Chatwork

Chatwork Co., Ltd. (TSE Code：4448)

August 13, 2021

Presentation Material

Results for the First Six Months of Fiscal 2021

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Secound Quarter of

FY2021 Results

1 Company Overview

Company Overview

Chatwork

Company Name
Chatwork Co., Ltd.

CEO
Masaki Yamamoto

No. of employees
203 (June 2021)

Locations
Tokyo, Osaka, Vietnam, Taiwan

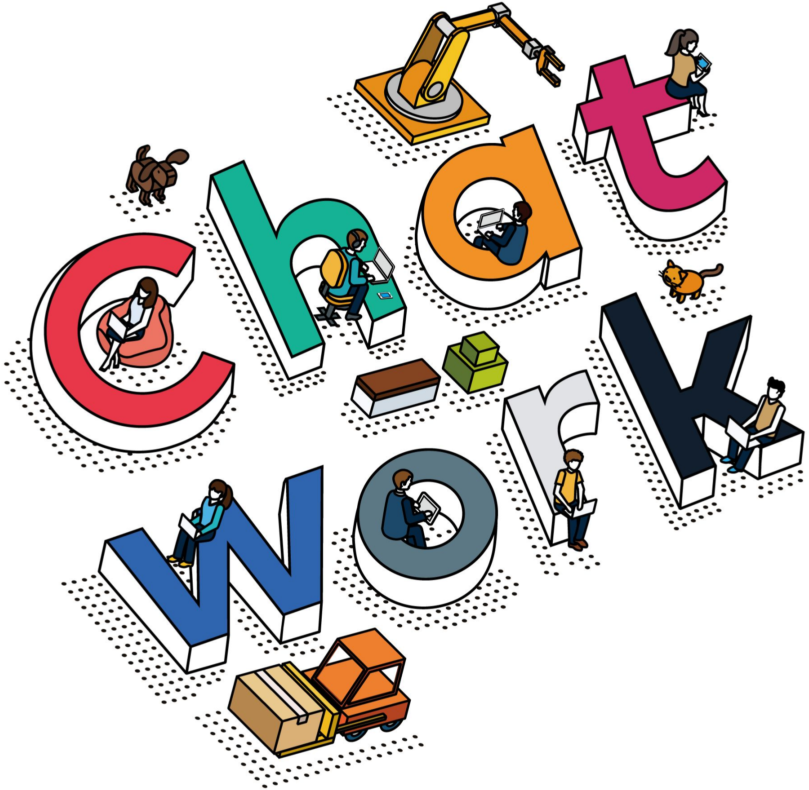
Established
November 11, 2004

Corporate Mission

Making work more fun and creative

People spend over half their lives working.
That time is not just for earning money.

We help companies create environments that enable as many employees as possible to enjoy their work more and express their creativity fully and freely.



Our Business

ビジネスチャット
国内利用者数
No.1※
Nielsen Netview 2020

BOXIL SaaS
AWARD 2021
Collaboration 部門受賞

- Our Chatwork business centers on Chatwork (one of the largest business chat tools in Japan) and includes a number of peripheral services*1.

- We are a pioneer in business chat, with the largest number of users in Japan*2 and adoption by more than 321,000 companies*3.

- By encouraging the shift from telephone and email to efficient chat, we aim to provide a platform that accelerates the transformation in business communication.

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*1 Outside the Chatwork business, we also distribute security solutions software provided by ESET. This business contributes to stable earnings.
*2 According to a survey of monthly active users (MAUs) conducted in June 2020 by Nielsen NetView; applicable service selected by Chatwork Co., Ltd.
*3 As of June 2021

KPI Highlights

Number of Registered IDs

as of the end of Q2’2021

4.39MM

Number of Paying IDs

as of the end of Q2’2021

488K

Number of Registered companies

as of the end of Q2’2021

321K

ARR[*1]

as of the end of Q2’2021

2.58BLN

NRR[*2]

as of the end of 2020

120%

Churn Rate[*3]

as of the end of Q2’2021

0.3%

（For Paying IDs：1.9%）

ARPU[*4]

as of the end of Q2’2021

JPY445.4

DAU[*5]

Maximum during Q2’2021

934K

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*1 Annual Recurring Revenue, 12 months of MRR as of June 30, 2021
*2 NRR rate = (ARR at beginning of period - revenue churn on a monthly basis + revenue expansion on a monthly basis) / ARR at beginning of period
*3 Churn rate of the number of registered IDs, averaged over the 12 months from July 2020 to the end of June 2021
*4 Average revenue per user for paid Chatwork services.
*5 Daily Active User. It measures how many users visit or interact with Chatwork service over a given interval per month.

Secound Quarter of

FY2021 Results

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Second Quarter FY 2021 Results

Results Highlights

- Revenue: JPY734 million: (+19.9% YoY)
- Sales from the Chatwork business: JPY672 million (+29.2% YoY)
- Gross profit: JPY526 million (+16.8% YoY)
- Operating loss: JPY110 million

- Year on year, revenue rose companywide and in the Chatwork business, due to ongoing increases in teleworking demand and the accelerated introduction of business chat.
- Sales growth, both companywide and in the Chatwork business, has accelerated QoQ since Q4 FY 2020.
- Profit at the operating levels and below was negative. This was a result of upfront investment, as mentioned in the medium-term business plan. Specifically, we made steady progress on hiring and have stepped up advertising and marketing activities.
- The number of paying IDs grew steadily (+12.4% YoY), reaching 488 thousand. ARPU also increased (+15.9% YoY), due to the impact of price revisions.

Results Highlights

- Revenue from the Chatwork business continued to grow (+29.2% YoY).
- Profit, from operating profit downward, was negative in Q2 as a result of ongoing upfront investment (higher personnel and advertising costs).

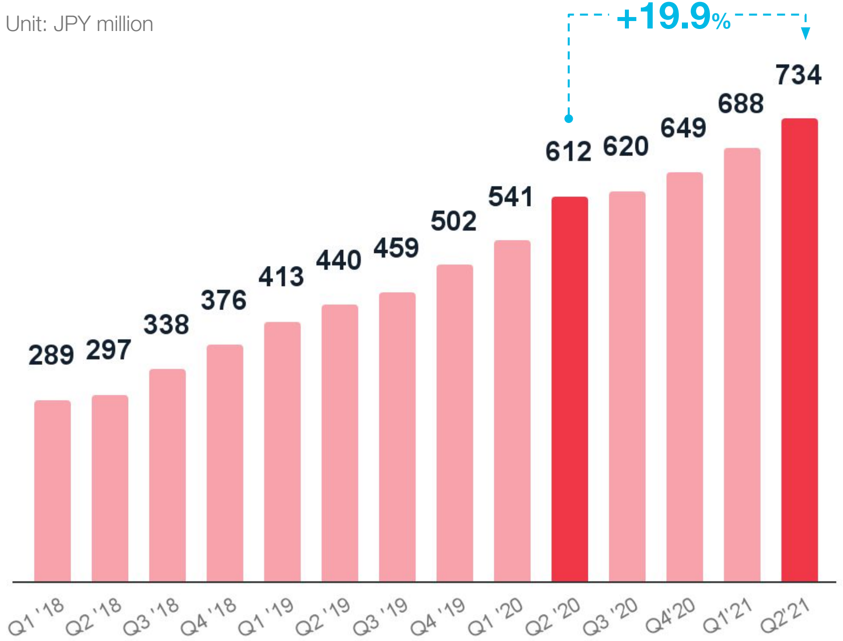
Unit : million yen	Q2 '20 (Same period last year)	Q1 '21 (Previous period)	**Q2 '21 (Actual)**	Same period YoY	Previous period QoQ
Revenue	612	688	**734**	+19.9%	+6.6%
Chatwork Business	520	624	**672**	+29.2%	+7.8%
Gross profit	450	508	**526**	+16.8%	+3.6%
Gross margin	73.6%	73.8%	**71.7%**	-1.9pt	-2.1pt
Operating profit	140	-9	**-110**	-	-
Operating margin	22.9%	-	**-**	-	-
Ordinary profit	139	-8	**-110**	-	-
Net profit	134	-9	**-111**	-	-

Change in Revenue

- Revenue continued to grow steadily in FY 2021, rising 19.9% YoY in Q2.
- Revenue from the Chatwork business, our most important management target, continued to show strong growth (+29.2% YoY).
- The rate of growth in revenue, both companywide and from the Chatwork business, has picked up QoQ since Q4 FY 2020.

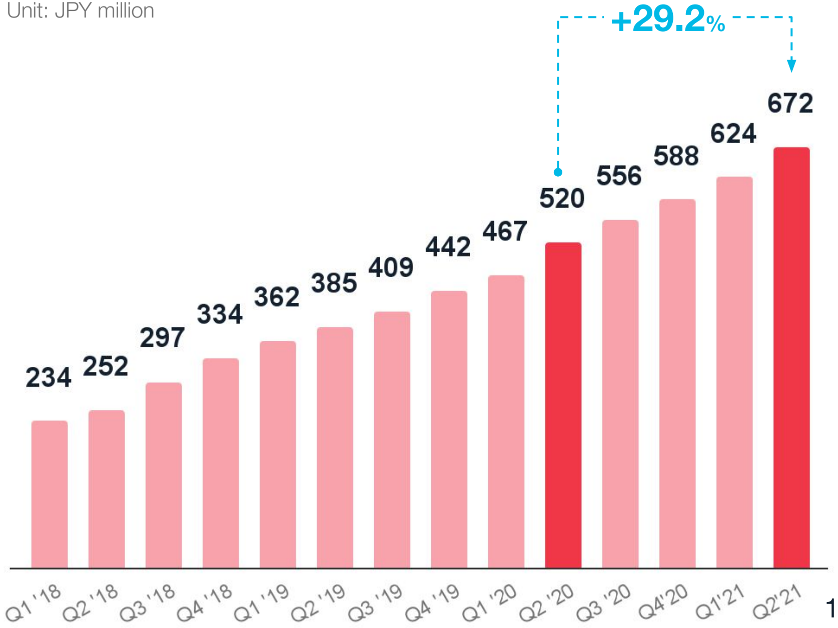
Revenue

Unit: JPY million



Revenue (Chatwork Business)

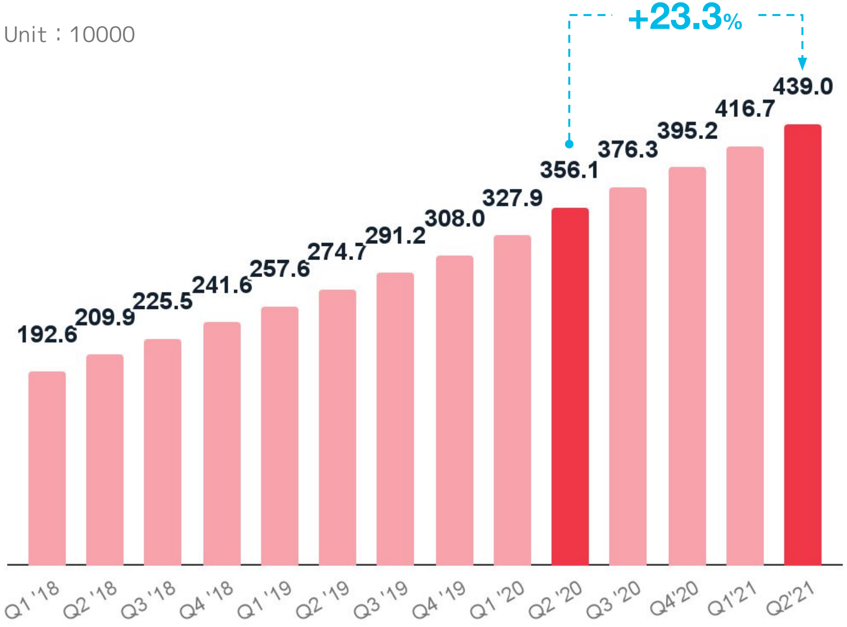
Unit: JPY million



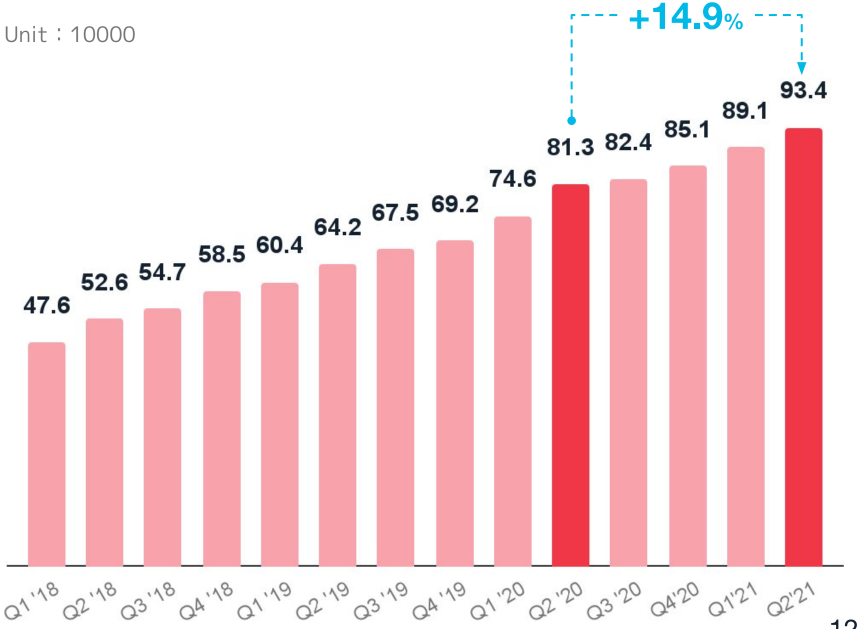
Change in Major KPIs

- The number of registered IDs reached 4.39 million, up 23.3% YoY.
- DAUs also grew steadily (+14.9% YoY), to 934 thousand.

Number of Registered IDs



DAUs*1



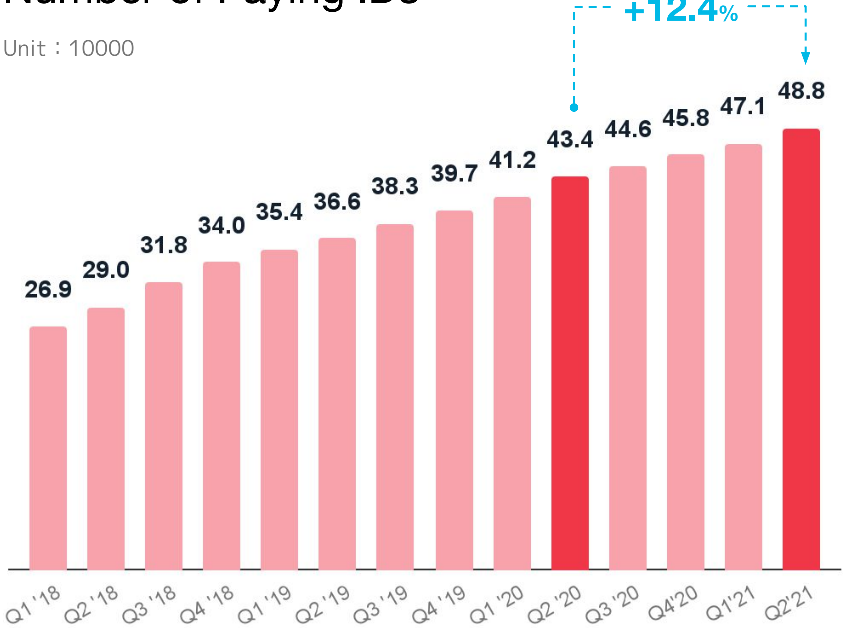
*1 Daily Active User. It measures how many users visit or interact with Chatwork service over a given interval per month.

Change in Major KPIs

- The number of paying IDs surpassed 488 thousand, rising 12.4% YoY. Growth is accelerating, with the number of paying IDs up 3.6% QoQ.
- ARPU was up 15.9% YoY, due to a price revision and a discontinuation of our previous plan[*1].

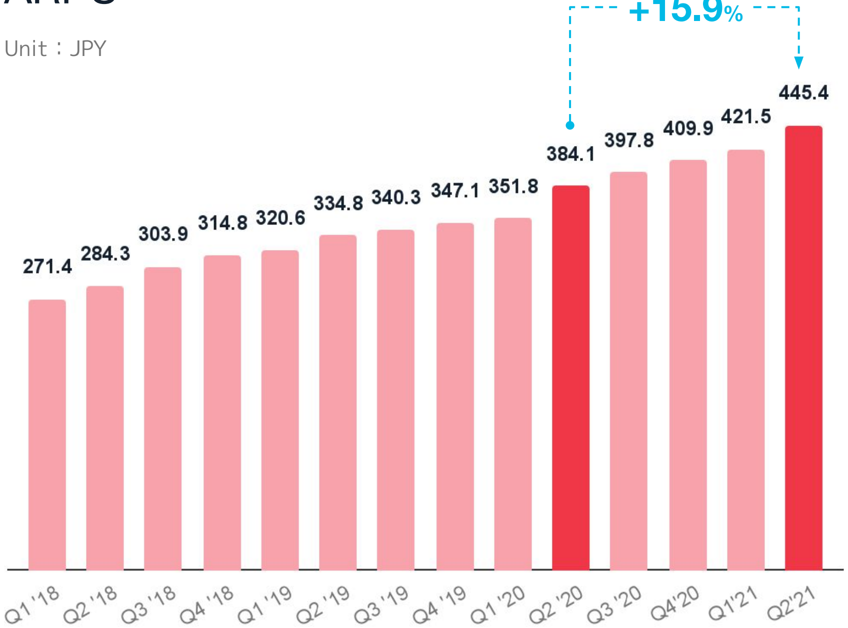
Number of Paying IDs

Unit：10000



ARPU[*2]

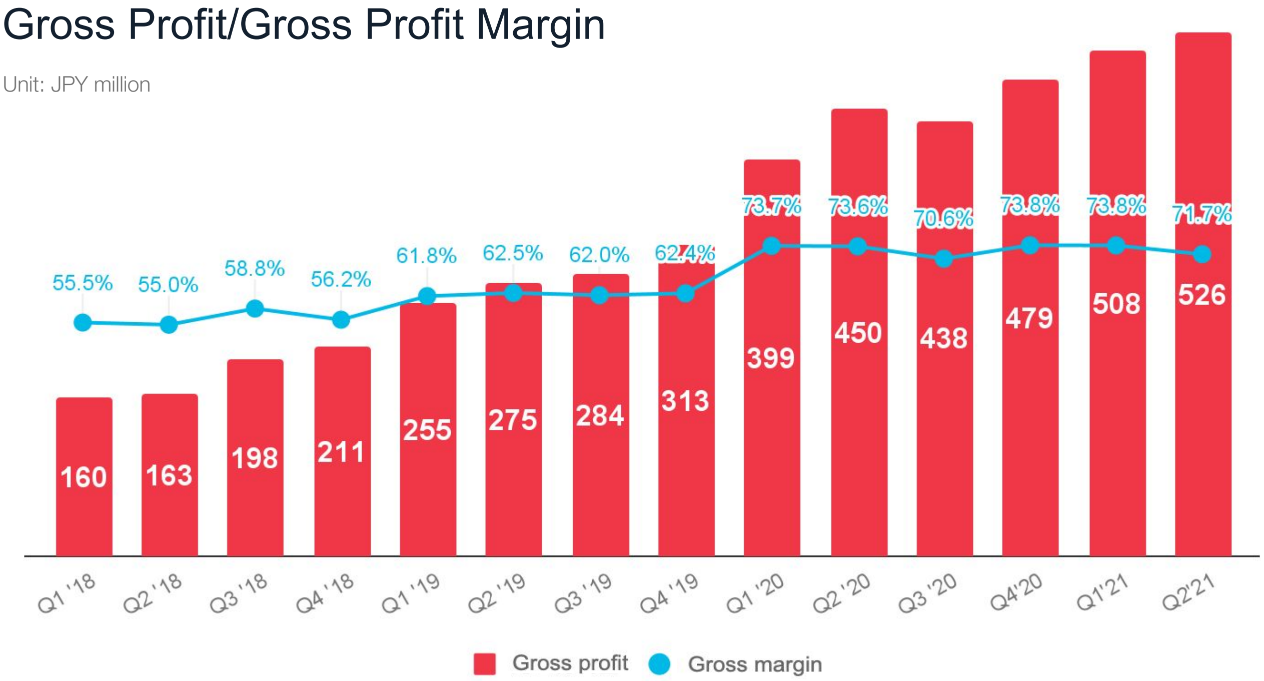
Unit：JPY



*1 Prices were revised at the end of February 2020. The previous plan was discontinued in April 2020. See the Appendix for details.
*2 Average revenue per user for paid Chatwork services.

Gross Profit/Gross Profit Margin

- Gross profit[*1] grew 16.8% YoY. The gross profit margin was 71.7%, down 1.9pt YoY.
- The cost of revenue rose, mainly due to an increase in the number of engineers, driving the gross profit margin down QoQ.



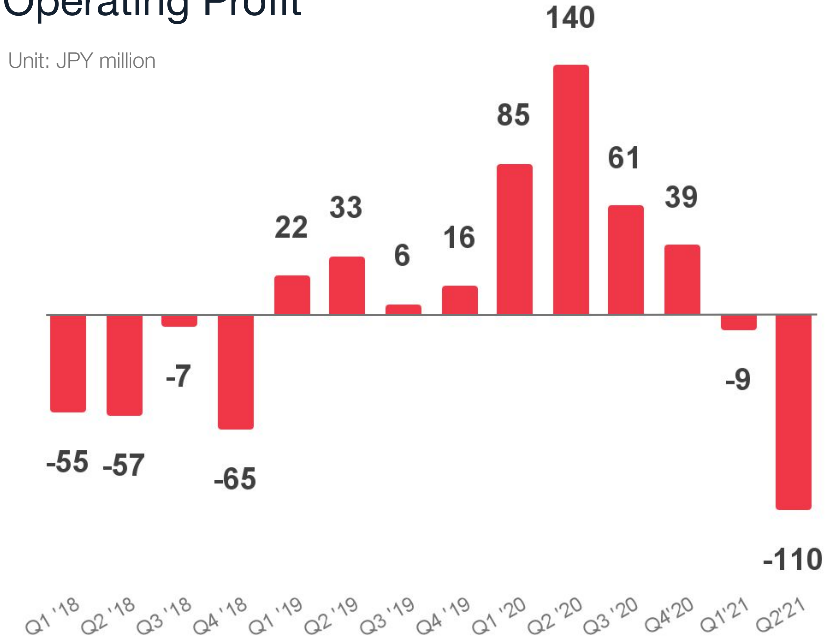
[*1] System costs (some development personnel and server costs) is recorded as assets from Q1 2020.

Change in Operating Profit

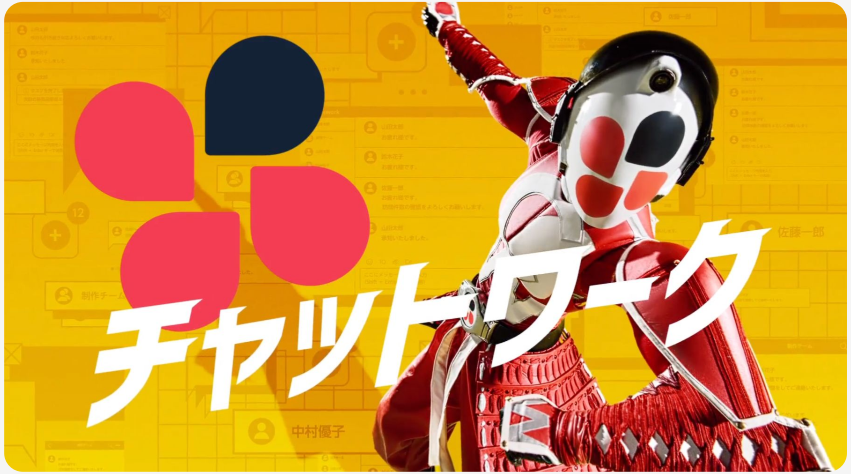
- As stated in our medium-term business plan, we are making upfront investments to accelerate our hiring and marketing activities. In Q2 FY 2021, we began running our first television commercials, lowering profit significantly.
- We plan to continue maximizing our speed of investment, as we are in the most important phase of expanding our market share.

Operating Profit

Unit: JPY million



Release of Television Commercial



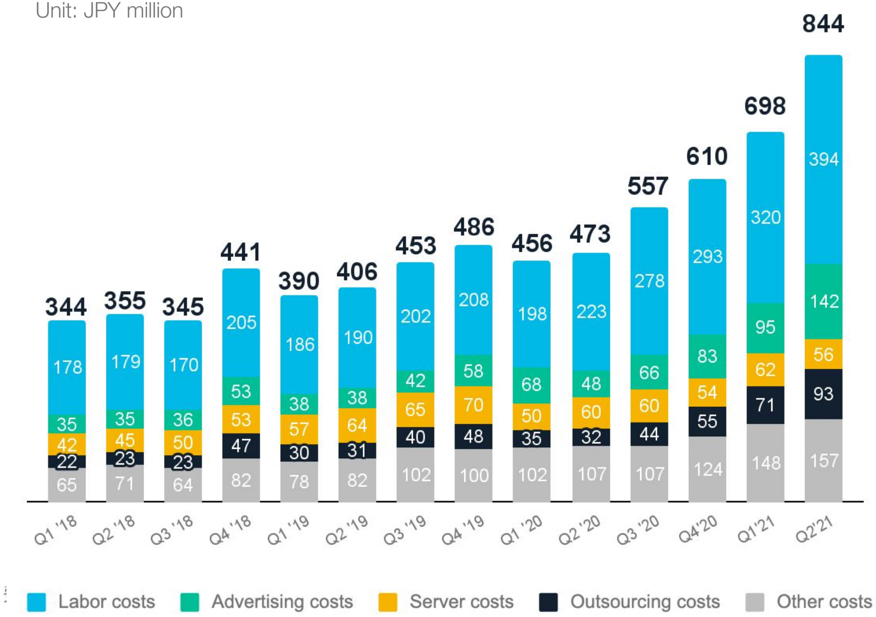
We began running our first television commercial in June.
In order to verify the effects, we targeted regional cities first.

Costs

- Personnel expenses rose as we made steady progress in hiring engineers, customer success personnel, and inside sales reps.
- In Q2 FY 2021, we began running our first television commercials, causing a major increase in advertising costs.

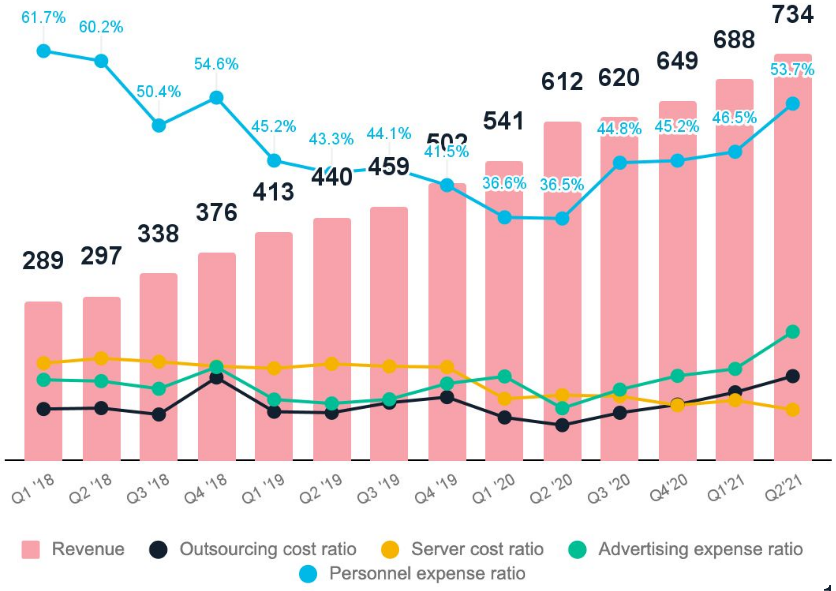
Cost Breakdown

Unit: JPY million



Expense to Sales Ratio

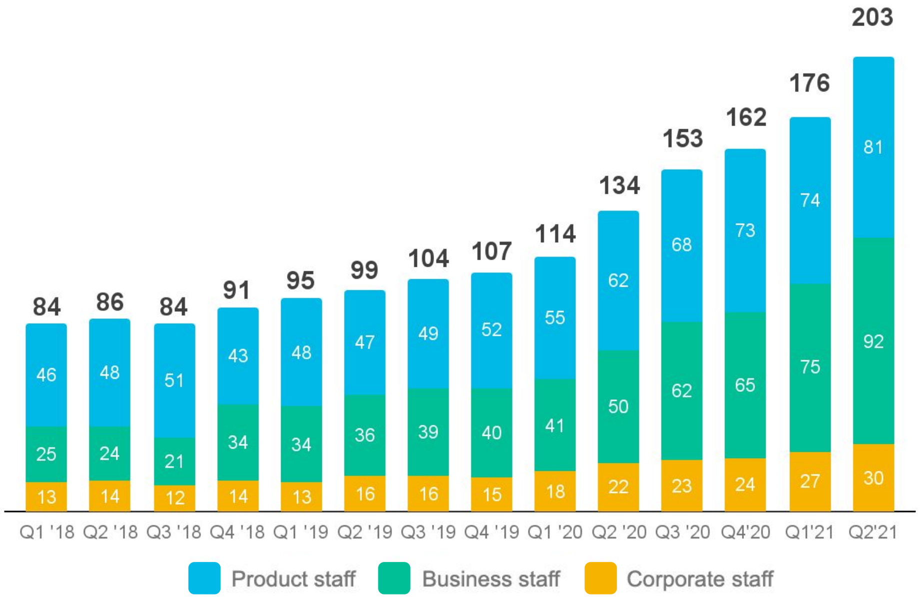
Unit: JPY million



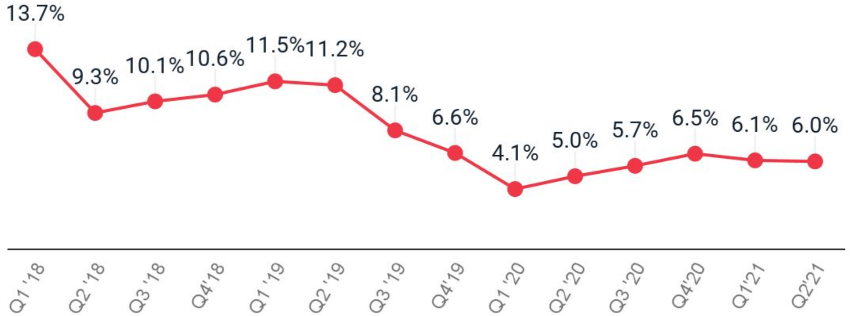
Number of Employees

- We continued to make steady progress on hiring, accelerating its pace even further. In Q2 FY 2021, the number of personnel increased by a net 27.
- We are reinforcing our organizational structure to handle this major influx in employees and maintain a low turnover rate[*1].

Number of Employees



Turnover Rate



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*1 Refers to the average turnover rate during the past 12 months. The turnover rate for Q2 FY 2021 is calculated as the number of people who left the Company between July 2020 and June 2021 divided by the number of employees as of June 2020.

Secound Quarter of

FY2021 Results

3

Major Topics
Progress on the Medium-Term Business Plan

Topic #1

Conversion of StartiaRaise’s Cloud Storage Business into a Consolidated Subsidiary

Conversion of StartiaRaise's Cloud Storage Business into a Consolidated Subsidiary

- Cloud storage business operated by StartiaRaise, a group company of Startia Holdings (TSE 1st : 3393), will be spun off, and Chatwork will acquire 51% of the shares of the newly established company, making it a consolidated subsidiary.
- We expect the impact on consolidated business results for FY2021 to be an increase in net sales of JPY190 million and a decrease in operating income of JPY41 million (will be included in consolidated results from the third quarter of FY2021).

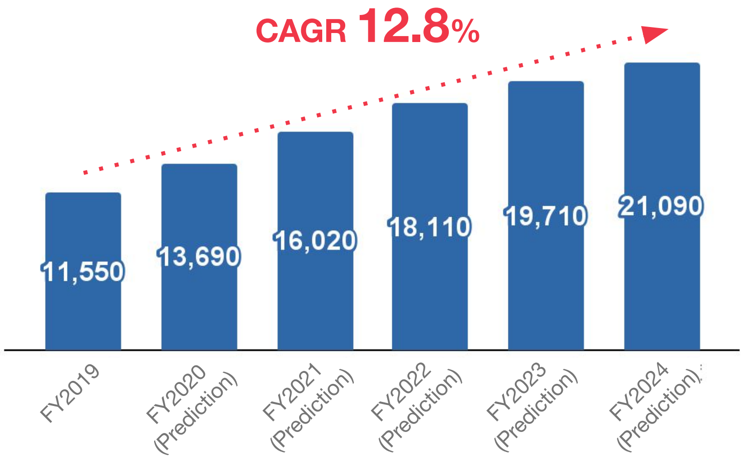
Overview	
Date of contract execution	June 22, 2021
Execution date of share acquisition:	July 1, 2021 (scheduled)
Acquisition price	JPY453.9 million
Equity interest in acquisition	51.0%
Funding method for acquisition	To be funded by borrowings from financial institutions

Cloud Storage a Major Growth Market with Many Remaining Opportunities

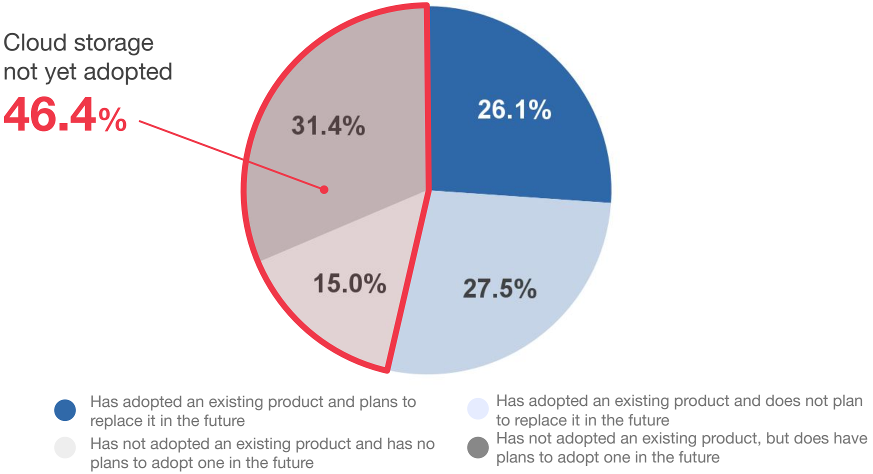
- The market has rapid growth potential; It is forecasted to grow by a 12.8% CAGR to JPY21 billion in 2024[*1].
- Approximately 50% of companies have yet to adopt cloud storage solutions. Also, among the companies that have already adopted, 26.1% of about approximately half are considering replacing their current services[*2].

Online File-Sharing (SaaS) Market Growth Trends and Forecast[*3]

Unit: JPY million



Corporate Adoption of Online File-Sharing Services[*4]



[*1] Based on “ITR Market View: Collaboration Market 2020” by ITR
[*2] Based on “ITR Cross View: Collaboration Market 2018” by ITR
[*3] Created by us based on “ITR Market View: Collaboration Market 2020” by ITR
[*4] Created by us based on “ITR Cross View: Collaboration Market 2018” by ITR

Providing the No.1[*1] cloud storage business for SMEs

- SecureSAMBA is the core service of StartiaRaise's cloud storage business. It generates stable revenue through a subscription model.
- Launched in 2007, the service has been introduced at 3,250 companies[*1], and has been No.1 share for three consecutive years for corporate customers with fewer than 100 employees as cloud-based online storage service.

セキュア SAMBA

Online storage for companies that makes it easy for anyone to share files

Ranking in the SaaS content and collaboration market among companies with fewer than 100 employees[*1]	Ranking in the SaaS content and collaboration market among companies with 100 to 300 employees[*3]
No. 1 for three straight years	No. 3

3年連続
シェア1位*
セキュア SAMBA

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*1 Source: "ITR Market View: Collaboration Market 2020," vendor-specific sales and share in the market for SaaS content and collaboration among companies with fewer than 100 employees (forecast for FY 2018–2020)
*2 As of April 2021
*3 Source: "ITR Market View: Collaboration Market 2020," vendor-specific sales and share in the market for SaaS content and collaboration among companies with 100 to 300 employees (FY 2019)

Boosting Earnings and Achieving Cost Efficiencies by Acquiring a Well-Matched Business

Objectves

Expansion of services toward the development of a “Super app for business” as targeted in the medium-term policy.

- There is high product affinity between Chatwork, with its open platform, and SecureSAMBA, which enables file sharing with external parties.
- Adding SecureSAMBA, which handles recurring information, to business chat, which handles one-time information, will make it possible to use Chatwork to manage all types of information.

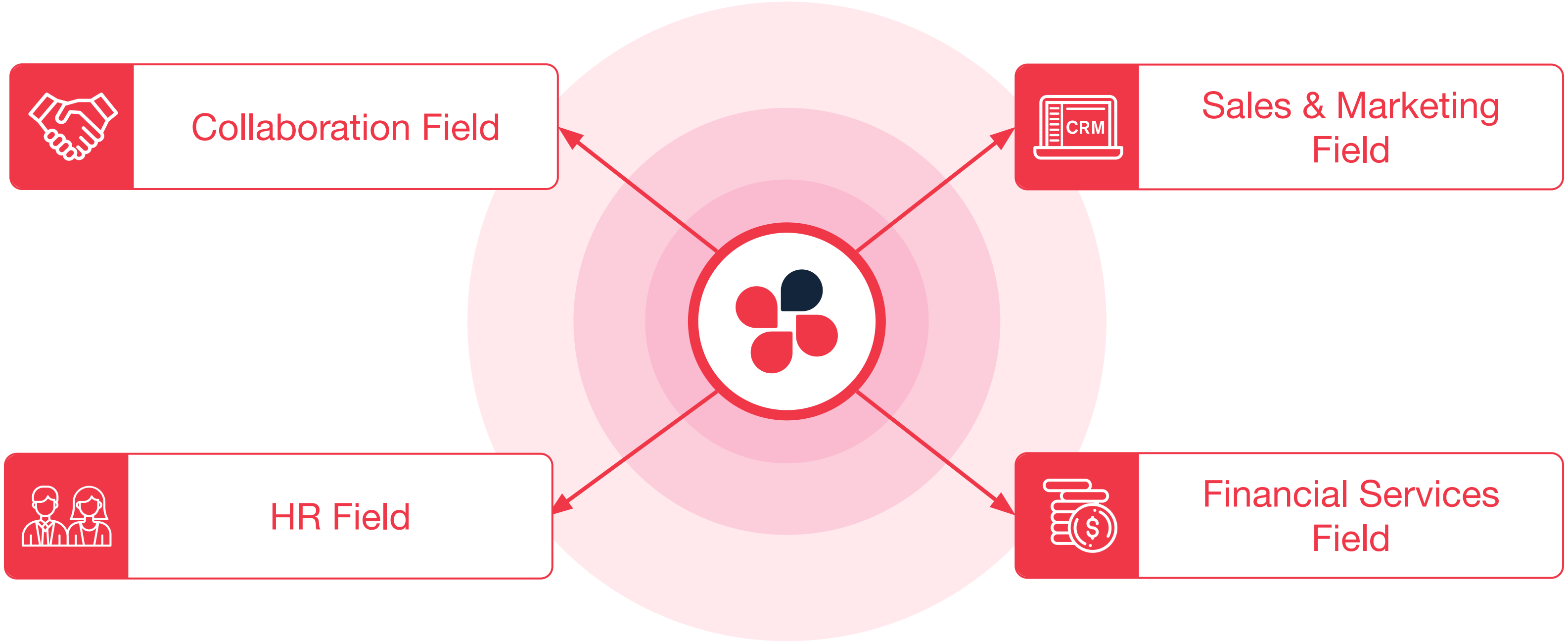
Synergies

The common customer base of SMEs will encourage revenue growth and improvements in cost efficiency.

- Increase ARPU by cross-selling and upselling to existing customers in each business.
- Improve marketing and sales efficiency in acquiring new customers.
- Reduce operating costs by sharing the same system infrastructure and service operation system.
- Collaborate with the Startia Group to leverage each other’s product, marketing, and sales capabilities.

Our Investment Policy Moving Forward

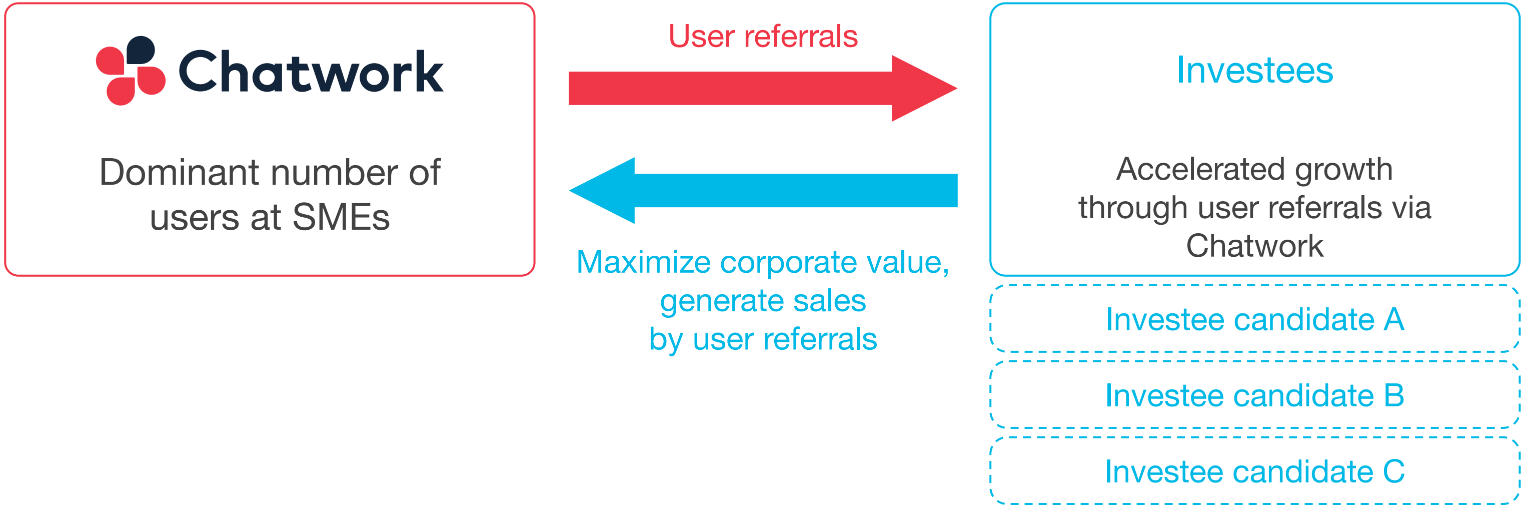
- Continue to invest aggressively in leading businesses that have a high affinity with Chatwork, including through M&A activity, to realize super app concept.
- Aim to accelerate sales growth in the Chatwork business while maintaining sound financial discipline in our investments.



Collaboration Field
CRM
Sales & Marketing Field
HR Field
Financial Services Field

Investment Strategy for Maximizing Synergies

- Chatwork has a dominant number of users at SMEs. Through user referrals to investee companies, we can accelerate their growth. We can also increase the likelihood of accelerating our return on investment by helping to maximize corporate value at investees and generating sales by user referrals.
- We aim to translate the resulting synergies into greater investment opportunities.



Chatwork

Dominant number of users at SMEs

User referrals

Maximize corporate value, generate sales by user referrals

Investees

Accelerated growth through user referrals via Chatwork

Investee candidate A

Investee candidate B

Investee candidate C

Topic #2

Changing the Limits on Former and Free Plans

Discontinued Former Plan and Moved to a New Fee Structure

- We discontinued a former plan that was priced at 20% less than our current plan, moving to the new plan to be applied to contract renewals from July 2021.
- We discontinued a plan previously provided to KDDI on an OEM basis for JPY191 per month. From October 2021, we will integrate this into a new plan priced at JPY800 per month.
- We sought understanding of customers who have been using our inexpensively priced former plan for a long period of time.

Business Plan, Enterprise Plan

Current fee

Price per user, **business plan**	Price per user, **enterprise plan**
JPY**500**/month (monthly agreement)	JPY**800**/month (monthly agreement)
JPY**5,000**/year (yearly agreement)	
Approx. JPY417/month	

New!

Revised fee

Price per user, **business plan**	Price per user, **enterprise plan**
JPY**600**/month (monthly agreement)	JPY**960**/month (monthly agreement)
JPY**6,000**/year (yearly agreement)	JPY**9,600**/year (yearly agreement)
JPY500/month	JPY800/month

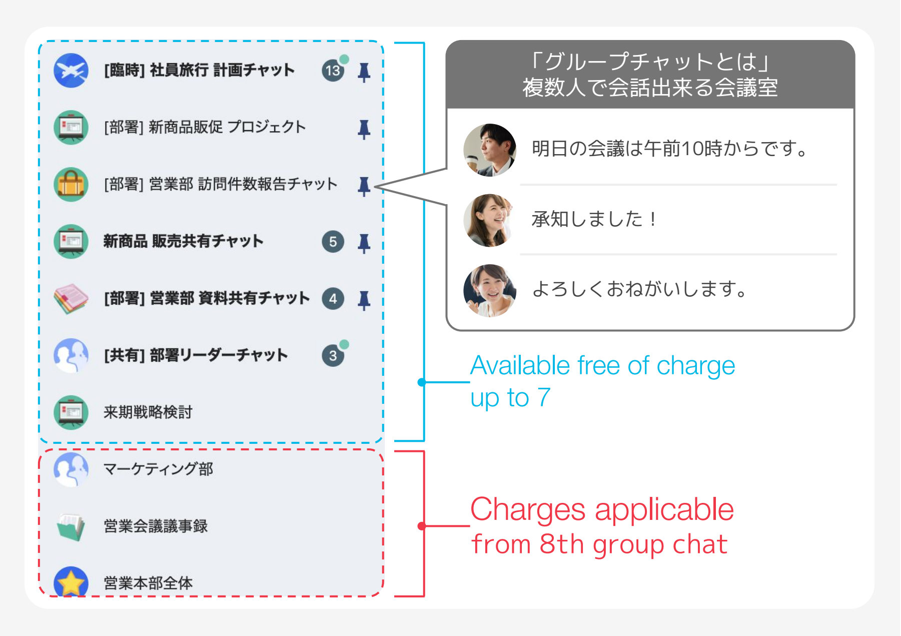
Version Provided to KDDI on an OEM Basis

Former plan	New! New plan
Sales price （June 2012～March 2016）	Sales price （From April 2016）
Basic fee / agreement JPN**4743** /month	Basic fee / agreement Free
ID user fee / ID JPN**191** /month	ID user fee / ID JPN **800** /month

* All prices are without tax.

Changes to the Limits on Group Chat under the Free Plan

- In July 2021, we reduced the number of group chats available under the free plan from 14 to 7.
- With this move, we aim to shorten the time it takes for free users to become paying users and promote payment among existing users.
- We saw a sharp rise in the number of paying IDs in July, when we began implementing the new measure, helping to encourage a shift toward paying users.


[臨時] 社員旅行 計画チャット 13
[部署] 新商品販促 プロジェクト
[部署] 営業部 訪問件数報告チャット
新商品 販売共有チャット 5
[部署] 営業部 資料共有チャット 4
[共有] 部署リーダーチャット 3
来期戦略検討
マーケティング部
営業会議議事録
営業本部全体

「グループチャットとは」
複数人で会話出来る会議室

明日の会議は午前10時からです。

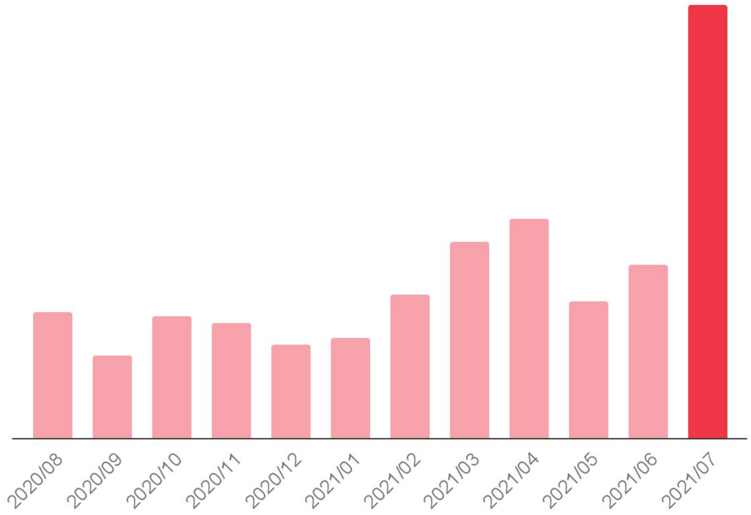
承知しました！

よろしくおねがいします。

Available free of charge up to 7

Charges applicable from 8th group chat

Net Increase in Paying IDs



TOPIC

Topic #3

Expansion of Proposed Services under “Chatwork DX Consultation Desk”

Expansion of Proposed Services through “Chatwork DX Consultation Desk”

- Since April, we have greatly increased the number of services proposed through the Chatwork DX Consultation Desk. The initial velocity of all the services has been favorable.
- We are extending the services promoting DX transformations to SMEs in all directions. We plan to begin offering numerous services in 2H.
- As the number of business chat users grows, we plan to expand our lineup of proposed services, thereby boosting our value as a platform.

Chatwork DX Consultation Desk

Already being proposed

Telephone secretary
Chatwork 電話代行
Powered by fondesk

Early payment
Chatwork 早期入金
powered by Money Forward Early Payment

Subsidy consultancy
Chatwork 助成金診断

Reception system
RECEPTIONIST

Online conferencing
zoom

Began proposing in April

Sales management	Email management	Welfare	Workforce	Expenses
MiiTel	メールディーラー Mail Dealer	better place はぐくみ基金	jinjer 人事	jinjer 経費

E-contracts	RPA	Storage	Salary	Attendance
Signing	RoboTANGO	セキュア SAMBA	jinjer 給与	jinjer 勤怠

Topic #4

Progress on the Medium-Term Business Plan

Progress on the Medium-Term Business Plan

- We are making steady progress on the three strategies of the medium-term business plan.

1	Product-Led Growth[*1] Strategy	● In June, we released our first TV commercial to increase the number of new users. In order to verify the effects, we targeted regional cities first. ● We will roll out the commercials in other areas, after judging their effectiveness.
2	Horizontal + Vertical Strategy	● We gained understanding of various industries through customer negotiation, and this allowed us to make steady progress on developing projects across organizations and greatly increase the percentage of our business discussions with potential customers. ● Systemizing industry inputs helped speed up launches for new members. We expand to substantially increase sales efficiency going forward.
3	DX[*2] Solution Strategy	● We expanded our service offerings by acquiring a cloud storage business, propelling ourselves toward the super-app concept. ● We accelerated business alliances, adding ten new services to those proposed through the Chatwork DX Consultation Desk. We are strongly promoting DX to SMEs.

[*1] Product-led growth (PLG) is a SaaS growth strategy that is the focus of attention in the US, whereby products are used to attract customers. Zoom and Shopify are two examples of PLG, which achieves notably higher levels of growth than non-PLG. PLG requires a large user base and a service that spreads by word of mouth. We have adopted PLG as the growth strategy for our service. See page 49 for details.

[*2] DX (Digital Transformation) is the adoption of digital technology to transform services or businesses.

Secound Quarter of

FY2021 Results

4 Revision of Forecast for FY 2021

Revision of Forecast for FY 2021

- We have changed our initial forecast for FY 2021 as outlined below.
- Growth in the number of paying IDs for Chatwork, price revisions, and acquisition of the storage business are pushing revenue above our earlier expectations.
- We are targeting substantial YoY revenue growth of 45% or more from the Chatwork business, our most important indicator.
- We expect to post losses, stemming from proactive expenditures on personnel and advertising/promotion

Unit：million yen	**FY 2020 actual**	**FY 2021** Previously announced forecast	**FY 2021 forecast**	**YoY**
Revenue	2,424	YoY +30%	**3,319 ～ 3,392**	+37.0%～+40.0%
Chatwork Business	2,132	YoY +35%	**3,089 ～ 3,153**	+45.0%～+48.0%
Gross profit	1,767	-	**2,248 ～ 2,320**	+29.0%～+33.2%
Gross margin	72.9%	-	**67.7% ～ 68.4%**	-5.2pt～-4.5pt
Operating profit	327	-	**-938 ～ -815**	-
Ordinary profit	324	-	**-941 ～ -818**	-
Net profit	208	-	**-937 ～ -814**	-

Reasons for Revising Our Revenue Forecast Upward

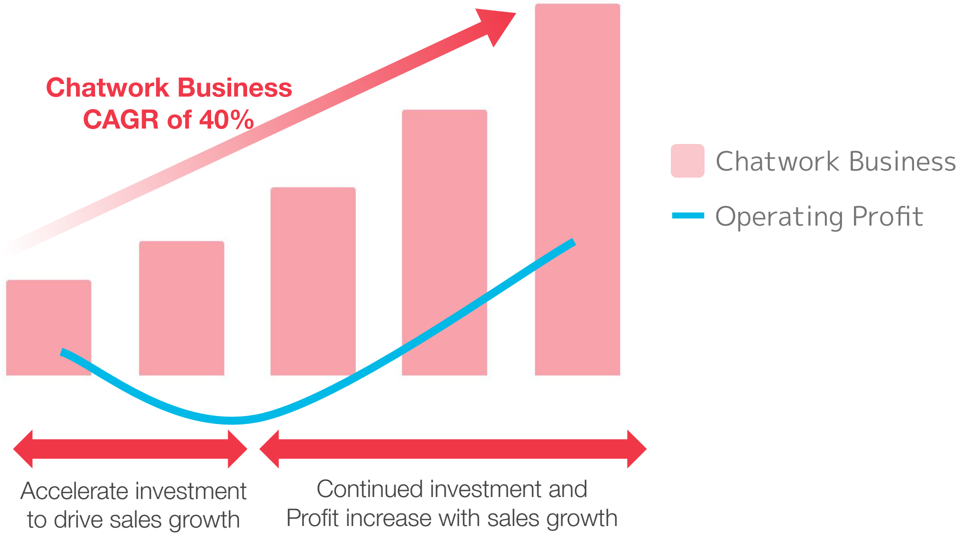
- We expect our purchase of a cloud storage business to boost consolidated revenue by JPY190 million and reduce operating profit by JPY41 million in FY 2021 (included in consolidated accounts from 2H FY 2021 and for all of FY 2022).
- The move from our former plan to a new fee structure and changes to the restrictions on group chat have been implemented since July. KPIs and the impact of these moves on 2H performance are as follows.

Initiatives	Date	KPI/impact on operating performance
Purchase of a cloud storage business	July 1	Boost revenue in the Chatwork business
Transition from the former business plan to a new plan	From July	Increase ARPU
Pricing change on Chatwork for KDDI	October 1	Increase ARPU
Change in the number of group chats available under the free plan	July 1	Increase the number of paying IDs

Our Perspective on Profit and Investment

- We view the cost of acquiring new SaaS customers (sales and marketing expenses) as the cost of attracting steady, monthly revenue. Hence, they are an investment in the future.
- As our medium-term business plan indicates, this is our most important phase of investment. In the short term, we will raise advertising and promotion expenses substantially to run recognition-enhancing ads that should lead to growth over the medium to long term.
- As to costs including for recognition-enhancing ads, we will keep an eye on appropriate KPIs and LTV/CAC levels as we invest in the short, medium, and long terms, maintaining a sound financial base.

Conceptual diagram of our growth and profit



*The above chart was prepared for the purpose of explaining the Company's approach to profit and investment, and is not intended to disclose sales and profits forecasts for the current quarter and beyond.

Secound Quarter of

FY2021 Results

5 Business Overview

About Chatwork

ビジネスチャット
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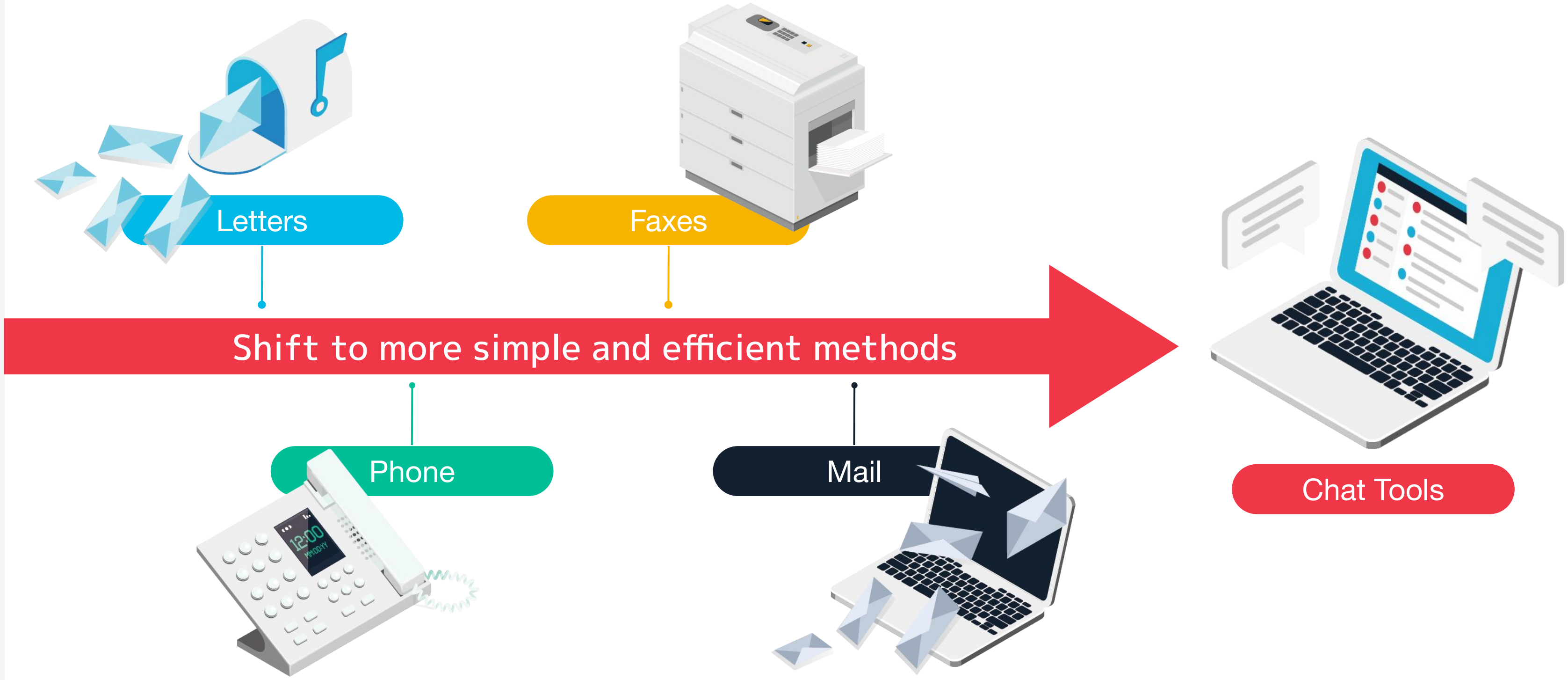
*2 According to a survey of monthly active users (MAUs) conducted in June 2020 by Nielsen NetView; applicable service selected by Chatwork Co., Ltd.
*3 As of June 2021

Evolution of Business Communications



Letters

Faxes

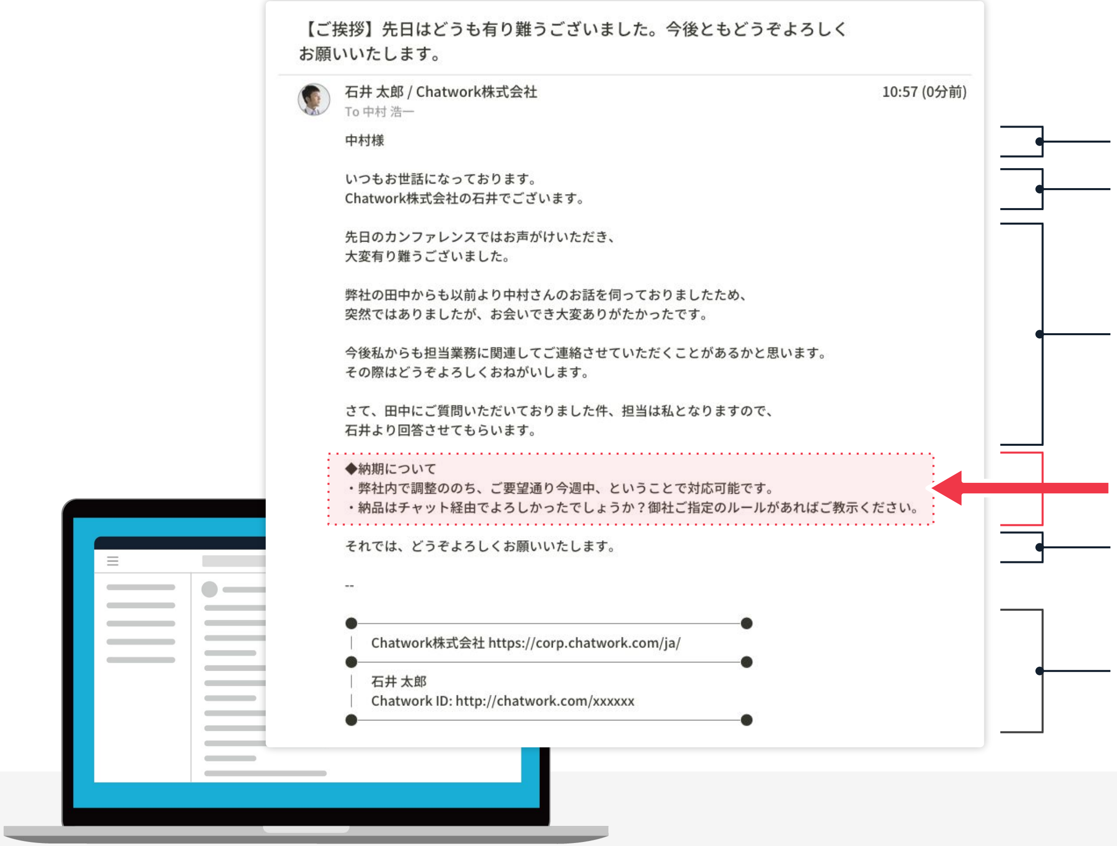
Shift to more simple and efficient methods

Phone

Mail

Chat Tools

Decreased Productivity Due to Long-Winded Emails



【ご挨拶】先日はどうも有り難うございました。今後ともどうぞよろしく
お願いいたします。

石井 太郎 / Chatwork株式会社
To 中村 浩一
10:57 (0分前)

中村様

いつもお世話になっております。
Chatwork株式会社の石井でございます。

先日のカンファレンスではお声がけいただき、
大変有り難うございました。

弊社の田中からも以前より中村さんのお話を伺っておりましたため、
突然ではありましたが、お会いでき大変ありがたかったです。

今後私からも担当業務に関連してご連絡させていただくことがあるかと思います。
その際はどうぞよろしくおねがいします。

さて、田中にご質問いただいておりました件、担当は私となりますので、
石井より回答させてもらいます。

◆納期について
・弊社内で調整ののち、ご要望通り今週中、ということで対応可能です。
・納品はチャット経由でよろしかったでしょうか？御社ご指定のルールがあればご教示ください。

それでは、どうぞよろしくお願いいたします。

--

Chatwork株式会社 https://corp.chatwork.com/ja/

石井 太郎
Chatwork ID: http://chatwork.com/xxxxxx

Recipient

Conventional salutation and introduction

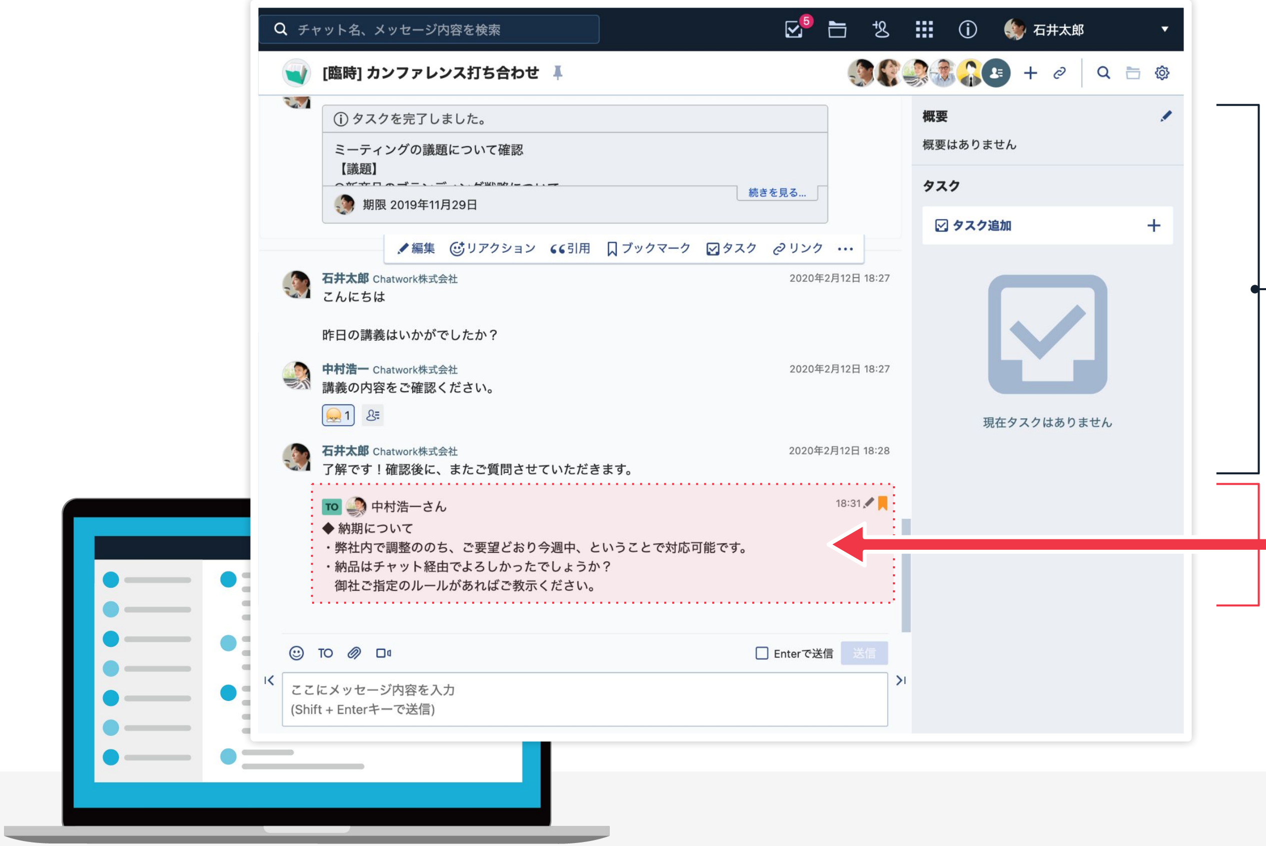
Expression of thanks and explanation of email’s subject

Key point that sender wishes to convey

Conventional ending

Signature

Improved Productivity Due to Business Chat Tools


チャット名、メッセージ内容を検索
5
石井太郎
[臨時] カンファレンス打ち合わせ
概要
概要はありません
タスク
☑ タスク追加 +
現在タスクはありません
編集
リアクション
引用
ブックマーク
タスク
リンク
続きを見る...
TO
□ Enterで送信
送信

ⓘ タスクを完了しました。

ミーティングの議題について確認
【議題】

期限 2019年11月29日

石井太郎 Chatwork株式会社 2020年2月12日 18:27
こんにちは

昨日の講義はいかがでしたか？

中村浩一 Chatwork株式会社 2020年2月12日 18:27
講義の内容をご確認ください。

石井太郎 Chatwork株式会社 2020年2月12日 18:28
了解です！確認後に、またご質問させていただきます。

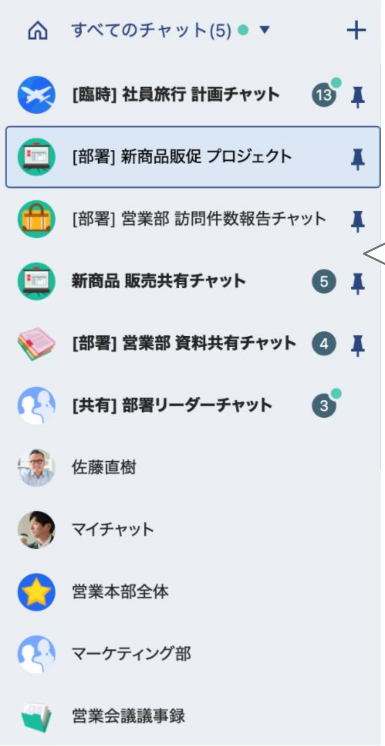
TO 中村浩一さん 18:31
◆ 納期について
・弊社内で調整ののち、ご要望どおり今週中、ということで対応可能です。
・納品はチャット経由でよろしかったでしょうか？
御社ご指定のルールがあればご教示ください。

ここにメッセージ内容を入力
(Shift + Enterキーで送信)

Information about past interactions and chat participants

Key point that sender wishes to convey

Accelerate Business Collaboration



すべてのチャット(5)

[臨時] 社員旅行 計画チャット 13

[部署] 新商品販促 プロジェクト

[部署] 営業部 訪問件数報告チャット

新商品 販売共有チャット 5

[部署] 営業部 資料共有チャット 4

[共有] 部署リーダーチャット 3

佐藤直樹

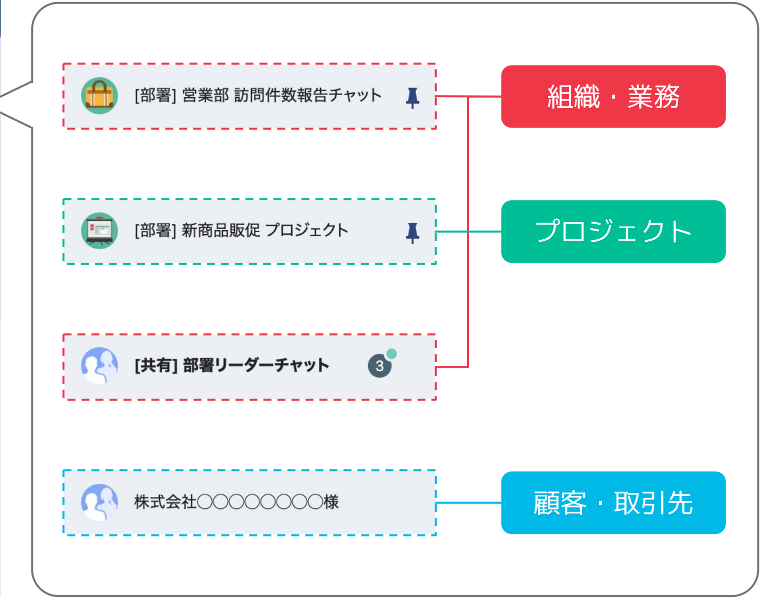
マイチャット

営業本部全体

マーケティング部

営業会議議事録

Create group chat
for different teams, projects, and clients


[部署] 営業部 訪問件数報告チャット
組織・業務
[部署] 新商品販促 プロジェクト
プロジェクト
[共有] 部署リーダーチャット 3
株式会社〇〇〇〇〇〇〇〇様
顧客・取引先

- Within the group chat, participants can interact with multiple people at the same time to facilitate smooth information-sharing.
- Chat enables closer customer communications than via email, creating a stronger sense of connection.

Plan / Pricing

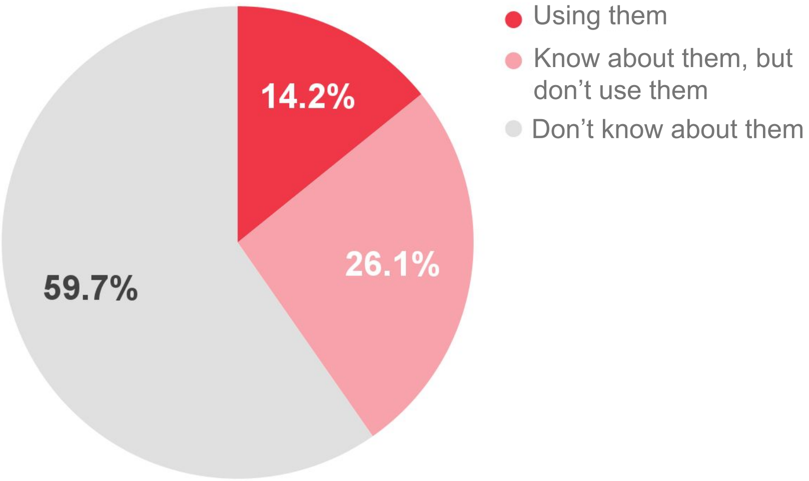
Free For companies and individuals that want to try out the service for free	Business For companies and individuals that want to use the service for business	Enterprise For companies that want enhanced administrative functionality
1 user per month ¥0 ********	1 user / month (annual contract) ¥500 ¥600 / month for monthly contract	1 user / month (annual contract) ¥800 ¥960 / month for monthly contract
Unlimited 1:1 chats	Unlimited 1:1 chats	Unlimited 1:1 chats
A total of 14 group chats	Unlimited group chats	Unlimited group chats
1:1 video calls / voice calls	Group video calls / voice calls	Group video calls / voice calls
Two-factor authentication	Two-factor authentication	Two-factor authentication
5GB storage	10GB storage / user	10GB storage / user
—	User management	User management
—	—	Security management

*1 We stopped accepting new applications for the personal plan at the end of January 2021. We also reduced the minimum number of users under the business plan from five to one. Implementing this change means that even individuals can apply. People currently using the personal plan can continue to do so.

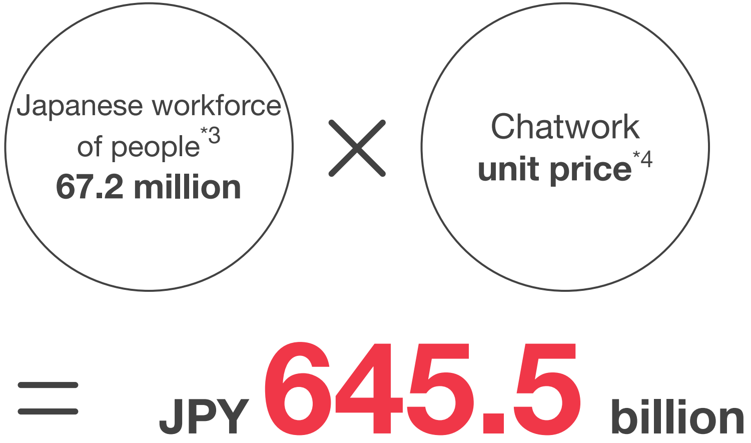
The Environment Surrounding Business Chat Tools

- COVID-19 has led to a sharp increase in demand for teleworking, causing the use of business chat to surge.
- In Japan, the business chat adoption rate is 14.2%[*1], increasing from the last study (as of October 2020). We believe that the scale of the market is expanding continuously.

Use of Business Chat Tools



Latent Market (TAM)[*2] for Business Chat



Japanese workforce of people[*3]
67.2 million

×

Chatwork
unit price[*4]

= **JPY 645.5 billion**

---

*1 Based on a study commissioned by Chatwork, n = 30,000

*2 Short for "total addressable market," or the maximum potential market. This is the market size estimated by Chatwork. The estimated figure may differ from the actual market size.

*3 "Labor Force Survey" (2019) by the Ministry of Internal Affairs and Communications.

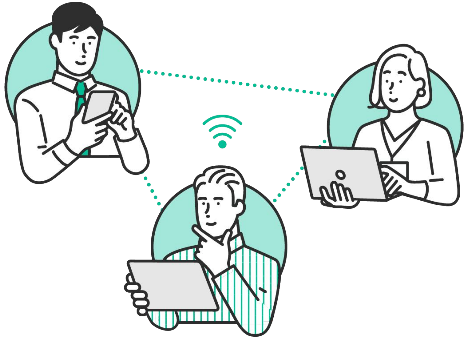
*4 Unit price for the enterprise plan (JPY 800) times 12 months.

Features of Chatwork's Services

Easy to use

The interface and functions are designed to mainly target business professionals who are not IT experts. The service is easy for anyone to use and requires no complicated customization.

Open platform

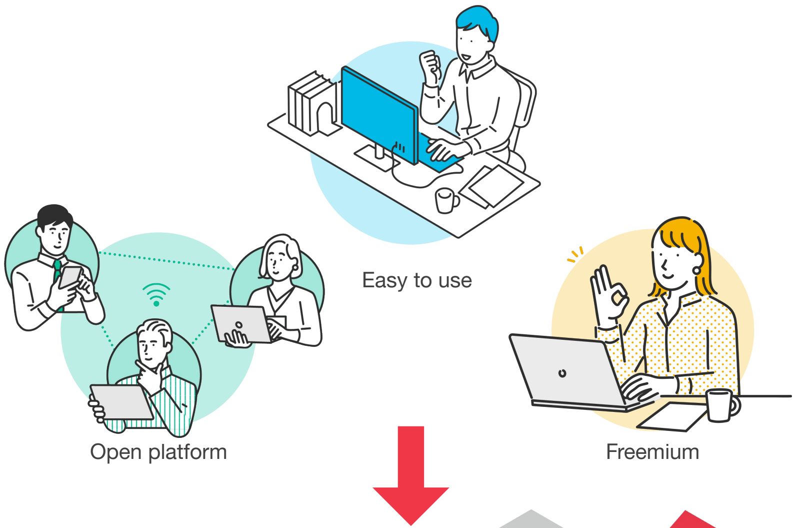


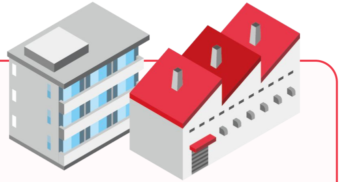
We employ an open platform-based approach that enables seamless internal and external communication using a single account. In many cases, the platform is also used externally with customers and business associates.

Freemium

Services are provided using a "freemium" model that allows unlimited continued use free of charge. Users can casually recommend Chatwork to customers and business associates, then switch to a premium paid plan once usage intensifies.

Growing Use in the SME Market

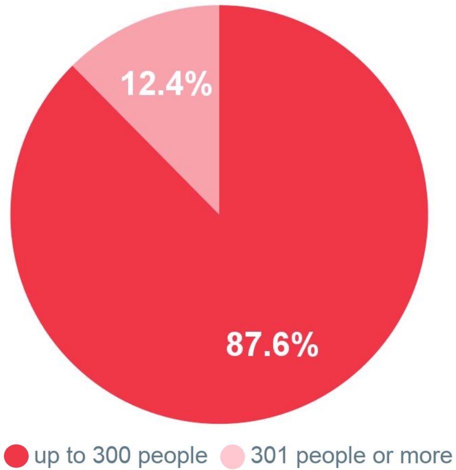




SME market

- Few people with detailed IT knowledge in the company
- No budget for investing in IT
- Want to use the same tools as customers and associates

Proportion of Paying Users by Company Size



Companies with 300 or fewer people account for 87.6% of paying users.[1]

Note: The customer base is stable, with most of the paying users being SMEs and without much dependence on specific companies.

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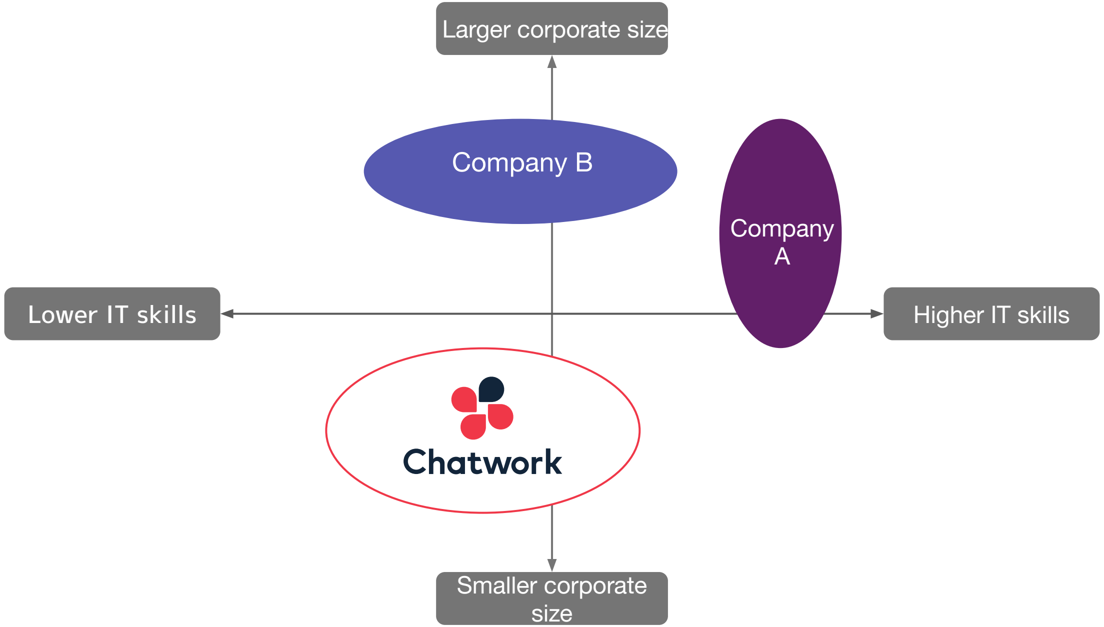
[1] As of June 2021

Positioning in the Industry

Target segments

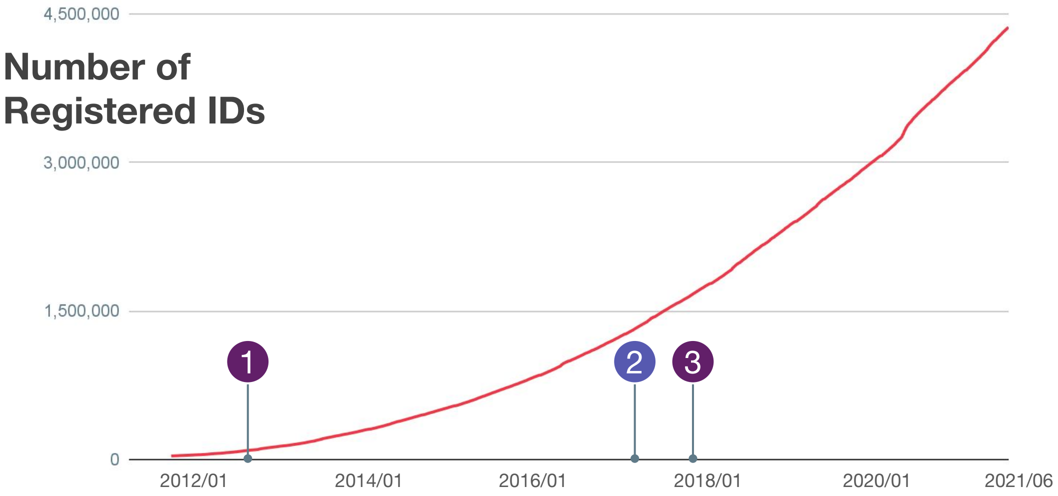

Larger corporate size
Company B
Company A
Lower IT skills
Higher IT skills
Chatwork
Smaller corporate size

- We have two major competitors, but these companies focus on different target segments.
- As the market penetration rate of business chat tools is still low, the companies are working to develop new markets in their respective domains.

Strengths of Chatwork

A Service Structure Whose User Base Continues to Grow Exponentially

- Chatwork is easy to use for communication with customers and business associates thanks to the open platform-based approach, which enables seamless internal and external communications, and the freemium model that allows users to start using the software free of charge. Because of this, the user base continues to grow exponentially as it is introduced through referrals.
- Entry of competitors has not affected growth in the Chatwork's user base.



Number of Registered IDs

Market Entry by Competitors

① **August 2013**
Release by Company A

② **March 2017**
Release by Company B

③ **November 2017**
Release of Japanese version by Company A

Driving Product-Led Growth to Expand Services

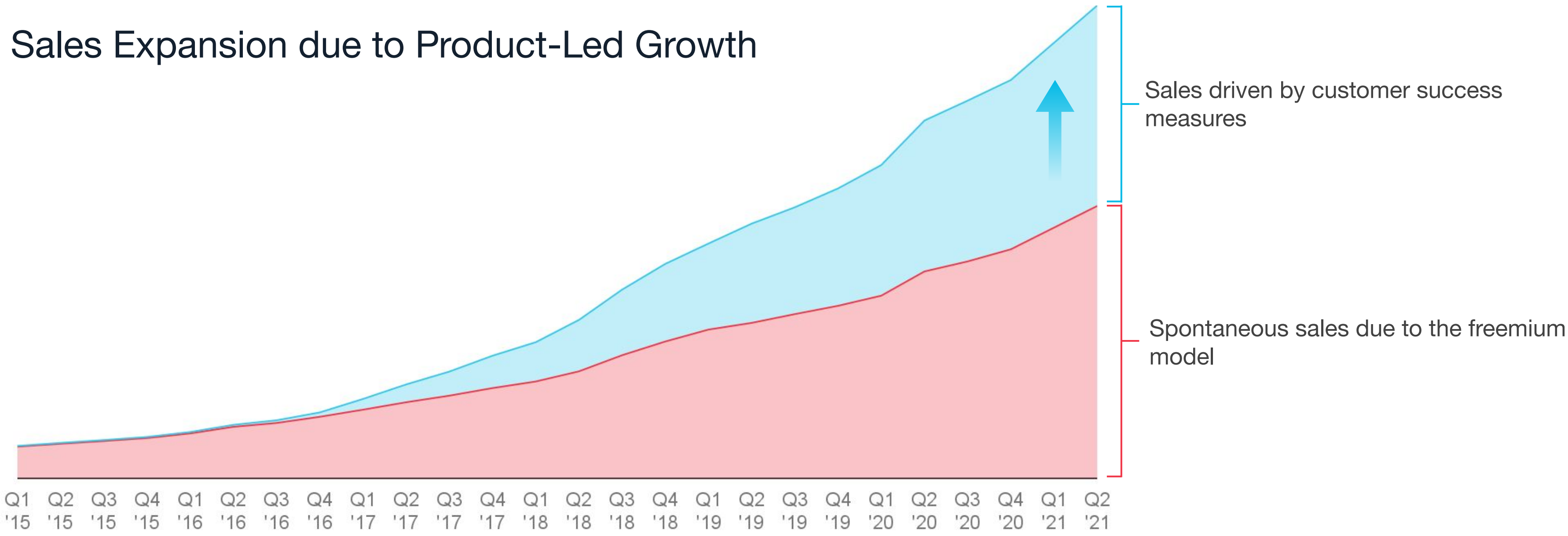
- **Product-led growth (PLG)** is a SaaS growth strategy that is the focus of attention in the US, whereby products are used to attract customers. This style is distinct from the conventional growth strategy, of **sales-led growth**.
- Zoom and Shopify are two examples of PLG, which achieves notably higher levels of growth than non-PLG. PLG requires a large user base and a service that spreads by word of mouth. Our service fits with a PLG growth strategy.

	Product-Led Growth	**Sales-Led Growth**
Strategy	● Drive expansion in the number of users and products by communicating value through products ● Focuses on product improvement and customer successes	● Drive sales increases through sales and marketing activities ● Focus on improving sales and marketing
Characteristics	● Expansion through word of mouth, highly leveraged growth ● Structured so that ARPU rises as customers use products more intensively	● Dependent on the number of salespeople, workers tend to be concentrated ● Sales efforts always needing to focus on upselling and cross-selling

Using Customer Success Measures to Accelerate Spontaneous Product Growth

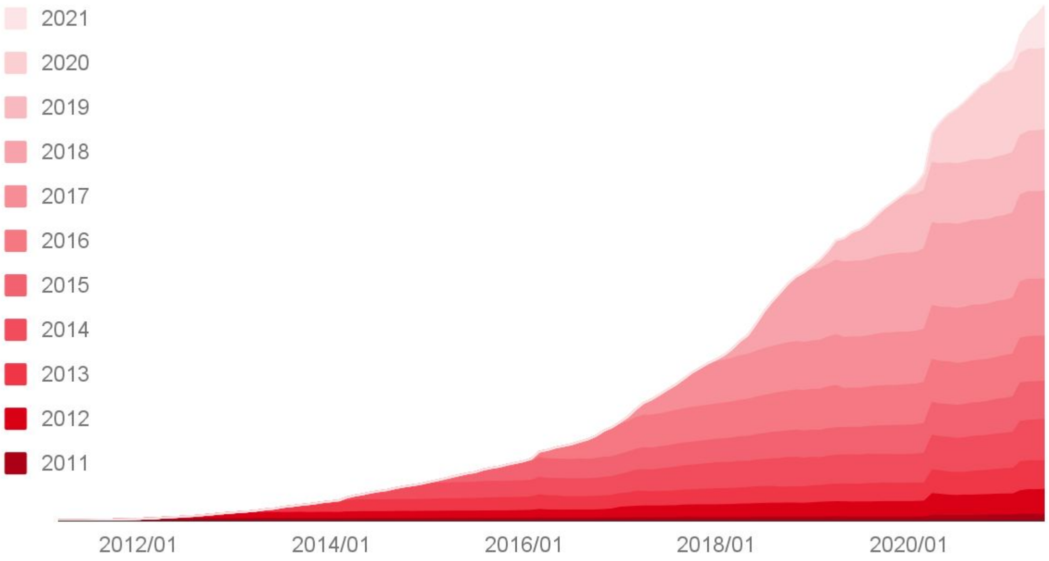
- Since the time our service launch, the free plan has driven an increase in use. We have been using a freemium model, in which the basic model has limited functionality. Users pay to unlock full functionality.
- Since 2015, we have provided support during the initial period (onboarding) and promoted usage (customer success). This has led to success in boosting spontaneous, ongoing growth in freemium sales (a product-led growth strategy).

Sales Expansion due to Product-Led Growth



Chatwork Revenue Growth by Cohort

- Growth in income due to more internal users and customers upgrading to premium plans exceeds the downward impact of canceled contracts.
- The net revenue retention rate[*1] is over 120%[*2].
- The monthly retention rate is extremely high, at 99.7%[*3].



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*1 NRR rate = (ARR at beginning of period - revenue churn on a monthly basis + revenue expansion on a monthly basis) / ARR at beginning of period

*2 Monthly average rate of 12 months in 2020.

*3 Monthly continuation rate is indicated as "1 - churn rate." Churn rate refers to the rate of churn to the number of registered IDs. The figure indicates the 12-month average value from April 2020 to the end of March 2021.

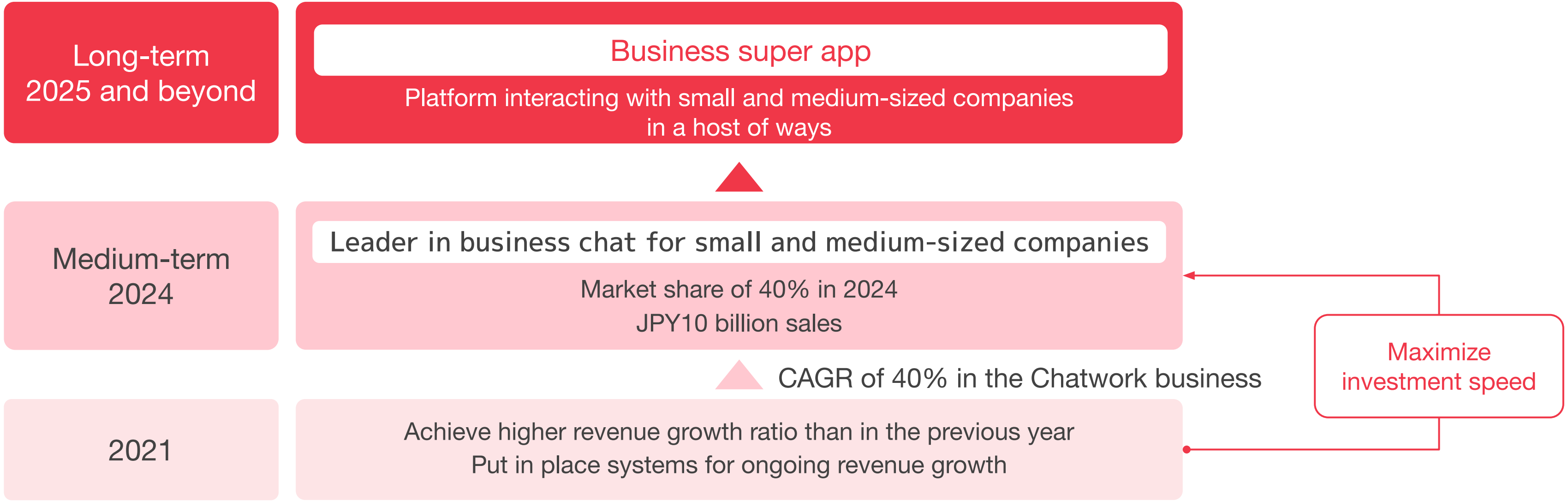
Secound Quarter of

FY2021 Results

6 Medium-Term Business Plan

Medium-Term Policy

- We aim to increase our market share from 2021 to 2024 and establish a position as the leader in business chat for SMEs.
- From 2025, we will leverage our overwhelming share of the market among SMEs to roll out a business super app, which will be a platform that users can manage many business tools on it.
- The medium term (from 2021 to 2024) is the most important phase for gaining market share, so we will maximize our speed of investment.



Long-term
2025 and beyond

Business super app

Platform interacting with small and medium-sized companies in a host of ways

Medium-term
2024

Leader in business chat for small and medium-sized companies

Market share of 40% in 2024
JPY10 billion sales

CAGR of 40% in the Chatwork business

2021

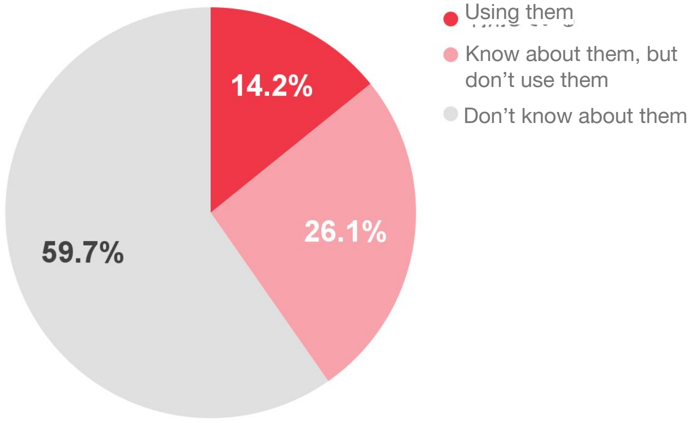
Achieve higher revenue growth ratio than in the previous year
Put in place systems for ongoing revenue growth

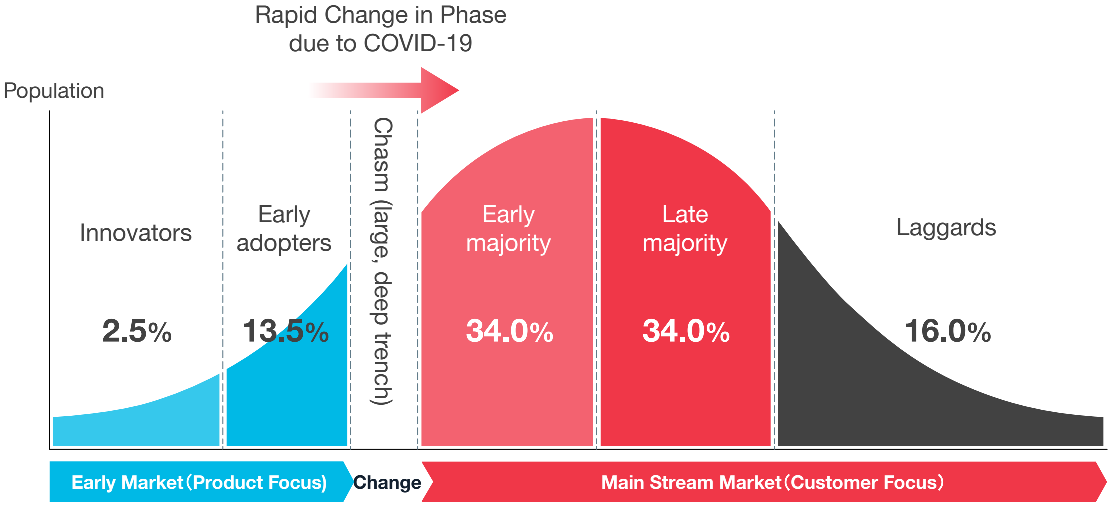
Maximize investment speed

Reasons 2021 to 2024 is the Most Important Phase

- In the strong and major trend of digital transformation, the number of people working from home has increased strongly since 2020 due to COVID-19. As a result, we face a fundamental shift in working styles, “New Normal”.
- The rate of adoption for business chat is currently about 14.2%[*1]. The next three years is the time when the trend cross the chasm[*2], and chat becomes mainstream.
- As it is hard to switch a business chat once introduced, it is important to become customers’ first choice in business chat, so we can acquire market share going forward.

Use of Business Chat Tools




Rapid Change in Phase due to COVID-19
Population
Innovators
2.5%
Early adopters
13.5%
Chasm (large, deep trench)
Early majority
34.0%
Late majority
34.0%
Laggards
16.0%
Early Market (Product Focus)
Change
Main Stream Market (Customer Focus)

---

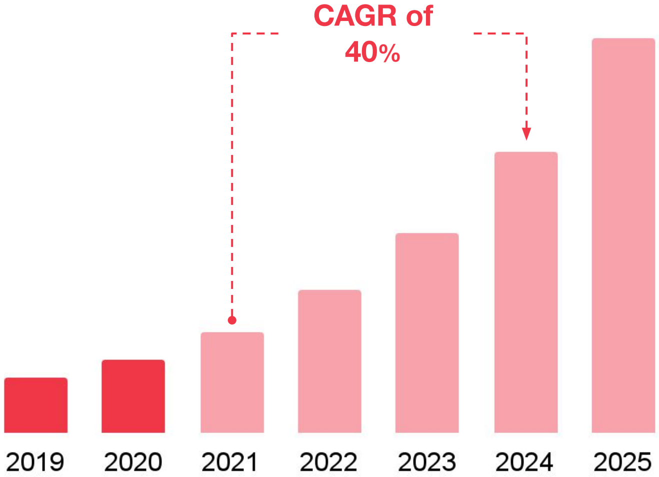
*1 Based on a study commissioned by Chatwork, n=30,000

*2 Geoffrey Moore’s “chasm theory” hypothesizes a deep barrier that must be crossed in order for new products and technologies in the high-tech sector to move from early-stage to mainstream markets.

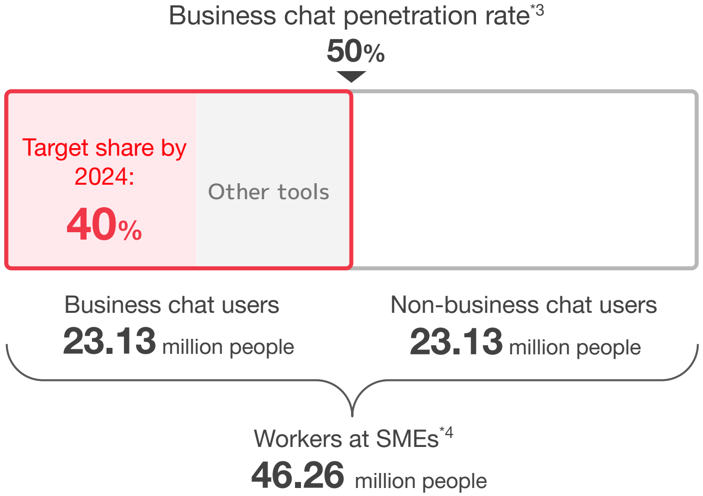
Medium-Term Management Plan

- In our main business, Chatwork business[*1], we aim to achieve a CAGR for sales of 40% between 2021 and 2024.
- By FY2024, we intend to generate revenue of JPY10.0 billion and be the leader in business chat among SMEs, with a market share of 40%.

Sales Targets for the Chatwork Business



Business Chat Market Targeting SMEs (SAM[*2]) Target Market Share in 2024


Business chat penetration rate*3
50%
Target share by 2024:
40%
Other tools
Business chat users
23.13 million people
Non-business chat users
23.13 million people
Workers at SMEs*4
46.26 million people

---

*1 Our mainstay Chatwork business includes account, advertising, and platform businesses, and excludes the Security business.
*2 Refers to the "serviceable available market," or that proportion of the total accessible market (TAM) indicating demand in specific customer segments.
*3 The Company has estimated using the business chat penetration rate resulting from its own surveys.
*4 The number of workers at small and medium-sized companies is estimated by the Company, based on the Ministry of Internal Affairs and Communications' "Labor Force Survey" and the "White Paper on Small and Medium Enterprises" by the Small and Medium Enterprise Agency.

Strategies for Achieving Our Medium-Term Targets

- We will concentrate on promoting three core strategies to become the leader in business chat among SMEs by 2024.

1	Product-Led Growth[*1] Strategy	● Promote an efficient PLG (Product-Led Growth) strategy, in which the product itself accelerates business growth. ● Further accelerate user growth through introductions (our forte), and build a robust customer success system.
2	Horizontal + Vertical Strategy	● Create a communication process that will enhance understanding of the industry and resolve the issues customers face. ● Combine industry-agnostic communication functions with industry-specific issue resolution.
3	DX[*2] Solution Strategy	● Use chat as a platform for developing the DX solution business. ● Work to maximize the value provided by expanding peripheral businesses to realize the super app concept.

[*1] Product-led growth (PLG) is a SaaS growth strategy that is the focus of attention in the US, whereby products are used to attract customers. Zoom and Shopify are two examples of PLG, which achieves notably higher levels of growth than non-PLG. PLG requires a large user base and a service that spreads by word of mouth. We have adopted PLG as the growth strategy for our service. See page 49 for details.

[*2] DX (Digital Transformation) is the adoption of digital technology to transform services or businesses.

Strategy #1

Product-Led Growth Strategy

Driving Product-Led Growth to Expand Services

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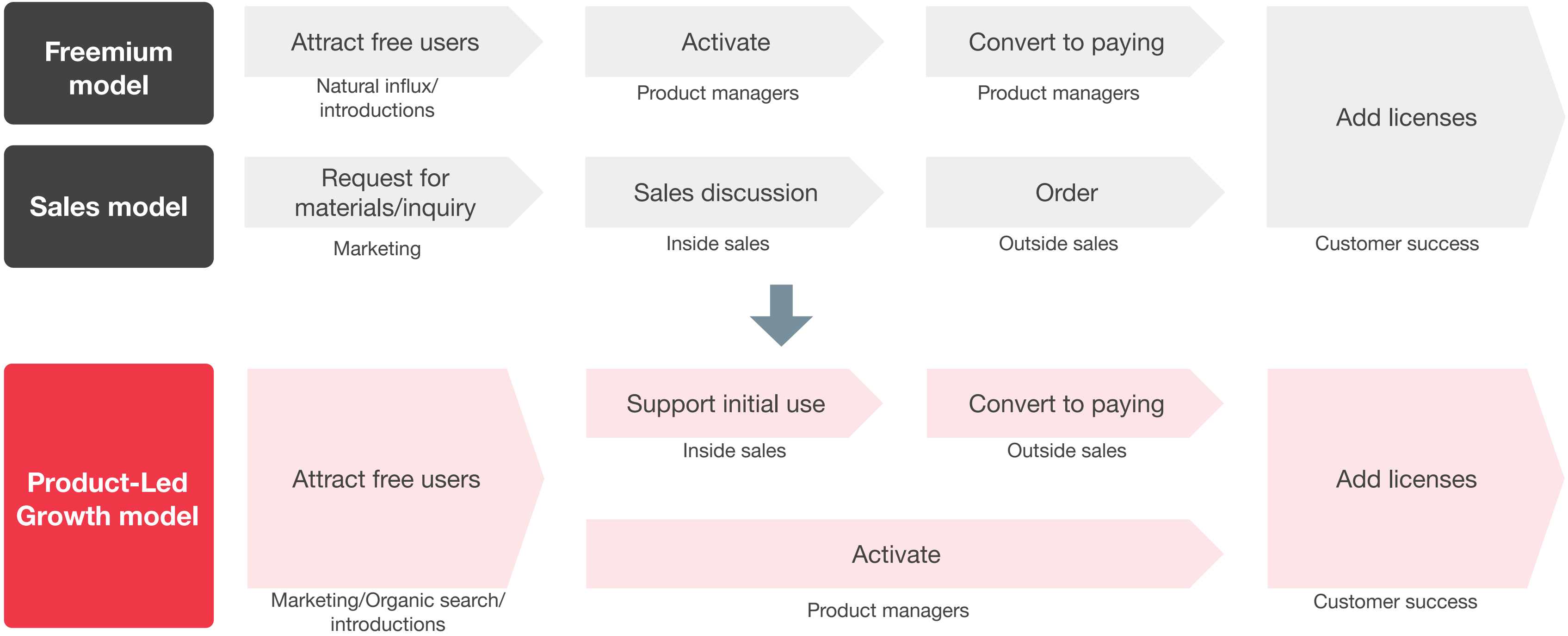
Charac-teristics	● Expansion through word of mouth, highly leveraged growth ● Structured so that ARPU rises as customers use products more intensively	● Dependent on the number of salespeople, workers tend to be concentrated ● Sales efforts always needing to focus on upselling and cross-selling

PLG Strategy: Combining Two Growth Engines into One

- This strategy merges the freemium model (organic online growth) with the sales model (direct sales).
- User initially have free access. Our sales team then encourages users who are already using our services to convert to paying users.



Freemium model

Attract free users
Natural influx/ introductions

Activate
Product managers

Convert to paying
Product managers

Sales model

Request for materials/inquiry
Marketing

Sales discussion
Inside sales

Order
Outside sales

Add licenses
Customer success

Product-Led Growth model

Attract free users
Marketing/Organic search/ introductions

Support initial use
Inside sales

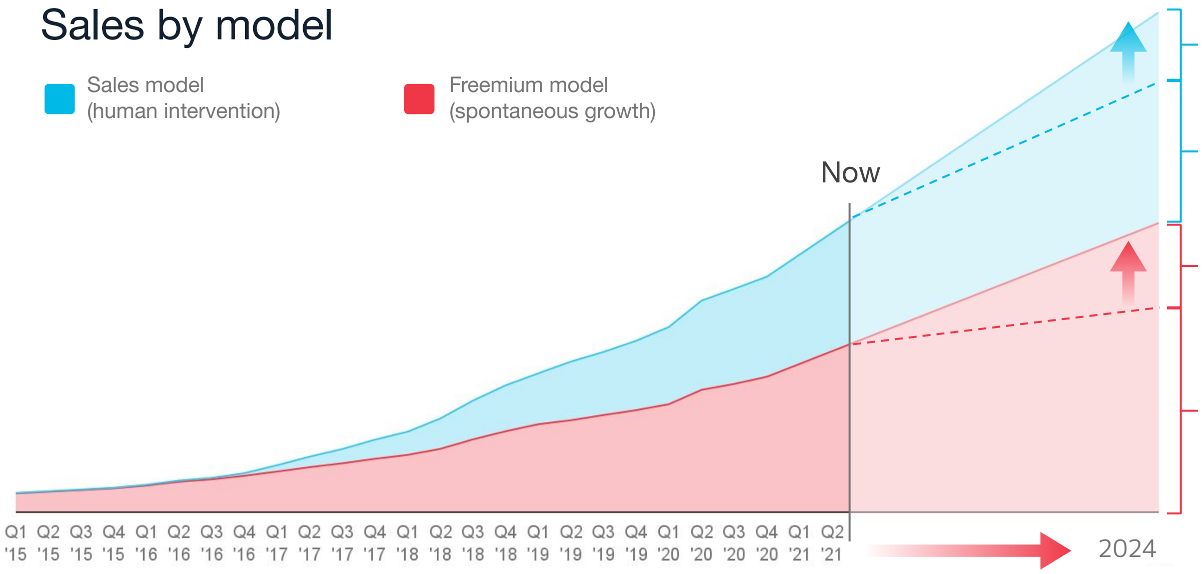
Convert to paying
Outside sales

Activate
Product managers

Add licenses
Customer success

Anticipated Growth under the PLG Strategy

- Approach free users (who have mainly joined through organic search or due to introductions). Invest in advertising in the aim of substantially increasing the number of users.
- Use the sales process to convert users into customer successes. Through sophisticated data analysis on usage status, enable the system to efficiently (sometimes automatically) generate customer successes.
- Work to increase user numbers (including free users) to enhance platform value through the super app concept.



Boost sales through an efficient customer success system

Direct sales performed by sales/marketing personnel

Boost growth by advertising the freemium model

Sales generated spontaneously through the freemium model

STRATEGY

Strategy #2

Horizontal + Vertical Strategy

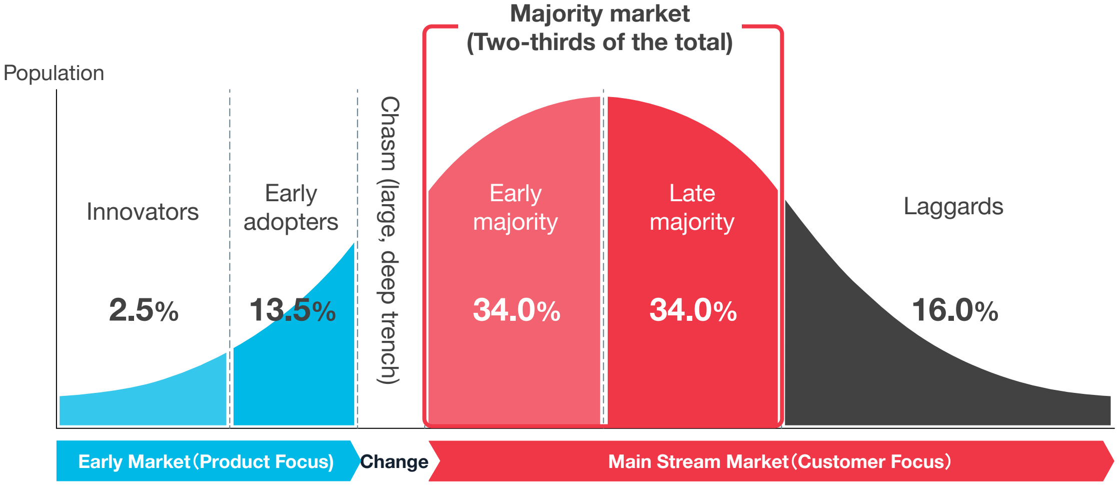
Horizontal SaaS and Vertical SaaS

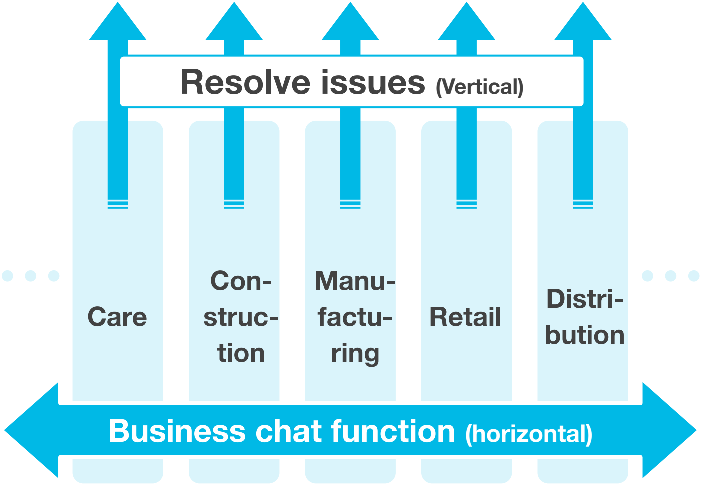
- Two types of SaaS exist: horizontal SaaS (which is for all industries) and vertical SaaS (which is for specific industries).
- Horizontal SaaS is used widely, but a high IT literacy is required to adjust or customize this software to resolve industry-specific issues. Vertical SaaS is emerging as a result.
- Chatwork is a representative type of horizontal SaaS.

	Horizontal SaaS	**Vertical SaaS**
Characteristics	● Saas to handle certain processes for any company, regardless of industry ● Highly generic; requires adjustment or customization to address specific issues	● Saas designed for particular industries to resolve industry-specific issues ● Not generic, but can resolve issues in specific industries without adjustment or customization
Examples	● Business chat ● Accounting ● CRM	● Services to check lines of flow in physical retail stores and analyze data ● Services to move business documents generated by food product manufacturers into the cloud

Horizontal + Vertical Strategy

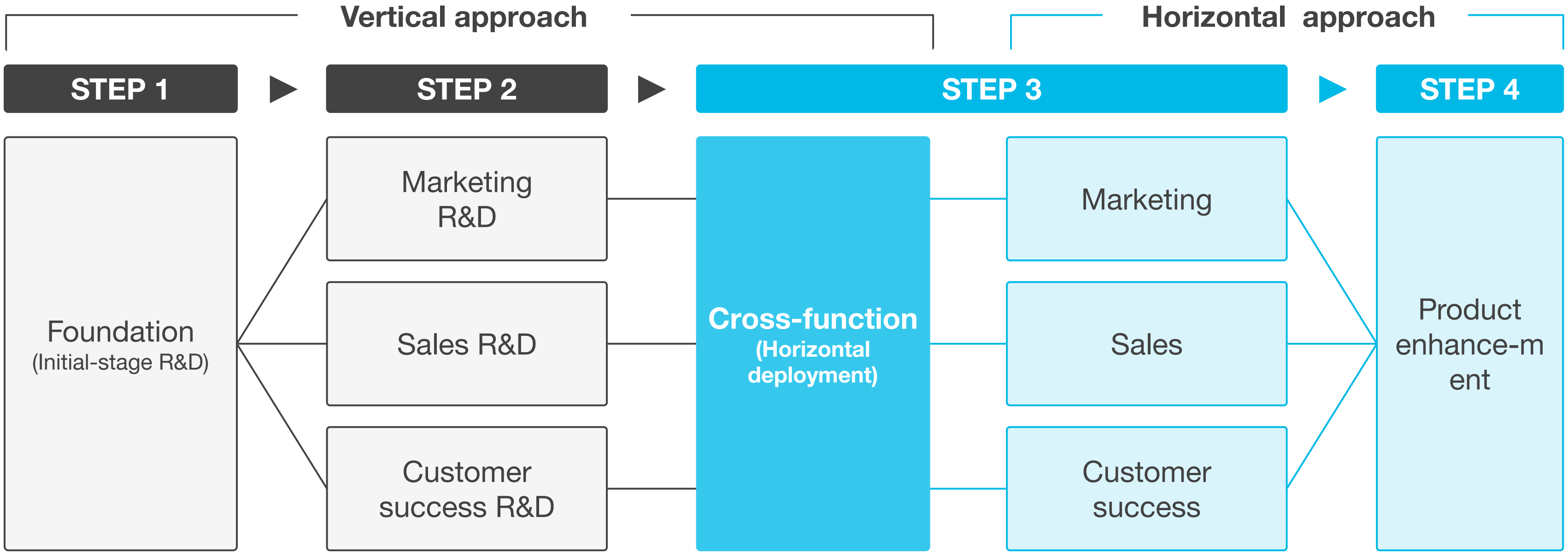
- To go beyond the market chasm, the phase of business chat market is moving into the "majority market," focusing on practicality.
- On the base of Chatwork (horizontal), specialized teams promote a deeper understanding of the sector and create communication process to help resolve customer issues (vertical).
- Service development combines the breadth of horizontal SaaS and the depth of vertical SaaS.




Resolve issues (Vertical)
Care
Con-struc-tion
Manu-factu-ring
Retail
Distri-bution
Business chat function (horizontal)

Overview of Operations

- Leveraging our strength as a Japanese vendor, we will strengthen industry understanding by our specialized teams. We will understand industry-specific business processes and issues, and make several practical patterns of using our service.
- We will share our experiences and patterns within our marketing team, sales team and customer success team, which make our proposal more valuable and practical. We will also enhance our product functions based on our knowledge.



Vertical approach

Horizontal approach

STEP 1 ▶ **STEP 2** ▶ **STEP 3** ▶ **STEP 4**

Foundation
(Initial-stage R&D)

Marketing R&D

Sales R&D

Customer success R&D

Cross-function
(Horizontal deployment)

Marketing

Sales

Customer success

Product enhance-m ent

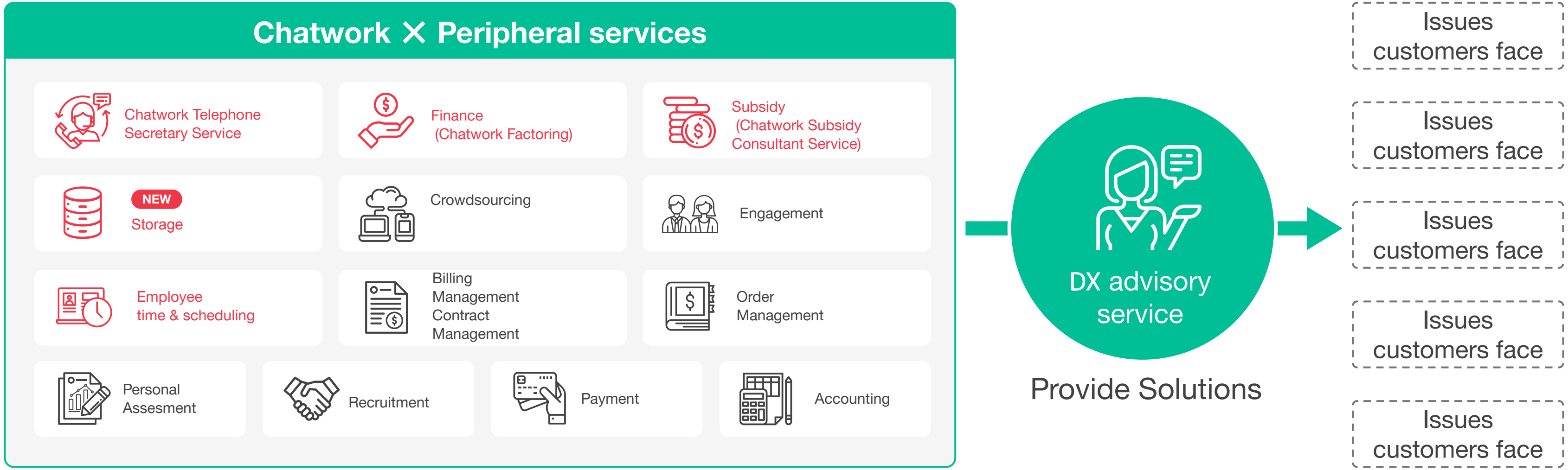
STRATEGY

Strategy #3

DX Solution Strategy

DX Solution Strategy

- In addition to the efforts for increasing our market share in business chat, we will promote the DX solutions business.
- We will provide diverse services, connecting them with business chat to expand the number of unique new services (peripheral services).
- We will introduce DX advisory services via the customer success department and combine them with PF services as solutions to the issues customers face.



Chatwork × Peripheral services

Chatwork Telephone Secretary Service

Finance (Chatwork Factoring)

Subsidy (Chatwork Subsidy Consultant Service)

NEW Storage

Crowdsourcing

Engagement

Employee time & scheduling

Billing Management Contract Management

Order Management

Personal Assesment

Recruitment

Payment

Accounting

DX advisory service

Provide Solutions

Issues customers face

Issues customers face

Issues customers face

Issues customers face

Issues customers face

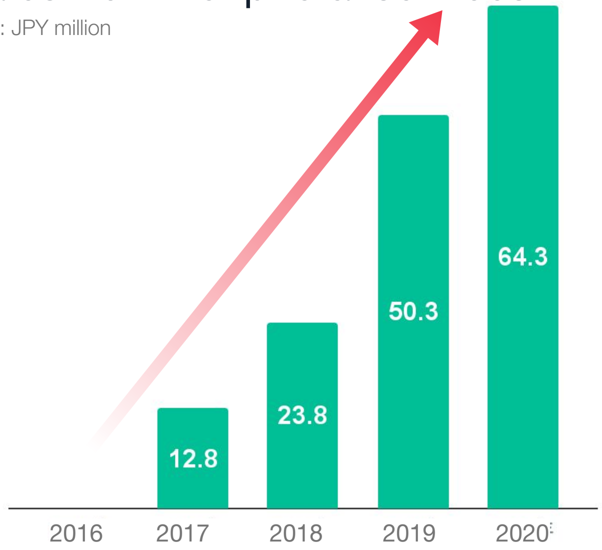
Note: Text in red indicates services available as of March 31 2021.

Expand our Peripheral services

- We began offering Peripheral services in 2016, and growth has remained steady.
- Around half of Peripheral services users are free users of business chat, which means Peripheral services revenue is growing with the increasing of Registered IDs. It makes our revenue structure stronger.
- The value of the platform increases as the number of users rises with Chatwork's growth. Going forward, we will substantially expand the lineup through alliances and capital and operational tie-ups.

Sales from Peripheral services

Unit: JPY million

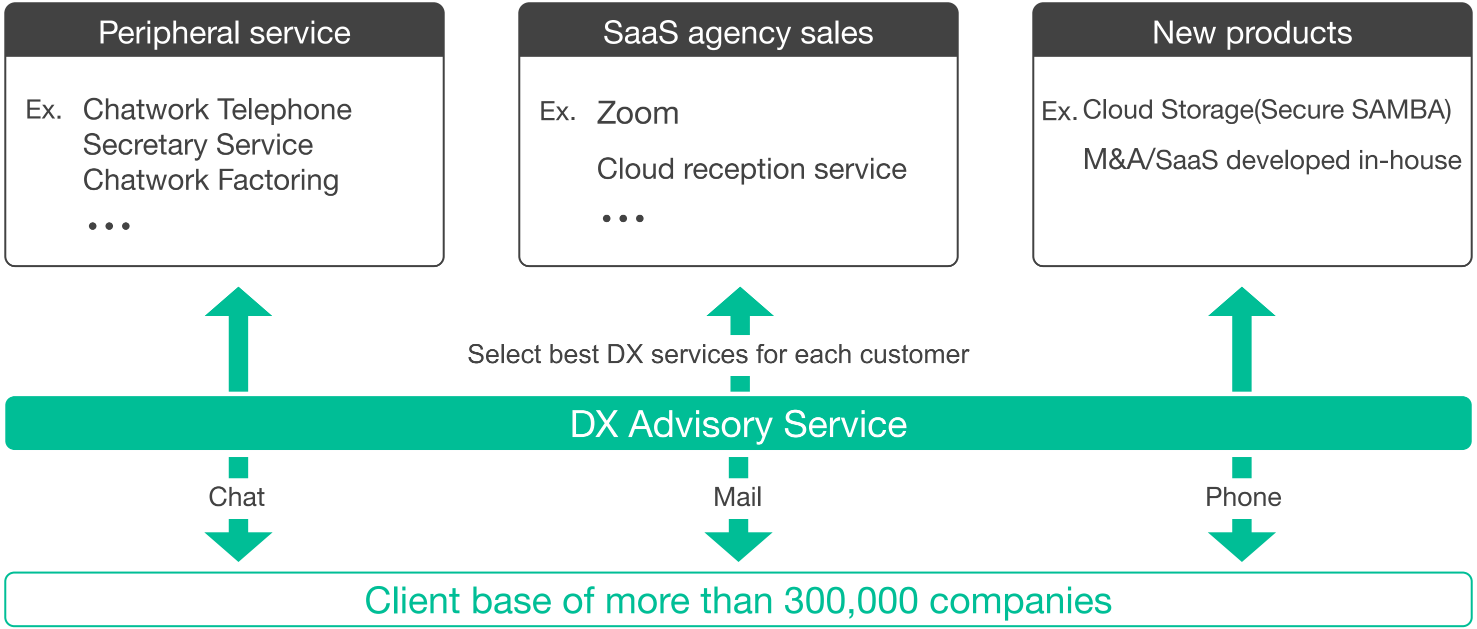


Peripheral services currently in place

Chatwork 電話代行 Powered by fondesk
Chatwork 早期入金 powered by Money Forward Early Payment
Chatwork 助成金診断
RECEPTIONIST
zoom
MiiTel
メールディーラー Mail Dealer
betterplace はぐくみ基金
Signing
RoboTANGO
セキュア SAMBA
jinjer 人事
jinjer 経費
jinjer 給与
jinjer 勤怠

Rollout of the DX Advisory Service

- We launched the DX Advisory Service within our customer success department. We will use Chatwork as our strong communication channel to approach efficiently and provide better services.
- In addition to Peripheral services, we will offer Zoom and other easy-to-connect products as an agency. We will also offer a broad range of new products, acquired through M&A or developed in-house.



Peripheral service

Ex. Chatwork Telephone
Secretary Service
Chatwork Factoring
• • •

SaaS agency sales

Ex. Zoom
Cloud reception service
• • •

New products

Ex. Cloud Storage(Secure SAMBA)
M&A/SaaS developed in-house

Select best DX services for each customer

DX Advisory Service

Chat
Mail
Phone

Client base of more than 300,000 companies

STRATEGY

Long-Term Vision, Roadmap

Long-Term Vision

“Chatwork” upgrade to “Super app” for business

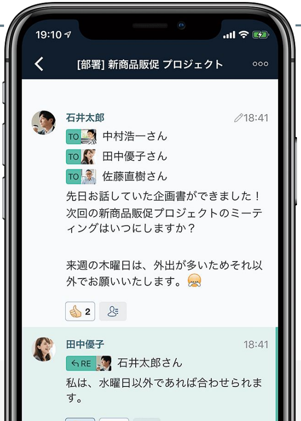
- Super apps: apps that become platforms that function as a starting point for various businesses.
- Business chat tools have the advantage of being business platforms, because users spent more time with these products compared with other SaaS tools.
- Chatwork smoothly connects users and various software services as an open platform.

Collaboration (Information)

- Task management Project management
- NEW Strage
- CRM/SFA
- Document solution
- Video meeting
- Schedule management

HR (People)

- Engagement
- Personal Assesment
- Recruitment
- Chatwork Telephone Secretary Service
- Crowdsourcing
- Employee time & scheduling



石井太郎 18:41
中村浩一さん
田中優子さん
佐藤直樹さん
先日お話していた企画書ができました！
次回の新商品販促プロジェクトのミーティングはいつにしますか？

来週の木曜日は、外出が多いためそれ以外でお願いいたします。

田中優子 18:41
石井太郎さん
私は、水曜日以外であれば合わせられます。

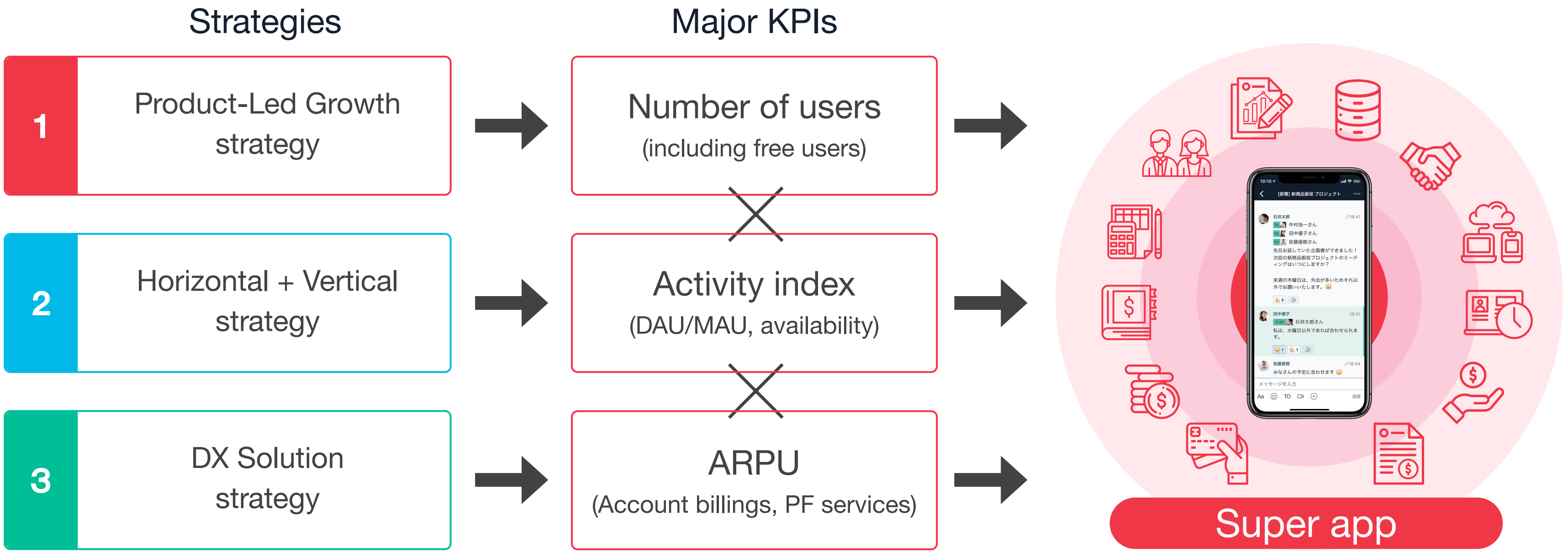
Financial services (Money)

- Finance (Chatwork Factoring)
- Assistance (Chatwork Subsidy Consultant Service)
- Payment
- Billing Management Contract Management
- Order Management
- Accounting

Note: Text in red indicates services available as of March 31 2021.

Targeting a Business Super App via Three Strategies

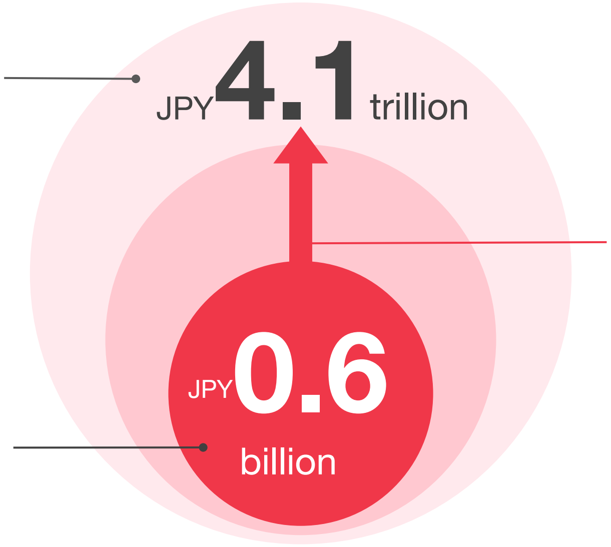
- We will change our main KPI from number of paying users x ARPU to number of users x activity index x ARPU.
- As the number of users expands and the level of user activity increases, the value of the platform will rise. We aim to increase ARPU by promoting the provision of value, including the addition of new services to the platform.



Strategies	Major KPIs
1 Product-Led Growth strategy	Number of users (including free users)
2 Horizontal + Vertical strategy	Activity index (DAU/MAU, availability)
3 DX Solution strategy	ARPU (Account billings, PF services)

Size of the Potential Market for Business Super Apps

- As business super apps grow, our target market will expand from business chat alone to include overall IT support for SMEs in Japan, driving up the scale of the market to **JPY4.1 trillion**.



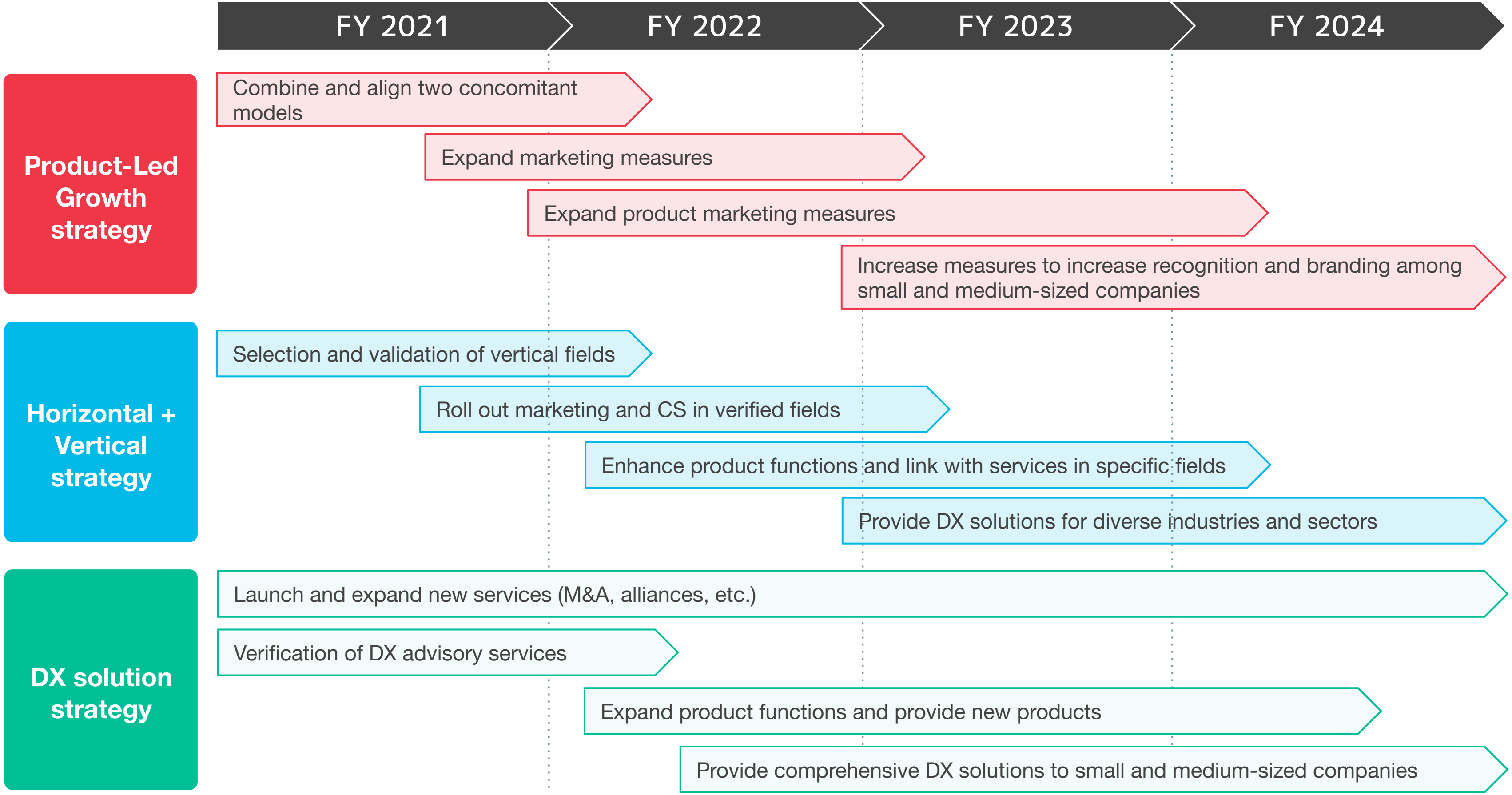
IT spending by SMEs in Japan*3

Potential size of Chatwork's market

The potential market has grown due to ARPU improvement and platform business expansion.

*1 This is the market size estimated by Chatwork. The estimated figure may differ from the actual market size.
*2 Source: IDC Japan's "SMB IT Domestic Market Forecast"
*3 Figures for the Japanese workforce are from the "Labor Force Survey" by the Ministry of International Affairs and Communications' Statistics Bureau. Calculated as the average number of workers in 2019 times the unit price of the enterprise plan times 12 months.

Medium-Term Strategy Roadmap



FY 2021

FY 2022

FY 2023

FY 2024

Product-Led Growth strategy

Combine and align two concomitant models

Expand marketing measures

Expand product marketing measures

Increase measures to increase recognition and branding among small and medium-sized companies

Horizontal + Vertical strategy

Selection and validation of vertical fields

Roll out marketing and CS in verified fields

Enhance product functions and link with services in specific fields

Provide DX solutions for diverse industries and sectors

DX solution strategy

Launch and expand new services (M&A, alliances, etc.)

Verification of DX advisory services

Expand product functions and provide new products

Provide comprehensive DX solutions to small and medium-sized companies

Our Mission and Initiates for sustainability

Corporate Mission

Making work more fun and creative

People spend over half their lives working. That time is not just for earning money. We help companies create environments that enable as many employees as possible to enjoy their work more and express their creativity fully and freely.

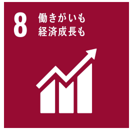
Societal issues

- Reduced productivity due to inefficient communications, such as excessive meetings and telephone interruptions
- Lost time and environmental impact from business travel and the distribution of printed materials

Our initiatives

- Make business communication more efficient, and create an environment where people can concentrate on their work, leading to the creation of added value
- Reduce constraints on time and location, decrease the amount of time spent in transit, and contribute to the diversification of working styles

Our objectives and targets for contributing to the SDGs[*1]


8
働きがいも
経済成長も

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

15
陸の豊かさも
守ろう

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

---

[*1] The Sustainable Development Goals (SDGs). For details, see https://www.unic.or.jp/activities/economic_social_development/sustainable_development/sustainable_development_goals/.

Secound Quarter of

FY2021 Results

7 Appendix

Changing the Former Plan and Changing Limits on the Free Plan

We discontinued the former plan and moved to a new rate structure.

- We discontinued a former plan that was priced at 20% less than our current plan, moving to the new plan to be applied to contract renewals from July 2021.
- We discontinued a plan previously provided to KDDI on an OEM basis for JPY191 per month. From October 2021, we will integrate this into a new plan priced at JPY800 per month.
- We sought understanding of customers who have been using our inexpensively priced former plan for a long period of time.

We changed the limits on the number of group chats available under the free plan.

- In July 2021, we changed cumulative number under the free plan from 14 to 7, as well as changing billing points.
- By continuing to revise the rate structure, we are working to increase average spending per customer.

Apr. 2011
Service launch

Apr. 2016
Price revision

Feb. 2020
Price revision

Apr. 2020
Discontinuation of former plan

Feb. 2021
Plan integration

July 2021

Discontinued former plan
- Integrated rate plans

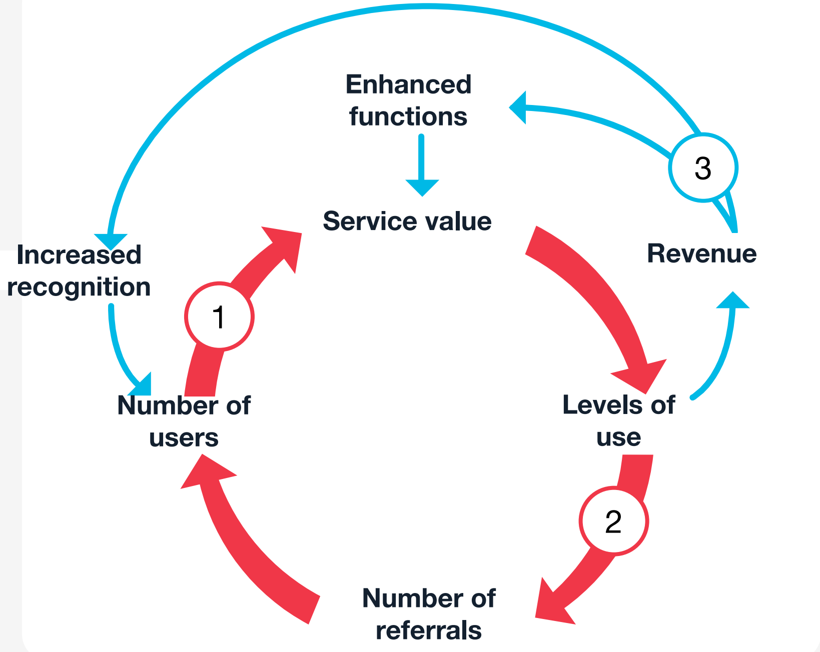
Changed limits on group chat
- Revised limit on number of group chats under the free plan from 14 to seven

October 2021

Discontinued former KDDI plan
- Applied new rates

Service Structure Accelerating the Virtuous Cycle

The virtuous cycle of service growth can be further accelerated by reinvesting revenue.


Enhanced functions
3
Service value
Revenue
Increased recognition
1
Number of users
Levels of use
2
Number of referrals

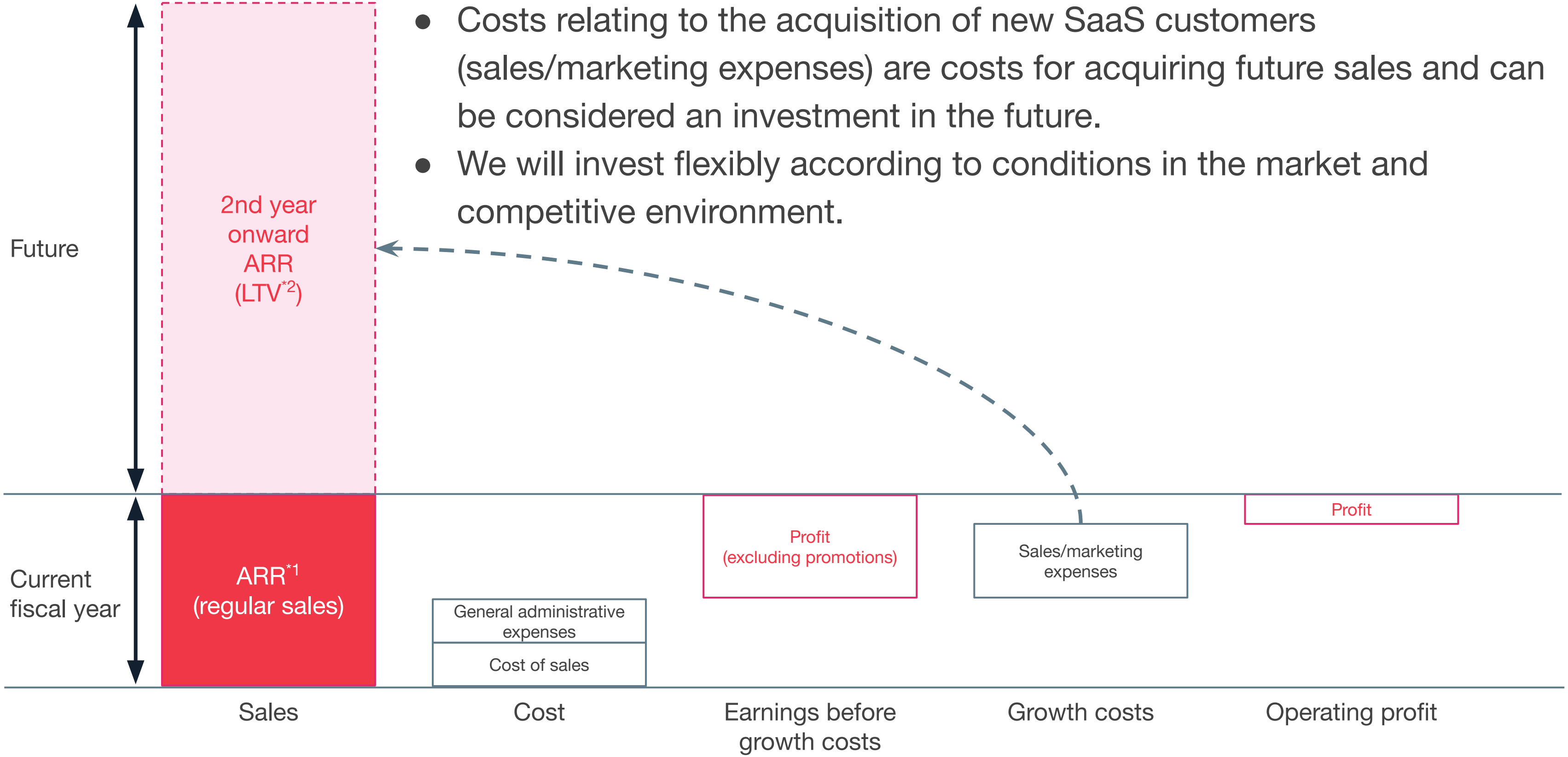
① Service value rises as the number of users grows (network effect).

② As service value rieses, the levels of use increases, and the tool is introduced to more external users through referrals. At the same time, the number of internal users also increases, leading to still more users.

③ The business model calls for increased revenue as the levels of use rise, with the cycle further accelerated by reinvesting revenue to bolster recognition and enhance the tool’s functions.

Cost Structure: Investment Principle

- Costs relating to the acquisition of new SaaS customers (sales/marketing expenses) are costs for acquiring future sales and can be considered an investment in the future.
- We will invest flexibly according to conditions in the market and competitive environment.


Future
2nd year onward ARR (LTV*2)
Current fiscal year
ARR*1 (regular sales)
General administrative expenses
Cost of sales
Profit (excluding promotions)
Sales/marketing expenses
Profit
Sales
Cost
Earnings before growth costs
Growth costs
Operating profit

---

*1 Annual recurring revenue (ARR) is the value of the contracted recurring revenue components of term subscriptions normalized to a one-year period.
*2 Life time value (LTV) is an estimate of the average revenue that a customer will generate throughout their lifespan as a customer.

Shareholder Benefit Plan

We aim to increase understanding of our company as more people use our services and encourage their long-term support for the company’s growth.

株主ご優待
Chatwork
パーソナルプラン無償提供
Chatwork

Shareholder eligibility

- People who have held shares continuously for two record dates (six months) in the company’s shareholder register, each year as of June 30 and December 31.
- Shareholders registered as holding at least one share unit (100 shares).

Benefit details

- Shareholders can receive one ID per shareholder number for our paid personal plan[*1].
- The monthly fee is waived as long as the party continues to hold the company’s shares.

[*1] This is a plan for individuals provided through January 2021. Please inquire about functions and details.

High Level of Growth

50
Technology Fast 50
2020 Japan WINNER
Deloitte.

Winner of the **Technology Fast 50 2020 Japan** award, sponsored by Deloitte Touche Tohmatsu Limited

For the second straight year, we were selected for inclusion in Deloitte Touche Tohmatsu Limited's Technology Fast 50 2020 Japan ranking, which targets Japanese companies in the TMT industry, based on our 87.5% earnings growth over the past three years.

GREAT COMPANY AWARD
GREAT COMPANY AWARD 2020
業績アップ賞

Winner of the **Great Company Awards in 2020 Better Performance Award**, sponsored by the Funai Foundation

We were selected as one of the particularly distinguished six companies out of more than 9,000 applicants for the Great Company Award. We received the "performance increase" prize due to our success in driving industry growth and unmatched growth in performance.

CEO

Masaki Yamamoto, CEO

Masaki Yamamoto founded EC studio (currently Chatwork Co., Ltd.) in 2000 while still enrolled in university. Since then, he has been involved in developing a wide range of services as CTO in charge of technology, planning and release of Chatwork, a cloud-based business chat tool, in March 2011. Along with leading development of the tool as an engineer, he has grown it into the company's core business in his role as executive officer. In June 2018, he was appointed CEO of Chatwork Co., Ltd.
He was awarded the Venture Manager Prize at the 45th Keizaikai Grand Prix.

Strengths as CEO

- Involved with the company's core product, Chatwork, from the outset as a planner, developer and executive officer
- As a board member since founding, has overseen various aspects of the company, including technological development, business operations, and corporate affairs
- As a CEO with technological expertise, capable of making decisions based on an in-depth understanding of technological trends.

Directors

Masayuki Yamaguchi, EVP & COO

Following employment at system integration and production companies, Masayuki Yamaguchi handled service and organizational management for an IT service provider. After joining Chatwork in 2008, he was appointed managing director. Following appointment to the position of chief marketing officer (CMO) in 2016 and supervising business departments, he was appointed executive vice president and COO in March 2019. As COO, he heads the business division and is in charge of the marketing, sales, and business departments.

Naoki Inoue, CFO & VP of Corporate Division

Naoki Inoue is a graduate of Waseda University. After holding positions at strategic consulting firm Roland Berger, Dell, and other companies, he joined Recruit in 2008 and was involved in new business development and M&A. Having supervised the acquisition of Indeed in 2012, he was assigned to the U.S. to handle post-merger integration (PMI). In 2015, he was assigned to the U.K. to supervise PMI following the acquisition of Treadwell. In November 2017, after returning to Japan, he joined Chatwork as CFO. He was appointed as director and CFO in March 2019.

Vice Presidents

Shigetoshi Kasuga, CTO & VP of Product

After graduating from Meiji University's School of Business Administration, Shigetoshi Kasuga joined Information Services International-Dentsu, where he gained experience in introducing core accounting systems at major companies. He subsequently joined Recruit, where he was engaged in developing new business and involved in organizational management, service planning, business process re-engineering (BPR), etc. In January 2016, he joined Chatwork as vice president of engineering and was appointed CTO & VP of product in July 2020.

Tomokazu Nishio, CHRO & VP of People & Branding

Tomokazu Nishio graduated from Kyoto University's Faculty of Letters. In 2001, he joined NHK, where he covered court cases, local affairs, sports, and more as a TV reporter. In 2007, he joined Synergy Marketing, where he was involved in the IPO process and later supervised overall corporate affairs as director of the administration department, playing a role in various areas ranging from back office to M&A. He joined Chatwork in 2017 and was appointed CHRO & vice president of HR and PR in July 2020.

Shoji Fukuda, CSO & VP of Sales & Marketing

Shoji Fukuda joined ITOCHU Corporation in 2004, where he was engaged in new business development and investment operations related to the Internet. In 2013, he joined SMS where he supervised the entire nursing care area centering on Kaipoke, a management support service for nursing care operators, and Kaigo Job, a recruitment and career change information service for nursing care workers. In 2018, he was appointed as executive officer of the company. In January 2019, he became an external director of Chatwork. He joined Chatwork in April 2020 and assumed the post of CSO and vice president of sales & marketing in July 2020.

Outside Directors and Auditors

Tomohiro Miyasaka, Outside Director

Through SBI Holdings, the financial holding company of a comprehensive internet-based financial group, in 2006 Mr. Miyasaka was involved in the launch of the current SBI Sumishin Net Bank (investors: Sumitomo Trust and Banking and the SBI Group). He joined GMO VenturePartners in 2008, becoming a director and partner in 2012. In March 2021, he was appointed as an outside director of Chatwork.

Takeshi Sugai, Outside Full-time Auditor

After working in the finance industry at such organizations as the Long-Term Credit Bank of Japan and the World Bank, Mr. Sugai was CFO at J-Stream when that company listed on the Mothers market of the Tokyo Stock Exchange. He also guided Secured Capital Japan as that organization upgraded its listing to the TSE First Section. After that point, he continued to leverage his extensive knowledge and experience, guiding the management of startup companies in numerous industries in such areas as accounting/finance, legal affairs, human resources, and investor relations. In November 2017, he was appointed as a full-time outside Audit & Supervisory Board member of Chatwork.

Hiroyuki Yamada, Part-time Auditor

Mr. Yamada became a founding partner and CFO of the AZX Professionals Group in 2001. Since his appointment as director of Cookpad (TSE First Section) in 2007, he has served as director or Audit & Supervisory Board member of a number of companies. For example, he was appointed Audit & Supervisory Board member of Fringe81 (TSE Mothers) in 2013, Audit & Supervisory Board member of RakSul (TSE First Section) in 2014, and Audit & Supervisory Board member (current position) of Kaonavi (TSE Mothers) in 2015. In January 2016, he was appointed as a part-time Audit & Supervisory Board member of Chatwork.

Masayuki Murata, Part-time Auditor

Mr. Murata joined the Osaka Securities Exchange in 1991. He was appointed executive officer in 2003 and was responsible for the launch of the OSE Hercules market. After the Osaka Securities Exchange and the Tokyo Stock Exchange merged, in June 2013 he was appointed as an executive officer of the Tokyo Stock Exchange, where he was in charge of the listing promotion division. In April 2018, he established Public Gate LLC to provide mentoring to management teams aiming to take their companies public. In March 2019, he was appointed as a part-time Audit & Supervisory Board member of Chatwork.

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Making work more fun and creative

Chatwork