Money Forward

Forward Map 2022



How will workstyles evolve?

How will lifestyles change?

And through it all, how can we support our users?

Money Forward, Inc. Integrated Report 2022

Positive Growth Cycle

The word “sustainability” is transforming society.The concept underpins the value we provide to users through all our services. By helping users visualize their money, they can feel a sense of security in household finances, enabling them to face the future with confidence. By helping streamline work, we help to create time to do the things they love. And by lending a hand where it’s needed, we help them find the energy to embrace new challenges. It is all about creating a positive growth cycle in the everyday lives of our users. To help people move forward. We still have a lot to do, but we’re ready to start.





Advancing toward My Dream while Spending Money according to Family Life Cycle

My wife and I had started bookkeeping together before marrying. We decided on certain rules, but it was hard because we would forget what we spent money on and had to jot everything down. After we started managing our finances on *Money Forward ME*, we no longer lost track of our expenses. I feel this has reduced stress stemming from money. I especially like the weekly report function, which shows me the total expenditure for the week. I can plan out whether I should save money or have some leeway during the upcoming week. With the addition of a new family member, we are also developing the habit of spending while considering our future; for example, redirecting dining-out expenses to savings for our child. My dream is to design and build a custom home for the three of us, and I am working toward making this dream come true!



User of
Money Forward ME

Tomohito Tokuhoshi



Creating Services That Make the World a Better Place through Speedier Business Operations

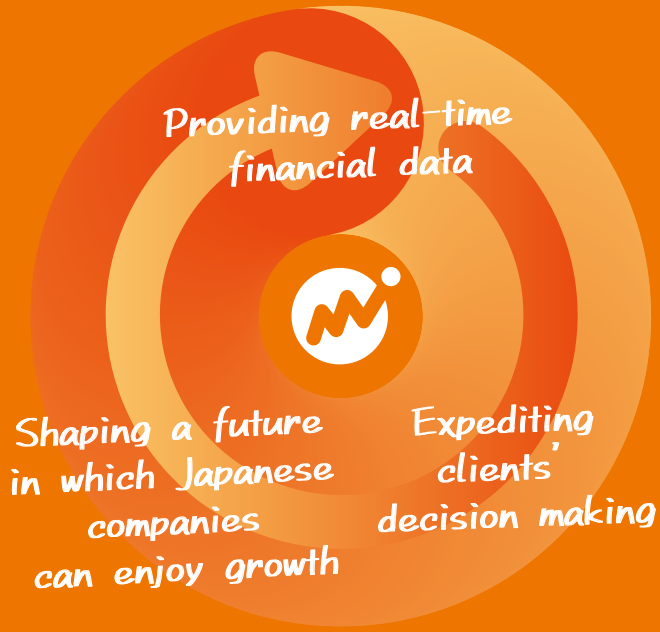
Our company was founded in 2016 with a focus on TUNAG, a service that helps solve organizational challenges. We started using *Money Forward Cloud* about a year and a half after our founding, and now use multiple products. Since our administrative department is quite small, eliminating manual tasks and raising productivity is crucial. I feel that these products have raised the speed of our accounting and other operations. In 2020, we also released FANTS, an online platform for supporting monetization in communities. We plan to subsequently launch our third and fourth products, thereby creating services that not only help individuals and organizations but make the world a better place.



User of
Money Forward Cloud

Taihei Onishi

Director and
Corporate Division Manager
stmn, inc.



Shaping a Tomorrow in Which Businesses Can Enjoy Growth by Grasping Business Performance in Real Time

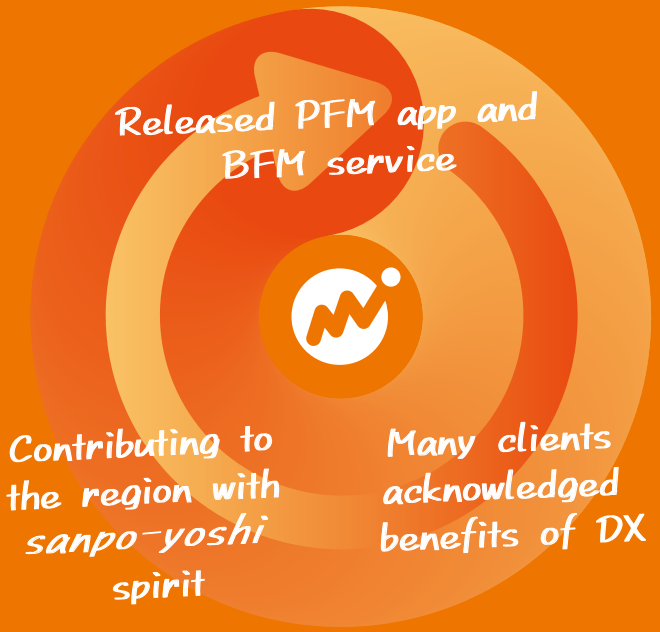
We use *Money Forward Cloud* to support clients in setting up their businesses and rolling out their accounting, tax, and payroll operations. We are especially focused on enabling clients to grasp their performance on a real time basis. Companies will stop advancing if they cannot respond swiftly to ever-changing internal and external environments. Using monthly financial reports compiled at the traditional speed means making decisions in the dark. Figures would be those from several months earlier, leading to faulty decisions. Companies are able to find more joy in planning next actions and challenges if they can access real-time performance data and outcomes of daily activities. We are committed to spurring the positive growth of Japanese companies by helping to create such situations.



Certified Member of *Money Forward Cloud*

Taiki Kyuwa

Hongo Tsuji Tax & Consulting
Head of the Company Establishment Center



Evolving with the Community while Embracing Mutual Trust

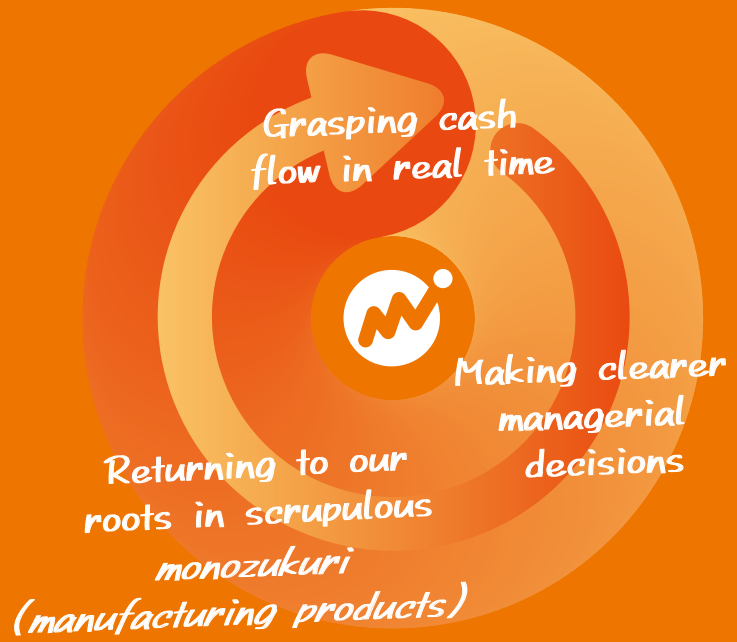
Okazaki Shinkin Bank is the largest cooperative regional bank in the Chubu region, marking its 97th year in 2021. We first met members of Money Forward, Inc. in 2016, soon after its inception, and began jointly providing services. While Okazaki City's strength lies in *monozukuri* (manufacturing), with its concentration of Toyota Motor subcontractors, efforts in digital transformation (DX) have still just begun. I truly feel that our customers are benefiting from the new tools that streamline their accounting operations and enable them to easily grasp their cash flow. We value the spirit of *sanpo-yoshi*, or mutual benefits for the seller, buyer, and society. Only after we satisfy all those involved and contribute to society, can we sustain our business. We will continue to contribute to the region while incorporating new challenges.



Partner Financial Institution of *Money Forward X*

Katsuhide Nakagiri

Director and Head of Digital Planning Promotion Department
Okazaki Shinkin Bank



Dedicating Ourselves to *Monozukuri* Based on Visualized Business Performance

Founded in 1969, the company develops and markets inner wear for the elderly. For SME owners like myself, ambiguous spending can be financially painful. We can devote ourselves to *monozukuri* owing to the sense of security we feel from being able to visually grasp our business performance. We have far less to worry about now that we have adopted *Money Forward Cloud* and can see our cash flow in real time. Comfort levels of clothes can change dramatically with such elements as yarn or knitting techniques, so it is a common practice to repeatedly create samples and test fitting. We generate added value by adapting to the times and environment, while resolutely protecting what must not be changed. We hope to revisit our roots in scrupulous *monozukuri*.



User of
Money Forward Cloud

Kazumasa Miki
Representative Director
Shirasagi Knit Industry Co. Ltd.



Studying Product Management, Motivated to Grow in Step with Services

I am a designer of *Money Forward Pay for Business*. I love my current work, which enables me to nurture the service as a whole while listening to users' voices. Consulting with team members, devising designs, and implementing the design with engineers–there is a sense of togetherness when we create products. Although I am currently a designer, my ambition is to eventually be able to manage a whole product. While my job is fun, there is so much to do. I enjoy stepping out of my field of expertise and reaching beyond my limits to achieve positive growth, for example by conducting research on overseas best practices and contemplating what can be done to promote product usage. I hope to show my child how vigorously and enthusiastically I am working.



Mid-career Hire,
Designer

Nana Matsunaga
Pay Business Division
Money Forward, Inc.



Welcoming More People from Around the World to Join the Company I Love

I am responsible for recruiting new graduates and skilled engineers and designers. I joined Money Forward, Inc. out of university because I empathized with its mission, and love the fact that the Company's Mission, Vision, Values, and Culture are shared among every single person I work with. This also serves as the driving force of our recruitment activities. I feel overjoyed in moments during recruiting when I see students being rewarded for their efforts with a job offer. I also believe our mission to be viable across the globe. Having lived in Uganda as a student, my aspiration is to assemble an organization where people I met in Uganda would also want to join—a company where people around the world can work with a high level of freedom.



New Graduate Hire, Recruiter

Fukina Ando

Recruiting Department, People Forward Division
Money Forward, Inc.



Taking a Chance—Rising to Challenges to Become an Engineer Who Can Drive the Team Forward

I came to Japan and joined Money Forward, Inc. in 2019 after graduating from a university in Hanoi. I am now developing new functions for cloud accounting. When I joined this project, I was still in my second year and didn't feel very confident. I studied the accounting system and bookkeeping in addition to the technology. It was overwhelming. But with the help of others, I overcame one obstacle at a time.
My wish is to become an engineer expert in both project management and technology. I enjoy propelling the project forward while sharing my motivation with the team to deliver great products to users, and aim to produce only the best products. I will continue stepping up to the challenge even if it means taking risks. Even if I happen to fail, everyone is there to help me, so why not take the chance?



Non-Japanese Member, Engineer

Nguyen Thanh Nhan

Money Forward Business Company Accounting & Finance Product Department
Product Development Division

CEO Message



Yosuke Tsuji

Representative Director, President and CEO

While embracing our mission “Money Forward. Move your life forward,” we have deployed services in the field of SaaS and fintech. We aspire to resolve financial issues utilizing the power of technology, and to create a society where many people can actively take on challenges.

6

A Decade of Unceasing Endeavors. And Now, Looking Forward to the Decade Ahead.

The spread of COVID-19 is directly impacting the daily lives of individuals and corporate activities. With many still facing adversities, we pray for life to return to normal and are constantly striving to offer help in any way possible through our services.

Meanwhile, the pandemic has caused dramatic societal changes. Many companies have introduced remote work, which was uncommon prior to the coronavirus outbreak. Additionally, companies' adoption of cloud services and paperless offices has spread rapidly, in part owing to the government's vigorous push for digitalization, including setting up the Digital Agency and revising the Act concerning Preservation of Electronic Books.

Our lifestyles have also changed. I believe the pandemic has prompted many to reconsider the way they work and live, as indicated by the increase in time spent with family or in migrations to rural areas owing to remote work, albeit while harboring anxieties for the future.

May 2022 marks our 10th anniversary. Our business, which kicked off in a studio apartment, has evolved thus far with the support of our many users and various partners. I would like to express my sincere gratitude to all the stakeholders who have supported us to this day.

Our mission "Money Forward. Move your life forward" embodies our wish to alleviate to any extent possible the financial concerns and hassles of individuals and companies by offering our services, helping people to spend time on what they genuinely want to do, and encouraging everyone to take on challenges, thereby creating a forward-looking and optimistic society.

Although the future may be obscure, we will view this environment positively as a chance for major societal changes and continue to make strenuous efforts toward achieving our mission.

2021, a Year of New Prospects

In the fiscal year ended November 30, 2021 (FY11/21), net sales totaled 15,632 million yen (up 38.1% YoY), SaaS annual recurring revenue (ARR) was 11,277 million yen (up 33.0% YoY), and EBITDA was 430 million yen, with all figures landing within the range of initial guidance.

We also transferred our listing to the First Section of TSE in June 2021 and raised 31.5 billion yen through an international public offering in August. We thereby reinforced our financial base to pave the path for further growth.

I would like to elaborate on our businesses. In Business domain, which provides services to corporates, SaaS applications for back-office operations now have over 180,000 users, while SaaS marketing platform *BOXIL SaaS* receives over 10 million page views per month. Particularly, in the rapidly growing domain of SaaS for the mid-cap market, we released eight new proprietary products in FY11/21. We expect these additions to become the new drivers of growth going forward.

In Home domain, dedicated to services catering to individuals, the number of *Money Forward ME* users has topped 12 million. Also, as part of our shift in focus from "visualizing money" to "resolving users' financial issues," we have been releasing various new services, represented by *Money Forward Financial Planning* and *Money Forward Fixed Cost Review*.

As for X domain, which primarily serves the financial sector, we offer our services to 44 financial institutions and are thus promoting digitalization and digital transformation (DX) of those institutions and their customers.

Lastly, in Finance domain, the cumulative amount of receivables purchased in *Money Forward Kessai* exceeded 50 billion yen. We also established joint venture Biz Forward, Inc. with MUFG Bank, Ltd. and aim to further stimulate the growth of SMEs through online factoring services.

Creating a Positive Growth Cycle to Drive Society and Individual Lives Forward

We are thus implementing an array of initiatives, all of which are executed by our wonderful employees. Despite the intensifying competition in the hiring market, many talents continued to join us in FY11/21, with the number of employees increasing to 1,259 from 865 at FY11/20-end. Thanks to the endeavors of our many talented employees, we have built a foundation that will enable us to continue delivering new value to our users over the next decade.

Meanwhile, it is also imperative to address various risk as we expand our business. Information security in particular is paramount since the Company collects and retains valuable user data. To fortify information security, our Chief Information Security Officer (CISO) is spearheading the clarification and compliance of operational rules and ensuring that appropriate safeguards are always in place against unauthorized system access and other risks. We will continue to reinforce information security while making ample investments.

Talents, Teams, and Challenges to Realize Our Vision

To accelerate our growth in the decade ahead, we believe it is critical to develop and implement the right strategies, while also instilling our Mission, Vision, Values, and Culture (MVVC) among the members who will put those strategies into practice.

Previously, around the time our employee count was nearing the 100 mark, we rushed to attract skilled talents to expand our business, but failed to sufficiently establish a common understanding of our culture. This ended up having a negative impact on the organization as a whole.

Learning from this experience, we set three values, or action guidelines—User Focus, Technology Driven, and Fairness—and have cherished them in our daily operations.

Continually, raising the concentration of culture is a valuable task that a CEO must actively lead. We are enhancing the quantity and quality of communications with our members, starting with thorough assessment of corporate culture match in addition to capabilities at the time of hiring, and following that up with on-board culture training and conveyance of our culture through Company-wide meetings thereafter.

Money Forward currently has a diverse employee base, with the ratio of non-Japanese employees to total employees exceeding 15%, and that of female managers to total managers exceeding 21%. We believe one of management's vital roles is to create an environment in



which members with diverse backgrounds and values can express their abilities while being true to themselves.

As a new initiative, we have made English the official language among our engineers. Demand for employing talented engineers is on the rise, and hiring in Japan alone will not suffice in realizing the world we envision. We will also be launching an overseas development base in Hanoi, Vietnam, following the one in Ho Chi Minh. We are committed to cultivating an environment where excellent engineers from across the globe can join us.

We are also actively promoting young members as leaders. The CTOs of Home domain and Klavis, Inc., a Group company, are employees still in their 20s who joined the Company out of university.

Regardless of such factors as age, gender, nationality, or educational background, we offer opportunities for talented members who are motivated to take on new challenges to demonstrate their capabilities and achieve personal growth through their work.

Sustainability at Money Forward

Corporate responsibility to create a sustainable society is becoming increasingly important. From dialogues with our users and investors, we acknowledge that there is strong demand for pioneering companies like our own to not only expand our business but to resolve social issues through our businesses.

Money is merely a tool for living. Yet, many individuals and companies are pressured and affected by money because of lack of proper knowledge and are unable to take on the challenges that they wish to pursue. Through our services and businesses, we support each and every individual to move their lives forward and to drastically enrich everyday life, thus creating a sustainable society that drives countless challenges.

To shape such a society, we have set three materiality themes: User Forward, Society Forward, and Talent Forward. We also established the Sustainability Committee in February 2022, chaired by myself, to facilitate our sustainability initiatives.

Furthermore, we have set "Positive Growth Cycle" as the concept we aim to achieve. We want to help users' lead optimistic lives by providing our services, to help society evolve by urging upgrades in social systems, and to spur growth of our employees by boosting their motivation and cultivating a friendly work environment. In this way, we hope to push society forward with our many stakeholders and shape a promising future where many companies and individuals can take on the challenges that they truly want to pursue. We aspire to create a society where such a virtuous cycle can be sustained.

All Money Forward members will continue to make a concerted effort to provide services that address users' issues while empathizing with them, and thereby propel a myriad of positive growth cycles in society. To this end, we ask for your ongoing support and guidance.



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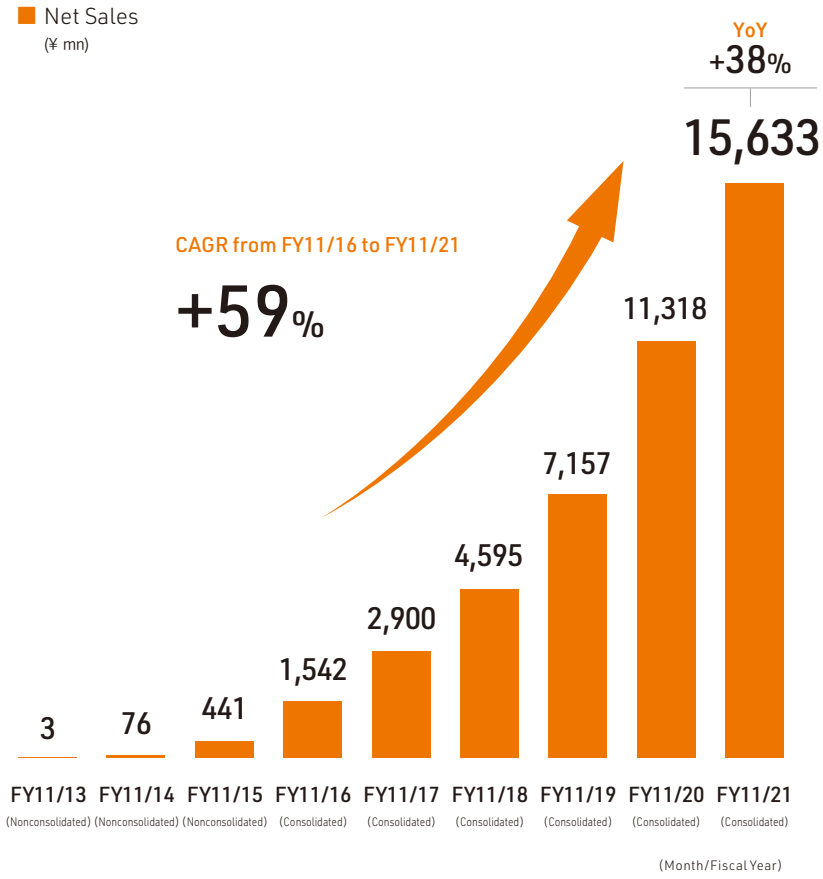
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Highlights

(For the Fiscal Year Ended November 30, 2021)

Net Sales

Consolidated net sales continued to grow rapidly, achieving a CAGR (compound annual growth rate) of 59%.



Consolidated Net Sales

¥15,633mn

(Up 38% YoY)

Consolidated EBITDA*1

¥430mn

(EBITDA margin was XX%, increasing by XX% YoY)

Group Companies/Locations

15/16

(As of March 31, 2022)

Employees/ Ratio of Engineers and Designers

1,248/39%

Paying Customers*2

540,000 plus

Certified Members*3

19,000 plus

Partnerships with Financial Services*4

2,590 plus

Financial Institutions That Provide Our Services

40

(As of November 30, 2021)

*1 Consolidated operating profit/loss + depreciation and amortization + tax expenses included in operating expenses + share-based remuneration expenses
*2 The number of paying users of *Money Forward ME* and paying business customers of *Money Forward Cloud* and other SaaS applications for back-office operations.
*3 The total number of employees who use our services at major professional service firms.
*4 Based on research by Money Forward, Inc. as of December 2021.

History

Expanding Business Scope through New Business Development and M&As

Money Forward, Inc. was established in May 2012 and its first product was *Money Forward ME* for visualizing personal finances. The service aggregates data scattered across various services, including that of banks, securities companies, and credit card companies, and display all data on a single screen, making it easier for users to acknowledge and manage their personal finances.

The following year, we released *Money Forward Cloud Accounting/Tax Return* as our first SaaS application for back-office operations. Our aim was to reduce cumbersome manual work in the back office, capitalizing on our aggregation technology and know-how in user interface and user experience as with *Money Forward ME*.

In consideration of the affinity between SaaS platforms and financial services, we then released *Money Forward for XX Bank*, which targets users of financial institutions as an OEM of *Money Forward ME*, to respond to financial institutions' needs to digitally transform their services. Since then, we have continued to bolster co-developments with financial institutions in X domain.

We established Money Forward Kessai, Inc. in 2017 as a company dedicated to financial services, to address companies' key managerial challenge of cash flows and in consideration of the affinity between SaaS platforms and financial services. The company provides an accounts receivable financing service and B2B invoicing and payment BPO service.

Meanwhile, we also established Money Forward Vietnam Co., Ltd. as a development foothold in 2018 with the aim of raising the quality and volume of product development, followed by Money Forward Lab in 2019 with the aim of promoting utilization of technology and data. In the same year, we extended our business coverage through the acquisition of SMARTCAMP Co., Ltd. through an M&A. It offers BOXIL, a marketing platform for SaaS businesses. Five companies, including SMARTCAMP Co., Ltd., have joined the Group since 2017, contributing to the expansion of our product lineup and business scope.

We will continue to aim for further growth through such strategies as new business development and M&As to meet the expectations of our users and all * We refrain from using the term "acquisitions" and refer to M&As as "Group joins." stakeholders.

May 2012 Moneybook Co., Ltd. (currently Money Forward, Inc.) is established

Dec. 2012 *Money Forward ME* is released as a service for visualizing personal finances

Nov. 2013 *Money Forward Cloud Accounting/Tax Return* is released

Nov. 2015 *Money Forward for XX Bank* is released
Customized versions of *Money Forward ME* for individual customers of financial institutions

Mar. 2017 Money Forward Kessai, Inc. is established
Provides an accounts receivable financing service and B2B invoicing/payment BPO service

Sep. 2017 The Company is listed on TSE's Mothers

Nov. 2017 Klavis, Inc. joins the Group
Provides *STREAMED*, which converts scanned paper documents, such as receipts, into digital accounting data

Jul. 2018 Knowledge Labo, Inc. joins the Group
Provides cloud-based budget and cash flow management software *Manageboard* and consulting services in business administration

Aug. 2018 Money Forward Vietnam Co., Ltd. is established

Mar. 2019 Money Forward Lab is established
An R&D organization for promoting effective use of technology and data

Sep. 2019 Money Forward Synca, Inc. is established
Supports financing, IPO, and M&As of startups

Nov. 2019 SMARTCAMP Co., Ltd. joins the Group
Deploys a SaaS marketing platform business centered on *BOXIL SaaS*, a comparison site for SaaS targeting corporates

Jul. 2020 HIRAC FUND is launched
An entrepreneur fund targeting Japanese startups in their seed or early stages

Aug. 2020 R&AC Co., Ltd. joins the Group
Mainly provides *V-ONE Cloud*, a cloud service for payment reconciliation and receivables management

Oct. 2020 *Money Forward Cloud ERP* for medium-sized companies is announced

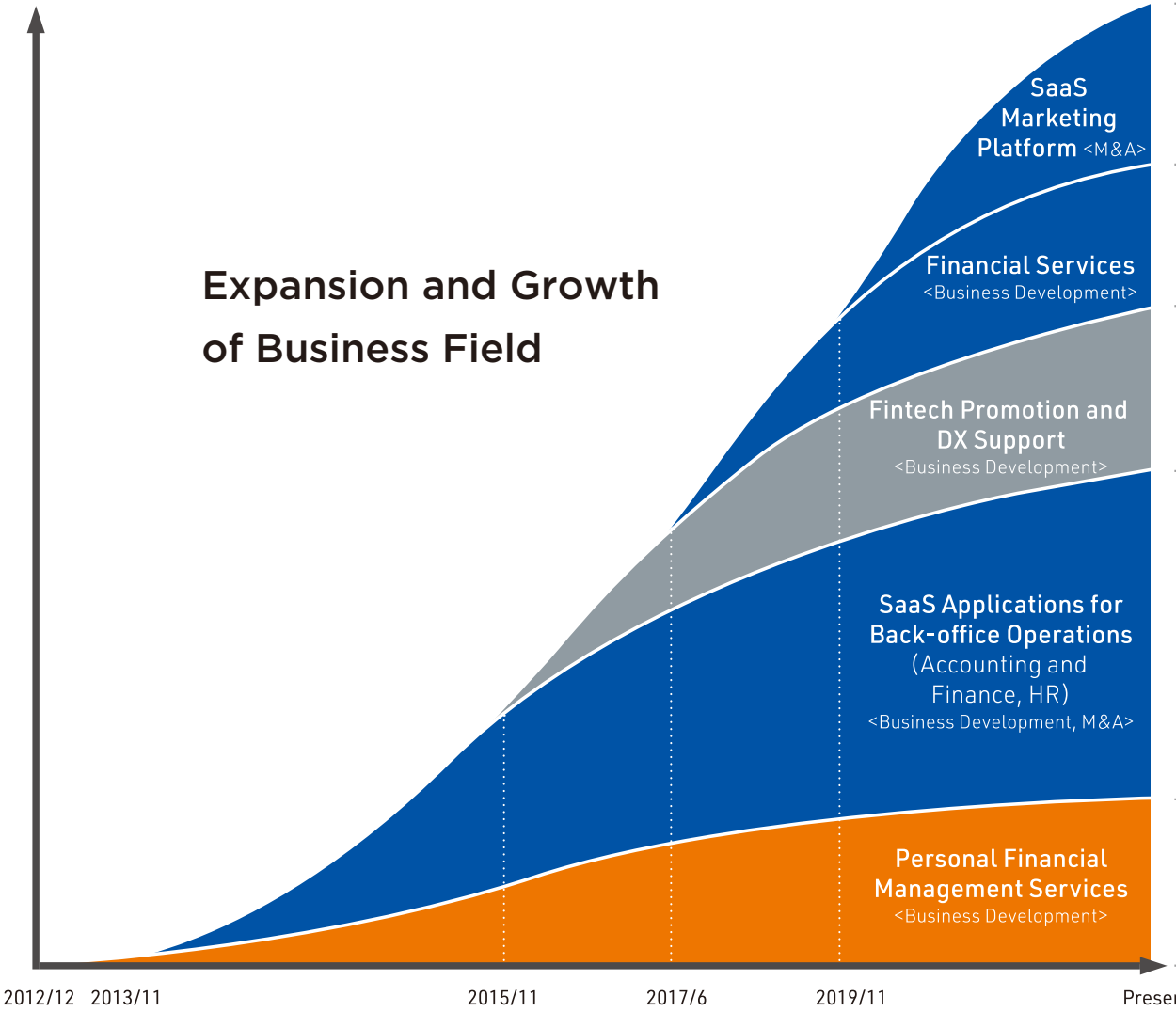
Jun. 2021 The Company changes the listing of its shares to TSE's First Section

Aug. 2021 *Money Forward IT Management Cloud* is released
Biz Forward, Inc., a joint venture with MUFG Bank, Ltd., is established
Sep. 2021 *Money Forward Pay for Business* is released

Dec. 2021 HiTTO Inc. joins the Group
Provides *HiTTO*, which holds the top share in Japan for internal AI chatbots*

* Market share for in-house AI chatbots in 2018 (on sales amount basis) from Marketing Analysis for Task Automation Tools Market (May 2019) that was issued as a market research report by Techno Systems Research Co., Ltd.

Expansion and Growth of Business Field



BOXIL SaaS
BOXIL EXPO
BALES
ADXL ADOSHIRU

Money Forward Kessai
Money Forward Early Payment
SHIKIN
SEIKYŪ

Money Forward X
Money Forward Fintech Platform

Money Forward Cloud
STREAMED
Manageboard
V-ONE Cloud
Money Forward IT Management Cloud
HITTO

Money Forward ME
Money Forward お金の相談
Money Forward Fixed Cost Review

Value Creation

Mission Money Forward. Move your life forward.

Inputs ····· Growth Strategy

Human capital

Group employees	1,248
Ratio of engineers and designers	39 %
Ratio of non-Japanese members	15 %
Ratio of female employees	33 %

Intellectual capital

R&D investment in data utilization and cutting-edge technology

Design and product development know-how

Intellectual property such as patents

Investments related to security measures

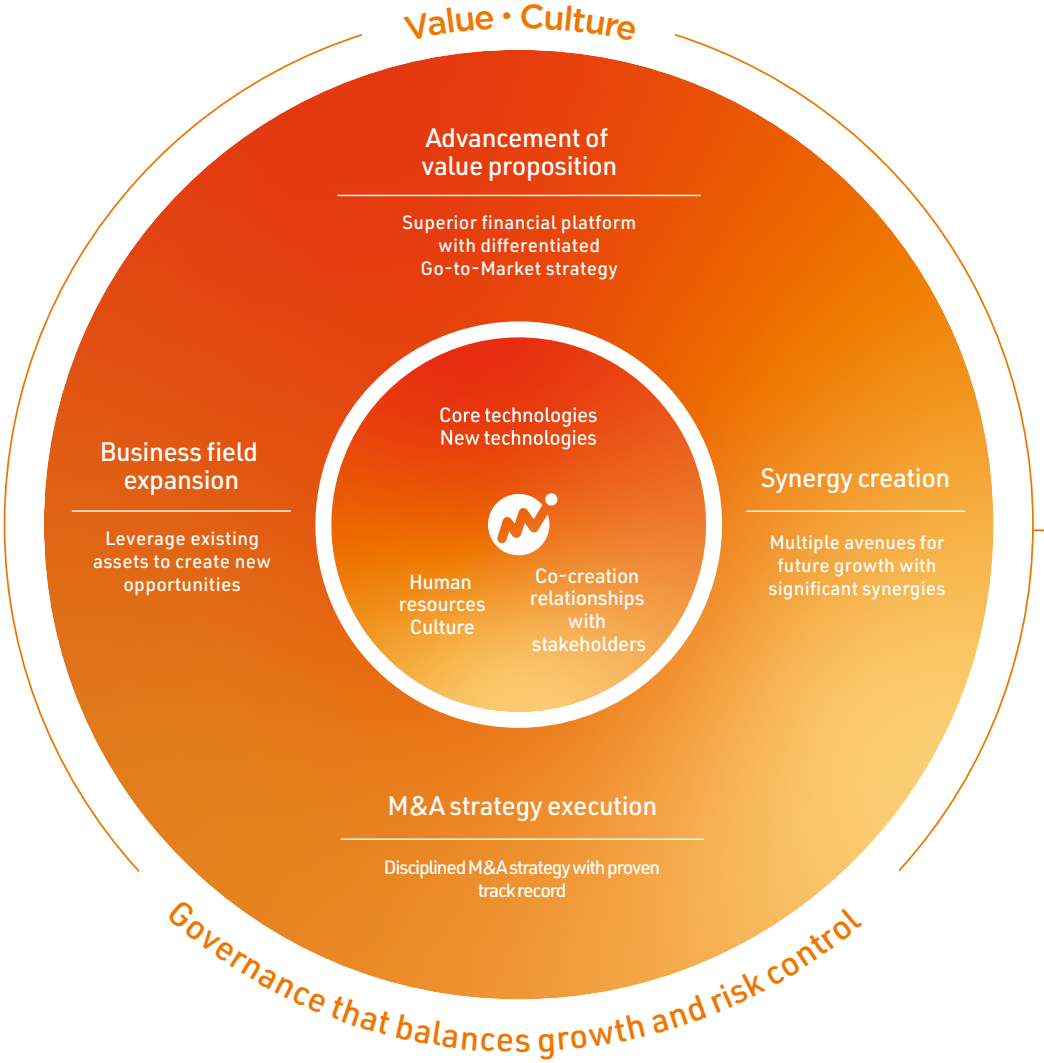
Social capital

Partnerships with financial institutions, accountants, and business corporations across Japan

Participation in industry groups, making recommendations to the government, among other efforts

Financial capital

Stable financial base



Vision Becoming the financial platform for all.

Outputs

We offer various services that solve financial issues for corporates, individuals, and financial institutions.

Providing a safe and secure user experience

Money Forward Cloud
Money Forward ME
Money Forward X
Money Forward Kessai
HITTO
STREAMED
Manageboard
BOXIL SaaS
V-ONE Cloud

Paying business customers*1	180,000
Individuals*2	12,000,000
Paying individual users*3	360,000
Financial institutions	71
Net sales	156.3 billion yen
SaaS ARR	11.2 billion yen

*1 The total number of business owners and corporates paying for *Money Forward Cloud* and our other services
*2 The total number of *Money Forward ME* users
*3 The total number of individual users paying for *Money Forward ME* or *Money Forward for XXX Bank*

Realization of better social systems through co-creation with diverse partners

Promotion of institutional reform through research and policy recommendations

Certified members	19,000
Financial institutions that provide our services	40
Alliances with chambers of commerce	113
Number of financial institutions (Scraping and API connections with FIs)	1,071

Efforts to attract superior talents, create growth opportunities, promote diversity and inclusion

Management's efforts such as Leadership Forward Program, create a culture to establish a global development team

Ratio of women among managers	Overall	21 %
	Business	31 %
Childcare leave acquisition rate	Female	100 %
	Male	52 %

Outcomes

User Forward

To drive users' lives forward.

Enhance labor productivity and management of companies, improve household finances and financial literacy, provide more convenient financial services in financial institutions and other organizations, support businesses' cash flow and growth

Society Forward

To drive our society forward.

Promote innovation in financial services, promote DX in society as a whole (realization of remote work)
Reduce the environmental impact of corporate activities (reduction of the use of paper)

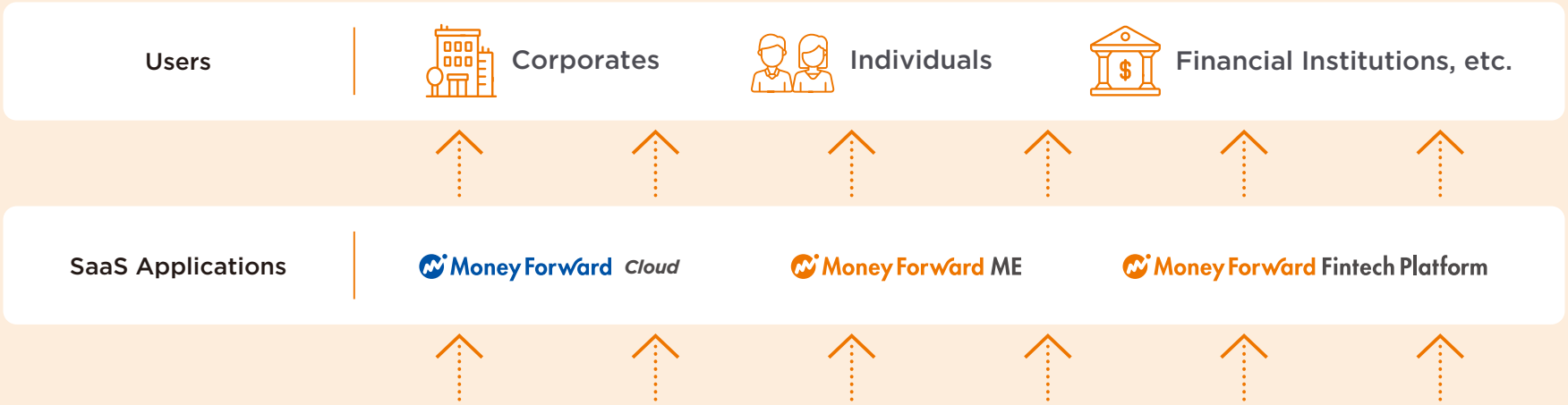
Talent Forward

To drive our employees' potential forward

Create diverse growth opportunities that bring out the potential of our members, realize a comfortable and rewarding work environment for employees in diverse situations

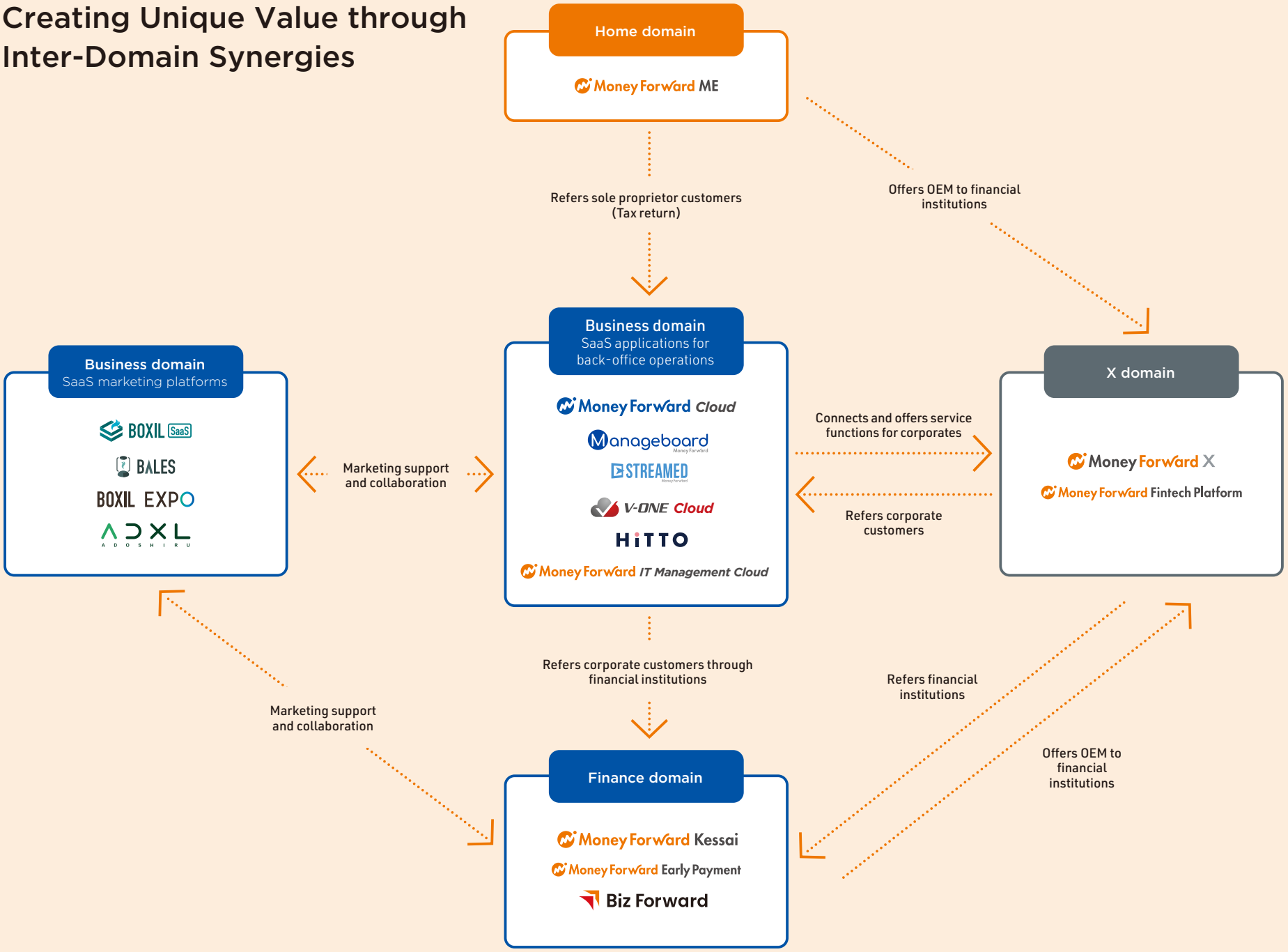
Core Technology

We offer our services to a variety of customers including corporates, individuals, and financial institutions. Many of our services are backed by our core technologies, enabling us to improve investment efficiency in technology and expedite product development.



* Based on research by Money Forward, Inc. as of Dec 2021.

Creating Unique Value through Inter-Domain Synergies



Sustainability

Aspiring to Resolve Financial Issues for All and Create a Society that Drives Challenge

Since our founding, we have embraced our corporate mission "Money Forward. Move your life forward," and aspired to eliminate financial issues and concerns from the world. Through our services and businesses, we support each and every individual in their efforts to move their lives forward and enrich everyday life, thus creating a society that drives challenge.

Identifying Our Materialities

To realize the society we envision and to continuously improve our corporate value, we have set User Forward (to drive users' lives forward), Society Forward (to drive our society forward), and Talent Forward (to drive our employees' potential forward) as three priority materialities.

We identified our materialities by selecting prospective items referencing major guidelines, including the SDG Compass*1 and SASB's materials*2, as well as ESG criteria, combining that information with interviews with internal and external stakeholders, and holding discussions at Board of Directors meetings and management meetings.

*1 Guidance for companies to align their strategies with the SDGs
*2 SASB=Sustainability Accounting Standards Board

Structure for Promoting Sustainability

In February 2022, we set up the Sustainability Committee to bolster our efforts in sustainability, a priority agenda of the Company. The committee holds regular discussions with external directors and managers of each business division.

Committee members are appointed by the Board of Directors, with the Representative Director, President and CEO serving as chairperson, and Executive Officer and Head of Sustainability Toshio Taki serving as vice chairperson. Business division managers and external directors are also asked to participate as necessary to ensure effectiveness and viability of sustainability initiatives.

More specifically, meetings will be held every other month to discuss matters regarding sustainability and monitor the progress of initiatives, and reports will be made to the Board of Directors. Once the committee and Board of Directors deliberate and decide upon initiatives to be carried out, the committee's secretariat members will promote such initiatives by collaborating with and gathering information from the sustainability officers, a new post established in each Group company and business division.



CoPA Message

Creating a Society Where All Individuals Can Realize Their Potential and Dreams, Enabling Them to Fulfill Their Responsibilities to the Future



Toshio Taki
Executive Officer
Head of Sustainability
CoPA (Chief of Public Affairs)
Head of Fintech Research

Sustainability at Money Forward

Decisions surrounding finance tend to be left to experts or in many cases, simply procrastinated over. Money Forward, Inc. was founded driven by the desire to change the world in which many people are overwhelmed by financial concerns, such as not having access to the right experts or the tools for making sound judgements. Our wish remains unaltered–we aim to alleviate financial anxieties and create a society that unleashes each and every individual's potential by constantly developing user-centric products.

Since our founding days, Japan has continued to face a host of social issues stemming from its declining and aging population. Individuals are burdened by never-ending pressures, including uncertainties over the social security system and the need to build wealth to prepare for longevity or protect wealth in later life. Meanwhile, workplaces that lag behind in digitalization amid a chronic labor shortage face a decline in managerial capabilities. We feel that the prevalence of such issues may have eroded energy directed toward societal change and productivity in the workplace.

We believe that many of these problems can be solved by tackling certain financial issues.

For example, User Forward, the pillar of our sustainability efforts, calls for moving society forward by addressing users' challenges. If individuals can grasp where they stand financially, see next actions clearly, and access thoroughly designed services, many matters vaguely perceived as "uncertainties" would transform into practical "issues" that can be solved. As for businesses, by automating their back office, understanding their financial standing, and eliminating concerns regarding operating funds, they will be able to pursue profitability, raise employee salaries, and cultivate a mindset for creating medium- to long-term value.

Resolving financial issues also requires the involvement of the financial service industry, various ecosystems surrounding financial decisions, and an array of governmental regimes and services. We are also focused on actively promoting digital transformation (DX) in these areas with the aim of boosting the probability that businesses will succeed in their mission. This commitment links to the concept of Society Forward, which I will discuss later.

Furthermore, our stakeholders also include many employees working with the Group. As an organization comprising over 1,200 individuals, we believe it is essential that each and every member be able to exert their true self and maximize their potentials by working with us. Cultivating such an environment will in turn enable us to merge the power of our many colleagues to jointly drive society forward.

Decisions regarding money are inextricably linked to judgements made in everyday life and business. Wholehearted decisions made upon careful consideration should prepare us for the future and allow us to bring out the best of ourselves. We believe that Money Forward's initiatives toward sustainability will be greatly instrumental in driving such social innovations.

Three Materialities

To achieve the aforementioned objectives, we position the three areas of "User," "Society," and "Talents" as our corporate materiality themes.

User Forward is a commitment to deliver ground-breaking services more broadly, capitalizing on the power of technology and design to resolve users' financial issues. In particular, since we collect and retain highly sensitive financial data, we consider reassurance for data safety as a key component in quality user experience, and thus promote investments in security as a major agenda.

Under Society Forward we aim to contribute to the DX of society as a whole by collaborating with diverse partners. Since the Company's early days, we have been making policy proposals toward building an optimal future in areas where DX has traditionally been viewed as a challenge, including fintech and digital public services. In doing so, we have leveraged insights from users to depict an ideal, yet achievable future. To achieve our mission, we must simultaneously pursue societal change. We will thus continue making recommendations aimed at social transformation and work to put them into practice.

As for Talent Forward, we aspire to offer wide-ranging growth opportunities that enable our members to live up to their potential, to have our management commit to talent growth, and to create an environment where diverse perspectives are accepted regardless of gender, nationality, age, or academic background. As both our members and businesses become increasingly global and inclusive, we are particularly committed to maximizing investments in human capital, which we consider to be a core managerial input.

In pursuing sustainability at Money Forward, we view "shared understanding of Money Forward's Mission,Vision,Value,Culture " and "governance that balances growth and risk control" as the foundations supporting our three materiality themes.

We believe that if every single member of society can take the necessary actions and make their wishes come true, they will be able to express their inherent kindness and fulfill their responsibilities to the future. Because we are living in an ever-changing age full of uncertainties, we aspire to resolve financial issues for all and create a society that drives challenge.

1
User Forward
To drive users' lives forward.

2
Society Forward
To drive our society forward.

3
Talent Forward
To drive our employees' potential forward.

SDGs that We Aim to Achieve through Our Initiatives



Foundations Supporting the Three Materiality Themes

Common understanding of Money Forward's Mission/Vision/Value/Culture

Governance that balances growth and risk control

1 User Forward
To drive user's lives forward

Aspiring to Resolve Financial Issues for All and Create a Society That Drives Challenge

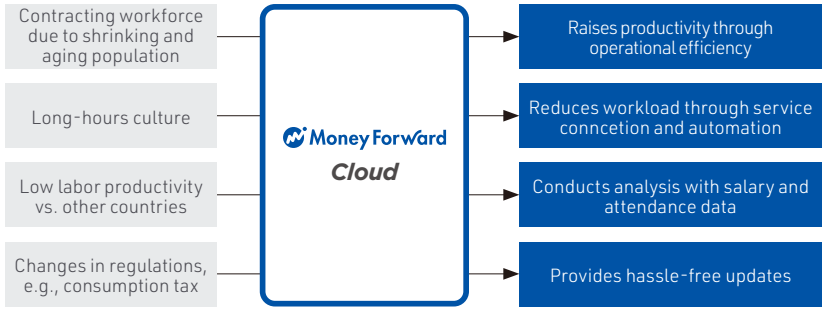
Challenges of Companies and Sole Proprietors and Value Delivered by *Money Forward Cloud*

Companies and sole proprietors in Japan face a multitude of issues, including the decline in working population, low labor productivity, cumbersome back-office operations, and cash flow.

The Japanese population continues to drop and is estimated to fall from 125.63 million[*1] in 2021 to below 100 million by 2050. The working age population ratio (aged 15–64 years) is also projected to contract from 60.8% in 2015 to 53.5% in 2040[*2] Comma should come after the number, before the superscript, with rural areas and SMEs already seeing a shortage of workers.

Meanwhile, Japan also faces challenges in labor productivity. In 2020, the country's hourly productivity stood at 60% of that of the U.S., ranking 23rd among the 38 OECD members.[*3]

Against this backdrop, companies need to raise productivity; however, it is difficult for them to do so while simultaneously addressing such challenges as structural reform and cash flow. We aspire to support these users by having them utilize on our technology, including connecting and utilizing data and streamlining operations through *Money Forward Cloud* and other services.



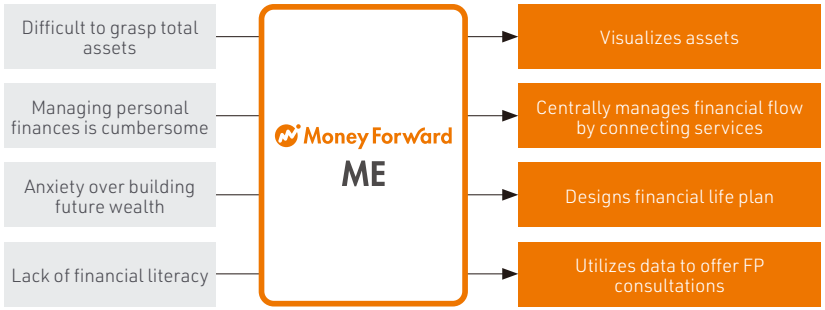
Challenges of Individuals and Values Delivered by *Money Forward ME*

In recent years, the vague anxieties of individuals over future finances have amplified by such issues as the aging and declining population and the so-called "20 million yen retirement problem."

Japan's average longevity is exceptionally high, standing at 82 years for men and 88 years for women as of 2020.[*4] As heartening as this may be, "wealth span" also becomes vital for retirees to be able to live at ease. In 2019, the Financial Services Agency (FSA) estimated in its report that Japanese retirees will be short of some 13–20 million yen in 20–30 years after retirement,[*5] sparking much public controversy. Although the estimate is based on a model case, it became apparent that many people are anxious about their post-retirement finances, and attention was drawn to the importance of accumulating wealth from a young age. Yet, cash and deposits occupy over 50% of Japanese household assets, with investment trusts and stocks accounting for only 10% or so, compared to 45% in the U.S. This implies that many individuals are still unaccustomed to investing.[*6] One reason for this is the lack of financial literacy education, for which Japan's outreach ranks 6th among the G7 nations and 39th in the world, trailing most developed countries.[*7]

Through *Money Forward ME* and other services for individuals, we aim to not only help users visualize personal finances but also enable them to select more adequate financial services and motivate them to take actions that lead to designing or upgrading their financial plan, and thereby enrich their lives.

*1 Statistics Bureau, Ministry of Internal Affairs and Communications. *Population Estimates (Final Estimates as of August 2021)* [in Japanese]. Issued on January 20, 2022.
*2 National Institute of Population and Social Security Research. *Population Projections for Japan (2017 Estimates)* [in Japanese].
*3 Japan Productivity Center. *International Comparison of Labor Productivity* [in Japanese].
*4 Ministry of Health, Labour and Welfare. *2020 Simple Life Table Overview* [in Japanese].
*5 Working Group on Financial Markets, Financial System Council, Financial Services Agency. *Asset Building and Management in an Aging Society* [in Japanese].
*6 Research and Statistics Department Bank of Japan Flow of Funds - Overview of Japan, the United States, and the Euro area - (August 20, 2021)
*7 Standard & Poor's Ratings Services. *Global Financial Literacy Survey (2014)*.



Resolving Users' Issues with Technology and Design

Technology × Design

Resolving Users' Issues with Technology and Design

We believe that the power of technology in creating innovations and the design that brings them to life are essential for identifying and resolving issues ahead of the world. As such, spearheaded by our CTO (Chief Technology Officer) and CDO (Chief Design Officer), we aim to resolve users' issues by leveraging the power of technology and design, and to create products that are easy to use for all.

SDGs → Goal 9

Technology Is the Key to Solving Issues

Our technologies have served to solve numerous issues thus far. For instance, *Money Forward ME* and *Money Forward Cloud* have helped substantially reduce the time and effort spent on financial management. They leverage such technology as account aggregation to collect and consolidate data previously tabulated by hand, including bank and credit card statements.



Daisuke Sergio Ito
Executive Officer and CDO

Takuya Nakade
Director,
Executive Officer and CTO

Furthermore, we protect accumulated data with advanced security and encryption and deliver new value to users. By analyzing the corporate accounting data that we collect, we can more easily help companies procure necessary funds when required.

In recent years, we have also actively been utilizing AI. Notably, we are seeing constant improvement in the accuracy of analyzing and digitizing receipts and various other paper documents, which companies in general are still swamped in. AI enables the automation of burdensome manual tasks.

In this way, we have developed products that leverage technology and data to solve the various challenges of users.

Bringing Technology to Life with the Power of Design

Even the most innovative technologies would not penetrate the market unless consumers are able to adequately use them. Design bridges this gap between technology and people.

For example, such products as *Money Forward ME* would be useless if they simply display raw collected data. We uses graphs and images to allow users to easily utilize data to manage their personal finances. As for products like *Money Forward Cloud*, the amount of time each operation takes will collectively have a large impact on productivity. Thus, product usability is essential.

When developing designs, we first approach our users to identify what their true challenges are. Design plays the role of capturing users' substantive issues and delivering solutions in a form that is easy to use for all. We are committed to creating designs that not only look good but also offer a pleasant user experience.

We as a Group embrace "User Focus" as our value and our strength lies in the user-centric approach to product development by both our designers and engineers. By combining the power of technology and design, we aim to create products that drive the lives of users and society forward.

Money Forward Lab

Creating the Future with the Power of Technology and Data

Money Forward Lab is committed to unleashing the power of technology and data based on the desire to enrich people's lives by enabling them to engage with finance in a positive light.

The lab is particularly focused on the area of autonomous technology and usability. Previously, our focus was on safely and automatically collecting data and visualizing the current state. We are now engaged in R&D that promotes autonomous technology and usability, in which future issues are predicted and actions for solving issues proposed. Key themes include machine learning and deep learning, natural language processing and image processing, and UI and UX.*

* UI (user interface): The point of contact between a user and a product or service
UX (user experience): The experience that a user gains through a product or service

Autonomous Back Office as the Ultimate Future

We believe that the shift toward automation and autonomy in back-office operations can be likened to that of autonomous cars. Just as the ultimate goal of autonomous cars is to fulfil the desire to safely, securely, and comfortably travel to a destination, the ultimate goal of accounting operations and business management is to fulfill the desire to safely, securely, and comfortably implement the management that a company envisions. We call this the autonomous back office.

How do we realize an autonomous back office? We believe the evolution is also similar to that of autonomous driving. A car's system can be divided into stages according to level of automation, ranging from "manual driving" to a level where "the system completely controls the car under all conditions." Likewise, we believe that there are different levels in the evolution toward an autonomous back office, and are thus carrying out R&D considering each of these levels.

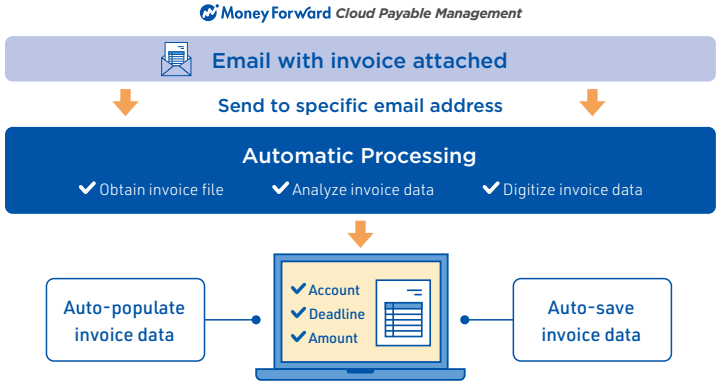
For example, before complete automation, there is a stage where "tasks are performed by machines based on procedures and criteria provided by humans." For this specific stage, we conducted R&D for video recognition of receipts, where smartphone video clips of receipts placed randomly on a desk are processed and digitized, as well as for AI-OCR, which structuralizes and extracts such information as invoice amount, date, and account on digitized invoices. Specific functions developed for AI-OCR are now incorporated in *Money Forward Cloud Payable Management*.

Similar to a future where one can travel freely to one's destination, through our activities at Money Forward Lab, we aspire to create a future where users can implement management as they envision it.

The Future of Cars







Released *Money Forward Cloud Payable Management* function for Automatically Loading Emailed Invoices



Ikuo Kitagishi
Head of Money Forward Lab

Investment in Cyber Security to Ensure Safe Use of Services

As our services involve collecting and retaining users' various financial information, we consider adequate information management to be a top priority and believe that constantly reinforcing information management is critical in sustaining stable business activities.

To ensure proper and safe handling of information, we have established the Basic Policy on Information Security (Security Policy). Under this policy, we appointed a CISO (Chief Information Security Officer) to oversee security management operations, stipulated operational rules on information security management, and are taking appropriate measures to prevent risks including data breach through such means as unauthorized system access by malicious third parties to unlawfully obtain information.

Also, to protect sensitive personal information of users, we have established the Personal Information Protection Policy (Privacy Policy) as an action guideline for all employees to comply with. We have also compiled internal rules for protecting personal information and are conducting internal training for executives and employees on the handling of such information. These measures show our commitment to fostering a shared understanding of the importance of the personal information we handle and the rules we must comply with. In March 2022, we established the Personal Data Statement, in which we declared our philosophy on the handling of information about an individual. This includes data that can identify a specific individual, such as personal information and personal data; identifier information, such as cookie information, IP address and terminal ID, and location information; and log information on internet use, such as browsing history.

In addition, to extend governance to the area of information security, every month the CISO reports the status of security operations to the Representative Director and CTO (Chief Technology Officer) to receive evaluation and feedback on the validity and effectiveness of such operations. The CISO also presents an annual summary of these reports at Board of Directors meeting. We will continue to invest in cyber security to ensure safe service usage by our users.

SDGs → Goal 9

Key Initiatives

Measures against Third-Party Cyberattacks

- Review at time of development
- Firewall installation
- App vulnerability evaluation by external security diagnostics firm
- Penetration testing by external security diagnostics firm
- Data encryption and enhanced monitoring system
- Switched anti-virus software on officer and employee devices to EDR (enhanced cyberthreat detection, prevention, and response)
- Separate designated network environment for maintenance involving personal data

Measures against Information Leaks

- Review at time of development
- Fortify rules on information security and personal data protection
- Officer and employee training
- SSO & automated provisioning of executive and employee IDs
- Access control of third-party PCs
- Internal access authorization and access log record
- Separate network between environments of user services and officer and employee PCs

External Authentications

- Nippon CSIRT Association membership
- Service Organization Control 1 (SOC1) Report (*Money Forward Cloud*)
- Audits under Agreed Upon Procedures (AUP) (for electronic payment services)



Takashi Ichikawa
Executive Officer and CISO
(Chief Information Security Officer)

2 Society Forward
To drive our society forward

To Achieve a Better Social System

Our Group is involved in making policy recommendations to the government through various activities, including research and information distribution by Money Forward Fintech Institute, policy proposals at meetings set by government agencies, and sharing of Money Forward Group best practices. We also work to reinforce partnerships for realizing financial innovation by managing activities such as study groups and social events with business organizations, including the Fintech Association of Japan and Japan Association for Financial APIs. Furthermore, by holding educational events and operating user communities we help individuals across all generations to think about financial issues.

In particular, there is societal demand to boost financial literacy, buoyed by the government's move to in 2022 lower the age of adulthood and the launch of high school education programs on wealth formation, and mutual funds. Since the Group's services can also serve as an introduction to financial literacy, we are committed to meeting this rise in interest information that is appropriate and easily understood. knowledge. We will accordingly work on resolving social issues, such as economic disparity, and help individuals and businesses unleash their potential with the aim of realizing a better social system.

SDGs → Goals 4, 10 and 17

To Move Society Forward with Fintech

In providing services that empower users and contribute to solving social issues, we at times create services that go beyond the expectations of conventional wisdom. For example, a decade ago, it would have been unthinkable for financial institutions to offer open APIs and allow access to data by non-financial companies, or for companies to handle sensitive corporate data in a cloud environment.

Yet, we believe we should create services that contribute to the sound development of society, however unexpected they may be, based on one of our core values - Technology Driven. In addition, to facilitate the sense making of new services and technologies, a wide range of users need to experience the convenience of the technology and to have its safety ensured through expertise. For example, we are developing tools that provide visibility into public pensions and protect the assets of those with declining cognitive abilities, which are both characteristic challenges in an aging society. Our goal is to demonstrate the technical benefits that fintech can offer to society as a whole. society. Meanwhile, we also believe that building relationships with stakeholders to change society and actively making policy proposals for necessary structural changes will lead to long-term improvement in our corporate value. It is essential that we take a collaborative approach as we aspire to become a financial platform for all.

In recent years, digitalization and automation of public services has accelerated, as represented by the launch of the Digital Agency. The Invoice System will be enacted in October 2023, and as My Number Card and the government's Digital Principles gain traction, various procedures will be streamlined. This should bring forth a world where individuals and businesses have direct access to public services that match their needs. Once it becomes possible to incorporate such new functions in public service into our services, more people will be able to carry out administrative procedures without stress and receive government assistance.

In the world of fintech, which is interconnected with the financial system, one failure can lead to the risk of compromising industry trust. At the same time, however, adequately incorporating innovation in the financial world should be a source of individual happiness. While fulfilling our social responsibilities, we will continue to advocate Society Forward activities so that all financial issues of individuals are resolved, and our society will move forward through fintech.

Activities to Achieve a Better Social System

Current Focal Areas of Policy Proposals and Relevant Parties

As a Company | As an Industry

Business	Home	X	Finance
E-Invoice Promotion Association (Digital Agency and software companies)	Visualization of pension system (Ministry of Health, Labour and Welfare, and others)	Advancement in cyber security of fintech companies (The Center for Financial Industry Information Systems)	Improvement in SMEs' cash flow (The Small and Medium Enterprise Agency)
Reform of authentication infrastructure, e.g., My Number System (Digital Agency)	Resolving issues of a super-aging society (Ministry of Economy, Trade and Industry; Ministry of Health, Labour and Welfare; and Financial Services Agency)		
Payroll Card, etc. (Financial Services Agency and Ministry of Health, Labour and Welfare)			
Promotion of Financial Service Intermediary Business (Japan Financial Service Intermediary Business Association)			
Association activities related to banking API (Japan Association for Financial APIs)			
Reform in payment infrastructure/CBDC (Fintech Association of Japan, Bank of Japan, and Japanese Banks' Payment Clearing Network)			
Promotion of data portability (Japan Association for Financial APIs and MyData Japan)			
Promotion of open innovation in fintech (FINOVATORS, FINOLAB, Fintech Association of Japan, and Tokyo Metropolitan Government)			

E-Invoice Promotion Association (Digital Agency and software companies)
In line with the start of the Invoice System, we promote activities for standardizing electronic invoices and streamlining other operations under the system.

Visualization of pension system (Ministry of Health, Labour and Welfare, and others)
We take part in activities to provide visibility into public pensions and personal assets, and to support post-retirement life planning, in response to the "20 million yen retirement problem."

Advancement in cyber security of fintech companies (The Center for Financial Industry Information Systems)
We promote the establishment and operation of security standards that provide safety when fintech companies connect with financial institutions and financial systems.

Improvement in SMEs' cash flow (The Small and Medium Enterprise Agency)
To enable SMEs to secure operating funds, we make proposals regarding the establishment of systems concerning factoring of accounts receivables and loans.

Reform of authentication infrastructure, e.g., My Number system (Digital Agency)
We make policy proposals as a key player in realizing digital public services based on the My Number System and corporate authentication infrastructure.

Resolving issues of a super-aging society (Ministry of Economy, Trade and Industry; Ministry of Health, Labour and Welfare; and Financial Services Agency)
As users face various changes such as the onset of dementia in a super-aging society, we gather knowledge and make policy proposals to inclusively provide financial services.

Payroll Card, etc. (Financial Services Agency and Ministry of Health, Labour and Welfare)
We propose systems that offer more options for workers in the way they receive their salaries or accumulate wealth.

Promotion of Financial Service Intermediary Business (Japan Financial Service Intermediary Business Association)
Ensuring safe and reliable services and supporting the industry for the newly introduced intermediary business for financial products.

Association activities related to banking API (Japan Association for Financial APIs)
We implement activities as a member of a business organization to realize systems and infrastructure that facilitate the linking of financial information and transactions, represented by bank APIs.

Reform in payment infrastructure/CBDC (Fintech Association of Japan, Bank of Japan, and Japanese Banks' Payment Clearing Network)
We actively participate in discussions on the transformation of payment infrastructures such as the Zengin System and CBDC (Central Bank Digital Currency), and make recommendations regarding systems toward the establishment of a convenient payment infrastructure.

Promotion of data portability (Japan Association for Financial APIs and MyData Japan)
We conduct research and build a consensus towards personal data ownership rights, which have not yet been established in Japan.

Promotion of open innovation in fintech (FINOVATORS, FINOLAB, and Fintech Association of Japan, and Tokyo Metropolitan Government)
Beyond our self-interest, we support the advancement of the fintech industry and implement activities to maintain a structural environment where innovation continuously comes to life.

Contributing to DX in Society through Co-creation with Diverse Partners

In recent years, rapid change in the business environment has accelerated DX initiatives that enhance corporate competitiveness and improve productivity. We promote our business with a wide range of business partners, including financial institutions, accounting firms, business corporations, and chambers of commerce and industry across Japan.

SDGs → Goals 8, 12 and 17

Certified members
(Accounting firms and certified social insurance and labor consultant offices)
19,000 plus[*1]

Alliances with chambers of commerce
113[*1]

Financial institutions (FIs) that we provide our services
40[*1]

Scraping and API connections with FIs
1,071[*2]

*1 As of December 31, 2021. The number of certified members is the total number of employees who use our services at major accounting firms.
*2 As of January 14,2021. Counting financial institutions (including Shinkin Banks, Labor Banks and Agricultural and Fishery Coopera ti ve Savings Insurance Corporations) that have API connections or web scraping connections with contracts.

Moving Forward with Our Partners



Taiki Kyuwa
Hongo Tsuji Tax & Consulting
Head of the Company Establishment Center

The Company Establishment Center was established in Kyoto in 2017 as a group of professionals that supports the founding and establishment of businesses. We use *Money Forward Cloud* to support clients in setting up their businesses and rolling out their accounting, tax, and payroll operations.

We strongly believe that speed is vital in deploying businesses and have thus launched "remote advisory," a new style for offering tax advice.

By combining multiple IT tools, we have created a system in which clients can consult us at any time or place with minimal documents. We value the concept of daily financial results, where we can view daily financial performance. At the core is *Money Forward Cloud Accounting*, which enables the aggregation of various data. We aim to continue utilizing various tools to pursue our mission of speedily delivering accounting data that can serve as indicators for accelerating clients' decision making.

Putting Environmentally Friendly Management into Practice

Protecting the global environment is now a pressing issue, and it is the responsibility of all people and companies that constitute society to take this issue into their own hands. The Company also recognizes that this issue is important and is implementing Company-wide initiatives. Internally, we identify areas to be reviewed in the office, internal tools, and employees' workstyles, and implement environmentally friendly measures. In addition, we help reduce the use of paper and improve operational efficiency through our services, thereby promoting eco-friendly individual and corporate activities.

SDGs → Goal 15

Internal Initiatives

- Introduction of a new workstyle centered on remote work. Reduction in the movement of people and goods, and the use of paper by shifting to cloud-based operations including for internal memorandums, settlement of expenses, and contracting
- Use of 100% renewable energy for power generation in our headquarters
- Use of renewable energy-based AWS (Amazon Web Service)
- Calculation of Greenhouse Gas in scope1 and 2 (disclosed in ESG Data Book) https://corp.moneyforward.com/ir/library/integration/

Service-based Initiatives

- Improving operational efficiency and promoting reduction of paper usage including for invoices (e.g., #Invoice Forward Project) by migrating back-office operations to cloud
- Promotion of reduction of paper passbooks and streamlining of operations through support for DX in financial institutions with many users
- Efforts to visualize environmental impact utilizing fintech (patent pending)

3 Talent Forward
To drive our employees' potential forward

Upgrading the HR System to Propel Growth of Each and Every Member

the Money Forward Group has released an array of services and achieved drastic growth in a decade since its founding. We have actively invested in talents in addition to marketing, particularly since our first equity offering in 2018.

Accordingly, we developed many new products in FY11/21, represented by *Money Forward Cloud Contract* and *Fixed Assets*, and also reduced the time to PMF (product-market fit). We can feel the positive impact of HR investments in all stages, ranging from development to service launch.

Yet, to achieve our vision of "becoming the financial platform for all," we must attract more talents, urge further growth of each and every employee and work in union toward our goal. To drive this effort, we revamped our HR system (titled MF Growth System 2.0) in December 2021.

As part of MF Growth System 2.0, we decided to give out bonuses and increase the rate of salary raises of high performers with the aim of attracting and retaining excellent talents. Additionally, to encourage employees to be goal-oriented, we provided clearer visibility into how the goals of individuals are linked to the Company's goals and whether they are making progress in achieving these goals. We also introduced a training program for learning how to set goals and provide one-on-one feedback. From the perspective of providing a friendly work environment, we are striving to create a system where employees can work flexibly and with peace of mind according to their personal situation, including expanding the scope of those eligible for nursing leave and caregiver leave and widely accepting remote work on the back of the pandemic. We implemented various other changes as well, including raising the discount rate of the employee shareholding association from 5% to 15% to support members' wealth accumulation.

Furthermore, conduct the MF Group Survey, which asks employees to evaluate job satisfaction and work environment every half term. It enables the Company to acknowledge challenges in cultivating a motivating work environment and to work toward improvements. In the survey conducted in February 2022, we received responses from 97% of those eligible, with 88% giving a positive response regarding the Company's businesses and daily operations. After the survey, we offer career interviews to those interested, and each division and office develops action plans based on survey results. We are thereby endeavoring to further enhance our work environment.

In FY11/22, we will continue to actively recruit talents and also plan to hire many non-native engineers. Even as members of the Group increase, we will continue to flexibly design our HR systems and organizational structures to foster a culture unique to Money Forward and enable each and every member to work with discretion.

SDGs → Goals 8 and 10



Chiaki Ishihara
Department Manager of
People Forward Department

The Growth of Members is Our Driving Force

To realize our mission and vision, we have focused on the development of our business and organization, together with the growth of our people. We believe talent development is critical for the sustainable operation of our business and organization. Therefore, in addition to creating a wide range of growth opportunities, including for career and skill development, we emphasize management's commitment to individual growth and the creation of an environment that accepts diverse perspectives.

Creating Diverse Growth Opportunities

We cherish our culture, which encourages employees to set challenging goals and provides appropriate and clear feedback through periodic one-on-one sessions to communicate expectations to each member. We also offer opportunities for considering the abilities and preferences of employees regardless of age, number of years with the Company, or academic background, and decide job assignments in a way that respects their passion and suitability, rather than merely being on convenience for the organization.

SDGs → Goals 8 and 10

Key Initiatives

- HR evaluation and compensation system of performance-based salary raises and bonuses
- One-on-one mentorship and trainings for members' goal achievement and self-learning
- MF Challenge System: Internal job posting system to realize transfers initiated by employees
- MF Group Survey: A survey on employee satisfaction and career design
- Career Interview: Career consultation for employees upon request
- New business proposal opportunity

Management's Commitment

We believe that growth of people is most important for realizing our mission and vision. We are aware that management in general, as well as the HR Department, must engage with employees to maximize their potential and commit to their development. Our management is actively engaged not only in raising employees' performance but also in maintaining and raising their motivation, and discussing their career design and workstyle.

SDGs → Goal 8

Key Initiatives

- Various training programs hosted by management
- Leadership Forward Program to foster leadership Initiatives
- Discussion regarding next-generation leadership development at management meetings

Driving Society Forward with the Combined Power of Diverse Members

The Company thoroughly embraces "fairness" as one of its core values and has adopted a hiring policy based on employing people regardless of gender, nationality, religion, age, or academic background. We are committed to creating a work environment that is friendly and motivating for all employees with diverse backgrounds, including those who are experiencing changes in life stages such as childcare and nursing care. We respect each individual's personality and aspiration for growth, positioning "realization of diverse perspectives" as the core of our HR strategy to maximize the abilities and output of each employee and to realize innovation. We will thereby promote various HR measures with a focus on diversity and inclusion.

SDGs → Goal 5

Key Initiatives

- Compliance with Hiring Policy
- Mid-career and new graduate hiring throughout the year
- Hiring of disabled persons
- Global hiring
- Japanese language study support system TERAKOYA for non-native members
- English language study support for Japanese engineers
- Promotion of childcare leave for both men and women, and support for returning to work
- Introduction of remote work

Foundations Supporting the Three Materiality Themes

In carrying out our sustainability initiatives, we embrace three materiality themes: User Forward, Society Forward, and Talent Forward, while also placing value on the underlying foundations: "common understanding of Money Forward's mission, vision, values, and culture" and "governance that balances growth and risk control."

Our mission and vision reflect the society that we aspire to create and the role we wish to play in such a society through our business activities. We believe we must promote common understanding among our members, while also sharing our values and culture in that process. In addition, we think it is essential that corporate governance functions effectively to strike a balance between the soundness and growth of our business activities.



Foundations Supporting the Three Materiality Themes

Common understanding of Money Forward's Mission, Vision, Values, and Culture

Governance that balances growth and risk control

Shared Understanding of MVVC

Culture

Another vital element behind our ability to achieve our Mission and Vision is our corporate Culture, which has been built by incrementally accumulating various achievements since our founding. We believe that instilling our culture in the minds of our members is what helps us achieve our MVV (Mission, Vision, and Values). Money Forward's culture is shaped by the results of each of our actions grounded in our MVV, and this culture is created by none other than our people. To maximize our mission of driving our lives and society forward, we believe it is of utmost importance to maximize the lives and potential of members working with Money Forward, and to enable everyone to paint an exciting picture of their future.

We have made Company-wide efforts, including sharing the vision and values that Money Forward aims to achieve, creating an organization that elicits the challenges and possibilities of our members, and building an open environment for co-creating with society. To maintain the integrity of our culture even as the organization expands, we will instill our culture by engaging our management and People Forward (HR) Department, as well as each and every member.

We are committed to fostering Money Forward's culture.



Keiko Kanai
VP of Culture



Members who embody our culture are given the award of "Culture Heroes" in front of all employees.



Wall painting by employees when building a new office in Tokyo. We also hold events that allow members to experience and share our culture.

Role of Culture in Money Forward's Values

We place importance on culture as a pillar upon which we build our organization. In Vietnam, many of those who apply for a job say they place value on work environment. Because work environment translates to culture, actively publicizing our culture gives us an advantage in the IT market, where hiring is competitive. It is also reassuring that those who join us already empathize with our culture at the time of application.

A clear presentation of our culture holds significance in terms of organizational management as well. Because our shared culture is ingrained in each member's mind, we can create an environment where individuals are respected for their own decisions. Since culture is intangible, we organize activities that incrementally foster understanding and lead to enhanced corporate loyalty and employee engagement. Through such experiences, we hope to build an organization where members can empathize with and take pride in Money Forward's culture.



Nana Nagai
Money Forward Vietnam
COO



Members in charge of organizing the semi-annual Group employee meeting



Members of Money Forward Vietnam Co., Ltd.

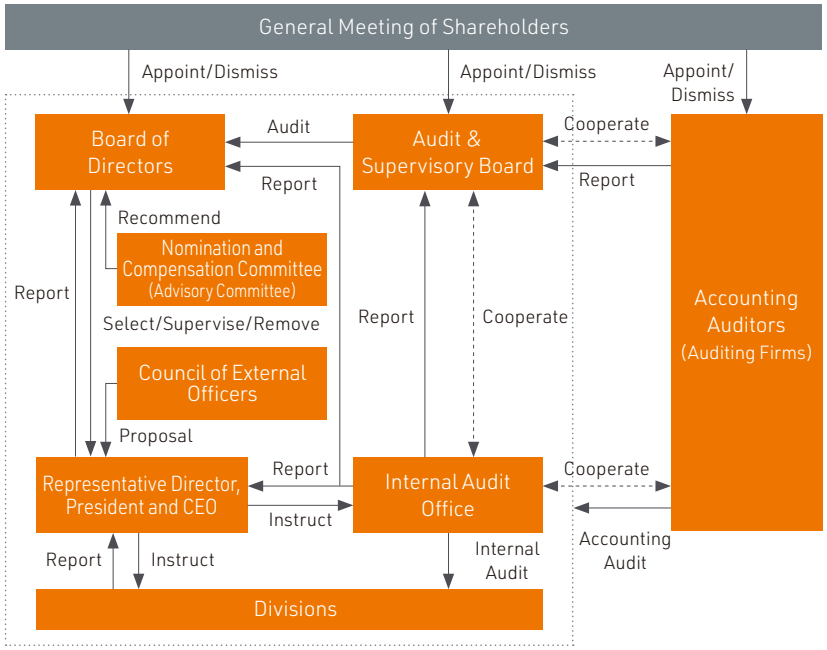
Governance That Balances Growth and Risk Control

Basic Policy on Corporate Governance

We aim to move society forward and create a world where all individuals and corporates, including our users and employees, can actively take on challenges. To this end, we ceaselessly deliver services in the IT industry, where the operating environment is subject to constant change. Against this backdrop, it is essential that corporate governance function effectively for the Company to realize its vision and achieve sound growth. We are therefore developing a governance structure that balances growth with risk control. To deploy business management grounded in sound ethical standards, we are committed to adhering to our compliance structure and ensuring corporate soundness and transparency. In addition, we are striving to develop an internal structure that allows for prompt and rational decision making as well as streamlined business execution. This will enable us to achieve a steady increase in shareholder value on a long-term basis.

Corporate Governance Structure

Corporate Governance Structure (As of February 21, 2022)



Reinforcing Corporate Governance

The Company increased the number of external directors from five to six upon obtaining approval of the General Meeting of Shareholders held in February 2022. Although external directors have comprised the majority since last year's General Meeting of Shareholders, we aim to reinforce governance by raising their proportion. Meanwhile, the Nomination and Compensation Committee, set up at the discretion of the Company, deliberates on remuneration of not only directors but also executive officers, thereby enhancing the objectivity, transparency, and fairness of the deliberation process of directors' and executive officers' compensation. In addition, on February 21, 2022, the Company established a Council of External Officers. This is to enhance the governance system from the viewpoint of management monitoring and supervision. External officers (external directors and external members of the audit and supervisory board) will enhance the quality of monitoring of executive divisions by exchanging opinions regularly.

The Company aims to contribute to sustainable growth and enhance its corporate value over the medium to long term. Also, at the business execution level, we split the position of CLCO (Chief Legal and Compliance Officer) into CLO (Chief Legal Officer) and CCO (Chief Compliance Officer) from December 1, 2021, with both holding the title of executive officer, to exercise "governance that balances growth and risk control" in business executions.



Masakazu Sekita
Excutive Officer and CLO

Our Business

Our vision is to become the financial platform for all. This vision guides us in providing a wide range of services to various users including corporations, individuals and financial institutions. We deploy the power of technology and design to create products that resolve user issues. We will continue to create innovative services by making further use of data and by linking products.

CFO Message

Continue to invest for Medium- to Long-term Growth to Maximize Shareholder Value

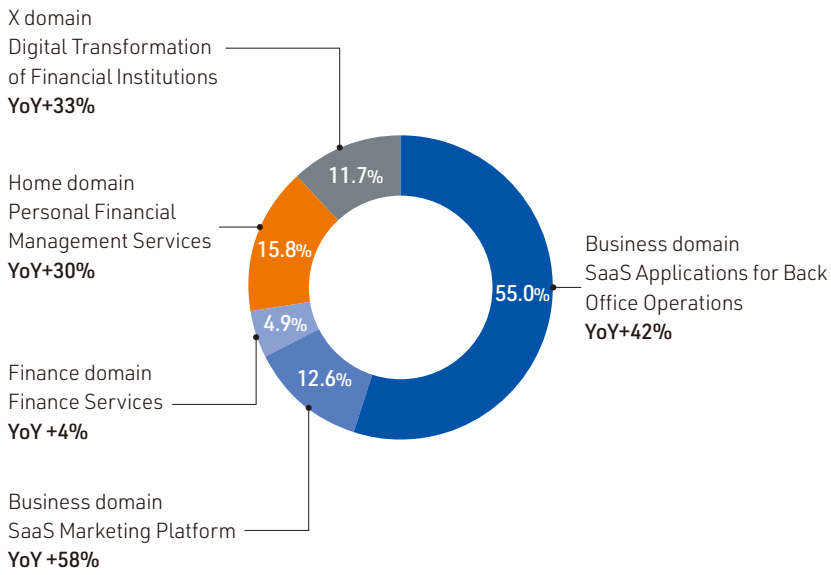


Naoya Kanesaka
Director, Executive Officer, and CFO

Fiscal Year Ended November 2021 Financial Results

In FY11/21, we recorded consolidated net sales of 15,633 million yen, up 38% YoY, an operating loss of 1,062 million yen, and EBITDA of 430 million yen, with all three figures landing within the range of initial guidance for the fifth consecutive fiscal year since our listing. Also, SaaS annual recurring revenue (ARR), or the Group's total recurring revenue, jumped 33% YoY to 11,227 million yen, indicating sustained robust growth. This strong growth was driven by ARR of *Money Forward Cloud* and other SaaS applications for back-office operations. It soared 36% YoY to 8,466 million yen propelled by the expansion in product lineup accompanying the release of seven new products for medium-sized companies, as well as enhancement in the sales and marketing structure.

Additionally, in November 2021, we announced the M&A of internal AI chatbot developer HiTTO Inc. as a consolidated subsidiary. We are building a portfolio of businesses in the SaaS and fintech Fintech area and each of the businesses boasts high growth rates.



* Graph shows the proportion of FY11/21 revenue.

Market Listing Transferred to First Section and Transitioning to Prime Section of TSE; Continuing to Aim for Maximized Medium- to Long-term Growth

The Company transferred its stock market listing to the First Section of the Tokyo Stock Exchange (TSE) in June 2021. We plan to transition to the top-tier Prime Market in TSE's new market segment in April 2022. We are truly grateful to the shareholders and various other stakeholders who have supported us thus far. Building on this market listing transfer, we aim to expand our investor base and reduce funding costs, thus raising the ability of our management strategies.

The Group's primary business model is the SaaS model, which recognizes revenue according to use of services. Compared to a model where revenue is recorded at the time of system implementation, the SaaS model takes time to monetize; however, the churn rate is low (FY11/21 full-year average*: 1.5%) and profitability is expected to be substantially higher in the medium to long term. In addition, the shift toward remote work and paperless operations has been accelerating; this should fuel demand for cloud services and cashless operations, which in turn, should further drive demand for our services.

We will continue to make active upfront investments to capture new users and develop products and services that meet new market demands. Meanwhile, we will also facilitate management to achieve optimal medium- to long-term growth by bolstering customer success and further minimizing the churn rate.

* Customer churn rate is 12-month average

Enhancing Balance Sheet through International Offering, and accelerating investments toward Accelerated Growth and Solid Business Foundation

In August 2021, we raised 31.5 billion yen through an international offering. The main purpose was to accelerate business growth in Japan's SaaS and fintech realm, to solidify our business foundation and secure a financial base in preparation for M&As oriented toward achieving exponential growth, and to improve stock liquidity and expand our investor base. We captured demand equivalent to some ten-fold the allocated amount, including from many long-only investors and U.S. institutional investors, and believe we have successfully built a stable base of investors who have in-depth understanding of our business. We also received highly supportive feedback on our medium- to long-term growth policy.

Going forward, we will steadily implement our four growth strategies.

Growth Strategies

1. Superior Back-office SaaS Platform with Differentiated Go-to-market Strategy
2. Multiple Avenues for Future Growth with Significant Synergies
3. Disciplined M&A Strategy with Proven Track Record
4. Leverage Existing Assets to Create New Opportunities

Promoting Strategically Disciplined M&A and PMI for Accelerating Growth

In Business domain, all five companies that joined the Group through M&As offer products with a competitive edge in their respective business fields, and each had sustained a high grow rate even at the time we acquired their shares. The Group values not only business synergies but also that such companies have affinity for our Mission, Vision, and Culture. We also promote PMI (post-merger integration) so that companies joining the Group can continue to focus on their business and evolve.

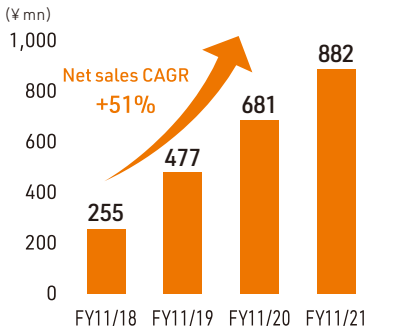
As a result, Klavis, Inc., Knowledge Labo Inc., and SMARTCAMP Co., Ltd., which joined the Group, have continued to grow strongly, with CAGR (compound annual growth rate) in net sales coming in at 51%, 65%, and 50%, respectively. SMARTCAMP Co., Ltd., which joined the Group in November 2019, has continued to expand its existing businesses *BOXIL SaaS* and *BALES*, while also successfully launching new businesses *BOXIL EXPO* and *ADXL*, thus achieving a strong growth rate of 58% YoY in FY11/21.

Moreover, the founders and managing members of the companies that joined the Group now play key roles in our management. We believe that such successful M&As and active involvement by the entrepreneurs and management members thereafter will have a positive impact in promoting future M&As.

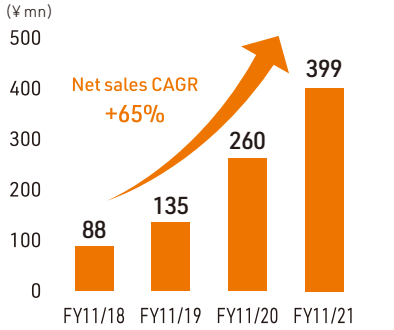
Accelerated Growth after M&A

* Financial results of SMARTCAMP Co., Ltd. are consolidated from FY11/20. Full-year results for FY11/19 are calculated by aggregating monthly sales from December 2018 to November 2019 based on FY3/19 and FY3/20 monthly

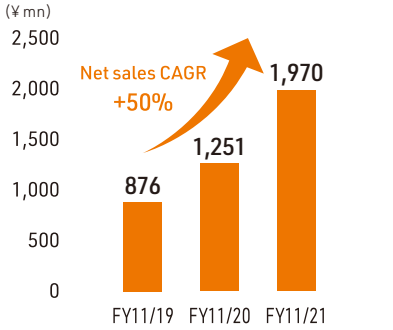
Klavis, Inc.



Knowledge Labo, Inc.



SMARTCAMP Co., Ltd.

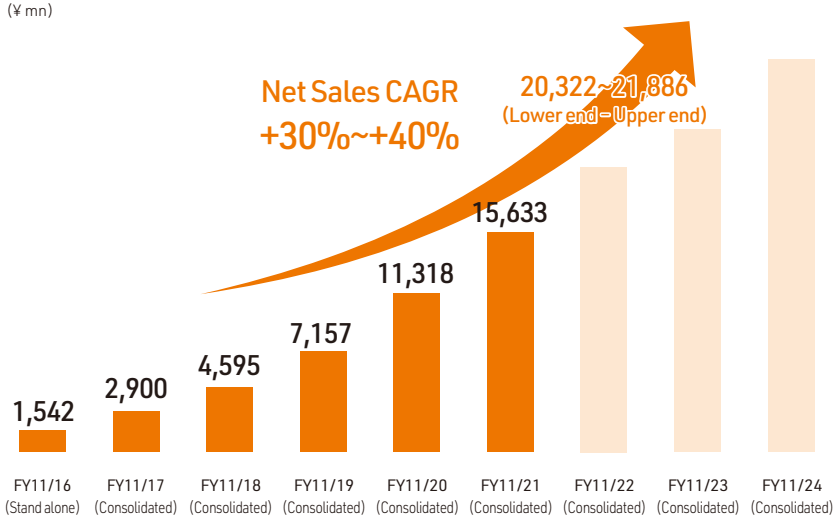


Outlook for FY11/22 and beyond and Mid-term Growth Plan

We will focus on increasing recurring revenue represented by SaaS ARR, and accelerate upfront investments mainly in Business domain. We thereby aim to maintain 30–40% in net sales CAGR until FY11/24. For FY11/22, we expect consolidated net sales to reach 20,322–21,886 million yen (growth rate of +30–40% YoY). In addition, we will prioritize growth in SaaS ARR, centered on SaaS applications for back-office operations, with SaaS ARR projected to reach 15,718–16,814 million yen (growth rate of +40–50% YoY).

While SaaS ARR topped 10 billion yen in FY11/21, some nine years since our founding, we intend to step up growth and reach the 20 billion yen mark by early FY11/23. To sustain the high growth of SaaS ARR, we are primarily focused on

Policy for Medium-term Growth Investment and Guidance for FY11/22



* Chart created by projecting annual growth rate of net sales at +35%.

increasing customers and average revenue per account (ARPA) in Business domain. In FY11/21, the number of paying customers rose by 41,000 from FY11/20-end (1.7-fold increase YoY), while ARPA grew by 5% YoY, with corporate ARPA in particular climbing steadily by 8% YoY. Implementation of our products by medium-sized companies is especially showing favorable progress and driving growth, with the ratio of medium-sized companies to corporate ARR increasing by 7.4 ppt in just one year, from 19.8% at FY11/20-end to 27.2% at FY11/2021-end. In addition to new deployments by medium-sized companies, we expect to raise ARPA through upselling and cross-selling.

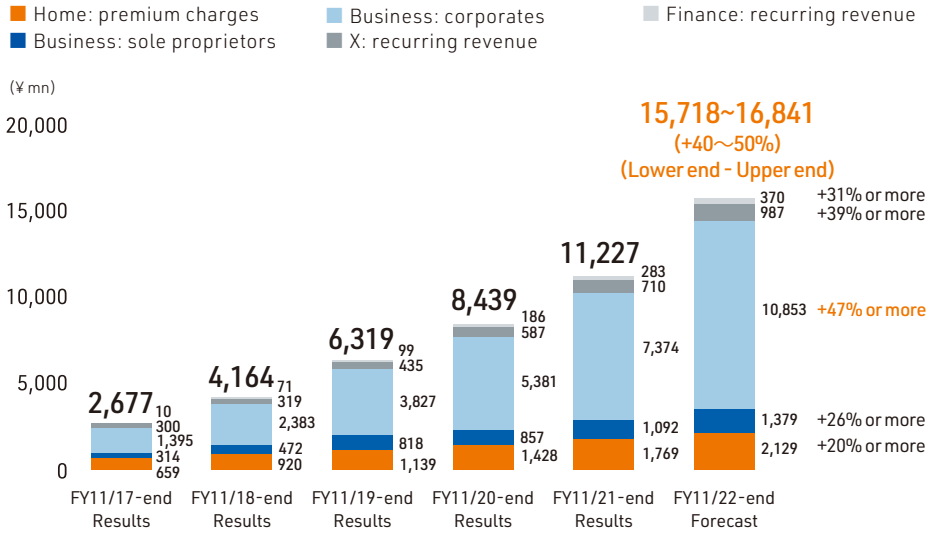
Meanwhile, we are closely monitoring the soundness of investment returns. Specifically, we plan to invest in recruiting and marketing by setting a CAC payback period*2 of within 24 to 36 months.

*2 Customer acquisition cost payback period: calculated as (customer acquisition cost / No. of customers acquired) / (ARPA * gross profit margin)

Actively Communicating with the Capital Market and Incorporating Feedback into Business Management

A key initiative of the Company is to communicate closely with the capital market,

Fiscal Year Ending November 2022 Earnings Forecast (SaaS ARR)



respond to expectations, and foster trust. Additionally, we disclose information in a timely and fair manner, and are also committed to conveying information more thoroughly and comprehensively in order for investors and shareholders to better understand and accurately evaluate the Company's strategies and performance. We will continue to consider and incorporate investors' feedback into our disclosure policy.

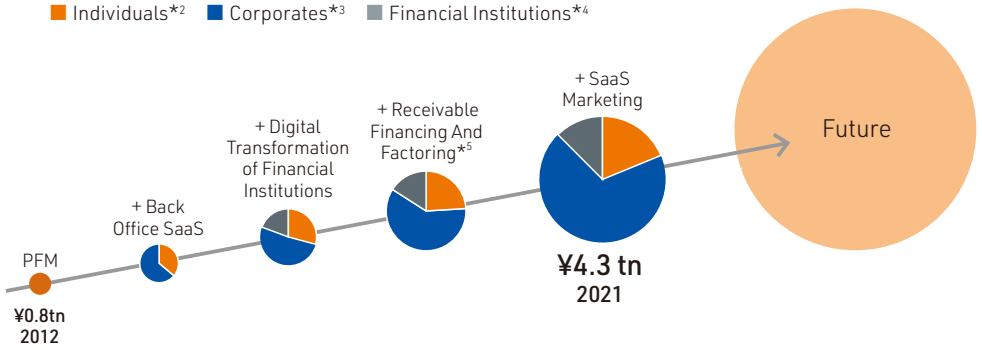
Furthermore, we regularly provide the Board of Directors and managers of each business division with feedback from IR meetings with numerous domestic and overseas shareholders and investors. As such, we thereby strive to make managerial decisions that also reflect the capital market's perception.

Bolstering Financial Base and Governance for Aggressive Strategies in Growing Markets with Large TAM*1

As represented by SaaS applications for back-office operations, we are operating in the SaaS and fintech market characterized by a substantially growing TAM and drastic change. We thus value speed and proactive approaches, including swiftly launching new businesses and actively conducting M&As and investments to accelerate business growth. The Company will fortify its financial base to facilitate such aggressive investment, and at the same time, bolster governance, including through closely examining and minimizing risks when launching new businesses or implementing M&As. We will thereby strike a balance between active growth and controlled risk.

We have also enhanced our management team by welcoming Hiroaki Yasutake and Gen Miyazawa, who both have experience managing mega ventures, in February 2022. External directors will continue to comprise the majority of the Board of Directors. Furthermore, we will gradually transfer authority to the business divisions and promote initiatives in expediting business execution. In this growth market with a large TAM, we will continue to deploy aggressive strategies in an agile manner, while also deploying resilient risk control. We thereby aim to achieve medium- to long-term growth that meets the expectations of our investors and shareholders.

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



*1 Total Addressable Market. Potential market size for four domains of Money Forward is estimated, by using certain assumptions, based on third party research, publication as well as Money Forward historical data.
*2 See page 109 of the presentation material for FY11/21 Full-Year financial results for the calculation of the total TAM of individuals.
*3 See pages 105 and 106 of the presentation material for FY11/21 Full-Year financial results for the calculation of Corporates TAM, including back office SaaS, SaaS marketing. See *6 for receivable financing and factoring markets.
*4 Calculated based on the market size for the Japanese contract software development market size according to the Ministry of Internal Affairs and Communications/Ministry of Economy, Trade and Industry's 2018 Basic Survey on Information and Communications Industry multiplied by an estimated market share.
*5 Calculated based on an annual required working capital for Japanese companies with revenues of ¥500 million or less according to the Small and Medium Enterprise Agency of Japan's Report on Basic Survey on SMEs in 2016 multiplied by an estimated usage rate for accounts receivables financing services multiplied by a rate based on Money Forward Kessai's past fees received.
* These figures are not intended as an objective indicator of the size of the market for our businesses as of December 2021. Actual market size may differ from this estimate due to the limitations peculiar to such third party research and publications in terms of their accuracy.
* Please visit our website for the "Presentation Material for FY11/21".
https://corp.moneyforward.com/en/news/investorrelations/

Our Service

1.Business



3.X



2.Home



4.Finance



CSO Message

Corporates, individuals, and financial institutions. Creating a seamless flow of money that transcends boundaries.



Tatsuya Kanto
Executive Officer and CSO (Chief Strategy Officer)
Money Forward Company CSO
Representative Director and CEO of Klavis, Inc.

Domains Covering Both Individuals and Businesses

We first started providing services to individuals, and gradually expanded our scope to include corporates and financial institutions. We have extended our business to areas where there is strong demand that can be addressed under our vision of "becoming the financial platform for all" and where our technology and members' abilities can be leveraged. Currently, we serve over 12 million individual users, over 180,000 paying business customers, and 40 financial institutions, which means our customer base in each domain is one of the largest in Japan. We also have data connections with more than 2,590 financial services.

In addition, we aspire to become a financial platform that resolves users' true financial challenges. To this end, we need to understand and facilitate the entire financial flow. This cannot be achieved by considering only one type of customer segment. For example, eliminating business concerns regarding cash flow requires the capacity to offer timely financing through seamless data connections with financial institutions. We therefore believe that to realize our vision, it is necessary to develop strategies in view of each of the diverse players involved with money.

Enhancing Value as a SaaS Platform for Back-Office Operations and Optimizing Go-to-Market Strategies

The Company provides cloud services that streamline back-office operations, represented by *Money Forward Cloud*. We started offering accounting software to SMEs from 2013, but now also provide products that raise efficiency in the areas of HR, legal affairs, and IT to companies in varying stages of growth. This is because we believe that back-office issues are not limited to accounting, and that convenience can be raised by offering a platform that incorporates many functions vast amounts of data. While we have developed products with speed, we also place value on integrating design, engineering, and technology. (▶ P.22 Technology × Design)

Aside from developing quality products, it is also important to establish optimal go-to-market strategies. Since we started offering our services, we have emphasized partnerships with professional service firms across Japan and have built a network comprising 4,800 firms.

Continued Investments in Businesses with Significant Growth Potential and Creating Synergies among Domains

As our business coverage expands, synergies among our domains have become stronger. Since our domains share common core technologies (▸ P.16 Core Technologies), investment efficiency in R&D is extremely high, driving speed in product development and boosting our competitive edge.

In addition, broad awareness of our brand distinguishes us from other companies. Many businesses using *Money Forward Cloud* are dedicated users of *Money Forward ME*. In terms of hiring, brand awareness of *Money Forward ME* also attracts many talents who empathize with our mission, vision, values, and culture.

Furthermore, synergy is noticeable through the volume of customer crossovers and cross-selling among domains. For example, we offer *Money Forward Cloud Tax Return* to sole proprietors who use *Money Forward ME*, and also bolster online experience of financial institutions' services by providing *Money Forward ME* and its functions on an OEM-basis to those institutions.

Going forward, we aim to capitalize on customer touchpoints and data of our SaaS applications for back-office operations to reinforce financing services, including our accounts receivable financing service (*Money Forward Early Payment*) and *Money Forward Pay for Business*.

Disciplined M&A Strategies as Proven by Successful PMI

The Company has grown rapidly while welcoming peer companies and expanding its business coverage (TAM*[1]) through M&As.

Klavis, Inc., which I founded, has concentrated its resources on product development after joining the Group and continues to grow rapidly with Money Forward's sales team that specializes in professional service firms engaged in cross-selling of *STREAMED*. More recently, we welcomed HiTTO Inc. to the Group in FY11/21 and plan to promote cross-selling of their internal AI chatbot to our medium-sized company users.

While companies operating in the same industry can be competitors, from a broader perspective, they are peers trying to solve the same challenges. Although we may compete at times, in more cases, collaboration can likely expedite problem solving. Klavis, Inc. served as the first model case, and I believe it is my responsibility to promote such partnerships further.

*1 The total addressable market of the Company's business

New Business/Product Development Capitalizing on Existing Assets

Moving forward, we believe that digitalization of operations and evolutions in fintech services will further facilitate the flow of transactions and data among corporates, individuals, and financial institutions. The Company will drive this change and consider how to provide services with unique value.

One such initiative is expansion into the area of financing. We are striving to shape a world where businesses can be managed more seamlessly based on a natural flow from the back office to procuring funds and other managerial resources. We also aim to provide individuals with optimal financing services according to their respective life stages by utilizing personal finance and asset data.

Ultimately, we envision offering services that refine the flow of money from corporates to individuals in the most accessible way, prompting those individuals to take financial actions.

Business Overview

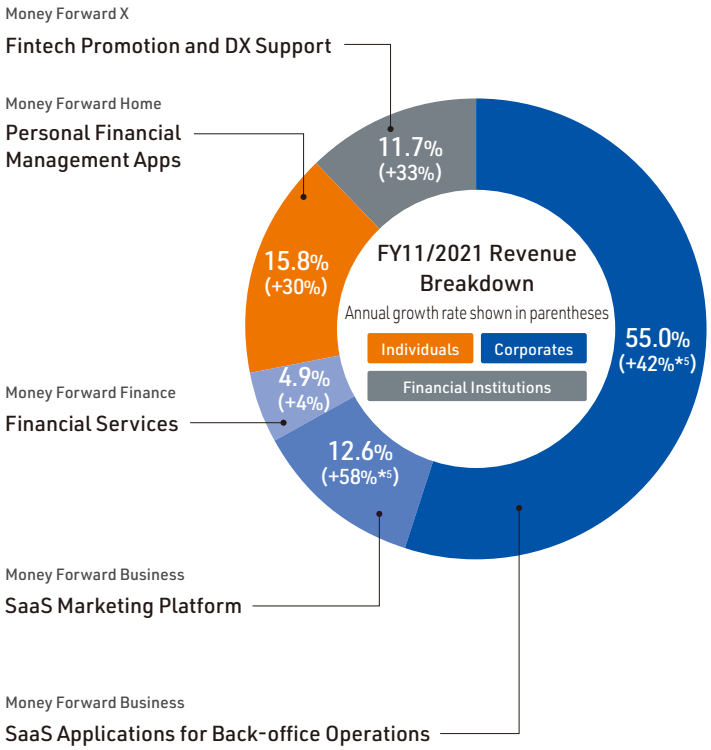
Business Outline

We deploy business catering to corporate and individual customers, and financial institutions. We offer wide-ranging services that build on our customer base, which is among Japan's largest in the field of SaaS × Fintech.

Customer Type	Business Domein	Description	Key Services
Corporates	Money Forward Business SaaS Applications for Back-office Operations	• Provides cloud service for back- office operations (accounting and finance, HR and legal affairs); boosts productivity significantly through shift to cloud and automation • 180,000-plus paying business customers, half of whom are corporate • Covers 70% of Japan's top 100 professional service firms*1	Money Forward Cloud STREAMED Manageboard 2.0 V-ONE Cloud Money Forward IT Management Cloud HITTO
	Money Forward Business SaaS Marketing Platform	• One of Japan's largest SaaS marketing platforms, operated by Smartcamp Co., Ltd.	BOXIL SaaS BALES BOXIL EXPO ADXL
	Money Forward Finance Financial Services	• Money Forward Kessai, Inc. provides B2B deferred payment billing and factoring services • Total transaction volume*2 has exceeded 50.0 billion yen	Money Forward Kessai Money Forward Early Payment SHIKIN SEJKYŪ
Individuals	Money Forward Home Personal Financial Management Apps	• 12 million plus customers; No.1 share in Japan*3 • 360,000 plus paying customers Provides services to improve household finances based on data • Aggregated Asset : ¥17tn*4	Money Forward ME Money Forward Fixed Cost Review Money Forward お金の相談 Money Forward ふるさと納税
Financial Institutions	Money Forward X Fintech Promotion and DX Support	• Joint service development with 71 financial institutions • Provides *Fintech Platform*, which links individual and corporate customers, financial institutions, and fintech companies, using an account aggregation infrastructure	Money Forward X Money Forward Fintech Platform

*1 Calculated by Money Forward, Inc. based on Top 500 Professional Service Firms in 2019 by Monthly ProPartner.
*2 The cumulative amount of receivables that Money Forward Kessai, Inc. has acquired through *Money Forward Kessai*, a B2B deferred payment settlement service, and *Money Forward Early Payment*, an accounts receivable financing service.
*3 Based on an Internet survey by Macromill, Inc. on Personal financial management (PFM) app that one currently uses. Respondents consist of 1,034 PFM app users in their 20s to 60s. Survey period: November 18-19, 2020.
*4 Total financial assets of accounts linked to *Money Forward ME* and *Money Forward X* services catering to individuals, as of November 30, 2021.

Revenue Breakdown



*5 Comparison with results of the full year prior to consolidation.

Products

We have released more than 40 services during the ten years since our founding.

Corporates

SaaS Applications for Back-office Operations

- Money Forward Cloud Tax Return
- Money Forward Cloud Payroll
- Money Forward Cloud Business Registration
- Money Forward Cloud Receivable Billing
- Money Forward Cloud Accounting
- Money Forward Cloud Expense
- Money Forward Cloud Store
- Money Forward Cloud Fixed Assets
- Money Forward Cloud Accounting Plus
- Money Forward Cloud Attendance
- Money Forward Cloud Box
- Money Forward Cloud Contract
- Money Forward Cloud Social Insurance
- Money Forward Cloud My Number
- Money Forward Cloud Payable Management
- Money Forward Cloud HR Database
- Money Forward Cloud Invoice
- Money Forward Company Registration
- Money Forward Pay for Business
- Money Forward Tax-Adjustment
- Money Forward IT Management Cloud
- STREAMED
- Manageboard
- V-ONE Cloud
- HITTO

SaaS Marketing Platform

- BOXIL SaaS
- BOXIL EXPO
- BALES
- BALES CLOUD
- ADXL ADOSHIRU

Financial Services

- Money Forward Kessai
- Money Forward Early Payment
- Money Forward Synca
- HIRAC FUND
- SHIKIN
- SEIKYŪ

Individuals

Personal Financial Management Apps

- Money Forward ME
- MONEY PLUS
- Money Forward お金の相談
- Money Forward おかねせんせい Beta
- Money Forward Career
- Money Forward Fixed Cost Review

Financial Institutions

Fintech Promotion and DX Support

- Money Forward for ○○
- Passbook APP
- MF Unit
- BFM
  Asset management service for financial institutions
- Money Forward Fintech Platform

Our Service 1

Business

We provide integrated management support by streamlining back-office operations such as accounting and finance, personnel labor and contracts for corporate users. We also provide other tools that help managers make decisions and support financing activities. Furthermore, we are proactively developing services that support SaaS marketing.



Business
SaaS Applications for Back-office Operations

Business forward.
Life forward.

Work can be more liberating and fun. Thus, it is necessary to eliminate unessential labor from complex daily tasks and radically change the quality of and time spent on work. We will revamp operations through digitalization and cloud to help create a society where each and every employee can express themselves with passion.



Ryo Shibuya
Executive Officer, Money Forward Business Company VPoE (VP of Engineering)

Masanobu Takeda
Director, Executive Officer, and Executive, Money Forward Business Company COO (Chief Operating Officer)

Kazuya Yamada
Executive Officer, Money Forward Business Company CSO

Mission and Vision

Beyond Operational Efficiency and Convenience—Shaping the Future of Users

Money Forward Cloud is a SaaS application that connects various back-office data to streamline operations in accounting and finance, HR, and legal affairs. We view the back office as a foundation that empowers companies, and thus help turn it into a business strength.

In raising the efficiency of the back office, we embrace our service policy "cloud that touches your heart," and propose solutions that are just half a step away—rather than two or three (which hinders practical understanding)—with the aim of resolving issues in a way that empathizes with users.

Owing to the spread of cloud-based back-office tools, service providers now have access to business data previously restricted to users, creating an environment where vendors can provided further value by utilizing accumulated data. In addition to boosting back-office efficiency with our SaaS applications, we will add value by utilizing such data, for example, to improve companies' credit and support their financing.

Business Opportunities

Steady Cloud Adoption Owing to Reform toward Digitalization and Rapid Spread of Remote Work

According to a survey by Gartner, Inc.* of the US, Japan is positioned as a "resistive country" that is more than seven years behind the U.S. in terms of adopting cloud. Thus, there is ample room for penetration of such services. In addition, the spread of COVID-19 has triggered proliferation of remote work and supportive governmental measures such as IT introduction subsidies, which in turn has led to steady cloud adoption and substantial expansion of the market.

In its interim report DX Report 2, the Ministry of Economy, Trade and Industry warns that existing systems, which are dated and becoming increasingly complicated and obscure, will become barriers to digital transformation (DX). At the same time, the report urges companies to strategically deploy DX with the aim of transforming into digital companies by 2025.

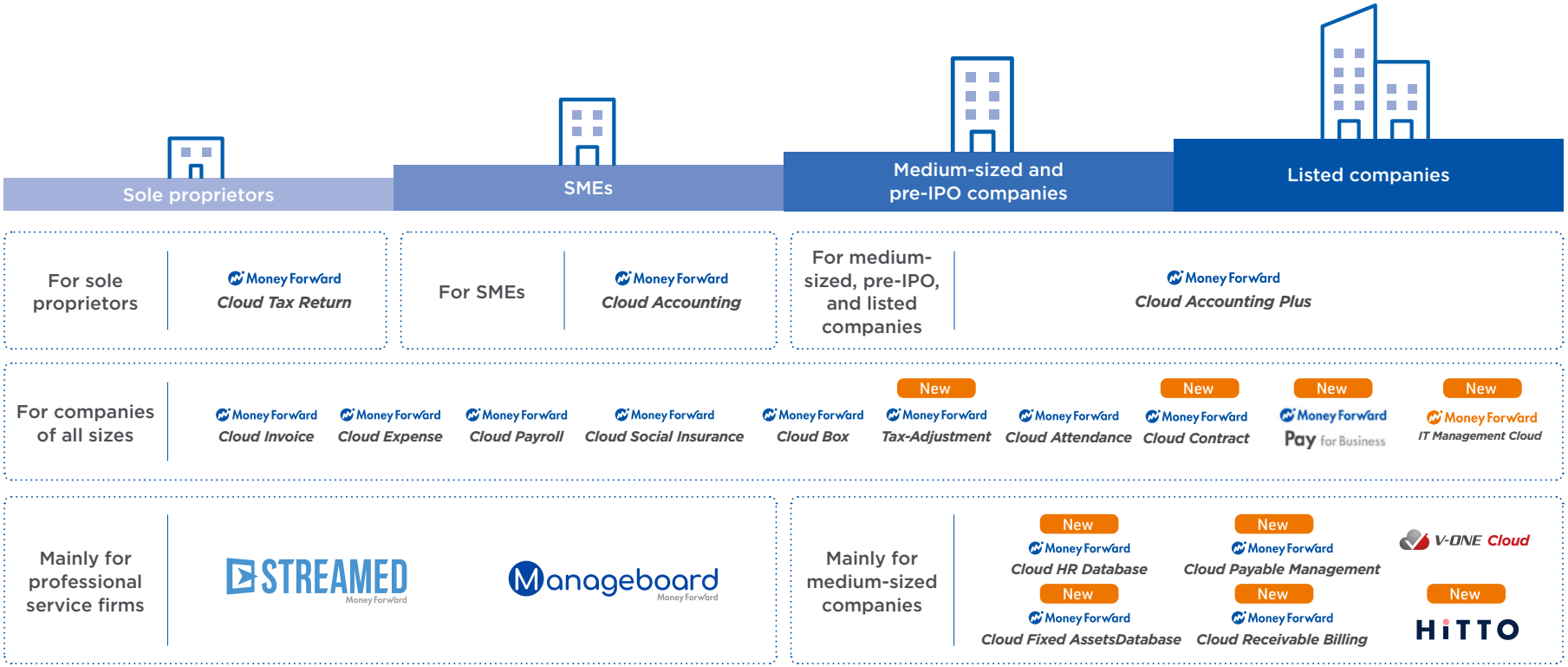
This also underscores expectations that Japan as a whole will pivot toward cloud. Furthermore, the favorable business environment will most likely prevail owing to such factors as the expected rise in demand for replacing existing systems in response to upcoming law revisions, including that of the Electronic Book Preservation Act and introduction of the Invoice System in 2023. Against this backdrop, we anticipate pronounced growth as the leading provider of cloud-based ERP.

* Based on percentage and growth rate of cloud spending in 2022 (by country).

Services

Delivering Products that Meet the Needs of Wide-Ranging Businesses, from Sole Proprietors to Medium-sized Companies

Our first cloud service offering was a tax return and accounting software product targeting sole proprietors and SMEs. We have since expanded our product lineup to support various areas, from accounting and finance, to HR, legal affairs, and IT, of companies in varying growth stages, from startup to post-IPO expansion phase. We have also started offering fintech services that help businesses manage their payments and credit situation, represented by *Money Forward Pay for Business*. We are thus delivering values aside from improving operational efficiency.



* "New" indicates products that were either released in FY11/21 or developed by a company that joined the Group in FY11/21 (as in the case of HiTTO)

Value Proposition

Unrivalled Efficiency and Convenience Leveraging Cloud and Data Connectivity

We capitalize on the features of cloud to raise efficiency in various operations. For example, in the area of accounting and finance, we automate data and journal entries by connecting with an array of services, including banks and credit card services, electronic money, and POS cash registers. In addition, AI suggests account titles based on big data. The more the service is used, the smarter it becomes, expediting automatic data and journal entries. In the area of HR, hiring and resignation procedures as well as attendance of employees can be managed on cloud. Also, by connecting attendance data to the payroll system, payroll calculations and salary payments can be completed via cloud.

Furthermore, multilple users can simultaneously operate the system, whether it be from their PC or smartphone. Unlike conventional packaged software, our services are quickly updated free of charge in response to law revisions or consumption tax changes, as well as for daily service improvements.

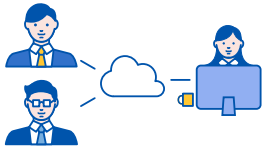
Reduces time and effort of data entry



Gains intelligence through AI



Can be used anytime, anywhere



Data is securely saved



Updates are free



Offers extensive services



Adding Value by Integrating SaaS Applications for Cloud and Data Connectivity Back-office Operations with Fintech

On top of being a tool for boosting workplace efficiency, *Money Forward Cloud* adds value by leveraging accumulated user data.

We released a new fintech service *Money Forward Business Card*, which uses data from *Money Forward Cloud*. The prepaid card is for business use and is issued by Money Forward. Since credit screening is unnecessary, the card can be issued and used immediately. Therefore, even companies in their early stages can make large payments for server fees and other expenses. We also plan to release a deferred payment function, which does not require pre-charging and provides a maximum monthly usage limit of several hundred million yen, calculated using a proprietary credit analysis model based on data of *Money Forward Cloud Accounting*.



For Growing, Medium-sized, or Large Companies

Growing and Medium-sized Companies Are Consumed with Manual Work

Growing and medium-sized companies tend to be consumed with manual work because their back-office structure cannot keep up with the growth of their business. Companies whose business remains unchanged may install a suitable system and continue to use it. However, more commonly, back-office workflows and systems must be upgraded in step with such shifts as launch of new businesses or organizational changes.

Constantly Evolving ERP for Companies Fearless of Change

We resolve issues in users' back-office operations by providing best practices, which advance with the times. While our services cover all corporate activities, including accounting and finance, HR, and legal affairs, they can also be implemented one at a time from areas where users face the most challenges, because they are divided into components. Thus, large enterprises can also easily adopt our services.

In August 2021, we released *Money Forward IT Management*, which solves issues in ID management of companies implementing an increasing number of SaaS. With this addition, our lineup has extended to include products targeting IT departments.

Phased Implementation

The larger a company becomes, the more resources it takes to upgrade a system or install a new one. With this in mind, we have adopted an architecture that allows partial or phased system implementation, for example, starting with only expense claims, or only payroll and attendance. We also offer seamless integration among modules and with third-party services. Our services can be implemented in a way that does not hinder existing operations, and can significantly raise operational productivity.

Raising Brand Awareness in Accounting/Finance, HR, and Legal Affairs

In January 2022, we renewed the TV commercials that we had been broadcasting since October 2020 and created several versions to target different audiences. Through such marketing activities, we aim to gain service recognition not only in accounting but more broadly, including in the areas of HR and legal affairs. We are also distributing a variety of information and holding seminars in preparation for revisions to the Electronic Book Preservation Act and launch of the Invoice System. We are thus working toward boosting awareness as we approach the age of digital invoicing.



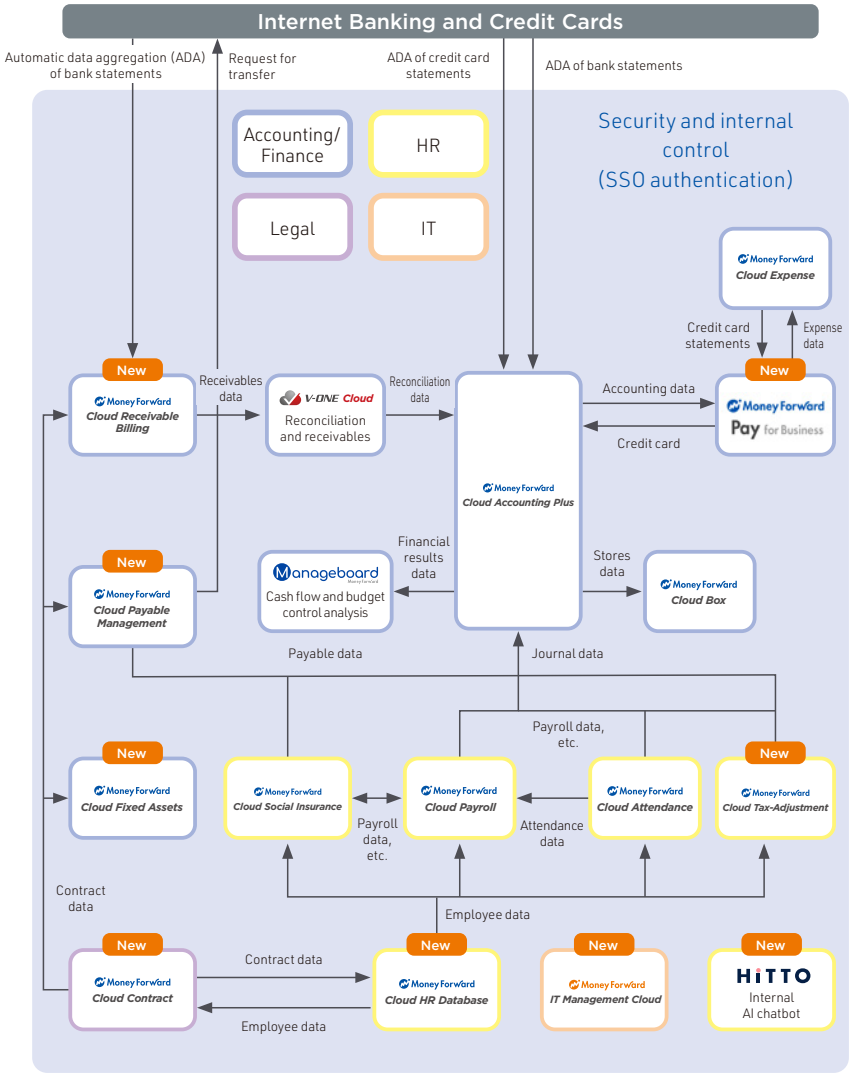
Solving Internal Communication Issues with AI Chatbot *HiTTO*

In December 2021, HiTTO Inc. joined the Group.

The company's product *HiTTO* is an internal chatbot used primarily in HR. It responds automatically 24/7 to employees' inquiries, previously handled by humans.

Back-office issues can extend beyond the back office. We therefore also address the challenges and inefficiencies of communications between back-office personnel and other employees.

Product Lineup that Covers Accounting/Finance, HR, Legal, and IT



* "New" indicates products that were either released in FY11/21 or developed by a company that joined the Group in FY11/21 (as in the case of *HiTTO*).

Professional Service Firms and SMEs

Reinforcing an Environment Where Professional Service Firms Can Fully Exert Their Expertise to Support Companies

We have strengthened partnerships with professional service firms, who are vital partners in resolving SME's managerial issues in areas such as productivity and cash flow. Currently, our services are used by more than 19,000 certified members. 70% of Japan's top 100 professional service firms are using our service. *

Not only is *Money Forward Cloud* a one-stop service that streamlines back-office operations, but its products have been developed with an emphasis on usability for users working at professional service firms.

In addition to offering *Money Forward Cloud* as a service, we aim to be a partner who addresses and resolves various challenges of professional service firms.

* Calculated by Money Forward, Inc. based on Top 500 Professional Service Firms in 2019 by Monthly ProPartner.

Supporting Professional Service Firms and SMEs through Swift, Flexible Responses to Law Revisions

Started Registrations for Qualified Invoice Issuer

Registrations for qualified invoice issuers commenced on October 1, 2021.

Many professional service firms and businesses must take action by October 2023, when the Invoice System comes into effect. In addition to distributing various information, we have released a service that enables easy registration to conform to the upcoming system.

Completely Accommodates the Revised Electronic Book Preservation Act

We rolled out *Money Forward Cloud Box*, which enables the storing of electronic transaction data free of charge, and updated functions for attaching evidence and tracking logs of journal entry edits and deletions in *Money Forward Cloud*, thus meeting all requirements for "preservation by electronic or magnetic records," "preservation by scanner," and "electronic trading" set forth in the revised Electronic Book Preservation Act. *Money Forward Cloud* users can now preserve electronic books safely while reducing paper consumption.

Automated Bookkeeping Frees Up Time for More Meaningful Work (*STREAMED* by Klavis)

STREAMED, which automates journal entries of such paper documents as receipts and passbooks, is currently used by 3,000 professional service firms. It helps create an environment where users can focus on more meaningful work.

Visualizing Management with Accounting Data and Helping Clients Achieve Their Goals (*Manageboard* by Knowledge Labo)

Targeting accounting firms that want to enhance clients' business management, we provide a budget control software product that can easily forecast profit and loss and cash flow by connecting with *Money Forward Cloud Accounting* and various other accounting software products.

Support from Streamlining to Enhancing Operations

Data entry	Accounting processes	Budget control
STREAMED Money Forward	Money Forward Cloud Accounting	Manageboard Money Forward
Automates journal entries of paper data	Automates journal entries and visualizes cash flow	Visualizes budget control and forecasts future cash flow

Sole Proprietors

Connecting *Money Forward ME* Data with Tax Returns

Money Forward Cloud Tax Return integrates *Money Forward ME* data to automatically record journal entries. Those with a second job or business owners can create financial statements required for tax returns by simply extracting business expenses, miscellaneous income, and other relevant data from their household accounting book, and linking that to *Money Forward Cloud Tax Return*.



Covers Additional Tax Return Forms to Support More Users

In *Money Forward Cloud Tax Return*, users can create the Separation Taxation Form and Case of Loss Form from December 2021. This enables more users to file tax returns on their smartphones, including those who booked not just business income but income related to stock transfers or losses.

Business
SaaS Marketing Platform

Promoting DX in Companies by Accelerating SaaS Adoption

Mission and Vision
Small Company, Big Business

SMARTCAMP Co., Ltd., which joined the Money Forward Group in November 2019, believes that big businesses can be achieved regardless of the number of people or amount of goods or money. We want to prove that even a small team can make the world a better place and drive society forward. In keeping with this spirit, our offerings include SaaS comparison site *BOXIL SaaS*, inside sales outsourcing service *BALES*, online exhibition *BOXIL EXPO*, and SaaS digital agency service *ADXL*. Based on our mission to "eliminate inefficiencies in society with technology," we provide solutions and promote adoption of SaaS tailored to each company's challenge, thereby helping to raise operational efficiency and productivity, and drive business growth.

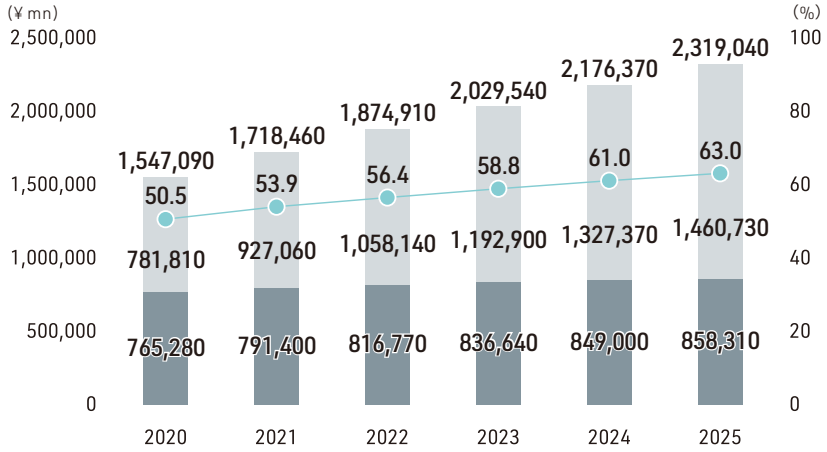


Satoshi Furuhashi
Executive Officer
Chairman of the Board, SMARTCAMP Co., Ltd.
Representative Director,
Money Forward Venture Partners, Inc.

Business Opportunities
Dramatic Growth in Japanese SaaS Market

The Japanese SaaS market has maintained an average annual growth rate of some 13% and is projected to reach approximately 1,460.7 billion yen in 2025, doubling from 2020 levels. Moreover, SaaS implementations per company continue to climb as the SaaS market expands. In particular, Japan is seeing drastic growth in such implementations, with the market growing at an average annual rate of some 130% between 2018 and 2021.

Expansion of SaaS Market



Source: Smart Camp, "SaaS Industry Report 2021", "SaaS Market Size Trends in Japan 2021 Edition" (FY2020 Results, FY2021 Estimates, Forecasts thereafter)

Services

Aiming to Be an Inclusive B2B Marketing Company by Offering Unique Services under the Mission “for SaaS”

BOXIL SaaS

An informative media for comparing and requesting materials of various cloud services for corporates. It offers exhaustive product information, including information on functions and pricing, as well as case studies, and enables users to create comparison charts of multiple SaaS. It also lists credible word-of-mouth reviews by those who led implementations, helping to prevent inefficient SaaS selections.

BALES

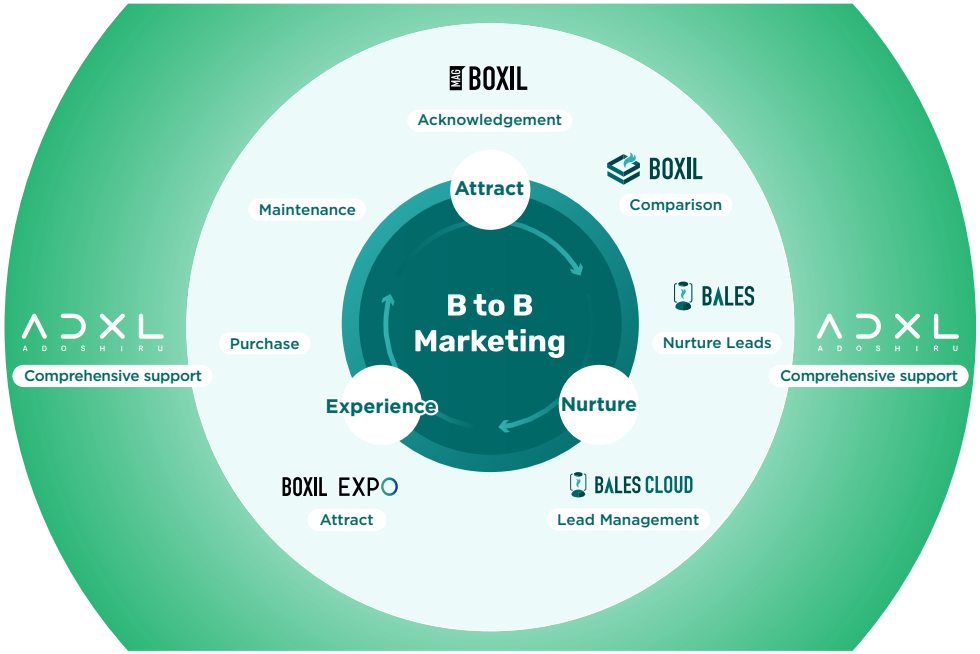
An outsourcing and consulting service for inside sales, which has been gaining attention as a new sales method for streamlining corporate sales in the new era of remote work. We offer end-to-end support, from planning strategies and frameworks, to executing inside sales with our dedicated team. We also offer *BALES CLOUD*, a cloud service that manages and streamlines inside-sales operations, leveraging our know-how accumulated through *BALES*.

BOXIL EXPO

An online exhibition where participants can find the optimal SaaS and other services. We webcast seminars on raising operational efficiency, adopting remote work, and increasing sales, as well as lectures on the latest industry trends by influential leaders in various industries.

ADXL

ADXL, Inc. was established in March 2021 as a subsidiary of SMARTCAMP Co., Ltd. With an underlying mission to “help businesses enrich the world,” *ADXL* is a digital agency that supports SaaS companies’ marketing activities through strategy planning, operation, and execution, as well as data analysis.

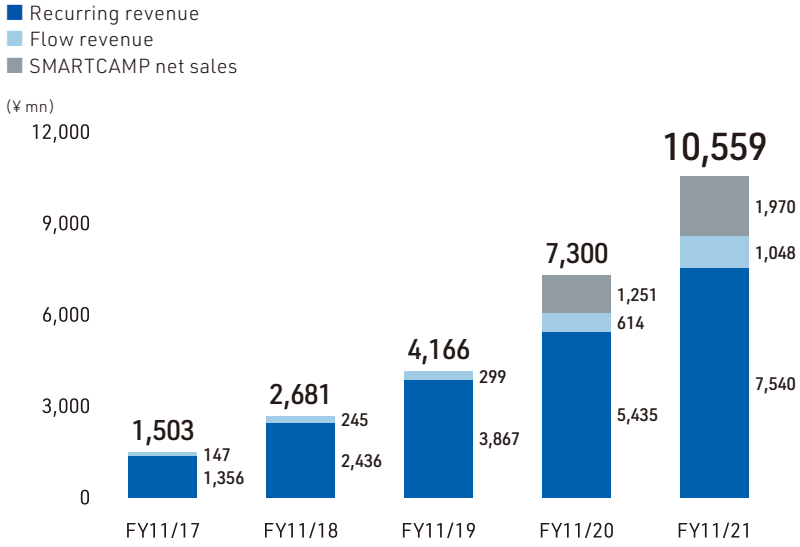


Business Highlights

In FY11/21, net sales continued to grow rapidly, soaring by 45% YoY to reach 10,559 million yen. Growth was driven by recurring revenue of *Money Forward Cloud* and other SaaS applications for back-office operations, which came in at 7,541 million yen, up 39% YoY.

Net sales of SMARTCAMP Co., Ltd. rose steadily to 1,970 million yen, jumping by 58% YoY, fueled by active marketing investments by SaaS companies and successful launches of new services *BOXIL EXPO* and *ADXL*.

Net Sales of Business Domain

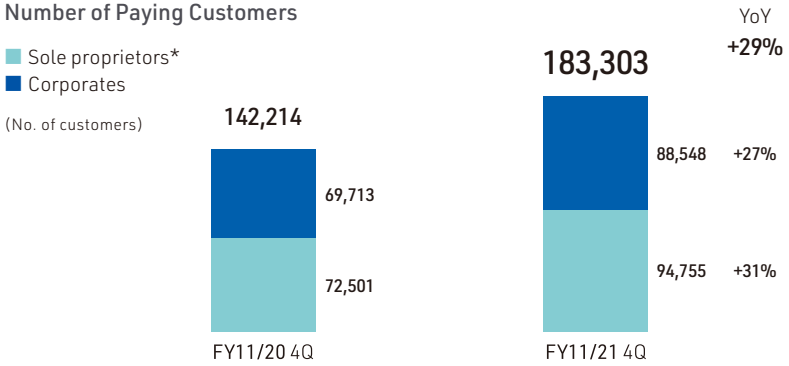


* Recurring revenue is revenue from service fees including for *Money Forward Certified* Membership, *STREAMED*, *Manageboard*, *V-ONE Cloud*, and *Money Forward Certified Member System*.

Trends in KPIs

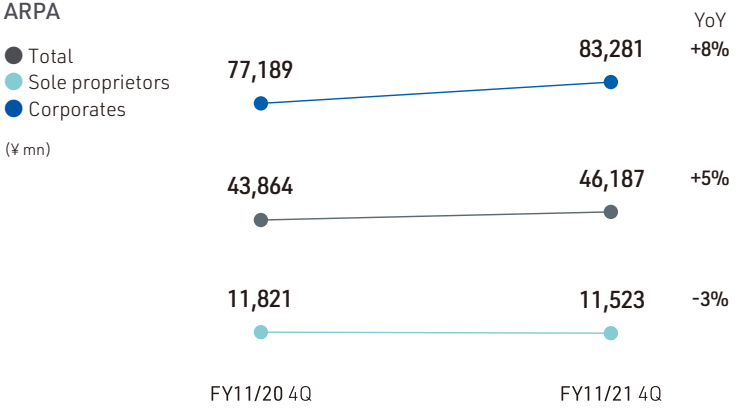
On the back of accelerated customer acquisition, the number of paying customers saw a 1.7-fold increase over the previous year, reaching 183,000 (of which some 88,000 were corporates) as of November 30, 2021. In services for sole proprietors and SMEs, ARPA is following a downward trajectory due to the increase in ratio of annual user subscriptions. However, the proportion of medium-sized companies, which pay a higher unit price, to total corporate ARR increased steadily to 27.2% (+7.4 ppts YoY), with total ARPA and corporate ARPA increasing firmly by 5% YoY and 8% YoY, respectively.

Number of Paying Customers



* The number of paying customers who are sole proprietors is the number of sole proprietors who pay for *Money Forward Cloud* services catering to individuals. The number of corporate paying customers includes business corporations, and professional services firms and their clients that pay for services catering to corporates, including *Money Forward Cloud*, *STREAMED*, *Manageboard*, and *V-ONE Cloud*, as well as professional service firms that pay for *Money Forward Cloud Certified Member System*. SMARTCAMP Co., Ltd. is not included.

ARPA



* ARPA: 12 times the monthly recurring revenue (ARR) of Business domain in the last month of each term.

Our Services 2

Home

We aspire to eliminate people's worries and anxieties about money, and have developed services that are capable of visualizing money as a means of doing so. We complement visualization by helping to resolve the issues users face with options to improve awareness and learn about money and how to handle it.



Home

Mission and Vision

Creating a Society Free of Financial Concerns, and Moving Forward to a Future Where Everyone Can Live True to Themselves

Business Opportunities

Services Tailored to Life Events of Users

Money Forward, Inc. was established with a desire to improve people's access to accurate information or solutions regarding finance. While anyone can encounter financial challenges, details will vary depending on age and financial situation. In a survey targeting *Money Forward ME* users, over 60% of those in their early 20s responded that they are concerned about living expenses, outstripping all other categories. Respondents in their late 20s to early 30s were more likely to be anxious about funds for life events, such as children's education or buying a home, in addition to daily funds. People from their late 30s on were worried about retirement and pensions, with over 70% of those aged 35-65 holding doubts about post-retirement wealth accumulation. However, a common characteristic of financial concerns among all generations is the difficulty in grasping one's financial status because relevant data is scattered. The first service to tackle this was *Money Forward ME*, which now ranks No.1*[1] in this field in terms of number of users.



Tomohiko Kimura
Money Forward Home Company COO

However, our fundamental aspiration is to address the true financial challenges. For many users, financial solutions are out of reach. Such solutions are regarded as difficult or intimidating, and information and tools that ought to be accessible to more people are not. To address this true challenge, we are committed to developing services that conform to our corporate value of User Focus and helping users resolve their challenges.

First, we collaborate with partner companies to provide users with options for improving their personal finance. We started off by proposing solutions related to life insurance, which accounts for a large portion of users' spending, and to switching electric companies, which has little impact on quality of life. Going forward, we intend to deliver services that support wealth formation, targeting users who have successfully improved their personal finances. We also believe we can propose solutions that are intuitive, manageable, and optimal for each and every user by combining data analysis algorithms with sophisticated UI and UX. We will continue to expand our solutions and build systems that make proposals based on data and AI. We will thereby eliminate financial concerns in a feasible way through *Money Forward ME* while empathizing with our users.

Our Business and Value Proposition

Visualizing Users' Financial Situation with *Money Forward ME*

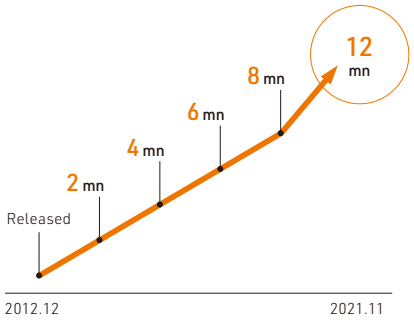
Money Forward ME is a service that uses aggregation technology to consolidate information on personal finances and assets, which was previously scattered, and to visualize the flow of money. Users can link various accounts, including credit card accounts, bank accounts, and e-commerce accounts. The service helps people manage not only daily flow of money but also assets, by connecting with securities accounts. Thus, users can easily check the latest status of their personal finances.

Money Forward ME currently links with over 2,590 services, the most among any PFM (personal financial management) service*[1], enabling us to cover users' specific needs. API connections are also smooth owing to our tight network with

financial institutions. Through these efforts, *Money Forward ME* is now being used by many users, holding the top share and highest brand recognition among PFM apps,*2 with the number of users topping 12 million, and the number of premium paying users topping 360,000.

*1 As of April 30, 2021. (Based on research by Money Forward, Inc.)
*2 Based on an internet survey by Macromill on Personal financial management (PFM) app that one currently uses. Respondents consist of 1,034 PFM app users in their 20s to 60s. Survey period: November 18–19, 2020.

Money Forward ME Users



Service Lineup that Solves Users' Problems

Aside from *Money Forward ME*, which visualizes personal finances, we are encouraging users to take actions that resolve and alleviate financial issues. Specifically, we offer opportunities for raising awareness and learning through *MONEY PLUS*, *Money Forward Week*, and consulting services by financial planners, targeting areas such as funds for daily living, life events including marriage, childbirth, home purchase, and retirement.

In recent years, we have also been providing practical solutions for improving the balance of personal finances, such as *Money Forward Fixed Cost Review*. Through such initiatives, we hope to provide insights and options that prompt users to take actions for improving their financial condition, and to realize our business mission of "creating a society that is free of financial concerns."

Money Forward Week 2021 (November 2021)

A three-day webinar by financial professionals to alleviate individuals' financial anxieties, which are rising in the COVID-19 era.

Money Forward Week
Let's upgrade your financial knowledge.
11.18-11.20 Online


Toshiya Imura
Representative Director of Zeppy Co., Ltd. and investor


Kazushige Okuno
Fund manager, Obune Investment trust


Tetsuro Ii
Representative Director, President, and Chief Investment Officer of Commons Asset Management, Inc.


Naoki Shibata
Co-founder of AppGrooves Corporation and SearchMan


Kohei Morinaga
CEO of Manene, Inc. and economic analyst

(Titles are those at the time of the session)

Increasing Value Proposition

Visualize cash flow	Provide insights	Provide knowledge	Take actions toward improvement
Money Forward ME Service for visualizing personal finances	Money Forward おかねせんせい Beta Advise optimal actions by analyzing *Money Forward ME* data Money Forward お金の相談 Financial planner consultation desk for *Money Forward ME* users	MONEY PLUS Practical economic media	Money Forward Career Career support service specializing in DX talents Money Forward *Fixed Cost Review* Service for improving personal finances

Promoting Business Alliances to Resolve Users' True Challenges

Broad-minded Co., Ltd. HOKEN-ALL Co., Ltd FP Partner Inc. Financial Standard Co., Ltd.	*Money Forward Financial Planning* Service offering free consultation by financial planners (FP). By partnering with multiple financial planning companies, we have built a structure for offering high-quality consultations across Japan. Consultations are carried out efficiently by sharing personal finance data of *Money Forward ME* with FPs. Since our partners Broad-minded Co., Ltd. and Financial Standard Co., Ltd. have independent financial advisors (IFAs), or asset management experts, users can also inquire about purchasing or investing in specific financial products.
SymEnergy Inc.	*Money Forward Fixed Cost Review* (Electricity Service) Those who switch electric companies on *Money Forward ME* can use electricity for 3% less than the rate of plans for consumers of general electric utilities (e.g., Tokyo Electric Power Company Holdings, Inc. or The Kansai Electric Power Company, Incorporated) and can also use *Money Forward ME* premium services for free during the electricity contract period.
LIFENET INSURANCE COMPANY SBI IKIIKI SSI Inc.	*Money Forward Fixed Cost Review* (Life Insurance Service) Provides diagnostic tools for reviewing insurance, while also suggesting life insurance products of the Company's brand. We plan to develop a comprehensive system that enables users to review their insurance and apply for life insurance online. We plan to provide new customer experiences in the areas of PFM and insurance.
TUKURUBA Inc.	Promoting Business Alliance in the Real Estate Field We collaborate with TSUKURUBA Inc. which provides *cowcamo*, a distribution platform for existing and refurbished homes, to create new services that visualize the value of real estate assets and optimize users' lifestyles grounded in those assets.
Susten Capital Management Inc.	Promoting Capital and Business Alliance in the Asset Management Field Users can connect *SUSTEN*, a fully automated asset management service, with *Money Forward ME*. In addition to promoting *SUSTEN* among *Money Forward ME* users, we are jointly developing a function that automatically proposes the optimal asset management method for each individual based on personal finance and asset data retained by Money Forward, Inc.

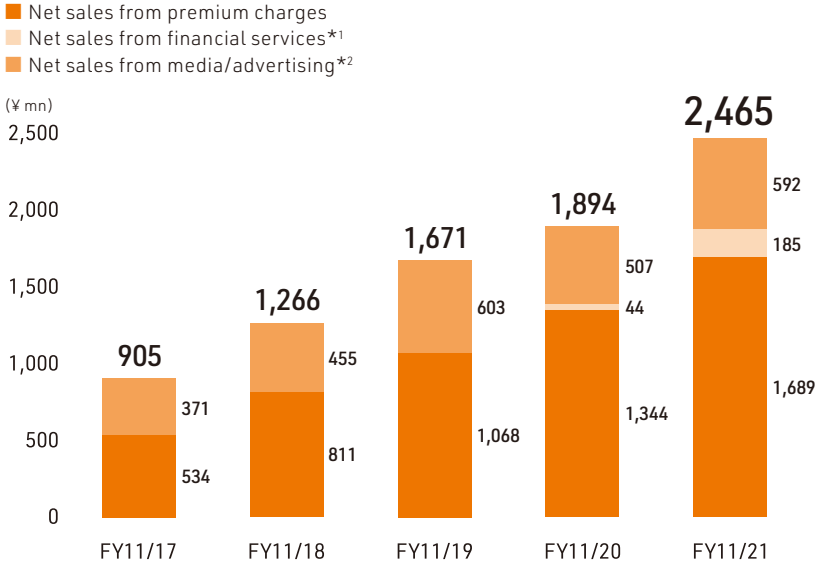
Business Highlights

FY11/21 net sales stood at 2,465 million yen. Revenue from premium paying users of *Money Forward ME*, which is recurring revenue, increased by 26% YoY to 1,689 million yen. Net sales from media/advertising climbed steadily as the number of users rose, growing by 17% YoY to 592 million yen.

Net sales from financial services released during the previous fiscal year, represented by *Money Forward Financial Planning* and *Money Forward Fixed Cost Review*, soared by 324% to 185 million yen, becoming the new pillar for growth.

Net sales from media/advertising sales increased steadily by 13% from the previous year due to steady progress in bringing events online, etc., in the spread of the COVID-19.

Net Sales of HOME Domain



*1 Net sales from financial services include revenues from *Money Forward Financial Planning*, *Money Forward Fixed Cost Review*, and other PFM services.

*2 Net sales from media/advertising include advertising sales from *MONEY PLUS*, a practical economic media, and sponsorships and ticket sales of events (*Money EXPO*).

Our Services 3

X

Money Forward X takes on the various issues of clients and combines Money Forward's technology and design capabilities to create new services that deliver convenience. We are totally adaptable, enabling us to support the resolution of an array of issues.



X

Mission and Vision

Create New Experiences in Financial Service and Bring Forth Prosperity

Money Forward X addresses the various challenges of our clients; in this case financial institutions. With our clients, we create services that deliver new benefits and efficiency by combining our accumulated strengths in design and technology. As a partner in co-creation, we aim to build an open and fair financial platform, which constantly and flexibly evolves.

Business Opportunities

Expanding Partnerships with Financial Institutions

On our own, we can neither build the open and fair financial platform that we envision, nor create new financial experiences that resolve financial issues of each and every individual. It has therefore been essential for us to collaborate with financial institutions and various other partners. Initially, we only provided *Money Forward ME*, a personal finance and asset management service for individuals, and *Money Forward Cloud*, a SaaS application for corporate back-office operations. We now promote product enhancements and customized service developments and implementations tailored to the needs of each client, with a view to addressing the true needs and challenges of financial institutions as well as their individual and corporate customers.



Daisuke Motokawa
Executive Officer and Head of Alliance Strategy; CSO of Money Forward X Company

Hideaki Arai
COO of Money Forward X Company

Our Business and Value Proposition

Promoting DX of Financial Institutions and Their End Users

For individual customers of financial institutions, we offer *Money Forward for XX Bank*, an automated personal finance and asset management service, as well as *Household Accounting Book Unit* and *Asset Management Unit*, functions that can be added on to the apps of financial institutions. We also provide *Passbook App*, which digitizes paper passbooks.

For corporate customers of financial institutions, we offer *Corporate Portal*, a members-only portal site for corporates and sole proprietors, and *Business Financial Management* (or BFM), a fund management service that centralizes management of deposit information.

Currently, a total of 44 financial institutions* utilize our services catering to individuals and corporates.

* As of January 31, 2022.

Promoting Development of Services Tailored to the Various Needs of Financial Institutions and Companies

Based on our aggregation technology, which obtains account balance and other data by linking with financial services, we provide consulting and solutions for design, UX, data analytics, and marketing and promotion.

スマー簿
Jointly developed a PFM app that links with NTT DOCOMO's services, such as d POINTs, and account data of financial institutions.

フィンディ
Function for connecting Findi, an online lending service, with account data of multiple financial institutions.

OneStock
Asset management app. Supports wealth accumulation by visualizing asset life cycle, centralizing asset management, and evaluating assets.

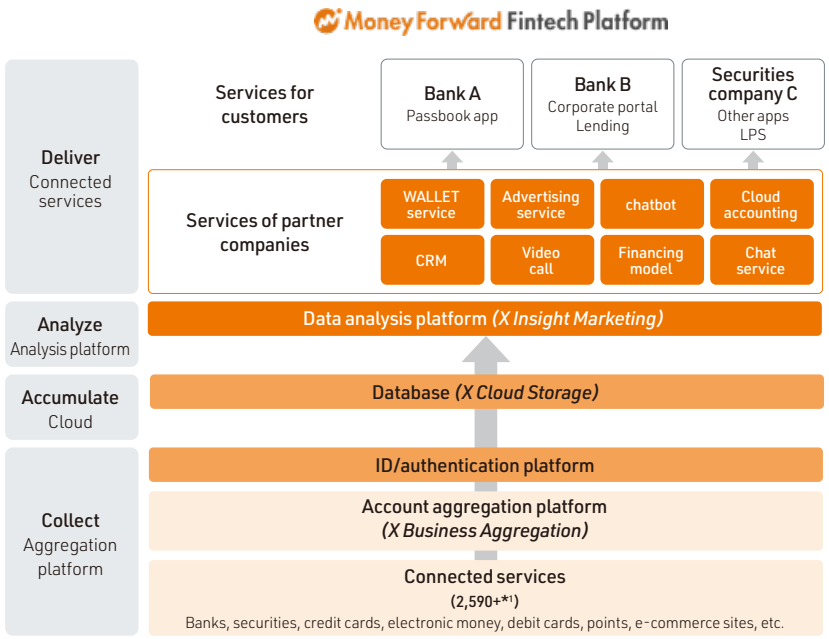
Shizugin WebWallet app
Supports UI/UX design of internet branch apps to meet customer needs.

Operating an Open Platform for Financial Institutions

Under the new normal stemming from the spread of COVID-19, users' needs are rapidly diversifying while shifting toward the digital and online world. Financial institutions, which play a central role in the financial and economic system, are also pressed to transform their business models through digitalization; in other words, to achieve financial DX. On the one hand, there are individuals who enjoy more convenience and companies that have grown markedly by leveraging digital technology. On the other, many SMEs have not gained the full benefits of IT and continue to have relatively low productivity. The Small and Medium Enterprise Agency has also indicated in its 2021 *White Paper on Small and Medium En terprises in Japan* that labor productivity of SMEs is some 50% of that of large enterprises, with the gap continuing to grow.

In partnership with financial institutions, *Money Forward X* provides user-friendly and innovative services to their individual and corporate customers, thereby boosting the operability of individuals and the productivity of corporates. We will continue to operate an open platform so that financial institutions can deliver added value to their customers.

Expanding Services on Open Fintech Platform



*1 As of December 31, 2021.

We launched *Money Forward Fintech Platform* targeting financial institutions in 2021. The platform aims to enhance services for customers of partner financial institutions and further support their DX.

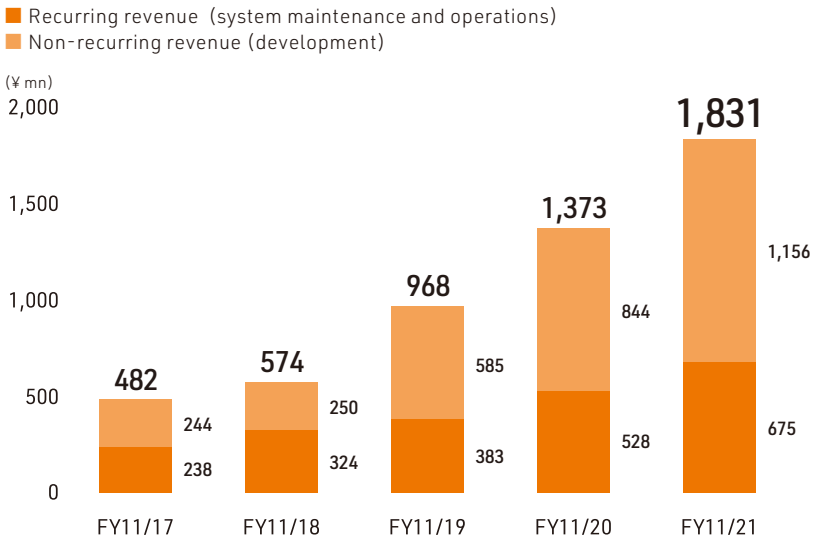
It is a common infrastructure that accumulates and analyzes data from financial services, and connects that data with services provided by fintech and other partner companies. Financial institutions can use this platform to swiftly deliver services that match their strategies or needs.

We have expanded our service lineup to include *data X Insight*, a data analytics platform for corporates, and *XIM-BI*, which offers business intelligence functions. We plan to bolster our service lineup further during the current fiscal year.

Business Highlights

FY11/21 net sales totaled 1,831 million yen, increasing by 33% YoY. We continued to offer our services to 40 financial institutions (as of November 30, 2021), and recurring revenue climbed steadily, up 28% YoY.

Net Sales of X Domain



Our Services 4

Finance

Businesses want to focus on growth without worrying about finance. We want to focus on energetic companies in addressing this desire. We support managers and accelerate corporate growth with services that drive fast, efficient financing activities. We support accelerated corporate growth.



Finance

Mission and Vision

Resolving Companies' Financial Issues and Jointly Moving Their Business Forward

Money Forward Kessai/Biz Forward

The widespread use of the internet has enabled us to make transactions with far more counterparts at a lower cost and faster speed. Yet, no improvement can be seen in the cost or speed of back-office operations, such as credit screening, invoicing and collection, or management of operating cash flow, which are all essential to credit sales. We believe that this impedes the efficiency of business transactions and makes it difficult for companies to focus on their core business.

To resolve this issue, we established Money Forward Kessai, Inc. and are striving to streamline not only back-office operations of companies and sole proprietors, but also their flow of funds.



Naomichi Tomiyama
Executive Officer. Money Forward, Inc.
Representative Director,
Money Forward Kessai, Inc.
Representative Director and President of
Biz Forward, Inc.

Established Biz Forward, Inc., a Joint Venture with MUFG Bankj, Ltd., to Help More Companies Continue to Challenge

Currently, credit information of SMEs, which account for 99.7% of all companies in Japan, is neither sufficiently maintained nor utilized. Companies and financial institutions also face many problems in credit and payment operations. Many companies seem to be hesitant to take on new business opportunities for scores of reasons, such as concerns about debt collections, operational burden, or inability to raise funds when necessary.

To resolve this issue, Money Forward, Inc. (51%) and MUFG Bank, Ltd. (49%) established Biz Forward, Inc. as a joint venture.

Fueled by Money Forward's development and technical capabilities, and MUFG Bank's brand and network, we are committed to providing a wide range of companies with data-driven services that transcend the bounds of conventional financial services. We thus aim to propel all companies toward their challenges and contribute to bolstering Japan's economy.

Business Opportunities

Approaching SMEs Whose Financing Needs Cannot Be Met by Short-term Loans

The annual transaction volume of bill receivables and accounts receivable by SMEs in Japan is some 70 trillion yen. This can be considered the TAM for business process outsourcing (BPO) for invoicing with promising growth opportunity. Meanwhile, the amount transacted through B2B deferred payment services still only accounts for some 100 billion yen, leaving room for such services to become more widely known by collaborating with major financial institutions.

In addition, many SMEs cannot procure enough funds through short-term loans from financial institutions, with the shortage in funds estimated to reach 25 trillion yen on a recurring basis, which translates to TAM for the financing business. Conventional methods of credit screening require extensive operating costs, and moreover, setting a high credit line is difficult for companies lacking a proven track record. Against this backdrop, we believe there is great demand for financing services.

Services

Money Forward Kessai and *SEIKYU+*

Money Forward Kessai and *SEIKYU+* are services that help maintain steady cash flow, essential for business growth. We provide BPO for the entire invoicing process, including credit screening, issuance and delivery of invoices, collection, and follow-up for outstanding payments. We also guarantee* accounts receivable to eliminate concerns that come with credit sales. Accounts receivable can be collected within three business days at the earliest.

Through our services, we offer BPO for the processes necessary in B2B billing with the aim of advancing clients' businesses.

* Only when prescribed conditions are met.

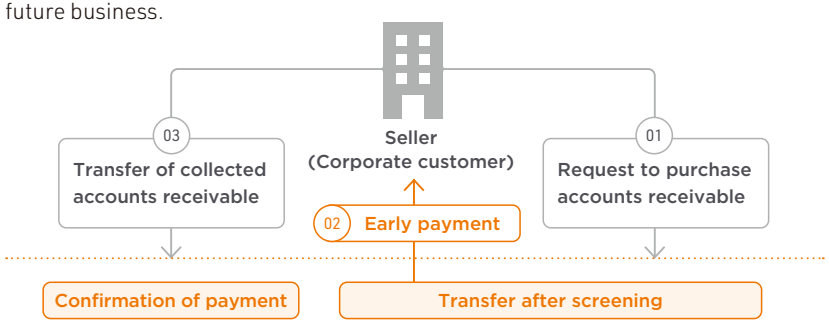
Processes Subject to BPO by *Money Forward Kessai* and *SEIKYU+*



Credit screening | Issuance and delivery of invoice | Collection | Confirmation of payment | Notice for outstanding payment

Money Forward Early Payment and *SHIKIN+*

Money Forward Early Payment and *SHIKIN+* are services that enable early financing of purchase orders and invoices. We offer B2B factoring, which allows a company to receive an amount less a specific fee by selling the company's own accounts receivable. The company need not notify the other party or register for credit transfer, enabling them to easily and quickly secure funds without affecting their future business.



Money Forward Early Payment, SHIKIN+

Growth Strategy

Speedy Service Delivery through Enhanced Credit Screening Model

We are expanding the scope of automatic screening through continuous updates to our transaction screening model. We are thus able to notify customers of screening results within a few seconds at the earliest, or one business day at the latest.

Expanding Target Customer Base

Our primary customer base has been startups and SMEs, but we also plan to strengthen the large enterprise domain. We will develop and provide functions that are essential for large enterprises to deploy *Money Forward Kessai* services. This includes authorization, IP address restrictions, and system enhancements for processing large volumes of transactions. Also, since large enterprises tend to have low default risk, we will expand our product lineup, including services that specialize in BPO for invoicing without the transfer of claims, and services for guaranteed accounts receivable.

Collaboration with and Provision of OEM to Financial Institutions and Large Corporations

We will continue to increase partnerships with financial institutions that have ties with customer bases to which the Money Forward Group does not have access (e.g., regional companies and leading enterprises), as well as with major business corporations. In addition to commission agreements and business matching agreements, we conduct OEM of *Money Forward Kessai*, *SEIKYU+*, *Money Forward Early Payment*, and *SHIKIN+*, and thereby deliver payment services that leverage the brands of our partners.

Furthermore, our partners are the main service provider, with Money Forward Kessai, inc., working in the background and providing systems and accounts receivable guarantees. We thus realize services that combine the credibility of financial institutions with the technology of Money Forward Kessai, Inc. and Biz Forward, Inc.

Money Forward Synca
Synchronizing with the Vision of Evolving with Companies' Management

We aspire to provide high-quality financial advisory services—previously only available to large enterprises—more broadly, targeting growing companies and their management. Under this vision, we offer advice centered on financial and capital policies. Building on the latent needs that we identify, we hope to bring forth new financial solutions to society while collaborating with financial institutions and member companies of the Money Forward Group.

From our clients' seed stage to IPO, we provide truly meaningful support backed by practical experience.



Financial Advisory Service

Ranges from support for developing financial strategies and capital policies to support for financing and creating equity stories in preparation for IPO.



Growing Companies Managerial Support Service

Managerial support from external CFO, and support for establishing management structure and internal controls in preparation for IPO.



Career Support Services

Support for developing hiring strategies and for hiring procedures.

HIRAC FUND
Opening Doors to New Possibilities with Entrepreneurs

HIRAC FUND was launched with a vision of jointly resolving the various issues that clients face in their early stage through the sharing of the know-how of entrepreneurs who are at the forefront of business management.

We primarily invest in domestic and overseas non-listed companies that are engaged in internet or technology businesses at their seed or series A stage. We will leverage entrepreneur communities and the Group's network—where investees can meet, learn from, and grow with peer entrepreneurs—and together carve out a new future with entrepreneurs.

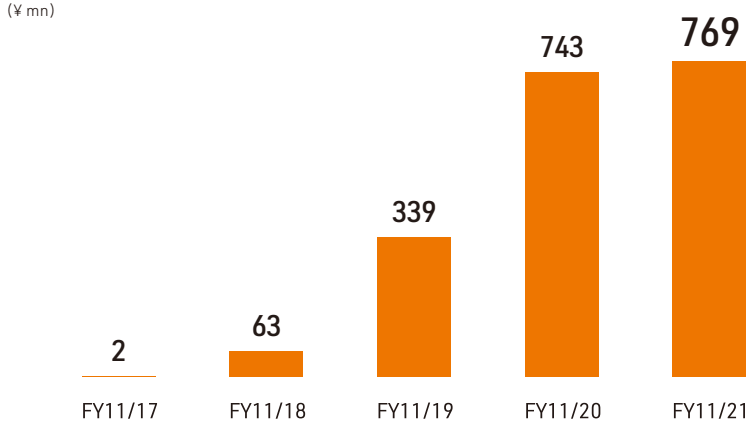
Business Highlights

FY11/21 net sales to talled 769 million yen, increasing by 3% YoY.

Growth was significant in the second quarter on the back of increased demand for factoring, fueled by the spread of COVID-19.

Meanwhile, we are strengthening credit management to adequately understand the impact of the pandemic on financial conditions of businesses.

Net Sales of Finance Domain



Group Joins

Money Forward's M&As (Group Joins)

To realize our mission and vision, we actively drive dynamic growth through M&As, minority investments, and business alliances. Since listing on TSE Mothers in 2017, we have been joined by five excellent companies and have also been making minority investments in over 20 growing companies both in Japan and abroad. We believe that by joining forces, growing companies like our own can mutually raise corporate value and expand business more speedily.

We have set three focal areas in our M&A strategy. First is M&As for increasing our product lineup of SaaS applications for back-office operations in Business domain, which holds the top sales ratio in the Group. Four of our past M&As were executed under this strategy, including that of HiTTO Inc., provider of an internal AI chatbot specializing in HR, which joined in December 2021. Second is M&As aimed at expanding TAM by broadening business coverage, as in the case of SMARTCAMP Co., Ltd., which became part of the Group in 2020. Third is M&As and investments designed to extend TAM geographically, primarily in Southeast Asia. In FY11/21, we made minority investments to startups in Vietnam and Thailand and also acquired additional shares of our strategic partner Mekari, based in Indonesia.*

M&As Focused on Talent and Culture

M&A is an important event for both the acquired company and the company that acquires it, with various risks involved. We believe that to achieve successful M&As, it is critical to have a disciplined investment policy, or more specifically, to acquire companies at a reasonable valuation. Since attractive growing companies have many potential buyers, the approach we take in establishing a deal at a reasonable valuation becomes important. We believe talent and culture to be key. We believe that for companies to continue growing after joining the Group, it is vital that their leader and other key members remain on board. We therefore focus on not only setting quantitative incentives but creating an environment that offers new growth opportunities and challenges to every Group company and individual. Several executive members who joined us through M&As are now engaged in Group-wide management in addition to maximizing growth and synergy of their respective companies.

It is paramount that we instill a culture that welcomes Group companies at the management level as well as among all employees of the Group. This lays the foundation for successful post-merger integrations. For example, immediately after the joining of HiTTO Inc. was announced in 2021, CEO Yosuke Tsuji held a meeting with HiTTO's employees. Since then, we have held internal sessions and social events to introduce HiTTO Inc. to different areas of the Group. Also, both co-CEOs attended Money Forward's management-level boot camp. Aside from onboarding events for new companies, we hold regular morning meetings and assemblies attended by all Group employees and exchange personnel including through mutual secondments. To eliminate any disconnect in information or personnel exchanges among Group companies, and to emphasize that we are partners working toward the same mission, we refrain from using the term "acquisitions" and refer to M&As as "Group joins."

As a result, all companies that joined the Group thus far have been growing at an accelerated pace.



Yumiko Nagao
Head of Corporate Development

Business Area	Strategy	M&A Execution Results
Business/ SaaS applications for back-office operations	❶ Expansion of Product Lineup • Upsell products to existing customers (accounting firms and corporates) for ARR expansion • Expand range of best-in-class solutions to further enhance lineup to medium- to large-sized/pre-IPO companies and listed companies	STREAMED (Nov 2017) Manageboard (Jul 2018) V-ONE Cloud (Oct 2020) New HiTTO (Dec 2021)
	❷ Expansion of TAM (Geographical Expansion) • Pursue future opportunities by accessing cloud back-office SaaS markets in Southeast Asia	mekari (multiple investments since Jan 2018) New FLOWACCOUNT (since Jun 2021) New Bizzi (since Sep 2021)
Business/ SaaS platform	❸ Expansion of TAM (Business Area Expansion) • Provides cloud service for back-office operations (accounting/finance, HR, and legal affairs); boosts productivity significantly through shift to cloud and automation	BOXIL SaaS (Feb 2020)

* Mekari, FlowAccount and Bizzi are of minority investments.

Synergy Created by Joining the Group

	Company Overview	Synergy Created by Joining the Group	
Nov. 2017	**Klavis, Inc.** Established in 2012. Provides *STREAMED*, which converts paper documents such as receipts into digital accounting data within one business day in principle, simply by scanning them. Customers are mainly accounting firms.	*Money Forward Cloud* excels in automating journal entries from digital data, while *STREAMED* excels in the same from paper documents, complementing value proposition. User acquisition, previously a challenge for us, has also accelerated by capitalizing on Money Forward's strong sales network consisting of accounting firms. The cumulative number of users has topped 3,000 firms owing to synergies on both the product and sales front.	**Tatsuya Kanto** Representative Director and CEO Klavis, Inc. 
Jul. 2018	**Knowledge Labo, Inc.** Established in 2013 by certified public accountants and tax accountants. Provides cloud-based budget control software *Manageboard*, which visualizes finances by collecting, analyzing, and projecting managerial data, as well as business administration consulting.	We cross-sell *Manageboard*, released in 2018, to professional service firms that use *Money Forward Cloud* and medium-sized companies that use *Money Forward Cloud ERP*. In our consulting service, we collaborate with Money Forward, Inc. and other Group companies to support growing companies according to their life cycle, from DX in back-office operations to turning around businesses.	**Hidetsugu Kunimi** Representative Director and CEO Knowledge Labo, Inc. 
Nov. 2019	**SMARTCAMP Co., Ltd.** Established in 2014. Supports sales and marketing mainly through SaaS comparison site *BOXIL SaaS*.	The pandemic has driven operational digitalization and DX of companies, raising demand for cloud services. Thus, *BOXIL SaaS* and *ADXL* are growing steadily. Online exhibition *BOXIL EXPO* has become Japan's largest exhibition for SaaS providers, while *BALES* is expanding with new locations in Hokkaido and Fukuoka and contributing to regional revitalization. We collaborate with Money Forward by combining our strengths to deploy back-office support and are also actively exchanging personnel by seconding members in various ranks, from managers to general staff.	**Satoshi Furuhashi** Representative Director and Chairperson SMARTCAMP Co., Ltd. 
Aug. 2020	**R&AC Co., Ltd.** Established in 2004. Provides *V-ONE Cloud* and *Victory-ONE/G4*, cloud services for payment reconciliation and receivables management. Has the largest user base*1 among such software in Japan. Clients include many major domestic companies.	On the sales front, we drive customer crossovers mainly of medium- to large-sized companies. On the product front, we are co-developing *V-ONE Cloud* and *Money Forward Cloud ERP's* receivable billing function. Also, with Money Forward Lab, we are drastically streamlining reconciliations with an enhanced AI function for matching statements.	**Tomoyasu Takayama** Representative Director R&AC Co., Ltd. 
Dec. 2021	**HiTTO Inc.** Established in December 2021. Provides HiTTO, which holds the top share in Japan*2 for internal AI chatbots and is widely used by medium- to large-sized companies. Specializes in HR (e.g., attendance management, tax adjustment, expense claims, welfare) and boosts efficiency in handling internal inquiries.	After joining the Group, we have been collaborating on the sales front, including crossover of customers, consisting mainly of medium-sized companies and large enterprises.	**Tomohiro Igarashi** Representative Director and Co-CEO HiTTO Inc. **Akito Kimura** Representative Director and Co-CEO HiTTO Inc. 

*1 Was No.1 among cloud-based payment reconciliation services in terms of number of corporate users, according to a survey by Shopper's Eye Inc. issued on July 22, 2020.
*2 According to research by Techno Systems Research Co., Ltd. (May 2019)

Driving Services Forward through Teamwork



Business

Marketing Department, SMB Division, Money Forward Business Company

With an aim to promote *Money Forward Cloud* among SMEs, we engage in marketing initiatives, such as advertising management and campaign planning, and in customer success, including support for users' onboarding and product enhancements. Under our overarching mission of "accelerating business growth," we are making every effort to help drive users' businesses forward by positioning the back office, often considered a burden, as the foundation of business.

Design Strategy Office

BX Design Group

The Design Strategy Office is a team centered around the CDO and managers of each design department. We are committed to strengthening the Group's design teams, enhancing product design quality, and promoting branding strategies from a cross-sectional and medium- to long-term perspective. In particular, the BX Design Group is dedicated to corporate branding, and deploys branding initiatives in all dimensions, both internally and externally, through reinforced collaborations with public relations, recruiting, corporate planning, and other departments.





Money Forward Home Company

User Support Department

We respond via email to inquiries about the services offered by Money Forward Home Company and X Company and also manage the user support website. Since we receive feature requests in addition to questions about operations and usage, each one of us readily communicates with the relevant team to prompt the release of the requested features. The team puts user focus into practice by demonstrating teamwork as well as by providing dedicated day-to-day user support.

HiTTO Inc.

Customer Success Team

Our team is dedicated to providing users with end-to-end support, from product implementation and usage to dialogue analyses and contract updates. We feel encouraged and are filled with joy when users nurture and treat our chatbot HiTTO with affection as their co-worker. We will continue our efforts in streamlining administrative divisions as well as in cultivating employee-friendly work environments by creating new internal dialogue initiated by HiTTO.



Moving Society Forward with Soccer Clubs

In 2020, we signed a lead partner agreement with Yokohama F.Marinos and partner agreements with Avispa Fukuoka and Hokkaido Consadole Sapporo of the Japan Professional Football League. This was because we wished to support a society where people can take on challenges, drive society forward, and contribute to the world of sports, which is under pressure amid the pandemic. In 2021, we sponsored Money Forward Day at Yokohama F. Marinos' home game.

The event was organized under the concept of "moving forward with all members of the Marinos family," with co-creation by all fans and supporters as the overriding theme. We also promoted regional DX with sports acting as the hub. For example, with AVISPA FUKUOKA, we held a seminar aimed at promoting DX in the Kyushu region as an official DX partner. Meanwhile, we introduced four *Money Forward Cloud* products to Consadole Hokkaido Sports Club, established by Hokkaido Consadole Sapporo. *Money Forward Cloud* has been implemented by 18 clubs so far.* We thereby continue to push forward the world of sports as well as society at large.

* As of January 28, 2022



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©1992 Y MARINOS

©1996 CONSADOLE

Governance

A stable financial base and robust corporate governance are both key components of the foundation underpinning the Money Forward Group.
We balance offense and defense in building an organization that empowers all Group businesses to move forward.

Discussion
Interview with External Director



Masanobu Takeda
Director and Executive Officer
Money Forward Business Company COO

Akira Kurabayashi
External Director

Aiming to meet the global standards of SaaS corporate management

We will further accelerate our growth by refining our products, improving their intrinsic value to users, and creating an organization capable of executing M&A and PMI.

(Profile of Akira Kurabayashi)
After engaging in venture capital businesses targeting Japan and the U.S. at Fujitsu Limited and Mitsui & Co., Ltd., oversaw investments in Japan at Globespan Capital Partners and Salesforce Ventures. Joined Draper Nexus Partners (now DNX Ventures) and was appointed Managing Director in March 2015 and Managing Partner and Head of Japan in December 2020. Holds an MBA from the Wharton School of University of Pennsylvania and a bachelor and Ph.D. degree from Doshisha University.

Evolution since the Pioneering Days of SaaS

Takeda Mr. Kurabayashi, you've served as an external director since 2018. How do you view the discussions held at the Board of Directors meetings?

Kurabayashi Ever since I was appointed director, Mr. Tsuji and other members have consistently taken the stance of making the most of external directors' inputs. Experts in each field offer excellent insights, to which the management members respond adeptly. I exchange opinions on SaaS with Mr. Takeda, while Mr. Tanaka and Mr. Kurumatani comment on corporate finance, and Ms. Okajima and Ms. Ueda on ESG and talents, striking an ideal balance. Serious discussions and perceptive comments can be observed at every meeting, so I have much to learn. I also look forward to the addition of new perspectives from Mr. Yasutake and Mr. Miyazawa, who were newly appointed.

Takeda You used to be an angel investor of the Company. How did you become an external director? Also, did you anticipate SaaS would become such a sweeping trend?

Kurabayashi Since Mr. Tsuji and I studied abroad at the same university, he consulted me about starting up a business, which prompted me to become an angel investor. At that time, the startup was dedicated to what is now the *Money Forward ME* business. We later spoke again when the Company was launching SaaS for the back office. I had been considering building my expertise in the field of SaaS at an early stage, leaning on my work experience. Yet, it was still hard to find a promising SaaS investee in Japan back then (2013). So when Mr. Tsuji told me he wanted to take on back-office SaaS, I was taken aback, to be honest, and didn't think it would be easy. But I can clearly remember Mr. Tsuji exclaiming, "We can definitely create a great service with our account aggregation technology," at a cafe in Ebisu. I became an external director when the Company went public in 2018.

Takeda So it seems SaaS wasn't yet mainstream back then. I started working with Klavis, Inc. around 2015, and feel that the environment and quality of talents involved have changed drastically since then. But I suppose Japan still lags far behind the U.S. and other countries that are taking the global lead in SaaS.

Kurabayashi Yes, although the gap seems to have narrowed considerably, the U.S. is probably three to four years ahead of us. I felt that the quality of management members involved in Japanese SaaS companies rose notably from around 2018. IPOs by Money Forward, Inc. and other leading companies, such as freee K.K., and Sansan, Inc., opened the door to usher in a host of SaaS in various fields. Previously, career paths were far too uniform in Japan. But I believe an ecosystem was finally established where joining a startup is a common option among young and skilled talents.

Growth Strategy as a SaaS Company

Takeda From your perspective, what is the Company's managerial challenges as a SaaS provider?

Kurabayashi Till a few years ago, I felt that the low average revenue per account (ARPA) was an issue. Unless the Company provides products whose unit price can be raised, it is difficult to achieve the growth expected of a SaaS company, creating a deadlock where shareholders' expectations are not met. Needless to say, it is important to refine products so that they deliver economic value worth their unit price, rather than forcibly marking up the price. As director, I have repeatedly pointed this out at discussions and closely monitored developments. Investing in products can lead to enhanced economic value, which in turn boosts pricing within a reasonable range and contributes to better ARPA. I believe that

such efforts have served to facilitate strategies targeting medium-sized companies and that we are moving in the right direction.

SaaS companies, valued for their growth, tend to face a dilemma where they push their marketing too far ahead of actual product development and fail to deliver true benefits to users. Over the past few years, the Company has aptly balanced investments in both the product and marketing fronts to fuel growth; I think it's wonderful that such efforts are bearing fruit.

Another point to note is the favorable progress of M&As.

Takeda I'm eager to hear about your thoughts on M&As. Do renowned U.S. SaaS companies, for example, tend to respect the business style of acquired firms or impose their own style on such firms?

Kurabayashi I believe it is a mix of both. Companies definitely gauge whether the acquired firm's management can blend in from a cultural perspective and become an active leader. At the same time, they disseminate their own know-how for achieving success. The idea is to expand by merging the best of both companies. Since optimal personnel placement is obviously important, I believe capitalizing on the skills of members of the acquired company, regardless of age or gender, is the right thing to do.

Takeda As the COO of Business domain, I also believe M&A is an effective and meaningful strategy from the perspective of future growth. However, even in cases where an M&A is rational in economic terms, I believe that members on the front line must understand its significance and potential and be prepared to sincerely commit themselves. Yet, I am torn between whether to delay/drop an ideal M&A or not when this criteria isn't met.

Kurabayashi I think that is a rightful concern. Without experience in running a startup, one would likely make a judgement based solely on economic rationality at the time of acquisition, but as a leader, it is vital to consider how to manage the organization to deliver value after the M&A. It's great that the Company is taking a disciplined approach. In other countries, the relevant division leads and sponsors M&A deals, but such countries also have a vast pool of talents, enabling them to set up a team of experts with extensive background in M&As and post-merger integrations (PMIs). In Japan, this is still hard to achieve.

Takeda We would need ample human resources, so it isn't easy.



I believe M&A is an effective and meaningful strategy from the perspective of future growth.

My wish is for Money Forward to lead the Japanese startup industry.



Kurabayashi My wish is for the Company to lead the Japanese startup industry. I believe that for Japan's startup domain to advance, companies managed according to global standards while embracing a corporate purpose need to achieve full-fledged growth rather than being confined to mediocre advances.

To this end, I feel that the role of corporate development in implementing M&As for accelerated growth and driving successful PMIs will become increasingly important. It is also essential to create an environment where members of acquired companies can play an active role. Mr.Takeda, yourself is a great example. This kind of personnel placement is difficult to put into practice.

Takeda Thank you.

Toward Future Growth

Takeda What areas should the Company focus on to achieve further growth?

Kurabayashi As a SaaS company, it is necessary to produce a high growth rate to meet shareholders' expectations, which is difficult to achieve with just one product. Best-in-class SaaS companies readily launch new products as soon as their growth slows. This is challenging from the perspective of management strategy. For example, my previous employer Salesforce offers multiple services, with the number of M&As increasing by year, Slack Japan among them. As the Company's sales grow further to 200 billion yen, 500 billion yen, and 1 trillion yen, it will be necessary to operate while also eyeing such large-scale M&As.

As for the Company's broad business coverage, generating synergies is crucial. How will the Company leverage the value of its fintech business? Once such areas are sufficiently addressed, I believe the Company will advance to the next level.

Also, the Japanese B2B SaaS market still has ample room for growth. Although this market has been gaining traction, its share of companies' total system investment is still small. Digital transformation (DX) in Japan has just begun, with the traditional system integrator (SI) market still expanding. I hope the Company continues to spearhead the ever-evolving SaaS industry.

Takeda I hope so too. Thank you for your time and ongoing support.

Governance

Overview of Corporate Governance

(As of February 21, 2022)

The Company, which offers a platform service as its core business, has adopted an Audit & Supervisory Board system. This is based on the judgement that to ensure managerial efficiency and soundness, it is effective to have in place a structure where the Board of Directors, consisting of directors who are familiar with the Company's business, decides on basic management policies and important business execution, while Audit & Supervisory Board members, with strong legal authority, audit the directors' execution of duties from an independent position. In addition, the Company has voluntarily established a Nomination and Compensation Committee and employs an executive officer and chief officer system.



Hirokazu Ban
Executive Officer and CCO
(Chief Compliance Officer)

Organizational Form		Company with Audit & Supervisory Board
Chairperson of the Board of Directors		Yosuke Tsuji
Directors	Members	10 (among whom 6 are independent external directors, with 5 having experience managing other companies)
	% of Female Members	20%
	% of External Members	60%
	Term of Office	1 year
Audit & Supervisory Board	Members	3 (All are independent external Audit & Supervisory Board members with knowledge and experience in finance and accounting, with 1 also having knowledge and experience in legal affairs)
	% of External Members	100%
	Term of Office	4 years
FY11/21 Board of Directors Meetings	No. of Meetings	17
	Directors' Attendance Rate	100%
	Audit & Supervisory Board Members' Attendance Rate	100%
FY11/21 Audit & Supervisory Board Meetings	No. of Meetings	15
	Attendance Rate	100%
Nomination and Compensation Committee (FY11/21)	No. of Members	4 (among whom 3 are independent external directors)
	% of External Members	75%
	No. of Meetings	8
	Attendance Rate	100%
Executive Officers		15
Chief Officers		CEO, CFO, CTO, CSO, CISO, CDO, CoPA, CLO, and CCO
Accounting Auditors		Deloitte Touche Tohmatsu LLC

Rationale behind Composition of Board of Directors

Upon deliberation by the Nomination and Compensation Committee followed by a resolution of the Board of Directors, the composition of the Board of Directors has been set forth as below.

- The number of directors shall be that deemed appropriate to stimulate deliberations at Board of Directors meetings and make adequate and prompt decisions, in accordance with the provisions of the Articles of Incorporation.
- Independent external directors shall account for the majority of the Board of Directors.
- To promote invigoration of the Board of Directors, the maximum term of office for independent external directors shall be eight years, and in cases where a director is aged 72 by the end of an Annual General Meeting of Shareholders, the director shall resign as of the end of that meeting.
- In order to effectively fulfill the roles and responsibilities of the Board of Directors, well-balanced selections shall be made among individuals with knowledge, experience, and abilities in the areas of corporate management, global business, SaaS/fintech business and industry, investments and M&As, finance and accounting, talent development, legal compliance and risk control, technology, and sustainability and ESG. Such characteristics as gender, diverse national representation, and age will also be considered to achieve member diversity.
- Independent external directors shall also include those with experience managing other companies.
- As for Audit & Supervisory Board members, one or more persons with knowledge and experience in finance and accounting, and one or more persons similarly qualified in legal affairs shall be appointed.

* Skills Matrix of Directors and Audit & Supervisory Board members ▶ P80

Key Matters Deliberated at Board of Directors Meetings (FY11/21)

- Matters relating to directors and executive officers (selection of representative director, selection of Nomination and Compensation Committee, compensation of directors, appointment of executive officers, and appointment of chief officers)
- Matters relating to management in general (annual budget, performance status reports, KPI reports, M&As, investments, and financing = equity offerings and loans)
- Other matters (evaluation of effectiveness of Board of Directors, internal control system status reports, intellectual property strategy reports, IR activity reports, D&I activity reports, compliance reports, and information security activity reports)

Evaluation of Effectiveness of Board of Directors (FY11/21)

From FY11/20, the Company has been evaluating the effectiveness of the Board of Directors and working on improvements based on evaluation results. In FY11/21, the Company continued to entrust a third-party institution with the task of conducting a survey targeting all officers. Items covered in the survey include (1) operation and information provision of Board of Directors meetings, (2) composition and operation of the Board of Directors, (3) supervision and confirmation of strategies by the Board of Directors, (4) risk management, (5) monitoring of corporate ethics and performance, (6) evaluations and compensation of management members, and (7) topics of dialogue with institutional investors (a total of 24 questions). Responses were received from all officers.

Summary of Evaluation Results

As in FY11/20, the average ratings for all items were high, with the Board of Directors being evaluated as generally effective. Overall deviation was low with no significant bias between evaluations by directors and Audit & Supervisory Board members, and by internal officers and external officers.

"Operation and information provision of Board of Directors meetings," which was an item requiring improvement in FY11/20, saw improvement through actions including setting effective agendas for more thorough deliberations at meetings, early provision of materials, and enhancements in material contents.

Initiatives

- Discussions will be held about the provision of officer training targeting those other than newly appointed officers. Regarding newly appointed directors, the Company has started and will continue an initiative whereby directors and business unit heads explain such matters as the Group's current situation and challenges.
- To raise corporate value by responding to issues related to sustainability, the Sustainability Committee, established on February 17, 2022, will hold regular discussions with external directors and business unit heads and will also report to the Board of Directors as necessary.
- Regarding non-financial information, the Company will enhance content subject to information disclosure in its integrated reports and on its corporate website, while also expanding the scope of information disclosure and provision in English.

Director and Audit & Supervisory Board Member Compensation

Director Compensation	Maximum Pool	500 million yen or less per year * The total amount of monetary compensation receivables for granting restricted stock to eligible directors is set at 200 million yen or less per year
	Type	Base compensation (i.e., fixed monetary compensation), non-monetary compensation, etc. (i.e., restricted stock compensation)
Audit & Supervisory Board Member Compensation	Maximum Pool	50 million yen or less per year
	Type	Base compensation (i.e., fixed monetary compensation)

Basic Policy for Director and Audit & Supervisory Board Member Compensation

Directors' compensation consists of base compensation and stock compensation. The former is fixed monetary compensation in accordance with one's role to encourage thorough execution of duties. The latter is distributed as restricted stock (RS) and positioned as an incentive to raise corporate value in the medium to long term by sharing value with shareholders and raising directors' awareness of stock price.

At the Annual General Meeting of Shareholders held on February 21, 2022, it was resolved to maintain the annual upper limit for directors' compensation at 500 million yen while altering its breakdown. More specifically, the total amount of monetary compensation receivables for granting RS to directors was set to 200 million yen or less per year. By increasing the proportion of RS to directors' compensation, the Company aims to share values with shareholders further and urge directors to take stock performance into account, ultimately boosting corporate value in the medium to long term.

Meanwhile, Audit & Supervisory Board members' compensation is composed solely of base compensation in the form of a fixed monetary compensation in accordance with their responsibilities for sufficiently executing the functions of auditing and supervising management and business execution.

Process of Determining Compensation of Each Director

Individual directors' compensation is deliberated by the Nomination and Compensation Committee, set up on a voluntary basis, within the upper limit resolved at the General Meeting of Shareholders. Based on the committee's proposal, the Board of Directors determines such matters as the composition, level, and maximum pool of compensation. Directors' compensation is set at a level that appropriately compensates for sufficiently executing the Company's managerial decision-making and supervision functions, taking into account social and market conditions, as well as comparison with other companies. To ensure the transparency and objectivity of evaluations and decision-making processes related to compensation, the Nomination and Compensation Committee is delegated by the Board of Directors to determine the amount of compensation for each director. Decisions are made by considering resolutions of the Board of Directors including on composition, level, and maximum pool of compensation, as well as the responsibilities to be fulfilled by each director (including capabilities and performance in the case of the representative director and executive directors) based on the director compensation table for respective positions.

Process of Determining Compensation of Each Audit & Supervisory Board Member

Individual Audit & Supervisory Board members' compensation shall be determined upon discussion by the Audit & Supervisory Board within the upper limit resolved at the General Meeting of Shareholders.

Total Amount of Compensation in FY11/21

Title	Total Compensation, etc. (¥mn)	Breakdown by Compensation Type (¥mn)			No. of Eligible Officers
		Base	Performance-based, etc.	Non-monetary, etc.	
Directors (External Members)	140 (45)	105 (35)	–	35 (10)	12 (5)
Audit & Supervisory Board Members (External Members)	23 (23)	23 (23)	–	–	3 (3)
Total (External Members)	164 (69)	129 (59)	–	35 (10)	15 (8)

* The table above includes three directors who resigned as of the end of the ninth Annual General Meeting of Shareholders held on February 26, 2021.

Basic Policy on Compliance

The Group believes compliance to be a precondition for conducting its corporate activities. For the Group, compliance involves deploying business activities based not only on laws and regulations and internal rules but also on high ethical standards.

The Group has established the *Money Forward Group Compliance Manual*, which sets forth basic action principles on compliance that all officers and employees of the Group must put into practice. At the same time, the Group is striving to cultivate a culture of compliance and to have all members of the Group habitually and naturally demonstrate compliance in their business activities.

Compliance Promotion Structure

The Group has established the Group Compliance Rules that stipulate such matters as control policies, structure, and codes of conduct regarding compliance. In addition, a chief compliance officer (COO) has been appointed to promote the Group's compliance-based management. To achieve this end, a Compliance Meeting is held once every quarter, in which the CCO develops plans for various initiatives aimed at enforcing compliance and reports on their status, and also reports on and discusses matters and developments in laws and regulations that require attention in daily operations from the perspective of compliance.

Internal Reporting System

The Group has established the Group Internal Reporting Rules, which clearly emphasize confidentiality and prohibition of retaliation, and has set up an Internal Reporting Office accessible to all officers and employees of the Group. The system allows them to directly report and consult on conduct or possible conduct related to compliance breaches and harassment within the Group, and comprises an internal contact as well as a full-time external auditor and external lawyer.

Activities for Eliminating Anti-Social Forces

As basic principles for severing and eliminating any relations with anti-social forces, the Company has formulated and disclosed the Basic Policy on Preventing Damage by Anti-social Forces. Under this policy, the Group has enacted the Group Rules on Anti-social Forces, which includes investigating business partners, employees and officers, and other counterparts for any ties with anti-social forces, and introducing provisions for the exclusion of anti-social forces in trade agreements and contracts.

Activities for Preventing Bribery

The Company has formulated and disclosed the Group Basic Policy on Bribery Prevention as basic principles to prevent the offering of bribes to civil servants, among others, as well as for building fair and transparent relationships, devoid of corruption, with users and business partners. Based on this policy, the Group Basic Rules on Bribery Prevention has been enacted throughout the Group to obligate such matters as the prohibition in principle of offering bribes to civil servants and other third parties, and with regards to exceptional cases, the procedures for prior approval and post reporting as well as the recording and preservation of such acts.

Compliance Training

The Group provides a variety of compliance training for officers and employees to impart knowledge and raise awareness of compliance. Specifically, all Group employees receive training, with instruction from the CCO, on general compliance matters during new hire orientation. In addition, at the time of joining the Group and on a regular basis thereafter, they enroll in online training based on the *Money Forward Group Compliance Manual*, insider trading and information management, harassment, and information security and personal data protection. The Group also carries out tests to assess understanding. Furthermore, various compliance training sessions on specific topics (e.g., presentation methods, subcontract laws, trademark rights, and copyrights) are offered as necessary to address laws and regulations and internal rules associated with daily operations.

Survey on Efforts to Enforce Compliance

The Company has included queries on compliance in the MF Group Survey (i.e., an employee engagement survey)—carried out twice a year to objectively understand the Group's issues—and analyzes the responses to make improvements. In addition, the Company regularly carries out surveys on compliance to identify concerns regarding compliance issues that are not raised in internal reports and to foster awareness of compliance among all officers and employees of the Group.

Executives

(As of March 30, 2022)



Yosuke Tsuji

Representative Director, President and CEO

Background

Graduated Faculty of Agriculture, Kyoto University. Joined Sony Corporation in 2001. Seconded to Monex, Inc. in 2004. Obtained MBA at Wharton School, University of Pennsylvania in 2011. Established Money Forward, Inc. in 2012, and was appointed representative director and CEO. Currently serves as an executive officer of the Japan Association of New Economy (JANE), executive committee member of the Silicon Valley Japan Platform (SVJP), and first-term nominated member of the Japan Association of Corporate Executives (KEIZAI DOYUKAI)



Naoya Kanesaka

Director, Executive Officer and CFO

Background

Joined Goldman Sachs Japan Co., Ltd. in 2007 after graduation of Faculty of Economics, The University of Tokyo. Worked at the Tokyo and San Francisco offices, during which time he was involved in advisory services for cross-border M&As and fund procurement mainly in the technology and financial industries, as well as in enhancing value of investee companies. Joined Money Forward, Inc. in 2014. Appointed director in 2017. Appointed representative director of Money Forward Synca, Inc. in September 2019. Serves as representative partner of HIRAC FUND of Money Forward Venture Partners, Inc., established in May 2020.



Takuya Nakade

Director, Executive Officer, Head of D&I and CTO

Background

Joined Jupiter Shop Channel Co., Ltd. in 2001, where he led development, maintenance, and operations of order management and CRM systems as IT manager. Joined Simplex Inc. in 2007 and engaged in development, operations, and maintenance of stock trading systems for securities companies. Led the development of an FX dealing system as an architect and product manager. Joined Money Forward, Inc. in 2015, and developed financial systems. Appointed CTO in 2016.



Masanobu Takeda

Director, Executive Officer and Money Forward Business Company COO

Background

Joined an internet advertising agency in 2001, where he engaged in strategy marketing. Joined Macromill, Inc. in 2003, and was appointed director in 2008. Was mainly in charge of corporate planning and led the company's corporate and HR strategic planning, M&As, and new business development. Joined eole Inc. in 2012, where he served as director and head of corporate planning. Has been serving as director and CFO of Klavis, Inc. since 2016, and joined Money Forward, Inc. in 2017 at the time of the acquisition.

External Directors



Masaaki Tanaka

External Director;
Vice Chair, Board of Councilors, US-Japan Council; Former Chairman, President & CEO, Nippon Paint Holdings Co., Ltd.

Background

Masaaki Tanaka has over 40 years of experience in the finance industry, beginning his career at the Mitsubishi Bank (currently MUFG Bank). His previous senior roles include Representative Director and Deputy President of Mitsubishi UFJ Financial Group, President and CEO of Union Bank, N.A. and Senior Managing Executive Officer and CEO for the Americas of The Bank of Tokyo-Mitsubishi UFJ, Ltd. He was also a board member of Morgan Stanley from 2011 until 2015. He has served as a member of Financial System Council of the Financial Service Agency and various other governmental organizations. From September until December of 2018, he was President and CEO of Japan Investment Corporation. Mr. Tanaka was appointed Executive Chairman of the Board of Nippon Paint Holdings Co., Ltd. in March 2019, Chairman, President & CEO in January 2020, and served as Adviser from April until June 2021. He was appointed as Advisor to the Dean, Graduate School of Economics, The University of Tokyo in October 2021. He has also served as Vice-Chair of the Board of Councilors of the US-Japan Council since 2013.



Akira Kurabayashi

External Director; Managing Partner and Head of Japan, DNX Ventures

Background

After engaging in venture capital businesses targeting Japan and the U.S. at Fujitsu Limited and Mitsui & Co., Ltd., Akira Kurabayashi oversaw investments in Japan at Globespan Capital Partners and Salesforce. Joined Draper Nexus Partners (now DNX Ventures) and was appointed Managing Director in March 2015 and Managing Partner and Head of Japan in December 2020. Holds an MBA from Wharton School of University of Pennsylvania and a bachelor and Ph.D. degree from Doshisha University. Is the author of *Corporate Venture Capital no Jitsumu* [Corporate Venture Capital in Practice] (CHUOKEIZAI-SHA HOLDINGS, INC.).



Etsuko Okajima

External Director; CEO, ProNova Inc.

Background

Etsuko Okajima is a professional in human capital management and executive-level leadership development. She founded ProNova Inc. in 2007 and has been serving as CEO. Earlier in her career, she worked at Mitsubishi Corporation and McKinsey & Company. She also worked at the Globis Group and was involved in establishing Globis Managment Bank, Inc., where she served as President from 2015. She holds an MBA from Harvard University.



Ryoko Ueda

External Director;
Associate Professor, SBI Graduate School

Background

After joining Mizuho Securities Co., Ltd., Ryoko Ueda was seconded to Japan Investor Relations and Investor Support, Inc. (J-IRIS). Subsequently served as special research fellow of Financial Research Center of FSA. After working at Mizuho International plc (London), she was appointed senior researcher at J-IRIS. Has served as associate professor at SBI Graduate School since March 2020. Holds a Ph.D. in policy research. Has served as a committee member of governmental and international organizations including Growth Strategy Council - Investing for the Future/ Council for Advancing Structural Reform under Prime Minister of Japan and His Cabinet, The Council of Experts Concerning the Follow-up of Japan's Stewardship Code and Japan's Corporate Governance Codes under the FSA, and Management Commentary Consultative Group of IFRS Foundation.



Hiroaki Yasutake

External Director
Director, Japan CTO Association

Background

Hiroaki Yasutake joined MDM, Inc. (currently Rakuten Group, Inc.) a year after its foundation and has contributed to its rapid growth as head of engineering from his standpoint as Executive Officer and Director, having been involved in the development of various services since starting with the development of the "RMS" ASP service for opening stores, which is the foundation of the Rakuten marketplace. Furthermore, he has also focused on internationalizing the engineering team, strengthening collaborative relationships between Rakuten Group engineers around the world. After retiring from his director's position at Rakuten, Inc., he moved to the United States, where he founded Junify Corporation, where he currently serves as CSO. He is also a Director at the Japan CTO Association, where he focuses on initiatives for empowerment of engineers.



Gen Miyazawa

Yahoo Japan Corporation
Director, Managing Corporate Officer

Background

Gen Miyazawa founded Sirius Technologies, Inc. When it was acquired by Yahoo Japan Corporation, he joined that company where he served as a corporate officer responsible for the search service and the media service, including top pages and news. In October 2019, he was appointed Director of Yahoo Japan Corporation and in October 2020 he was appointed as head of the company's Corporate Group, where he is responsible for corporate fields in general, such as finance, accounting, legal affairs, and human resources.

Skill Matrix for Directors and Audit & Supervisory Board members

		Corporate management	Global business	Understanding of business and industry (SaaS・fintech)	Investment/ M&A	Finance/ Accounting	Technology	Human resource development	Legal affairs/ Compliance/ Risk management	Sustainability/ ESG
Internal Directors	Yosuke Tsuji	●		●	●			●		
	Naoya Kanesaka	●		●	●	●				
	Takuya Nakade	●					●	●		●
	Masanobu Takeda	●		●	●			●		
	Masaaki Tanaka	●	●			●			●	
	Akira Kurabayashi	●	●	●	●					
	Etsuko Okajima	●		●				●		●
	Ryoko Ueda		●			●			●	●
	Hiroaki Yasutake	●	●		●		●			
	Gen Miyazawa	●			●			●		●
Audit & Supervisory Board Members	Yozo Ueda	●		●		●			●	
	Katsuyuki Tanaka				●	●			●	●
	Hidetoshi Uriu	●	●		●	●				

For each officer, the matrix maps four fields in which the Company expects each officer to contribute to discussions at the Board of Directors meetings, in light of that person's specific knowledge, experience, etc.

Reason for Appointment

Masaaki Tanaka

Masaaki Tanaka has been engaged in the management of Mitsubishi UFJ Financial Group, Inc. for many years. He has abundant experience and broad expertise in the finance field. He has served in positions including President and Chief Executive Officer, and Director at large listed financial institutions in the U.S. He also has assumed office as Chairman, President & CEO of a large global company. He is a manager with a wealth of knowledge and experience in international business management. In addition, he has an in-depth knowledge of corporate governance, having participated in working groups of the Financial Services Agency such as the Council of Experts Concerning the Follow-up of Japan's Stewardship Code and Japan's Corporate Governance Code. He provides supervision and valuable advice on the Company's management from an independent and objective standpoint as an External Director, mainly on issues concerning global strategy, M&A and investments, finance, and governance.

We expect him to continue providing supervision and valuable advice on the Company's management, mainly on issues concerning global strategy, M&A and investments, finance, and governance. In addition, we expect him to contribute to increasing transparency of the Board of Directors and strengthening its oversight function. The Company expects him to be involved as a member of the Nomination and Compensation Committee from an objective and neutral standpoint in the selection of candidates for Director of the Company and the determination of remuneration, etc. for Directors.

Although the Company borrows from MUFG Bank, Ltd., Mr. Tanaka has retired from all of his positions of the bank and we believe that his independence is unaffected.

Akira Kurabayashi

Akira Kurabayashi has a wealth of investment experience in new businesses in Japan and overseas. Based on his extensive knowledge of SaaS companies as a top expert of investment in the SaaS area, he provides supervision and valuable advice on the Company's management from an independent and objective standpoint as an External Director, mainly on issues concerning Business domain and M&As and investments. In addition, we expect him to contribute to increasing transparency of the Board of Directors and strengthening its oversight function.

Etsuko Okajima

Etsuko Okajima has abundant experience, knowledge and broad expertise as a professional in human resources development, organizational management and other related fields. She provides supervision and valuable advice on the Company's management from an independent and objective standpoint as an External Director, mainly on issues concerning human resource development and sustainability.

We expect her to continue providing supervision and valuable advice on the Company's management, mainly on issues concerning human resource development and sustainability. In addition, we expect her to contribute to increasing transparency of the Board of Directors and strengthening its oversight function. The Company expects her to be involved as a member of the Nomination and Compensation Committee from an objective and neutral standpoint in the selection of candidates for Director of the Company and the determination of remuneration, etc. for Directors.

Ryoko Ueda

Ryoko Ueda has abundant experience, knowledge and broad expertise concerning corporate governance, having participated in working groups of the Financial Services Agency such as the Council of Experts Concerning the Follow-up of Japan's Stewardship Code and Japan's Corporate Governance Code as a professional in corporate governance. She provides supervision and valuable advice on the Company's management from an independent and objective standpoint as an External Director, mainly on issues concerning governance.

In addition, we expect her to contribute to increasing transparency of the Board of Directors and strengthening its oversight function. The Company expects her to be involved as a member of the Nomination and Compensation Committee from an objective and neutral standpoint in the selection of candidates for Director of the Company and the determination of remuneration, etc. for Directors.

Hiroaki Yasutake

In addition to abundant experience, knowledge and broad expertise concerning internet-related markets, where the Group's businesses are being developed, he also has abundant knowledge and experience in the fields of technology and IT.

In addition, as a business manager, he also has abundant knowledge and experience concerning international business management. As such, we expect him to provide supervision and valuable advice on the Company's management from an independent and objective standpoint, drawing from his knowledge and experience of the technology and IT fields and of international business management.

Gen Miyazawa

In addition to abundant experience, knowledge and broad expertise concerning internet-related markets, where the Group's businesses are being developed, as a business manager Gen Miyazawa also has abundant experience in managing an internet company, having founded his own company and served as a Corporate Officer and Director of Yahoo Japan Corporation. As such, we expect him to provide supervision and valuable advice on the Company's management from an independent and objective standpoint, drawing from his abundant experience and knowledge of internet-related markets and corporate fields in general.

Furthermore, Yahoo Japan Corporation's parent company, Z Holdings Corporation, is operating business in the finance field, which is the business domain of the Group. However, there are currently no businesses in which Yahoo Japan Corporation and the Company compete directly, and we judge that there are no concerns of a competitive relationship. In deliberations at Board of Directors' meetings, if a competitive relationship or conflict of interest is recognized, we plan to exclude Mr. Miyazawa from the deliberation of that item.

Audit & Supervisory Board Members



Yozo Ueda
Full-time External Audit and Supervisory Board Member



Katsuyuki Tanaka
External Audit and Supervisory Board Member
Partner at Tokyo Seiwa Sogo Law Firm



Hidetoshi Uriu
External Audit and Supervisory Board Member
Director and COO, VisasQ Inc.

Executive Officers and Chief Officers



Toshio Taki
Executive Officer
Head of Sustainability, CoPA (Chief of Public Affairs), and Head of the Money Forward Fintech Institute



Takashi Ichikawa
Executive Officer and CISO (Chief Information Security Officer)



Hirokazu Ban
Executive Officer and CLCO (Chief Legal & Compliance Officer)



Tatsuya Kanto
Executive Officer and CSO and Money Forward Home Company COO;
Representative Director and CEO, Klavis, Inc.



Daisuke Sergio Ito
Executive Officer and CDO (Chief Design Officer)



Masakazu Sekita
Excutive Officer and CLO (Chief Legal Officer)

Executive Officers of Respective Areas

Kiminobu Tahira
Executive Officer and Cross-company Business Head

Kazuya Yamada
Executive Officer and Money Forward Business Company CSO

Naoki Kuroda
Executive Officer and Fukuoka Office Head
Head of Pay Business Division

Daisuke Motokawa
Executive Officer, Head of Alliance Strategy and Money Forward X Company CSO

Shun Matsuoka
Executive Officer and Accounting Department Manager

Naomichi Tomiyama
Executive Officer;
Representative and Director and President, Money Forward Kessai, Inc.

Seiko Harada
Executive Officer and Cross-functional Business Head;
Representative Director and President, ADXL, Inc.

Ryo Shibuya
Executive Officer and Money Forward Business Company VPoE (VP of Engineering)

Satoshi Furuhashi
Executive Officer;
Representative Director and Chairman, SMARTCAMP Co., Ltd.;
Representative Director, Money Forward Venture Partners, Inc.

Fact & Data

Financial data/Stock information/Company information

Statement of Income

(¥ mn)

	FY11/13 (Nonconsolidated)	FY11/14 (Nonconsolidated)	FY11/15 (Nonconsolidated)	FY11/16 (Nonconsolidated)	FY11/17 (Consolidated)	FY11/18 (Consolidated)	FY11/19 (Consolidated)	FY11/20 (Consolidated)	FY11/21 (Consolidated)
Net sales	4	76	442	1,542	2,900	4,595	7,157	11,318	15,633
Cost of sales	52	159	431	734	959	1,812	2,833	3,701	4,814
Gross profit (loss)	- 48	- 83	11	809	1,940	2,783	4,324	7,617	10,819
Gross profit margin	—	—	—	52%	67%	61%	60%	67%	69%
Selling, general and administrative expenses	54	443	1,132	1,685	2,738	3,579	6,770	10,422	11,881
Operating profit (loss)	- 102	- 525	- 1,120	- 877	- 797	- 796	- 2,446	- 2,805	- 1,062
EBITDA *1	- 100	- 522	- 1,103	- 853	- 748	- 575	- 2,180	- 2,164	430
EBITDA margin	—	—	—	-55%	-26%	-13%	-30%	-19%	3%
Ordinary profit (loss)	- 107	- 548	- 1,134	- 889	- 834	- 824	- 2,567	- 2,539	- 1,433
Profit (loss) attributable to owners of parent	- 107	- 550	- 1,142	- 889	- 843	- 815	- 2,572	- 2,423	- 1,482

*1 Consolidated operating profit/loss + Depreciation and amortization + Tax expenses included in operating expenses + Share-based remuneration expenses

* Figures have been rounded to the nearest million.

Employees

	FY11/13 (Nonconsolidated)	FY11/14 (Nonconsolidated)	FY11/15 (Nonconsolidated)	FY11/16 (Nonconsolidated)	FY11/17 (Consolidated)	FY11/18 (Consolidated)	FY11/19 (Consolidated)	FY11/20 (Consolidated)	FY11/21 (Consolidated)
Employees	10	47	93	162	241	394	691	865	1,248

Balance Sheet

(¥ mn)

	FY11/13 (Nonconsolidated)	FY11/14 (Nonconsolidated)	FY11/15 (Nonconsolidated)	FY11/16 (Nonconsolidated)	FY11/17 (Consolidated)	FY11/18 (Consolidated)	FY11/19 (Consolidated)	FY11/20 (Consolidated)	FY11/21 (Consolidated)
Current assets	536	137	2,418	2,948	6,195	6,213	10,868	13,460	44,026
Non-current assets	8	18	95	143	1,202	2,447	5,445	8,251	12,917
Total assets	544	153	2,513	3,091	7,397	8,660	16,313	21,712	56,943
Current liabilities	13	101	566	664	1,431	2,849	5,395	8,240	12,276
Non-current liabilities	0	0	0	540	1,955	2,428	2,888	3,234	2,333
Net assets	531	33	1,946	1,887	4,012	3,383	8,030	10,238	42,333

Statement of Cash Flows

(¥ mn)

	FY11/13 (Nonconsolidated)	FY11/14 (Nonconsolidated)	FY11/15 (Nonconsolidated)	FY11/16 (Nonconsolidated)	FY11/17 (Consolidated)	FY11/18 (Consolidated)	FY11/19 (Consolidated)	FY11/20 (Consolidated)	FY11/21 (Consolidated)
Cash flows from operating activities	—	- 447	- 1,023	- 718	- 499	- 795	- 3,605	- 1,120	- 2,328
Cash flows from investing activities	—	- 14	- 93	- 60	- 1,066	- 1,288	- 2,784	- 2,606	- 5,199
Cash flows from financing activities	—	55	3,298	1,172	4,609	1,306	8,638	5,257	34,798
Free cash flow	—	- 460	- 1,117	- 777	- 1,564	- 2,083	- 6,389	- 3,726	- 7,527

* Figures have been rounded to the nearest million.

Personnel-related Data (As of November 30, 2021)

			(Persons)	(%)
Number of consolidated employees (Full time employees)	Total number of people		1,248	
	Male		834	66.8%
	Female		414	33.2%
	Non-Japanese*1 members		181	14.5%
	Engineers and designers		480	39.0%
Number of employees in Japan			1,126	
Number of overseas employees			122	
Male-to-female ratio in management*2	Total number of people		44	
	Male		40	90.9%
	Female		4	9.1%
Number of employees (Indefinite associate employees, Fixed-term employees)		Overall	349	
		Male	192	55.0%
		Female	157	45.0%
Number of employees (Temporary employees, outsourced employees)		Overall	320	
		Male	229	71.6%
		Female	91	28.4%
Male-to-female ratio in employees	Total number of people		1,248	
	Male		834	66.8%
	Female		414	33.2%
	Of which, managerial positions	Overall	177	
		Male	140	79.1%
		Female	37	20.9%
	Of which, non-managerial positions	Overall	1,071	
		Male	694	64.8%
		Female	377	35.2%

* This survey covers full-time employees of the Group (unless otherwise indicated) as of the end of FY11/21.
* This data is excerpted from the ESG data. For the latest figures, please refer to the ESG Data. (https://corp.moneyforward.com/en/news/investorrelations/?category=integrated)

*1 Full-time employees with nationality other than Japanese.
*2 Directors, executive officers, etc. of the Money Forward Group

			(Persons)	(%)
Male-to-female ratio in business positions	Overall		768	
	Male		422	54.9%
	Female		346	45.1%
	Of which, managerial positions	Overall	118	
		Male	82	69.5%
		Female	36	30.5%
	Of which, non-managerial positions	Overall	650	
		Male	340	52.3%
		Female	310	47.7%
	Of which, non-Japanese members		42	5.5%
Male-to-female ratio in engineers	Overall		429	
	Male		384	89.5%
	Female		45	10.5%
	Of which, managerial positions	Overall	51	
		Male	51	100.0%
		Female	0	0.0%
	Of which, non-managerial positions	Overall	378	
		Male	333	88.1%
		Female	45	11.9%
	Of which, non-Japanese members		135	31.5%
Male-to-female ratio in designers	Overall		51	
	Male		28	54.9%
	Female		23	45.1%
	Of which, managerial positions	Overall	8	
		Male	7	87.5%
		Female	1	12.5%
	Of which, non-managerial positions	Overall	43	
		Male	21	48.8%
		Female	22	51.2%
	Of which, non-Japanese members		4	7.8%

Average years of service	Overall	2.0 years
	Male	2.1 years
	Female	2.0 years
Average age	Overall	31.0 years old
	Male	31.1 years old
	Female	30.7 years old

			(Persons)	(%)
Employee age status (Percentage of males and females in the total)	Under 30 years old	Overall	462	
		Male	329	71.2%
		Female	133	28.8%
	30 - 39 years old	Overall	625	
		Male	393	62.9%
		Female	232	37.1%
	40 - 49 years old	Overall	143	
		Male	97	67.8%
		Female	46	32.2%
	50 - 59 years old	Overall	16	
		Male	13	81.3%
		Female	3	18.8%
	60 years old or older	Overall	2	
		Male	2	100.0%
		Female	0	0.0%
Turnover rate *3		Overall		11.2%
		Male		11.9%
		Female		9.7%

			(Persons)	(%)
Number of new employees hired*4	New graduates	Overall	48	
		Male	36	75.9%
		Female	12	24.1%
		Non-Japanese members*5	22	10.3%
	Mid-career employment	Overall	482	
		Male	320	66.4%
		Female	161	33.4%
		Non-Japanese members	126	26.1%

Total annual working hours (average)	Overall	1,786 hours
	Business	1,752 hours
	Engineers	1,824 hours
	Designers	1,944 hours
Number of paid holidays (average)		11.9 days
Acquisition rate of childcare leave*6	Male	51.9%
	Female	100%
Percentage of employees returning to work after childcare leave*7	Male	100%
	Female	100%
One-on-one training participation rate*8		98.0%
MF Group Survey (engagement survey, conducted twice a year) participation rate*9		97.0%

*3 Percentage of retired persons between December 1, 2020 and November 30, 2021 out of employees as of December 1, 2020
*4 Number of employees who joined the company between December 1, 2020 and November 30, 2021
*5 Of the hired new graduates, 19 non-Japanese members (14 males and 5 females) on standby for entry into Japan due to the spread of the COVID-19 are included.
*6 Calculated based on the number of employees whose children were born between April 1, 2020 and March 31, 2021 who took childcare leave.
*7 Percentage of employees who returned to work from childcare leave between April 1, 2020 and March 1, 2021 who continued working six months from the return date.
*8 Targeted managers and executive officers in Money Forward, Inc. as of January 1, 2022
*9 Targeted full-time employees and contracted employees employed by the Group as of January 31, 2021

Stock Information

(As of November 30, 2021)



As of December 1, the Company conducted a two-for-one stock split of its common shares using November 30, 2020, as the base date.

Listed exchange
First Section of the Tokyo Stock Exchange
(Transferred market listing on June 14, 2021)

Securities code
3994

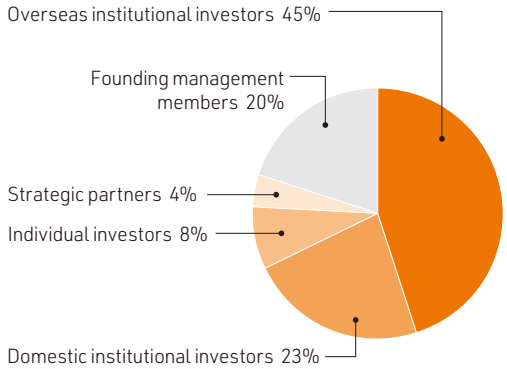
Total number of authorized shares
89,956,000 shares

Total number of issued shares
53,382,460 shares

Number of shareholders
7,719

Share trading unit
100 shares

Shareholder composition



Major Shareholders (Top Ten)

	Number of shares	%
Yosuke Tsuji	7,008,355	13.14
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,595,618	8.61
SSBTC CLIENT OMNIBUS ACCOUNT	3,564,228	6.68
Takashi Ichikawa	2,354,005	4.41
MSIP CLIENT SECURITIES	2,040,200	3.82
Custody Bank of Japan, Ltd. (Trust Account)	2,015,000	3.78
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	1,815,647	3.4
Custody Bank of Japan, Ltd. (Trust Account 9)	1,494,200	2.8
NORTHERN TRUST CO. (AVFC) RE FIDELITY FUNDS	1,237,148	2.32
The Shizuoka Bank, Ltd.	1,188,240	2.23

* Excludes treasury shares (36,475 shares) owned by the Company.

Company Information

(As of May 31, 2022)

Company name	Money Forward, Inc.
Business activities	Internet service development
Established	May 2012
Representative	Yosuke Tsuji, Representative Director, President and CEO
Fiscal year end	November
Capital	¥25,783 million
Group employees	1,248 (As of November 30, 2021)
Head office	21F Tamachi Station Tower S, 3-1-21 Shibaura, Minato-ku, Tokyo 108-0023
Locations	Tokyo, Sapporo, Sendai, Nagoya, Kyoto, Osaka, Hiroshima, Fukuoka, Ho Chi Minh and Hanoi (Vietnam)
Group companies	Money Forward Kessai, Inc. Money Forward Hosho, Inc. Klavis, Inc. Money Forward Fine, Inc. Money Forward Financial, Inc. Money Forward i, Inc. Knowledge Labo, Inc. Money Forward Vietnam Co., Ltd. Money Forward Synca, Inc. SMARTCAMP Co., Ltd. Money Forward Venture Partners Co., Ltd. R&AC Co., Ltd. ADXL, Inc. Biz Forward, Inc. HiTTO Inc.

Disclosures

[Financial information]

Timely disclosures, financial results briefings, and other financial-related information are available on the IR website.

- IR library https://corp.moneyforward.com/en/news/investorrelations/

[Non-financial information]

Please visit the following site for non-financial information.

- Corporate Governance https://corp.moneyforward.com/en/aboutus/governance/
- Sustainability https://corp.moneyforward.com/en/sustainability/
- ESG data https://corp.moneyforward.com/en/news/investorrelations/?category=integrated

Editorial Policy

Integrated Report 2022, Money Forward, Inc. is a report for all stakeholders, comprehensively covering financial and non-financial information, including financial results, management policies for creating medium- to long-term value, and business strategies of Money Forward, Inc. (on a consolidated basis). In writing this report, we mainly referred to the International Integrated Reporting Framework of the Value Reporting Foundation (VRF).

Scope of Report

Companies covered: Money Forward, Inc. and Group companies (subsidiaries)
* Throughout the report, "the Company" refers to Money Forward, Inc., while "the Group" refers to companies of the Money Forward Group.

Period covered: From December 1, 2021 to November 30, 2022
Also includes information on activities before and after this period

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Month of issuance: April 2022

Disclaimer:

This report is a translation of the original Japanese report. In the event of any discrepancy between this translated report and the original Japanese report, the latter shall prevail.

The forward-looking statements and other content included in this report are determined based on information available at the time of preparing this report, and may be subject to change due to macroeconomic trends, changes in the market environment or industry in which the Group operates, or for other internal or external factors.

Money Forward, Inc. shall not represent or warrant the accuracy or completeness of the information contained in this report.

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https://corp.moneyforward.com