

sansan

Turning encounters
into innovation



Presentation Materials for FY2021

Sansan, Inc. July 14, 2022

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In preparing these materials, Sansan, Inc. (“the Company”) relies upon and assumes the accuracy and completeness of all available information. However, the Company makes no representations or warranties of any kind, expresses or implies, about the completeness and accuracy. This presentation may contain future assumptions, prospects and forecasts based on planning, but these forward-looking statements are based on the information that is currently available to us, and on certain assumptions that we assume to be reasonable, but the Company does not promise to achieve these. Major differences may occur between the forecast and the actual performance, including changes in economic conditions, consumer needs and user preferences; competition with other companies; changes in laws, regulations and others; and a number of other future factors. Therefore, the actual performance announced may vary depending on these various factors. In addition, the Company has no obligation to revise or publish the future prospects posted on this site.

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3 Full-year Forecasts

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(Sansan Group Overview, Sansan/Bill One Business, Eight Business)

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2 Each Service's Growth Strategy

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Highlights of FY2021 Results

| Consolidated net sales up 26.2% YoY

Net Sales: Sansan/Bill One Business 24.0% growth, Eight Business 39.9% growth
ARR ⁽¹⁾ : 22.9% growth to ¥19,823 million

| Bill One ARR exceeded 1.4 billion yen, significantly exceeding target

Bill One MRR ⁽²⁾ up 479.7% YoY, to ¥117 million
ARR (as of May 2022) was ¥1.407 billion, greatly exceeding targeted ARR of ¥1 billion

| Reformed major products toward achievement of medium- to long-term growth

Reformed Sansan, from business card contact management service to service for sales DX
Reformed Eight, from business card management app to contact and career management app

(1) Annual recurring revenue

(2) Monthly recurring revenue

Overview of Consolidated Financial Results

Net sales up 26.2% YoY, operating profit down 14.2% owing to growth investments made. Ordinary profit and profit attributable to parent owners greatly increased thanks to booking of gain on sale of investment securities, etc.

		FY2020	FY2021		(For Reference) FY2021	
		(millions of yen) Full-year Results	Full-year Results	YoY	Q4 Results	YoY
Consolidated Results	Net Sales	16,184	20,420	+26.2%	5,715	+29.0%
	Gross Profit	14,192	17,904	+26.2%	4,931	+27.4%
	Gross Profit Margin	87.7%	87.7%	—	86.3%	-1.1 pt.
	Operating Profit	736	631	-14.2%	397	—
	Operating Profit Margin	4.6%	3.1%	-1.5 pt.	7.0%	—
	Ordinary Profit	375	968	+158.3%	217	—
	Profit Attributable to Owners of Parent	182	857	+369.7%	282	—
	EPS ⁽¹⁾	1.47 yen	6.87 yen	+368.8%	2.26 yen	—

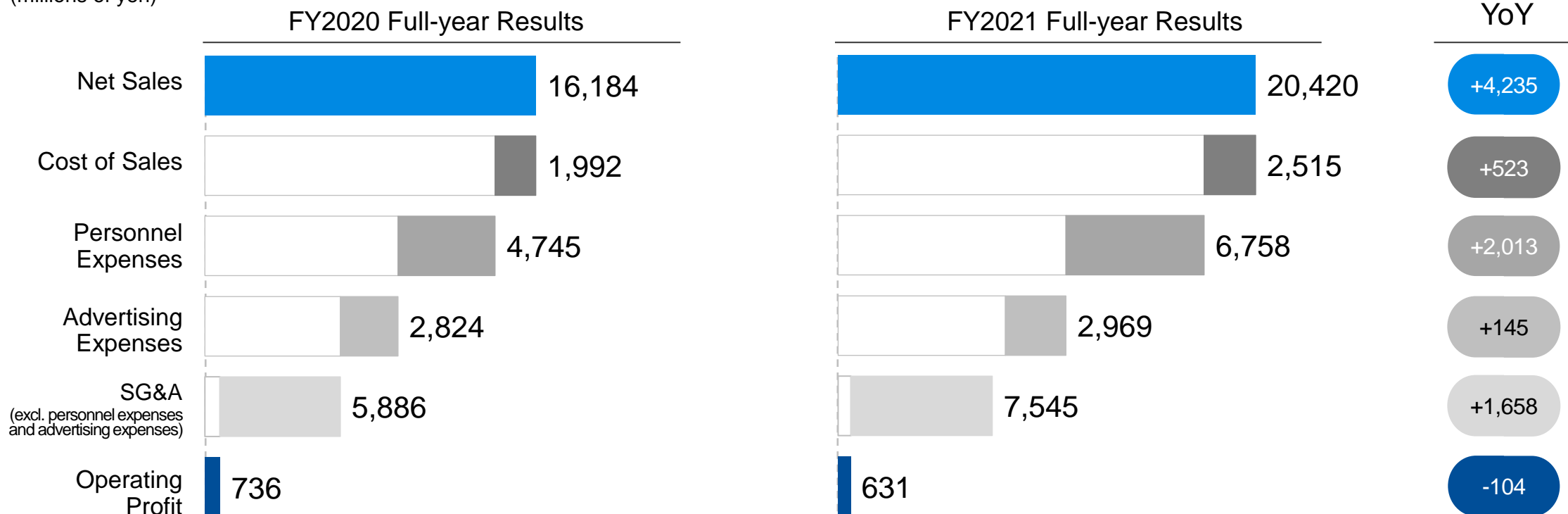
(1) As the Company conducted a four-for-one common stock split effective December 1, 2021, the EPS were calculated on the assumption that the stock split was conducted at the beginning of the fiscal year ended May 31, 2021.

Factors Contributing to Changes in Consolidated Operating Profit

Personnel expenses up ¥2,013 million (42.4%) YoY owing to proactive personnel recruitment.
Other SG&A expenses up ¥ 1,658 million (28.2%) YoY owing to increases in various related expenses in accordance with increased personnel.

Status of Consolidated Net Sales/Operating Profit

(millions of yen)



Results by Segment

Increased net sales and operating profit (reduced deficit) in both Sansan/Bill One and Eight Businesses. Adjustments amount (operating loss) up ¥890 million YoY, owing to increased employees, etc.

		FY2020	FY2021		(For Reference) FY2021	
		Full-year Results	Full-year Results	YoY	Q4 Results	YoY
		(millions of yen)				
Net Sales	Consolidated	16,184	20,420	+26.2%	5,715	+29.0%
	Sansan/Bill One Business	14,605	18,105	+24.0%	4,906	+24.4%
	Eight Business	1,582	2,213	+39.9%	783	+60.4%
	Others	—	126	—	46	—
	Adjustments	-3	-25	—	-19	—
Operating Profit	Consolidated	736	631	-14.2%	397	—
	Sansan/Bill One Business	5,278	5,725	+8.5%	1,695	+39.3%
	Eight Business	-754	-386	—	10	—
	Others	—	-28	—	-10	—
	Adjustments	-3,787	-4,678	—	-1,298	—

Sansan/Bill One Business Overview

Against backdrop of Sansan's steady growth and high growth of Bill One, net sales up 24.0% YoY. Even while investing in Bill One's growth, operating profit up 8.5% YoY.

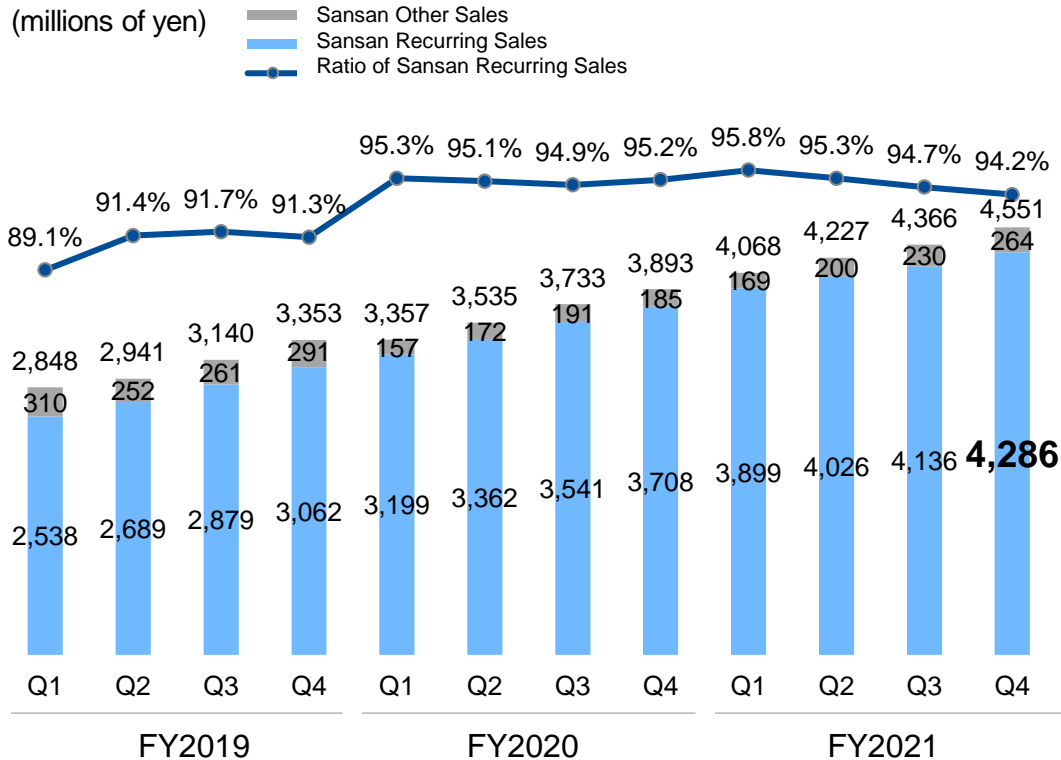
	(millions of yen)	FY2020	FY2021		(For Reference) FY2021	
		Full-year Results	Full-year Results	YoY	Q4 Results	YoY
Sansan/Bill One Business	Net Sales	14,605	18,105	+24.0%	4,906	+24.4%
	Sansan	14,519	17,214	+18.6%	4,551	+16.9%
	Sansan Recurring Sales	13,811	16,349	+18.4%	4,286	+15.6%
	Sansan Other Sales	707	865	+22.3%	264	+42.8%
	Bill One	84	826	+878.1%	327	+552.1%
	Others	1	64	+4,414.0%	26	+4,236.4%
	Operating Profit	5,278	5,725	+8.5%	1,695	+39.3%
	Operating Profit Margin	36.1%	31.6%	-4.5 pt.	34.6%	+3.7 pt.

(1) Figures other than net sales and operating profit for the full-year ended May 31, 2021, are exempt from review conducted by an audit corporation.

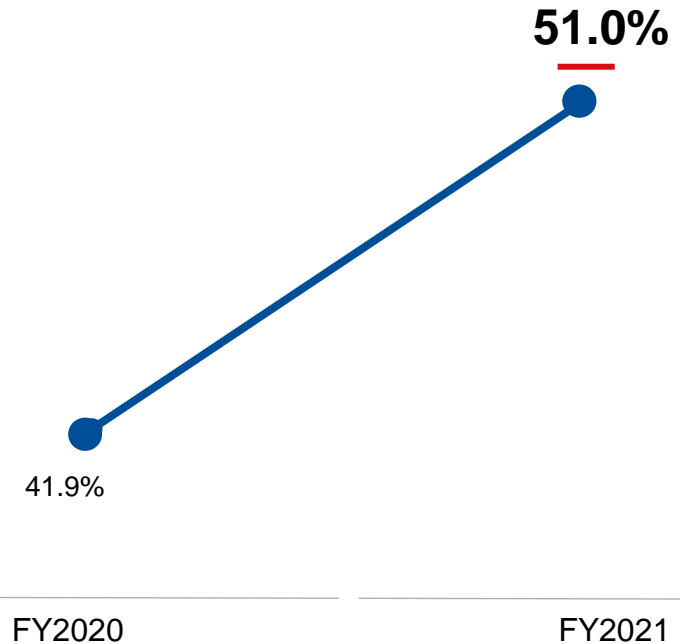
Sansan/Bill One Business : Sansan Recurring Sales, Operating Profit Margin

**Q4 Sansan recurring sales up 15.6% YoY, Sansan other net sales up 42.8%.
 Sansan operating profit margin up 9.1 pt. YoY to 51.0%.**

Sansan Recurring Sales



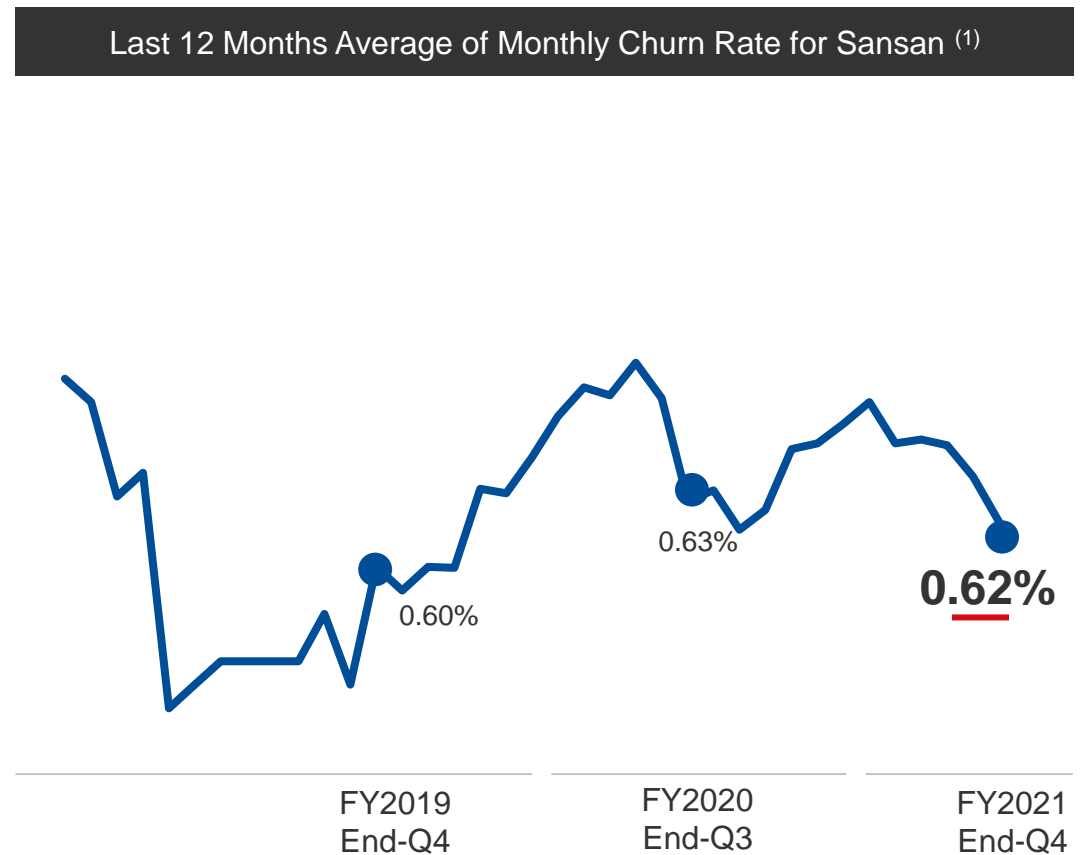
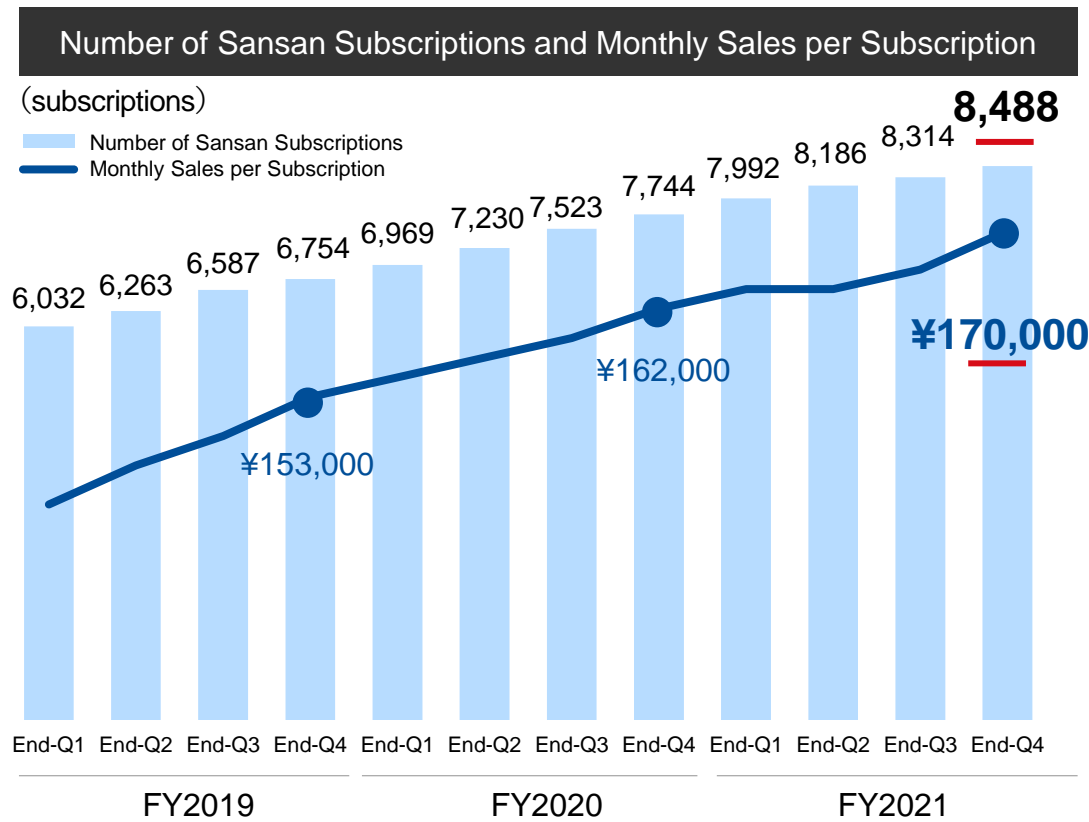
(For Reference) Sansan Operating Profit Margin ⁽¹⁾



(1) Unaudited

Sansan/Bill One Business : Number of Sansan Subscriptions and Monthly Sales per Subscriptions, Last 12 Months Average of Monthly Churn Rate for Sansan

Number of subscriptions up 9.6% YoY and monthly recurring sales per subscription up 4.9% YoY. Last 12 months average of monthly churn rate has remained low, at 1% or less.



(1) Ratio of decreased monthly fees associated with contract cancellations to total monthly fees for existing contracts

Sansan/Bill One Business : Bill One MRR, Paid Subscriptions, and Monthly Sales per Paid Subscription, Last 12 Months Average of Monthly Churn Rate for Bill One

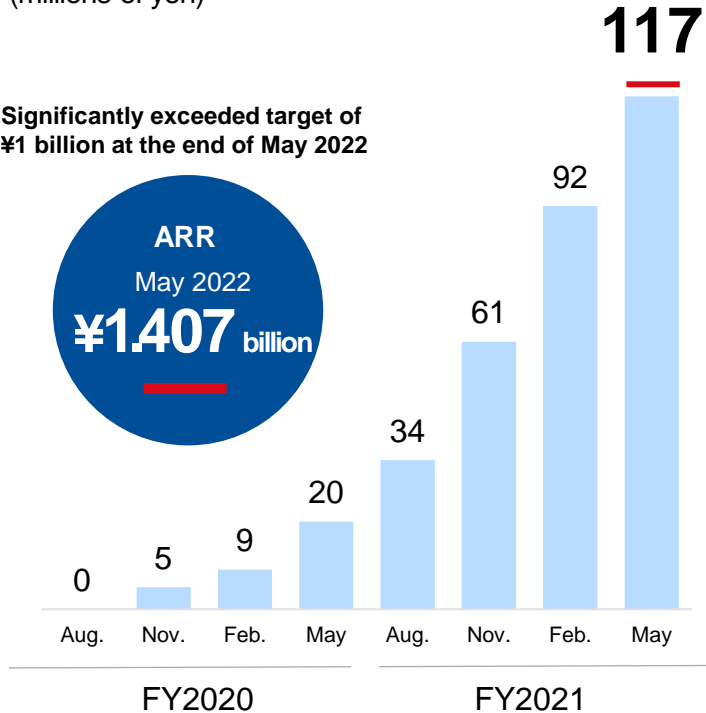
ARR as of May 31, 2022 was ¥1.4 billion, significantly exceeding target.

Number of paid subscriptions/monthly sales per paid subscription continue to grow at high rate, with last 12 months average of monthly churn rate at low level of 0.49%.

Bill One MRR

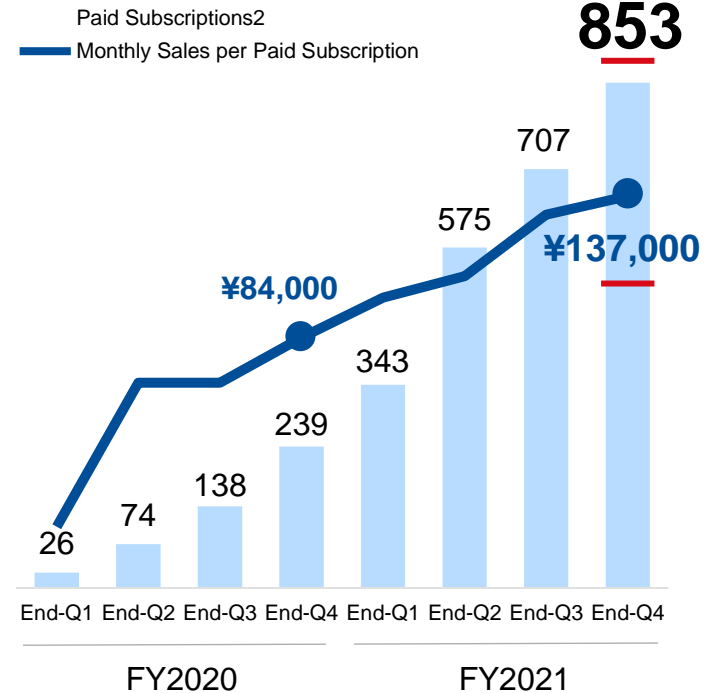
(millions of yen)

Significantly exceeded target of ¥1 billion at the end of May 2022



Number of Bill One Paid Subscriptions and Monthly Sales per Paid Subscription

(subscriptions)



Last 12 Months Average of Monthly Churn Rate for Bill One ⁽¹⁾

End of Q4 FY2021
0.49%

(1) Ratio of decreased monthly fees associated with contract cancellations to total monthly fees for existing contracts

Sansan/Bill One Business : Bill One Market Share and Customers

Achieved #1 share of sales in the cloud invoice receiving service market.
Regardless of company size, acquiring customers from various types of businesses.

Market Share in Cloud Invoice Receiving Services ⁽¹⁾

Bill One
powered by Sansan

Share of Sales
in Cloud Invoice
Receiving Service Market
No.1

Customers Running Bill One



(1) Deloitte Tohmatsu MIC Economic Research Institute, "The Present and Future of the Market of Online Invoice Receiving Solution Service Market, Expected to Grow at a Staggering Rate" (MIC IT Report, July 2022).

Eight Business Overview

Sales up 39.9% YoY owing to expansion of B2B services.

Recorded operating profit for first time in Q4, decreasing loss by ¥367 million YoY.

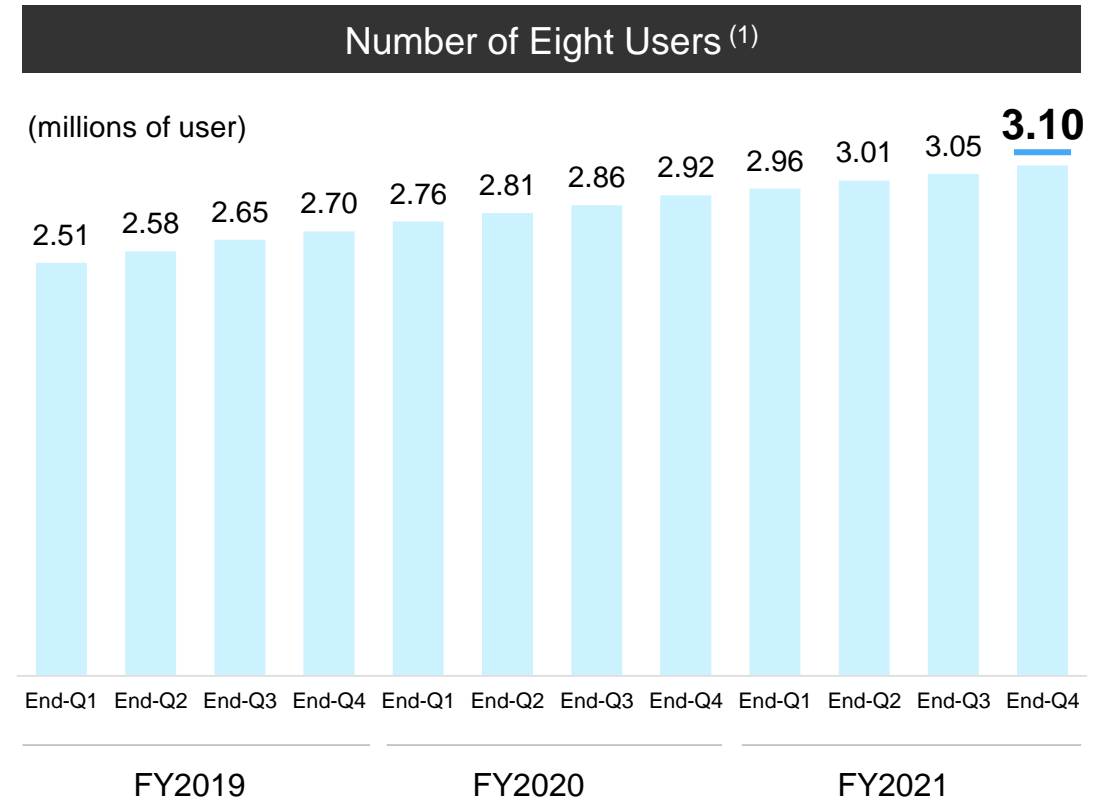
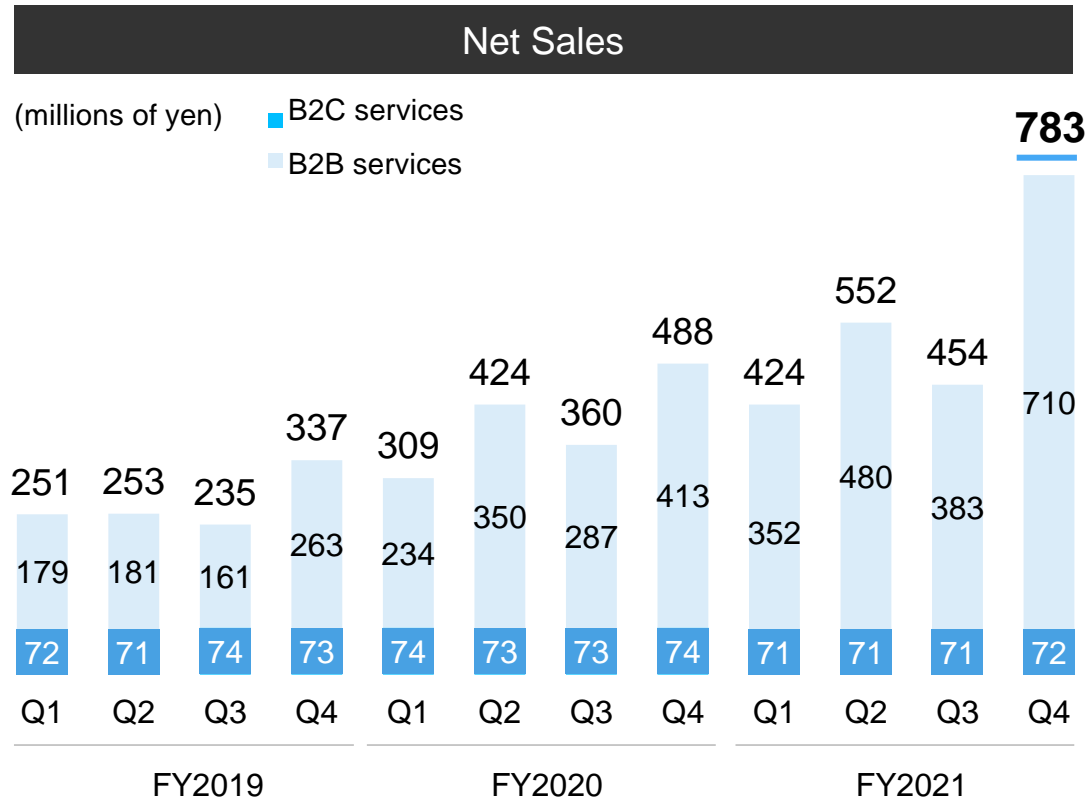
	(millions of yen)	FY2020	FY2021		(For Reference) FY2021	
		Full-year Results	Full-year Results	YoY	Q4 Results	YoY
Eight Business	Net Sales	1,582	2,213	+39.9%	783	+60.4%
	B2C Services	296	286	-3.6%	72	-3.4%
	B2B Services	1,286	1,927	+49.9%	710	+72.0%
	Operating Profit	-754	-386	—	10	—
	Operating Profit Margin	—	—	—	1.3%	—
Eight Business	Number of Eight Users ⁽²⁾	2.92 million people	3.10 million people	+0.18 million people		
	Number of Eight Team Subscriptions	2,253	2,819	+25.1%		

(1) Figures other than net sales and operating profit for the full year ended May 31, 2021, are exempt from review conducted by an audit corporation.

(2) Number of confirmed users who registered their business card to their profile after downloading the app.

Eight Business: Net Sales, Eight Users

**Q4 B2B service sales up 72.0% YoY owing to holding of large-scale business events, etc.
Continued growth of number of Eight users.**



(1) Number of confirmed users who registered their business card to their profile after downloading the app.

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1 Consolidated Financial Results for FY2021

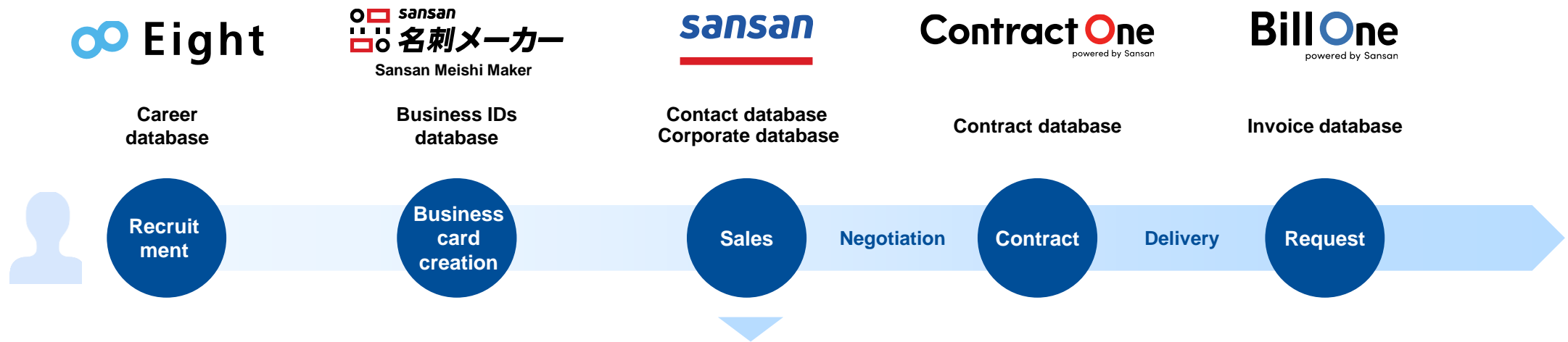
2 Each Service's Growth Strategy

3 Full-year Forecasts

Developing a Business Database that Reshapes How People Work

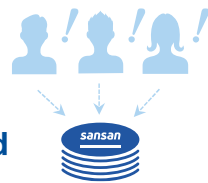
Offering a business database that reshapes how people work and that connects encounters with people and companies with business opportunities.

Developing services in business flows in various fields.



Work styles that will change with use of business databases

Users can immediately find information they need



Information is easy to manage and can be shared immediately







Easy to analyze and utilize information and make decisions based on data




Sansan/Bill One Business

Sansan / Bill One Business

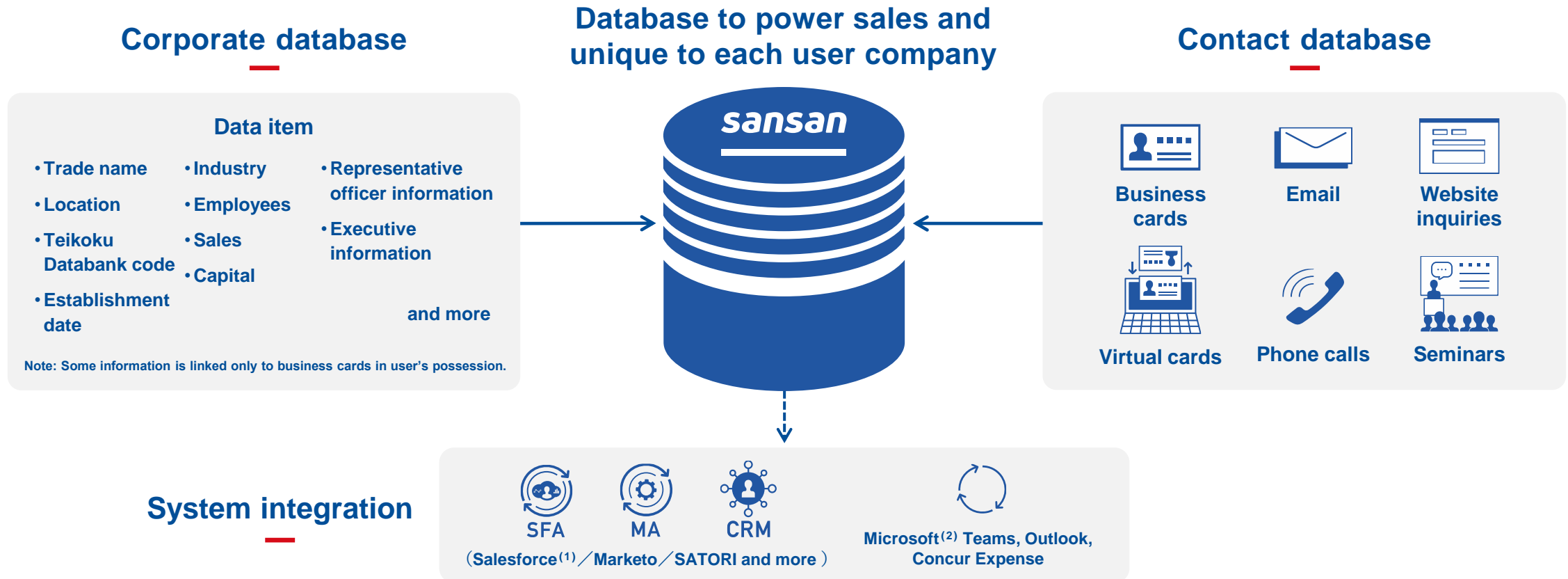
<p>Service for sales DX</p>  <p>sansan</p>	<p>Online invoice receiving solution</p>  <p>Bill One powered by Sansan</p>	<p>Cloud-based contract management solution</p>  <p>Contract One powered by Sansan</p>	<p>Business card creation service</p>  <p>sansan 名刺メーカー</p>
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Eight Business

<p>Contact and career management app</p>  <p>Eight</p>
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Sansan: Product Reform to Database to Power Your Sales

Reformed product from business card contact management service to service for sales DX.
Building databases unique to user companies by combining company information and contact databases.



(1) Salesforce is a registered trademark of salesforce.com, Inc.

(2) Microsoft Teams, Teams, and Microsoft Outlook are registered trademarks or trademarks of Microsoft Corporation in the United States and/or other countries.

Sansan: Even More Function Enhancements

From June 2022, use of main post-product reform functions will commence.

From August 2022, planning even more function enhancements, such as email contact information in visual form and Risk Intelligence.

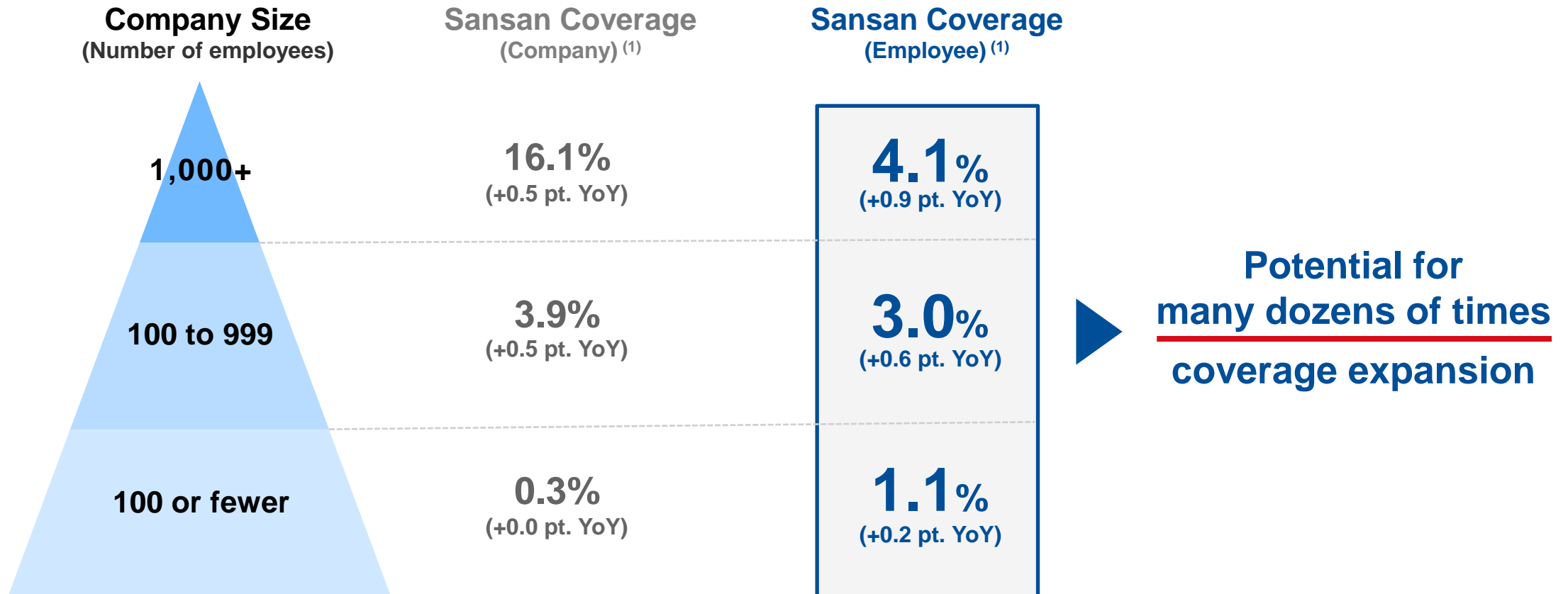
FY2021

FY2022

FY2021		FY2022	
Q3	Q4	Q1	Q2
<p>Main functions of product reform</p>			
<ul style="list-style-type: none"> Added Contact Inbox function (December) 	<ul style="list-style-type: none"> Browsing of company information (March) Add website inquiry form integration (May) 	<ul style="list-style-type: none"> Strengthen integration with Teikoku Databank (June) 	<ul style="list-style-type: none"> Risk Intelligence for companies/people (August) Email contacts display and search functions (August) <p>(additions as necessary)</p>
	<ul style="list-style-type: none"> Sales begin (March) 		

Sansan: Potential Market Size of Sansan in Japan (TAM)





The number of users within current customers is limited, and there's room for many dozens of times more coverage expansion.




(1) Sansan coverage is calculated with the number of subscription and total number of IDs in Sansan for FY2021 Q4 end as the numerator and the number based on Economic Census for Business Activity in 2016 issued by the Statistics Bureau as the denominator. (Because of a review of the definition of calculation, the value at the end of Q4 FY5/2021 was revised.)

Sansan/Bill One Business

Sansan / Bill One Business

<p>Service for sales DX</p> 	<p>Online invoice receiving solution</p> 	<p>Cloud-based contract management solution</p> 	<p>Business card creation service</p> 
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Eight Business

<p>Contact and career management app</p> 
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Bill One: External Environment in Invoicing Arena

Planning to commence invoice system applications from October 2023.

Review not only of invoice receipt but also of issuance operations in demand.

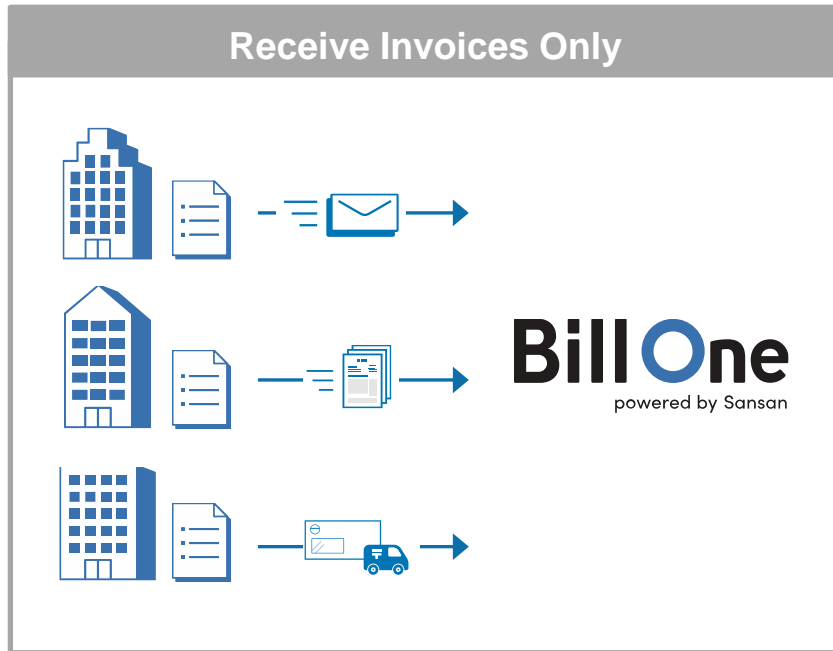


Bill One: Offering Invoice Issuing Function

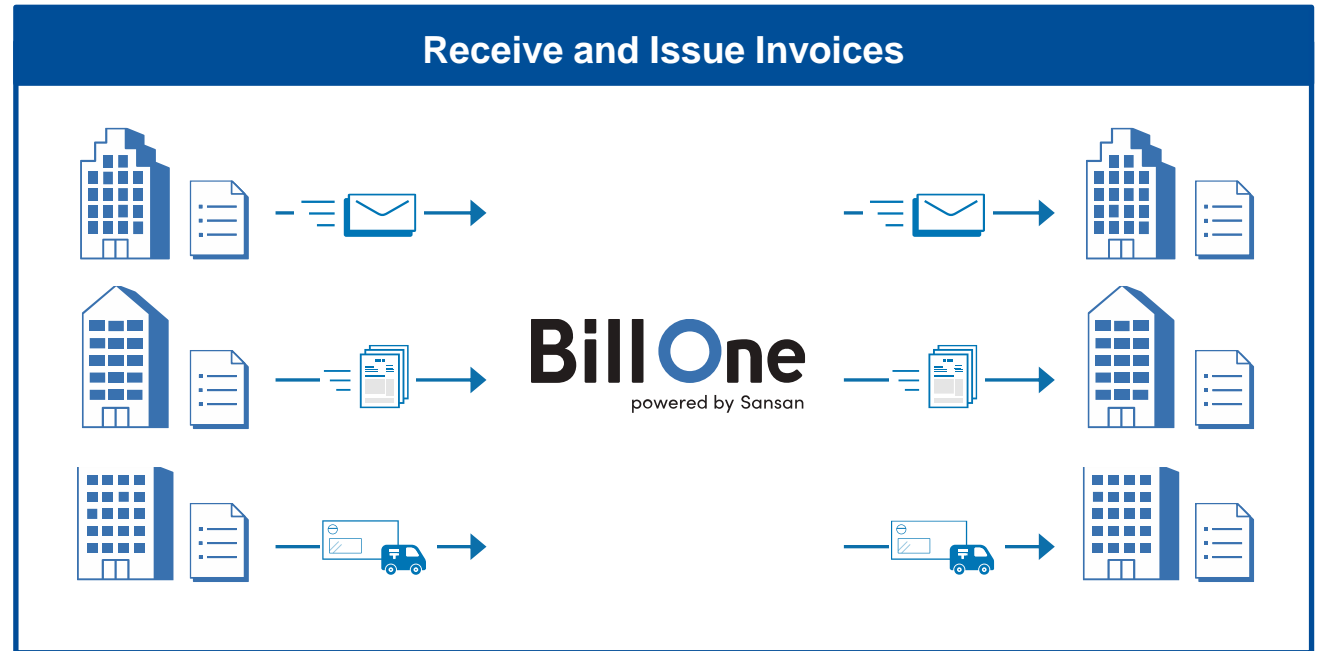
Invoice issuing to be offered as a standalone service from July 2022.

Planning response to eligible invoice issuance, supporting corporate invoicing systems from both receipt and issuing side.

Before



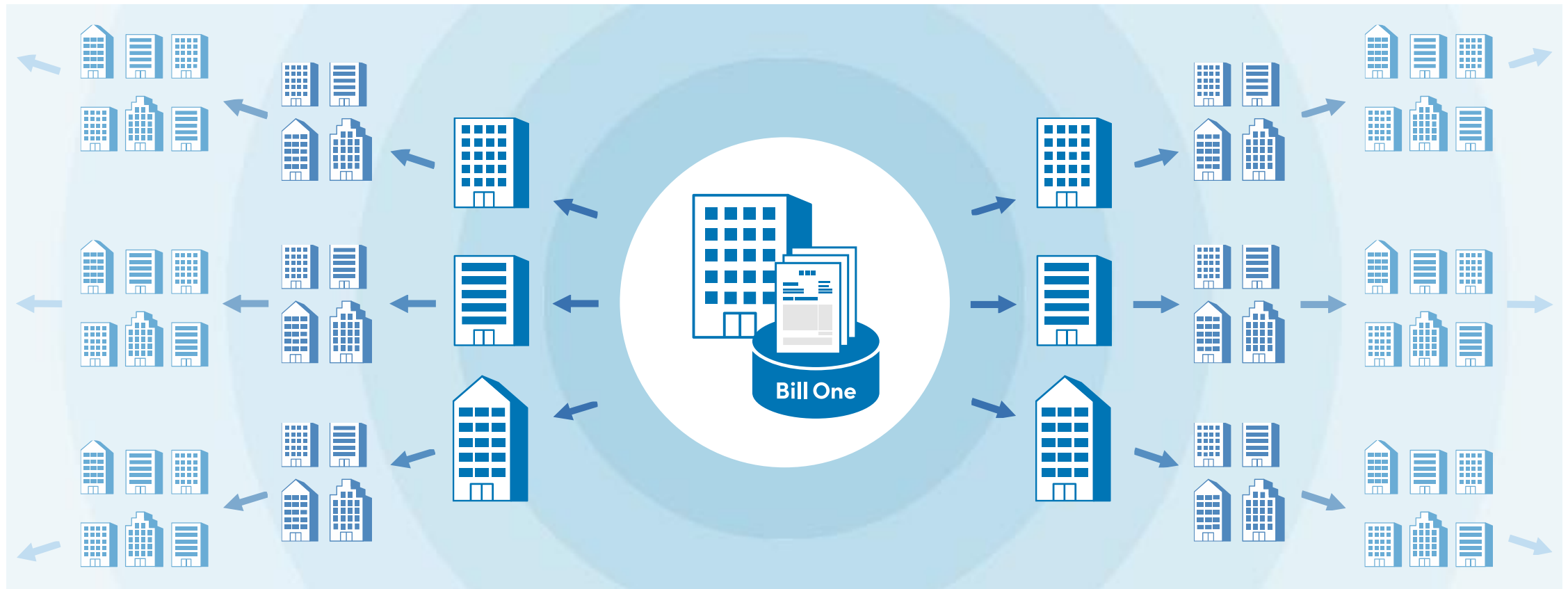
From July 2022



Bill One: Invoice Network Building

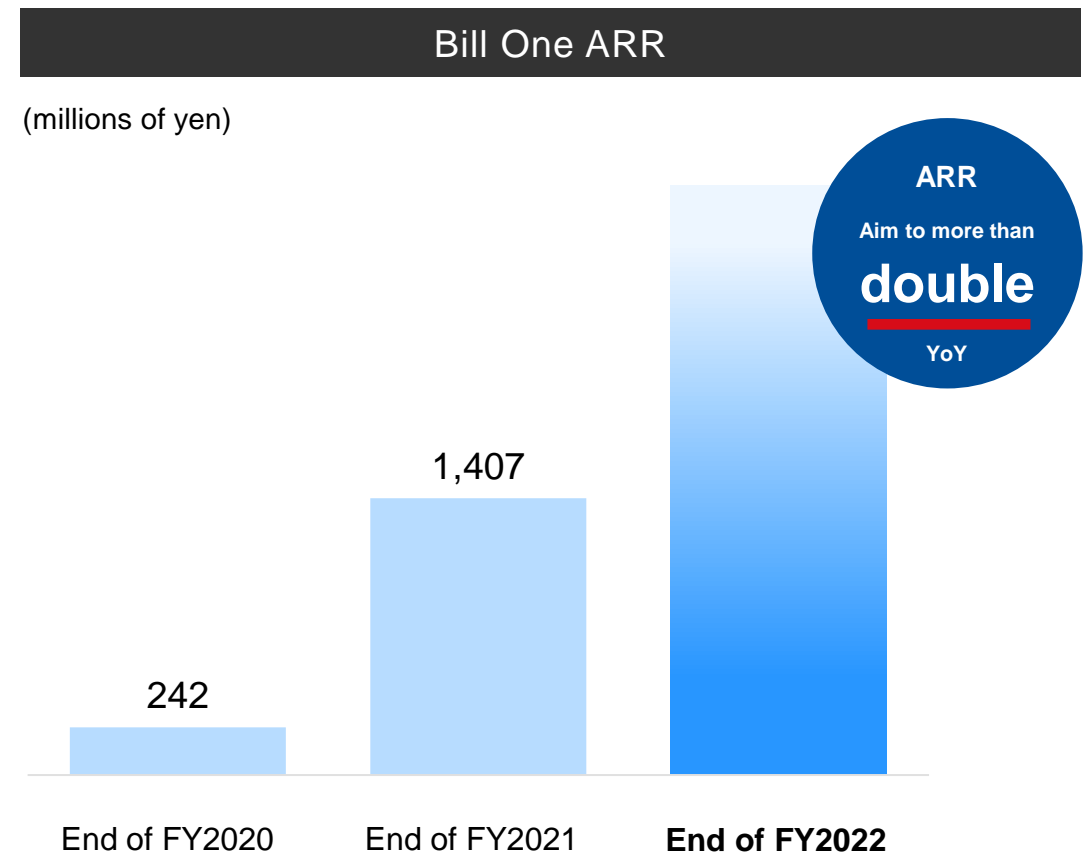
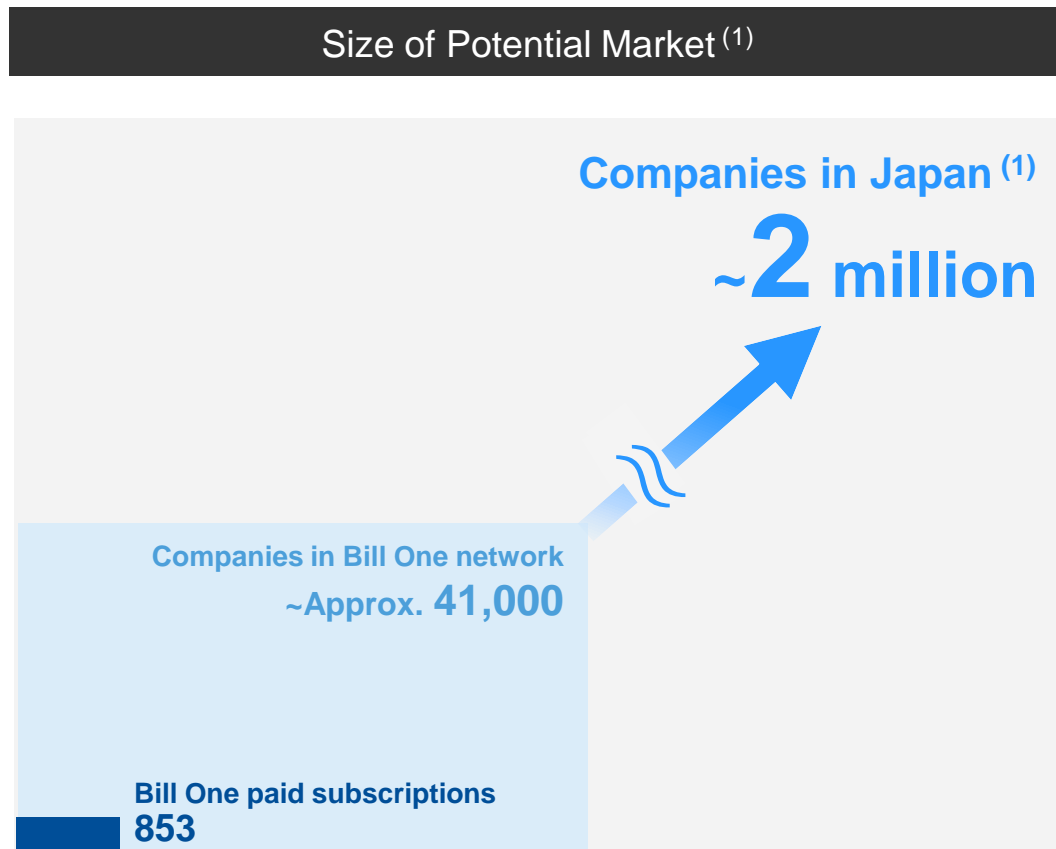
Aiming to expand invoice network by adding invoice issuing function.

Network enables rapid, smooth inter-company communications, accelerates monthly accounts settlement.



Bill One: Size of Potential Market and Bill One ARR





Since all companies are targeted regardless of their industry or size, vast room for development exists in Japan. Aiming to more than double ARR YoY by end of FY2022.




⁽¹⁾ Based on Economic Census for Business Activity in 2016 issued by the Statistics Bureau.

Sansan/Bill One Business

Sansan / Bill One Business

<p>Service for sales DX</p> 	<p>Online invoice receiving solution</p> 	<p>Cloud-based contract management solution</p> 	<p>Business card creation service</p> 
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Eight Business



Contract One and Sansan Meishi Maker: Service Outlines

Contract One: cloud-based contract management solution that completes contract operations online and realizes centralized management.

Sansan Meishi Maker: business card creation service that streamlines management departments' creating business cards.



Accurate digitization of contracts enables centralized data management of both paper and electronic contract information, and contract-related tasks such as sealing, storage, and management can be done online. Provides functions to visualize contract operations, improve operational efficiency, and encourage risk management.







The service enables one-stop business card creation and ordering on Sansan, Google Workspace ⁽¹⁾, Microsoft Outlook ⁽²⁾, and Microsoft Teams ⁽²⁾, as well as centralized management of business card creation, ordering, and management operations in the cloud.

(1) Google Workspace is a trademark of Google LLC.

(2) Microsoft Teams, Teams, and Microsoft Outlook are registered trademarks or trademarks of Microsoft Corporation in the United States and other countries.


Eight Business

Sansan / Bill One Business

<p>Service for sales DX</p> 	<p>Online invoice receiving solution</p> 	<p>Cloud-based contract management solution</p> 	<p>Business card creation service</p> 
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Eight Business

Contact and career management app



Eight: Product Reform

Reformed from a business card management app to a contact and career management app that supports personal career development.

Aiming to return to profitability for FY2022 by strengthening recruitment-related services.

Eight: Contact and Career Management App

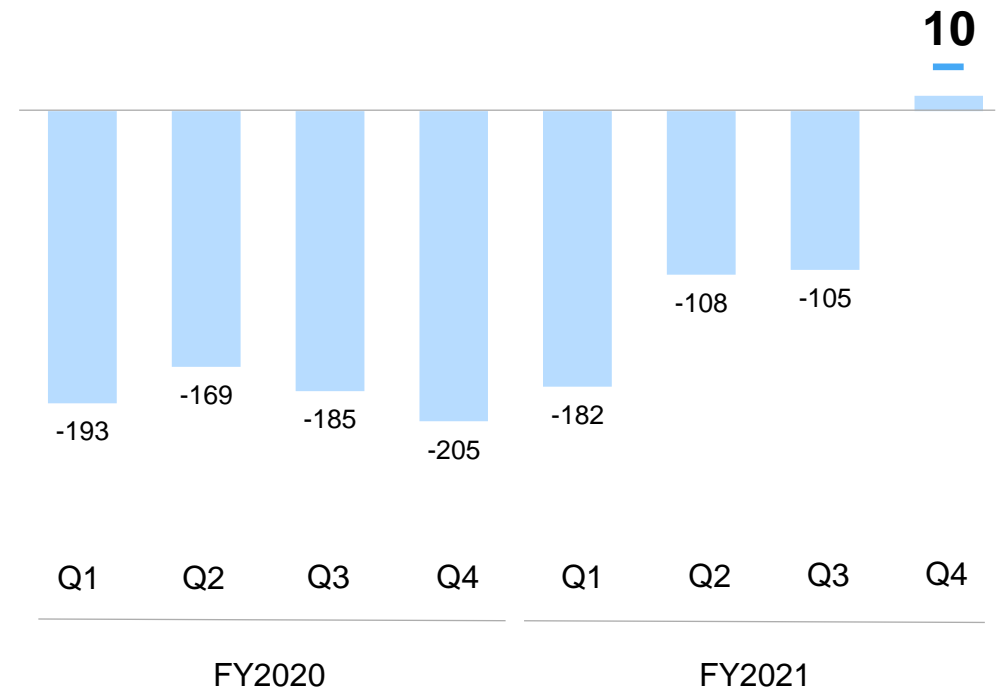


1 Skill Report 2 Company Report 3 Recruitment Information 4 Online Events

Through the new Career tab, Eight offers information relevant to career development, such as reports and company information useful for skill improvement, and recruitment information tailored to user attributes.

Eight Business Operating Profit/Loss

(millions of yen)



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Consolidated Financial Forecasts

Aim for solid growth in consolidated net sales and growth in adjusted consolidated operating profit that exceeds sales growth in FY2022

		FY2021	FY2022 ⁽¹⁾	
(millions of yen)		Full-year Results	Full-year Forecasts	YoY
Consolidated Forecasts	Sales	20,420	25,117 ~25,764	+23.0% ~+26.2%
	Sansan/Bill One Business	18,105	21,998 ~22,632	+21.5% ~+25.0%
	Eight Business	2,213	2,900 ~3,010	+31.0% ~+36.0%
	Adjusted Operating Profit ⁽²⁾	730	917 ~1,288	+25.5% ~+76.3%
	Adjusted Operating Profit Margin	3.6%	3.7% ~5.0%	+0.1pt ~+1.4pt

(1) We do not disclose specific forecast figures for operating profit (loss) and below as it is difficult to make a reasonable estimate of expenses related to stock-based compensation, which may vary significantly depending on the level of our stock price, and certain non-operating profit (loss) and other items.

(2) Operating Profit + Share-Based Payment Expenses + Expenses Arising from Business Combinations (amortization of Goodwill and amortization of Intangible Assets)

Medium-Term Financial Targets (FY2022–FY2024)

Aiming for solid growth in net sales and stable profit growth

Important management indicators

1

Consolidated net sales

Continue solid growth in the 20%+ range or higher

2

Adjusted consolidated operating profit

Improvement of profit margin in each fiscal year

Sansan/Bill One Business

Recording adjusted operating profit of ¥10 billion or more for Sansan and Bill One

(Excluding Other, such as new services in Sansan/Bill One Business segment)

Eight Business

Recording stable adjusted operating profit for full year

Appendix



Sansan Group Overview



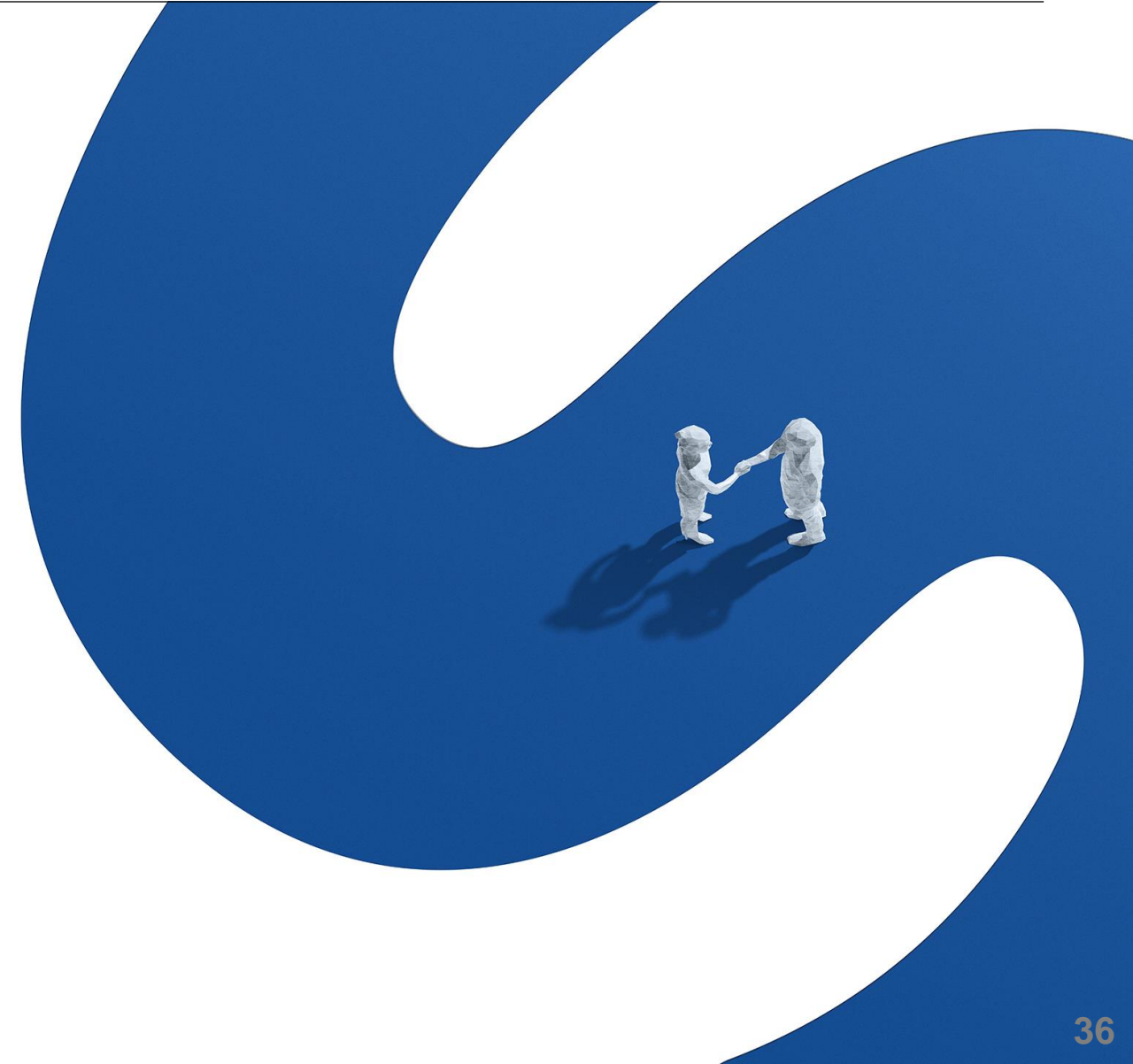
Mission and Vision

Mission

**Turning encounters
into innovation**

Vision

**Become business
infrastructure**



Overview of Reporting Segments

Comprises two reporting segments, the Sansan/Bill One Business and Eight Business. ⁽¹⁾



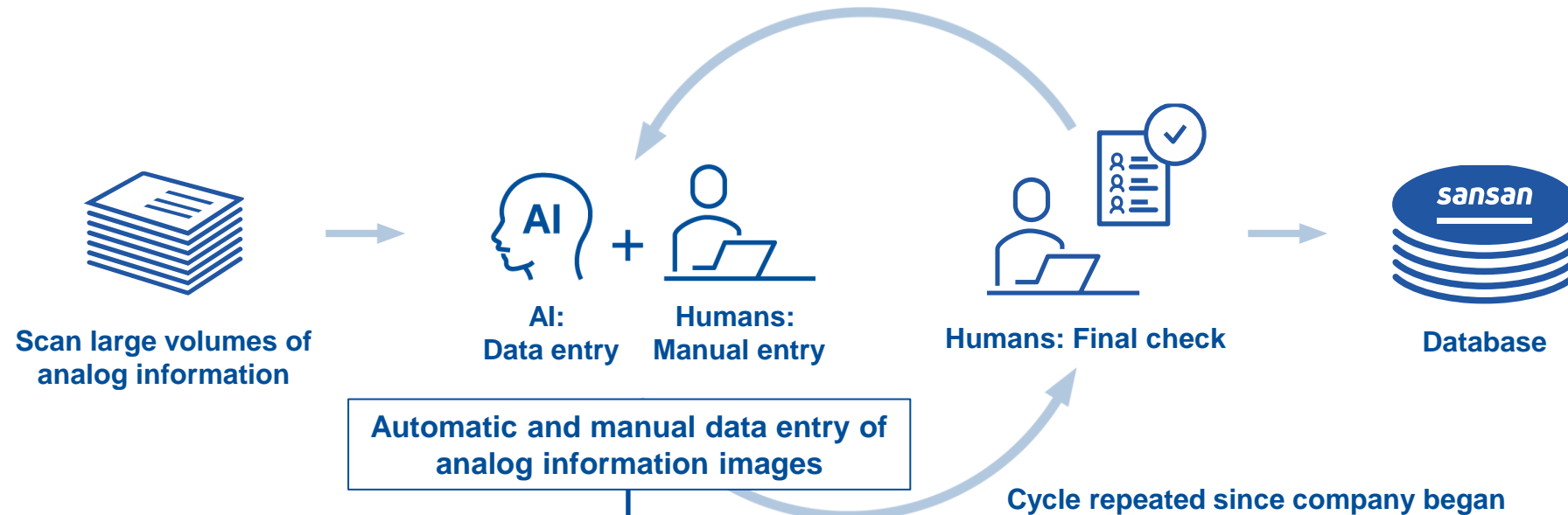
(1) From FY2021 (June 1, 2021), following a change in the recognition method for certain services, the reportable segments were changed to Sansan/Bill One Business and Eight Business. Of note, the few other services not included in reportable segments are recorded in "Others," while elimination of intra-company transactions (sales), and costs not allocated to segments are recorded in "Adjustments."

(2) Services provided by logmi, Inc., a consolidated subsidiary

Operation and Technologies for Digitizing Analog Information

Establishment of analog information digitization operation structure unsurpassed by competitors.

Prompt, accurate digitization of large volume of business card information



Combination of Technologies

Automatic detection and micro-tasking of analog information

Automatic detection of language

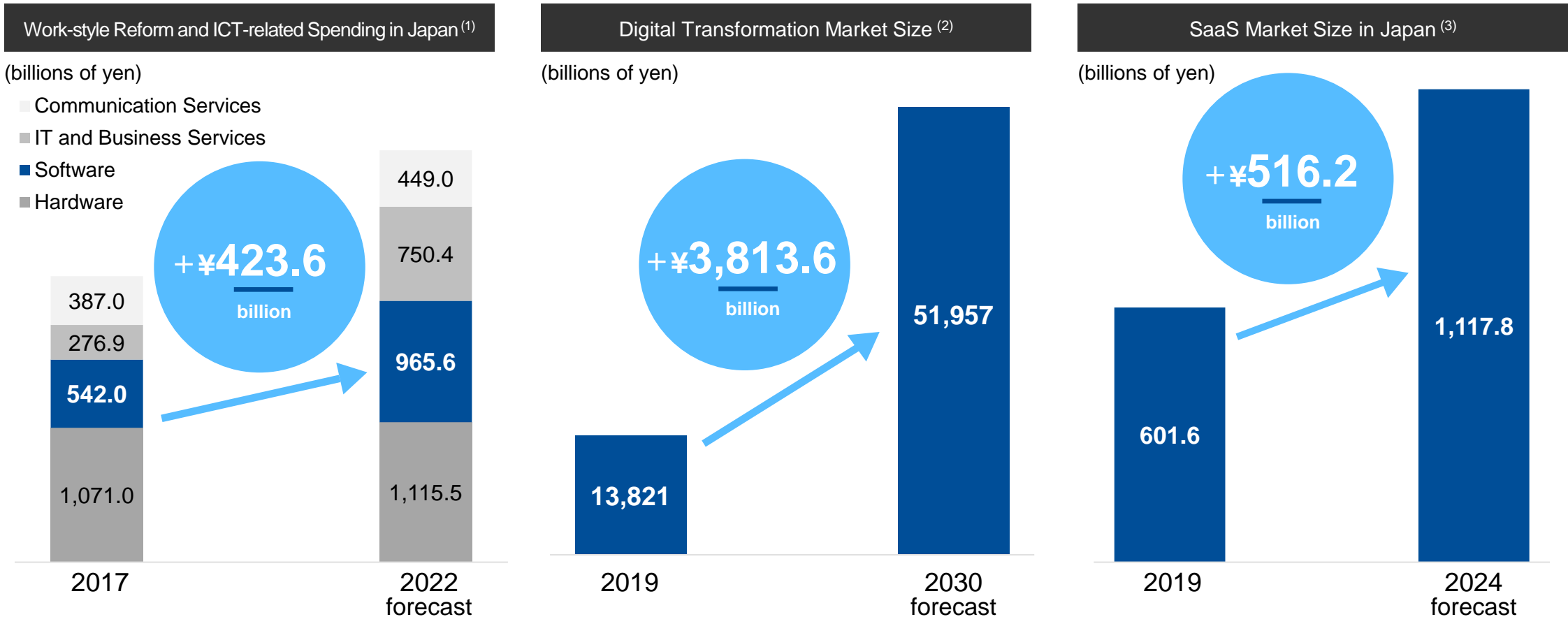
Automatic sorting to operators

Diverse network of data entry operators

Image processing technology

Tailwind of Market Environment

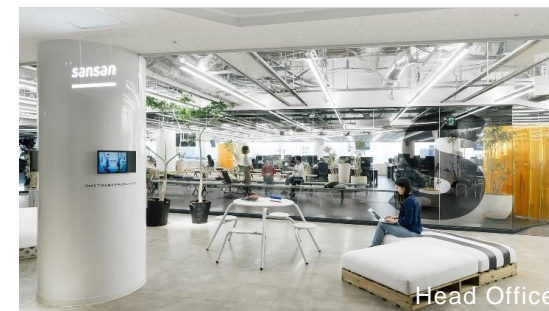
Work-style reform and digital transformation are boosting the need for B2B cloud-based business card management.



(1) Based on 2018 to 2022 Outlook of Work-style Reform and ICT-related Spending in Japan: by Hardware, Software, IT and Business Services, Communication Services by IDC Japan (December 2018)
 (2) Based on Market Edition and Vendor Strategy Edition of 2022 Outlook of the Digital Transformation Market by Fuji Chimera Research Institute
 (3) Based on 2020 New Software Business Markets by Fuji Chimera Research Institute

Company Overview (1)

Company name	Sansan, Inc.
Foundation	June 11, 2007
Head office	Aoyama Oval Building 13F, 5-52-2 Jingumae, Shibuya-ku, Tokyo
Other locations	Branch offices: Kansai, Fukuoka, Chubu Satellite offices: Tokushima, Kyoto, Fukuoka, Hokkaido, Niigata
Group companies	Sansan Global Pte. Ltd. (Singapore) Sansan Corporation (United States) logmi, Inc.
Representative	Chika Terada
Number of employees	1,202
Capital	¥6,426 million
Net sales	¥20,420 million
Classification by type of shareholder	Domestic financial institutions: 20.19%; security firms: 1.32%; other domestic corporations: 2.17%; foreign financial institutions and individuals: 28.47%; individuals and others: 47.85%

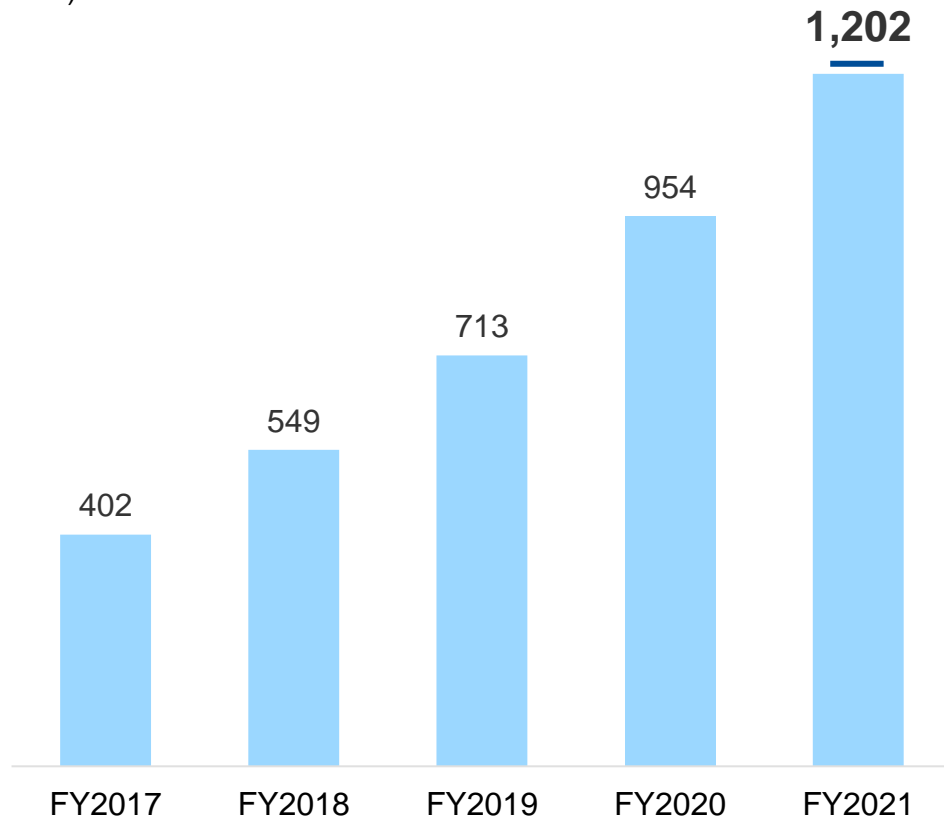


(1) As of May 31, 2022 (consolidated results)

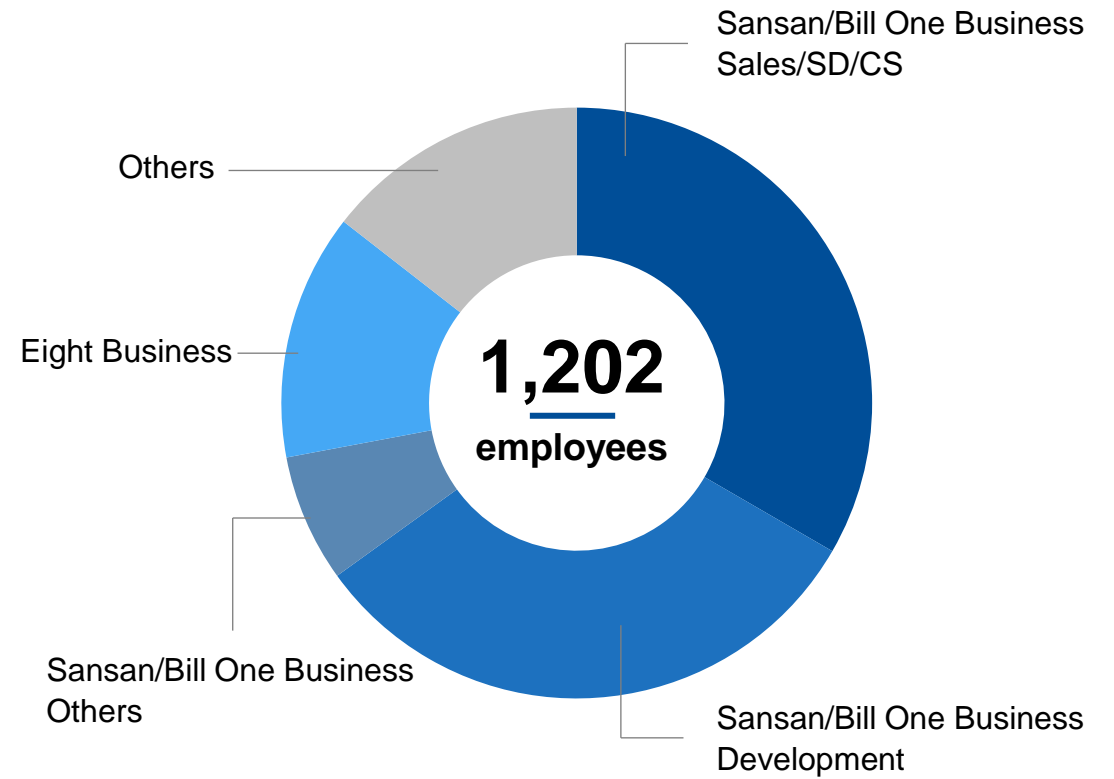
About Employees

Number of Employees

(persons)

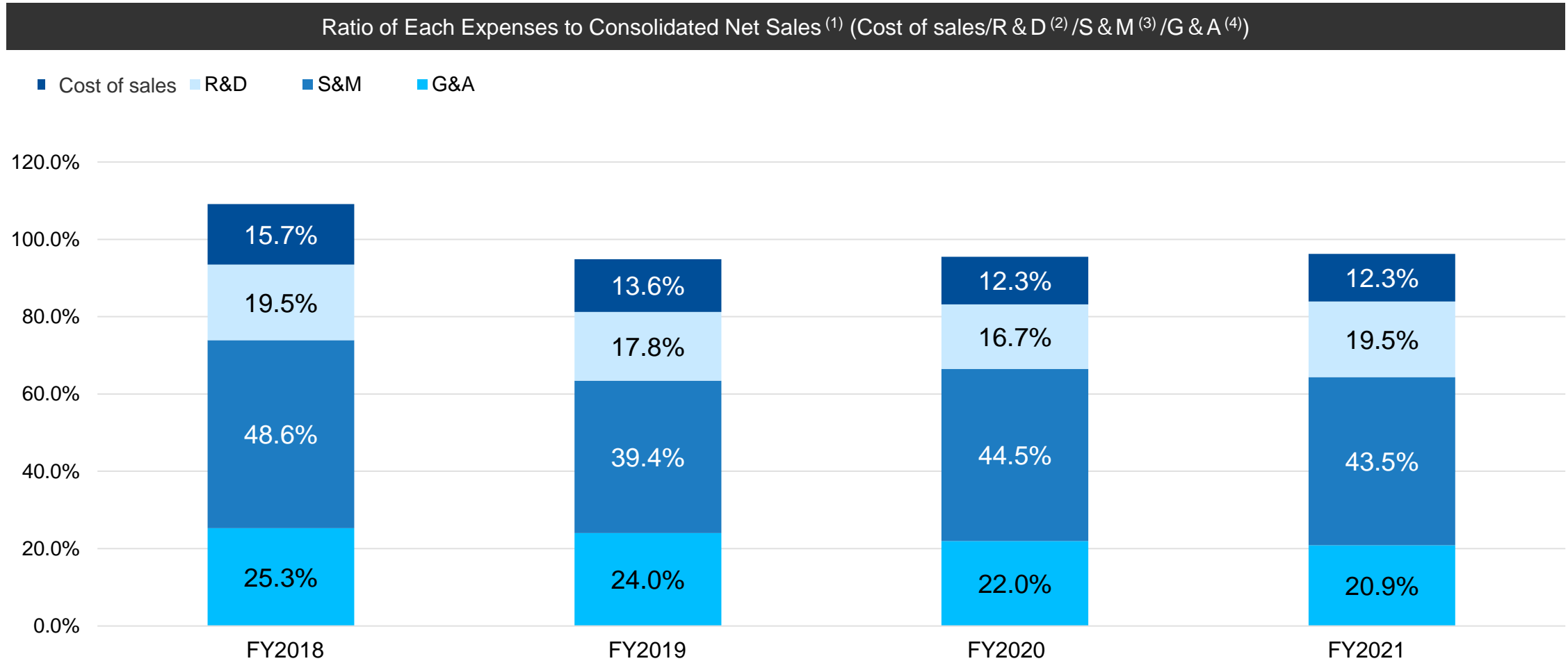


Breakdown by Organization ⁽¹⁾



(1) As of May 31, 2022

Ratio of Net Sales to Each Expenses



(1) Unaudited

(2) Research and Development (total personnel costs, server costs, common costs, etc. related to research and development)

(3) Sales and Marketing (total advertising costs and personnel costs, common costs related to advertising and sales promotion)

(4) General and Administrative (total personnel costs and common costs related to corporate departments)

Sansan/Bill One Business

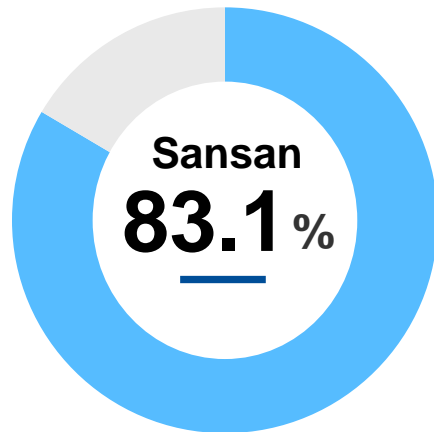


Sansan: Sansan Market Share and Customers

Has gained high level of brand recognition among B2B services and established a dominant market share. Building a solid customer base backed by Japan's highest SaaS management expertise, which has been cultivated since we began.

Dominant brand recognition and market share in B2B

Sales share in 2020 ⁽¹⁾



Strong sales organization and solid customer base

SaaS expertise cultivated over the 15 years since our founding



(1) Latest trends in business card management services and sales services [SFA/CRM/online business card exchange], December 2020, Seed Planning, Inc.

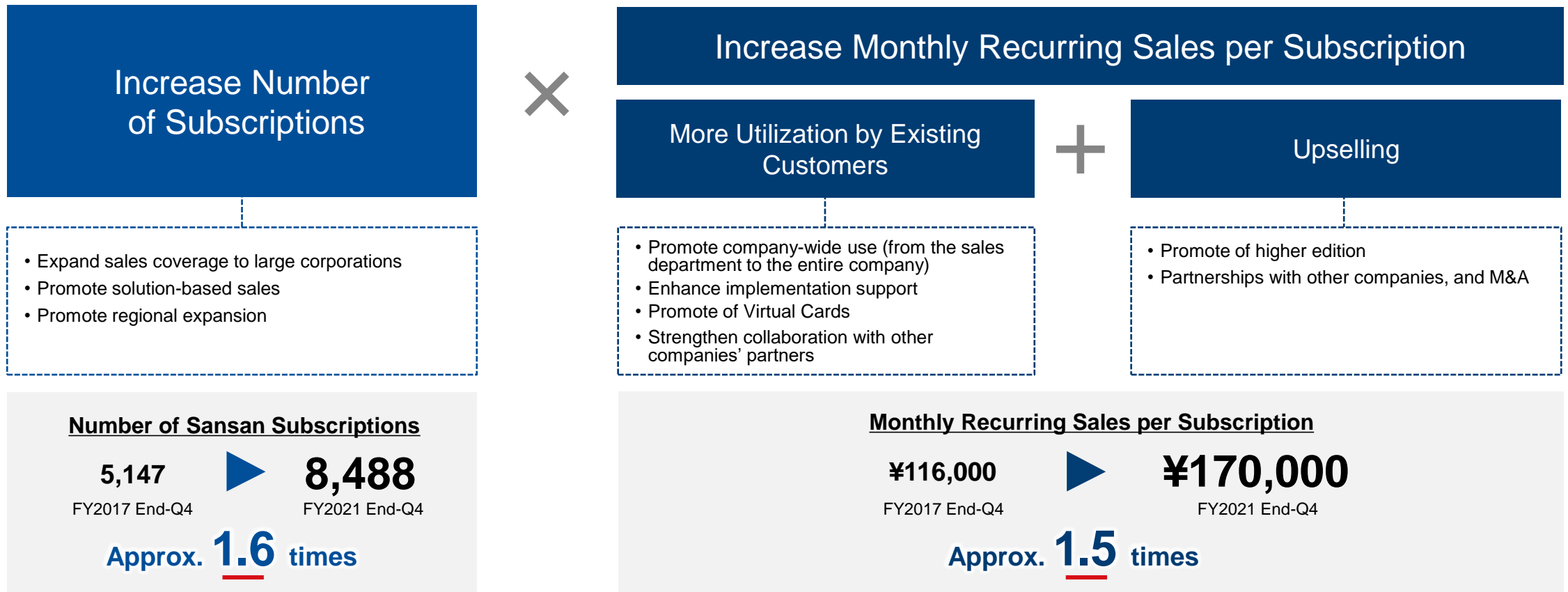
Sansan: Service Plans

Providing basic company-wide use plan.

	A. Basic company-wide use plan	B. Previous plan (ID subscription)	Timing of payment
1 Initial cost (initial costs)	12 months' license cost Cost for digitizing existing business cards	Cost according to number of contract IDs Digitization costs for business cards already held (upper limit placed on number of business cards)	At start of contract
2 Customer Success Plan (initial costs)	Offer introduction support plans with individual quotation Costs for implementation and operational support of Sansan services		At start of contract
3 Scanner (running costs)	Monthly ¥10,000 per scanner Rent scanners and tablets to customers based on number of office floors and/or branches		At start or renewal of contract
4 License cost (running costs)	Determined according to company size and usage (annual subscription) Tens of thousands to millions of yen per subscription	Setting according to number of contract IDs (annual subscription) Fixed billing for each ID (upper limit placed on the number of business cards digitized)	At start or renewal of contract

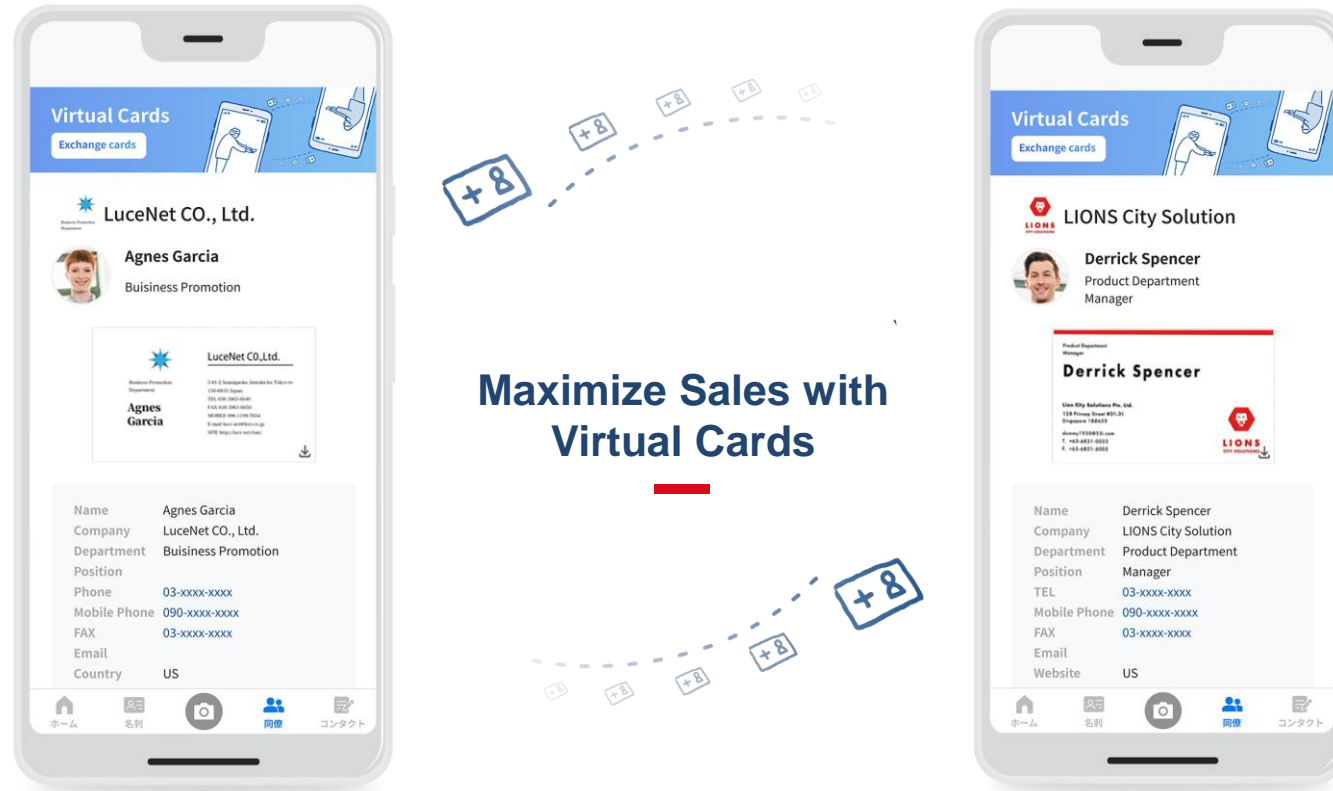
Sansan: Number of Subscriptions and Monthly Recurring Sales per Subscription

Achieve growth through increases in both the number of subscriptions and monthly recurring sales per subscription.



Sansan: Expand Use of Virtual Cards Function

Started providing Virtual Card function in June 2020 amid expansion of new work styles, such as remote work. Stronger syncing between our other segment and other companies, such as Eight with Microsoft Teams ⁽¹⁾ and Google Calendar ⁽²⁾.



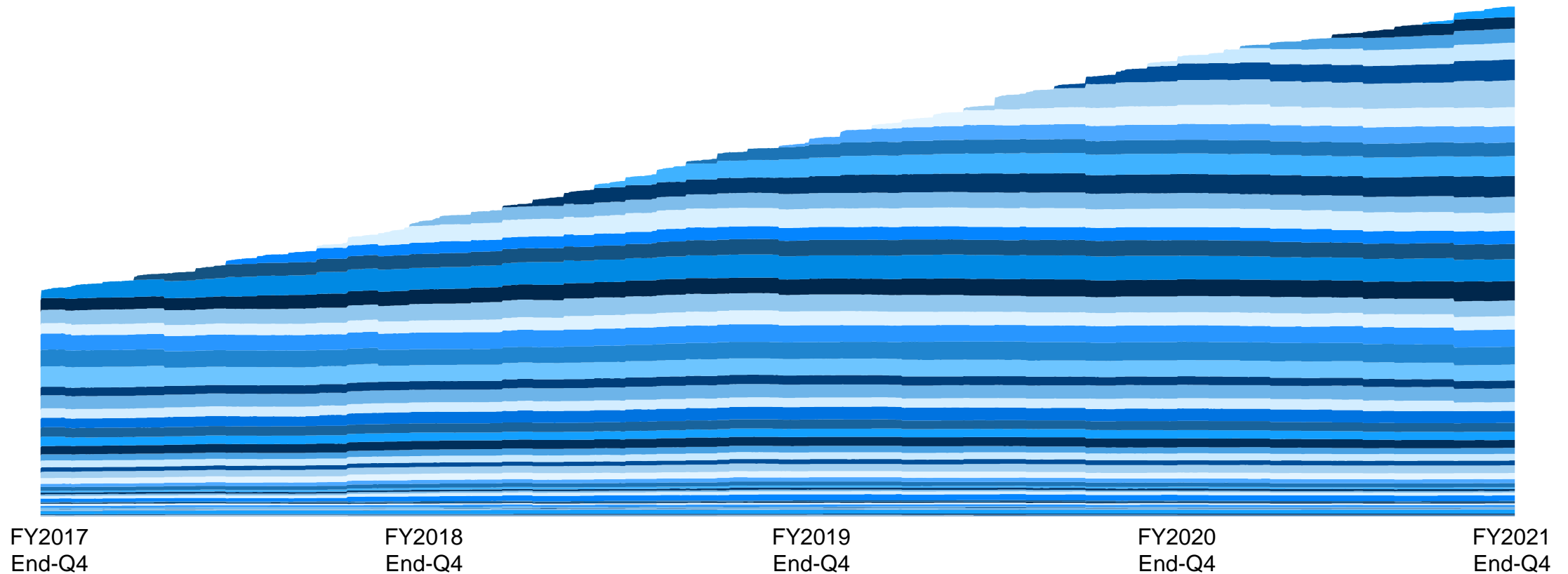
(1) Microsoft 365 is registered trademarks of Microsoft Corporation in the U.S. and other countries

(2) Google Workspace and Google Calendar are trademarks of Google LLC.

Sansan: Accumulation of Net Sales by Service-in Timing (Recurring Sales)

Stably achieving negative churn rate. ⁽¹⁾

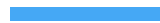
Sansan Sales Stack-up: Accumulation of Net Sales by Service-in Timing ⁽²⁾ (Recurring Sales)



(1) Status where increase of revenue generated by the existing subscriptions is greater than revenue reduced resulting from cancellation

(2) Created based on monthly Sansan license charge (unaudited)

Eight Business



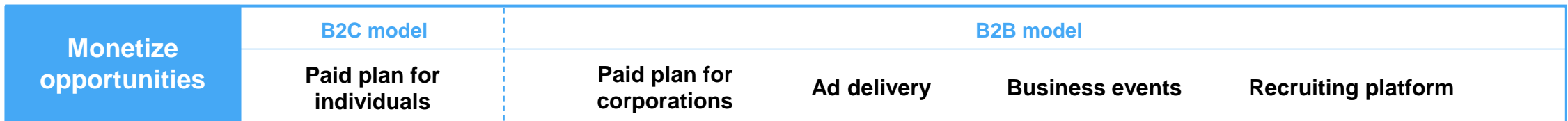
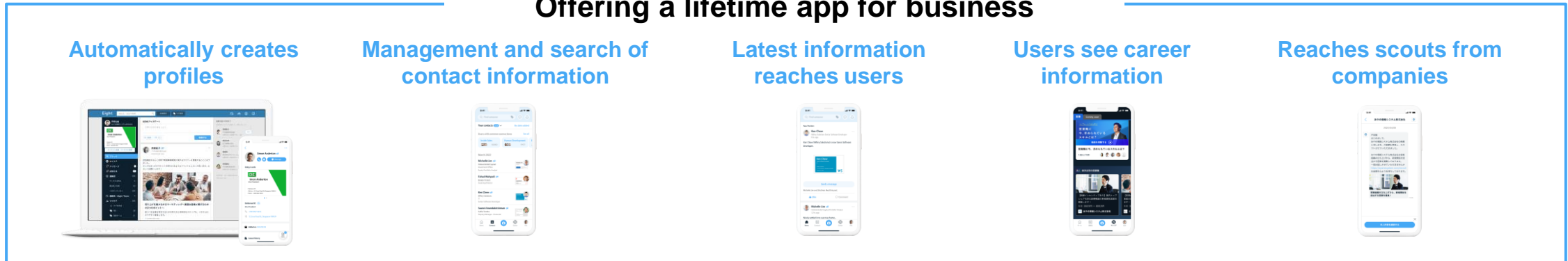
Eight: Service Outline

App used by more than 3 million businesspeople as a service to resolve problems that individuals face in business, including career building



Digitize business cards with high level of accuracy by using technologies developed through Sansan

Offering a lifetime app for business



Eight: Strengthening and Promotion of Monetization Plans

Accelerate and strengthen the development of paid plans for B2B.

B2B ⁽¹⁾		
Recruiting platform Eight Career Design	Fixed monthly fee ⁽²⁾ (fixed contract)	Professional recruitment services targeting Eight users Provides new and unique targeted hiring method to the market
Advertising Eight Marketing Solutions	Pay-for-use charges depending on delivery volume ⁽³⁾ (fixed contract)	A service for delivering ads to Eight users Timely and targeted advertising to career-oriented professionals
Business events Meets, Climbers, DX Camp, Business IT & SaaS Expo	Fixed fee per event (held irregularly) ⁽⁴⁾	Various business event services utilizing Eight's business network Uses proprietary technology to accurately match businesspeople
Paid plan for corporations Eight Team	Fixed monthly fee (annual subscription)	Users can share contact with colleagues Targeting small companies with <20 employees
B2C		
Paid plan for individuals Eight Premium	Fixed monthly fee	Delivers additional functions to users, such as network data download Expand the overall number of Eight users, including free plan

(1) B2B services in the Eight business include event transcription services for the media logmi Biz, logmi Finance and logmi Tech provided by logmi, Inc.

(2) There is an additional charge when a decision to hire is made.

(3) There is a minimum advertisement placement price and a normal advertisement menu.

(4) There are multiple fee settings depending on the type of event held, etc.

sansan

