



1Q FY2022.3 Financial Results

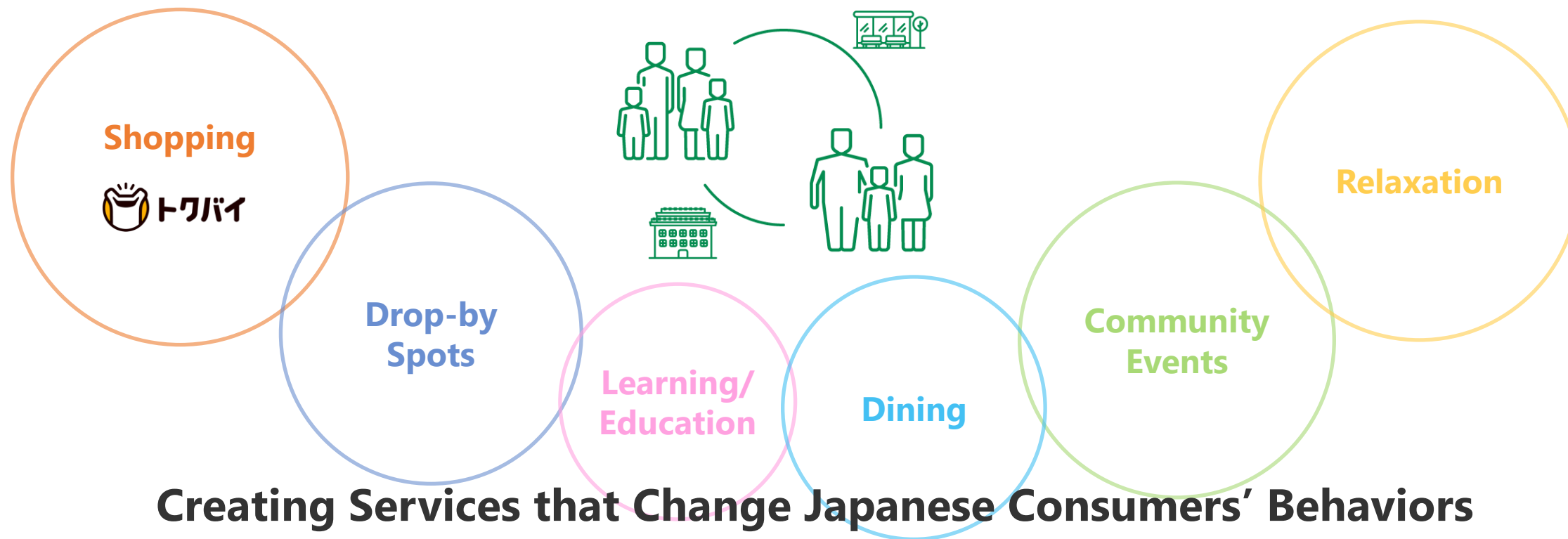
Locoguide Inc.

August 13, 2021

**To Deliver Smarter and More Enjoyable Way of
Living the Local Community Life**



**To Deliver
Safety**



**Creating Services that Change Japanese Consumers' Behaviors
by Maximizing Value of "Time" x "Place"**

1. KPI Trend
2. 1Q FY2022.3 Financial Highlights
3. 1Q FY2022.3 Business Highlights

KPIs

Number of Monthly Active Users

17.3_{MM}

(YoY+65.2%)

Number of Subscribers

35,667_{stores}

(YoY+46.5%)

Churn Rate (on a revenue basis)

-0.38%*

(* Details provided on P. 8)

1Q Financial Results

Revenue

JPY 450_{MM}

(YoY + 22.3%)

Operating Profit

JPY 125_{MM}

(YoY + 34.9%)

Congestion Lamp

Number of Adopting Local Governments

494

(QoQ + 17.6%)

1. KPIs Trend

ロコガイド

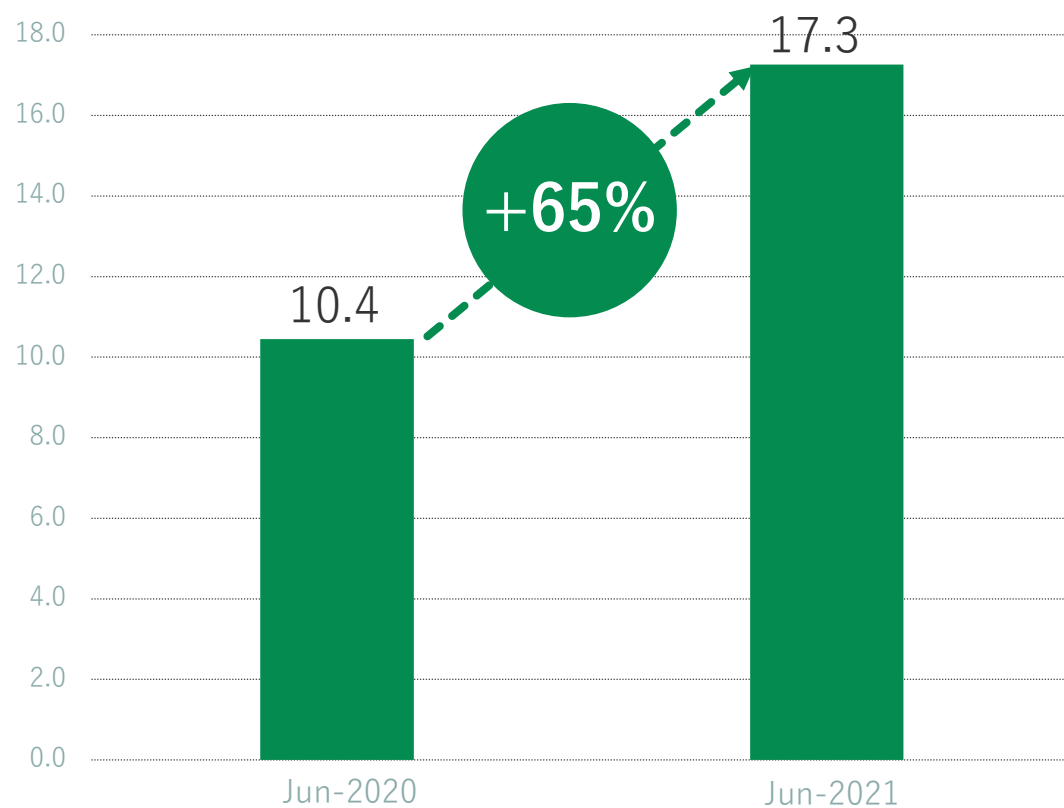
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Number of Monthly Active Users and Subscriber Stores

✓ **Achieved historically high** # of Monthly Active Users and Subscriber Stores

of Monthly Active Users*₁

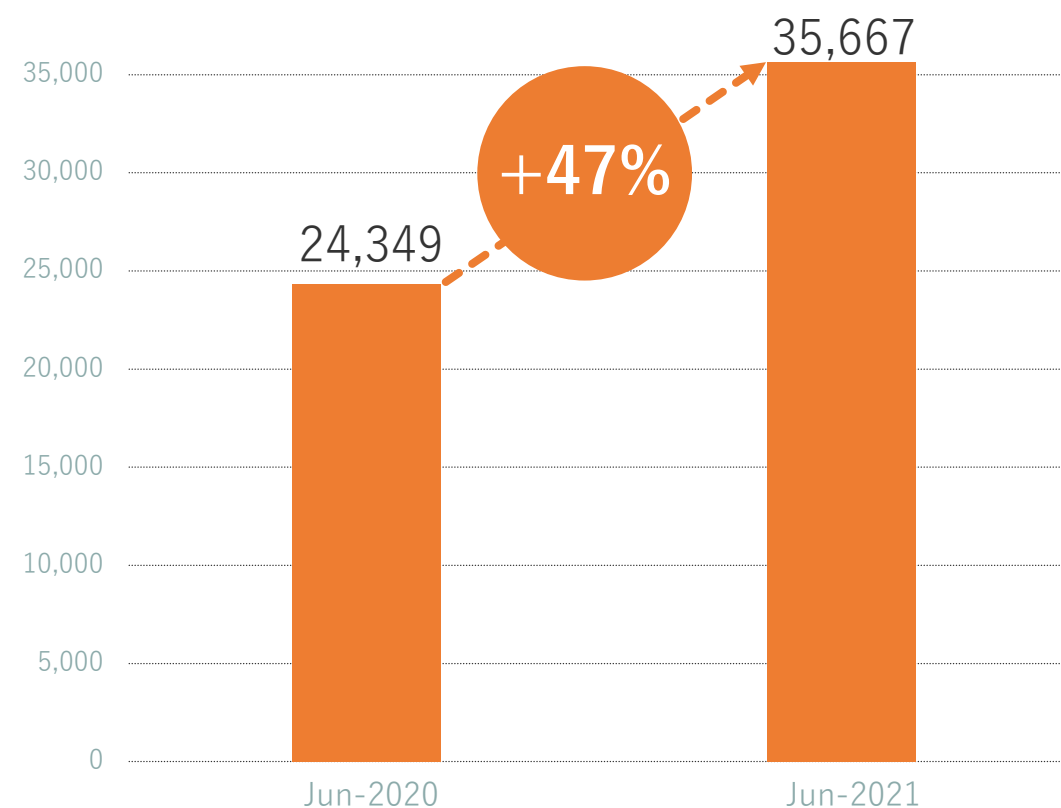
(Unit: Million Users)



*1 Total of users of “Tokubai,” “Tokubai News,” “Tokubai Minnano Café,” and “Loconavi”

of Subscriber Stores*₂

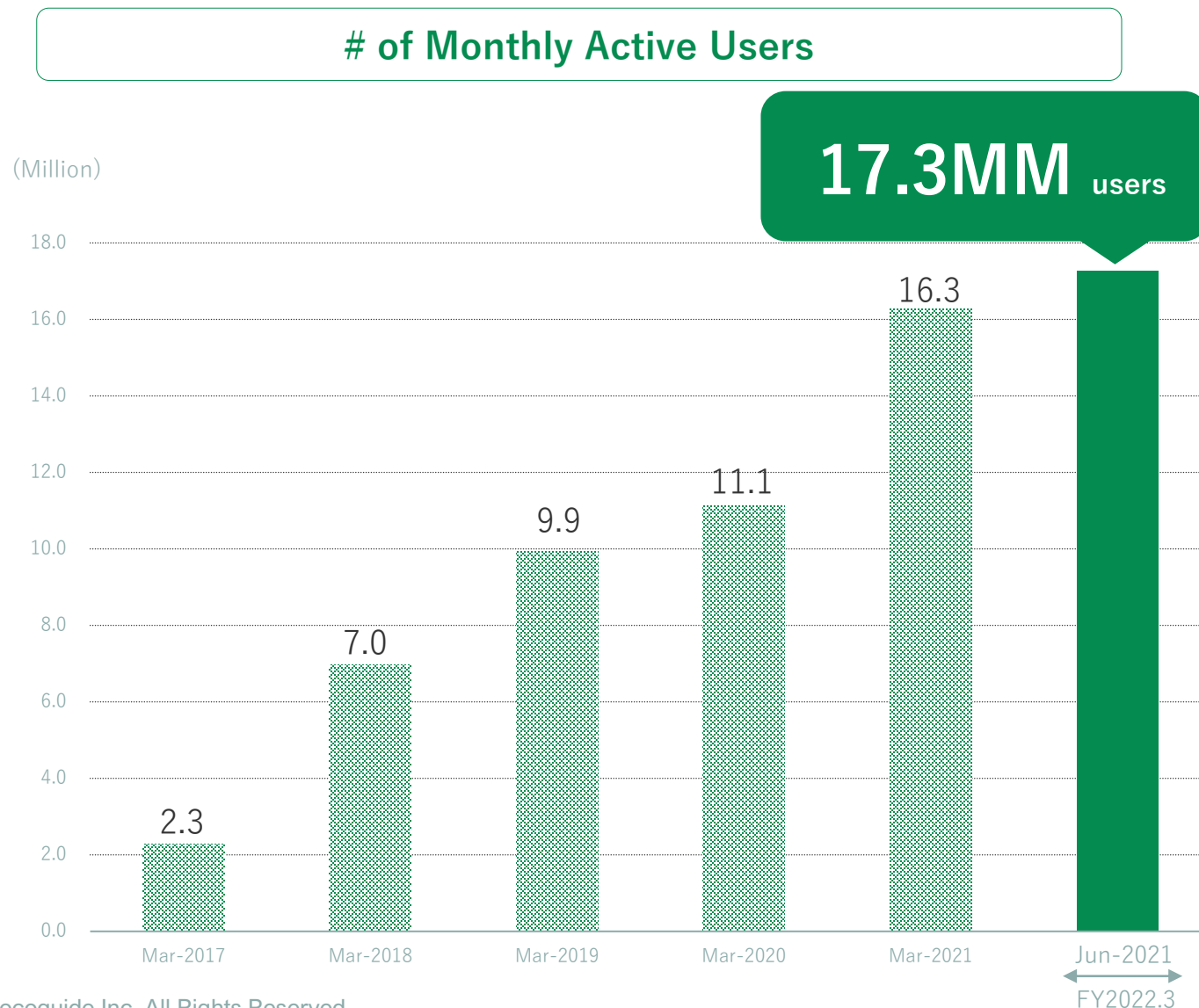
(Unit: Stores)



*2 Total of subscriber stores with monthly fixed price contract and pay-for-performance contract

Number of Monthly Active Users

✓ **Achieved 17 million users** driven by favorable increase in # of Monthly Active Users



Target in March 2022

24.0M Users

- ✓ Improvement of coverage of information
- ✓ Enhancement of user convenience
- ✓ Enrichment of content of articles and communities

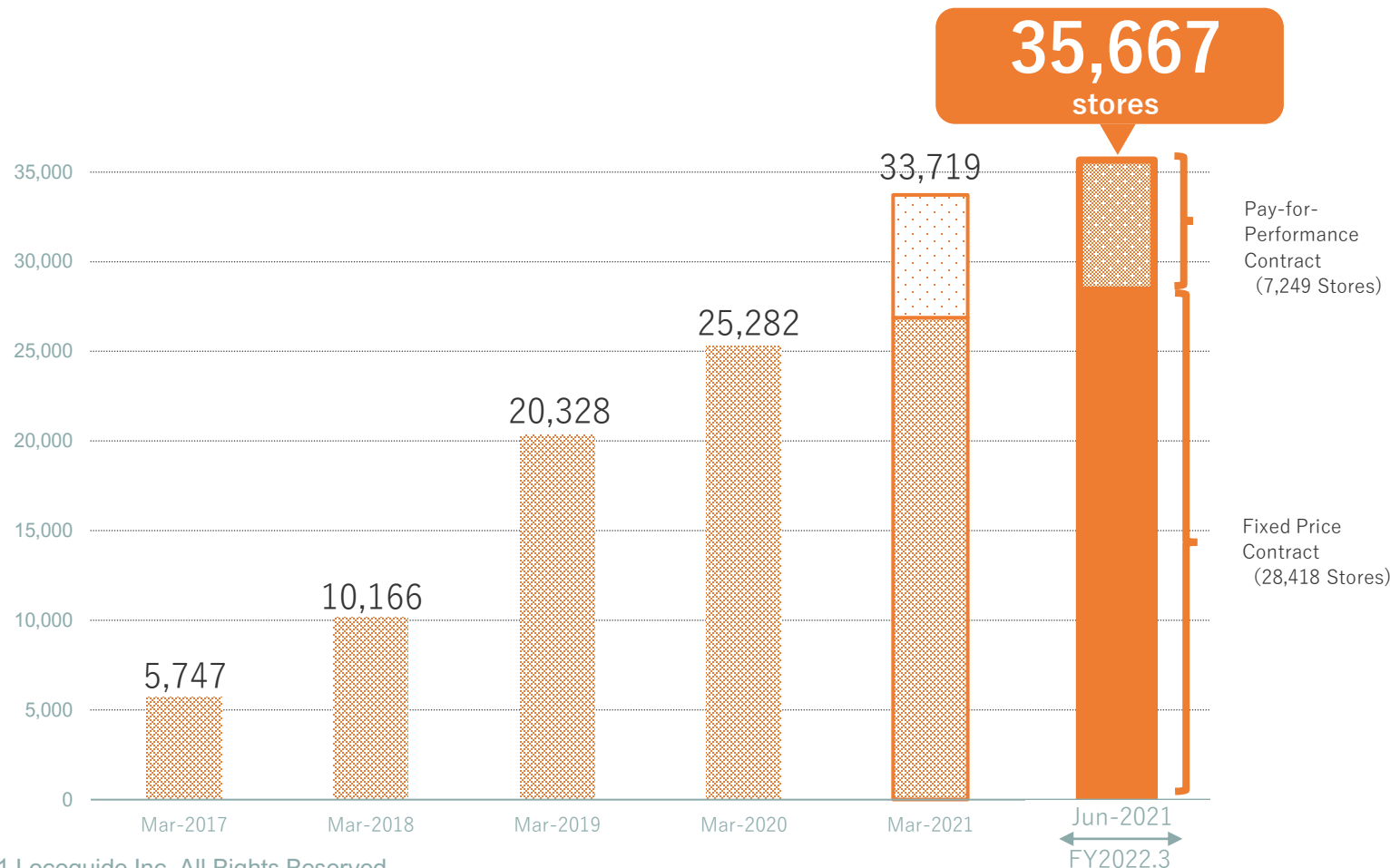
* Until March 2017: Users of “Tokubai”

* From March 2018: Users of “Tokubai,” “Tokubai News,” “Tokubai Minnano Café,” and “Loconavi”

Number of Subscriber Stores

- ✓ **Progress to approximately 96%** of the 37,000 stores targeted for March 2022
- ✓ **Fixed price contracts accounted for approximately 80% (more than 1,500 stores)** of the # of stores (more than 1,900 stores) that increased in 1Q.

of Subscriber Stores



Target in March 2022

37,000 Stores

- ✓ Expansion of business categories
- ✓ Optimization for each business category
- ✓ Various price options

*Total of subscriber stores with monthly fixed price contract and pay-for-performance contract

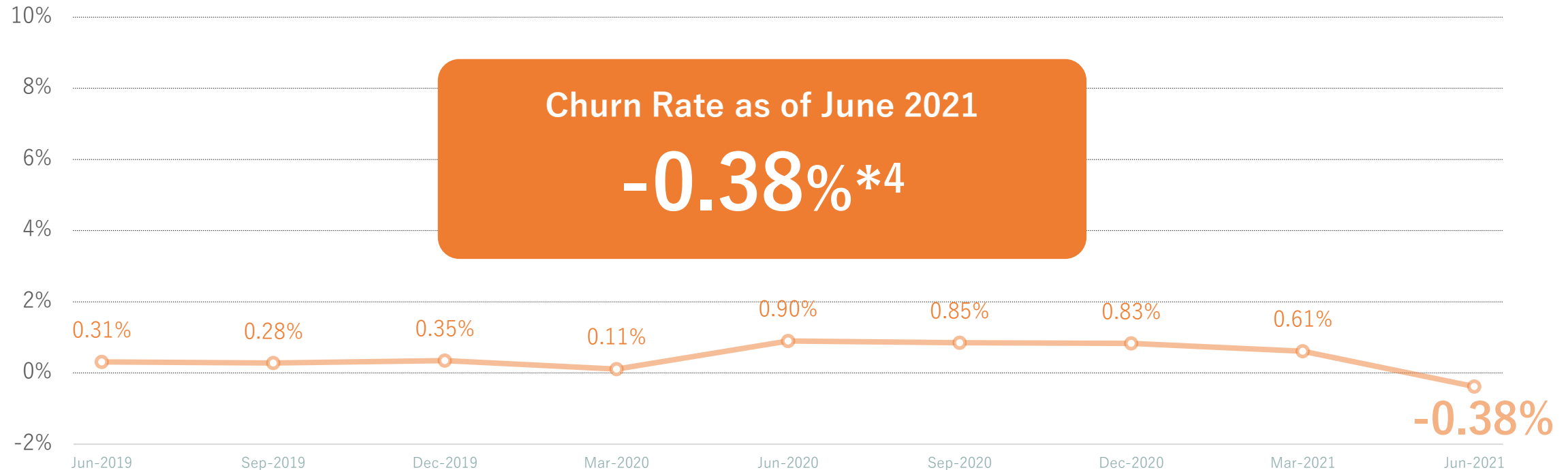
Churn Rate (on a revenue basis)

✓ Churn rate calculated on a revenue basis*¹ was at a **negative level***²

*¹ : Churn rate calculated on a revenue basis: Churn rate generally used by listed companies with a SaaS model

*² : Negative level: When the increase in revenue from renewal of existing customers' contracts within the same plan exceeded the reduction in revenue from cancellation

12-Months Average Churn Rate*³



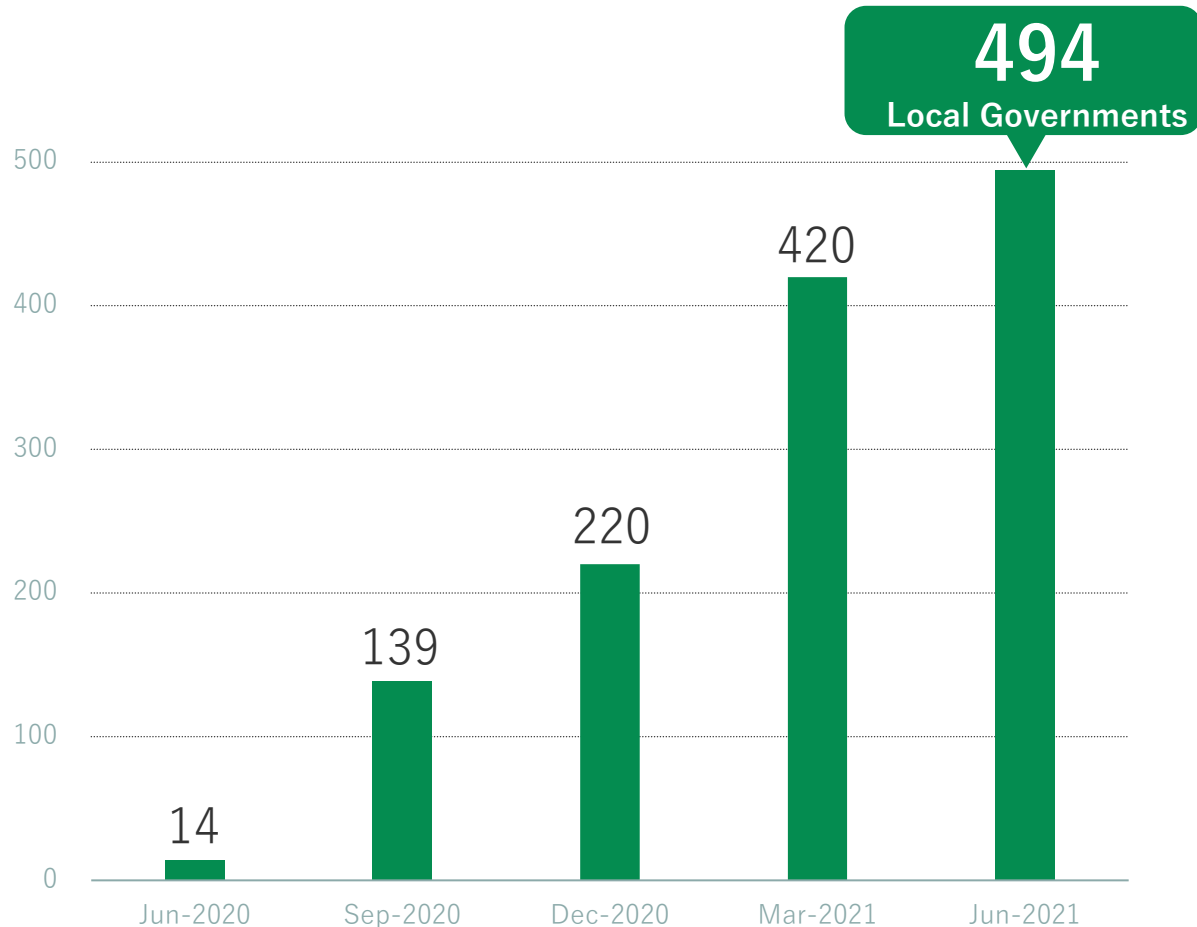
*³ Churn Rate = $1 - (\text{Revenue from subscribers in this month} - \text{Revenue from new subscribers in this month}) \div \text{Revenue from subscribers in preceding month}$
(Revenue excludes additional sales due to plan change)

*⁴ As calculated on a revenue basis, the churn rate reduces if revenue is higher than that before renewal due to an increase in # of stores or an improvement in the discount rate within the same plan at the timing of renewing contracts (excluding revenue from new subscribers and additional sales due to plan change)

“Congestion Lamp” Introduction Status

- ✓ Congestion Lamp has been used in a wide range of occasions by local governments and adopted by 494 local governments (# of local governments’ facilities and stores: 813)
- ✓ Congestion Lamp has been adopted increasingly at venues where congestion is expected, such as vaccination reservation sites and election sites

of Adopting Local Governments



Feedback from Local Governments



We have received delighted comments almost every day from the government office, such as, “The Congestion Lamp of Locoguide is really useful. This is probably the best service for citizens among any services from private companies,” and we have been able to ease congestion as well. Another visitor to the temporary PCR testing station said, “I had my daughter bring me here because I could see it was vacant. This is a really good service!” We have also received positive feedback from citizens.



As a tool to alleviate congestion during the COVID-19 pandemic, Congestion Lamp has been effective, especially for people in the younger generation who are familiar with the use of smartphones. Specifically, in the Child Policy Planning and Evaluation Division, which targets the younger generation, only a little visible congestion has appeared since the introduction of Congestion Lamp.



We have received a lot of positive feedback, such as that the signal display is very easy to understand at a glance. We felt it would be easier to understand if a bar graph shows congestion by day of the week and time.



We have received feedback that Congestion Lamp is very easy to understand. We also began using it at the city pool this month.

2. 1Q FY2022.3 Financial Highlights

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1Q FY2022.3 Financial Results (Apr. - Jun. 2021): YoY

- ✓ 22.3% increase in revenue and 34.9% increase in operating profit YoY
- ✓ Revenue increase in Tokubai business contributed to **higher revenue**
- ✓ **Maintained revenue growth** despite aggressive investment in human resources and temporary costs for business integration

1Q FY2022.3 Financial Results (Apr. - Jun. 2021)

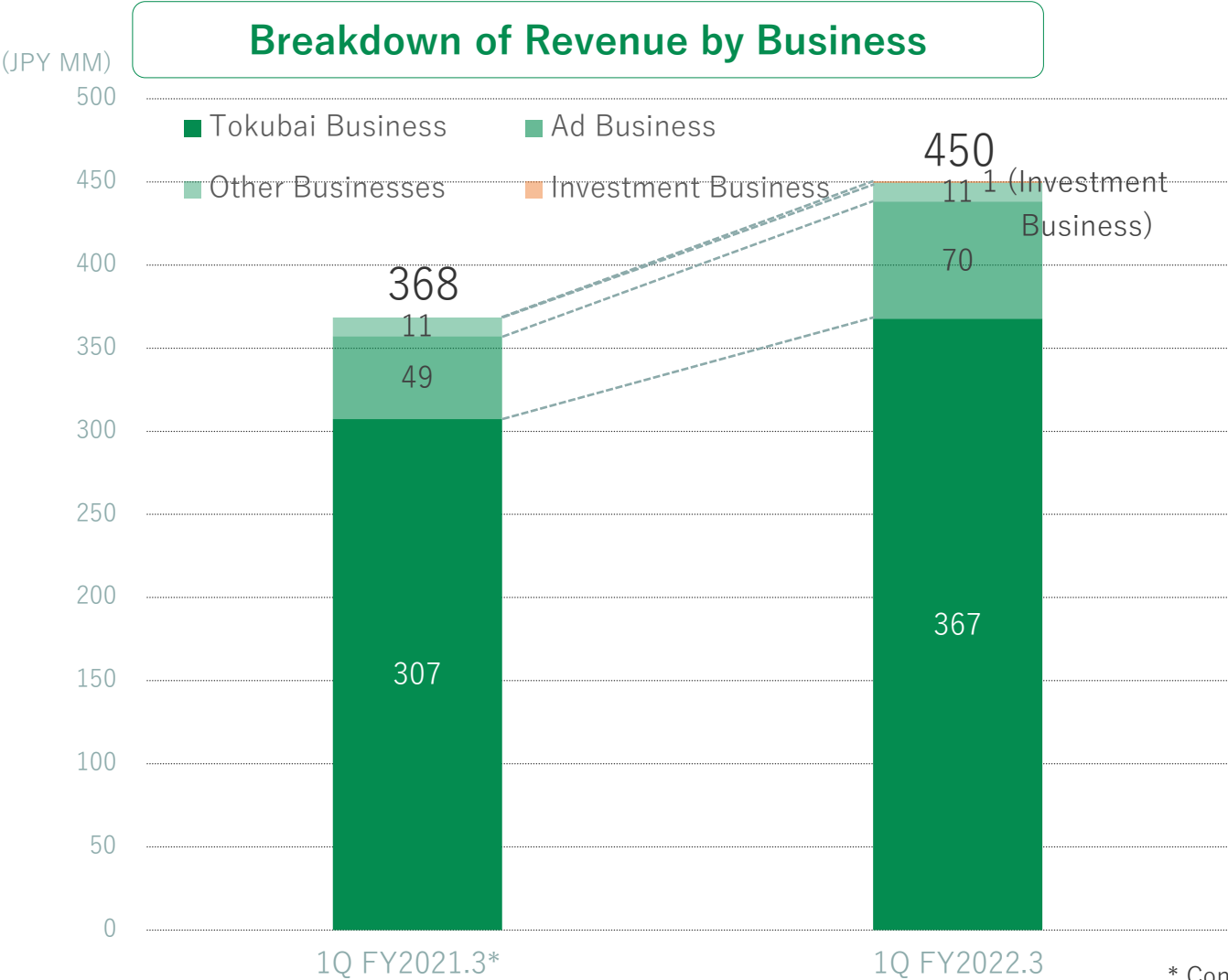
(JPY MM)

	1Q FY2021.3*	1Q FY2022.3	YoY
Revenue	368	450	+22.3%
Operating Profit	93	125	+34.9%
Net Profit	60	76	+26.3%

* Consolidated financial statements have been prepared since 3rd quarter of FY2021

Revenue Breakdown by Business Segment

- ✓ 22.3% increase in revenue YoY
- ✓ Increase in # of fixed price contracts and unit price contributed to growth in revenue by Tokubai business

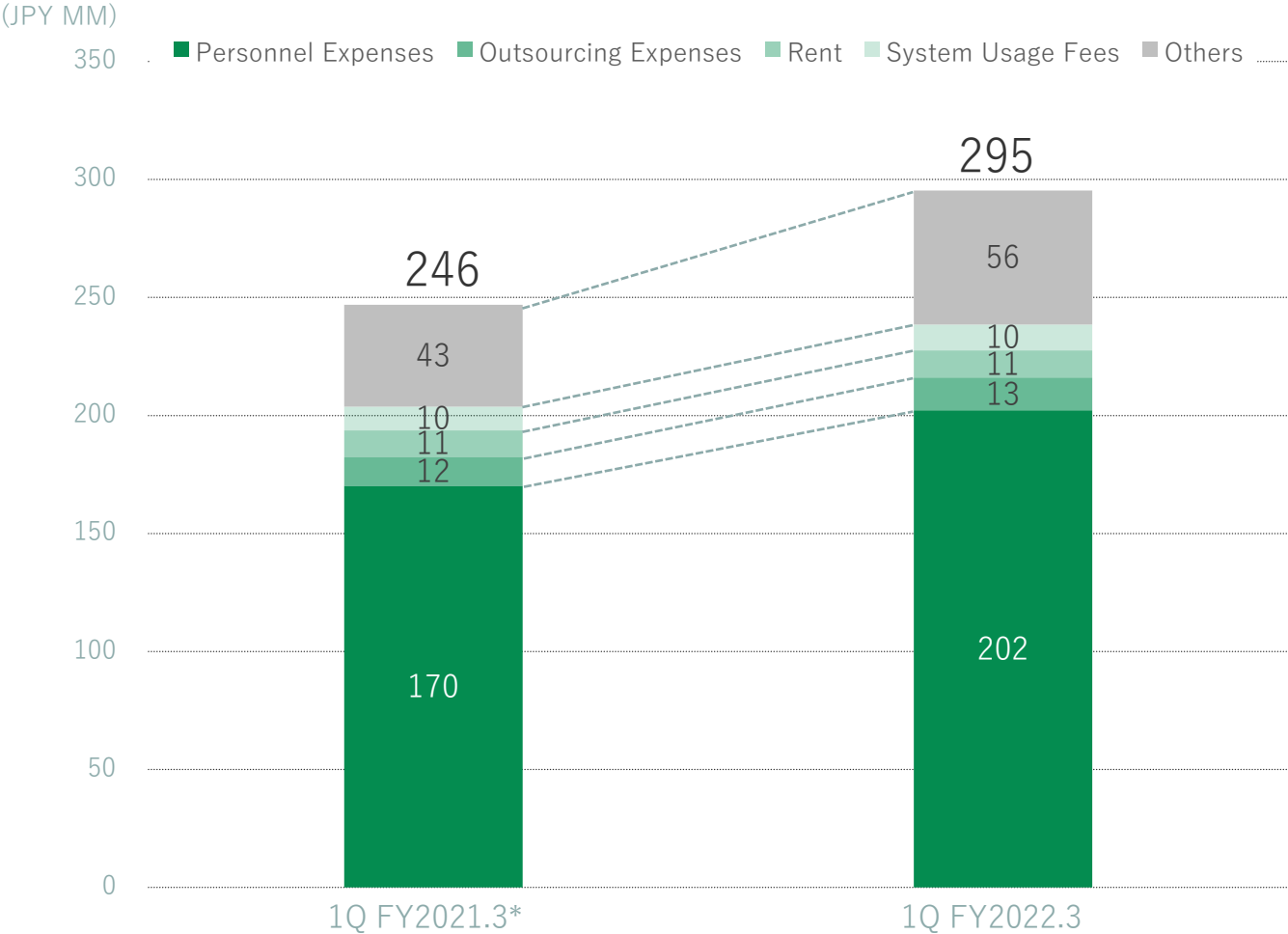


Supplemental information for Business Segment breakdown	
Tokubai Business	Increased 19.6% YoY with increased # of fixed price contracts and unit price
Ad Business	Increased 41.4% YoY with steady growth in non-network advertising
Other Businesses	Increased 2.3% YoY in revenue related to local information business
Investment Business	Dividend income from investees

* Consolidated financial statements have been prepared since 3rd quarter of FY2021

- ✓ 19.6% increase in SG&A YoY
- ✓ Aggressive recruiting for business development, resulting in +10 employees YoY

Breakdown of SG&A



Supplemental information for SG & A breakdown

Personnel Expenses	109 employees in June 2021 (99 employees in June 2020)
Outsourcing Expenses	Mainly for service development and content creation
Rent	Office rent
System Usage Fees	Usage fees for various systems, such as business support tools and design tools
Others	Increase in temporary costs due to business integration, etc.

3. 1Q FY2022.3 Business Highlights

ロコガイド

Locoguide Inc.

- ✓ Expanded potential key clients, such as restaurant chains and convenience stores

Examples of restaurant chains

Zensho Group

Restaurant chain with various brands

ZÉNSHO

Examples of fixed price subscriber chains



Examples of convenience stores

Seicomart

Community-based convenience stores with deep roots in Hokkaido



Posted content

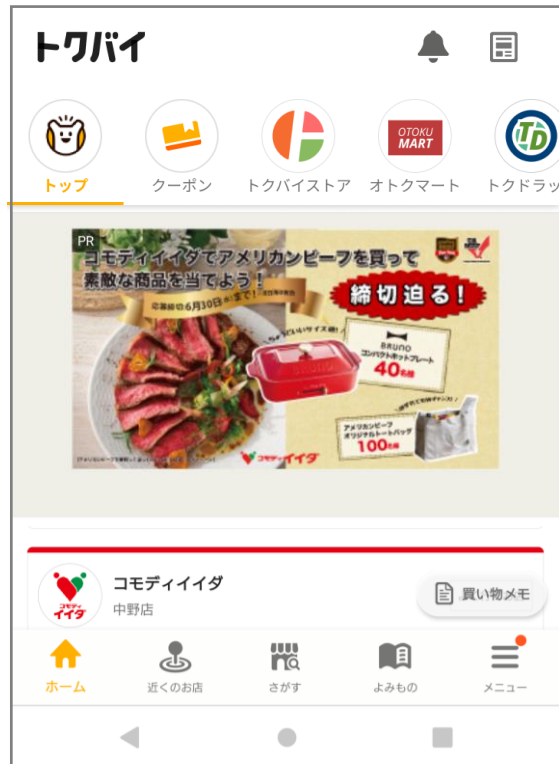
- News
- New products
- Campaign information

etc.

✓ Provided sales promotion opportunities in lieu of demonstration sales made difficult by COVID-19

✓ Overview of Campaign

- Purchase products with application stickers at participating stores
- Collect two stickers to apply and win a prize by lottery
- Campaign posted on Tokubai (Locoguide not involved in campaign planning)



Needs for new promotional measures to address the COVID-19 pandemic

- ✓ Increased opportunities for eating at home due to requests to stay at home
- ✓ From face-to-face sales promotion to online sales promotion etc.



Provide unique value cultivated through digitalization, etc., of advertising catalogs

- ✓ Reach out to users of participating stores when the purchase time is close

Support Digitalization of Local Governments: Partnership with Local Governments in Shizuoka Prefecture Example

- ✓ In March 2021, Congestion Lamp won “BEST KAIZEN AWARD” and “SPECIAL AWARD” for business improvement performance in Shizuoka City
- ✓ Supported digitalization at local governments in Shizuoka Prefecture through Congestion Lamp introduction

List of award-winning initiatives for business improvement proposals in Shizuoka City in FY2020

- Congestion Lamp won “BEST KAIZEN AWARD” in the citizen service category of Shizuoka City

令和2年度 業務改善提案 受賞取組一覧

部門	エントリー 取組数	賞名	取組名	局名	課・係
市民サービス部門	14	BESTカイゼン賞	リアルタイムな混雑情報の発信「混雑ランプ」の導入	葵区	葵区役所地域総務課 総務係
		GOODカイゼン賞	広報紙と市議会だよりの合併	総務局	広報課 広報紙係
			外国人住民への生活必要情報資料の提供手段と内容の改善	観光交流文化局	国際交流課 多文化共生推進係
働き方改革部門	13	BESTカイゼン賞	「職場の参観日」の初開催	上下水道局	水道総務課 広報・危機管理係
		GOODカイゼン賞	利用調整における就労時間の指数算定シートの改良	葵区	葵福祉事務所子育て支援課 入園係
			UD講座:授業内容の改善(知識教示授業から感じる授業へ)と協働実施体制の構築 ~受講数650%UP~	都市局	建築総務課 都市景観推進係
経費削減部門	2	BESTカイゼン賞	高校生とのコラボによる「飲料水兼用耐震性貯水機操作の動画マニュアル」の作成、配布、配信	上下水道局	水道事務所 維持係
		GOODカイゼン賞	建設局連絡会議におけるペーパーレス化の継続と新型コロナ対策	建設局	建設政策課 調整係
情報発信部門	5	BESTカイゼン賞	ドローン映像による静岡の魅力発信 ~移住定住促進プロモーションビデオの作成~	都市局	住宅政策課 企画係
		GOODカイゼン賞	市長定例記者会見への手話通訳者の派遣	保健福祉長寿局	障害福祉企画課 地域生活支援係
			オンラインによる上下水道フェアの実施	上下水道局	下水道総務課 総務係
—	—	最多取組賞	毎日の出納金事務処理の作業軽減 など 26取組	教育局	御幸町図書館
—	—	特別賞※	リアルタイムな混雑情報の発信「混雑ランプ」の導入	葵区	葵区役所地域総務課 総務係
			ドローン映像による静岡の魅力発信 ~移住定住促進プロモーションビデオの作成~	都市局	住宅政策課 企画係
			新型コロナウイルス感染拡大防止のための事業の見直し	教育局	中央図書館

(合計) 34取組 13取組(2取組は重複して受賞)

※各部門にエントリーがあった34取組から選定。各部門のBESTカイゼン賞、GOODカイゼン賞と重複して受賞することも可。

(URL: <https://www.city.shizuoka.lg.jp/000887297.pdf>)

Example of initiatives to support digitalization

- Support digitalization through deepening partnership with Fuji City, including operation of online seminars, etc.

地域はビジネスチャンスにあふれている！

地方×プロ人材

地域ビジネスを変える共創

～リアルな現場、実践者の声～

2021.7.27 Tue. 13:00～14:40



株式会社ロコガイド
取締役COO
片桐 優



株式会社
サーモンデザイン
伊藤正裕



富士市産業経済部
産業政策課誘致担当
杉本諒佑



富士市産業経済部
産業政策課誘致担当
田尾哲也



株式会社joinX
代表取締役
内田貴久

(URL: <https://locoguidefujiseminar.studio.site/>)

From Paper to Digital

From Far to Near

**From Contact to Contact-
Less**



Social changes are our business opportunities

and

we create new services “To Deliver Smarter,

More Enjoyable, and Safer

Way of Living the Local Community Life”

Important notes

This document contains forward-looking statements. These forward-looking statements are based only on the information made available to Locoguide as of the date this document were prepared. These statements are not guarantees of future results and involve risks and uncertainties. Accordingly, the actual results may differ materially from those projected herein depending on operating environment and other factors.

Actual results could be affected by, but are not limited to, domestic and international economic conditions and industry trends surrounding Locoguide.

Locoguide undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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