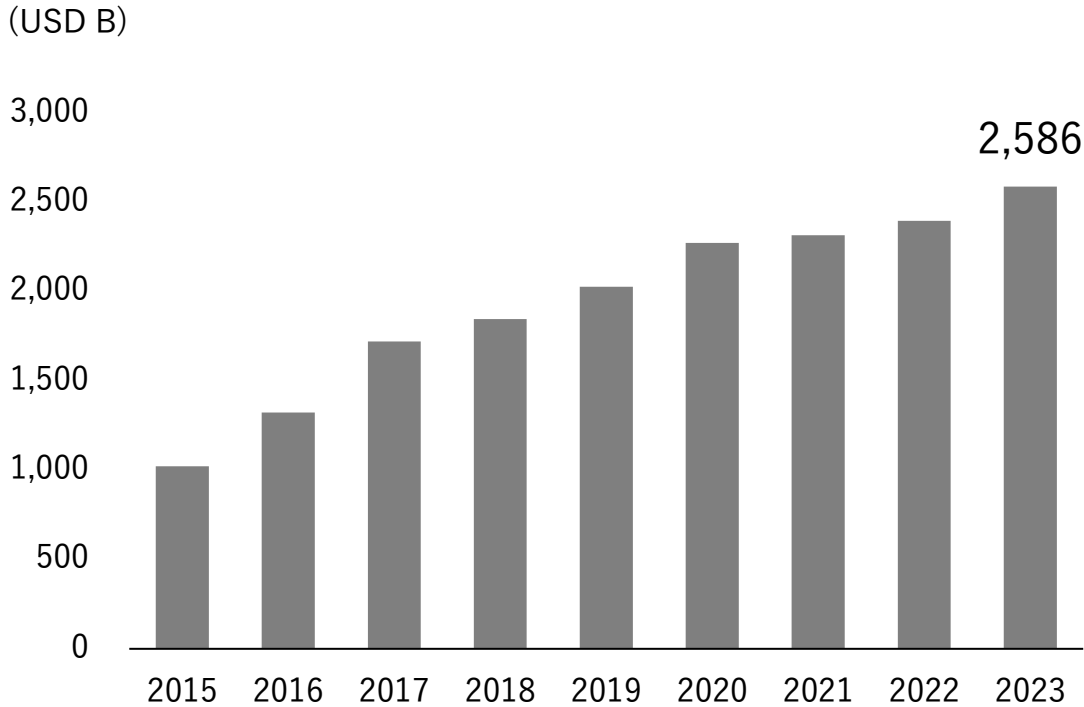


Source : Created by VISASQ based on materials published by Institute for Mergers, Acquisitions & Alliances.

(Reference) External Factors Affecting the Ex-Japan ENS Business : Trends in the Overseas M&A Market and Stock Market

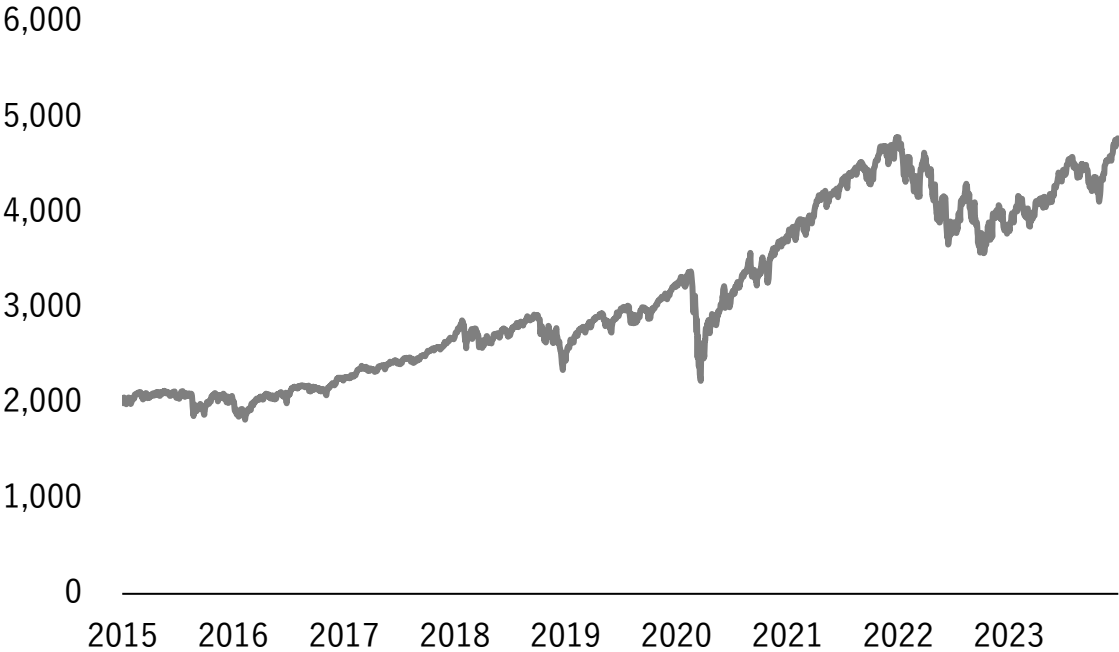
Private equity funds have built up their dry powder and, in light of the prospects for future declines in policy interest rates, signs of revitalization and a recovery in US equities are favorable factors

Global Private Equity Dry Powder Trend



Source : Created by VISASQ based on materials published by S&P Global Market Intelligence.

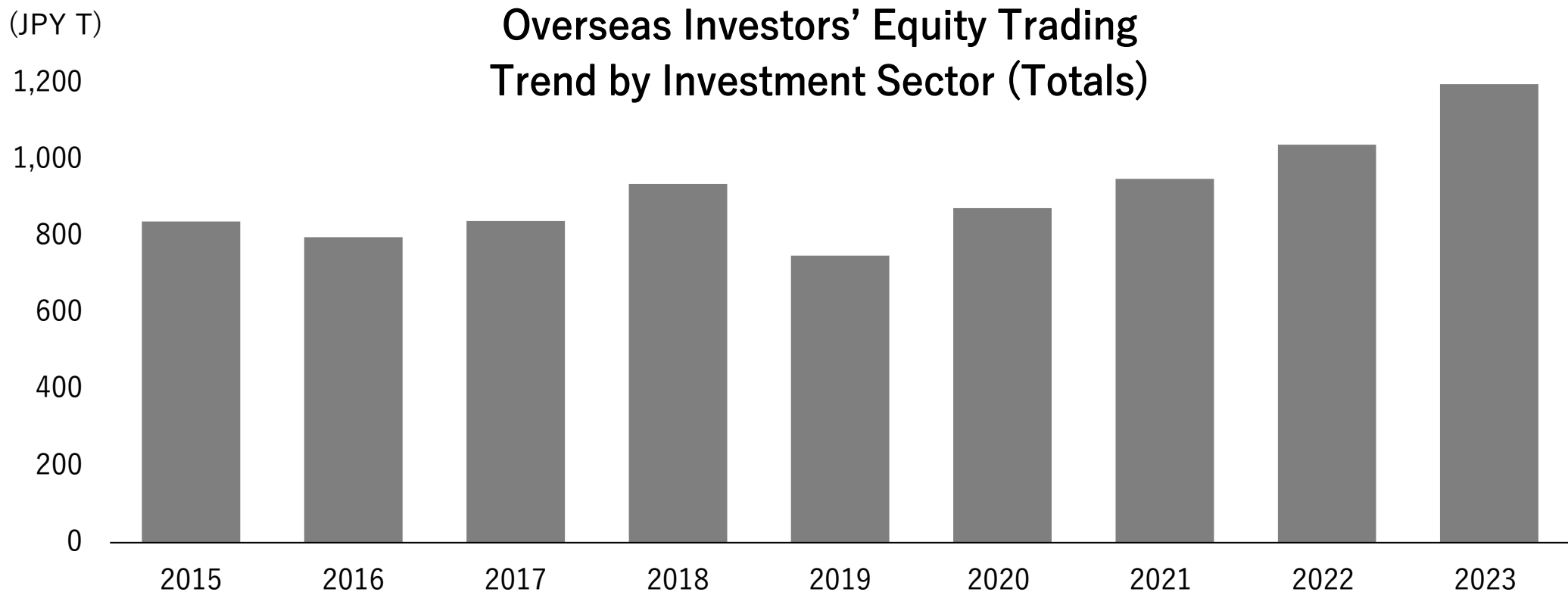
S&P 500 Index



Source : Created by VISASQ based on materials published by S&P Global.

(Reference) External Factors Affecting the Ex-Japan ENS Business : Focus on Japan

With our strengths in Japanese expert matching, the increasing attention being paid to Japanese equities by overseas investors is a tailwind for VISASQ



Source : Created by VISASQ based on materials published by the Japan Exchange Group.

Global Management Committee



CEO, Representative Director

Eiko Hashiba

Eiko worked at Goldman Sachs, L'Oreal Japan, and Unison Capital, founded the company in March 2012, and officially released the VISASQ service in October 2013. She holds a B.A. in Economics from the University of Tokyo and an MBA from MIT.



Executive Officer, Co-Head of Japan

Takeshi Shichikura

Takeshi worked at the Development Bank of Japan, where he assisted local governments and provided long-term corporate loans, after which he was involved in venture investment at DBJ Capital. He joined VISASQ in 2016, leading the business for professional firms. He graduated from Hitotsubashi University.



Executive Officer, Co-Head of Japan

Yu Miyazaki

Yu gained experience at various companies in the Recruit Group, and was then responsible for corporate planning at Recruit Holdings and Recruit Jobs. He joined VISASQ in 2019 and contributed to launching corporate marketing and expanding the business. He graduated from Yokohama National University.



Head of Americas

Masayuki Ogata

Masayuki gained experience at the Ministry of Internal Affairs and Communications and via secondment to the Cabinet Office, and then joined Accenture where he worked in the strategy group. After experiencing the listing of freee, his former workplace, as Director and COO, he joined VISASQ in September 2023 and has been in this position since October 2023. He graduated from the University of Tokyo Faculty of Law, and also holds an LLM from Stanford University and an MBA from HKUST.



Executive Officer, CFO

Mamoru Kokaze

Mamoru joined Mitsubishi UFJ Morgan Stanley Securities, and at the investment banking headquarters in Tokyo and New York he worked in advisory services such as M&A and IR for financial institutions. He joined VISASQ in 2022 as CFO, where he is responsible for developing post-acquisition financial strategies and leading overall corporate functions. He graduated from Keio University, Faculty of Law.



General Counsel

Conrad Gordon

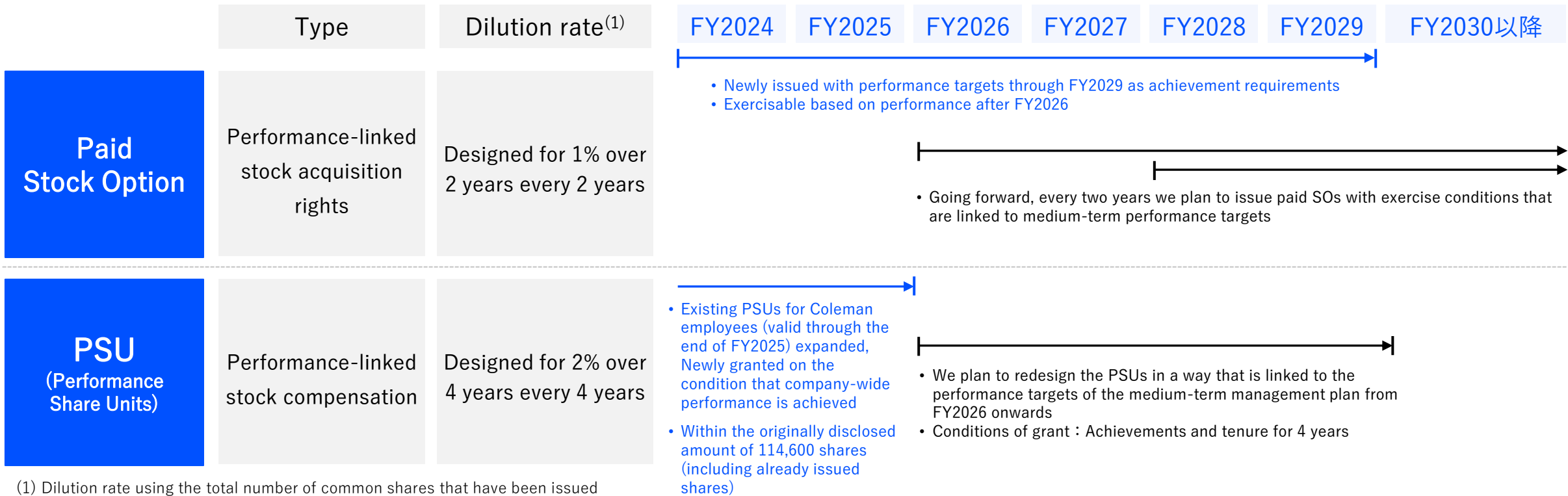
Conrad served as Deputy General Counsel at Stifel Financial Corp. before joining Coleman. He has been appointed as General Council at VISASQ, and oversees global legal and compliance matters. He graduated from Duke University with a BA in history and also holds a JD degree from Brooklyn Law School.

Overview of New Stock Incentives

- In order to achieve medium-term management plan, stock incentives will be provided to management so that they are committed to achieving performance targets and increasing the stock price. In addition to issuing new paid Stock Options in line with the performance goals for FY2029 (3-year plan x 2), PSUs will also be designed for a wider range of members.
- Going forward, including PSUs and paid SOs, we are expecting an annual issuance of approx. 1% of the total number of issued shares

Image of Issuance/Exercise Period

(Black lines indicate future issuance schedule)



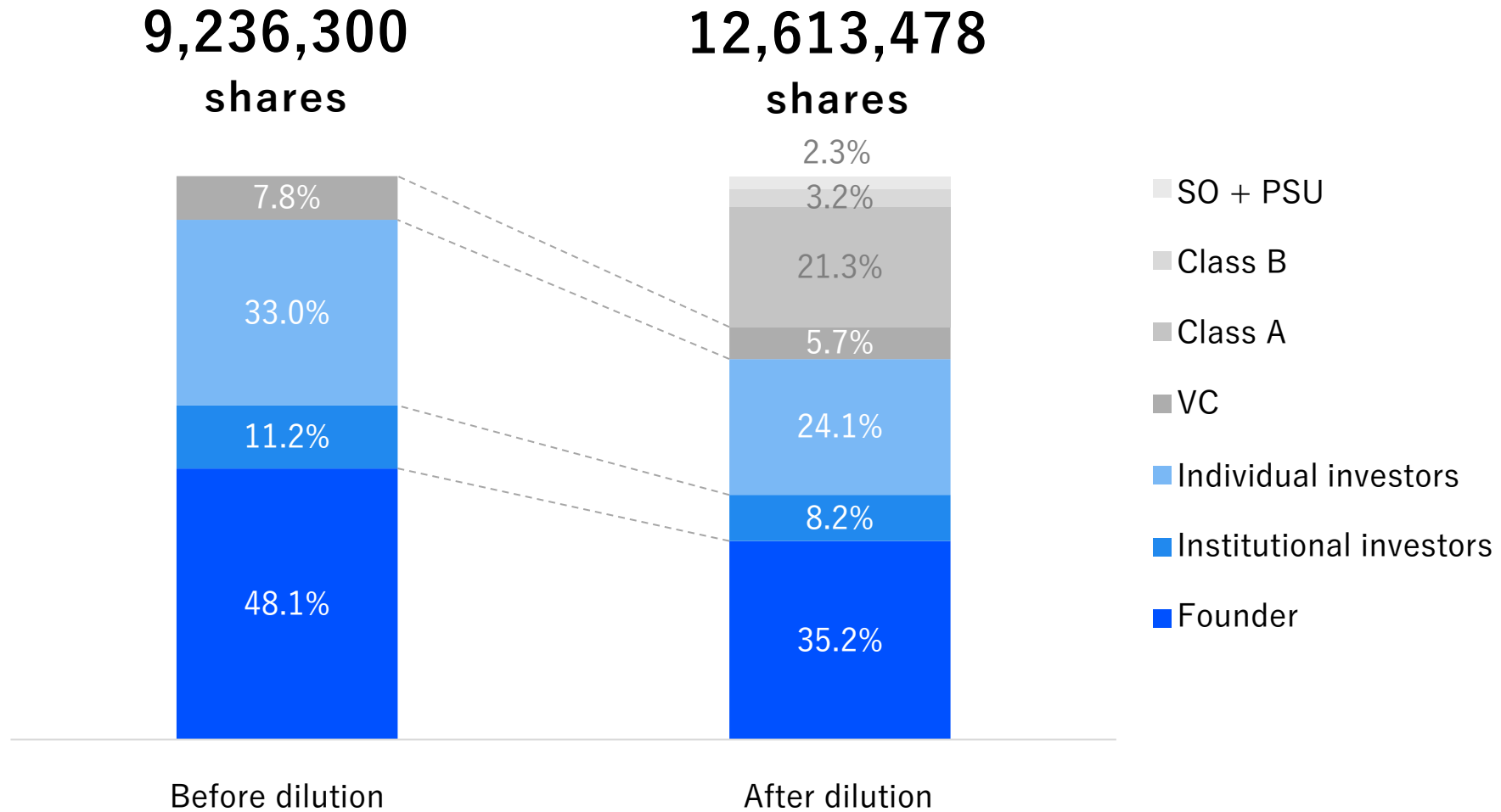
(1) Dilution rate using the total number of common shares that have been issued (9,204,850 shares) as the denominator.

| APPENDIX

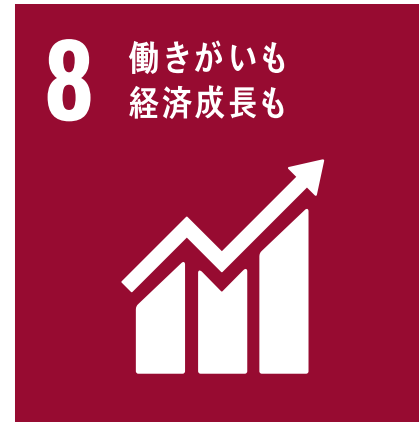
Company name	VisasQ Inc.
Head office location	9F and 10F 4-7-7 Aobadai, Meguro-ku Tokyo 153-0042, Japan
Date of establishment	March 2012
Services	Knowledge sharing platform in the business domain
CEO	Eiko Hashiba
Number of employees	606 (as of end-August 2024)
Number of shares	Total number of issued shares: 9,236,300 ⁽¹⁾ Number of shares after dilution: 12,613,478

(1) As of Aug. 31st, 2024, including preferred stocks.

Stock Information⁽¹⁾



(1) As of Aug. 31st, 2024, "Before dilution" is counted only common shares. "After dilution" is after taking into account cumulative dividends on preferred stock as well as the remaining dilutive shares of SO and PSU.



By connecting experts' insights to various needs,
we maximize the value of the insights.

We enhance innovation across the globe by aggregating and sharing
people's insights, beyond the boundaries between organizations,
generations and regions.

(Reference) Business Risks and Responses

Main business risks	Possibility of occurrence Timing of occurrence	Impact on growth realization and business plan execution	Details or risk and mitigation strategy
Competitors	Medium Any time	<ul style="list-style-type: none"> Decline in market share Fall in order prices 	There is competition with a) overseas companies that mainly run similar businesses overseas and b) relatively small domestic companies. We are unique in that we have a knowledge sharing platform of over 670,000 registered experts and provide a variety of services based on this database. An overseas company which attempted to develop similar businesses in Japan would find it difficult to create a database of insights of Japanese experts, due to differences in culture, values, language, etc.
Service stability and security	Low Any time	<ul style="list-style-type: none"> Loss of clients Defection of experts 	Experts may unintentionally provide clients with information that is subject to confidentiality obligations. For that reason, under the full support format, we have a dedicated matching team to check if there are any items that seem inappropriate in the content of the request. Also, VISASQ lite checks the content of the request, including automatic detection of keywords. We also provide regular training to our experts to ensure they are alert to the risks and advise them to pay attention to their confidentiality obligations.
Focus on specific business partners	Low Risk is declining	<ul style="list-style-type: none"> Decline in transaction volume 	There are two business partners whose business accounts for more than 10% of our sales (as of end-Feb. 2024). The business relationship with those companies is good and stable. Furthermore, as the transaction volumes of other clients are increasing, the proportion of transaction volume of this company is declining.
Overseas expansion and M&A	Medium Occasional	<ul style="list-style-type: none"> Shrink in overseas expansion Increase in costs 	While demonstrating its competitive advantage in Japan, the Company is expanding overseas by establishing a local subsidiary in Singapore in April 2020 and acquiring Coleman in the USA in November 2021. If the Company considers executing further investments in the future, it may incur costs for the consideration of such investments, as well as other risks that differ from business development solely by itself in Japan, but the Company intends to proceed with business development after taking sufficient measures to minimize the risks.

In the interests of proactive information disclosure, this report describes matters that our company considers particularly important to investors' judgment. The information contained in this section does not necessarily include all risks associated with investments in our company shares. Being aware of these risks, we are committed to avoiding them and responding promptly if they do occur. For risks other than those described in this section, please refer to "Business Risks" in the securities report in addition to this document.

Handling of this document

This document contains forward-looking statements. These statements were made solely from the information available at the time. Furthermore, these statements do not guarantee future results, and involve risks and uncertainties. Please be aware that the actual results may differ significantly from forecasts due to environmental changes, etc. Factors that affect the actual results include, but are not limited to, domestic and overseas economic conditions and industry trends relating to VisasQ.

In addition, the information about other companies included in this document are cited from publicly available information, etc., and our Company has not performed any verification on the accuracy, appropriateness, etc. of such information, and offers no guarantee of such.

This is an English translation of the original Japanese language document and has been prepared solely for reference purposes. No warranties or assurances are given regarding the accuracy or completeness of this English translation. In the event of any discrepancy between this English translation and the original Japanese language document, the original Japanese language document shall prevail in all respects.

Contact information: IR (email: ir@visasq.com)

Regarding the progress of the management indicators disclosed in this document, we plan to disclose them in the explanatory material which is supplementary to the quarterly financial results announcement. and, in addition, we plan to disclose the latest information, including the progress status of the materials, at the financial results announcement.