

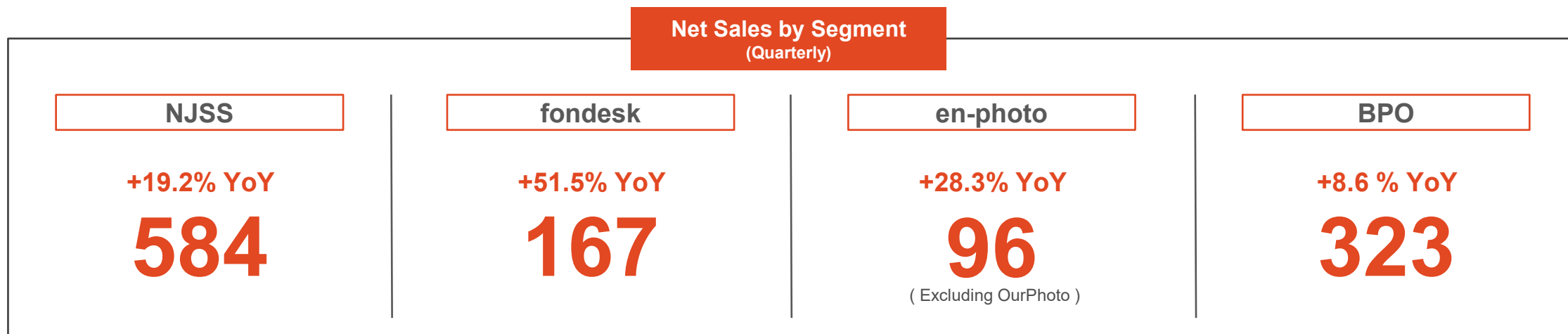
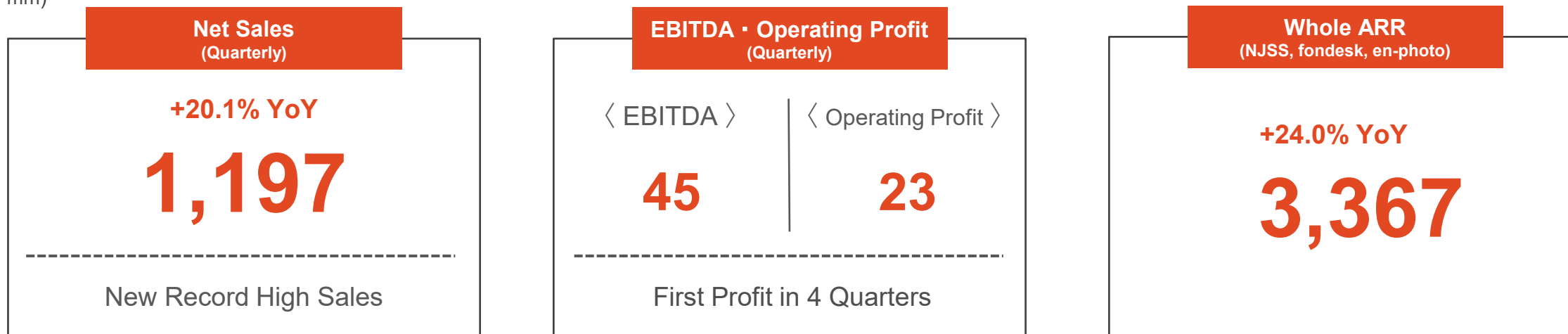
ULURU

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

Uluru Co., Ltd.
Securities Code: 3979
November 14, 2022

Executive Summary ①

(JPY mm)



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

Executive Summary ②

- The whole company sales were generally steady, including record-high first-half sales although progress in "en-photo" and "BPO" was slightly slower than expected.

(JPY mm)	Business	Rating	FY23/3			Details
				2Q Cumulative	Forecast	
ULURU	○	Net Sales	2,260	4,850	46.6%	Progress was generally on track, with record high first-half sales, and EBITDA returning to the black.
		EBITDA	10	50	36.7%	
NJSS	○	Net Sales	1,130	2,400	47.4%	Steady increase in the number of fee-paying contracts. While ARPU remained generally flat as planned, churn rate remained at the lowest level of 1.4%.
		EBITDA	400	850	47.9%	
fondesk en-photo OurPhoto	○	Net Sales	540	1,200	45.4%	Contracted kindergartens/nursery schools are still increasing, although the progress of "en-photo" is a little slow. ARPU for "fondesk" rose due to a rate revision in July 2022. The number of its fee-paying contracts is steadily increasing.
		EBITDA	▲120	▲250	-	
BPO	△	Net Sales	560	1,200	46.9%	Record high sales in 2Q. Progress in 1Q was slightly delayed, resulting in a slow rate of progress in the first half of the year. However, the company expects full-year results to be on track, mainly due to the acquisition of projects in accordance with the revision of the Electronic Record Retention Law.
		EBITDA	40	100	43.7%	

1 Quarterly Consolidated Financial Highlights

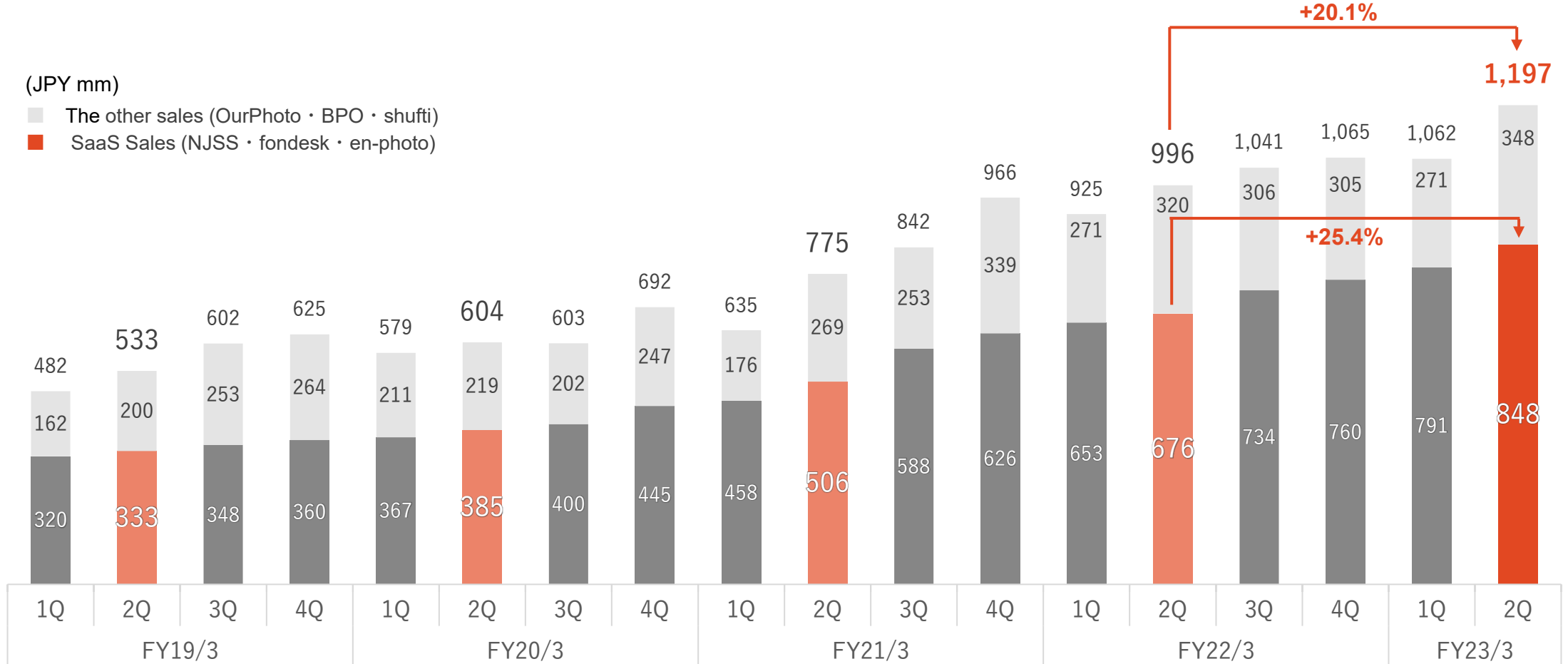
2 Business Segment Highlights

3 Appendix

1 Quarterly Consolidated Financial Highlights

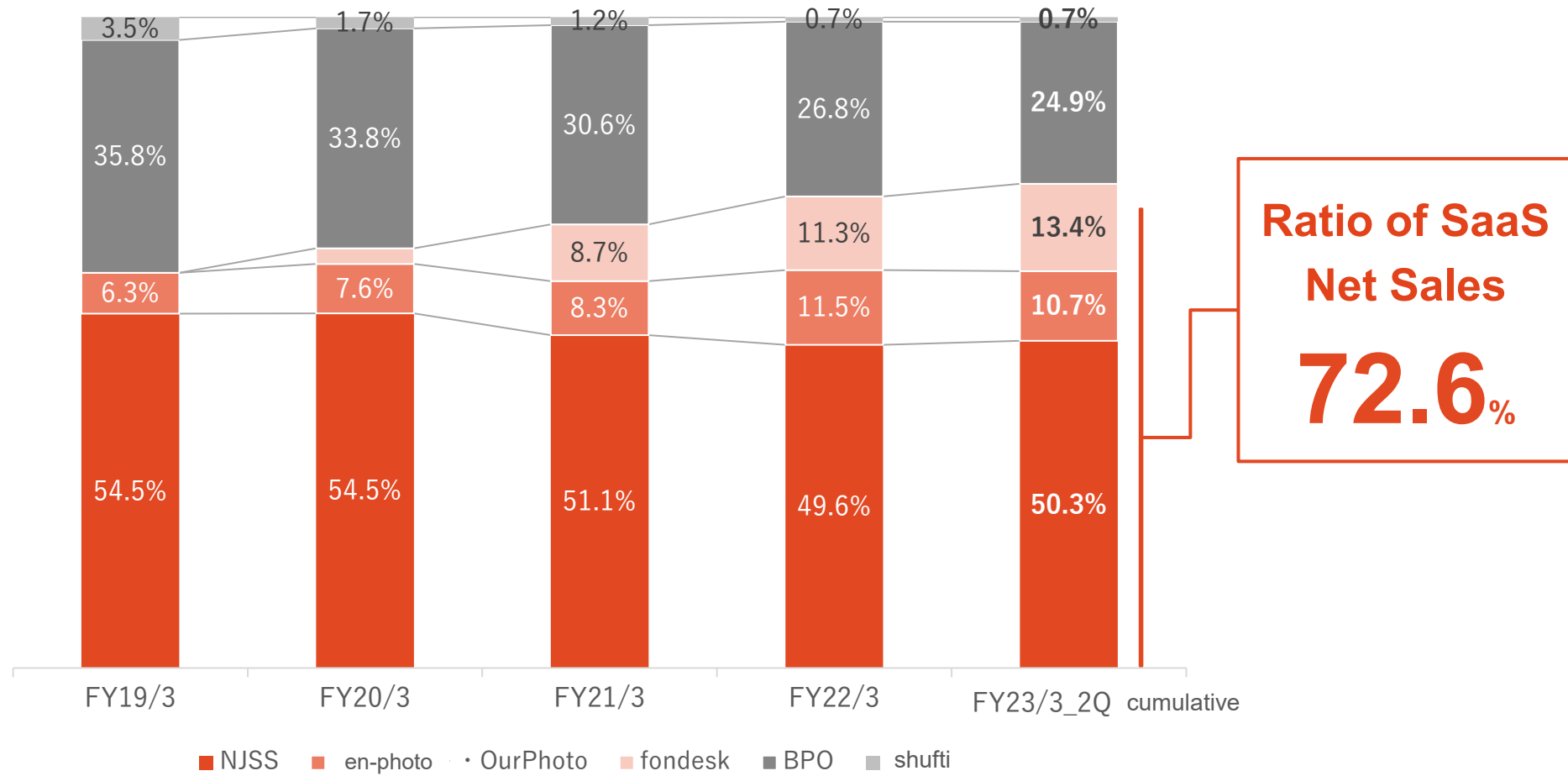
Net Sales Trends

- Record high sales, **up 20.1% YoY**.
- SaaS net sales increased **25.4% 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 : 668 (JPY mm)



(excluding OurPhoto)

ARR : 386

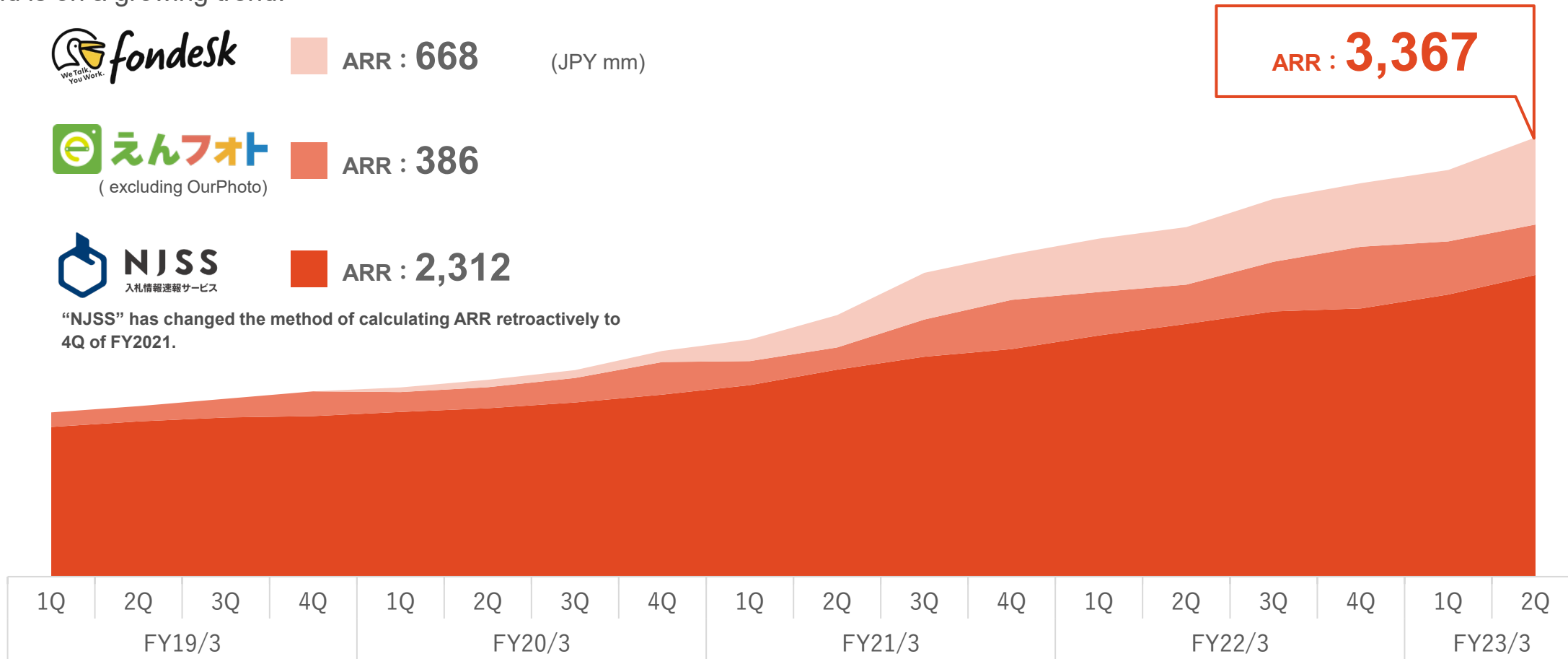


入札情報速報サービス

ARR : 2,312

“NJSS” has changed the method of calculating ARR retroactively to 4Q of FY2021.

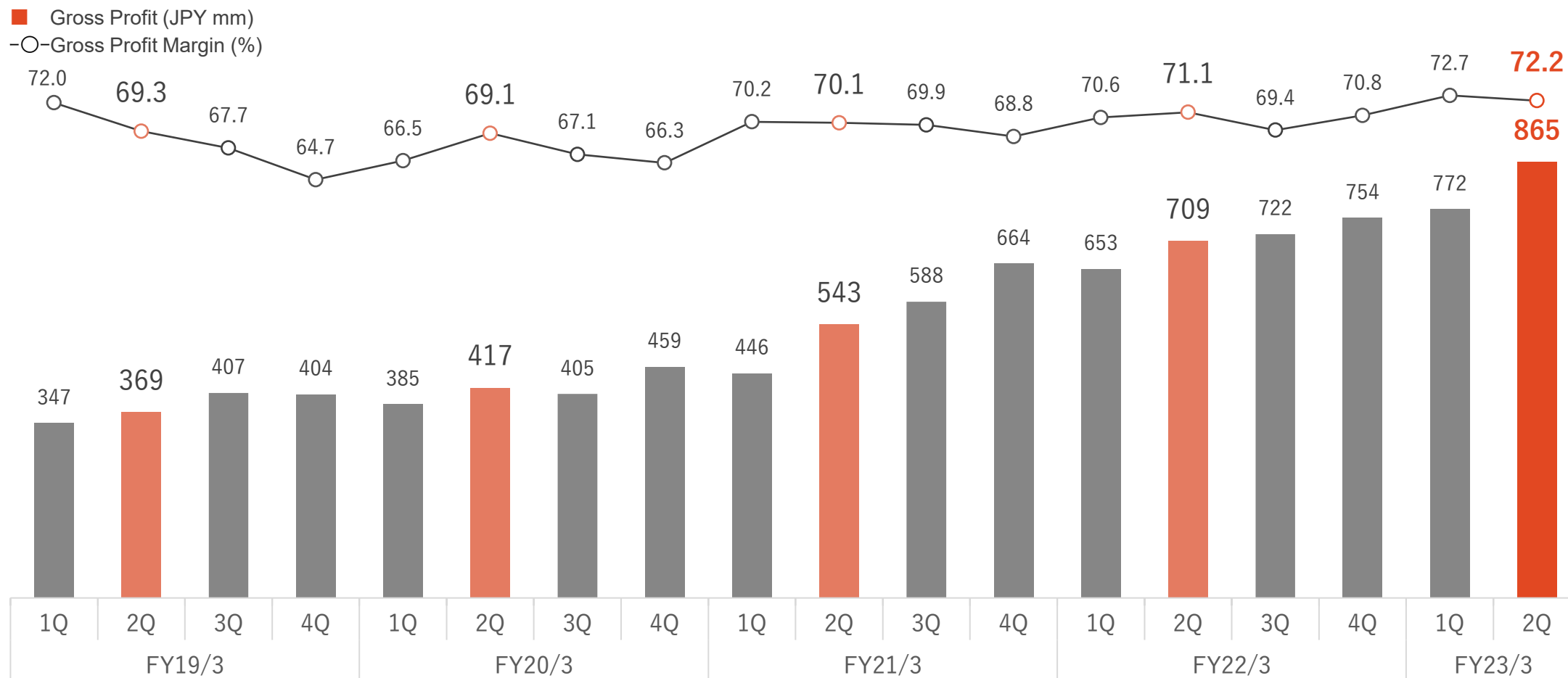
ARR : 3,367



※ ARR (Annual Recurring Revenue): ARR of "NJSS" is each quarter's subscription sales multiplied by 4 until 3Q of FY2021, and MRR at the end of each quarter multiplied by 12 for 4Q of FY2021 and thereafter. 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.

Gross Profit Trends

- Gross profit continued to grow, recording a high gross profit margin of **72.2%**.

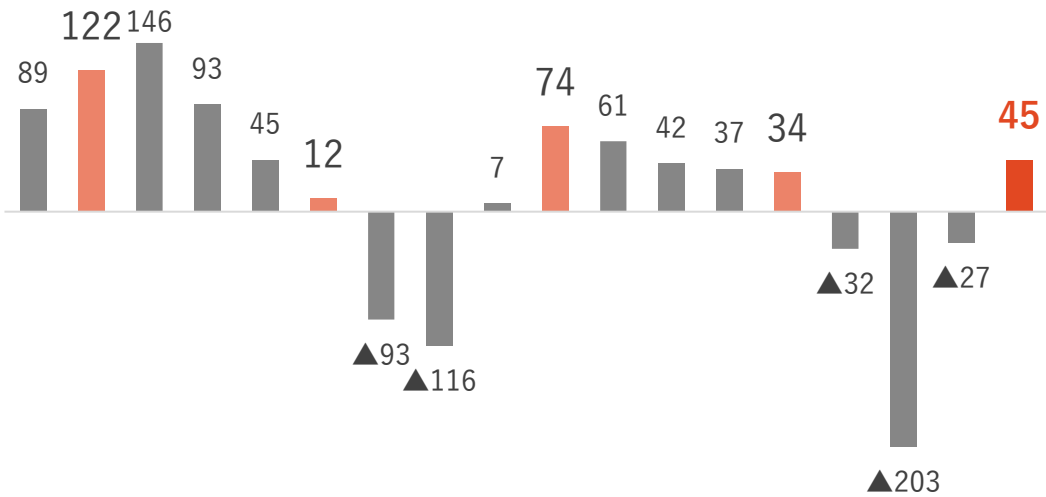


EBITDA ・ Operating Profit Trends

- Both EBITDA and operating profit landed in the black for the first time in four quarters.

EBITDA

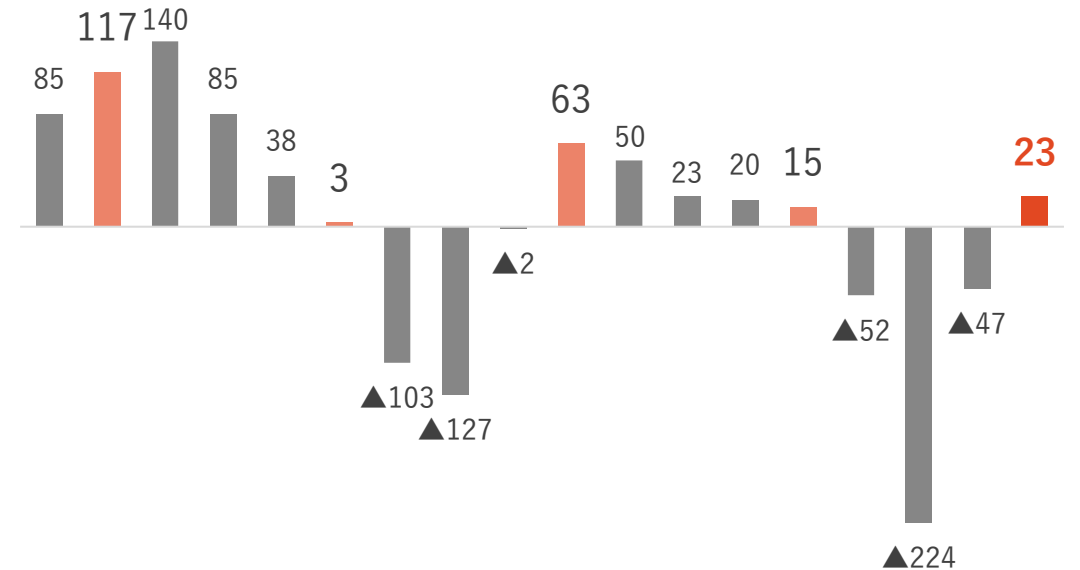
(JPY mm)



1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
FY19/3				FY20/3				FY21/3				FY22/3				FY23/3	

Operating Profit

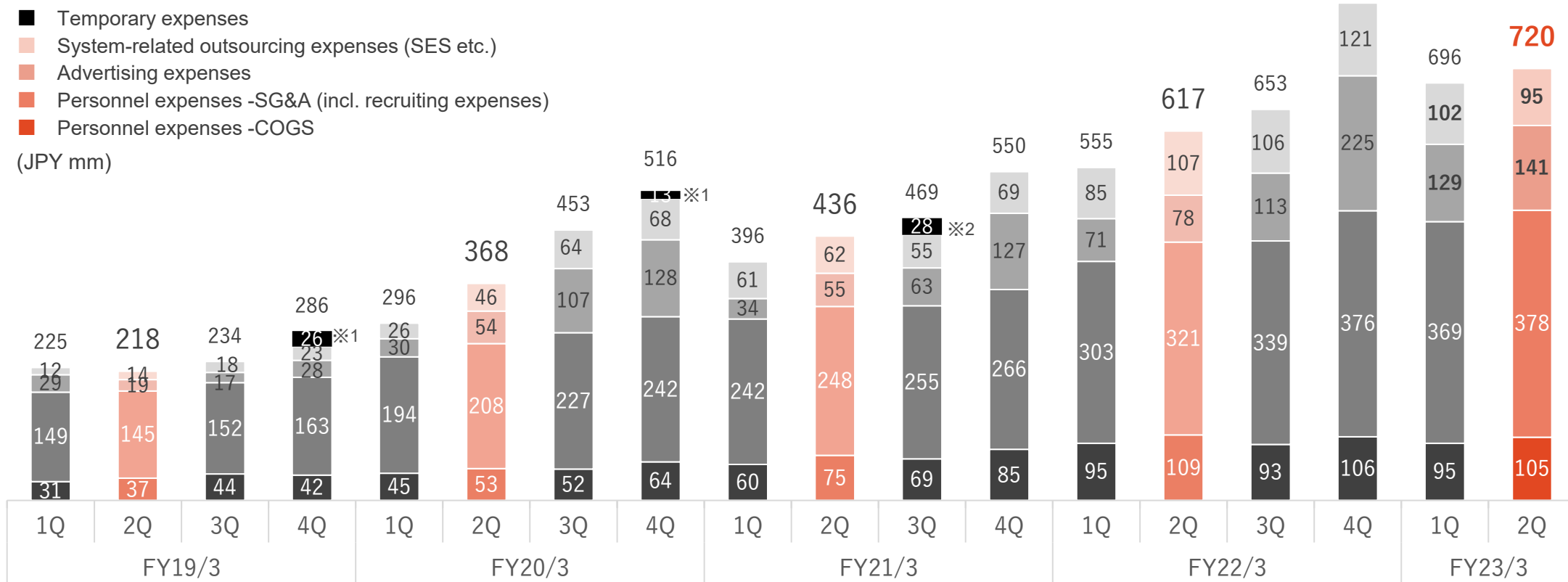
(JPY mm)



1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
FY19/3				FY20/3				FY21/3				FY22/3				FY23/3	

Major Expense Trends

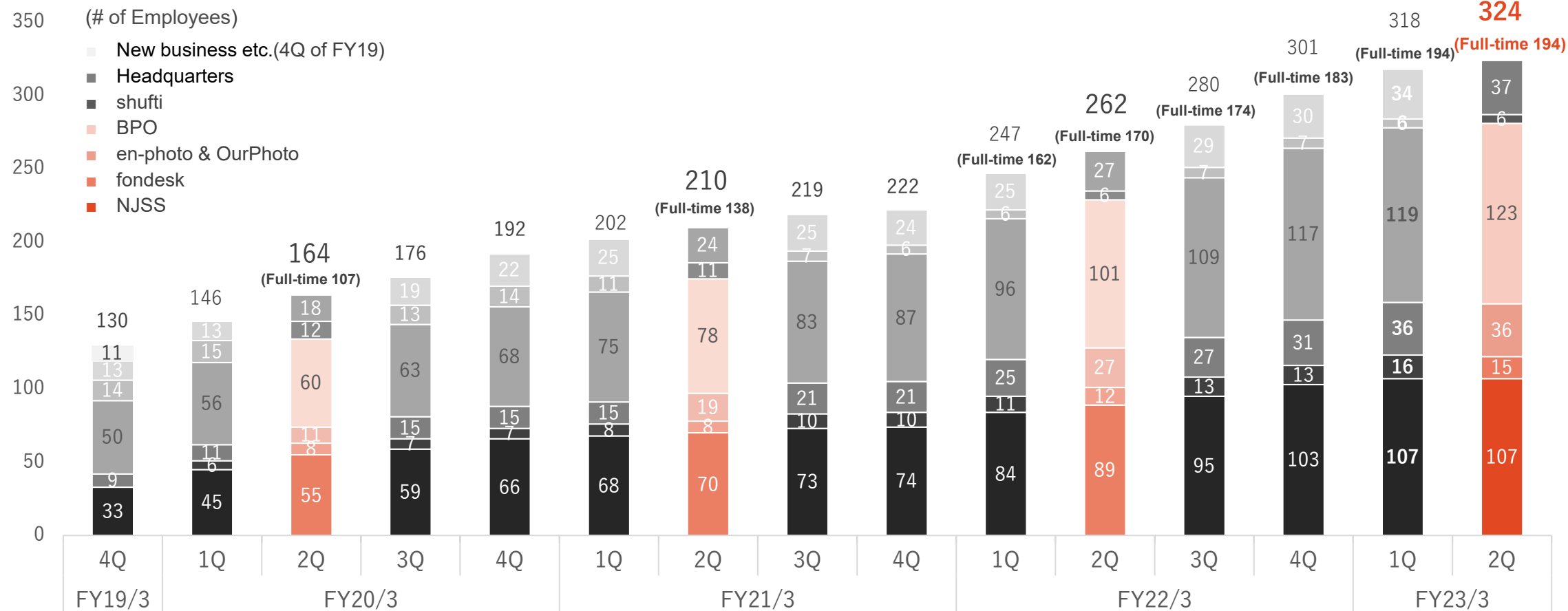
- Proactive spending on advertising for "NJSS" and "fondesk" and for expanding the functions of "NJSS" and "en-photo". Spent 25 million yen on advertising for TV commercials for fondesk in 2Q.
- Personnel Expenses, advertising expenses, and system-related outsourcing expenses are **49.3%, 48.6%, and 47.8%** of the current year's forecast, respectively.



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

Employee Status

- Increased number of employees throughout the whole company with a view to mid- to long-term growth. Full-time employees increased by **24 YoY** and by **±0 QoQ**.
- BPO increased mainly temporary employees due to strong recent orders.



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

- Progress was generally on track through 2Q. EBITDA returned to the black in the first half of FY2023.

(JPY mm)	FY23/3_2Q	FY22/3_2Q	YoY	Cumulative FY23/3_2Q	Cumulative FY22/3_2Q	YoY	FY23/3 Forecast	Progress Rate
Net Sales	1,197	996	+20.1%	2,260	1,922	+17.6%	4,850	46.6%
NJSS	584	490	+19.2%	1,137	958	+18.7%	2,400	47.4%
fondesk・enphoto・ OurPhoto	281	200	+40.2%	544	404	+34.7%	1,200	45.4%
BPO	323	297	+8.6%	562	545	+3.3%	1,200	46.9%
Gross profit	865	709	+22.0%	1,637	1,362	+20.2%	-	-
SG&A	841	693	+21.3%	1,661	1,327	+25.2%	-	-
SG&A margin	70.2%	69.6%	-	73.5%	69.0%	-	-	-
EBITDA	45	34	+34.1%	18	71	▲74.3%	50	36.7%
EBITDA margin	3.8%	3.4%	-	0.8%	3.7%	-	1.0%	-
Operating Profit	23	15	+55.0%	▲23	35	-	▲50	-
Operating Profit margin	2.0%	1.5%	-	-	1.8%	-	-	-

2 Business Segment Highlights

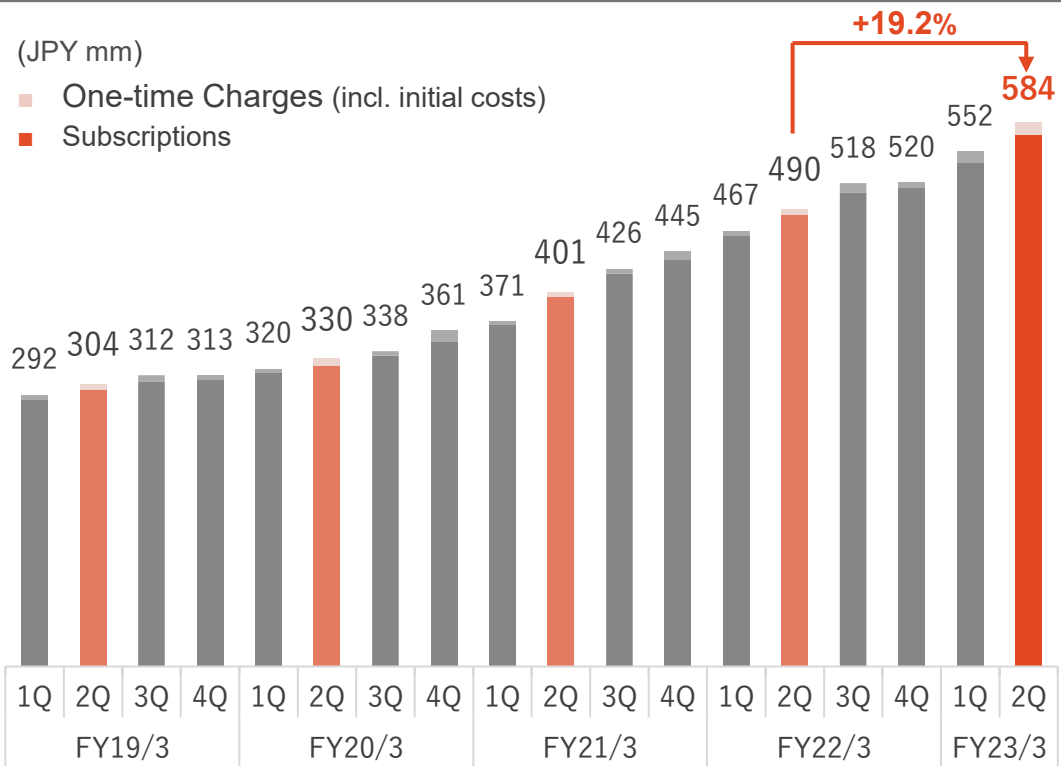


NJSS
入札情報速報サービス

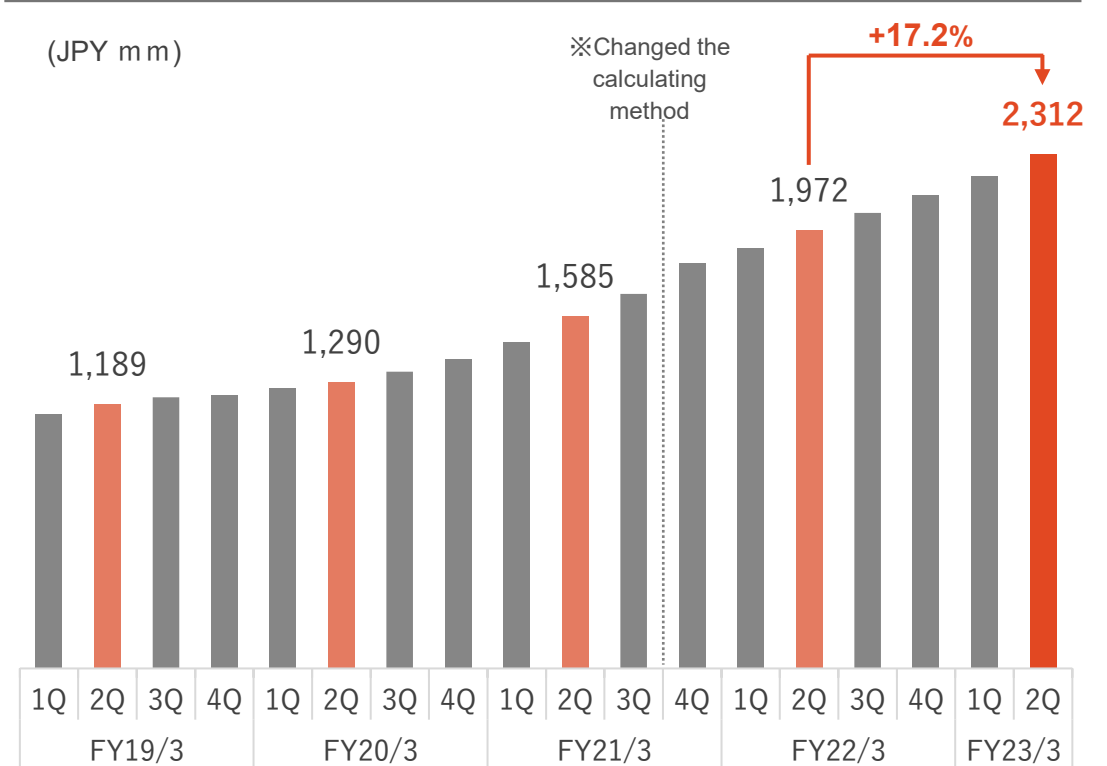
NJSS | Sales & ARR Trends (Quarterly)

- Net sales increased **19.2% YoY** due to steady growth in subscription sales, which are the foundation of the business.
- ARR also continued its growth trend and increased **17.2% YoY**.

Net Sales



ARR

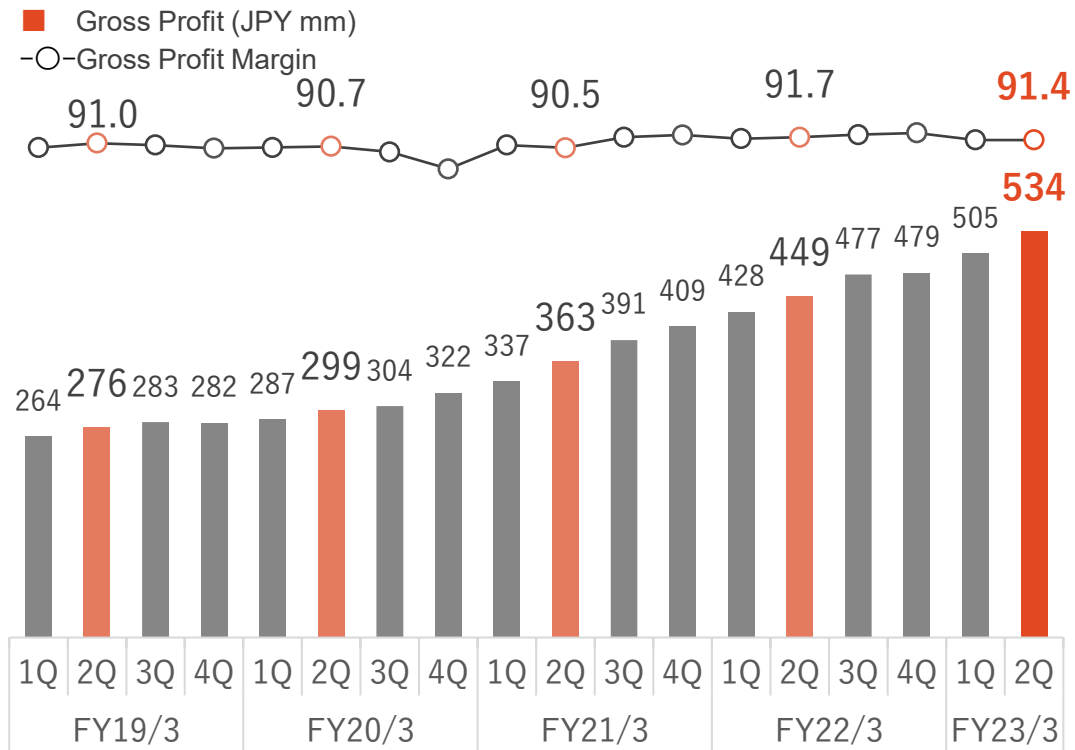


※ ARR (Annual Recurring Revenue) : ARR of "NJSS" is each quarter's subscription sales multiplied by 4 until 3Q of FY2021, and MRR at the end of each quarter multiplied by 12 for 4Q of FY2021 and thereafter.

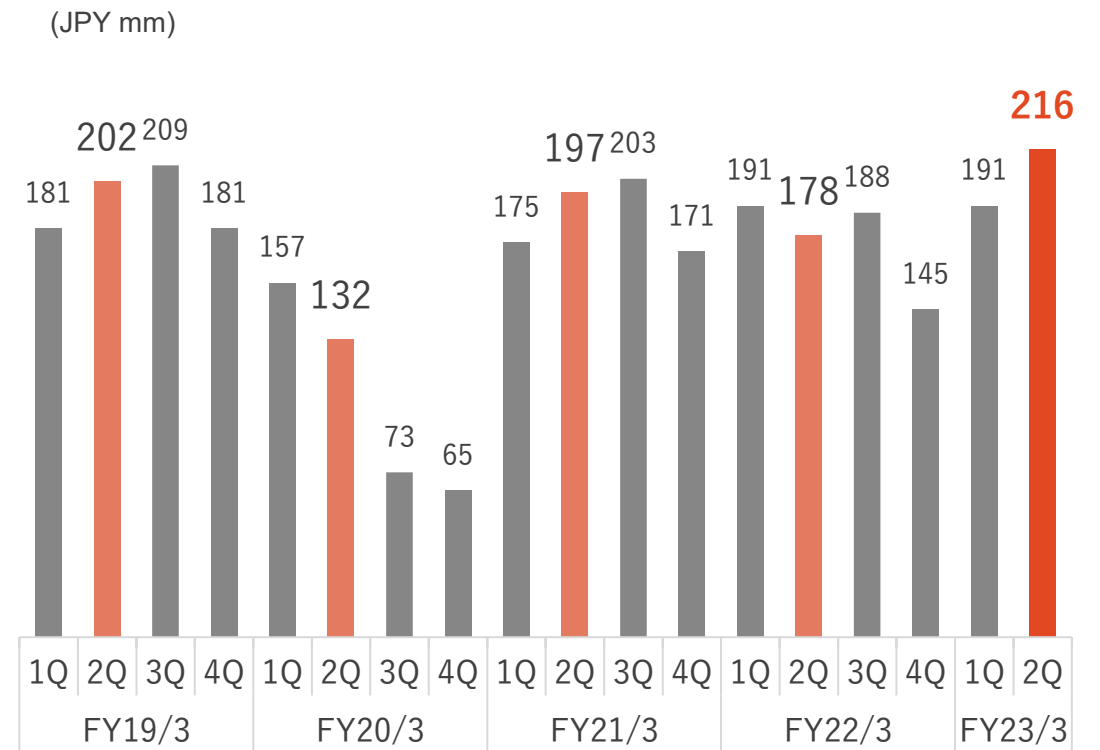
NJSS | Gross Profit Margin & EBITDA Trends (Quarterly)

- Gross profit margin is high at 91.4%.
- NJSS's strength is its stable and high gross profit margin although EBITDA is affected by investments such as advertising expenses and system-related outsourcing costs.

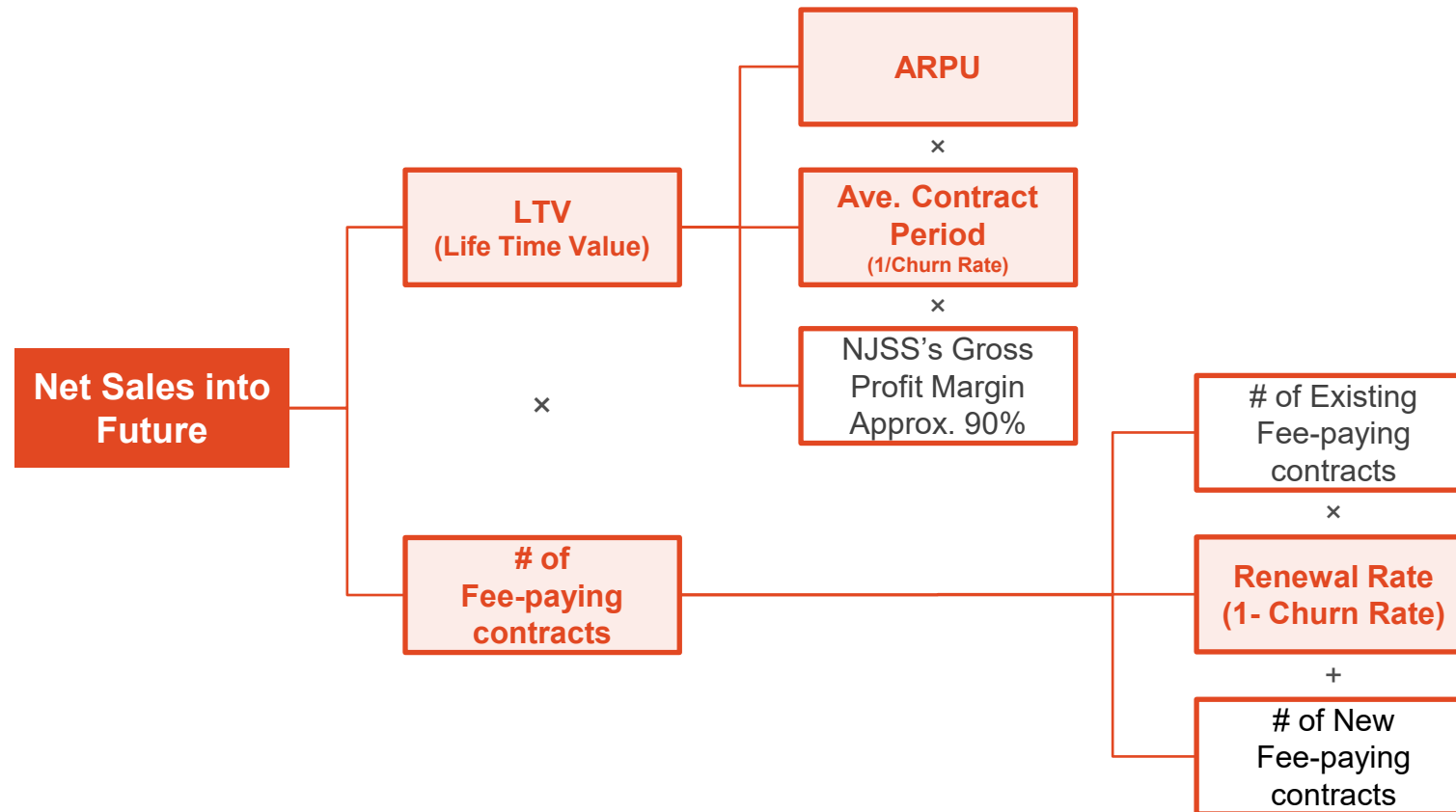
Gross Profit



EBITDA

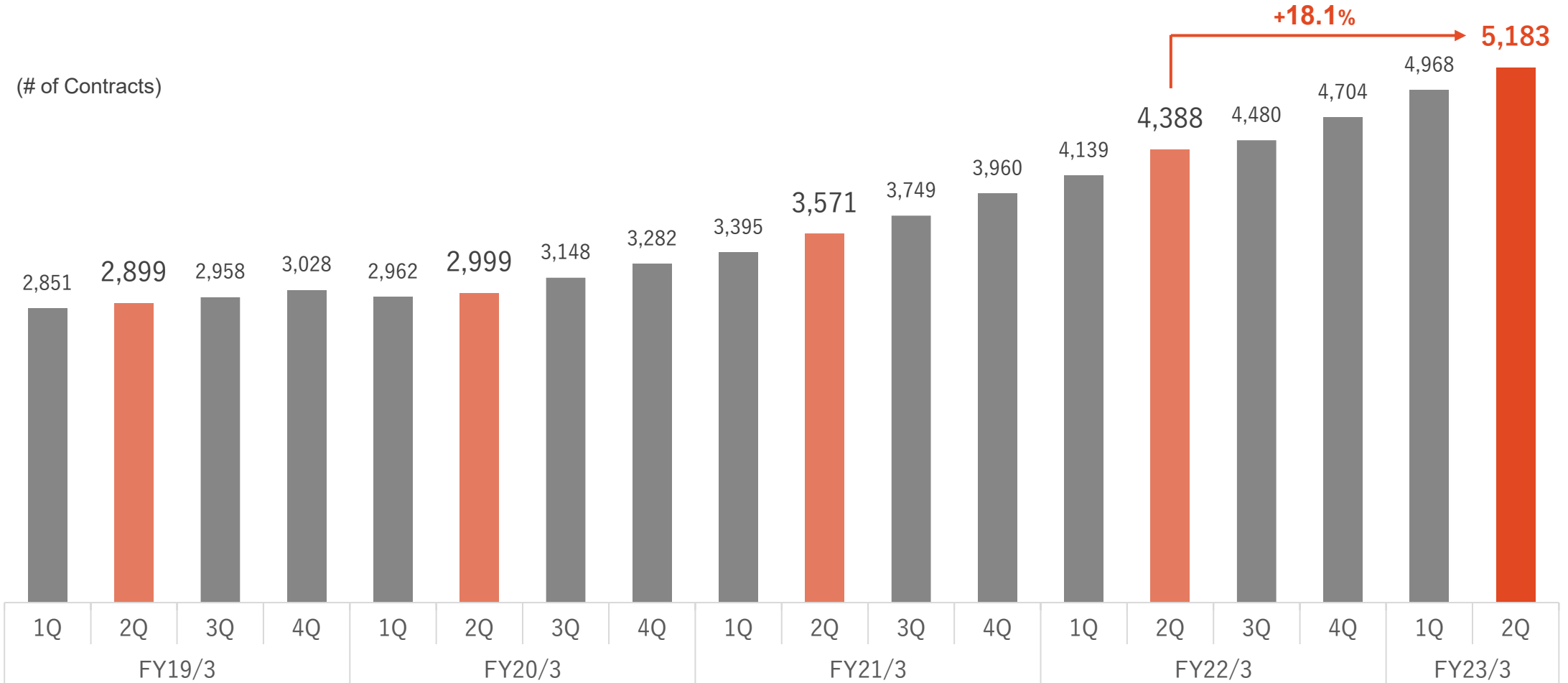


- Achieve further growth by investing proactively in system development, human resources, advertising and so on, without chasing short-term profits. Expand future sales by optimizing ARPU and the number of fee-paying contracts while maintaining and improving the churn rate.
- Aim for further growth in 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)

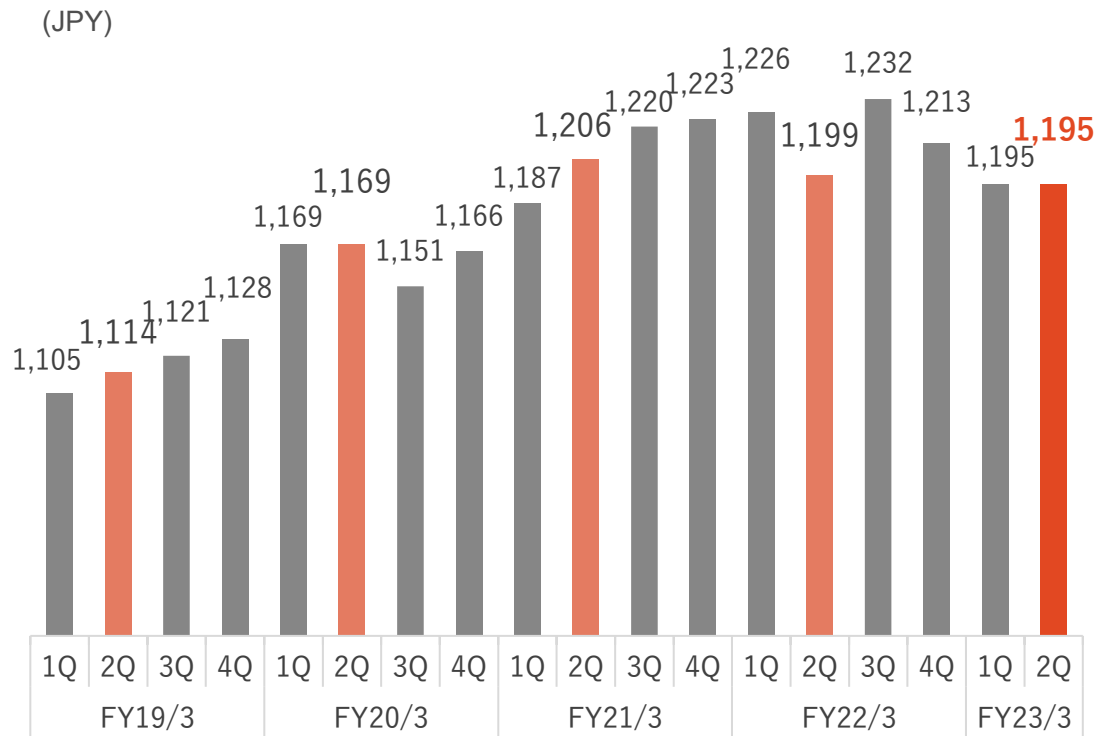
- Steadily increased the number of fee-paying contracts by optimizing the sales process, resulting in **an increase of 18.1% YoY**.



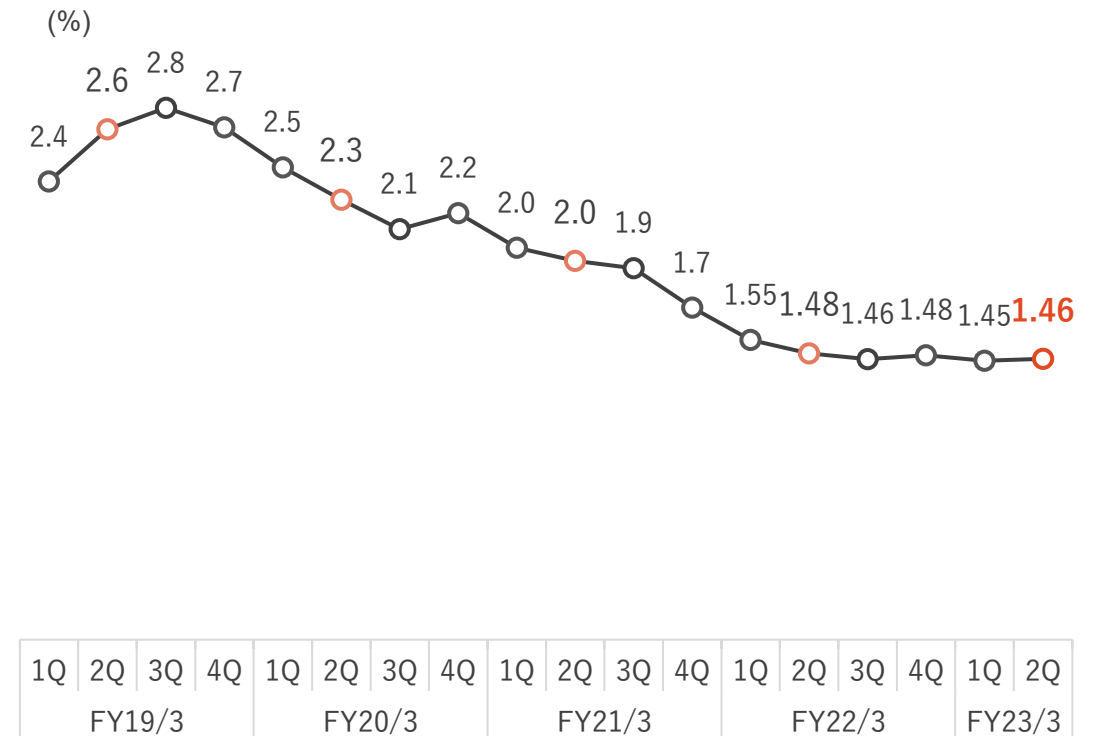
NJSS | ARPU & Churn Rate Trends (Quarterly)

- ARPU was largely unchanged as price revisions by contracting companies settled down. Hereafter, the company aims to maintain and increase ARPU over the mid- to long-term by releasing new functions and other measures.
- With the strengthening of the Customer Success (CS) department, the churn rate has improved, achieving an all-time low level of **1.4%**.

ARPU



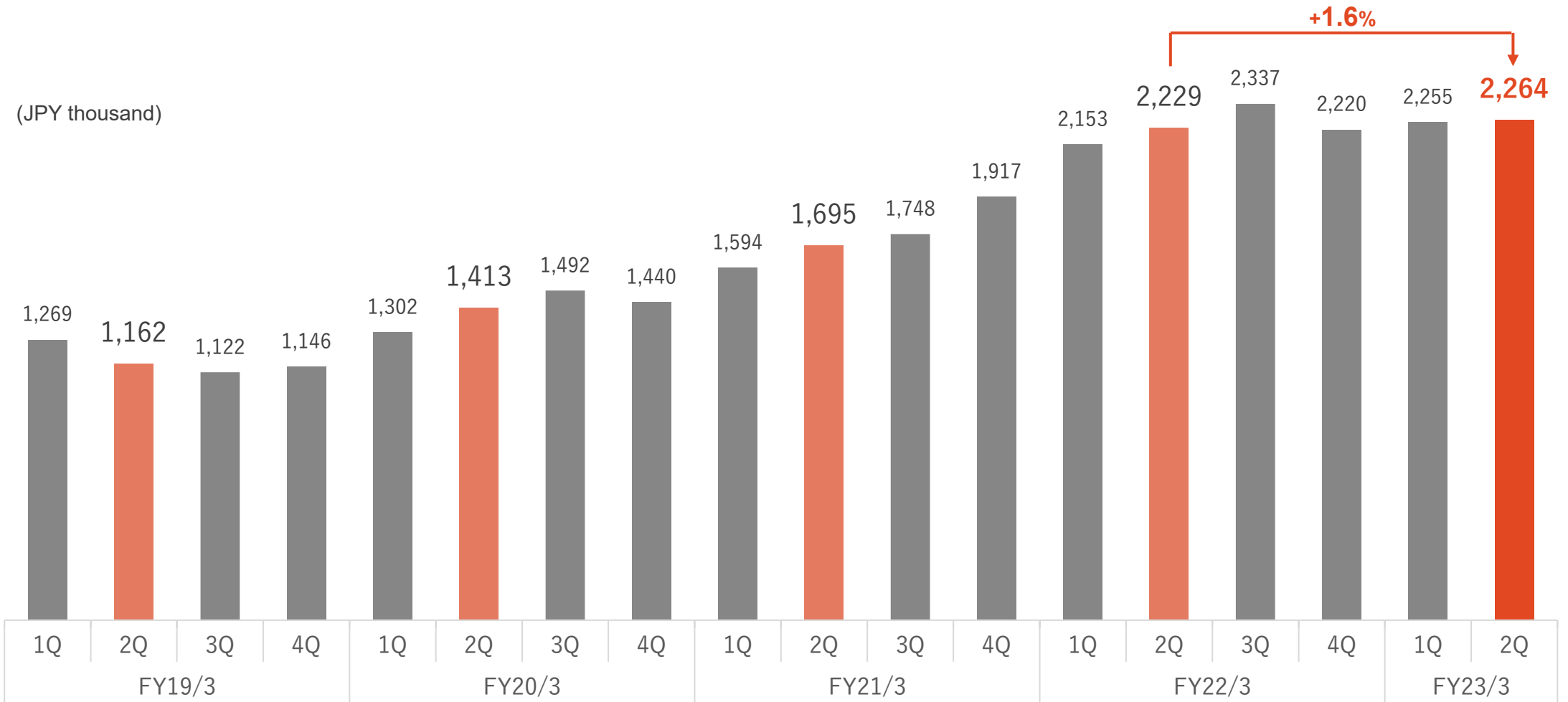
Churn Rate



※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)

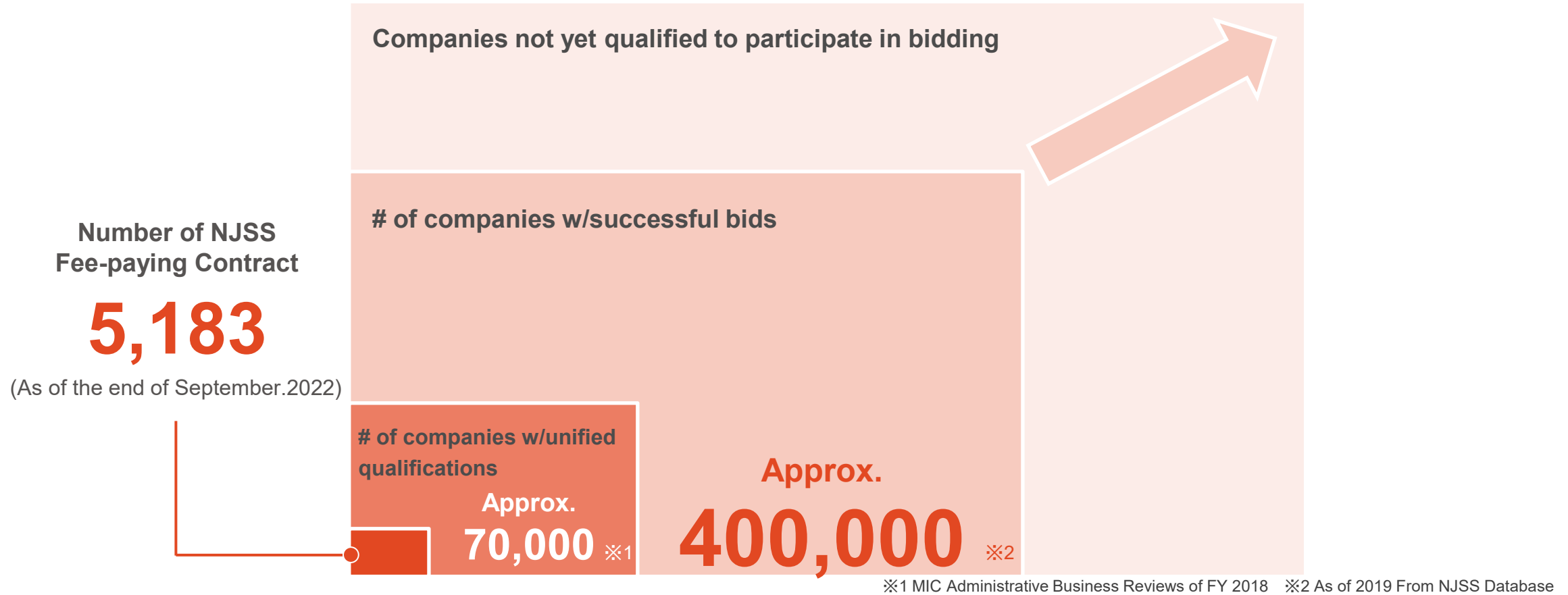
- LTV up 1.6% YoY due to optimal control of ARPU and churn rate.



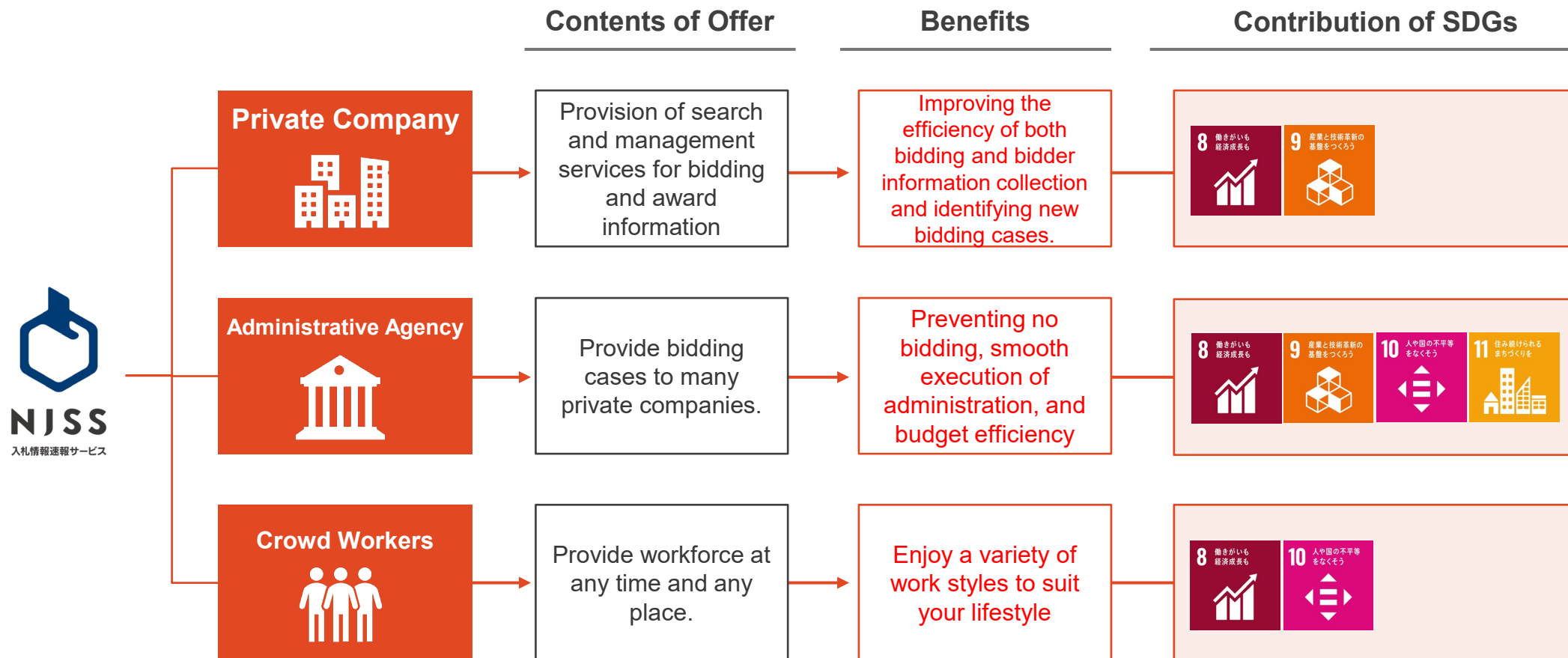
※ LTV is ARPU x 1/Churn rate x Gross profit margin, which is fixed at 0.9.

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.



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



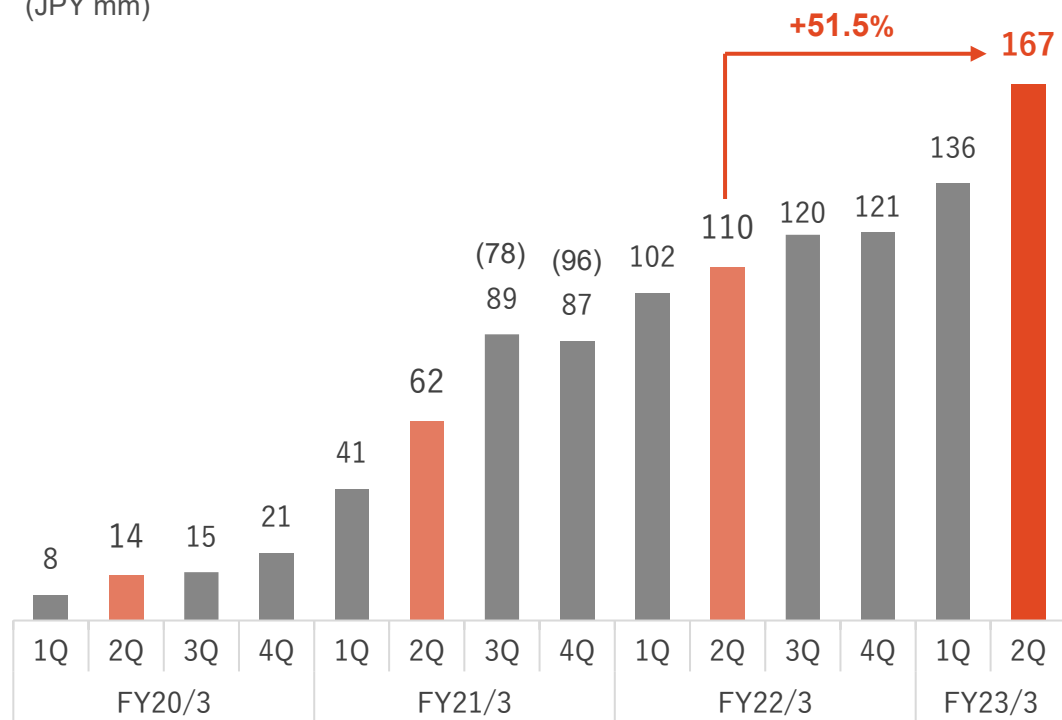


fondesk | Sales & EBITDA Trends (Quarterly)

- In addition to steady customer acquisition, ARPU improved due to the rate revision in July 2022, resulting in sales up **51.5% YoY**.
- Net sales increased, and despite incurring TV commercial airing costs of 25 million yen, EBITDA landed in the black.

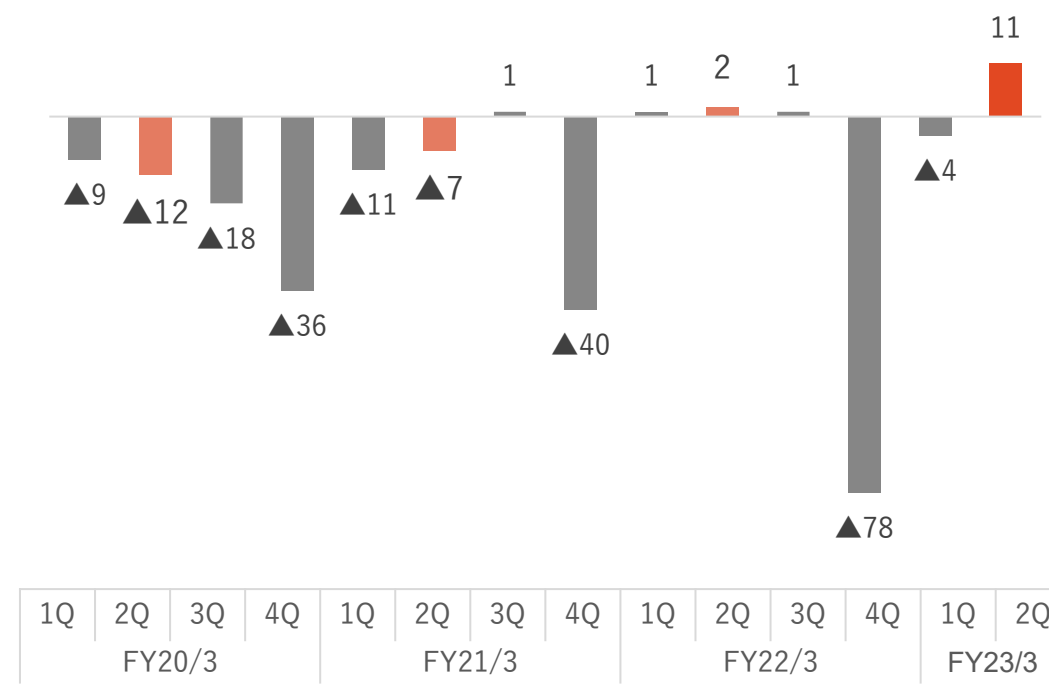
Net Sales

(JPY mm)



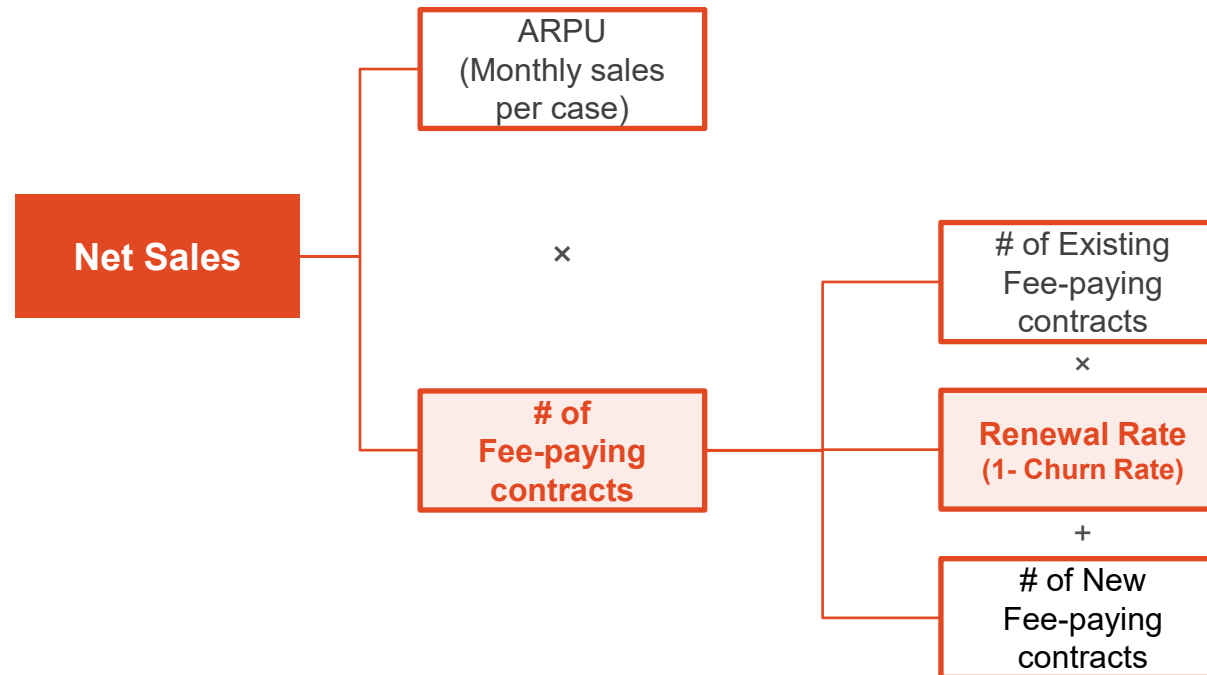
EBITDA

(JPY mm)



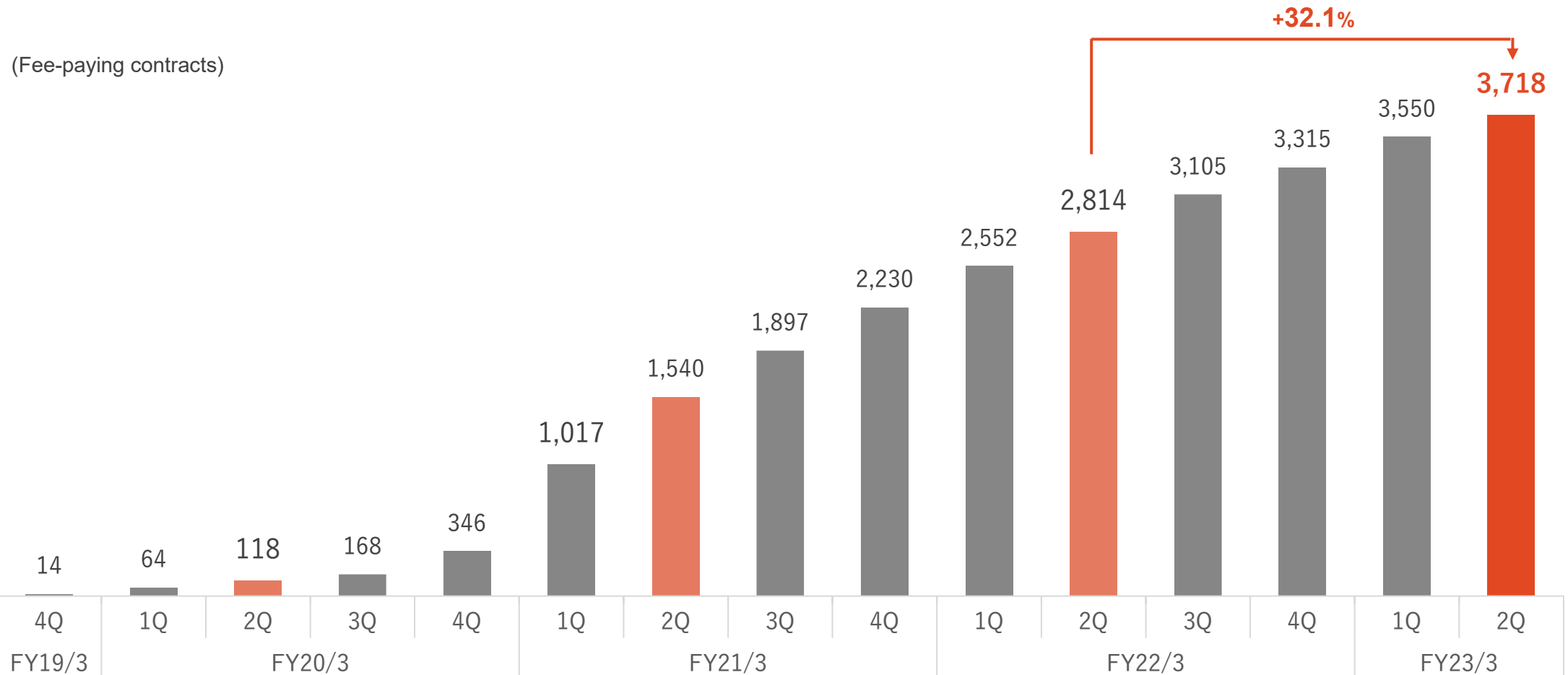
※Changed revenue recognition standard from 3Q FY2021 (Figures in parentheses are before the change)

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



fondesk | Fee-paying Contracts Trends (Quarterly)

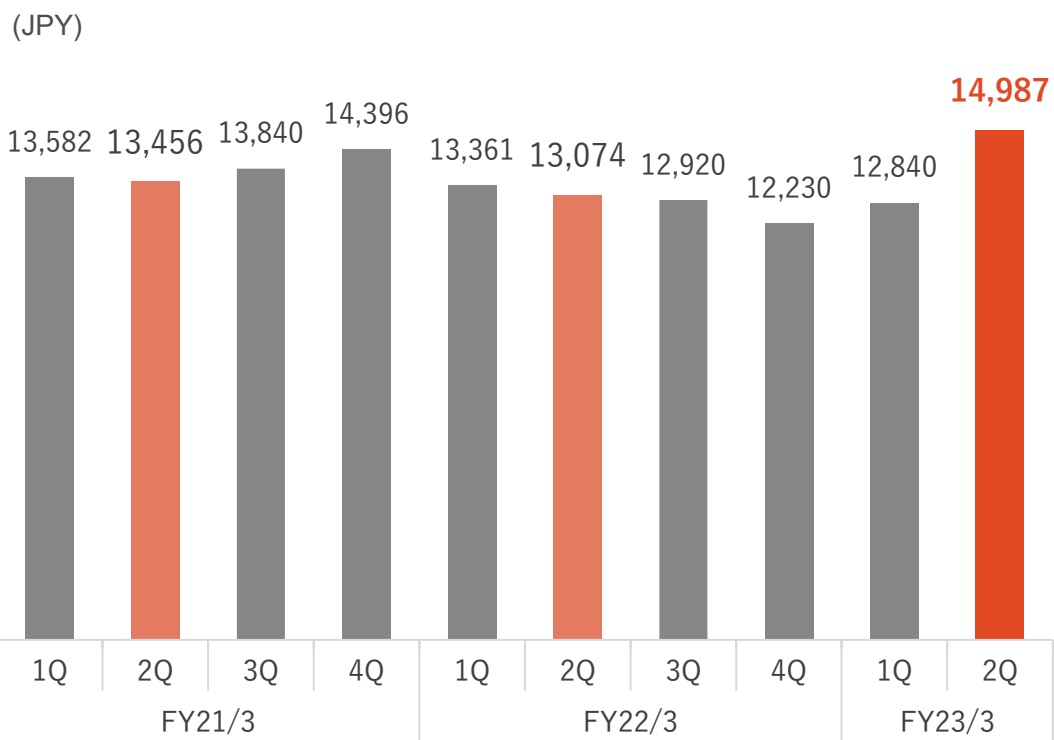
- The number of fee-paying contracts continued to grow, **up 32.1% YoY**, backed by DX promotion of companies.



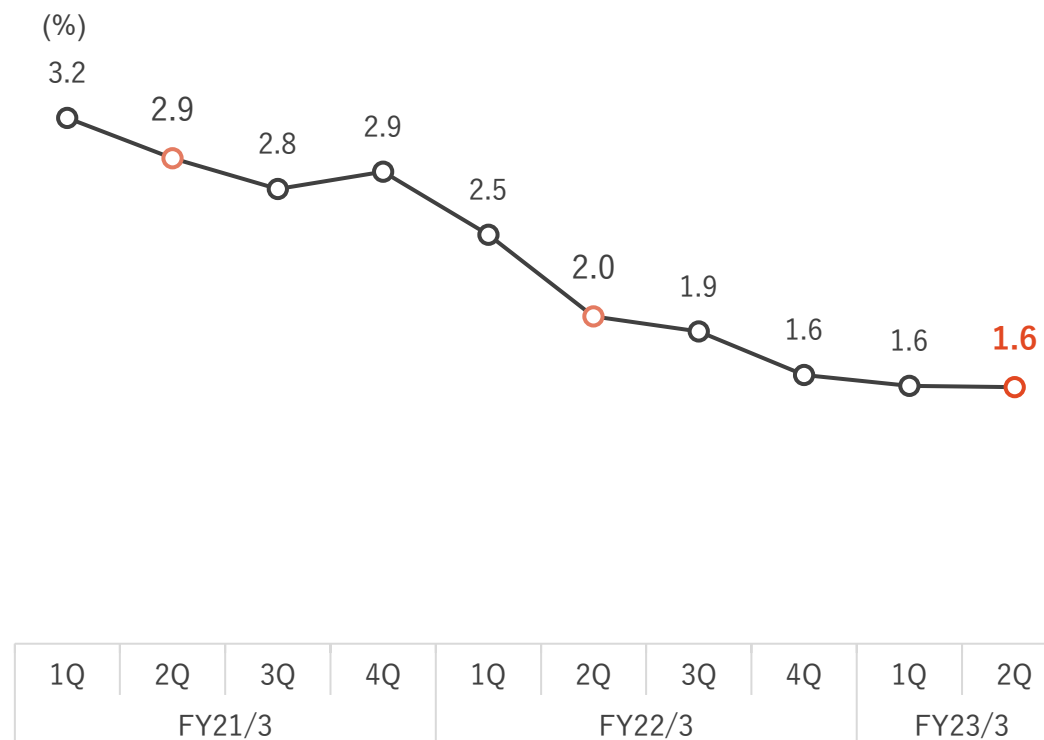
fondesk | ARPU · Churn Rate Trends (Quarterly)

- Fee revision in July 2022. The basic monthly charge of 10,000 yen is being maintained, but the number of calls handled included in the basic monthly charge has been lowered (from up to 100 calls to 50 calls). This revision increased meter rate charge revenues and ARPU (click the following URL for details of rate revision: <https://www.fondesk.jp/price/new/>)
- Continuous improvement of product services has maintained the average monthly churn rate at **1.6%** for the last 12 months, the lowest level in our history.

ARPU



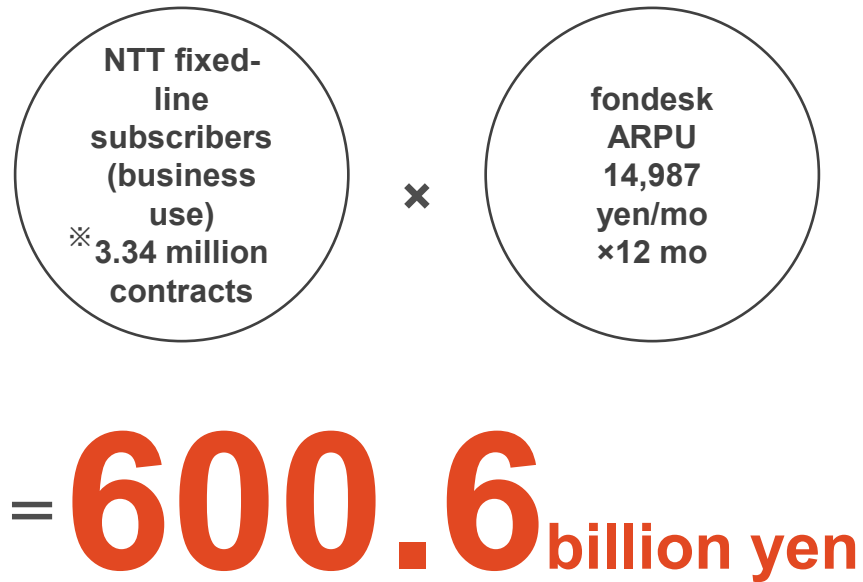
Churn Rate



※ 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.

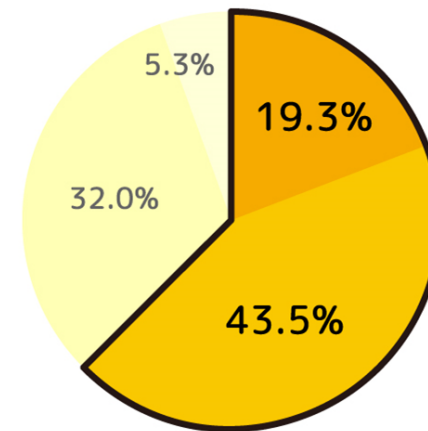
Total Addressable Market (TAM)



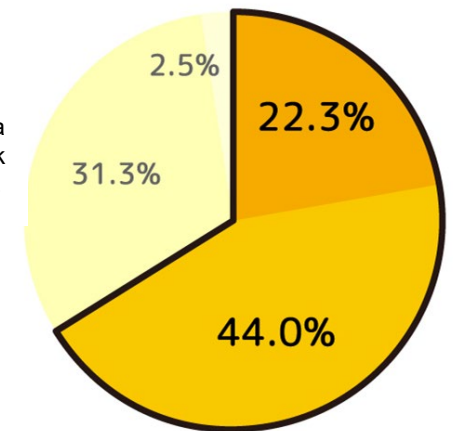
Survey on the realities of handling phone calls in the workplace

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

Q. I often feel it is “an unnecessary call” when I receive a call to my office.



Q. I feel stress when I receive a call which I think is unnecessary.



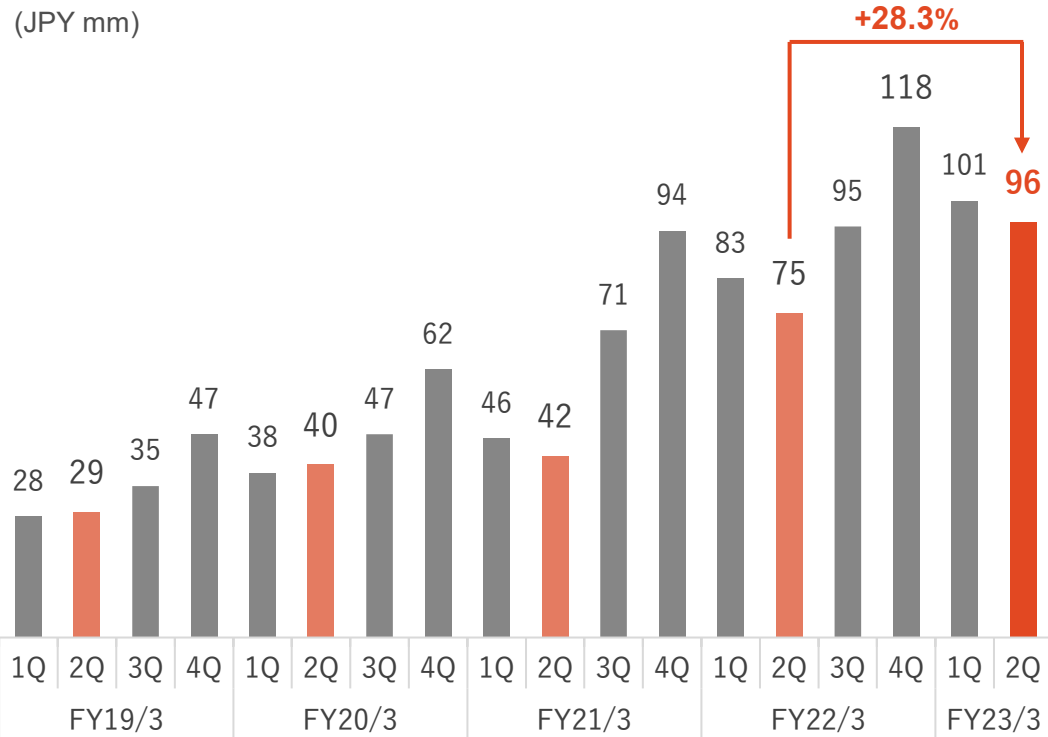
※ Source : Ministry of Internal Affairs and Communications, WHITE PAPER Information and Communications in Japan (Year 2020) As of the end of FY2019

※Source: Company data



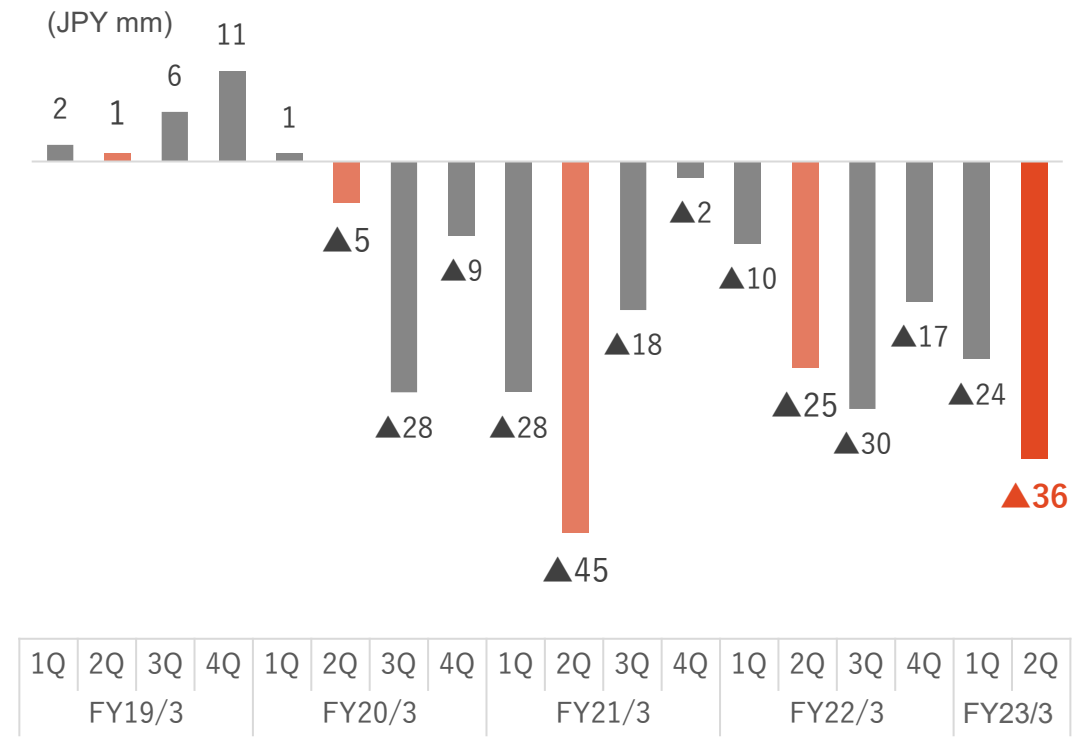
- Net sales increased **28.3% YoY** due to steady growth in contracted kindergartens/nursery schools and increased frequency of use by them.
- Deficit increased YoY due to higher personnel expenses.

Net Sales

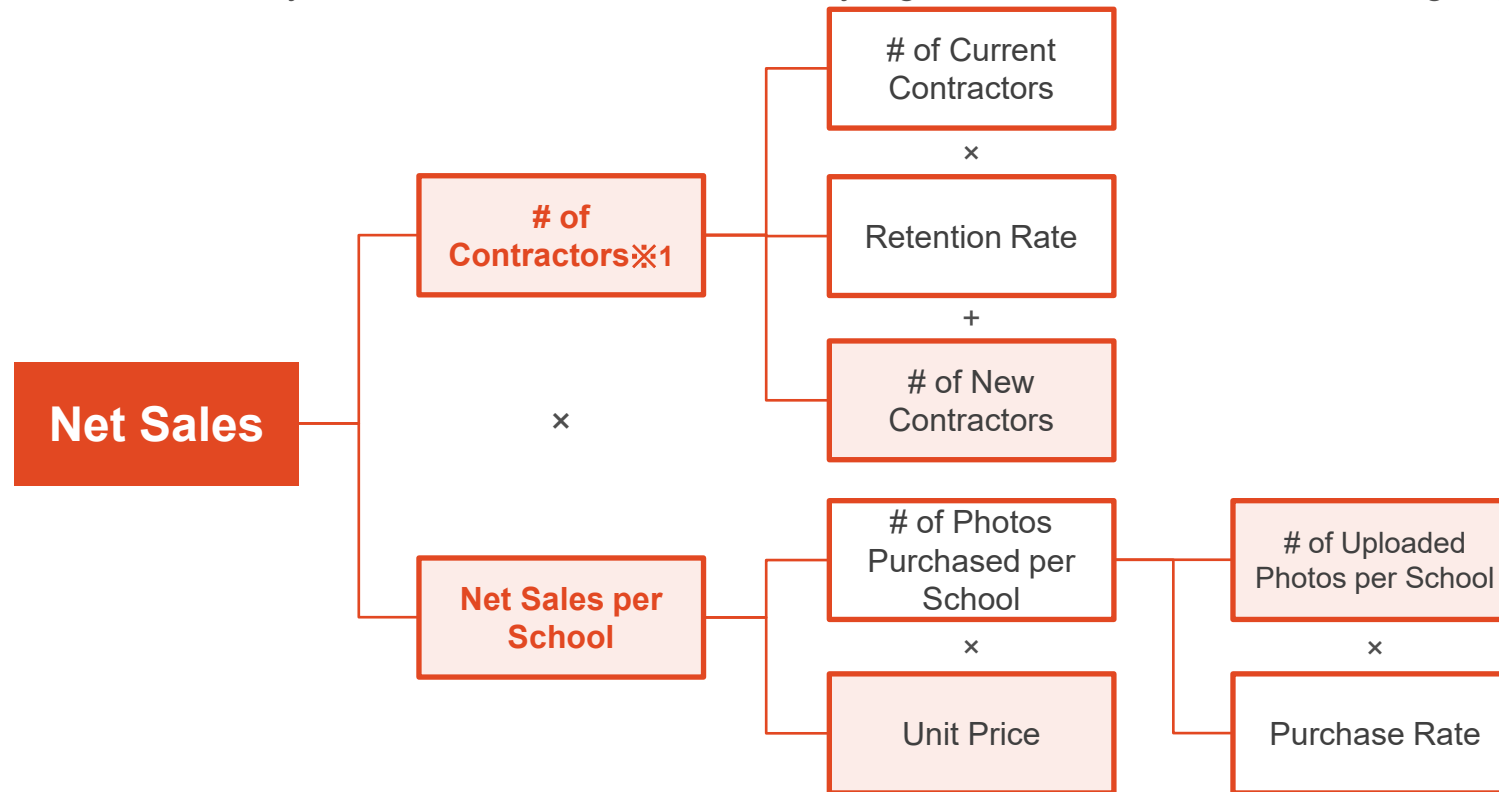


※ Increase in 4Q due to purchase of photos for events such as sports days and Christmas.

EBITDA



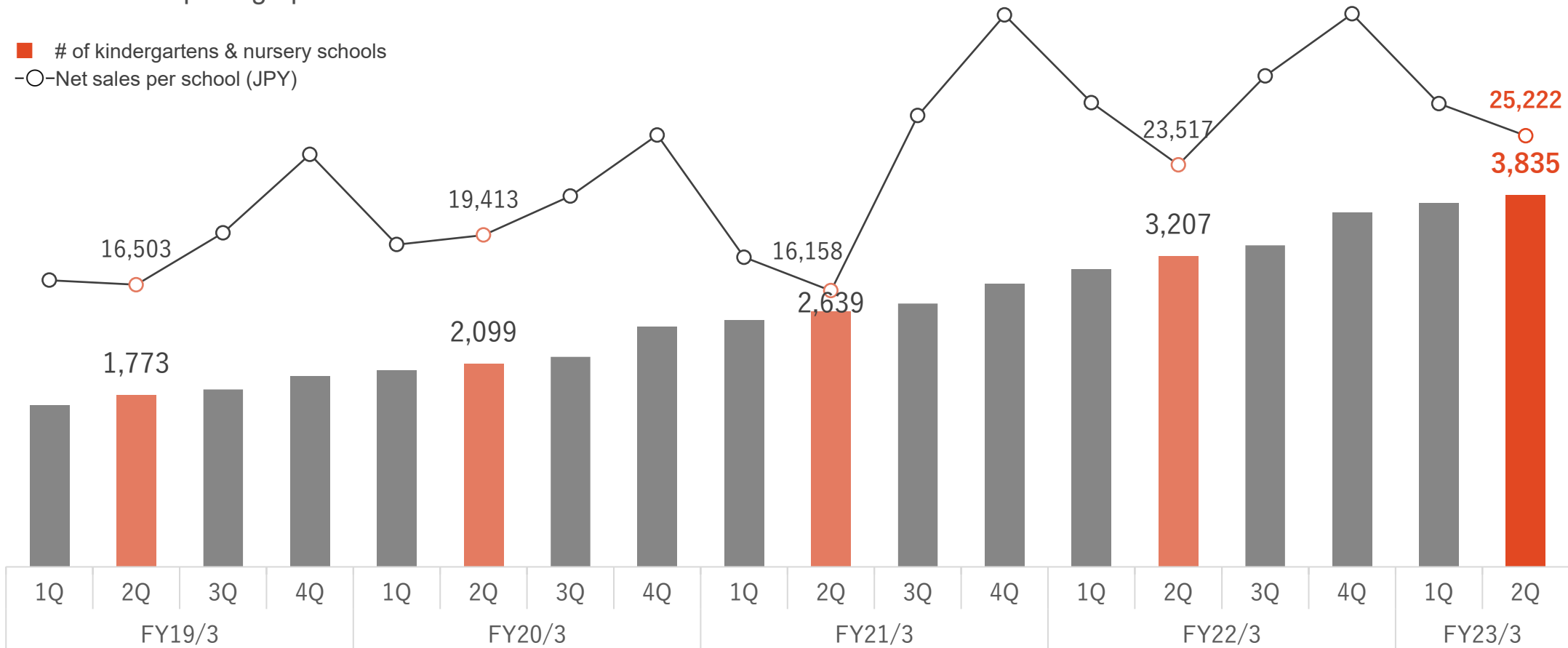
- Maximize sales by increasing the number of new contracted kindergartens/nursery schools through referrals and by increasing sales per school. To achieve this, the number of photos uploaded per school will be increased, and the unit price per photo will be raised by increasing the number of products.
- 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 increased YoY due to strong performance of various up-sell measures and higher sales price due to increase in photographer shoots.



※ 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 Goods Feature, which allows parents to create mugs and canvas prints using photos stored on their own computers and smartphones, was released on November 1, 2022.
- In collaboration with Florence, a certified NPO, the "Save a Kid'-S-mile PROJECT: Let's bring a smile to every child" launched in November 2022.

Photo Goods Feature

Aiming to meet the need to preserve memories in various forms beyond photographs, parents can create mugs and canvas prints using photos stored on their own computers and smartphones. Additionally, half-price shipping is being offered from November 1, 2022 to January 31, 2023.



<https://www.uluru.biz/news/10903>

Save a Kid'-S-mile PROJECT

A donation activity in which New Year's cards are sold to parents of children attending kindergartens/nursery schools that use en-photo and agree with the content of the project, and a portion of purchase proceeds are used to help solve various social problems surrounding children and their parents.

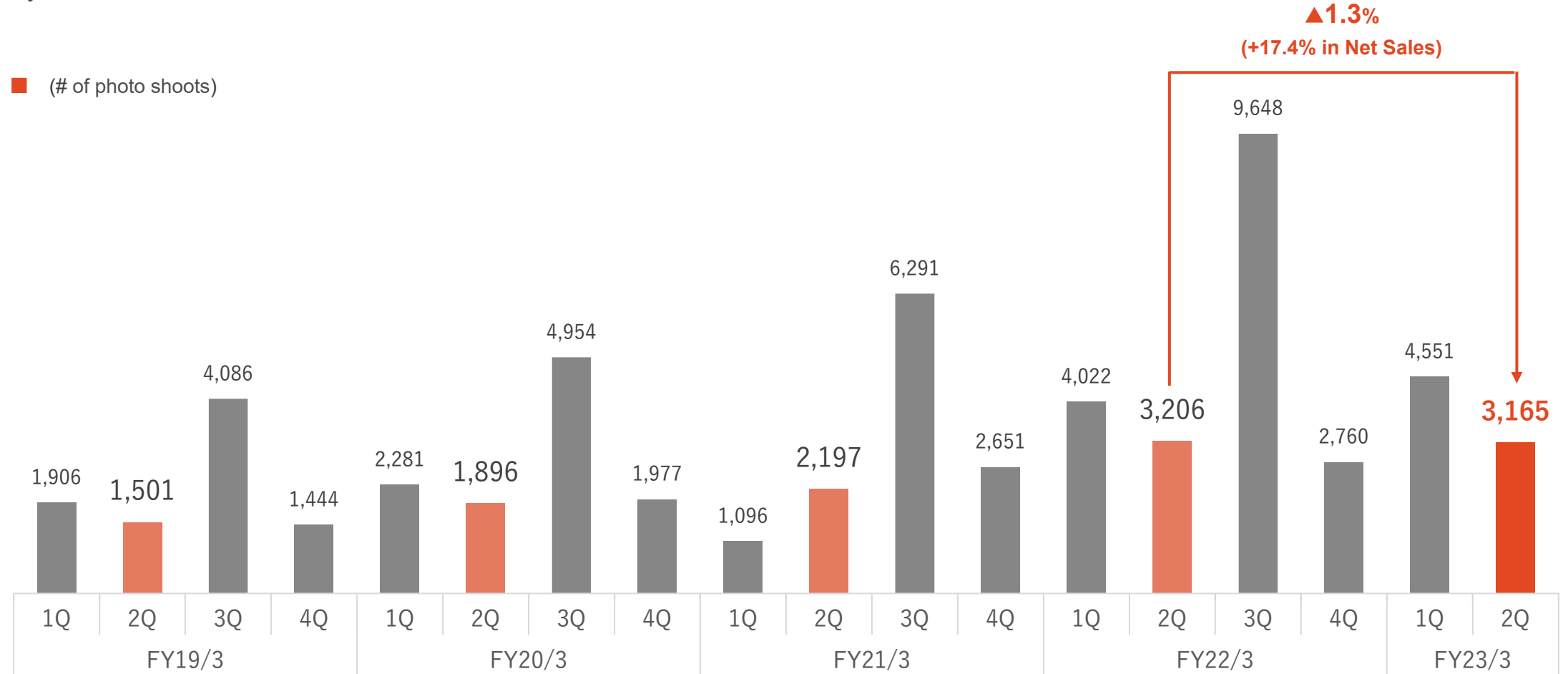


<https://www.uluru.biz/news/10935>

Our?photo

OurPhoto | Photo Shoot Number Trends (Quarterly)

- The increase in the minimum fee from February 2022 resulted in an increase of **17.4% YoY** in net sales although the number of shoots stalled slightly down 1.3% YoY



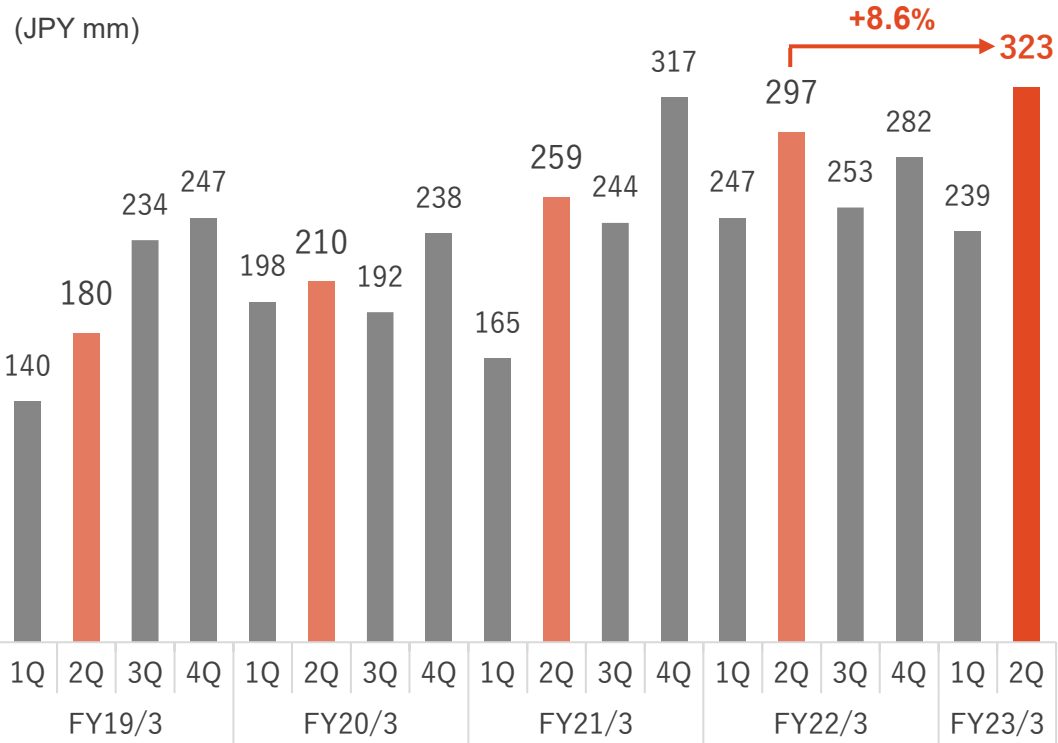
※Increase in 3Q due to demand for Shichi-Go-San commemorative photos.

ULURU
B P O

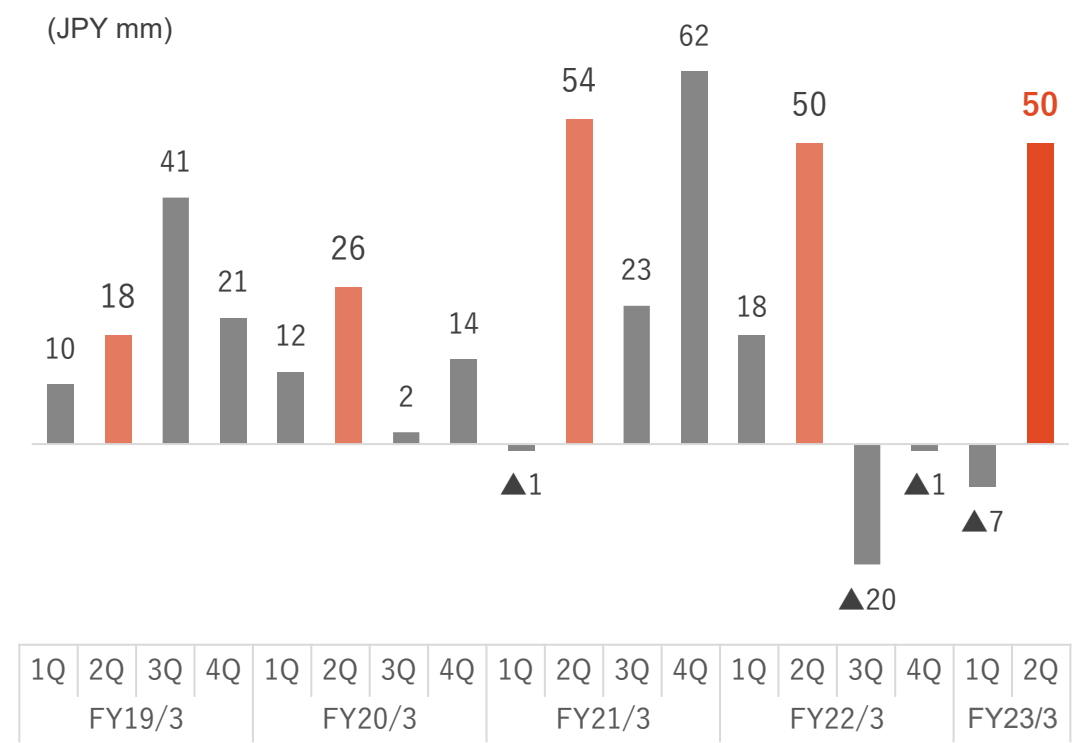
BPO | Sales & EBITDA Trends (Quarterly)

- Net sales reached **a record high, up 8.6% YoY**, mainly due to projects won in accordance with the revision of the Electronic Record Retention Law. EBITDA also landed in the black.

Net Sales



EBITDA



ULURU
労働力不足解決カンパニー

ULURU | Launched Owned Media, “ULUlog”

- With the renewal of the corporate vision in April 2022, ULURU launched the owned media, "ULUlog" in August 2022 to promote our culture and management strategies, taking over the existing blog for the purpose of strengthening brand penetration and recruitment, and started providing content.



<https://blog.uluru.biz/>

- 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. The number of institutions using the service has exceeded 1,000.**
- 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".
- We launched **the Save a Kid'-S-mile PROJECT** with Florence, a certified NPO. Parents of children attending preschools that use en-photo and agree with the contents of the project are invited to purchase New Year's greeting cards, and a portion of purchase proceeds is donated to the project.
- We run an in-company project called "Joshi Juku" aiming to promote women's careers. As a result, **the ratio of female managers was 18.6%** as of Sept. 30, 2022.

Awards Received for Social Contribution



入札情報速報サービス



ASPIC IoT-クラウド
アワード
2020

Data Application ASP/SaaS Division
Best Social Contribution Award



ASPIC IoT-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.



社会貢献
ICT
人材
育成
支援
事業

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."

Individual Investor Events in the Past Year and Schedule

Date	Place	Organizer/Seminar Title
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
9/3/2022	Tokyo	Premium Bridge Salon by Investment Bridge Co. Ltd.
9/21/2022	Online	Shonan Investment Workshop
11/8/2022	Online	IR Seminar for Individual Investors (logmi IR Live) ※Easy to understand bidding market
(Scheduled) 11/19/2022	Aichi	Kabu Berry Lab IR Seminar
(Scheduled) 11/26/2022	Tokyo	IR Seminar for Facebook Group
(Scheduled) 12/17/2022	Hyogo	Kobe Investment Workshop IR Seminar

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

The image shows a screenshot of the ULURU Twitter profile (@Uluru_IR) and two Peing-Question Box posts. The Twitter profile includes the company name, 400 tweets, and a bio in Japanese. The Peing-Question Box posts contain text in Japanese regarding advertising costs and the impact of COVID-19 on sales.

https://twitter.com/uluru_ir

<https://ssl4.eir-parts.net/doc/3979/tdnet/2179920/00.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

PL (Quarterly/Consolidated)

(JPY mm)	FY23/3_2Q	FY22/3_2Q	YoY	FY23/3_1Q	QoQ
Net Sales	1,197	996	+20.1%	1,062	+12.7%
Cost of sales	332	287	+15.5%	289	+14.7%
Gross profit	865	709	+22.0%	772	+11.9%
SG&A	841	693	+21.3%	820	+2.6%
SG&A margin	70.2%	69.6%	-	77.2%	-
EBITDA	45	34	+34.1%	▲27	-
EBITDA margin	3.8%	3.4%	-	-	-
Operating Profit	23	15	+55.0%	▲47	-
Operating Profit margin	2.0%	1.5%	-	-	-
Ordinary Profit	21	12	+70.9%	▲40	-
Profit attributable to owners of parent	▲1	▲43	-	▲47	-
Number of employees	324	262	+23.7%	318	+1.9%

PL(Quarterly Cumulative / Consolidated)

(JPY mm)	Cumulative FY23/3_2Q	Cumulative FY22/3_2Q	YoY	FY23/3 Forecast	Progress Rate
Net Sales	2,260	1,922	+17.6%	4,850	46.6%
Cost of sales	622	559	+11.1%	-	-
Gross profit	1,637	1,362	+20.2%	-	-
SG&A	1,661	1,327	+25.2%	-	-
SG&A margin	73.5%	69.0%	-	-	-
EBITDA	18	71	▲74.3%	50	36.7%
EBITDA margin	0.8%	3.7%	-	1.0%	-
Operating Profit	▲23	35	-	▲50	-
Operating Profit margin	-	1.8%	-	-	-
Ordinary Profit	▲18	43	-	▲60	-
Profit attributable to owners of parent	▲48	▲53	-	▲90	-
Number of employees	324	262	+23.7%	-	-

Segment Information (Quarterly Cumulative / Consolidated)

	JPY mm	NJSS	fondesk	photo	Other CGS	BPO	Crowd-sourcing	The Whole Company (Headquarters)
Net Sales		1,137	303	240	-	562	14	-
EBITDA		407	7	▲131	▲23	43	▲7	▲278
EBITDA margin		35.8%	2.4%	-	-	7.8%	-	-
Segment Profit		401	7	▲146	▲23	27	▲7	▲282
Segment Profit margin		35.3%	2.4%	-	-	4.9%	-	-
Number of employees		107	15	36	-	123	6	37
<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_2Q	FY22/3_3Q	FY22/3_4Q	FY23/3_1Q	FY23/3_2Q
NJSS	Net Sales	490	518	520	552	584
	Segment Profit	176	186	142	188	212
	EBITDA	178	188	145	191	216
fondesk	Net Sales	110	120	121	136	167
	Segment Profit	1	1	▲78	▲4	11
	EBITDA	2	1	▲78	▲4	11
Photo (en-photo・OurPhoto)	Net Sales	90	139	133	126	114
	Segment Profit	▲62	▲72	▲75	▲64	▲82
	EBITDA	▲54	▲64	▲67	▲56	▲74
Other CGS	Net Sales	-	-	-	-	-
	Segment Profit	▲2	▲10	▲12	▲10	▲12
	EBITDA	▲2	▲10	▲12	▲10	▲12

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

(JPY mm)		FY22/3_2Q	FY22/3_3Q	FY22/3_4Q	FY23/3_1Q	FY23/3_2Q
BPO	Net Sales	297	253	282	239	323
	Segment Profit	43	▲28	▲9	▲14	42
	EBITDA	50	▲20	▲1	▲7	50
Crowd-Sourcing	Net Sales	7	8	7	7	7
	Segment Profit	▲7	▲5	▲8	▲2	▲4
	EBITDA	▲7	▲5	▲8	▲2	▲4
Whole Company Expense (Headquarters)	Net Sales	-	-	-	-	-
	Segment Profit	▲96	▲135	▲181	▲139	▲143
	EBITDA	▲94	▲133	▲179	▲137	▲141

Expense Details (Quarterly/Consolidated)

(JPY mm)	FY22/3_2Q	FY22/3_3Q	FY22/3_4Q	FY23/3_1Q	FY23/3_2Q
Personnel Expenses- COGS	109	93	106	95	105
Net Sales Ratio	11.0%	9.0%	10.0%	9.0%	8.8%
Personnel Expenses- SG&A (incl. recruiting expenses)	321	339	376	369	378
Net Sales Ratio	32.3%	32.6%	35.3%	34.8%	31.6%
Advertising Expenses	78	113	225	129	141
Net Sales Ratio	7.9%	10.9%	21.2%	12.2%	11.8%
System-related Outsourcing Expenses	107	106	121	102	95
Net Sales Ratio	10.8%	10.3%	11.4%	9.7%	8.0%
Depreciation and Amortization + Amortization of Goodwill	18	20	21	19	22
Net Sales Ratio	1.9%	1.9%	2.0%	1.8%	1.8%

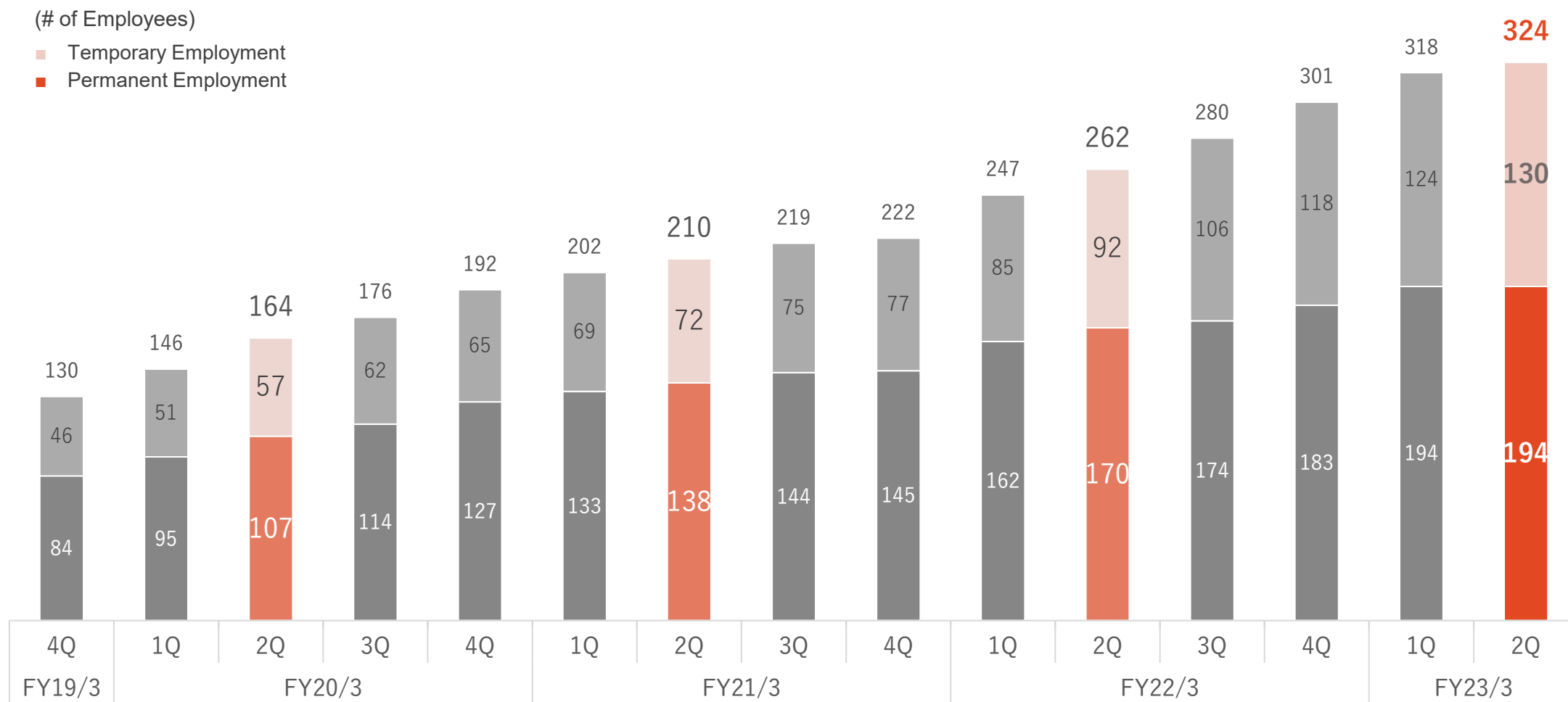
Major Expenses Invested by Business Segment

(JPY mm)		FY22/3_2Q	FY22/3_3Q	FY22/3_4Q	FY23/3_1Q	FY23/3_2Q
NJSS	Personnel Expenses-COGS	16	16	17	16	17
	Personnel Expenses-SG&A (incl. recruiting expenses)	133	138	153	152	149
	Advertising Expenses	35	47	63	55	53
	System-related Outsourcing Expenses	48	43	52	50	44
fondesk	Personnel Expenses-COGS	1	0	0	0	1
	Personnel Expenses-SG&A (incl. recruiting expenses)	22	21	25	23	24
	Advertising Expenses	32	39	105	51	61
	System-related Outsourcing Expenses	-	-	-	-	-
en-photo OurPhoto	Personnel Expenses-COGS	-	-	-	-	-
	Personnel Expenses-SG&A (incl. recruiting expenses)	41	51	57	60	60
	Advertising Expenses	7	15	17	11	12
	System-related Outsourcing Expenses	53	55	54	50	49
BPO	Personnel Expenses-COGS	91	76	88	77	86
	Personnel Expenses-SG&A (incl. recruiting expenses)	34	33	36	32	33
	Advertising Expenses	2	10	25	9	10
	System-related Outsourcing Expenses	2	4	4	0	0

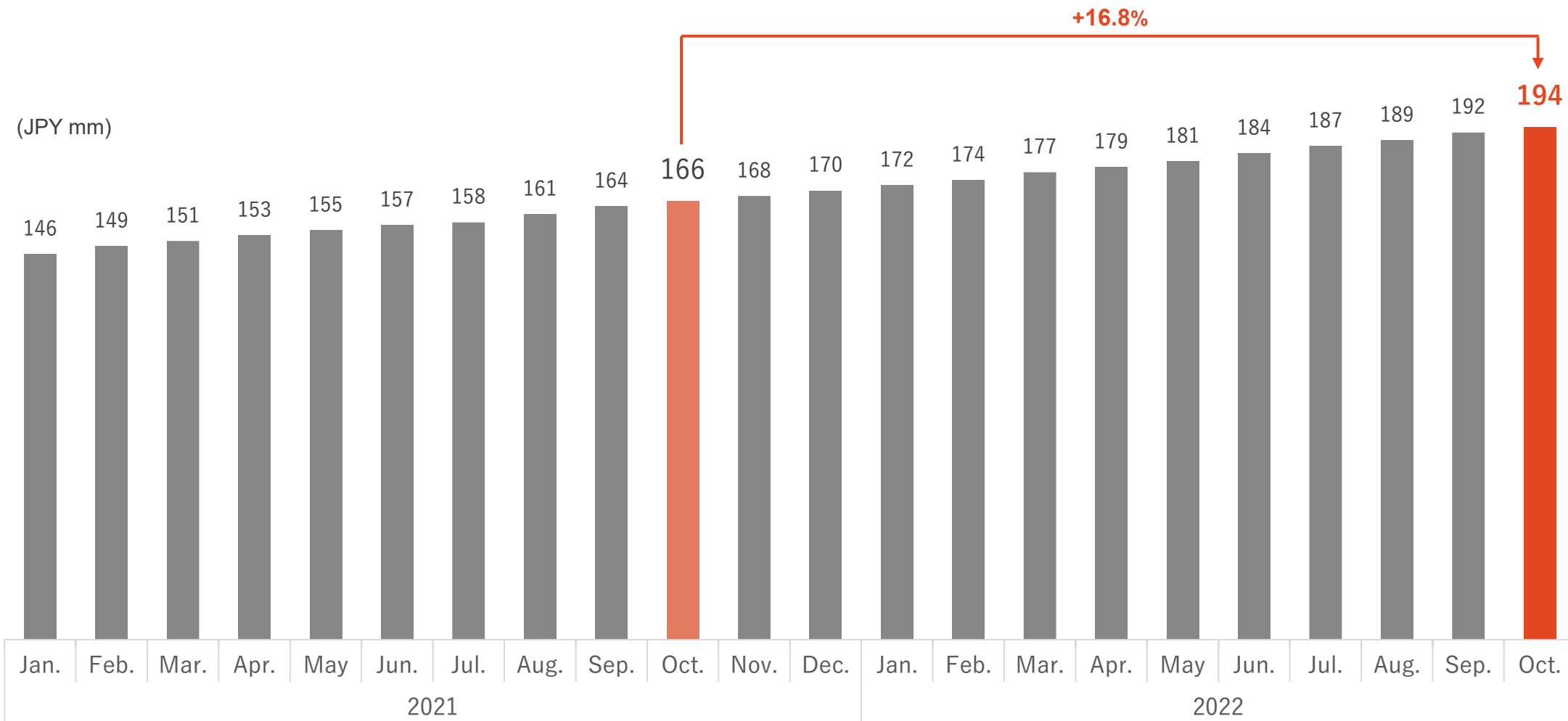
BS (Quarterly / Consolidated)

(JPY mm)	FY23/3_2Q	FY22/3	QoQ	FY22/3_2Q	YoY
Current assets	3,123	3,297	▲5.3%	3,413	▲8.5%
Cash and deposits	2,690	2,805	▲4.1%	2,992	▲10.1%
Non-current assets	1,223	1,041	+17.5%	796	+53.7%
Property, plant and equipment	136	140	▲2.5%	148	▲7.8%
Intangible assets	286	243	+17.5%	244	+17.3%
Investments and other assets	800	657	+21.8%	403	+98.3%
Total assets	4,346	4,338	+0.2%	4,209	+3.3%
Current liabilities	2,229	2,157	+3.3%	1,996	+11.7%
Contract liabilities (formerly advances received)	1,436	1,193	+20.3%	1,186	+21.1%
Borrowings	40	41	▲2.4%	42	▲3.6%
Non-current liabilities	32	52	▲39.0%	74	▲56.5%
Borrowings	18	38	▲51.8%	59	▲68.5%
Total liabilities	2,261	2,210	+2.3%	2,070	+9.2%
Total net assets	2,085	2,128	▲2.0%	2,138	▲2.5%
Total liabilities and net assets	4,346	4,338	+0.2%	4,209	+3.3%
Capital adequacy ratio	48.0%	49.1%	-	50.8%	-
Net cash	2,630	2,724	▲3.4%	2,890	▲9.0%

Changes in Number of Employees by Employment Type



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



※ MRR (Monthly Recurring Revenue) : Not affected by the number of business days in a month.

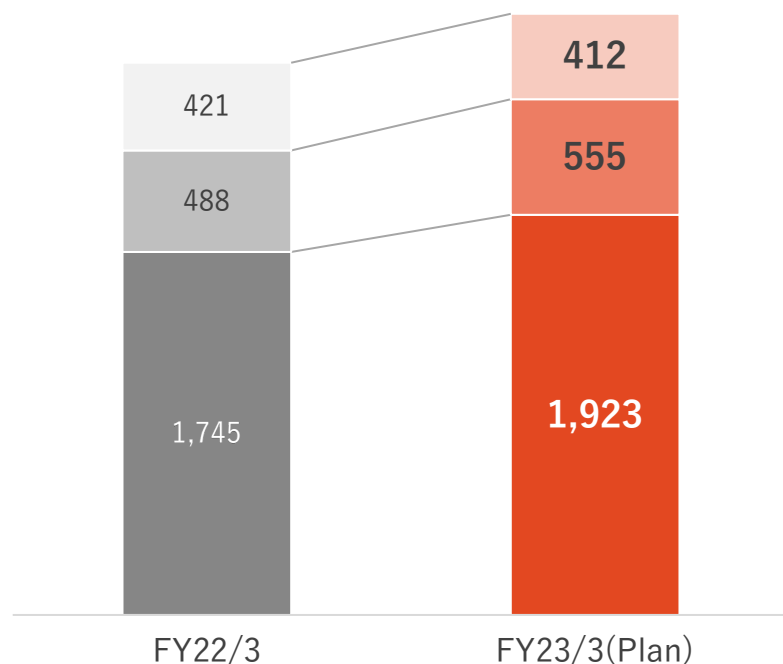
Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2023 (Announced in May 2022)

- Investments beyond FY2022 are expected to continue to grow revenue by over 20% and move EBITDA into the black.

Future Plans for Major Expenses

(JPY mm)

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



Annual Profit Forecast of FY23/3

(JPY mm)	FY23/3 Forecast	FY22/3	YoY
Net Sales	4,850	4,029	+20.4%
EBITDA	50	▲164	-
Operating Profit	▲50	▲241	-
Ordinary Profit	▲60	▲251	-
Income taxes	30	▲187	-
Profit attributable to owners of parent	▲90	▲64	-

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

▼

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

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.

Management Team

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 crowd workers, elderly workers, and labor productivity improvement/DX.
- 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”

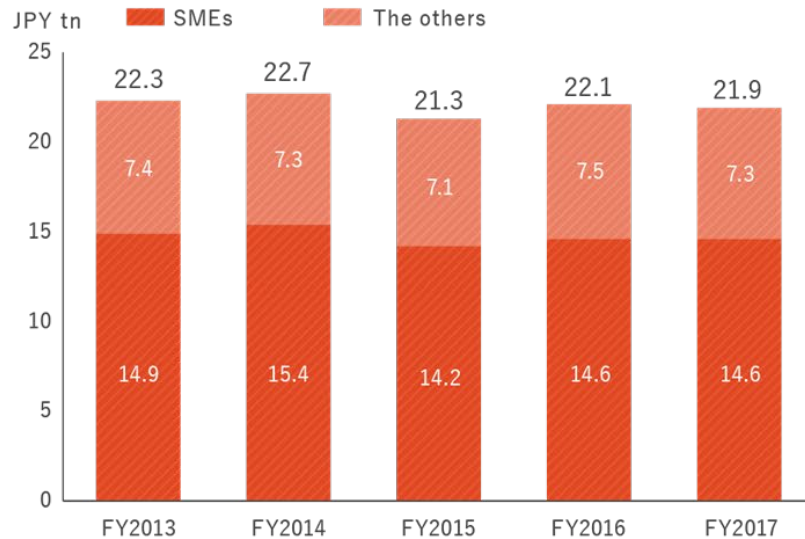
- A service that provide a database of bidding information ordered by public offices and other agencies.
- Hundreds of crowd workers collect information from approx. 7,700 bidding agencies, and we build a database of information on bids and winning projects.



- 1** Providing Service with **SaaS Model**
Providing a bid/offer database created by utilizing **Crowd-Sourcing** via **the Cloud**.
It maintains a **high gross profit margin**. (Gross profit margin: 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** **High Free Cash Flow (FCF) Contribution System**
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

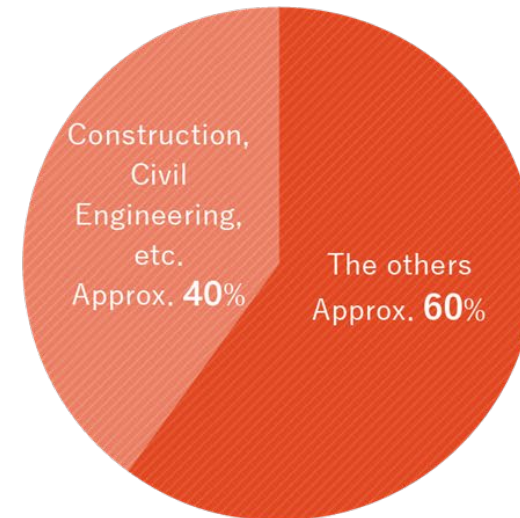
- Huge Market with steady orders of **Over JPY 20 tn/yr.**
- **Over 60%** won by **small and mid-sized enterprises (SMEs)**



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

Ratio of Industries

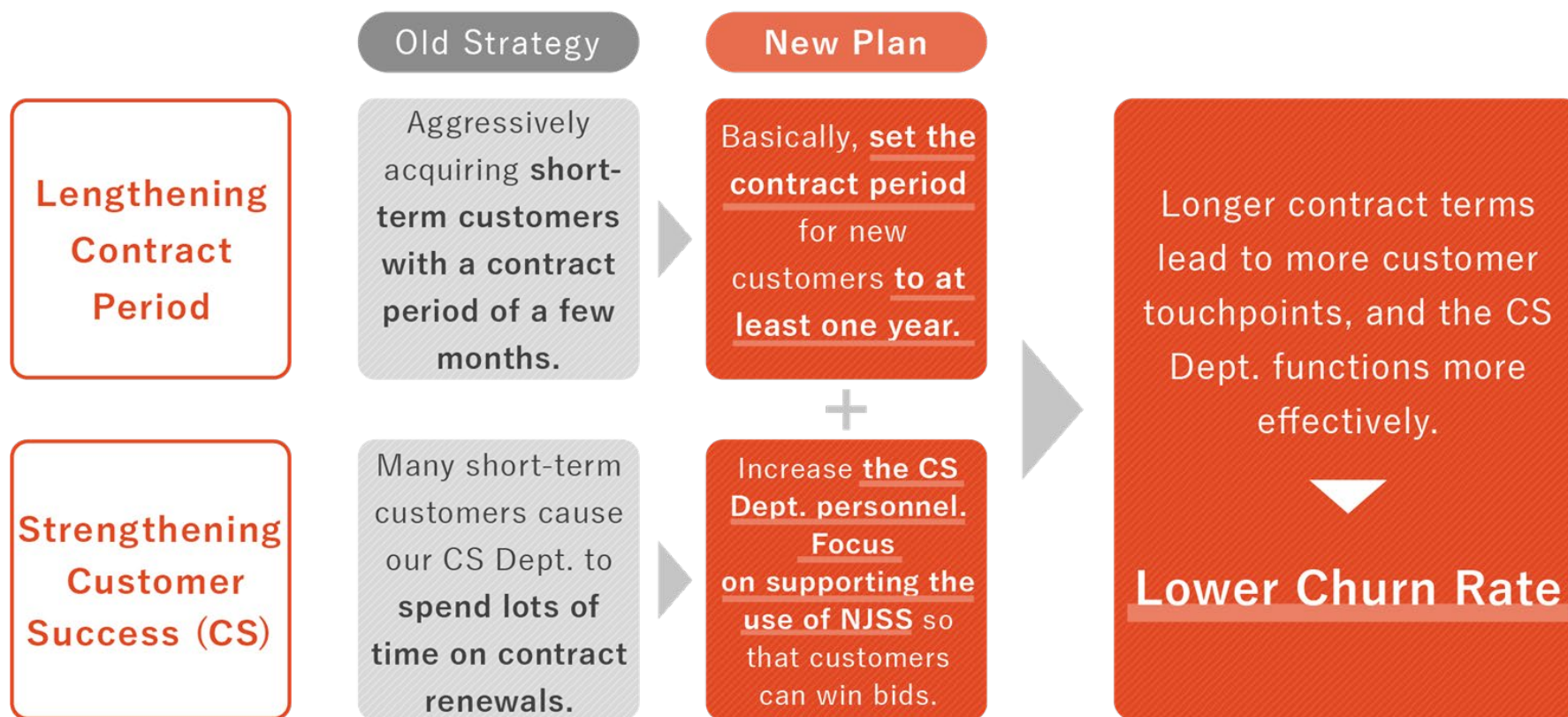
- Construction, civil engineering, and other construction projects accounted for about 40% in terms of value.
- **Orders other than construction**, such as goods and services, account for **about 60%**.



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

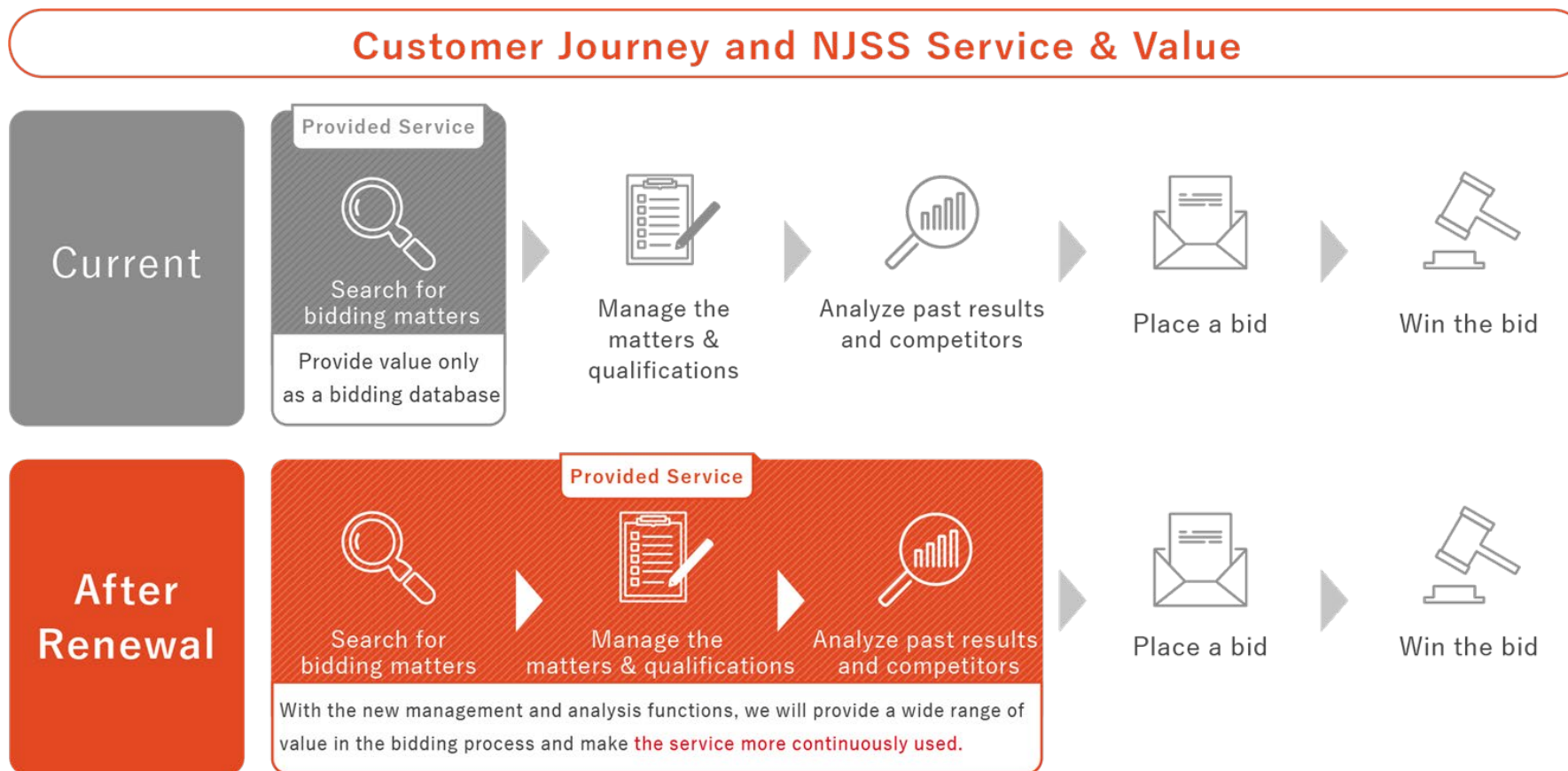
NJSS-Improvement Measures Based on the Mid-Term Management Plan (Sales Structure)

- 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

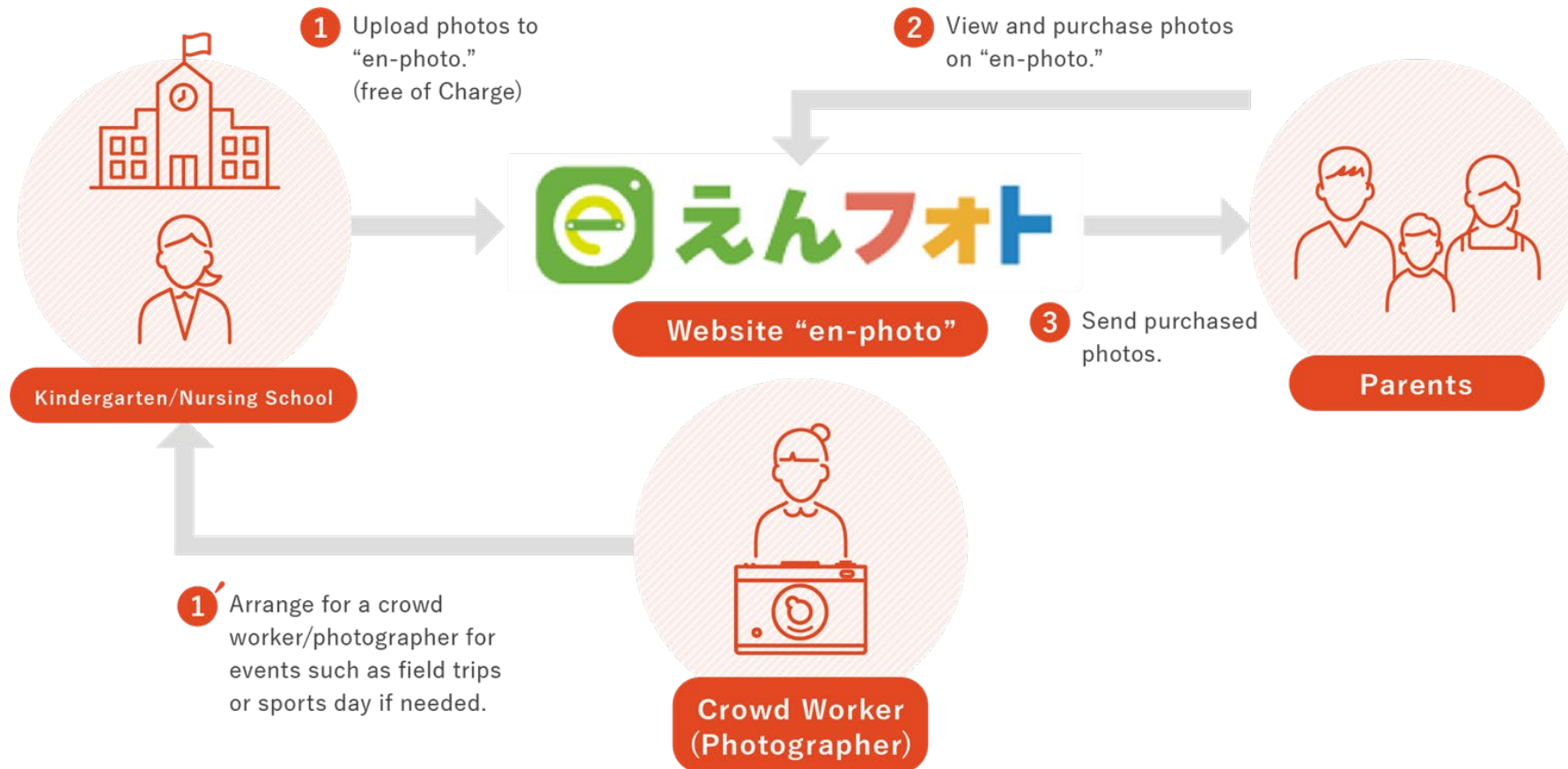


- “A smart phone answering service starting at 10,000 yen per month.”
- Crowd workers receive incoming calls on behalf of the company and relay the messages via chat tools such as Slack, Chatwork, and Microsoft Teams.



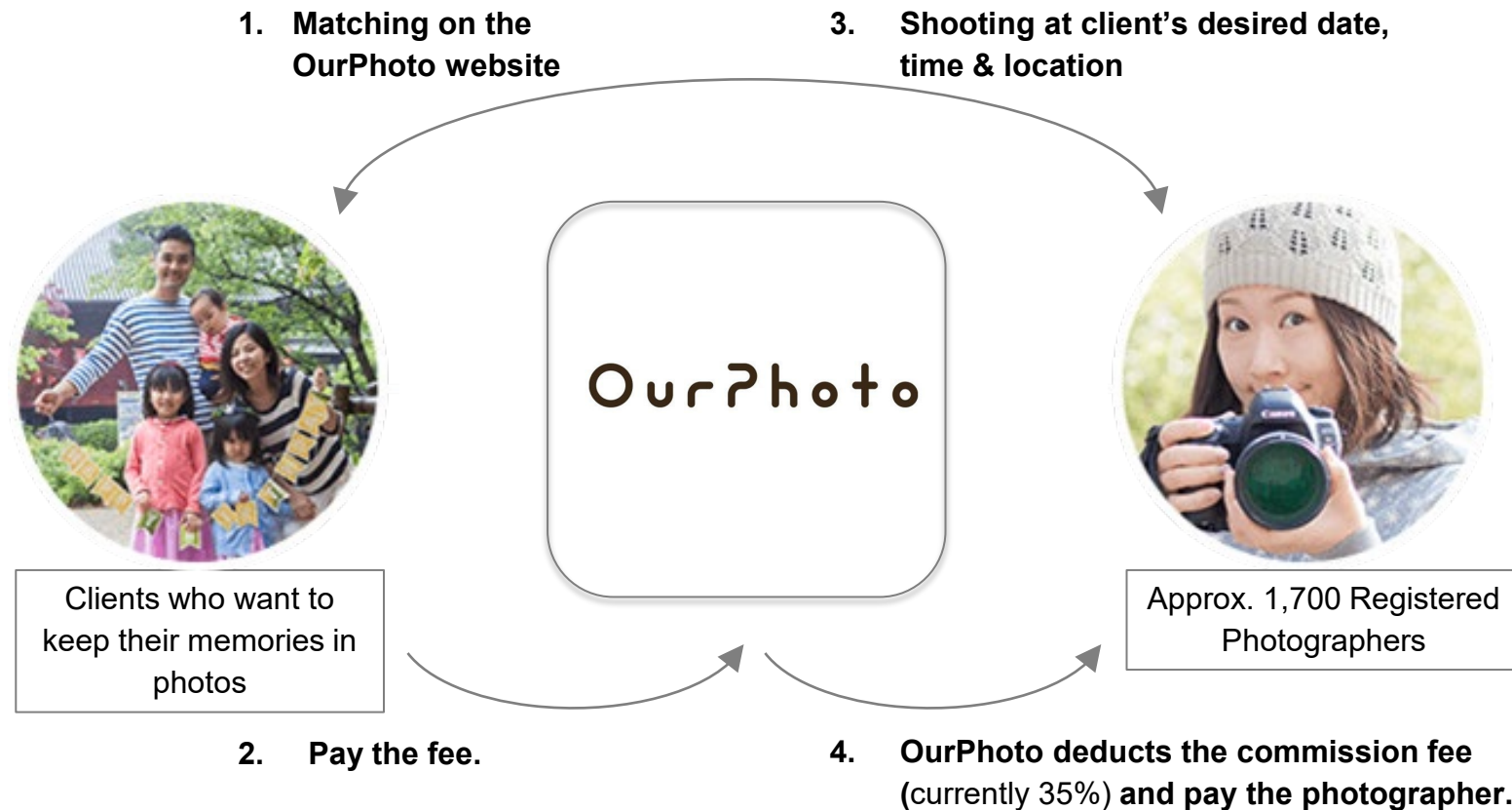
CGS Business-“en-photo”

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

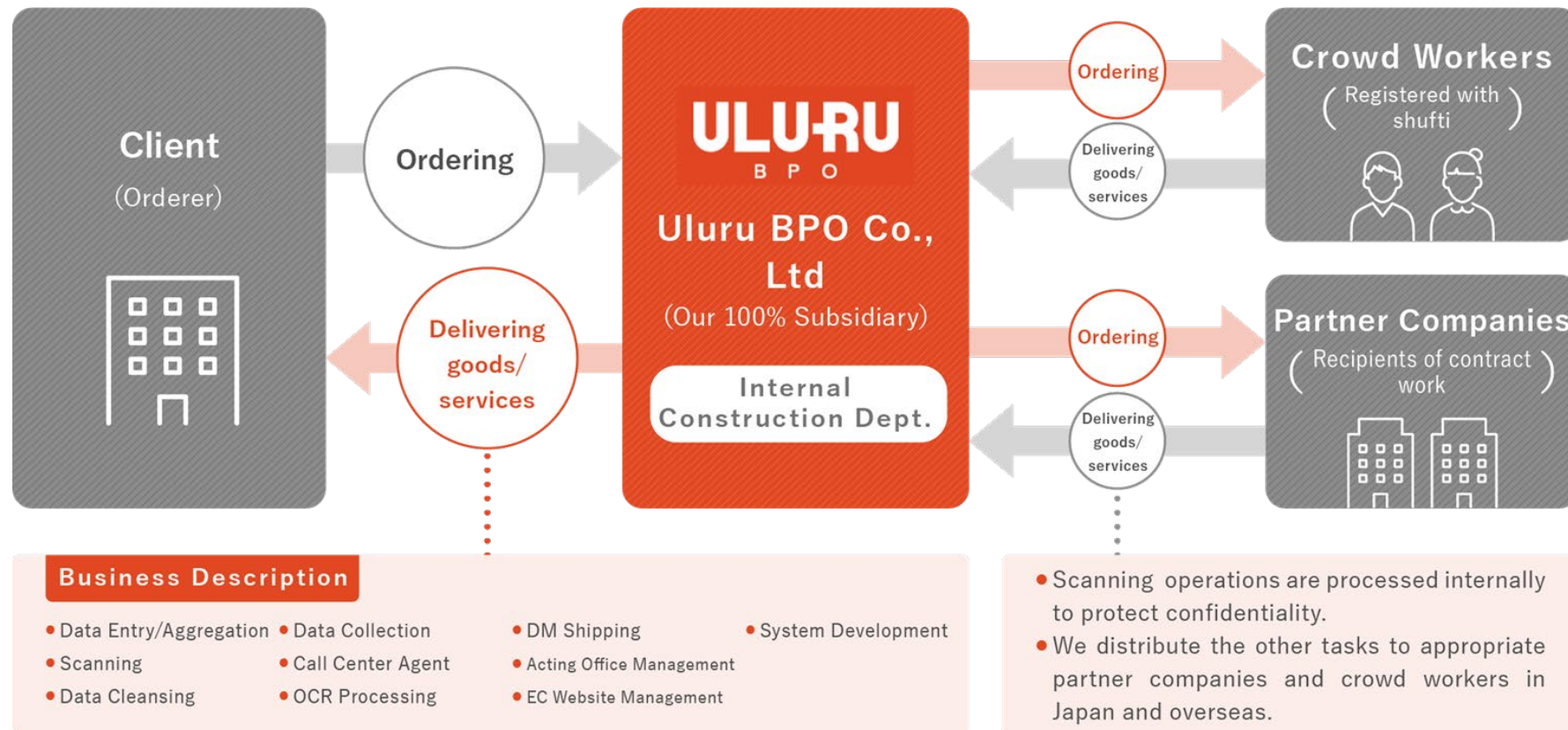


CGS Business-“OurPhoto”

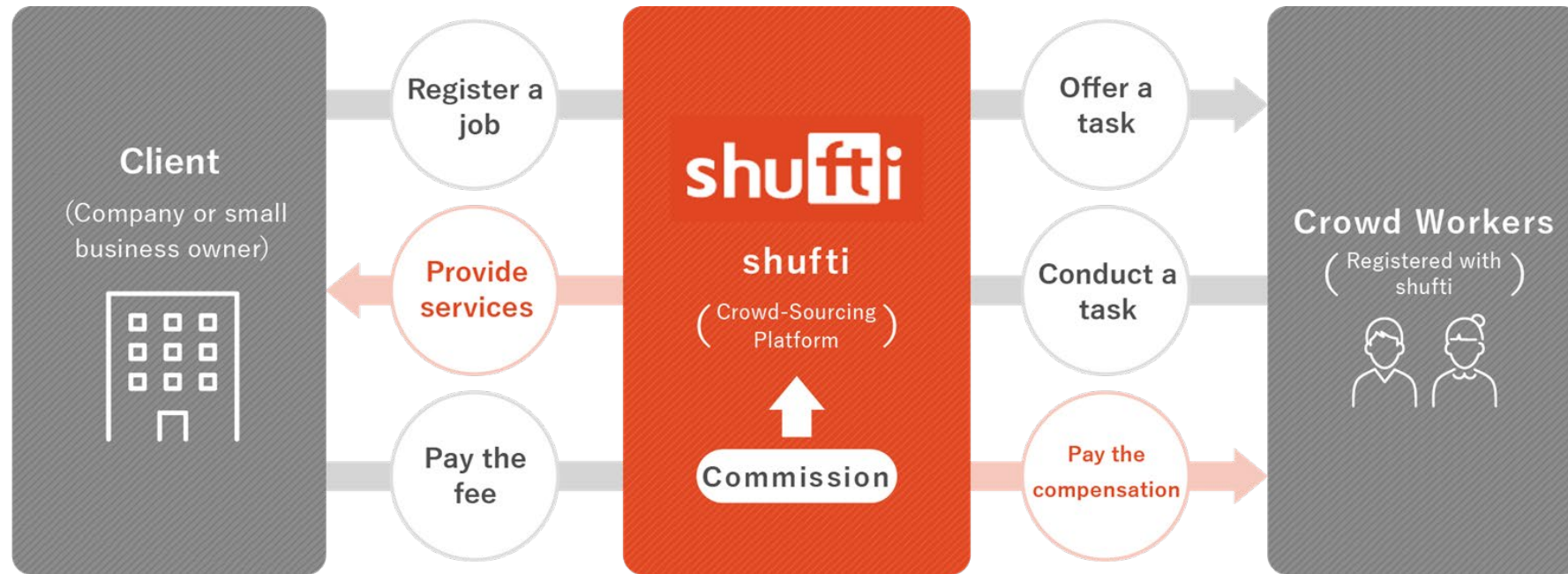
- The on-site photography matching service “OurPhoto.”
- About 1,700 registered photographers and clients who want to preserve their memories in photographs are matched on the OurPhoto website. OurPhoto deducts the commission from the shooting fee and pays the photographer.



- 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.



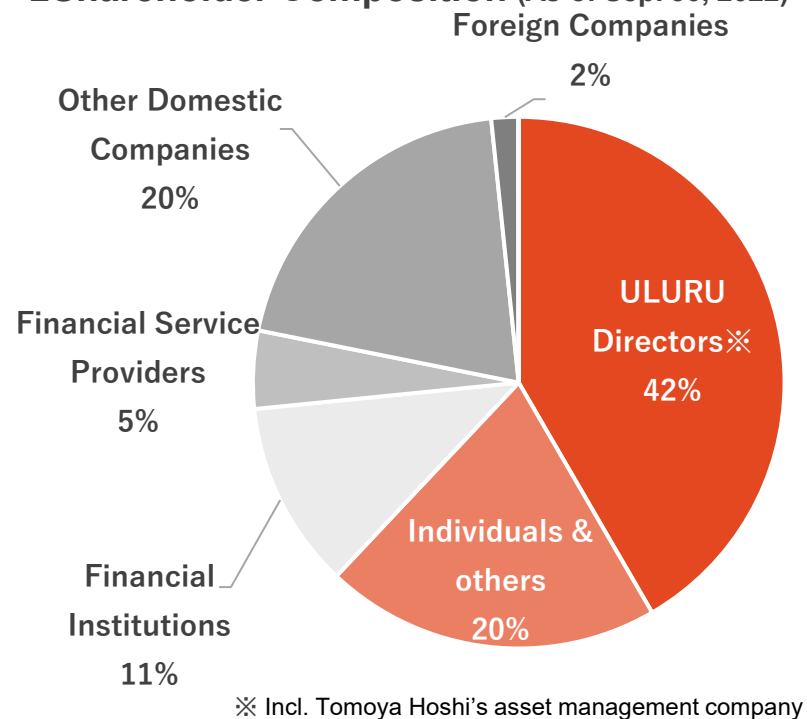
- “shufti,” a crowd-sourcing platform matches client companies which want to request work with crowd workers who want to work without restrictions on time and location.
- It has over 450,000 registered crowd workers (as of September 30, 2022).



■ No. of Shares & Shareholders (As of Sep. 30, 2022)

Total Number of Authorized Shares	11,199,200
Total Number of Issued Shares	6,917,400
Total Number of Shareholders	1,058

■ Shareholder Composition (As of Sep. 30, 2022)



■ Major Shareholders (Based on the list of shareholders as of Sep. 30, 2022)

Rank	Name	# of Shares	Ratio (%)
1	Tomoya Hoshi	1,309,400	18.92
2	Ayers Rock Co., Ltd (CEO: Tomoya Hoshi)	660,000	9.54
3	HIKARI TUSHIN, Inc.	512,900	7.41
4	Custody Bank of Japan Ltd. (Trust Account)	494,800	7.15
	Simplex Asset Management Co., Ltd.	(305,400)	(4.41)
5	Yuhei Okeyama	429,600	6.21
6	Keisuke Hikiji	380,800	5.50
7	Daisuke Gomi	321,000	4.64
8	Yosuke Nagaya	208,000	3.00
9	Nippon Life Insurance Company	190,000	2.74
10	Shinsuke Kobayashi	184,400	2.66

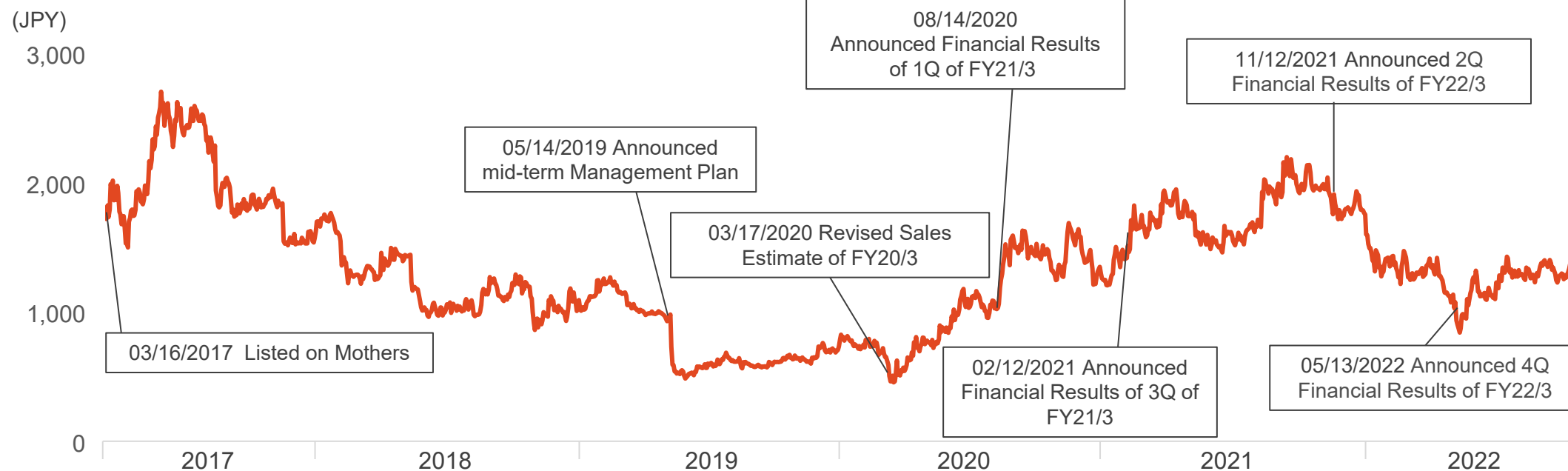
Share Price Trends

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(03/16/2017~10/31/2022)



※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.

Glossary of Terms

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.	MRR	Abbreviation for Monthly Recurring Revenue. It does not include initial costs, additional purchase costs, consulting fees, etc., and is composed of subscription and recurring revenue. It is not affected by the number of business days in a month.
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.	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.”
SaaS	Abbreviation of Software as a Service. It refers to software provided in the cloud.	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.
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. The amount of sales recorded for the first month of the contract is calculated on a pro-rata basis.	YoY / QoQ	Abbreviations of year over year and quarter over quarter, respectively.
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.	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.

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.

Uluru Co., Ltd. <https://www.uluru.biz/>

For Inquiries ir@uluru.jp

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