

May 17<sup>th</sup>, 2022

Company Name	Kudan Inc.	
Representative	CEO	Daiu Ko
	(Securities code: 4425 TSE Growth)	
Inquiries	CFO	Kohei Nakayama
	(Tel. 03-4405-1325)	

**The transcript of the question and answer in the financial report presentation meeting for institutional investors and analysts is now available online**

Kudan Inc. (henceforth in this document as “Kudan”) held the financial report presentation for institutional investors and analysts on May 16<sup>th</sup>, 2022. In order to disclose information to investors in a timely manner, the English-translated transcript of the question and answer session is available in this release.

**【FY2022 (full-year) financial report presentation meeting for institutional investors and analysts】**

1. Date: Monday, May 16<sup>th</sup>, 2022
2. Speakers: Daiu Ko, CEO  
Taro Murai, Vice President and COO  
Kohei Nakayama, Vice President and CFO

▼▼Financial report presentation video can be viewed from below (Japanese only)▼▼

<https://youtu.be/cUKYztL2ER0>

▼▼Financial report presentation transcript can be viewed from below (English)▼▼

<https://contents.xj-storage.jp/xcontents/AS02977/58231ff6/3135/476f/ae94/e52cd0c7b21f/140120220512543380.pdf>

▼▼Supplementary documentation to the financial report for FY2022 can be viewed from below (English)▼▼

<https://contents.xj-storage.jp/xcontents/AS02977/62f245d7/b650/473a/bc00/5b53e77dac98/140120220512543368.pdf>

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**【List of questions and answers】**

1. Can you be more specific about cost synergies from technology integration?

The technology integration results in the development of a hybrid technology that combines the algorithmic advantages of both Kudan's Indirect and Artisense's Direct methods. This will enable the technology to perform over a wide range of demands and will lay the foundation for continued growth.

Also, the integration of the two SLAM systems will enable the realization of optimal organizational structure and cost reductions through personnel reductions and transfers, including voluntary retirement, as a result of the integration of technologies through the commonalizing of functions and sharing of architecture. In addition to personnel costs, cost reductions are expected to include facilities and administrative costs of development-centered subsidiaries.

**2. Please comment on the timing of turning to profitability for the quarter and for the full year.**

Given our current business phase and the characteristics, we believe that viewing our performance on an annual basis rather than quarterly is the most appropriate representation of our business progress, as the revenue tends to focus on the end of the fiscal year while the costs are viewed on a quarterly basis.

With regard to the profitability for the full-year, we do not expect to achieve profitability in the current fiscal year ended March, 2022, but we believe that our cost structure will be improved by the end of the current fiscal year and that, in principle, we will aim to shift to profitable earnings structure in the next fiscal year ending March, 2023. However, we believe that it is equally important to achieve mid to long term business growth as it is to achieve profitability as early as possible, so we would like to set a target for the next fiscal year, taking into consideration the balance with the necessary business investment.

**3. What are your assumptions of the foreign exchange rate for the current fiscal year? Are there any benefits from the depreciation of yen?**

The assumption of the foreign exchange rate for this fiscal year is based on the foreign exchange rate at the end of March 2022. As for the effect of yen depreciation, it is difficult to suggest whether it will be an advantage or disadvantage, since both overseas revenue and costs will increase.

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※If you have any inquiries regarding the contents of the financial report presentation, please feel free to contact us at Kudan's contact form below. Also, if you would like to have an interview with us, please let us know as well.

■Company Details

Name: Kudan Inc.  
Securities Code: 4425  
Representative: CEO Daiu Ko

■For more details, please contact us from [here](#).