

Financial Materials for FY2023 3Q

CYBER SECURITY CLOUD

Cyber Security Cloud, Inc.

Growth Market of TSE: 4493

November 14, 2023

Table of Contents

I	Overview of the Financial Results for FY2023 3Q	4
II	Topics of FY2023 3Q	17
III	Growth Strategy for FY2025	23
IV	Business Environment Surrounding CSC	30
V	Company Overview	36

Growth industry



Provides cloud products to defend from hackers.

Industry Leader



#1 in Japan market share for core product.

High ARR growth rate



Approximately 30% growth in ARR YoY.

Global achievements



Business operation in over 90 countries around the world.

I Overview of the Financial Results for FY2023 3Q

Revenue (cumulative 3Q)

P6

2.22 billion yen

Up 36.5% YoY *

ARR (Annual Recurring Revenue)

P8

3.02 billion yen

Up 27.7% YoY

Operating income (cumulative 3Q)

P6

468 million yen

Up 81.4% YoY *

Churn rate

P10

攻撃遮断くん
(Shadankun)

1.24%

Waf Charm

0.94%

*Softek's results for 1Q of FY12/2022 are excluded, as our company absorbed Softek Corporation in April 2022 and shifted to non-consolidated accounting.

In addition, following the acquisition of the US corporation as a consolidated subsidiary in January 2023, the company shifted to consolidated accounting, so the figures are comparisons between the results for the cumulative 3Q of FY 12/2022 (non-consolidated) and the results for the cumulative 3Q of FY 12/2023 (consolidated).

- Sales grew considerably by 36.5% YoY, showing a steady progress toward the full-year forecasts.
- Operating income rose significantly by 81.4% YoY. In 4Q, CSC will exhibit our products at large-scale events hosted by AWS, and enhance investment for growth from the next term.

(Million yen)	Cumulative 3Q of FY 2022 (Non-consolidated) ^{*1}	Cumulative 3Q of FY 2023 (Consolidated) ^{*2}	YoY	Initial forecasts for FY 2023 (Consolidated)	Progress Rate
Revenue	1,626	2,220	+36.5%	3,000	74.0%
Gross Profit	1,149	1,540	+34.0%	-	-
Operating Income	258	468	+81.4%	500	93.8%
Operating Income Margin (%)	15.9%	21.1%	+5.2pt	16.7%	-
Ordinary Income	276	497	+80.2%	500	99.6%
Net Income Attributable to Owners of the parent	217	341	+56.6%	346	98.6%

*1 In April 2022, following the absorption of Softek Corporation and the shift to non-consolidated accounting, Softek's results for 1Q of FY 12/2022 were excluded.

*2 The US subsidiary was included in the scope of consolidation in January 2023.

Upward revision of the full-year earnings forecast for the term ending December 2023

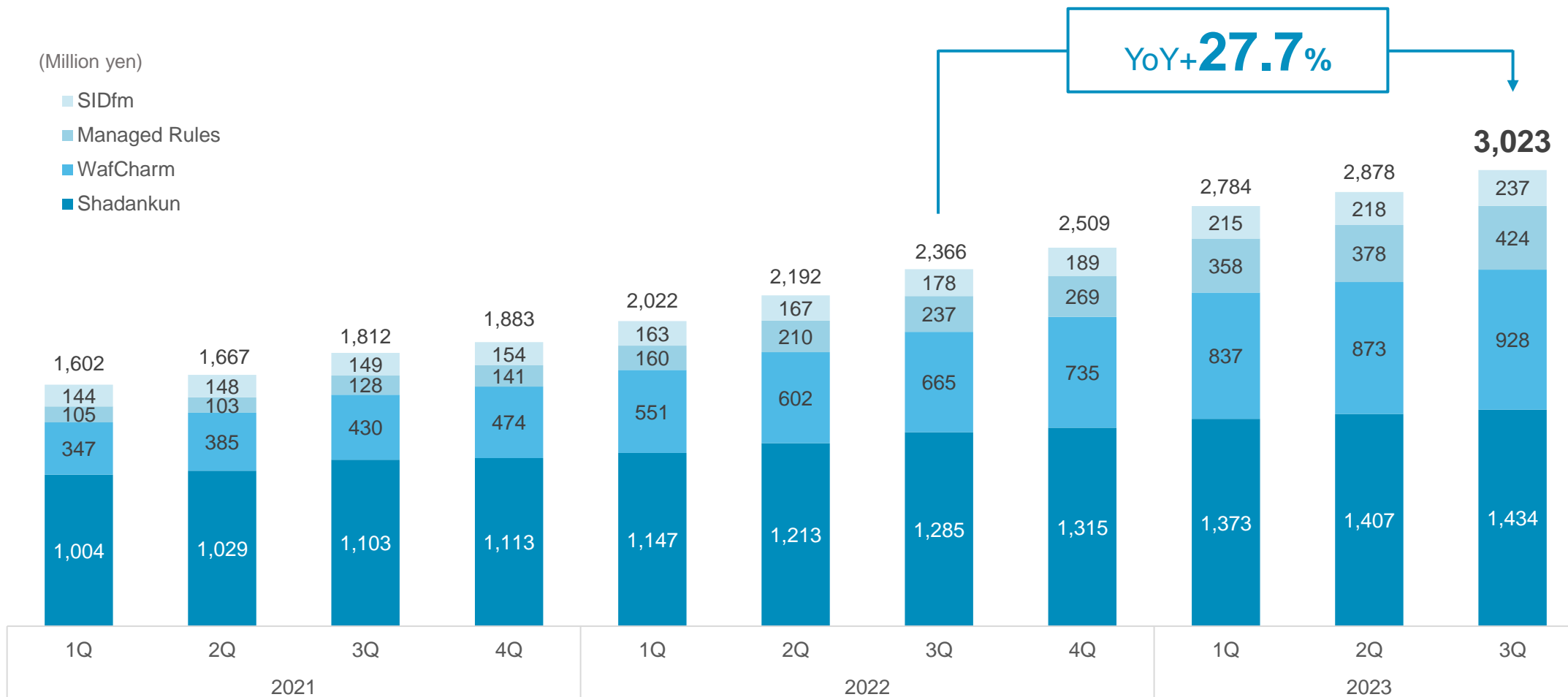


- As the depreciation of yen compared with the initial forecast, sales and the costs at the subsidiary in the U.S. exceeded the initial forecasts.
- From 4Q, CSC will conduct additional investment in R&D, but costs decreased more than expected due to the improved customer acquisition costs.

(Million yen)	Initial forecasts for FY 2023 (Consolidated)	Revised forecasts for FY 2023 (Consolidated)	Increase/ decrease	Increase/ decrease rate
Revenue	3,000	3,025	+25	+0.8%
Operating Income	500	520	+20	+4.0%
Ordinary Income	500	535	+35	+7.0%
Net Income	346	371	+24	+7.0%

Variation in ARR

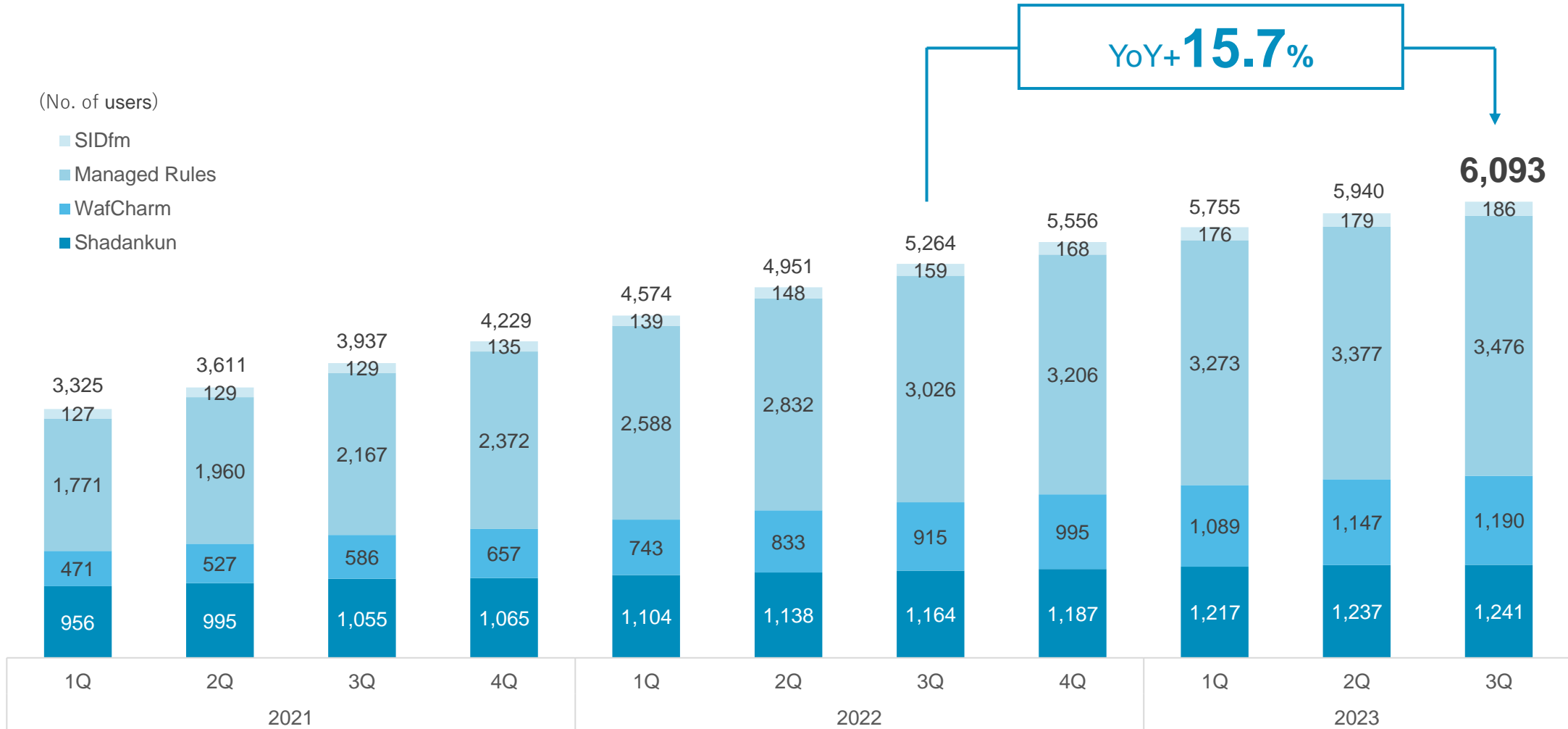
- ARR exceeded 3 billion yen.
- The performance of Managed Rules, which is sold in US dollars, kept growing steeply due to depreciation of the yen.



ARR: Annual Recurring Revenue. It is calculated by multiplying the MRR at the end of the month concerned by 12 to convert it to an annual amount. MRR stands for Monthly Recurring Revenue in a subscription-based model and is the sum of the monthly recurring revenues from existing customers.

Variation in Number of Users

- The total number of users has been growing steadily, exceeding 6,000.

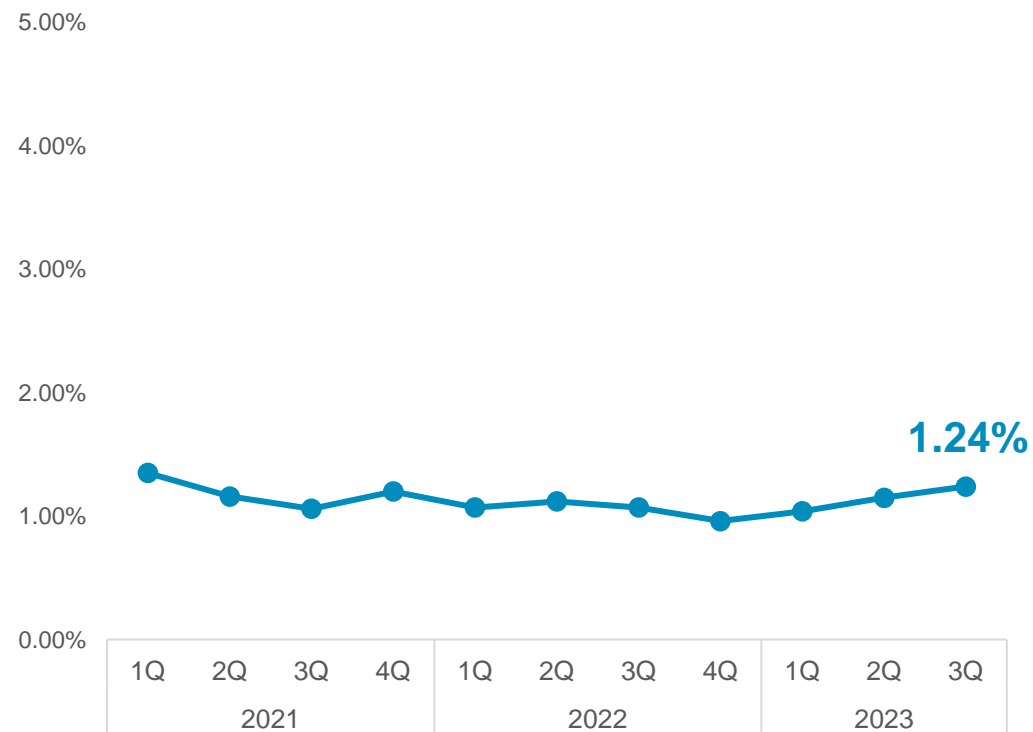


Churn rates of Shadankun and WafCharm

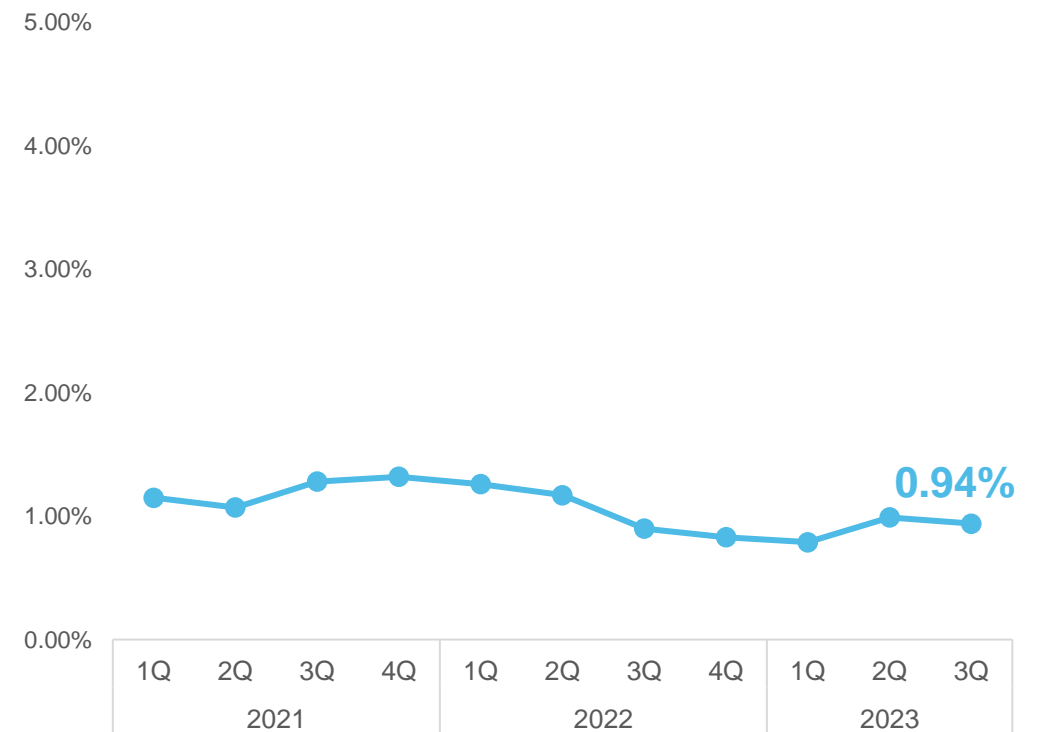


- The annual average churn rate of Shadankun has increased slightly, but churn rate has recently been decreasing after the subsiding of cancellations due to a temporary factor.
- CSC will make continuous efforts to contribute to each customer's success, grasp their issues and keep churn rate low.

Churn rate of Shadankun *1



WafCharm churn rate *2

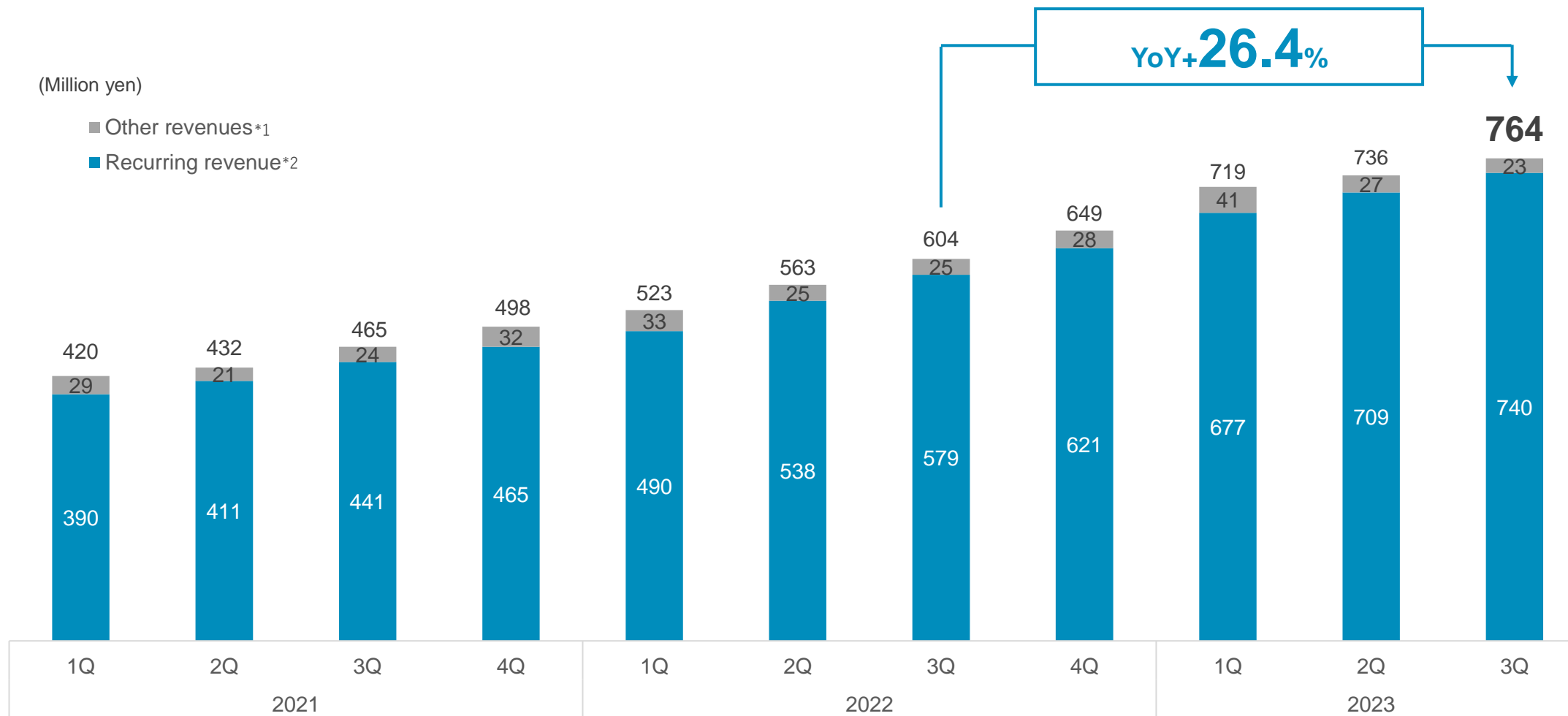


*1 Produced based on the average MRR churn rate of each product in the last 12 months. MRR churn rate is calculated by dividing the MRR lost in the month concerned by the MRR as of the end of the previous month.

*2 Produced based on monthly average churn rate (Number of users who stopped paying fees during the month ÷ Number of fee-paying users at the end of the previous month)

Variation in Revenue

- Sales continued to grow steadily by 26.4% YoY.



*1 Total revenue, including the initial installation costs for Shadankun and spot contracts for vulnerability diagnosis, etc.

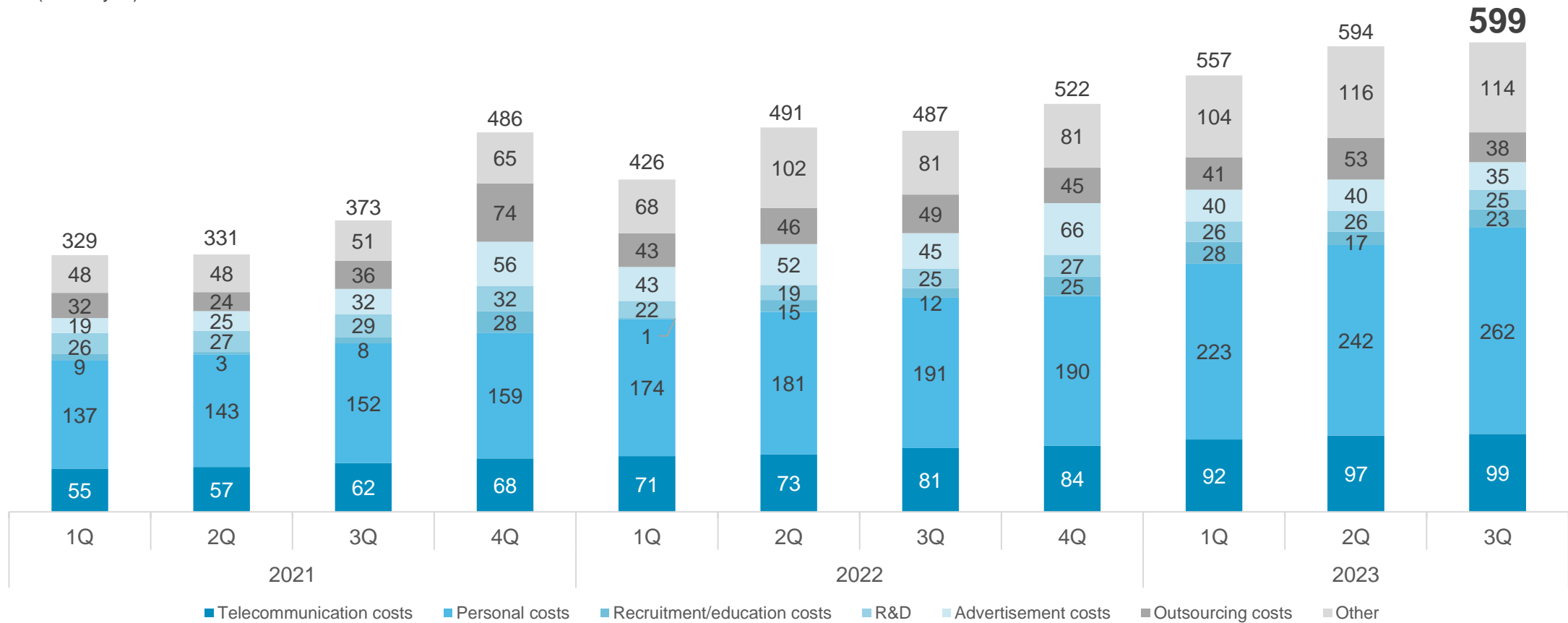
*2 Sum of MRRs of Shadankun, WafCharm, Managed Rules, and SIDfm.

Variation in Operating Costs (Cost of Revenue and SG&A)



- Due to the expansion of our organization, personnel costs increased, but the QoQ operating costs was only slightly higher due to improved customer acquisition costs.
- In 4Q, CSC will exhibit our products at a large-scale event hosted by AWS and carry out investment for growth from the next term.

(Million yen)



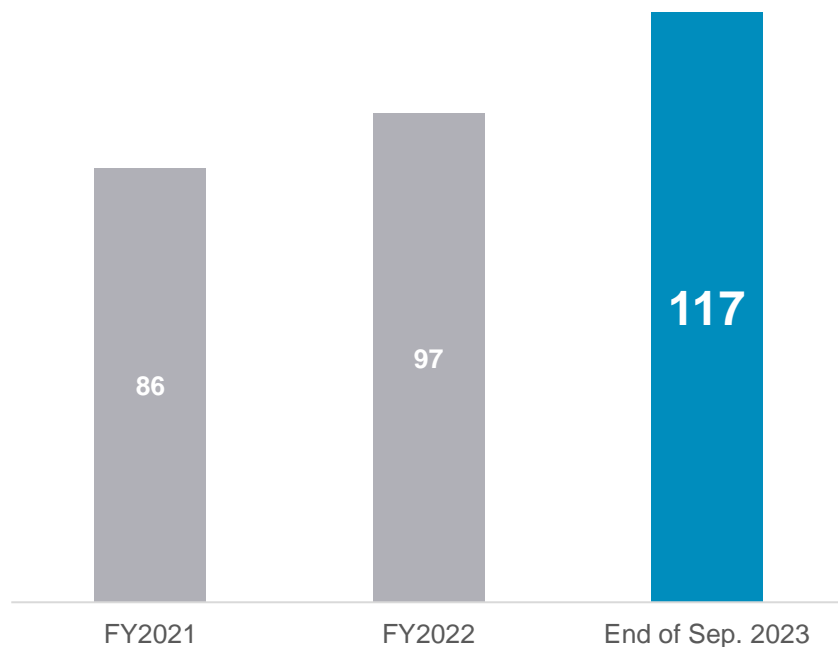
Employees who Support the Growth of Cyber Security Cloud



- The number of employees increased steadily because of recruitment centered on engineers.
- For growth from the next term, CSC plans to focus on recruiting global talent and engineers.

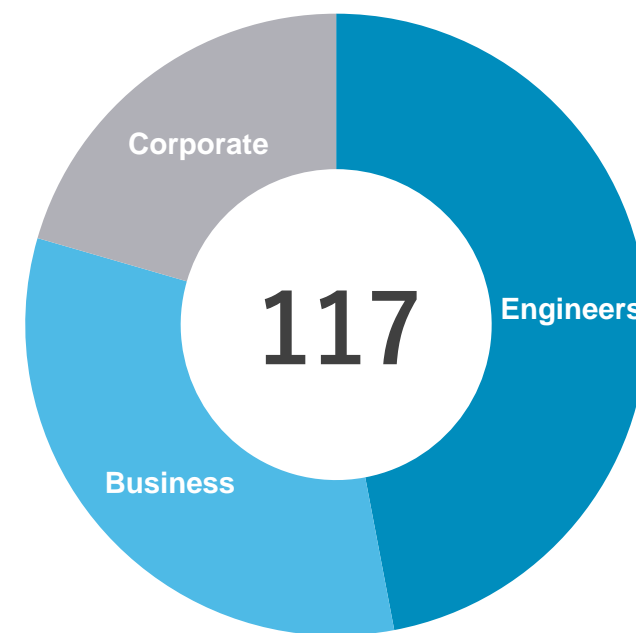
Variation in Number of Employees*

(Employees)







*Employees include temporary staff. The total number of employees of Japanese and U.S. corporations is indicated.

Personnel Composition as the End of Sep. 2023*



(For reference) Major KPIs of Each Product

		2022				2023			YoY
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	
	ARR (million yen) ^{*1}	1,147	1,213	1,285	1,315	1,373	1,407	1,434	+11.6%
	No. of client enterprises	1,104	1,138	1,164	1,187	1,217	1,237	1,241	+6.6%
	Churn rate (%) ^{*2}	1.07	1.12	1.07	0.97	1.04	1.15	1.24	+0.17pt
	ARR (million yen)	551	602	665	735	837	873	928	+39.5%
	No. of users	743	833	915	995	1,089	1,147	1,190	+30.1%
	Churn rate (%) ^{*3}	1.26	1.17	0.90	0.83	0.79	0.99	0.94	+0.04pt
	ARR (million yen)	160	210	237	269	358	378	424	+78.8%
	No. of users	2,588	2,832	3,026	3,206	3,273	3,377	3,476	+14.9%
	ARR (million yen)	163	167	178	189	215	218	237	+32.7%
	No. of users	139	148	159	168	176	179	186	+17.0%
Total	ARR (million yen)	2,022	2,192	2,367	2,509	2,784	2,878	3,023	+27.7%

*1 Calculated by multiplying the MRR at the end of the month concerned by 12 to convert it to an annual amount.

MRR stands for Monthly Recurring Revenue in the subscription model and means the total monthly recurring revenue from existing customers.

*2 Calculated from the average MRR churn rate in the latest 12 months. MRR churn rate means the virtual churn rate obtained by dividing the MRR lost in the month concerned by the MRR at the end of the previous month.

*3 Based on the average monthly churn rate of the number of users. Number of users who stopped paying fees during the month ÷ Number of fee-paying users at the end of the previous month.

(For reference) Statement of Income



(million yen)	2021				2022				2023		
	Consolidated 1Q	Consolidated 2Q	Consolidated 3Q	Consolidated 4Q	Consolidated 1Q	Stand-alone 2Q	Stand-alone 3Q	Stand-alone 4Q	Consolidated 1Q	Consolidated 2Q	Consolidated 3Q
Revenue	420	433	466	498	523	563	604	649	719	736	764
Cost of Revenue	125	124	139	145	154	161	183	187	227	219	232
Gross Profit	294	308	326	352	369	401	421	462	491	516	531
SG&A	203	206	233	340	272	329	304	334	329	374	366
Operating Income	90	102	92	11	97	71	117	127	162	142	164
Operating Income Margin	21.6%	23.6%	19.9%	2.3%	18.6%	12.7%	19.4%	19.6%	22.6%	19.3%	21.5%
Ordinary Income	92	100	92	12	100	53	146	119	162	159	175
Net Income Attributable to Owners of the parent	59	68	61	-19	72	59	84	88	110	109	120

(For reference) Balance Sheet and Statement of Cash Flows

(Million yen)	2021	2022	2023 3Q
	Consolidated	Stand-alone	Consolidated
Current Assets	1,253	1,621	1,997
Fixed Assets	456	536	577
Total Assets	1,710	2,157	2,574
Current Liabilities	543	663	729
Fixed Liabilities	221	184	112
Total Liabilities	765	848	842
Net Assets	944	1,309	1,732
Total Liabilities and Net Assets	1,710	2,157	2,574

(Million yen)	2022 2Q	2023 2Q*
	Stand-alone	Consolidated
Cash Flow From Operating Activities	72	262
Cash Flow From Investing Activities	-54	-26
Cash Flow From Financing Activities	78	-46
Net Increase (Decrease) In Cash and Cash Equivalents	95	209
Cash and Cash Equivalents at the Beginning of period	796	1,330
Increase in Cash and Cash Equivalents Resulting From New Consolidation	253	34
Cash and Cash Equivalents at the End of period	1,145	1,573

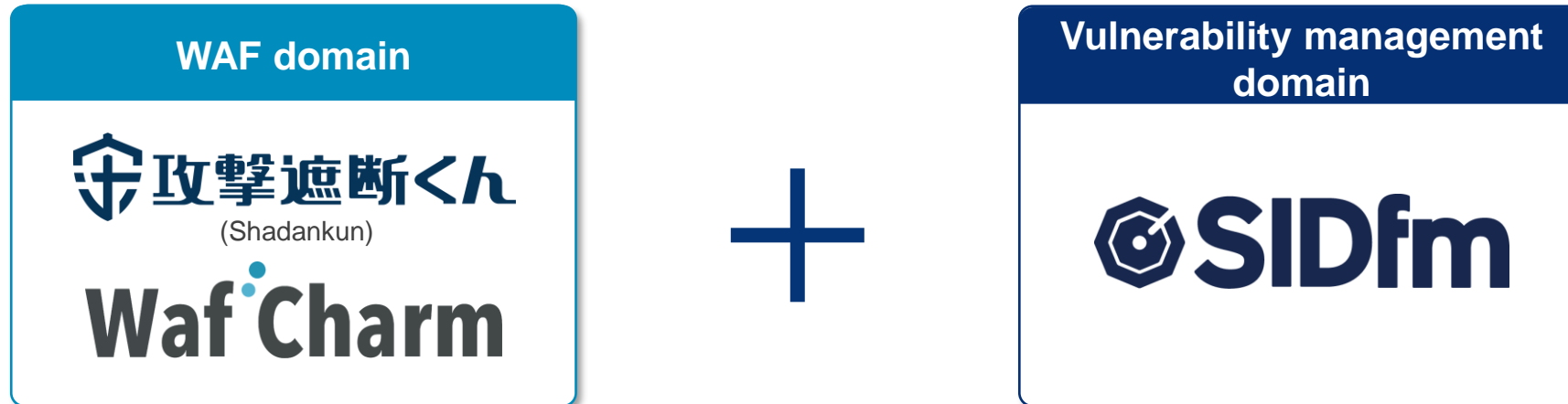
*In 3Q of FY 2023, we did not produce a cash-flow statement, so the cash-flow statement for the latest quarter is written.

II Topics of FY2023 3Q



Key Measure 1: Starting Sale of SIDfm via Sales Partners

- In addition to the products in the WAF domain, CSC will sell SIDfm in the vulnerability management domain via sales partners.
- CSC aims to expand sales by increasing new sales partners for SIDfm.



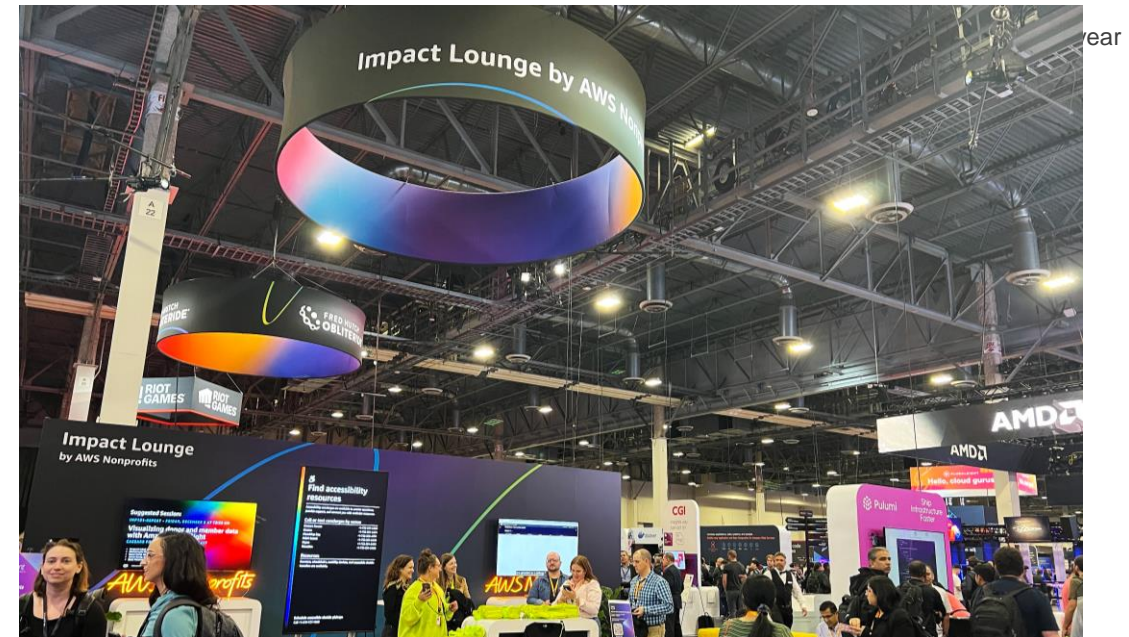
- ✓ Existing partners: By handling SIDfm, sales are expected to grow through cross-selling
- ✓ New partners: CSC will find new partners, whom we did not have any contact points, with SIDfm in the vulnerability management domain

Sales partners for SIDfm (CSC plans to increase partners further)



Key Measure 2: Exhibiting Our Products at “AWS re:Invent 2023,” the Largest Annual Conference of AWS

- CSC will exhibit our products at the largest annual conference of AWS at the end of November 2023 in Las Vegas.
- This event will provide us with the best opportunity to popularize our products among AWS users and partners around the world, and CSC will be able to take a major step toward success in global business operation.



The largest annual conference of AWS, at which developers and executives from around the world get together. Over 2,000 sessions will be held in 4 days, and over 50,000 people(FY2022 results) are expected to participate.

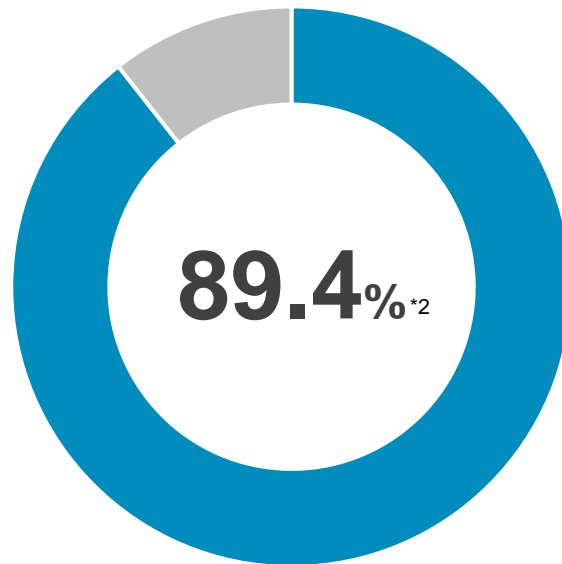
Few Japanese software makers exhibited their products at this event. CSC will introduce our products to the world like global large companies.

Over 10 employees will be dispatched to the venue, to catch up with the cutting-edge technologies, give proposals to AWS users around the world to increase prospective customers, find global sales partners, and accelerate our global business.

Key Measure 3: To Enter the MSS (Management Security Service) Field (1/2)

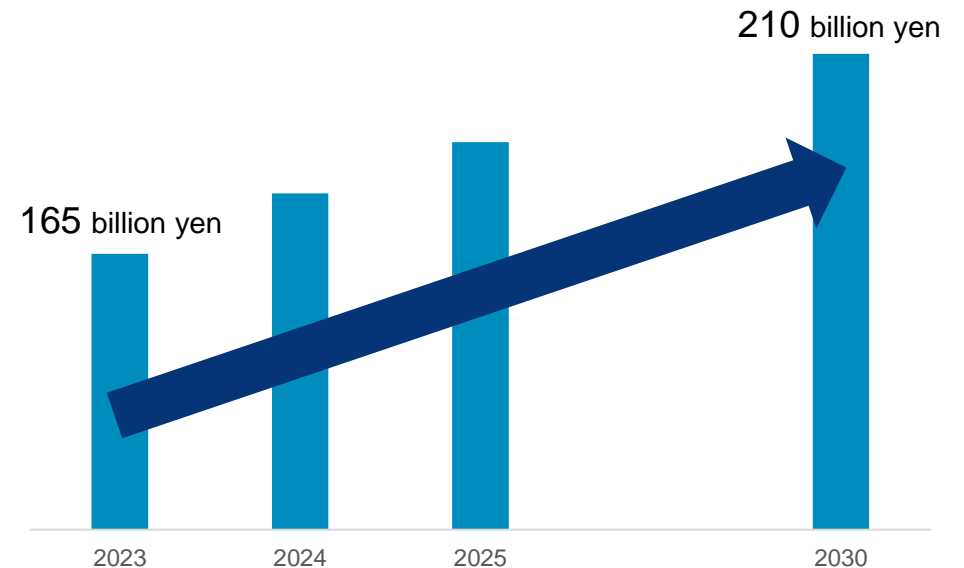
- About 90% of companies are suffering from shortage of security personnel. It is difficult for them to take robust security measures with internal resources.
- The MSS ^{*1} market is expected to expand in the medium/long term, due to the sophistication of cyber attacks and increased operating demands.

Ratio of Japanese companies that are suffering from shortage of security personnel



^{*2} Produced by our company with reference to “NRI Secure Insight 2022—Survey on information securities at enterprises”

Trend of the Japanese MSS market ^{※3}



^{*3} Produced by our company with reference to “Future outlook for the market of SOC/professional services for network security in 2023” by Fuji Chimera Research Institute, Inc.

To enter the MSS field by utilizing our knowledge, in order to deal with the social issue of the chronic shortage of security personnel

^{*1} MSS stands for “Managed Security Service.” This means that an external enterprise specializing in security undertakes the operation and management of information security systems of enterprises and organizations.

- Leveraging expertise in application domains and AWS security operations, CSC has released a new service "CloudFastener".
- In September 2023, the Digital Agency entrusted us with the demonstrative experiment on ideal systems for monitoring security operation in the government cloud*.

Comprehensive management and operation of security services of AWS

CloudFastener

- The service that operates 24/7 to visualize security risks in AWS environments, collect and analyze threats, and provide response support.
- It's possible to delegate all aspects of AWS security, which requires specialized expertise
- CSC offers services flexibly according to each customer's issues and environment

Entrusted with the project for security of the government cloud

- In "the priority plan for actualizing a digital society" determined at a Cabinet meeting in June 2023, the shift of the national and local governments to the government cloud was set as a priority measure.
- CSC was entrusted with the establishment of systems based on managed services for monitoring, quantitatively measuring, and analyzing security alerts and automating the response to incidents in the government cloud.
- By operating a prototype in AWS, CSC will summarize "ideal systems for monitoring the security of the government cloud" before the overall demonstrative experiment from 2024.

* "Government Cloud" refers to an environment that utilizes multiple cloud services to provide a common infrastructure and features for government information systems. It has been in use since 2021, starting with pilot projects in local public organizations and on the Digital Agency's website. There is a plan to transition to standard-compliant systems utilizing the Government Cloud by 2025.

Establishment of a Community Specializing in Cyber Security Involving Over 1,000 People

- CSC has Established a new community for the purpose of providing opportunities to distribute real information in Cyber Security Alliance*
- CSC held the first offline networking event as a community and recorded the highest attendance ever as a cybersecurity alliance.

Establishment of an online community



- Over 1,000 individuals, including executives, information systems personnel, engineers, and cybersecurity specialists, have registered
- Participants can ask questions casually in Slack, deepening their knowledge of cyber security.

The first offline exchange event held



- The first event of the alliance was held to introduce basic knowledge, how to form a security organization, operation know-how, etc.
- The number of attendants was over 200 which hit a record high (Online attendants:160, Offline attendants:52)

* Our company has initiated and established an organization that promotes cybersecurity measures across various industries.

III Growth Strategy for FY2025



Provide reliable services around the world as a global security software maker from Japan



Became the **top security company in Japan in the field of "Web Security"** with our product installed by 10,000 companies.



Financial targets are **revenue of 5 billion yen and an operating income of 1 billion yen.**

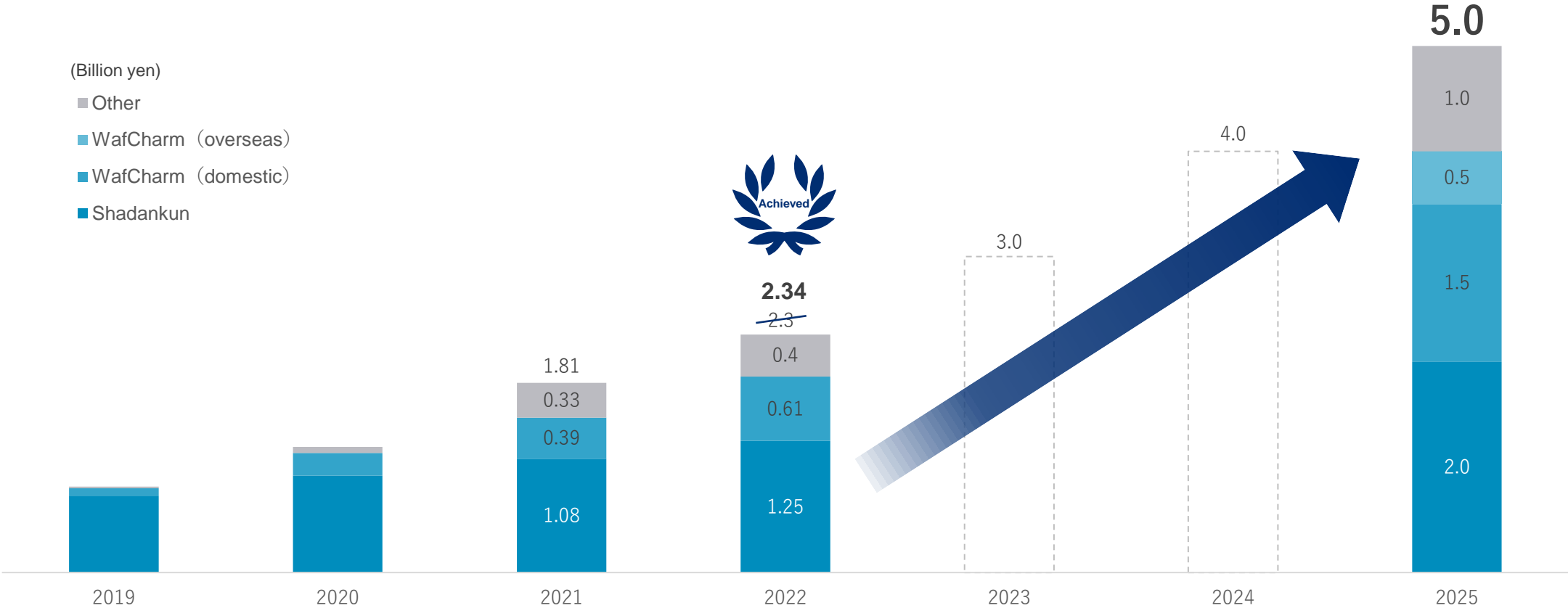


To accelerate global expansion and **increase overseas sales ratio to 10%**

Financial Target 1: Achieve Revenue of 5 Billion Yen



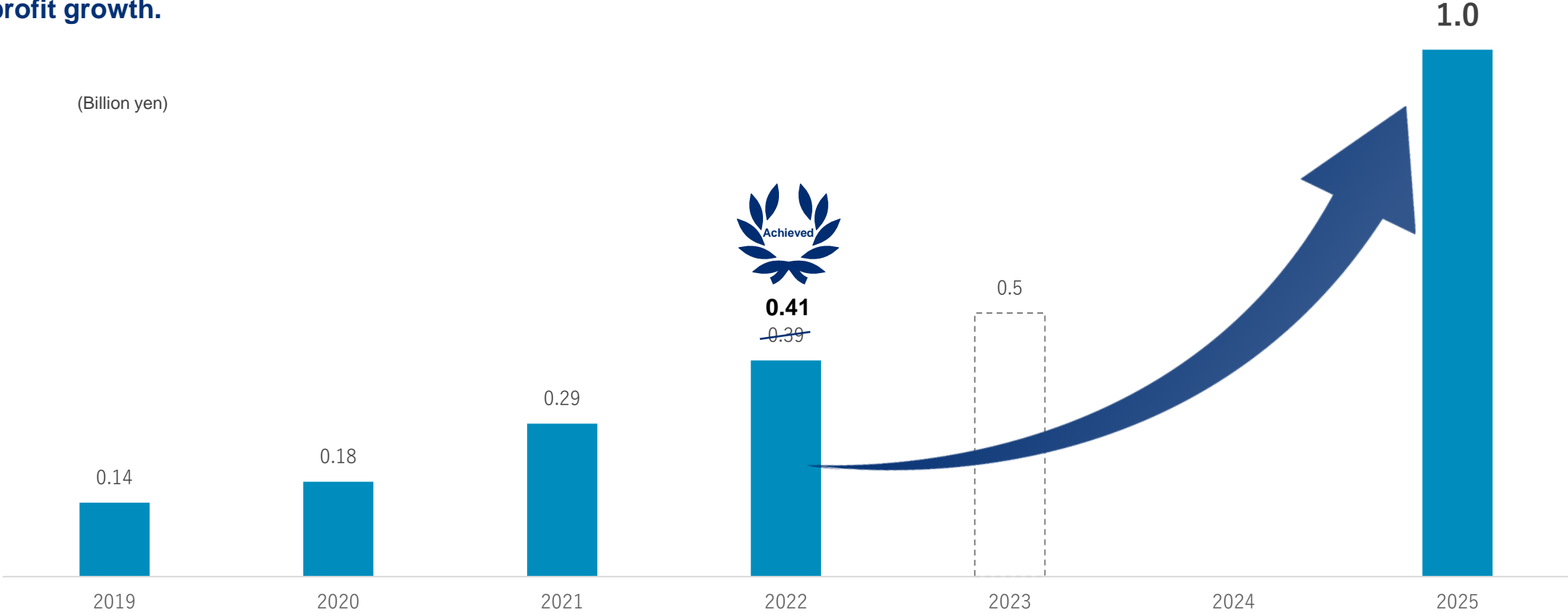
- Aiming for revenue of 5 billion yen to become the top security company in Japan in the "Web Security" field.
- To implement measures quickly while updating sales and product strategies so that global revenue will account for at least 10% of total revenue.



Financial Target 2: Operating Income of 1 Billion Yen in 2025



- Plans to strengthen recruitment of mainly development and sales personnel and conduct aggressive marketing activities to popularize our company.
- Aim to achieve an operating income of 1 billion yen in 2025, while continuing to make up-front investments and achieve profit growth.



Key Measures 1: To Strengthen Support for Partners

- To strengthen alliances with partners, that have strong sales capabilities, inside and outside Japan.
- To target North America, Asia, and Europe through globally focused partner programs.

Type of industry in which partner relationships should be focused on

In addition to sales agency for existing products, CSC sets specific industries for which alliances should be strengthened to explore the joint development of new services that combine the strengths of both parties.

System integrator

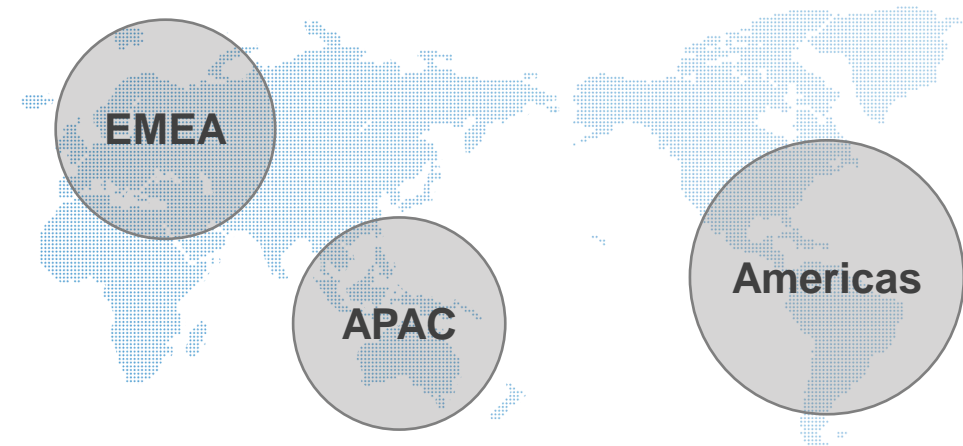
IT infrastructure provider

Consulting company

MSSP*

Global expansion of the partner network

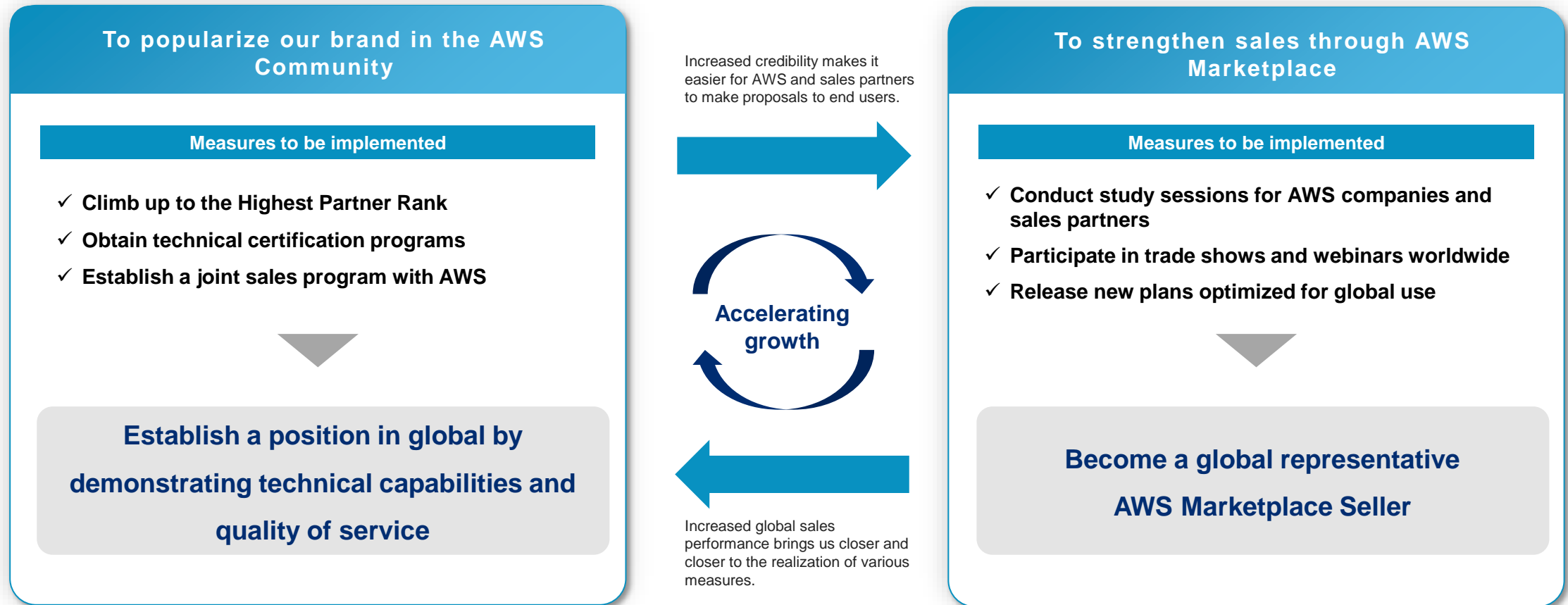
CSC classifies the regions to focus on as described below and shall find local partners to swiftly expand our business globally.



* MSSP stands for Managed Security Service Provider, a security vendor that undertakes security operations and management.

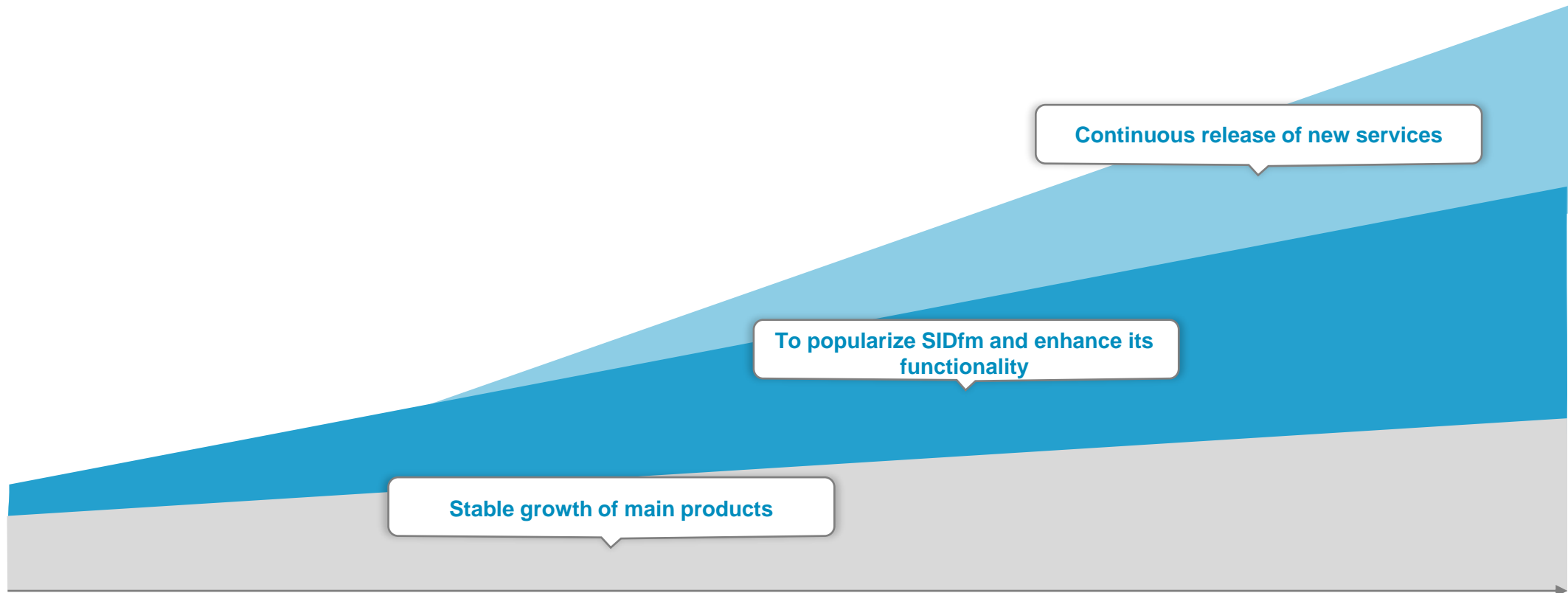
Key Measure 2: WafCharm's Global Strategy

- To increase presence and popularity by improving AWS partner rank and acquiring certification programs.
- Not only developing sales channel by ourselves, but also strengthening sales within AWS Marketplace.



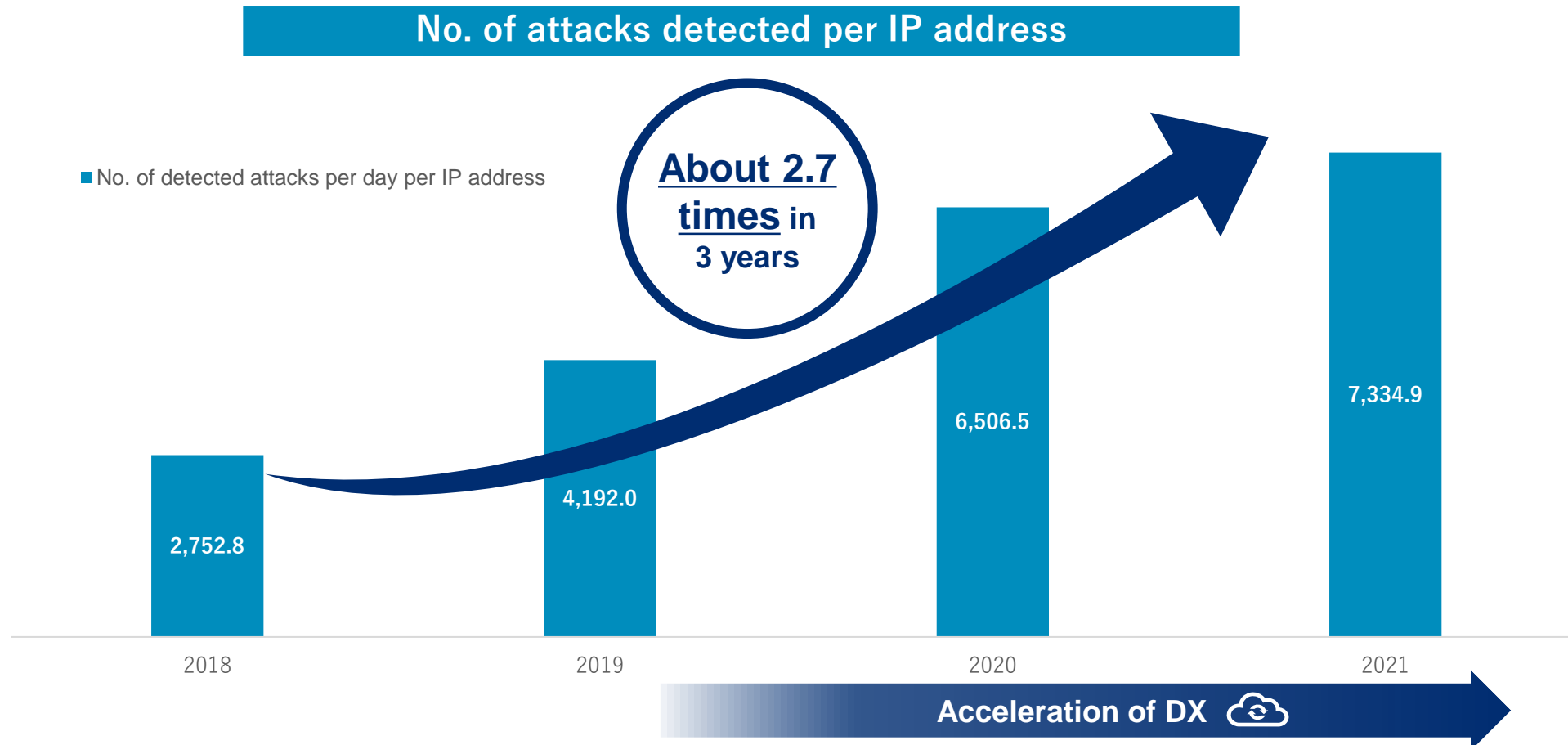
Key Measure 3: To Strengthen Our Service Lineup

- Amid the growing importance of measures against vulnerability, CSC will leverage its business development capabilities to maximize the value offered by SIDfm.
- To develop new services to solve users' issues and enhance the service lineup in order to become a comprehensive solution company for web security.



IV Business Environment Surrounding CSC

- Cyber attacks increased, due to the acceleration of DX and the increase of online businesses in the wake of the outbreak of the novel coronavirus.
- It is imperative to take measures against cyber security attacks, which are becoming more sophisticated year by year.

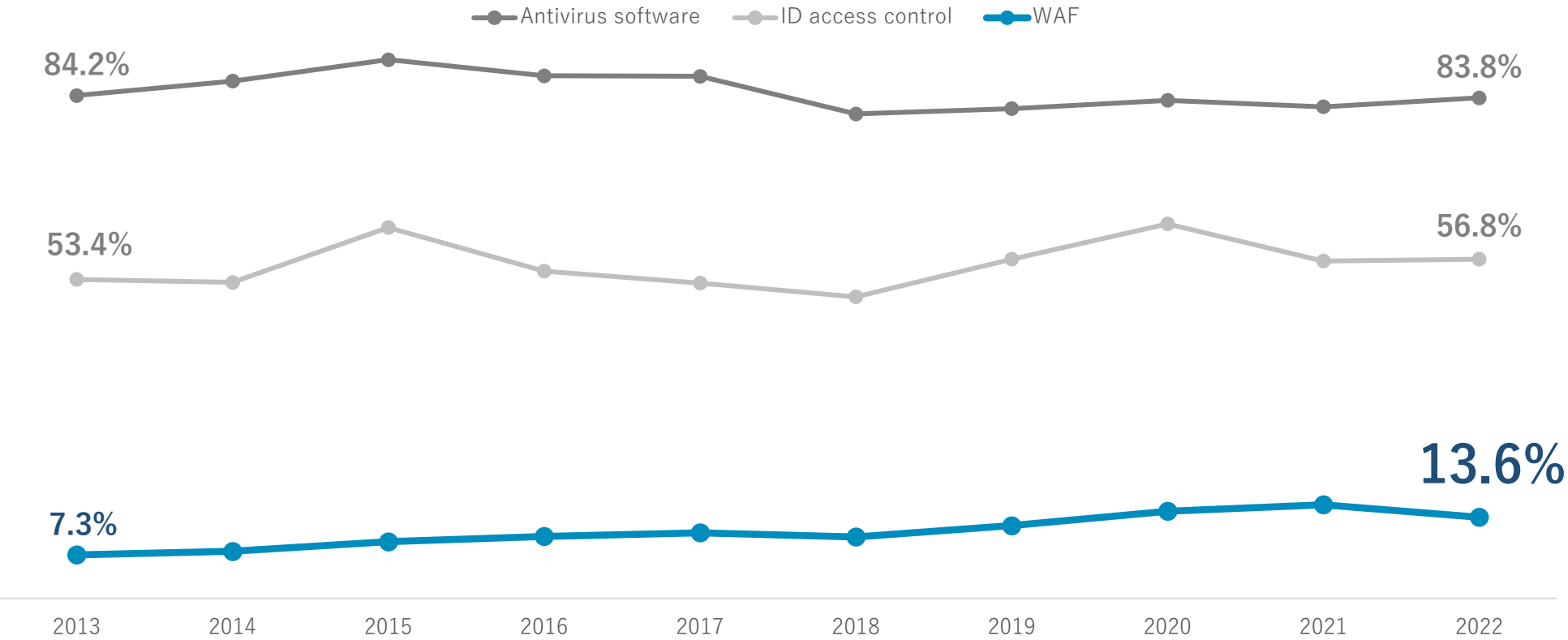


Steadily Increasing Ratio of Enterprises That Adopted WAF



- The adoption rate of antivirus software and ID access control have been flat as the market is saturated.
- The ratio of enterprises that adopted WAF has steadily grown over the past 10 years. Further market growth is expected.

Variation in the ratio of enterprises that adopted security services

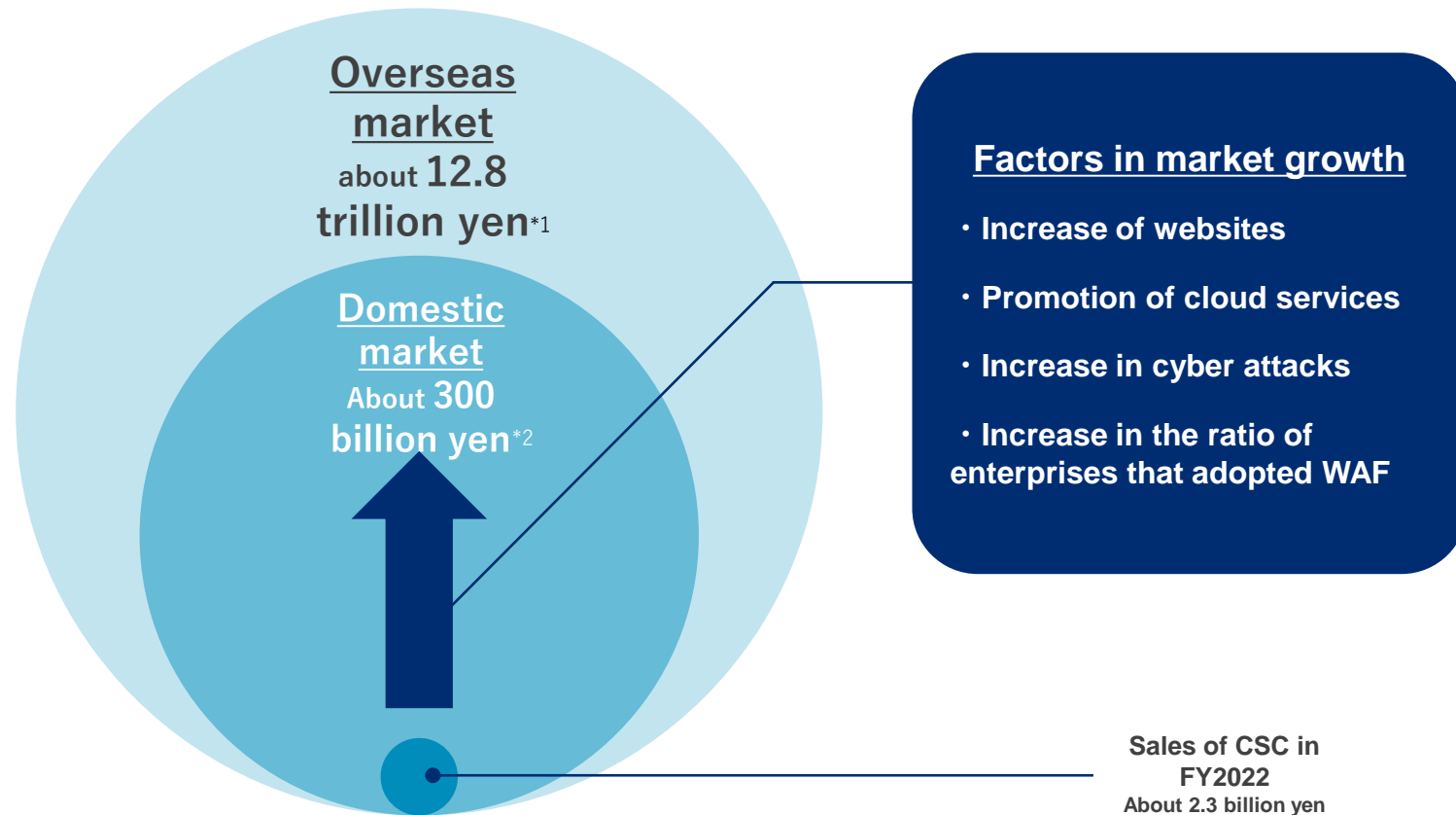


Produced by our company with reference to "Survey on the trend of use of communications in 2021" by MIC.

- Ministries have updated laws and guidelines regarding cybersecurity due to successive information leakage.
- Growth in demand is anticipated as a result of increased importance placed on cybersecurity from various sectors

Related Organization	Applied Date	Related laws and Guidelines	Mainly updated contents
Personal Information Protection Commission Japan	Apr. 2022	Act on the Protection of Personal Information	Toughen fines to enterprises
Cabinet Office	Aug. 2022	Economic Security Promotion Bill	Strengthen cybersecurity for critical infrastructure
Ministry of Health, Labor and Welfare	Apr. 2023	Enforcement Regulations on the Medical Care Act.	Obligation for medical institution to take cybersecurity measures
Ministry of Economy, Trade and Industry	Jun. 2022	Measures of Credit Security 2025	Obligation for e-commerce business to prevent credit card fraud
	Mar. 2023	Cybersecurity Management Guideline Ver3.0	Changing mindset of managements

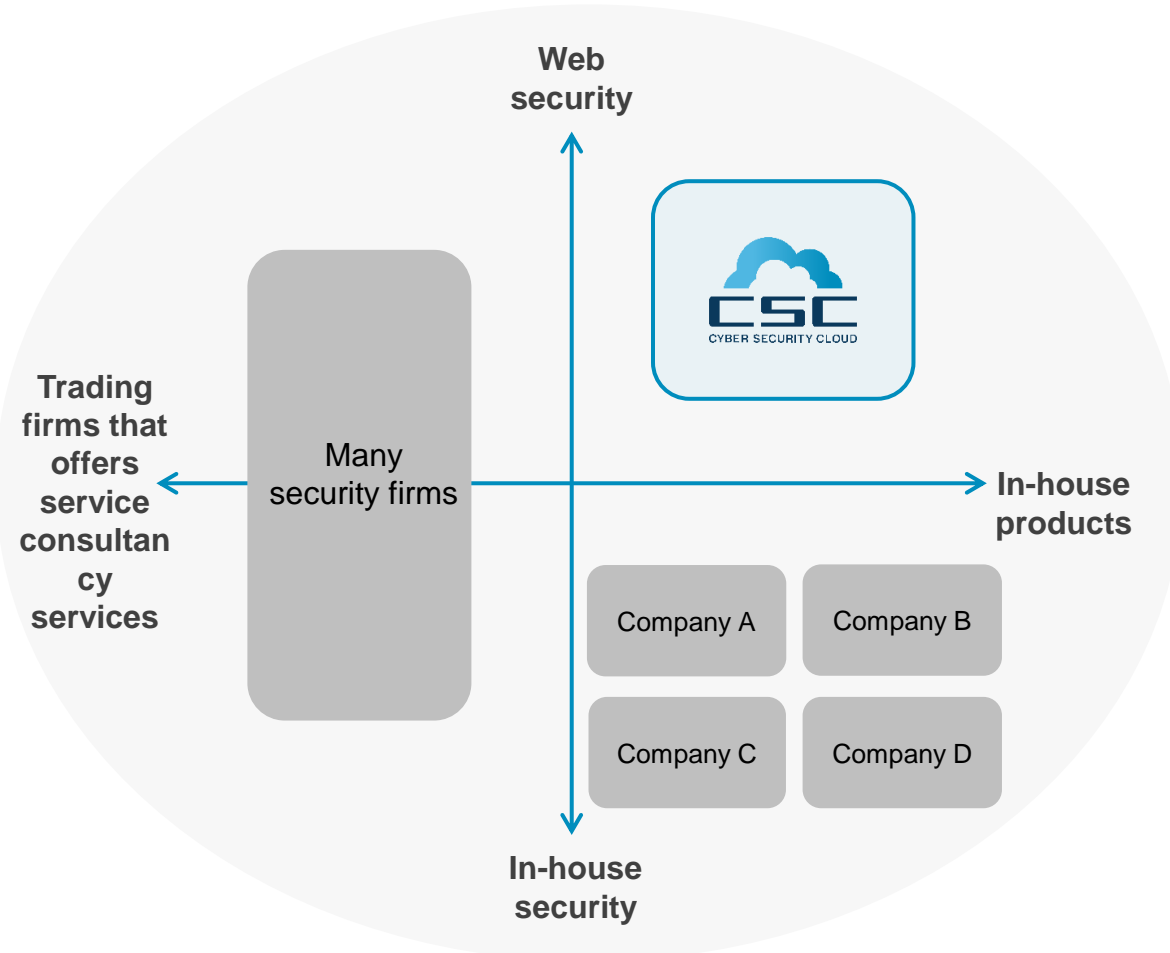
- Even CSC, with top domestic share, accounts for less than 1% of the market leaving significant room for expansion.
- The progress of DX will facilitate the growth of CSC.



*1 Estimated by our company from the number of companies in the world: 213 million (Statista "Estimated number of companies worldwide from 2000 to 2020") and the most affordable plan of WafCharm (monthly fee: 5,000 yen) for 12 months.

*2 Estimated by our company from the number of Japanese corporations: 2,758,420 (National Tax Agency "Survey on companies in FY 2019"), the ratio of companies that have a website: 90.1% (MIC "Report on the survey on the trend of use on information and telecommunication technologies (for enterprises) in 2020," and the most affordable plan of Shadankun (monthly fee: 10,000 yen) for 12 months.

- Our company is one of a few domestic makers that develop, operate, and sell software in-house in the Japanese cyber security market, where overseas products are dominant.



Positioning of CSC

① In-house products

CSC offers our own products developed by our engineers. CSC can provide our software flexibly according to customer needs, as CSC develop and operate the software by ourselves.

② Web security

Differing from security services for protecting PCs and networks, our services protect corporate websites.

V Company Overview



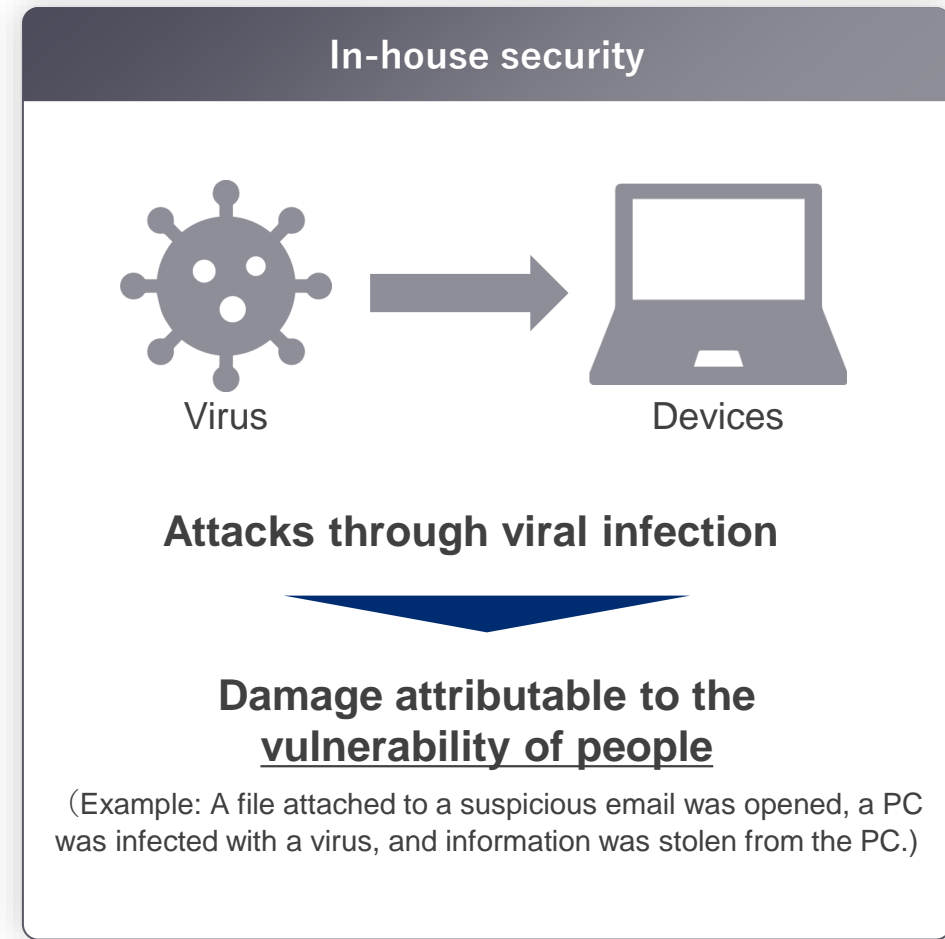
Corporate name	Cyber Security Cloud, Inc.
Date of establishment	August 11, 2010
Date of listing	March 26, 2020
Representatives	Toshihiro Koike, Representative Director, President, and CEO Yoji Watanabe, Representative Director and CTO
Executives	Masashi Kurata, Director and CFO (certified public accountant) Yoshinori Ikura, Outside Director (lawyer) Hiroshi Kurihara, Outside Director Daichi Seki, Full-time Auditor (certified public accountant) Ikuo Murata, Outside Auditor Kenta Izumi, Outside Auditor
Location	13 th floor of JR Tokyu Meguro Bldg., 3-1-1 Kamiosaki, Shinagawa-ku, Tokyo
Business description	Development and provision of cyber security services utilizing AI technology
Group companies	Cyber Security Cloud Inc. (USA)





**To create a secure cyberspace
that people around the world can use safely**

- Enterprises implement cyber security measures mainly in two fields.



DDoS attacks

Multiple computers send a huge amount of access and data to a target server.

SQL injection

An improper string of letters is input to attack the database of web apps.

Cross site scripting

A trap is set on a specific website to lead users visiting the website to another vulnerable website and steal personal information.

Zero-day attacks

Attacks carried out during a period from the discovery of vulnerabilities to the application of fixed programs and corresponding patch.

Brute-force attacks

To find a password, all theoretically possible patterns are entered.

Password list attacks

Using pre- obtained IDs and passwords, they try to access a website and log in illegally.

Concrete Examples of Information Leak

- **A lot of information leaked in various fields. Due to the full enforcement of the amended Act on the Protection of Personal Information, all enterprises need to fortify cyber security.**

Field	Description	No. of pieces of information
Information/telecommunication	Due to the unauthorized access by a third party, the business information of affiliates and the information on employees leaked.	About 20 million
Air transportation	A database on customer information was accessed improperly, and the data on names, member numbers, and statuses leaked.	About 1 million
Education	System servers suffered cyber attacks, and information on the use of the servers leaked.	About 43,000
Finance	Smartphone apps for members suffered cyber attacks, and customer ID information was accessed improperly.	About 16,000
Electric power /gas	Provided apps suffered unauthorized access, and email addresses leaked.	About 10,000
Electric devices	Cloud servers suffered cyber attacks, and some information on business partners leaked.	About 8,000
Food products	EC sites suffered unauthorized access, and membership information leaked.	About 5,000
Land transportation	EC sites suffered unauthorized access, and card information leaked.	About 3,000
Media	EC sites suffered cyber attacks, and personal information leaked.	About 1,000

Cases of Damage Done to Websites Through Cyber Attacks

- Cyber attacks could affect corporate business activities in various ways, leading to the leakage of personal information, the decline in stock prices, and shareholder derivative suits.

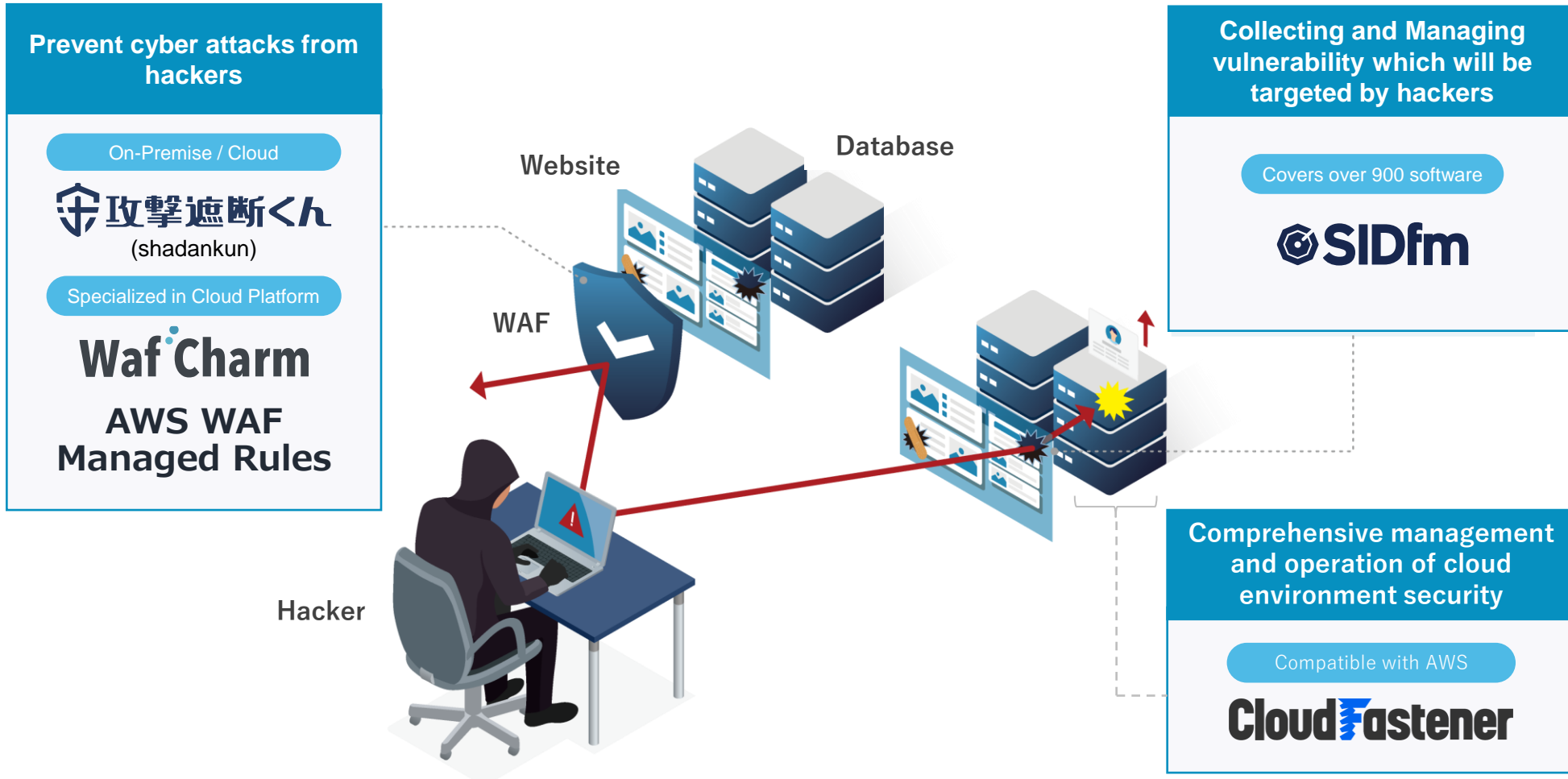


*1 Source : JNSA 2018 " Survey Report regarding Information Security Incident"

*2 Source : JICI "Quantifying Cyber Risk Survey which can be used in discussions at Board of Director meetings"

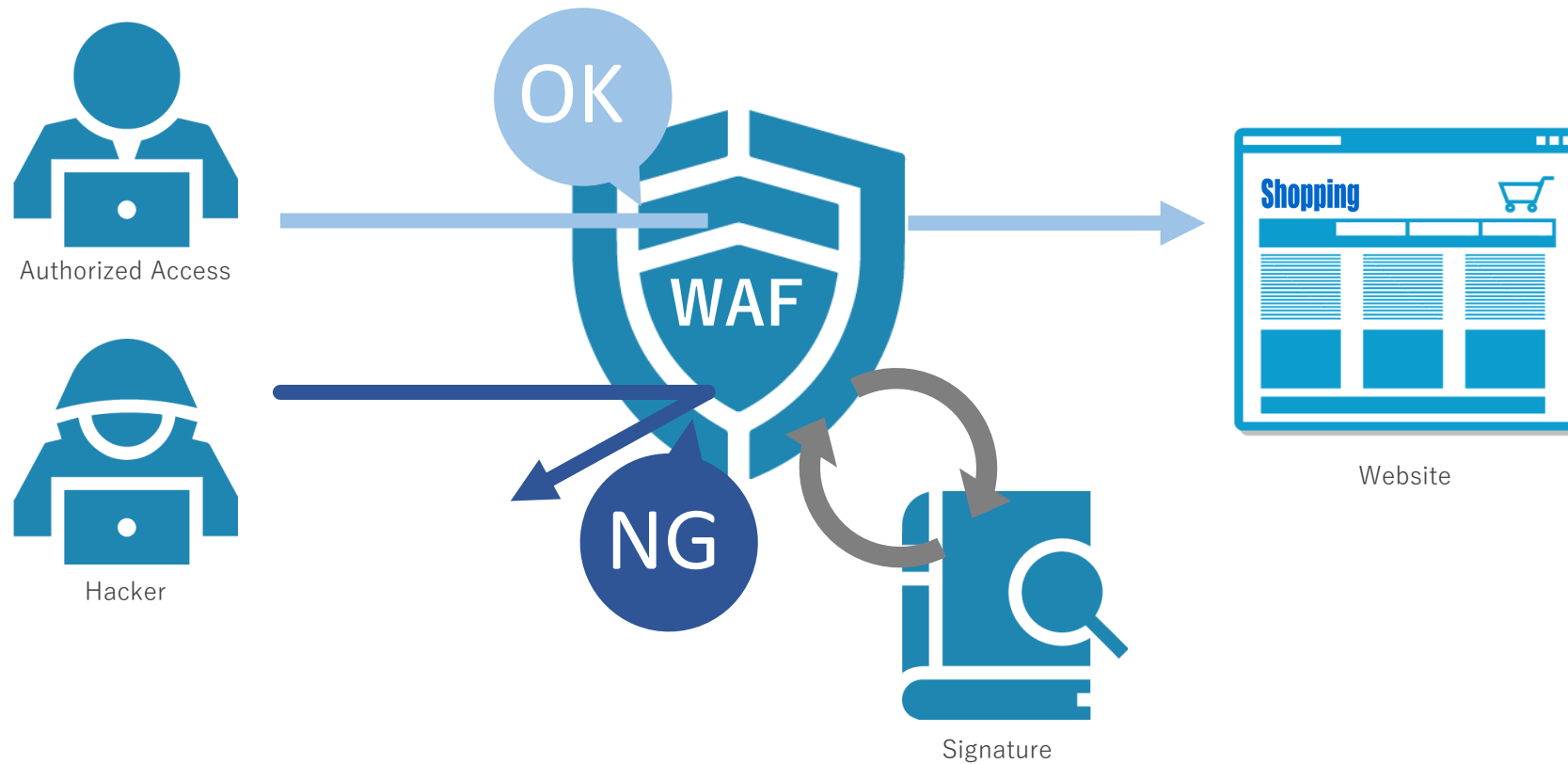
Roles of Our Products in the Web Security Field

- CSC provides means to “protect” corporate websites and web services from hacker attacks, “fix” vulnerabilities, and “manage and operate” the security of cloud environments comprehensively



What is WAF (Web Application Firewall)?

- WAF takes the role of a gatekeeper that only blocks unauthorized access to websites.
- It blocks attacks from hackers based on the rules summarizing attack patterns (signature).
- Attacks from hackers are becoming more sophisticated on a daily basis, so it is necessary to always apply the latest rules.



- **CSC has the largest share in the Japanese market. It has been adopted for over 20,000 websites and protects against threats such as personal information leakage and service suspension due to unauthorized access**



- ✓ **The largest share in the Japanese market***
- ✓ **Can be installed in a minimum of one day**
- ✓ **Can be used with a fee ranging from 10,000 yen per month**
- ✓ **Broadly used in various industries and businesses**



Compatible with all kinds of web systems



Since it was developed in house and is operated by our company, swift reaction is possible.



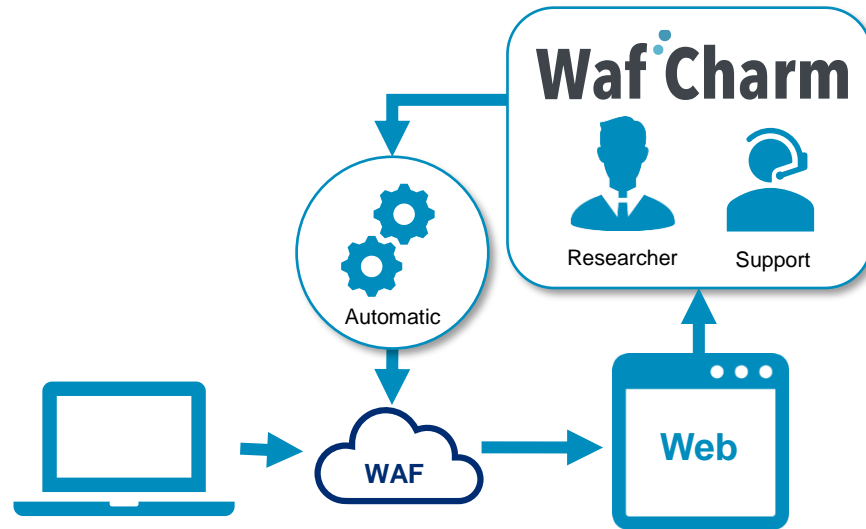
It is possible to detect unknown attacks and faulty detections speedily.



Support in Japanese 24 hours a day, 365 days a year

* Summary of the survey by JMRO: Survey on results for FY 10/2021

- An automatic operation service which is compatible with the 3 major global platforms and enables easy WAF operation such as adjustment of defense rules. It has the largest share in Japan.



- ✓ The largest share in the Japanese market ^{*1}
- ✓ Can be installed through a few steps
- ✓ Can be used in over 220 countries ^{*2}



Compatible with the three major cloud platforms^{*3}



It is possible to produce and set optimal rules for each client's environment.



Our know-how for defense nurtured through Shadankun is utilized.



Global support 24 hours a day, 365 days a year

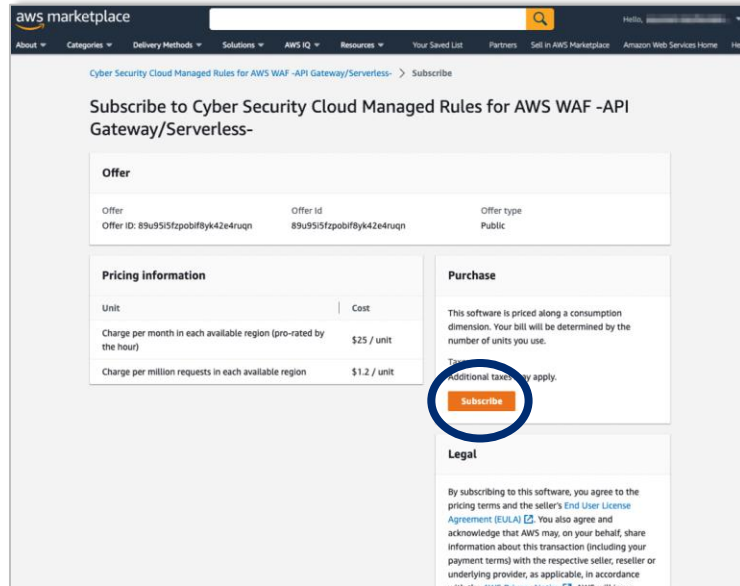
^{*1} Summary of the survey by JMRO: Survey on results for FY 7/2020

^{*2} For WafCharm for AWS Marketplace

^{*3} Amazon Web Service, Microsoft Azure, Google Cloud (Canalys "Canalys Newsroom- Global cloud services spend hits record US\$49.4 billion in Q3 2021")

Managed Rules: a Set of Rules Exclusively for AWS WAF

- A set of basic rules used in over 90 countries around the world and summarizing our know-how for defense CSC accumulated as a company with the largest share of the cloud-type WAF in Japan



- ✓ Only 8 companies selected by AWS to sell*1
- ✓ Can be started with a few clicks.
- ✓ Pay-per-use with a monthly fee ranging from \$25
- ✓ Used by users in over 90 countries



Self-serve type in AWS marketplace



Equipped with the customization function



It can easily block representative cyber attacks



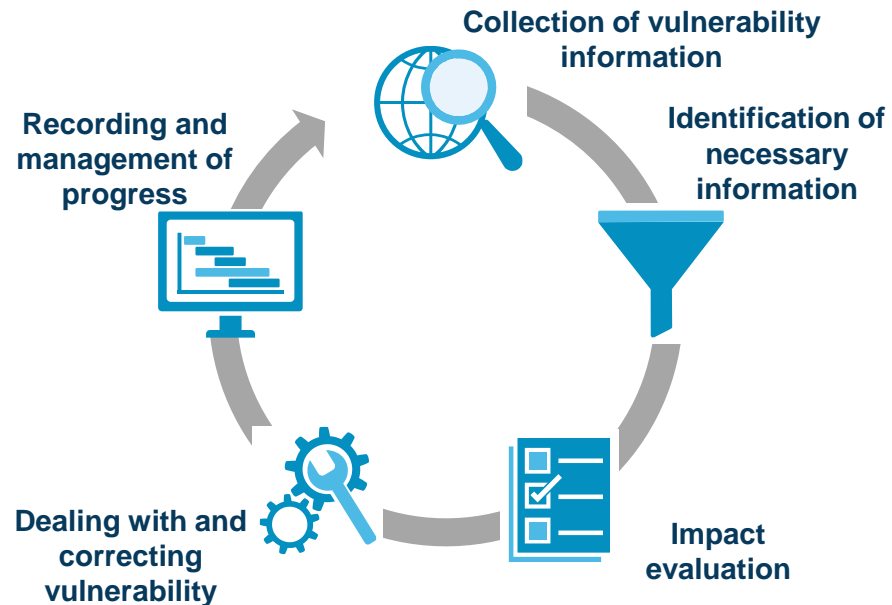
Received the award of AWS Marketplace Partner of the Year*2

*1 Our company, Fortinet, F5 networks, Cloudbric, ThreatSTOP, Imperva, GeoComply, and Mlytics

*2 The world's first as a Japanese enterprise (as of the end of Dec. 2022)

SIDfm: a Tool for Collecting and Managing Vulnerability Information

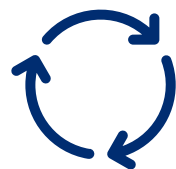
- The first all-in-one tool in Japan for automatically obtaining and managing vulnerability information of a system. It has a history of over 20 years and reliability.



- ✓ Experience and a track record of over 20 years*¹
- ✓ It can be used by paying a monthly fee ranging from 30,000 yen*²
- ✓ Over half of the users are listed companies.
- ✓ Churn rate is as low as 0.2%.



Compatible with over 900 products



Automation of collection of vulnerability information



Provision of difficult-to-understand vulnerability information in Japanese



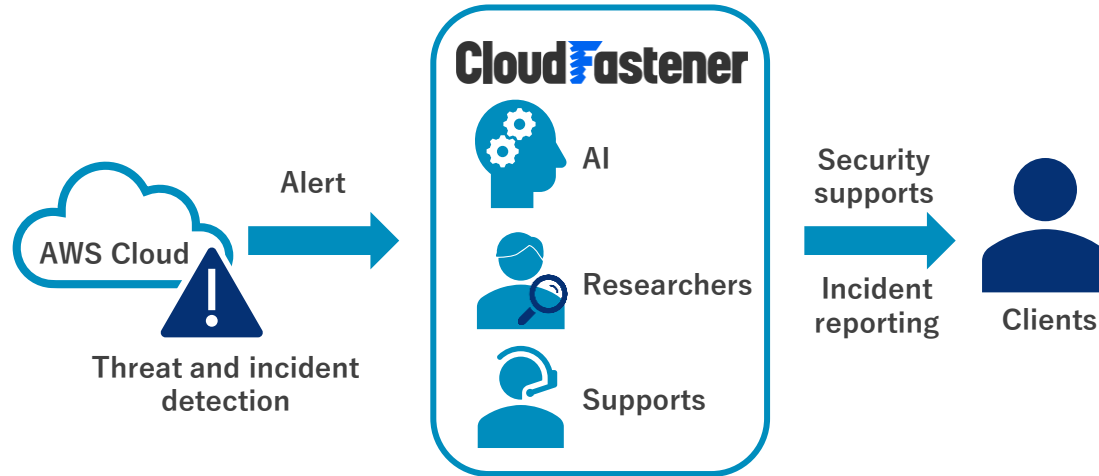
Support by experts in vulnerability

*1 Softek acquired in 2020 started business in 1999.

*2 The annual fee of SIDfm Group was converted to the monthly fee.

“CloudFastener,” a Fully Managed Security Service for AWS Environments

- 24 hours a day, 365 days a year service of visualizing security risks in the AWS environment, collecting and analyzing the data of threats, and offering support
- To operate and manage security functions of AWS comprehensively and reasonably, to reduce the security risks of companies

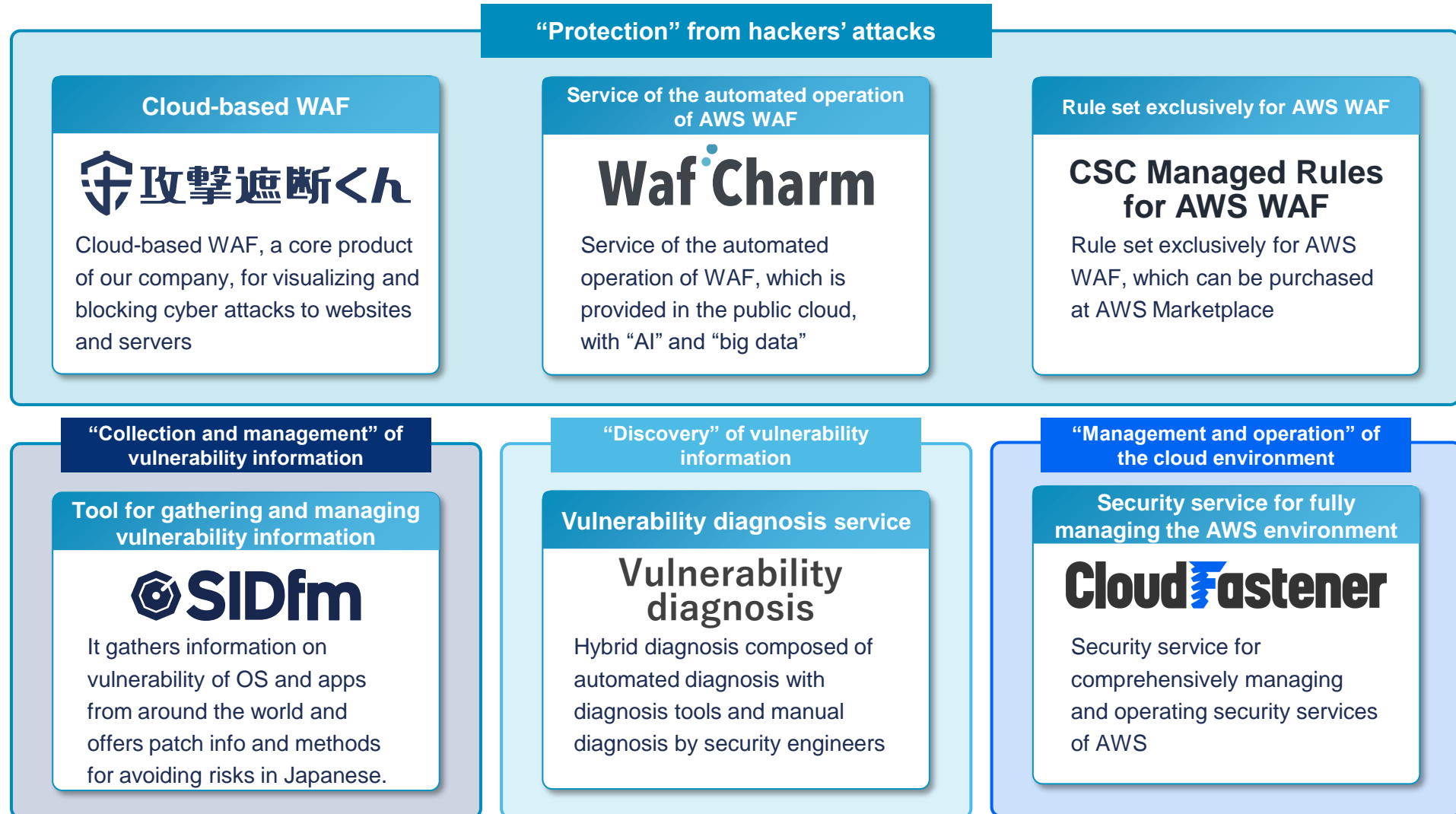


- ✓ Protects the AWS environment from the threat of security risks
- ✓ Achieves development and security operation while responding to the updates of rules
- ✓ It can be installed according to the AWS environment.

Major functions of CloudFastener

Threat Detection	Protector for Container	Protector for Server	Cloud Audit
Workload Vulnerability Scanner	Managed Network Firewall	Security Guardrail	Resource Inventory

- Japanese security software maker that brings peace of mind with in-house development and support



Companies That Adopted Our Services

- Needs for security grew regardless of industry, scale, and business, and a variety of enterprises have adopted our services.

Finance, public offices, public corporations, groups	IT and services	Media and entertainment	Transportation and construction
 	 Inter Factory TECHORUS FANCOM 	 istyle 	 清水建設
		Makers	Human resources
		 	 PASONA JOBHUB SB Human Capital

Interfactory, Inc.

(Securities code: 4057)

Development and operation of the cloud commerce platform “ebisumart”

The largest share in the
cloud EC market *1

The largest number of client
companies and sites
in the cloud WAF market *2

As customers are highly aware of cyber security, I thought that WAF, which builds a wall outside a system to block cyber attacks, is an effective option and reassures customers.

We chose Shadankun, because **it can be applied flexibly to extraordinary, complex systems** like ebisumart, which is operated by multiple stores with multiple servers while WAF rules need to be adjustable at each store. After installation, **it requires few man-hours for management and operation**, so the workload is light.

Interfactory is now able to notify customers that it has implemented security measures to a sufficient degree.



CTO Ken Mizuno

*1 Source: Fuji Chimera Research Institute “New software business market in 2020 – In-depth survey on major packages and SaaS in Japan” < EC site development tool/SaaS (cart-less type)>

*2 Source: Surveyed by JMRO; Outline of the survey: Survey on results in FY2021

coconala Inc.

(Securities code: 4176)

Development and operation of “coconala,” a flea market for skills

The largest skill
market in Japan

The largest number of users
who adopted the service of automatically
managing AWS WAF in Japan *3

Due to the limited resources of the team in charge of infrastructure, we were not able to make good use of AWS WAF, so we implemented WafCharm, which allows us to run AWS WAF automatically. The blacklist (malicious IP addresses), which is **automatically updated at a high frequency**, has helped us a lot. In addition to **defending against more than 100k attacks per month**, the use of WafCharm and the establishment of our corporate system have **reduced man-hours by around 30 hours per month**.

Also, WafCharm has made it possible to report on the current status to management quantitatively.

WafCharm is **inexpensive to start using**, so, it is a good choice for companies that are just starting to implement security measures.

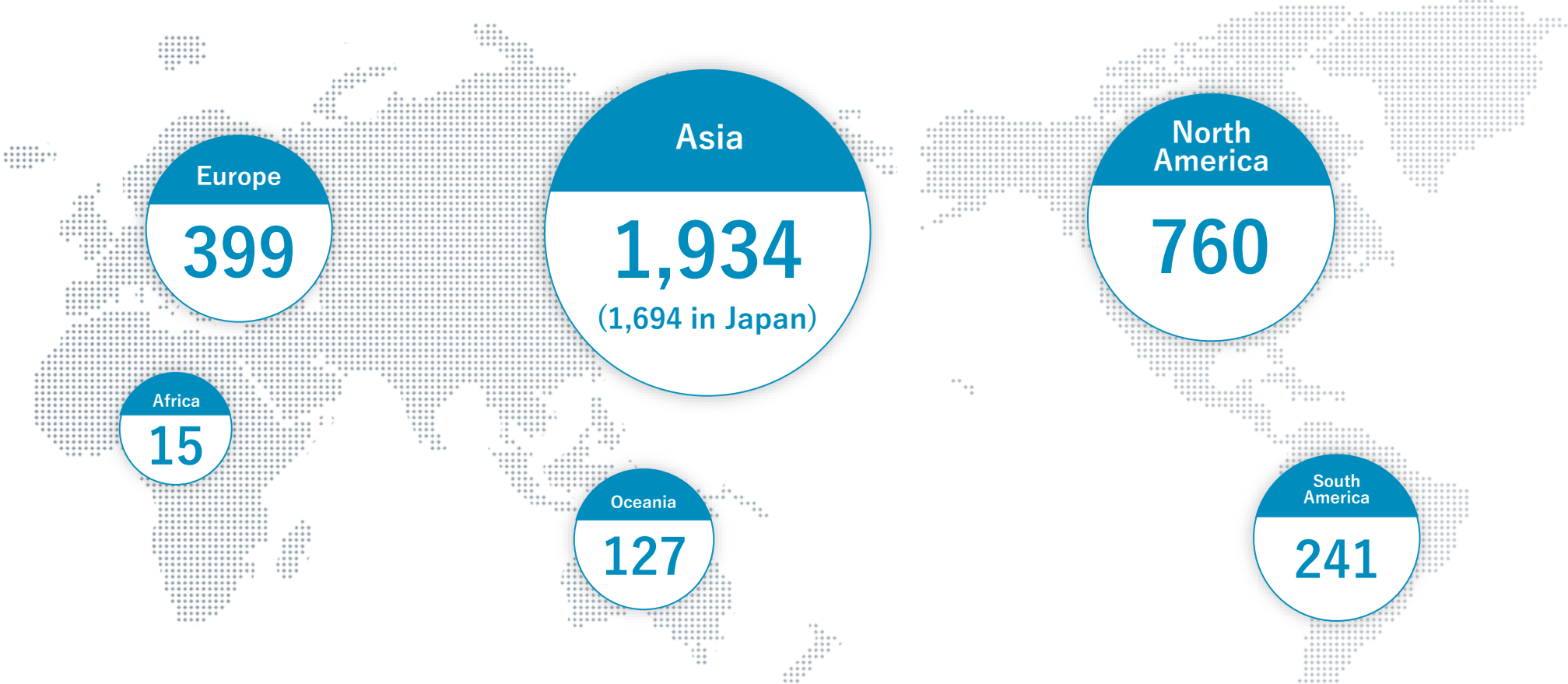


Executive Officer of Development
Masatoshi Murakami

*3 Source: Survey by JMRO (Survey in the term ended July 2020)

AWS WAF Managed Rules, used Around the World

- The company has users in over 90 countries and regions, and global users account for over 50%.



Total number of users: **3,476**
(as of the end of September 2023)

Competent Sales Partners Supporting the Sales Promotion of Our Services

- To provide a wide range of users with products via many sales partners
- To keep looking for sales partners, to expand our sales network.

System integrators and distributors



富士通Japan株式会社



タイフホウ情報システム株式会社



Networld



鈴与シンワート株式会社



Computer Engineering & Consulting

IT infrastructure developers and MSPs^{*1}



Internet Initiative Japan



5G Innovations



NIFCLOUD
ニフクラ



GLOBAL SECURITY EXPERTS



AWS Premier Tier Service Partners^{*2}

(Out of 14 companies, 9 companies are our partners.)



Challenging Tomorrow's Changes



TIS

TIS INTEC Group



Serverworks



TOKAI
TOKAI GROUP
コミュニケーションズ



TECHORUS

*1 Abbreviation of Managed Service Provider. It means a service vendor that maintains, operates, and monitors IT systems.

*2 First-tier partners of AWS that possess expertise in designing and establishing AWS workloads and contribute significantly to the expansion of businesses of many clients.

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**To create a secure cyberspace
that people around the world can use safely**