This English translation is for reference purposes only. In the event a difference or inconsistency arises regarding the meaning herein, the original Japanese version shall prevail as the official version.

[To whom it may concern]

August 14, 2025

Company Name: ROXX, Inc.
Representative: Nakajima Taro
Representative Director and Chief Executive Officer
(TSE Growth Code No. 241A)
Contact: Toshiki Takase
Vice President and Chief Administrative Officer
TEL: +813-6777-7070

Notice Regarding Transcript of Q3 Financial Results Briefing for the Fiscal Year Ended September 30, 2025

ROXX, Inc. (the Company) hereby announce the transcript of Q3 Financial Results Briefing for the Fiscal Year Ended September 30, 2025.

Please kindly see attachment for details.

Transcript of Q3 Financial Results Briefing for the Fiscal Year Ended September 30, 2025

As we have reached our scheduled time, we would like to begin.

Welcome to ROXX Inc.'s Q3 financial results briefing for the fiscal year ended September 30, 2025. Thank you for taking time out of your busy schedule to join us today.

Our Representative Director and Chief Executive Officer, Taro Nakajima, and our Vice President and Chief Financial Officer, George Yoshimoto, will provide a detailed explanation of the Q3 financial results for the fiscal year ended September 30, 2025, which were released at 3:30 p.m. today.

Disclaimer

Important Notes

Before we begin the main part of today's event, I would like to share a few reminders.

We kindly ask all participants to remain muted during the presentation.

Zoom's Q&A feature

There will be a Q&A session in the second half of the briefing, and you are welcome to submit your questions using Zoom's Q&A feature.

Representative Director Nakajima will now explain the financial results. Mr. Nakajima, please take it from here.

Table of Contents

Thank you very much for attending our financial results briefing today despite your busy schedule. I am Taro Nakajima, Representative Director of ROXX Inc.

Today, I will first explain our business, followed by our FY2025 full-year forecast, Q3 results and future growth strategy.

I appreciate your kind attention, and I hope you will stay with us until the end.

Today's Presenter

Let me begin with a brief self-introduction.

ROXX was established in 2013 when I was still in college, and we are currently in our 12th year of operation. Before starting my own business, I was pursuing a career as a musician in a band. However, I wasn't as successful as I had hoped and was facing difficulties. During my third year of college, I had the opportunity to hear entrepreneurs speak in a lecture. Looking back now, more than half of those entrepreneurs had taken their companies public, and that moment was a turning point for me. I realized that I wanted to make a big impact, not through music, but through business. So, I gathered my classmates and started a company, which eventually became the foundation of our current business.

I'd like to talk about the early days of our company. We started by finding jobs for close friends. After that, we struggled for a long time and our business underwent several transformations. Through trial and error, we discovered a key growth area: a job search platform primarily for people with annual income in the range of 2 million yen. We have since grown significantly in this area over the past six years.

Financial Results Highlights

Financial Results Highlights

Now I will move on to the results for Q3 of the fiscal year ending September 30, 2025 ("FY9/2025" or the "current fiscal year").
First, regarding the full-year forecast for the current fiscal year, as we had touched on briefly in the last financial results presentation, we are revising downward our forecast for sales and operating loss. Meanwhile, following the transfer of the back check business, net loss has been revised upward, and efforts are focused on strengthening the financial base to enable further growth investments from the next fiscal year onward.
For Q3, we have achieved record-high sales as well as a return to profitability on a quarterly basis. The factors contributing to this include the success of relocation and team expansion, which led to performance revenue recovering to about 75% growth year on year, and progress in sound unit economics.
As part of our future growth strategy, we will transfer the back check business to ensure the stability of our financial base and make strategic investments in the Z Career business to build a foundation that allows us to maintain high growth.

FY2025 Full-year Forecast

Summary of FY2025 Full-year Forecast

I would like to once again explain the full-year forecast for FY9/2025.

First, we will revise sales and operating loss downward to approximately 4,520 million yen and 742 million yen, respectively.
The biggest factor is the decline in productivity accompanying the relocation and team expansion, which began in October last year. In particular, productivity in the first half was lower than expected, leading us to conclude that we would not reach the previous forecast, which had assumed significant growth in the second half.
On the other hand, productivity recovered in Q3, and the company achieved profit on a quarterly basis. While partially offsetting RPO (recruitment process outsourcing), we will focus on further improving productivity and strengthening the organization to achieve sustainable growth in matching through in-house agents.
Next, net profit will be revised upward to approximately 1,100 million yen.
By transferring the back check business, which was outside our focus area, we will achieve financial soundness and expect to use the proceeds as funding for investment in the Z Career business from the next fiscal year onward.

Q3 FY9/2025 Results

Summary of Q2 FY9/2025 Results

Here is a summary of the results for the third quarter alone.
Net sales increased 41.8% year on year to approximately 1,295 million yen due to the success of relocation and team expansion measures, as well as the seasonality of the increase in new hires in April.
Gross profit increased approximately 41.6% year on year to approximately 1,113 million yen, and the gross profit margin recovered to approximately 85.9%. This was partly due to the impact of temporarily transferring the personnel costs of engineers in the back check business to SG&A expenses, but even excluding this effect, the margin is about 84%, which we understand to be back to our target level.
Operating profit and loss turned from an operating loss of about 72 million yen year on year to an operating profit of about 40 million yen as quarterly profitability was achieved.

Financials – Quarterly

Looking at business results, net sales for Q3 achieved a progress rate of about 72% toward the revised full-year forecast. This compares to Q3 progress of approximately 70% and 71% in the previous fiscal year and the fiscal year before the previous fiscal year, respectively.
As I mentioned earlier, operating profit and loss have returned to profitability on a quarterly basis.

Sales – Quarterly

Next, we will look at sales.
Looking into the percentage of sales by segment, Z Career performance revenue, as shown in dark purple, increased by 69.2%, or roughly 70%, year on year. This revenue is the total of commissions paid by hiring companies through our company, recruiting administration fees from partner recruitment agencies, and other commissions. It also includes approximately 89 million yen for Q3 from the Z Career AI Interviewer service we provide to hiring companies via the Z Career Platform.
Recurring revenue from platform fees paid by partner recruitment agencies, in the middle segment, rose by about 1.3% year on year. Although Q2 saw sluggish growth in services for sending job seekers to partner recruitment agencies, with a year-on-year decline of approximately 5.9%, there was no significant change in demand itself, which is expected to be eliminated in the future.

GMV and Take Rate – Quarterly

As for the GMV and take rate, at the company, we refer to the total amount of placement commissions and fees received from hiring companies upon successful placement as GMV.
The bar graph shows GMV from the in-house agents, indicated in dark purple, and GMV from the partner agents, indicated in light purple.
The yellow line graph on the slide shows the take rate. The take rate from the in-house agents is 100%, meaning the entire average commission & fee per placement of approximately 610 thousand yen is recorded as revenue for the company. On the other hand, in the case of sales from a partner agent, the take rate is about 17% of the average commission & fee per placement of approximately 610 thousand yen. So, our net sales are about 100 thousand yen.
In other words, the greater the number of placements through the in-house agents, the higher the take rate. In Q3, the pace of increase in placements through in-house agents increased, resulting in a reversal of the take rate to approximately 49.7%.
This includes revenue from the Z Career AI Interviewer & Recruitment Process Outsourcing we provide to hiring companies via the Z Career Platform, but even excluding this one-time revenue, the take rate has recovered significantly to approximately 41.3%.

GMV – Key Profit Indicators

As for key profit indicators, the number of job seekers registered was approximately 510 thousand, an increase of approximately 43.3% year on year. This figure represents

the number of job seekers who were acquired as customers and then registered on the platform after confirming their intention to change jobs.
Since the commission & fee per placement is disclosed once a year, there are no updates. However, the current trend is at the same level.

Gross Profit – Quarterly

This chart shows gross profit.
We operate in the form of a recruitment platform, and as I mentioned earlier, in addition to ROXX, we have approximately 400 other recruitment agencies engaged in recruitment matching through our platform. From each partner recruitment agency, we receive approximately 220 thousand yen per month as a monthly usage fee, and also receive approximately 100 thousand yen per placement. Most of these sales are generated without depending on resources that give rise to fixed costs. So, this is a business model with a very low-cost ratio.
Gross profit margin for Q3 has recovered to approximately 85.9%, in line with guidance of around 80%. In the back check business, due to the temporary implementation of R&D aimed at developing new products, only the portion of personnel costs of engineers that is attributable to R&D, which was previously recorded in cost of sales, has been recorded in SG&A expenses. Excluding this impact, the gross profit margin has recovered to about 84.9% and is expected to remain around 80% in the future.

Selling, General and Administrative – Quarterly

This chart shows SG&A expenses.
In addition to net sales growth, progress was made in optimizing SG&A expenses, as they were improved by 10.6 percentage points year on year.
Accordingly, structural improvements have reached a point where profitability can be maintained even while allocating expenses to growth investments, primarily in advertising & promotion costs.

Number of Employees and Breakdown by Segment

Lastly, this chart shows the number of employees.
New graduate hires are steadily becoming valuable contributors, and the number of employees in Q3 was 359, an increase of approximately 25.1%, year on year. Overall, hiring is progressing as planned.
Going forward, we intend to expand our organization while carefully achieving a balance between mid-career and new graduate hires.

Reflection

From here, I will explain our reflection of the structural change.

Reflection Overview

This is an overall review of Q3. Updating the slide from Q2.

Productivity in the first half of FY25 fell short of expectations. Reasons for this is the drop in hearing meeting rate and the overall placement rate due to the structural change.

As of Q3, hearing meeting rate and the overall placement rate has recovered above the initial level before the structural change. No new issue has arisen.

Reference: Operation

First, I will explain the implementation rate of job seeker interviews. Before the division of labor, career advisors who registered job seekers with Z Career would conduct interviews themselves, so this issue did not arise. However, after the division of labor, inside sales will coordinate interview dates between job seekers and field sales. In some cases, this led to issues such as field sales being unavailable, requiring rescheduling of interviews at a later date.

As a result, interviews with field sales could not be conducted, and job seekers were unable to answer phone calls, leading to a significant decline in the interview implementation rate. However, the introduction of a system to immediately transfer first-time interviewees has resulted in an improvement of approximately 7.7% from the previous quarter. Going forward, we plan to further improve the organizational structure by incorporating inside sales and field sales into the same organization.

Additionally, we had estimated that each field sales would be able to handle approximately twice as many interviews as before the division of labor, but in reality, the density and quality of support provided for each case decreased, and the placement rate from job seeker registrations also declined. However, by redefining the optimal number of interviews, this rate has been improved by about 7.2% compared to the previous quarter.
Because the implementation rate of job seeker interviews is the front-end portion of the overall process, it serves as a leading indicator for the placement rate from job seeker registrations, which is a productivity indicator for the overall process.

Repost: Environment

This slide shows the market and competitive environment.

The effective job opening ratio for the non-desk worker segment remains high, and the rate of job offers received from hiring companies since the start of our selection process has remained stable over the past year. Therefore, we do not anticipate any significant changes in the market environment at this point.

In addition, in the competitive environment, there were some cases where the entry of competitors was rumored at the time of the IPO, but no significant changes were observed in terms of acquiring job seekers, demand from hiring companies, or competition with other recruitment agencies during the selection process for job seekers.

Future Growth Strategy

From here, I will explain our future growth strategy.

Business Overview of back check

First, here is an business overview of back check
The back check service is an online, end-to-end compliance check and reference check survey service created when ROXX was scaling and struggling with mismatches in its own hiring, in order to address those mismatches.
Although the business has grown significantly, its target differs greatly from that of the Z Career business, which provides recruitment support for the non-desk worker segment, and the service is targeted at the top annual income bracket of white-collar workers; thus, business synergies are limited.

Overview and Purpose of the Business Transfer

Next is an overview of the business transfer announced today and its purpose.
As I mentioned earlier, given the diminished synergy with our mainstay Z Career business, and with the aim of improving operating profit margins while keeping a high growth rate in view, we believe that the best approach for ROXX is to concentrate management resources on the Z Career business, which is also our founding business.
Accordingly, we have agreed to transfer the back check business for approximately 1,950 million yen to en Japan, the provider of the competing service ASHIATO, believing that entrusting it to the best owner who can invest more aggressively in the business will lead to growth opportunities and maximization of value.

This transfer is expected to generate extraordinary income of approximately 1,948 million yen in Q4.

Purpose 1: Improve of capital Structure

The first purpose in the transfer of the back check business is to improve capital structure.
In Q2, net assets decreased to approximately 103 million yen, and the equity-to-asset ratio decreased to approximately 3.9%. However, by using a simplified calculation, adding the extraordinary income from the transfer to the semi-annual balance sheet as of September 30, 2025, the projected balance sheet for Q4 would show net assets recovering to around 2,051 million yen and the equity-to-asset ratio to a level close to 44.8%.
This will increase the stability of our financial base, and as I will explain later, this will not only enable growth investment in Z Career, leveraging that base, but is also expected to provide benefits in areas such as the amounts, interest rates, and other terms when raising funds from financial institutions.

Purpose 2: Secure investment capacity

The second purpose in the transfer of the back check business is to secure investment capacity.
This is a visualization of the growth drivers in the Z Career business. Because we are a matching platform, our business is simple — how can we help as many job seekers as possible while lowering the cost of attracting job seekers and increasing the commission & fee?
With the external environment including the market and the competition, acting as a tailwind, and despite struggling with declining productivity in Q2 in our internal environment, productivity has now bottomed out and is improving to a higher level. We intend to invest more aggressively to increase the number of employees, the number of successful placements per employee, and the commission & fee, which are also our growth drivers.

Reference: Recent Topics 1/3

First, is the Z Career Resume.
In an aim to expand job seeker acquisition channels, we launched Z Career Resume, which allows potential job seekers to complete the entire process from resume creation to printing at a convenience store just with a smartphone.
About 70% of our job seekers do not own a computer, which can be a challenge when conducting a job search, and we hope to lower the barrier as much as possible.

Reference: Recent Topics 2/3

Next, I would like to discuss the Z Career AI Interviewer. By introducing the Z Career AI Interviewer as an alternative to the traditional interviewing process for employers, the following benefits will be available to each party.
(1) Hiring companies: Improvement in the placement rate and decrease in withdrawal rate
(2) Job seekers: 24 hours a day, 365 days a year
(3) Partner recruitment agencies/ROXXX: shortened screening period.

Reference: Recent Topics 3/3

Lastly is the track record of career changes using Z Career.
There are examples such as that of someone who was a fisherman that owned no suit and could not engage in job-hunting because their work was affected by the weather, but who was able to change careers into construction management despite having no experience, thanks to the 24 hours a day, 365 days a year availability of Z Career AI Interviewer.

This is the end of the Q3 of FY2025 financial results briefing for ROXX, Inc. Thank you very much for your participation.

Appendix