

– Sansan/Bill One Business

Solutions for Promoting Corporate DX

Our Sansan/Bill One business includes Sansan, our sales DX solution; Sansan Meishi Maker, our comprehensive Business Card Making Solution; Bill One, our cloud-based invoice management

solution; and Contract One, our cloud-based contract management solution. Each solution resolves business challenges by digitizing analog information to increase business efficiency and enable effective data use.

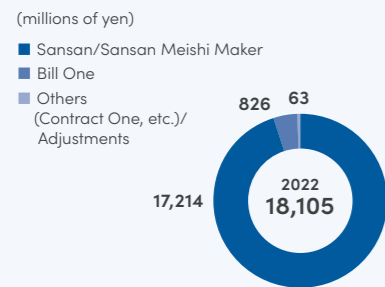
Our Technical Organization — Past and Present

Financial Results^{*1}

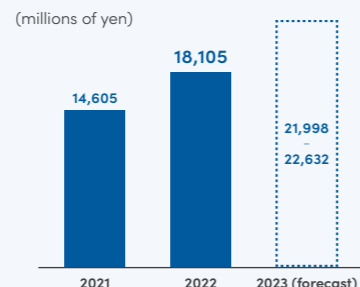
In the fiscal 2021, net sales for our Sansan/Bill One business increased 24.0% year on year, mainly due to solid growth from Sansan and continued high growth from Bill One. Our adjusted operating profit increased

8.7% year on year, primarily due to enhancements to our sales structure and marketing initiatives mainly to realize further growth of Bill One. For the fiscal 2022, we expect sales growth of between 21.5% and 25.0%.

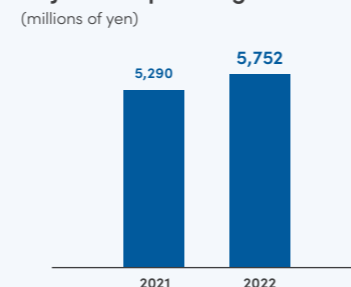
Sales Breakdown



Net Sales



Adjusted Operating Profit



^{*1} Graph shows for each year ended May 31

Social Issues/Needs

Even today, companies still incorporate paper-based analog processes in their workflows. Delays in digitization are a major barrier towards improved operational efficiency and effective data use.

Obtaining accurate information, such as company names, customer names, titles, and contact details, and using it efficiently are crucial for sales activities. However, in most cases, customer contact information, such as exchanged business cards, e-mails, and records of prior meetings, is managed by individual employees. Thus, this valuable information is not effectively utilized within companies. In addition, management methods are often analog. These limitations create significant space for improving operational efficiency

through digitalization. Since the COVID-19 pandemic, opportunities to exchange business cards have decreased due to the spread of online meetings. This shift makes it more crucial than ever to obtain accurate information on business partners and manage and utilize information on contact points. For companies that are being contacted for the first time, detailed information on sales, industry, employee numbers, and regions is not available. These limitations make it challenging to select appropriate targets for new sales and to develop efficient sales strategies.

In addition, paper invoices are still more common than digital ones for many businesses. A reliance on paper-based processes such as managing mailed

documents, circulating invoices for internal approval, and manually entering invoice details to pay them creates a substantial barrier to efficiency. Since employees are forced to come to work to deal with paper invoices, analog processes also create a barrier

to diversifying work styles. The public and private sectors work together to computerize invoices in Japan. Companies must also adapt to new frameworks, such as the recent revisions to Japan's Electric Book Storage Act and the introduction of a new invoicing system.

Competitive Advantages

Technology for Digitizing Analog Information

Our unique operations combine technology and manual human input to achieve highly accurate digitization. (→ p.18 Business Model)

Strong Recognition of Sansan in Japan

Since Sansan's first TV commercial was aired in 2013, we have gained a high level of recognition in Japan. This recognition has contributed significantly to the credibility of our services.

One of the Largest SaaS Companies in Japan

Our position as one of Japan's largest SaaS companies has provided us with strengths in sales and marketing.

Main Services



sansan

sansan
名刺メーカー

Bill One
powered by Sansan

Contract One
powered by Sansan

A System for Business Operations That Supports Multiple Products

With Sansan as our core business, we are focused on expanding our business fields and creating new services by leveraging the strengths we have cultivated. This focus has resulted in increased service value and has also increased the importance of the synergy between these services. As a result, we now believe we have produced a multi-product business portfolio. This multi-product structure is supported by three organizations: our Product Unit, Engineering Division, and Business Division. These organizations function as a business management system to efficiently increase the speed of our business growth.

Specifically, the system's function starts with GMs being assigned to each major product. The GMs have essential roles and responsibilities related to planning business strategies, monitoring earnings, and making commitments to business plans, allowing each product to

grow independently. Next, the Engineering Division—where the engineering functions for each product are focused—works to further improve our technological capabilities, which are also the source of our competitive advantage, by providing high-level employee training and effectively utilizing our R&D resources. Finally, the Business Division brings the sales and marketing departments for Sansan, Bill One, and other products together under the control of a single headquarter. This configuration means we can allocate sales and marketing resources to high-growth products in an agile and flexible manner.

Due to their nature, the recruitment-related services, business events, and other services we provide through Eight are not sold under our multi-product structure. For this reason, non-development-related resources are managed within Eight Division.

Sansan/Bill One Business

Sales DX Solution: Sansan

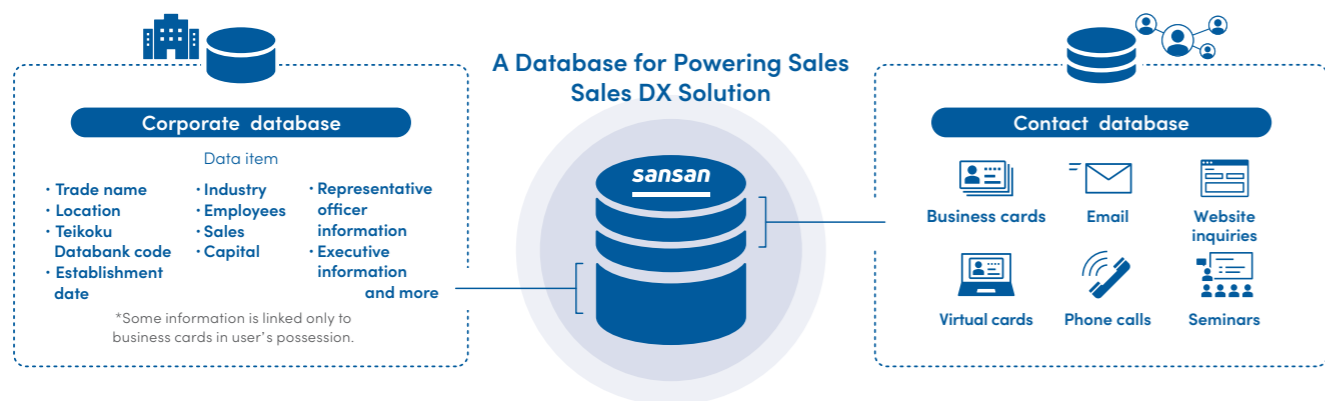
The Database to Power Your Sales



Sansan is a sales DX solution. Based on the concept of “The database to power your sales,” it combines company databases and contact databases to create

a unified database unique to the user’s question, enhancing the sales capabilities of individuals and organizations.

Service Overview



Sansan allows users to build their own unique database by combining our database of companies, which contains more than 1 million pieces of information, with a contact database that accumulates and visualizes all of their company’s contact points with customers, such as business card exchanges, e-mails, participation in seminars, and website inquiries. This database enables the efficient discovery of new sales contacts and the sharing of up-to-date information on client companies, thereby enhancing individual sales representatives’ sales abilities. In addition, utilizing data through links

with external systems enables advanced planning and execution of sales strategies that suit customers’ needs, helping to maximize sales results across the organization.

The service’s business model includes a basic plan for company-wide use. Monthly fees consist of licensing costs calculated based on the size of the user company and the usage, plus scanner rental fees, etc. When a company introduces Sansan, we also offer additional paid services such as converting large numbers of paper business cards and installation support.

Performance^{*1}

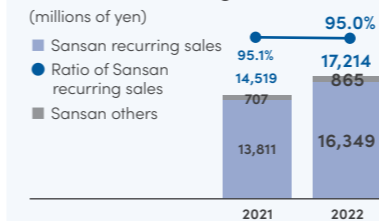
In the fiscal 2021, despite some negative impacts from the pandemic, Sansan subscriptions increased 9.6% year on year, and monthly recurring sales per subscription increased 4.9% year on year. These increases were the product of new subscriptions from medium and large companies that we acquired thanks to improvements to our sales structure. In addition, our last 12 months average of monthly churn rate for Sansan^{*2} remained low at 0.62%, down 0.01 points from the same period last year, due to ongoing efforts to expand use by existing

customers.

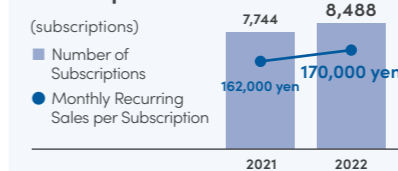
As a result, Sansan sales increased 18.6% year on year, within which recurring sales increased by 18.4% and other sales increased by 22.3%.

To further increase sales, we are working to transform Sansan from a cloud-based business card contact management service to a sales DX solution and produced new functions in the lead up to the service being made available in June 2022.

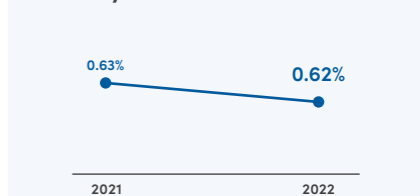
Sansan Recurring Sales



Number of Sansan Subscriptions/ Monthly Recurring Sales per Subscription



Last 12 Months Average of Monthly Churn Rate for Sansan



*1 Graph shows for each year ended May 31 *2 Ratio of decrease in monthly fees associated with contract cancellations to total monthly fees from existing Sansan subscriptions

Strategy

Although Sansan targets all companies, only about 3%^{*3} of the working population in Japan uses our services, leaving ample room for development.

We have been adding new functions to Sansan as part of its transformation, and, to achieve future growth, we will promote such efforts even further, thereby enhancing Sansan’s value as a business database. We will also expand our monthly recurring sales per subscription by strengthening our sales structure to increase subscriptions, as well as by acquiring new customers and promoting expanded use by existing customers based on the idea that all employees at user companies will utilize our services (company-wide use).

Sansan Potential Market Size

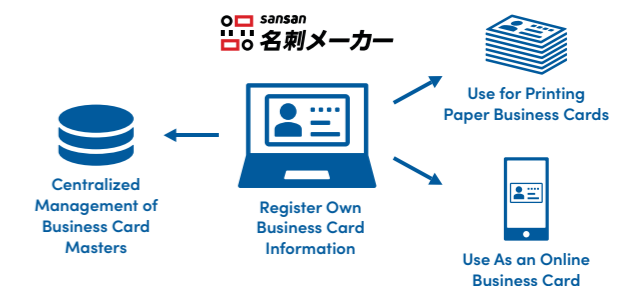
Company Size (Number of employees)	Sansan Coverage (Company) ^{*3}	Sansan Coverage (Employee) ^{*3}
1,000+	16.1% (+0.5 pt. YoY)	4.1% (+0.9 pt. YoY)
100 to 999	3.9% (+0.5 pt. YoY)	3.0% (+0.6 pt. YoY)
99 or fewer	0.3% (+0.0 pt. YoY)	1.1% (+0.2 pt. YoY)

*3 The denominator is calculated based on statistics from the Ministry of Internal Affairs and Communications’ 2016 Economic Census for Business Activity Survey.

Comprehensive Business Card Making Solution: Sansan Meishi Maker

Sansan Meishi Maker is a comprehensive business card making solution, ordering, and administration based on the concept of “A better way to make business cards. A better way to work.” Users can use Sansan and other platforms for ordering business cards, applying for renewals, approving them, and printing them.

Since its launch in May 2021, we have been working to enhance functions to improve convenience and have strengthened compatibility with external services, such as Google WorkspaceTM,^{*4} Microsoft Outlook,^{*5} and Microsoft Teams.^{*5}



*4 Google Workspace is a trademark of Google LLC. *5 Microsoft Outlook and Microsoft Teams are either registered trademarks or trademarks of Microsoft Corporation in the United States and/or other countries.

- Sansan/Bill One Business

Cloud-Based Invoice Management Solution: Bill One

Receive, digitize & centralize your invoices. Fast monthly closing

Bill One
powered by Sansan

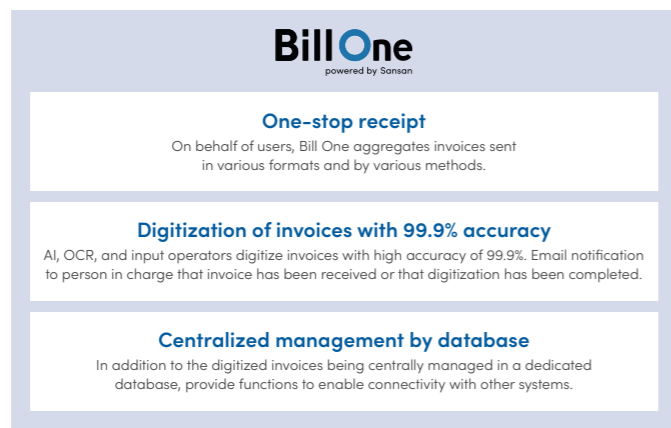
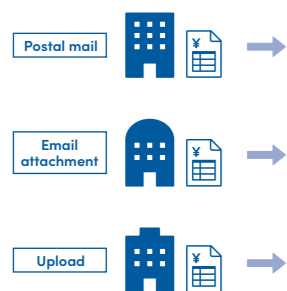


Bill One is a cloud-based invoice management solution that supports the making of faster managerial decisions. It does so by digitally transforming accounting through

streamlined billing and is based on the concept of "Receive, digitize & centralize your invoices. Fast monthly closing."

Service Overview

Side issuing the invoice



Bill One user companies



Bill One can accept invoices in various formats (paper, PDF, etc.) from numerous locations and departments, converting them into data with high accuracy. This accuracy vastly reduces user workloads, enabling them to complete various workflows such as content review and approval in the cloud. In addition to invoice receipt functionality, an optional issuance function is also available. Since the digitized invoice information is centrally managed in a highly searchable database, customers can use the data to control costs, produce

sales opportunities, and maximize future revenue opportunities.

Its business model consists of an initial fee that includes installation support and a monthly fee calculated based on the number of invoices converted to data by the user company. However, for corporations with 100 or fewer employees, we offer a Small Business Plan with no initial and monthly fees, subject to certain conditions.

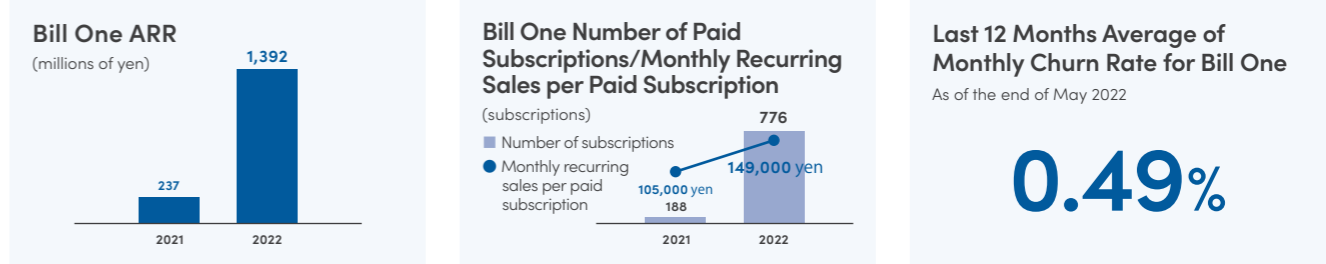
Performance**

Enhancements to our sales structure in fiscal 2021, including hiring and expanded functionality, resulted in new contracts from medium and large companies, increasing paid subscription numbers and monthly sales per paid subscription by 312.8% and 41.9%, respectively, year on year. Our last 12 months average of monthly churn rate**2 was just 0.49%.

As a result, Bill One sales increased 878.1% year on year. In May 2022, our MRR**3 increased 486.3% year on

year and ARR**4 was 1,392 million yen, far exceeding our target of 1 billion yen.

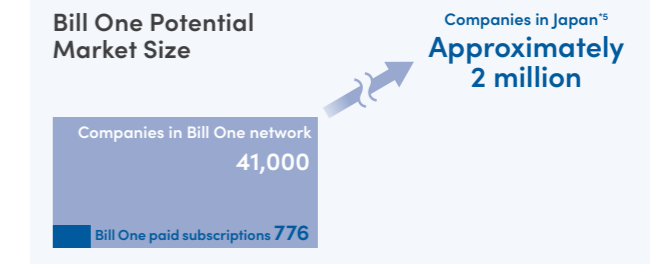
Bill One has established an invoice network that includes paying and free subscribers who receive invoices and users who send invoices to other users. The number of companies participating in the network was approximately 41,000 as of May 31, 2022. The total value of invoices exchanged on this network exceeded 670 billion yen for the single month of May 2022.



*1 Graph shows for each year ended May 31 *2 Ratio of decrease in monthly fees associated with contract cancellations to total monthly fees from existing Bill One subscriptions *3 Monthly Recurring Revenue *4 Annual Recurring Revenue

Strategy

Bill One targets companies of all industries and sizes. However, even with 41,000 companies in our invoice network, this is only around 2%*5 of all companies in Japan. With vast potential for growth, we are working to continue high sales growth through further market penetration and expansion, aiming to have more than doubled ARR, year on year, in May 2023. Specifically, to maximize sales, we have enhanced sales activities, and advertising/marketing activities centered on TV commercials, and expanded functionality ahead of Japan's introduction of a new invoicing system.



*5 The denominator is calculated based on statistics from the Ministry of Internal Affairs and Communications' 2016 Economic Census for Business Activity Survey

Cloud-Based Contract Management Solution: Contract One

Contract One is our cloud-based contract management solution. It centralizes the management of contracts in paper and electronic formats, simultaneously improving efficiency and managing risk, based on the concept of "Digitally transform your contract management to reduce risk." Users can complete analog tasks, like stamping, storing, and managing paper contracts, just by issuing online instructions. Since contracts are accurately converted into data, all contract information can be managed centrally and digitally. We have engaged in various marketing activities and improved Contract One's functionality since its launch in January 2022, and we now have 88 subscriptions as of August 2022, getting the service off to a good start.

