

**SUMMARY OF THE Q&A SESSION**  
**AT THE IR MEETING FOR THE FISCAL YEAR ENDED MARCH 31, 2023**

MEITEC CORPORATION

1. Date: May 11, 2023, 16:00–16:40
2. Place: Simultaneously at the conference room on the 7th floor of the Tokyo Headquarters and online conference
3. Q&A:
  - Q. In the new Mid-term Management Plan, you are targeting sales of 44.5 billion yen from Meitec Fielders(MF). Am I right to understand that this target assumes a workforce of 6,000 employees?
  - A. That is correct.
  - Q. Based on your answer, if we add together the 4,200 employees the Company had as of the end of the previous fiscal year with the 600 mid-career hires targeted for this fiscal year, I think it means that you will need to hire 700 people per year in total for the final two years of the plan. You explained that the current employment environment is difficult, so what do you think the employment environment will be like for the final two years of the plan. To what degree do you think your targets are achievable?
  - A. Over the past three years, we have experienced extremely severe changes in the employment market. Based on what we have learnt from this experience, over the next three years we will tirelessly adapt our hiring measures and methods while responding to change in a timely manner.  
As you pointed out, we have raised our recruitment targets dramatically for the final two years of the three-year plan. While these targets are certainly high, we see them as being within the scope of what is achievable, and we intend to produce even greater results.
  - Q. In regard to Meitec (MT) itself, I get the impression that mid-career recruitment progressed fairly smoothly in the previous fiscal year, but the planned growth for MT in the new Mid-term Management Plan seems conservative. I think that if you can maintain hiring at around the same pace as the previous fiscal year, you should be able to aim for slightly higher levels of growth. Therefore, I would like to ask what you think MT's potential is and whether there is any room to exceed targets, particularly in regard to mid-career hiring?
  - A. Our business result targets are definitely not conservative. However, we do not simply aim to achieve our targets, we are always looking to exceed them. As ever, if we maintain recruitment standards and if there are people available who offer suitable market value, then we will hire even if we exceed our hiring targets.
  - Q. I'm not convinced that anything has changed in the new Mid-term Management Plan compared to the previous plan, so please explain the difference. Isn't your approach for the new plan to organize what went well and what didn't in the previous plan and then pursue the targets you were unable to achieve last time round?
  - A. The theme of the previous Mid-term Management Plan was the transformation of the Meitec Group's business model. The background behind this was seven to eight years of acceleration in technological innovation, so we worked to provide value to customers by advancing a shift in technology and careers

so that we can maintain quality in our recruitment activities while also growing them in scale. Previously, we built trust and gained a specific reputation for our brand through long-term relationships with customers, and on the whole, we tended to take a passive or patient approach. However, in the previous Mid-term Management Plan, we took a more aggressive approach to sales, setting big targets in terms of social trends and technological innovation and aiming to create opportunities regarding operations, technology, and approaching customers ourselves. This has produced a certain amount of progress in the shift in technology and careers.

Nevertheless, the COVID-19 pandemic and our customers design and development activities have changed the business environment, and we have not fully adapted. Therefore, in the new plan, we have once again decided to pursue transformation in regard to the two elements “The Core”.

As technological innovation accelerates within the materiality common to many of our clients, regardless of whether they are large or small in scale, have long or short track records, or are even start-ups, the Meitec Group will work to realize the transformation of the two elements “The Core”, so that we can fully pursue an approach oriented to the two groups to which we provide value, thereby making a greater contribution to employees, clients, and society.

While it may not look like a major change to our business model itself, we will advance this transformation in recognition of the fact that we must make a huge shift in the area of our technical operations.

Q. Could you explain a bit more about the assumptions behind hiring targets for MF in the new Mid-term Management Plan?

A. During the three years of the previous plan, the environment in terms of changing jobs has changed significantly. Previously, people usually changed jobs through recruitment agencies, but now most job changes are carried out through systems that directly link individuals wanting to change jobs with companies that are looking to hire. Also, as there is an extremely diverse range of IT tools available, we are focusing on finding ways to make stronger connections with each individual.

Regarding new graduate hires, the COVID-19 pandemic produced many cases where students wanted non-contact company visits and interviews, but recently, this has gone the other way, or more accurately, returned to how it was before. The number of cases where potential hires want opportunities to meet companies directly and see the actual situation for themselves is increasing. MT and MF will constantly work to act in a way that keeps others’ perspectives in mind.

While I am unable to provide details of specific measures and methods, we will constantly watch for change and adapt appropriately and flexibly when it comes.

Q. I would like you to explain more about your answer to that question. Regarding hiring, you said that in general, a move away from the traditional approach of changing jobs through an agency is occurring, but what approach are you going to take? Will you gradually shift from the previous approach of using agencies to direct recruitment, or will you increase your use of other services? Or in other words, are you making actual changes right now? Although you cannot disclose specific measures and methods, please explain as much as you are able to. Also, will MT and MF be taking different strategies?

A. During the previous Mid-term Management Plan, in addition to using agencies, we worked to diversify recruitment channels and going forward, we will further strengthen these efforts. However, direct recruitment has risen dramatically compared to last year and the year before, so it is a fact that the difficulties facing individuals changing jobs have increased. The main point I would like to make is that as the employment market is changing rapidly, we will avoid using a fixed hiring strategy and instead, respond in a flexible manner. Also, while there are slight differences in the strategies of MT

and MF, I would like you to understand that these differences are only regarding recruitment targets.

Q. I understand that previously, your main hiring-related expenses were agency fees, so will the breakdown and ratios of these expenses change? Is it correct that the ratio of direct recruitment costs will rise?

A. We will continue working to keep hiring costs under control. We will identify and utilize measures and methods that ensure hiring costs, particularly per-unit costs, do not rise. From a management perspective, we are always reviewing cost performance and monitoring where we should be allocating resources.

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