

Operating a career-change platform Z Career for non-desk workers

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For inquiries concerning the report, please contact info@stock-r.org

[241A ROXX 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)
Sep. 2022	1,214	37.0	-744	-	-748	-	-841	-	-137.4	139.9	0.0
Sep. 2023	2,075	70.9	-746	-	-742	-	-746	-	-111.8	46.6	0.0
Sep. 2024 f	3,525	69.9	-450	-	-469	-	-487	-	-71.3	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending September 2024 is the company's forecasts.

Operating a Career-Change Platform for Non-Desk Workers

ROXX operates Z Career, a career-change platform for non-desk workers seeking full-time employment, companies actively recruiting inexperienced workers and recruitment agencies that facilitate these matches. The company also offers the back check service, which is an exclusively online reference and compliance check service. In fiscal year ended September 2023, the Z Career service accounted for 79.2% of net sales and the back check service for 20.8%.

Z Career Service

As of the end of July 2024, there were a total of 360,000 members registered and approximately 82,000 job postings on Z Career. The platform's registered members are primarily 30 years old or younger, earn less than four million yen annually and are often non-regular workers. Its core service supports non-regular, non-desk workers in their search for regular employment, focusing on industries with severe labor and human resources shortages, including manufacturing, construction, logistics, nursing care, services and food and beverage.

Z Career generates revenue from both performance-based fees charged to recruiting companies and monthly usage fees paid by partner recruitment agencies. In fiscal year ended September 2023, performance-based income, such as commissions, and recurring income, the platform usage fee paid by recruitment agencies, accounted for 54% and 46% of net sales, respectively.

Back check service

The back check service entails the provision of a reference and compliance check service that users can complete online in SaaS format. Reference checking is the practice of companies recruiting workers obtaining evaluations from the job applicant's previous superiors and colleagues and using these as references in their recruitment activities. It is also possible to check for compliance risks, including criminal records and false statements regarding career history.

Financial Statements

Statement of income	Fiscal Year	Sep. 2022		Sep. 2023		Nine months to Jun.2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		1,214	100.0	2,075	100.0	2,423	100.0
Cost of sales		240	19.8	335	16.1	332	13.7
Gross profit		973	80.1	1,740	83.9	2,090	86.3
Selling, general and administrative expenses		1,718	141.5	2,486	119.8	2,602	107.4
Operating profit		-744	-	-746	-	-511	-
Non-operating income		5	-	6	-	13	-
Non-operating expenses		10	-	3	-	16	-
Ordinary profit		-748	-	-742	-	-514	-
Profit before income taxes		-838	-	-742	-	-514	-
Net profit		-841	-	-746	-	-516	-

Balance sheet	Fiscal Year	Sep. 2022		Sep. 2023		Nine months to Jun.2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		1,602	96.2	1,367	92.1	2,995	95.2
Cash and deposits		1,203	72.2	781	52.6	2,276	72.4
Accounts receivable-trade		165	9.9	277	18.7	347	11.0
Operating accounts receivable		188	11.3	269	18.1	309	9.8
Non-current assets		64	3.8	116	7.8	150	4.8
Property, plant and equipment		-	-	46	3.1	42	1.3
Investments and other assets		64	3.8	70	4.7	107	3.4
Total assets		1,666	100.0	1,484	100.0	3,145	100.0
Current liabilities		671	40.3	1,088	73.3	1,712	54.4
Operating accounts payable		312	18.7	471	31.7	592	18.8
Short-term borrowings		50	3.0	50	3.4	50	1.6
Current portion of bonds payable		56	3.4	27	1.8	457	14.5
Accounts payable		178	10.7	288	19.4	294	9.3
Non-current liabilities		71	4.3	83	5.6	1,175	37.4
Long-term borrowings		71	4.3	83	5.6	1,175	37.4
Net assets		923	55.4	313	21.1	256	8.1
Owners' equity		923	55.4	311	21.0	255	8.1

Statement of cash flows	Fiscal Year	Sep. 2022	Sep. 2023
		(mn yen)	(mn yen)
Cash flows from operating activities		-749	-488
Depreciation		10	2
Cash flows from investing activities		-120	-51
Cash flows from financing activities		973	117
Dividends paid		-	-
Net increase in cash and cash equivalents		102	-421
Cash and cash equivalents		1,203	781

Note: Non-consolidated

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

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