

Notice of the 15th Annual General Meeting of Shareholders

SIGMAXYZ Holdings Inc.

SIGMAXYZ Group’s Corporate Philosophy

Purpose

CREATE A BEAUTIFUL TOMORROW TOGETHER

The concept of social capital based on the 3 axes of “trust,” “standards of reciprocities,” and “bonds,” and the importance of them being widely permeated, are being reevaluated in countries around the world. Further, we believe that these social relationship assets themselves are the identity that we have cultivated in Japan and the beauty of society.

We aim to contribute to the creation of such a beautiful society. A society in which we respect each other beyond generations and personalities and everyone can live and thrive comfortably with hope in daily life.

The SIGMAXYZ Group cooperates with clients, partners, and various individuals and organizations to create value as Sherpas.

We start with taking one step at a time for a more beautiful tomorrow.

Vision | What We Want To Be

- | | | |
|--------------------------|------------------------------------|-----------------------------------|
| LOVED by EVERYONE | With us... | |
| | You can meet friends. | You can grow and be more capable. |
| | You can expand your opportunities. | You can contribute to society. |
| | You can take on challenges. | You can enrich your life. |

Mission | Our Social Duty

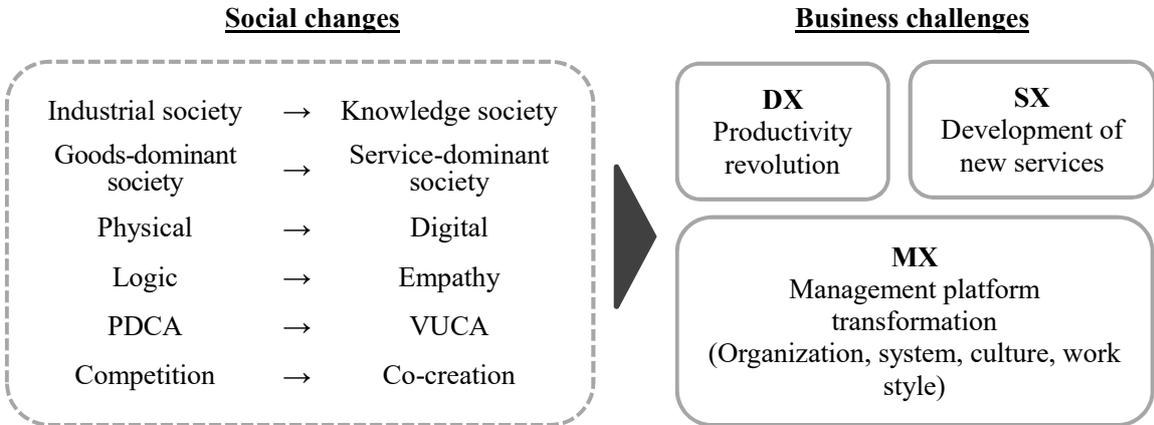
Promote transformation in companies and contribute to attaining the SDGs together with clients and partners.

Value	What We Treasure
	Human Value
	Business Value
	<ul style="list-style-type: none"> • Openness & Trust • Sincerity • Hospitality • Sense of Beauty • Respect for Difference • Camaraderie
	<ul style="list-style-type: none"> • Sharing Thoughts • Collaboration • Aggregation • Sherpa • Agility & Speed • Intellectual Fight

Three Innovations

The SIGMAXYZ Group defines the key transformations that companies must address in the digital economy as follows.

- **Management Transformation (MX)**
Build a platform that ensures the autonomy and psychological safety of people involved in the business, improves engagement, creates continuous innovation, and enables rapid individual-customer interaction
- **Digital Transformation (DX)**
Transform the core business model and achieve significant performance improvements through a productivity revolution
- **Service Transformation (SX)**
Build a business model that will serve as a new growth engine in growth markets



To Our Shareholders

Human capital is the lifeblood of our business. We focus on building an environment where our people can passionately engage in value co-creation.

I would like to express my sincere gratitude to our shareholders for their everyday support for our company.

In August 2022, we announced “Blueprint” toward the fiscal year ending March 31, 2026 as the Group’s medium- to long-term growth vision. We will accelerate the growth of both the consulting and investment businesses aimed at reaching consolidated revenue for the group of ¥25 billion, ordinary profit of ¥7 billion, a profit rate of 28%, and approximately 800 employees. Through collaboration between the two businesses, we will propose concepts for value co-creation to clients and promote corporate transformation with an eye on society of tomorrow.

Since our foundation, we have positioned human capital as the lifeblood of value co-creation which is our most important management resource, and have arranged various environments and systems that support professionals’ activities, promoting value co-creation with clients. The SIGMAXYZ Group’s work style is stated as “Professional & Collaboration,” and expanding environment where diverse professionals can demonstrate their abilities with high motivation, focusing on value co-creation in their own way, which leads us to sustainable growth. In the fiscal year ending March 31, 2024, we will keep engaging in professionals’ capability development initiatives.

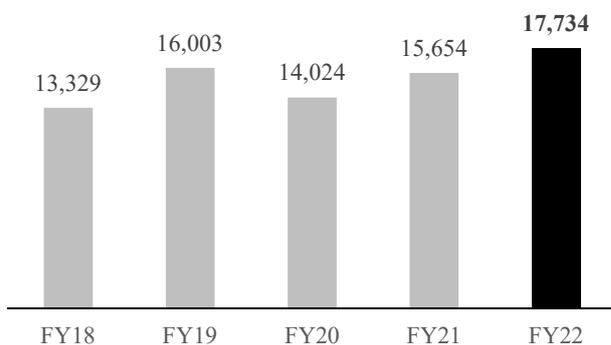
We will continue to achieve a higher governance standard going forward, work on value creation throughout the entire Group, as well as make strong progress toward the achievement of the SDGs and a more beautiful tomorrow. Your continued support would be highly appreciated.

Ryuichi Tomimura, Representative Director and President

Consolidated Financial Highlights

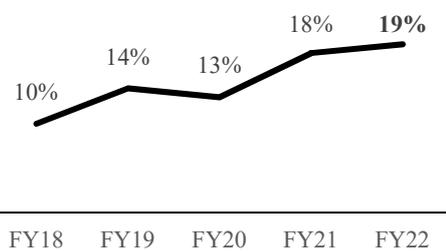
Revenue

(JPY mn)



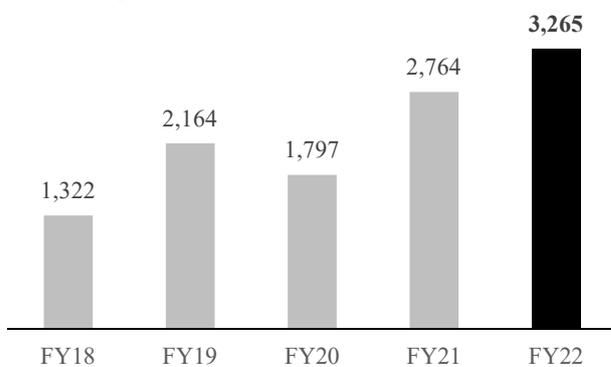
KPI

Ordinary profit rate



Ordinary profit

(JPY mn)

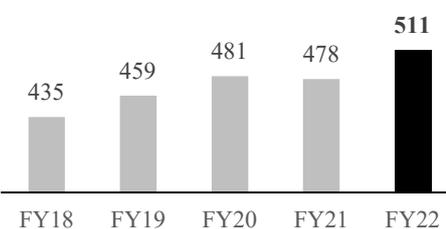


SIGMAXYZ

Project satisfaction (Net Satisfaction Index)

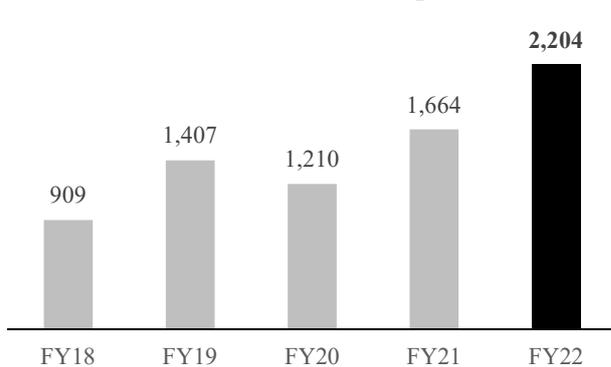


Number of consultants



Profit attributable to owners of parent

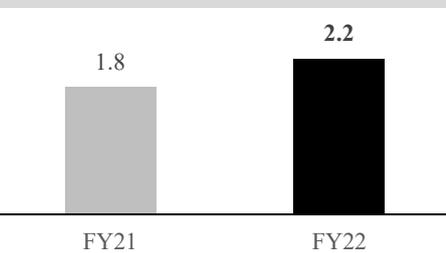
(JPY mn)



SIGMAXYZ Investment Inc.

Balance of investments

(Billions of yen)



Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Stock Code: 6088
(June 6, 2023)

To our shareholders:

Ryuichi Tomimura
Representative Director and President
SIGMAXYZ Holdings Inc.
4-1-28 Toranomom, Minato-ku, Tokyo, Japan

Notice of the 15th Annual General Meeting of Shareholders

We hereby announce the 15th Annual General Meeting of Shareholders of SIGMAXYZ Holdings Inc. (the “Company”), which will be held as indicated below.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on either of the following websites. Please access either of these websites by using the internet address shown below to review the information.

[Company’s website]

<https://www.sigmaxyz.com/ir/> (in Japanese)

(From the above website, select “Investor Relations,” and then “General Meeting of Shareholders.”)

[Website with reference documents for the general meeting of shareholders]

<https://d.sokai.jp/6088/teiji/> (in Japanese)

[Tokyo Stock Exchange website (Listed Company Search)]

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Access the TSE website by using the internet address shown above, enter “SIGMAXYZ Holdings” in “Issue name (company name)” or the Company’s securities code “6088” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting].”)

Instead of exercising your voting rights at the venue on the day of the meeting, you may exercise your voting via the Internet or in writing (postal mail). Please review the subsequent Reference Documents for the Annual General Meeting of Shareholders and exercise your voting rights no later than 6:00 p.m. on Monday, June 26, 2023 (JST).

To exercise your voting rights via the internet

Please access the Company’s designated website (<https://evote.tr.mufg.jp/>) (in Japanese) and enter the “voting code” and “password” found on the voting form. Follow the instructions on screen to indicate your approval or disapproval of the proposals by the deadline stated above.

When exercising your voting rights via the Internet, please review the “Instructions for exercising voting rights via the Internet, etc.” below.

To exercise your voting rights in writing (by mail)

Please indicate your approval or disapproval of each proposal on the voting form and return it to the Company by postal mail so that it arrives before the above deadline.

1. Date and Time: Tuesday, June 27, 2023, at 10:00 a.m.

(Reception opens at 9:30 a.m.)

2. Venue: “DIAMOND 30,” 30th floor, Main Tower, Shinagawa Prince Hotel

4-10-30 Takanawa, Minato-ku, Tokyo, Japan

3. Purpose of the Meeting:

Matters to be reported

1. Business Report, Consolidated Financial Statements for the 15th fiscal year (from April 1, 2022 to March 31, 2023), and audit results of the Consolidated Financial Statements by the Accounting Auditors and Audit & Supervisory Committee
2. Non-consolidated Financial Statements for the 15th fiscal year (from April 1, 2022 to March 31, 2023)

Matters to be resolved

Proposal No. 1: Partial Amendments to the Articles of Incorporation

Proposal No. 2: Election of Nine Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

Matters to be Determined for Convocation (Information on Exercising Voting Rights)

- (1) When exercising your voting rights in writing (by postal mail), if there is no indication of approval or disapproval of the proposal on the voting form, it will be treated as if there was an indication of approval.
- (2) If you exercise your voting rights more than once via the internet, only the last vote shall be deemed effective.
- (3) If you exercise the voting rights both in writing (postal mail) and via the Internet, the contents of the voting rights exercised via the Internet shall be deemed valid, irrespective of the date and time received.
- (4) If exercising your voting rights by proxy, you may appoint one other shareholder of the Company with voting rights as a proxy for the meeting. However, please be aware that a document evidencing the proxy's authority to represent must be submitted to the Company.
- (5) If you plan to exercise your voting rights in a non-uniform way, please inform the Company of this intention with the reason at least three days prior to the date of the meeting.

- For those who will be in attendance, we would like to ask that you submit the voting rights form at the reception desk.
- If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on each of the aforementioned websites on the Internet.
- Shareholders who have requested delivery of paper-based documents will also receive a document stating the matters subject to measures for electronic provision, but this document excludes the following matters based on the provisions of laws and regulations as well as Article 15 of the Company's Articles of Incorporation.

Business Report, Status of the Company

1. Shares of the Company
2. The Company's share acquisition rights
3. Officers
 - (1) Directors
 - Substantial knowledge of finance and accounting of the Audit & Supervisory Committee Members
 - (2) Outside Directors and outside Audit & Supervisory Committee Members
 - (3) Summary of details of limited liability agreement
4. Accounting Auditors
5. System to ensure appropriate execution of business operations and implementation thereof
6. Policy on determination of dividends of surplus and others

Notes to the Consolidated Financial Statements

Notes to the Non-consolidated Financial Statements

Accordingly, the Business Report, Consolidated Financial Statements, and Non-Consolidated Financial Statements described in this document are part of the documents audited by the accounting auditor when preparing the accounting audit report and by the Audit & Supervisory Committee when preparing the audit report.

Instructions on How to Complete the Voting Form

Please indicate “approval” or “disapproval” for each proposal here.

Proposal No. 1:

- In case of “approval”: please circle the word “Approval.”
- In case of “disapproval”: please circle the word “Disapproval.”

Proposal No. 2:

- In case of “approval” for all candidates: please circle the word “Approval.”
- In case of “disapproval” for all candidates: please circle the word “Disapproval.”
- In case of “disapproval” certain candidates: please circle the word “approval” and enter the number of the candidate you are against.

* Example of the voting right exercise form (in Japanese only)

Please note that your voting via the internet shall prevail, if you exercise your voting rights both by postal mail and via the internet. In addition, if you exercise your voting rights more than once via the internet, only the last vote shall be deemed effective.

Instructions on Exercising Voting Rights via the Internet, etc.

Scanning QR code®

You can simply log in to the website for exercising voting rights without entering your login ID and temporary password printed on the voting form.

1. Please scan the QR code® printed on the voting form.

*QR code is a trademark of DENSO WAVE INCORPORATED.

2. Hereafter, please enter your approval or disapproval by following the instructions on the screen.

Method of Entering Your Voting Code and Password

Access the website for exercising voting rights using a computer or smartphone, enter the “voting code” and “password” on the voting form, and then exercise your voting rights by following the instructions on screen.
Website for exercising voting rights: <https://evote.tr.mufg.jp/>

In case you need instructions on how to operate your PC/smartphone in order to exercise your voting rights via the Internet, please contact the Help Desk, for which the details are provided below.

Stock Transfer Agency (Help Desk), Mitsubishi UFJ Trust and Banking Corporation
Phone: 0120-173-027 (hours: 9:00 a.m. to 9:00 p.m., JST; toll free within Japan)

Institutional investors may use the electronic voting platform operated by ICJ, Inc.

Reference Documents for the Annual General Meeting of Shareholders

Proposal No. 1: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

(1) Article 13, Article 14, Article 22, Article 24

To ensure the greater flexibility of management supervision functions, the Company will make changes so that not only the Representative Director and President, but also those selected by resolution of the Board of Directors can serve as the convenor and chairperson of the General Meeting of Shareholders and the convenor and chairperson of the Board of Directors meetings.

(2) Article 20.

This change will clarify the term of office of a substitute or additional director appointed as a director and the effective period of the resolution on the election of a director appointed as a substitute to prepare for a shortage of directors (excluding directors who are Audit & Supervisory Committee members; hereinafter the same shall apply) stipulated by laws and regulations.

(3) Article 21.

This change will be made so that Representative Director can be selected without being bound by restrictions on the number of members in order to further strengthen the management system.

2. Details of the amendments

The amendments are described below.

(The proposed amendments are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>Article 13. (Convenor of General Meeting of Shareholders)</p> <p>Unless otherwise stipulated by laws and regulations, the General Meeting of Shareholders shall be convened by the <u>Representative Director and President. However, if the Representative Director and President is unable to convene the meeting, other directors shall convene it in the order predetermined by the Board of Directors.</u></p>	<p>Article 13. (Convenor of General Meeting of Shareholders)</p> <p>Unless otherwise stipulated by laws and regulations, the General Meeting of Shareholders shall be convened by <u>a person selected by resolution of the Board of Directors from among the directors.</u></p>
<p>Article 14. (Chairperson of General Meeting of Shareholders)</p> <p>The chairperson of the General Meeting of Shareholders shall be the <u>Representative Director and President. However, if the Representative Director and President is unable to fulfill his/her duties as chairperson, other directors shall serve in his/her place in the order predetermined by the Board of Directors.</u></p>	<p>Article 14. (Chairperson of General Meeting of Shareholders)</p> <p>The chairperson of the General Meeting of Shareholders shall be <u>a person selected by resolution of the Board of Directors from among the directors.</u></p>
<p>Article 20. (Term of Office of Directors)</p> <p>1. (Provisions omitted)</p> <p style="text-align: center;">(Newly established)</p>	<p>Article 20. (Term of Office of Directors)</p> <p>1. (Unchanged)</p> <p>2. <u>The term of office of directors (excluding directors who are Audit & Supervisory Committee members) elected as substitute or an additional director for a Director (excluding directors who are Audit & Supervisory Committee members) who retires before the expiration of his/her term of office shall be until the expiration of the term of office of the retired Director (excluding directors who are Audit & Supervisory Committee members) or other incumbent directors (excluding directors who are Audit & Supervisory Committee members).</u></p>

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">(Newly established)</p> <p><u>2.</u> The term of office of a Director who is an Audit & Supervisory Committee Member expire at the conclusion of the General Meeting of Shareholders for the last fiscal year ending within two years after their election.</p> <p><u>3.</u> The term of office of a Director who is an Audit & Supervisory Committee Member elected as a substitute for a Director who is an Audit & Supervisory Committee Member who retires before the expiration of his/her term of office shall be until the expiration of the term of office of the retired Director who is an Audit & Supervisory Committee Member.</p> <p><u>4.</u> The period during which the resolution for appointment of directors who are Audit & Supervisory Committee members appointed pursuant to Article 329, Paragraph 3 of the Companies Act will remain in effect shall be until the start of the General Meeting of Shareholders for the last fiscal year ending within two years after the resolution.</p>	<p><u>3.</u> <u>The period during which the resolution for appointment of substitute directors (excluding directors who are Audit & Supervisory Committee members) appointed pursuant to Article 329, Paragraph 3 of the Companies Act will remain in effect shall be until the start of the General Meeting of Shareholders for the last fiscal year ending within one year after the resolution.</u></p> <p><u>4.</u> The term of office of a Director who is an Audit & Supervisory Committee Member expire at the conclusion of the General Meeting of Shareholders for the last fiscal year ending within two years after their election.</p> <p><u>5.</u> The term of office of a Director who is an Audit & Supervisory Committee Member elected as a substitute for a Director who is an Audit & Supervisory Committee Member who retires before the expiration of his/her term of office shall be until the expiration of the term of office of the retired Director who is an Audit & Supervisory Committee Member.</p> <p><u>6.</u> The period during which the resolution for appointment of directors who are Audit & Supervisory Committee members appointed pursuant to Article 329, Paragraph 3 of the Companies Act will remain in effect shall be until the start of the General Meeting of Shareholders for the last fiscal year ending within two years after the resolution.</p>
<p>Article 21. (Representative Directors and Executive Directors)</p> <p>1. The Board of Directors shall select <u>no more than two</u> representative directors from the directors (excluding directors who are Audit & Supervisory Committee members).</p> <p>2. (Provisions omitted)</p>	<p>Article 21. (Representative Directors and Executive Directors)</p> <p>1. The Board of Directors shall select representative director(s) from the directors (excluding directors who are Audit & Supervisory Committee members).</p> <p>2. (Unchanged)</p>
<p>Article 22. (Convenor of Board of Directors Meetings)</p> <p>Unless otherwise stipulated by laws and regulations, Board of Directors meetings shall be convened by the <u>Representative Director and President. However, if the Representative Director and President is unable to convene the meeting, other directors shall convene it in the order predetermined by the Board of Directors.</u></p>	<p>Article 22. (Convenor of Board of Directors Meetings)</p> <p>Unless otherwise stipulated by laws and regulations, Board of Directors meetings shall be convened by <u>a person selected by resolution of the Board of Directors from among the directors.</u></p>
<p>Article 24. (Chairperson of Board of Directors Meetings)</p> <p>The chairperson of Board of Directors meetings shall be the <u>Representative Director and President. However, if the Representative Director and President is unable to fulfill his/her duties as chairperson, other directors shall serve in his/her place in the order predetermined by the Board of Directors.</u></p>	<p>Article 24. (Chairperson of Board of Directors Meetings)</p> <p>The chairperson of Board of Directors meetings shall by <u>a person selected by resolution of the Board of Directors from among the directors.</u></p>

Proposal No. 2: Election of Nine Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

The terms of office of all ten Directors (excluding Directors who are Audit & Supervisory Committee Members; applicable to the rest of this proposal) will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of nine Directors.

As for this proposal, the Audit & Supervisory Committee has judged that all the candidates for Director are qualified.

The candidates for Director are as follows:

[Reference] List of the candidates for Director

Candidate No.	Name	Current position and responsibility in the Company	Candidate attributes
1	Ryuichi Tomimura	Representative Director and President	Reelection
2	Shinya Tabata	Director, CFO	Reelection
3	Sono Uchiyama	Director, Director of Communication & Capability Section	Reelection Female
4	Hiroshi Ota	Director	Reelection
5	Shunichi Shibamura	Director	Reelection
6	Shuichi Kondo	Outside Director	Reelection Outside Independent
7	Komei Yamaguchi	Outside Director	Reelection Outside Independent
8	Makiko Yamamoto	Outside Director	Reelection Outside Independent Female
9	Makiko Yoshida	—	New Outside Independent Female

Reelection: Candidate for Director to be reelected

New: Candidate for Director to be newly elected

Outside: Candidate for outside Director

Independent: Independent Officer stipulated by the stock exchange

Female: Female candidate for Director

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
1	<p>Ryuichi Tomimura</p>  <p>(February 17, 1959)</p> <p><u>R reelection</u></p> <p>Term of office: 15 years</p> <p>Attendance at Board of Directors meetings: 100% (12/12 meetings)</p>	<p>Oct. 1983 Joined IBM Japan, Ltd.</p> <p>Oct. 1991 Joined Recruit Co., Ltd.</p> <p>Jan. 1994 Managing Partner, Pricewaterhouse Consultants Co., Ltd.</p> <p>Oct. 2002 Vice President, IBM Corporation, Business Consulting Service, Asia Pacific</p> <p>Feb. 2004 Representative Director, Senior Executive Vice President, Japan Telecom Co., Ltd.</p> <p>June 2006 Director, Vice President, Japan Telecom Co., Ltd.</p> <p>Oct. 2006 Representative Director, Vice President, RHJI Industrial Partners Asia, Ltd.</p> <p>Dec. 2007 Representative Director, Managing Director, RHJ International Japan, Inc.</p> <p>May 2008 Director, Partner in charge of Corporate Staff Section, the Company</p> <p>Apr. 2010 Director, Executive Vice President</p> <p>Aug. 2012 Director, Plan·Do·See Inc.</p> <p>June 2015 Director, Shinsei Bank, Limited</p> <p>June 2016 Representative Director, Executive Vice President, the Company</p> <p>June 2018 Representative Director, President and COO</p> <p>Mar. 2019 Representative Director, President (current position)</p> <p>May 2020 Director, VECTOR INC. (current position)</p> <p>Significant concurrent positions outside the Company Director, VECTOR INC.</p>	181,000 shares
<p>Reasons for nomination as candidate for Director</p> <p>Ryuichi Tomimura has extensive experience and insight in management primarily based on his service as representative director at multiple companies. Moreover, since our establishment in 2008, he has contributed to realizing the Company's growth as its Director and Executive Vice President. Serving as Representative Director and President since June 2018, he has further driven the Company's growth. The Company once again requests his election as Director so that he may use his experience, insight, etc. in working to achieve sustainable growth of corporate value.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company		Number of the Company's shares owned
2	<p>Shinya Tabata</p>  <p>(March 5, 1963)</p> <p>Reelection</p> <p>Term of office: 9 years</p> <p>Attendance at Board of Directors meetings: 100% (12/12 meetings)</p>	<p>Apr. 1985</p> <p>Sept. 1989</p> <p>Feb. 2004</p> <p>July 2006</p> <p>Oct. 2006</p> <p>Sept. 2008</p> <p>Sept. 2013</p> <p>June 2019</p> <p>June 2022</p>	<p>Joined Ishikawajima-Harima Heavy Industries Co., Ltd.</p> <p>Joined IBM Japan, Ltd.</p> <p>Global Business Service CFO, IBM Japan, Ltd.</p> <p>Global Business Service CFO, IBM Japan, Ltd. and CFO, IBM Business Consulting Services KK</p> <p>Global Financing CFO, IBM Japan, Ltd.</p> <p>CFO and Director of Corporate Planning and Finance Dept., the Company</p> <p>Director, CFO</p> <p>Managing Director, CFO</p> <p>Director, CFO (current position)</p>	123,600 shares
	<p>Reasons for nomination as candidate for Director Shinya Tabata has extensive experience and insight in management of the Company as Director and CFO. The Company once again requests his election as Director so that he may use his experience, insight, etc. while working to achieve sustainable growth of corporate value.</p>			
3	<p>Sono Uchiyama</p>  <p>(October 26, 1969)</p> <p>Reelection</p> <p>Female</p> <p>Term of office: 2 years</p> <p>Attendance at Board of Directors meetings: 100% (12/12 meetings)</p>	<p>Apr. 1993</p> <p>Apr. 2002</p> <p>Apr. 2005</p> <p>Apr. 2007</p> <p>May 2008</p> <p>Apr. 2017</p> <p>Apr. 2020</p> <p>June 2021</p> <p>Apr. 2023</p>	<p>Joined Pricewaterhouse Consultants Co., Ltd.</p> <p>Director of Communication and PR, IBM Business Consulting Services KK</p> <p>Director of Communication and Branding, Japan Telecom Co., Ltd.</p> <p>PR Manager, RHJ International Japan, Inc.</p> <p>PR Manager, RHJ International Japan, Inc. and Director of Communication Dept., the Company</p> <p>Director of Communication / Knowledge Management Dept., the Company</p> <p>Director of Communication & Capability Section</p> <p>Director Director of Communication & Capability Section</p> <p>Director in charge of Communication & Capability (current position)</p>	86,200 shares
	<p>Reasons for nomination as candidate for Director Sono Uchiyama has extensive experience and insight in management of the Company as Director in charge of Communication & Capability that is responsible for HR, recruiting, training, knowledge management, public relations, and IR. The Company once again requests her election as Director so that she may use her experience and insight, while working to achieve sustainable growth of corporate value.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
4	<p data-bbox="411 286 529 315">Hiroshi Ota</p>  <p data-bbox="376 701 564 730">(October 20, 1969)</p> <p data-bbox="416 754 525 784">Reelection</p> <p data-bbox="397 813 544 869">Term of office: 1 year</p> <p data-bbox="357 898 587 976">Attendance at Board of Directors meetings: 100% (10/10 meetings)</p>	<p data-bbox="630 286 730 315">Apr. 1993</p> <p data-bbox="630 324 730 353">Oct. 1998</p> <p data-bbox="630 387 730 416">Jan. 2006</p> <p data-bbox="630 450 730 479">Apr. 2009</p> <p data-bbox="630 488 730 517">Apr. 2015</p> <p data-bbox="630 526 730 555">Apr. 2019</p> <p data-bbox="630 564 730 593">Oct. 2021</p> <p data-bbox="630 651 735 680">June 2022</p> <p data-bbox="783 286 1086 315">Joined Japan Airlines Co., Ltd.</p> <p data-bbox="783 324 1182 380">Joined Pricewaterhouse Consultants Co., Ltd.</p> <p data-bbox="783 387 1206 443">Partner, IBM Business Consulting Services KK</p> <p data-bbox="783 450 995 479">Partner, the Company</p> <p data-bbox="783 488 970 517">Managing Director</p> <p data-bbox="783 526 1027 555">Senior Executive Officer</p> <p data-bbox="783 564 1182 642">Executive Officer Co-representative Director, SIGMAXYZ Inc. (current position)</p> <p data-bbox="783 651 1209 680">Director, the Company (current position)</p>	129,500 shares
<p data-bbox="325 990 836 1019">Reasons for nomination as candidate for Director</p> <p data-bbox="325 1019 1394 1151">Hiroshi Ota has many years of experience in the consulting industry, in particular as the head of IT consulting divisions, and since 2021 he has also been appointed Co-representative Director of SIGMAXYZ Inc., a Group company that provides consulting services. The Company once again requests his election as Director so that he may facilitate collaboration among the Group operating companies and use his experience and insight in working to achieve sustainable growth of corporate value.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
5	<p data-bbox="368 284 571 309">Shunichi Shibamura</p>  <p data-bbox="384 725 555 750">(March 27, 1973)</p> <p data-bbox="416 779 523 808">Reelection</p> <p data-bbox="395 837 544 891">Term of office: 1 year</p> <p data-bbox="357 920 587 1003">Attendance at Board of Directors meetings: 100% (10/10 meetings)</p>	<p data-bbox="632 284 1214 338">Apr. 1995 Joined Bank of Japan (seconded to Ministry of Economy, Trade and Industry)</p> <p data-bbox="632 349 1214 403">Apr. 2004 Joined McKinsey & Company Incorporated Japan</p> <p data-bbox="632 414 1190 468">Sept. 2006 Executive Officer, Kazaka Securities Co., Ltd</p> <p data-bbox="632 479 995 506">Aug. 2010 Partner, the Company</p> <p data-bbox="632 517 970 544">Apr. 2015 Managing Director</p> <p data-bbox="632 555 1209 582">Sept. 2016 Director, SX Capital, Inc. (current position)</p> <p data-bbox="632 593 1166 620">Apr. 2019 Senior Executive Officer, the Company</p> <p data-bbox="632 631 1158 705">Apr. 2021 President and Representative Director, SIGMAXYZ Investment Inc. (current position)</p> <p data-bbox="632 716 1098 743">Oct. 2021 Executive Officer, the Company</p> <p data-bbox="632 754 1209 781">June 2022 Director, the Company (current position)</p>	94,000 shares
<p data-bbox="325 1016 836 1043">Reasons for nomination as candidate for Director</p> <p data-bbox="325 1048 1369 1176">Shunichi Shibamura has been appointed President and Representative Director of SIGMAXYZ Investment Inc., a Group company engaged in investment businesses, since 2021, leveraging his business experience in financial institutions, as well as his long years of experience in the consulting industry. The Company once again requests his election as Director so that he may facilitate collaboration among the Group operating companies and use his experience and insight in working to achieve sustainable growth of corporate value.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
6	<p data-bbox="395 284 544 309">Shuichi Kondo</p>  <p data-bbox="395 725 544 750">(May 22, 1956)</p> <p data-bbox="411 786 528 882"> Reelection Outside Independent </p> <p data-bbox="395 913 544 965">Term of office: 1 year</p> <p data-bbox="357 996 587 1070">Attendance at Board of Directors meetings: 100% (10/10 meetings)</p>	<p data-bbox="632 284 1222 342">Apr. 1980 Joined the Nikko Securities Co., Ltd. (current SMBC Nikko Securities Inc.)</p> <p data-bbox="632 349 1222 432">Feb. 2007 Managing Director, Assigned to Nagoya Branch, the Nikko Securities Co., Ltd. (current SMBC Nikko Securities Inc.)</p> <p data-bbox="632 439 1222 551">Mar. 2010 Senior Managing Director in charge of Wholesale Business Promotion, the Nikko Securities Co., Ltd. (current SMBC Nikko Securities Inc.)</p> <p data-bbox="632 557 1222 640">Mar. 2016 Director and Deputy President, the Nikko Securities Co., Ltd. (current SMBC Nikko Securities Inc.)</p> <p data-bbox="632 647 1222 705">June 2016 Representative Director, President, Japan Bond Trading Co., Ltd.</p> <p data-bbox="632 712 1222 770">June 2019 Representative Director and Chairman, Japan Bond Trading Co., Ltd.</p> <p data-bbox="632 777 1222 835">June 2021 Director, SIGMAXYZ Investment Inc. (current position)</p> <p data-bbox="632 842 1222 900">June 2022 Director, SMBC Nikko Securities Inc. (current position)</p> <p data-bbox="632 907 1222 965">June 2022 Outside Director, the Company (current position)</p> <hr/> <p data-bbox="632 972 1222 1030">Significant concurrent positions outside the Company Director, SMBC Nikko Securities Inc.</p>	0 shares
<p data-bbox="325 1084 1198 1108">Reasons for nomination as candidate for outside Director and roles expected to fulfill</p> <p data-bbox="325 1115 1374 1220">Shuichi Kondo has extensive experience and network through his experience in securities firms and the industry, as well as many years of corporate management. He is expected mainly to oversee management as Director at the Company by using his extensive experience and insight. Consequently, he is deemed appropriate as an outside Director, thus the Company once again requests his election as an outside Director.</p> <p data-bbox="325 1240 783 1265">Supplementary explanation to independence</p> <p data-bbox="325 1272 1326 1321">None of the items of the “Independence Criteria for Outside Directors” apply to Mr. Kondo, and he has sufficient independence.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
7	<p>Komei Yamaguchi</p>  <p>(June 7, 1967)</p> <p>Reelection</p> <p>Outside</p> <p>Independent</p> <p>Term of office: 1 year</p> <p>Attendance at Board of Directors meetings: 90% (9/10 meetings)</p>	<p>Apr. 1990 Joined INTEC Inc.</p> <p>Apr. 2010 General Manager of Public Utilities Promotion Dept., INTEC Inc.</p> <p>Apr. 2012 General Manager of Public Utilities Sales Dept., INTEC Inc.</p> <p>Oct. 2017 General Manager of Public Utilities Sales Dept. and General Manager of Healthcare Sales Dept., INTEC Inc.</p> <p>Apr. 2018 General Manager of Metropolitan Social Infrastructure Headquarters and General Manager of Healthcare Sales Dept., INTEC Inc.</p> <p>Oct. 2018 General Manager of Metropolitan Social Infrastructure Headquarters, INTEC Inc.</p> <p>Apr. 2019 Executive Officer, General Manager of Social Infrastructure Business Division, INTEC Inc.</p> <p>June 2022 Outside Director, the Company (current position)</p> <p>Apr. 2023 Managing Executive Officer, General Manager of Social Infrastructure Business Division, INTEC Inc. (current position)</p> <hr/> <p>Significant concurrent positions outside the Company Managing Executive Officer, INTEC Inc.</p>	0 shares
<p>Reasons for nomination as candidate for outside Director and roles expected to fulfill Komei Yamaguchi has consistently served in various capacities in the IT industry and has extensive experience and network in this field. He is expected mainly to oversee management as Director at the Company based on his extensive experience and knowledge as an IT expert. Consequently, he is deemed appropriate as an outside Director, thus the Company once again requests his election as an outside Director.</p> <p>Supplementary explanation to independence Mr. Yamaguchi is Managing Executive Officer of INTEC Inc. INTEC Inc. is a shareholder owning 8.9% of the Company's shares and INTEC Inc.'s transactions with the Company and its subsidiaries do not exceed 1% of INTEC Inc.'s consolidated revenue in the most recent business year. None of the items of the "Independence Criteria for Outside Directors" apply to Mr. Yamaguchi, and he has sufficient independence.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
8	<p style="text-align: center;">Makiko Yamamoto</p>  <p style="text-align: center;">(May 29, 1971) (Name as shown on the family register: Makiko Yasukawa)</p> <div style="text-align: center;"> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reelection</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Female</div> </div> <p style="text-align: center;">Term of office: 5 years</p> <p style="text-align: center;">Attendance at Board of Directors meetings: 100% (12/12 meetings)</p>	<p>July 1995 Joined TMI Associates</p> <p>Apr. 1999 Entered the Legal Training and Research Institute of the Supreme Court of Japan</p> <p>Oct. 2000 Registered Tokyo Bar Association</p> <p>Sept. 2005 Simmons & Simmons (London)</p> <p>Sept. 2006 TMI Associates</p> <p>Feb. 2012 Registered British Lawyer Solicitor</p> <p>June 2012 Simmons & Simmons (London)</p> <p>Sept. 2014 TMI Associates</p> <p>June 2016 Outside Corporate Auditor, Starzen Co., Ltd.</p> <p>June 2018 Outside Director, the Company (current position)</p> <p>June 2019 Outside Director (Audit & Supervisory Committee Member), Musashi Seimitsu Industry Co., Ltd. (current position)</p> <p>Feb. 2020 Registered Fukuoka Bar Association TMI Partners LPC (Attorney at law) (current position)</p> <p>Mar. 2020 Outside Director, ASICS Corporation (current position)</p> <p>Sept. 2021 Outside Corporate Auditor, SUSMED, Inc. (current position)</p> <hr/> <p>Significant concurrent positions outside the Company</p> <p>Outside Director (Audit & Supervisory Committee Member), Musashi Seimitsu Industry Co., Ltd.</p> <p>TMI Partners LPC (Attorney at law)</p> <p>Outside Director, ASICS Corporation</p> <p>Outside Corporate Auditor, SUSMED, Inc.</p>	0 shares
<p>Reasons for nomination as candidate for outside Director and roles expected to fulfill Makiko Yamamoto is an attorney at law certified in Japan and overseas, with expert knowledge in corporate legal affairs. After her election, she is expected mainly to oversee management as Director at the Company, based on her extensive experience and knowledge as a legal expert. Consequently, she is deemed appropriate as an outside Director, thus the Company once again requests her election as an outside Director.</p> <p>Supplementary explanation to independence None of the items of the “Independence Criteria for Outside Directors” apply to Ms. Yamamoto, and she has sufficient independence.</p>			

Candidate No.	Name (Date of birth)	Career summary	Number of the Company's shares owned
9	<p data-bbox="389 703 552 730">Makiko Yoshida</p>  <p data-bbox="363 1151 577 1178">(September 13, 1960)</p> <div data-bbox="408 1211 533 1346" style="text-align: center;"> <div style="border: 1px solid black; padding: 2px; display: inline-block;">New</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Female</div> </div> <p data-bbox="395 1373 545 1400">Term of office:</p> <p data-bbox="459 1406 481 1420">—</p>	<p data-bbox="632 288 730 315">Apr. 1984</p> <p data-bbox="632 378 730 405">July 2001</p> <p data-bbox="632 499 730 526">Feb. 2004</p> <p data-bbox="632 533 730 560">July 2007</p> <p data-bbox="632 654 730 680">July 2010</p> <p data-bbox="632 743 730 770">June 2013</p> <p data-bbox="632 833 730 860">Nov. 2013</p> <p data-bbox="632 900 730 927">July 2015</p> <p data-bbox="632 990 730 1016">June 2016</p> <p data-bbox="632 1079 730 1106">July 2017</p> <p data-bbox="632 1169 730 1196">July 2019</p> <p data-bbox="632 1258 730 1285">Sept. 2020</p> <p data-bbox="632 1326 730 1352">June 2022</p> <p data-bbox="632 1415 730 1442">June 2022</p> <p data-bbox="632 1505 730 1532">June 2022</p> <p data-bbox="632 1572 730 1599">Sept. 2022</p> <hr/> <p data-bbox="632 1693 1217 1845">Significant concurrent positions outside the Company President, The Association for Promotion of Public Local Information and Communication Independent Director and Audit & Supervisory Committee Member, Tokai Tokyo Securities Co., Ltd.</p>	0 shares

<p>Reasons for nomination as candidate for outside Director and roles expected to fulfill</p> <p>Ms. Makiko Yoshida has expert knowledge in broad fields including broadcasting and information communication, having served as Director-General of the Information and Communications Bureau, Ministry of Internal Affairs and Communications, Vice-Minister for Policy Coordination, Ministry of Internal Affairs and Communications, and Cabinet Public Relations Secretary, Cabinet Secretariat. After her election, she is expected mainly to oversee management as Director at the Company, based on her extensive experience and knowledge as an expert in the broadcasting and information communication fields. Consequently, she is deemed appropriate as an outside Director, thus the Company requests her election as a newly appointed outside Director.</p> <p>Supplementary explanation to independence</p> <p>None of the items of the “Independence Criteria for Outside Directors” apply to Ms. Yoshida, and she has sufficient independence.</p>
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- Notes:
1. Shuichi Kondo, Komei Yamaguchi, Makiko Yamamoto, and Makiko Yoshida are candidates for outside Director.
 2. Matters regarding candidates for outside Director
 - Tenure as outside Director of the Company
 - Makiko Yamamoto has served as outside Director of the Company since June 2018 and her tenure as outside Director will have been five years at the conclusion of this meeting.
 - Shuichi Kondo and Komei Yamaguchi have served as outside Director of the Company since June 2022 and their tenure as outside Director will have been one year at the conclusion of this meeting.
 3. In accordance with laws and regulations and the Articles of Incorporation, the Company has entered into a limited liability agreement with Shuichi Kondo, Komei Yamaguchi and Makiko Yamamoto as follows. If Shuichi Kondo, Komei Yamaguchi and Makiko Yamamoto are reelected, the Company plans to enter into the same limited liability agreement with them. In addition, if Makiko Yoshida is elected, the Company plans to enter into the same limited liability agreement with her.
 - After the conclusion of the agreement, provided that the officer acts in good faith and without gross negligence regarding his or her performance of duties, when liable to make a compensation payment for damages pursuant to Article 423 of the Companies Act, the officer's liability to the Company shall be the minimum liability amount provided for under Article 425, paragraph (1) of the Companies Act.
 4. There is no special interest between each candidate for Director and the Company.
 5. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Shuichi Kondo, Komei Yamaguchi, Makiko Yamamoto, and Makiko Yoshida have been appointed as an independent officer as provided for by the aforementioned exchange.
 6. Shuichi Kondo, Komei Yamaguchi, Makiko Yamamoto, and Makiko Yoshida have sufficient independence based on the "Independence Criteria for Independent Outside Directors" (described below) established by the Company.
 7. The Company has entered into a directors and officers liability insurance policy provided in Article 430-3, paragraph (1) of the Companies Act with an insurance company to insure all of its Directors, bearing the entire insurance premium. The insurance policy covers legal damages, litigation expenses, etc. to be paid by the insured and, if each candidate assumes the office of Director, each candidate shall be included in the insured of the said insurance policy. The Company plans to renew the said insurance policy with the same contents during the term of office.
 8. Shuichi Kondo is a non-executive Director of SIGMAXYZ Investment Inc., a subsidiary of the Company.

[The Company's Rationale Regarding Independence for Outside Officers]

- The Company has formulated its own "Independence Criteria for Independent Outside Directors" (Note) in addition to the requirements provided by the Companies Act. An outside Director to whom none of the conditions in the criteria apply is judged to be sufficiently independent and reported as an independent officer to the Tokyo Stock Exchange, Inc.

(Note) "Independence Criteria for Independent Outside Directors"

- The Company's outside Directors to whom any of the following items apply shall be determined not to have independence:
 - (1) A major shareholder of the Company (i.e., a shareholder who holds 10% or more of voting rights) or any person who executes operations of such shareholder;
 - (2) A counterparty with whom the Company transacts in cases when said counterparty's transaction amount with the Company in the most recent business year exceeded 5% of the annual consolidated revenue of the Company and its subsidiaries, or any person who executes operations of said counterparty;
 - (3) A counterparty that transacts with the Company in cases when said counterparty's transaction amount with the Company and its subsidiaries in the most recent business year exceeded 5% of said counterparty's annual consolidated revenue, or any person who executes operations of said counterparty;
 - (4) A certified public accountant or employee, partner or staff member of an audit corporation serving as the Accounting Auditors of the Company;
 - (5) Any person who executes operations of an organization that received a donation or subsidy from the Company and its subsidiaries of 10 million yen or more per year in the most recent business year;

- (6) An attorney at law, certified public accountant, certified tax accountant or any other consultant who received 10 million yen or more in the form of money or other financial benefits from the Company and its subsidiaries, other than remuneration as an officer of the Company;
- (7) A person who corresponded to any of the items from (1) to (6) above in the past three years;
- (8) A relative within the second degree of kinship of a person falling under any of items (1) to (7) above;
- (9) A relative within the second degree of kinship of a director who executes operations, etc. (when said entity is a corporation, any member thereof who is in charge of such duty is included) of the Company or its subsidiary; or
- (10) A relative within the second degree of kinship of a person who had served as a director who executed operations, etc. (when said entity is a corporation, any member thereof who is in charge of such duty is included) of the Company or its subsidiary in the last three years.

(Reference) Outline of Remuneration for Directors

Remuneration for the Company's Directors who execute operations consists of "monetary remuneration" and "share-based remuneration" in order to secure management personnel, improve performance in the medium to long term, and enhance corporate value. The purpose of the share-based remuneration plan is to provide the Company's Directors who execute operations with an incentive to continuously improve the Company's corporate value and to promote further shared value with the shareholders. Remuneration for outside Directors, on the other hand, consists only of monetary remuneration that is not linked to performance, with consideration of their independent position unaffected by corporate performance.

An outline of remuneration, etc. for Directors in fiscal year 2023 is as follows:

Outline of remuneration, etc. for Directors in fiscal year 2023

	Director (excluding Directors who are Audit & Supervisory Committee Members and outside Directors)	Outside Director (excluding Audit & Supervisory Committee Members)	Total amount of remuneration	Supplement
Number of Directors	6	4	—	
Monetary remuneration*	○	○ (No more than 60 million yen per year)	No more than 500 million yen	
Share-based remuneration with restricted shares*	○	—	No more than 400 million yen	
Performance-linked share- based remuneration plan (share issuance trust)	○	—	Within the amount calculated by multiplying 300 million yen by the number of years of the extended trust period	Dividends accrued on shares held by the trust will be distributed. No new additional trusts will be created.

* The total amount of remuneration for Directors for the following fiscal year is determined by combining monetary remuneration and share-based remuneration, taking into account the achievement rate of performance indicators such as the amount equal to consolidated revenue less project outsourcing expenses and outflow cost, consolidated ordinary profit, and the ratings from customer surveys evaluating project satisfaction (NSI).

(Reference) Skill Matrix [Planned After This General Meeting of Shareholders]

Under our Purpose, “Create a Beautiful Tomorrow Together,” we are engaged in sustainability-oriented management in order to contribute to the achievement of SDGs. Our Directors and Audit & Supervisory Committee Members possess qualities to support the governance structure for realizing these goals. The details are as follows.

Position	Name of Director	Corporate Management	SDGs/ESG	Technology	Investment, Market	Marketing	Finance, Accounting, Risk Management	Internal Control, Legal, Compliance	Organization, Human Capital Communication
Representative Director and President	Ryuichi Tomimura	○	○	○	○	○	○		
Director, CFO	Shinya Tabata	○	○		○		○	○	
Director	Sono Uchiyama	○	○			○			○
Director	Hiroshi Ota	○	○	○		○	○	○	
Director	Shunichi Shibamura	○	○		○	○			○
Independent Outside Director	Shuichi Kondo	○	○		○		○	○	
Independent Outside Director	Komei Yamaguchi	○	○	○		○			
Independent Outside Director	Makiko Yamamoto		○		○			○	
Independent Outside Director	Makiko Yoshida	○	○	○				○	○
Independent Outside Director (Audit & Supervisory Committee Member)	Fumio Sunami	○	○				○	○	○
Independent Outside Director (Audit & Supervisory Committee Member)	Noburo Hata		○	○	○		○	○	
Independent Outside Director (Audit & Supervisory Committee Member)	Mitsuhiro Amitani		○					○	

The skills, etc. in which the inside Directors have insight and experience are indicated with “○,” and the skills, etc. for which contributions are particularly expected from outside Directors are indicated with “○.”

(Attachment) Business Report (From April 1, 2022 to March 31, 2023)

I Status of the Corporate Group

1. Progress and results of the business

Japan's economy is experiencing a moderate recovery despite weakness in some sectors. In terms of future prospects, the economy is expected to recover partly owing to the effects of various policies, amid the situation of living with COVID-19. However, amid continued monetary tightening worldwide, there is a risk that a downturn in overseas economies will put downward pressure on Japan's economy. In addition, sufficient heed must be paid to impacts caused by rising prices, supply-side restrictions, changes in the financial and capital markets, etc.

In such an environment, the Group has generated value in a wide range of industries and companies, and created new markets that solve social issues through the synergy of each Group company with "consulting" and "investment" at the center of business. In the Consulting Business, we are engaged in value creation that includes making business strategy, business reform, organizational reform, utilization of digital technology and cloud solutions, project management, development of new business, and promotion of collaboration among companies. Our goal is to provide services toward realization of "Three Innovations" that promote corporate transformation, namely Management Transformation, Digital Transformation, and Service Transformation. In the Investment Business, we promote investment activities primarily in the Regenerative & Well-being area, which intersects with a number of industries.

The consolidated financial results and key business indicators for the fiscal year ended March 31, 2023 are as follows.

	The 14th term (Fiscal year ended March 31, 2022)	The 15th term (Fiscal year ended March 31, 2023)	Comparison with the previous fiscal year	
	Amount (millions of yen)	Amount (millions of yen)	Amount (millions of yen)	Rate of change
Revenue	15,654	17,334	+1,679	+10.7%
Operating profit	2,759	3,235	+475	+17.2%
Ordinary profit	2,764	3,265	+500	+18.1%
Profit attributable to owners of parent	1,664	2,204	+539	+32.4%

The Group's revenue for the fiscal year ended March 31, 2023 amounted to ¥17,334 million (up 10.7% year on year).

Selling, general and administrative expenses were ¥5,138 million (up 14.5% year on year) due to the increase in sundry expenses and recruiting expenses associated with the normalization of face-to-face activities.

Due to an increase in revenue, gross profit increased by ¥1,128 million to ¥8,374 million (up 15.6% year on year), operating profit increased by ¥475 million to ¥3,235 million (up 17.2% year on year), and ordinary profit increased by ¥500 million to ¥3,265 million (up 18.1% year on year).

Total income taxes stood at ¥1,058 million (down 2.8% year on year).

Profit before income taxes came to ¥3,263 million (up 18.5% year on year), and profit attributable to owners of parent came to ¥2,204 million (up 32.4% year on year). Furthermore, other comprehensive income from investing activities totaled ¥312 million.

Operating results by segment are as follows.

The 15th term (Fiscal year ended March 31, 2023)	Consulting Business	Investment Business
	Amount (millions of yen)	Amount (millions of yen)
Segment revenue*	17,259	167
Segment profit (loss)	5,032	(130)

* Includes internal revenue, etc.

(Consulting Business)

The financial results of the Consulting Business for the fiscal year ended March 31, 2023 shows revenue of ¥17,259 million (up 11.6% compared to the previous fiscal year) and segment profit of ¥5,032 million (up 14.9% compared to the previous fiscal year). The Consulting Business was driven by projects supporting corporate transformations, including the formulation of digital transformation strategies, development of new businesses and services, and revitalization of organizations and personnel, for customers mainly in the finance, trading, transportation telecommunications, distribution, and manufacturing industries.

On the hiring front, the Company added 56 mid-career recruits and 36 new graduates in the current fiscal year. New graduate hires began working in October 2022. The number of consultants was 511 as of the end of March 2023. Project satisfaction remained high at 93 points.

The Company transferred all shares of its consolidated subsidiary SXA Inc. by means of management buyout (MBO). Until now, financial results of SXA Inc. have been reported in the financial results of the Consulting Business. However, as a result of this MBO, starting with the fourth quarter of the fiscal year ended March 31, 2023, SXA Inc. were removed from the Company's scope of consolidation.

(Investment Business)

In May 2022, the Investment Business, which began new investments and other initiatives in earnest, made an investment of approximately ¥200 million in Forest Energy Inc., which develops renewable energy business, such as power generation using wood biomass that was locally produced for local consumption and utilizes domestic wood from forest thinning. Furthermore, in December 2022, we invested approximately ¥100 million in DORAEVER Co. Ltd., which operates a recruitment website for drivers. In addition, between October and November, the Company acquired the shares of Mental Health Technologies Co., Ltd., which provides health management services for employees of corporate customers, for approximately ¥150 million.

In September 2022, eWeLL Co., Ltd. and PROGRIT Inc. were listed on the Growth Market of the Tokyo Stock Exchange, and Monstarlab Holdings Inc. was listed on the same market in March 2023. In March 2023, the Company sold all of its shares in Wellness Communications Corporation. As a result, the cumulative investment balance as of March 31, 2023, including valuation differences, was approximately ¥2.2 billion.

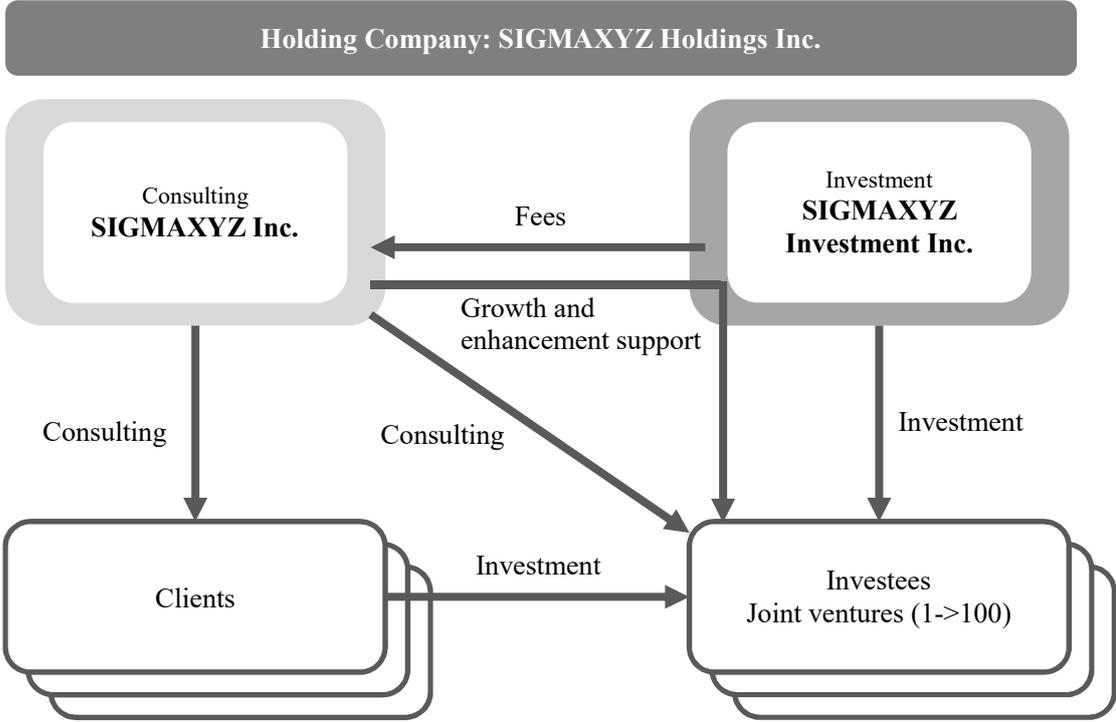
The financial results of the Investment Business for the fiscal year ended March 31, 2023 shows revenue of ¥167 million (down 49.9% compared to the previous fiscal year), and segment loss of ¥130 million (compared to a segment profit of ¥45 million in the previous fiscal year).

SIGMAXYZ Group’s Business Operations Structure

The Group has generated value in a wide range of industries and companies, and created new markets that solve social issues through the synergy of each Group company with “consulting services” and “investment” at the center of business.

In the Consulting Business, we have experts on concept proposals, new business and service development, advanced digital technology, SaaS/cloud-based solutions, and project management to help create new value. In the Investment Business, we invest primarily in the Regenerative & Well-being area, which intersects with a number of industries. In addition, we provide consulting services to investees to add value to their business and enhance corporate value.

■ Group Structure

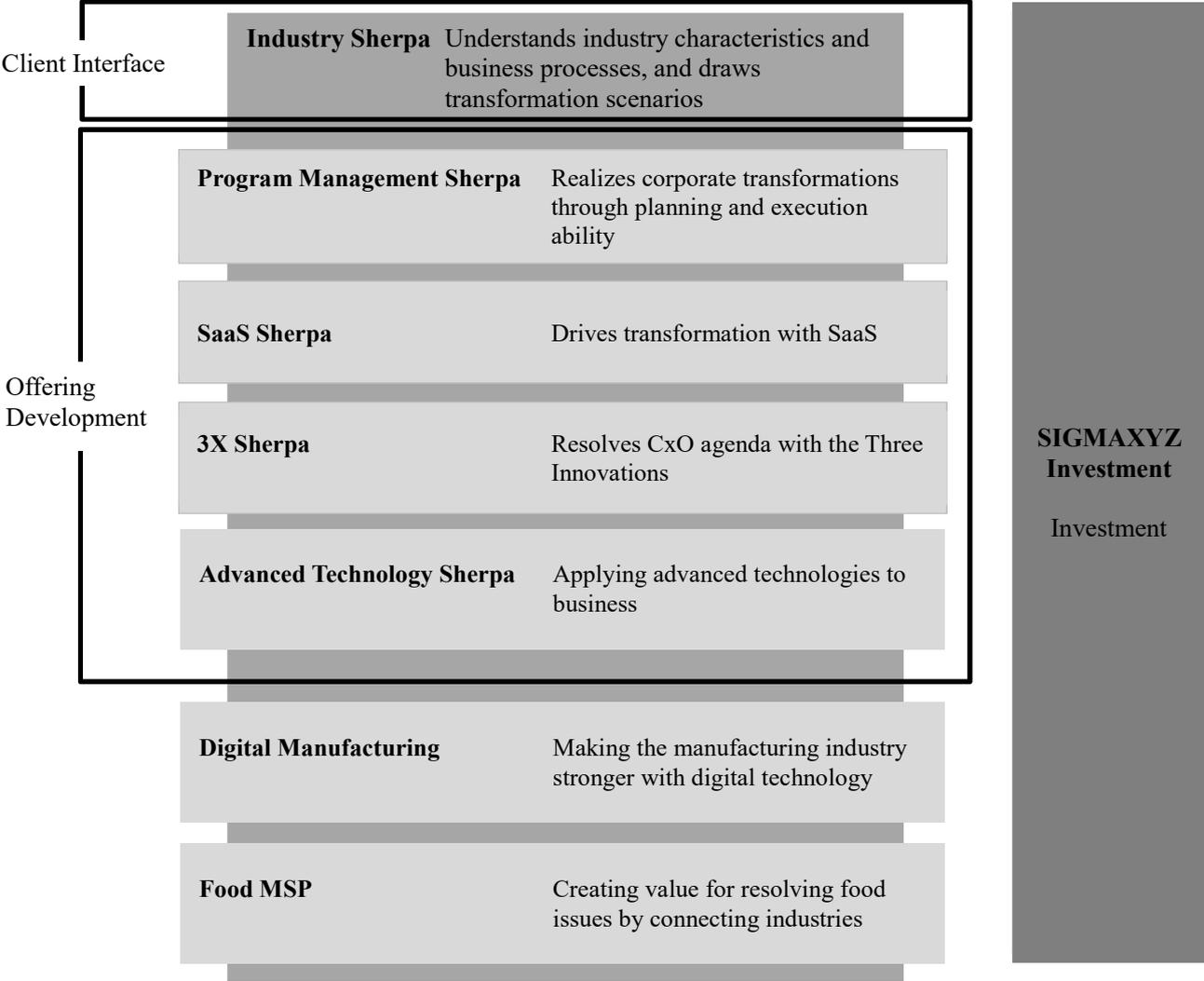


(Reference) Business referrals (Consulting and Investment businesses)

Consulting Business (SIGMAXYZ Inc.)

The Consulting Business provides consulting services that combine a diverse range of capabilities to achieve the Three Innovations. We will draw up scenarios for inter-company collaboration and the establishment of joint ventures, and work together with customers and partners to create new value in cooperation with SIGMAXYZ Investment Inc., the Group’s investment arm. In addition, we are working to conceptualize the future of industry and society, create new businesses that cut across companies and industries, and share business functions among companies.

Business Operation System



■ Case Study

Below are several of the cases that we received customer approval for disclosure.

■ Initiatives for SaaS Utilization

We participated in the SURF Project of Mitsui O.S.K. Lines, Ltd. and MOL Dry Bulk Co., Ltd., which aims to standardize and upgrade core operations and systems with SaaS. SIGMAXYZ provided support as the Project Management Office, introducing the Veson IMOS Platform, a marine shipping operation platform, and SAP S/4HANA Cloud, the latest solution for mission-critical operations, while also working to standardize operations using SaaS.



■ Domestic Airfare Renewal Project

We participated in Japan Airlines' Domestic Airfare Renewal Project as the Program Management Office.

The project seeks to simplify the airlines' domestic airfares to increase passenger convenience and the accuracy of its demand forecasting. Domestic ticket sales using the new airfares began in May 2022. In addition, we moved the airlines' income management operations and systems to a global standard, raising productivity and lowering system costs.



■ Jointly Developed Store Support, a Smartphone App for Streamlining E-Commerce Shipment Operations of In-store Inventories

Mitsui Fudosan Co., Ltd., Ryobi Systems Co., Ltd., and SIGMAXYZ jointly developed Store Support, a smartphone app that supports the process of shipping e-commerce orders from in-store inventories.

SIGMAXYZ was responsible for the conceptualization and supporting implementation of new operations and systems, including the introduction of Store Support, while Ryobi Systems was in charge of application development and operations utilizing its knowledge in the logistics area. With the introduction of this app, there has been an up to around 30% reduction in the time needed to ship in-store inventory on Mitsui Shopping Park's official online shopping site called "&mall."



■ **Establishment of the Future Creation Consortium for Cultured Meat**

In March 2023, five organizations—the Graduate School of Engineering, Osaka University, Shimadzu Corporation, Itoham Yonekyu Holdings Inc., Toppan Inc., and SIGMAXYZ Inc.—established the Future Creation Consortium for Cultured Meat. The purpose of this consortium is “concrete initiatives for practical implementation of the manufacturing technology of edible cultured meat using 3D bioprinting,” and through cross-company collaboration, it will carry on “developing 3D bioprinting technology for application,” “establishing an integrated value chain from production to logistics,” and “contributing to legislation through collaboration with government offices and private companies.” By exhibiting at the 2025 World Exposition in Osaka, Kansai, Japan, the project will disseminate information and aim to realize the world’s first use of cultured meat.



Investment Business (SIGMAXYZ Investment Inc.)

In the Investment Business, we are promoting investment activities primarily in the Regenerative & Well-being area, which intersects with a number of industries. In addition, we provide consulting services to investees to add value to their business and enhance corporate value.

In the fiscal year ended March 31, 2023, we invested in three new companies. In addition, three investee companies were newly listed. As a result, the cumulative investment balance as of March 31, 2023, including valuation differences, was approximately ¥2.2 billion.

We have set an investment balance target of ¥10 billion for the fiscal year ending March 31, 2026, and will continue to actively make new investments going forward.

Investment areas	Regenerative & Well-being (Investments in areas that enrich people's lives while revitalizing global resources)
New investees in the fiscal year ended March 31, 2023	Forest Energy Inc.
	Mental Health Technologies Co., Ltd. (TSE Growth Market: 9218)
	DORAEVER Co. Ltd
Investees listed in the fiscal year ended March 31, 2023	PROGRIT Inc. (TSE Growth Market: 9560)
	eWell Co., Ltd. (TSE Growth Market: 5038)
	Monstarlab Holdings Inc. (TSE Growth Market: 5255)
Investees exited in the fiscal year ended March 31, 2023	Wellness Communications Corporation

2. Financing

The Company did not carry out any major fundraisings in the fiscal year under review.

3. Significant corporate restructuring, etc.

No applicable matters to report.

4. Issues to be addressed by the Corporate Group

In August 2022, we announced “Blueprint” in the fiscal year ending March 31, 2026 as the Group’s medium- to long-term growth vision. Toward this end, we will accelerate growth in both the Consulting and Investment businesses to push them forward.

Specifically, we will take actions in the following areas.

(1) Promoting corporate transformation using value co-creation

- Supporting the value co-creation of companies and industries through conceptualization to achieve the key transformations (MX, DX, SX) that companies need to address
- Accelerating shared use across companies and industries by promoting SaaS

(2) Expanding business investments

- Promoting new investments in Regenerative & Wellbeing areas continuously
- Increasing value of investee businesses through collaboration with the Consulting Business

(3) Enhancing proposal capabilities

- Formulating scenarios for latent innovation themes and creating ecosystems in areas that cut across companies and industries, in addition to issues that companies deal with on their own

(4) Expanding network

- Finding colleagues

(5) Enhancing skills

- Up-skilling
- Recruitment

(Reference) Blueprint in FY2025 (fiscal year ending March 31, 2026)

Announced in August 2022

- In the rapidly changing environment recently, the Group has not formulated a medium-term management plan because it believes that it is desirable to flexibly review strategies every year and reflect them in the business plan for the following fiscal year.
- “Blueprint” is announced every few years as reference information for the purpose of sharing the Group’s medium- to long-term growth image with shareholders and investors.

	(Fiscal year ending March 31, 2026) Blueprint	(Fiscal year ended March 31, 2023) Consolidated earnings forecast	Compound annual growth rate (CAGR)
Consolidated revenue	¥25.0 billion	¥17.2 billion	13%
Ordinary profit	¥7.0 billion	¥3.2 billion	30%
Profit rate	28%	19%	—
Number of employees	Approx. 800	Approx. 600	Approx. 10%

5. Property and profits or losses

(1) History of the Corporate Group's operating results and assets

Particulars		The 12th term	The 13th term	The 14th term	The 15th term (Fiscal year under review)
Revenue	(Millions of yen)	16,003	14,024	15,654	17,334
Operating profit	(Millions of yen)	2,211	1,747	2,759	3,235
Ordinary profit	(Millions of yen)	2,164	1,797	2,764	3,265
Profit attributable to owners of parent	(Millions of yen)	1,407	1,210	1,664	2,204
Profit per share	(yen)	36.44	31.66	39.63	52.32
Total assets	(Millions of yen)	9,669	10,283	14,656	14,461
Net assets	(Millions of yen)	5,036	5,462	10,302	10,878

Notes: 1. The Company carried out a two-for-one split of its common stock with an effective date of April 1, 2022. The figure for "Profit per share" was calculated on the assumption that the stock split was conducted at the beginning of the 12th term.

2. Profit per share is calculated based on the average number of shares outstanding during the period excluding treasury stock.

(2) History of the Company's operating results and assets

Particulars		The 12th term	The 13th term	The 14th term	The 15th term (Fiscal year under review)
Revenue	(Millions of yen)	15,797	13,736	9,632	5,833
Operating profit	(Millions of yen)	2,199	1,668	2,026	2,565
Ordinary profit	(Millions of yen)	2,359	1,792	2,099	2,612
Profit	(Millions of yen)	1,433	1,247	1,260	1,870
Profit per share	(yen)	37.10	32.64	30.01	44.41
Total assets	(Millions of yen)	9,556	10,193	12,834	12,258
Net assets	(Millions of yen)	4,951	5,415	9,842	9,796

Notes: 1. The Company carried out a two-for-one split of its common stock with an effective date of April 1, 2022. The figure for "Profit per share" was calculated on the assumption that the stock split was conducted at the beginning of the 12th term.

2. Profit per share is calculated based on the average number of shares outstanding during the period excluding treasury stock.

6. Primary business (as of March 31, 2023)

The Group has generated value in a wide range of industries and companies, and created new markets that solve social issues through the synergy of each Group company with "consulting" and "investment" at the center of business.

In the Consulting Business, we have experts on concept proposals, new business and service development, advanced digital technology, SaaS/cloud-based solutions, and project management to help create new value.

In the Investment Business, we invest primarily in the Regenerative & Well-being area, which intersects with a number of industries. In addition, we provide consulting services to investees to add value to their business and enhance corporate value.

7. **Office** (as of March 31, 2023)
Head office: 4-1-28 Toranomom, Minato-ku, Tokyo, Japan

8. **Employees** (as of March 31, 2023)
(i) **Employees of the Corporate Group**

Business Segment	Number of Employees:
Consulting business	521
Investment business	6
The Corporate Group (Common)	68
Total	595

- Notes: 1. The number of employees represents those at work.
2. The number of employees listed as “The Corporate Group (Common)” is the number of employees belonging to administrative divisions that cannot be classified into specific businesses.

- (ii) **Employees of the Company (SIGMAXYZ Holdings Inc.)**

Number of Employees:	Changes Year-over-Year	Average Age:	Average Length of Service with the Company
68	(5)	45.1	8.2 years

Note: The number of employees represents those at work.

9. **Parent company and important subsidiaries**

- (1) **Parent company**
No applicable matters to report.

- (2) **Important subsidiaries**

Company name	Share capital	Voting rights ratio	Primary business
SIGMAXYZ Inc.	¥200 million	100.0%	Consulting business
SIGMAXYZ Investment Inc.	¥425 million	100.0%	Investment business
SXF Inc.	¥50 million	100.0%	Agency service for electronic payment and others

10. **Primary lenders** (as of March 31, 2023)
No applicable matters to report.

II Status of the Company

Officers

(1) Directors (as of March 31, 2023)

Name	Position	Responsibility
Hideki Kurashige	Representative Director and Chairman	
Ryuichi Tomimura	Representative Director and President	
Shinya Tabata	Director	CFO
Sono Uchiyama	Director	Director, Communication & Capability Section
Hiroshi Ota	Director	
Shunichi Shibamura	Director	
Joji Okubo	Director	
Shuichi Kondo	Director	
Komei Yamaguchi	Director	
Makiko Yamamoto	Director	
Fumio Sunami	Director (Audit & Supervisory Committee Member, full-time)	
Noburo Hata	Director (Audit & Supervisory Committee Member, full-time)	
Mitsuhiro Amitani	Director (Audit & Supervisory Committee Member)	

- Notes: 1. Directors Joji Okubo, Shuichi Kondo, Komei Yamaguchi, and Makiko Yamamoto are outside Directors.
2. Fumio Sunami, Noburo Hata and Mitsuhiro Amitani are outside Directors who are Audit & Supervisory Committee Members.
3. The Company has selected Fumio Sunami and Noburo Hata as full-time Audit & Supervisory Committee Members in order to improve the effectiveness of audits and reinforce auditing and supervising functions through enhanced information-gathering and adequate collaboration with its internal control and other sections.
4. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Joji Okubo, Shuichi Kondo, Komei Yamaguchi and Makiko Yamamoto, who are outside Directors, and Fumio Sunami, Noburo Hata and Mitsuhiro Amitani, who are Audit & Supervisory Committee Members, have been appointed as independent officers as provided for by the aforementioned exchange.
5. The Company has entered into a Directors and Officers (D&O) liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The scope of the insured under the said insurance contract includes directors and officers of the Company and its subsidiaries, and the insured does not bear the relevant premiums. Said insurance contract will cover the insured's damages and legal expenses.

(2) Director's remuneration, etc.

1. Policy and others on determining details of officer's remuneration, etc.

The Company determined and resolved its policy on details of individual remuneration, etc. for Directors (excluding those who are Audit & Supervisory Committee Members; the same applies hereinafter) as below at the Board of Directors meetings held on March 25 and April 22, 2021. Furthermore, the Board of Directors has deemed that this is in line with the policy on determining remuneration, etc. as it was decided after deliberations at the Remuneration Committee concerning individual remuneration, etc. for Directors in the fiscal year under review.

(i) Policy on determining details of individual remuneration, etc. for Directors

While setting monetary remuneration as fixed remuneration, the Company shall determine individual remuneration through comprehensive consideration of a Director's position, responsibilities, its operating results and so forth with the aim of securing management personnel and enhancing its corporate value in the medium to long term.

(ii) Policy on determining the details of performance indicators and the calculation method for working out the amount or number for performance-linked remuneration and so forth if there is any performance-linked remuneration, etc.

A trust set by the Company shall acquire the Company's shares, determine the number of points to be granted to each Director based on the following method, and allot the Company's shares equivalent to the points to Directors who execute operations.

i) Indicators

- a. Consolidated revenue less project outsourcing expenses and outflow cost (weight: 50%)
- b. Consolidated ordinary profit (weight: 25%)
- c. Net Satisfaction Index (weight: 25%)

ii) Calculation method

Standard number of points granted \times Performance achievement rate (%)

Maximum points granted: Standard number of points granted \times 150%

There will be no allotment if the achievement rate is less than 75%.

(iii) Determined policy on details of non-monetary remuneration and so forth and the amount or number, or the calculation method if there is any non-monetary remuneration, etc.

i) Non-monetary remuneration shall be i) performance-linked share-based remuneration as defined in (ii) and ii) share-based remuneration with restricted shares, which can be determined through comprehensive consideration of a Director's position, responsibilities and so forth.

(iv) Policy on determining the ratio of (i), (ii), and (iii) about individual remuneration, etc. for Directors

i) Directors who execute operations

It shall be composed of monetary remuneration, performance-linked share-based remuneration, and share-based remuneration with restricted shares. The ratio shall be determined in a balanced manner so it can contribute to the enhancement of corporate value while considering a Director's position and responsibilities.

ii) Outside Director

It shall be monetary remuneration only with consideration given to their independent position unaffected by corporate performance.

(v) Policy on determining the timing or conditions to grant the remuneration, etc.

i) Monetary remuneration

Every month

ii) Share-based remuneration

a. Performance-linked share-based remuneration: Points to be granted on June 20 every year

(No new additional trust shall be established while the remuneration plan for share-based remuneration with restricted shares is in place.)

b. Share-based remuneration with restricted shares: To be resolved at Board of Directors meetings

(vi) Matters related to the delegation of authority pertaining to the determination of individual remuneration, etc. for Directors

Within the limits of the above policies and the maximum amount of remuneration decided at the General Meeting of Shareholders, the Board of Directors shall delegate the authority to determine the calculation method for the remuneration etc., and the authority to determine the amount of individual remuneration to the Remuneration Committee. Matters for decision shall be determined by the committee chair, who is selected from independent outside Directors after discussions among the committee members, and be reported to the Board of Directors.

<Structure of the Remuneration Committee>

Committee chair	Fumio Sunami, Independent Outside Director (Audit & Supervisory Committee Member)
Committee member	Hideki Kurashige, Representative Director and Chairman
Committee member	Joji Okubo, Independent Outside Director (Audit & Supervisory Committee Member)

2. Total amount of the remuneration, etc. for the fiscal year under review

Officer type	Total amount of the remuneration (Thousands of yen)	Total amount of remuneration by type (Thousands of yen)			Number of relevant officers
		Monetary remuneration	Performance-linked share-based remuneration	Share-based remuneration with restricted shares	
Directors (excluding Audit & Supervisory Committee Members) (of which, outside Directors)	769,780 (45,600)	469,494 (45,600)	31,585 (-)	268,701 (-)	15 (7)
Director (Audit & Supervisory Committee Member) (of which, outside Directors)	59,040 (59,040)	59,040 (59,040)	- (-)	- (-)	4 (4)
Total (of which, outside Directors)	828,820 (104,640)	528,534 (104,640)	31,585 (-)	268,701 (-)	19 (11)

- Notes: 1. Remuneration for Directors who execute operations consists of monetary remuneration (not performance-linked) and two types of share-based remuneration of a. performance-linked share-based remuneration (performance-linked) and b. share-based remuneration with restricted shares (not performance-linked), while remuneration for outside Directors is monetary remuneration only (not performance-linked) with consideration given to their independent position unaffected by corporate performance.
2. Basic indicators for performance-linked remuneration are consolidated revenue less project outsourcing expenses and outflow cost, consolidated ordinary profit, and NSI (Net Satisfaction Index: Indexed scores from 0 to 100, with 100 being the best and 0 the lowest, based on the ratings from customer surveys evaluating project satisfaction). Performance-linked remuneration is determined using the achievement rate of performance evaluation indicators calculated reflecting the achievement rate of the basic indicators at weights of 50%, 25%, and 25%, respectively. These indicators were selected since the Company believes they are effective for improving performance in the medium to long term and enhancing corporate value in its primary business, consulting services. That is because consolidated revenue less project outsourcing expenses and outflow cost is the most appropriate way to manage the money remaining in the Company after subtracting outflow cost from the revenue received from clients by each project; also, ordinary profit is an important indicator to see profits from an external perspective, and NSI, which is an evaluation indicator of customer satisfaction, is an important indicator for continuing and expanding the services going forward.
3. Share-based remuneration for Directors who execute operations is calculated by multiplying the base number of shares by the achievement rate of performance evaluation indicators (there is no share-based remuneration if the achievement rate is less than 75%; the maximum rate is 150%).
4. Targets and actual results of the indicators for performance-linked remuneration for the fiscal year ended March 31, 2023 are as follows.
Consolidated revenue less project outsourcing expenses and outflow cost: Target ¥13,315 million / Actual result ¥13,154 million
Consolidated Ordinary profit: Target ¥2,500 million / Actual result ¥2,764 million
NSI: Target 80 / Actual result 94
5. The date of resolution at the General Meeting of Shareholders on the monetary remuneration for the Company's Directors was June 24, 2021. Then the amount of the monetary remuneration for Directors (excluding those who are Audit & Supervisory Committee Members) was resolved to be no more than ¥500 million per year (of which, no more than ¥60 million per year for outside Directors). The amount of remuneration for Directors (excluding those who are Audit & Supervisory Committee Members) does not include any employee salaries for Directors who serve concurrently as employees. As of the closure of this Annual General Meeting of Shareholders, the number of Directors (excluding those who are Audit & Supervisory Committee Members) is ten (of which, four are outside Directors). The date of resolution at the General Meeting of Shareholders on remuneration for Directors who are Audit & Supervisory Committee Members was June 26, 2019. The amount of monetary remuneration for Directors who are Audit & Supervisory Committee Members was resolved there to be no more than ¥60 million per year. As of the closure of this Annual General Meeting of Shareholders, the number of Directors who are Audit & Supervisory Committee Members is three (of which, three are outside Directors). The date of resolution at the General Meeting of Shareholders on the share-based remuneration for the Company's Directors was June 24, 2021, when it was resolved that monetary remuneration claims of up to ¥400 million per year to Directors (excluding those who are Audit & Supervisory Committee Members and Outside Directors, hereinafter referred to as "Eligible Directors") as remuneration, etc. for the allotment of restricted shares be granted. As of the closure of this Annual General Meeting of Shareholders, the number of Eligible Directors who execute operations is six.
6. The Board of Directors delegates the authority to determine the calculation method for the remuneration etc., and the authority to determine the amount of individual remuneration to the Remuneration Committee (Committee chair: Fumio Sunami, Audit & Supervisory Committee Member and independent outside Director / Committee members: Hideki Kurashige, Representative Director, and Joji Okubo, Audit & Supervisory Committee Member and independent outside Director). The reason for delegating the authority to determine the calculation method for the remuneration etc., and the authority to determine the amount of individual remuneration to the Remuneration Committee is that the Company can secure objectivity and transparency by leaving a decision to the Remuneration Committee, in which independent outside Directors constitute the majority (and the committee chair is also an independent outside Director).

(3) Outside Officers

Relationship between the Company and the corporations where outside Directors hold concurrent positions

- Director Joji Okubo serves as Director who is an Audit & Supervisory Committee Member at YRGLM Inc. There is no special relationship between the Company and the corporation where he holds the concurrent position.
- Director Shuichi Kondo is a Director of SMBC Nikko Securities Inc. There is no special relationship between the Company and the corporation where he holds the concurrent position.
- Director Komei Yamaguchi is an Executive Officer of INTEC Inc. INTEC Inc. is a shareholder owning 8.9% of the Company's shares at the end of the fiscal year under review and its transactions with the Company do not exceed 1% of its consolidated revenue in the most recent business year.
- Director Makiko Yamamoto serves as Director who is Audit & Supervisory Committee Member at Musashi Seimitsu Industry, Co., Ltd., Attorney at law of TMI Partners Legal Professional Corporation, Outside Director at ASICS Corporation, and Outside Auditor at SUSMED, Inc. There is no special relationship between the Company and the corporations where she holds the concurrent positions.
- Director (Audit & Supervisory Committee Member) Mitsuhiro Amitani serves as Partner at SAH & Co., Outside Audit & Supervisory Board Member at STANLEY ELECTRIC CO., LTD., and Outside Audit & Supervisory Board Member at HUB CO., LTD. There is no special relationship between the Company and the corporations where he holds the concurrent positions.

- Amounts in this report are rounded down to the specified unit.

Consolidated Financial Statements

Consolidated Balance Sheet (As of March 31, 2023)

(Thousands of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	12,013,748	Current liabilities	1,978,330
Cash and deposits	7,093,890	Accounts payable - trade	237,169
Notes and accounts receivable - trade, and contract assets	2,263,554	Accounts payable - other	842,657
Operational investment securities	2,171,591	Income taxes payable	339,489
Other	600,834	Provision for share awards	326,059
Allowance for doubtful accounts	(116,122)	Other	232,954
Non-current assets	2,447,884	Non-current liabilities	1,605,014
Property, plant and equipment	253,366	Lease liabilities	5,681
Buildings	168,474	Provision for share awards	340,542
Other	84,892	Provision for share awards for directors (and other officers)	1,106,107
Intangible assets	442,685	Asset retirement obligations	86,444
Software	400,943	Other	66,238
Software in progress	34,635	Total liabilities	3,583,345
Other	7,105	Net assets	
Investments and other assets	1,751,832	Shareholders' equity	10,557,696
Investment securities	797,759	Share capital	3,000,000
Deferred tax assets	316,670	Capital surplus	4,768,396
Other	637,403	Retained earnings	6,762,154
		Treasury shares	(3,972,854)
		Accumulated other comprehensive income	320,592
		Valuation difference on available-for-sale securities	320,592
		Total net assets	10,878,288
Total assets	14,461,633	Total liabilities and net assets	14,461,633

Consolidated Statement of Income (From April 1, 2022 to March 31, 2023)

(Thousands of yen)

Item	Amount	
Revenue		17,334,289
Cost of revenue		8,960,023
Gross profit		8,374,265
Selling, general and administrative expenses		5,138,843
Operating profit		3,235,421
Non-operating income		
Interest income	7,595	
Lectures fee income	37,490	
Sponsorship money income	10,335	
Miscellaneous income	10,009	65,431
Non-operating expenses		
Interest expenses	167	
Foreign exchange gains	11,842	
Commission for purchase of treasury shares	5,399	
Non-deductible consumption tax, etc.	14,764	
Loss on investment securities	3,631	
Miscellaneous losses	0	35,805
Ordinary profit		3,265,047
Extraordinary losses		
Loss on liquidation of subsidiaries and associates	2,003	2,003
Profit before income taxes		3,263,043
Income taxes - current	1,168,291	
Income taxes - deferred	(109,346)	1,058,944
Profit		2,204,098
Profit attributable to owners of parent		2,204,098

Consolidated Statement of Changes in Equity (From April 1, 2022 to March 31, 2023)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,626,881	3,147,012	5,149,207	(2,628,990)	10,294,111
Changes during period					
Capital reduction	(1,626,881)	1,626,881			–
Dividends of surplus			(591,152)		(591,152)
Profit attributable to owners of parent			2,204,098		2,204,098
Purchase of treasury shares				(2,165,585)	(2,165,585)
Disposal of treasury shares		(5,497)		821,721	816,224
Net changes in items other than shareholders' equity					
Total changes during period	(1,626,881)	1,621,384	1,612,946	(1,343,864)	263,584
Balance at end of period	3,000,000	4,768,396	6,762,154	(3,972,854)	10,557,696

	Accumulated other comprehensive income		Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of period	8,442	8,442	10,302,554
Changes during period			
Capital reduction			–
Dividends of surplus			(591,152)
Profit attributable to owners of parent			2,204,098
Purchase of treasury shares			(2,165,585)
Disposal of treasury shares			816,224
Net changes in items other than shareholders' equity	312,149	312,149	312,149
Total changes during period	312,149	312,149	575,733
Balance at end of period	320,592	320,592	10,878,288

Initiatives for Human Capital

The Group believes that value co-creators responsible for co-creating value represent the source of the Group’s business growth and ability to create a sustainable and beautiful society of tomorrow.

Human Capital Development Policy (Established in March 2023)

Employee is human capital, not human resource

The growth and value creation of employees is the source of the organization’s growth.

In other words, employees are assets.

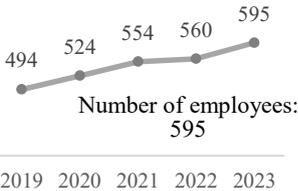
SIGMAXYZ Group aims to establish a work environment where diverse human capital can demonstrate their abilities with high motivation, and work on value creation in their own way, while growing sustainably.

Diversity maximizes the value of collaboration

The more people who aspire to grow professionally while maintaining their own life-work balance join an organization, the more diverse it will become. There is a dynamic joy in admitting and respecting differences among people, and creating value out of the combination. SIGMAXYZ Group believes that only when there is a culture where employees embrace it will we become an organization where not only female and international personnel, but also people with diverse personalities, gather and thrive.

Changes in the number of employees and the details (as of the end of March 2023, consolidated)

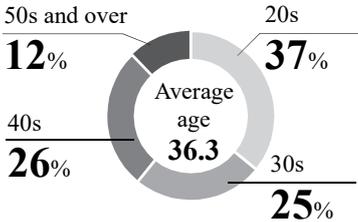
Changes in the number of employees



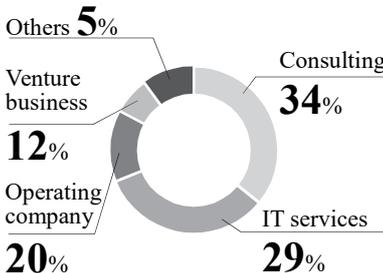
Male to female ratio



Age distribution ratio



Background of consultants recruited as experienced hires (Consulting Business only)



	Results for fiscal year ended March 31, 2021	Results for fiscal year ended March 31, 2022	Results for fiscal year ended March 31, 2023
Proportion of women in management positions	38 (16%)	43 (19%)	50 (20%)
Proportion of mid-career personnel recruited in management positions	221 (88%)	198 (85%)	202 (82%)
Proportion of foreigners in management positions	1 (0.4%)	2 (0.9%)	1 (0.4%)
Proportion of employees taking childcare leave, etc.	–	–	53%
Gender pay gap (SIGMAXYZ Inc. only)*	–	–	73%

*The criteria for determining class and pay are the same for both men and women.
(Each indicator above is calculated in accordance with the Act on Promotion of Women’s Participation and Advancement in the Workplace, and some results for previous years have been recalculated and revised.)

(Reference) Work environment supporting value co-creation (policy for improving the internal environment)

The Group’s work style is characterized as “Professional & Collaboration,” and we have created an environment where diverse human capital can demonstrate their abilities with high motivation, and work on value creation in their own way, while growing sustainably.

Holacracy-based organization Network-type organization emphasizing the autonomy of every individual	Capability development framework (CDF) Sustainable growth through work and learning based on personalized career plan	Learning program Access to various training opportunities internally and externally according to individual learning plans in a cafeteria-type format
Knowledge-sharing system Sharing of information, knowledge and experiences, and growing together	Professional personnel system Evaluate based on the performance they demonstrated, not the time they took on work	Digital and mobile workplace Fully digital environment allowing employees to freely select where and when they work
Free address system Work spaces emphasizing collaboration and value creation	Health management program Provision of various programs empowering employees to acquire health knowledge, know themselves, and take required actions autonomously	Benefits program Various programs allowing employees to concentrate on value creation while achieving work-life balance

Learning program

At SIGMAXYZ Group, where each professional is encouraged to develop his/her own capabilities, we provide a wide variety of training, in the form of cafeteria plans (a system in which members select and acquire skills that are useful for their work).

Cafeteria Training

- Classroom sessions
Sessions conducted in classroom-styles. For 30 or more days every year, SIGMAXYZ Group provides programs to enhance skills required to work in the Company, such as problem-solving capabilities, chart formulation capabilities, business strategy models, financial analysis, and data science.
- Online training
Employees are able to freely undertake various internal and external training courses online.

Knowledge Sharing / Learn from External Professionals

- Knowledge fair
In this event, internal professionals share within the Company knowledge they have acquired through their projects or proposals, new services they have developed, and the latest information they have brought home from overseas events. The fair is held several times a month, and professionals are free to attend events related to themes they are interested in.
- External professional sessions (High-Touch Program)
These sessions provide opportunities for professionals to come into direct contact with the insights and experience of leading authorities in various fields, including academia, culture, and sports, to expand their knowledge, change their mindset, and elevate themselves.

Health management program

The Group considers human capital, the source of value creation, as one of its most important management resources. We are now making various improvements to the work environment and programs with a focus on the health management of employees.

Under our health management program, we encourage employees to receive regular health checkups, provide optional subsidies for employees to offset some of the costs of gynecological exams, have a robust system of industrial physicians and public health nurses, offer unlimited stress checks, and a health support system that allows employees to check their health checkup results online. Since 2020, our response to the COVID-19 pandemic has included not only providing a digital workplace environment, but also vaccinations in the workplace, PCR testing and antigen testing kits paid for by the company, extensive office disinfection and cleaning, and support providing hygiene products to employees, which have helped to facilitate business operations.

In 2023, we further enhanced measures in support of the health management cycle. These included providing health related information, a subsidy for genetic testing costs, a subsidy for gynecological testing and optional cancer marker testing expanded to employees in their 20s when receiving a health checkup, a subsidy for medical costs including family members, and coupon-based support when undergoing testing at a medical institution.

■ Athletes who belong to the Company



Pictured is Miho Nijo (Wheelchair Tennis)

Daisuke Ejima
(Para Swimming)
Satoshi Saida
(Wheelchair Tennis)
Mayumi Tsuchida
(Wheelchair
Basketball)
Miho Nijo
(Wheelchair Tennis)

■ SX Farm

Partnering with two farms, we are promoting initiatives to employ people with disabilities. The freshly harvested vegetables are provided to nearby children's cafeterias.



Sustainability Initiatives

We believe that the value of a company is a synthesis of financial and non-financial value, and place importance on Sustainable Development Goals (SDGs) and Environmental, Social and Governance (ESG) factors in promoting our business.

Basic Sustainability Policy

**We aim to create a sustainable and beautiful society through embodying
“Create a Beautiful Tomorrow Together.”**

(Established in December 2021)

Sustainability Committee established

The Sustainability Committee is strengthening our efforts to address ESG and SDGs challenges by examining the key issues related thereto, including climate-related issues, and by monitoring risks and regularly reporting to the Board of Directors. A summary of the Sustainability Committee’s operations is as follows.

- The Sustainability Committee is chaired by the Directors who execute operations and comprises Executive Officers responsible for their respective business segments. In addition, subcommittees have been established for each of the three ESG criteria: “Environmental,” “Social,” and “Governance.”
- Important issues related to sustainability initiatives are deliberated by the Management Meeting, and reported and supervised by the Board of Directors.
- The Sustainability Committee meets once a month to discuss initiatives to address issues surrounding sustainability. The Committee also examines measures to tackle sustainability issues and monitors progress thereof.

Risks concerning human capital, an important issue of the Group, are identified and managed by the Risk Management Committee chaired by the Director, CFO. In turn, the committee reports and provides recommendations to the Board of Directors. The identified human capital risks are addressed by having subcommittees under the Sustainability Committee examine measures and monitor the progress of these measures. With regard to other matters such as legal compliance, the Compliance Committee, chaired by the Executive Officer, CCO, conducts supervision and examines measures.

As for climate-related risks, the Environmental Subcommittee of the Sustainability Committee explores ways to address risks associated with the transition to a decarbonized society, risks concerning greenhouse gas reduction, and risks associated with the physical impacts of climate change.

Initiatives for Climate Change

- In addition to its own efforts, the Group will make contributions to the fight against climate change by collaborating with partners through business activities such as the promotion of digital transformation in Japanese companies.
 - We are supporting new approaches to community development that include regional energy design. We are working to build a next-generation resilient town in Obuse Town, Nagano Prefecture, and working alongside community members, companies, and governments to create resource recycling and regional co-prosperity mechanisms through a partnership with Tokyu Corporation in the Tama Denentoshi area.
 - In the investment business, SIGMAXYZ Investment Inc. has positioned the area of Regenerative & Well-being as an investment area, and is promoting investment operations that support value creation. In the renewable energy field, we invest in and support the business operations of SHIZEN ENERGY Inc. and Forest Energy Inc.

- We disseminate information through media requests of energy analysts specializing in decarbonization and appearances at seminars.
- SIGMAXYZ Inc., a consulting business, participates in the “Working Group (WG) on Carbon Neutrality” of the Japan Association of New Economy.
- The entire Group is promoting efforts to go paperless for internal communication. Furthermore, we are accelerating initiatives for green purchasing and decarbonization by no longer offering beverages in plastic (PET) bottles, completing the switchover to LED ceiling lighting at our offices, and switching clear folders made of plastic to paper-based ones in the Group’s business premises.

	Results for fiscal year ended March 31, 2021	Results for fiscal year ended March 31, 2022	Results for fiscal year ended March 31, 2023
Electricity usage	222,824kWh	191,730kWh	180,590kWh
Paper usage	1,420Kg	1,080Kg	1,360Kg
Waste	4,313Kg	5,497Kg	6,021Kg
Amount recycled	2,160Kg	2,160Kg	2,480Kg

- The Group has established a target to reduce Scope 1 and Scope 2 greenhouse gas emissions 50% compared to FY 2021 by FY 2030 and to reach net-zero by FY 2050.

For more information on the Company’s information on disclosures recommended by the TCFD (Task Force on Climate-related Financial Disclosures), please visit [https://www.sigmaxyz.com/english/company/sdgsesg/tcfd/](https://www.sigmaxyz.com/english/company/sdgsesg/tcf/)

Contributing to Achieve the SDGs

- Striving to expand value-added activities to address social issues as well as our clients’ issues with a view to achieving the SDGs, we always set up a meeting on commencing a project for consensus-building with a client concerning which of the SDGs’ 17 goals are to be achieved, and how.

	Results for fiscal year ended March 31, 2021	Results for fiscal year ended March 31, 2022	Results for fiscal year ended March 31, 2023
Proportion of SDGs-related projects Based on contract volume (based on number of projects)	38% (48%)	44% (38%)	40% (31%)



- We are engaged in the activities of building social multi-sided platforms to form an ecosystem, where people inside and outside of the Company who empathize with and support our initiatives gather to address social issues.

B Corporation Certification

In January 2022, we obtained “B Corporation Certification,” which is based on the international certification system established by B Lab, a non-profit organization in the U.S., for the business and activities of the Group. B Corporation Certification is a system for certifying companies with excellent public interest in terms of environmental and social performance, management transparency, and business sustainability, etc. As of April 2023, approximately 6,500 companies in 89 countries have obtained this certification. SIGMAXYZ Group is the first listed company in Japan to obtain this certification.



For details about our ESG and SDGs initiatives and KPI (non-financial) targets, please visit <https://www.sigmaxyz.com/english/company/sdgsesg/>.

How to Confirm General Meeting of Shareholders' Content / Information about Accepting Questions in Advance

The General Meeting of Shareholders' documents previously sent in writing will no longer be sent starting from this General Meeting of Shareholders following the implementation of the electronic provision system under the revised Companies Act. Instead, these documents will be posted to websites. Please access the link in this notice to confirm the details.



Easily view the convocation notice or exercise your voting rights from a computer or smartphone
The main content can be viewed on a computer or smartphone.
<https://p.sokai.jp/6088/> (in Japanese)



Information about accepting questions in advance

Regarding matters to be reported and matters to be resolved at the 15th Annual General Meeting of Shareholders, we will accept questions and comments in advance from our shareholders via the inquiry form on the Company's website. Please note that there is a limit of two questions and comments per person.

We will post answers on the Company's website regarding questions and comments that were sent by many shareholders.

Reception period:
Tuesday, June 6, 2023,
10:00 a.m. to Thursday,
June 15, 2023, 6:00 p.m.
(JST)

Feedback and question form
<https://www.sigmaxyz.com/contacts/ircontacts/> (in Japanese)



Response to preliminary questions

Scheduled to be released at 10:00 a.m. on Tuesday, June 20, 2023 (JST)

Live Streaming of the Business Report

Video Streaming of the General Meeting of Shareholders

Scheduled to be released at 10:00 a.m. on Thursday, July 6, 2023 (JST)

Videos will be streamed on the Company's website:
<https://www.sigmaxyz.com/ir/news/>



General Meeting of Shareholders Venue Information

“DIAMOND 30,” 30F, Main Tower
Shinagawa Prince Hotel
4-10-30 Takanawa, Minato-ku, Tokyo
Japan
Tel. +81-3-3440-1111 (main switchboard)



NAVITIME

出発地から株主総会会場までスマートフォンがご案内します。下図を読み取りください。

