

May 15, 2024

Company Name	Kudan Inc.	
Representative	CEO	Daiu Ko
	(Securities code: 4425 TSE Growth)	
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The video and the transcript of the financial report presentation for the fiscal year ended March 31, 2024 are available online

Kudan Inc. (henceforth in this document as “Kudan”) announces that the video and the transcript of Kudan’s financial report presentation for the fiscal year ended March 31, 2024 are now available online. As the video available in Japanese, the English-translated transcript is attached to this release.

【FY2024 financial report presentation】

1. Date: Wednesday, May 15, 2024
2. Speakers: Daiu Ko, CEO
Kohei Nakayama, CFO

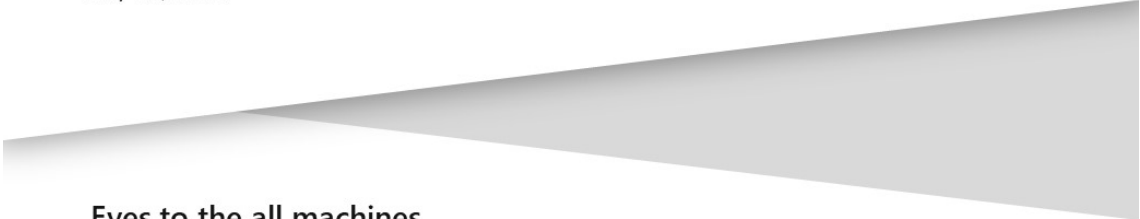
▼▼Financial report presentation video can be viewed from below (Japanese only)▼▼

https://youtu.be/Lv_BljmrZng



Supplementary Documentation to the financial report for the fiscal year ending March 2024

May 15, 2024



Eyes to the all machines

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Daiu Ko (hereafter “Ko”) : Hello everyone, this is Ko, CEO of Kudan Inc. We will explain the financial results for the fiscal year ending March 2024.

Highlights for the previous fiscal year ended March 2024



- Revenue grew **48%** (490 million yen), **adjusted operating losses**¹ **decreased 21%** (420 million yen), and **ordinary losses decreased 87%** (0.5 million yen) compared to the previous year
- The initiatives focused on as the **"two pillars of growth"** are beginning to show results
 - A Customer commercialization** : Business progressed due to growth in projects and subsequent expansion of product sales
 - **Customer commercialization increased to a total of 8 projects**, and **the areas such as drones and autonomous driving are expanding**
 - **Product-related revenue**² **achieved 40 times the previous year's revenue** (270 million yen) as harvesting
 - B Solution**: Established the business foundation, and **discussed/agreed with partners on a policy to introduce digital twin solutions**

1 Operating profit (losses) plus government R&D subsidy income occurring every year, a profit figure that serves as an indicator of business profitability
2 Revenue from contracts that enable customer commercialization (product sales and internal/external service operations) using Kudan's technology

2

Ko: First, here are the highlights of the previous fiscal year ended March 2024.

In the previous fiscal year, revenue grew 48% to 490 million yen, the adjusted operating losses, an indicator of business profitability, decreased 21% to 420 million yen, and the ordinary losses significantly decreased 87% to 0.5 million yen compared to the previous year.

As for the business activities, the growth strategy focused on the "two pillars of growth" is beginning to show results, and the first pillar, customer commercialization, is making progress due to the growth of projects and subsequent expansion of product sales. Specifically, the customer commercialization has increased to a total of 8 projects, and product-related revenue have achieved 270 million yen, 40 times increase over the previous year, as well as expanding into areas such as drones and autonomous driving.

As for the second pillar, solution, we have established the business foundation and have discussed and agreed with our partners on a policy to introduce digital twin solutions.

Forecast for the current fiscal year ending March 2025



- Plans to continue to focus on the "two pillars of growth"
 - A Customer commercialization: Accelerated project growth**, due to the contribution of productization packages as "priming"
 - B Solution: Promote ecosystem collaboration and expand into robotics and autonomous driving areas**
- In addition, **initiatives** to support the "two pillars of growth" **are also being carried out**
 - C Integration with AI and semiconductors: Kudan's Artificial Perception aims to be a technological foundation that integrates Artificial Intelligence and semiconductors, solving fundamental issues in 3D and spatial information processing** with innovative methods
- For the current fiscal year, we forecast **revenue of 700 million yen** (43% growth over the previous year) and **adjusted operating losses of 350 million yen** (18% reduction over the previous year)

3

Ko: Next, for the forecast for the current fiscal year, we will continue to focus on the growth strategy of these "two pillars of growth." Regarding the first pillar, customer commercialization, we expect to accelerate the growth of projects with the contribution of productization packages that serve as "priming." With regard to the second pillar, solution, we plan to promote ecosystem collaboration and expand into robotics and autonomous driving areas.

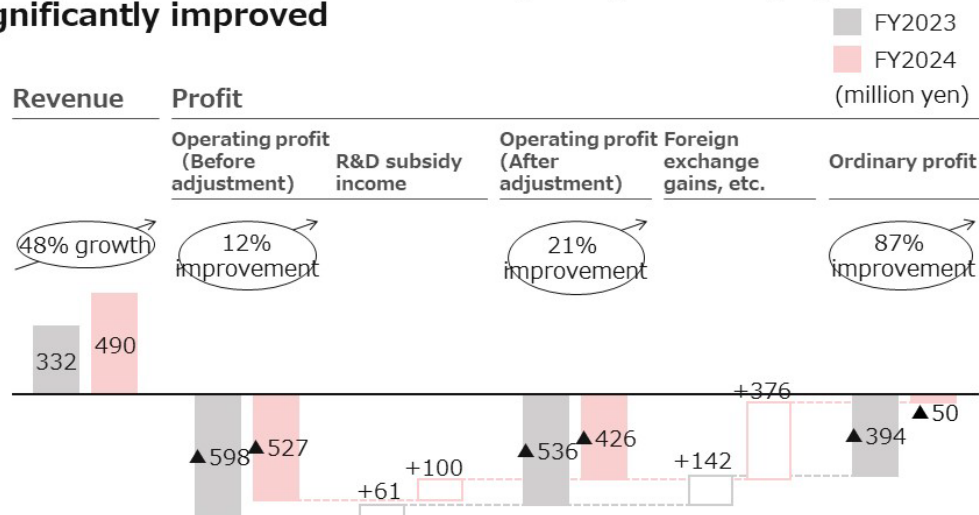
In addition, we will work to integrate AI and semiconductors as one of initiatives to support the "two pillars of growth." We will use innovative methods to solve fundamental issues in 3D spatial information processing, and aim to create a technological foundation that is a triad of Kudan's Artificial Perception, and the latest Artificial Intelligence, and semiconductors.

As a result, Kudan forecasts revenue of 700 million yen for the current fiscal year, 43% growth over the previous year, and adjusted operating losses of 350 million yen, 18% reduction over the previous year.

Full-year performance for the fiscal year ending March 2024 (vs. previous year)



- Significant growth in revenue and improvement in operating losses
- Adjusted operating profit, an indicator of business profitability, including subsidy income¹ occurring every year, has improved
- In addition, **ordinary profit** including foreign exchange gains has significantly improved



¹ Subsidies for research and development from foreign governments

4

Kohei Nakayama (hereafter “Nakayama”): As for the details of financial performance for the fiscal year ending March 2024, Nakayama, CFO, will provide an explanation.

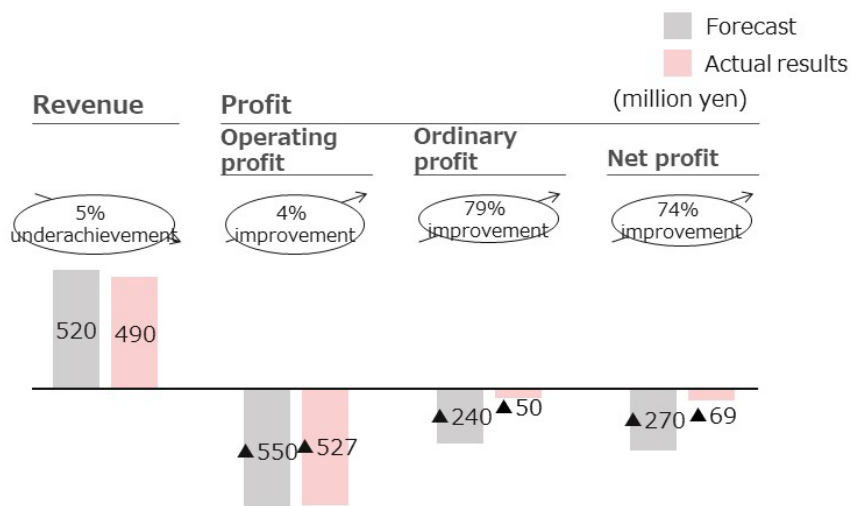
This slide shows a comparison with the previous year's fiscal year ended March 2023. As explained at the beginning, we have achieved significant growth in both revenue and profits.

The item "adjusted operating profit" that appears on this slide is a figure that includes operating profit plus R&D subsidy income from foreign governments that occur every year, and is included as a more appropriate indicator of business profitability.

Full-year performance for the fiscal year ending March 2024 (vs. forecast)



- Revenue slightly underachieved, but all profit indicators are positive due to improved profitability



5

Nakayama: Next, here is a comparison with the performance forecast. Although business progress was generally in line with our expectations, revenue underachieved the forecast by 5% due to the fact that some of the projects anticipated in the previous fiscal year, such as solution projects, were not acquired and delivered until the current fiscal year onward.

On the other hand, operating profit achieved higher than expected due to better-than-expected improvement in business profitability. In addition, due to the impact of R&D subsidies and foreign exchange gains arising from receivables and payables among group companies, ordinary profit and net profit achieved much higher than expected.

Full-year performance for the fiscal year ending March 2024 (summary)

(million yen)	FY2023 Actual result	FY2024 Forecast	FY2024 Actual result
Net Sales	332	520	490
Operating Profit	△598	△550	△527
Ordinary Profit	△394	△240	△50
Profit Attributable to Owners of Parent	△413	△270	△69
(Reference) Adjusted operating profit ¹	△536	△451	△426

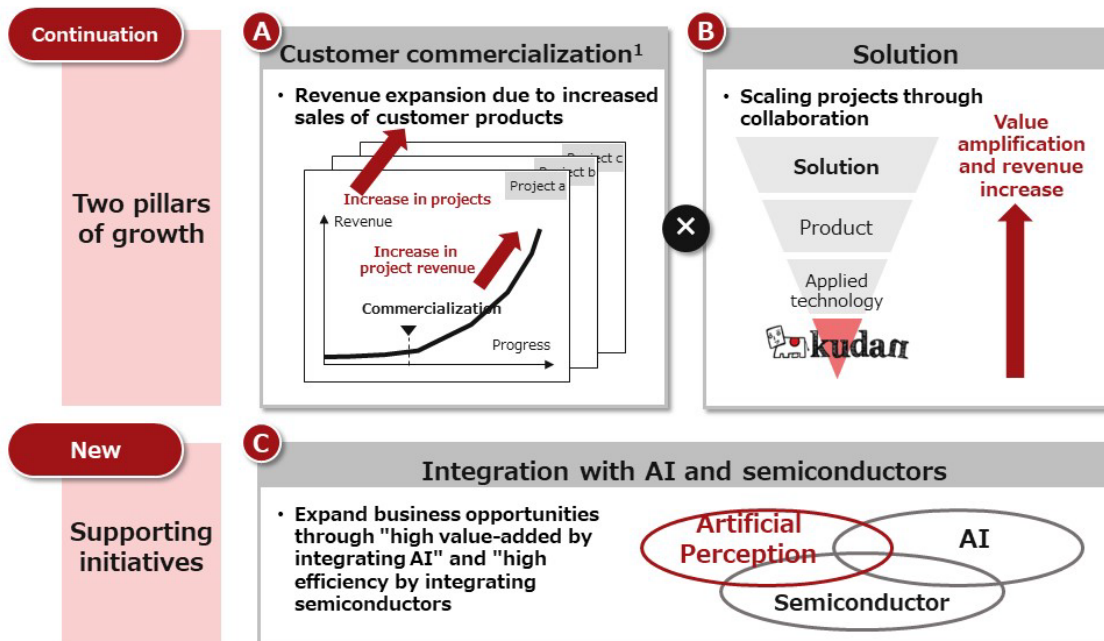
¹ Operating profit (losses) plus government R&D subsidy income occurring every year, a profit figure that serves as an indicator of business profitability
² Major breakdown of non-operating and extraordinary losses/income (million yen): (FY2023) Foreign exchange gains 146, Subsidy income 61, Impairment losses 20 (FY2024) Foreign exchange gains 384, Subsidy income 100, Impairment losses 18

6

Nakayama: This is a list of the performance I have explained, so please refer to it as needed.

Continuation of growth strategies from the previous fiscal year and new initiatives from the current fiscal year

— In addition to the "two pillars of growth," focus on initiatives to support



¹ The tipping point in projects where Kudan's direct customers adopt its technology in their products and decide to release the customers' products

7

Ko: Regarding growth strategies, we will continue the growth strategies from the previous fiscal year and promote new initiatives starting from this fiscal year.

Continuing from the previous fiscal year, we aim to achieve growth by accelerating "customer commercialization" and "solution" as the "two pillars of growth." Customer commercialization represents the tipping point in projects where Kudan's customers adopt its technology in their products and decide to release the customer's products, and we aim to expand revenue by increasing the number of customer commercialization projects and promoting large-scale revenue in each project.

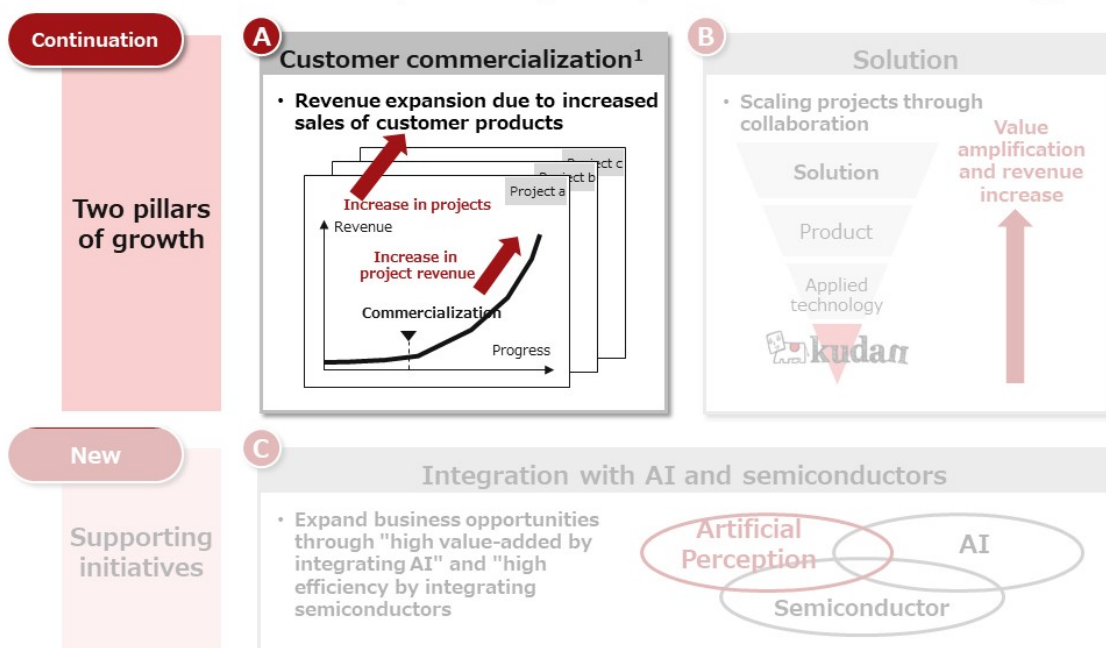
As for solution, Kudan, a provider of deep technology, aims to achieve scaling projects through business coordination with collaborators in each tier of the business. These two initiatives are not separate businesses, but will accelerate revenue expansion through synergies from the combination of both.

In addition to these existing initiatives, we will promote "integration with AI and semiconductors" as a further supporting initiative. Kudan's Artificial Perception, which is the eye to the all machines, is to be combined with Artificial Intelligence, which is the brain of the machines, to add high value, and furthermore, to be integrated with semiconductors to increase efficiency, thereby expanding fundamental business opportunities.

Continuation of growth strategies from the previous fiscal year and new initiatives from the current fiscal year



– In addition to the "two pillars of growth," focus on initiatives to support

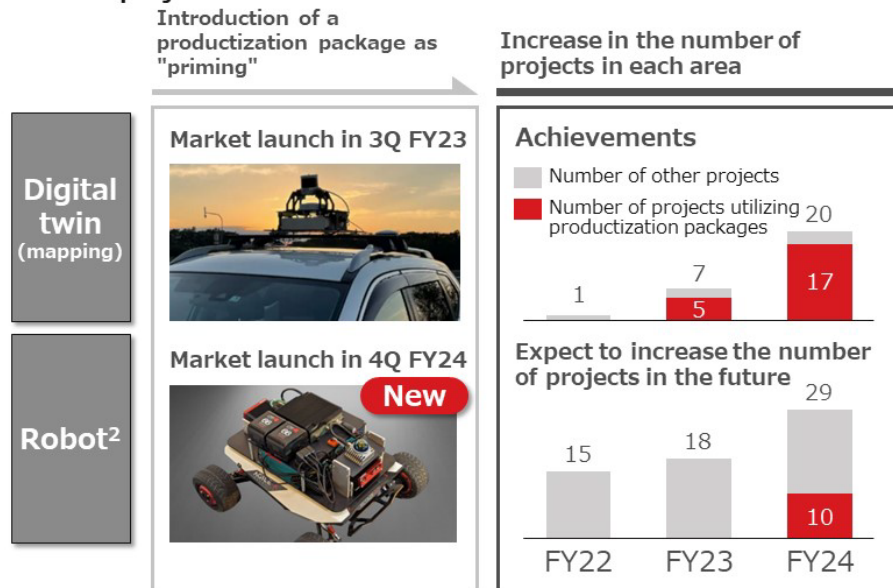


¹ The tipping point in projects where Kudan's direct customers adopt its technology in their products and decide to release the customers' products

Ko: I will explain in more detail the current status and plans for these three growth strategies. First, I will explain the first pillar, customer commercialization.

Introduced productization packages for robots, and increased the number of projects in preparation

- As "priming" for customer commercialization, the productization package¹ was introduced for digital twin followed by the productization package for robots², and the number of projects has been increased



¹ Package that shortens the development and test operation period of customer products and directly enables practical use as products

² Robotics in the broadest sense, including drones and autonomous driving

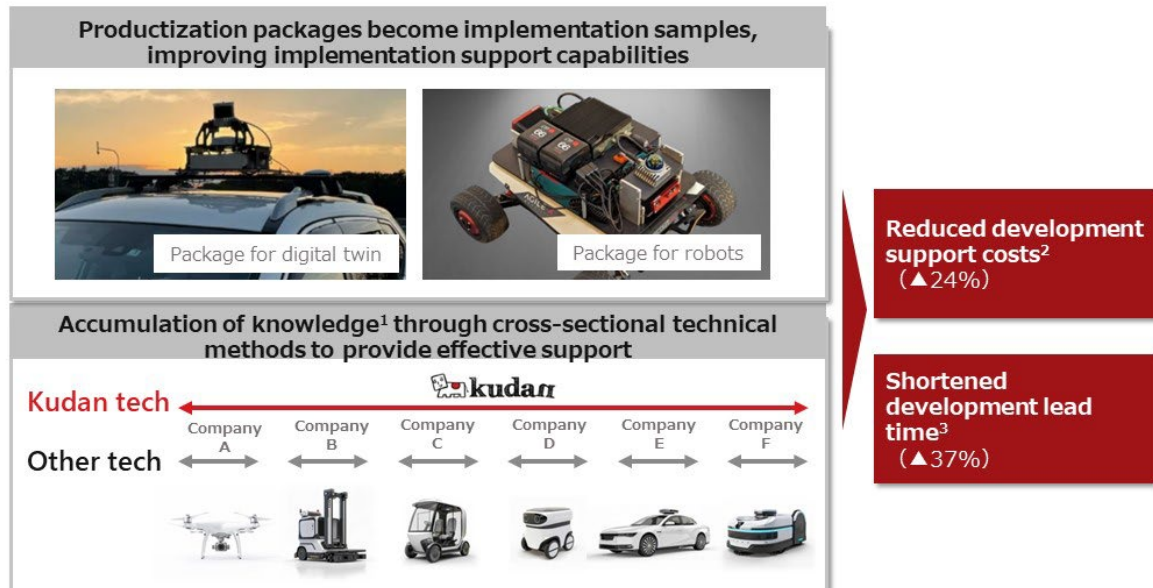
9

Ko: With regard to customer commercialization, we have introduced productization packages for robots since the previous fiscal year, and the number of projects in preparation has been increasing. The productization packages are positioned as "priming" for customer commercialization, as they support the development of customer products and can also be used directly as products, and we have so far launched products in two focus areas: digital twins and robotics.

The productization package for mapping released in the previous two fiscal years has proven to be highly effective in acquiring projects and has contributed significantly to an increase in the number of projects in the mapping area. Similarly, with the aim of increasing the number of projects, the productization package for robots, which was released in the previous fiscal year, has been showing the effect of acquiring projects since the previous fiscal year, and we expect the number of projects to increase in the future.

Improved "quality of projects" even in the preparation development phase

- In addition to the use of productization packages, the accumulation of cross-sectional knowledge has greatly improved the efficiency of development projects



¹ Knowledge that can be applied across areas, such as sensor selection and fusion methods and parameter tuning, has been accumulated, and horizontal deployment of successful and unsuccessful cases can be effectively realized

² Man-hours of support per project (FY2023 vs. FY2024)

³ Development lead time per project (FY2023 vs. FY2024)

10

Ko: In addition, the "quality of projects" in the preparation development phase has also improved significantly.

The productization packages that we have released to market have not only contributed to the acquisition of projects, but have also made a significant contribution to improving our capabilities to support the implementation of our clients' product development as samples of Kudan's deep technology implementation.

In addition, Kudan's in-depth position in deep technology and its establishment of cross-sectional technical methods for various implementation areas has led to a unique accumulation of technical knowledge for each area, leading to more effective implementation support.

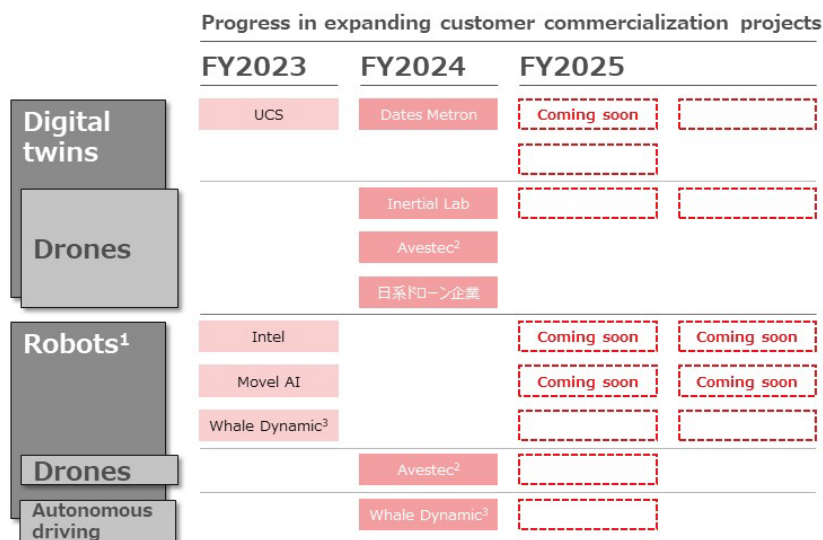
These initiatives have significantly improved development support costs to customers and customer development lead times for development-phase projects, helping to achieve customer commercialization.

A Customer commercialization

Customer commercialization is expected to make progress while expanding its areas



- While there were **4 new projects** in the previous fiscal year, **the expansion of the area into drones and autonomous driving is progressing**
- **Expect progress in all areas and a significant increase in new projects** in the current fiscal year



1 Robotics in the broadest sense, including drones and autonomous driving

2 Both mapping function (point cloud generation) and robotics application (autonomous flight) are implemented

3 Expanded implementation to autonomous driving applications in FY2024

11

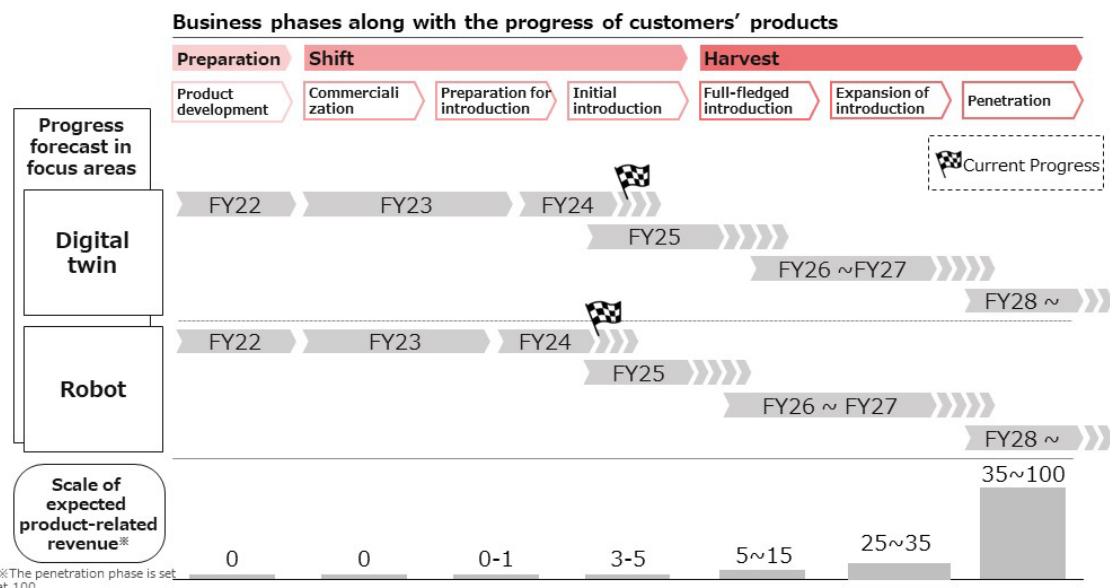
Ko: As a result of these improvements in the number and quality of projects acquired, the customer commercialization is progressing in a wider range of areas, and is expected to grow significantly in the current fiscal year. In the previous fiscal year, the number of projects steadily increased to 4 new projects and a total of 8 projects, and we have also made progress in expanding into the areas of drones and autonomous driving. For the current fiscal year, we expect progress in all areas and a significant increase in new projects.

A Customer commercialization

Business progress toward growth (short- and mid-term)



- Product-related revenue for this fiscal year are expected to be 250~400 million yen (**up to 50% growth**)
- Aiming to increase product-related revenue through the introduction and market penetration of customers' products, **Kudan will continue to strategically promote measures to accelerate it, using the progress stage of customers' products as an indicator**



12

Ko: Regarding future growth through customer commercialization, in the short term, product-related revenue is expected to grow by up to 50% in the current fiscal year.

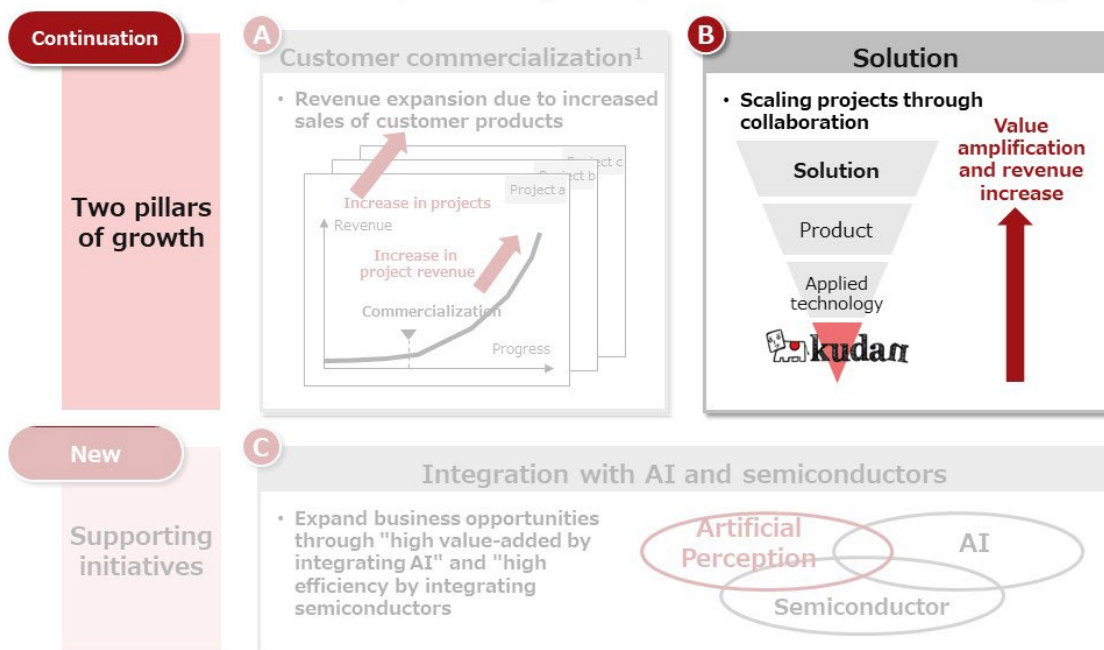
And in the future, as we push forward with further expansion of product-related revenue, the status of introduction and market penetration of customer products will become important to our business progress.

Currently, the number of projects that have been initially released to the market through customer commercialization is progressing with an increasing number of projects. We aim to expand our business in line with the progress stage of customer products and provide support according to the introduction and market penetration status of customer products, aiming to increase revenue in the short- and mid- term.

Continuation of growth strategies from the previous fiscal year and new initiatives from the current fiscal year



– In addition to the "two pillars of growth," focus on initiatives to support



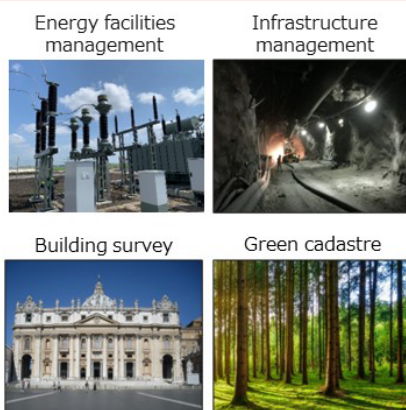
¹ The tipping point in projects where Kudan's direct customers adopt its technology in their products and decide to release the customers' products

Ko: Next, let's look at the second pillar, solution.

Utilize Kudan's Deep Tech as Solutions in digital twin area in the previous fiscal year

- Structured Kudan's spatial recognition technologies as end customer solutions for facilities and infrastructure management DX, and scaled up the projects

Digital twin demand is growing, driven by national DX policies in major countries



Launched DAMS¹, an integrated solution from digitization of all assets to database management, with partners²



Expected Impact

- Data collection efficiency: 10~20x
- Data use efficiency: 2~5x
- Realization of innovation
 - Expand assets that can be managed
 - New business through information sharing
 - Work decentralization, etc.

¹ Assets are any equipment or buildings that need to be managed, and DAMS (Digital Asset Management Solution) can digitalize the management and operation of those assets.

² Established collaboration with 10+ companies for system integration, data management, survey, application development, etc. and developed and launched the solutions

Ko: In the previous fiscal year, with regard to solution, we have been working on deep technology solutions in the digital twin area.

Global demand for digitization of facilities and infrastructure management is growing, for example, in Europe, where DX demand is expanding for various industrial and public infrastructure applications, including energy facilities, infrastructure, buildings, and green spaces, with a huge push from the EU and major European countries.

In response, Kudan, in collaboration with its ecosystem partners, has built the business on Kudan's deep technology as a solution for end customers, offering an integrated solution from digitization of all assets to database management, which is Digital Asset Management Solution, called as DAMS.

DAMS is a comprehensive solution that uses mapping and scanning devices incorporating Kudan's technology to acquire 3D data, 3D digitizes using Kudan's algorithms with point clouds, and then enables information assignment and data management for the end customer.

This will dramatically improve operational efficiency in data collection and data utilization in management operations for infrastructure at end customers such as infrastructure companies and public municipalities, and will have a significant impact as an innovation that will revolutionize asset management methods themselves.

Project orders and agreements for new energy facilities management in Europe are growing

- Photovoltaic infrastructure management projects are progressing, driven by investment trends that are gaining social and public momentum

Tailwind for growth of new energy facilities management projects in Europe

Acceleration of the decarbonization shift

- Increased decarbonization investment in industry and public sector, including the European Green Deal¹

The move away from Russian natural gas is rapidly increasing

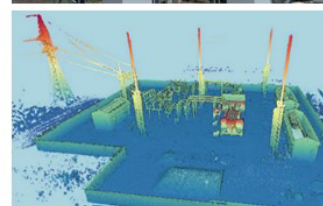
- Security measures are further boosting investment in new energy equipment

Kudan works with government and public sector projects

- Started collaboration with the German Ministry of Transport and Digital Infrastructure for expanding DX in Europe

Launch of solution projects

Ordered photovoltaic infrastructure (transmission networks and substations)



Although a policy agreement was reached for larger projects (Gigawatt-class infrastructure), due to adjustments delays in public projects, large projects' order received will be postponed from the previous fiscal year to the current fiscal year and onward²

¹ EU roadmap for zero carbon emissions by 2050, with public and private sector investment of 40 trillion a year planned.

² "large-scale solar power plants and infrastructure totaling 500 MW scale within the European region (including a transmission network of over 100 km and approximately 10 large-scale substations) and projects to large-scale gigawatt-scale solar power plants and infrastructure (including a transmission network of over 300 km and approximately 30 large-scale substations" in the release on Jan 30, 2024" haven't been ordered/launched, and expected to be the current fiscal year and onward.

Ko: These business initiatives are leading the way in Europe, where project orders and agreements for new energy facilities management are growing.

Specifically, in Europe, solar PV infrastructure management projects are progressing, driven by trends gaining social and public momentum. With the growing investment in the industrial and public sector, including the European Green Deal, aimed at decarbonization, the de-Russian natural gas movement, supported by security measures, is further encouraging investment in new energy facilities.

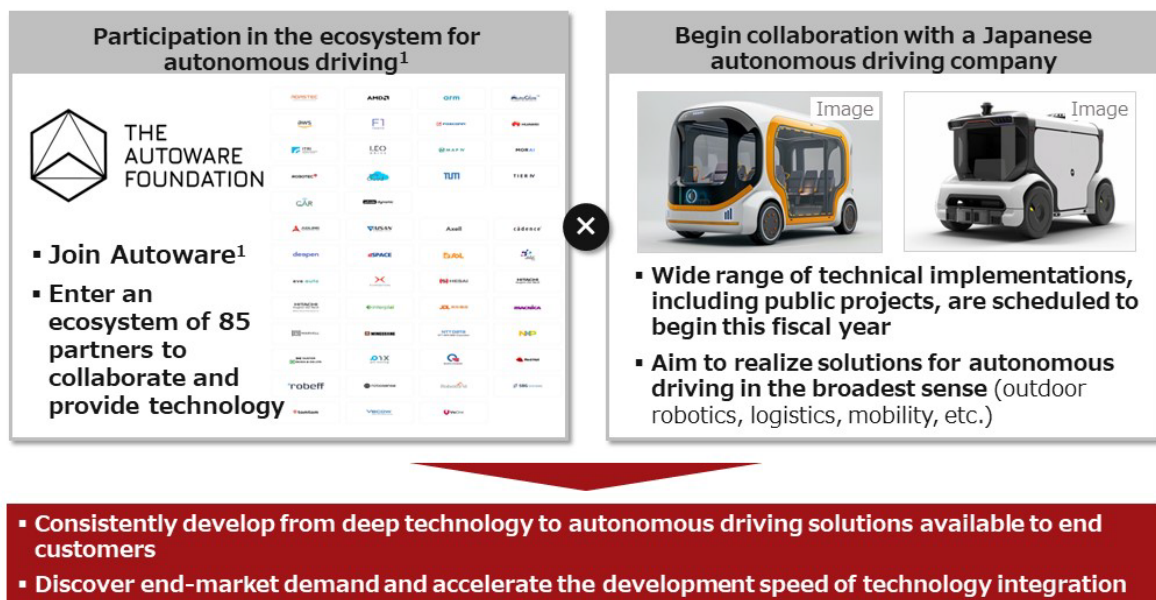
Under these circumstances, Kudan has initiated collaboration with the German Ministry of Transport and Digital Infrastructure for DX in the European region and has been working to launch solution projects.

While we have already received orders for solar PV infrastructure projects such as transmission networks and substations, we also have agreed on a policy toward gigawatt-class solar PV infrastructure. However, due to adjustment delays in public projects, orders for large-scale projects have been postponed from the previous fiscal year to the current fiscal year and onward, and we plan to make progress on these projects in the future.

B Solution
Solution initiatives in the areas of robotics and autonomous driving starting the current fiscal year



- **Focusing on solution initiatives from the current fiscal year to expand the ecosystem and collaboration, expecting a large number of public sector projects**



¹ Currently in application process (agreed)

16

Ko: In addition to the solution in the digital twin area, we will expand our solution initiatives in the robots and autonomous driving areas from this fiscal year.

We will participate in the Autoware Foundation, technology collaboration ecosystem for autonomous driving consisting of 85 partners, to significantly expand our collaboration and technology offerings.

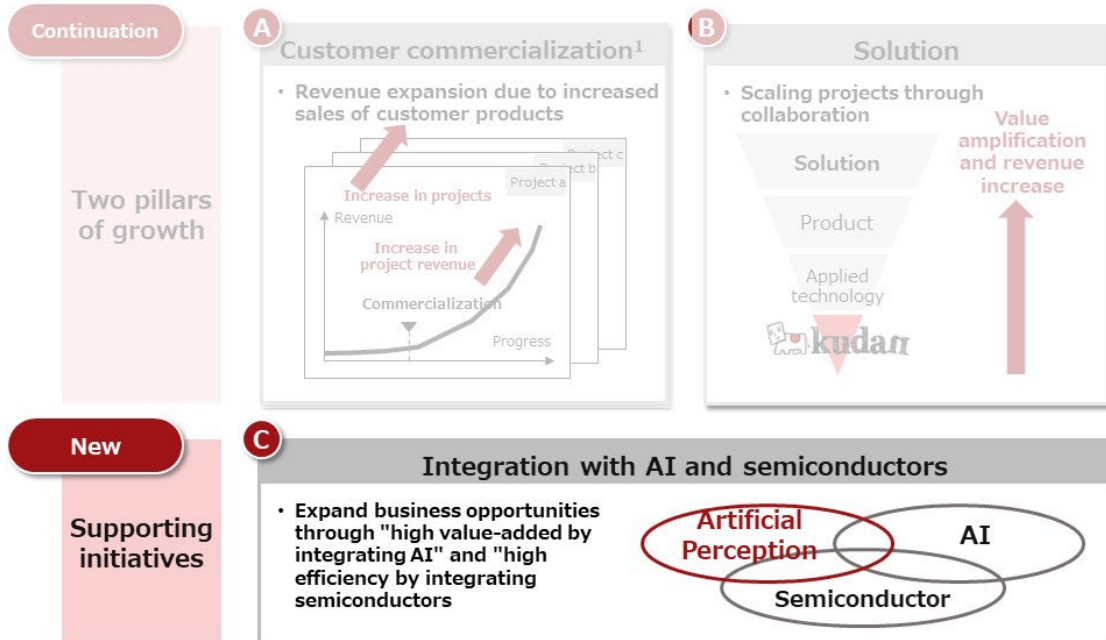
Moreover, Kudan has started collaborating with a Japanese autonomous driving company and plans to begin implementing the technology in a wide range of areas, including public projects, aiming to create solutions not only for passenger cars but also for autonomous driving in the broadest sense, such as outdoor robotics, logistics, and mobility.

With these solution initiatives, we will consistently develop from Kudan's deep technology to autonomous driving solutions available to end customers through partner collaborations to discover end-market demand and accelerate the development speed for the technological integration.

Continuation of growth strategies from the previous fiscal year and new initiatives from the current fiscal year



- In addition to the "two pillars of growth," focus on initiatives to support



¹ The tipping point in projects where Kudan's direct customers adopt its technology in their products and decide to release the customers' products

17

Ko: Finally, here is the integration of AI and semiconductors that supports commercialization and solution.

C Integration with AI and semiconductors

Innovative value creation through the fusion of Artificial Perception and Artificial Intelligence



- Solve fundamental issues in 3D spatial information processing and impact on all 3D and spatial DX



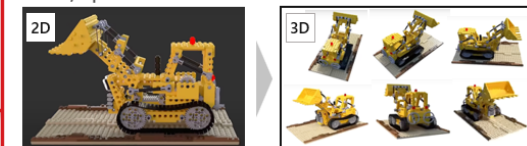
Challenges in the evolution of Artificial Intelligence (AI)

	Training data	Evolution speed
Language & Writing	Advanced with abundant training data, and largely ahead of the technological curve	✓
2D Images & Movies	Advanced with abundant training data, and largely ahead of the technological curve	✓
3D & spatial data	3D training data is difficult to acquire and lagging far behind technologically	✗



Artificial Perception (AP) solution

Generating 3D training data from 2D data fundamentally solves the issues in AI processing of 3D/spatial data



Semantic digital twins (digital twins implied by AI) bring disruptive value to all DX solutions involving 3D and spatial information

Analysis of spatial digital twin by generic AI, generation of metaverse by generative AI, etc.



18

Ko: In this initiative, we will work to create innovative technological value through the integration of Kudan's proprietary Artificial Perception and the rapidly developing Artificial Intelligence. Artificial Intelligence, the "brain of machines," has been accelerating its development in areas such as large-scale models and generative AI, but its technological evolution has been mostly limited to fields where a large amount of data has been accumulated to date, such as language, text, images, and video.

In contrast, 3D and spatial data used for digital twin are lagging far behind technologically, as there is far less training data than required for Artificial Intelligence training.

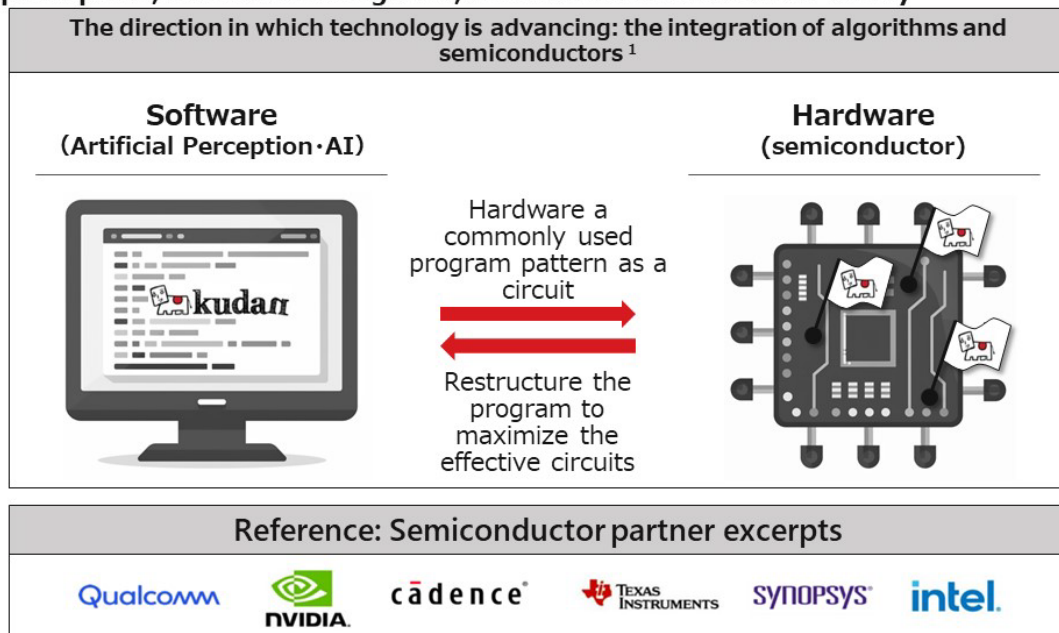
In response to this challenge, Kudan's Artificial Perception, the "eye of the machine," is expected to fundamentally solve the issues of AI processing of 3D and spatial data by generating 3D training data from abundant 2D data.

Thus, by integrating Artificial Perception and Artificial Intelligence, we aim to solve the fundamental issues of 3D spatial information processing and bring disruptive value to any 3D spatial DX solution.

C Integration with AI and semiconductors

In addition, the integration of semiconductors significantly improves processing efficiency  ©Kudan. All Rights Reserved.

- Aiming with partners for a technological foundation that integrates artificial perception, artificial intelligence, and semiconductors as a trinity



¹ See [link](#) for details

Ko: In addition to this integration of Artificial Perception and Artificial Intelligence, further integration with semiconductors is aimed at significantly increasing the processing efficiency of the technology.

The integration of algorithms and semiconductors is a classic case that has been repeated in the technology industry, and algorithms as software are merged with semiconductor circuits as hardware as they become more prevalent.

Specifically, an algorithm is a program code, which is a set of instructions for information processing, but it can be implemented as it is in an electric circuit and as hardware in a semiconductor. The more this kind of integration progresses, the more efficiently both software and hardware can be used to maximize effectiveness.

Currently, Artificial Intelligence, which is more prevalent, is leading the way in such technology integration than Artificial Perception, which is Kudan's focus, but the combination of Artificial Perception and Artificial Intelligence is expected to develop into a technology foundation that will become a trinity with the addition of semiconductors, and Kudan will work with its semiconductor partners, who are major companies, to drive these technology developments and continue expanding business opportunities.

(Reference) Other highlighted projects (1/2)



Project excerpts

	Customer	Project overview	Release
Digital twin	Major telecommunication	Digital twin for smart cities	
	Major energy	Digital twin for facility management	See link
	Ministry of Agriculture and Forestry, Finland	Digital twin for forest management and resource survey	
	Major general electricity	Mapping devices for digital twin	
	Many mapping-related	Mobile mapping devices for digital twin	
Robots	Many robot-related	Automated industrial transport robot	Coming soon
	Robot-related	Delivery robot	Coming soon
	Major heavy industry	Automation of industrial outdoor logistics	
	Major Japanese automobile manufacturer	Automated passenger car and robo-taxi service	
	Major Japanese automobile manufacturer	Platform-based autonomous mobility	
	EUSPA(European Union Space Program Agency)	Autonomous driving in environments with no GPS signal	
	Major Media	Drone for special photography	
	Kawasaki Heavy Industries	Quadruped robot	See link
	U.S. Aerospace organizations	Lunar exploration robot	Coming soon
	Robot-related	Autonomous movement of bipedal humanoid	

Details on next page

20

Ko: The above is our growth strategy based on Kudan's business progress, and we also present a list of selected highlighted projects.

For digital twins, we have a number of projects in progress for digital twin solutions and mapping device globally, including a major Japanese telecommunications company, a major European energy company, and the Ministry of Agriculture and Forestry of Finland.

In the area of robots, we have made progress in the U.S. and Asia, mainly in the area of automated industrial transport robots, and we are working with several major Japanese automobile

manufacturers on autonomous driving projects, and we are also developing an autonomous driving program in the EU that is not completely dependent on GPS signals.

As we continue to expand our areas of business globally, more advanced projects are also emerging.

(Reference) Other highlighted projects (2/2)



- **Expanding our initiatives in advanced and futuristic robotics fields,** challenging more dynamic movements, unknown and complex environments

Quadruped robot

Kawasaki Heavy Industries



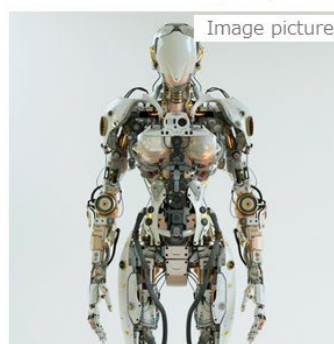
Lunar exploration vehicle

U.S. aerospace related organizations



Humanoid

U.S. robotics company



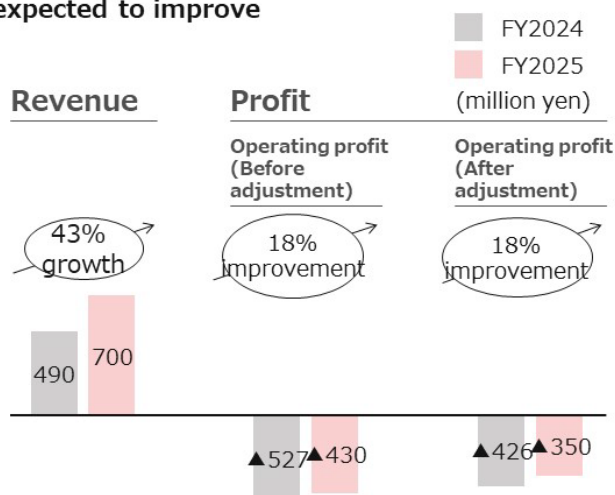
21

Ko: With Kudan's technological capabilities, business opportunities continue to expand in the growing field of advanced and futuristic robotics, including a quadruped robot with dynamic movements, lunar exploration vehicle that cannot use GPS and face unknown and complex environments, and a humanoid that requires more advanced functions.

Forecasts for the fiscal year ending March 2025



- Revenue growth through progress in the "two pillars of growth" of **A** commercialization and **B** solution
- Although investment in human resources and development will expand to a certain extent, **profits, including adjusted operating profit¹, which is an indicator of business profitability, are expected to improve**



¹ Operating profit (losses) plus government R&D subsidy income occurring every year, a profit figure that serves as an indicator of business profitability
² Forecasts for ordinary profit and net profit are not disclosed due to difficulty in forecasting foreign exchange gains/losses, which have a large impact on ordinary profit and net profit

22

Nakayama: I would like to explain the performance forecast for the current fiscal year ending March 2025.

We expect a significant revenue growth of 43% in this fiscal year as well, due to continued progress in the "two pillars of growth," namely, customer commercialization and solution. We also expect costs to increase due to a certain amount of investment in human resources and development to advance new strategies as explained, but we expect both operating profit and adjusted operating profit to improve by 18%.

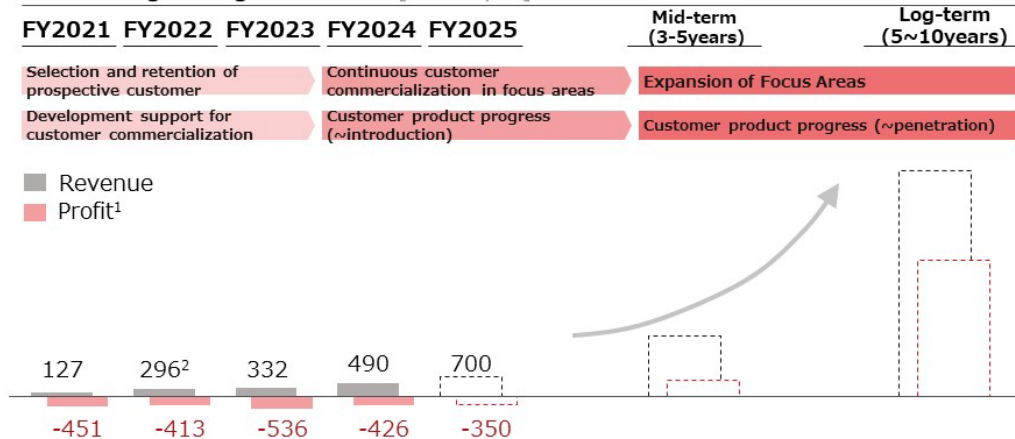
With regard to ordinary profit and net profit, it is difficult to forecast foreign exchange gains/losses, given the extremely large impact of foreign exchange gains/losses on past results, so we will refrain from disclosing these performance forecast figures.

Future growth potential (mid- to long-term)



- Continuously push forward customer commercialization and progress of customer products to quickly achieve the transformation of the earnings structure
- Aim for dramatic profit growth by building up significant product-related revenue through market penetration of technology by expanding focus areas and spreading customer products

Mid- to long-term growth vision [million yen]



23

Ko: In terms of mid- to long-term growth potential, we aim to transform our earnings structure by continuously commercializing our accumulated customer projects and pushing forward with our partners on the progress of customer products.

Kudan's goal is to expand from its focus areas of digital twin and robots to include autonomous driving, an area in which Kudan is continuously working on its initiatives, etc. and to spread its customers' products in the ever-expanding market, thereby increasing market penetration of Kudan's technology.

Currently, we are at a tipping point with a mixture of projects that have moved into the harvesting phase and those that are still being in the preparation phase. Going forward, we aim to increase the ratio of harvesting projects while increasing the scale and stability of product-related revenue, centered on high-margin software royalty income, to achieve a dramatic expansion of earnings.

This concludes our explanations about the financial results.

■ Company Details

Name: Kudan Inc.

Securities Code: 4425 (TSE Growth)

Representative: CEO Daiu Ko

■ For more details, please contact us from [here](#)