



May 14, 2020

Company name:	WOW WORLD Inc. (Formerly known as AZIA CO., LTD.)
Name of representative:	Kazuo Mino, President (Securities code: 2352; 1st Section of the Tokyo Stock Exchange)
Inquiries:	Masashi Fujita, Corporate Planning Office Manager (Telephone: +81-3-6672-6788)

Notice of formulation of medium-term management plan

We have formulated a three-year medium-term management plan (from the fiscal year ending March 2021 to the fiscal year ending March 2023) with the fiscal year ending March 2023 as the final year, and resolved it at the Board of Directors meeting held on May 14, 2020. We have done so, so we would like to inform you of the outline.

1. Purpose of formulation

We provide the "WEBCAS" series of marketing communication systems that support two-way communication between companies and customers through e-mail, LINE, web questionnaires, etc. to more than 4,000 companies nationwide, including large companies and government offices.

In the previous medium-term management plan, which covers the period from the fiscal year ending March 2018 to the fiscal year ending March 2020, we started with the policy of entering the marketing automation market and growing as a new business (new product). However, in order to enhance our competitive advantage in the fiscal year ending March 2019, we will utilize the mass and high-speed message delivery technology that we have cultivated so far to further add convenience and functions to existing products. In other words, we decided that it was important to return to the starting point once, so we impaired the software assets invested in the development of marketing automation systems in a lump sum and recorded an extraordinary loss. As a result of this policy change, we were able to record record-high sales and profits in the fiscal year ended March 2020.

On the other hand, we also recognize that there is a risk that we will not be able to maintain continuous growth with existing businesses (existing products) alone, and through the development and M & A of new products, which will be our main business alongside existing products. We believe that the creation of new businesses is an important management theme of our company. In light of these circumstances, we have announced a new statement on the same day, as stated in the "Notice Concerning the 7th Stock Acquisition Rights Offering Issued through Business Alliance with Japan Growth Investments Alliance, Inc. and Third-Party Allotment.(Japanese only)" As a business growth partner, we have entered into a capital and business alliance with Japan Growth Investments Alliance, Inc. (hereinafter referred to as "J-GIA"), and with the cooperation of the company, we will aim for innovative growth.

J-GIA is an investment company, which utilizes the management resources related to marketing and business management of Alliance Partners Hakuhodo Inc. (hereinafter referred to as "Hakuhodo") and JAPAN TOBACCO INC. (hereinafter referred to as "JT") and manage a fund that aims to provide growth funds and business support to small and medium-sized enterprises with potential growth potential in Japan. J-GIA has members with abundant experience in management support and M & A support.

In cooperation with J-GIA, we have formulated a new medium-term management plan to realize innovative growth by

utilizing the resources of J-GIA's alliance partners Hakuhodo and JT.

2. Management goals

Unit: Million yen

	FY03/20 (Results)	FY03/21 (Forecast)		FY03/22 (Plan)		FY03/23 (Plan)	
	Amount	Amount	YoY	Amount	YoY	Amount	YoY
Net sales	1,876	1,900	+1.3%	2,200	+15.8%	2,600	+18.2%
EBITDA	510	435	(14.1%)	585	+34.5%	800	+36.7%
(Ratio to sales)	27.2%	22.9%	—	26.6%	—	30.8%	—

* The above management target is a trial calculation of only the growth of existing businesses, and we do not anticipate new businesses through M & A, etc., so we will work toward growth beyond the above, including new businesses.

3. New Medium-Term Management Vision

In the new medium-term management plan, we have set "Challenge to" another pillar "for innovative growth" as our three-year management vision and will work toward the achievement of our management goals.

The main strategies are the following three pillars.

- (1) Dramatic growth of existing businesses
- (2) New business "Making another pillar"
- (3) Optimization of financial strategy

We will raise the cloud service, which is the mainstay of our existing business, from the conventional level of annual growth of 10 to 15% to the level of 25% growth, and will work on new business development centered on M & A. Furthermore, we will prepare abundant funds for that purpose and aggressively invest in growth.

Please refer to the attached document for details.

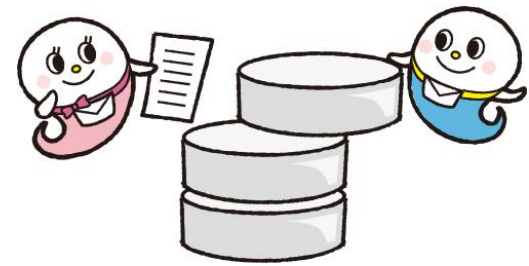
4. Concept of shareholder return

We will distribute the profits earned to strategic business investment and shareholder returns (dividends, etc.) in a well-balanced manner in order to continuously improve corporate value and will actively return them to our shareholders.

Specifically, we have the following three policies

- Maintain a dividend payout ratio of around 30% (For the fiscal year ending March 2021, it is expected to be 44.0% due to a decrease in profit due to the impact of COVID-19)
- Increase the dividend amount every year
- Flexible consideration of treasury stock acquisition based on market conditions

WEBCAS®



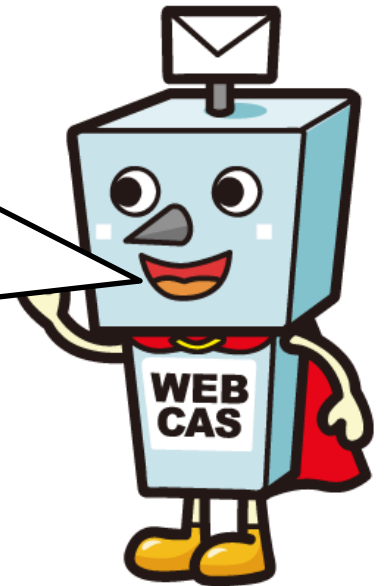
Medium-term management plan FY03/21 – FY03/23

May 14, 2020



AZIA
AZIA CO.,LTD.

About the previous medium-term management plan

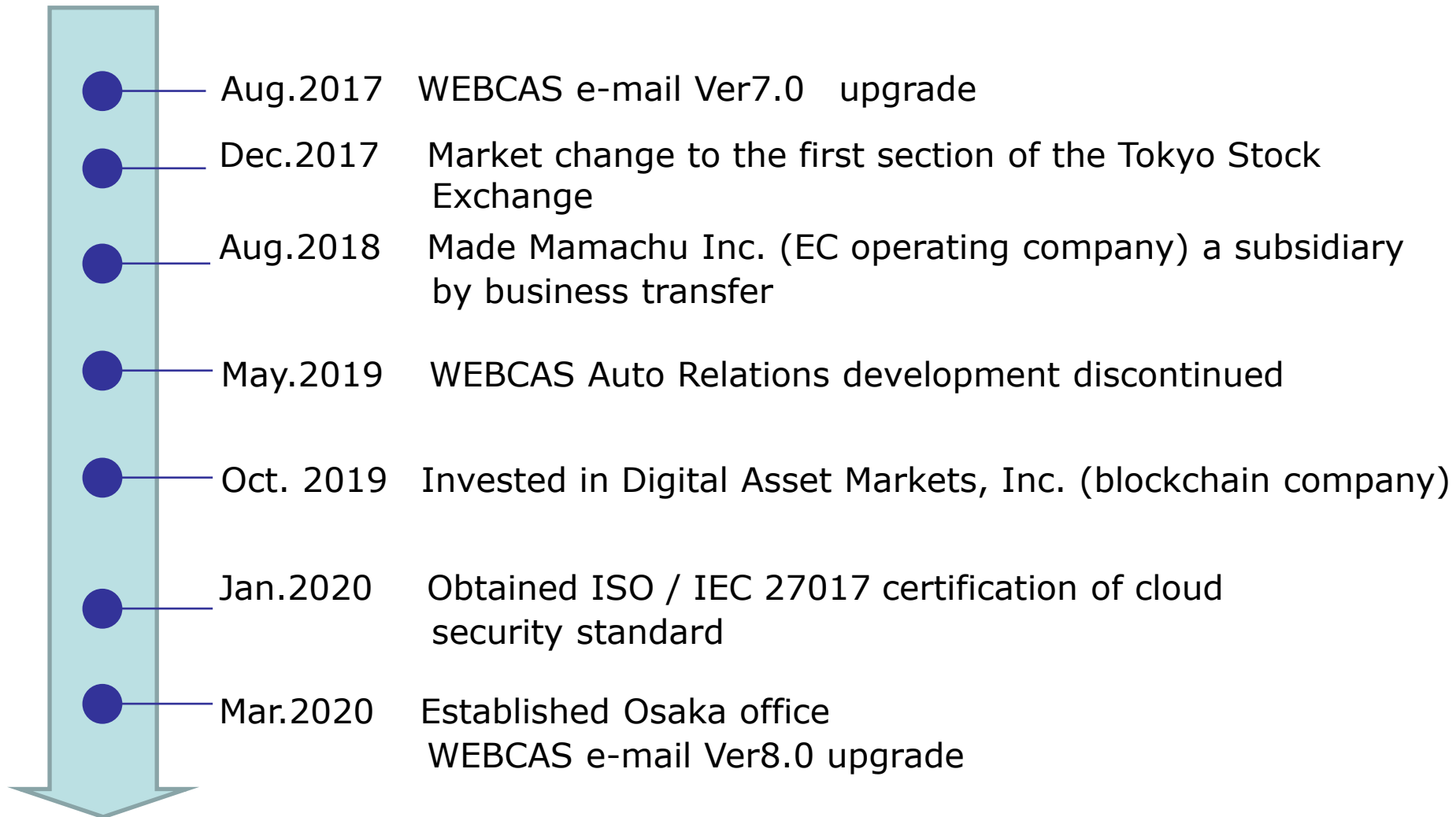


AZIA
AZIA CO.,LTD.

About the previous medium-term management plan

Progress of major businesses and other topics

Developing new domains through M&A in addition to further improving WEBCAS functionality and strengthening sales systems



About the previous medium-term management plan

Results of priority measures

Developed marketing automation in addition to promoting cloud services

Previous
mid-term vision

Construction of cross channel marketing platform

Cloud
business

- ✓ Developed market automation products
⇒ Abandoned in FY03/19 and returned focus to existing products in FY03/20, the final year of the medium-term management plan
- ✓ Double-digit net sales growth (avg. growth rate of 13.7% for the past three fiscal years)

Consulting
business

- ✓ Maintained existing large-scale projects
- ✓ Although the growth of subsidiary FUCA slowed down in FY03/20 with termination of large-scale projects due to customer preferences, achieved growth at an average rate of 31.1% for the three years through FY03/19, mainly due to large-scale web production projects.

Business
alliance

Group
management

- ✓ Launched EC business at Mamachu Inc. (business transfer)
⇒ Knowledge gained from EC business reflected in WEBCAS product requests

About the previous medium-term management plan

Clarification of our strengths

Established customized SaaS preferred by large enterprises

Establishing a competitive advantage in Application business

Uniqueness of customized SaaS

Though SaaS-based, offers customization to meet the needs of customers with large data volumes

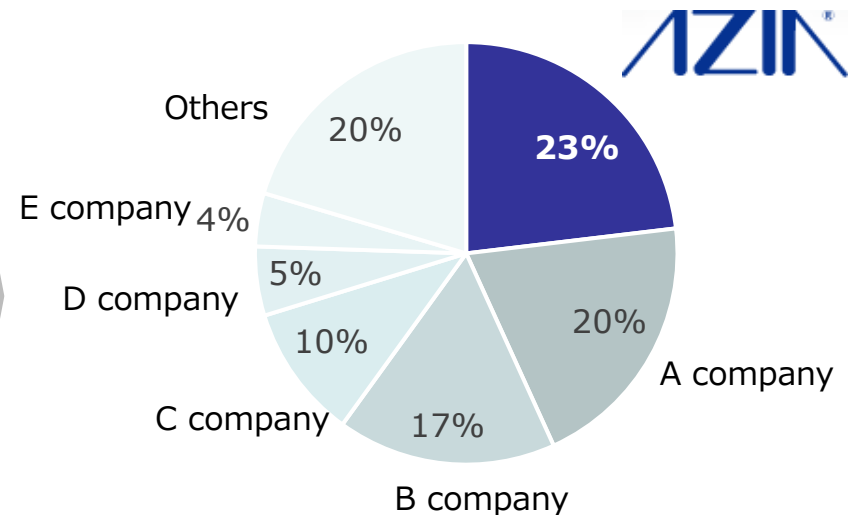
Industry-leading performance for mass delivery of one-to-one messages

High-performance in-house engine capable of delivering 2.4 million messages per hour with one-to-one delivery based on recipient attributes

Highly-secure system

Constructed a system meeting strict security requirements by acquiring ISO certification, etc.

Market share of Email delivery software for large corporate customers¹



Providing high quality SaaS preferred by a large enterprises / government office

1) Customers with sales of more than 500 billion yen (Source :ITR Reports 2019)

[Reference] Our main customers

Trading performance of more than 4,000 companies, mainly major BtoC companies

Industries

with a high market share

- Internet mail order
- Cosmetic
- Apparel
- Health food
- Life insurance
- Property insurance

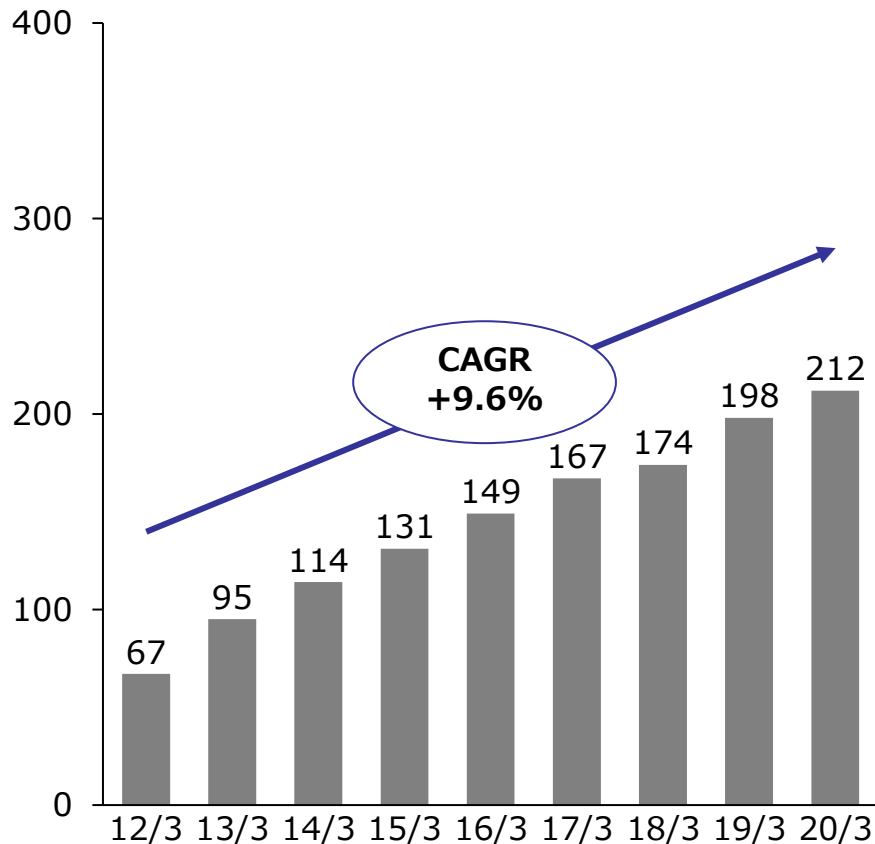


About the previous medium-term management plan

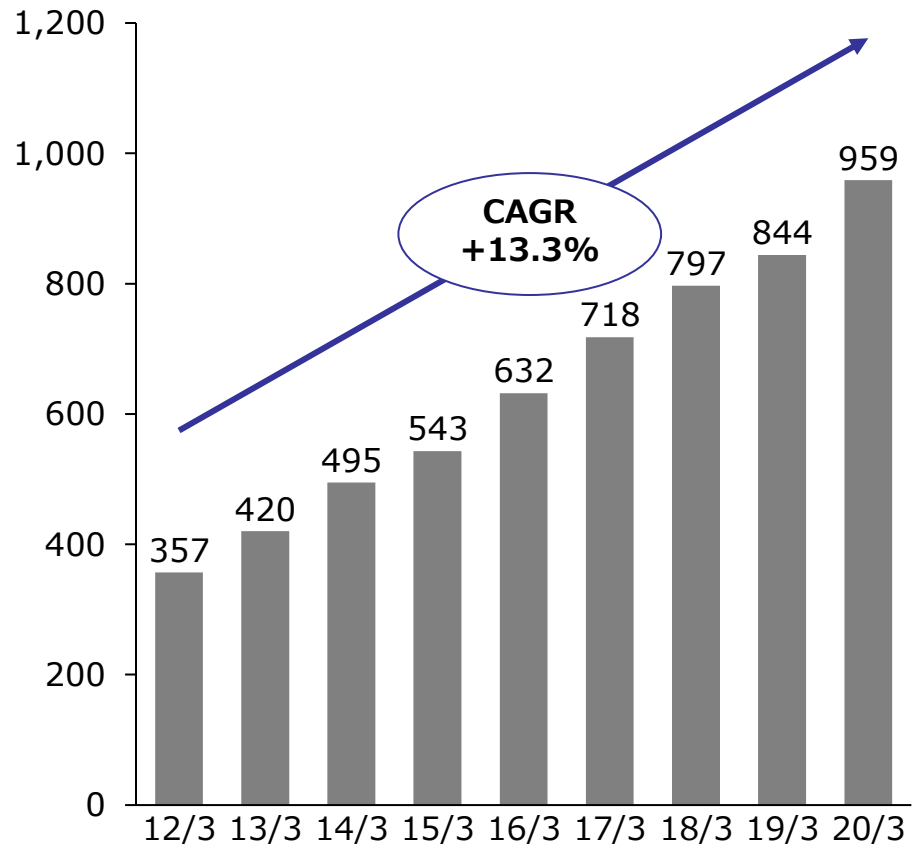
Number of continuous customers (Cloud business)

Number of continuous customers is steadily expanding

Number of continuous customers
("WEBCAS" premium version)



Number of continuous customers
("WEBCAS" standard version)

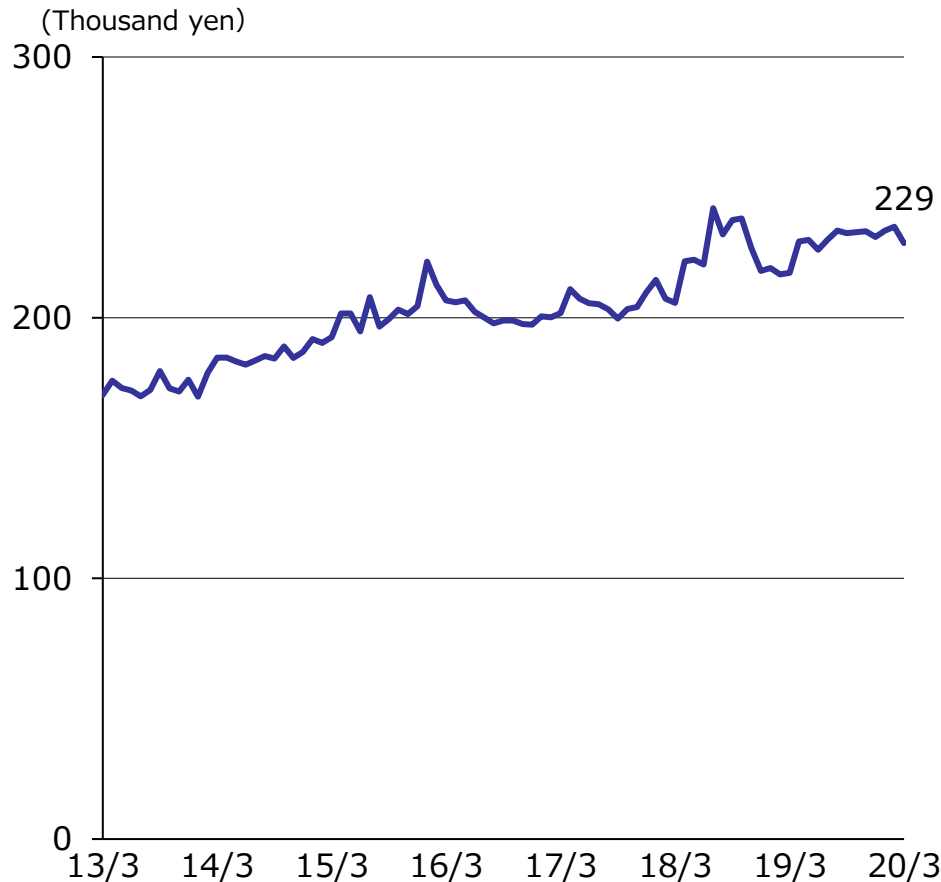


About the previous medium-term management plan

ARPU (Cloud business)

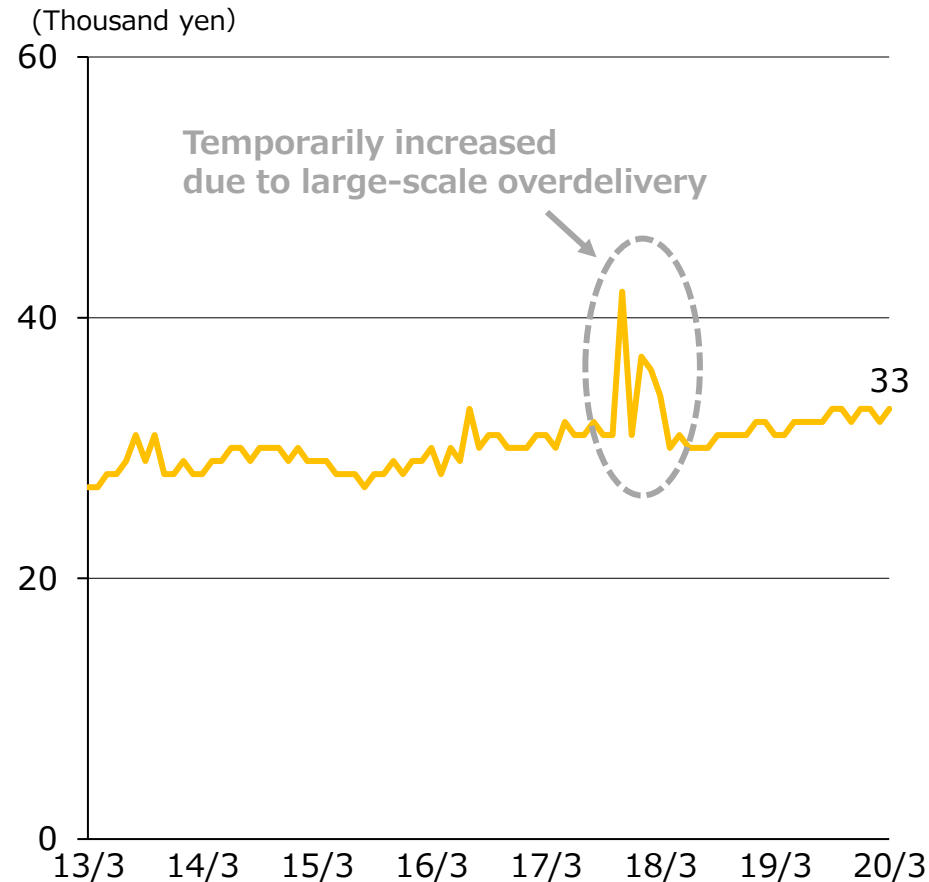
ARPU continues to rise

ARPU ("WEBCAS" premium version)



ARPU = Average monthly sales per contract (Excluding initial sales)

ARPU ("WEBCAS" standard version)

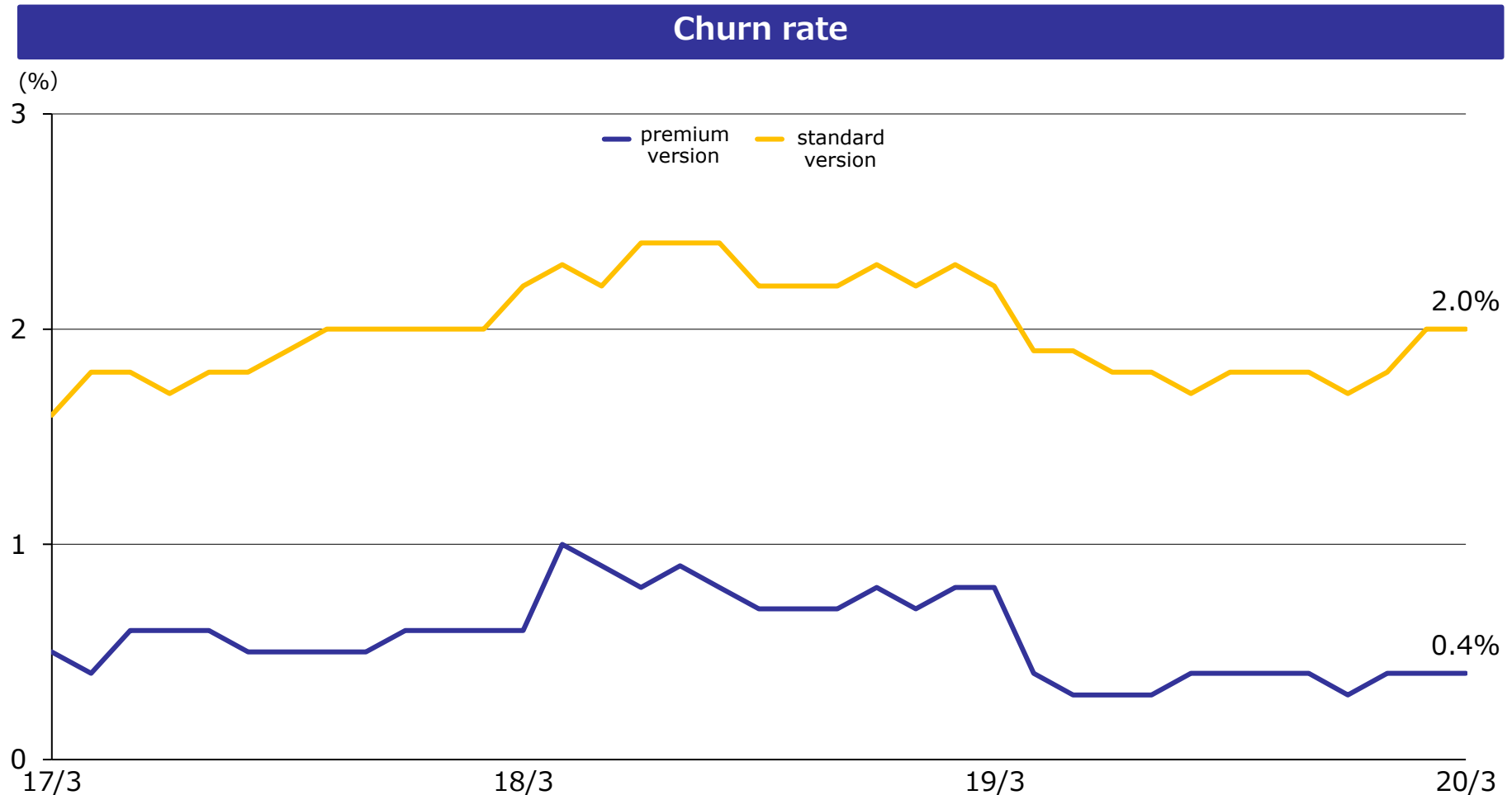


* Excluding option contracts

About the previous medium-term management plan

Churn rate (Cloud business)

Achieved extremely low churn rate vs. average SaaS industry levels



* Average of churn rate calculated by churn sales in MRR at the end of the month for the past 12 months.
Spot contracts including questionnaire products are excluded from "WEBCAS" standard version.

About the previous medium-term management plan

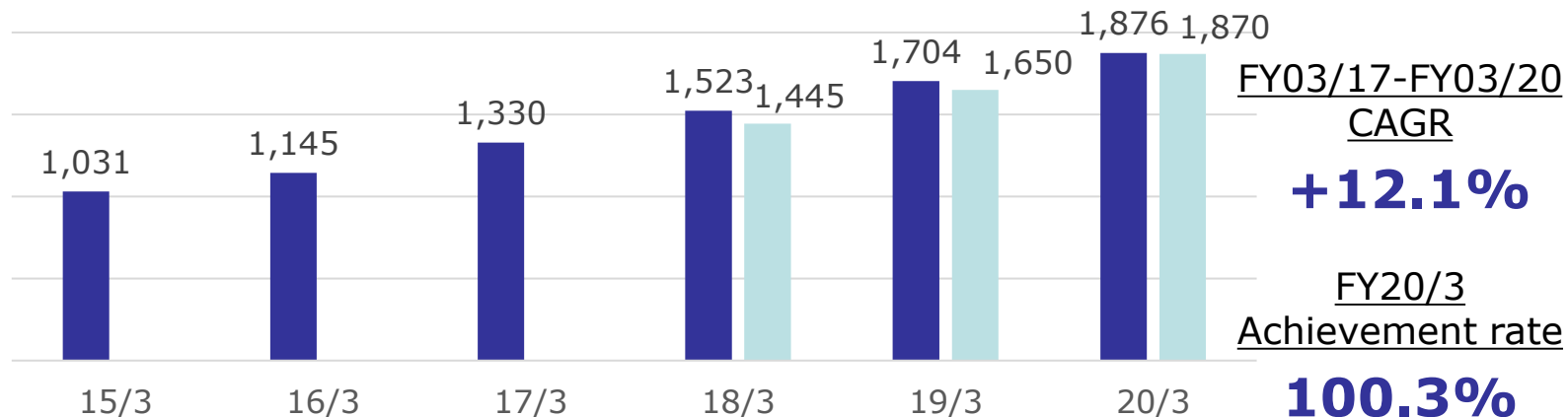
Key performance indicators

Net sales and operating profit grew at an average annual growth rate of 12.1% and 20.5%, respectively

(Million yen)

■ Results ■ Plan FY03/18 - FY03/20

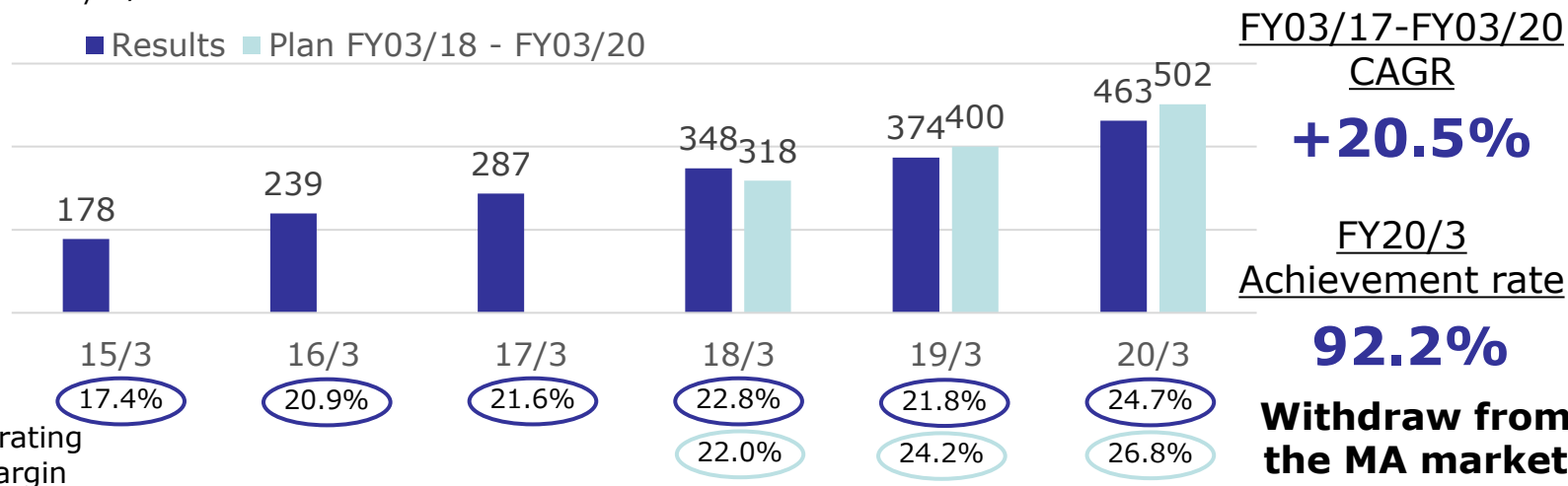
Net sales



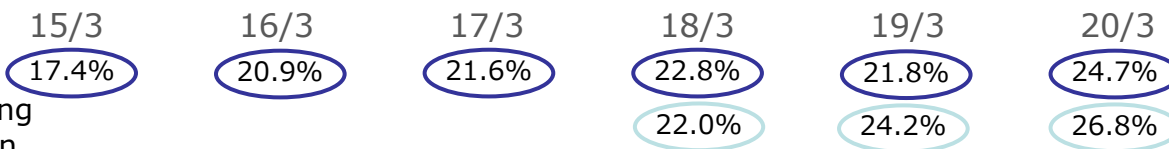
(Million yen)

■ Results ■ Plan FY03/18 - FY03/20

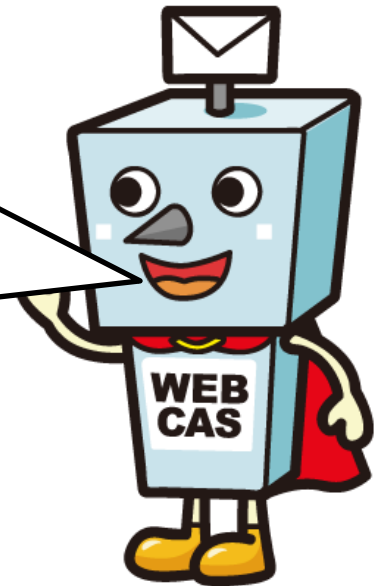
Operating profit



Operating margin



New Medium-term management plan FY03/21 – FY03/23



AZIA
AZIA CO.,LTD.

Cross-functional support for digital marketing activities, leveraging our overwhelming track record with large enterprises.

**Providing cross-functional solutions
for customers' marketing activities**

Our strengths

**Track record of
providing
delivery engines
to large
enterprises**

**Large-scale data
storage and
analysis**

**Marketing
strategy
consulting and
implementation
support**

Optimized digital marketing activities for customers

Taking on a “new pillar” for innovative growth

1

Dramatic growth of existing businesses

2

Creating a "new pillar" for new businesses

3

Optimizing financial strategies

New Medium-term management plan Capital tie-up with "J-GIA" (Japan Growth Investments Alliance, Inc.)

Established a capital alliance with J-GIA as one of the key initiatives for achievement of the new medium-term management plan

About J-GIA

- Established in 2016, Investment fund with an investment scale of 17.3 billion yen
- J-GIA will provide business and financial support for the growth of small and medium-sized enterprises by utilizing alliances with JAPAN TOBACCO INC. And HakuHodo Inc.



Purpose

- To realize the new medium-term management plan, we have entered into a capital tie-up with J-GIA, which has a track record of investment and support in the fields of business management, M & A and marketing.

Outline of capital tie-up

Strengthening existing businesses

Strengthen sales and marketing activities

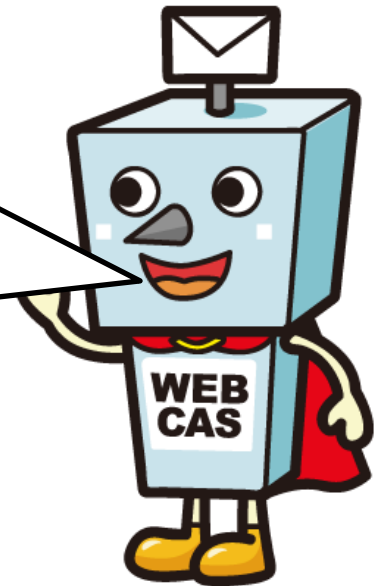
- In collaboration with J-GIA, we will work on the formulation of promotion strategies and the development of sales tools for the purpose of expanding the business scale of WEBCAS.

New business development

New business development through M&A strategy formulation and execution

- We will discover M & A that can be expected to synergize with existing businesses, J-GIA will support execution and integration from multiple perspectives, and pursue the establishment of new business pillars through M & A.

1 Dramatic growth of existing businesses



AZIA
AZIA CO.,LTD.

New Medium-term management plan

Further growth of cloud services

In addition to further reducing the churn rate and promoting cross-selling through customer success, working to strengthen promotional measures for acquiring new customers

Results for the past 3 terms

**CAGR of
cloud services**

Approximately
10~15%

the goal of New Medium-term management plan

25%*

* Excluding FY03/21,
which is affected by COVID-19

**Strengthen
web promotion**

⇒ Succeeded
in acquiring
new customers



1

**Introducing
customer success**

⇒ Reduced churn rate
⇒ ARPU improvement

2

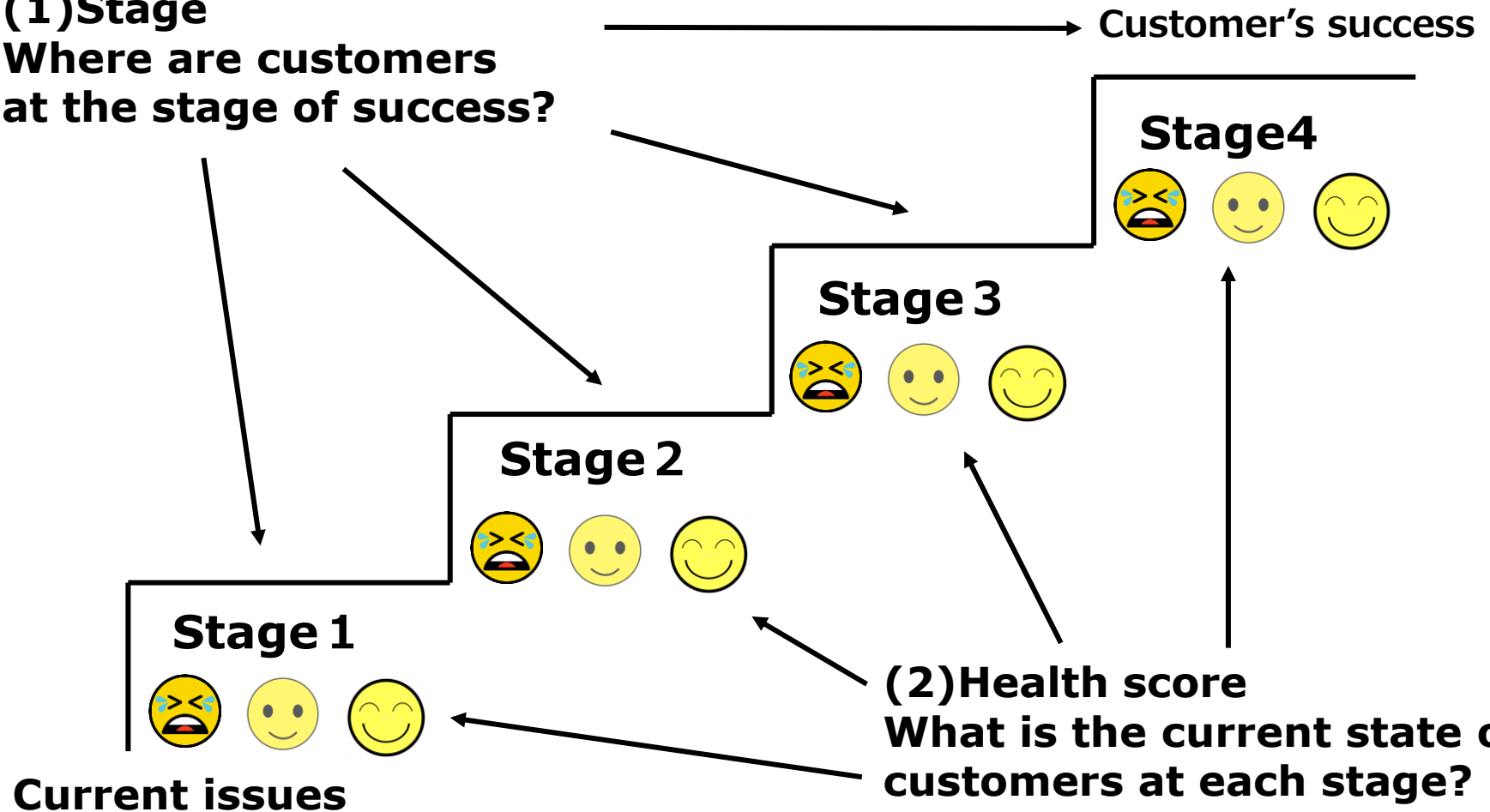
**Strengthen
promotion
measures
in collaboration
with J-GIA**

⇒ Increase in the
number of customers

A sales style that accompanies customers for the success they seek

(1) Stage

Where are customers
at the stage of success?



For customers

- ✓ **Return on investment and business success**

For our company

- ✓ **Churn rate is reduced**
- ✓ **ARPU rises**
- ✓ **Streamlining cross-selling opportunities**
- ✓ **New order rate rises**

 **Aim for CAGR 25% *
of cloud service sales**

* Excluding FY03/21 period, which is affected by COVID-19.

Case studies

Major consumer goods company A

Use of "WEBCAS" and distribution content planning and production service

- Plan : Email marketing of data such as purchase history for each brand / product
Support for strategic design and proposal of specific distribution contents
- Do : Content production and distribution agency based on planning
- Check : Data analysis of open rate, click rate, purchase (number, amount, rate) of delivery results
- Action : Proposal and discussion of new projects and measures at regular meetings



Effort effect

Customers : Sales were steadily increasing via email

(Real numbers are not disclosed)

Our company : Brands that used other companies' systems have also changed to "WEBCAS" (41.6% increase from the start of trading)



These customer success cases can be generalized and applied in other organizations according to the customer's situation

Aiming for further customer expansion through joint efforts with J-GIA to strengthen promotional measures

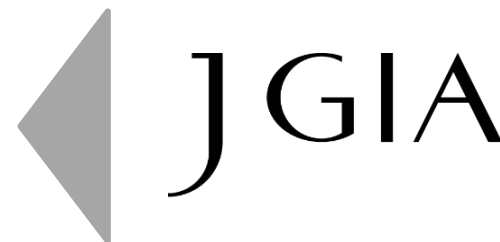
WEBCAS®



**Joint development of promotional content
based on customer case studies, etc.**

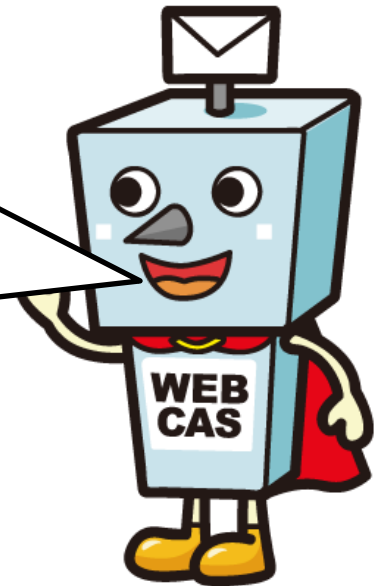


**Optimizing marketing channels
beyond the web**



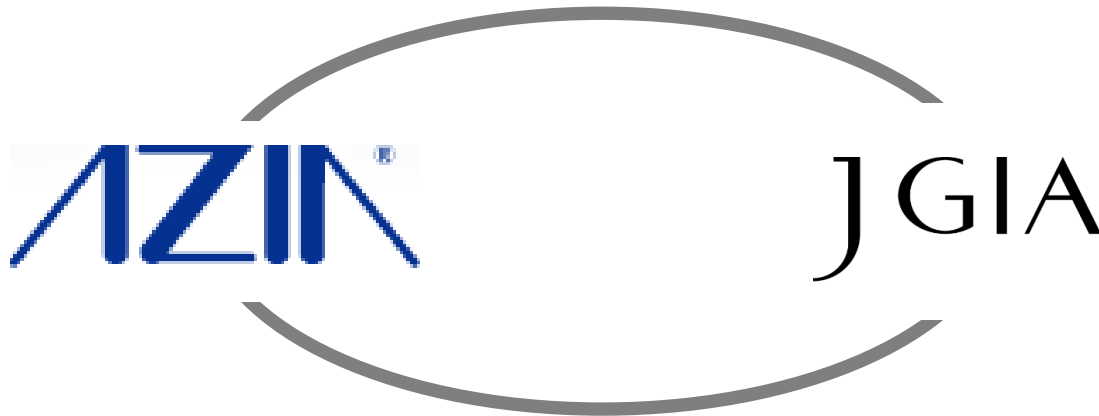
**Acquiring more new customers for
the WEBCAS series**

2 Creating a "new pillar" for new businesses



AZIA
AZIA CO.,LTD.

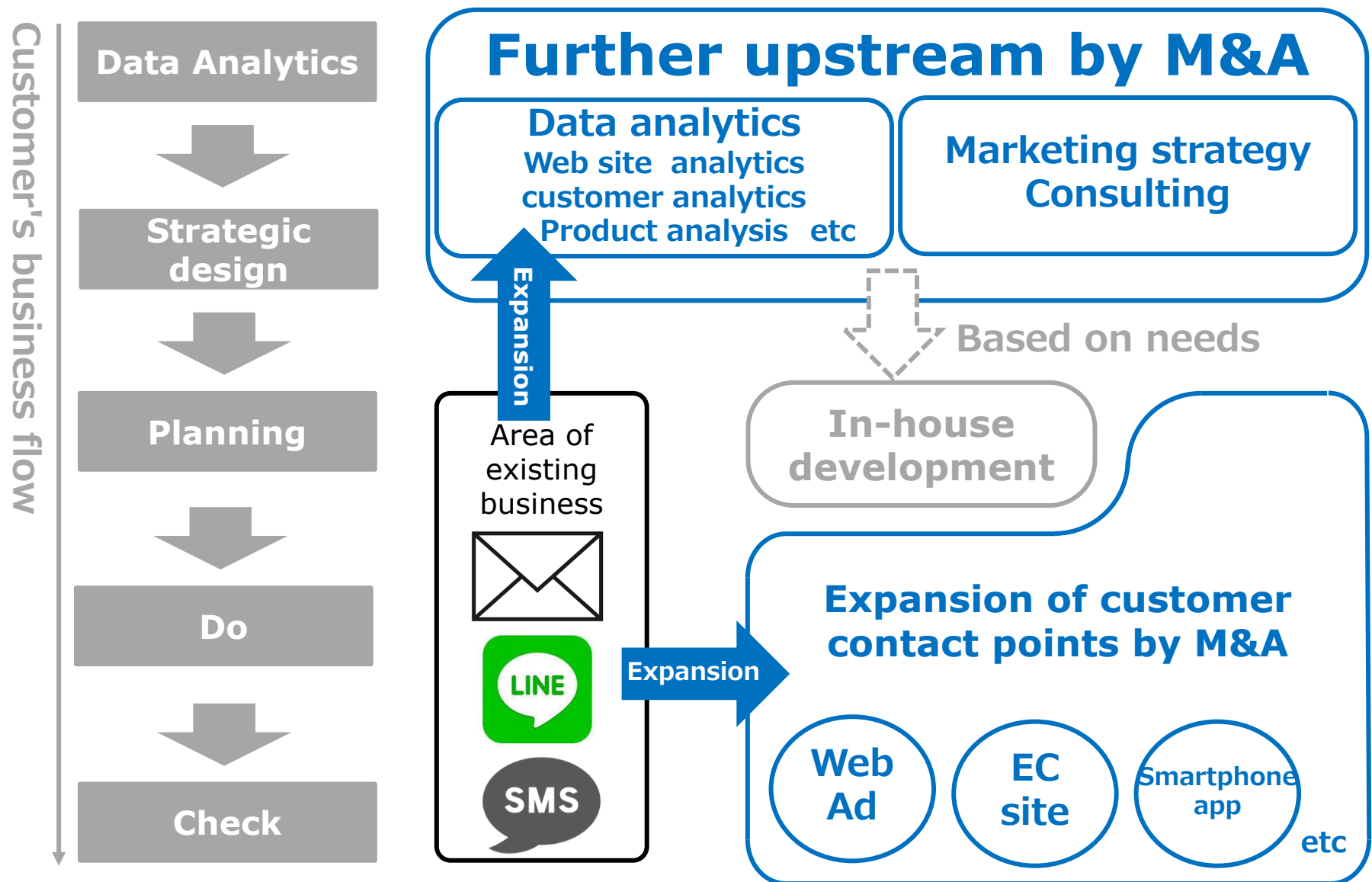
**Expanding M&A opportunities and strengthening execution capabilities
through capital alliance with J-GIA**



- ✓ **Formulation of M & A strategy**
- ✓ **Expanding investment opportunities utilizing J-GIA's network**
- ✓ **Implementation of continuous M & A by improving the execution system**

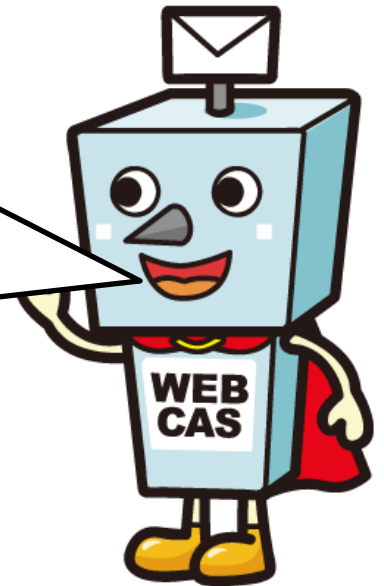
**Aggressive pursuit of new business
development through M&A**

Market image to create new business through M & A, etc.



3

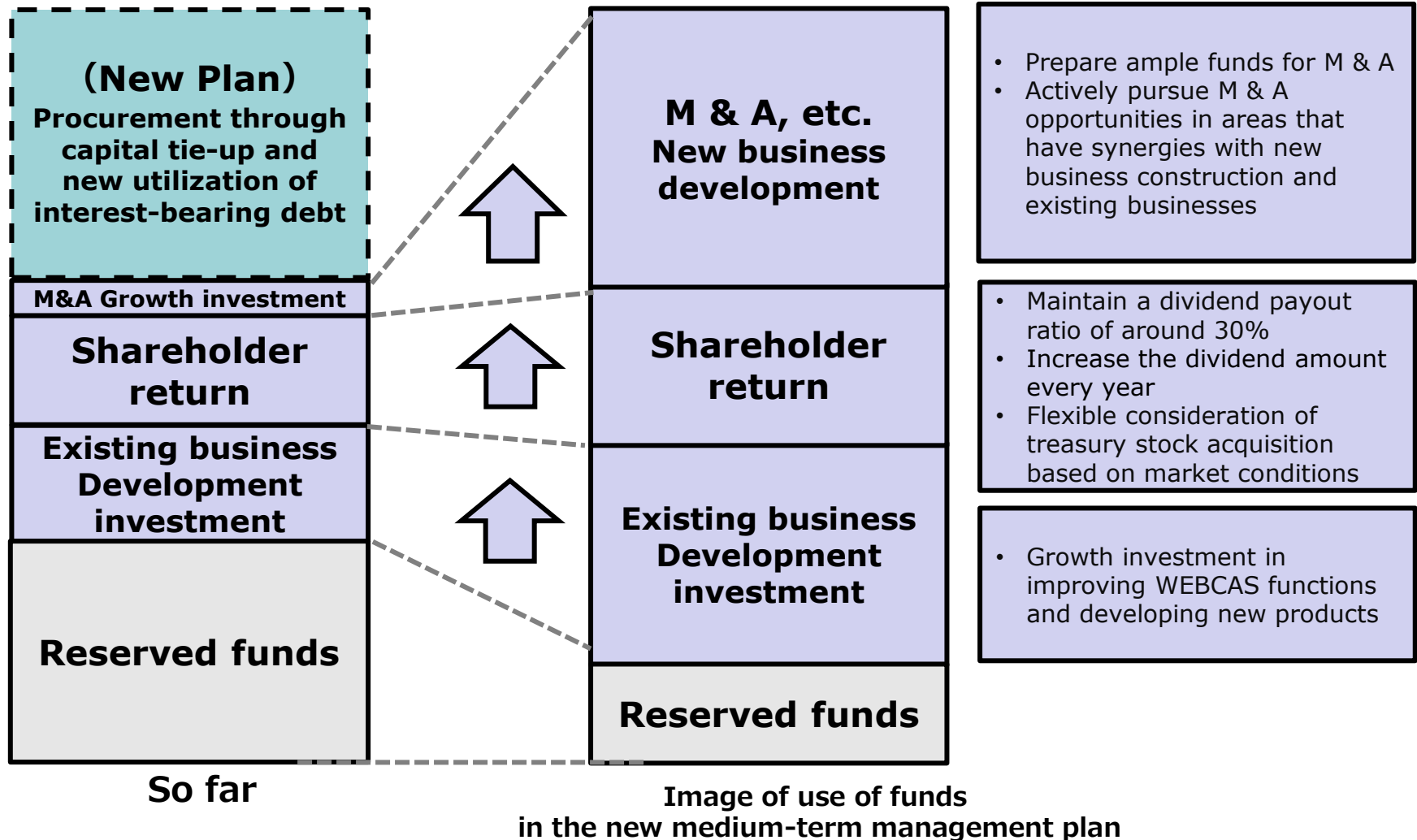
Optimizing financial strategies



AZIA
AZIA CO.,LTD.

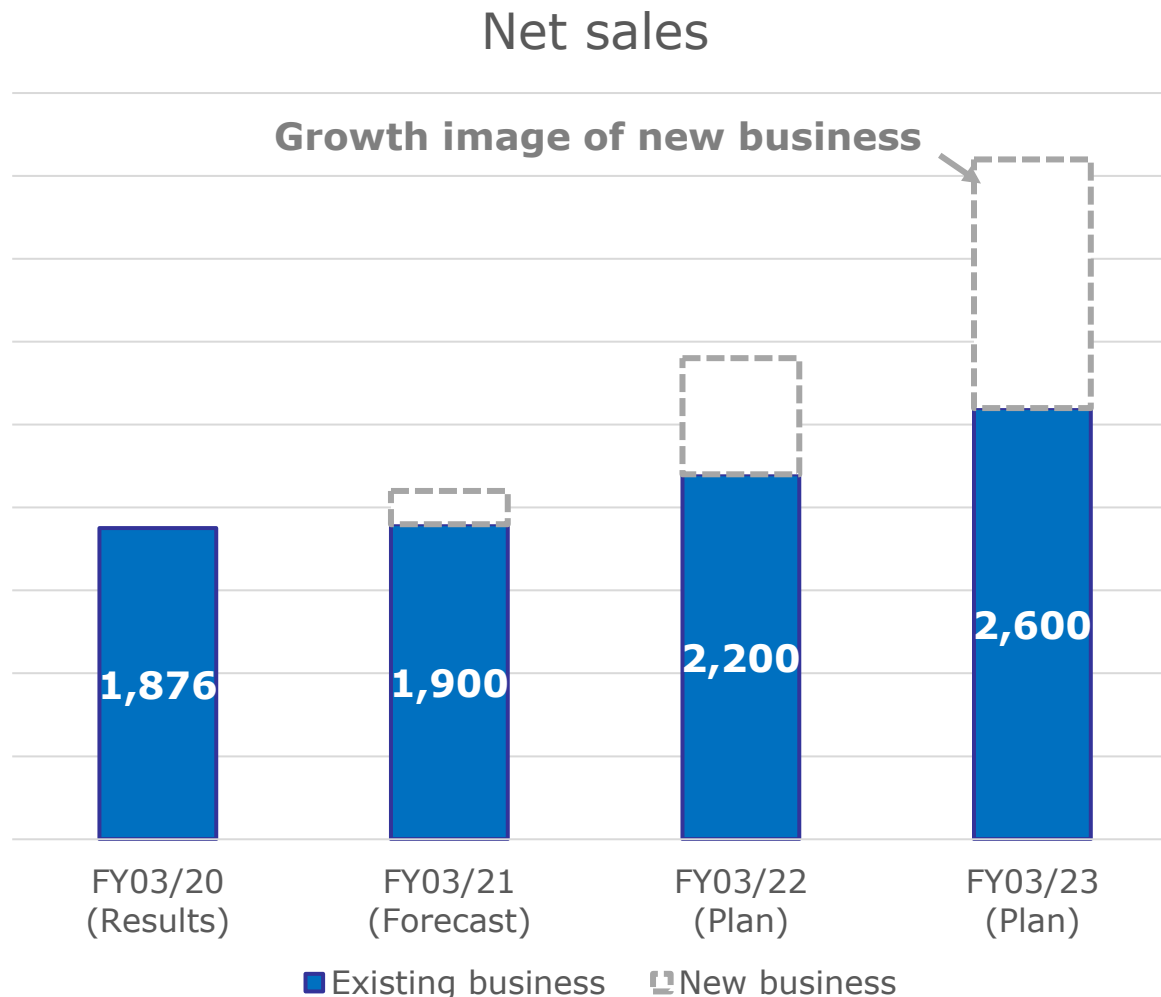
Aggressive investment for growth

Toward growth investment focused on the creation of new businesses through M&A (taking on a “new pillar”)



Quantitative targets in the medium-term management plan (1)

Targeting growth in new businesses in addition to WEBCAS-focused existing businesses



FY03/21: Once landed due to the influence of COVID-19

Growth investment in the second year and beyond

Existing business
'20-23 Growth rate target

1.4x

Cloud business
'20-23 Growth rate target

1.6x

+

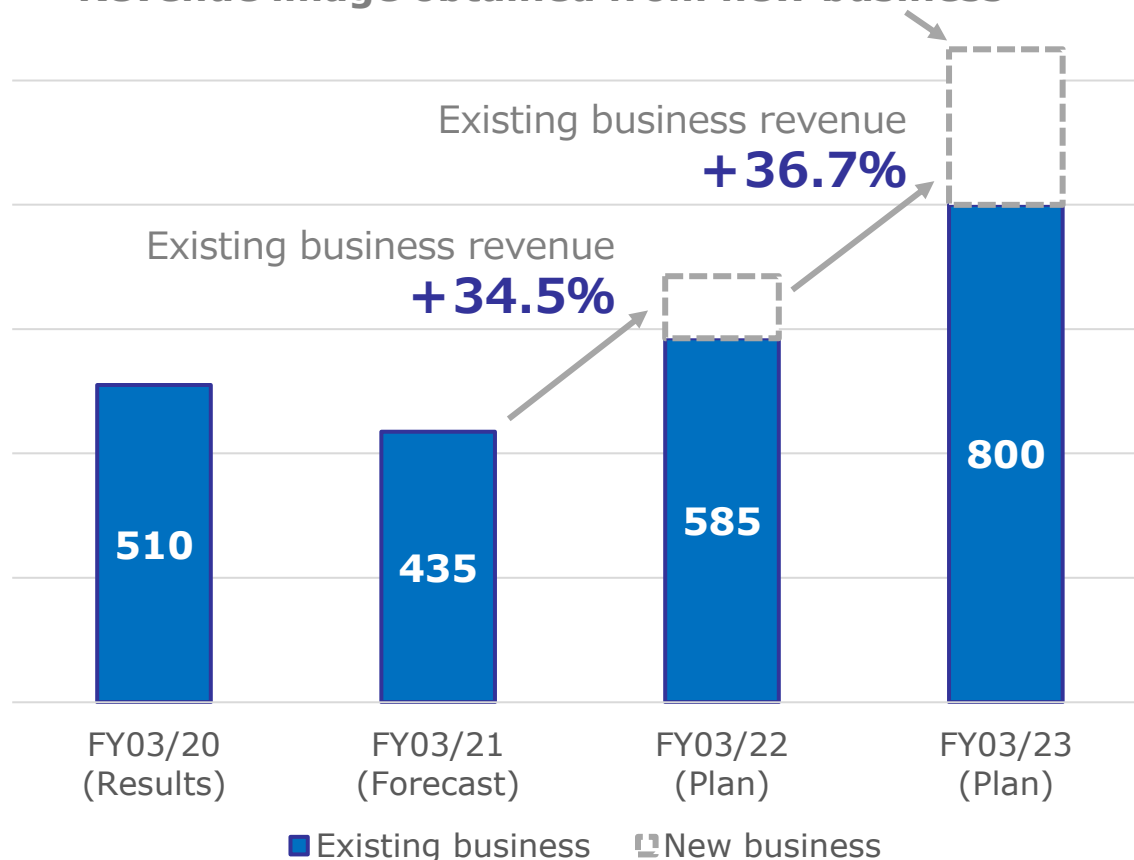
New business
「new pillar」

Quantitative targets in the medium-term management plan (2)

Targeting innovative growth in the second year and beyond
by investing in growth in the first year of the medium term plan

EBITDA

Revenue image obtained from new business



FY03/21: Temporary decline in profit due to the impact of COVID-19 and growth investment

Existing business revenue
'20-23 Growth rate target

1.6x



Revenue from
new business
"new pillar"

To innovative growth

Assumptions regarding quantitative targets in the medium-term management plan

Impact of COVID-19
FY03/21

- The number of new inquiries is strong
- No significant change in churn rate
- Ordered projects proceed as planned
- Business negotiations continue through Tel / Web conference
- The time required to final order is increasing
- About 10% of new projects are lost due to COVID-19
- New demand for COVID-19 impact survey, etc.

Prerequisites

“Creating a foundation for growth”

- **Sales increased slightly**
- **Steady growth investment**
 - Customer success
 - stock option etc

Innovative growth

After FY03/22

- **Cloud business CAGR more than 25%**
 - **Full-scale start of customer success**
 - **Number of new contracts more than 2.2 times compared to the FY03/20**
 - **Further improvement of low churn rate even at industry level**
- **New business development through M & A, etc.**

The purpose of this material is to help shareholders, investors, etc. understand information such as our management policy, plans, and financial status, and it is not intended to solicit investment such as purchase or sale of our shares.

The information provided in this material is our current plans, outlooks, strategies, etc. that are not historical facts are prospects for future performance, etc., which are based on currently available information. It is based on the judgment of our management team and contains risks and uncertainties.

Actual performance may differ significantly from the outlook for these performances due to various factors such as economic conditions, competitive conditions in the telecommunications industry, and the success or failure of new services. In the future, even if there is new information or future events, we are not obligated to update or correct the "outlook information" included in this announcement.



Contacts

Masashi Fujita

Corporate Planning Office Manager

TEL : +81-3-6672-6788

e-mail : azia_ir@azia.co.jp