April 23rd, 2020

Company name: RAKSUL INC.
Representative: Yasukane Matsumoto
Representative Director, President and CEO
(TSE First Section Code No. 4384)
Contact: Yo Nagami
Director, CFO

Announcement of the release of new service "Novasell"

Our printing and offline advertising platform "Raksul" has officially released its offline advertising service "Novasell".

With "Novacell Analytics*", "Novasell" makes it possible to measure the effectiveness of TV commercials, which was previously considered difficult and time consuming. Additionally, it enables our clients to achieve business growth by making it possible for them to operate optimal advertising investments. "Novasell" will provide "programmatic TV commercials" that include planning, production, broadcasting, and analysis by using methods that we have developed in the past, as well as "Novasell Analytics". (*cloud-based TV commercial effectiveness measurement tool)

For further details, please refer to the attached press release.

PRESS RELEASE
To media representatives:

April 23rd, 2020
Raksul Inc.

After launching successful platforms in the logistics and printing markets, Raksul now sets its sights on advertising with its new platform "Novasell"

Raksul Inc. (HQ: Shinagawa-ku, Tokyo; Representative Director, President and CEO: Yasukane Matsumoto) has officially released its offline advertising platform, "Novasell", as a follow-up to its fabless printing platform, "Raksul", and its logistics platform, "Hacobel". In light of the current situation brought on by COVID-19, companies will be required to cut costs significantly in the future, and the cost-effectiveness of their advertising investments will become even more paramount. "Novasell Analytics*" makes it possible to measure the effectiveness of TV commercials, which was previously considered difficult and time consuming. Additionally, it enables our cliants to achieve business growth by making it possible for them to operate optimal advertising investments. "Novasell" will provide "programmatic TV commercials" that include planning, production, broadcasting, and analysis by using methods that we have developed in the past, as well as "Novasell Analytics".(*cloud-based TV commercial effectiveness measurement tool)

■ The inception of Novasell

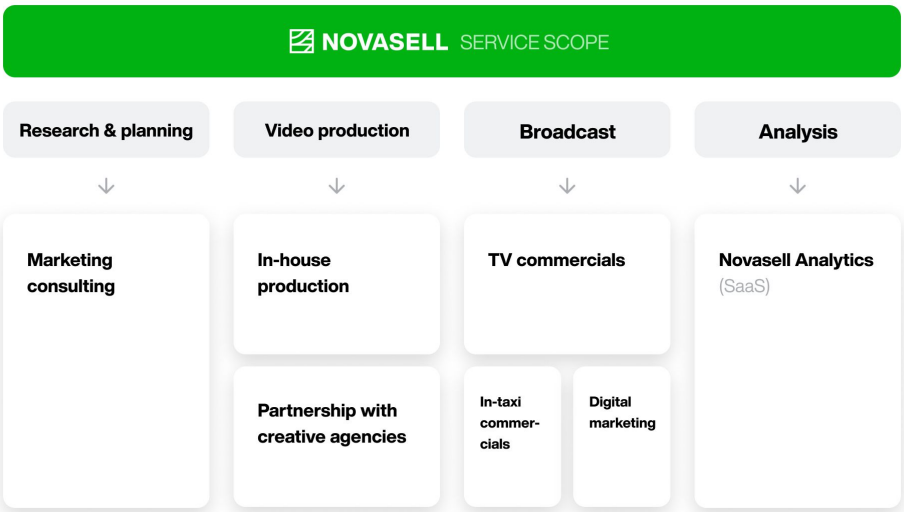
In order to accelerate the growth of our printing services, since 2014, Raksul has invested approximately ¥5 billion in marketing, mainly in TV commercials as an advertiser. By visualizing and verifying the effects of TV commercials, we were able to grow our revenue approximately 20 fold in just 5 years. Based on this experience, we are proud to launch our new advertising platform "Novasell", which we hope will create a world where anyone and everyone can easily use TV commercials. The name of the service aims to incorporate a strong desire to enhance business growth by visualizing effects.

Many companies are faced with marketing challenges such as acquiring new customers and increasing brand awareness. In the advertising industry, TV commercials are the most inexpensive medium in Japan in terms of reach cost and the ability to deliver information to a large number of people. However, most companies are not able to easily implement TV commercials due to "huge costs" and "complicated ordering methods and fee systems", and even those companies that already implement TV commercials have problems such as "difficult to see effects".

We will solve these problems and support the challenge of TV commercials as one of the new advertising activities for clients.

- **Novasell's service site** http://novasell.com/
- **Service documentation** https://lp.raksul.com/tvcm-request/
- **Contact us** https://tvcm.raksul.com/contact

■ Overview of Novasell - our new offline advertising service



■ What are "programmatic TV commercials"?

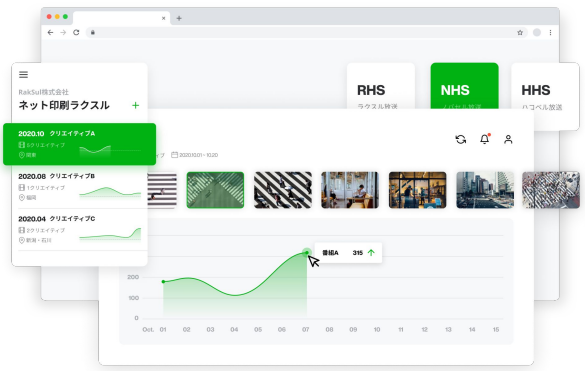
Novasell makes it possible to visualize the effects of advertising, which has been considered difficult in the past, and optimize advertising investments. By using methods that we have developed in the past, as well as "Novasell Analytics", a cloud-based TV commercial effectiveness measurement tool, which enables instant visualization of analytic results regarding the effectiveness of advertising, we have been able to verify the "Winning Strategies" of companies facing challenges in business growth. By visualizing the effects, it is possible to repeat the verification of the effects at a low cost, leading to the best way to grow the company.

-What is Raksul’s unique method?

In 2014, Raksul introduced TV commercials as one of its marketing measures. With a limited budget, we have been able to produce creative productions and designate appropriate broadcasting slots by repeating meticulous verifications of effectiveness. As a result, we have been able to maximize advertising effectiveness. This unique know-how has been accumulated through a lot of trial and error in our company.

-What is "Novasell Analytics"?

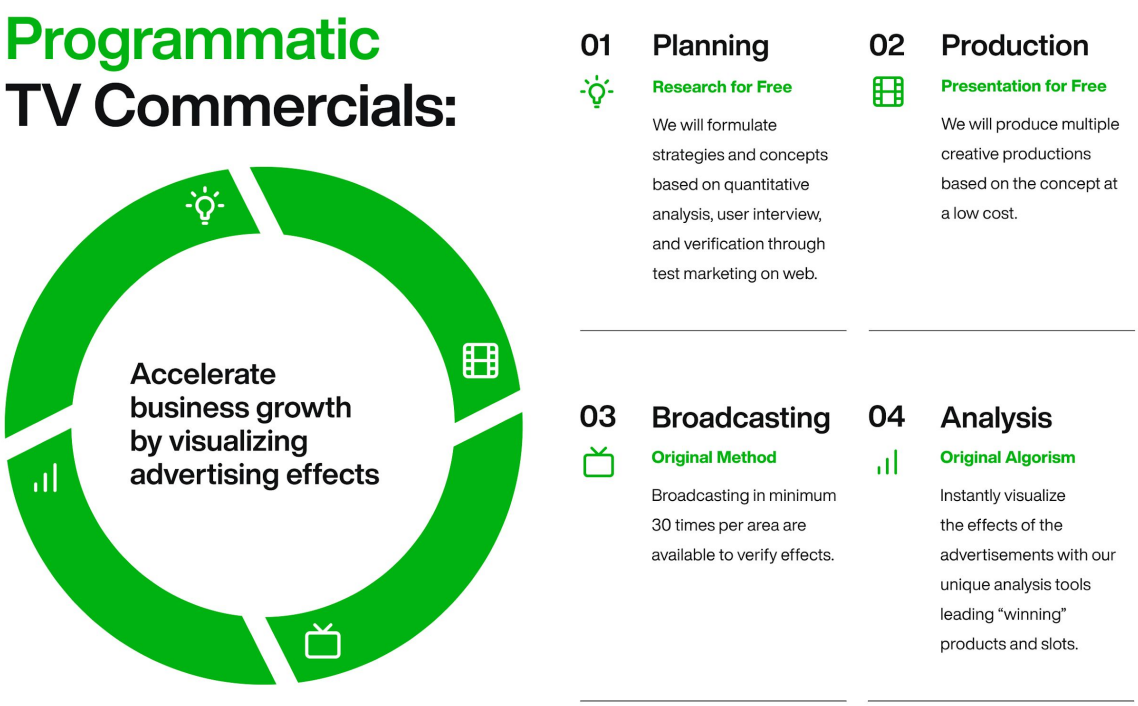
This is a cloud-based TV commercial effectiveness measurement tool that makes it possible to immediately visualize the effectiveness of TV commercials by measuring the number of visits after a commercial has been broadcasted for each commercial or program slot. This makes it possible to verify the effectiveness of broadcasting commercials in the same way as WEB advertising, which has traditionally only been able to measure viewership.



main screen of Novasell Analytics

We will support a wide range of issues related to TV commercials, including startup companies that are taking on the challenge of TV commercials for the first time, as well as companies that are already implementing TV commercials but still face challenges in terms of cost-effectiveness.

■ Process of "programmatic TV commercials"



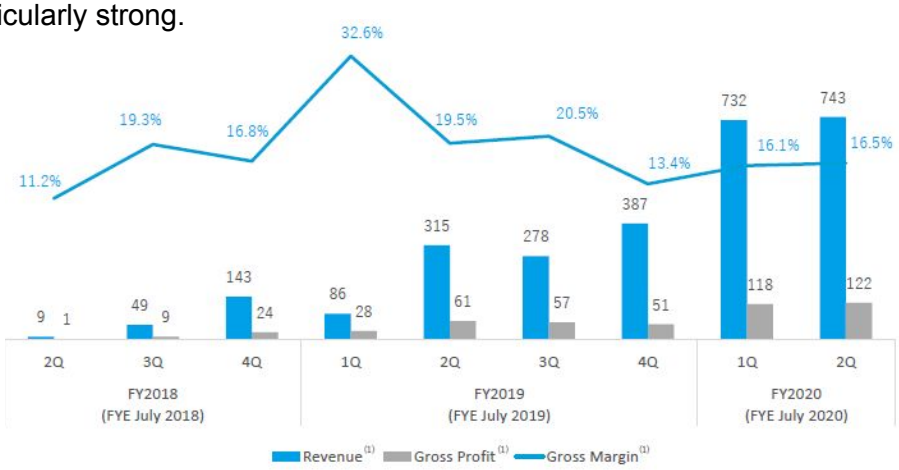
■ The trajectory to the release of "Novasell"

As part of Raksul’s offline advertising support service, we began offering TV commercials service in 2018. Starting with providing production and broadcasting at low prices, we have provided services that are industry firsts, such as the launch of an online store for broadcasting slots. Subsequently, we strengthened our services by strengthening creative activities through business alliances and expanding broadcast media. After developing "Novasell Analytics," a cloud-based TV commercial effectiveness measurement tool that realizes "visualization of effectiveness," which was the most important issue for companies, we have officially released it as a service that can provide all planning, production, broadcasting, and analysis.

May 2018	We began offering a service that allows us to produce and broadcast commercials from 500,000 yen.
November 2018	We launched an online store where you can purchase a single TV commercial broadcasting slot.
September 2019	We strengthened the quality of our commercials by partnering with GO Inc..
December 2019	We expanded the broadcasting medium through a partnership with News Technology Inc.. This made it possible to broadcast to about 10,000 taxis in Tokyo.
April 2020	The service was released as “Novasell". Started providing "Novasell Analytics," a cloud-based TV commercial effectiveness measurement tool.

■ Reference: TV commercial service performances

Continued revenue growth from the start of service in 2018. Orders from repeat customers have been particularly strong.



■ Customer Case Study

WHITEPLUS, Inc.

■ Company Information

- Established: 2009
- Capital stock: ¥770.3milion
- Business activities. Operation of the online home delivery cleaning service "Lenet".
  Operation of “Kirehapi”, a house cleaning matching platform.

■ Current status

The company launched its first TV commercial in January 2019. Since then, they have been using our service continuously.

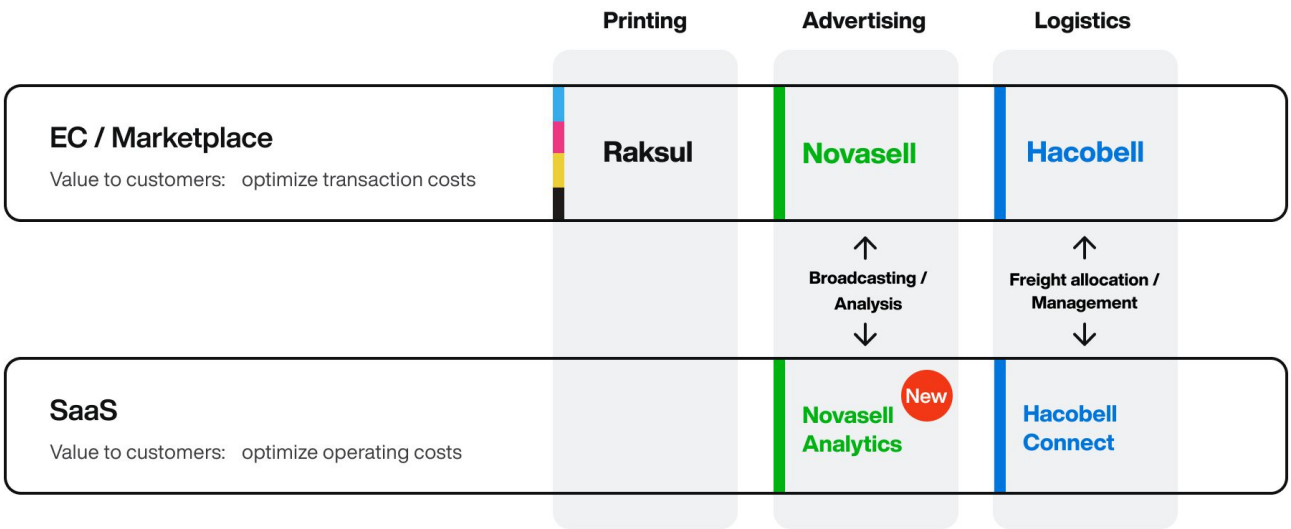
■ Comment

Our service had been growing steadily since its inception in 2009, but we were looking at new advertising measures to leverage the service for higher growth. We made the decision to conduct mass marketing because the name of the service, as well as the recognition rate of the "online cleaning" market itself, had not risen, but we were concerned about running a TV commercial because of the large investment. However, by working together with Raksul to formulate a plan, starting from the planning stage and continuing through broadcasting and effectiveness measurement, we were able to build a system that allows us to judge effectiveness in real time. Being able to do trial and error quickly with a small investment is very important, especially for startups. As a result, we succeeded in acquiring 2.2 times more new customers than the previous year. We were able to maximize the return on our investment in television commercials, which was an important step in guiding the growth of our business.

Many companies are already using our service. There are many examples of how the use of TV commercials has led to the acquisition of new customers that could not be developed through existing advertising measures, or led to business growth for start-up companies.

■Company overview and future focus of our business model

We have been upgrading the vertically integrated industrial structure led by large companies to a horizontally collaborative and platform-based industrial structure through our sharing platform (EC/Marketplace) with the aim of making "transactions" more efficient. As we developed business in multiple B2B industries, including printing, advertising, and logistics, we realized that there were many inefficiencies lurking in "operations" in addition to "transactions". With a view to boost productivity and profitability of the industry as a whole, in addition to improving the efficiency of "transactions" through the building of a sharing platform, we will also improve the efficiency of "operations" through the offering of software (SaaS). Customers can utilize EC/Marketplace and SaaS independently, yet the two services are linked together since analyze and management transactions ordered in the EC/Marketplace are done through SaaS. For our customers, it will improve the efficiency of their "transactions" and "operations", and for us, it will enable us to achieve a dual source of revenue, with commission revenue for GMV and subscription revenue as SaaS.



Through these two business models, we aim to improve the productivity of Japanese companies and the industry by implementing improvements in transactions and operations.

For any inquiries, please contact our IR department
Email: ir@raksul.com
IR Information: https://corp.raksul.com/en/