

Financial Results for the
2nd Quarter of Fiscal Year
Ending November 30, 2022



July 13, 2022

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Extending Gratitude on Our 10th Anniversary



Money Forward, Inc. celebrated its 10th anniversary on May 18, 2022.

Our business, which kicked off in a studio apartment, has evolved over this decade with the support of all of our stakeholders, represented by our users, business partners, and shareholders. I would like to take this opportunity to once again express my sincere gratitude.

Our mission “Money Forward. Move your life forward” embodies our wish to alleviate to any extent possible the financial concerns and hassles of individuals and companies by offering our services, helping people to spend time on what they genuinely want to do. We thereby hope to encourage everyone to take on challenges and create a forward-looking and optimistic society.

Currently, there are 13.3 million-plus *Money Forward ME* users, 210,000-plus businesses using our back-office cloud services, and 40-plus financial institutions with whom we engage in co-creation. Meanwhile, the cumulative amount of receivables purchased in our financing service has topped ¥50 billion. Furthermore, having acquired six companies, we have grown into a diverse group with over 1,600 members from 20 countries.

The year 2022 has brought about drastic changes in the external environment, including Russia's invasion of Ukraine, the rise in US long-term interest rate, and a rapidly depreciating yen, making the economic outlook uncertain. While preparing for any unforeseen circumstances, we will continue to engage in growth and innovation with the aim of maximizing our medium- to long-term cash flow and corporate value, and thus strive to meet the expectations of our stakeholders.

All Money Forward members will make a concerted effort to provide services that move society forward as much as possible, while embracing our mission, vision, values, and culture (MVVC). To this end, we ask for your ongoing support and guidance.

Yosuke Tsuji, Representative Director, President and CEO
Money Forward, Inc.

Launched Website to Commemorate 10th Anniversary (<https://10th.moneyforward.com/>)

The website introduces our efforts to date under the theme "10 Forwards."



* The website is only available in Japanese.

Our Business





MISSION

**Money Forward.
Move your life forward.**

VISION

Becoming the financial platform for all

VALUE

User Focus | Technology Driven | Fairness

CULTURE

Speed | Pride | Teamwork | Respect | Fun

Create a Sustainable Society Through Realizing Our Mission/Vision

We have set 3 priorities to achieve the SDGs targets.

We contribute to resolving financial issues for all and create society that drives challenge.

User Forward

- Provide services that solve financial issues for a diverse range of users (corporates, sole proprietors, and individuals)
- Solve users' problems with technology and design
- Promote investment in security to ensure the safety

Society Forward

- Contribute to DX of society with diverse partners
- Promoting activities to realize a better social system
- Practice environmentally friendly management

Talent Forward

- Create diverse growth opportunities to draw out the potential of employees
- Management's commitment to member development
- Create an environment that accepts diverse viewpoints regardless of gender, nationality, age, and educational background

SDGs Target

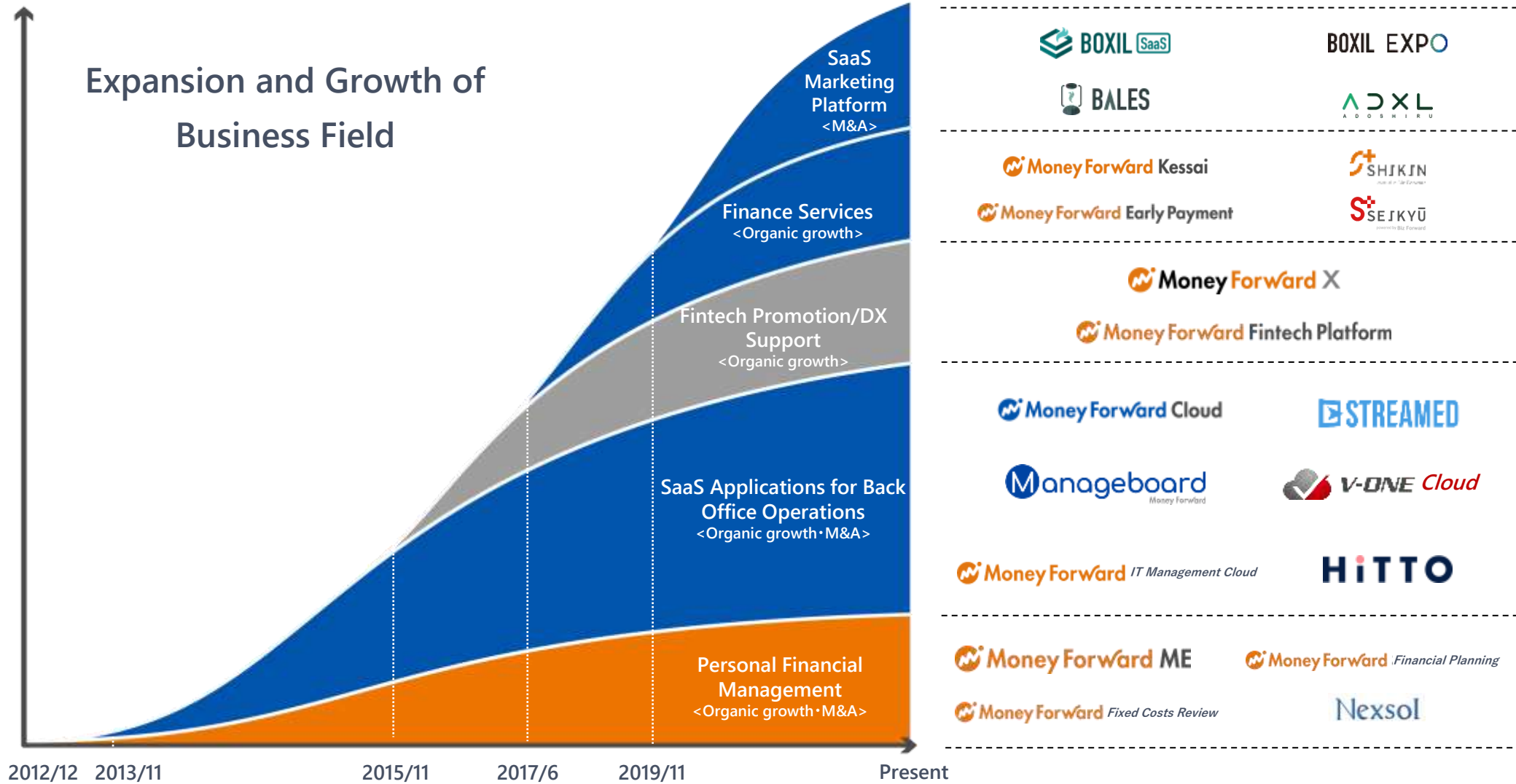


Foundations Supporting 3 Priority Themes

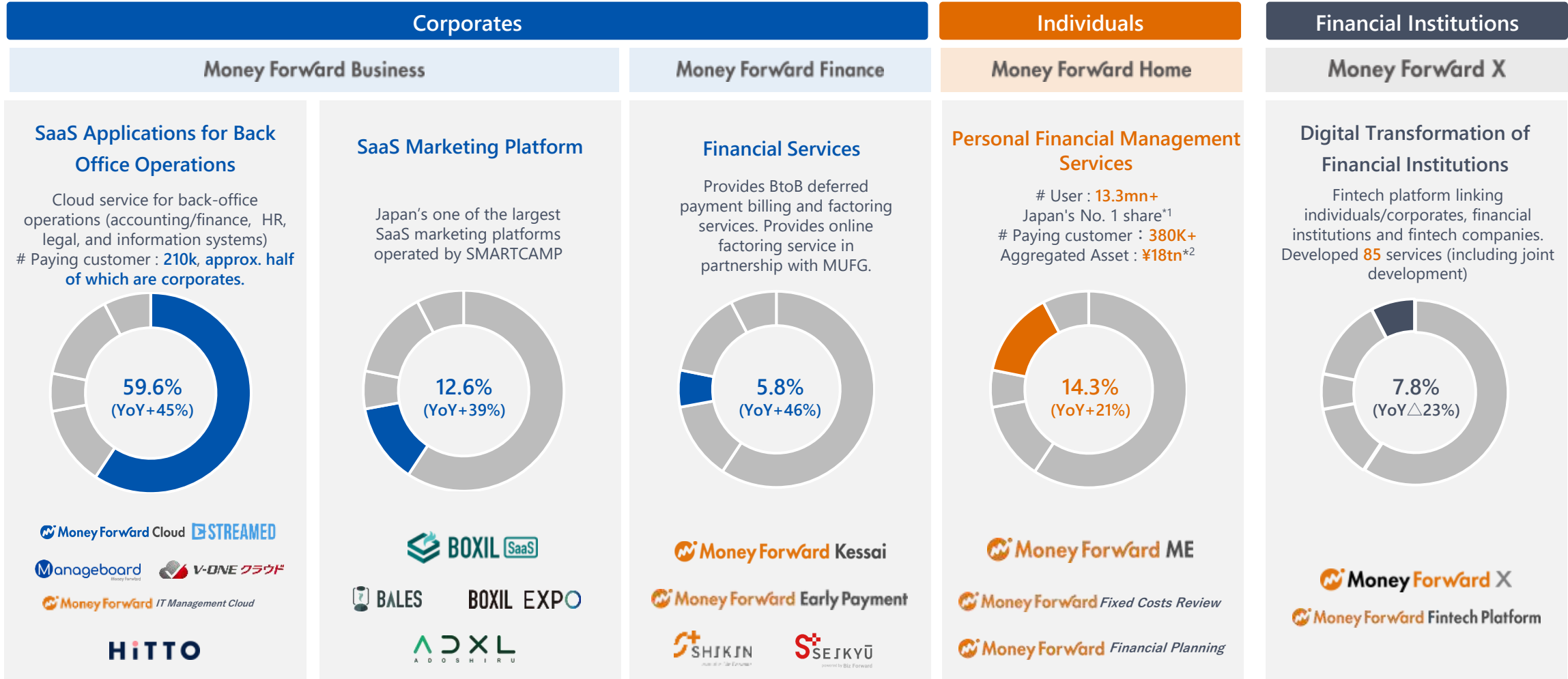
Penetration of Money Forward's Mission/Vision/Value/Culture

Governance that Balances Offense and Defense

Expanding Business Field Through New Business Development and M&A



Providing One of Japan's Largest User Base and Product Lineup in SaaS / Fintech Field



* Graph shows the proportion of FY11/22 H1 revenue.

*1 See P.119 for details. *2 As of July 30, 2022. Total amount of financial assets that is aggregated in *Money Forward ME* and white-label services for individuals provided by Money Forward X.

Rapidly Expanding Business Opportunities Due to Changes in External Environment

Revision of Electronic Books Maintenance Act/
Introduction of invoice



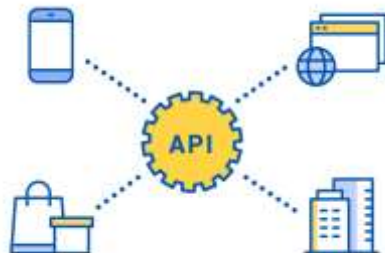
Introduction of remote work
amid COVID-19 pandemic



Government's promotion
of digitalization



Greater use
of open API



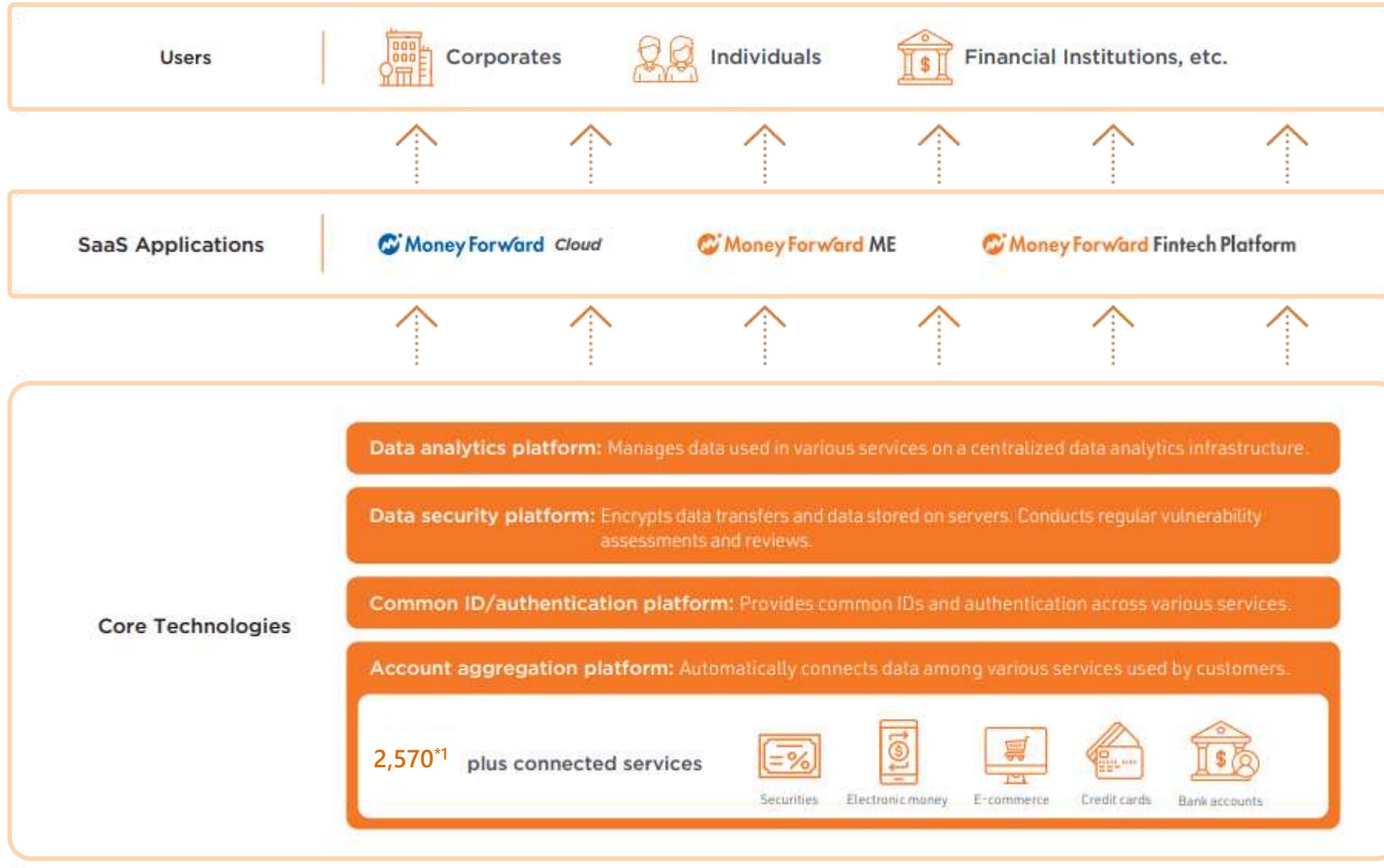
Review of
Payment Services Act



Digitalization
of salary payment



Developing Variety of Products Based on Common Core Technologies



Highlights In FY11/22 Q2



Highlights in FY11/22 Q2

Made steady progress toward achieving full-year forecasts*¹

Q2 net sales **exceeded** the upper range of forecasts*²

Q2 consolidated net sales

+27% YoY

¥**5.09** bn

SaaS ARR*³

+38% YoY

¥**13.98** bn

Growth was driven by ARR of corporate customers in Business domain, which **rose 45% YoY (39% YoY excluding the impact of acquiring HiTTO, Inc.)**.

EBITDA*⁴ / Gross profit

¥**(1.58)** bn / ¥**3.22** bn

EBITDA was within the forecasted range of ¥(1.9) to (1.4) billion. EBITDA excluding advertising expenses stood at ¥0.15 billion.

Group employees

1,610 members

The number of employees increased by some 350 in 1H. The new hires are mainly engaged in sales and marketing or development of *Money Forward Cloud* for the mid-cap market (see p.19).

Invested an additional US\$48 mn in Mekari, a leading Indonesian cloud accounting and HR SaaS company

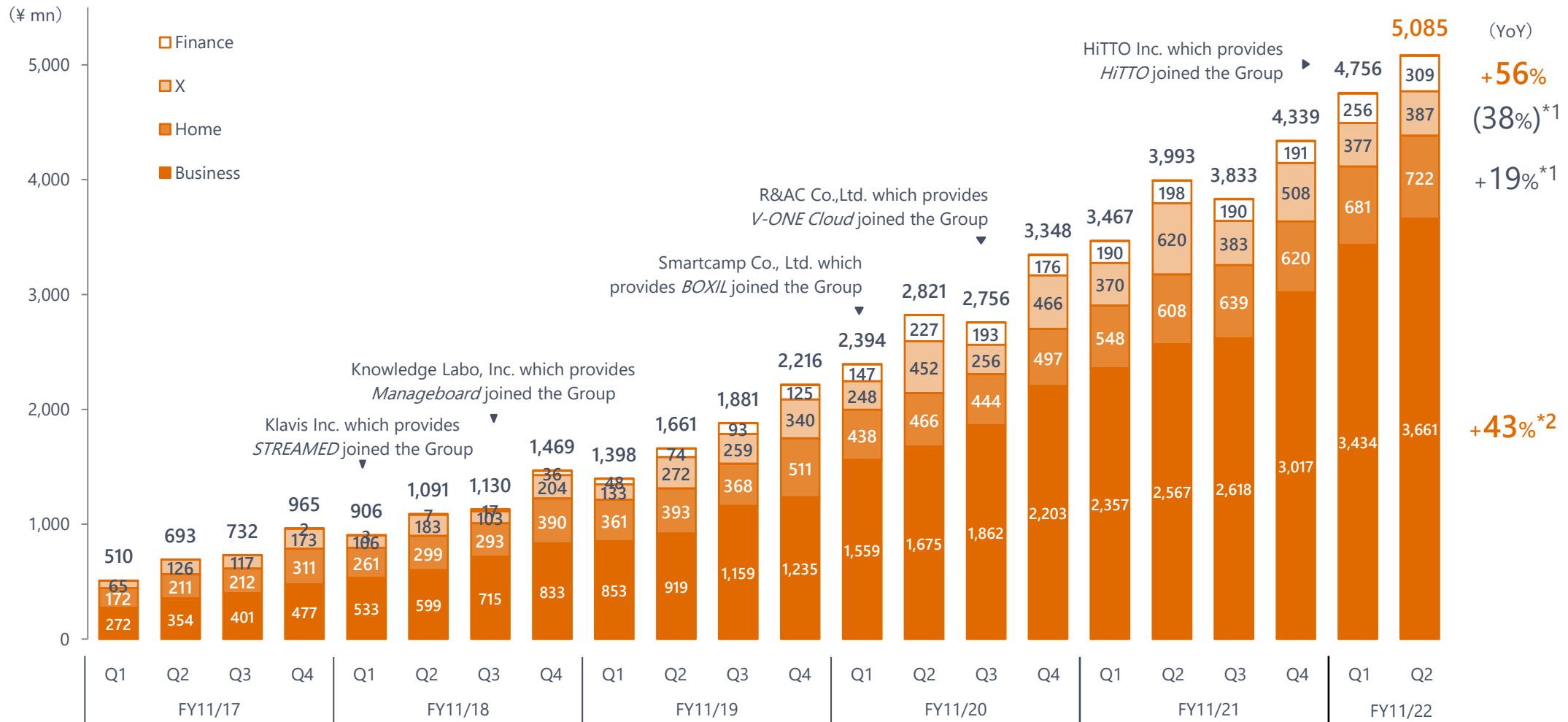
Became Top Shareholder
(Ownership*⁵ : 42.9%)

*1 Forecasts are ¥20.32 to 21.89 billion (+30 to 40% YoY) for consolidated net sales and ¥15.72 to 16.84 billion (+40 to 50% YoY) for SaaS ARR at FY11/22-end. *2 Forecasts disclosed on April 13, 2022. Quarterly forecasts are ¥4.75 to 5.07 billion (+19 to 27% YoY) for net sales, ¥(1.9) to (1.4) billion for EBITDA, and ¥13.58 to 13.98 billion (+34 to 38% YoY) for SaaS ARR at Q2-end. *3 See p.101 for the definition of SaaS ARR. *4 EBITDA = Operating profit/loss + Depreciation and amortization + Tax expenses included in operating expenses + Share-based remuneration expenses. *5 The ownership ratio includes shares without voting rights.

Q2 Consolidated Net Sales Increased by 27% YoY

The three domains excluding X domain, which booked an exceptionally large non-recurring revenue in FY11/21 Q2, maintained a high growth rate of 39% YoY.

YoY
+27%



* The aggregate of net sales of each domain do not necessarily correspond to consolidated net sales as net sales of "Other" are omitted from the graph.

*1 Net sales from premium charges of *Money Forward for XX*, which targets financial institutions, have been revised retroactively since charges are recognized in X domain from FY11/22.

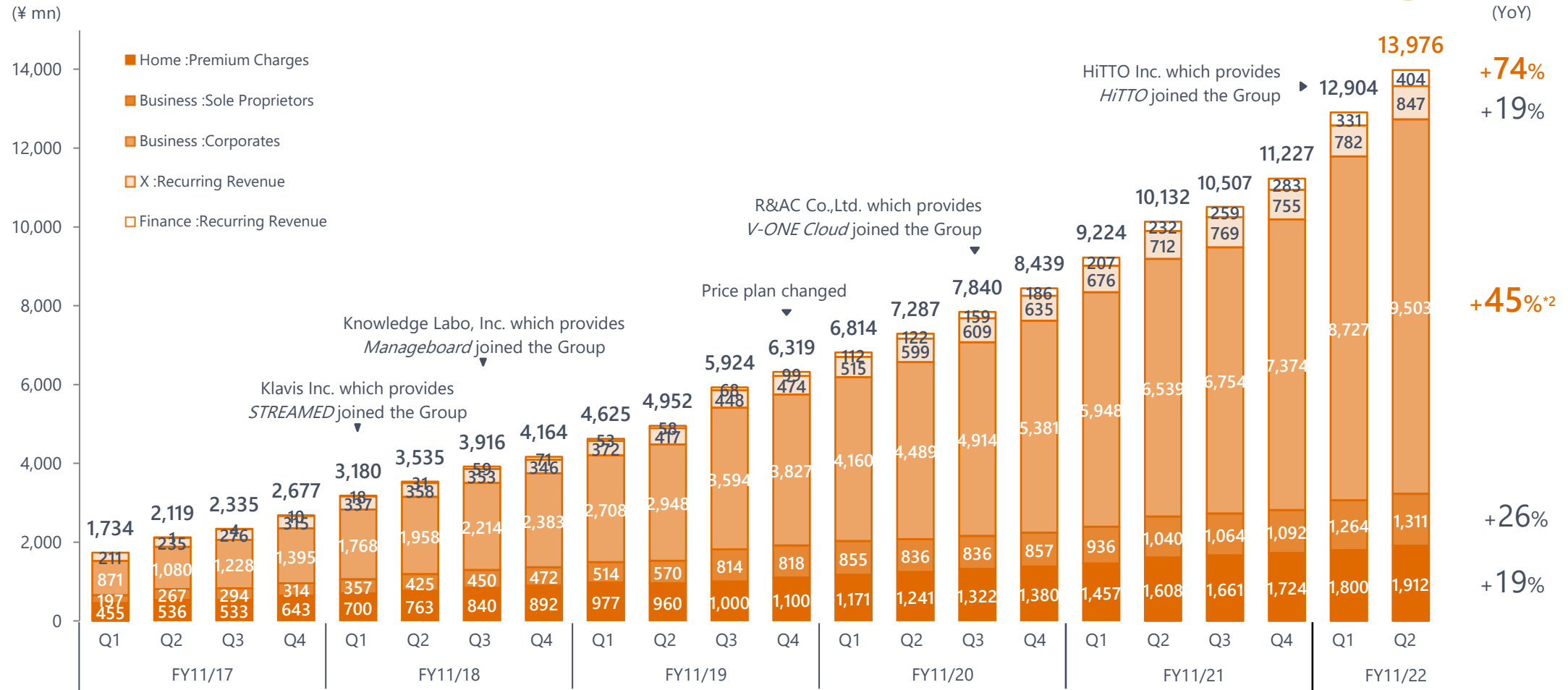
*2 The net sales growth rate of Business domain excluding the impact of the acquisition of HiTTO Inc. was 37% YoY. Net sales of HiTTO Inc. are consolidated starting from January 2022 (Q1).

SaaS ARR*1 Continued to Rise Markedly, Up 38% YoY

ARR of corporate customers in Business domain **soared 45% YoY*2**.

Recurring revenue from invoicing BPO business in Finance domain also **surged 74% YoY**.

YoY
+38%

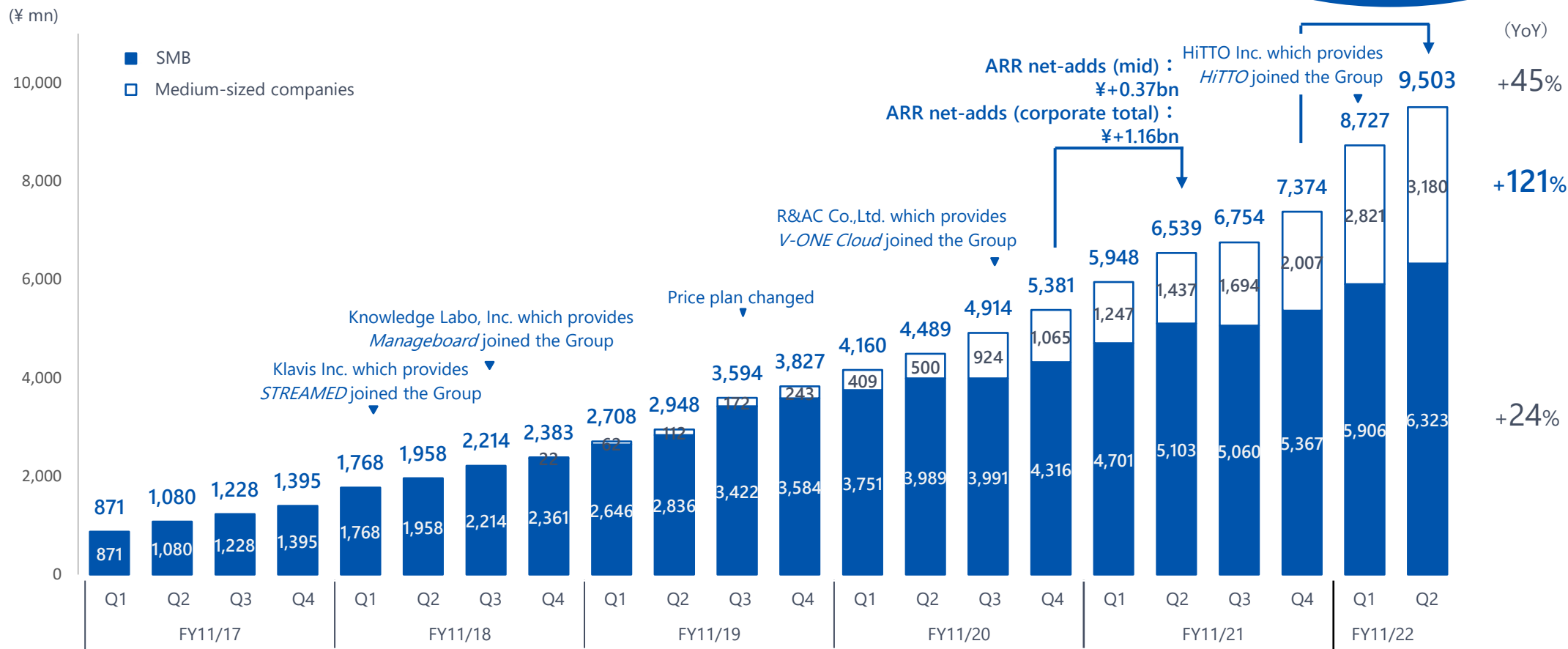


*1 "Business: Sole Proprietors" is revenue from services for sole proprietors in Money Forward Cloud. "Business: Corporates" is revenue from services for corporate customers, including Money Forward Cloud, STREAMED, Manageboard, V-ONE Cloud, Money Forward Certified Member System, HITTO, and Money Forward IT Management Cloud. In order to adjust for seasonal factors of STREAMED, its MRR is calculated as one-third of the revenue from STREAMED in Q1 and Q2 of each fiscal year. From FY11/22, adjustments are also made to Q2 figures, which are seasonally affected by tax returns. Non-recurring revenue of each business and net sales of SMARTCAMP Co., Ltd. are not included. Figures for Finance domain include monthly fixed fees, and settlement and associated fees of Money Forward Kessai and SEIKYU+. See p.101 for the definitions of ARR, MRR, etc. Net sales from premium charges of Money Forward for XX, which targets financial institutions, have been revised retroactively since charges are recognized in X domain from FY11/22. *2 Increased by 39% YoY excluding the impact of the acquisition of HITTO Inc.

Growth in Corporate ARR in Business Domain Was Driven by Medium-Sized Companies

ARR of medium-sized companies*1 **spiked 121% YoY**. The net increase of ARR of medium-sized companies in 1H was **3.2 fold YoY**, while that of corporate ARR was **1.8 fold YoY***.

ARR net-adds (mid) :
+¥1.17bn, YoY 3.2x
ARR net-adds (corporate total) :
+¥2.13bn, YoY 1.8x



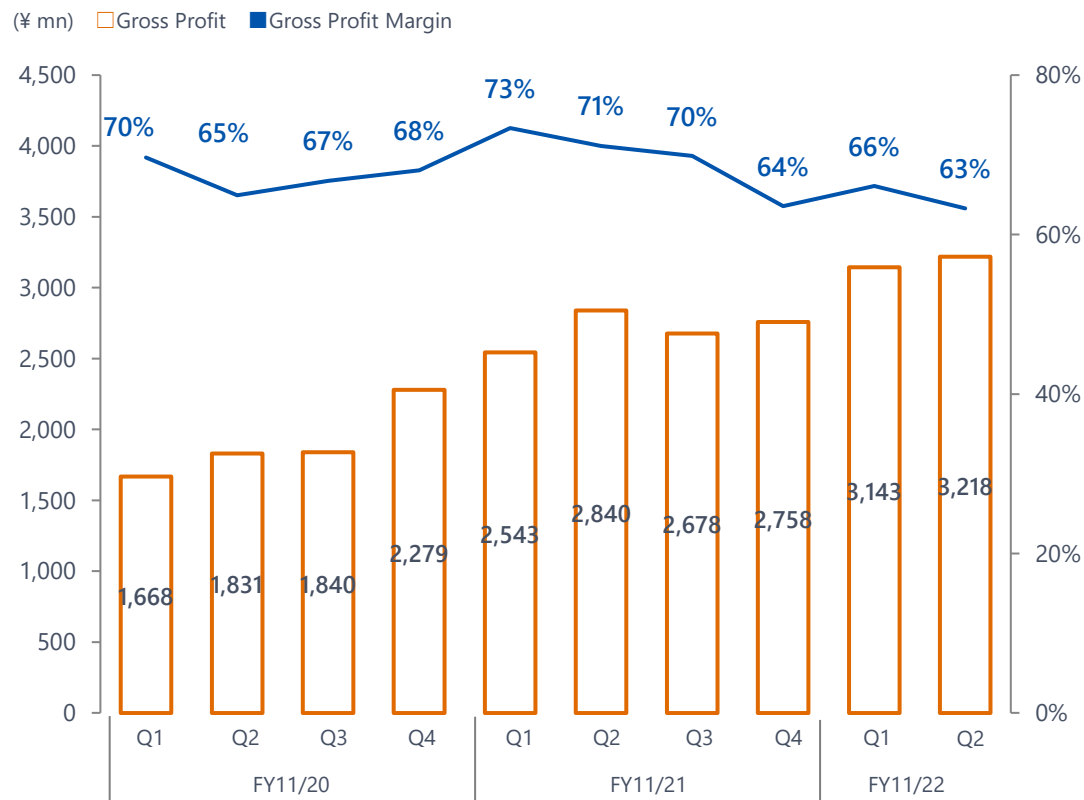
* Includes the M&A effect of HiTTO, Inc. When the effect is excluded, the net increase of ARR of medium-sized companies in H1 was 2.1 fold YoY, while that of corporate ARR was 1.5 fold YoY.

*1 "SMB" is revenue from services for corporate customers, including *Money Forward Cloud*, *STREAMED*, *Manageboard*, and *Money Forward Certified Membership System*, as well as from accounting offices and their clients. In order to adjust for seasonal factors of *STREAMED*, its MRR is calculated as one-third of the revenue from *STREAMED* in Q1 and Q2 of each fiscal year. Revenue from *STREAMED* tends to rise in Q1 and Q2 as transactions increase during the fiscal year-end of corporate customers, while it tends to drop in Q3 (mainly in August) relative to Q2 since there are less business days. Revenue of "Medium-sized company" includes general corporate users (excluding accounting firms) that have adopted such services as *Money Forward Cloud*, *Manageboard*, *V-ONE Cloud*, *HiTTO*, and *Money Forward IT Management Cloud* via field or partner sales, with the majority of companies having 50 or more employees. Flow revenue of each business and net sales of SMARTCAMP Co., Ltd. are not included. See p.101 for the definitions of ARR, MRR, etc.

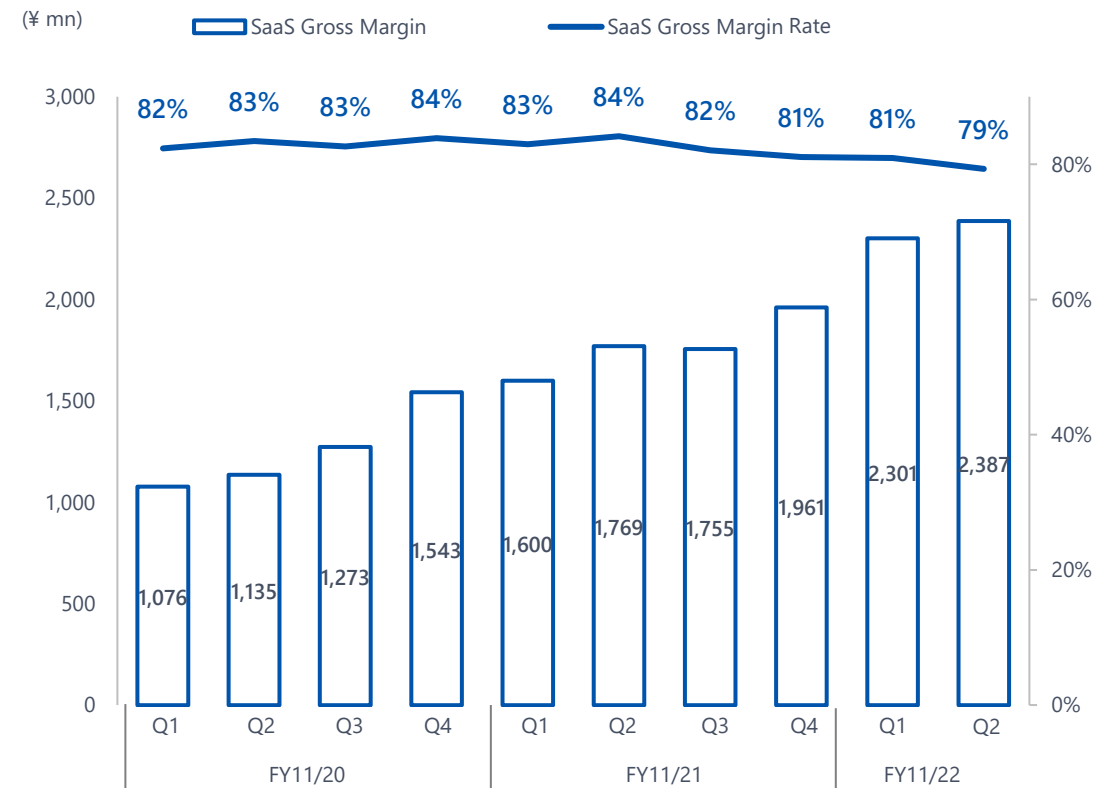
Consolidated Gross Profit and SaaS Applications for Back-Office Operations Gross Margin Rate

Gross profit reached a record high. Consolidated gross profit margin came in at 63% (65% after adjustment^{*1}), decreasing slightly due to the rise in engineer personnel expenses. The gross margin rate of back-office SaaS business, as commonly defined by global SaaS companies, continued to hover around 80%.

Consolidated Gross Profit
(Financial Accounting Basis)



Gross Margin Rate for Back-office SaaS Business ^{*2}
(Management Accounting Basis)

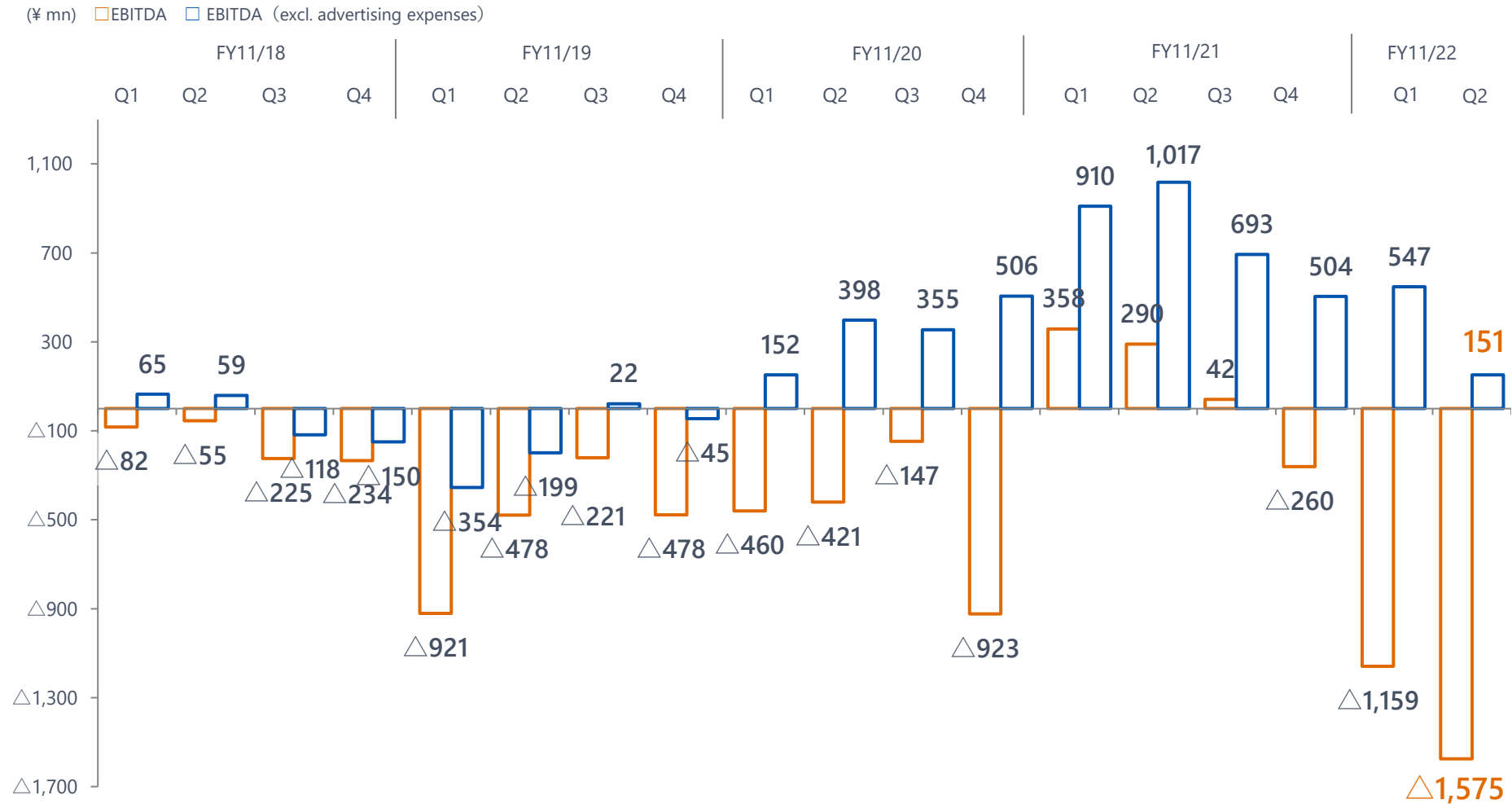


^{*1} Both net sales and cost of sales because net sales and fees related to IT introduction subsidiaries are excluded as it has seasonality. When ADXL executes the advertising operations of the Group, the costs are recorded as cost of sales. (i.e. Net sales at ADXL and the outsourcing costs at Group companies are offset in the consolidation process, and ADXL's purchase costs for advertising media are recorded as cost of sales in consolidated PL). Such ADXL's costs (¥80 million) are excluded from cost of sales in Q2.

^{*2} Figures are for the entire Business domain, excluding SMARTCAMP Inc. Calculated based on the definition in a typical global SaaS company. The cost portion includes communication and system usage fees related to product development, depreciation of software assets, AWS and other server costs, API connection costs, personnel costs related to customer support, infrastructure maintenance, and *STREAMED* operators. Note that personnel expenses for engineers and designers related to product development are included in cost of sales under Japanese accounting standards and in the Company's income statement.

EBITDA (Quarterly Trend)

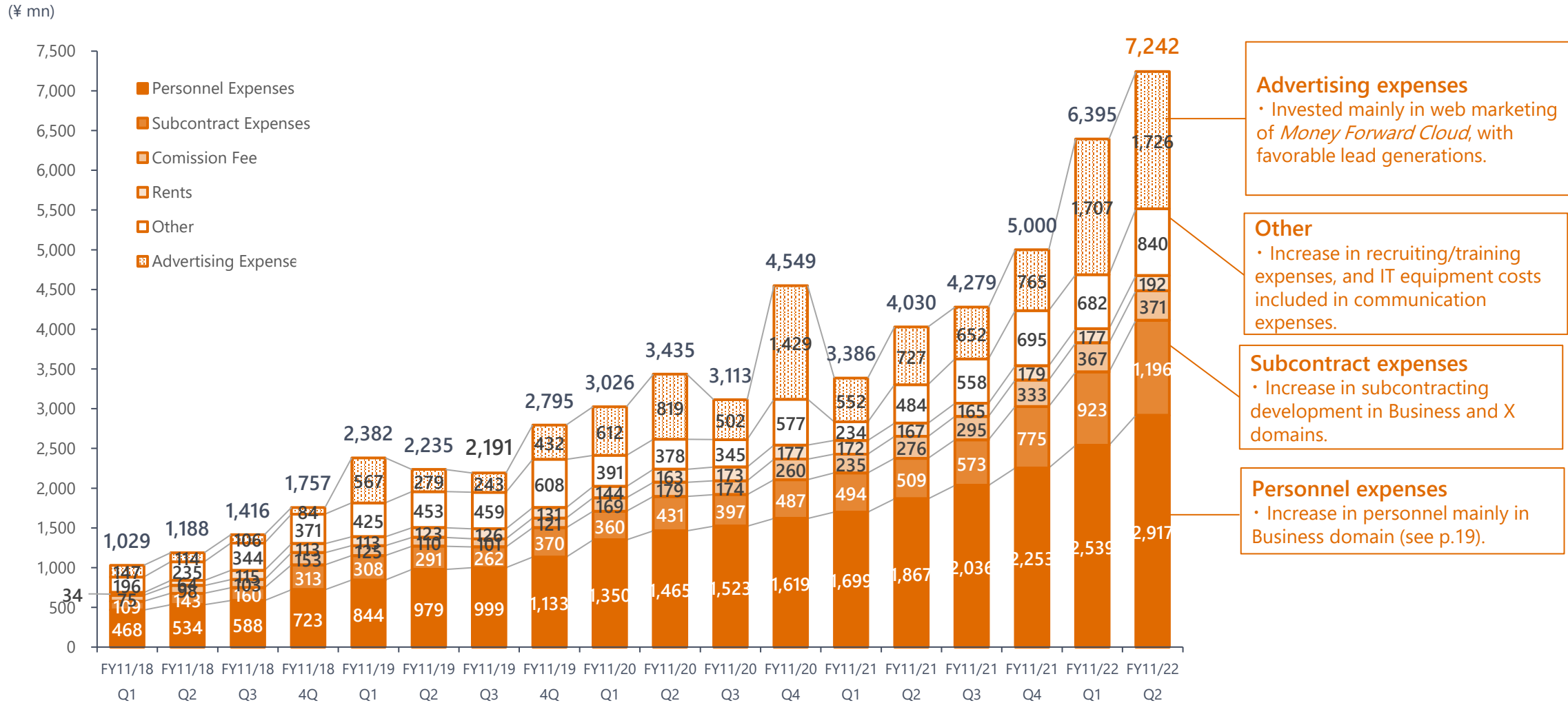
EBITDA was negative ¥1.58 billion, and EBITDA excluding advertising expenses was ¥ 0.15 billion.



* EBITDA = Operating profit/loss + Depreciation and amortization + Tax expenses included in operating expenses + Share-based remuneration expenses

Breakdown of Expenses (Cost of Sales & SGA)

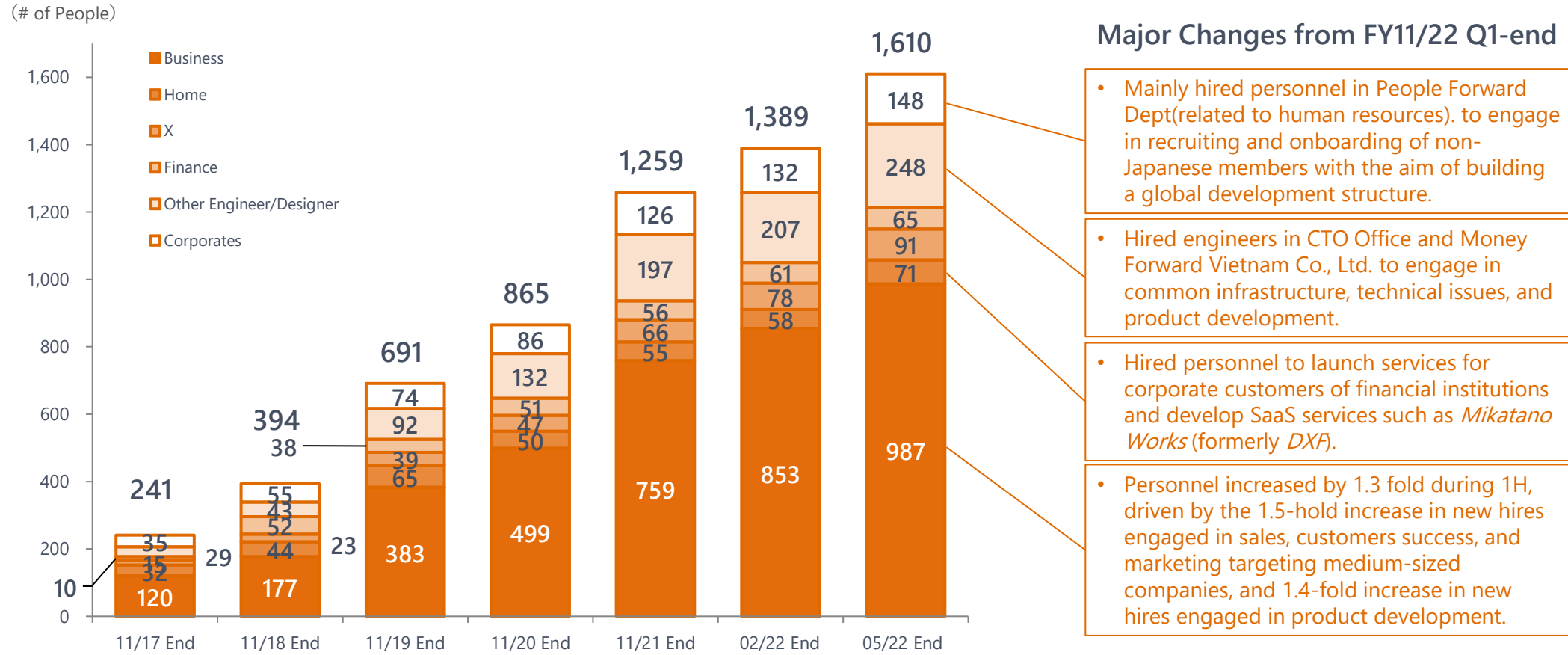
Personnel, recruiting/training, and other expenses rose due to continued active investments in advertising and an increase in new hires, including new graduates.



* "Other" includes IT introduction subsidy fees, taxes and dues, communication expenses, recruiting/training expenses, amortization of goodwill, depreciation, and fee expenses.

Employees*1

Made steady progress in recruiting in Business domain and of engineers/designers as per plan, with some 350 new hires in 1H. Bolstered hiring in view of the next fiscal year and beyond in services for the mid-cap market, an area expected to drive growth.

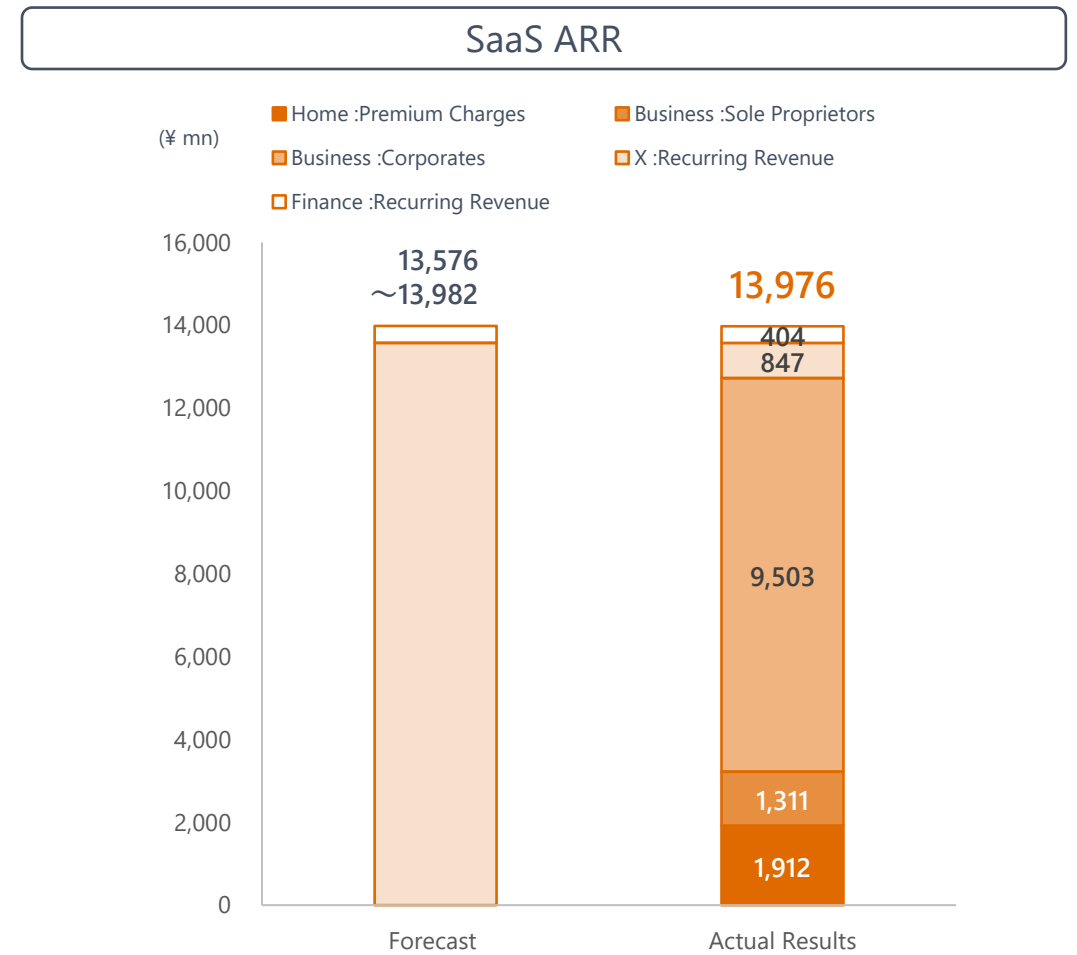
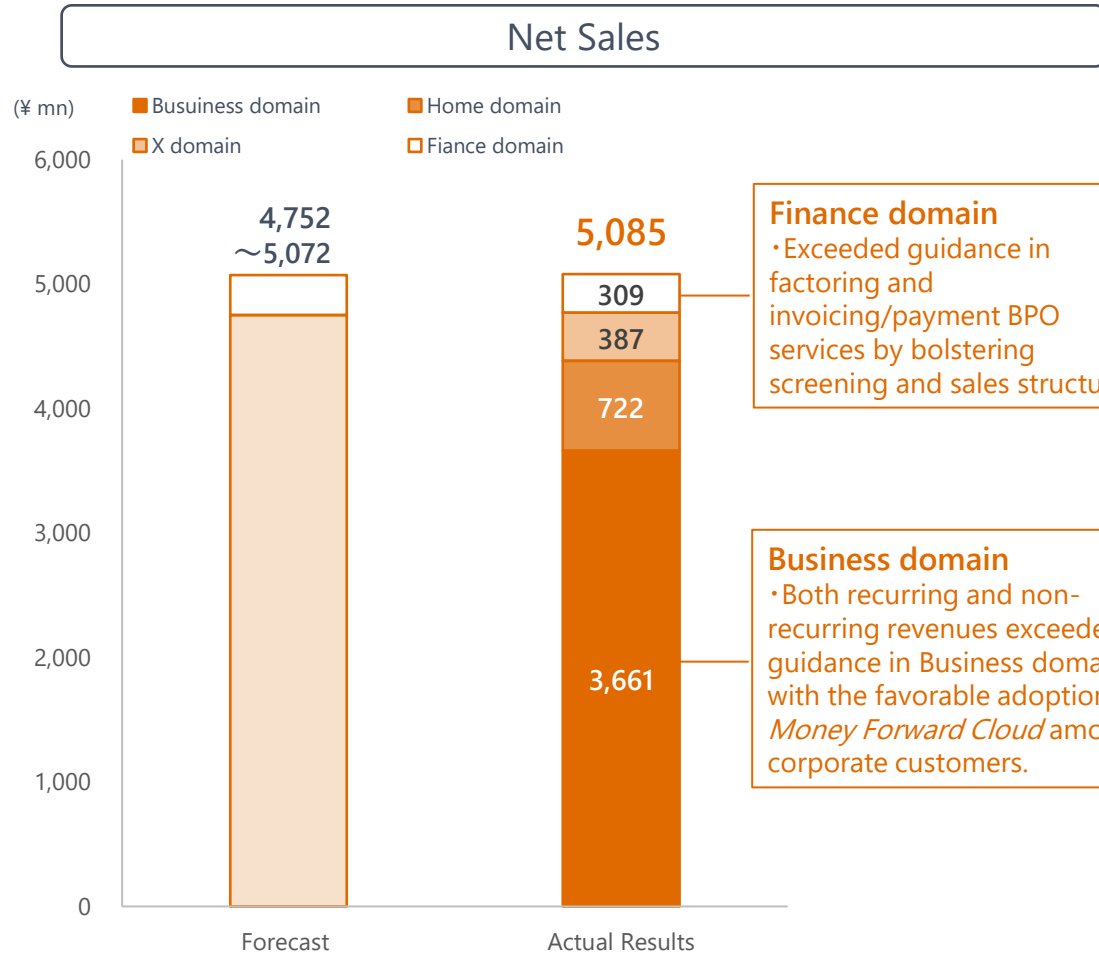


* "Other Engineers/Designers" include the CISO Office, CIO Office, CTO Office, Account Aggregation Dept., and Money Forward Vietnam, Co., Ltd. "Corporate" includes CEO Office, Corporate Planning Dept., Accounting Dept., Legal and IP Dept., People Forward Dept., and Public Affairs Office.

*1 Includes executive officers who do not serve as directors.

Q2 Results vs. Initial Forecasts (Net Sales and SaaS ARR)

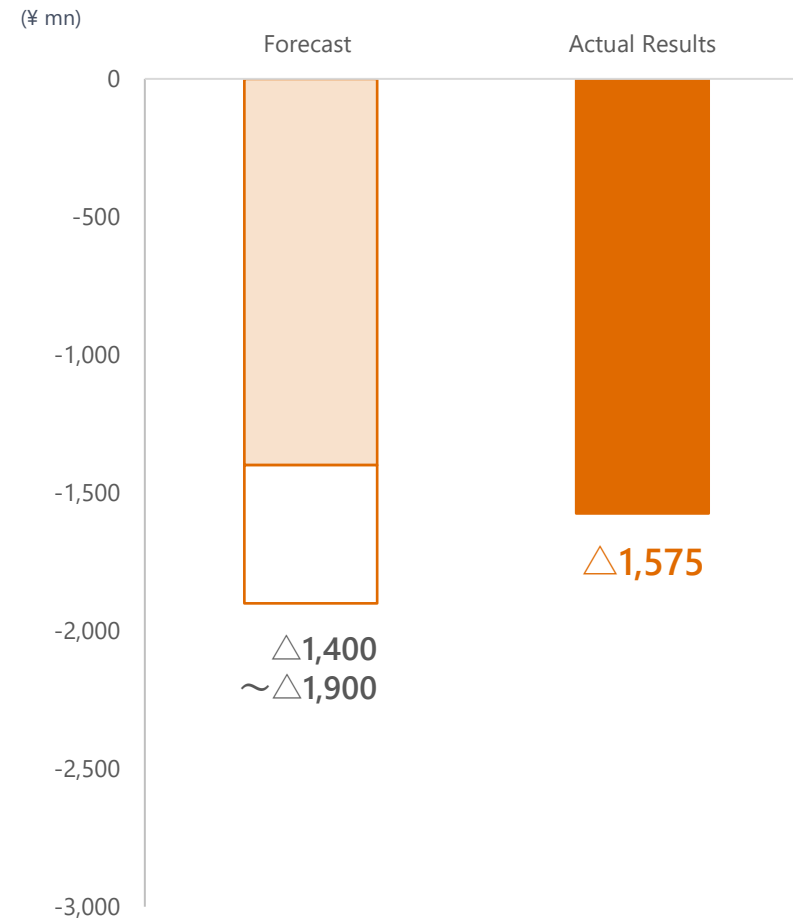
Net sales topped initial guidance on the back of accelerated *Money Forward Cloud* adoptions by corporate customers (recurring and non-recurring revenues in Business domain) and steady progress made in the factoring and invoicing/payment BPO services by Money Forward Kessai, Inc.



* Q2 forecasts are those disclosed on April 13, 2022.

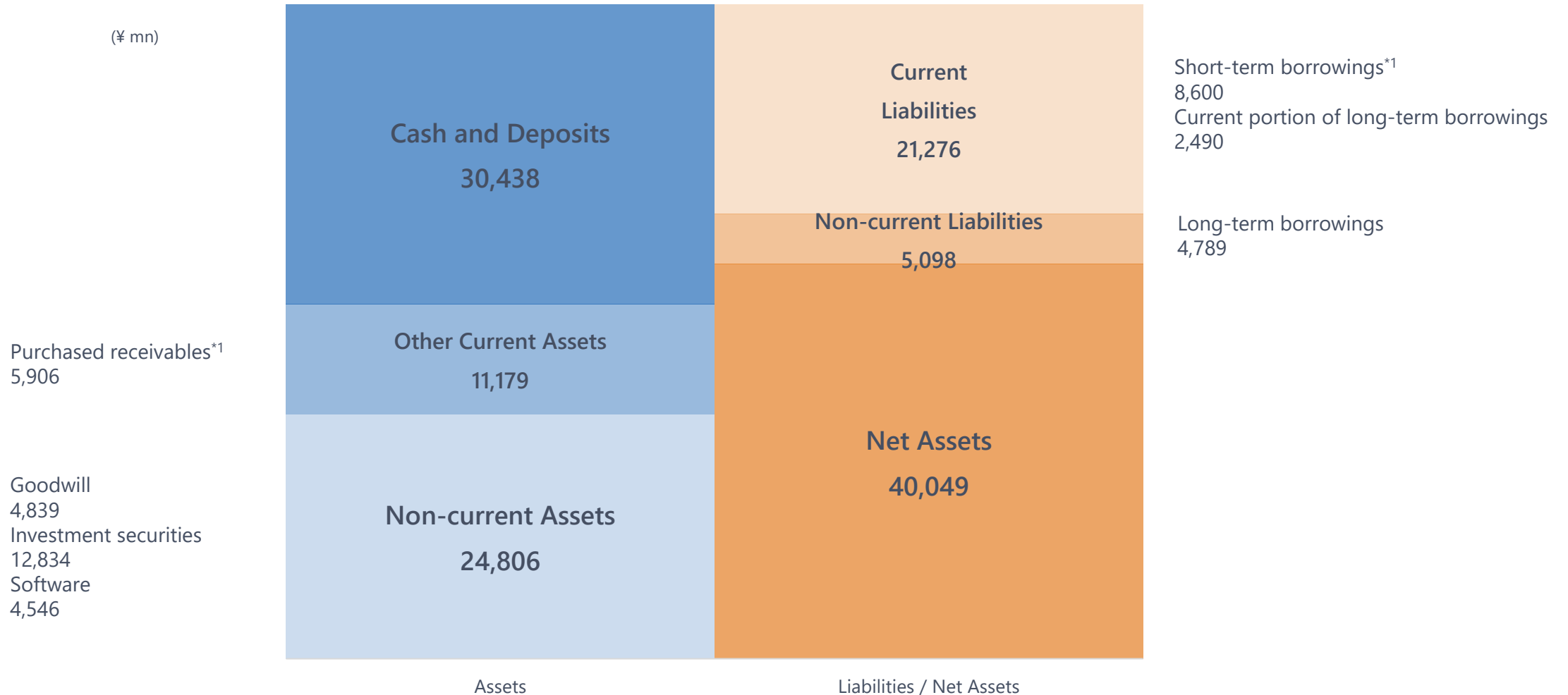
Q2 Results vs. Initial Forecasts (EBITDA)

EBITDA was within the forecasted range at negative ¥1,575 million (+¥325 million vs. the lower end of the forecast).



Maintained Strong Financial Base for Fuelling Medium- to Long-Term Growth

Made an additional investment (of approx. US\$48 million or ¥6.12 billion) to Indonesian SaaS company Mekari.
At the same time, enhanced liquidity by taking out a long-term loan (of ¥4.0 billion).



*1 Related to Money Forward Kessai, Inc. and Biz Forward, Inc.

Money Forward
Business



Highlights in FY11/22 Q2

Q2 net sales
¥3.66 billion

YoY

+43%

Growth rate excluding the impact of acquiring HiTTO, Inc. was 39% YoY.

Total/corporate paying customers
213,688 / 98,644

YoY

+28.3% / +25.4%

Total/corporate ARPA
¥50,605 / ¥ 96,333

YoY

+11.2% / +15.9%

Corporate ARPA jumped +3.5% QoQ primarily due to the increase in the number of users and the rise in ARPA in mid segment.

Total/corporate ARR
¥10.81 billion / ¥ 9.50 billion

+43% / +45%

The net growth rate of corporate ARR in FY11/22 1H was 1.8 fold YoY buoyed by the expansion in the mid-cap market users base.

ARR of mid-sized customers*¹
¥3.18 million

+121%

The net growth rate of ARR in FY11/22 1H was 3.2 fold YoY (2.1 fold excluding the impact of acquiring HiTTO, Inc.).

Customer churn rate*²
(12-month/3-month average)

1.3% / 2.2%

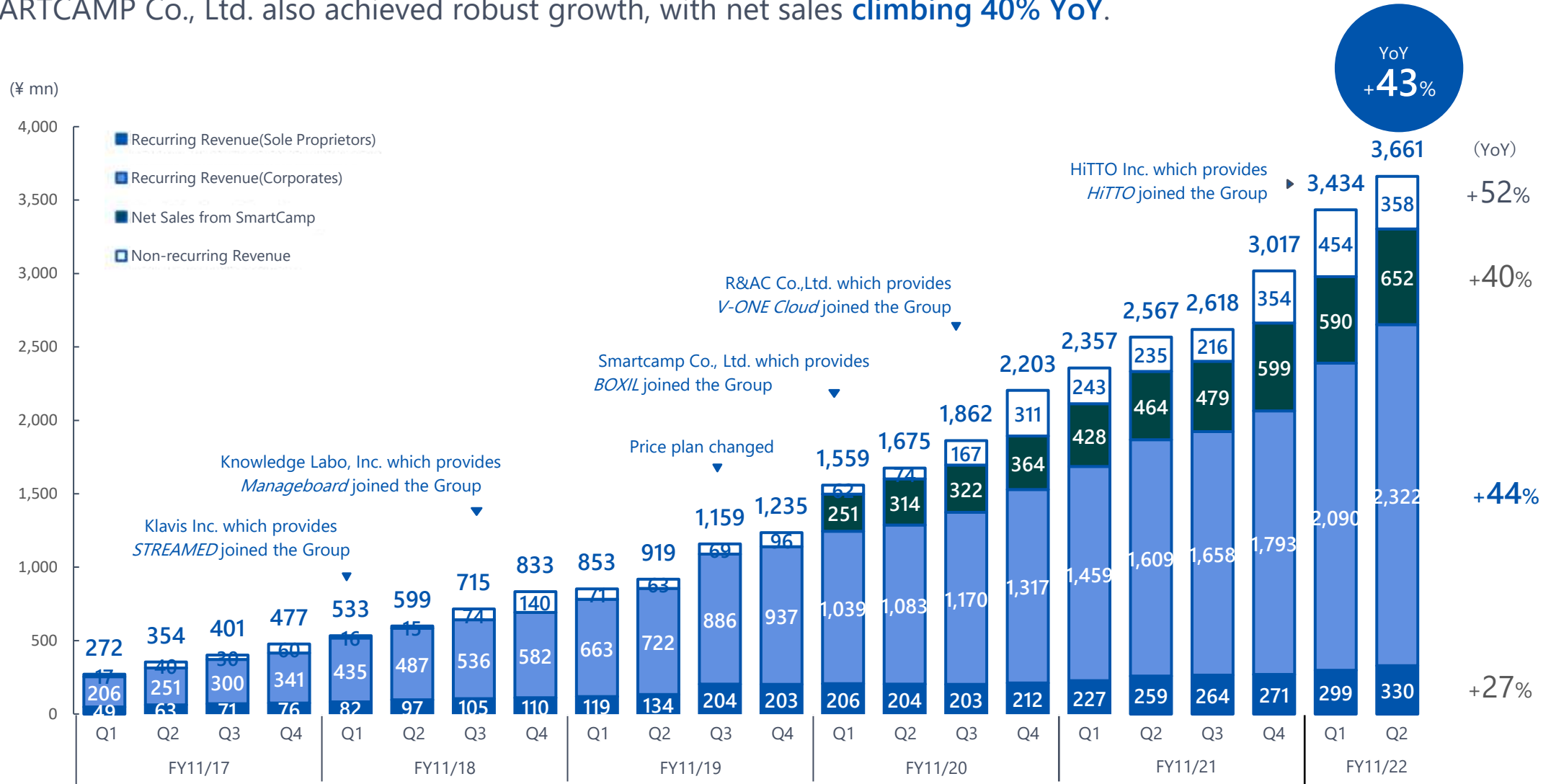
While the churn rate rose temporarily affected by the tax return period, improvement was seen relative to FY11/21 2Q (2.5%).

*1 Medium-sized companies refer to corporate customers (excluding professional service firms), mostly with 50 or more employees, that have deployed our services via field sales or partner sales.

*2 Averages of the 12 months and 3 months up to May 2022.

Quarterly Net Sales of Business Domain

Net sales **jumped 43% YoY**. In particular, corporate recurring revenue drove overall growth, **rising 44% YoY*1**. SMARTCAMP Co., Ltd. also achieved robust growth, with net sales **climbing 40% YoY**.



YoY
+43%

* "Recurring Revenue (Sole proprietors)" is the revenue from services for sole proprietors in *Money Forward Cloud*. "Recurring Revenue (Corporates)" is the revenue from services for corporate customers, including *Money Forward Cloud*, *STREAMED*, *Manageboard*, *V-ONE Cloud*, *Money Forward Certified Member System*, *HITTO* and *Money Forward IT Management Cloud*. Non-recurring revenue primarily consists of sales from IT introduction subsidies, sales from initial implementations of *Money Forward Cloud* and *V-ONE Cloud* mainly by medium-sized companies, sales from consulting by Knowledge Labo, Inc., and sales from card payment fees in *Money Forward Pay for Business*.

*1 The growth rate of "Recurring Revenue (Corporates)" excluding the impact of the acquisition of HITTO Inc. was 38% YoY.

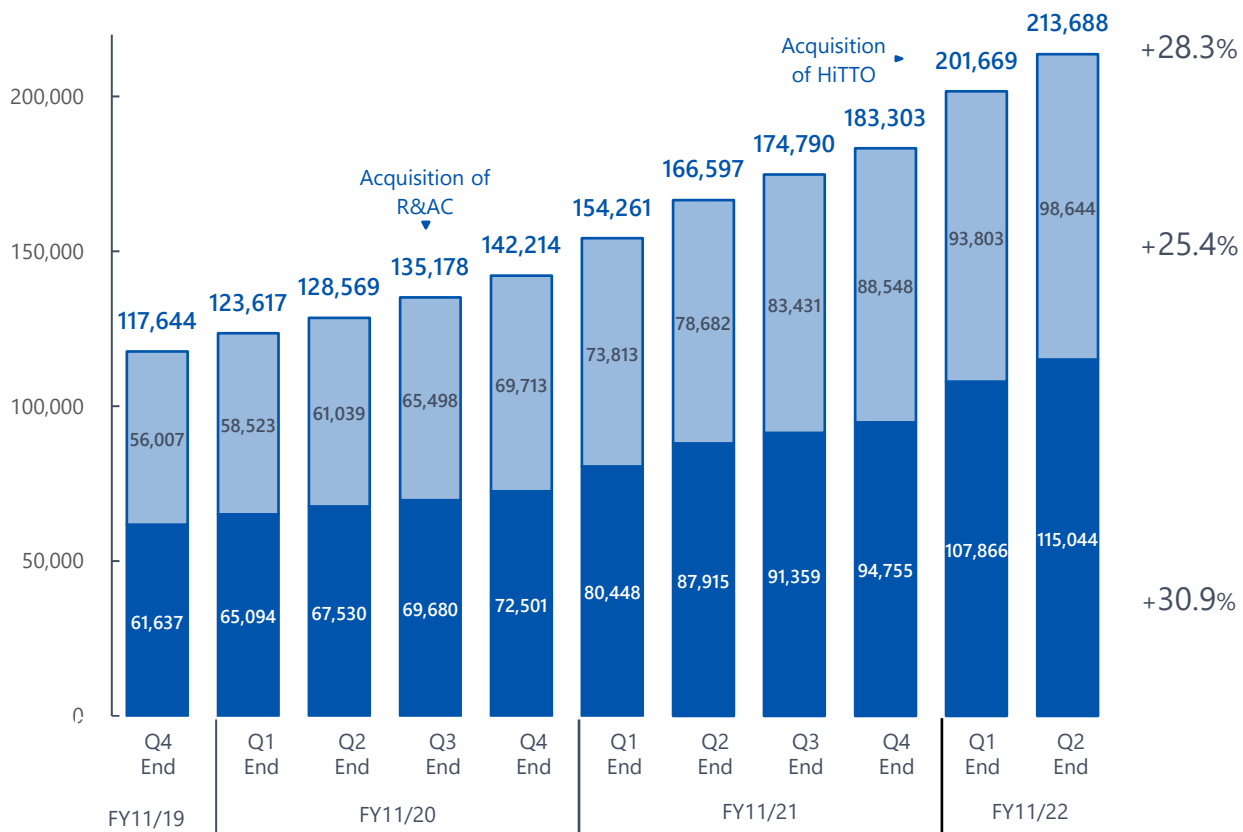
Accelerated Growth in Number of Paying Customers*1 and ARPA*2

The number of paying customers **climbed 28.3% YoY**. Corporate ARPA grew steadily, **up 15.9% YoY and 3.5% QoQ**, mainly owing to the expansion of the medium-sized company user base.

Paying customers *1

(# of Paying Customer)

■ Sole Proprietors ■ Corporates

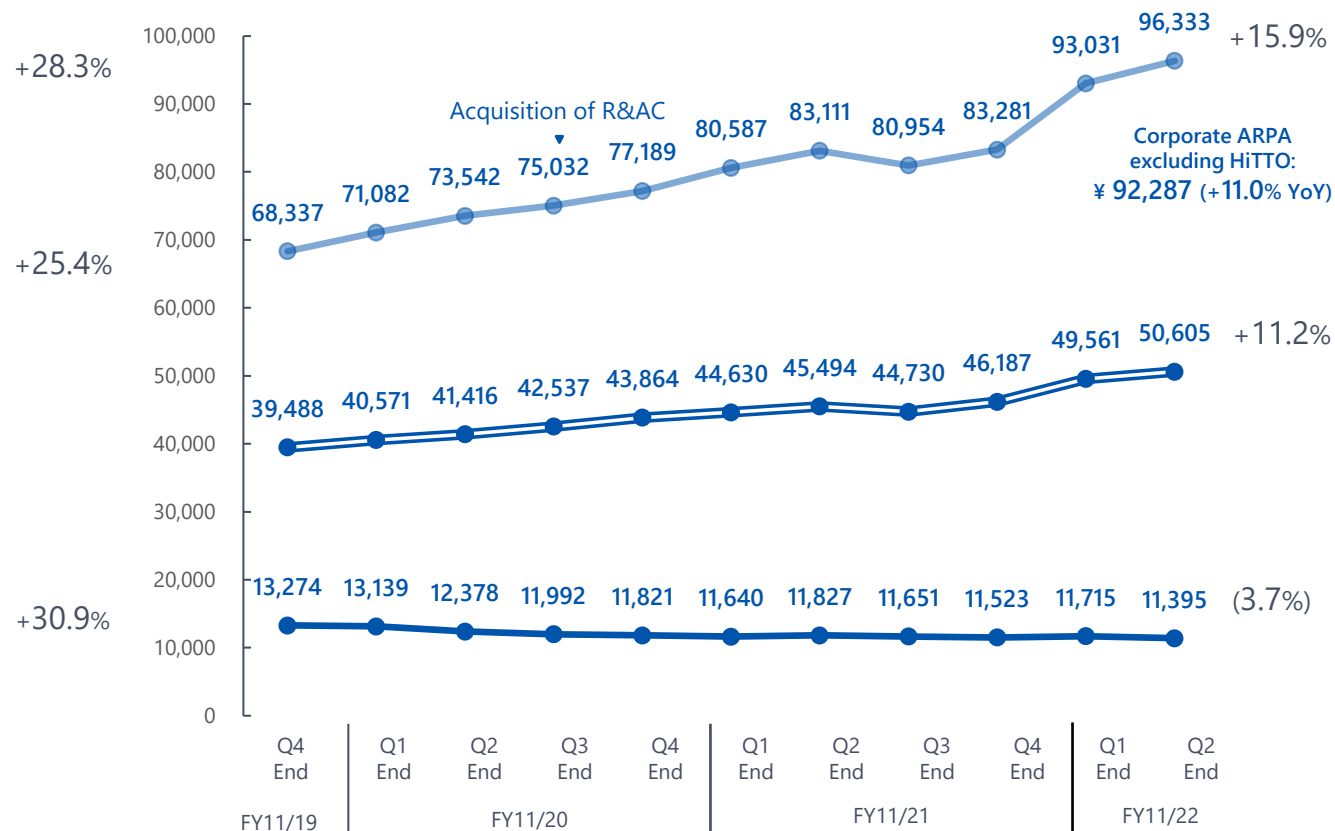


ARPA*2

(¥)

○ Total ● Sole Proprietors ● Corporates

(YoY)



*1 The number of paying customers who are sole proprietors is the number of those who pay for *Money Forward Cloud* services catering to individuals. The number of corporate paying customers include business corporations, and professional service firms and their clients that pay for services catering to corporations, including *Money Forward Cloud*, *STREAMED*, *Manageboard*, *V-ONE Cloud*, *HiTTO* and *Money Forward IT Management Cloud*, as well as professional service firms that pay for *Money Forward Cloud Certified Member System*. SMARTCAMP Co., Ltd. is not included in the figures above.

*2 ARPA: 12 times the monthly recurring revenue of Business domain in the last month of each term (ARR), divided by the number of paying customers. See p.101 for detailed definitions.

5 Money Forward Cloud Back-Office SaaS Ranked in Top 50 of ITreview Best Software in Japan 2022, with 4 Receiving Top Ratings in Respective Categories



 **Money Forward** Cloud Attendance

 **Money Forward** Cloud Accounting

 **Money Forward** Cloud Invoice

 **Money Forward** Cloud Payroll

 **Money Forward** Cloud Expense

New TV Commercial for *Money Forward Cloud* Won 59th Galaxy Award

Was the only IT company to be awarded in the commercial category out of 246 entries. The TV commercial contributed greatly in raising product and brand awareness.



Awarded Companies in TV Commercial Category (Examples)

- Money Forward
- Suntory Holdings
- Otsuka Pharmaceutical
- Kyushu Railway Company
- NISSIN FOODS HOLDINGS
- McDonald's Japan

TV and Other Media Exposures Increased Accompanying Rise in Service Awareness

Product awareness has risen pushed by frequent introductions of *Money Forward Cloud* services on TV programs.



TV Tokyo (June 15)



TBS (June 25)



TV Asahi (July 3)



TV Tokyo (June 15)



TBS (June 25)



TV Asahi (July 3)

Our Customers (1/2)

Money Forward Cloud Accounting Plus users increased steadily.

Corporates using Money Forward Cloud Accounting Plus (Examples)



Our Customers (2/2)

Expanding the client base that includes listed companies, medium-sized companies, and companies preparing for IPO.

Corporates using cloud payroll, attendance, expense, social insurance, *V-ONE Cloud*, *HiTTO* etc. (Examples)

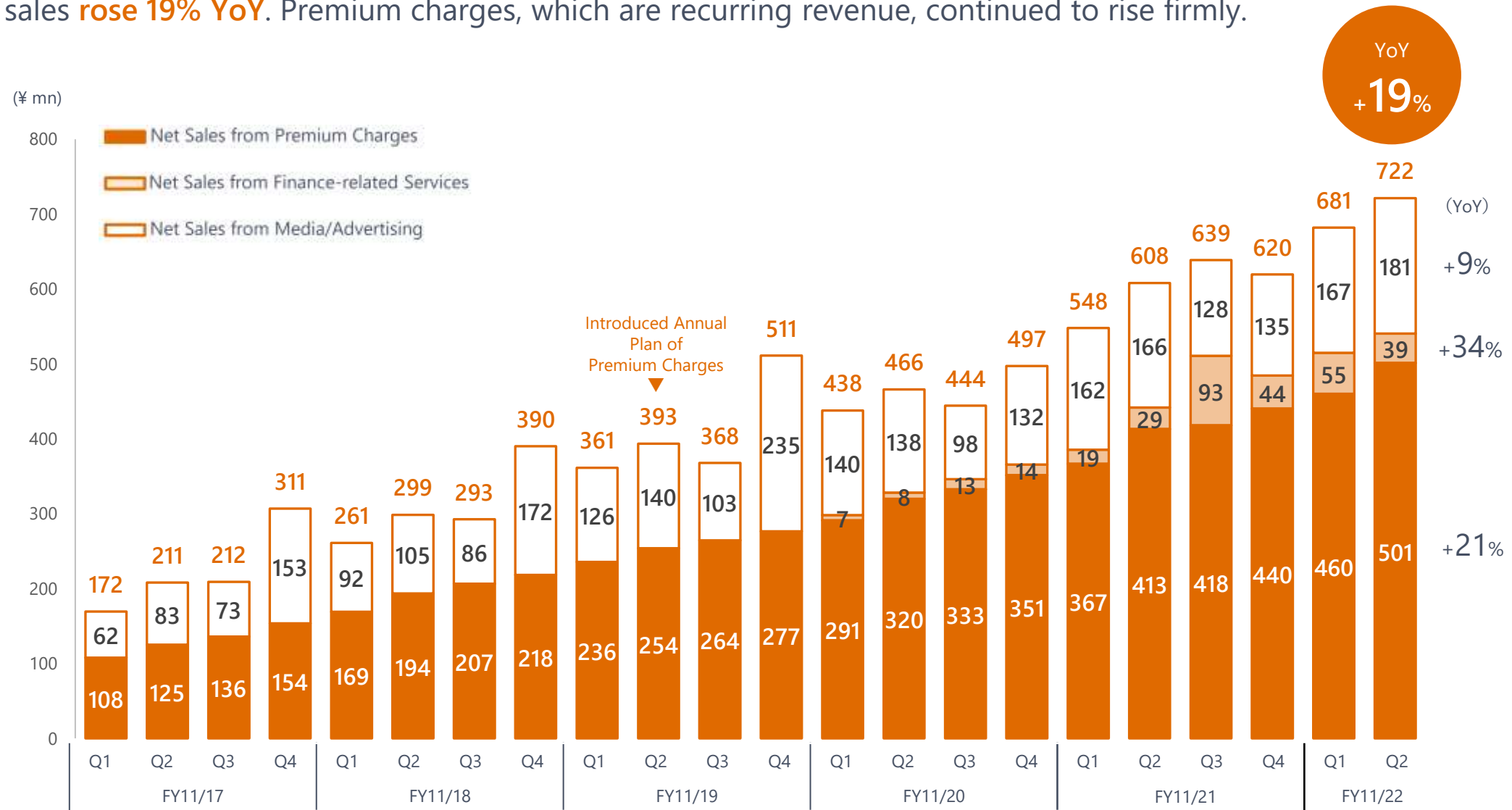
| | | | | | | | | | | | | |
|-----------------------|----------------|--|--|--|--|--|--|--|--|--|--|--|
| Listed Company | Prime/Standard | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Growth | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Medium-sized, Pre IPO | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
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Money Forward
Home



Quarterly Net Sales of Home Domain

Net sales **rose 19% YoY**. Premium charges, which are recurring revenue, continued to rise firmly.

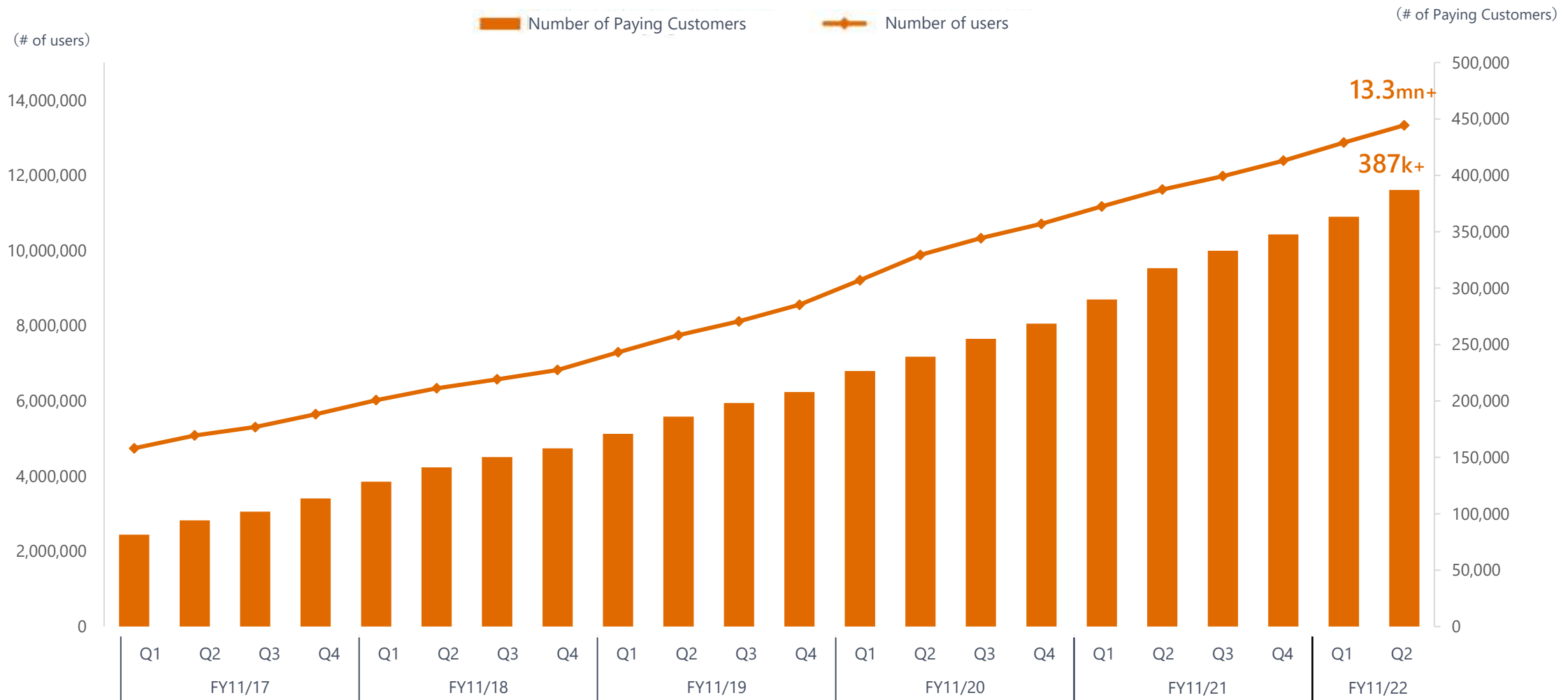


* Net sales from financial services include revenues from *Money Forward Financial Planning* and *Money Forward Fixed Cost Review*.

* Net sales from premium charges of *Money Forward for XX*, which targets financial institutions, have been revised retroactively since charges are recognized in X domain from FY11/22.

Total and Paying Users of *Money Forward ME*

The number of total users has continued to climb, exceeding 13.3 million^{*1}, with paying users **increasing steadily by 22% YoY**.



^{*1} Number of users of *Money Forward ME* in Home domain, which is the total number of app downloads and web registrations of *Money Forward ME*. The number of users of services for financial institutions provided in X domain, which was included in the past, is not included.

Promoted Post-Merger Integration with Nexsol

Organized seminars on life insurance and other themes for *Money Forward ME* users. In addition to offering information on how to improve personal finances in response to users' concerns, a financial planner of Nexsol CO., LTD. introduced insurance products and other services.



オンラインでプロから学ぶ
**目からウロコの
保険セミナー**
無料

保険セールスマンに負けない
知識で家計を守ろう


Money Forward お金の相談



Chisato Tomonou
Financial planner at
Nexsol CO., LTD.

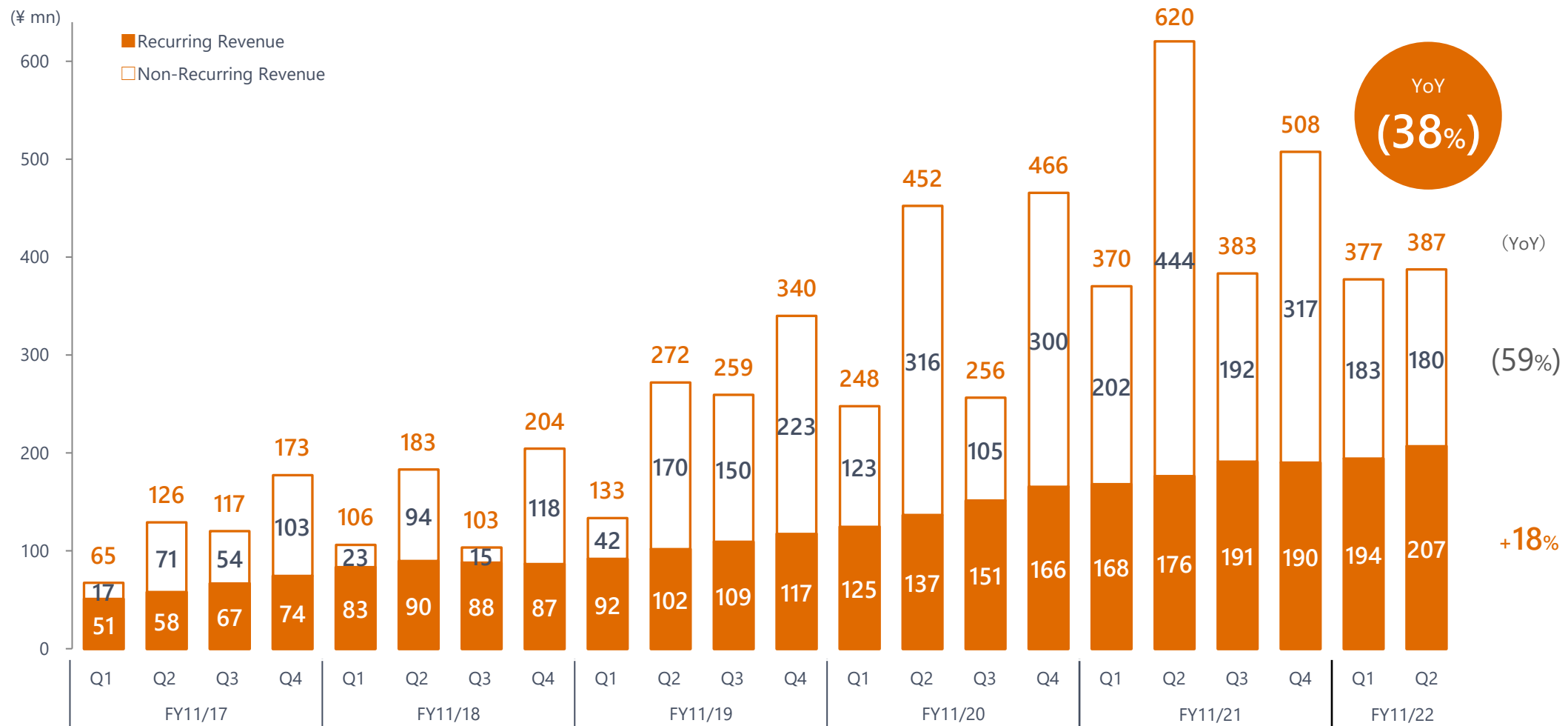
Money Forward

X



Quarterly Net Sales of X Domain

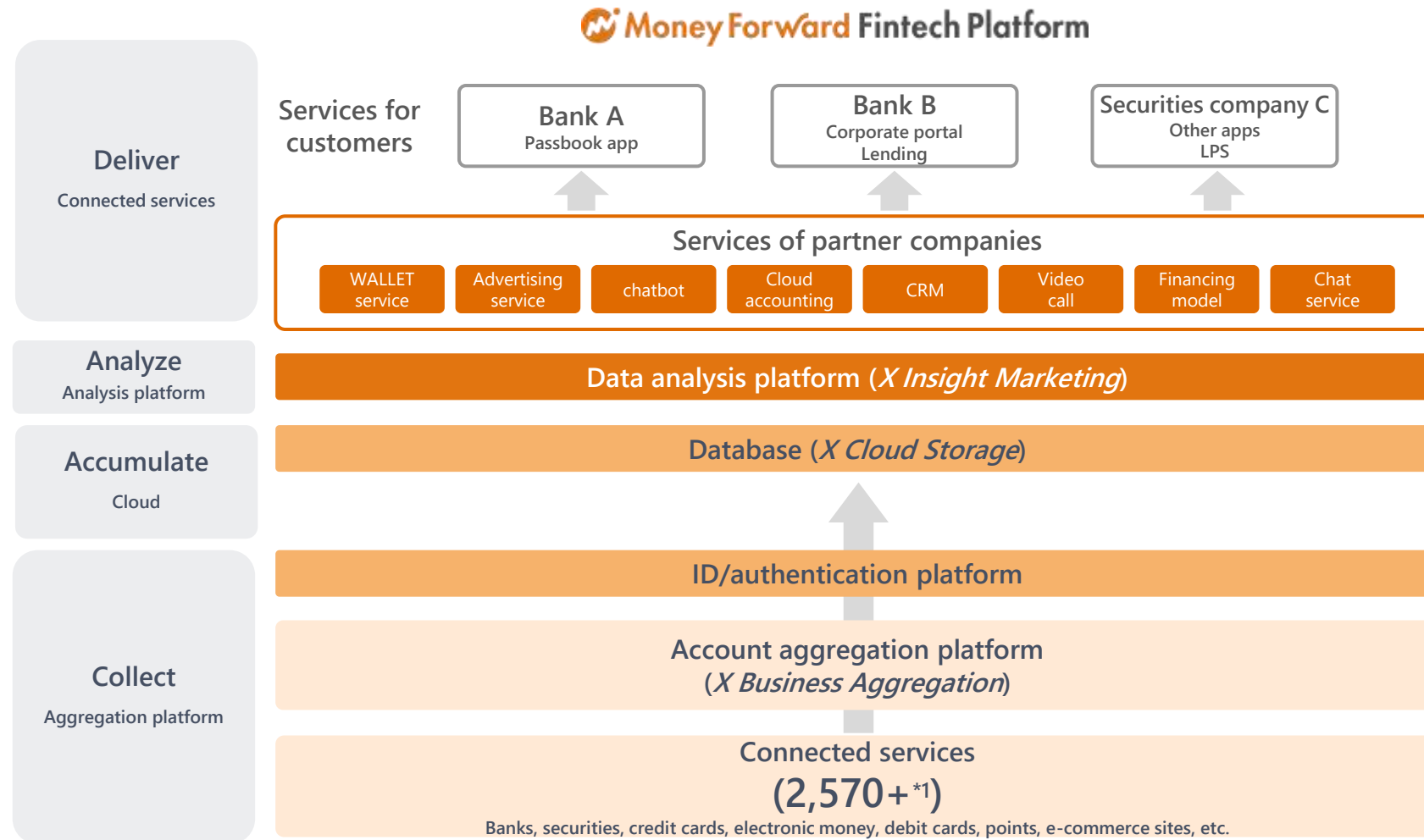
Recurring revenue continued to expand, **rising 18% YoY**. Non-recurring revenue dropped 59% YoY mainly due to the rebound from the large project in FY11/21 Q2. Recurring revenue is expected to accelerate from Q4 onward as new B2B service will be launched.



* Net sales from premium charges of *Money Forward for XX*, which targets financial institutions, have been revised retroactively since charges are recognized in X domain from FY11/22.

Driving Digital Transformation of Banks and Their Customers via *Money Forward Fintech Platform*

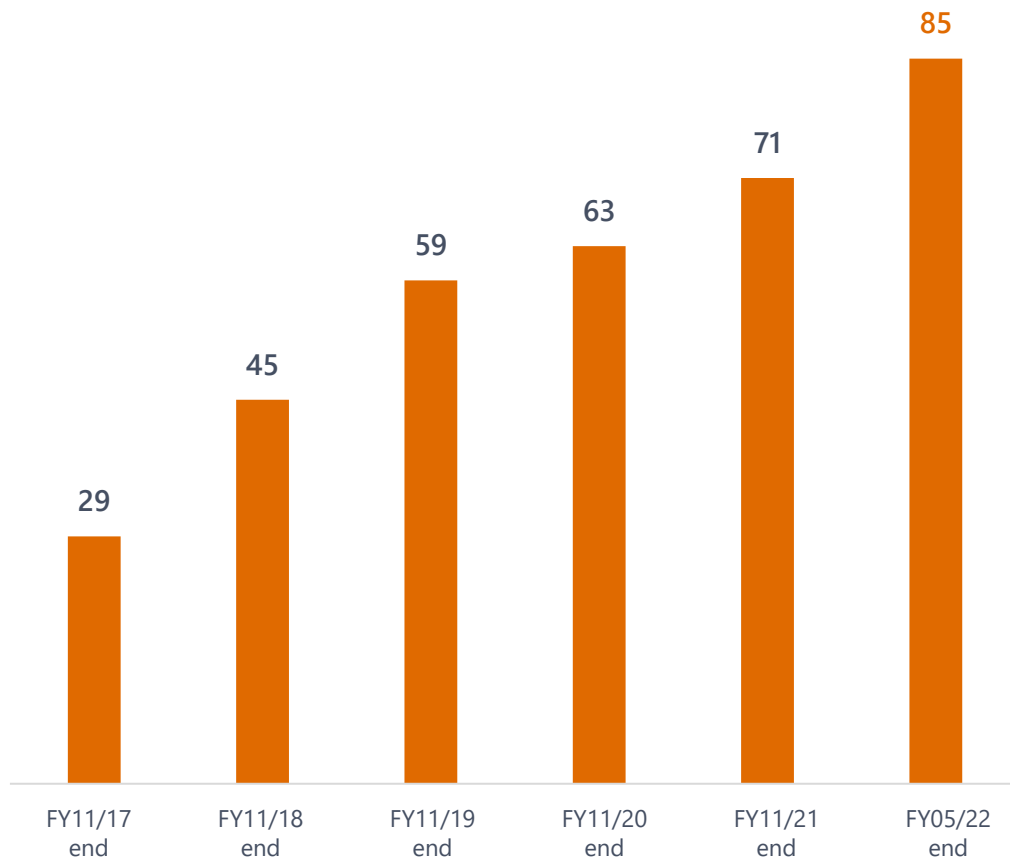
Platform that can accumulate and analyze asset data and settlement data for corporate financial services and link them to third parties.



Continued Expansion of Service Lineup

Number of services reached 85 in response to heightened demand for digital transformation among financial institutions.

Number of services*1



Major co-creation projects for individual customers

レンディングマネージャー

Jointly developed an advising function of the app for customers registered for loan service.



Co-developed a PFM app linked to various NTT DOCOMO services.



au PAY "Money Management"

Jointly developed a function for managing accounts information in the au PAY app.



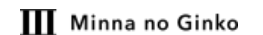
OneStock

Asset management app that supports users' future asset formation through visualization of asset lives, centralized asset management and asset diagnosis functions.



Minna no Ginko

Offering the account aggregation function to their official app. Support UI/UX design to meet customer needs.



*1 Number of services provided by X domain; X domain customers include non-financial institutions such as NTT DoCoMo and KDDI.

Enhanced DX Solutions for Corporate Customers of Financial Institutions, Aiming to Raise the Ratio of Recurring Revenue to Total Sales to 60%

To sustain strong growth, we aim to raise the share of services for corporates among total net sales to **over 30%** (vs. 10% in FY11/21), and the share of recurring revenue to **over 60%** (vs. 36% in FY11/21) by FY11/24.

Service Overview

Advantages

Clients*1

In-house
/
Joint
Development

Corporate Portal

Membership portal site for corporate and sole-proprietor customers; jointly developed with NTT DATA



Mikatano 資金管理

(Minakano Financial Management, previously "Business Financial Management")

Service for corporate customers of financial institutions



Mikatano ワークス

(Minakano Works, previously "DXF")

A portal service for SME customers of financial institutions to support their DX



- Centralized management of information on deposits and withdrawals/deposits in multiple accounts
- Ability to conduct wide-ranging transactions, including the review of electronic documents
- Creates customer contact points online
- Centralized management of information on deposits and withdrawals/deposits in multiple accounts
- Automatically updates account balances and statements
- Enables download of statements in CSV format
- Digital services with comprehensible and intuitive user interface and experience (UI and UX) for daily operations, including communication tools, and workflow and attendance management.

Bank of Yokohama, Hokuriku Bank, Nishi-Nippon City Bank, Senshu Ikeda Bank, and San-in Godo Bank, **Hiroshima Bank (New!), and other 2 banks (New!)**

Okazaki Shinkin Bank, Kyoto Shinkin Bank, and Tama Shinkin Bank, **Shikoku Bank (New!), Chugoku Bank (New!), Tochigi Bank (New!)**

Senshu Ikeda Bank, Iyo Bank, Gunma Bank, Bank of Saga, Shikoku Bank, Shizuoka Bank, Joyo Bank, Daishi Hokuetsu Bank, Tama Shinkin Bank, Chiba Kogyo Bank, Chugoku Bank, Tokushima Taisho Bank, First Bank of Toyama, Nagano Bank, Nishi-Nippon City Bank, Hachijuni Bank, Hirogin Holdings, Fukuho Bank, Yokohama Shinkin Bank, **Fukuoka Bank (New!), Kumamoto Bank (New!), Juhachi Shinwa Bank (New!)** etc.

Unit

Account Aggregation Platform



- Improve value of bank's BtoB services by utilizing data aggregation from corporate bank accounts
- Solutions include passbook / cashflow / transaction lending etc.

Fukuoka Bank <Findy>
Iyo Bank <IYOGIN Business Portal> (New!)

*1 Regarding *Mikatano Works*, a DX portal for SMEs, financial institutions that have decided to introduce or are considering introducing it are listed as clients.

Downloads of *Passbook App* by Regional Banks' Customers Topped 3 Million

Demand for viewing withdrawal/deposit history and account balance without going to the bank has been rising since the spread of COVID-19, leading to an accelerated increase in users.

Adopted by 18 regional banks across Japan

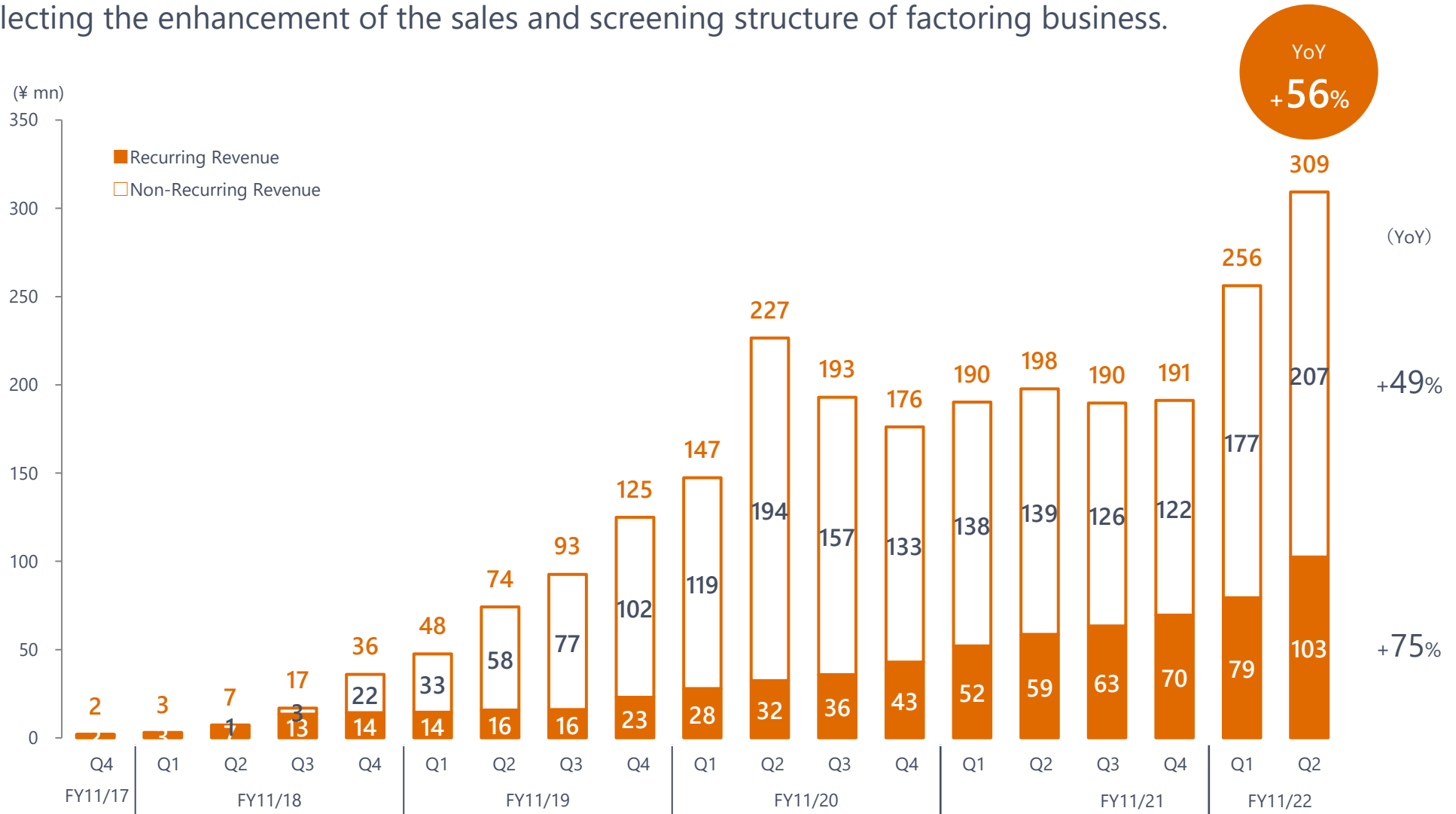


Money Forward
Finance



Quarterly Net Sales of Finance Domain

BPO of invoicing/payment (recurring revenue) soared **75% YoY** owing to new large projects. Non-recurring revenue rose rapidly, **up 49% YoY**, reflecting the enhancement of the sales and screening structure of factoring business.

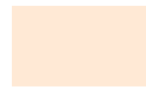


* Recurring revenue includes monthly fixed fees, and settlement and associated fees of *Money Forward Kessai* and *SEIKYU+*. Non-recurring revenue includes net sales of *Money Forward Early Payment*, *SHIKIN+*, and *Money Forward Synca, Inc.*, as well as postage fees of *Money Forward Kessai* and *SEIKYU+*.

Biz Forward Partners with Payment BPO Service Provider Paygent

Paygent started offering **invoicing BPO service SEIKYU+** in addition to their payment BPO services for e-commerce operators. Paygent users can now use *SEIKYU+* with a simple registration process.

Used by **50,000**-plus businesses in a range of sectors



PAYGENT
user

Offers various payment BPO services to e-commerce operators

Progress on Growth Strategy



Growth Strategy

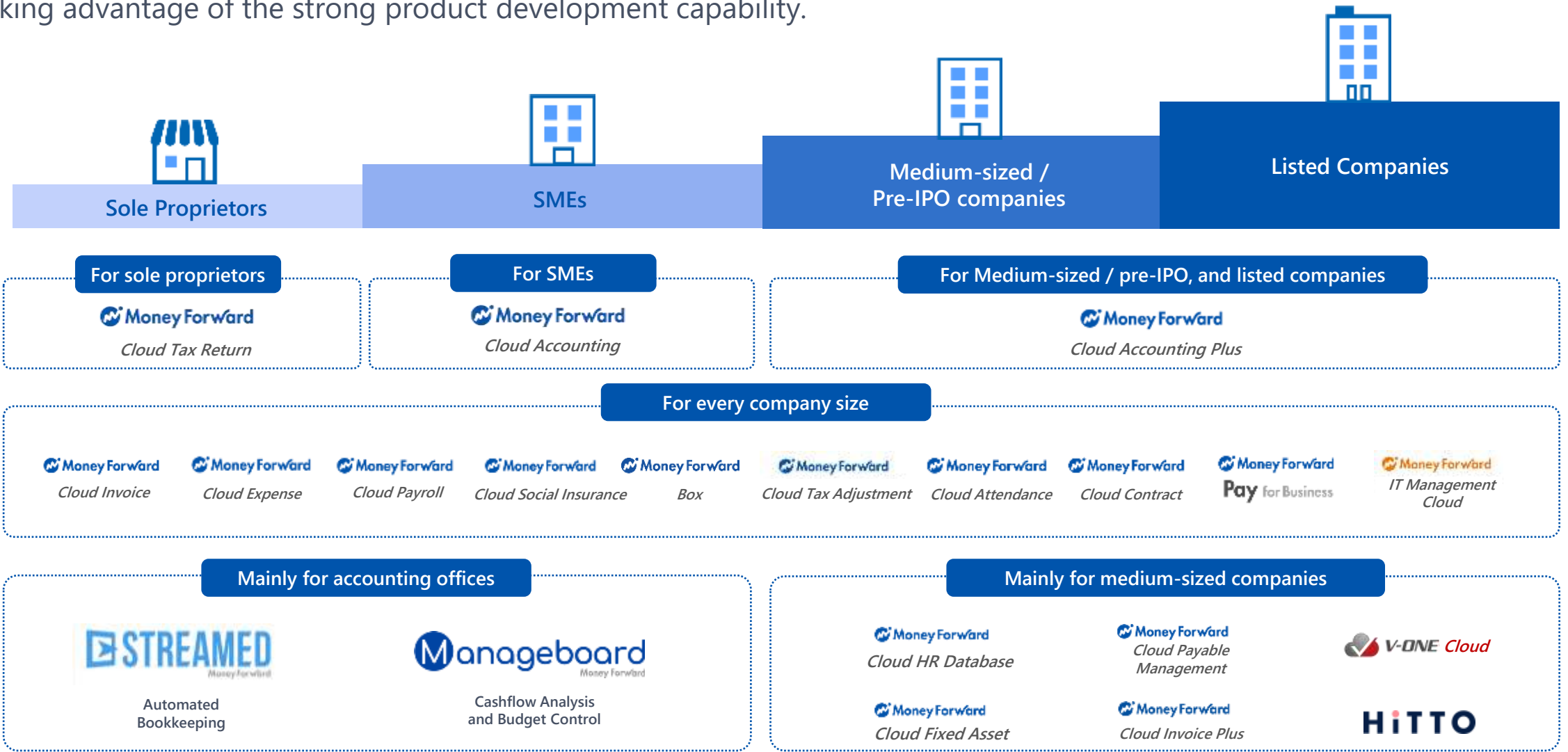
-  1 Superior Back-office SaaS Platform with Differentiated Go-to-market Strategy
-  2 Multiple Avenues for Future Growth with Significant Synergies
-  3 Disciplined M&A Strategy with Proven Track Record
-  4 Leverage Existing Assets to Create New Opportunities

Growth Strategy








-  **1 Superior Back-office SaaS Platform with Differentiated Go-to-market Strategy**
-  **2 Multiple Avenues for Future Growth with Significant Synergies**
-  **3 Disciplined M&A Strategy with Proven Track Record**
-  **4 Leverage Existing Assets to Create New Opportunities**

Product Lineup to Address Various Companies

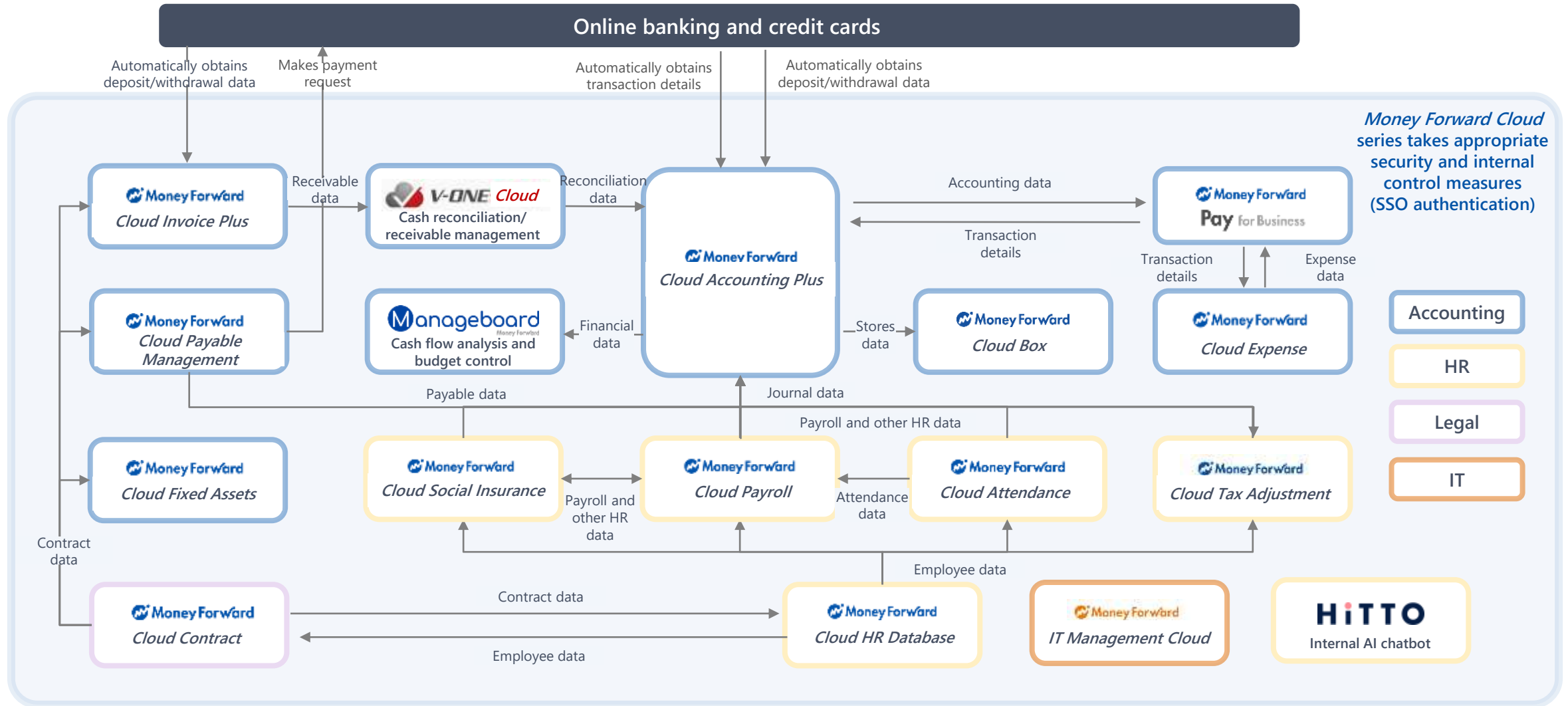
Expanding product lineup to target medium-sized / pre-IPO and listed companies, in addition to sole proprietors and SMEs, taking advantage of the strong product development capability.



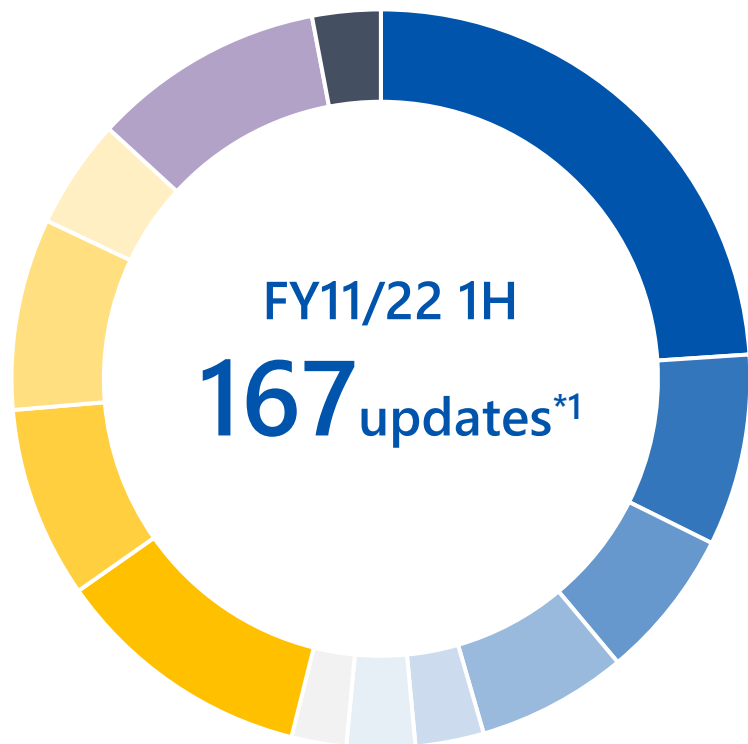
Effective Market Strategy Depending on the Customer Segment

| | Customer Segment | | | |
|--------------|---|--|---|--|
| | Accounting Firms & Their Clients | SMEs | Medium to large-sized Companies | Sole Proprietors |
| Key Products |  Accounting / Invoice / HR etc.  Cloud-based Bookkeeping Service |  Accounting / Invoice / HR etc. |  Accounting Plus / Invoice / Payroll / Expense / Contract   Cash Reconciliation and Receivable Management AI Chatbot for Employees |  Tax Return etc. |
| Go-to-market | Direct Sales | Online Subscription | Direct Sales / Partner Sales | Online Subscription |
| Key Users | Accountants | CEO / CFO / Accountants | Accounting Dept / HR Dept / Admin Dept / Sales Dept | Sole Proprietors / Accountants |
| KPI*1 | ARR : ¥ 9,503 million (YoY+45%) < SMB : ¥ 6,323 million, YoY+24% / Mid : ¥ 3,180 million, YoY+121% > # of Customers : 98,644, YoY+25% / ARPA : ¥ 96,333, YoY+16% | | | ARR : ¥1,311 million, YoY+26% # of Customers: 115,044, YoY+31% ARPA : ¥11,395, YoY(3.7%) |

Product Lineup that Covers the Four Back-Office Areas; Accounting, HR, Legal, and IT



Continued to Add and Enhance Functions in All Products



- Accounting, Tax Return, and Accounting Plus
- Expense
- Invoice and Invoice Plus
- Payable Management
- Fixed Assets
- Pay for Business
- Box
- Payroll and Attendance
- Tax Adjustment
- HR Database
- Social Insurance
- Contract
- Other

Major Additions and Enhancements (in FY11/22 1H)

| Functional Updates | Product |
|--|--------------------|
| Obtain evidence along with account statements via data integration | Accounting |
| Import files attached in <i>STREAMED</i> | Accounting |
| Upgraded data entry function of transfer slip | Accounting |
| Enable settings on app to accommodate requirements of the Electronic Book Preservation Act | Tax Return |
| Enable integrating journal entries from <i>Money Forward Cloud Fixed Assets</i> | Accounting Plus |
| Enable data integration with <i>PayPal</i> | Accounting Plus |
| Enable hiding items in prior and various other submissions | Expense |
| Enable displaying the days remaining in the trial period | Invoice |
| Released function for creating quotations | Invoice Plus |
| Released function for creating invoices by importing CSV files | Invoice Plus |
| Released setting for masking payee account number | Payable Management |
| Released function for exporting payment records | Payable Management |
| Released function for cancelling monthly settlements | Fixed Assets |
| Enable creating depreciable asset declarations | Fixed Assets |
| Enable selecting delivery method when issuing additional cards | Pay for Business |
| Enable payment using identity authentication service (<i>3D Secure</i>) | Pay for Business |
| Added function to save evidence obtained via data integration in <i>Cloud Accounting</i> and <i>Tax Return</i> | Box |
| Enable patterned display of items in list of deductions | Payroll |
| Added items to be integrated with <i>SmarthR</i> | Payroll |
| Compatible with benefit system of workers' compensation insurance | Payroll |
| Enable customizing formulas | Payroll |
| Enable automatic aggregation of number of attendances, etc. | Attendance |
| Enable manager to manage own work schedule in shift management screen | Attendance |
| Released electronic declaration function | Tax Adjustment |
| Released AI chatbot | Tax Adjustment |
| Implemented history management function | HR Database |
| Enable selecting items when exporting employees' CSV | HR Database |
| Enable applying from smartphone | HR Database |
| Released function to export contract information | Contract |
| Released function to revert requests for approval | Contract |
| Added "System Administrator," "Document Administrator," and "View" permissions | Contract |
| Released function to attach multiple documents | Contract |
| Released function to create templates | Contract |
| Released function to execute batch CSV update of user information | Other |

*1 The number of new functions and service enhancements for each product listed on *Money Forward Cloud* support page.

Added Value through Continuous Product Improvement (1/2)

Smartphone app for *Money Forward Cloud Company Registration*

 **Money Forward** Cloud Company Registration



Released iOS/Android smartphone app for *Money Forward Cloud Company Registration*, a service for supporting company formation and preparation of articles of incorporation. Reduced hassles involved in incorporating businesses to promote usage among early-stage companies.

History management in *Money Forward Cloud HR Database*

 **Money Forward** Cloud HR Database



Released function for creating and viewing change histories of employee information, making it easier to view data history and update data. Users can now extract and analyze data of specific points in time since the service is also integrated with such services as *Money Forward Cloud Attendance* and *Payroll*.

Added Value through Continuous Product Improvement (2/2)

Creating Quotation on *Cloud Invoice Plus*



Quotations can now be created in *Money Forward Cloud Invoice Plus* (formerly called *Receivable Billing*). Also, permissions can be set per employee including for creating, deleting, and downloading documents.

Slack Notification on *Cloud Contract*



Users can receive notifications on Slack when contracts are concluded or workflow processes approved in *Money Forward Cloud Contract*, raising usability significantly for Slack users.

Uniquely Positioned as a Highly Flexible Cloud-based ERP

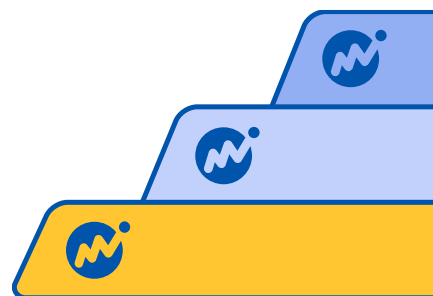
Flexibly accommodates changes in operation flows and systems of rapidly growing companies. Our strength lies in enabling phased or partial implementation without largely altering users' existing operations.

Wide Range of Product Line-up



Covers end-to-end back-office operations, including areas of accounting and finance, HR, and legal affairs. Ranging from processing contracts, issuing invoices, and managing receivables, to accounting.

Phased or Partial Implementation



Adopts an architecture that allows partial or phased system implementation, for example, starting with only expense module, or only payroll and attendance modules.

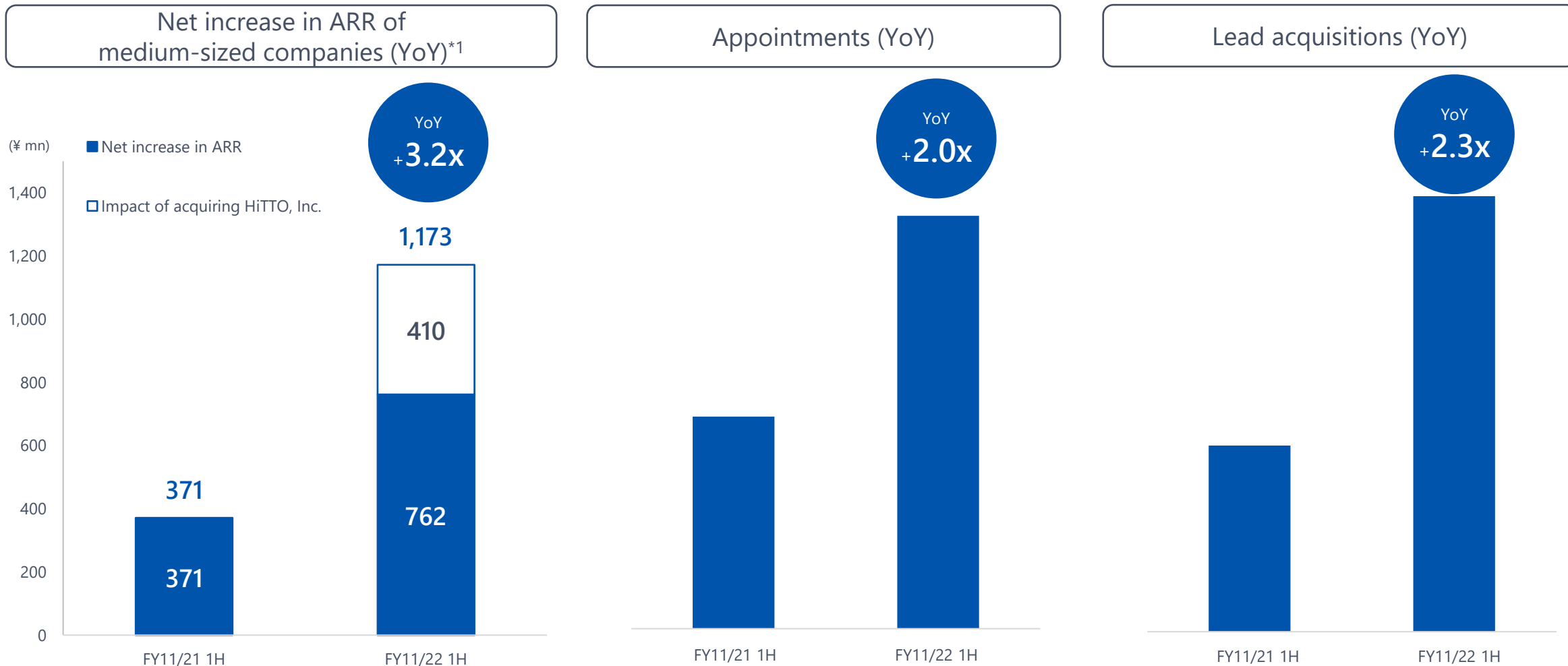
High Scalability



Is highly scalable due to seamless integration among modules and API connections with third-party services.

Significant Improvement in KPIs in Mid-Cap Market Business

Owing to aggressive sales and marketing, notable improvement was seen in the net increase in ARR and the numbers of appointments and leads acquired in 1H compared to FY11/21 1H. Aiming to accelerate business growth in 2H.



*1 The net increase in ARR of medium-sized companies excluding the impact of the M&A was 2.1 fold that of FY11/21 1H. The figure for FY11/21 1H is the net increase of ARR of medium-sized companies from FY11/20-end to FY11/21 Q2-end, and similarly, the figure for FY11/22 1H is that from FY11/21-end to FY11/22 Q2-end. Net sales of HiTTO, Inc. were consolidated from FY11/22 1H (in January 2022). The net increase in ARR for FY11/22 1H excluding this impact (of ¥410 million) was ¥762 million.

LTV of New Medium-sized Company Users Was 1.9 fold YoY from Improved New ARPA and Churn Rate

ARPA of new customers increased largely from FY11/21 Q2 on the back of adoption by large companies with many employees and favorable orders of multiple products. Customer churn rate also improved, remaining below 1%.

LTV*¹ of new medium-sized company users



New ARPA*²
(3-month average)

YoY
+1.7x.

Customer churn rate
(3-month average)

0.7%
(Improved 0.1 ppts from FY11/21 Q2)

*1 (3-month average of new ARPA * SaaS gross margin rate) / 3-month average of customer churn rate. LTV estimates are conservative as future cross-sellings are not considered.

*2 New ARPA (3-month average): ARPA of newly acquired customers in each quarter. See p.101 for details. New ARPA excluding the impact of acquiring HiTTO, Inc. was +60% YoY.

Strong Partnerships with Accounting Firms

Focusing on helping accounting firms and their clients succeed, working through branches across Japan. **71%*** of Japan's top 100 accounting firms have already introduced our cloud accounting modules.



* As of May 31, 2022. Calculated by Money Forward, Inc. based on "Top 500 Accounting Firms" in 2019 by Monthly ProPartner.

Enhanced *Money Forward Cloud Partner*, Client Management Service for Accounting Offices

Aimed to streamline operations of accounting firms using *Money Forward Cloud* and bolster active use of services among their clients by adding a search function and visualizing clients' usage data.

The screenshot displays the 'Money Forward クラウドパートナー' (Money Forward Cloud Partner) interface for '顧問先管理' (Client Management). The page includes a search form with the following fields:

- 顧問先コード (Client Code): 顧問先コードを入力
- 事業者名 (Company Name): 事業者名を入力
- 担当者名 (Responsible Person): 担当者名を入力
- 事業者番号 (Company Number): 事業者番号を入力
- 決算月 (Fiscal Year): 決算月を選択
- データ取得エラー (Data Acquisition Error): データ取得エラーを選択
- 有効化種別 (Activation Type): 有効化種別を選択
- 事業者種別 (Company Type): 事業者種別を選択
- メモ (Memo): メモのテキストを入力

Buttons for 'クリア' (Clear) and '検索' (Search) are located below the form. A '事業者を登録' (Register Business) button is in the top right.

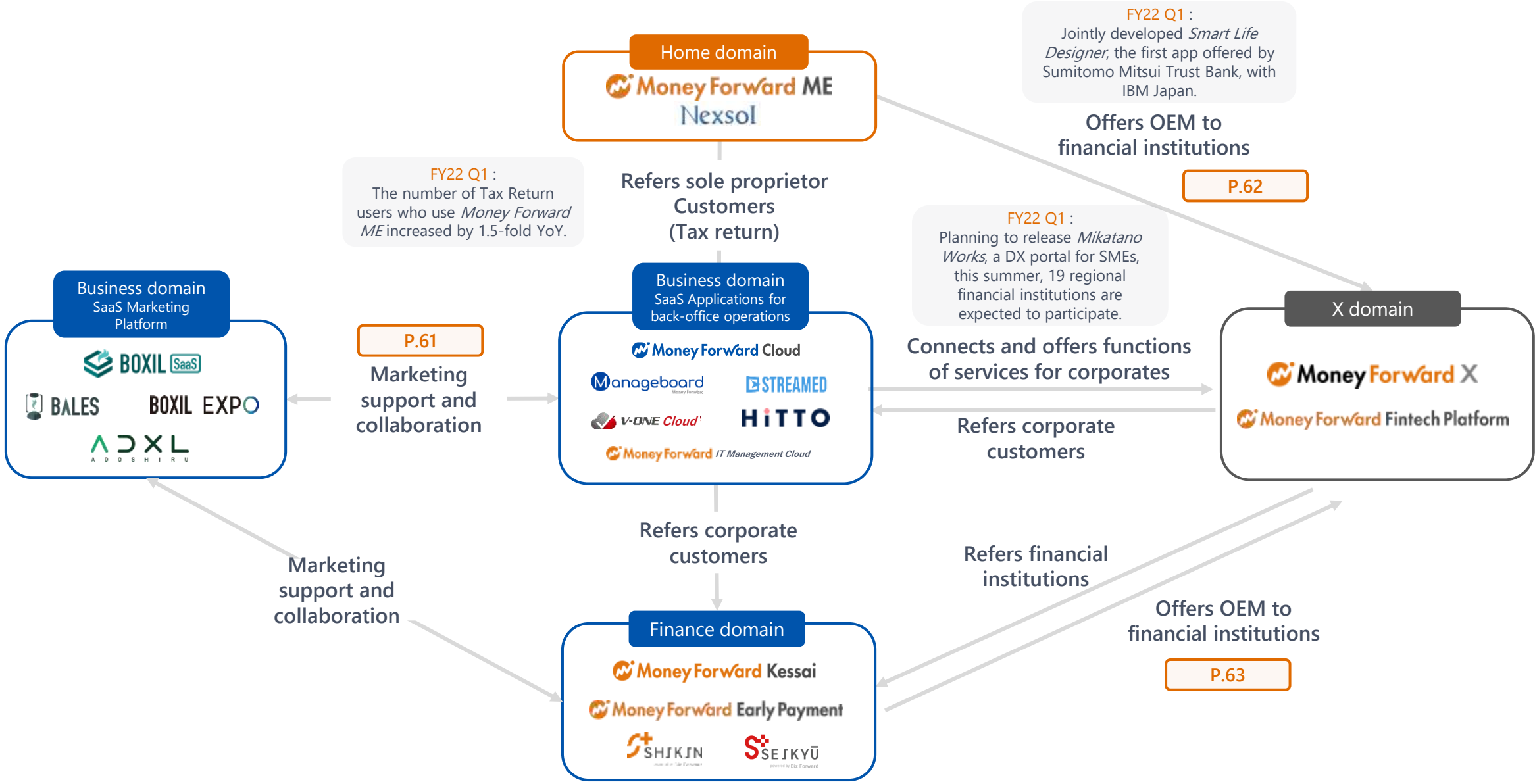
The search results table is as follows:

| 顧問先コード | 事業者名 | サービスログイン | 決算月 | データ取得エラー | 有効化種別 | メモ |
|--------|---------|----------|-----|----------|------------------------|----|
| 002 | 株式会社002 | 会計 ログイン | 3月 | | 定額プラン(会計) | |
| 001 | 株式会社001 | 会計 ログイン | 3月 | | 定額プラン(会計) 定額プラン(給与) | |

Growth Strategy

-  Superior Back-office SaaS Platform with Differentiated Go-to-market Strategy
-  **Multiple Avenues for Future Growth with Significant Synergies**
-  Disciplined M&A Strategy with Proven Track Record
-  Leverage Existing Assets to Create New Opportunities

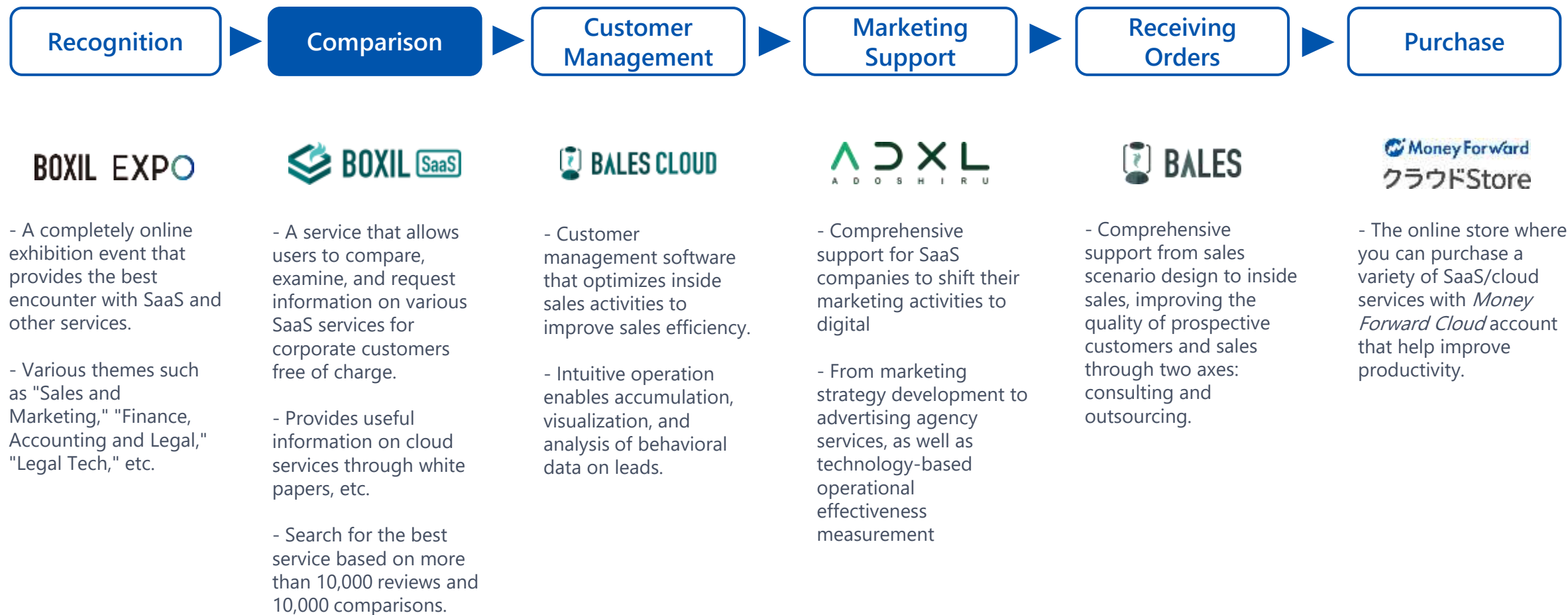
Creating Unique Value Through Inter-Domain Synergies



Marketing Support of SaaS Companies by SMARTCAMP

SMARTCAMP Co., Ltd. logged a **39% YoY growth** in 1H net sales.

In particular, its mainstay *BOXIL SaaS* saw a **58% YoY rise** in organic leads*¹ driven by continual UX and UI enhancements.



*1 The number of requests for information that resulted from site accesses from search results, excluding search-linked advertisements (listing advertisements), etc.

Releasing *BANK APP* Next Spring as DX Solution for Regional Banks' Individual Customers

Will provide a smartphone app for bank services, including account opening, asset management, fund transfers, loans, and various procedures. The app will first be adopted by Tochigi Bank, Ltd.



The graphic features the Money Forward logo at the top left. The main title 'BANK APP' is prominently displayed in large white letters. Below it, the Japanese text 'いつも寄り添うあなたの銀行' (Your bank that always stays by your side) is written. A smaller line of text reads 'お客さまとお金の繋がりをサポートし、くらしを豊かにする世界を目指します' (We aim to support the connection between customers and money, and to create a world where life is more abundant). Two smartphone screens are shown: the left one displays a '普通預金' (General Savings) account with a balance of 3,218,300 yen, and the right one shows a '資産推移' (Asset History) chart with a total value of 2,060,300 yen. The background is a blue isometric illustration of a city with buildings, trees, and people.

Money Forward

BANK APP

いつも寄り添うあなたの銀行

お客さまとお金の繋がりをサポートし、
くらしを豊かにする世界を目指します

9:41 普通預金 3,218,300 円

入金金明細を見る

口座開封 資産推移 各種申請 すべて

今年初めて、本業に専念する
ライフプランシミュレーション

あなたにおすすめ

9:41 資産推移 2,060,300 円

資産推移

10月 11月 12月 1月 2月

| 資産 | 金額 |
|----------|-----------|
| 普通 (家族用) | 200,120 円 |
| 普通 | 243,890 円 |
| 貯蓄 (旅行用) | 723,200 円 |
| 定期 (仕送り) | 420,000 円 |
| 積立定期 | 480,120 円 |

Money Forward Kessai Expanded Partnership with Hiroshima Bank

Money Forward Kessai, Inc. now offers factoring services to corporate customers of Hiroshima Bank, Ltd. in addition to the invoicing and payment BPO services already provided, to support their business activities in terms of both invoicing and cash flow.



Hiroshima Bank

Business matching
agreement
(Since July 2020)

Invoicing and payment BPO
service *Hirogin Bill* powered
by *Money Forward Kessai*
(Since May 2021)













Factoring service
Money Forward Early Payment
(Since April 2022)



Growth Strategy

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-  **Disciplined M&A Strategy with Proven Track Record**
-  Leverage Existing Assets to Create New Opportunities

Our M&A Strategy and Track Record

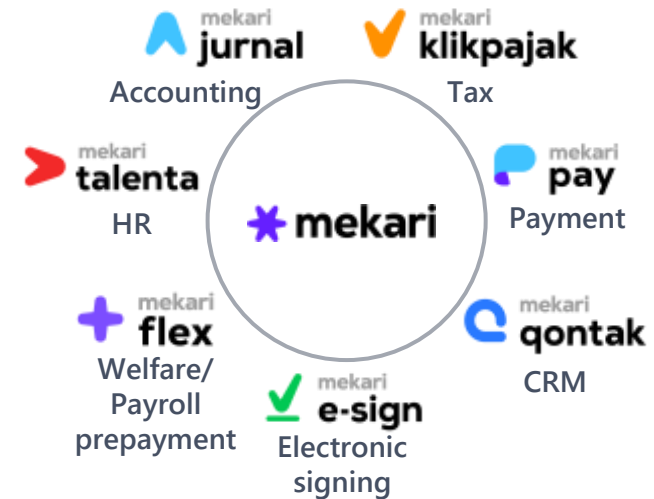
| Business Area | Strategy | Track Records |
|---|---|---|
| <p>Business / Back-office SaaS + Home</p> | <p>1 Expansion of Product Line-up</p> <ul style="list-style-type: none"> Business Upsell products to existing customers (accounting firms and corporates) for ARR expansion Business Expand range of best-in-class solutions to further enhance line-up to medium to large-sized/pre-IPO companies and listed companies Home Expand financial services and enhance value proposition | <div style="display: flex; flex-wrap: wrap;"> <div style="width: 50%; text-align: center;">  (November 2017) </div> <div style="width: 50%; text-align: center;">  (July 2018) </div> <div style="width: 50%; text-align: center;">  (October 2020) </div> <div style="width: 50%; text-align: center;">  (December 2021) </div> <div style="width: 50%; text-align: center;">  (May 2022) </div> <div style="width: 50%; text-align: center;">  (March 2022) </div> </div> <p><small>*Susten Capital Management Inc. is an equity method affiliate</small></p> |
| <p>Business / SaaS Marketing</p> | <p>2 Expansion of TAM(Geographical Expansion)</p> <ul style="list-style-type: none"> ● Access to cloud back-office SaaS market in SEA <p>3 Expansion of TAM(Business Area Expansion)</p> <ul style="list-style-type: none"> ● Enter SaaS marketing business which has large market potential | <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%; text-align: center;">  Multiple follow-on investments since January 2018. </div> <div style="width: 33%; text-align: center;">  (June 2021) </div> <div style="width: 33%; text-align: center;">  (September 2021) </div> </div> <p><small>* We hold minority stakes in Mekari, FlowAccount, and Bizzi.</small></p> <div style="text-align: center; margin-top: 20px;">  (February 2020) </div> |

Invested Additional \$48 mn in Indonesia's Leading and Rapidly Growing SaaS Company Mekari*1

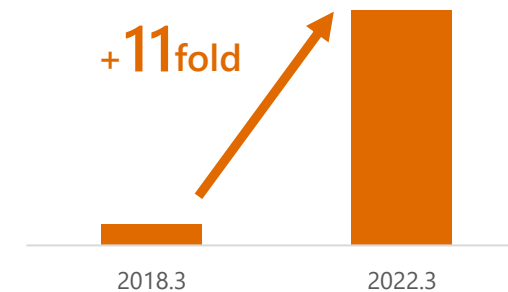
Corporate Overview*2

| | |
|--------------------------------------|--|
| Group Name | Mekari*1 |
| CEO | Suwandi Soh Founder and CEO |
| Active customers | 35,000+ companies |
| End users | 800,000+ |
| Total investment by Money Forward | US\$78.9 mn |
| Ownership ratio | 42.9 % |
| Ownership ratio (with voting rights) | 10.1 % |
| Other collaborations | Money Forward, Inc. Representative Director and CEO, Yosuke Tsuji serves as Mekari's director. One employee transferred to Corporate Strategy & Development Office from Money Forward. |

Provides multiple services in the SaaS and fintech realm



ARR has increased more than 11 fold in past 4 years



*1 Mekari is the group's brand name. Money Forward, Inc. holds shares in SLEEK PTE. LTD. (registered in Singapore), which holds shares in the group's business corporation in Indonesia.

*2 As of June 30, 2022.

Indonesian Market is Expected to Grow

We expect to expand into financial services, such as payroll advanced payment, in a huge market expected to grow further.

Largest market in Southeast Asia*1

Cloud services projected to expand

Government-driven financial innovations

Population **Approx. 280 mn**
<World's **4th** largest>

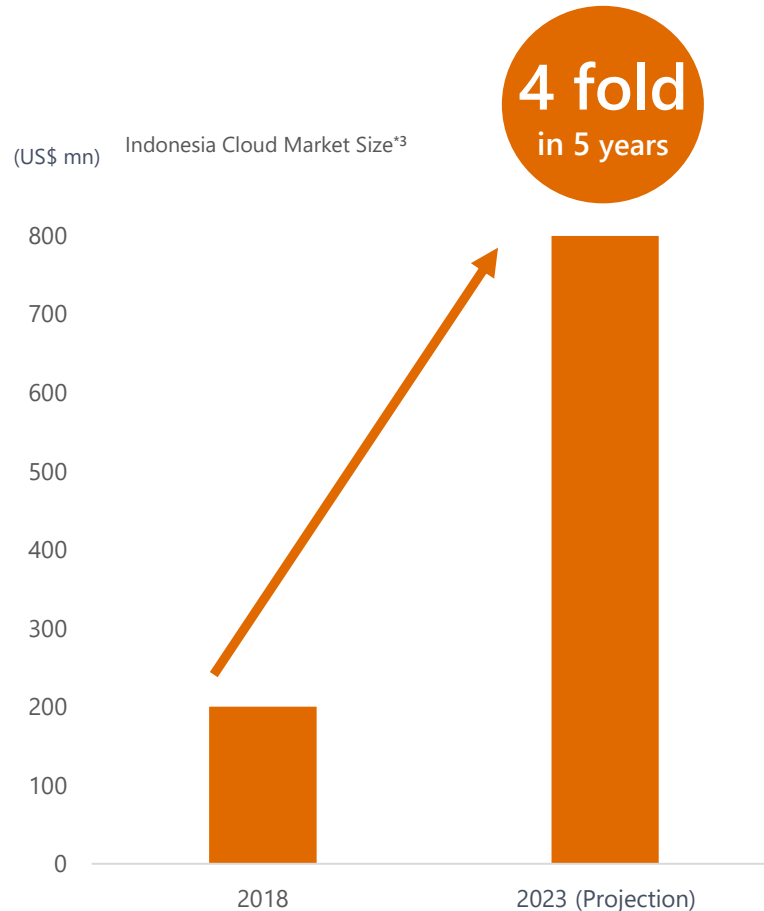
Real GDP **Approx. ¥690 tn**
<World's **6th** largest>

Real GDP growth
* CAGR of 2021 actual - 2025 projection

+5.3%

Ages 0 - 29 population ratio*2

48.5%



- Indonesia is carrying out a payment system reform under five priority agendas to be achieved by 2025.
- Bank Indonesia (the central bank) is promoting the establishment of SNAP (abbreviation for Indonesia's open API standard specifications) and the disclosure of standard QR code specifications.
- By using SNAP, Mekari and other fintech companies will be able to develop payment instruction and data browsing functions for many banks.

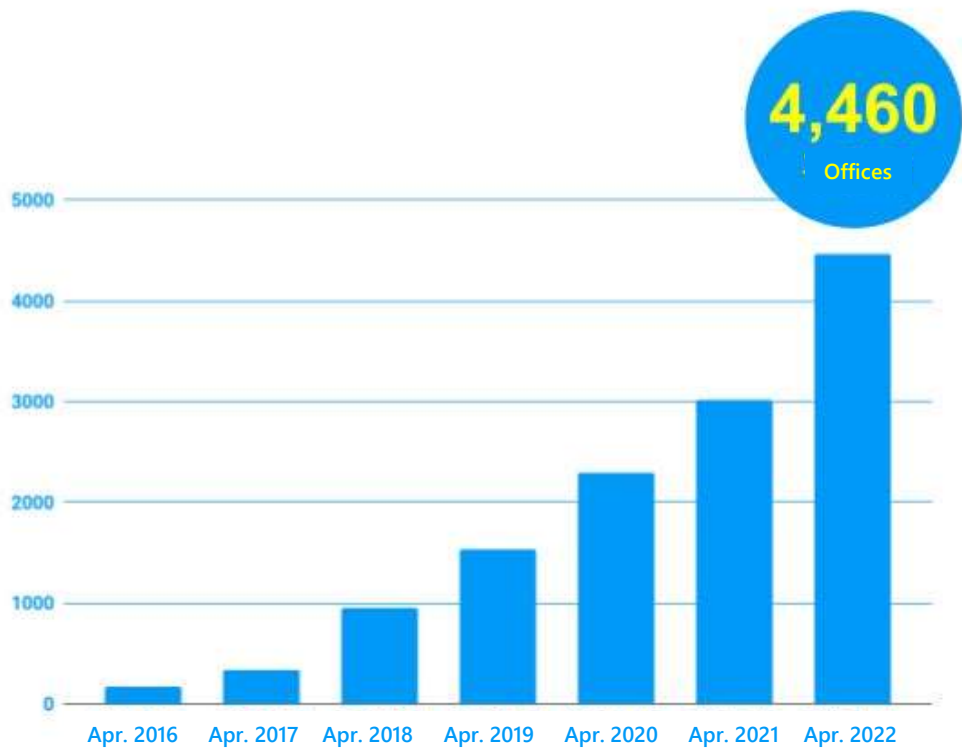
*1 International Monetary Fund 2025 forecast. *2 United Nations

*2 Boston Consulting Group, *Indonesia's Market Report*, 2019

Accelerated Growth in Automated Bookkeeping Service *STREAMED* by Klavis, Acquired in 2017

Introduced by 4,460 accounting offices (1.5 fold YoY)

Enhanced evidence integration function



Enables user of *Money Forward Cloud Accounting* and *Money Forward Cloud Box* to easily retrieve files attached in *STREAMED*, a service that automates journal entries of paper-based evidence. Also meets requirements of the revised Electronic Book Preservation Act.

Nationwide Deployment of *HiTTO*, Acquired in 2021, with Labor and Social Security Attorney Firm

HiTTO, an internal AI chatbot offered by HiTTO, Inc. acquired last year, was adopted by Sming, our partner labor and social security attorney firm. Will consider initiatives for promoting *HiTTO* among Sming's several hundred client companies.



Labor and Social Security Attorney Corporation Sming



HiTTO

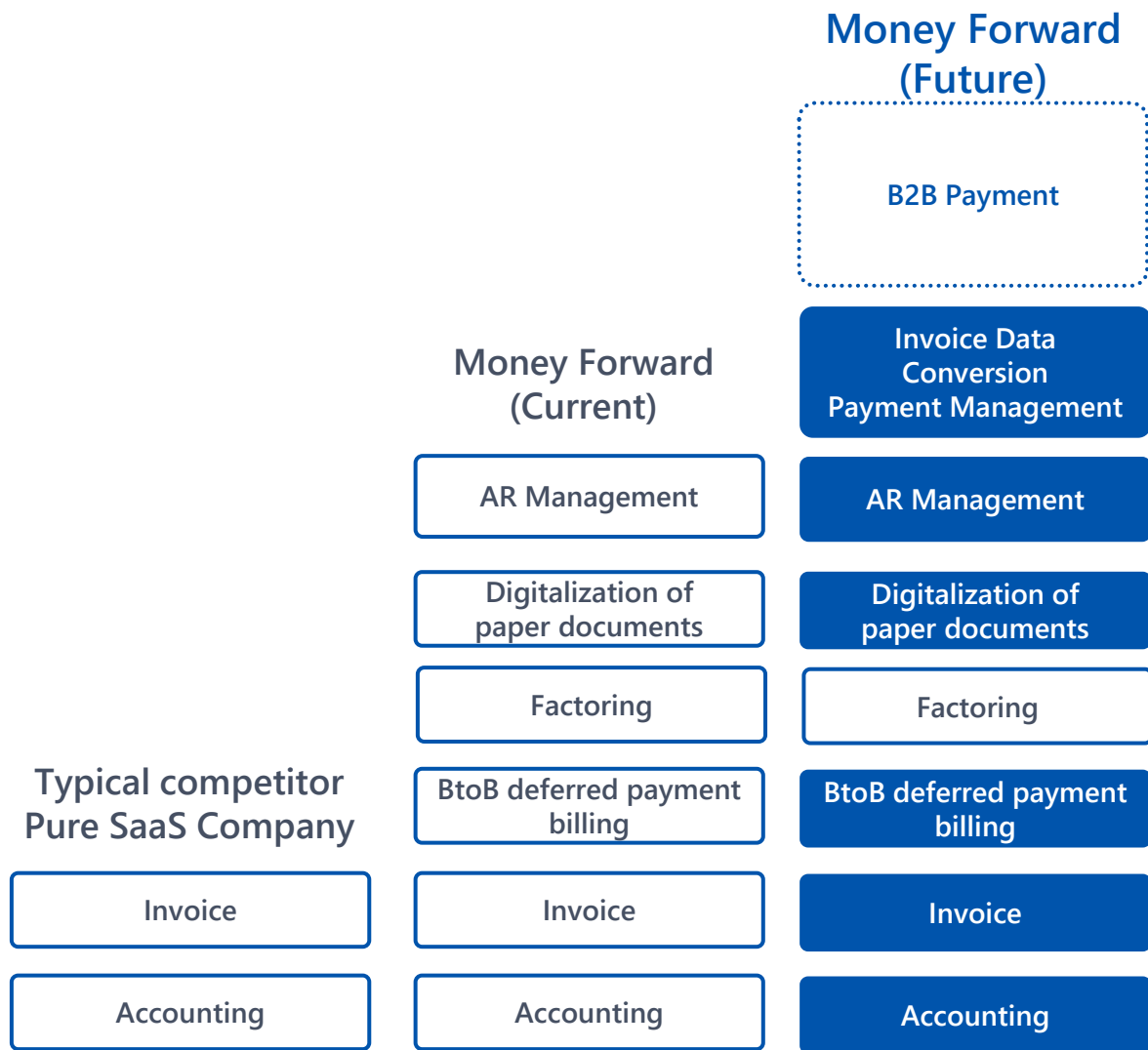
* HR Award 2021 in professional category (<https://hr-award.jp/nominate.php>)

Growth Strategy

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Launch of the Invoice System Will Be a Major Tailwind for Many of Our Cloud Services

•••Our Invoice-Related Initiatives



Money Forward Pay for Business

- Promotes operational efficiency and cashless payments through offering various means of payment
- Launched *Money Forward Business Card*, a prepaid business card for sole proprietors and corporates

Money Forward Cloud Payable Management

- Manages payables and covers approval workflows. Plans to also cover the fields of invoice data digitization and payment.

V-ONE Cloud

STREAMED

Money Forward Early Payment

SHIKIN + (Biz Forward)

Money Forward Kessai

SEIKYU + (Biz Forward)

Money Forward Cloud Invoice

Money Forward Cloud Invoice Plus

Money Forward Cloud Accounting

Money Forward Cloud Accounting Plus

Issuing and Saving Invoices on Cloud Is Vital as the Invoice System Kicks Off

Amid the promotion of digitizing invoices, demand for cloud-based accounting systems is on the rise.

1

Issue digital invoices

- With the introduction of the Invoice System, **issuers will be required to keep a copy of every invoice for seven years.** A lot of effort can be saved by electronically issuing and storing invoices.

After Introduction of Invoice System

Invoice sender

Invoice receiver



Sender must also store invoice

2

Store digital invoices

- **It will be necessary to electronically store all invoices,** including those received as paper invoices, **to achieve centralized management.**
- Digitizing invoice information will become easier than when receiving paper invoices.



3

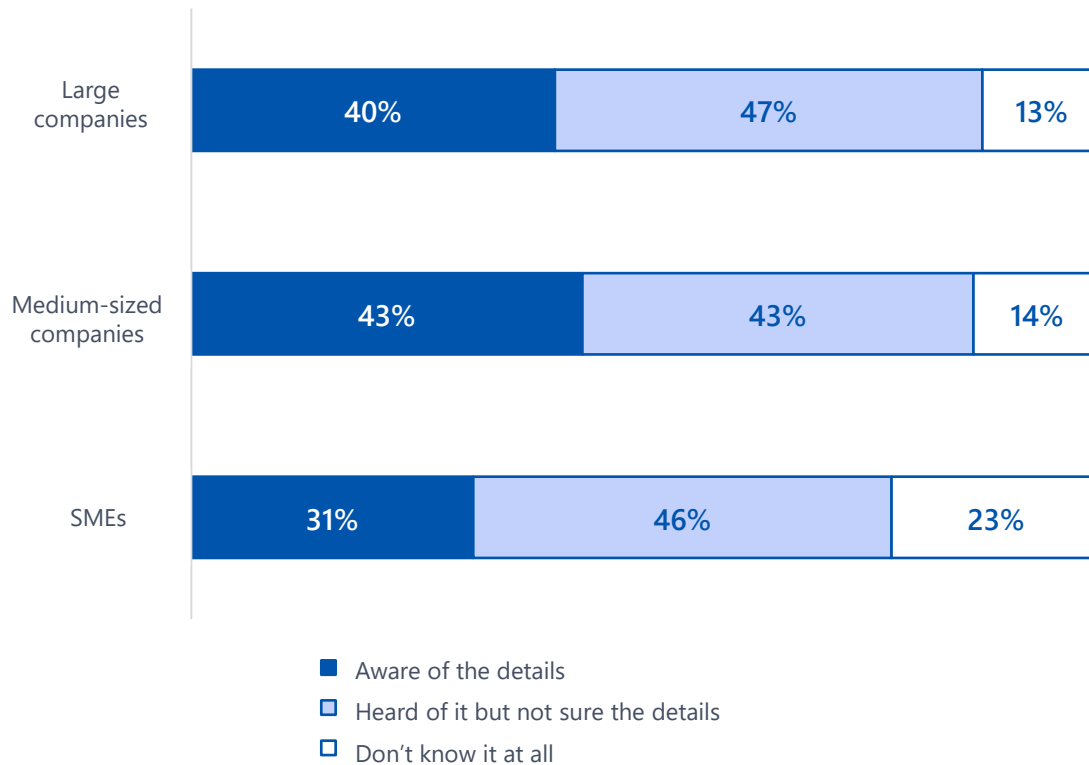
Increased use of cloud accounting and tax declaration

- Digitizing upstream process (invoice) will enable more effective use of the automated journal integration function in cloud accounting.
- **Use of cloud accounting and tax declaration functions is expected to accelerate as the Invoice System is launched and the number of businesses liable for taxation increases.**

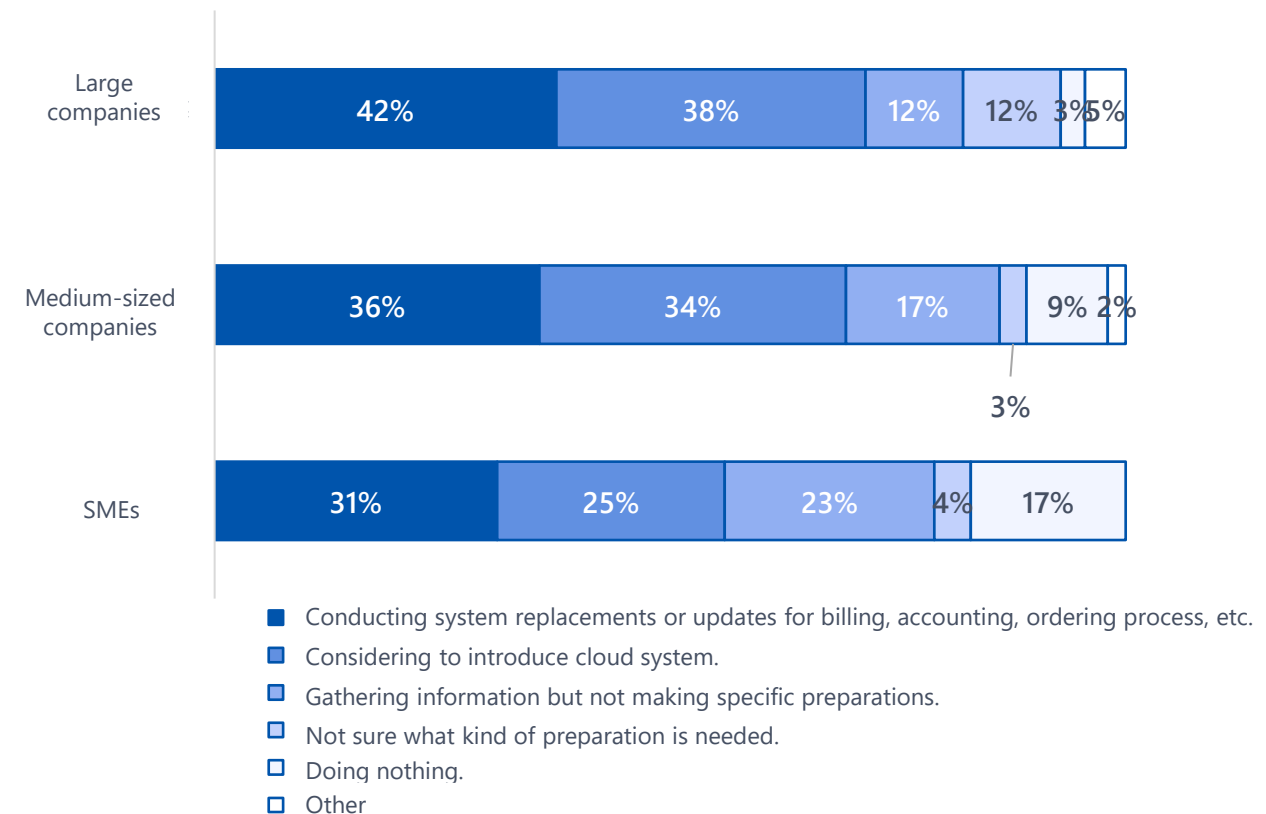


Awareness of the invoice system is low, with only 30% of SMEs aware of the system. System implementation is limited for the companies being aware. Demand for cloud services is expected to be boosted.

Awareness of Invoice System*1 (by company size)



Status of compliance with the Invoice System*2 (Within those who responded "Aware of the details" in the left chart)












*1 MM Research Institute, March 4, 2022, "Data 14: Awareness of Invoice System by Company Size," in "Survey on Digitalization of SMEs," an analysis of issues in promoting DX among SMEs.

*2 In the same report as *1, "Data 15. Security Issues by Company Size (for respondents who indicated in Data 14 that they were "Aware of the details" of the invoice system).

Product Lineup that Meets Ranging New Demands Arising from Launch of Invoice System

We offer products that meet various needs, from sending invoices to tax declarations, thereby providing an end-to-end system with high usability.

| | SMEs and Accounting Firms | Medium-sized Businesses | Sole Proprietors |
|--------------------------------|--|---|---|
| Accounting and Tax Declaration |  Money Forward Cloud Accounting <ul style="list-style-type: none"> Automatically integrates with <i>Cloud Invoice</i> Handles consumption tax declarations for users newly liable for taxation |  Money Forward Cloud Accounting Plus |  Money Forward Cloud Tax Return <ul style="list-style-type: none"> Automatically integrates with <i>Cloud Invoice</i> Handles consumption tax declarations for users newly liable for taxation |
| Issuing and Sending Invoices |  Money Forward Cloud Invoice <ul style="list-style-type: none"> Offers free registration service to qualified invoice issuers Sends invoices electronically and automatically saves them on <i>Cloud Box</i> |  Money Forward Cloud Invoice Plus |  Money Forward Cloud Invoice <ul style="list-style-type: none"> Offers free registration service to eligible invoice issuers Sends invoices electronically and automatically saves them on <i>Cloud Box</i> |
| Receiving Invoices |  STREAMED Money Forward <ul style="list-style-type: none"> Digitizes receipts etc. |  Money Forward Cloud Payable Management <ul style="list-style-type: none"> Automatically loads invoices received by email and handles internal workflow processes and payment Automatically saves invoices received Executes accounting that complies with to the Invoice System | |
| Saving Invoices |  Money Forward Cloud Box <ul style="list-style-type: none"> Automatically saves invoices sent or received on <i>Cloud Box</i> Can be used free of charge | | |

Promoting Function Releases and Expansions in View of Launch of Invoice System

Automatic loading of evidence

Money Forward クラウド

・インボイス制度対応 第一弾・

「証憑自動取得機能」を提供開始

ECサイト

The screenshot shows the Money Forward Cloud interface with a table of transaction data. Above the table, there are icons representing an e-commerce site (ECサイト), a receipt, and an invoice, connected by dashed lines to the data table, illustrating the automatic loading of evidence.

Integrated *Money Forward Cloud Accounting* with e-commerce sites and other services to enable automatic importing of evidence data, such as electronic receipts and invoices, in addition to transaction details.

Consumption tax declaration function

Money Forward クラウド

インボイス制度に向けた機能リリース

「消費税申告機能」を提供開始

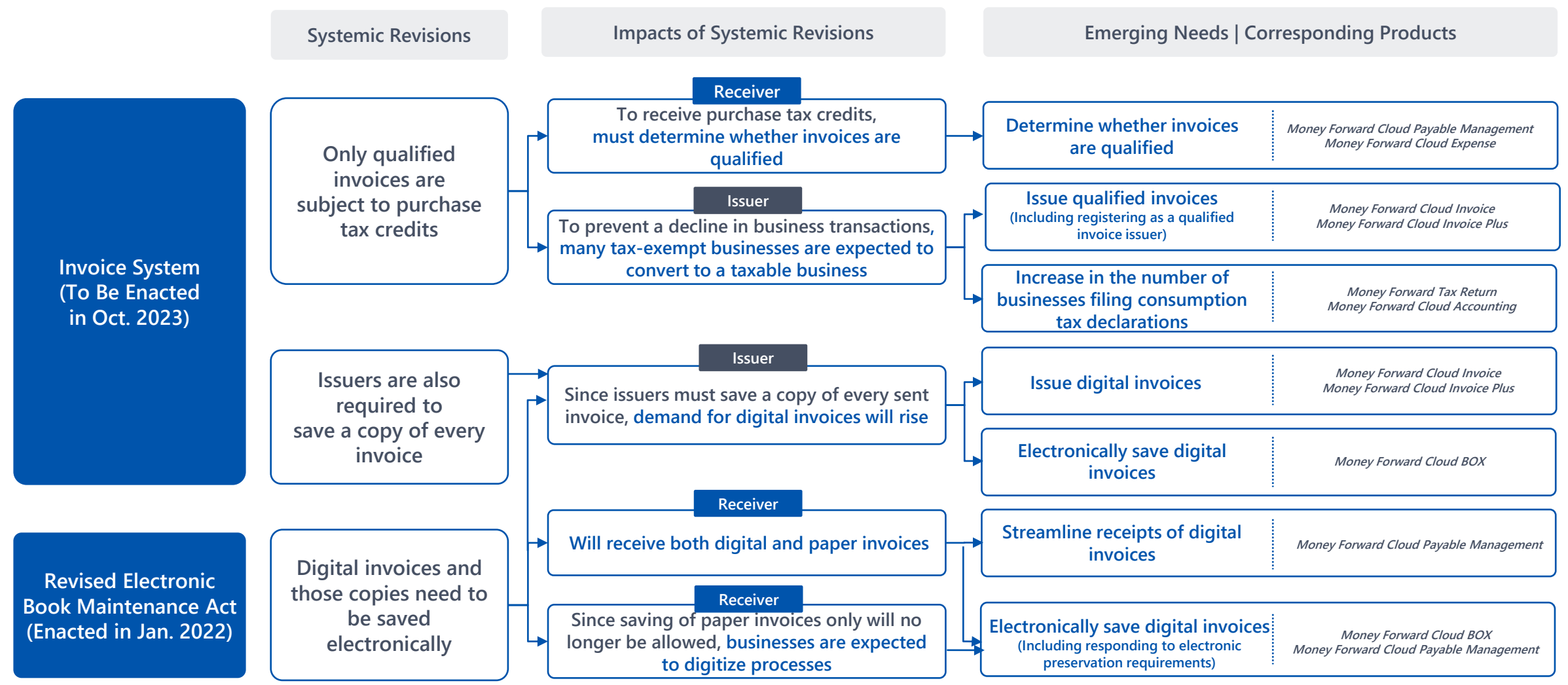
TAX

The screenshot shows the Money Forward Cloud interface with a tax declaration form. To the right of the form, there is an icon of a hand holding a document labeled 'TAX', with three yellow arrows pointing towards it, indicating the process of filing a declaration.

By using integrated journal data to automatically aggregate the tax amount and create consumption tax declarations, users will be able to file declarations with ease even if it is their first time.

(Reference) Impact of Launch of Invoice System; New Demands/Corresponding Products

Major systemic changes accompanying the revision of the Electronic Book Preservation Act and the enactment of the Invoice System are expected to promote electronic sending and receiving of invoices.



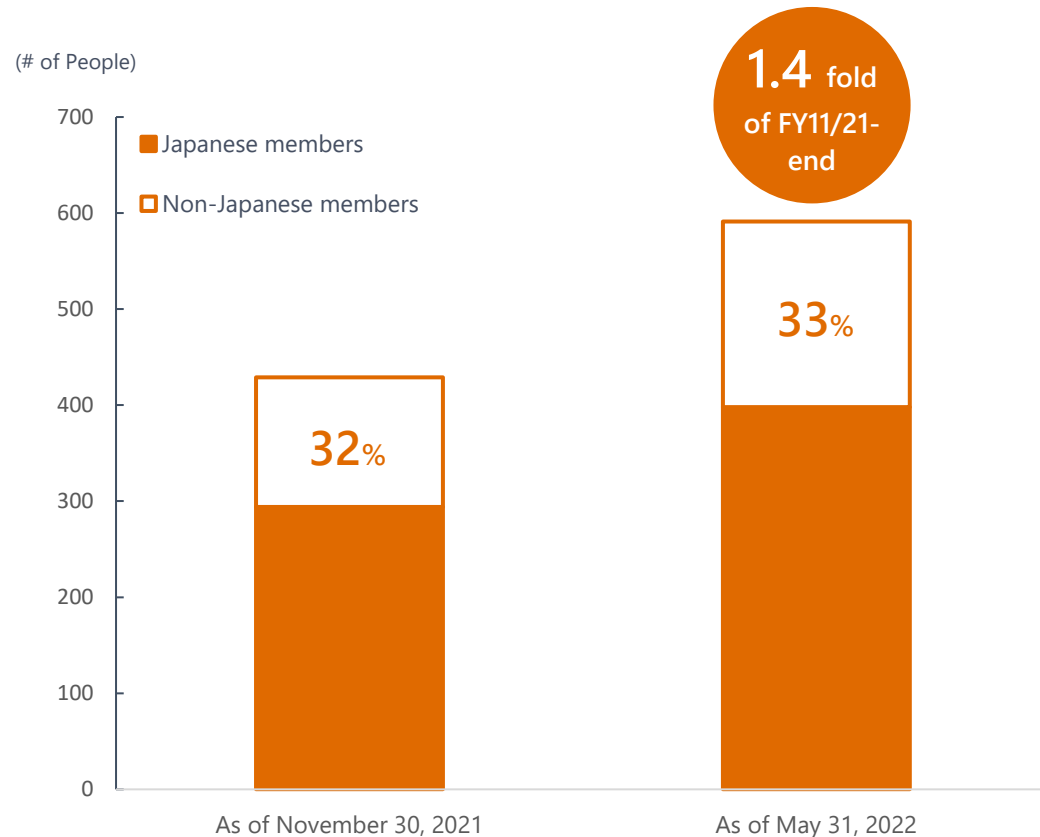
Other Initiatives



Promoting Product Development Capabilities and Globalization/Efforts to shift the common language to English among Engineers

The ratio of non-Japanese members, now at 33%, remains to be high, even while the organization as a whole has **expanded 1.4 fold** over the past half year.

of Engineers



Measures to promote globalization

- Provide English training to engineers.
- Provide simultaneous interpretation of corporate-wide meetings and translations of various internal materials and systems as needed.
- Launched second overseas base in Hanoi, following the first in Ho Chi Minh.
- Started investigating market with a view to launch a new base in India.

Carried Out 2nd Leadership Forward Program

The Leadership Forward Program kicked off in 2021 to foster the Group's next generation of leaders. It provides opportunities to learn about leadership and management through discussions with the management team and dialogues among participants.

Participants

Placing value on personal initiative, the management team selects members from among self-nominated individuals.

Participants (Cumulative)

128 members

Contents

Conduct trainings on the following topics taught by external lecturers and internal management members over the course of three months. Also, encourage mutual understanding and development through regular group coaching and book clubs by members.

- Leadership
- Team building
- Vision and strategic design



Promoting Onboarding Support and Issue Identification Using Technology

We follow up thoroughly with new hires and conduct regular pulse surveys to understand members' condition. We support internal communication amid the shift to remote work triggered by the spread of COVID-19. We are also building a structure that provides adequate support to maintain an employee-friendly and motivating workplace.

Onboarding support for new hires

Members receive a weekly survey for three months after joining the Company via onboarding service *Onn*. The survey helps identify what members are feeling troubled or anxious about in a timely manner so that managers, on-the-job trainers, and HR personnel can offer support.

Sample of survey

以下の項目に回答をお願いします。
※このアンケートは「オン・オン」を通じて送信され、ご本人のみならず、回答内容も必ず100%匿名で送信されます。

Q1. この1週間 (前日付～本日付) の仕事は充実していましたか?

1 2 3 4 5
 1: 全く充実していません
 2: ほとんど充実していません
 3: 普通
 4: ほとんど充実しています
 5: 非常に充実しています

Q2. この1週間 (前日付～本日付) の仕事から学ばせてくれたことはありますか?

Q3. この1週間 (前日付～本日付) の仕事から学ばせてくれたことはありますか?

Q4. 仕事に悩ましい悩みや不満に感じていることがあればお知らせください。(複数)

- 上司との人間関係について
- 仕事の内容、業務について
- 同僚との人間関係について
- その他 (自由記述)
- 研修やキャリアについて
- 待遇について
- 労働環境、働き方について
- 自身の将来、業務内容について



Pulse survey "MF Selfie Map"

Members report on their condition on a monthly basis using engagement survey service *wevox*. Managers support members by communicating with them based on their situation and changes in such situation.

Sample of survey

1 / 16
上司は自分の成長の手助けをしてくれていますか?

← 全くしてくれていない

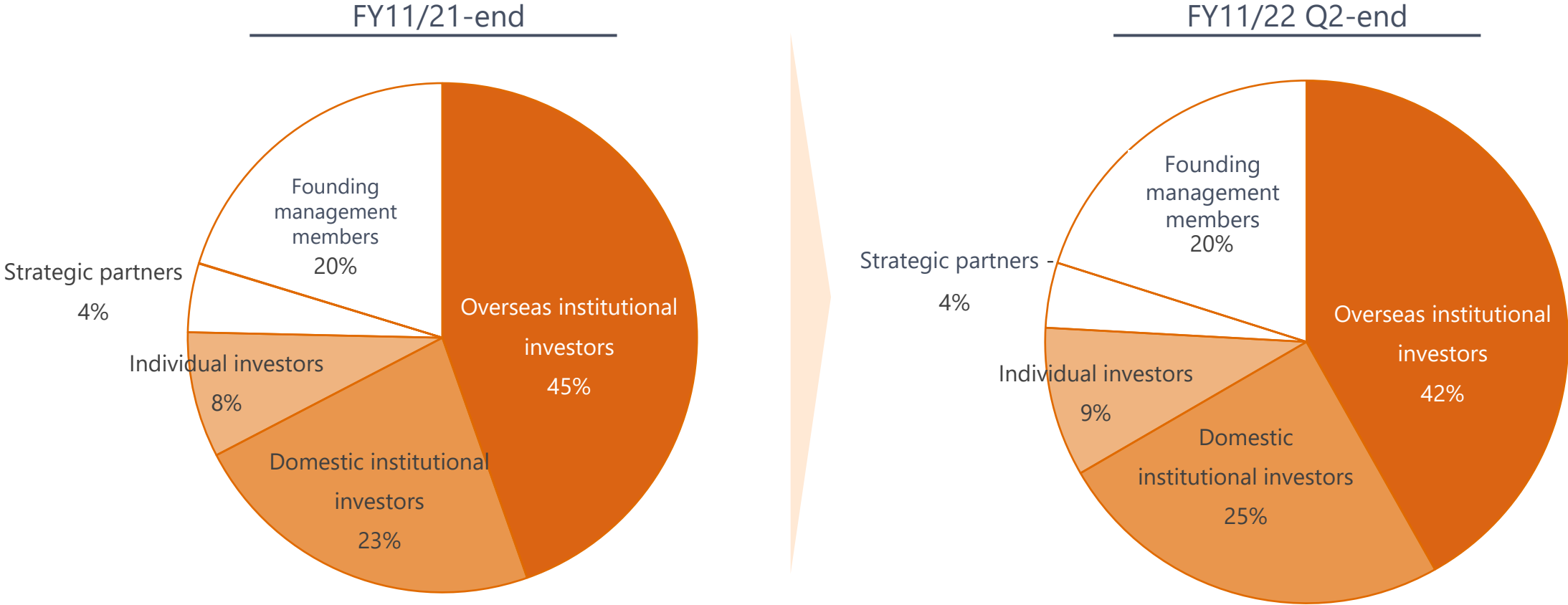
1 / 16
あなたは会社のミッション・ビジョンに共感していますか?

← 全く共感していない * とても共感している →



Shareholder Composition

Money Forward, Inc. was transferred to the TSE Prime Market in April 2022. The number of stockholders increased significantly from 7,719 to 10,925, with a rise in the ratio of domestic institutional investors and individual investors.

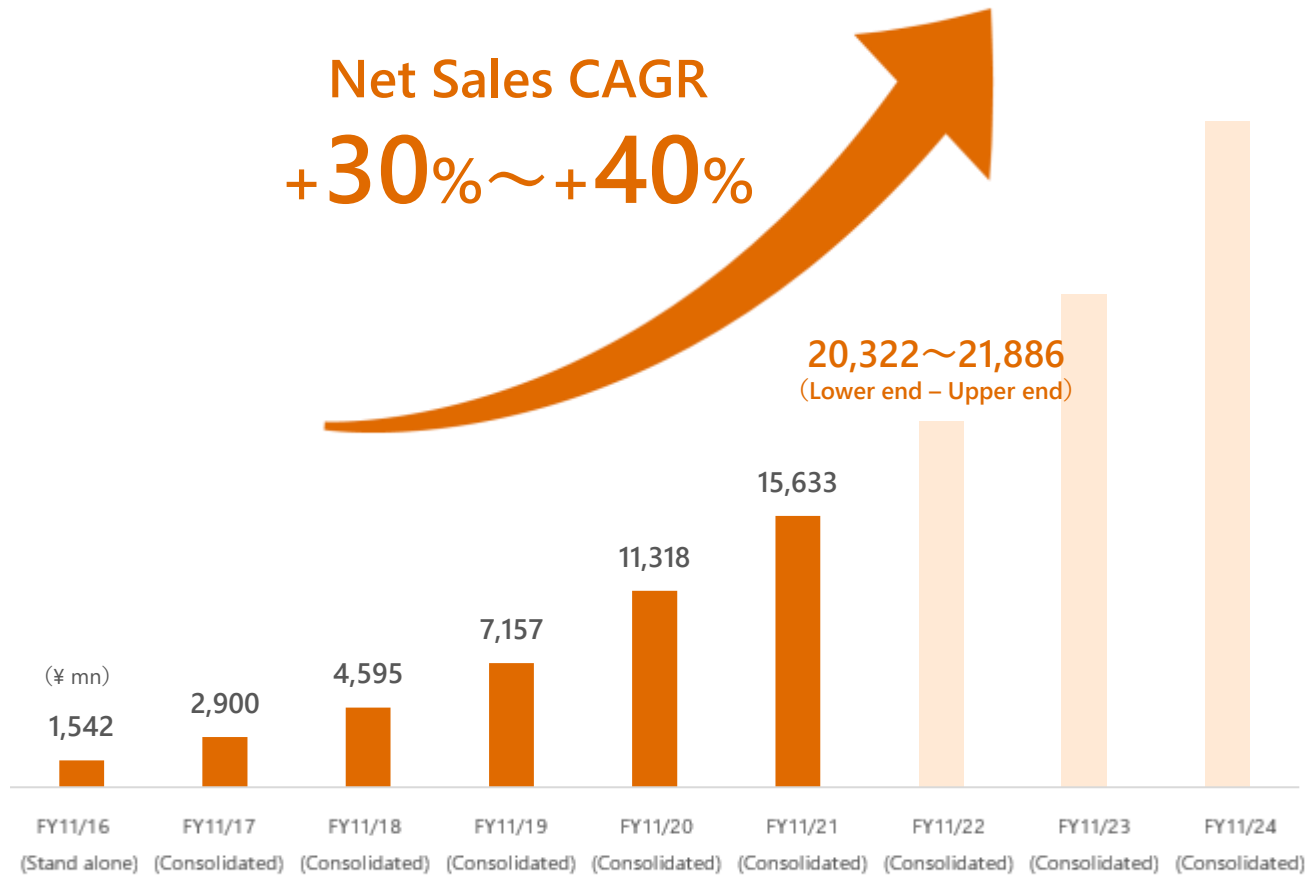


Guidance for
FY11/22 on and
later



Policy for Medium-Term Growth Investment and Guidance for FY11/22

Aiming to sustain a growth rate of 30 to 40% in net sales.

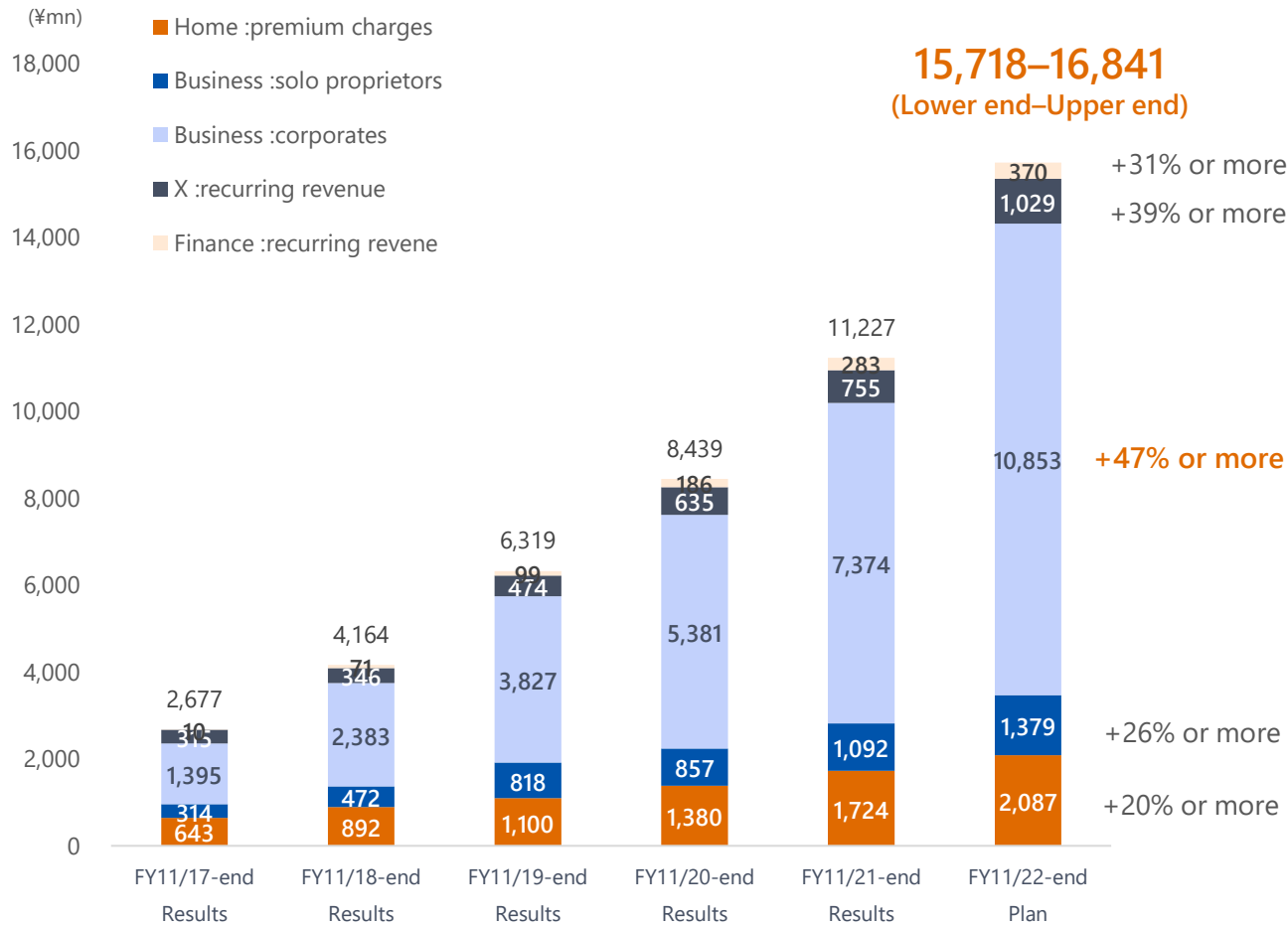


Forecasts for FY11/22

- FY11/22 consolidated net sales are expected to be **¥20.32–21.89 billion (+30 to 40% YoY)**, with Q3 net sales projected at ¥5.18 to 5.41 billion (+35% to 41% YoY), and Q3-end SaaS ARR at ¥14.61 to 15.03 billion (+39% to 43% YoY).
- In FY11/22 Q3, plans to spend ¥1.8 to 2.0 billion on advertising and promotion and **expect EBITDA to fall between minus ¥(1.7) to (2.2) billion**.
- Regarding profit/loss, we will **continue to disclose projections for the following quarter**.
- FY11/22 will be the bottom of losses. From FY11/23 onward, the Company will improve profitability while it maintains necessary investments.

FY11/22 Earnings Forecast

SaaS ARR at FY11/22-end is expected to be **¥15.7 to 16.8 billion (+40 to 50% YoY)**.



FY11/22 Forecasts

- **Place top priority on boosting SaaS ARR**, and accelerate upfront investments, especially in Business domain. Aim to achieve ¥20 billion in SaaS ARR during FY11/23.
- FY11/22-end ARR of corporate customers in Business domain is projected to **exceed ¥10.85 billion (+47% YoY or more)**.
- The upside of SaaS ARR (difference between lower end and upper end) is assumed to mainly consist of ARR from corporates in Business domain.
- Will maintain soundness in unit economics while making agile investments in recruiting and marketing. Specifically, **CAC payback period*1 is anticipated to be between 24 and 36 months**.

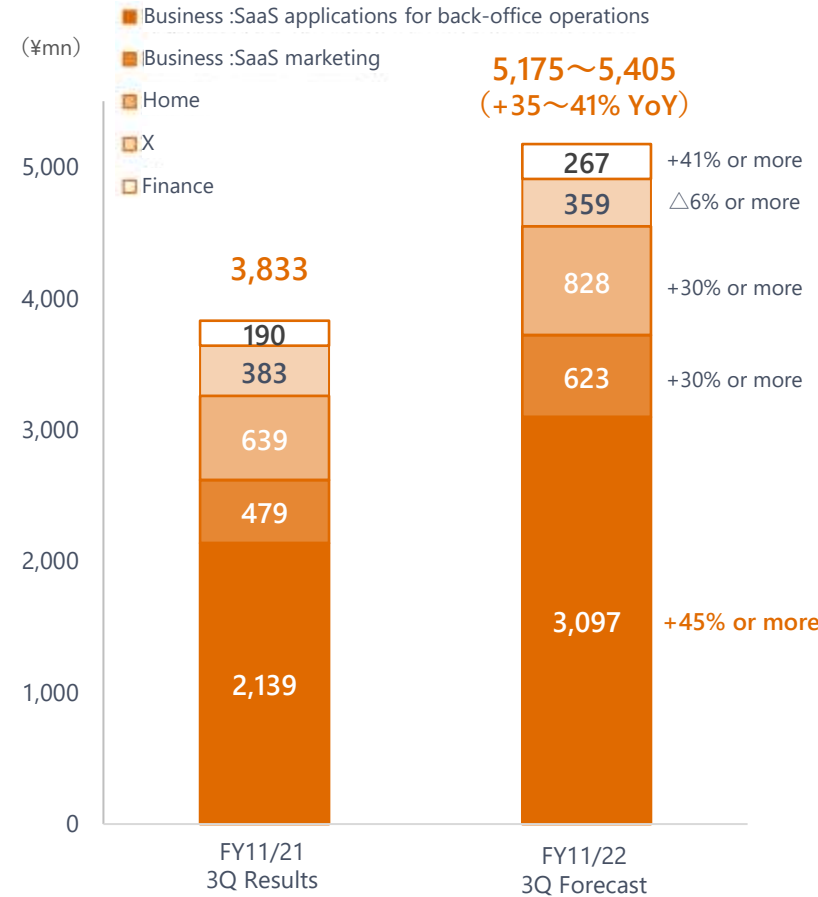
* Net sales from premium charges of *Money Forward for XX*, which targets financial institutions, have been revised retroactively since charges are recognized in X domain from FY11/22. There is no impact for consolidated net sales and ARR.

*1 See p.101 for details.

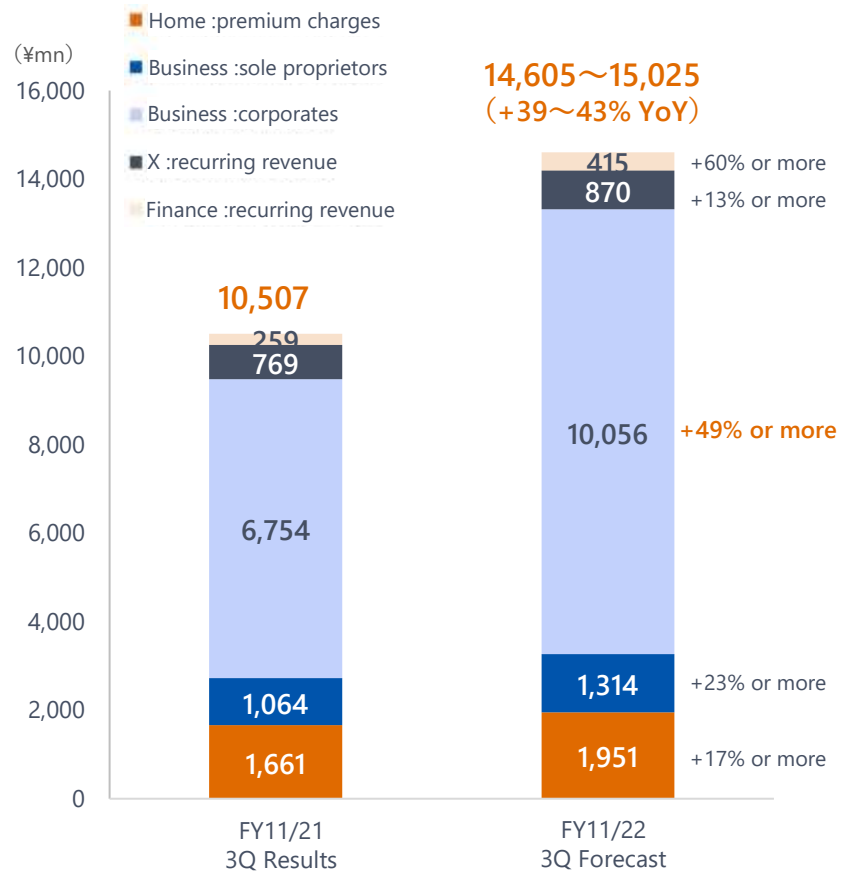
FY11/22 Q3 Forecasts

FY11/22 Q3 consolidated net sales projected at ¥5.18 to 5.41 billion (+35% to 41% YoY), Q3-end SaaS ARR at ¥14.61 to 15.03 billion (+39% to 43% YoY), and EBITDA of minus ¥(1.7) to (2.2) billion. **ARR of Business: Corporate to grow +49% or more.**

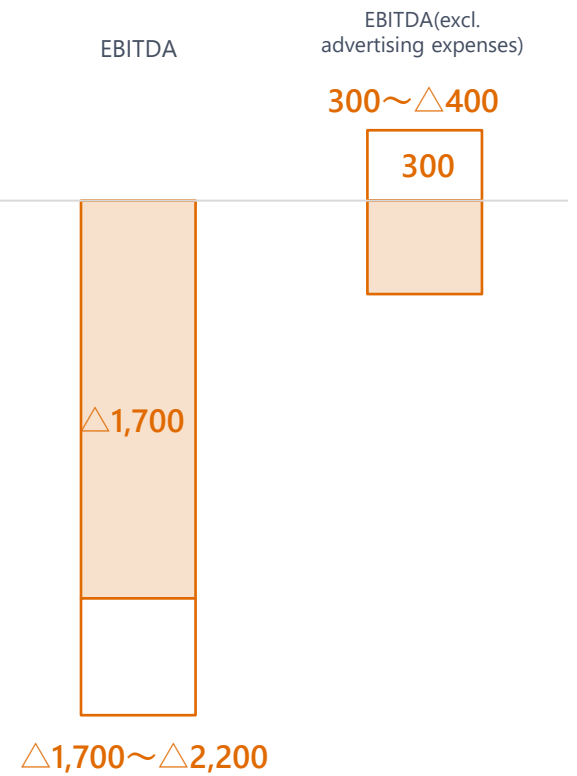
Net Sales*1 (YoY)



SaaS ARR*1 (YoY)



EBITDA

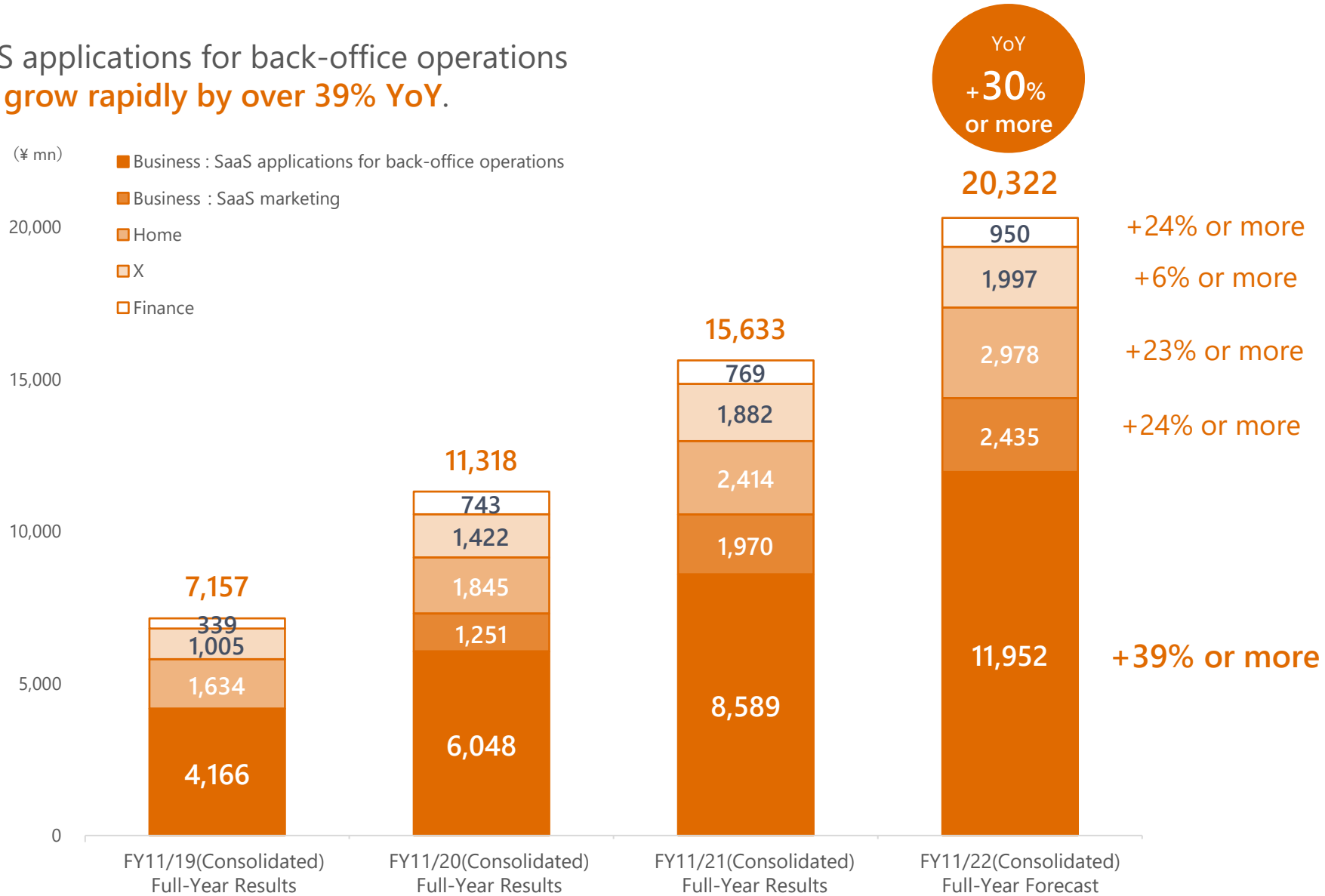


* Includes other net sales.

*1 Net sales and SaaS ARR by each domain are based on lower end projections.

FY11/22 Net Sales Forecast by Each Business Domain Based on Lower End Projections

Net sales in SaaS applications for back-office operations are expected to **grow rapidly by over 39% YoY**.



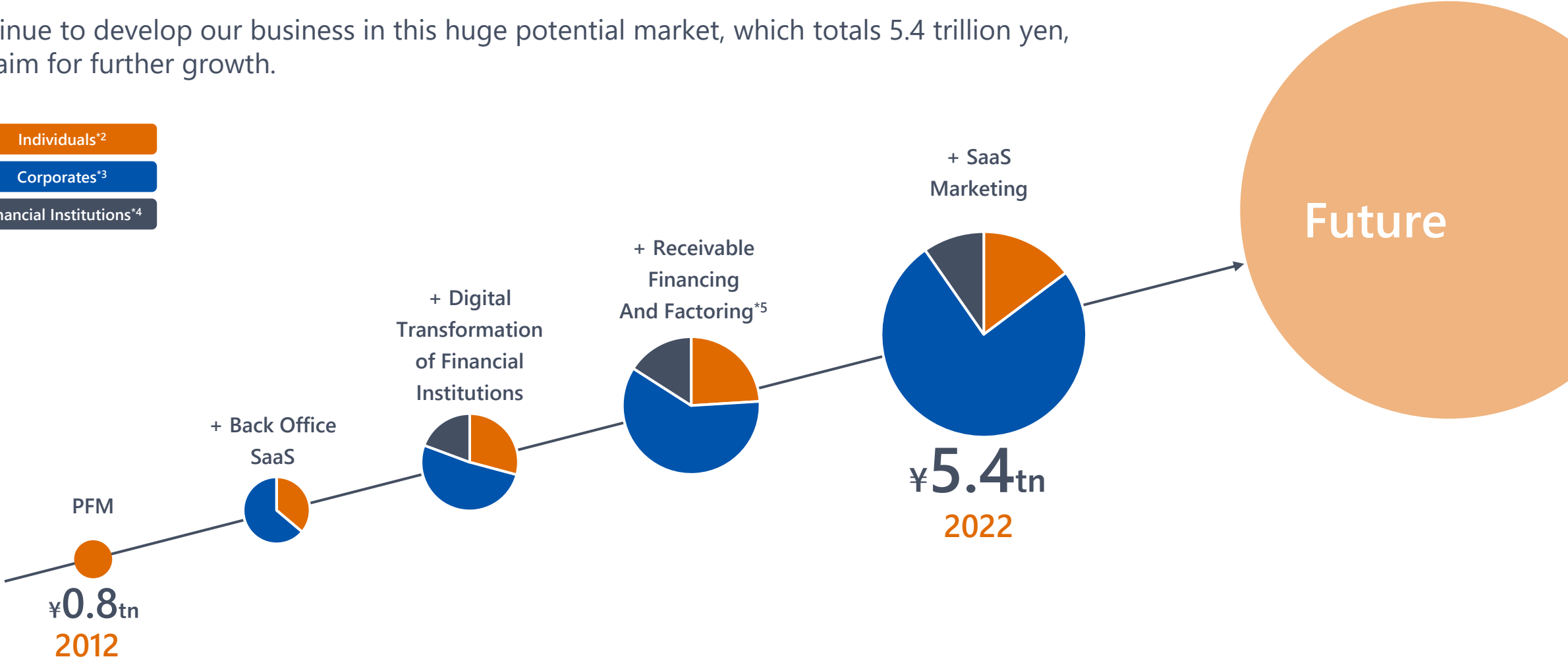
* Net sales from premium charges of *Money Forward for XX*, which targets financial institutions, have been revised retroactively since charges are recognized in X domain from FY11/22. There is no impact for consolidated net sales and ARR.

* Includes other net sales.

TAM*1 Continued to Expand, Driven by Expansion of Business Areas and Services

Continue to develop our business in this huge potential market, which totals 5.4 trillion yen, and aim for further growth.

- Individuals*2
- Corporates*3
- Financial Institutions*4



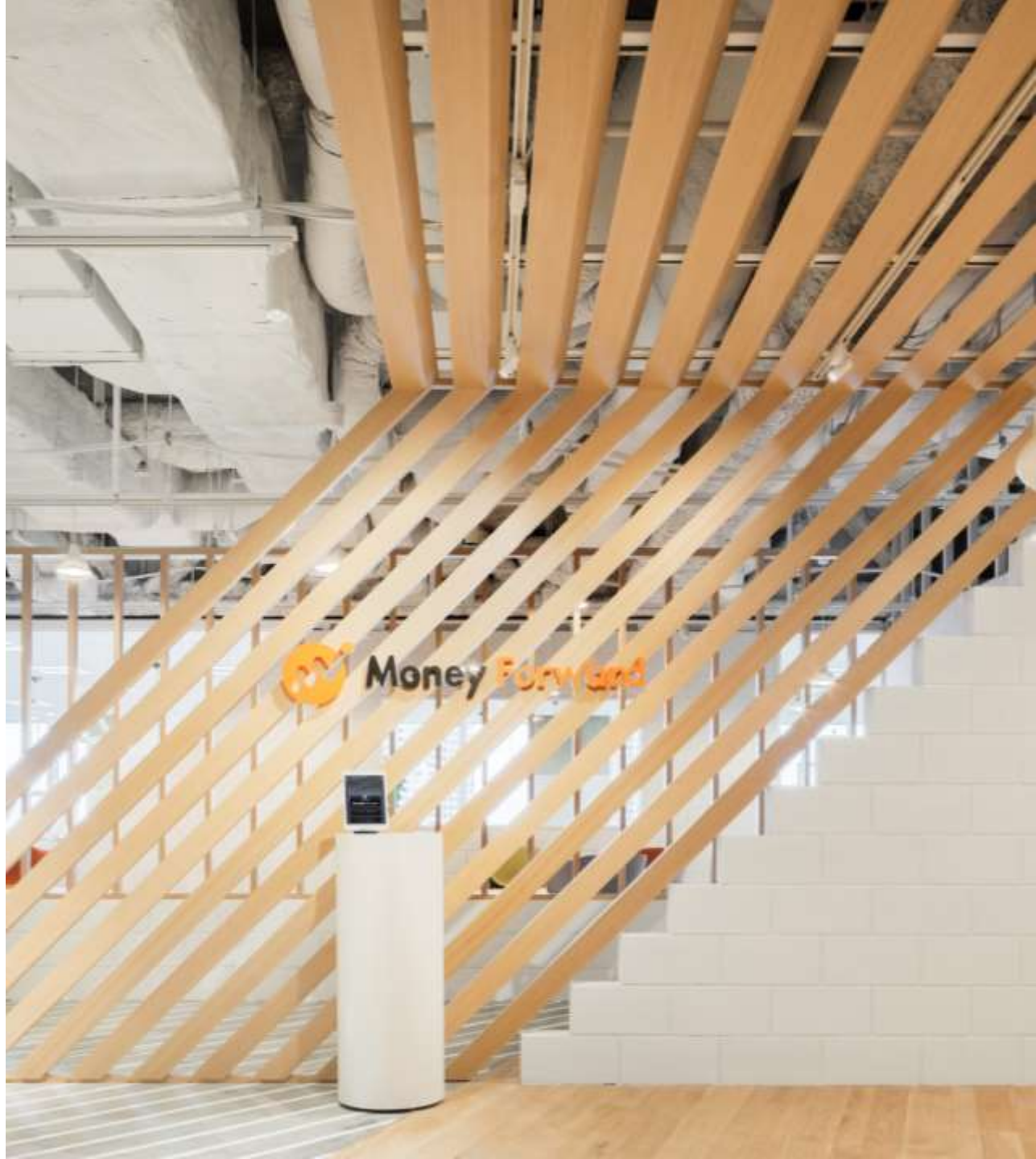
*1 Total Addressable Market. Potential market size for four domains of Money Forward is estimated, by using certain assumptions, based on third party research, publication as well as Money Forward historical data. *2 See page 121 for the calculation of Individuals TAM. *3 See pages 116 and 118 for the calculation of Corporates TAM, including back office SaaS, SaaS marketing. See *5 for receivable financing and factoring markets. *4 Calculated based on the market size for the Japanese contract software development market size according to the Ministry of Internal Affairs and Communications/Ministry of Economy, Trade and Industry's 2018 Basic Survey on Information and Communications Industry multiplied by an estimated market share. *5 Calculated based on an annual required working capital for Japanese companies with revenues of under ¥500 million according to the Small and Medium Enterprise Agency of Japan's Report on Basic Survey on SMEs in 2016 multiplied by an estimated usage rate for accounts receivables financing services multiplied by a rate based on Money Forward Kessai's past fees received.

*These figures are not intended as an objective indicator of the size of the market for our businesses as of May 2022. Actual market size may differ from this estimate due to the limitations peculiar to such third party research and publications in terms of their accuracy.

Appendix



About Us



Members of Board of Directors (CEO)



Yosuke Tsuji

Representative Director, President and CEO

Yosuke Tsuji worked at Sony Corporation and Monex Securities before establishing Money Forward, Inc. in 2012. He currently serves as an Executive Officer of the Japan Association of New Economy (JANE) and an executive committee member of Silicon Valley Japan Platform.

Kyoto University Faculty of Agriculture (BS), Wharton School, University of Pennsylvania(MBA).

Awards (including awards to Money Forward)

- Jan. 2014 US Embassy's Award at the Entrepreneur Awards Japan (TEAJ) 2014
- Feb. 2014 JVA Chief Judge's Award at the Japan Venture Awards (JVA) 2014
- Mar. 2014 Grand Prize at the Financial Innovation Business Conference (FIBC) 2014
- Dec. 2016 Selected by *Nikkei Business* magazine as one of "The 100 Most Influential People for Japan 2017"
- Dec. 2017 Ranked in Forbes Japan's "Japan's Top 10 Entrepreneurs"
- Feb. 2018 Judges Association's Special Award at the Japan Venture Awards 2018

Internal Directors

Management team has in-depth expertise in finance and technology.



Naoya Kanesaka

Director, Executive Officer and CFO
Representative Director of Money Forward Synca, Inc.
Representative Director of Money Forward Venture Partners, Inc.

- 2007-2014: Goldman Sachs (Tokyo and San Francisco offices). Engaged in advisory services for cross-border M&As and fund procurement mainly in the technology and financial industries, and in enhancing value of investee companies.
- Joined Money Forward, Inc. in 2014. As CFO, led IPO, domestic and global financing, M&A and alliance.
- Appointed as CEO of Money Forward Synca, Inc. in Sept 2019.



Takuya Nakade

Director, Executive Officer and CTO
D&I Head

- Joined Money Forward, Inc. in 2015. Developed financial systems, and was appointed as CTO in 2016 and director in 2018.
- 2007-2014: Simplex Inc. Developed stock trading systems catered to securities companies.
- 2001-2007: Jupiter Shop Channel Co., Ltd. Led CRM system development as IT manager.



Masanobu Takeda

Director, Executive Officer and COO of Money Forward Business Company

- Served as Director at Macromill Group, in charge of corporate planning and led the company's corporate and HR strategic planning, M&As, and new business development.
- Served as Director and Head of Corporate Planning at eole Inc.
- Joined Money Forward, Inc. in 2017 by M&A of Klavis Inc., where he served as Director and CFO since 2016.

External Directors

Highly experienced leaders in the Japanese economy are appointed as external directors.



Masaaki Tanaka

External Director
 Vice Chair, Board of Councilors, US-Japan Counsel
 Former Chairman, President & CEO,
 Nippon Paint Holdings Co., Ltd.
 Former Director and Deputy President at Mitsubishi UFJ
 Financial Group. Appointed as Executive Chairman of the
 Board of Nippon Paint Holdings Co., Ltd. in March 2019.
 Serving as Vice Chair of the Board of Councilors of US-Japan
 Counsel from 2013.



Etsuko Okajima

External Director
 CEO, ProNova Inc.
 Founded ProNova Inc in 2007, and currently serves as CEO of the
 company. Worked at Mitsubishi Corporation, McKinsey & Company,
 and Globis Group, where she served as President of Globis
 Management Bank Inc. Holds an MBA from Harvard University.



Akira Kurabayashi

External Director
 Managing Director & Head of Japan, DNX Ventures
 Joined DNX Ventures (former Draper Nexus Venture
 Partners) in 2015 where he currently serves as Managing
 Director. Engaged in venture capital businesses targeting
 Japan and the U.S. at Fujitsu Limited and Mitsui & Co., Ltd.
 Oversaw investments in Japan at Globespan Capital
 Partners and Salesforce Ventures.



Ryoko Ueda

External Director
 Associate Professor, SBI Graduate School
 After joining Mizuho Securities Co., Ltd., was seconded to Japan
 Investor Relations and Investor Support, Inc. (J-IRIS). Served as
 Special Research Fellow of Financial Research Center, Financial
 Services Agency (FSA), worked at Mizuho International plc (London),
 and was then appointed Senior Researcher at J-IRIS. Holds current
 position since March 2020. Holds a PhD in policy research.



Hiroaki Yasutake

External Director
 Junify Co-founder & CSO
 Joined Rakuten in 1998 as one of its earliest employees and created
 various services as a software engineer as well as building the tech
 team from scratch and leading the entire Rakuten group tech team
 as Managing Executive Officer until January 2016. After Rakuten,
 moved to the US and founded Junify Corporation. Supports many
 Japanese companies as an advisor. Serves as a board member of
 Techmatrix, and director of Japan CTO Association.



Gen Miyazawa

External Director
 Corporate Director EVP, Managing Corporate Officer, Yahoo Japan
 Founded Cirus Technologies, Inc. in 2004, which was acquired by
 Yahoo Japan Corporation in 2010. Appointed as Corporate Officer in
 2014 (youngest in Yahoo's history at that time). Appointed as
 Managing Corporate Officer and President of Media Company in
 2018 and supervised divisions such as sales, media, search,
 development and new businesses. Appointed as Director in 2019
 and supervises the entire corporate administration.

Executive Officers

Management members who have key roles in the growing group.



Toshio Taki

Executive Officer, Sustainability Head
CoPA(Chief of Public Affairs)
Head of Money Forward Fintech Institute

- Appointed as director of Money Forward, Inc. in 2012.
- Member of FSA panel of experts on FinTech start-ups.
- 2004-2012: Nomura Securities Co., Ltd./Nomura Institute of Capital Markets Research. Engaged in research on household behaviour, the pension system, and financial institution business models etc.
- Graduated Keio University (Faculty of Economics) in 2004 and Stanford University (MBA) in 2011.



Hirokazu Ban

Executive Officer and CCO (Chief Compliance Officer)

- Joined Money Forward, Inc. in 2016. Appointed as director in 2018.
- 2009-2015: SBI Securities Co., Ltd. Served in the Legal and Corporate Planning Departments. Launched SBI Money Plaza Co., Ltd. in 2012 and became director.
- Graduated Waseda University (Sociology) in 2001. After graduating Aoyama Gakuin University Law School, registered as an attorney in 2008.



Takashi Ichikawa

Executive Officer and CISO

- Joined Money Forward, Inc. in 2012. Appointed as director in 2017.
- 2011-2012: Major financial systems development company. Led the infrastructure division and launched a new FX transactions site.
- 2000-2011: Monex Group, Inc. Developed and operated securities trading systems and engaged in project management for subsidiary mergers, etc.



Daisuke Sergio Ito

Executive Officer and CDO (Chief Design Officer)

- Joined FreeBit Co., Ltd. in 2003 and engaged in PR, corporate branding and business strategy in CEO Office.
- Moved to the US to learn art in 2006 and became a freelance designer and came back to Japan in 2010.
- Has been representing AN INC.
- Appointed as CDO in 2020.



Tatsuya Kanto

Executive Officer and CSO, Money Forward Home Company CSO
Chairman and CEO. Klavis, Inc.

- Worked in a software development company and was involved in project management and launched overseas bases.
- Joined Macromill, Inc. in 2006 and engaged in M&A and foundation of JV.
- Founded Klavis, Inc. in 2012 and serves as Representative Director and CEO.
- Joined Money Forward group in 2017 by M&A.



Masakazu Sekita

Executive Officer and CLO (Chief Legal Officer)

- Registered as a lawyer in 2004.
- Worked at Mitsui, Yasuda & Wani, Gaikokuho Kyodo-Jigyo Horitsu Jimusho Linklaters (Linklaters Tokyo), and T&K Partners for more than 16 years before joining the Company in January 2021.
- Appointed as Director of Biz Forward Inc. in August 2021 as well as the Company's Executive Officer and CLO in December 2021.

Other Key Management Members (1/2)

Management members who have key roles in the growing group.



Kazuya Yamada

Executive Officer, Money Forward Business Company CSO

- Passed Japanese CPA examination and joined Deloitte Touche Tohmatsu LLC, in 2016.
- Served as Executive Officer and CFO in a startup.
- Joined Money Forward, Inc. in 2014 and served as Head of CEO office, Head of MF Cloud development before being appointed as Money Forward Business Company CSO.



Kiminobu Tahira

Executive Officer, Head of CEO Office

- Involved in business development of systems for the distribution industry at NEC Corporation.
- At Rakuten, Inc., experienced setting up marketing division of Rakuten Ichiba, constructing reward program and facilitated business alliance.
- Joined Money Forward, Inc. as Head of marketing department after leading retail marketing at Monex, Inc.



Naoki Kuroda

Executive Officer, Fukuoka Office Head and General Manager of Pay Business

- Joined Monex, Inc. in 2008,
- From 2012, developed bulletin board system and other web services and offered marketing consulting.
- Joined Money Forward, Inc. in 2013 soon after its foundation.
- After engaged in the development of *Money Forward ME* and *Money Forward Cloud*, serves as PO of *Money Forward Cloud Expense* and *Money Forward Pay for Business*.



Daisuke Motokawa

Executive Officer, Alliance Strategy Head, Money Forward X Company CSO

- Joined NTT DOCOMO, INC. in 2003 and engaged in solution sales for large corporations.
- Transferred to FeliCa Networks, Inc. and in charge of business planning of mobile wallet and newly set up big data business.
- Returned to NTT DOCOMO, INC. and experienced NFC/Fintech.
- Joined Money Forward, Inc. in 2016.



Ryo Shibuya

Executive Officer and Money Forward Business Company VPoE

- Joined Adways Inc. in 2007 and was in charge of developing advertising system.
- Joined GREE, Inc. and experienced the development of advertising system and new business.
- Joined Money Forward, Inc. in 2014 and was involved in development of invoice and accounting / tax return modules.
- Experienced the launch of payroll and MyNumber modules.
- Currently serves as VPoE and Head of Development of B2B services.



Shun Matsuoka

Executive Officer and Accounting Department Manager

- Joined Sony Corporation in 1998 and engaged in accounting and tax operations, including projects for early closing of accounts and adoption of new system and new accounting standards.
- Passed Small and Medium Business Consultant, Certified Public Tax Accountant, and Certified Public Accountant examinations while in Sony. Registered as a CPA in 2020.
- Joined Money Forward, Inc. in April 2019 as Co-Accounting Department Manager.

Other Key Management Members (2/2)

Management members who have key roles in the growing group.



Satoshi Furuhashi

Executive Officer, Money Forward, Inc.
Representative Director and Chairman, SMARTCAMP Co., Ltd.
Representative Director of Money Forward Venture Partners, Inc.

- Engaged in institutional sales at Mizuho Bank, Ltd.
- Experienced business development and customer acquisition at Speee, Inc.
- Founded Smartcamp Co.,Ltd, which offers several services including BOXIL and was appointed as Representative Director.
- Joined Money Forward group by M&A in 2019.
- Engaged in the foundation of HIRAC FUND and was appointed as Representative Partner.



Naomichi Tomiyama

Executive Officer, Money Forward, Inc.
Representative Director, Money Forward Kessai, Inc.
Representative Director, Biz Forward, Inc.

- Joined KPMG AZUSA LLC and engaged in financial and internal control audit.
- Involved in many voluntary and legal liquidation projects in a consulting company.
- Joined Money Forward, Inc. in 2014 and was involved in strategy planning and new business development.
- Appointed as Representative Director in Money Forward Kessai, Inc. in 2017.
- Appointed as Representative Director in Biz Forward, Inc. in 2021.



Seiko Harada

Executive Officer, Cross-functional Business Head
Representative Director and CEO, ADXL, Inc.

- After graduating from university, engaged in marketing and PR in an entertainment industry.
- Joined GREE, Inc. in 2011 as PR. After engaged in setting up an industry group, was transferred to business development and creative department of social game. After 2016, engaged in setting up social media marketing business.
- Joined Money Forward, Inc. in 2018.



Hidetsugu Kunimi

Representative Director, Knowledge Labo, Inc.

- After engaged in financial audit and consulting at Deloitte Touche Tohmatsu LLC, experienced many M&As and turnarounds at Deloitte Touche Tohmatsu Financial Advisory LLC.
- Founded Knowledge Labo, Inc. in 2013 and serves as Representative Director.
- Joined Money Forward group in 2018 by M&A.



Youkou Takano

CIO (Chief Infrastructure Officer)

- Joined Yahoo Japan Corporation in 2006 and engaged in development and maintenance of internal systems and infrastructures.
- Led engineering team and executed cyberattack countermeasures and information system strategy.
- Joined Money Forward, Inc in 2019.

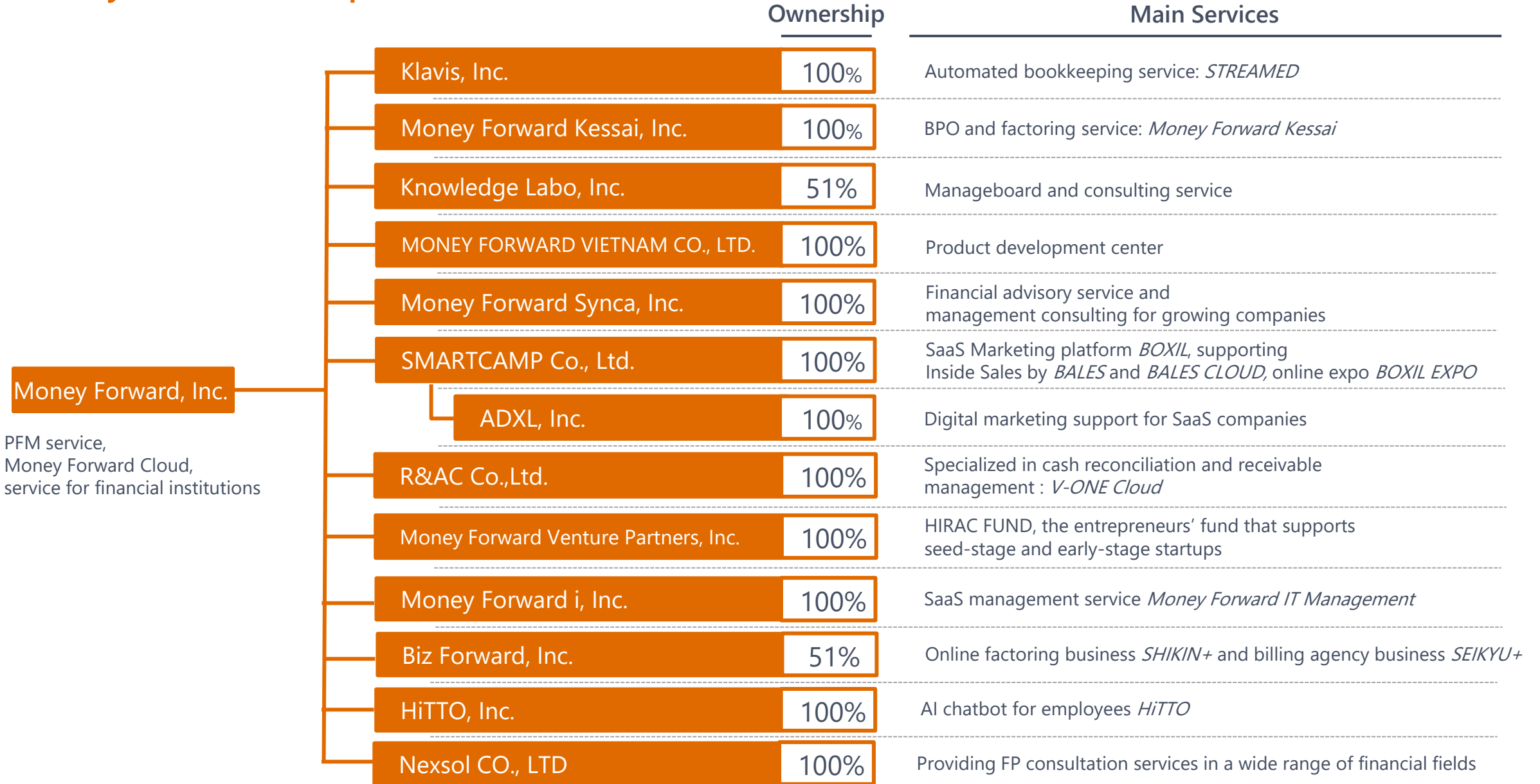


Tetsuya Komaguchi

Money Forward Business Company CMO (Chief Marketing Officer)

- Engaged in product strategy planning and brand management for the North American, Asian, and European markets at P&G Japan and Singapore.
- Joined Money Forward, Inc. in Sep 2018 and served as product marketing manager of Money Forward ME and head of accounting business in Money Forward Cloud.
- Currently oversees marketing of Money Forward Business Company as CMO.

Money Forward Group Structure



* As of July 12, 2022.

Share Price and Trading Volume Since IPO (Adjusted Stock Split*1)



**As of July 11, 2022. *1 Conducted a 2-for-1 split for each common share held by shareholders written or recorded in the closing shareholder registry on the record date, November 30, 2020

Disciplined Investment Execution

Product Development / New Business Investments

- Basic policy is to start with minimal investment to achieve product market fit, followed by the decision to invest further.
- Constant launch of add-ons and new businesses contribute to ARPA increase, customer base expansion and product competitiveness.
- M&A is also considered as an effective means of entering new business, adding functions and/or customers.

Investment in Sales, Marketing and Customer Success

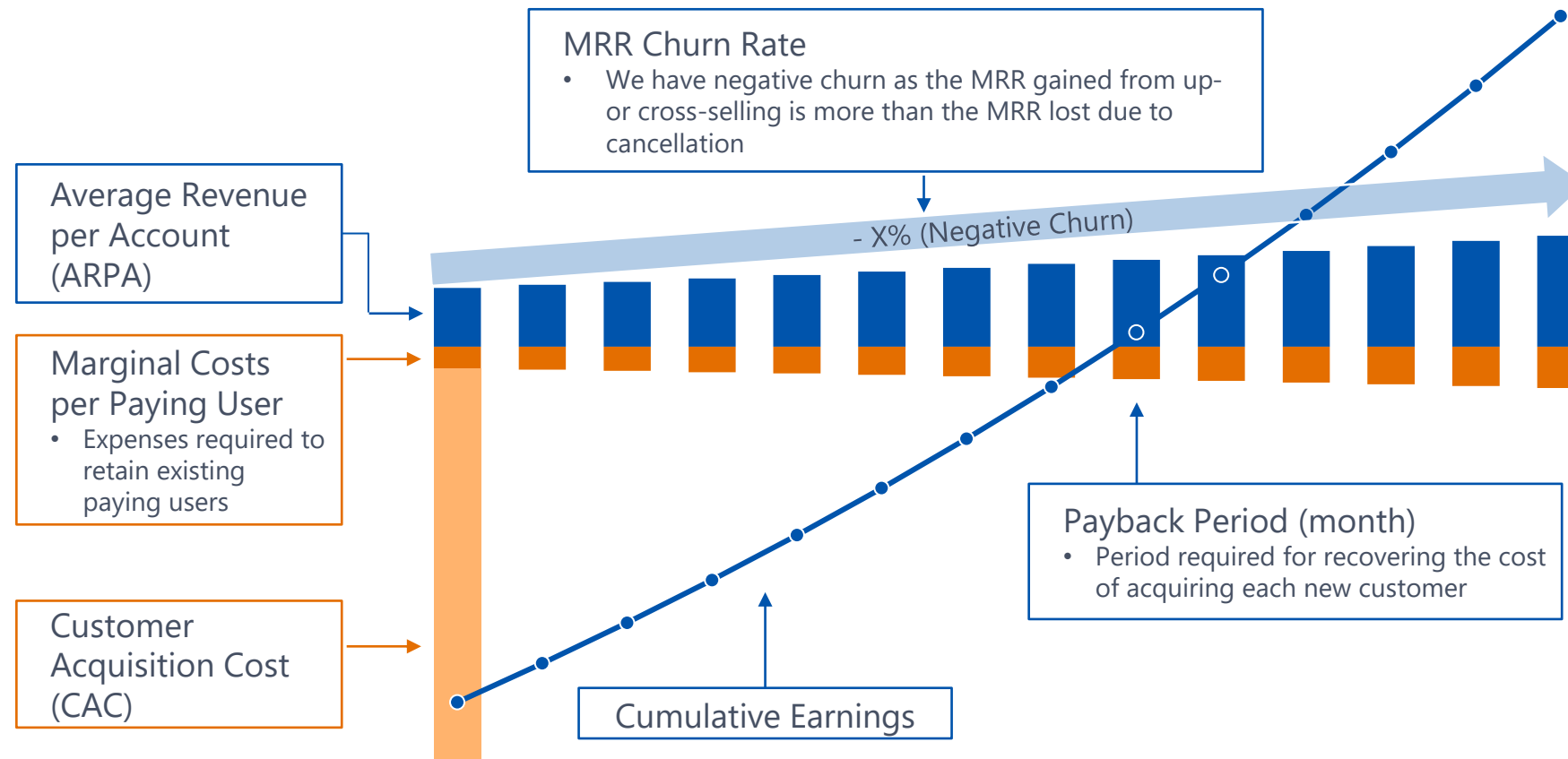
- Investment in sales, marketing and customer success to be accelerated as long as unit economics metrics are reasonable and sound.
- Investment decisions to be made based on the unit economics metrics described in next page.

Continuous Review and Revision of Product/Business

- Businesses are assessed by growth, market opportunities/competition and profitability every quarter to make appropriate decisions such as withdrawal.

Unit Economics-Driven Investment

Unit economics per product and per customer channel are taken into account when making investment decisions, metrics which are commonly used by global SaaS companies.

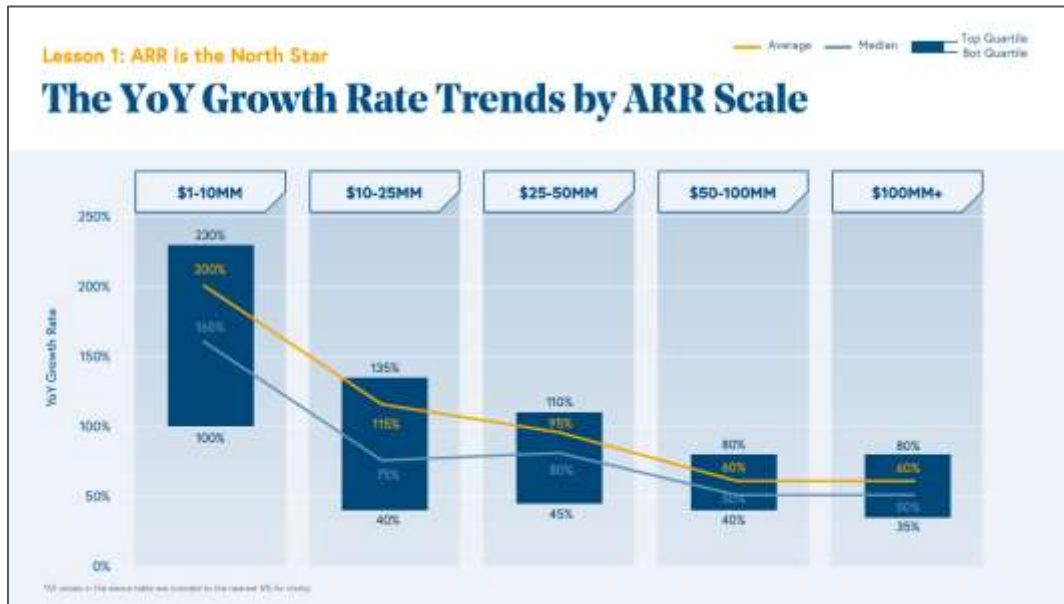


Bessemer Venture Partners “Scaling to \$100 Million”

US SaaS companies prioritize high growth even with ARR of above \$100 million and continue to make upfront investments.

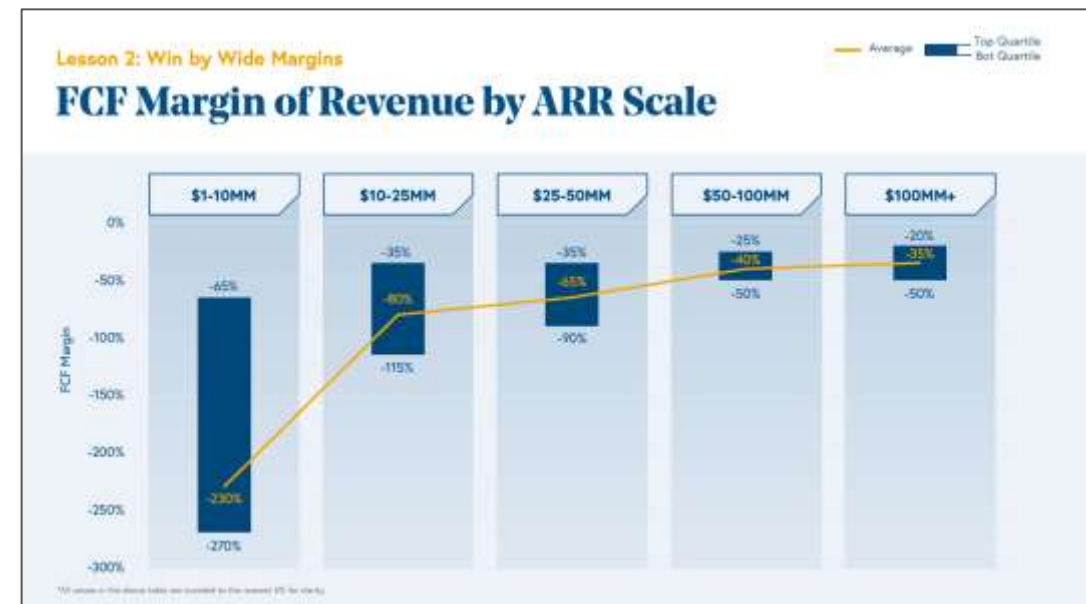
Correlation between ARR and growth rate

Companies with over \$100 million in ARR still continue to grow at a high rate



Correlation between ARR and FCF margin

For scaling companies, ARR of \$100 million is still a phase demanding upfront investments, with FCF margin averaging negative 35%



Definition of KPIs

| | |
|----------------------------|---|
| MRR | Monthly Recurring Revenue Total recurring revenue as of the end of a particular month |
| ARR | Annual Recurring Revenue Calculated by multiplying the MRR as of the end of a particular period by 12 |
| SaaS ARR | Calculated by multiplying SaaS MRR of a particular period by 12. SaaS MRR includes: 1) net sales from premium charges in Home domain, 2) recurring revenue from sales of <i>Money Forward Cloud</i> and other cloud services such as <i>STREAMED</i> , <i>Manageboard</i> , <i>V-ONE Cloud</i> , and <i>Money Forward Certified Membership</i> , <i>HiTTO</i> , <i>IT Management Cloud</i>) recurring revenue in X domain. In order to adjust for seasonal factors of <i>STREAMED</i> , its MRR is calculated as one-third of the revenue from <i>STREAMED</i> in Q1 and Q2 of each fiscal year. From FY11/22, adjustments are made to Q2 figures, which are seasonally affected by tax returns. Non-recurring revenue of each business and net sales of SMARTCAMP Co., Ltd. are not included. |
| Paying Customer | Paid subscribers in the Business domain, which is a total of (1) accounting firms and their clients, and (2) sole-proprietors and direct-sales corporates subscribed via the web channel etc. Services of SMARTCAMP Co., Ltd. are not included. |
| ARPA | Average Revenue per Account. Calculated by dividing ARR as of the end of a particular period by the number of Customers. |
| Customer Churn Rate | Average monthly churn rate of a particular period. Calculated as: $[\text{number of customers churn during (N) month}] / [\text{number of customers as of the end of (N-1) month}]$ |
| MRR Churn Rate | Average monthly churn rate based on MRR of a particular period. Calculated as: $1 - [\text{MRR as of the end of (N) month from customers as of the end of (N-1) month} / \text{MRR as of the end (N-1) month}]$. Negative amount (Negative Churn) refers to the status when the revenue increase for existing customers by upselling/cross-selling exceeds the revenue decrease due to customer churn. |
| CAC Payback Period | Customer Acquisition Cost (CAC) payback period. CAC payback period as of a particular date is the number of months of ARPA as of such date necessary to recover the cost of acquiring each new Money Forward Business paying customer. It is calculated by total sales and marketing expenses of the latest 12 full months, divided by gross new Money Forward Business paying customers added during such period, divided by the last full month's ARPA. Sales and marketing costs consist of personnel costs directly associated with the sales and marketing activity in the Money Forward Business domain, including expenses related to educating and onboarding customers and users. Other costs include, but are not limited to, advertising costs, marketing costs, promotional event costs and allocated overheads in the Money Forward Business domain. ARPA is based on gross profit margin. Gross profit margin is calculated by subtracting from sales the personnel costs related to the operation of the product, cost of the customer support department, commissions paid etc. |

(Reference) Historical Revenue by Each Business Domain (Quarterly Trend)

| (¥ mn) | FY11/19 Q1 | FY11/19 Q2 | FY11/19 Q3 | FY11/19 Q4 | FY11/20 Q1 | FY11/20 Q2 | FY11/20 Q3 | FY11/20 Q4 | FY11/21 Q1 | FY11/21 Q2 | FY11/21 Q3 | FY11/21 Q4 | FY11/22 Q1 | FY11/22 Q2 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Business domain | 853 | 919 | 1,159 | 1,235 | 1,559 | 1,675 | 1,862 | 2,203 | 2,357 | 2,567 | 2,618 | 3,017 | 3,434 | 3,661 |
| Recurring Revenue (Sole Proprietors) | 119 | 134 | 204 | 203 | 206 | 204 | 203 | 212 | 227 | 259 | 264 | 271 | 299 | 330 |
| Recurring Revenue (Corporates) | 663 | 722 | 886 | 937 | 1,039 | 1,083 | 1,170 | 1,317 | 1,459 | 1,609 | 1,658 | 1,793 | 2,090 | 2,322 |
| Non-recurring Revenue | 71 | 63 | 69 | 96 | 62 | 74 | 167 | 311 | 243 | 235 | 216 | 354 | 454 | 358 |
| Net Sales from SMARTCAMP*1 | #N/A | #N/A | #N/A | #N/A | 251 | 314 | 322 | 364 | 428 | 464 | 479 | 599 | 590 | 652 |
| Home domain | 361 | 393 | 368 | 511 | 438 | 466 | 444 | 497 | 548 | 608 | 639 | 620 | 681 | 722 |
| Recurring Revenue | 236 | 254 | 264 | 277 | 291 | 320 | 333 | 351 | 367 | 413 | 418 | 440 | 460 | 501 |
| Non-recurring Revenue | 126 | 140 | 103 | 235 | 147 | 146 | 112 | 146 | 181 | 195 | 221 | 179 | 221 | 221 |
| X domain | 133 | 272 | 259 | 340 | 248 | 452 | 256 | 466 | 370 | 620 | 383 | 508 | 377 | 387 |
| Recurring Revenue | 92 | 102 | 109 | 111 | 125 | 137 | 151 | 166 | 168 | 176 | 191 | 190 | 194 | 207 |
| Non-recurring Revenue | 42 | 170 | 150 | 223 | 123 | 316 | 105 | 300 | 202 | 444 | 192 | 317 | 183 | 180 |
| Finance domain | 48 | 74 | 93 | 125 | 147 | 227 | 193 | 176 | 190 | 198 | 190 | 191 | 256 | 309 |
| Recurring Revenue | 14 | 16 | 16 | 23 | 28 | 32 | 36 | 43 | 52 | 59 | 63 | 70 | 79 | 103 |
| Non-recurring Revenue | 33 | 58 | 77 | 102 | 119 | 194 | 157 | 133 | 138 | 139 | 126 | 122 | 177 | 207 |
| Recurring Revenue in total | 1,124 | 1,228 | 1,480 | 1,556 | 1,689 | 1,776 | 1,893 | 2,089 | 2,272 | 2,516 | 2,595 | 2,764 | 3,123 | 3,468 |
| Non-recurring Revenue in total *2 | 274 | 434 | 402 | 660 | 453 | 731 | 541 | 895 | 766 | 1,013 | 758 | 976 | 1,042 | 966 |
| Total Revenue (excl. SMARTCAMP) | 1,398 | 1,661 | 1,881 | 2,216 | 2,142 | 2,506 | 2,435 | 2,984 | 3,039 | 3,529 | 3,354 | 3,741 | 4,166 | 4,434 |
| % of Recurring Revenue to Total Revenue (excl. SMARTCAMP) | 80% | 74% | 79% | 70% | 79% | 71% | 78% | 70% | 75% | 71% | 77% | 74% | 75% | 78% |

* Net sales from premium charges of *Money Forward for XX*, which targets financial institutions, have been revised retroactively since charges are recognized in X domain from FY11/22. There is no impact for consolidated net sale.

*1 Net sales of SMARTCAMP are included from Dec. 1, 2019.

*2 Net sales of SMARTCAMP are not included. Includes other net sales.

Sustainability Initiatives



Sustainability / User Forward

Helping improve productivity and solve accounting and finance issues of accounting firms and their clients through *Money Forward Cloud*.

Issue before introduction

Productivity was low with conventional installing-style software, which required troublesome transfers of data and time-consuming data entry work.

Scale of introduction

The number of clients that have introduced *Money Forward Cloud Accounting* roughly tripled over two years. *STREAMED*, an automated bookkeeping service, was introduced in 2019 to respond to demand for bookkeeping outsourcing service.

Impact of introduction

"Full-fledged introduction is underway as productivity is improved by using data linkage function and accessing the cloud simultaneously."

"Demand for BPO has increased recently, and *Money Forward Cloud* has become essential to expand the BPO business."

"Customers who have introduced *Money Forward Cloud* were able to prepare monthly financial statements without a hitch even amid the COVID-19 pandemic."

"Many young customers are considering introducing a cloud accounting service, meaning that there is a strong positive impact for attract young potential customers."



Masami Mishima, representative member
Tax Accountants' Corporation
CROSSROAD



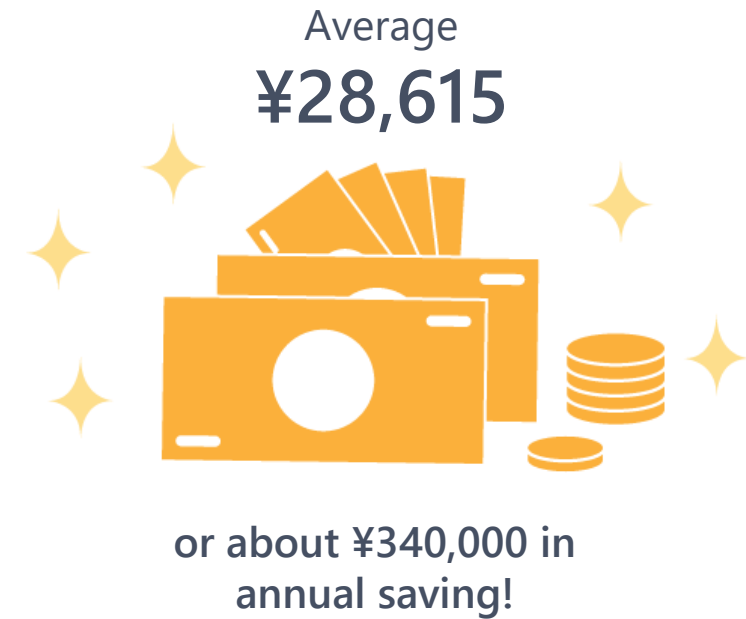
Sustainability / User Forward

Changing personal behaviors and improving financial position through provision of *Money Forward ME*.

Change in behavior and awareness toward money*



Perceived monthly saving*



* Based on a 2021 survey regarding financial awareness conducted on 4,800 *Money Forward ME* users who said they felt the service helped improve their household accounts.

Sustainability / Society Forward

Contribute to DX of society with diverse partners.



No. of Certified Members:

(Accounting firms and certified social insurance and labor consultant offices)

20,000 +*1

No. of Chambers of Commerce and Industry (CCI) that We Partner with

120*1

No. of Financial Institutions (FI) Served with Our Products:

45*1

of API connections with FIs

1,071*2

*1 Number of accountants who use our services as of end of June 2022. Previous disclosure, 5,000+ members, were the number of accounting offices who have introduced our services.

*2 As of July 12, 2022. Counting financial institutions (including Shinkin Banks, Labor Banks and Agricultural and Fishery Cooperative Savings Insurance Corporations) that have API connections or web scraping connections with contracts.

Sustainability / Talent Forward

Focus on creating environment with diversity and various opportunities for growth.

"TERAKOYA" one-on-one sessions in Japanese for overseas new graduates hired as engineers

One-on-one sessions to help participants learn Japanese language and culture, conducted by volunteers



"Leadership Forward Program" to groom leaders

Program to train next leaders, conducted by management members and external instructors



Products and Services



Money Forward Cloud – SaaS Platform for Back Office

Money Forward Cloud provides various products for back-office operations.



Money Forward Cloud

 Money Forward Cloud Accounting

 Money Forward Cloud Tax Return

 Money Forward Cloud Invoice

 Money Forward Cloud Payroll

 Money Forward Cloud Expense

 Money Forward Cloud My Number

 Money Forward Cloud Attendance

 Money Forward Cloud Social Insurance

 Money Forward Cloud Accounting Plus

 Money Forward Cloud Box

 Money Forward Cloud Payable Management

 Money Forward Cloud Contract

 Money Forward Cloud Invoice Plus

 Money Forward Cloud Fixed Assets

 Money Forward Cloud HR Database

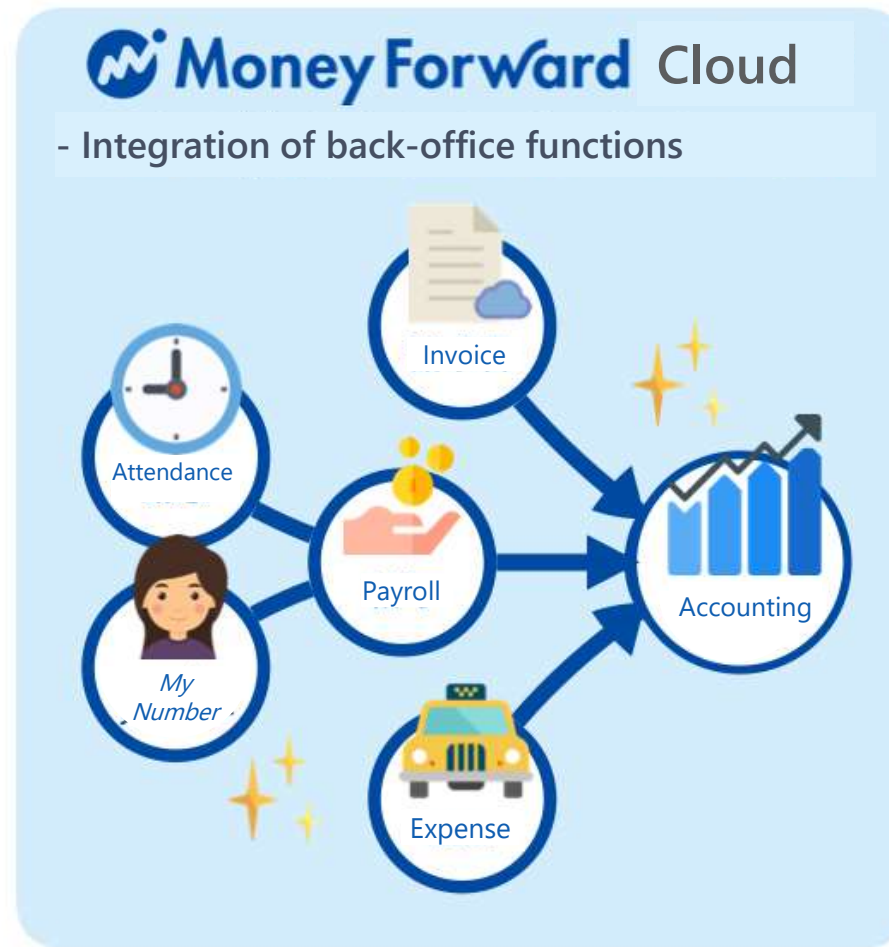
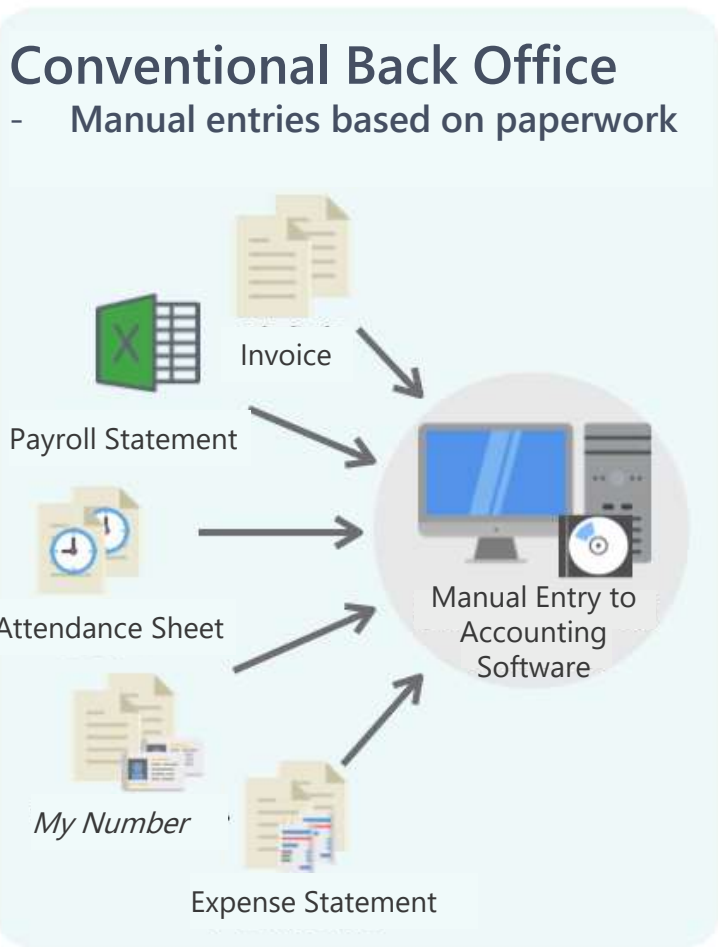
 Money Forward Cloud Tax Adjustments

 Money Forward Pay for Business

 Money Forward IT Management Cloud

Providing a Paradigm Shift - Integrated Back Office

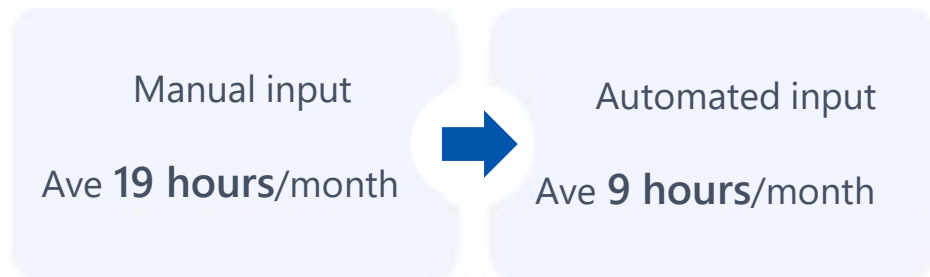
Plans to facilitate a shift from a world filled with cumbersome manual back-office operations to one which automatically connects back-office functions through cloud.



Why *Money Forward Cloud* is the Right Choice (1/2)

Automated operations enable users to reduce cost and time for back-office operations significantly.

Reduced the time spending
on monthly accounting operations
by approximately **50%**^{*1}



Saved **¥1 million per year**^{*2}
in expense reimbursement



*1 Based on the results of the internet survey "*Money Forward Cloud Accounting and Tax Return* user Questionnaire" in September 2019.

*2 When company has 100 employees, their hourly rate is ¥1,500 and 50 of them claim expense reimbursement on a monthly basis.

Why Money Forward Cloud is the Right Choice (2/2)

| | Conventional Software | Money Forward Cloud |
|----------------------------------|------------------------|---|
| Access from multiple devices | × | ○ |
| Automated journal entry | × | ○ Automated input and suggestion of journal entry classification |
| Easy to co-work with accountants | △ Need to send data | ○ |
| Co-work on accounting operations | △ | ○ |
| Initial Cost | × | ○ No initial Cost |
| Automated Software Update | × | ○ |
| Introduction | × | ○ |
| Risk of Data leakage/loss | × | ○ |
| HR/Invoice Tools | × | ○ |

Conventional Software

Money Forward Cloud

Access from multiple devices

×

○

Automated journal entry

×

○
Automated input and suggestion of journal entry classification

Easy to co-work with accountants

△
Need to send data

○

Co-work on accounting operations

△

○

Initial Cost

×

○
No initial Cost

Automated Software Update

×

○

Introduction

×

○
No need to install

Risk of Data leakage/loss

×

○
Automated backup almost reduced the risk to Zero

HR/Invoice Tools

×

○
Various software can be used and able to connect to accounting software

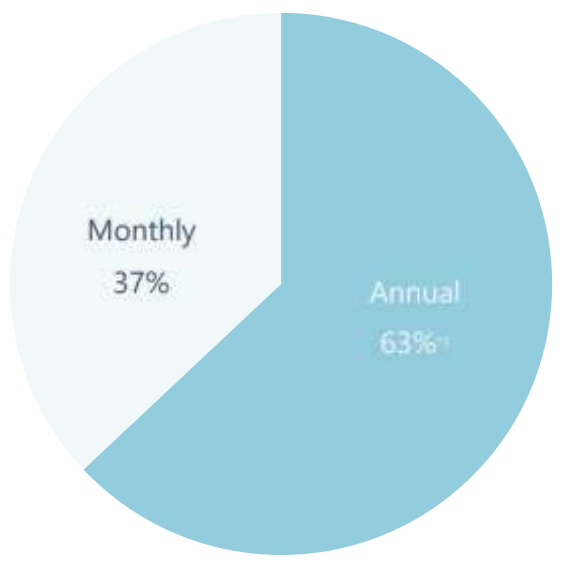
Business Domain – Price Table

| | Accountants & their clients | Sole Proprietors SMEs | Corporates |
|--------------------|---|--|--|
| Distribution | Field sales | WEB marketing | Field sales/ Inside sales |
| Price (Example) | <p>Small Business Monthly: ¥3,980 Annual: ¥35,760 (¥2,980/month)</p> <p>Business Monthly: ¥5,980 Annual: ¥59,760 (¥4,980/month)</p> <p>STREAMED min ¥10,000 Manageboard min ¥49,800</p> | <p>Personal Mini Monthly: ¥980 Annual: ¥9,600 (¥800/month)</p> <p>Personal Monthly: ¥1,280 Annual: ¥11,760 (¥980/month)</p> <p>Personal Plus Annual: ¥35,760 (¥2,980/month)</p> <p>Small Business Monthly: ¥3,980 Annual: ¥35,760 (¥2,980/month)</p> <p>Business Monthly: ¥5,980 Annual: ¥59,760 (¥4,980/month)</p> | <p>Accounting Plus Inquiry Price V-ONE Cloud Min ¥33,000 Contract Inquiry Price Invoice Plus Inquiry Price HR Database Inquiry Price Expense ¥500/employee Payroll ¥300/employee Attendance ¥300/employee Social Insurance ¥100/employee My Number ¥100/employee Tax Adjustment ¥100 /employee Payable Management ¥300/transaction</p> |

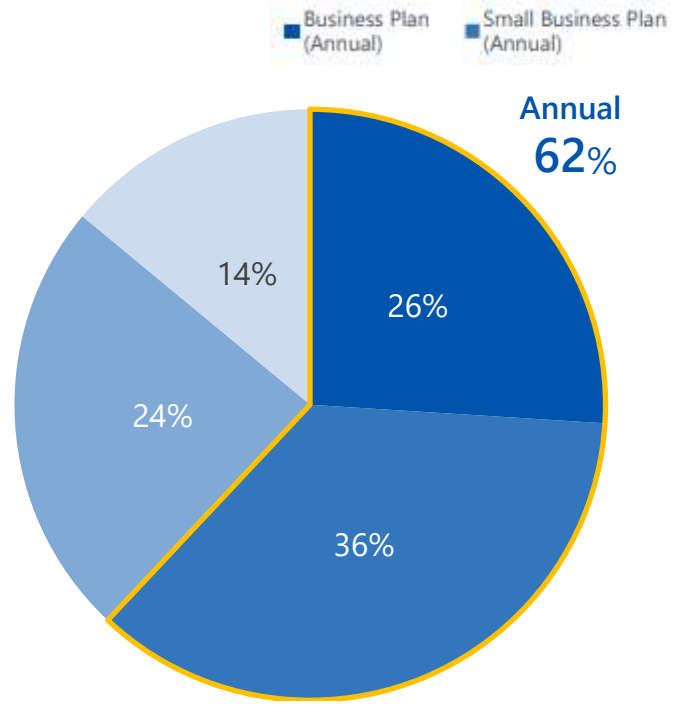
Money Forward Cloud-Sales Mix for Corporates (web marketing)

Annual pricing ratio has steadily increased at +3% YoY, resulting in a stable customer churn rate.

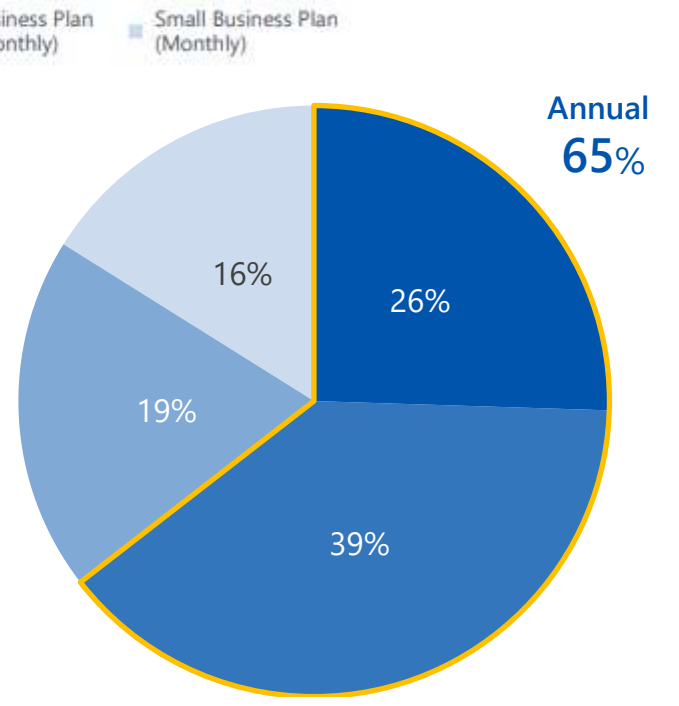
End of FY11/18



End of FY11/21 Q2



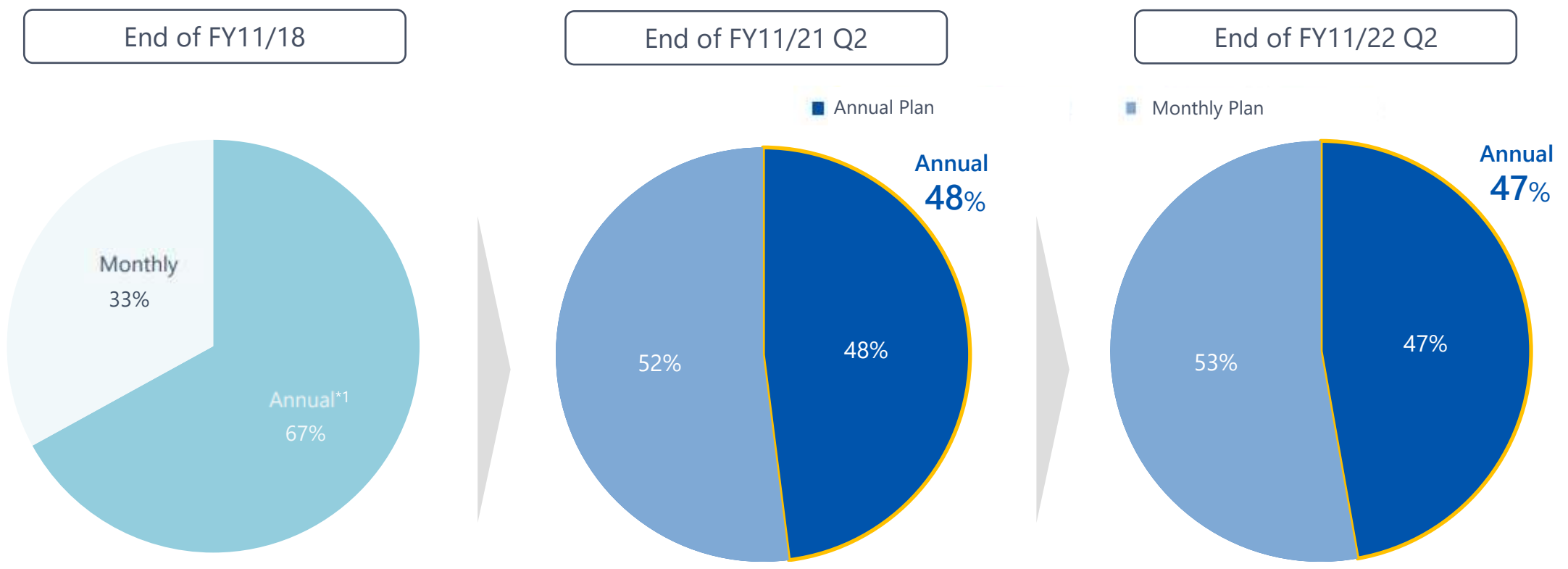
End of FY11/22 Q2



*1 Definition of annual/monthly pricing ratio at the end of 11/18 is based on the number of Money Forward Cloud Accounting paying accounts.

Money Forward Cloud-Sales Mix for Sole Proprietors (web marketing)

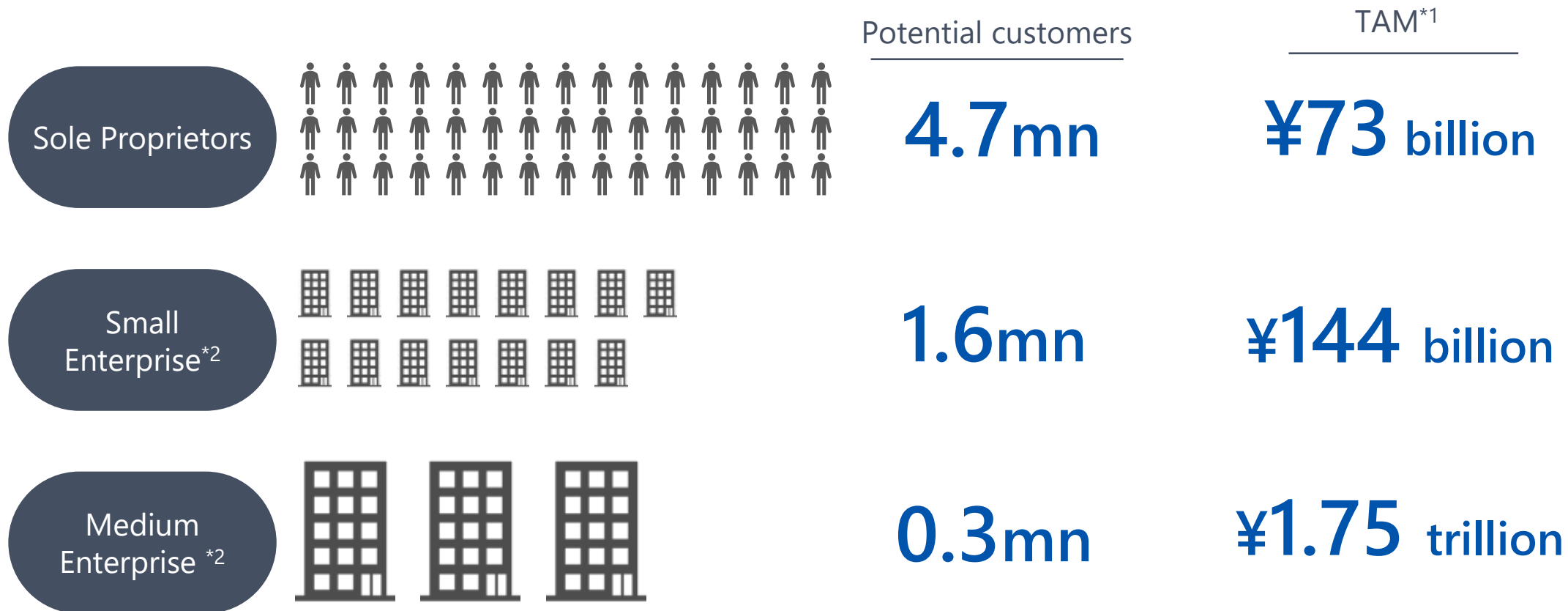
As new users increased significantly, the ratio of annual customers decreased by 1 ppts YoY.



*1 Definition of annual/monthly pricing ratio at the end of 11/18 is based on that of Money Forward Cloud Tax Return paying accounts.

Back Office SaaS Potential Market Size

Potential market size of back-office SaaS, Group's current area of focus, is estimated to be about **¥1.97 trillion**^{*1}.



^{*1} Created by Money Forward, Inc. based on National Tax Agency 2020 Survey, MIAC June 2016 Economic Census Activity Survey, MIAC 2017 Labor Force Survey. Total annual expenditure when the Group's all potential customers introduced *Money Forward Cloud* in Japan. The total number of potential customers is the sum of sole proprietors and corporates with less than 1,000 employees.

^{*2} Defined as "Small enterprise" for a corporate with less than 20 employees, "Medium enterprise" for a corporate with between 20 and 999 employees.

BOXIL SaaS- SaaS Comparison Platform which helps SaaS Companies with their Marketing

The #1 SaaS comparison website * chosen by SaaS users and potential customers. It connects potential SaaS customers with 1,000+ SaaS products, receiving fees from the SaaS vendors for every document request made by the potential customers.



* Based on the results of "image survey of SaaS Comparison Media" in September 2020 by Cross Marketing Inc.

Domestic SaaS Marketing Potential Market Size

Domestic SaaS marketing potential market size is estimated to expand to about ¥1.41 trillion, along with the expansion of SaaS market in Japan.

$$\begin{array}{c} \text{SaaS potential market size}^{*1} \\ \hline \end{array} \times \begin{array}{c} \text{Advertising costs} \\ \text{to net sales ratio}^{*2} \\ \hline \end{array} = \text{¥1.41 tn}$$

¥7.9 tn × 17.9% = ¥1.41 tn

*1 Estimated based on 25% of the total investment in business systems in the domestic software market in FY 2022 by Fuji Chimera Research Institute, Inc., "2020 New Software Business Market" and the potential market size of back-office SaaS described in the former page.

*2 Average advertising costs to net sales ratio of domestic major public SaaS companies. Created by Money Forward, Inc. based on financial reports and presentation documents of Money Forward, RAKUS, Uzabase, User Local, kaonavi, Chatwork, Sansan, freee, Cybozu, TeamSpirit, and Yappli available as of April 26, 2022.

Money Forward ME - Automated PFM Service

Money Forward ME is the No.1 PFM and asset management app in Japan^{*1}, reaching 13.3 million users^{*2}. Number of financial services that can be connected is also No.1^{*3}.

Integrates 2,570+^{*3} financial services and automatically creates household accounting books

No. 1^{*1} in terms of usage and recognition as a PFM app and asset management app



Manage your financial services easily by aggregating your financial data and visualize your expenditure, you can find unnecessary costs.



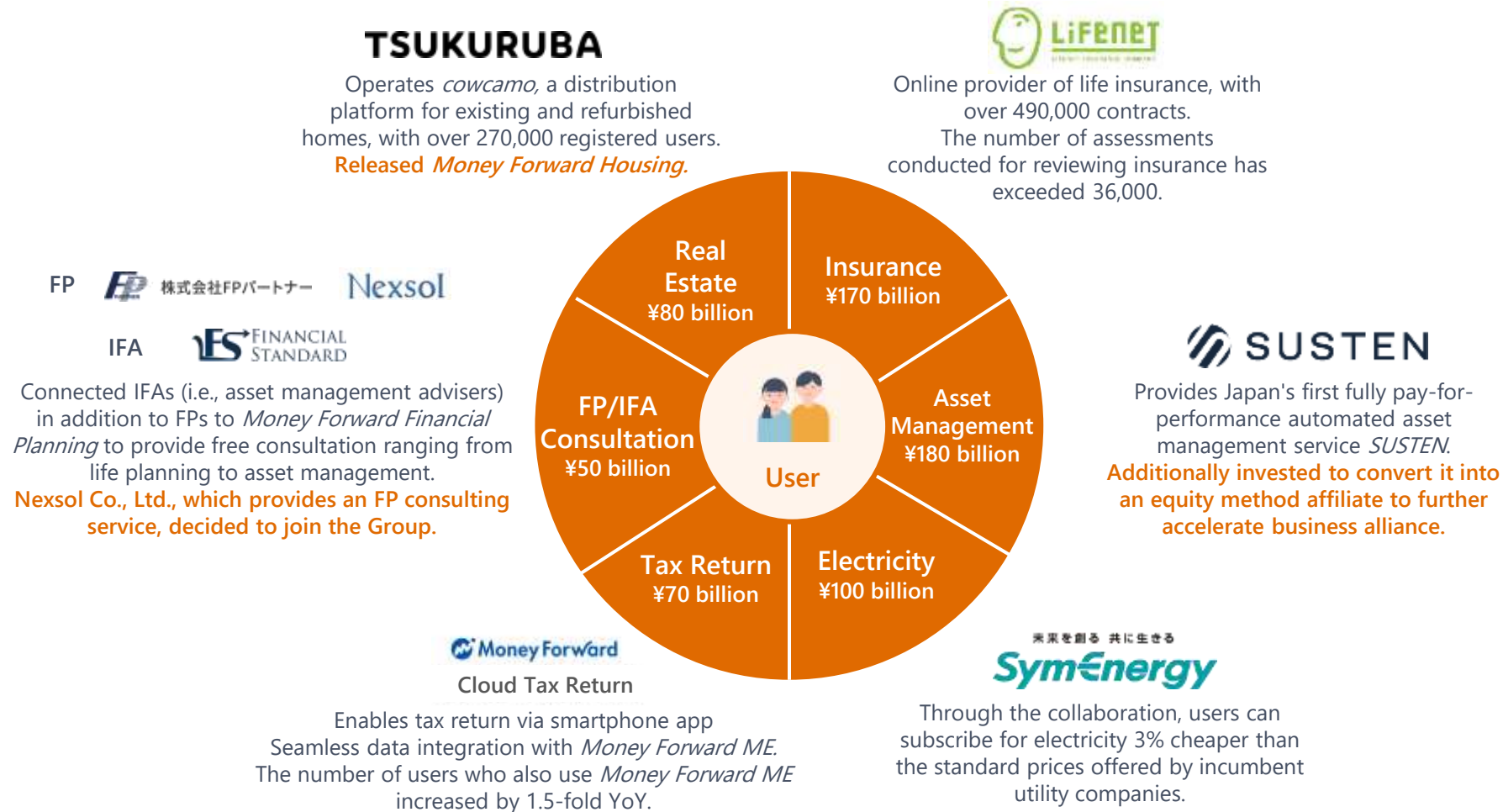
*1 Survey by Macromill, Respondents: 1,034 PFM app users in their 20s-60s / 1,036 asset management app users in their 20s-60s; Survey period: October 11, 2021 - October 12, 2021; Survey method: Internet survey. PFM apps refer to apps that allow users to manage their household budget using a smartphone or tablet, while asset management apps refer to apps that allow users to centrally manage multiple assets using a smartphone or tablet.

*2 Number of users of *Money Forward ME* in Home domain, which is the total number of app downloads and web registrations of *Money Forward ME*. The number of users of services for financial institutions provided in X domain, which was included in the past, is not included.

*3 Based on research by Money Forward, Inc. as of June 30, 2022.

Expanded Alliances, Including M&As, at an Accelerated Pace

With the aim of resolving financial issues of users, various service developments and alliances progressed steadily in a business realm where the total addressable market (TAM) is **over ¥800 billion***1.



*1 Including TAM of PFM services (¥220 billion). TAM of tax return service is not included as it's included in that of Business domain

TAM of Home Domain

Approaching to ¥800 billion TAM related to personal financial services through business development and business alliances.

| | | | | | |
|------------------|----------------------------------|---|-----------------------|---|---------------------|
| PFM | 37 million people ^{*1} | × | ¥6,000 ^{*2} | = | ¥220 billion |
| Asset management | ¥18 trillion ^{*3} | × | 1% ^{*4} | = | ¥180 billion |
| Electricity | ¥5 trillion ^{*5} | × | 2% ^{*4} | = | ¥100 billion |
| Insurance | ¥3 trillion ^{*6} | × | 5% ^{*4} | = | ¥170 billion |
| Real estate | ¥4 trillion ^{*7} | × | 2% ^{*4} | = | ¥80 billion |
| FP consultation | 2.6 million people ^{*8} | × | ¥20,000 ^{*4} | = | ¥50 billion |
| Total | | | | | ¥800 billion |



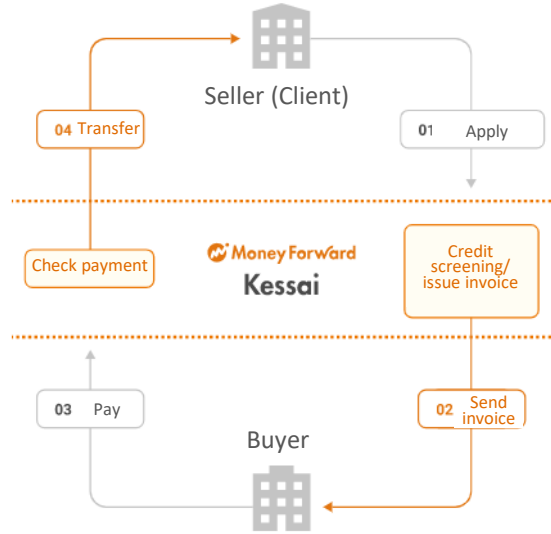
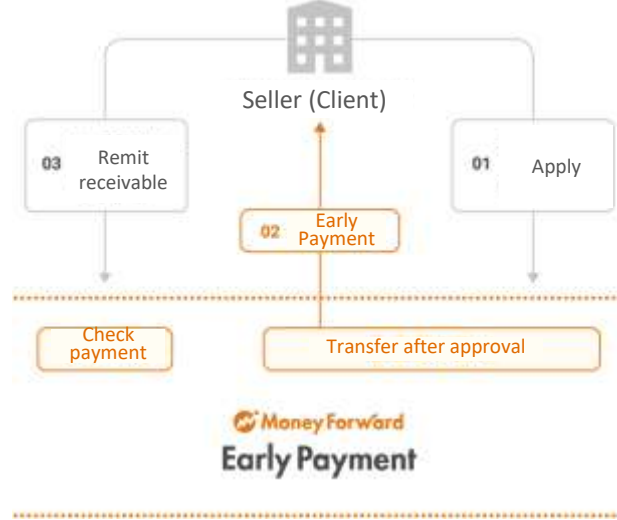
^{*1} Net banking users. Calculated by the Company by estimating the total number of Internet banking users in Japan based on the number of Internet banking accounts at three metropolitan banks, and the "White Paper on Financial Information Systems 2022". ^{*2} Annualized premium charge for *Money Forward ME*. ^{*3} The total amount of financial assets in the accounts linked to the personal services provided by *Money Forward ME* and *Money Forward X* as of June 30, 2022.

^{*4} Commission rate the Company receives, estimated based on other companies' services. ^{*5} Market size of new electric power companies. Estimated by Money Forward, Inc. based on "Population, Demographics and Households Based on the Basic Resident Ledger" by the Ministry of Internal Affairs and Communications, "Progress in Total Liberalization of Electricity and Gas Retailing" by the Ministry of Economy, Trade and Industry, "General Contact Points for Government Statistics (e-Stat)," and "Household Income and Expenditure" by the Ministry of Internal Affairs and Communications. ^{*6} New subscription fee for individual insurance contracts. Calculated by the Company based on The Life Insurance Association of Japan's FY 2021 "Trends in Life Insurance" and the FY2019 Survey on "Life Insurance Coverage (preliminary version)". ^{*7} Market size of the existing condominium market in Tokyo. Based on "Trends in the Tokyo Metropolitan Area Real Estate Market (FY 2021)" by the East Japan Real Estate Information Network. ^{*8} Of the number of new individual insurance contracts purchased, annual premiums paid by those who purchased through insurance agents. Based on the Life Insurance Association of Japan's FY 2021 "Trends in Life Insurance" and the Life Insurance Culture Foundation's "National Survey on Life Insurance (Preliminary Version)" for FY 2021.

Business Outline of Money Forward Kessai, Inc.

Deploys two businesses: *Money Forward Kessai*, a B2B invoicing and settlement BPO business, and *Money Forward Early Payment*, an accounts receivable financing business.

Both services are also offered by Biz Forward, a joint venture established with MUFJ Bank, Ltd.

| |  Money Forward Kessai |  Money Forward Early Payment |
|--------------------------|---|---|
| Scheme |  |  |
| Service | B2B invoicing and settlement BPO service | Accounts receivable financing service |
| Value Proposition | Streamlines credit screening/invoicing/collection and offers payment guarantee | Enables early financing |
| Business Model | Recurring revenue | Non-recurring revenue |

Money Forward Kessai BPO and Online Invoicing Service

Offers total invoicing service. Takes only a few seconds at the shortest for approval process with 100%* payment guarantee. Enables corporate to easily and safely introduce deferred payment.



Approve



Send Invoice



Collect Receivable



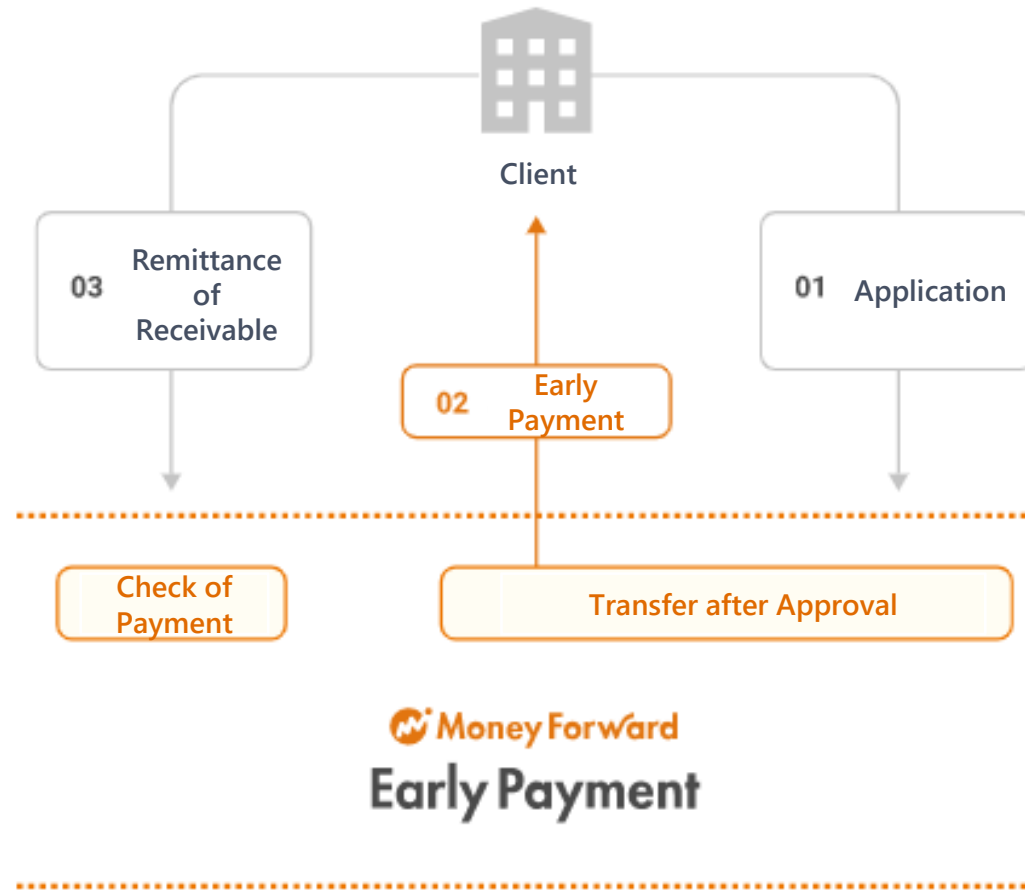
Check Payment
Status



Send Reminder

Money Forward Early Payment Accounts Receivable Financing

Enables corporates to improve cash flow by selling their accounts receivable before the payment due date.





Disclaimer

The forward-looking statements and other contents included in this material are determined based on information currently available and may be subject to change due to macro economic trends, changes in the market environment or industry in which the Group operates, or for other internal/external factors. Money Forward, Inc. shall not represent or warrant the accuracy or completeness of the information contained in this material.

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FY11/22 Q3 Financial results are scheduled to be released at 15:00 or later on October 17.