



# Presentation on Results for the Three Months Ended June 30, 2024

TSE Growth: 202A  
Mamezo Digital Holdings Co.,Ltd.  
August 9, 2024

**MAMEZO DIGITAL**  
HOLDINGS



# Digital competitiveness for every company

Using the power of AI software engineering to create a digital world together



## CEO Message

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**We want to use the power of AI software engineering, to boost the digital competitiveness of every company, energizing Japanese society and industry.**

Nakahara Tetsuya  
President & CEO

Our Group started business as Mamezo Digital Holdings Co., Ltd. on April 1, 2021, moving away from our previous focus on comprehensive IT solutions to make a new start as a digital shift services company.

Japan is becoming a super-aging society with a plummeting birth rate, and we need to engage head-on with the social challenge represented by the imminent rapid decline in the working age population. There are many steps that need to be taken to resolve these problems, including adopting more flexible work styles to combat the growing difficulty of securing a labor force, but intrinsically, the key will certainly be the acquisition of digital competitiveness.

For companies to gain digital competitiveness, they must make a digital shift in terms of personnel, processes, and technologies and pursue software-based innovation. Moreover, software development capacity will be the source of digital competitiveness.

Mamezou, the core of our Group, was launched in 1999 to promote the penetration of AI software engineering, object-oriented technologies included, into industries and companies. Since the company's establishment, it has used software engineering to address robotics, AI/IoT-based factory digitalization, on-board ECU integration, and the overhaul of core systems using ERP and Open Source.

Even where there is a digital transformation (DX), object-oriented technologies remain a fundamental technology. We too will constantly pursue technological innovation, seeking to create the customer value that DX brings. We want to use the power of software engineering to boost the digital competitiveness of every company and energize Japanese society and industry. Mamezo Digital Holdings is committed to continuing to push the boundaries to create an infinitely hope-filled future.

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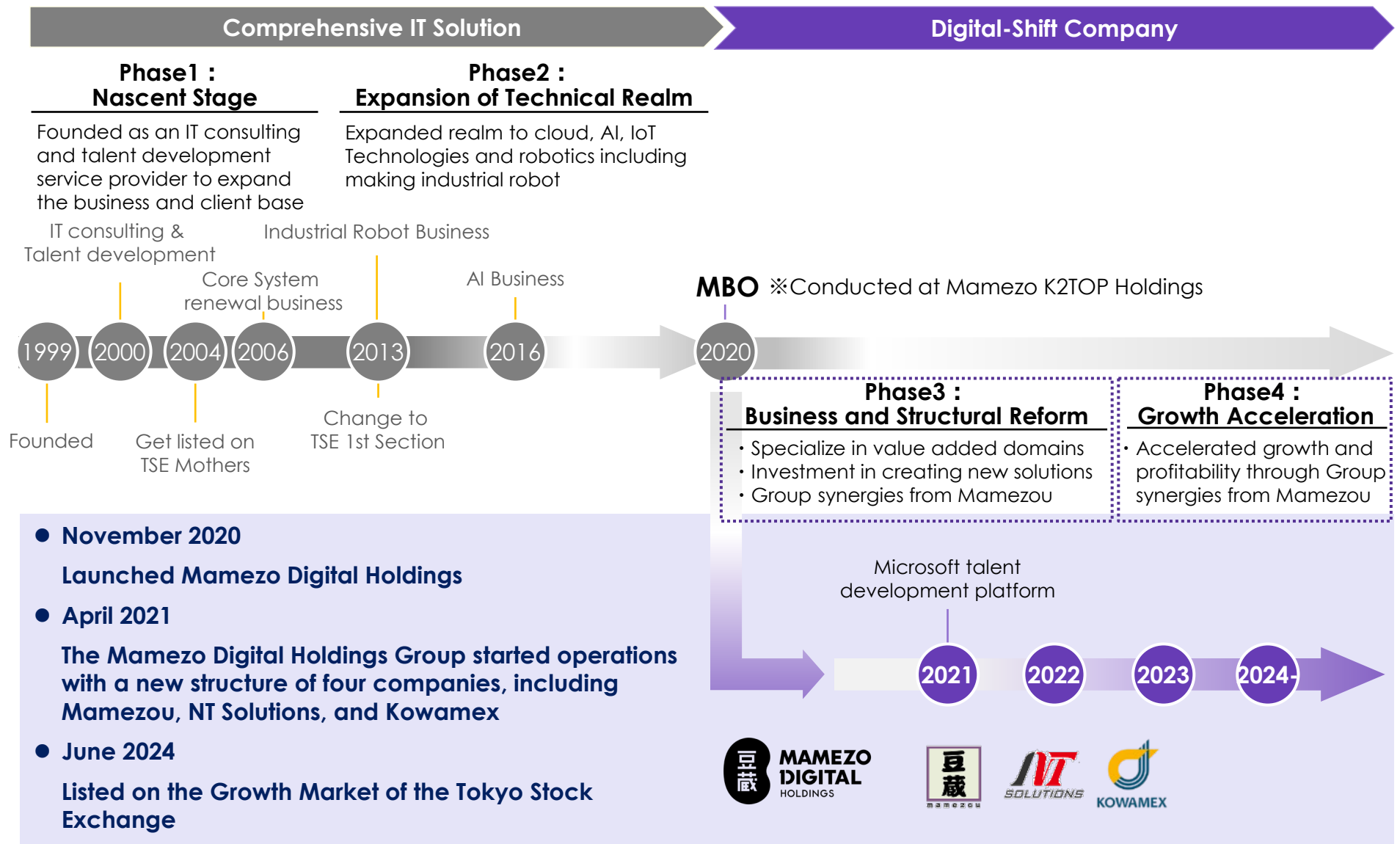
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- ① Company Profile**
- ② Medium-Term Management Plan (FY2024~FY2026)**
- ③ Full year forecast for FY2024 and results for the first quarter**
- ④ Appendix**

# 01

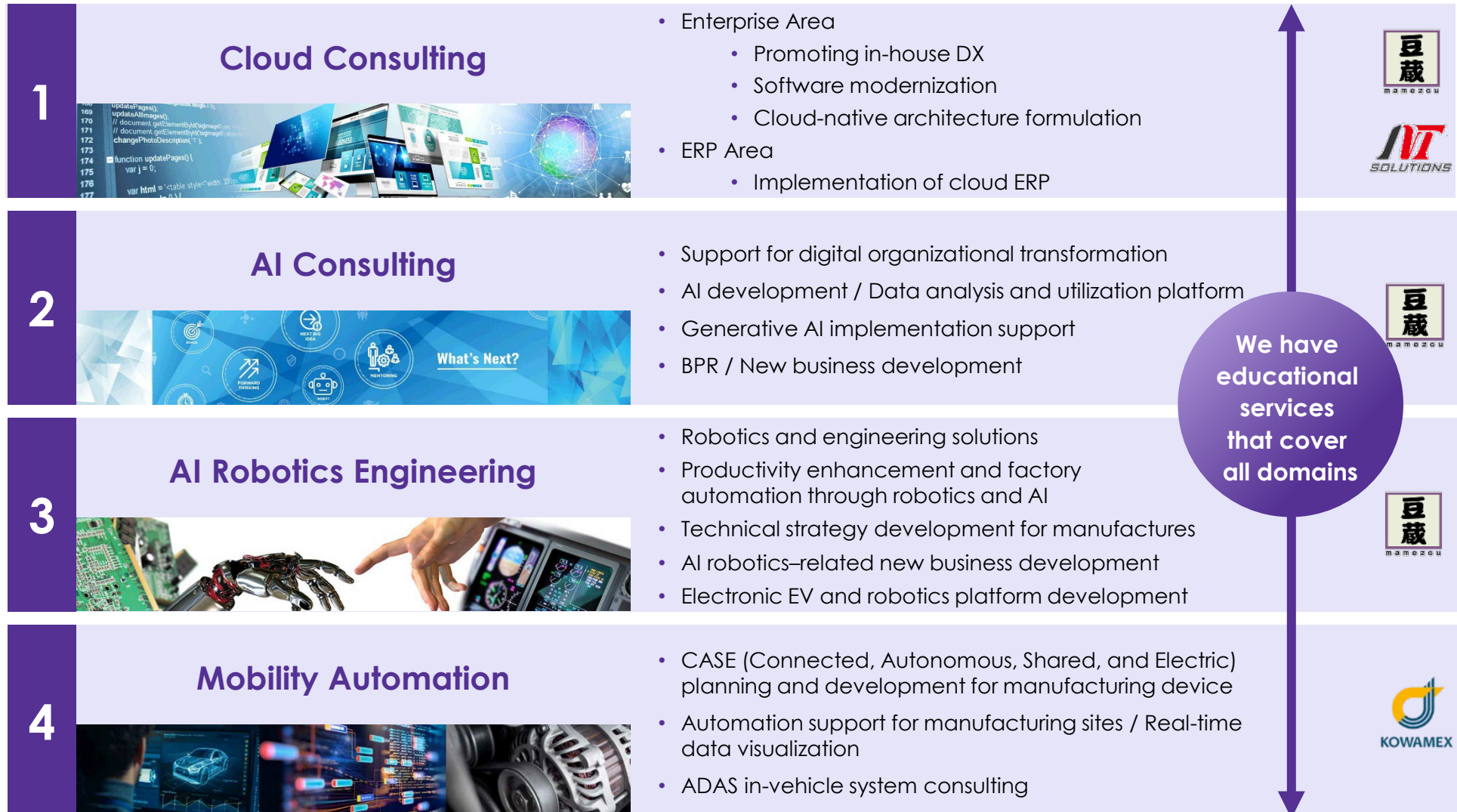
## Company Profile

# Growth Path as Digital-Shift Company



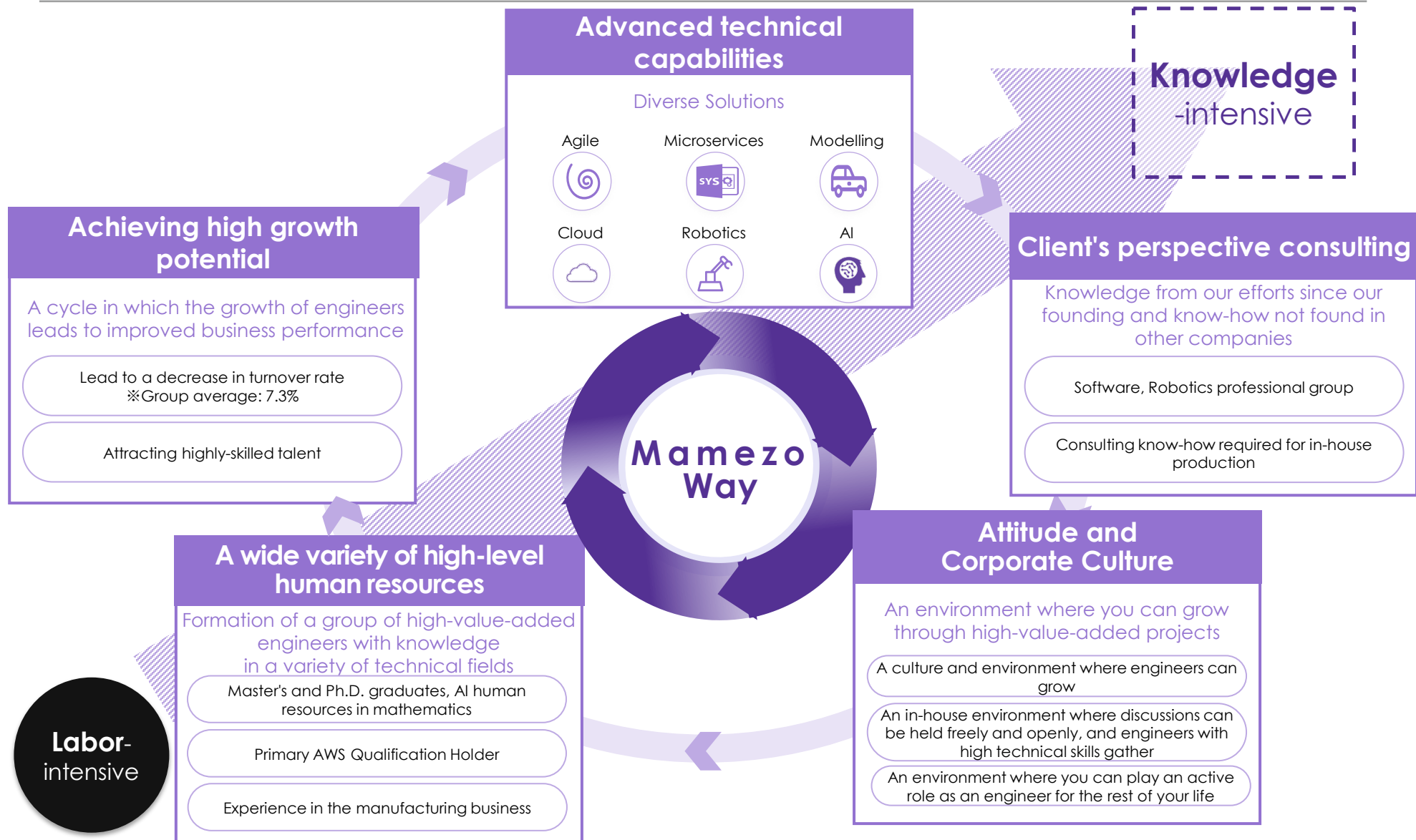
# Providing a variety of solutions to promote DX

## Providing services that match the digitalization of Japan



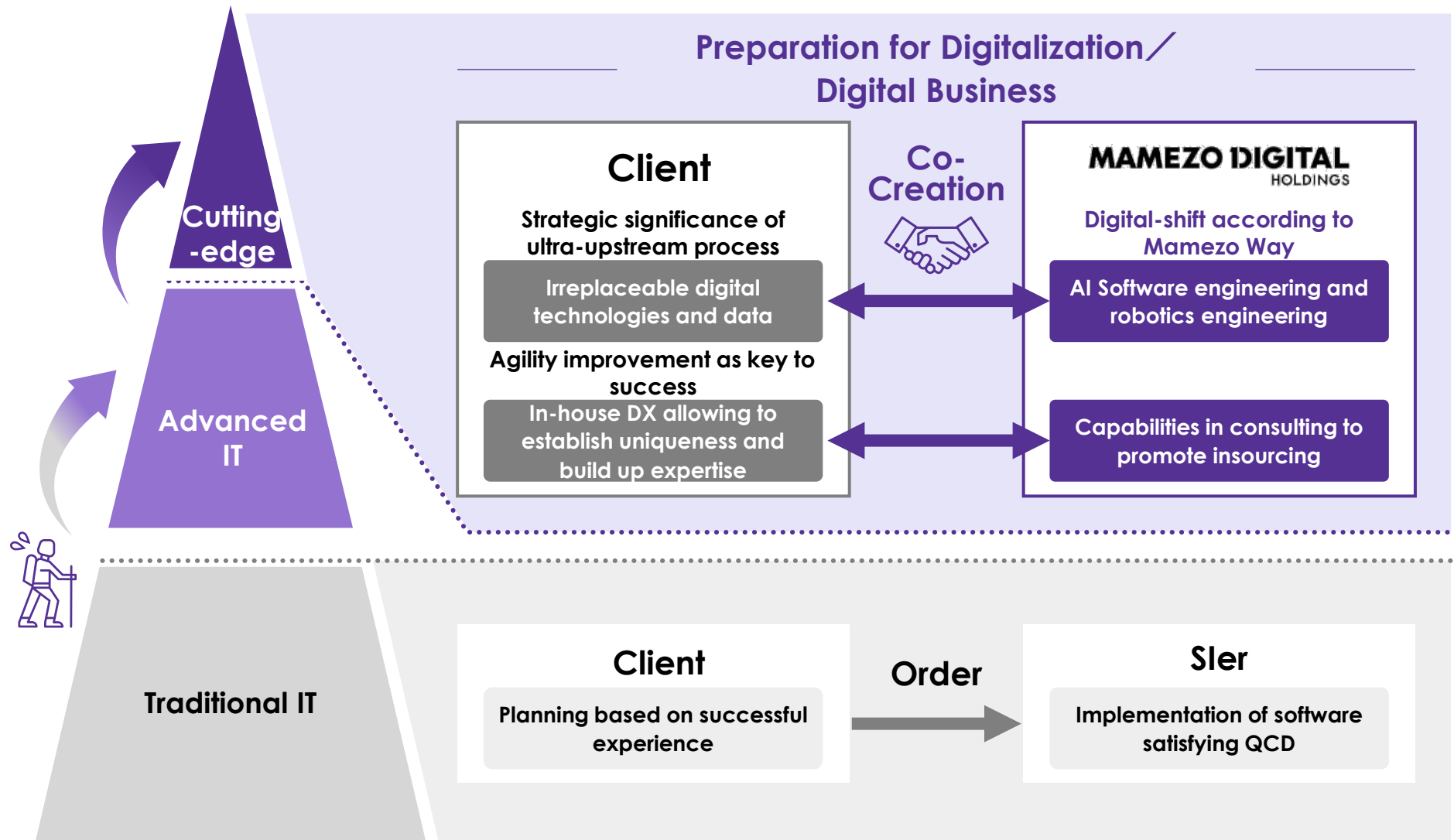
We have educational services that cover all domains

# The Mamezo Way as CoreValue (Technical Knowledge)

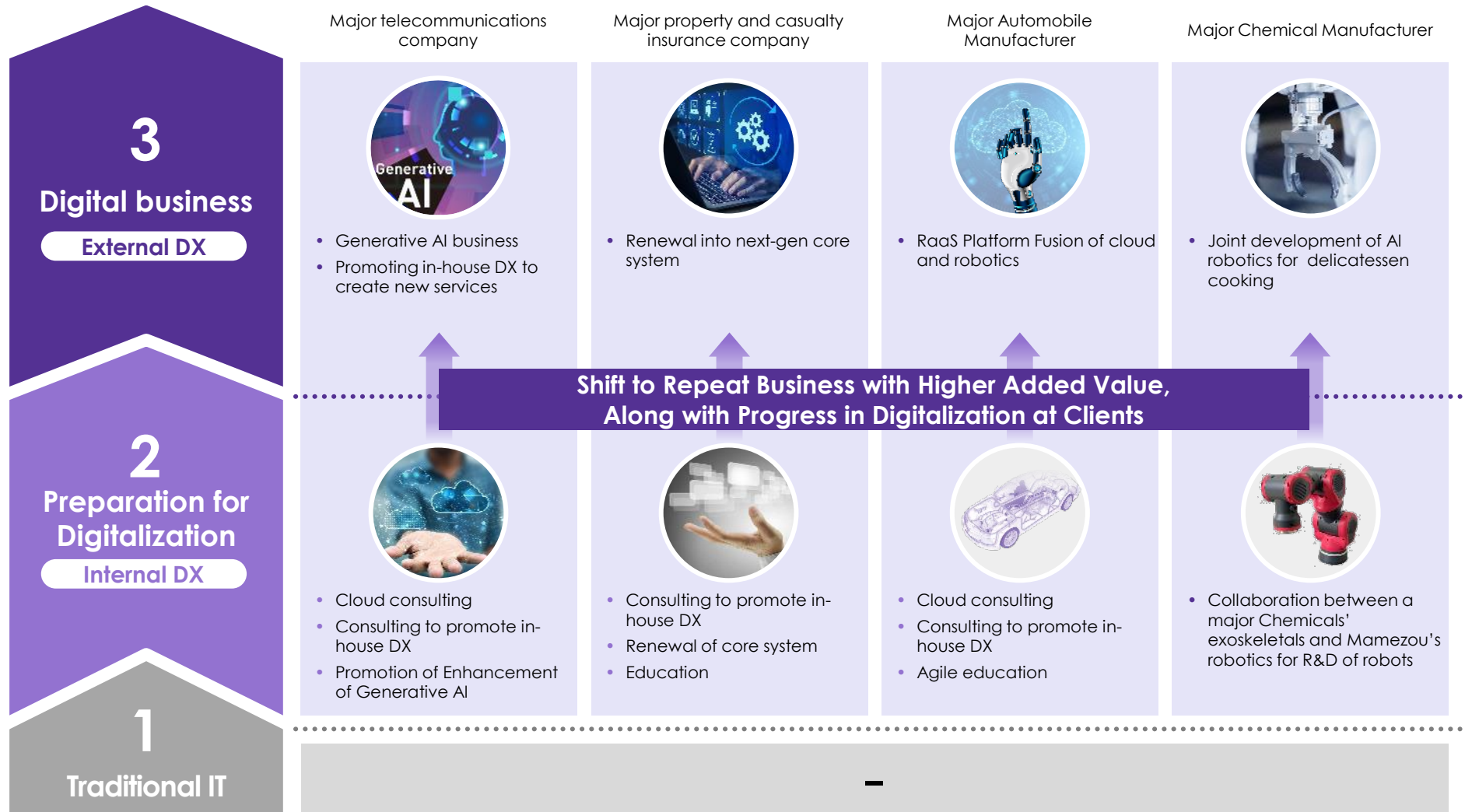




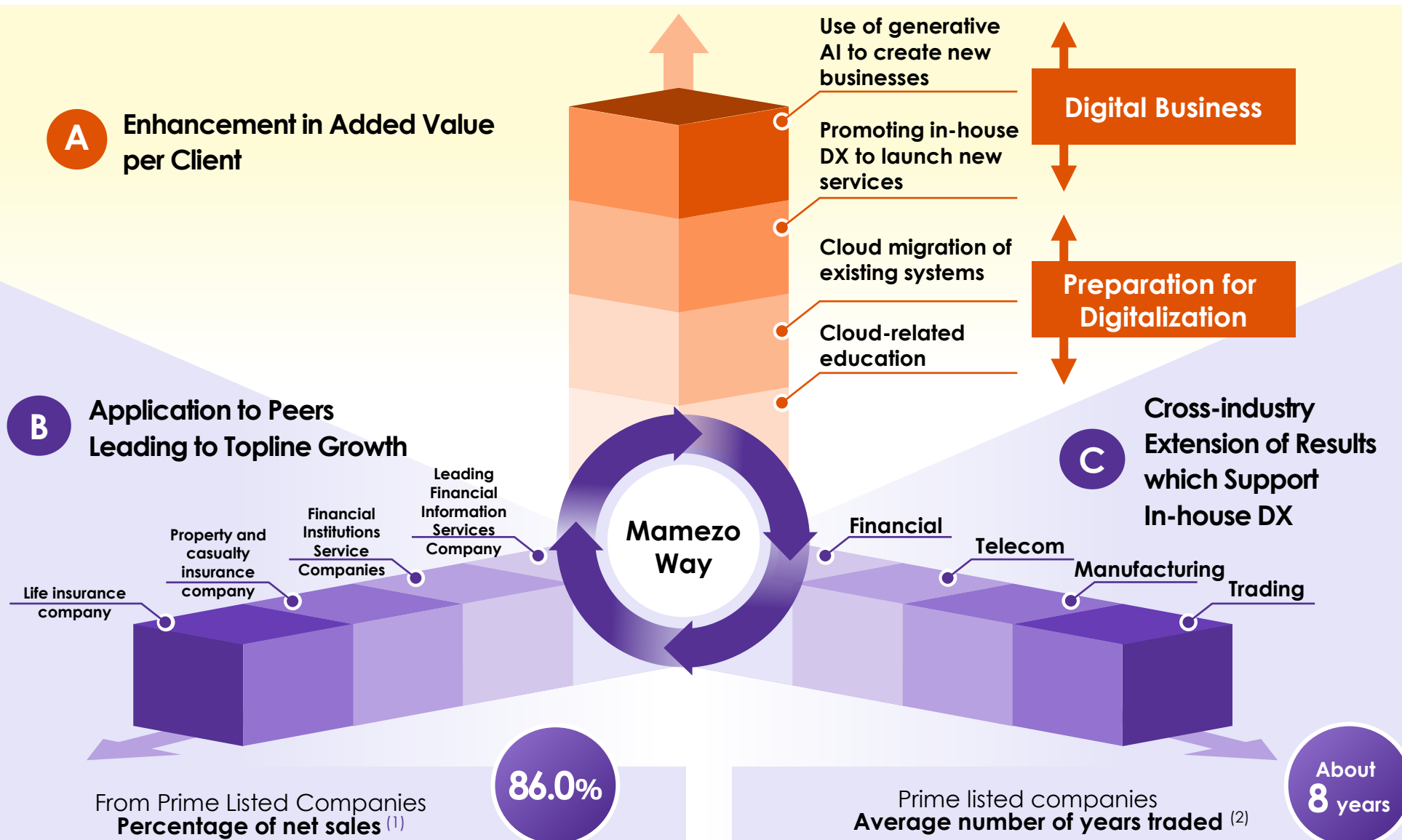
# The Group's Response to the Digitalization of Japan Companies



# Scalability brought about by the evolution of the Mamezo Way



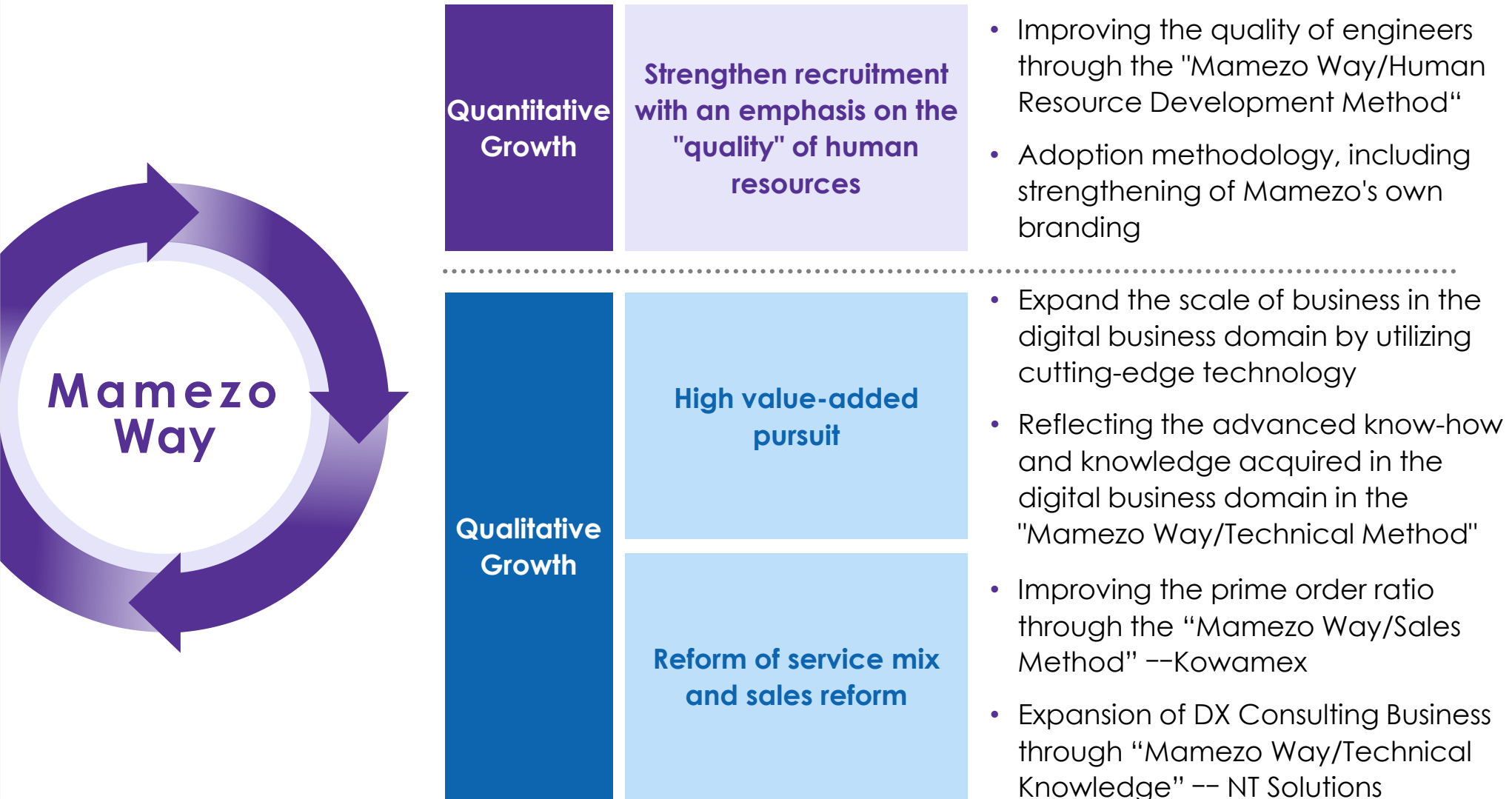
# Scalability derived from the Mamezo Way



# 02

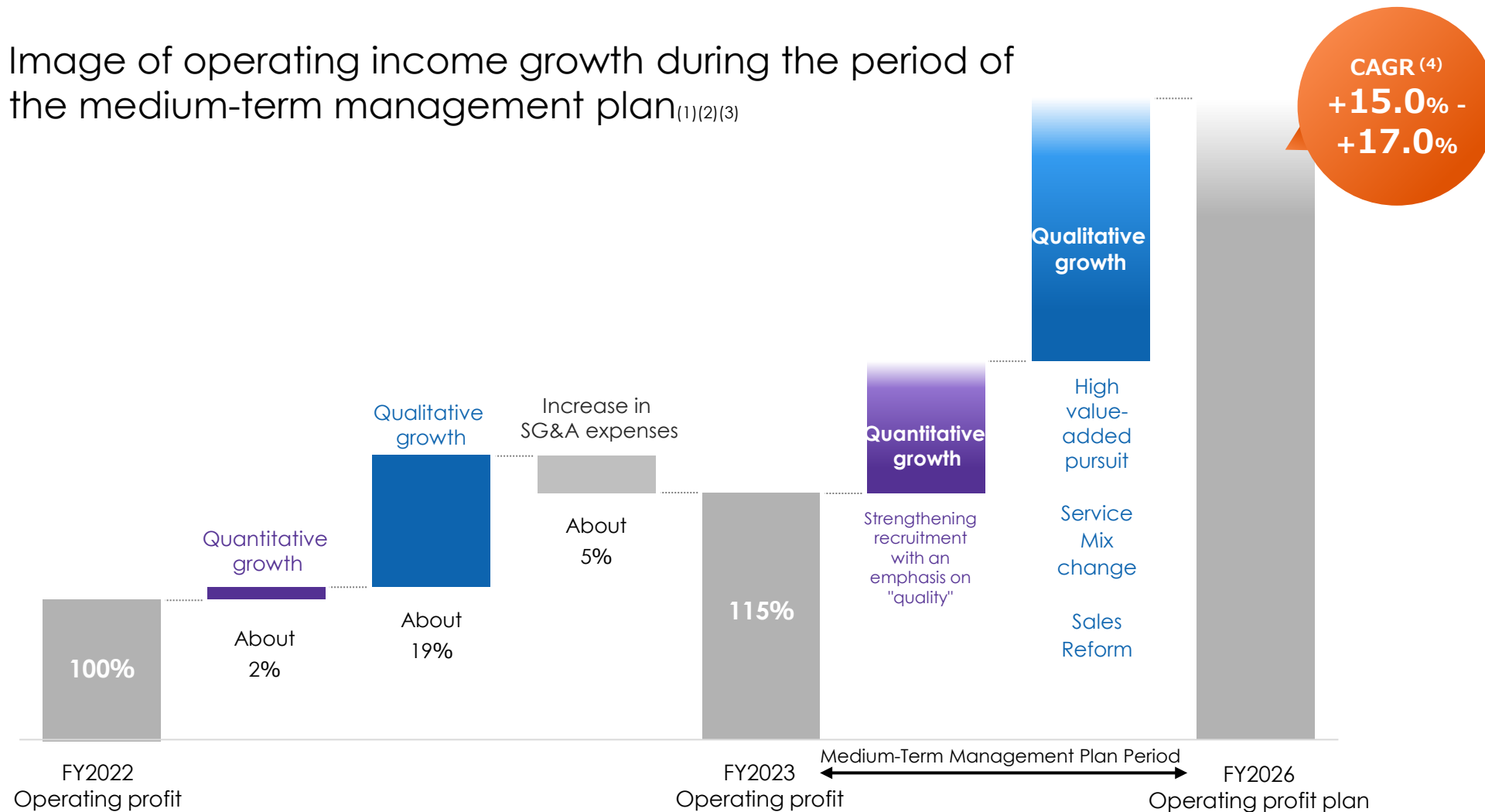
## Medium-Term Management Plan (FY2024~FY2026)

# Profit Growth Strategies in the Medium-Term Management Plan



# Image of profit growth in the Medium-Term Management Plan

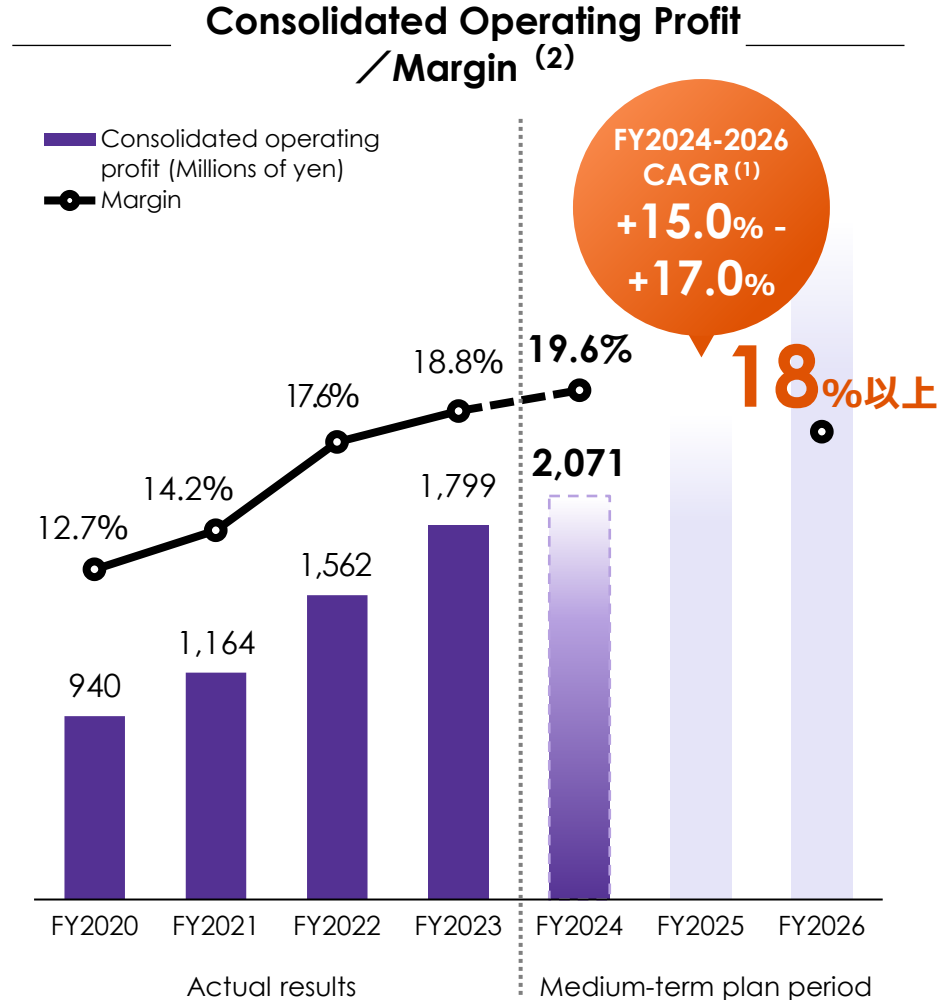
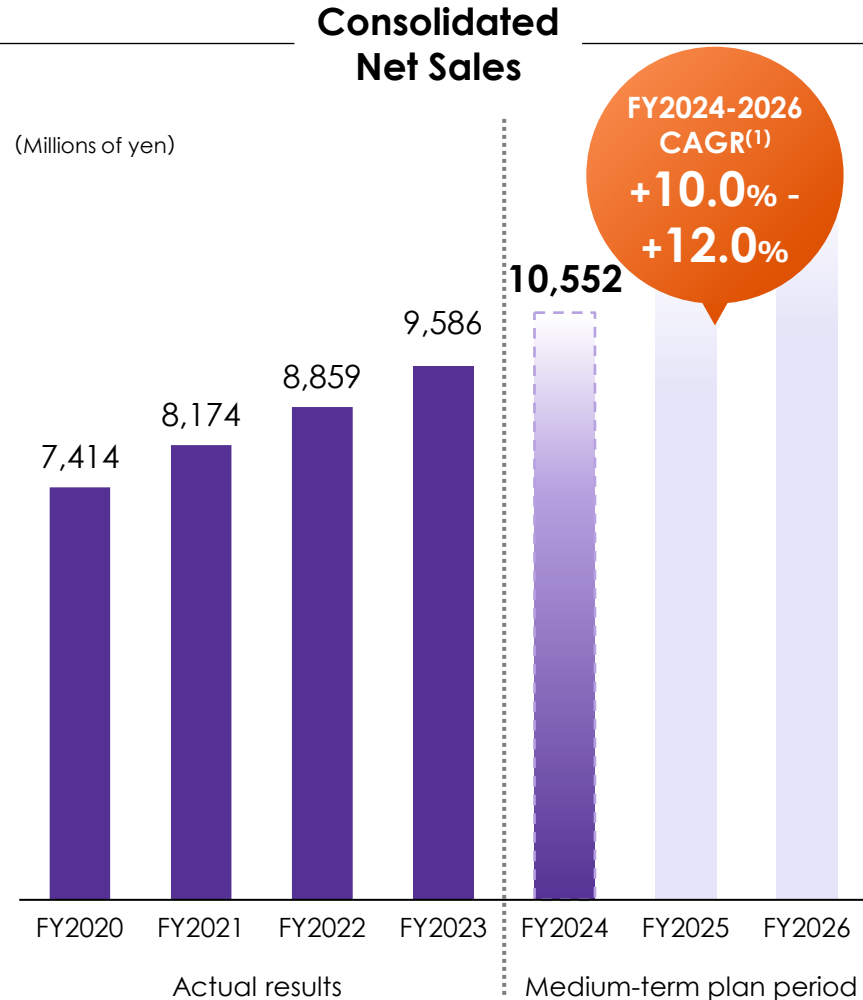
Image of operating income growth during the period of the medium-term management plan<sup>(1)(2)(3)</sup>



Note: (1) Each element of operating income growth is an image of what the Company considers to be the factors that contributed to the increase or decrease, and in fact, each factor may have acted in a combination of factors.  
 (2) For growth factors from FY2022 to FY2023, quantitative growth is calculated as the increase in gross profit in FY2022 when gross profit per front office is left unchanged, and qualitative growth is calculated from the difference between the increase in gross profit and the impact of quantitative growth on gross margin. In addition, it is a growth image from FY2023 to FY2024.  
 (3) SG&A expenses are expected to increase to a certain extent during the medium-term management plan period, mainly variable costs, but only quantitative and qualitative growth is shown in the graph.  
 (4) Average annual growth rate from FY2023 (based on forecasts at the time of announcement of the Medium-Term Management Plan)

# Financial Targets under Medium-term Plan

The Group attaches importance to sustaining stable growth over the medium to long term and has set the following numerical targets in its three-year medium-term management plan starting from the FY2024 as the bottom line for this purpose.



Note: (1) The average annual growth rate in FY2026 compared to FY2023 (based on forecasts at the time of the announcement of the Medium-Term Management Plan).  
(2) FY2020 and FY2021: Operating profit and profit margin after adjusting for group operating expenses for K2TOP

# 03

## Full year forecast for FY2024 and results for the first quarter



# Forecast for FY2024

(Millions of yen)	FY2023 Actual	FY2024 Estimate
<b>Net Sales</b>	9,586	10,552
Cloud Consulting	3,481	3,979
AI Consulting	735	821
AI Robotics Engineering	1,452	1,600
Mobility Automation	3,917	4,151
<b>Gross Profit</b>	3,180	3,674
<b>Gross Profit Margin</b>	33.2%	34.8%
<b>Operating Profit</b>	1,799	2,071
<b>Operating Profit Margin</b>	18.8%	19.6%
<b>Profit</b>	1,159	1,366
<b>Profit Margin</b>	12.1%	12.9%

## by Business Domain

### Cloud Consulting

- ✓ Continued to receive orders for consulting services including architecture design support and agile development in the infrastructure construction area
- ✓ Expansion of ERP implementation support services against the backdrop of the booming ERP renewal market

### AI Consulting

- ✓ Expansion of in-house system production projects due to growing demand for DX from companies
- ✓ Increase in acquisition of AI introduction and consulting projects, with a focus on AI algorithm construction, development, and operation projects

### AI Robotics Engineering

- ✓ Strong support for the development of industrial robots, consulting services for upstream processes in the automotive field, and R&D support
- ✓ Enhance customer support using experience and technology in robot and AI software development

### Mobility Automation

- ✓ Growing demand for manufacturing development support related to labor-saving and automation, especially in the manufacturing industry
- ✓ Expansion of development support in line with increased investment in CASE for in-vehicle systems for next-generation vehicles, etc.

# Financial Highlights

Steady progress with existing clients has resulted in a YoY increase in both sales and profit. We made a strong start towards annual earnings forecast with recruitment efforts and unit price increases exceeding expectations.

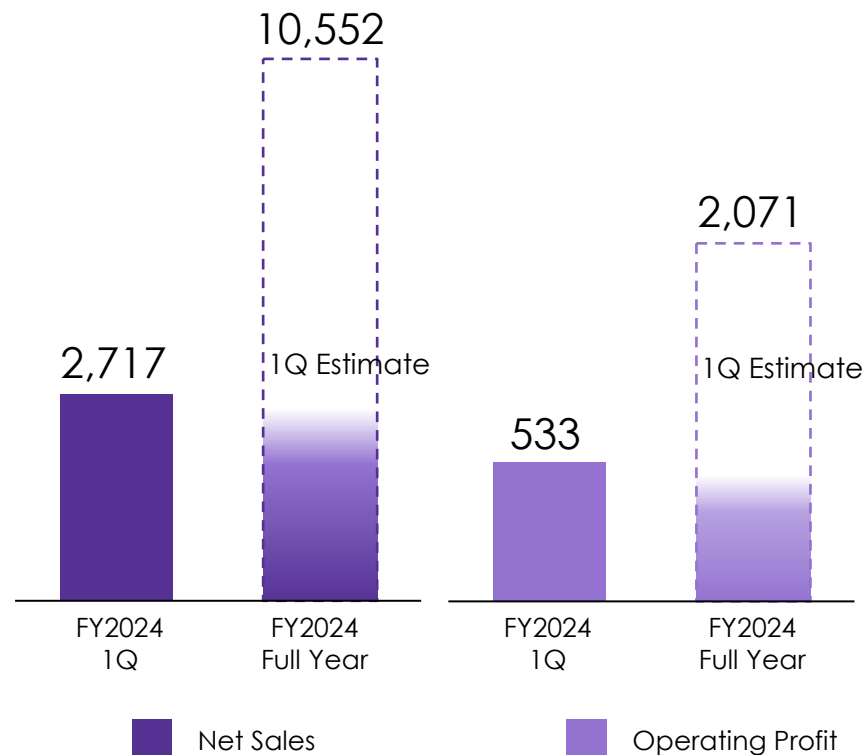
## Business Performance (Millions of yen)

Net Sales  
1Q Progress

25.8%

Operating Profit  
1Q Progress

25.8%



## Business Results

- ✓ Sales and profit both increased YoY in 1Q, achieving 25.8% of the annual sales and operating profit forecasts
- ✓ Steady accumulation of projects with existing clients and successful acquisition of new clients
- ✓ Even in an intensifying recruitment environment, we succeeded in securing human resources
- ✓ The operating profit margin decreased slightly year-on-year due to an increase in SG&A expenses due to one-time expenses associated with office relocation.

# FY2024 1Q Topics (1)

## Cloud Consulting

### AWS [Official] Training is now available.

#### summary

AWS's [Official] Classroom Training is a hands-on program for engineers who want to become leaders in the field of cloud computing. By taking the AWS [Official] class, you can learn cloud computing skills systematically and practically, which can greatly contribute to improving your career and strengthening your company's competitiveness.

#### Educational Effects and Benefits

Cover the latest AWS technologies and best practices and equip your business with advanced skills to give your business a competitive edge. We offer you the opportunity to prepare for industry-standard certification exams and gain hands-on experience to support your professional growth.

At the end of the training, our consulting services will help you succeed by helping you best use AWS to meet your business needs and goals.

Solving the worries and issues  
 Of the cloud environment  
 Mamezo AWS [Official] Training

### 「AWS 100 APN Certification Distinction」 Certified to strengthen your business on AWS

In March 2024, we were recognized as an AWS 100 APN Certification Distinction for companies with more than 100 Amazon Web Services certifications.

In addition to consulting on software modernization, Mamezou also provides consulting in the AI/ML area. In addition, we also provide human resource development services to transfer these technologies and knowledge to our customers, so that our customers can deeply understand the characteristics of AWS. The biggest advantage of using cloud services centered on AWS is that you can respond quickly to changes in your business. Mamezou will continue to leverage AWS to meet the need for improved scalability, cost efficiency, and security.



# FY2024 1Q Topics (2)

## AI Consulting

### Industry-Academia Collaborative Generative AI Project

Case study of [Hitotsubashi University × Jubilo Iwata × Mamezou]

The Digital Strategy Support Division of Mamezou has released an introduction video of the "Industry-Academia Collaborative Generative AI Project" jointly planned with Hitotsubashi University and Jubilo Iwata. We will introduce the use of generative AI in professional sports clubs to students at Hitotsubashi University in 5 minutes so that they can understand the state of joint research on idea generation and service development.



YouTube video URL: <https://www.youtube.com/watch?v=cNkUKIct2ZQ&t=3s>

### Powered by Jubilo and generative AI Started a demonstration experiment using coaching know-how.

Mamezou and Jubilo have started a demonstration experiment of a new coaching support method using generative AI with the aim of utilizing coaching know-how at the academy (U-18) of Jubilo Iwata, which belongs to the J.League, and improving coaching skills.

#### Outline of the Demonstration Experiment

In this project, we plan to use generative AI technology to propose the optimal training menu to coaches and provide feedback on coaching questions using the training menu and coaching know-how of Jubilo Iwata's academy team as input data. We will verify whether this will contribute to the accumulation of coaching know-how and the improvement of coaching ability.

#### Future Prospects

Based on the results of this demonstration experiment, we aim to commercialize a coaching support method that utilizes generative AI, and in the future, we are considering introducing Jubilo Iwata to age groups and categories other than U-18, and expanding it to other sports teams. In addition, Mamezou aims to establish a process system that can utilize coaching know-how not only in the sports field but also in various fields such as the manufacturing industry.

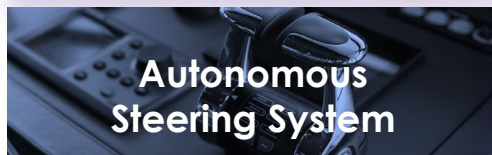
# FY2024 1Q Topics (3)

## Mobility Automation

### Development of marine mobility maneuvering systems

Efforts to put autonomous driving into practical use are accelerating, and the practical application of autonomous driving has already begun in the field of ships. In the case of ships, there are many points that are more difficult to control automatically than cars, such as being susceptible to the influence of tides and wind, having to drive after controlling the attitude, and having no lanes as indicators.

Currently, although it is technically possible to drive autonomously, it cannot be used in a situation where there is no pilot, and research is underway toward complete automation. Emphasis is also placed on system design that takes safety into consideration, such as responding to emergencies at sea, and the development of autonomous driving technology that can be used more safely and comfortably is being promoted.



**Autonomous Steering System**

- Detection of other vessels
- Collision avoidance
- Ship-to-shore communication
- Automatic berthing



**Electrification**

- Propulsion unit
- Remote control
- Operation joystick

### Strengthening Partnership with Yamaha Motor

Utilizing its know-how accumulated over many years in the automotive development field, Kowamex will strengthen its development support for Yamaha Motor's marine business field, where demand is expected to grow in the future, from the previous fiscal year, thereby contributing to the improvement of product competitiveness.

Strengthen future partnerships through the following initiatives:

- Integration and sharing of technical capabilities
- R&D Areas
- Specific development examples
  - Medium/high output outboard motor (50hp~450hp)
  - Electric outboard motor (HARMO)
  - Ship maneuvering system (touch screen color display, remote control box, helm master EX)



**Development in the marine field with Yamaha Motor**  
**We will strengthen our partnership**

# Business Strategy for FY2024

## Further strengthening growth drivers to achieve the current medium-term management plan

### Strengthening investment in human capital is the foundation of our growth strategy

- Maintain substantial improvement in treatment
- Sharing of "know-how" and "know-who" cultivated by technical specialists (technical knowledge: construction of the Mamezo Way)
- Enhancement of cloud human resources by strengthening AWS qualification acquisition allowances
- Securing an environment where growth can occur through high-value-added projects

### Strengthening Quantitative Growth

- Promote recruitment activities in all business divisions
- A recruitment method that gathers excellent engineers who are the source of growth
- Engineer-first evaluation system that allows you to grow as an engineer until retirement

### Strengthening Qualitative Growth

- Expand the scale of business in the digital business domain by utilizing cutting-edge technology
- Pursuit of high value-added projects
- Reform of service mix and sales reform
- Strengthen the acquisition of revenue-sharing model projects

### Generative AI is a further business opportunity

- Formation of a cross-group task force
- Technical Knowledge: Strengthening Initiatives for Generative AI x the Mamezo Way
- Generative AI application service for upstream processes has been announced.
- Announcement of new services in the ERP construction area soon

Our company combines the power of technology and human resources to support the DX of companies. We will continue to pioneer the future together with our customers and achieve sustainable growth. In addition, we will aim for the next level of growth in order to exceed the current medium-term management plan (sales growth: 10-12%, operating income growth: 15-17%)



# Business Strategy for FY2024: Cloud Consulting

## Enterprise Area

In recent years, we recognize that the following three points are important in the market trend related to cloud consulting.

- (1) Fujitsu Mainframe 2030 Problem
- (2) Growing trend toward in-house production
- (3) Pursuit of full-scale utilization (so-called cloud-native) that takes advantage of the characteristics of the cloud from simply lifting and shifting to the cloud

The above trends are incorporated into the business strategy by focusing on the following four themes.

### Promotion of in-house production

- ◆ **Organic fusion of consulting and human resource development**
  - Differentiation Point (1): A Unique Approach in the IT Industry
- ◆ **Strengthening support programs for business units**
  - Differentiation point (2): Understanding the responsibilities of business departments is the most important for realizing in-house production.
- ◆ **Significant expansion of the new employee training business**
  - The newcomer training business achieved steady growth and achieved the highest sales in the history of Mamezou.

### Upstream Enhancements in Software Modernization

- ◆ **Enhancement of upstream grand design formulation services**
  - Collaboration with Mamezou advisors to develop new projects centered on the life and non-life insurance domain

### Strengthening your cloud-native commitment

- ◆ **Deploying Cloud-Native Education**
  - Aiming to expand the education business, strengthen cloud-native teaching materials
- ◆ **Strengthening our partnership with AWS**
  - Expected to be promoted to tier during the current quarter, allowing for new leads to be acquired
  - AWS Certifications reached 120, with more than 50% of them advanced

### Commitment to generative AI

- ◆ **Scaling Out Your Education Business**
  - As an instructor and instructor support role, embark on a transformation of the education business with the use of generative AI
- ◆ **Generation of in-house know-how AI utilization**
  - We are building and deploying a mechanism to bring out the Mamezo Way in an appropriate form with OpenAI.

# Business Strategy for FY2024: Cloud Consulting

## Education x Generative AI solves the human resource shortage problem in the ERP market!

### ERP Area

In recent years, the concept of "Fit to Standard" has begun to permeate the ERP market, but in actual ERP projects, there are many cases where customer requirements are realized by placing an emphasis on add-ons and customizations, and as a result, more ERP consulting and engineering resources are required than necessary in the project. In the ERP market, there is a chronic shortage of human resources.

We are taking the following measures to address the business issues recognized above.

#### Specialized Education Platform DLP Online Enhancements

By providing a specialized education platform for Microsoft ERP (Dynamics365 Finance, Supply Chain Management) developed with the support of Microsoft Japan in 2021, we promote the understanding of ERP standard functions by end users and support the realization of ERP implementation by Fit to Standard from the perspective of the orderer.

#### A group of professionals in cutting-edge Microsoft technologies, including generative AI

NT Solutions has been committed to the Microsoft business for more than 15 years. In the last fiscal year, we were able to confirm a productivity improvement of about 35% by utilizing generative AI, and we will soon announce a new service related to generative AI.

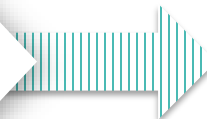
#### Promoting in-house production projects with major automobile-related companies

As the era of digitalization progresses, the importance of mission-critical systems will increase, and as a result, these areas will be highlighted as targets for in-house production. We are working with advanced companies on in-house production projects. In the future, we will focus on consulting to promote in-house production.

### Microsoft Tech-Focused Education Platform Development Roadmap



Specialized Education  
platform 「DLP Online」



Specialized Education  
platform 「DLP Online」

Generative  
AI  
Capabilities

In-house  
production  
support  
function



# Business Strategy for FY2024: AI Consulting

In addition to dramatic changes in economic conditions at home and abroad, responding to labor shortages due to the declining birthrate, digital transformation is not just a movement, but an "essential" and "inevitable" for Japanese companies. In order to respond to this situation, I believe that companies are now required to do the following three things.

- ① Introduction of systems and methods to ensure improvement of production efficiency -- Implementation of systems and methods that can effectively apply advanced technologies to on-site business processes
- ② Environment that enables the full use of various types of data -- Establishment of an environment (systems and institutions) that can utilize all the underlying data in digitalization such as AI
- ③ Develop human resources according to organizational culture -- Identify the needs of companies and departments that are promoting digitalization, and develop human resources that meet those needs

In response to the above three recognized points, we are taking the following measures

## Promoting a "New" Industrial Revolution through Advanced Technology

For example, we will promote the construction of an advanced system such as an "AI agent" in which AI autonomously searches for necessary data and tools and designs and builds the process of using them, and we will be able to achieve overwhelming productivity improvements by automating parts that were previously handled by humans

## Building a data-driven environment based on AI

We will promote the development of an environment in which data can be used more efficiently by AI by making it possible to mathematically calculate the "meaning" and "relationship" of data, rather than simply developing a database. In this way, we will build a "true data-driven" environment that can utilize data in various decision-making scenes in companies

## Developing human resources according to the situation and needs and overcoming the skills gap

The DX-related skills required of a company's human resources vary not only depending on various industries and business categories, but also on the circumstances of the client company, such as corporate culture. Rather than a uniform and uniform curriculum, we will explore the human resource needs of each company and provide educational content and training methods that meet those needs

Our vision is to make full use of AI technology to accelerate the DX of society as a whole.  
We will continue to play a role as a companion to solve the challenges faced by companies together and support sustainable growth.

# Business Strategy for FY2024: AI Robotics Engineering

## AI Robotics

### 【Background to the introduction of robots】

Due to the declining birthrate and aging population and the depreciation of the yen, labor shortages are becoming more serious at manufacturing factories and restaurants due to a decrease in the number of foreign workers. To solve this problem, many companies are working on automation using robots.

### 【Robot Adoption Status】

- Mass production and automation of low-difficulty tasks are progressing
- Automation of high-mix, low-volume production has not progressed (food industry, pharmaceutical industry, construction industry, logistics industry, agriculture)

We are taking the following measures to address the above business background and issues.

## Services & Strengths

- ◆ By making full use of the advanced software technology that we are good at, we can make robots intelligent and automate difficult tasks.
- ◆ Supporting the development of new robots using robotics (mechanical and electrical) + software engineering (AI / image processing / algorithms).
- ◆ Catch up with the latest trends in the robotics industry and incorporate new technologies such as humanoid robots.

## Measures to increase profitability

- ◆ By working on the automation of difficult tasks, we are able to acquire projects with high unit prices and long development periods.
- ◆ In many cases, high-difficulty automation projects start from the feasibility verification phase, and since the development period is long and development investment capabilities are required, sales activities are promoted mainly by large companies.
  - Projects are being promoted with pharmaceutical manufacturers, food equipment manufacturers, restaurant chains, etc.

## Measures to scale up

- ◆ Automation and robot prototype development by introducing robots is being expanded in scale by handling hardware development (mechanical and electrical) and software development from requirement definition to conceptual design and prototype development by only Mamezou.

## Topic

- ◆ Major restaurant chain Automating the dishwashing process  
Combining a collaborative robot and a conveyor belt in a human-assisted kitchen to automate the dishwashing process
- ✓ Image processing to identify tableware on a conveyor belt
- ✓ Devised a mechanism for sorting only specific tableware
- ✓ Algorithm devised for optimal transfer of tableware on a conveyor belt
- ✓ Conduct risk assessments to ensure safe operation by employees in stores
- ✓ Combining various sensors to realize cooperation between robots and conveyors

# Business Strategy for FY2024: AI Robotics Engineering

## Engineering Areas

### 【The state of the automotive industry】

- Autonomous driving functions, safe driving support functions, and multi-media functions have determined the value of automobiles. In addition, even after purchase, the software is updated to improve the functions of the car
- Software is required to achieve these goals, and automakers and parts manufacturers are strengthening their software development capabilities
- Automotive software is becoming more sophisticated, larger, and more complex
- Vehicle development is becoming shorter, and it is necessary to develop software that is highly reliable in terms of quality and security

### 【Status of Initiatives in the Automotive Industry】

- In order to cope with these problems, it is not possible to outsource conventional software, and we are promoting in-house software development, acquiring advanced software technology and project management skills, and training software engineers

We are taking the following measures in response to the above industry background and situation.

## Services & Strengths

- ◆ With advanced engineering technology based on system engineering and software engineering, which is one of Mamezo's strengths, we support in areas such as defining requirements for vehicle development, formulating test strategies, building development processes, and creating a system for training engineers as a strategic partner.

## Measures to increase profitability

- ◆ Acquisition of projects with high unit prices through advanced engineering technologies based on system engineering and software engineering that differentiate us from other companies
- ◆ Securing a high profit margin by providing education developed by Mamezo

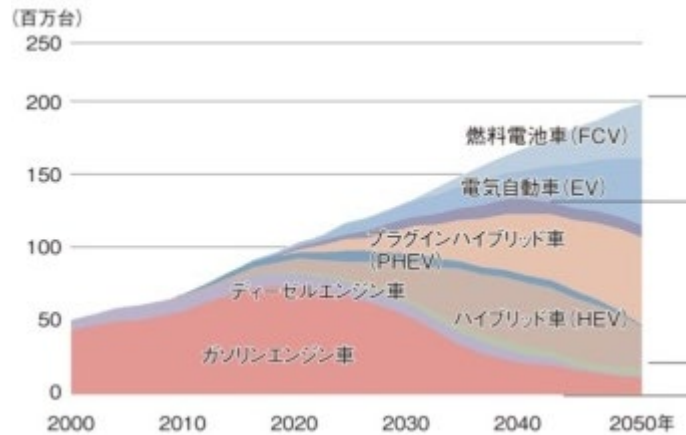
## Topic

- ◆ Creation of a system for training software engineers
  - ✓ Skill Mapping
  - ✓ Skill Definition
  - ✓ Evaluation Assessment
- ◆ MBSE introduction support for integrated ECU development
  - ✓ Preparation of MBSE process definition document and requirement definition
  - ✓ Architecture modeling according to the MBSE process
  - ✓ Project Management Support and Operational Consulting
- ◆ Support for the development of safe driving support functions
  - ✓ Developing a Testing Strategy
  - ✓ Definition of test processes, development and implementation of toolchains
- ◆ Support for the development of body function ECUs
  - ✓ AUTOSAR-compliant software design
  - ✓ Implementation of prototypes to improve design quality

Projects have begun with automakers and Tier 1 manufacturers

# Business Strategy for FY2024: Mobility Automation

## ◆ Mobility Transformation/CASE



Source : IEA-MMo2012

Change

In 2025 Realization of autonomous driving services at 40 locations (target)

**In 2022, the Road Traffic Law was amended and enacted**  
Unmanned autonomous driving (Level 4) is now possible

2021 Realization of Level 3 autonomous driving service at Eihei-ji-town  
Launch of the world's first Level 3 owner car

**In 2020, the Road Transport Vehicle Act and the Road Traffic Act was amended and enacted** Enabling system substitution (Level 3)

Transformation is a tailwind for our company, which has the strength of embedded software control.  
Demand has expanded significantly in the last three years.



Autonomous Driving

ADAS Control  
ICS Control  
Image Sensors  
LIDAR/SONAR

HEV/EV Control  
Electric Brake Control  
Inverters/Converters Control  
Battery Management Control  
Electric Compressor Control

Electrification Intelligence



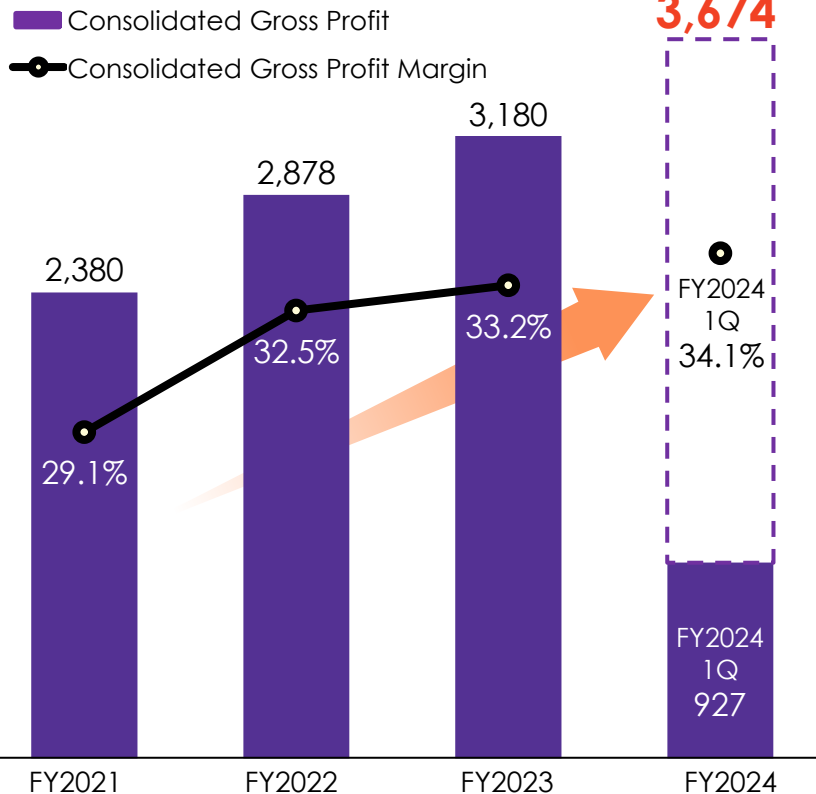
Multimedia Display  
Gateway ECU (Ether)  
VICS Beacon  
Integrated Vehicle Control

**Kowamex is an expert in in-vehicle ECUs that support the mobility of the future and will lead technological innovation at the forefront of CASE and ADAS.**

# Sustainable qualitative and quantitative growth

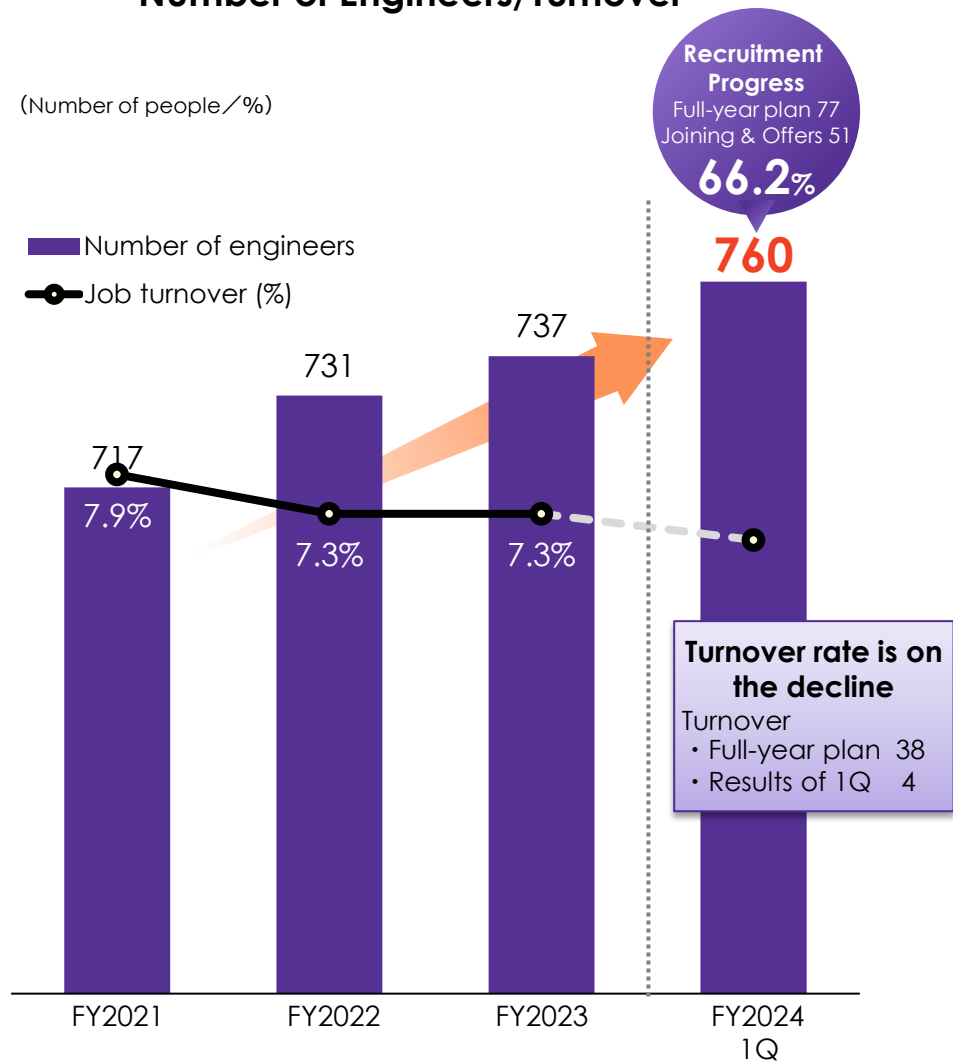
## Gross profit

(Millions of yen)



## Number of Engineers/Turnover (1)

(Number of people/%)



Note: (1) The number of engineers is as of the end of each fiscal year. Turnover rate = Number of employees who left the company ÷ Number of engineers at the beginning of the term

# Balancing high financial soundness with shareholder returns

## Shareholder Return Policy

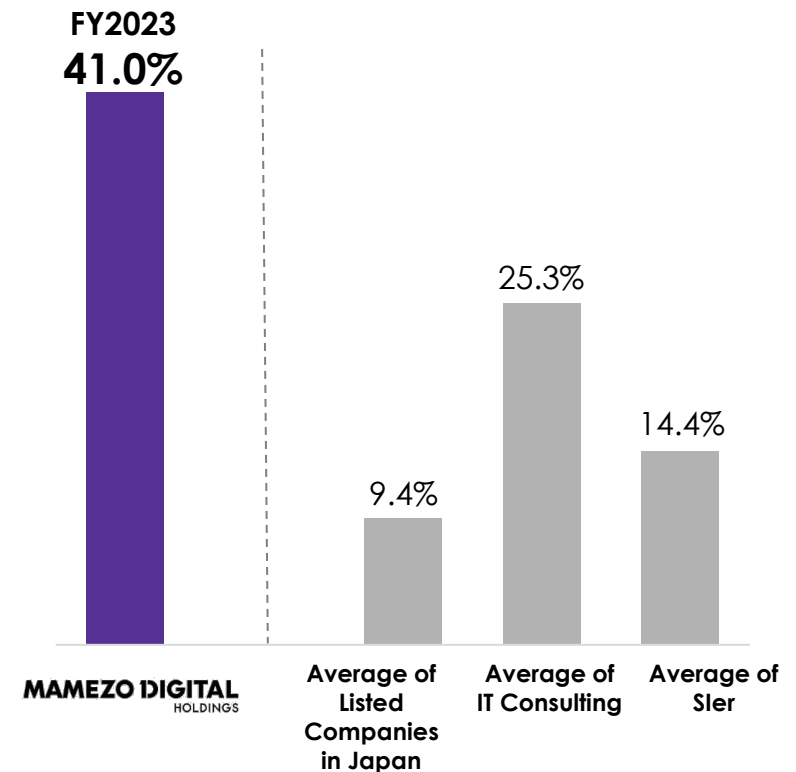
**Dividend payout ratio of 70% in FY2025/3  
(Annual dividend of ¥59.58/share)**

✓ Medium and long-term goals: 50-70%

✓ FY2024 1Q : Equity-to-Asset ratio: 60.4%  
No goodwill

✓ High FCF Conversion

## Industry-high ROE<sup>(1)(2)</sup>



- 注： (1) ROE is calculated by dividing net income by the interim average of total shareholders' equity. Average figures for IT service companies are based on the most recent full-year results. The average value of listed companies in Japan is based on the Japan Exchange's "FY2023 Financial Results Summary [Consolidated] [Total] (Prime Standard Growth) - Long-Term Statistics".
- (2) We have extracted the following IT consulting companies and system integrator companies that we consider as comparison targets.  
(IT Consulting: NRI, BayCurrent Consulting, SIGMAXYZ, ULS Group, Rise Consulting, Future Sler: NTT DATA, SCSK, TIS, BIPROGY, NS Solutions, Systema)

# Appendix

# Profile



<b>Company Name</b>	MAMEZO DIGITAL HOLDINGS CO., LTD .	
<b>Address</b>	Shinjuku Mitsui Bldg. 34F, Nishi-Shinjuku 2-1-1, Shinjuku-ku, Tokyo 163-0434, JAPAN	
<b>Establishment</b>	November 11, 2020	
<b>Main shareholder</b>	Mamezou K2TOP Holdings Corporation	
<b>Executive officers</b>	President & CEO	Nakahara Tetsuya
	Director	Miyata Kenji
	Director	Fukutomi Mitsuo
	Director	Ando Hisayoshi
	Director	Murakami Kazuaki
	Director	Nomura Munehiro
	Director	Izumi Takenori
	Auditor	Adachi Kinji
	Auditor	Kanno Shintaro
	Auditor	Kawazu Hiroshi



# Group Companies

## MAMEZO DIGITAL HOLDINGS CO., LTD.



- Establishment : November 2020
- CEO : Nakahara Tetsuya
- Employees : 18

With an emphasis on the operation and management of the entire group, we have an inside sales department to strengthen the sales capabilities of the entire group.

※100% owned by Mamezo Digital Holdings

## Mamezou Co., Ltd.



- Establishment : November 1999
- CEO : Nakahara Tetsuya
- Employees : 219

With a software-first policy, we provide DX, cloud, and robotics-related consulting from the customer's perspective with our technological capabilities.

## NT Solutions Co., Ltd.



- Establishment : April 2009
- CEO : Nakahara Tetsuya
- Employees : 119

A consulting company specializing in the ERP business that makes full use of cutting-edge technology to promote DX of customers' mission-critical systems

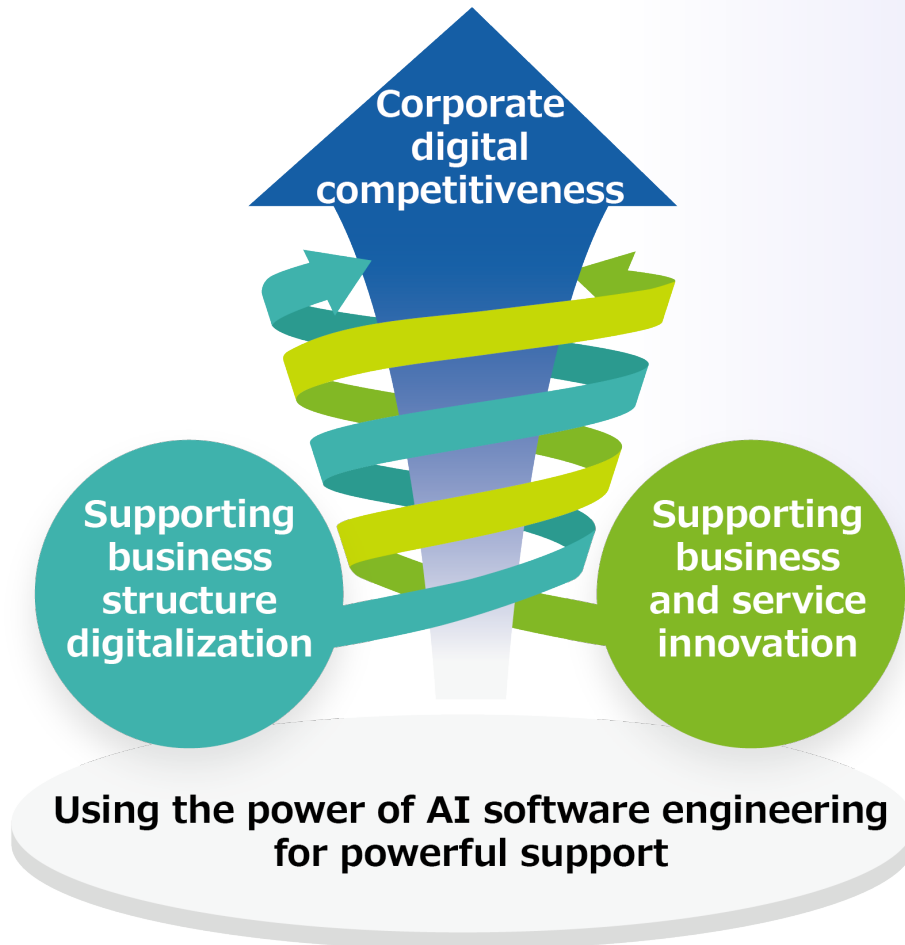
## KOWAMEX Inc.



- Establishment : July 1982
- CEO : Miyata Kenji
- Employees : 463

Providing design and development support (S/W, H/W) services for manufacturing processes in the manufacturing industry, mainly in the Tokai region

# Digital-shift Service Company Transcending Sler/DX Consulting Firms



## Mission

Mission

**Co-create Digitalized World with Power of AI Software Engineering**

## Vision

Vision

**Digital-shift Service Company**

The software's raison d'être in society has been changing, and software is now expected to assume greater roles.

Our mission and vision are based on our wishes to utilize our capabilities in software for solution to social challenges and achievement of well-being, as a longer-range target

# Mamezo Way- A unique business model for customer and employee success

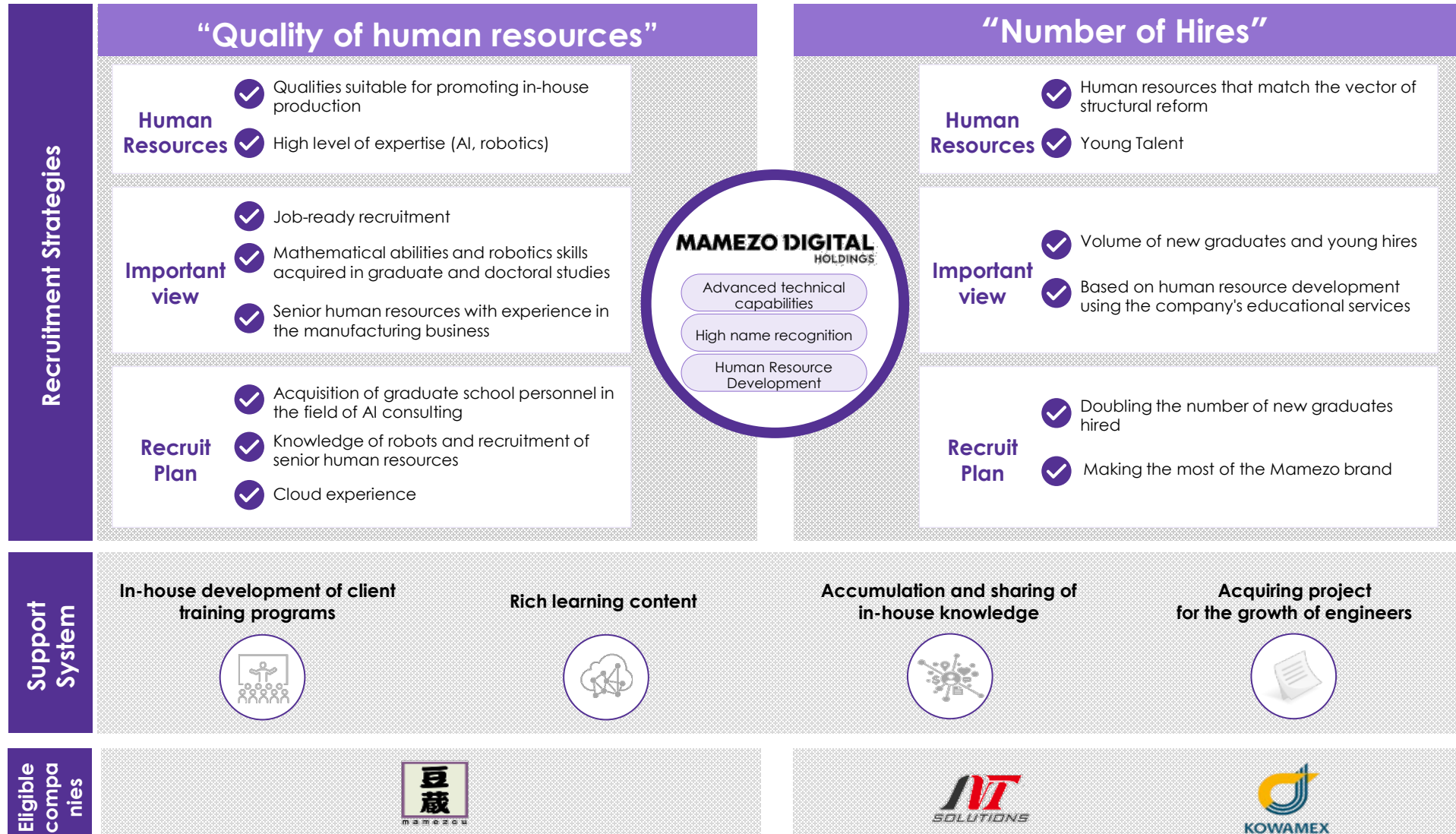
The “Mamezo Way” is our commitment to achieve sustainable growth and enhanced profitability for the success of both our customers and employees. We aim to lead the industry by supporting both the success of our customers' projects and the technological growth of our employees at the forefront.

It is based on the following six core concepts:

<b>1</b>	<b>Emphasis on direct transactions</b>	Through direct relationships with customers, we are deeply committed to their outcomes to accelerate the growth of our engineers.
<b>2</b>	<b>Transfer of technical know-how</b>	In addition to the success of the project, the transfer of technical knowledge and mathematical theory We help our customers bring their products in-house.
<b>3</b>	<b>Participation from the very upstream</b>	To ensure the success of the project, we are deeply involved from the very beginning to understand the objectives and basic requirements.
<b>4</b>	<b>Prioritizing employee growth</b>	The growth of employees is the main objective of the company, and we participate in technologically challenging projects.
<b>5</b>	<b>Promote recruitment and reduce turnover</b>	With strong branding and effective recruitment and development methods, we can help you recruit more and reduce turnover.
<b>6</b>	<b>Formalization of knowledge</b>	Systematize the knowledge gained from the project so that all employees can drive the project forward, rather than relying on a handful of talented employees.

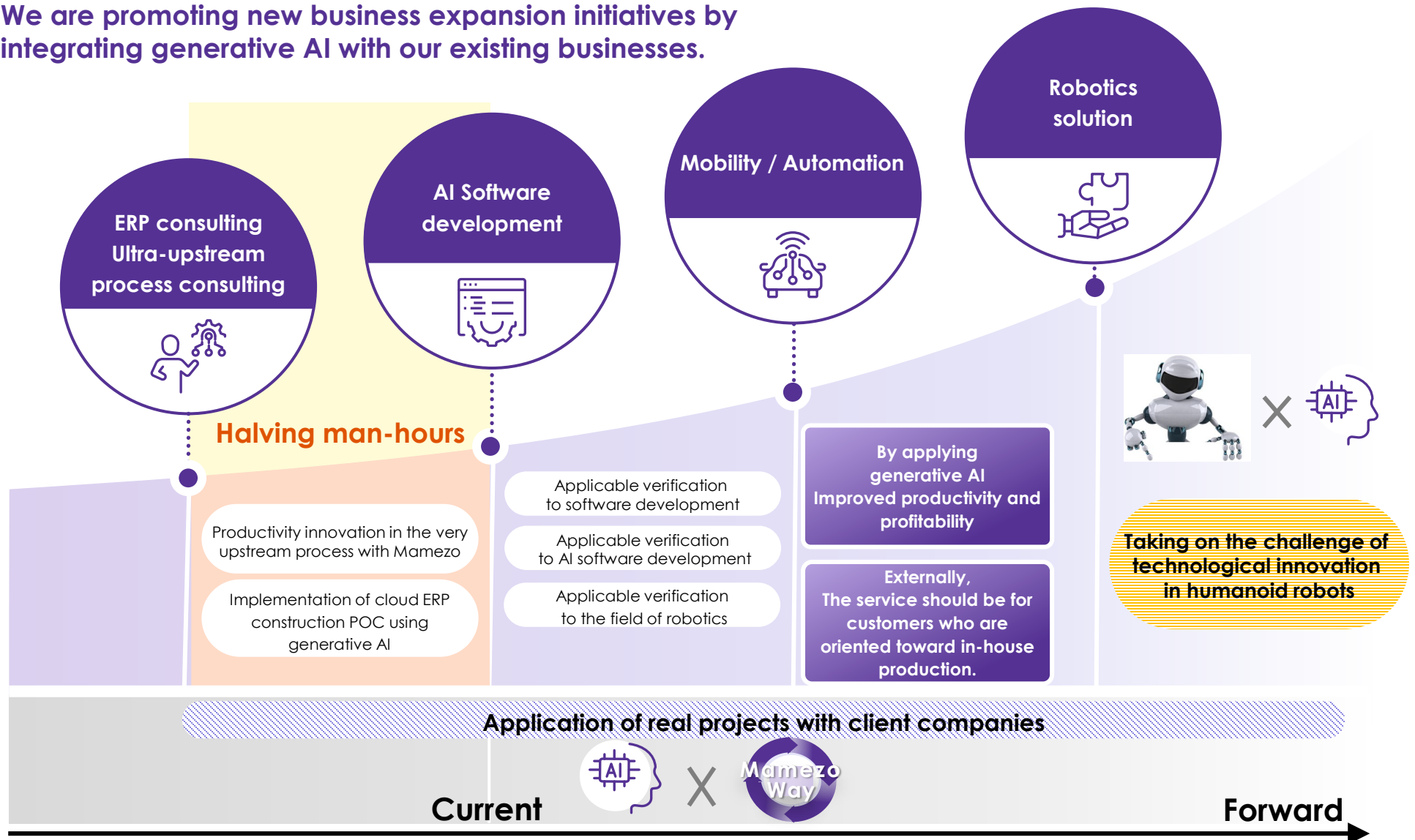
# Human Resource Management Strategy

Human resource management strategy to attract excellent engineers for each domain



# Generative AI Creating New Business Opportunities in Mamezou Way

We are promoting new business expansion initiatives by integrating generative AI with our existing businesses.



# Management Indicators (KPI)

The Group supports the digital shift of customers with the high technical capabilities of engineers, and the number of engineers is an important management indicator. In addition, we are promoting our business with the following management indicators, with quantitative growth mainly based on the number of engineers and qualitative growth based on unit price increases associated with the provision of more advanced services, that is, sales per engineer as an important indicator.

(Millions of yen)

Cloud Consulting	FY2021	FY2022	FY2023	KPI Highlights
Sales	3,003	3,235	3,481	<b>Priority Measures (1)</b> - Volume of growth : Expansion of recruitment of high-value-added human resources in line with the expansion of the in-house production market - Qualitative growth : Increased profitability by increasing the prime ratio <b>Priority Measures (2)</b> - Strengthen account sales : Establish key customers and strengthen relationships with management - Strengthening the profitability of the entire GR : Strengthen support for two other operating companies
Gross profit	998	1,124	1,208	
Gross margin	33.2%	34.8%	34.7%	
Number of Engineers	163	174	186	
Sales per capita	18.4	18.6	18.7	
AI Consulting	FY2021	FY2022	FY2023	KPI Highlights
Sales	513	647	735	<b>Priority Measures (1)</b> - Volume of growth : Expansion of recruitment of high-value-added human resources in line with the expansion of the in-house production market - Qualitative growth : Rapid growth of the Digital Strategy Support Division (AI) <b>Priority Measures (2)</b> - Strengthen account sales : Establish key customers and strengthen relationships with management - Strengthening the profitability of the entire GR : Strengthen support for two other operating companies
Gross profit	180	255	299	
Gross margin	35.1%	39.5%	40.7%	
Number of Engineers	26	31	35	
Sales per capita	19.7	20.9	21.0	
AI Robotics Engineering	FY2021	FY2022	FY2023	KPI Highlights
Sales	1,300	1,339	1,452	<b>Priority Measures (1)</b> - Volume of growth : Expansion of recruitment of high-value-added human resources in line with the expansion of the in-house production market - Qualitative growth : AI Robotics New Business Development <b>Priority Measures (2)</b> - Strengthen account sales : Establish key customers and strengthen relationships with management- Strengthening the profitability of the entire GR : Strengthen support for two other operating companies
Gross profit	400	505	498	
Gross margin	30.8%	37.8%	34.3%	
Number of Engineers	66	77	84	
Sales per capita	19.7	17.4	17.3	
Mobility Automation	FY2021	FY2022	FY2023	KPI Highlights
Sales	3,357	3,636	3,917	<b>Priority Measures (1)</b> - Volume of growth : Strengthening relationships with BP in preparation for strengthening BP's business - Qualitative growth : Improvement of profitability by improving the CASE/DX ratio <b>Priority Measures (2)</b> - Strengthen account sales : Establish key customers and strengthen relationships with management - Human Resource Development : Strengthen human resource development for the transition from dispatch to consulting
Gross profit	801	992	1,174	
Gross margin	23.9%	27.3%	30.0%	
Number of Engineers	462	449	432	
Sales per capita	7.3	8.1	9.1	

# Financial Results for FY2024 1Q

(Millions of yen)	FY2023		FY2024 1Q	1Q YoY comparison	
	Full-year	1Q		Increase/ decrease	Percentage change
<b>Net sales</b>	9,586	2,499	2,717	218	8.7%
Cloud Consulting	3,481	1,036	1,097	60	5.8%
AI Consulting	735	159	166	7	4.9%
AI Robotics Engineering	1,452	359	423	63	17.7%
Mobility Automation	3,917	943	1,030	86	9.2%
<b>Gross profit</b>	3,180	879	927	48	5.5%
<b>Gross margin</b>	33.2%	35.2%	34.1%	-	-
<b>Operating profit</b>	1,799	518	533	15	2.9%
<b>Operating profit margin</b>	18.8%	20.7%	19.6%	-	-
<b>Profit</b>	1,159	350	334	▲15	▲4.5%
<b>Profit margin</b>	12.1%	14.0%	12.3%	-	-

# Consolidated Statements of Income

## Consolidated Statements of Income(J-GAAP) <sup>(1)</sup>

(Millions of yen)	FY2022		FY2023		FY2024 1Q	
	Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio
<b>Net sales</b>	<b>8,859</b>	<b>100.0%</b>	<b>9,586</b>	<b>100.0%</b>	<b>2,717</b>	<b>100.0%</b>
Cost of sales	5,980	67.5%	6,405	66.8%	1,790	65.9%
Gross profit	2,878	32.5%	3,180	33.2%	927	34.1%
Selling, general and administrative expenses	1,315	14.9%	1,381	14.4%	394	14.5%
<b>Operating profit</b>	<b>1,562</b>	<b>17.6%</b>	<b>1,799</b>	<b>18.8%</b>	<b>533</b>	<b>19.6%</b>
<b>EBITDA<sup>(2)</sup></b>	<b>1,636</b>	<b>18.5%</b>	<b>1,899</b>	<b>19.8%</b>	<b>553</b>	<b>20.4%</b>
Ordinary profit	1,589	17.9%	1,820	19.0%	511	18.8%
Profit before income taxes	1,582	17.9%	1,672	17.4%	503	18.5%
Profit	1,103	12.5%	1,159	12.1%	334	12.3%
<b>Profit attributable to owners of parent</b>	<b>1,103</b>	<b>12.5%</b>	<b>1,159</b>	<b>12.1%</b>	<b>334</b>	<b>12.3%</b>
Depreciation	73	0.8%	100	1.0%	20	0.7%

Note: (1) Fractions of less than the display unit of the stated amount are rounded down.  
(2) Operating income + depreciation and amortization



# Consolidated Balance Sheets

Consolidated Balance Sheets(J-GAAP) <sup>(1)</sup>

(Millions of yen)	FY2023		FY2024 1Q	
	Amount	Composition ratio	Amount	Composition ratio
<b>Current assets</b>	<b>2,598</b>	<b>73.4%</b>	<b>2,749</b>	<b>71.9%</b>
Cash & Deposits	828	23.4%	925	24.2%
Accounts receivable - trade	1,180	33.3%	1,272	33.2%
<b>Non-current asset</b>	<b>944</b>	<b>26.6%</b>	<b>1,077</b>	<b>28.1%</b>
Property, plant and equipment	431	12.2%	494	12.9%
Intangible assets	113	3.2%	105	2.8%
Investments and other assets	399	11.3%	476	12.5%
<b>Total assets</b>	<b>3,543</b>	<b>100.0%</b>	<b>3,826</b>	<b>100.0%</b>
<b>Total liabilities</b>	<b>1,281</b>	<b>36.2%</b>	<b>1,516</b>	<b>39.6%</b>
Accounts payable – trade	135	3.8%	173	4.5%
Provision for bonuses	242	6.8%	369	9.6%
Income taxes payable	326	9.2%	204	5.3%
<b>Total net assets</b>	<b>2,261</b>	<b>63.8%</b>	<b>2,310</b>	<b>60.4%</b>
Shareholders' equity	2,261	63.8%	2,310	60.4%
<b>Total liabilities and net assets</b>	<b>3,543</b>	<b>100.0%</b>	<b>3,826</b>	<b>100.0%</b>

Note: (1) Fractions of less than the display unit of the stated amount are rounded down.

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