

**i–plug (4177-TSE Mothers) ----- March 23,2021****Providing “OfferBox,” a new graduate recruiting service, and “eF-1G,” an aptitude evaluation service, to companies**

This report is an English translation of part of the report issued on March 19, 2021.  
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**[4177 i–plug Sector : Information & Communication ]**

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Mar. 2019	1,348	-	92	-	88	-	72	-	21.2	62.4	0.0
Mar. 2020	1,598	18.5	33	-64.1	26	-70.5	-40	-	-11.6	50.8	0.0
Mar. 2021 f	2,115	32.4	299	9.1x	276	10.6x	192	-	55.3	-	0.0

Note: Consolidated basis. Figures for the fiscal year ending March 2021 are the company's forecasts.  
It conducted 1-to-10 stock split on December 31, 2020. Per share indices are adjusted retroactively.

**New Graduate Recruiting Service is Flagship Business**

i–plug Group provides OfferBox, which is a recruitment service specialized in employment of new graduates by matching students and companies through providing opportunities to join recruiting sessions and interviews held by companies seeking workers to those students seeking employment who have registered their profile information. The group also provides eF-1G, which is an aptitude evaluation service for students and workers.

**Figure 1: Net Sales Breakdown**

	Fiscal year ended Mar. 2020		9 months to Dec. 2020	
	Net sales (million yen)	Composition (%)	Net sales (million yen)	Composition (%)
OfferBox (fixed-rate type)	997	62.4	819	56.5
OfferBox (success-reward type)	273	17.1	419	28.9
eF-1G	280	17.5	163	11.2
Others	46	2.9	47	3.2
Total	1,598	100.0	1,449	100.0

Note: Figures may not add up to the totals due to rounding.  
Source: Prepared by The Stock Research Center based on the notifiable prospectus.

There are two pricing plans that i–plug sets for OfferBox. One is a success-reward type pricing plan that allows companies to send offers starting March 1, the recruitment publicity opening date, and i–plug receives 380,000 yen per person only when an employment agreement is reached. This pricing plan aims to lower the bar for companies to introduce the service, as it does not take a usage fee and it is designated in the contracts that the success reward will be repaid if the student declines the employment offer before joining the company.

The other is a fixed-rate pricing plan, which allows companies to send offers before the recruitment publicity opening date in March, such as urging third year students to join internships. Under this pricing plan, i–plug will receive a usage fee and fee for number of positions based on the planned number of employments in a lump sum at the time of concluding contracts. When a company is seeking workers for three positions, the fee will be 750,000 yen, for which the breakdown is 300,000 yen for usage fee (100,000 yen x three people) and 450,000 yen as the fee for the number of positions (150,000 yen x three positions). Even if the number of students being employed does not reach the target

or if students decline employment offers before joining the company, i–plug does not have to make repayments. In exchange for there being no repayments, companies can keep the employment unit price low, and because they can use long-term services for a maximum of two years, there are many cases of companies which obtained successful results by using the success-reward type pricing plan introducing this plan in following years.

The number of students scheduled to graduate in 2021 that have registered for OfferBox is 145,000 as of the end of 2020, meaning that one out of three students graduating in 2021 and seeking to join private companies are using the service.

**i-plug (4177-TSE Mothers) - - - - - March 23,2021****Figure 2: Financial Statements**

Statement of income	Fiscal Year	Mar. 2019		Mar. 2020		Nine months to Dec. 2020	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		1,348	100.0	1,598	100.0	1,449	100.0
Cost of sales		287	21.3	359	22.5	260	17.9
Gross profit		1,061	78.7	1,239	77.5	1,189	82.1
Selling, general and administrative expenses		969	71.9	1,205	75.4	1,076	74.3
Operating profit		92	6.8	33	2.1	113	7.8
Non-operating income		0	-	1	-	1	-
Non-operating expenses		4	-	8	-	9	-
Ordinary profit		88	6.5	26	1.6	104	7.2
Profit before income taxes		88	6.5	26	1.6	104	7.2
Profit attributable to owners of parent		72	5.3	-40	-2.5	57	3.9

Balance sheet	Fiscal Year	Mar. 2019		Mar. 2020		Nine months to Dec. 2020	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		859	77.7	1,315	83.2	1,786	86.8
Cash and deposits		711	64.3	1,217	77.0	1,642	79.8
Accounts receivable-trade		118	10.7	68	4.3	94	4.6
Inventories		-	-	-	-	-	-
Non-current assets		245	22.2	265	16.8	270	13.1
Property, plant and equipment		31	2.8	63	4.0	57	2.8
Intangible assets		129	11.7	113	7.2	120	5.8
Investments and other assets		85	7.7	88	5.6	92	4.5
Total assets		1,105	100.0	1,580	100.0	2,057	100.0
Current liabilities		635	57.5	842	53.3	1,302	63.3
Accounts payable-trade		12	1.1	0	0.0	-	-
Short-term borrowings		-	-	-	-	-	-
Current portion of long-term borrowings		48	4.3	121	7.7	226	11.0
Non-current liabilities		225	20.4	504	31.9	613	29.8
Long-term borrowings		196	17.7	469	29.7	592	28.8
Net assets		244	22.1	233	14.7	141	6.9
Owners' equity		216	19.5	175	11.1	141	6.9

Statement of cash flows	Fiscal Year	Mar. 2019	Mar. 2020
		(mn yen)	(mn yen)
Cash flows from operating activities		249	217
Depreciation		13	16
Amortization of goodwill		13	13
Cash flows from investing activities		-50	-61
Cash flows from financing activities		-43	345
Dividends paid		-	-
Net increase in cash and cash equivalents		156	500
Cash and cash equivalents		659	1,159

Note: Consolidated basis.

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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