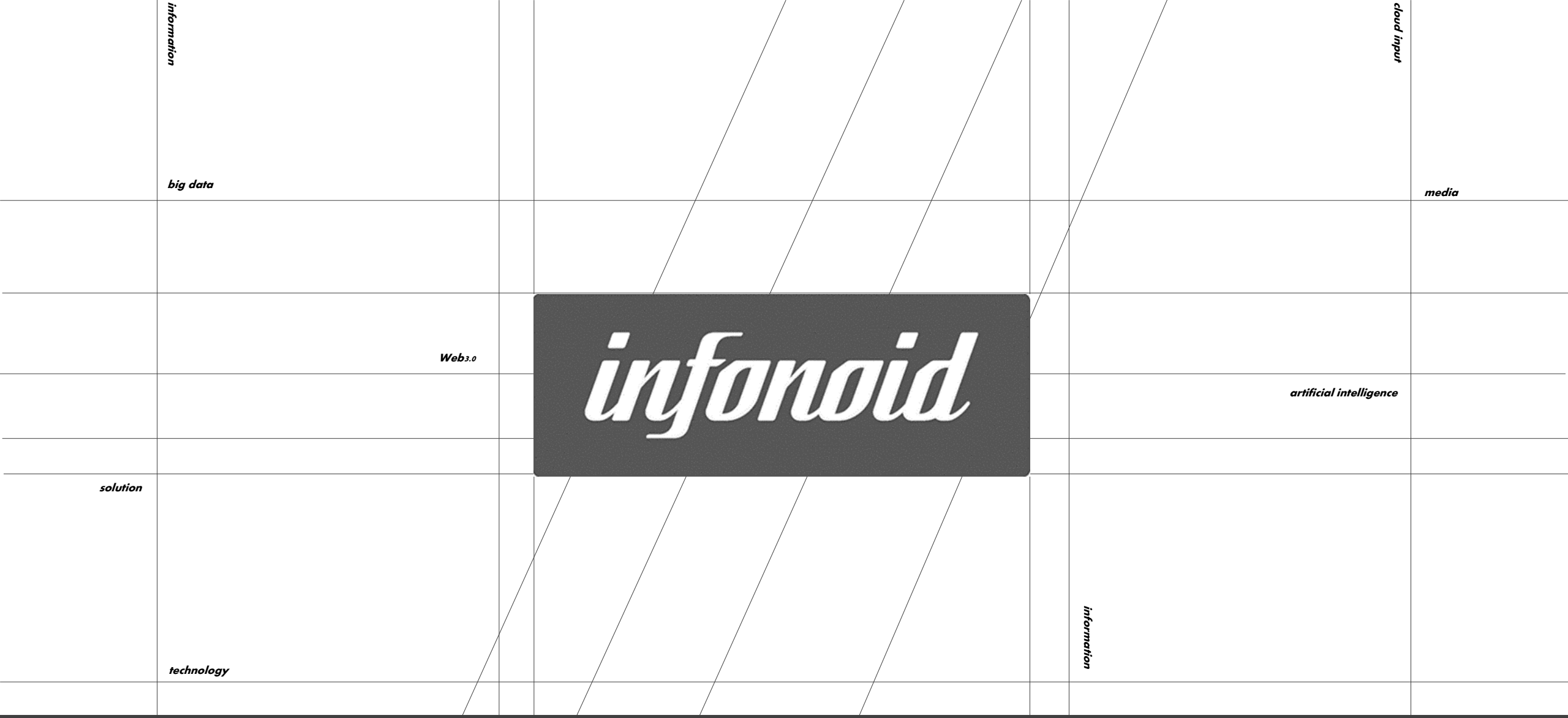


FY2024 Business Presentation Material for Fiscal Year March 2024 to March 2025

MINKABU THE INFONOID, Inc 【4436】

May 14, 2024

Disclaimer

- The material in this presentation has been prepared by MINKABU THE INFONOID, Inc. (“Minkabu” or the “Company”) and contains the Company’s business, the industry trend and the forward-looking information based on Minkabu’s current activities and future projections as of the date of this presentation.

- The forward-looking information contained in this presentation is subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information.

- The Company’s actual future business and its performance would differ from the prospects described in this material.

- Furthermore, the statements regarding future prospects in this document are made by the Company based on information available as of May 14, 2024, and these descriptions about the future outlook are subject to various risks and uncertainties. Therefore, actual results may differ significantly from the assumptions

For today's business briefing,

- Today, we have announced a change in the schedule for the financial results announcement to May 20th, as indicated in the 'Notice Regarding Change in Financial Results Announcement Schedule.' This adjustment is due to the accounting processing required for the series of group reorganizations conducted during the fiscal year ending March 2024. We apologize for any inconvenience this may cause to our shareholders, investors, and other stakeholders, and we sincerely appreciate your understanding.

- Regarding the factors behind the schedule change, it is important to note that they do not affect our operating profit, hence we have disclosed the forecast for the consolidated financial results for the fiscal year ending March 2024 prior to the release of the consolidated financial statements.

- Similarly, as we believe the impact of the events causing the schedule change on the forecast for the fiscal year ending March 2025 is extremely minor, we have also disclosed the performance forecast for the fiscal year ending March 2025 today.

- Therefore, within the scope of today's disclosure, we will be holding a 'business briefing' focused on the outlook for the fiscal year ending March 2025.

- The financial performance figures for the fiscal year ending March 2024 presented in this document are based on the performance forecast figures as of today's announcement on May 14, 2024, in the ' 'Notice Regarding Change in Financial Results Announcement Schedule.' We plan to provide individual responses regarding the explanation of the financial results after the release of the consolidated financial statements for the fiscal year ending March 2024.

big data

media

index

artificial intelligence

solution

01	Summary	5
02	Fiscal Year Ending March 25 Forecast	6
03	Fiscal Year Ending March 25 Actions	8
04	Dividend Policy	20
05	Assumed agenda for the annual general meeting	21
06	Towards Achieving the Mid-Term Plan	23

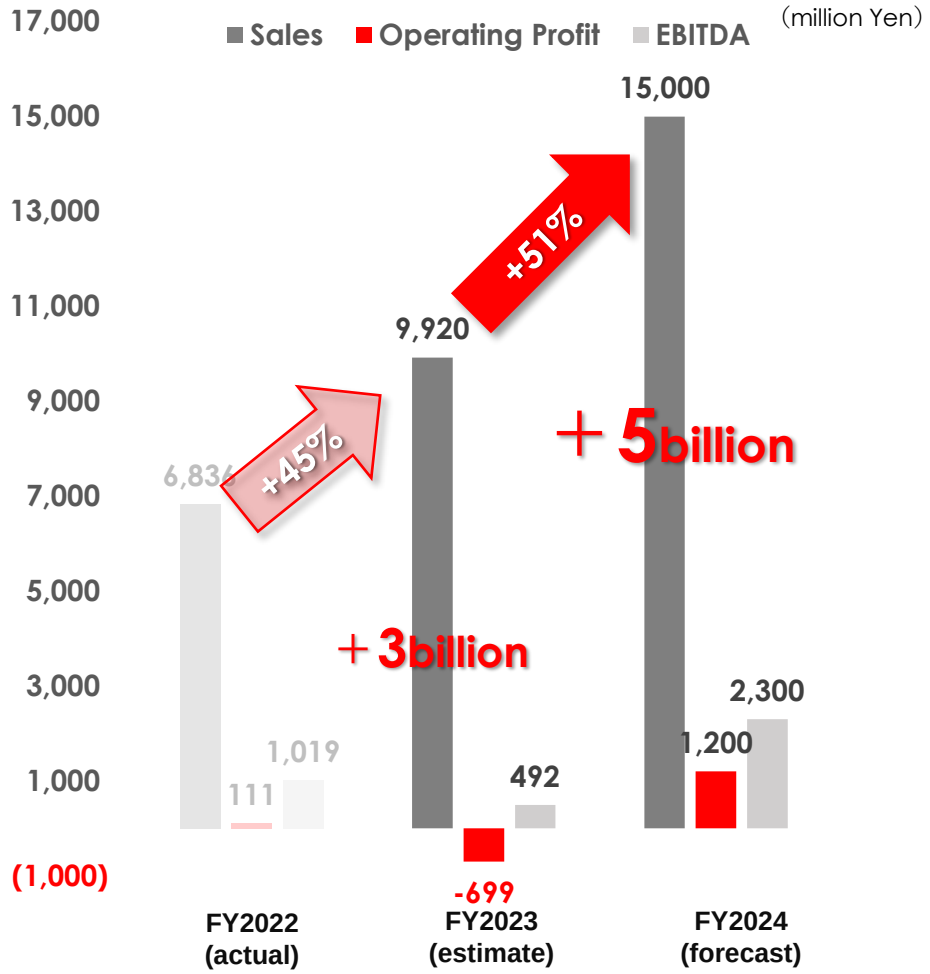
technology

information

general

In the FY23, sales reached approximately 10 billion yen due to a 45% increase in revenue. For the FY24, we anticipate sales of 15 billion yen, the largest increase since going public, with a 5 billion yen increase (+51%)

The transition of revenue, operating profit, and EBITDA

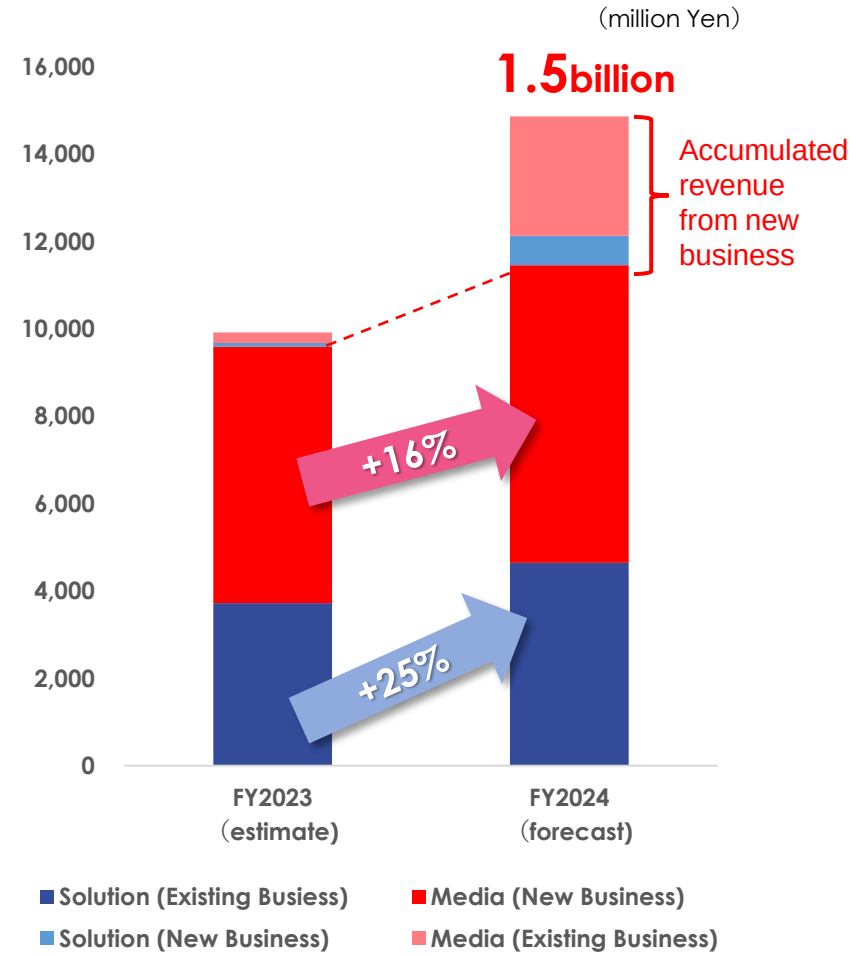


- In the FY23, there was a 45% increase in sales. For the FY24, we anticipate a sales growth of 50 billion yen due to the effects of previous investments and other factors.
- In the FY24, we also expect an improvement of 1.9 billion yen in operating profit compared to the previous period, driven by sustained growth in existing operations, cost reduction effects, and the commencement of returns from previous investment projects.
- On the other hand, given the situation where improvements in advertising market conditions are not factored in and we must also consider the impact of Cookie-less environments, along with the fact that in the previous period we made upfront investments in new businesses where fixed costs precede, it results in profit being weighted towards the latter half of the period.

Copyright MINKABU THE INFONOID, Inc.

Due to the growth of existing operations and the early realization of newly developed ventures, we are in a situation where we can achieve the largest increase in revenue since going public

The transition of revenue by existing and new business segments



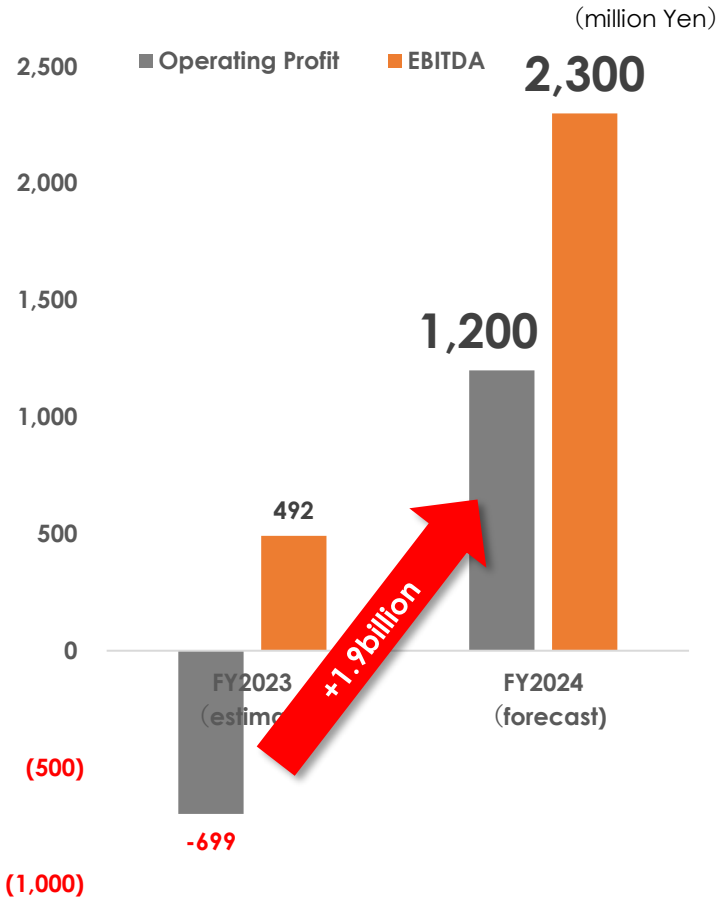
	Solution Business	Media Business
Exsisting Business	**+9billion Yen（+25% YoY）** ● The repeat demand from existing customers of the SI package and the expanding need for U.S. stock support in the information solution business are notable. ● Kabutan is experiencing growth due to an increase in paying subscribers and price revisions.	**+9billion Yen（+16% YoY）** ● Do not incorporate a full recovery of the advertising market into our projections and take into account the impact of cookie-less browsing. ● Active utilization of generated AI, the revitalization of the creator economy, and the proliferation of integrated applications
New Business	**+6billion Yen** ● Commenced offering a new benefit distribution platform utilizing Web3 technology. ● Begun contributing revenue through the provision of asset formation support services for professionals with 'Minkabu Academy' and the MAP (Minkabu Asset Planning) business.	**+25billion Yen** ● Content business is expected to ramp up, anticipating growth in operating revenue from established external large-scale events and related “Oshi-pass” service. ● Mobile, EC, and banking, in the phase of proactive investment in the previous period, are now in the phase of widespread adoption."

Copyright MINKABU THE INFONOID, Inc.

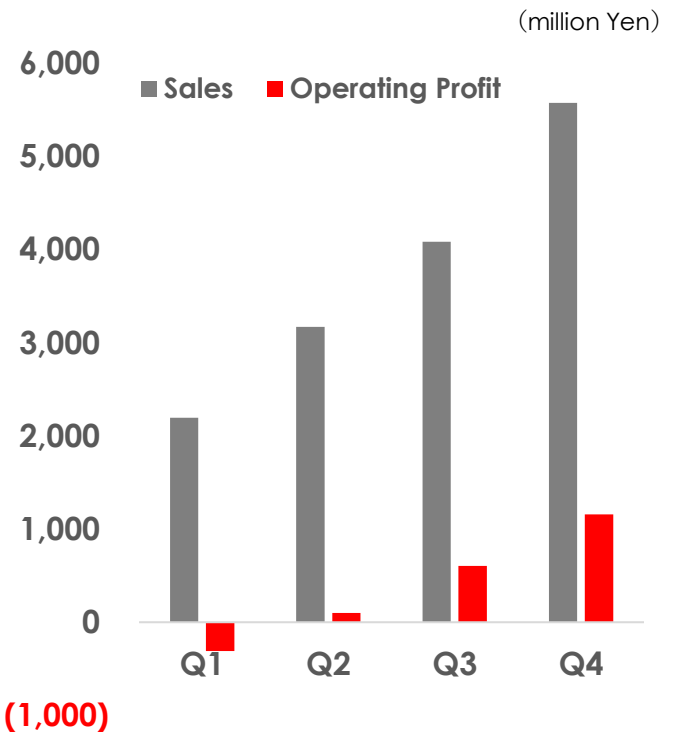
general

While considering the impact of cookie-less browsing and other factors affecting advertising market conditions, as well as investments for medium-term growth, we anticipate a significant profit recovery due to cost control measures and the effects of revenue growth

The trend of operating profit and EBITDA



A quarterly progression image for the fiscal year ending March 25



- Large revenue-generating opportunities from proactive investments for revenue diversification are concentrated in the latter half of the fiscal year, while fixed costs precede in the first half. Consequently, we anticipate a continued deficit until Q1, with profits weighted towards the latter half

The trend of segment-wise operating profit compared to the mid-term plan

(hundred million Yen)

	FY2023 (estimatel)	FY2024 (forecast)	Increase or decrease
Media	-2	13	16
Solution	4	11	7
Consolidation Adjustments	-9	-12	-3
Operationg Profit	-7	12	19
Of which, growth investments	-6	-4	2

※ The figures for each business do not include management fees

- While considering advertising market risks such as those related to cookie-less environments and investment in growth for medium-term expansion, substantial profit increases are anticipated in both segments due to sustained growth in existing operations, cost reduction effects, and the commencement of revenue generation from advanced investment projects

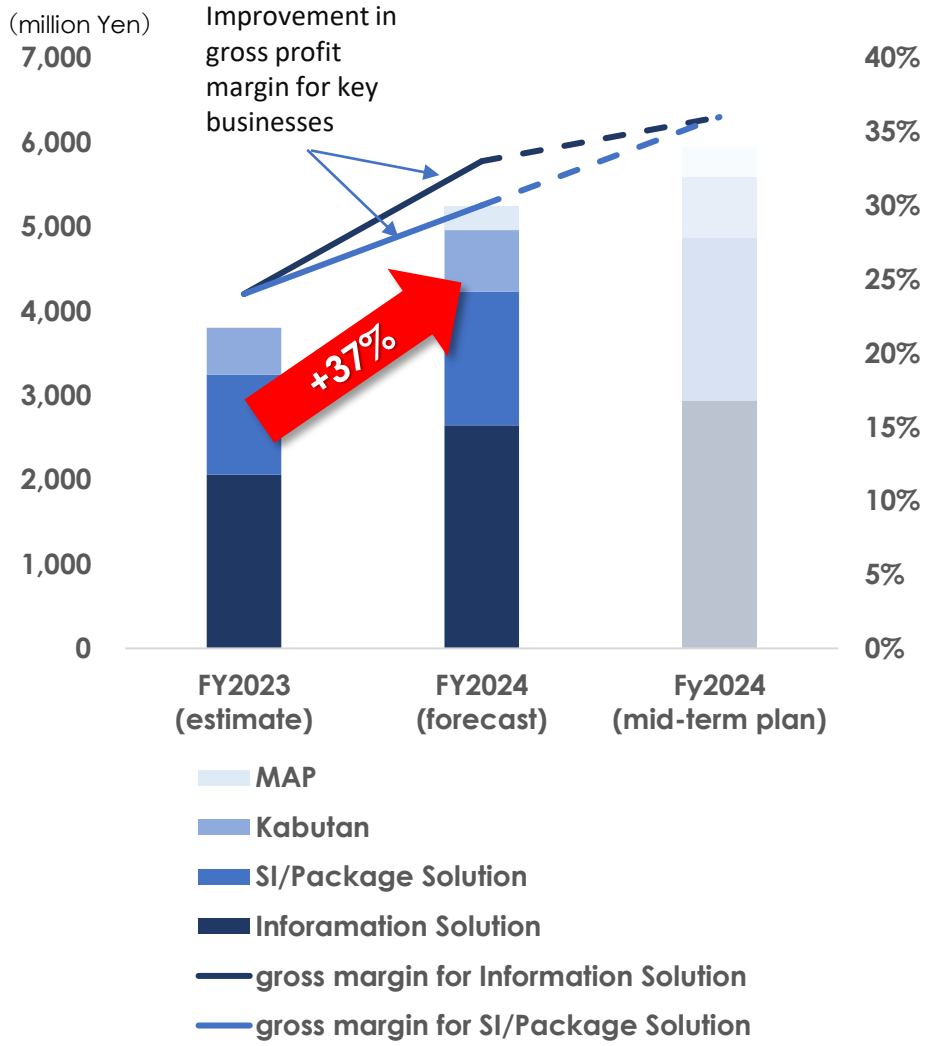
Copyright MINKABU THE INFONOID, Inc.

We anticipate sales growth and improved profitability through the growth of existing businesses and the effectiveness of reassessing our outsourcing management system

(million Yen)

	FY2023 (estimate)	FY2024 (forecast)	Increase or decrease	中期計画 25/3期
Sales	3,783	5,200	37.4%	5,677
Operating Profit	428	1,100	157.0%	1,229

※ The figures for each business do not include management fees



【Summary】
With the growth of existing businesses and resolution of previous challenges, we anticipate catching up to the overall mid-term plan level. Depending on market conditions, achieving the mid-term plan is also within reach.

【Information Solutions】
10% improvement in profit margin due to the recovery of past delayed projects, continuous adaptation to needs, and the beginning of the return on investment for U.S. stock support.

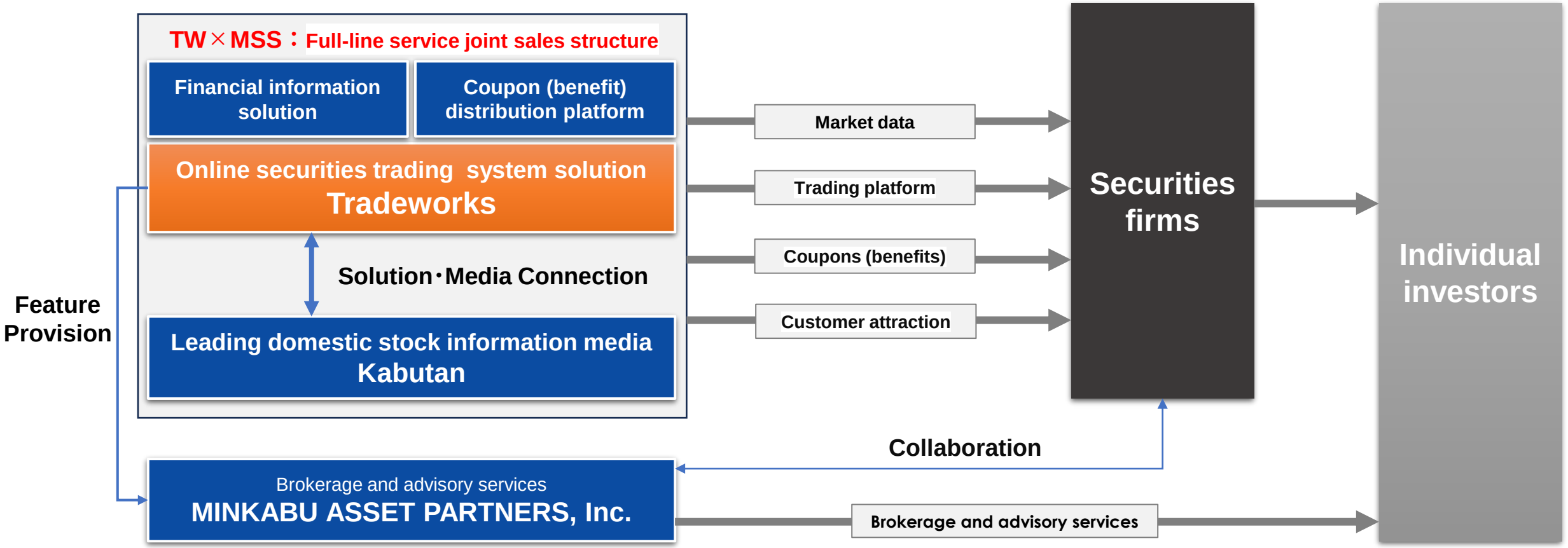
【Packaged Solutions】
5% improvement in profit margin from the acquisition of ongoing projects from the customer base in the banking sector obtained over the past 2 periods and the reassessment of the outsourcing management system. Also expected to begin with the launch of the professional services "Minkabu Academy" and the commencement of services for the coupon distribution platform utilizing Web3 technology.

【Kabutan】
Increased revenue from an increase in “Premium Service” subscribers and price revisions.

【MAP】
Starting an online investment advisory service in collaboration with financial institutions from this fiscal year.

Copyright MINKABU THE INFONOID, Inc.

Business partnership with TRADE WORKS CO.,LTD. aimed at establishing a joint sales structure



- Through the integration of MSS's information solutions and the standard installation of the coupon (benefit) distribution platform on the trading platform owned by TradeWorks (TW), and by connecting with Kabutan, we aim to provide securities firms and individual investors with the best investment environment by establishing a competitive sales structure.
- By acquiring additional shares of TW, we will become the second largest shareholder. Additionally, our vice president is expected to step down at the regular general meeting and assume the position of president at the counterpart company, strengthening the relationship between the two firms

Copyright MINKABU THE INFONOID, Inc.

Demand for U.S. stocks in Japan and for Japanese stocks abroad to drive the growth of information solutions

Domestic Demand for US stock

【As of May 2024, U.S. stock transactions via online channels (excluding CFDs)】 **According to our research*

Out of 39 online trading securities companies, 18 handle U.S. stocks

18 companies dealing with U.S. stocks

Since 2020, a total of 9 comprehensive securities and online securities firms entered the market, of which we acquired 3. Subsequently, with an additional 9 firms entering, we acquired 6, totaling 9 out of 18 firms utilizing our services. Due to the expansion of our services, the acquisition rate has been on an upward trend

Full package implementation: 3 companies
Partial solution implementation: 6 companies
Not implemented: 8 companies

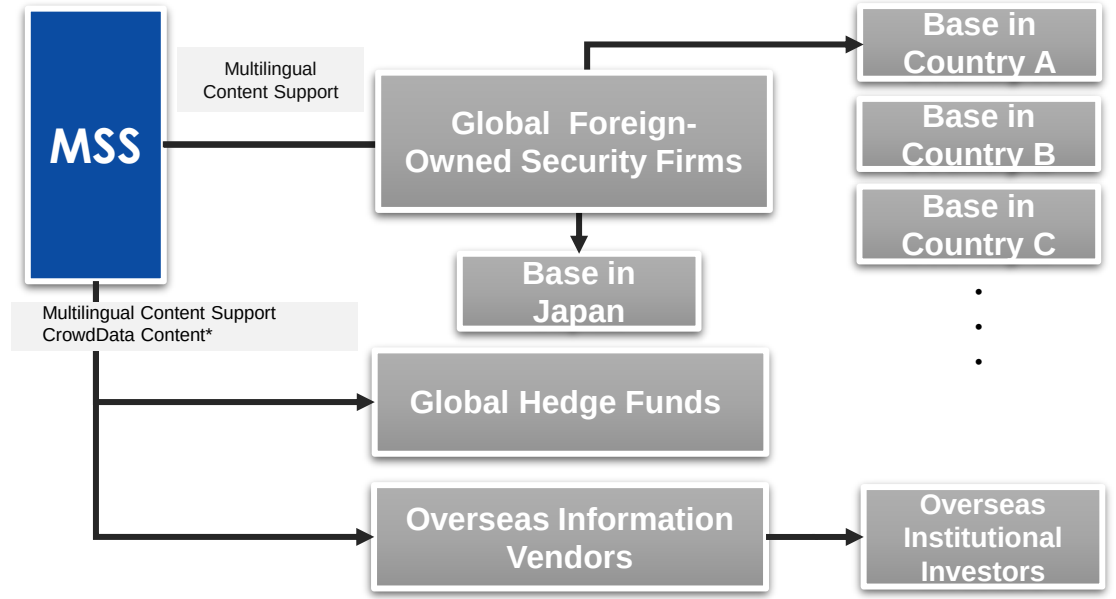
21 companies do not handle U.S. stocks

MSS U.S. stock information solutions
+
TW U.S. stock trading system package

In addition to MSS information solutions, the flexibility to implement the TW U.S. stock trading system package allows for flexible responses to customer system environments

- Demand for US stocks in the domestic market remains high. There are many factors contributing to the expansion of trading, such as NASDAQ's 24-hour trading support. There is a possibility that demand for US stocks will continue to maintain high levels.
- In addition to upselling our US stock solutions to existing clients, there is also ample upside potential through acquiring companies that have not yet adopted our solutions among the securities handling US stocks, as well as conducting sales activities targeting companies not yet handling US stocks in collaboration with TW

Overseas Demand for Japanese Stock

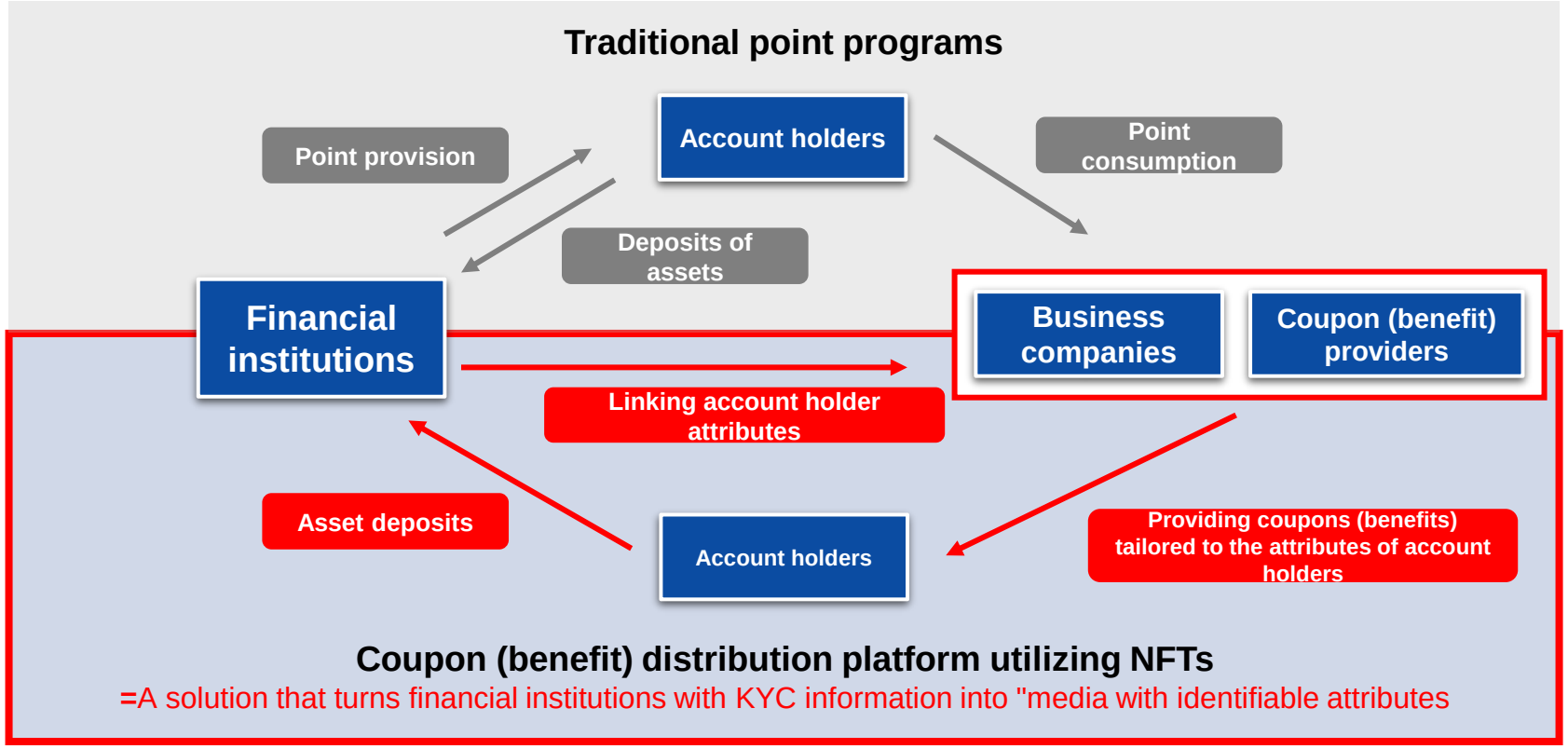


*Aggregated value of user behavior data from our media

- Amidst a rapidly weakening yen and growing global interest in Japanese stocks, several foreign securities companies have launched online trading services in Japan. These companies are considering horizontally deploying their expertise in trading Japanese stocks from their operations in Japan to other locations, with our support.
- In Asia and Western countries, information vendors and overseas hedge funds also show a high level of interest in Japanese stocks, resulting in numerous proposals.

Copyright MINKABU THE INFONOID, Inc.

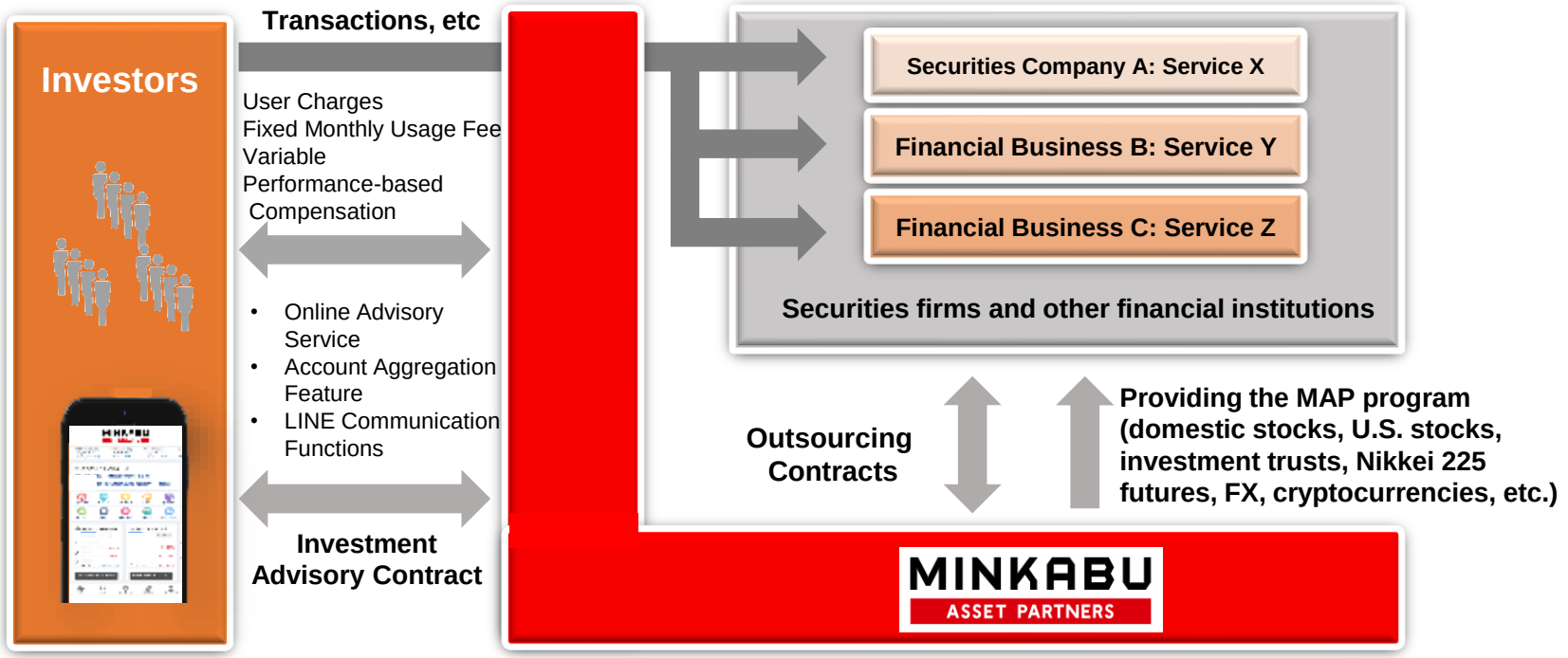
This fall, we will launch a platform that utilizes NFTs to distribute coupons (benefits)



Traditional point programs	NFT Based Coupon(Benefit)Program
Financial institutions mainly provide points **Financial institutions bear the cost = revenue for the business company**	Coupon (benefit) providers offer benefits **Benefit providers bear the cost as promotional expenses = revenue for financial institutions**
What is received is a substitute for cash **Points are distributed equally according to the point distribution rules**	Offering coupons (benefits) aligned with customer attributes **Benefit providers approach their target audience more efficiently than traditional advertising**

Copyright MINKABU THE INFONOID, Inc.

A new business contact point with customer financial institutions that follows media advertising, information provision, and development support has started



- Starting with programs for several major cryptocurrency exchanges that have established API integration infrastructure, with plans to expand sequentially
- Also planning to start operational support for Japanese stock margin trading advice services currently offered by major online securities companies
- A WIN-WIN model that shares performance-based compensation with financial institutions based on investor profits

MINKABU ASSET PARTNERS, Inc. also started operating "Chat BPO," a DX service for call centers of major online securities firms, in April 2024.

Copyright MINKABU THE INFONOID, Inc.

While cautiously observing the recovery of the advertising market conditions, the effects of cost reduction and proactive investments from the previous period are expected to drive revenue expansion

(million Yen)

	FY2023 (estimate)	FY2024 (forecast)	Increase or decrease	中期計画 25/3期
Sales	6,353	10,200	60.5%	8,266
Operating Profit	▲236	1,300	-	1,680

※ The figures for each business do not include management fees

【Summary】

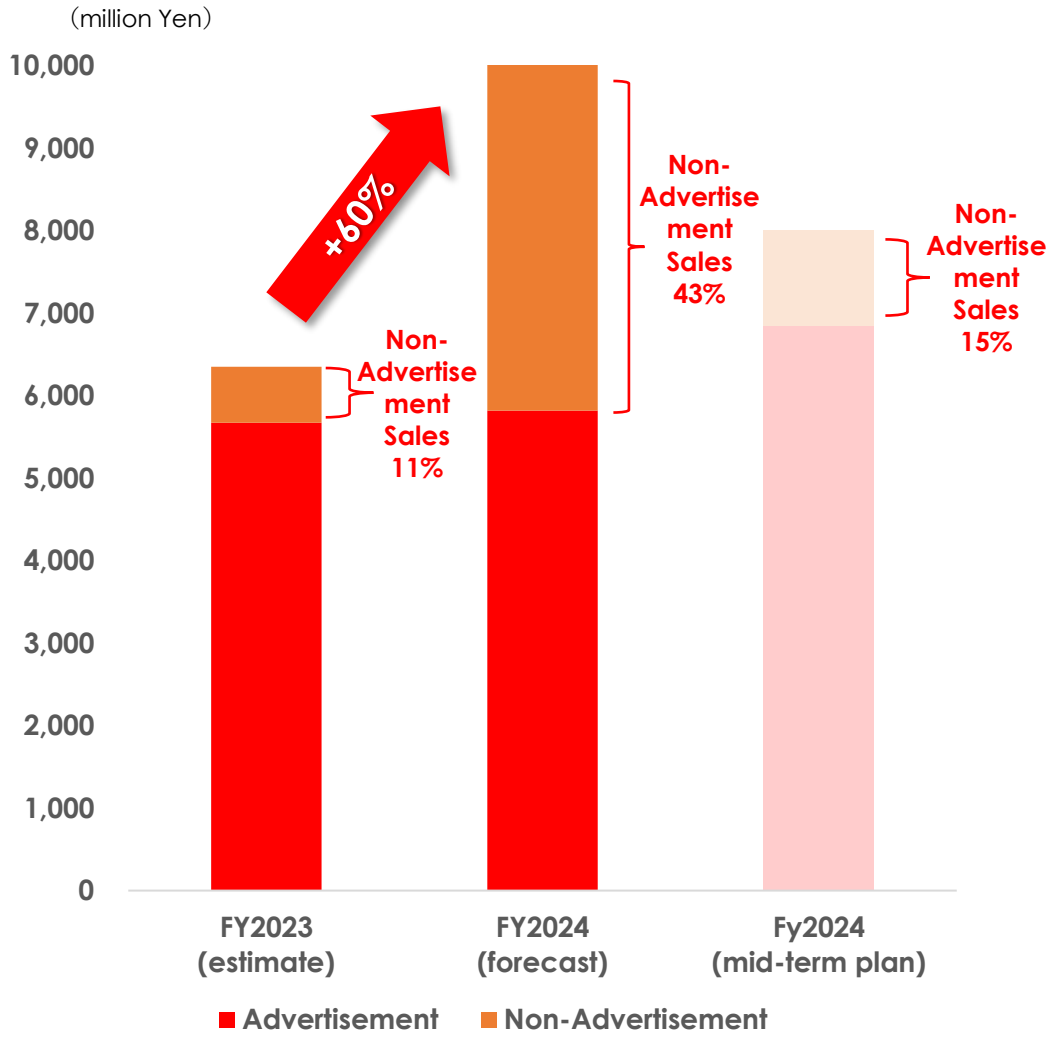
- With the effects of previous investments, revenue is expected to exceed the midterm plan. However, despite not anticipating a recovery in the advertising market conditions and with major events managed by Content Monster, Inc. concentrated in the latter part of the period, the full-scale revenue contribution from new businesses is expected to fall below the midterm plan. Nonetheless, profits in the latter part of the period are expected to catch up to the level of the midterm plan.

【Advertisement Sales】

- The recovery of the advertising market remains uncertain, and while considering the impact of cookie-less browsing, we anticipate increased revenue through the effects of SEO measures, rising advertising prices due to the widespread use of new integrated apps, and increased page views through the utilization of AI-enhanced content.

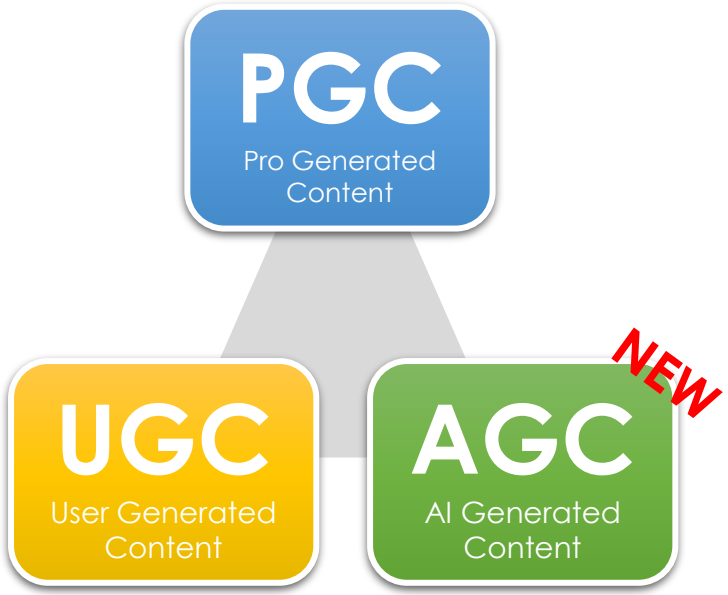
【Non-Advertisement Sales】

- Due to the investments made in the previous period, the proportion of non-advertising revenue is expected to significantly exceed the 15% mark set in the midterm plan, reaching 43%. This indicates a faster-than-expected decline in dependence on advertising.



Copyright MINKABU THE INFONOID, Inc.

Full-scale implementation of AGC using generative AI, achieving both content expansion and operational efficiency



*Excerpt from Q3 Document

Function	Summary
Audio Transcription → ECHOES	Automatically transcribing video content from platforms like YouTube into text and converting it into articles to increase content
Generation of Article Translation	Automatically translating articles from partnered foreign media, enhancing content while improving production efficiency and reducing costs
Post Monitoring System	Reducing operational costs primarily through automated image identification and language analysis for post monitoring
Asset Management Analysis	Providing information optimized for individual investor needs through an automatic recommendation engine and automated generation of analysis reports
Financial Analysis→ AI Summary of Earnings Briefings	Expanding content by automatically generating diverse financial news through language analysis and different approaches like Kabutan

ECHOES livedoor News NEW



A new service will soon start, automatically converting YouTube videos into articles using AI and distributing them via Livedoor News. This allows creators utilizing YouTube and other video content to reach new users beyond their current audience

Summary of Financial Results Report by AI

MINKABU NEW



AI provides key performance changes and evaluation information extracted from earnings briefings in a consistent format. The new feature on "MINKABU" is accessible to users from beginners to experts, offering summaries in an easy-to-understand format with a comment feature, allowing users to quickly grasp the key points of financial results for multiple stocks

Copyright MINKABU THE INFONOID, Inc.

Establish a cross-media monetization engine on an OEM basis, aiming for revenue diversification with low risk and reducing dependency on advertising revenue

livedoor ショッピング

Low-cost operation, high take rate

livedoor Bank

Progress in account acquisition through collaboration with various services

livedoor MOBILE

Low-cost operation and high profitability through the "Oshi Pass"

Total Visitors per month (On a unique user basis)
Approx. 100 million

Total SNS Followers
Approx. 4.8 million

Total LINE Freinds
Approx. 29 million

News	Blogs	News	Entertainment	Asset Formation
livedoor News	livedoor Blog	Peachy	Kstyle	MINKABU

Gourmet	Comparison and Ranking		Asset Formation
livedoor グルメ	livedoor Choice	MINKABU Choice	Kabutan by MINKABU

Sport

SOCCERKING BASKETBALLKING BASEBALLKING 超WORLDサッカー! toto ONE

Copyright MINKABU THE INFONOID, Inc.

Strengthening the Creator Economy and Diversifying Creator Revenue

BEFORE



ADNWModel

AFTER



ADNW



LINE stamps and other IP business



Electronic publication of content



Utilizing creators in partnership advertising

- Over 800 creators, primarily illustrators and manga artists, are part of the Livedoor Blog community. In addition to the existing ADNW advertising revenue distribution model, we promote increased revenue through enhanced value of creators via LINE stamps, intellectual property (IP) utilization, electronic book publishing, and partnership advertising
- Not only targeting the fans of creators, but also leveraging the customer attraction and dissemination power of our group media services including Livedoor News, we aim to enhance profitability

Copyright MINKABU THE INFONOID, Inc.

SEESAW GAME, Inc., acquired as a subsidiary in September 2023, started full-year contribution and generating profits amounting to hundreds of millions of yen

SEESAW GAME

Media Business

SOCCERKING

BASKETBALLKING

BASEBALLKING

超WORLDサッカー!

サッカーくじtotoのNo.1ポータルサイト totoONE

Contracted Projects

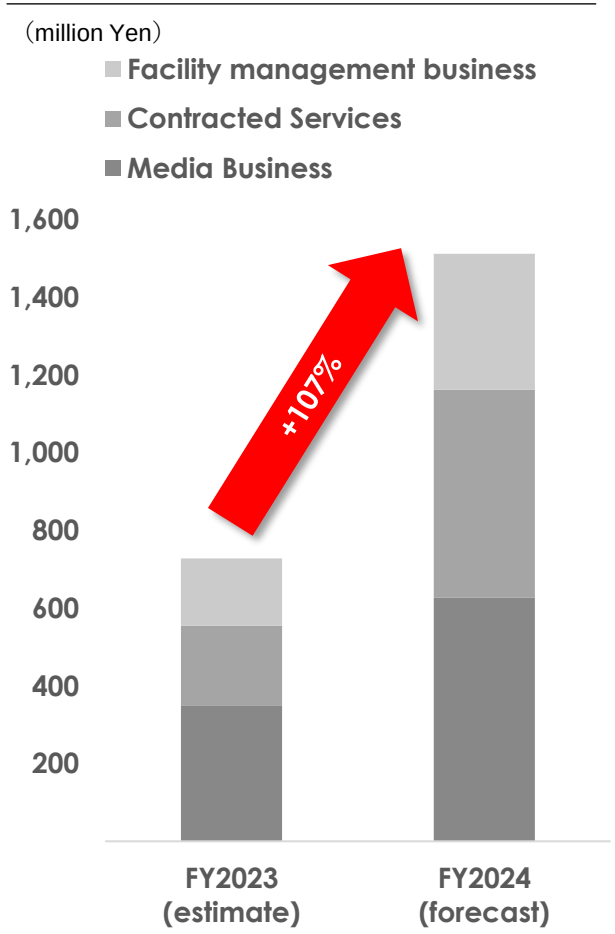


Facility Management Operations

多目的スポーツコート

Sportivo スポルティーヴォ

Sales Transition（including former CWS Brains）



*Consolidation began in October of FY 2024.

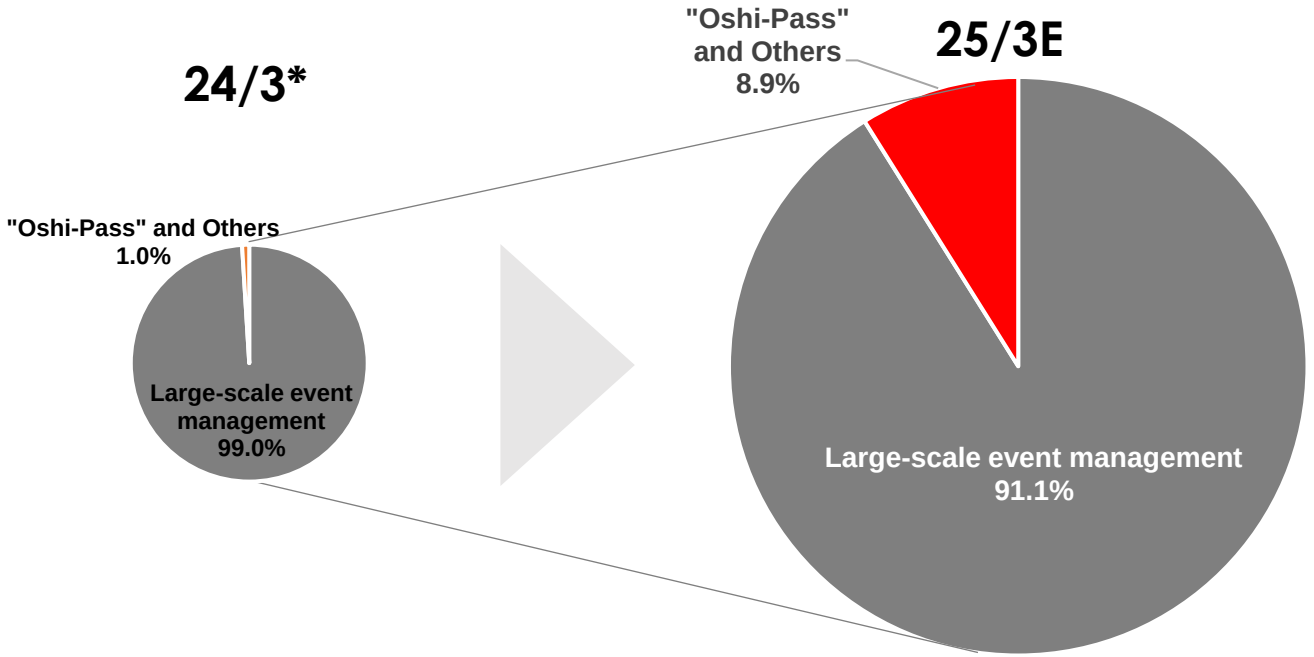
- In addition to full-year contribution, we anticipate more than doubling revenue for FY2025 compared to FY2024 due to organic growth through strengthening the position as a specialist media sutied to the cookie-less era and the effects of Paris-hosted Olympic and Paralympic Games.
- PMI (Post Merger Integration) and group synergy led to a review of the cost of sales and SG＆A, resulting in a forecast of an OP contribution of approximately 100 million yen for the full year.
- New ventures have also been launched, including the athlete support service "Ath-michi," led by Director and CIO Yuki Saito as the project leader, and a new media servie "VOLLEYBALLKING," alongside the start of the SV League.

Copyright MINKABU THE INFONOID, Inc.

To enhance the value of media business assets, Contents Monster, Inc. was established

CONTENTS MONSTER

Transition of Contents Monster's revenue structure



At the previous Kstyle PARTY, we received high praise from the industry. By leveraging Kstyle's media power and reputation, we obtained the rights to host established large-scale external events. This has enabled us to host K-POP events on the largest scale domestically, allowing for scalability. Additionally, we have expanded the benefits of our "Oshi-pass" membership program, contributing to stable revenue growth

Focused Event for FY2025

Kstyle PARTY



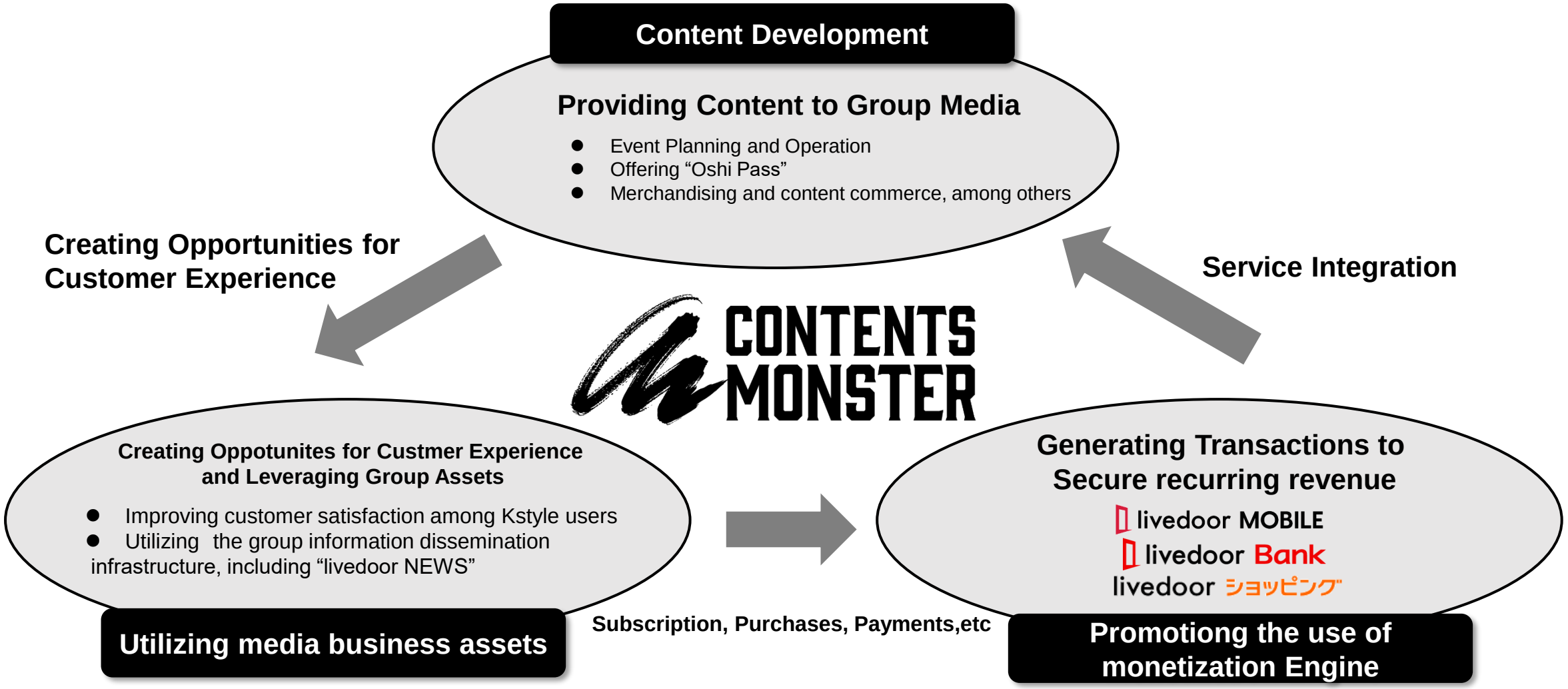
Golden Wave

- In addition to the regular hosting of Kstyle PARTY 2025, the rights to hold Golden Wave in Tokyo 2024 have been secured
- Furthermore, final adjustments are being made to secure the rights to host an even larger K-POP event, the largest of its kind

*For FY2024, it was accounted for as one of the business divisions of MINKABU THE INFONOID, Inc

Copyright MINKABU THE INFONOID, Inc.

Acting as the hub for the creation of various content and services centered around large-scale events, aim to maximize revenue from media business assets

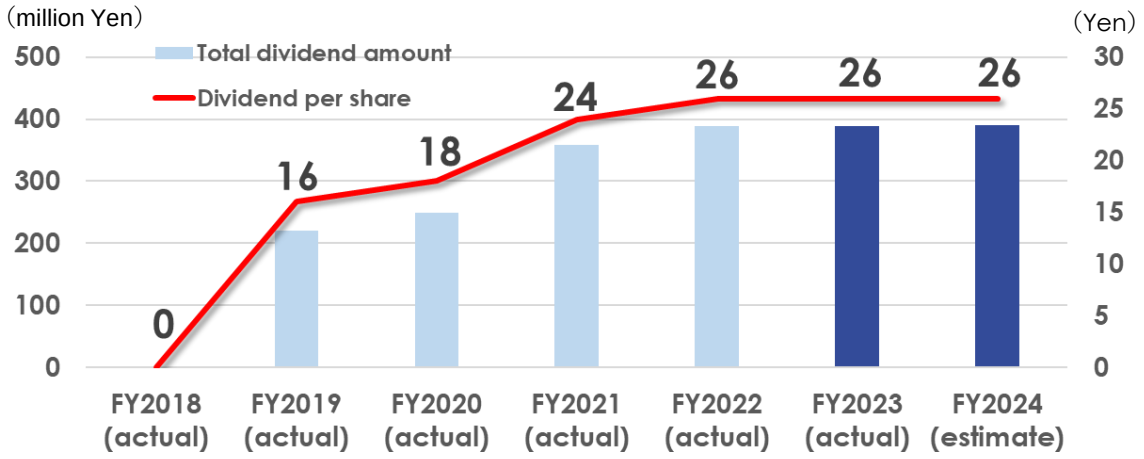


Copyright MINKABU THE INFONOID, Inc.

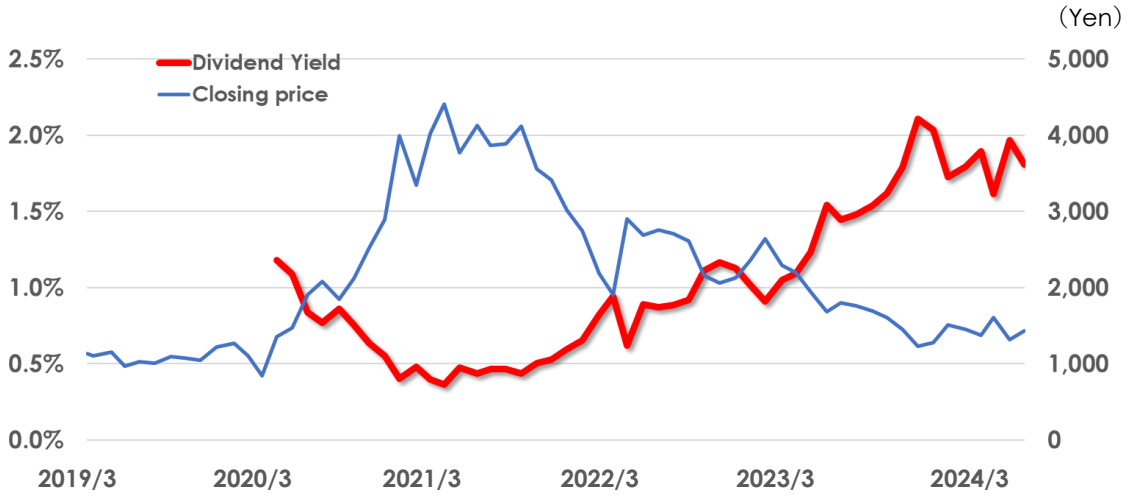
general

We plan to maintain the dividend per share for the fiscal year ending March 24. Any increase in dividends will be considered based on the trend of EBITDA

Transition in total dividends and per-share dividends



Historical stock Price and dividend yield trends since the company's listing



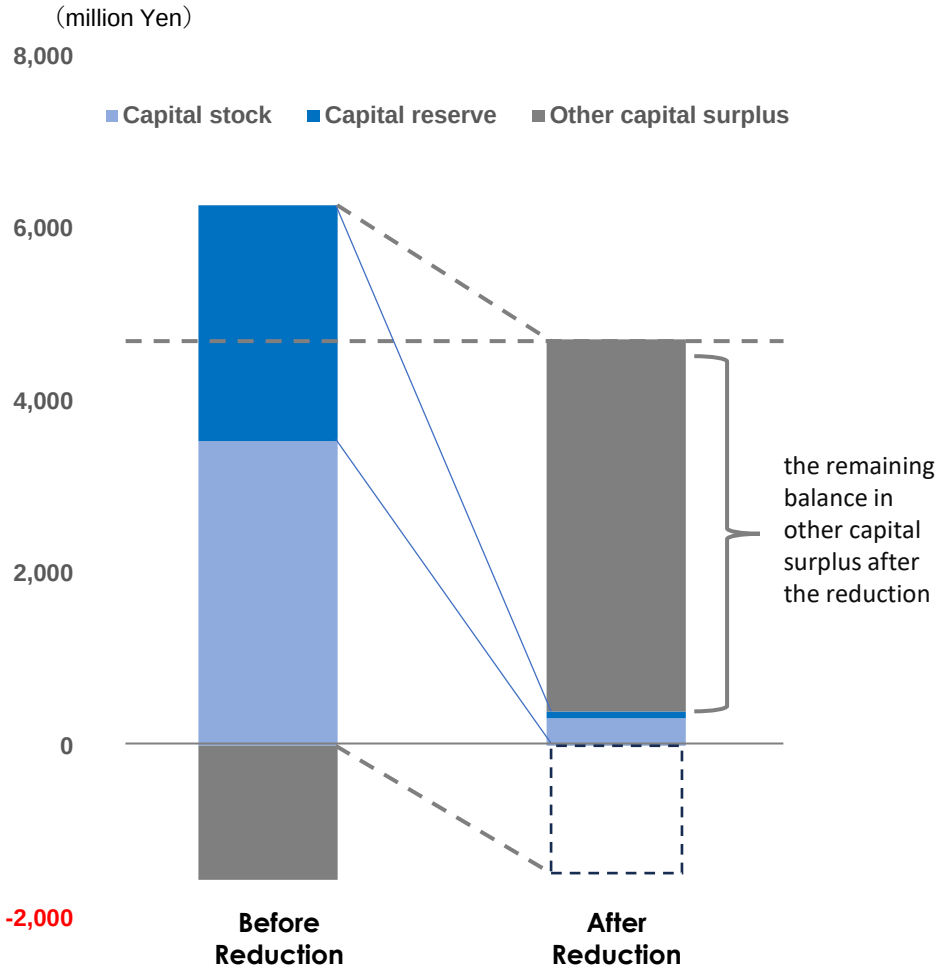
- **In line with our ongoing perception that we are still in a growth phase, we will continue our basic policy of high growth and high returns, prioritizing value enhancement through aggressive growth investments while implementing stable dividends**
- **In line with our commitment to EBITDA as one of the key indicators since our listing, we will consider increasing dividends in the future based on the balance between growth investments, debt repayment, and shareholder returns, depending on the degree of profit recovery**

*Market-specific dividend yield weighted averages: Prime Market 2.01%, Standard Market 2.08%, Growth Market 0.46%, as of April 2024 (Source: Tokyo Stock Exchange)

Copyright MINKABU THE INFONOID, Inc.

To enable a flexible capital policy, a reduction in capital will be implemented

We will reduce capital and capital reserves, transferring them to other capital surplus, in order to ensure flexibility and agility in our capital policy.



- **With the transition to a group business promotion structure in July 23, our company effectively shifted to a holding company structure**
- **In order to ensure flexibility and agility in our future capital policy, we plan to propose a reduction of capital at the regular shareholders' meeting**
- **The transfer of capital and capital reserves in the shareholders' equity section of the balance sheet to other capital surplus is a reclassification process, with no change in the net assets of our company**

※ Please refer to the announcement titled 'Notice of Decrease in Amount of Capital Stock and Capital Reserve' released on May 14, 2024, for the details regarding the above information

※ Regarding this matter, it is scheduled to be presented as an agenda item for the Regular Shareholders' Meeting at the scheduled Board of Directors meeting on May 28, 2024.

Copyright MINKABU THE INFONOID, Inc.

Reviewing our mangement structure

With the resolutions of the annual shareholders' meeting scheduled for June 28, 2024, the following officer structure will be established, and we will strive forward towards achieving our midterm plan

Current	
Makoto Sumida	Director, Chairman of the Borad (Outside)
Ken Uryu	Representative Director, President & CEO/CFO
Masakatsu Saito	Director, Vise President
Naohito Miyamoto	Managing Director
Ryutaro Takada	Director (Part-time)
Noriko Maki	Director (Outside)
Shozo Ishibashi	Director, Audit & Supervisory Committee member (Outside)
Sinnya Hamano	Director, Audit & Supervisory Committee member (Outside)
Sadahiko Yoshimura	Director, Audit & Supervisory Committee member (Outside)

Name	New Role	Status of concurrent positions within the group (including scheduled appointments)	Newly Appointed or Reapointed
Ken Uryu	Representative Director, President & Chairman of the Board	Representative Director, Chairman & CEO of Livedoor, Inc., Representative Director, Chairman &CEO of MINKABU SOLUTION SERVICES, Inc.(scheduled), Representative Director, Chairman & CEO of Contents Monster, Inc.	Reappointed
Naoto Miyamoto	Director (in charge of media business)	Representative Director, President & CEO of Livedoor Inc., Representative Director, President & CEO of SEESAW GAME, Inc.	Reappointed
Junko Yaguchi	Director (in charge of Business Administration and Management)	Director of MINKABU SOLUTION SERVICES, Inc.	Newly appointed
Masayuki Ban	Director (in charge of solution business)	Representative Director, President & COO of MINKABU SOLUTION SERVICES, Inc. (scheduled)	Reappointed
Ryutaro Takada	Director (Part-time director)		
Makoto Sumida	Director (Outside director)		Reappointed
Noriko Maki	Director (Outside director)		Reappointed
Shozo Ishibashi	Director (Audit & Supervisory Committee member, Outside and Independent director)	-	Reappointed
Shinya Hamano	Director (Audit & Supervisory Committee member, Outside and Independent director)	-	Reappointed
Sadahiko Yoshimura	Director (Audit & Supervisory Committee member, Outside and Independent director)	-	Reappointed

※ Regarding this matter, it was tentatively approved at the Nomination Committee meeting held on May 10, 2024, and is scheduled to be submitted as an agenda item for the Regular Shareholders' Meeting at the scheduled Board of Directors meeting on May 28, 2024/

※ Masakatsu Saito, as part of the capital business alliance with TW, is scheduled to assume the position of representative for TW. Therefore, he will retire from his position as an officer of our company upon the expiration of his term at the shareholders' meeting on June 28. However, he will continue to serve as an officer of our subsidiary, MSS

Copyright MINKABU THE INFONOID, Inc.

Whilie OP for FY 2025 is expected to fall below the mid-term plan due to upfront investments prioritized for medium to long-term growth, Sales expansion at a pace exceeding the midterm plan. There is no change to the target set for the final year of the mid-term plan for FY2026

Previous
-Transformation・Rationalization and Creation-
FY2023

- A certain amount of unrealized revenue from existing businesses was offset by revenue diversification strategies, leading to an over 40% increase in sales and a record high revenue
- The acceleration of revenue diversification strategies resulted in unplanned upfront investments, temporarily worsening profits combined with the underachievement of existing businesses
- Cost reductions through PMI and the model change of solutions have successfully built a more muscular business structure than planned

Sales：9.9billion
OP：-700 million

Current
-Realization of Outcome-
FY2024

- In addition to the growth of existing operations, the media business is expected to achieve high revenue growth through the full-year contribution of SSG, the start of contributions from new revenue engines, and the vertical launch of content businesses
- In addition to sustained growth and improved profitability, the solution business have also progressed in diversifying revenue streams
- The proactive investment period for revenue diversification initiatives, which were accelerated, has completed its initial phase, and revenue contributions have commenced. However, since the full-fledged contributions are expected to begin in the latter part of the period, we anticipate catching up to the midterm plan from the latter half.

Sales：15 billion
(midterm plan 14 billion)
OP：1.2 billion
(mid-term ppan 1.8 billion)

Next
-Fruition of Current Plan-
FY2025

- The modernization of media systems and other updates will further accelerate revenue diversification
- Subscription-based solution services will contribute to revenue expansion and improved profitability
- Cross-media revenue diversification strategies will widely permeate various media, realizing substantial revenue contributions. The impact of financial and advertising market conditions will be limited

Sales：over 17billion
OP：3billion

Copyright MINKABU THE INFONOID, Inc.



The information contained in this document, other than historical facts, includes information regarding future prospects. Information about future prospects is based on predictions, expectations, assumptions, plans, evaluations, etc., at the current time, based on information currently available to us, and includes risks and uncertainties. We cannot guarantee that the periodic forecasts, evaluations, and other information used in the description of future prospects are accurate, or that they will turn out as such in the future. The information contained in this document was created on the date stated in this document and reflects our views at that time, and therefore, should be considered in light of the circumstances at that time. Please be aware of this. We are not obligated to periodically update and report the information contained in this document to reflect events that occurred after the date of creation of the information.

Copyright MINKABU THE INFONOID, Inc.