



INVESTOR PRESENTATION

Financial Results for the Third Quarter of the Fiscal Year 2022

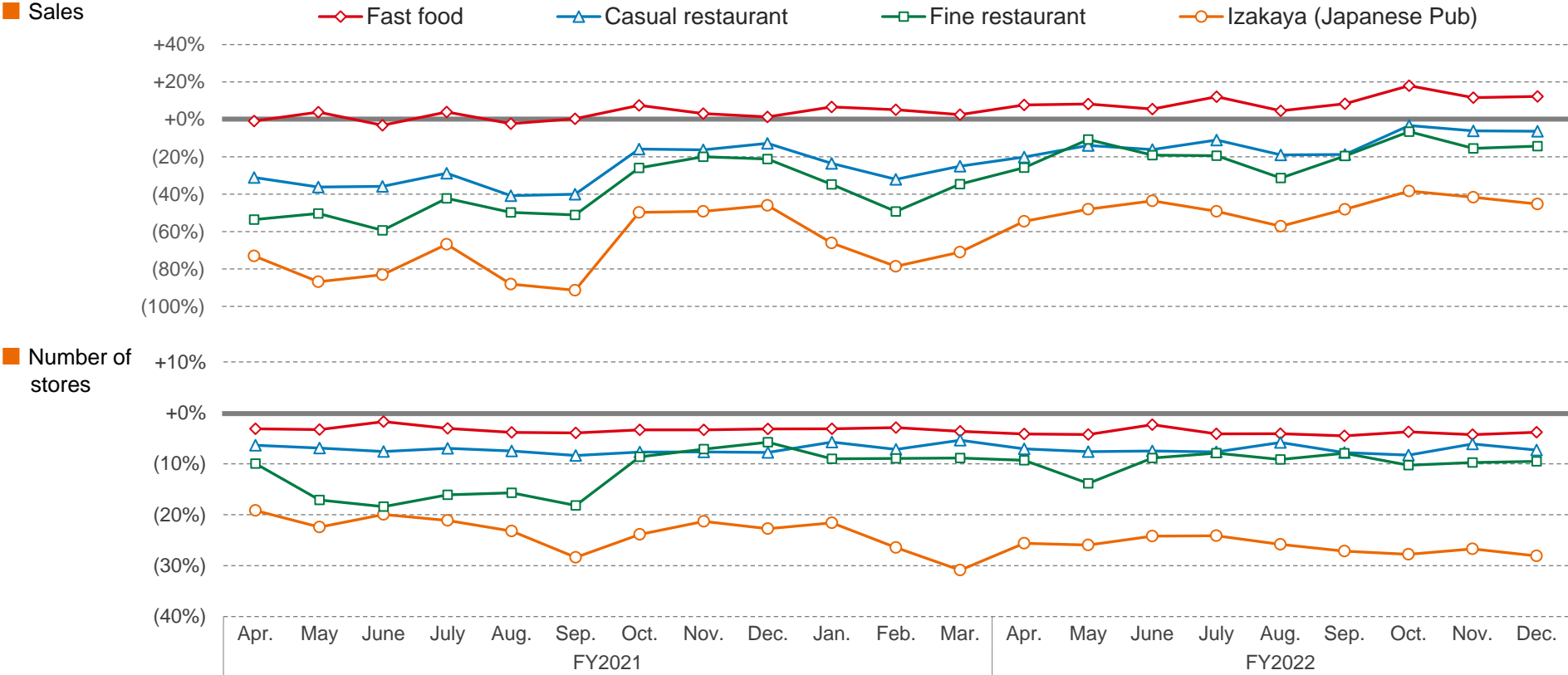
Gurunavi, Inc. (Stock Code : 2440)

Food: Satisfying People
and Creating Connections



Status of restaurants – Compared to the same month in 2019 (before the pandemic) –

- ✓ Sales overall on moderate recovery trend, but with differences depending on the type of business
- ✓ Notably, sales recovery in the izakaya (Japanese Pub) business has been slow and the number of restaurants is about 30% lower than the pre-pandemic



Source: Japan Foodservice Association

Summary

Progress of measures

- ✓ Concluded Capital and Business Alliance agreement with OPTiM Corporation with the aim of strengthening and expanding DX support for restaurant management (p.15-16)
- ✓ The number of contracted companies to mobile ordering service expanded as planned
Signs of introduction in more locations based on the results achieved at the pilot restaurants (p.17-19)

Performance

First 9 months → Losses narrowed YoY due to review the allocation of management resources

Fourth quarter → No change in policy to return to profitability

Full-year forecast remains unchanged from the previous forecast, in consideration of the slow start-up of new service sales and external factors such as slow recovery in demand for dining out in the izakaya business etc.

Financial Highlights

- ✓ Decrease in total paying member restaurants, mainly due to the close of delivery and take-out service in July 2022
- ✓ However, the number of Rakuten ID connected members (Gurunavi's user base) increased by 1.38 million to 6.67 million

	Q3 (Apr.-Dec.)	
	FY2021	FY2022
Net sales	JPY 9,563 million	JPY 8,956 million ↓
Operating loss	JPY (3,483) million	JPY (2,046) million ↑
Net loss attributable to owners of parent	JPY (3,606) million	JPY (1,918) million ↑
Number of total paying member restaurants (At the end of December 2022)	60,614	45,450 ↓
Number of Rakuten ID connected members (At the end of December 2022)	5.28 million	6.67 million ↑

Consolidated income statement

(JPY million)	Q3 FY2021 (Apr.-Dec.)	Ratio to sales	Q3 FY2022 (Apr.-Dec.)	Ratio to sales	YoY Change
Net sales	9,563	100.0%	8,956	100.0%	(6.3)%
Cost of sales	4,050	42.4%	3,691	41.2%	(8.9)%
Gross profit	5,513	57.6%	5,264	58.8%	(4.5)%
SG&A expenses	8,997	94.1%	7,311	81.6%	(18.7)%
Operating loss	(3,483)	-	(2,046)	-	-
Ordinary loss	(3,564)	-	(1,996)	-	-
Net loss before income taxes	(3,597)	-	(1,908)	-	-
Net loss attributable to owners of parent	(3,606)	-	(1,918)	-	-

Consolidated sales breakdown

(JPY million)	Q3 FY2021 (Apr.-Dec.)	Q3 FY2022 (Apr.-Dec.)	YoY
Net sales	9,563	8,956	(6.3)%
Restaurant promotion services	7,692	6,715	(12.7)%
Cumulative retained services	6,381	5,804	(9.0)%
Spot services	1,311	911	(30.5)%
Promotions	920	891	(3.2)%
Related businesses	950	1,349	42.0%

Cumulative retained services

- ✓ Decreased YoY due to lower base sales at the beginning of the period driven by impact of declaration of state of emergency and priority measures to prevent the spread of COVID-19 which were implemented intermittently in the previous period
- ✓ On a monthly basis, recovery after bottoming out in April (see p.11)

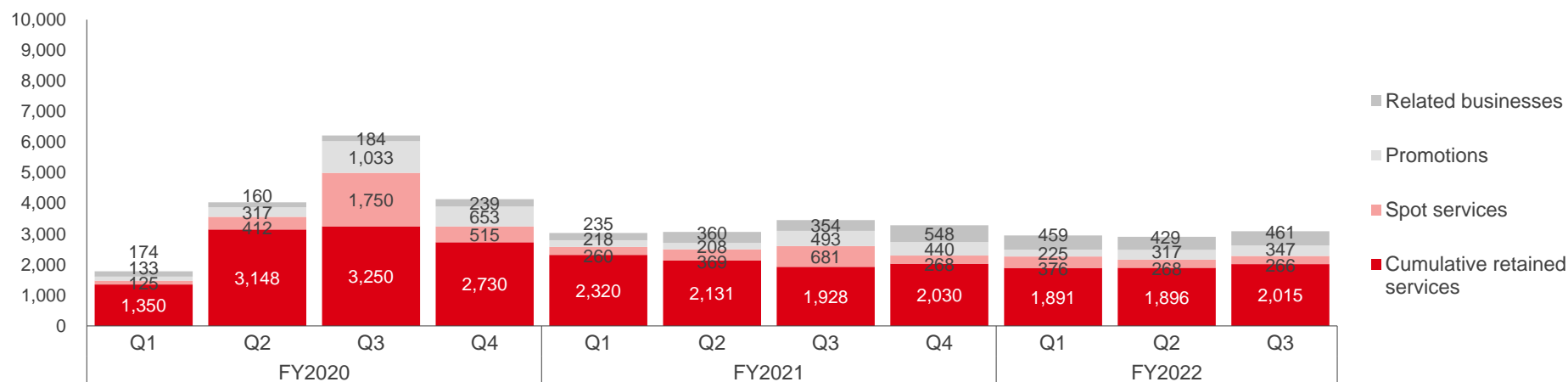
Spot services

- ✓ Increase in spot sales of sales promotion products, etc.
- ✓ In addition to a decrease in online reservation commission sales due to the impact of commission revision under the new membership plan launched in September 2021, decrease in delivery/takeout sales due to close of service in July 2022

Related businesses

- ✓ Recorded earnings from commercial facilities in restaurant development business, one of our new businesses

(JPY million)

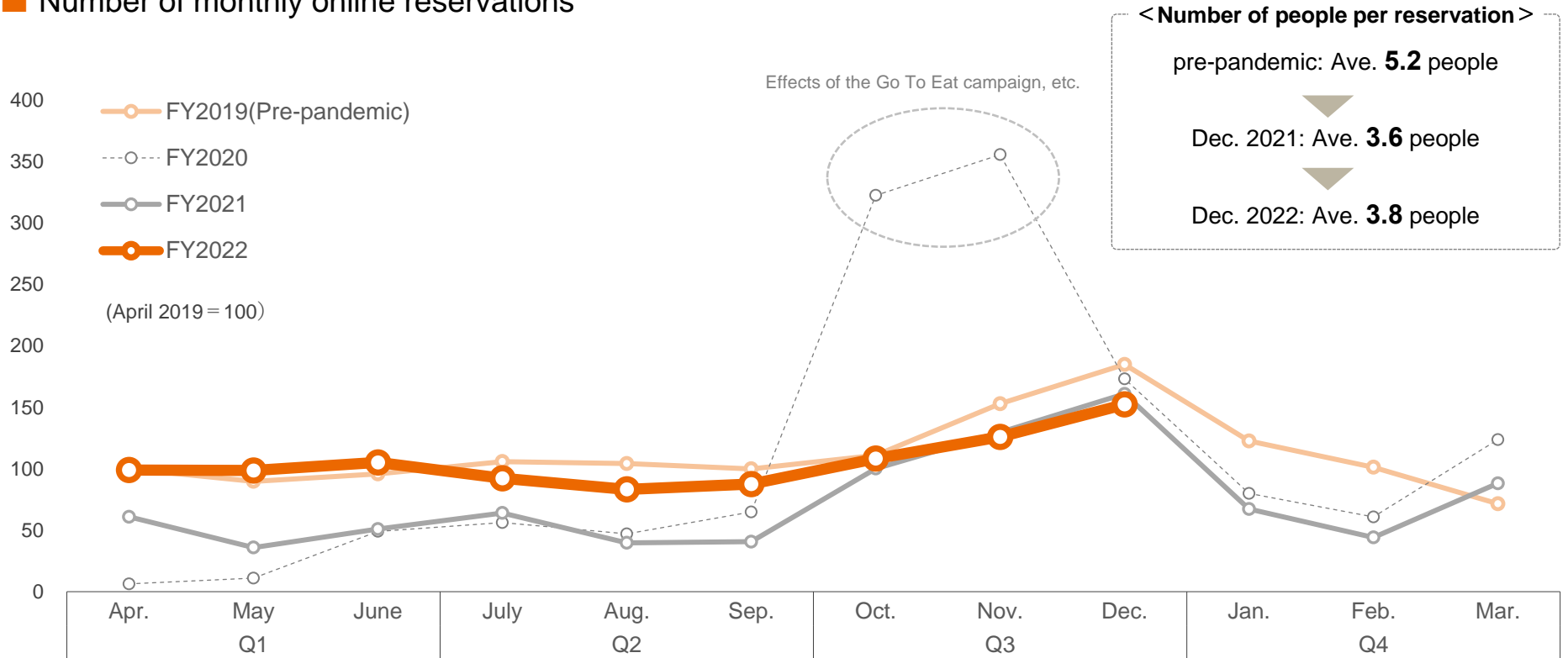


“Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) have been applied from the beginning of the fiscal year 2021. There is no change in presentation to the figures for previous years.

Online reservations (1)

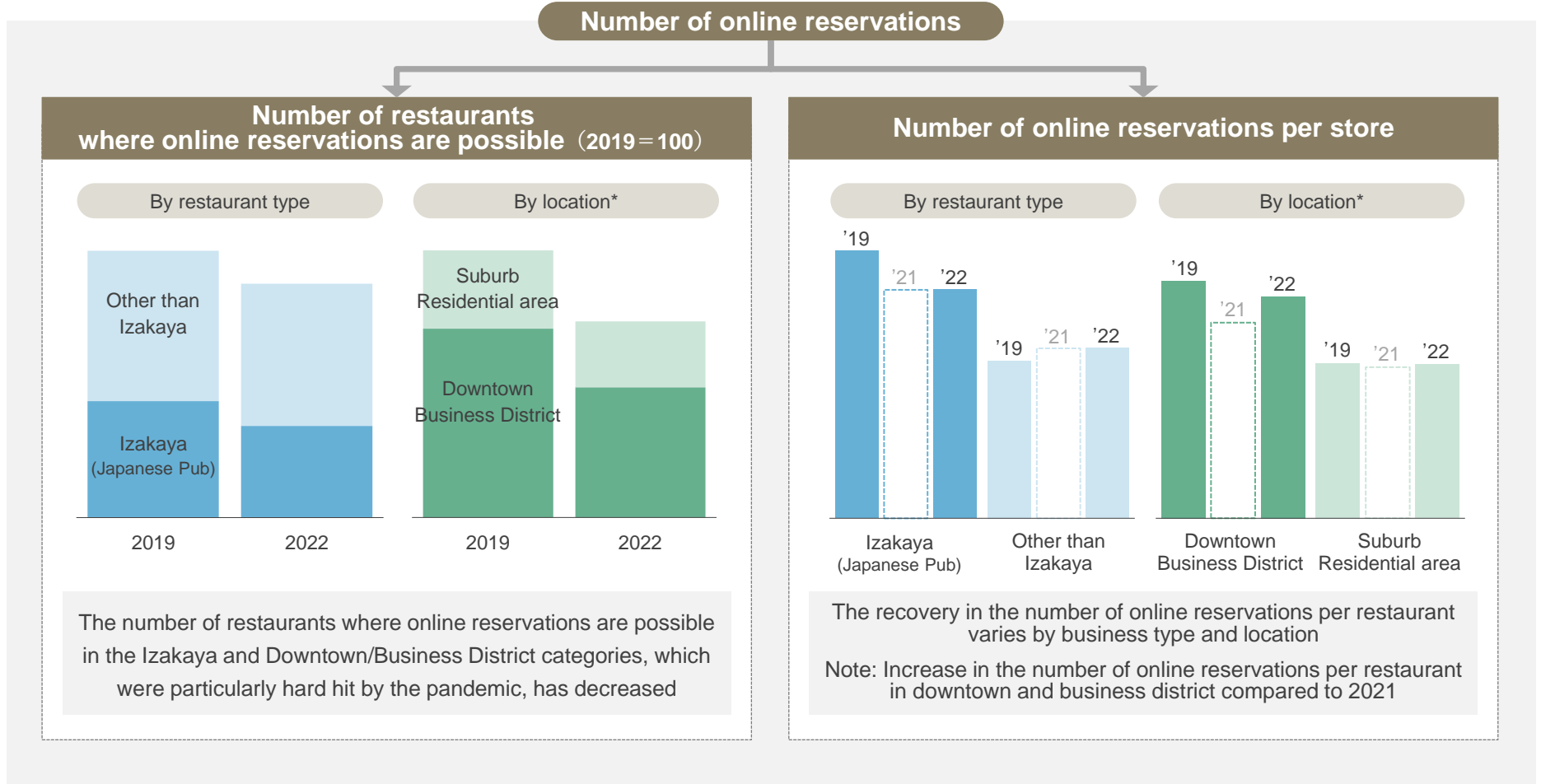
- ✓ The number of reservations in December was 82% of that in December 2019 (before the pandemic)
- ✓ The number of people per reservation is still small

Number of monthly online reservations



Online reservations (2)

- The number of reservations in December compared to pre-pandemic



* Aggregated based on member restaurants in Tokyo

Online reservations (3)

Campaign to promote online reservations was effective

Increased points granted for online reservation

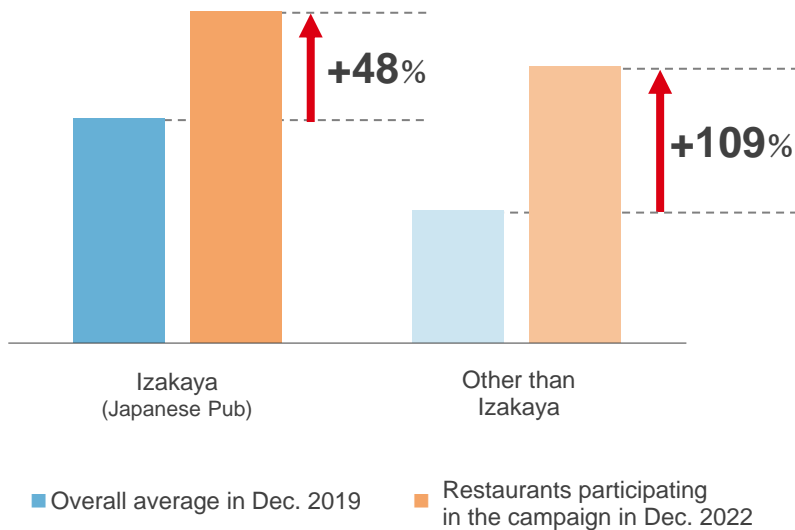


Distribution of coupons available for online reservations

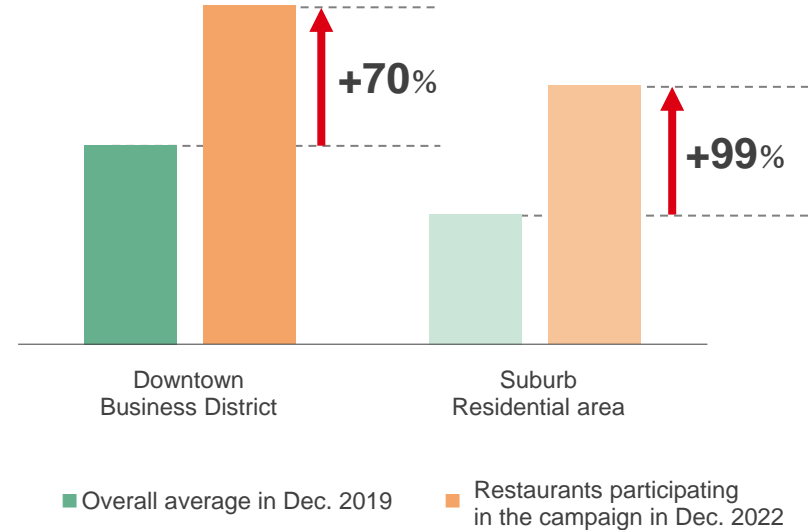


Number of online reservations per store

By restaurant type



By location*



* Aggregated based on member restaurants in Tokyo

Number of paying member restaurants and ARPU (Cumulative retained services)

Sales activity policy:

Focus on proposals for membership plan upgrades and support, for existing member restaurants

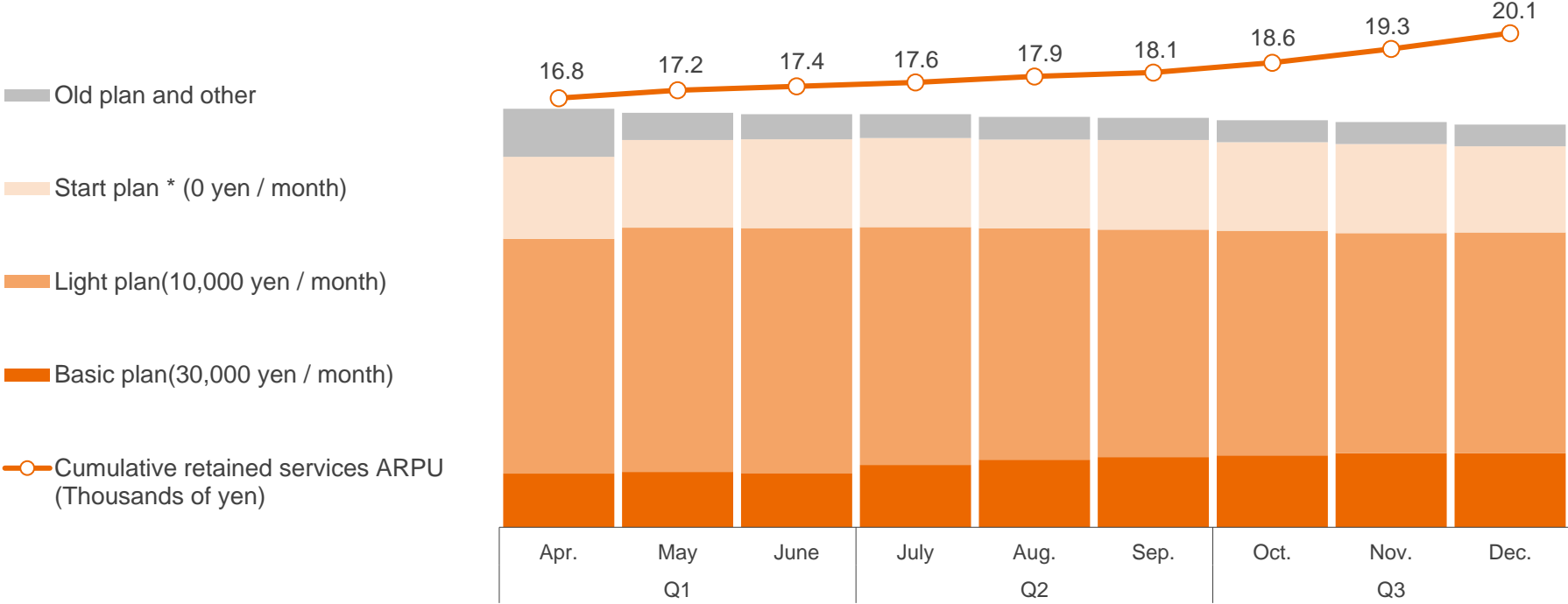
- ✓ Number of member restaurants and ARPU progressed as expected

No. of member restaurants

Slight decrease due to weak new acquisitions, although the number of contract cancellations remained low

ARPU

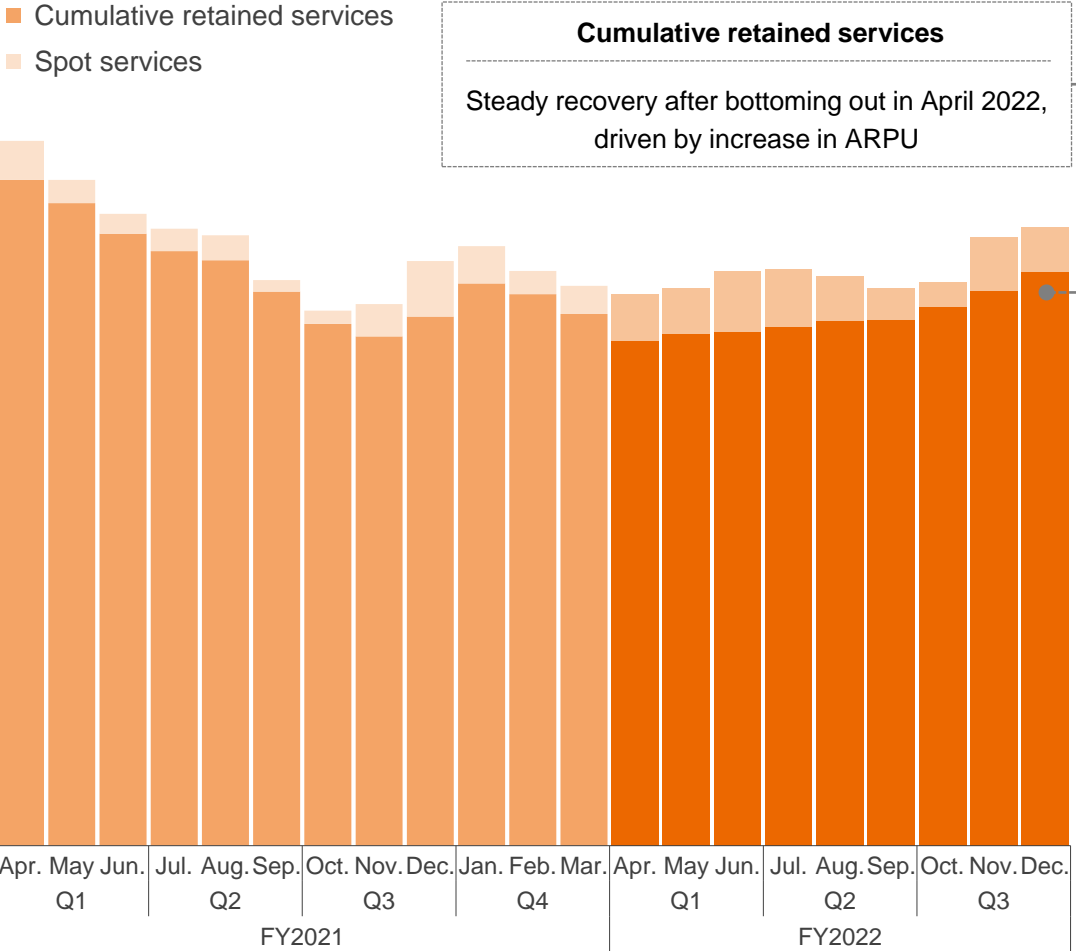
Increased due to increase in the number of basic plan stores



* Only restaurants that posted online reservations / bought optional services

Graph excluding delivery/takeout business

Monthly change in sales of promotional products for restaurants



Concerns

Slow recovery in demand for dining out in Izakaya and Downtown/Business District category, where promotional products tend to actively be used



Stimulate demand for dining out

Implement and promote participation in point and coupon campaigns for the welcome and farewell party season

Aim to raise the level of cumulative retained service sales by curbing contract reduction/cancellation

* Excluding online reservation commission sales and delivery/takeout service sales

Consolidated cost breakdown

(JPY million)	Q3 FY2021 (Apr.-Dec.)	Q3 FY2022 (Apr.-Dec.)	YoY
Total cost	13,047	11,003	(15.7)%
Cost of sales	4,050	3,691	(8.9)%
SG&A	8,997	7,311	(18.7)%
Personnel expenses	5,255	4,518	(14.0)%
Rent expenses	985	805	(18.3)%
Business consignment expenses	1,120	705	(37.0)%
Advertising and promotion expenses	537	350	(34.9)%
Other	1,097	931	(15.1)%

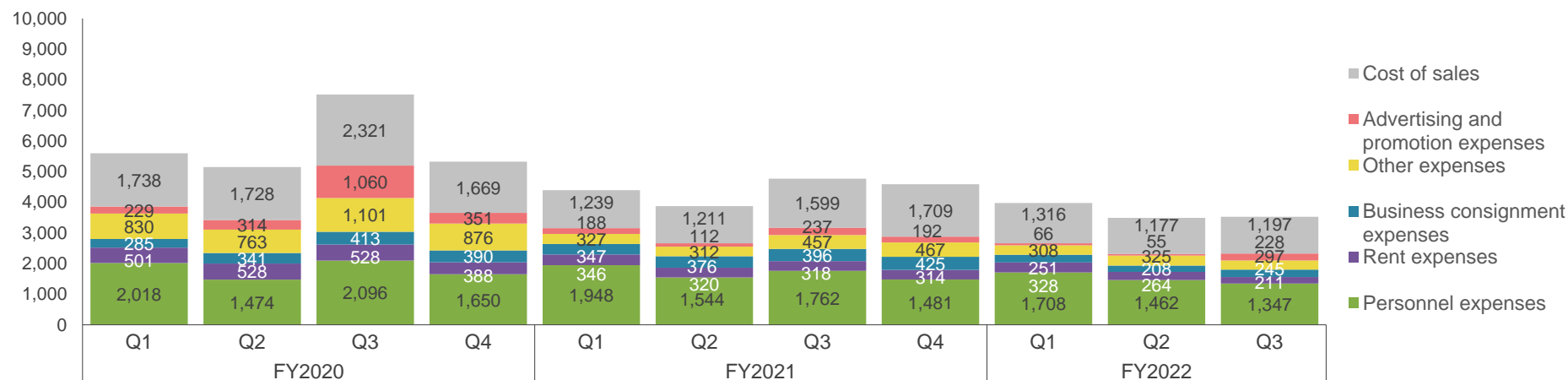
Cost of Sales

- ✓ Labor costs decreased due to a decrease in the number of employees with a natural attrition and restrictive new employment due to severe business performance caused by the pandemic and an increase in secondment to partner companies

SG&A

- ✓ Personnel expenses
 - Decreased for the same reason as cost of sales
- ✓ Business consignment expenses
 - Reduced due to focus on key services
- ✓ Advertising and promotion expenses
 - Reduced advertising costs related to the promotion of online reservations through marketing that utilizes online reservation coupons
 - In addition, sales promotion expenses were reduced by focusing on key services

(JPY million)



Consolidated balance sheets

✓ In August 2022, raised 2.2 billion yen from subordinated capital loan

(JPY million)	As of Mar. 31, 2022	As of Dec. 31, 2022	Change	(JPY million)	As of Mar. 31, 2022	As of Dec. 31, 2022	Change
Total current assets	10,691	11,724	1,032	Total current liabilities	3,134	3,748	613
Cash and deposits *	6,962	7,965	1,002	Accounts payable- other	1,302	1,145	(157)
Notes and accounts receivable-trade	2,661	2,495	(165)	Deposits received *	1,040	1,832	792
Accounts receivable- other	740	846	106	Income taxes payable	34	16	(17)
Prepaid expenses	379	401	21	Provision for bonuses	239	215	(23)
Allowance for doubtful accounts	(139)	(75)	63	Provision for point card certificates	19	14	(5)
Other	87	91	3	Other	498	523	24
Total non-current assets	1,415	1,556	140	Total non-current liabilities	121	2,424	2,302
Property, plant and equipment	-	303	303	Long-term borrowings	-	2,200	2,200
Intangible assets	-	301	301	Other	121	224	102
Investments and other assets	1,415	950	(464)	Total liabilities	3,255	6,172	2,916
				Total net assets	8,851	7,108	(1,743)
				Equity	8,767	7,030	(1,737)
Total assets	12,107	13,281	1,173	Total liabilities and net assets	12,107	13,281	1,173

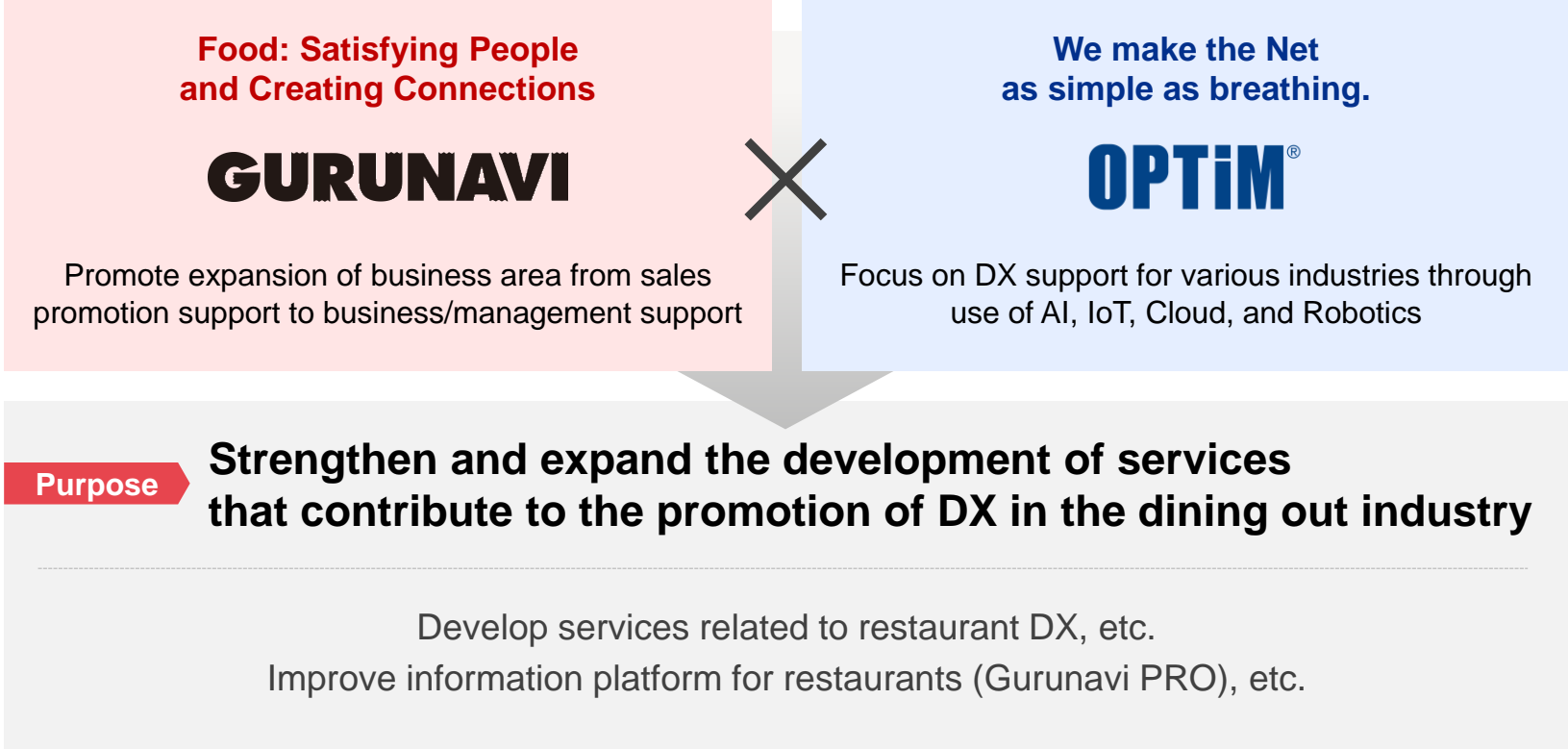
Total amount of commitment line contract as of Dec. 31, 2022 JPY 4 billion
(Outstanding borrowing balance —)

* Recorded for cash and deposits and deposits received related to the operation of the contracted business from the Ministry of Agriculture, Forestry and Fisheries (Go To Eat campaign) (At the end of March 2022 : 873 million yen each, At the end of December 2022 : 1,623 million yen each)

Progress in strengthening measures

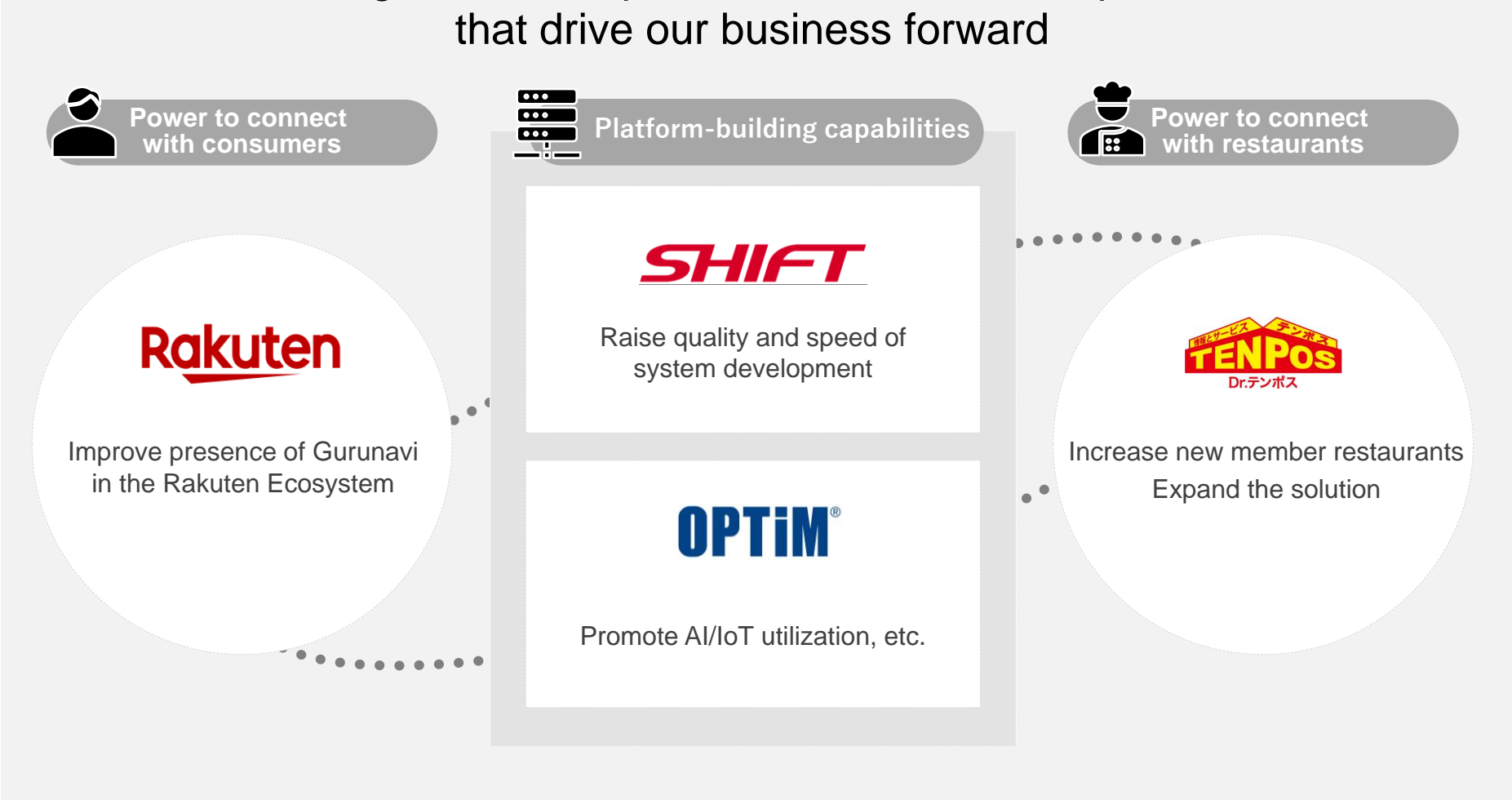
Strengthen and expand the cooperative structure

Concluded Capital and Business Alliance agreement with OPTiM Corporation
(Dated December 21, 2022)



Strengthen and expand the cooperative structure

Strengthen and expand the three essential powers that drive our business forward



Mobile ordering service “Gurunavi FineOrder” ①

TOPICS

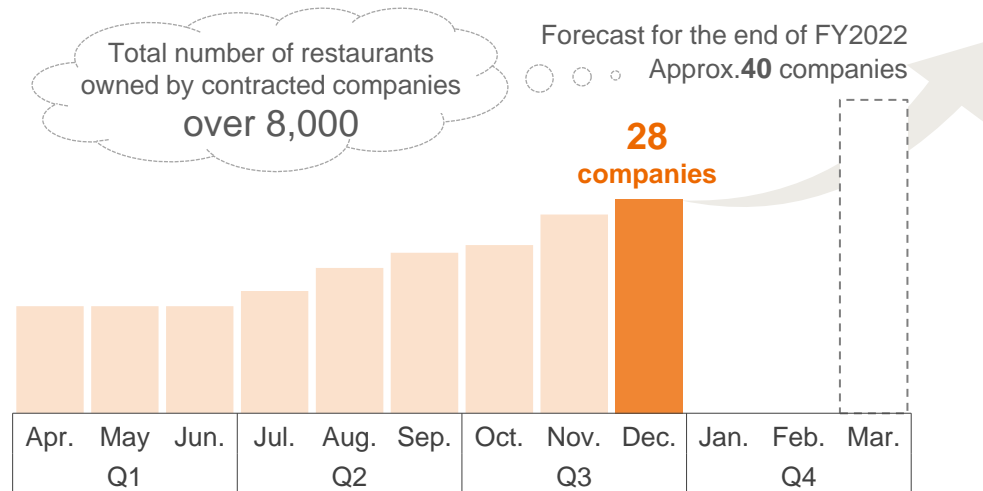
Service partnerships

- ✓ As part of the enhancement of sales promotion functions, began partnership with the LINE MINI App
- ✓ In addition to the two major PC POS cash registers, began partnership with NEC Mobile POS

Expansion of no. of restaurants using our service

- ✓ System to be introduced by Chimney Co. about 100 restaurants nationwide
Note: Several companies have confirmed their intention to expand the system group-wide based on the results of the first restaurants to introduce the system

Number of contracted companies **Progressing as planned**



- 1 Develop long-term opportunities with chain businesses
- 2 Develop business opportunities in take-out
- 3 Develop business opportunities with small-to-medium restaurants

Aim to become the de facto standard

Mobile ordering service “Gurunavi FineOrder” ②

Demonstrate the effect of labor saving and increase of average customer spend

Successful case 1

Maximize seat utilization
while reducing floor staff by 30-40%

Before introduction

Only 100 seats in operation

50 seats
Non-operating

Operated by 6-7 people



After introduction

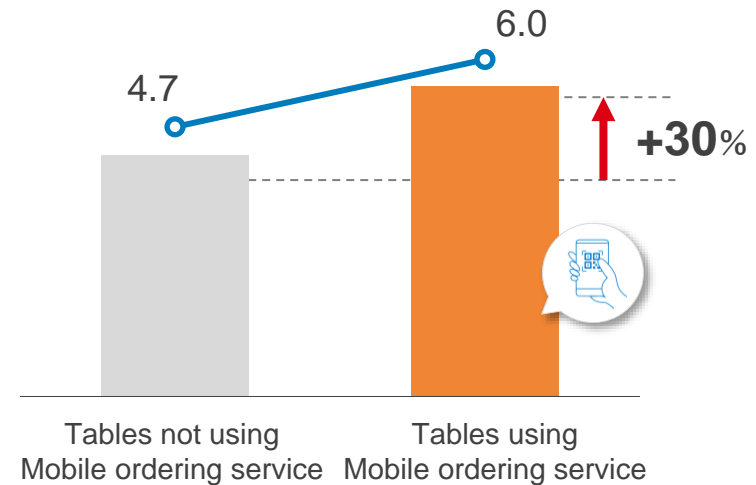
All 150 seats in operation

Can be operated by 4 people



Successful case 2

Increased average customer spend due to an increase in
the number of items ordered per customer



— Average customer spend

— Number of items ordered per customer

Mobile ordering service “Gurunavi FineOrder” ③

Aiming for services that are effective not only for improve operational efficiency but also for sales expansion



Aiming for sustainable development of Japanese food culture

– Initiatives in the third quarter –

Towards Carbon Neutrality in 2050

Selected for NEDO Green Innovation Fund Project

Implementation Structure

Gurunavi Inc., National Federation of Agricultural Cooperative Associations, Katakura & Co-op Agri Corporation., YANMAR ENERGY SYSTEM CO., LTD., The National Agriculture and Food Research Organization

Project Period

FY 2022-FY 2030 (9 years)

Establishing scheme to manufacture/apply high-performance biochar using agricultural byproducts

Main Objectives

- ✓ Reduce costs of biochar manufacture and application
- ✓ Develop high-performance biochar to improve crop yields
- ✓ Improve profitability of biochar farming through visualization of environmental values such as creating agricultural products that contribute to greenhouse gas reduction
- ✓ Create CO₂ emission credits

Keeping a record of, preserving and handing down the best of Japanese food culture as part of humanity's shared heritage

Announced “2022 Japan’s Dish of the Year ”

Overview

- ✓ The dish was determined through the processes of utilizing food-related big data held by Gurunavi, a survey of Gurunavi members, and screening by media personnel, as a dish deeply reflective of the year’s societal trends
- ✓ Disseminating Japan’s excellent food culture home and abroad



< Spirit >

Protecting and nurturing Japanese food culture

< Purpose >

Food: Satisfying People and Creating Connections

< Mid term vision >

Evolve into management support company for restaurants

Reference materials

Business forecast

(JPY million)	FY2021 result	FY2022	
		Q3 result	Full year forecast
Net sales	12,852	8,956	12,800
Operating loss	(4,786)	(2,046)	(2,550)
Ordinary loss	(4,692)	(1,996)	(2,550)
Net loss attributable to owners of parent	(5,768)	(1,918)	(2,400)

Initiatives for Sustainability

For "food," "people," and "society" to continue to prosper

<https://corporate.gnavi.co.jp/en/profile/sustainability/>



New membership plan *launched in September 2021

- ✓ Set up a new plan with a lighter monthly fixed cost burden compared to the previous plan
 - ✓ For restaurants that do not require sales promotion support, such as thriving restaurants, online reservation functions and business support products are provided independently
- Increase the number of member restaurants and the possibility to reallocate resources to new businesses through the expansion of target restaurants, reduction of churn rate and associated improvement in operational efficiency

■ Sales promotional plan (that requires published restaurant page)

	Basic Plan	Light Plan	Start Plan
Basic membership fee	30,000 yen / month	10,000 yen / month	0 yen / month
Assigned sales contact	○	×	×
Online reservation commission	Different fee options available Lunch: 11-41 yen / person; Dinner: 55-205 yen / person		Fixed fee Lunch: 41 yen / person; Dinner: 205 yen / person
Gurunavi Ledger (App version)	○	○	×
Use of coupons	○	○	×
Enhanced exposure (publication on special pages and advertising spaces)	○	×	×
+			
Purchase of optional services available (exposure enhancement, outsourced services, in-store digitalization, management support, etc.)			

- Non-member sales promotional plan (no restaurant page) include the purchase options of in-store digitalization / management support / outsourced services, etc.

Number of member restaurants

FY2022 Q3

Number of total paying member restaurants

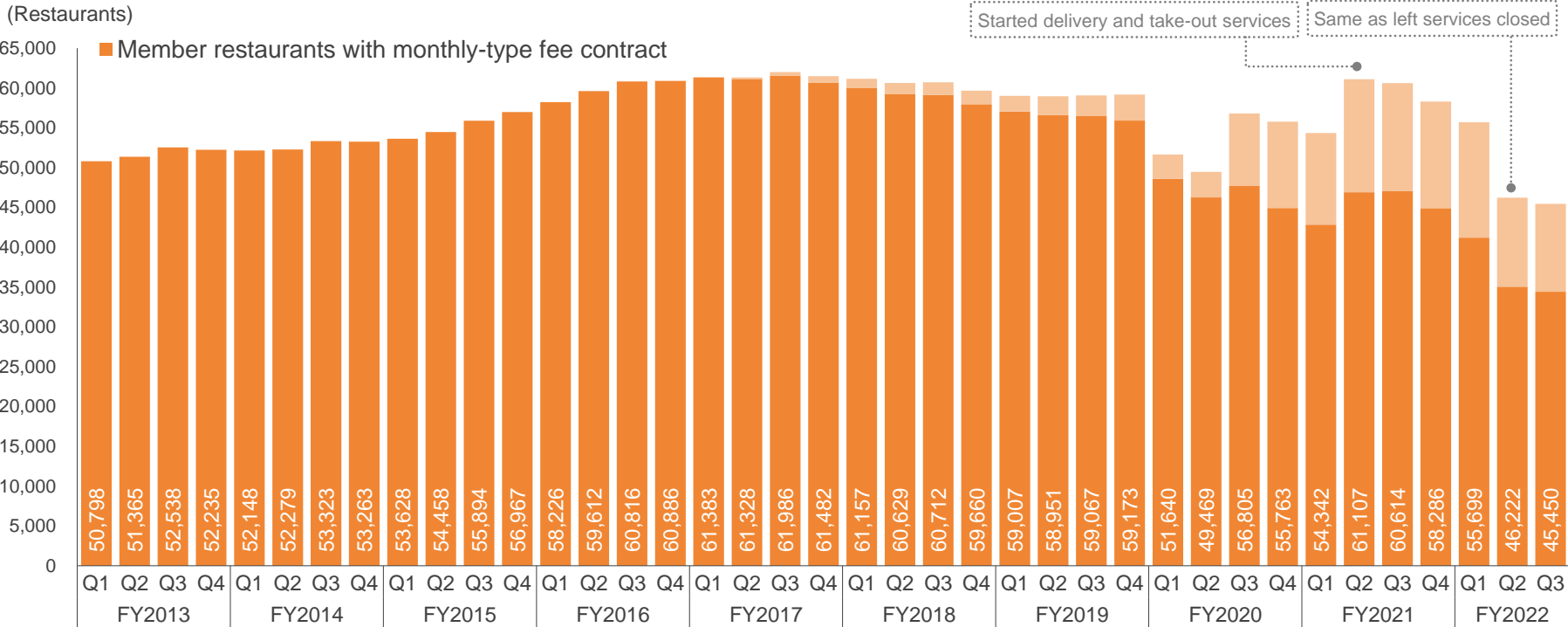
45,450

at the end of December 2022
down by 15,164 from the end of December 2021

Member restaurants with monthly-type fee contract

34,406

at the end of December 2022
down by 12,644 from the end of December 2021



*The numbers in the graph are the number of total paying member restaurants

User reach

■ Number of Rakuten ID connected members : **6.67 million**

(At the end of Dec. 2022; 5.28 million at the end of Dec. 2021)

■ Number of Gurunavi members : **23.53 million**

(As of Jan. 1, 2023; 22.04 million members as of Jan. 1, 2022)

■ Unique user per month : **38.00 million**

(In Dec. 2022; 41.00 million users in Dec. 2021)

*Unique users per month: Based on browser count

*Gurunavi member: An individual who has registered for membership at Gurunavi

Quarterly sales data (consolidated)

Net sales (Unit: JPY million)			FY2019				FY2020				FY2021				FY2022		
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Cumulative retained services	a	6,014	5,978	6,093	5,823	1,350	3,148	3,250	2,730	2,320	2,131	1,928	2,030	1,891	1,896	2,015	
Spot services	b	967	1,021	1,511	995	125	412	1,750	515	260	369	681	268	376	268	266	
Restaurant promotion services	c= a+b	6,982	6,999	7,605	6,819	1,475	3,561	5,000	3,245	2,581	2,501	2,610	2,299	2,267	2,165	2,282	
Promotions	d	118	179	200	293	133	317	1,033	653	218	208	493	440	225	317	347	
Core businesses total	e= c+d	7,100	7,178	7,805	7,113	1,608	3,879	6,033	3,899	2,799	2,709	3,104	2,739	2,493	2,482	2,630	
Related businesses	f	451	433	461	382	174	160	184	239	235	360	354	548	459	429	461	
Total	g= e+f	7,551	7,611	8,267	7,495	1,783	4,040	6,217	4,139	3,034	3,070	3,458	3,288	2,953	2,911	3,091	

(Unit: JPY)			FY2019				FY2020				FY2021				FY2022		
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Restaurant promotion services revenue per restaurant(ARPU)	h*1	39,227	39,557	42,961	38,449	8,878	23,486	31,367	19,224	15,628	14,442	14,298	12,892	13,263	14,164	16,600	
Cumulative retained services revenue per restaurant(ARPU)	i*2	34,872	35,071	35,924	34,547	8,617	22,136	23,064	19,657	17,631	15,838	13,687	14,724	14,646	16,585	19,347	

*1) Sum of sales of cumulative retained services and those of spot services divided by the average of number of total paying member restaurants at previous and current quarter-end $h=2/3 \cdot c / (j+1+j)$

*2) Sales of cumulative retained services divided by the average of number of member restaurants with monthly-type fee contract at previous and current quarter-end $i=2/3 \cdot a / (k+1+k)$

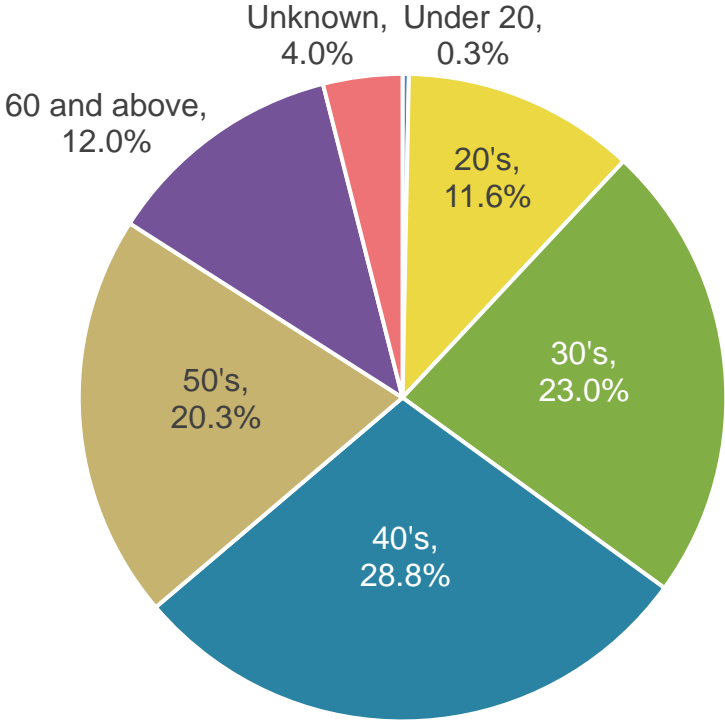
The deviation from figures disclosed before the first quarter of fiscal year 2021 is due to a recalculation based on the number of member restaurants with monthly-type fee contract defined in Note 3)

Number of member restaurants (Unit: restaurants)			FY2019				FY2020				FY2021				FY2022		
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Total paying member restaurants	j	59,007	58,951	59,067	59,173	51,640	49,469	56,805	55,763	54,342	61,107	60,614	58,286	55,699	46,222	45,450	
Member restaurants with monthly-type fee contract	k*3	57,027	56,612	56,469	55,910	48,580	46,256	47,694	44,917	42,830	46,904	47,050	44,906	41,195	35,052	34,406	

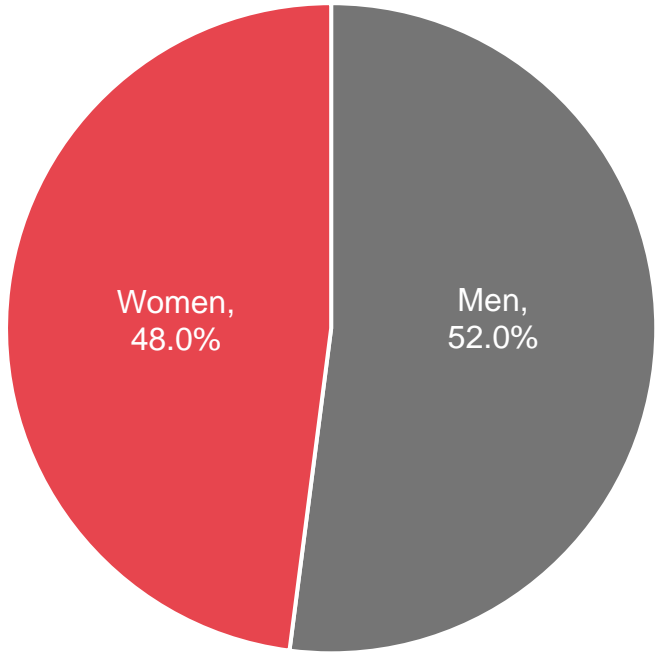
*3) Restaurants using the fixed monthly fee service (regardless of whether they have a paid listing contract on the Gurunavi site)

User overview

Users by age group



User composition by gender

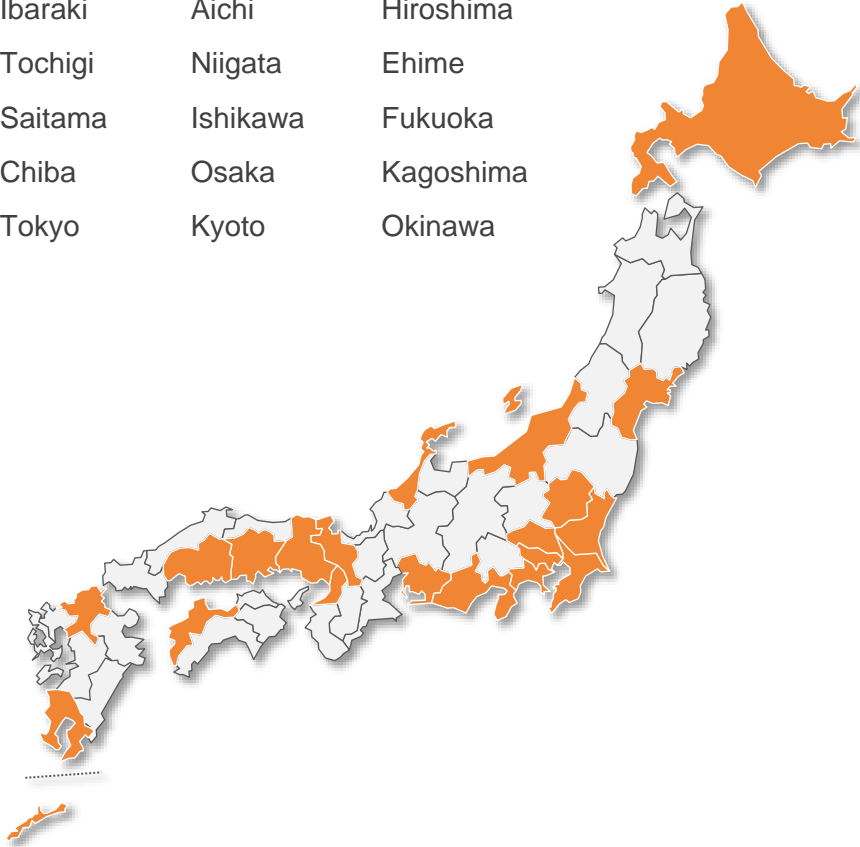


Source: Gurunavi member data (In December 2022)

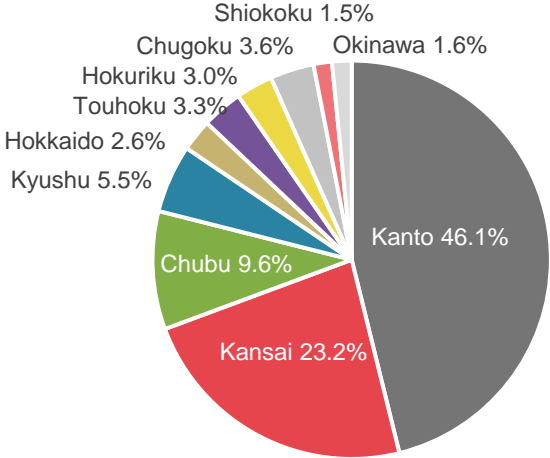
Regional expansion and member restaurants

Area with our sales staff (21 prefectures)

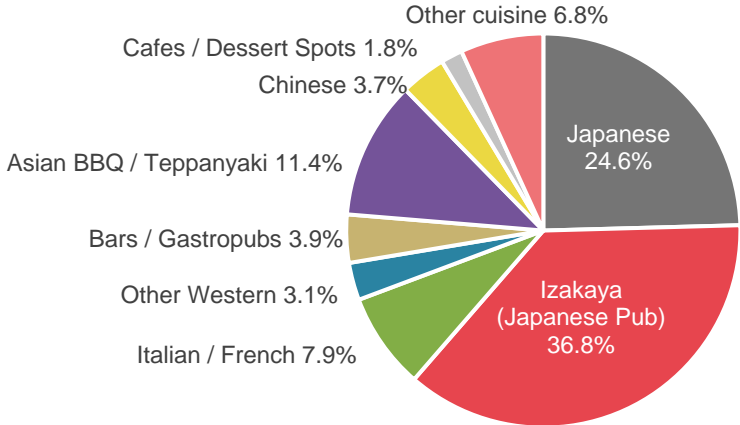
- | | | |
|----------|----------|-----------|
| Hokkaido | Kanagawa | Hyogo |
| Miyagi | Shizuoka | Okayama |
| Ibaraki | Aichi | Hiroshima |
| Tochigi | Niigata | Ehime |
| Saitama | Ishikawa | Fukuoka |
| Chiba | Osaka | Kagoshima |
| Tokyo | Kyoto | Okinawa |



Percentage of member restaurants (paid) by region



Percentage of member restaurants (paid) by restaurant type

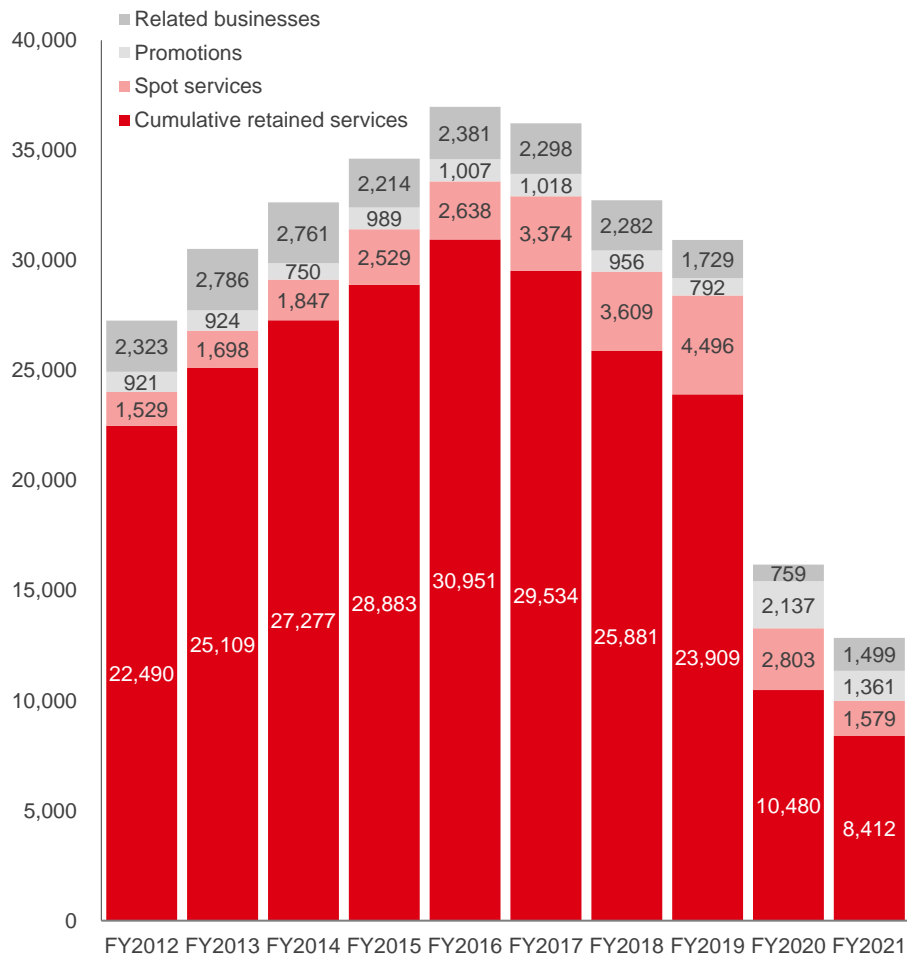


* In December 2022

Sales and costs & expenses

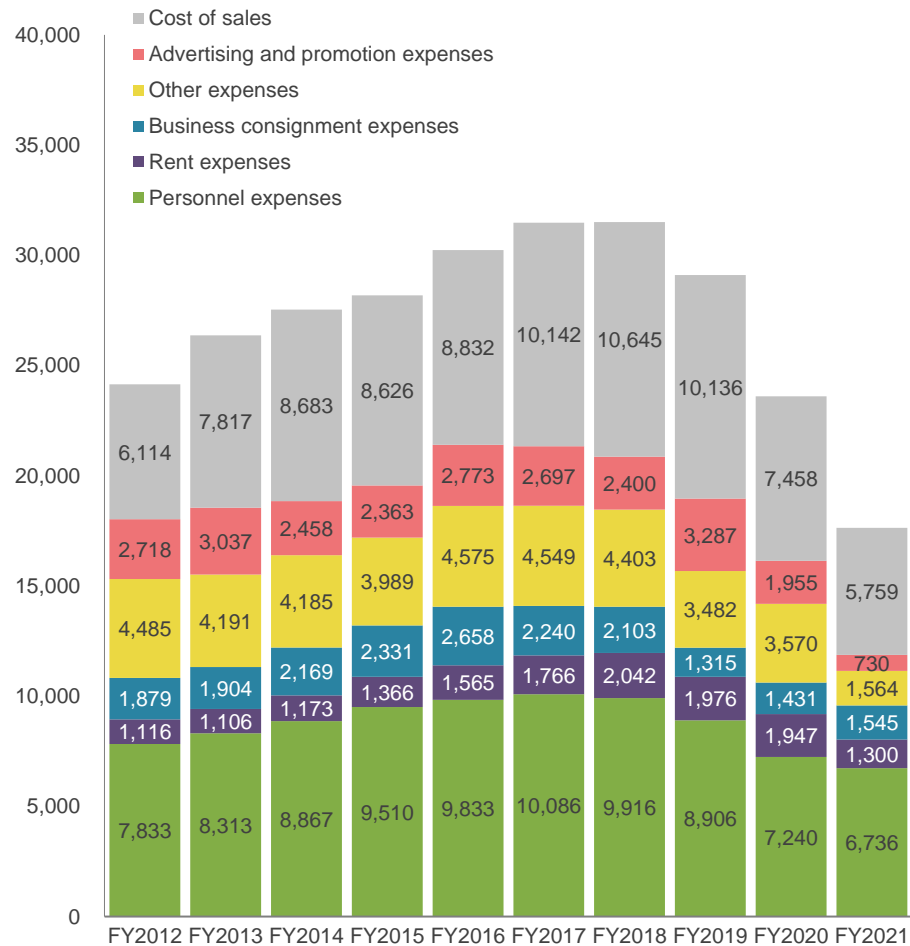
Sales

(Million yen)



Costs & Expenses

(Million yen)



Historical data (consolidated)

(Unit: JPY million)	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Consolidated business results										
Net sales	27,265	30,518	32,636	34,617	36,979	36,226	32,728	30,927	16,181	12,852
Operating income (loss) *1	3,116	4,147	5,099	6,429	6,740	4,742	1,216	1,821	(7,423)	(4,786)
Ordinary income (loss)	3,153	4,167	5,127	6,492	6,813	4,809	1,289	1,894	(7,269)	(4,692)
Net income (loss)	1,959	2,420	3,279	4,367	4,799	3,192	581	949	(9,704)	(5,768)
Assets • Liabilities • Net assets										
Total assets	19,103	22,071	23,665	27,322	23,917	25,457	23,797	23,979	13,567	12,107
Cash and deposits	7,399	9,448	10,492	13,131	7,922	8,000	7,630	11,653	7,507	6,962
Liabilities	5,005	5,926	6,201	7,026	5,878	6,270	5,093	4,709	4,192	3,255
Net assets	14,098	16,145	17,464	20,296	18,038	19,186	18,704	19,270	9,375	8,851
Equity	14,042	16,099	17,427	20,266	18,013	19,166	18,662	19,211	9,290	8,767
Per share data										
Earnings per (loss) share(JPY) *2	40.15	49.56	67.26	90.19	102.25	68.27	12.42	20.26	(206.90)	(114.46)
Dividends per share(JPY) *2	10	15	28	38	42	44	8	8	-	-
Other										
Operating margin(%)	11.4	13.6	15.6	18.6	18.2	13.1	3.7	5.9	-	-
Return on equity(%)	14.7	16.1	19.6	23.2	25.1	17.2	3.1	5.0	-	-
Return on assets(%)	10.9	11.8	14.3	17.1	18.7	12.9	2.4	4.0	-	-
Payout ratio(%)	24.9	30.3	41.6	42.1	41.1	64.5	64.4	39.5	-	-
Shareholders' equity ratio(%)	73.5	72.9	73.6	74.2	75.3	75.3	78.4	80.1	68.5	72.4
Number of shares of treasury stock	1,585,400	1,503,649	266,059	216,459	1,924,559	1,892,159	1,839,162	1,806,562	1,757,262	1,128,462
Total paying member restaurants	50,310	52,235	53,263	56,967	60,886	61,482	59,660	59,173	55,763	58,286

*1: The credit commitment fee payable to financial institutions, previously included in the "payment fee" under selling, general and administrative expenses, is separated to the "commitment fee" under non-operating expenses from the fiscal year 2020.

There is no change in presentation to the figures for previous years.

*2: Gurunavi implemented a 2-to-1 split on April 1, 2014. Calculated on the assumption that these share split were conducted at the beginning of the fiscal year 2012 (April 1, 2012).

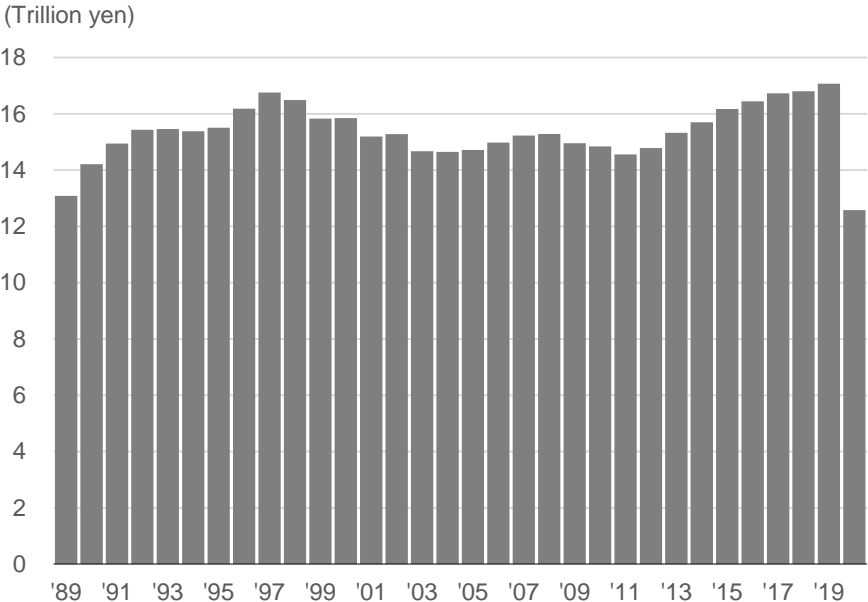
Business Environment

Number of restaurants

490 thousand outlets in 2016 (peaked at 650 thousand outlets in 1986)

*Sources: 1986 Business Census; 2016 Economic Census for Business Activity
 *Institutional meals, bars, and night clubs are excluded.

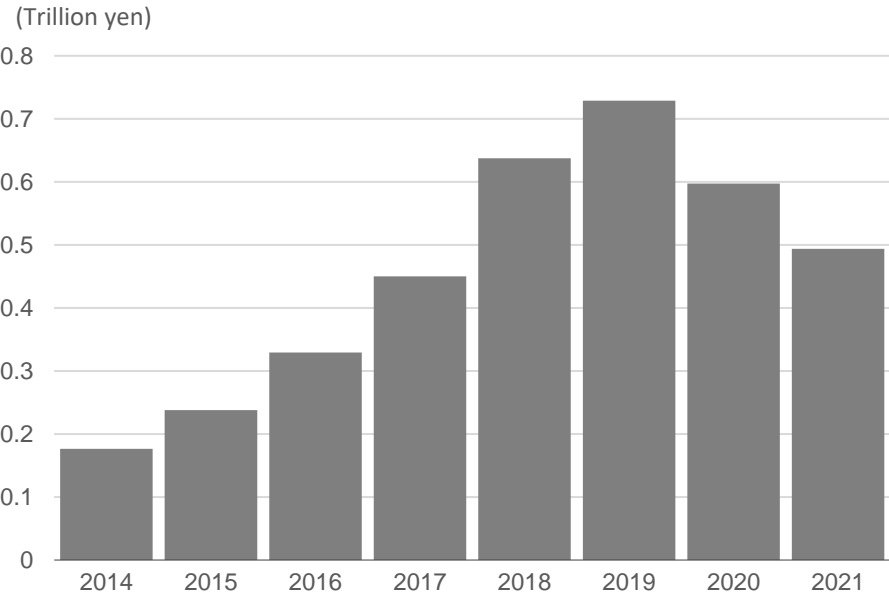
Market size of the Japanese restaurant industry



*Source: Food Industry Research Institute; Size of restaurant market
 *Institutional meals, bars, and night clubs are excluded.

12.6 trillion yen in 2020, 26% decrease year on year

Market size of online reservation in restaurant



*The Ministry of Economy, FY2021 E-Commerce Market Survey

17% decrease year on year in 2021

Company profile as of the end of December 2022

Name	Gurunavi, Inc. (stock code: 2440)
Establishment	October 2, 1989 (incorporated) February 29, 2000 (Gurunavi, Inc. established)
Head office	1-1-2 Yurakucho, Chiyoda-ku, Tokyo
Capital	100 million yen
Number of shares issued	Common shares: 56,124,500 Class A preferred shares: 3,400,000
Business description	Web-based information provision relating to restaurants etc. using the platform of PC and smartphones etc. Provision of support service associated with the management of restaurants etc. and other related business
Directors	Chairman and Director : Hisao Taki President and Representative Director : Akio Sugihara Outside Directors : Koichi Tsukihara (Independent Director), Hidehiko Sato (Independent Director), Hirohisa Fujiwara (Independent Director), Kazunori Takeda, Yui Ono
Top 10 shareholders (as of September 30, 2022)	Rakuten Group, Inc. 16.9%, Hisao Taki 12.9%, The Master Trust Bank of Japan, Ltd. (Trust account) 7.0%, SHIFT Inc. 4.1%, Japan Traffic Culture Association 3.4%, Akio Sugihara 2.3%, Odakyu Electric Railway Co., Ltd. 2.1%, Tokyo Metro Co., Ltd. 1.8%, Hiroko Taki 1.5%, BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC) 1.4% *The ratio of shareholding is calculated based on the total number of shares issued after deduction of treasury stock (1,128,462 shares).
Number of total personnel	Non-consolidated : 1,161 Consolidated : 1,372
Consolidated subsidiaries	Gurunavi Promotion Community, Inc. (100%), Gurunavi (Shanghai), Inc. (100%) Gurunavi Research Institute, Inc. (100%), Gurunavi Support Associe, Inc. (100%), G dining Inc. (100%)



Company information

<https://corporate.gnavi.co.jp/en/>

Gurunavi IR contact information

<https://ssl.gnavi.co.jp/company/english/contact/>

Disclaimer

This document is not intended for offering investments in the securities issued by the Company. The document has been prepared based on data available at the end of December 2022. The views and forecasts included in the document reflect judgments of the Company when the document was prepared.

The Company will not guarantee or ensure the accuracy and completeness of the information, which may be changed without prior notice.