

Summary of Financial Results for the first quarter of the Fiscal Year Ending September 30, 2025 [Japan Standards] (Consolidated)



Feb. 13, 2025

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Scheduled payment date of dividend: —
Supplementary materials for the financial results: Yes
Investor conference for the quarterly financial results: None

Stock listing: Tokyo Stock Exchange
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(Million yen, rounded down)

1. Consolidated Financial Results for the first quarter of the Fiscal Year Ending September 30, 2025 (From Oct. 1, 2024 to Dec. 31, 2024)

(1) Consolidated Financial Performance (% figures show year-on-year increase or decrease)

	Net sales		Gross profit		Operating profit		EBITDA (Non-GAAP)*	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Q1 FY ending Sep. 30, 2025	5,614	37.7	2,386	29.8	346	0.3	565	30.4
Q1 FY ended Sep. 30, 2024	4,077	37.0	1,839	31.7	346	53.6	433	54.6

Note: Comprehensive income Q1 FY ending September 30, 2025: 175 million yen (decrease of 18.9%)
Q1 FY ended September 30, 2024: 216 million yen (increase of 28.5%)

	Ordinary profit		Profit attributable to owners of parent		Net income per share	Diluted Net income per share
	Million yen	%	Million yen	%	yen	yen
Q1 FY ending Sep. 30, 2025	350	(1.6)	171	(19.7)	10.88	10.77
Q1 FY ended Sep. 30, 2024	356	62.1	213	43.0	13.78	13.66

*The Group consider EBITDA (Non-GAAP) to be useful information in understanding the Groups' constant operating results, as it represents financial accounting figures (GAAP) less or adjusted for non-recurring items and certain other adjustments based on certain rules. Specifically, GAAP excludes or adjusts for Share-based payment expenses, depreciation and amortization, and amortization of goodwill, as well as other one-time gains and losses that the Group consider to be deductible.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Dec. 31, 2024	17,447	7,268	38.9
As of Sep. 30, 2024	13,537	7,304	50.8

Reference: Shareholders' equity As of Dec. 31, 2024: 6,790 million yen
As of Sep. 30, 2024: 6,879 million yen

2. Dividends

	Annual dividends per share				
	End of Q1	End of Q2	End of Q3	End of Q4	Annual
	Yen	Yen	Yen	Yen	Yen
FY ended Sep. 30 2024	—	0.00	—	18.00	18.00
FY ending Sep. 30 2025	—	—	—	—	—
FY ending Sep. 30, 2025 (Forecast)	—	—	—	—	—

Note: Revision of dividend forecast from the most recently announced forecast: None

3. Consolidated Financial Forecasts for the Fiscal Year Ending September 30, 2025 (From October 1, 2024 to September 30, 2025)

(% figures represent year-on-year increase or decrease)

	Net sales		Gross profit		Operating profit		EBITDA (Non-GAAP)		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Full year	22,247	30.0	9,808	25.0	1,608	20.0	2,351	35.0	—	—	—	—

Note: Revision of dividend forecast from the most recently announced forecast: None

* Notes

- (1) Significant changes in the scope of consolidation during the period : Yes

(Changes in specific subsidiaries affecting the scope of consolidation)

Newly included: 2 companies

(Company name: Ingate Company Limited, CLOCK・IT, Incorporated)

Excluded: None

(Company name:)

- (2) Application of accounting procedures specific to preparing quarterly consolidated financial statements : Yes

- (3) Changes in accounting principles, changes in accounting estimates and restatements

(i) Changes in accounting policies associated with revision of accounting standards : Yes

(ii) Changes in accounting policies other than the above (i) : None

(iii) Changes in accounting estimates : None

(iv) Restatements : None

- (4) Number of outstanding shares (common stock)

(i) Number of shares outstanding at term-end (including treasury shares)

Dec. 31, 2024	15,785,759 shares	Sep. 30, 2024	15,753,559 shares
Dec. 31, 2024	185 shares	Sep. 30, 2024	169 shares
Dec. 31, 2024	15,779,028 shares	Dec. 31, 2023	15,517,762 shares

(ii) Number of treasury shares at term-end

(iii) Average number of shares outstanding during term

- ※ Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

- ※ Proper use of earnings forecasts, and other special matters

The forward-looking statements in this document are based on information currently available to us and certain assumptions that the Company consider reasonable, and are not intended to be a promise by us that they will be achieved. Actual results may differ materially due to various factors.

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1. Summary of Business Results

(1) Overview of business results, etc.

(1) Overview of Business Results for the Period under Review

During the current consolidated fiscal year, the Japanese economy has been recovering moderately, with signs of recovery in consumer spending.

On the other hand, the outlook remains uncertain due to factors such as overseas conflicts, soaring resource prices and commodity prices.

In the labor market, companies are facing the challenge of securing human resources due to the impact of the deepening structural shortage of labor.

Given this structural issue, companies are being urged to improve operational efficiency, and the demand is expanding for the promotion of DX (digital transformation) and the utilization of AI. At the same time, in terms of individual work styles, we are seeing a change in the traditional labor structure based on lifetime employment and the seniority-based system, and the acceleration of autonomous career choices and diverse work styles according to life stages. In November 2024, the Japanese government enacted "the law concerning the rationalization of transactions pertaining to specified contract business operators", which recognizes freelancers as "independent and willing entities" same as companies.

In this social and economic environment, Crowdworks ("CW") Group has established the mission of "Talent infrastructures" and the vision of "Creating a future where people and technology are in harmony and contributing to the happiness of individuals and the development of society", and is developing human resource matching services centered on freelance human resources and DX / AI solutions to improve corporate productivity. This trend has been a tailwind for our Group, and as of December 31, 2024, the number of registered users reached 6.868 million (up to 806,000 year-on-year) and the number of registered clients reached 1.021 million (up to 65,000 year-on-year). Through our core strength, growth of existing businesses, expansion of new businesses including SaaS business, and M&A activity we are focused to achieve our mid-term management goal "YOSHIDA 300" of 30 billion yen in sales, 2.5 billion yen in EBITDA (Non-GAAP), and operating income growth of 10% or more (full year).

In the matching business, which is the core of our existing business, we will identify management issues through consulting and provide DX solutions that form a business improvement team using IT human resources and project managers to improve corporate productivity. In addition, we are working to improve unit prices per company through cross-selling by strengthening the sales and customer collaboration database among our businesses.

In the SaaS business, the introduction of "CrowdLog", a productivity-enhancing SaaS that visualizes employee man-hours, is progressing mainly among large and growing companies. In addition, based on the input man-hour data of employees, our consulting team identifies non-core operations that employees do not need to perform, and makes proposals to promote outsourcing and DX.

As for M&A, we are proceeding with discipline in investing in businesses that are highly compatible with our matching business and business-oriented SaaS business. In November 2024, we made two companies, Ingate Company Limited and CLOCK • IT, Incorporated, subsidiaries. Ingate Company Limited develops DX human resources introduction, recruitment support, career counseling business, and IT solution business, and CLOCK • IT, Incorporated provides comprehensive contracts for DX projects and resident support services (quasi-delegation • SES) for engineers and designers, subsidiaries. We will propose the knowledge of DX promotions of these two companies and sonimoov Company Limited (became a subsidiary in July 2024) as DX solutions. In addition, the PMI of group-affiliated companies has been performing well, contributing to the growth of the entire company.

As a result of the above, the Groups' consolidated business results for the first quarter of the current fiscal year were as follows: net sales of 5,614,716 thousand yen (year-on-year increase of 37.7%), gross profit of 2,386,919 thousand yen (year-on-year increase of 29.8%), operating profit of 346,963 thousand yen (year-on-year increase of 0.3%), EBITDA (Non-GAAP) of 565,761 thousand yen (year-on-year increase of 30.4%) Ordinary profit was 350,449 thousand yen (year-on-year decrease of 1.6%), and Net profit attributable to owners of the parent amounted to 171,623 thousand yen (year-on-year decrease of 19.7%).

Financial results by segment are as follows:

(i) Matching Business

Net sales were 5,342,770 thousand yen (year-on-year increase of 36.6%), gross profit was 2,121,391 thousand yen (year-on-year increase of 26.5%), and segment profit was 351,739 thousand yen (year-on-year increase of 0.2%).

(ii) SaaS Business

Net sales amounted to 244,771 thousand yen (year-on-year increase of 69.9%), and segment profit amounted to 20,354 thousand yen (segment loss of 23,517 thousand yen in the same period of the previous fiscal year).

(2) Overview of Financial Position for the First Quarter of the Fiscal Year Ending September 30, 2025

(Assets)

Total assets at the end of the first quarter of the current fiscal year were 17,447,019 thousand yen, an increase of 3,909,936 thousand yen from the end of the previous period.

Current assets increased 1,336,256 thousand yen from the end of the previous period, mainly due to increase of 838,847 thousand yen in cash and deposits, 471,206 thousand yen in accounts receivable - trade, and contract assets. Noncurrent assets increase 2,573,680 thousand yen from the end of the previous period, mainly due to an increase of 2,438,612 thousand yen in goodwill.

(Liabilities)

Total liabilities at the end of the first quarter of the current fiscal year amounted to 10,178,518 thousand yen, up 3,945,896 thousand yen from the end of the previous period.

Current liabilities increased 790,079 thousand yen from the end of the previous period, mainly due to increases of 311,215 thousand yen in Short-term borrowings, 483,979 thousand yen in accounts payable-other, 115,950 thousand yen in Provision for shareholder benefit program. Non-current liabilities increased 3,155,816 thousand yen from the end of the previous period, mainly due to a 3,141,259 thousand yen increase in long-term borrowings.

(Net assets)

Net assets at the end of the first quarter of the current fiscal year totaled 7,268,500 thousand yen, an decrease of 35,960 thousand yen from the end of the previous fiscal year.

The decrease in net assets was mainly due to the posting of 171,623 thousand yen in net profit attributable to owners of the parent, 283,561 thousand yen in dividends from surplus.

(3) Explanation of Consolidated Financial Forecasts and Other Forward-Looking Statements

There is no change to the consolidated earnings forecast for the fiscal year ending September 30, 2025, which was announced on November 5, 2024.

2. Consolidated Financial Statements and Main Noted Items

(1) Consolidated Balance Sheet

	(Thousand yen)	
	Fiscal Year Ended September 30, 2024 (As of Sep. 30, 2024)	Q1 Fiscal Year Ending September 30, 2025 (As of dec. 31, 2024)
Assets		
Current assets		
Cash and deposits	5,960,365	6,799,213
Accounts receivable - trade, and contract assets	1,607,772	2,078,978
Accounts receivable - other	941,949	939,641
Other	344,016	379,859
Allowance for doubtful accounts	(26,458)	(33,789)
Total current assets	8,827,646	10,163,903
Non-current assets		
Property, plant and equipment	43,575	43,248
Intangible assets		
Goodwill	2,081,229	4,519,842
Other	3,859	2,762
Total intangible assets	2,085,088	4,522,604
Investments and other assets		
Investment securities	1,952,023	1,933,929
Other	634,726	790,807
Allowance for doubtful accounts	(5,978)	(7,474)
Total investments and other assets	2,580,771	2,717,262
Total non-current assets	4,709,436	7,283,116
Total assets	13,537,082	17,447,019
Liabilities		
Current liabilities		
Short-term borrowings	1,432,225	1,743,440
Accounts payable - other	1,260,199	1,744,178
Income taxes payable - other	318,412	201,644
Contract liabilities	558,841	531,262
Deposits received	1,283,218	1,263,963
Provision for shareholder benefit program	—	115,950
Other	681,558	724,096
Total current liabilities	5,534,455	6,324,535
Non-current liabilities		
Long-term borrowings	601,508	3,742,767
Other	96,658	111,216
Total non-current liabilities	698,166	3,853,983
Total liabilities	6,232,622	10,178,518
Net assets		
Shareholders' equity		
Capital stock	2,784,693	2,798,765
Capital surplus	2,889,136	2,903,207
Retained earnings	1,165,598	1,053,660
Treasury shares	(237)	(262)
Total shareholders' equity	6,839,190	6,755,370
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	40,412	34,637
Total accumulated other comprehensive income	40,412	34,637
Subscription rights to shares	316,241	359,787
Non-controlling interests	108,616	118,705
Total net assets	7,304,460	7,268,500
Total liabilities and net assets	13,537,082	17,447,019

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

The First Quarter of Consolidated Fiscal Year

(Thousand yen)

	Q1 Fiscal Year Ended September 30, 2024 (Oct. 1, 2023 to Dec. 31, 2023)	Q1 Fiscal Year Ending September 30, 2025 (Oct. 1, 2024 to Dec. 31, 2024)
Net sales	4,077,806	5,614,716
Cost of sales	2,238,289	3,227,797
Gross profit	1,839,516	2,386,919
Selling, general and administrative expenses	1,493,422	2,039,955
Operating profit	346,094	346,963
Non-operating income		
Gain on exclusion of deposit recieve	17,871	16,375
Surrender value of insurance policies	—	23,834
Foreign exchange gains	—	20,605
Other	3,207	4,705
Total non-operating income	21,078	65,521
Non-operating expenses		
Interest expenses	1,646	11,640
Share of loss of entities accounted for using equity method	—	7,560
Commission expenses	—	37,968
Other	9,259	4,865
Total non-operating expenses	10,906	62,034
Ordinary profit	356,267	350,449
Extraordinary income		
Gain on reversal of share acquisition rights	11,438	778
Total extraordinary income	11,438	778
Profit before income taxes	367,706	351,227
Income taxes	151,006	169,516
Profit	216,699	181,711
Profit attributable to non-controlling interests	2,839	10,088
Profit attributable to owners of parent	213,860	171,623

Consolidated Statement of Comprehensive Income

The First Quarter of Consolidated Fiscal Year

(Thousand yen)

	Q1 Fiscal Year Ended September 30, 2024 (Oct. 1, 2023 to Dec. 31, 2023)	Q1 Fiscal Year Ending September 30, 2025 (Oct. 1, 2024 to dec. 31, 2024)
Net profit	216,699	181,711
Other comprehensive income		
Valuation difference on available-for-sale securities	121	(5,774)
Total other comprehensive income	121	(5,774)
Comprehensive income	216,820	175,936
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	213,981	165,848
Comprehensive income attributable to non-controlling interests	2,839	10,088

(3) Notes to Quarterly Consolidated Financial Statements

(Changes in Accounting Policies)

(Application of “Accounting Standards for Corporate Tax, Resident Tax, and Business Tax, etc.”)

The “Accounting Standards for Corporate Tax, Resident Tax, and Business Tax, etc.” (Corporate Accounting Standards No. 27, October 28, 2022, hereinafter referred to as the “2022 Revised Accounting Standards”), etc. have been applied from the beginning of the first quarter of the current consolidated fiscal year.

With regard to the amendments to the classification of corporate tax, etc. (taxation on other comprehensive income), we follow the transitional treatment set forth in the proviso of the 2022 Revised Accounting Standards No. 20-3 and the transitional treatment set forth in the proviso of the “Guidelines for the Implementation of Accounting Standards for Tax-Effect Accounting” (Corporate Accounting Standards Implementation Guideline No. 28, October 28, 2022, hereinafter referred to as the “2022 Revised Implementation Guideline”). We follow the transitional treatment set forth in the proviso of Article 65-2, Paragraph (2). The change in accounting policy has no impact on the quarterly consolidated financial statements. In addition, with regard to the amendments related to the review of the treatment in consolidated financial statements when profits and losses arising from the sale of subsidiary shares, etc. between consolidated companies are deferred for tax purposes, the 2022 Revised Implementation Guideline has been applied from the beginning of the first quarter of the current consolidated fiscal year. The change in accounting policy has been applied retroactively, and the quarterly consolidated financial statements and consolidated financial statements for the previous quarter and previous consolidated fiscal year are retroactively applied. The change in accounting policy has no impact on the quarterly consolidated financial statements for the previous quarter and the consolidated financial statements for the previous consolidated fiscal year.

(Application of Accounting Procedures Specific to Preparing Quarterly Consolidated Financial Statements)

(Calculation of tax expenses)

Tax expenses are calculated by reasonably estimating the effective tax rate after tax effect accounting is applied to the pre-tax profit for the consolidated fiscal year, including the first quarter of the current consolidated fiscal year, and by multiplying this effective tax rate and the pre-tax profit.

(Segment information, etc.)

[Segment information]

Previous consolidated cumulative first quarter (October 1, 2023 to Dec. 31, 2023)

1. Information of net sales and profit or loss by reportable segment and decomposition of earnings

(Thousand yen)

	Reportable segments			Other (Note)	Adjusted amount	Amounts shown on quarterly consolidated statement of income
	Matching Business	SaaS Business	Total			
Net sales						
Goods or services to be transferred at one point of time	570,113	6,650	576,763	—	—	576,763
Goods or services to be transferred over a period of time	3,341,875	137,366	3,479,242	4,618	—	3,483,860
Revenue from contracts with customers	3,911,989	144,016	4,056,005	4,618	—	4,060,624
Other revenue	—	—	—	17,182	—	17,182
(1) Sales to external customers	3,911,989	144,016	4,056,005	21,800	—	4,077,806
(2) Internal sales or exchange between segments	—	52	52	—	(52)	—
Total	3,911,989	144,068	4,056,058	21,800	(52)	4,077,806
Segment profit (loss)	351,174	(23,517)	327,657	18,437	—	346,094

Note : The category of “Other” indicates business segments which are not included in reportable segments, and includes any newly developed business, etc.

2. Information on impairment loss on fixed assets and goodwill by reportable segment

(Significant changes in the amount of goodwill)

In the Matching Business segment, the Company acquired shares of YU-CRE Company Limited. The increase in goodwill due to this event was 169,016 thousand yen in the first quarter of the current consolidated cumulative period.

Current consolidated cumulative first quarter (October 1, 2024 to Dec. 31, 2024)

1. Information on net sales and profit or loss by reportable segment and decomposition of earnings

(Thousand yen)

	Reportable segments			Other (Note)	Adjusted amount	Amounts shown on quarterly consolidated statement of income
	Matching Business	SaaS Business	Total			
Net sales						
Goods or services to be transferred at one point of time	538,749	3,900	542,649	22,422	—	565,071
Goods or services to be transferred over a period of time	4,803,530	240,713	5,044,244	5,400	—	5,049,644
Revenue from contracts with customers	5,342,280	244,613	5,586,893	27,822	—	5,614,716
Other revenue	—	—	—	—	—	—
(1) Sales to external customers	5,342,280	244,613	5,586,893	27,822	—	5,614,716
(2) Internal sales or exchange between segments	490	157	647	—	(647)	—
Total	5,342,770	244,771	5,587,541	27,822	(647)	5,614,716
Segment profit (loss)	351,739	20,354	372,094	(25,130)	—	346,963

Note : The category of “Other” indicates business segments which are not included in reportable segments, and includes any newly developed business, etc.

2. Information on impairment loss on fixed assets and goodwill by reportable segment

(Significant changes in the amount of goodwill)

In the Matching Business segment, the Company acquired shares of Ingate Company Limited. The increase in goodwill due to this event was 1,574,102 thousand yen in the first quarter of the current consolidated cumulative period.

In the Matching Business segment, the Company acquired all shares of CLOCK・IT, Incorporated. The increase in goodwill due to this event was 1,001,831 thousand yen in the first quarter of the current consolidated cumulative period.

(Notes Regarding Going Concern Assumptions)

Not applicable.

(Notes on Significant Changes in the Amount of Shareholders' Equity)

Not applicable.

(Notes Regarding Consolidated Cash Flow)

We have not prepared a quarterly consolidated cash flow statement for the first quarter of the current consolidated cumulative period. Please note that depreciation expenses (including amortization expenses related to intangible fixed assets) and goodwill amortization for the first quarter of the current consolidated cumulative period are as follows:

	Q1 Fiscal Year Ended September 30, 2024 (Oct. 1, 2023 to Dec. 31, 2023)	Q1 Fiscal Year Ending September 30, 2025 (Oct. 1, 2024 to Dec. 31, 2024)
Depreciation expense	7,814 Thousand yen	30,838 Thousand yen
Goodwill amortization amount	42,697 Thousand yen	137,322 Thousand yen