



cognavi Vision2026

Medium-Term Management Plan for FY March 2024 to FY March 2026
May 2023



Forum Engineering Inc.
(TSE Prime Market : 7088)

1. Our Mission

2. Medium-Term Management Plan [cognavi Vision2026]

3. Sustainability initiatives

1. Our Mission

2. Medium-Term Management Plan [cognavi Vision2026]

3. Sustainability initiatives

-MISSION-

*Seeking for the World Where Skills Connect
with One Another*



Our unique matching system, Cognavi uses artificial intelligence (AI) to connect mechanical and electrical engineering students' learning, and engineers' skills with the skills wanted by companies.

By using the Cognavi's matching technology, we make it possible to connect engineers with companies through skills in the market of human resources in mechanical and electrical engineering.

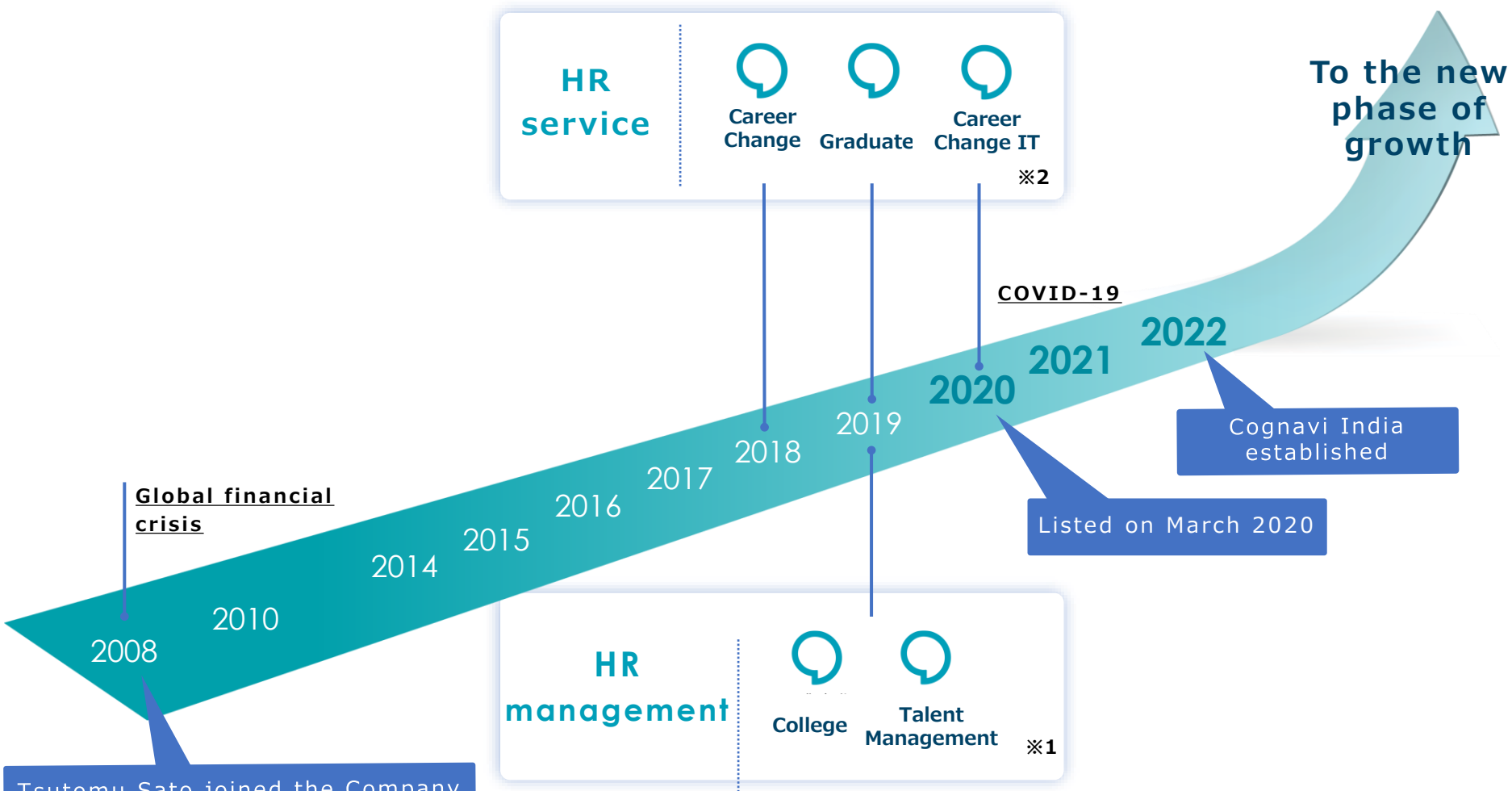
Cognavi will support engineers in all career-related settings, including job placement for mechanical and electrical graduates, career changes, temporary staffing and reskilling.

Japan's temporary staffing market for technological engineers is now at a turning point. The population is decreasing and the Act on Securing the Proper Operation of Worker Dispatching Businesses and Protecting Dispatched Workers stipulates equal pay for equal work.

Service integration in the domain of mechanical and electrical engineering

Use technologies to improve matching efficiency

Since 2008, the Company has invested in technologies and developed platforms and, since 2018, has gradually launched and rolled out in full scale the services of Cognavi.



Tsutomu Sato joined the Company

HR service

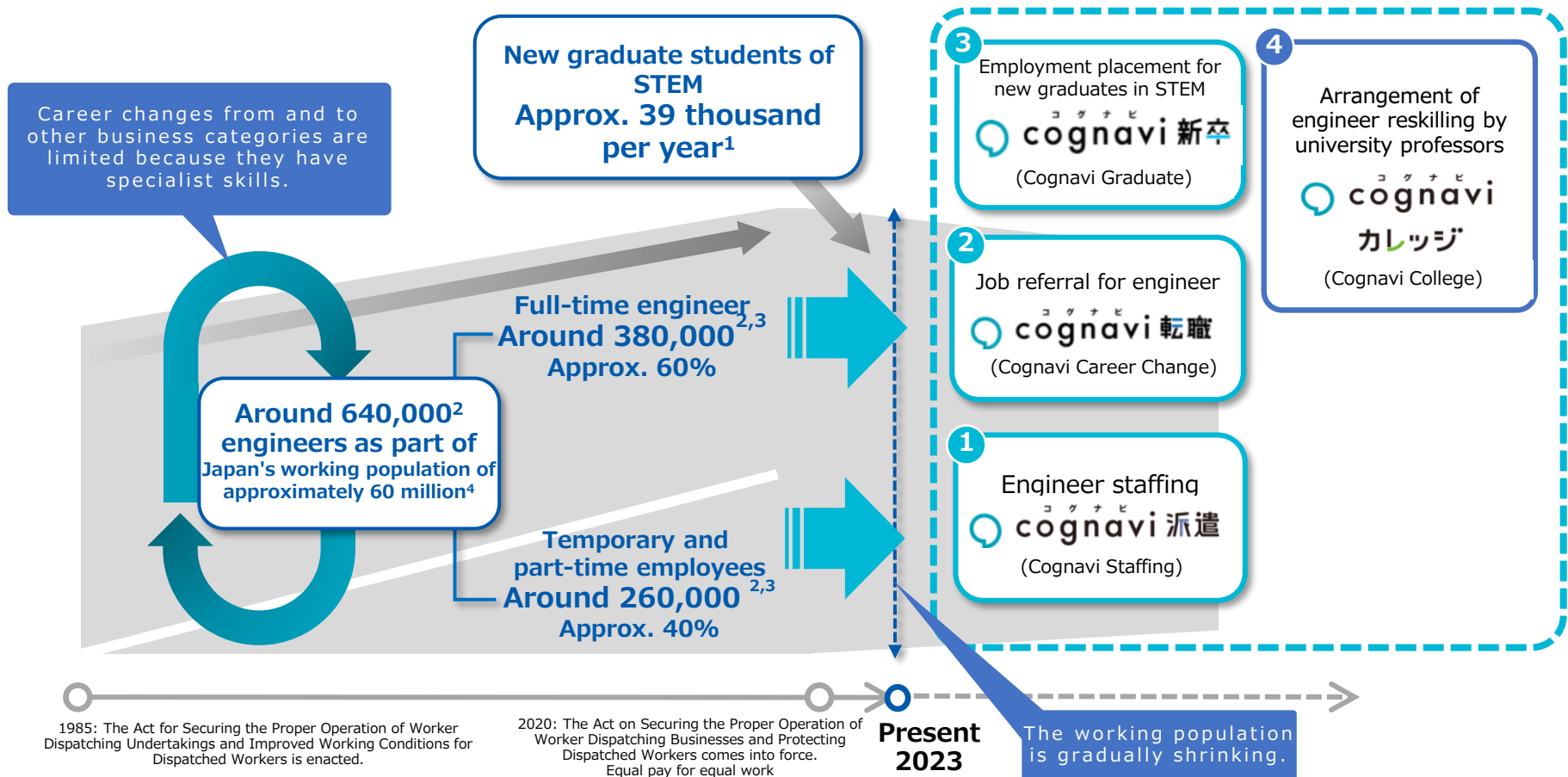
- Career Change
- Graduate
- Career Change IT ※2

HR management

- College
- Talent Management ※1

*1 Cognavi Talent Management was discontinued in March 2023 for the purpose of restructuring the services.
*2 Cognavi Career Change IT is set to be discontinued in June 2023 and integrated into Cognavi Career Change.

The Company foresees that the market structure will change as a result of a decline in the working population. Consequently, it launched Cognavi. This is a platform business for capturing all opportunities for engineer career mobility.



Note: The diagram is for presentation purposes only and it does not reflect actual increases or decreases in number.

1. Estimated by the Company from the number of persons enrolled in faculties of mechanical engineering and electrical and communication engineering in the Situation of Students Enrolled at University by Discipline stated in the Ministry of Education, Culture, Sports, Science and Technology's FY2018 Basic School Survey
 2. Total of electrical, electronic and telecommunication engineers (excluding communication network engineers), mechanical engineers, and transportation equipment engineers, excluding those aged 65 years and older, stated in the POPULATION AND HOUSEHOLDS OF JAPAN 2015 from the Statistics Bureau of the Ministry of Internal Affairs and Communications
 3. The ratio of non-regular employees to regular employees is estimated by the Company from the Ministry of Health, Labour and Welfare's Current Status and Problems about Non-Regular Employment
 4. According to the 2015 National Census from the Statistics Bureau of the Ministry of Internal Affairs and Communications
- ©2023 Forum Engineering Inc.

It consists of numerous technical terms and relational lines that represent technical relationships between these terms. Related technical terms are interlinked by relational lines that takes into account the degree of closeness of a relationship. They act as grounds for matching. The technology discovers latent requirements and skills overlooked by corporate clients and engineers and provides matching opportunities that will broaden the potential.

4 trees *

"Product / part," "Technology and tool," "Job type / process," "Academic knowledge"

8 sectors

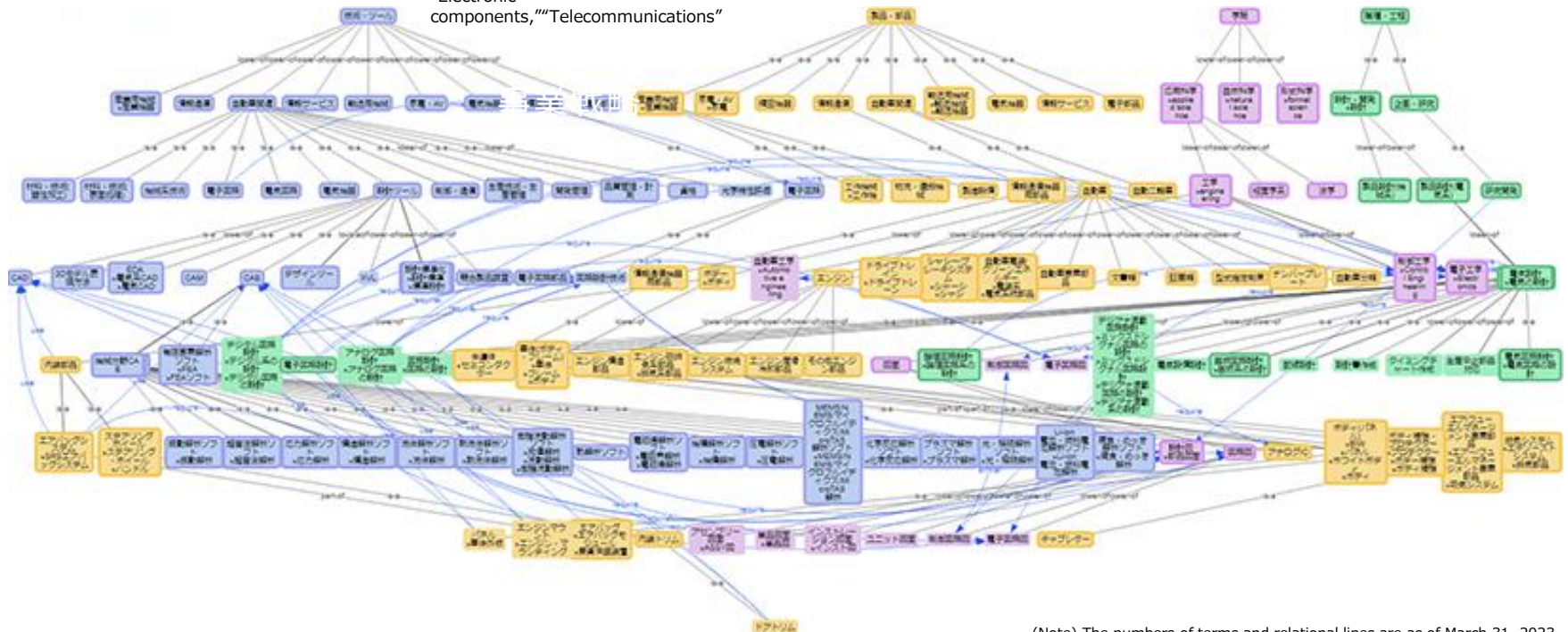
"Automotive," "Transportation machinery," "Industrial machinery," "Home appliances / AV," "Precision machinery," "Electric machinery," "Electronic components," "Telecommunications"

Approx. **178K** terms

The number of terms that describe skills

Approx. **147K** lines

The number of relational lines between terms which detail value and mutual relationships



(Note) The numbers of terms and relational lines are as of March 31, 2023.

Mechanism of Direct Matching with *kokuu*

It visualizes both skill requirements that vary depending on the department of the client and skills owned by engineers in tree-like diagrams and overlap them to achieve direct matching.

Corporate clients

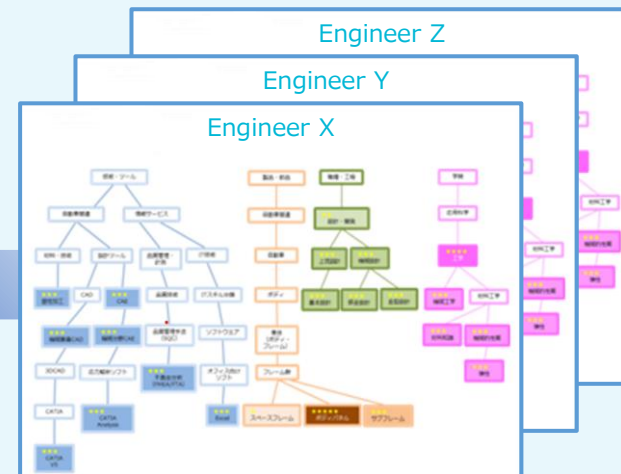
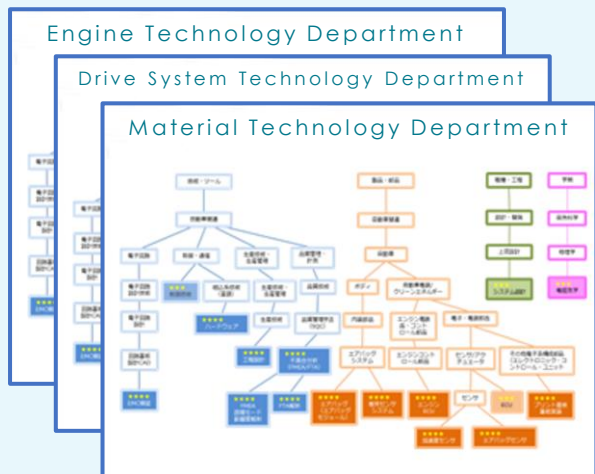


Engineers

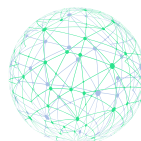


Skills sought by a company: Technical Tree

Skills owned by an engineer: Skill Tree



kokuu



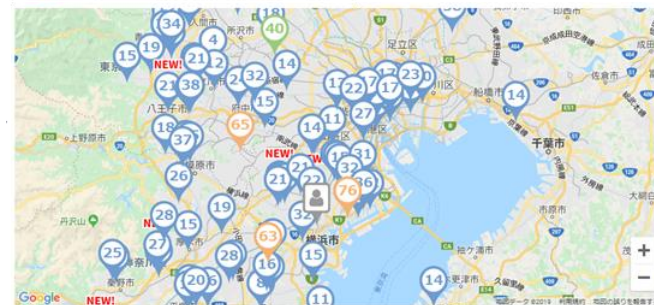
Visualized and quantified matching results

Matching is made on the basis of skills.

検索結果 **406人** を表示中 > 検索条件の変更

エリア内の有効会員	経験者	未経験者
1888人	406人	0人

あなたのマッチングマップ ? [アピールマップに切り替え](#)



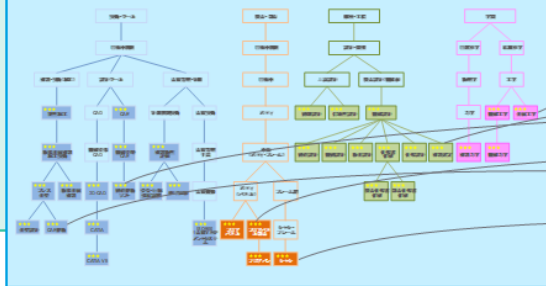
We collect and accumulate technical tree data from corporate clients at a department level and use each skill's relational lines to enable direct matching.

Major automobile manufacturer

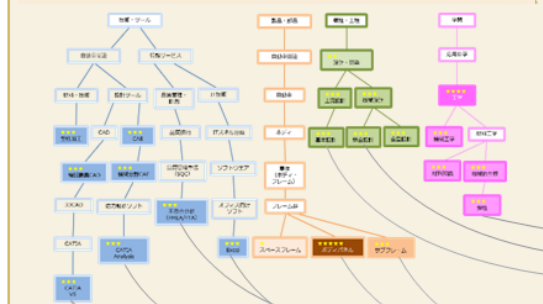
Engine Department Score:28

Power train Department Score:43

Material Department Score:56



Chassis Department Score:77



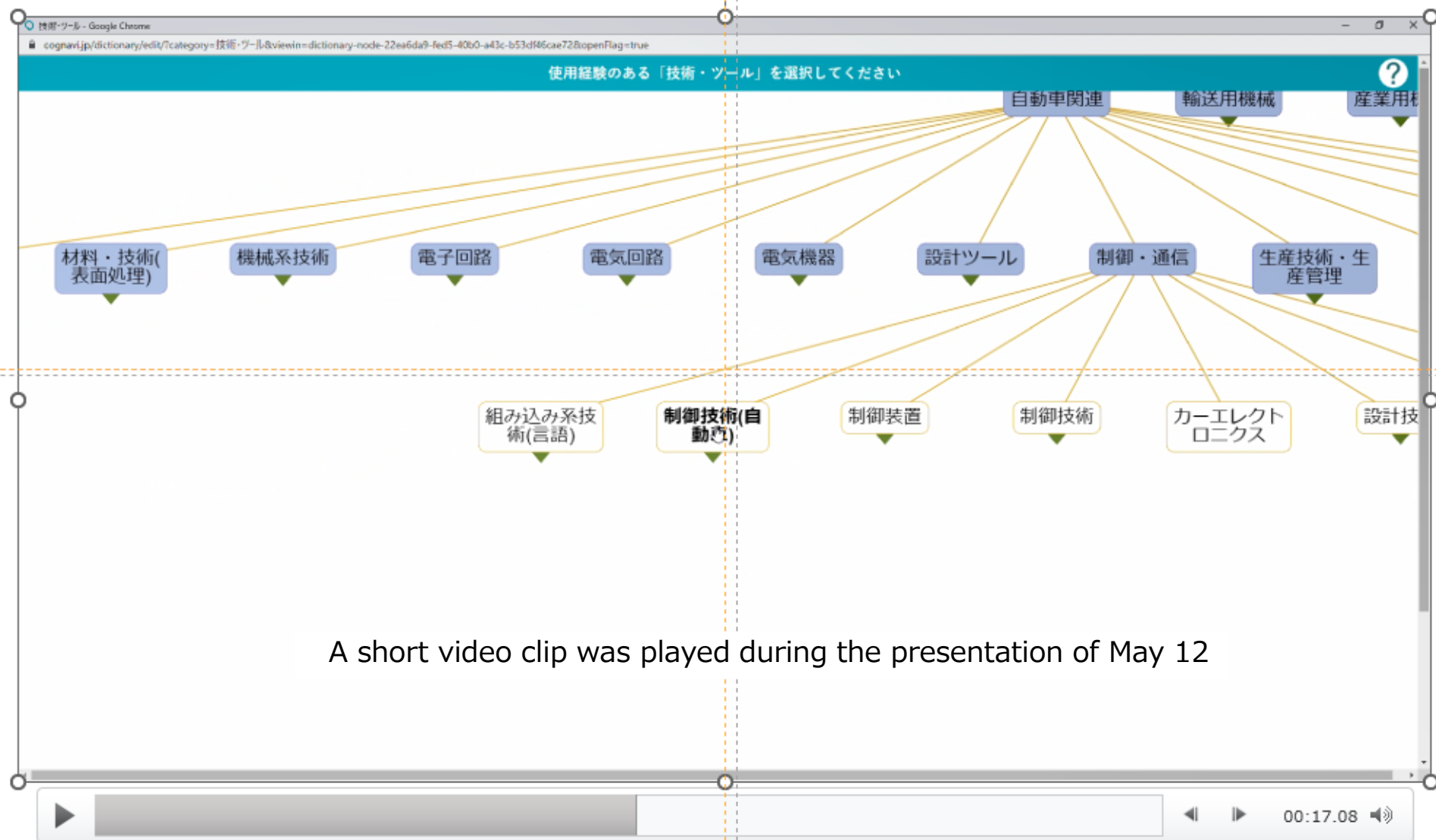
Accumulated on a department-by-department basis

Engineer



Relational Lines

【HOW a Skill Tree of an engineer is cheated by cognavi】



注*用語の数と関係線の本数は2022年12月末時点

1. Our Mission

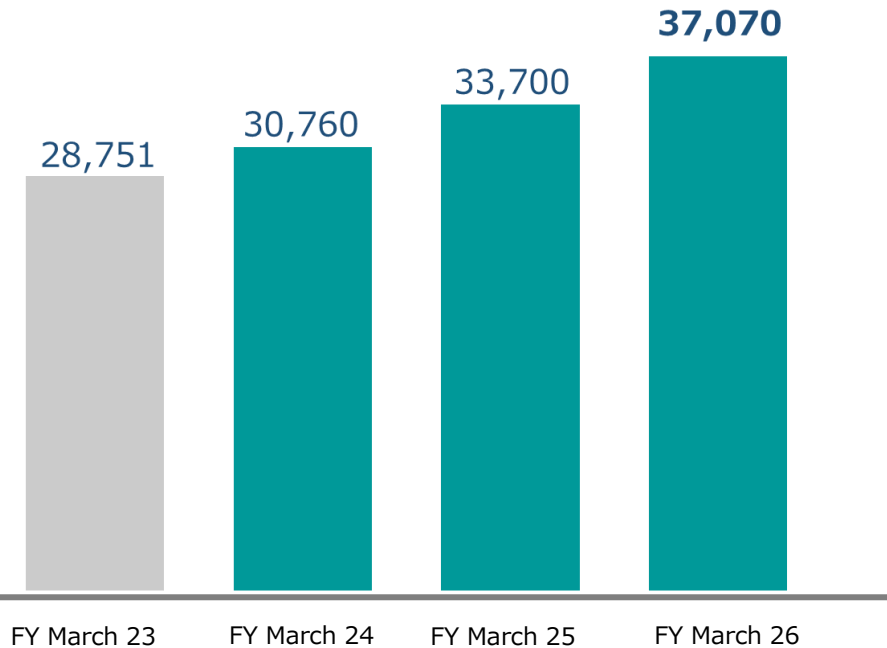
2. Medium-Term Management Plan

[cognavi Vision2026]

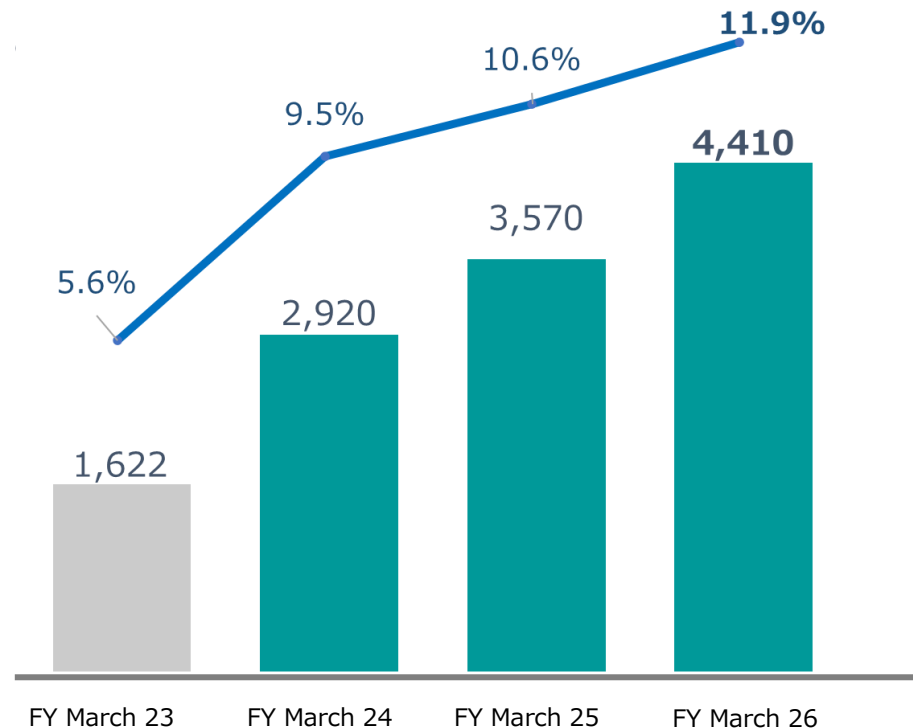
3. Sustainability initiatives

Non-Consolidated Numerical Targets in Cognavi Vision 2026

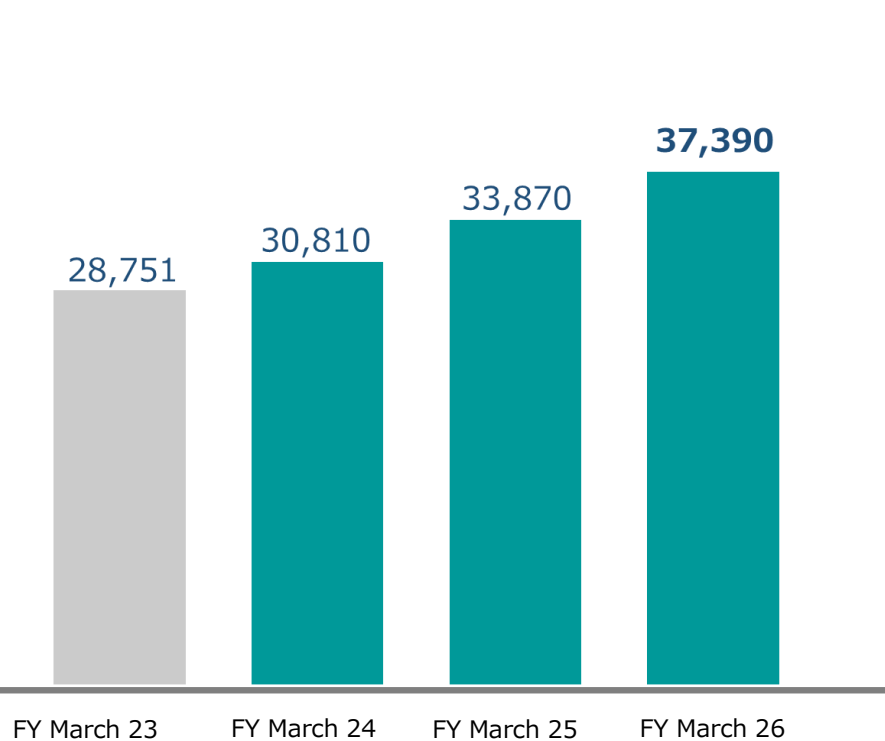
Net Sales



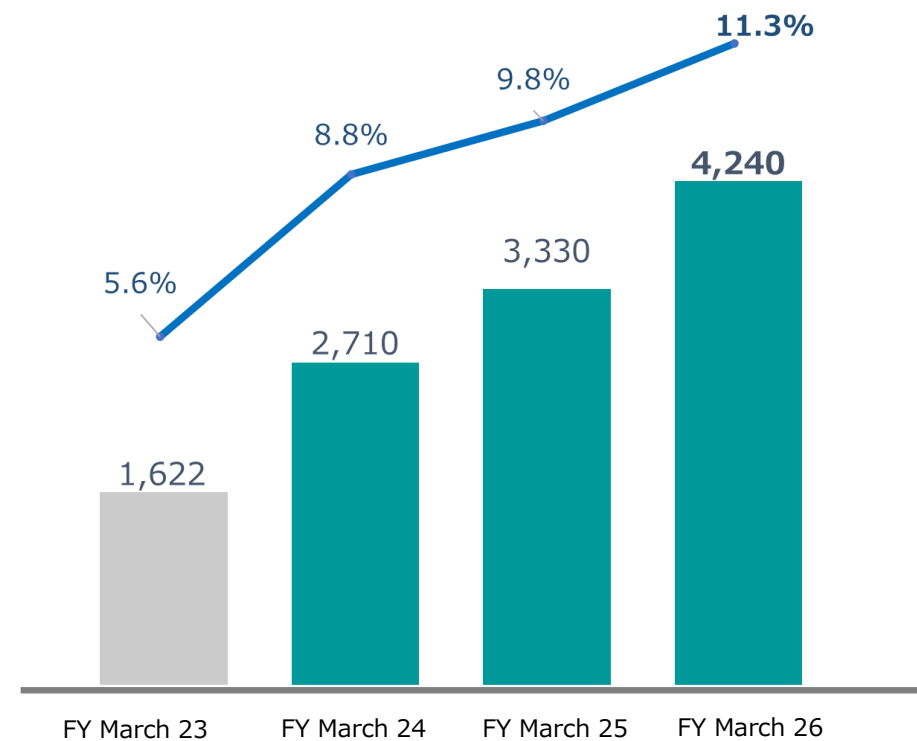
Operating Profit / Operating Profit Margin



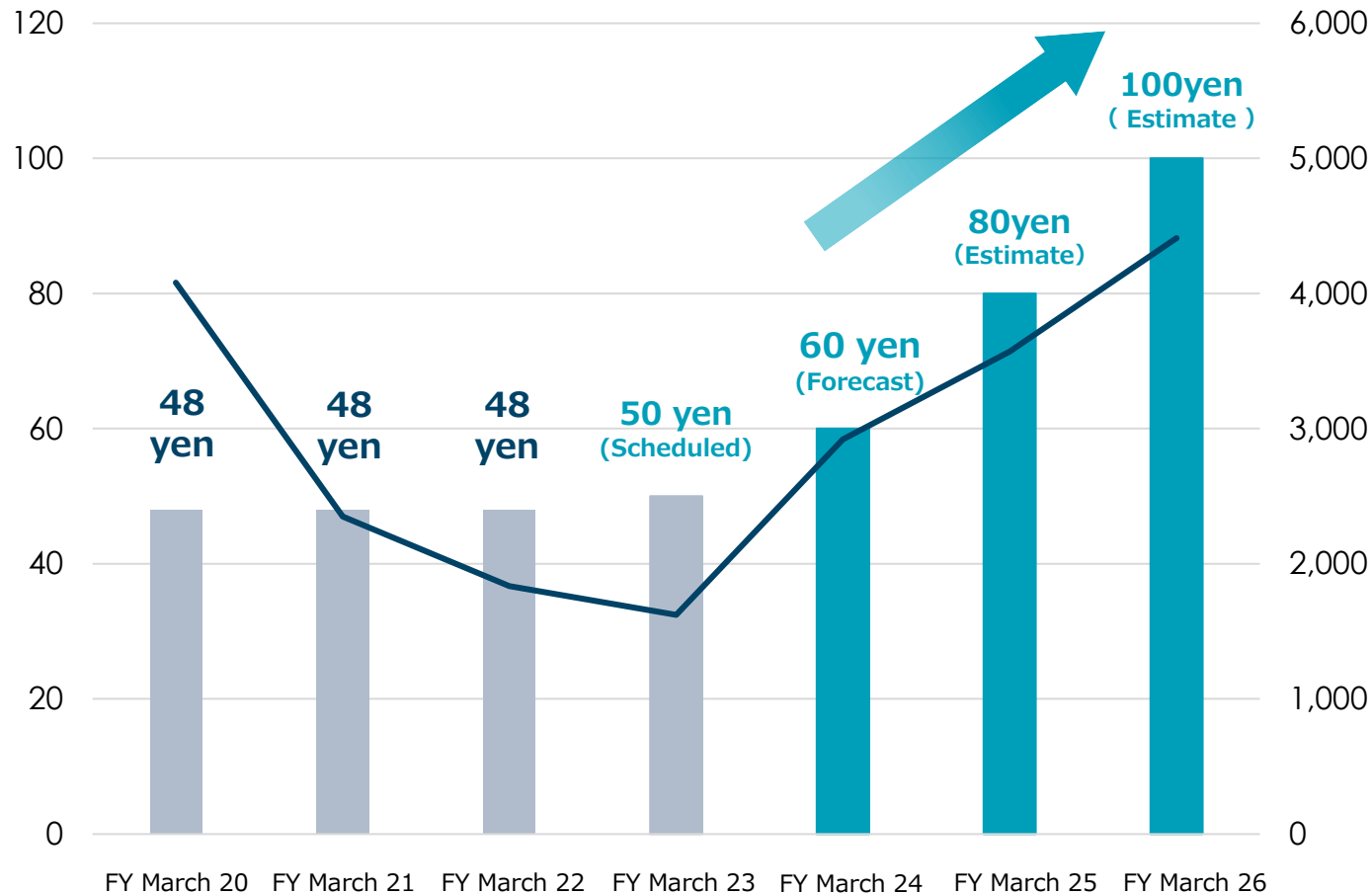
Net Sales



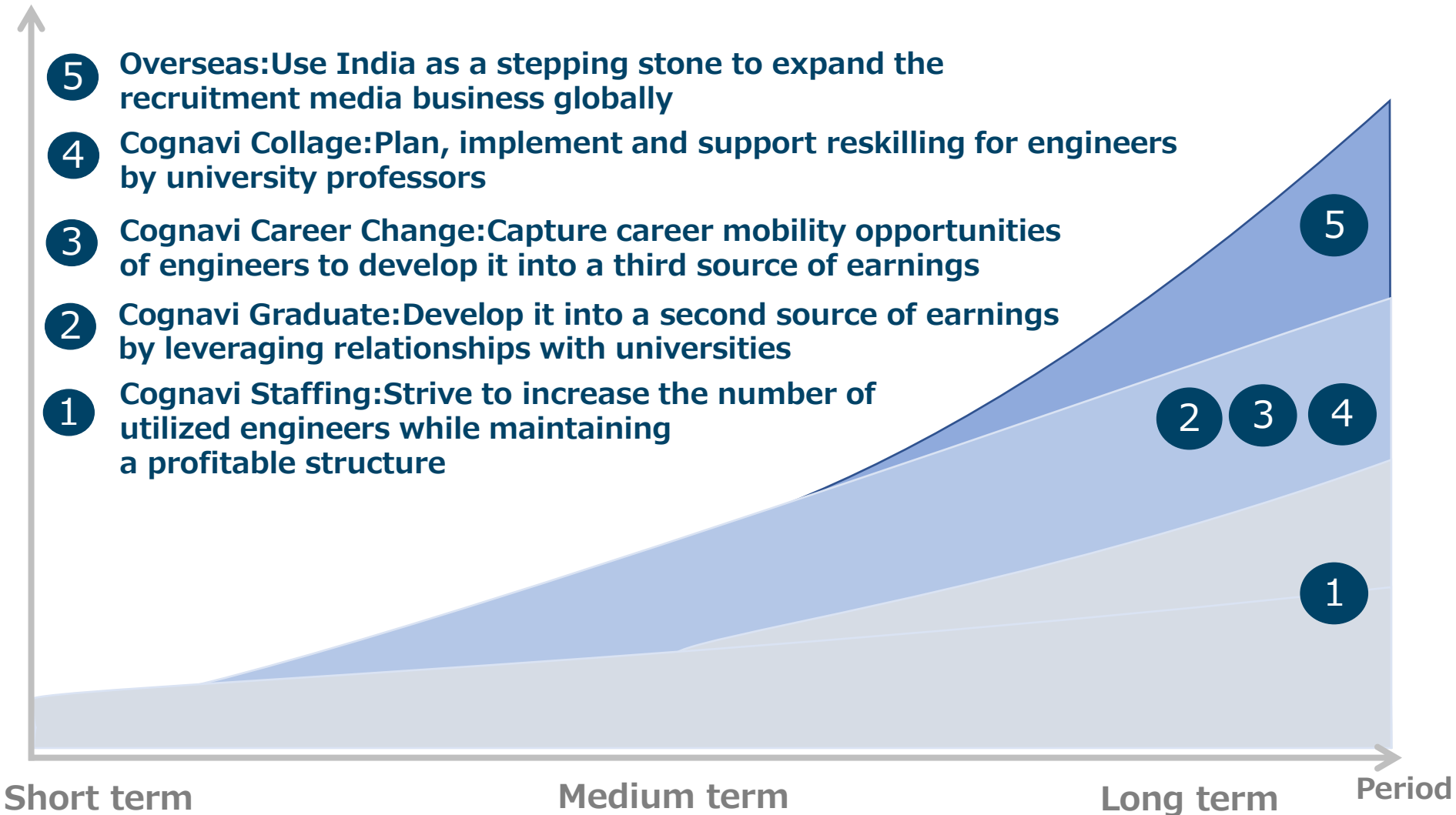
Operating Profit / Operating Profit Margin



「cognavi Vision2026」 : aiming for continuous profit growth and increased dividends.

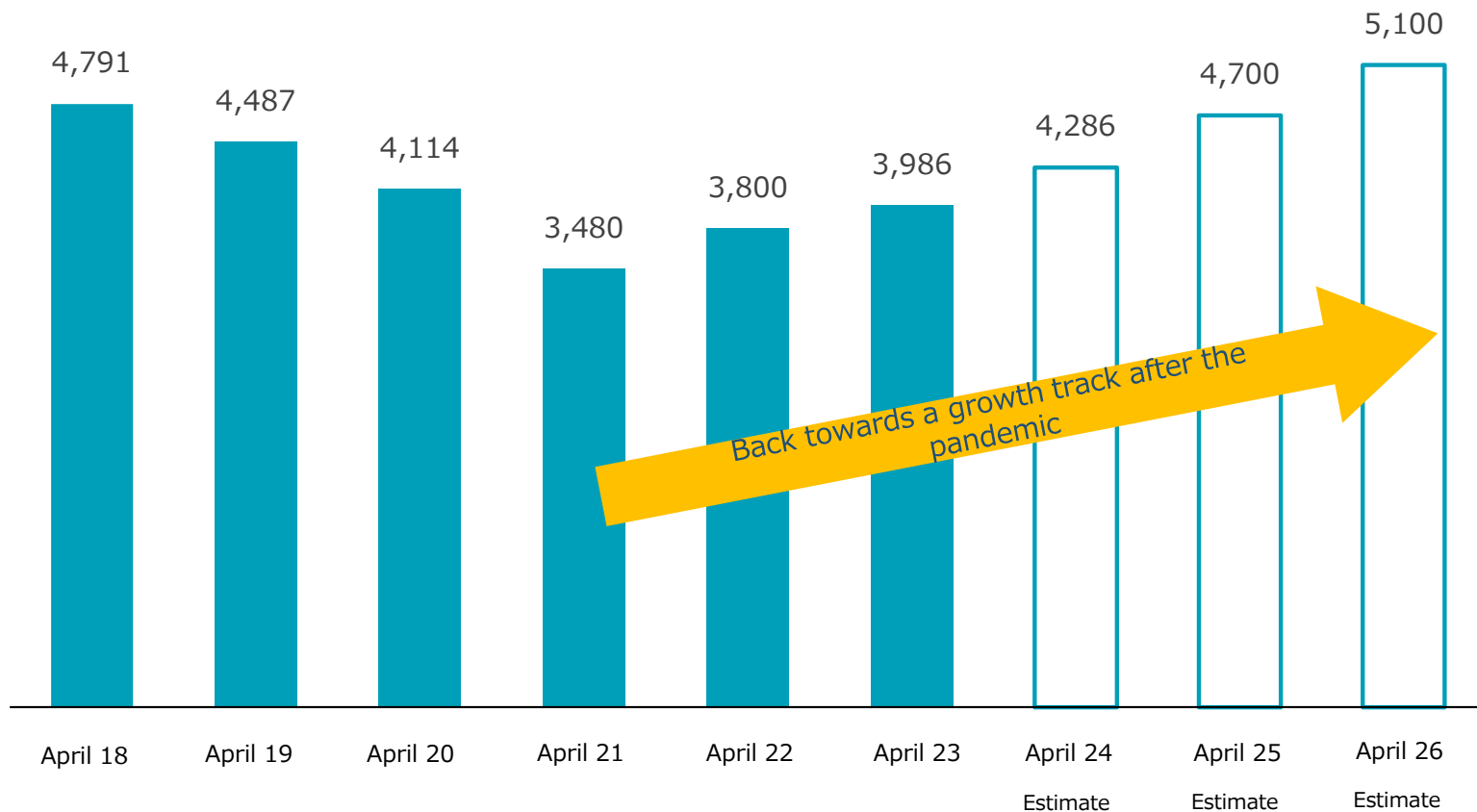


Net sales



Increase market share steadily while maintaining a profitable structure to achieve a status of 5,100 utilized engineers in three years

Number of utilized engineers



Hiring engineers is a key to organic growth in an environment with chronic shortage of engineers.

Take independent measures ② to ④ to step up recruitment and to boost the hiring rate of engineers.

① Increase the ratio of engineers hired after their applications

Propose job offers within their commutable area in response to engineers' wishes to work in their local regions

Use kokuu to propose job offers matched with their skills

Increase the hourly wage at the time of hiring to attract highly skilled engineers

② Re-employ retired engineers

Send regular email messages to engineers who retired in the past encouraging a return to work

③ Employee referral program

Send email messages regularly to employees of the Company who make job referrals to ask them for cooperation

Conduct a campaign for increasing wages at the time of entry on a regular basis

④ Prospective engineers

Send regular email messages encouraging past applicants who declined job offers to reapply

In addition to an organic increase in utilized engineers, make **use of mergers and acquisitions** in a bid for continued growth

Subjects of consideration

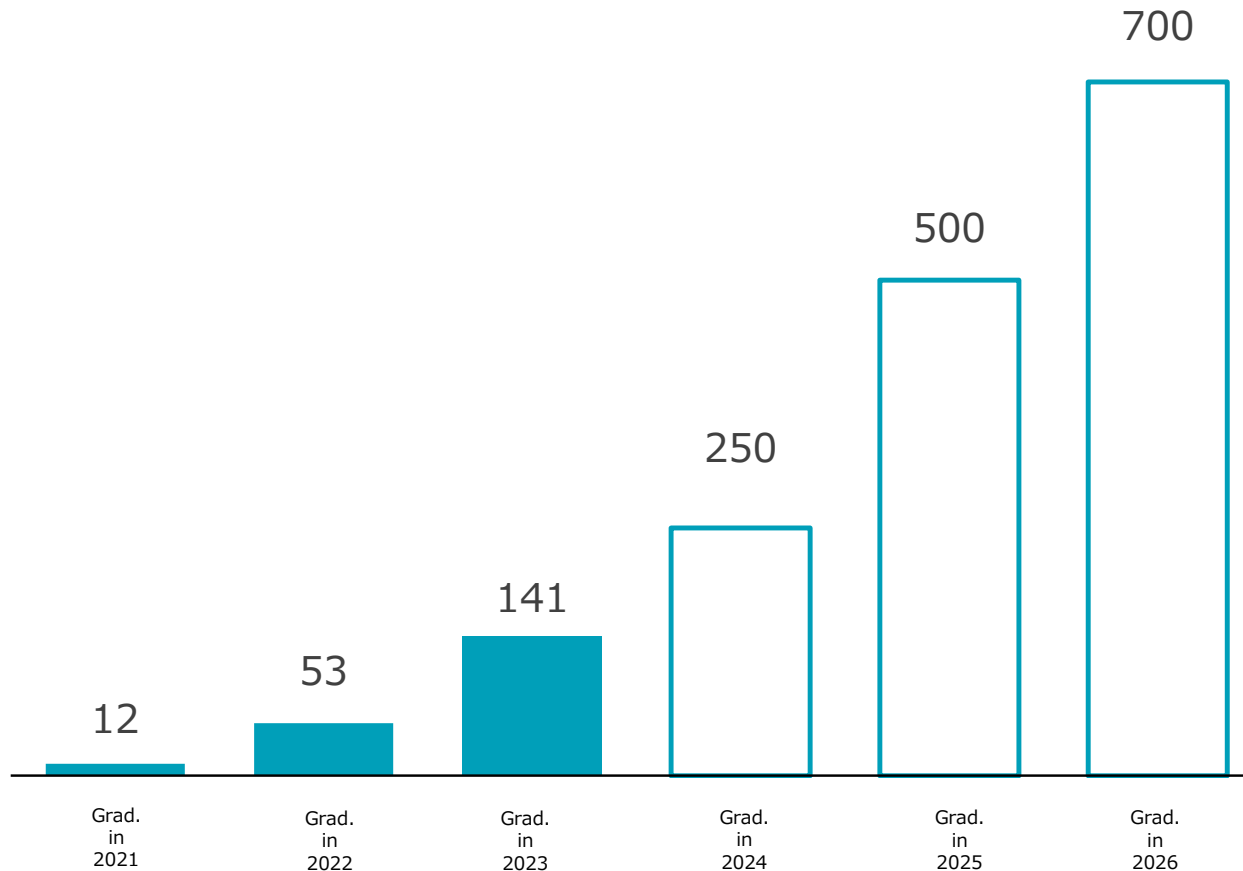
Companies in Japan only

Temporary staffing companies in mechanical and electrical areas

Companies that can spread cognavi Services together with us.

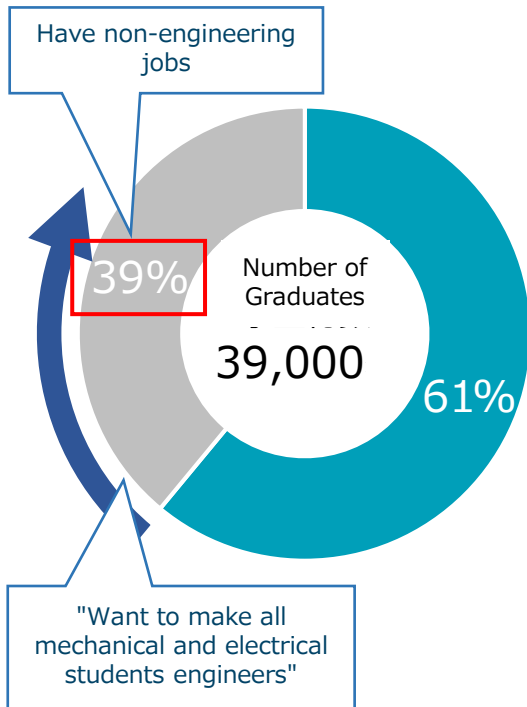
In the next three years, the Company will lay the foundation for realizing an ambition through Cognavi Graduate where all 39,000 students in mechanical and electrical engineering are hired by manufacturers to work as engineers.

Number of successful contracts

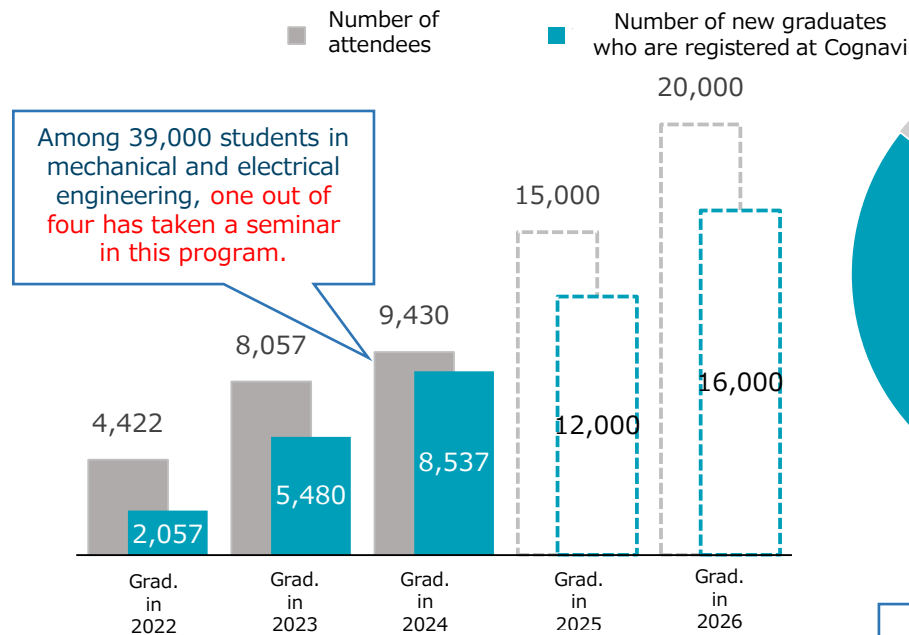


With the aspiration to make all students in mechanical and electrical engineering into engineers, the Company has been holding seminars for third-year university students in universities since 2015. In these seminars, some of the Company's employees who used to be engineers at manufacturers act as lecturers. All members of Cognavi Graduate have taken a seminar in this program.

Mechanical and electrical graduates' career choices

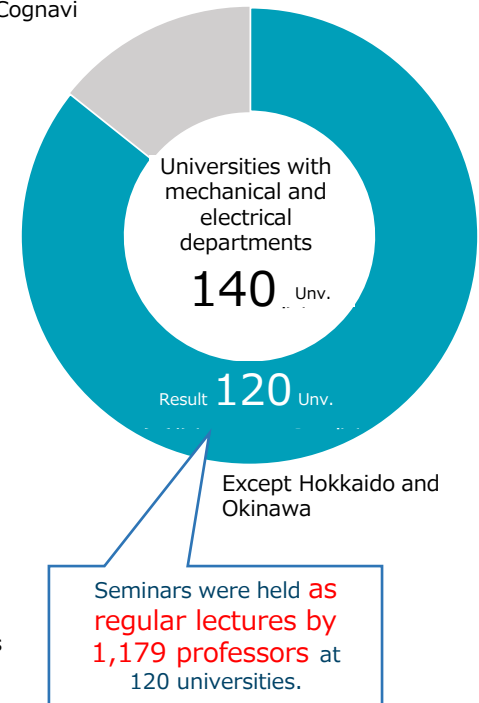


Numbers of those taking seminars and of students registered as members



Note: The number of registered students expected to graduate in 2024 is counted as of end of April 2023.

Number of universities where seminars were held



Nearly 80% of the seminars are held as regular lectures for acquiring credits. They have earned recognition and confidence to some extent at universities in mechanical and electrical engineering.



University	Chubu University
Departments and Courses	Mechanical Engineering, College of Engineering
Seminar Form	Department seminar
Number of attendees	159
Number of new graduates who are registered at Cognavi	154

University	Tokai University
Departments and Courses	Department of Precision Engineering, School of Engineering
Seminar Form	Joint seminar
Number of attendees	71
Number of new graduates who are registered at Cognavi	58

University	Ishinomaki Senshu University
Departments and Courses	Department of Information Technology and Electronics, Faculty of Science and Engineering
Seminar Form	Voluntary participation
Number of attendees	5
Number of new graduates who are registered at Cognavi	4

cognavi Vision2026 (2) Cognavi New Graduates Lecture Contents of Engineering Job Seminar

The latest technology trends are also included in the seminar, permitting students to imagine what it will be like to work for a manufacturer. Using Cognavi Graduate, students can find what jobs they will be able to do by applying what they have learned.

Relationships between latest technology trends and courses taken

- 機体の軽量化**
材料工学、材料力学、構造力学、材料強度学、機械力学、加工学 等
- 空力性能**
航空工学、流体力学 等
- フェイルセーフ、安全設計**
品質工学、信頼性工学、設計工学、システム工学、電気機器学、電子工学、情報工学 等
- フライト時間の延伸、省電力**
電気工学、電力工学、電気機器学、パワーエレクトロニクス、エネルギー工学、化学、材料工学、電気電子材料、熱工学 等

Importance of engineering in manufacturing

日本の人口
約1億2526万人

就業者数
約6646万人

モノづくり企業の就業者数
約621万人

モノづくり
約621万人

**エンジニア
64万人
約1.0%**

引用：総務省統計局 2022年1月 労働力調査

モノづくり企業 7,447社 39,548事業所
(従業員50人以上 資本金3000万円以上)

引用：経済産業省 令和3年 企業活動基本調査

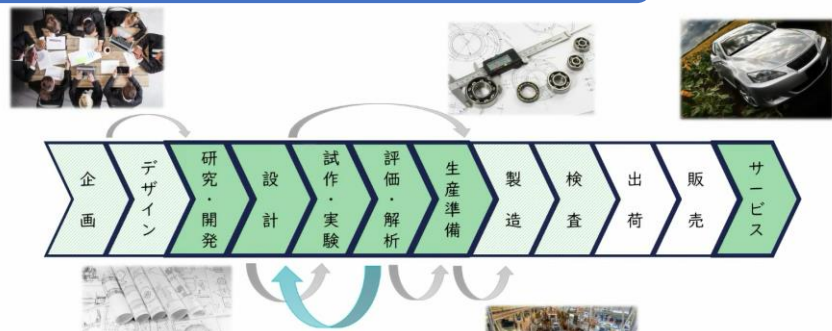
毎年卒業する学生数 約560,000人
内 **機電系学生数 約39,000人**

引用：文部科学省 令和3年 学校基本調査

多くの企業が専門を学んだ皆さんを必要としています。
👉 未来を見据えて、行動すること！

©cognavi 新卒

Manufacturing process flow and involvement of different departments



Experience of matching learning with careers through Cognavi Graduate

コグナビ
cognavi 新卒
by フォーラムエンジニアリング

学んできたこと、好きなことでマッチング

「履修科目」や「実習・実習」で習得したツールを、ツリー上に体系的に表します。成績ではなく、「好き」や「得意」を重視することで、楽しくさを目指します。

機械工学

- 計測工学
- 電子工学
- 電気回路工学
- 電力工学
- 制御工学
- CAD/CAM
- CAE
- 電子デバイス工学
- 無機材料

実習実習

- 共通
- 機械
- 電気
- 情報
- 電子回路
- プログラム
- 電子部品
- ソフトウェア
- 制御
- 電子回路
- 開発言語
- ソフトウェア
- 3D-CAD
- 制御シミュレータ
- 電子部品
- 開発言語
- ソフトウェア
- SubWork
- MATLAB
- FPGA
- C++
- Excel

ここから入って体験

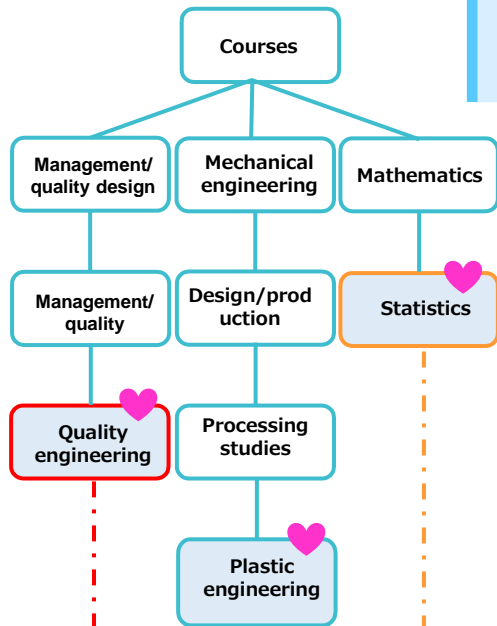
https://www.cognavi.jp/new_grad/

履修科目や学修歴が
どんな企業のどんな部署の仕事に結びつか調べてみよう。

©cognavi 新卒

Students can precisely find jobs in which they can exert their skills acquired from their desired course and accept unofficial job offers.

Skill Tree



Mechanical Engineering,
College of Engineering

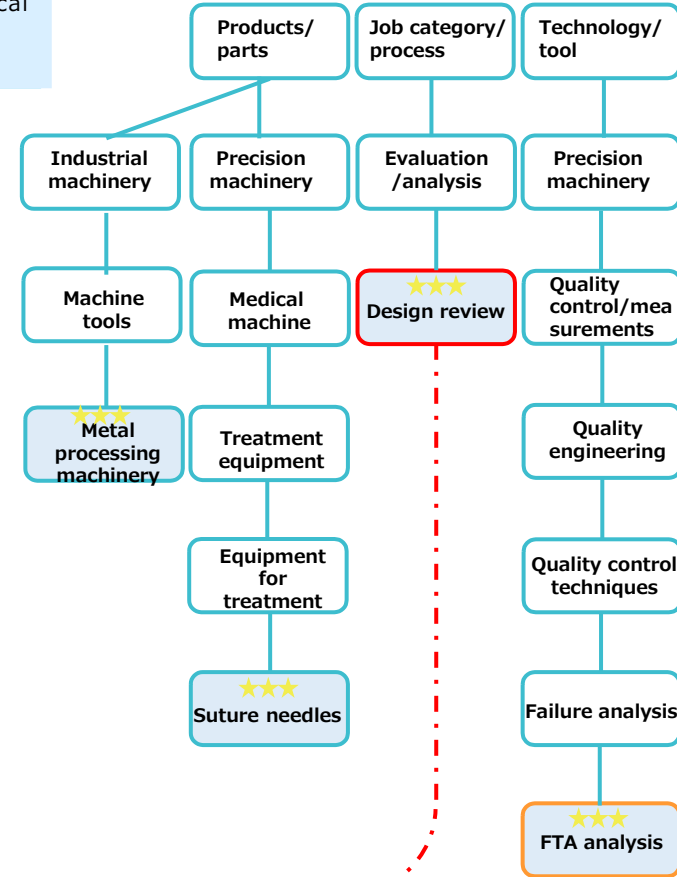


Research and development
department of a medical
equipment manufacturer

Grounds for matching

Surgical instruments and other products must conform to severe standards given that they may affect human lives and that non-conforming products are totally unacceptable. Design reviews in the development process and analysis of deficiencies require knowledge in quality engineering and in statistics.

Technical Tree



It supports engineers who joined manufacturers through Cognavi Graduate when seeking other employers later.

Capture career mobility opportunities of engineers to develop it into a third source of earnings.

Screen for job seekers



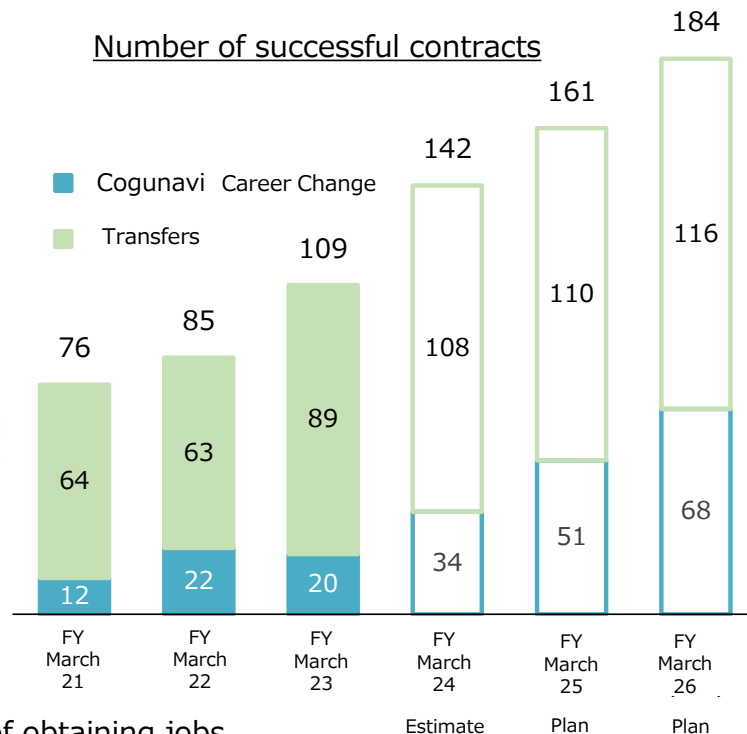
Job seekers search for job opportunities where their skills are useful within their commutable areas.

Screen for company side

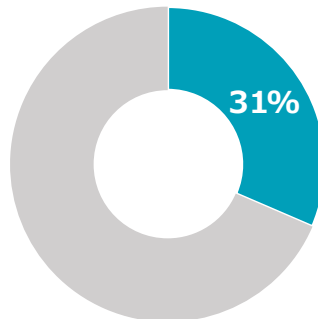


Companies understand what the market of engineers owned skills sought is like.

Number of successful contracts



Ratio of job quits within three years of obtaining jobs (among university graduates)



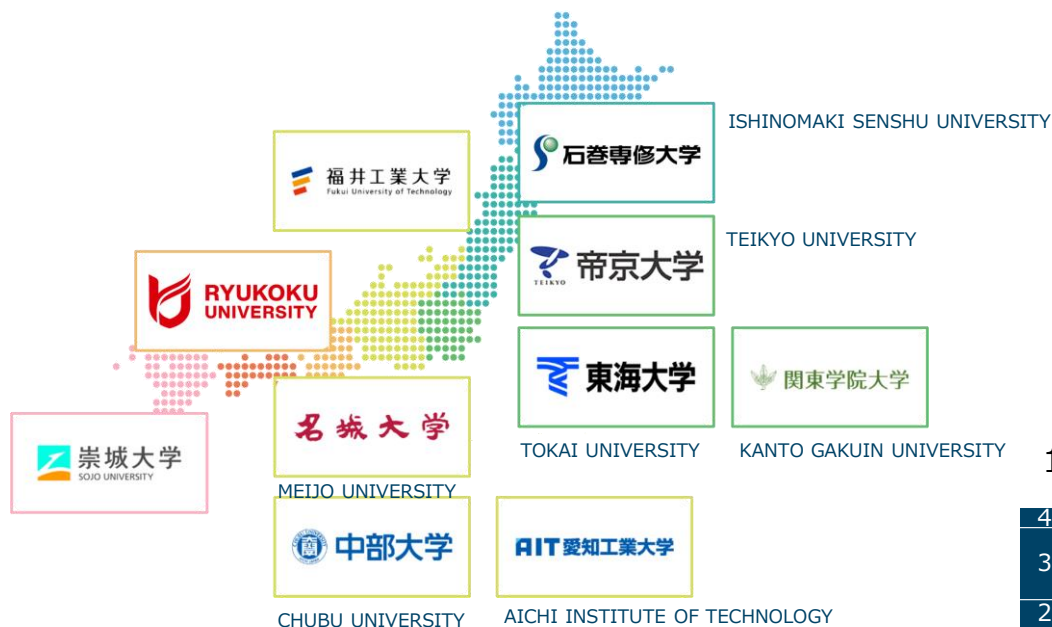
Note: Ministry of Health, Labour and Welfare: Status of Labour Turnovers among New Graduate Workers (graduating in March 2019)

It provides skill training reskilling for engineers working for manufacturers at partner universities.

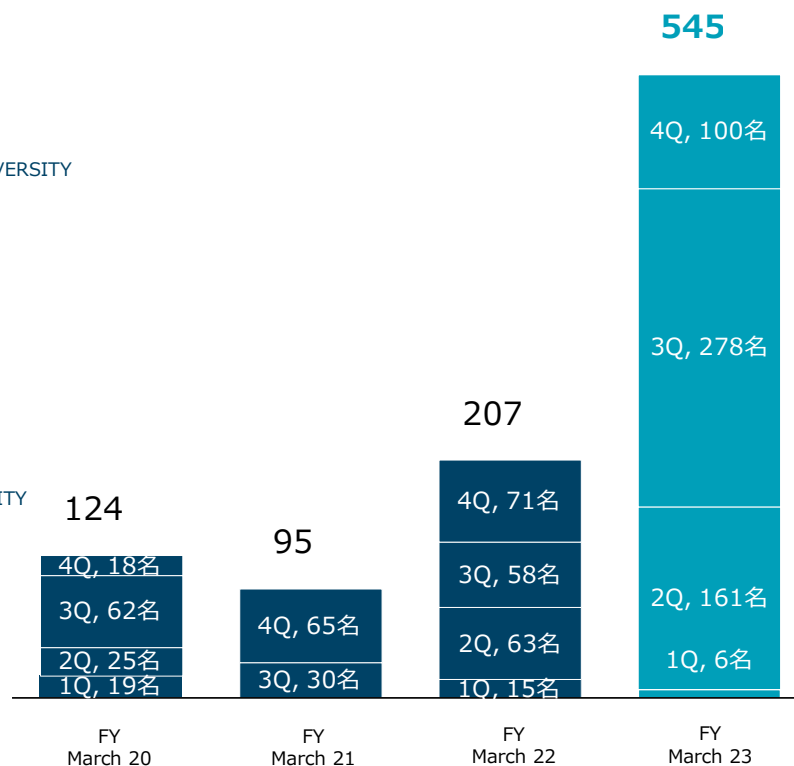
It develops a database of skills owned by professors to make precise matching of highly technical training according to corporate demand for reskilling.

Partner universities

Note *As of the end of March 2023



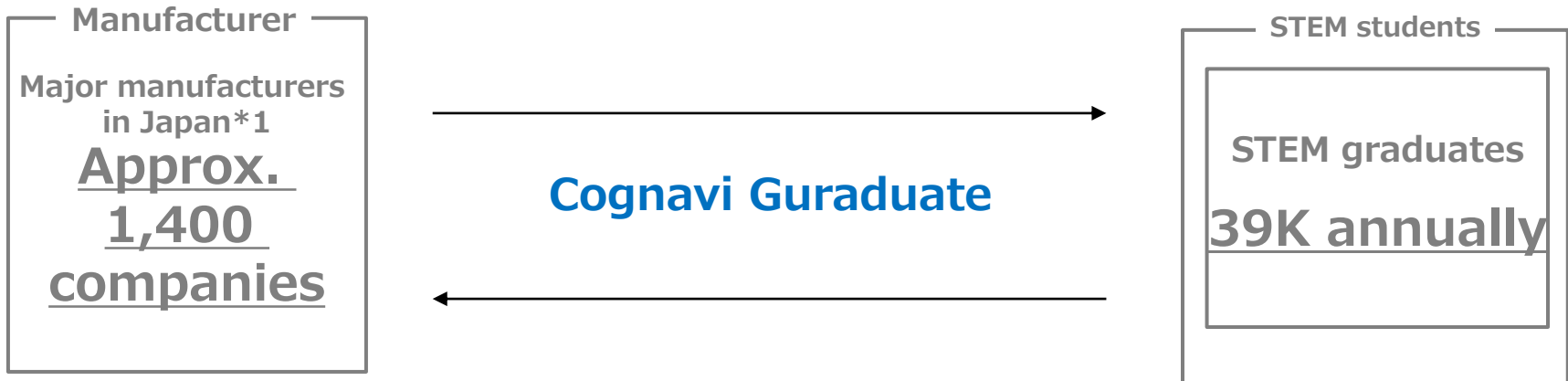
Number of students



In partnership with a total of 11 universities
Total number of professors: Approx. 800

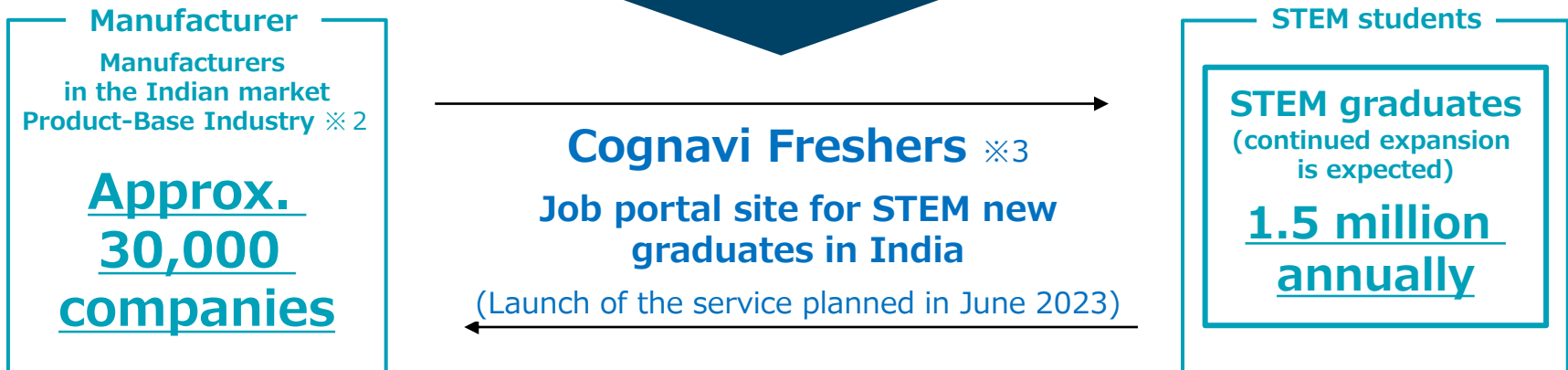
Cognavi Vision 2026 (5) Cognavi India Expansion to India

In 2022, we entered India, where the market potential is more than 35 times greater than it is in Japan. Aim to turn all students in mechanical and electrical engineering into engineers, as in Japan, in a bid to swiftly achieve profitability.



*1 Number of our targets

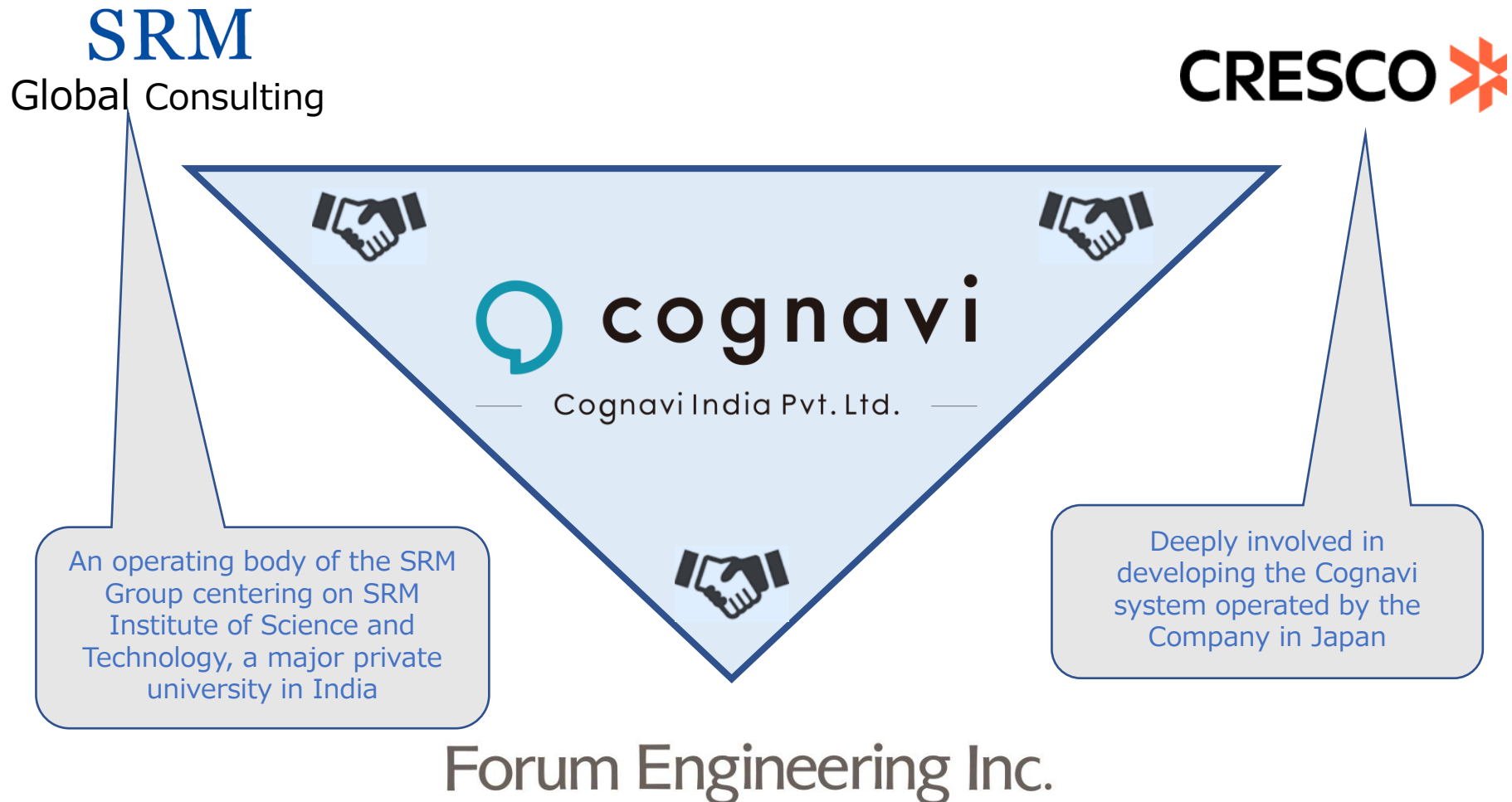
Expanding the "Cognavi Graduate" model from Japan to India



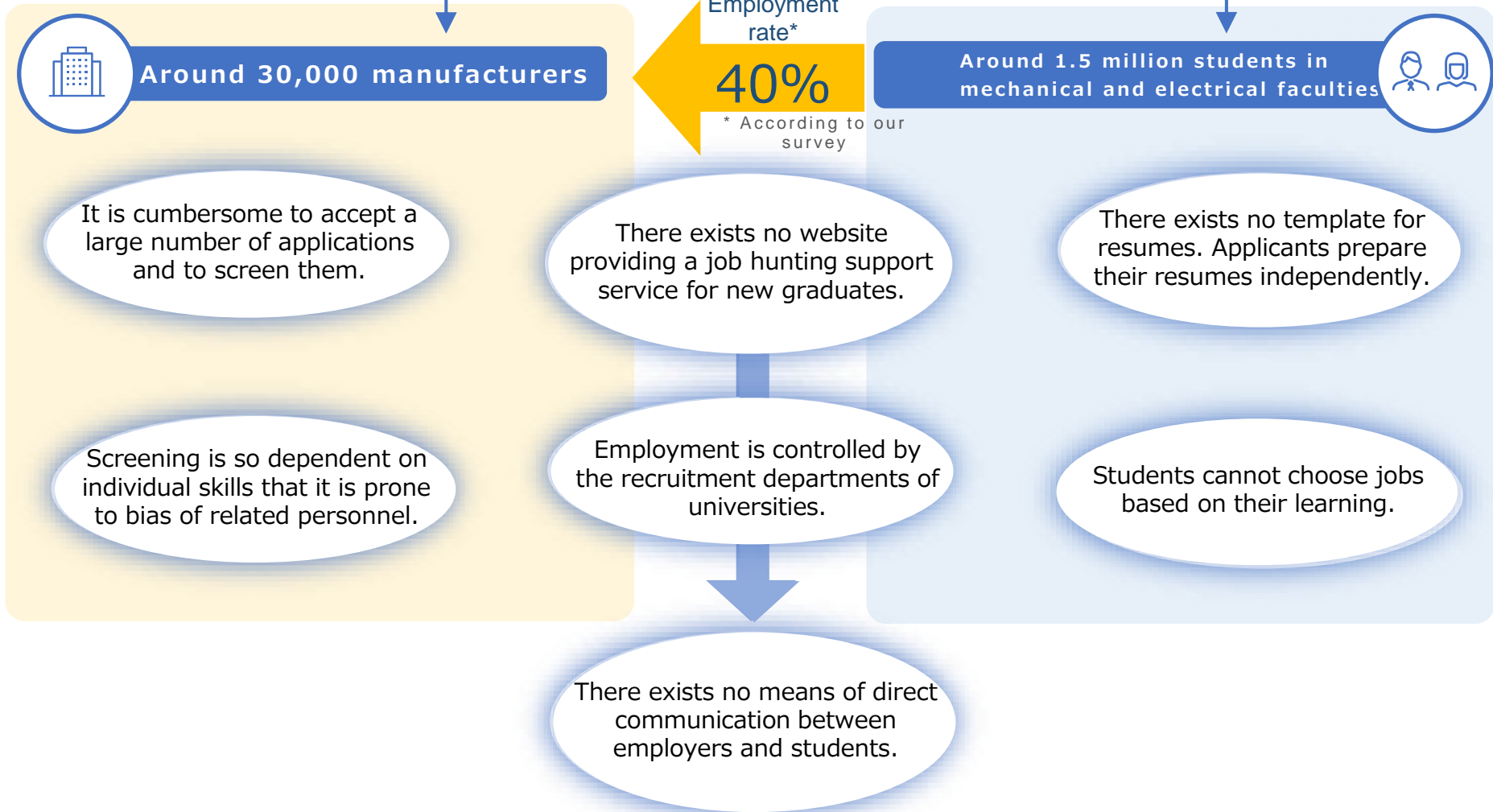
*2 Estimated by Forum Engineering based on local market data

*3 Tentative name

Cognavi India Private Limited operates in India to develop and run a job portal website linking science and engineering students in India with local manufacturers. The Company partners with India-based SRM Global Consulting Private Limited and Japan-based Cresco Ltd. and decided to take a capital stake in it.



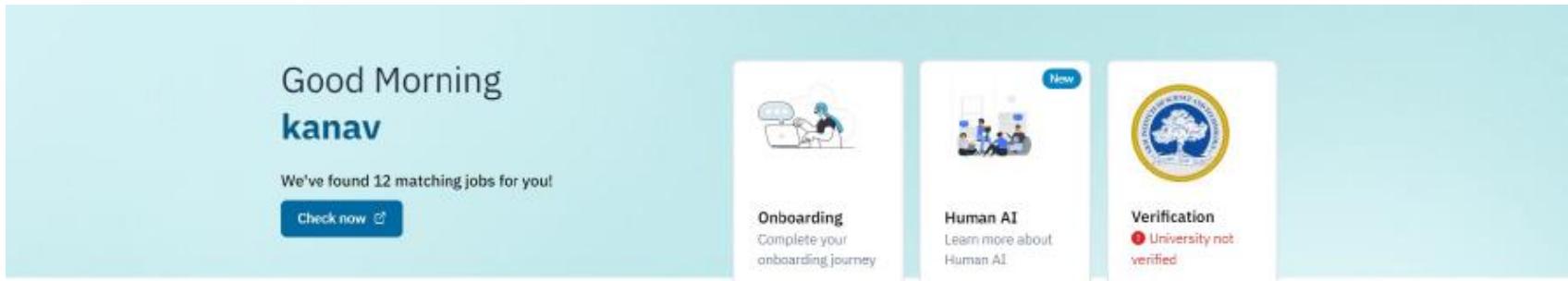
The demand and supply are unbalanced.
(There are an overwhelmingly larger number of students.)



To cope with these issues, Cognavi Freshers establishes a job hunting platform.

Cognavi India is in the process of developing a job portal website specially designed for students who are prospective graduates in India. Launch of the service planned in June 2023

Home screen for student users



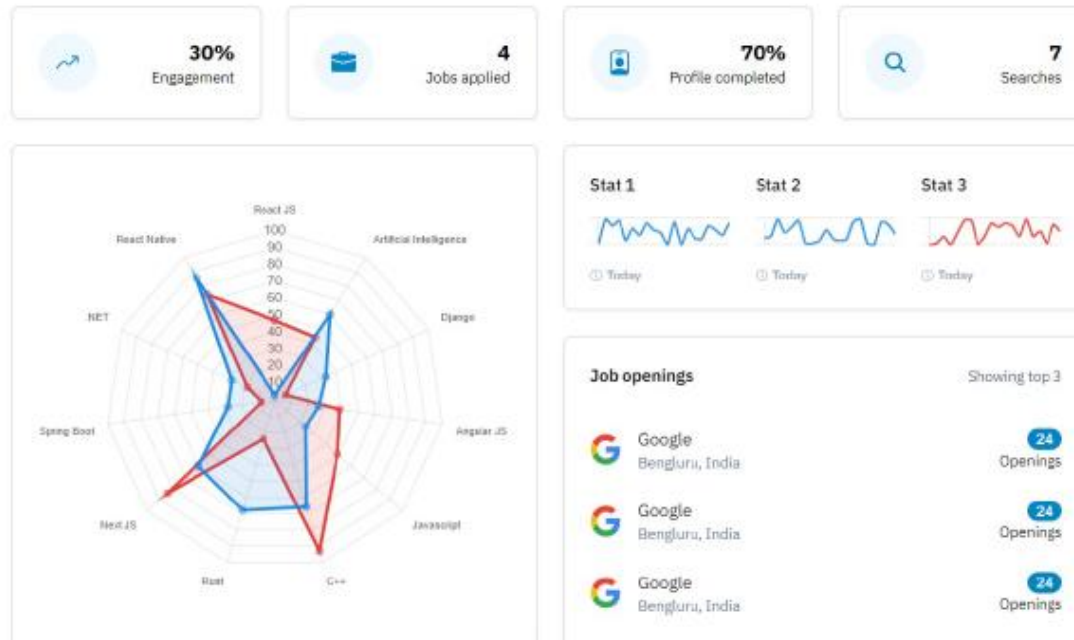
Good Morning **kanav**

We've found 12 matching jobs for you!

[Check now](#)

- Onboarding**
Complete your onboarding journey
- Human AI**
Learn more about Human AI
- Verification**
University not verified

Current Statistics



- 30%** Engagement
- 4** Jobs applied
- 70%** Profile completed
- 7** Searches

Stat 1 **Stat 2** **Stat 3**

Showing top 3

- 24** Openings
- 24** Openings
- 24** Openings

There exists no template for resumes. Applicants prepare their resumes independently.



Resume builder

Software Engineer
SEO Executive

Publish

Education Details

Work Experience

Skills 20/20

After a user selects their own skills, the system automatically creates a resume for them.

- Android
- Android sdk
- Mobile
- Development
- Design
- Javascript
- Json
- Mysql
- Xml
- Java
- Machine learning
- Data visualization
- Factor analysis
- R
- Sql
- Python
- Django
- Android development
- Application
- Applications

Projects 0/5



kanav+student@eoraa.com
Mapusa, India, 123456

Social Links
https://www.linkedin.com/in/shantanu-bahuguna-051487140/

Education
ajhdaskjh
eqweqwe, qweqweqweq
2022-2022

Skills

- Android
- Mobile
- Design
- Json
- Xml
- Android sdk
- Development
- Javascript
- Mysql
- Java

Displaying skills required for the selected job type and their weight in the form of a pie chart
Allowing users to compare their own skills with the skills displayed

Skills Weightage

Showing weightages of top 15 skills



It is cumbersome to accept a large number of applications and to screen them.

Applicants management screen for corporate users

Screening is so dependent on individual skills that it is prone to bias of related personnel.

The screenshot shows a job management interface for a 'Senior Software Developer/ Lead Developer' position. The interface includes a search bar, filters for activity level, graduation year, AI score range, state, and city, and a table of candidates. A yellow box highlights the 'AI Score' column, and a callout points to it with the text 'Indicating AI matching scores of individual candidates'. Another yellow box highlights the 'Activity' column, and a callout points to it with the text 'Comparing candidates in a list for individual job types for which applicants are sought'.

	Name	Activity	Graduation Year	Age	Matching Skills	Missing Skills	Views	AI Score
<input type="checkbox"/>	William L.	Active	2019	40	42	54	75	AI 14
<input type="checkbox"/>	Lorene S.	10 days ago	2019	38	83	63	36	AI 72
<input type="checkbox"/>	Ellen W.	10 days ago	2015	31	26	4	87	AI 54
<input type="checkbox"/>	Elsie C.	4 days ago	2018	47	79	26	89	AI 60

Comparing candidates in a list for individual job types for which applicants are sought

1. Our Mission

2. Medium-Term Management Plan

[cognavi Vision2026]

3. Sustainability initiatives

Mission

*Seeking for the World Where
Skills Connect with One
Another*



ESG



SDGs

◆ 「cognavi Vision2026」 Sustainability initiatives

– Japan is a manufacturing country now facing a structural shortage of engineers after its population began to decline. In Japan and around the world, we will link courses taken by mechanical and electrical students and skills owned by mechanical and electrical engineers with manufacturers seeking them on our original skill matching system, Cognavi, with a view to a world where skills connect. –

In medium- and long-term pursuit of its mission from three perspectives of the environment (E), society (S) and governance (G), the Company will take actions in consideration of the 17 universal sustainable development goals (SDGs) addressed by the United Nations for building a sustainable society by 2030. The Company will thus find subjects to work on for conducting new ESG practices that lead to the Company's sustained growth.



ESG	Actions (as of May 12, 2023)	SDGs Target
E	Active use renewable energy at the head office	
E	Accelerate DX and a paperless shift and improve work processes	
S	Continue to hold engineering job seminars for students in mechanical and electrical engineering	
S	Plan and implement corporate training and reskilling training for engineers at universities	
S	<p>Use an original AI matching technology based on skills and learning</p> <ul style="list-style-type: none"> Provide full support for engineers' career development from the stage at which they are still students expected to graduate. Help create job opportunities in regional areas where many manufacturers have business sites and research institutes Skill Tree Matching will enable sales staff with no engineering backgrounds to carry out sales activities. 	
S	Sponsoring RoboCup Japan Open and Rescue Robot contests.	
S	Invest in social bonds issued by the Japan Student Services Organization for the foundation of scholarship.	
S	Carry out a normalization project	
G	<p>Maintain a well-balanced governance structure</p> <ul style="list-style-type: none"> Five inside directors, three outside directors and three outside Audit & Supervisory Board members (as of May 2023) 	
G	<p>Set up a Nomination and Compensation Committee chaired by an outside director</p> <ul style="list-style-type: none"> Two outside directors and one inside director (as of May 2023) 	
G	Take measures for cybersecurity	



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