Confidence Interworks

2nd Quarter of the Fiscal Year Ending March 2027 (FY2027)

Financial Results Briefing Material



“Kabushiki Kaisha Confidence Interworks”
(English name: “Interworks Confidence Inc.”)

Securities code：7374

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Executive Summary

Executive Summary | Summary of FY2027 (Q2) and Our Assessment of the Current Situation

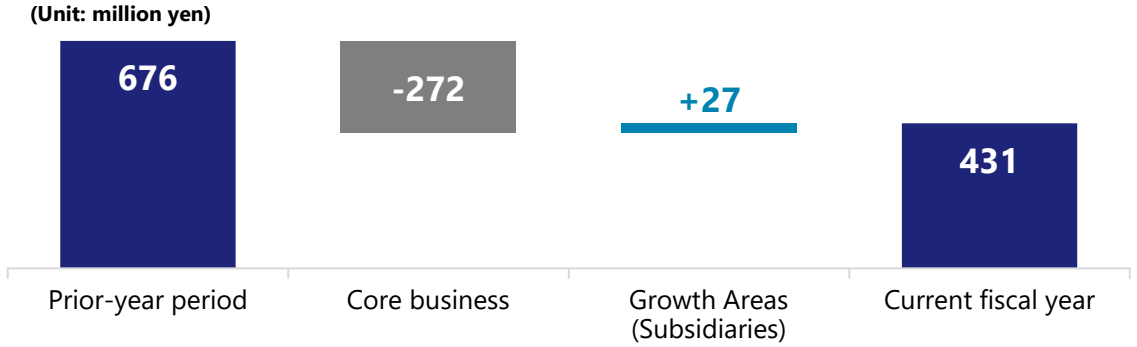
Growth areas contributed to profit even after absorbing upfront investment, while restoring core business profitability remains our top priority

Revenue
5,126 million yen **+8.7% YoY**
Achieved record-high first-half revenue since establishment
Progress rate against first-half forecast: 96.5%

Operating profit
431 million yen **-36.3% YoY**
Operating profit decreased by 245 million yen YoY. Came in below the first-half forecast (545 million yen) (progress rate against first-half forecast: 79.2%)

Number of utilized persons
(total of staffing, freelancer matching, and outsourcing)
1,112 persons **+103 persons YoY**
Driven by growth areas; gaming industry numbers remained flat

Operating Profit Increase/Decrease | Growth Areas Contributed +27 Million Yen to Operating Profit



Breakdown of the 272 million yen decline for core business (gross profit: -229 million yen; SG&A expenses: -43 million yen)

- **Staffing and Outsourcing Business: -73 million yen** due to a decrease in the average number of utilized persons and gross profit margin
- **Recruitment and Recruitment Support Business: -102 million yen** due to a decrease in orders received in the second half of the previous fiscal year
- **Media & Solutions Business: -53 million yen** due to a decrease in advertisement budgets from major clients amid the situation in the Middle East

Revenue Growth | M&A and Growth Areas Offset Revenue Declines from Core Businesses

Revenue growth of **+679 million yen** in growth areas (subsidiaries) (of which, the inclusion of BRAISE and G's Corporation from the beginning of the fiscal year (Q1) accounted for +410 million yen) offset the 269 million yen revenue decline in core businesses, resulting in **a revenue increase of 410 million yen**.

Utilized Persons | Growth Areas Drive Performance

Let's i, BRAISE, and G's Corporation added **73 persons**. Gaming industry numbers remained flat; the combined total for staffing and Confidence Pro Inc. bottomed out but fell short of expectations. The expanded base of utilized persons forms a recurring revenue base for future growth.

Looking Ahead | Achieving Both Restoration of Profitability and Growth Area Expansion

- **Signs of recovery:** value of contracts closed per consultant in Recruitment up 3.2% vs. the previous fiscal year's average; number of trading clients in the Media & Solutions Business up YoY; SG&A expenses down 23 million yen QoQ
- **The full-year forecast (Revenue of 11,500 million yen and Operating profit of 1,460 million yen) remains unchanged at this point.**
  The second half will include six months of results from flaggs.

Executive Summary | A Review of M&A and Progress in Growth Strategy

Steady implementation of our growth strategy, “Narrowly, Deeply, and Widely,” toward completing an end-to-end structure in the gaming industry

Implementation Achievements | Six M&A Transactions (five acquisitions and one divestiture)*2 and New Businesses since Listing

Date	Type	Initiative	Results
Apr. 2023	New Business	Confidence Pro Inc. established	Continued expansion of utilized persons Revenue +49.2% YoY
Aug. 2023	M&A	Merge by absorption of Interworks, Inc.	ROIC 17.2%*1
Feb. 2024	M&A	Acquired Protagonist Inc.	Turned profitable
Apr. 2025	M&A	Acquired Let’s i	Utilized Persons: Increased from 59 to 116 (nearly double)
Jul. 2025	M&A	Acquired BRAISE and G’s Corporation	ROIC 38.0%*1
Oct. 2026	**M&A**	**Acquired flaggs Inc.**	**Acquired game development and operations capabilities**

*1 Based on actual results from the execution of the M&A through September 2026, as calculated by the Company
*2 Dolphin (Divested in Dec. 2024): “Selection and Concentration” based on alignment with our growth strategy We remain committed to disciplined portfolio management, ensuring that acquisitions do not end with the purchase.

◆ Repeatable PMI Model

Deploy our ability to attract job seekers and our sales capabilities **to build up utilized persons, starting with staffing**.

Deploy a full range of services, including staffing, freelancers, recruitment, and RPO, and expand our growth in highly specialized fields into new areas.

Value Chain in the Gaming Industry

Customer Acquisition
Acquisition through Media

►

Matching
Staffing
Freelance
Recruitment

►

Outsourcing
Outsourcing
Video production
RPO

►

Creation
In-house developed IP (flaggs)

NEW: Became a consolidated subsidiary on Oct. 1, 2026

What flaggs joining the Group will enable

- **A shift toward comprehensive proposals** that combine development outsourcing, team staffing, recruitment process outsourcing (RPO), video production, and more. This will allow us to cultivate customer relationships more deeply across the Group.
- **Leading to improved transaction value per client (LTV) and operating profit margins.**
- We will provide our customer and talent networks to flaggs to secure development talent and expand order opportunities.
- We will also expand career options for current creators, thereby enhancing hiring capabilities and retention rates.

Toward Revenue of 20 Billion Yen and Operating Profit of 3 Billion Yen in FY2030

Underpinned by the financial foundations of 4.22 billion yen in net cash, an 83.5% equity ratio, and no external borrowings, we will create second and third business pillars through dynamic M&A activities.

02

Company Overview | Consolidated Financial Results and Segment Results

Company Overview | Composition of Revenue

Composition of Revenue by Segment for the Group | Services Offered by Each Company

Composition of revenue



- HR Solution Business (Staffing and Outsourcing)
- HR Solution Business (Recruitment and Recruitment Support)
- Media & Solutions Business

HR Solution Business (Staffing and Outsourcing) 69.5%

Interworks Confidence Inc.
Staffing business and outsourcing for the gaming and entertainment industries

Confidence Pro Inc.
Freelancer matching business for the gaming and entertainment industries

Let's i, Inc.
Specialized staffing and recruitment business for the web and creative industries
Web advertising operation services

BRAISE, Inc.
Video planning and production for TV programs, production staffing business, post-production, digitization work, and video production equipment rental business

G's Corporation, Inc.
Video planning and production for TV programs, corporate promotional videos, etc.; web video content production; and event planning and operation businesses

flaggs Inc.
Game planning, development, and operations business
Became a consolidated subsidiary on Oct. 1, 2026

HR Solution Business (Recruitment and Recruitment Support) 17.9%

i-Clutch Inc.
Recruitment business for middle- and high-class professionals
Recruitment outsourcing business
Succeeded through company split in Oct. 2026

Protagonist Inc.
HR business focused on cutting-edge sectors such as AI and deep tech

Media & Solutions Business 12.6%

Interworks Inc.
Media & Solutions Business specializing in manufacturing and factories
Succeeded through company split in Oct. 2026

Financial Highlights of Q2 FY2027

FY2027 (Q2 actual results)

Increased revenue for the first half of FY2027 due to the inclusion of six months of financial results from subsidiaries acquired since Q2 of FY2026.

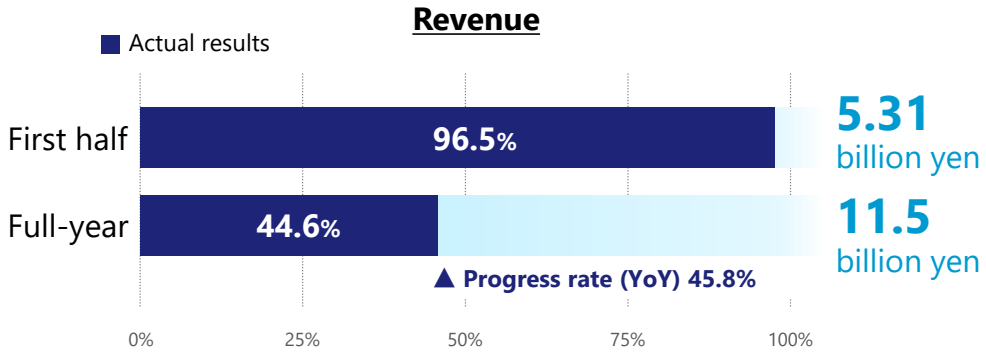
Meanwhile, gross profit from existing businesses remained weak, and the profit contribution from growth areas was insufficient to offset it, resulting in a decline in operating profit.

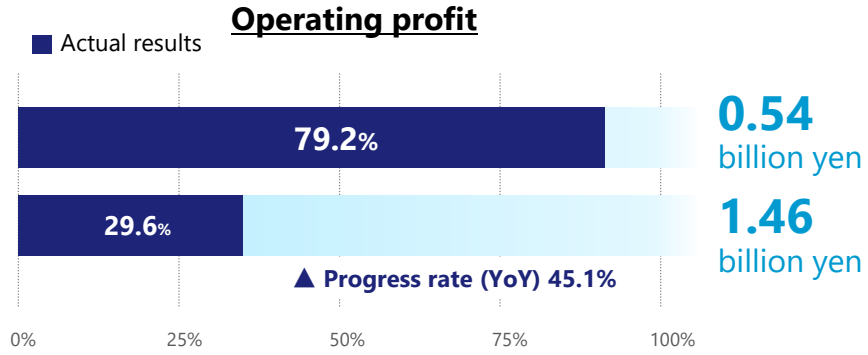
- Revenue : **5,126** million yen (**+8.7%** YoY)
- Gross profit : **2,165** million yen (**-3.2%** YoY) | Gross profit margin : **42.2**% (**-5.2** pts YoY)
- Operating profit : **431** million yen (**-36.3%** YoY) | Operating profit margin : **8.4**% (**-6.0** pts YoY)

FY2027 (Q2 progress rate)

Existing businesses remained weak, and both revenue and operating profit fell short of the first-half forecasts.

Regarding the progress rate against the full-year forecasts, revenue stands at 44.6% and operating profit at 29.6%.





Shareholder returns

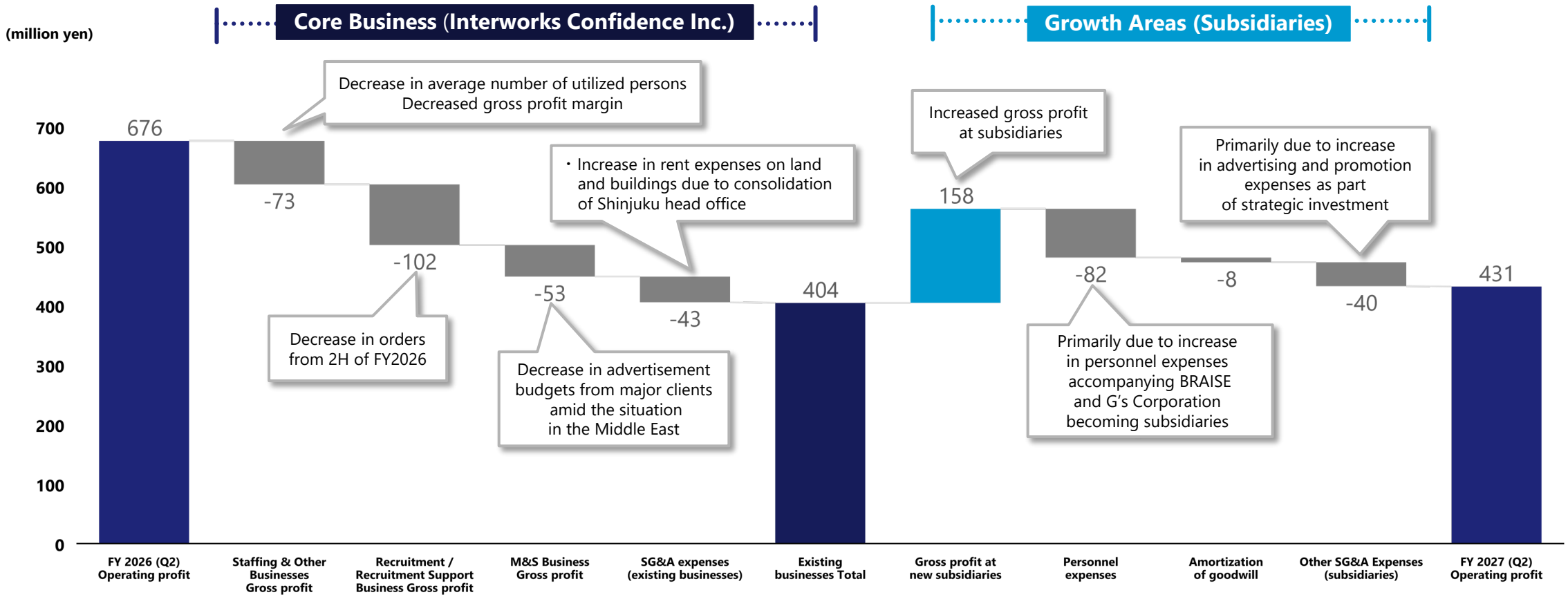
The interim dividend for FY2027 has been set at 40 yen, an increase of 5 yen from the interim dividend for the previous fiscal year. Dividends have been continuously increased since listing.

- Payout ratio : **58.4**% → **56.8**% (**-1.6** pts YoY)
- Dividend yield : **5.8**% *1 Assumed share price of 1,464 yen (closing price on October 30, 2026) for dividend yield calculation

[Consolidated | Cumulative]
Financial Highlights of Q2 FY2027 (Analysis of Increase/Decrease in Operating Profit)

- The primary causes for a decrease in operating profit are as follows.
- The increase in profits from growth areas was insufficient to offset the decline in gross profit of core business (staffing, recruitment and recruitment support, and M&S), making the restoration of core business profitability in the second half and beyond a top priority.

Factor Analysis of Operating Profit



[Consolidated | Cumulative] Financial Highlights of Q2 FY2027 (per Segment)

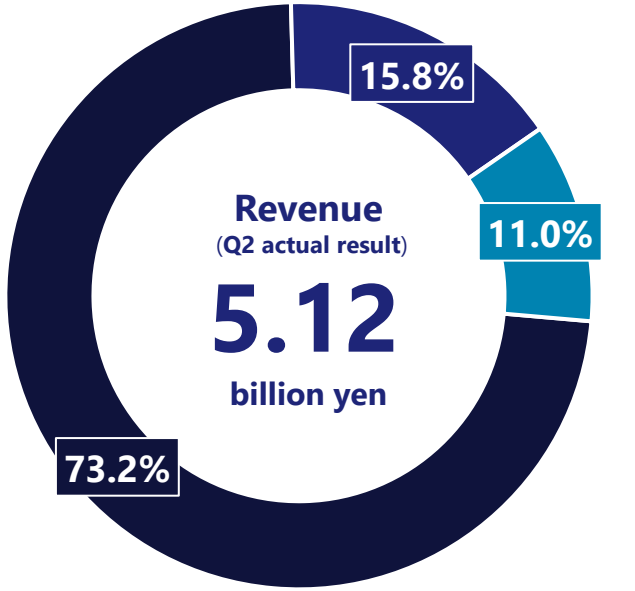
- HR Solution Business (Staffing and Outsourcing) accounted for **73.2%** of the revenue composition ratio and continued to drive earnings across the company together with the impact of M&A from FY2026.
- Aiming for discontinuous growth through renewed growth of existing businesses and M&A, while pursuing stable profit growth through cross-selling.

First-half actual results

(million yen)	FY2026 (Q2)	FY2027 (Q2)	YoY	Earnings *1 forecast	Progress rate
Revenue	4,716	**5,126**	+8.7%	**11,500**	44.6%
HR Solution Business - Staffing and Outsourcing	3,157	**3,768**	+19.3%	**8,056**	46.8%
HR Solution Business - Recruitment	942	**809**	-14.1%	**1,992**	40.7%
Media & Solutions Business	621	**565**	-9.0%	**1,452**	38.9%
Eliminating internal sales within consolidated companies	-5	**-17**	-	**-**	-
Segment profit	1,153	**945**	-18.0%	**-**	-
HR Solution Business - Staffing and Outsourcing	587	**541**	-7.9%	**-**	-
HR Solution Business - Recruitment	336	**237**	-29.6%	**-**	-
Media & Solutions Business	228	**167**	-26.9%	**-**	-
SG&A expenses (shared expenses)	-476	**-514**	-	**-**	-
Operating profit	676	**431**	-36.3%	**1,460**	29.6%

*1 Earnings forecast figures are figures after eliminating internal sales within consolidated companies.

Revenue composition



[Consolidated | Cumulative] Financial Highlights of Q2 FY2027 (Challenges and Responses per Segment)

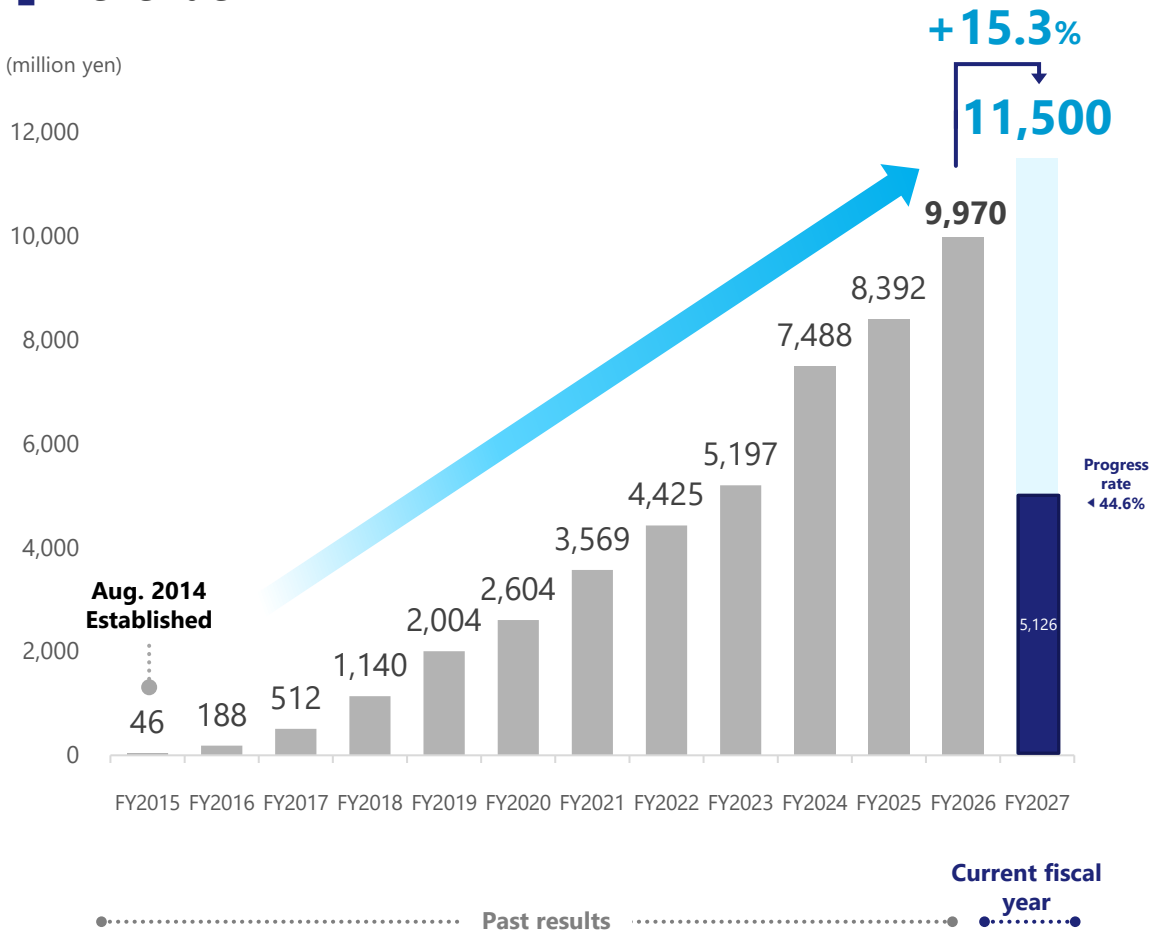
Challenges and responses by area / initiatives for a return to growth

Area	Current Status / Challenges	Responses / Actions (Short Term)	Initiatives for a Return to Growth (Medium to Long Term)
Staffing (Gaming/ entertainment)	■ Although the combined number of utilized persons in the HR Solution Business (staffing) and Confidence Pro Inc. has bottomed out, it remains below the anticipated level ■ Decreased gross profit margin	■ Reallocate personnel resources to growth areas (web, creative, and video) ■ Implement measures to contain SG&A expenses through optimization of organizational structure ▸ **SG&A expenses remained below projected levels**	■ Increase the combined number of utilized persons through collaboration between staffing and freelance businesses and the cultivation of major client companies ■ Bolster productivity through enhanced management via AI utilization
Recruitment/ Recruitment support	(Recruitment) ■ Decrease in orders received in the second half of the previous fiscal year ■ Decrease in number of consultants ■ Dependence on job seeker websites (Recruitment support) ■ Declining demand for traditional recruitment outsourcing ■ Reduced project sizes among major existing clients	(Recruitment) ■ AI utilization to leverage consolidated knowledge and training via experienced consultants ■ Aim to improve productivity and quality by narrowing each consultant's scope of responsibility and the number of companies assigned to them ▸ **While the number of contracts closed remains flat, the value of contracts closed per consultant is improving** (Recruitment support) ■ Securing profitability through optimization of personnel allocation ▸ **With cost controls in place, gross profit margin on a standalone basis for recruitment support remains above the level of the same period last year**	■ We will strengthen our ability to attract job seekers through the launch of an AI-powered, domain-specific website (**Specialized Media x Recruitment - Protagonist Inc. model**) ▸ **Make initiatives in the construction area a top priority** ■ Cross-selling to core clients or specialized fields through collaboration between recruitment and recruitment support businesses (**Recruitment Media, RPO, and Recruitment**)
Media & Solutions Business	■ Demand from major clients has declined and become unstable due to the situation in the Middle East (Revenue: -9.0% YoY)	■ Implement targeted advertising investments without missing the initial signs of increased recruitment activity among major clients ▸ **Manage advertising investment and minimize decline in profit margins**	■ Launch specialized media focused around the 17 strategic fields under "Japan's Growth Strategy" ▸ **Began entering semiconductor-related and construction management areas to broaden Kojo Works' presence in deskless fields, its area of strength**
M&A	■ Develop M&A candidates	■ Strengthen search efforts through in-house sourcing and M&A intermediaries ■ Increase M&A candidates through enhanced collaboration with banks, securities firms, M&A intermediaries, and VCs ▸ **flaggs Inc. became a consolidated subsidiary as of October 1, 2026**	■ Achieve both the early launch of growth areas and expansion of existing businesses through M&A by assessing acquisitions at appropriate prices and their synergies

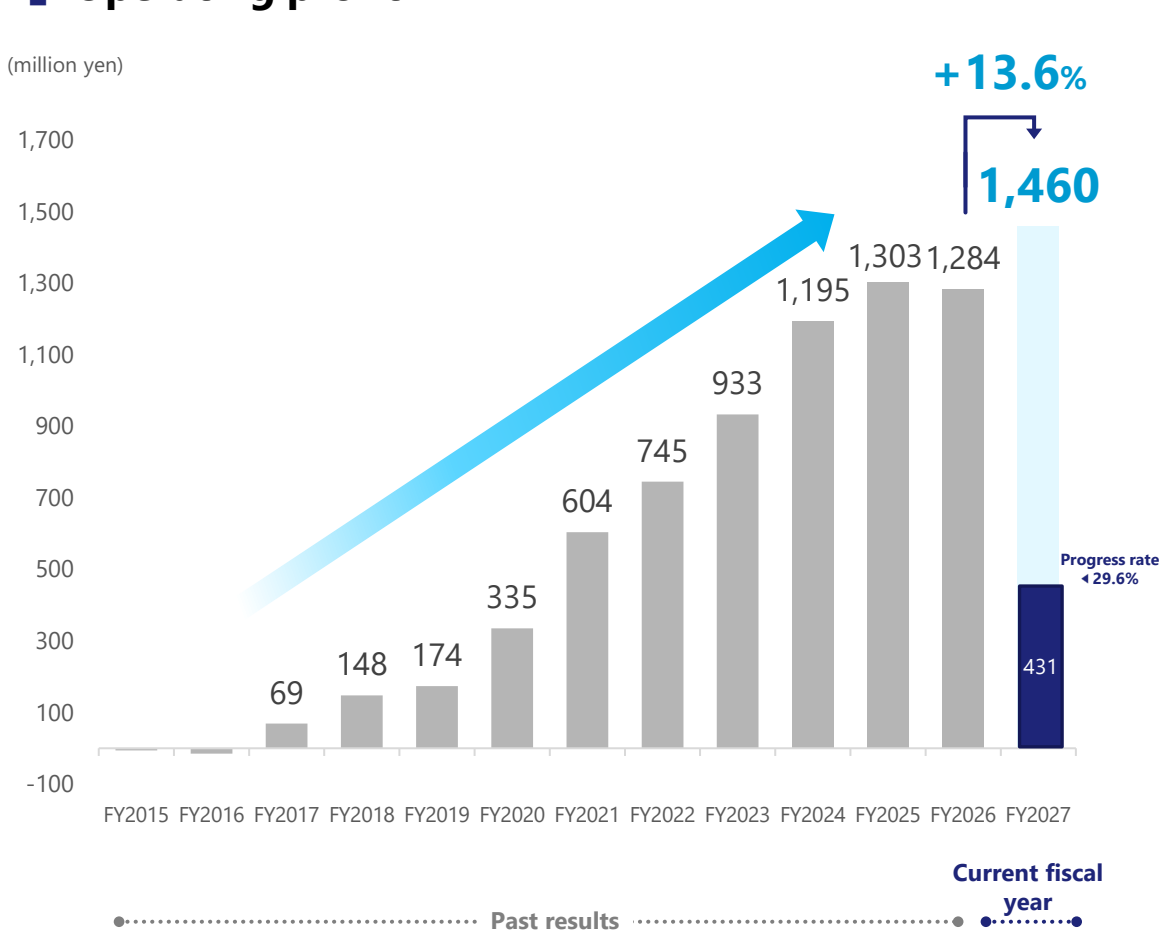
Trends in Revenue and Operating Profit Over the Years

- Trends in revenue and operating profit over time for FY2027 are shown below.

Revenue



Operating profit



[Consolidated | Cumulative] Financial Highlights of Q2 FY2027

- The inclusion of BRAISE and G's Corporation, which became consolidated subsidiaries in Q2 FY2026, in this fiscal year's reporting drove a revenue **increase of 8.7% YoY**.
- Gross profit margin decreased as the composition of staffing and outsourcing increased. Due to the impact of a decrease in gross profit for existing businesses, operating profit decreased **36.3% YoY**.

First-half actual results

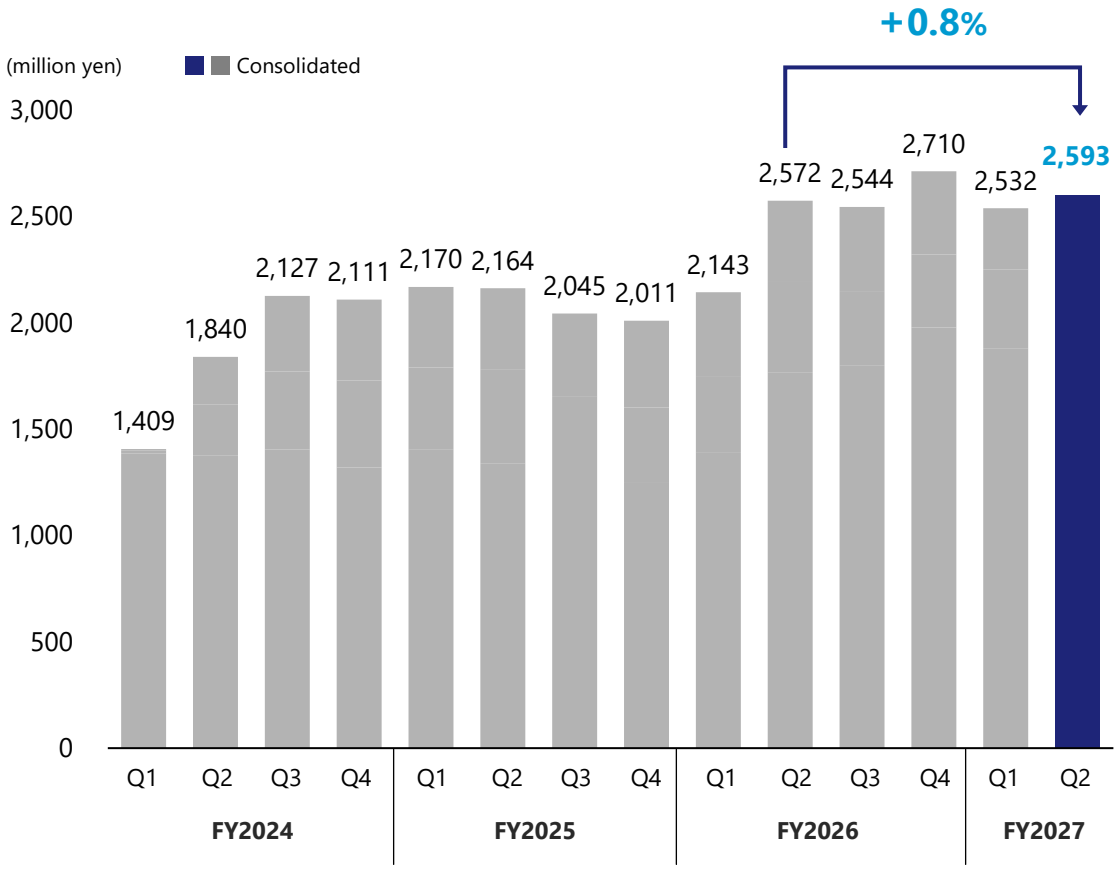
	FY2026 (Q2)	FY2027 (Q2)	YoY	Full-year earnings forecast	Progress rate
Revenue	4,716	**5,126**	+8.7%	11,500	44.6%
Gross profit	2,236	**2,165**	-3.2%	5,159	42.0%
Gross profit margin	47.4%	**42.2%**	-5.2 pts	44.9%	-
Operating profit	676	**431**	-36.3%	1,460	29.6%
Operating profit margin	14.4%	**8.4%**	-6.0 pts	12.7%	-
Ordinary profit	656	**440**	-32.9%	1,460	30.2%
Profit attributable to owners of parent	415	**210**	-49.5%	935	22.5%
(Reference) EBITDA*	809	**571**	-29.4%	-	-
(Reference) EBITDA margin	17.2%	**11.1%**	-6.1 pts	-	-

* EBITDA = Operating profit + Depreciation + Amortization of goodwill + Share-based payment expenses

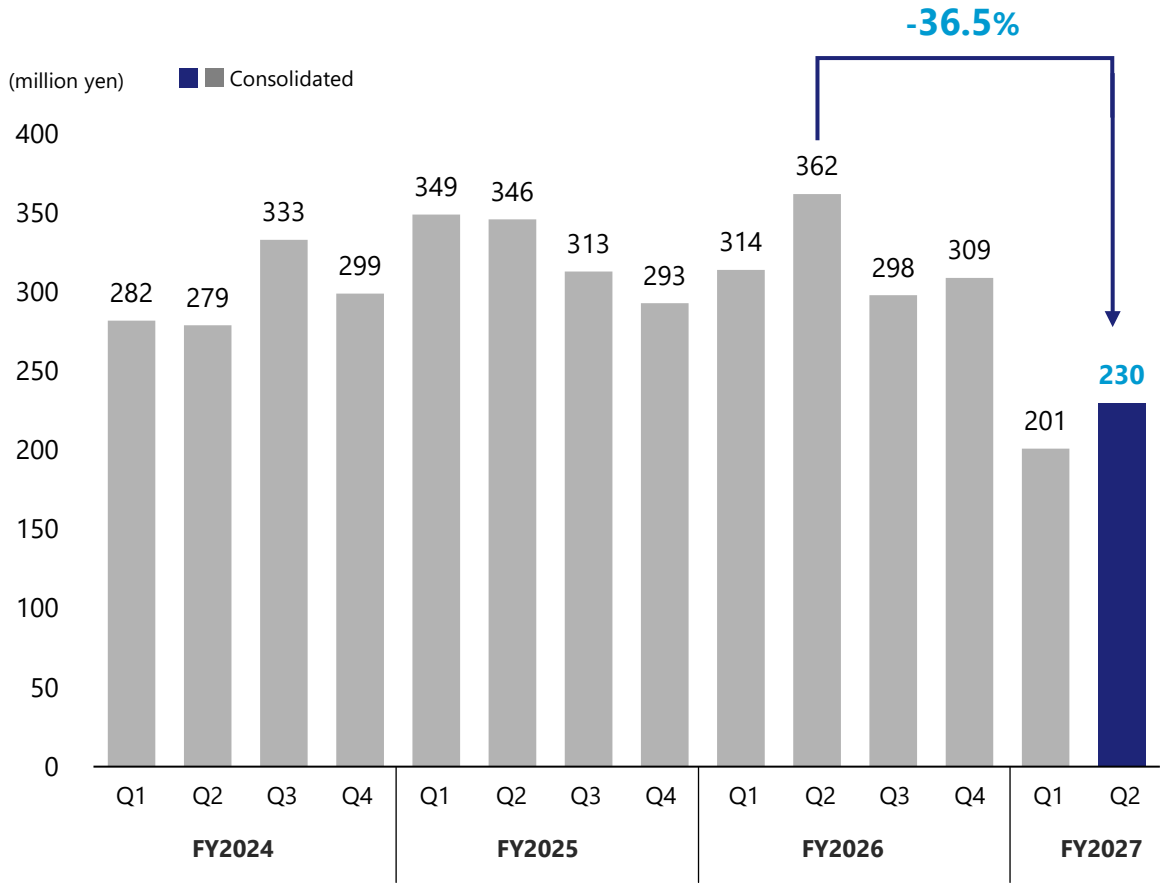
[Consolidated] Quarterly Results Trends

- **Revenue increased but profit decreased**, with revenue **up by 0.8% YoY** and operating profit **down by 36.5% YoY**.

Revenue (quarterly trends)



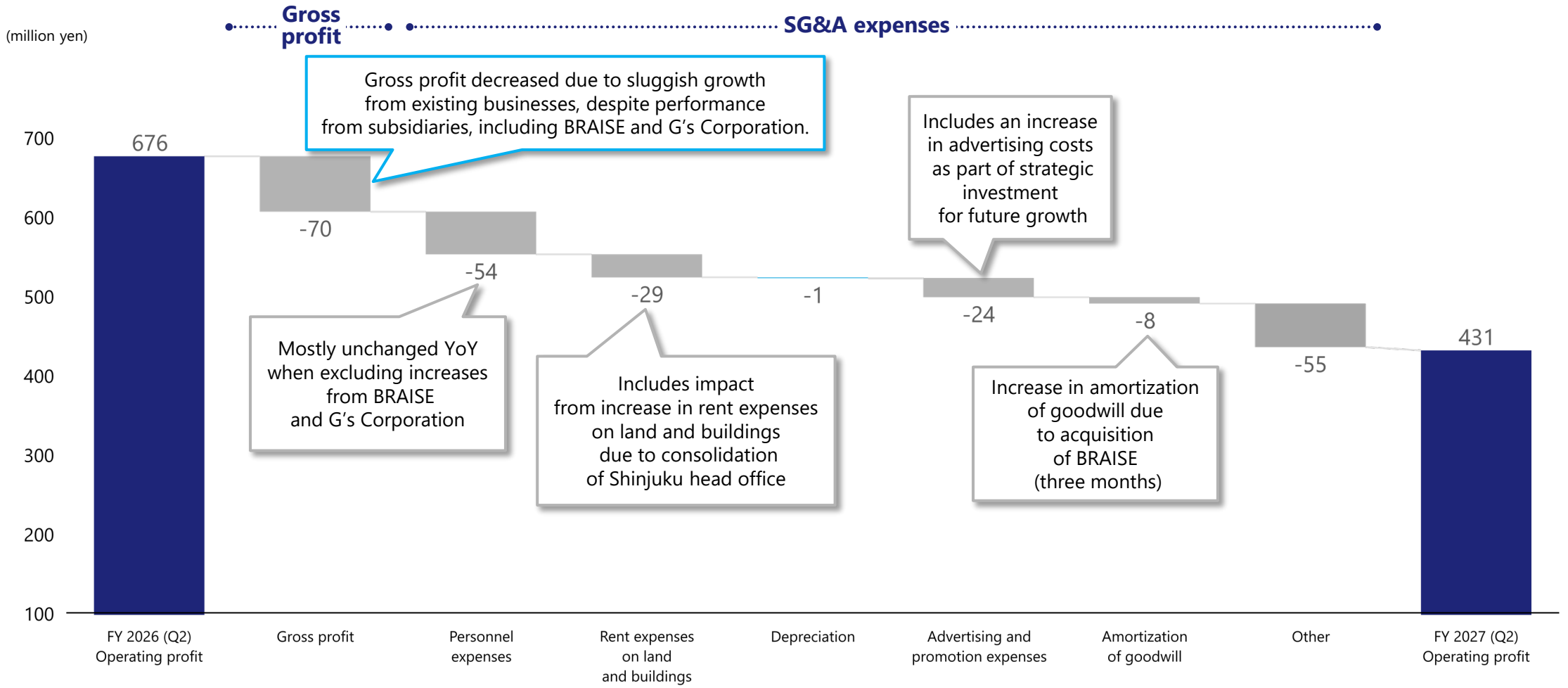
Operating profit (quarterly trends)



* Figures are after eliminating internal sales within the consolidated companies

[Consolidated | Cumulative] Factor Analysis of Increase/Decrease in Q2 Operating Profit (YoY)

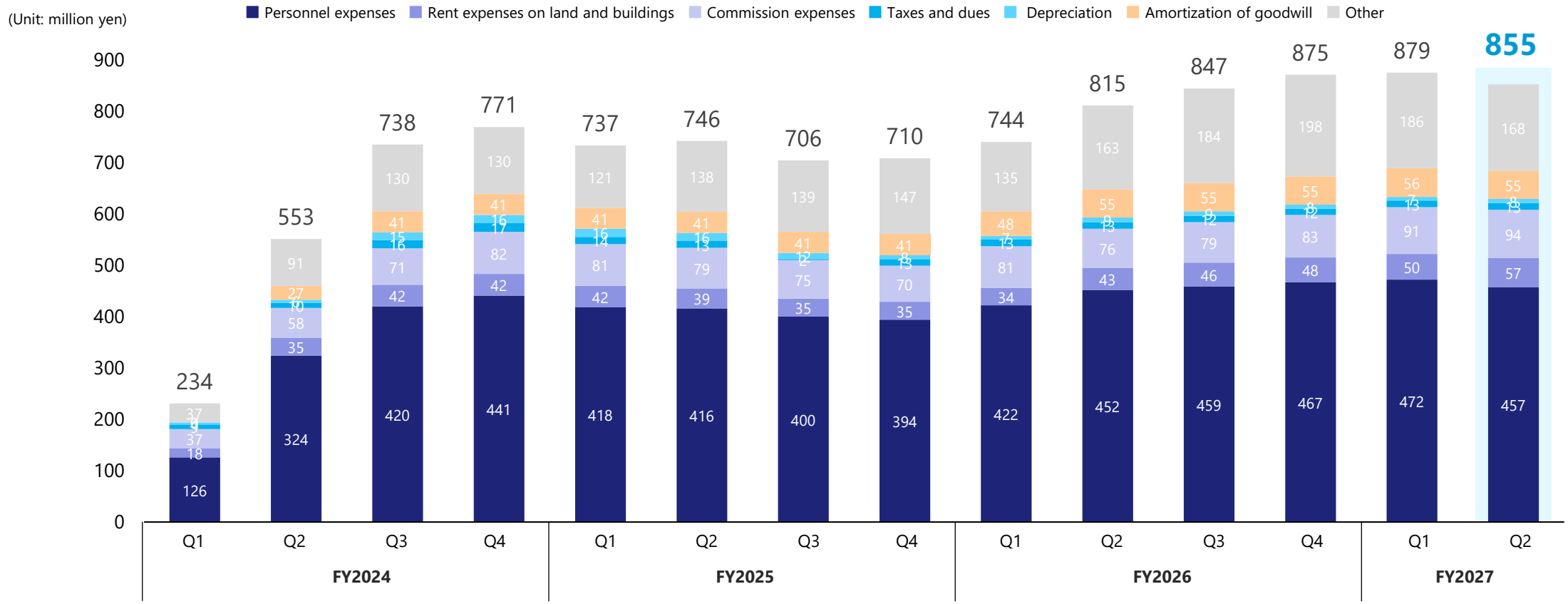
- Trends in operating profit YoY are as shown below. Despite the positive impact from profit contributions of BRAISE and G's Corporation following their becoming consolidated subsidiaries in Q2 of FY2026, profit declined as existing businesses remained sluggish.



[Consolidated] Quarterly SG&A Expenses Trends

- SG&A expenses increased by 40 million yen (+4.9%) YoY, mainly due to higher rent (+13 million yen) and commission expenses (+17 million yen).
- SG&A expenses decreased by 23 million yen QoQ, due to reduced personnel expenses (-15 million yen) and other expenses (-18 million yen).

Quarterly trends



* This graph was compiled based on management accounting classification

[HR Solution Business - Staffing and Outsourcing | Cumulative] Financial Highlights of Q2 FY2027

- Revenue increased **19.3%** YoY in the first half due to the inclusion of the results of BRAISE and G's Corporation, which became consolidated subsidiaries in the previous fiscal year, beginning in Q2 of FY2026.
- While the core gaming staffing business remained sluggish, growth at Confidence Pro and Let's i lifted the number of utilized persons.

First-half actual results

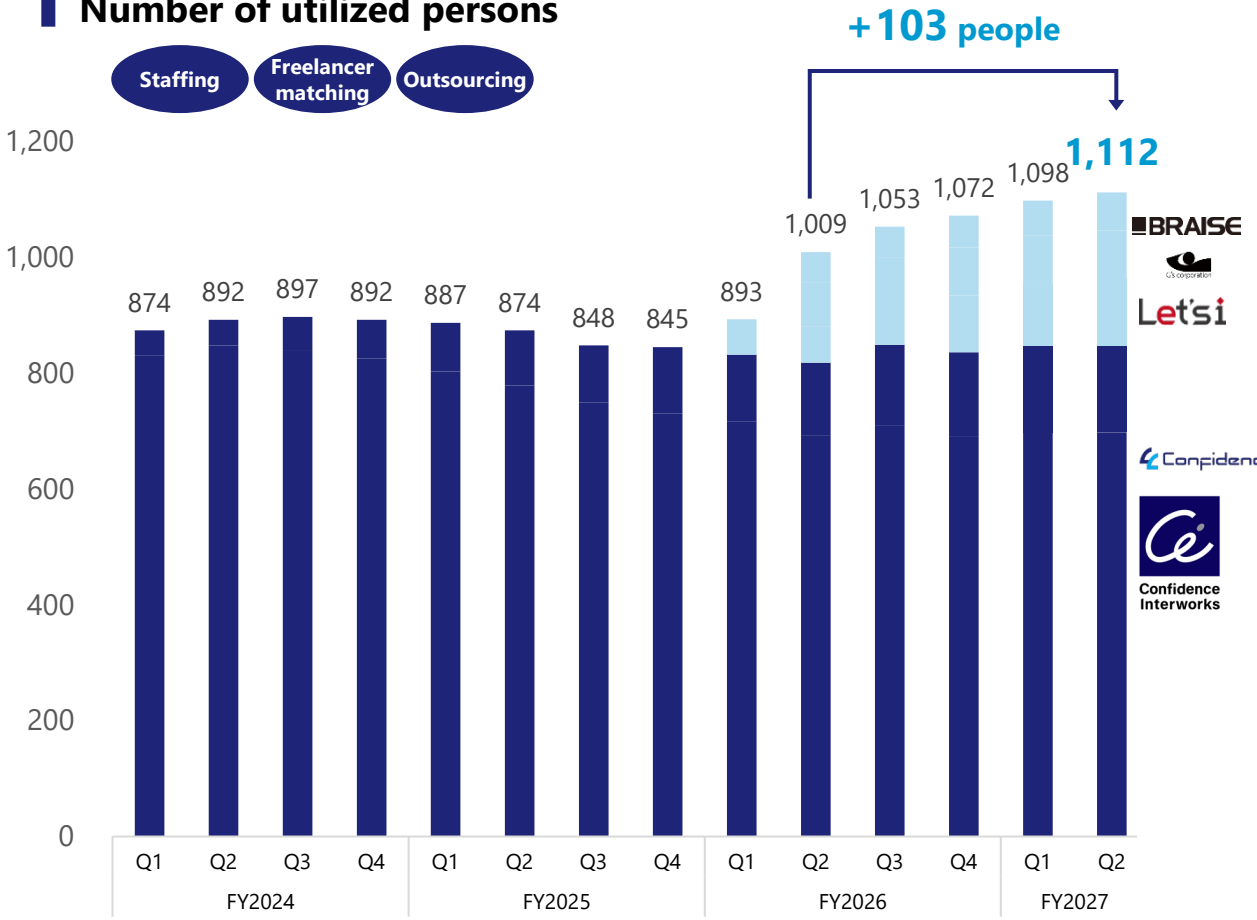
(million yen)	FY2026 (Q2)	FY2027 (Q2)	YoY	Earnings forecast	Progress rate
Revenue*1	3,157	**3,768**	+19.3%	8,056	46.8%
Staffing and Recruitment*2	2,826	**3,213**	+13.7%	-	-
Outsourcing/others	325	**537**	+64.9%	-	-
Internal revenue or transfers between segments	5	**17**	+212.9%	-	-
Gross profit	978	**1,077**	+10.0%	-	-
Gross profit margin	31.0%	**28.6%**	-2.4 pts	-	-
Segment profit	587	**541**	-7.9%	-	-
Segment profit margin	18.6%	**14.4%**	-4.2 pts	-	-
EBITDA	611	**574**	-6.0%	-	-
EBITDA margin	19.4%	**15.3%**	-4.1 pts	-	-

*1 Figures are before eliminating internal sales within consolidated companies
*2 The freelancer matching business operated by Confidence Pro Inc. established on April 3, 2023, is included in this category and disclosed

[HR Solution Business - Staffing and Outsourcing] Trends in Major KPIs

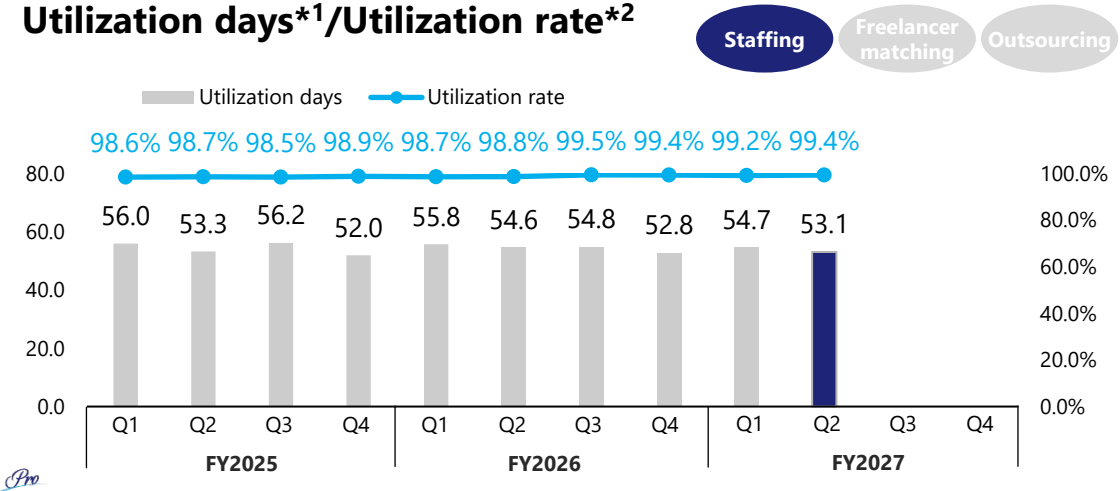
- The number of utilized persons, which is the basis of the recurring income model, **increased by 103** persons YoY, including those from newly consolidated subsidiaries.
- While the number of utilized persons in the gaming industry remained flat, we are strengthening our expansion into the web/creative and video/media areas.

Number of utilized persons



* Starting with financial results for Q1 FY2025, to ensure more accurate alignment with the PL of Segment (1) HR Solution - Staffing and Outsourcing Business, we have retroactively adjusted to include the number of utilized persons in the freelancer matching and outsourcing businesses, in addition to those in the staffing business

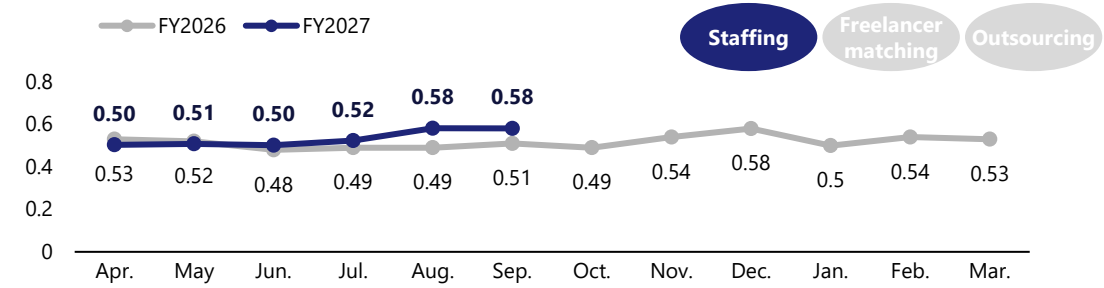
Utilization days*1/Utilization rate*2



*1 The quarterly total for the number of days, which is calculated by dividing the total number of days worked by each person on a monthly basis by the number of utilized persons at the end of the month

*2 The ratio obtained by dividing the total number of utilized staff at the end of the month by the total number of persons who can be utilized at the end of the month

Trends in average daily overtime hours*



* Daily average obtained by dividing the average total monthly overtime hours by the average number of actual utilization days

[HR Solution Business - Recruitment | Cumulative] Financial Highlights of Q2 FY2027

- Revenue and profit at each level fell below the previous year due to lower revenue resulting from sluggish contract closings in the Recruitment business in the second half of the previous fiscal year.
- Productivity per employee is showing signs of improvement, and we aim to further enhance productivity and quality by narrowing each consultant's scope of responsibility and the number of companies assigned to them.

First-half actual results

(million yen)	FY2026 (Q2)	FY2027 (Q2)	YoY	Earnings forecast	Progress rate
Revenue*1	942	**809**	-14.1%	1,992	40.7%
Recruitment	791	**700**	-11.5%	-	-
Outsourcing/others*2	151	**109**	-27.7%	-	-
Internal revenue or transfers between segments	-	**-**	-	-	-
Gross profit	709	**605**	-14.6%	-	-
Gross profit margin	75.2%	**74.8%**	-0.4 pts	-	-
Segment profit	336	**237**	-29.6%	-	-
Segment profit margin	35.7%	**29.3%**	-6.4 pts	-	-
EBITDA	373	**274**	-26.7%	-	-
EBITDA margin	39.7%	**33.9%**	-5.8 pts	-	-

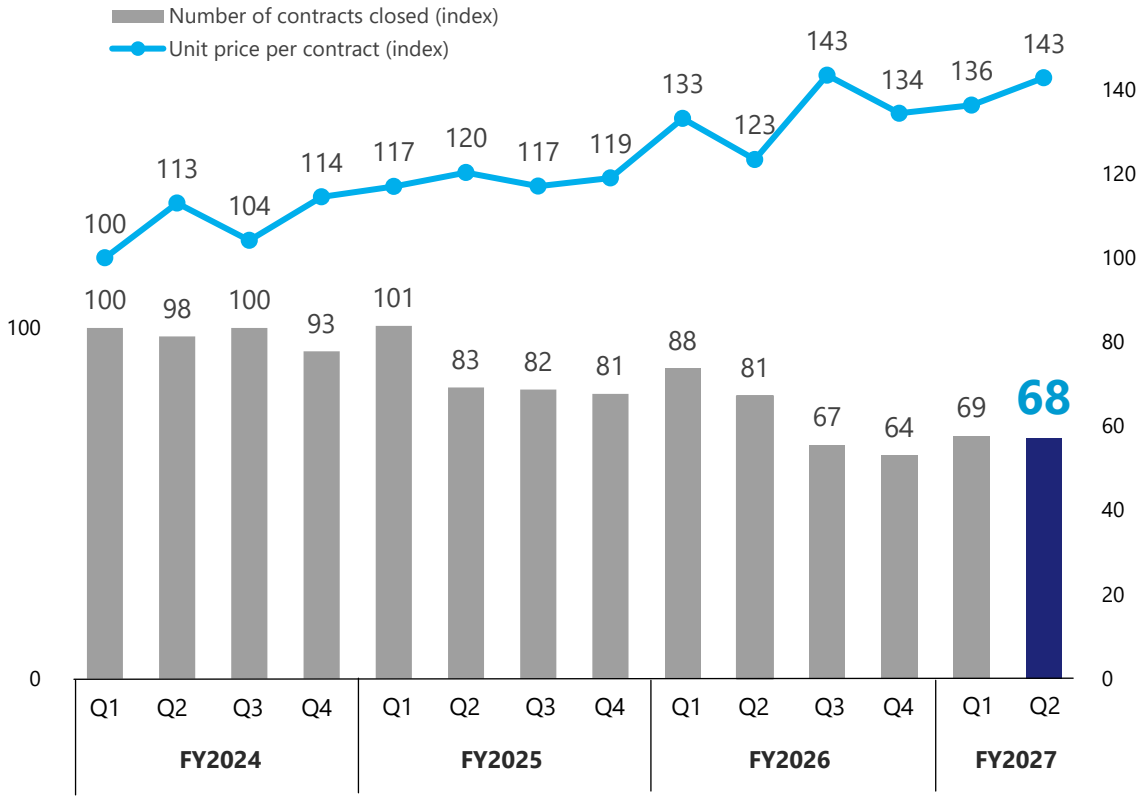
*1 Figures are before eliminating internal sales within consolidated companies
*2 Beginning with Q1 of FY2027, the recruitment support business is now included in this segment, disclosed under Revenue (Outsourcing/others).

[HR Solution Business - Recruitment] Trends in Major KPIs

- Although the number of contracts closed was on a declining trend YoY amid a decrease in the number of consultants, **the unit price per contract remained at a high level**.
- As a result of focusing on prioritizing and improving productivity in a continuation from the previous fiscal period, the value of contracts closed per consultant on average improved by **3.2% vs. the previous fiscal year's average**.

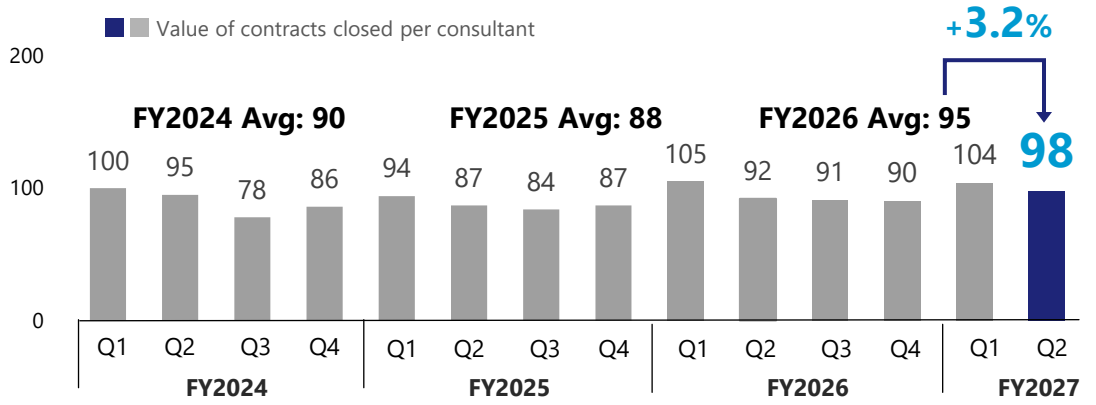
Number of contracts closed and unit price

* Number of contracts closed and unit price: Index based on Q1 FY2024 at 100

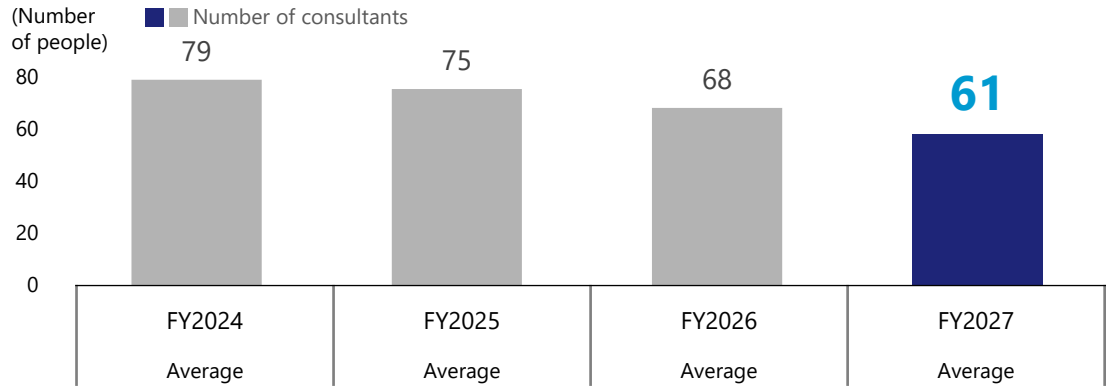


Value of contracts closed per consultant

* Based on Q1 FY2024 at 100



Number of consultants (average)



[Media & Solutions Business | Cumulative] Financial Highlights of Q2 FY2027

- Despite steady expansion in the previous fiscal year, the job advertisement business (Kojo Works) recorded **reduced revenue and profit**.
  This was due to smaller advertisement budgets among major staffing company clients amid strong new graduate hiring and falling demand due to the impact of the situation in the Middle East. Began entering semiconductor-related and construction management areas to broaden our presence in deskless areas, our area of strength.

First-half actual results

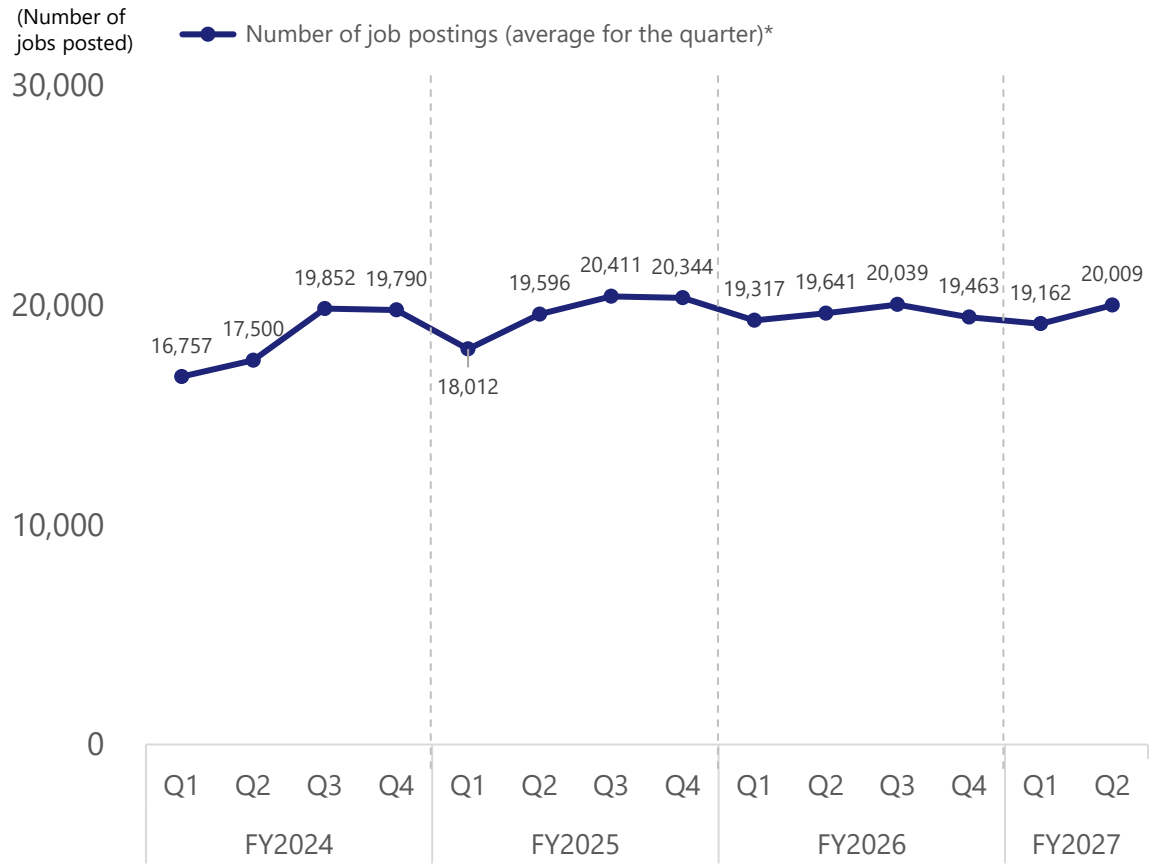
(million yen)	FY2026 (Q2)	FY2027 (Q2)	YoY	Earnings forecast	Progress rate
Revenue*	621	**565**	-9.0%	1,452	38.9%
Job advertisement, Recruitment	621	**565**	-9.0%	-	-
Internal revenue or transfers between segments	-	**-**	-	-	-
Gross profit	553	**499**	-9.6%	-	-
Gross profit margin	89.1%	**88.4%**	-0.7 pts	-	-
Segment profit	228	**167**	-26.9%	-	-
Segment profit margin	36.9%	**29.6%**	-7.3 pts	-	-
EBITDA	243	**181**	-25.3%	-	-
EBITDA margin	39.2%	**32.2%**	-7.0 pts	-	-

* Figures are before eliminating internal sales within consolidated companies

[Media & Solutions Business - Job Advertisements] Trends in Major KPIs

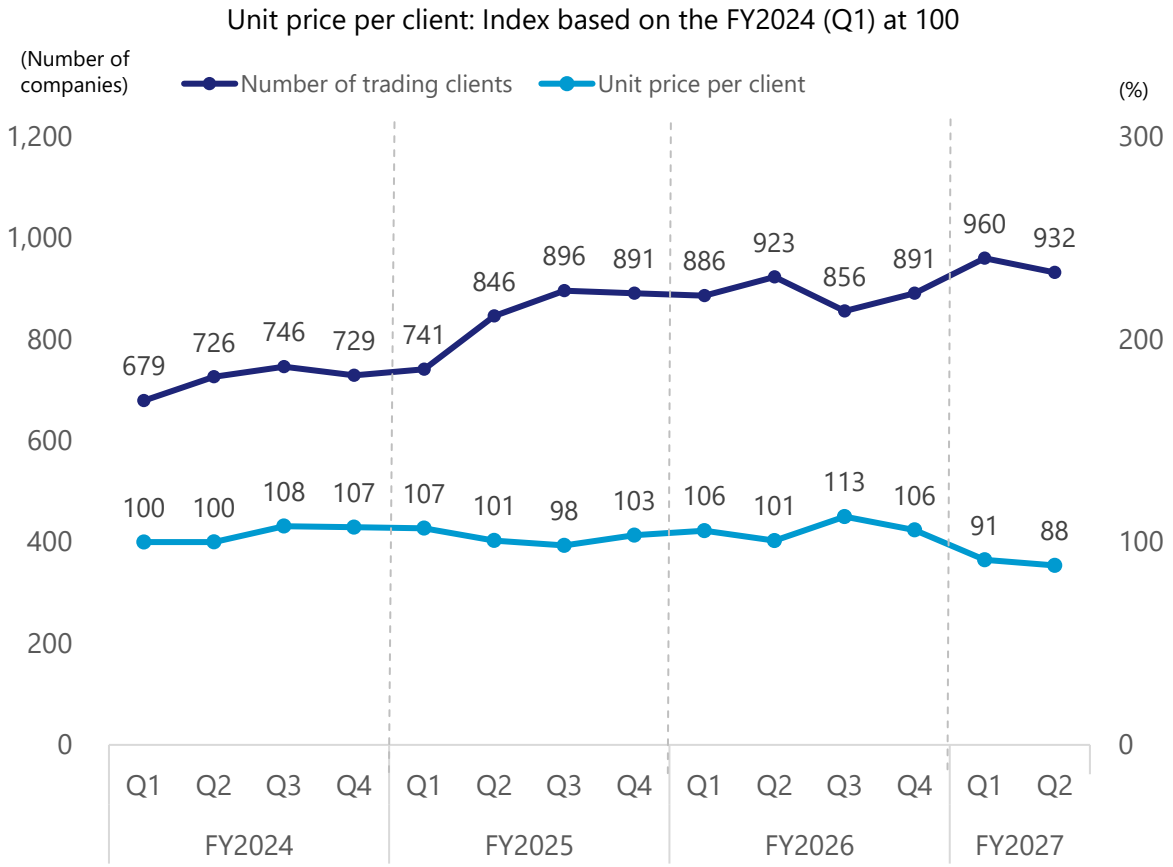
- The number of job postings remained mostly unchanged YoY. Trading unit prices decreased, but the number of trading clients increased YoY.
  We will continue the previous fiscal year's initiatives to increase the number of customers and job postings and raise revenue without reducing productivity.

Kojo Works' number of job postings



* To properly represent the level during the period, from the current period the average value for the quarter is used

Kojo Works' number of trading clients and unit price per client



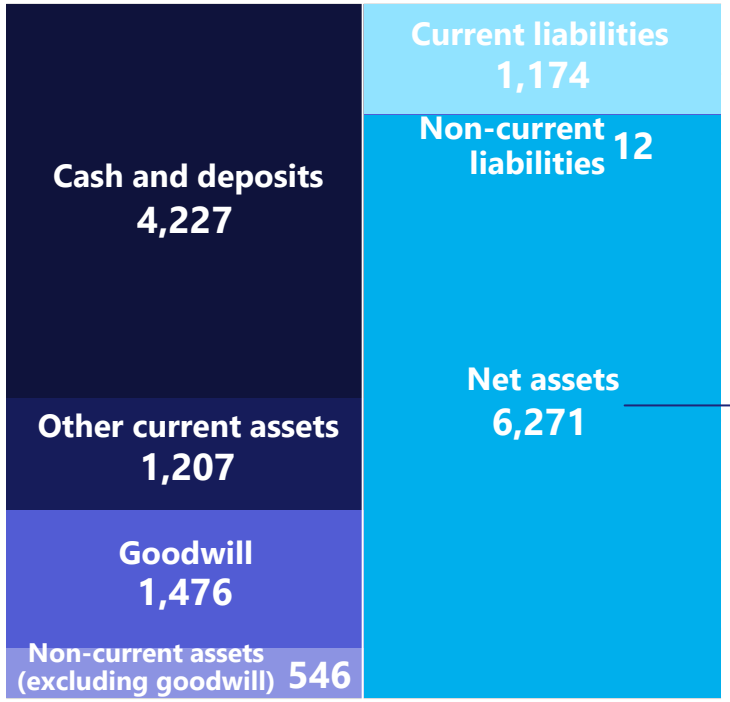
* The number of trading clients is calculated as the cumulative number of companies on a quarterly basis

[Consolidated] Balance Sheets/Statements of Cash Flows

- There was a **decrease** in cash and cash equivalents of **168 million yen** consisting of cash flows from operating activities (+159 million yen), cash flows from investing activities (-80 million yen), and cash flows from financing activities (-247 million yen).
- In addition, all external borrowings related to subsidiaries were fully repaid in the previous fiscal year. Net cash of **4.22 billion yen** along with an equity ratio of **83.5%** continued to secure high financial stability.

Balance sheet at the end of Q2 FY2027

(million yen)



Share capital	537 million yen
Capital surplus	3,911 million yen
Retained earnings	2,516 million yen
Treasury shares	-741 million yen
Share acquisition rights	45 million yen
Non-controlling shareholders' equity	1 million yen

* With regard to borrowings, there are no external borrowings as all borrowings were repaid in full in FY2026.

Cash flows for Q2 FY2027

(million yen)

Cash and cash equivalents as of March 31, 2026	**4,395**
Cash flows from operating activities	**+159**
Cash flows from investing activities*1	**-80**
Cash flows from financing activities*2	**-247**
Increase/decrease in cash and cash equivalents	**-168**
Cash and cash equivalents as of September 30, 2026	**4,227**

*1 Payments for acquisition of property, plant and equipment: -38 million yen; payments of loans receivable: -25 million yen, etc.

*2 Dividend payments of 250 million yen, etc.

Financial indicators	
Net cash	**4.22 billion yen**
Equity ratio	**83.5%**
ROE	**15.0%**
Goodwill vs. equity ratio	**0.24x**

03

M&A／Group Restructuring

Industry-specific Vertical HR Solution Services: Narrowly, Deeply, Widely

Our policy since founding

Ever since our founding, we have aimed to provide **Industry-specific Vertical HR Solution Services** through a composite expansion of staffing, freelancers, outsourcing, recruitment, and media, aiming to become the first company that comes to mind for our clients and to earn their highest regard.

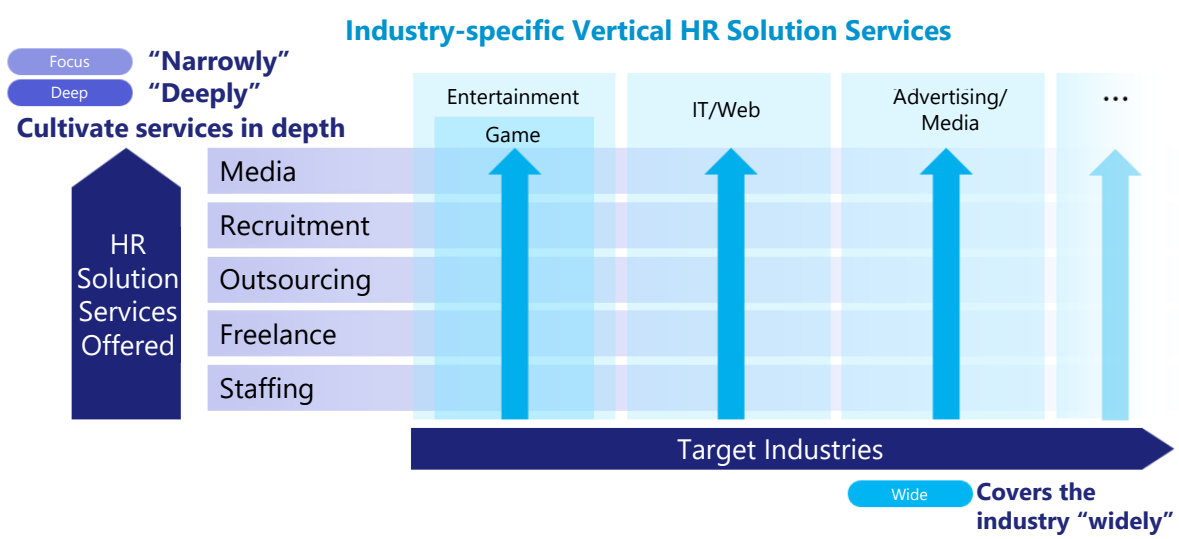
Narrowly and Deeply: narrow our areas of focus and penetrate deeper into them

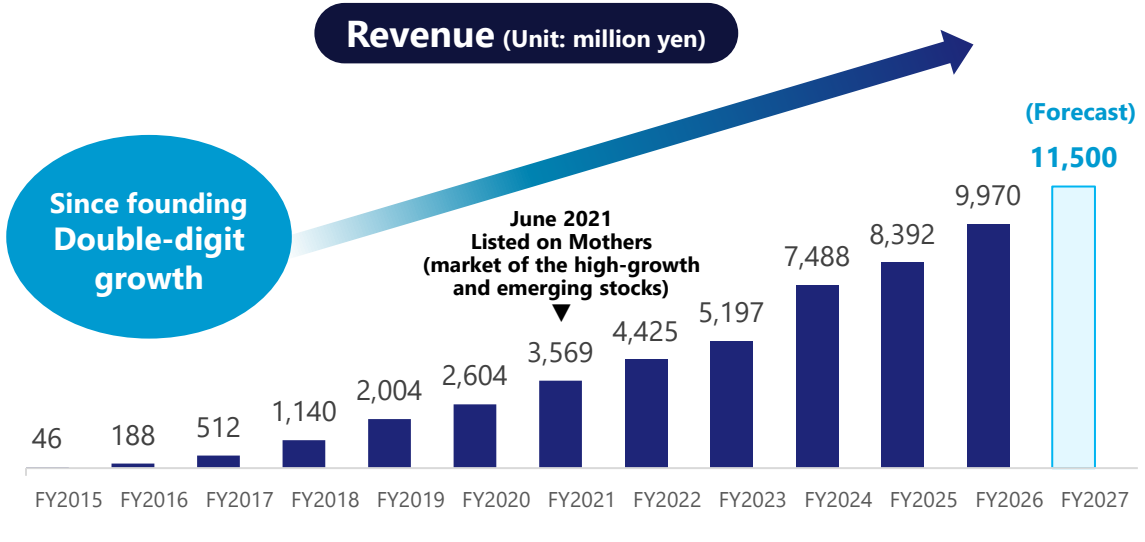
In the gaming industry, **establish a top-class position in the industry-specific staffing category*1**

*1 This point was estimated based on the latest available data from competitors' worker dispatching business reports.

Widely: Expand into other industries from our established position

We will deploy the business foundation developed in the gaming and entertainment industries, along with highly skilled, immediately available talent, in other industries using the same approach.
Instead of expanding into unrelated fields, **we will select niche industries where we can best demonstrate our strengths, thereby expanding our market share and seizing a dominant position**.





Growth Strategy | flaggs Inc. Becomes a Subsidiary (effective October 1, 2026)

- On October 1, 2026, we acquired 70% of shares in flaggs Inc., which possesses its own technological foundation for game development and operations. As such, it became a consolidated subsidiary.
- Incorporating flaggs's track record with major game platform operators, patented game app technologies, and development methods utilizing generative AI

flaggs Inc. Becomes a Subsidiary

Confidence Interworks

Interworks Confidence Inc.

70.0% Acquired/Became a consolidated subsidiary

flaggs

flaggs Inc.

flaggs Inc.

Location: Gotanda Brick Bldg. 1F 2-11-20 Nishi-Gotanda, Shinagawa-ku, Tokyo
Established: Mar. 2015
Representative: Naoto Yoshie, Representative Director
Share capital: 100 million yen
Line of Business: Planning, development, and operation of games
Share Acquired: 70.0%

Major Development Projects:

Game Development
Obey Me! Till Death Do Us Part
The very first lifestyle app in the *Obey Me!* series centered on the theme of married life (released December 2025).

Game Development & Animation Production
Sutopuri With!!
The first official smartphone game app for *Strawberry Prince (STPR)*

Game Development
HoneyWorks Premium Live
The first official rhythm game from HoneyWorks

Game Development & Animation Production
Suisei no Alnadia
An RPG featuring smooth 2D animation and all-out skill-based combat.

New Service Development
fingger
An interactive gaming platform that combines games and livestreaming, allowing users to play through YouTube Live.

Technological Foundation
- A track record of working with major game platform operators
- Holds patented technologies related to game applications
- Employs development methods which utilize generative AI (reducing development costs)

* This list also includes projects for services that have since been discontinued.

Growth Strategy | Deepening Our Gaming Domain through M&A (flaggs Inc. Joins the Group)

Expanding our business through M&A: From expansion into new areas to internalization of the value chain and enhanced functions

M&A up to now: Expansion into new areas

We have **expanded into AI/deep tech, web/creative, and video/media** via Protagonist, Let's i, BRAISE, and G's Corporation. Each company is demonstrating solid growth.

Protagonist Feb. 2024 | Let's i Apr. 2025 | BRAISE / G's corporation Jul. 2025

M&A this time: Internalization of the value chain and enhancement of functions in the gaming industry (flaggs Inc. joined the Group on October 1, 2026)

Confidence Interworks **Became a consolidated subsidiary** flaggs Inc.

Value Chain in the Gaming Industry

Customer Acquisition	Matching	Outsourcing	Creation
Acquisition through media	Staffing, freelancers, recruitment	Outsourcing, video production, and RPO	In-house development and IP (flaggs)

This acquisition fills the gap in our game "creation" functions and allows us **to provide end-to-end services from customer acquisition through in-house development and operations.**

- **Enhanced development structure and business expansion:** We will secure development talent and expand projects by providing our customer and talent networks.
- **Improved hiring capabilities for creators and retention rates:** Current creators will work for the development site at flaggs, thereby creating new career paths.
- **Game development utilizing IP:** We will accelerate business growth through collaboration with our clients leveraging their IP.

Continued active pursuit of dynamic M&A

We aim to achieve both **the rapid launch of growth areas and growth of existing businesses** by expanding into new industries, internalizing the value chains of existing areas, and enhancing functions we lack, while carefully assessing appropriate prices and potential synergies.

Growth Strategy | Synergy and Initiatives Involving flaggs Inc.

1. Enhanced development structure and business expansion

✓ **Sharing of our customer and talent networks with flaggs ➡ Securing and expanding the development talent network, enhancing development structure, and enhancing order opportunities**

HR Solution Services
Customer and talent networks

+

flaggs
Game development and operation

Combining our customer and talent networks with their technological foundation for development and operations

Enhancement of flaggs's development structure through securing and expanding the development talent network

2. Improved hiring capabilities for creators and retention rates

✓ **Our current creators working for the development site at flaggs ➡ Provide new career options whereby creators can gain experience in planning and development of in-house content.**

Current creators working for the Group

flaggs's development site
Planning, development and operation

New career options
Experience in planning and development of in-house content

Expanded career options leading to improved hiring capabilities and retention rates

3. Game development utilizing IP

✓ **Collaboration on game development leveraging our clients' IP, etc. (under consideration for the future) ➡ Accelerate business growth through a two-pronged approach combining HR solution services and content development**



Accelerate business growth through a two-pronged approach that combines HR solution services and content development

Growth Strategy | M&A / Group Reorganization Actual Results

- The following is a summary of M&A transactions conducted to accelerate growth since the Company's listing. An internal group reorganization was implemented effective October 1, 2026, in the fiscal year under review (FY2027), with a view to establishing an operating structure that enables dynamic and flexible management decision-making. flaggs Inc., a company specializing in planning, development and operation of games, also became a consolidated subsidiary.

Interworks absorption-type merger in August 2023

Expanding our business model

Confidence Interworks

Surviving company

Dissolving company

Absorption-type merger

Confidence

interworks inc.

Let's i became a consolidated subsidiary in April 2025

Expanding into new areas

Confidence Interworks

Became a consolidated subsidiary

Let's i

Let's i, Inc.

Internal group reorganization through company split in October 2026

New

Internal group reorganization

Absorption-type split (Recruitment and recruitment support businesses)

Confidence Interworks

Absorption-type split (M&S business)

i-Clutch.Inc

i-Clutch Inc.

Interworks

Interworks Inc.

Protagonist became a consolidated subsidiary in February 2024

Expanding into new areas

Confidence Interworks

Became a consolidated subsidiary

Protagonist

Protagonist Inc.

The BRAISE (Group) became a consolidated subsidiary in July 2025

Expanding into new areas

Confidence Interworks

Became a consolidated subsidiary

BRAISE

BRAISE, Inc.

G's corporation

G's Corporation, Inc.

flaggs Inc. became a consolidated subsidiary in October 2026

Expanding our business model

Confidence Interworks

Became a consolidated subsidiary

flaggs

flaggs Inc.

04

Shareholder Return

[Consolidated] Dividend Results/Forecast

Basic Policy on Shareholder Returns /Target Indicators

Makes it a basic policy to pay **continuous** and **stable** dividends while retaining the necessary internal reserves for future business expansion and bolstering of the Company's financial position

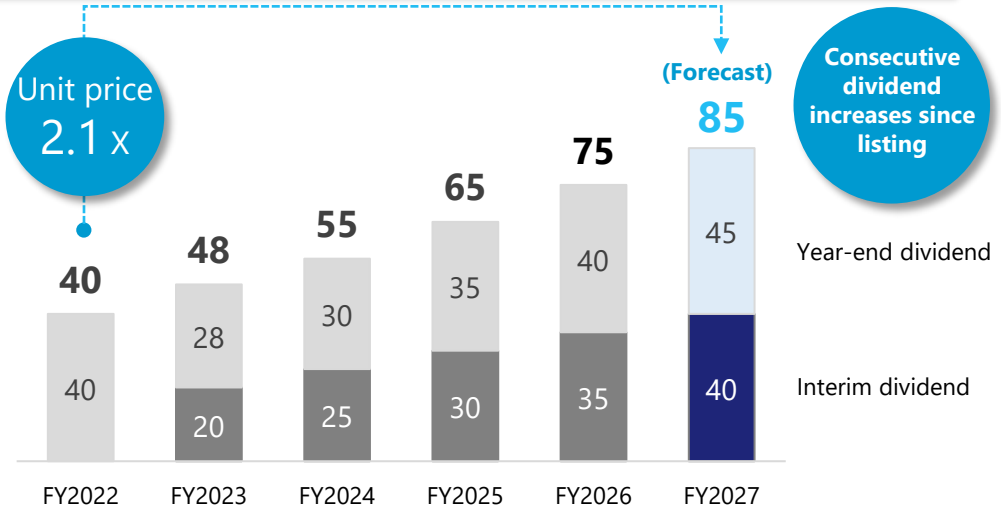
Higher capital efficiency / **Shareholder returns**

ROE (Return on equity) × **Payout ratio** = **DOE (Dividend on equity ratio)**

Over **30%** Over **10%**

* Future achievement goals

Trends in Dividend per Share



	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	YoY
Payout ratio *1	33.8%	35.6%	45.1%	38.7%	58.4%	56.8%	-1.6pts
ROE *1	46.5%	33.8%	18.2%	17.7%	13.3%	15.0%	+1.7pts
DOE *1	15.7%	12.1%	8.2%	6.8%	7.7%	8.5%	+0.8pts
Dividend yield *1	1.9%	2.6%	3.3%	4.3%	5.0%	5.8% *2	+0.8pts

*1 Calculated based on the full-year figures of the initial forecast at the beginning of the fiscal year

*2 Assumed share price of 1,464 yen (closing price on October 30, 2026) for dividend yield calculation

Appendix.

Vision

Empowering Professionals to Create the Future Together

Our goal is to help many professionals achieve their dreams in a society that values diversity, and to make a positive impact on their companies, industries and society, creating a society with endless opportunities.



Company Overview

Company Profile

Company name	Kabushiki Kaisha Confidence Interworks (English name: Interworks Confidence Inc.)
Representative	Nobuyuki Takushi, President
Established	August 2014
Head office	BYGS Shinjuku Bldg. 10F 2-19-1 Shinjuku, Shinjuku-ku, Tokyo
Local Office	Nagoya ｜ Osaka ｜ Fukuoka
Consolidated subsidiary	Confidence Pro Inc. ｜ i-Clutch Inc. Interworks Inc. ｜ Protagonist Inc. ｜ Let's i, Inc. BRAISE Inc. ｜ G's Corporation Inc. ｜ flaggs Inc.
Officers	President Nobuyuki Takushi ／ Director Takuro Yoshikawa Director Koji Nagai Outside Director Reona Amemiya ／ Outside Director Midori Mizutani Outside Director Hirofumi Miki ／ Outside Director Hiroshi Kawano Outside Auditor Takashi Yachi ／ Outside Auditor Tadahiko Yasukuni Outside Auditor Kenya Fujimori
Paid-in capital	537 million yen (as of September 30, 2026)
Line of business	HR solution business (staffing, outsourcing, recruitment), Media & solutions business
No. of employees	1,297 (as of September 30, 2026) [consolidated]

Corporate History

Aug. 2014	Establishment of Confidence Inc. Involved in HR solution business specializing in the gaming industry since its inception
May 2018	Made Dolphin Corporation, a company engaged in web promotion business, a subsidiary
Apr. 2020	Set up Shinjuku-Gyoen Studio as an outsourcing base
Jun. 2021	Listed on the Tokyo Stock Exchange Mothers Market (currently Growth Market)
May 2022	Relocated head office to Shinjuku-ku, Tokyo (current office)
Apr. 2023	Established Confidence Pro Inc. to provide freelance matching services
Aug. 2023	Merger by absorption of Interworks, Inc. Changed company name to "Kabushiki Kaisha Confidence Interworks" (English name: "Interworks Confidence Inc.")
Feb. 2024	Made Protagonist Inc., a Web 3.0 x HR Tech business, a consolidated subsidiary
Dec. 2024	Transferred all shares of Dolphin Inc. (change of consolidated subsidiary)
Apr. 2025	Made Let's i, Inc., which is based in Osaka and develops creator-specialized HR solution services, a consolidated subsidiary
Jul. 2025	Made the BRAISE group, which has established a solid position in producing programs for commercial and NHK-related broadcasters in the video media industry, a consolidated subsidiary
Jan. 2026	Established CIW Split Preparatory Company A Inc. and CIW Split Preparatory Company B Inc. as preparatory companies for the Group reorganization
Jun. 2026	Moved the Tokyo office (Toranomon) and merged it into the head office (Shinjuku-ku)
Jul. 2026	Opened "Be Sports Confidence Game Lab Hamamatsucho", a continuous employment support type B business specializing in e-sports utilization
Oct. 2026	Completed Group reorganization through company split
Oct. 2026	Made flaggs Inc., which is engaged in game planning, development, and operation, a consolidated subsidiary

Business Structure | Services

- Confidence has created an operating structure that can respond to a wide range of client needs in a comprehensive manner as a leading human resources company.

Staffing | Staffing, Freelancers

- Dispatch personnel with the skills required by the client company from among our own registered workers for the required period of time

Career | Recruitment

- Act as an intermediary between job seekers and companies, thereby introducing appropriate job seekers to companies seeking human resources



Job Advertisement | Job Advertisement

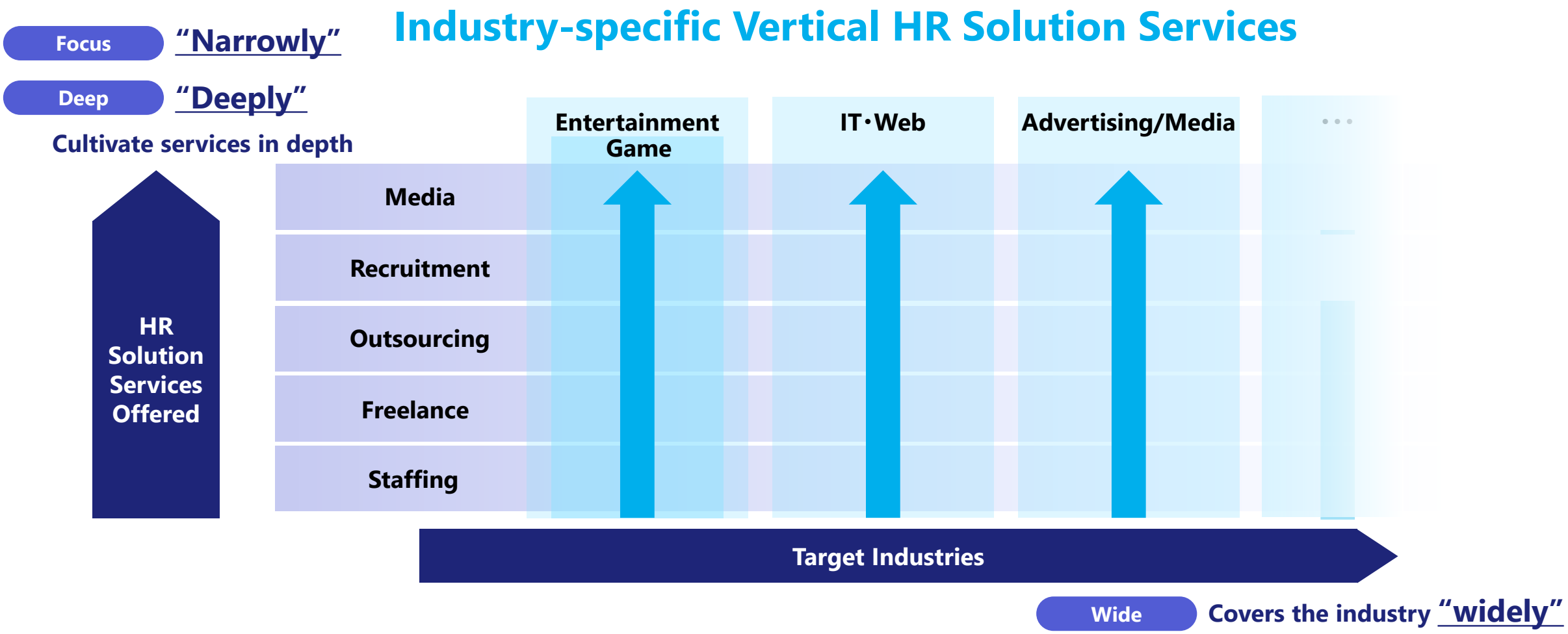
- Provide opportunities to match companies by posting information on job openings on web media, etc., and provide information to applicants

Outsourcing | Outsourcing

- Undertake various types of work in bulk or in part from client companies, and perform work on their behalf after implementing work instructions and worker management

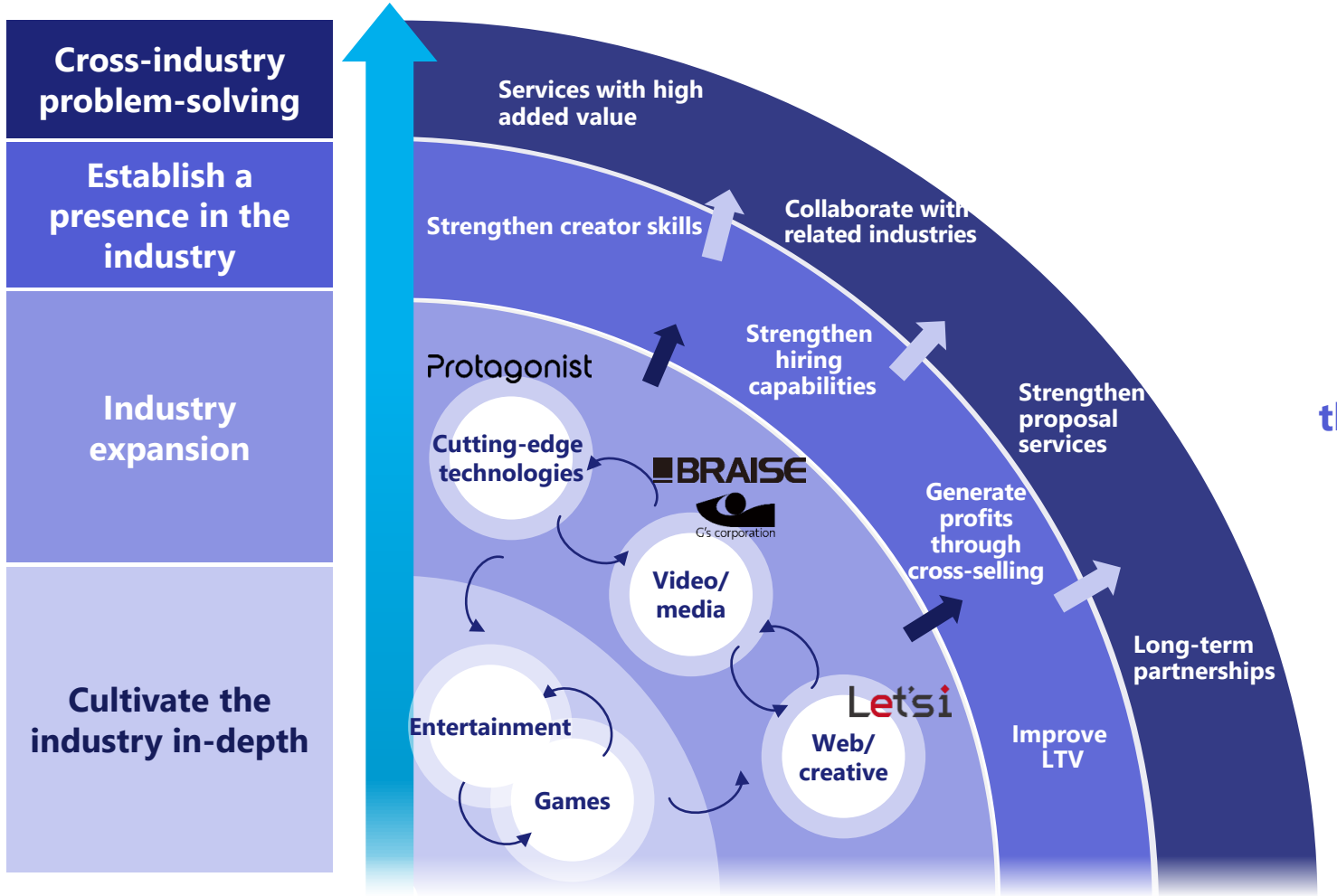
Management Policy | Industry-specific Vertical HR Solution Services

- Since our founding, we have developed industry-specific vertical HR solution services, based on staffing for the gaming industry.
- By narrowing our focus areas ("Narrowly") and penetrating deeply into the industry ("Deeply"), we aim to build a group of category No. 1 companies.



Expansion of HR Solution Services Business | Future We Hope to Achieve/Worldview Goals

- As a response to changing business conditions in the gaming industry, we will accelerate business expansion in HR solution services, which is one of the growth strategies we proposed upon listing.
- As a primary source of revenue following the gaming industry, we will expand business toward areas which have a high affinity with the career ambitions and skills of the Company's creators.



Evolve into a key company that provides solutions to industry issues
Solve social issues in collaboration with all stakeholders

Promote creator LTV maximization and HR crossover in the entertainment industry, thereby contributing to industry development

Expand supported job types and broaden career potential through business development in areas with high affinity

Establish our position as No. 1 in the category for gaming industry specialized staffing business

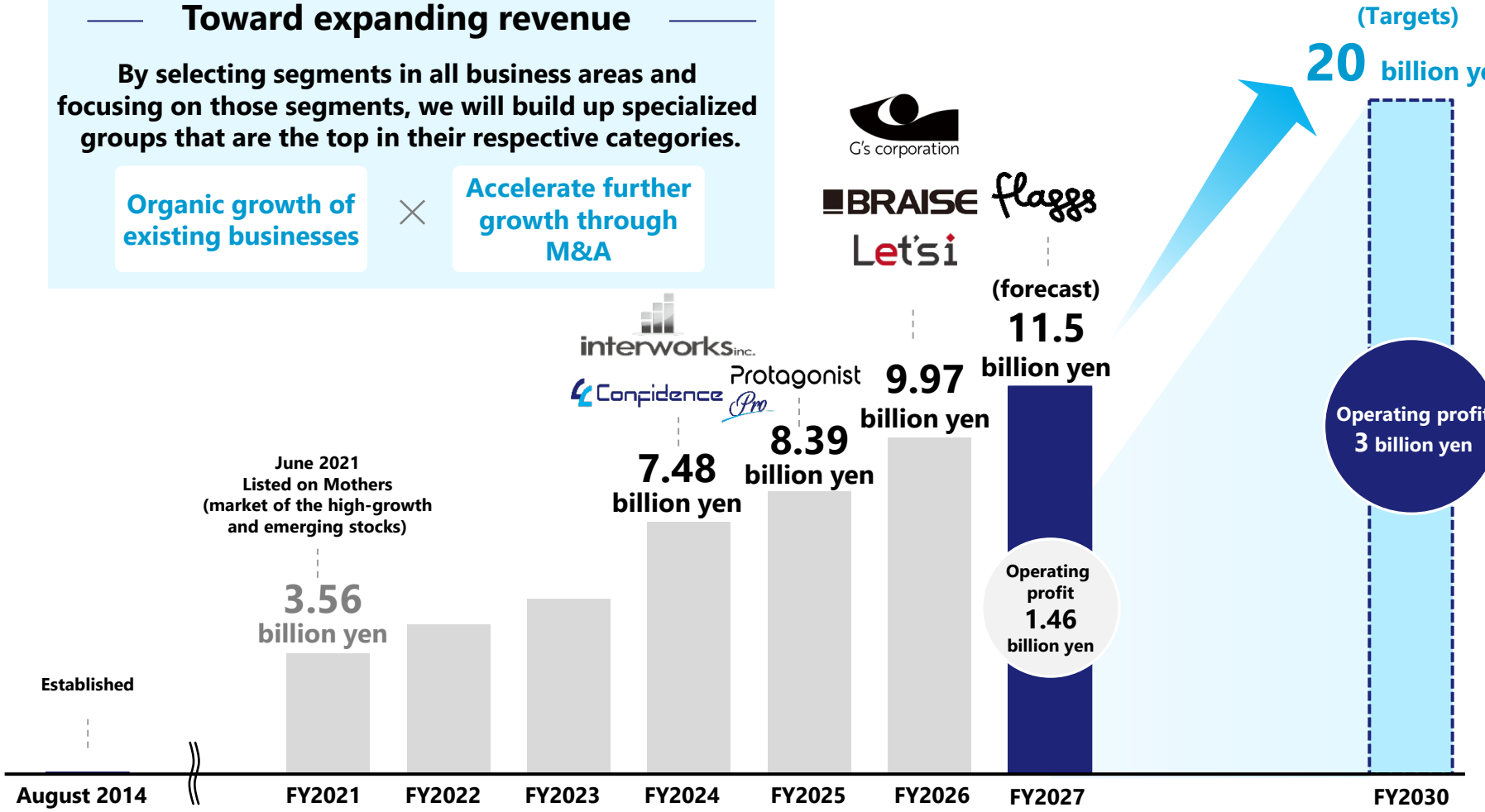
Future Growth Indicators: Quantitative Objective

- In addition to the steady growth achieved by Confidence independently since its founding, proactive M&A **has accelerated the growth rate of revenue**.
- By selecting segments in all business areas and focusing on those segments, we will build up specialized groups that are the top in their respective categories.

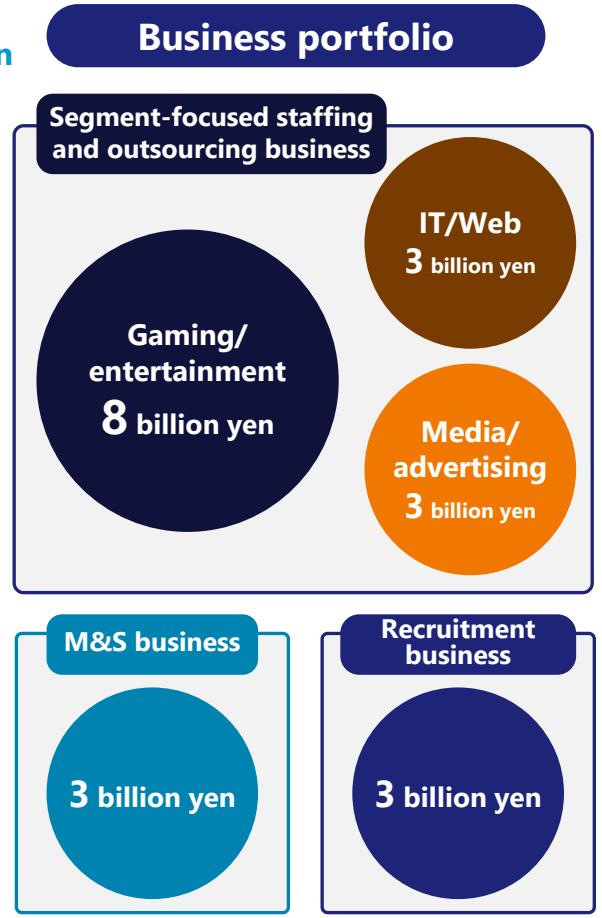
Toward expanding revenue

By selecting segments in all business areas and focusing on those segments, we will build up specialized groups that are the top in their respective categories.

Organic growth of existing businesses × **Accelerate further growth through M&A**

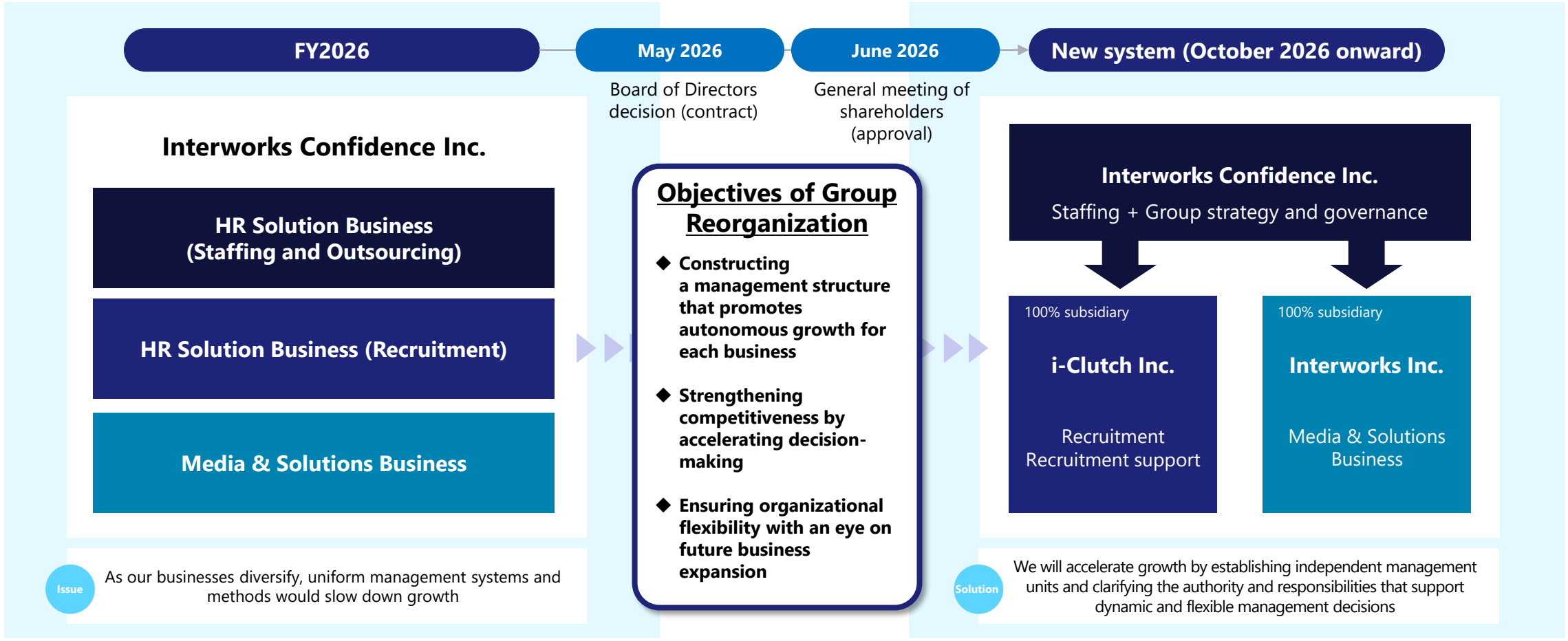


Business portfolio



Completion of Group Reorganization through Company Split

- We will redesign our group management structure to improve the speed of decision-making for each business and accelerate growth, to achieve our medium-term targets for FY2030.
- We completed, effective October 1, 2026, the transition to a flexible business structure, optimizing our organization according to growth phase and with future M&A in mind.



Consolidation of Results and Goodwill Amortization Period for FY2027

Subsidiaries' Results Consolidated

Six months of results of flaggs Inc. will be consolidated in FY2027

		2026								2027			Consolidation period	Goodwill amortization period
		Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.		
Confidence Interworks	March financial results	FY2027 Q1			FY2027 Q2			FY2027 Q3			FY2027 Q4			12 months	10 years *1
i-Clutch.Inc	March financial results							FY2027 Q3			FY2027 Q4				
Interworks	March financial results							FY2027 Q3			FY2027 Q4				
Confidence Pro	March financial results	FY2027 Q1			FY2027 Q2			FY2027 Q3			FY2027 Q4			12 months	-
Protagonist	March financial results	FY2027 Q1			FY2027 Q2			FY2027 Q3			FY2027 Q4			12 months	-
Let'si	March financial results	FY2027 Q1			FY2027 Q2			FY2027 Q3			FY2027 Q4			12 months	5 years
BRAISE	March financial results	FY2027 Q1			FY2027 Q2			FY2027 Q3			FY2027 Q4			12 months	10 years
G's corporation	March financial results	FY2027 Q1			FY2027 Q2			FY2027 Q3			FY2027 Q4			12 months	-
flaggs	September financial results							FY2027 Q3			FY2027 Q4			6 months	TBD

*1 Due to the company split on October 1, 2026, the goodwill arising from the merger with Interworks, Inc. on August 1, 2023 was succeeded, for the relevant portion, by i-Clutch Inc. and Interworks Inc.

Business Topics - Press Releases

Summary of Business Topics

Apr. 1, 2025

Let's i, Inc., which is based in Osaka and develops creator-specialized HR solution services, became a consolidated subsidiary of the Company.

June 1, 2025

Consolidated subsidiary Let's i, Inc. established Tokyo office.

July 1, 2025

The BRAISE group, which produces programs for commercial and NHK-related broadcasters in the video media industry, became a consolidated subsidiary of the Company.

Jan. 23, 2026

Establishment of CIW Split Preparation Company A and CIW Split Preparation Company B as preparatory companies.

Apr. 7, 2026



Subsidiary Protagonist Inc., which specializes in AI, Web3, and Deep Tech, fully renewed Plus Web 3, their in-house website.

Apr. 28, 2026

Launched the Scout Agency Service - Light Plan, a direct consulting service for enterprises through a business partnership with MiNE Inc.



June 1, 2026

Moved the Tokyo office and merged it into the Shinjuku office.

June 11, 2026

In the recruitment business, an Interworks Confidence consultant won the MVP award at the "JAPAN HEADHUNTER AWARDS 2026," hosted by BizReach, a career-change website.

July 1, 2026



Established "Be Sports Confidence Game Lab Hamamatsucho", a continuous employment support type B business specializing in e-sports utilization.

Aug. 5, 2026

Launched the official Interworks Confidence PR note account.



Oct. 1, 2026

Implemented Group reorganization through company split to establish a Group operating structure that enables agile and flexible management decisions.

Oct. 1, 2026

Made flaggs Inc., which engages in game planning, development, and operation, a consolidated subsidiary.

Growth Strategy | Toward a Transition to the Prime Market

- Aim to achieve revenue of 20 billion yen and operating profit of 3 billion yen (operating profit margin of 15%) and meet the criteria of total market capitalization of tradable shares and market capitalization for a transition to the Prime Market at an early stage

Transition to the Prime Market: Quantitative Criteria

			End of Mar. 2023	End of Mar. 2024	End of Mar. 2025	End of Mar. 2026	End of Mar. 2027
Liquidity	Number of shareholders	No less than 800	○	○	○	○	○ (Estimate)
	Number of shares in circulation	No less than 20,000 units	×	○	○	○	○ (Estimate)
	Total market capitalization of tradable shares	No less than 10 billion yen	×	×	×	×	Aim for early achievement
	Market capitalization	No less than 25 billion yen	×	×	×	×	Aim for early achievement
Governance	Ratio of tradable shares	No less than 35%	○	○	○	○	○ (Estimate)
Operating Results and Financial Condition	Revenue base	Total profit for the last two years is no less than 2.5 billion yen	×	×	×	×	○ (Estimate)
	Financial Condition	Net assets of no less than 5 billion yen	×	○	○	○	○ (Estimate)

IR Information

- We are working to provide timely and easy-to-understand information to our shareholders and investors
- Interworks Confidence will continue to actively disseminate information to raise awareness of and build trust in our IR activities

Information dissemination using IR note magazine and official X account

Confidence Interworks

We are also working to provide timely and easy-to-understand information to our shareholders and investors

IR note magazine

Supplementary explanations of financial results, Q&A, Monthly Report, etc.

https://note.com/ciw_ir

Official X account

Instant updates on the latest financial results, IR events, and release information

@ciw_ir

Enhancement of explanations for individual investors

<FY2024>
- Wealth advisor Online IR fair for individual investors
- Kabu Berry Lab
- STOCKVOICE Asset Building Festa 2024
- Seminar for individual investors hosted by Nihon Securities Journal Inc.

<FY2025>
- Shonan Investment Study Group
- NIKKEI IR & Individual Investor Fair 2024
- Corporate IR Seminar for Long-Term Individual Investors
  – A Forum for Dialogue Between Companies and Investors
- Kobe Investment Study Group
- Asset Management EXPO
- Seminar for individual investors hosted by Nihon Securities Journal Inc.

<FY2026>
- Kabu Berry Lab
- Tokyo Investment Study Group

<FY2027>
- Kabu Berry Lab

Confidence Interworks

Empowering Professionals to Create the Future Together

Inquiries about this material: IR staff, FP&A Division（ir@ciw.jp）

Handling of this material

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In addition, the information contained in this material and related to matters other than the Company has been quoted from publicized information. The Company has made no verification about the accuracy and appropriateness, etc. of such information, and provides no guarantee about it.