

SpiderPlus & Co.

# FY2022.Q4 Results briefing materials

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Feb. 13, 2023

# DX in construction industry

DX (Digital Transformation) is the adoption of digital technology to transform services or businesses, through replacing non-digital or manual processes with digital processes or replacing older digital technology with newer digital technology.



**Construction**

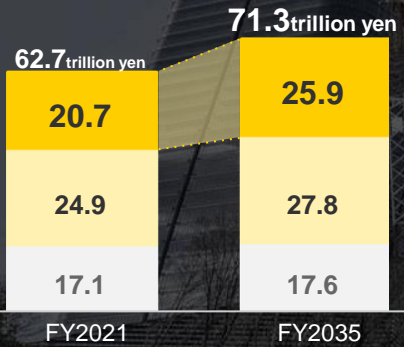


**Technology**

# Market opportunity of Construction DX

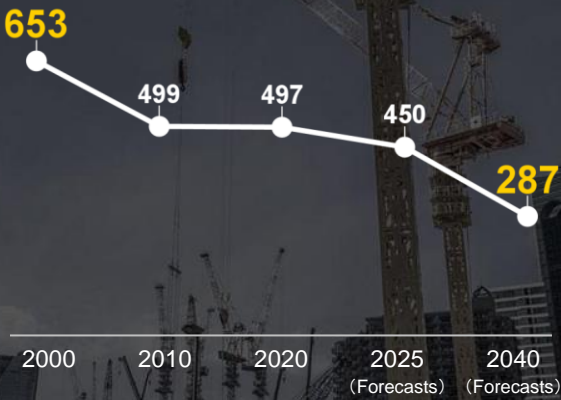
## Expanding to Construction Industry\*1

- : Non-residential areas (buildings and condominiums)
  - : Civil engineering areas
  - : Housing area (detached houses)
- Unit: Trillions of yen



## Declining Workforce\*2

Unit: 10 thousand people



## Policies to accelerate DX\*3



\*1: Prepared by us from "Medium-to Long-Term Forecasts for Construction Investment (Forecast to FY2035)" by the Research Institute of Construction and Economy, Inc. (Announced on Mar. 26, 2021) and "Forecast for Construction Investment for FY2021" by the Ministry of Land, Infrastructure, Transport and Tourism. 2035 The forecast for the fiscal year is based on the estimated value of an early economic recovery from the new Coronavirus by the Research Institute of Construction and Economy.  
 \*2: Based on the Nikkei BP "Construction Tech Future Strategy" published on Mar. 16, 2020, the Ministry of Internal Affairs and Communications 2015 "Basic Summary of Working Conditions, etc." and the Ministry of Land, Infrastructure, Transport and Tourism "Construction Investment Prospects for FY2020 (FY2020)," we independently estimate that there will be a shortage of construction workers if domestic construction investment of 63 trillion (Prospects) for FY2020 will remain at the same level until 2040.  
 \*3: Ministry of Land, Infrastructure, Transport and Tourism, "How to Promote the Application of BIM/CIM Principles in FY2023 (Mar. 2, 2021)" and Digital Agency, "Progress in the Comprehensive Revision of Regulations in the Context of Digital Principles and Acceleration of Initiatives" (Oct. 27, 2022)



# Our main service



Site management SaaS for building construction site



DX the work of the site supervisor for general contractor & subcontractor



# FY2022.Q4 Highlights

SpiderPlus & Co.

1.FY2022.Q4 Highlights

2.Financial Information

3.Forecast & Mid-Term Growth Strategy

4.Reference Materials

## FY2022.Q4 KPI\*1

Cumulative Sales of ICT business

2,479 millions of yen

YoY Growth +28%

ARR

2,752 millions of yen

YoY Growth +26%

Company

1,524 companies

YoY Growth +27%

ID

58,690 ID

YoY Growth +20%

ARPU

3,908 yen

YoY Growth +5%

Churn rate

0.5%

Cumulative Sales	ARR	Company	ID	ARPU	Churn rate
Neutral	Neutral	Very Good	Neutral	Good	Very Good

\*1: "Very Good", "Good" and "Neutral" represent our view of performance. Each words denotes the results compared to the forecast and the growth rate as follows. "Very Good":A word for representing greater-than-expected results. "Good":A word for an item that has been improved or not anticipated. "Neutral":A word for lower-than-expected results. "Bad":A word for representing a significant decline in value or a net decrease in value



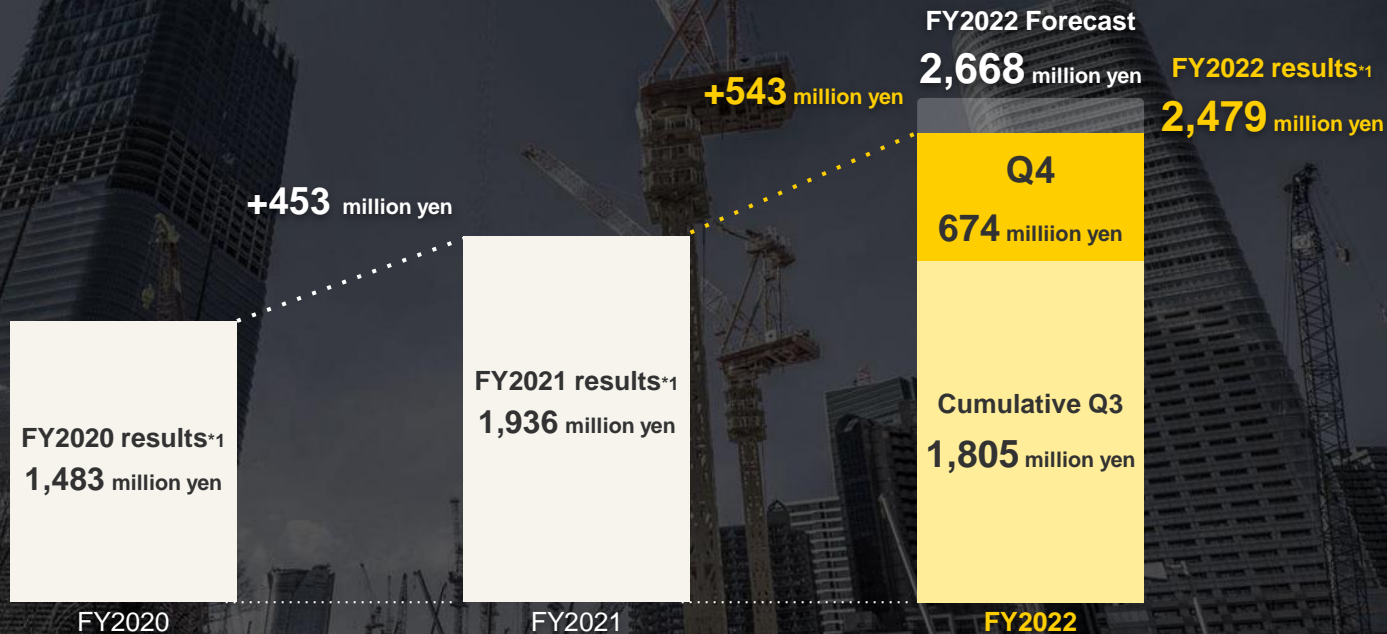
Thank you.

(Excerpt from new FY2022 contracts and expanded introduction customers\*1)



\*1: Only companies that have obtained permission to publish their logos will be listed.

# Net Sales of forecast vs. results



\*1: FY2020 and FY2021 only show sales from ICT business (because the engineering business was transferred in Jan. 2022 and ICT business is a single segment from FY2022).



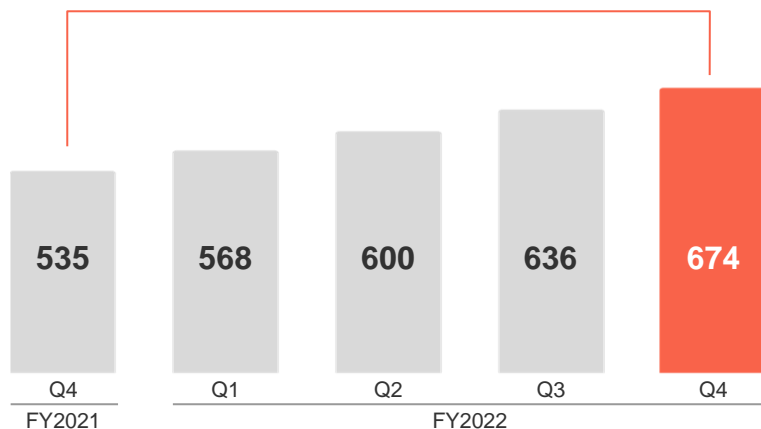
Both Net sales and ARR grew 26% YoY

Closing of large-scale negotiations\*<sub>1</sub> focused on in the second half of 2022 will be delayed until after 2023

## Net sales\*<sub>2</sub>

Unit: millions of yen

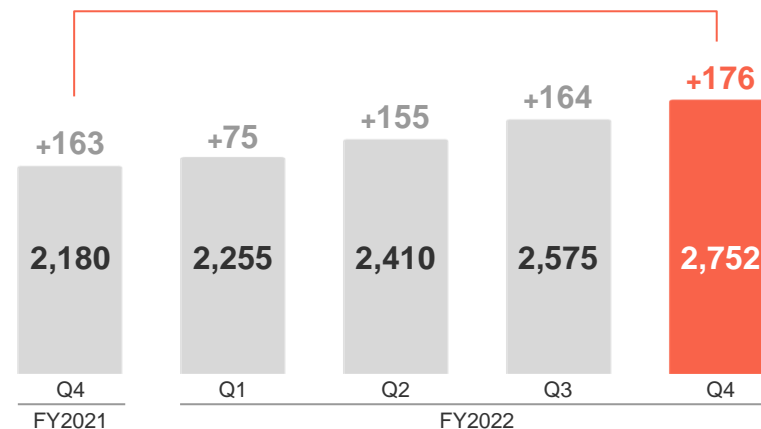
YoY Growth  
**+26%**



## ARR\*<sub>3</sub>

Unit: millions of yen

YoY Growth  
**+26%**



\*1: Refers to certain large transactions, such as the introduction of SPIDERPLUS for several 100 people (ex, company-wide introduction).

\*2: ICT segment sales are listed.

\*3: ARR is calculated by multiplying the monthly MRR of each quarter-end month by 12 (annualized) times the total amount of monthly usage fees that do not include temporary revenue at the end of the month of the target month.

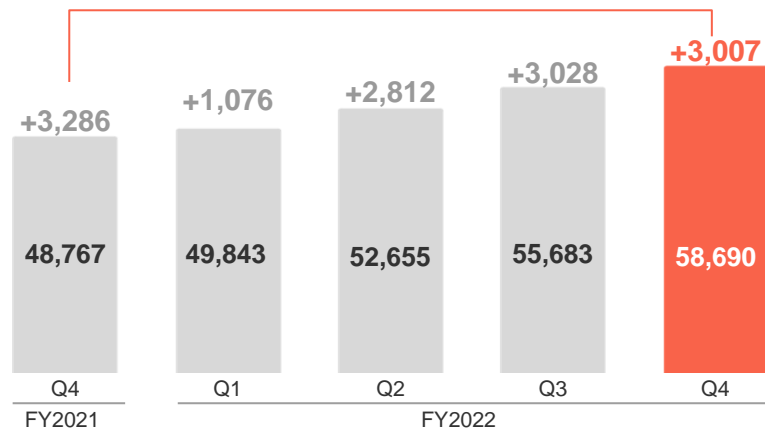
Although ARPU exceeded the forecast (YoY +4%),

Growth in number of IDs is lower than expected due to delayed closing of large-scale negotiations

## ID

Unit :ID

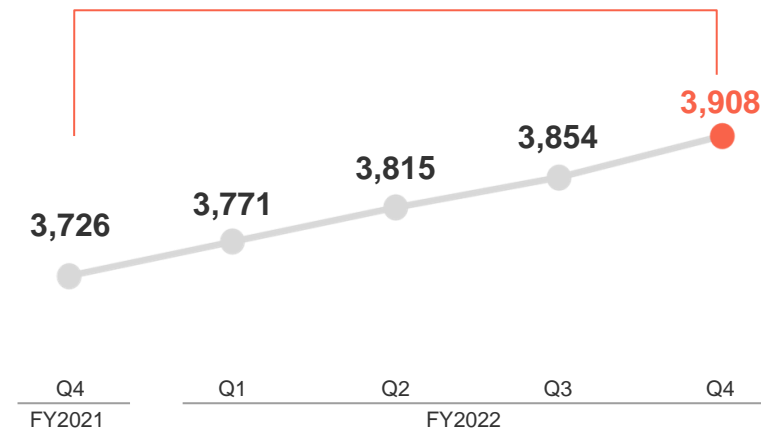
YoY Growth  
**+20%**



## ARPU\*1

Unit :yen

YoY Growth  
**+5%**



\*1: Represents the contract unit price for the ID unit and is calculated by "MRR ÷ number of IDs" for the month of the end of each quarter.

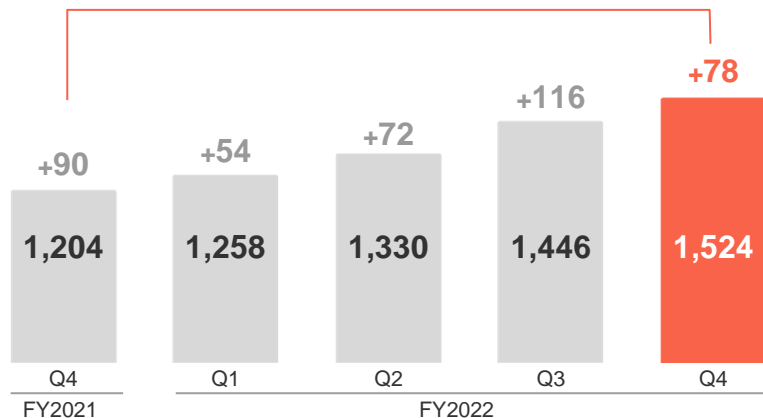
New contracts with 320 companies per year,  
including key customers, while maintaining ARPA

## Contracted companies

Unit: Companies

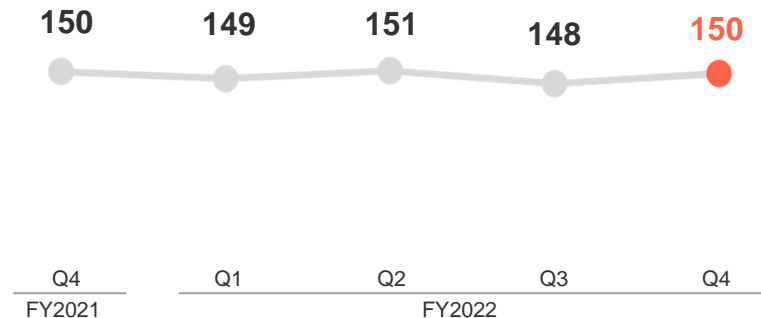
YoY Growth

**+27%** (+320 companies)



## ARPA\*1

Unit: thousands of yen

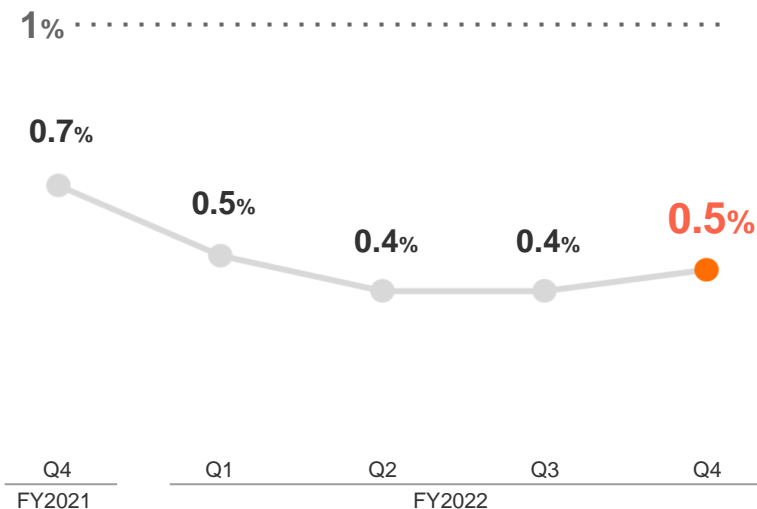


\*1: Represents the average unit price of a contracted company unit and is calculated based on "MRR ÷ the number of contracted companies" as of the end of each quarter.



Due to the expansion and strengthening of on-boarding teams, churn rate has maintain low level throughout the year

## Churn Rate\*1



## Measure of FY2022

Increase onboarding personnel by 1.5 times  
Improve efficiency by utilizing data for customer support

**Expansion & Enhance**

- Customer support based on industry and business understanding
- Circulation of construction industry knowledge within the company

**Date Utilization**

- Data on usage status
- Provide data on usage status to customers for their use as well.

**New Portal Site “S+Study”**

- Release of a portal site where you can learn how to operate with videos

\*1: The churn rate is the churn rate for the number of companies. The monthly churn rate is the average of the most recent 12 months. The churn rate for each month is calculated based on the number of cancellations in the current month divided by the number of contracted companies as of the end of the previous month.

# Business Topics

Alliance



New sales office



Co-Developent



Intellectual property



## Generating 1000 "Professional of SPIDERPLUS" Every Year



### Details of Alliance

- Alliance with COPRO-ENGINEERD Co., Ltd. ("COPRO"), which provides engineer dispatch services to construction sites
- Incorporated training on SPIDERPLUS into COPRO's pre-dispatch training program to create more than 1000 DX response engineers each year
- COPRO supports the introduction of SPIDERPLUS for companies to which technicians are dispatched and for sites dispatched

\*1: Consolidated subsidiary of COPRO-HOLDINGS Co., Ltd (Headquarters: Nagoya City, Aichi Prefecture, TSE Prime and NSE Premier)



## Established 5 domestic bases in Nagoya and strengthened sales and support capabilities in the Tokai region\*1



### Opening Background and Expected Effects

- Maximize network effects in the region by opening a base in the Tokai region
- Strengthen collaboration with COPRO-ENGINEERD Co., Ltd. and Ricoh, the alliance partners that already have bases in the region, and implement the following initiatives



#### COPRO-ENGINEERD Co., Ltd.

The company has a headquarters in Nagoya City and provides temporary staffing solutions for the construction industry. The company also shared its customer base and conducted a service-sales collaboration between the 2 companies.

#### RICOH JAPAN Corp.

Strengthen sales in cooperation with the Aichi Branch of Ricoh Japan Co., Ltd., an affiliate

\*1: Nagoya Office: Dai Nagoya Building 11F, 3-28-12 Meieki, Nakamura-ku, Nagoya-shi, Aichi 450-0002

## Creating New "On-site DX" Together with Leading Companies

### AI Super Resolution Linkage Function

- Implemented "AI Super-Resolution Linkage Function" on SPIDERPLUS using Ricoh's "RICOH360" platform.
- Improved clarity of photographic images on sites that often involve scaffolding and limited visibility



### Auxiliary function for management of reinforcement work

- Utilized as a supplementary tool for inspection of reinforced joint work\*1
- Pass/Fail judgment of the inspection is completed only by holding up the smartphone.



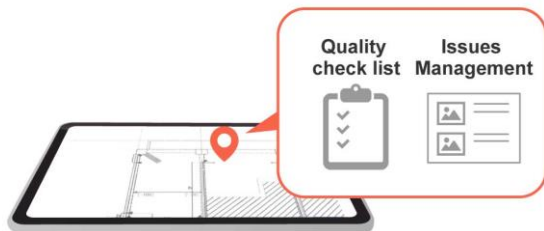
\*1: An inspection to check the condition of the pressure-welded parts between reinforcing bars, which are carried out in a reinforced concrete building.

## Two new patents were granted to further enhance competitive advantage

### Coordination of management of problems pointed out in checklist\*1

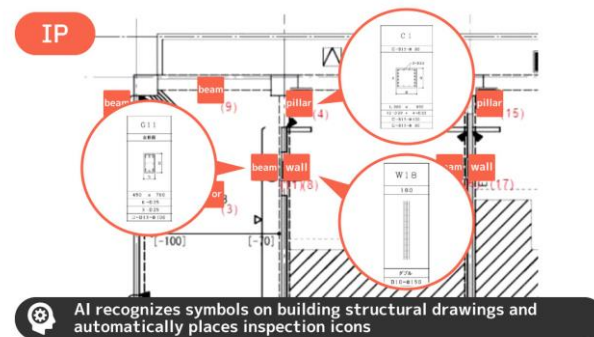
- Technology applied to the "Pointing Management Option"
- Digitalization of site management operations that were previously performed on paper or Excel

**IP** Centralized management of a series of construction quality control operations within SPIDERPLUS



### Building drawing Icon allocation AI\*2

- Technology applied to the BPO service "SPIDERPLUS ASSISTANT"
- Reduced work hours by approximately 70%, contributing to an increase in the number of orders received



\*1: Patent No. 7167386 (registered on Oct.28,2022.) / Name of the invention:Indication contents output system, content output method and program

\*2: Patent No. 7159513 (registered on Oct.24,2022.) & Patent No. 7177964 (registered on Nov.15,2022.) / Name of the invention:The icon arrangement system, the icon layout method and program



# Financial Information

SpiderPlus & Co.

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# FY2022 Financial Highlight

(Net sales fell short of forecasts, but cost control was implemented appropriately)

Millions of yen	FY2022 Cumulative period	YoY	FY2022 Forecast
Net sales	2,479	+28%	2,668
Operating loss	-1,142	—	-1,189
Ordinary loss	-1,161	—	-1,219
Net loss	-1,036	—	-1,094
Cash and deposits	3,044	—	—
(Reference) Number of employees	237 person	+43person	over 250person

Millions of yen	FY2022.Q3 Accounting period	FY2022.Q4 Accounting period	QoQ	FY2021.Q4 Cumulative period	FY2022.Q4 Cumulative period	YoY
<b>Net sales</b>	<b>636</b>	<b>674</b>	<b>+5.9%</b>	<b>2,206</b>	<b>2,479</b>	<b>+12.3%</b>
Of net sales, ICT business	636	674	+5.9%	1,936	2,479	+28.0%
<b>Gross profit</b>	<b>375</b>	<b>405</b>	<b>+7.9%</b>	<b>1,262</b>	<b>1,520</b>	<b>+20.4%</b>
Gross profit margin	59.1%	60.2%	+1.1pt	57.2%	61.3%	+4.1pt
SG&A expenses	692	794	+14.8%	1,695	2,662	+57.0%
<b>Operating loss</b>	<b>-316</b>	<b>-388</b>	<b>-</b>	<b>-433</b>	<b>-1,142</b>	<b>-</b>
<b>Ordinary loss</b>	<b>-319</b>	<b>-391</b>	<b>-</b>	<b>-503</b>	<b>-1,161</b>	<b>-</b>
Extraordinary income	-	-		0	132	
Extraordinary losses	0	0		0	0	
<b>Quarterly loss before income taxes</b>	<b>-319</b>	<b>-392</b>	<b>-</b>	<b>-504</b>	<b>-1,030</b>	<b>-</b>
<b>Net loss through the quarter</b>	<b>-320</b>	<b>-393</b>	<b>-</b>	<b>-511</b>	<b>-1,036</b>	<b>-</b>

## About Cumulative FY2024.Q4

### Net Sales

- Net sales for the cumulative FY2022.Q4 period increased to 2,479 million yen in line with the sales growth (YoY+28.0%) in ICT business

### Gross profit margin

- Gross margin increased to 61.3%(YoY+4.1pt) as ICT business became a single business from FY2022

### SG&A expenses

- SG&A expenses increased to 2,662 million yen (YoY+57.0%) in the cumulative period due to advanced investment in ICT business, mainly human capital, and the relocation of the head office

### Extraordinary income

- Gain of 132 million yen from the transfer of the engineering business in January 2022



Millions of yen	FY2021.Q4 Cumulative period*1	FY2022.Q4 Cumulative period	YoY
<b>Net sales</b>	<b>1,936</b>	<b>2,479</b>	<b>+28.0%</b>
<i>Stock income</i>	1,911	2,441	+27.7%
<i>Stock income ratio</i>	98.7%	98.5%	-0.2pt
Cost of sales	710	958	+35.0%
<b>Gross profit</b>	<b>1,226</b>	<b>1,520</b>	<b>+24.0%</b>
<i>Gross profit margin</i>	63.3%	61.3%	-2.0pt
SG&A expenses	1,692	2,662	+57.3%
<b>Operating loss</b>	<b>-465</b>	<b>-1,142</b>	<b>-</b>

### Cumulative FY2022.Q4

#### Net sales

- ICT business sales increased to 2,479 million yen (YoY+28.0%), due to increased SPIDERPLUS stock revenue

#### SG&A expenses

- SG&A expenses increased to 2,662 million yen (YoY+57.3%) due to planned advanced investment
- Advertising expenses were 236 million yen due to exhibitions, online marketing, etc.

\*1: Performance excluding profit and loss related to ENG business from company-wide profit and loss is presented as comparative information.

Millions of yen	FY2020	FY2021	FY2022.Q4
Cash and deposits	469	4,196	3,044
Other current assets	351	512	497
<b>Current assets</b>	<b>820</b>	<b>4,708</b>	<b>3,542</b>
Software	3	2	558
Software in progress	–	381	183
Other fixed assets	80	334	510
<b>Fixed assets</b>	<b>84</b>	<b>717</b>	<b>1,252</b>
<b>Total assets</b>	<b>905</b>	<b>5,426</b>	<b>4,794</b>
Borrowings	266	178	443
Other liabilities	230	626	666
<b>Total liabilities</b>	<b>496</b>	<b>804</b>	<b>1,109</b>
<b>Total net assets</b>	<b>408</b>	<b>4,622</b>	<b>3,684</b>
<i>Equity ratio</i>	<i>45.1%</i>	<i>85.2%</i>	<i>76.8%</i>

## Cumulative FY2022.Q4

### Cash and deposits

- Implementation of strategic advanced investment based on a stable financial base. The balance of cash and deposits at the end of FY2022 was 3,000 million yen.

### Software & Software in progress

- Upon releasing the renewal version of SPIDERPLUS, software accounts are booked and amortization begins

### Other fixed assets

- Increase in property, plant and equipment mainly due to the move-in of a new office in May. 2022

### Debt

- Increased due to 330 million yen borrowing (repayment period: 5 years, unsecured) for capital investment related to the relocation of the head office

Millions of yen	FY2020	FY2021	FY2022
Operating Cash Flows	130	-493	-1,000
Cash flows from investing activities	12	-610	-508
<b>Free Cash Flow</b>	<b>142</b>	<b>-1,103</b>	<b>-1,509</b>
Net Cash Used in Financing Activities	-43	4,830	363
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>99</b>	<b>3,726</b>	<b>-1,146</b>
Cash and cash equivalents at beginning of year	365	464	4,191
<b>Cash and cash equivalents at end of year</b>	<b>464</b>	<b>4,191</b>	<b>3,044</b>

## Cumulative FY2022.Q4

### Operating Cash Flows

- Mainly negative operating cash flow due to advanced investment in ICT business

### Net cash used in investing activities

- The main content is due to the progress of renewal and development of SPIDERPLUS.  
Increase in software in progress/software and purchase of fixed assets associated with head office relocation costs
- The transfer of the engineering business in Jan. 2022 resulted in the receipt of 200 million yen in consideration for the transfer

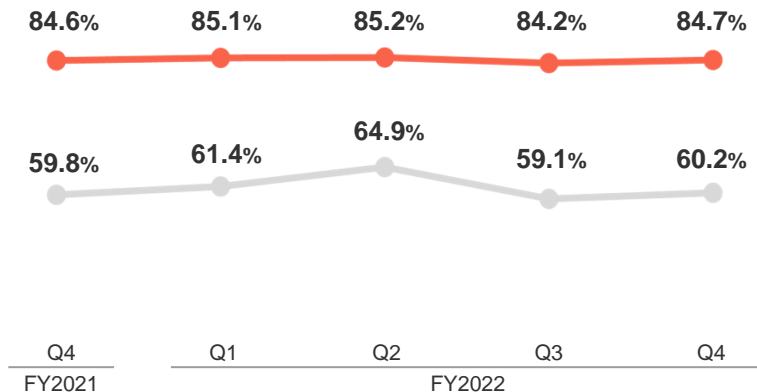
### Net cash used in financing activities

- Increase mainly due to proceeds from exercise of stock acquisition rights and debt financing for head office relocation

## Marginal profit ratio\*1 remained stable at around 85%

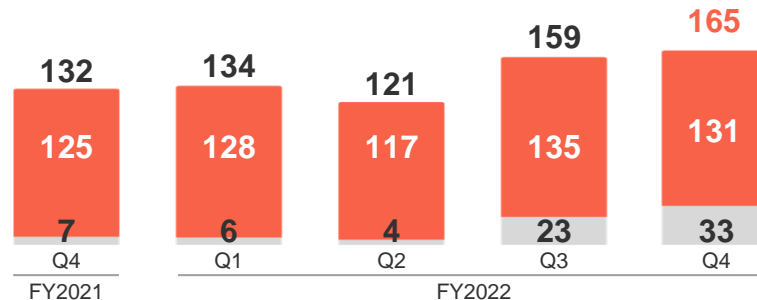
## Marginal Profit Ratio and Gross Profit Margin

●:Marginal profit ratio ●:Gross profit margin



## Breakdown of Fixed Costs\*2

■:Development personnel expenses\*3 ■: Other fixed costs Unit:Millions of yen



\*1: Marginal profit is "Net sales-Communication expenses (Cost of sales)-Commissions paid (Cost of sales)," and marginal profit ratio is calculated as "Marginal profit ÷ Net sales."

\*2: Only fixed costs in cost of sales, not including SG&A expenses.

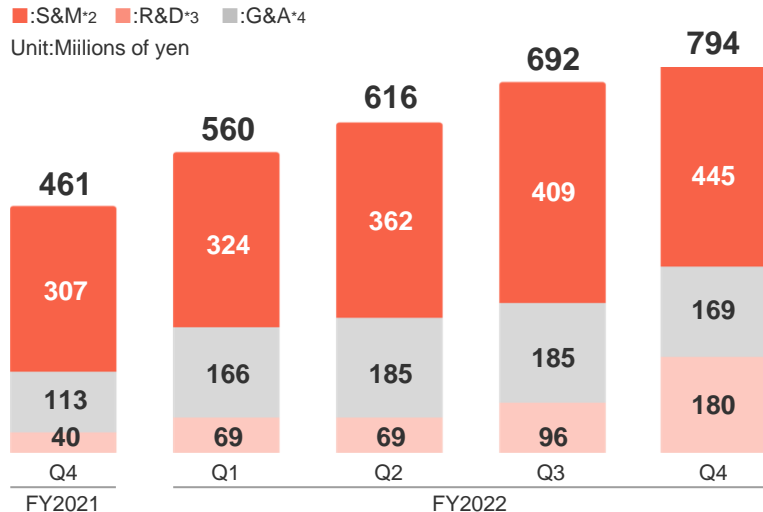
\*3: Includes expenses related to outsourcing (including SES) and temporary staffing, in addition to permanent employee human rights expenses. Other fixed costs are based on our accounting classifications used for administrative purposes.



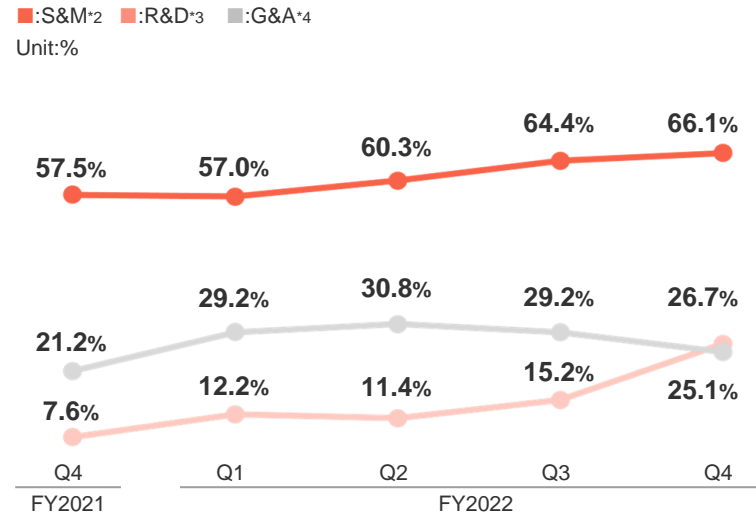
S&M is at the same level as FY2022.Q3 due to the impact of the 1-time cost of exhibitions

R&D increased as a result of focusing on product development, including renewal of SPIDERPLUS

SG&A expenses composition\*1



SG&A ratio



\*1: Each structure is a management accounting structure.

\*2: Abbreviation of Sales and Marketing. "Total of personnel expenses, advertising expenses, sales commissions, etc. and related common expenses related to the sales department including marketing" for each quarterly accounting period.

\*3: Abbreviation of Research and Development. "Total amount of personnel expenses, etc. related to the development division and related common expenses" for each quarterly accounting period.

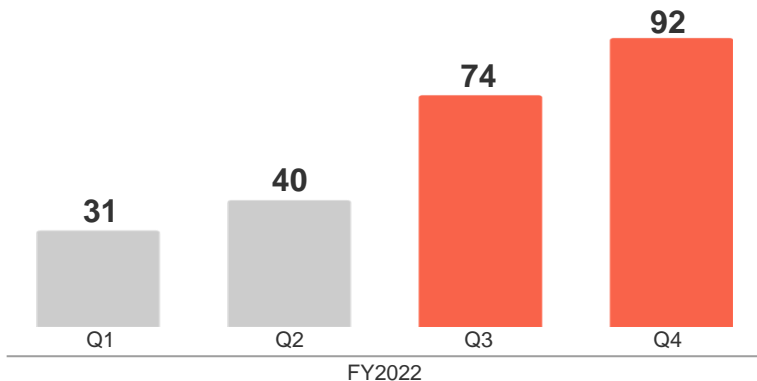
\*4: Abbreviation of General and Administrative. "Total Corporate Division Expenses and Related Common Expenses" for each quarterly period.

SG&A expenses increased due to 1-time factors associated with a large-scale exhibition at an exhibition and developing a renewal version SPIDERPLUS.

### Changes in Marketing Costs

Unit : Millions of yen

Large-scale participation in exhibitions  
in Q3 and Q4 of FY2022.

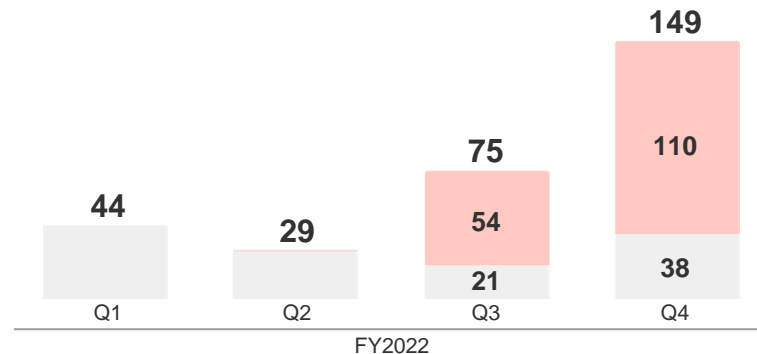


### Changes in Product Development Costs

■ : Product development costs (outsourcing costs) recorded in S&M

■ : R&D cost

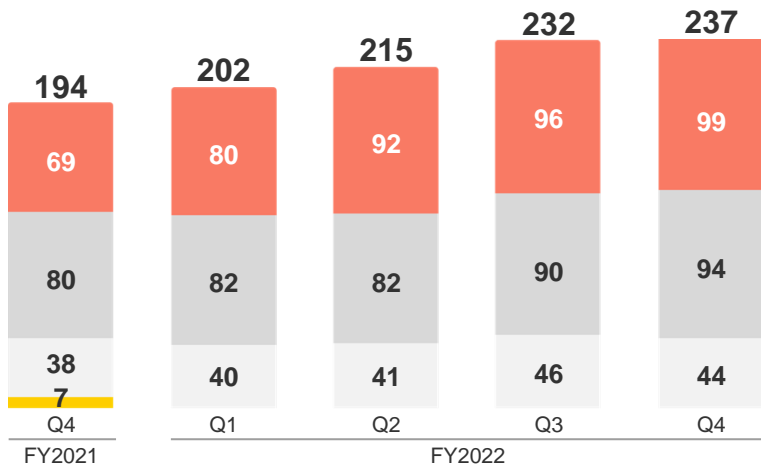
Unit : Millions of yen



Focus on securing human resources and organizing to meet growing demand for IT capital expenditures

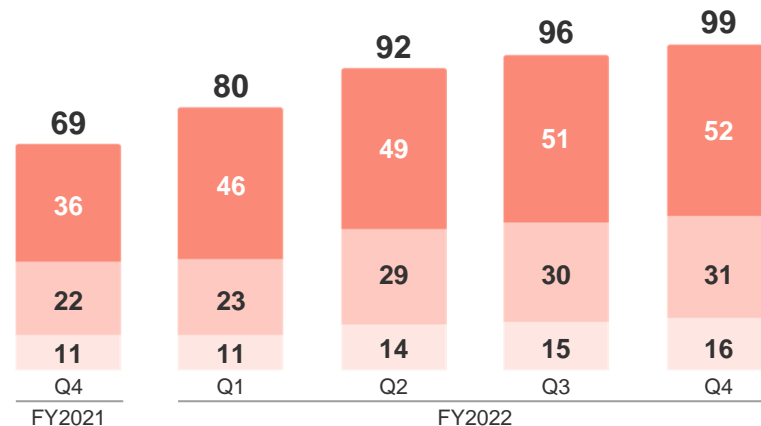
Number of Employees\*2

■: S&M ■: Products (Development and R&D) ■: G&A ■: ENG Business  
Unit: People



Number of S&M staffing

■: Field Sales & Consulting Sales ■: Customer Success & Customer Support  
■: Marketing Inside Sales and Others  
Unit: People



\*1: Includes the number of sales and corporate temporary staff and the number of development-related SES staff (excluding outside directors, etc.).

# Forecast & Mid-Term Growth Strategy

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**FY2023 Forecast**

**Net Sales 3.3 billion yen (YoY+33%), Operating loss-0.7 billion yen (FY2022:-1.1billion yen)  
Planned reduction of deficit while increasing growth potential**

**Market Environment**

**The Workplace Reform Law will come into effect in about a year  
& Serious labor shortage at construction sites**

**Mid-Term Strategy**

**Toward Construction DX Services-Solving All Problems at Construction Sites Resulting  
from Labor Shortages**



# Mid-Term Growth Strategy\*1

Creating the construction sites of the future with customers by reliably grasping social issues



\*1: ARR 5 billion and ARR 10 billion are medium-and long-term forecasts and are not guarantees of future results or performance. This forward-looking statement involves known and unknown risks and uncertainties that may cause actual future results and financial condition to differ materially from any future results or outcomes expressed or implied by the forward-looking statements.

# FY2023 Forecast

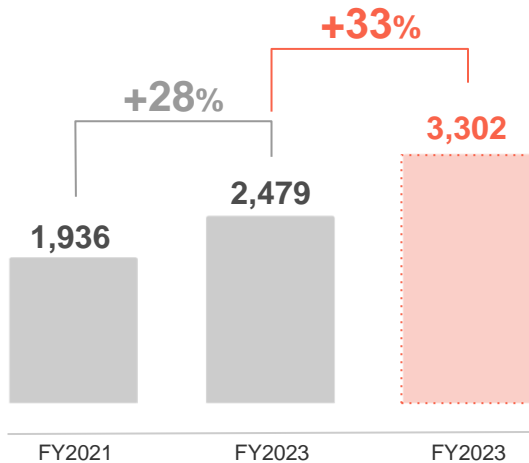
Continue advanced investment with an sense of profitability

Unit : Millions of yen	FY2022 Results	FY2023 Forecast	YoY
<b>Net Sales</b>	<b>2,479</b>	<b>3,302</b>	<b>+33%</b>
<b>Operating loss</b>	<b>-1,142</b>	<b>-698</b>	<b>—</b>
<b>Ordinary los</b>	<b>-1,161</b>	<b>-732</b>	<b>—</b>
<b>Net loss through the year</b>	<b>-1,036</b>	<b>-739</b>	<b>—</b>
<b>ARR</b>	<b>2,752</b>	<b>3,770</b>	<b>+37%</b>
<b>ARR per employees</b>	<b>11.9</b>	<b>14.5</b>	<b>+22%</b>
<b>Number of Employees</b>	<b>237</b>	<b>Approx.260</b>	<b>Approx. +30</b>

Accelerated penetration of existing customers and planned advance investment  
to reduce losses while increasing growth rate

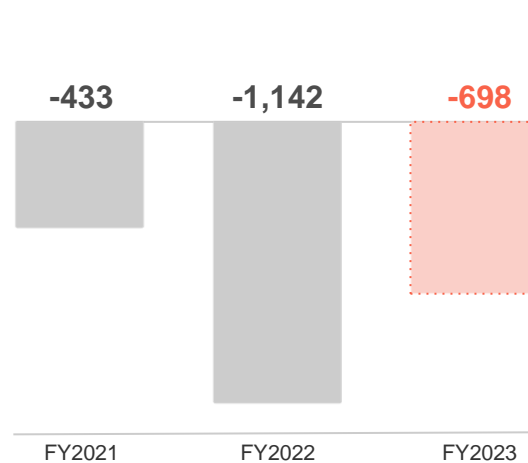
## Net Sales

Unit : Millions of yen



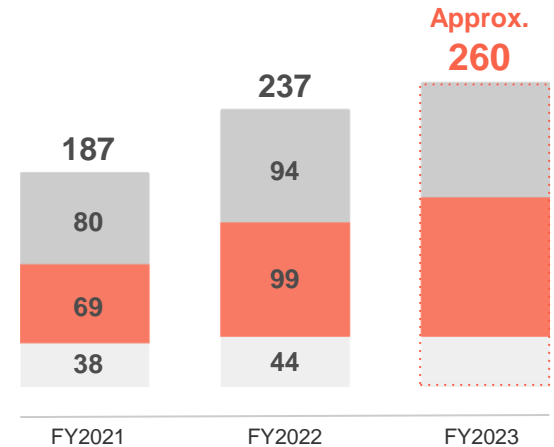
## Operating Loss

Unit : Millions of yen



## Recruitment Plan

■ : Product ■ : S&M ■ : G&A Unit : perspn

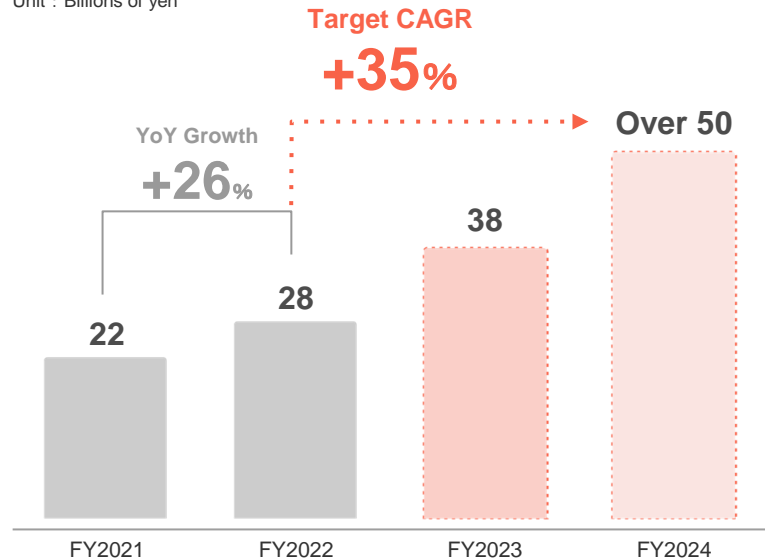


## Early achievement of 5 billion yen ARR in FY2024\*1

Focus on turning points in 2024 and pursue customer development and penetration through a 2-year plan

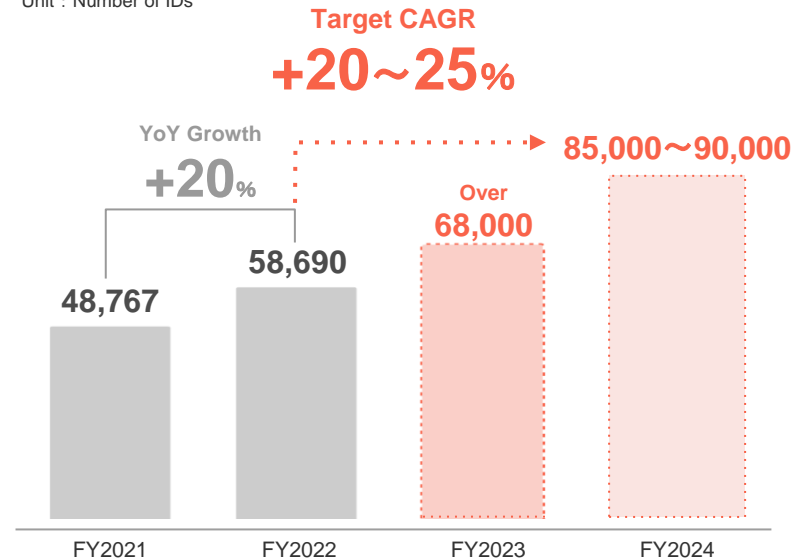
### ARR

Unit : Billions of yen



### ID

Unit : Number of IDs



\*1: Forward-looking statements about ARR and ID are medium-to long-term prospects and are not guarantees of future results or performance. This forward-looking statement involves known and unknown risks and uncertainties that may cause future results and outcomes to differ materially from those anticipated.

## Developing highly efficient sales strategies in anticipation of accelerating demand growth

### Sales organization specializing in construction DX

Establishment of a sales organization specializing in construction DX  
 (As of the end of Dec. 2022 sales personnel/1.4 times the previous year)

### Expansion of sales network

Expand network of agents and agents  
 Establishment of new sales offices  
 (as of Feb. 2023: 5 offices)

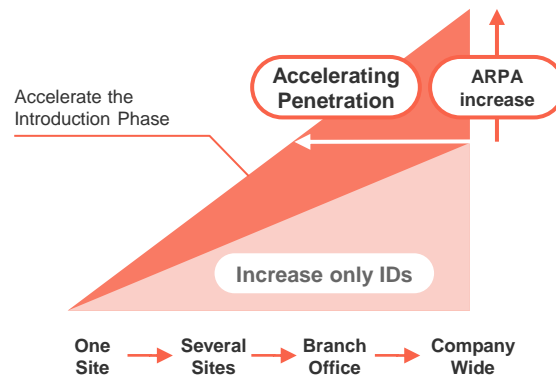
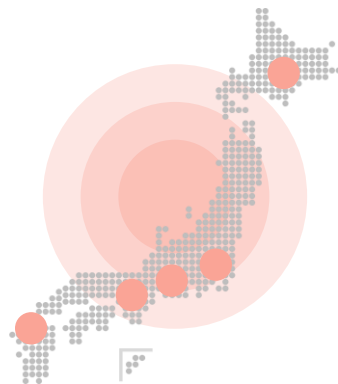
### Cultivate key customers & accelerate penetration

Through a value proposition that combines optional functions  
 Generate large-scale negotiations such as early lump-sum introduction

#### To be Pofe



#### Expected effect



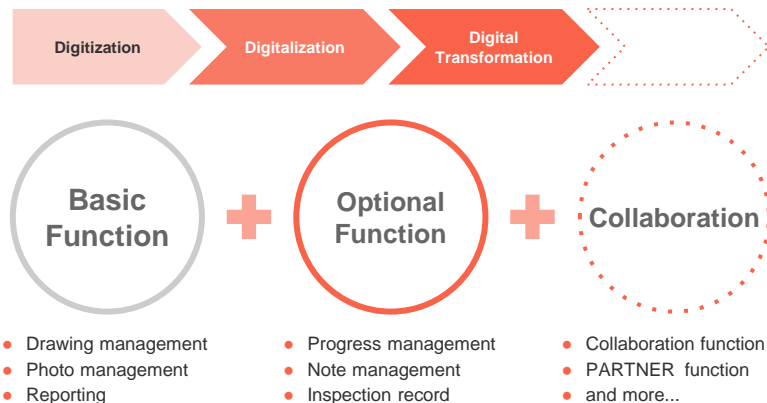


## Incorporate construction management expertise into products

### Build product value that only we can provide

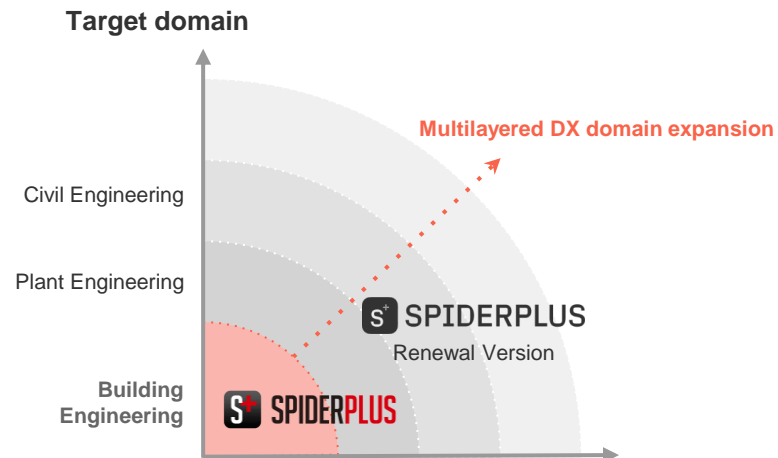
Develop functions that meet DX phases and Customer issue

Develop functions that not only replace analog tools but also improve the efficiency of business processes and on-site operations



Expansion of DX domain

Focus on developing products that expand DX domain, such as renewal version of SPIDERPLUS



## Products that form the foundation for medium-to long-term growth

### Migration from the current version of SPIDERPLUS will be phased in starting in 2024

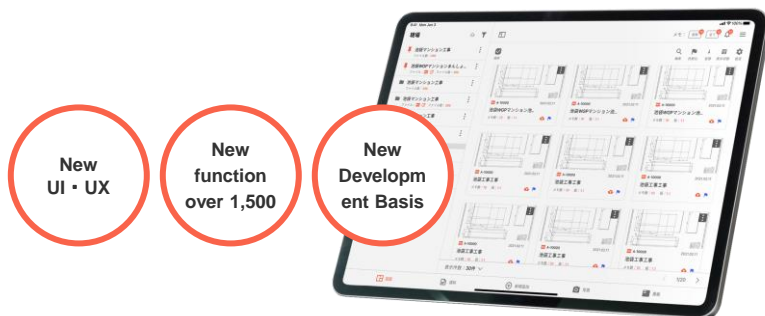
#### What is the renewal version

By eliminating technology liabilities accumulated over 2010 years,  
Reborn SPIDERPLUS



Current version

Renewal version



#### Status of provision

Currently, the renewal Basic Plan is being provided only for  
specific industries.  
Sequential transition from the current version from 2024

#### Image of the plan provided

Current version

Renwal version

Optional function  
for  
Specific Industry

Optional function  
for  
All Industry

Basic function

**Premium Plan**

**Standard Plan**  
Scheduled to launch in 2023

**Basic Plan**  
Launched in Aug. 2022

## Focus management resources preferentially on target countries with a view to establishing overseas bases

### Overseas expansion policy

Expanded to 10 countries mainly in Southeast Asia, where Japanese construction companies are expanding  
Selection of countries for deployment based on investment criteria such as market size and business practices of each country

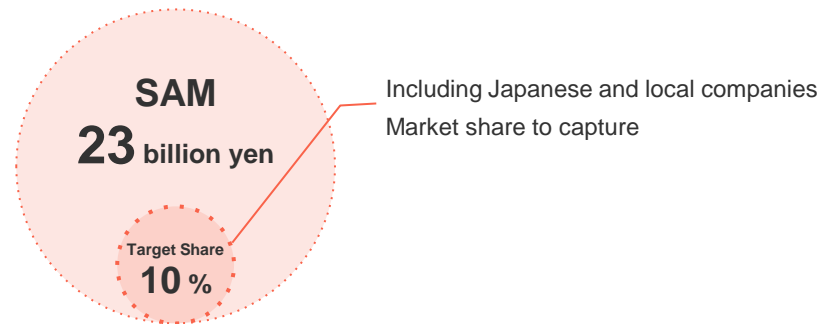


Regions under development	
Vietnam	Taiwan
Thailand	China
Indonesia	Philippines
Cambodia	Malaysia
Singapore	Myanmar

### Mid-Term Priority strategy

In addition to Japanese-affiliated construction companies in the target countries  
Aiming to acquire a 10% market share as soon as possible by expanding into the local construction industry

#### Examples of Market Size in the Most Focused Countries\*1

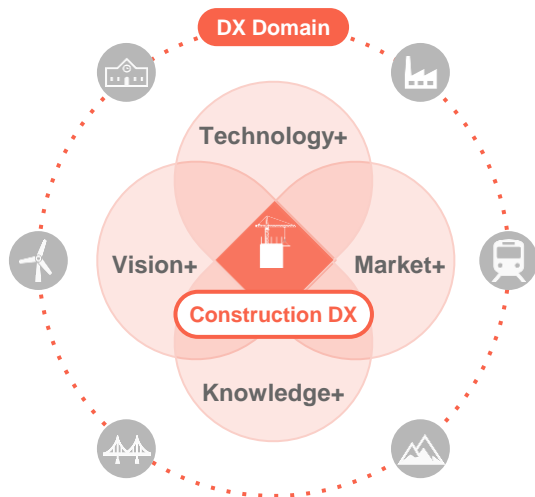


\*1: Market size of the most focused countries are calculated by multiplying the number of employees of the contractors we serve in the target countries by the assumed ARPU.

Proactively utilize alliances and M&A to generate discontinuous growth

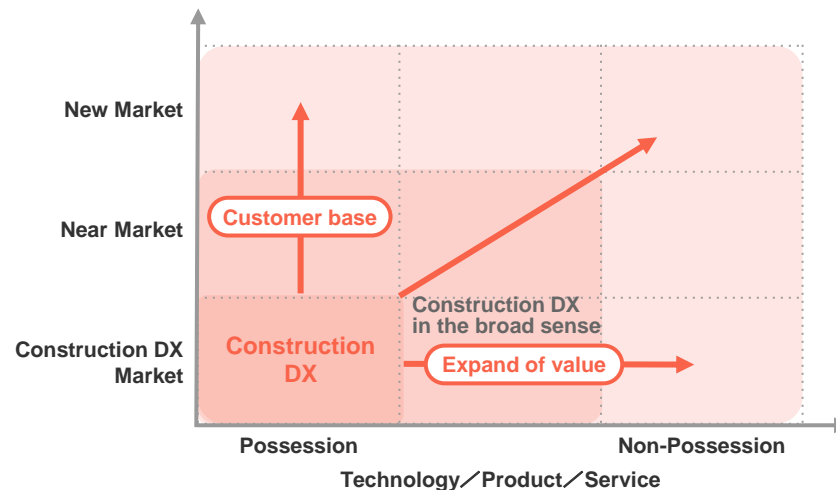
## Alliance Strategy

Implemented DX in areas surrounding construction, such as local governments



## M&A Strategy

Execute M&A for deals with stronger synergy effects



**Creation of DX human resources through  
“DX × Engineer Dispatch”**



COPRO-ENGINEERD Co., Ltd.  
Consolidated subsidiary of COPRO-HOLDINGS. Co., Ltd  
(Headquarters: Nagoya City, Aichi Prefecture, TSE Prime and NSE Premier)  
conclusion a business alliance agreement in

**Linkage with functions  
using 360-degree images**



Ricoh Company,Ltd. (TSE Prime market : 7752)  
Announced in Aug. 2022

**Regional revitalization through  
“Construction DX × local government DX”**



CHANGE Inc. (TSE Prime market : 3962)  
Jun. 2022 Announced collaboration and concluded a business  
alliance contract in Aug. of the same year.

**For the decarbonization of buildings and DX  
Joint development of new services to promote from  
both**



OSAKI ELECTRIC CO.,LTD. (TSE Prime market : 6644)  
Announced in Nov. 2021

**Understand the status of the site from a remote  
location by video  
Verified collaboration with Smart Field**



OPTiM Corporation (TSE Prime market : 3694)  
nounced in Jan. 2022

# Mid-Term Growth policy\*1

Aiming for early achievement of ARR10 billion and a highly profitable financial structure

## ARR

Advanced Investment

Target  
CAGR  
35%

Target  
CAGR  
40%

ARR10 billion yen

FY2020

FY2022

FY2024

Target : FY2026~2027

## Financial Model

Building a highly profitable financial structure over the long term with the milestone of achieving full-year profitability in FY2025

	FY2022 Results	FY2023 Forecast	Mid-Term Financial Model
Gross profit margin ratio	61%	over 60%	65~70%
SG&A expenses ratio	107%	80~85%	35~40%
Operating income ratio	-46%	-21%	20~30%

\*1: Forward-looking statements about ARR and financial modeling are medium-to-long-term prospects and are not guarantees of future results or performance. This forward-looking statement involves known and unknown risks and uncertainties that may cause future results and outcomes to differ materially from those anticipated.



# Vision 2030

**Create with customers**  
**“Construction site of the future”**

# Reference Materials

## \_\_About SPIDERPLUS

SpiderPlus & Co.

1.FY2022.Q4 Highlights

2.Financial Information

3.Forecast & Mid-Term Growth Strategy

4.Reference Materials

# Site Management SaaS




## Extensive range of functions that can centralize construction management operations

**+** Optional function  
for  
Specific Industry  
2,500 yen / per month



**For Buildings**  
Pile Construction Record/Reinforcement Inspection  
Finishing inspection/construction progress management



**For Electrical equipment**  
Checking watt-hour meters/Trunk and load facilities  
Connection of outlet test/illumiance measuring machine



**For AC & sanitary equipment**  
Air flow meter linkage/Pressure gauge linkage  
Temperature and Humidity Meter Cooperation/Noise Meter  
Cooperation

**+** Optional function  
for  
All Industry  
1,000 yen~ / per month

**General-purpose option function**  
indicated administrative functions: ID of 2 thousand yen per month  
Pipe slope measuring function : ID 1 thousand yen per month



**Pipe slope measuring**

**Basic function**  
3,000 yen / per month



**Drawing management**      **Electronic black board**      **Photo management**      **Generate reports**

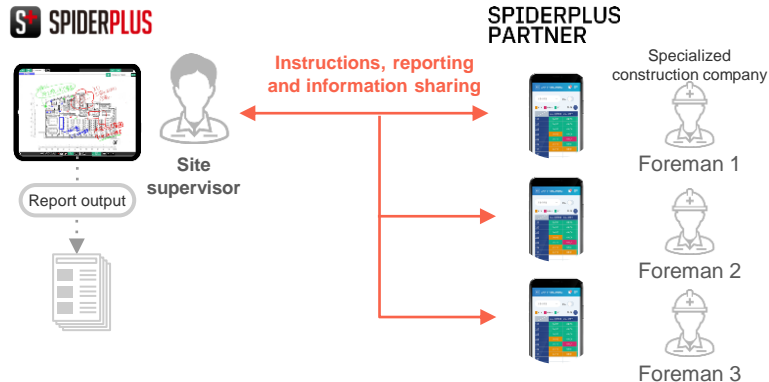
\*1: The standard functions and option usage fees by industry exclude consumption tax and other taxes. The use of optional functions requires contracts for standard functions.



## Develop products and services that also improve efficiency in peripheral operations for construction management

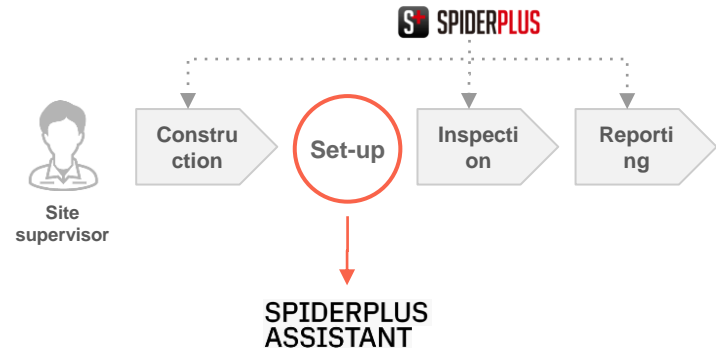
### SPIDERPLUS PARTNER

- Optional function to reduce communication costs for site supervisors managing specialty contractors
- Completion of inter-company operational reports that occur "daily," "many times," and "many times" on SPIDERPLUS



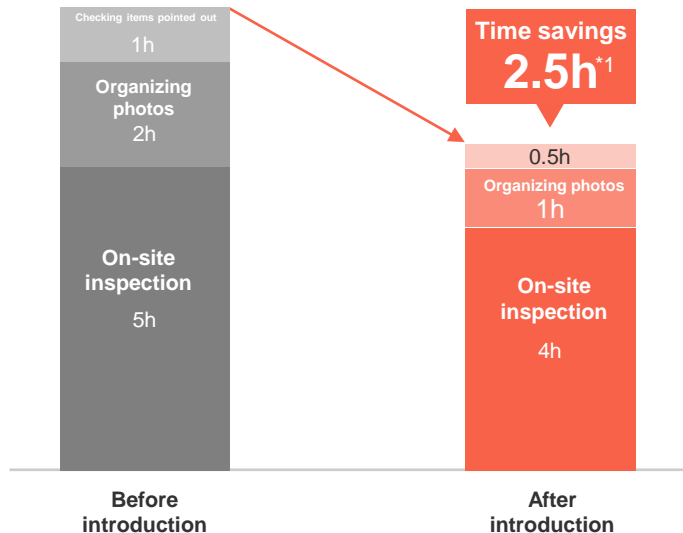
### SPIDERPLUS ASSISTANT

- BPO servicing to prepare (set up) inspection tasks, which take several hours
- Reduce the burden of preparatory work, such as registering detailed drawings on SPIDERPLUS required prior to inspections and marking inspection locations.



After the introduction of SPIDERPLUS, business was improved by 2.5 hours/day on average.

## Daily operational improvements



Per capita  
**Effects of monthly introduction<sup>\*2</sup>**  
**Approx. 150 thousand yen**

Monthly savings in time and costs

Monthly running costs

Monthly savings in time and costs

**156,250 yen/month**

1 day reduction time: 2.5 hours × monthly operation: 20 days × (daily salary 25 thousand yen/8 hours) = 156,250 yen

Monthly running costs

**3 thousand yen/month**

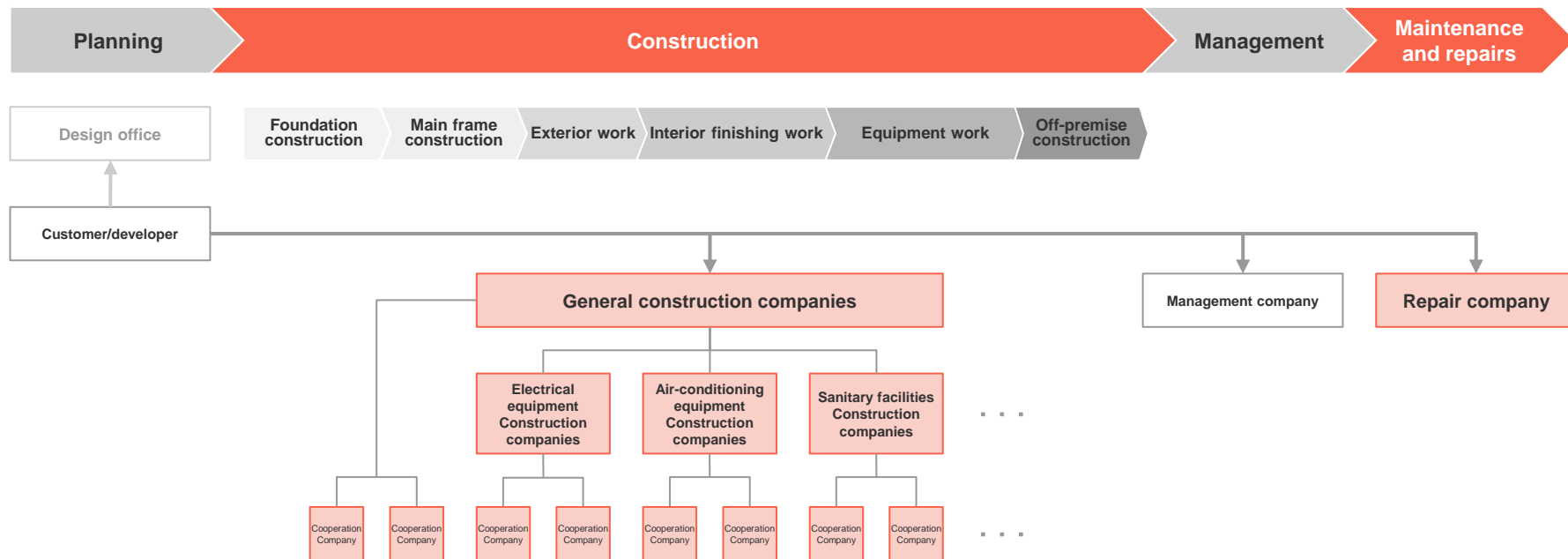
Charges for using SPIDERPLUS standards

\*1: Reduced times are prepared by us based on internal survey materials of companies that have introduced tablets and SPIDERPLUS.

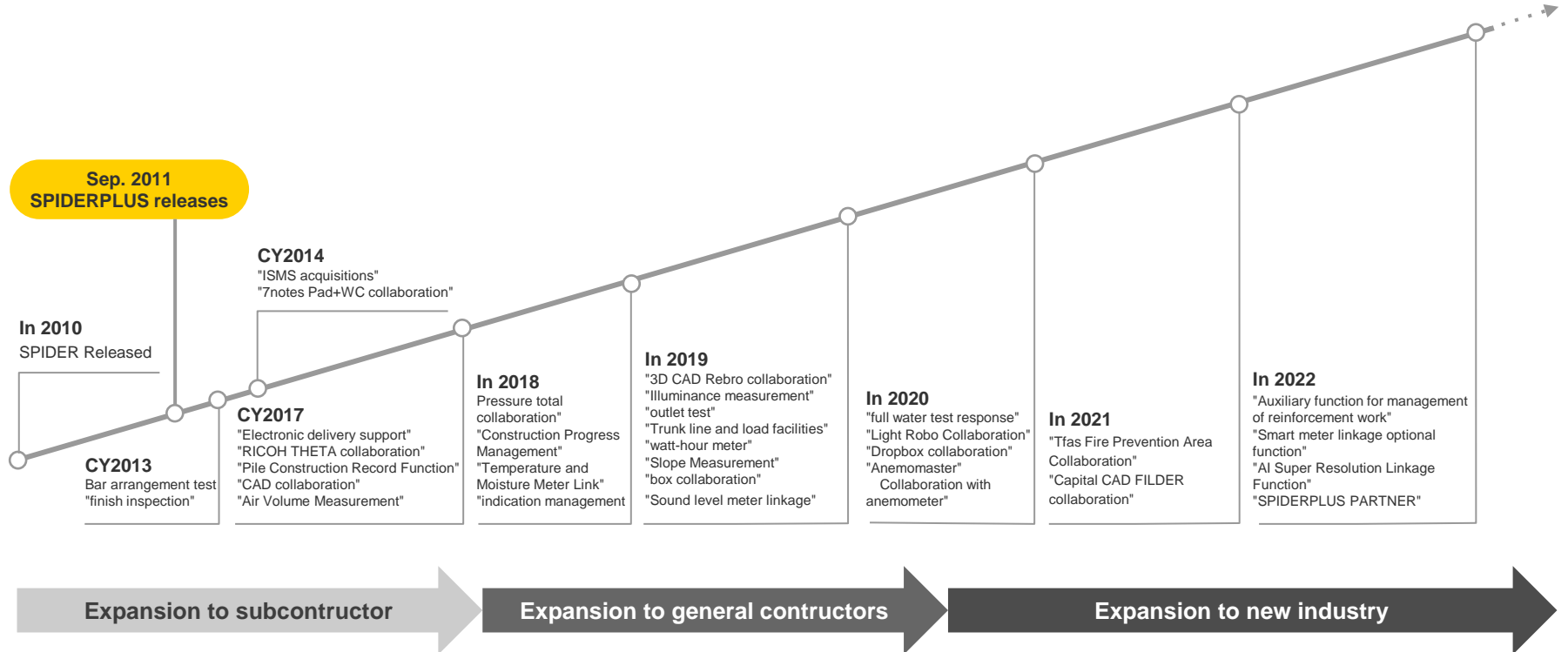
\*2: Labor costs are 25 thousand yen/day, working hours per day are 480 minutes/day, and the number of working days per month is estimated at 20 days. It does not include SPIDERPLUS up-front costs, server costs, tablet-use fees, communication and educational costs, and consumption taxes.



Products used in large-scale construction sites, such as buildings and condominiums  
Completed on a SPIDERPLUS basis, from in-house construction management to information-sharing  
between businesses



## SPIDERPLUS developed and improved with customers over a decade



## SPIDERPLUS selected as DX-partners

### Examples\*1,2

With the introduction of industry-wide TOP 30 companies  
Growing network effects in each industry



#### Taikisha Ltd.

Net sales 209.2 billion yen  
Number of Employees 5,079  
Listed on the TSE Prime Market



#### Hibiya Engineering, Ltd.

Net sales 75.1 billion yen  
Number of Employees 944  
Listed on the TSE Prime Market



#### YAMATO Inc.

Net sales 45.5 billion yen  
Number of Employees 1,103  
Listed on the TSE Standard Market

### Background to DX Progress\*3

- Curtailment of long working hours and improvement of operational efficiency in preparation for labor shortages and overtime regulations
- Labor savings by limiting visits to sites associated with COVID-19



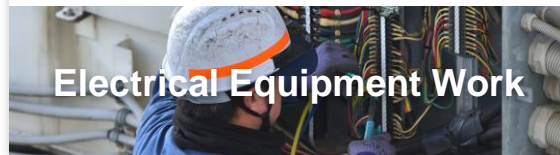
\*1: The financial results and number of employees for each company are extracted from each company's annual securities report for the most recent fiscal year. Listed market classification is as of August 2022.

\*2: "Industry TOP 30" refers to the sales top 30 companies in industry in "Air-Conditioning and Sanitary Construction" selected by SPEEDA.

\*3: Summarized the content of our interviews with the companies that introduced the above.

Businesses share information via SPIDERPLUS and streamline construction management for the entire site

Kajima Corporation's DX model site



“Once you use it, you won't want to part with it! “



### Not only paperless, but clarity of information is also a key to efficiency.

At the plant, the number of paper documents we take out to the field is just enormous, and we print and file 20,000 to 30,000 sheets a month. It is very difficult just to find the necessary documents every time something is needed. For example, we don't file materials that are to be submitted to the customer the next day, but if you include such materials, the number of sheets of paper is just too much.

During the trial period, we were impressed by the intuitive operability of the system, the efficiency of information transmission that meets the needs of the field, and the reliability of the security measures, which were the deciding factors in our decision to introduce the system.

### Reduced time required to prepare submittals to customers

The time and setup required for organizing photos has been eliminated, and I think I have reduced it by about an hour. I spend less time preparing submissions for clients, and I spend less overtime and more time on my personal life.

### SPIDERPLUS at the center of reporting and communication to see efficiency gains

As for "being able to proceed with work without having to go to the site," other locations have also introduced the system and are asking for advice on how to use it, and opportunities for communication are increasing.

By using a common tool called SPIDERPLUS, we are able to share information with each other.

We can complete drawing management, editing, photo pasting, report creation, etc. all in one application, and we would like to expand it horizontally to other departments to improve work efficiency and lead to a change in the way we work.

Anyway, I would like you to try it once. You won't be able to put it down.

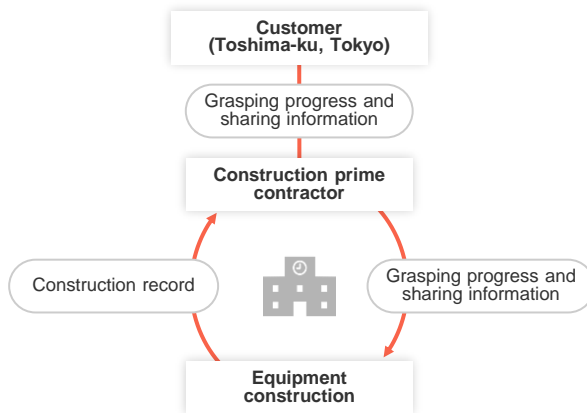


Number of Employees : 1,239 persons (As of March 31, 2021)  
Design, manufacturing, installation, piping and maintenance work  
for various plants and machinery

## Toshima-ku, TOKYO introduces SPIDERPLUS

### Examples

- We are the first to introduce municipalities
- The owner and the constructor share information by SPIDERPLUS
- Used for facility management and repair work in Toshima Ward



### Expected effect

- Promoting the Digital Shift of Highly Documented Administrative Services
- Expected to be used not only for facility management but also for infrastructure construction
- Accumulate knowledge to expand SPIDERPLUS possibilities





# Reference Materials

## \_\_Market Environment

SpiderPlus & Co.

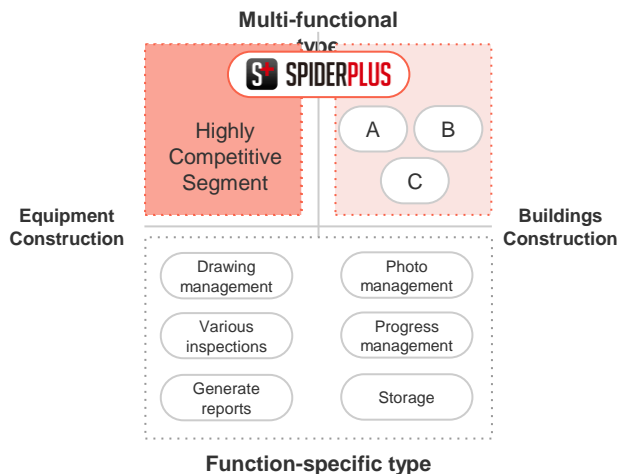
- 1.FY2022.Q4 Highlights
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- 4.Reference Materials

With a wealth of functions in construction management, utilized by major companies in the general contractor and subcontractor industries

Products that enable cooperation between vendors not only within the company, but also within the workplace

## Positioning

In many scenes of the construction life cycle  
Multi-functional products that can be used



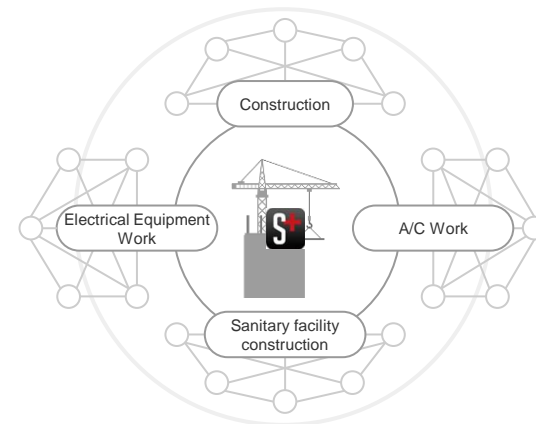
## Customer base

In general construction and general facilities,  
Introduced by major companies that have established a  
major position in the industry



## Network effect

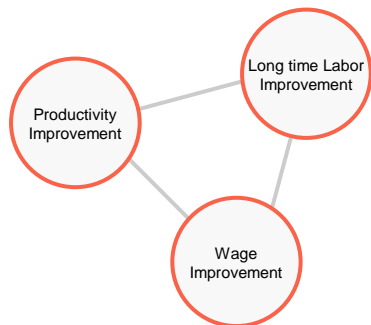
By sharing information not only with our own company but  
also with other companies  
DX for Construction Management throughout the Site



Construction industry, where DX is a must, near the time of the adoption of the system approaching 2024

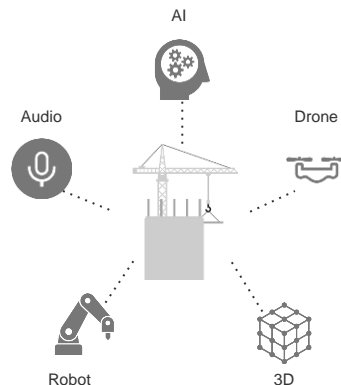
## Application of the Work Style Reform Law\*1

Applicable to the construction industry in 2024  
There is an upper limit on overtime.



## Increasingly sophisticated and diverse needs

Not only in construction management but in all aspects of operations  
Rapid technological innovation and the utilization of various technologies are advancing

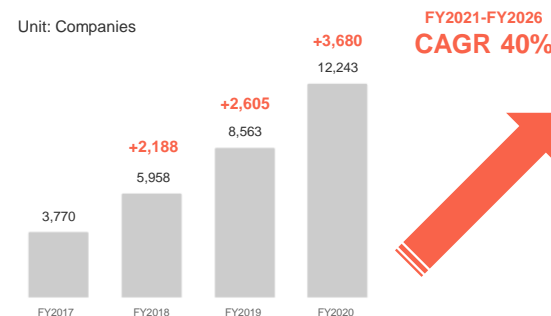


## Expanding market\*2

Cloud-based construction management services are rapidly spreading  
Expecting expansion with high growth potential in the medium term

## Dissemination Results and Outlook of Construction Management Services

Unit: Companies



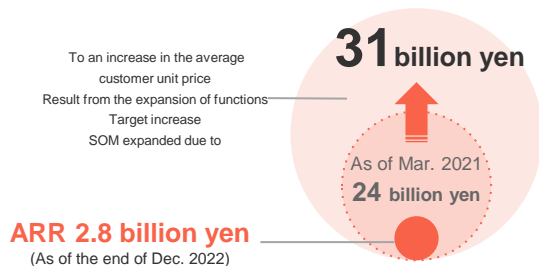
\*1: Abbreviation of the Act on Improvement of Related Laws to Promote Work Style Reforms (promulgated on Jul. 6, 2018) issued by the Ministry of Health, Labour and Welfare.

\*2: Excerpt from "Market Trends and Vendor Share of Cloud-Based Construction Management Services" by MIC KEIKENKYUSHO CO., LTD.

## SOM\*2

Serviceable Obtainable Market

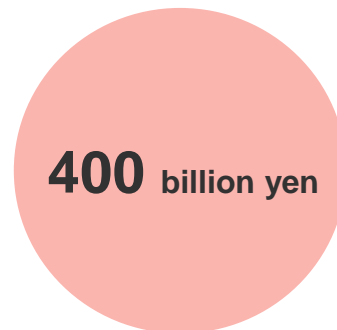
Site supervision of core targets



## SAM\*3

Serviceable Available Market

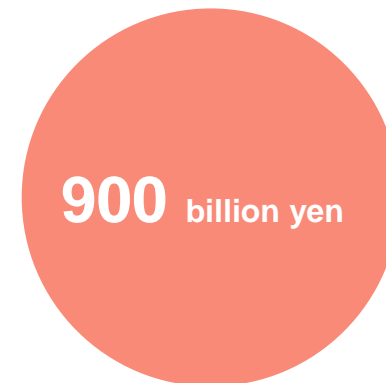
Domestic construction workers



## TAM\*4

Total Addressable Market

IT investment in the construction industry



\*1:It is the market size we have assumed and estimated and is not calculated for the purpose of demonstrating the objective market size of the businesses we operate.

\*2:Calculated by multiplying the "number of site supervisors engaged in domestic construction companies, excluding housing construction companies with 30 or more employees and sales of at least 200 million," which we estimate, by the annual usage fee based on the average unit price per 11D of SPIDERPLUS as of the end of Dec. 2021.

\*3:Calculated by multiplying the number of employees of domestic construction companies, excluding the housing field, estimated by us by the actual maximum unit price per 11D of SPIDERPLUS, based on the "Current Status and Challenges of the Construction Industry (Jun. 13, 2017)" published by the Ministry of Land, Infrastructure, Transport and Tourism "Reference Materials for the 6th Council of Construction Industry Policies."

\*4:Our estimates are based on "Outlook for Construction Investment in FY2020 (FY2020)" by the Ministry of Land, Infrastructure, Transport and Tourism, "SPEEDA's Housing, Reform, and Repair Industry" and "Report of the Japan Information Systems and Users Association's "Corporate IT Trend Survey Report 2020."

# Reference Materials

## \_\_Others

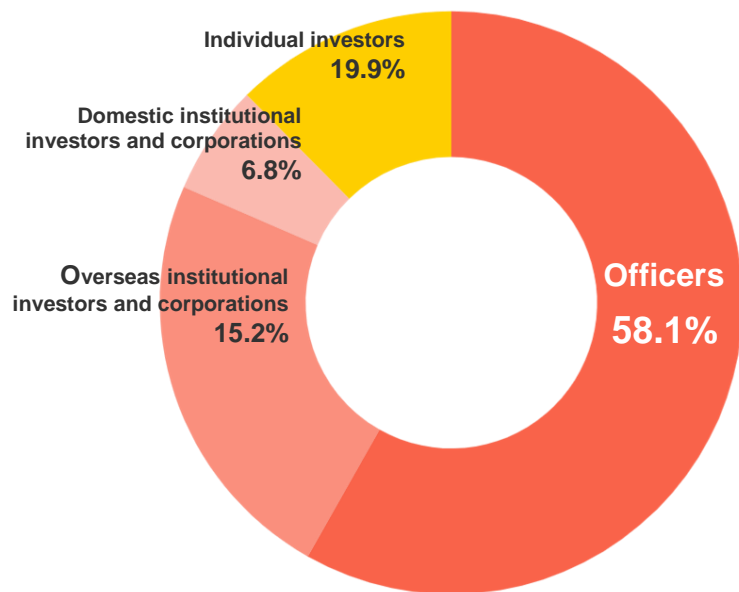
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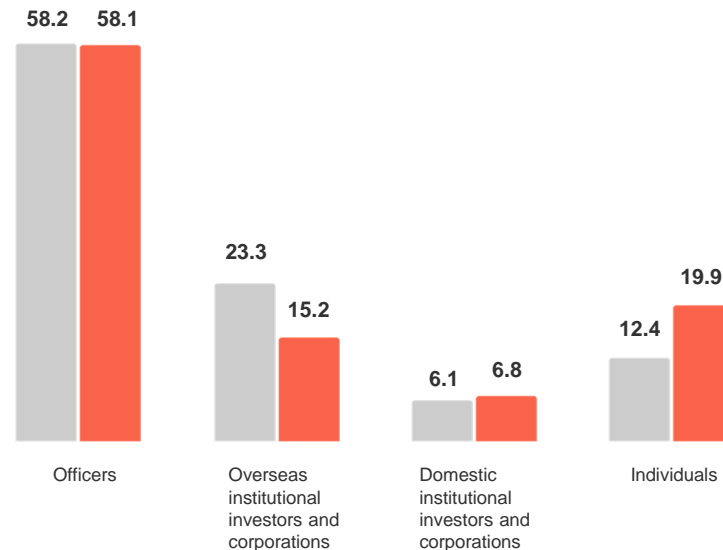
4.Reference Materials

Composition of Shareholders as of June. 30, 2022



Change in shareholder composition

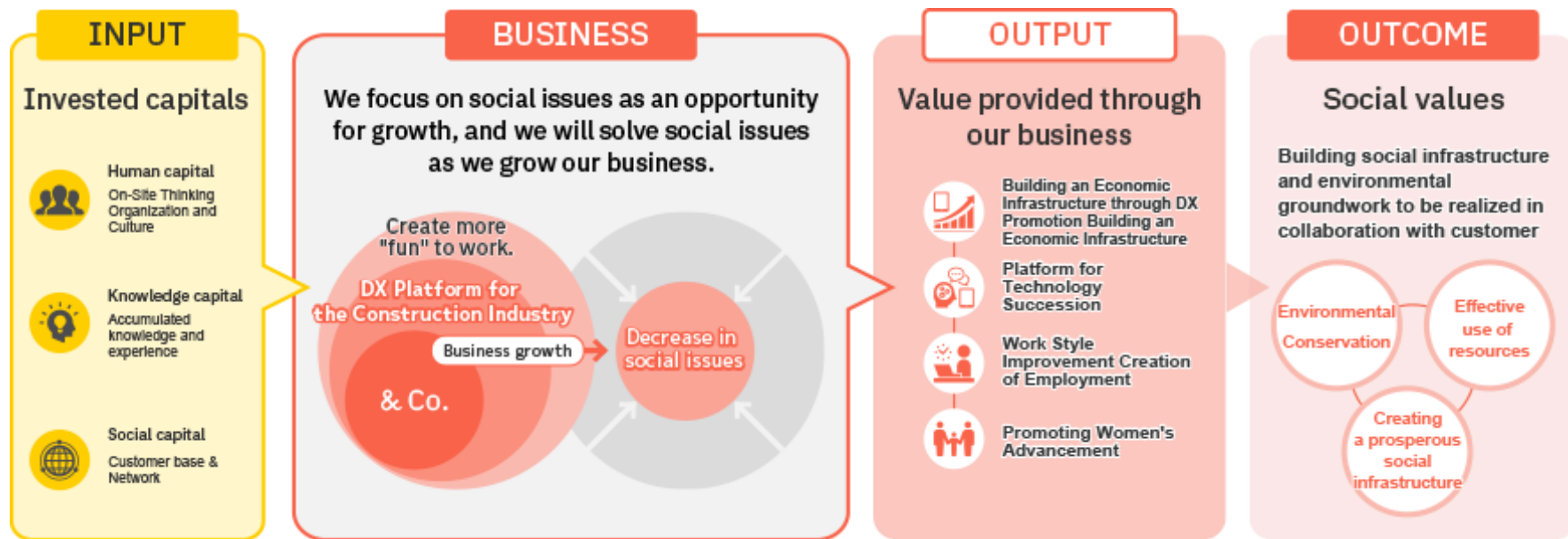
■ : As of June.30,2022 ■ : As of Dec.31,2022 Unit : %



\*1 : Calculated excluding stock options.



Focus on social issues as growth opportunities and realizing sustainable value creation through business growth



\*1:Sustainability website:<https://en.spiderplus.co.jp/about-us/sustainability/>

This material contains forward-looking statements. These forward-looking statements are based on information as of the date hereof. These statements are not guarantees of future results or performance. Such forward-looking statements involve known and unknown risks and uncertainties that may cause actual future results and financial condition to differ materially from any future results and results expressed or implied by the forward-looking statements.

Factors that could cause results to differ materially from those discussed in these statements include, but are not limited to, changes in domestic and international economic conditions and trends in the industries in which we operate.

In addition, information regarding matters and organizations other than ours is based on publicly available information, and we have not verified the accuracy or appropriateness of such publicly available information and there can be no assurance.

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The next release of the "Business Plan and Potential for Growth" is scheduled for around the end of Mar. 2023.