

Providing human resource recruitment services utilizing in-house resources such as referral hiring via SaaS

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[330A TalentX 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. 2023	727	62.3	-94	-	-95	-	-93	-	-17.2	6.2	0.0
Mar. 2024	1,062	46.1	27	-	26	-	26	-	4.9	11.1	0.0
Mar. 2025 f	1,402	32.0	233	8.6x	220	8.5x	186	7.2x	34.1	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending March 2025 is the company's forecasts.
It conducted 1:300 stock split on November 26, 2024. Per share indices are adjusted retroactively.

Providing Human Resource Recruitment Services Utilizing Employees via SaaS

TalentX provides a cloud-based SaaS service primarily targeting large companies that allows them to leverage their own employees or previously developed in-house human resource recruitment base to recruit staff without relying on external human resource recruiting agencies.

The company offers three services through its My Series human resource recruitment platform. MyRefer is a referral hiring service where employees leverage their own network of friends and acquaintances to recruit new personnel. MyTalent is a constructed recruitment database service, which is a talent pool of previous applicants and former employees from which targeted recruitment activities are conducted. The third service is MyBrand, which enables clients to develop proprietary recruitment media with no programming necessary. The company provides all the services through a subscription-based monthly fee system.

My Series services allow clients to use all three services with one ID and to recruit personnel at low cost using their own resources, without external resources such as human resource recruitment agencies, human resource information providers or website production companies.

Recurring Revenue Accounts for Majority of Net Sales

Recurring revenue, centered on subscription revenue from My Series services, accounted for 97.6% of net sales in fiscal year ended March 2024. One-time revenue includes performance-based revenue, where the company receives compensation when personnel are successfully recruited, and consulting income.

Developing Service Market for Referral Hiring, Primarily Targeting Large Companies

Since its founding, TalentX has developed a referral hiring service and mainly provided it to large companies, cultivating a new market with few competitors. As of the end of 2024, 65% of the 353 companies using My Series services were large companies with more than 1,000 employees.

Financial Statements

Statement of income	Fiscal Year	Mar. 2023		Mar. 2024		Nine months to Dec.2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		727	100.0	1,062	100.0	1,043	100.0
Cost of sales		206	28.3	200	18.8	178	17.1
Gross profit		520	71.5	862	81.2	865	82.9
Selling, general and administrative expenses		614	84.5	835	78.6	653	62.6
Operating profit		-94	-	27	2.5	211	20.2
Non-operating income		0	-	1	-	0	-
Non-operating expenses		1	-	1	-	2	-
Ordinary profit		-95	-	26	2.4	209	20.0
Profit before income taxes		-95	-	26	2.4	209	20.0
Net profit		-93	-	26	2.4	209	20.0

Balance sheet	Fiscal Year	Mar. 2023		Mar. 2024		Dec.2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		395	76.4	533	84.6	873	91.2
Cash and deposits		345	66.7	465	73.8	810	84.6
Accounts receivable-trade		29	5.6	38	6.0	27	2.8
Contract asset		-	-	-	-	-	-
Non-current assets		121	23.4	97	15.4	83	8.7
Property, plant and equipment		69	13.3	55	8.7	41	4.3
Intangible assets		10	1.9	1	0.2	1	0.1
Investments and other assets		41	7.9	40	6.3	40	4.2
Total assets		517	100.0	630	100.0	957	100.0
Current liabilities		400	77.4	498	79.0	638	66.7
Accounts payable - trade		6	1.2	3	0.5	1	0.1
Current portion of long-term borrowings		20	3.9	11	1.7	2	0.2
Non-current liabilities		82	15.9	71	11.3	48	5.0
Long-term borrowings		36	7.0	25	4.0	3	0.3
Net assets		33	6.4	60	9.5	269	28.1
Owners' equity		33	6.4	60	9.5	269	28.1

Statement of cash flows	Fiscal Year	Mar. 2023	Mar. 2024
		(mn yen)	(mn yen)
Cash flows from operating activities		62	148
Depreciation		49	31
Amortization of goodwill		2	0
Cash flows from investing activities		-10	-7
Cash flows from financing activities		-27	-20
Dividends paid		-	-
Net increase in cash and cash equivalents		24	119
Cash and cash equivalents		345	465

Note: Non-consolidated

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

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