FY2024.8 Full-Year Financial Results

coconala Inc. (TSE Growth Market: 4176)

October 11, 2024

Contents

1. Earning Report

- FY2024 Earnings Results
- FY2025 Earnings Forecast

2. Growth Policies

3. Appendix

FY2024 Full-Year Financial Highlights

coconala

FY2024 Full-Year Results

Sales of 6,588 million yen, gross profit of 5,094 million yen, and EBITDA (non-GAAP) *1 of 583 million yen

- Both sales and EBITDA surpassed the May 2024 upward revised forecast
- The growth of each business coupled with an consulting joining the Group resulted in sales growing substantially by 40.8% YoY
- The earnings contribution of the Marketplace businesses resulted in EBITDA increasing by 520 million yen YoY

FY2024 Fourth Quarter Results

Sales of 2,360 million yen, gross profit of 1,469 million yen, and EBITDA (non-GAAP) of 106 million yen

- Sales of the Marketplace businesses increased by 13.3% YoY with growth accelerating even QoQ
- With the commencement of consolidation of an consulting, Agent sales and gross profit increased substantially
- As excess profit was generated, 38 million yen was allocated to one-off marketing investment for growth in FY2025

Topics

Projects underway in both existing businesses and new businesses for expansion of coconala's Ecosystem

- Expanded the fields of value proposition of the Agent businesses with our launch of coconala Assist and coconala Pro and through coconala Tech with an consulting joining the Group
- With the commencement of customer referrals from Mizuho coconala, gaining corporate accounts has started in full swing
- Introduced recommendation precision improvement and input support functions to Marketplace and introduced matching support functions to Agenet businesses through utilization of generative AI.

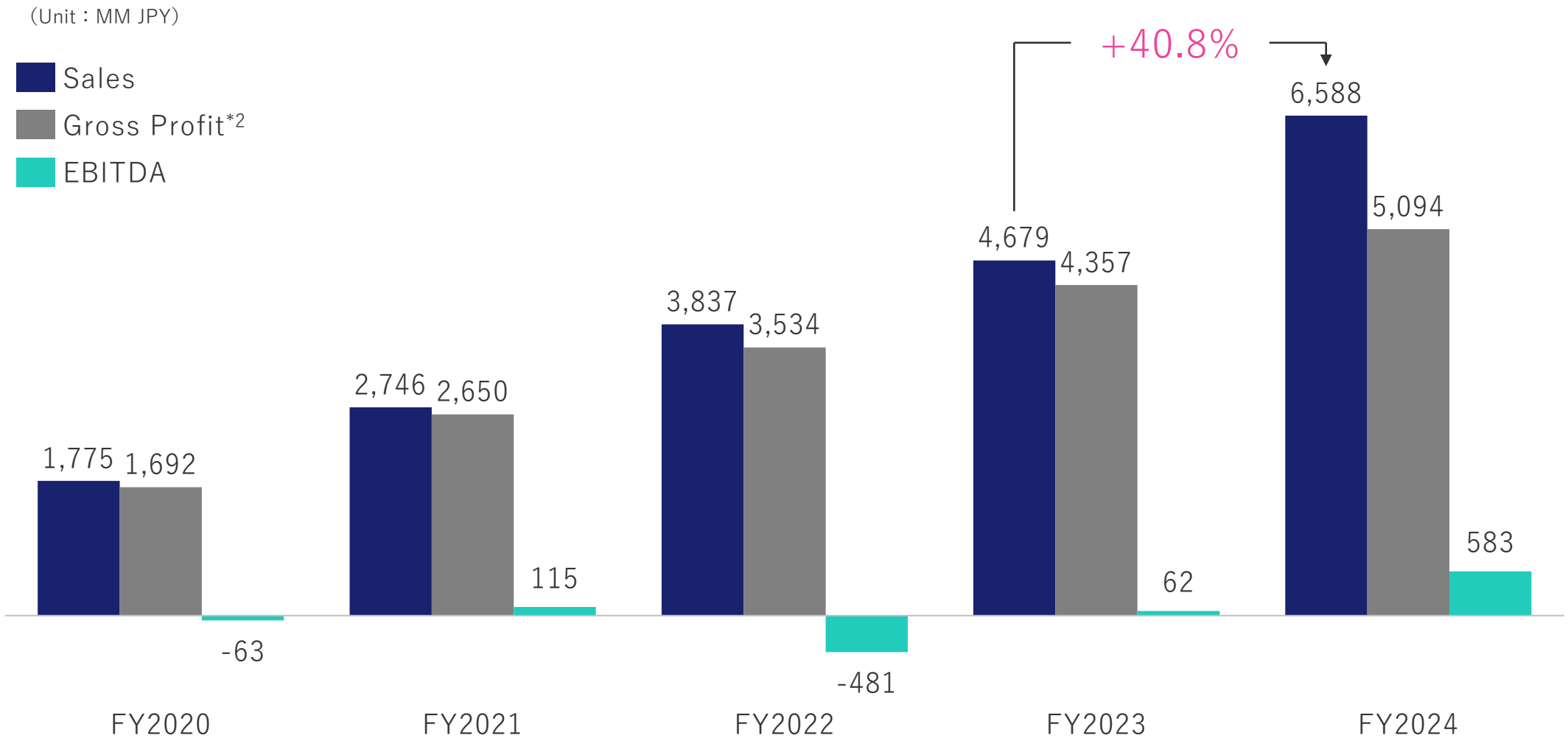
*1: EBITDA (non-GAAP) = operating profit + depreciation + amortization of goodwill + share-based payment expenses + coconala Skill Partners expenses. Referred to as simply EBITDA hereinafter.

Consolidated

Full-Year Financial Results

coconala

Sales[*1] increased by 40% YoY to 6.5 billion yen, and EBITDA increased 5.2 billion yen



*1:The figures up to FY2023 Q3 show operating revenue. On this page of the financial result presentation, the new revenue recognition standard has been applied retroactively to FY2020 and FY2021 for purposes of comparison, and the figures therefore differ from the disclosure figures in the financial statements. For FY2023 Q2 and Q3, Agent sales are included in Marketplace (Skill Market).

*2: Gross profit up to FY2023 Q3 shows cost of sales applied retroactively, and the figures therefore differ from the disclosure figures in the financial statements.

1. Earning Report

- FY2024 Earnings Results
- FY2025 Earnings Forecast

Consolidated

FY2023 Q4 and Full-Year Financial Results

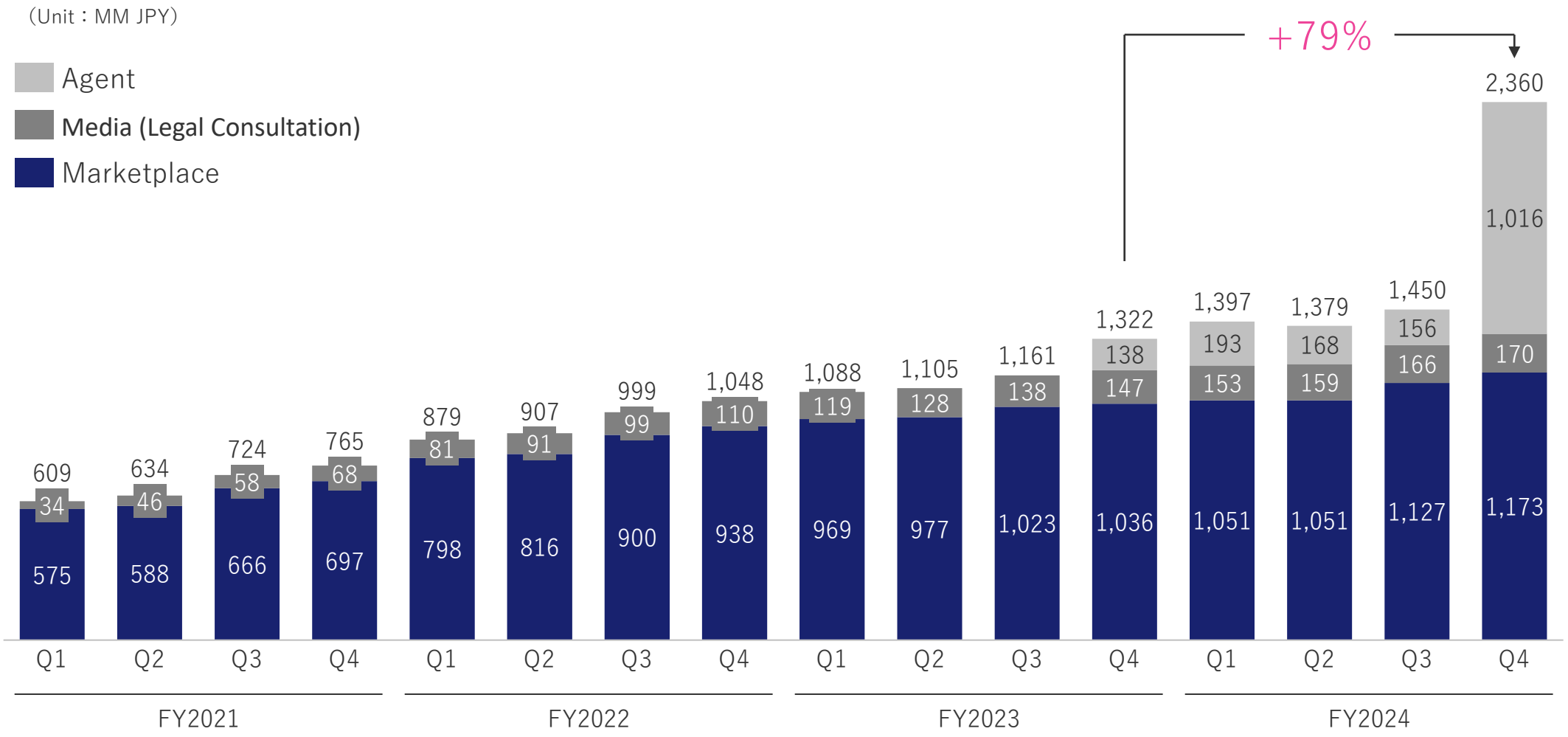
(Unit: MM JPY)	Q4			Full-Year		
	FY2023 Q4 (Jun. - Aug.)	FY2024 Q4 (Jun. - Aug.)	YoY	FY2023 Full-Year (Sep. - Aug.)	FY2024 Full-Year (Sep. - Aug.)	YoY
Sales*1	1,322	2,360	+78.5%	4,679	6,588	+40.8%
Marketplace	1,036	1,173	+13.3%	4,001	4,403	+10.0%
Media (Legal Consultation)	147	170	+15.6%	533	649	+21.8%
Agent	138	1,016	+636.2%	144	1,534	+965.2%
Gross profit	1,155	1,469	+27.1%	4,357	5,094	+16.9%
Marketplace	986	1,115	+13.0%	3,803	4,185	+10.0%
Media (Legal Consultation)	147	170	+15.6%	533	633	+18.7%
Agent	22	186	+745.4%	22	261	+1,086.3%
EBITDA	158	106	-32.0%	62	583	+840.3%
Operating profit	94	4	-95.7%	-126	304	-
Ordinary profit	94	11	-88.2%	-168	225	-
Profit attributable to owners of parent	90	-10	-	-75	243	-

* 1 : Consolidated figures include the subsidiary coconala Skill Partners, and therefore do not match the sum of Marketplace (Skill Market), Media (Legal Consultation), and Agent.

Quarterly Sales

coconala

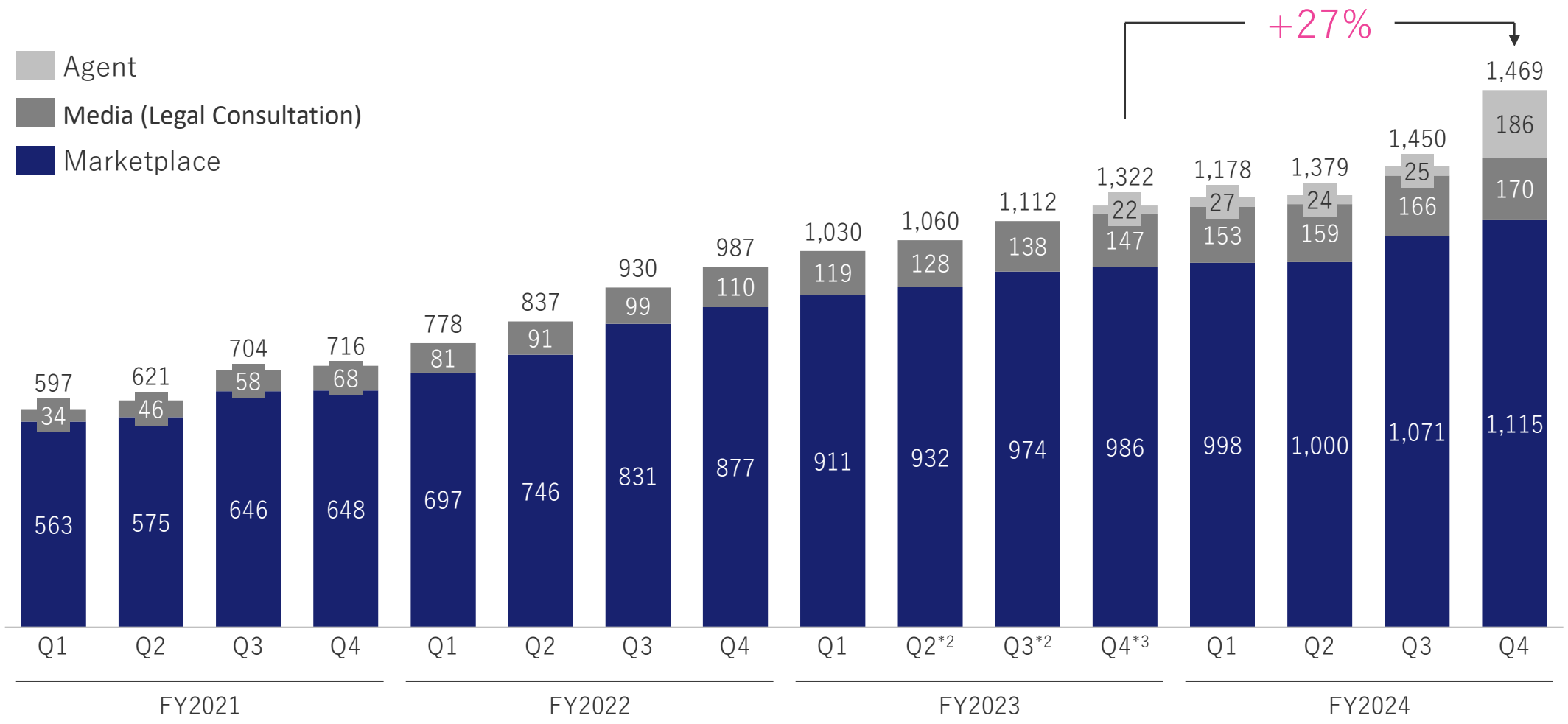
Revenue*1 reached 2.36 billion yen, a 79% increase YoY, driven by the impact of M&A.



*1:The figures up to FY2023 Q3 show operating revenue. On this page of the financial result presentation, the new revenue recognition standard has been applied retroactively to FY2020 and FY2021 for purposes of comparison, and the figures therefore differ from the disclosure figures in the financial statements. For FY2023 Q2 and Q3, Agent sales are included in Marketplace (Skill Market).

Quarterly Gross Profit

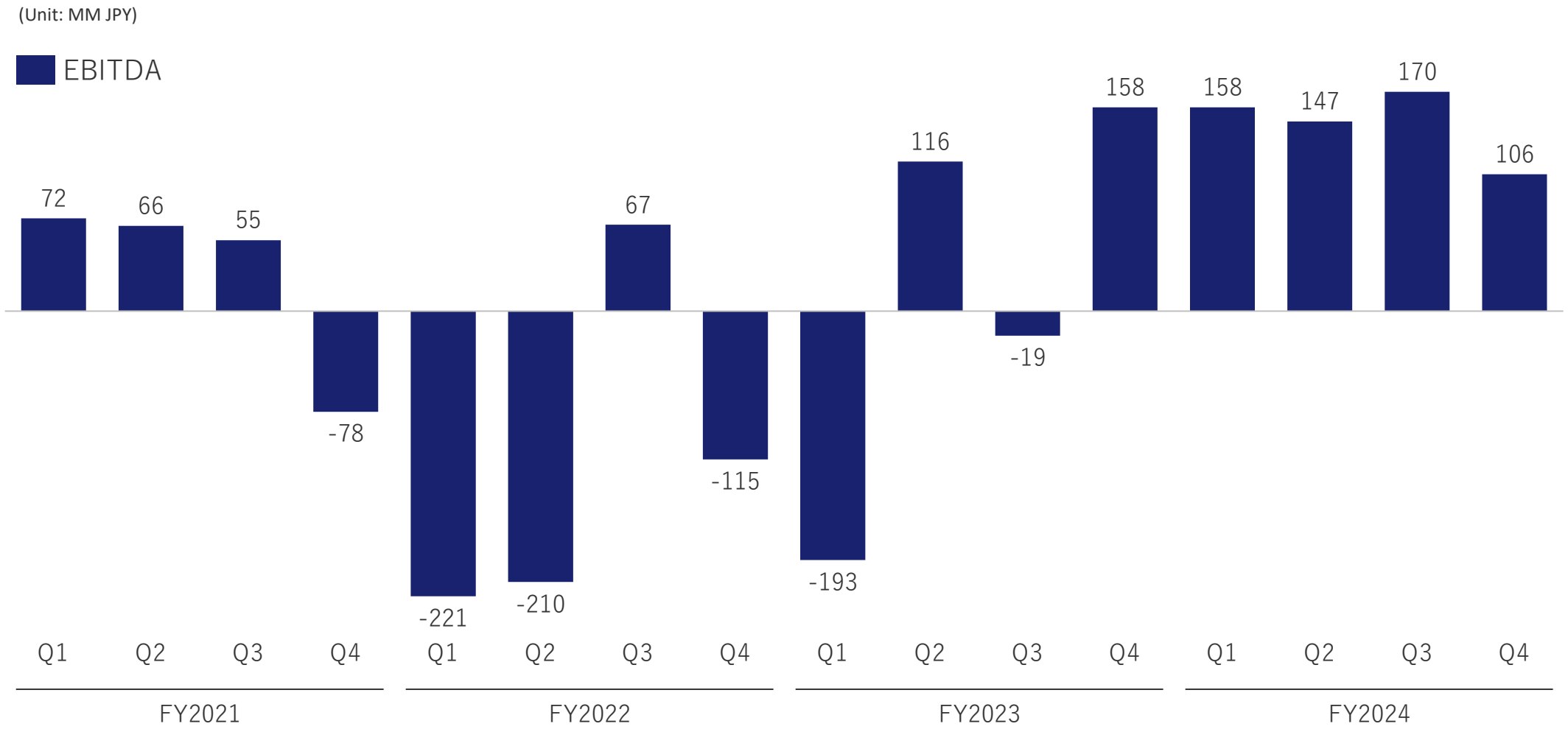
Gross profit*1 reached 1.47 billion yen, a 27% year-over-year (YoY) increase, driven by the impact of M&A.



*1: Gross profit up to FY2023 Q3 shows cost of sales applied retroactively, and the figures therefore differ from the disclosure figures in the financial statements.
*2: For FY2023 Q2 and Q3, Agent gross profit is included in Marketplace (Skill Market).
*3: For FY2023 Q4, Agent gross profit includes only PORT ENGINEERING INC.'s sales for two months.

Quarterly EBITDA

Turned profitable in all quarters. In Q4, EBITDA decreased as a result of new businesses and actively making one-time investment in marketing.

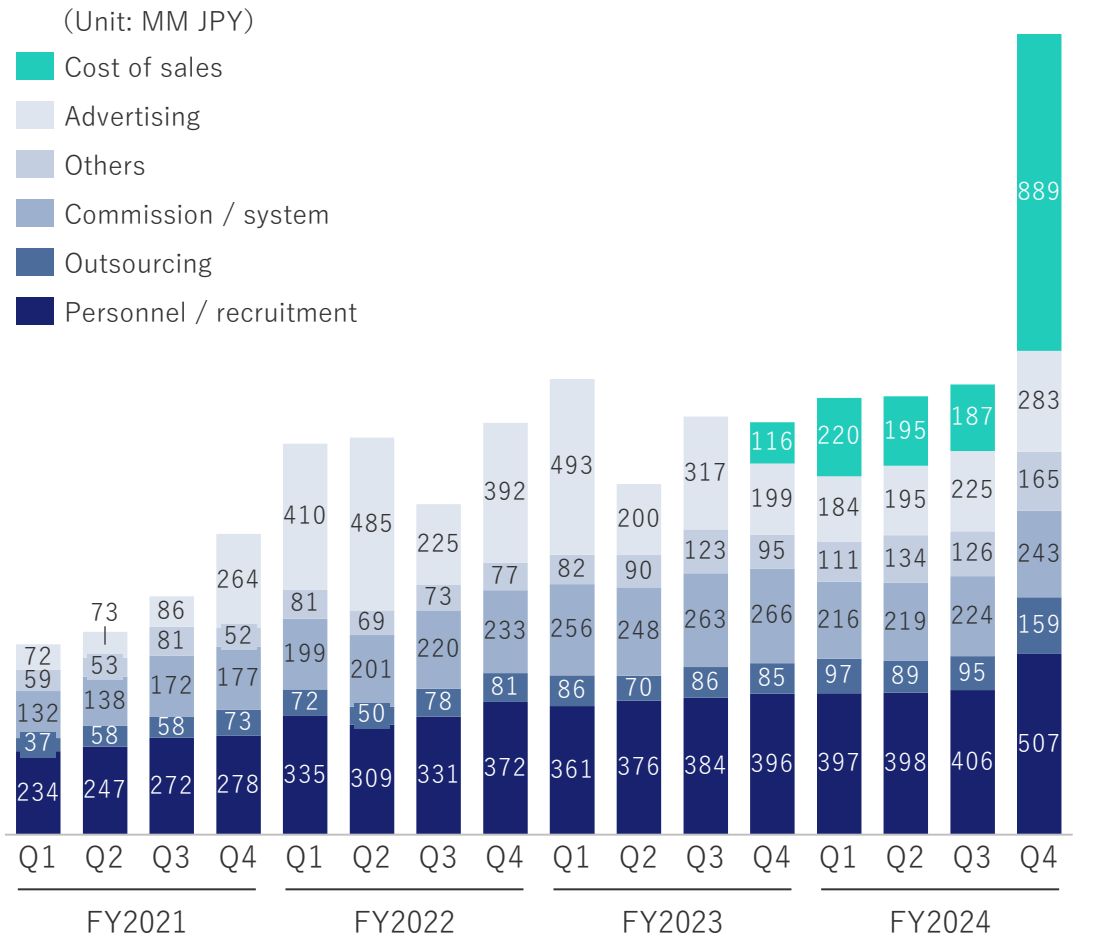


Cost of sales + Operating expenses

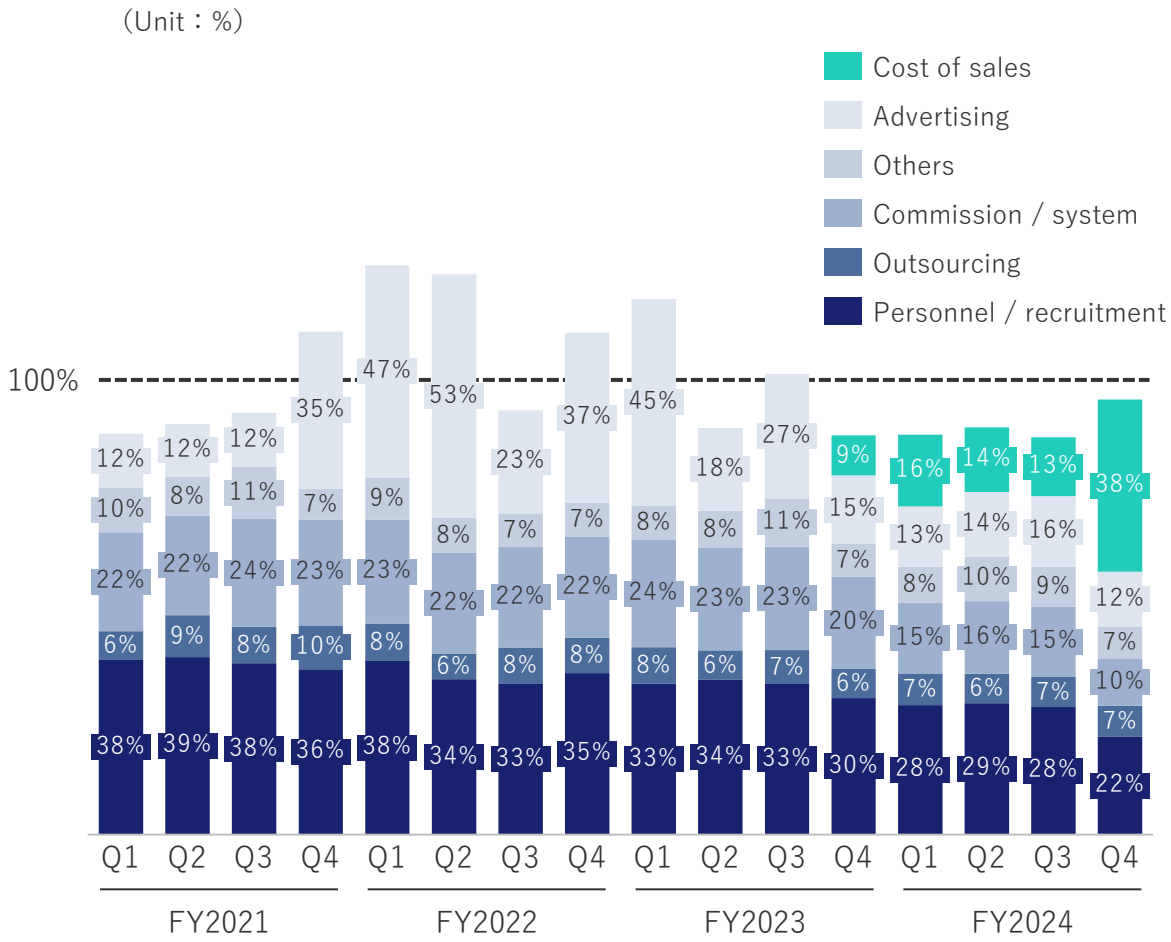
coconala

From this fiscal year, the company-wide cost management system was revised, and in addition to agency costs, a portion of system costs, communication costs, etc., were included in cost of sales.

Cost of sales + Operating expenses*1



Relative to Sales

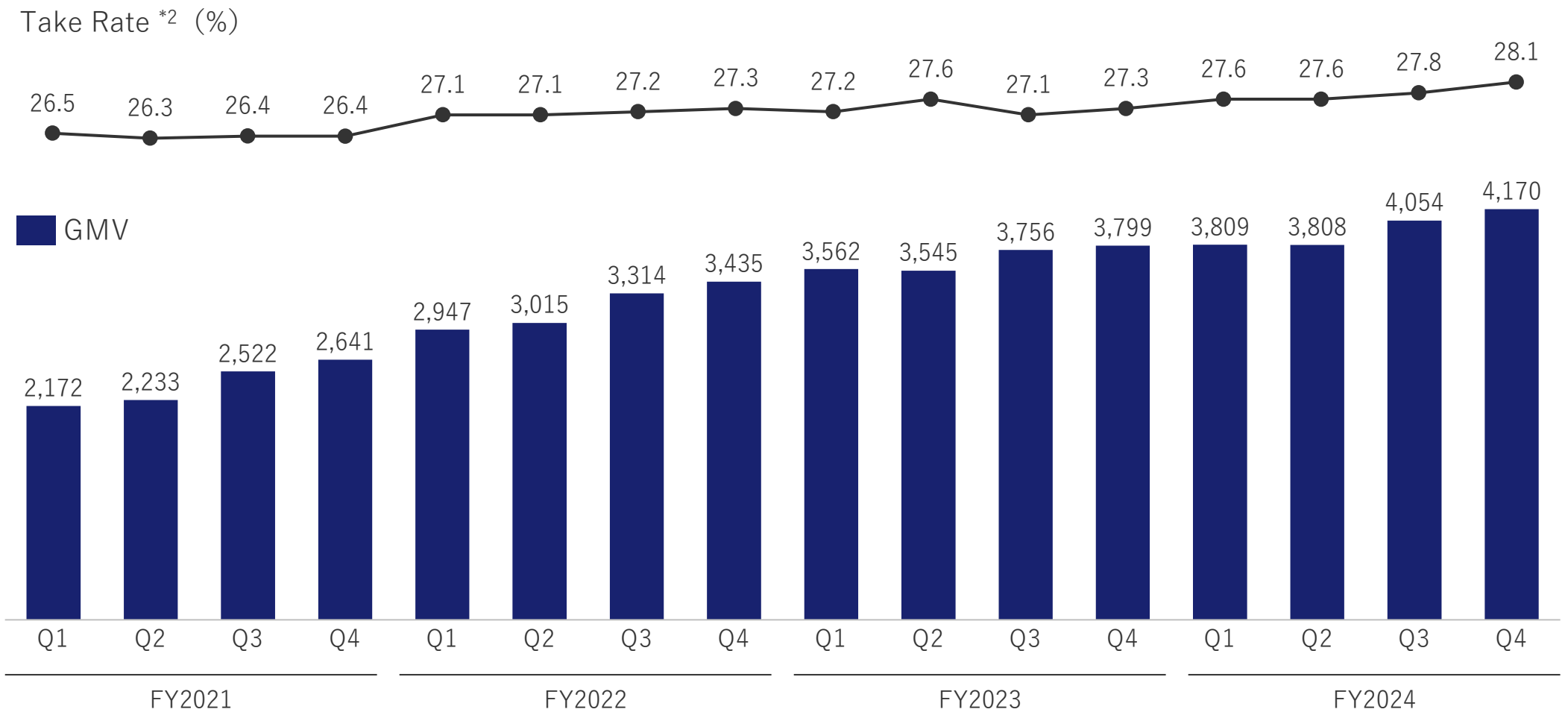


*1: Excluding stock-based compensation expenses, coconala Skill Partners expenses, Depreciation and Amortization of goodwill

Marketplace: GMV and Take Rate

coconala

GMV[*1] grew 9% YoY. The phone service usage remains strong, with a positive trend in take rate improvement.



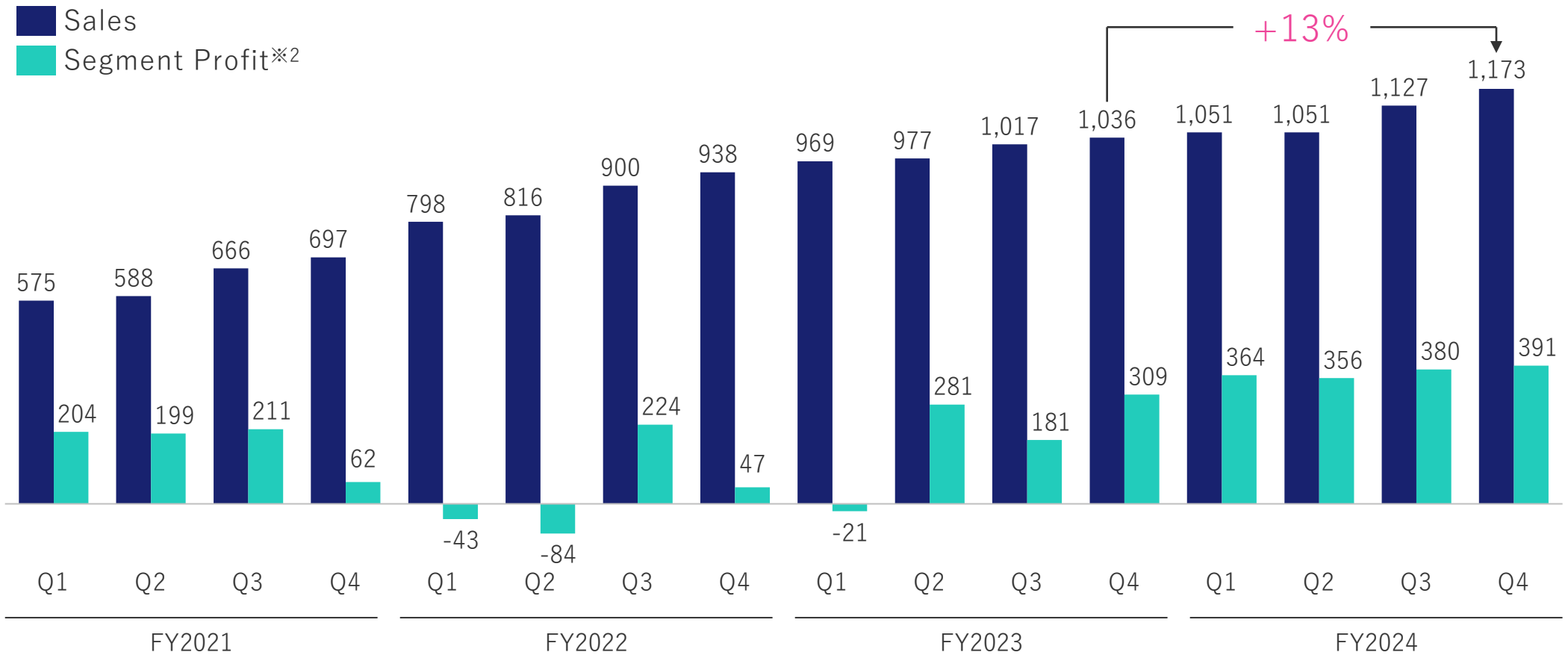
*1: Including coconala Blog
*2: Take rate = operating revenue ÷ GMV

Marketplace: Sales and Segment Profit

coconala

Revenue*1 grew by 13% YoY, showing an acceleration compared to the YoY growth of 11% in Q3.
The segment profit margin remained high at 33%.

(Unit : MM JPY)

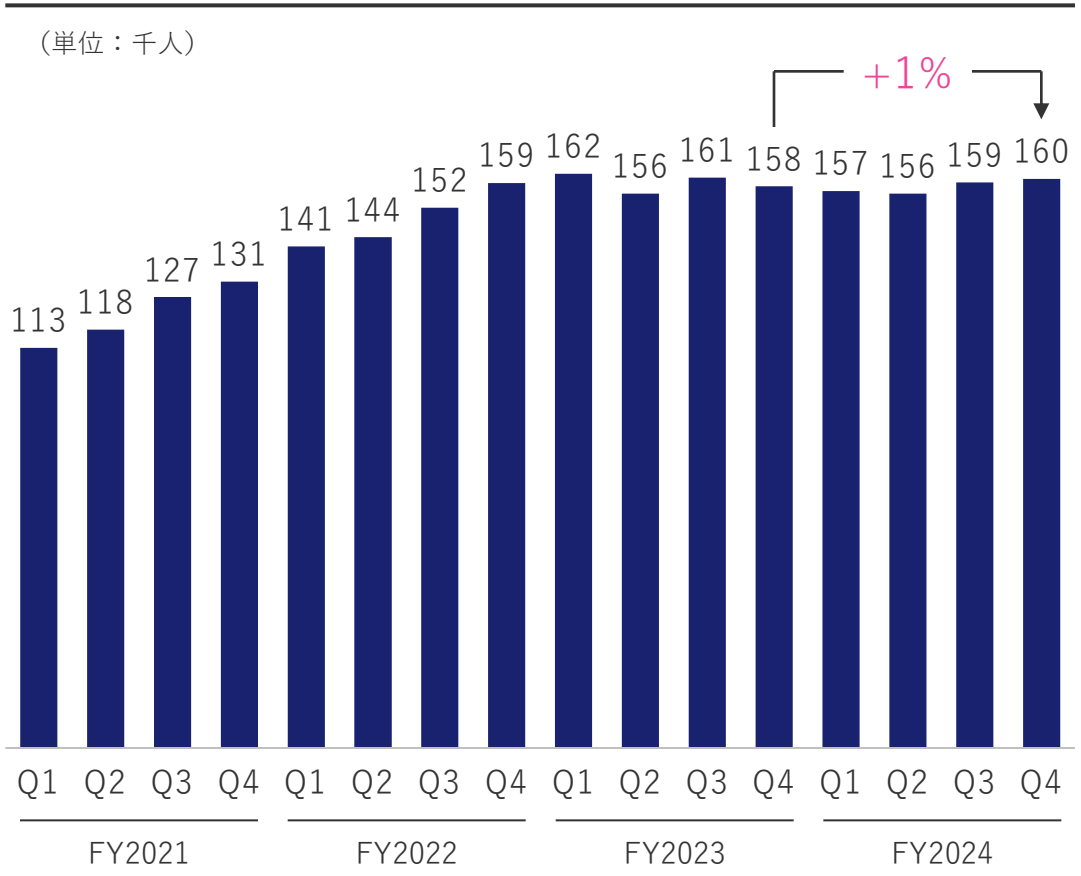


*1: Figures for revenue represent operating revenue for periods up to Q3 of the fiscal year ending August 2023. For comparison purposes, the new revenue recognition standard has been retroactively applied to FY2021 on this page of the earnings presentation, and therefore may differ from figures disclosed in financial statements.
*2: Segment profit is calculated as segment revenue minus cost of sales and selling, general, and administrative expenses (excluding corporate expenses), plus depreciation and goodwill amortization.

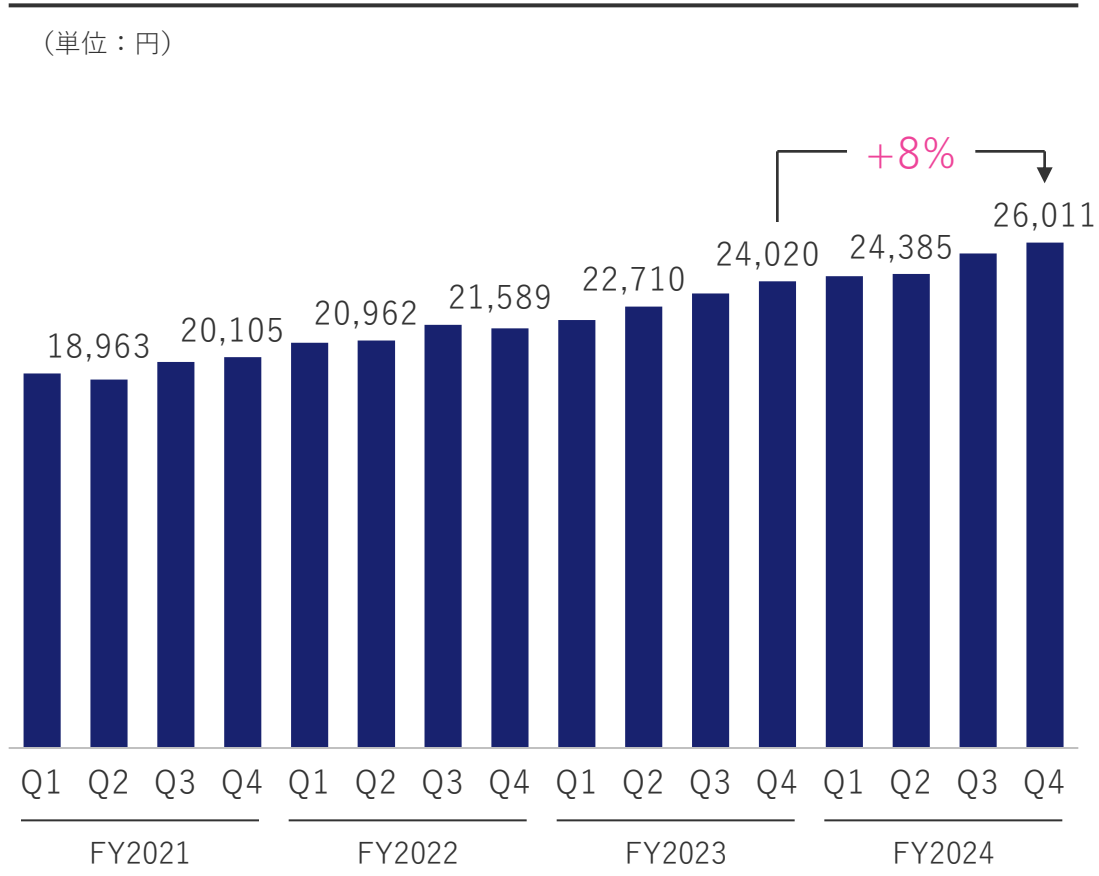
Marketplace: KPIs

Unique buyers increased by 1% YoY. As a result of growth in corporate user activity, the average purchase amount per buyer 8% YoY.

Unique Buyers



Purchase Amount Per Buyer

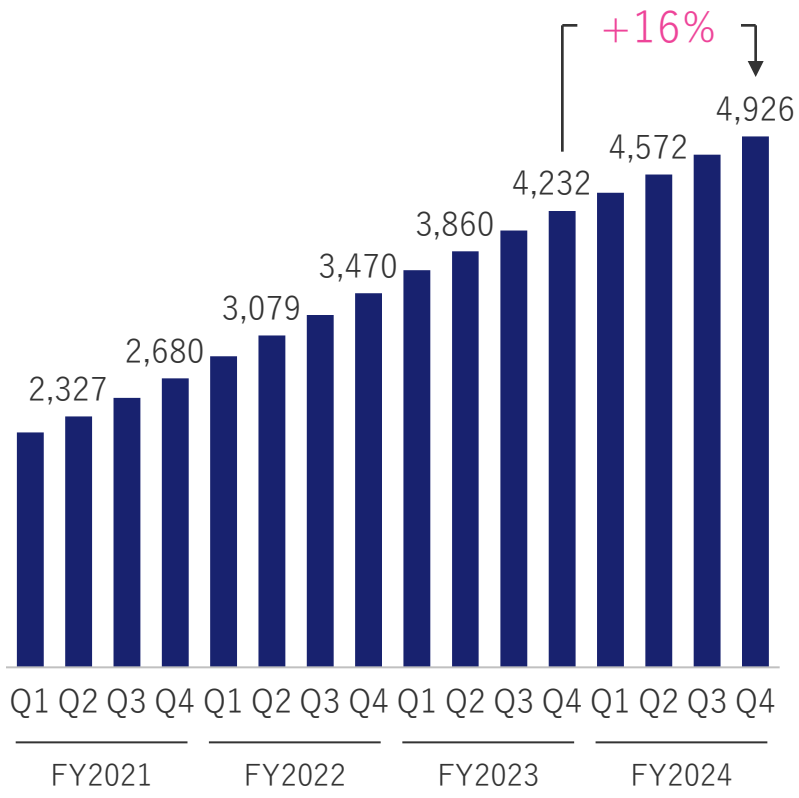


Marketplace: KPIs

The number of registered members has reached 5 million, with skill registrants showing an accelerating growth trend recently.

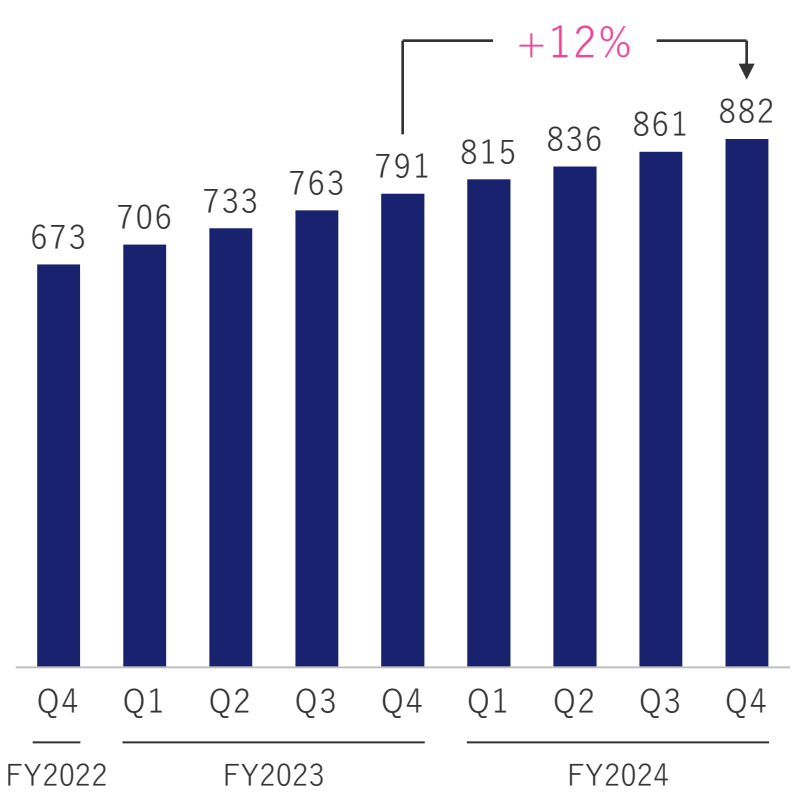
Registered Users

(Unit: Thousands of People)



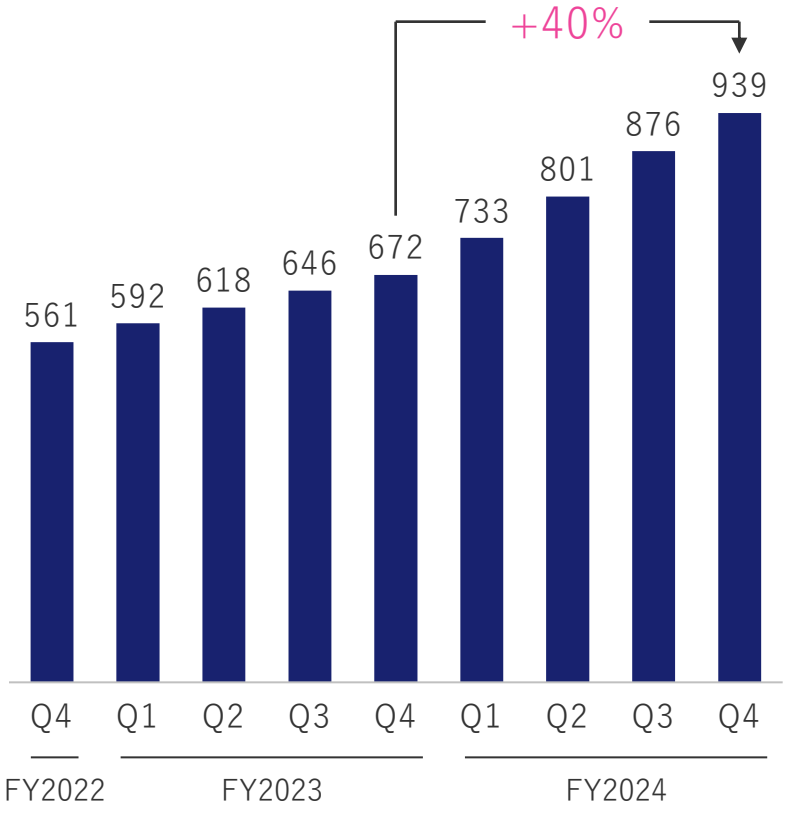
Number of Service Listings*1

(Unit: Thousands)



Number of Skill Registrants

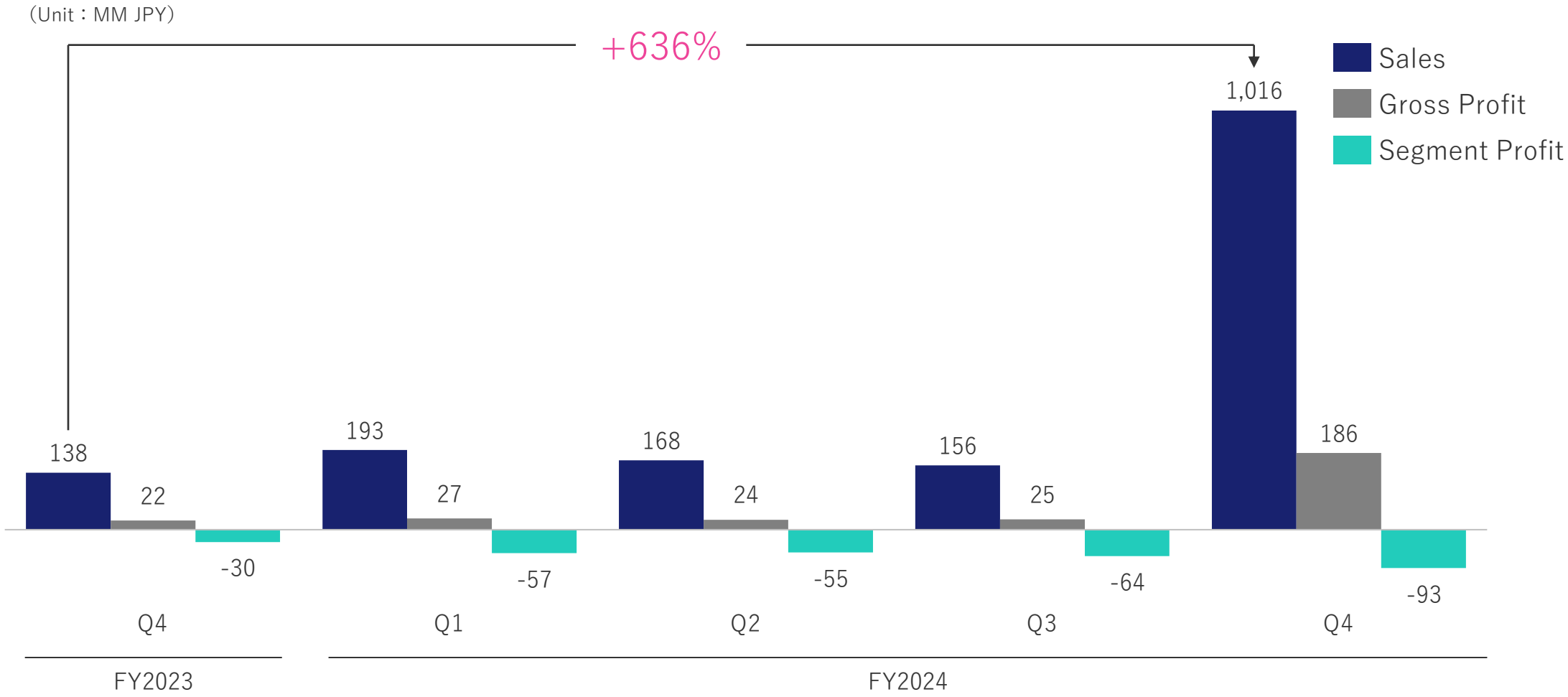
(Unit: Thousands of People)



*1: The definition of service listings has been changed. Only information from FY2022 onward is provided under the new definition, which can be applied retroactively.

Agent: Quarterly Financial Results*1

The group integration of An Consulting resulted in significant revenue growth of 636% year-over-year (YoY). Moving forward, we plan to maintain a focus on financial discipline and manage costs effectively to ensure that the deficit remains minimal while continuing to grow.



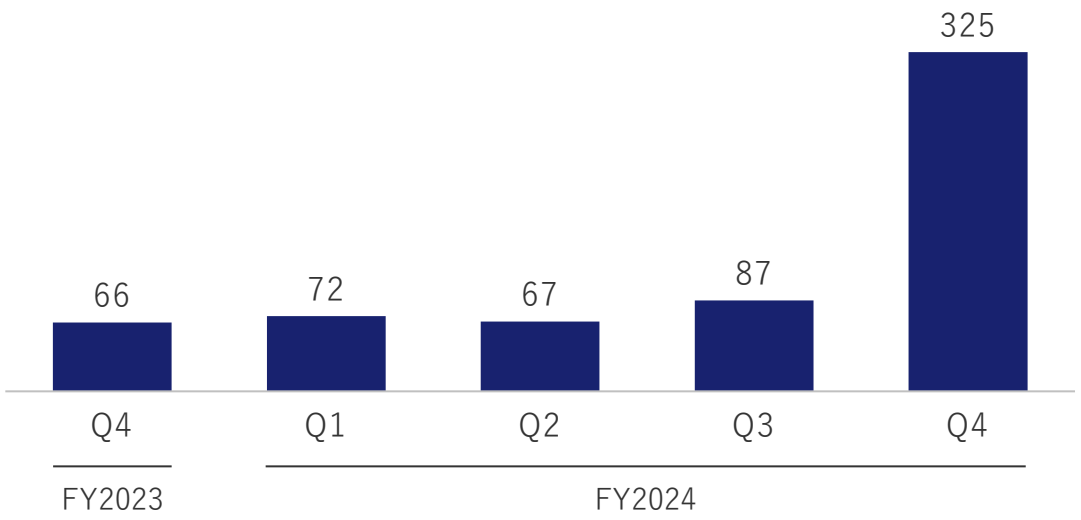
*1: Segment disclosure began in Q4 of the fiscal year ending August 2023.

Agent: KPIs

The group integration of An Consulting and the rapid growth of Coconala Assist have led to a significant increase in both the number of clients and active workers.

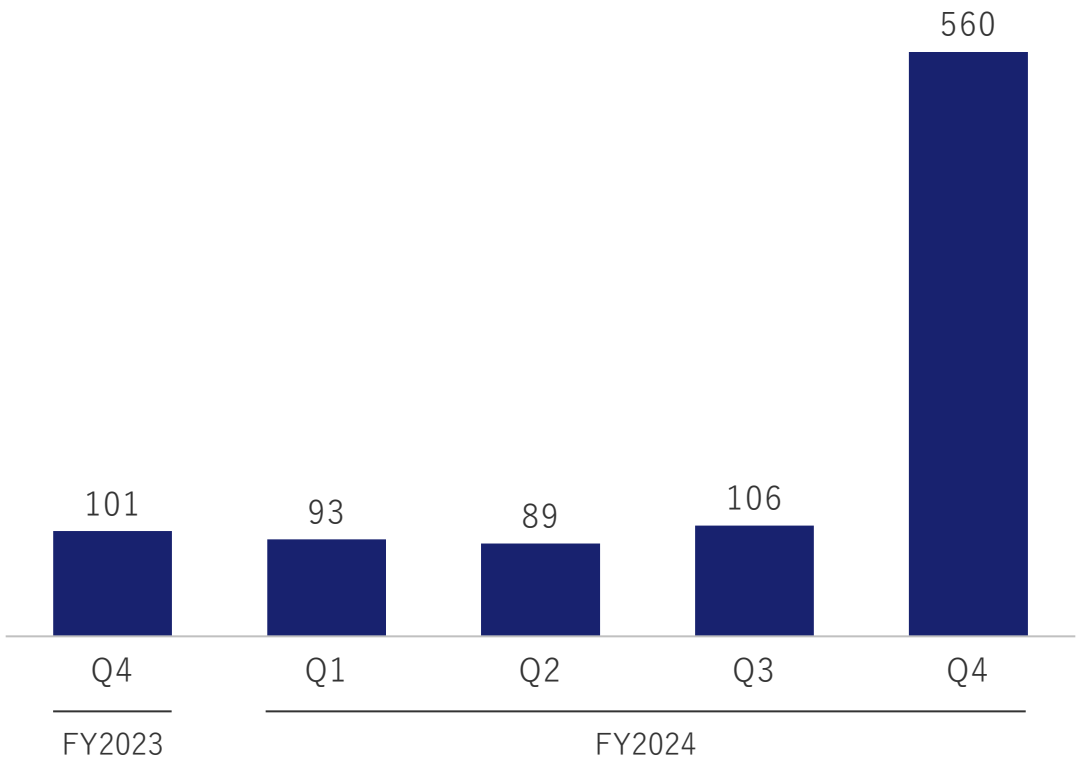
Clients*1

(Unit: Companies)



Active Workers*2

(Unit: People)

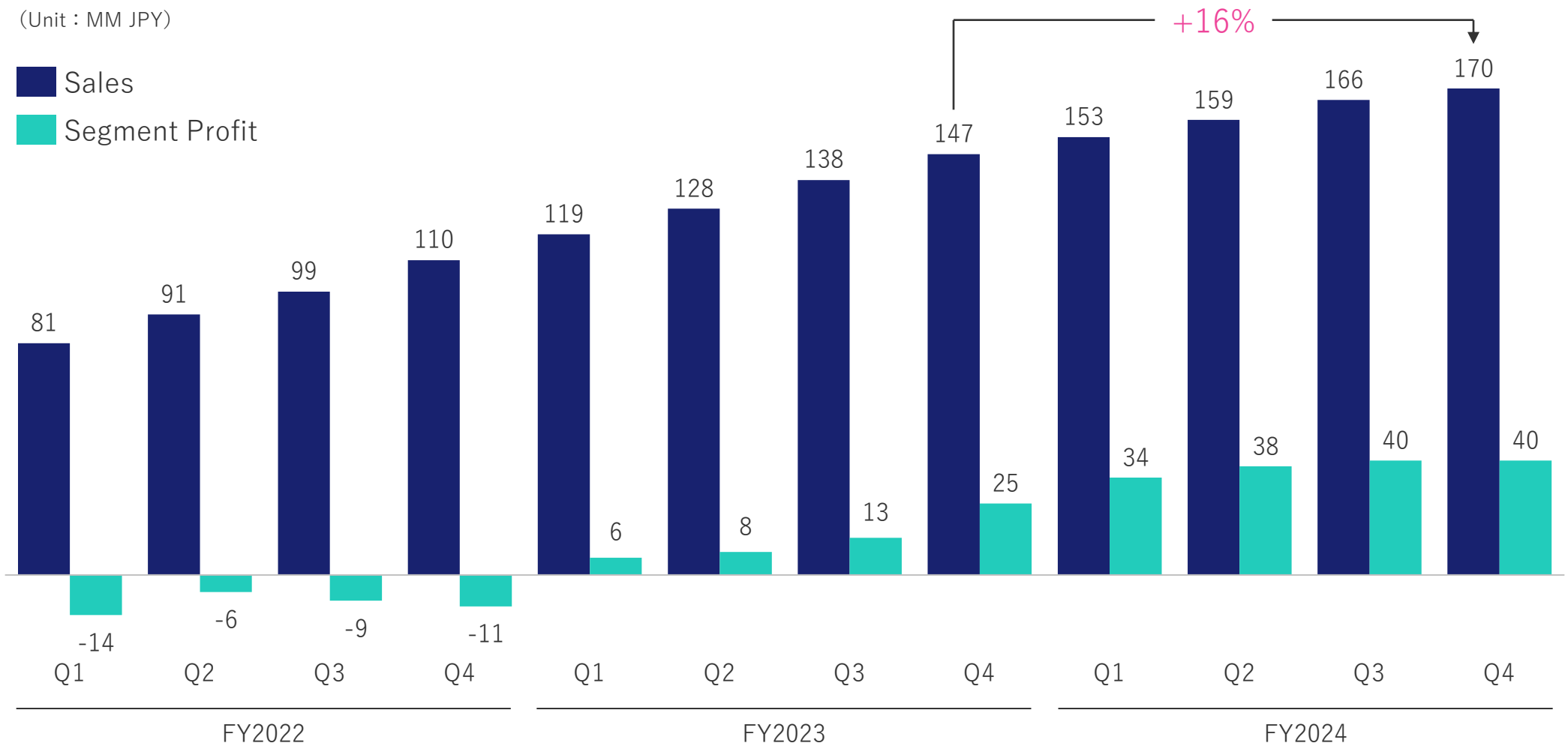


*1: The total number of contracted companies in each agent business as of the end of each quarter.
*2: The total number of active workers in each agent business as of the end of each quarter.

Media: Quarterly Financial Results *1

coconala

It has been progressing smoothly, with revenue showing a year-over-year (YoY) growth of 16%.

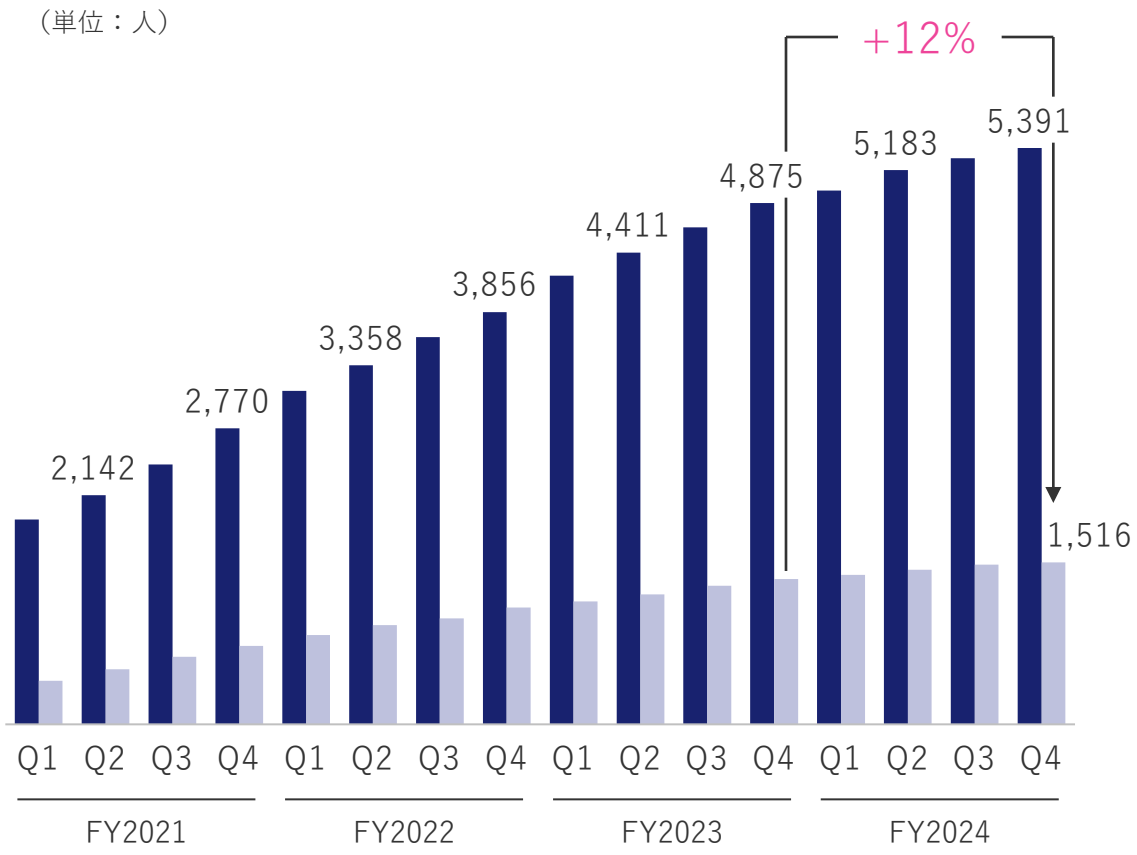


*1: Segment disclosure began in the fiscal year ending August 2022. Since there are no costs recorded as expenses in this segment, only revenue and segment profit are provided.

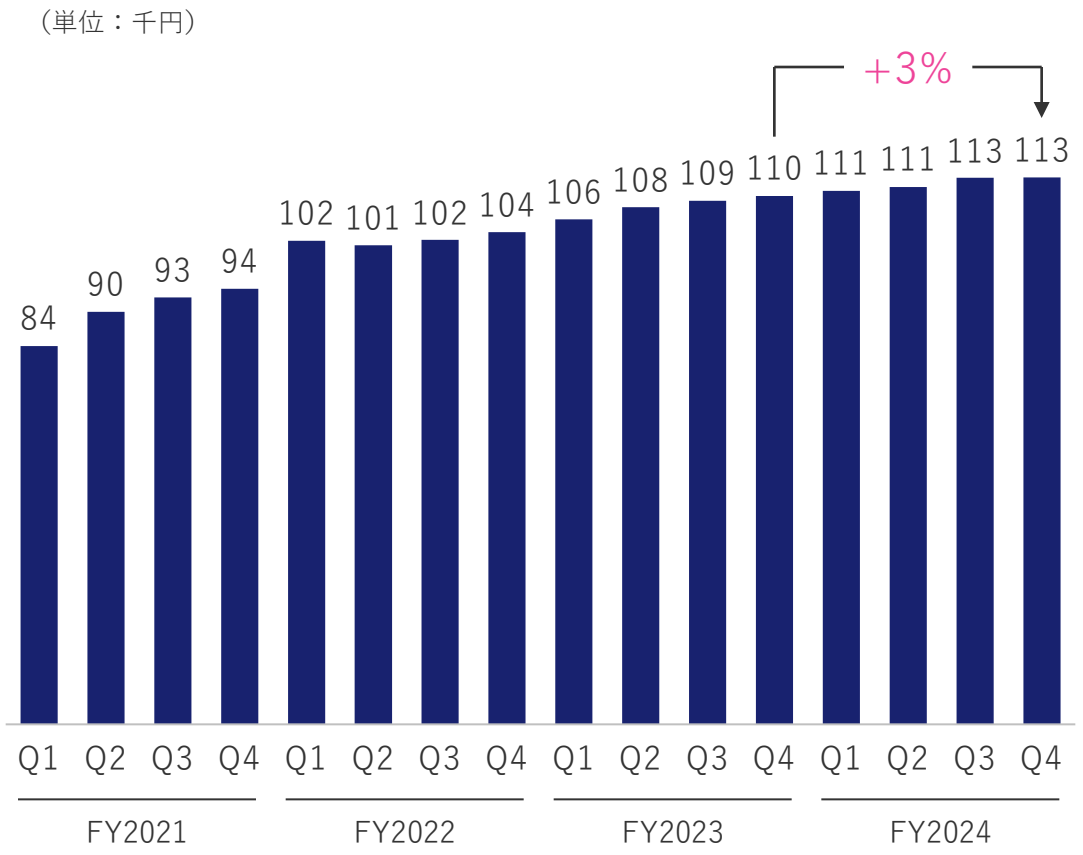
Media: KPIs

The number of paid registered lawyers grew by 12% YoY, and the Average Revenue Per User (ARPU*1) also improved by 3% YoY.

Number of Registered Lawyers



ARPU



*1: Starting from Q4 2024, the term "Average Revenue Per User" will be used to refer to revenue per user. The calculation definition remains the same as that disclosed in Q3 2024.

連結

FY2025 Full-Year Earnings Forecast

coconala

For the fiscal year ending August 2025, we expect to drive future profit growth while maintaining EBITDA levels similar to those of the fiscal year ending August 2024. Investments will primarily focus on strengthening the workforce in the marketplace business.

(Unit: MM JPY)	FY2024			FY2025	(Unit: MM JPY)
	Initial Guidance	Upward Revision	Result	Forecast	
Sales	5,848	6,570	6,588	9,500	+46.0%
EBITDA（non-GAAP）	280	520	583	590	+1.2%
Operating profit（non-GAAP）*1	-	-	546	550	+0.7%
Operating profit（J-GAAP）	10	270	304	160	-47.3%
Profit attributable to owners of parent	1	150	243	130	-46.5%

*1: Operating profit (non-GAAP) = Operating profit + Goodwill amortization + share-based payment expenses + Coconala Skill Partners expenses.

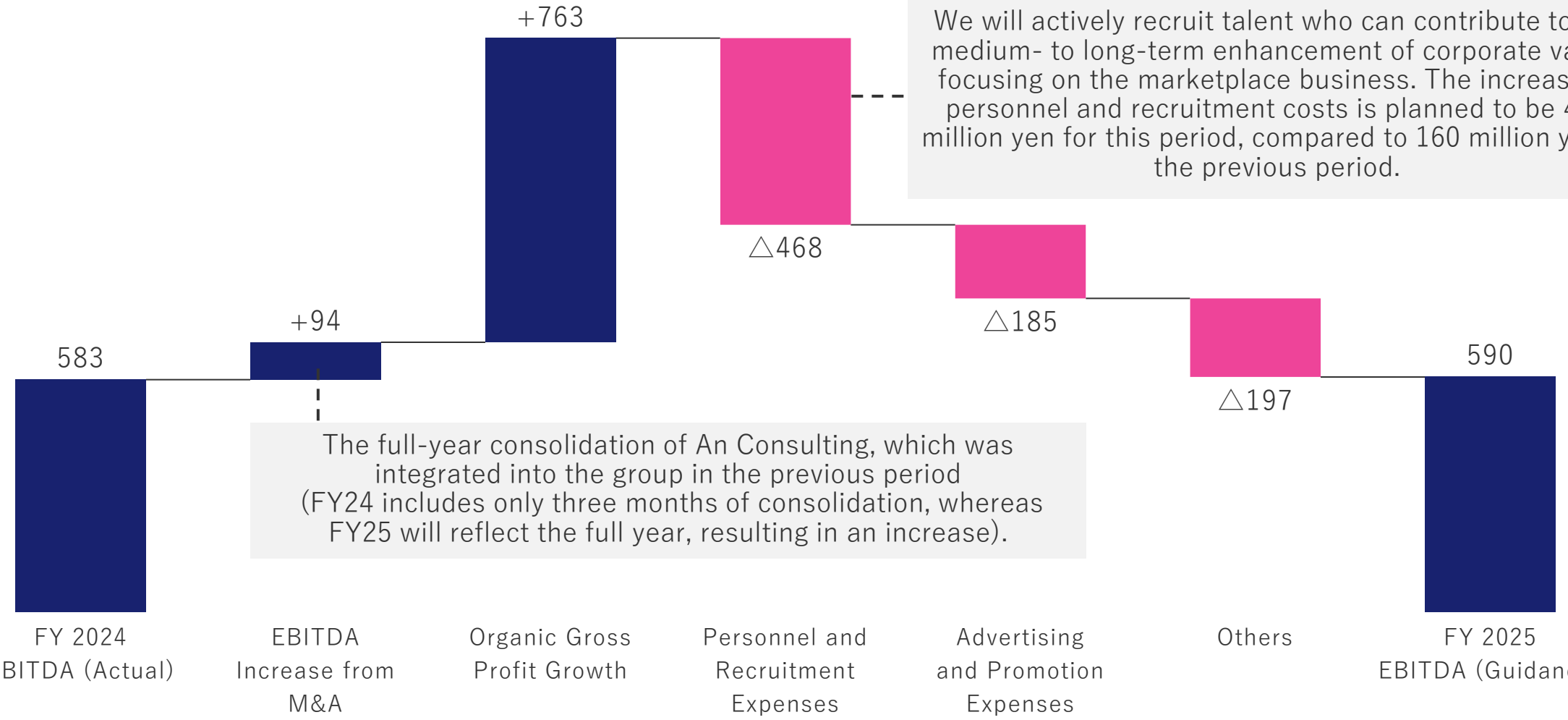
連結

Analysis of EBITDA Changes

coconala

In the fiscal year ending August 2025, we will actively pursue recruitment to accelerate the growth of the marketplace business. We aim to establish the marketplace business as the core of overall company growth, targeting medium- to long-term expansion of profit margins.

（単位：百万円）



About Next Fiscal Year's Segment Change

From FY2025, the Media segment will be integrated into the Marketplace segment.
New businesses are planned to be disclosed under the Marketplace segment.

Segments Before Change (Up to FY2024)

- Marketplace
  - coconala スキルマーケット
  - coconala 募集
- Media
  - coconala 法律相談
- Agent
  - coconala テック
  - coconala アシスト
  - coconala プロ
  - coconala コンサル

Segments After Change (From FY2025)

- Marketplace
  - coconala スキルマーケット
  - coconala 募集
  - coconala 法律相談
- Agent
  - coconala テック
  - coconala アシスト
  - coconala プロ
  - coconala コンサル

Topics

A new business has been launched in the agent segment.

Coconala Assist, Coconala Pro, and Coconala Consulting services were launched in October 2023.

coconala アシスト

https://assist.coconala.com/enterprise



coconala プロ

https://professional.coconala.com/



coconala コンサル

https://consul.coconala.com/



Complete Overhaul of coconala Job Requests

coconala

Enhanced to offer not only “one-time engagement” (can request one-time jobs)
but now also “long-term engagement” (can make long-term requests by outsourcing).

coconala 募集

coconala Job Requests



Easily start request in 5 minutes
Several professionals will soon gather

Platform for matching job openings/requests

Two ways to request according to needs

Request for one time



✓ Can request one-time jobs
✓ Pay for delivered product

Job categories to order

- Design / Web production / Illustration
- Web development / Video / Music / Marketing
- Writing / Consulting / Business agency / ···, etc.

How to use

1. Post job you want to request
   Enter budget and deadline by filling out the form. You can post the job you want to request that easily.
2. Select proposal to order
   Just wait and you will receive proposals from professionals. You can immediately order any request you like.
3. Receive delivery
   Transaction will become complete upon your approval after confirming the content of the delivery.

Request for long term (outsourcing) new



✓ Can request long-term jobs
✓ Pay for time worked

Job categories to contract

- Sales / Marketers / Business development
- Engineers / Designers / Customer support
- Corporate / Consultants / ···, etc.

How to use

1. Job posting
   Post job by providing job details, and terms and conditions
2. Document screening
   Screen documents based on the content of the applications received
3. Three-way interview
   Conduct three-way interview with candidate and coconala operating staff
4. Contract and work commencement
   Work commences after terms and conditions are finalized, intermediated by coconala operating staff

Revamp of Service Categories

coconala

Categories for which demand has been growing within coconala in recent years and categories for which demand is seen to grow in the future have been newly established/expanded.
Main categories have increased from 15 categories to now 19 categories.

Creative & Business　Consultation & Private

Design
Logo creation, flyer creation/design, brochure/catalog design, booth design, etc.

IT / Programming / Development
Programming, Excel/VBA creation, web system development/site construction, IT support/consultation, etc.

Digital Marketing
Social media marketing, search engine optimization (SEO) measures, e-commerce marketing, website analysis, affiliate marketing, etc.

Online Lessons / Advice
Language lessons / advice, music / instrument lessons / advice, exercise lessons, etc.

Illustration & Manga
Illustration creation, portrait creation, manga/comic production, character creation, character modeling, game illustration creation, TRPG illustration creation, etc.

Writing/Translation
Articles/web content creation, novels, proofreading, catchphrases, translation, etc.

Fortune-telling
Romance fortunate-telling, marriage fortunate-telling, life/spirituality, fortune-telling method/advice, etc.

Money / Side Job / Affiliate Ad
Consultations on FX, consultations on stocks/various investments, methods of side jobs/earning, etc.

Website Creation / Website Design
Website creation, EC site creation, LP creation, application design, etc.

Consulting/Professional
new
Business/management consulting, professional consulting, business startup and start-up consulting, etc.

Consultation / Love Counseling / Conversation
Conversation partner, air one's grievances, love counseling/advice, family and nursing care counseling, etc.

Handmade Goods
new
Fashion, hobbies/toys, jewelry, stationery, bags/wallets/accessories, etc.

Music / Narration
Composition/arrangement, narration/reading, demo/session singing, mix/mastering, etc.

AI
new
AI chatbot creation, general AI application creation, machine learning, ChatGPT advice/prompt creation, etc.

Career/Job Hunting / Qualifications / Studying
Learning method consultation, job change/career/study abroad consultation, qualification consultation, etc.

Photo Shoot/On-site Services
new
Photo shoot (profile photos, event/party, wedding, etc.), performance/MC, etc.

Film / Animation / Photography
Film editing, film shooting, animation, photo processing/correction, etc.

Business Agency/Assistant
new
Document/material creation, accounting/finance/tax agency, data analysis/sorting/aggregation, e-commerce operation, sales agency, etc.

Housing / Beauty / Lifestyle/ Entertainment
Housing, lifestyle, beauty and fashion consultation, contents sales, hobbies, games, etc.

Topics

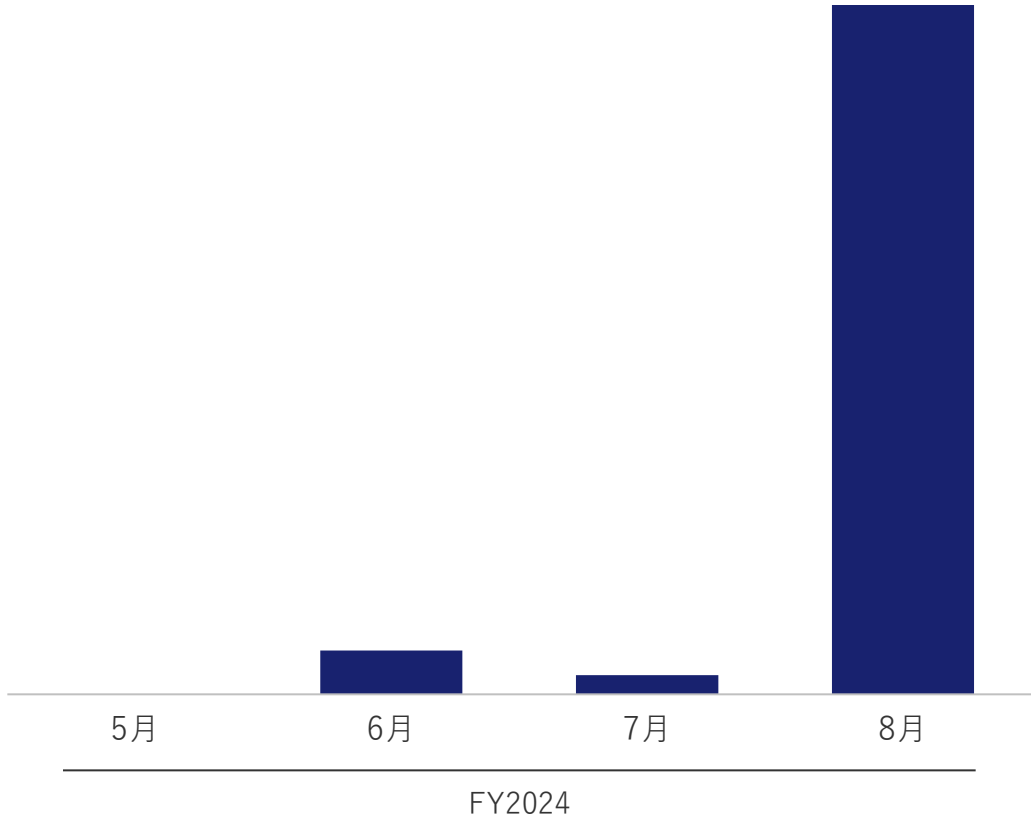
Mizuho coconala Starts Full-Fledged Operations

coconala

Services of Mizuho coconala, a joint venture with Mizuho Bank, commenced in April.
Full-fledged operations started from late May.



Sales Trends Following the Start of Sales Activities (May 2024)



an consulting Inc. Joins the Group

an consulting Inc., operator of an IT freelance support business, joined the Group in June 2024.
Seeking to boost presence in the industry at an accelerating pace
(this acquisition increases the number of workers by approximately fivefold).

an consulting Inc.

Head office location	Yebisu Garden Place Tower 29F 4-20-3 Ebisu, Shibuya-ku, Tokyo
Date of establishment	January 27, 2011
Capital	65 million yen
Business description	IT freelance support business



Purpose of M&A: Realize early expansion of the agent business in the IT field

Product Updates Utilizing Generative AI

Started trial offering of “coconala AI Purchase Assist” and “Service Listing Assist” for coconala Skill Market and “AI Auto Creation Function” for coconala Job Requests that are designed to promote creation of matching opportunities. Also developed a suggest function designed to boost the efficiency of Agent businesses.

AI Purchase Assist

coconala

β版リリース

あなたのニーズに最適なサービスをAIがご提案

- 740種類以上の全カテゴリが対象
- 初めての方でも気軽に利用可能



Request Writing Assist

coconala

β版リリース

AIが求人募集の原稿を自動作成！

募集職種・求人タイトルなどを
入力するだけで、すぐに利用可能



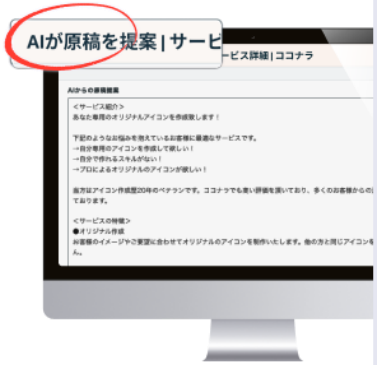
Service Listing Assist

coconala

新機能

AIアシスタント機能(β)リリース！

ChatGPTを活用した出品者の支援機能



Agent Matching Suggest

coconala

社内リリース

案件にあった人材をAIが即時ご提案

- エージェントの工数が劇的に削減
- スピード、クオリティ共に満足度の高いサービス提供が可能に



2. Growth Policies

Vision

Create a world where each person lives their “own story.”

Mission

Provide a platform to empower individuals by making their knowledge, skills and experience visible and connecting them to those who need them

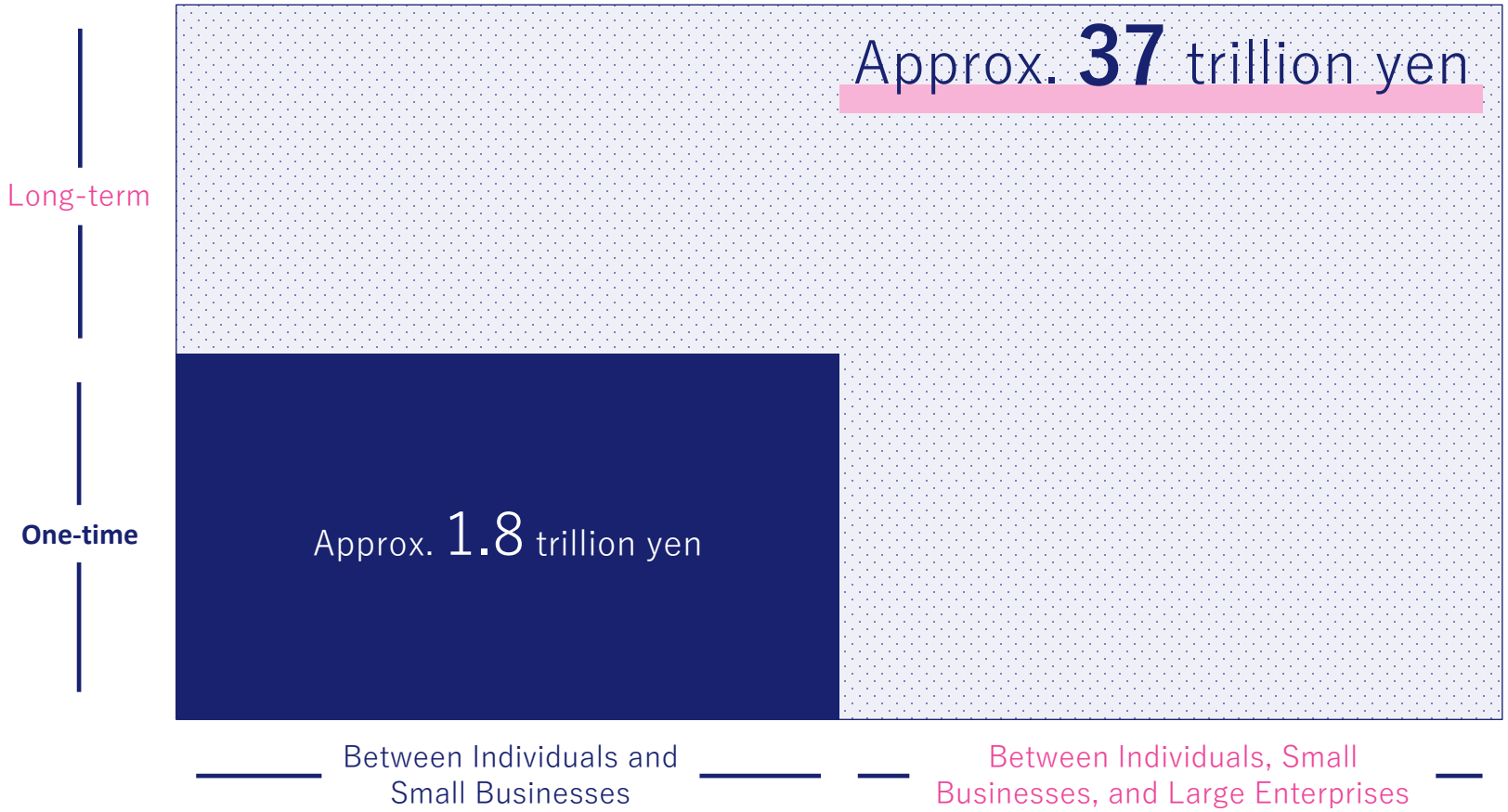
Growth Policies

By leveraging shared assets such as databases and products, we aim to establish a comprehensive service platform that encompasses everything.

TAM：Image of the Size of the Market Targeted by coconala

In addition to the single-service areas we have targeted thus far, we aim to accelerate growth by expanding our marketplace product lineup through the utilization of our existing database and product assets, thereby adding the area of ongoing services as a target.

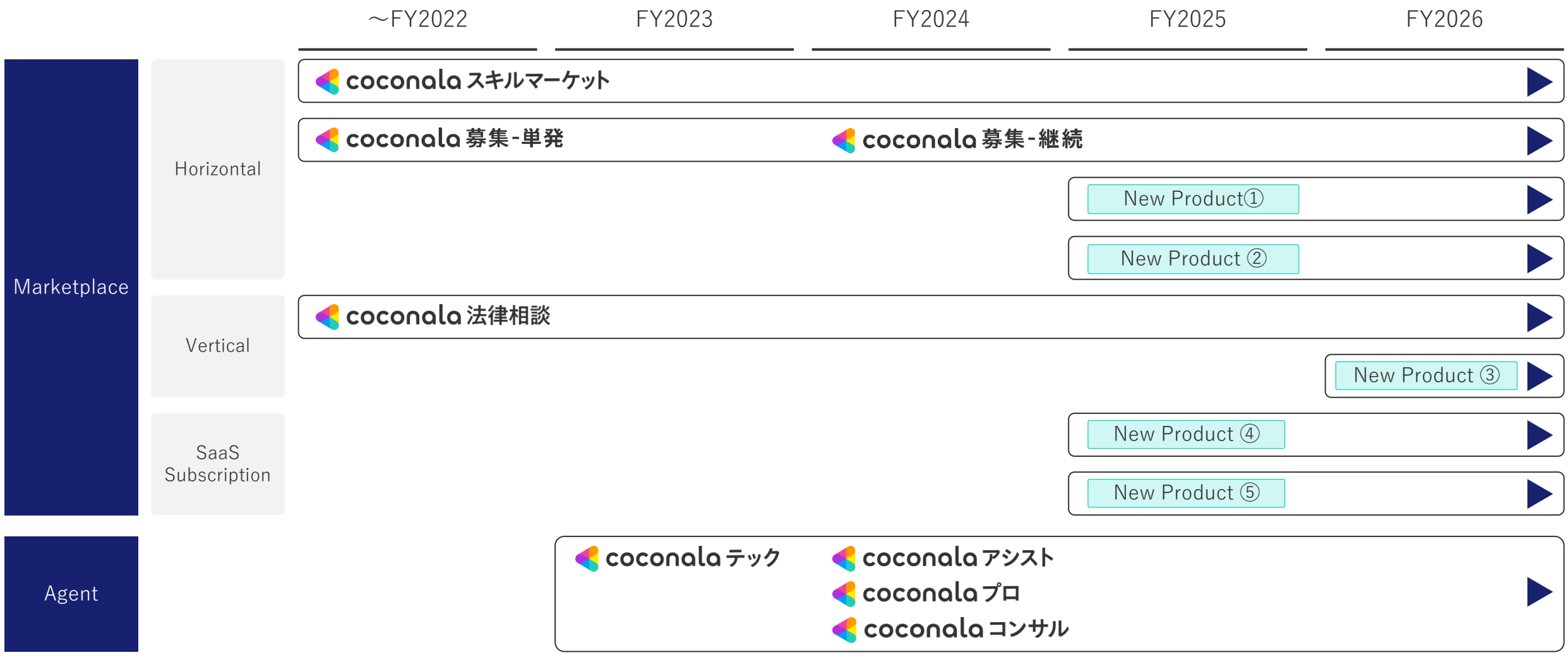
■■ Size of Market for Online Matching Between Individuals and Businesses[*1]



*1: The total revenue for industries classified as capable of providing services through online matching, calculated from the Economic Census. This was commissioned by us to the Japan Research Institute, which prepared the market size for online matching services in August 2024.

Towards a Comprehensive Service Platform (Evolution of Business Initiatives and Future Plans)

We will officially begin diversification starting from the fiscal year ending August 2024. From the fiscal year ending August 2025 onward, we aim to strengthen business development based on the talent, client database, and product foundation cultivated in the marketplace, with a particular focus on accelerating the growth of the highly profitable marketplace business.



Mission by Segment

coconala

	Business Policies	Financial Policies
Corporate-Wide	● Make databases (talent and clients) enriched and common to serve as the source of competitiveness ● Make business lineup additions to meet needs for matching skills, knowledge, and experience ● Make use of horizontal business expansion for integrated sales and marketing and network effects that would lead to overwhelming growth	● Stably keep up sales growth in the range between +20% and +30% YoY ● Continue to invest in strategic fields while keeping up profitable management
Marketplace	● Enrich product lineup through compound strategy by utilizing databases ● Promote matching and lighten user burden by utilizing AI ● Develop functions that would contribute to better retention rate	● In the medium to long term, further increase profit margin (currently over 30%) to form a high profit structure ● In terms of core businesses, place emphasis on medium- to long-term growth and use any increase in contribution margin as the source of funds for making reinvestments
Agent	● Create matching by utilizing the talent database ● Improve matching efficiency by utilizing AI ● Maximize gaining efficiency through cross-selling and marketing	● Enrich business lineup from the perspective of extending the fields of value proposition, but keep eliminating deficits early ● Continue to consider enriching through M&As within the scope that operating profit after amortization of goodwill is in the black
Business Development	● Select businesses that have the potential of expanding value proposition in the fields consistent with coconala's vision and mission ● Realize vertical startup by utilizing coconala assets or capabilities ● Build the framework for demonstrating mutual synergies as one of the Ecosystem lineup	● Consider active investment premised on maintaining or expanding profitability in terms of consolidated operating profit

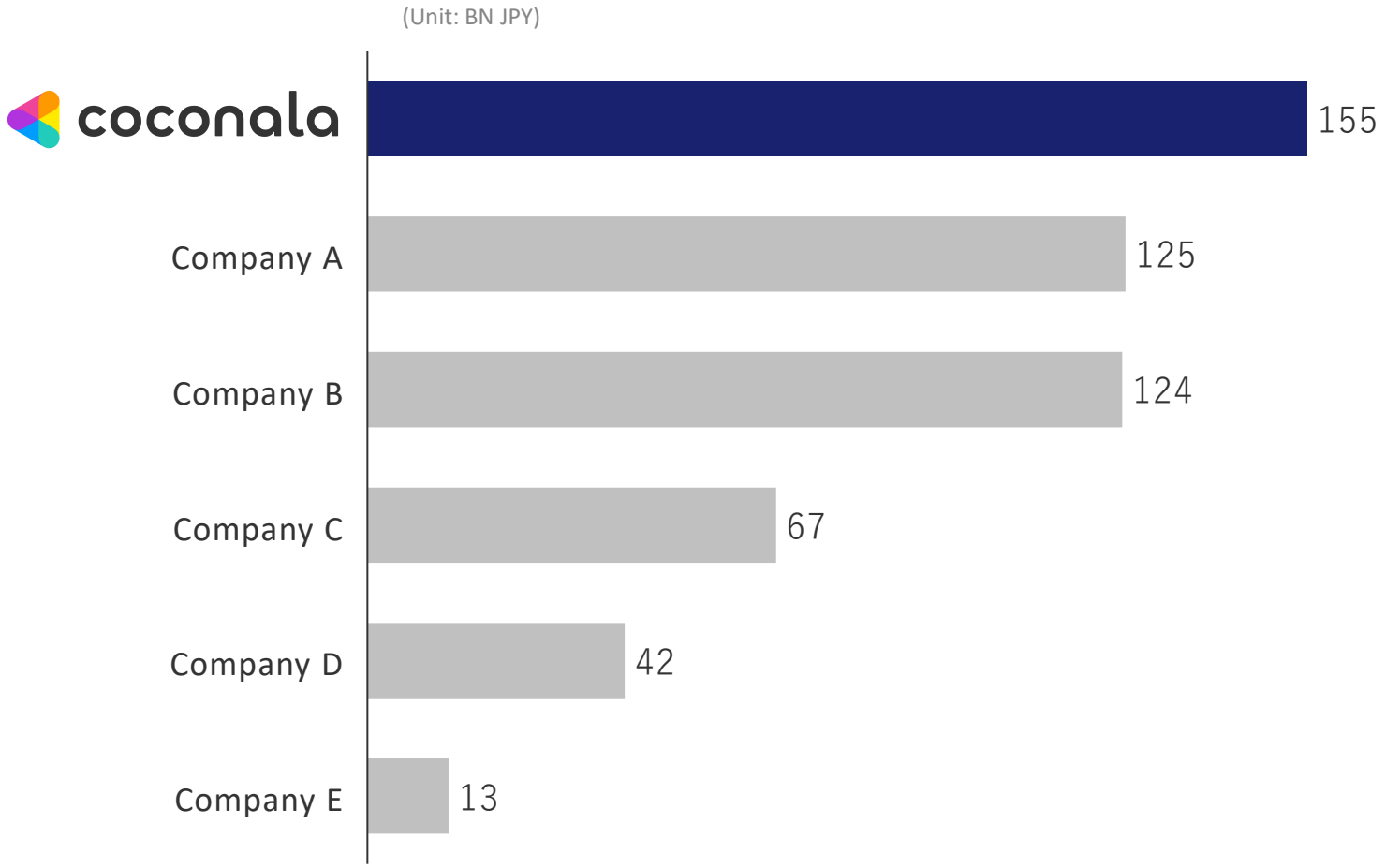
coconala Skill Market's Track Record

coconala

coconala Skill Market boasts the No. 1 share of the skill-sharing platform services industry in terms of GMV.



According to market research on skill matching platforms
(Trending Future Research's No. 1 Verification Research)
* As of September 26, 2024



coconala's Assets and Competitive Advantages

coconala

Keep generating vertical startup of businesses and synergies across businesses by utilizing assets, making use of database, product, and marketing and sales infrastructure.

① Database Infrastructure

- Talent (skills, knowledge, and experience) database
- Buyer, client, and job database
- Matching database (transaction info and reviews)

② Product Infrastructure

- Common account infrastructure
- Talent profile infrastructure
- Matching infrastructure
- Payment infrastructure
- Management (sales and messages) infrastructure

③ Marketing and Sales Infrastructure

- High awareness rate (general: 50%; business: 80%) driving traffic from branded keywords
- Long-tail SEO with the vast listing content
- Reach extending to Mizuho Bank's 400,000 corporate accounts through Mizuho coconala

① Databases: Common and Full Utilization of Infrastructure

coconala

The data and transaction info pool from 5 million registered users become seeds for the next business and forms barriers to entry.

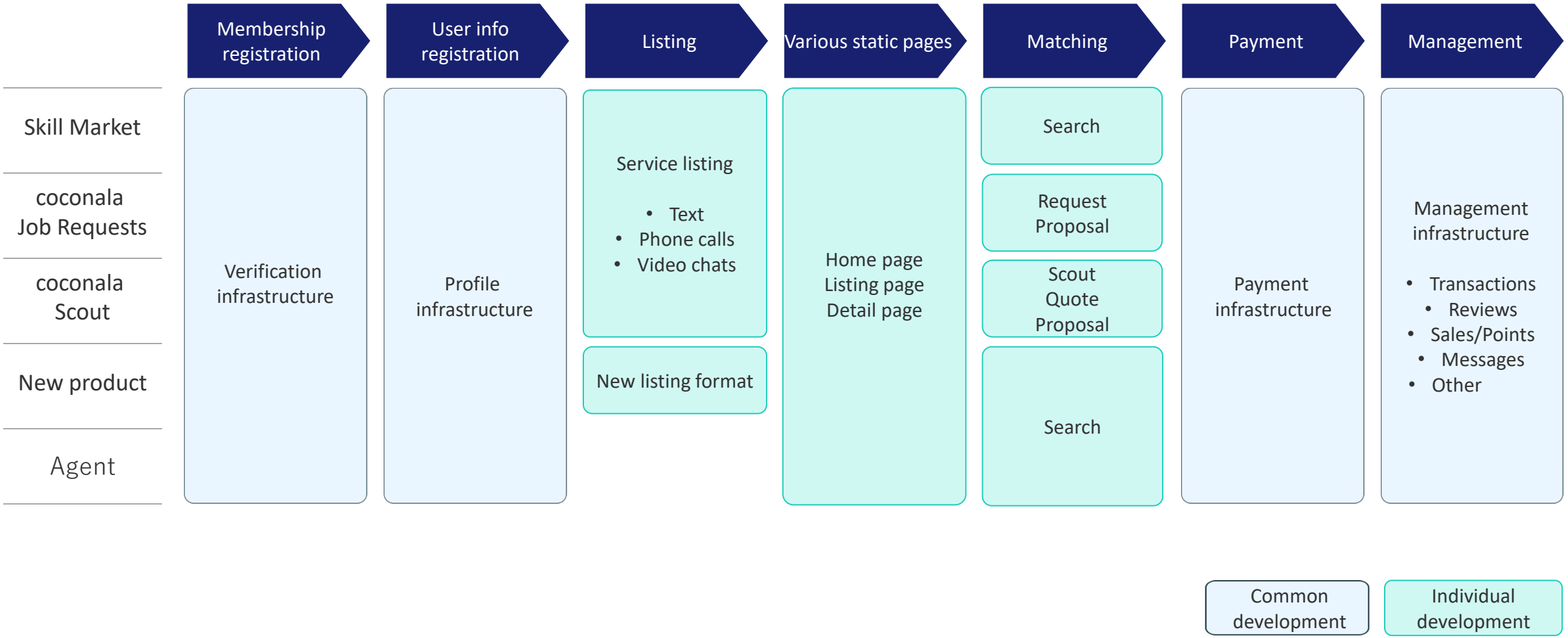
	In Figures	Competitive Advantages
Talent Database 	● Registered skills: 900,000 people ● Services on offer: 900,000 services ● Categories available: Over 740	● With talent for various needs, vertical startup of businesses feasible as long as request needs can be secured ● Network effects work to gather buyers if there are many services on offer and those buyers bring in sellers
Client Database 	● Buying users: 2,100,000 accounts ● Of which, corporate: 500,000 accounts	● Boasts skills, knowledge, and experience marketplace of Japan's largest size in terms of GMV[*1] ● Size expanding with network effects of clients attracting working talent and working talent attracting clients
Transactions and Reviews 	● Cumulative transactions: 12,000,000 ● Cumulative reviews: 15,000,000 (sum of both buyer and seller sides)	● Japan's largest number of reviews with behind-the-scenes matching of service provision giving credibility to services ● Having reviews makes the cost of transition to other services high ● Can expand business based on the credit data formed by the reviews and transaction info

*1: According to market research on skill matching platforms (Trending Future Research's No. 1 Verification Research as of September 26, 2024). Details are presented on page ○ of this financial result presentation.

② Marketplace Features: Improvement of Efficiency Through Compound Development

coconala

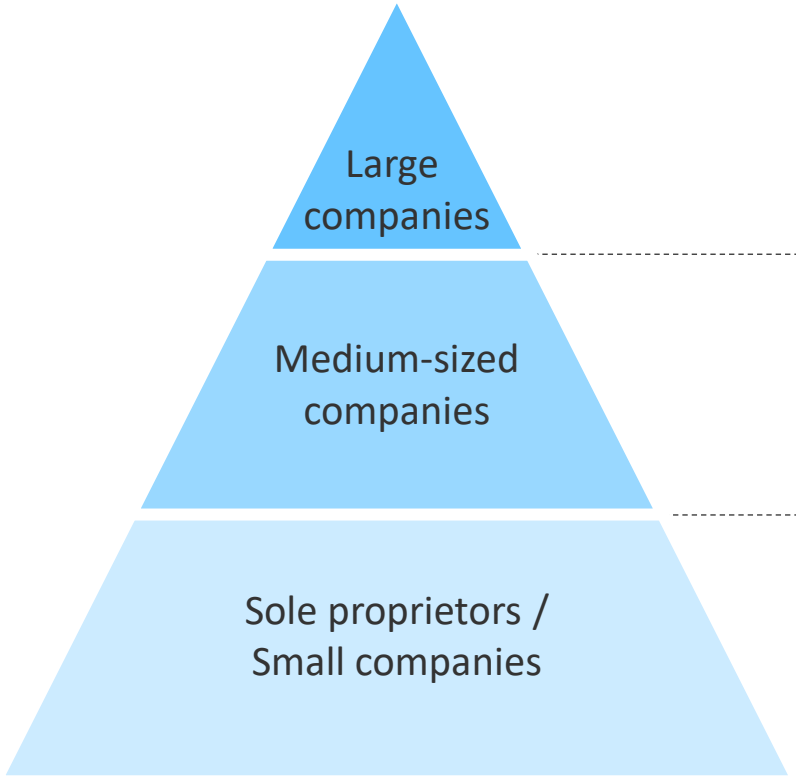
By making most of the features common, development is efficiently of mainly the user interface portion when developing new products.



③ Marketing and Sales: Go-to-Market Strategy

coconala

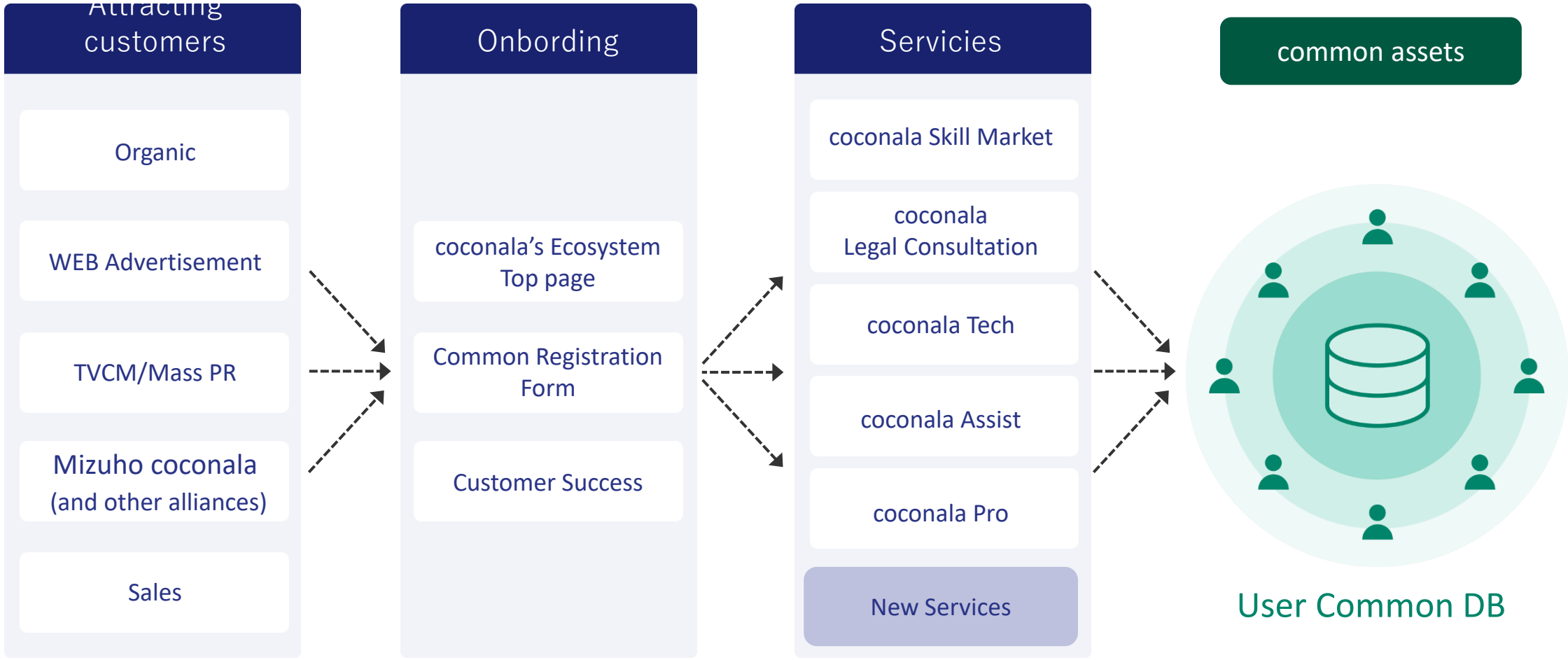
Capturing various client needs of varying sizes through a wide range of reach methods from the utilization of technologies to sales.



Measures to Gain Buyers/Clients

SEO Web ad TVCM	Mizuho coconala	Inside sales
[Strengths] High awareness rate driving traffic from branded keywords • General awareness: 50% • Business awareness: 80% Gaining through long-tail keywords with the vast range of highly original, user-generated listing pages (over 800,000)	**[Strengths]** Potential to reach 400,000 corporate accounts	**[Strengths]** Sales across services facilitating early capturing of needs and cross-selling

Reference: User Onboarding Process



Compound Growth Strategy That Makes the Most of Assets

coconala

Marketplace

coconala スキルマーケット

coconala 募集

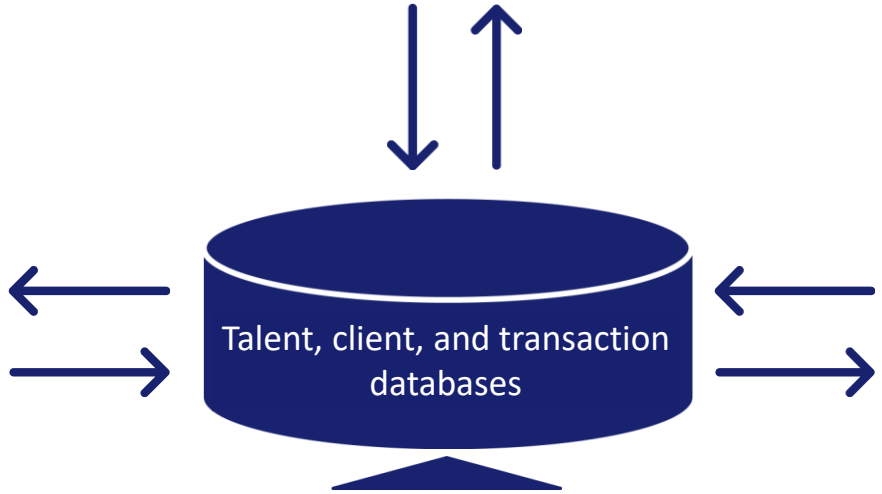
① Extended value proposition through enriched product lineup

- coconala Scout
- coconala Content Market
- Vertical e-commerce

Agent

② Launch of businesses by utilizing assets

- coconala テック
- coconala アシスト
- coconala コンサル
- coconala プロ



③ Utilization of AI

Matching support, recommendations, productivity improvements, etc.

Business Development

④ Extended value proposition through new businesses

- xxx
- xxx

① Extended Value Proposition Through Enriched Product Lineup

coconala

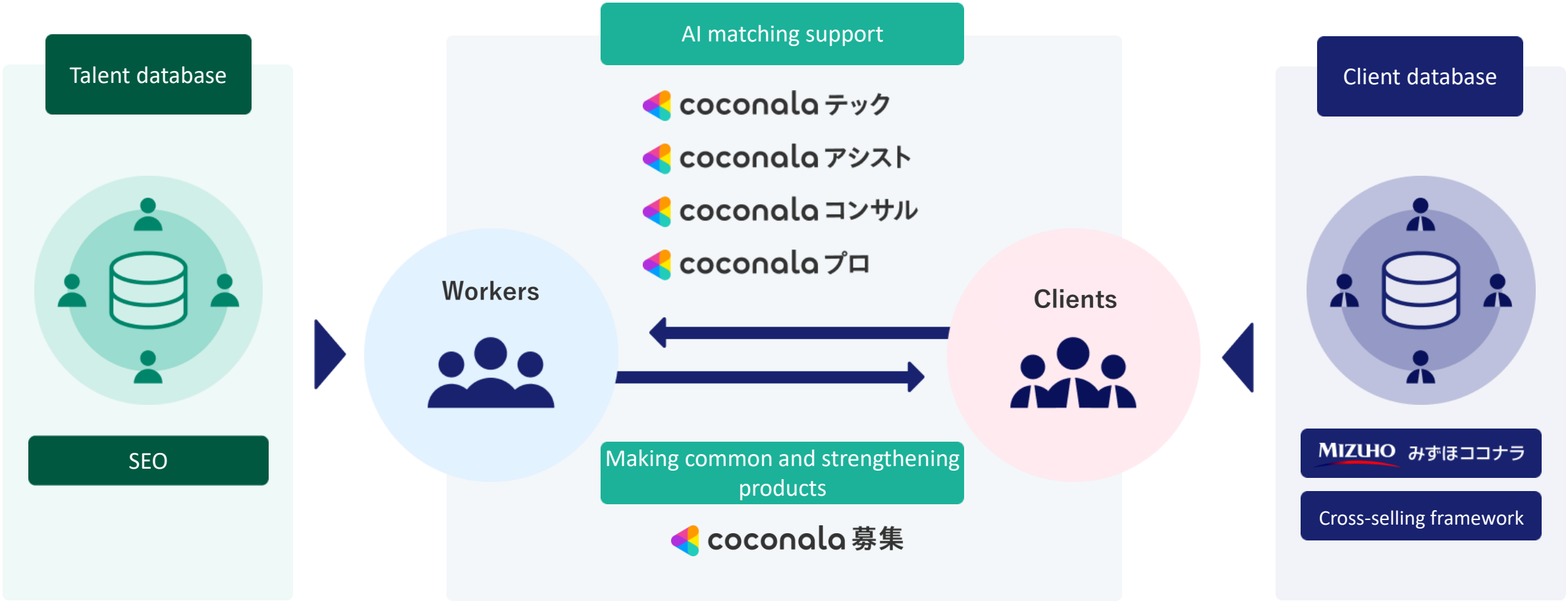
Pursue growth through compound product lineup with provision fields, matching methods and deepening by category.

	Service provision fields	Matching method	Deepening by category
Content of extension	**One-time engagement** + **Long-term engagement (outsourcing)**	**E-commerce** + **Bidding** + **Scout**	**Horizontal e-commerce – services** + **Horizontal e-commerce – content** + **Vertical e-commerce**
Points	• Providing matching of work that continues to generate over a long term (IT development, assistant operations, consulting)	• Preparing matching forms in line with IT literacy, needs, and corporate size	• Capable of providing UI/UX comparable to specialized products • Refining content, consulting, divination, and other categories with ample room for growth with professional organizations
Impact on KPIs	• Improving LTV with better retention rates and unit prices	• Increasing matching count • Increasing medium-sized and enterprise clients	• Boosting GMV with growth of individual categories

② Launch of Agent Businesses by Utilizing Assets

coconala

Fully utilize assets to keep realizing more efficient worker and client gaining and matching.



③Utilization of AI

coconala

In addition to improving the convenience of clients and contractors and maximizing matching efficiency, we prioritize the implementation of AI across all businesses to enhance employee productivity.

Marketplace

【Order/Request】

- Support for Estimate Request/Response Input
- Support for Posting Job Opening/Applications
- Support for Inputting Listing Information

【Ordering】

- AI Chat Purchase Assistance
- Image Recommendations
- Keyword Search Suggestions

【Internal】

- Service Listing Health Check
- Optimization of Service Category Classification

Agent

【Internal】

- Matching Assistance

【Active Workers】

- Recommended Projects at Registration

Others

【Interanal】

- Improving Productivity of Routine Operations
- Automating Marketing Operations

【Product】

Launching New Businesses Utilizing Generative AI

We plan to launch the new AI business in November.

coconala AIスタジオ

A platform service that utilizes the latest AI technologies, such as ChatGPT and Imagen, to generate various types of content, including text and images.



④Value Expansion through New Business - AI Product Business

coconala

coconala AIスタジオ

No knowledge or skills in AI are required; it can be easily used by anyone.



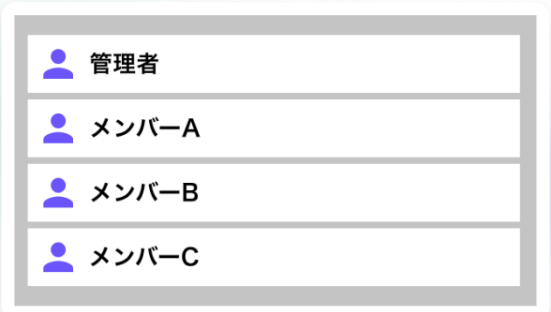
By simply entering information according to the templates provided for each type of output, you can generate the desired results.

Supporting over 600 skills, primarily in marketing and business operations.



Focusing on writing texts for ads and social media, as well as blogs and images, we support various tasks with a wealth of templates reviewed by professionals in each skill area.

Features for corporate users are also scheduled to be released.

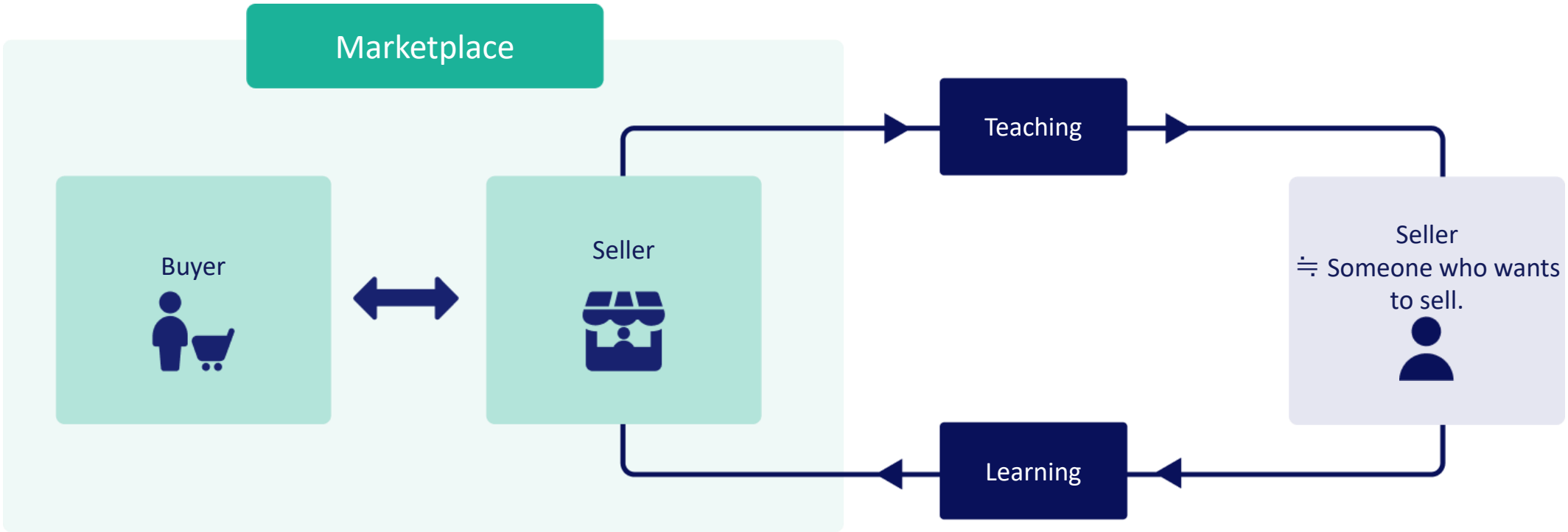


Features such as the ability to manage accounts collaboratively and file upload and analysis functions (RAG) are also planned for future release.

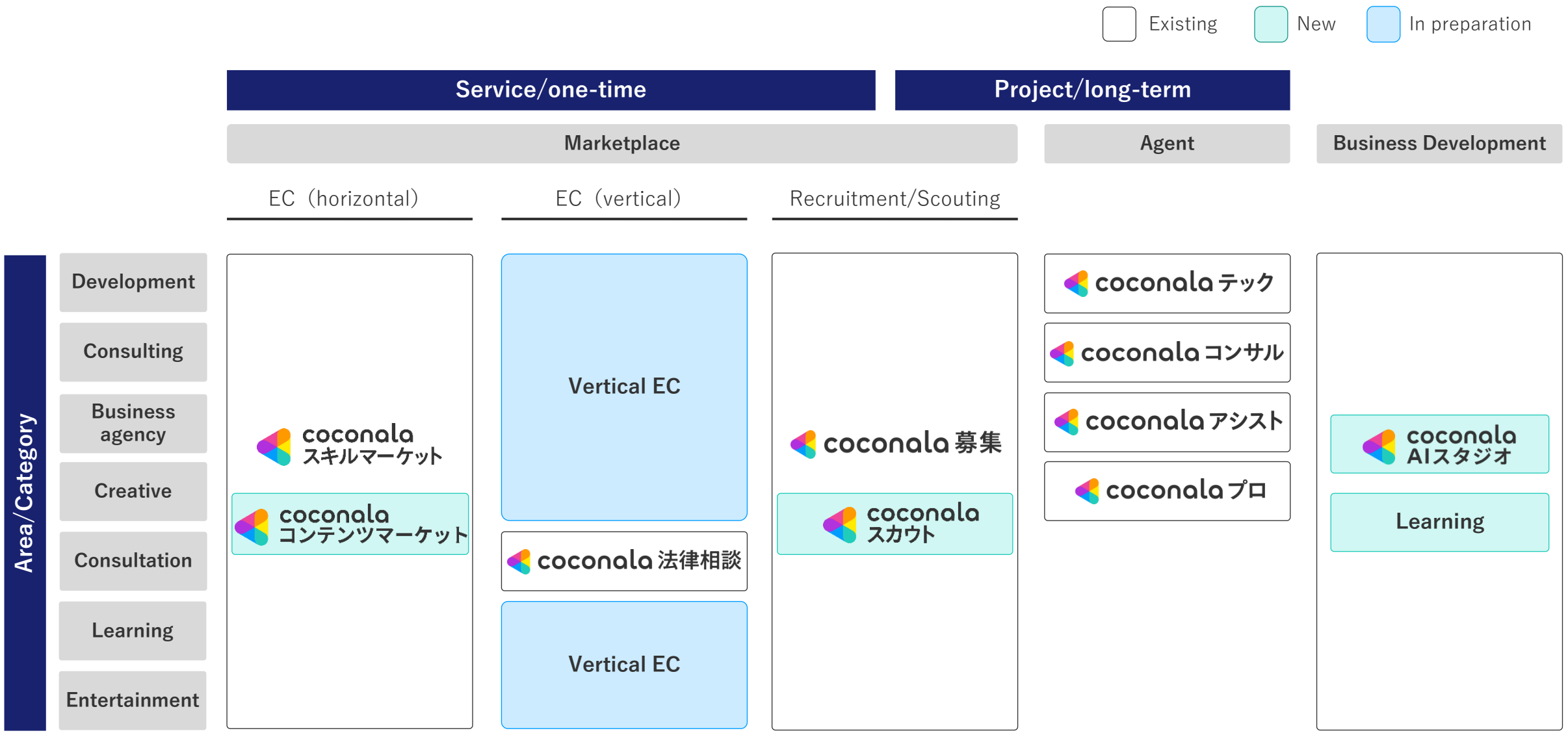
④Value Expansion through New Business - Learning and Reskilling Business

coconala

In addition to the "ordering and delivering" of skills, knowledge, and experience, we are developing a business focused on "acquiring" skills, knowledge, and experience.



coconala's Ecosystem



3. Appendix

Management Team

Subject to approval at the Shareholders' Meeting in November 2024, we plan to transition to the following structure. Mr. Koike will leverage his expertise in launching and scaling new businesses, while Mr. Imamura will apply his specialized knowledge in human resources, organizational management, and corporate planning to enhance our corporate value.



Ayumu Suzuki/ CEO

Graduated from Waseda University. Gained experience in product planning and sales as well as new business development in Ad-technology at Recruit Co., Ltd. Later worked in the overseas business planning division at Recruit Holdings Co., Ltd. and joined coconala Inc. in May 2016.



Akiyuki Minami/ Company director

Graduated from Keio University and Saïd Business School (MBA) at Oxford University. Worked as an analyst at Sumitomo Banking Corporation (current Sumitomo Mitsui Banking Corporation), then oversaw corporate buyout at Advantage Partners Inc. Founded WelSelf Inc. (current coconala Inc.) in January 2012.

New



Masahide Koike/ Outside Director

As Executive Vice President at CyberAgent, Inc., he was responsible for launching and scaling various media platform models, including Ameba and ABEMA, as well as other businesses such as gaming. Subsequently, he founded Gratch Scaling Inc. and assumed the role of President and CEO.



Kentaro Yadomi/ Outside Director (Audit and Supervisory Committee Member)

Certified Public Accountant. After joining KPMG AZSA (now KPMG AZSA LLC), he was engaged in accounting audits based on Japanese GAAP, U.S. GAAP, and IFRS, as well as financial due diligence work related to domestic and international M&A and business restructuring support. Auditor of our company since March 2017.

New



Kenichi Imamura/ Outside Director (Audit and Supervisory Committee Member)

At Recruit Co., Ltd., he served as Head of Corporate Planning and Head of Human Resources, overseeing a wide range of HR functions, including system design, as well as leading management and overseas business development for the holding company. He later became Executive Officer and Head of Human Resources at Z Holdings Corporation before assuming the role of Chief People Officer (CPO) at ispace, Inc.



Yuka Hattori/ Outside Director (Audit and Supervisory Committee Member)

After working at Recruit Co., Ltd. in human resources and business development, established Inclusion Japan Inc. which provides incubation services and became its representative director. Auditor of our company since August 2015.

Business Overview: coconala Skill Market

coconala

coconala's founding and core business. Skills market for buying and selling "knowledge, skills, and experience." Will continue to make active growth investment to keep it growing while generating synergies with other businesses.

coconala スキルマーケット



Horizontal service e-commerce platform

A variety of over 740 categories of services available for buying and selling, whether for business or for private use

All done online

Can search and purchase from 900,000 services on offer with pretty much all services completed online for everything from order inquiries to delivery

Overwhelming user infrastructure

The high awareness rate has kept the number of registered users increasing, hitting 4.9 million people
One of Japan's leading service platforms being capable of creating matching of high degree of satisfaction based on the overwhelming user infrastructure

Marketplace: Features

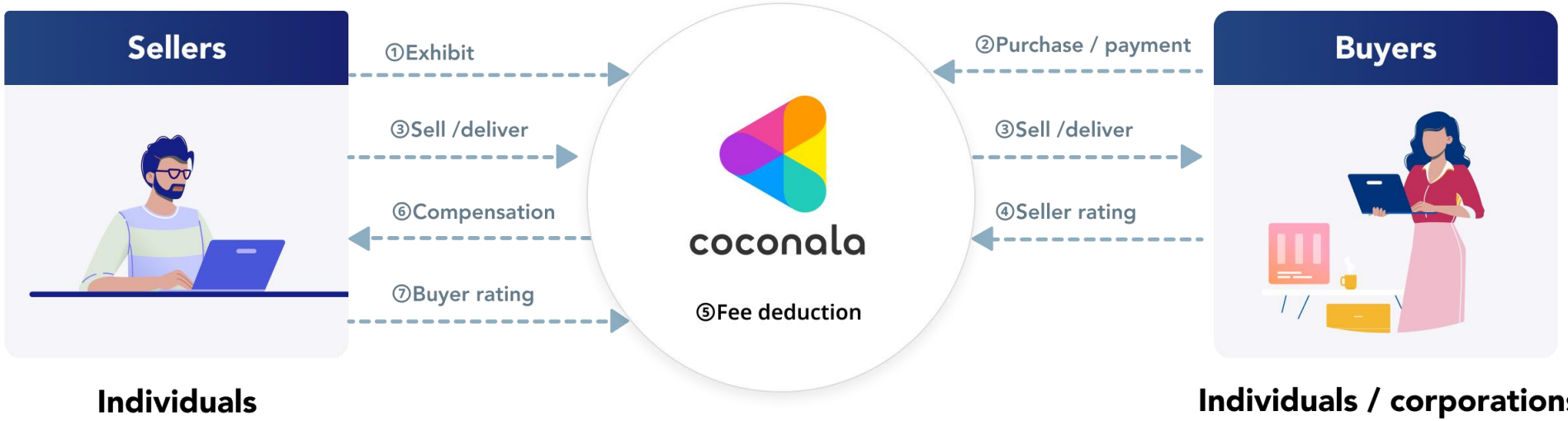
coconala

A matching platform that commercializes knowledge, skills and experience and enables users to sell and buy them similar to “e-commerce”.

Point 1
Easy purchase/sale with e-commerce model

Point 2
Complete online

Point 3
With range of categories



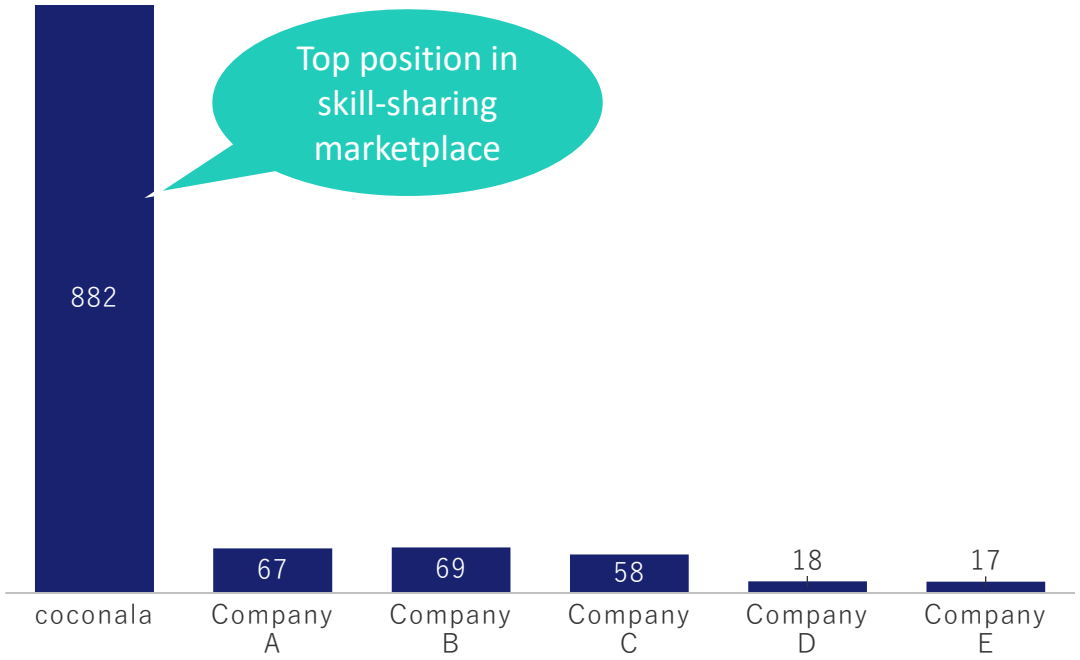
Marketplace: Large Number of Services on Offer and Reviews

coconala

A market-leading platform providing an abundance of inventories and reviews

Number of Services on Offer*1

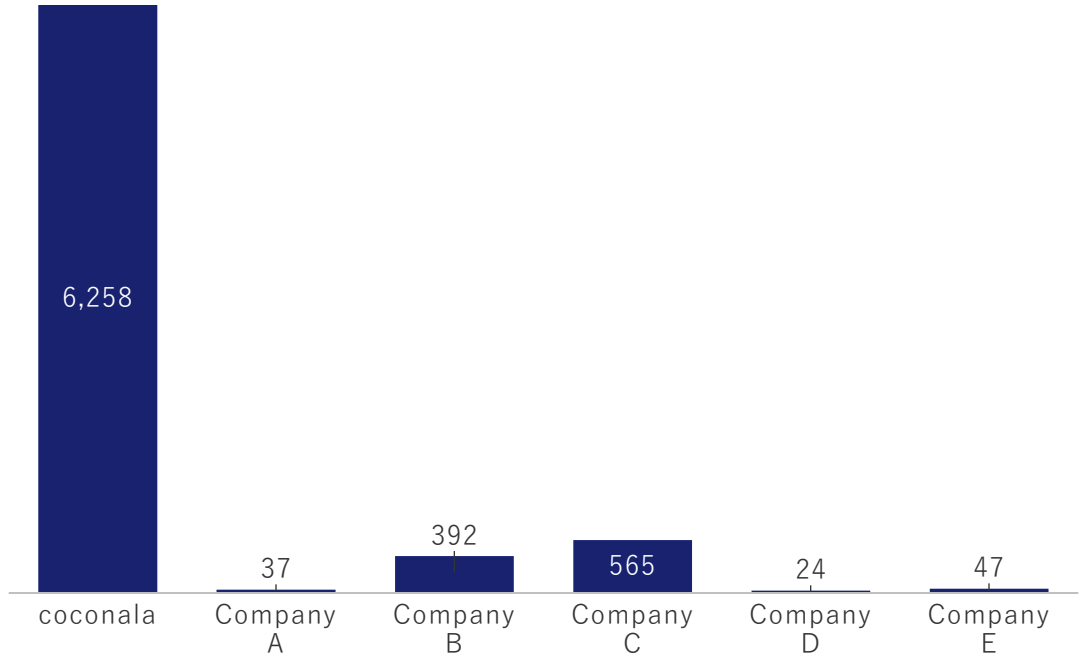
(Unit: thousand services)



*1 Data as of. August 2024(coconala), October 2023(other companies).
Source: For data related to other companies, we refer to their service pages.
Aggregation method (coconala): The number of listing services on the service website. The number of our listing services does not include proposals from sellers to public or private requests from buyers to sellers. (Unlike the listing services on the service sites of each company, this is not a pre-listed EC-type service.)
Aggregation method (other companies): The number of services displayed on the service search screen in the service site.

Number of Reviews*2

(Unit: thousand reviews)



*2 Data as of October 2024.
Source: For data related to other companies, we refer to their service pages.
Aggregation method (coconala): The number of on-offer service reviews on the service website.
Aggregation method (other companies): The number of on-offer service reviews from buyers and sellers displayed on the service/seller search page on the service website. As each company has its own review system, review systems of buyers may be different.

Marketplace: Added Value of E-commerce Shift of the Skill-Sharing Market

coconala

coconala aims to become a one-of-a-kind service e-commerce platform by replacing daily offline transactions on the web and make them more convenient.

	Until Now (Legacy Transactions)	coconala's Added Value	What Can Be Achieved
Matching Scope	Only reaches people in the know, or a handful of people online	A database of 400,000 experts	Easily reach sellers who can solve a variety of problems
Time & Place	Need to coordinate schedule with seller Only active in large trading areas	Comprehensive communication methods allow you to complete the entire flow online	Speedy communication regardless of time/place
Information	No way to know the quality of the seller beforehand	Visual representation of seller's skills (track record, reviews, portfolio, response speed)	Able to compare different sellers so it's more reassuring than face-to-face transactions
Price	Cost includes store rent, organization maintenance fees and subcontractor margins, etc.	Directly matches you with experts online	Cheaper than the market rate, with the same quality

Marketplace: Examples of Major Services by User

coconala

For Business	Creative	Logo Creation		Movie Editing	
	Business Agency	Presentation Materials		Data Analysis	
	Consulting /Consultation	SNS Marketing		SEO Measures	
For Private	Learning /Know-how	Foreign Language Lessons		Career Consultation	
	Fortune-Telling /Entertainment	Fortune-Telling		Beauty Consultation	

Marketplace: Measures Taken for Safety and Reliability of Marketplace

coconala

KYC of Sellers



Identification of sellers to increase credibility by buyers

Monitoring System



Round-the-clock monitoring of services and corresponding inquiries carried out by full-time staff

Publicizing prohibited services and conduct defined in the guideline

Escrow Settlement



Purchase payments to be escrowed until delivery of services

User Mutual Review System



Mutual review system for sellers and buyers that is open to the public

Sharing Economy Trust Mark



Obtained certification by fulfilling compliance standard defined by Cabinet Secretariat IT General Strategy Office

Enhanced IT System

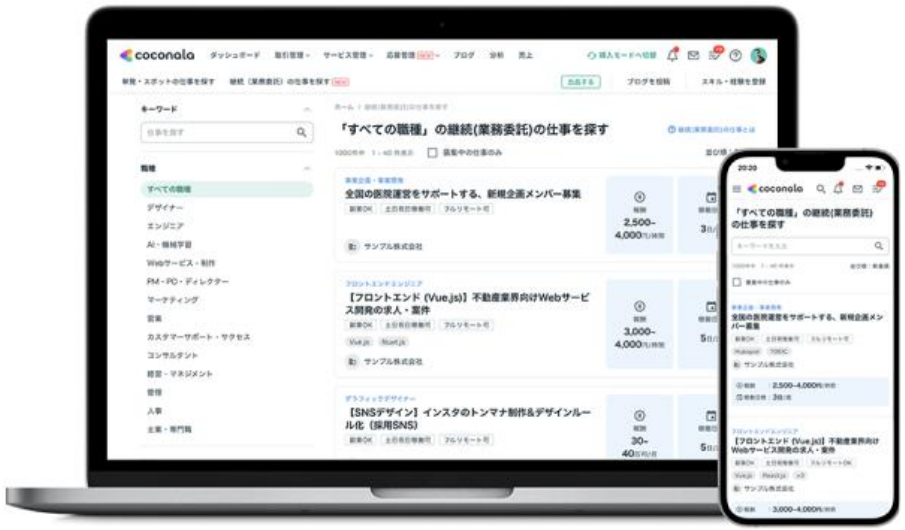


Investment in and daily monitoring of IT system for stable and robust operation

Business Overview: coconala Job Requests

Completely overhauled in April 2024.Expanded the field to request not only “one-time engagement” as offered by Skill Market to date but now also “long-term engagement” (engagement of outsourcing talent). With large room for growth in the market also, this is a field that has the potential to grow significantly by utilizing the talent database possessed by coconala.

coconala 募集



Buyers post job openings/requests

Flow starts with buyers unlike with coconala Skill Market
Anyone can create and post job openings by simply inputting the required items

Receive proposals from a database of 500,000 people

Over 500,000 professional talent possessing various skills are registered
Able to respond to a wide array of desired needs

Detailed skills and performance visible

Full of information required for the consideration in that there is not only registered users’ skills and portfolio but also performance, reviews, etc. at coconala, facilitating smooth screening

Business Overview: coconala Legal Consultation

A platform connecting “people seeking advice on legal concerns” and lawyers that is based on a business model of generating advertising revenue from lawyers.

coconala 法律相談



Overwhelming number of consultations

The number of legal Q&As posted has hit 40,000 cases. An industry leading web media connecting users with various legal consultation needs and lawyers.

Diverse user attributes, including corporate

Advice sought by not only individuals but also “coconala Skill Market”-using freelancers, sole proprietors and SMEs

Reassuring framework of follow-up after paid ad placement

Persons in charge of follow-up are assigned to periodically monitor view count and number of inquiries after paid ad placement. Also flexibly responding to requests from lawyers.

Business Overview: coconala Tech

A business outsourcing type agent for IT talent with growth companies and large companies mainly in the IT industry as main targets. Has a history of over ten years as of June 2024. an consulting joined the Group.
This has increased the number of workers by approximately five fold and made it a player with certain presence in the industry.

coconalaテック



Business outsourcing type agent for IT freelancers

Referring IT-related talent with high demand for freelance work, centering on IT engineers and designers

Able to start work in 3 days at the earliest

Able to engage in projects as quickly as “3 days at the earliest,” the interviewing, contracting, etc. included

Referring highly skilled talent from a database of 500,000 people

Referring a diverse array of highly skilled talent by utilizing coconala Skill Market’s database of 500,000 people. Increasingly detailed skills and performance visualization will become available with the upcoming linking of the reviews data of the two services.

Business Overview: coconala Assist

Referring assistant, back office, and other skilled talent to companies facing labor shortage concerns.
Currently rapidly growing with the overwhelming proposal capabilities from making the most of coconala's talent database.

coconalaアシスト



Referring carefully selected assistant and other skilled talent

Referrals range widely from administrative, secretarial, and other assistants to HR, accounting, creative, and other skilled talent

Attracting talent by linking with coconala Skill Market

Referring a diverse array of talent by utilizing the database of 500,000 people. A considerable competitive advantage against other companies that need to spend on advertising expenses to attract talent.

Placing requests is easy, starting from 40 hours a month

Requests do not necessarily have to be full time but can also be cases like "when needed during busy season" or "only during the morning every day." Able to secure the required resources with personnel expenses turning into variable costs, meeting the needs of companies facing labor shortages.

Business Overview: coconala Pro

Top creators perform production tasks in their real names with contracts made via coconala.
Caters to the needs of corporate clients that cannot place orders on Skill Market due to company rules or other reason.

coconalaプロ



Contract is with coconala

coconala provides fine-tuned support for operations to proceed smoothly as the go-between with the creators, catering to the needs of corporate clients that cannot place orders directly with individuals

Performed by top creators in their real names

Dedicated persons in charge refer top creators in their real names optimal to the client

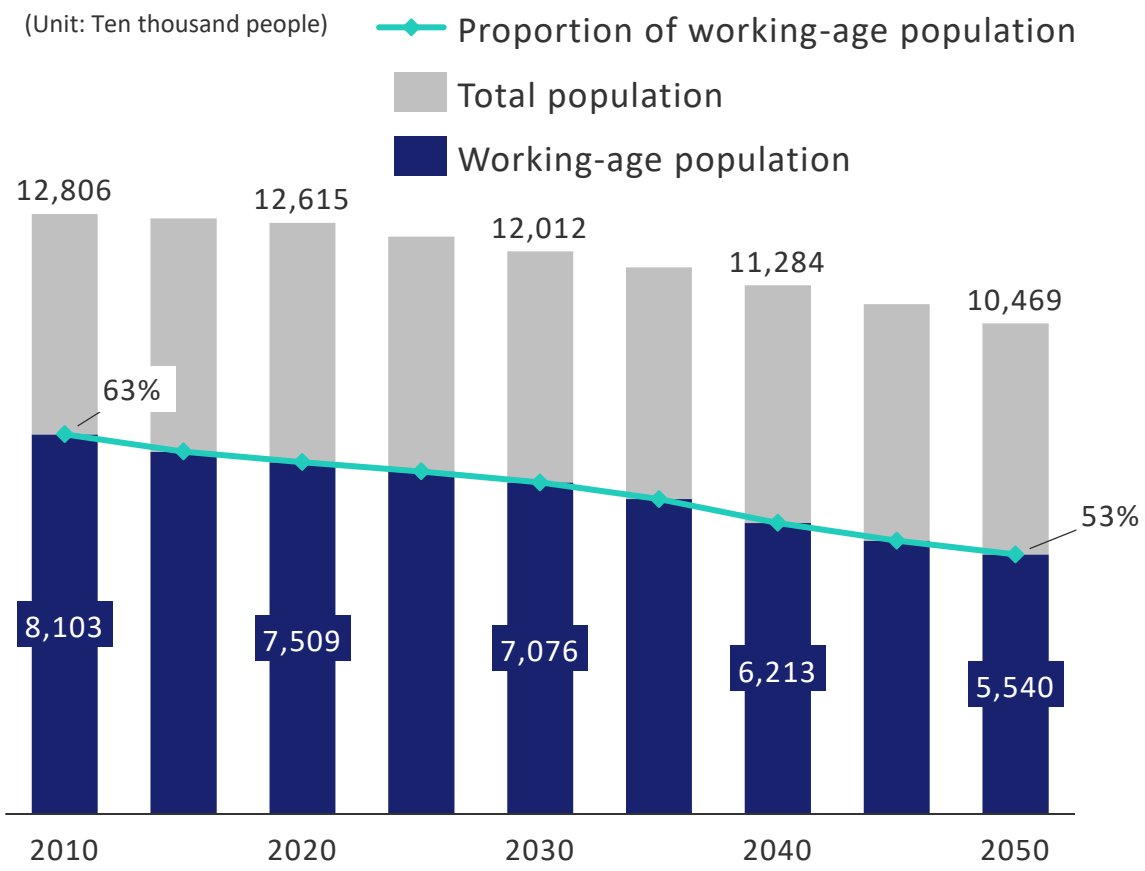
High cost performance

Realizing high cost performance as there is no going through production companies or agencies

Market Environment Serving as Tailwinds – Changes in Japan's Labor Market

Projections of Japan's working-age population gradually decreasing suggest that securing work force through full-time employment would become increasingly challenging going forward, calling for solutions for tackling labor shortages.

Japan's Labor Force Projection*1



- ✓ With the fertility rate decreasing year by year in Japan, total population is projected to fall below 100 million in 2056
- ✓ Working-age population to decrease to approximately 50% in 2050
- ✓ Securing workers is expected to become more and more challenging going forward
- ✓ Need for new solutions not bound to full-time employment as the single way to work

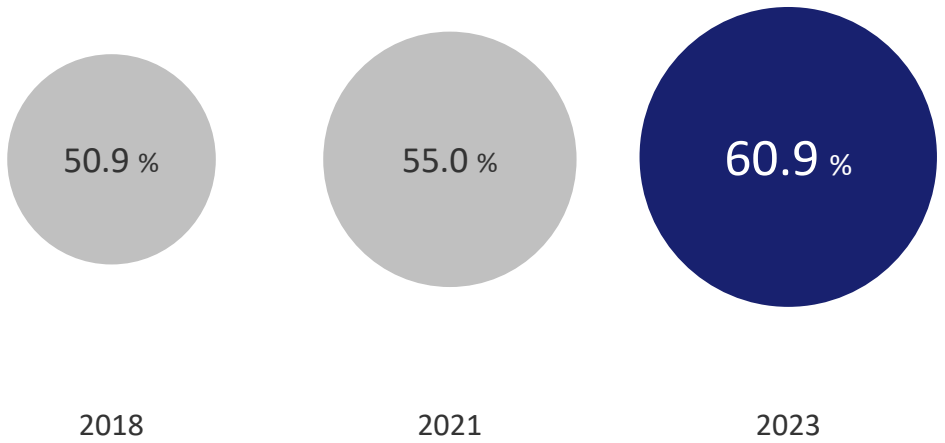
*1: Prepared by coconala Inc. based on the Cabinet Office's "Annual Report on the Ageing Society FY2024" (June 2024)

Market Environment Serving as Tailwinds – Greater Participation by Persons Taking on Secondary Employment

The proportion of Japanese companies not banning secondary employment has exceeded 60% in recent years, and the number of persons engaged in secondary employment, too, has increased by more than 40% over the past decade.
The environment is increasingly becoming one that would facilitate easier participation by persons taking on secondary employment.

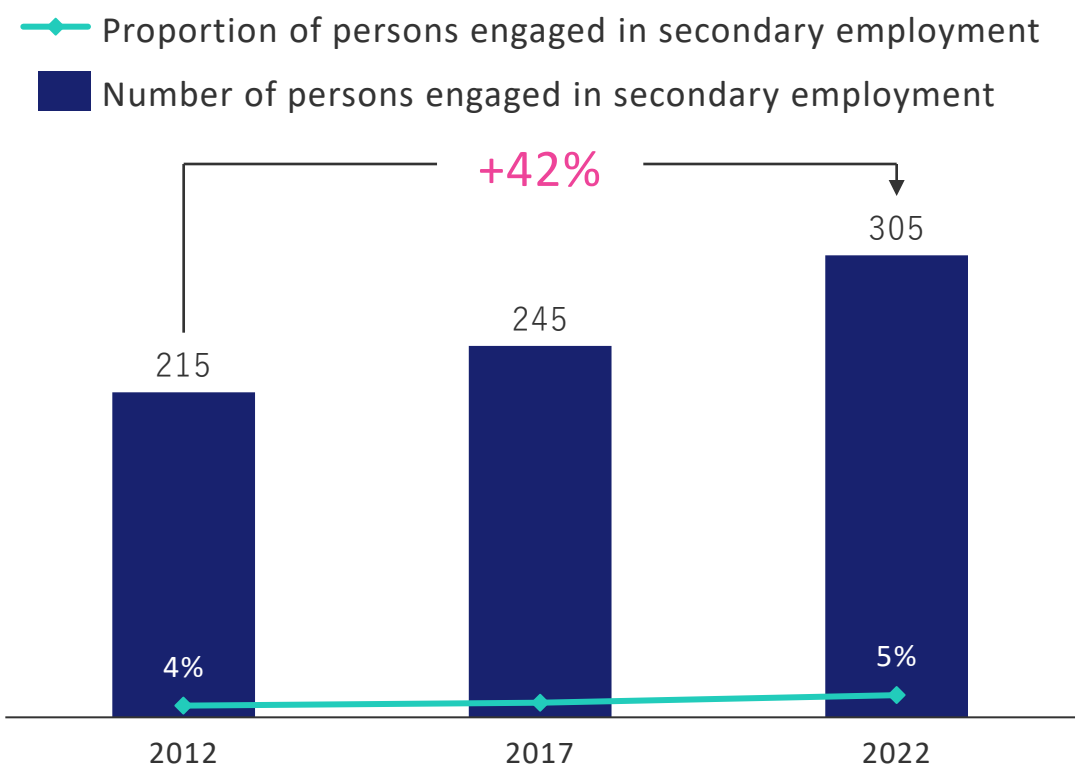
Proportion of Japanese Companies Not Banning Secondary Employment*1

(Unit: %)



Population Engaged in Secondary Employment in Japan*2

(Unit: Ten thousand people)



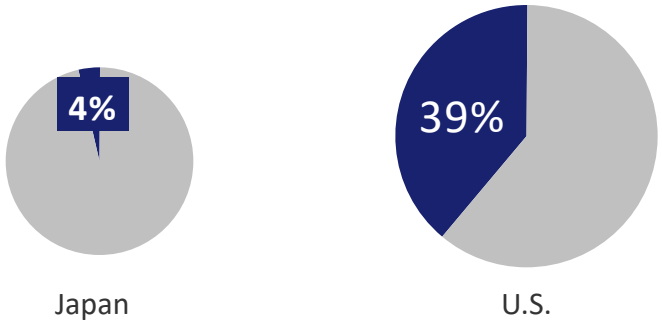
*1: Prepared by coconala Inc. based on PERSOL RESEARCH AND CONSULTING's "Third Quantitative Survey on the Actual Situation and Awareness of Secondary Employment" (October 2023)
*2: Prepared by coconala Inc. based on the Statistics Bureau of the Ministry of Internal Affairs and Communications' "2022 Employment Status Survey" (July 2023)

Market Environment Serving as Tailwinds – Potential of the Freelance Market

With ample room for growth in Japan's freelance population, corporate utilization opportunities will, too, highly likely increase.
Able to approach from both the freelancer and corporate sides, the service offering of coconala's Ecosystem is quite highly capable of contributing to tackling Japan's social issue of labor shortages.

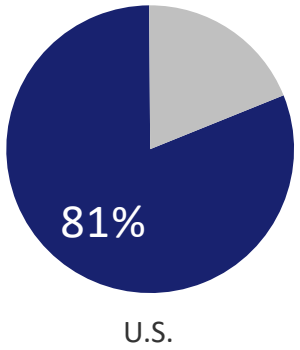
Proportion of Freelance Population (Japan vs. the U.S.)*1

(Unit: %)



Proportion Utilizing Freelancers (U.S.)*2

(Unit: %)



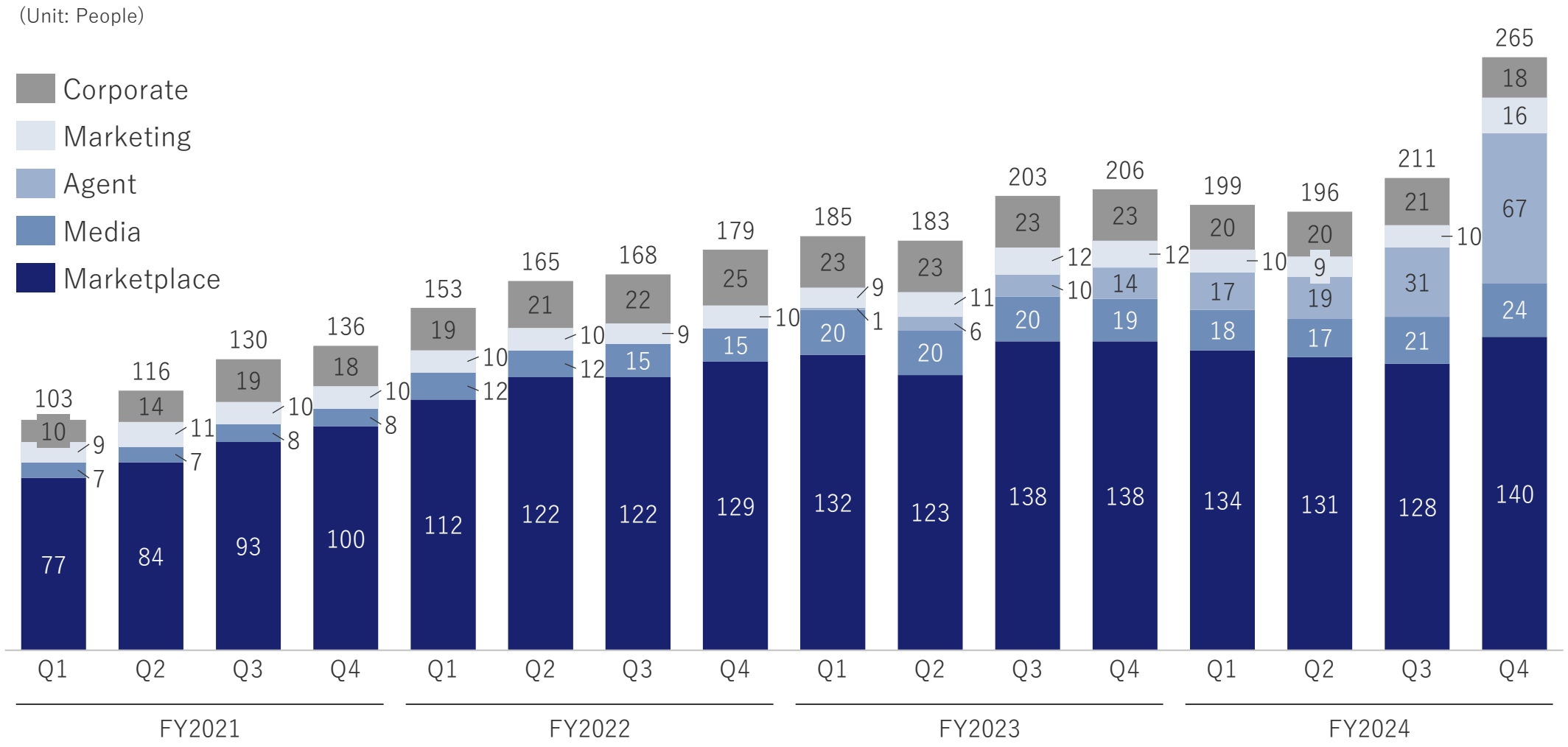
- ✓ The proportion of the freelance population differs from the U.S. by a substantial 35%, meaning that there is plenty of room for much of Japan's labor force to participate as freelance talent
- ✓ The utilization of freelancers is highly likely to serve as one solution for Japanese companies facing labor shortage concerns
- ✓ The opportunities and environment for making freelancing available as a choice of the way of working for workers and the environment for making freelancing available as an option for Japanese companies can both be provided through the service offering of coconala's Ecosystem

*1: Prepared by coconala Inc. based on the Statistics Bureau of the Ministry of Internal Affairs and Communications' "Freelancers' Ways of Working Grasped for the First Time as Fundamental Statistics (2022 Employment Status Survey)" (July 2023) and Upwork's "Freelance Forward 2022" (December 13, 2022)
*2: Prepared by coconala Inc. based on Fiverr's "PRESS RELEASE: 85% of U.S. Business Owners Plan to Implement a Hiring Freeze During Economic Downturn, According to New Data from Fiverr Business" (August 2022)

Number of Employees by Business

coconala

Continue investing in new businesses, while investing in appropriate personnel based on the market environment.

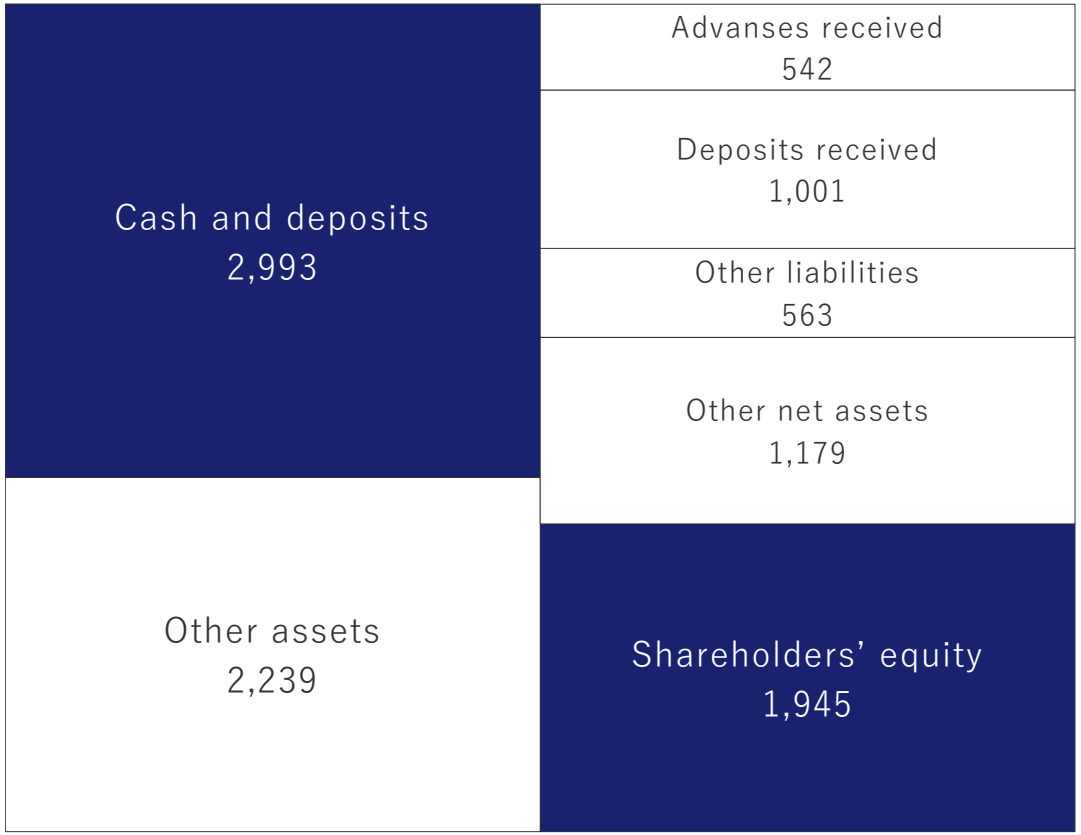


Balance Sheet

We are maintaining a sound financial base with sufficient cash and capital levels.

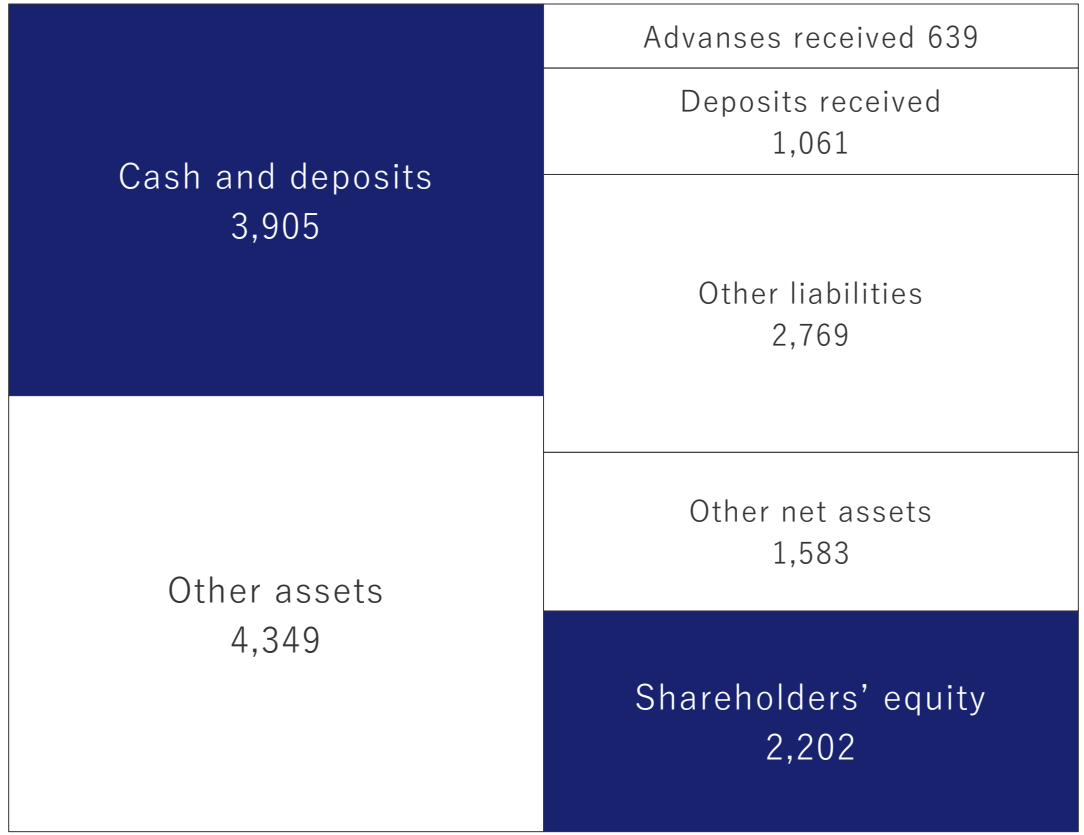
Aug. 2023 (Consolidated)

(Unit: MM JPY)



Aug. 2024 (Consolidated)

(Unit: MM JPY)



Cash Flow Statement

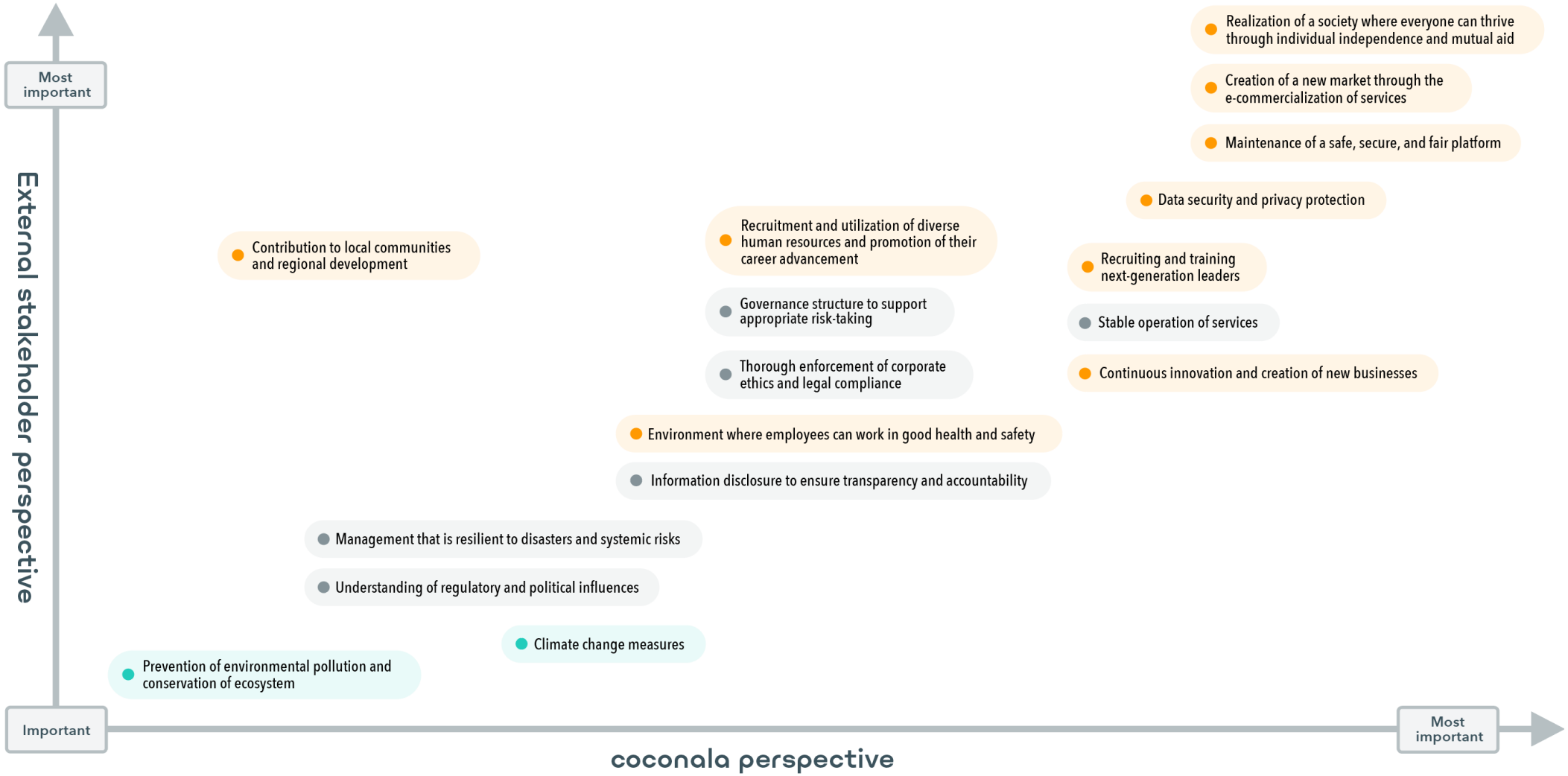
coconala

(Unit : MM JPY)	Aug. 2023 (Consolidated)	Aug. 2024 (Consolidated)
Cash flow from operating activities	114,229	628,504
Cash flow from investing activities	-932,664	-1,336,546
Cash flow from financial activities	-761,221	1,619,633
Net change in cash and cash equivalents	-57,213	911,591
Cash and cash equivalents at end of period	2,993,732	3,905,323

ESG Materiality Map

coconala

Formulated materiality map based on discussions with internal and external stakeholders. coconala places particular importance on social issues.



Disclaimer

This material includes forward-looking statements.
Such statements do not guarantee the realization of such outlook and includes risks and uncertainties.
Please note that the actual performance may differ from the future outlook due to environmental changes, etc.

In addition, the information on companies other than coconala in this material are cited from the disclosed information, etc., and coconala does not verify nor guarantee the accuracy and adequacy of such information.



coconala

Create a world where each person lives their “own story.”