Chatwork

Chatwork Co., Ltd. (TSE Code：4448)

February 10, 2022

# Presentation Material

Fiscal Year
Ended December 2021

© Chatwork

# INDEX

目次


1 Company Overview

2 Major Topics

3 Progress on the Medium-Term Business Plan

4 Results for the Fiscal Year Ended December 2021

5 Forecast for FY 2022

6 Business Overview / Medium-Term Business Plan

7 Appendix

Full year of

# FY2021 Results

1

## Company Overview

# Company Overview

Chatwork

Company Name
Chatwork Co., Ltd.

CEO
Masaki Yamamoto

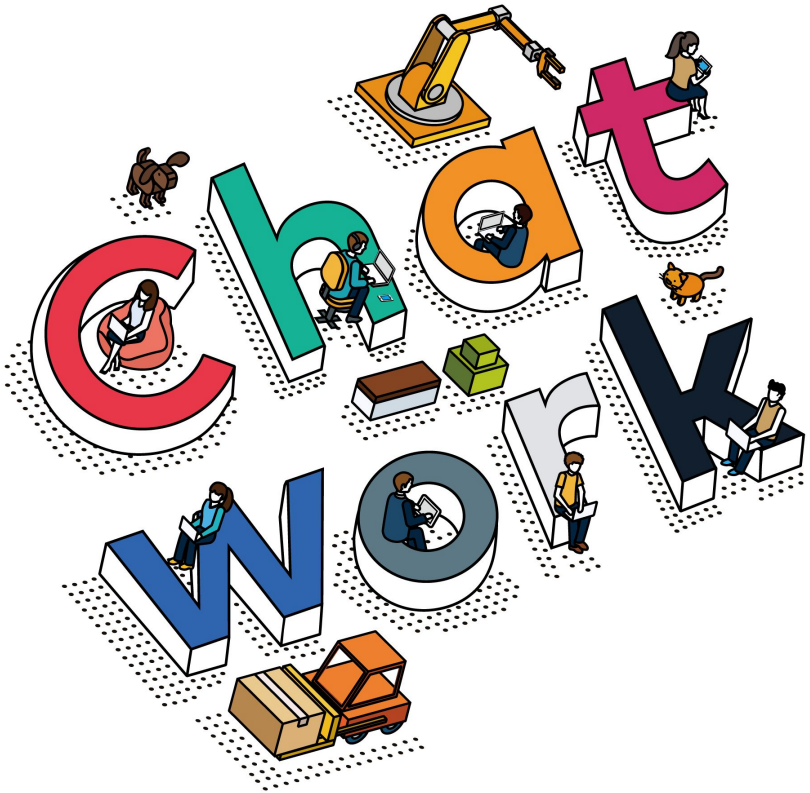
No. of employees
251 (December 2021)

Locations
Tokyo, Osaka, Vietnam, Taiwan

Established
November 11, 2004

# Corporate Mission

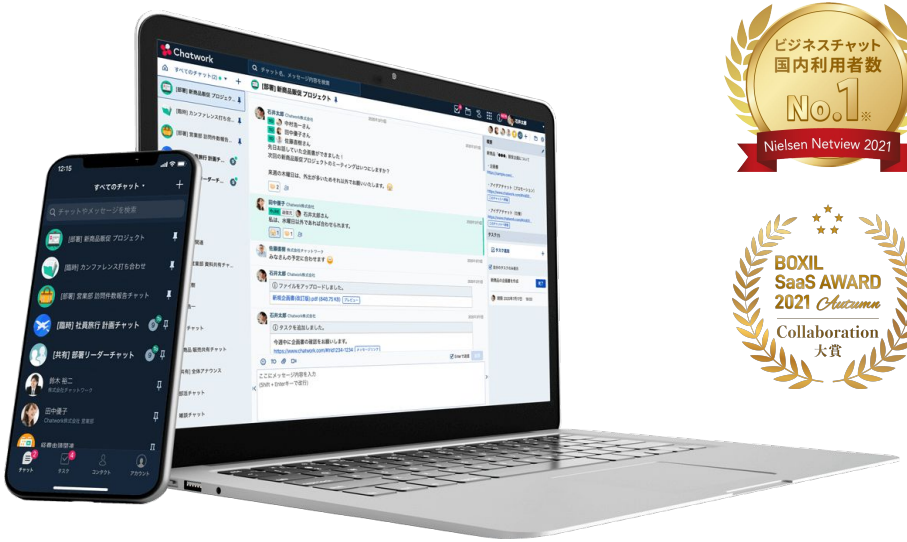
## Making work more fun and creative




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



- 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 343,000 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.

*1 Outside the Chatwork segment, 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 December 2021

# Chatwork’s Ideals

## Get enthused about work

We want to make work more exciting and inspiring, revitalizing the workplaces through more invigorating communications.

We cultivate a solid understanding of how people work and facilitate a working style that is unfettered by the constraints of time or location.

View

### “Change starts with Chatwork.”

We released a brand movie expressing our desire to be an activator of business by guiding the success of each person with the power of technology

https://youtu.be/3NHp8caltK0

# Market Environment for Business Chat

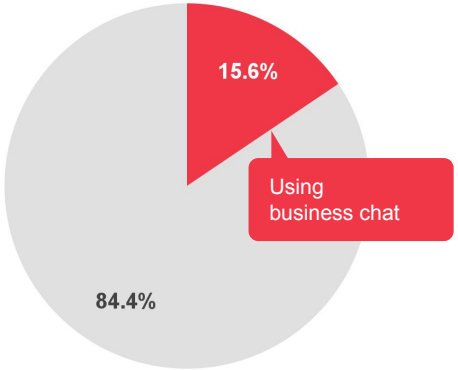
- This is a rapidly expanding market with ample room for growth; the total addressable market is large, and the adoption rate remains low.
- Just as personal email communications have shifted onto mobile phones, business communication is making an irreversible shift from email to chat.
- Recent social changes have prompted a rapid increase in teleworking. As a result, we expect business chat to be adopted by the majority within the next three years.

## Total Addressable Market (TAM*1) for Potential Rollout across All Industries

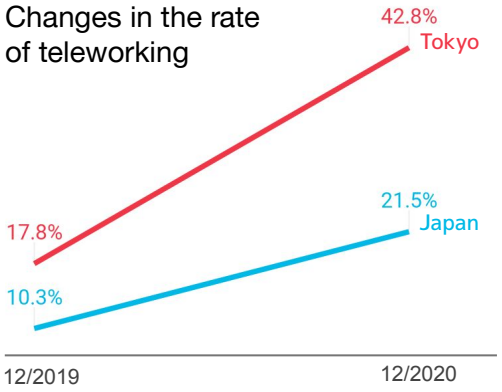
Domestic workforce: **67.24 million** × Chatwork **unit price**

= JPY**645.5**[*2] billion

## Business Chat's Rate of Adoption*2 Remains Low




## Teleworking Rapidly Becoming More Prevalent due to COVID-19 and the Promotion of DX*3

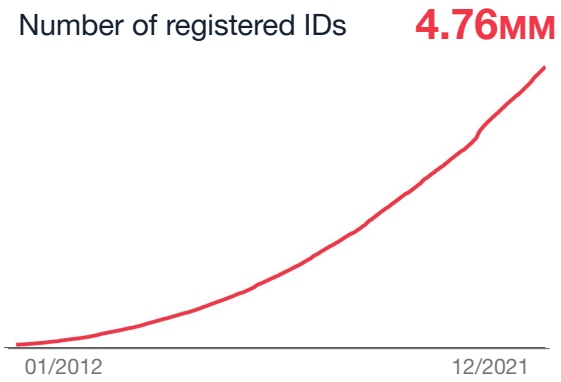



*1 This is the market size estimated by Chatwork. The estimated figure may differ from the actual market size.
*2 Based on a study commissioned by Chatwork, n = 30,000
*3 Refer to the "Second Survey on Changes in Attitudes and Behaviors in Daily Life under the Influence of Novel Coronavirus Infection," Cabinet Office.

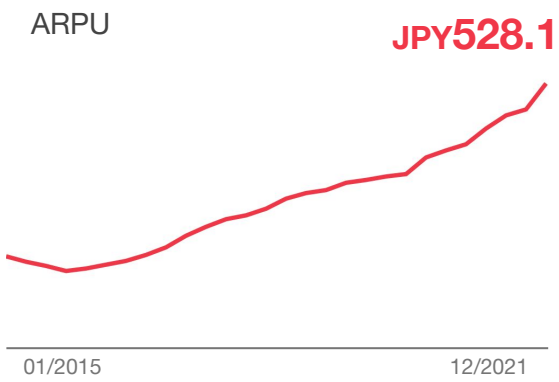
# Strengths of Chatwork Business Chat

- The number of users increases in a compound manner via referrals. This is due to the open-platform feature, which allows for easy connection to the outside world.
- Ongoing increases in functionality have enhanced product value. As a result, ARPU has continued to rise over the long term.
- The cost of switching to other tools is high, and the churn rate is extremely low, thanks to past history and the formation of business relationships.

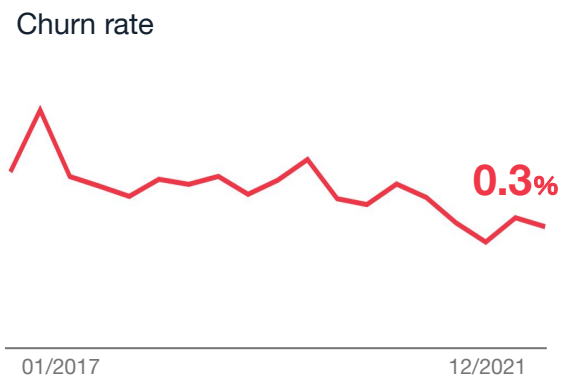
## Number of Users Increasing at a Compound Rate




## ARPU Rising due to Ongoing Increase in Product Value




## High Retention Rate



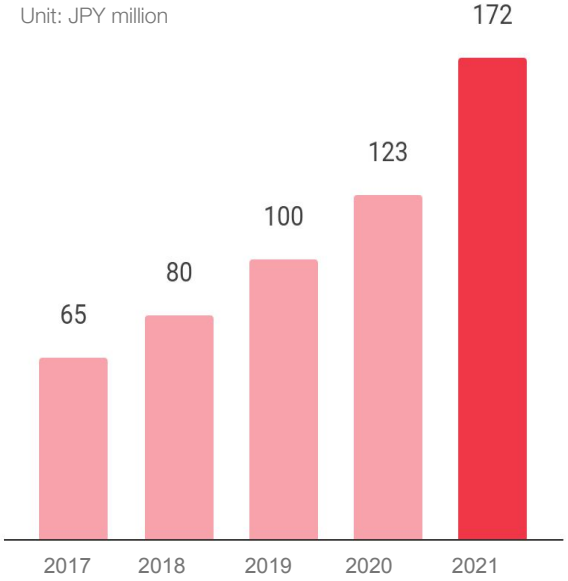

*1 Average revenue per user for paid Chatwork services.
*2 Churn rate of the number of registered IDs, averaged over the 12 months from January 2021 to the end of December 2021

# Platform Value That Extends Beyond Business Chat

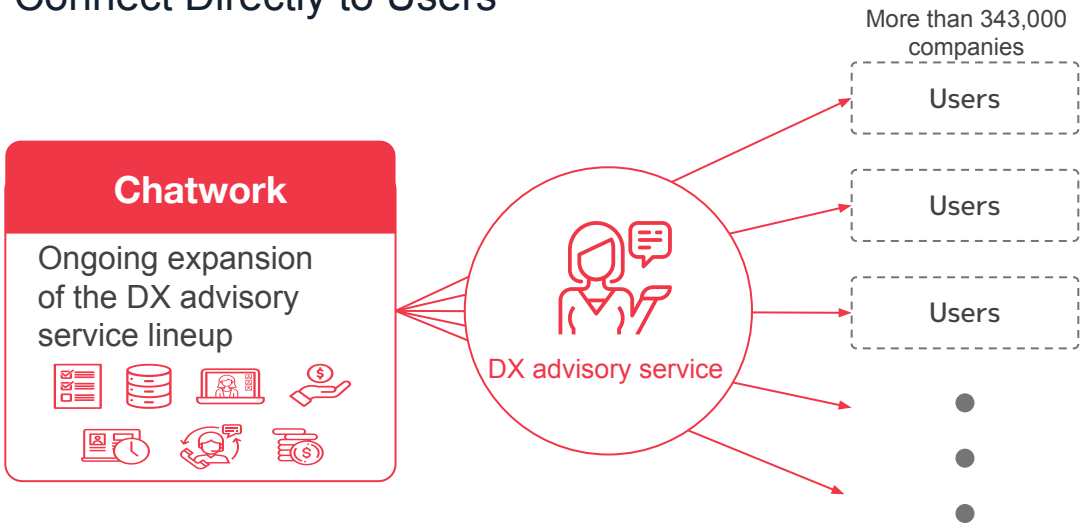
- Employees across all industries and in all occupations use the platform during their working hours. As a result, the platform has substantially more user contacts than other SaaS offerings.
- Leveraging these strong platform efficiencies, the company is developing sales of peripheral services*1. In FY 2021, these sales surged 39.9% YoY.
- Chat is a powerful connection that enables users to effectively address customer issues and provide services.

## Sales from Peripheral services

Unit: JPY million




## Connect Directly to Users




*1 Our services provided by referrals, advertising, and alliances in the platform business, excluding businesses acquired through M&A. For more details on business segments, please see P75.

# 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<br>2025 and beyond | Business super app<br>Platform interacting with small and medium-sized companies in a host of ways |
| Medium-term<br>2024 | Leader in business chat for small and medium-sized companies<br>Market share of 40% in 2024<br>JPY10 billion sales |
| 2022 | Substantially accelerate the rate of user acquisition.<br>Expand peripheral services, make them a pillar of business growth. |
| First Year: 2021 | Achieve higher revenue growth ratio than in the previous year<br>Put in place systems for ongoing revenue growth |

- Maximize investment speed
- CAGR of 40% in the Chatwork segment

# KPI Highlights

| Number of Registered IDs | Number of Paying IDs | Number of Registered companies | ARR*1 |
|---|---|---|---|
| as of the end of 2021 | as of the end of 2021 | as of the end of 2021 | as of the end of 2021 |
| **4.76MM** | **549K** | **343K** | **3.78BLN** |

| NRR*2 | Churn Rate*3 | ARPU*4 | DAU*5 |
|---|---|---|---|
| as of the end of 2021 | as of the end of 2021 | as of the end of 2021 | Maximum during 2021 |
| **122%** | **0.3%**<br>（For Paying IDs：1.9%） | **JPY528.1** | **978K** |

*1 Annual Recurring Revenue of Chatwork account business and Cloud storage business, 12 months of MRR as of December 31, 2021
*2 2021 stock revenue ÷ 2020 stock revenue, generated from paying customers as of Dec. 31, 2020
*3 Churn rate of the number of registered IDs, averaged over the 12 months from January 2021 to the end of December 2021
*4 Average revenue per user for paid Chatwork account services
*5 Daily Active User. It measures how many users visit or interact with Chatwork service over a given interval per month

Full year of

# FY2021 Results

2

## Major Topics

# Topics (1) Raising Funds through a Public Offering

- In December 2021, we conducted an overseas public offering, raising approximately JPY2.0 billion.
- We plan to use this cash to fund advertising and recruiting efforts, helping to realize the objectives of our medium-term business plan. We also intend to engage in M&A and form capital alliances to realize a business super app.

**Objectives**

- We will accelerate our Product-Led Growth, Horizontal x Vertical, and DX Solution strategies, engaging in initiatives to quickly establish our position as a leader in business chat for small and medium-sized companies.
- We aim to improve our stock liquidity and further expand our base of overseas institutional investors.

**Uses of funds**

- Advertising expenses to accelerate Product-Led Growth (JPY835 million[*1])
- Personnel and recruiting expenses to reinforce the organization (JPY835 million[*1])
- M&A and capital alliances to realize a business super app (JPY300 million[*1])

*1 This is a breakdown of the estimated net proceeds of JPY1,969 million, which is the amount estimated given the number of shares offered (1,850,000 shares) and the closing price of the company's stock on the Tokyo Stock Exchange, Inc. on November 30, 2021 (JPY1,239).
*2 A method in which book building is conducted immediately or within a few days after the announcement of a deal and the terms of the offer are determined

# Topics (2) Full-Fledged Rollout of the Chatwork Super App Fund

- We established the Chatwork Super App Fund, which invests in companies that have business synergies with Chatwork, to foster super app growth on the capital front, as well as via revenue from user referrals. We plan to actively expand the fund.
- We acquired the cloud storage business in July 2021. In December 2021, we also invested in Neton, Inc. (provides Saiyo Kakaricho, a cloud-based recruiting app) and Better Place, Inc. (provides services for the welfare and medical industries).

Chatwork
スーパーアプリファンド

## Achievements

### Consolidated subsidiary

Chatwork
ストレージテクノロジーズ

### Investments

neton

betterplace

## Our Chatwork Super App Fund Partner

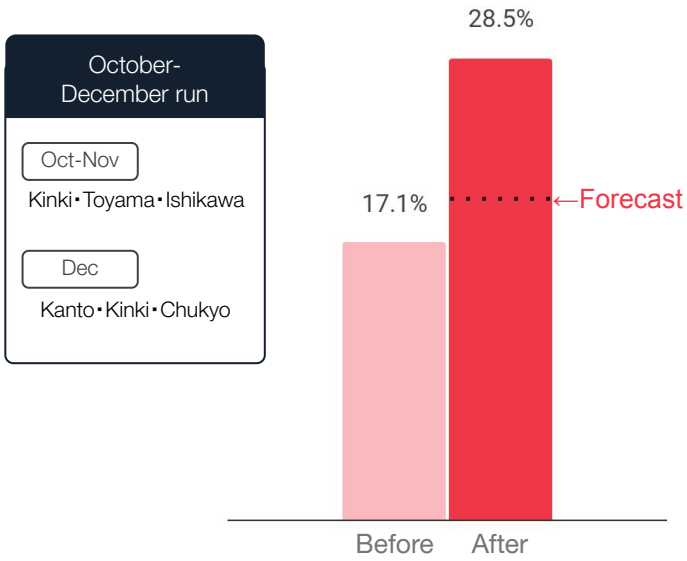
Masakazu Mori
Partner

In 2002 Mr. Mori joined Future Venture Capital Co., Ltd., where he invested in venture companies and provided management support to portfolio companies. In 2008, he joined InfoNet Inc. and was appointed director and general manager of the Administration Division, in charge of overall corporate affairs. After joining Will Group Inc. in 2016, he launched a CVC fund (totaling JPY2 billion) specializing in HR tech and was in charge of its management. The fund invested in Japanese and overseas startups and promoted alliances. In January 2022, Mr. Mori joined Chatwork to launch a CVC business.

# Topics (3) Expanding Our TV Commercial's Coverage to the Tokyo Metro Area

- Since October 2021, we have substantially expanded coverage of our TV commercial across the Kanto and Kansai regions. The resulting growth in recognition has far outstripped our expectations.
- Looking ahead to the most important phase in expanding our market share, we will continue to invest in marketing while appropriately managing return on investment through various KPIs and LTV/CAC.

## Change in Rate of Recognition due to Airing of Television Commercial



View

https://youtu.be/wPI1AI7J8Rs

# Topics (4) Substantially Strengthened the Business Division

- In FY 2021, we significantly enhanced the Business Division, which oversees such functions as sales, marketing, customer success, and business development. As well as doubling the number of personnel, we have been successful in recruiting talented management personnel.
- In addition to our product organization (a traditional strength), we have now reinforced the closely linked business organization. Accordingly, we now have in place the organizational structure necessary to promote Product-Led Growth and our other two strategies.

## January 2021

Business Headquaters 67ppl

- Sales Marketing Unit — Sales, Marketing
- Customer Experience Unit — Customer Success
- Global Strategy Department

## January 2022

Business Headquaters 129ppl

- Marketing Unit — Sales, Marketing
- Customer Experience Unit — Customer Success
- Business Development Unit — New business development
- Cross-Function Unit — Communication Strategy
- Global Strategy Department
- PLG Strategy Department

Unit Directors

Yuki Omori
(currently CMO)
Formerly an executive officer of UT Group Co., Ltd.

Shinya Saito
Formerly an executive officer of ZUU Co., Ltd.

Masuji Fukuda
(currently CSO)
Formerly an executive officer of SMS Co., Ltd.

Yuichi Tatsuyama
Formerly an executive officer of Basic Inc.

Full year of

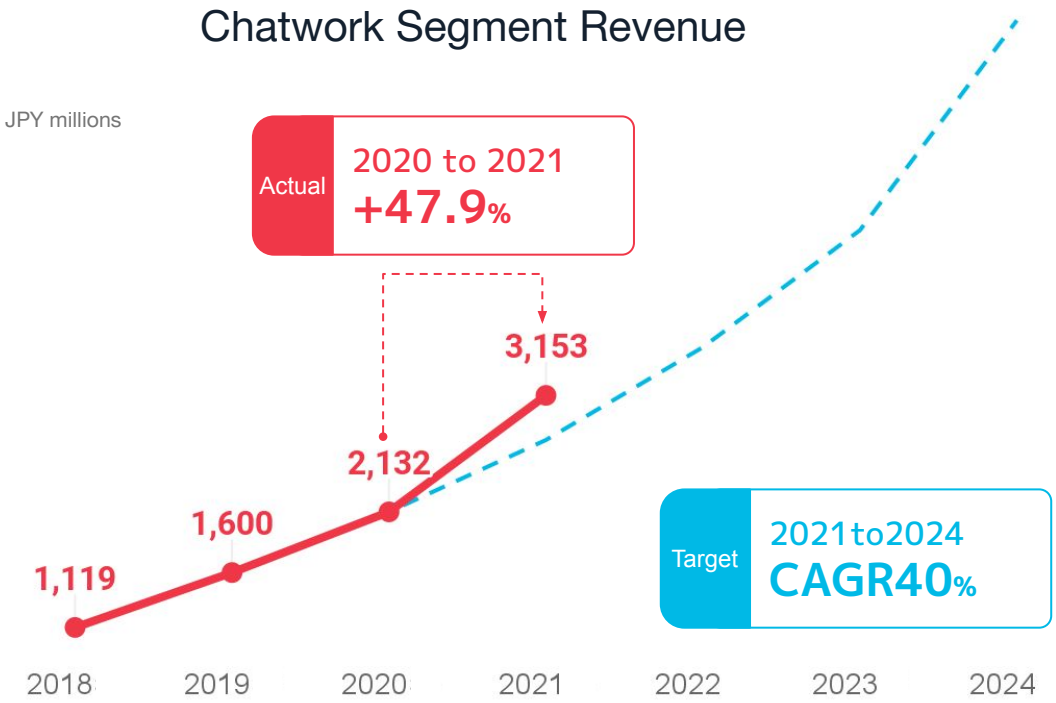
# FY2021 Results

3

## Progress on the Medium-Term Business Plan

# Revenue Growth Substantially Outpacing Our Target

- For the mainstay Chatwork segment[*1], we are targeting revenue growth at a CAGR of 40% or more from 2021 to 2024.
- In 2021, growth outpaced this target substantially, rising 47.9% YoY.




*1 Our mainstay Chatwork segment includes account and platform businesses, and excludes the Security business. For more details on business segments, please see P75.

# Progress on our Medium-Term Business Plan in FY 2021

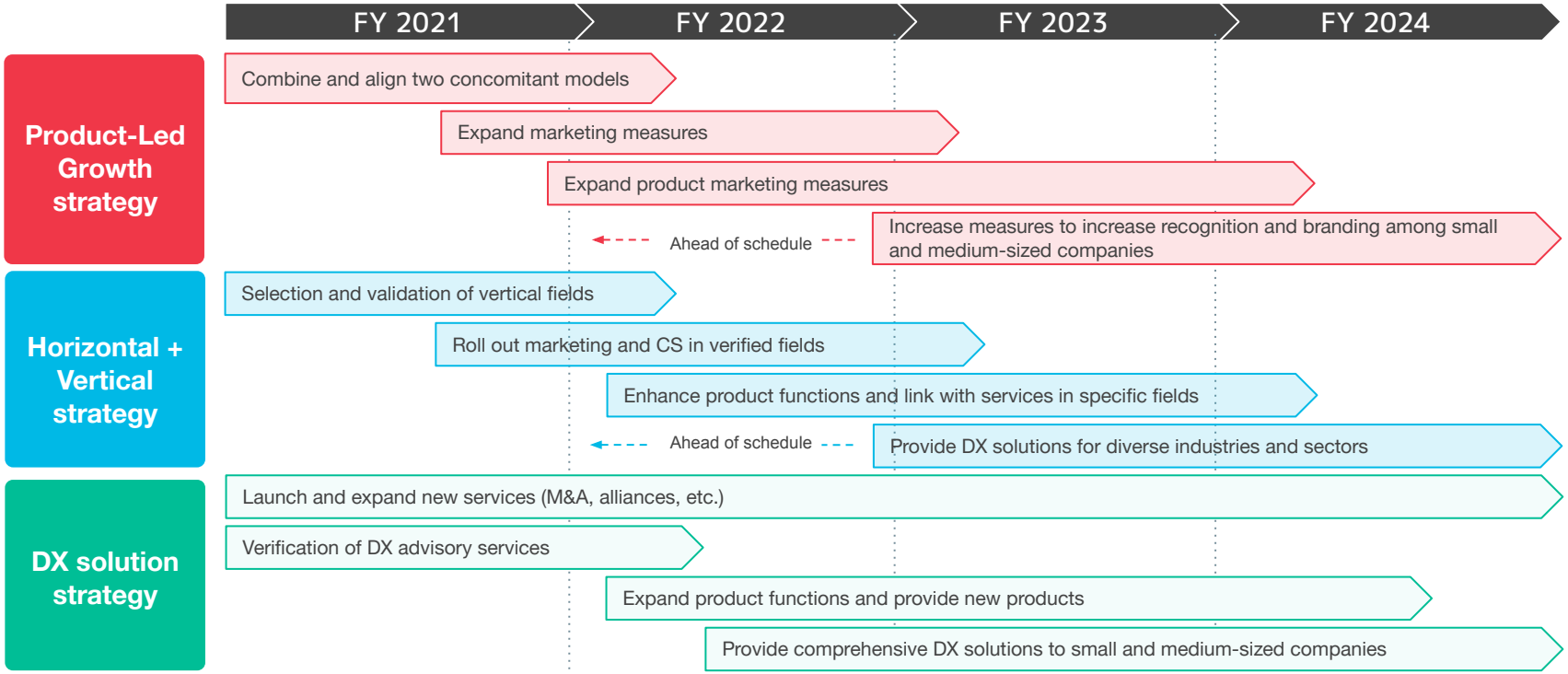
- In the year under review, we have made extremely favorable progress on the three strategies of our medium-term business plan.

| | | |
|---|---|---|
| 1 | Product-Led Growth[*1] Strategy | • In June, we launched a TV commercial with the aim of increasing the number of new users. After confirming the impact of this commercial in regional cities, we expanded coverage into the Tokyo metropolitan area and achieved better recognition than we had expected.<br>• We expanded and stepped up marketing activities, such as by holding several large conferences.<br>• We conducted a major reorganization in October. We now have a structure in place to facilitate inorganic growth. |
| 2 | Horizontal x Vertical Strategy | • We gained an industry understanding of on-site customer negotiation. We also made steady progress on projects we are developing across the organization.<br>• We are currently promoting industry-specific measures, such as marketing and sales in specific industries. We aim to make license acquisition more efficient in these industries. |
| 3 | DX Solution Strategy | • We have expanded the lineup of Chatwork DX Consulting services, which launched in April, to 19 services.<br>• In July, we expanded service offerings by acquiring the cloud storage business. By forging tie-ups with various SaaS projects, we are also establishing a business flow for generating steady revenue through customer referrals.<br>• We launched the Chatwork Super App Fund to promote the super app concept on the capital front. |

*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 48 for details.
*2 DX (Digital Transformation) is the adoption of digital technology to transform services or businesses.

# Updated Medium-Term Strategy Roadmap

- We are promoting strategies based on the roadmap outlined in our medium-term business plan. We made extremely good progress on all strategies in FY 2021.
- To accelerate our strategy promotion, we have updated the roadmap to advance some strategy areas even further.



Full year of

# FY2021 Results

4

## Results for the Fiscal Year Ended December 2021

# Results Highlights

- Full-year Consolidated revenue: JPY3,372 million: (+39.1% YoY)
- Full-year Revenue from the Chatwork segment: JPY3,153 million (+47.9% YoY)
- Full-year Gross profit: JPY2,378 million (+34.6% YoY)
- Full-year Operating loss: JPY688 million

- Due to price revisions and consolidation of the cloud storage business, companywide revenue and Chatwork segment revenue both rose significantly from the previous fiscal year.
- The cloud storage business made steady progress, generating synergy effect. Full-year revenue from the cloud storage business was JPY182 million, Full-year operating loss was JPY24 million.
- 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.
- Increasing limitations on free plans accelerated the conversion to payment. As a result, the number of paying IDs grew substantially (+19.8% YoY), reaching 549 thousand. ARPU also increased (+28.9% YoY), due to the impact of price revisions.

# Results Highlights (Full-year)

- Chatwork segment revenue, our foremost management target, surged 47.9% YoY, reaching our performance forecast.
- Profit, from operating profit downward, was negative in fi as a result of ongoing upfront investment (higher personnel and advertising costs).

| Unit : million yen | FY 2020 (Actual) | FY 2021 (Forecast) | FY 2021 (Actual) | YoY | Actual VS Forecast |
|---|---|---|---|---|---|
| Revenue | 2,424 | 3,368 | **3,372** | +39.1% | +0.1% |
| Chatwork segment | 2,132 | 3,147 | **3,153** | +47.9% | +0.2% |
| Gross profit | 1,767 | 2,357 | **2,378** | +34.6% | +0.9% |
| Gross margin | 72.9% | 70.0% | **70.5%** | -2.4pt | +0.5pt |
| Operating profit | 327 | -761 | **-688** | - | - |
| Operating margin | 13.5% | - | **-** | - | - |
| Ordinary profit | 324 | -764 | **-705** | - | - |
| Net profit | 208 | -762 | **-696** | - | - |

# Results Highlights (Q4)

- Due to price revisions and consolidation of the acquired business, revenue from the Chatwork segment, our most important management target, grew substantially (+71.9% YoY).
- Profit, from operating profit downward, was negative in Q4 FY2021 as a result of ongoing upfront investment (higher personnel and advertising costs).

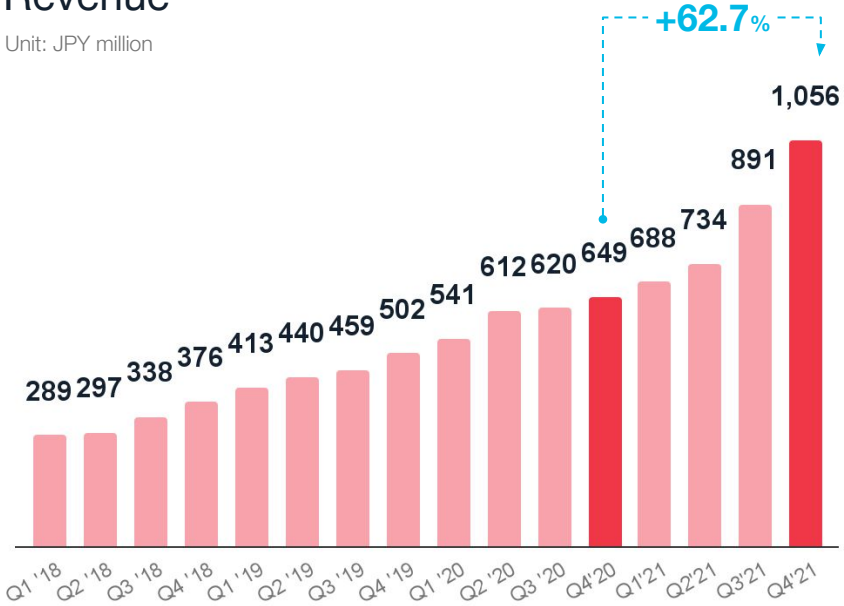
| Unit : million yen | Q4 '20 (Same period last year) | Q3 '21 (Previous period) | Q4 '21 (Actual) | Same period YoY | Previous period QoQ |
|---|---|---|---|---|---|
| Revenue | 649 | 891 | **1,056** | +62.7% | +18.5% |
| Chatwork segment | 588 | 844 | **1,010** | +71.9% | +19.7% |
| Gross profit | 479 | 596 | **747** | +56.0% | +25.5% |
| Gross margin | 73.8% | 66.8% | **70.8%** | -3.0pt | +3.9pt |
| Operating profit | 39 | -221 | **-347** | - | - |
| Operating margin | 6.0% | - | **-** | - | - |
| Ordinary profit | 36 | -223 | **-363** | - | - |
| Net profit | -78 | -220 | **-354** | - | - |

# Change in Revenue

- Revenue grew significantly, rising 62.7% year on year.
- Growth in revenue from the Chatwork segment, our most important management target, accelerated sharply (+71.9% YoY).

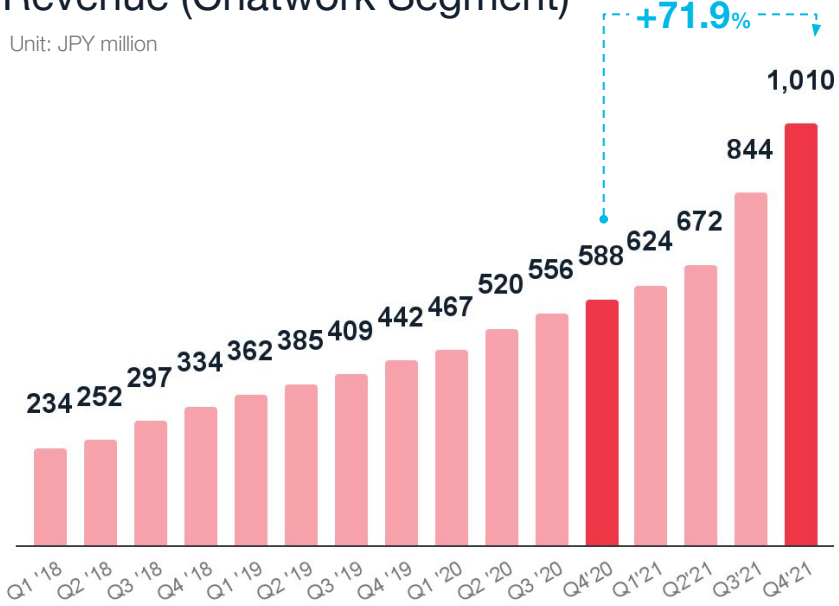
## Revenue

Unit: JPY million




## Revenue (Chatwork Segment)

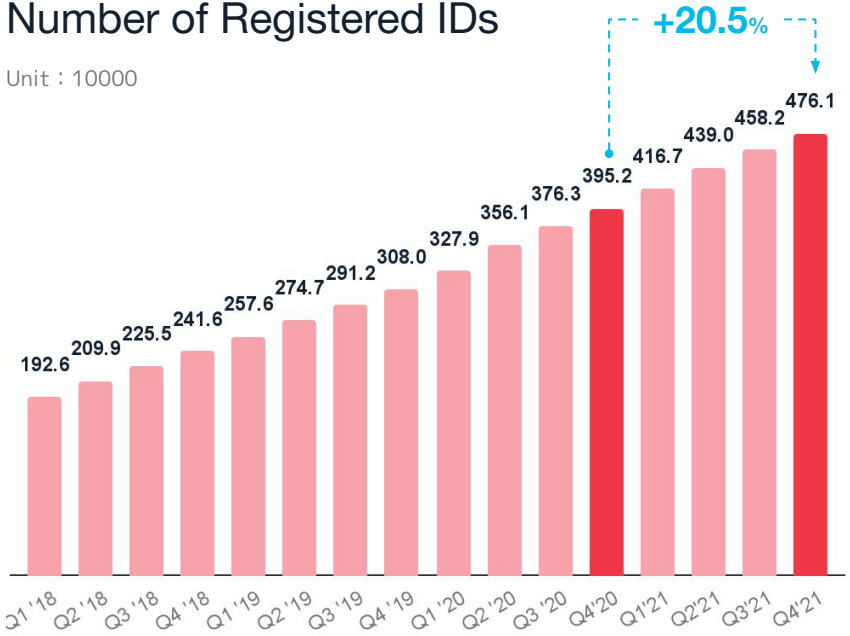
Unit: JPY million



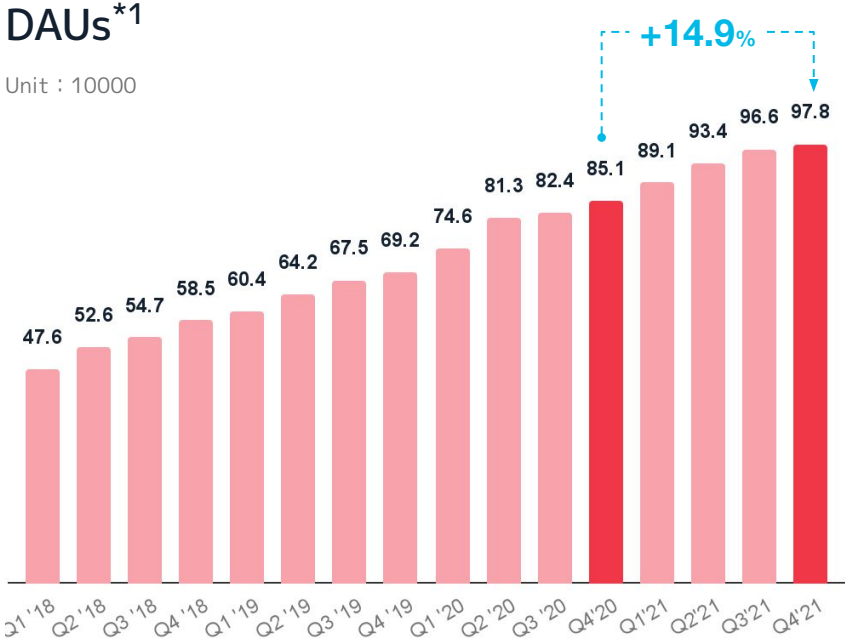
# Change in Major KPIs

- The number of registered IDs picked up again, reaching 4.76 million (+20.5% YoY).
- DAUs rose steadily (+14.9% YoY), to 978 thousand.

## Number of Registered IDs




## DAUs*1

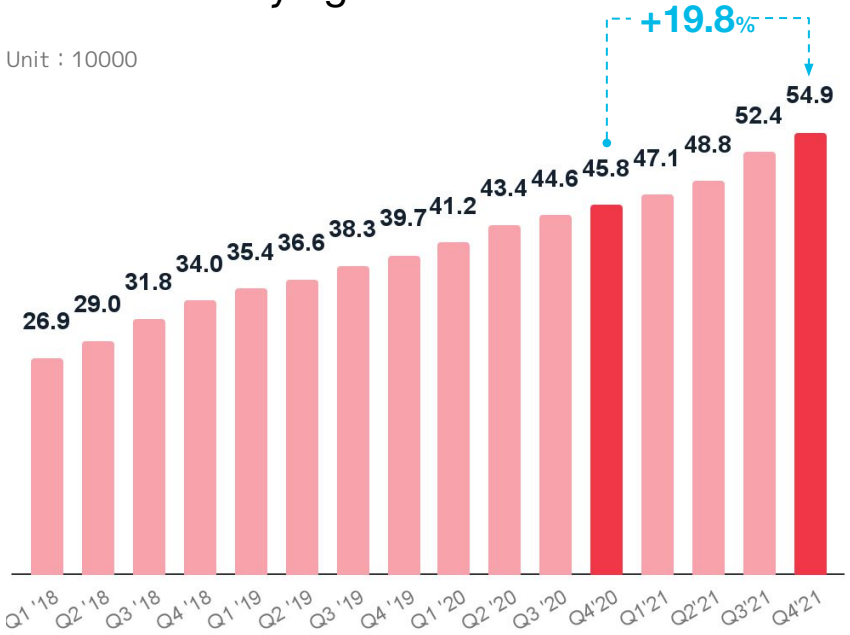



*1 Daily Active User. It measures how many users visit or interact with Chatwork service over a given interval per month.

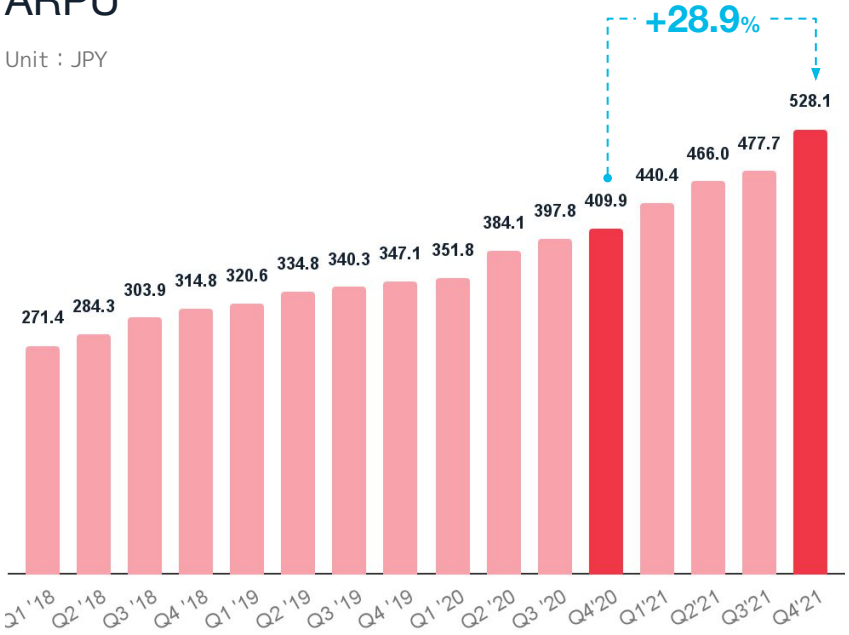
# Change in Major KPIs

- The increasingly strict limits we placed on the free plan in July led to substantial growth in paying IDs, which grew 19.8% YoY, to 549,000.
- ARPU grew significantly (+28.9% YoY) to JPY 528.1, due to the impact of price revisions and discontinuation of our previous plan[*1].

## Number of Paying IDs



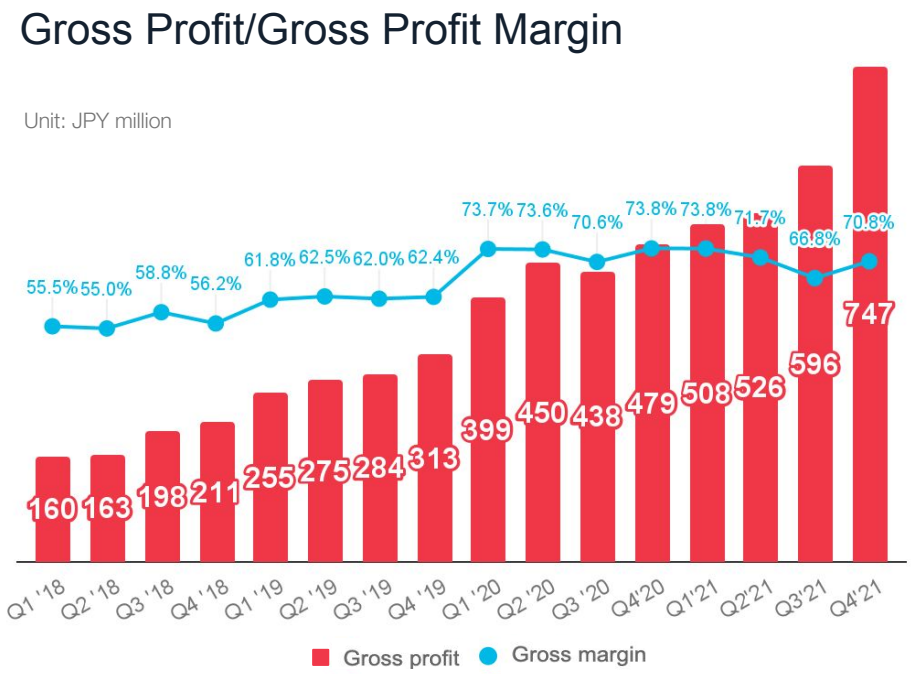

## ARPU[*2]




*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

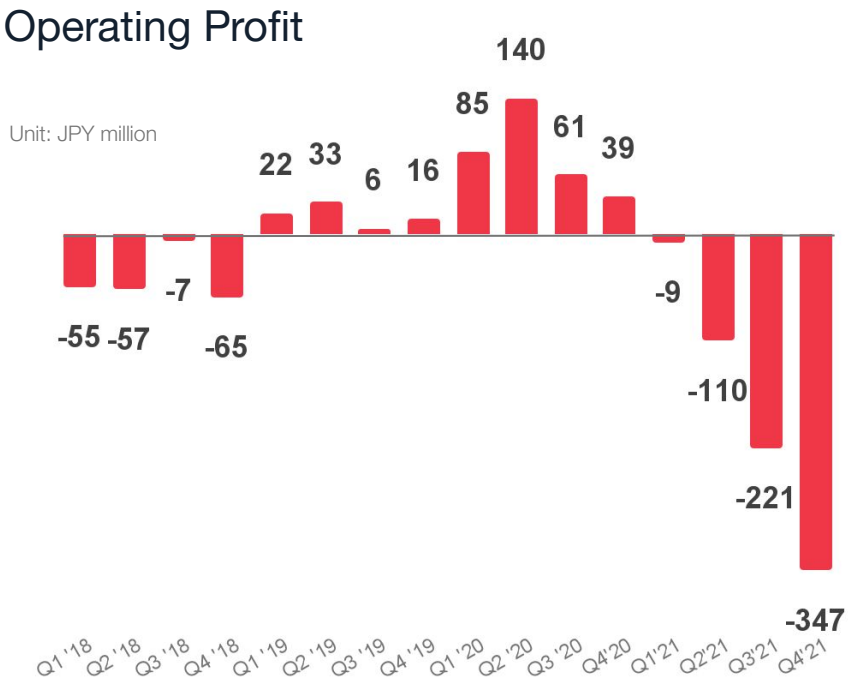
- Gross profit[*1] rose 55.9% year on year, and the gross profit margin was 70.8%, down 3.0pt year on year.
- Price revisions and large-scale conferences held at the end of 2021 drove up revenue, and the gross profit margin improved QoQ.




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

# Change in Operating Profit

- Aggressive investments in FY 2021 proved successful, so growth has significantly outstripped the targets outlined in our medium-term business plan. We will continue to maximize our velocity of investment, as we are in the most important phase of expanding our market share.
- We began airing TV commercials in June 2021. These have proven highly effective in boosting our recognition, so we will continue to expand their scale.

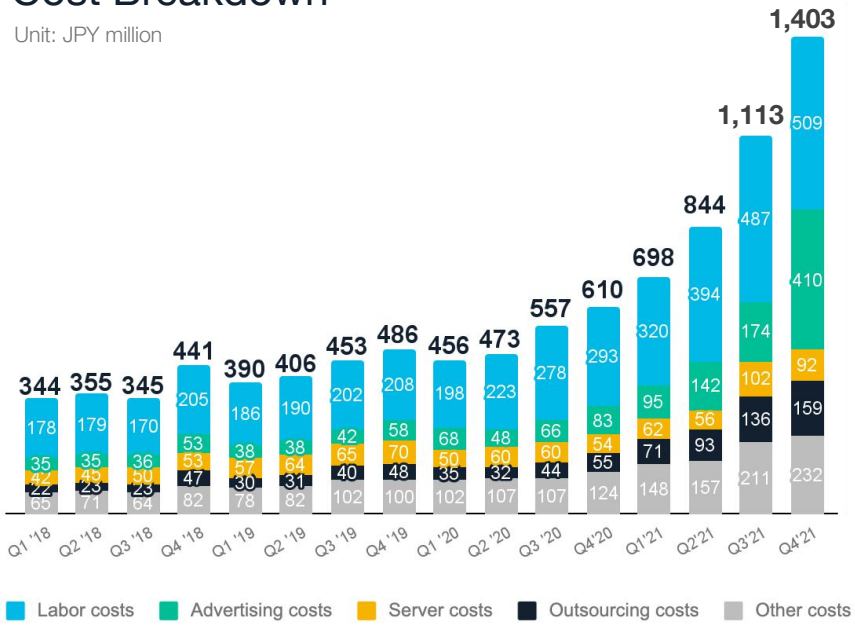


# Costs

- Personnel expenses rose as we made steady progress in hiring engineers, customer success personnel, and inside sales reps.
- Having confirmed the effectiveness of the television commercials we began running in Q2 FY2021, we continued and expanded this effort in Q4. Advertising expenses rose as a result.

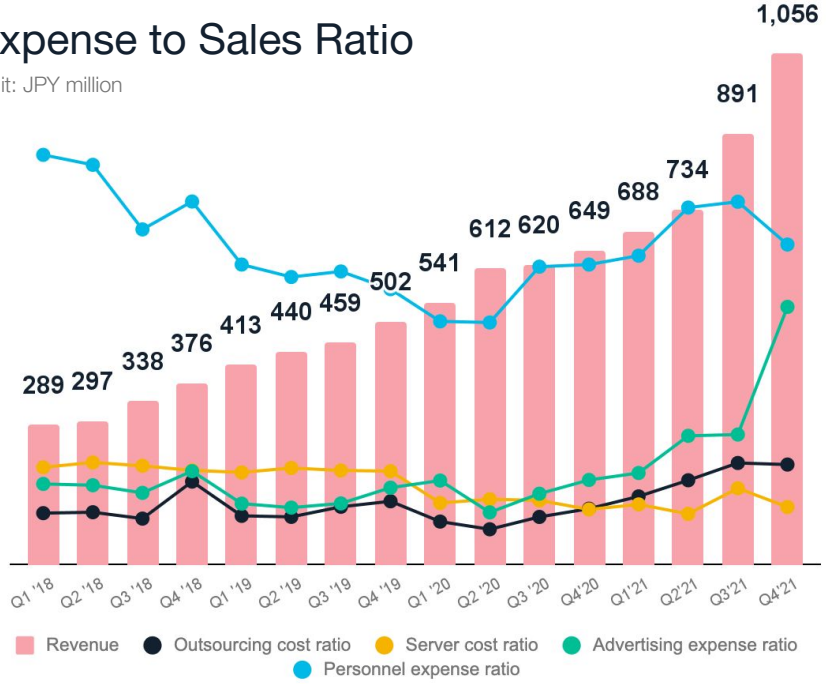
## Cost Breakdown

Unit: JPY million




## Expense to Sales Ratio

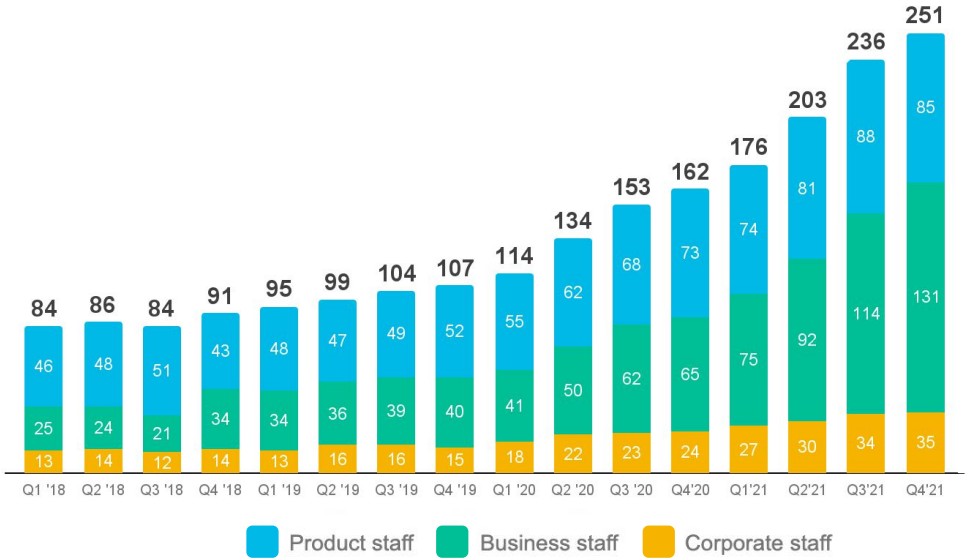
Unit: JPY million



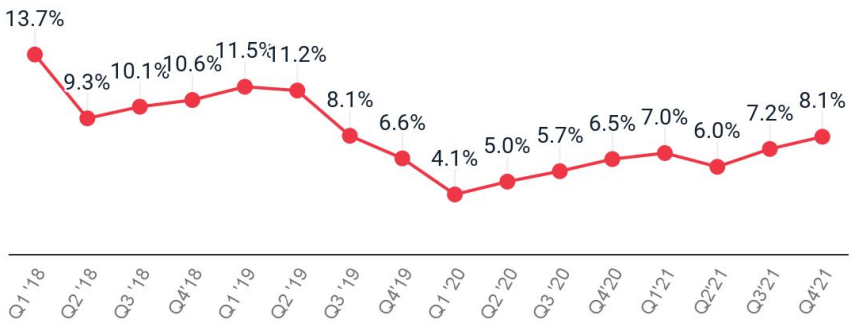
# Number of Employees

- We continued to make steady progress on hiring, accelerating its pace even further. In Q4 FY2021, the number of personnel increased by a net 15.
- 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




*1 Refers to the average turnover rate during the past 12 months. The turnover rate for Q4 FY 2021 is calculated as the number of people who left the Company between January 2021 and December 2021 divided by the number of employees as of December 2020.

Full year of

# FY2021 Results

5

## Forecast for FY 2022

# Forecast for the FY 2022

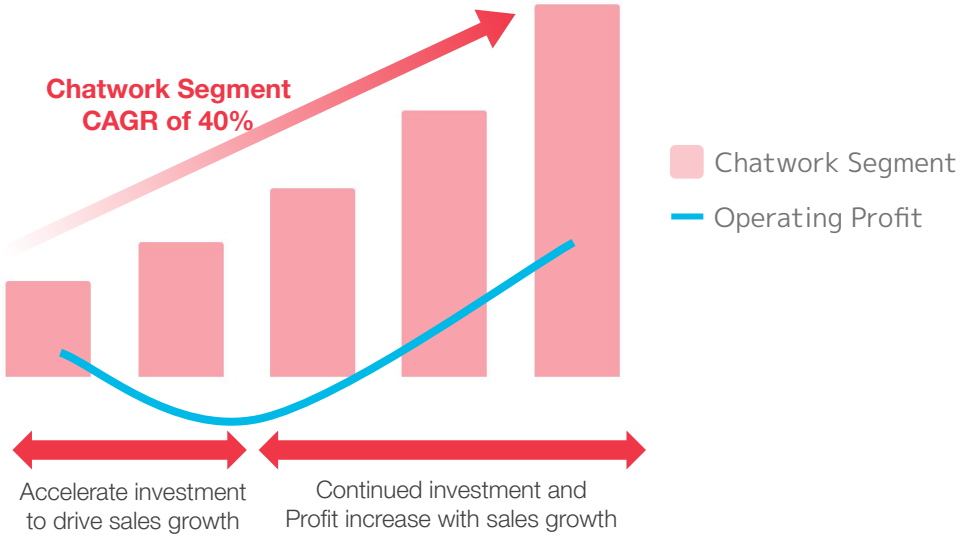
- The growth of the Chatwork segment is the most important management target.
- During the period of our medium-term management plan (2021 to 2024), we aim for CAGR for sales of 40%.
- For FY2022, we are aiming for growth of 40% in sales from the Chatwork segment and an increase of 35% in revenue.

| Forecast for FY2022 | |
|---|---|
| Sales from the Chatwork segment | + 40 %YoY |
| Revenue | + 35 %YoY |

# 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.

Full year of

# FY2021 Results

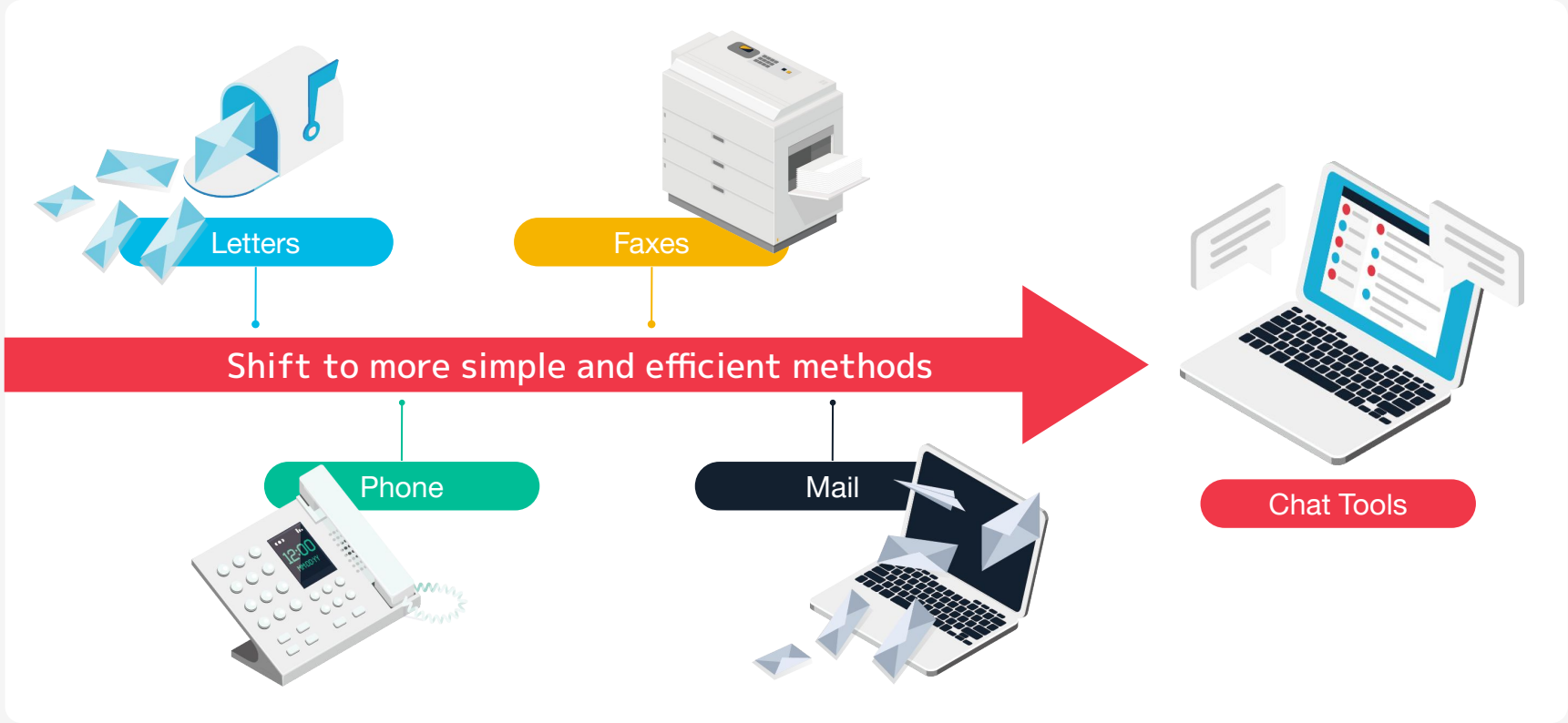
6 Business Overview / Medium-Term Business Plan

# About Chatwork

- 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 343,000 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.

*1 Outside the Chatwork segment, 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 2021 by Nielsen NetView; applicable service selected by Chatwork Co., Ltd.
*3 As of December 2021

# Evolution of Business Communications



# 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 10:57 (0分前)
To 中村 浩一

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

Information about past interactions and chat participants

Key point that sender wishes to convey

# Accelerate Business Collaboration

Create group chat
for different teams, projects, and clients

- 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

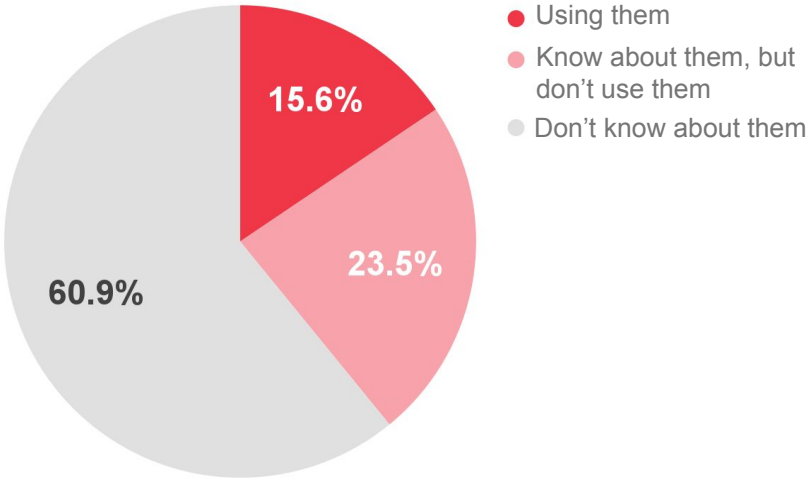
| Free<br>For companies and individuals<br>that want to try out the service for free | Business<br>For companies and individuals<br>that want to use the service for business | Enterprise<br>For companies<br>that want enhanced administrative functionality |
|---|---|---|
| 1 user per month<br>¥0<br>******** | 1 user / month (annual contract)<br>¥500<br>¥600 / month for monthly contract | 1 user / month (annual contract)<br>¥800<br>¥960 / month for monthly contract |
| Unlimited 1:1 chats | Unlimited 1:1 chats | Unlimited 1:1 chats |
| A total of 7 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 15.6%[*1], increasing from the last study (as of October 2021). 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**

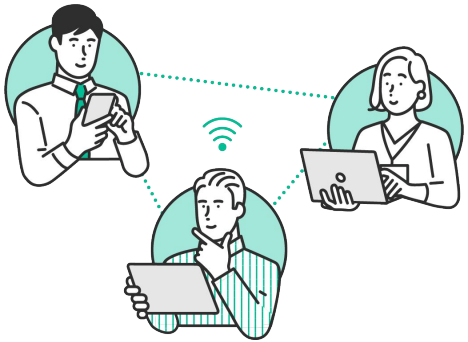
*1 Based on a study commissioned by Chatwork, n = 30,000
*2 Short for "total addressable market," or the maximum potential market. This is the market size estimated by Chatwork. The estimated figure may differ from the actual market size.
*3 "Labor Force Survey" (2019) by the Ministry of Internal Affairs 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

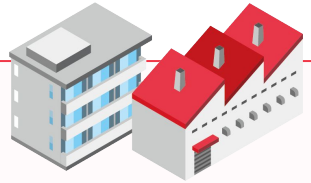


We employ an open platform-based approach that enables seamless internal and external communication using a single account. In many cases, the platform is also used externally with customers and business associates.

## 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.

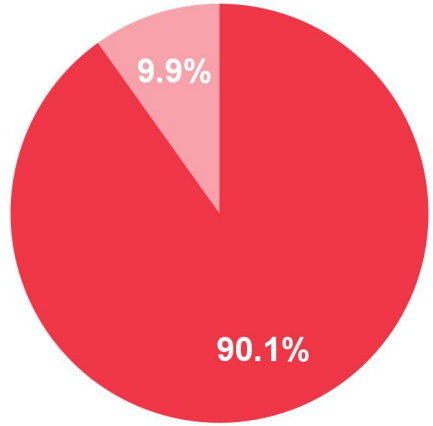
# Growing Use in the SME Market



## 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



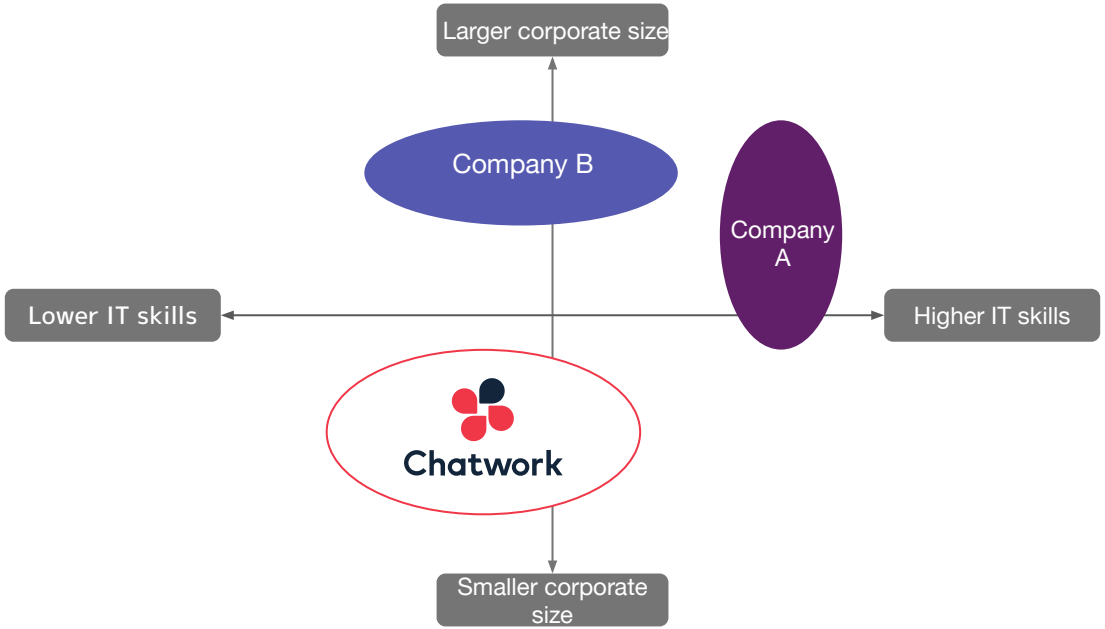

Companies with 300 or fewer people account for 90.1% of paying users.[*1]

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

*1 As of December 2021

# Positioning in the Industry

## Target segments

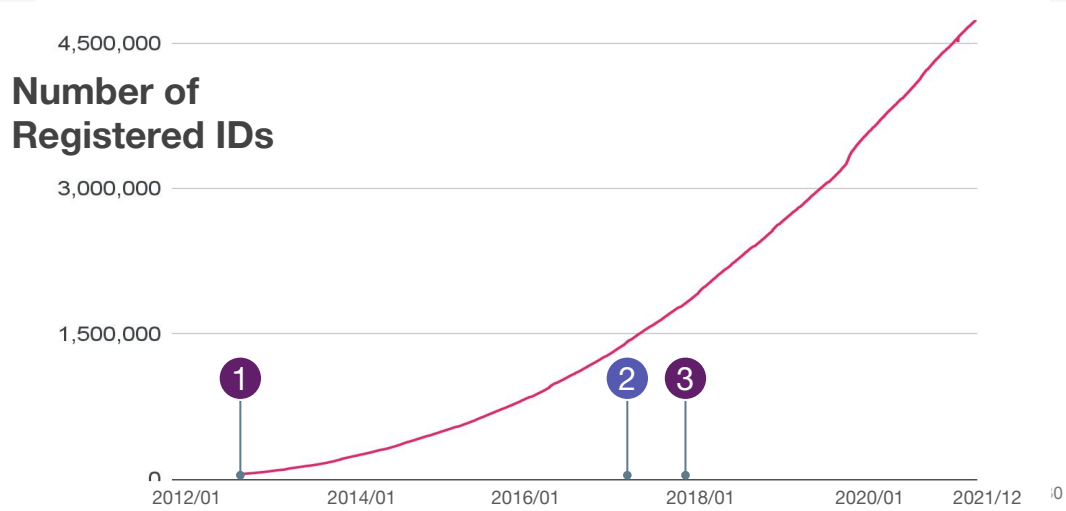



- We have two major competitors, but these companies focus on different target segments.
- As the market penetration rate of business chat tools is still low, the companies are working to develop new markets in their respective domains.

# 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.




### 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

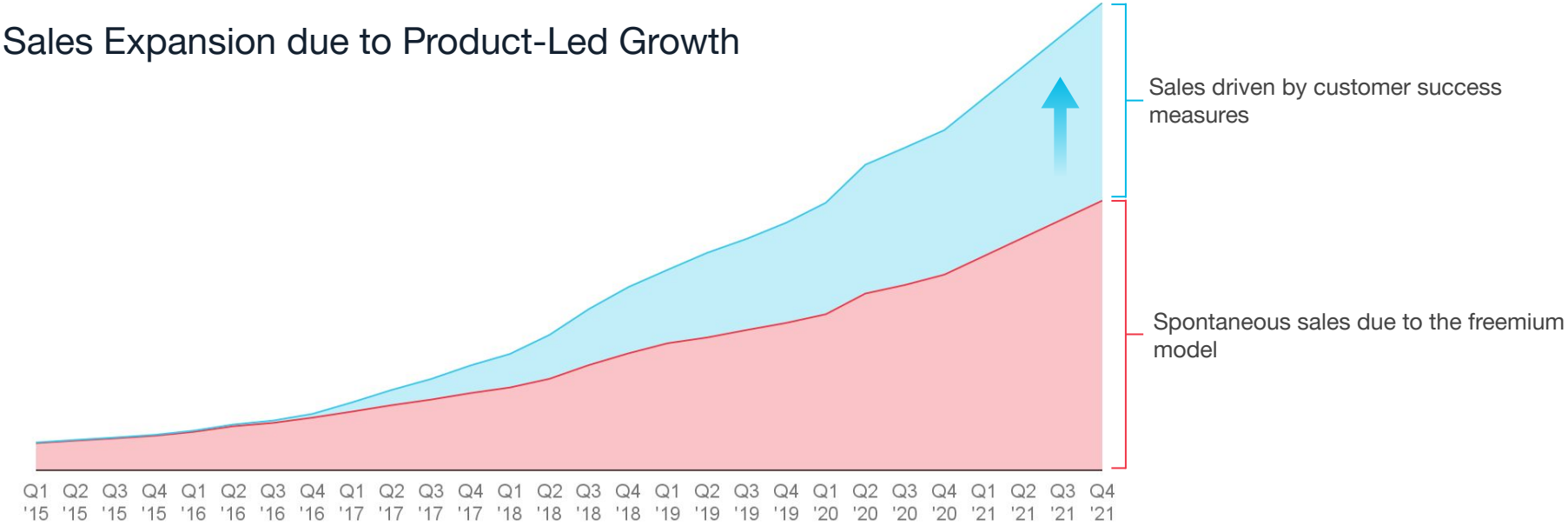
- **Product-Led Growth (PLG)** is a SaaS growth strategy that is the focus of attention in the US, whereby products are used to attract customers. This style is distinct from the conventional growth strategy, of **Sales-Led Growth**.
- Zoom and Shopify are two examples of PLG, which achieves notably 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<br>• Focuses on product improvement and customer successes | • Drive sales increases through sales and marketing activities<br>• Focus on improving sales and marketing |
| Charac-teristics | • Expansion through word of mouth, highly leveraged growth<br>• Structured so that ARPU rises as customers use products more intensively | • Dependent on the number of salespeople, workers tend to be concentrated<br>• Sales efforts always needing to focus on upselling and cross-selling |

# Using Customer Success Measures to Accelerate Spontaneous Product Growth

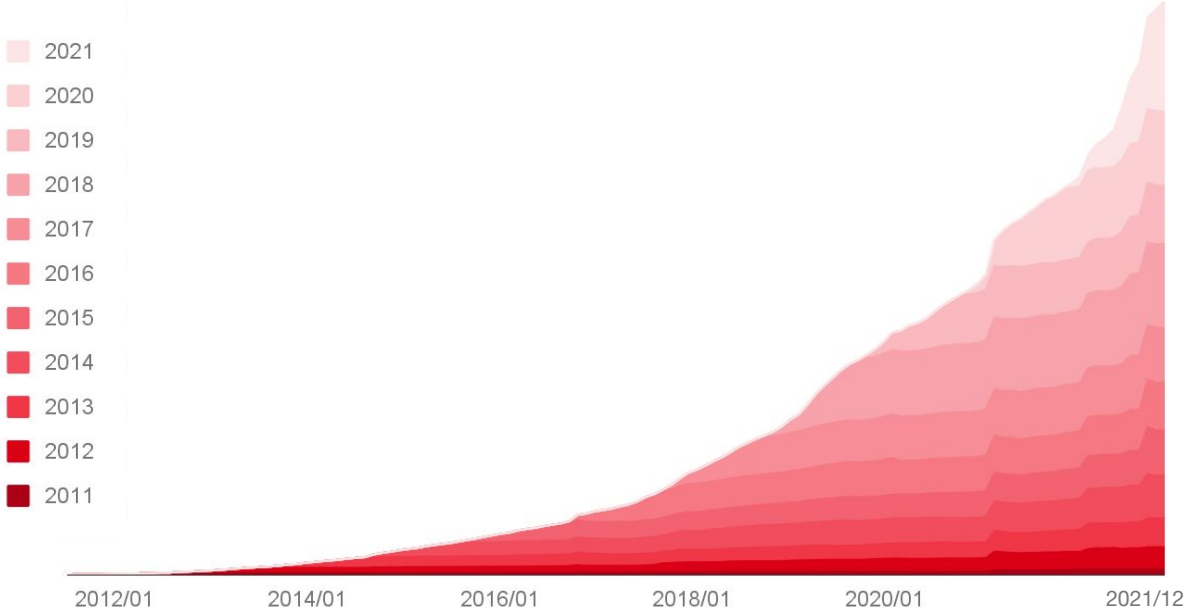
- Since the time our service launch, the free plan has driven an increase in use. We have been using a freemium model, in which the basic model has limited functionality. Users pay to unlock full functionality.
- Since 2015, we have provided support during the initial period (onboarding) and promoted 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 122%*2.
- The monthly retention rate is extremely high, at 99.7%*3.




*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 2021.
*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 January 2021 to the end of December 2021.

# 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.

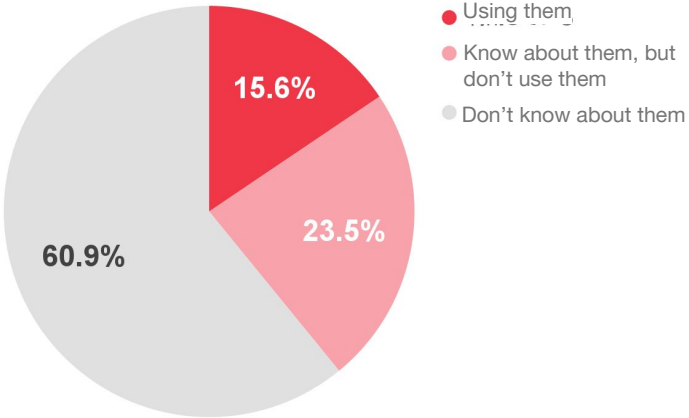
| | |
|---|---|
| Long-term<br>2025 and beyond | Business super app<br>Platform interacting with small and medium-sized companies in a host of ways |
| Medium-term<br>2024 | Leader in business chat for small and medium-sized companies<br>Market share of 40% in 2024<br>JPY10 billion sales |
| 2022 | Substantially accelerate the rate of user acquisition.<br>Expand peripheral services, make them a pillar of business growth. |
| First Year: 2021 | Achieve higher revenue growth ratio than in the previous year<br>Put in place systems for ongoing revenue growth |

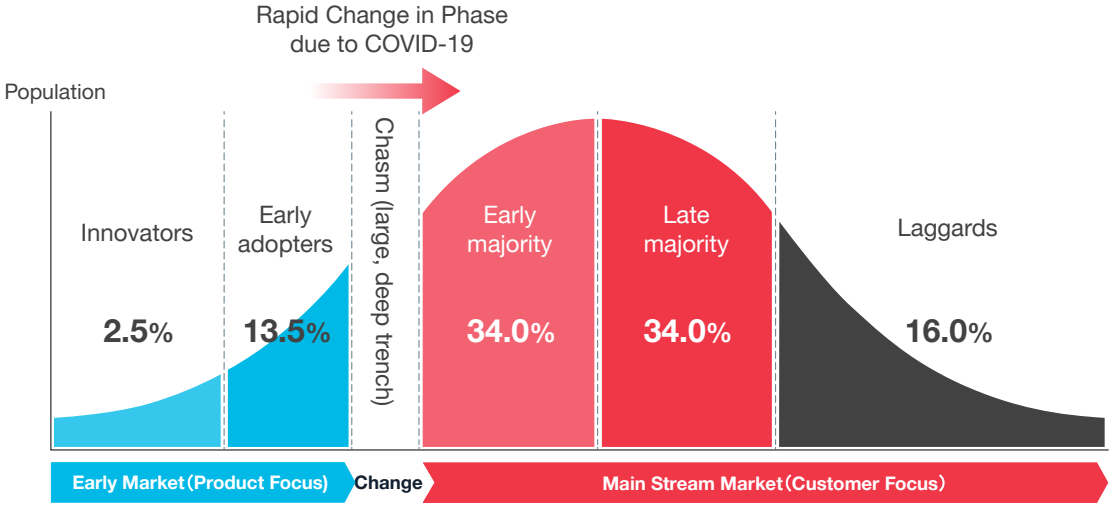
- Maximize investment speed
- CAGR of 40% in the Chatwork segment

# 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 15.6%[*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



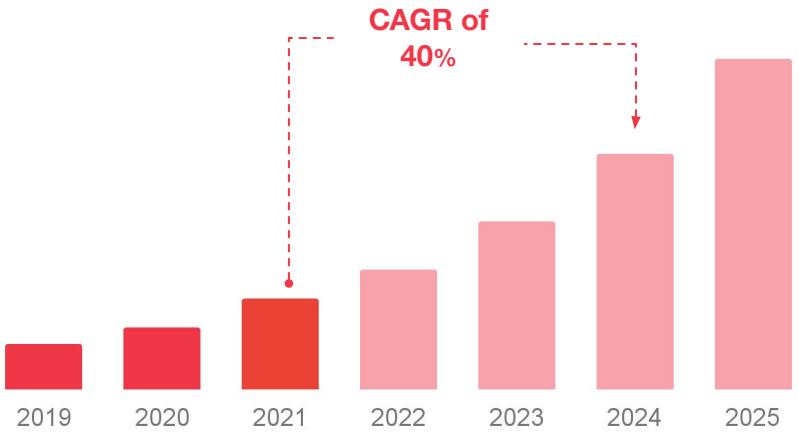




*1 Based on a study commissioned by Chatwork, n=30,000
*2 Geoffrey Moore’s “chasm theory” hypothesizes a deep barrier that must be crossed in order for new products and technologies in the high-tech sector to move from early-stage to mainstream markets.

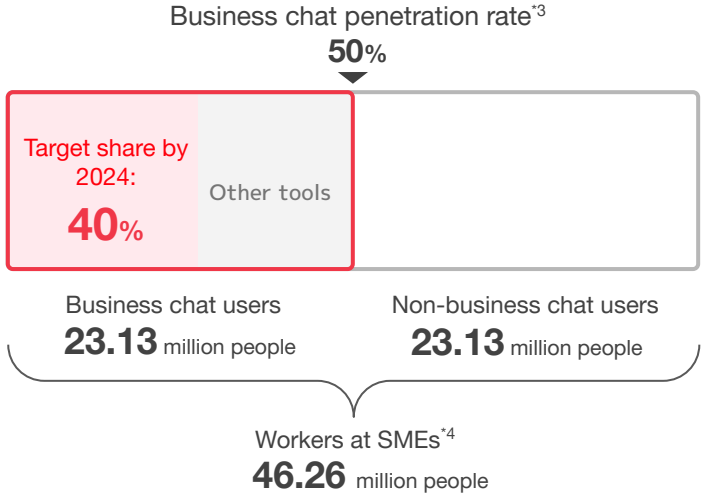
# Medium-Term Management Plan

- In our main business, Chatwork segment[*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 Segment




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




*1 Our mainstay Chatwork segment includes account and platform businesses, and excludes the Security business. For more details on business segments, please see P75.
*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.<br>• 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.<br>• 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.<br>• 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

Strategy #1

# Product-Led Growth Strategy

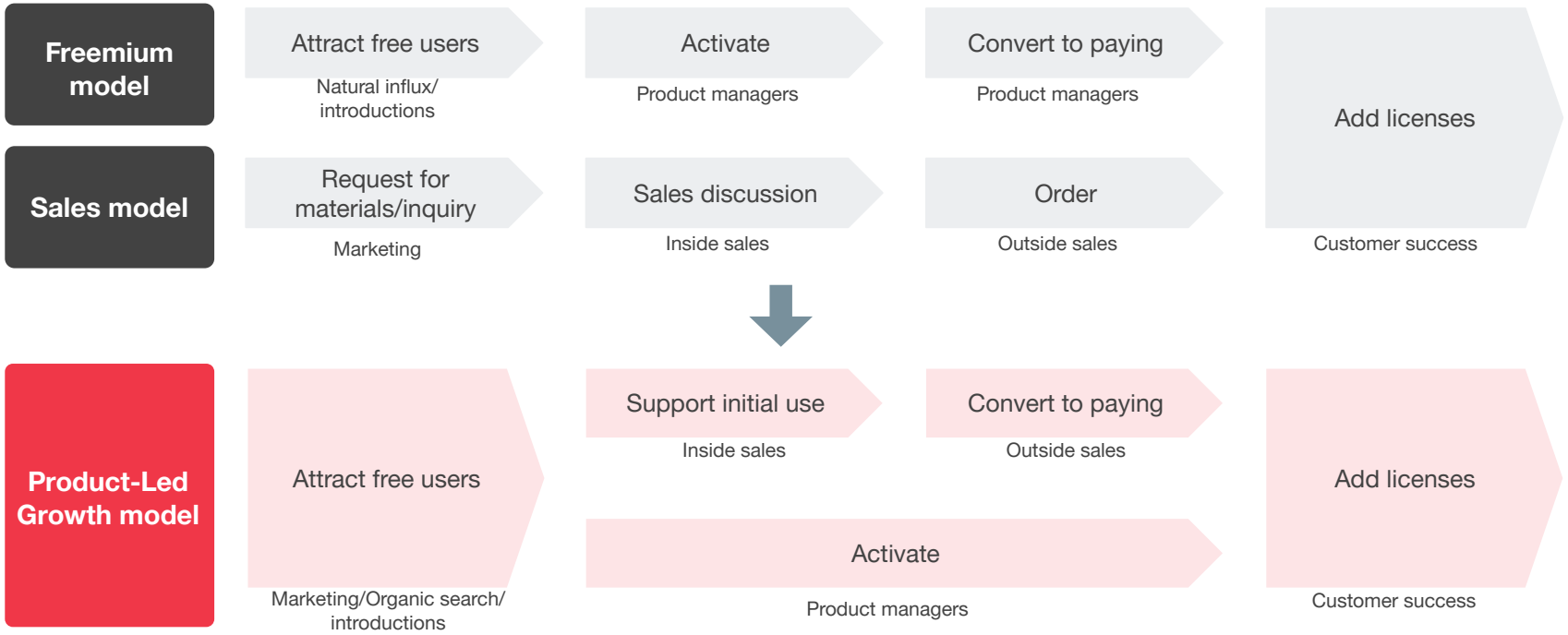
# Driving Product-Led Growth to Expand Services

- **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<br>• Focuses on product improvement and customer successes | • Drive sales increases through sales and marketing activities<br>• Focus on improving sales and marketing |
| Charac-teristics | • Expansion through word of mouth, highly leveraged growth<br>• Structured so that ARPU rises as customers use products more intensively | • Dependent on the number of salespeople, workers tend to be concentrated<br>• Sales efforts always needing to focus on upselling and cross-selling |

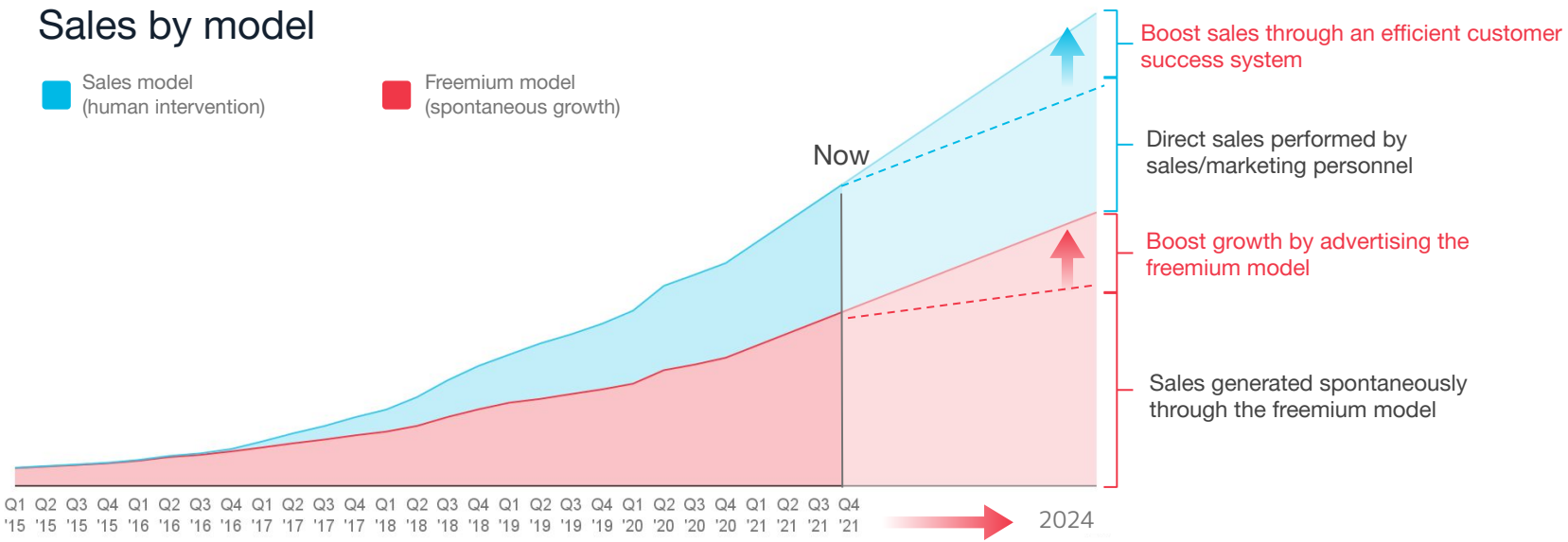
# PLG Strategy: Combining Two Growth Engines into One

- 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.



# 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.



Strategy #2

# Horizontal + Vertical Strategy

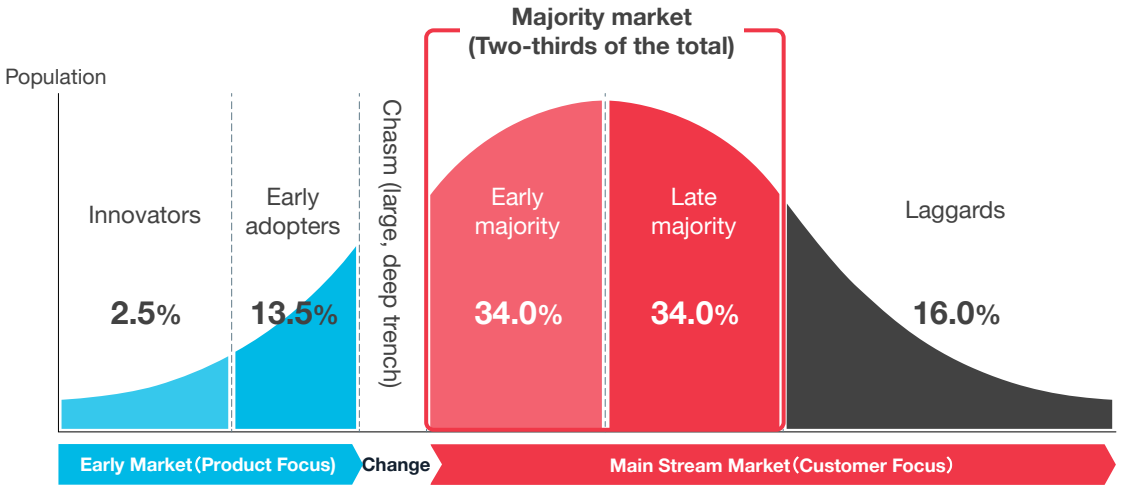
# Horizontal SaaS and Vertical SaaS

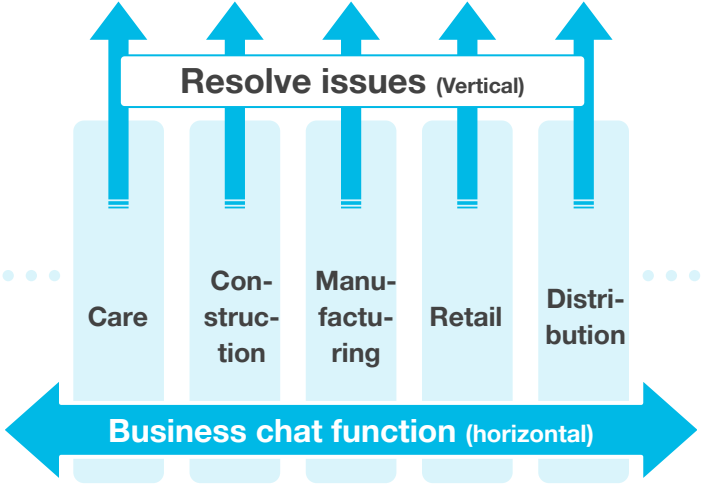
- Two types of SaaS exist: horizontal SaaS (which is for all industries) and vertical SaaS (which is for specific industries).
- Horizontal SaaS is used widely, but a high IT literacy is required to adjust or customize this software to resolve industry-specific issues. Vertical SaaS is emerging as a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

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

# Horizontal + Vertical Strategy

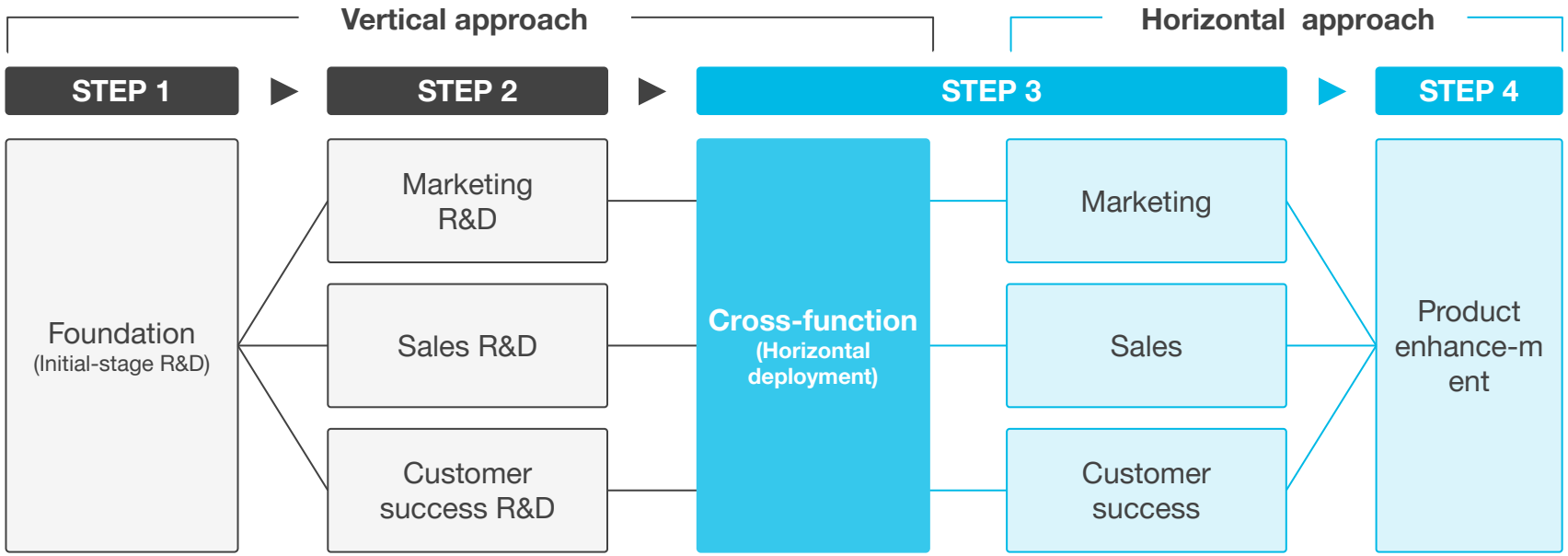
- To go beyond the market chasm, the phase of business chat market is moving into the “majority market,” focusing on practicality.
- On the base of Chatwork (horizontal), specialized teams promote a deeper understanding of the sector and create communication process to help resolve customer issues (vertical).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



# 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.

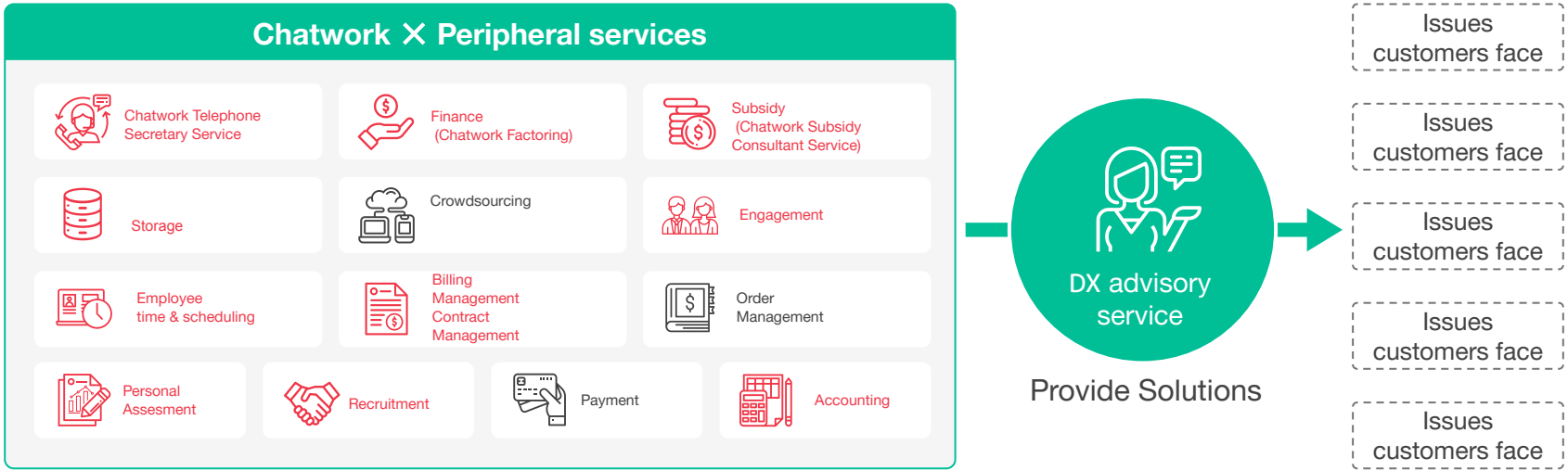


Strategy #3

# 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.



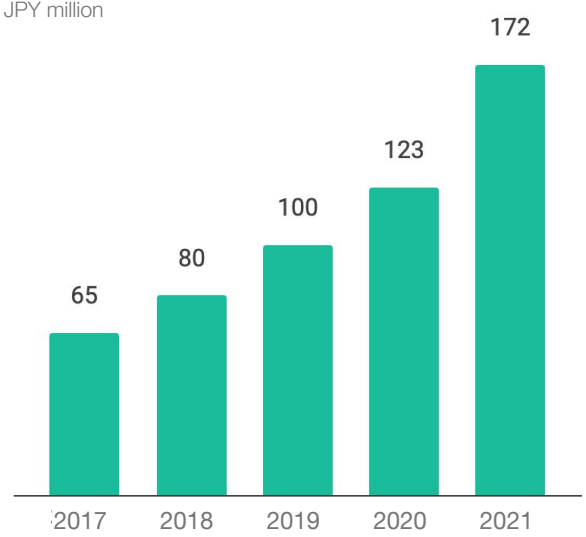

Note: Text in red indicates services available as of February 10 2022.

# Expand our Peripheral services

- We began offering Peripheral services in 2016, and growth has remained steady.
- Around half of Peripheral services[*1] 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



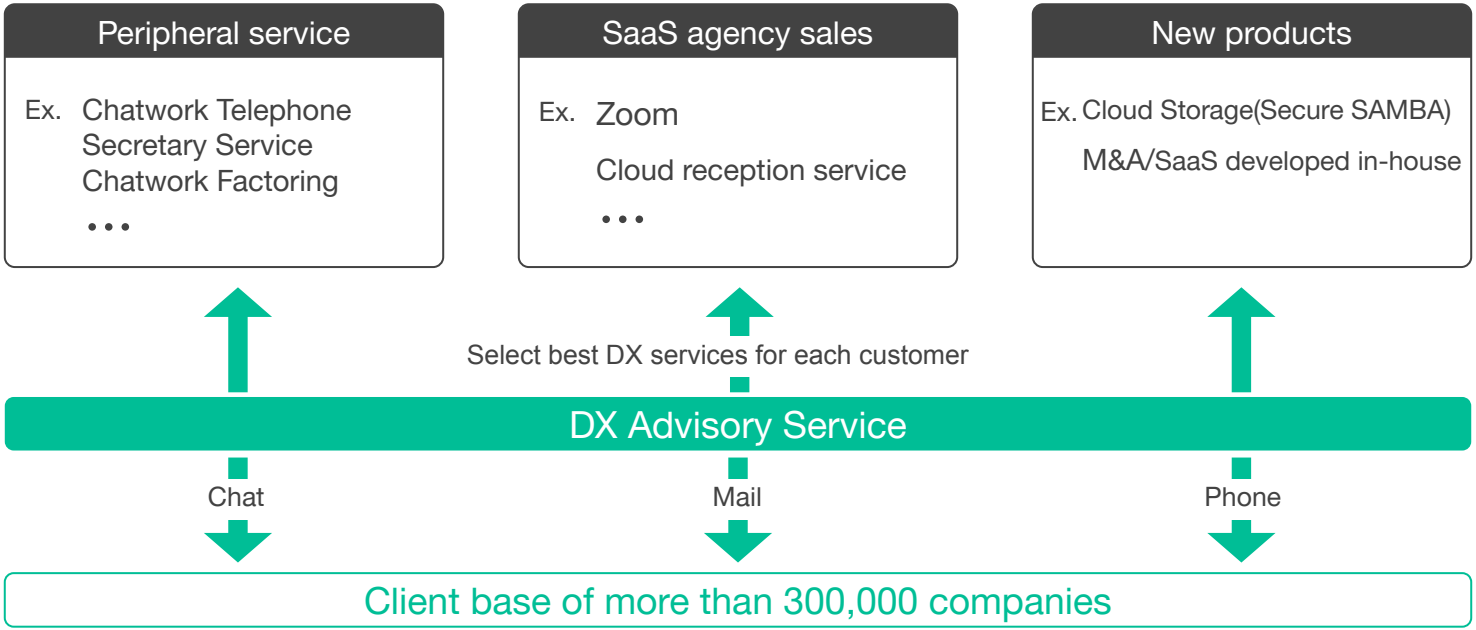

## Peripheral services currently in place

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

*1 Our services provided by referrals, advertising, and alliances in the platform business, excluding businesses acquired through M&A. For more details on business segments, please see P75.

# 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.



# 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.

Note: Text in red indicates services available as of February 10 2022.

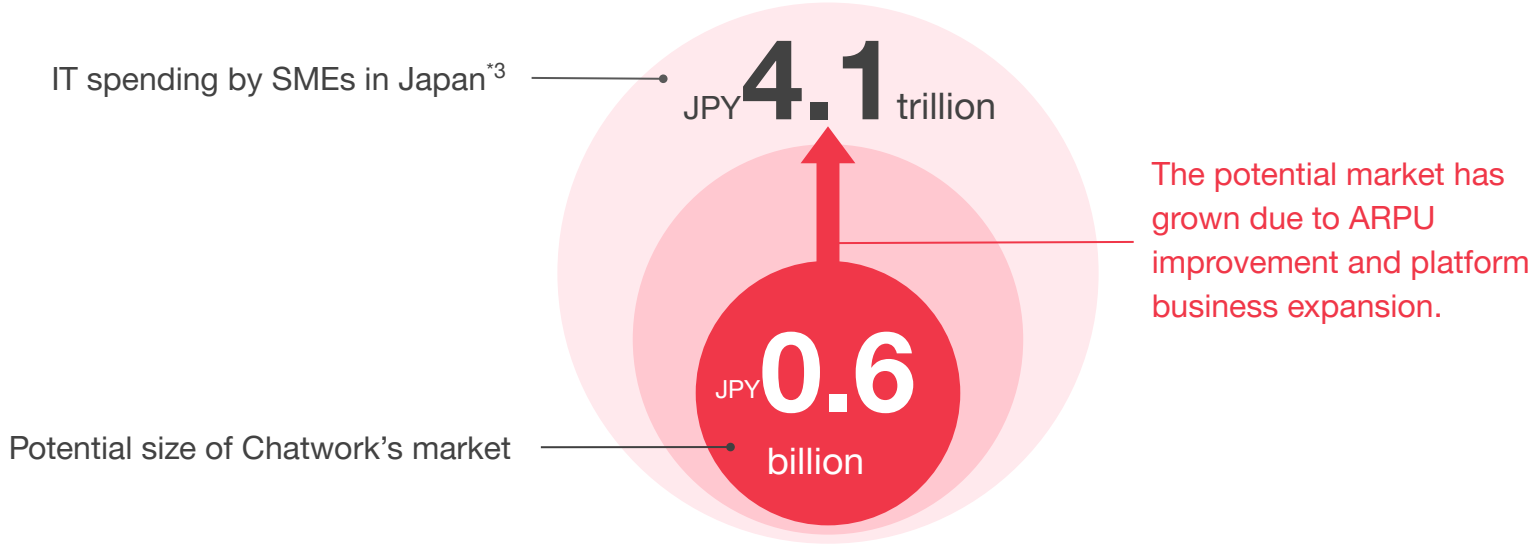
# Targeting a Business Super App via Three Strategies

- 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) |

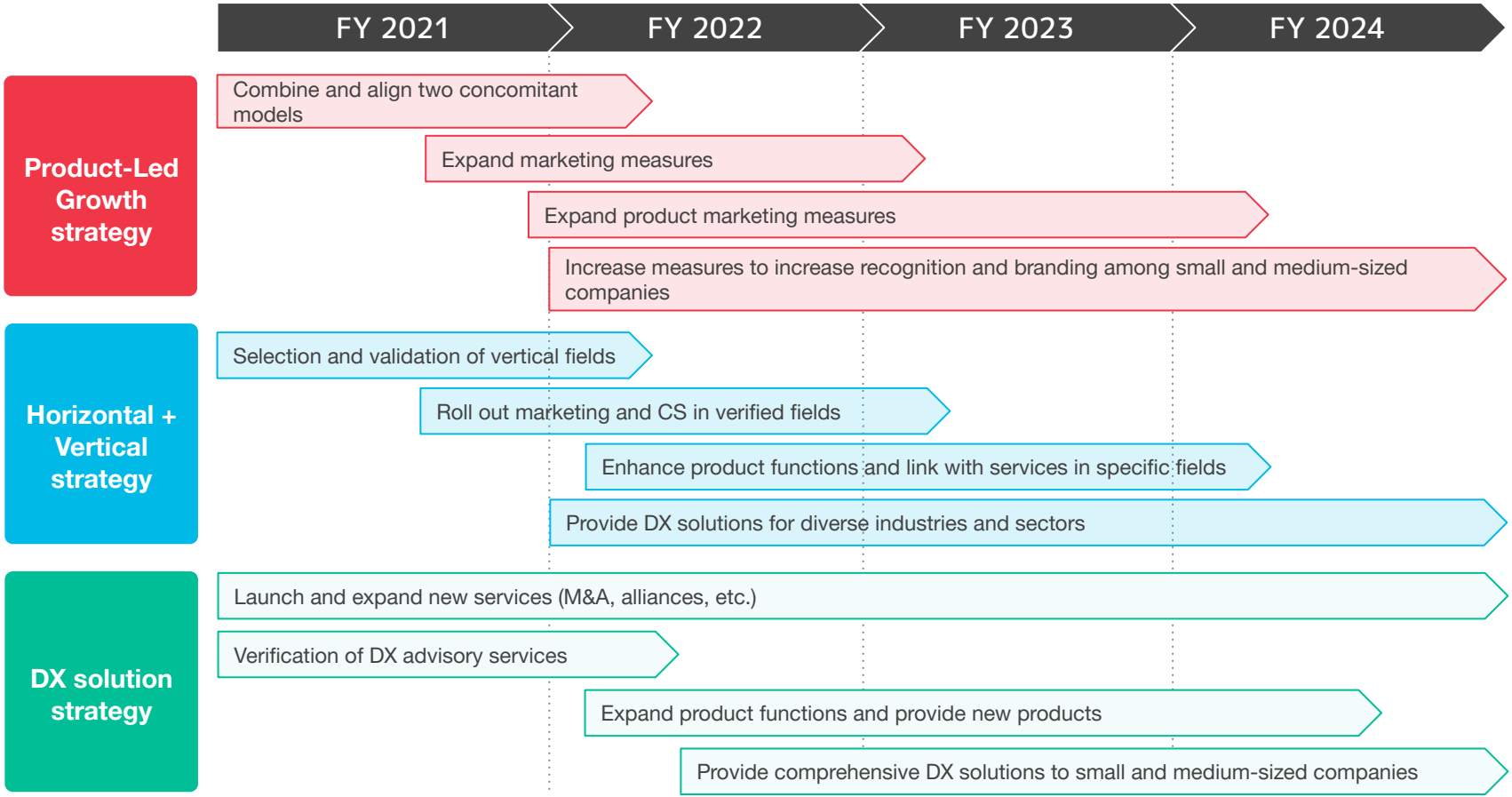
# Size of the Potential Market for Business Super Apps

- 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**.




*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



# 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.

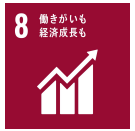
**Societal issues**

- 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




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

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/.

Full year of

# FY2021 Results

7

## Appendix

# Our Business Segments

- The cloud storage business, which we acquired in July, entered the scope of consolidation in Q3 2021. As a result, we have revised our business segments as shown below.
- The cloud storage business is incorporated (as a peripheral business) into the Chatwork segment's platform business.
- Our foremost management target is revenue growth in the Chatwork segment, which will achieve a CAGR of 40% or more between 2021 and 2024.

| | |
|---|---|
| Chatwork business | Account business |
| | Platform business |
| | Advertising business |
| Security business | |

Foremost Management Target

| | | |
|---|---|---|
| Chatwork segment | Account business | • Chatwork<br>(Direct sales, Agency Sales, and Chatwork provided to KDDI on an OEM basis) |
| | Platform business | • Peripheral services, including Advertising, referrals and alliances<br>• Acquired businesses*1 |
| Security segment | Distribution of software provided by ESET | |

*1 Currently indicates the cloud storage business

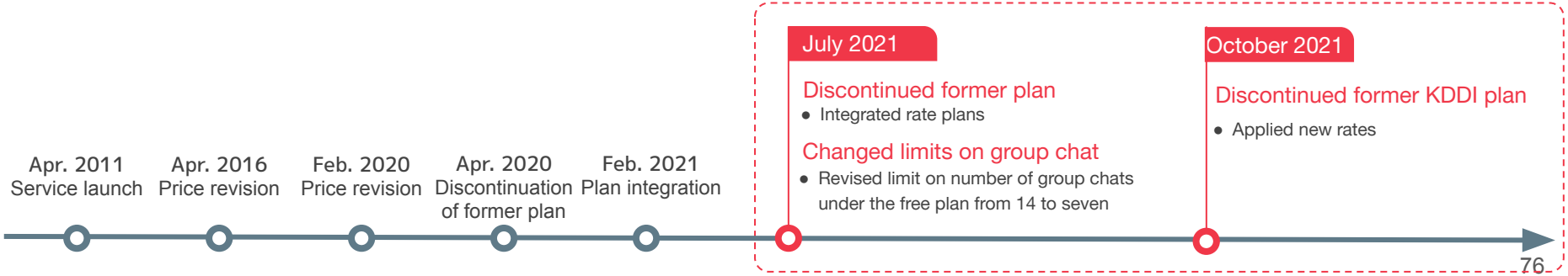
# Changing the Former Plan and Changing Limits on the Free Plan

## 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.



# 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 | | New! Revised fee | |
|---|---|---|---|
| Price per user, **business plan** | Price per user, **enterprise plan** | Price per user, **business plan** | Price per user, **enterprise plan** |
| JPY**500**/month (monthly agreement) | JPY**800**/month (monthly agreement) | JPY**600**/month (monthly agreement) | JPY**960**/month (monthly agreement) |
| JPY**5,000**/year (yearly agreement) | | JPY**6,000**/year (yearly agreement) | JPY**9,600**/year (yearly agreement) |
| Approx. JPY417/month | | JPY500/month | JPY800/month |

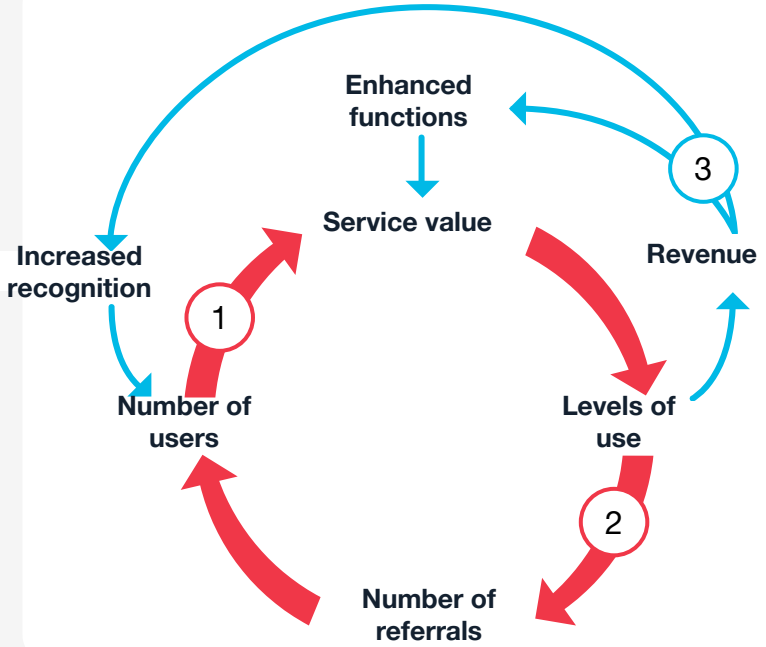
## Version Provided to KDDI on an OEM Basis

| Former plan | New! New plan |
|---|---|
| Sales price (June 2012~March 2016) | Sales price (From October 2021) |
| 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.

# Service Structure Accelerating the Virtuous Cycle

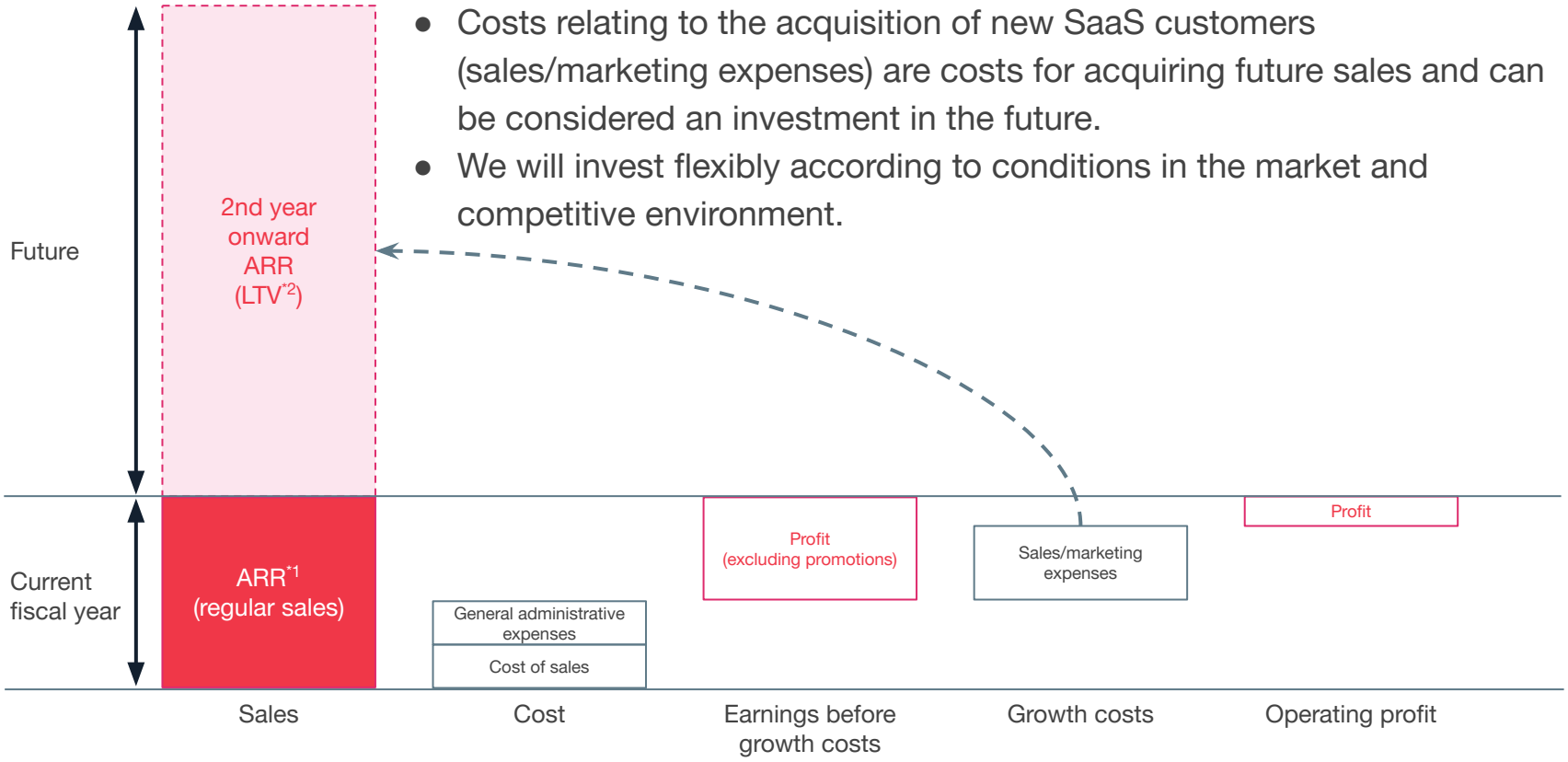
The virtuous cycle of service growth can be further accelerated by reinvesting revenue.




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.




*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.

## 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
2021 Japan WINNER
Deloitte.

Winner of the **Technology Fast 50 2021 Japan** award, sponsored by Deloitte Tohmatsu Limited

For the second straight year, we were selected for inclusion in Deloitte Tohmatsu Limited's Technology Fast 50 2021 Japan ranking, which targets Japanese companies in the TMT industry, based on our 86.2% earnings growth over the past three years.

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

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 Unipos Inc. (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.

# Disclaimer

- This document has been prepared by Chatwork Co., Ltd. (the “Company”) solely for information purposes. This document does not constitute or form part of and should not be construed as, an offer to sell or issue or the solicitation of an offer to buy or acquire securities of the Company in Japan, the United States or any other jurisdictions. The information contained herein is based on current economic, regulatory, and market trends and other conditions. The Company makes no representation or guarantee with respect to the credibility, accuracy or completeness of the information herein. The information contained herein may change without prior notice. You may not publish or use this document and the contents thereof for any other purpose without prior written consent of the Company. Furthermore, information on future business results are forward-looking statements. Forward-looking statements include but are not limited to expressions such as “*believe,*“ “*expect,*“ “*plan,*“ “*strategic,*“ “*expect,*“ “*anticipate,*“ “*predict,*“ and “*possibility,*“ as well as other similar expressions to explain future business activities, achievements, events and future conditions. Forward-looking statements are predictions about the future that reflect management's judgment based on currently available information. As such, these forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from those expressed in or suggested by the forward-looking statements. Therefore, you may not rely entirely on forward-looking statements. The Company assumes no obligation to change or correct any forward-looking statements in light of new information, future events or other findings.

- This document and its contents are confidential and are being provided to you solely for your information and may not be retransmitted. This presentation is being furnished to you solely for your information and may not be reproduced or redistributed to any other person. In giving this presentation, the Company does not undertake any obligation to provide the recipient with access to any additional information or to update this presentation or any additional information or to correct any inaccuracies in any such information that may become apparent.

- Information on companies other than the Company and information provided by third parties are based on public information or sources. The Company has not independently verified the accuracy and appropriateness of such data and indicators used herein, nor does it assume any responsibility for the accuracy and appropriateness of such data and indicators presented in this document.

Making work more fun and creative

Chatwork