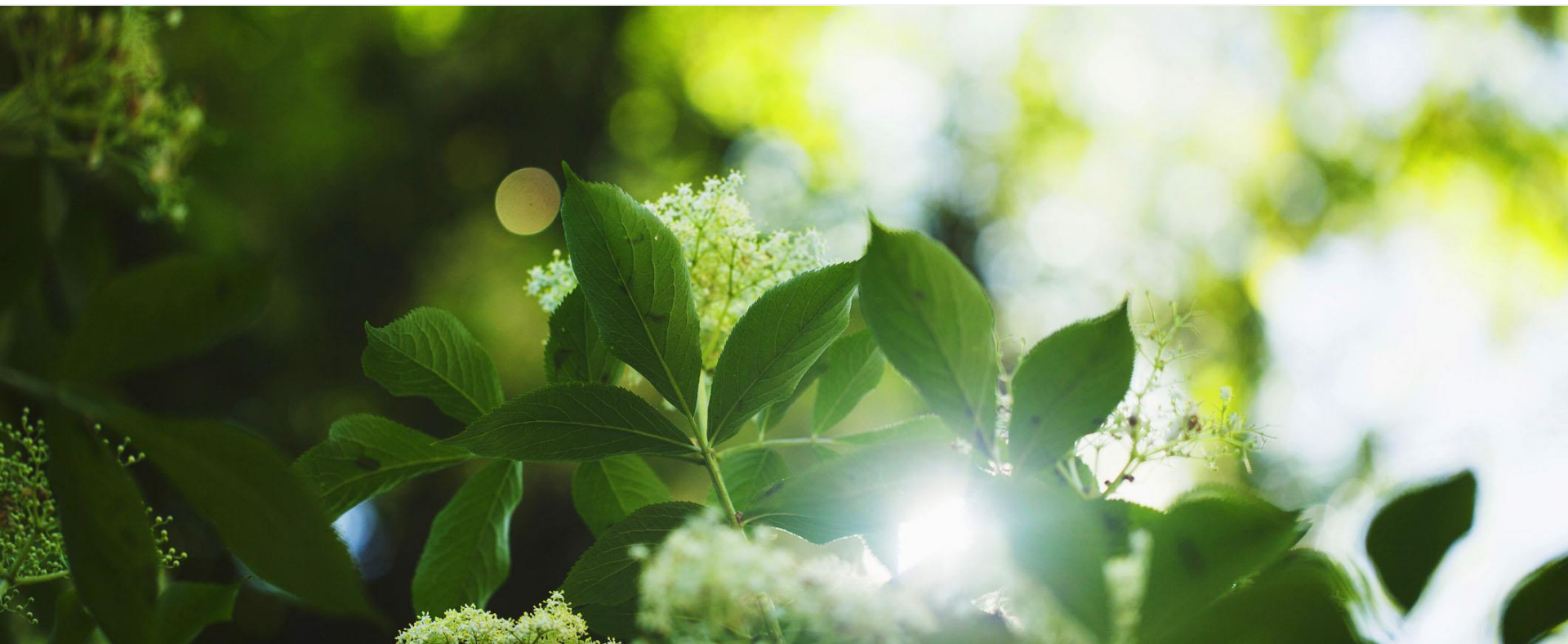


Consolidated Financial Results Supplementary Document Q3 FY22

February 6, 2023 / SIGMAXYZ Holdings Inc. (Stock code: 6088)



Outline of Financial Results for Q3 FY22

Summary

- Consolidated revenue increased to 12.36 billion yen (+9% YoY). The forecast was achieved at 72% of the consolidated revenue and 71% of ordinary profit; there are no changes to the full-year forecast.
- Consulting business: Revenue increased 11% YoY, buoyed mainly by projects aiming to support companies with transformations. With the completion of the SXA MBO, its figures will be left out of consolidated figures from Q4 onward.
- Investment business: New investments into two companies during Q3 brings the cumulative balance of investments to approx. 2.5 billion yen (including valuation differences).

Unit: JPY mn	Q3 FY21 (Apr to Dec)	Q3 FY22 (Apr to Dec)	YoY change rate	FY22 consolidated earnings forecasts	Progress
Consolidated revenue	11,303	12,364	+9%	17,200	72%
(Consulting business)	11,170 (*)	12,410 (*)	+11%		
(Investment business)	256 (*)	24 (*)	-91%		
Ordinary profit	2,080	2,273	+9%	3,180	71%
(Ordinary profit rate)	18%	18%		* Includes internal revenue between segments.	
Profit	1,269	1,342	+6%		
Equity ratio	74%	76%			

Quarterly Consolidated Statement of Income for Q3 FY22

Unit: JPY mn	Q3 FY21 (Apr to Dec)	Q3 FY22 (Apr to Dec)	YoY change		Major changes
			Amount	Rate	
Revenue	11,303	12,364	+1,060	+9%	<ul style="list-style-type: none"> • Increased due to revenue growth and lower outsourcing expenses • Increased sundry expenses associated with the normalization of face-to-face activities • Increased recruiting expenses
Cost of revenue	6,084	6,375	+291	+5%	
Gross profit	5,219	5,988	+769	+15%	
S, G&A expenses	3,134	3,744	+610	+19%	
Operating profit	2,084	2,244	+159	+8%	
Ordinary profit	2,080	2,273	+193	+9%	
Profit before income taxes	2,080	2,273	+193	+9%	
Profit	1,269	1,342	+72	+6%	

Outline of Earnings by Segment for Q3 FY22

Unit: JPY mn	Q3 FY21 (Apr to Dec)	Q3 FY22 (Apr to Dec)	YoY change	
			Amount	Rate
Consolidated revenue	11,303	12,364	+1,060	+9%
(Consulting business)	11,170	12,410	+1,239	+11%
(Investment business)	256	24	-232	-91%
(Internal transactions)	-123	-69	+53	—
Segment profit	3,269	3,538	+269	+8%
(Consulting business)	3,173	3,744	+570	+18%
(Investment business)	95	-205	-301	—
Segment profit rate for revenue ^(*)	29%	28%	—	—
(Consulting business)	28%	30%	—	—
(Investment business)	37%	—	—	—

* Regarding the segment profit rate for revenue, calculations of revenue include internal revenue between segments.

Key Performance Indicator (KPI)

	Q3 FY21 (Apr to Dec)	Q3 FY22 (Apr to Dec)	YoY change
Consolidated revenue ordinary profit rate	18%	18%	-0%

Consulting Business		End of Q3 FY21	End of Q3 FY22	YoY change
	Number of consultants	485	520	+7%
	Project satisfaction (NSI*)	93	94	+1 pt

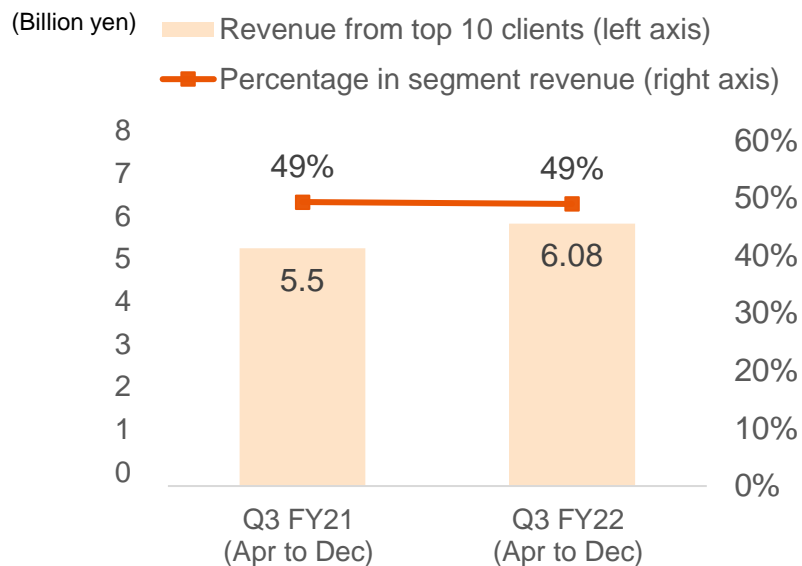
Investment Business		End of FY21	End of Q3 FY22	Change
	Investment balance	Approx. 1.8 billion yen	Approx. 2.5 billion yen	+ Approx. 0.7 billion yen

* Net Satisfaction Index (NSI): Average score from 5 possible ratings for each question evaluating project satisfaction. Conducted in a questionnaire format for client project owners. 5: I really agree: 100 points; 4: I agree: 75 points; 3: I can't say either way: 50 points; 2: I don't agree: 25 points; 1: I don't agree at all: 0 points

(Reference) Segment Information

In the consulting business, we saw an increase in revenue from clients in the fields of retail, trading, telecommunications, finance, manufacturing, and transportation. In the investment business, new investments into two companies during Q3 brings the investment balance (including valuation differences) to approx. 2.5 billion yen.

Consulting Business

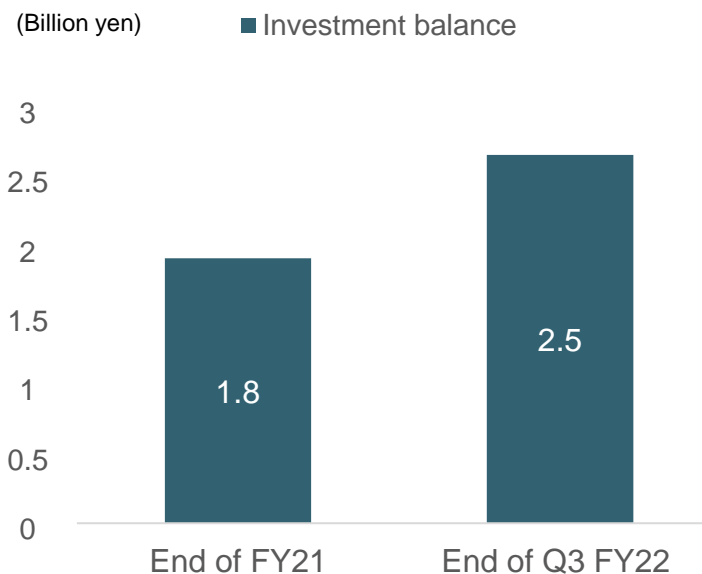


(Reference) SIGMAXYZ Inc. number of projects, number of clients, and revenue per contract

	Q3 FY21 (Apr to Dec)	Q3 FY22 (Apr to Dec)	YoY change
Number of projects*	728	793	+9%
Number of clients**	145	152	+5%
Revenue per contract (JPY mn)	14.8	15.3	+3%

SXA and SXF figures are excluded from all totals. * Number of projects: Projects for which revenue has been recorded over the consolidated cumulative period are aggregated by the number of contracts. ** Number of clients: Project clients for which revenue has been recorded over the consolidated cumulative period are aggregated by the number of companies.

Investment Business



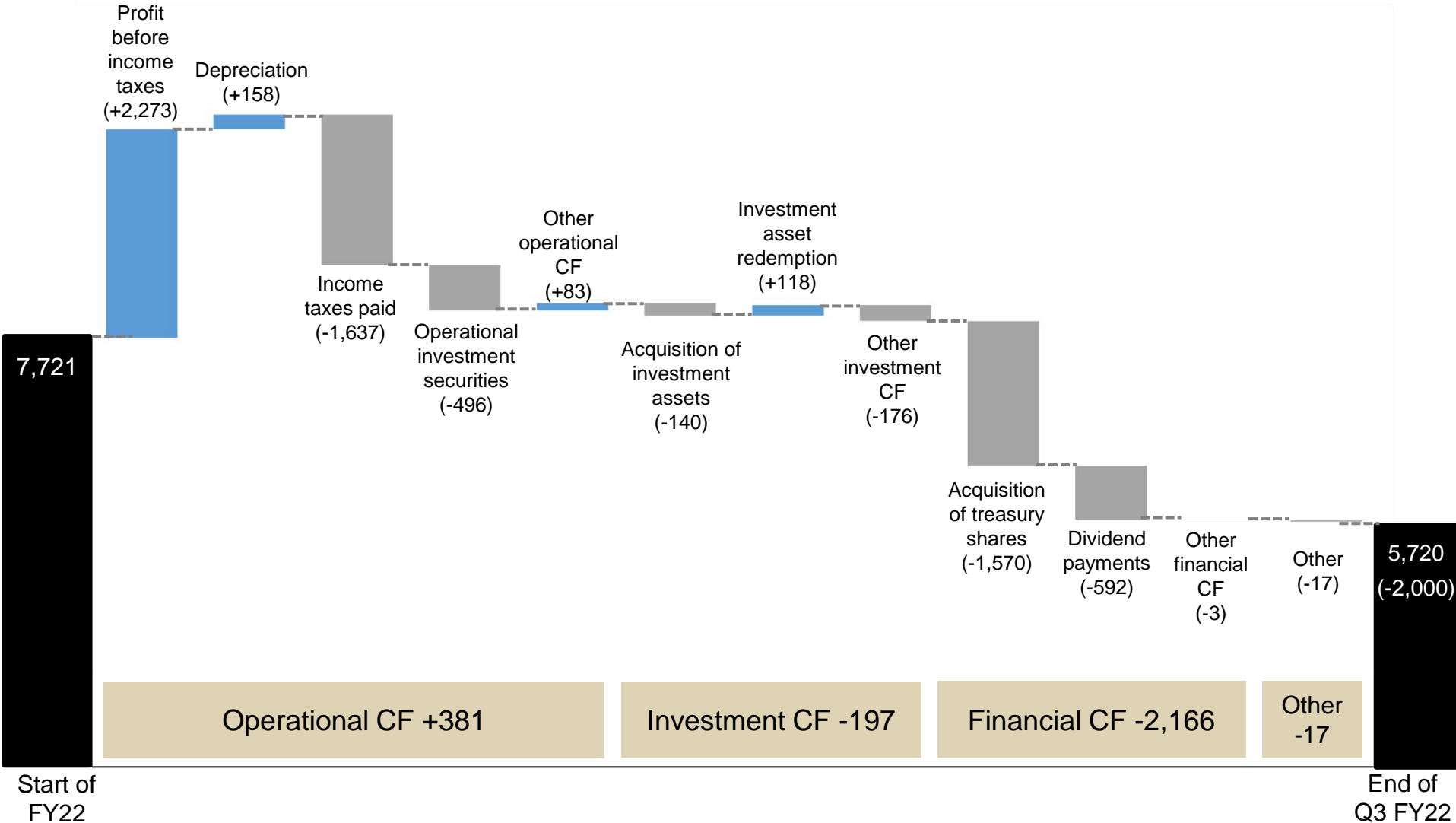
- Investment balance: Approx. 2.5 billion yen
- Three new investments:
Forest Energy Inc.
Mental Health Technologies. Co., Ltd.
DORAEVER Co. Ltd
- Two investees listed: eWeLL and PROGRIT

Quarterly Consolidated Balance Sheet for Q3 FY22

Unit: JPY mn	End of FY21	End of Q3 FY22	YoY change	Major changes
Current assets	12,147	10,885	-1,261	<ul style="list-style-type: none"> • Decrease in cash and deposits, increase in operational investment securities • Decrease in accounts payable, income taxes payable, etc.
Cash and deposits	7,721	5,720	-2,000	
Non-current assets	2,509	2,462	-46	
Total assets	14,656	13,348	-1,308	
Current liabilities	2,764	1,729	-1,035	
Non-current liabilities	1,589	1,436	-152	
Total liabilities	4,354	3,166	-1,188	
Net assets	10,302	10,182	-119	
Equity ratio	70%	76%		

Transitions in Consolidated Cash Flow

(Unit: JPY mn)



Hiring Activities

36 new graduates joined the company on April 1, 2022. 45 experienced employees joined the company in the first three quarters of FY2022. Recruitment activities are progressing smoothly toward hiring approx. 50 experienced persons in FY2022.

Approx. 60 new graduates will join the company in April 2023.

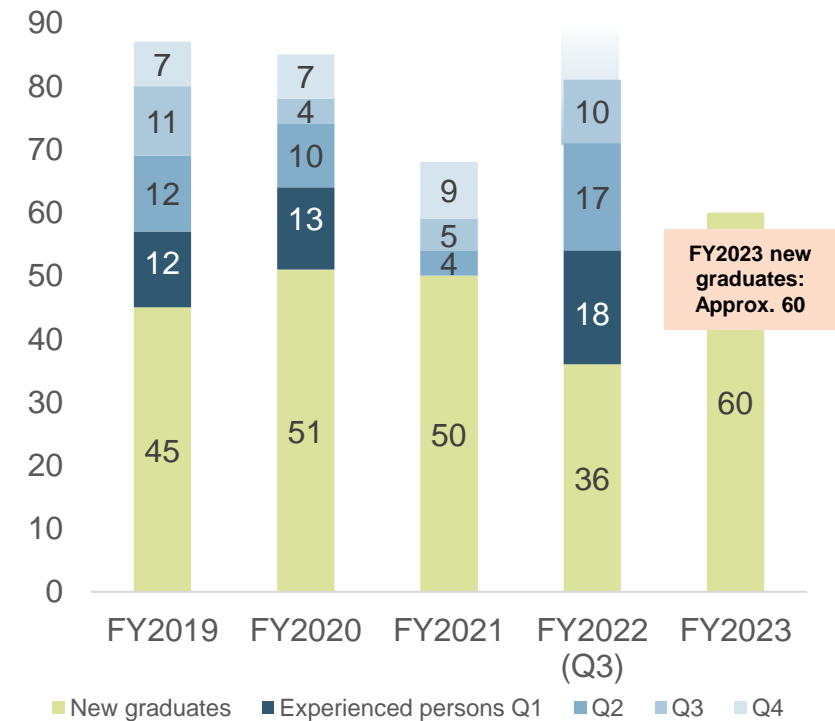
Number of people hired per annum (consultants)

Unit: people

FY2022 Recruitment enhancement measures

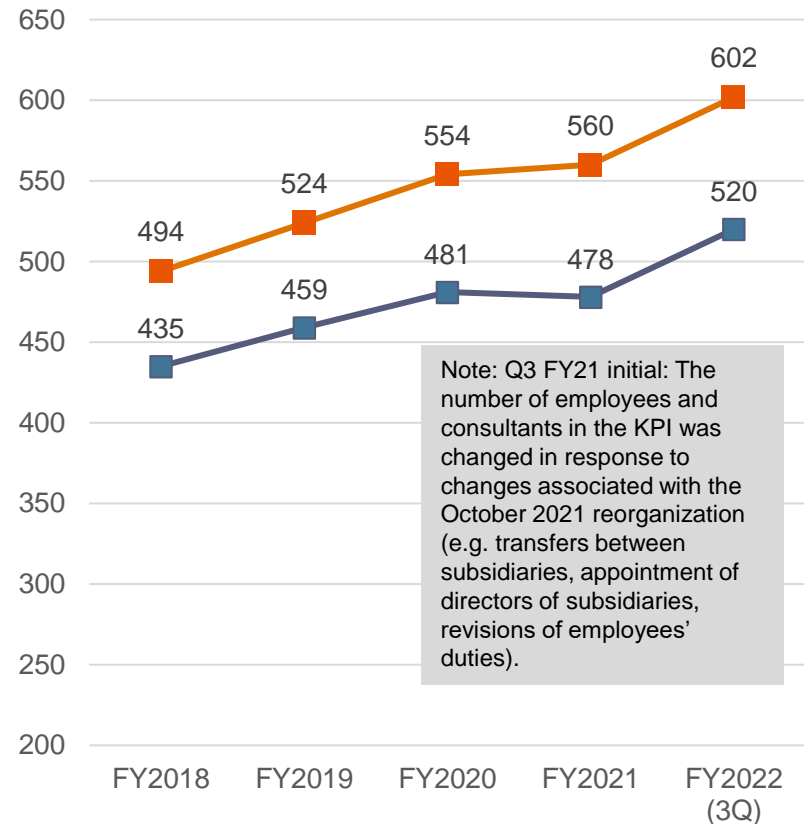
- Raise the annual salary standard for young workers
- Enhance the transmission of information, etc.

87 85 68 81 **Approx. 60**



Number of employees (■) and consultants (■) in the Group

Unit: people



SIGMAXYZ Group Companies

Company name	Establishment/start of business	Business description
SIGMAXYZ Inc.	2021 (wholly owned subsidiary of SIGMAXYZ Holdings)	Provides consulting services to help companies with transformations
SIGMAXYZ Investment Inc.	2021 (wholly owned subsidiary of SIGMAXYZ Holdings)	<ul style="list-style-type: none">• Invests in stocks, bonds, etc.• Invests and manages investment partnership assets• Consulting on corporate management and M&As• All aspects of investing to support value creation
SXF Inc.	2019 (wholly owned subsidiary of SIGMAXYZ)	Provides financial EDI services Electronic payment service provider, License: EPS Local Finance Bureau (Electronic Payment Agency) No. 40

As a result of the MBO, all shares of SXA Inc. (M&A advisory), a former consolidated subsidiary of SIGMAXYZ Holdings, were transferred to the subsidiary's management. The former subsidiary will be excluded from consolidated figures from Q4 onward.

Project Management Office for Initiatives to Standardize and Advance Operations and Systems

SIGMAXYZ took part in the SURF Project, an initiative of Mitsui O.S.K. Lines, Ltd./MOL Drybulk, Ltd. involving transitioning to SaaS with the aim of standardizing and advancing the companies' core operations and systems.

We provided assistance as the project management office for the project, which sought to implement SaaS and standardize operations using SaaS, Veson IMOS Platform, a platform for the marine transport business, and SAP S/4HANA Cloud, a leading solution for core operations.

Amid an extremely challenging project structure involving overseas system vendors and implementation partners in addition to the many organizations of the two main companies, SIGMAXYZ kept the project on schedule and maintained high quality output. In short, we contributed to the successful achievement of the planned project objectives.



Stay Updated, React First.

SURF



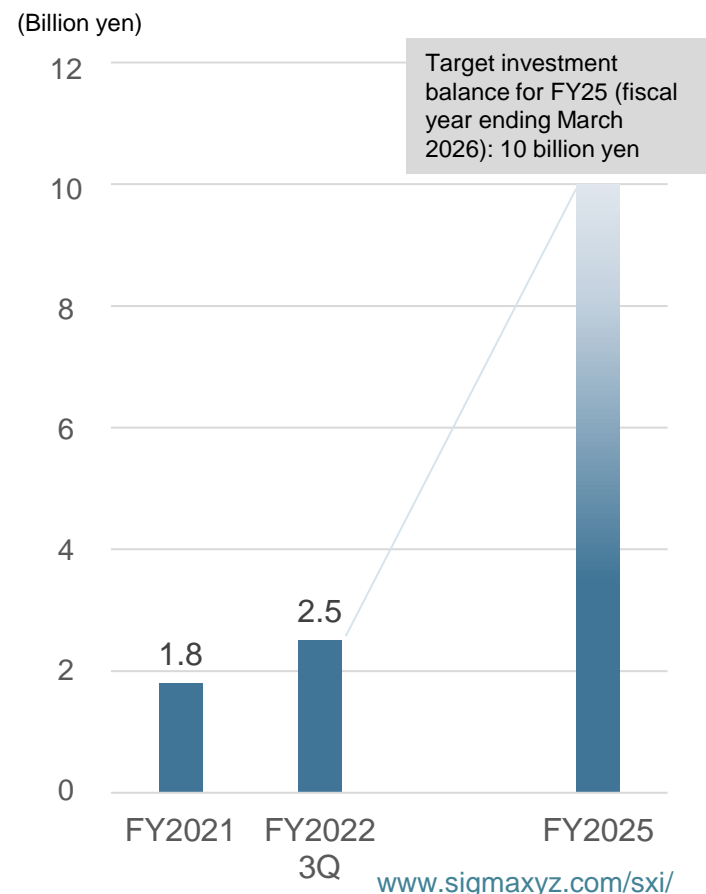
• [Program management for corporate management](https://www.sigmaxyz.com/sx/business/program-management/) <https://www.sigmaxyz.com/sx/business/program-management/>

Investees

- In our investment business, we invest mainly in the regenerative and well-being domain, which spans multiple industries. We also provide consulting to our investees to help them increase their corporate value.
- As of December 31, 2022, the cumulative balance of investments is approx. 2.5 billion yen (including valuation differences).

Investment year	Company name	Business description
2018	GHELIA INC.	AI solutions
2019	Creww, Inc.	Startup community management
	Monstarlab Holdings Inc.	Digital consulting Software development
2021	Wellness Communications Corporation	Medical examination solutions for corporate/health insurance societies, SaaS for health care
	PROGRIT Inc. (TSE Growth Market 9560)	Coaching services for improving English ability / Subscription-based English learning services
2022	Shizen Energy Inc.	Electricity generation from renewable energy (e.g. solar, wind, small-scale hydro) inside and outside Japan, etc.
	eWeLL Co., Ltd. (TSE Growth Market 5038)	Developing and providing SaaS that support operations for electronic medical charts for home-visit nursing care.
	Forest Energy Inc.	Electricity generation from wood biomass from locally grown trees
	Mental Health Technologies. Co., Ltd. (TSE Growth Market 9218)	Services pertaining to corporate employee health care
	DORAEVER Co. ltd	Internet-based support services for transport companies

Transitions in investment balance



Collaboration with Investees (Shizen Energy & Forest Energy)

Printed in WIRED.jp: Future Vision in 22nd Century

HOME > PROMOTION > いまエネルギーの議論に必要な「インターローカル」の視点：連載・22世紀の未来



いまエネルギーの議論に必要な「インターローカル」の視点：連載・22世紀の未来図(2) 自然電力×シグマックス・グループ

変革期を迎えている社会において、企業は顧客体験を軸にした横断的な枠組みに基づいてビジネスの再構築を求められている。そんなドメイン志向の社会づくりを22世紀に向けてシグマックスグループと共に探る連載「22世紀の未来図」の第2回は、「青い地球を未来にかなぐり、エネルギーは再生可能エネルギーの普及に尽力する自然電力と、エネルギーの脱炭素から見た地域社会の未来を考えた。

PROMOTION 2022.12.02 FRI 09:30

TEXT BY ASUKA KAWANABE
PHOTOGRAPHS BY KADRI NISHIDA



[Link to article: https://wired.jp/branded/2022/12/02/sigmaxyz-future-vision-in-22th-century-2/](https://wired.jp/branded/2022/12/02/sigmaxyz-future-vision-in-22th-century-2/)

HOME > PROMOTION > 森林資源の活用が生み出す「コンパクトな循環」：連載・22世紀の未来図(3)



森林資源の活用が生み出す「コンパクトな循環」：連載・22世紀の未来図(3) フォレストエナジー×シグマックス・グループ

変革期を迎えている社会において、企業は顧客体験を軸にした横断的な枠組みに基づいてビジネスの再構築を求められている。そんなドメイン志向の社会づくりを22世紀に向けて探る連載「22世紀の未来図」の第3回は、森林を中心とする分散・循環型の社会インフラづくりを目指すフォレストエナジーを訪ねた。

PROMOTION 2023.01.12 THU 09:30

TEXT BY ASUKA KAWANABE
PHOTOGRAPHS BY KADRI NISHIDA



[Link to article: https://wired.jp/branded/2023/01/12/sigmaxyz-future-vision-in-22th-century-3/](https://wired.jp/branded/2023/01/12/sigmaxyz-future-vision-in-22th-century-3/)

FY22 Consolidated Earnings Forecasts

Unit: JPY mn	FY22	YoY change (amount)	YoY change (rate)	Q3 FY22 result	Progress
Revenue	17,200	1,545	10%	12,364	72%
Operating profit	3,180	420	15%	2,244	71%
Ordinary profit	3,180	415	15%	2,273	71%
Profit attributable to owners of parent	2,000	335	20%	1,342	67%

In terms of the consolidated earnings forecast, the investment business is, by its nature, highly susceptible to developments in domestic and overseas stock markets and new listings; therefore, the profit level range may be greater than the forecast. However, our forecasts are based on information available as of now.

Dividend Policy

- Focus on striking a balance between shareholder returns and internal reserves, in order to strengthen the financial structure and prepare for future development of business.
- Ensure consistent and stable payment of dividends.
 - FY22 annual dividend
15 yen per share

Note: The above dividend forecast is based on information available as of the date of the publishing of this document. It may fluctuate due to various factors in the future.

(Reference) Blueprint in FY25 (Fiscal Year Ending March 2026)

	<u>Blueprint in FY25</u>	<u>FY22 consolidated earnings forecasts</u>	<u>Compound annual growth rate (CAGR)</u>
Consolidated revenue	25 bn yen	17.2 bn yen	13%
Ordinary profit	7 bn yen	3.2 bn yen	30%
Profit rate	28%	19%	-
Number of employees	Approx. 800	Approx. 600	Approx. 10%

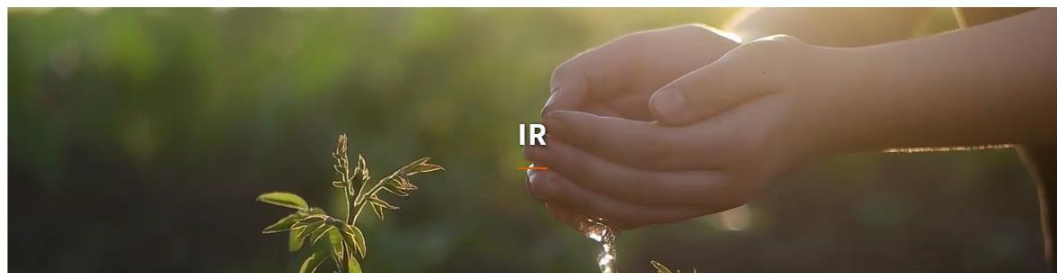
- In the current volatile market, we believe it is appropriate to actively review our business strategy every year and take it into account for the next fiscal year's business plan, so we do not formulate medium-term management plans.
- "Blueprint" is how we want to grow in the medium and long term, and is shared with our shareholders and investors every few years.

(Reference) Audio Report for Financial Results Supplementary Documents

A Japanese audio report for the document is posted on our website at 6:00 p.m. JST on the day the results are disclosed.

SIGMAXYZ

シグマックス・グループ 企業情報 IR 採用 ニュース EN 〻



IR information
www.sigmaxyz.com/ir/



 **最新IR資料**

2022年3月期 第1四半期決算（2021年8月4日 発表）

最新のIRニュース

IRニュース一覧

2021.10.01 [プレスリリース](#) 持株会社体制への移行に関するお知らせ [PDF](#)

2021.09.29 [お知らせ](#) 「会社四季報2021年4集秋号」 訂正情報

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This document discusses not only the trends in the SIGMAXYZ Group's business and the industry, but also future prospects based on current plans, estimates, expectations, and forecasts.

Statements regarding these future prospects include various risks and uncertainties. It is possible that known or unknown risks, uncertainties, or other factors may lead to results that differ from the content of the statements regarding future prospects. SIGMAXYZ Holdings Inc. cannot guarantee that the statements about future prospects and forecasts are correct, and it is possible that the results may be significantly different from the future prospects.

The statements about future prospects in this document were created by SIGMAXYZ Holdings Inc. on the basis of information that was available when the document was being prepared. As such, they do not reflect future events and situations, or update or change any other statements about future prospects.

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