

Daiwa Investment Conference Tokyo 2024

March 5, 2024

MEITEC Group Holdings Inc.

President and CEO, COO, MEITEC Group CEO
Hideyo Kokubun



Disclaimer

Earnings forecasts and other forward-looking statements in this release are based on data currently available to management and certain assumptions that management believes are reasonable.

Actual results may therefore differ materially from these statements for various reasons.

Some important factors that might have an effect on business performance pertain to Business Risks stated in the Company's annual securities report and other information already released, but factors influencing business performance are not limited to those released.

IR Contact

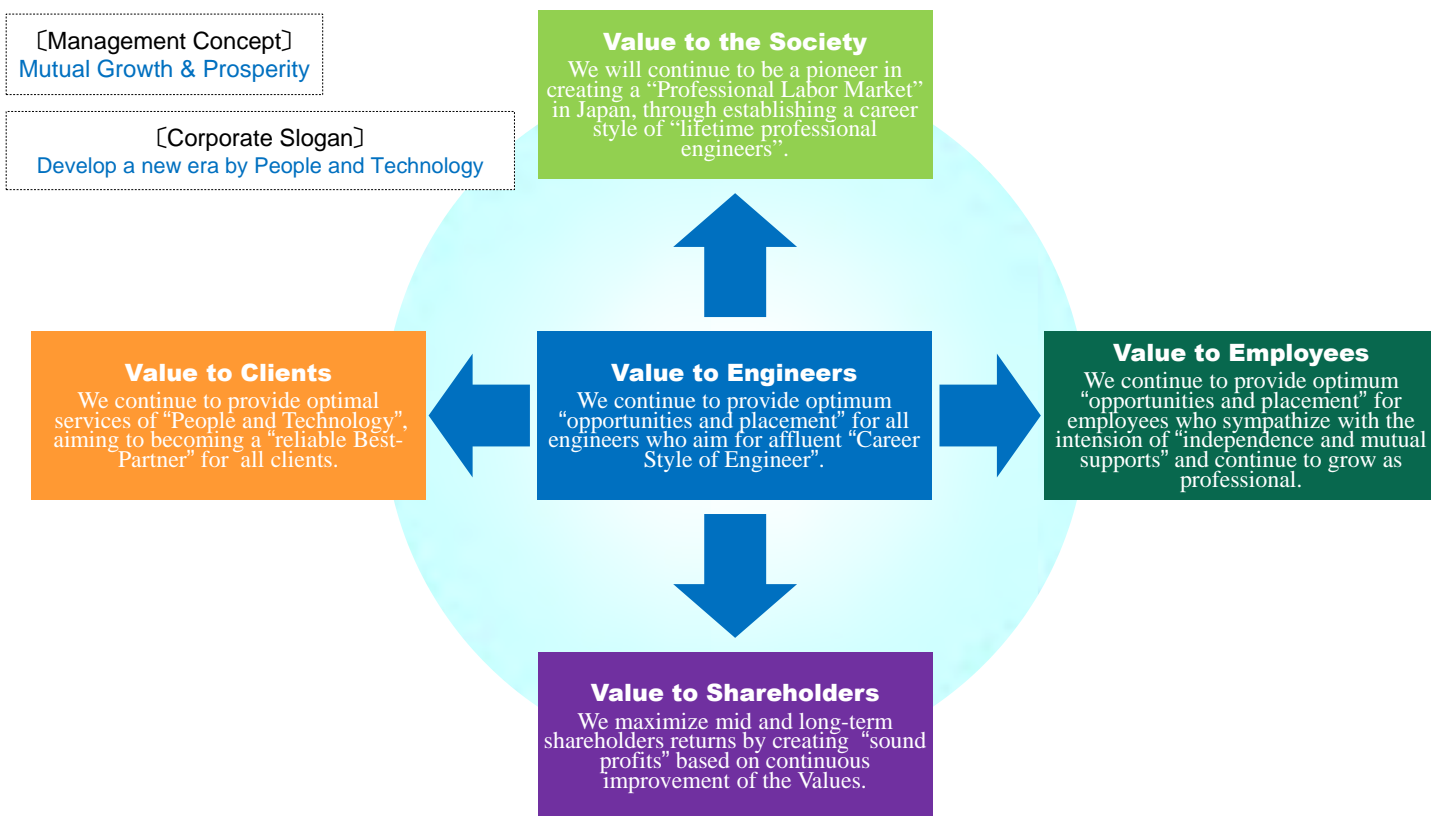
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“Ideal State of the Meitec Group”

We, the Meitec Group, with cooperation of all the employees, shall improve the five values continuously from the "Value to Engineers" as a starting point.

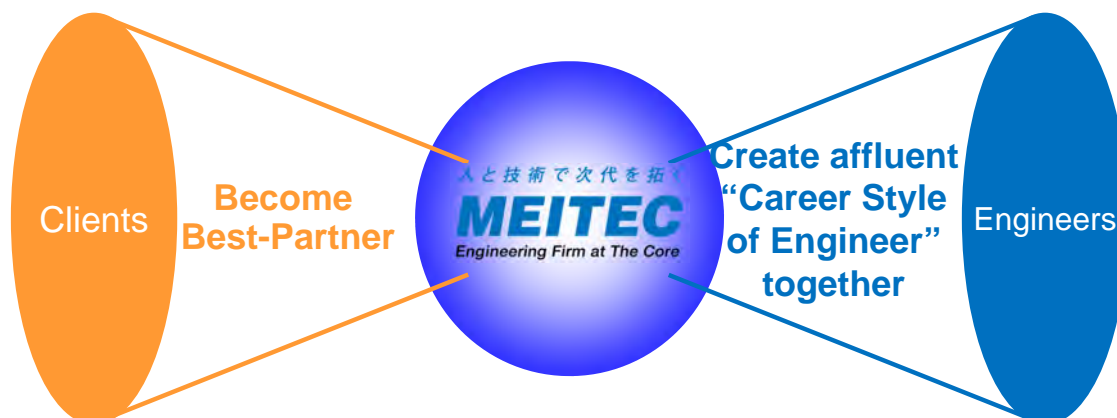


3

Purpose to pursued

Further “increase the level of satisfaction” of clients and engineers

“increase the level of satisfaction”



4

Engineering Firm at The Core

We are a group of engineers that plays a core role in manufacturing through its “People and Technology.”

We would like to be a group that creates affluent “Career Style of Engineer” to engineers, reaching the stage where our clients call us their truly, indispensable “Best Partner.”

We have developed a new era by people and technology up until now. Taking pride in that achievement, we will remain a group that plays a core role in both the engineer recruiting market, labor market and the market of design and development operations.



Engineering Firm

“Engineering Firm” in our description means that all the members of the Meitec Group belong to a group of engineering professionals who improve each other and keep growing with the spirit of “independence and mutual support.”

The Core

The Core in how we see ourselves means that we are a group of companies that produces “important and indispensable” value for the technological innovation of manufacturers.

The Core in how we see ourselves also means that we are a group of companies that is able to offer an “important and indispensable” way of working, as engineers who consider their profession as the core of society.

Engineering Firm at The Core

We are a group of engineers that plays a core role in manufacturing through its “People and Technology.”

Environment	Social	Governance
 <ul style="list-style-type: none"> Contribute to solving environmental, energy, etc. issues by promoting technological innovation Contribute to the industry and economic growth by promoting technological innovation and innovation 	 <p>Contribute to sustainable economic growth through creating a Professional Labor Market</p>	 <p>Promote higher technical education and lifelong learning</p>  <p>Provide fair “opportunities and placement” regardless of nationality, gender or age</p>  <p>Ensure full compliance with the Employee Code of Conduct in the Group’s Basic Policy Regarding Corporate Governance</p>

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Commitment for solving social issues (SDGs) [supplementary explanation]




人と技術で次代を拓く

MEITEC

Engineering Firm at The Core

[Management Concept]
Mutual Growth & Prosperity



We, a group of engineers, work with clients to solve social problems through their development work.

Materiality common to many clients

3 GOOD HEALTH AND WELL-BEING



7 AFFORDABLE AND CLEAN ENERGY



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



17 PARTNERSHIPS FOR THE GOALS



8

Mid-term Management Plan[2023-2025]

Two The Core

Re-posted

M2CX

MEITEC Group will transform the two elements of The Core

The Core

1.The Core in how we see ourselves means that we are a group of companies that produces “important and indispensable” value for the technological innovation of manufacturers.

2.The Core in how we see ourselves also means that we are a group of companies that is able to offer an “important and indispensable” way of working, as engineers who consider their profession as the core of society.

Materiality common to many clients



M2CX

Engineering Firm at The Core

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Engineering Firm at The Core

We are a group of engineers that plays a core role in manufacturing through its “People and Technology.”

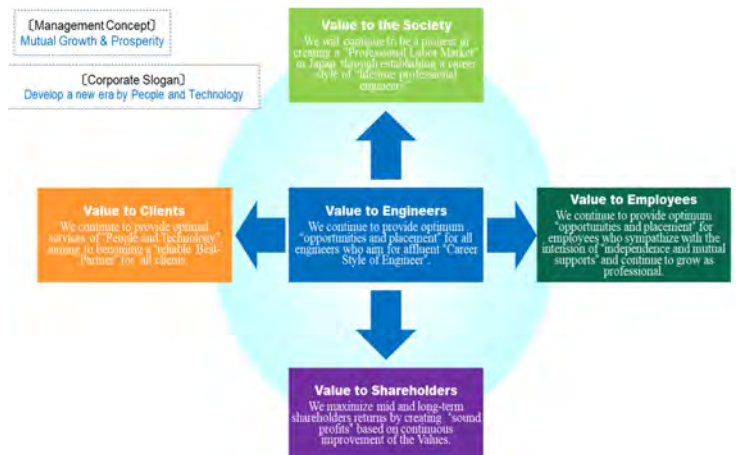
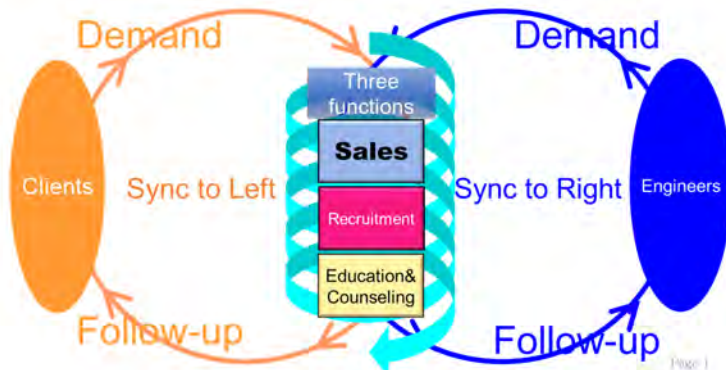
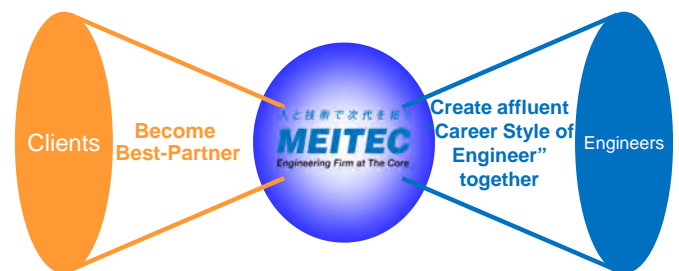


Basic policy(1)

Always Market-oriented



Constant Bidirectional contact



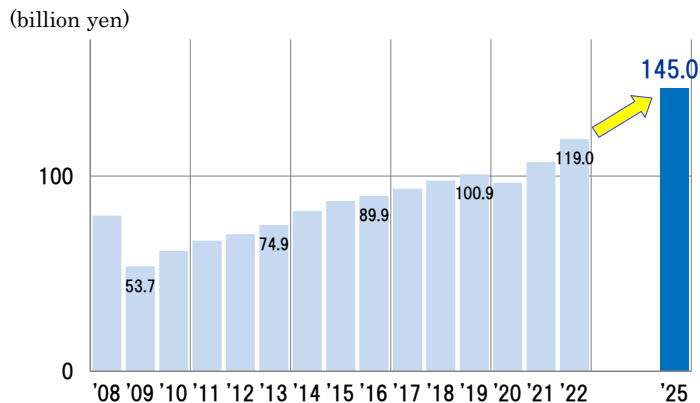
- 1 Actively pursue further added value by combining (1) an approach oriented to the two groups of users of our services, and (2) diverse service variations
- 2 Actively enhance the “power of numbers” while continuing to compete based on quality
- 3 Synchronize and strongly promote (1) strengthening engagement, (2) efficiently pursuing aptitude, and (3) reducing operating expenses

Performance goals(1)

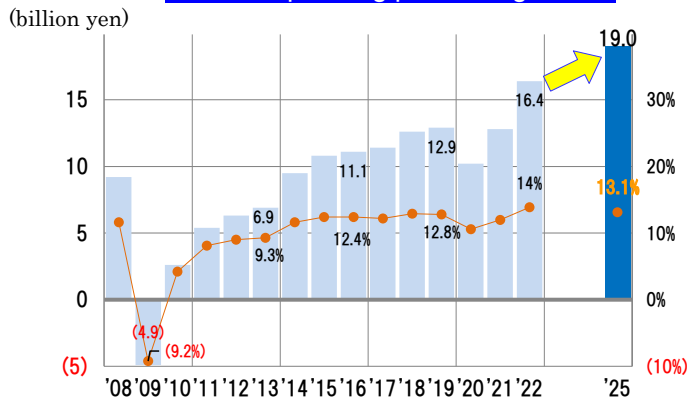
FY2025 Mid-term Management Plan	Group Consolidated	billion yen		
		Engineering Solutions Business		Recruiting&Placement Business for Engineers
		Meitec	Meitec Fielders	
Net Sales	145.0	95.0	44.5	1.8
Operating Profit	19.0	14.3	4.5	0.6
Margin	13%	15%	10%	33%
Profit	13.0			
ROE	30%			

Performance goals(2)

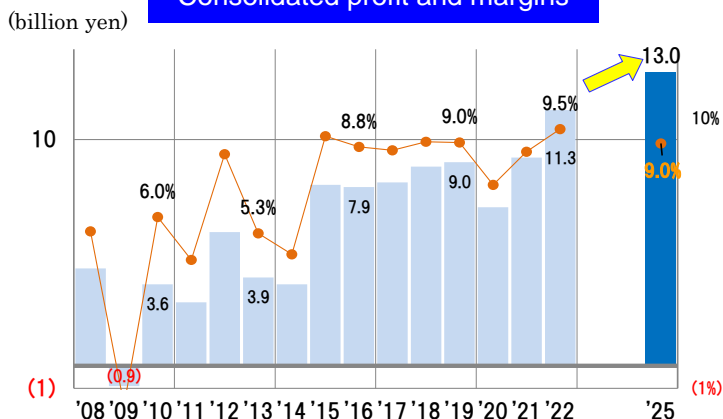
Consolidated net sales



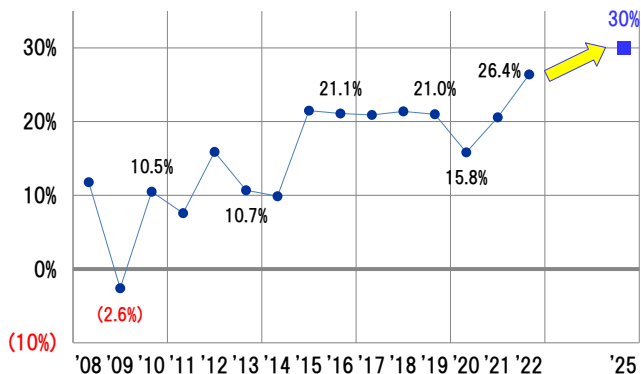
Consolidated operating profit and operating profit margins



Consolidated profit and margins



Consolidated ROE



Performance goals(3)

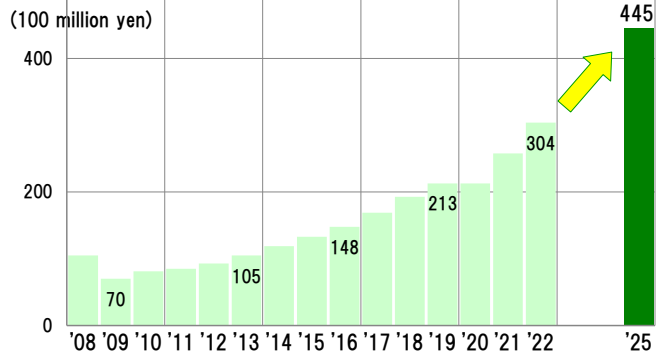
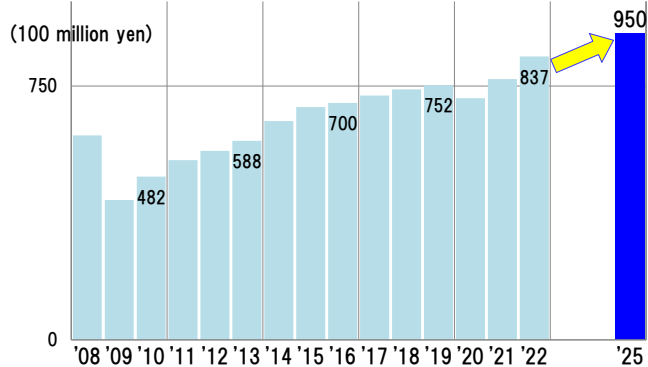
Meitec

Accelerate with a focus on operations that increase value for customers of the two services

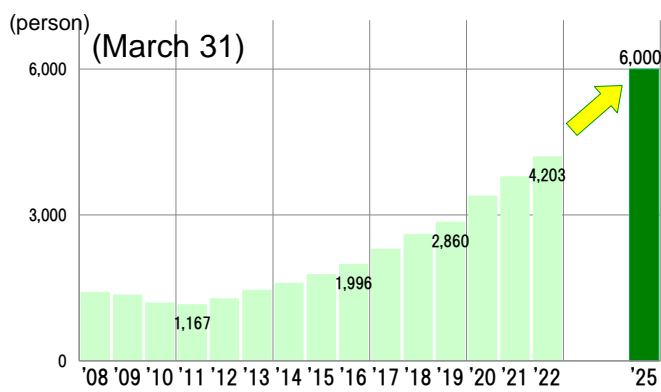
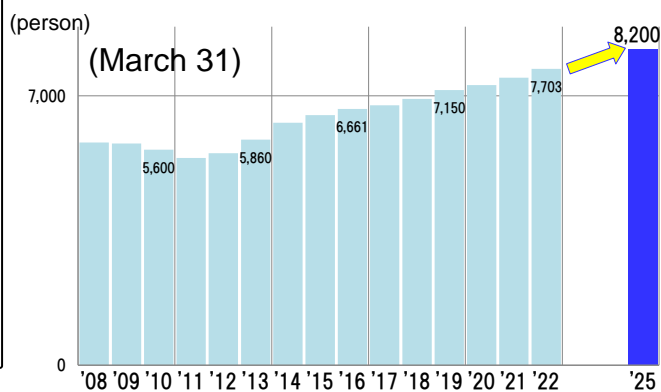
Meitec Fielders

Aiming to be No. 1 in the Midrange Zone, strive to increase speed (expansion, transfer, decision)

Net Sales



Number of Engineers



Top 10 Clients by Sales (Meitec)

Re-posted

✓ Due to confidentiality reasons we refrain from disclosing matters and specific figures related to clients (individual companies)

(Millions of yen)

2nd Q FY2018			2nd Q FY2022			2nd Q FY2023		
1	Denso		1	Denso		1	Denso	
2	Mitsubishi Heavy Industries		2	Sony Semiconductor Solutions		2	Sony Semiconductor Solutions	
3	Panasonic		3	Mitsubishi Heavy Industries		3	Mitsubishi Heavy Industries	
4	Sony Semiconductor Solutions		4	Nikon		4	Nikon	
5	Canon		5	Hitachi High-Tech		5	Hitachi High-Tech	
6	Toyota Motor		6	Denso Ten		6	Denso Ten	
7	Nikon		7	Toyota Motor		7	Subaru	
8	Honda R&D		8	Subaru		8	Panasonic	
9	Olympus		9	Panasonic		9	Honda Motor	
10	Omron		10	Yamaha Motor		10	Aisin	
Top 10 Total	8,584	23.8%	Top 10 Total	9,391	23.0%	Top 10 Total	10,370	23.7%
Top 20 Total	12,324	34.1%	Top 20 Total	13,680	33.4%	Top 20 Total	15,304	35.0%
Others	23,792	65.9%	Others	27,219	66.6%	Others	28,435	65.0%
Total	36,116	100.0%	Total	40,899	100.0%	Total	43,740	100.0%

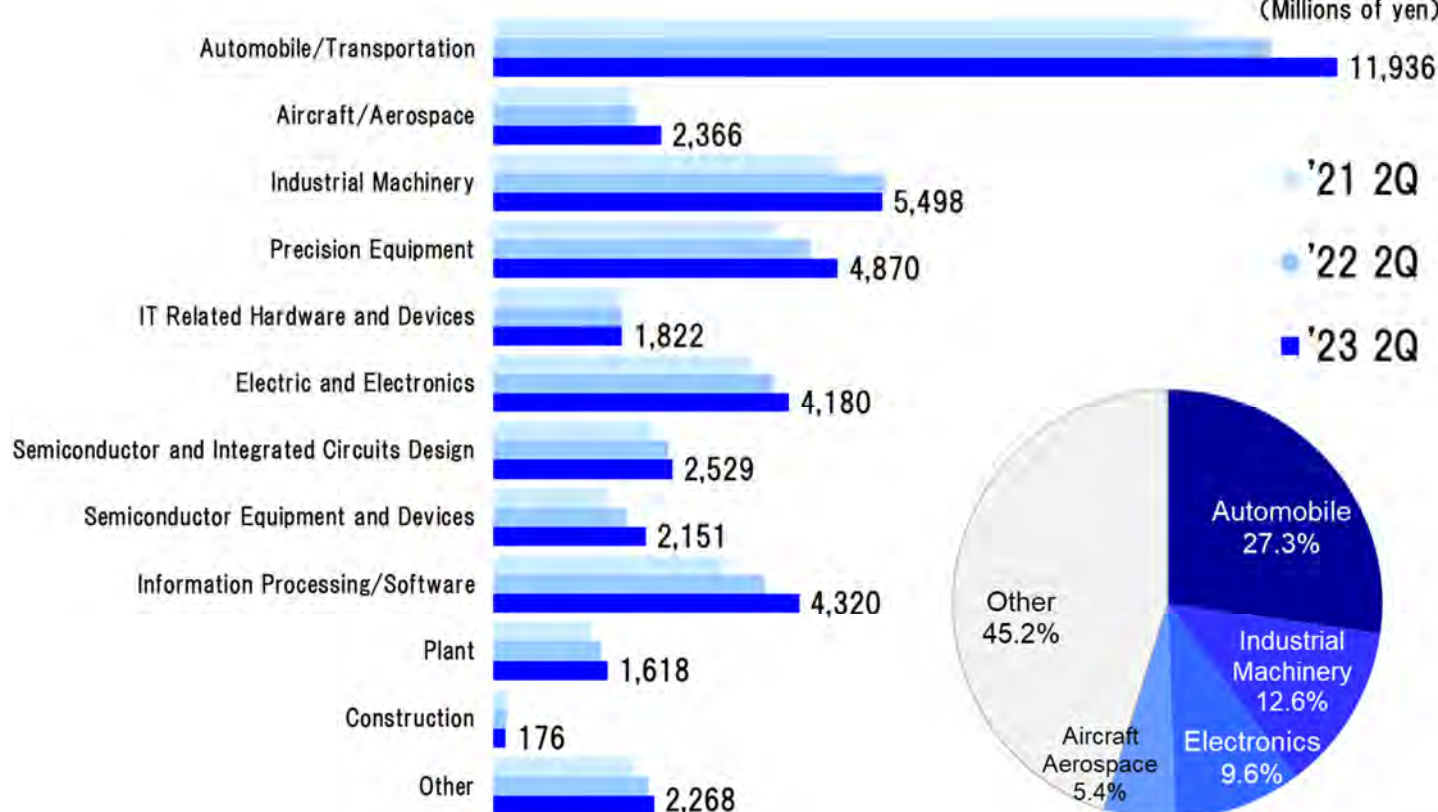
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Sales by the Industrial Segments (Meitec)

Re-posted

✓ Due to confidentiality reasons we refrain from disclosing the breakdown and outlook for specific clients (individual companies) (figures are stated in Reference Materials)

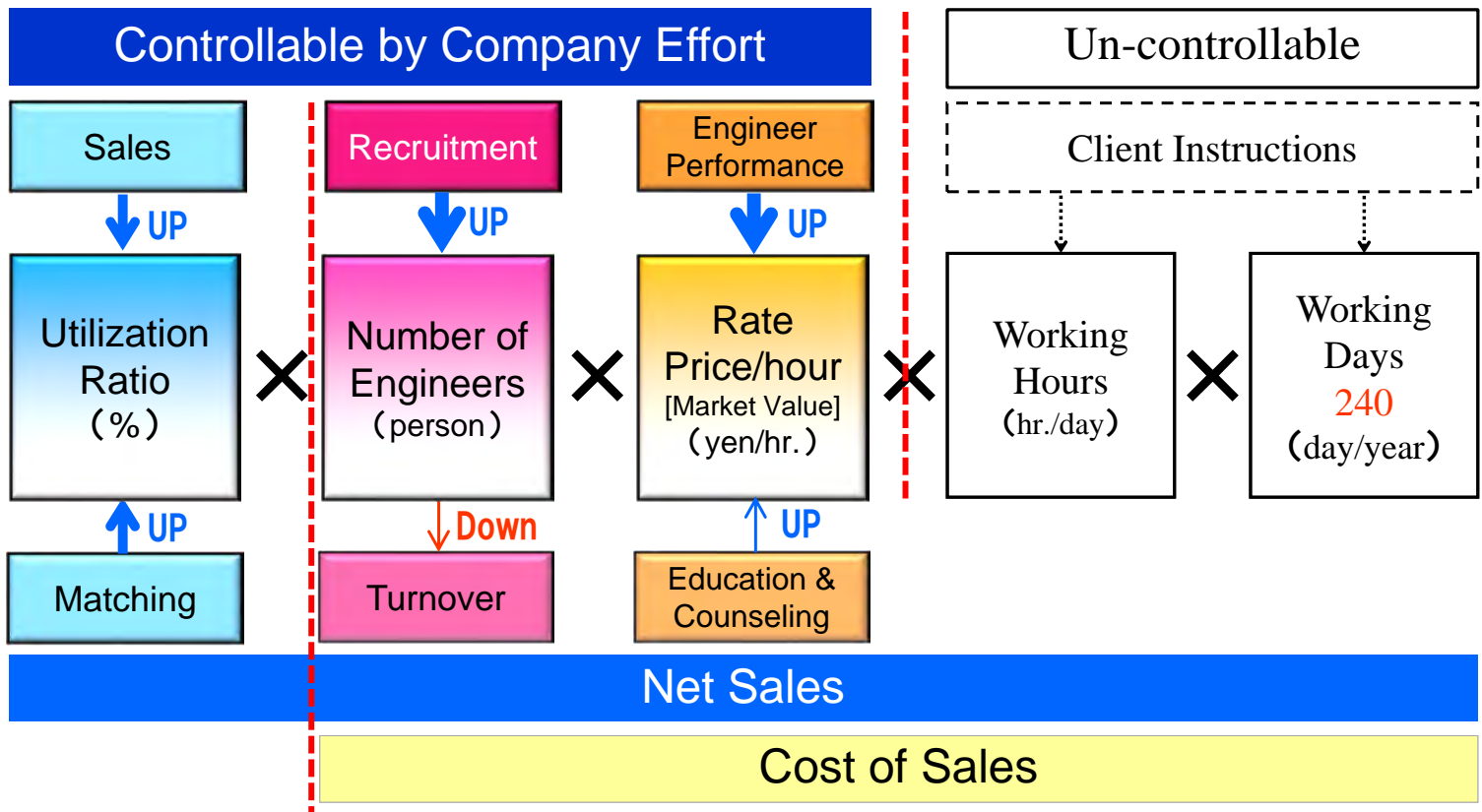
(Millions of yen)



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Sales and Cost (Dispatch-type)

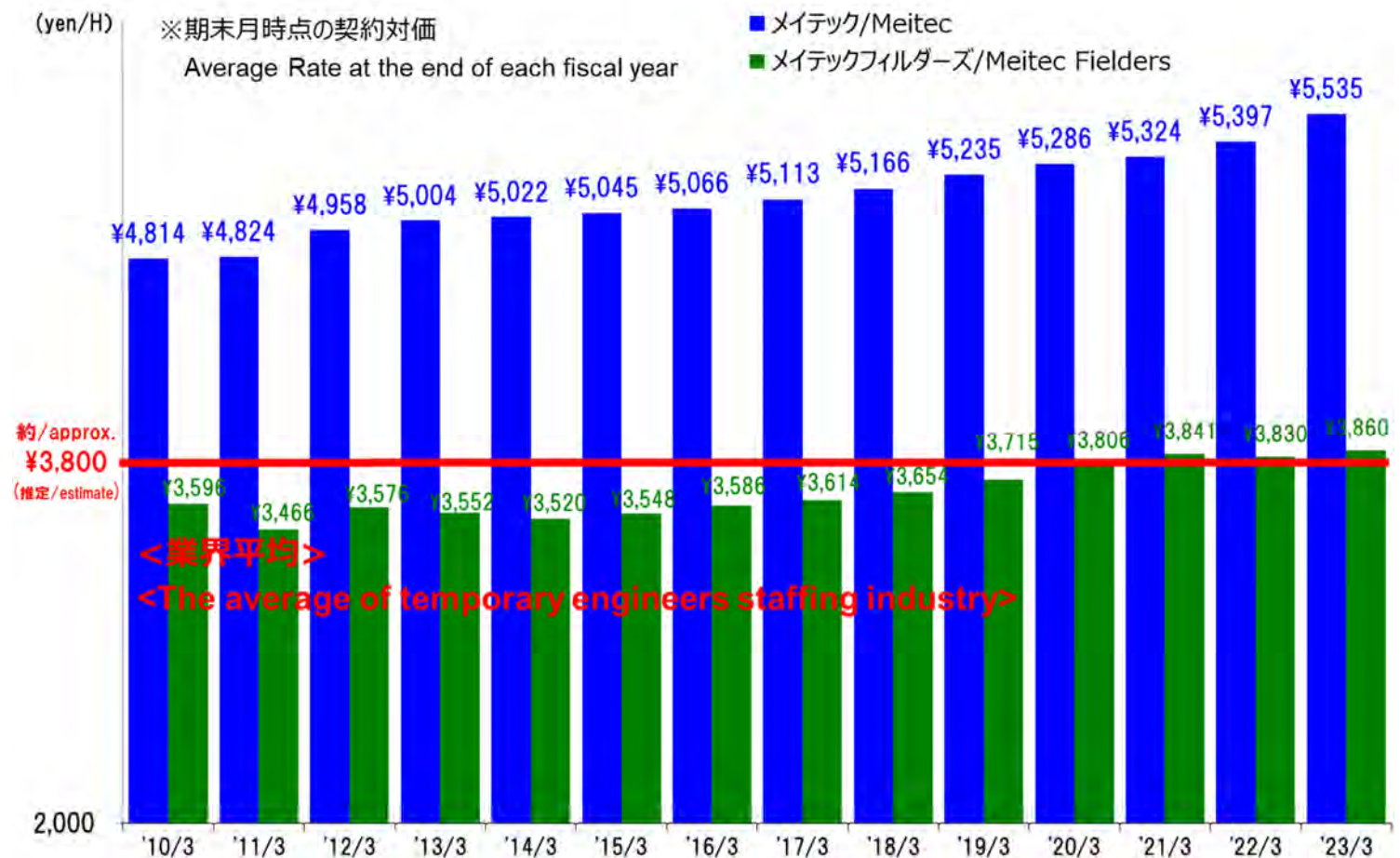
- ✓ Increasing the number of engineers and sustaining and improving the high "utilization ratio and prices" are the key to a growth.



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Trend in Average Rate = (Market Value)

Re-posted

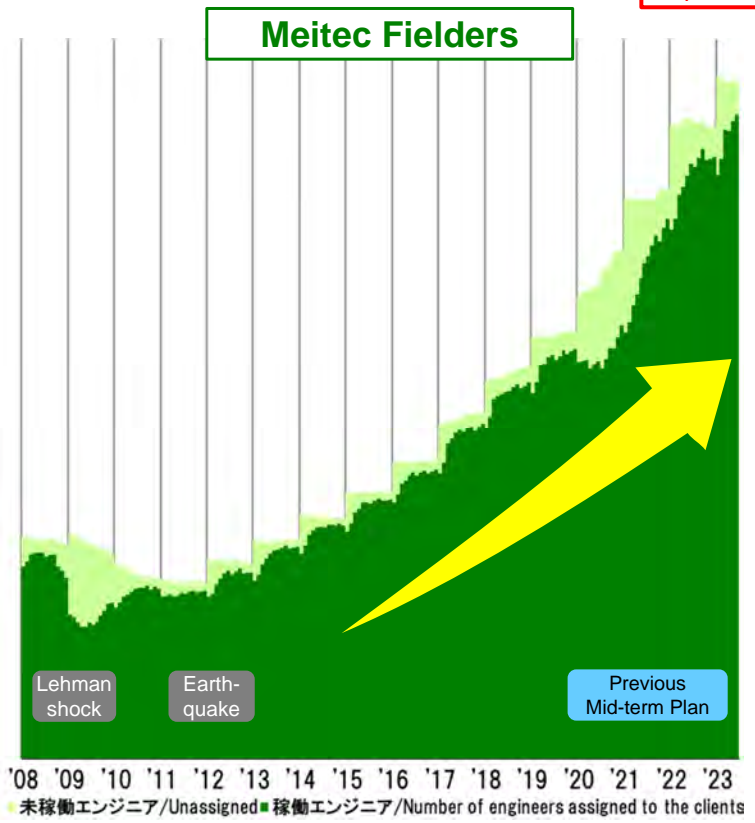
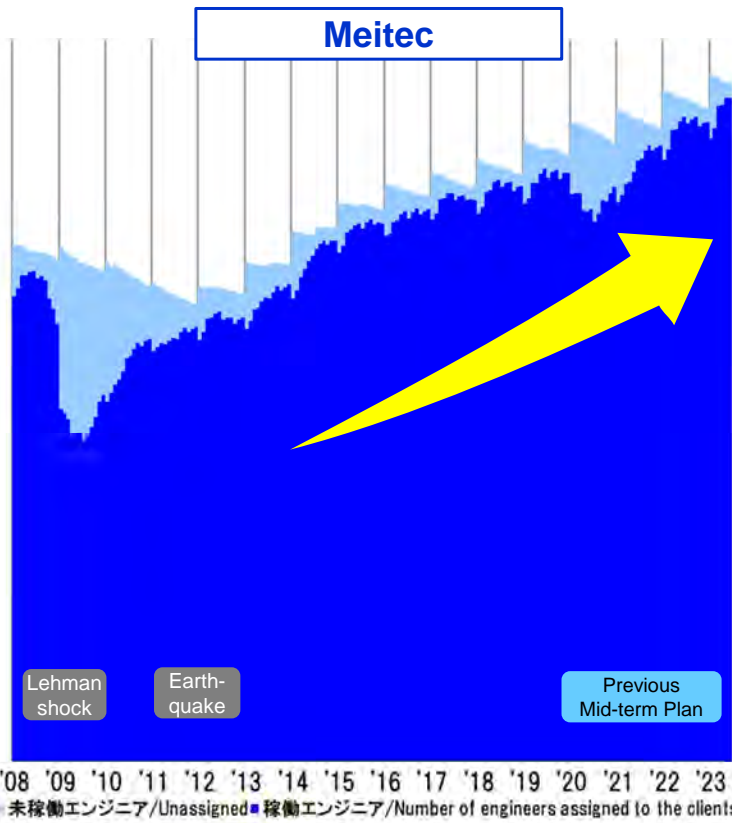


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Number of Engineers Assigned to the Clients (Key factor of Sales)

- ✓ Due to proactive recruitment the number of engineers rose, and we proceeded with assignments in response to orders, resulting also in an increase in the number of engineers assigned to clients

Re-posted

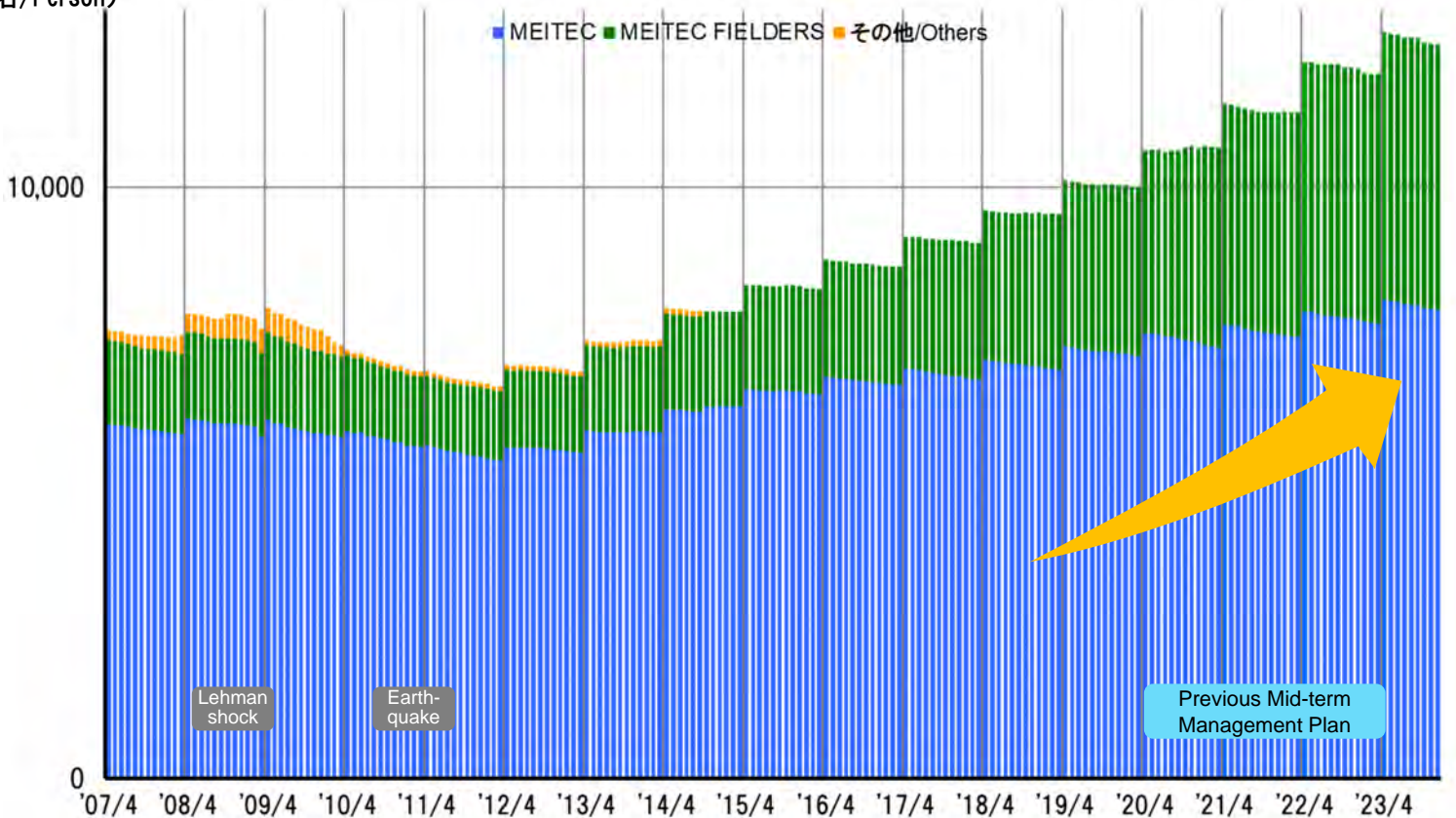


Number of Engineers (Group Consolidated)

Re-posted

- ✓ The number of engineers as of December 31, 2023 was 12,407, an increase of 393 engineers, or 3.3%, compared to December 31, 2022.

(名/Person)

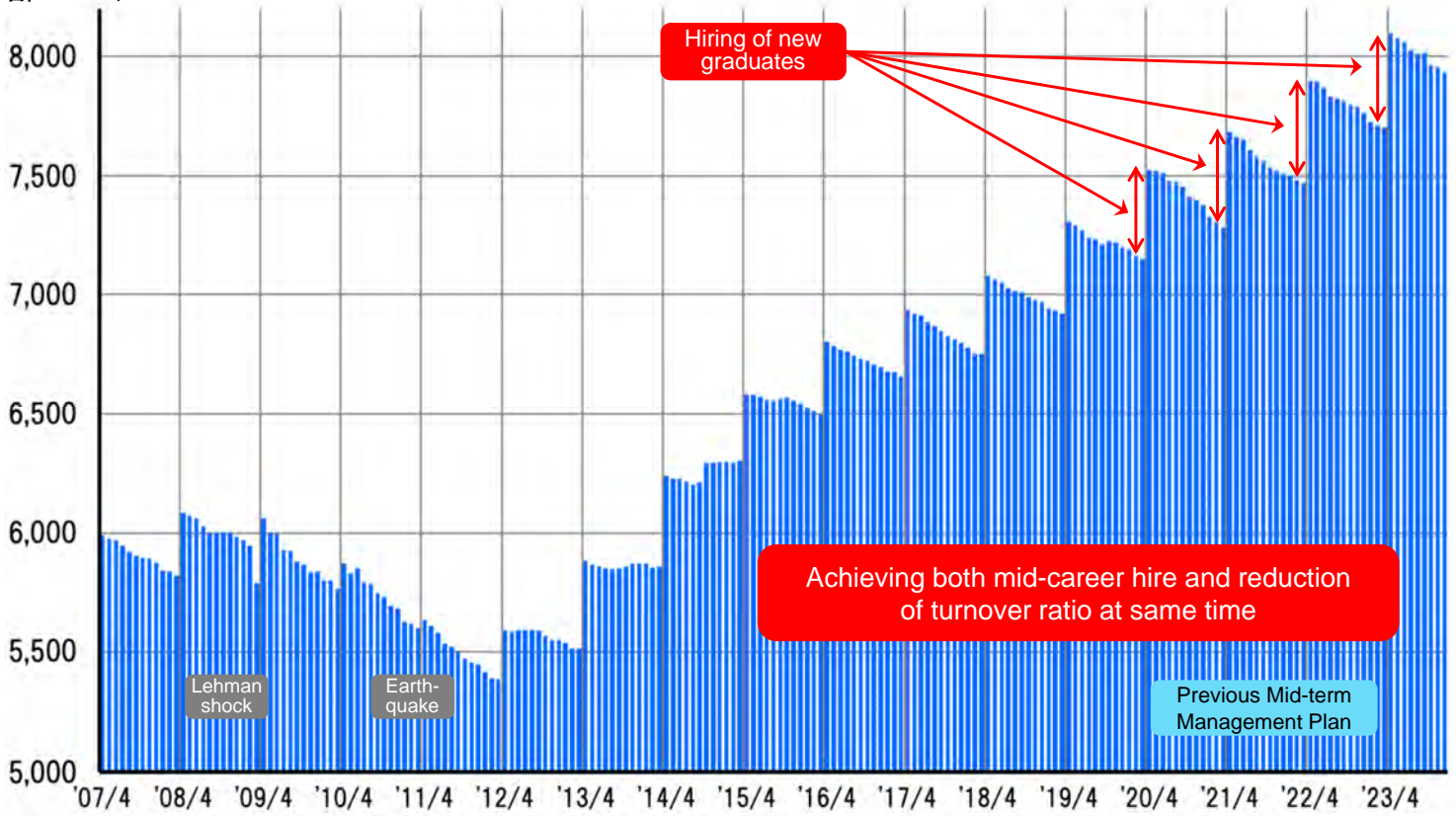


Number of Engineers (Meitec)

Re-posted

✓ The number of engineers as of December 31, 2023 was 7,936, an increase of 172 engineers, or 2.2%, compared to December 31, 2022.

(名/Person)



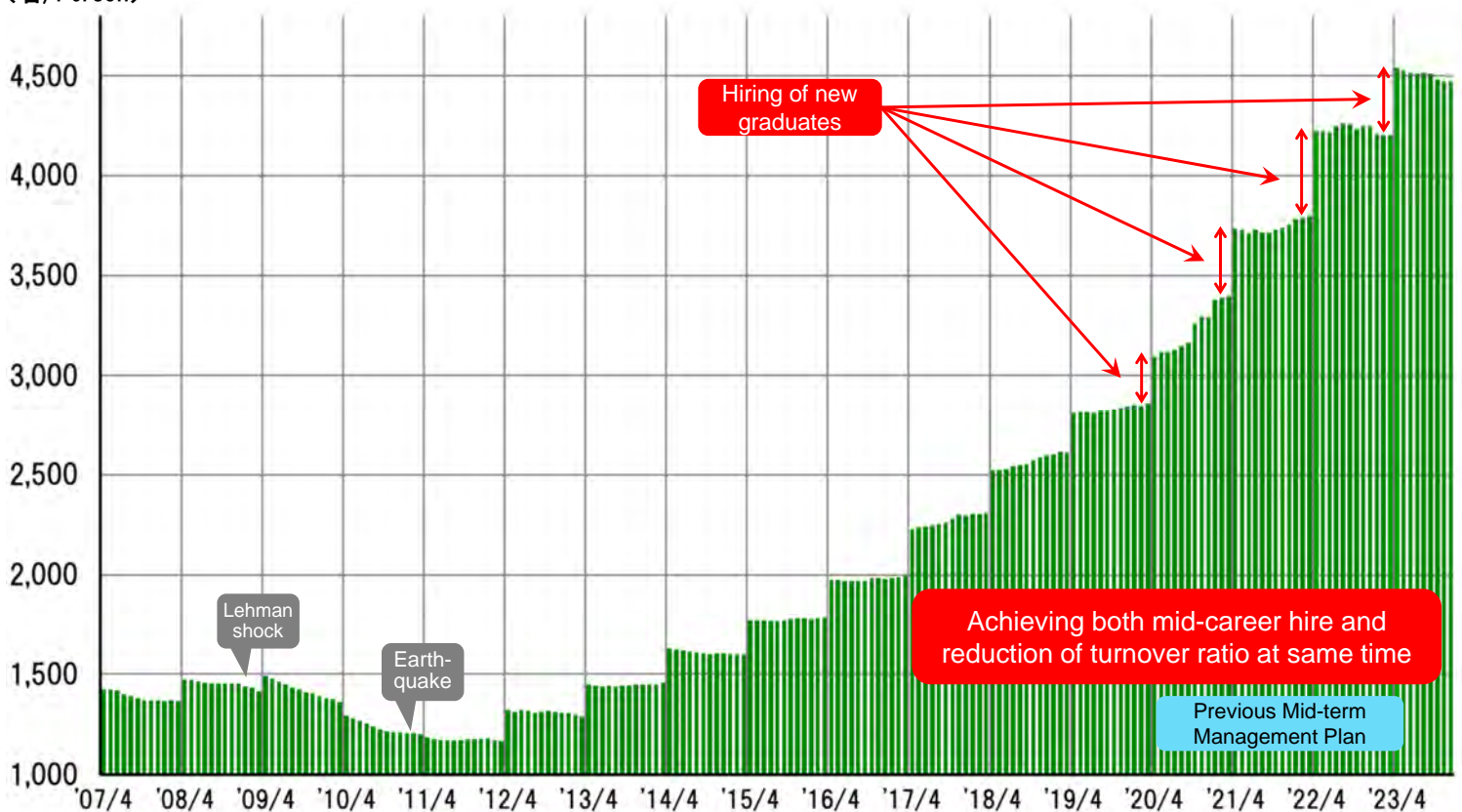
23

Number of Engineers (Meitec Fielders)

Re-posted

✓ The number of engineers as of December 31, 2023 was 4,471, an increase of 221 engineers, or 5.2%, compared to December 31, 2022.

(名/Person)



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Mid-career

- ✓ The job openings-to-applicants ratio continues to remain high. We continue to maintain hiring standards to ensure high added value in design and development operations that involve state-of-the-art technologies.
- ✓ Hiring environment remains challenging due to factors including the strengthening of work location-based hiring by major manufacturing companies.
- ✓ We will continue to actively disseminate the “lifetime professional engineer” career style and our approach to career advancement, and place great importance on the creation of contact points that get close to individual applicants.

New Graduates

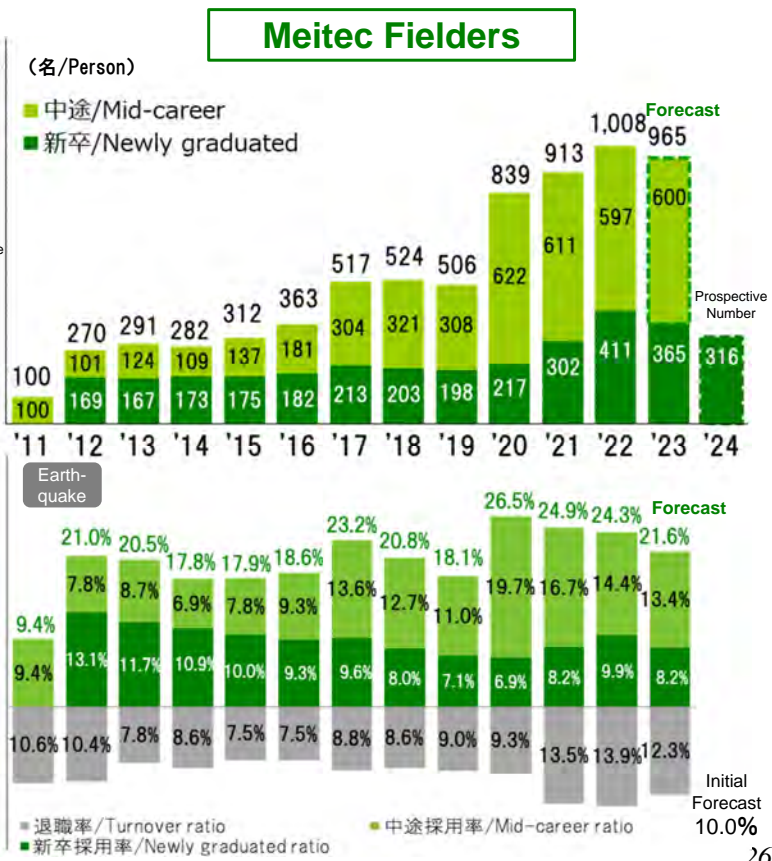
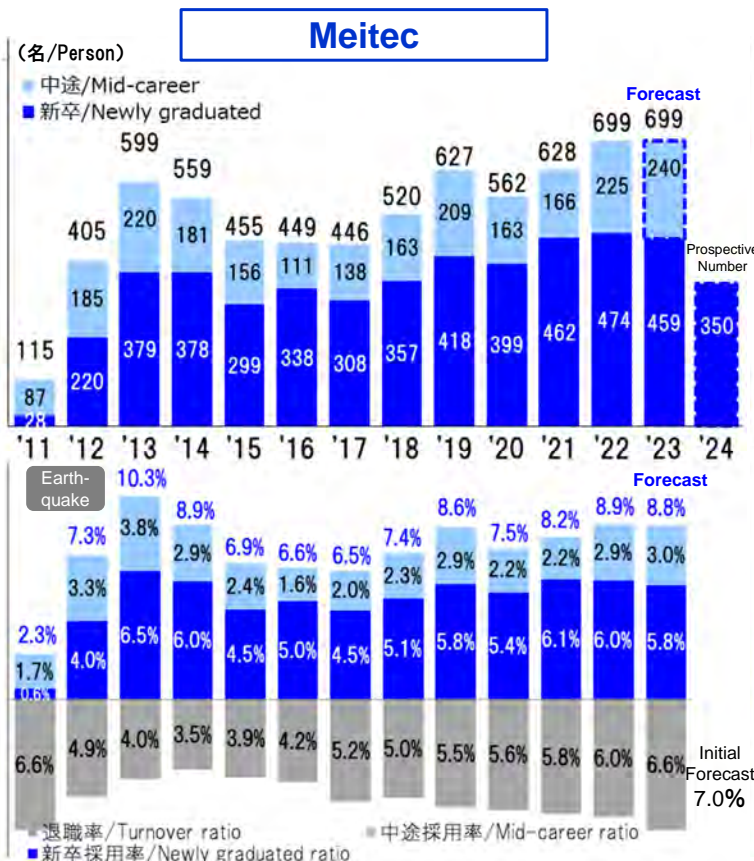
- ✓ Amid strong corporate appetite for hiring and high levels of job offer rate to new graduates, job hunting activities are taking place earlier and taking longer, and students’ activities are becoming more diverse.
- ✓ Although we maintained hiring standards while focusing on creating contact points with students, factors such as intensifying competition from manufacturing companies meant that both Meitec and Meitec Fielders, the prospective number of newly graduated employees for April 2024 was fewer than the initial forecast.

(person)	Fiscal Year Ending March 31, 2024					Fiscal Year Ending March 31, 2025	
	New Graduates April 2023 (Actual)	Mid-career		Total		New Graduates April 2024	
		<Target>	Comparison to Initial Forecast	<Target>	Comparison to Initial Forecast	<Prospective Number as of Oct. 2023>	Comparison to Initial Forecast
Meitec	459	240	—	699	—	350	(150)
Meitec Fielders	365	600	—	965	—	316	(134)
Total	824	840	—	1,664	—	666	(284)
Comparison to previous year	(61)	+18	/	(43)	/		

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Recruitment and Turnover

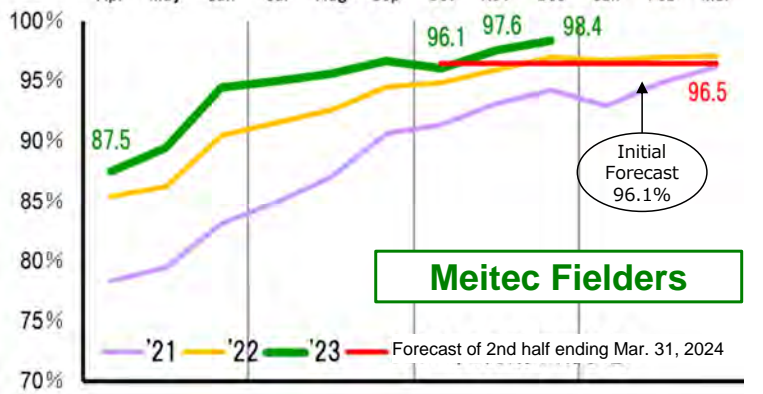
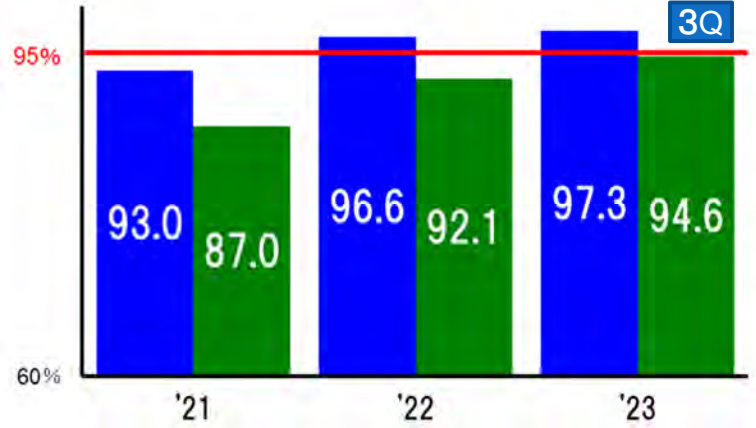
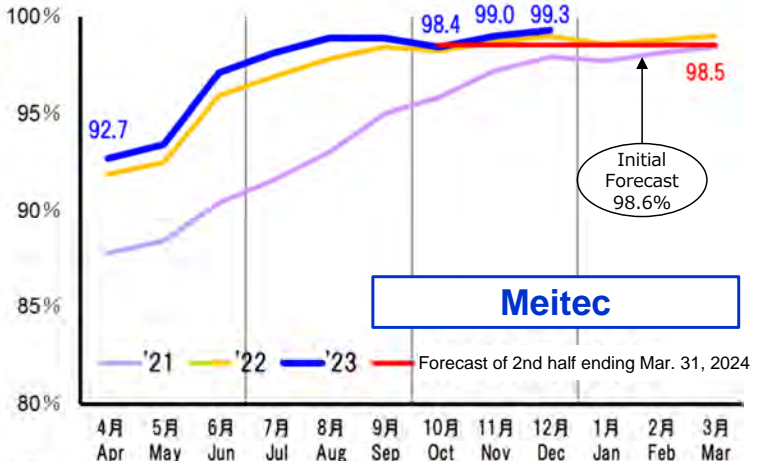
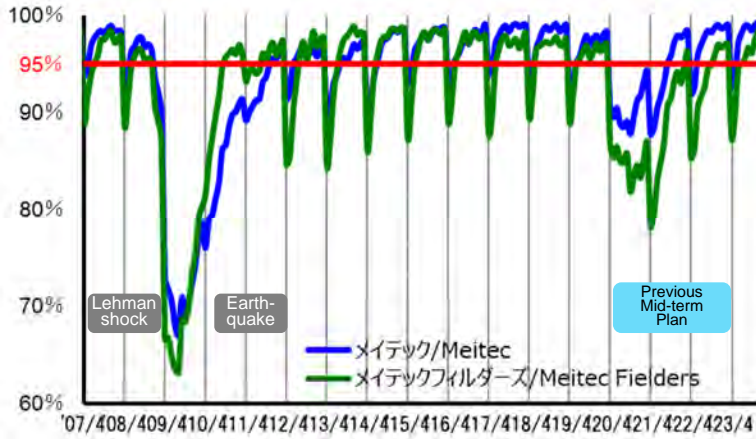
- ✓ Our forecasts for the number of recruitment and the turnover ratio as of the release of 2Q results are as follows. ✳We plan to announce the actual recruitment and turnover ratios in May 2024.



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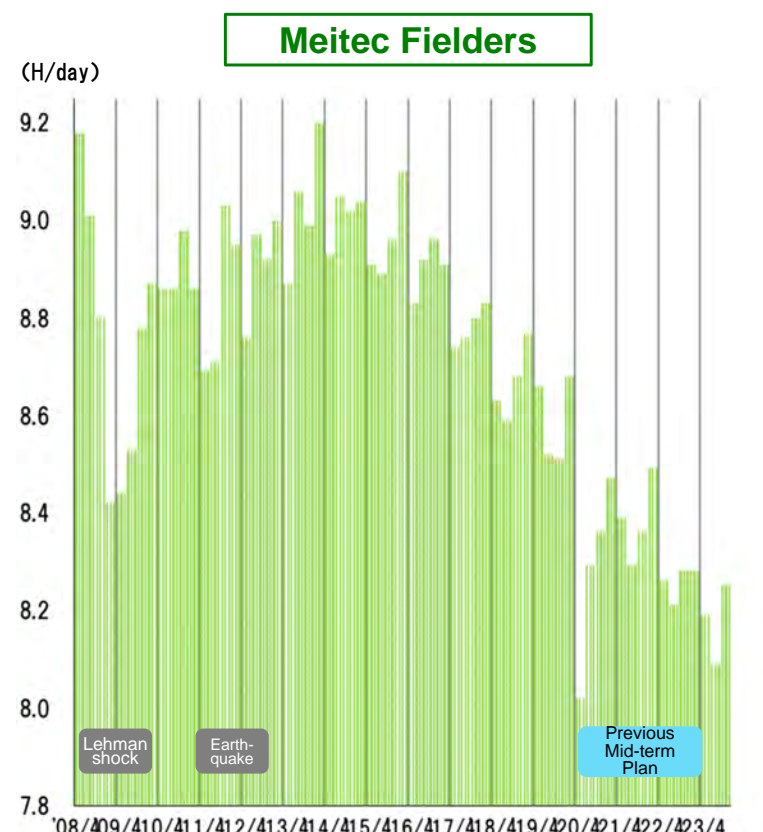
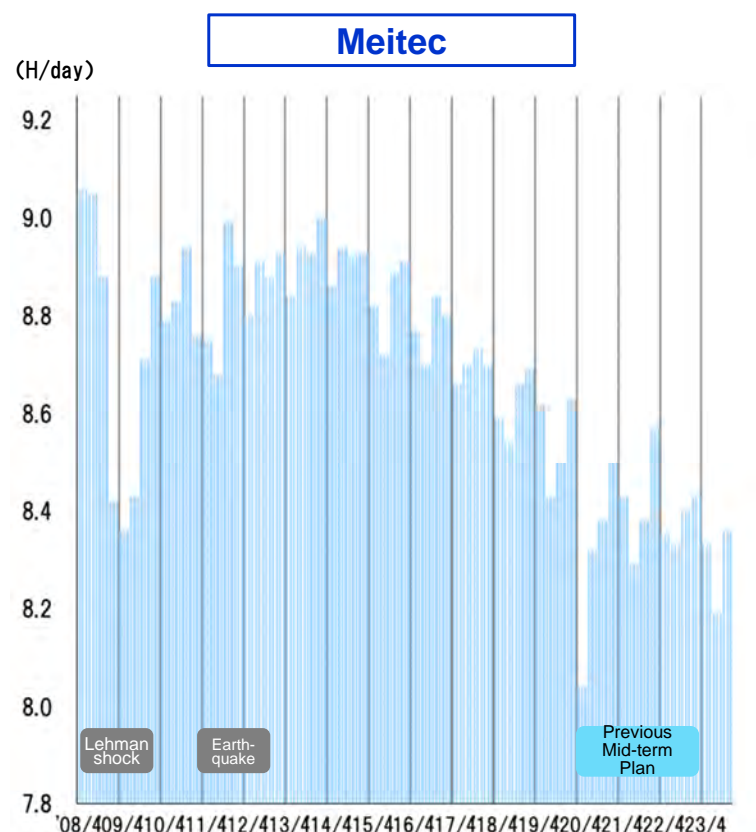
Utilization Ratio

✓ Increase in utilization ratio ⇒ Steady assignments of new employees (graduate and career hires) and existing employees.



Working Hours

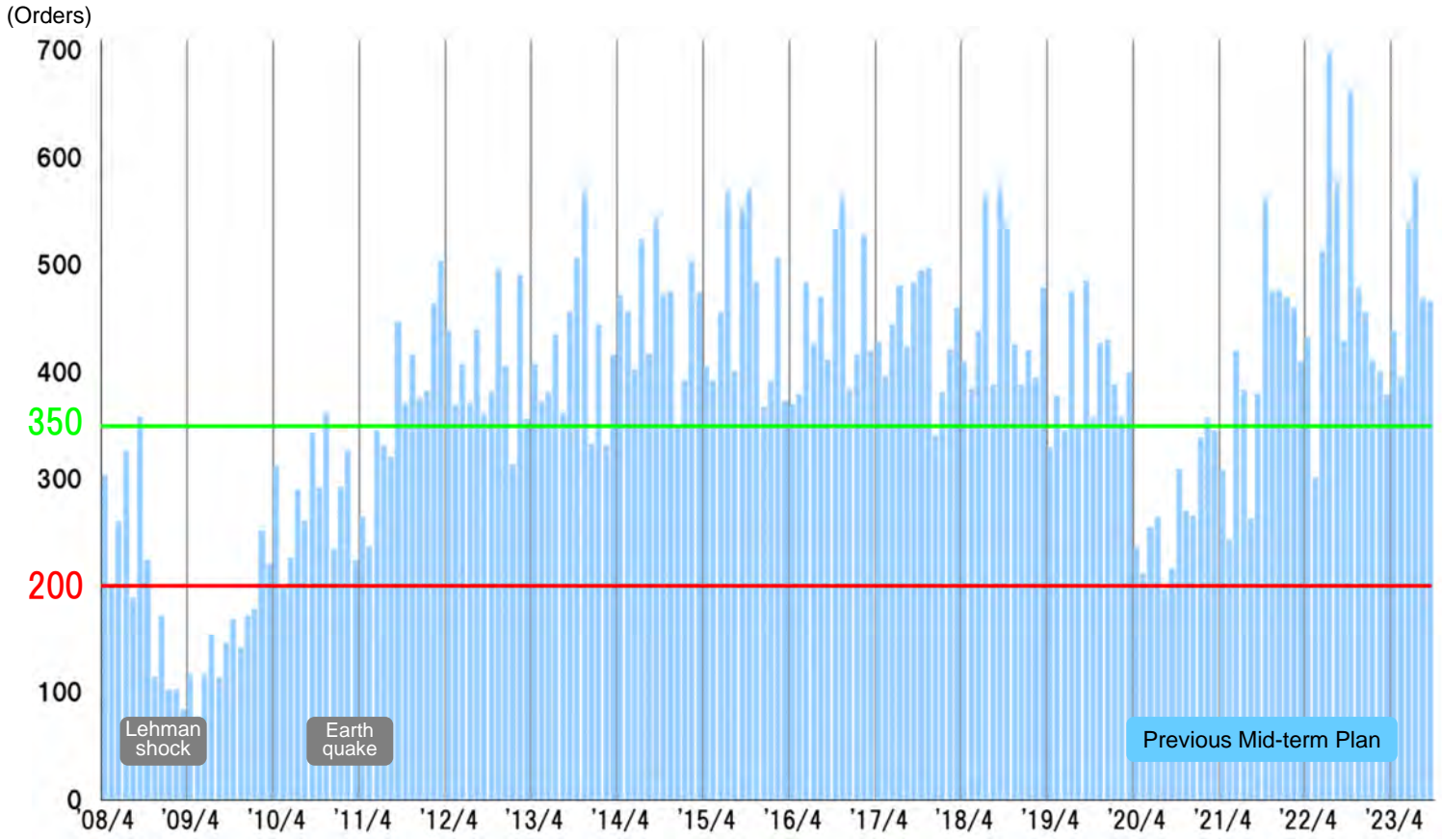
✓ Slight year-on-year decrease due to decrease in overtime work and so forth.



Trend in New Orders by Month (Meitec)

Re-posted

✓ New monthly orders for Meitec (non-consolidated) were strong



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Results for the 3rd Quarter of the Fiscal Year Ending March 31, 2024

Results for the 3rd Quarter of the Fiscal Year Ending March 31, 2024 (Group Consolidated)

Re-posted

- ✓ Net sales rose 7.7% year on year ⇒ Increased number of engineers and promotion of assignments led to both an increase in number of engineers assigned to clients and improvement in the utilization ratio.
- ✓ Operating profit rose 15.7% year on year ⇒ Due to a situation where the increase in net sales absorbed the increase in labor expenses and other costs associated with growth in the number of engineers, and the increase in SG&A expenses.

(Fractions of one million yen are rounded down)	3Q ended Dec. 31, 2022	3Q ended Dec. 31, 2023	YoY Amount	% Change	Past Forecast	% Change
Net sales	88,696	95,497	+6,800	+7.7%	126,500	75.5%
Cost of sales	64,180	68,877	+4,696	+7.3%	92,000	
Cost of sales to Net sales	72.4%	72.1%	(0.2%)			
SG&A Expenses	12,130	12,292	+162	+1.3%	17,100	
Operating profit	12,385	14,327	+1,941	+15.7%	17,400	82.3%
Operating profit margins	14.0%	15.0%	+1.0%		13.8%	
Ordinary profit	12,447	14,335	+1,887	+15.2%	17,400	82.4%
Extraordinary income & loss	0	(6)	(5)			
Profit before income taxes	12,447	14,329	+1,882	+15.1%		
Profit attributable to owners of parent	8,490	9,804	+1,313	+15.5%	11,900	82.4%
Profit margins	9.6%	10.3%	+0.7%			

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Results for the 3rd Quarter of the Fiscal Year Ending March 31, 2024 (Meitec)

Re-posted

- ✓ Year on year, net sales rose 6.8% while operating profit rose 13.8% and the number of engineers increased 2.2%
- ✓ Utilization ratio increased 0.7% year on year ⇒ We proceeded with the assignment of engineering staff in response to orders.

(Fractions of one million yen are rounded down)	3Q ended Dec. 31, 2022	3Q ended Dec. 31, 2023	YoY Amount	% Change	Past Forecast	% Change
Net sales	62,443	66,714	+4,270	+6.8%	88,000	75.8%
Operating profit	9,863	11,227	+1,363	+13.8%	13,800	81.4%
Operating profit margins	15.8%	16.8%	+1.0%		15.7%	
Ordinary profit	10,764	12,440	+1,676	+15.6%	15,000	82.9%
Profit	7,608	8,758	+1,149	+15.1%	10,500	83.4%
Utilization ratio (Company-wide)	96.6%	97.3%	+0.7%		97.5%	
Working Hours<h/day>	8.36	8.29	(0.07)	(0.8%)	8.33	
Number of Engineers	7,764	7,936	+172	+2.2%		

* Figures are on an actual basis reflecting the sum of results for Meitec under the former structure in the first half of the fiscal year prior to the transition to a holding company structure and the new Meitec since October 1, 2023.

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Results for the 3rd Quarter of the Fiscal Year Ending March 31, 2024 (Meitec Fielders)

Re-posted

- ✓ Year on year, net sales rose 11.7% while operating profit rose 29.4% and the number of engineers increased 5.2%
- ✓ Utilization ratio increased 2.5% year on year ⇒ We proceeded with the assignment of engineering staff in response to orders.

(Fractions of one million yen are rounded down)	3Q ended Dec. 31, 2022	3Q ended Dec. 31, 2023	YoY Amount	% Change	Past Forecast	% Change
Net sales	22,642	25,299	+2,656	+11.7%	33,700	75.1%
Operating profit	1,990	2,575	+585	+29.4%	2,900	88.8%
Operating profit margins	8.8%	10.2%	+1.4%		8.6%	
Ordinary profit	1,990	2,578	+587	+29.5%	2,900	88.9%
Profit	1,369	1,774	+405	+29.6%	2,000	88.7%
Utilization ratio (Company-wide)	92.1%	94.6%	+2.5%		94.9%	
Working Hours<h/day>	8.25	8.18	(0.07)	(0.8%)	8.21	
Number of Engineers	4,250	4,471	+221	+5.2%		

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Results for the 3rd Quarter of the Fiscal Year Ending March 31, 2024 (Group Overview)

Re-posted

- ✓ Both sales and profit decreased YoY for the Recruiting & Placement Business for Engineers due to a decline in the number of job placements

(Fractions of one million yen are rounded down)	Engineering Solutions Business			Recruiting & Placement Business for Engineers
	Meitec (※)	Meitec Fielders	Meitec Cast	Meitec Next
Net sales	66,714	25,299	2,604	1,017
YoY Amount	+4,270	+2,656	+128	(257)
% Change	+6.8%	+11.7%	+5.2%	(20.2%)
Operating profit	11,227	2,575	176	309
YoY Amount	+1,363	+585	+15	(106)
% Change	+13.8%	+29.4%	+9.3%	(25.7%)
Ordinary profit	12,440	2,578	176	309
Profit	8,758	1,774	120	213

* Figures are on an actual basis reflecting the sum of results for Meitec under the former structure in the first half of the fiscal year prior to the transition to a holding company structure and the new Meitec since October 1, 2023.

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- ✓ Profit distribution of the New Medium-Term Management Plan follows the established policy based on adequacy of quality and quantity of capital and funds.

Revised Nov. 2018
Revised May 2017
Revised May 2011
Profit distribution policy

1. Enhance “quality and quantity” of the shareholders’ equity
2. Balance of funds exceeds the funds necessary for business operations* (*3 months consolidated net sales)

Total Return Ratio : Basically within 100%

Dividend

Dividend related to performances : Equal or more than 50% of consolidated profit

Minimum Dividend : Consolidated Dividend on Equity ratio (DOE) 5%

Treasury shares acquisition, possession and retirement

Acquire : Carry out as appropriate, taking the total return ratio and dividend payout ratio levels into consideration

**Possess
Maximum of 5% of shares issued**

**Retired
Excess above maxim to be retired by the end of the fiscal year**

- ✓ To realize the flexible financial position, for the implementation of future growth strategies and response to the risk associated in achieving the goals of the management plan, treasury shares will be held by the company.

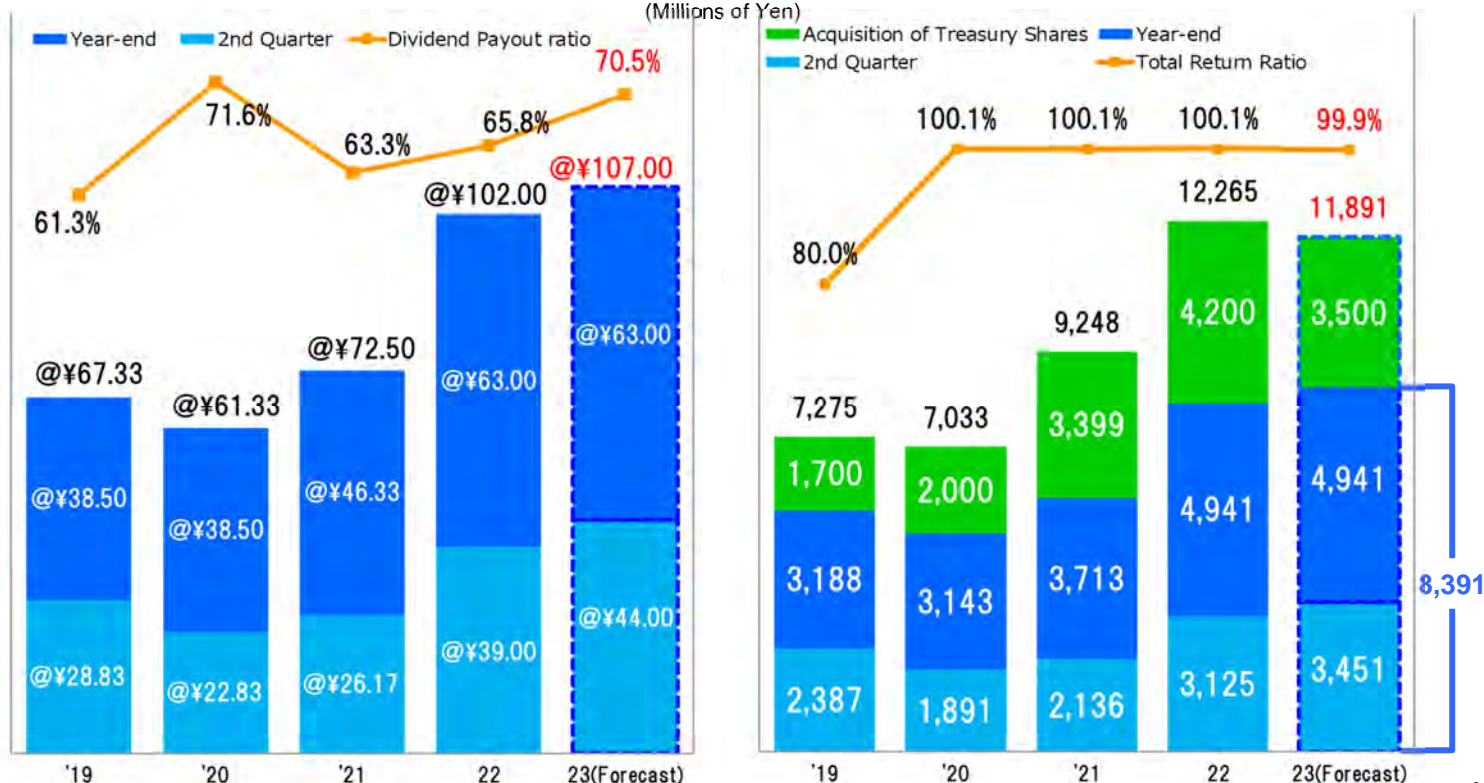
35

Results and Forecast of Profit Distribution

Re-posted

- ✓ Annual total return ratio was 100%, as announced in May of this year
- ✓ Dividend to share buyback ratio changed from the 6:4 initially forecast to 7:3
⇒ The result of multifaceted consideration based on the many opinions and requests received through dialogue with shareholders and investors

(Millions of Yen)



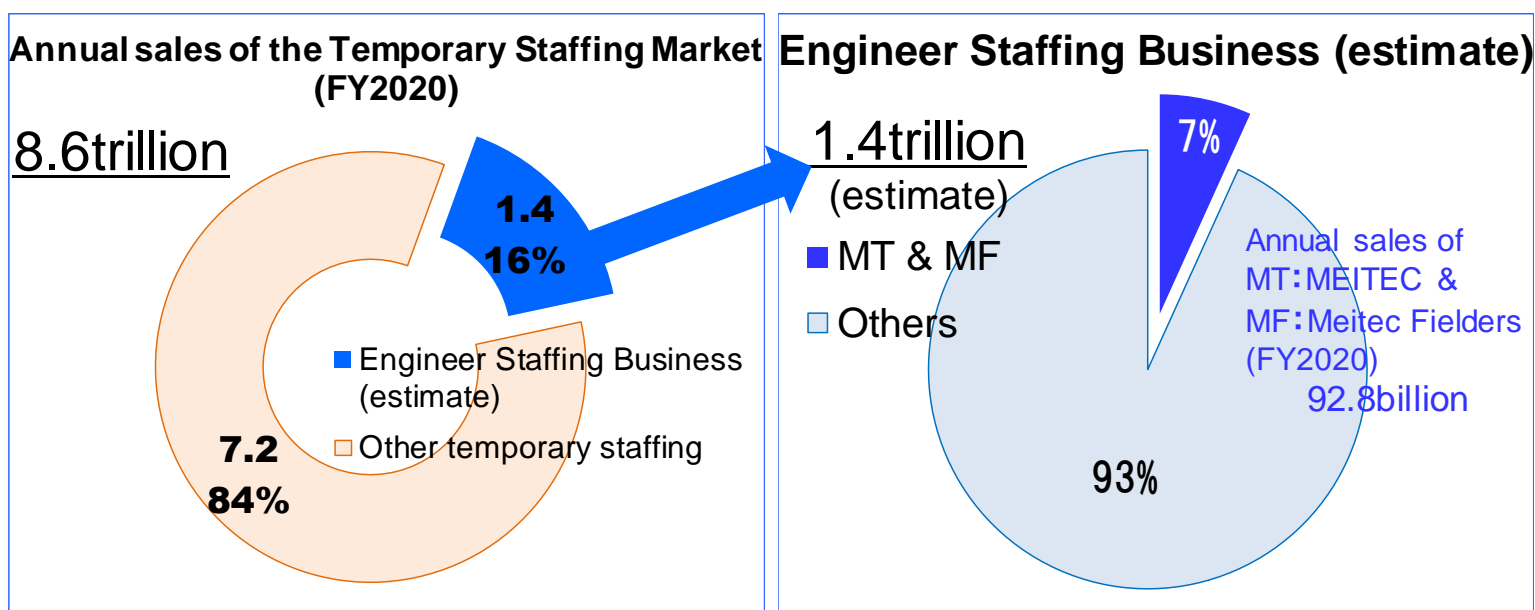
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	Engineering Solutions Business			Recruiting & Placement Business for Engineers
	Meitec(※)	Meitec Fielders	Meitec Cast	Meitec Next
(Fractions of one million yen are rounded down)				
Net sales	88,000	33,700	3,500	1,460
YoY Amount	+4,234	+3,228	+168	(221)
% Change	+5.1%	+10.6%	+5.1%	(13.2%)
Operating profit	13,800	2,900	230	470
YoY Amount	+587	+365	—	(77)
% Change	+4.5%	+14.4%	(0.0%)	(14.1%)
Ordinary profit	15,000	2,900	230	470
Profit	10,500	2,000	150	300

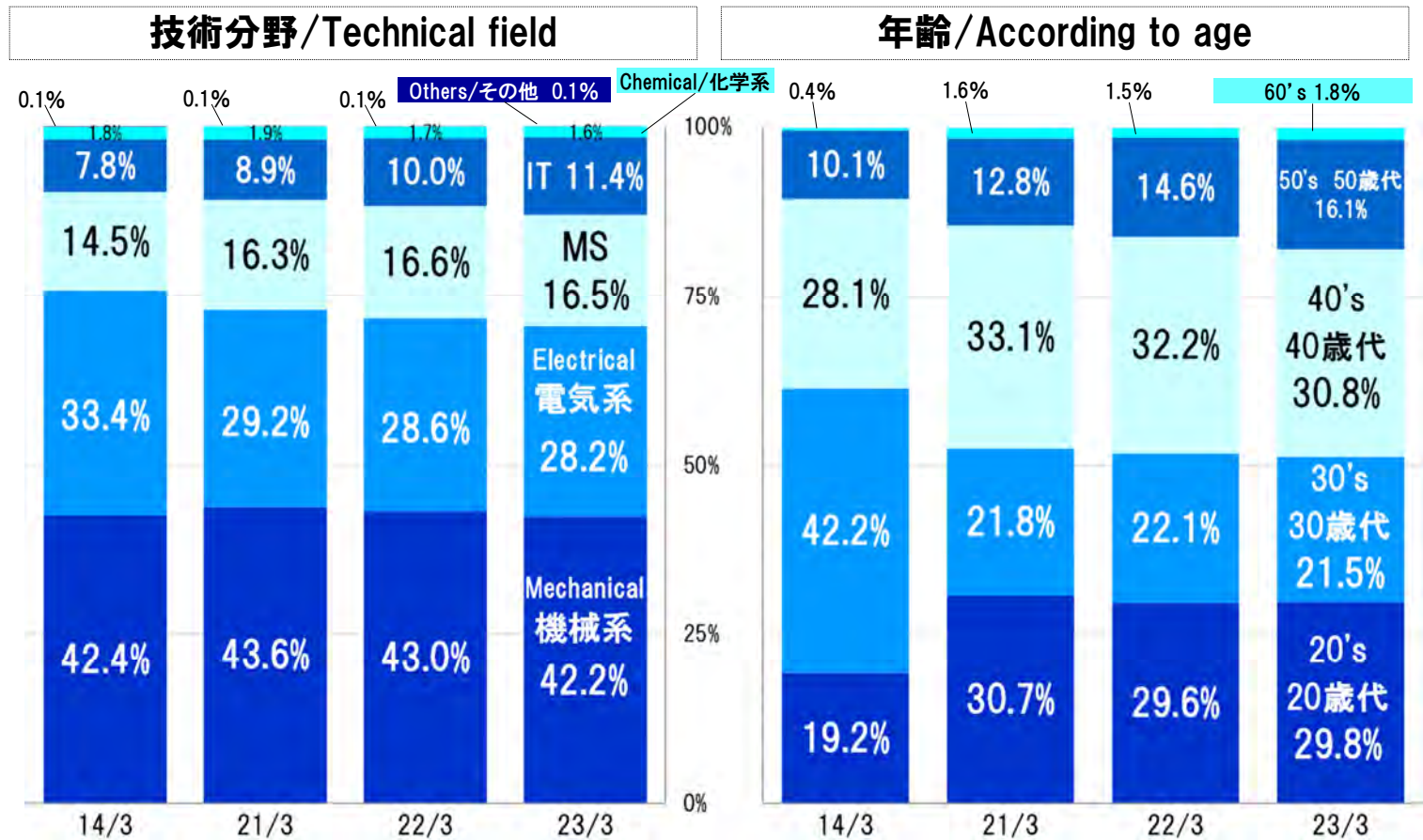
• Content is the combined total of the 1H results of Meitec (until 9/30) and the forecast for Meitec (after 10/1)

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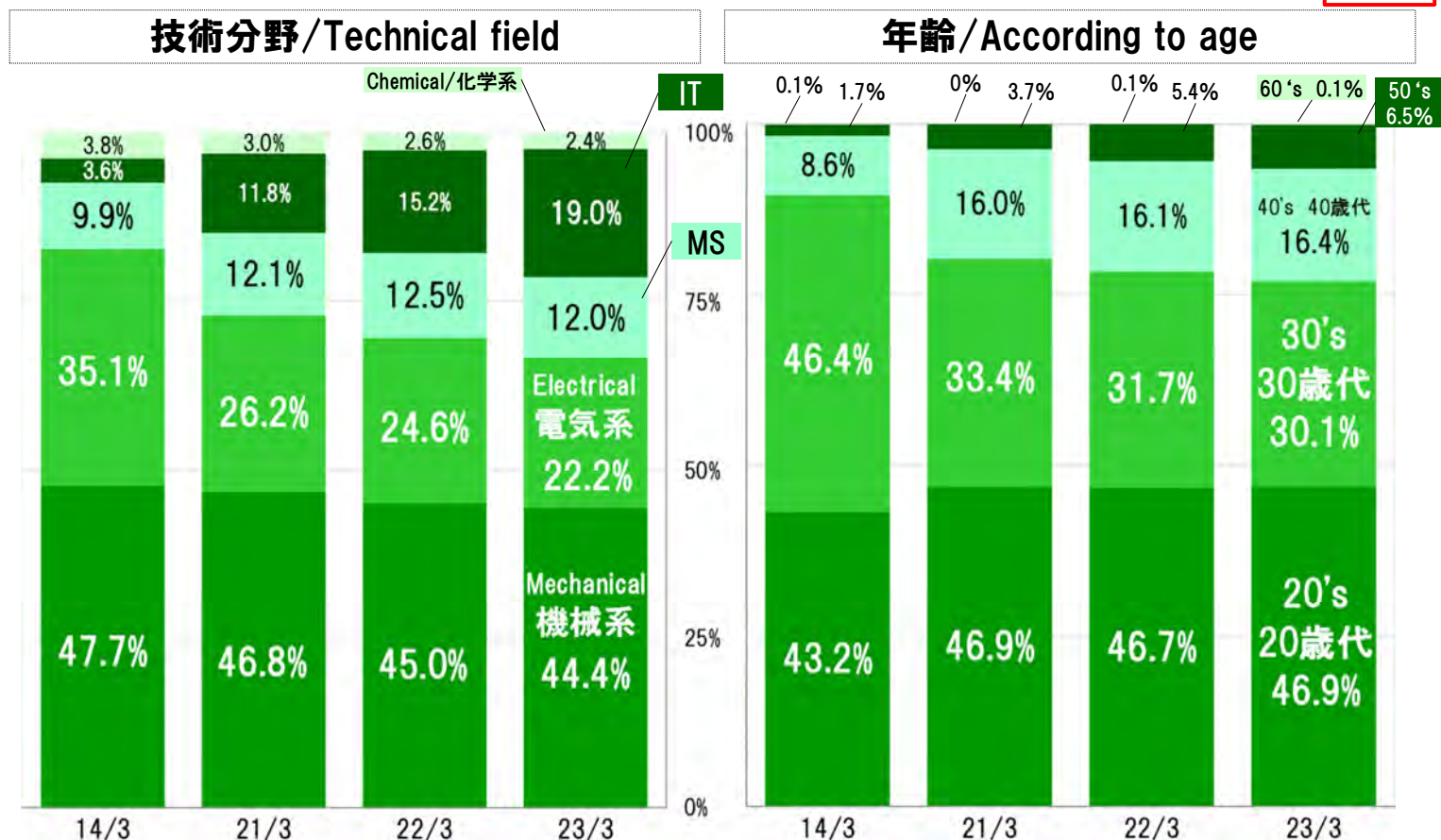
Market of Engineer Staffing Business (estimate)



March-2023		Engineer Staffing (estimate)
Meitec	Meitec Fielders	
¥5,535	¥3,860	approx.¥3,800



MS: Micro Computer System



MS: Micro Computer System

Trend of Performances (Group Consolidated)

(Millions of Yen)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net sales	79,898	53,776	61,790	66,955	70,330	74,906	82,136	87,888	89,979	93,618	97,736	100,995	96,626	107,140	119,069
Cost of sales	57,177	46,765	48,832	49,875	51,639	55,370	60,481	64,661	66,417	69,250	71,701	73,823	72,203	78,917	86,360
Cost of sales to Net sales	71.6%	87.0%	79.0%	74.5%	73.4%	73.9%	73.6%	73.6%	73.8%	74.0%	73.4%	73.1%	74.7%	73.7%	72.5%
Gross profit	22,720	7,010	12,957	17,079	18,691	19,536	21,654	23,227	23,561	24,368	26,035	27,171	24,422	28,223	32,708
Selling, general and administrative expenses	13,439	11,939	10,337	11,629	12,337	12,556	12,114	12,352	12,418	12,910	13,399	14,245	14,188	15,405	16,245
SG&A expenses to Net sales	16.8%	22.2%	16.7%	17.4%	17.5%	16.8%	14.7%	14.1%	13.8%	13.8%	13.7%	14.1%	14.7%	14.4%	13.6%
Operating profit	9,280	(4,928)	2,620	5,450	6,354	6,979	9,540	10,874	11,142	11,458	12,635	12,926	10,234	12,817	16,462
Operating profit margins	11.6%	(9.2%)	4.2%	8.1%	9.0%	9.3%	11.6%	12.4%	12.4%	12.2%	12.9%	12.8%	10.6%	12.0%	13.8%
Non-operating income	87	4,729	2,146	114	97	50	113	29	20	19	15	55	81	144	89
Non-operating expenses	107	77	178	32	24	51	10	58	17	11	7	6	9	13	11
Ordinary profit	9,260	(276)	4,588	5,531	6,427	6,978	9,643	10,845	11,145	11,465	12,643	12,975	10,306	12,948	16,540
Ordinary profit margins	11.6%	(0.5%)	7.4%	8.3%	9.1%	9.3%	11.7%	12.3%	12.4%	12.2%	12.9%	12.8%	10.7%	12.1%	13.9%
Extraordinary income	13	32	378	—	58	—	20	1,084	31	337	26	—	—	—	—
Extraordinary loss	1,094	130	234	4	215	146	3,621	65	45	262	18	3	4	5	3
Profit before income taxes	8,178	(374)	4,732	5,526	6,270	6,832	6,041	11,865	11,131	11,541	12,651	12,971	10,301	12,942	16,537
Total income taxes and others	3,875	530	1,041	2,699	277	2,858	2,381	3,781	3,193	3,409	3,822	3,878	3,272	3,701	4,285
Profit attributable to owners of parent	4,303	(904)	3,690	2,827	5,993	3,973	3,659	8,083	7,937	8,132	8,829	9,093	7,028	9,240	12,252
Profit margins	5.4%	(1.7%)	6.0%	4.2%	8.5%	5.3%	4.5%	9.2%	8.8%	8.7%	9.0%	9.0%	7.3%	8.6%	10.3%

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Trend of Performances (Meitec)

(Millions of Yen)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net sales	60,457	41,319	48,260	53,188	55,822	58,876	64,675	68,878	70,083	72,252	74,036	75,297	71,452	77,010	83,765
Cost of sales	43,109	36,074	38,777	39,987	41,240	43,742	47,857	50,884	52,013	53,861	54,620	55,138	53,438	56,503	60,117
Cost of sales to Net sales	71.3%	87.3%	80.4%	75.2%	73.9%	74.3%	74.0%	73.9%	74.2%	74.5%	73.8%	73.2%	74.8%	73.4%	71.8%
Gross profit	17,348	5,245	9,482	13,200	14,582	15,134	16,817	17,994	18,069	18,391	19,416	20,159	18,014	20,507	23,648
Selling, general and administrative expenses	8,540	8,210	7,758	8,587	9,179	9,382	8,891	8,932	8,856	9,048	9,258	9,776	9,414	9,960	10,436
SG&A expenses to Net sales	14.1%	19.9%	16.1%	16.1%	16.4%	15.9%	13.7%	13.0%	12.6%	12.5%	12.5%	13.0%	13.2%	12.9%	12.5%
Operating profit	8,807	(2,964)	1,724	4,613	5,402	5,751	7,925	9,061	9,213	9,342	10,157	10,382	8,600	10,546	13,212
Operating profit margins	14.6%	(7.2%)	3.6%	8.7%	9.7%	9.8%	12.3%	13.2%	13.1%	12.9%	13.7%	13.8%	12.0%	13.7%	15.8%
Non-operating income	564	3,840	1,976	389	314	426	523	517	601	769	769	913	956	592	913
Non-operating expenses	76	53	150	14	19	426	10	52	16	6	6	5	8	13	11
Ordinary interests in income	9,294	822	3,550	4,988	5,698	6,149	8,438	9,526	9,798	10,105	10,921	11,290	9,547	11,125	14,113
Ordinary profit margins	15.4%	2.0%	7.4%	9.4%	10.2%	10.4%	13.0%	13.8%	14.0%	14.0%	14.8%	15.0%	13.4%	14.4%	16.8%
Extraordinary income	7	2	3	—	462	—	324	1,088	200	364	16	—	—	—	—
Extraordinary loss	2,912	626	318	66	228	372	3,673	50	222	261	52	2	4	5	3
Profit before income taxes	6,389	197	3,236	4,921	5,932	5,776	5,089	10,563	9,776	10,208	10,885	11,287	9,542	11,120	14,110
Total income taxes	3,391	144	1,094	2,331	(124)	2,352	1,749	3,171	2,702	2,747	3,117	3,174	2,719	3,068	3,391
Profit	2,998	53	2,141	2,590	6,056	3,425	3,340	7,391	7,073	7,461	7,768	8,112	6,823	8,051	10,719
Profit margins	5.0%	0.1%	4.4%	4.9%	10.8%	5.8%	5.2%	10.7%	10.1%	10.3%	10.5%	10.8%	9.5%	10.5%	12.8%

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Trend of Performances (Meitec Fielders)

(Millions of Yen)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net sales	10,582	7,050	8,175	8,510	9,349	10,587	11,911	13,327	14,865	16,981	19,336	21,383	21,308	25,814	30,471
Cost of sales	7,744	6,621	6,361	6,387	7,061	8,084	9,154	10,288	11,540	13,173	14,941	16,476	16,542	20,015	23,561
Cost of sales to Net sales	73.2%	93.9%	77.8%	75.1%	75.5%	76.4%	76.9%	77.2%	77.6%	77.6%	77.3%	77.1%	77.6%	77.5%	77.3%
Gross profit	2,837	429	1,814	2,122	2,287	2,502	2,757	3,039	3,325	3,808	4,394	4,906	4,765	5,798	6,910
Selling, general and administrative expenses	2,018	1,890	1,238	1,585	1,639	1,646	1,682	1,834	1,978	2,351	2,660	2,962	3,586	4,067	4,375
SG&A expenses to Net sales	19.1%	26.8%	15.1%	18.6%	17.5%	15.5%	14.1%	13.8%	13.3%	13.8%	13.8%	13.9%	16.8%	15.8%	14.4%
Operating profit	819	(1,461)	575	537	648	856	1,073	1,204	1,346	1,456	1,734	1,944	1,178	1,731	2,534
Operating profit margins	7.7%	(20.7%)	7.0%	6.3%	6.9%	8.1%	9.0%	9.0%	9.1%	8.6%	9.0%	9.1%	5.5%	6.7%	8.3%
Non-operating income	6	848	182	3	3	1	—	—	1	—	1	1	—	1	—
Non-operating expenses	—	5	1	—	—	15	—	—	1	4	—	—	2	—	—
Ordinary profit	825	(618)	757	540	651	841	1,074	1,205	1,346	1,452	1,735	1,945	1,177	1,732	2,535
Ordinary profit margins	7.8%	(8.8%)	9.3%	6.3%	7.0%	7.9%	9.0%	9.0%	9.1%	8.6%	9.0%	9.1%	5.5%	6.7%	8.3%
Extraordinary income	—	—	1	—	—	—	—	—	—	1	—	—	—	—	—
Extraordinary loss	13	2	1	—	—	—	5	7	—	—	—	—	—	—	—
Profit before income taxes	811	(620)	756	540	651	841	1,068	1,198	1,346	1,453	1,735	1,945	1,177	1,732	2,535
Total income taxes	344	313	(187)	264	272	358	420	412	301	422	444	484	370	395	621
Profit	467	(933)	943	275	378	483	648	786	1,045	1,031	1,291	1,461	805	1,337	1,913
Profit margins	4.4%	(13.2%)	11.5%	3.2%	4.0%	4.6%	5.4%	5.9%	7.0%	6.1%	6.7%	6.8%	3.8%	5.2%	6.3%

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Trend of Performances (Meitec Next)

(Millions of Yen)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net sales	480	334	438	593	734	872	1,131	1,321	1,483	1,662	1,762	1,639	1,216	1,530	1,681
Cost of sales															
Cost of sales to Net sales															
Gross profit	480	334	438	593	734	872	1,131	1,321	1,483	1,662	1,762	1,639	1,216	1,530	1,681
Selling, general and administrative expenses	559	349	333	446	512	577	746	887	966	1,116	1,203	1,204	942	1,055	1,134
SG&A expenses to Net sales	116.5%	104.5%	76.0%	75.2%	69.8%	66.2%	66.0%	67.1%	65.1%	67.2%	68.2%	73.5%	77.5%	69.0%	67.5%
Operating profit	(78)	(14)	104	147	221	295	385	433	517	545	559	434	273	474	547
Operating profit margins	(16.3%)	(4.2%)	23.7%	24.8%	30.1%	33.8%	34.0%	32.8%	34.9%	32.8%	31.8%	26.5%	22.5%	31.0%	32.5%
Non-operating income	—	2	2	—	—	—	—	—	—	—	—	—	—	0	0
Non-operating expenses	—	—	—	—	—	—	—	—	—	—	—	1	—	0	—
Ordinary profit	(78)	(12)	106	147	221	295	385	433	517	545	559	432	274	474	547
Ordinary profit margins	(16.3%)	(3.6%)	24.2%	24.8%	30.1%	33.8%	34.0%	32.8%	34.9%	32.8%	31.7%	26.4%	22.5%	31.0%	32.5%
Extraordinary income	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Extraordinary loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Profit before income taxes	(78)	(13)	106	147	221	295	385	433	517	544	559	432	274	474	547
Total income taxes	1	—	—	—	19	95	141	145	182	193	198	152	96	169	190
Profit	(79)	(14)	105	147	201	200	243	288	334	350	361	279	177	305	356
Profit margins	(16.5%)	(4.2%)	24.0%	24.8%	27.4%	22.9%	21.5%	21.8%	22.6%	21.1%	20.5%	17.1%	14.6%	20.0%	21.2%

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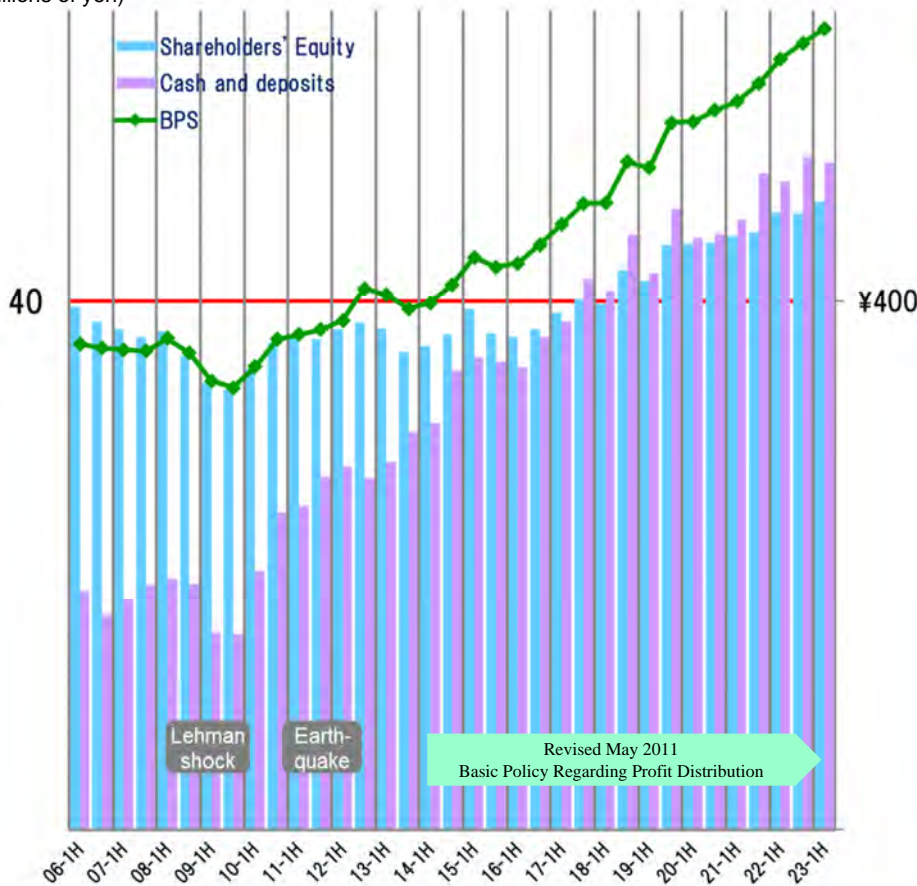
(Millions of Yen)	2008/3/31	2009/3/31	2010/3/31	2011/3/31	2012/3/31	2013/3/31	2014/3/31	2015/3/31	2016/3/31	2017/3/31	2018/3/31	2019/3/31	2020/3/31	2021/3/31	2022/3/31	2023/3/31
Cash and deposits	18,512	18,526	14,732	23,999	26,686	26,592	30,104	34,773	35,413	37,259	41,753	45,052	47,033	45,132	49,706	51,028
Notes and accounts receivable - trade	12,841	10,985	9,582	10,245	10,675	10,887	11,297	12,858	13,823	13,400	13,816	13,884	14,696	14,600	16,098	17,354
Total current assets	35,356	33,295	28,444	37,661	40,643	41,802	44,998	51,639	53,104	54,742	59,325	60,036	62,679	60,885	66,937	69,484
Property, plant and equipment	13,374	12,818	12,069	11,688	11,257	10,908	10,555	7,207	5,721	5,552	5,399	5,402	5,332	5,122	5,002	4,785
Total non-current assets	22,428	20,934	19,180	18,053	16,915	16,199	16,447	13,458	11,363	11,634	11,608	14,579	14,814	14,153	14,652	15,091
Total assets	57,784	54,230	47,625	55,714	57,559	58,002	61,445	65,098	64,468	66,377	70,934	74,615	77,493	75,038	81,590	84,576
Total current liabilities	13,764	11,026	6,392	10,016	11,165	9,683	12,589	15,797	13,650	14,662	16,176	16,927	17,228	14,272	19,669	20,824
Total non-current liabilities	6,422	7,034	7,789	8,603	9,183	9,895	12,667	11,735	13,212	13,860	14,617	15,317	15,937	16,294	16,633	17,032
Total liabilities	20,186	18,061	14,181	18,619	20,349	19,579	25,257	27,532	26,862	28,523	30,794	32,244	33,166	30,566	36,302	37,856
Shareholders' equity	38,048	36,747	34,101	37,745	38,017	39,264	38,299	39,619	39,973	39,970	42,078	44,173	45,950	45,898	46,457	47,671
Other net assets	(449)	(577)	(658)	(651)	(808)	(841)	(2,111)	(2,054)	(2,367)	(2,116)	(1,939)	(1,802)	(1,623)	(1,426)	(1,169)	(951)
Total net assets	37,598	36,169	33,443	37,094	37,209	38,422	36,188	37,565	37,605	37,854	40,139	42,371	44,327	44,472	45,287	46,719

Cash flows from operating activities	8,486	6,308	(1,545)	9,291	5,753	5,205	8,893	8,434	6,910	10,186	10,957	10,273	9,837	5,487	13,532	12,808
Cash flows from investing activities	124	623	(19)	287	(292)	(465)	(398)	(275)	1,487	(325)	(464)	(240)	(536)	(307)	(270)	(446)
Cash flows from financing activities	(5,997)	(5,580)	(1,835)	(104)	(2,769)	(4,837)	(4,991)	(3,495)	(7,752)	(8,011)	(5,999)	(6,734)	(7,319)	(7,080)	(8,688)	(11,040)
Net increase (decrease) in cash and cash equivalents	+2,634	+1,313	(3,394)	+9,467	+2,691	(93)	+3,511	+4,668	+643	+1,845	+4,493	+3,298	+1,980	(1,900)	+4,574	+1,321

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Shareholders' Equity and Cash and Deposit

(billions of yen)



- Protecting employment of engineers under economic crisis is essential for sustainable growth for indefinite employment engineer staffing business.
 → Engineers can continue to concentrate on brushing up their own career under assumption of stable employment.
- With consideration of remaining fund, prioritize the “improvement of “quality and quantity” of shareholders’ equity” which would lead to the safeness of finance.

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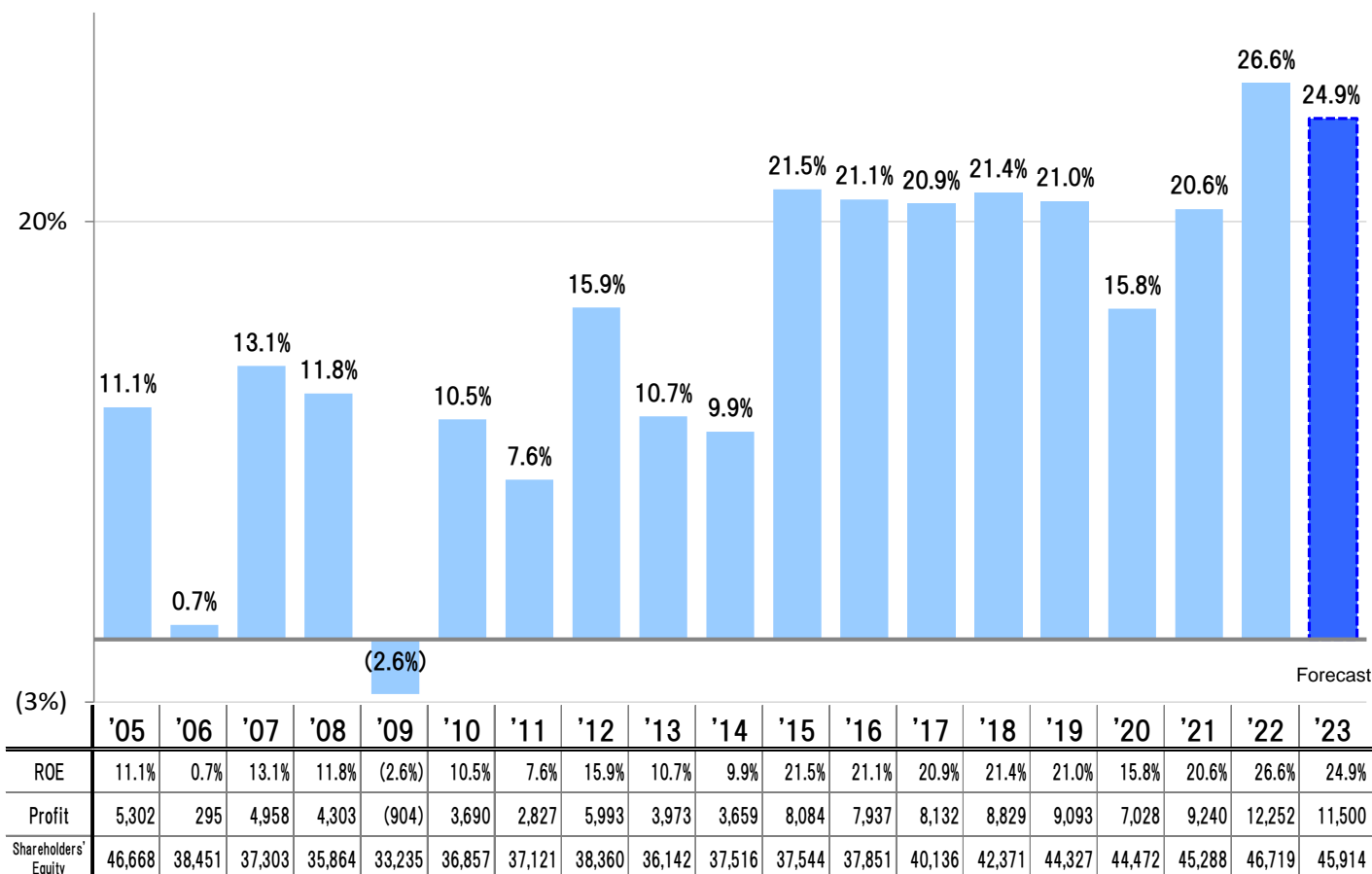
Trend of Profit Distributions and Forecast

		FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Actual FY2022	Forecast FY2023
(Fractions of one million yen are rounded)												
Total Return Ratio		101.2%	116.8%	100.0%	100.1%	80.0%	80.0%	80.0%	100.1%	100.1%	100.1%	99.9%
* Dividend Payout ratio		55.9%	92.2%	53.0%	54.7%	61.6%	63.1%	61.3%	71.6%	63.3%	65.8%	70.5%
Dividend on Equity		6.0%	9.2%	11.4%	11.6%	12.9%	13.6%	12.9%	11.4%	13.1%	17.6%	
Annual Dividends	Per Share	@¥24.00	@¥37.00	@¥48.00	@¥50.50	@¥59.00	@¥66.50	@¥67.33	@¥61.33	@¥72.50	@¥102.00	@¥107.00
	Millions of Yen	2,220	3,373	4,286	4,344	5,008	5,567	5,575	5,033	5,848	8,065	8,391
2nd Quarter	Per Share	@¥10.50	@¥14.67	@¥21.00	@¥22.67	@¥24.83	@¥28.00	@¥28.83	@¥22.83	@¥26.17	@¥39.00	@¥44.00
	Millions of Yen	983	1,344	1,908	1,968	2,119	2,344	2,387	1,891	2,136	3,125	3,451
Year-end	Per Share	@¥13.50	@¥22.33	@¥27.00	@¥27.83	@¥34.17	@¥38.50	@¥38.50	@¥38.50	@¥46.33	@¥63.00	@¥63.00
	Millions of Yen	1,237	2,029	2,378	2,375	2,889	3,223	3,188	3,143	3,713	4,941	4,941
Acquisition of Treasury Shares	Thousands of shares	641	269	921	915	257	280	303	390	500	1,704	1,400
	Millions of Yen	1,800	899	3,799	3,600	1,500	1,500	1,700	2,000	3,399	4,200	3,500
Total Shareholders Return	Millions of Yen	4,020	4,273	8,086	7,944	6,508	7,067	7,275	7,033	9,248	12,265	11,891
Retirement of Treasury Stock	Thousands of shares	500	300	900	1,300		700	300	400	500	1,800	
	Millions of Yen											
Stock Price TSE#9744	As of April 1	¥731	¥952	¥1,322	¥1,288	¥1,502	¥1,987	¥1,710	¥1,355	¥2,013	¥2,220	¥2,363
	As of March 31	¥977	¥1,342	¥1,312	¥1,507	¥1,963	¥1,677	¥1,433	¥2,037	¥2,217	¥2,364	
Profit	Millions of Yen	3,974	3,660	8,084	7,937	8,132	8,829	9,093	7,029	9,241	12,253	11,900
Earnings per Share		@¥42.77	@¥40.04	@¥89.75	@¥91.44	@¥95.55	@¥105.14	@¥109.45	@¥85.26	@¥113.85	@¥153.87	@¥151.74
Net Assets per Share		@¥394.28	@¥412.93	@¥426.20	@¥443.52	@¥474.67	@¥506.14	@¥535.34	@¥544.81	@¥565.21	@¥595.74	

*1 The dividend payout ratio is the ratio of the total amount of dividends paid out to shareholders relative to the net income.

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Trend of ROE



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1. Type of organization

company with audit and supervisory committee

2. Composition of the Board of directors, etc.

- A) Approximately 10 directors
- B) Majority are Independent outside directors
- C) At least 2 Internal directors
- D) Gender and male/female ratio of at least 10% each
- E) Number of directors who are not Audit and supervisory committee member
 \geq Number of directors who are Audit and Supervisory Committee member
- F) Tenure of an Independent outside director is up to eight years
- G) Independent outside directors may serve concurrently at no more than three listed companies, including the Company

3. The Company established following distinctive committee chaired by an outside director.

✓ Officer Appointment Advisory Committee

Chairman: Outside Director;

Members: CEO and Outside Directors

Evaluating appropriateness of processes

- Appointment/dismissal of Representative Director & CEO
- Nomination of directors candidates
- Performance evaluation and Remuneration of inside executive directors

4. Calculation Method of Executive Remuneration

Remuneration Amounts to Individual Executives ¥1K=JPY1,000-

Executive Category	Yearly payment	Monthly
CEO, President, Representative	¥28,800K	¥2,400K
Senior Vice President	¥24,000K	¥2,000K
Executive	¥19,200K	¥1,600K
Chairman of the Audit and Supervisory Committee	¥24,000K	¥2,000K
Independent Outside	¥10,800K	¥900K

Performance-linked Remuneration for internal Executive Directors(only).

Consolidated profit (not including performance-linked directors' remuneration)	x within 2.5%
	Upper limit: 250 million yen annually
Of which the equivalent to 20% of post-tax value	Allocated for purchase of treasury shares (Directors shareholding association method)

Independent Outside Directors and Directors who are Audit and Supervisory Committee Members are not eligible for payment.

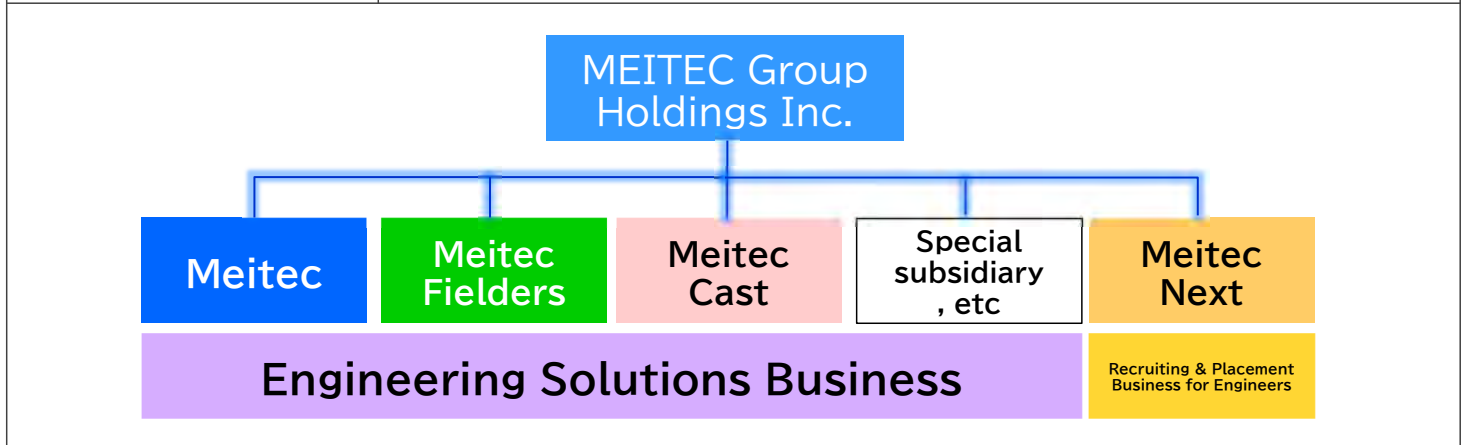
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Shareholders by Business Segments

Shareholder Segment	As of September 30, 2023			
	Shareholders	%	Shares Held	%
Banks	7	0.1%	585,000	0.7%
Trust Banks	11	0.2%	20,663,000	25.1%
Life and nonlife insurance companies	25	0.4%	9,386,038	11.4%
Securities financing and other financial companies	4	0.1%	83,480	0.1%
Securities companies	31	0.6%	1,034,390	1.3%
Business concerns and other companies	69	1.2%	445,621	0.5%
Overseas companies and investors	260	4.6%	38,646,320	46.8%
Individuals and others	5,226	92.8%	11,656,151	14.1%
Total	5,633	100.0%	82,500,000	100.0%

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Company Name	MEITEC Group Holdings Inc.
Tokyo Headquarters	Taito-ku, Tokyo
Atsugi Headquarters	Atsugi, Kanagawa
Stock listings	Tokyo Stock Exchange, Prime Market(No. 9744)
Incorporated	July 17, 1974



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