Presentation Material Regarding Sansan Business

Sansan, Inc.

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Self-introduction

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Sansan, Inc.
Director, Sansan Division Head

Kei began his career with Oracle Corporation Japan, and was based in Shanghai and Bangkok to take charge of market development across Greater China, Southeast Asia, and India. Since cofounding Sansan Inc. in 2007, Kei has headed up the B2B Sansan Division, and also currently leads the company's global expansion.

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"Sansan" Service Overview

Business platform to transform business contact information into assets

sansan

Uncover your hidden network.
Find opportunities. Make deals.

The No.1 share in B2B cloud-based business card management service [1], supporting the growth of the company by collectively managing business cards owned by the company
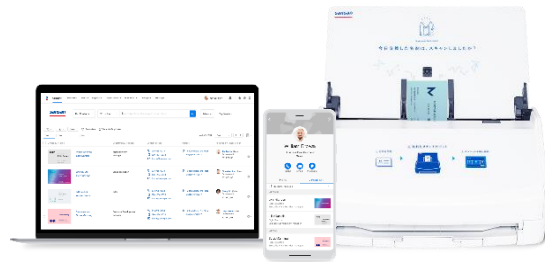
Dedicated tablet or scanner for reading business cards
(Also readable via smartphone app)

B2B cloud-based business card management service
Business card digitization with 99.9% accuracy

Major features of "Sansan"

- Business card management/sharing/search
- Company master information
- Person master profile
- Organizational tree
- Cooperation function with Teikoku Databank
- Distribution of personnel changes
- News feed
- Financial results analysis report
- E-mail delivery
- Customer management
- Contact management

- Sansan Data Hub
- Risk intelligence powered by Refinitiv
- Survey tool powered by CREATIVE SURVEY
- "Salesforce" opportunity integration
- "CloudSign" contract management
- API related business card
- E-mail magazine delivery
- Internal contact list
- Internal message
- Security control
- Other management functions

(1) Sales share of companies in the contact management services for corporations based on "Contact Management Service Market and SFA/CRM Businesses 2020" by Seed Planning, Inc. released in January 2020

The Unique Value of Business Cards

- Business cards are **exchanged in any situation, regardless of industry or occupation**

- Business cards contain **accurate and valuable information** representing the holder, such as name, company or organization, job title, and contact information

- **Exchanging business cards itself is also a valuable** source of information; with whom, for what purpose, and when

- Highly linked and augmentable with various business management tools, business card information and customer information form **center (gateway) of ecosystem**

- Even today, business cards are still almost all paper, and there is **a lot of scope for increased efficiency** in future operations and management methods.

User Benefits of "Sansan"

In response to corporate issues, providing a range of installation benefits to achieve "Uncover your hidden network. Find opportunities. Make deals."

Improving employee productivity	• Digitizes business card data automatically with 99.9% accuracy • Shortening management/ search time for business cards

Improving productivity of existing operations	• Consolidates various existing operations on "Sansan" platform • Cooperation with external tools

Strengthening sales activities	• Creating new business opportunities by in-house sharing of business card information • Recording/sharing of contact information

Strengthening compliance	• Minimization of management risk by automating anti-social forces check option • Centralized management of customer information

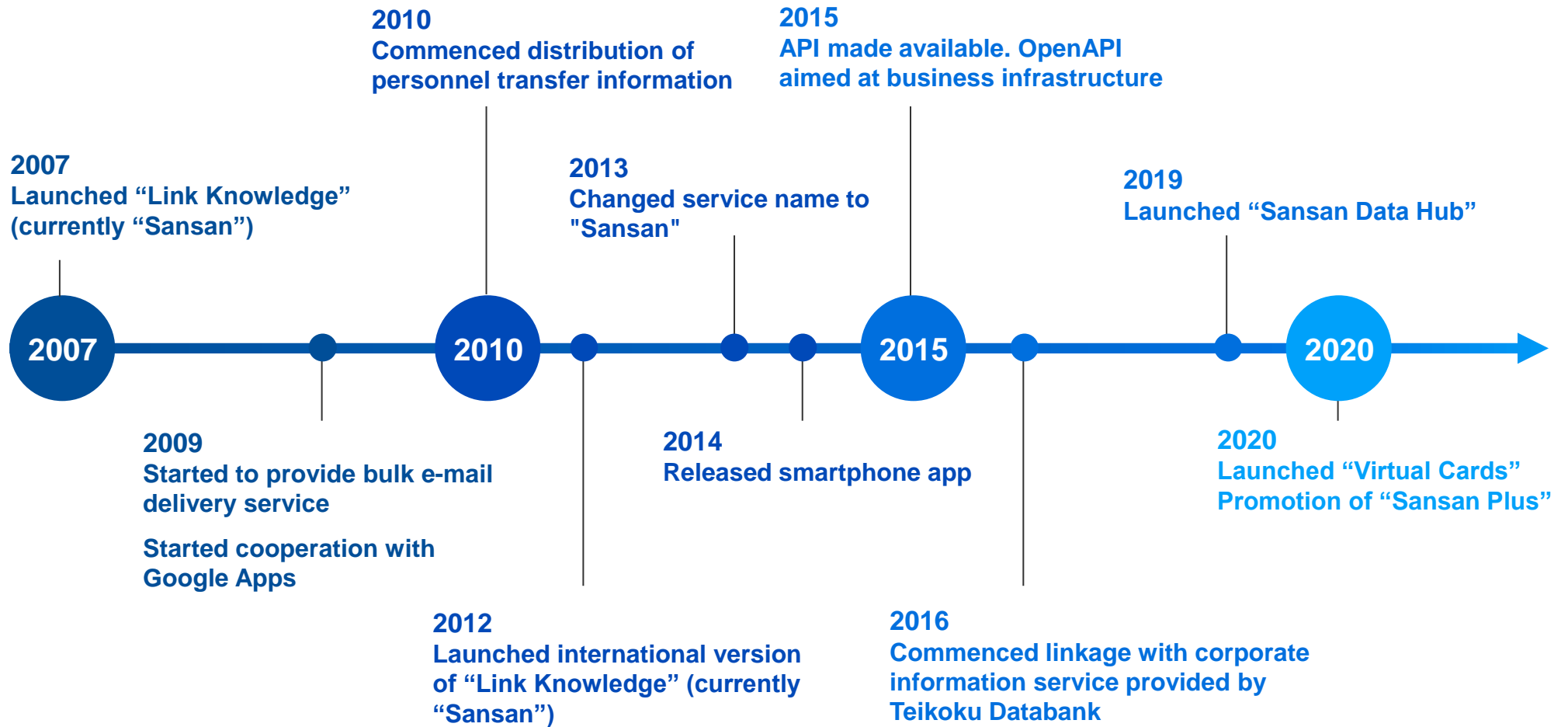| **Accelerating marketing activities**	• Organization/integration/enrichment of data by means of name aggregation technology • Effective use with external tools

Activation of internal cooperation	• Internal contact list/message • Visual representation of colleagues' areas of expertise based on analysis of business cards held

Service Plans for "Sansan"

Providing a fee plan as a basic plan assuming use by all employees within a company

	A. Basic company-wide use plan	**B. Previous plan (ID subscription)**	**Timing of payment**
1 **Initial cost** (Initial costs)	**A) 12 months' license cost** Cost for digitizing existing business cards	**B) Cost according to number of contract IDs** Data conversion costs for business cards already held (there is an upper limit placed on the number of business cards)	At the start of the contract
2 **Customer Success Plan** (Initial costs)	**A, B) Offer introduction support plans with individual quotation** Costs for implementation and operational support of "Sansan" services		At the start of the contract
3 **Scanner** (Running costs)	**A, B) Monthly ¥10,000 per scanner** Rent scanners and tablets to customers, whose number responds to the number of their office floors, and/or the number of branches		At the start or renewal of the contract
4 **License cost** (Running costs)	**A) Determined according to the monthly number of exchanged business cards (annual subscription)** Tens of thousands to millions of yen per subscription	**B) Setting according to number of contract IDs (annual subscription)** Fixed billing for each ID (there is an upper limit placed on the number of business cards converted into data)	At the start or renewal of the contract

History of "Sansan" Service

2010
Commenced distribution of
personnel transfer information

2015
API made available. OpenAPI
aimed at business infrastructure

2007
Launched "Link Knowledge"
(currently "Sansan")

2013
Changed service name to
"Sansan"

2019
Launched "Sansan Data Hub"

2007 ─── **2010** ── **2015** ──── **2020** →

2009
Started to provide bulk e-mail
delivery service

Started cooperation with
Google Apps

2014
Released smartphone app

2020
Launched "Virtual Cards"
Promotion of "Sansan Plus"

2012
Launched international version
of "Link Knowledge" (currently
"Sansan")

2016
Commenced linkage with corporate
information service provided by
Teikoku Databank

Business Performance [1]

Net Sales in Sansan Business

(millions of yen)

■ Recurring Net Sales[2]　■ Others

3,356

1,605

194

1,410

156

3,199

| Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 |
| FY2017 | | | | FY2018 | | | | FY2019 | | | | FY2020 |
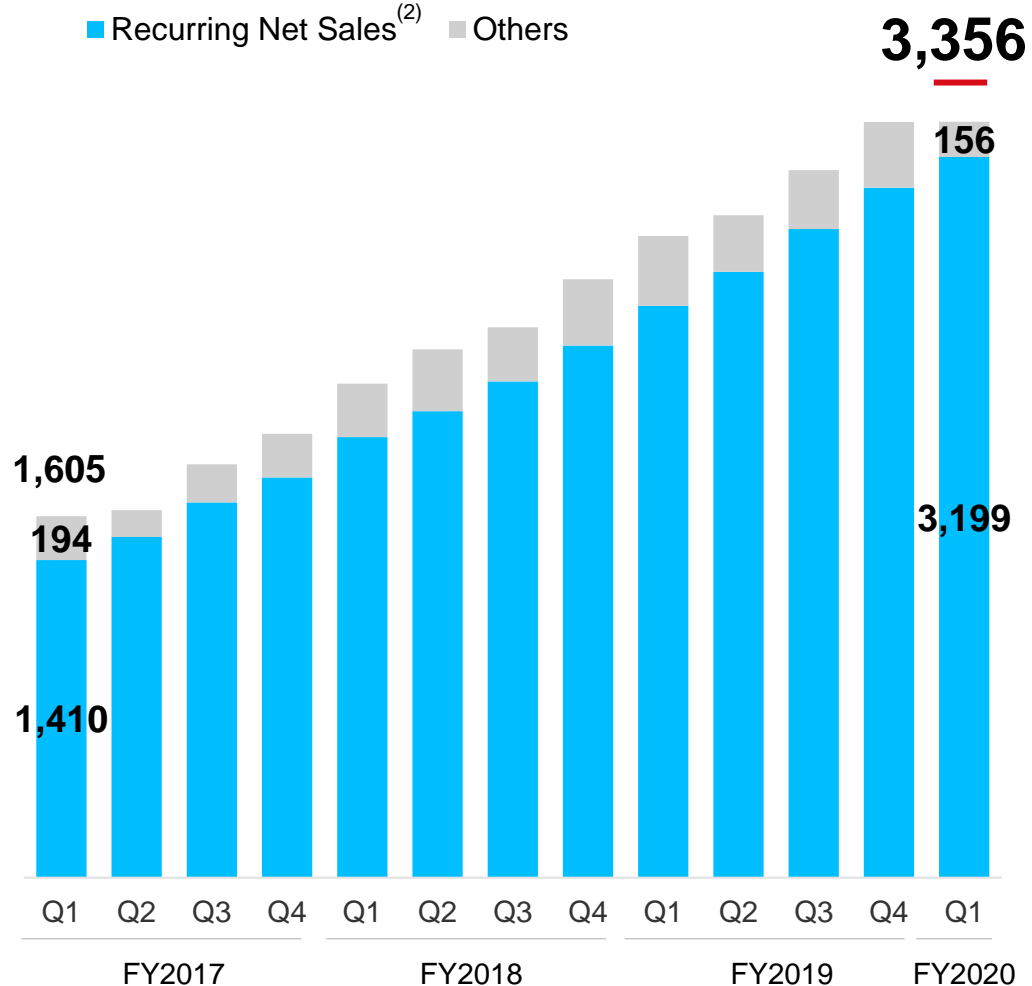
Operating Profit in Sansan Business

(millions of yen)

1,272

664

| Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 |
| FY2017 | | | | FY2018 | | | | FY2019 | | | | FY2020 |
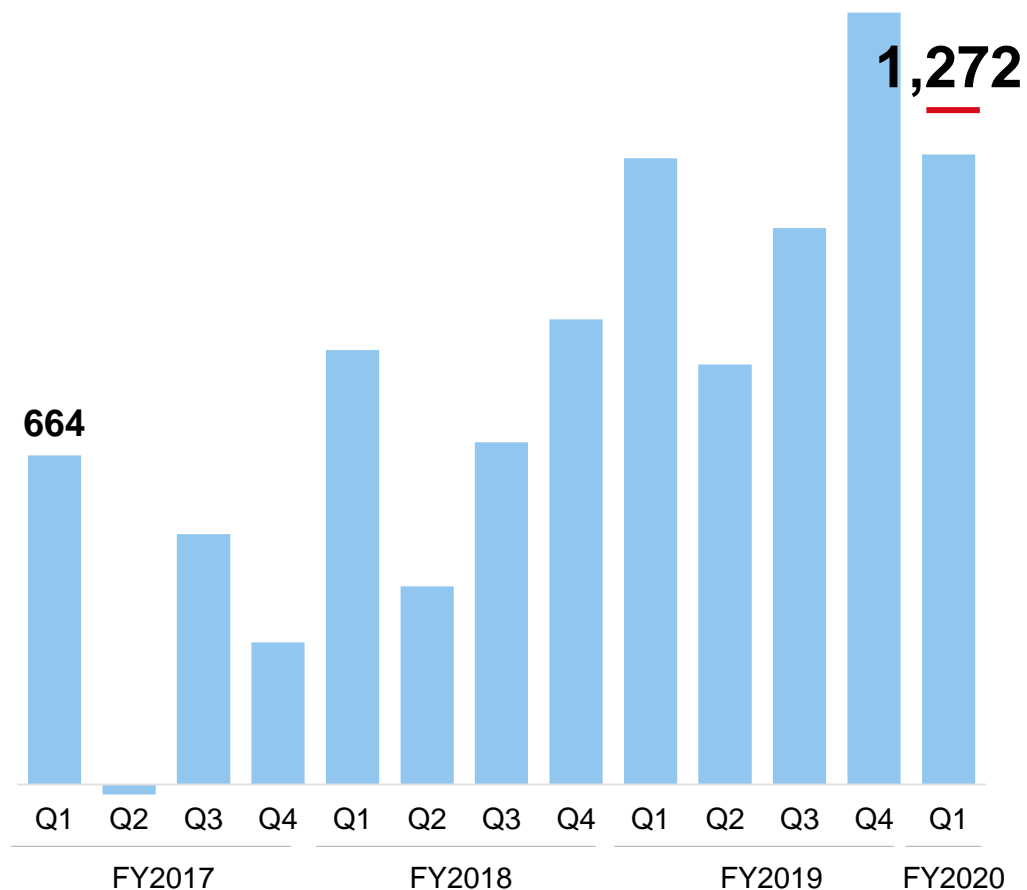
(1) Quarterly results for FY2017 were unaudited
(2) Fixed revenue with regard to "Sansan" (unaudited)

Key Indicators

Number of "Sansan" Subscriptions and Monthly Sales per Subscription [1]	Last 12 Months Average of Monthly Churn Rate for "Sansan" [2]

(Subscriptions)
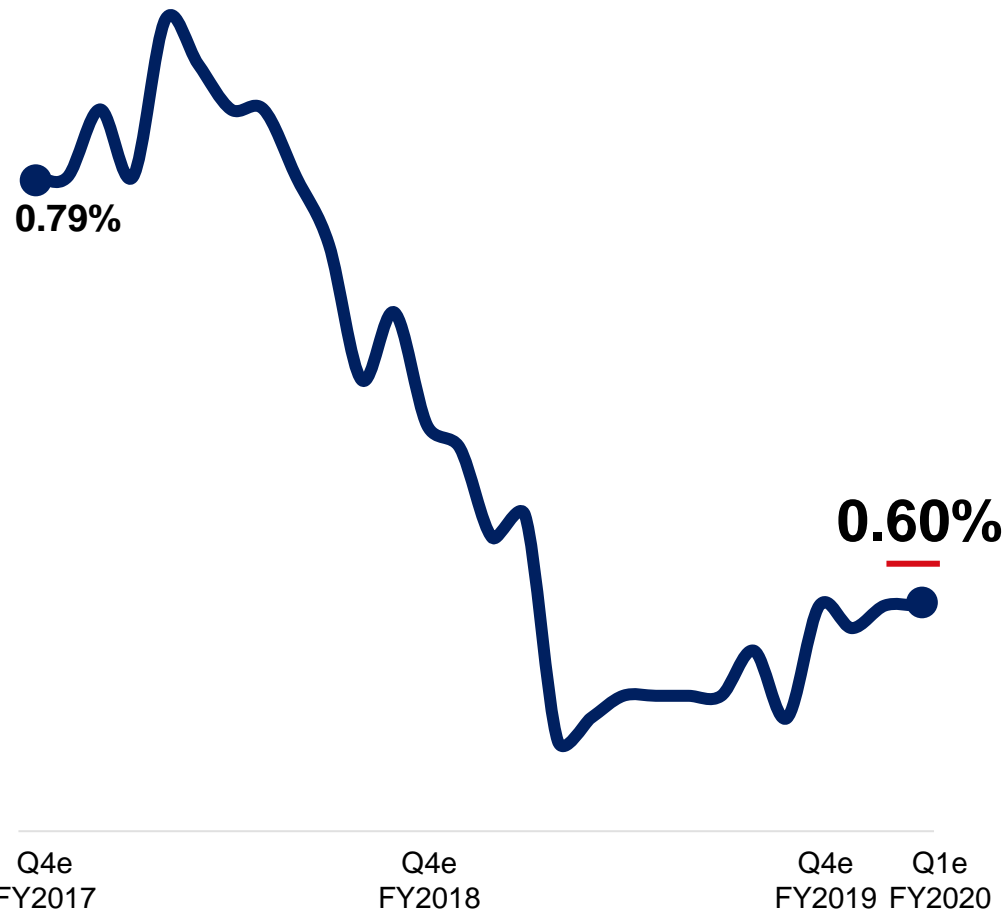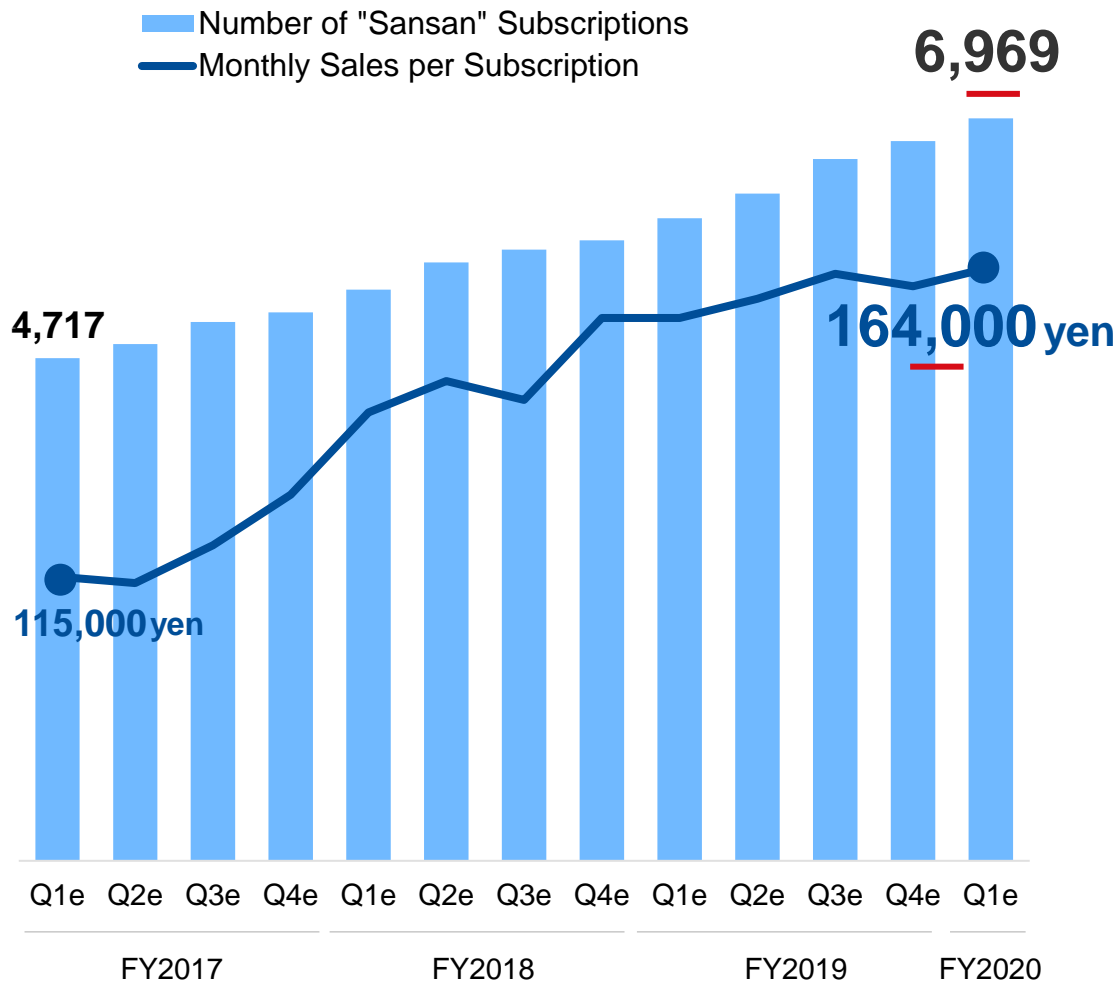
- Number of "Sansan" Subscriptions
- Monthly Sales per Subscription

6,969

4,717

164,000 yen

115,000 yen

Q1e	Q2e	Q3e	Q4e	Q1e	Q2e	Q3e	Q4e	Q1e	Q2e	Q3e	Q4e	Q1e
FY2017				FY2018				FY2019				FY2020

0.79%

0.60%

Q4e FY2017	Q4e FY2018	Q4e FY2019	Q1e FY2020

(1) Monthly results for the end of the quarter in Sansan Business (incl. some new services other than "Sansan", unaudited)
(2) Ratio of decrease in monthly fees associated with contract cancellations to total monthly fees for existing contracts

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Current Position

Sansan, the B2B cloud-based business card management market pioneer, has acquired overwhelming market share and diverse set of customers

Overwhelming Market Share and Recognition	Solid Customer Base with more than 6,900 Subscriptions

Sales share in 2018 [1]

Sansan
82.8%
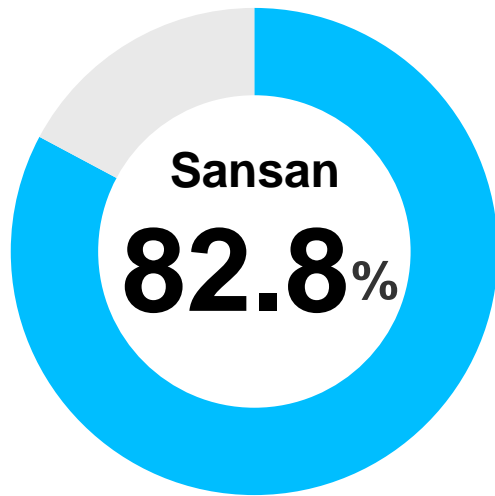
Ver. 5 TV commercial title:
We know the customer 2017, "Our boss missed an opportunity" [2]

Ver. 8 TV commercial title:
"Remotely Done"

経済産業省 Ministry of Economy, Trade and Industry　徳島県　SMBC 三井住友銀行　MIZUHO
MUFG 三菱UFJ信託銀行　MITSUI&CO.　ITOCHU　Marubeni
NOMURA　あなたの未来を強くする 住友生命　TOYOTA　DENSO
Panasonic　LION　EBARA　三井化学
NEVER SAY NEVER ロート製薬　SHISEIDO　KIRIN　Calbee 掘りだそう、自然の力。
dentsu　朝日新聞　NTT　docomo
AKT/O　エネルギー・フロンティア TOKYO GAS　TEPCO　MOL 商船三井
豊田通商株式会社　SEVEN & i HOLDINGS　三菱地所　三井不動産 都市に豊かさと潤いを
東急不動産ホールディングス　清水建設 子どもたちに誇れるしごとを。　戸田建設　AGC
NTT DATA　HITACHI Inspire the Next 日立システムズ　FUJITSU 株式会社富士通マーケティング　PASONA

(1) Sales share of companies in the contact management services for corporations based on "Contact Management Service Market and SFA/CRM Businesses 2020" by Seed Planning, Inc. released in January 2020
(2) Won the top prize in the service and culture section of the 71th Dentsu Advertising Awards

Competitive Edge: Unique Structure and Technology that Enables Card Digitization with 99.9% Accuracy

Established proprietary analog information data conversion operation that achieves both speed and accuracy

Prompt and accurate digitization of a large volume of business cards

Scan a large volume of business cards

Automatic and manual data entry of business card images

AI: Data entry

+

Human: Manual entry

Human: Final check

Database

Cycle repeated since the company's foundation
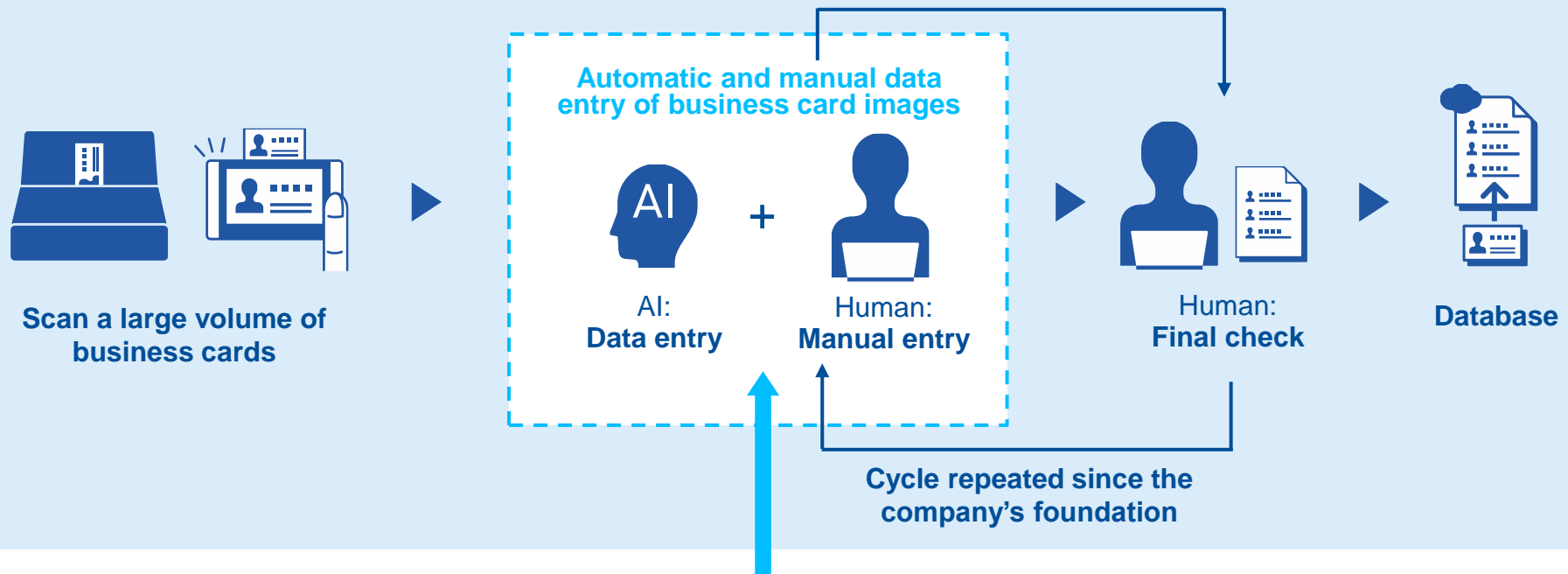
Combination of technologies

| Automatic detection and microtasking of business card information | Automatic detection of business card language | Automatic sorting to operators | Diverse network of data entry operators | Image processing technology |

Competitive Edge: Functionality as a Business Platform

Various operations and functions are integrated on "Sansan" with business card management function and customer information at the gateway

In-house Developed Additional Functions

"Sansan Data Hub"   "Collaboration with Colleagues"

OpenAPI Provision [1]

Marketo   kintone   セールスマネージャー Remix CLOUD

ZOHO CRM   Microsoft Dynamics CRM   Senses

bodais   LF List Finder 有望商談を発掘する   zapier

KONTAKT

External Service Information Distribution

KYODO   ダイヤモンド社 DIAMOND, Inc.

東洋経済 TOYO KEIZAI   SPEEDA

Business Card Management

sansan

Uncover your hidden network. Find opportunities. Make deals.

External Services and Partners Integration

sansan+

sansan+ APP

REFINITIV   帝国データバンク TEIKOKU DATABANK, LTD.

CREATIVE SURVEY

Salesforce [2]   CLOUDSIGN

sansan+ Consulting

accenture

sansan+ Integration

toBe marketing   Realize Make IT Real Business

(1) OpenAPI provided to more than 50 other companies' services, including Sales Force Automation, Customer Relationship Management, Marketing Automation
(2) A trademark of salesforce.com, inc., Salesforce is used with permission.

Sansan Division Structure

Organizational Structure of Sansan Division [1]

Business Strategy Department	**Marketing Department**
Sansan Plus Department	**Global Sales Development Department**

Sales dept.

Sales Development Department	**MB Sales Department**
Enterprise Sales Department	**SB Sales Department**
West Japan Sales Department	**Partner Sales Department**
Customer Success Department	

Product Development Department

Personnel Composition of Sansan Division [2]

429 employees

- Sales dept.
- Development dept.
- Others
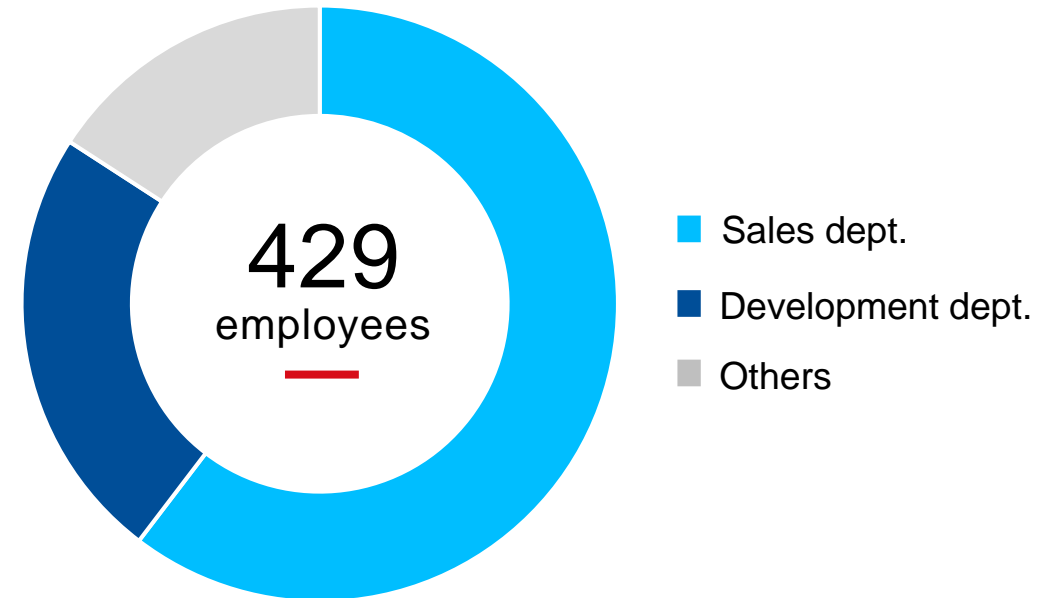
(1) As of September 1, 2020
(2) As of August 31, 2020

Number of Employees in Sansan Sales Department

Started strengthening the hiring of sales personnel from second half of fiscal year ended May 2019

Number of Employees in Sansan Sales Department

(persons)
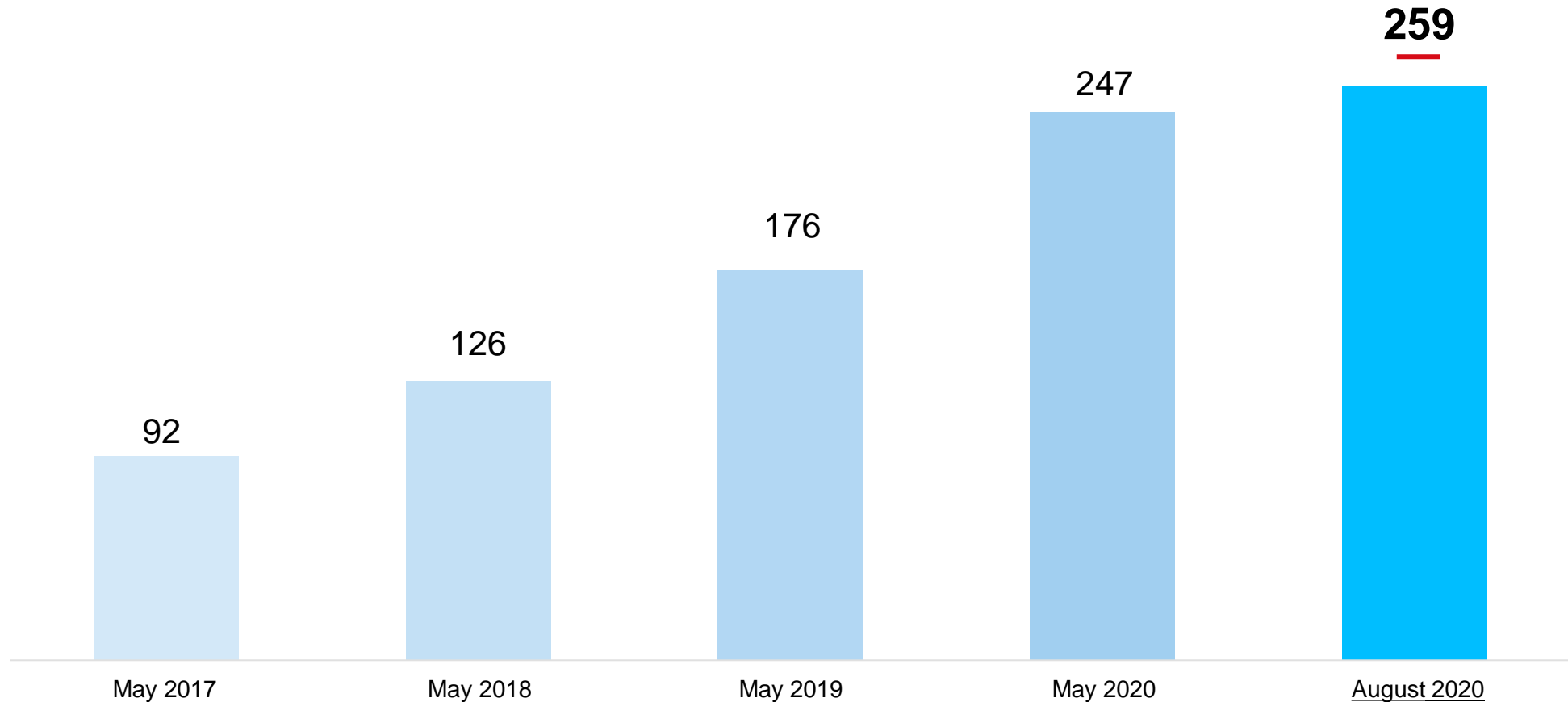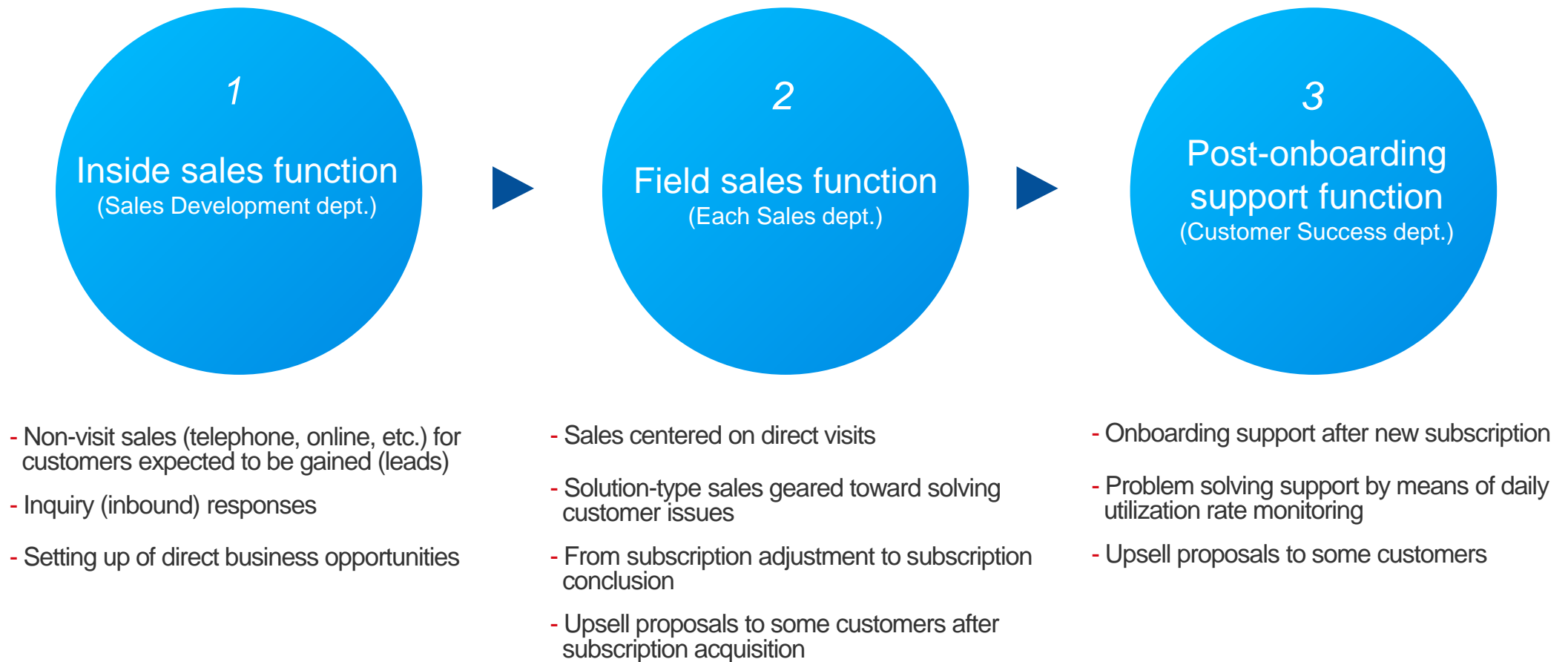
92	126	176	247	**259**
May 2017	May 2018	May 2019	May 2020	August 2020

Sales Structure and Methodologies of "Sansan"

Breaking down sales functions into three major processes and roles achieved improved sales efficiency and productivity

1
Inside sales function
(Sales Development dept.)

▶

2
Field sales function
(Each Sales dept.)

▶

3
Post-onboarding support function
(Customer Success dept.)

- Non-visit sales (telephone, online, etc.) for customers expected to be gained (leads)
- Inquiry (inbound) responses
- Setting up of direct business opportunities

- Sales centered on direct visits
- Solution-type sales geared toward solving customer issues
- From subscription adjustment to subscription conclusion
- Upsell proposals to some customers after subscription acquisition

- Onboarding support after new subscription
- Problem solving support by means of daily utilization rate monitoring
- Upsell proposals to some customers

Main Points that Are Important in Business Management

1

New order acquisition status

———

2

**Churn rate
(Maintaining a low level)**

———

3

**Number of sales personnel hired
and productivity per person**

———

4

**Status of key function usage/
market penetration**

———

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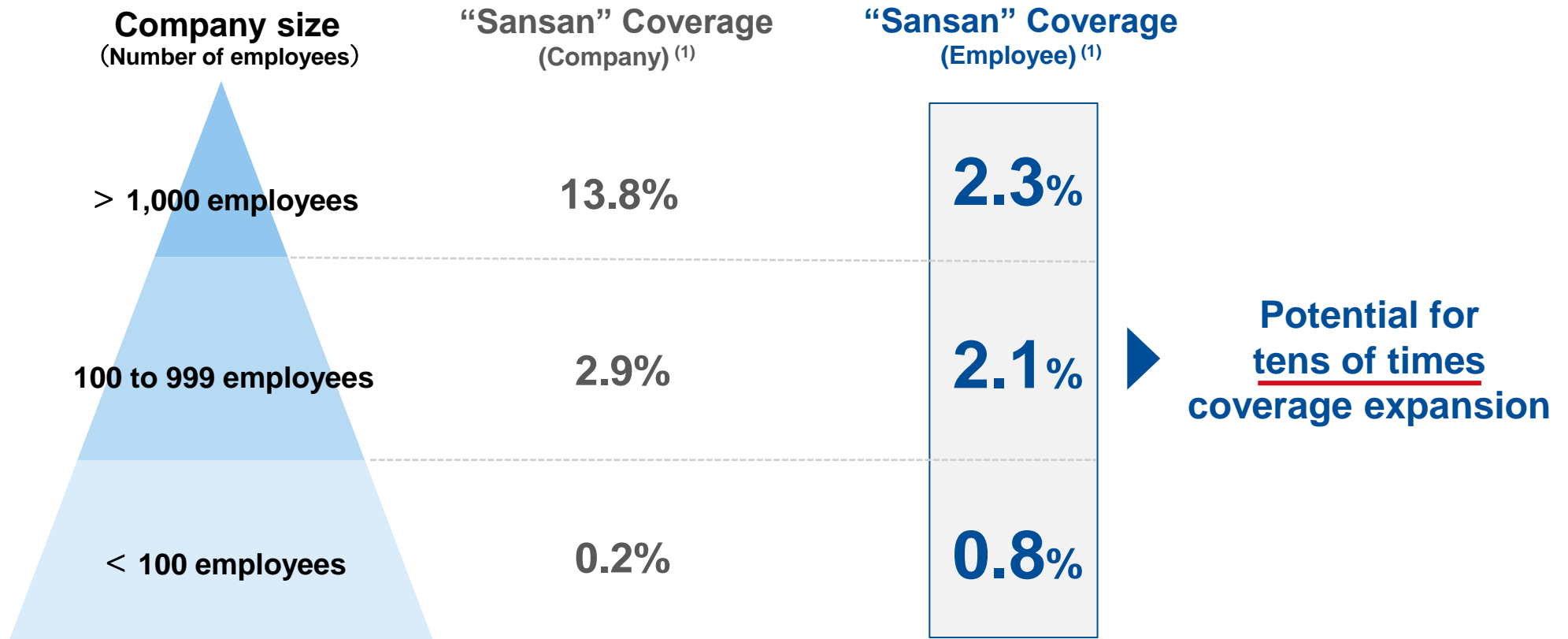**1** ~~Sansan Business Overview~~

2 ~~Sansan Business Competitive Edge/Characteristics~~

3 **Growth Strategies**

- **Potential Market Size in Japan (TAM) for Sansan Business**

- **Factors of Net Sales Growth**

- **Main Measures for Achieving Growth**
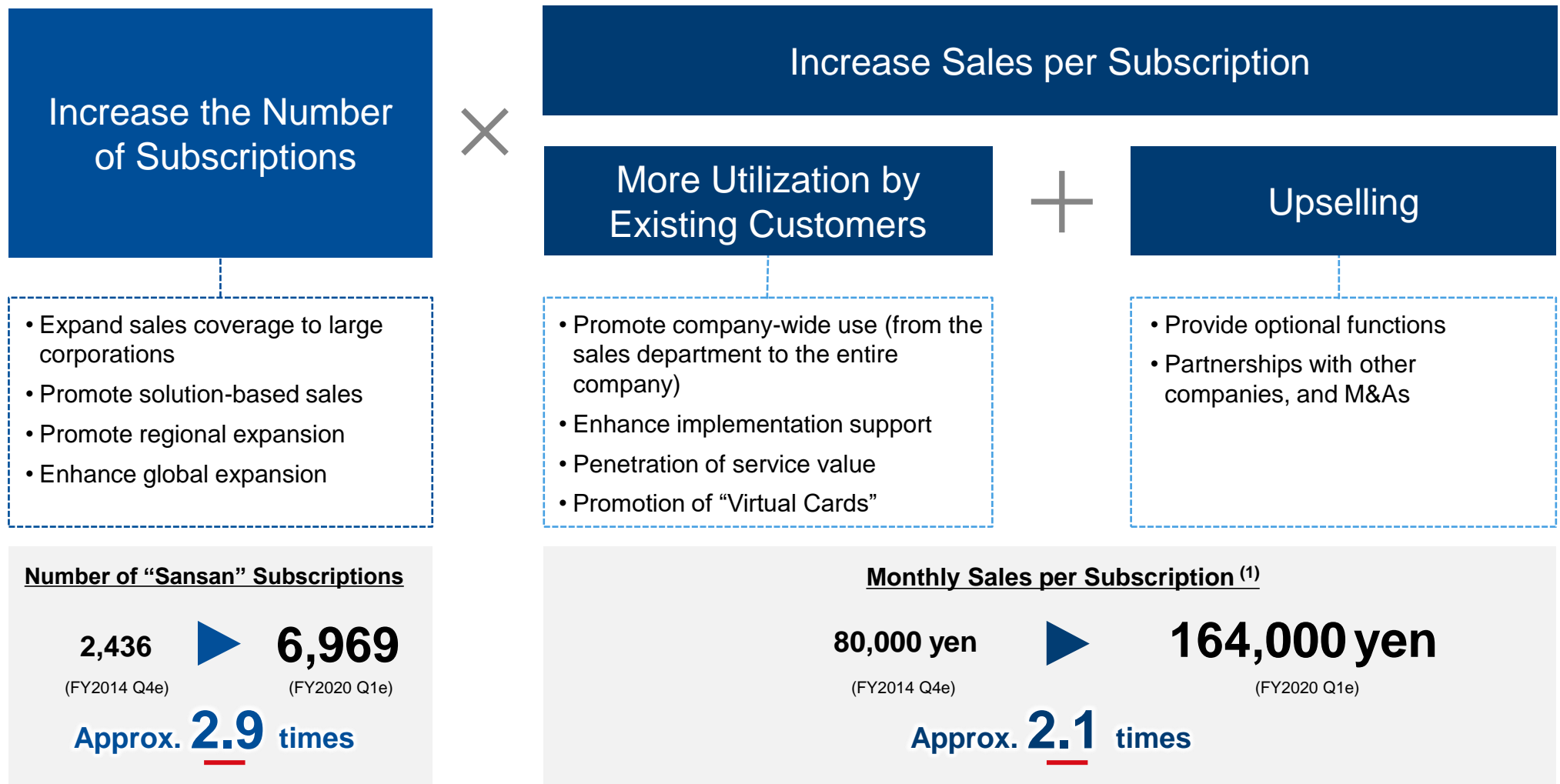
Potential Market Size in Japan (TAM) for Sansan Business

The number of users within current customers is limited, and there is room for tens of times more coverage expansion

Company size （Number of employees）	"Sansan" Coverage (Company) [1]	"Sansan" Coverage (Employee) [1]	
> 1,000 employees	13.8%	2.3%	
100 to 999 employees	2.9%	2.1%	▶ **Potential for tens of times coverage expansion**
< 100 employees	0.2%	0.8%	

(1) "Sansan" coverage is calculated with the number of subscription and total number of IDs in "Sansan" for FY2020 Q1e as the numerator and the number based on Economic Census for Business Activity in 2016 issued by the Statistics Bureau as the denominator.

Factors of Net Sales Growth

Achieve growth through an increase in both the number of subscriptions and sales per subscription

Increase the Number of Subscriptions	✕	Increase Sales per Subscription		
		More Utilization by Existing Customers	＋	Upselling

Increase the Number of Subscriptions
- Expand sales coverage to large corporations
- Promote solution-based sales
- Promote regional expansion
- Enhance global expansion

More Utilization by Existing Customers
- Promote company-wide use (from the sales department to the entire company)
- Enhance implementation support
- Penetration of service value
- Promotion of "Virtual Cards"

Upselling
- Provide optional functions
- Partnerships with other companies, and M&As

Number of "Sansan" Subscriptions

2,436 ▶ 6,969
(FY2014 Q4e)　　(FY2020 Q1e)

Approx. **2.9** times

Monthly Sales per Subscription [1]

80,000 yen ▶ 164,000 yen
(FY2014 Q4e)　　(FY2020 Q1e)

Approx. **2.1** times

(1) Monthly results for the end of the quarter in Sansan Business (incl. some new services other than "Sansan", unaudited)
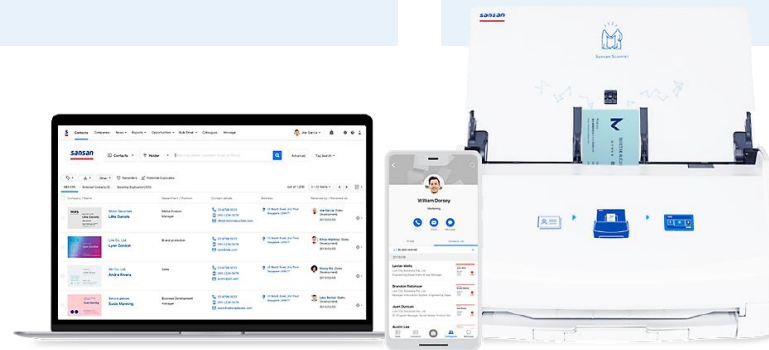
Main Measures for Achieving Growth

Expanded market penetration of "Virtual Cards"

Increased value of the "Sansan" platform

Strengthening of sales systems/recruitment

Improvement in productivity per sales employee

sansan