



Supplementary Documentation to the financial report for the third quarter of the fiscal year ending March 2023

February 14, 2023

Eyes to the all machines

- **Progressing toward business development and project delivery from this fiscal year into next fiscal year, based on the accumulation of projects and progress in customer commercialization in 1Q and 2Q**
- **Business opportunities in the next-generation mapping market, one of our focus areas, are expanding, and we are also planting seeds for the next fiscal year**
 - In the mobile mapping area, where customer commercialization projects have been realized, verification of product and solution is progressing and activities towards product deployment is gaining momentum
 - Launched development kits that facilitate development and test operation of customer products as priming for further expansion of customer commercialization in the future
- **Completed implementation of the world's first hybrid technology (direct/indirect approach) as a commercial technology, which is expected to contribute to the expansion of the customer base from the next fiscal year and onward by improving the basic performance**
 - Technology provision for European autonomous driving projects and major telecom projects in Japan is progressing

Performance overview



- Achieved net sales of 223 million yen, up from the same quarter of the previous year, due to an increase in the number and scale of evaluation and development projects. The trend that most of the full-year forecasted revenue is recorded in the 4Q has continued in this fiscal year, and the full-year revenue forecast is maintained
- In addition, Kudan received 61 million yen in R&D grant income from the governments in the U.K. and Germany. Since they were government support, they were recorded as non-operating income, not as net sales.
- Cost of sales and SG&A expenses increased from the previous year due to the effect of Artisense consolidation, and also exceeded the forecast due to increased costs at overseas locations due to foreign currency appreciation, accelerated hiring through financing, and cost recording due to the launch of mobile mapping development kit
- The sharp depreciation of the yen has returned to the strong yen, and a large foreign exchange gain of 102 million yen was continuously recorded, although it was smaller than in 2Q

(Unit : million yen)	Performance for 3Q of FY 2022	Performance for 3Q of FY 2023	Forecast for FY2023	Change (from the performance for 3Q of FY22)	Performance For FY2022 (Reference)
Net Sales	181	223	500	23.0%	271
Operating Profit	△330	△477	△350	—	△433
Ordinary Profit (incl. “share of loss of entities accounted for using equity method”)	△698 (△403)	△315	△300	—	△681 (△403)
Profit Attributable to Owners of Parent (incl. impairment losses)	△2,219 (△1,472)	△323	△315	—	△2,237 (△1,474)

Opportunities to provide technology to the next generation mapping market are expanding

- Mobile mapping market is already a market that is up and running, but is expected to grow rapidly
- Kudan's Lidar SLAM adds high value in the mobile mapping market and we are expanding technology offerings

Market trends

Fast-growing market

Kudan's proprietary technology opportunities

Inefficient and costly conventional methods

- The market for creating digital maps and 3D point clouds is expanding with the momentum of "easy," "cheap," and "anywhere"

- Make it possible to achieve super-efficiency in "indoor," "underground," "urban," and "wide-area" that have been difficult to achieve in the past
- Verification of practicality as customer products is also progressing (3Q progress)

Sensor evolution and cost reduction (e.g., Lidar)



Stable increase in existing demand (e.g., infrastructure inspections)



etc.

Emergence and expansion of new demand (DX, digital twin, autonomous driving)

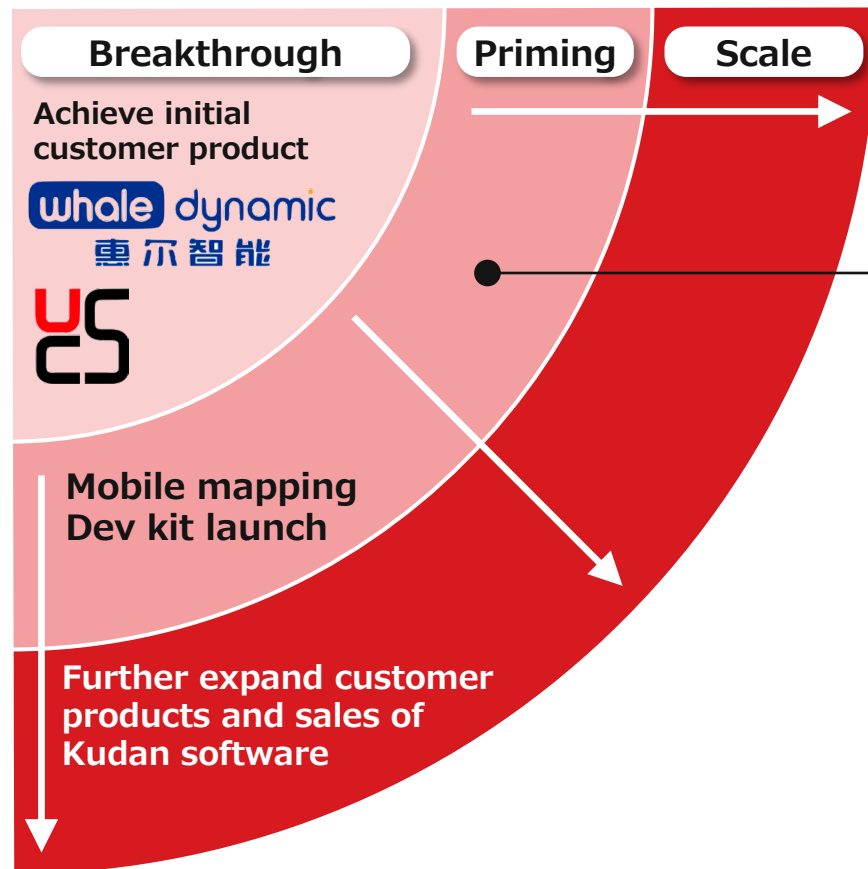
Annual growth rate of 18-20%



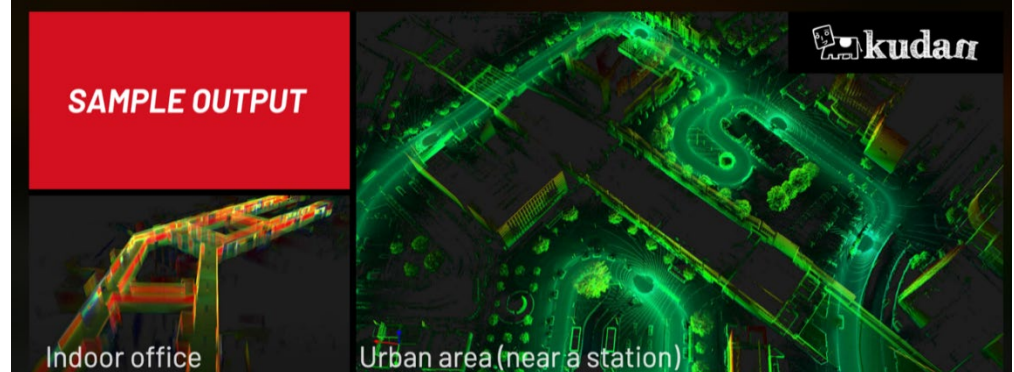
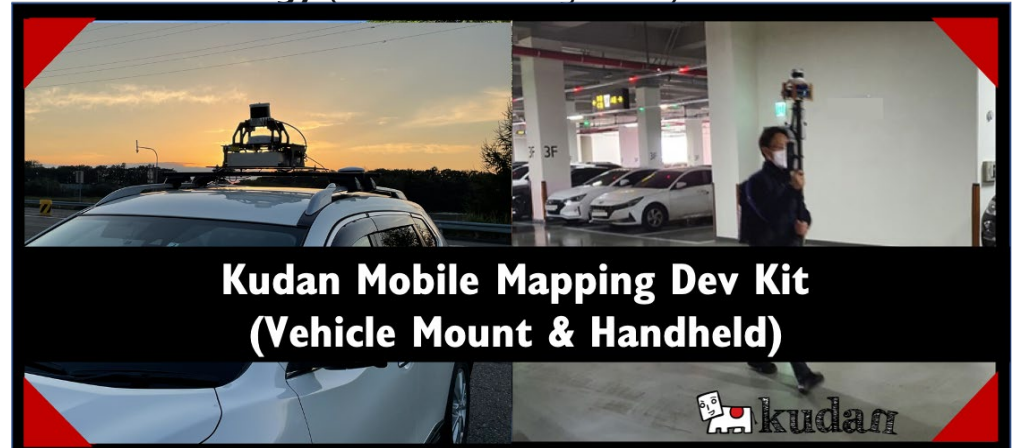
Launched development kits as "priming" to promote customer commercialization

- Launched a development kit that enables to deploy our technological expertise in the market by improving the initial customer products. Aim to accelerate the development speed of customers who are looking to commercialize their products and to attract a wide range of potential customers
- Using this as "priming", we aim to further promote customer commercialization in the mapping area and expand sales of software licenses









Expand business through sales of our development kit



A package that can significantly reduce the time required to develop, test, and operate mapping products using Kudan technology (hardware integration)



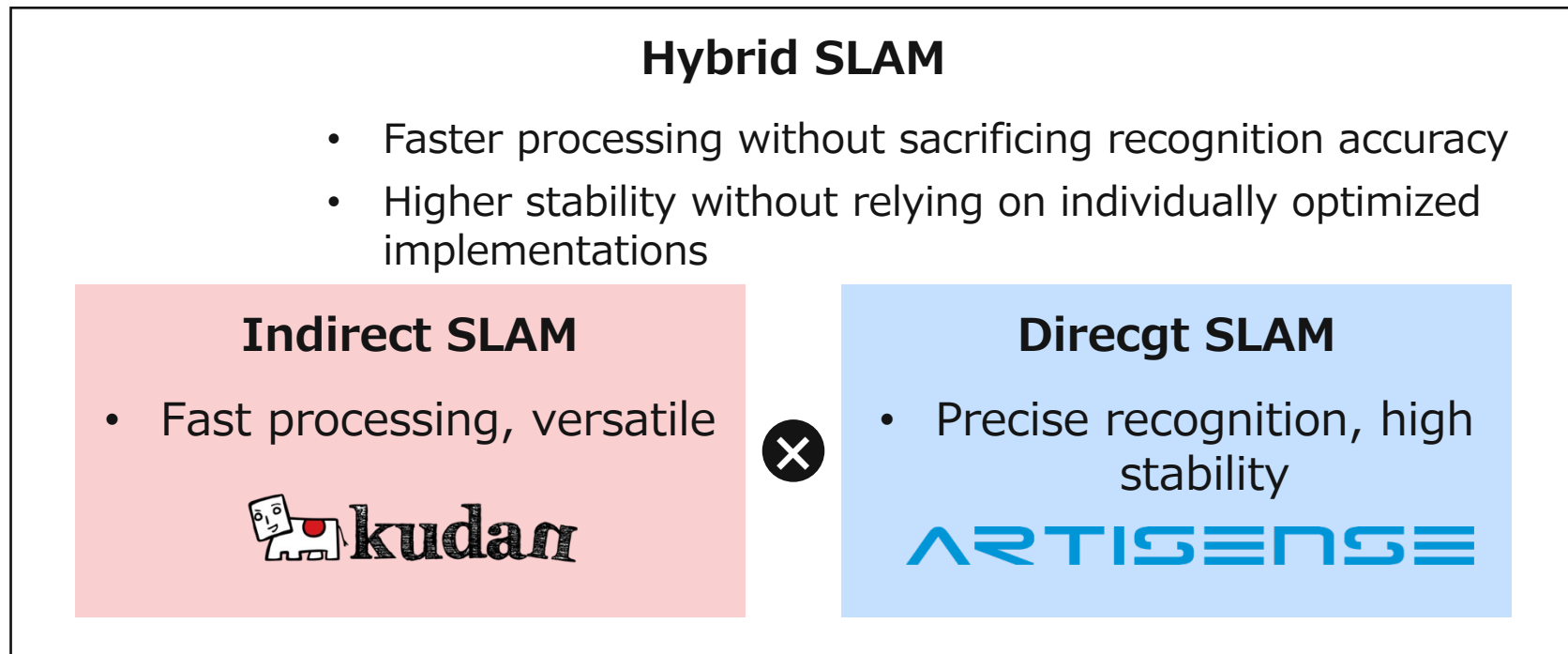
Highlights of projects accumulated for customers' commercialization

	Company	Overview and progress	Commercialization schedule
Robotics	 Robotics-related	Licensing agreement for launch and customer support structure are being finalized	Short-term
	 Major industrial machinery	Initial implementation of spatial location DX solution is complete and user field trials are in progress	Mid-term
	 Robotics-related	Progress in product development of autonomous cleaning robots for industrial use. Enhancement of functions for commercialization are underway	Mid-term
	 Major telecommunication	Implementation of functions for infrastructure for multiple types of autonomous robots was completed, and verification tests are in progress	Mid-term
	 Robotics-related	Developing advanced functionality by installing in autonomous mobile robots for hospitals	Mid-term
Autonomous driving/ ADAS	 TOP5 automotive OEM	Cloud functionality implementation of a large-scale autonomous driving system was completed and user evaluation testing is ongoing.	Mid-term
Mapping	 Major telecommunication	Expanding the scope of the demonstration tests for implementation of smart city map base, and the tests continue to progress	Mid-term
	 Major logistics-related	Started demonstration tests for maintenance of next-generation digital map base	Mid-term

Completed implementation of hybrid technology to contribute to expand customer base



- Succeeded in making the world's first hybrid technology of indirect and direct SLAM as a commercial SLAM technology, and achieved a significant improvement in basic performance by integrating the advantages of both methods
- We have already provided this technology to our customers, and expect it to contribute to the expansion of customer base in the next fiscal year and onward in a wider range of applications, such as outdoor environments and high-speed movement



Examples

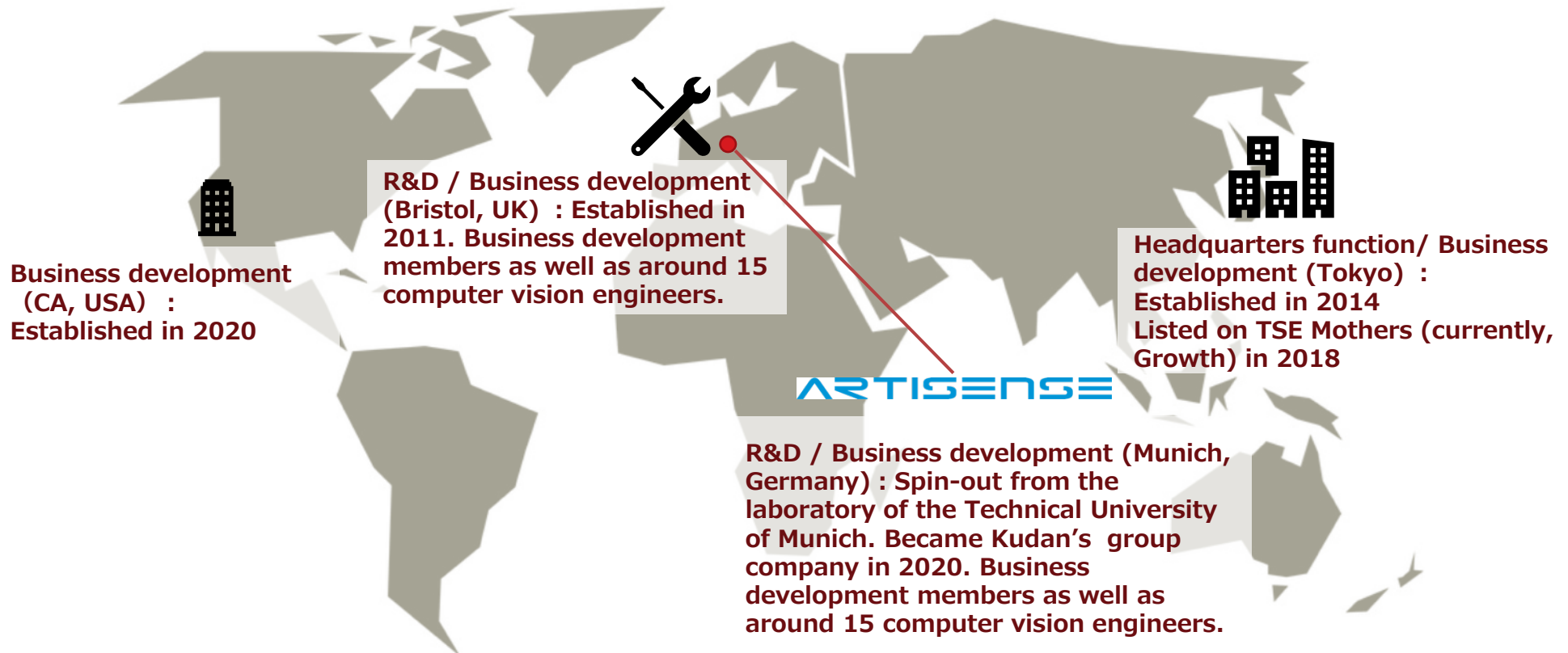
- (Provided) Major Japanese telecom projects
- (To be provided) Major European autonomous driving projects, etc.

Appendix

Company Overview

Company overview

- **Kudan is a research and development company that provides AP (Artificial Perception) algorithms and embedded elemental technologies**, specializing in SLAM as the core, which give vision to computers and robots
- Established in the UK in 2011, and with a R&D team of about 30 people in the UK and Germany, Kudan has developed partnerships and customer projects with top global companies. Promoting business for social implementation of AP technology in all next-generation industries including AR, robotics, and autonomous driving



AP will be the basis for broad range of industries alongside AI

- The artificial perception technology provided by Kudan (providing machines with “eyes”) both complements and operates in unison with artificial intelligence (providing machines with “brains”) to allow a range of machinery (robots and computers) to move and function autonomously

Artificial Perception



Artificial Intelligence

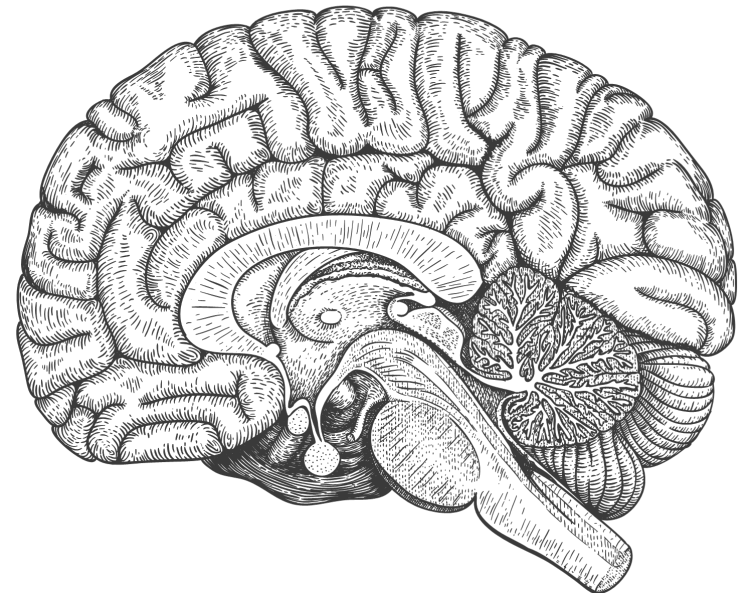
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**The “eyes” of machines,
allowing them to perceive and
understand their environment**



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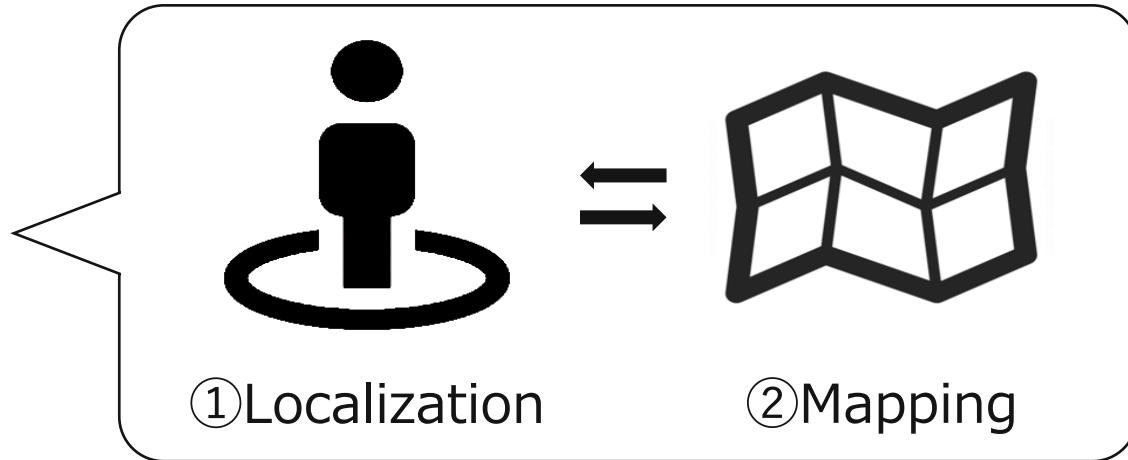
**The “brains” of machines,
allowing them to make
appropriate decisions**



SLAM (Simultaneous Localization and Mapping) as the core of AP technology

- AP technology is a group of Deep Tech centered on SLAM (Simultaneous Localization and Mapping)

SLAM technology (Simultaneous Localization and Mapping)



Re-localization technology

Tight-coupling technology

⋮

What is SLAM (Simultaneous Localization and Mapping)?

- Technology that simultaneously determines where we are (Localization) and what our surroundings look like (Mapping) based on input from sensors such as cameras and Lidars
- We can keep a track of how we move while creating a map in a new environment (tracking), and recognize where we are based on a map we created beforehand (re-localization)
- Unlike GPS and beacons, which use external radio waves to detect location, SLAM can recognize its own location as a stand-alone software and can be used in a wider range of environments, situations, and use cases



<https://www.youtube.com/watch?v=011V9rZNjX0>

Kudan is one of the world's largest SLAM development company groups



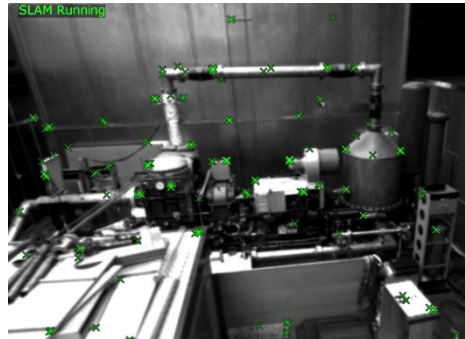
- Company solidification by securing a world-class technical team and the IP (Intellectual Property) of future technology. Achievement of a dominant position in the field
 - Aim for successful breakthroughs via industry-leading technology commercialization
- ⇒ Accelerated integrations of each technology, such as SLAM and Deep Learning, Lidar SLAM and Visual SLAM, Direct SLAM and Indirect SLAM



Strength in turning technology into business, with leading, unique methods of implementing technology, and a global track record

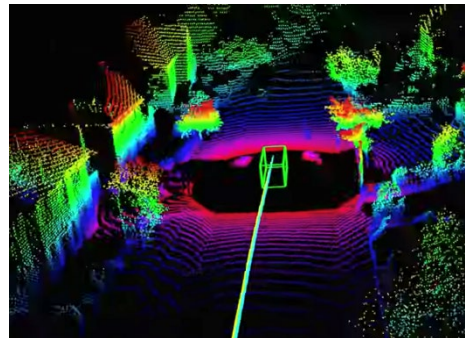
Indirect SLAM

- Camera image (visual) processing
- Capable of high-speed recognition
- High versatility



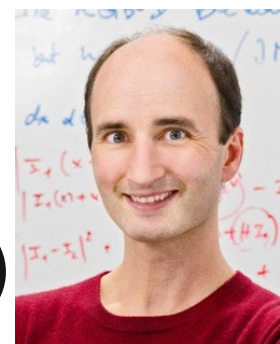
Lidar SLAM

- Lidar data processing
- Strong in recognizing fast movements
- High stability



ARTISENSE

Headed by a global leader in self-driving automotive research, Prof. Daniel Cremers, technical experts including Ph.Ds from TUM



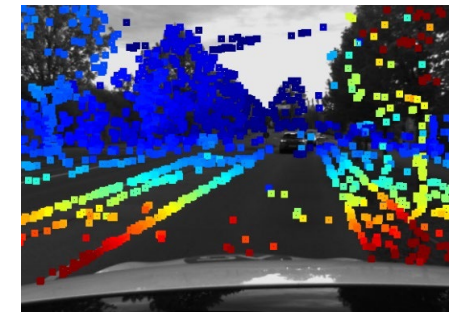
Prof. Daniel Cremers

Artisense founder and CSO

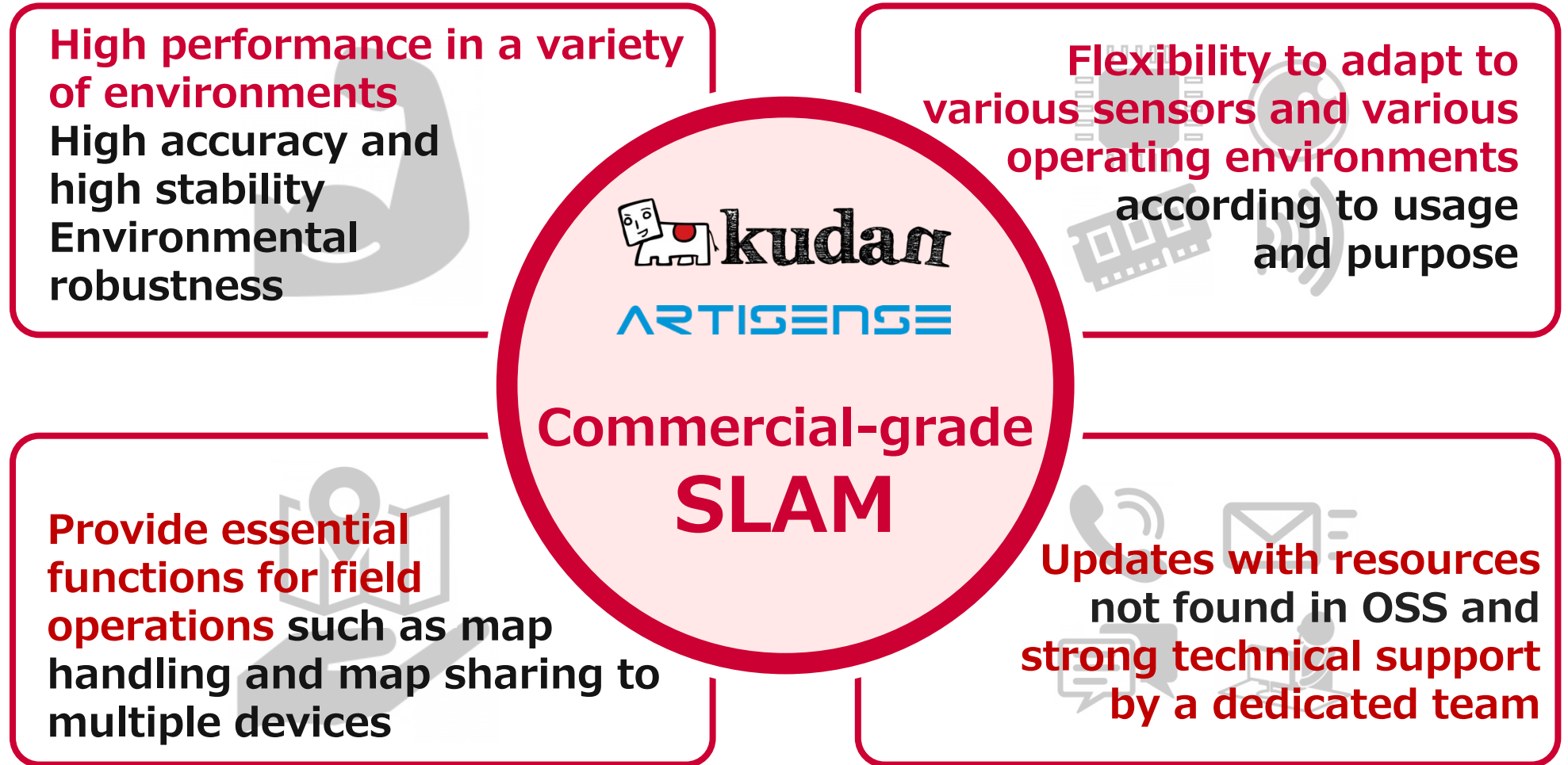
- Over 55,000 citations of his work in academic papers, h-index 110 (Nobel laureates average 45.1)
- 2016 Leibniz Prize Winner (Germany's most prestigious academic award)
- More than 10 years of joint research with European OEMs, including Daimler, in autonomous driving research

Direct SLAM

- Camera image (visual) processing
- Capable of detailed recognition
- High stability
- Integration with deep learning models

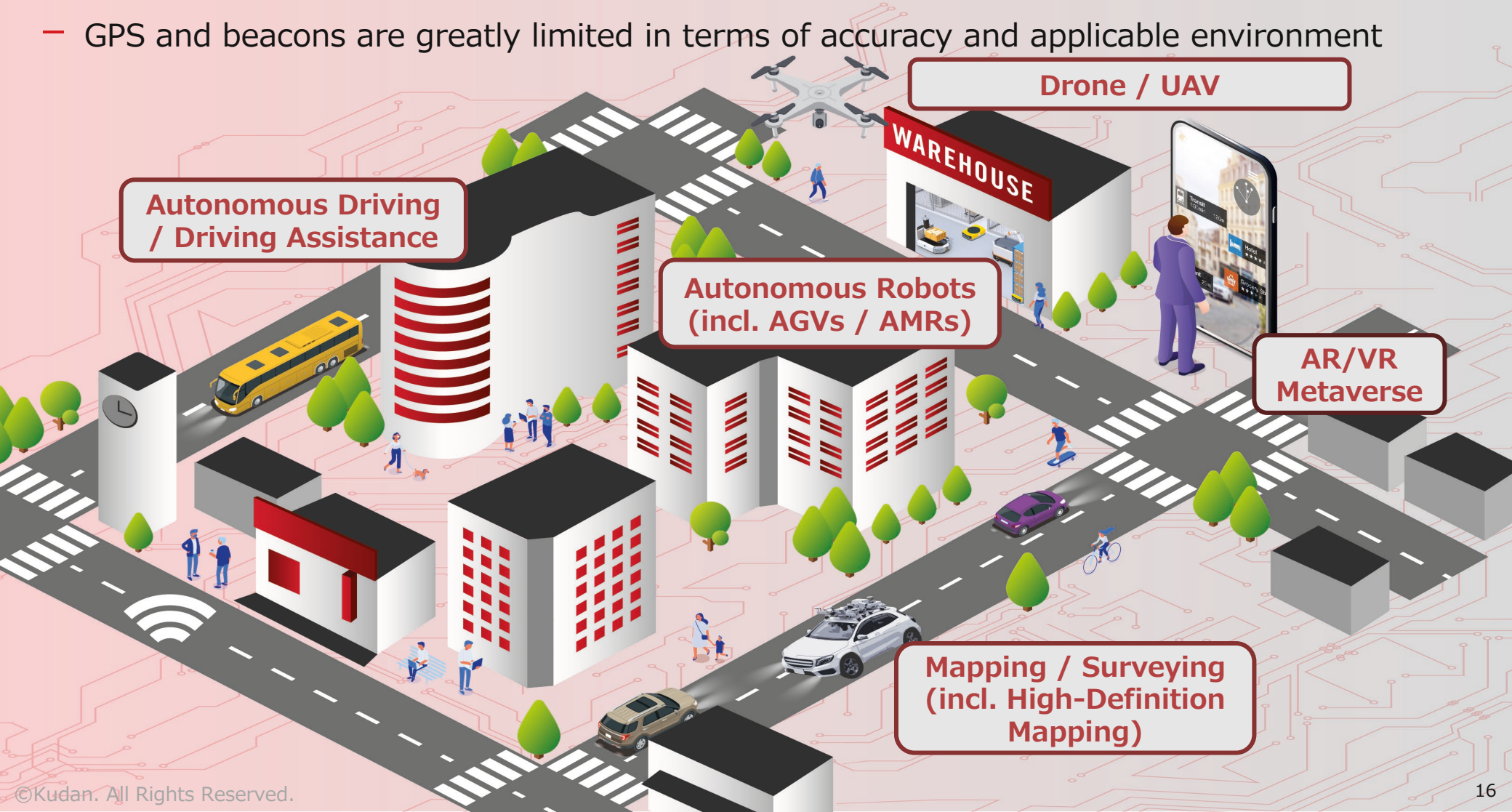


Unique algorithms refined to overcome the "hurdle to commercialization"
many customers who are developing on an OSS (open source) basis are sure to face



Broad range of SLAM application areas including AR, Robotics and Autonomous Driving

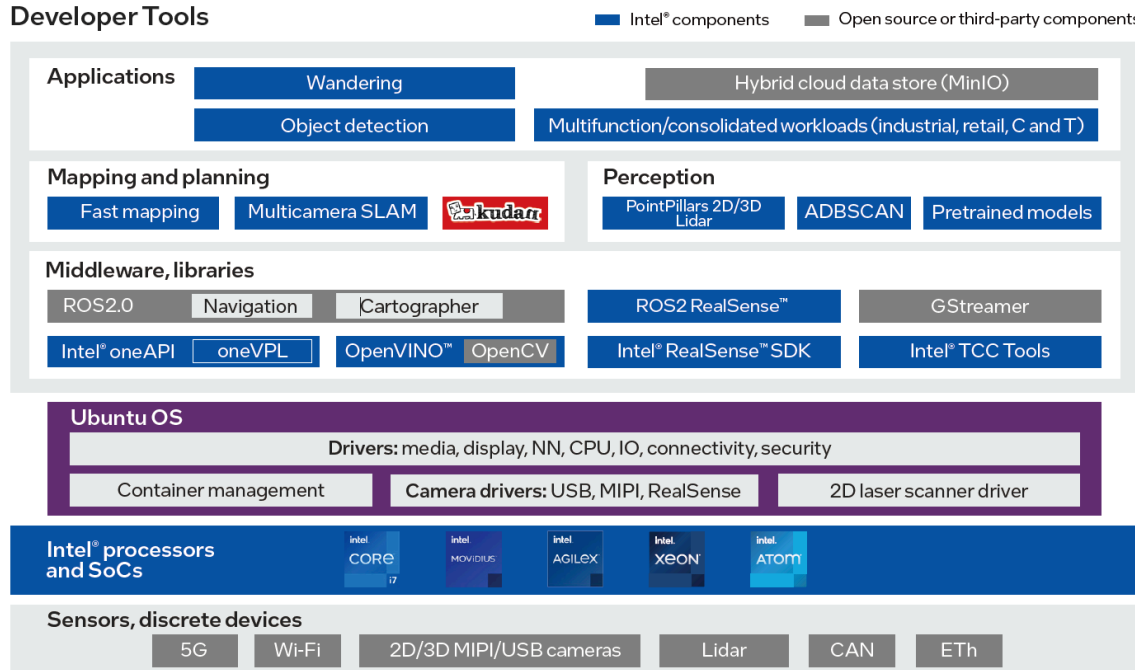
- Localization & Mapping technology centered SLAM is necessary in cases where moving machines and equipment need to change their subsequent movements and outputs depending on their positions and movements
- GPS and beacons are greatly limited in terms of accuracy and applicable environment



SLAM application (Project Highlights) : Autonomous mobile robots / Drones



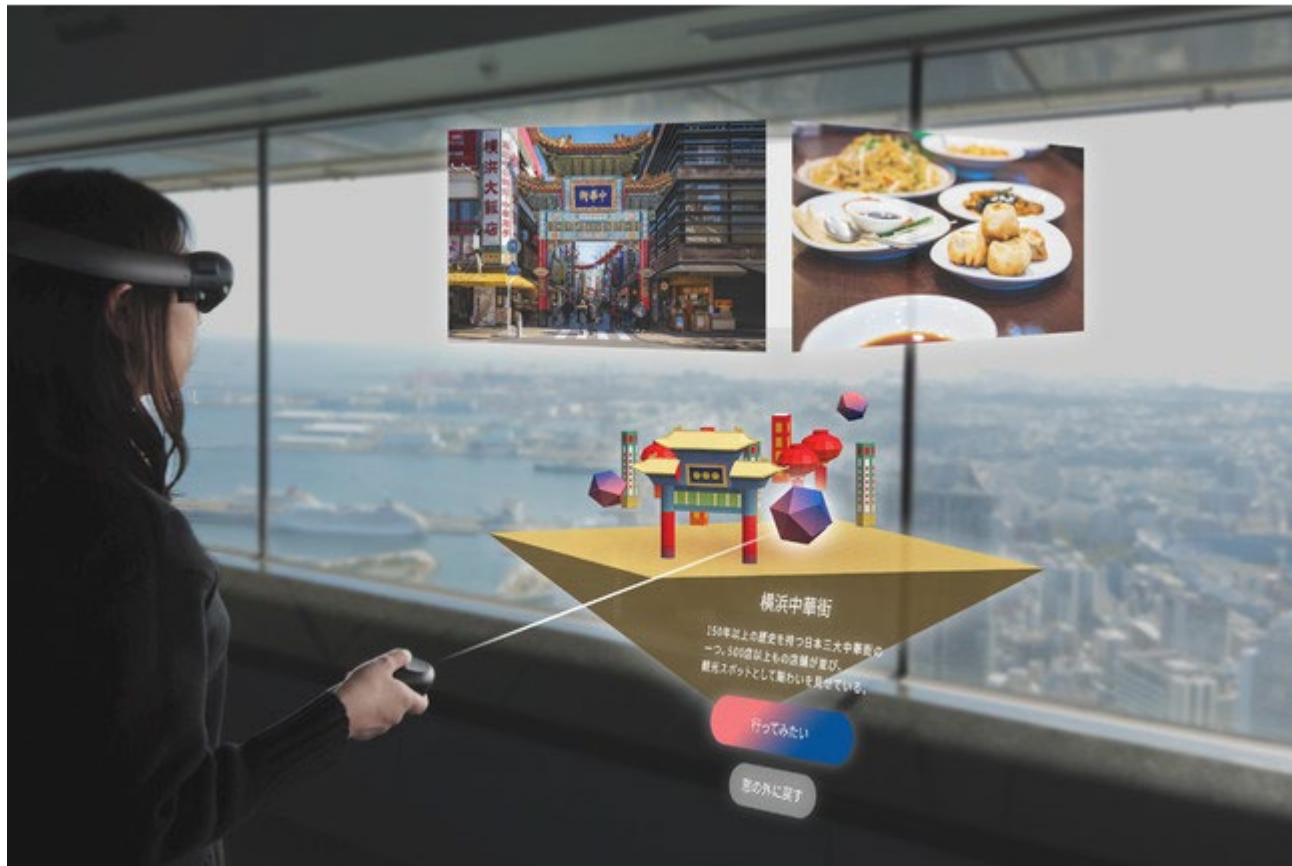
- **Intel** : Kudan Visual SLAM was adopted as a commercial SLAM in the platform for AMR (Autonomous Mobile Robot). This is the world's first commercial SLAM adopted in a major semiconductor company's product
- **Major Japanese telecommunication** : Progress toward commercialization of a platform that enables cooperative use of various robots
- **Major Japanese manufacturer** : Development and implementation underway for autonomous flight of drones for infrastructure inspection
- Multiple other projects, including **European robot manufacturer, Japanese major auto parts supplier, (several) localization of forklift projects**



Adoption to Intel's Edge Insight

SLAM application (Project Highlights) : Implementation in technology infrastructure (AR/General)

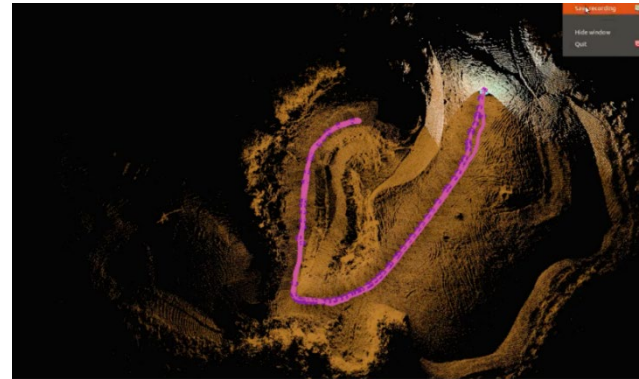
- **NTT DOCOMO** : Developing an AR cloud application and released publicly in April 2021
- Several other projects including **leading telecom companies** (three of the top seven global companies), **leading telecom equipment manufacturer** (top global company)



AR cloud with NTT DOCOMO

SLAM application (Project Highlights) : Next-generation map

- **Atos** : In addition to the handheld mapping, conducted technological verification of in-vehicle mapping and promote joint development for products commercialization
- **UCS, Korean solution provider** : Launched a handheld mapping device powered by Kudan 3D-Lidar SLAM
- **US mapping solution provider** : Signed a commercial license agreement and is undergoing final development for commercialization
- **Major Japanese telecommunication** : Conducted technological verification for building map base for smart cities



“Construction DX” (= i-Construction* project) with Atos

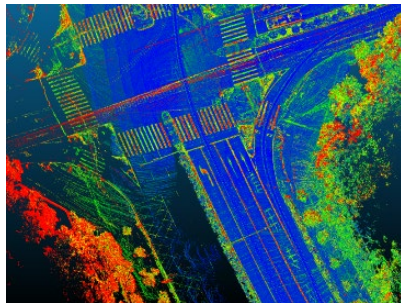
*i-Construction is an initiative by the Ministry of Land, Infrastructure, Transport and Tourism to improve the productivity of the entire construction production system and make construction sites more appealing.



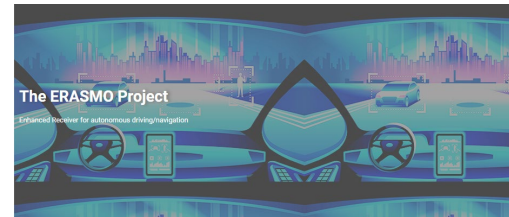
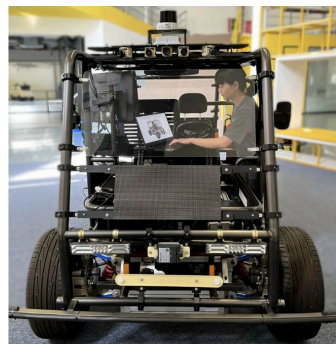
Commercialization of a handheld mapping device with UCS

SLAM application (Project Highlights) : Automobile-related

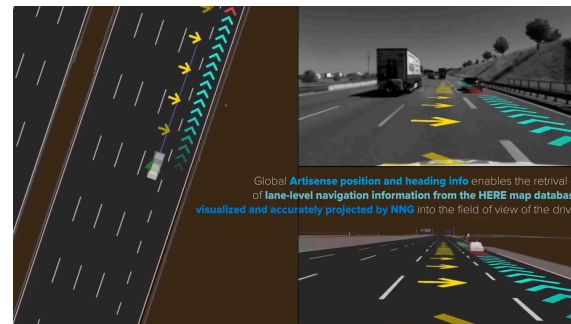
- **Whale Dynamic, an autonomous driving technology company in China** : Products for autonomous driving by integrating Kudan 3D-Lidar SLAM are released
- **“ERASMO”, a multi-year autonomous driving research project funded by an EU research institute** : Participation on this project with other EU companies including Renault and the development of an on-board positioning device enabling fully autonomous driving is in progress (<https://erasmo-gnss.eu/>)
- Not only autonomous driving, but also a wide variety of applications such as driving support and traffic management including **AR navigation development with HERE / NNG**
- Several other projects including **two of the top three global automotive OEMs** and **four major sensor companies**



Whale Dynamic commercialization



ERASMO project

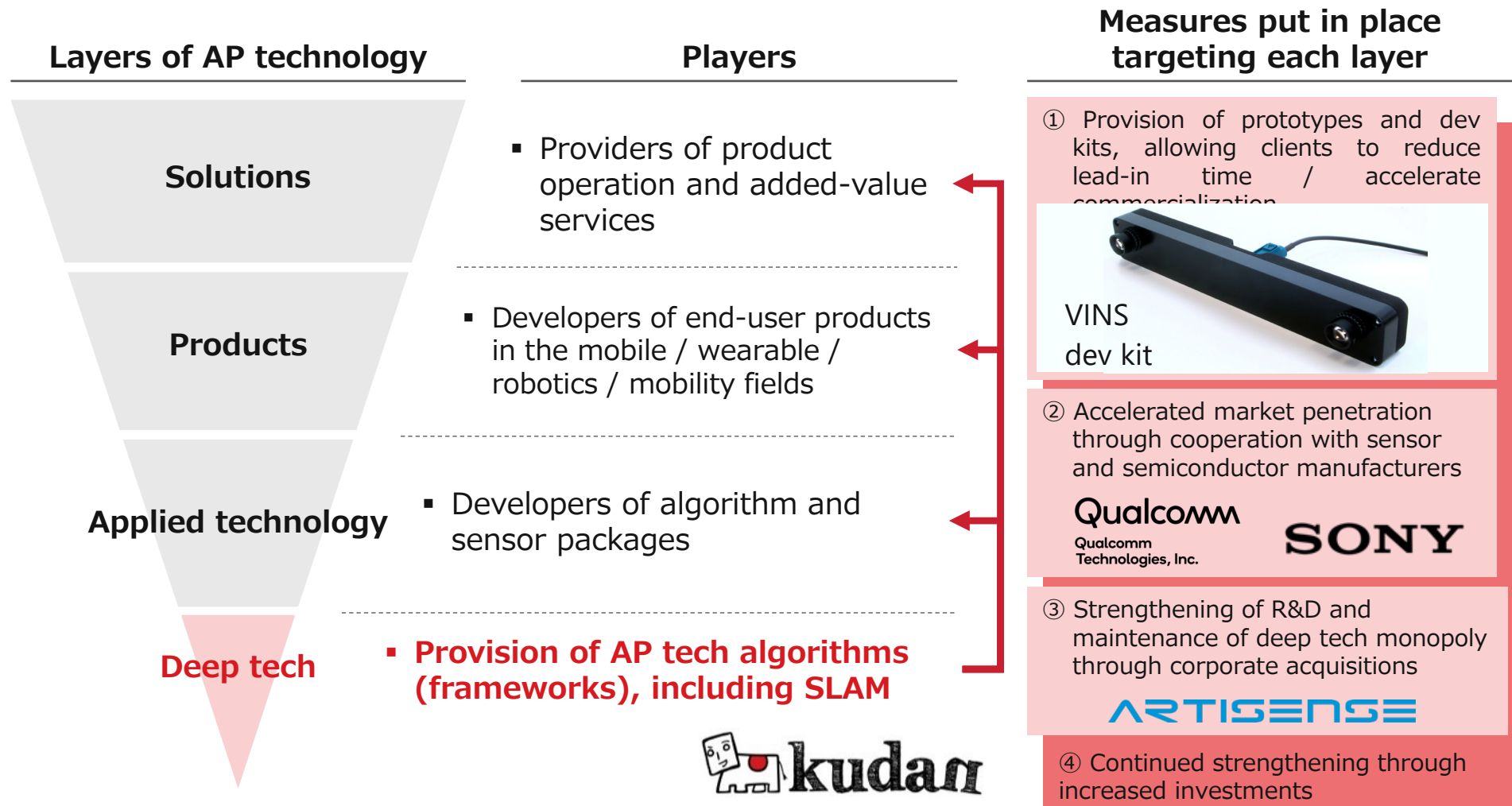


AR navigation with HERE / NNG

Business Strategy

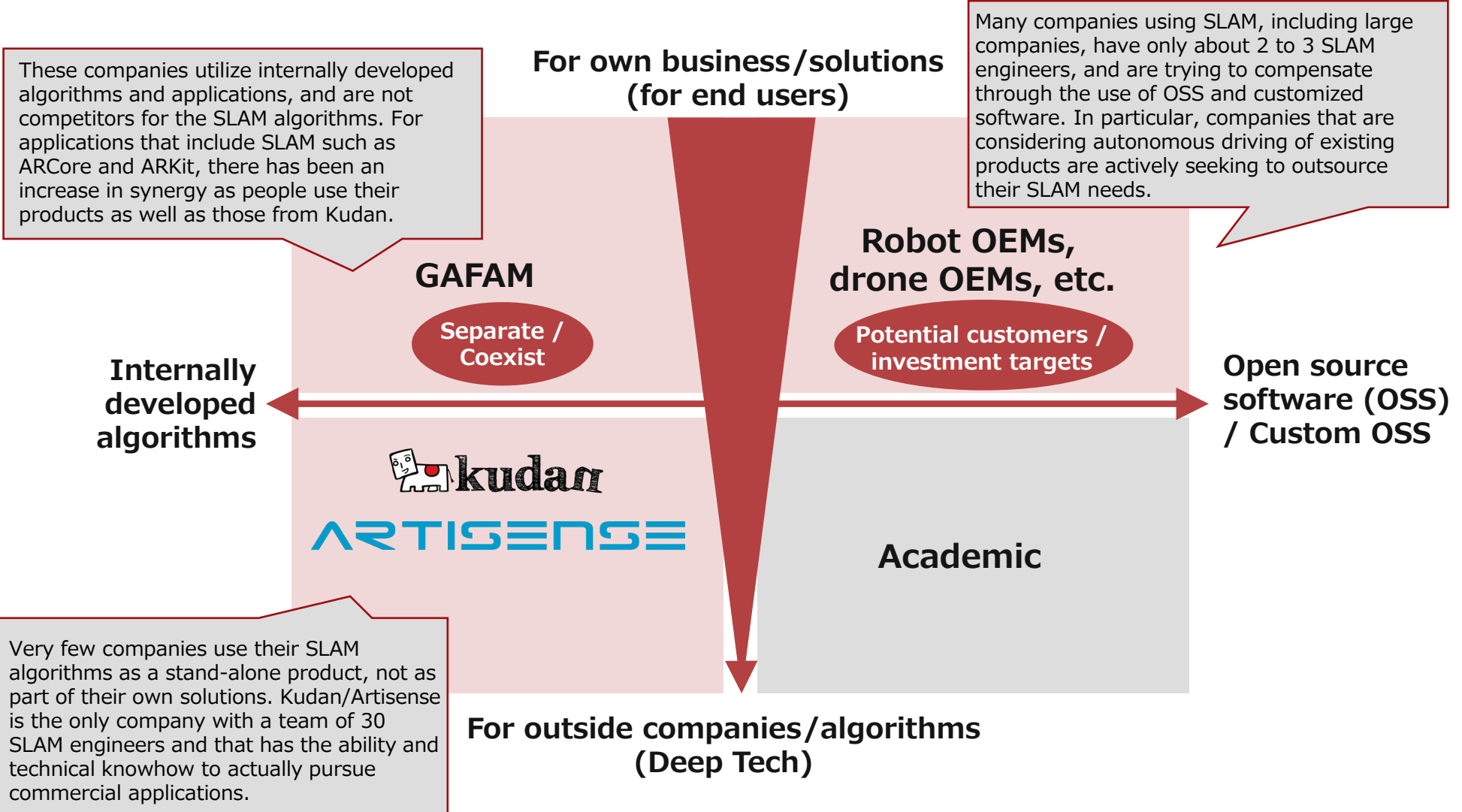
Leader in the Deep Tech layer with strategic positioning

- While maintaining a fundamental focus on the establishment and maintenance of leading position on the low-volatility deep tech layer, measures are being implemented to accelerate the creation and cultivation of markets for Kudan's products in the higher layers of the AP technology pyramid



Expansion of potential customers or investment targets through strategic positioning

Kudan/Artisense enjoys an exclusive position in the area of commercial SLAM algorithms while avoiding direct competition with GAFAM, and many companies that use SLAM technology are also potential customers or investment targets.

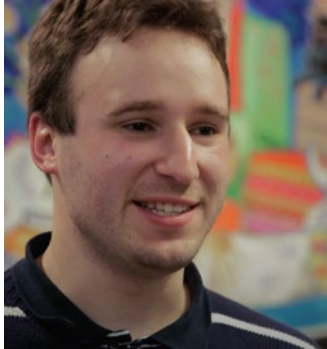


Demand for technology that is not open-source and has been professionally developed for commercial use

	Image recognition with AI / Deep Learning	Spatial location recognition with Artificial Perception / SLAM
Characteristic	<ul style="list-style-type: none">▪ Algorithm is simple	<ul style="list-style-type: none">▪ Algorithm is complex
Development environment	<ul style="list-style-type: none">▪ Can be completed with software	<ul style="list-style-type: none">▪ Advanced hardware integration is essential
Open-source	<ul style="list-style-type: none">▪ Practical	<ul style="list-style-type: none">▪ Not practical
Talent acquisition	<ul style="list-style-type: none">▪ High competition for talent acquisition, but also high supply	<ul style="list-style-type: none">▪ Need niche rare talent
Technological competitiveness	<ul style="list-style-type: none">▪ Quality and quantity of data	<ul style="list-style-type: none">▪ Accumulation of engineering

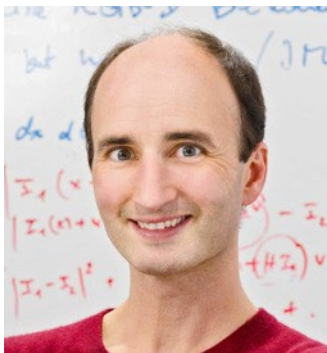
Developed by specialized companies like Kudan

Research & Development



Kudan founder & CTO John Williams

- Implemented SLAM technology for smartphones ahead of Apple / Google



Artisense founder & CSO Professor Daniel Cremers

- The most influential SLAM/robotics expert in the world
(The head professor at the Technical University of Munich, about 55,000 citations of his work in academic papers, h-index 110)

Other management members (previous employments)



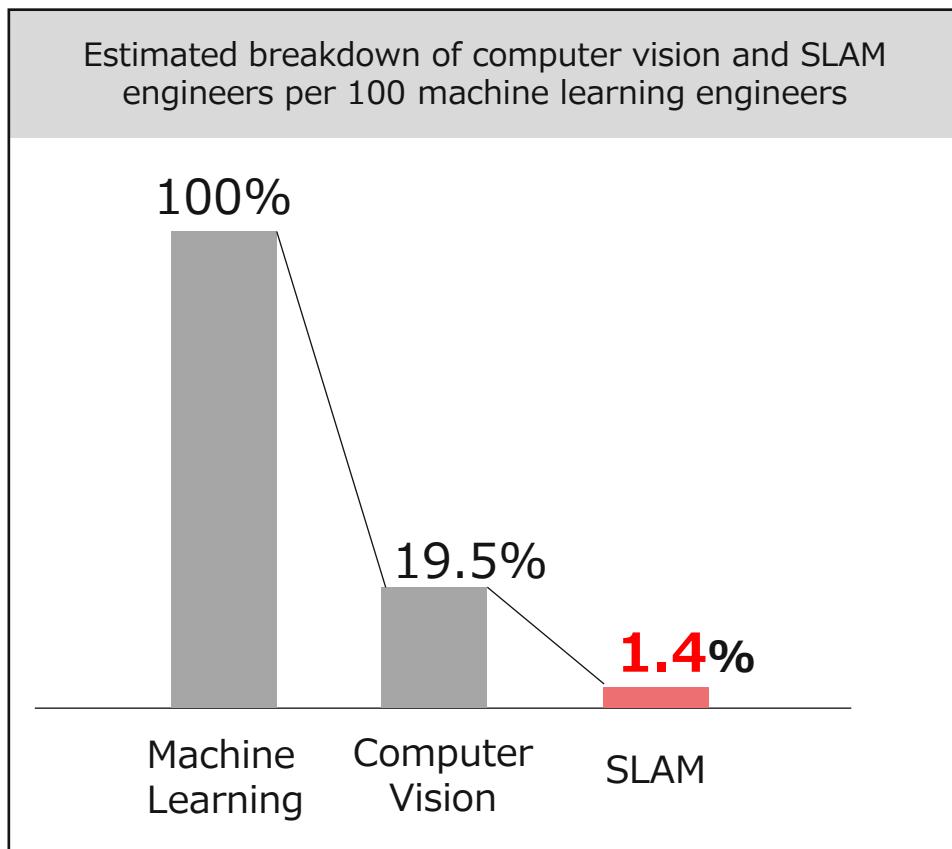
Acquired world-class technical team to support R&D



Researchers and engineers specializing in SLAM technology are extremely rare, even in the field of computer vision. Despite this, Kudan and Artisense employ many world-class professionals with PhDs in the field. The partnership with industry leaders such as Professor Daniel Cremers and the Technical University of Munich will ensure continued access and expand further to top talent and cutting-edge research.



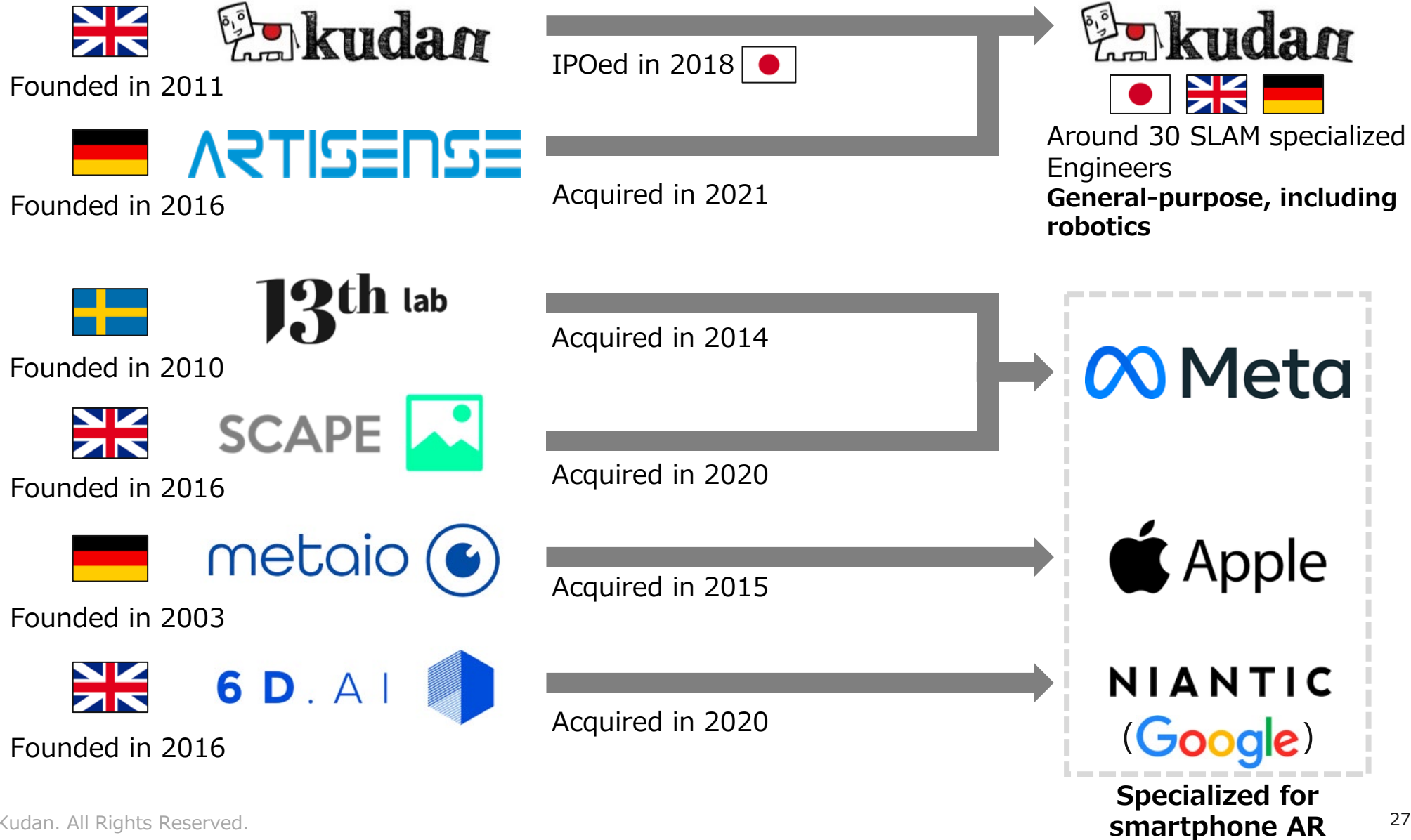
There is Professor Cremers, a founder & CSO at Artisense



Other companies trying to organize SLAM engineer teams of the same level and scale will require large investments in both recruitment and labor costs

*Based on a LinkedIn search

Related technologies are acquired in the world, only a few independent SLAM development companies left



While the increase of acquisitions of the related technologies, Kudan and Artisense leads the market in track record and awareness



- More limited numbers of SLAM-focus / SLAM-feature software companies due to acquisitions by larger technology companies
- Kudan and Artisense have been in a leading position in terms of breadth of offering, track record and awareness in the market

SLAM-focus / SLAM-feature software player



- Offers Indirect & Direct Visual SLAM and Lidar-SLAM
- Flexible sensor options
- Track records in various applications such as AR, robotics and autonomous driving

SLAMCORE

- Only Indirect Visual SLAM
- Optimized for limited camera models



- Focus on very specific medical application

outsight

- Only Lidar-SLAM
- Optimize for their own hardware kit

Development projects and partnership with global leading players have been increasing

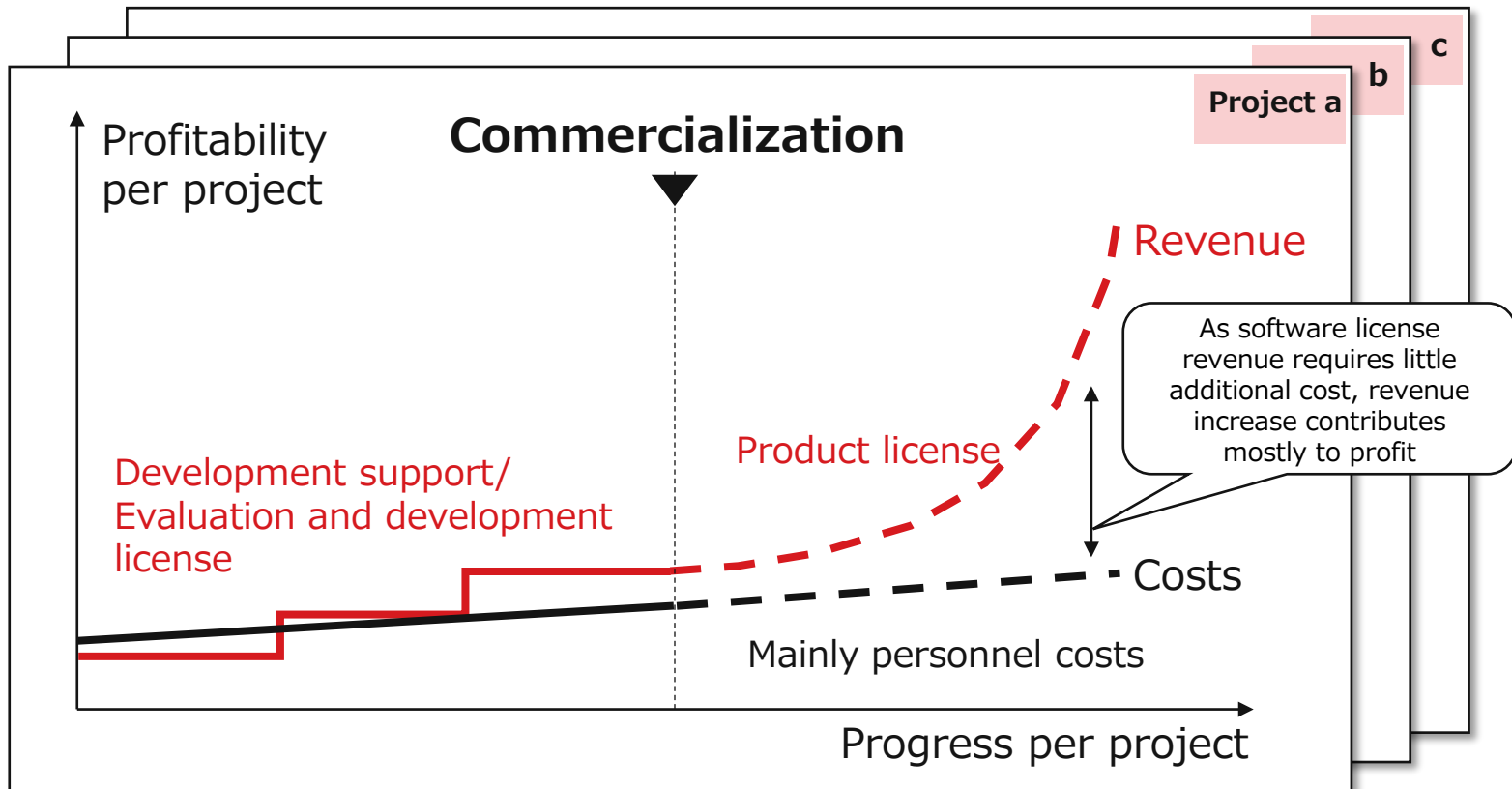


Timing	Main target applications and project overview		
FY 20	May.	Robotics) Partnership with Thales group for next-gen tracking system development	THALES
	Aug.	Mobility) Signed with Japan Unisys to collaborate as Business Scaling Partner	UNISYS
	Sep.	Mobility) Partnership with Macnica to develop new value-added solutions for mobility business	MACNICA
		Robotics, Mapping) Partnership with Ouster	OUSTER
	Nov.	AR) Develop RGB-D SLAM on smartphones with ToF sensor with Sony Semiconductor Solutions	SONY
	Jan.	Robotics, Mapping) Partnership with Cepton on Lidar-SLAM and joint exhibition demo	CEPTON
Robotics, Mapping) Partnership with Velodyne on Lidar-SLAM		Velodyne Lidar	
FY 21	May	Robotics) Launch SLAM library for Qualcomm® Robotics RB3 Platform with their technical support	Qualcomm
		Robotics) Joint development of 3D SLAM demo application with Analog Devices	ANALOG DEVICES
	Nov.	Robotics) Partnership with Vecow to jointly offer integrated solution for autonomous mobile robots	Vecow
		AR, Mobility) Artisense released Automotive AR navigation demo with HERE technologies and NNG	here NNG
	Dec.	General) Achieved 40% image process acceleration with Synopsys ARC EV processor IP on Kudan SLAM	SYNOPSYS
	Mar.	General) Joined NVIDIA Inception Partner Network	NVIDIA
FY 22	Apr.	AR) Released utilization of Kudan SLAM in NTT docomo's developing AR cloud	NTT docomo
	May.	Robotics) Partnership with robotics developer UGO to integrate Kudan SLAM into robotics and joint sales	ugo
	July.	Mapping) Signed a Developing License General Agreement with BIMEXPERTS and develop joint solutions	BIMEXPERTS
	Aug.	Robotics) Partnership with ADLINK, development of AMR, integration of Kudan SLAM into robotics, joint sales	ADLINK
		General) Joined Texas Instrument's partnership network in robotics	TEXAS INSTRUMENTS
		General) Become official SLAM partner with Ouster, a leading Lidar provider, and start offering tools on Website	OUSTER
Oct.	Autonomous Driving) Participation with Renault and other companies in ERASMO, an autonomous driving project by an EU research institute	ERASMO	
FY 23	Mar.	Robotics) Exhibited at Intel-sponsored event "Intel IoT Planet ~ Robotics Week"	
	Oct.	Robotics) Adopted as a commercial SLAM for Edge Insight, Intel's platform for AMR	intel
		Robotics, Mapping) Partnership with Innoviz to promote digital mapping project	INNOVIZ TECHNOLOGIES

Growth Potential

Revenue model

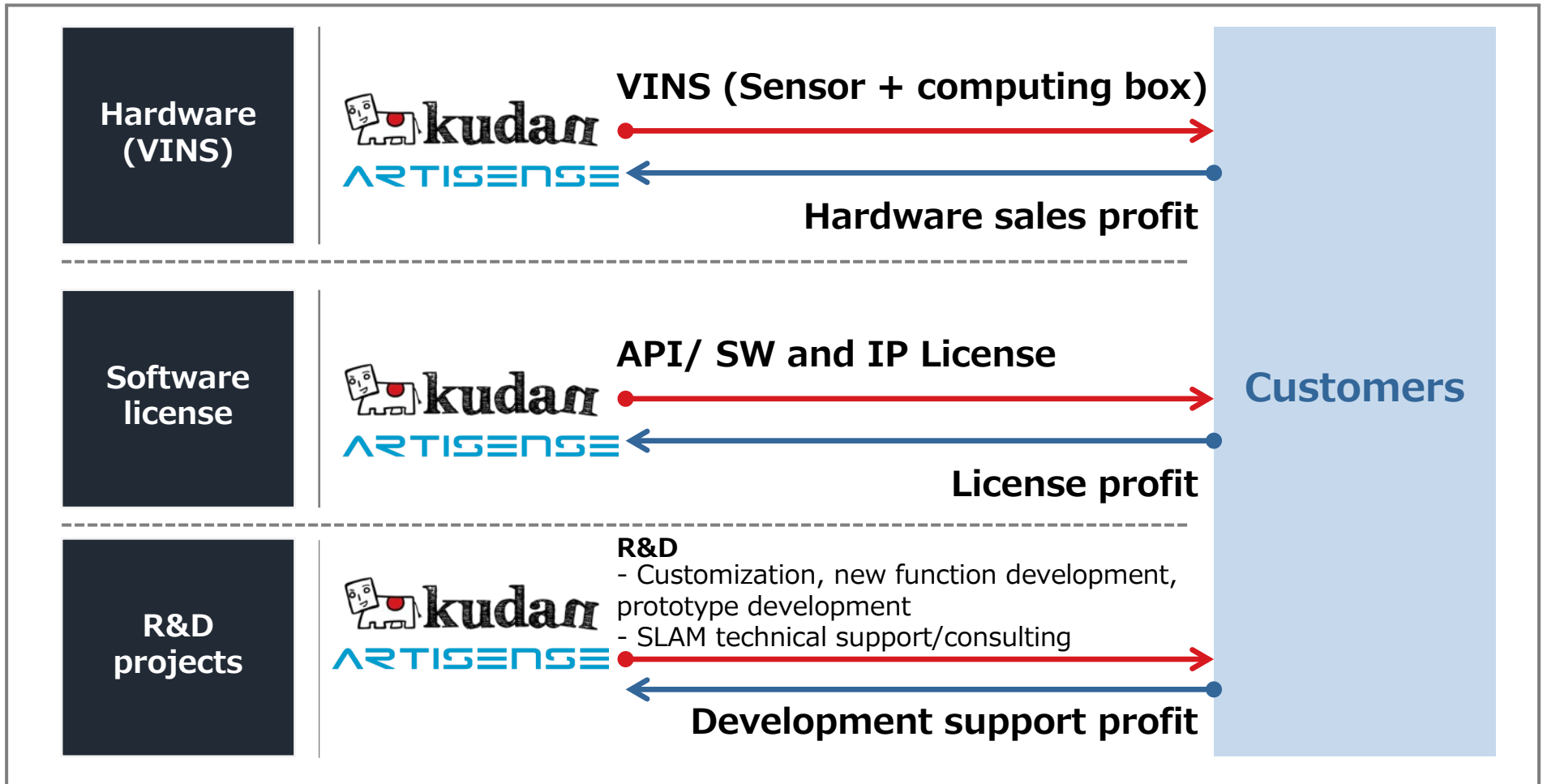
- Almost all of customers' projects are in the evaluation or development phase, and we have focused on acquiring and continuing high-quality projects that are expected to achieve customers' commercialization and expand the scale of sales in the future (Business phase in the red due to upfront investment in R&D expenses, mainly engineer personnel expenses)
- Although stable growth can be expected in revenue based on evaluation/development licenses and customer development support in the evaluation or development phase, the most important goal is **to contribute to all next-generation industries and to achieve a significant increase in revenue through commercial license profit with the implementation of Kudan's Artificial Perception technology**



(Reference) Revenue model (Evaluation/Development phase)



- After commercialization of customer-developed projects, expand license profit through pay-as-you-go billing based on the number of products sold, data volume ,etc. according to the customer's business model (Shift to a stock revenue model)
- In the "evaluation and development" phase, which is prior to the commercialization of customers ' products, we gain revenue mainly from license profit and development support profit based on the development volume and development period.



Performance forecast for FY2023



- Continuous significant revenue growth is expected due to increasing of evaluation and development projects and scaling of projects
- Cost of sales and SG&A expenses are expected to increase from the previous year due to the full-year consolidation effect of Artisense (consolidated only for 3 months in the previous year), but cost structure will be improved by 4Q
- Non-operating profit is expected to include subsidy income from R&D in the U.K. and Germany

(Unit : million yen)

	Performance for FY2020	Performance for FY2021	Performance for FY2022	Forecast for FY2023
Net Sales (Prior to accounting standards change)	456	127	271 (296)	500
Operating Profit	9	△451	△433	△350
Ordinary Profit	△12	△1,575 (incl. "share of loss of entities accounted for using equity method"(1,232))	△681 (incl. "share of loss of entities accounted for using equity method"(403))	△300
Profit Attributable to Owners of Parent	△29	△1,608	△2,237 (incl. impairment losses of (1,474))	△315

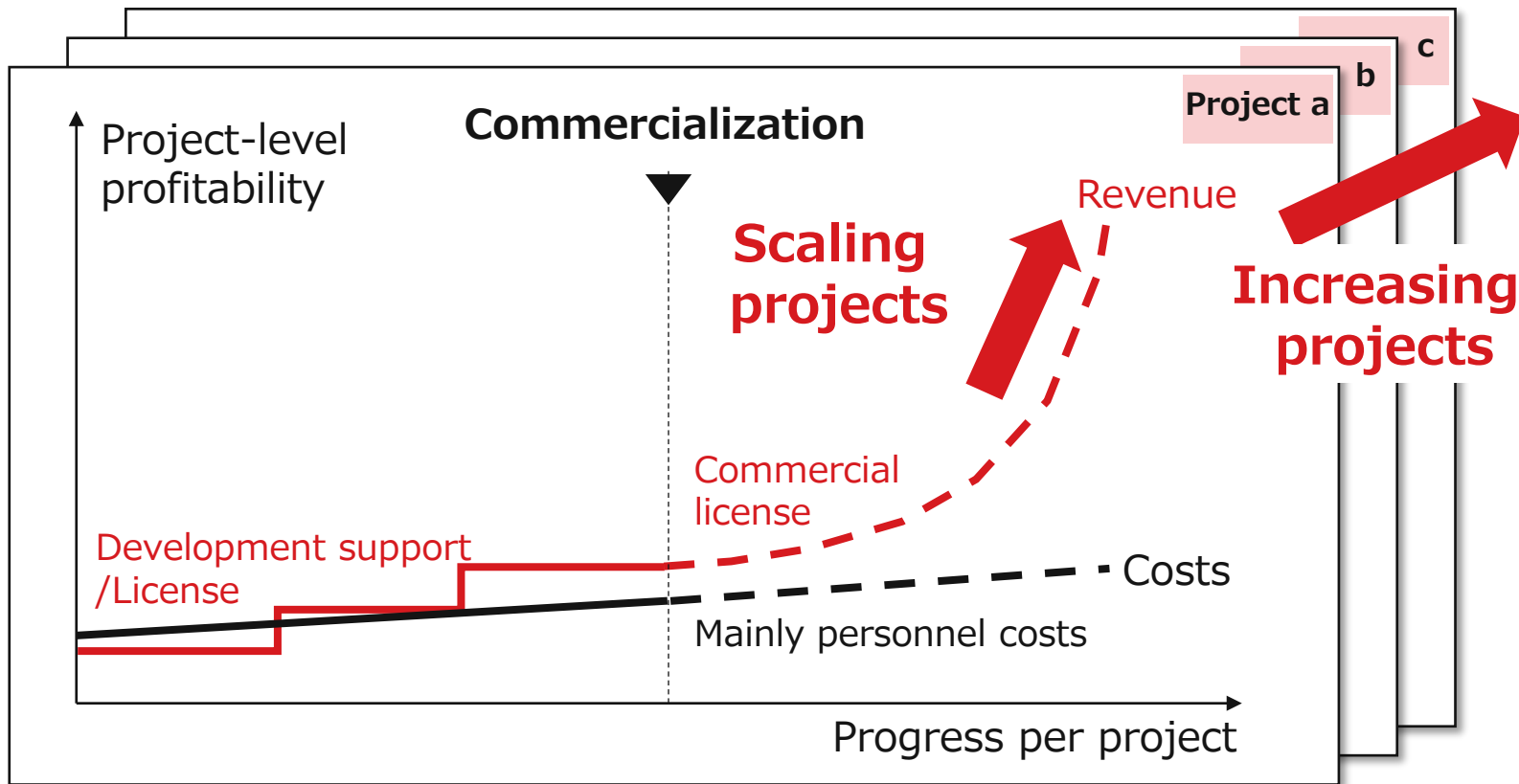
Highlight for future growth strategy based on customers' commercialization



- With plans to have several customers launch their products using Kudan software from this fiscal year ending March 2023, **the transition from the "preparation phase" to the "harvest phase" is underway**
- To accelerate this transition, we will strengthen our business based on customers' commercialization
 - A Acceleration and expansion of customers' commercialization:** Strengthen support, technology development, and business development with the aim of increasing the number of projects to be commercialized and increasing profit at the project level
 - B Solution business launch:** Not only embedding Kudan technology in individual products, but also providing engineering service to accelerate new solution development that synchronize multiple products and expand their applications centered on Kudan technology (digital twin, robot platform, Metaverse, etc.)

A Acceleration and expansion of customers' commercialization

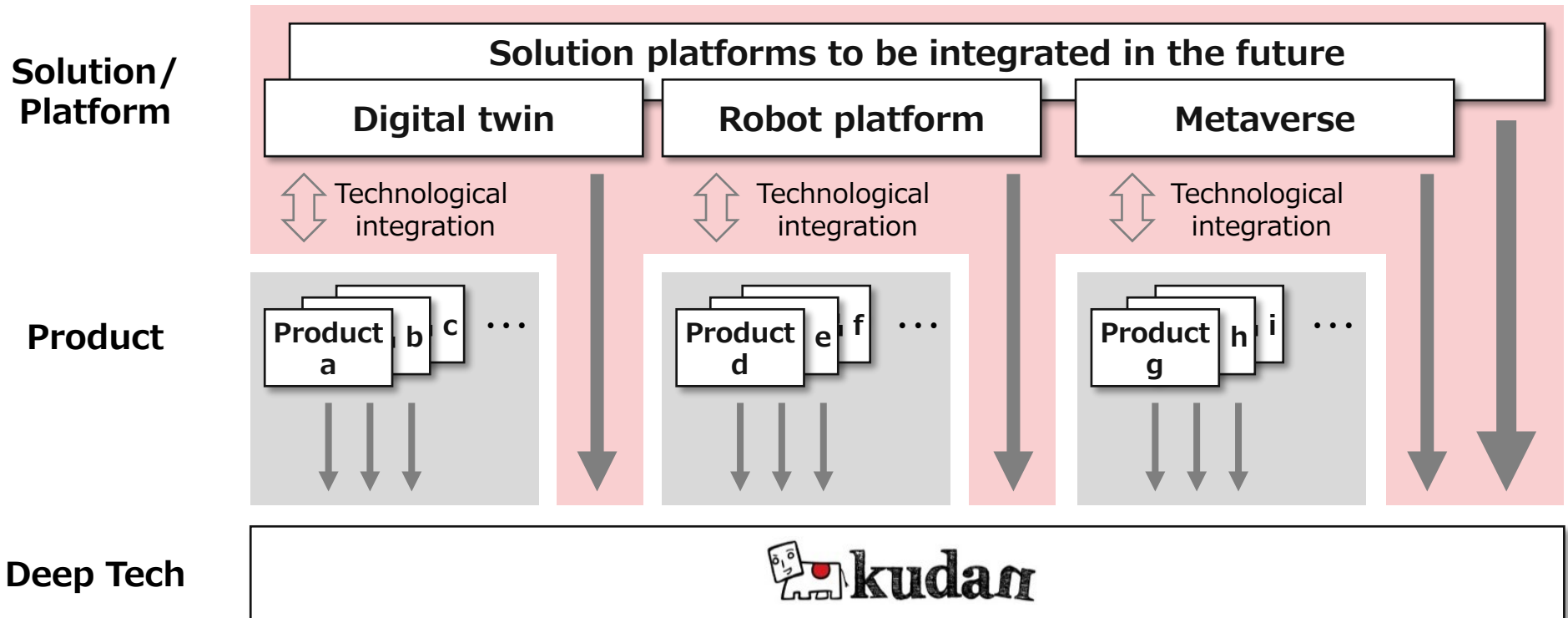
- **Scaling projects:** Strengthen support functions and technology development for the purpose of scaling projects in order to advance to the harvest phase at the project level, starting with the realization of customers' commercialization
- **Increasing the number of projects:** Strengthen business development, including global expansion, to increase the number of commercialization projects by leveraging the existing projects



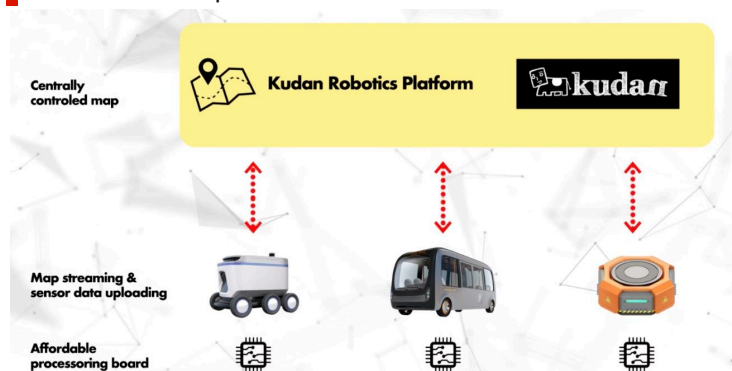
B Solution business launch

- Support the realization of solution platforms that allow multiple products to synchronize or expand their applications centered on Kudan technology
- Aim to improve profitability by taking customers' commercialization as a foothold for the solution business and by generating synergies from the solution business that will support the expansion of customers' commercialization

- Newly launched solutions business
- Existing product embedded business
- Revenue for development support and technology provision



Solution examples



◆ Robotics platform

When a phase of introducing one robot on a trial basis is over and entering a phase of operating multiple types of robots on site, we are beginning to see the issue of disorganized maps and management tools for each type of robot

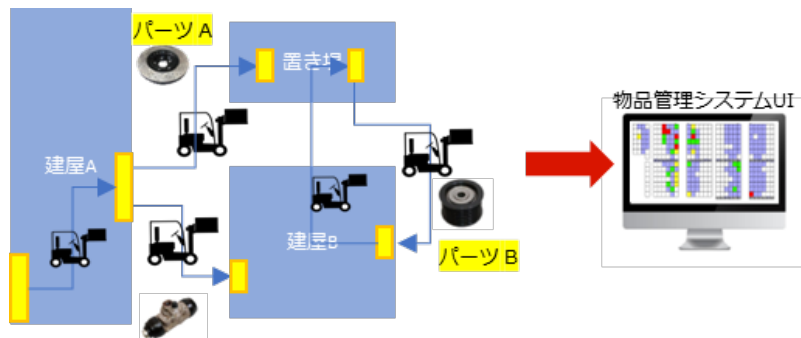
With Kudan's SLAM solution, we can develop **a unified platform that can centrally manage robots** from different companies



◆ Mapping solutions

3D maps are used for digital twin and simulation. On-site operations were sometimes difficult since the equipment for acquiring maps has been extremely expensive and it has been necessary to call in specialized companies to acquire and update maps.

Kudan's SLAM solution **enables inexpensive equipment to acquire highly accurate 3D maps.** Also, **the maps include feature points from which location information can be obtained** and can be developed into a number of robotic and Metaverse solutions.



◆ Location × AI DX Solutions

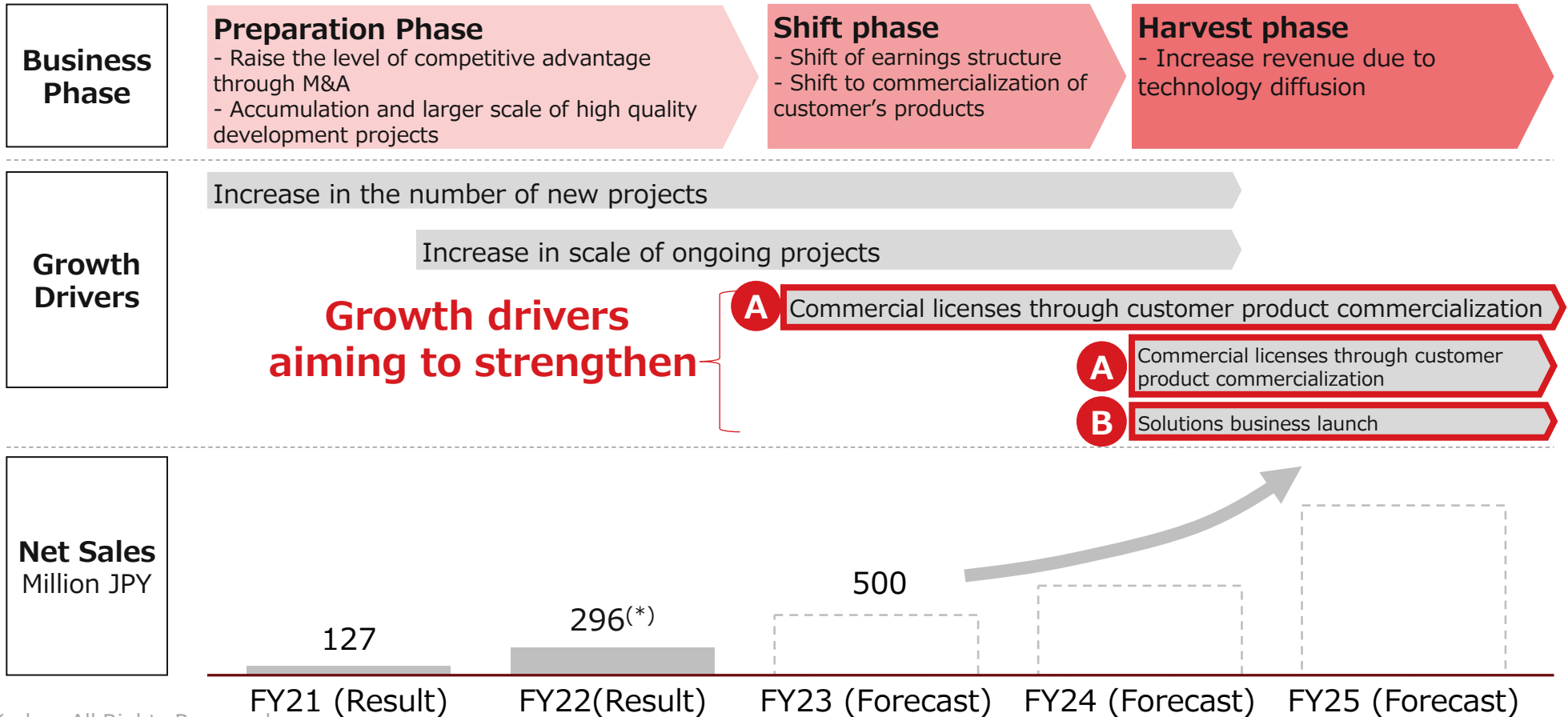
By combining location information from our SLAM with AI technology from partner companies, we can provide a completely new DX solution that has never been seen before.

For example, when parts are transported between buildings in a factory using forklifts in any direction, it has been difficult to manage in real time which parts and how many parts are in which storage area. To solve this problem, we will develop a DX solution that can manage parts in real time without using markers, RFID, etc. by **using AI to recognize what parts have been picked up and SLAM to recognize where they have been transported to.**

SLAM with AI enable real-time, integrated management of complex parts inventory status across buildings

Shift to the harvest phase

- Keep the strategy to shift earnings structure aiming for profitability and revenue model through the commercialization of customers' products to realize revenue growth from the fiscal year ending March 2024 onward
- Aim to shift to the harvest phase from "project-level profitability" to "business-level profitability" by strengthening growth drivers
- Depending on the commercialization of customers' products, Kudan aims to generate several million yen to several tens of millions of yen per project at the start of commercialization, and then to generate revenue in the hundreds of millions of yen per project as product sales expand

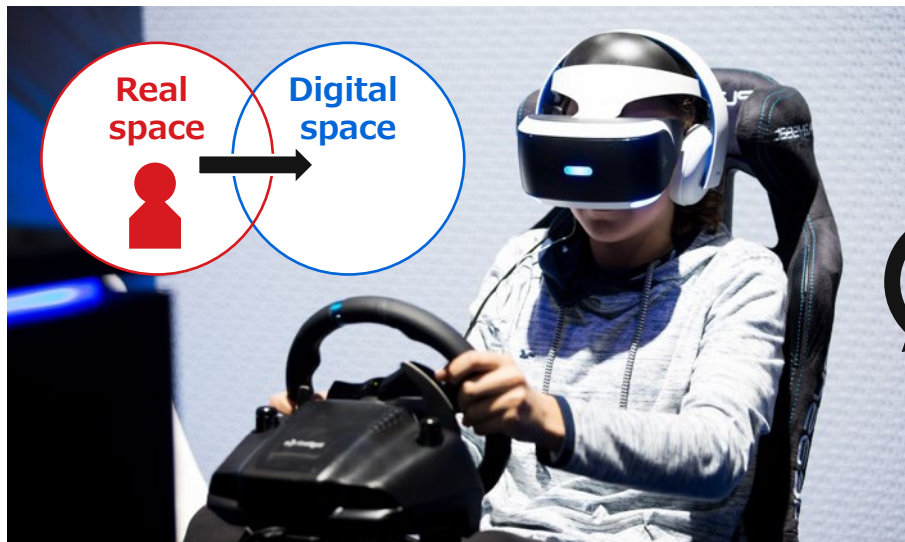


Metaverse demand pushes us forward

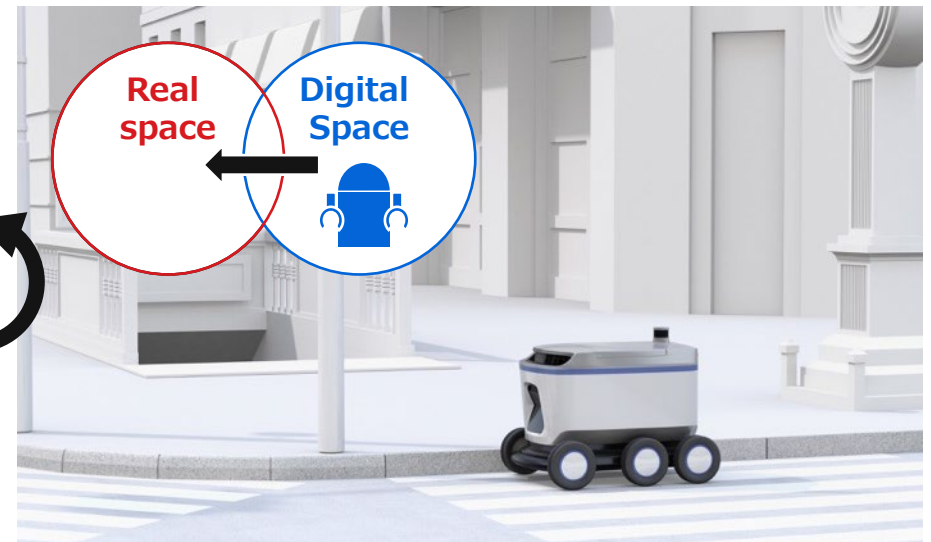
- With the demand for Metaverse as a tailwind, Kudan's Artificial Perception/SLAM technology is the core technology of the Metaverse, which realizes the "coupling of real space and digital space," and further extends the Metaverse to integrate with robotics
- Capture the ongoing evolution of Metaverse demand for growth by providing versatile-purpose technology for both Metaverses
- For more information on the concept of the Metaverse and its step-by-step development in the future, please refer to our publicly available white paper

<https://contents.xj-storage.jp/xcontents/AS02977/f73312e9/8386/46c0/844c/0b4442e0ad71/140120220224594911.pdf>

Metaverse (AR/VR)



Extended Metaverse (Robotics)




Metaverse evolves as real and digital spaces are more highly connected, such as robot operations via the Metaverse

Mid- to long-term R&D investment for discontinuous growth

- In addition to developing its Deep Tech efforts, the company will invest in additional technological innovations for discontinuous growth over the mid to long term
- Due to the nature of an algorithm-layered Deep Tech company, the majority of R&D investment is in personnel costs, and the scale of additional investment in the future is expected to be about several additional engineers per year

Dramatic growth via mid-to-long term technological innovation

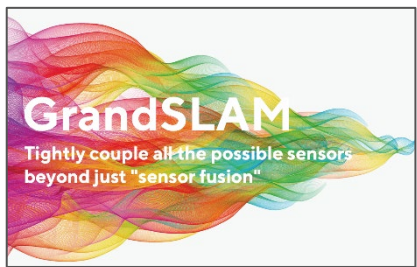
Event-based camera SLAM
(Applied technology for next-generation cameras that imitate the visual nerve and retinal structure of living organisms. Further breakthrough technology for autonomous driving and robotics because it is ultra-high speed but stable even in dark place.)



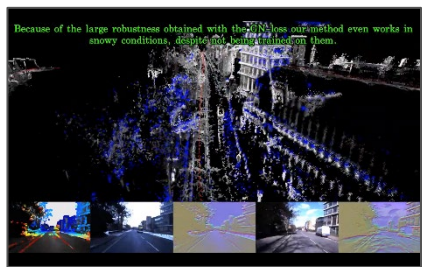
The image shows four panels illustrating Event-based camera SLAM. The top-left panel is a photograph of a table with various objects. The top-right panel shows a sparse 3D point cloud reconstruction of the scene. The bottom-left panel is a depth map of the scene, with colors representing different distances. The bottom-right panel shows a dense 3D point cloud reconstruction.

Growth by capturing and strengthening the base upon areas where the demand is evident

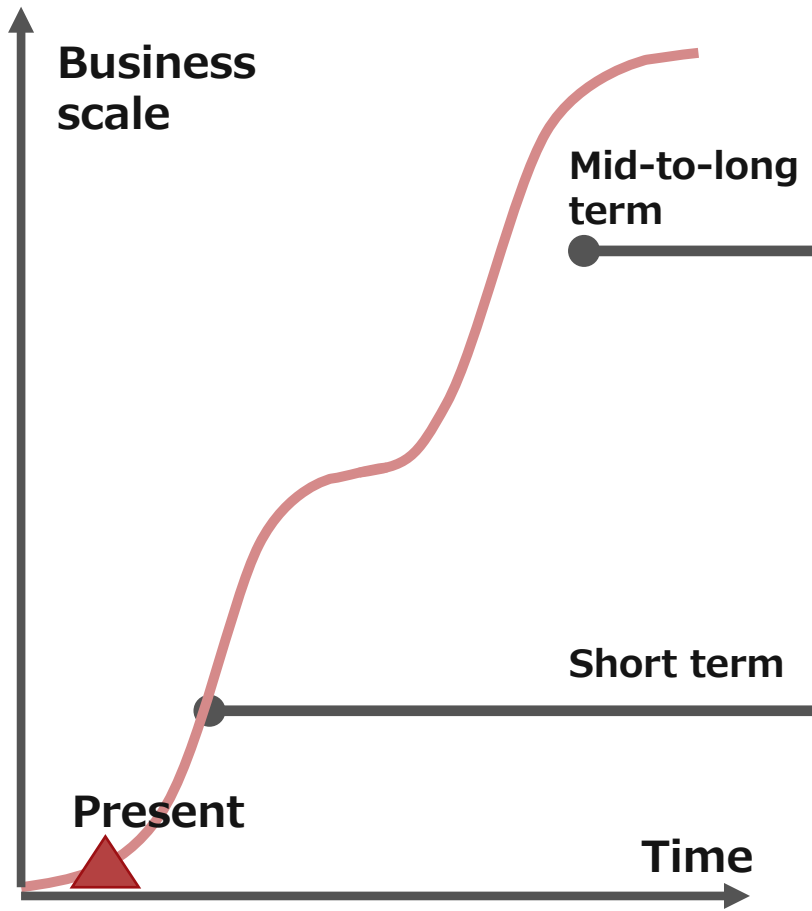
GrandSLAM
(Tight coupling of major sensors)



GN-Net/Super-point
(Combining SLAM with deep learning)



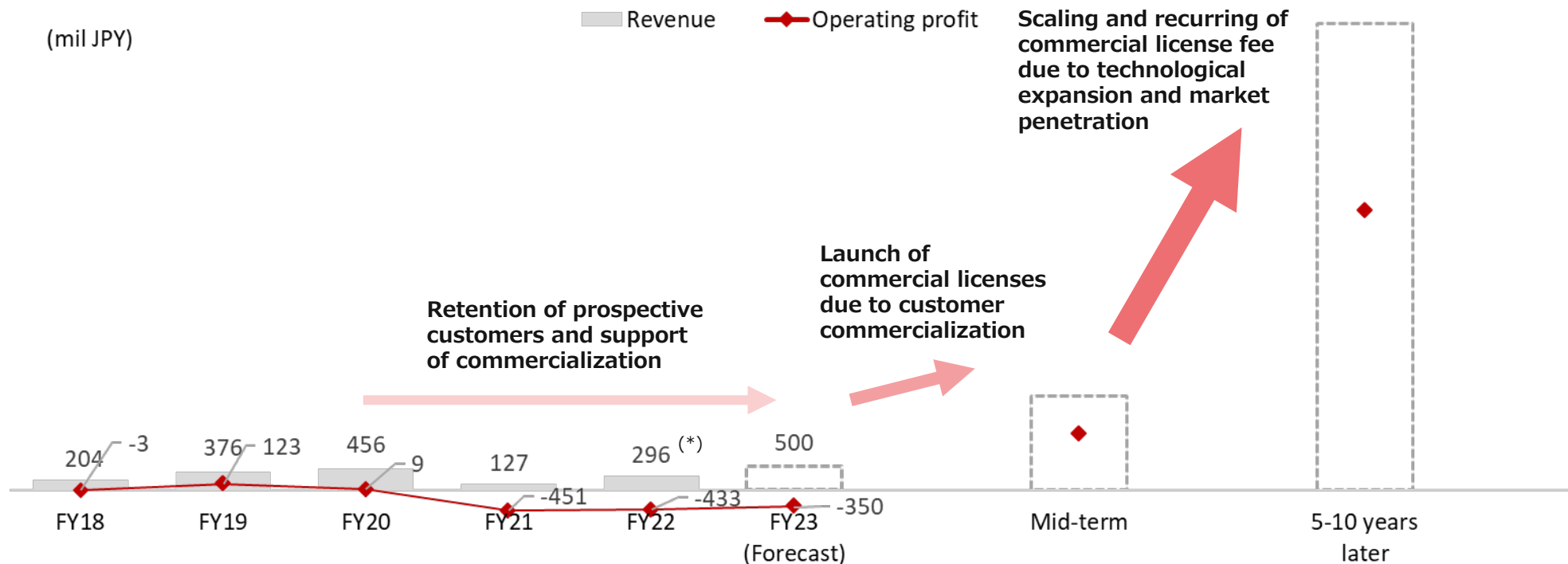
The image shows two panels illustrating growth by capturing and strengthening the base. The left panel features the GrandSLAM logo, which consists of colorful, overlapping wavy lines. Below the logo, the text reads: "GrandSLAM: Tightly couple all the possible sensors beyond just 'sensor fusion'". The right panel shows a night-time street scene with a 3D point cloud reconstruction overlaid. The text above the image reads: "Because of the large robustness obtained with the GN-Net method, even works in snowy conditions, despite not being trained on them."



Future growth potential (Mid- to Long-term)

- Stable commercialization from the cumulative customer projects creates technological penetration to the market, leading to recurring revenue from commercial licenses and significant growth in profit

Mid- to Long-term estimate



(*) Revenue adjusted for the impact due to accounting standards change

- This document contains Kudan's plans, estimates and expectations for the future based on its current business situation and industry trends.
- All such projections for the future inherently involve uncertainty and a wide variety of risks.
- It is conceivable that risks both understood and unforeseen, uncertainties and other factors may cause actual results to differ from the projections contained within this document.
- Kudan offers no guarantee of the accuracy of its projections for the future and accepts that they may differ significantly from actual results.
- All projections for the future included in this document are based upon information available to Kudan as of February 14th, 2023, and may not be updated or changed to reflect future developments or changes in status.