

# Information for Attendees

## FY2020 Financial Results Briefing

Time and Date: February 10, 6:00–7:00 PM JST (Zoom accessible from 5:50 PM)

Speakers: Yusuke Inagaki (Co-CEO), Taira Sakuma (Co-CEO)  
Daisuke Chiba (CFO), Yusuke Umeda (Board Director)  
Daisuke Sakamoto (NewsPicks Inc., CEO)

# Q4 2020 Financial Results

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# We guide business people to insights that change the world

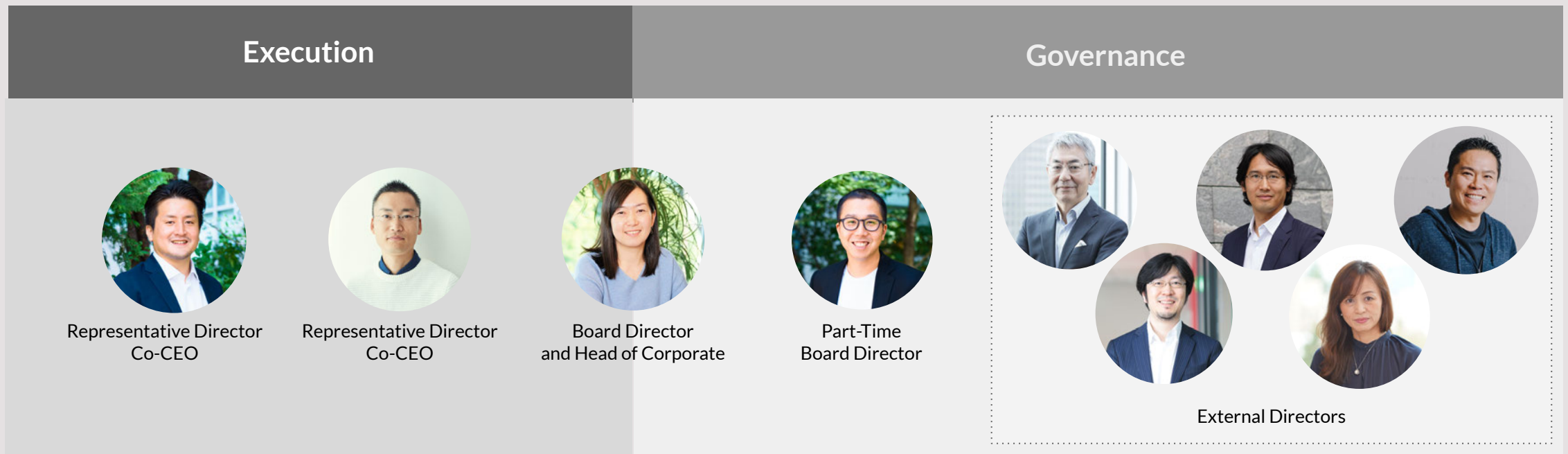
We provide a foundation of intelligence that supports the needs of business and business people. We analyze, organize, and create global information so you can make the right decisions at the right time unleashing your creative and innovative potential.

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# New Management Structure

Looking to power up as “One Uzabase” and drive further growth, Uzabase has introduced changes to its management structure.

As a means to enhance corporate governance, Shinobu Matsui is planned to assume the position of Board Director and Head of Corporate.



# Our Services: Business Intelligence as Main Specialty

SPEEDA	Other B2B Services	NewsPicks	Other
<p><b>S P E E D A</b></p> <p><b>Business Intelligence Platform</b> Provides the information necessary for business strategy development and market analysis, including global and local company/market data, industry reports, M&amp;A information, patent- related trends, and more.</p> <p> <b>MIMIR</b></p> <p><b>Expert Network</b> Provides “SPEEDA Expert Research”, a service that offers access to the opinions of industry experts in cutting-edge fields.</p>	<p><b>FORCAS</b></p> <p><b>B2B Marketing Platform</b> Offers support for implementing ABM practices to help identify high probability prospects via data analysis.</p> <p><b>FORCAS</b> Sales</p> <p><b>Sales Research Platform</b> Service looking to improve the productivity of sales teams via a selling process based around solutions for customers problems.</p> <p><b>INITIAL</b></p> <p><b>Startup Information Platform</b> Provides business descriptions, funding round information, and original articles on startups.</p>	<p><b>NEWS PICKS</b></p> <p><b>Business News Media</b> Provides news articles from over 100 media in Japan and overseas, as well as its own original articles and video content, alongside comments from industry professionals and experts.</p> <p><b>AlphaDrive</b></p> <p><b>Consulting Business</b> Provides NewsPicks tailored to corporate clients, offering support in the areas of organisational revitalization and new business development, in addition to SaaS to support new business development.</p>	<p><small>SPEEDA</small> <b>EDGE</b></p> <p><b>US-Focused Emerging Industry Analysis Platform</b> Provides information on startups, funding, investors, and news mapped to specific sectors to cater to clients’ analytical research needs.</p> <p><b>UB VENTURES</b></p> <p><b>Venture Capital Business</b> Seed and early-stage investment business specializing in SaaS and media-related startups.</p>



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# 01

## Highlights of Consolidated Results

\* All financials presented in this section are consolidated cumulative totals for each fiscal year.

The logo for UZABASE, featuring the word "UZABASE" in a bold, white, sans-serif font. A thin white line curves across the background of the slide, starting from the left, dipping below the logo, and then rising towards the right.

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# Highlights of Consolidated Results: Performance Overview

SPEEDA

**S P E E D A**

 **MIMIR**

Net sales and  
EBITDA recorded  
stable growth.

Other B2B Businesses

**FORCAS** **FORCAS**  
Sales

**INITIAL**

FORCAS saw a recovery  
in terms of net MRR  
growth rate.

NewsPicks

**NEWS PICKS**

**AlphaDrive**

Both net sales and EBITDA  
increased due to the  
favorable performance of  
the Advertising business.



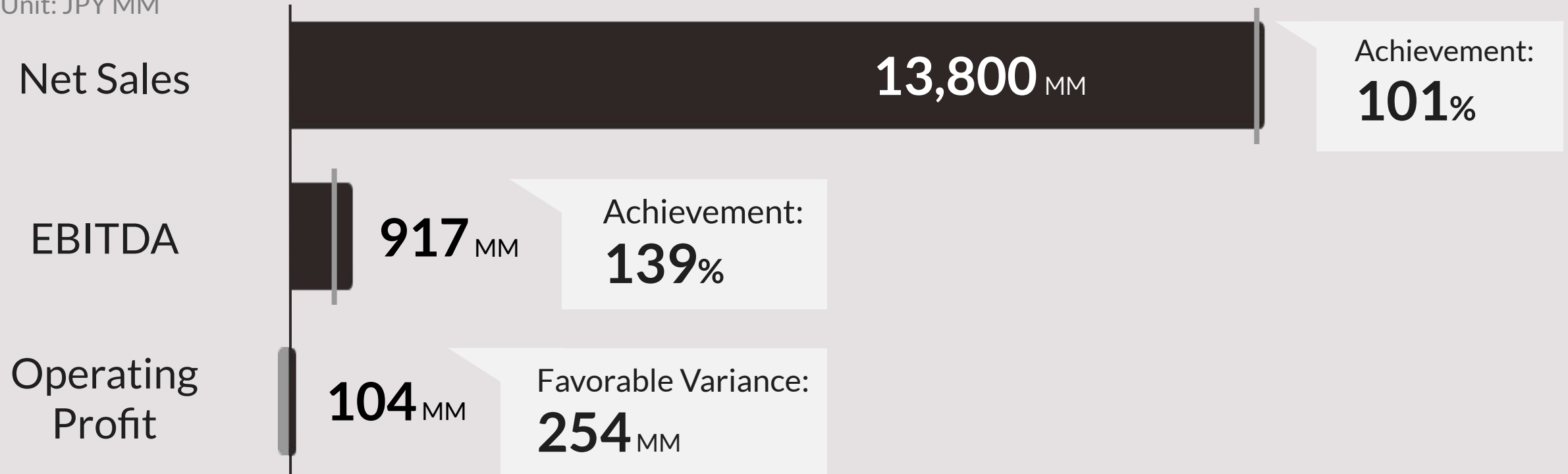
## Highlights of Consolidated Results: Forecast vs Actual

**Net sales and profit reached the targets of the revised forecast.**  
**Owing to strong advertising sales, profit significantly exceeded targets, and positive operating profit was reached 1 year earlier than originally planned.**

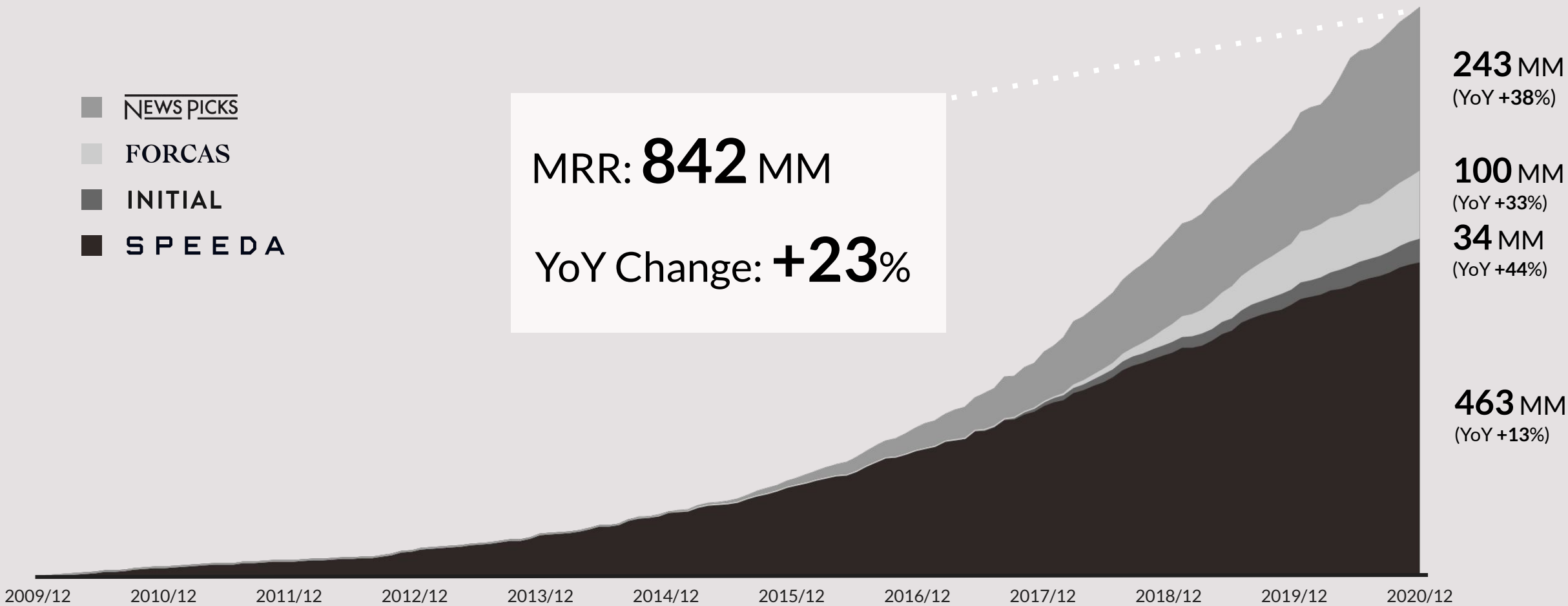
■ Full-Year Forecast (Revised)

■ 2020 Results

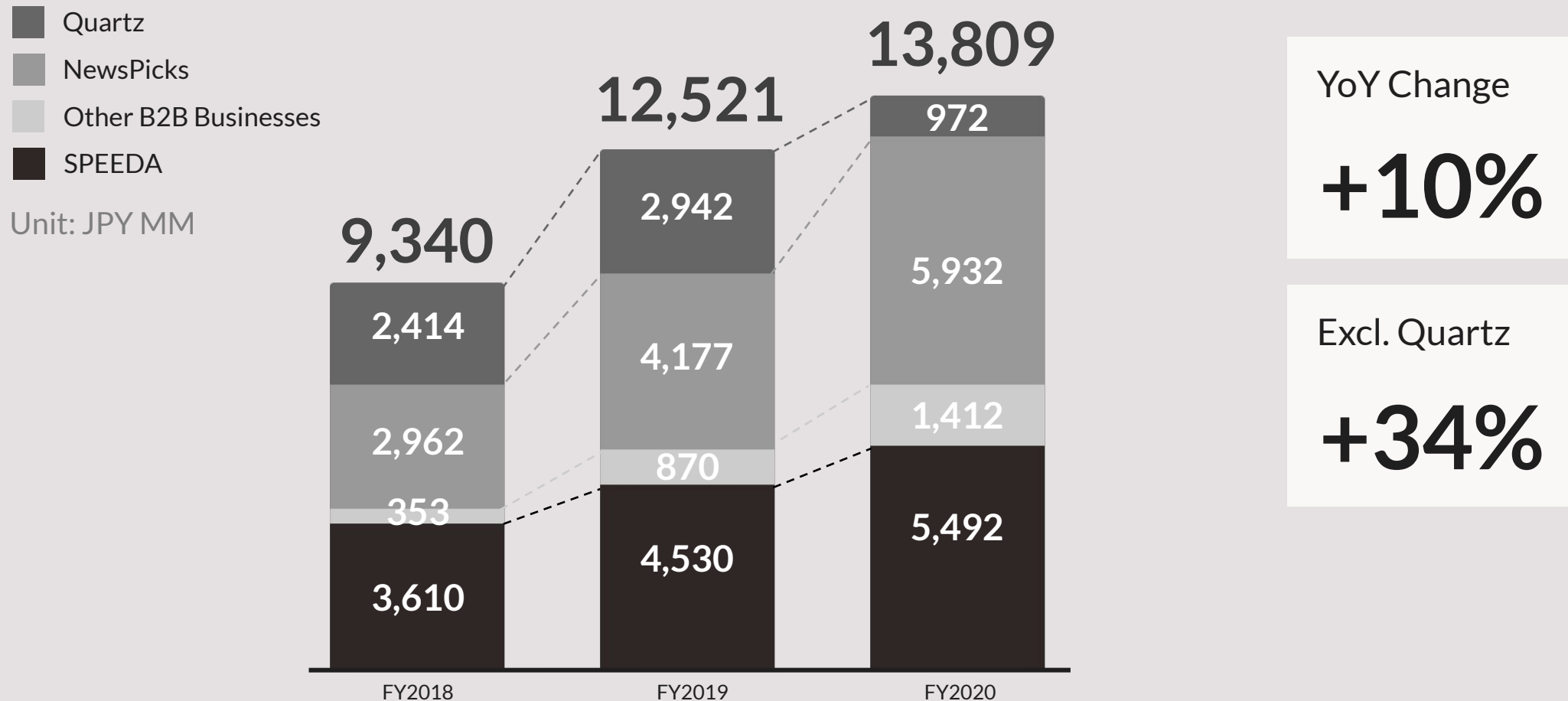
Unit: JPY MM



With the exclusion of Quartz, MRR achieved +23% growth.  
ARR also expanded to JPY 10.1 billion.



**With the exclusion of Quartz, consolidated net sales have maintained a growth rate of over +30%.**

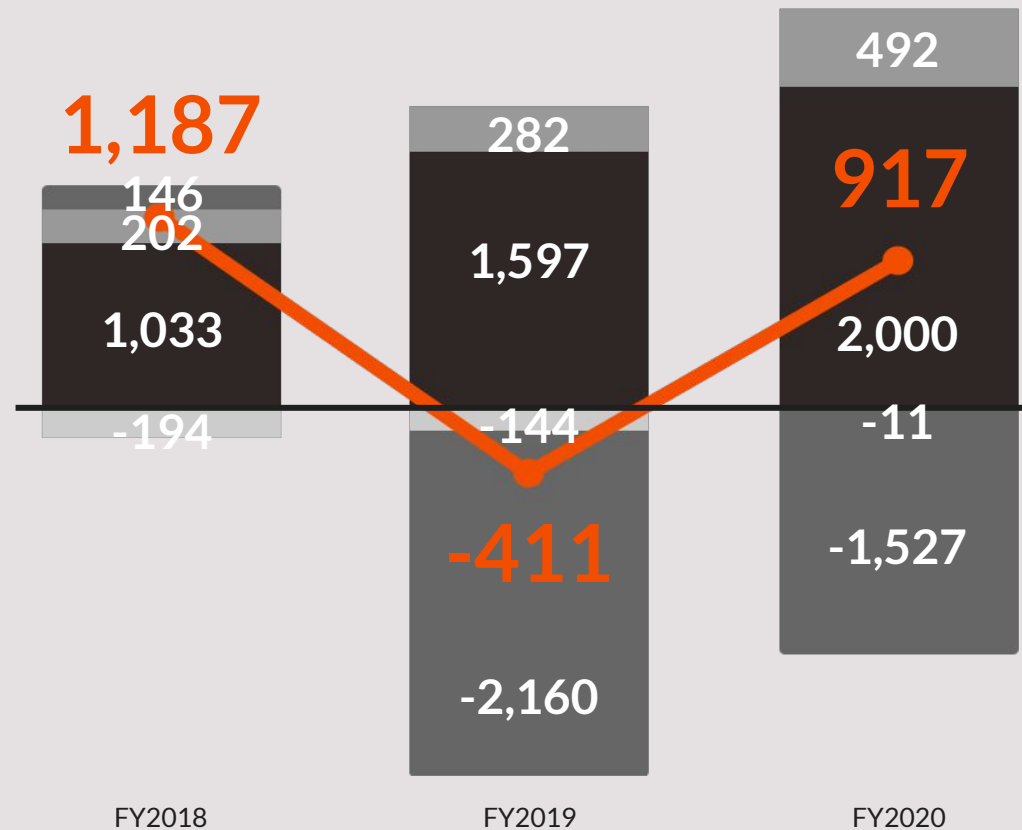
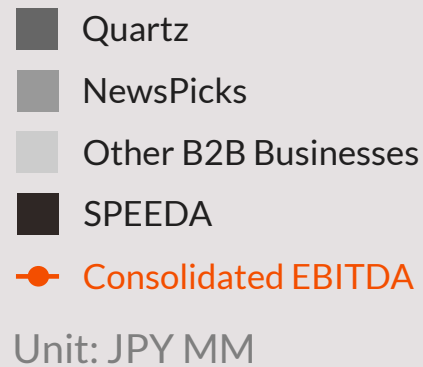


- Internal transactions between segments are excluded.
- Financials for MIMIR, acquired earlier in 2020, are included as part of SPEEDA since Q2 2020.

- FY2018 for Quartz refers to the five months following the acquisition (August-December).
- Financials for Quartz have been excluded from the scope of consolidation since November 2020.

## Highlights of Consolidated Results: EBITDA

A positive EBITDA achieved for the full year, landing at JPY 917 MM.



YoY Change

**+1,328**

Excl. Quartz

**+43%**

- The EBITDA for other businesses (such as new businesses) has been omitted from the calculations, resulting in a discrepancy between the consolidated EBITDA shown above and a sum total of each business's EBITDA figures.
- Financials for MIMIR, acquired earlier in 2020, are included as part of SPEEDA since Q2 2020.

- FY2018 for Quartz refers to the five months following the acquisition (August-December).
- Financials for Quartz have been excluded from the scope of consolidation since November 2020.

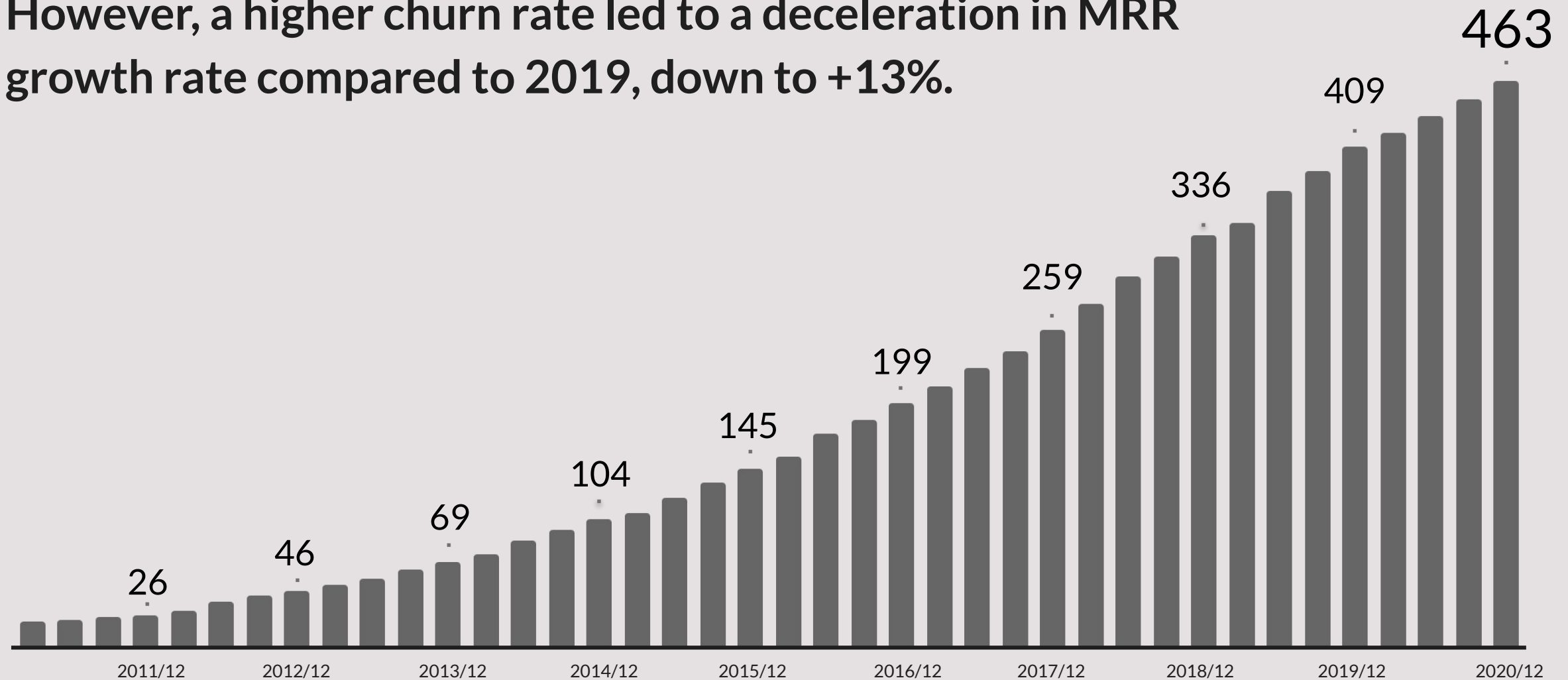
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# Highlights for SPEEDA

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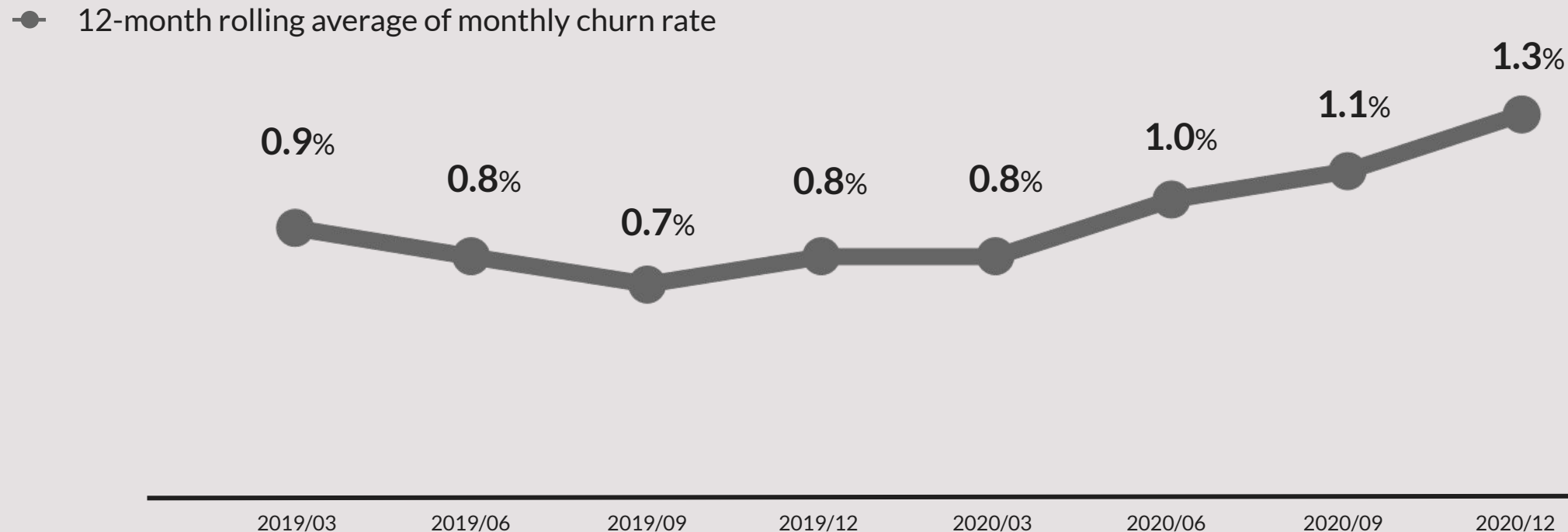
**New contract acquisitions continued to be strong despite COVID-19. However, a higher churn rate led to a deceleration in MRR growth rate compared to 2019, down to +13%.**



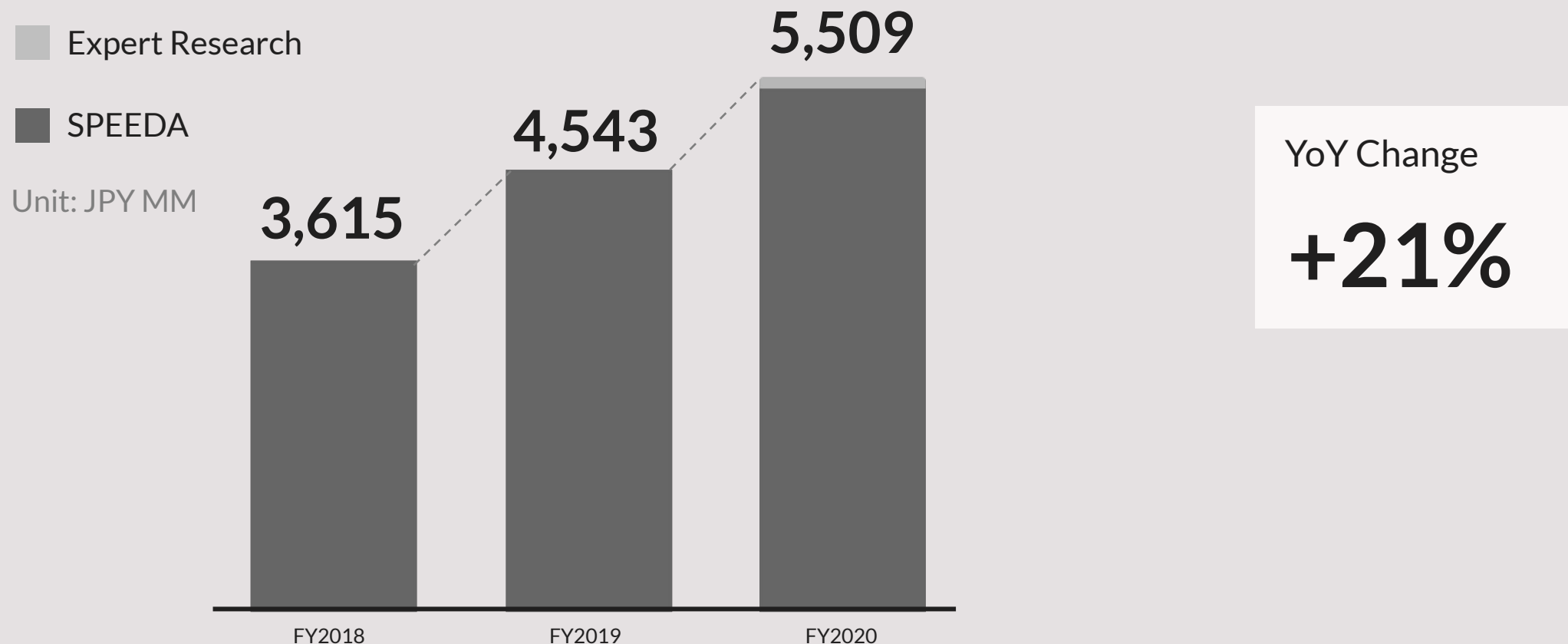
- MRR (Monthly Recurring Revenue): revenues recurring on a monthly basis that excludes any one-off payments by customers such as initial costs.
- MRR figure includes both the domestic and the overseas businesses.



**Starting from FY2020 results, SPEEDA will now also disclose its churn rate. The rate has risen in 2020 due to factors including COVID-19. Churn rate reduction will be a major theme for SPEEDA in 2021.**

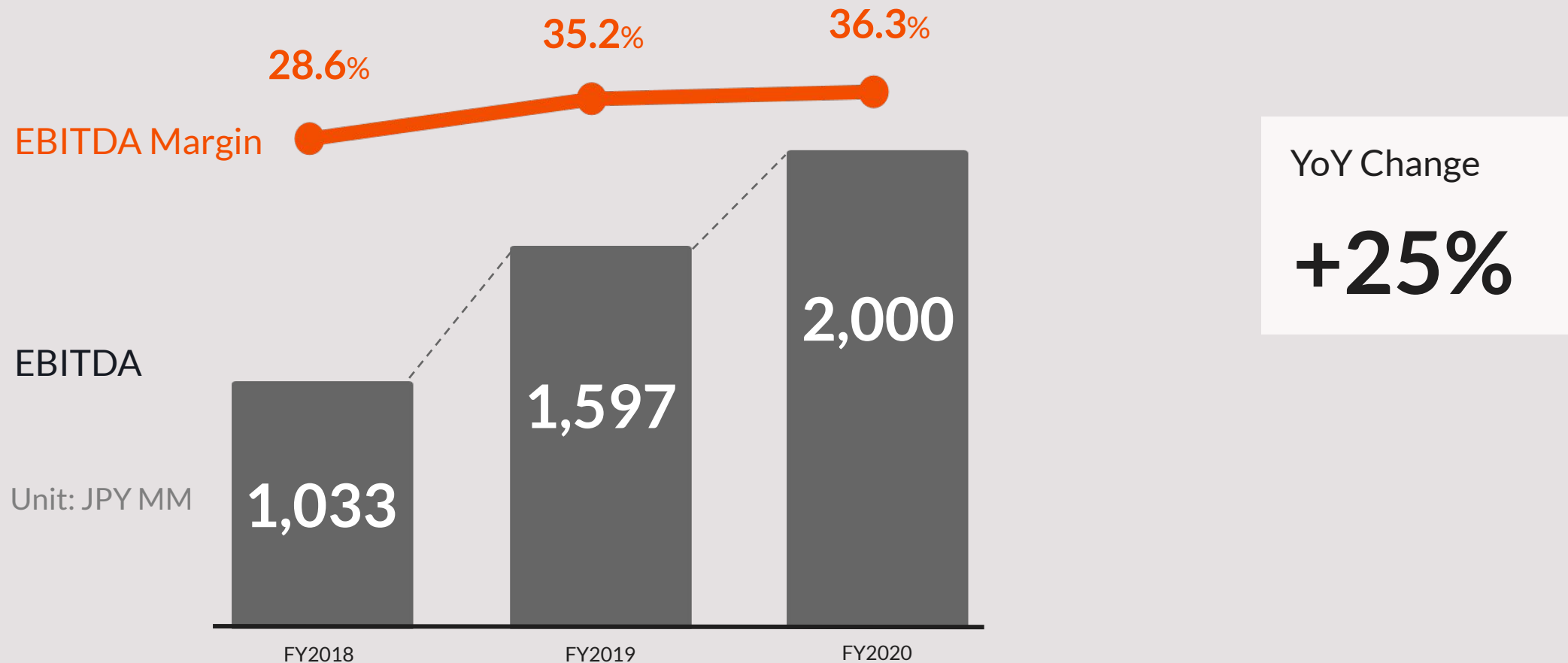


**With the addition of Expert Research, SPEEDA's net sales recorded +21% growth.**



- Internal transactions between segments are included.
- Financials for MIMIR, acquired earlier in 2020, are included as part of SPEEDA since Q2 2020.

**SPEEDA's EBITDA exceeded JPY 2 billion. In 2021, investments will be directed towards the development of the Expert Research business.**



**FLASH Opinion, a service providing answers from experts within a 24-hour time frame, has helped a consulting firm client achieve Digital Transformation (DX) in their research activities.**



### Issue

- ・A lot of time and resources spent on initial information gathering and understanding as part of research activities

### Effect of FLASH Opinions

- ・Time costs to conduct interviews decreased by over 60%
- ・Amount of effort and costs spent on selecting suitable experts, scheduling interviews, and reporting decreased by 50%

03

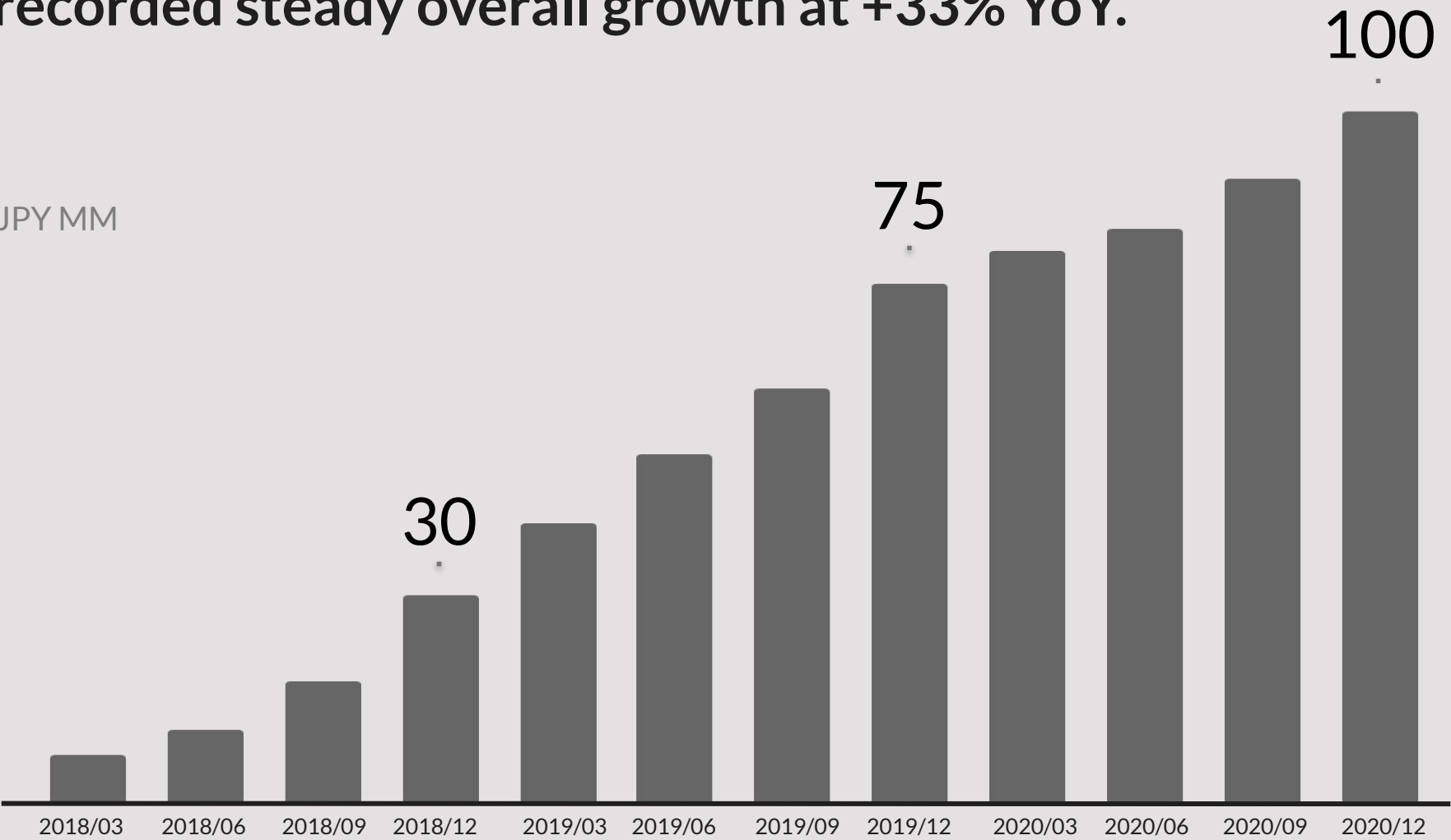
# Highlights for Other B2B Businesses

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Net growth rate saw a recovery, MRR exceeded JPY 100 MM.  
Business recorded steady overall growth at +33% YoY.

Unit: JPY MM



- MRR (Monthly Recurring Revenue): revenue recurring on a monthly basis that excludes any one-off payments by customers such as initial costs.
- MRR for December 2020 includes FORCAS Sales' MRR.

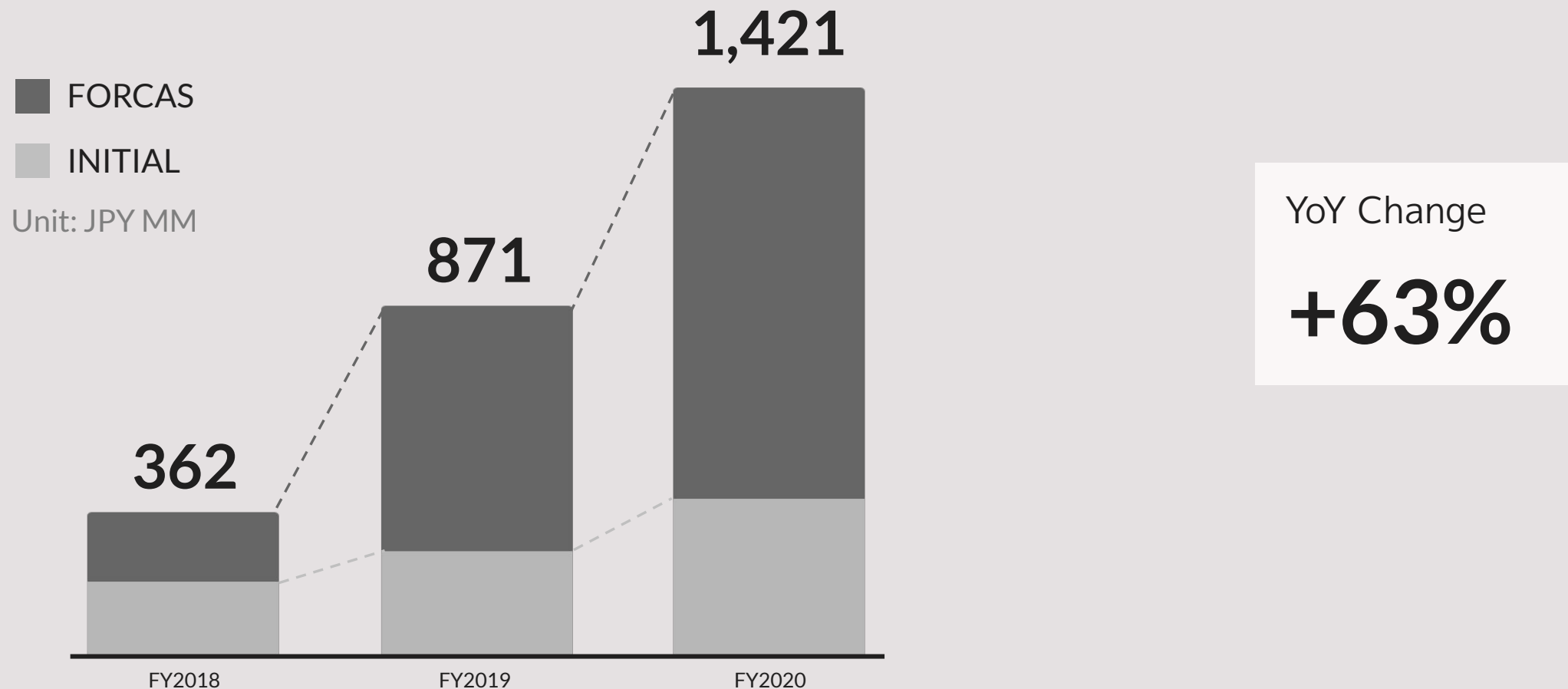


# FORCAS was the sole recipient of the “Leader” award in the ABM category at the ITreview Grid Award 2021 Winter.



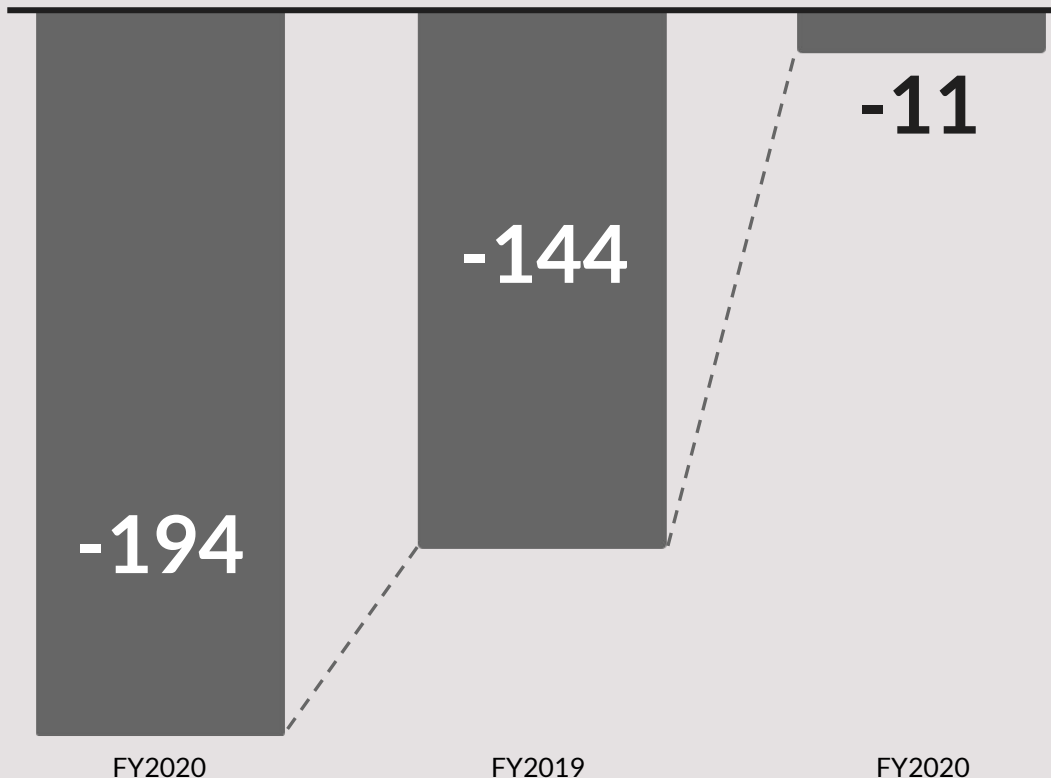
- ABM refers to Account-Based Marketing, an innovative marketing approach that focuses sales resources on specific target accounts.
- For details, refer to the [“FORCAS Received “Leader” Award in ABM Category at ITreview Grid Award 2021 Winter”](#) article published Jan 22, 2021 (Japanese only)

**With INITIAL also growing steadily, total net sales for Other B2B Businesses continued on a significant uptrend.**



**Almost reached the break-even point with a significant decrease in losses. In 2021, growth investments into FORCAS Sales are expected to slightly increase the losses.**

Unit: JPY MM



YoY Change

**+132<sub>MM</sub>**

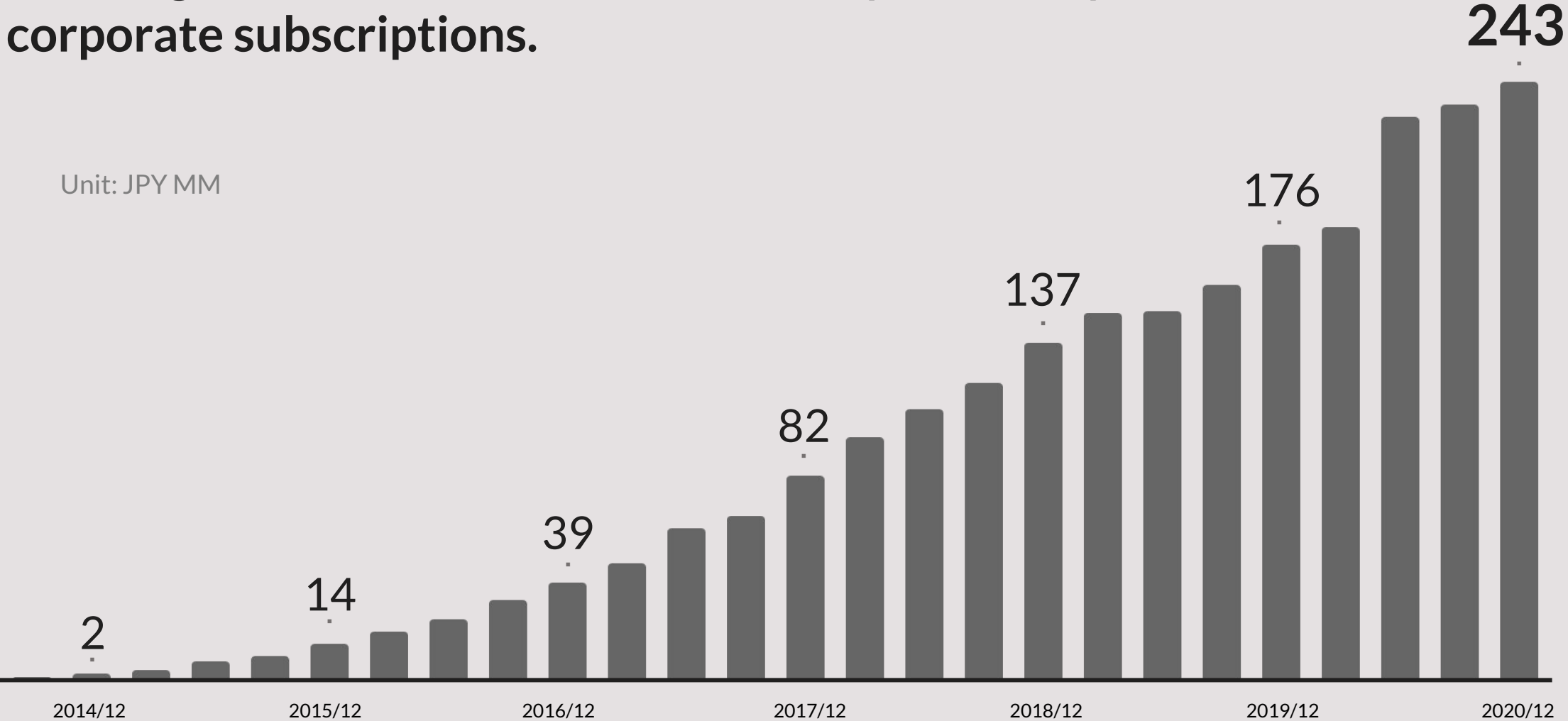
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# Highlights for NewsPicks

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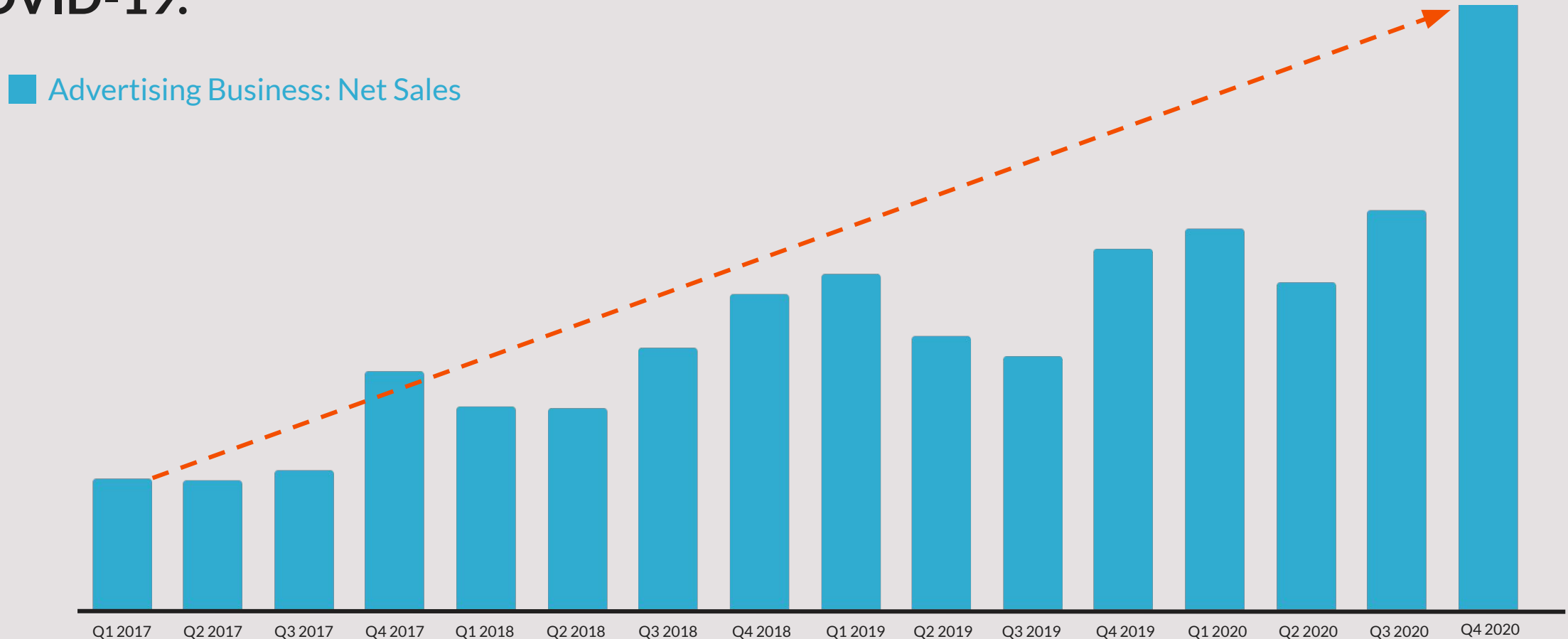
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Net MRR growth rate in Q4 saw a recovery, driven by an increase in corporate subscriptions.



• MRR (Monthly Recurring Revenue): revenue recurring on a monthly basis that excludes any one-off payments by customers such as initial costs.

**Video advertisements, a key focus area for investments since 2018, drove record-high revenue in Advertising business in Q4 despite the impact of COVID-19.**





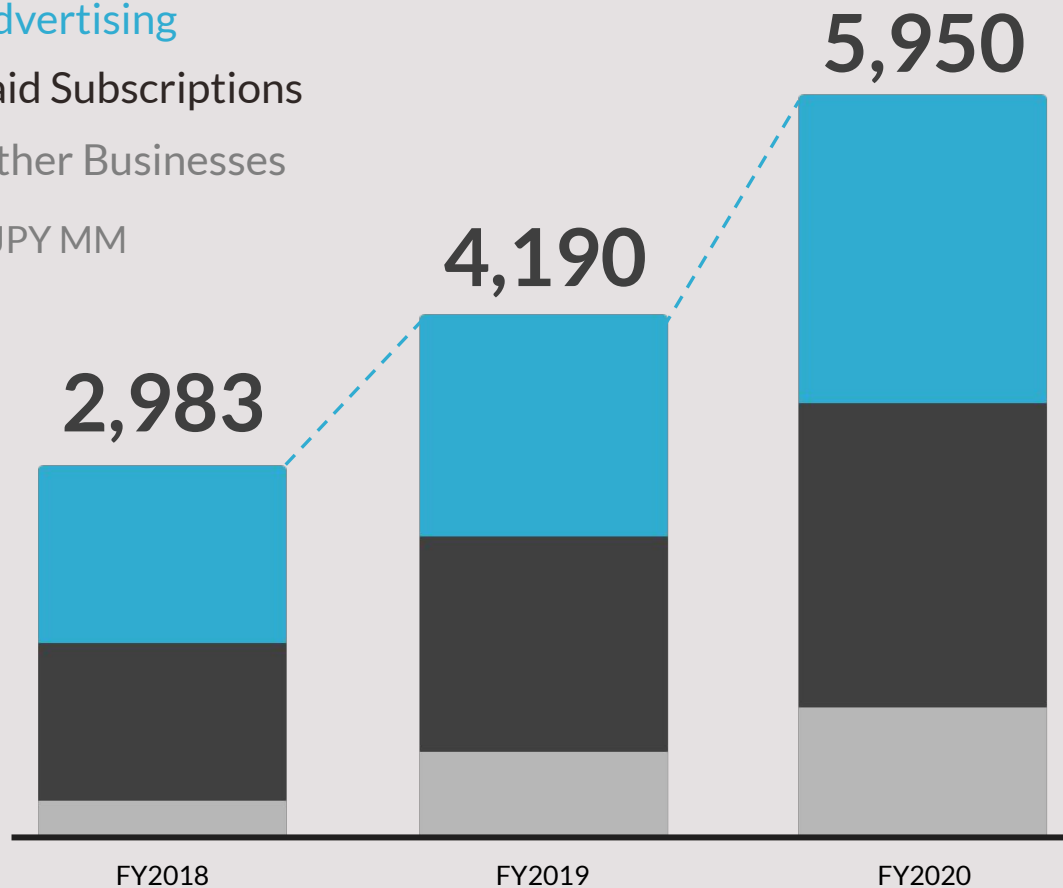
**NewsPicks' other businesses also recorded favorable growth, with net sales showing a significant increase of over +40% YoY.**

■ Advertising

■ Paid Subscriptions

■ Other Businesses

Unit: JPY MM

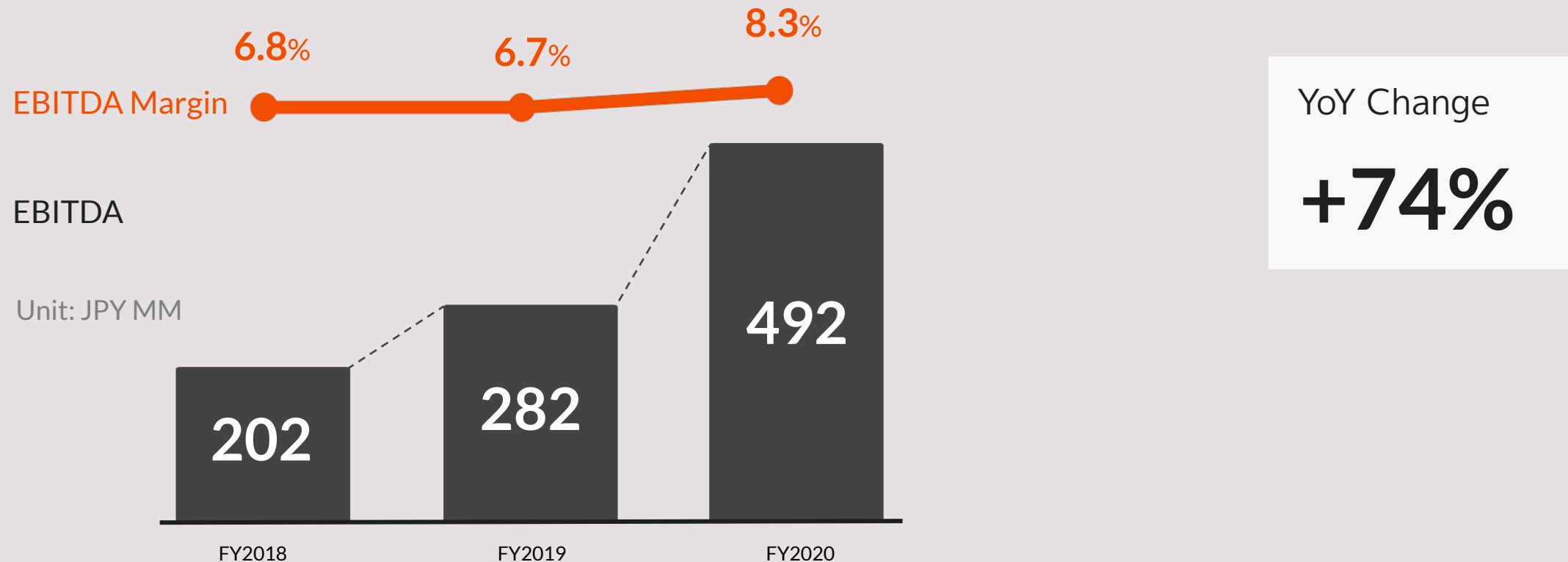


YoY Change

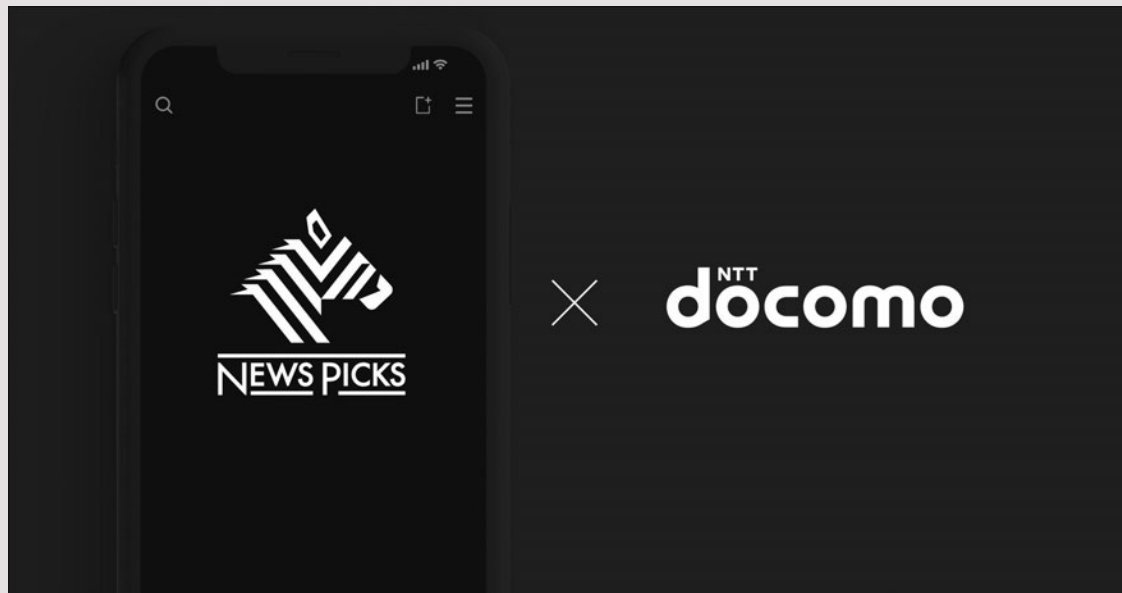
**+42%**

- “Other businesses” include the publishing business, NewsPicks NewSchool, and external sales of content.
- Internal transactions between segments are included.

Despite active investment in marketing activities and new businesses, EBITDA still recorded a significant increase, propped up by higher net sales.



**The strategic partnership with NTT DOCOMO announced today (Feb 10) aims to release a new media service by early summer of 2021, expanding outreach to companies nationwide.**



### Target Audience

Employees of DOCOMO's approximately 650,000 client companies.

### Service Details

Utilisation of NewsPicks Enterprise functions.  
Logging in with a NewsPicks Premium account or "Business d Account" grants access to specifically-created tabs and original content.

05

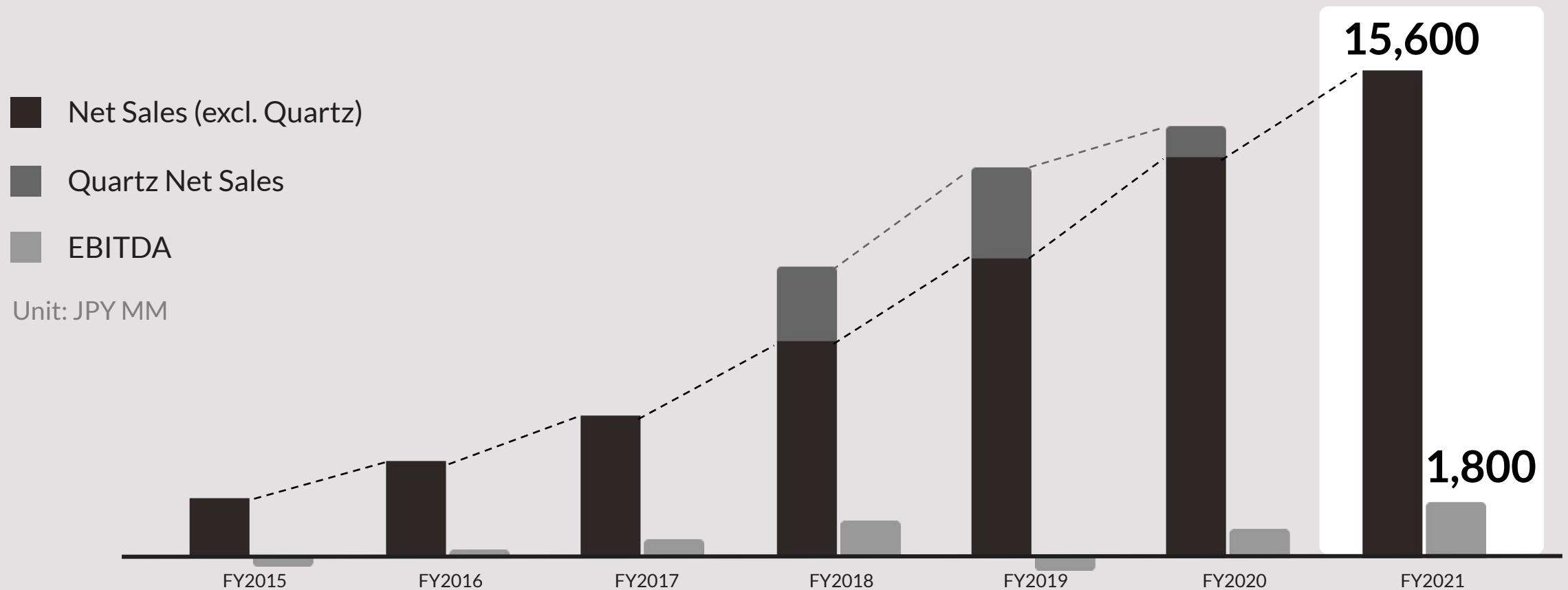
# FY12/2021 Forecast

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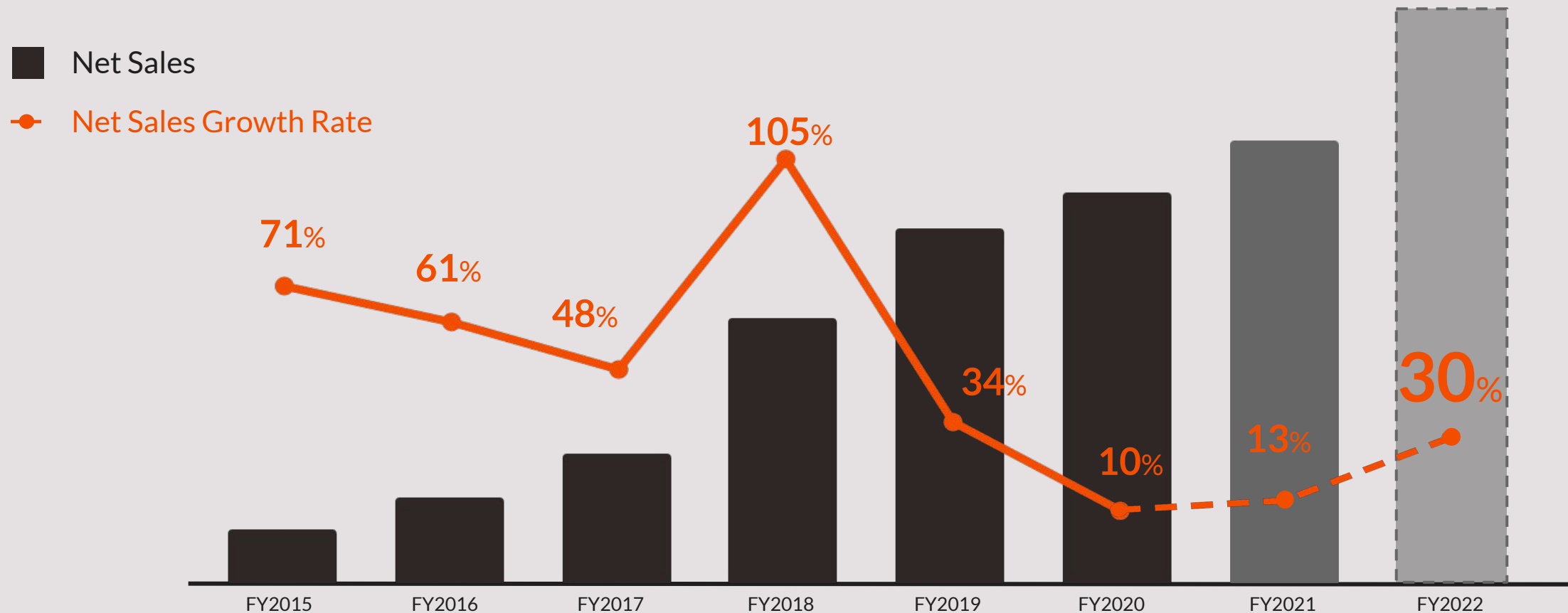
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## FY12/2021 Forecast: Performance Forecast

**FY12/2021 Forecast: Net sales of JPY 15.6 billion, EBITDA of JPY 1.8 billion. Furthermore, with the goal of further increasing its enterprise value, Uzabase will aim to list its stock on the Prime Section of the TSE from an early stage.**

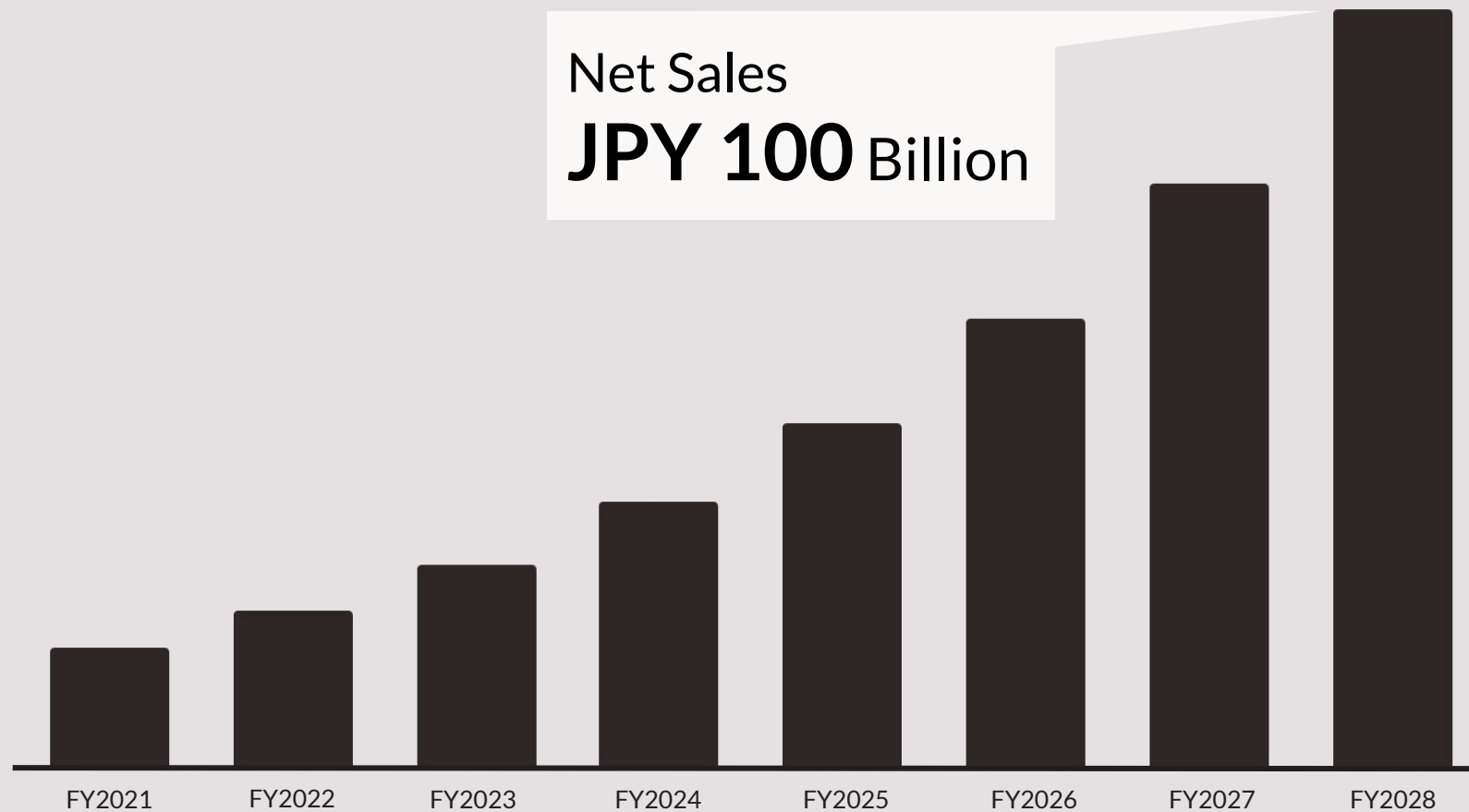


In 2021, Uzabase aims to halt the decline in net sales growth rate and invest in business growth to improve this rate to +30% from 2022 onwards.





Uzabase also aims to achieve a 30% growth rate in net sales every year starting from 2022, with a goal of reaching JPY 100 billion in 7 years.



## FY12/2021 Forecast: Priority Areas for Investment in 2021

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### **S P E E D A**

- Talent acquisition for the development of the Expert Research business, as well as marketing.

**350 MM** (approx.)

### **New Businesses**

- Investment in FORCAS Sales and SPEEDA Edge.
- Milestone-based investment tied to the progress of business development. 630 MM earmarked as the maximum investment amount assuming favourable business growth.

**630 MM** (max.)

### **NEWS PICKS**

- Talent acquisition for the development of the B2B business, as well as marketing.
- Product development to enhance community features, including NewsPicks Expert.

**170 MM** (approx.)

### **Engineering Team**

- Recruitment of 50+ engineers, system implementation costs.

**500 MM** (approx.)

In order to achieve continuous +30% growth, Uzabase Group has positioned the expansion of the engineering team as its main area for investment in 2021.

9 Technology Officers and Fellows<sup>(\*1)</sup> who improve the quality of Uzabase's engineering



SPEEDA

FORCAS

INITIAL

MIMIR

SPEEDA  
EDGE

AlphaDrive

NEWS PICKS

+New  
company

Spearheaded by  
Yusuke Inagaki, who  
has an engineering  
background



### Expanding the Engineering

Uzabase is planning to establish  
**a highly collaborative team** structure and infrastructure

#### Who is a “Fellow”?

A fellow is a highly-committed engineer who leverages their advanced engineering skills to accelerate the growth of each product, as well as the engineers involved in their development. They also contribute to the enhancement of the overall technological quality throughout the company by utilising their outstanding expertise and technical skills.

Uzabase has established a fellowship system within the engineering team in order to reinforce its technological strategy and development capabilities.

**With the expansion of the engineering team, Uzabase looks to accelerate its business development by further cultivating its existing enterprises, launching new ventures, and crystallizing business value following post-merger integration.**

< Examples of engineering-driven business expansion up to 2020 >

### Business development through M&A

New product features created via existing/new businesses and post-M&A integration

**SPEEDA**

×

**MIMIR**



- Launch of SPEEDA Expert Research
- Release of Flash Opinions

**NEWS PICKS**

×

**AlphaDrive**



- Launch of NewsPicks Enterprise
- Release of Incubation Suite

Enhance team structure to allow for dispatch of CTOs and whole teams

#### Boost Engineering Resources

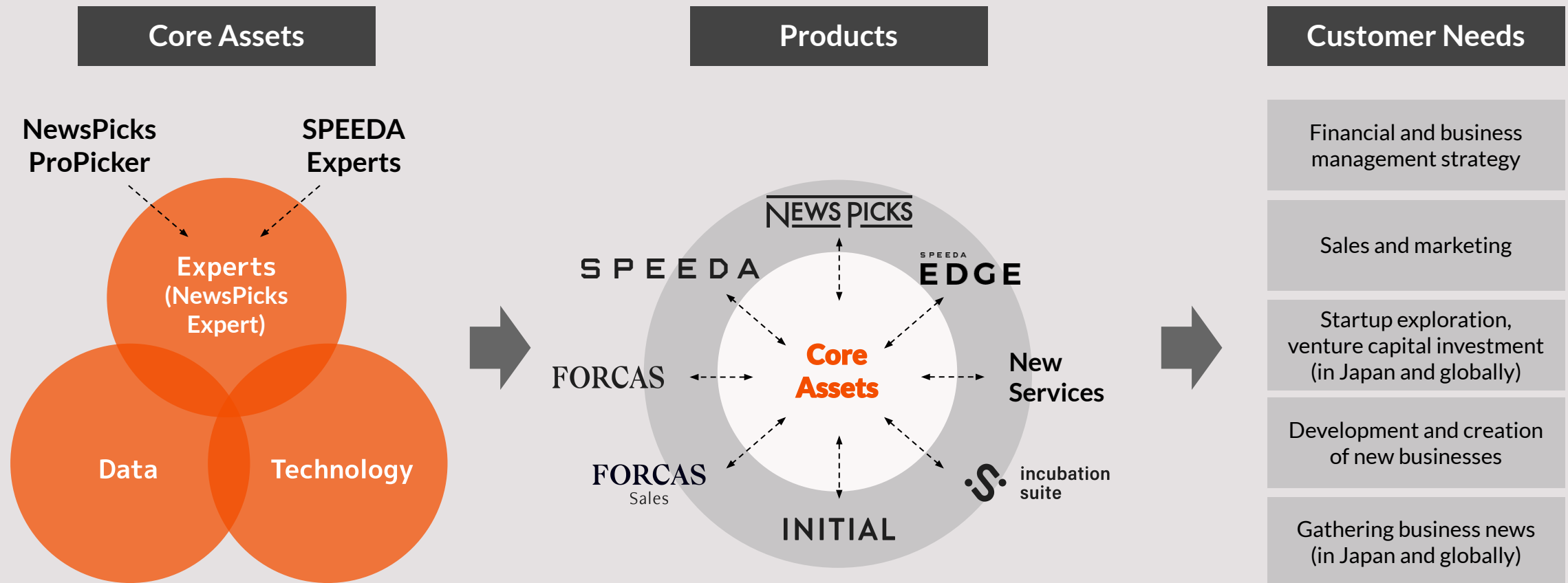
Focus on engineering talent acquisition, establish a collaborative relationship with external partners

Ensure connectivity to all assets within the company, driving cross-business collaboration

#### Establish Group-Wide Infrastructure

Build seamless collaboration via a group-wide interconnected system

**Harness the power of technology to strengthen the connection between core assets and each product to become “One Uzabase”.**



06

# Appendix

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**Uzabase aims to improve the value provided to our stakeholders via corporate sustainability centred around our core values.**





## News as a Connection Point and Mutual Learning Opportunity: “NewsPicks for Education”

- Target Audience: Primary to High School Students

### About NewsPicks for Education

We want to create enough opportunities for future leaders to feel confident that society can actually be changed. We have launched a new learning platform using NewsPicks, where young people are able to connect with news on a daily basis, while at the same time feeling the connection with their own studies — this will lead to a process of learning that will be useful when considering their career paths.

### How It Works

A (private) space within NewsPicks that is accessible only by the teaching staff and students



### Key Points

#### 1) Foster understanding of the world

With news as a common topic of discussion, students will be exposed to different societal issues, helping them to forge a connection with everyday society

#### 2) Learn from each other through dialogue

Express your own opinions, learn about other people's viewpoints, discuss, and deepen your understanding

#### 3) Learn by crossing barriers

Use news as a common topic of discussion to experience the diversity of ideas by learning from people in different classes, grades, or even schools



### [Examples of this initiative \(Japanese only\)](#)

# A number of initiatives undertaken to unleash the diverse talents at Uzabase to their maximum potential.



### Diversity & Inclusion

#### Thinking about diversity at Uzabase

In order to fulfil “We need what you bring” (one of Uzabase’s 7 Values), we held a number of events and workshops as part of overall efforts to create a company culture in which diversity is respected and individual strengths get a chance to shine.



### HR Handbook

#### Deepening the understanding of Uzabase’s personnel system

We created a HR Handbook in order to better visualize the underlying logic behind the personnel system at Uzabase. It explains the background of why and how each part of the current system was designed, and also emphasises the freedom that exists in Uzabase to change systems related to working style.

## 2nd place in the internet industry (overall score)



Reference: [Uzabase company page by OpenWork Inc.](#) (Japanese only)  
(as of February 2021)

## 2nd place among top companies picked by people in their 20s (by degree of freedom and flat organizational structure)

20代が選ぶ、自由主義でフラットな企業ランキング				openwork
	企業名	合計スコア	WLBスコア	風通しの良さ
1	サイボウズ株式会社	8.249	3.68	4.57
2	株式会社ユーザベース	8.159	3.46	4.70
3	アクシスコンサルティング株式会社	8.121	3.69	4.43
4	日置電機株式会社	8.088	3.69	4.40
5	株式会社いろはにぼへと	8.018	3.45	4.57
6	株式会社ギャブライズ	7.980	3.36	4.63
7	ANAセールス株式会社	7.960	3.82	4.14
8	GMOクラウド株式会社	7.941	3.61	4.33
9	株式会社Hajimari	7.889	3.22	4.67
10	株式会社Plan・Do・See	7.884	3.46	4.43

Reference: “Top Companies Picked by People in Their 20s (by Degree of Freedom and Flat Organizational Structure)”  
(released in August 2020)

## 1 Established and commenced operation of a voluntary Nomination and Remuneration Committee in 2020



### Nomination and Remuneration Committee

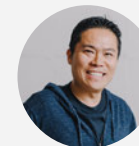
#### Reasons for Establishment

- To design a fair executive compensation package that motivates them to improve corporate value
- To establish a system for promoting talented individuals in Japan and overseas by establishing criteria for the selection of executives.
- To ensure transparency, objectivity, and fairness by holding discussions in meetings in which a majority of participants are independent outside directors.

## 2 Changed the Chairperson role to no longer be limited only to the Representative Director (Co-CEO)

### Purpose

Improve the quality of discussions and manage the Board of Directors in a more effective and efficient manner



External Director Shintaro Asako is planned to assume the role of Chairperson in the future

#### About Shintaro Asako

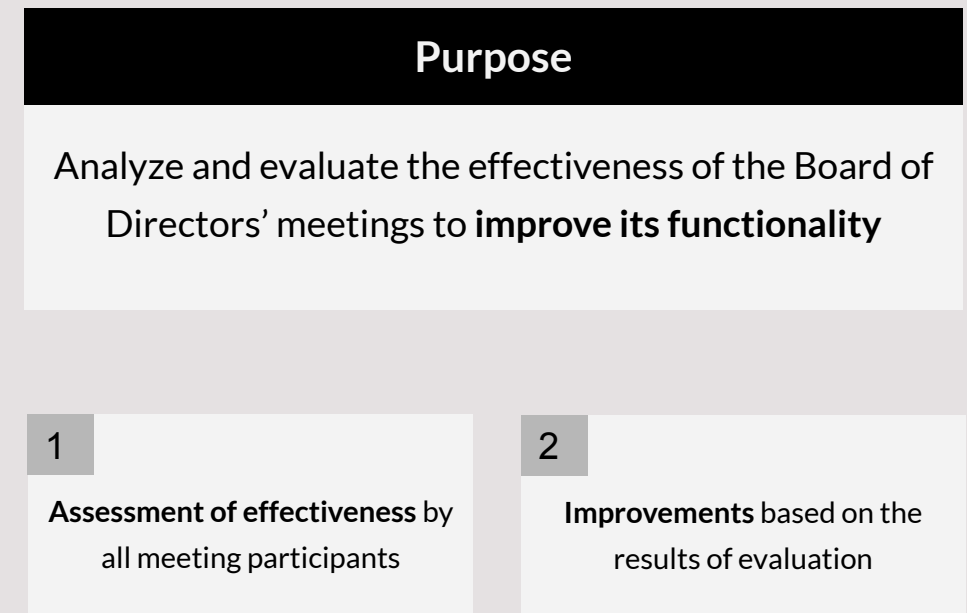
Served as CFO at MediciNova Inc., CEO/CFO at DeNA West CEO/CFO, CEO/CFO at DeNA Corp, Executive Officer at DeNA.

### 3 As an experiment in 2020, external directors started participating in various internal projects

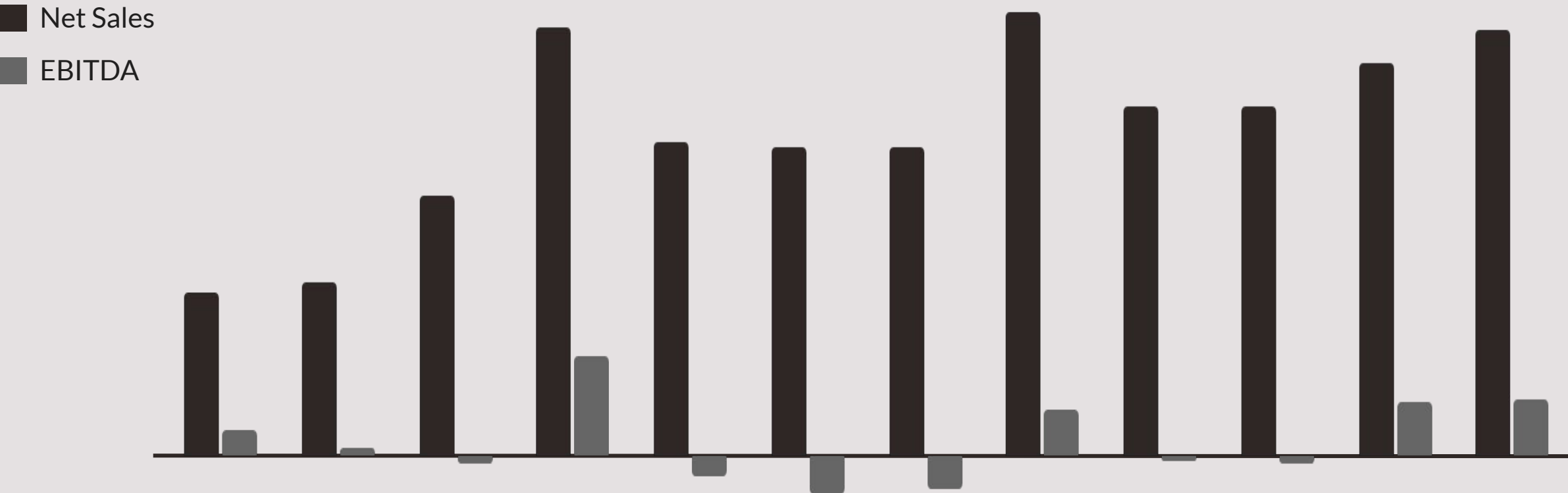


➡ Due to the above positive effects, the **initiative will continue in 2021**

### 4 Started evaluating the effectiveness of the Board of Directors' meetings in 2020



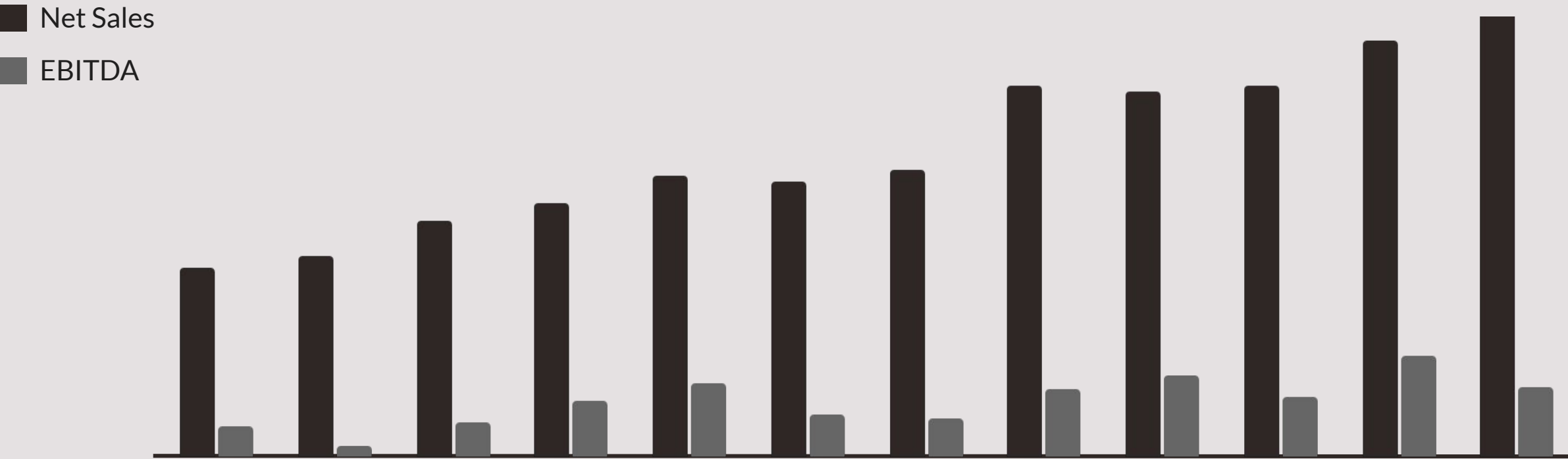
# Appendix: Consolidated Results



Unit: JPY MM	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Net Sales	1,488	1,580	2,363	3,908	2,847	2,818	2,808	4,048	3,171	3,182	3,583	3,871
EBITDA	238	85	-56	919	-179	-349	-304	421	-42	-61	499	522

• All monetary amounts are truncated values.

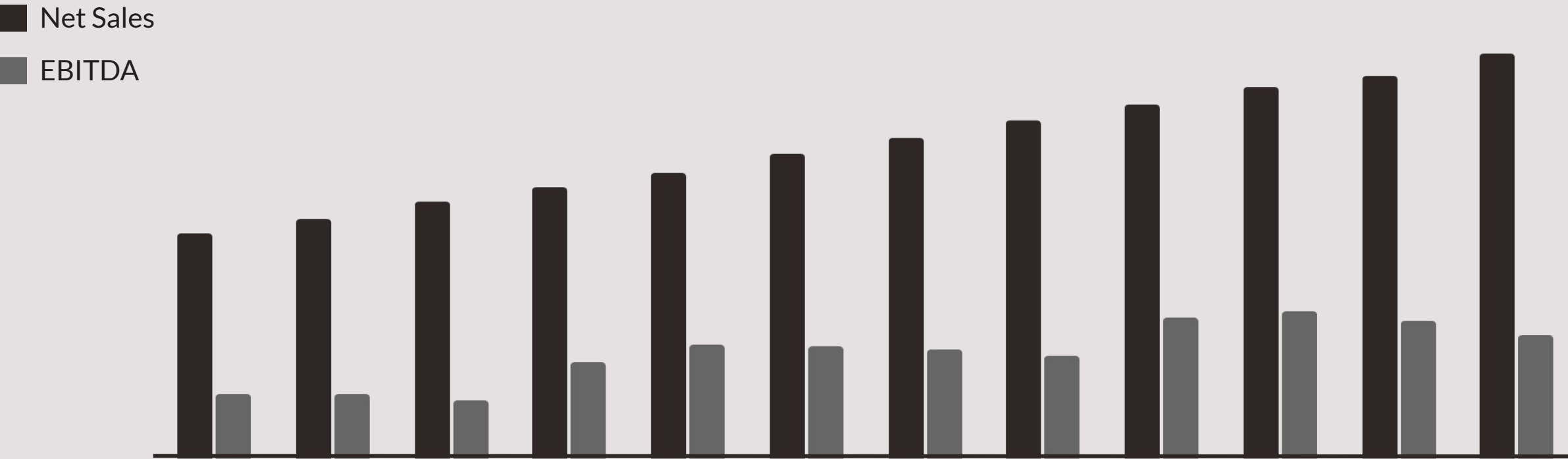
# Appendix: Consolidated Results (excl. Quartz)



Unit: JPY MM	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Net Sales	1,488	1,580	1,857	1,999	2,217	2,171	2,270	2,919	2,882	2,927	3,287	3,739
EBITDA	238	85	271	444	572	331	307	537	640	471	789	542

• All monetary amounts are truncated values.

# Appendix: SPEEDA – Quarterly Results



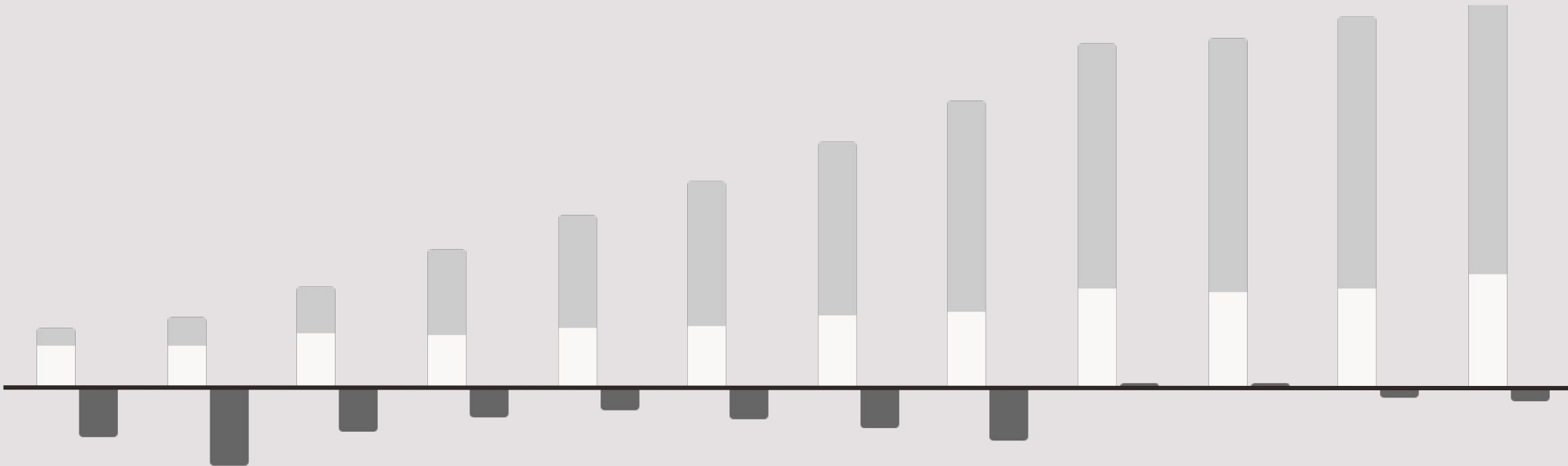
Unit: JPY MM	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Net Sales	820	873	935	985	1,041	1,107	1,165	1,228	1,289	1,355	1,391	1,473
EBITDA	234	233	214	350	416	409	398	372	513	536	503	447

• All monetary amounts are truncated values.



# Appendix: Other B2B Businesses – Quarterly Results

■ FORCAS  
■ INITIAL  
■ EBITDA

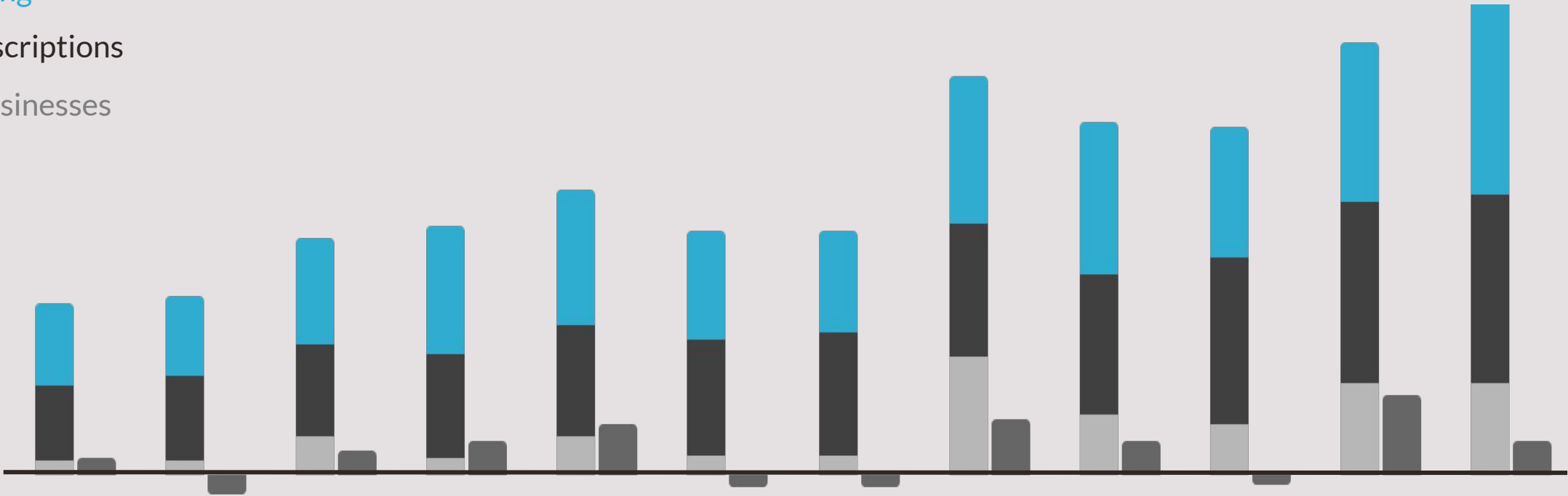


Unit: JPY MM	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Net Sales	58	70	99	133	163	198	235	274	330	335	355	400
EBITDA	-47	-75	-42	-29	-22	-30	-39	-51	5	5	-9	-13

• All monetary amounts are truncated values.

# Appendix: NewsPicks – Quarterly Results

- Advertising
- Paid Subscriptions
- Other Businesses
- EBITDA



Unit: JPY MM	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Net Sales	611	640	843	888	1,019	875	870	1,424	1,267	1,248	1,551	1,882
EBITDA	57	-67	88	124	179	-45	-47	196	121	-38	286	122

• All monetary amounts are truncated values.

## Appendix: Consolidated Profit and Loss Sheet

# Consolidated Profit and Loss (Actuals)

(Unit: JPY MM)

	FY2018	FY2019	FY2020
Net Sales	9,340	12,521	13,809
Net Sales Growth Rate	105%	34%	10%
SPEEDA	3,610	4,530	5,492
Other B2B	353	870	1,412
NewsPicks	2,962	4,177	5,932
Quartz	2,414	2,942	972
EBITDA	1,187	-411	917
EBITDA Margin	13%	-	7%
Operating Profit	830	-1,236	104
Operating Profit Margin	9%	-	1%
Ordinary Profit	533	-1,429	-281
Ordinary Profit Margin	6%	-	-
Net Profit Attributable to Parent Company Shareholders	610	-1,620	-6,472
Net Profit Margin Attributable to Parent Company Shareholders	7%	-	-

## Consolidated Balance Sheet Comparison

(Unit: JPY MM)	End-2019	End-2020	Change
Current Assets	10,224	9,226	-997
(Cash and Deposits)	7,954	7,584	-369
Non-current assets	10,733	6,600	-4,133
Deferred assets	-	87	87
<b>Total Assets</b>	<b>20,958</b>	<b>15,915</b>	<b>-5,043</b>
Current Liabilities	5,131	5,222	91
Non-current Liabilities	8,695	3,573	-5,121
<b>Total Liabilities</b>	<b>13,826</b>	<b>8,796</b>	<b>-5,029</b>
(Interest-Bearing Liabilities)	9,879	4,308	-5,571
<b>Total Net Assets</b>	<b>7,131</b>	<b>7,118</b>	<b>-13</b>



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For more information on financial records, refer to the full “FY12/2020 Q4 Financial Report (Consolidated)”

# Disclaimer

The purpose of this material is to provide information to investors, and not to solicit investment in any particular service.

The information disclosed in this material and projections for future performance are based on the data and information available at the time when this material was composed, and may contain uncertainties.

Please be aware that actual future performance and results may differ significantly from projections due to various factors.

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