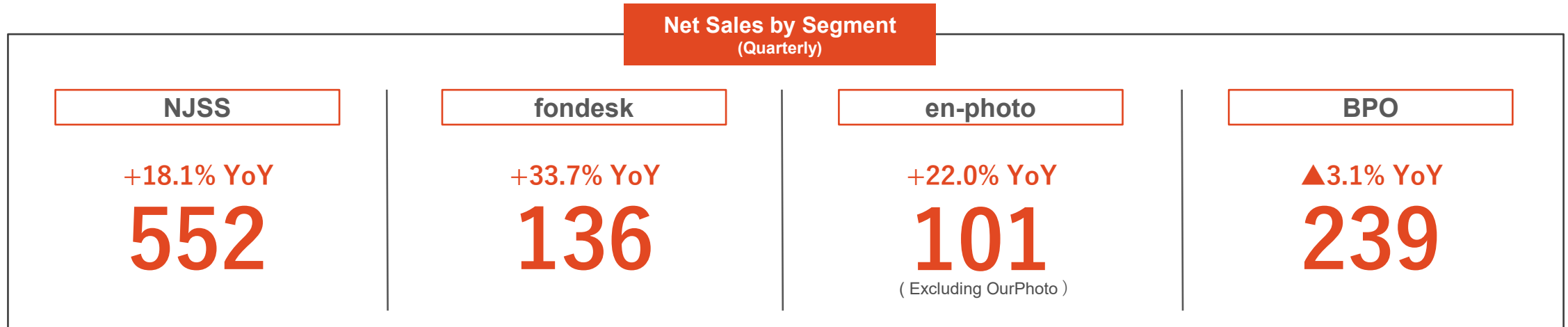
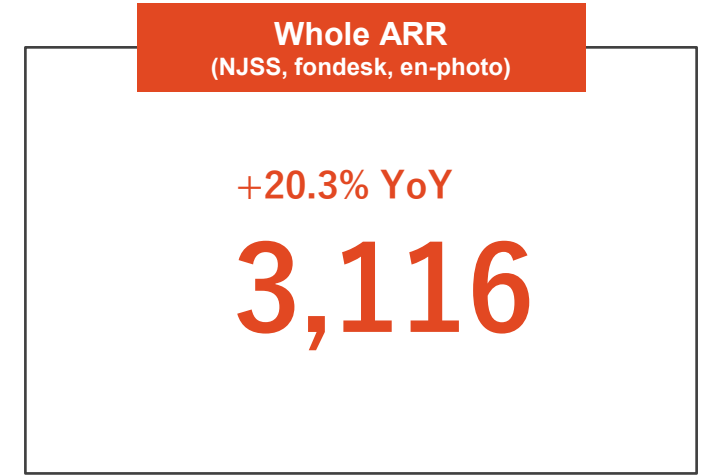
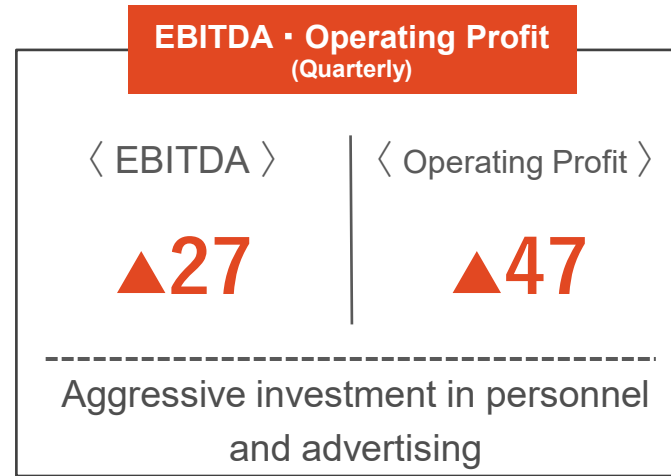


ULURU

Financial Results **For the First Quarter of** **the Fiscal Year** **Ending March 31, 2023**

Uluru Co., Ltd.
Securities Code: 3979
August 12, 2022

(JPY mm)



※ EBITDA = Operating Income + Depreciation and Amortization + Amortization of Goodwill.

1 Quarterly Consolidated Financial Highlights

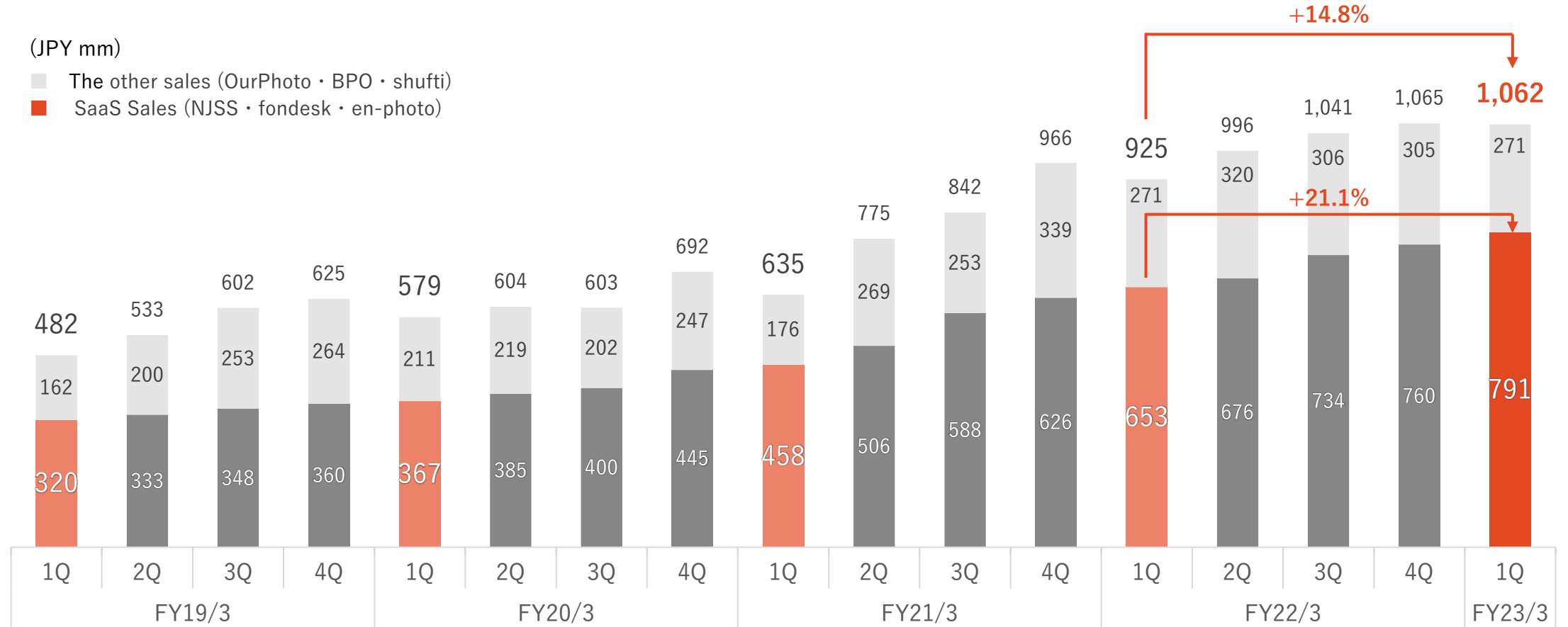
2 Business Segment Highlights

3 Appendix

1 Quarterly Consolidated Financial Highlights

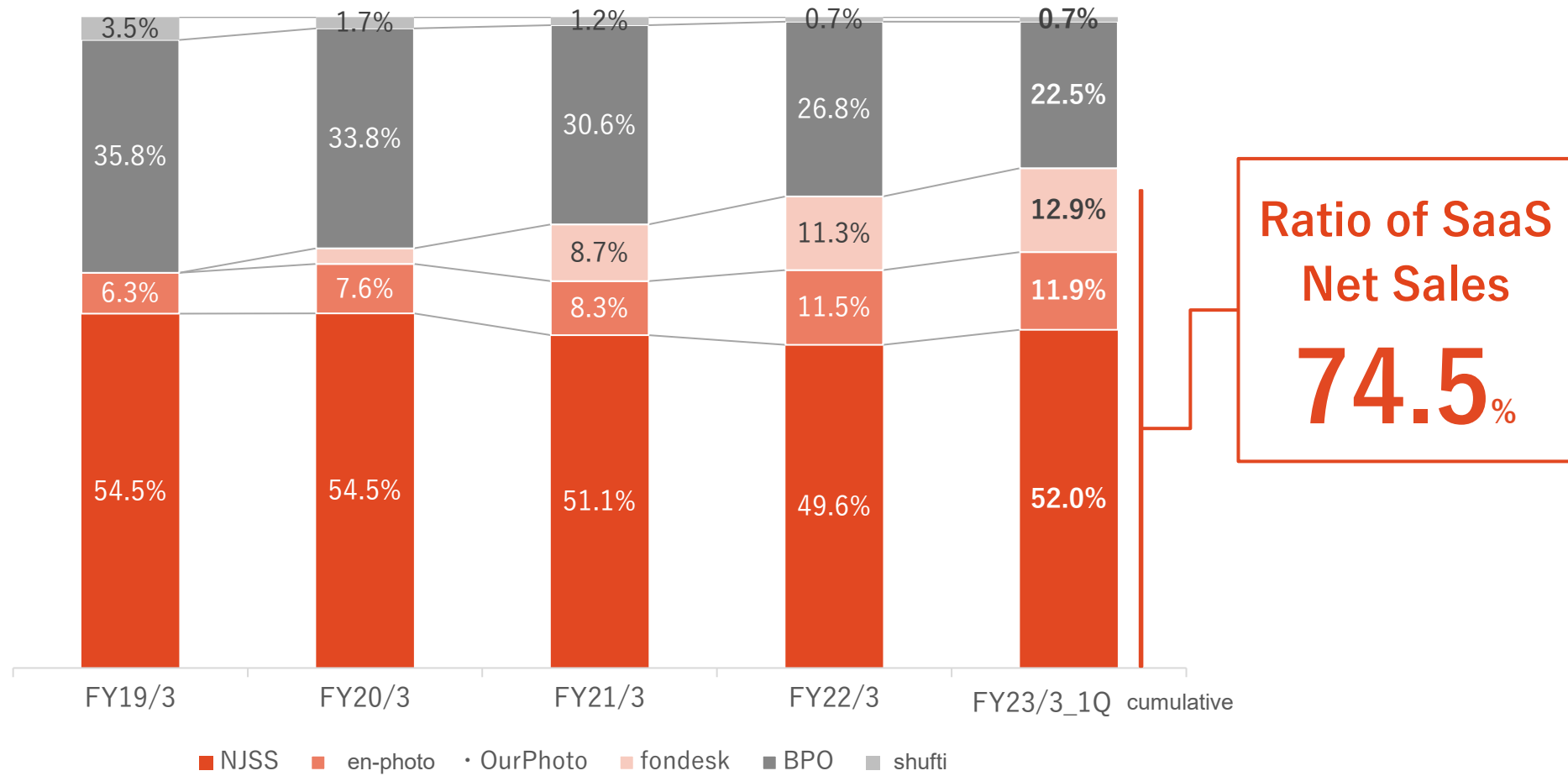
Net Sales Trends

- Record quarterly net sales for 1Q, **up 14.8% YoY.**
- SaaS net sales increased **21.1% YoY** due to growth in SaaS such as "NJSS," "fondesk," and "en-photo."



Sales Composition

- SaaS services such as "NJSS", "fondesk", and "en-photo" are the foundation of growth.



※ SaaS Sales: NJSS, fondesk, and en-photo (OurPhoto isn't included.)

- Company-wide ARR, which is the sum of ARR of SaaS such as NJSS, en-photo, and fondesk, has already exceeded 3 billion yen and is on a growing trend.



ARR : 547 (JPY mm)

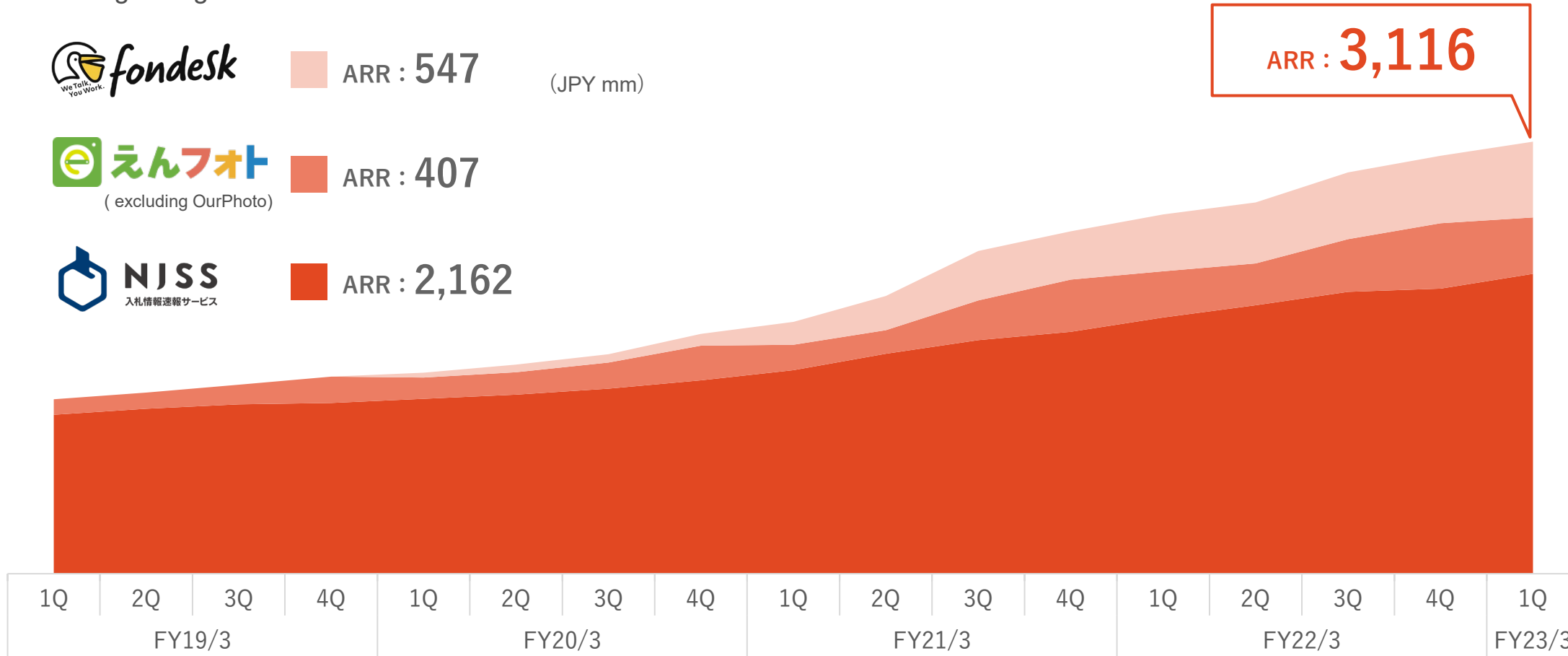


ARR : 407



ARR : 2,162

ARR : **3,116**



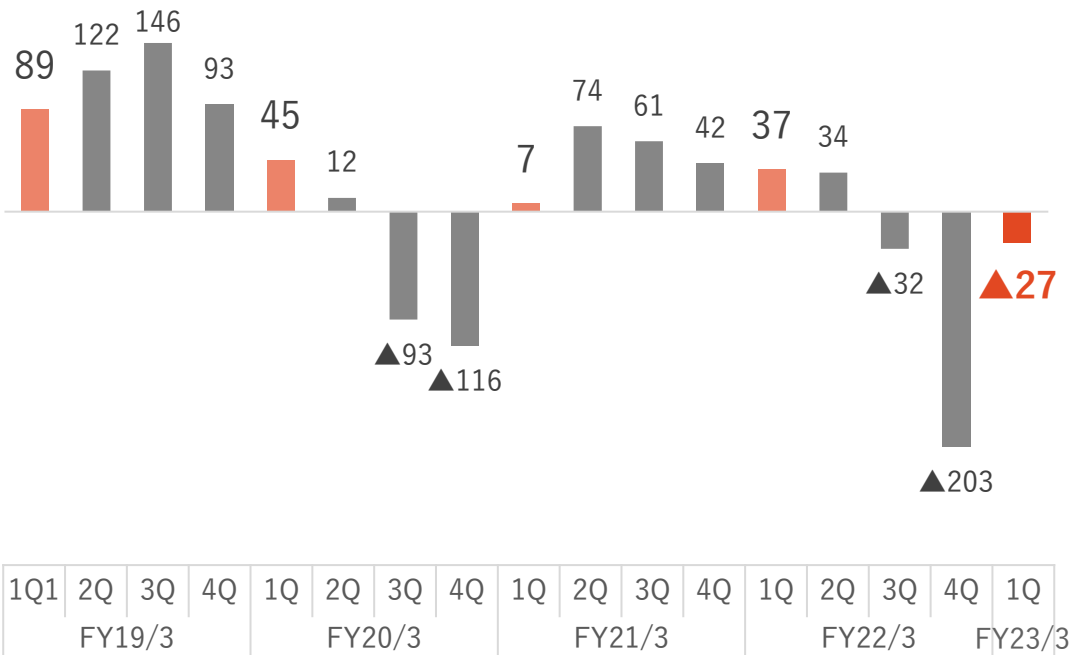
※ ARR (Annual Recurring Revenue) : ARR of "NJSS" is each quarter's subscription sales multiplied by 4, ARR of "en-photo" is each quarter's recurring sales multiplied by 4, and ARR of "fondesk" is each quarter's subscription sales plus each quarter's recurring sales multiplied by 4.

EBITDA - Operating Profit Trends

- EBITDA and operating profit ended in the red due to more proactive investments in expenses from 1Q this fiscal year compared to last year.

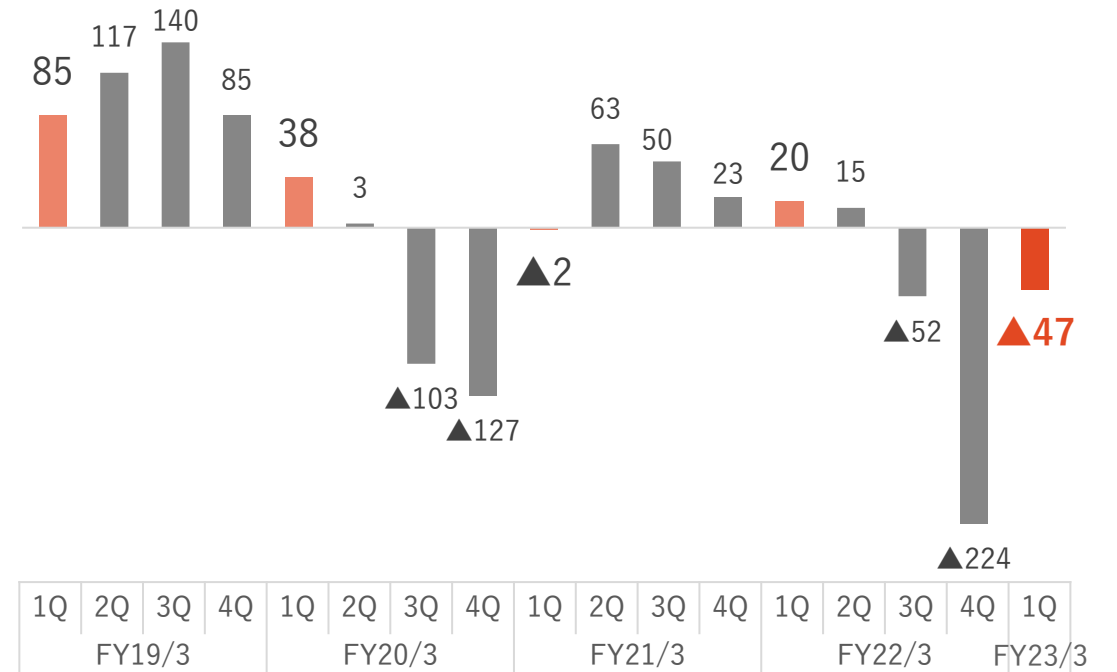
EBITDA

(JPY mm)



Operating Profit

(JPY mm)

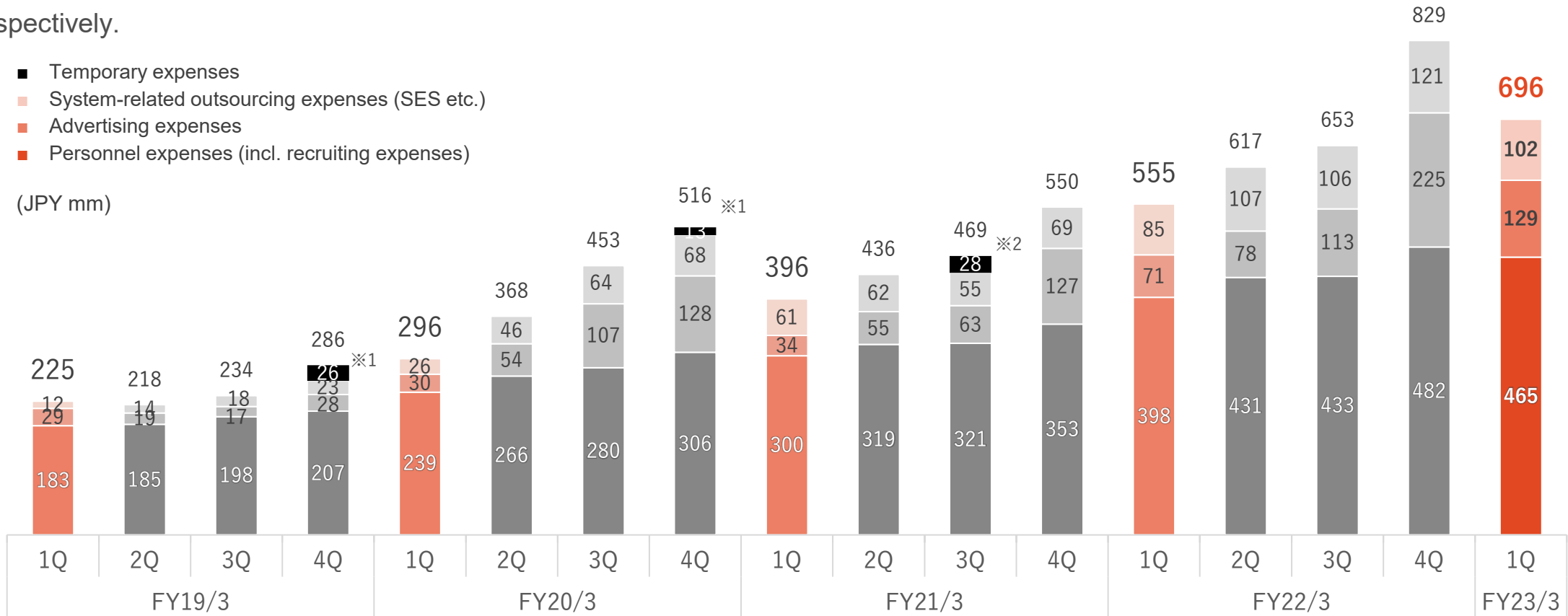


Major Expense Trends

- Personnel expenses decreased from the previous quarter, when bonuses were paid, although the number of employees increased again in the current quarter.
- Proactively invested in advertising for "NJSS" and "fondesk" and in expanding the features of "NJSS" and "en-photo".
- Labor costs, advertising expenses, and system-related outsourcing expenses are **24.2%, 23.3%, and 24.9%** of the current year's forecast, respectively.

- Temporary expenses
- System-related outsourcing expenses (SES etc.)
- Advertising expenses
- Personnel expenses (incl. recruiting expenses)

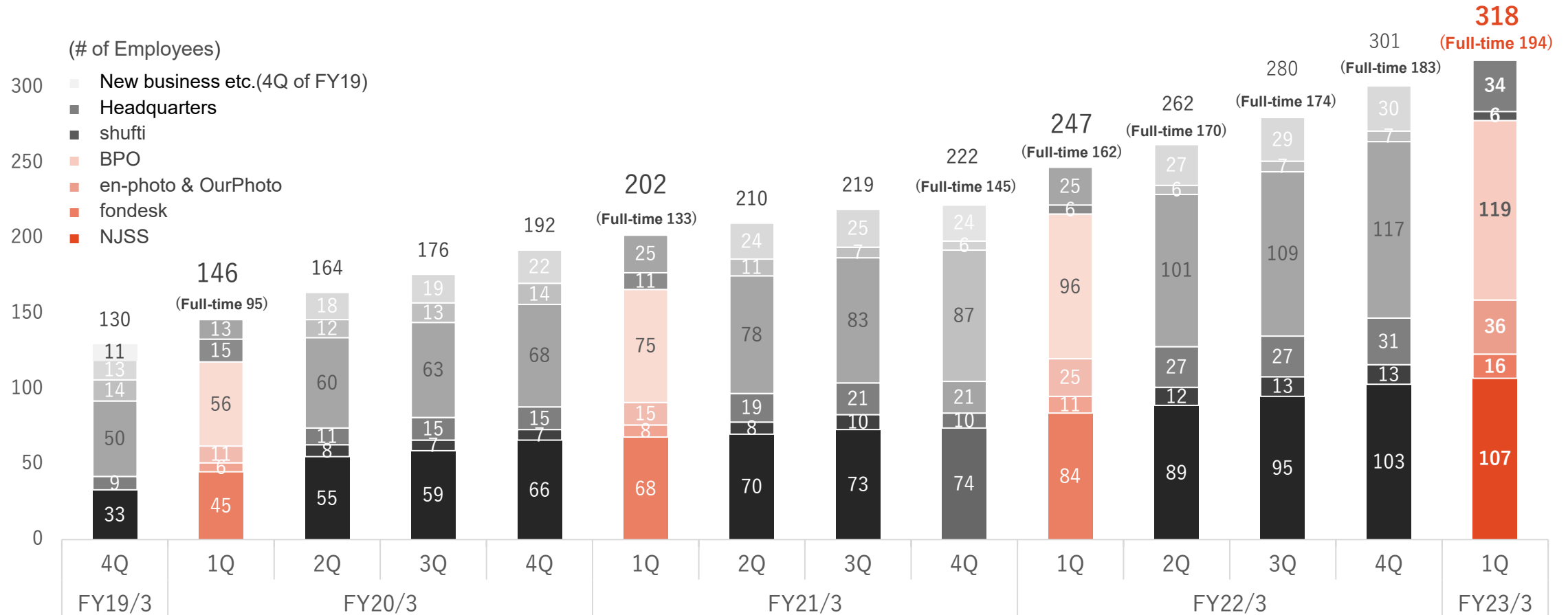
(JPY mm)



※1 Cost of establishing Tokushima Daiichi and Daini Centers, etc. ※2 Expenses related to M&A(OurPhoto), etc.

Employee Status

- Company-wide increase in employees with an eye on medium- to long-term growth: **+71 employees YoY, +17 employees QoQ.**
- In SaaS such as "NJSS," "en-photo," and "fondesk," the number of employees, mainly permanent employees, increased in line with business expansion. In BPO, orders have been strong, and the number of temporary employees has been increased.



※ Temporary employees include part-timers and temp workers. The number of temporary employees is the average number of employees for the year.

- All businesses except BPO progressed as expected. Although there is a slight delay in BPO, orders are currently strong and there is no concern.

(JPY mm)	FY23/3_1Q	FY22/3_1Q	YoY	FY23/3 Forecast	Progress Rate
Net Sales	1,062	925	+14.8%	4,850	21.9%
NJSS	552	467	+18.1%	2,400	23.0%
fondesk · en-photo · OurPhoto	263	203	+29.3%	1,200	21.9%
BPO	239	247	▲3.1%	1,200	19.9%
Gross profit	772	653	+18.3%	-	-
SG&A	820	633	+29.5%	-	-
SG&A margin	77.2%	68.4%	-	-	-
EBITDA	▲27	37	-	50	-
EBITDA margin	-	4.0%	-	-	-
Operating Profit	▲47	20	-	▲50	-
Operating Profit margin	-	2.2%	-	-	-

2 Business Segment Highlights

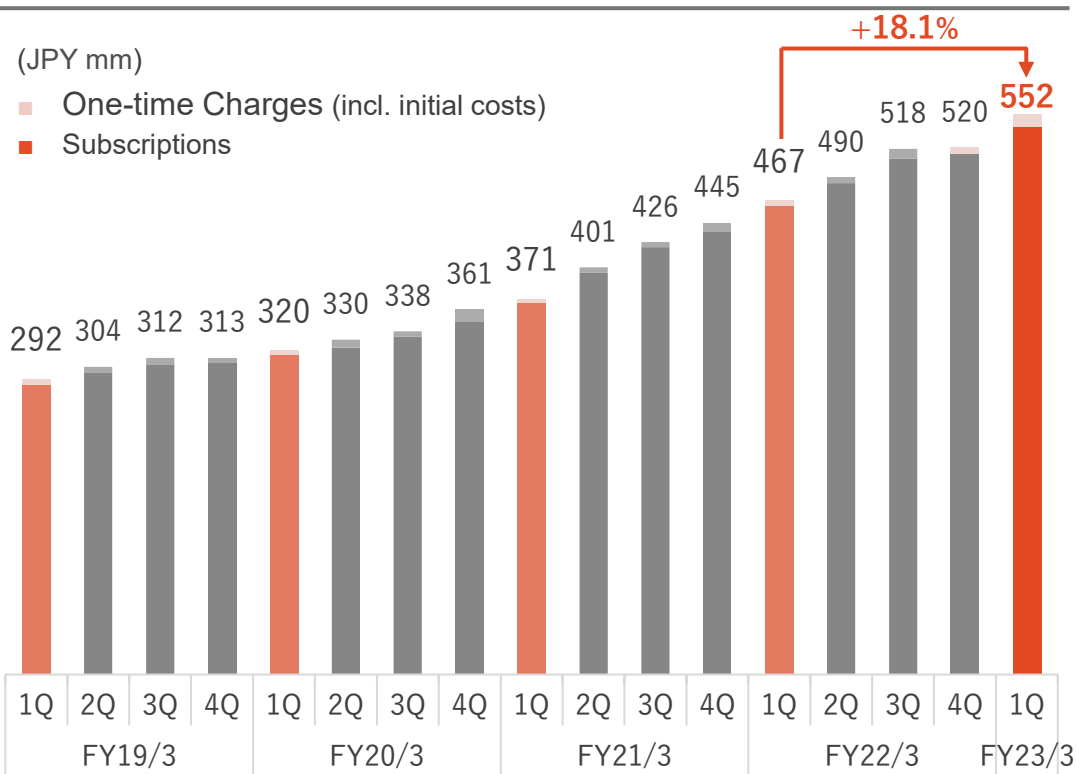


NJSS
入札情報速報サービス

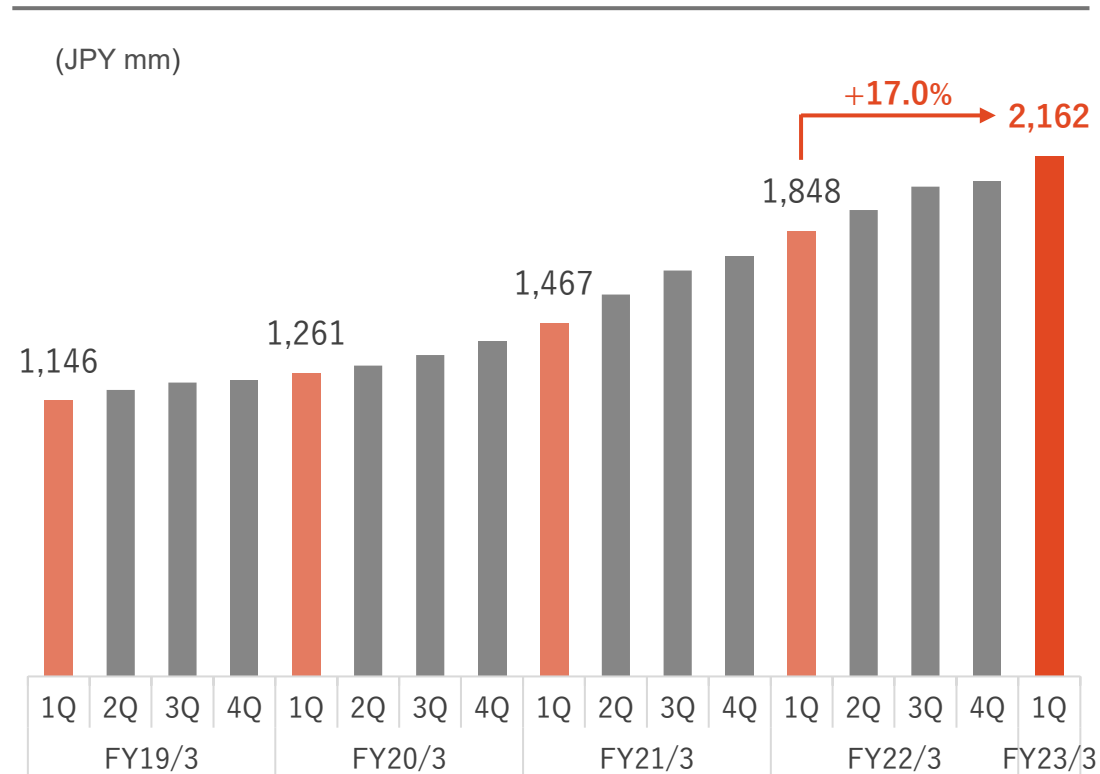
NJSS | Sales & ARR Trends (Quarterly)

- Net sales increased **18.1% YoY** due to steady growth in subscription sales, which are the foundation of the business.
- ARR also continued its growth trend and increased **17.0% YoY**.

Net Sales



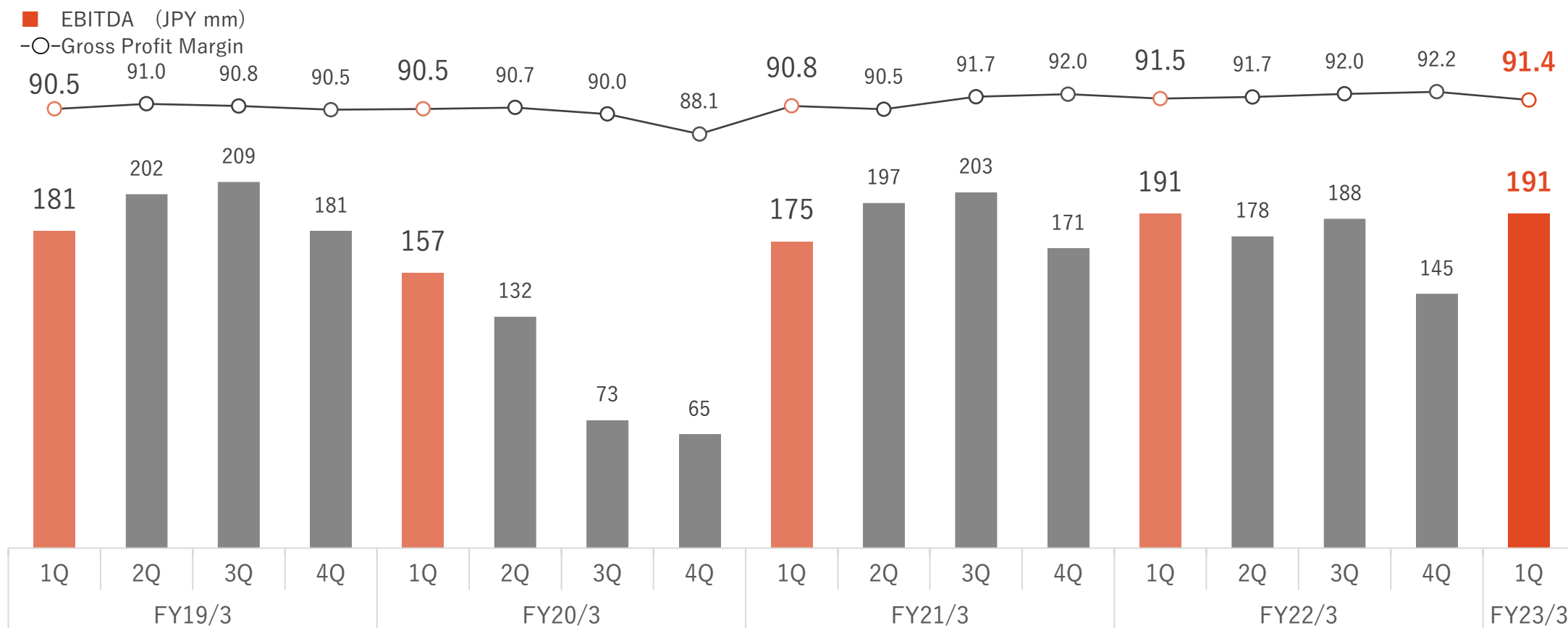
ARR



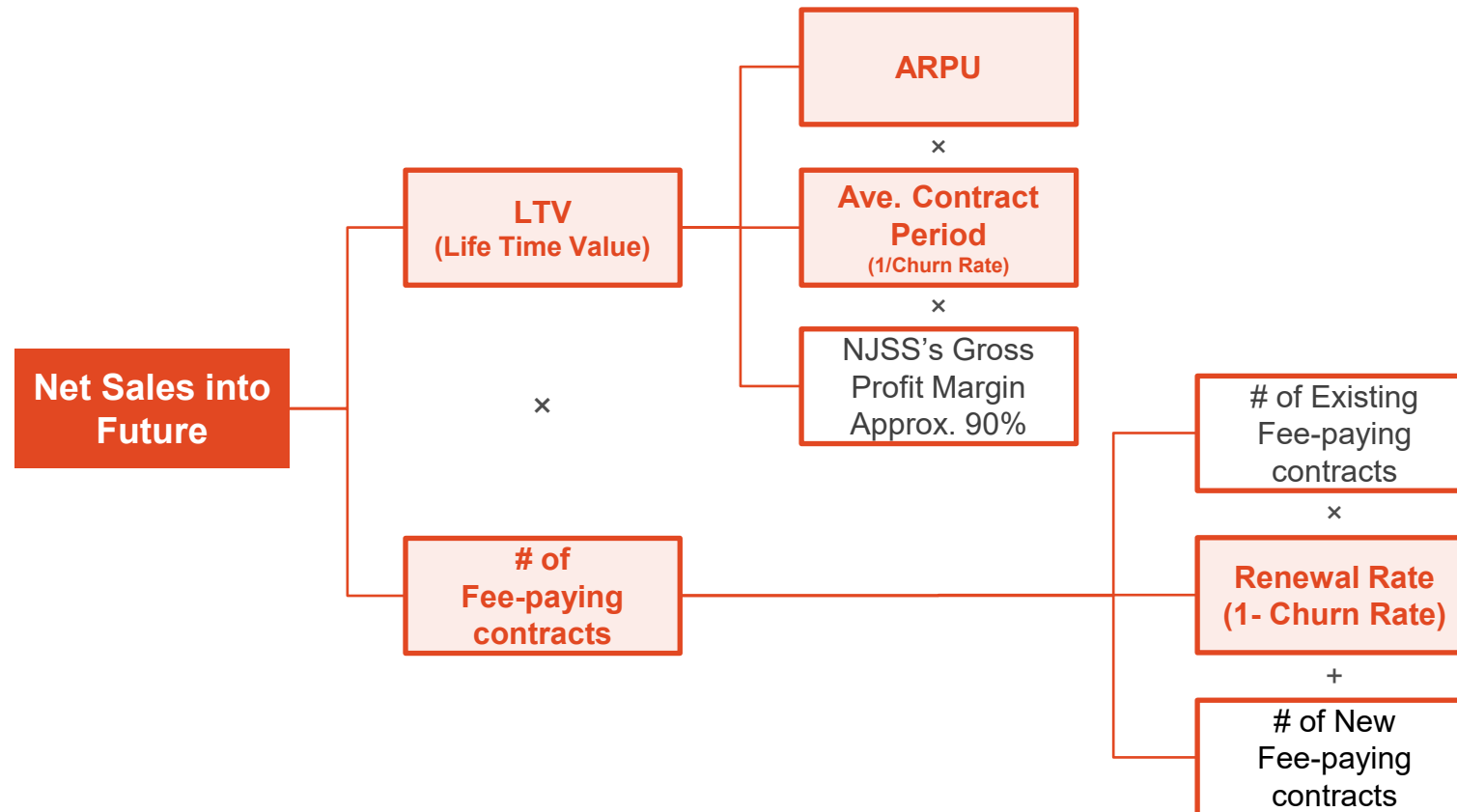
※ARR is calculated by multiplying each quarter's subscription sales by 4.

NJSS | Gross Profit Margin & EBITDA Trends (Quarterly)

- Gross profit margin is high at 91.4%.
- Although EBITDA is affected by advertising and other investments, NJSS's strength is its stable and high gross profit margin.

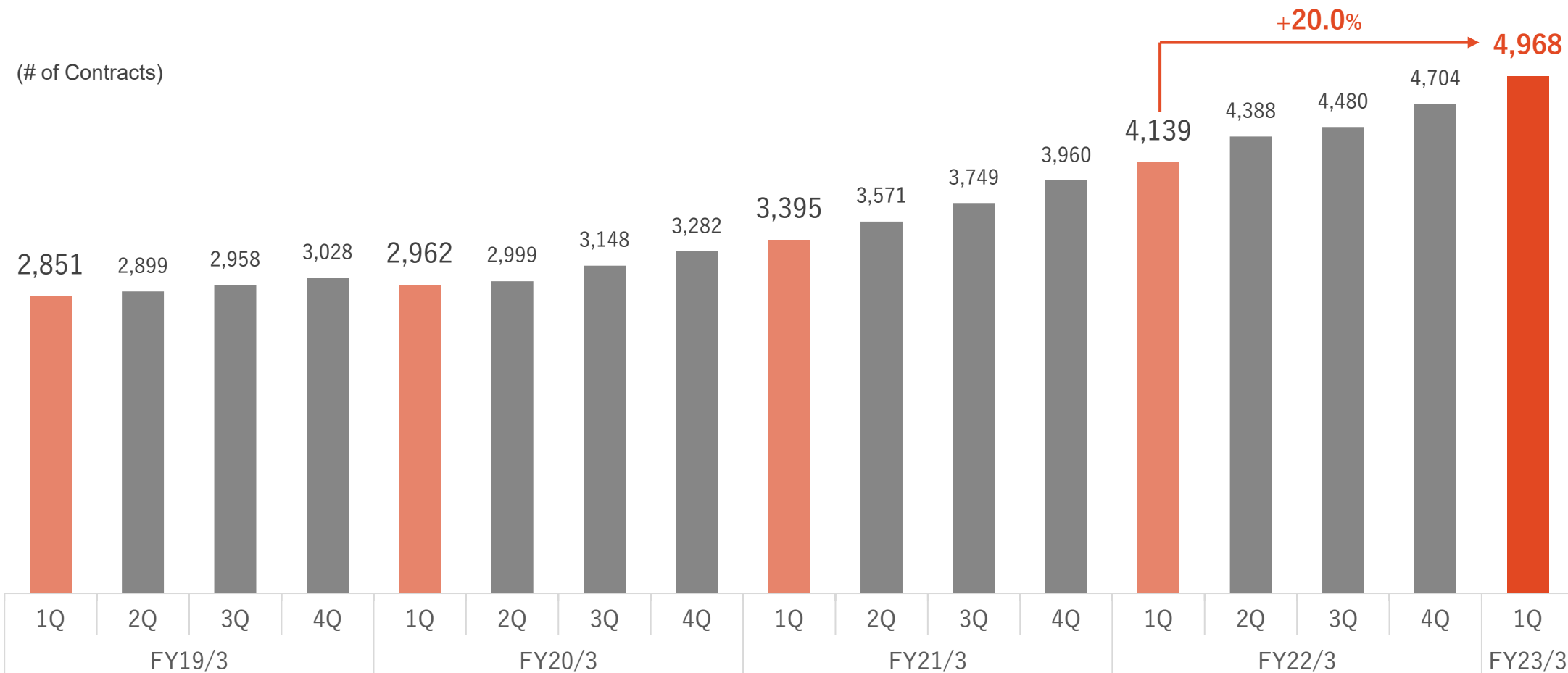


- Achieve further growth by investing aggressively in system development, human resources, advertising and so on, without chasing short-term profits. Expand future sales by optimizing ARPU and the number of Fee-paying contracts while maintaining and improving the churn rate.
- Aim for further growth in sales in the future by improving customer satisfaction through the release of new functions in the next fiscal year and beyond.



NJSS | Fee-paying Contracts Trends (Quarterly)

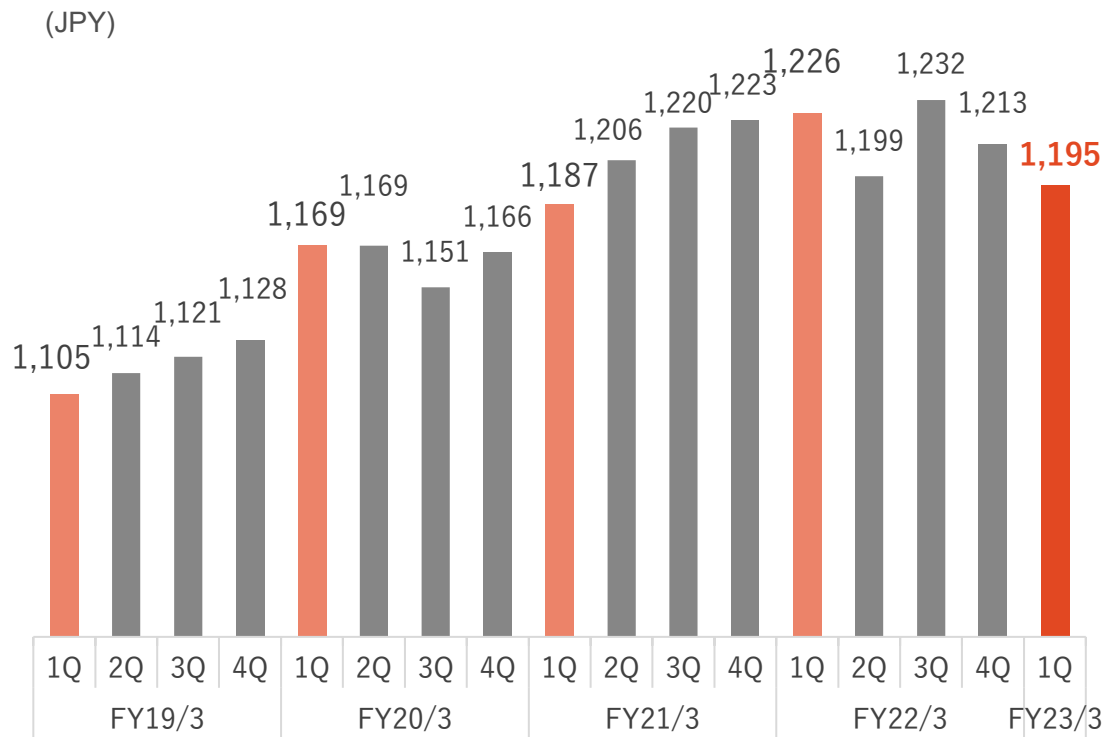
- Steadily increased the number of Fee-paying contracts by optimizing the sales process, resulting in **an increase of 20.0% YoY**.



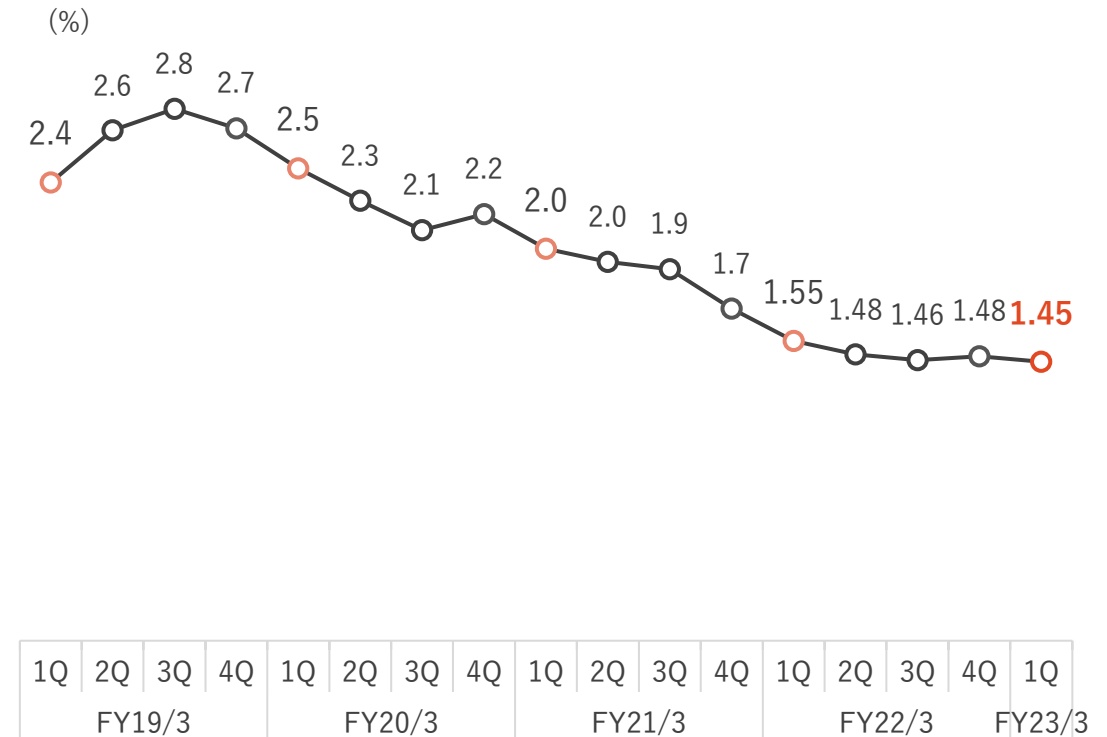
NJSS | ARPU & Churn Rate Trends (Quarterly)

- ARPU has reached a plateau as price reviews at contractors have settled down. Aiming to maintain and increase over the medium to long term through new features, development, etc.
- With the strengthening of the Customer Success (CS) department, the churn rate has improved, achieving an all-time low level of **1.4%**.

ARPU



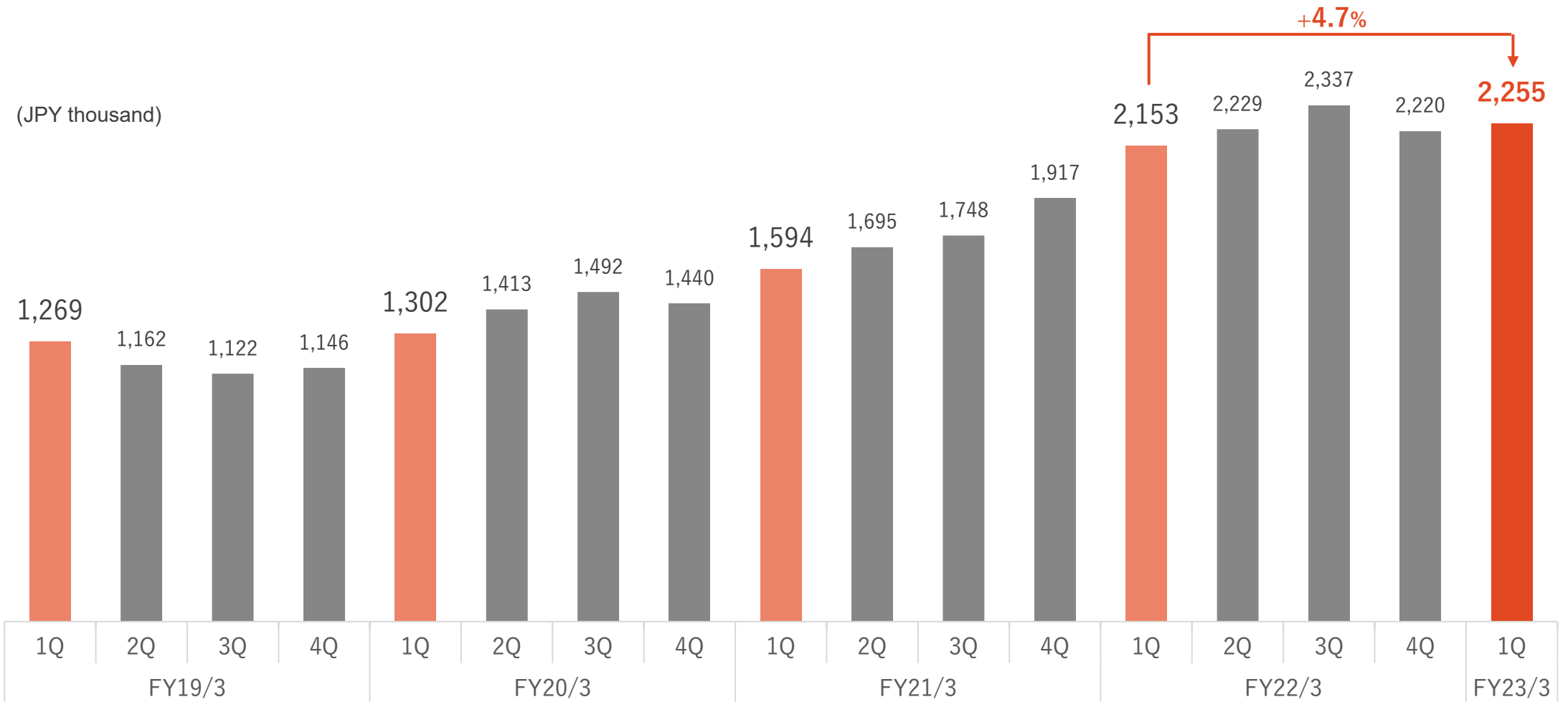
Churn Rate



※ARPU is daily sales per case. Churn rate is the average monthly churn rate for the last 12 months based on the number of Fee-paying contracts.

NJSS | LTV Trends (Quarterly)

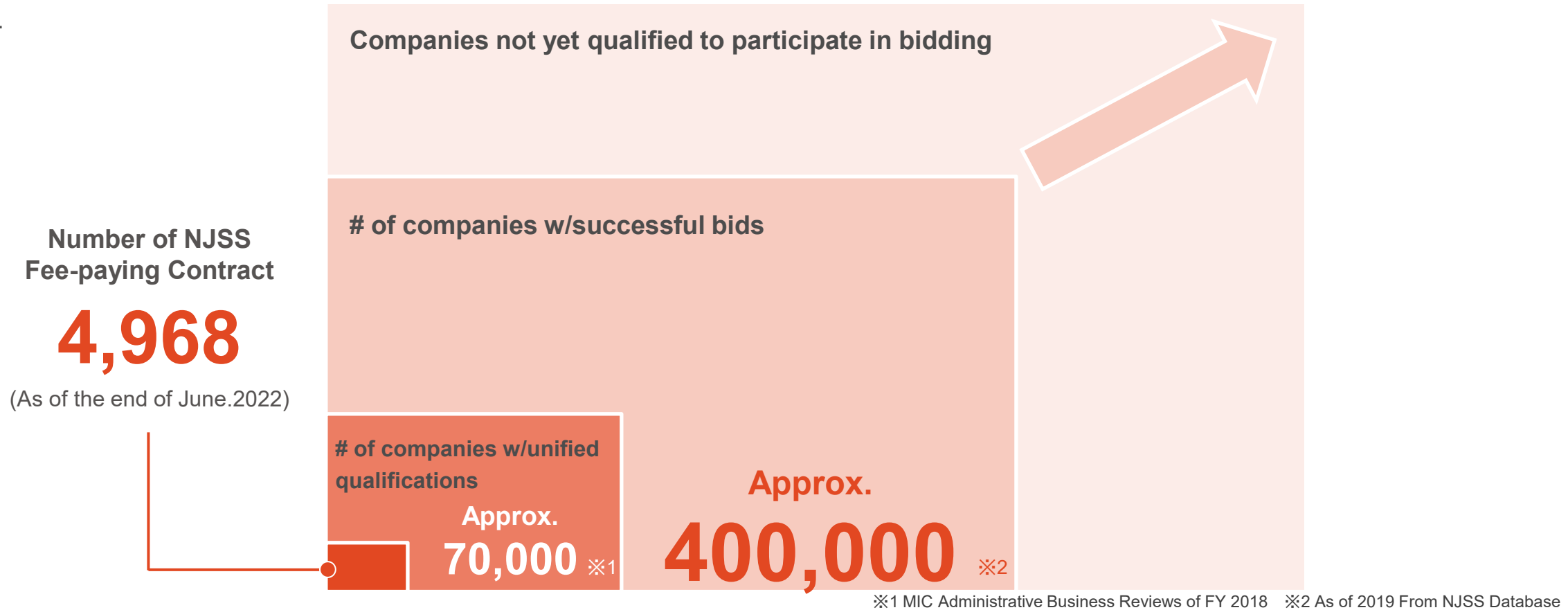
- LTV up 4.7% YoY due to optimal control of ARPU and churn rate.



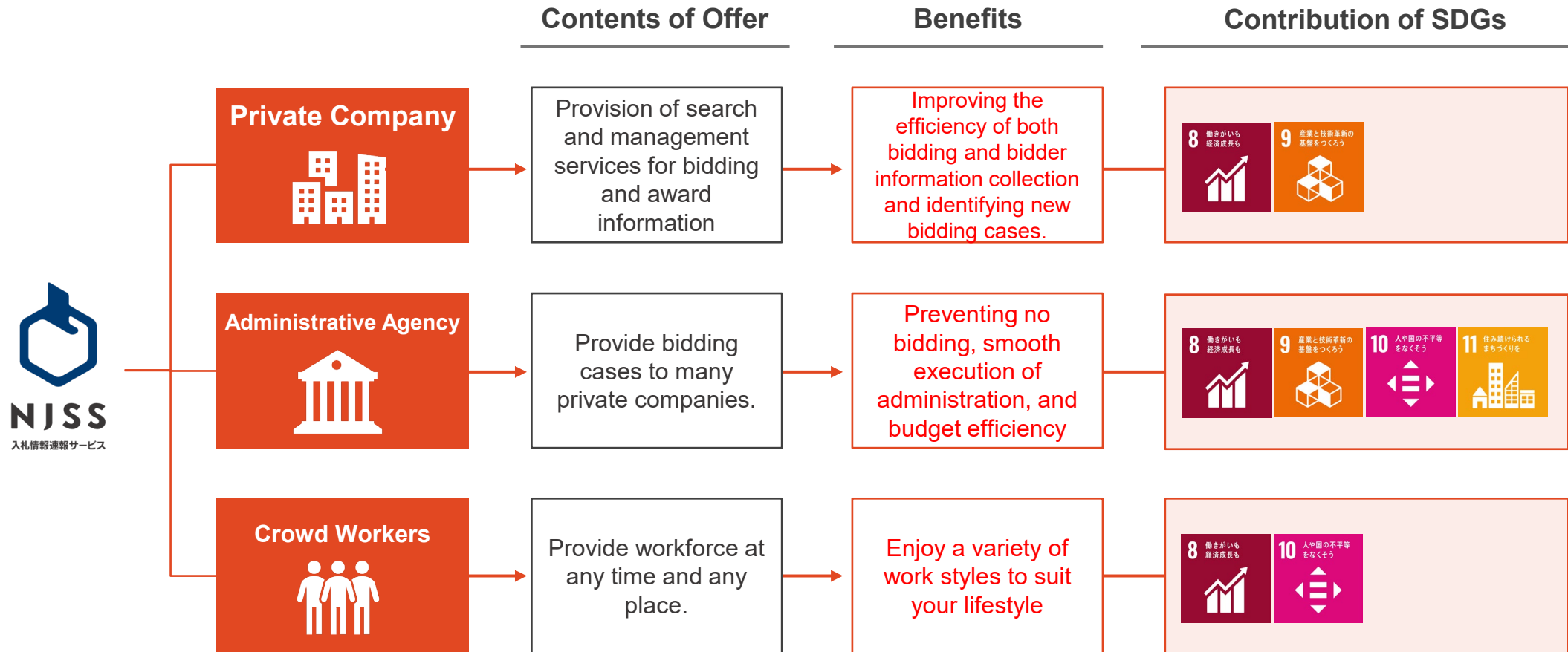
※ LTV is ARPU x 1/Churn rate x Gross margin, which is fixed at 0.9.

NJSS's Potential (How to think of TAM)

- The number of NJSS Fee-paying contracts is approx. 1% of approx. 400,000 companies that have won bids, and approx. 6% of approx. 70,000 companies that have unified qualifications from all ministries and agencies. This shows plenty of potential.
- We had targeted companies that had won bids but have already begun approaching companies that have not yet qualified to participate in bidding by holding seminars. We are expecting TAM to expand. **There is room to expand the number of paid contracts by dozens of times.**



- “NJSS” provides social value to a variety of stakeholders.



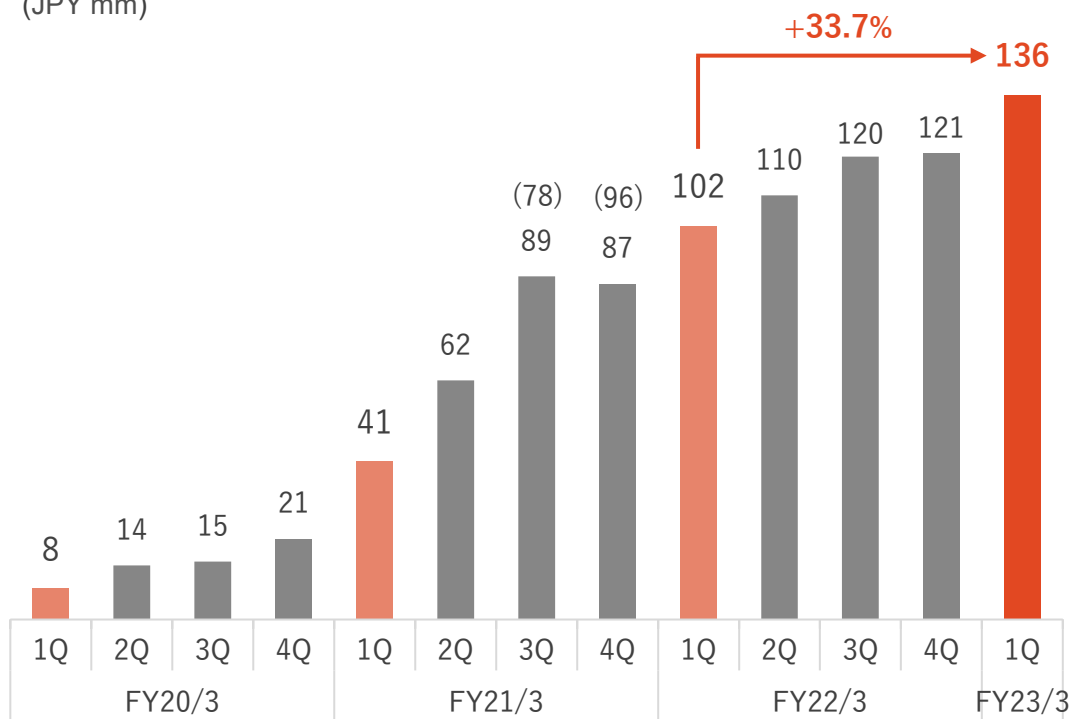


fondesk | Sales & EBITDA Trends (Quarterly)

- Net sales increased **33.7% YoY** due to increased demand for telephone reception services as a result of the widespread adoption of telework and the shift to DX.
- EBITDA was negative due to advertising expenses of 51 million yen to produce TV commercials, which began airing in July.

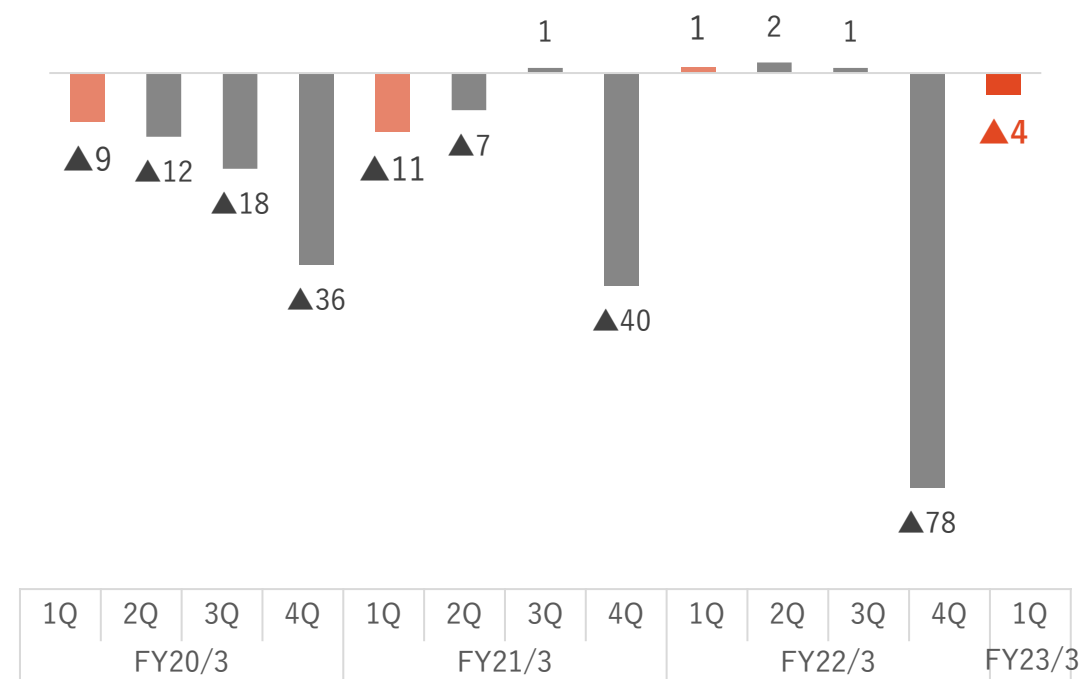
Net Sales

(JPY mm)



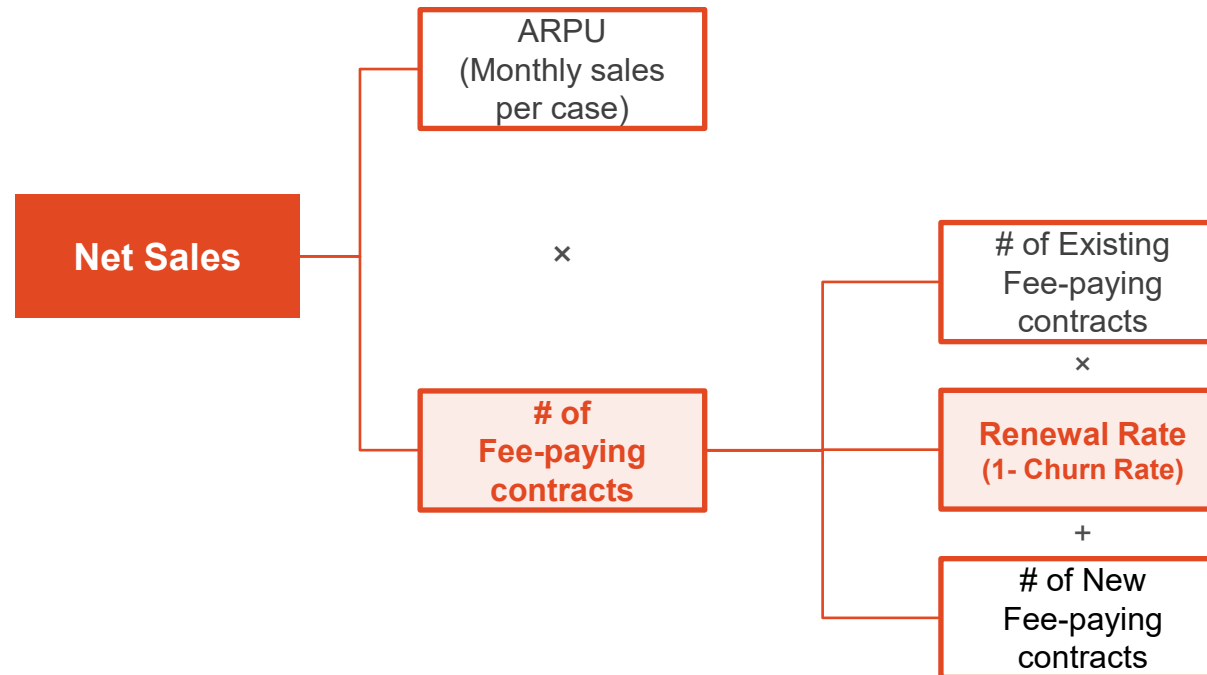
EBITDA

(JPY mm)



※Changed revenue recognition standard from 3Q FY2021 (Figures in parentheses are before the change)

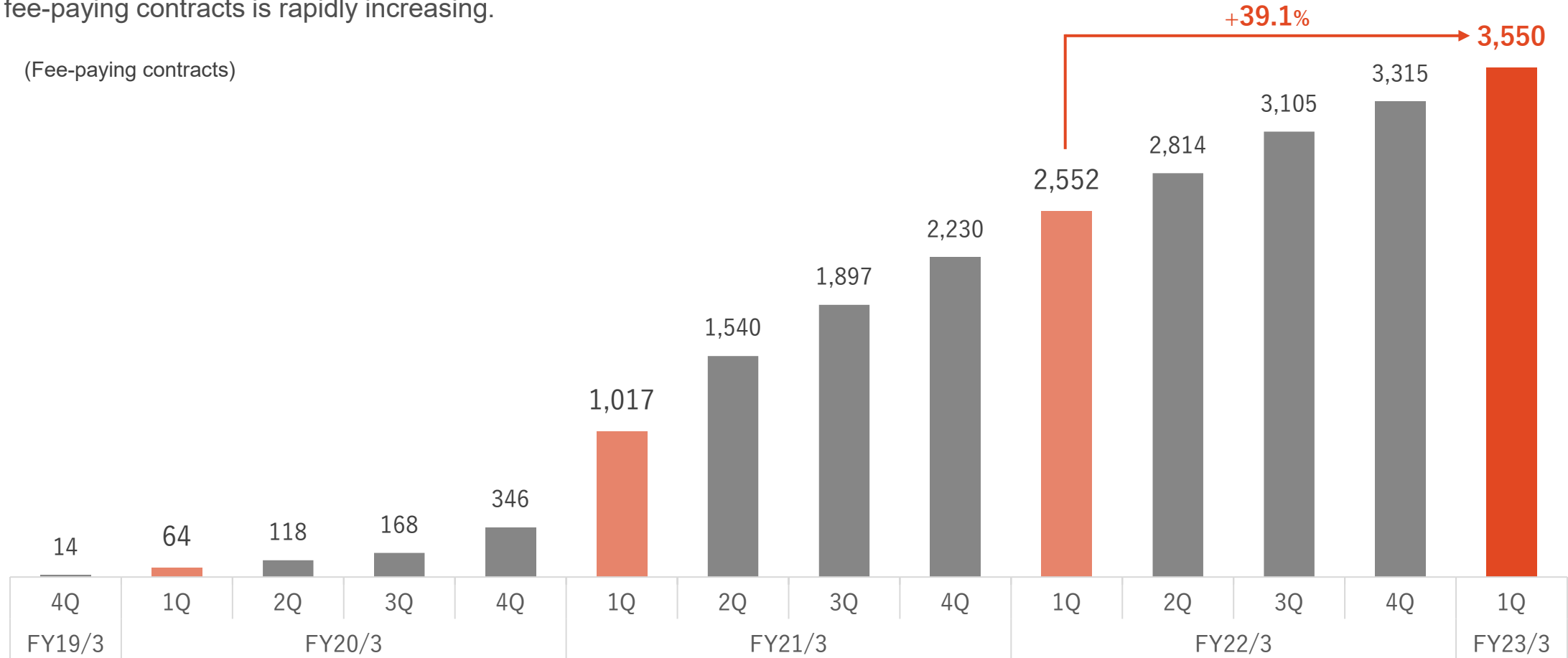
- While expanding and improving functions, for the time being, priority will be placed on increasing the number of contracts through aggressive marketing investments such as advertising.



fondesk | Fee-paying Contracts Trends (Quarterly)

- Steady growth in fee-paying contracts, **up 39.1% YoY**
- With the rapid spread of telework and DX of companies' business operations due to the impact of the COVID-19 pandemic, the number of fee-paying contracts is rapidly increasing.

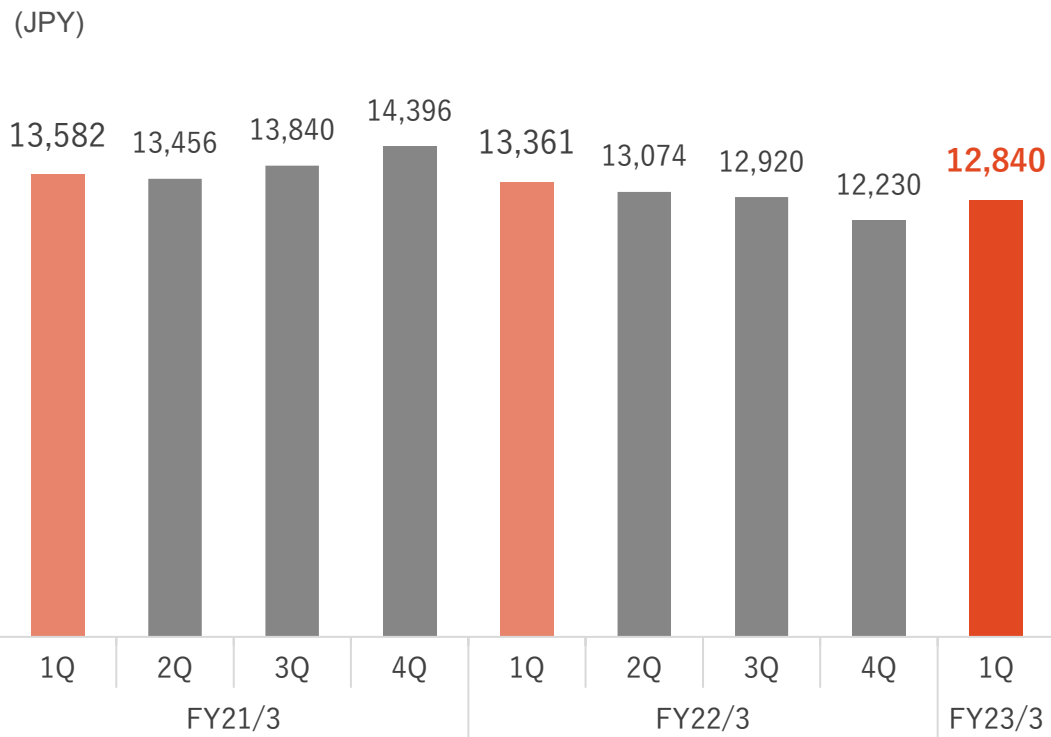
(Fee-paying contracts)



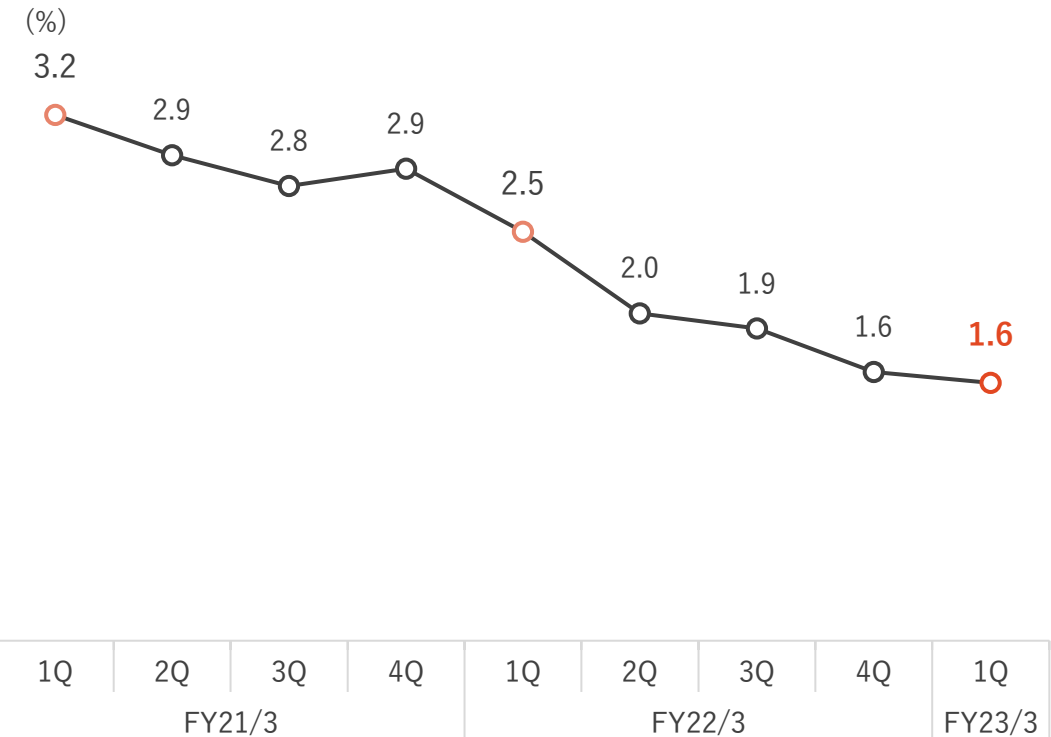
fondesk | ARPU & Churn Rate Trends (Quarterly)

- ARPU consists of a monthly base rate of 10,000 yen plus 200 yen per incoming call from the 101st call and thereafter. After July 2022, the base rate remained the same and was revised to 200 yen per incoming call from the 51st call and thereafter (click the following URL for details of rate revision: <https://www.fondesk.jp/price/new/>).
- Continuous enhancements and improvements resulted in a record low churn rate of **1.6%**.

ARPU



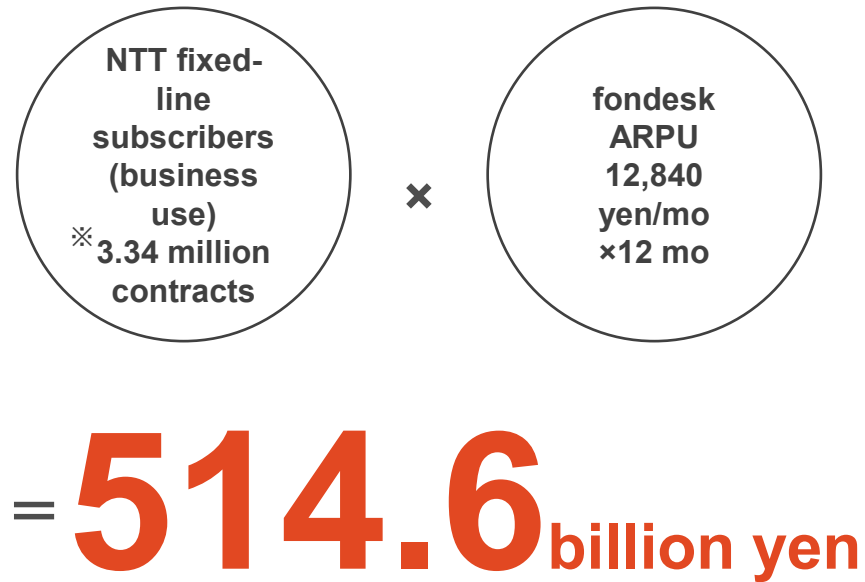
Churn Rate



※ ARPU is calculated based on monthly sales per subscriber, and figures for FY21/3_3Q and FY21/3_4Q are before the change in revenue recognition standards.
Churn rate is the average monthly churn rate for the most recent 12 months based on the number of Fee-paying contracts.

- The COVID-19 pandemic has led to a significant increase in telework and DX demand, and a move toward zero office call handling.

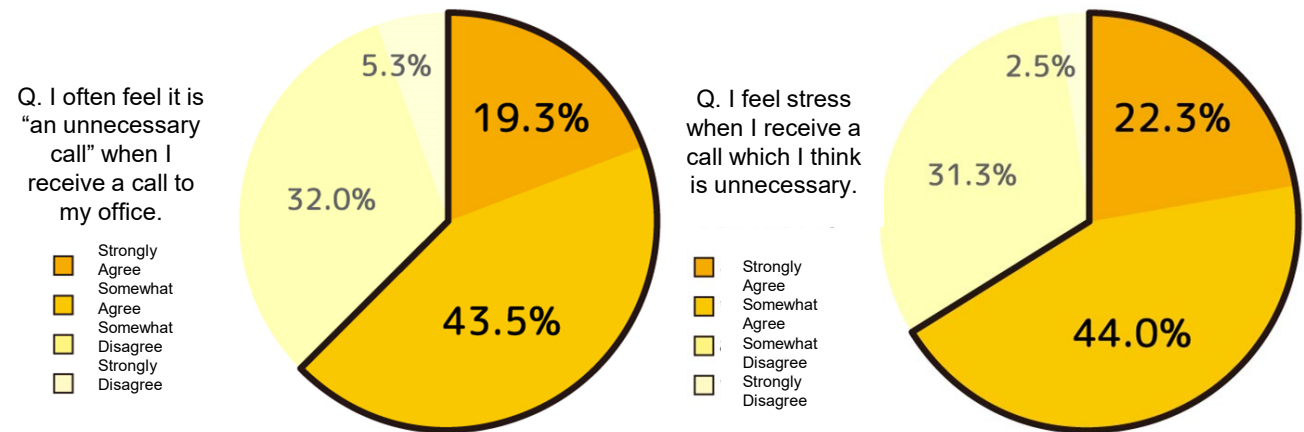
Total Addressable Market (TAM)



※ Source : Ministry of Internal Affairs and Communications, WHITE PAPER Information and Communications in Japan (Year 2020) As of the end of FY2019

Survey on the realities of handling phone calls in the workplace

More than 60% of workers say that phone calls to the office are “unnecessary/stressful.”



※Source: Company data

- Three TV commercials were aired in the Kansai region in July and August to increase awareness of the "fondesk" brand and its usage scenarios among people outside the main customer base of Tokyo-based companies and IT companies.



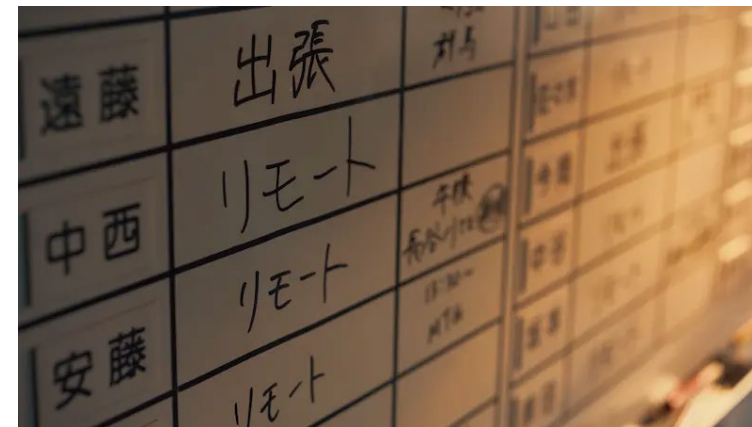
That call could have been a business opportunity: Lawyer's Version

https://youtu.be/z1R5_FtqF-w



That call could have been a business opportunity: Mechanic's Version

<https://youtu.be/0BDFq9bRby4>



That call could have been a business opportunity: Remote Office Version

https://youtu.be/TA_Dgczca5M

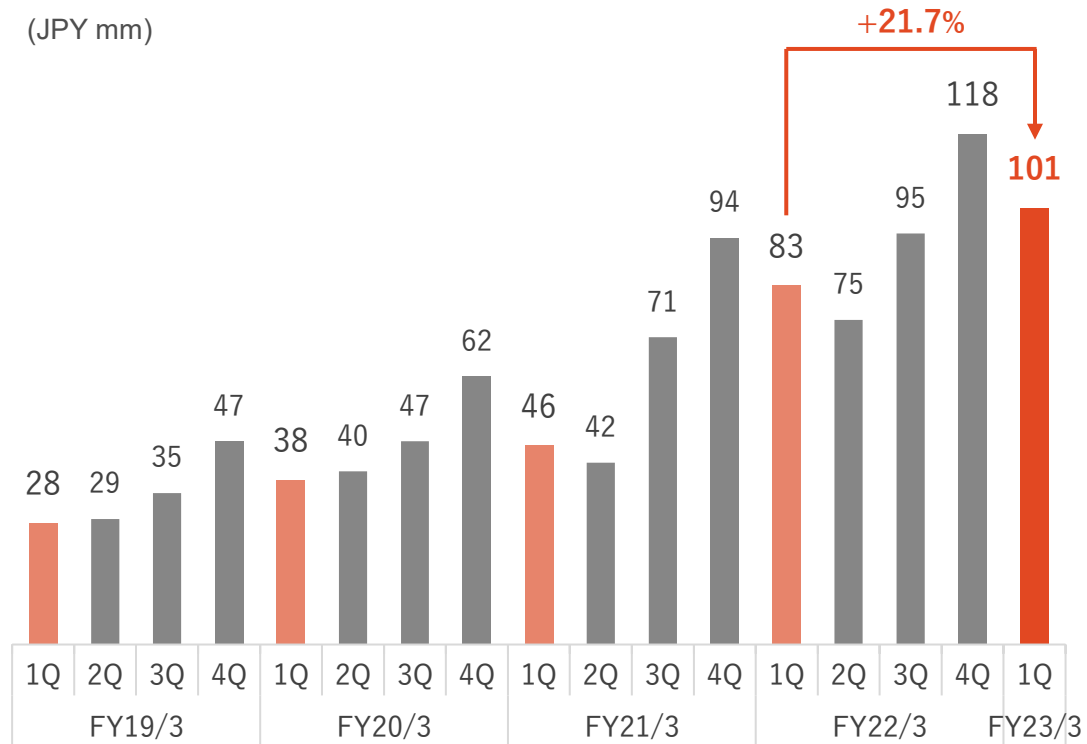




- Net sales increased **21.7% YoY** due to steady growth in contracted kindergartens/nursery schools and increased frequency of use by them.
- Deficit increased YoY due to higher personnel expenses and system-related outsourcing costs, etc.

Net Sales

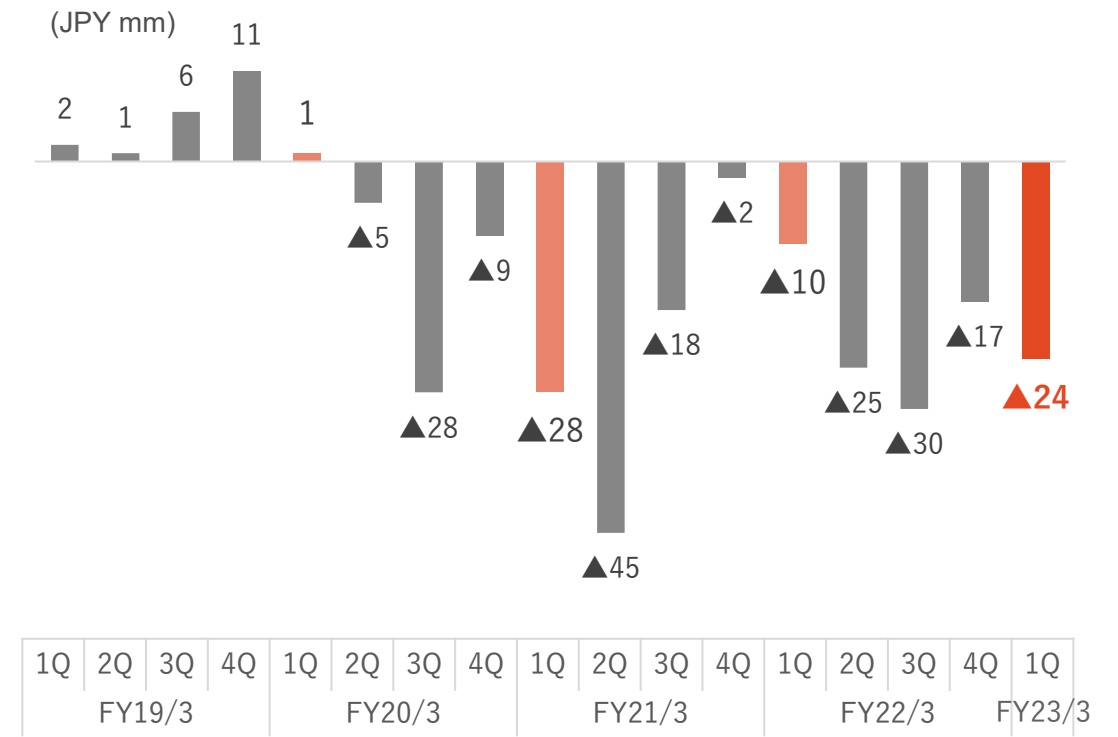
(JPY mm)



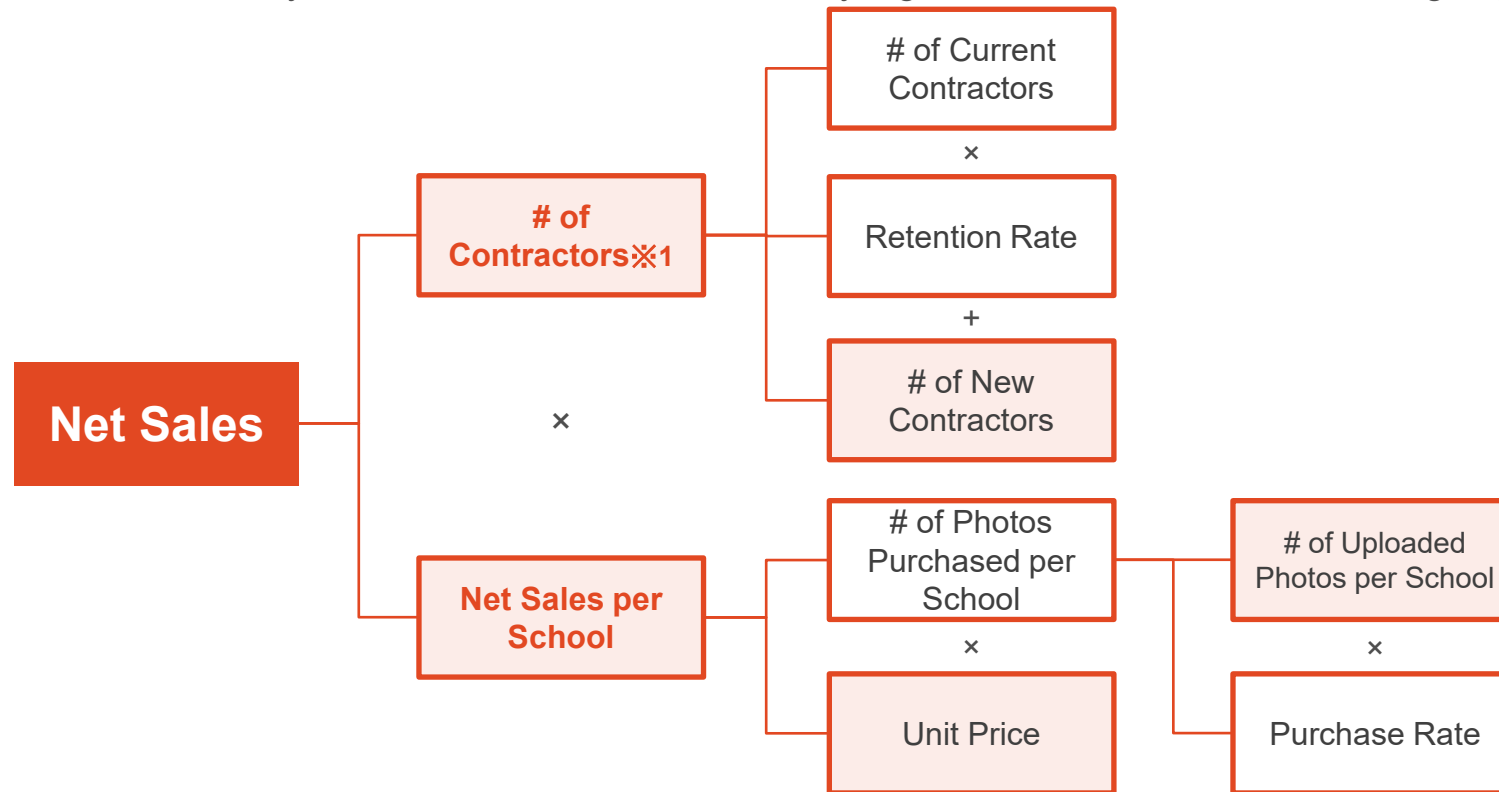
※ Increase in 4Q due to purchase of photos for events such as sports days and Christmas.

EBITDA

(JPY mm)



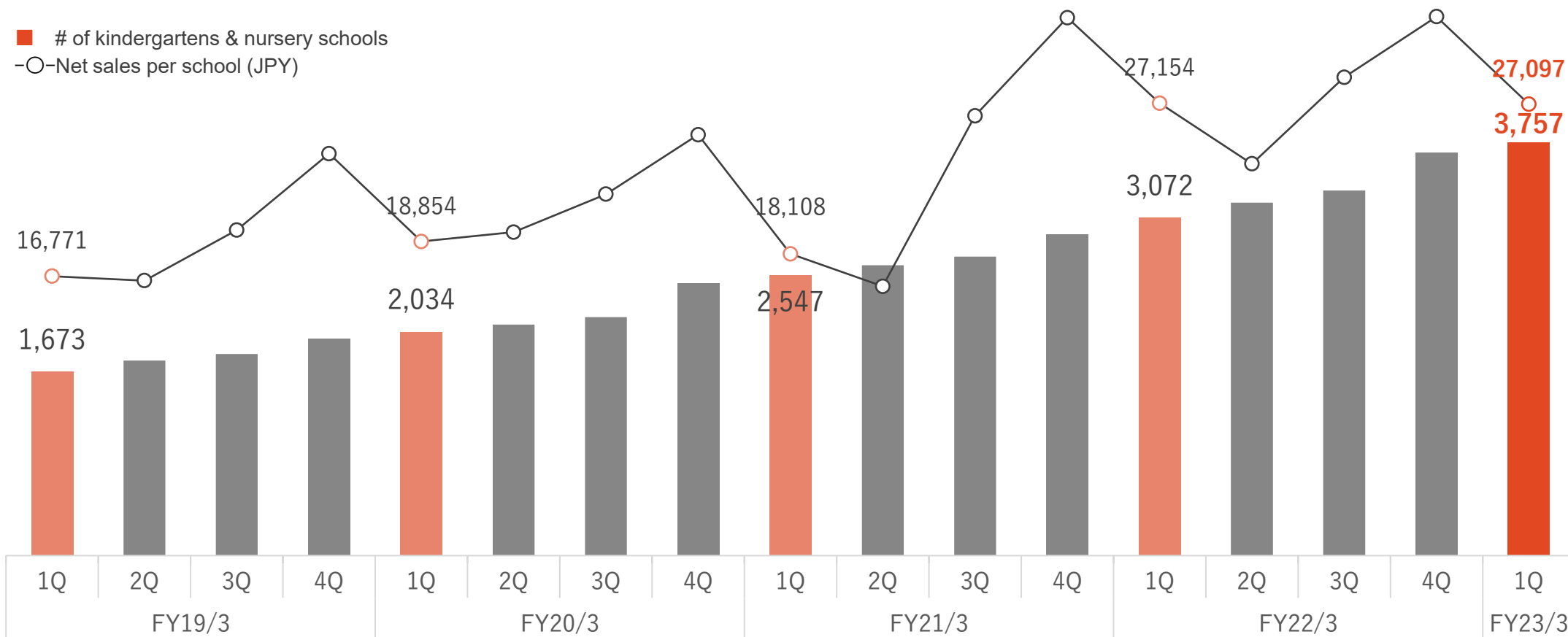
- Maximize sales by increasing the number of new contracted kindergartens/nursing schools through referrals and by increasing sales per school. To achieve this, the number of photos uploaded per school will be increased, and the unit price per photo will be raised by increasing the number of products.
- Since the fee for those schools is zero yen, the retention rate is extremely high, and the more schools that sign up, the greater the contribution to sales growth.



※ The number of contracted preschools include users of the “Kurapuri” photo sales service for clubs and events and the preschools contracted with our partner companies.

en-photo | Contracted Facilities Trends (Quarterly)

- Steady increase in the number of contracted kindergartens/nursery schools despite the impact of the COVID-19 pandemic.
- Net sales per kindergarten/nursery school were flat YoY due to a decline in events affected by semi-emergency measures and the rebound warning period.

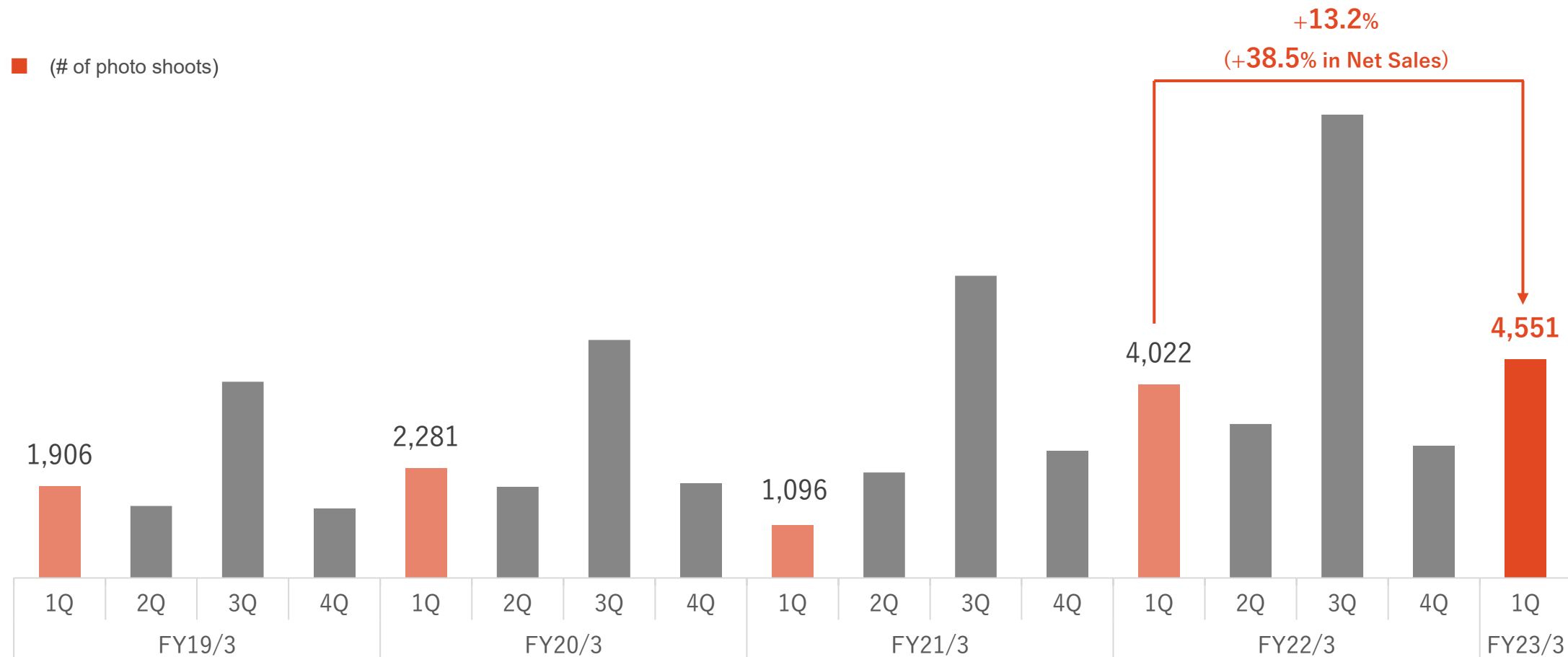


※ The number of contracted preschools include users of the "Kurapuri" photo sales service for clubs and events and the preschools contracted with our partner companies

Our?photo

OurPhoto | Photo Shoot Number Trends (Quarterly)

- The number of shoots remained strong, growing **13.2% YoY**.
- Net sales grew significantly by **38.5% YoY** due to an increase in the minimum usage fee starting in February 2022.



※Increase in 3Q due to demand for Shichi-Go-San commemorative photos.

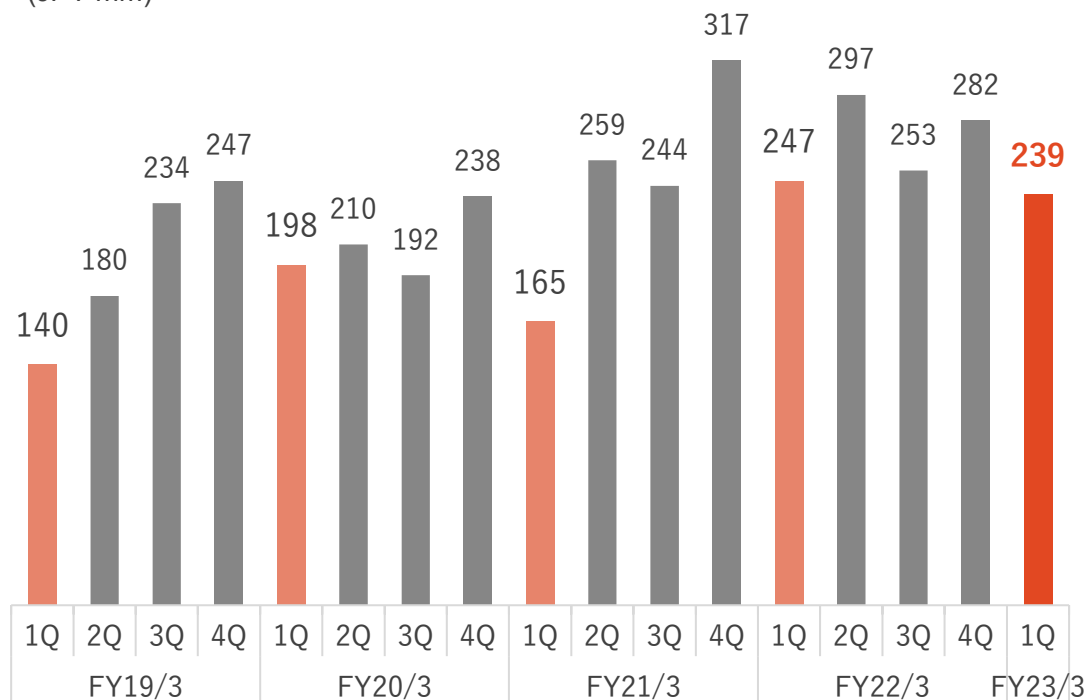
ULURU
B P O

BPO | Sales & EBITDA Trends (Quarterly)

- Although net sales were down slightly YoY, current orders are strong, mainly due to the acquisition of projects in connection with the revision of the Electronic Bookkeeping Act.
- EBITDA landed in the red due to aggressive advertising and the hiring of more staff to expand the BPO business, including the new "eas" service.

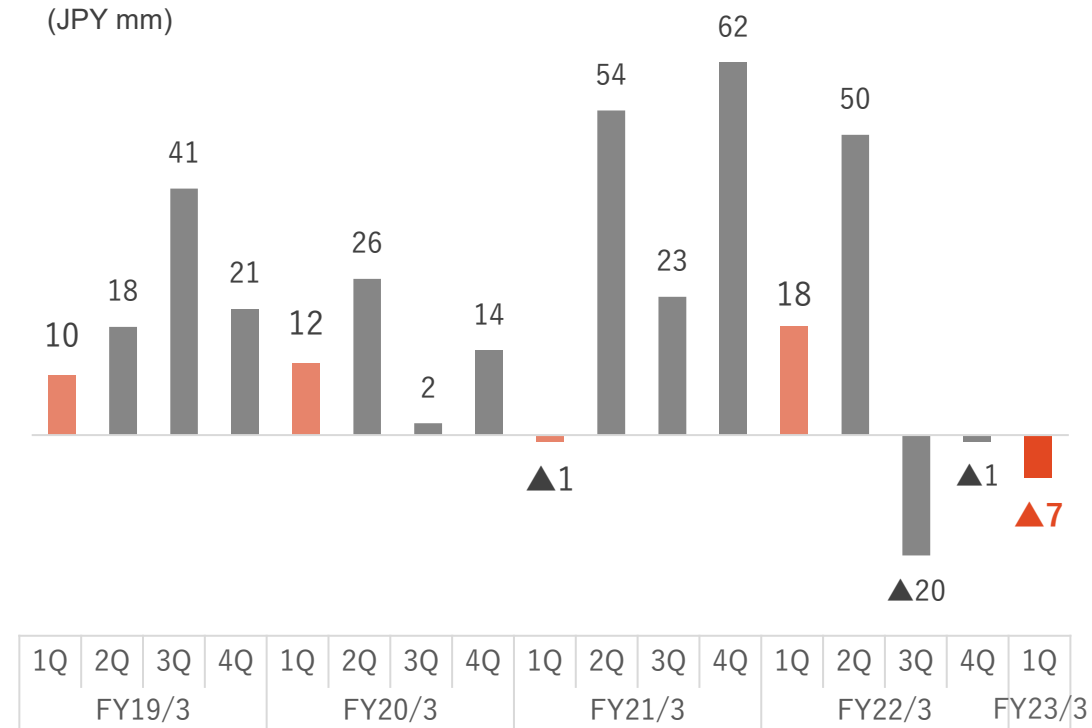
Net Sales

(JPY mm)



EBITDA

(JPY mm)



ULURU
労働力不足解決カンパニー

- Implementing a number of initiatives to solve social issues, such as improving administrative efficiency, providing work opportunities, and promoting the advancement of women.
- Received multiple awards for services that contribute to society.

Examples

- The “NJSS” database is provided free of charge to government and municipal employees. **Helping to improve administrative efficiency.**
- To support NPOs to focus on social contribution projects, we offer the **“NPO Support Plan,”** with three months of free basic monthly fees for “fondesk.”
- Donation to Mirai Kodomo Foundation, a general incorporated foundation that supports children, **in proportion to the number of photos published on the “en-photo” service.** Donations will be made semiannually to “organizations that are involved in activities that bring smiles to the faces of children and their families”.
- Providing “eas next,” a total support service for employment of people with disabilities that **provides integrated support for hiring and training.**
- We run an in-company project called “Joshi Juku” aiming to promote women’s careers. As a result, **the ratio of female managers was 19.0%** as of June 30, 2022.

Awards Received for Social Contribution



NJSS
入札情報速報サービス



ASPIC IoT-AI-クラウド
アワード
2020

Data Application ASP/SaaS Division
Best Social Contribution Award



ASPIC IoT-AI-クラウド
アワード
2021

Data Application ASP/SaaS Division
ASPIC Chairman's Award

<https://www.aspicjapan.org/event/award/15/index.html>



We Talk. You Work. fondesk



社会貢献
ICT人材
育成
支援
NPO Management Support Division
Special Award

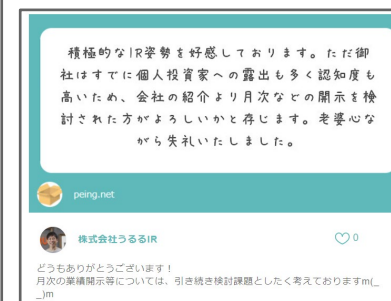
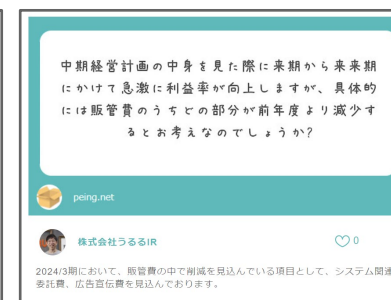
<https://npo-ict-award.jp/>

- To increase the number of “fan” investors, we hold frequent briefings for individual investors, mainly in collaboration with the highly passionate investor community.
- Continuously disseminate useful information on IR using IT services such as "Twitter" and "Peing - Question Box."

Results and schedule of recent briefings for individual investors

Date	Place	Organizer/Seminar Title
9/11/2021	Tokyo	Investment Bridge Premium Bridge Salon
9/18/2021	Hyogo	Kobe Investment Workshop
11/27/2021	Aichi	Kabu Berry IR Seminar
12/18/2021	Tokyo	IR Seminar for Facebook Group
3/19/2022	Kanagawa	Shonan Investment Workshop
3/26/2022	Online	Logmi Finance
5/21/2022	Tokyo	Kobe Investment Workshop in Tokyo
6/20/2022	Online	TwitCasting by Mr. VER, a private investor & ULURU Co-CFO Kondo
(Scheduled) 8/30/2022	Online	Innovation IFA Consulting IR Webinar
(Scheduled) 9/3/2022	Tokyo	Investment Bridge Premium Bridge Salon

Information Dissemination through “Twitter” and “Peing-Question Box.”



https://twitter.com/uluru_ir

<https://ssl4.eir-parts.net/doc/3979/tdnet/2019479/00.pdf>

“ Solve the Labor Shortage and Enrich People and Companies ”

Japan is now facing the major social problem of a labor shortage.

The problem is worsening every day, with a loss of approximately 16 million workers and 69 trillion yen in the labor force by 2040.

In the growth of Japan, we cannot ignore this problem. We, at ULURU, are working to solve it.

We must create and enable the use of a new labor force.

We must improve productivity by utilizing IT and AI and promoting DX.

We must also think outside the box and create new solutions with unique ideas.

We, at ULURU, are committed to solving the serious social problems that Japan is facing. Furthermore, we will tackle the social problems of the world.

3 Appendix

CGS	Acronym of Crowd Generated Service which was coined internally. It refers to a service/services created by utilizing crowd workers. In addition to our signature CGS, NJSS, a bidding information flash service, we have "fondesk", "en-photo" and "OurPhoto."	LTV	Abbreviation of Lifetime Value. It is a calculation of how much one person, or one customer of a company brings from the beginning to the end of the relationship.
Crowd-Sourcing	A term coined from the combination of crowd and outsourcing. It refers to ordering and receiving of work from and to an unspecified number of workers via the Internet. We are operating a crowd-sourcing site, "shufti."	ARPU	Abbreviation of Average Revenue Per User. In this document, "daily sales per case" refers to "daily sales per case" in NJSS and "monthly sales per case" in fondesk.
Crowd Workers	It refers to workers who receive orders through crowd-sourcing. Our "shufti" registrants are mainly homemakers.	ARR	Abbreviation of Annual Recurring Revenue. It refers to a year's worth of earnings and sales that are fixed each year. It does not include initial costs, additional purchase costs, or consulting fees. In this report, it refers to "the number obtained by multiplying each quarterly fixed revenue by 4."
BPO	Abbreviation of Business Process Outsourcing. It refers to the outsourcing of part of a company's business (mainly non-core operations) to external specialists. We provide comprehensive outsourcing services including digitization business such as data entry and scanning.	EBITDA	Abbreviation of Earnings Before Interest, Taxes, Depreciation and Amortization. It refers to the total amount of operating income, depreciation and amortization, and amortization of goodwill. We set EBITDA as a key indicator in order to actively consider M&A and other activities which will contribute to the achievement of our mid-term management plan.
SaaS	Abbreviation of Software as a Service. It refers to software provided in the cloud.	YoY / QoQ	Abbreviations of year over year and quarter over quarter, respectively.
Subscription	It refers to a method of paying for a product or service based on the length of time used. In recent years, it has often been adopted as a form of software usage.	PSR	Abbreviation of Price to Sales Ratio. It is defined as market capitalization divided by annual sales. It is used as an index to measure the stock price level of emerging growth companies.
Recurring	It refers to a business model that aims to generate recurring revenue. In this document, fees are a component of recurring revenue on a pay-as-you-go basis.		

PL (Quarterly/Consolidated)

(JPY mm)	FY23/3_1Q	FY22/3_1Q	YoY	FY22/3_4Q	QoQ
Net Sales	1,062	925	+14.8%	1,065	▲0.3%
Cost of sales	289	271	+6.5%	311	▲6.9%
Gross profit	772	653	+18.3%	754	+2.5%
SG&A	820	633	+29.5%	978	▲16.2%
SG&A margin	77.2%	68.4%	-	91.8%	-
EBITDA	▲27	37	-	▲203	-
EBITDA margin	-	4.0%	-	-	-
Operating Profit	▲47	20	-	▲224	-
Operating Profit margin	-	2.2%	-	-	-
Ordinary Profit	▲40	30	-	▲232	-
Profit attributable to owners of parent	▲47	▲9	-	44	-
Number of employees	318	247	+28.7%	301	+5.6%

Segment Information (Quarterly / Consolidated)

JPY mm	NJSS	fondesk	photo	Other CGS	BPO	Crowd-sourcing	The Whole Company (Headquarters)
Net Sales	552	136	126	0	239	7	-
EBITDA	191	▲4	▲56	▲10	▲7	▲2	▲137
EBITDA margin	34.6%	-	-	-	-	-	-
Segment Profit	188	▲4	▲64	▲10	▲14	▲2	▲139
Segment Profit margin	34.2%	-	-	-	-	-	-
Number of employees	107	16	36	-	119	6	34
<FY23/3 Forecast>							
JPY mm	NJSS	fondesk	photo	Other CGS	BPO	Crowd-sourcing	The Whole Company (Headquarters)
Net Sales	2,400		1,200	-	1,200	-	-
EBITDA	850		▲250	-	100	-	-

※ photo: en-photo + OurPhoto

Segment Net Sales / Segment Profit / Segment EBITDA (Quarterly / Consolidated) ①

(JPY mm)		FY22/3_1Q	FY22/3_2Q	FY22/3_3Q	FY22/3_4Q	FY23/3_1Q
NJSS	Net Sales	467	490	518	520	552
	Segment Profit	190	176	186	142	188
	EBITDA	191	178	188	145	191
fondesk	Net Sales	102	110	120	121	136
	Segment Profit	1	1	1	▲78	▲4
	EBITDA	1	2	1	▲78	▲4
Photo (en-photo・OurPhoto)	Net Sales	101	90	139	133	126
	Segment Profit	▲39	▲62	▲72	▲75	▲64
	EBITDA	▲32	▲54	▲64	▲67	▲56
Other CGS	Net Sales	-	-	-	-	-
	Segment Profit	▲1	▲2	▲10	▲12	▲10
	EBITDA	▲1	▲2	▲10	▲12	▲10

Segment Net Sales / Segment Profit / Segment EBITDA (Quarterly / Consolidated) ②

(JPY mm)		FY22/3_1Q	FY22/3_2Q	FY22/3_3Q	FY22/3_4Q	FY23/3_1Q
BPO	Net Sales	247	297	253	282	239
	Segment Profit	12	43	▲28	▲9	▲14
	EBITDA	18	50	▲20	▲1	▲7
Crowd-Sourcing	Net Sales	7	7	8	7	7
	Segment Profit	▲9	▲7	▲5	▲8	▲2
	EBITDA	▲9	▲7	▲5	▲8	▲2
Whole Company Expense (Headquarters)	Net Sales	-	-	-	-	-
	Segment Profit	▲156	▲96	▲135	▲181	▲139
	EBITDA	▲154	▲94	▲133	▲179	▲137

Expense Details (Quarterly/Consolidated)

(JPY mm)	FY22/3_1Q	FY22/3_2Q	FY22/3_3Q	FY22/3_4Q	FY23/3_1Q
Labor Costs (incl. Recruiting Costs)	398	431	433	482	465
Net Sales Ratio	43.1%	43.3%	41.6%	45.3%	43.8%
Advertising Expenses	71	78	113	225	129
Net Sales Ratio	7.7%	7.9%	10.9%	21.2%	12.2%
System-related Outsourcing Expenses	85	107	106	121	102
Net Sales Ratio	9.2%	10.8%	10.3%	11.4%	9.7%
Depreciation and Amortization + Amortization of Goodwill	17	18	20	21	19
Net Sales Ratio	1.8%	1.9%	1.9%	2.0%	1.8%

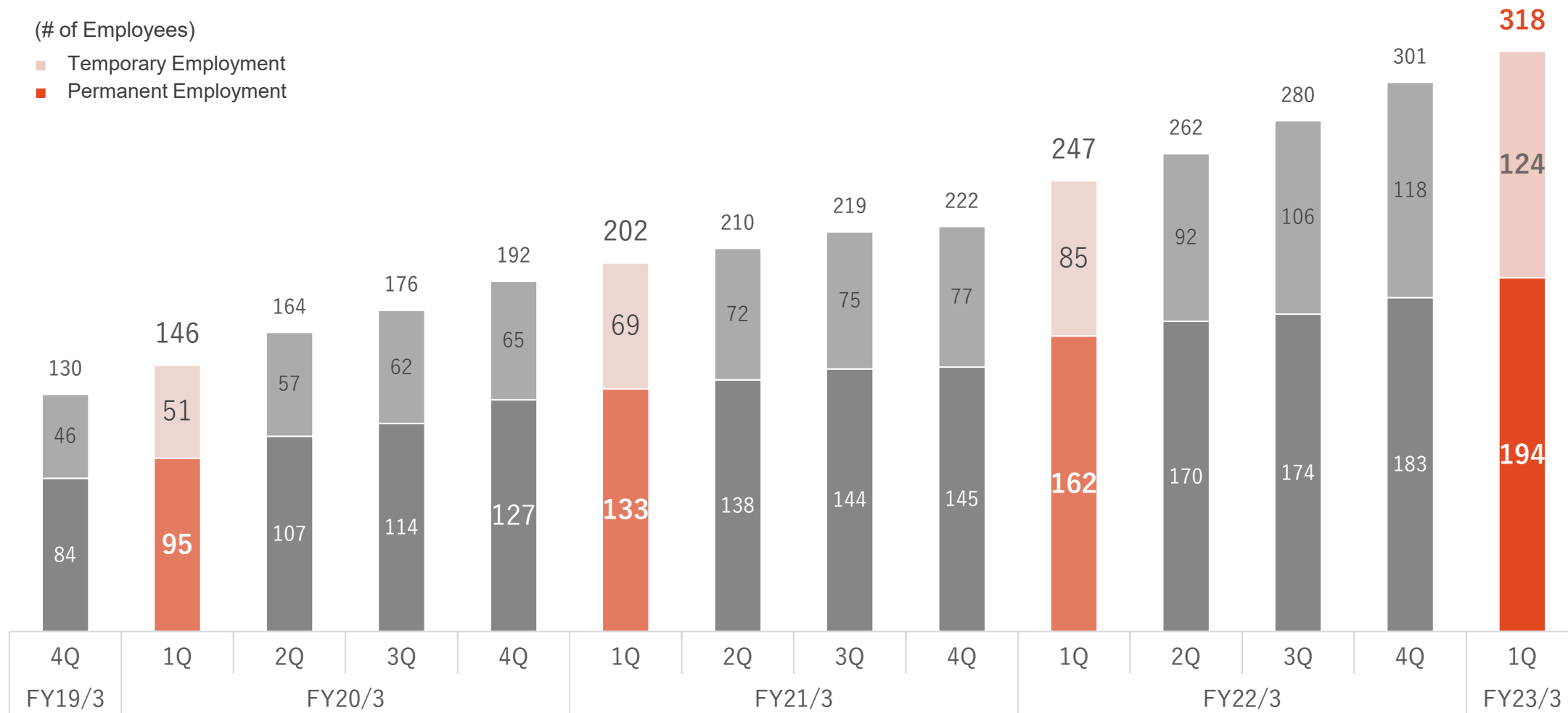
Major Expenses Invested by Business Segment

(JPY mm)		FY22/3_1Q	FY22/3_2Q	FY22/3_3Q	FY22/3_4Q	FY23/3_1Q
NJSS	Labor Costs (incl. Recruiting Costs)	142	149	154	170	169
	Advertising Expenses	31	35	47	63	55
	System-related Outsourcing Expenses	35	48	43	52	50
fondesk	Labor Costs (incl. Recruiting Costs)	19	23	22	25	24
	Advertising Expenses	30	32	39	105	51
	System-related Outsourcing Expenses	-	-	-	-	-
en-photo・ OurPhoto	Labor Costs (incl. Recruiting Costs)	43	41	51	57	60
	Advertising Expenses	7	7	15	17	11
	System-related Outsourcing Expenses	43	53	55	54	50
BPO	Labor Costs (incl. Recruiting Costs)	108	126	109	124	110
	Advertising Expenses	1	2	10	25	9
	System-related Outsourcing Expenses	3	2	4	4	0

BS (Quarterly / Consolidated)

(JPY mm)	FY23/3_1Q	FY22/3	QoQ	FY22/3_1Q	YoY
Current assets	3,053	3,297	▲7.4%	3,300	▲7.5%
Cash and deposits	2,585	2,805	▲7.8%	2,969	▲12.9%
Non-current assets	1,165	1,041	+12.0%	789	+47.7%
Property, plant and equipment	142	140	+1.2%	143	▲1.1%
Intangible assets	264	243	+8.5%	248	+6.6%
Investments and other assets	759	657	+15.5%	397	+91.0%
Total assets	4,219	4,338	▲2.7%	4,089	+3.2%
Current liabilities	2,095	2,157	▲2.9%	1,825	+14.8%
Contract liabilities (formerly advances received)	1,378	1,193	+15.5%	1,153	+19.6%
Borrowings	41	41	▲1.2%	42	▲2.4%
Non-current liabilities	42	52	▲19.2%	85	▲50.2%
Borrowings	28	38	▲25.9%	70	▲58.9%
Total liabilities	2,137	2,210	▲3.3%	1,911	+11.8%
Total net assets	2,081	2,128	▲2.2%	2,177	▲4.4%
Total liabilities and net assets	4,219	4,338	▲2.7%	4,089	+3.2%
Capital adequacy ratio	49.3%	49.1%	-	53.3%	-
Net cash	2,515	2,724	▲7.7%	2,856	▲11.9%

Changes in Number of Employees by Employment Type



※ The number of temporary employees is the average number of employees for the year

Origin of Our Company Name



The world's largest monolith called "Uluru (Ayers Rock)" is located in the center of Australia. It is considered a sacred place by the Aborigines, the indigenous people of Australia.

When Tomoya Hoshi, the CEO of our company, traveled to Australia at the age of 20, he was strongly impressed by Uluru, saying, “ never knew there was such a magnificent and mysterious landscape in this world.”

“I felt the majesty of the earth in its tremendous presence. Although there are many more magnificent and mysterious places in the world, I want to remember the emotion I felt at that time. I really want you to taste it, too. I want to be like this place, the center of the world, called the "Earth's belly button.”

This is one of the reasons why Hoshi started the company, and we named our company "Uluru" to express our desire to share the excitement he felt with many people involved in our business.

Director



President
Tomoya Hoshi



Vice President
Yuhei Okeyama
President ULURU BPO.CO.,LTD.



Director
CISO
Yosuke Nagaya



Director
Chief Culture Officer
Shinsuke Kobayashi



Director
Co-CFO
Hirokazu Kondo



Director
(Govtech Business※1)
Takahiko Watanabe

Outside Directors · Auditors · Outside Auditors

Outside Director Takahiro Ichikawa
Auditor Hidekazu Suzuki

Outside Director Takeshi Matsuoka
Outside Auditor Norio Suzuki

Outside Auditor Mika Yanagisawa

Executive Officers



Executive Officer
CHRO
Yuki Akimoto



Executive Officer
(Omoide Business※2)
Taketsugu Tanaka



Executive Officer
(shufti · eas)
Emi Nosaka



Executive Officer
(fondesk)
Shunta Wakimura



Executive Officer
Co-CFO
Yasuaki Uchimaru



Executive Officer
(NJSS)
Junichi Sugiyama

※1 Govtech Business: Developing services such as "NJSS" to increase convenience and efficiency of government and local governments through the power of technology. ※2 Omoide Business: en-photo & OurPhoto

Skills Matrix for Directors and Auditors

- A team of executives with optimal and well-balanced skill sets to achieve our mission of "Solve the Labor Shortage and Enrich People and Companies."

Name	Title	Independent Director	General Management	Business Strategy, Marketing, and New Business Development	Finance and Accounting	M&A	IT・DX	Organization, HR, Human Resource Development	PR・IR	Legal and Compliance
T. Hoshi	President		○	○		○		○		
Y. Okeyama	Vice President		○	○						
Y. Nagaya	Director CISO						○			○
S. Kobayashi	Director Chief Culture Officer							○	○	
H. Kondo	Director Co-CFO				○	○			○	○
T. Watanabe	Director (Govtech Business)			○						
T. Ichikawa	Outside Director	○	○		○					
T. Matsuoka	Outside Director	○	○	○			○			
H. Suzuki	Auditor		○		○					○
N. Suzuki	Outside Auditor	○			○	○				○
M. Yanagisawa	Outside Auditor	○								○

Alternative Candidates for Scarce Labor Force

- 69 trillion-yen labor force that will have disappeared by 2040 is expected to be replaced by labor productivity improvement, crowd workers, elderly workers, and other labor force members.
- We are currently working to create a new workforce of crowdsourced workers through our CGS, BPO, and crowdsourcing businesses.

Alternative Candidate	Complementary Labor Force (mm)		Amt. of Compensation/worker (JPY mm)		Potential Value of Candidate (JPY tn)	Remarks
Crowd Workers	10	×	0.3 (Assumes approximately 300 hours of work annually)	=	3	Our company conducts projects that enable people to work in the workforce by taking advantage of their spare time.
Elderly Workers (65 & over)	12	×	2.16 (Assumes 1/2 working hours of working age)	=	26	About 30% of the 39.21 million people in 2040 will be active
Homemakers	2.4	×	2.87 (Statistical Survey of Actual Status for Salary in the Private Sector in 2017)	=	7	40% of the 6 million full-time homemakers were active as of 2018 (number of full-time homemakers is from a survey by the Japan Institute for Labor Policy and Training)
Foreign Workers	2	×	4.32 (Assumed to be about average annual income)	=	9	Increased by about 40% out of 1.46 million as of October 2018 (number of foreign employees is from a survey by the Ministry of Health, Labor, and Welfare).
Productivity Improvement/DX	6	×	4.32 (Statistical Survey of Actual Status for Salary in the Private Sector in 2017)	=	26	Productivity increase of about 10% out of 59.78 million people as of 2040 (the number as of 2016 is from the WHITE PAPER on Information and Communications, 2018).

Source : Our Estimations

CGS Business-bidding information flash service, “NJSS”

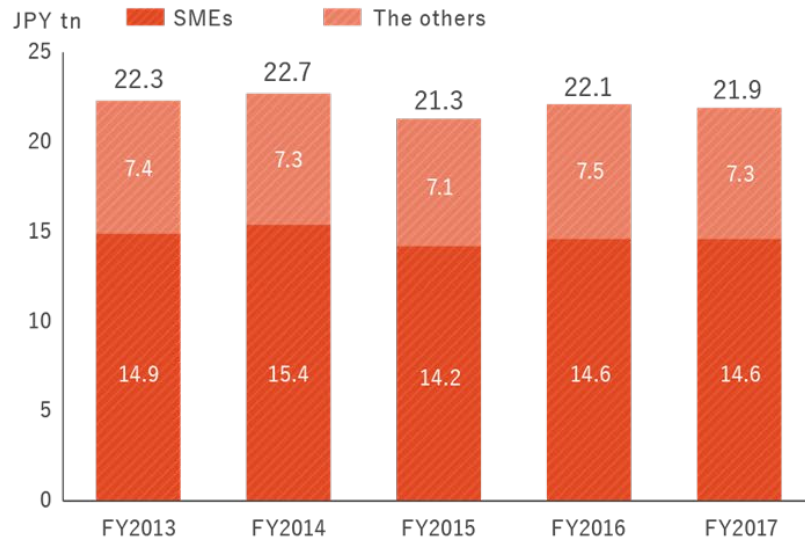
- A service that provide a database of bidding information ordered by public offices and other agencies.
- Hundreds of crowd workers collect information from approx. 7,700 bidding agencies, and we build a database of information on bids and winning projects.



- 1** Providing Service with **SaaS Model**
Providing a bid/offer database created by utilizing **Crowd-Sourcing** via **the Cloud**.
It maintains a **high marginal profit margin**. (Profitability of Sales: 91.3% in FY2021 & 91.9% in FY2022)
- 2** Sales are by **Subscription**
Sales are **stock-based**, consisting of **subscriptions**.
- 3** **Original Business Model & Barrier to Entry**
a bid/offer database by combining a **large amount of crowd workers' workforce** and **Web crawlers**.
As an additional benefit, the difficulty in collecting bid data creates a barrier to entry for competitors.
- 4** In principle, receiving the usage fee in advance at the time of contract.
The more sales increase, the more FCF increases. No normal working capital occurs.

Bidding Market Trends

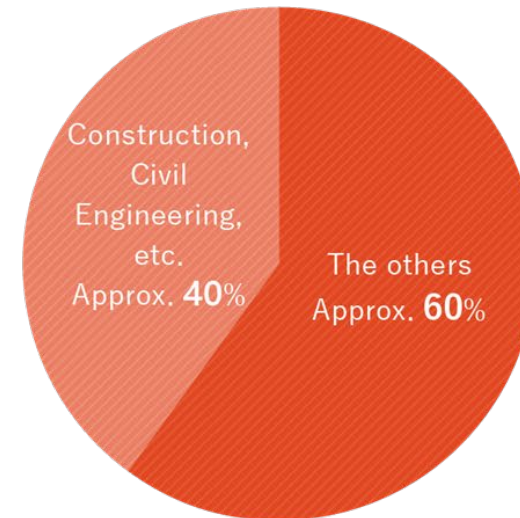
- Huge Market with steady orders of **Over JPY 20 tn/yr.**
- **Over 60%** won by **small and mid-sized enterprises (SMEs)**



Source : Small and Medium Enterprise Agency "Guide to Contracts in the Public Sector"

Ratio of Industries

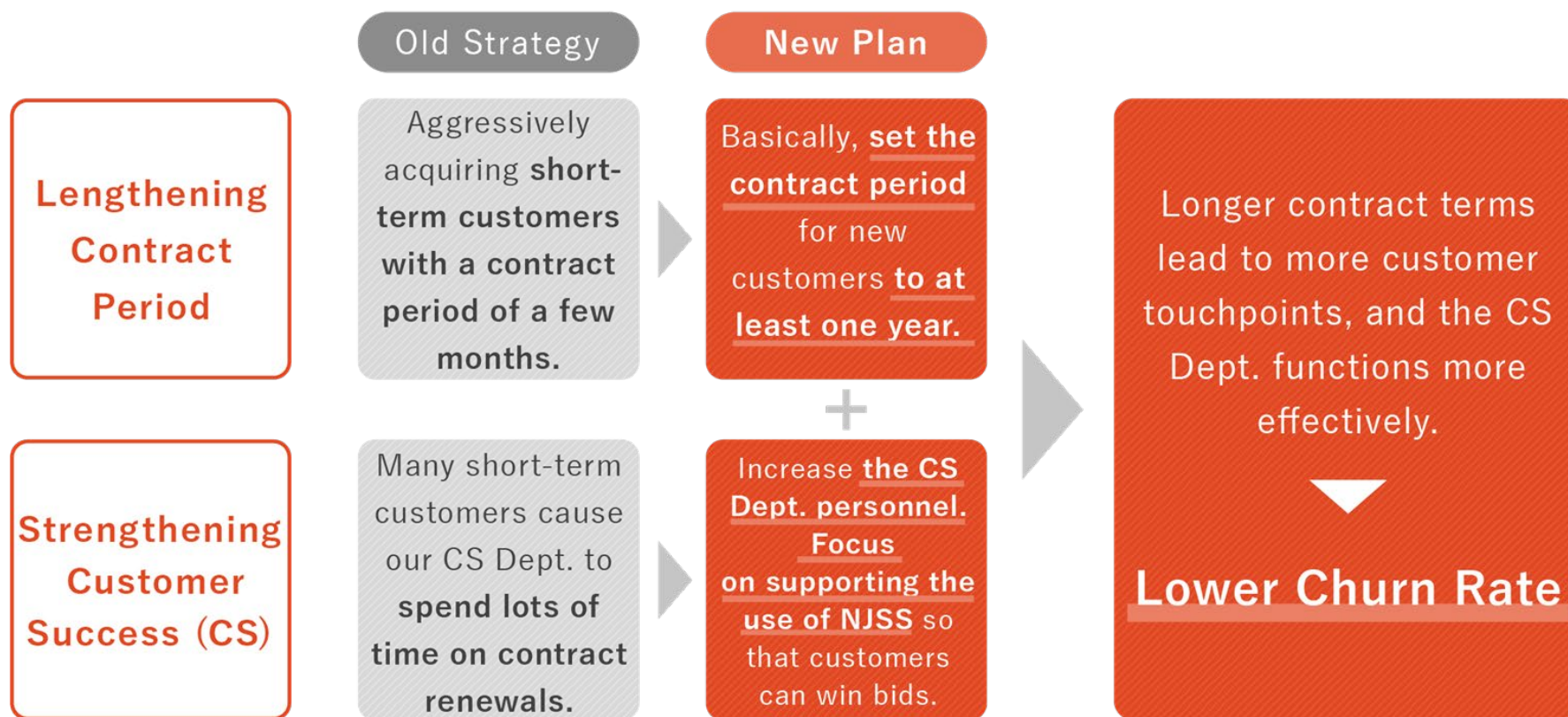
- Construction, civil engineering, and other construction projects accounted for about 40% in terms of value.
- **Orders other than construction**, such as goods and services, account for **about 60%**.



Source : Small and Medium Enterprise Agency "Guide to Contracts in the Public Sector"

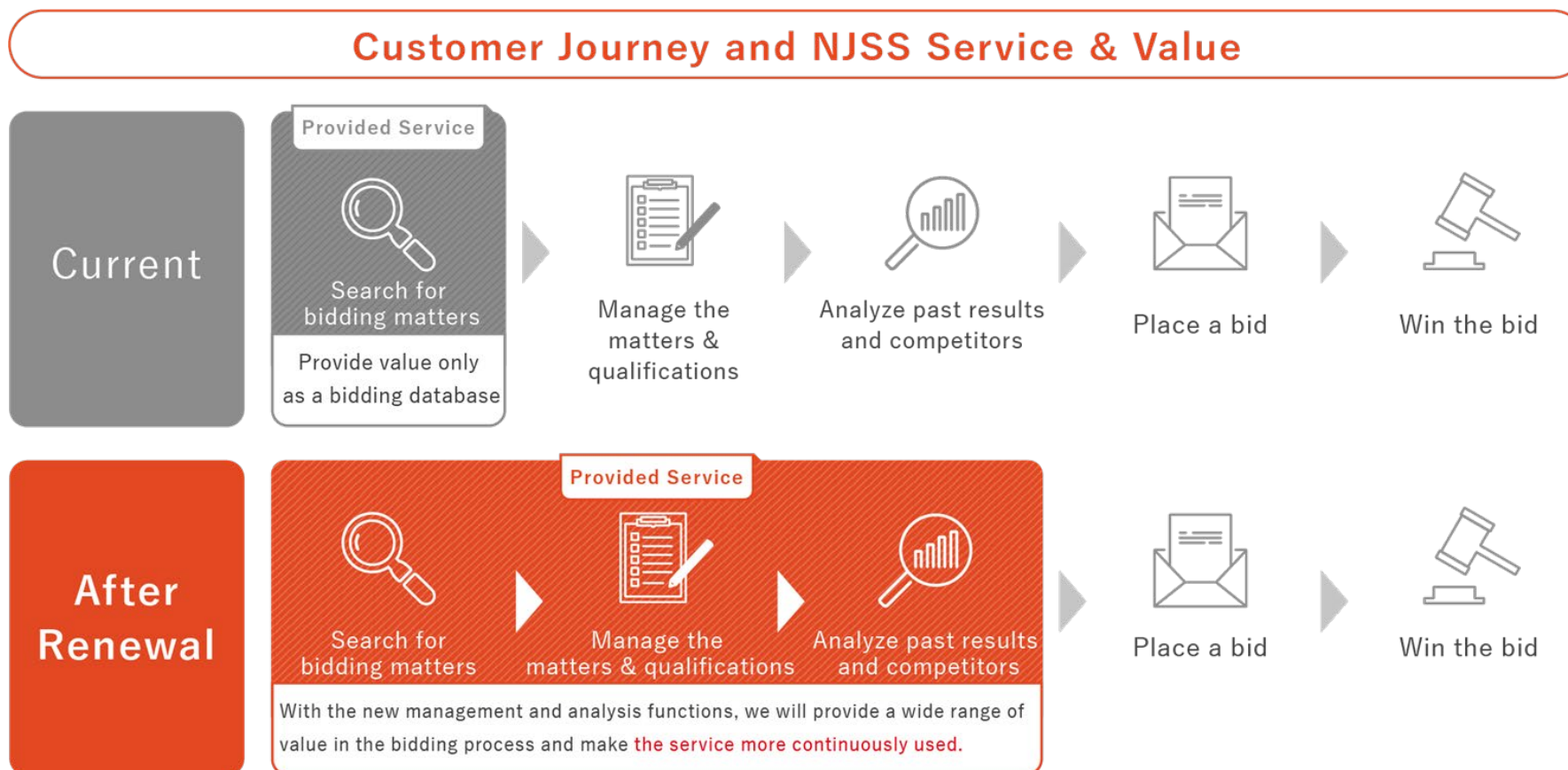
NJSS-Improvement Measures Based on the Mid-Term Management Plan (Sales Structure)

- Significantly updated its sales structure based on the mid-term management plan.
- Succeeded in lowering churn rate by extending contract period and strengthening customer success (CS).



NJSS-Improvement Measures Based on the Mid-Term Management Plan (Package Renewals)

- Full renewal of NJSS product on July 26, 2021 in accordance with the medium-term management plan

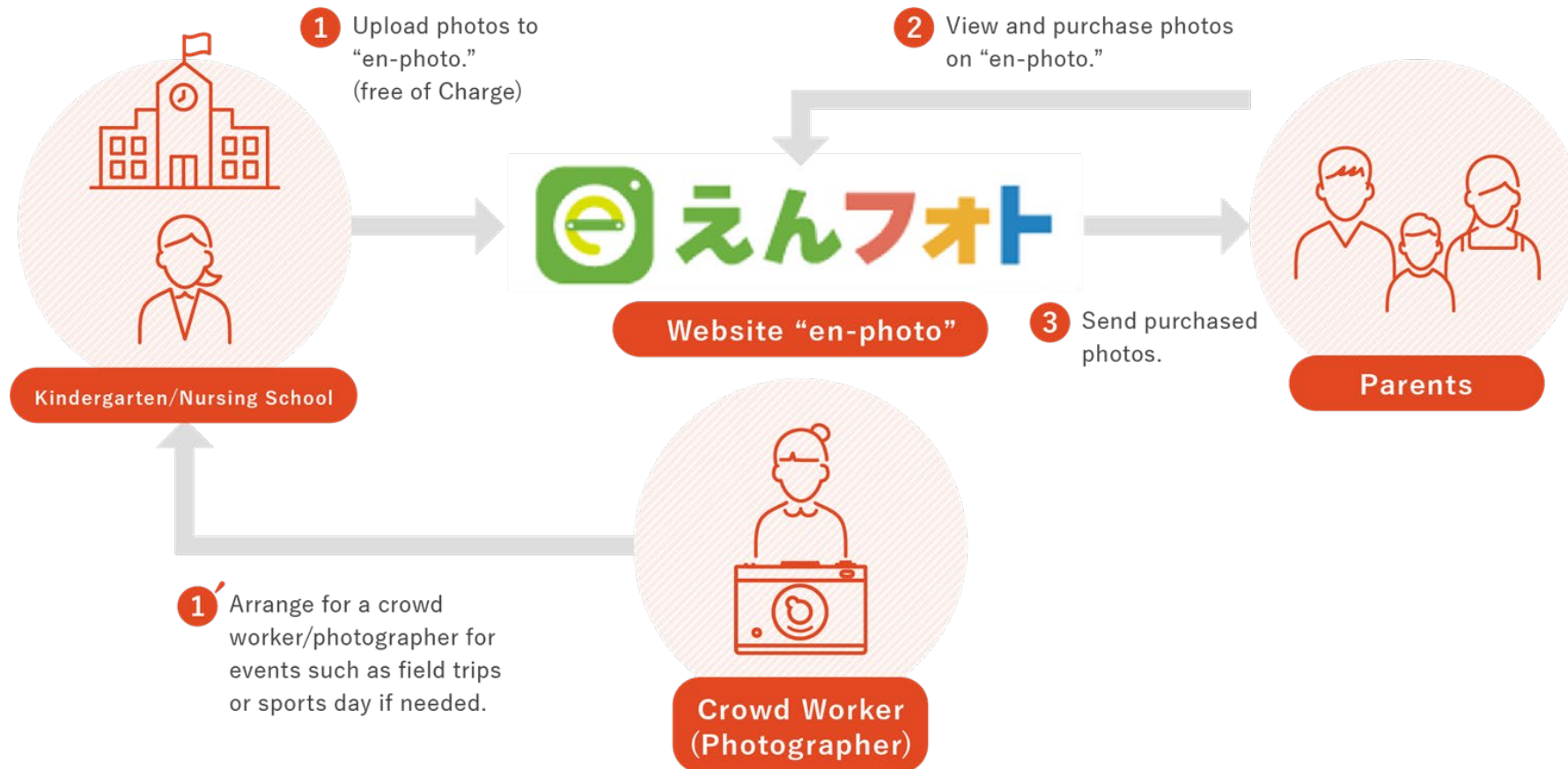


- “A smart phone answering service starting at 10,000 yen per month.”
- Crowd workers receive incoming calls on behalf of the company and relay the messages via chat tools such as Slack, Chatwork, and Microsoft Teams.



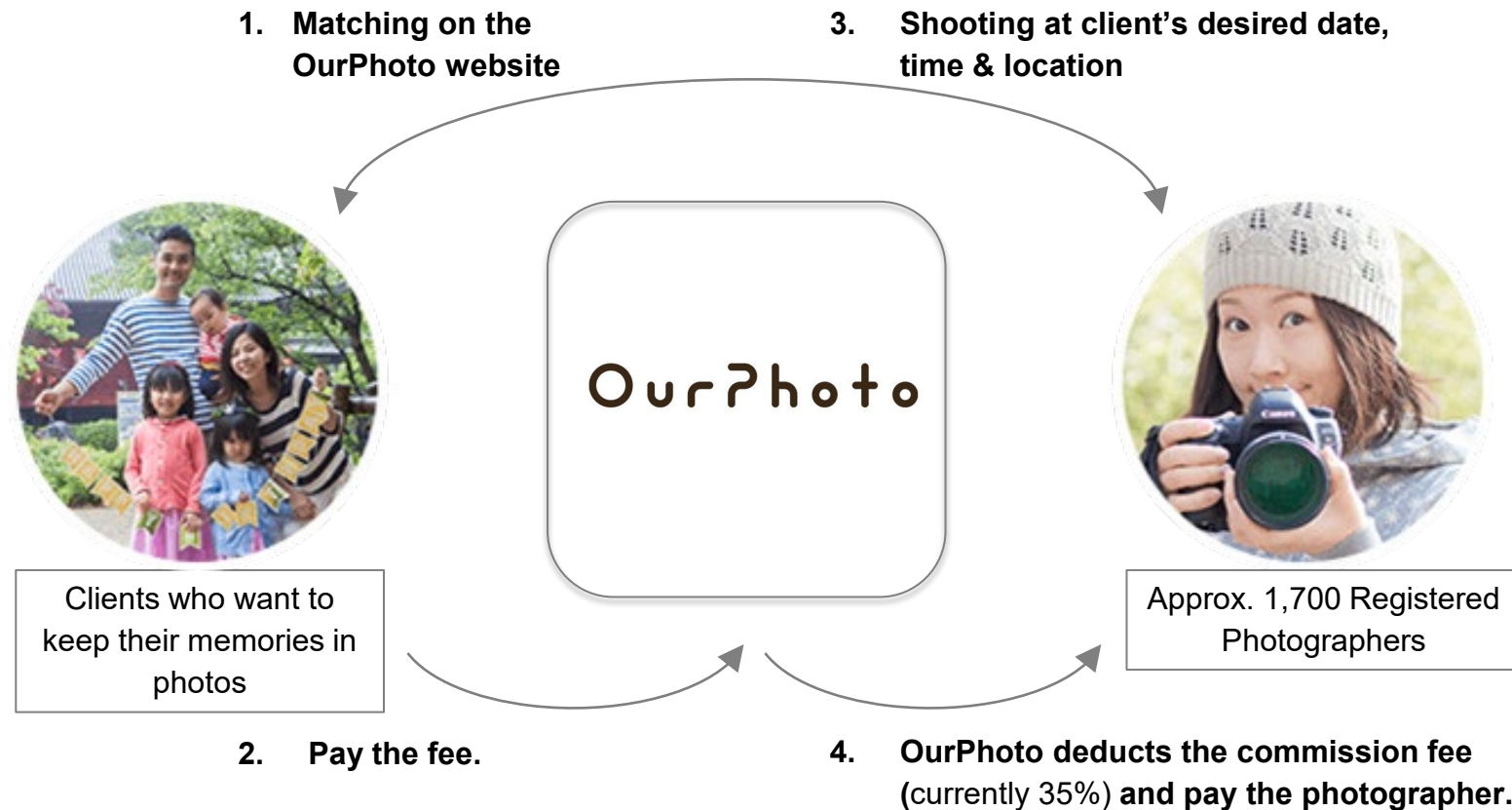
CGS Business-“en-photo”

- A photo sales system that drastically reduces time and effort of kindergartens, nursing schools, and parents.
- Providing added value by arranging for a crowd worker/photographer at kindergarten events.

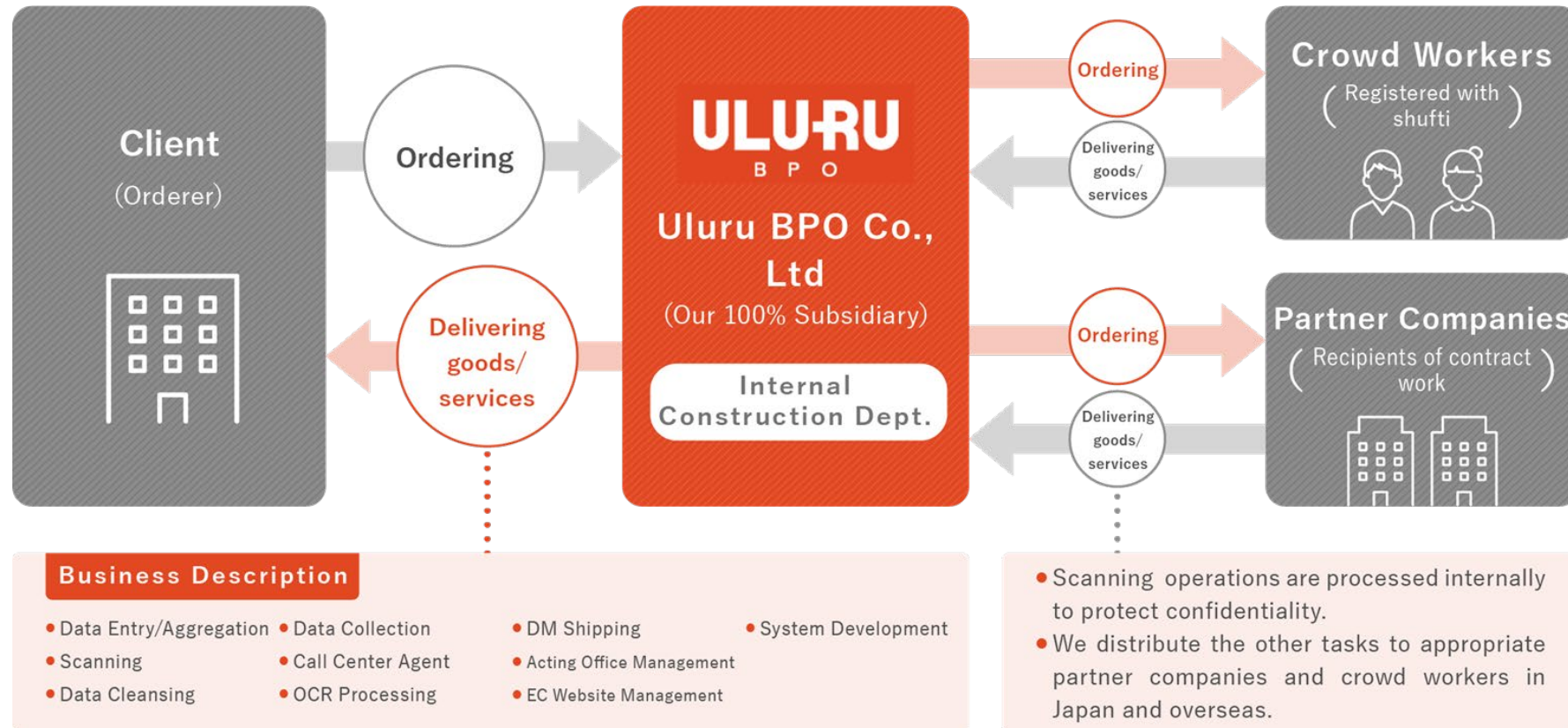


CGS Business-“OurPhoto”

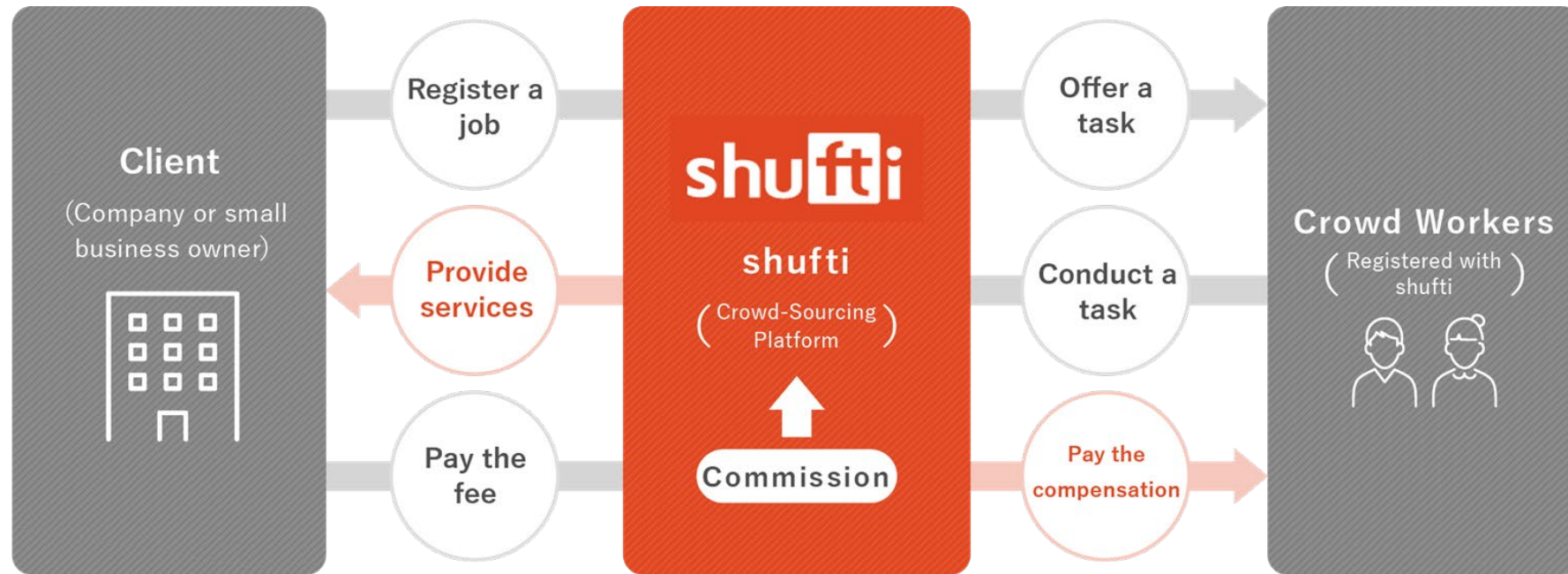
- The on-site photography matching service “OurPhoto.”
- About 1,700 registered photographers and clients who want to preserve their memories in photographs are matched on the OurPhoto website. OurPhoto deducts the commission from the shooting fee and pays the photographer.



- We are entrusted with non-core operations of our client companies and provide solutions by utilizing domestic and overseas partner companies and crowd workers.
- We have particular strengths in scanning and data entry to digitize paper-based information.



- “shufti,” a crowd-sourcing platform matches client companies which want to request work with crowd workers who want to work without restrictions on time and location.
- It has over 440,000 registered crowd workers (as of June 30, 2022).



Revision of Mid-Term Management Plan | The Whole Company

(Announced in May 2022)

- Sales were revised upward by 50 million yen in line with the earnings forecast for the fourth-year plan, and the number of employees was newly disclosed.
- Only the number of employees is revised in the fifth year to reflect current progress. EBITDA unchanged due to reduction of other costs.
- Accelerate sales growth by investing aggressively in the fourth year, aiming to achieve the sales of 5.8 billion yen and EBITDA of 1.5 billion yen planned in the fifth year.

Initial Plan(05/14/19)/ Revised Plan(05/14/21) (JPY mm)	(Initial Plan) FY20/3	(Initial Plan) FY21/3	(Revised Plan) FY22/3	(Revised Plan) FY23/3	(Revised Plan) FY24/3
Net Sales	2,300	-	3,900	4,800	5,800
EBITDA	▲ 300	±0	▲ 250	50	1,500
EBITDA margin	-	-	-	1%	25%
Number of employees (As of the end of FY)	177	-	-	-	265
Record/Revised Plan(05/13/22)	FY20/3	FY21/3	FY22/3	(Forecast) FY23/3	(Revised Plan) FY24/3
Net Sales	2,400	3,200	4,000	4,850	5,800
EBITDA	▲ 100	180	▲ 160	50	1,500
EBITDA margin	-	6%	-	1%	25%
Number of employees (As of the end of FY)	192	222	301	331	341

Revision of Mid-Term Management Plan | NJSS

(Announced in May 2022)

Initial Plan(05/14/19)/ Revised Plan(05/14/21) (JPY mm)	(Initial Plan) FY20/3	(Initial Plan) FY21/3	(Revised Plan) FY22/3	(Revised Plan) FY23/3	(Revised Plan) FY24/3
Net Sales	1,200	1,400	1,900	2,300	2,700
EBITDA	300	650	550	700	1,350
EBITDA margin	25%	46%	-	-	50%
Number of employees	61	-	-	-	106
		▼			
Record/Revised Plan(05/13/22) (JPY mm)	FY20/3	FY21/3	FY22/3	(Forecast) FY23/3	(Revised Plan) FY24/3
Net Sales	1,300	1,600	1,990	2,400	2,700
EBITDA	420	740	700	850	1,350
EBITDA margin	32%	45%	35%	35%	50%
Number of employees	66	74	103	110	107

Revision of Mid-Term Management Plan | fondesk - en-photo - OurPhoto (Announced in May 2022)

Initial Plan(05/14/19)/ Revised Plan(05/14/21) (JPY mm)	(Initial Plan) FY20/3	(Initial Plan) FY21/3	(Revised Plan) FY22/3	(Revised Plan) FY23/3	(Revised Plan) FY24/3
Net Sales	200	-	800	-	1,800
EBITDA	▲ 100	-	▲ 350	-	500
EBITDA margin	-	-	-	-	27%
Number of employees	21	-	-	-	40

▼

Record/Revised Plan(05/13/22) (JPY mm)	FY20/3	FY21/3	FY22/3	(Forecast) FY23/3	(Revised Plan) FY24/3
Net Sales	230	540	910	1,200	1,800
EBITDA	▲ 160	▲ 160	▲ 290	▲ 250	500
EBITDA margin	-	-	-	-	27%
Number of employees	22	31	39	55	51

Revision of Mid-Term Management Plan | BPO

(Announced in May 2021)

Initial Plan(05/14/19)/ Revised Plan(05/14/21) (JPY mm)	(Initial Plan) FY20/3	(Initial Plan) FY21/3	(Revised Plan) FY22/3	(Revised Plan) FY23/3	(Revised Plan) FY24/3
Net Sales	800	-	1,100	-	1,300
EBITDA	100	-	100	-	300
EBITDA margin	10%	-	9%	-	23%
Number of employees	54	-	-	-	79

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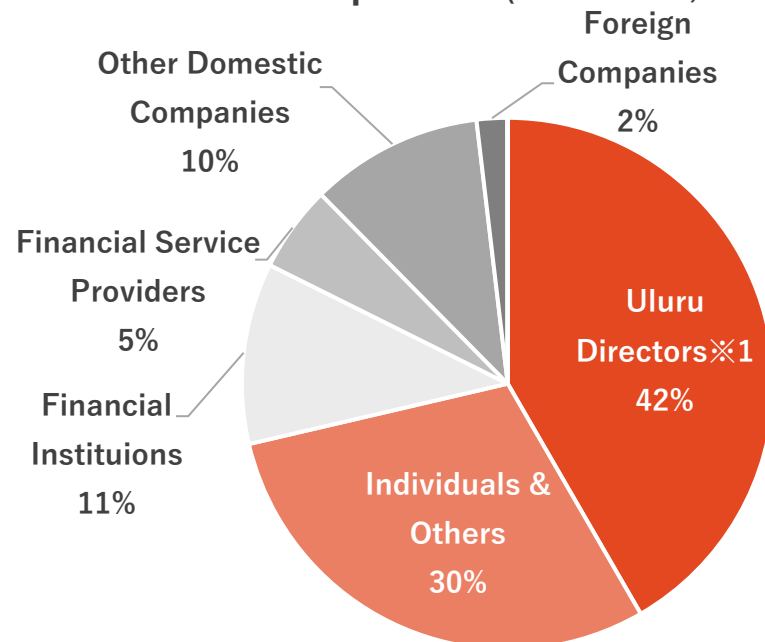
Record/Revised Plan(05/13/22) (JPY mm)	FY20/3	FY21/3	FY22/3	(Forecast) FY23/3	(Revised Plan) FY24/3
Net Sales	830	980	1,080	1,200	1,300
EBITDA	50	130	40	100	300
EBITDA margin	7%	14%	4%	8.3%	23%
Number of employees	68	87	117	121	129

Shareholder Composition

■No. of Shares & Shareholders (As of Mar. 31, 2022)

Total Number of Authorized Shares	11,199,200
Total Number of Issued Shares	6,908,000
Total Number of Shareholders	1,063

■Shareholder Composition (As of Mar. 31, 2022)



※Incl. Tomoya Hoshi's asset management company.

■Major Shareholders (Based on the list of shareholders (As of Mar. 31, 2022))

Rank	Name	# of Shares	Ratio (%)
1	Tomoya Hoshi	1,309,400	18.95
2	Ayers Rock Co., Ltd (CEO: Tomoya Hoshi)	660,000	9.55
3	HIKARI TUSHIN, Inc.	512,900	7.42
4	Yuhei Okeyama	429,100	6.21
5	Keisuke Hikiji	380,800	5.51
6	Custody Bank of Japan Ltd. (Trust Account)	341,100	4.93
	Simplex Asset Management Co., Ltd.	(275,700)	(3.99)
7	Daisuke Gomi	321,000	4.64
8	Yosuke Nagaya	208,000	3.01
9	Nippon Life Insurance Company	190,000	2.75
10	Shinsuke Kobayashi	184,200	2.66

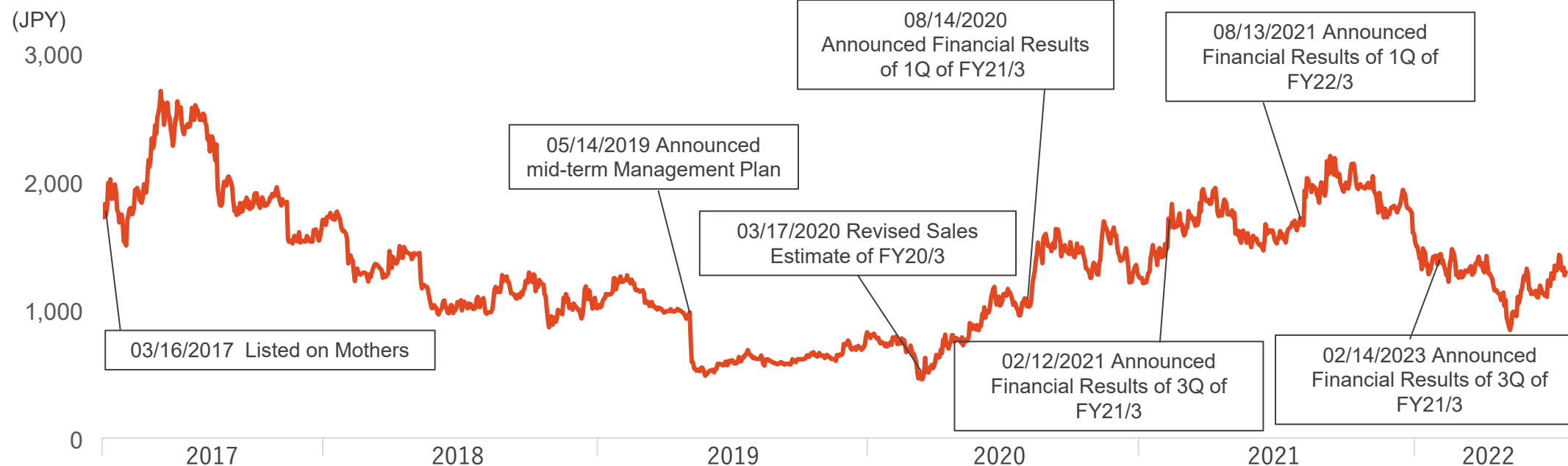
Share Price Trends

Public Offering Price	1,500yen
First Quotation	1,665yen(03/16/2017)
All-time High	2,800yen(06/01/2017)
All-time Low	458.5yen(03/23/2020)

	FY18/3	FY19/3	FY20/3	FY21/3	FY22/3
PSR	4.4	2.9	1.5	4.1	2.3
PER	29.4	26.0	-	317.8	-

※Calculated using the stock price on the closing date

■Share Price(03/16/2017~07/31/2022)



※The Company conducted a 2-for-1 share split effective October 1, 2021. The above share prices have been adjusted retroactively to take into account the impact of this share split.

Fractions in this report are rounded down (or rounded off in the case of %) in principle.

The materials and information provided in this announcement include so-called "forward-looking statements".

These are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements.

These risks and uncertainties include general domestic and international economic conditions such as general industry and market conditions, interest rates, and currency exchange fluctuations.

The purpose of this report is to provide information about the Company and not to solicit the purchase and sale of its shares. Investment decisions should be made at your own discretion.

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Official IR Twitter https://twitter.com/uluru_ir