

**VQ**

**COLEMAN**

# **2nd Quarter Financial Results**

Fiscal year ending Feb 2022



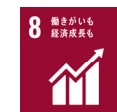
## HIGHLIGHTS

- We have acquired Coleman Research Group. Growing into a knowledge platform with transaction volume exceeding 10 billion yen, over 400,000 registered experts, and 7 global bases
- In first six-months of this year, transaction volume of VQ was up 75% year on year. Forecast earnings for the full fiscal year have been revised upwards
- Coleman has also delivered its best ever results. From the next fiscal year, Coleman will contribute to VQ's full-year results



# Connecting Insights and Aspirations Across the Globe

We enable and enhance innovation across the globe by creating the world best platform that maximizes the value of knowledge and opinions obtained from experience, and seamlessly aggregates and shares them as insights beyond boundaries of organizations, generations and regions.



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## 1. Acquisition of Coleman

A) VQ's Strategy

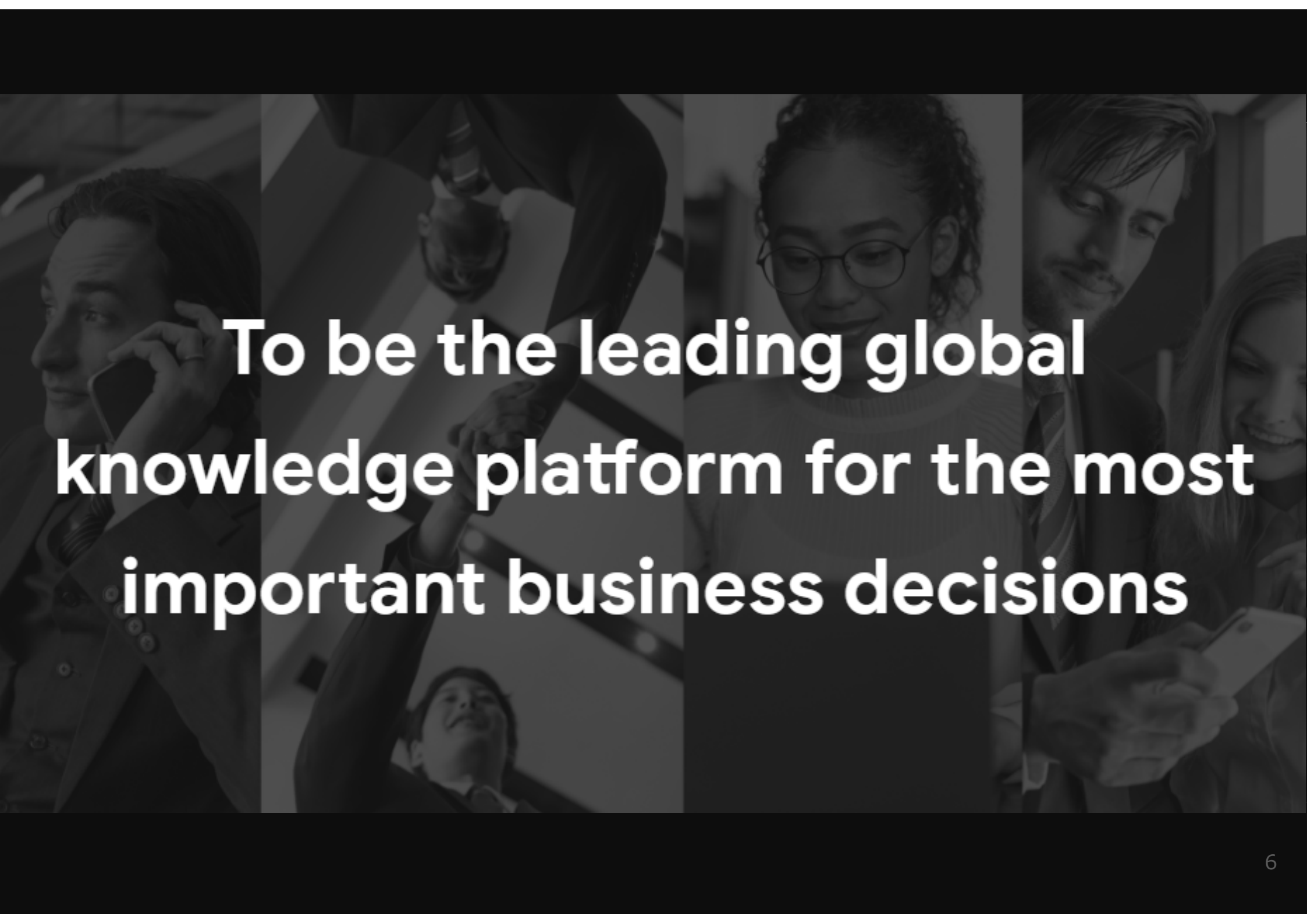
B) Coleman's Strengths

## 2. Earnings forecast

Appendix

# A) VQ's Strategy





**To be the leading global  
knowledge platform for the most  
important business decisions**



# Build a database of **1 million** experts

Cover every region and industry

## B) Coleman's Strengths

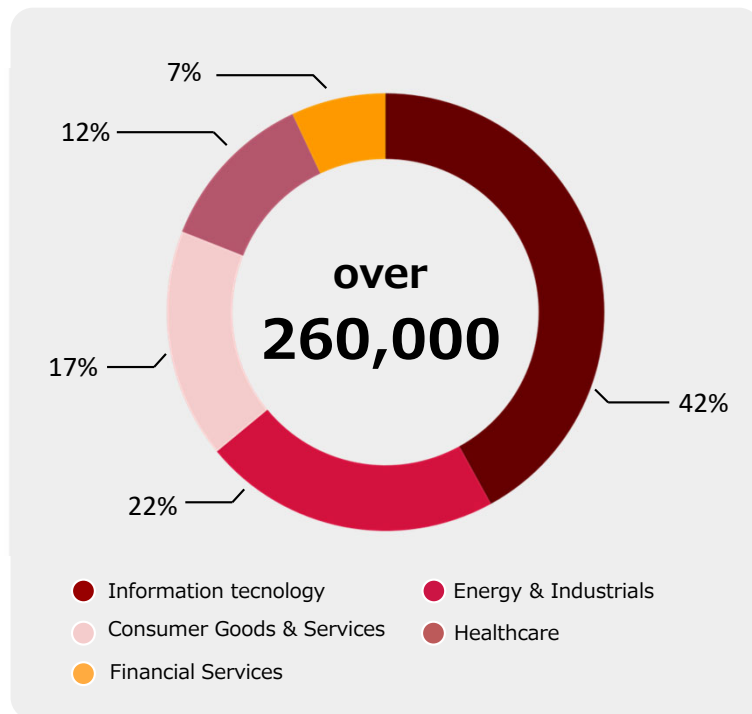


## **A pioneer in the ENS industry**

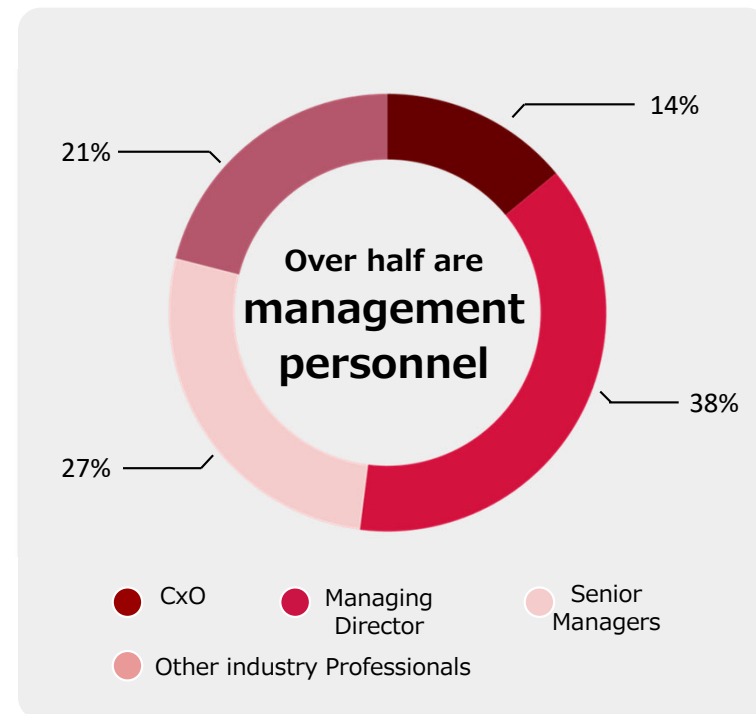
- Established in 2003 at the dawn of the industry
- A leading firm in the North America, where 50% of global ENS market exists
- Robust compliance system
- Highly efficient matching
- 300+ clients comprised of the world's largest HFs, mutual funds, PEs, consultancies and corporations



# High-quality expert database



Coverage of Industries



Experts' titles



## VQ x Coleman: Strategy for the Integrated Platform

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**Database expansion**

**Locations across the globe**

**New leadership structure**

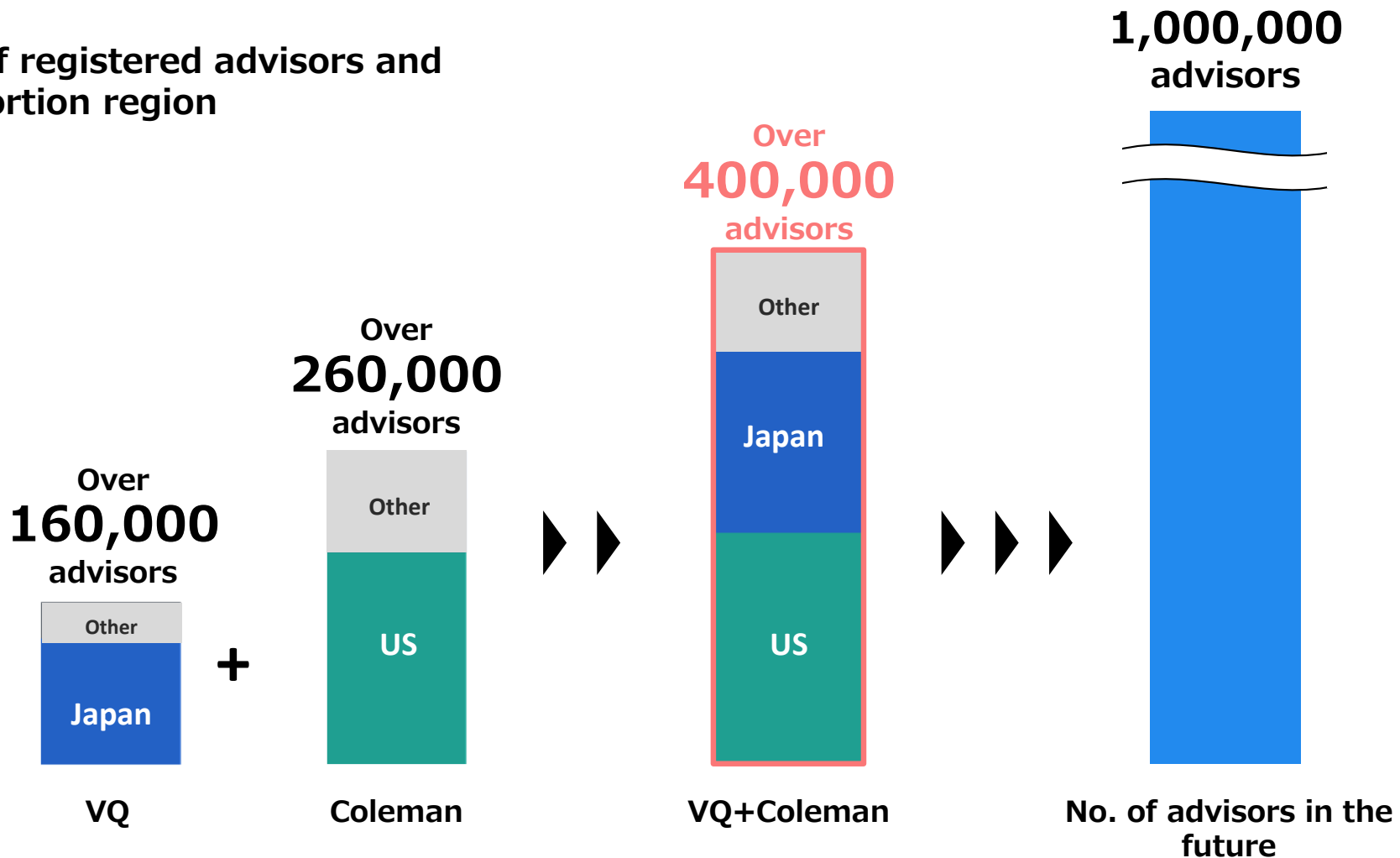
**New Opportunities from Partnership**

## Coleman's strengths

# Database expansion

- Making the most of each of our strengths in Japan and expanding our database globally
- Aim to expand the database to 1,000,000 advisors

No. of registered advisors and proportion region



## Locations across the globe



- Over 350 employees in 7 locations around the world collaborate across the locations
- Global time zone coverage is strengthened



## New leadership structure

- Appoint Kevin Coleman to the VQ board of directors  
(subject to approval at the extraordinary general meeting of shareholders)
- Appoint 2 directors from VQ to the Coleman board of directors

### VQ Board of Directors

#### Coleman Board of Directors



VQ CEO  
**Eiko Hashiba**



VQ COO  
Coleman CSO  
**Hidetoshi Uriu**



Coleman CEO  
**Kevin Coleman**



VQ CFO  
**Toru Yasuoka**

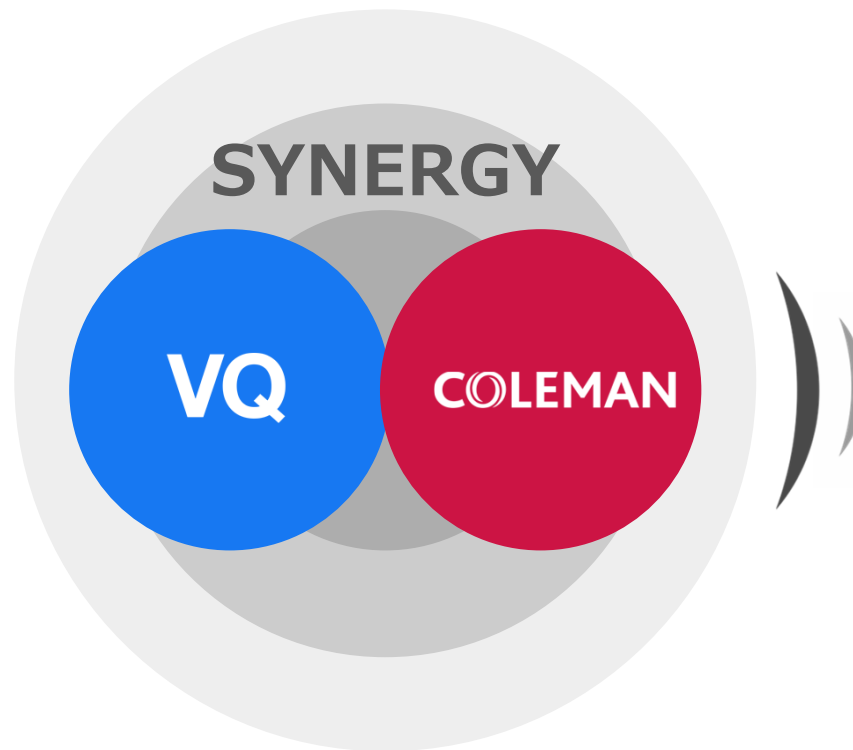


VQ outside director  
**Kohei Katada**

# New Opportunities from Partnership

Leverage our strengths of US/EMEA and Asia

VQ expands the matching  
needs for US/EMEA experts



Coleman differentiates  
from others utilizing  
Japan/Asia strengths.

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## 1. Acquisition of Coleman

A) VQ's Strategy

B) Coleman's Strengths

## 2. Earnings forecast

Appendix

# Key points of each chapter

## **A) Performance of VQ**

Full-year performance based on merit before M&A expenses, etc.

## **B) Performance of Coleman**

Full-year performance on a merit basis

## **C) Strength of the integrated platform (VQ + Coleman)**

Combined A)+B) results

Assuming Coleman's contribution on 12month base

## **D) Consolidated forecasts on an accounting basis**

Full-year earnings forecasts on an accounting basis

Coleman's contribution is only in the fourth quarter

# A) Performance of VQ

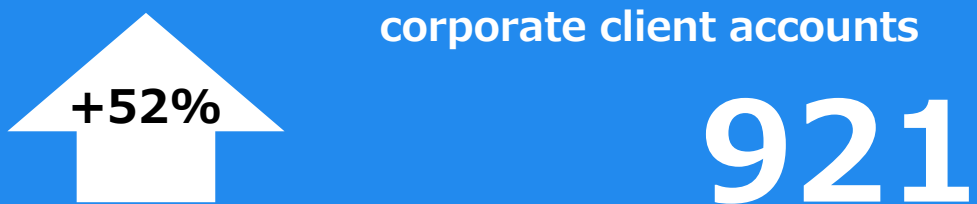
Full-year performance based on merit  
before M&A expenses, etc.



## Achievements in first half

- Platform value continued to increase, and business achievements grew

### Increased platform value



### Business results growth



\* % in the arrow is a year-on-year growth rate

Products

6→**8**

No. of  
staff

138→**175**

Offices

**2**

\* Comparison between the end of Q2 of the previous fiscal year and the end of Q2 of the current fiscal year

## Progress in business plan for FY2022 (ending in February)

- Business plans for the current period progressing smoothly
- Promotion of initiatives focused on increasing transaction volume

Future vision		Main initiatives for this period	Progress during 2 <sup>nd</sup> quarter	
Expansion of business domains	Development of comprehensive knowledge solutions	Expansion of new product groups	<ul style="list-style-type: none"> <li>● Growth of VQ lite and other products</li> <li>● Expansion of multi-layered revenue sources</li> </ul>	p.25
		Continuing growth of VQ interviews	<ul style="list-style-type: none"> <li>● Continued growth in all customer groups</li> <li>● The continued increase in the number of accounts</li> </ul>	p.26-27
	Overseas development	Monetization and acceleration of overseas business	<ul style="list-style-type: none"> <li>● Acceleration of overseas business centered on the Singapore subsidiary</li> <li>● Planning and preparing for expansion to other regions</li> </ul>	Implementation of M&A
Investment to realize vision of future		Marketing investment	<ul style="list-style-type: none"> <li>● The number of accounts continues to rise on account of growing awareness</li> </ul>	p.26-27,29
		Acquisition of human resources	<ul style="list-style-type: none"> <li>● Progress recovered almost as planned</li> </ul>	p.28

## Results in first half

- In only 2Q we achieved +63% year-on-year growth in transaction volumes
- Growth of +75% was achieved in the first half of the fiscal year

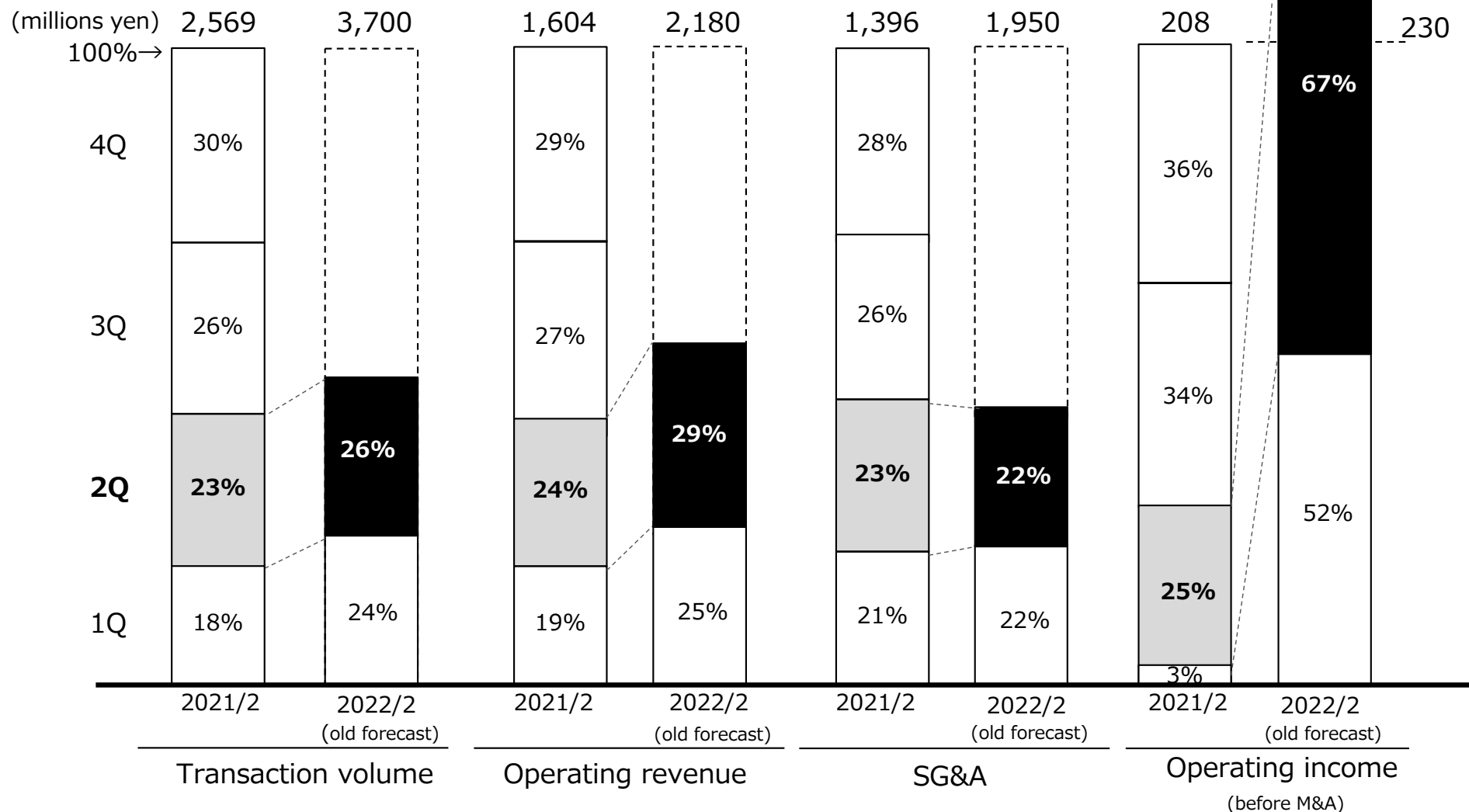
	FY ending Feb 2022, 2Q (June 2021 to August 2021)			FY ending Feb 2022, first half (March 2021 to August 2021)			Full-year earnings forecast (Old forecast*)	
(millions yen)	Current 2Q	Previous 2Q (Jun - Aug, 2020)	Rate of change	2Q total	First half (Mar - Aug 2020)	Rate of change	Forecast	Progress
Transaction volume	983	602	<b>+63.2%</b>	1,885	1,077	<b>+75.0%</b>	3,700	51.0%
Operating revenue	624	386	+61.8%	1,187	690	+71.9%	2,180	54.5%
Operating income Before M&A expenses	156	52	+198.2%	275	60	+360.6%	230	120.0%
After M&A expenses	△216	N/A	-	△96	60	-	N/A	-
Ordinary income	△268	49	-	△148	51	-	220	-
Net income	△314	49	-	△218	51	-	150	-

\* Old forecast: Announced on April 14, 2021

## Progress in first half

- Transaction volume reached 50% of full-year forecast, and operating revenue exceeded 50% of forecast
- Operating income (before M&A expenses) has already exceeded full-year forecast

### First half Progress



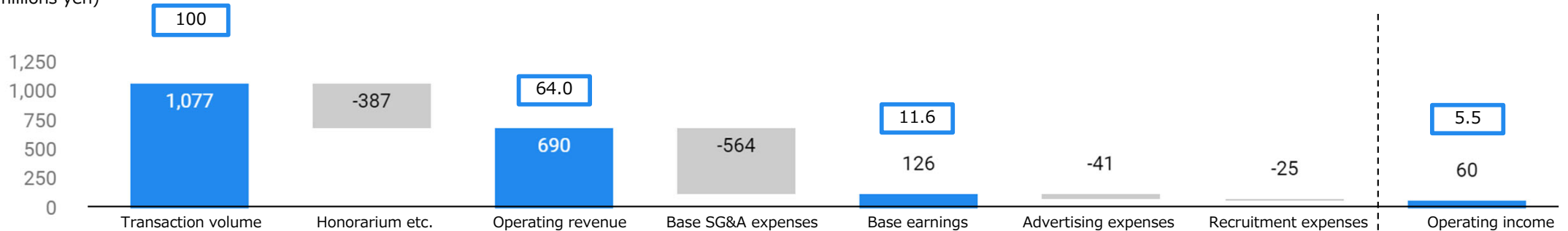
## Progress in first half

- By product, transaction volume increased in both core services and new product groups (p.25)
- Continued aggressive investment for future growth (p.28-29)

First half  
2021/2

(millions yen)

Margin in terms of  
transaction volume(%)



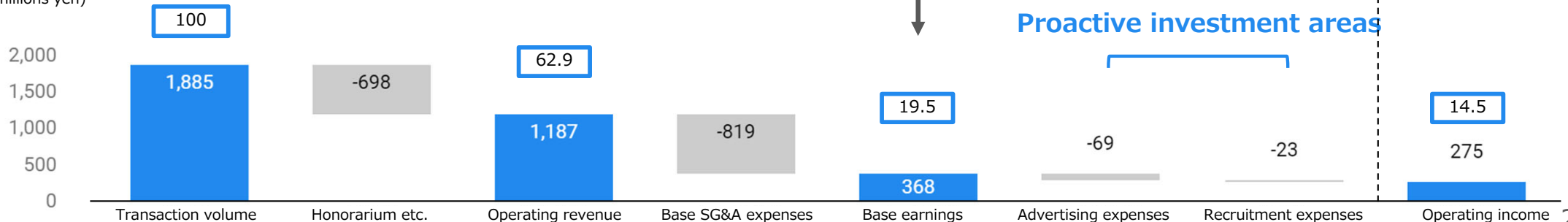
① Expansion of transaction volume  
+808 million yen

② Expansion of margin

First half  
2022/2

(millions yen)

Proactive investment areas

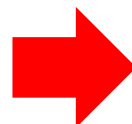




## Upward revision of VQ's full-year earnings (\* Excluding Coleman)

- VQ's full-year forecast revised upwards to reflect strong first half of FY

	Full-year earnings forecast (Old forecast*)	
(millions yen)	Forecast	Year-on-year
Transaction volume	3,700	+46.1%
Operating revenue	2,180	+35.9%
Operating income (before accounting for M&A)	230	+10.3%

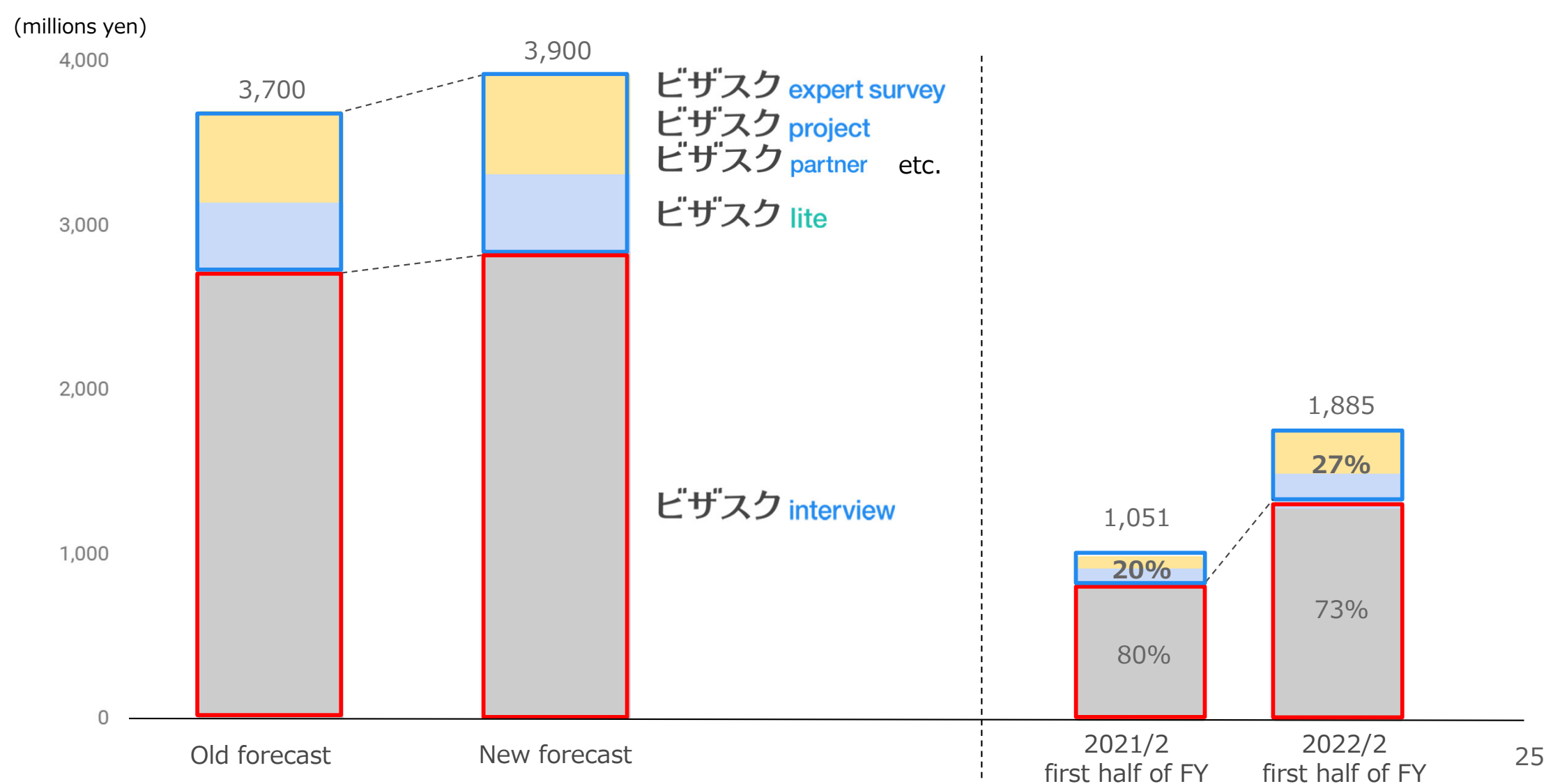


Full-year earnings forecast (New forecast*)			
Forecast	Year-on-year	Amount of change	Rate of change
3,900	+54.0%	+200	+5.4%
2,400	+49.6%	+220	+10.0%
400	+92.3%	+170	+73.9%

\* Old forecast: Announced on April 14, 2021. New forecast: Announced October 15, 2021

## Expansion of transaction volume

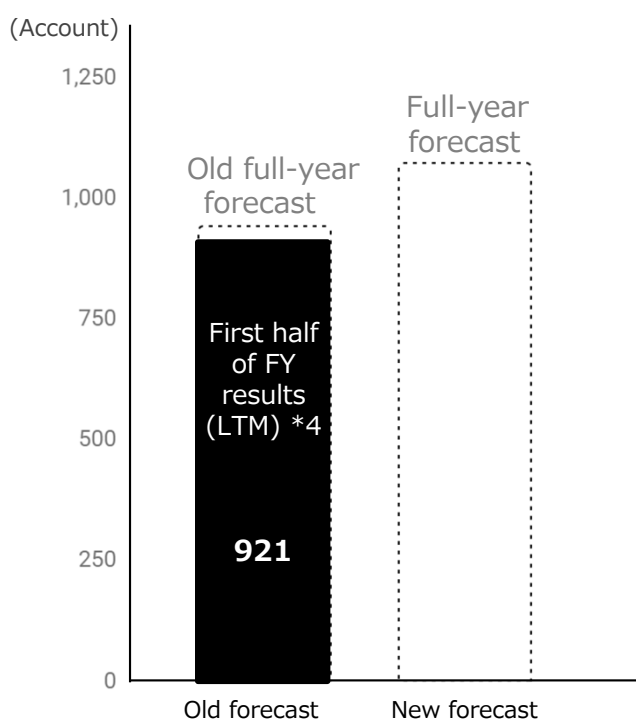
- Transaction volumes increased for both core services and new product group, and diversification of revenue sources was progressed.
- Booking of transaction volumes has been changed to “after discount” base. (p. 44-46)



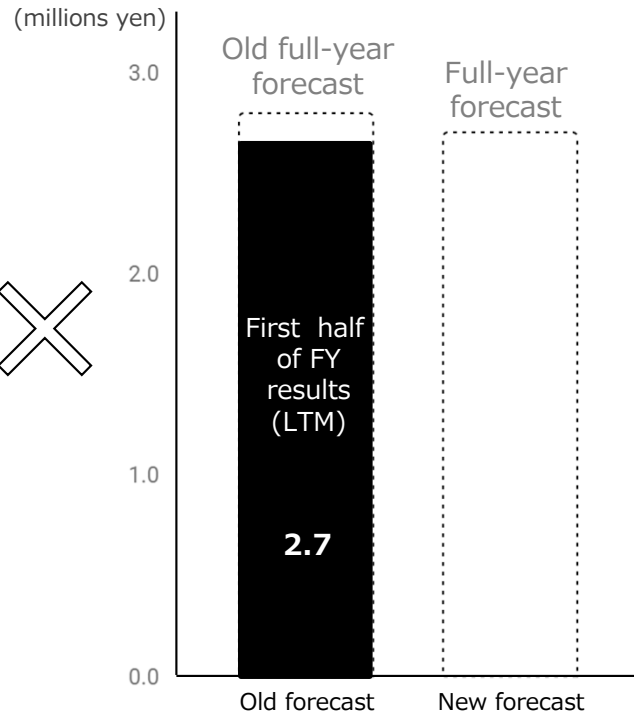
# Acceleration in the growth of VQ interviews

- The acquisition of corporate accounts is progressing well. We expect to beat the full-year forecast
- Transaction volume per account is expected to remain flat as the number of customer increases.

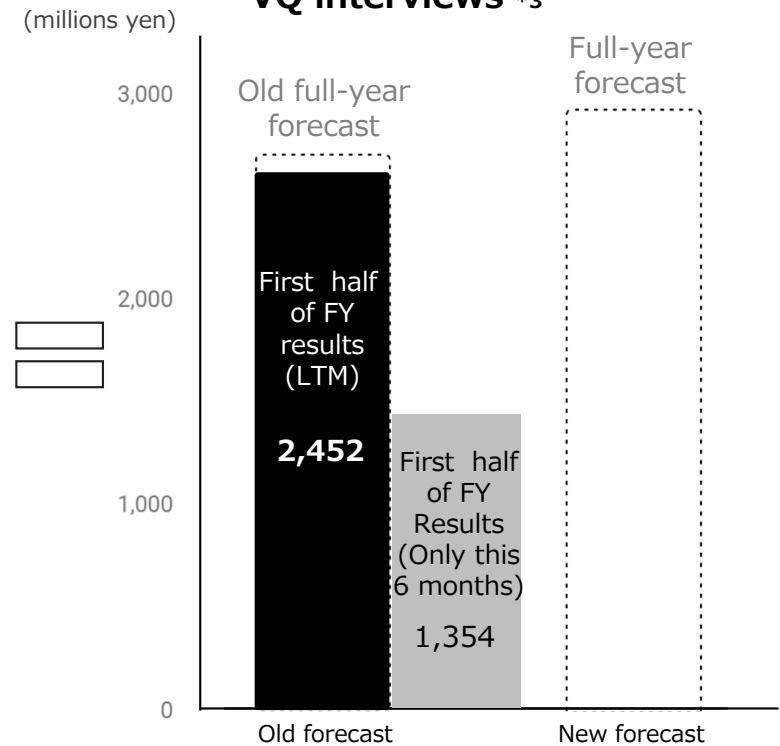
**KPI① Number of corporate client accounts\*1, 2**



**KPI② The transaction volume of VQ interviews per account**



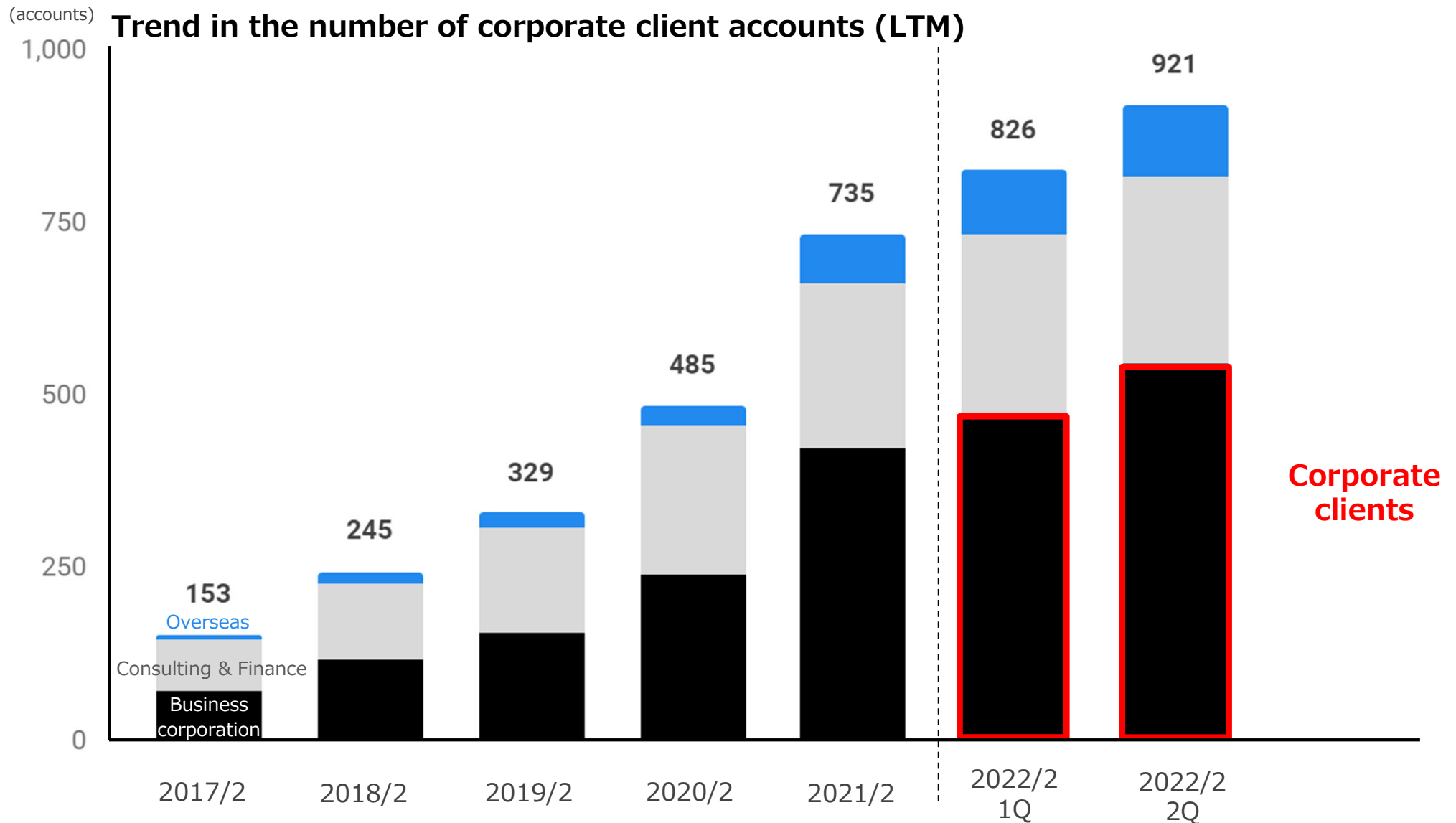
**The transaction volume of the main product, VQ interviews \*3**



\* 1. "Corporate client" means a corporate customer who concludes a corporate contract and utilizes the full support format "VQ;" this does not include corporate customers who utilize only "VQ lite."  
 \* 2. "Number of corporate client accounts" is the total number of corporate clients who have used the "VQ interview" in the past year calculated from the time of each aggregation based on the corporate contract. If multiple departments conclude separate contracts for the same corporation, then they will be counted multiple times.  
 \* 3. "VQ interview transaction volume" refers to the transaction volume based on "VQ interviews" and is calculated for the past 12 months starting from the end of each period.  
 \* 4. LTM = Last twelve months

## KPI① Number of corporate client accounts

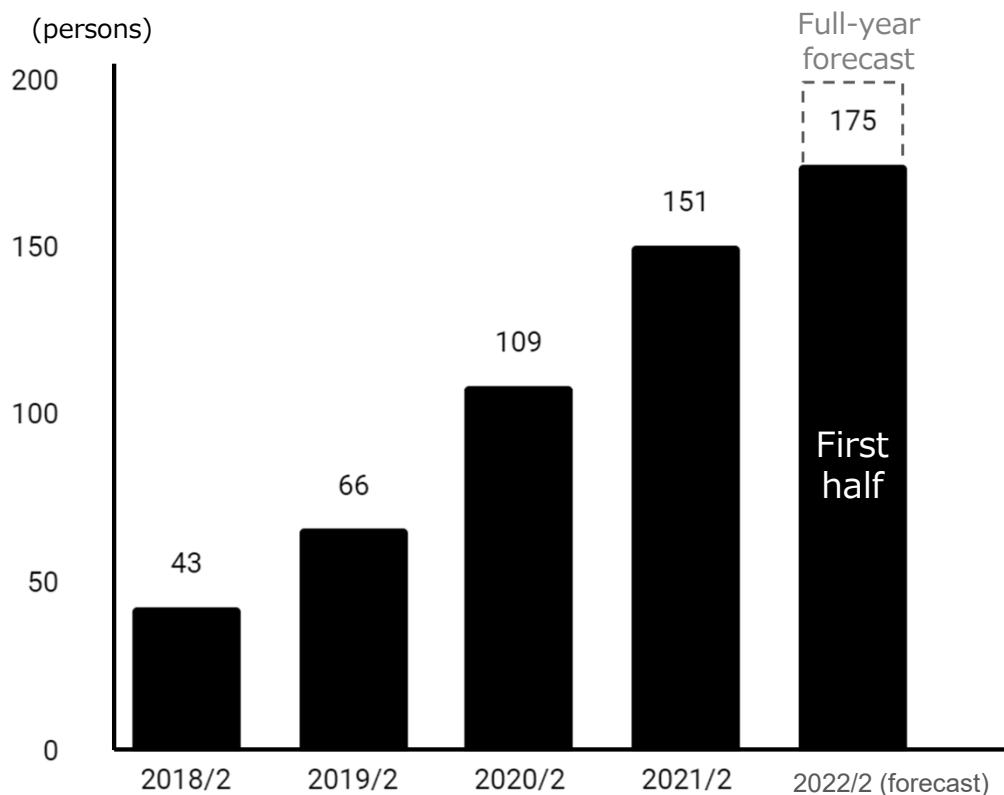
- Our marketing initiatives are strong, and the number of corporate client accounts continues to expand



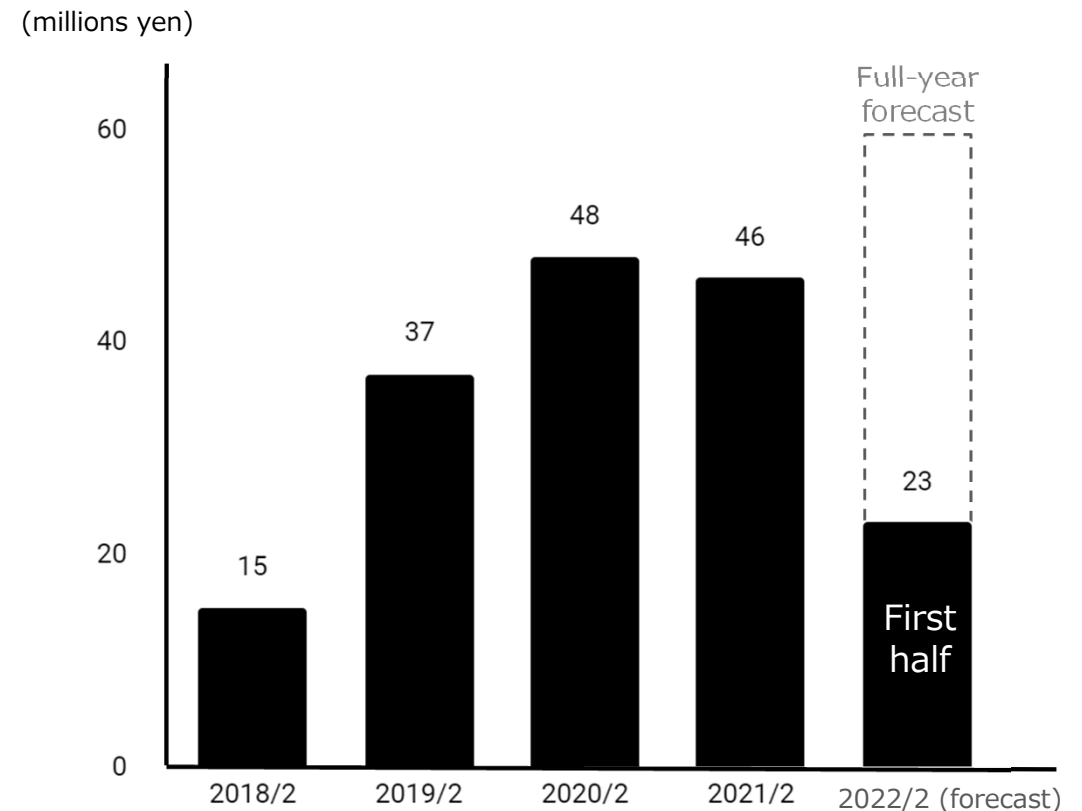
## Progress of proactive investment: Investing in talent

- Recruitment activities are recovering. Steady growth in transaction volume as productivity continues to improve
- Continue aggressive acquisition of talent after 3Q

**Number of officers and employees at the end of the term**



**Hiring cost**





## VQ earnings (before M&A expenses)

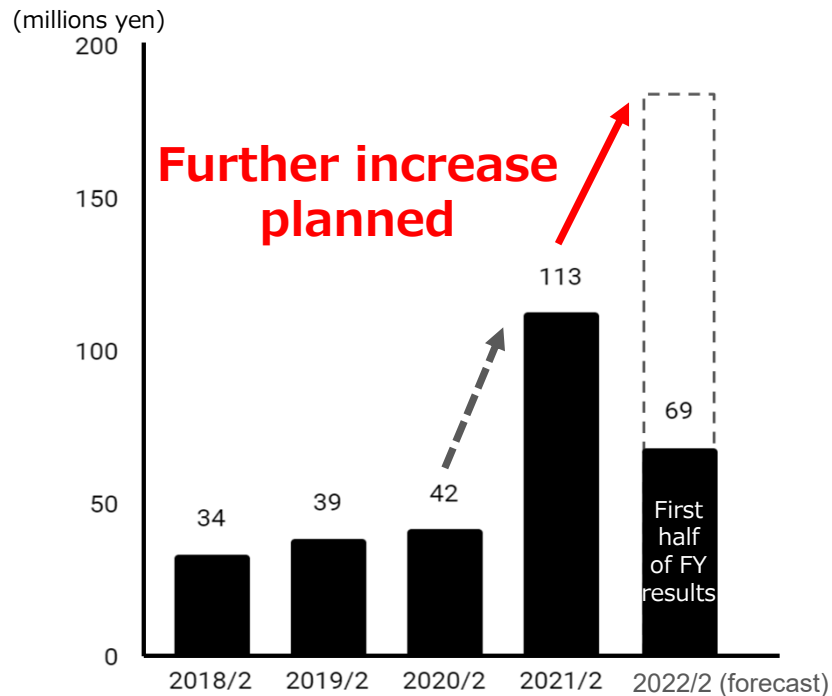
# Progress in aggressive investment: Investments into new account acquisition

- Increased awareness of services, reducing CPA while increasing advertising expenses
- Improved efficiency allows for an aggressive boost in advertising spending in the second half of FY.

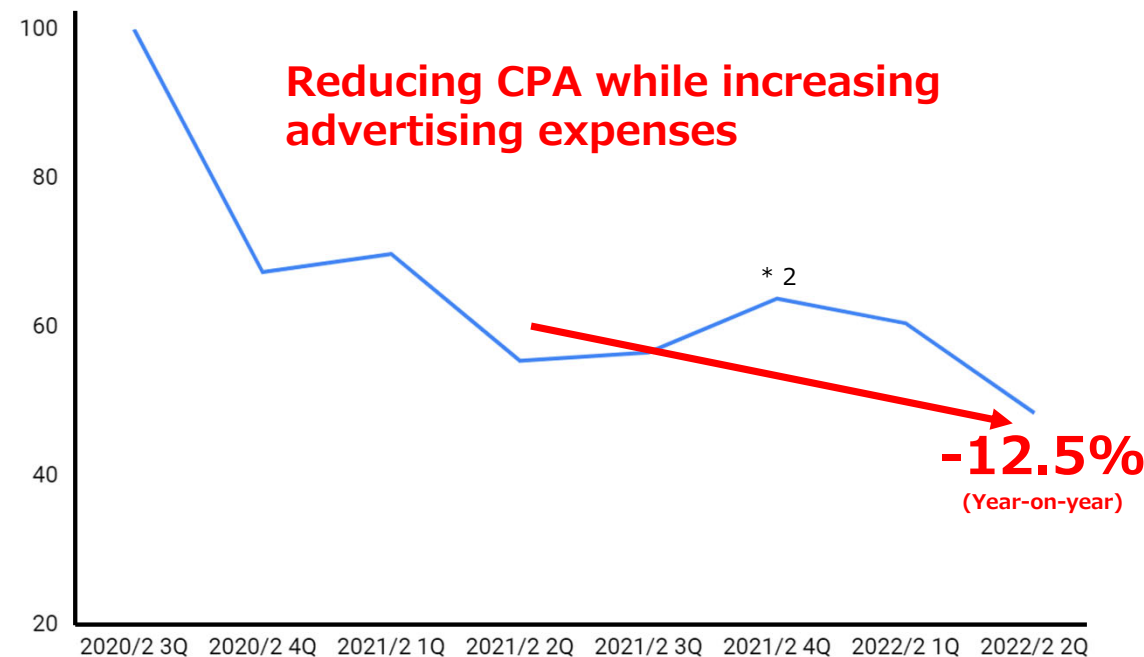
## Marketing activity flow (example)



## Advertising expenses



## CPA\*1



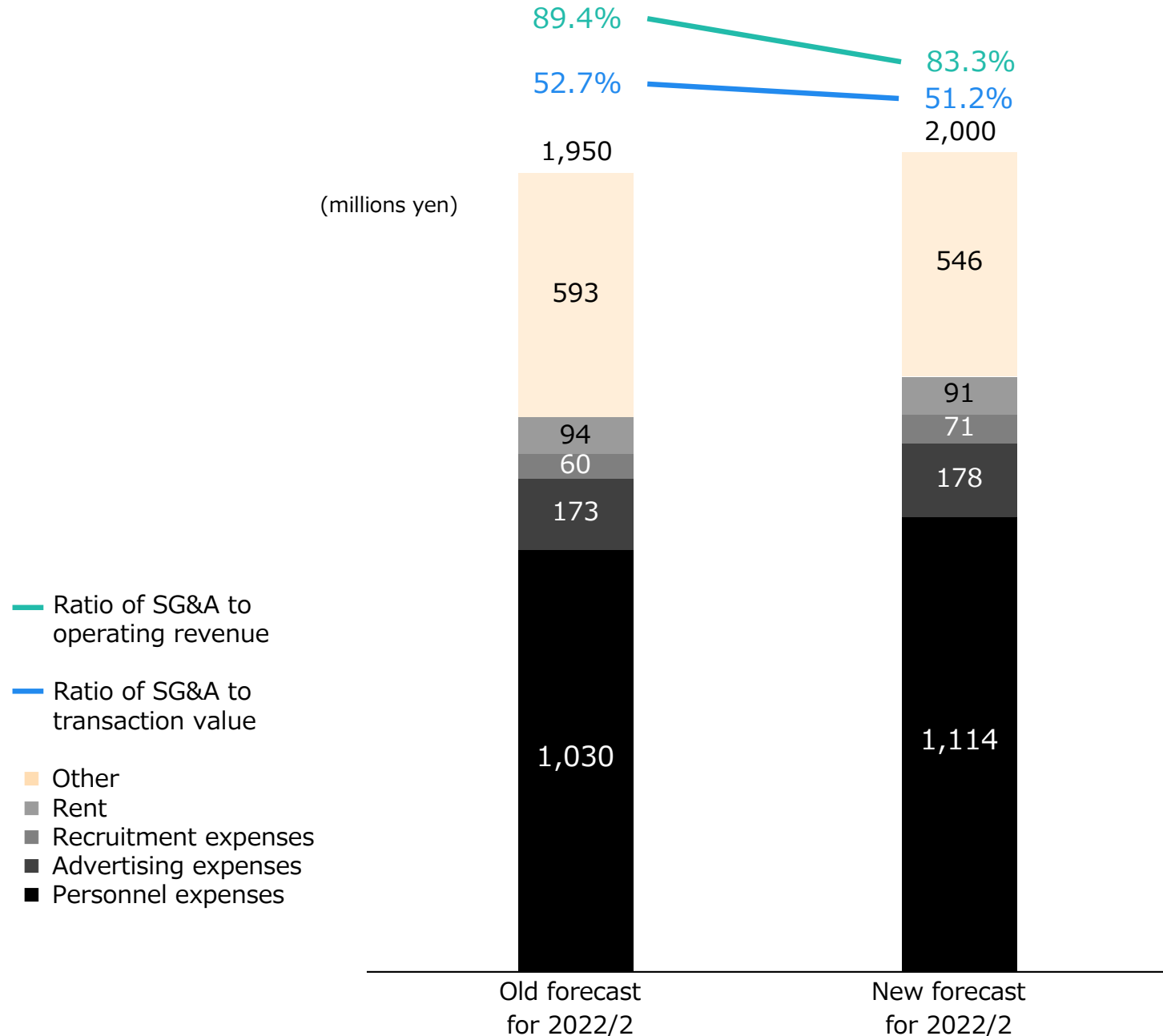
\* 1: CPA = Cost per Acquisition of new contract

Graph created using exponential values, with the value from 2020/2 Q3 as 100

\* 2: 2021/2 Q4 figures increased due to the conference held in February 2021.

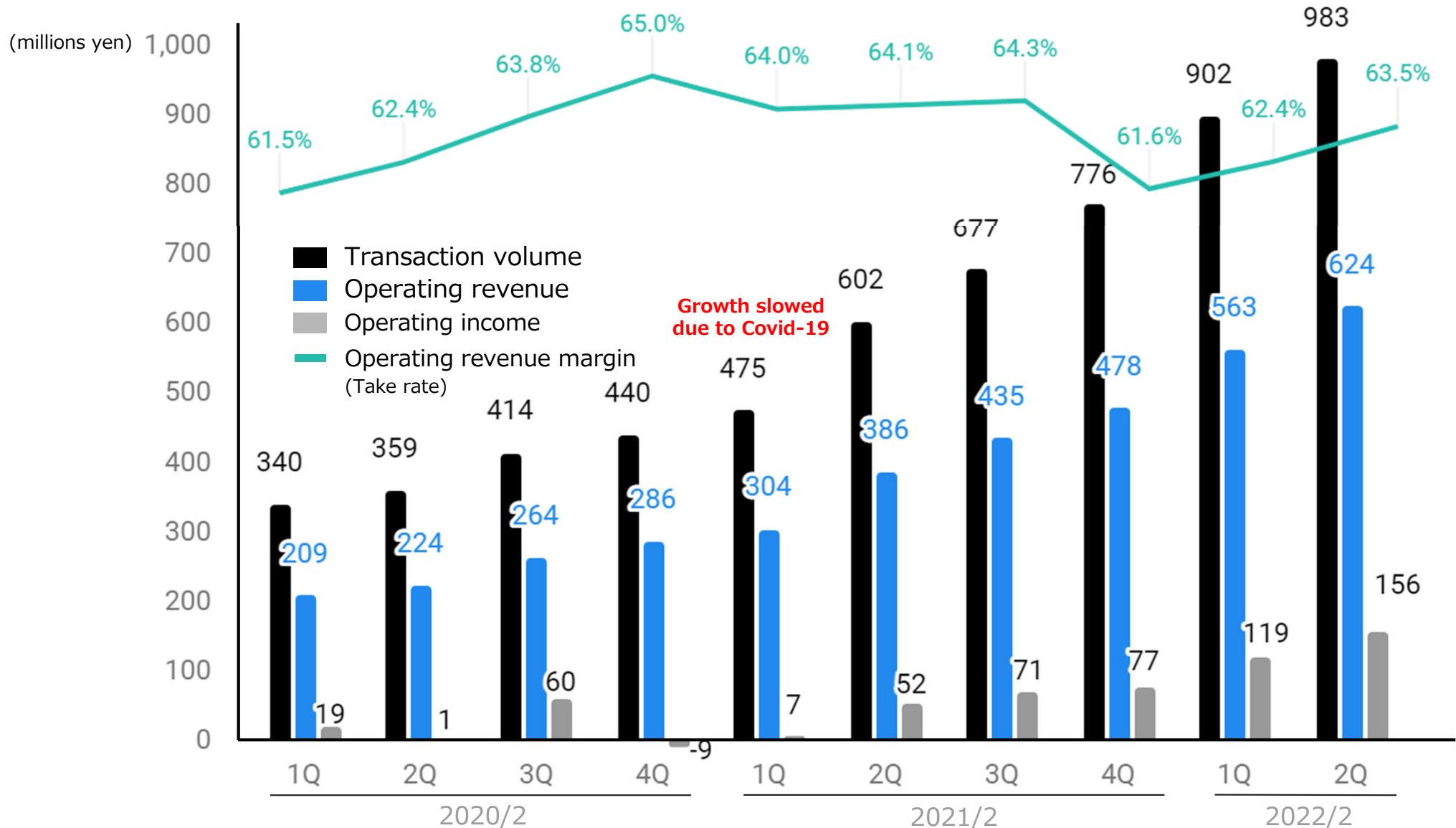
## SG&A expenses (Operating expenses)

- SG&A ratio were lower than forecast even after acceleration of investment.



## Trends in quarterly results

- Sustained expansion in earnings through the quarter. Take rate also increased steadily
- Booking of transaction volumes has been changed to “after discount” base. (p. 44-46)



## B) Performance of Coleman

Full-year performance on a merit basis

## Coleman full-year earnings forecast

- Expanded transaction volumes due to strengthening sales to consulting firms
- As the current period included a one-time profit, the operating income is estimated to be 1 billion yen on an actual value basis

Full-year earnings forecast  
(excluding one-time profit)

	Full-year earnings forecast (excluding one-time profit)	
(millions yen)	Forecast (Jan 2021 - Dec 2021)	Year-on-year (Jan 2020 - Dec 2020)
Transaction volume	<b>6,500</b>	+34.9%
Operating revenue	<b>4,550</b>	+42.0%
Operating income	<b>1,000</b>	+266.3%

\* Converted to Japanese yen assuming 1 USD = 110 yen

## C) Strength of the integrated platform (VQ + Coleman)

Combined performance-based full-year results  
Assuming Coleman's contribution on 12 month base

## Full-year earnings forecast: VQ + Coleman (12months basis)

- Transaction volume on a full-year basis is expected to exceed 10 billion yen in actual value
- After adjusting for M&A expenses and one-time profits, EBITA is 1.4 billion yen

### Full-year earnings forecast (Coleman: 12months basis)

	VQ (p.24, excluding M&A expenses)			Coleman*1 (p. 33)			Total	
(millions yen)	Forecast (Mar 2021 - (Feb 2022)	Year-on-year (Mar 2021 - Feb 2021)		Forecast (Jan 2021 - Dec 2021)	Year-on-year (Jan 2021 - Dec 2021)		Forecast (Mar 2021 - (Feb 2022)	Year-on-year*2 (Mar 2021 - Feb 2021)
Transaction volume	3,900	+54.0%	+	6,500	+34.9%	=	10,400	+41.5%
Operating revenue	2,400	+49.6%		4,550	+42.0%		6,950	+44.5%
EBITA*3	400	+92.3%		1,000	+677.0%		1,400	+315.3%

Effected by goodwill amortization  
is under calculation (p.38)

\*1 Coleman results have been converted to Japanese yen assuming 1 USD = 110 yen

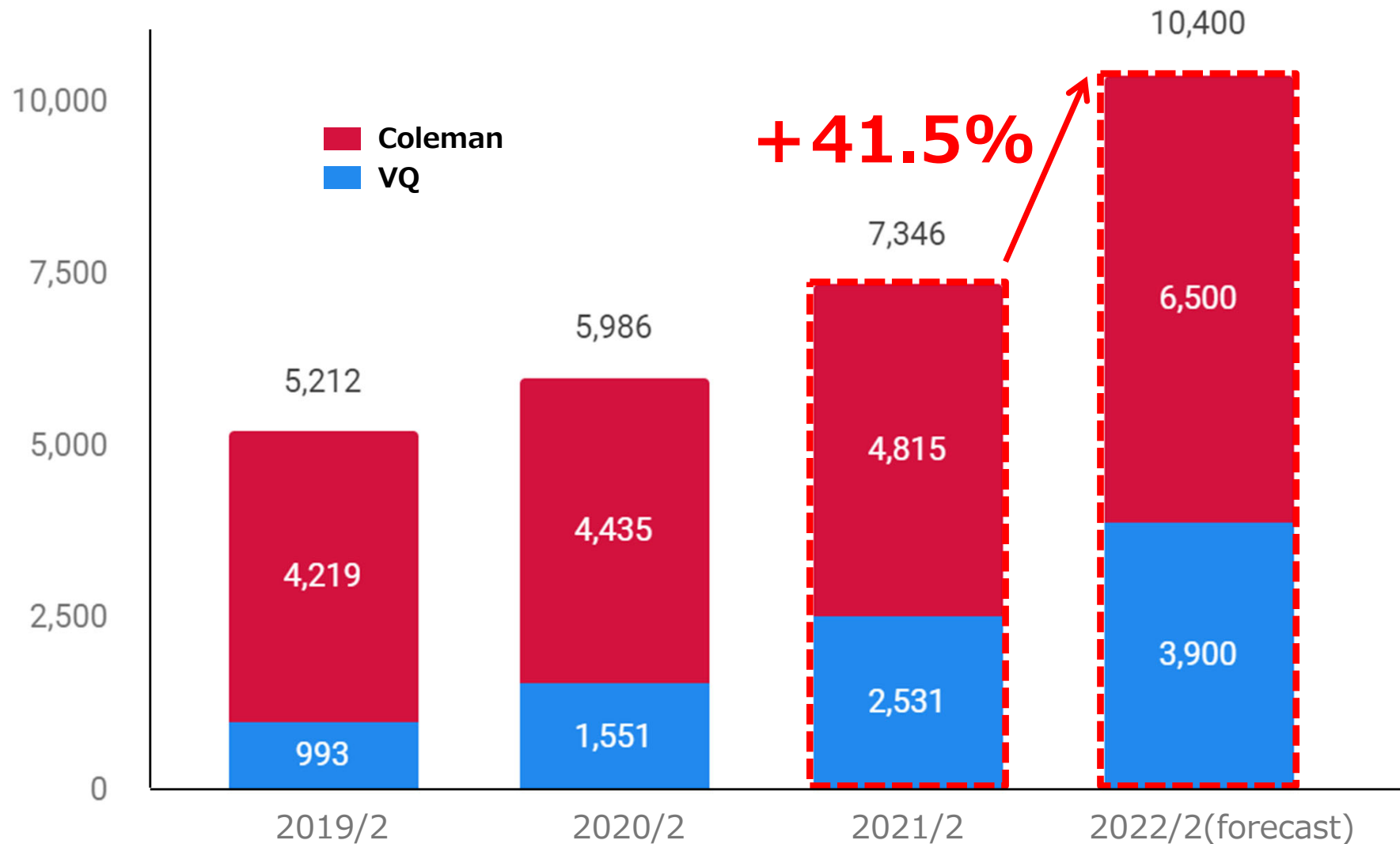
\*2 vs VQ result in 2021/2 + Coleman result in 2020/12 \*3=Operating income before goodwill amortization



## Trend of integrated platform

- VQ and Coleman both achieved strong growth

(millions yen)



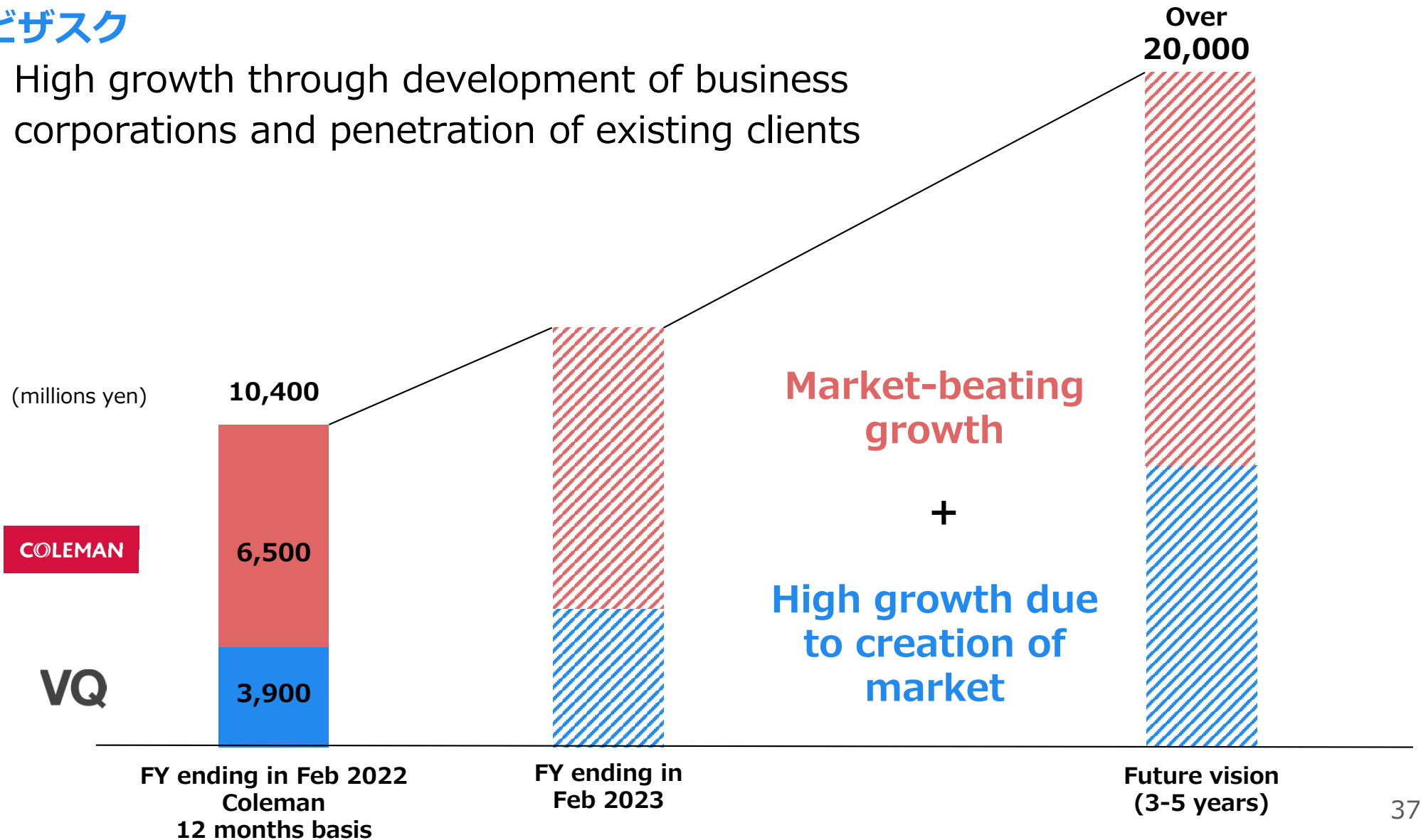
# Growth of integrated platform

- Coleman

Growth exceeding market due to stronger sales to consulting firms

- ビザスク

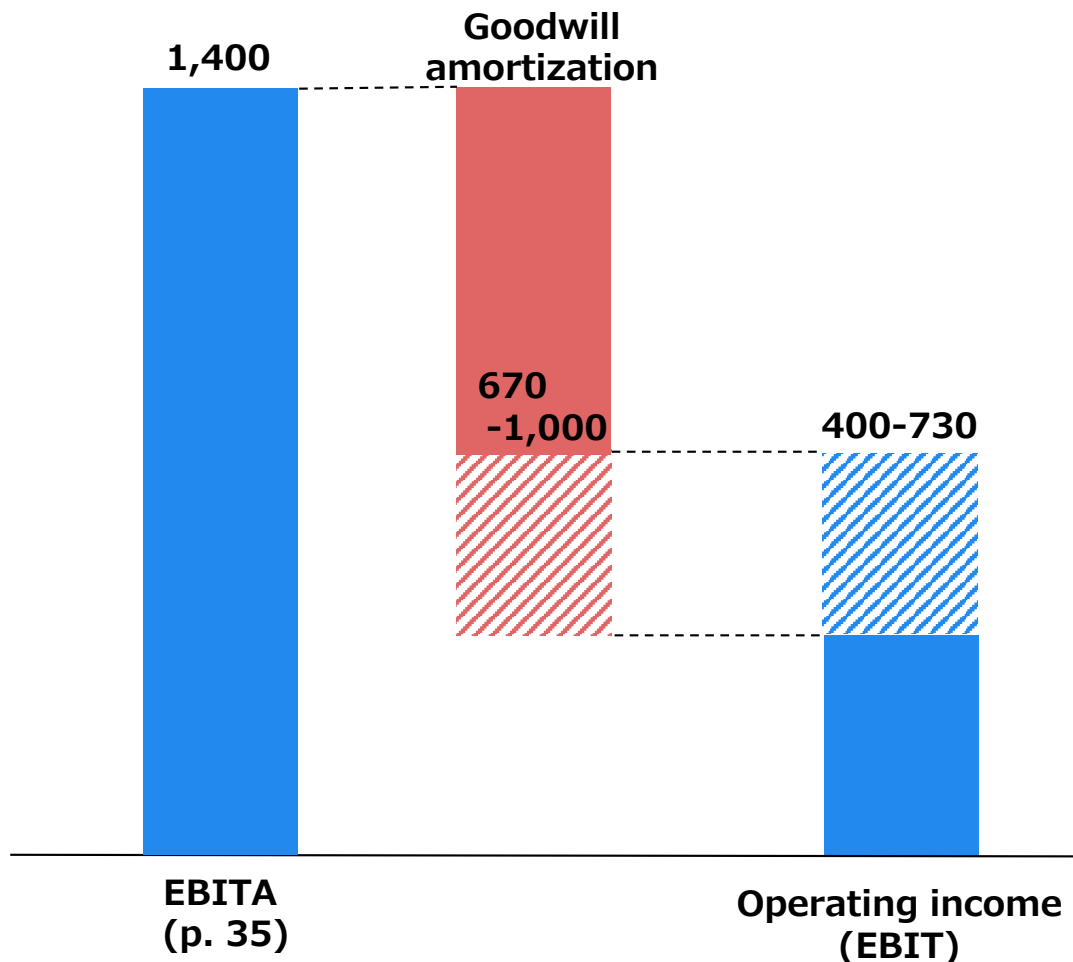
High growth through development of business corporations and penetration of existing clients



## Estimation of goodwill (including intangible assets)

- Goodwill amortization is assumed to be 670 - 1,000 million yen per fiscal year, but depends on audits
- **Set increase in EBITA as a management goal**, alongside growth in transaction volume

Full-year ending Feb 2022 (Coleman 12 months basis)



(Assumptions)

- Goodwill is estimated to be 10 billion yen
- The amortization period is supposed to be 10-15 years

\*Assumptions may change significantly depending on the results of future audits, etc.

## **D) Consolidated Forecasts on an accounting basis**

Coleman's contribution is only in the fourth quarter

## Fiscal years of Coleman and VQ

- The fiscal year of VQ and Coleman differ by 2 months
- For the current FY, with the deemed acquisition date of Coleman being the beginning of October, consolidation is scheduled for Q4 only.
- From FY2022, Coleman's earning will fully contribute

Fiscal year ending Feb 2022 (FY2021)

Q1	Q2	Q3	Q4
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Fiscal year ending Feb 2023 (FY2022)

Q1	Q2	Q3	Q4
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**Coleman**

Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
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For the current FY, only Q4 will be consolidated

Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
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2-month  
difference

**VQ**

Mar-May	Jun-Aug	Sep-Nov	Dec-Feb
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Mar-May	Jun-Aug	Sep-Nov	Dec-Feb
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# Full-year earnings forecast: VQ + Coleman (Q4 only)

- On accounting base, Coleman will be consolidated for Q4 only.

Full-year forecast (Coleman consolidated for 4Q only)

	VQ (p. 24, excluding M&A)			Coleman*1 (Q4 only)			Total			Total	
(millions yen)	Forecast (Mar 2021 - (Feb 2022)	Year-on-year (Mar 2020 - Feb 2021)		Forecast (Oct 2021 - Dec 2021)	Year-on-year		Forecast (Mar 2021 - (Feb 2022)	Year-on-year*2 (Mar 2020 - Feb 2021)		Forecast (Mar 2021 - Feb 2021)	Year-on-year*2 (Mar 2020 - Feb 2021)
Transaction volume	3,900	+54.0%	+	1,480	-	=	5,380	+112.5%		5,380	+112.5%
Operating revenue	2,400	+49.6%		1,000	-		3,400	+111.9%		3,400	+111.9%
EBITA *3	400	+92.3%		125	-		525	+152.4%		△250	-

Temporary expenses

M&A related expenses

Approx. [800] million yen

Effect by goodwill amortization is under calculation

\*Only portion from Q4 will be recorded in accounts(p.38)

\*1 Coleman results have been converted to Japanese yen assuming 1 USD = 110 yen

\*2 vs VisasQ result in 2021/2 \*3=Operating income before goodwill amortization

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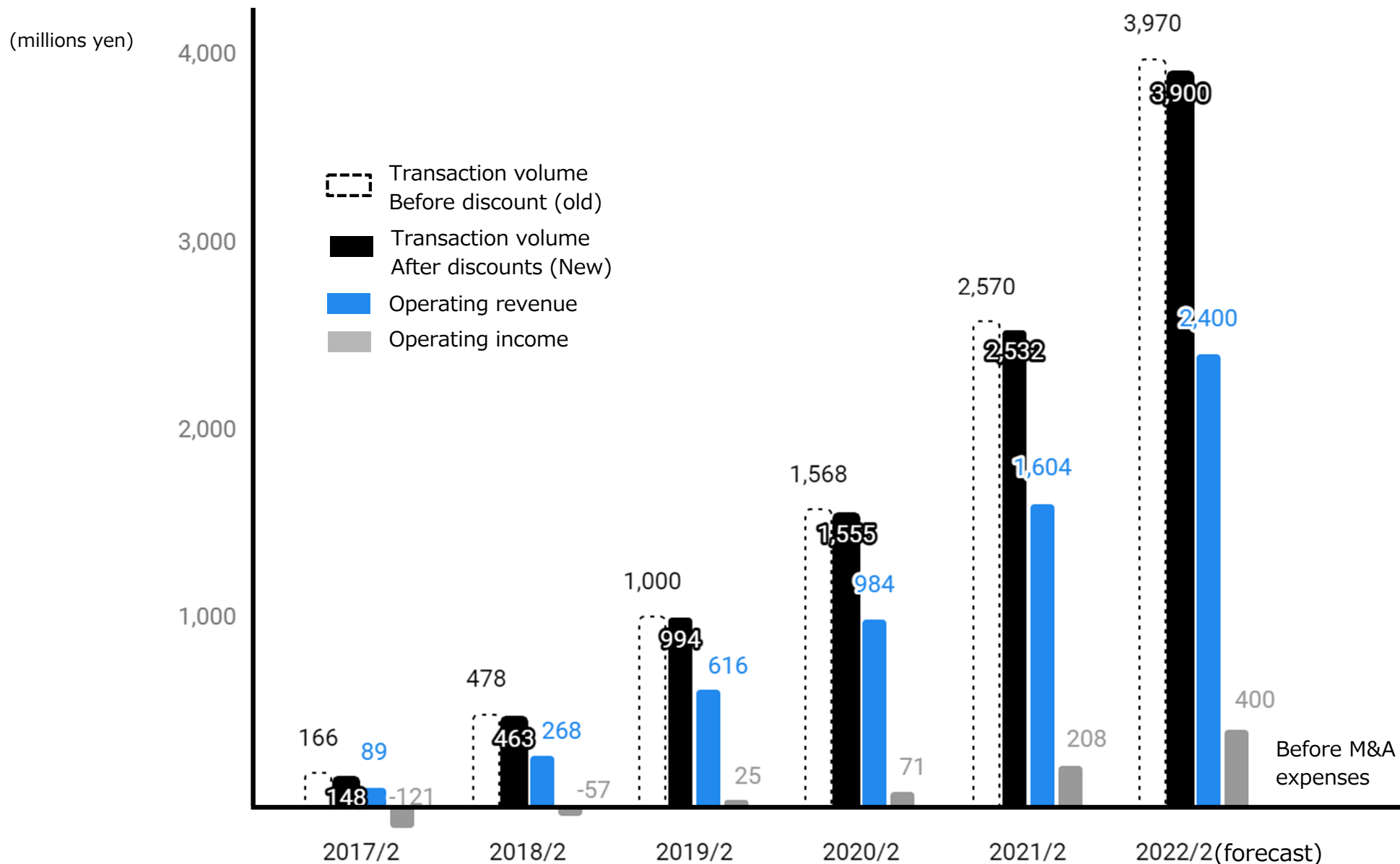
# Company profile

Company name	VisasQ Inc.
Location	4-7-7 Aobadai, Meguro-ku, Tokyo Sumitomo Fudosan Aobadai Hills 9F
Date of establishment	Mar 2012
Business content	Operation of knowledge platform specialized in business fields
Representative director and CEO	Eiko Hashiba
Number of executives and employees	175 (as of September 2021)
Number of shares	Total outstanding shares: 8,851,250* After fully diluted base: 12,212,037

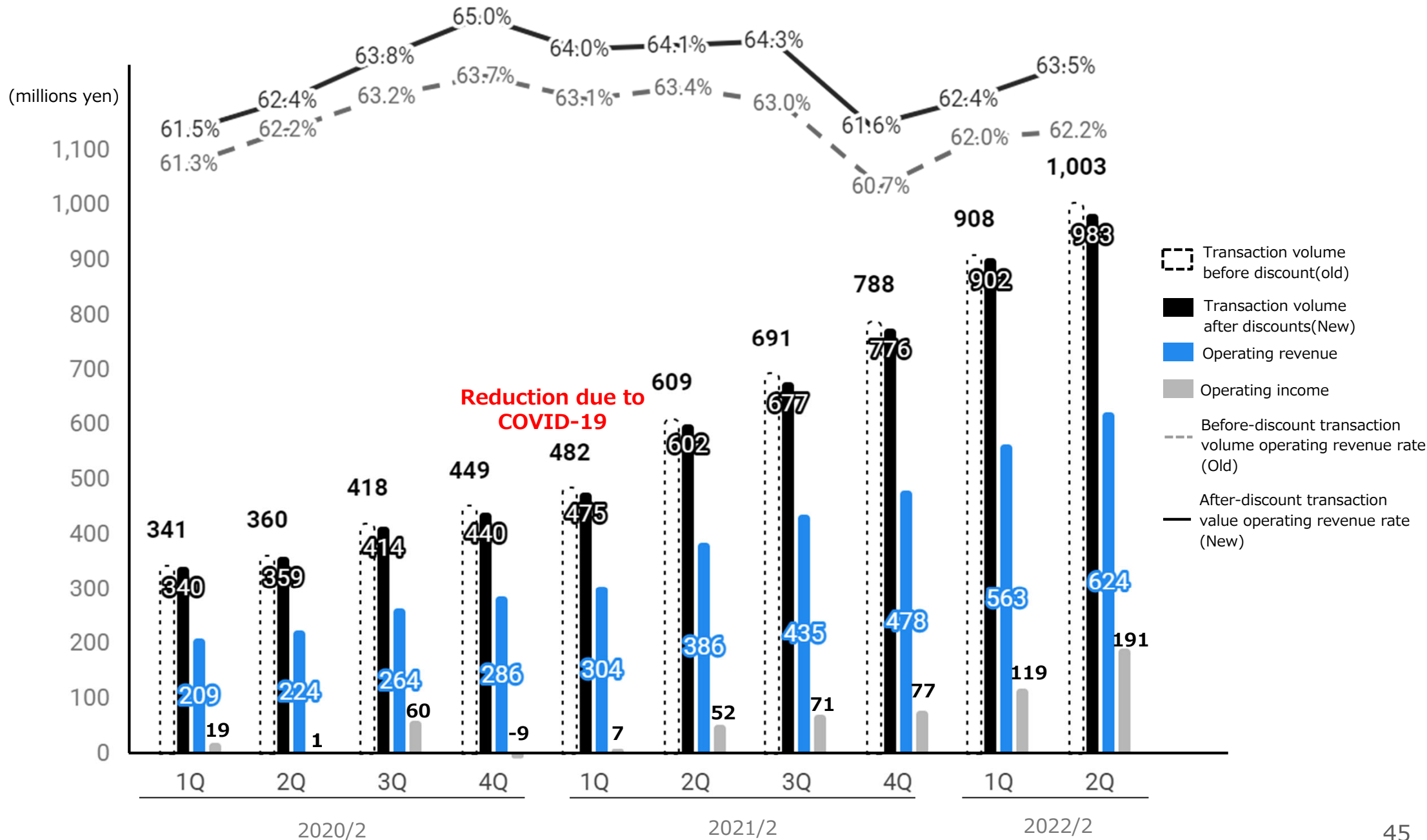
\* As of August 31, 2021

## Trend in results (Only VQ group)

- Expanding competitive advantage as Japan's leading knowledge platform

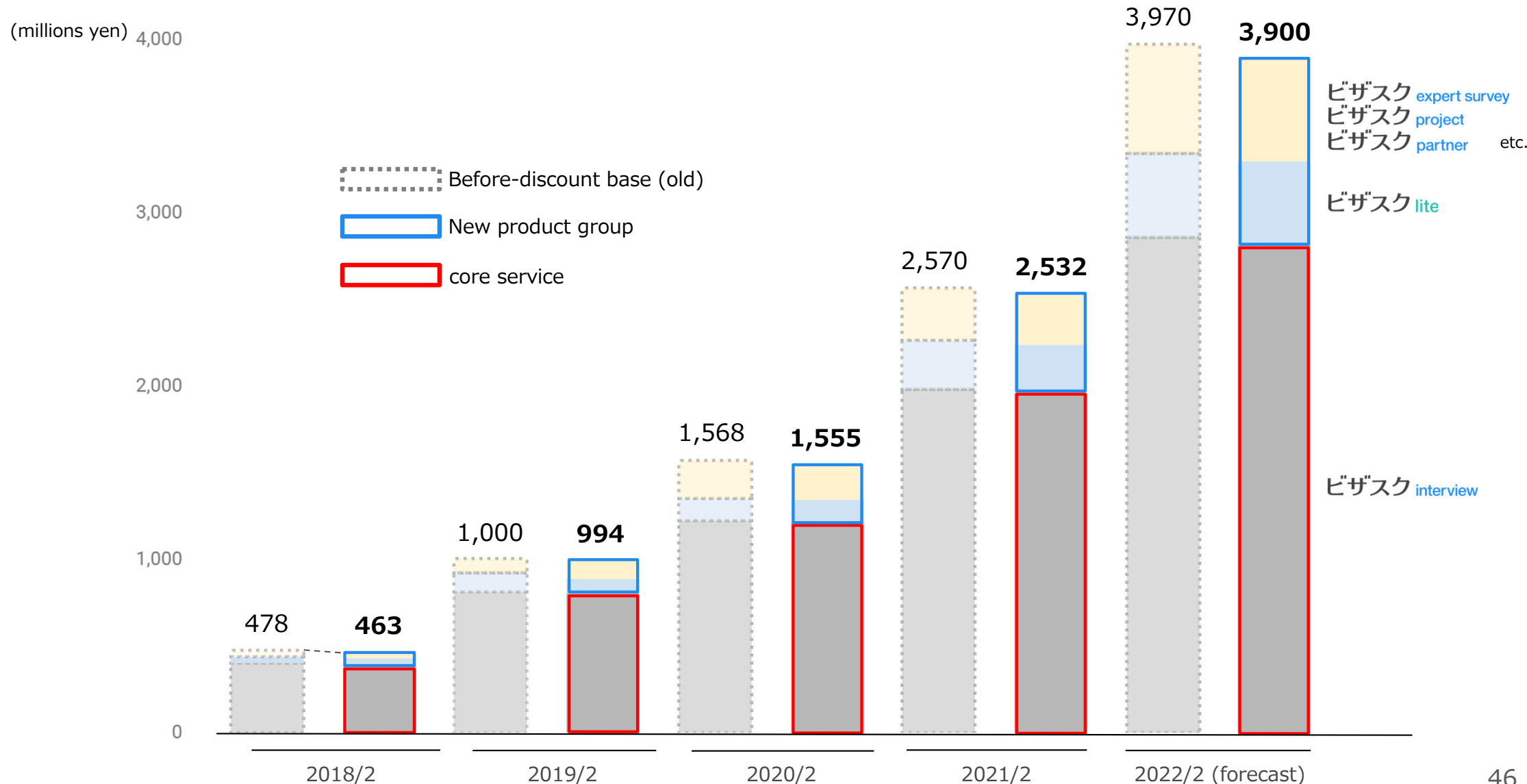


# Trends in quarterly results (Only VQ group)



## Progress by product: Multi-layered revenue sources

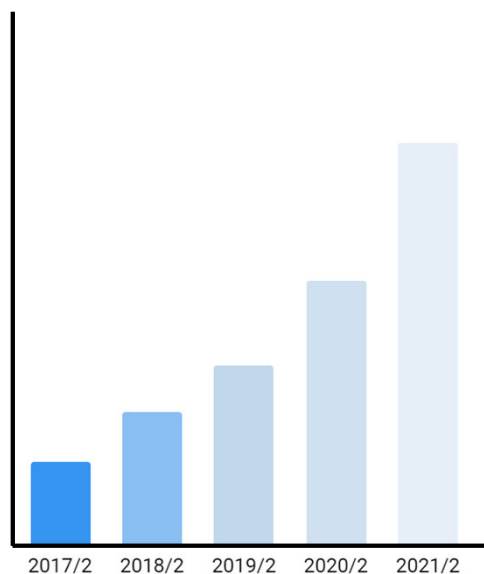
- Expansion of both core service and new products
- New product group contributed to growth through utilizing knowledge DB



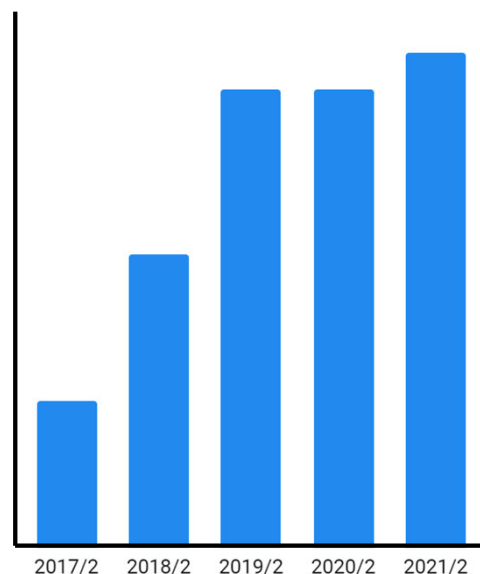
# Recurring revenue model

- In addition to building up existing clients, acquire new clients each period
- Advance expansion of usage, grow transaction per account among existing clients
- Build a recurring revenue model to add revenue for each level of client

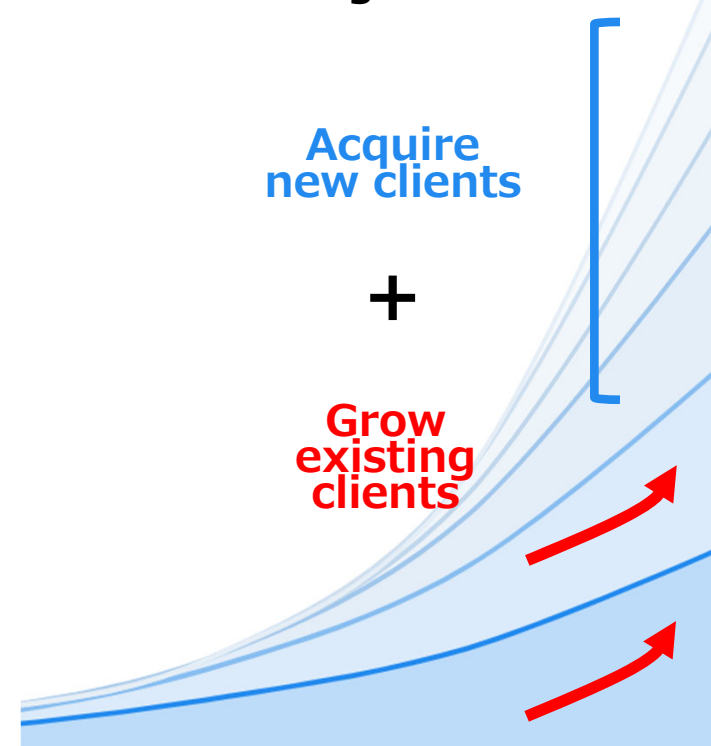
Growth in corporate client accounts



Growth in transaction per account



Build recurring revenue model



# Management team



## Representative director and CEO Eiko Hashiba

After graduating from the University of Tokyo, she worked at Goldman Sachs Securities and L'Oréal Japan and then studied at MIT, where she obtained an MBA. She launched VQ after spending five years in a buyout investment at Unison Capital, a domestic investment fund.



## Director and CFO Toru Yasuoka

After graduating from the University of Tokyo, he worked for JP Morgan. Then he joined Unison Capital, a domestic investment fund, where he was involved in buyout investment for 14 years and realized improved value as a director at the investee companies. At VQ, he oversees all finance operations.



## Executive Officer and Corporate Group Head Yurika Imuta

After graduating from Keio University, she worked in internal auditing at JP Morgan Securities in New York and Tokyo for eight years. She then was in charge of marketing in the Asset Management Department. She joined VQ in January 2016. After leading the systemization as General Manager of the Business Division, she became the executive officer in charge of compliance, was appointed head of the FIG Business Division, and currently oversees the corporate business.

## Executive Officer and VPoP Yoshiyuki Tanaka

After graduating from the Tokyo Institute of Technology, he joined Dai Nippon Printing Co., Ltd., where he researched and developed natural language processing technology and launched photo-sharing SNS. After that, he worked as a project manager for native application development at GREE and then joined VQ in April 2017. Oversees product and design group.

## VPoE Yoshiyuki Tsurukai

After graduating from a vocational school, he gained experience at several independent SIers as an engineer and project manager. After that, he became an executive development officer at Willgate, engaging in product development with a focus on organizational management. He joined VQ in January 2020.



## Director and COO Hidetoshi Uryu

After completing graduate school at the University of Tokyo, he joined Goldman Sachs, where he was involved with advisory services relating to M&A/finance for many technology companies, both domestic and overseas, and then joined VQ. He is responsible for overseas expansion and is scheduled to take up the position of CSO at Coleman research.



## Executive Officer and Enterprise Business Division General Manager Ryo Tanaka

After graduating from Waseda University, he worked at Sumitomo Corporation in chemical trading and then at a recruiting and personnel consulting company, whereafter he joined VQ in July 2015. After being tasked with launching various services such as recruitment and CS, he oversaw all services for corporate clients.



## Executive Officer and PF Business Division General Manager Takeshi Shichikura

After graduating from Hitotsubashi University, he was involved in regional economic surveys and long-term financing for medium-sized and large companies at the Development Bank of Japan and venture investment at DBJ Capital. He joined VQ in May 2016 and became head of the FIG business division, whereafter he was tasked with overseeing the PF Business Division.

## Executive Officer CEO's Office, VQ lite Business Division General Manager Yu Miyazaki

He joined Recruit HR Marketing, starting in sales and new business development, and then working as a manager of the Corporate Planning Division of Recruit Holdings and Recruit (formerly Recruit jobs). He joined VQ in March 2019 and is now the General Manager of the CEO's office. From December of the same year, he also started serving as the general manager of the VQ lite division.

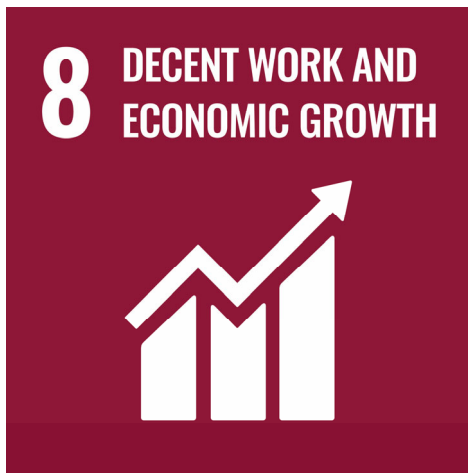


# VQ History

March 2012	walkntalk Co., Ltd. Established
December 2012	‘VisasQ’ beta version operation started
October 2013	‘VisasQ’ officially released
November 2014	Changed trademark to ‘VisasQ’
December 2016	Entrusted with comprehensive support project for the Teijin "One Teijin Award" (The first project of the current VQ project)
April 2017	Inauguration of dedicated overseas response team "VQ Global"
January 2018	Launched "VisasQ expert survey," a web survey for B2B
February 2018	Received the Female Entrepreneur Award (Minister of Economy, Trade, and Industry Award) at the 4th "Japan Venture Awards“
June 2018	Selected as a "J-Startup" company by the Ministry of Economy, Trade, and Industry
June 2019	"VisasQ web exhibition" released
August 2019	Full support format "VQ," self-matching format "VisasQ lite," English name of the service changed to "VQ" to strengthen global support
December 2019	Established a representative office in the Republic of Singapore
January 2020	Began supplying a team plan in the self-matching format "VisasQ lite"
April 2020	Established a local corporation "VisasQ SINGAPORE PTE. LTD" in the Republic of Singapore
December 2012	"VisasQ board” released
January 2021	Renamed "VisasQ Business consignment" as "VisasQ partner"
November 2021 (scheduled)	Acquisition of Coleman Research Group, inc.

## VQ and SDGs

# SUSTAINABLE DEVELOPMENT GOALS



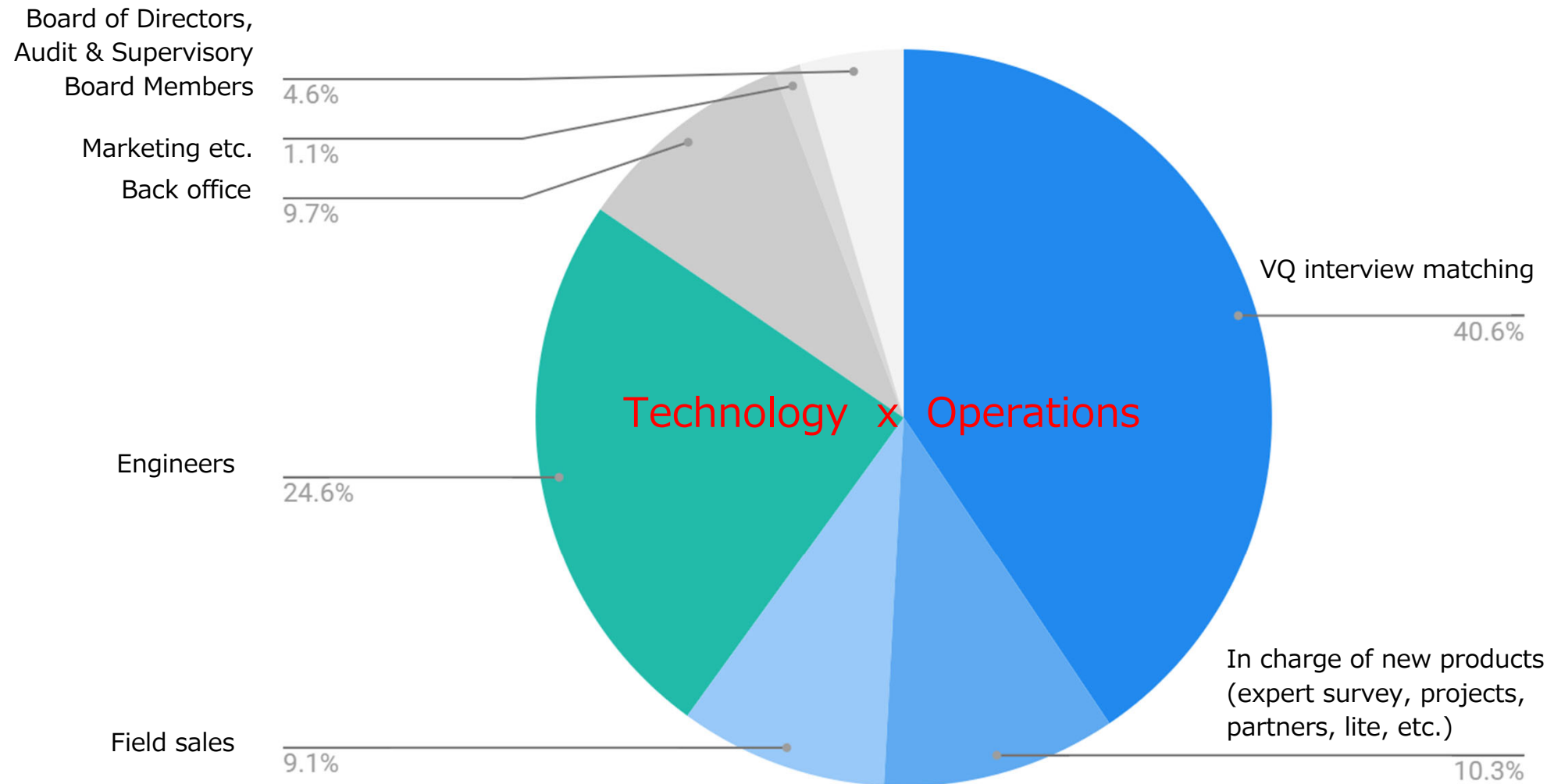
By connecting the knowledge of advisors to various needs, we maximize the value of knowledge.

We enhance innovation across the globe by aggregating and sharing the knowledge of people beyond foundries of organization, generation and regions.



## Makeup of employees

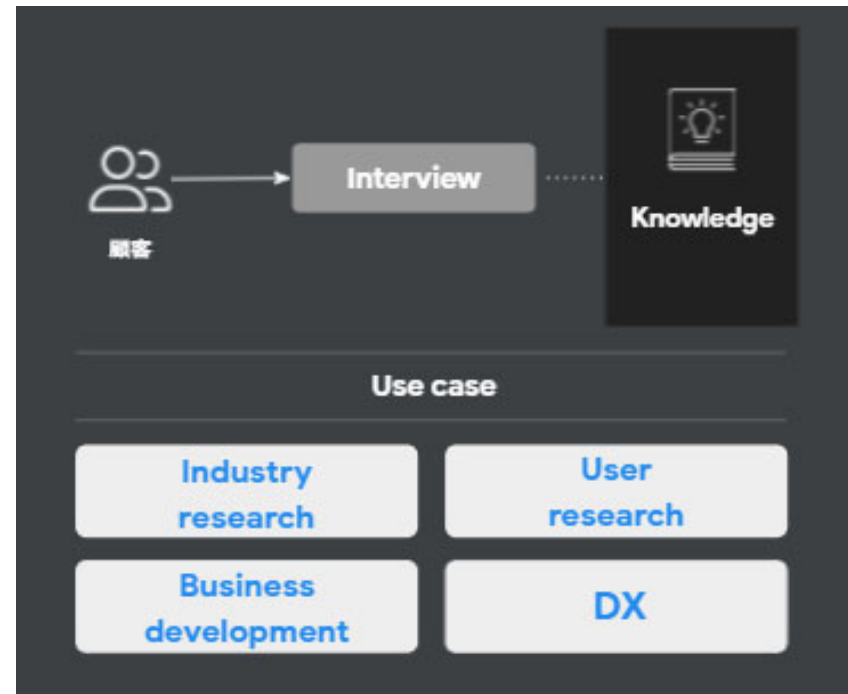
- Engineers make up nearly 25%
- A sophisticated and productive organization, with technology x operations



## Expert network service (ENS) for research needs



Expert Network Service...it is a matching service of expert interview for research or consultation needs



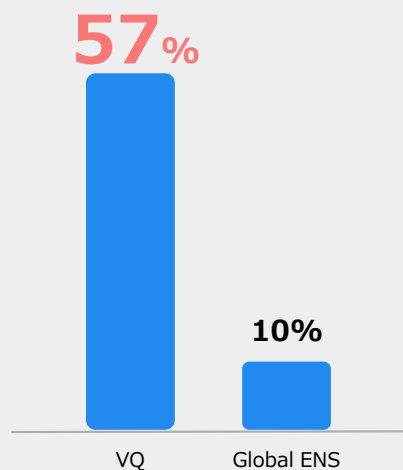
# The leading ENS in Japan

**Client base where  
half are corporations**

**Sophisticated Operations  
realized by  
People x Technology**

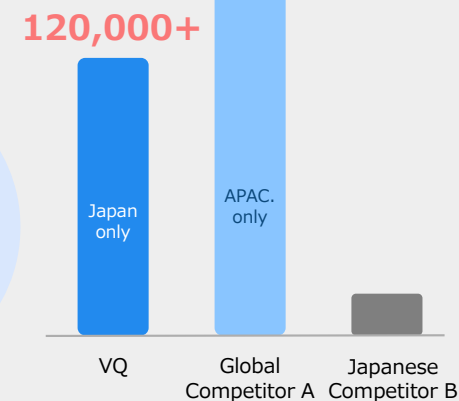
**Overwhelming scale of  
Japanese advisor database**

Percentage of Corporations  
among total clients

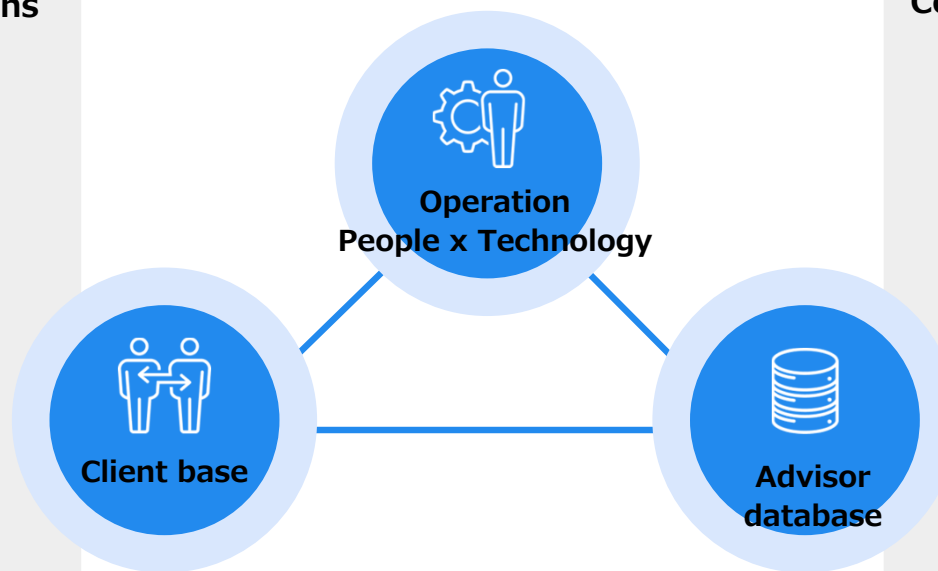


※Source : Inex one

Comparison of the number of  
advisors



※Number of registered advisors : as of May 2021

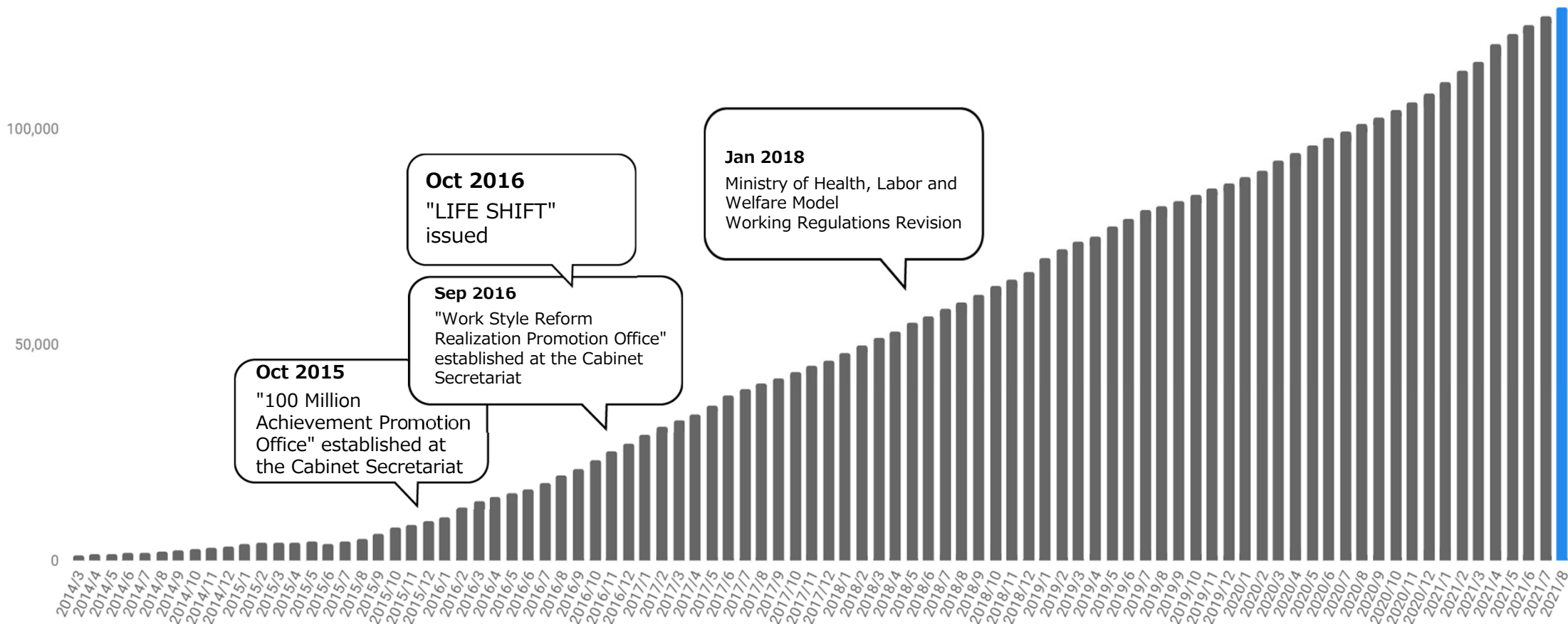


# Increasing the number of advisors to enhance the database

- Advocating for new opportunities for individuals from the dawn of "work style reform"
- Over 160,000 people have registered worldwide all industries and occupations

(persons)  
150,000

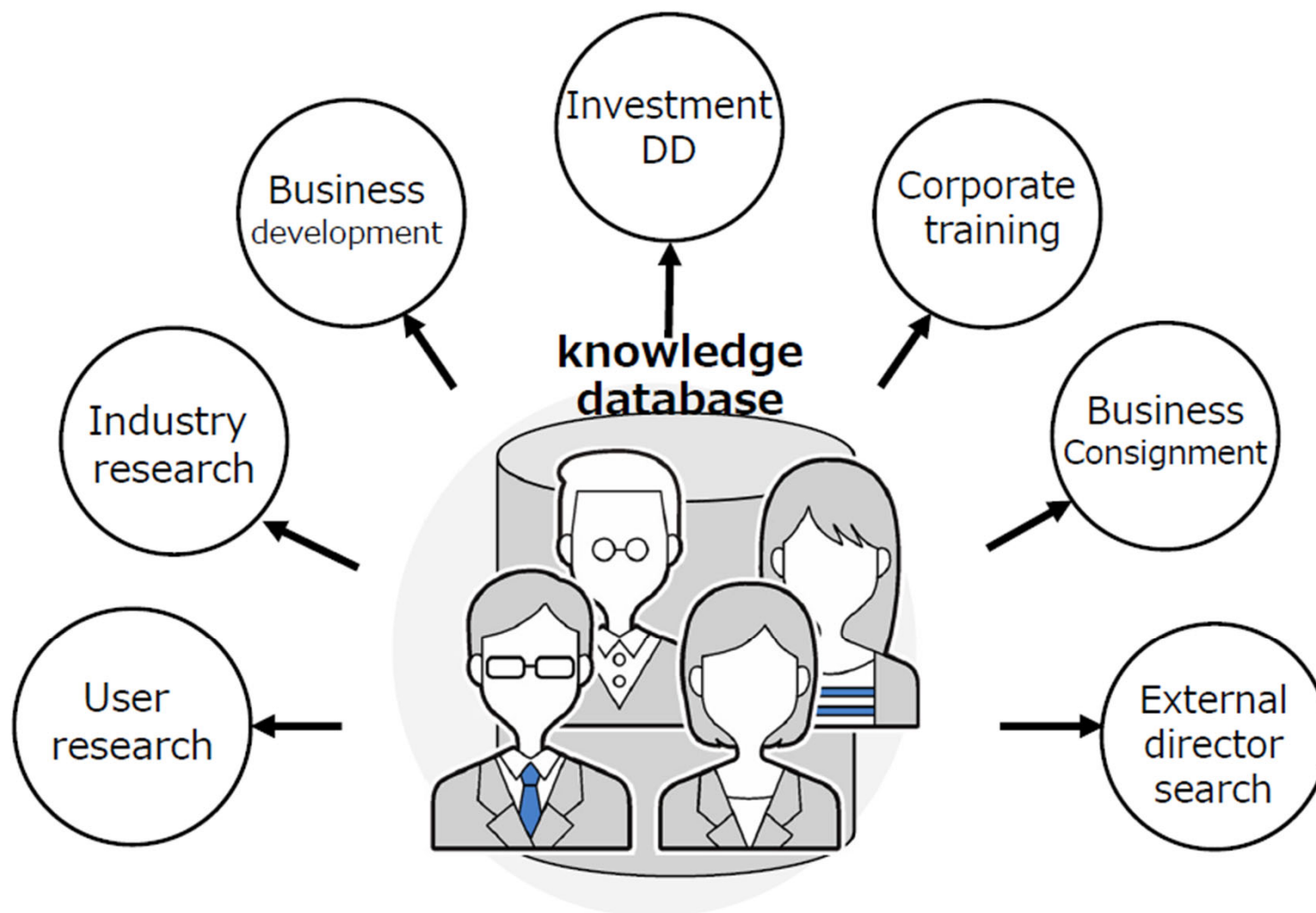
## Fluctuation in the number of domestic registrants



\* Calculated as of August 31, 2021. Excludes withdrawn subscriptions as of the end of each month. "Number of domestic registrants" is the total number of people registered on our Japanese website. Domestic registrants are divided into individuals who provide knowledge (advisors) and individuals who request this (requesters using VQ lite. This also includes individuals who belong to a corporation that has signed a contract to use VQ lite and are listed in the contract). Any registrant can act as an advisor in the full support format "VQ" and the self-matching format "VQ lite" and can use the "VQ lite" as a requester.

# Development as a general knowledge platform

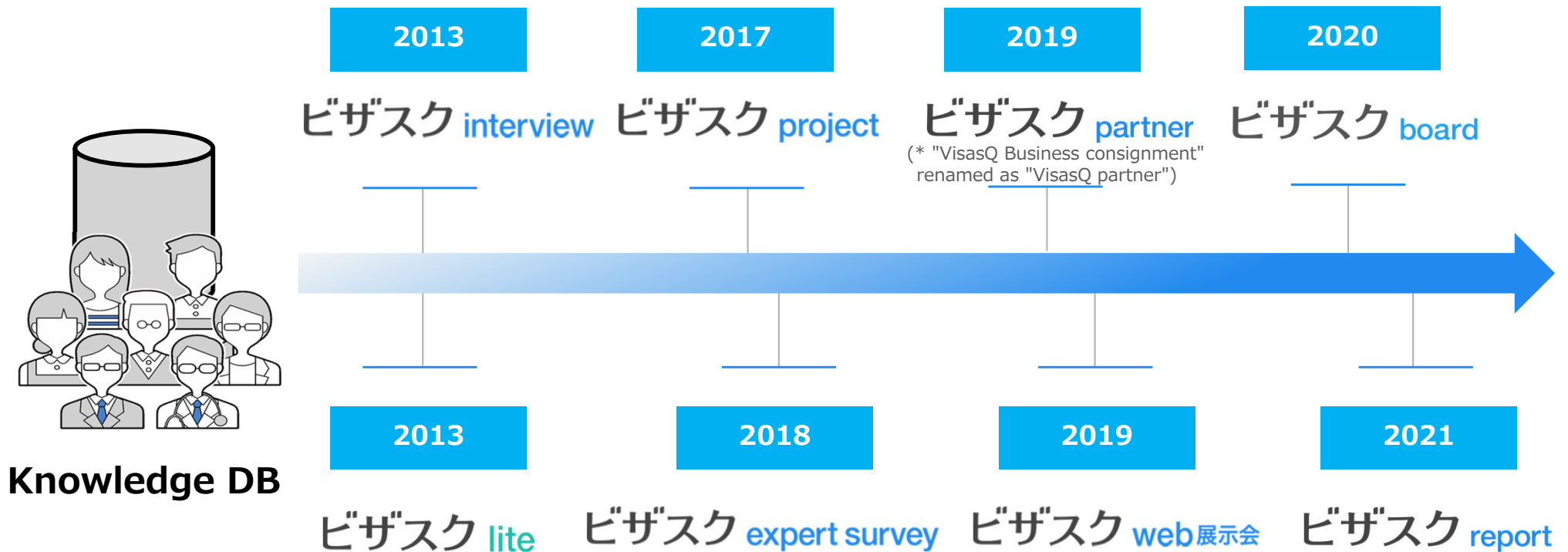
- Covering all knowledge needs, with knowledge database as core value



**Advisors**  
**Over 160,000** \* As of August 31, 2021

# Service developed based on Knowledge Database

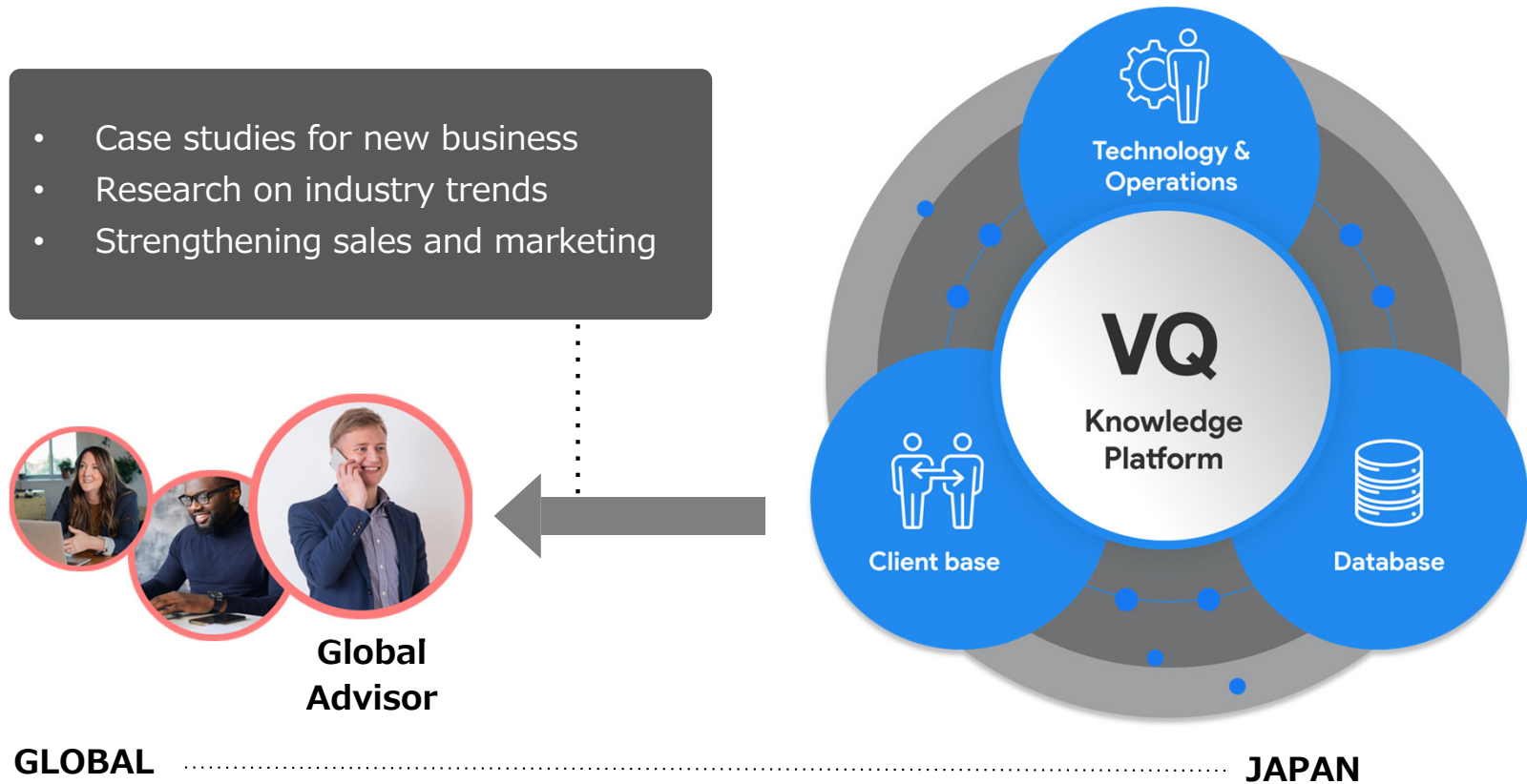
- Knowledge Database is the source of VQ's added value
- New products will be developed while continuing to offer VQ interviews as a core service.



# List of services

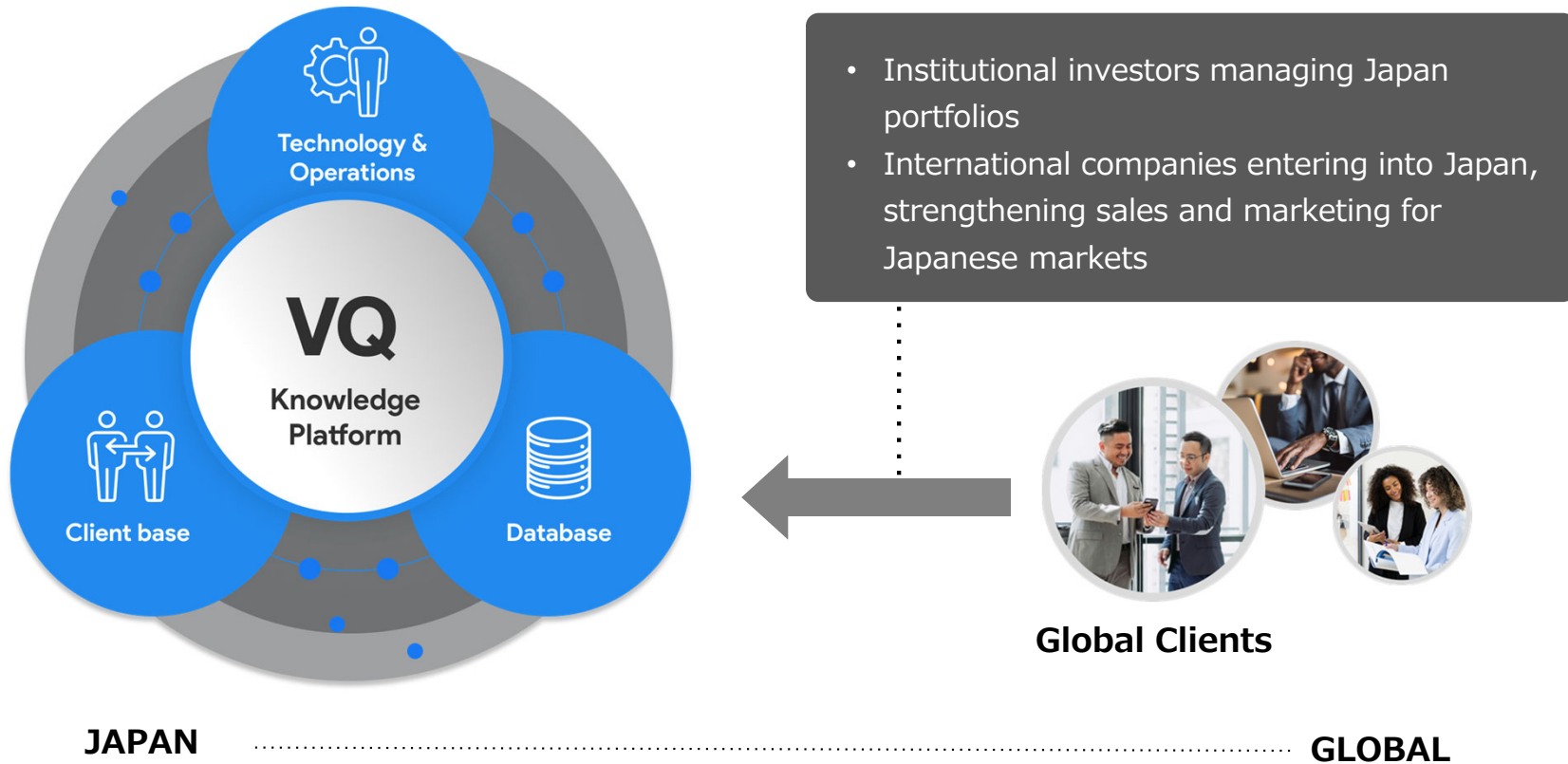
	Content		Client	rate	
Full support	ビザスク interview	Face-to-face interviews/teleconferencing in 1-hour units Full support by VQ members	Corporate clients  Professional firms (Consulting companies and financial companies)  Overseas clients	Overall 60%+	Depends on service or case
	ビザスク project	Supporting an internal business proposal system while utilizing the knowledge of an advisor			
	ビザスク expert survey	An online questionnaire survey in specific areas of BtoB			
	ビザスク partner	Support from a wide range of advisors with flexible time settings			
	ビザスク web exhibition	"Call for ideas" solicited from all registered advisors			
	ビザスク board	Matching of external directors, auditors			
	ビザスク report	Comprehensive support from survey design to desktop search, interviews and report creation			
Self	ビザスク lite	Face-to-face interviews/teleconferencing in 1-hour units Self-matching on the web	Individuals  Startups etc.		30%

# Client needs for global insights





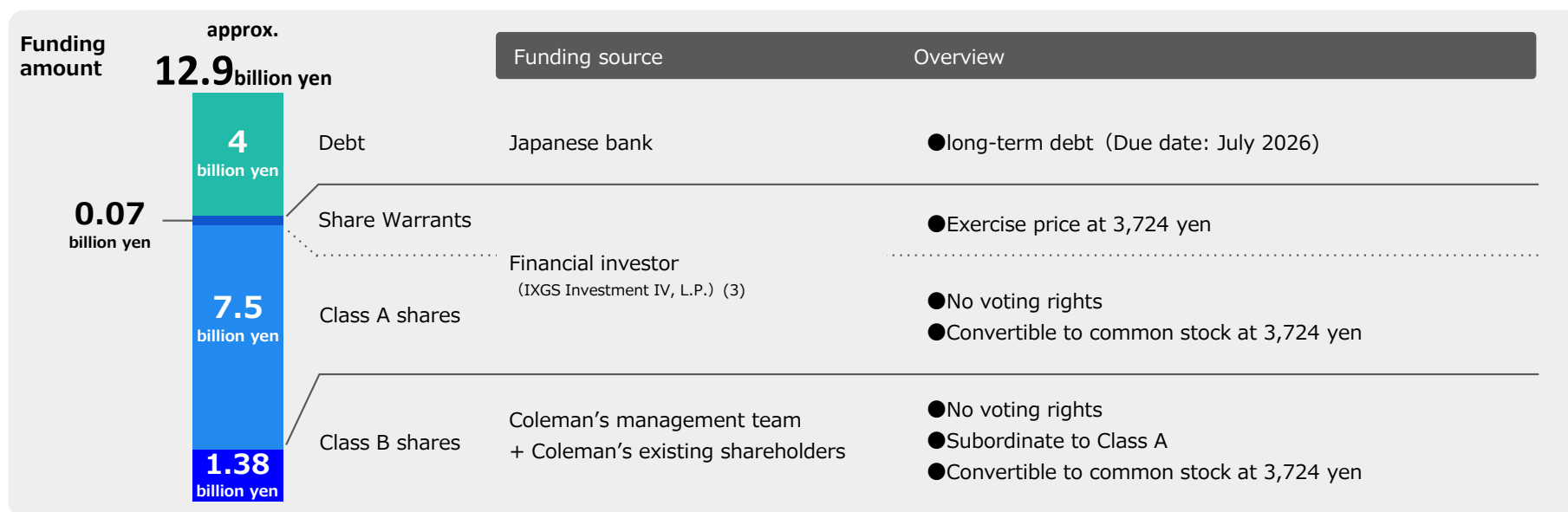
# Client needs for insights about Japan



# Overview of Acquisition Consideration and Financing

- Well-balanced financing through debt financing and class shares
- Third-party allotment was chosen as it was necessary to fund simultaneously with M&A
- Transaction volume will increase approximately 3 times more at simple sum while dilution of shares are limited to approximately 33%

Acquisition Consideration USD **10.2MM**(approx. 11.2 billion yen) <sup>(1) (2)</sup>



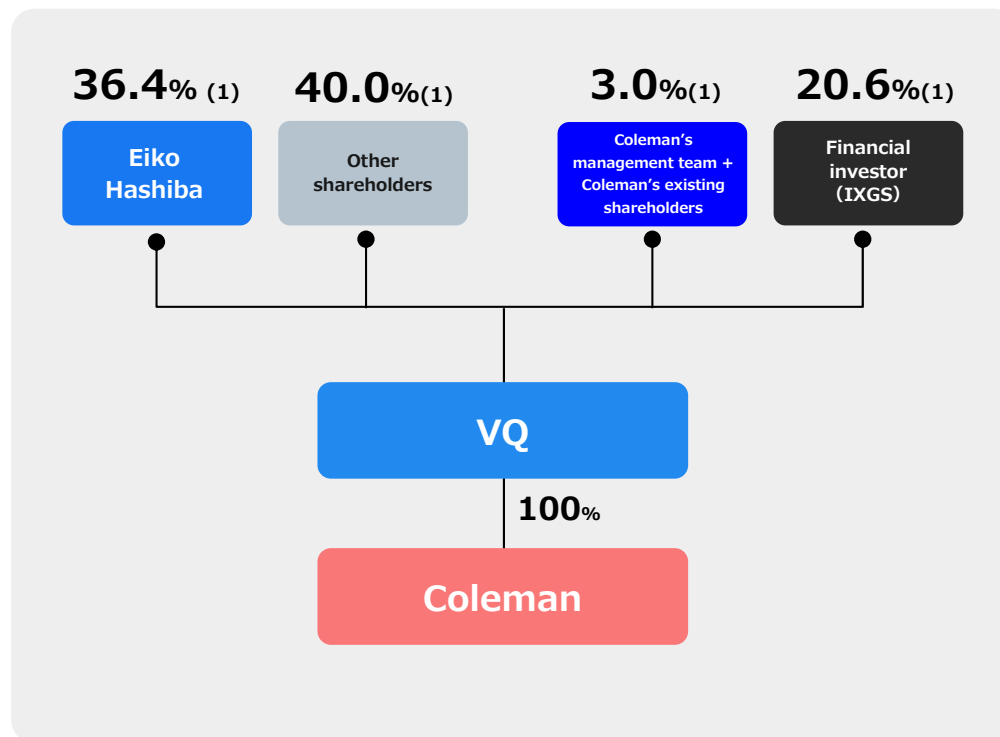
1.Calculated at 1 USD = JPY110

2.Calculated the estimated amount of the net cash value at the time of closing with the enterprise value of Coleman at 103.35 million USD

3.Special purpose vehicle funded by funds serviced by Advantage Advisors, Inc.

# Post-acquisition organization and shareholder structure

- Coleman's existing shareholders remain committed to management.
- Work with existing stakeholders to achieve value enhancement.



- Ms. Hashiba will continue to be the largest shareholder and lead the group.
- Coleman's management team is responsible for enhancing value in the United States.
- Founder and CEO Mr. Coleman will reinvest in VQ and join the board of directors of VQ (subject to approval at the extraordinary general meeting of shareholders)
- Financial investors have a long-term holding plan (not being involved in management, nor dispatching directors)

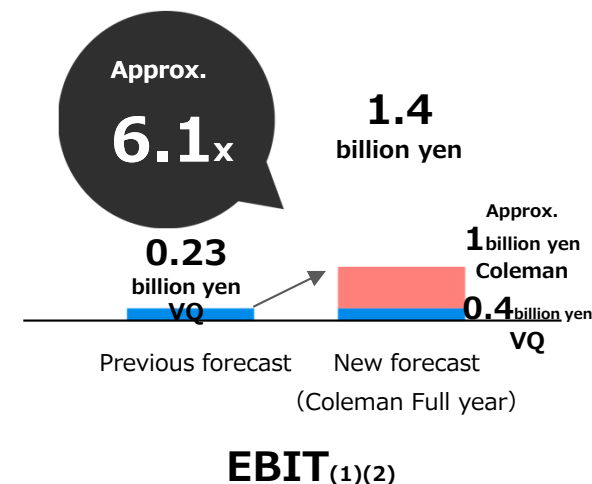
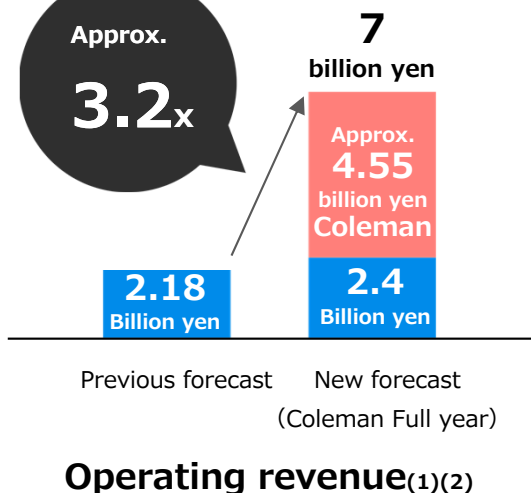
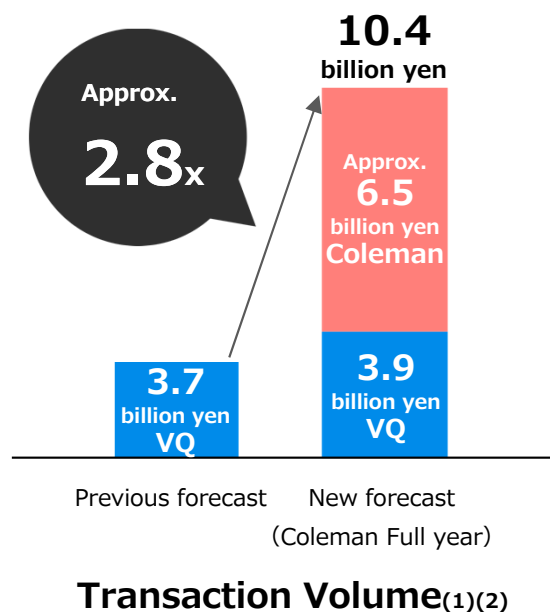
1.Assuming that all Class A shares, share warrants and Class B shares were converted into common shares at an initial convertible price or exercise price

2.Including dilution due to employee SO

# Impact on consolidated earnings (vq + Coleman 12months base)

- Transaction volume of integrated platforms expanded over 10 billion yen
- EBIT will be 1.4 billion yen

\*VQ for M&A costs, and Coleman for full-earned basis, which does not include temporary gains

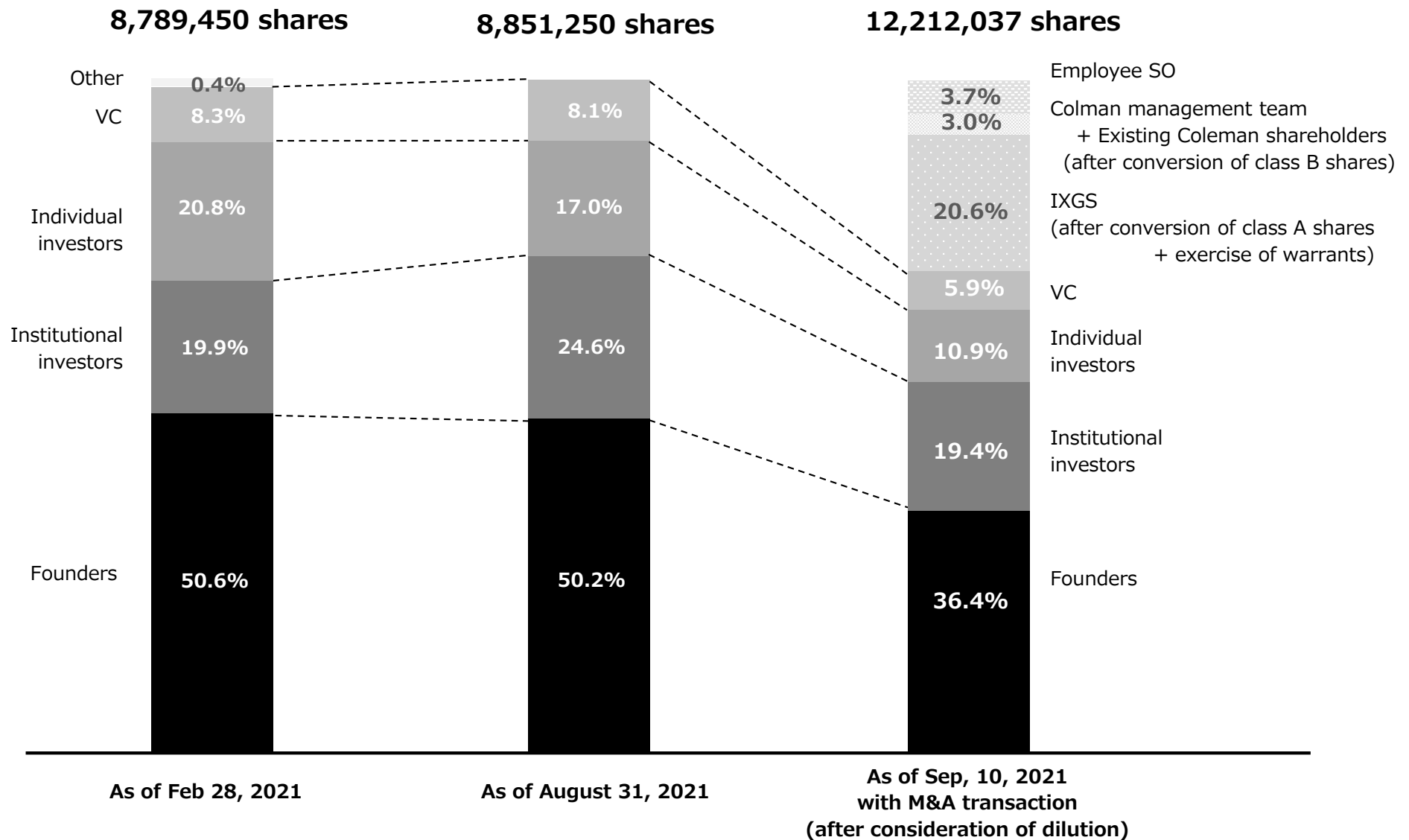


1.Simple sum using the LTM based figures of VQ through Q1 (from June 2021 to May 2021) and the financial figures of Coleman from July 2020 to June 2021. Applied 1 USD = 106.5 JPY (average for the period of July 2020 to June 2021) for calculating Coleman's financial figures in JPY.

2.Simple sum using Coleman's revenue as transaction volume, gross profit as operating revenue and EBITA as EBITA and added with VQ's financial figures. EBIT is a simple sum of both company's EBIT.

# Investor Information

- Promoting the conversion of classified shares into common stock will also improve stock liquidity



# Upcoming schedule



**Date of Extraordinary General Meeting of Shareholder**

October 20 (Wed) (Plan)



**Closing date of Acquisition**

November 1 (Mon) (Plan)

# Business risks and strategies

## Main business risks

	Possibility of occurrence Timing of occurrence	Impact on realizing growth and implementing business plans	Risk content and our strategy
Competition	low Any time	<ul style="list-style-type: none"> <li>Decline in market share</li> <li>falling order unit prices</li> </ul>	There is competition with a) overseas companies that mainly develop similar businesses overseas and b) relatively small domestic companies. Our USP is a knowledge database with about 150,000 people registered, from which we provide various services. Overseas companies which are developing similar businesses in Japan will find it difficult to create a database of knowledge of Japanese advisors, due to differences in culture, values, language, etc.
Service stability / soundness	low Any time	<ul style="list-style-type: none"> <li>Decline in clients</li> <li>Defection of advisors</li> </ul>	Advisors may unintentionally provide customers with information that is subject to confidentiality. For that reason we have a dedicated matching team in the full support format to check if there are any items that seem inappropriate in the content of the request. In addition, VQ lite confirms the content of the request, including automatic detection of keywords. We also provide regular training to our advisors to alert them and advise them to pay attention to their confidentiality obligations.
Focus on specific business partners	low falling	<ul style="list-style-type: none"> <li>Decline in transaction volume</li> </ul>	There is one business partner whose sales performance exceeds 10% of the total. The business relationship with that company is good and stable. Further, the ratio to that company is declining while sales to other customers are increasing.
Overseas expansion / M & A	medium occasionally	<ul style="list-style-type: none"> <li>Reduction of overseas expansion</li> <li>Stagnation of M&amp;A</li> </ul>	We had been expanding our business mainly in Japan, but from April 2020 we have been proceeding with overseas expansion by establishing a local subsidiary in Singapore. In addition, we decided acquisition of Coleman in Aug 2021. As a result, there is a possibilities of unplanned costs for DD and other studies of investments and risks different from those of our own business development in Japan may occur, but we will proceed with business development after taking sufficient measures to minimize the risks.

From the perspective of proactive information disclosure, this report describes matters that our company considers particularly important to investors' judgment. The information contained in this section does not necessarily include all risks associated with investments in our company shares. We are aware of the potential for these risks and is committed to avoiding them and responding promptly if they do occur. For risks other than those described in this section, please refer to "Business Risks" in the securities report in addition to this document.

# Disclaimer

## Handling of this document

This document contains forward-looking statements. These statements were made solely from the information available at the time these statements were made. Furthermore, these statements do not guarantee future results, and involve risks and uncertainties. Please note that the actual results may largely differ from the future forecasts due to environmental changes, etc.

Factors that affect the actual results include, but are not limited to, domestic and overseas economic conditions and industry trends relating to our company.

In addition, the information about other companies included in this document is cited from publicly-available information, etc., and our company has not performed any verification on the accuracy, appropriateness, etc. of such information, and offers no guarantee of such.

Contact information: IR (email: [ir@visasq.com](mailto:ir@visasq.com))

**Regarding the progress of the management indicators disclosed in this document, we plan to disclose them in the explanatory material which is supplementary to the quarterly financial results announcement. We also plan to disclose the latest information, including the progress of this document, in the full-year financial results announcement.**