Value Creation Story

Chapter 1 explains our value creation process, including our business model, competitive advantages, and sustainability initiatives. It details what kind of value we create based on our management resources. As special features, we highlight initiatives aimed at realizing our long-term vision and provide an interview with the COO about the social value our solutions create.
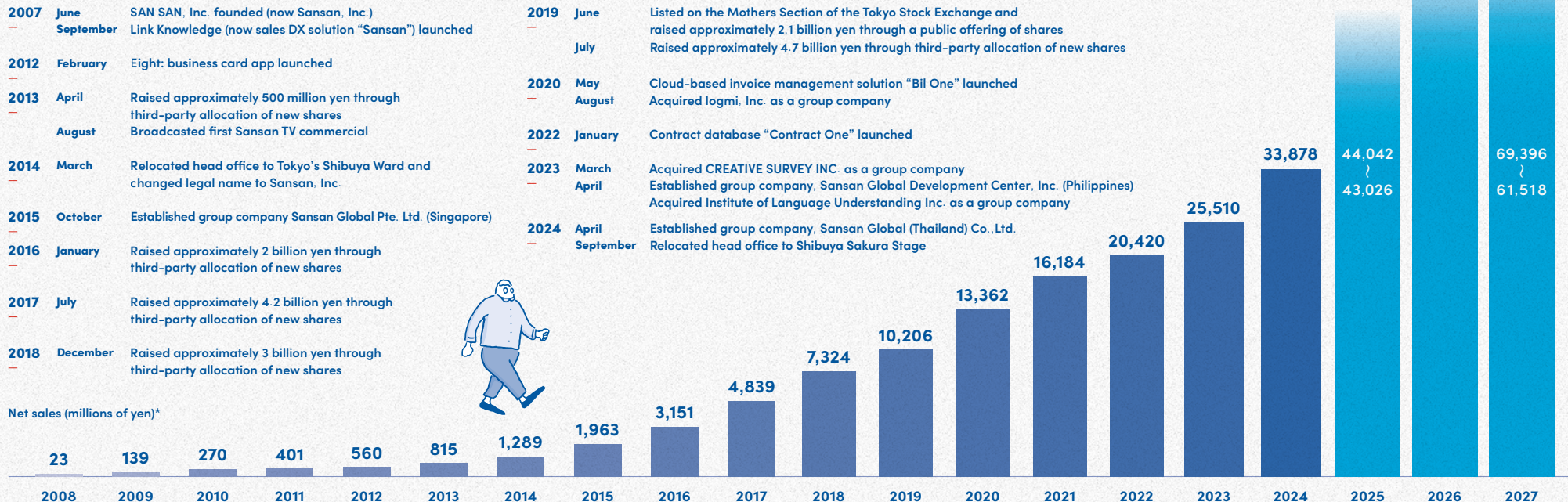
CONTENTS

History of the Sansan Group

We have developed innovative technologies and operational practices to provide solutions that solve diverse challenges that companies and businesspeople face. Since FY2023, the 17th year since our founding, we have been in a stage of higher growth with a reigniting net sales growth rate.

2007	June	SAN SAN, Inc. founded (now Sansan, Inc.)
	September	Link Knowledge (now sales DX solution "Sansan") launched
2012	February	Eight: business card app launched
2013	April	Raised approximately 500 million yen through third-party allocation of new shares
	August	Broadcasted first Sansan TV commercial
2014	March	Relocated head office to Tokyo's Shibuya Ward and changed legal name to Sansan, Inc.
2015	October	Established group company Sansan Global Pte. Ltd. (Singapore)
2016	January	Raised approximately 2 billion yen through third-party allocation of new shares
2017	July	Raised approximately 4.2 billion yen through third-party allocation of new shares
2018	December	Raised approximately 3 billion yen through third-party allocation of new shares

2019	June	Listed on the Mothers Section of the Tokyo Stock Exchange and raised approximately 2.1 billion yen through a public offering of shares
	July	Raised approximately 4.7 billion yen through third-party allocation of new shares
2020	May	Cloud-based invoice management solution "Bil One" launched
	August	Acquired logmi, Inc. as a group company
2022	January	Contract database "Contract One" launched
2023	March	Acquired CREATIVE SURVEY INC. as a group company
	April	Established group company, Sansan Global Development Center, Inc. (Philippines) Acquired Institute of Language Understanding Inc. as a group company
2024	April	Established group company, Sansan Global (Thailand) Co.,Ltd.
	September	Relocated head office to Shibuya Sakura Stage

Net sales (millions of yen)*

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
23	139	270	401	560	815	1,289	1,963	3,151	4,839	7,324	10,206	13,362	16,184	20,420	25,510	33,878	44,042〜43,026		69,396〜61,518

* The graph indicates net sales for fiscal years ended in May (figures prior to the year ended May 2016 are non-consolidated, while subsequent figures are consolidated)

Founding era (FY2007–2011)

Sansan, the company, was founded in June 2007 and we launched under the name Link Knowledge. It was a solution for managing and sharing business card information internally in companies. The Eight: business card app for individual professionals was launched in February 2012. Until FY2011, we worked on service development with little capital, as we had greatly limited access to financing.

Growth era (FY2012–2018)

Increased activity in the venture capital market from FY2012 made it easier for unlisted companies to raise funds. We capitalized on this change and raised over 10 billion yen by FY2018. We also expanded our marketing activities, including through TV commercials, before any other companies in the SaaS industry did so. Our first TV commercial was award-winning and attracted national attention in Japan. These commercials have significantly contributed to raising the profile of our company and solutions.

Innovation era (FY2019–2022)

After we were listed on the Mothers market of the Tokyo Stock Exchange (TSE) in June 2019, we were then transferred to the TSE's Prime Market. Owing to the solid growth of our existing solutions and the expansion of our business domains and diversification of our solutions through the creation of new solutions, we have continuously realized growth in net sales in every fiscal year, even amid the major changes to the business environment in the COVID-19 pandemic.

FY2023 onward

Following the COVID-19 pandemic, which greatly transformed company practices and how professionals work, we have now entered a new phase. We have continued our growth to date and, as a result, our business scale has expanded and we have put a sufficient foundation in place. Therefore, we have announced a medium-term financial policy aiming not only for solid growth in net sales but also for faster profit growth. We are bringing together the strengths of the Group and reigniting our business growth by relocating the head office to Shibuya Sakura Stage in September 2024 and consolidating several separate locations.

History of the Sansan Group
—

01 _ Value Creation Story   02 _ Strategy for Value Creation   03 _ Foundation for Value Creation   Data

Solution Histories

sansan

Manage your contacts, maximize your business

We have renewed the Sansan concept from a cloud-based business card and contact management solution to a sales DX solution, and we continue to evolve it with expanded functions and other innovations.

Net sales	22,889 million yen (FY2023)
Highlights	Sansan has been #1 in the business card management services market for corporations for 11 consecutive years since 2013[1] / Subscriptions: 9,693 (FY2023)

Year that service / function, etc., was started

2007	Link Knowledge (now Sansan) launched	2018	Sansan Customer Intelligence[3]
2009	Bulk email sending service	2020	Virtual Cards (digital business cards) /
2011	Salesforce[2] integration		Risk Intelligence powered by LSEG/KYCC
2012	International version of Link Knowledge (now Sansan)	2021	Contact Inbox (email signature extraction)
2013	Solution name changed to Sansan / Smartphone business card acquisition Mobile App	2022	Corporate database
		2023	New customer acquisition solutions[4] / Smart activity management / Sending direct messages
2014	Mobile App	2024	Added location information to the corporate database
2015	API opened, aimed at becoming business infrastructure		
2016	Integrated with corporate information provided by TEIKOKU DATABANK		

[1] Latest Trends in Business Card Management Services in Sales Support DX 2024 (January 2024, Seed Planning, Inc. survey, in Japanese)
[2] Salesforce is a trademark of Salesforce.com, inc., and is used here with permission [3] Now Sansan Data Hub
[4] A group of functions that can provide an integrated service for everything from preparing sales lists with a high likelihood of receiving orders to client approaches

Bill One powered by Sansan

Receive, digitize & centralize your invoices. Fast monthly closing.

The cloud-based invoice management solution "Bill One" has grown rapidly into a solution with an ARR[5] exceeding 7.6 billion yen in the four years since the solution was launched (as of May 2024).

Net sales	6,168 million yen (FY2023)
Highlights	Bill One has had the top market share in the cloud invoice receiving service market for two consecutive years[6] / Paid subscriptions: 2,816 (FY2023)

Year that service / function, etc., was started

2020	Cloud-based invoice management solution "Bill One" launched
2021	Journaling function / Original invoice storage option
2022	Invoice issuing function / Postal mail agent / JIIMA certification[7]
2023	Acquired Purchase invoice option/ Bill One Business Card corporate credit card / PO matching / Qualified invoice assessment function
2024	Bill One Expense, an expense settlement function / Bill One Issue, a payment reconciliation function

[5] ARR: Annual recurring revenue [6] Deloitte Tohmatsu MIC Research Institute Co.,Ltd., "The Market of Online Invoice Receiving Solution Growing at a Staggering Rate" (MIC IT Report, November 2023; in Japanese) [7] A system under which JIIMA issues this certification when it is determined as satisfying the statutory requirements of the Electronic Bookkeeping Act

eight

One-touch business card exchange and management

We are developing a variety of unique solutions against the backdrop of having a large number of registered users. In FY2023, we achieved positive adjusted operating profit[8] for the full fiscal year for the first time since the solution launched.

Net sales	3,548 million yen (FY2023)
Highlights	Eight business card app usage rate #1[9] / Number of Eight Team subscriptions: 4,608 (FY2023)

☐ **Eight: business card app**

Year that service / function, etc., was started

2012	Eight: business card app launched	2016	Virtual Card Exchange function using QR Codes[10] and Bluetooth
2013	Business card exchange request function / Message function	2017	Group message function
2014	Scan anytime, anywhere	2020	Skill Tags function / Enhanced the Virtual Cards Exchange function
2015	Feed function / Profile page editing function / Eight Premium B2C service / Collaboration with the electronic edition of the *Nihon Keizai Shimbun*	2023	One-touch business card exchange
		2024	My Eight Card card-type Virtual Cards

☐ **Eight Team: business card sharing solution**

Year that service / function, etc., was started

2017	Eight Company Premium (now Eight Team) B2B service launched
2021	Eight Collaboration and Eight Company Premium renewed to Eight Team
2023	Integration of functions with HubSpot CRM / Integration with Kintone operations development app

☐ **Business Events**

First year event was held

2018	Meets
2020	Climbers
2021	DX CAMP / Business IT & SaaS EXPO
2022	SME Leaders' Summit / Startup JAPAN EXPO
2023	Eight Networking EXPO

[8] Operating profit + share-based payment expenses + expenses arising from business combinations (amortization of goodwill and amortization of Intangible assets)
[9] Survey on business card app for individuals (November 2023, Conducted by MACROMILL, INC.) [10] QR Code is a registered trademark of DENSO WAVE INCORPORATED

Value Creation Process

We address material issues while focusing on social issues and external environments. We generate a diverse array of solutions by channeling a range of management resources into our business model. The outcomes these solutions produce bolster our management resources, establishing a process by which we can deliver sustainable value to society.
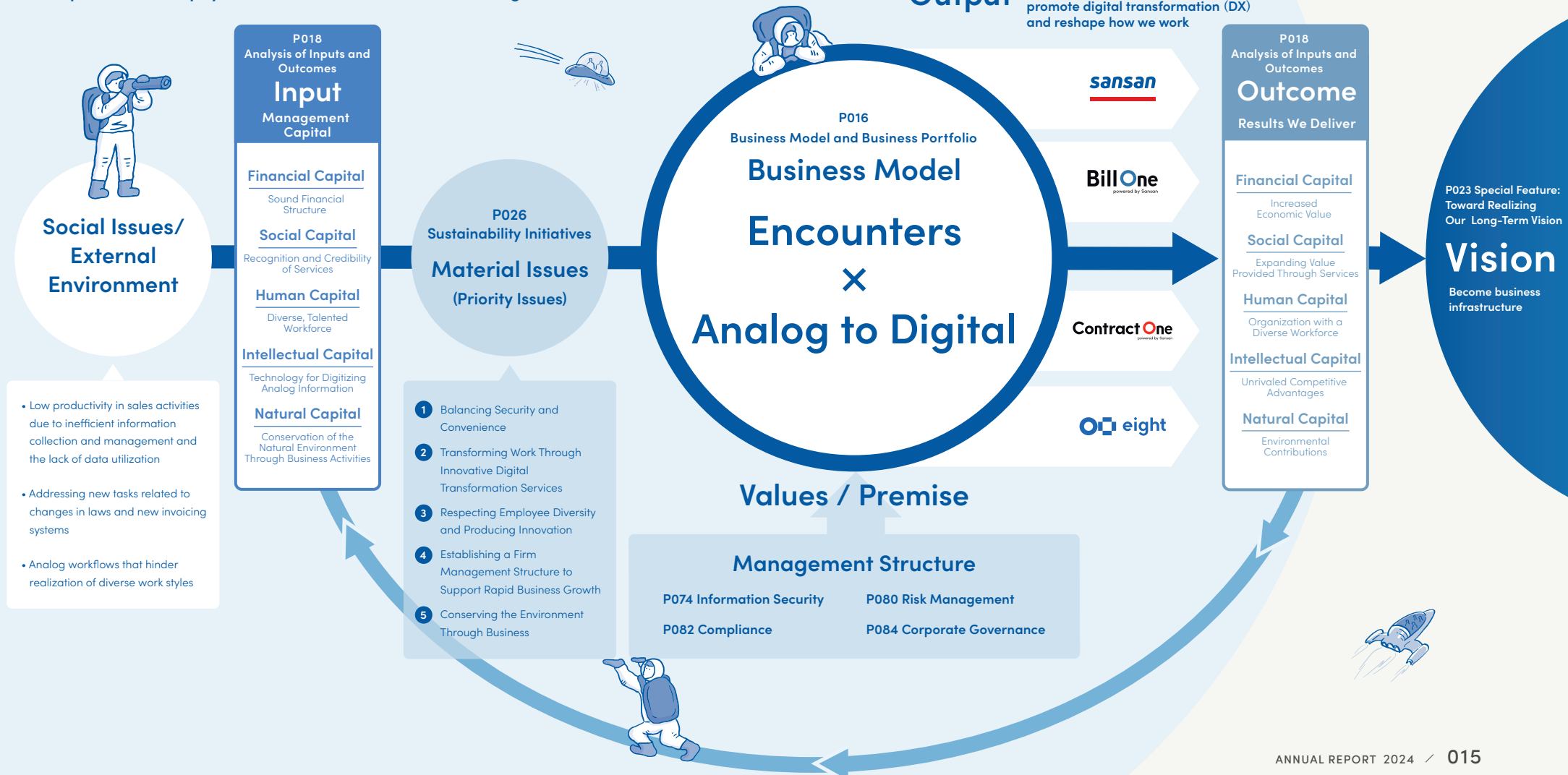
P002 Our Philosophy
Corporate Philosophy

Mission
Turning encounters into innovation

P044 Business Strategies by Segment

Output
Cloud-based solutions that promote digital transformation (DX) and reshape how we work

Social Issues/ External Environment

- Low productivity in sales activities due to inefficient information collection and management and the lack of data utilization
- Addressing new tasks related to changes in laws and new invoicing systems
- Analog workflows that hinder realization of diverse work styles

P018 Analysis of Inputs and Outcomes

Input
Management Capital

Financial Capital
Sound Financial Structure

Social Capital
Recognition and Credibility of Services

Human Capital
Diverse, Talented Workforce

Intellectual Capital
Technology for Digitizing Analog Information

Natural Capital
Conservation of the Natural Environment Through Business Activities

P026 Sustainability Initiatives

Material Issues (Priority Issues)

1. Balancing Security and Convenience
2. Transforming Work Through Innovative Digital Transformation Services
3. Respecting Employee Diversity and Producing Innovation
4. Establishing a Firm Management Structure to Support Rapid Business Growth
5. Conserving the Environment Through Business

P016 Business Model and Business Portfolio

Business Model
Encounters × Analog to Digital

sansan

Bill One powered by Sansan

Contract One powered by Sansan

eight

Values / Premise

Management Structure

P074 Information Security   P080 Risk Management

P082 Compliance   P084 Corporate Governance

P018 Analysis of Inputs and Outcomes

Outcome
Results We Deliver

Financial Capital
Increased Economic Value

Social Capital
Expanding Value Provided Through Services

Human Capital
Organization with a Diverse Workforce

Intellectual Capital
Unrivaled Competitive Advantages

Natural Capital
Environmental Contributions

P023 Special Feature: Toward Realizing Our Long-Term Vision

Vision
Become business infrastructure

Business Model and Business Portfolio

Our main services are cloud-based solutions that promote digital transformation (DX) and reshape how we work, solving business challenges for companies and individuals, and contributing to operational efficiency and productivity improvements. All our solutions share the common features of focusing on "connections between people and companies" and "digitizing analog information."

A Shared Business Model

We focus on business encounters between people and companies, providing DX solutions that turn these encounters into business opportunities and reshape how we work.

Our solutions encompass sales, accounting, and legal affairs. Each area is different, but a common characteristic is that the business operations involved in each solution relate to the results of encounters and connections between people and companies.

All our solutions are cloud-based software offering a high level of security. They all digitize analog information and promote data utilization to improve operational efficiency and productivity. For example, in sales, we digitize analog information such as paper business cards and other customer contact information; in accounting, we digitize received paper invoices; and in the legal domain, we digitize paper contracts.

Japanese business situations and workflows present many challenges stemming from analog processes, and low productivity due to delayed

digitization has become a societal issue. As DX is expected to advance in society, our business model is highly sustainable. Moreover, we digitize analog

information through a unique method that combines technology with human input. This proprietary technology and the safety and credibility we have built

for our solutions form an important shared business foundation for these solutions.

Encounters × Analog to Digital

sansan — Business card
eight — Business card
BillOne (powered by Sansan) — Invoice
Contract One (powered by Sansan) — Contract

Digitally Transform How We Work
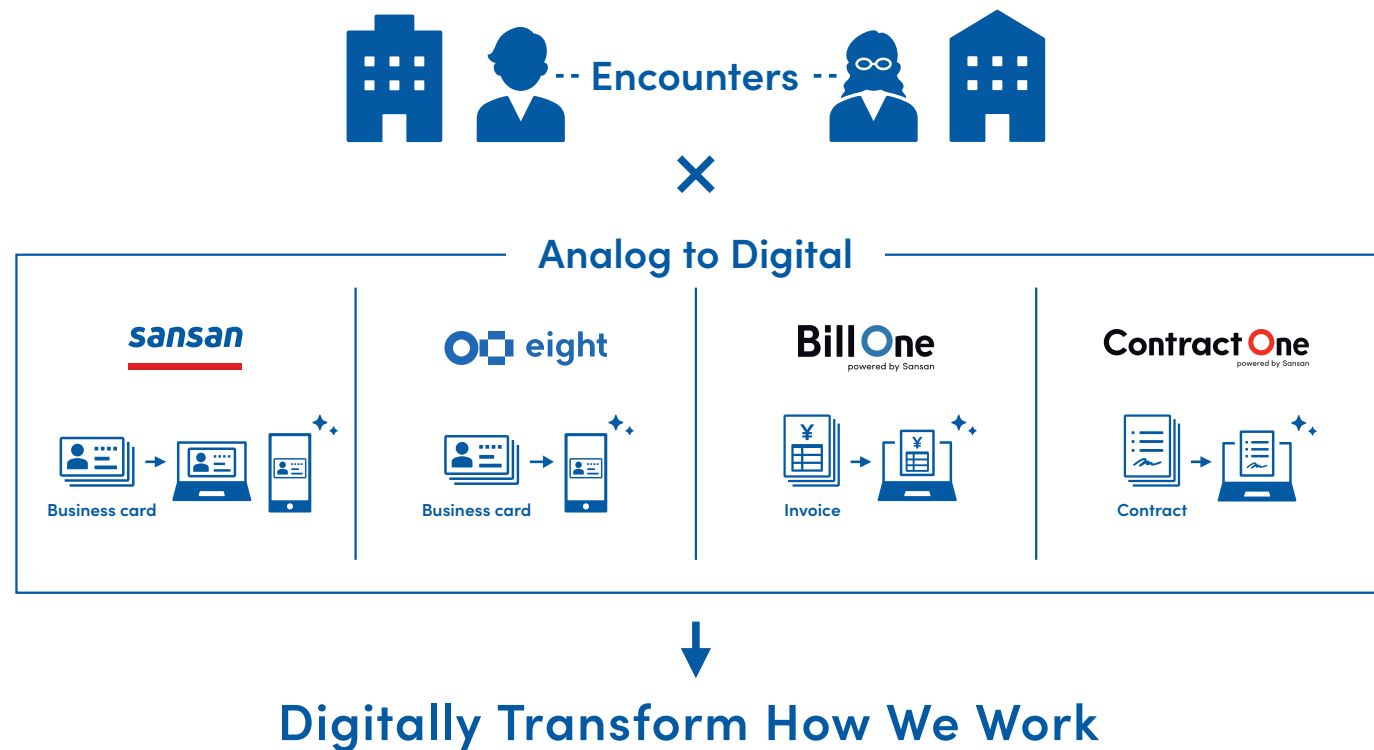
Expanding Business Domains

After launching Sansan in 2007 as a corporate business card management service (now the sales DX solution), we began offering the Eight business card app for individuals in 2012. Operating these business card and contact management solutions required technology and operations that accurately digitize paper business cards (analog information) at low cost and high speed, and we have continuously fine-tuned these capabilities. Aiming to apply this technology and operations for digitizing analog information to other

areas, we entered the accounting domain with the Bill One cloud-based invoice management solution in 2020. We further expanded into the legal field, launching the Contract One contract database in 2022.

The range of business data our solutions handle has greatly increased as our business domains have expanded. We expect being able to handle new types of data as we enter new fields in the future. Meaningfully connecting these data would allow us to provide users with even more unique value.

| 2007 | 2012 | 2020 | 2022 |

| Sales DX | Business card DX | Accounting DX | Contract DX |

sansan   eight   Bill One (powered by Sansan)   Contract One (powered by Sansan)
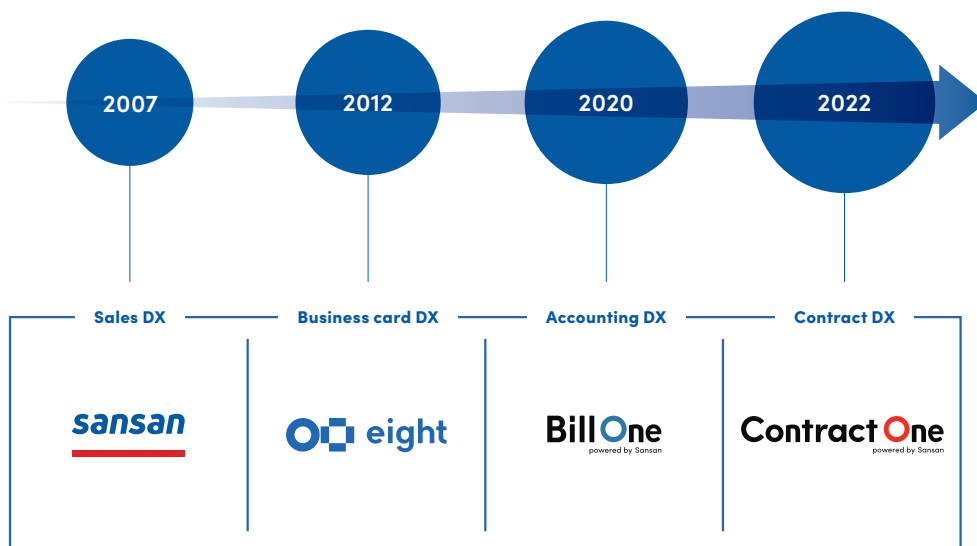
Characteristics of Our Business Portfolio

Our business portfolio comprises multiple services at different phases in terms of net sales growth rate and adjusted operating profit[1] margin.

Sansan, which accounts for a large portion of our total net sales, achieves stable net sales growth rate and a high adjusted operating profit margin. We reinvest some of the Sansan-generated cash into Bill One, which has a high net sales growth rate, to achieve steady growth in overall net sales. Although Eight accounts for a smaller portion of the total, it contributes to overall

performance growth by achieving a stable net sales growth rate and recording a positive adjusted operating profit.

To achieve discontinuous growth, we plan to invest cash in promising new businesses and M&A opportunities, building a business portfolio that can balance net sales growth with profit growth.

[1] Operating profit + share-based payment expenses + expenses arising from business combinations (amortization of goodwill and amortization of intangible assets)

[Net Sales Growth Rate and Adjusted Operating Profit Margin of Main Services]

Based on FY2023 results. Adjusted operating profit margin is before allocation of corporate expenses.

Net sales growth rate

Bill One (powered by Sansan)
Net sales growth rate: 155.5%
Adjusted operating profit margin: −42.5%

eight
Net sales growth rate: 23.8%
Adjusted operating profit margin: 8.9%

sansan
Net sales growth rate: 15.6%
Adjusted operating profit margin: 52.1%

Adjusted operating profit margin
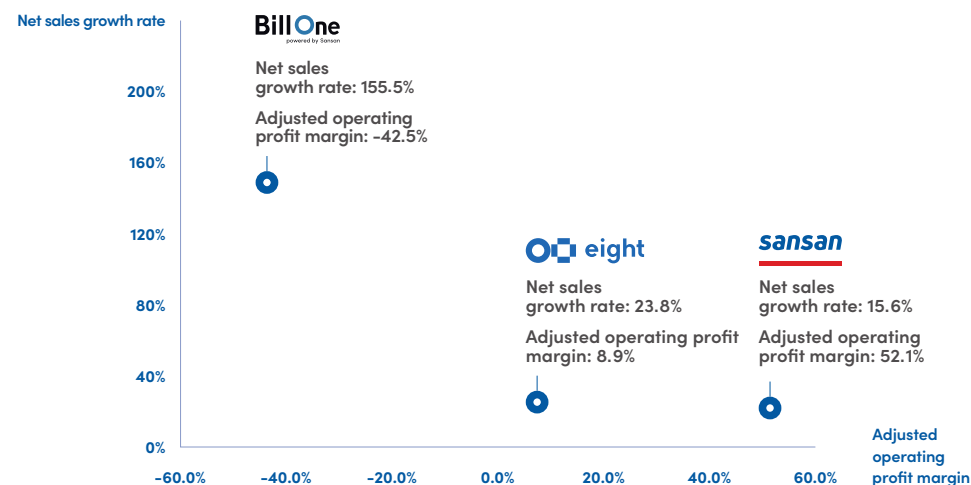
Analysis of Inputs and Outcomes

We analyzed the benefits of investing an array of management resources into our business model. The table below shows the results.
We also describe the resources we currently lack and the countermeasures we need for further value creation.

Capital Type	Input Management Capital		Outcome Results We Deliver	
Financial Capital	**Sound Financial Structure** • Total assets: 37,592 million yen • Cash and deposits: 24,874 million yen • Shareholder capital: 13,792 million yen	Considering net sales growth rate as the most important management indicator, we are building a sound financial structure suited to our current business phase, which requires agile and proactive investment to seize opportunities. We are executing appropriate investment strategies while maintaining a balance between business growth and financial health.	**Increased Economic Value** • Net sales: 33,878 million yen • Profit attributable to owners of parent: 953 million yen • Cash flows from operating activities: 5,483 million yen • Free cash flow[1] : 2,303 million yen	Net sales and profit attributable to owners of parent both showed strong performance, owing to growth in each business. Based on this growth, we are generating stable cash flow from operating activities and free cash flow.
Social Capital	**Recognition and Credibility of Services** • Strong brand recognition of our main solutions • Credibility of our main solutions	Continuous advertising, including TV commercials, has secured high recognition for Sansan and Bill One among B2B services in Japan. Meanwhile, our solutions' operational performance has earned us a high degree of trust from user companies.	**Increasing the Value of Our Services** • Analog data items digitized by our solutions: 240 million • Total users: 7.89 million • Sansan has the top market share[2] • Bill One has the top market share[3] • Major incidents: 0	Our efforts to strengthen our solutions' functionality and expand sales have steadily led to 240 million analog data items digitized and 7.89 million users. Both Sansan and Bill One have maintained the top market share in Japan, and we have kept the number of major incidents at zero.
Human Capital	**Diverse, Talented Workforce** • Consolidated employees: 1,899 • Employees in STEM divisions[4] : 529 • Unipos[5] usage • Information security measures	We increase our workforce every fiscal year, with recruiting and training talent and ensuring diversity as our key growth strategies. We also use a service that visualizes various instances of praise within the company to instill our corporate culture and boost employee engagement. Additionally, our information security measures require executives and all employees to acquire Protection of Individual Information Person qualification.	**Organization with Diverse Workforce** • Female employees[6] : 36.7% • Female managers[6] : 17.8% • Referral hiring rate: 10.3% • Unipos posting rate: 54.3% • Proportion of those qualified as Protection of Individual Information Person[6] : 86.7%	Recruitment through referrals (employees' introduction of candidates) was 10.3% and the Unipos posting rate was 54.3%, indicating a high level of employee engagement with the company amid active recruitment. Our personnel include 36.7% female employees and 17.8% female managers, showing progress in ensuring diversity. The proportion of those qualified as Protection of Individual Information Person remained high, at 86.7%.
Intellectual Capital	**Technology for Digitizing Analog Information** • Digitization with 99.9% accuracy • Various technologies supporting digitization	Our technology for rapidly and highly accurately digitizing analog information is a major strength. We will further improve our technologies and mechanisms that support digitization, allowing us to enhance the operational efficiency of existing businesses and smoothly apply them to new business fields.	**Unrivaled Competitive Advantages** • Improvement in automatic digitization rate • Analog data items digitized by our solutions: 240 million	Continuously improving our digitization technologies and mechanisms has improved our automatic digitization rate through technology alone. Expanding our solutions has led to 240 million analog data items digitized through our solutions.
Natural Capital	**Initiatives to Conserve the Natural Environment** • Providing paperless functionality in our primary solutions • "Scan for Trees" tree-planting activities	We support the realization of a paperless society. We do this by providing functions in our primary solutions that allow business data to be exchanged in the cloud and without the use of paper media. We also allocate part of our revenue to tree-planting, helping to conserve water resources and biodiversity through forest regeneration.	**Environmental Contributions Through Business Activities** • Paperless transactions on our solutions: 10 million • Total trees planted: 17,606 (as of August 2024) • Scope 1+2[7] GHG[8] emissions: 999 t-CO_2	Efforts to expand our primary solutions have led to 10 million paperless transactions on our solutions. Also, as of August 2024, we had planted 17,606 trees, and our GHG emissions (Scope 1+2), which we use as an evaluation indicator for climate change, were 999 t-CO_2.

[1] Cash flows from operating activities + cash flows from investing activities [2] Latest Trends in Business Card Management Services in Sales Support DX 2024 (January 2024, Seed Planning, Inc. survey, in Japanese) [3] Deloitte Tohmatsu MIC Research Institute Co.,Ltd., "The Market of Online Invoice Receiving Solution Growing at a Staggering Rate" (MIC IT Report, November 2023) [4] Calculated for employees in engineering, R&D, and creator positions, including regular employees and contract employees of the Company and its overseas subsidiaries [5] We use a Peer Bonus® platform service provided by Unipos Inc. The platform involves all employees [6] Results are for the Company on a non-consolidated basis [7] Scope 1 is calculated by aggregating direct GHG emissions from our own o!ce and facilities. Scope 2 is calculated by aggregating by indirect GHG emissions from the use of purchased electricity and thermal energy in each office [8] GHG: greenhouse gas

Capital Type	Capital Shortages and Countermeasures	Related Material Issues (Priority Issues)	
Financial Capital	We have sufficient funding for operating existing businesses in line with our medium-term financial policy. However, if the use of the Bill One Business Card corporate credit card expands more rapidly than expected, if we create a new business requiring substantial cash, or if we actively pursue M&A opportunities, our needs may exceed our current cash and deposits, causing shortages. Therefore, we will maintain appropriate communication with the capital markets to continuously strengthen the diversity and flexibility of potential funding methods.	☐ Promote digital transformation (DX) solutions that improve productivity ☐ Create innovative business infrastructure	
Social Capital	Many of the solutions we provide are based on new concepts that create markets as they grow, so they may not be well known. Therefore, we continuously strengthen our advertising to maintain and improve brand power and recognition. Also, any incident could cause a loss of the credibility necessary for future sales for solutions that handle large amounts of critical data. Therefore, we treat information security measures as our top management priority and minimize security risks in each solution by implementing all possible measures involving all executives and employees.	☐ Promote DX solutions that improve productivity ☐ Create innovative business infrastructure ☐ Provide safe and stable infrastructure solutions	☐ Ensure robust protection of data privacy and information security ☐ Strengthen corporate governance ☐ Ensure compliance
Human Capital	The outlook figures set in our medium-term financial policy assume a certain increase in our number of employees, mainly in our sales departments. Therefore, our current workforce has insufficient human capital necessary for business growth. As a result, we prioritize investment in human capital above all other management resources. We use various channels to recruit more talented individuals who share our philosophy and business vision. We are developing and building environments and systems where they can work with high motivation. For FY2024, we plan to recruit about 550 people, including new graduates and mid-career hires.	☐ Promote the recruitment, development, and success of human resources ☐ Promote diversity, equity and inclusion ☐ Ensure robust protection of data privacy and information security	
Intellectual Capital	Further improving the efficiency of existing business operations, expanding overseas, or entering new fields and creating new solutions requires enhancing existing technologies and acquiring new technologies that will lead to business growth. Currently, these are insufficient. We, therefore, are working to improve our technological capabilities through recruitment of talented engineers with experience and knowledge in a variety of fields, and through investment in and monitoring of cutting-edge technologies worldwide.	☐ Provide safe and stable infrastructure solutions ☐ Ensure robust protection of data privacy and information security	
Natural Capital	We have set a target of 120 million paperless transactions on our solutions by FY2029, but the current performance is still at a low level and the absolute amount of positive impact on the environment is insufficient. We are working on aggressive business expansion as our solutions' expansion directly leads to positive environmental effects. At the same time, we strive to achieve carbon neutrality for Scope 1 and Scope 2 to reduce the negative impacts of business expansion.	☐ Address climate change issues ☐ Use natural capital efficiently	☐ Promote DX solutions that improve productivity ☐ Create innovative business infrastructure

Cultivated Competitive Advantages

Our technology for rapidly and accurately digitizing large volumes of analog information can be used in many fields, making it our group's greatest competitive edge. By efficiently combining technology with manual operations, we achieve a 99.9% accuracy rate that OCR[1] technology alone cannot attain.
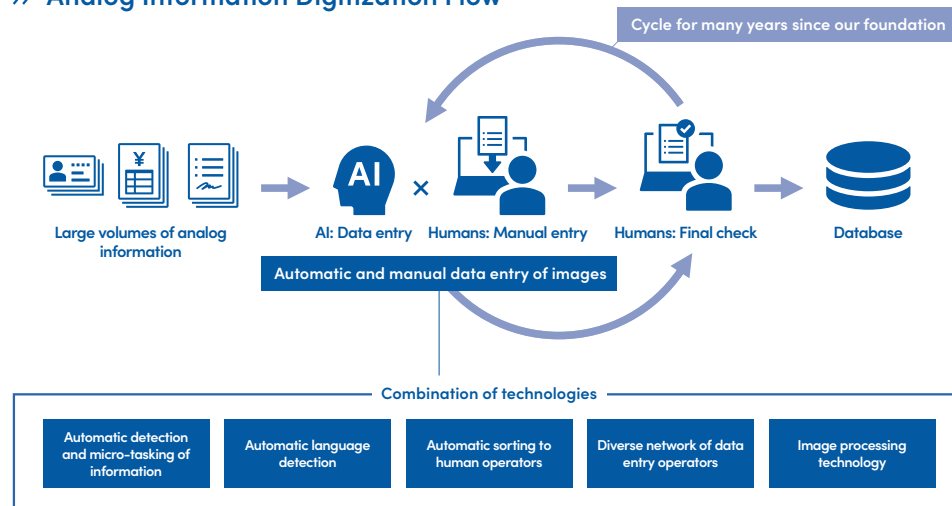
[1] OCR: Optical character/Reader

Mechanisms and Technologies for Digitizing Large Volumes of Analog Information

As our business and service areas expand, the analog information our solutions digitize, such as business cards and invoices, is increasing yearly. Human correction enables 99.9% digitization accuracy. But optimizing digital processing alone is not enough. For example, the Bill One invoice proxy receiving service requires envelopes to be opened manually. Therefore, an optimal structure is required to address this increasing demand and provide rapid digitization. Through research in AI technology, we are increasing the proportion of automation in digitization, building unique operations to bolster overall efficiency, and achieving low-cost, fast, and accurate digitization.

» Analog Information Digitization Flow

Cycle for many years since our foundation

Large volumes of analog information → AI: Data entry × Humans: Manual entry → Humans: Final check → Database

Automatic and manual data entry of images

Combination of technologies

| Automatic detection and micro-tasking of information | Automatic language detection | Automatic sorting to human operators | Diverse network of data entry operators | Image processing technology |

» Makuhari Scan Center: Supporting Digitization Processes for Multiple Solutions

The Makuhari Scan Center integrates scanning operations for multiple solutions, such as Sansan and Bill One, greatly enhancing analog digitization capabilities by integrating technology and operations. Traditionally, invoice digitization heavily relied on manual operations and processes, such as opening envelopes, sorting, categorization, and scanning. The invoice workload also tends to substantially increase at certain times of the month, creating challenges in personnel acquisition and training.

Integrating scanning operations for multiple solutions allows for flexible responses, accommodating each solution's flow of work. Our optimization also minimizes physical processes in each scanning stage, and our improvements in web-based processing have further improved scalability. The Makuhari Scan Center plays a vital role in efficient and flexible processing, supporting our solutions' growth.

[Advancing Operational Automation]

Receipt of mail → Opening → Scanning and uploading

Automation via web-based system

Sort by company after checking images → Create PDFs for each invoice → Final check post-confirmation by the invoice issuing company → Delivery to Bill One
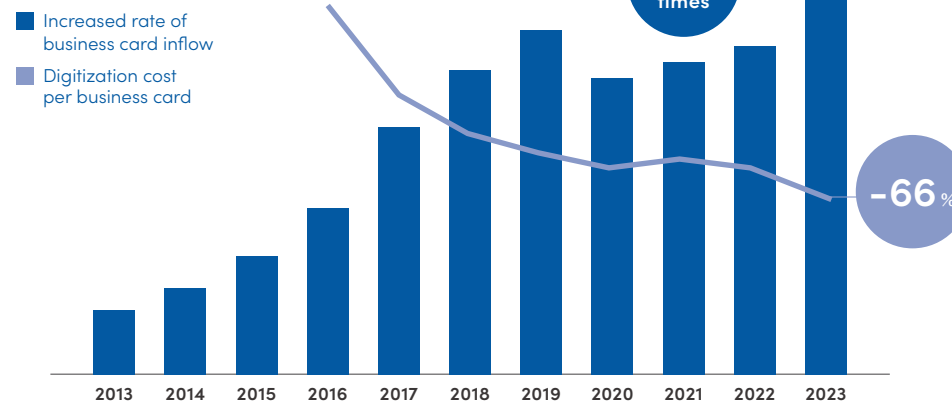
Bill One powered by Sansan
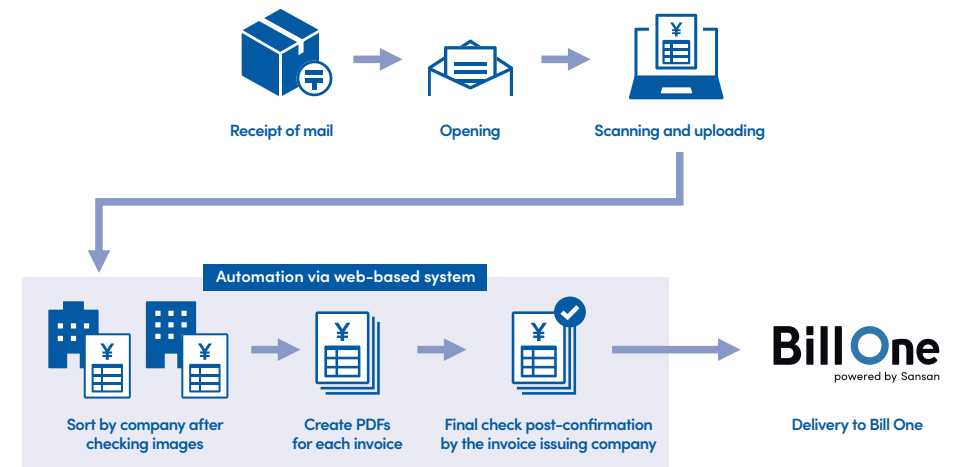
Research and Development Supporting High Precision and Rapid Digitization

Accurate and rapid digitization of analog information is supported by AI technology research in our R&D departments, system building in our data operation departments, and system development. The evolution of our NineOCR[1] engine optimized for business cards has dramatically improved Sansan's automatic digitization rate. We are now working to expand our core technology of business card digitization to other areas, such as Bill One and Contract One, for more advanced digitization operations.

[1] A proprietary OCR engine design for business cards and developed using Sansan's accumulated digitization expertise

Transitions[1] in business card inflow and digitization cost per card[2]

- ■ Increased rate of business card inflow
- ■ Digitization cost per business card

33 times

-66 %

2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023

*1 Transition from the peak of digitization cost *2 Inflow numbers and cost for Sansan

≫ Proprietary Digital Operations System

Our proprietary operation systems, GEES and Bill One Entry, enable secure, accurate, and efficient digitization of large volumes of analog information.

GEES Business Card Digitization System   The evolution of our unique OCR engine, NineOCR, has greatly improved Sansan's automatic digitization rate of business cards.

1 Business card scan or photo
When users scan or photograph a business card, the captured image is sent to our data center.

2 Image processing
Business card images undergo image processing technology for background adjustments and whitening to make characters stand out and improve readability.

3 Item classification
Text blocks on a business card are automatically detected, divided, and classified into items such as company name, first and last name, title, address, email address, and company logo.

4 Segmenting of classified items
Images of classified items, including personal information such as names, phone numbers, and email addresses, are segmented where necessary to the extent they have no value as information, thereby ensuring security.

5 Data entry
Data entry for each item is performed by machine processing or by individual staff conducting manual input, although automation has been improved through enhancements to NineOCR.

Bill One Entry Invoice Digitization System   We accurately identify and digitize payment processing information from the many numbers and dates found on invoices, which have formats unique to each company.

1 Receipt of data
When a user uploads an invoice or when an invoice sent to the Bill One Center is uploaded by an operator on their behalf, the invoice image is sent to our digitization center. Using our unique OCR and learning engine, the invoicing company is then identified and the digitization process for the client company begins.

2 Identification of data items
A combination of engines specialized for each item are used to identify the part of the invoice image that needs to be digitized and which item it corresponds to in the accounting process, such as account information, registration numbers, amount, and payment due date.

3 Accurate digitization via AI and humans
Although large volumes of information are automated quickly with AI, manual input is also performed when automatic input is deemed inaccurate.

4 Data correction
Incorrect items commonly seen on invoices[2] are identified by referencing unique rules to prevent them from being simply digitized.

[2] For example, nonexistent dates such as February 31, XXXX

⟫ Evolution of NineOCR, an OCR Engine Optimized for Business Cards

NineOCR is our proprietary OCR engine designed for business cards, developed using our accumulated digitization expertise. NineOCR greatly increases efficiency in automatic digitization of business cards and provides an improved user experience. While image accuracy via other OCR engines may vary, NineOCR give highly accurate digitization regardless of how an image was captured. Along with digitizing typical items on business cards, such as names and email addresses, it can also digitize items such as titles, company names, addresses, and URLs with high accuracy, delivering results in just 0.3 seconds.[1] This ability lets users quickly send emails or make calls after capturing business card information, greatly improving the user experience. NineOCR's evolution strengthens our group's competitiveness and contributes to improving users' productivity.

[1] Digitization speed through NineOCR's functions; different from delivery speed to users

⟫ Our Technologies That Support Digitization

☐ Image recognition

Proprietary image recognition technology and AI to digitize analog information rapidly and with high accuracy

Smart capture

Enabling delivery of results to users within seconds of image capture

Item segmentation

Identifying fields from business card designs without reading text

Language detection

Determining the language without reading text

Japanese / English
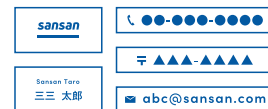
Mistake detector

Learns error patterns to predict the possibility of mistakes

☐ Combining duplicates

Organizes data by identifying and consolidating information for people with the same name or company

Sansan — Proprietary duplicate-combining engine Sansan Data Hub — Linkage — SFA/CRM/MA

BEFORE: 浅葉建設 / ASABA → AFTER: 浅葉建設

Duplicate data → Up-to-date and accurate data

[COLUMN] Supporting DX Through Evolving Technology and Operations

Users starting with digital transformation (DX) must first convert their analog assets into digital, usable information. Digitization is an entry point for solving various user challenges, such as productivity and operational efficiency, and is becoming increasingly important.

Accuracy and speed are the most obvious value that users expect from digitization. Therefore, we must first meet our users' expectations consistently. One of our group's strengths is data accuracy, where human effort is crucial for guaranteeing a 99.9% accuracy rate. Initially, Sansan's card digitization process was entirely manual, conducted by two human operators entering matching data from a card. However, as our business has grown and the volume of analog information has continued to increase, leveraging technology has become vital for maintaining speed while digitizing information securely.

Our users' expectations are clear, but there were no predefined methods or previous examples for realizing them. Therefore, we believe in sincerely working toward value for our users, providing continuous improvements while envisioning an ideal end state. The expertise and systems our group has built over 17 years extend beyond technology for identifying and accurately entering valuable information to include scanning operations that convert paper documents into electronic data. We will continue refining our approach so that it becomes recognized and commended as a model of operational excellence internally and externally. We are focused not just on meeting user expectations but also on supporting and leading DX in greater society.

Head of Digitization Department (Engineering Division)

Shimpei Nagai

Special Feature

Toward Realizing Our Long-Term Vision

We implement initiatives such as data strategies and service integration to ensure our group's solutions become a standard part of every professional's working life. We have also begun discussions on our purpose among our employees about our group's role and reason for existence in business scenarios over the next 100–200 years.

Become Business Infrastructure

Originally, our mission as SAN SAN business card database was to help shape the future of 21st-century Japan by providing information solutions that create new value and boost productivity for Japan-based companies and their employees. After several transitions, in 2012, we redefined business cards as "business encounters" and we continued to expand our business under the new mission of "Creating a resource from everyday business encounters and transforming the way the world works." New cultures, new businesses, and all types of innovation are produced from encounters between people and companies, and we have conducted our business activities with the aim of generating innovation and innovative value in society through these encounters.

In 2021, our group presented its first ever vision. At that time, we had just begun diversifying our solutions, backed by business assets such as our proprietary technology and operations for digitizing analog information. Around this time, we also introduced the Bill One solution, focusing on invoices that result from

Vision

Become business infrastructure

Transport networks, electrical grids, the internet.
These are some of the roads of society.

We believe another road is possible.
A new form of infrastructure for the business world.

This road connects people with people, companies with companies, and turns everyday business into innovation.

We aim to be that new road, that business infrastructure.

business encounters between companies. By broadly redefining things other than business cards also as the results of encounters in business, we expanded the abilities of our core competencies, transforming inefficient and analog work arising in different business scenarios and even changing the encounter scenarios themselves, thus greatly expanding our business potential.

As our business areas expanded and we went public, our employee numbers increased, and our group's stakeholders continued to grow. We felt the need to re-examine who we are and what our aims are, and to clearly communicate this to society, leading us to our current vision to "Become business infrastructure." This vision has helped us clarify the image we should embody and improve our employees' understanding of our corporate philosophy, including our mission, and it has been a major catalyst in accelerating our growth as a company.

Focusing on Our Purpose

Our mission-driven culture is the source of our growth and strength. We believe our significant growth is owed to all employees aligning with our mission. We determine yearly themes based on our business phase that year and continually adapt to changing times, while improving our strengths and compensating for our weaknesses, fostering a new culture that serves as a driver of growth. Our vision to "Become business infrastructure," presented in 2021, was also the theme we set during our growth period in 2015.

In FY2023, we decided to focus on our corporate purpose. We have always adapted our mission, vision, and values to the changing times, and since our founding, we have revised them many times through all-employee meetings (Katachi discussions).

Similarly, in the future, our current mission and vision of "Turning encounters into innovation" and "Become business infrastructure" could also change. Based on that, we saw the importance of reflecting on our intrinsic value and identity, which are the DNA of the Sansan Group and which we should preserve for the future so we can evolve our mission-driven culture, a core strength, and achieve further growth. This realization

led to the start of discussions on our purpose.

When discussing our philosophy, we prioritize a process involving all employees rather than top-down decisions by the directors. The launch of these discussions on our purpose was incorporated into the introductory training for new graduates joining our company in 2024 to make them aware of their role in shaping the future of the Sansan Group. All employees then were

divided into 246 teams, each comprising members with different job types, departments, tenures, etc., and they spent 4,233 hours discussing themes such as "What value will the Sansan Group create 100 years from now?" and "What is the corporate purpose of our company that connects us to the future?"

After these discussions involving all employees, further discussions will be held among representatives from each team and among senior management,

with output refined at each stage, before final discussions among top management centering on the directors. The discussions are still in progress. Currently, though we have not yet produced a specifically worded statement, all employees can now articulate the significance and strengths of our group in their own words, making this process a vital opportunity to bolster our corporate culture.
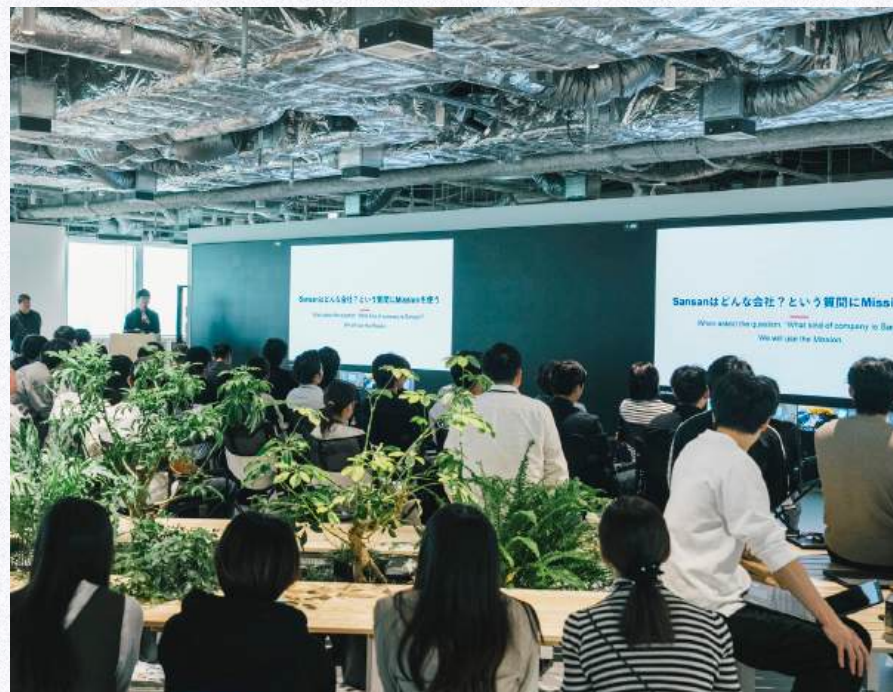
A Future in Which We Are Business Infrastructure

A future in which our solutions have become business infrastructure is one where most business processes typically rely on what we provide. That means businesspeople using our solutions daily, not even conscious of their convenience. This use will be a common activity.

For example, while going to meet a client using Sansan's route search solutions, they might check contract status or business relationships via Contract One or Bill One and review the latest news, business performance, and colleague connections via Sansan's company database. At the meeting, they would effortlessly exchange Virtual Cards using Sansan or Eight, and then seamlessly transition into the main objective of the visit.

As our business areas have expanded, the types and volume of business data we handle also have significantly increased. To realize the type of future mentioned above, we must generate, organize, and use individual business data from individual pieces of analog information, and provide innovative solutions and data usage opportunities by organically connecting diverse and extensive sets of business data. Layering interactions between people and companies on top of this and maximizing our group's unique value offering are essential for realizing a future in which we have "Become business infrastructure" and for achieving further business growth.

Specifically, the Sansan sales DX solution provides features that let user companies effectively use a range of information on companies and people, and information on contact activity with the company, thereby helping to improve sales productivity and maximize revenue. The cloud-based invoice management solution "Bill One" substantially helps to streamline complex tasks by generating and organizing data that can be used for conducting accounting processes. The Contract One contract database accurately digitizes contract information and offers features that enable companywide use of data such as contract details, transaction histories, and relationships with other companies. Until now, opportunities to effectively use data have been contained within each individual solution, but in the medium-to-long term, we aim to significantly increase the value of our solutions and data by integrating our solutions and offering opportunities to use data across them.

Integrating Sansan and Contract One has already started. Combining contact information on individuals and companies from business cards and emails stored in Sansan with information on clients, contract periods, and content stored in Contract One strengthens the practical use of the data in business. For Sansan, contract history is added as a form of new contact information for a company. Apart from a company's contact information, users can now also check previous business conducted under past contracts, which can be used for sales activities. For Contract One, leveraging the company information and risk assessment functions in Sansan enables efficient pre-contract screening and other related activities.

Such data integration will ultimately link all our solutions in a meaningful way and let us provide value as business infrastructure, in line with our vision. Moreover, this aligns with the intrinsic value we must offer to society. That is, we will digitize encounters such as paper business card exchanges and invoicing, and their results, use them to generate innovation, connect them to the future, and transform them into value. Our aim is for our solutions to become indispensable for all companies and businesspeople, and to continue to function as infrastructure supporting business growth far into the future.
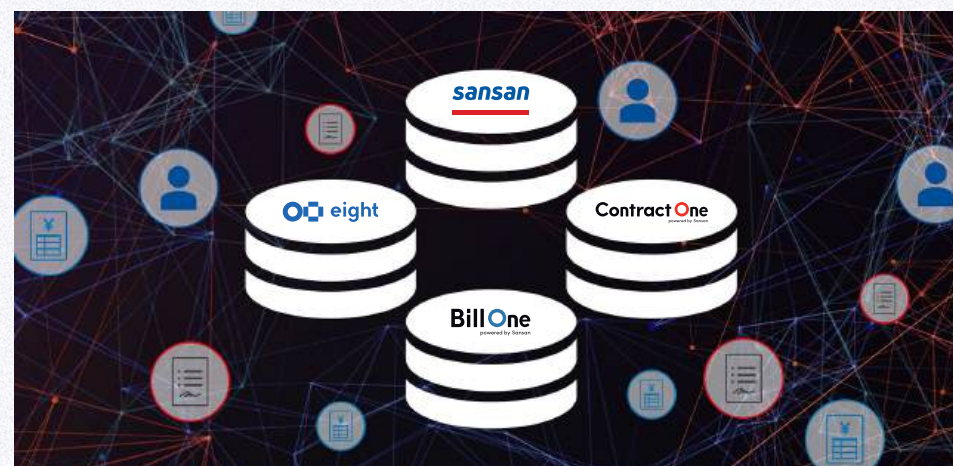
Sustainability Initiatives

We believe that helping resolve social issues through our business activities will contribute to building a sustainable society. This, in turn, will lead to our sustainable growth and increase our corporate value.

We consider various factors in our sustainability initiatives, such as the business environment, our management and our management performance and business stage.

We then promote these initiatives in collaboration and cooperation with all stakeholders.

Governance in Sustainability

We have identified key material issues (priority issues) regarding the environment, society, and governance and set quantitative targets for these issues for FY2029. We also have appointed our directors as material issue owners (officers) for each issue. Under their supervision, we examine response policies and the content of initiatives. The Board of Directors receives reports every year and supervises matters contributing to realizing sustainability, including the examined content. The Board discusses and decides on important matters. We also regard risks and other such factors when dealing with sustainability as either synonymous with or closely related to risks that could significantly impact our management and business. We analyze and identify these as part of our company-wide risk management.

Identification of Material Issues

The identification of material issues in the Board of Directors in 2022 was conducted based on the following processes.

Identification process

1

Selecting Material Issue Candidates

We selected highly relevant material issue candidates by referring to international guidelines and principles, namely, the Sustainability Accounting Standards Board (SASB) standards and the goals and targets in the Sustainable Development Goals (SDGs). We formed a list of all candidate items considering our group's business structure and then established forums for discussions on the theme of ESG with our directors and some of our institutional investors. We then reflected the opinions and feedback obtained there in our selections.

Identification process

2

Assessing Each Candidate's Importance

A report on each candidate selected through Identification process 1 was made for the Board of Directors and it was agreed that the material issues in our group would be selected from among the candidates. We decided that the selection method should be that all directors, including the Outside Directors, assess each candidate along two axes: importance to society (stakeholders) for achieving sustainability, and importance to our group for achieving our vision and business growth. We then held discussions based on the aggregate results of those assessments.

Identification process

3

Discussions and Decisions by the Board of Directors

We aggregated the results of the assessments in Identification process 2, reported to the Board of Directors, held discussions and deliberations about their respective importance and content, and identified 10 material issues organized into five areas. Subsequently, we appointed owners for each issue, established FY2029 quantitative targets, and held discussions and deliberations in the Board before making decisions.

Content of the Material Issues

We have identified 10 material issues organized into five areas and appointed one director to each area as the material issue owner.

Priority area 1

Balancing Security and Convenience

Along with convenience, we implement measures to ensure our employees maintain data privacy and information security, thereby providing society with highly safe and stable services.

☐ **Material issues**

1 Provide safe and stable infrastructure services

2 Ensure protection of data privacy and robust information security

☐ **Material issue owner**

Director, Executive Officer, CIO,[*1] CISO,[*2] DPO,[*3] Engineering Division Head, Eight Division Head
Kenji Shiomi

Priority area 2

Transforming Work Through Innovative Digital Transformation Services

To become business infrastructure, we will leverage our strengths in digitization to develop and provide innovative digital transformation (DX) services that significantly improve social and economic productivity.

☐ **Material issues**

3 Promote DX services that improve productivity

4 Create innovative business infrastructure

☐ **Material issue owner**

Director, Executive Officer, COO[*4]
Kei Tomioka

Priority area 3

Respecting Employee Diversity and Producing Innovation

To produce innovation that helps solve business challenges through the power of encounters, we promote the creation of opportunities and the provision of environments for our diverse workforce to enjoy success.

☐ **Material issues**

5 Promote the recruitment, development, and success of human resources

6 Promote diversity, equity, and inclusion

☐ **Material issue owner**

Director, Executive Officer, CHRO[*5]
Yuta Ohma

Priority area 4

Establishing a Firm Management Structure to Support Rapid Business Growth

We will strengthen corporate governance and ensure compliance to reinforce our management structure that supports our growth.

☐ **Material issues**

7 Strengthen corporate governance

8 Ensure compliance

☐ **Material issue owner**

Director, Executive Officer, CFO[*6]
Muneyuki Hashimoto

Priority area 5

Conserving the Environment Through Business

We will promote conservation of the environment by addressing climate change issues through our business activities, including promoting DX, supporting paperless work, and introducing environmentally friendly solutions.

☐ **Material issues**

9 Address climate change issues

10 Use natural capital efficiently

☐ **Material issue owner**

Representative Director & CEO,[*7] CPO[*8]
Chika Terada

*1 CIO: Chief Information Officer *2 CISO: Chief Information Security Officer *3 DPO: Data Protection Officer *4 COO: Chief Operating Officer *5 CHRO: Chief Human Resources Officer *6 CFO: Chief Financial Officer *7 CEO: Chief Executive Officer *8 CPO: Chief Product Officer

2030 Targets and Status of Initiatives for the Material Issues

At the 2023 Board of Directors meeting, we decided the metrics for each material issue and the FY2029 quantitative targets. We believe, in addressing sustainability, it is important to take a longer-term perspective, set ambitious targets, and then undertake various measures while conducting a review each fiscal year, and we ensure that we can quantitatively analyze our progress.

		Priority area 1		Priority area 2		Priority area 3				Priority area 4			Priority area 5	
		Balance Security and Convenience		**Transform Work Through Innovative DX Services**		**Respect Employee Diversity and Produce Innovation**				**Establish a Firm Management Structure to Support Rapid Business Growth**			**Conserve the Environment Through Business**	
		① Provide safe and stable infrastructure services ② Ensure protection of data privacy and robust information security		③ Promote DX services that improve productivity ④ Create innovative business infrastructure		⑤ Promote the recruitment, development, and success of human resources ⑥ Promote diversity, equity, and inclusion				⑦ Strengthen corporate governance ⑧ Ensure compliance			⑨ Address climate change issues ⑩ Use natural capital efficiently	
Metrics		Number of major incidents	Proportion of those qualified as Protection of Individual Information Person	Number of items converted from analog to digital information using our solutions	Number of users of our solutions	Proportion of recruitment through referrals	Unipos[2] posting rate	Ratio of female employees in management positions	Ratio of female employees	Ratio of female directors	Number of significant compliance violations	Proportion of employees receiving compliance-related training	GHG[3] emissions Scope 1+2[4]	Number of uses of paperless functions in our solutions
FY2029 Long-Term Goals[1]		0	Maintain at 80% or higher	500 million	20 million	35%	80%	30% or higher	45% or higher	30% or higher	0	100%	Carbon neutral	120 million
FY2023 Results[1] (YoY)		0 (–)	86.7% (–1.3 pts.)	240 million (+27.5%)	7.89 million (+37.7%)	10.3% (–2.7 pts.)	58.1% (–1.5 pts.)	17.8% (–)	36.7% (+1.8 pts.)	22.2% (–)	0 (–)	100% (–)	999 t-CO_2 (+17.4%)	10 million (+44.0%)
Main Measures		■ Carefully handling and protecting information are top management priorities, and all executives and employees implement all measures ■ Promote understanding of personal information protection qualifications through pre-employment guidance and in-house training →P074 Information Security		■ Reinforce our sales organization to strengthen sales abilities for our solutions ■ Strengthen marketing activities with the objective of stimulating demand for our solutions ■ Improve the convenience of our solutions by adding new functionalities and updating existing functions →P030 Special Feature: Social Value Created by Our Solutions →P044 Business Strategies by Segment		■ Strengthen in-house events and campaigns for increasing the proportion of recruitment through referrals ■ Execute plans for company-wide cultural diffusion aimed at promoting and consolidating the use of Unipos ■ Carefully handling and protecting information are top management priorities, and all executives and employees implement all measures ■ Strengthen public relations for the achievements of diverse employees and implement life event support measures for improving the ratio of female employees →P055 CHRO's Message / →P059 Human Capital				■ Form a statistical population through appropriate review of the Director Appointment Policy and improvement of the ratio of female executive officers ■ Ensure robust compliance education and awareness for all executives and employees →P035 CFO's Message →P082 Compliance →P084 Corporate Governance			■ Start and strengthen various initiatives for reducing GHG emissions ■ Reinforce and increase the convenience of digital information usage functions in our solutions →P005 CEO's Message →P076 Global Environment	

*1 Targets and results presented here are for the Company on a non-consolidated basis *2 We use a Peer Bonus® platform service provided by Unipos Inc. The platform involves all employees *3 GHG: greenhouse gas *4 Scope 1 is calculated by aggregating direct GHG emissions from our own o!ce and facilities. Scope 2 is calculated by aggregating by indirect GHG emissions from the use of purchased electricity and thermal energy in each office

Stakeholder Engagement

We believe that when aiming for sustainable business growth and increased corporate value it is important to accurately identify expectations, concerns, demands, etc. concerning our group through engagement with various stakeholders, and to reflect this in our management and business activities. Based on this thinking, we actively promote initiatives for building trusting and collaborative relationships with our stakeholders.

Stakeholder	Customers	Shareholders and Investors	Business Partners	Employees	Local Community and NPOs
Overview of the Initiatives	We strive to provide our customers with a stable supply of safe and secure solutions so we can continue to deliver new value that leads to the resolution of issues.	To meet our shareholders' expectations, we work on accurate and fair information disclosure and active creation of opportunities enabling interactive dialogue, among other measures.	We strive to build appropriate cooperative relationships and information management systems with our business partners and provide safe and secure services, based on fair and equitable transactions.	To achieve our mission and vision, we strive to develop opportunities and environments for our diverse employees to succeed.	Based on the concept of "What we can do now, for the future," we work to resolve social issues and create shared value through our core business as a member of the community.
Examples of Main Initiatives	■ Daily support by the Customer Success Department ■ Establishing an inquiries contact for the solutions ■ Information transmission through the website, social media, etc. ■ Holding of events and seminars	■ Information transmission through the General Meeting of Shareholders, financial results announcements, timely disclosure, etc. ■ Holding of various briefings for institutional investors and individual investors ■ Publishing the Annual Report ■ Establishing an investor relations inquiries contact	■ Daily communication through purchasing activities ■ Thorough implementation of compliance and risk checks ■ Developing operational provisions concerning purchasing, etc. ■ Managing contractors' safety	■ Establishing opportunities with the participation of all employees to discuss and revise our philosophy ■ Implementing an engagement survey ■ Developing internal systems and consultation contacts ■ Implementing training and seminars	■ Sansan for NPOs ■ Scan for Trees ■ Kodomo Meishi (Kids' Business Cards) Project ■ Supporting the Kamiyama Marugoto College of Design, Technology, and Entrepreneurship ■ Legacy Giving Japan Supporting Will for Japan ■ Yoiko for CSR

» Policy on Constructive Dialogue with Shareholders and Investors

In principle, the IR department handles dialogue with shareholders, with the CEO, CFO, and other business officers participating where reasonable. The IR department promotes constructive dialogue through regular exchanges and information-gathering together with each internal department and the group companies and we also identify shareholders from the shareholder registry to understand our shareholder composition. The CEO and CFO regularly present financial results briefings for analysts and institutional/individual investors, and we disclose such information on our website. The IR department compiles views and concerns identified through these dialogues, reports them to the Board of Directors as appropriate, and discusses responses with relevant departments.

» Major Investor Relations Activities for FY2023

In FY2023, we actively engaged in investor relations, including participation in multiple conferences, direct CEO, CFO, and IR department visits to institutional investors overseas, and creation of new briefings enabling interactive dialogue. We held 401 dialogues with institutional investors and analysts, including 121 with Japanese institutional investors, 242 with overseas institutional investors, and 38 with securities analysts. In addition to these dialogues, our briefings for institutional investors and analysts included four financial results briefings, one CEO meeting, and one IR Day, which is a forum for intensive business explanations. We also held two briefings for individual investors.

Special Feature

Social Value Created by Our Solutions

We believe the value our solutions provide to society greatly improves overall productivity through the digitization of analog information.
We also see our role as becoming business infrastructure by continuing to offer innovative solutions.

Creating Social Value Through Our Mission

Director, Executive Officer, COO

Kei Tomioka

The Social Value We Create

"Turning encounters into innovation." Since our founding, we have been dedicated to our mission and grown by staying true to it. As COO, I am committed to tying the realization of our mission to sales and profit growth.

We create various forms of value for society. One is generating innovations that make the world better. Innovation emerges when people with diverse ideas meet. Through our solutions, people can have encounters they might have otherwise missed, allowing them to connect with those they should meet. This embodies our mission of "Turning encounters into innovation."

Another substantial social value we create is supporting value creation for businesspeople, companies, and organizations through our solutions. Society faces numerous challenges, and organizations such as companies and public institutions, along with the businesspeople working there, confront these issues daily. Waste is one obstacle hindering efforts to solve these social issues. We develop our solutions with the intent of using digitization to eliminate waste in analog processes as much as possible. Through these solutions, we support professional in using their limited time for more valuable work, thus encouraging innovation in society, and this is another way we contribute value.

Becoming Irreversible Business Infrastructure

When we acquire new customers or renew contracts with existing ones, I feel the value our solutions create spreads through society. Each of these instances genuinely makes me happy. However, if this expansion remains confined to Japan, we can't say we are truly creating innovation for society. In this sense, seeing overseas customers use our solutions gives me a stronger sense of our value's reach.

In FY2023, I was particularly impressed with the adoption of Bill One by TAKENAKA CORPORATION's Thailand subsidiary. In Thailand, the culture of paper and handwritten signatures remains even stronger than in Japan, with most business documents exchanged in paper form. At THAI TAKENAKA INTERNATIONAL LTD. accounting staff were previously stationed at each construction site to manage and process paper invoices received from various suppliers, including those providing materials and transportation.

I had the opportunity to observe the sorting of more than 2,000 paper invoices per month at our scanning center. Managing and processing this large volume of invoices with non-standardized formats placed a great

burden on the sites. If we continued in this analog way, this process would be prone to human error. I was present when Bill One digitized these massive bundles of invoices for the first time for the customer. It felt like a moment when our solution was truly creating social value. Initially, there was some psychological resistance to changing long-standing workflows and habits, but we prepared for this by holding multiple training sessions before implementation. Once the system went into use, the personnel realized they had no desire to go back to paper-based invoice exchanges. This was the innovation that occurred.

The process of creating value for society involves overcoming challenges together with our customers and step by step. Through this steady process our solutions gradually become established and permeate society as business infrastructure.

Transforming Work

Transforming work through digital transformation (DX) solutions is one of our key focus areas. In this area, we have set targets for two material issues (priority issues) to achieve by FY2029: 500 million items of information converted from analog to digital using our solutions, and 20 million users of our solutions.

Digitizing analog information has been our strongest core competence since our founding. In a society where many paper-based analog processes persist, our DX solutions focus on eliminating as much waste as possible and improving operational efficiency. This will allow businesspeople to spend more time on tasks that truly matter. The number of analog data items digitized is a straightforward metric measuring these contributions. Similarly, the number of users measures how many people have benefited from operational efficiency gains through digitization.

In FY2023, we saw progress beyond our initial

expectations. We achieved 240 million items digitized and 7.89 million users, which I consider good results. Achieving our goals in the remaining six years will still be challenging. However, if we increase the number of users and grow our business, resulting in increased corporate value, we can confidently say we are creating real value for society.

Creating Impact Through Business Growth

In last year's Annual Report, I discussed our shift in business strategy from optimization to maximization. In FY2023, each of our solutions made solid progress toward maximization.

Going forward, Sansan will expand its recognition as a sales DX solution. It will do so by enhancing its corporate information database. In the future, we aim to evolve it into a sales DX solution centered on a corporate information database overseas as well. In Japan, we will elevate Bill One into a solution that accelerates monthly closing based on three pillars: invoice receipt, issuing, and expense reimbursement centered on corporate credit cards. Globally, we aim to accelerate growth by capturing robust demand through solutions that address the characteristics and needs of each country and region. This will include accounting systems and business practices. We aim for Contract One to achieve growth comparable to that of Bill One. We are also considering new solutions to follow these.

We will continue to grow our business steadily and, as a result, generate both qualitative and quantitative impacts on society.

Director, Executive Officer, COO

Kei Tomioka

The Social Value of Sansan

[CASE_1]

Building a Customer Database Across an Entire Company

Kobe Steel, Ltd.

Client company Kobe Steeel, Ltd. successfully introduced Sansan and integrated it with Salesforce[1] to build a company-wide customer database, saving work hours in business operations and promoting DX through data utilization.

The company struggled with often not being able to immediately access necessary information because customer information management depended on individuals. Therefore, for effective company-wide use of the personal network assets developed through many transactions, it was necessary to create a comprehensive database of customer information and an environment in which it could be used effectively. Another issue was that distribution of email newsletters to customers, a sales measure, was ineffective.

Sansan was introduced on a trial basis and interviews with employees using it showed it was well received for its usability and accurate character recognition. It was expected to save ~4,000 work hours per year in operations such as business card management, which led to its company-wide introduction. For email

distribution, it had been necessary to input email addresses one at a time into the address field, but by using Sansan's functions, the number of those work hours was reduced and data such as open rates could be viewed on Sansan after emails were sent, which is also useful for marketing. Efficient collection of necessary details, such as company information, recent news, and past contact histories of visited destinations, before going on sales visits also became possible, which led to establishing a foundation for sales activities that better leveraged organizational abilities.

[1] Salesforce is a trademark of Salesforce.com, inc., and is used here with permission

[CASE_2]

Building a Foundation for Digital Marketing

THE SHIZUOKA BANK, LTD.

Client company THE SHIZUOKA BANK, LTD. successfully expanded the effects of its digital marketing while improving productivity. The company introduced Sansan to develop its customer database and build an environment in which it can utilize the personal networks of other departments and superiors.

One issue the bank faced was that customer information management and communication were dependent on individuals. It introduced Sansan bank-wide, creating an environment in which digitized business card information could be confirmed on smartphones, which streamlines operations and strengthens sales abilities. The bank also aimed to develop a customer database for use in digital marketing.

After introducing Sansan, business card information began to be shared within the bank, and by being able to visualize the person-to-person connections at the staff level, the bank was able to leverage the personal networks of other departments and superiors in its sales activities. It also was able to reduce the work hours spent searching for and organizing paper business cards. This task used to take about 15

minutes per person per month. Additionally, more than 300,000 business cards have been digitized in the 16 months since introducing Sansan and the number of email addresses that can be approached has increased roughly tenfold.

Introducing Sansan let the bank digitize information that was previously acquired through manual footwork and depended on specific individuals. This made it possible to use this information for digital marketing, which has been a major achievement moving into the future. The bank is now working on studies for identifying highly likely prospects through digital marketing techniques.

The Social Value of Bill One

[CASE_1]   **Streamlining Invoice Operations Through the Eliminating Invoice Scanning**

Meiji Co., Ltd.

Client company Meiji Co., Ltd. improved productivity company-wide by introducing Bill One. This has saved 900 work hours per month that were previously needed for scanning paper invoices, while streamlining invoice-related operations.

With the aim of improving productivity company-wide, Meiji has been revamping its accounting system and making accounting-related receipts completely paperless. However, a problem arose in that, of the roughly 20,000 invoices handled within the company each month, 15,000 were paper invoices, and the scanning work was taking more work hours than anticipated. Estimation of the hours through demonstration tests and other means found as many as 900 hours per month on a company-wide scale. About 70% of paper invoices can now be received through Bill One, greatly reducing the work hours required for scanning.

Also, in the past, each on-site staff member who received the invoices managed them. However, with the spread of remote work, staff members sometimes were not in the office and could not confirm the invoices, or had to come to the office only to check email and postal mail or to place an official seal on the invoices. After introducing Bill One, use of the grouping function enabled sharing of invoice information and status among members.

By using Bill One, the company has been able to streamline its entire accounting operations, going paperless and substantially reducing operating time. The company is now working to build an environment that allows it to focus on more essential operations and is working on appropriate staffing arrangements.

[CASE_2]   **Reducing Mistakes and Inefficient Operations in Paper Invoice Processing**

Union Co., Ltd.

Client company Union Co., Ltd. by introducing Bill One, has successfully reduced mistakes, such as omission of the processing of paper invoices and duplicate payments, as well as inefficient operations in the management of original documents.

A great deal of inefficient work was occurring in the company because most of the invoices it handled were paper. The workflow also involved handwriting payment requests, the prescribed in-house format, getting a stamp of approval, and then submitting them. Therefore, the submission sometimes was forgotten or the deadline passed without the official stamp because the supervisor was absent, resulting in omitted processing. Also, as some electronic invoices received by email were printed out on paper for processing, there was a risk of printing them out again even though they had already been processed, resulting in duplicate payments.

Introducing Bill One made it possible to receive invoices and manage their status online, which streamlined workflows and reduced these risks. Significantly reduced filing work for invoices was another effect of introducing Bill One. Previously, about 300 paper invoices had to be bound together with string and filed to store them as originals, but now, they can be stored in Bill One, so there are far fewer instances where paper invoices are handled as originals. The risk of losing or omitting the processing of invoices, another issue, also has been eliminated, and removing the work hours previously required to fill in the in-house prescribed formats has boosted employee productivity.