

# FCE Inc.\*

(TSE Standard:9564)

\* Company name changed as of January 2024

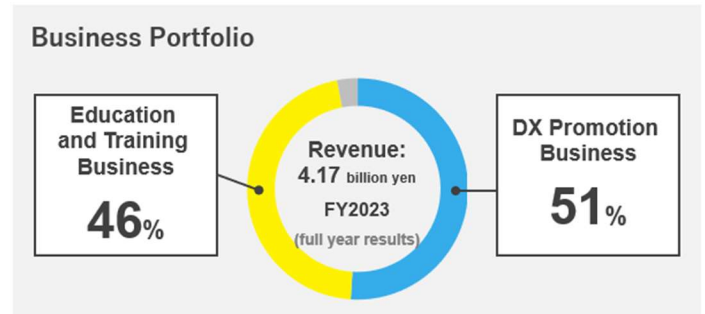
## ■ Company Overview

Our company's purpose is **to create a world in which everyone can approach and solve challenges with all their might.**

Our mission, to realize our purpose, is **contribute to maximizing human capital through "People" x "Tech"**


<b>Company Name</b>	<b>FCE Inc.</b>	Securities Code: 9564
<b>Established</b>	<b>April 21, 2017</b>	Group established February 19, 2004
<b>NO. of employees</b>	<b>194 employees</b>	with an additional 19 part time employees

\*as of December 31, 2023




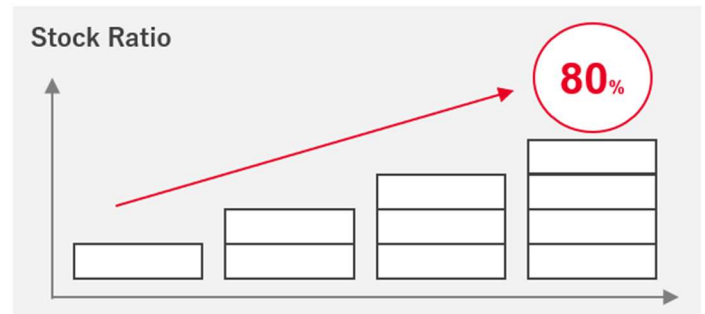
### Main Business (Business segment)

**Education and Training Business**



**DX Promotion Business**

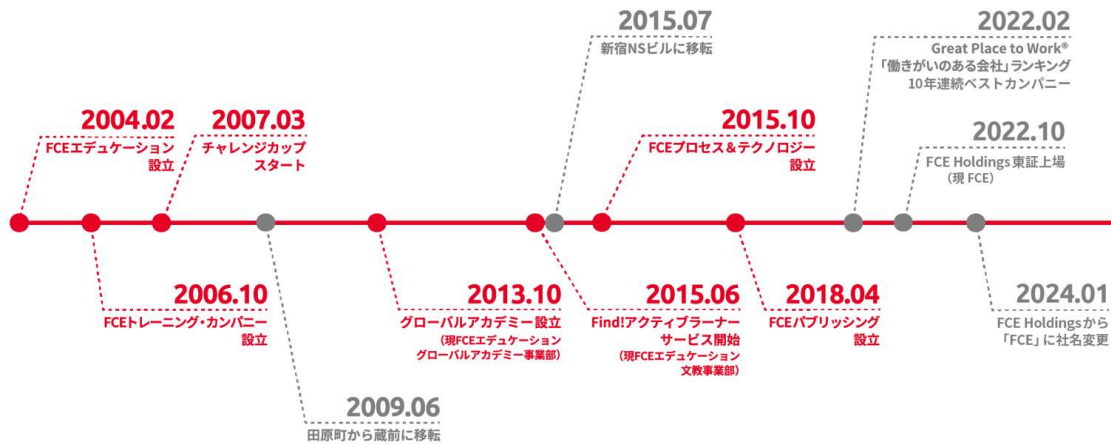




We will provide opportunities to maximize human capital through our **DX Promotion Business and Education and Training Businesses.**

As of now, the percentage of sales for our DX Promotion Business exceeds 50% of our total sales. In addition, approximately 80% of overall sales are composed of recurring revenue streams, thereby increasing the stability of our operations.

## ■ Company History



- February 2004: FCE Education established
- October 2006: FCE Trading Company established
- March 2007: Start of the Challenge Cup
- June 2009: Moved office from Tawaramachi to Kuramae
- October 2013: Global Academy established (currently FCE Education's Global Academy Division)
- June 2015: Started offering the Find! Active Learner service (current FCE Education's Education Division)
- July 2015: Moved office to Shinjuku NS Building
- October 2015: FCE Process & Technology established
- April 2018: FCE Publishing established
- February 2022: Named Great Place to Work<sup>®</sup>'s "Best Company to Work" for 10 consecutive years
- October 2022: FCE Holdings listed on Tokyo Stock Exchange (current FCE Inc.)
- January 2024: Company name changed to FCE Inc.

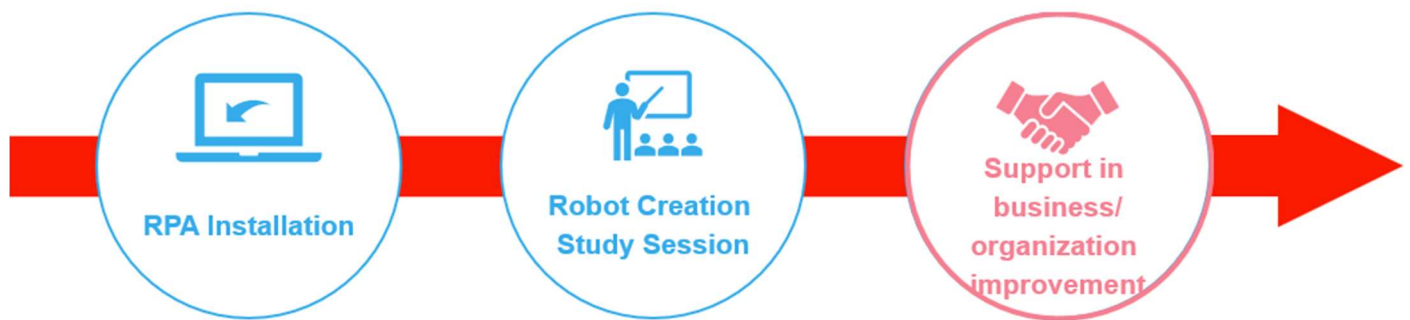
Our company began with our Education Business in 2004 and has expanded into several businesses. In the process, we began to see an increase in requests from companies for training and consulting services to improve their productivity. We thought about how we could help increase productivity, not only through training and consulting, but also through technology, which is how we came across the RPA Business (now the DX Promotion Business). Thanks to current trends, the RPA Business, which is also a recurring revenue model, achieved rapid growth. Through the pandemic, our Education and Training Business is also transforming to a recurring revenue model like e-Learning.

## ■ Main Business

### 1. DX Promotion Business

We offer one-stop introduction, study sessions and business improvement consulting services for “RPA Robo-Pat DX,” a domestically produced RPA software. The “RPA Robo-Pat DX” is a “personal RPA” that allows atomization of computer work without the need of programming knowledge. This is popular with small and medium-sized companies as well as large companies that are considering implementing the system on a departmental basis who otherwise see this implementation as a challenge. The current churn rate is maintained at a low rate of around 1%.

**The RPA “Robo-Pat DX” is a one-stop service that provides support from RPA installation to robot creation study sessions through business and organizational improvements**



### 2. Education and Training Business

In our Education and Training Business, we offer lesson programs based on “Seven Habits of Highly Efficient People J®” as well as sales of the “Foresight Handbook,” a business handbook for junior high and high school students. Our “Foresight Handbook” has the top market share in the market for handbooks for junior high and high school students, and in line with the GIGA school concept, we developed an app, while also jointly developing educational DX with the Board of Education of Nomi City, Ishikawa Prefecture, etc. In our Training Business, we offer online training system “Smart Boarding” for employee training as well as training and consultation. The number of companies adopting “Smart Boarding” is steadily increasing due to the increase in market demand for e-learning as well as demand for reskilling.



**Installed across approx. 350,000 people / 1,100 schools**

The Foresight Handbook was developed to improve the ability to reflect and to cultivate the PDCA cycle by writing daily.

Started as paper media and achieved top share in the industry in FY23.

Released an app version from 2023; free trials are being offered to schools nationwide.



**Smart Boarding**  
Your company's employee training in one place!  
Online, face-to-face, and on-the-job training

アカウント数累計 **40,000** 突破  
人事が選ぶ、導入したいオンライン社員研修 **No.1**

**Platform for building an employee training system**

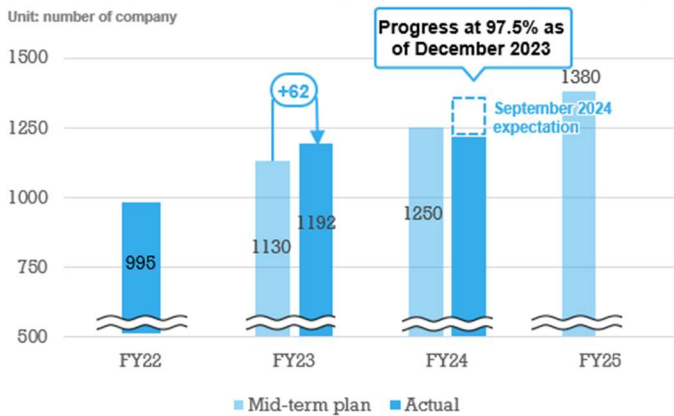
An employee training platform that enables OJT, training, and e-learning through a single system. Dedicated consultants also provide support for building an education system.

<Awards>

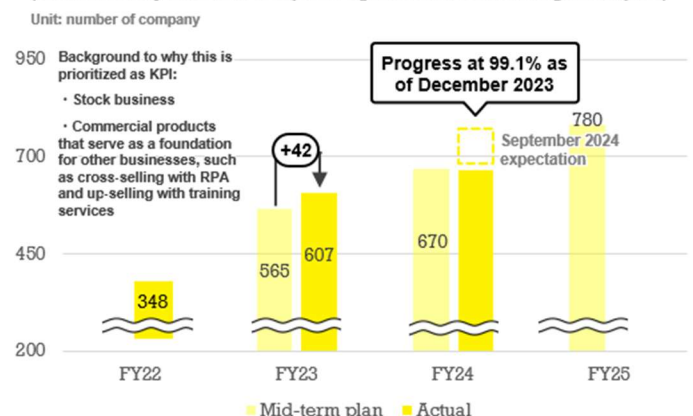
- Japan's HR Awards 2018: Professional Division, Human Resource Development and Training Category Grand Prize Winner
- BOXIL SaaS AWARD e-Learning (system) Category Good Service2023 Winter, 2023 Autumn, 2023 Summer, 2023 Spring
- BOXIL SaaS AWARD 2022 Overall Ranking Nominee in the Human Resources and Payroll category (6 Best Evaluation Awards)

### (Main KPI Status for DX Promotion Business and Education and Training Business)

Number of companies that installed RPA Robo-Pat DX (disclosed May 24, 2023; compared against mid-term management plan)

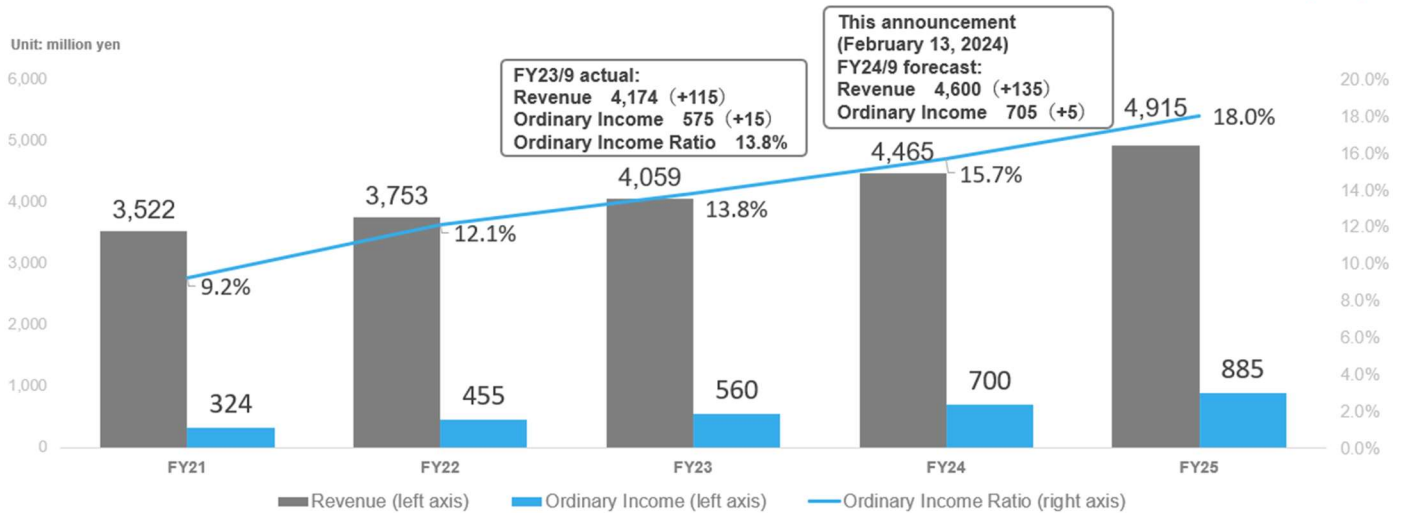


Number of companies that installed Smart Boarding (disclosed May 24, 2023; compared against mid-term management plan)



### ■ Mid-Term Management Plan (September 2023 – September 2025)

Under the three-year mid-term management plan, net sales are expected to grow by over 10% each fiscal year, to over 4.9 billion yen by the fiscal year ending September 30, 2025. Ordinary income is expected to grow at least 25% per year and is projected to exceed 880 million yen in the fiscal year ending September 30, 2025. Profit margins are expected to improve each fiscal year, especially as our recurring revenue models continue to build up, and profits will increase more than sales growth, with an ordinary income margin of 18% expected in the fiscal year ending September 2025.



## ■ Financial Highlights of the First Quarter Ended December 31, 2023

**FY2024 1Q Results**

<b>Revenue</b>	<b>Ordinary Income</b>
<b>1,039</b> million yen (+11.9% YoY)	<b>174</b> million yen (+71.6% YOY)

**Upward Revision of Earnings Forecast**

Revenue: 4,464 million yen → 4,600 million yen    Operating Income: 702 million yen → 707 million yen  
 Ordinary Income: 700 million yen → 705 million yen    Net Income: 450 million yen → 454 million yen

- ▶ Expected increase in sales and profit through Cosmotopia becoming a wholly-owned subsidiary as of FY2024 Q2
- ▶ Strong performance from the DX Promotion Business (RPA Robo-Pat DX) and Education and Training Business (Smart Boarding)

**Topics**

- ▶ Acquired all shares of Japan Cosmotopia Co., Ltd (hereinafter Cosmotopia) to be a wholly-owned subsidiary  
 Strengthen access to the digitalization of public education (GIGA school concept), complement each other's sales channels, strengthen business in the field of ICT in education, and expand business areas related to Ed-tech with AI and other scalability.
- ▶ Progress in dissolving the pure holding company system: Merger agreement signed on February 13 with FCE Training Company

## ■ Others

### ✓ Acquired All Shares of Cosmotopia (became a wholly-owned subsidiary)

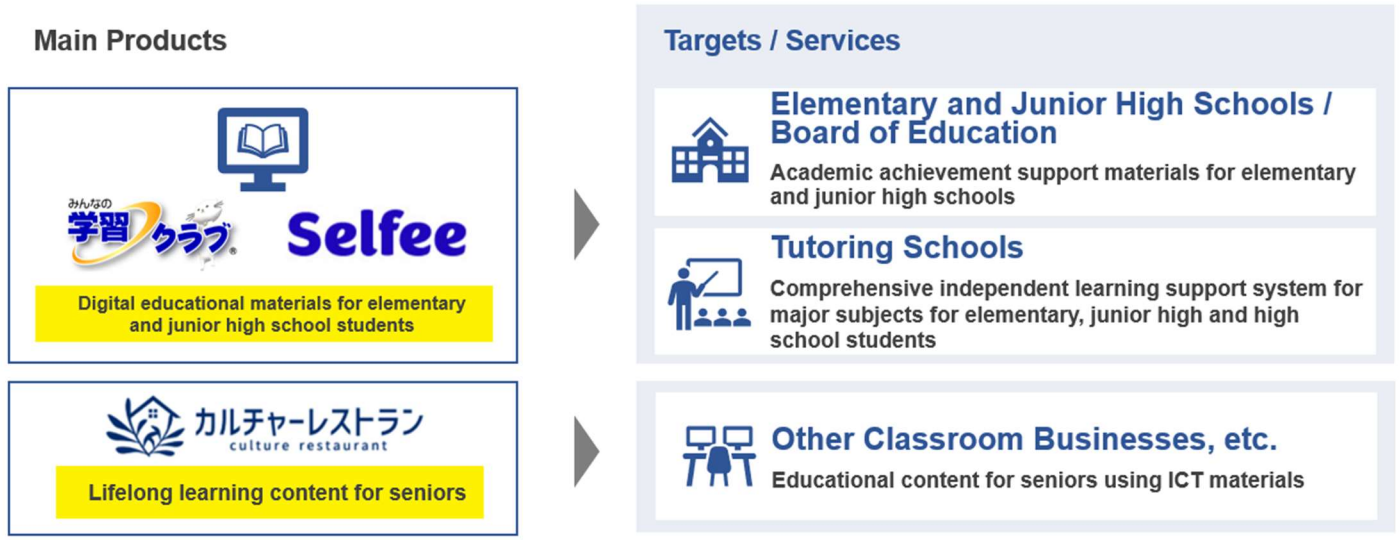
(disclosed on January 4, 2024)

Strengthen access to the digitalization of public education (GIGA school concept), complement each other's sales channels, strengthen business in the field of ICT in education, and expand business areas related to Ed-tech with AI and other scalability.



(Cosmotopia’s main products)

**3 businesses: Public Education Business, Private Education Business, and Lifelong Learning Business**  
 We respond appropriately to the changing circumstances surrounding each of our industries and solve our clients' problems through independent learning.



✓ **Stock Split** (disclosed on February 26, 2024)

**Purpose:**

The purpose is to create an environment that makes it easier for investors to invest, as well as to expand the investor base and improve the liquidity of the Company's shares. At the same time, in light of the new NISA system, we will strive to improve the mid- to long-term value of our shares by creating an investment-friendly environment and increasing the attractiveness of investment in our shares as individual investment activities are promoted.

**Method of stock split:**

As of Sunday March 31, 2024 (Sunday) (effectively Friday, March 29, 2024 due to the shareholder registry administrator's holiday on that date), the common shares held by shareholders recorded in the shareholder registry as of the end of that date will be split at a ratio of 3 shares for every 1 share held.

For other information, please refer to the following link.

<https://contents.xj-storage.jp/xcontents/AS05165/7132ea91/7a6f/46ab/a6fa/d6a475c323aa/140120240226542367.pdf>

<p><b>FCE GROUP</b></p> <p>FCE Inc. IR website  <a href="https://fce-hd.co.jp/ir/">https://fce-hd.co.jp/ir/</a></p> 	<p>FCE Inc. website  <a href="https://fce-hd.co.jp/">https://fce-hd.co.jp/</a></p>  
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