Money Forward, Inc.

Q2 Financial Results Briefing for the Fiscal Year Ending November 2021

July 15, 2021

Presentation

Moderator: Ladies and gentlemen, thank you for your patience. We will now begin the online financial results briefing for Q2 of the fiscal year ending November 30, 2021 of Money Forward, Inc. Thank you very much for watching today. This briefing is scheduled to last approximately 90 minutes, including a Q&A session.

First of all, I would like to introduce our 2 speakers. Yosuke Tsuji, Representative Director, President, and CEO. Naoya Kanesaka, Director, Executive Officer, and CFO.

Next, I would like to explain about the materials. We disclosed the financial results and presentation material on the Company's website today. The presentation will proceed in accordance with the presentation material. The presentation material can also be viewed on the screen, but if you would like to view it on your own, please visit our website.

Next, I would like to explain the proceedings of today's briefing.

First, Mr. Tsuji, Representative Director, President, and CEO, will give his greetings and explain the financial results for Q2 of the fiscal year ending November 30, 2021 for about 40 minutes. This will be followed by a Q&A session. We will receive your questions through the Q&A feature of Zoom.

If you have any questions, please indicate your affiliation and name in the Q&A tab on the Zoom screen. We will read out your name when answering your questions, so only if you are fine with that, please ask questions. Due to time constraints, we will limit your questions to 3 per person.

Any questions that could not be answered in the time available will be answered individually after the briefing. We ask for your understanding in advance.

We will have a 20-minute Q&A session for analysts and investors, followed by a Q&A session for the media. The briefing is scheduled to end around 18:30.

Yosuke Tsuji, Representative Director, President, and CEO, will now provide an explanation.

Tsuji: I'm Tsuji from Money Forward. Thank you very much for taking time out of your busy schedules to participate in our briefing today.

I would now like to explain the financial results for Q2.

Message from CEO 1

Money Forward, Inc. changed its listing of shares to the First Section of the Tokyo Stock Exchange in June 2021.

We are truly grateful to all our stakeholders, including our customers, business partners, and shareholders, for their unceasing support.

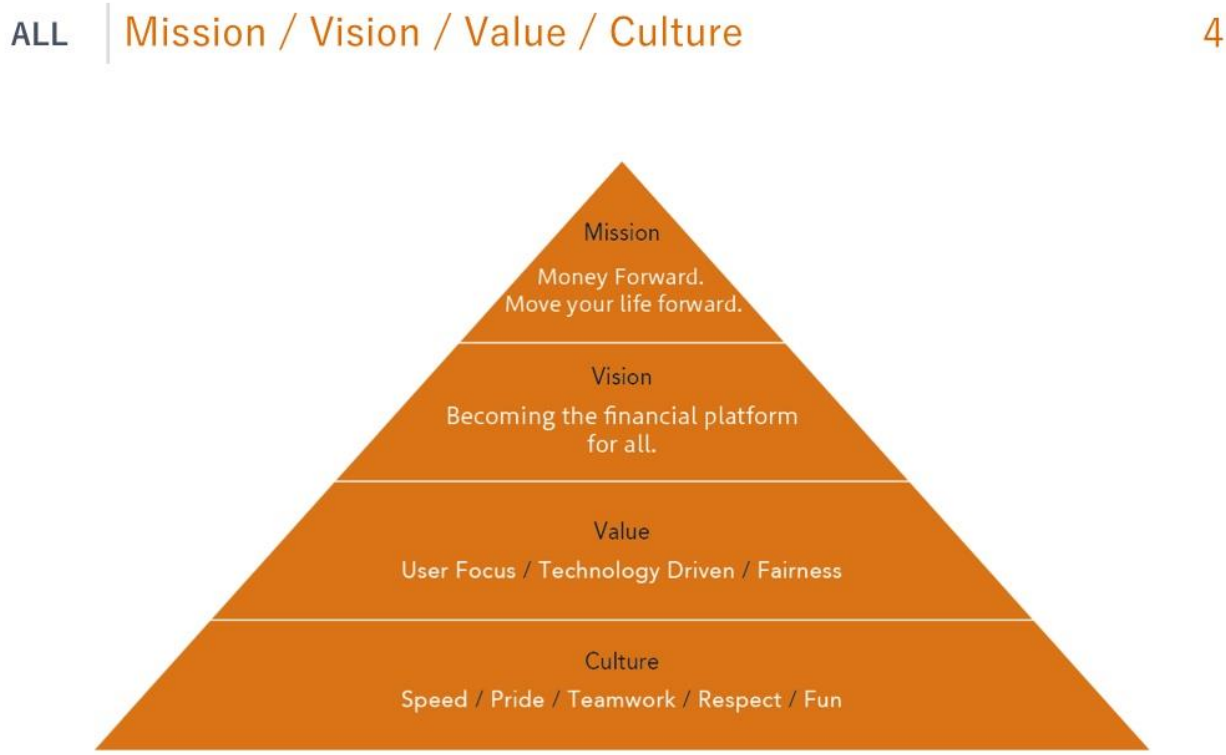
We will keep on aiming toward alleviating financial anxieties and concerns through our services, while harboring our founding aspiration—to invigorate society by encouraging people to take on challenges, and to thereby help create a forward-looking and positive society.

We kindly ask for your ongoing support.

Yosuke Tsuji
Founder and CEO
Money Forward, Inc.

First of all, thanks to your support, we were able to change our listing of shares to the First Section of the Tokyo Stock Exchange in June 2011. We would like to express our sincere appreciation for your continued support. We will continue to work hard to realize our mission.

As for today's agenda, I will first briefly explain our business, and then our financial performance for Q2 by category: Business domain, Home domain, X domain, and Finance domain. Finally, I would like to talk about other strategic initiatives.



First, let's look at our business.

I'm sure many of you know it, so I'll proceed with my explanation while skipping some topics. We are a company that places great importance on Mission, Vision, Value, and Culture. Our mission is "Money Forward. Move your life forward," which means solving the problems of money with technology.

ALL

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

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User type	Business domain	Description	Key services
Corporate	Money Forward Business SaaS Applications for Back Office Operations	■ Provides cloud service for back office operation (accounting/finance and HR); boosts productivity significantly through shift to cloud and automation. ■ **160,000-plus paying customers**, half of which corporate ■ Introduced at many accounting firms across Japan; **Covers 68% of Japan's top 100 firms***1	Money Forward Cloud, STREAMED, Manageboard, V-ONE Cloud
	Money Forward Business SaaS Marketing Platform	■ **One of Japan's largest SaaS marketing platforms**, operated by Smartcamp	BOXIL SaaS, BALES, BOXIL EXPO
	Money Forward Finance Financial Service	■ Provides BtoB deferred payment billing and factoring services ■ **Total transaction volume***2 **has exceeded ¥30.0 billion.**	Money Forward Kessai, Money Forward Early Payment
Individual	Money Forward Home Personal Financial Management Apps	■ **Over 12 million users; Japan's No. 1 share***3 ■ 320,000-plus paying customers ■ Connected asset balance of **approx. ¥15 trillion***4 ■ Through business partnerships, promotes customers' problem solving not limited to improving their personal finance	Money Forward ME
Financial institution	Money Forward X Fintech Promotion/ DX Support	■ Joint service development with **40 financial institutions** ■ **Provides Fintech Platform** linking individual/corporate users, financial institutions and fintech companies, using an account-aggregation infrastructure	Money Forward X, Money Forward Fintech Platform

*1 See page 83 for details. *2 The cumulative amount of receivables that Money Forward Kessai, Inc. has acquired through *Money Forward Kessai*, BtoB deferred payment settlement service and *Money Forward Early Payment*, an accounts receivable financing service. *3 See page 87 for details. *4 Total of financial assets in bank accounts connected to services for individuals offered by *Money Forward ME* and *Money Forward X*. As of May 31, 2021.

Based on this mission, we are developing services mainly in the area of SaaS X Fintech, providing one of the largest user bases and product lineups in Japan.

We have 3 main types of users: corporate users, individual users, and financial institutions. We provide the services you see here in each of these business domains.

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Expanding Business Field Through New Business Development and M&A

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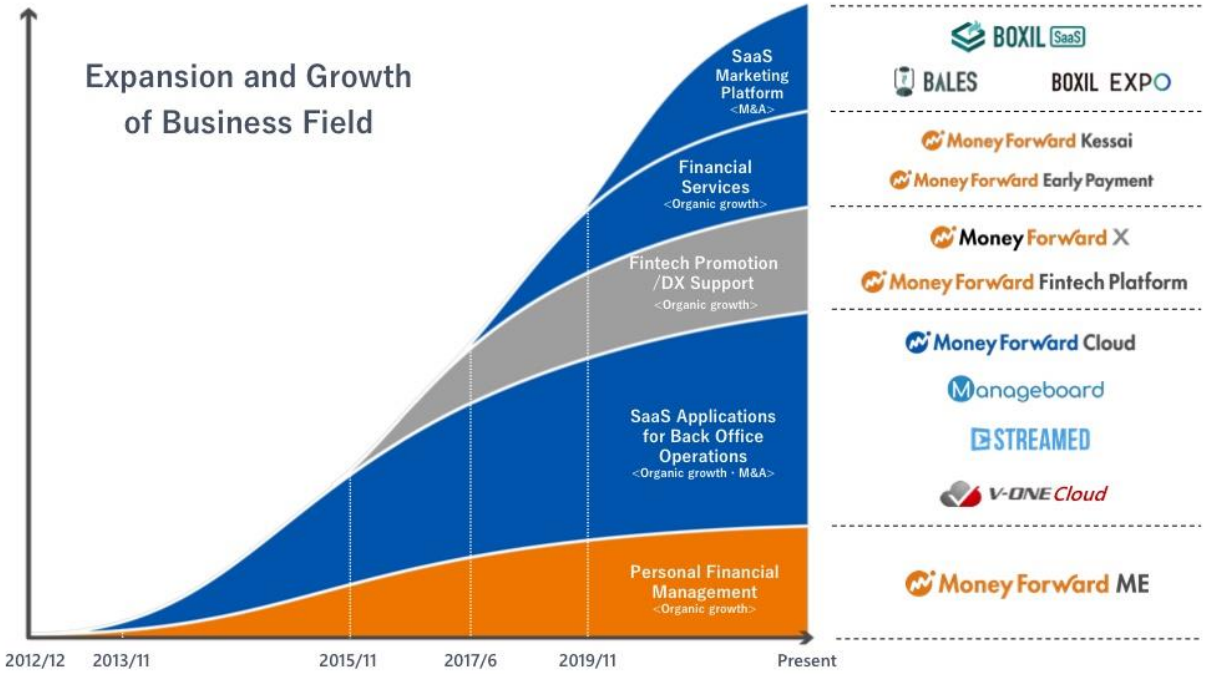
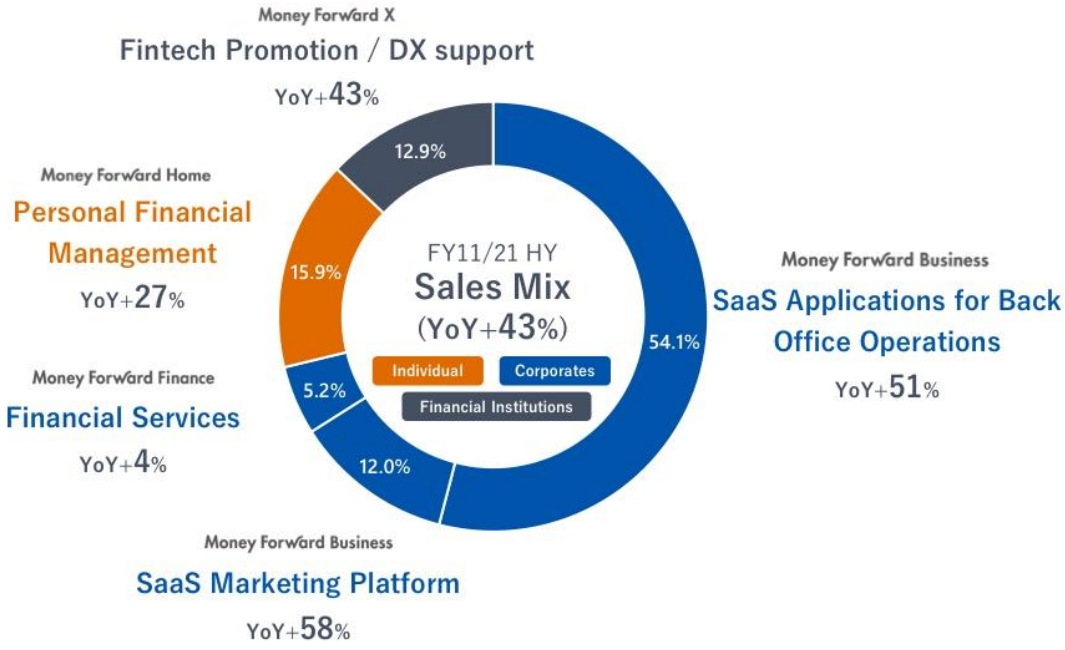


Chronologically, we established our business with Money Forward ME, a service for individuals, in 2012, and then Money Forward Cloud for corporations a year later.

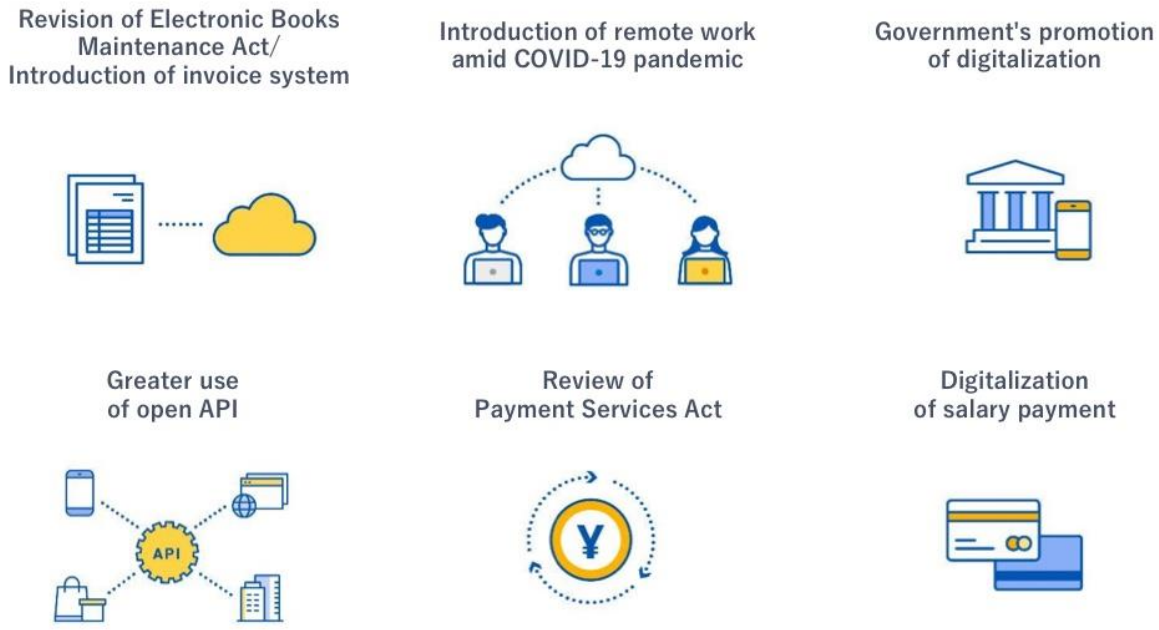


This is the current revenue proportion. This is the cumulative total for Q2, and the blue portion is sales to corporations. As for the breakdown of the corporate sales, 54% is SaaS applications for back office operations, and 12% is SaaS marketing platform. The latter is the sales of SmartCamp Co., Ltd., which joined our group. 5.2% is financial services.

About 16% of our sales are to individuals. We are providing a Personal Financial Management service called Money Forward Home. The remaining 12.9% is sales from Money Forward X, a DX support business mainly for financial institutions and telecommunications companies.

As you can see, sales of SaaS applications for back office operations grew 51% YoY, SaaS marketing platform sales grew 58%, financial service sales grew 4% due to stronger credit, sales to individuals grew 27%, and DX support sales grew 43%.

Environment Surrounding the Group



I am sure you all know the environment and business opportunities surrounding our company. It includes the revision of the Electronic Books Maintenance Act, the introduction of invoice system, the increase of remote work amid the COVID-19 pandemic, the promotion of digitalization by the government, the expansion of the use of open API, the review of the Payment Services Act, and the digitization of salary payment. In such a way, many business opportunities are emerging.

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Developing Variety of Products Based on Common Core Technologies

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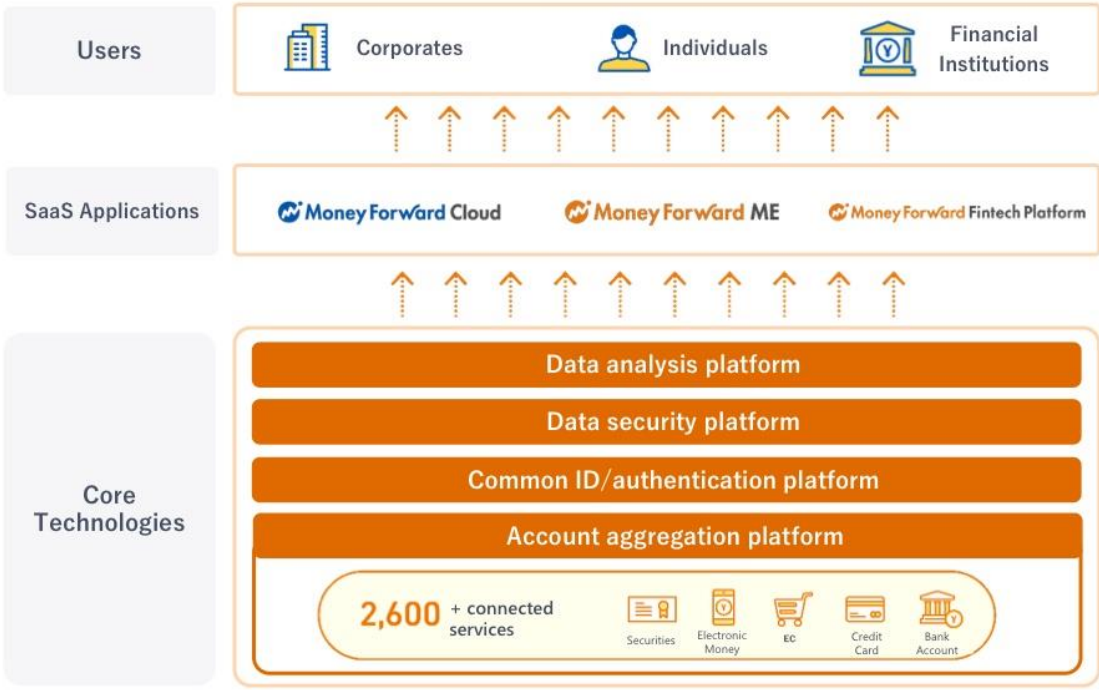


We are developing a variety of services, basically using common core technologies. On top of the account aggregation platform with more than 2,600 linked services, we provide a security platform and an analysis platform.

Based on that, we provide our applications, including Money Forward Cloud for corporations, Money Forward ME for individuals, and Fintech Platform for financial institutions. Developing applications based on core technologies, we are achieving efficiency.



I will now explain our business results for Q2.

First, let's look at highlights. Consolidated net sales for Q2 were JPY3.99 billion, up 42% from the same period of the previous fiscal year, progressing well against the business forecast. We will continue our efforts to achieve and even exceed our earnings forecasts in H2 of the year.

Consolidated sales excluding the Finance domain were up 46% YoY, with sales in the Business domain in particular driving high growth at 53%.

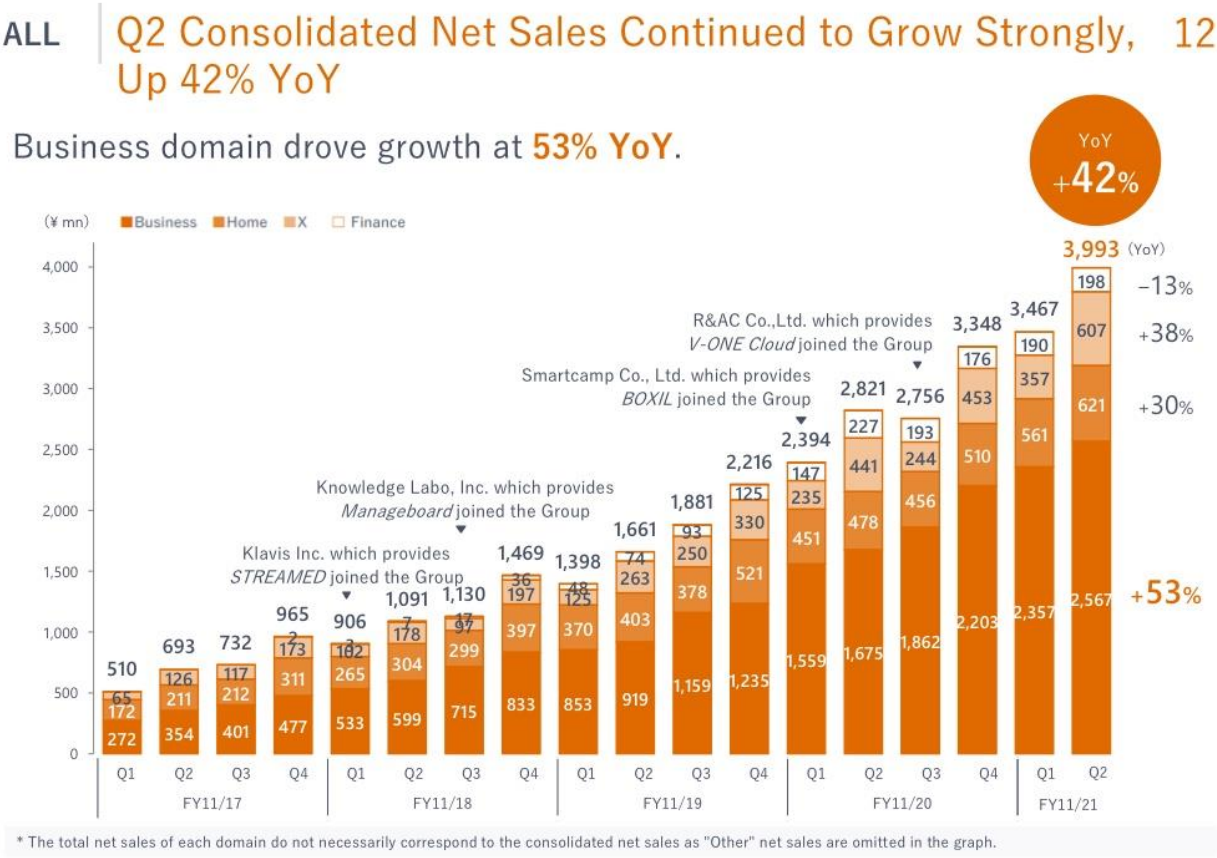
Gross profit was also up 53%, at JPY2.84 billion, and EBITDA was approximately JPY290 million in the black.

The total of the Group's recurring revenue, which we call SaaS Annual Recurring Revenue, increased by 40% to JPY9.7 billion. In particular, the ARR for corporate customers in the Business domain has increased by 50%. We have been putting a lot of effort into this area, and I think the positive results are coming out.

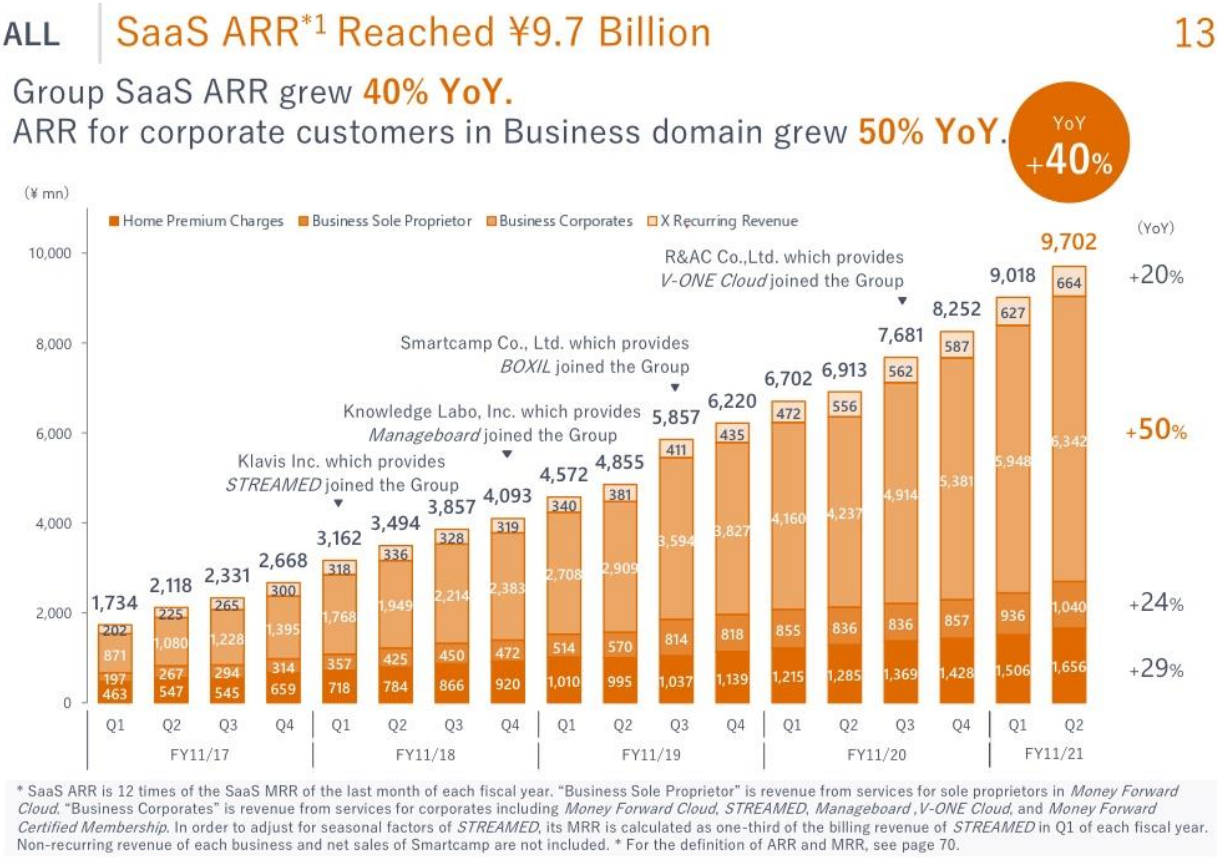
In addition, we have recently announced a joint venture with MUFJ Bank. We plan to launch online factoring services for small- and medium-sized businesses.

In addition, as I mentioned earlier, we have changed our listing to the First Section, and we have recently been informed that we are in compliance with the listing standards for the Prime Market.

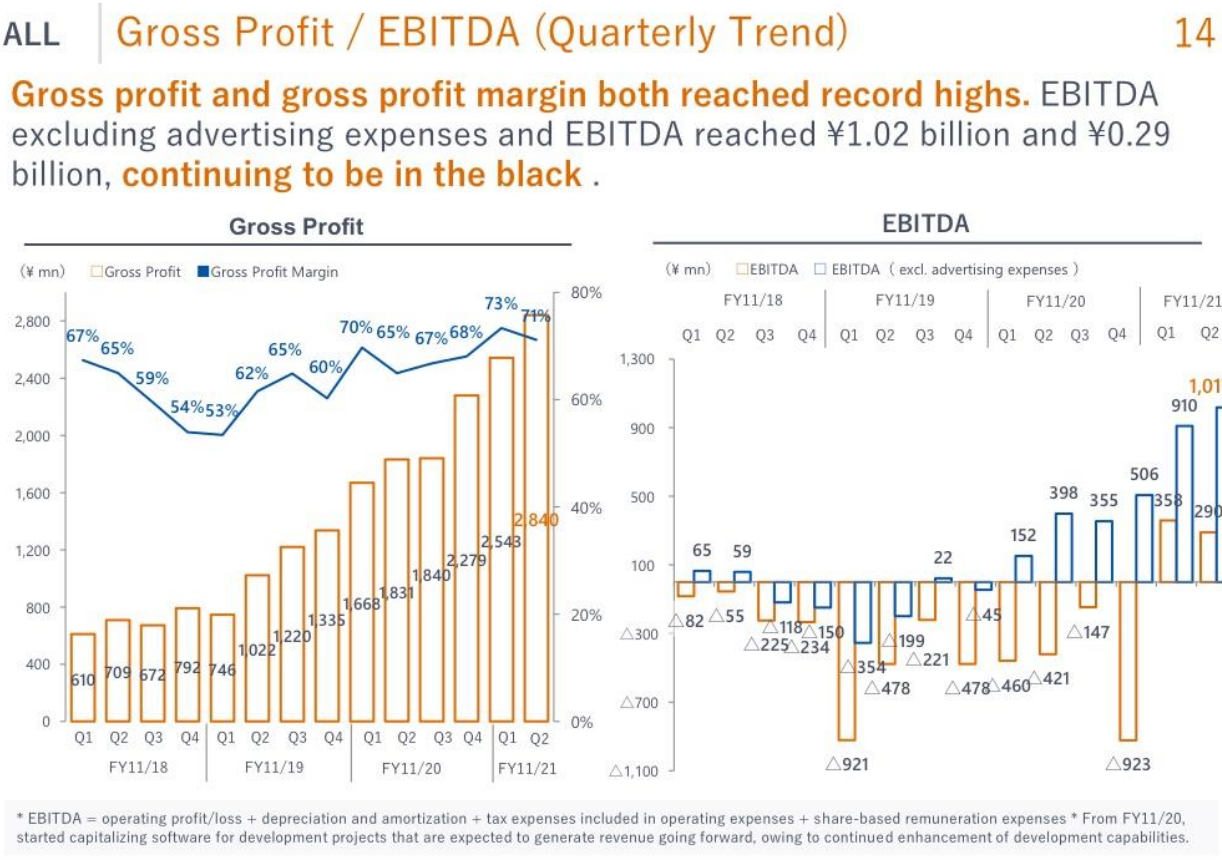
Also, although it is not mentioned here, we have released a variety of new initiatives in the Home domain, which is a very big topic for us. I will explain this later.



Here is the sales growth by quarter. As I mentioned, the Business domain is growing strongly with an increase of 53%. The Home and X domains are also continuing to grow at a high rate of over 30%.



As for SaaS ARR, beginning from the bottom of the bar chart, the home premium charges for individuals grew by 29%. As for Business domain, sales to sole proprietors increased by 24% and to corporates by 50%. X recurring revenue grew by 20%. I think the strong growth in ARR for corporate customers was the best result in the period under review.



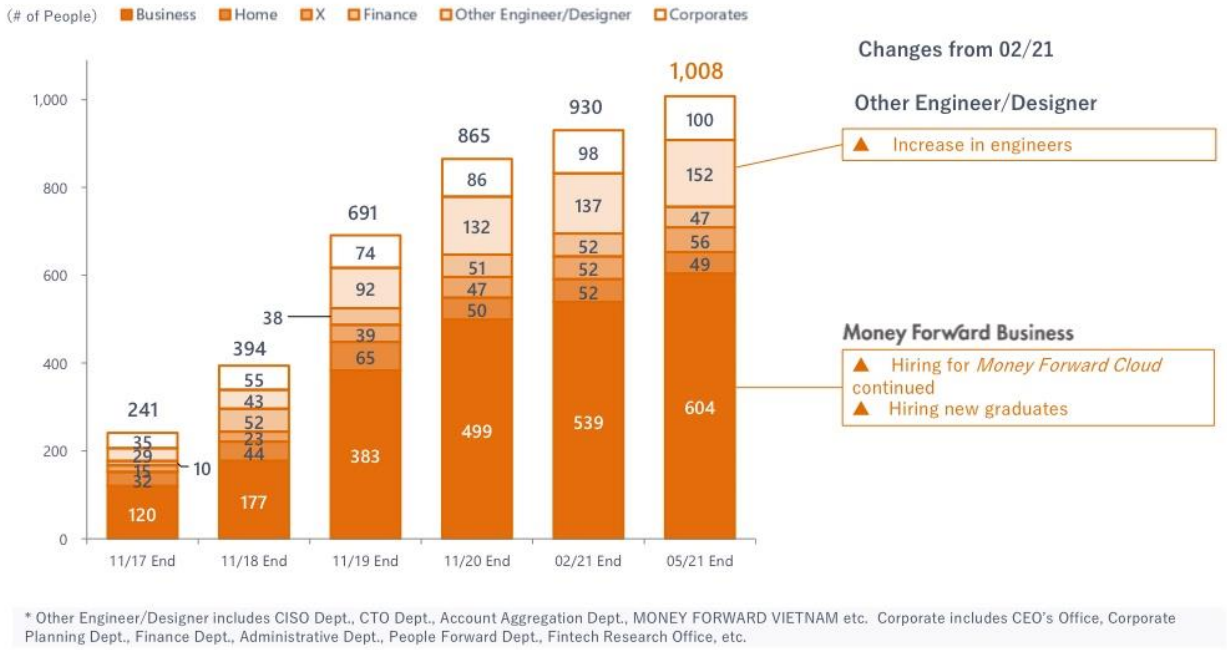
The trends of gross profit and EBITDA are shown here.

Gross profit continued to be the highest ever, at JPY2.8 billion. In addition, gross profit margin was 71%. The gross profit margin of our business model is relatively high.

EBITDA excluding advertising expenses was JPY1.02 billion and EBITDA was JPY290 million, both continuing to be in the black.

ALL | Full-time Employees 15

Hiring in Business domain and engineering team is progressing steadily.



* Other Engineer/Designer includes CISO Dept., CTO Dept., Account Aggregation Dept., MONEY FORWARD VIETNAM etc. Corporate includes CEO's Office, Corporate Planning Dept., Finance Dept., Administrative Dept., People Forward Dept., Fintech Research Office, etc.

Let's move on to the expenses. The number of employees has exceeded 1,000. Although the hiring environment is very severe, we are making a great effort to recruit and are doing well.

The growth is mainly in the Business domain. We are hiring more engineers in and assigning new graduates to this domain.

ALL | Breakdown of Expenses (Cost of Sales & SGA) 16

Continued active investments for growth (advertising expenses & personnel expenses) in Business domain.

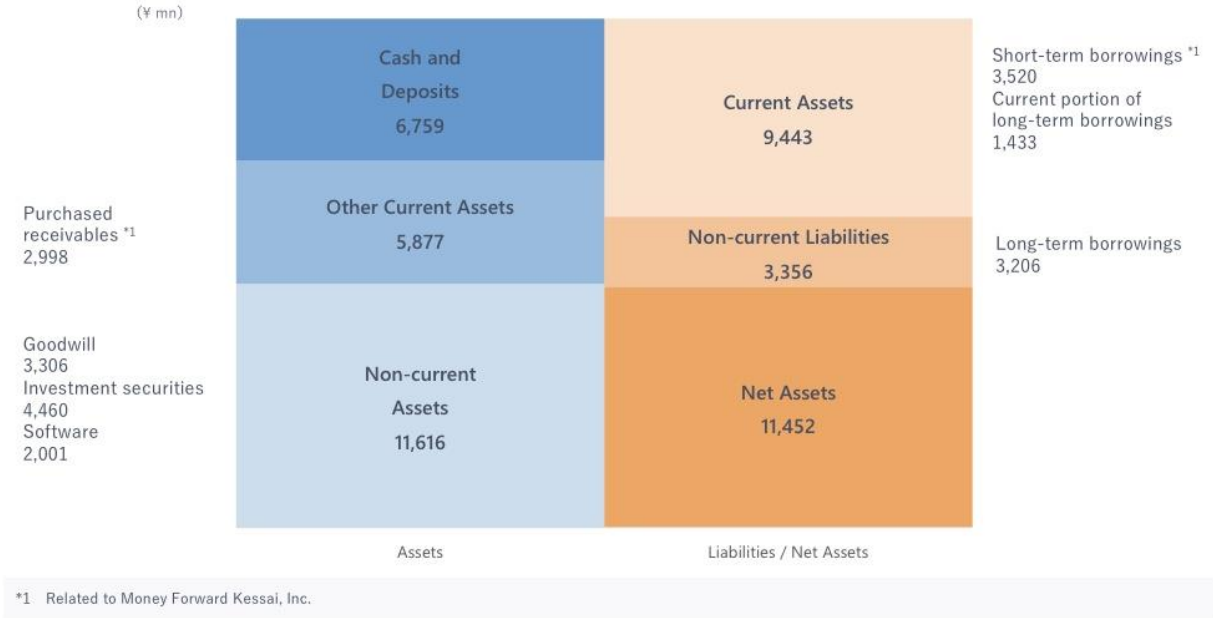


* "Other expenses" include communication expenses, amortization, recruiting/training expenses, depreciation, tax expenses included in operating expenses, professional fee for subsidy implementation projects, etc.

Here is a breakdown of the expenses. Advertising and personnel expenses account for a large percentage of our business model, and these expenses are increasing, mainly in the Business domain.

Balance Sheet

Maintains a **high level of financial soundness**, with cash and deposits of approx. ¥6.8 billion and net assets of over ¥11 billion.



*1 Related to Money Forward Kessai, Inc.

As for the status of our balance sheet, we are continuing to maintain a high level of financial soundness, with cash and deposits of JPY6.8 billion and net assets of over JPY11 billion.

This was the overall explanation.



Next, I will explain each domain.

Let me begin with the Business domain. First, the growth in recurring revenue from sole proprietors and corporates is accelerating.

In detail, the number of paying customers, both corporates and sole proprietors, has been increasing and has reached 166,000 users.

In addition, the net increase in the number of corporate customers in Q2 was 1.9 times YoY, and that of sole proprietors was 3.1 times YoY. The linkage with Money Forward ME worked very well, and the season for filing tax returns also had a positive impact, resulting in a significant growth.

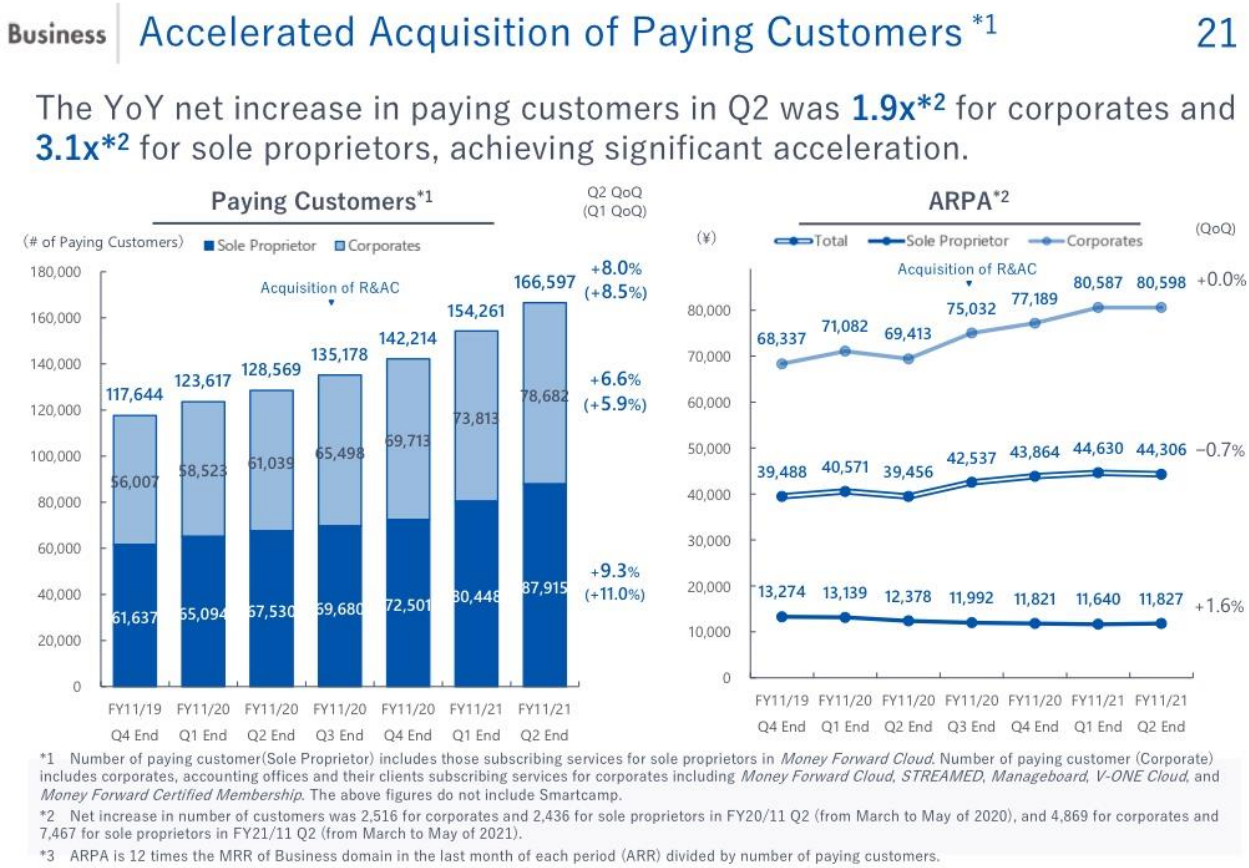
The average churn rate of paying customers for the past 12 months was 1.4%, and for the quarter under review, it was 2.5%. As you know, there are a certain number of people who cancel their subscriptions after completing their tax returns, so the trend is similar to that of the same period last year and within the expected range. In terms of corporations, the churn rate has remained stable at a low level during the quarter.

The good news is that we have completed the release of our new products in Q2. The release of receivable billing, fixed assets, and contracts modules has been completed, and we now have a solid product lineup for medium-sized companies. I will explain it in detail later.



Here is the growth per quarter.

Please look at the rightmost side. From the bottom, recurring revenue for sole proprietors, for corporations, sales from Smartcamp Co., and non-recurring revenue are indicated. As you can see, corporate recurring revenue is growing. Smartcamp's sales are also growing strongly, up 48%.



Here are the detailed figures for the number of paying customers and Average Revenue per Account. As you see on the left side, the number of paying customers has increased by 8.0% as a whole. The breakdown is as shown in dark blue below: 9.3% for sole proprietors and 6.6% for corporates.

Due to the season of filing tax returns for sole proprietors, Q1, December, January, and February, is the most beneficial for us. Q2 is March, April, and May. March is also beneficial to some extent, but Q1 is the most beneficial. The growth rate slightly declined to 9.3%, but we continue to maintain a high growth rate. The growth rate for corporates increased from 5.9% to 6.6%, which means that the number of paying customers is growing.

As for ARPA, we indicated figures for 3 categories: total, sole proprietor, and corporates. ARPA for corporates, which is indicated at the top, was JPY85,598, up 0%. As I explained at the last financial results briefing, in Q1, STREAMED, which is used by accounting firms, is used very often during the tax return period, so ARPA increase significantly. In Q2, there was a slight reactionary decrease.

However, organic sales of products for mid-sized companies continued to be strong, so ARPA for those products has increased, offsetting the decrease in ARPA for accounting firms. The total ARPA decreased by 0.7%.

ARPA for sole proprietors was JPY11,827, up 1.6%. As I have explained each time, as the number of annual contracts increases, the unit price goes down. If the unit price goes down, churn also goes down. But in the period under review, ARPA has stopped going down, and has once again returned to an upward trend.

Business | Released *Money Forward Cloud Fixed Assets* 22

Offers user-friendly design for accounting, tax, and business operations personnel. Streamlined cumbersome operations including fixed asset management, and booking of depreciation and impairment loss.

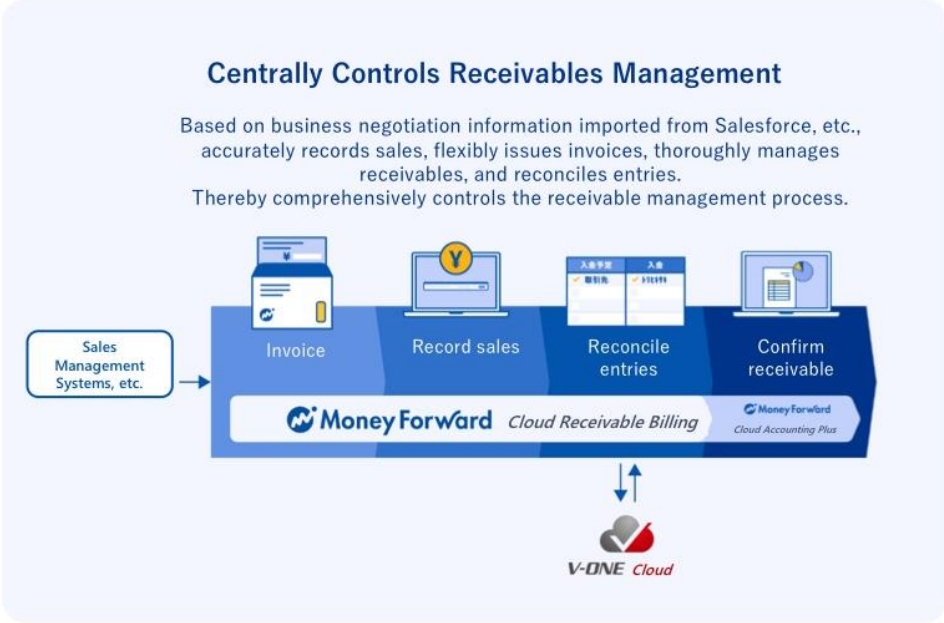


Next, let’s take a look at the products.

We released Money Forward Cloud Fixed Assets. As one of the few cloud-based fixed asset management services, it has been receiving a good reputation, and some companies have already placed orders for it. We released it as a fixed asset management service that can be used by everyone.

Business | Released *Money Forward Cloud Receivable Billing* 23

In addition to complying with the invoicing legislation and Electronic Books Preservation Act, the service supports split invoices and split journal entry unique to subscription-model businesses.



The next product we released is the Money Forward Cloud Receivable Billing. Receivable management is a burdensome task. This is a service that makes the series of flow from invoicing to sales recording, entry reconciliation, and confirmation of receivable more convenient.

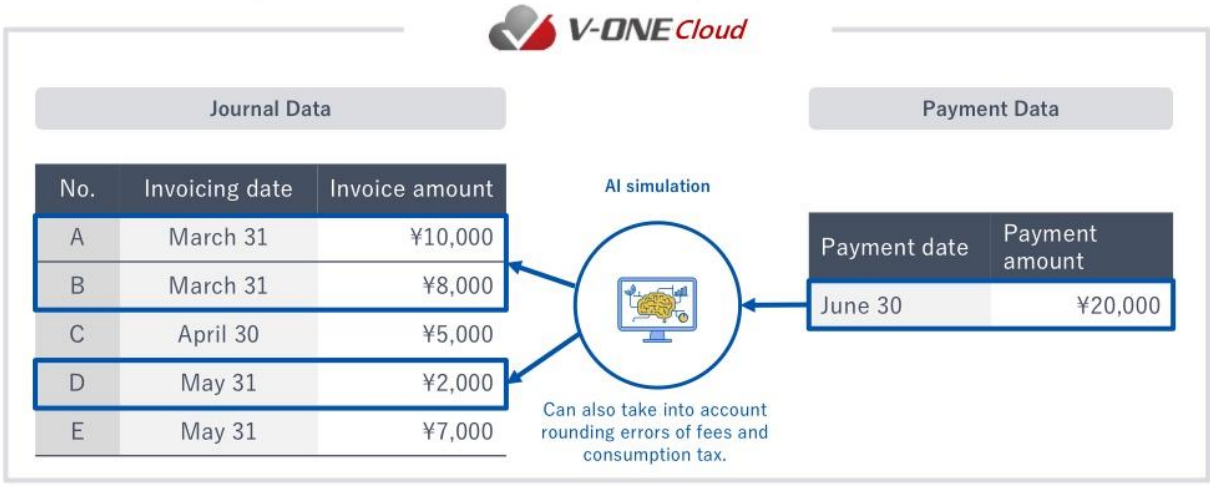
It also supports the latest system changes, such as the invoicing legislation and the Electronic Books Preservation Act, as well as the split invoicing and split journal entry that is unique to subscription-model businesses, which have been increasing recently.

The entry reconciliation part is linked with the entry reconciliation of R&AC, which has joined the Group, in the form of V-ONE Cloud.

Business More Accurate Cash Reconciliation by AI in *V-ONE Cloud* 24

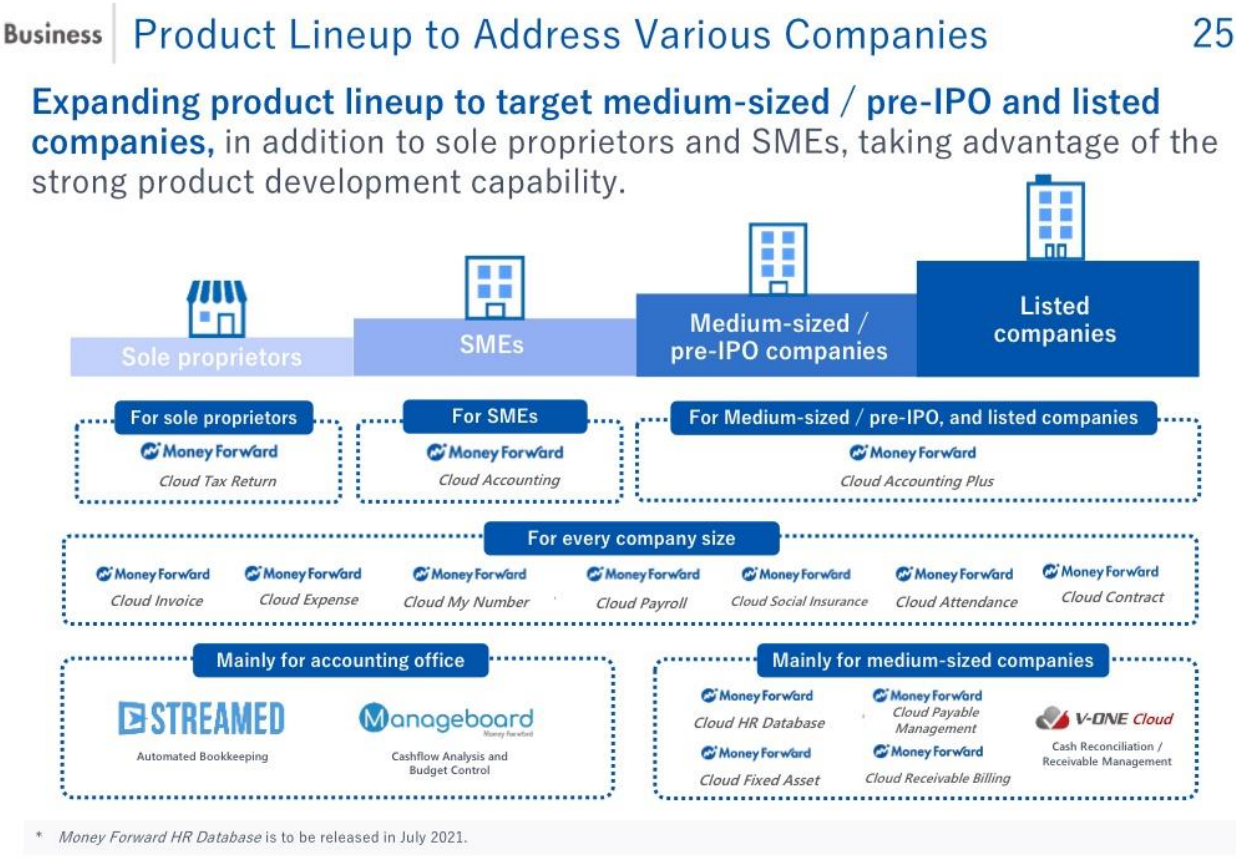
With Money Forward Lab, drastically raised efficiency of accounting operations by enhancing an AI function that automatically detects matching statements (patent pending).

Dramatically raised efficiency of reconciliation operations by enabling search for matches among over 1,000 statements.



The V-ONE Cloud has an overwhelming share of the market in this area. With Money Forward Lab, our research institute, we now overwhelmingly improved efficiency of the entry reconciliation task by enhancing an AI function that automatically detects matching statements.

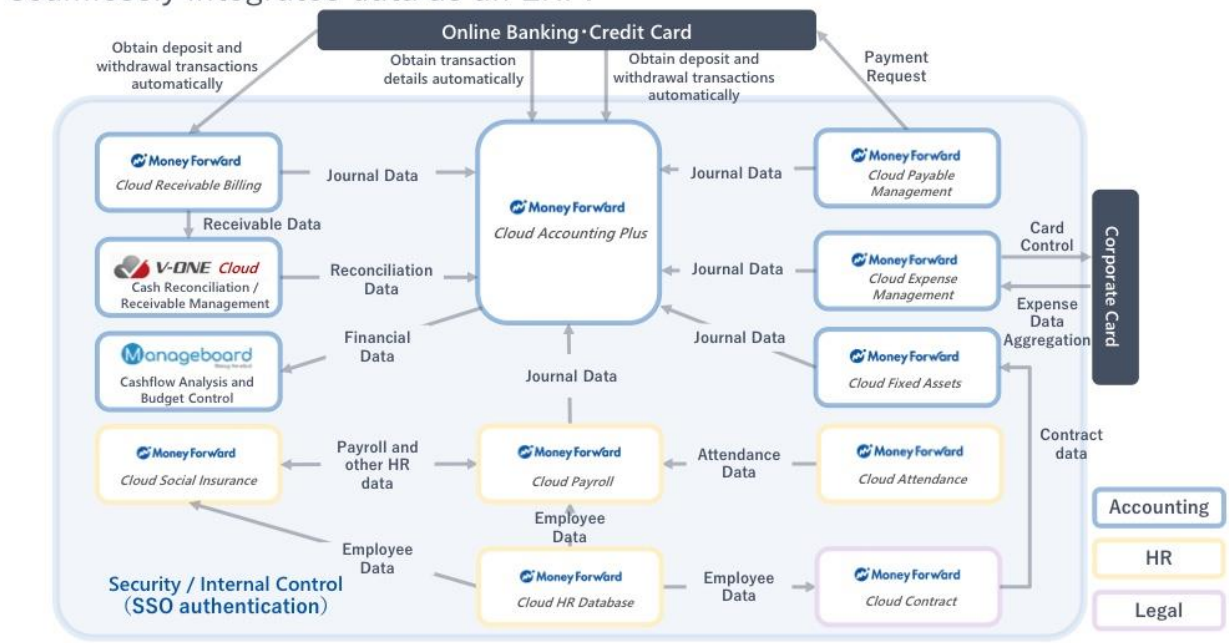
Detecting matching statements is a very complicated task because some people transfer money adding up the amount. I believe that the results of our research and development of technology have been achieved by releasing a function that allows AI to do the work on behalf of people, by having AI search over 1,000 combinations, which has greatly increased efficiency.



The next page shows our product lineup. We have a full lineup of products that can be used by sole proprietors, SMEs, medium-sized companies, and listed companies.

Business | Powerful Product Lineup for Medium-sized / Pre-IPO and 26 Listed Companies

Covers the fields of accounting, human resource and legal affairs, and seamlessly integrates data as an ERP.



* *Money Forward Cloud HR Database* is to be released in July 2021.

This page shows products for medium-sized / pre-IPO and listed companies. Since there are many different services, we used different colors. The products for accounting are in blue. The products for human resources, are in yellow. Cloud Contract in the legal affairs field is in pink, or purple. As you can see, we have quite a few services and are building a world where each of them is connected through API.

We still have a lot of work to do to develop these functions. We will continue to strengthen the development of these functions in order to make each service the number 1 service in Japan.



Page 27 shows our customers. This is an example of some of the companies that are using Accounting Plus, from listed companies such as VisasQ, AI inside, and Karadanote, to fast-growing venture companies such as Layer X and Schoo, to traditional mid-sized companies.

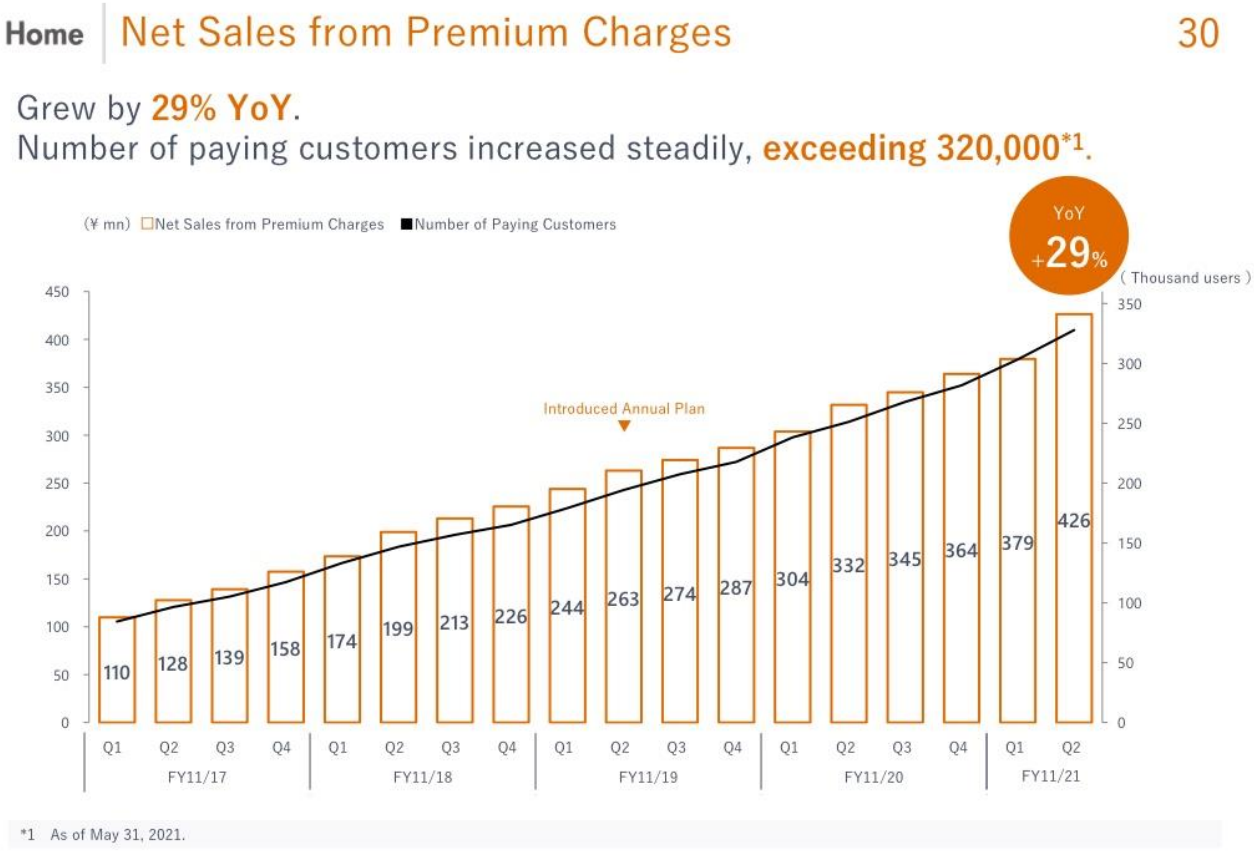
Our Customers (2/2)

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



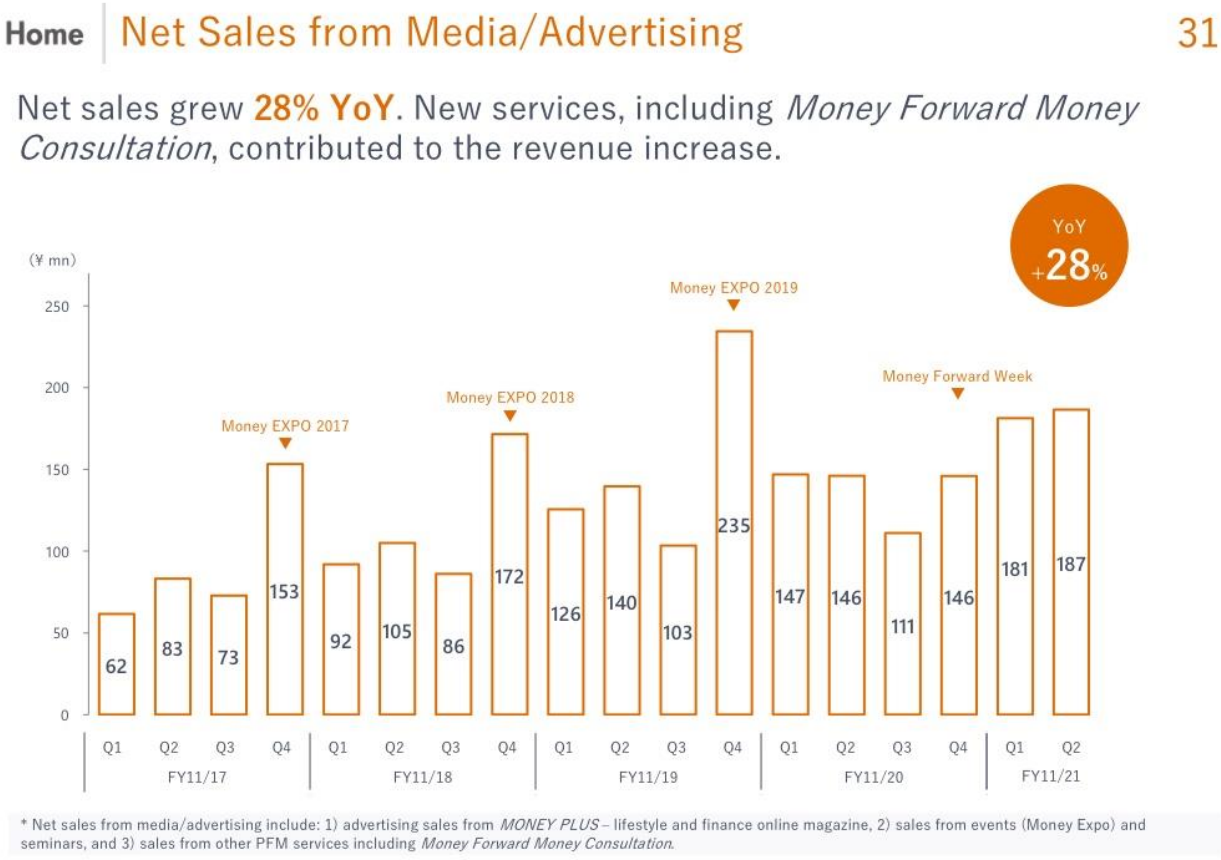
This page shows companies that are using cloud payroll, attendance, expense, V-ONE Cloud, etc. As you can see, these products are used by many companies, including AEON and JAL, both of which are listed on the first section of the Tokyo Stock Exchange. Our functions are now used by a wide range of customers.

This is the explanation of the Business domain.



Next, I would like to explain the Home domain.

Let’s look at sales from premium charges. This is a feature that users pay JPY500 per month for. We have grown by 29% and have surpassed 320,000 premium users.



Net sales from media/advertising grew 28% YoY, as new services such as Money Consultation are gradually contributing to the increase in revenue.

Home | Released PFM App Partnering with Sanrio 32

Expanding customer reach through offering fun household accounting experiences.



Please take a look at the topics. We are working with Sanrio, the company that has the cute kitty, to provide a household account book application for children. There is no account aggregation service, and it can be done by hand in a cute way. If you have children, I hope you will use it together to educate children to manage their money.

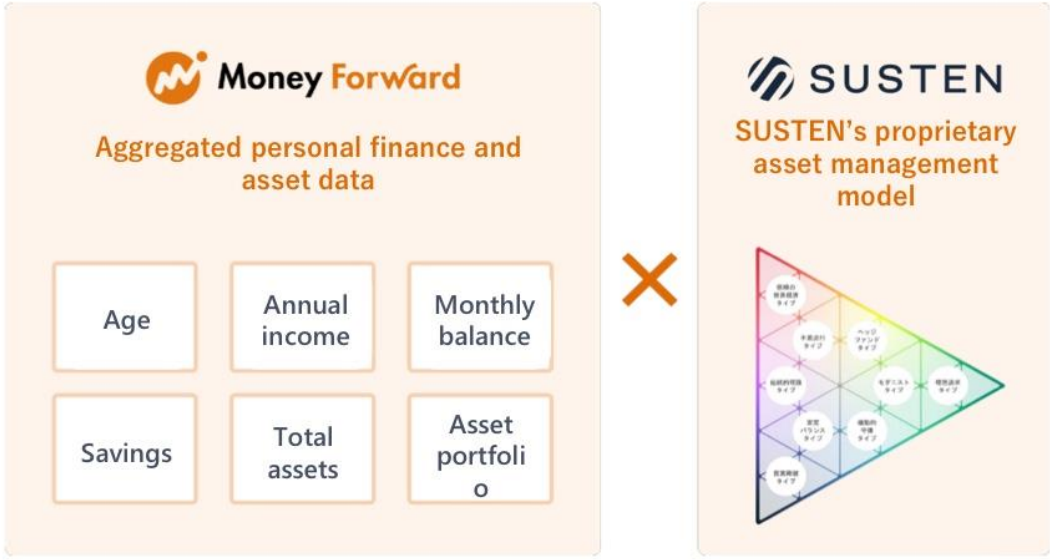


We have formed a business alliance with TSUKURUBA, a great venture company in the real estate field. As you know, the percentage of real estate in personal assets is very large.

TSUKURUBA has a platform called cowcamo, which is a distribution platform for used and renovated houses, and has over 270,000 registered users. We have formed a business alliance in the hope that we will be able to improve lifestyles and raise the quality of life of our users of Money Forward ME by providing them with proposals related to asset management of their real estate holdings. We are currently developing this service with the aim of launching it in 2022.

Capital and Business Alliance with SUSTEN

Targeting *Money Forward ME* customers whose current connected asset balance is approx. ¥15 trillion*1, promoted joint development of a new function that uses data to propose ideal asset management.



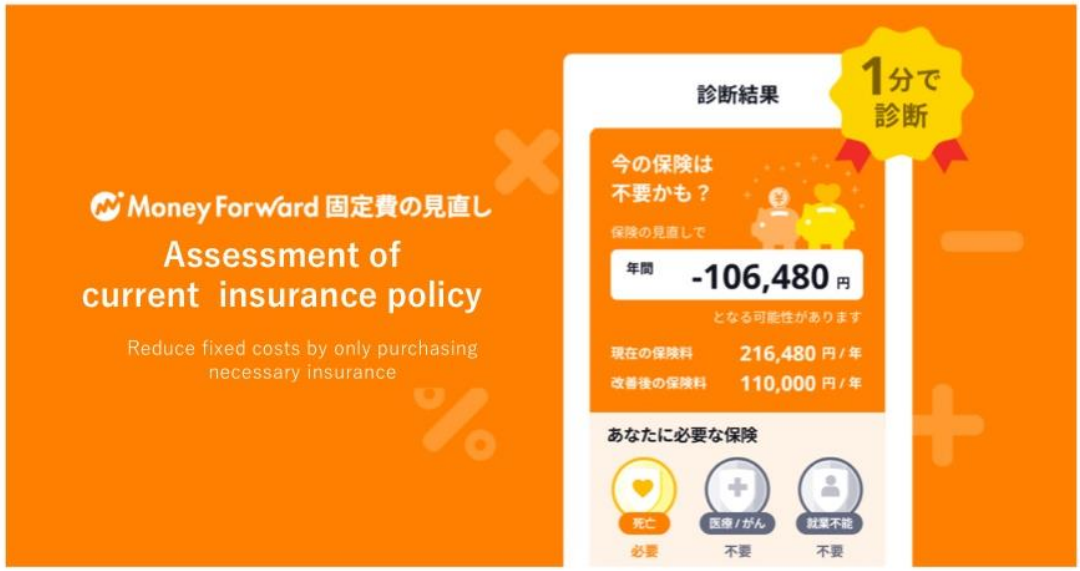
*1 Total of financial assets in bank accounts connected to services for individuals offered by *Money Forward ME* and Money Forward X. As of May 31, 2021.

As another topic, as we had a press conference, we have formed a partnership with SUSTEN, a venture company that provides a new type of investment next to robo-advisor.

Currently, the assets linked to Money Forward ME are about JPY15 trillion, and in order to use this data to create a truly ideal portfolio that requires little effort on the part of the user, dozens of questions must be cleared and input. Based on the data in Money Forward, we will be able to propose asset management methods that are suitable for each person with just a few questions, and without the need to answer dozens of questions. In order to jointly develop such a function, we formed a partnership.

Home | Released Insurance Policy Review Function 35

Using *Money Forward ME* data, proposes suitable insurance by analyzing individuals' assets and financial conditions.



In addition, there is an insurance review function that analyzes the household finances and assets of Money Forward ME users and proposes insurance that suits the individual. Therefore, our insurance proposals are relatively minimal. We have started to offer a service that provides a diagnosis of the current insurance premiums and the premiums after the improvement.

There are still some issues that need to be improved and brushed up, but I believe that there are only 3 things that can be done with money. To make more money, you can either increase your income, reduce your expenses, or increase your assets. I think there are only these 3 things, and we would like to provide convenient services in these 3 areas.

Home

Enhance Value Proposition by Encouraging Action to Resolve Issues

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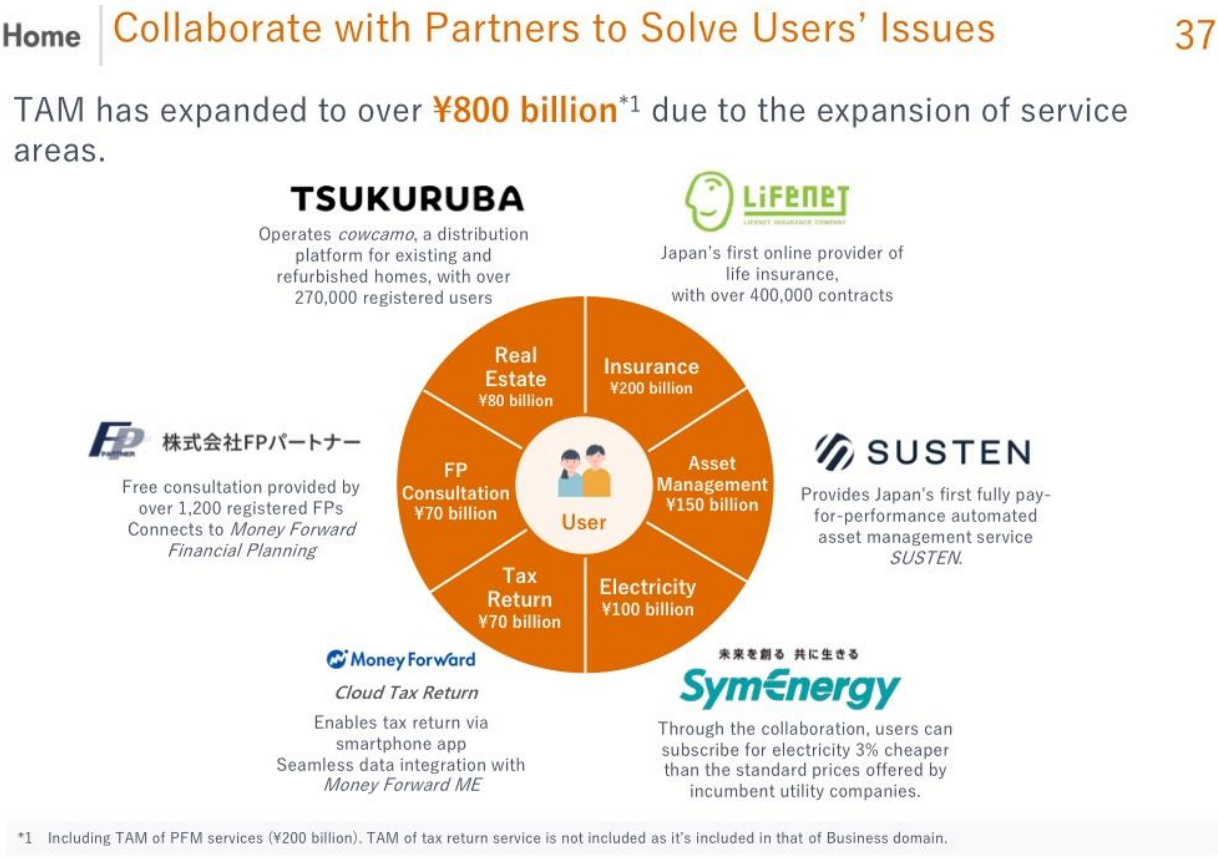
We were able to visualize money with Money Forward ME. Now we want to expand the value we provide to please our users in the form of providing knowledge, learning, and action to change.



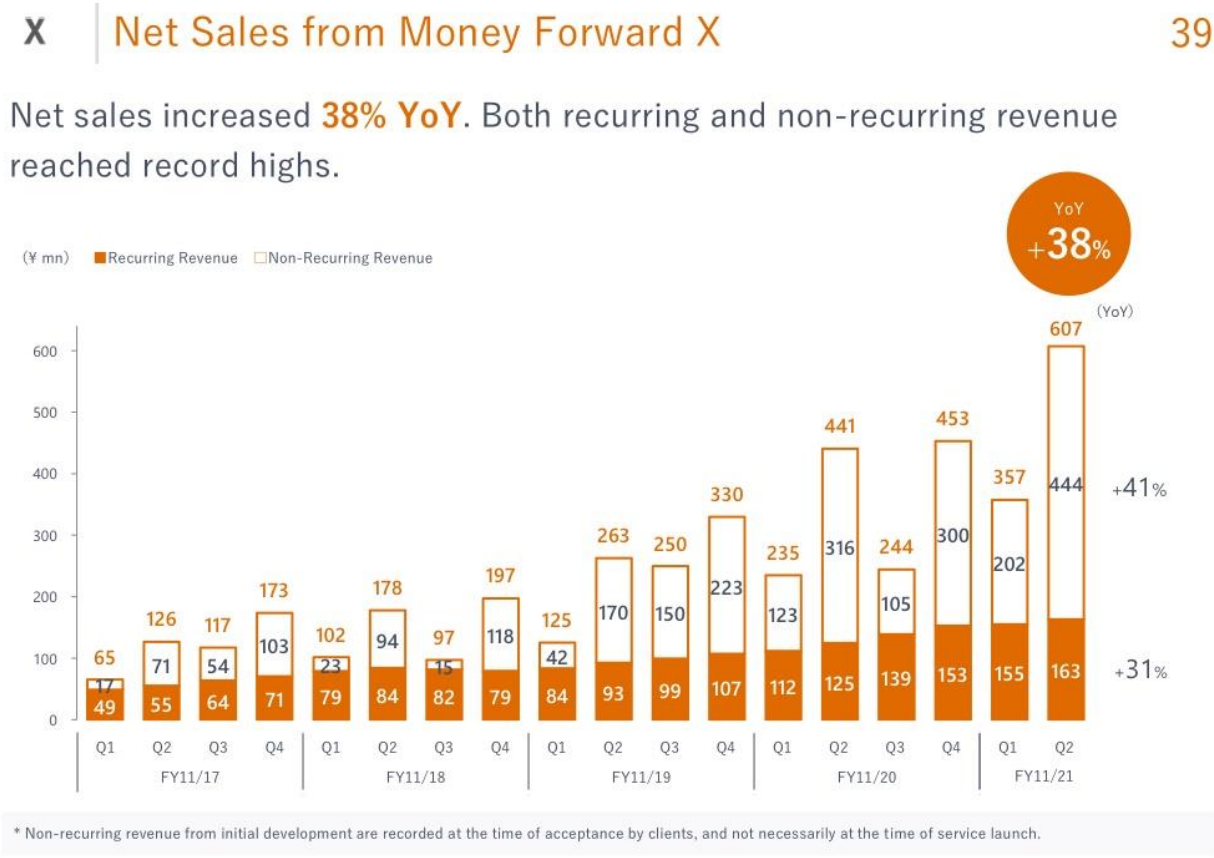
We are pleased to announce that we will be collaborating with a variety of partners.

We are able to work with great partners in real estate, insurance, asset management, electricity, tax returns, and FP consulting, so we would like to create a good service and provide our users with a service that they will find useful, or that they will notice a lot.

The Total Accessible Market has expanded to over JPY800 billion. We would like to expand the value we provide by firmly expanding our services, and as a result, increase our sales.

By the way, each service is not exclusive, except for a few, and we need to make sure that the service is well designed, so we need to have very strong partnerships. First, we would like to create successful cases and work with various partners. As a result, we want to deliver a really good service to our users.

This is the explanation of Money Forward Home.



The third is Money Forward X.

Sales increased by 38% YoY. Both recurring and non-recurring revenues have grown.

X | Asset Management Function for *Minna no Ginko App* 40

Developed a "record function" that centrally manages balance and assets by providing an account aggregation function.



1. Centrally manages assets and deposit/withdrawal logs of other banks (record function)

Using an account aggregation technology, integrates data of other banks, credit cards, and electronic money within *Minna no Ginko Smartphone App*, enabling centralized management of assets and deposit/withdrawal logs.

2. Enables Effortless Money Management Using Graphs and Hashtags

Enables effortless money management by applying hashtags (#) for categorization, and graphically displaying account statements that are integrated using the account aggregation technology.

Let’s look at the topics. We have developed the asset management function for the Minna no Ginko app, which has become a very popular topic. We are now providing an account aggregation function.

X | Released PFM Service Partnering with NTT DOCOMO 41

Co-developed a PFM app linked to various NTT DOCOMO services using our account aggregation platform.



* Released on July 13, 2021, by NTT DOCOMO.

In addition, we have recently announced that we are collaborating with NTT DOCOMO to provide Smabo, a PFM app. This is also a joint development with DOCOMO for the account aggregation platform and the PFM application.

X | Partnership with Financial Institutions, etc. (B2C) 42

Money Forward for X

Developing customized PFM service for financial institutions' customers.

Customers

SBI Sumishin Net Bank / Yamaguchi FG / Shizuoka Bank / Toho Bank / Gunma Bank / Shiga Bank / Okazaki Shinkin Bank / Tsukuba Bank /Sompo Japan Nipponkoa Himawari Life Insurance/ Tochigi Bank / Mizuho Bank / Toyo Bank / JA Bank/ Tokushima Taisho Bank/ Aflac Life Insurance



Passbook Apps

Developing passbook apps for financial institutions' clients.

Customers

Gunma Bank / Tochigi Bank /Taiko Bank / Tsukuba bank / Michinoku Bank /Hokuriku Bank / Kyoto Shinkin Bank /JA Bank/ Shiga Bank / Labour Bank/ Saikyo Bank /Tokushima Taisho Bank



Asset Monitoring Unit・PFM Unit

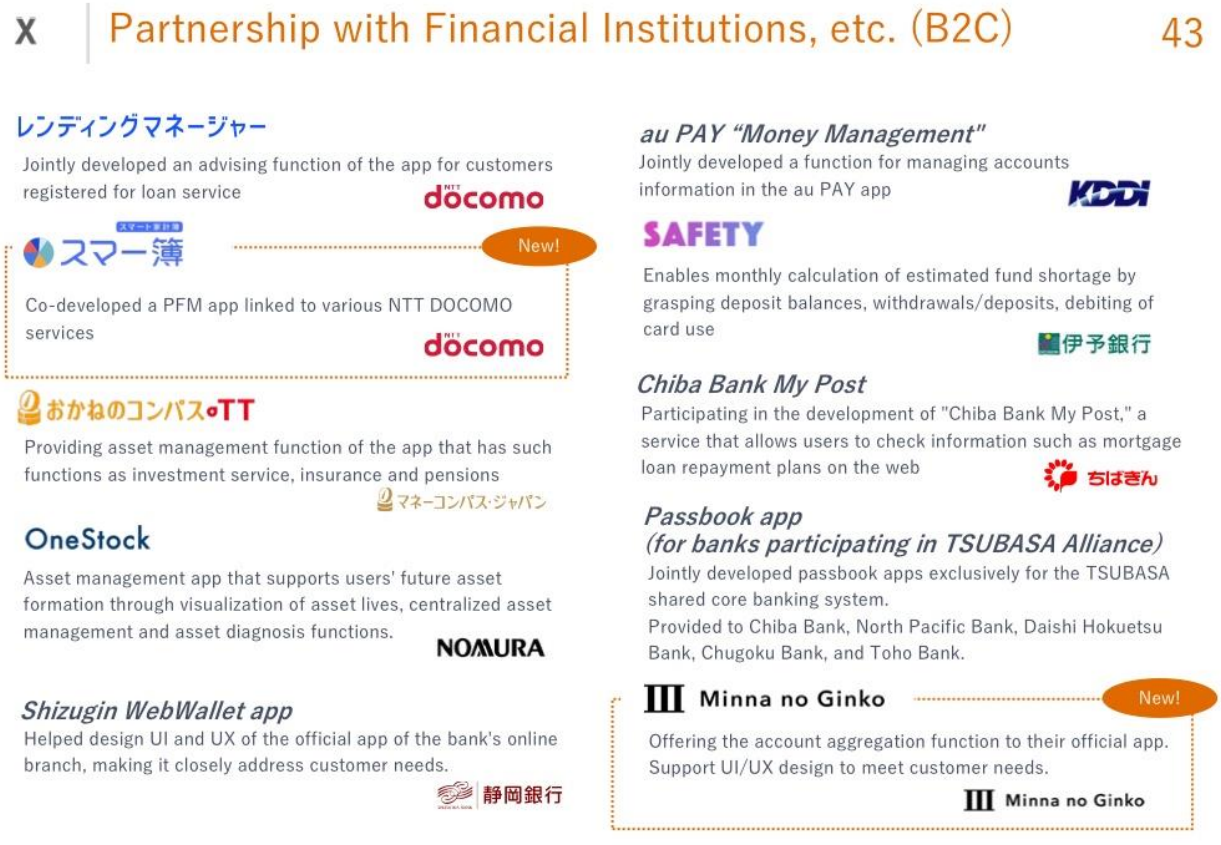
Offering PFM tools within financial institutions' apps.

Customers

JAL card / Taiko Bank / Sendai Bank / Kyoto Shinkin Bank /Hokuriku Bank / Awa Bank / Akita Bank / Mitsubishi UFJ Morgan Stanley Securities /Michinoku Bank / Hokkoku Bank



We are collaborating with financial institutions in order to provide B2C services, such as Money Forward for X Bank, Passbook Apps, Asset Monitoring Unit, and PFM Unit.



As you can see, in addition to financial institutions, we also provide DX support to DOCOMO, Nomura Securities, KDDI, and various other financial institutions and business companies.

X | Partnership with Financial Institutions, etc. (B2B) 44

Corporate portal

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

Advantages for financial institutions introducing it:

- Centralized management of information on deposits and withdrawals/deposits in multiple accounts
- Ability to conduct wide-ranging transactions, including the review of electronic documents
- Creates customer contact points online

Clients:

Bank of Yokohama, Hokuriku Bank, and Nishi-Nippon City Bank



BFM (Business Financial Management)

Service for corporate customers of financial institutions

Advantages for financial institutions introducing it:

- Centralized management of information on deposits and withdrawals/deposits in multiple accounts
- Automatically updates account balances and statements
- Enables download of statements in CSV format

Clients:

Okazaki Shinkin Bank, Kyoto Shinkin Bank (New!)



As for services for corporations, we are currently providing services such as Corporate portal and Business Financial Management. The Kyoto Shinkin Bank has newly introduced this product.

Money Forward Fintech Platform

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

Enables the rapid provision of services that meet customer needs.

Client:

Bank of Yokohama



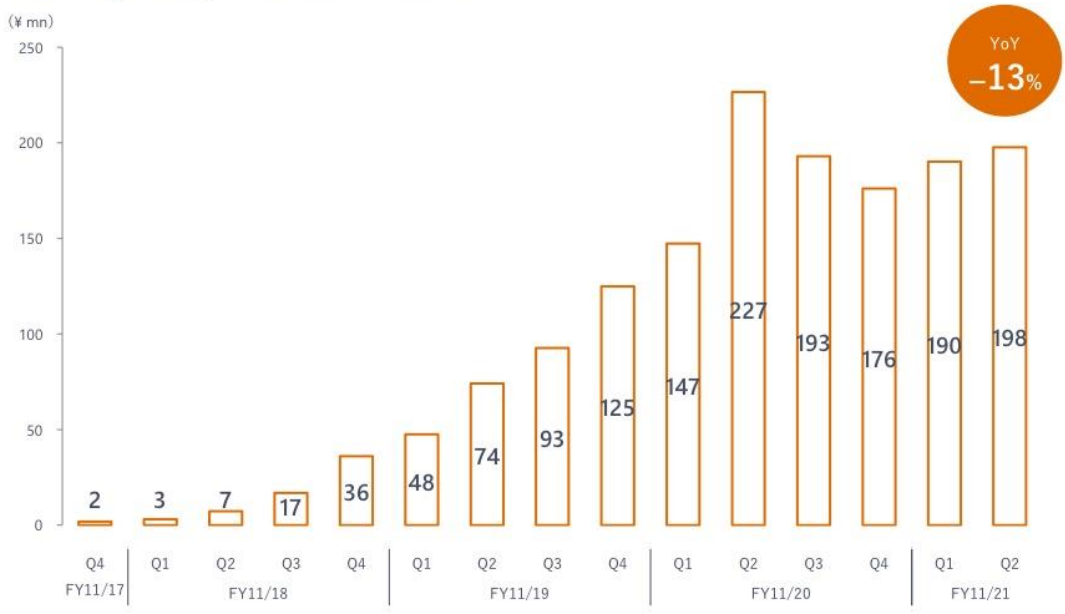
*1 As of June 30, 2021. See P87 for details.

In addition, we have recently announced that we are going to provide a fintech platform called the Money Forward Fintech Platform, which Bank of Yokohama introduced. We would like to focus our efforts on this as well.

This is the explanation of the X domain.

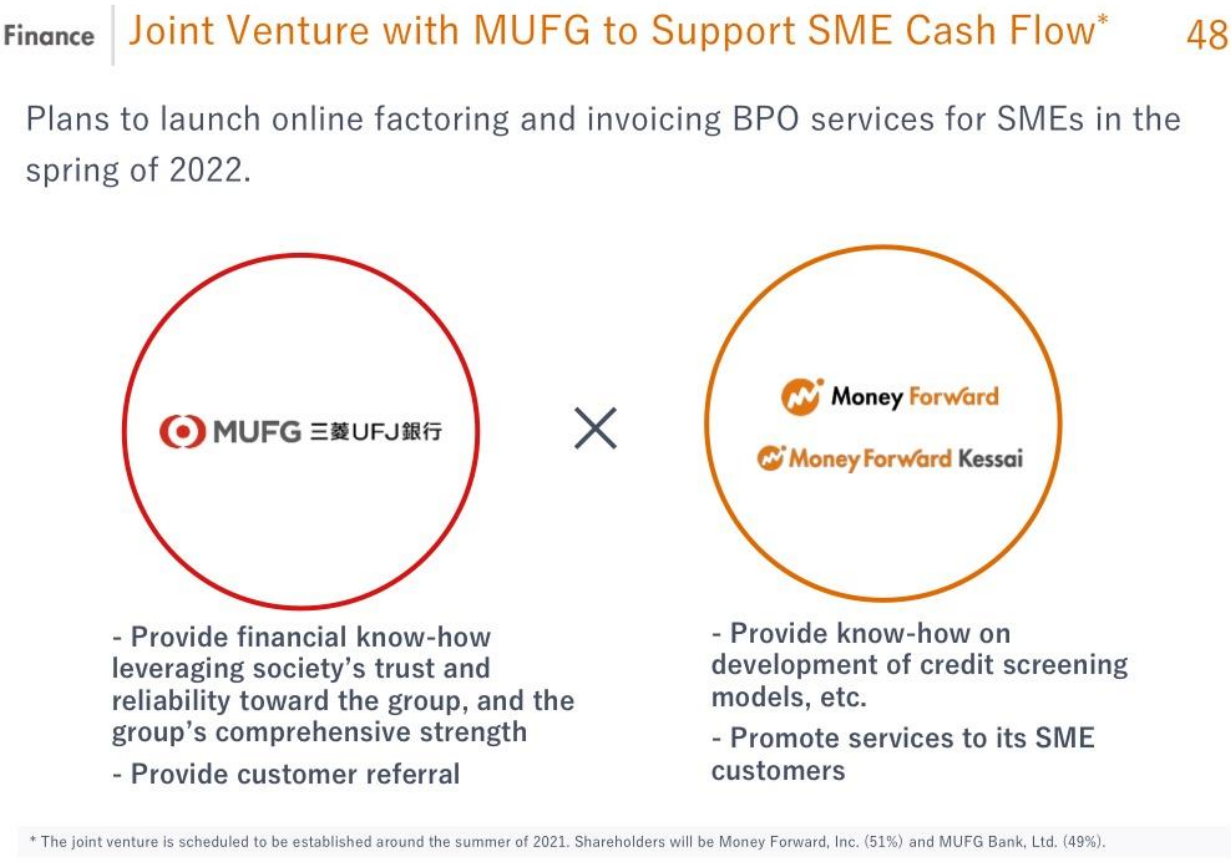
Finance | Net Sales from Money Forward Finance 47

Sales decreased YoY when there were OEM development projects.
Continuing to tighten credit control.



The last domain is the Finance domain.

Sales decreased 13% compared to the same period last year. In the same period of the previous year, the initial cost of OEM development came in, but that was not the only reason. We will now strengthen our credit management, so we are applying the brake to growth.



Another major topic is the announcement of the establishment of a joint venture with MUFG, which I mentioned at the beginning of this meeting, in the spring of next year.

We are not a company with a large balance sheet, so we would like to create new value as a joint venture by providing our credit and service know-how to MUFJ Bank's balance sheet and their existing customers. We are trying to grow our online factoring and invoicing BPO services for small- and medium-sized companies.

Finance | OEM-based *Money Forward Kessai* to Hiroshima Bank 49

Provided invoicing BPO and settlement services to customers of the Hiroshima Bank, and thereby expanded our customer base.

ひろぎん Bill
powered by Money Forward Kessai



In addition, we have decided to provide Money Forward Kessai to Hiroshima Bank as an OEM service. We would like to expand our customer base by providing support to these banks as well.

Finance | New Plan for Invoicing BPO in *Money Forward Kessai* 50

Promoted DX in invoicing among more companies by offering a low-cost plan that does not require credit screening or ensured deposits.

	New Plan dedicated to invoicing BPO Standard	Payment Guarantee
	Wants to **outsource** invoicing at a **low cost**	Wants to reduce risk of **overdue payments** Wants to expand **customer base** with credit sales
Initial Fee	¥0 to 50,000	¥0
Monthly Fee	¥0 to 30,000	¥0
Commission Fee	¥300-500 per transaction	0.5-3.5% of entrusted amount

Also, we released a low-cost new plan in Money Forward Kessai that does not require a credit screening or ensured deposits. By offering plans that specialize only in invoicing BPO, we will take over the entire invoicing operations of more companies.

The above is the explanation of Money Forward Kessai.



Finally, let me explain some of the other topics.

We have produced our first integrated report and released it today. The members of the team worked very hard to create it to express the voices of our users and our ideas, which are usually difficult to convey. So if you have time, please take a look.

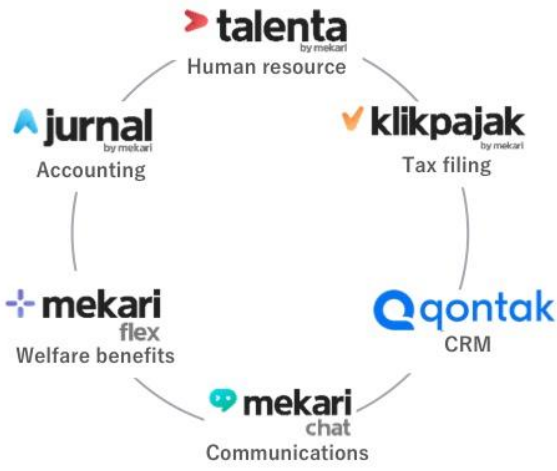
ALL | Strengthening Efforts in Fast-growing Overseas Markets 53

Made an additional investment as lead investor in series D round of Indonesia's Mekari Group*1.

Corporate Profile*2

Group Name	Mekari
CEO	Suwandi Soh Founder and CEO
No. of Employees	500 plus
Accumulated Investment Amount	USD27.2 million
Our Ownership Ratio	28.9%
Our Voting Rights Ratio	14.2%
Other	Our CEO Tsuji concurrently serves as Director

Services



*1 Mekari is the brand name of the group. Money Forward, Inc. holds shares of Sleekr Pte Ltd., which is registered in Singapore.
*2 As of May 30, 2021.

We are also strengthening our efforts in overseas markets. Mekari, an existing investee, is a very good company with over 500 employees, in which we hold a 28.9% stake. I also serve as an outside director. We participated in the Series D round as a lead investor.

It is the number 1 accounting company in Indonesia and provides various services such as HR, tax filing, CRM communication, and employee benefits. We will cooperate with the company in overseas markets.



Our policy for growth investment is the same as the one we write about every time, which is to conduct business while firmly focusing on maximizing medium- to long-term cash flow.

As for our M&A policy, we would like to aggressively pursue it, but, of course, financial discipline is very important, so we will keep a close eye on both sides.

ALL

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

55

Continue to develop business in a huge TAM and aim for further growth.



* All footnotes are described on page 56.

Lastly, I would like to talk about the current TAM for business domains and services, which I believe is very large. The total market for Business, Home, X, and Finance is about JPY4.3 trillion. By becoming the number 1 player in each of these markets, we hope to become the number 1 company in Japan in the Fintech SaaS domain.

I'm sorry for speaking so quickly, but that's all I have to say.

Thank you very much for your attention.