



2025.8.12

FY2025 2nd Quarter

Financial Results Presentation Materials

ROBOT PAYMENT Inc.

TEC Growth Market 4374

Corporate Purpose Statement

We have rethought what we can do for the world today, and have established a new Corporate Purpose Statement (activities and goals that the company undertakes to solve social issues).

VISION

“We will make Japan strong again with a payment infrastructure that frees up commerce.”

The Walls to Break

"Customary" "Inefficient" "Credit Limit"

We are committed to solving social issues through a variety of innovative services that connect money, lubricating the flow of money so that small and medium-sized enterprises and key industries in Japan can demonstrate their true potential, thereby creating opportunities for business transactions to proceed smoothly and new value to be created one after another.

* You can watch the CPS video here.

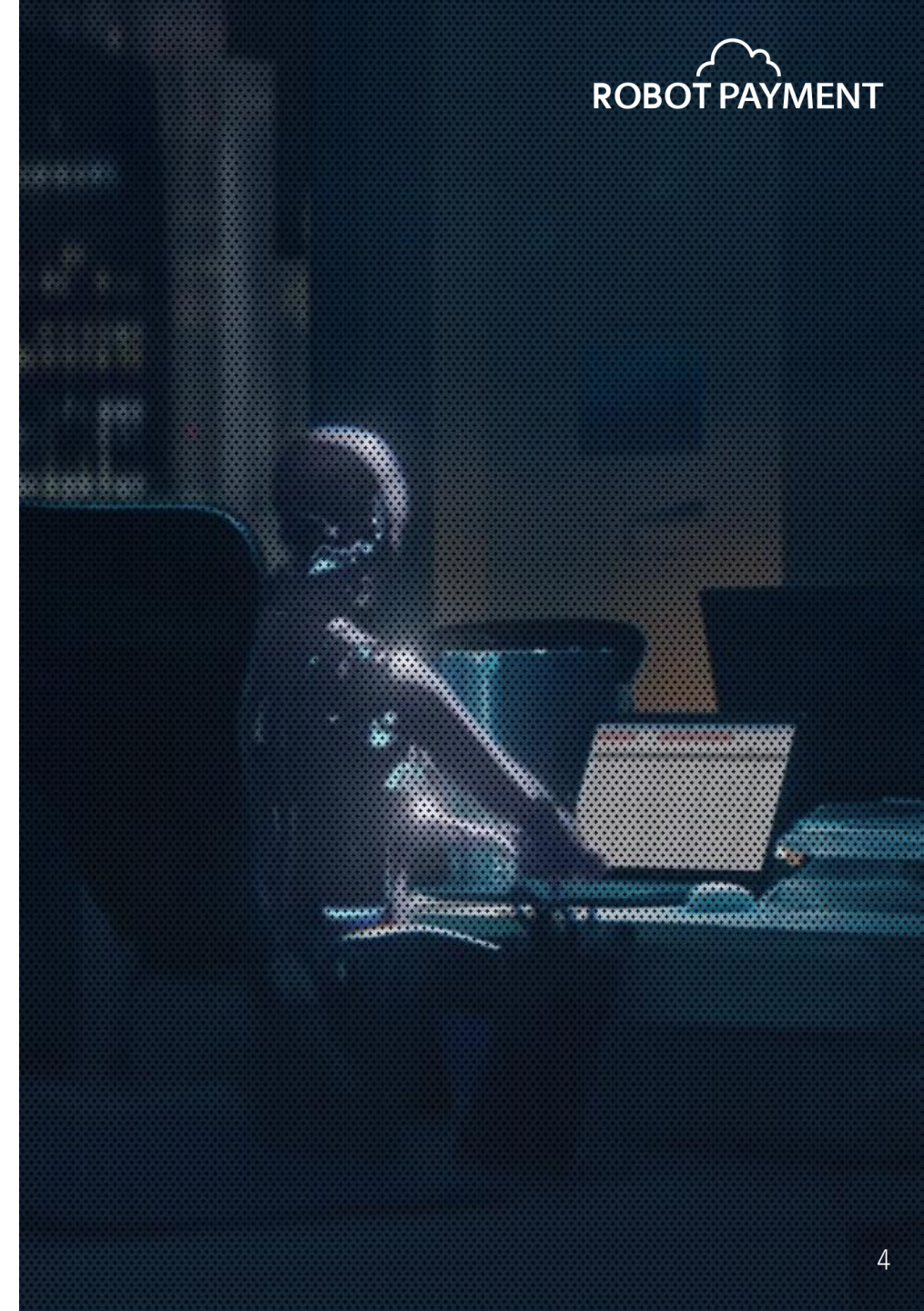
URL : <https://youtu.be/5OmyOVAp3nY>



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01.

Performance Highlights



FY2025 2nd Quarter Results



Net sales for the second quarter increased by 19.6% year on year, and operating profit rose significantly by 65.6%.

Unit: Million JPY	2Q FY2024 Cumulative Results	2Q FY2025 Cumulative Results	YoY Change	FY2025 Forecast	Progress Rate vs Forecast
Net Sales	1,306	1,562	+19.6%	3,150	49.6%
Gross Profit	1,177	1,421	+20.7%	2,822	50.4%
SG&A Expenses	945	1,037	+9.7%	2,211	46.9%
Operating Profit	232	384	+65.6%	611	62.9%
Net Profit	161	268	+67.0%	422	58.0%

Note: All figures are rounded to the nearest million yen.

Upward Revision to Full-Year Forecast for FY2025

Reflecting recent business performance trends,
we have revised our full-year forecast upward for both net sales and operating profit.

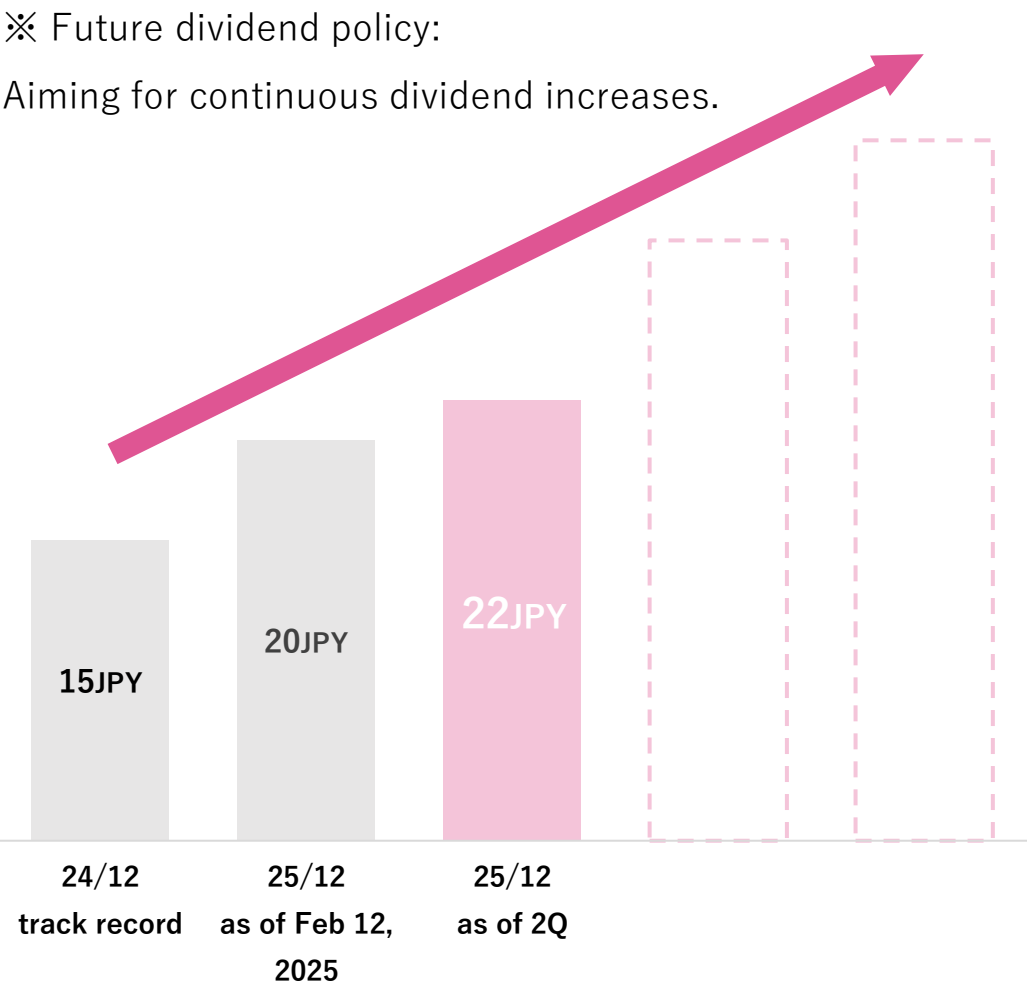
Unit: Million JPY	Initial FY2025 Forecast (Announced in Feb 2025)	YoY Change		
			Revised FY2025 Forecast	YoY Change
Net Sales	3,150	+14.1%	3,200	+15.9%
Operating Profit	611	+27.3%	685	+42.8%

Note: The initial full-year forecast for FY2025 was announced on February 12, 2025.

Upward Revision of Dividend Forecast for FY2025

For FY2025, we initially planned to pay a dividend of ¥20 per share, but this has been revised upward to ¥22 per share.

	FY2025 Initial Forecast (as of Feb 12, 2025)	FY2025 Revised Forecast (as of 2Q)
Record Date	December 31, 2025	December 31, 2025
Dividend per Share (JPY)	20	22
Net Profit per Share (JPY)	112	121
Dividend Payout Ratio (%)	17.8	18.2
Total Dividend Amount (Million JPY)	75	81



ARR surpassed 3.0 billion yen;
customer unit price hit a record high, and sustainable revenue growth continues.

Number of Accounts (AC)

9,631AC

Subscription Pay	8,661AC
Billing Management Robo	970AC

Customer Unit Price (Note3)

27,207JYP

Subscription Pay	18,511JYP
Billing Management Robo	104,850JYP

Recurring Revenue Ratio (Note2)

98.0%

Subscription Pay	97.8%
Billing Management Robo	98.2%

Churn Rate (Monthly / Amount-Based) (Note4)

0.59%

Subscription Pay	0.44%
Billing Management Robo	0.74%

ARR (Note1)

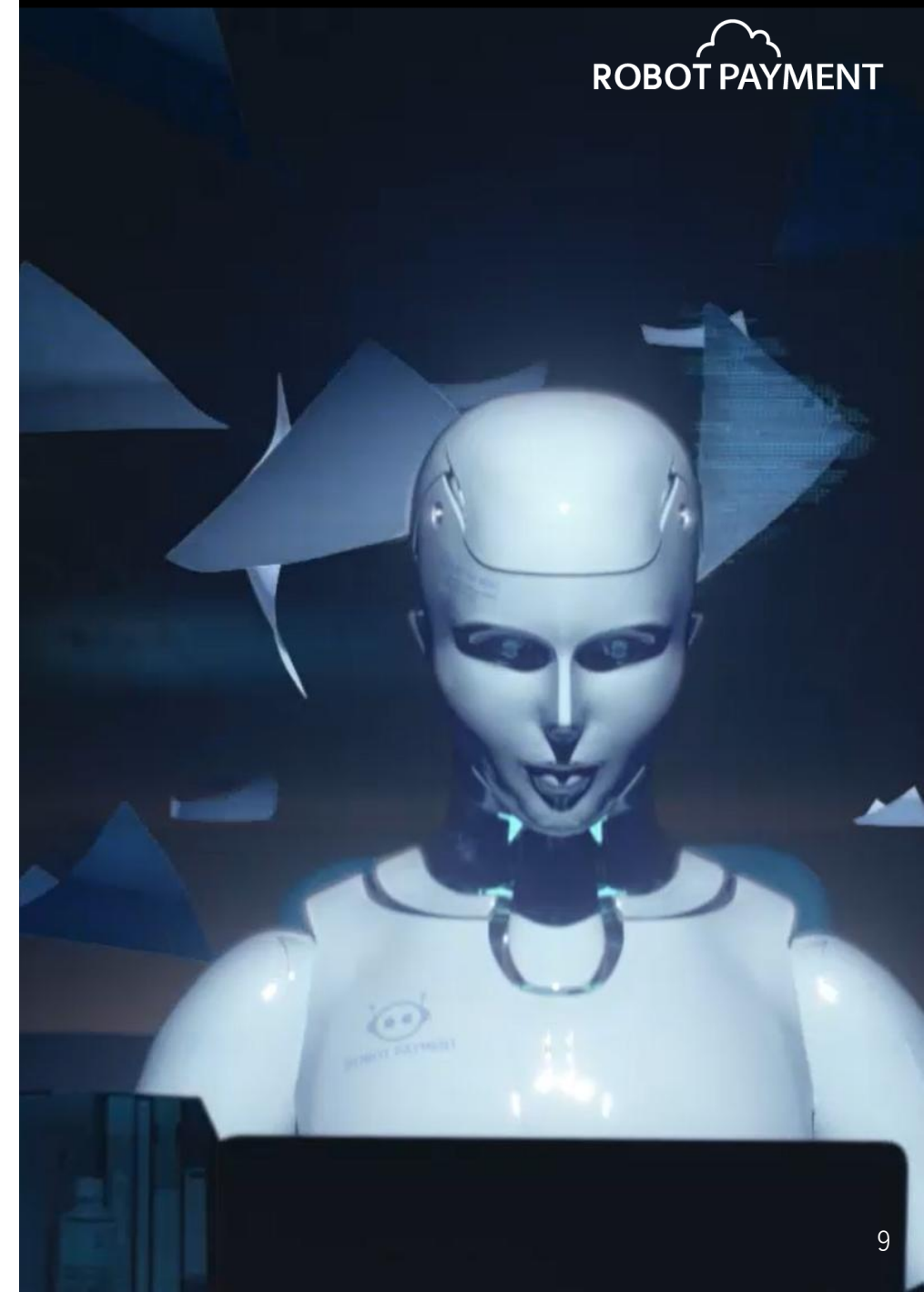
3,164
million JPY

Subscription Pay	1,933million JPY
Billing Management Robo	1,231million JPY

Note 1: ARR (Annual Recurring Revenue) is calculated by multiplying the average monthly recurring revenue from April to June 2025 by 12.
Note 2: Recurring Revenue Ratio is based on revenue as of March 2025, excluding one-time initial fees.
Note 3: Customer unit price refers to the average monthly recurring revenue per account as of March 2025 (initial fees excluded).
Note 4: Churn rate is calculated as the monthly average of “revenue lost from cancellations ÷ revenue at the beginning of the month” for the period from April to June 2025.

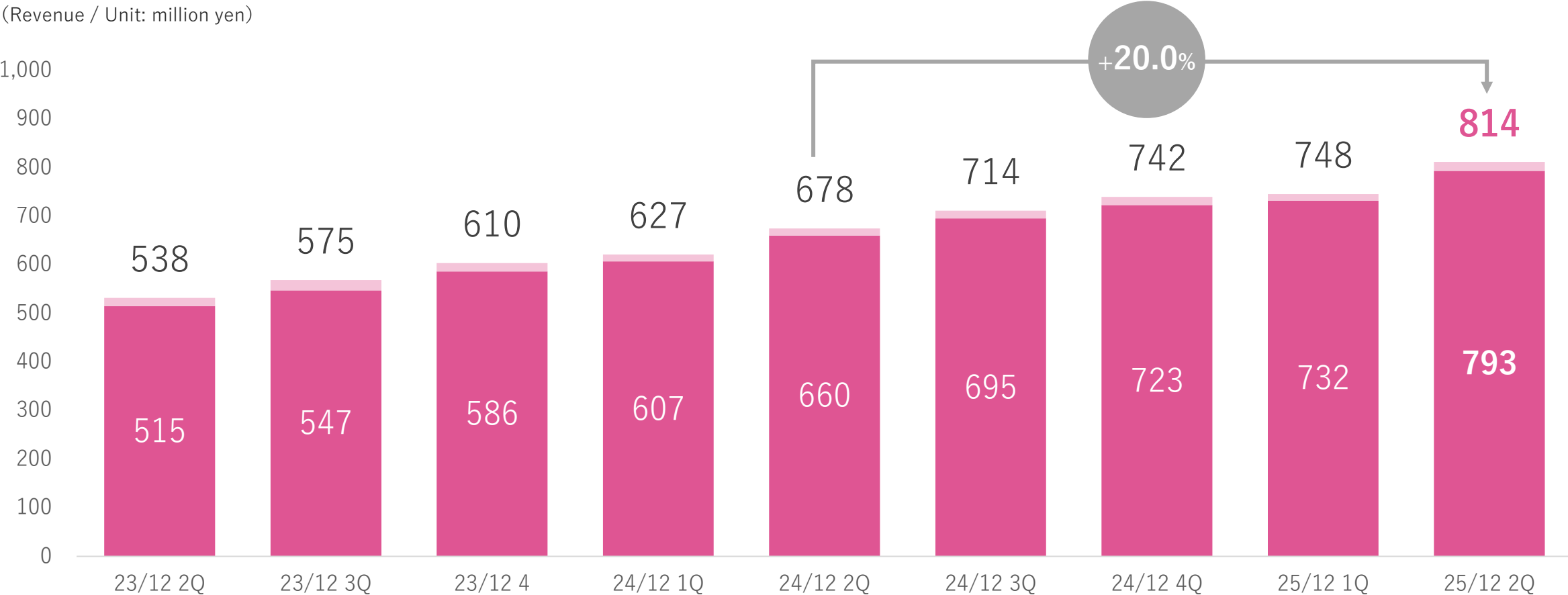
02

FY2025 2nd Quarter Results



Revenue Trend (Quarterly)

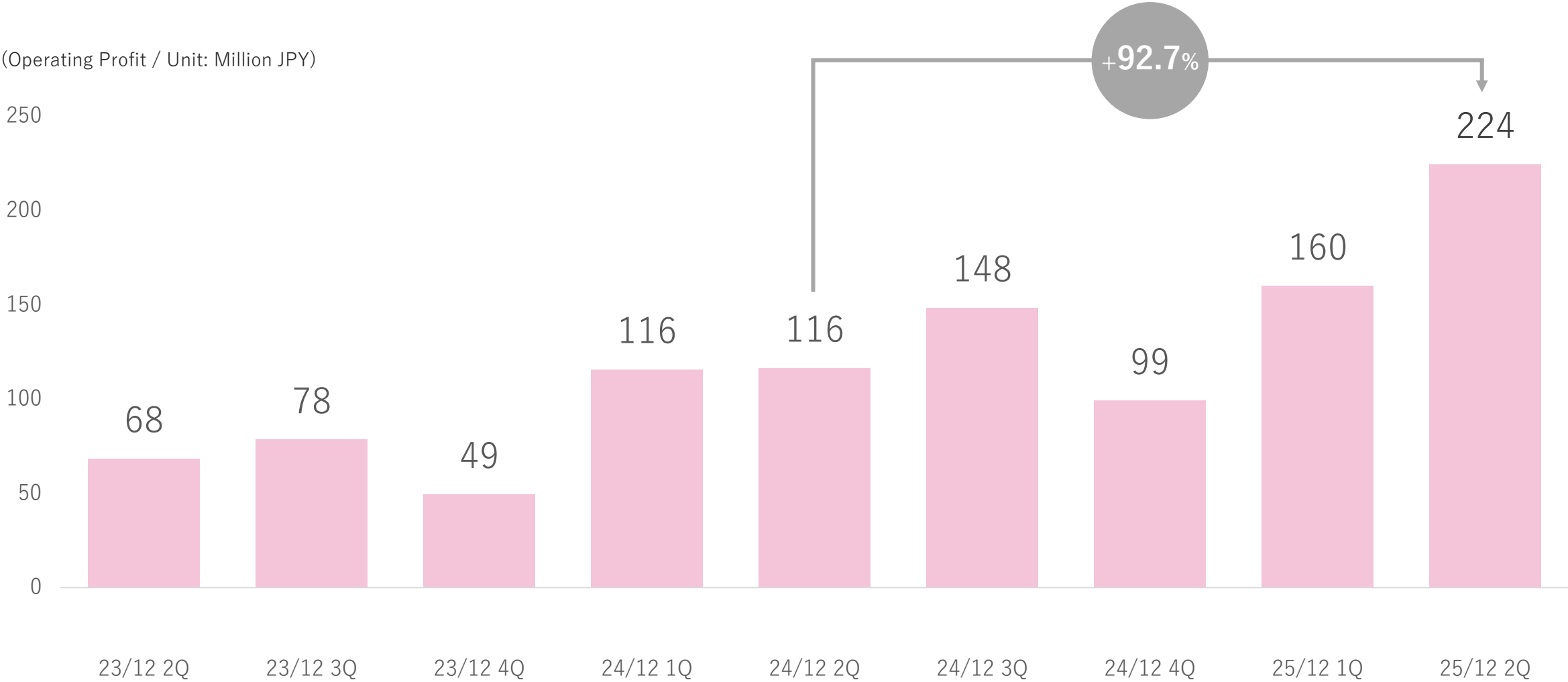
Net sales increased by 20.0% year on year, driven primarily by recurring revenue.



Note: Recurring revenue refers to revenue that is generated on a regular basis and excludes initial setup fees from total net sales.

Quarterly Operating Profit Trend

Operating profit grew by 92.7% year over year, continuously hitting record highs on a quarterly basis.

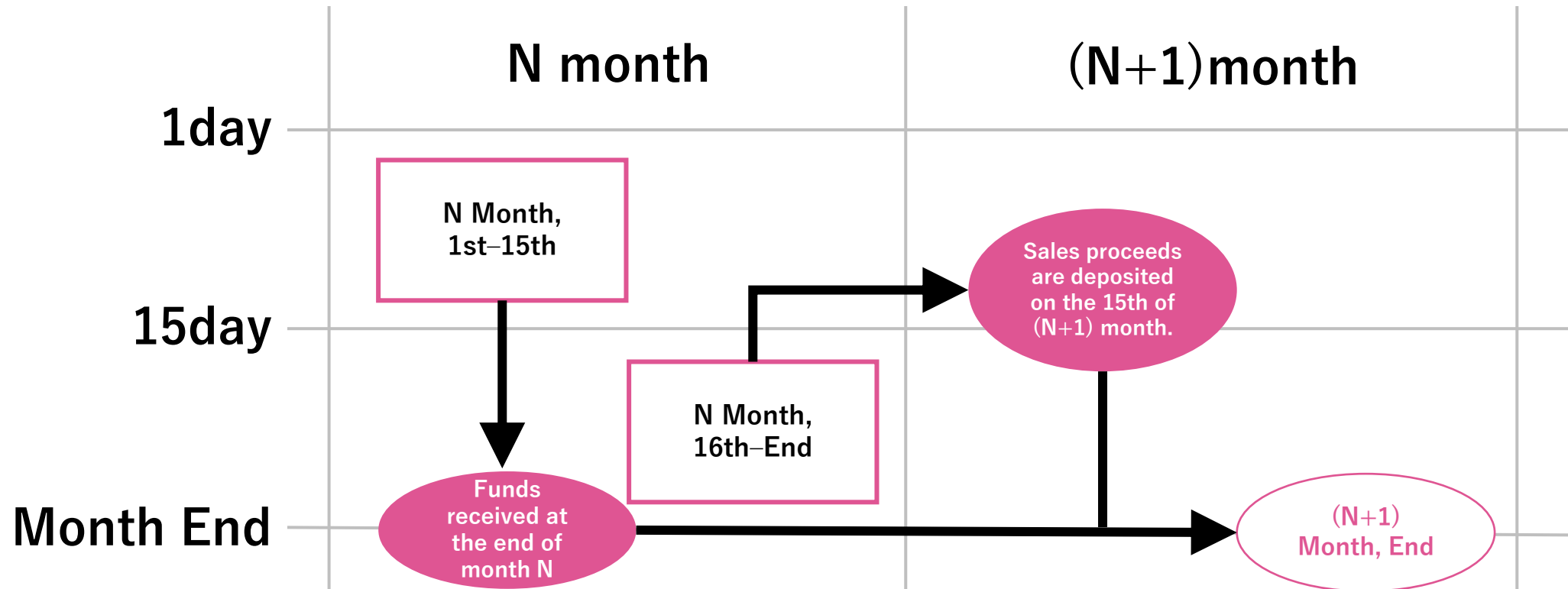


Balance Sheet

Unit: Million JPY	End of 2Q FY2024	End of FY2024	End of 2Q FY2025	Change from Previous FY-End
Current Assets	5,040	6,016	6,961	+945
Non-Current Assets	613	592	509	-83
Total Assets	5,653	6,607	7,469	+862
Current Liabilities	4,654	5,456	6,421	+965
Non-Current Liabilities	18	5	0	-5
Total Liabilities	4,673	5,461	6,421	+960
Share Capital	845	1,005	941	-64
Others	135	141	107	-34
Total Net Assets	980	1,146	1,048	-98

About Deposits (Cash Flow Overview)

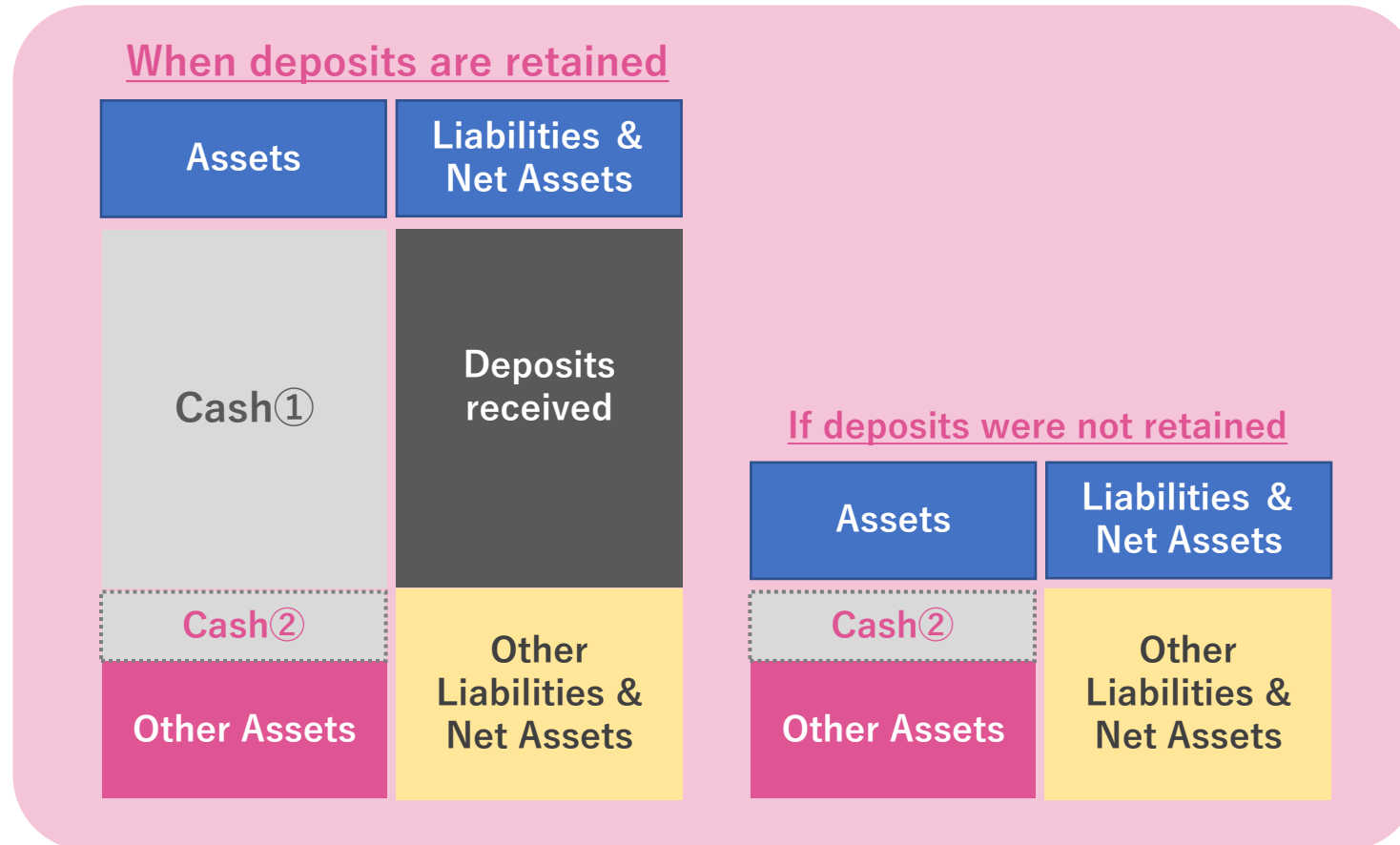
The sales proceeds from our customers are first received by us from various payment providers such as banks and credit card companies. These funds may remain with us for up to 50 days before being remitted to our customers. This is because the payment cycle between us and the payment providers is typically “closing on the 15th, paid at the end of the month” or “closing at month-end, paid on the 15th of the following month,” whereas the disbursement cycle between us and our customers is generally “closing at month-end, paid at the end of the following month” or “closing at month-end, paid on the 20th of the second following month.”



Note: In the case where payment to client companies is scheduled for the end of the following month.

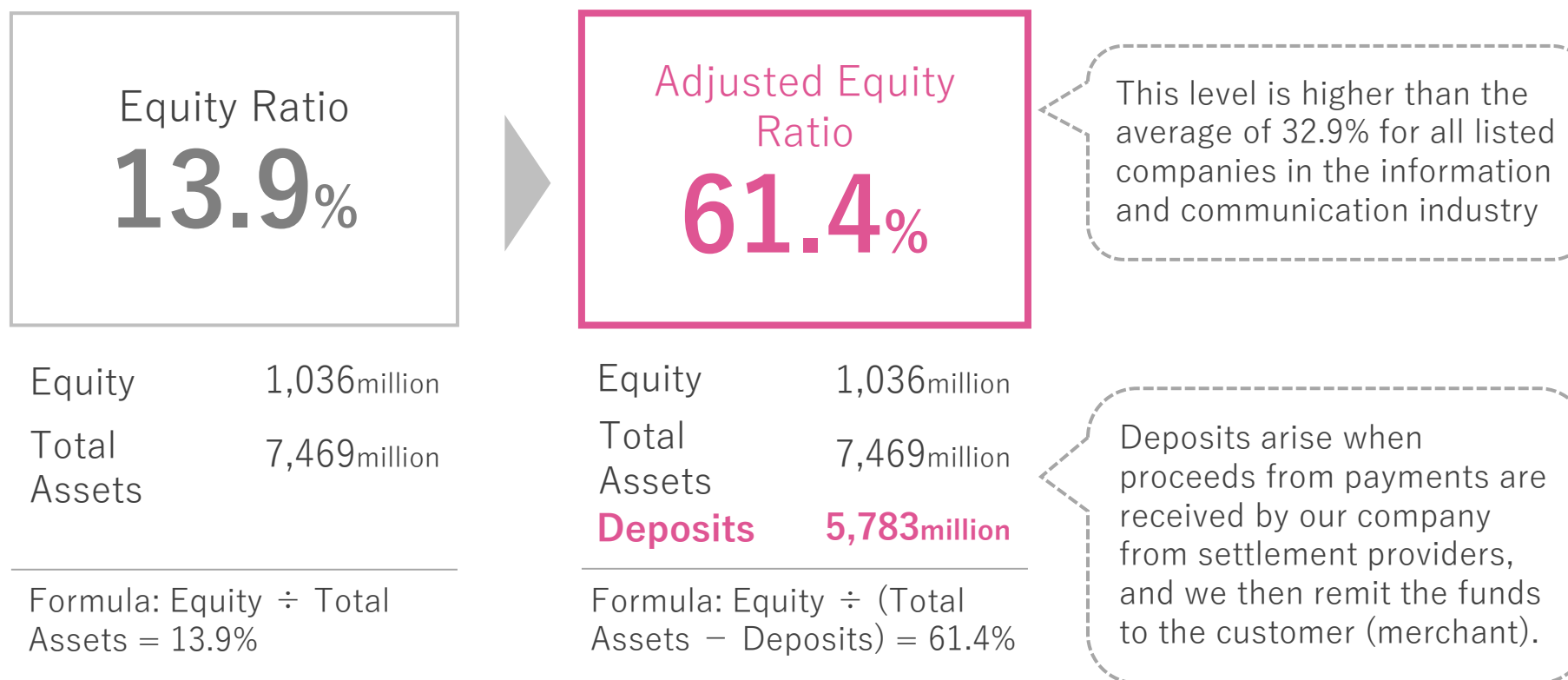
About Deposits (Impact on the Balance Sheet)

While sales proceeds from our customers remain temporarily with us, both cash and deposits received increase on our balance sheet. Once the funds are remitted to our customers, cash and deposits received decrease accordingly.



About Equity Ratio

Excluding the impact of deposits inherent in our business model, our adjusted equity ratio stands at 61.4%. Currently, we have no long-term borrowings under non-current liabilities, allowing us to maintain high financial stability in our operations. Going forward, we aim to leverage our equity to achieve long-term stable growth and pursue flexible business development.



03

FY2025 2nd Quarter Results
by Business Segment



03-1

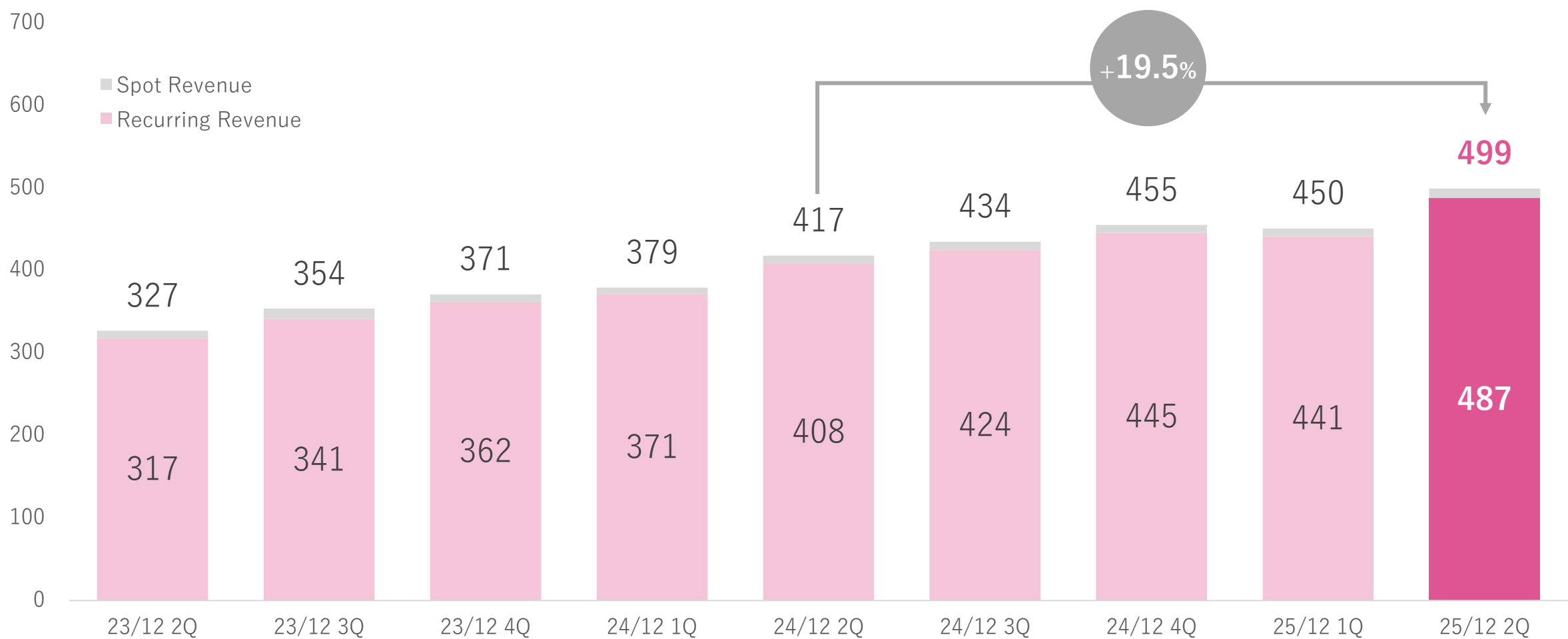
FY2025 2nd Quarter Segment Results

Subscription Pay

Subscription Pay Revenue Trend (Quarterly)

Transaction volume remained solid and customer unit price increased, resulting in year-over-year growth of +19.5%.

(Revenue / Unit: Million JPY)

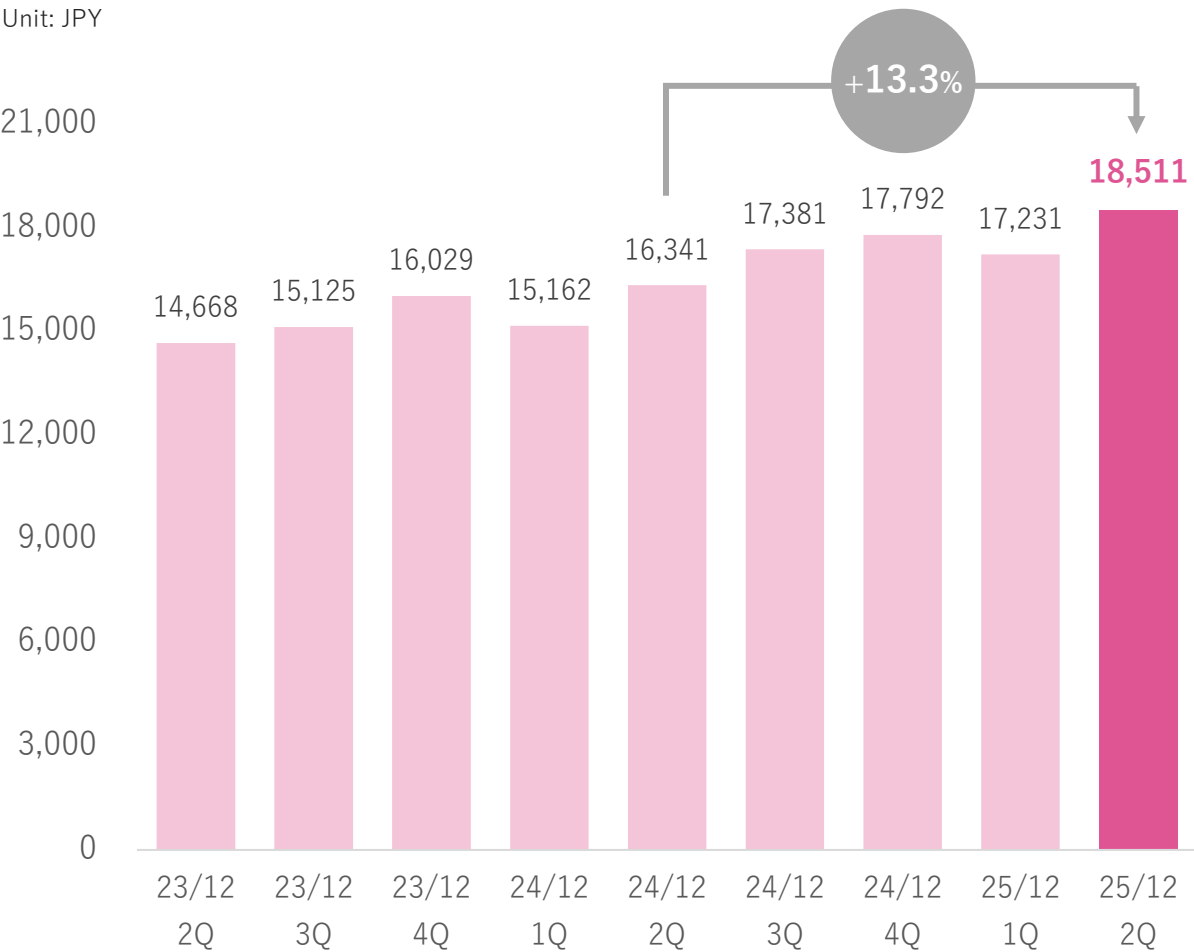


Note: Revenue from Subscription Pay excludes transaction volume processed via CAT terminals within the Payment Business.

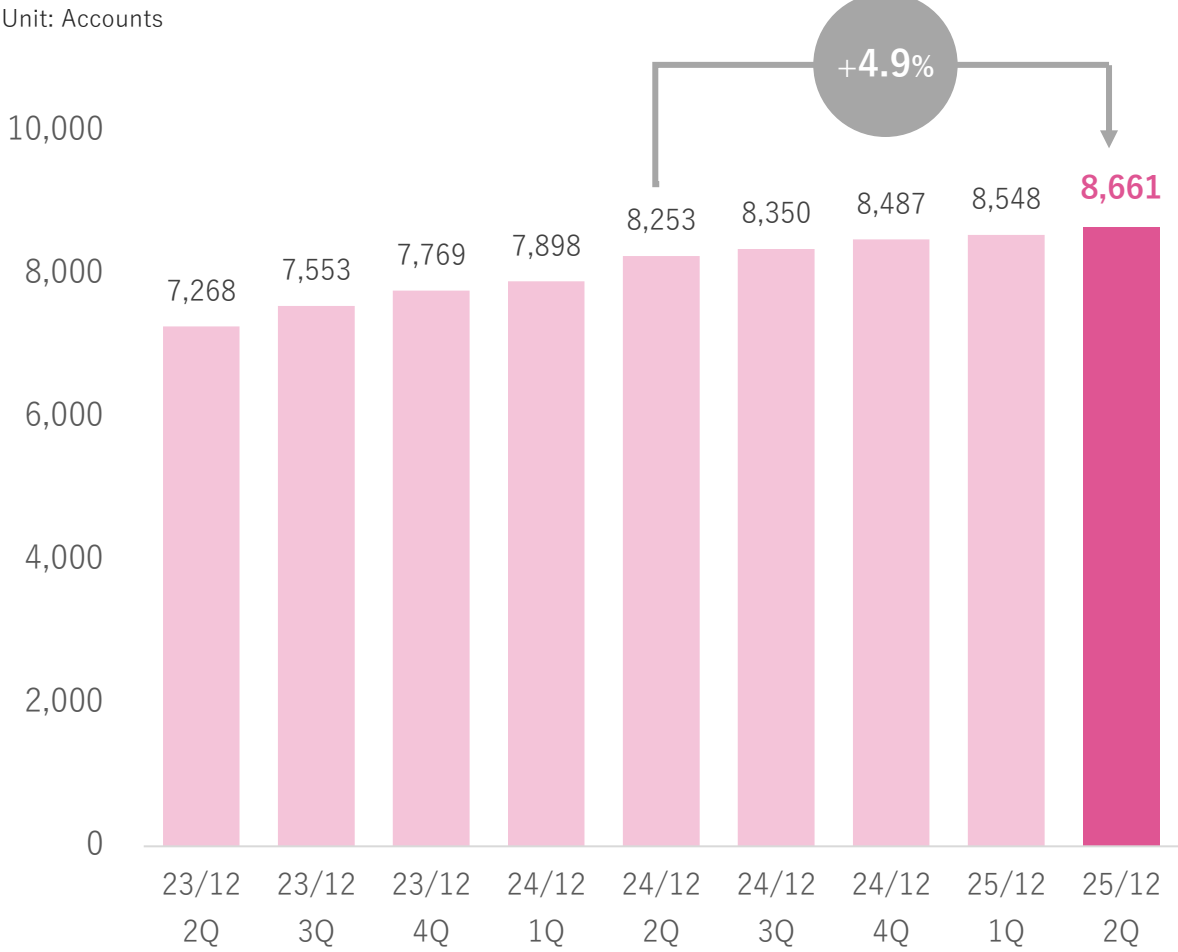
Subscription Pay – Key KPI Trends① (Quarterly)

Customer unit price increased year over year,
and the number of accounts also continued to grow steadily.

Customer Unit Price Trend



Number of Accounts Trend

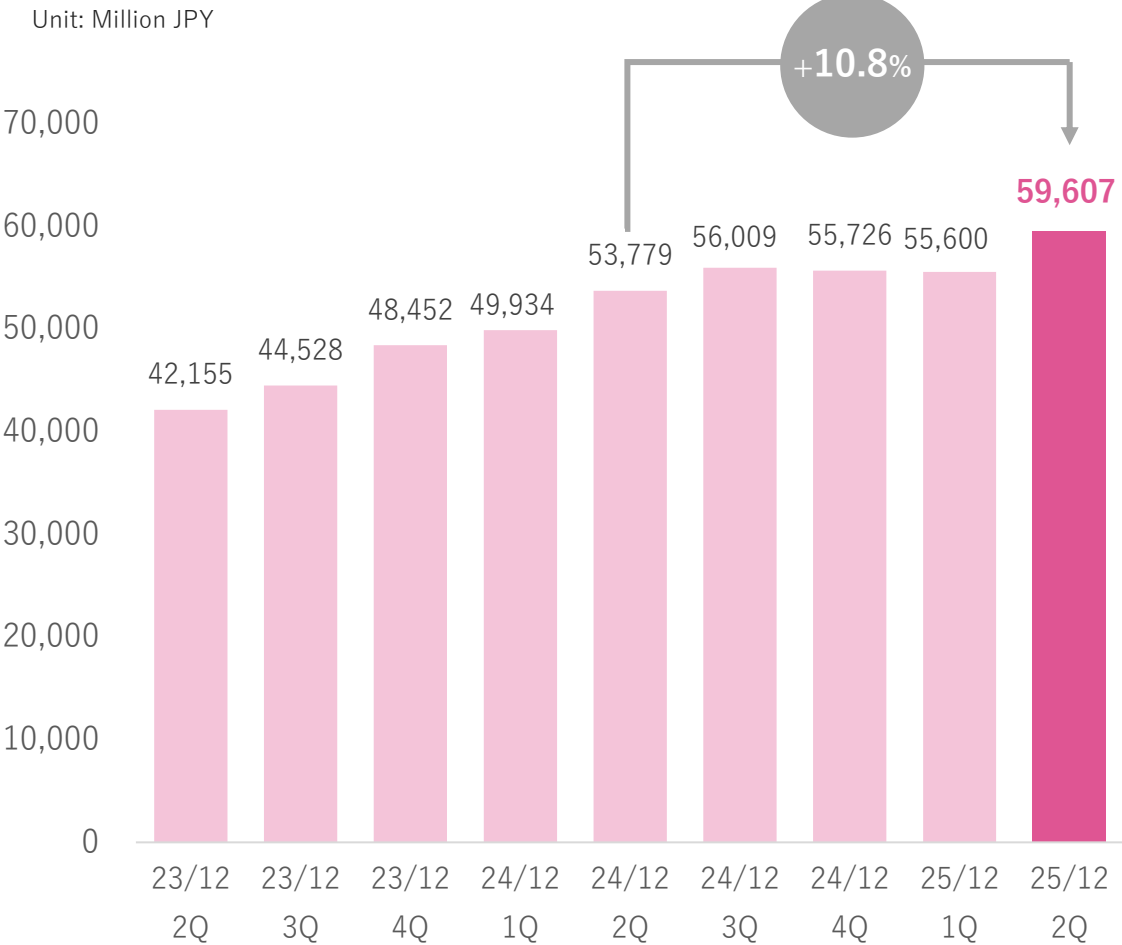


Note: Customer unit price is defined as the average monthly recurring revenue per account at the end of each quarter, excluding initial fees.

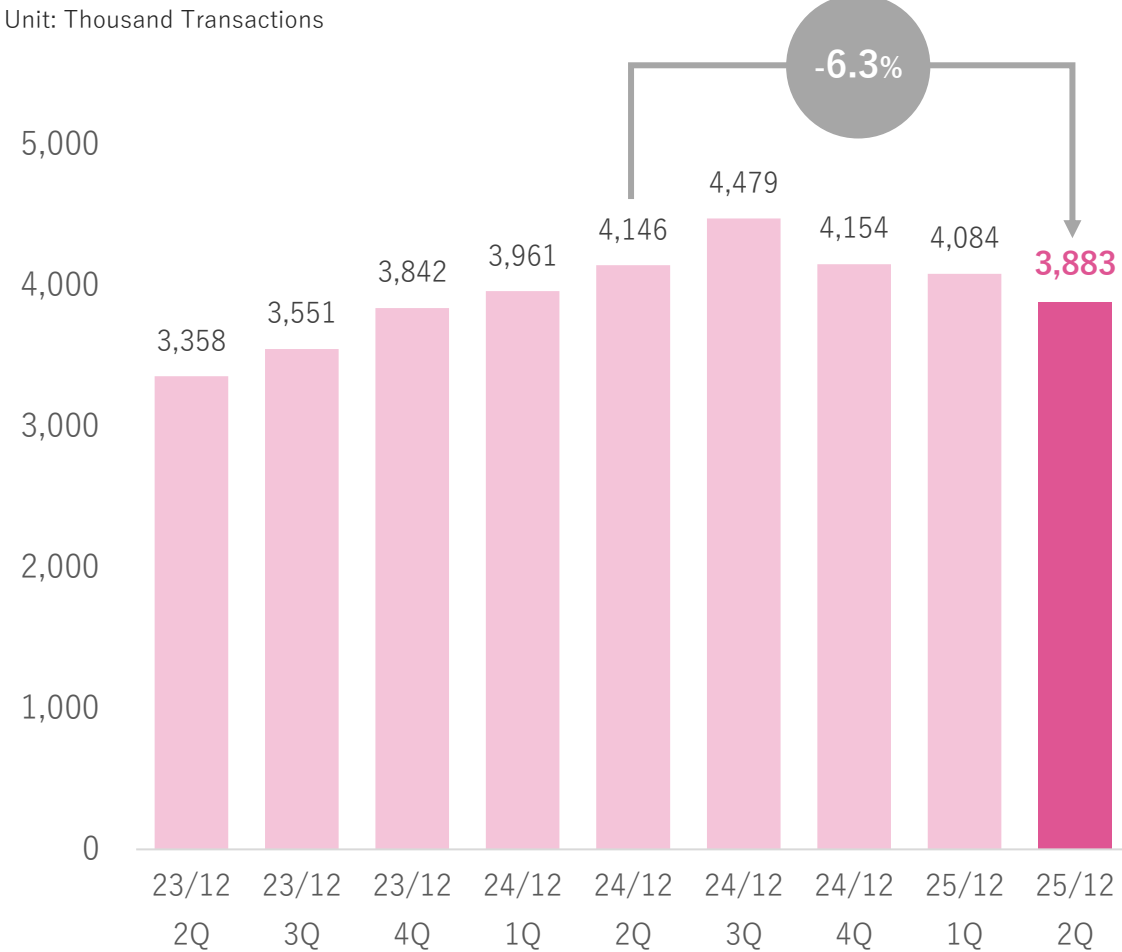
Subscription Pay – Key KPI Trends ② (Quarterly)

While transaction volume remained steady, the number of transactions processed experienced a temporary dip due to adjustments related to the mandatory implementation of 3D Secure and other factors.

Transaction Volume Trend



Number of Transactions Processed



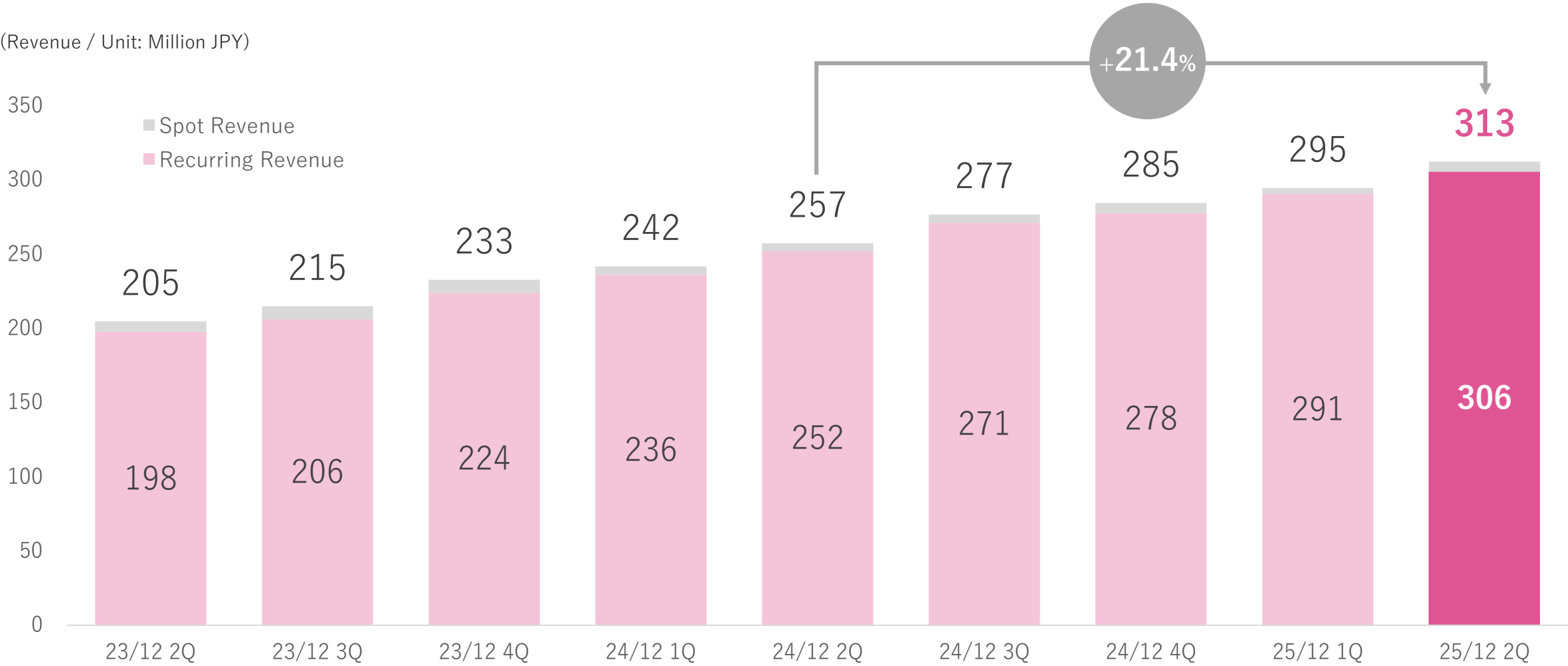
03-2

FY2025 2nd Quarter Segment Results

Billing Management Robo

Billing Management Robo – Revenue Trend (Quarterly)

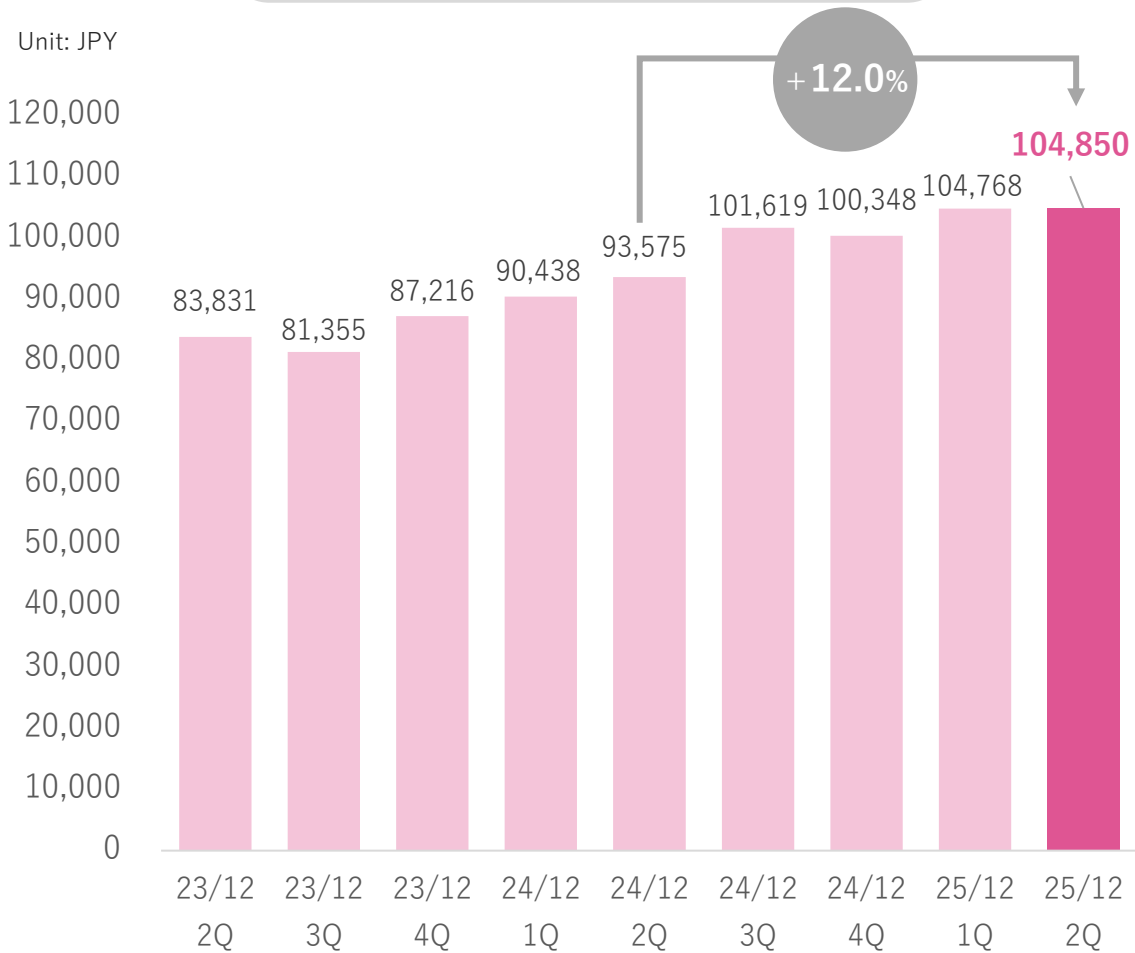
Revenue increased by 21.4% year over year,
driven by a rise in customer unit price and growth in the number of new clients.



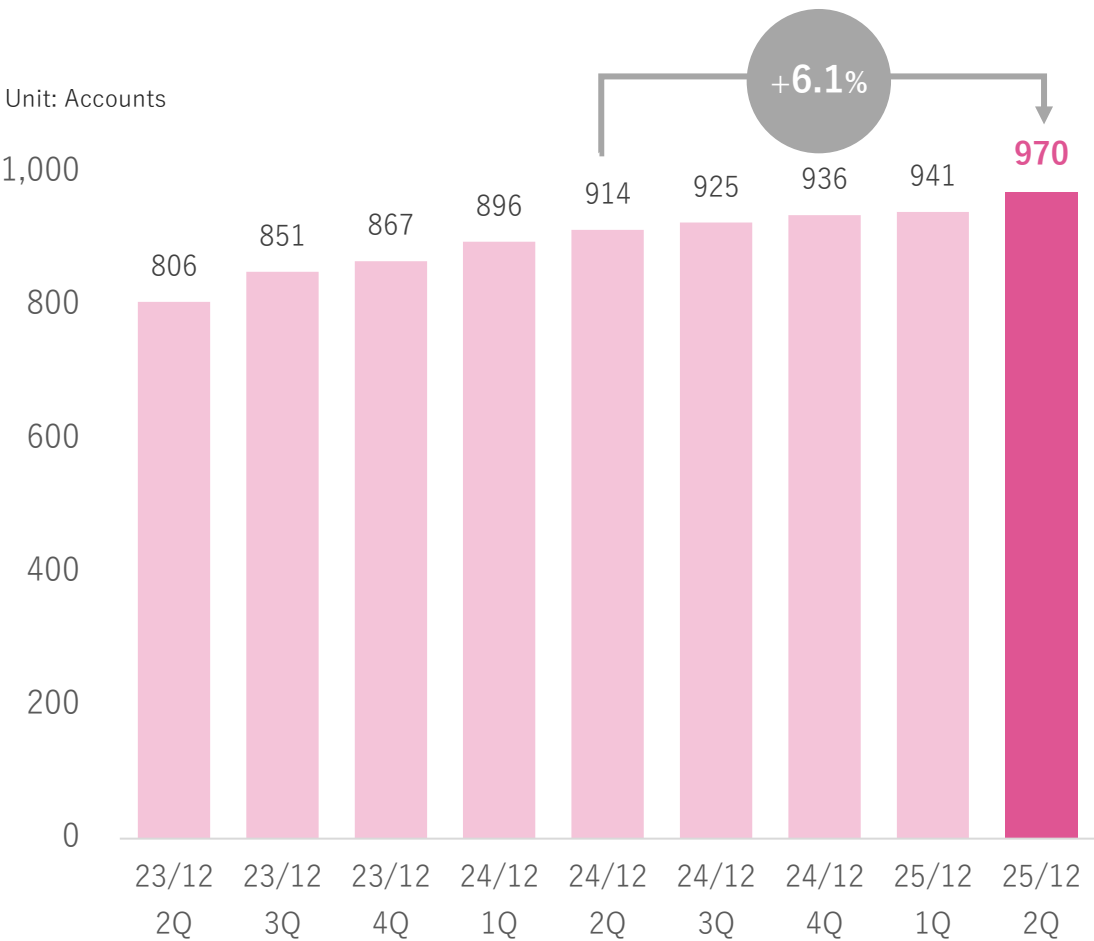
Billing Management Robo – Key KPI Trends ① (Quarterly)

Customer unit price rose +12.0% YoY, driven by higher prices for new customers.
New acquisitions remained steady, with account count up +6.1%.

Customer Unit Price Trend



Number of Accounts Trend



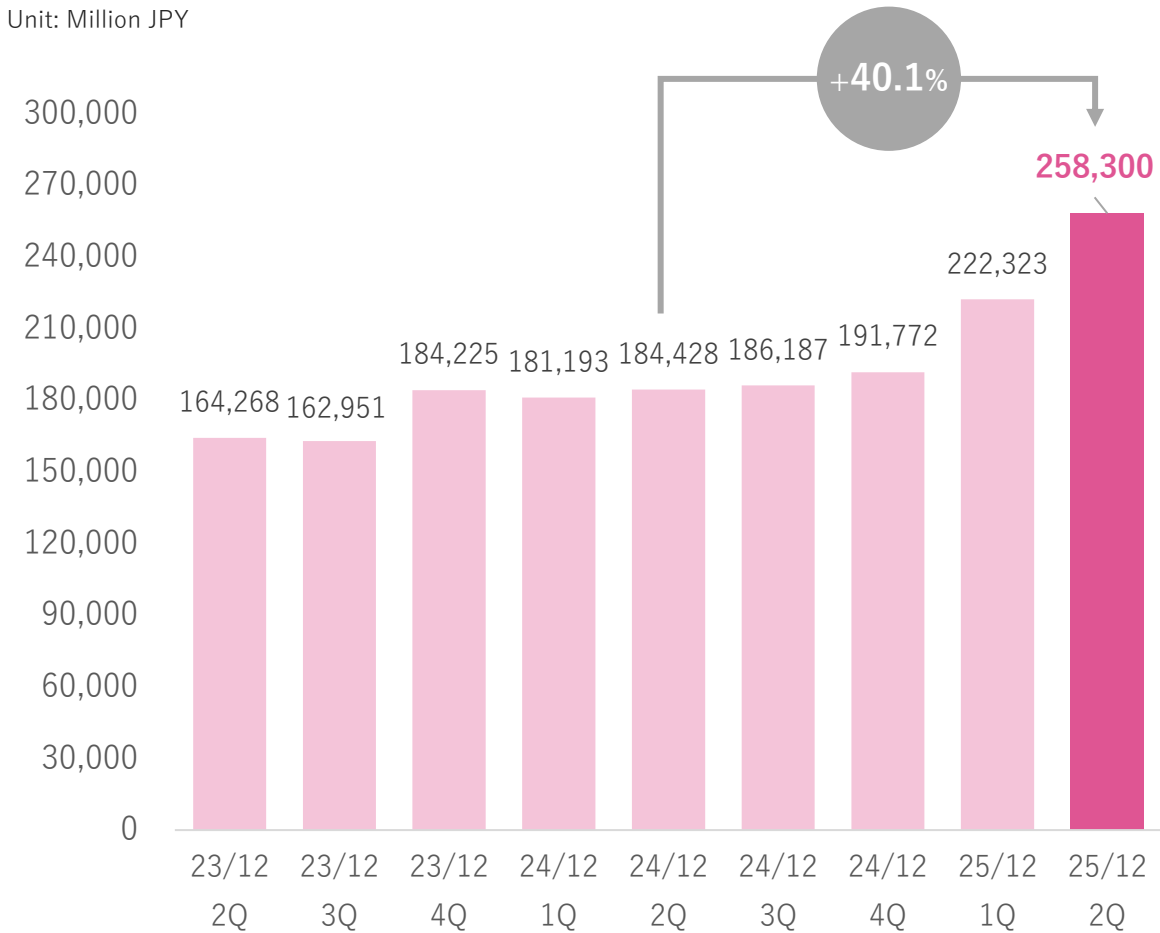
Note: Customer unit price is calculated as the average monthly recurring revenue per account at each quarter-end, excluding initial setup fees.

Billing Management Robo – Key KPI Trends ② (Quarterly)

Both invoice amount and number of invoices issued increased steadily year over year.

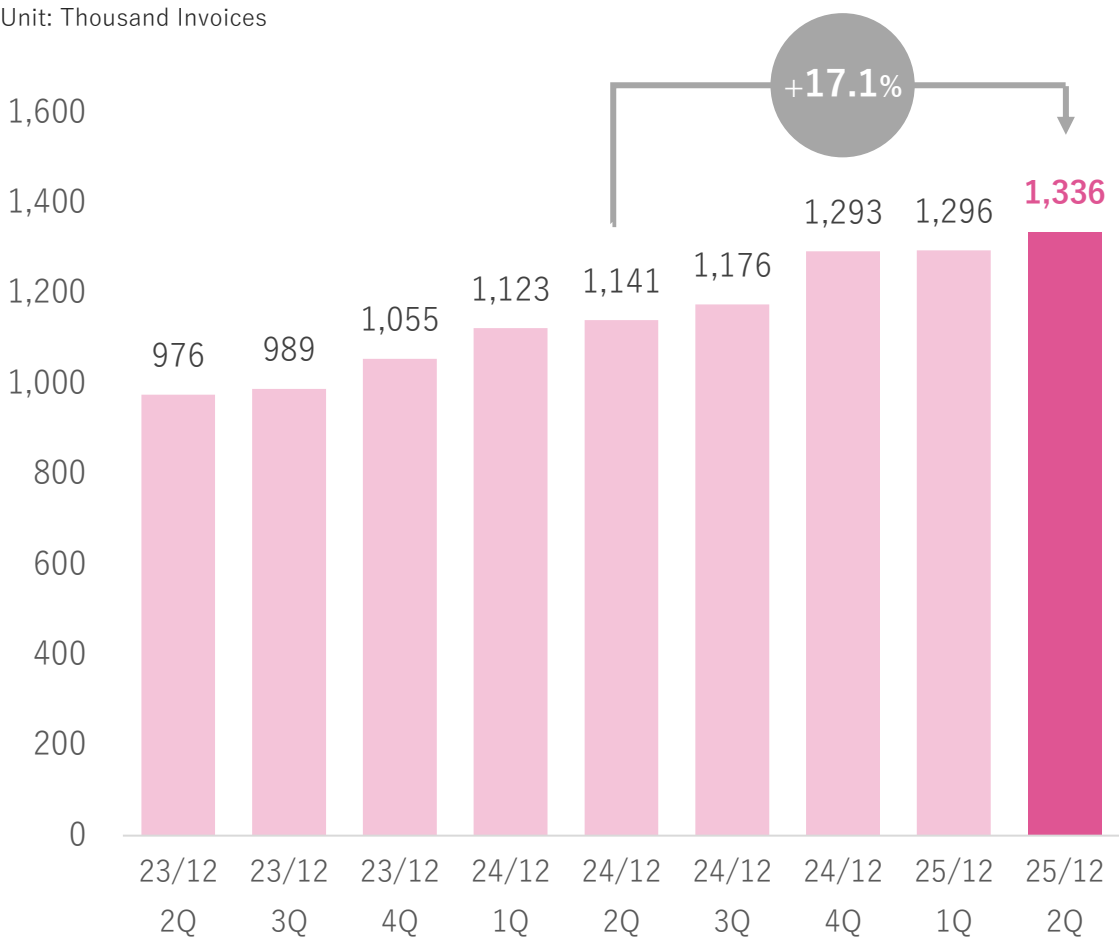
Invoice Amount Trend

Unit: Million JPY



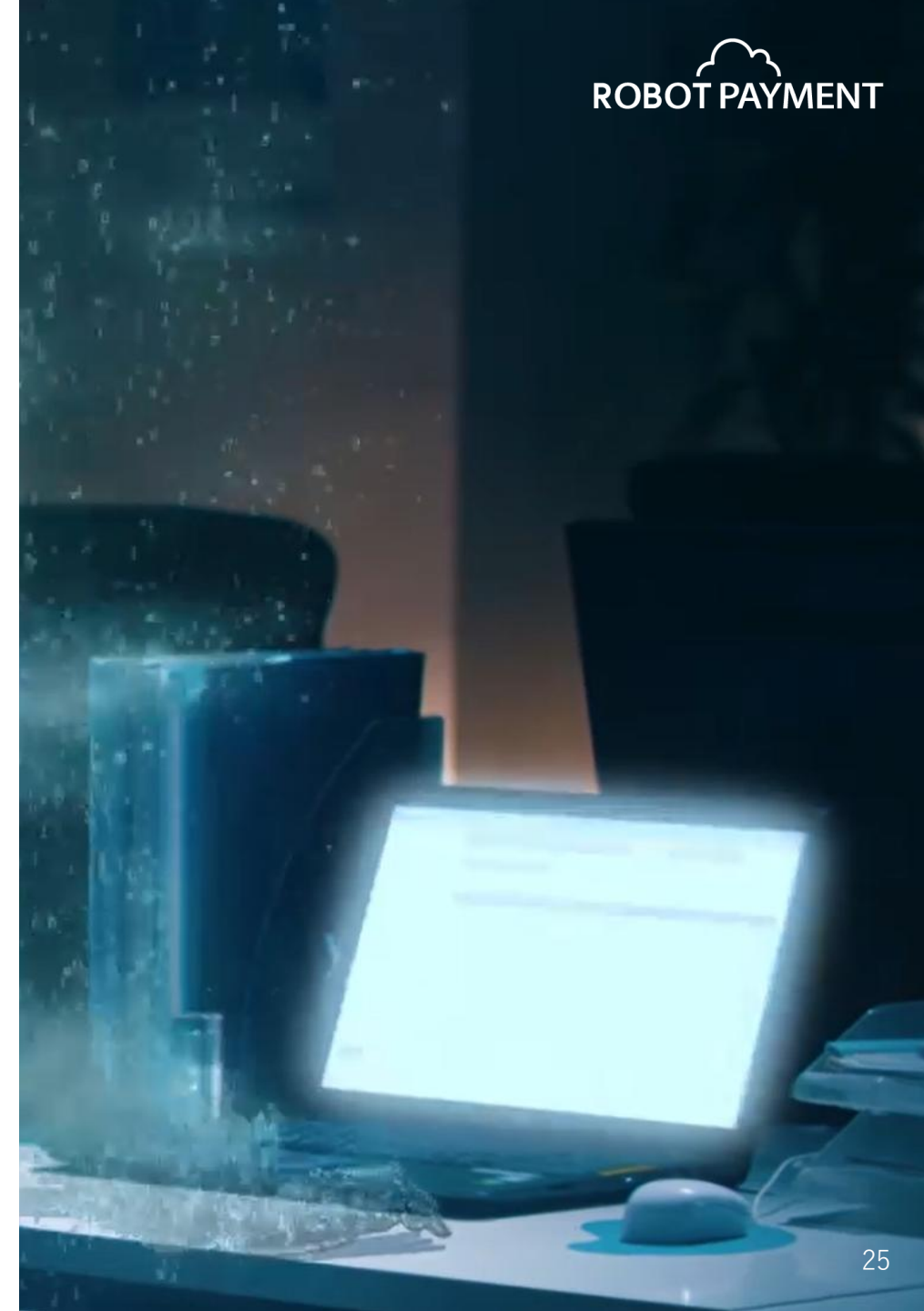
Number of Invoices Issued

Unit: Thousand Invoices



04.

Business Highlights



Progress on 2025 Business Strategy

Steady Advancement in Both Existing and New Businesses

		2025 Business Strategy	2025 2Q Progress
Existing Initiatives	Subscription Pay Professional	- Expanded features for key industries - Strengthened operational support to prevent churn	- UI/UX improvements on application screen, added configuration options for contract renewal fees to enhance usability for key industries - Enhanced support system and operational efficiency via AI agents
	Factoring for SaaS	- Built credit evaluation structure to expand receivables - Strengthened deal sourcing via VCs	- Acquired know-how from Quants to strengthen in-house credit screening - Increased VC involvement; regular briefings to improve quality of inquiries
	1Click Postpay	- Strengthened SEO through marketing - Promoted member engagement and CRM measures	- Continued optimization actions - Ongoing CRM via email newsletters
	1Click Early Payment	- Promoted use by postpay users - Established marketing initiatives	Considering business restructuring
New Initiatives	New Services	- Expanded industry-specific factoring - Exploring new “wall-breaking” businesses (supplier finance, admin services, etc.)	- Expanded factoring by business type using guarantees - Ongoing exploration of monetization for administrative services
	M&A	Strengthened sourcing leveraging personal networks	- Continued community participation to broaden contact base - Mid-to-long term relationship building with M&A candidates

ROBOT PAYMENT Appoints First Female Outside Director

On Friday, February 21, 2025, we announced the enhancement of our HR system aimed at fostering and supporting female leaders. As part of initiatives to create an environment where women can pursue career challenges without being constrained by life events, we appointed our first female outside director. We expect her to support management decisions from diverse perspectives in future domestic and international business expansion, diversity, and inclusion efforts.



First Female Outside Director Appointed

Asami Kosaka



Asami Kosaka – Profile

- Graduated from the University of Tokyo, Faculty of Law, and joined Toyota Motor Corporation.
- After working in global marketing and related roles, she obtained her MBA from HEC Paris.
- She then gained experience in finance and business planning at global companies such as American Express and AXA France.
- Appointed as Outside Director at ROBOT PAYMENT in 2025.

ROBOT PAYMENT Launches "7.2 Million Yen Annual Salary Track" for New Graduates from Class of 2026

To strengthen the hiring of future business leaders across roles such as sales and engineering, we are introducing a new graduate track offering an annual salary of 7.2 million yen (starting monthly salary: 600,000 yen). Compensation is determined based on each student's skills and experiences. We proactively hire and nurture talent capable of driving corporate transformation, enabling smoother cash flow for companies and contributing to new value creation.



2026 Graduate New Hiring Program

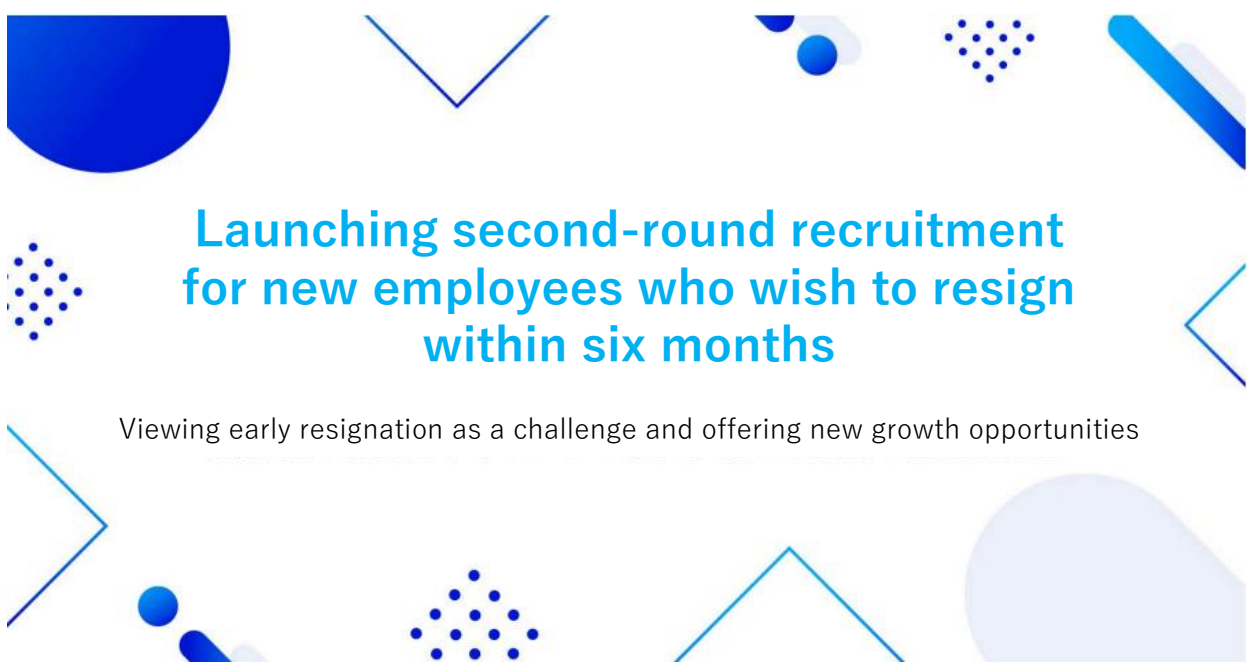
Launch of the "7.2 Million Yen Annual Salary Track"

As part of our effort to strengthen recruitment of management-track talent, we've introduced a compensation strategy linked to skill and experience.

Recruitment Details	
Employment Type	Full-time employee
Salary	Monthly salary: ¥600,000–¥830,000 (based on individual ability/skills)
Working Hours	09:00–18:00 (includes 1-hour break)
Eligibility	Students graduating between 2025 and 2028
Days Off	Full two-day weekend system

Launch of “Challenge Support Recruitment” for New Graduates Who Joined in April 2025 and Wish to Resign Within Six Months

Starting a second-round recruitment program targeting new graduates from the class of 2025 who wish to resign within six months of joining. We view early resignation not as a failure but as a challenge to re-evaluate one's career and aspirations—and aim to provide new opportunities for growth.



Launching second-round recruitment for new employees who wish to resign within six months

Viewing early resignation as a challenge and offering new growth opportunities

Overview

Recently, the number of cases where new employees resign due to performance-based evaluations has increased, and some companies are hesitant to hire such candidates in second-round recruitment. Rather than judging early resignation as negative during the hiring process, we see it as a proactive decision to face one's career and direction. Therefore, we are launching the “Challenge Support Recruitment” program for second-round hiring, to provide opportunities where such candidates can thrive.

Monthly Fee Revision for “Billing Management Robo” and “Subscription Pay”

We have revised the pricing for our billing and receivables cloud service “Billing Management Robo” and our automated payment cloud service “Subscription Pay,” with the aim of expanding investment in operations and development and improving service quality for users.

Background of the Price Revision

As the Japanese government promotes the digitization of billing operations and the DX (digital transformation) of companies accelerates, the roles of “Billing Management Robo” and “Subscription Pay” are becoming increasingly important. To continue contributing to our clients’ billing operation efficiency and optimization, we aim to provide more advanced and secure products by actively investing in system development and feature enhancements. With this background, we have decided to revise the monthly fees to maintain and further improve service quality.

Summary of the Revision

- Target Services
 - Subscription Pay
 - Billing Management Robo
- Revision Timing
 - July 2025
- Price Changes
 - Subscription Pay
 - Credit Card: +¥1,500/month
 - Billing Management Robo
 - +¥3,000/month (excluding tax)

Double Winner of the Top "Leader" Rank for 10 Consecutive Periods in the "ITreview Grid Award 2025 Spring"

Our services, "Subscription Pay" and "Billing Management Robo," have been selected as the highest-ranking "Leader" in the "ITreview Grid Award 2025 Spring," hosted by ITreview, a SaaS and IT product review platform operated by ITcloud Inc.



- **Billing Management Robo** received the Leader award in the "Invoice & Quotation Creation Software" category.
- **Subscription Pay** received the Leader award in the "Subscription Management Systems," "Payment Agency Services," and "Online Payment Services" categories.

"Subscription Pay" Achieves No.1 Domestic Market Share in Subscription Management Revenue for Three Consecutive Years

In the April 2025 market research report "ITR Market View: Budget, Expense, and Subscription Management Market 2025," "Subscription Pay" ranked No.1 in domestic market share by vendor revenue in the subscription management category for three consecutive years (FY2022–FY2024 forecast).

Overview

The subscription management system "Subscription Pay" was recognized in the April 2025 market research report published by ITR Corporation titled: "ITR Market View: Budget, Expense, and Subscription Management Market 2025." In this report, "Subscription Pay" ranked No.1 in projected revenue-based market share among subscription management vendors for FY2024.

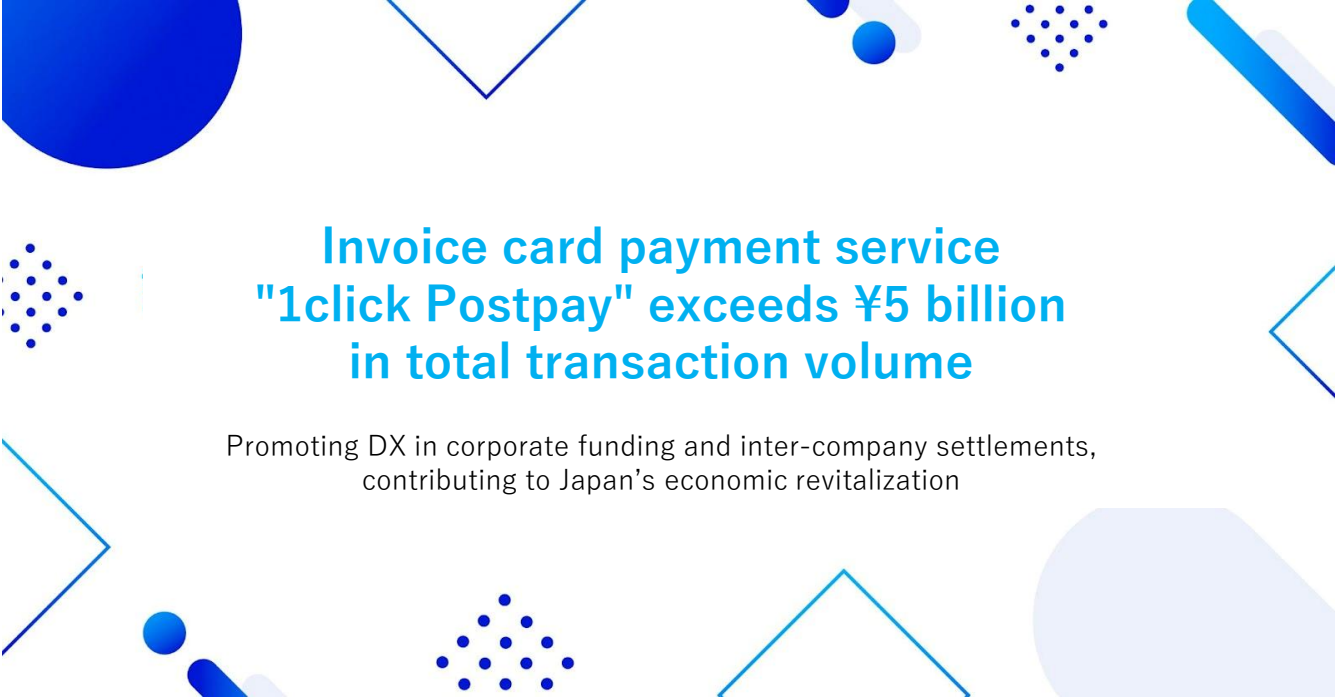
It is expected to maintain the top share for three consecutive years, beginning with FY2022.



出典：出典：ITR「ITR Market View：予算・経費・サブスクリプション管理市場2025」サブスクリプション管理市場規模推移および予測（2022～2024年度予測・売上金額）

Invoice Card Payment Service “1click Postpay” Achieves ¥5 Billion in Total Transaction Volume Within Three Years of Launch

Promoting DX in corporate payment workflows and B2B settlements, contributing to revitalizing the Japanese economy.



Invoice card payment service "1click Postpay" exceeds ¥5 billion in total transaction volume

Promoting DX in corporate funding and inter-company settlements,
contributing to Japan's economic revitalization

Background

Since the launch of “1click Postpay” in October 2022, usage has expanded—especially among small and medium-sized enterprises.

It has gained strong support as a simple financing and factoring alternative for companies facing cash flow challenges.

In addition, by enabling credit card payments, the service offers new options beyond traditional bank transfers for BtoB transactions, also contributing to the digital transformation of inter-company settlements.

Co-creating Japan's Future with Ambitious Entrepreneurs

To revitalize Japan's industries alongside mission-driven startups, we are launching our CVC initiative:

ROBO-PAY JAPAN RISING FUND.

This fund leverages the trust base we've built through our payment and billing technologies, our network of over 14,000 client companies, and our position as a publicly listed company to support next-generation startups shaping the industries of tomorrow. We aim not only to provide funding, but to serve as a strategic growth partner—unlocking the full potential of startups as they scale.



“Challenge, the power of the payments infrastructure.”

In the 25 years since its inception, Robot Payments has supported companies' challenges through its payment infrastructure.

However, what we have witnessed along the way is the existence of barriers such as “customs,” “inefficiency,” and “credit” that are unique to Japan.

【 Breaking down these walls with future challengers 】

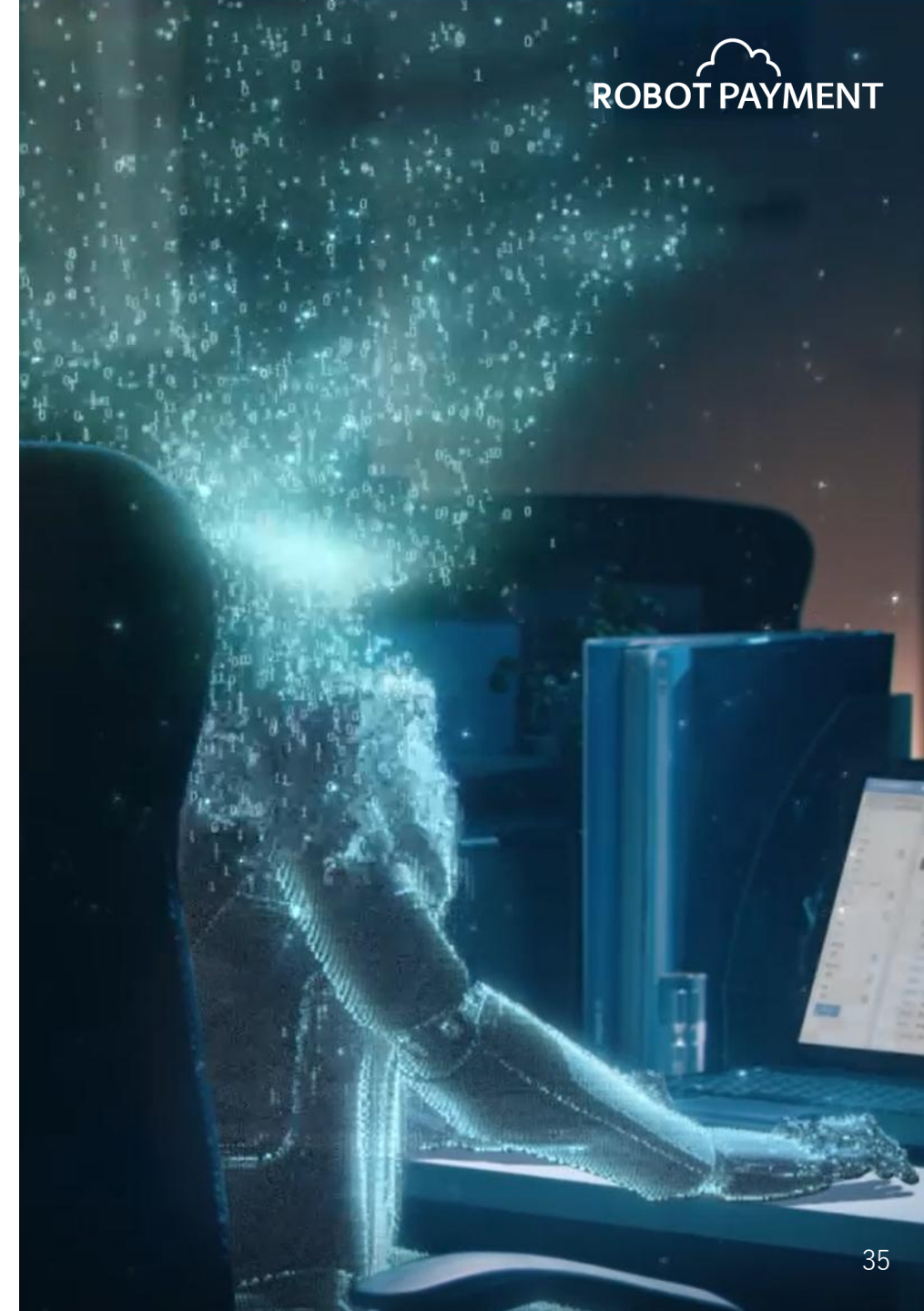
We are convinced that this is the mission we must fulfill for the next generation of society.

“Together with people and companies that rise to the challenge, we will make Japan strong again.”

We want to work with entrepreneurs who share these aspirations.

05.

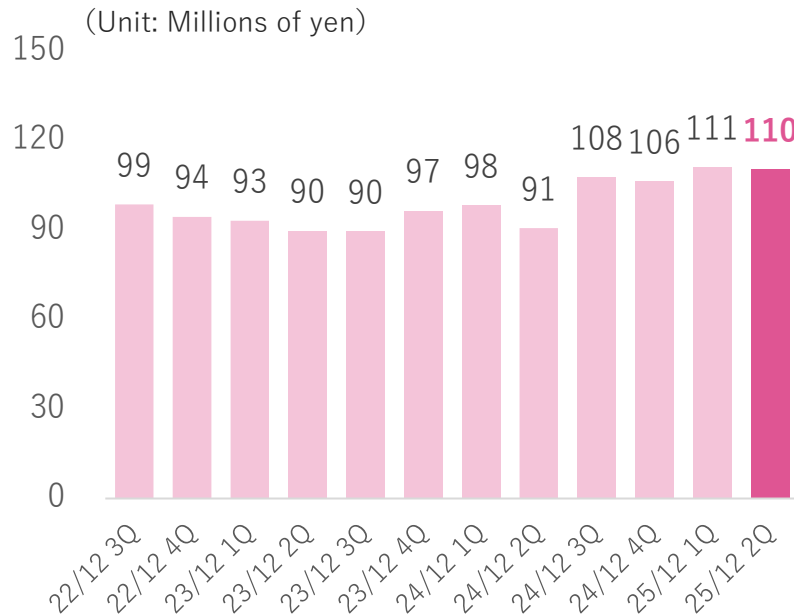
About Expenses



Key Expense Trends (Quarterly)

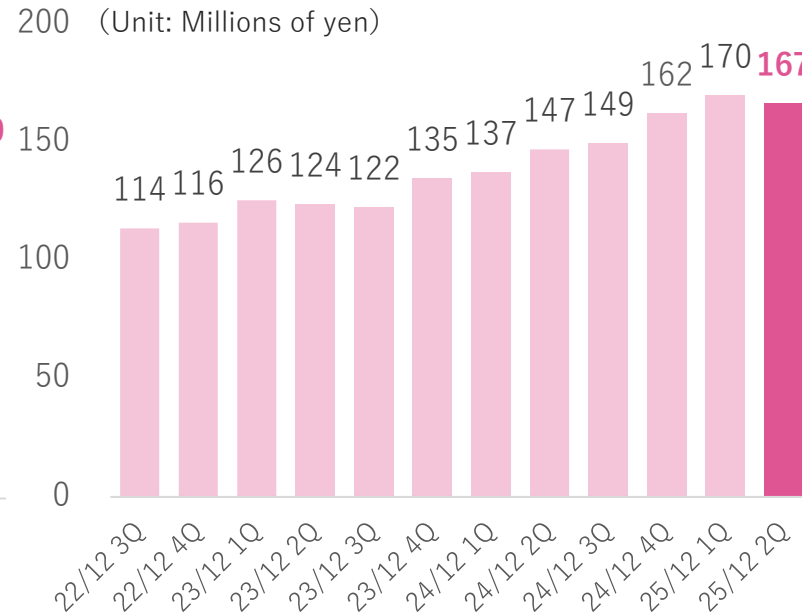
In accordance with our medium-term management policy to generate operating profit each year, we are making efficient investments.

Advertising Expenses



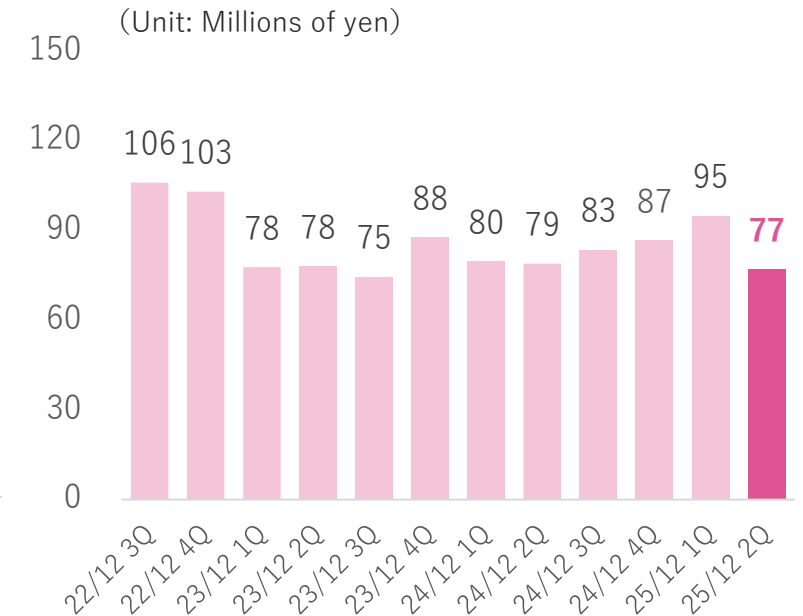
- Maintaining the same level as recent quarters
- Continued focus on cost-effectiveness, prioritizing targeted and digital advertising for awareness building

Salaries and Allowances



- Continued increase due to active hiring for key positions and strengthening the customer success structure in the previous half
- Maintained at this level moving forward

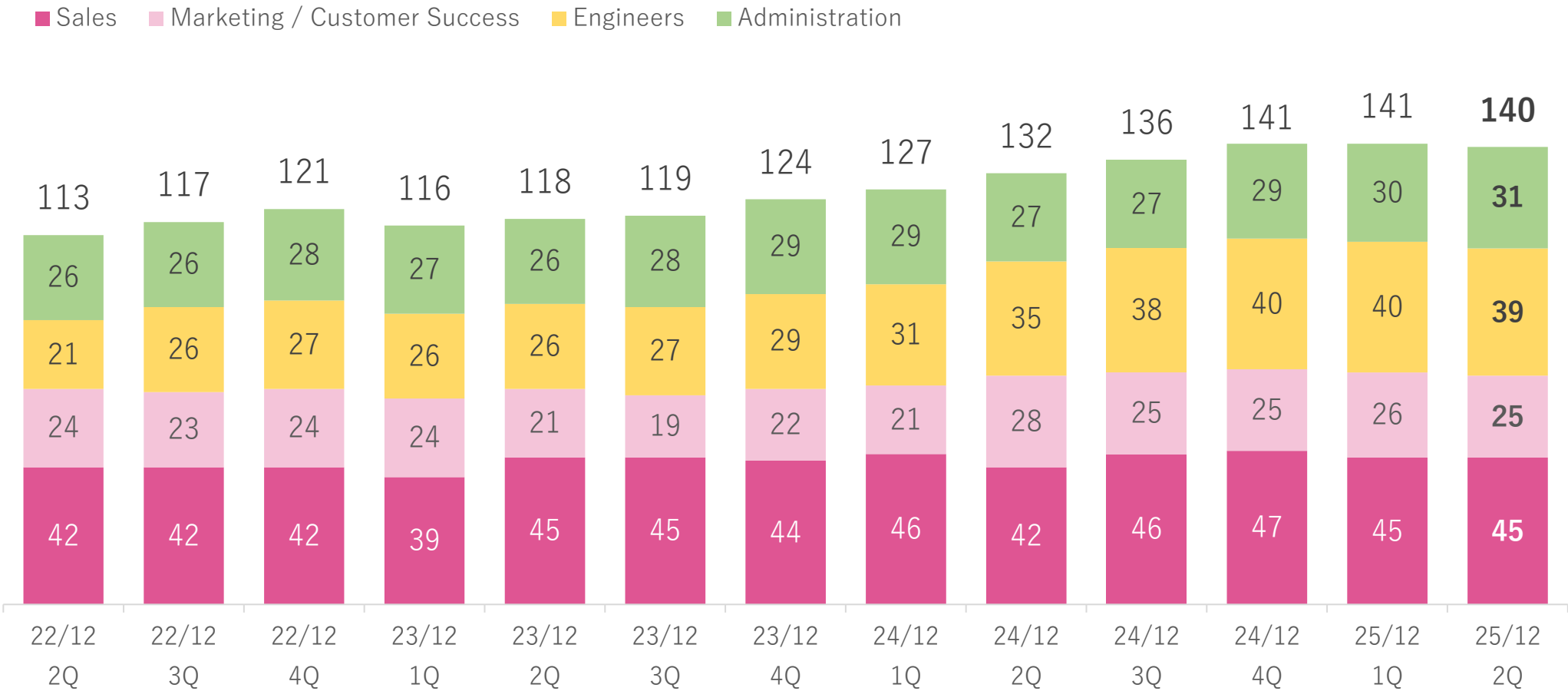
Development Costs



- Improved efficiency through reduction of outsourcing and promotion of in-house development
- Continued emphasis on development productivity to suppress costs while enhancing functionality and quality

Number of Employees by Job Category

Recently revised our organizational structure and reclassified job categories.



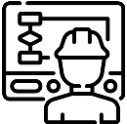
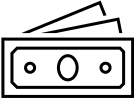
Note: Figures include all employees (full-time, part-time, and contract), excluding temporary staff and outsourced personnel.

Appendix

This document is intended to help you gain a deeper understanding of our business and strategic overview.

Overview of Our Products

Solving business challenges through payment infrastructure

Product Lineup	 サブスクペイ Customer Management / Recurring Billing for Subscription Businesses	 サブスクペイ Professional Data Integration / Analysis / Action for Subscription Customers	 請求管理ロボ Automation and Optimization from Invoicing to Receivables Management	 請求管理ロボ for Enterprise Customizability / Scalability / High-volume Processing	 請求まるなげロボ Outsourced Invoice Management and Accounts Receivable Payment Guarantee	 1click後払い Post-payment Invoice Settlement Using Credit Card Payments	 ファクタリングロボ for SaaS Factoring and Operational Efficiency Using Invoices	 1click早マール Early Invoice Settlement Using Credit Card Payments
Target Customers	Businesses with subscription models		Businesses with subscription models	Large Corporations Engaged in BtoB Business	Corporations conducting BtoB business	Corporations & sole proprietors receiving invoices	Corporations & sole proprietors issuing invoices	
Market	Subscription Market		Invoice Issuance System Market		BtoB Payment Market			
Customer Issues	 Tedious recurring subscription admin tasks	 Maximizing subscription business revenue through data analytics	 Human errors in admin-heavy invoicing tasks	 Handling complex workflows unique to large enterprises	 Cash flow concerns due to staffing shortages; handling in cloud workflows	 Improve capital efficiency by enabling post-payment for card invoices	 Streamline factoring & financing based on invoices	 Improve cash management through invoice-based early payments
Launch Date	2000	Sep 2022	2015	Nov 2022	2019	Oct 2022	Sep 2024	Dec 2024

Providing Customer Management and Recurring Billing Functions Needed for All Subscription Businesses

Customer Management Functions

Customer Management Database

決済フォーム

カード番号 (必須) 1234567890

有効期限 (必須) 2021/12

カード名義 (必須) YAMADA TARO

お名前 山田 太郎

性別 ☒ 男 ☐ 女

年代 20 - 29

電話番号 03 1234 5678

メールアドレス YAMADA TARO

ご職業 会社員

役職 事業責任者

データベースイメージ

顧客ID	名前	性別	決済金額	年代	電話番号	Eメール	職業	役職
A	山田太郎	男	3,000	20 - 29	03-1111-1111	aaa@robotpay.jp	会社員	課長
B	鈴木花子	女	5,000	30 - 39	03-2222-2222	bbb@robotpay.jp	個人事業主	-
C	佐藤健一	男	10,000	20 - 29	03-3333-3333	ccc@robotpay.jp	-	経営者
D	田中真由	女	1,000	10 - 19	03-4444-4444	ddd@robotpay.jp	学生	-
E	加藤明	男	3,000	40 - 49	03-5555-5555	eee@robotpay.jp	会社員	-
F	山田太郎	男	3,000	20 - 29	03-1234-5678	sample@robotpay.jp	会社員	事業責任者

データベースに反映

- Secure acquisition of customer data
- Customer management and analysis linked to payment data

Customer Management Features:



My Page Function



Customizable Payment Form



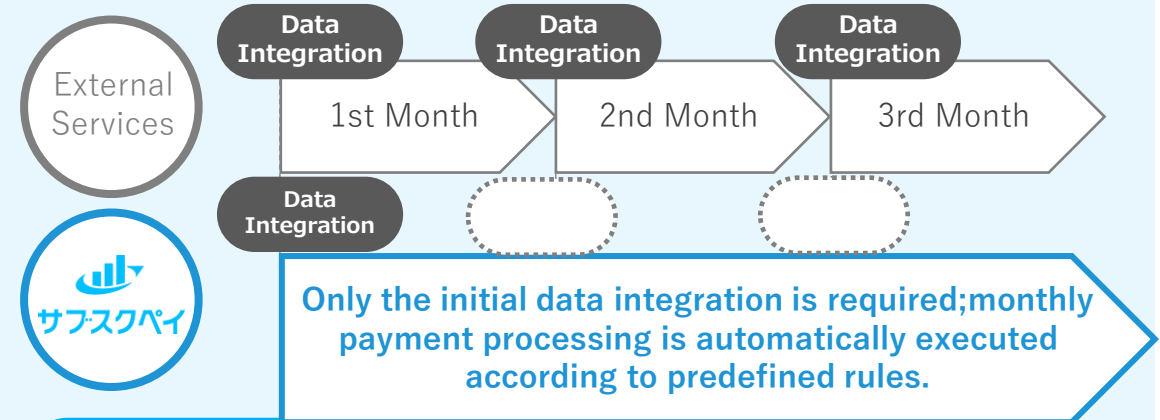
Customer Analysis Function



CRM Function

Payment Functions

Recurring Billing System



Subscription-Oriented Payment Features



Configurable and editable rules for each product, including price, billing cycle, contract duration, number of payments, and billing dates

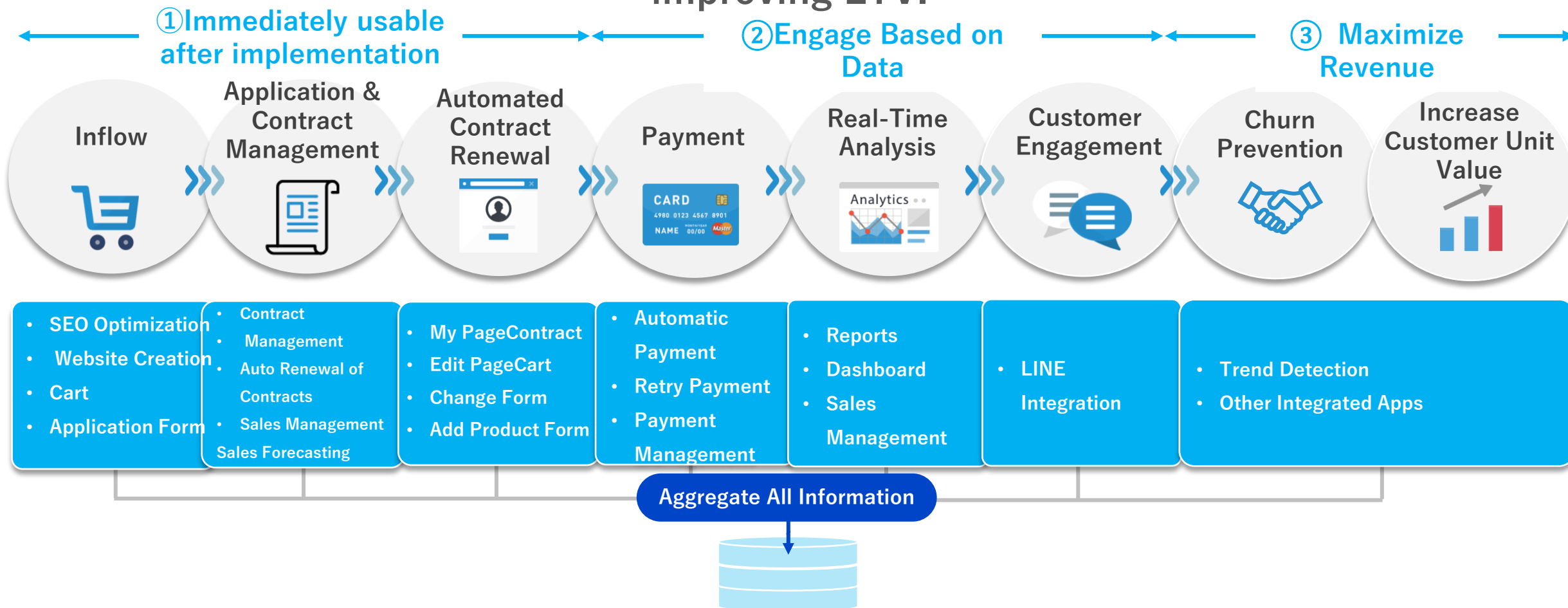


Free Trial Period Configuration



Cancellation / Termination Form

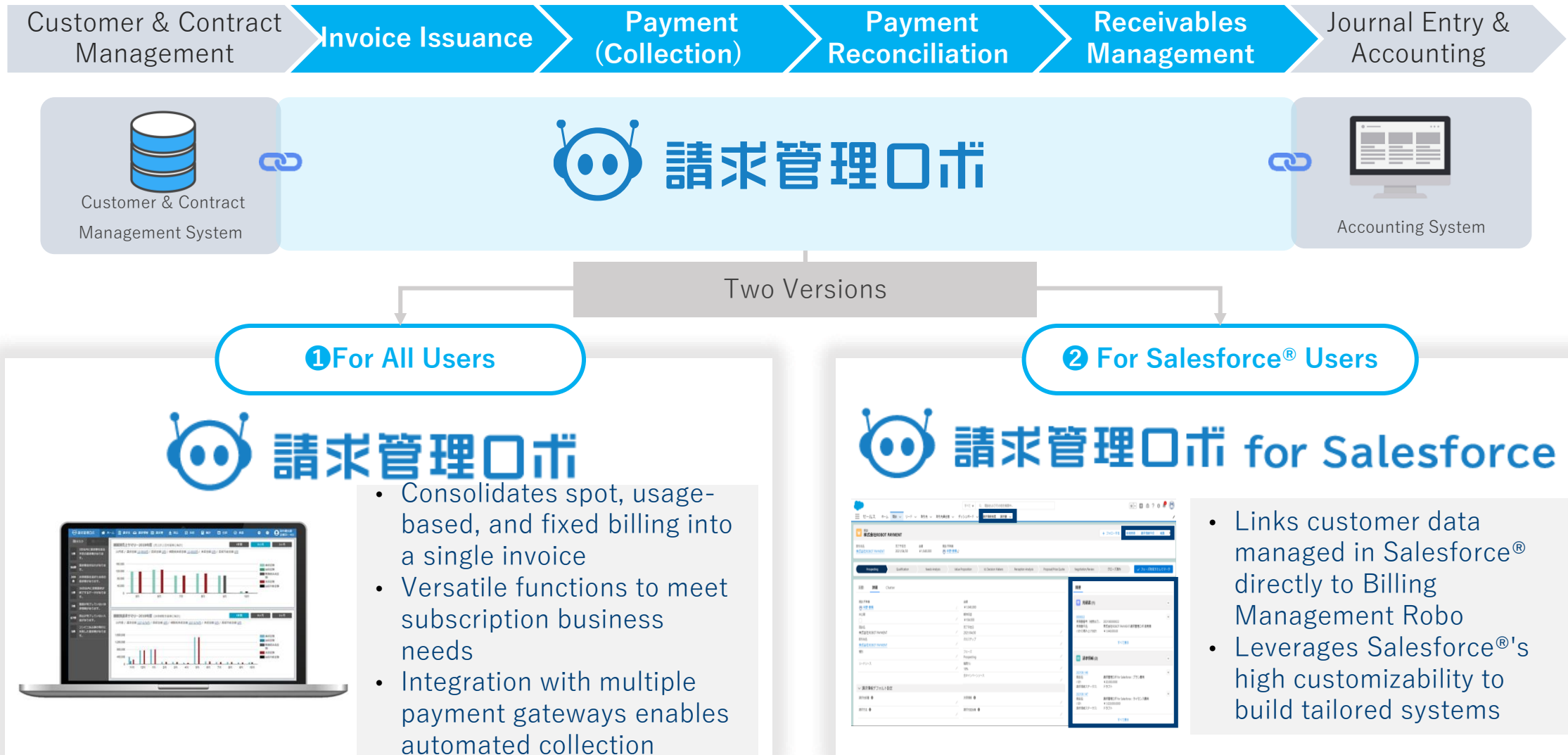
Supporting revenue maximization in subscription businesses through customer management and analysis, preventing churn through customer engagement and improving LTV.





Billing Management Robo – Product Overview

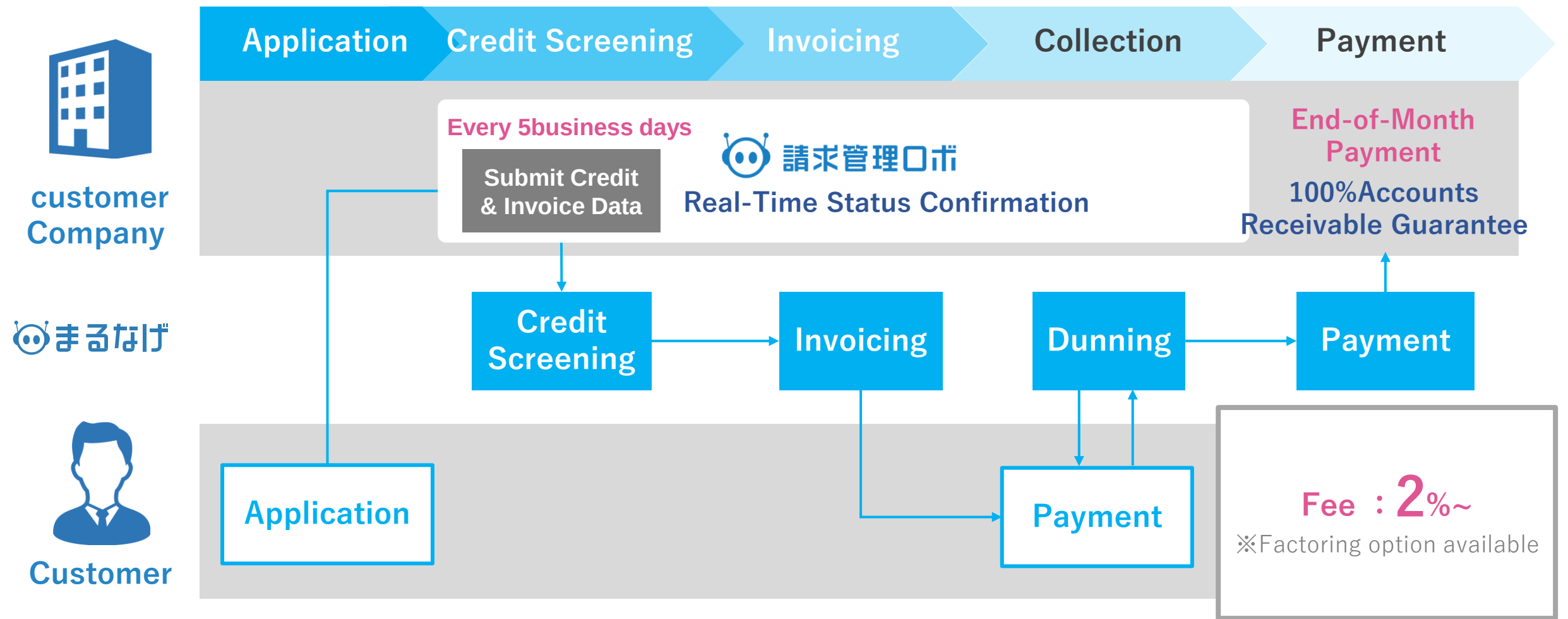
Automate monthly billing operations from invoice issuance to collection, reconciliation, and receivables management in one streamlined workflow.



Solving challenges specific to large enterprises
by combining high-volume processing, security, and operational support.

	Meeting the Needs of Large Enterprises	>	Enhanced Performance for High-Volume Invoicing, with a Dedicated Support Team
Functions	 Supports up to 100,000 invoices		• Able to process large volumes of invoices even at peak times (e.g., month-end) without performance degradation.
	 Multiple invoice issuers can be registered		• Easily switch between issuers when dealing with multiple departments or branches; compatible with a variety of customer needs.
Structure	 ISMS Certified		• Acquired international certification for Information Security Management Systems (ISMS) "ISO27001" to ensure high data security.
	 Dedicated onboarding support team		• Provides a stable, high-durability system upgrade to handle high-volume invoice processing during peak periods.

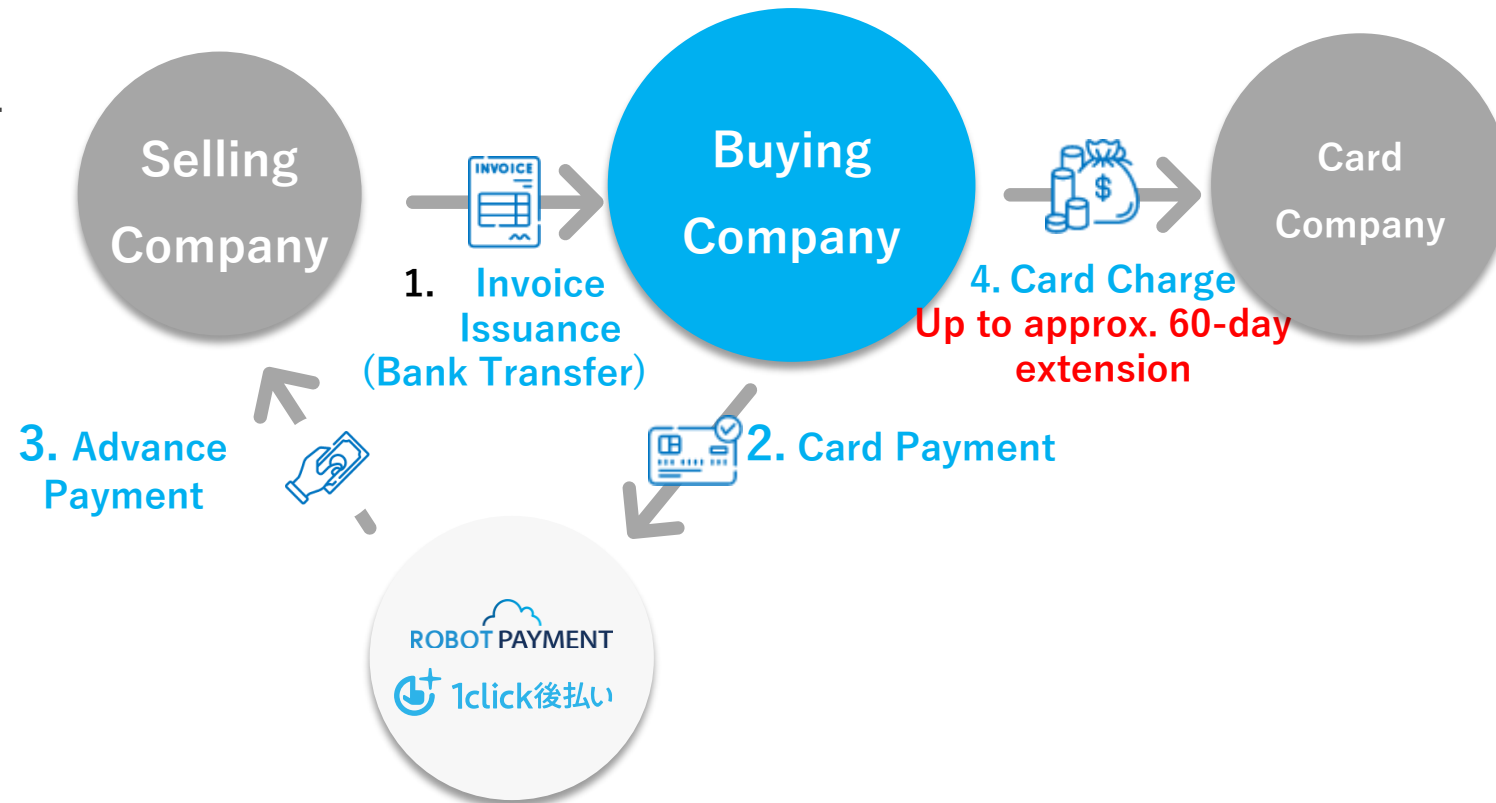
Complete outsourcing from credit screening to collections
with 100% accounts receivable guarantee



Enable payment deadline extensions by settling invoice payments (bank transfers) with credit cards

When a buyer company receives an invoice for a bank transfer, they can settle it using a credit card. By using a credit card, they can extend the payment deadline by up to around 60 days, improving cash flow.

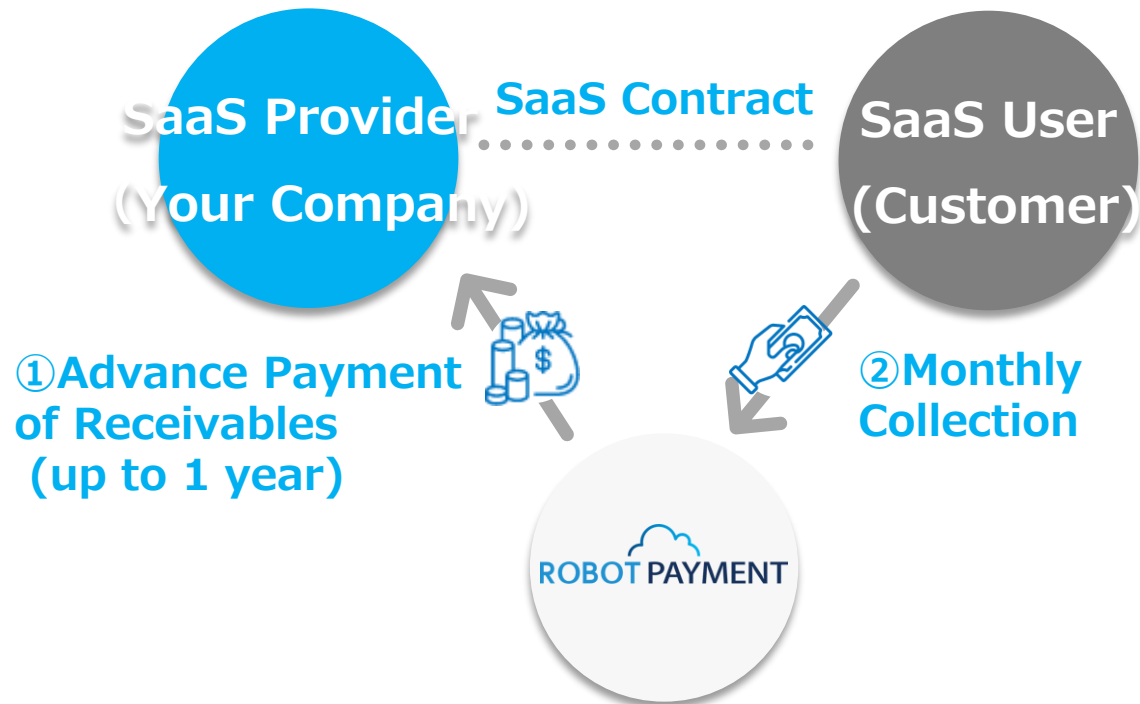
Funds are deposited by ROBOT PAYMENT on behalf of the buyer, as early as 5 business days after the credit card settlement.



- (1) Certain criteria must be met for invoice approval via card settlement.
- (2) Extension days may vary based on card issuer's billing cycle and due date.

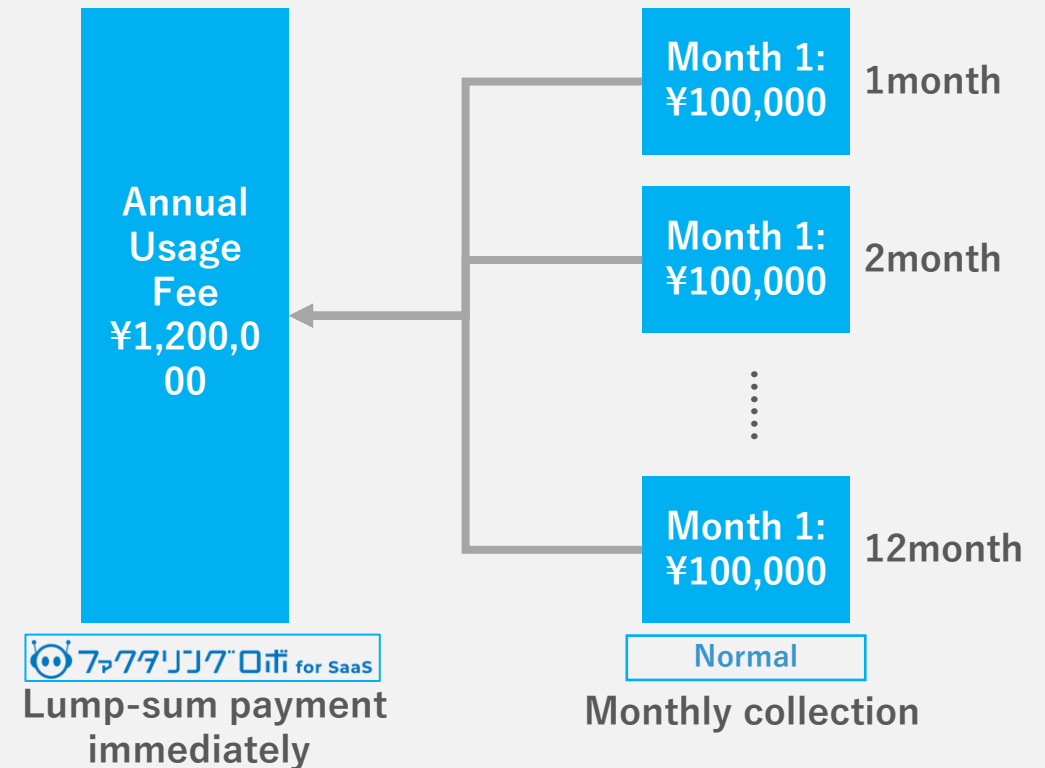
Monetize up to one year of monthly SaaS usage fees in advance

- Monetize monthly SaaS usage fees in as few as 5 business days, up to 1 year of receivables at once
- Delegates all billing operations including credit screening, invoice issuance and sending, payment confirmation, and collection



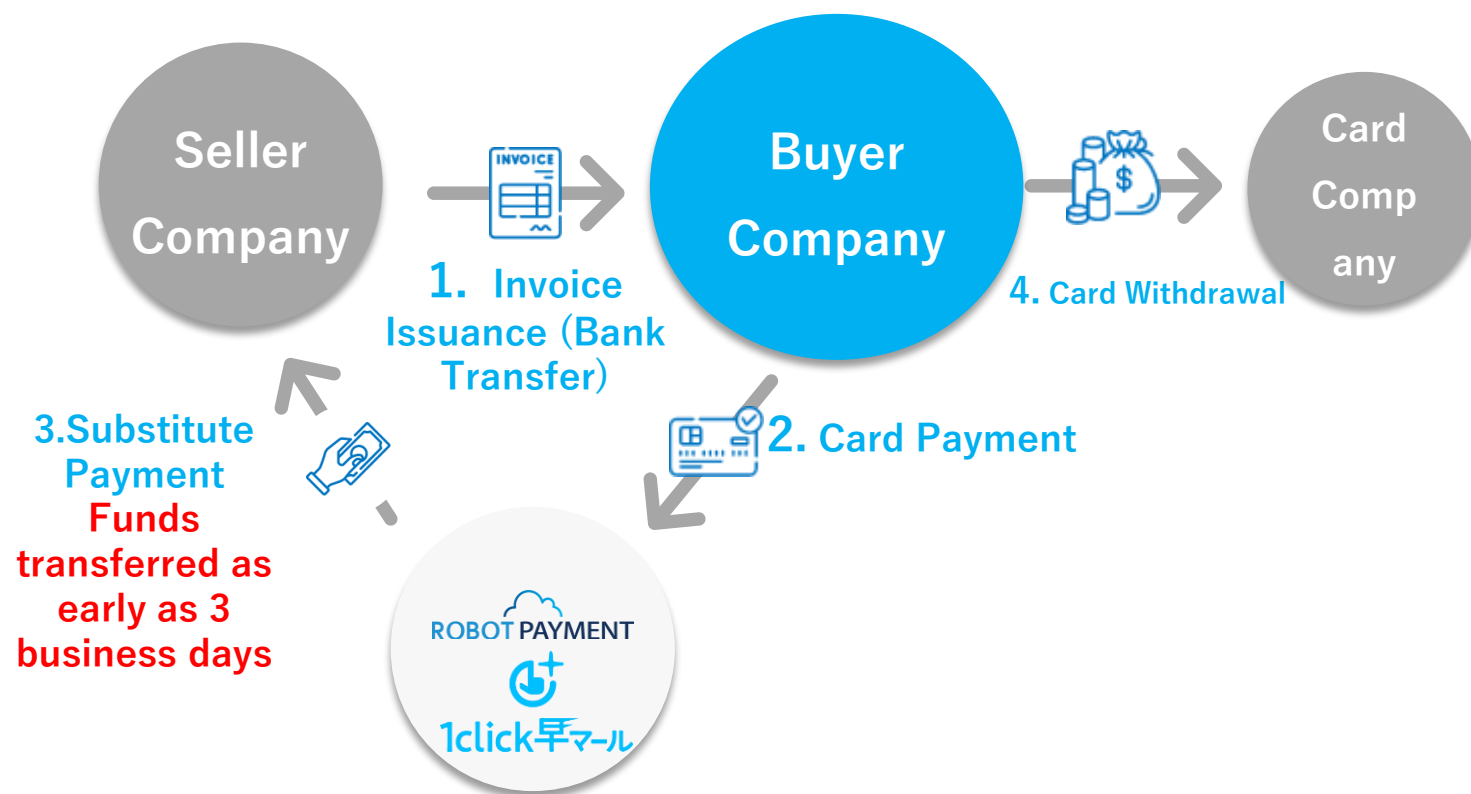
Note: Available even for small and multiple receivables.

Example of Annual SaaS Contract



Achieve early collection of accounts receivable using 1click post-payment.

Regarding the invoice issued by the seller, the buyer is notified about 1click Early Payment, and by making a credit card payment, the payment can be received earlier. By using 1click Early Payment, the seller can receive early funding (as fast as 3 business days), and the buyer can defer payment (up to 60 days) —a service that satisfies the needs of both parties.



Note: The extension period may vary depending on the card company's billing cycle and payment date.

サブスクパイ

Variable Costs	Fee based on transaction volume (spread)	2.65%～
	Fee based on number of processing transactions (per case)	¥5 /transaction
Fixed Costs	Monthly fixed system usage fee + optional fees + ID fee per user	From ¥ 8,000 /month

The revenue model in which per-transaction costs increase in line with rising transaction volume and transaction count, leading to higher customer unit prices.

請求管理ロボ

Variable Costs	Fee based on total receivable amount (factoring fee)	From 2%
	Settlement revenue based on invoice amount	Spread fee
	Storage based on number of invoices	Charged per 100 invoices
Fixed Costs	Monthly fixed system usage fee + optional fees + ID fee per user	From ¥59,000 / month

The revenue model in which the increase in claim amounts for "Seikyu Marunage Robo" and invoice amounts/volume for "Seikyu Kanri Robo" raises per-transaction costs and consequently improves customer unit prices.

Selected Clients Using Subscription Pay

Utilized by various companies in their subscription businesses

Internet Services / Content



Media / Advertising



Education



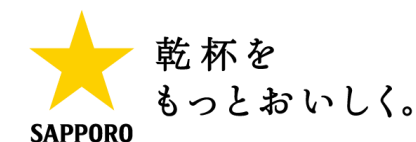
Rental



Donations



Others



Utilizing for Customer Management and Recurring Payments in Subscription Businesses

Customer Management Function

OLD ROOKIE Co., Ltd.



Monthly subscription fee for a 24/7 members-only sauna

Challenges

- Minimize labor costs associated with sauna operation
- Streamline payment and customer management

Why They Chose Subscription Pay

- Available at a low transaction fee
- Flexible pricing options such as admission fee and pro-rated calculations, plus the ability to set custom usage start times

Effects After Implementation

- Enabled structuring of cancellation flow by utilizing Subscription Pay's customer management
- Reduced chargeback risks
- By automating previously manual tasks through technology, they were able to focus on their core business without increasing labor costs

Recurring Payment Function

PRESIDENT Inc.

PRESIDENT Inc.

Monthly subscription fee for newsletter content by figures such as Toru Hashimoto and Ruri Miura

Challenges

- Searching for a payment system suitable for a subscription business

Why They Chose Subscription Pay

- [Easy to use and allows for flexible payment configuration](#)
- [Scalable and easy to expand as the subscription business grows](#)

Effects After Implementation

- Flexible configuration of fees, start dates, and billing cycles according to each project
- Reduced the need for separate planning of system specifications
- Facilitated smooth adoption across other departments and services

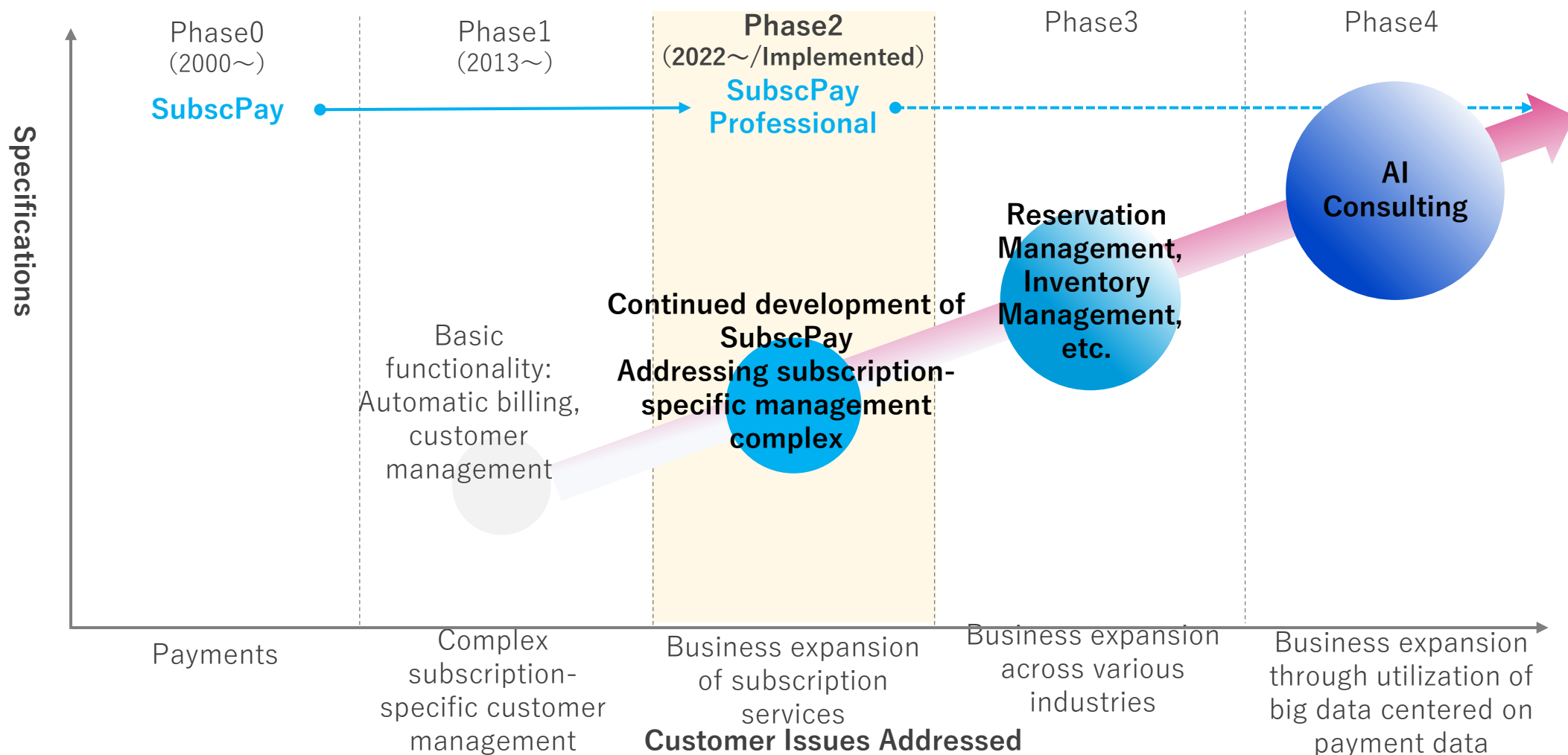
High Barrier to Entry: It is extremely difficult to conclude a comprehensive merchant contract with a credit card company

To conclude a comprehensive merchant contract, a company must achieve five key performance criteria. Unless these are met and recognized by the credit card company, a contract cannot be concluded (it typically takes 3–5 years to reach the level required to sign such a contract).

	Building the Gateway System	• System Integration with Payment Service Providers(e.g., for credit card payments, connecting with card payment centers such as "CAFIS" and "JCN") • Development of systems used by merchants, including payment management dashboards, payment forms, sales aggregation interfaces, and settlement systems. • Settlement systems in particular require complex design, as each payment provider has different closing and deposit dates, and even between our company and merchants, various closing dates and payment cycles exist.
	24/7 System Maintenance	• To ensure stable system operation as a core value of the service, high-level system maintenance is required 24/7/365. • The system must be built with redundancy so that even if failures occur in programs, networks, or locations, operations are not interrupted. • In the event of a failure, the system must be equipped with alert functions and a response workflow that enables immediate detection and action.
	Security Measures	• System development in compliance with PCI DSS, the industry standard for handling credit card information • Establishing workflows for handling personal information
	Operations	• For Payment Service Providers:Investigation of transaction details, fraud handling, refund operations, merchant management structure setup, and compliance with industry rule changes • For Merchants:Merchant screening, system integration with merchant-side platforms, support for payment operations (including usage guidance), transaction investigation, fraud handling, refund processing, and settlement • For Consumers:Responding to inquiries regarding transaction status
	Compliance with Laws and Industry Regulations	• Requests from regulatory authorities such as the Ministry of Economy, Trade and Industry (METI) and the Financial Services Agency (FSA)(e.g., compliance with revised installment sales law, regulations for cashless payment service providers) • Rule changes within the payment industry(e.g., 3DS2.0 anti-fraud compliance, credit line monitoring, adjustments for convenience store and bank integrations)

The Evolution of Subscription Pay

Subscription Pay Professional is equipped not only with features to manage subscription billing but also with functionalities essential for business growth. Going forward, the service aims to contribute to customer expansion by supporting multiple industries and leveraging AI.



Companies Using "Billing Management Robo" (Partial List)

Primarily used by companies with subscription-based business models
generating monthly invoices

SaaS / Cloud Services



Media / Advertising



BtoC Services



Others



Consulting / Advisory



Systems / Infrastructure



Solving challenges related to recurring billing

Stable Business Operations

GMO GlobalSign Holdings K.K.



Industry: IT Services
Employees: 996

Challenges:

- The existing core system used in the business was not compatible with their service model in terms of operational cost and flexibility.

Why they chose Billing Management Robo:

- Ability to automatically issue invoices for recurring billing
- Support for postal delivery
- Compatible with various payment methods

Results after implementation:

- Invoices issued and billing totals processed in 2 business days
- Even as invoice volumes increased due to COVID-related business growth, the billing workload remained unchanged and could be completed in 10 minutes

New Business Development

Nittetsu Kowa Real Estate Co., Ltd.



日鉄興和不動産

Industry: Real Estate
Development
Employees: 536

Challenges:

- Wanted to reduce operational workload in a new business model involving incubation offices.

Why they chose Marunage Robo (Outsourced Billing Robo):

- To outsource not just invoice issuance, but the entire billing operation
- Expected benefits: automation and reduced manual labor in billing and follow-up

Results after implementation:

- Able to support various payment methods such as bank transfers
- Provided services to users without increasing their burden

Our Competitive Advantages

As a company that is growing steadily, safely, and securely, we are grateful for the continued support and trust of our investors. To maintain that trust, we will continue to uphold the following three key strengths:

1

A business model and customer base that enable stable growth

2

Minimal variance between initial plans and actual performance

3

Management policy and commitment to consistently operating in the black

- 1 A business model and customer base that enable stable growth

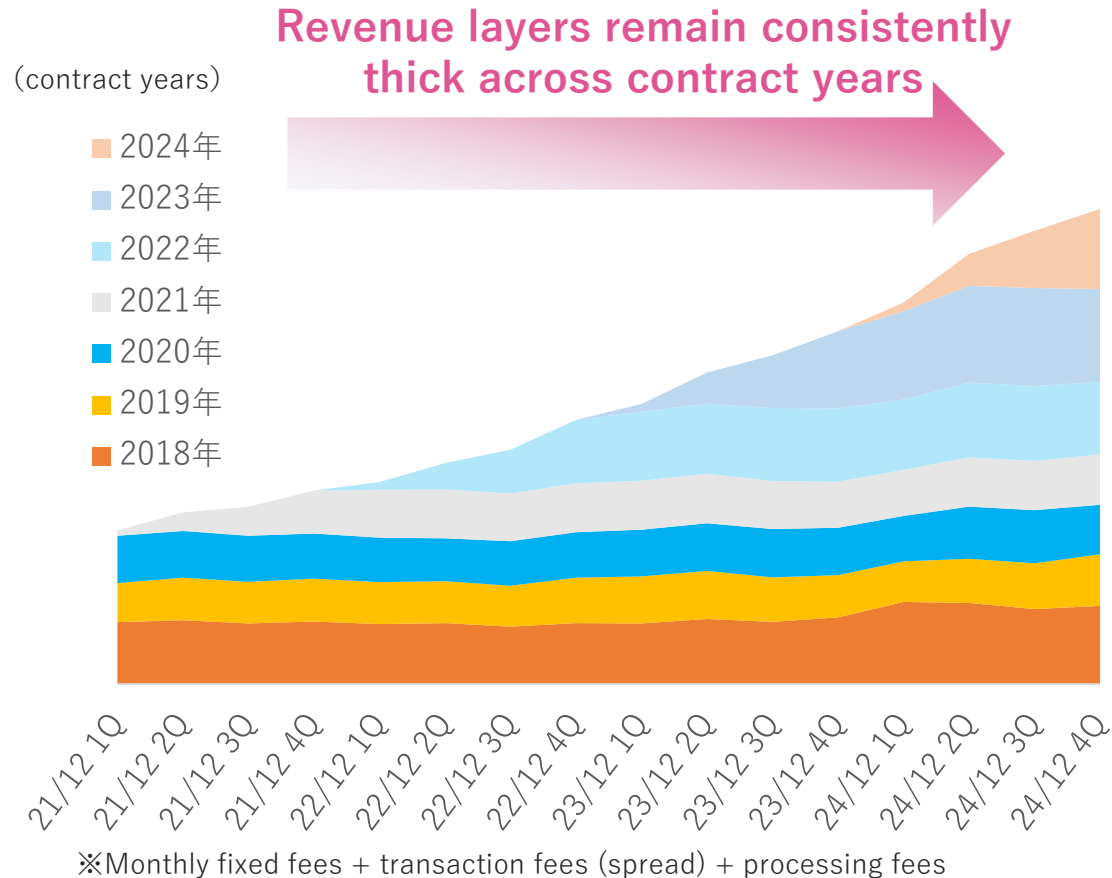
Four Key Elements of a Business Model and Customer Structure That Enables Stable Growth

- 1** Revenue continues to accumulate sustainably each year, as newly acquired customers consistently contribute to total sales without decline.
- 2** High barriers to entry for competitors allow us to acquire new customers continuously.
- 3** A diversified customer base that does not rely heavily on a few high-value customers.
- 4** A resilient customer portfolio that remains stable even amid changes in the external environment.

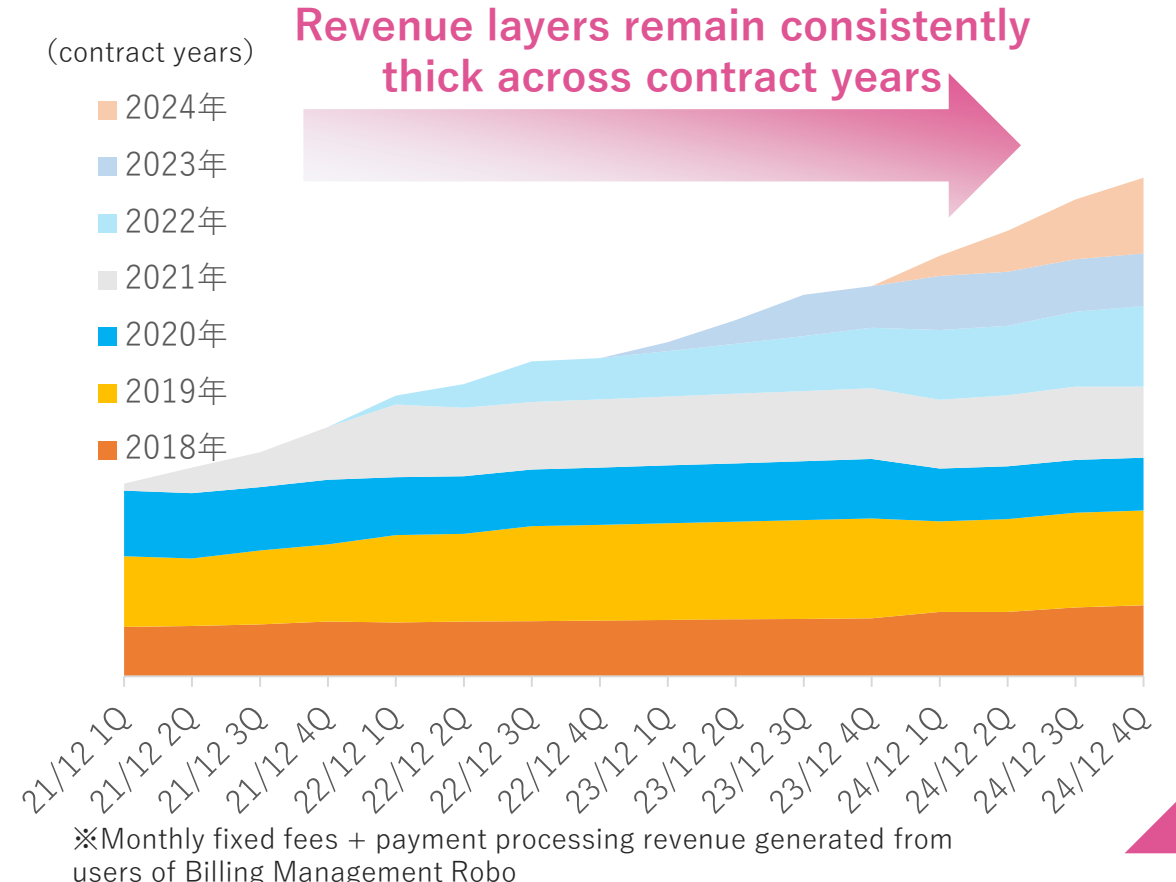
①-1 The total revenue generated by customers acquired each year continues to accumulate sustainably without declining.

The total revenue generated by customers acquired each year continues to accumulate sustainably without declining.

Revenue by Contract Year in the Payment Business



Revenue by Contract Year in the Financial Cloud Business



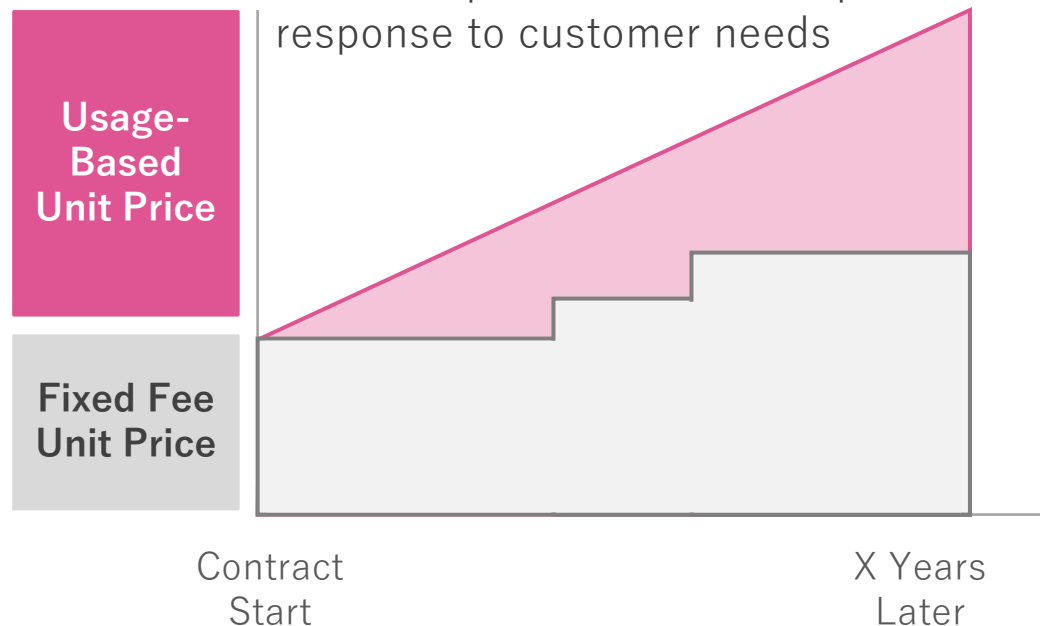
① - 1 The total revenue generated by customers acquired each year continues to accumulate sustainably without declining.

Revenue Structure Where ARPU (Average Revenue Per User) Increases Year by Year

The pricing model consists of fixed and usage-based fees. In addition to proactive proposals to increase fixed fees, variable fees such as transaction charges naturally increase as the customer's business grows.

Image of Increasing Revenue per Customer

As the customer's business grows, the usage-based unit price increases naturally
The fixed fee unit price increases stepwise in response to customer needs



Pricing Structure for Each Product

Payment

- Spread based on transaction volume
- Fee based on number of transactions
- System usage fee
- Optional service fees

Financial Cloud

- Storage charges based on number of invoices
- “Marunage” (fully outsourced) handling fee
- Payment processing revenue
- System usage fee
- Optional service fees
- Additional user ID fees

Increases naturally with the customer's business growth

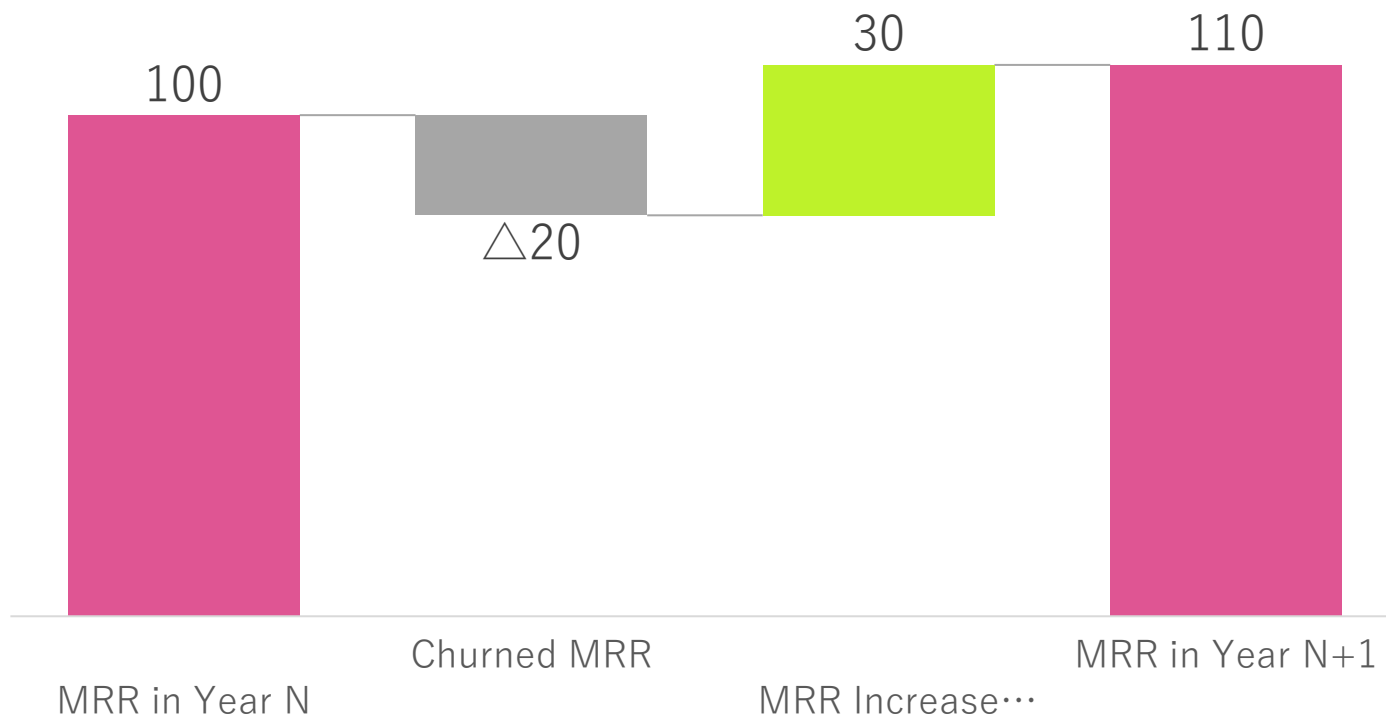
Increases proactively through added functionality and usage

① -1 The total revenue generated by customers acquired each year continues to accumulate sustainably without declining.

Existing Customer MRR > Churned Customer MRR

The increase in MRR from existing customers exceeds the total MRR lost due to churn, so total revenue does not decrease

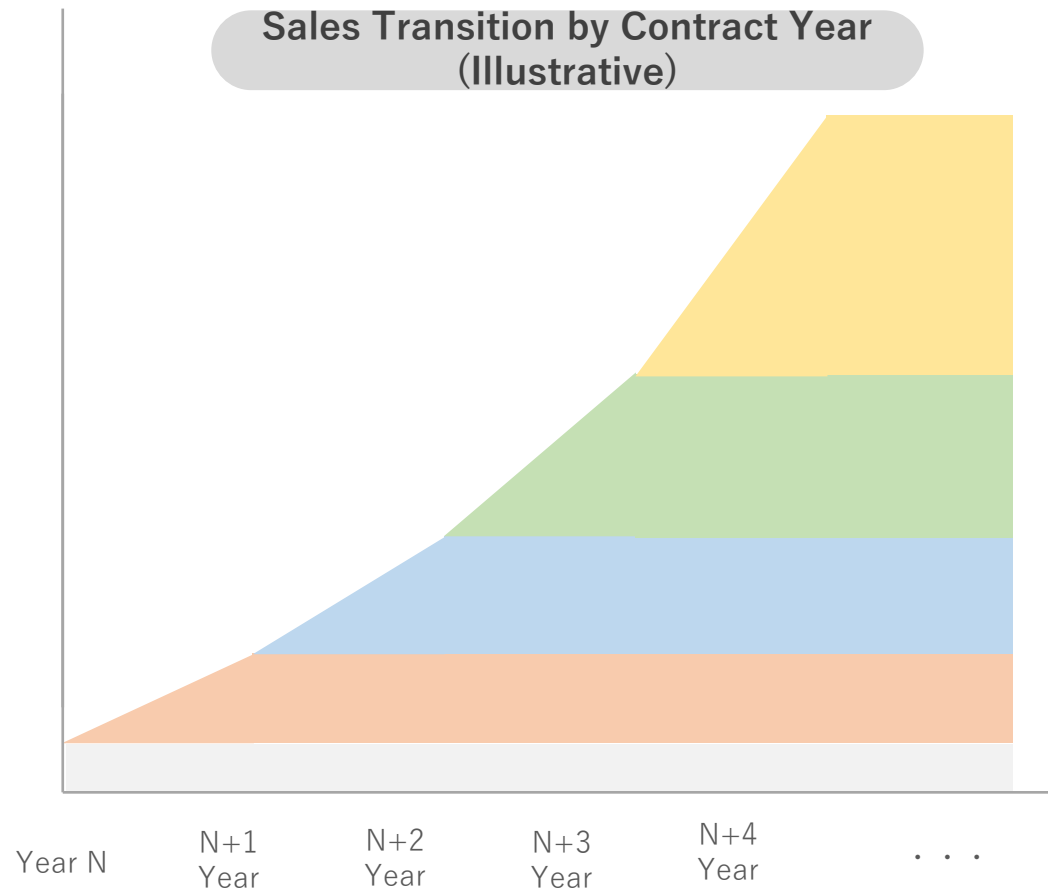
Image of MRR Increase



- The churn rate is low
- Customers who churn tend to be low-value users, so churned MRR is minimal
- MRR increases due to upselling through added features and higher usage by existing customers
- Therefore, the MRR increase from existing customers exceeds the total MRR lost from churned customers

①-2 Because new market entry by competitors is difficult, we can continuously acquire new customers

Because new market entry by competitors is difficult, we can continuously acquire new customers



We operate in a business domain with high barriers to entry, making new competitor entry difficult. As our organization expands, we are able to increase the number of newly acquired customers, resulting in even greater accumulation in the revenue layers from future customer acquisitions.

①-2 Because New Entry by Competitors Is Difficult, We Can Continuously Acquire New Customers

Why It Is Difficult for Competitors to Enter the Market

Starting a payment service requires overcoming a variety of barriers in terms of systems operations, and contracts, making market entry highly difficult for newcomers.

What Is Required to Provide Payment Services

Providing payment services requires contracts with card companies and financial institutions, credit screening expertise, and robust security measures.



24/7 system maintenance



Robust security measures



24/7 system maintenance



Complex and precise operations



Compliance with legal and industry regulations



Comprehensive merchant contract with card



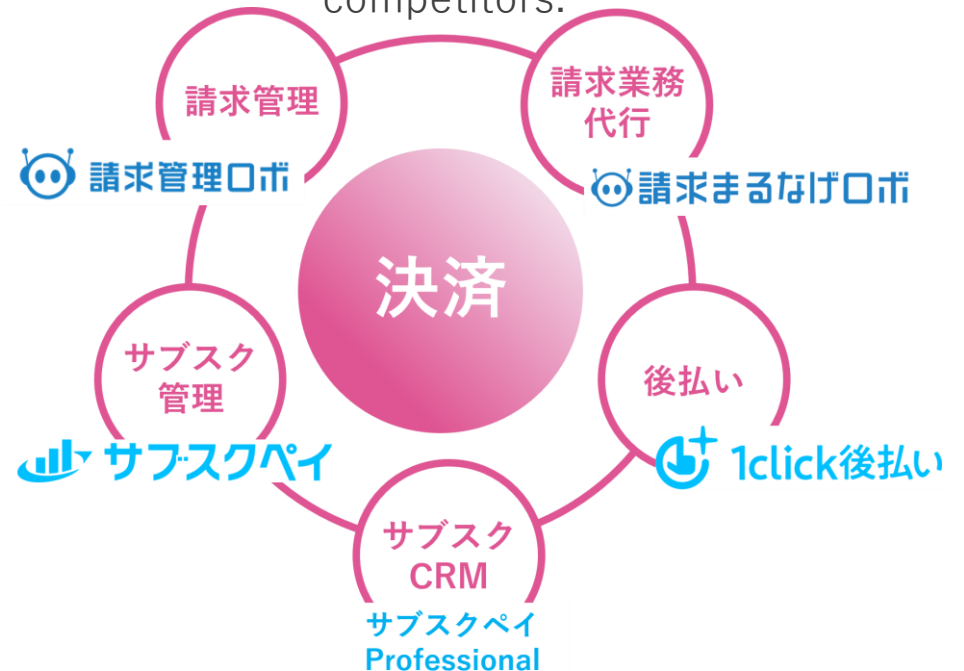
Credit screening expertise



Contracts and networks with financial institutions

Payments as a Strength and Competitive Differentiator

All of our products are integrated with our payment services, creating strengths that differentiate us from competitors.



①-3A Structure That Does Not Depend on High-Value Specific Customers

A Customer Structure That Does Not Rely on High-Value customers

With a customer base of over 9,000 companies forming a long-tail structure, there is minimal reliance on a few high-value customers.

Number of Customers per Product

Customer base exceeds 9,000 companies

SubscPay:

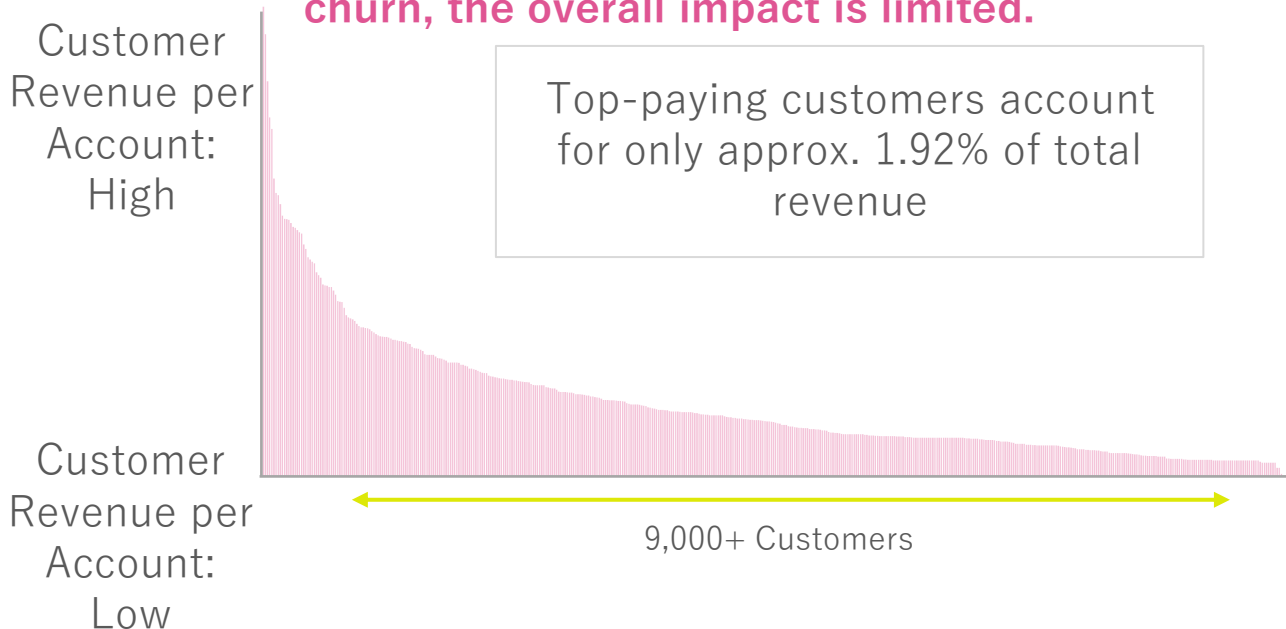
8,487AC

Billing Management Robo

936AC

Distribution Image of Revenue per Customer

In terms of revenue per customer, the distribution shows a long tail of low-value customers. As a result, dependency on high-value customers is low, and even if some top-paying customers churn, the overall impact is limited.



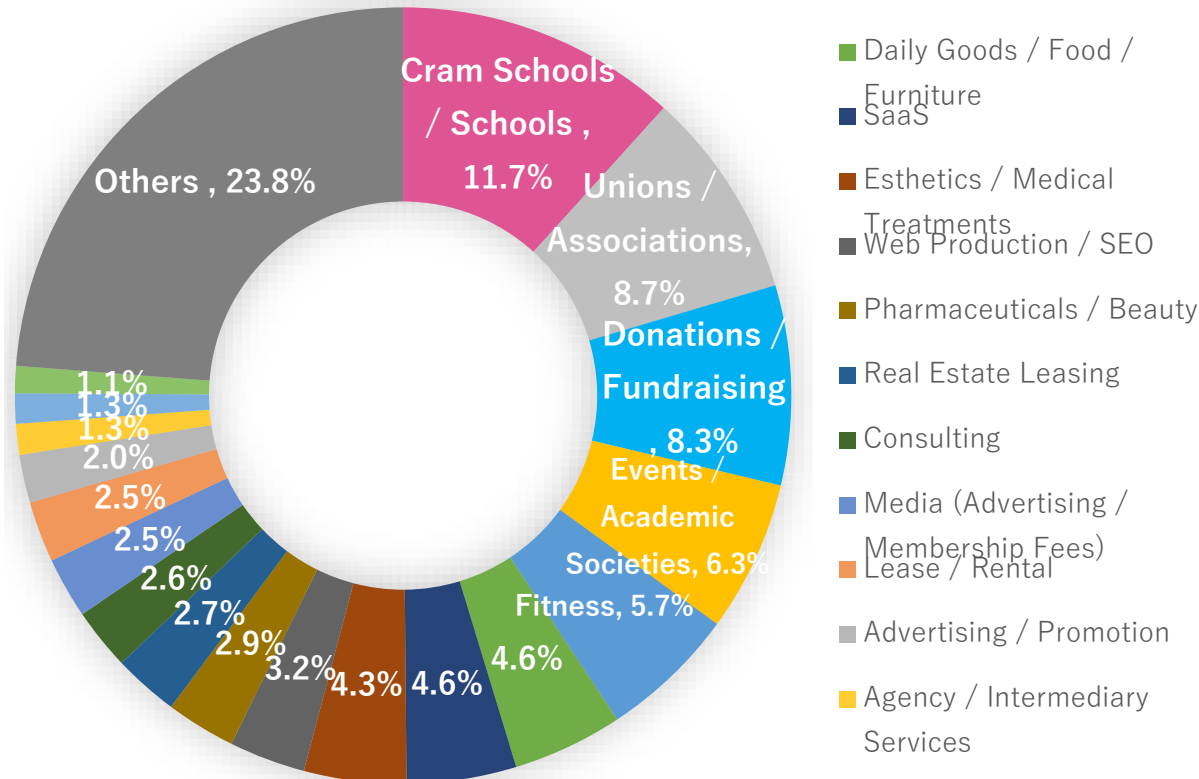
(Note: Top-paying customers are defined as those with the highest monthly recurring revenue (MRR) per account as of the end of December 2024.

① - 4A Customer Structure That Maintains Stable Revenue Even Amid External Environmental Changes

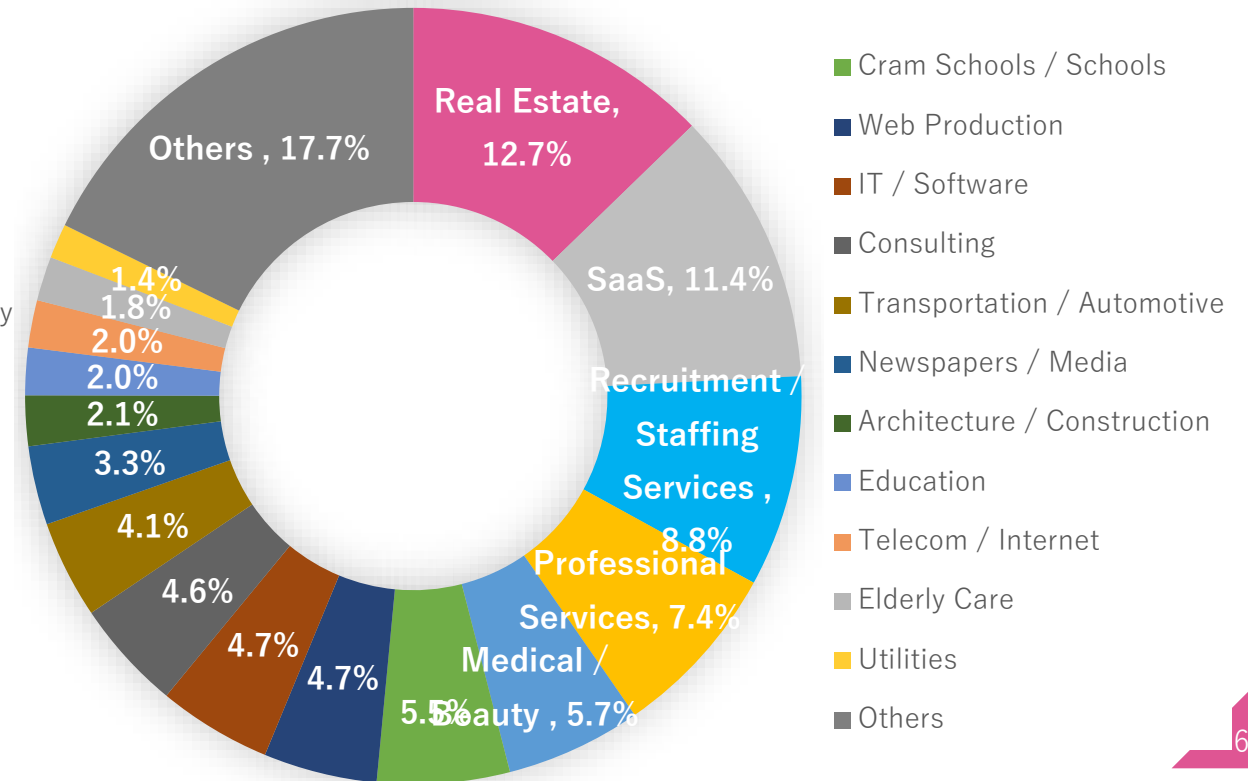
A Customer Structure That Maintains Stable Revenue Even Amid External Environmental Changes

We have built a diversified customer portfolio across various industries, creating a structure that is not affected by external environmental changes such as economic fluctuations or natural disasters.

Customer Industries in the Payment Business



Customer Industries in the Financial Cloud Business



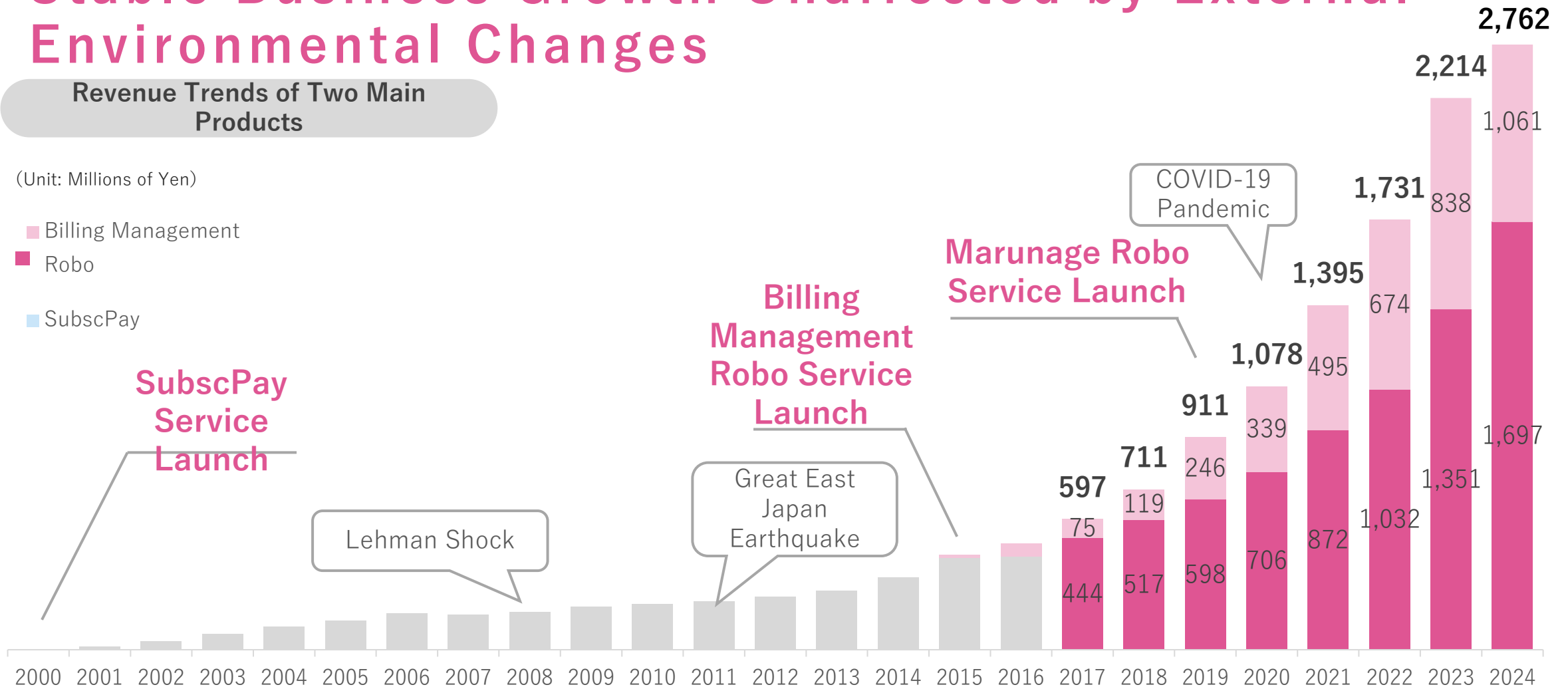
①-4 A Customer Structure That Maintains Stable Revenue Even Amid External Environmental Changes

Stable Business Growth Unaffected by External Environmental Changes

Revenue Trends of Two Main Products

(Unit: Millions of Yen)

- Billing Management
- Robo
- SubscPay



2 Minimal Variance Between Initial Plans and Actual Results

Historical Forecast vs. Actual Variance

The variance between our initial revenue forecasts and actual results has averaged 4.5% over the past five years, which is comparable to leading companies in the information and communications industry. We remain committed to achieving our plans with a strong management focus.

Revenue (Unit: Millions of Yen)		FY2020	FY2021	FY2022	FY2023	FY2024
GMO Payment Gateway	Initial Forecast	36,618	39,792	50,000	59,100	73,286
	Actual Results	33,046	41,667	50,298	63,119	73,785
	Variance	-9.8%	4.7%	0.6%	6.8%	0.7%
SHIFT	Initial Forecast	28,000	45,000	63,000	87,000	114,000
	Actual Results	28,712	46,004	64,873	88,043	110,627
	Variance	2.5%	2.2%	3.0%	1.2%	-3.0%
ROBOT PAYMENT	Initial Forecast	1,057	1,333	1,697	2,069	2,578
	Actual Results	1,078	1,395	1,731	2,214	2,758
	Variance	2.0%	4.7%	2.0%	7.0%	7.0%

Average:
4.5%

Average:
2.4%

Average:
4.5%

Policy for Pursuing New Initiatives

New Businesses and M&A Are Conducted Within the Scope of Profit Growth

New Business Policy

- New businesses shall be conducted within the scope of profits generated by existing businesses.

Even after accounting for the deficit of the new business, the overall result remains positive due to the profits of the existing business.

Profits from
Existing
Businesses

>

Annual Deficit of
New Business

M&A Policy

- Target companies/businesses for acquisition must be within the scope of not incurring goodwill impairment.
- Carefully evaluate companies/businesses to ensure no impairment loss occurs.

Even after deducting goodwill amortization from the acquired company's profits, the overall result should remain positive.

Operating Profit
of Acquired
Company

>

Goodwill
Amortization
(Over 5 Years)

Growth Strategy

Growth Strategy

–Table of Contents–

- ① Mid-Term Management Policy
- ② Business Strategies to Achieve Mid-Term Goals
- ③ Initiatives to Improve Our Productivity
- ④ Market Growth Potential

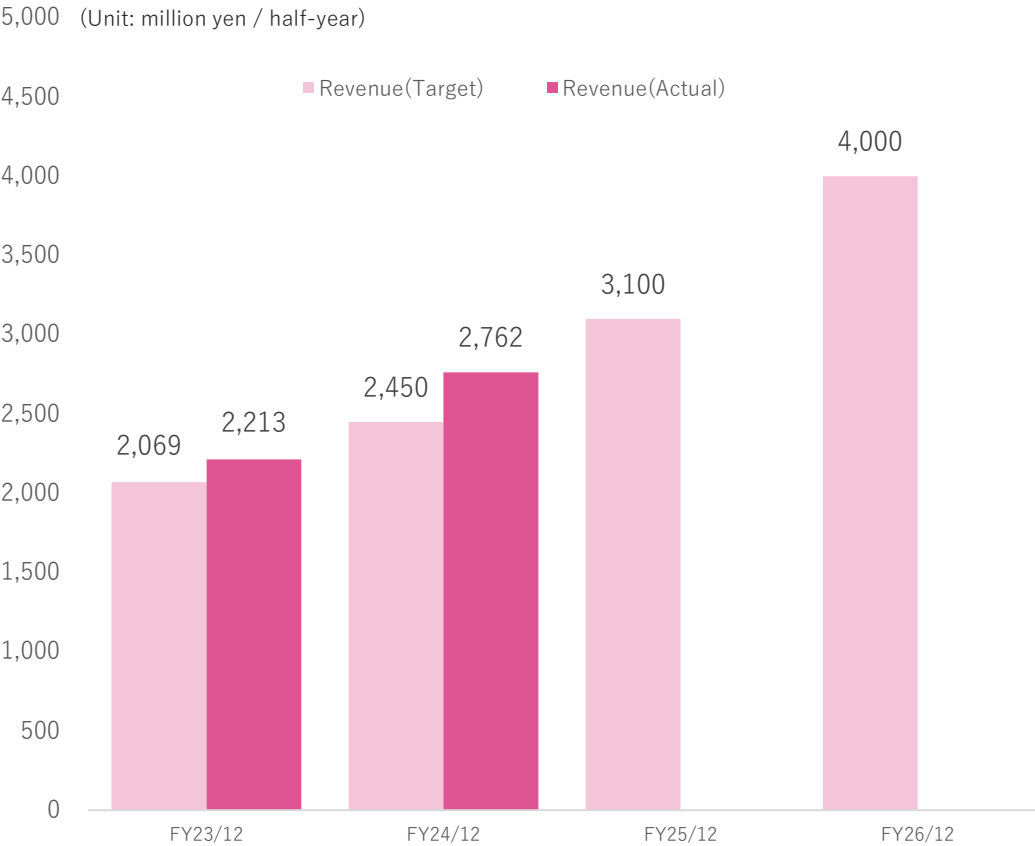
1

Mid-Term Management Policy

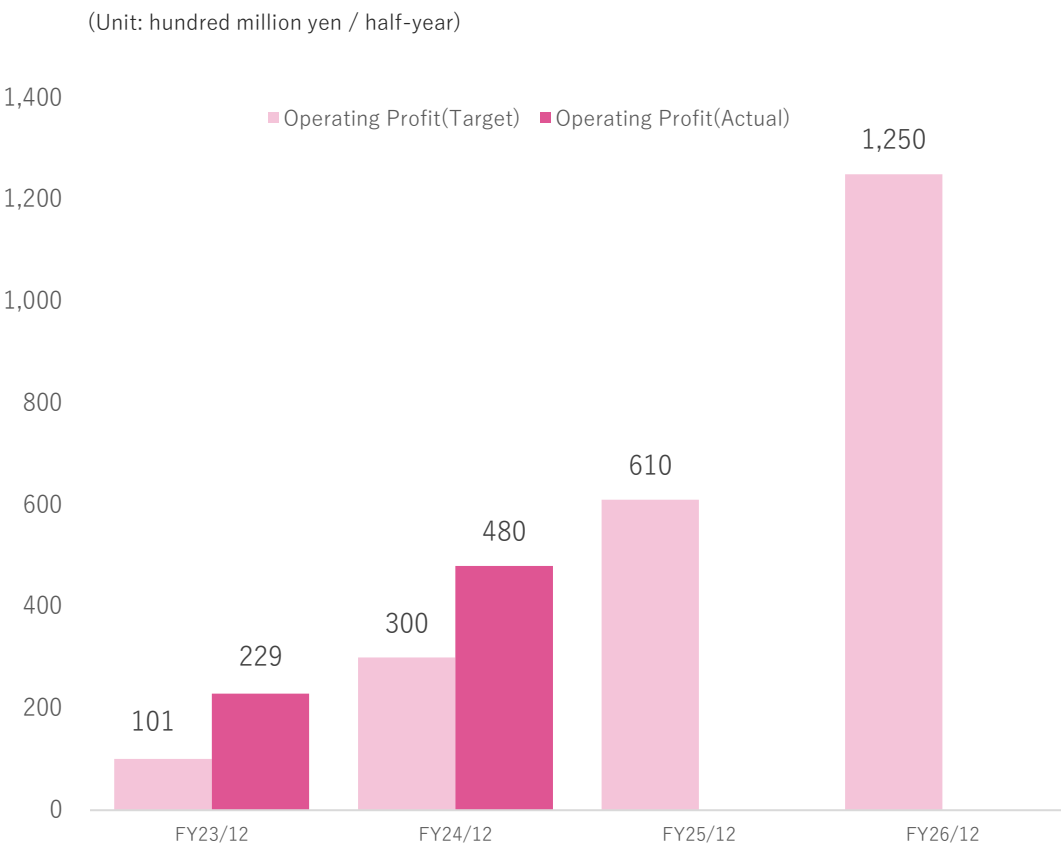
Progress on Mid-Term Targets (Revenue & Profit)

The company is progressing steadily, outperforming the medium-term targets set in 2023 for both FY2023 and FY2024.

Revenue Targets and Actuals for FY2023 and FY2024 as per the Medium-Term Plan Announced on February 14, 2023



Operating Profit Targets and Actuals for FY2023 and FY2024 as per the Medium-Term Plan Announced on February 14, 2023



Cost Allocation Policy for Mid-Term Targets

Continue with a cost-efficiency-focused approach without major policy changes after 2025

Reposted from FY2022 Full-Year Financial Results Presentation
(Announced on February 14, 2023)

How We Specifically Revised Our Mid-Term Management Targets

Since the second half of FY2022, we have improved cost efficiency
and will continue to take action with a cost-efficiency-focused approach.

Mid-Term Management Policy
Announced on February 14, 2022

Cost Allocation Policy	Focused on revenue growth, proactively invested in expenses
Advertising & Promotion	Aimed to boost awareness through large scale promotions including mass media and TV commercials from FY2023 onward
Salaries & Benefits	- Hired aggressively for sales roles - Increased hires of high-value, high-class personnel
Development Costs	Invested in multiple experimental new product R&D projects with future revenue contributions in mind



Updated Policy

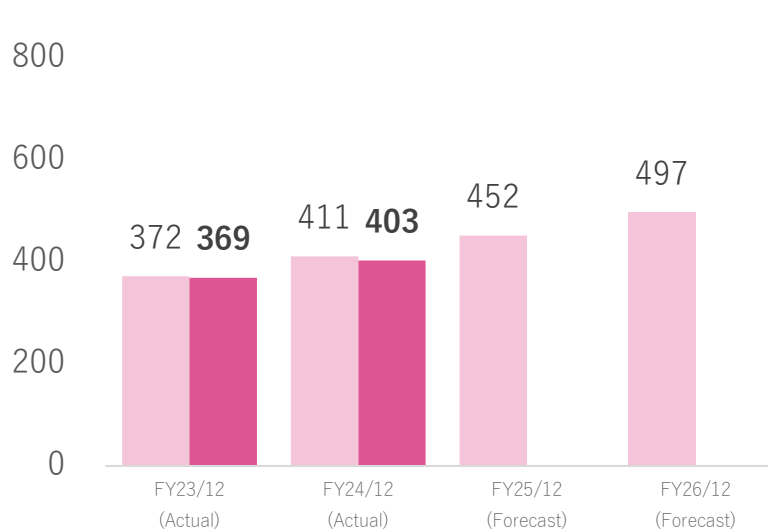
Cost Allocation Policy	Focused on productivity, maximizing performance at optimal cost
Advertising & Promotion	- Shifted to efficiency-focused promotional strategy - Prioritized targeted awareness via taxi ads, YouTube, and digital marketing over large-scale promotions
Salaries & Benefits	- Optimized hiring plans from FY2023 onward - Prioritized productivity by maximizing individual capabilities with a lean team
Development Costs	- Improved new development efficiency - Implemented architecture review, leveraged SaaS/PaaS, set engineering KPIs - Aimed to ensure quality and speed at minimal cost

Progress on Mid-Term Targets (Expenses)

Following a policy to generate annual operating profit, we continue efficient cost allocation and cost control.

Advertising & Promotion Expenses

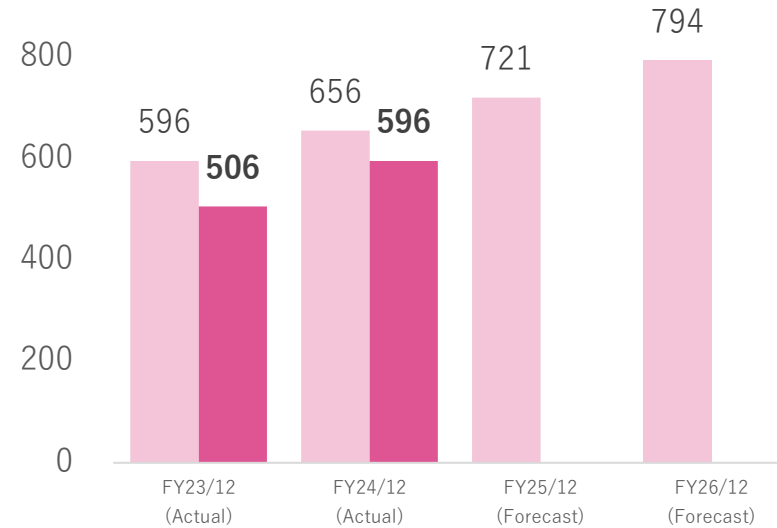
1,000 (Unit: million yen)



- Focused on cost-effectiveness with targeted and digital awareness campaigns.
- Expenses came in under target, contributing to upside in profits.

Salaries & Benefits

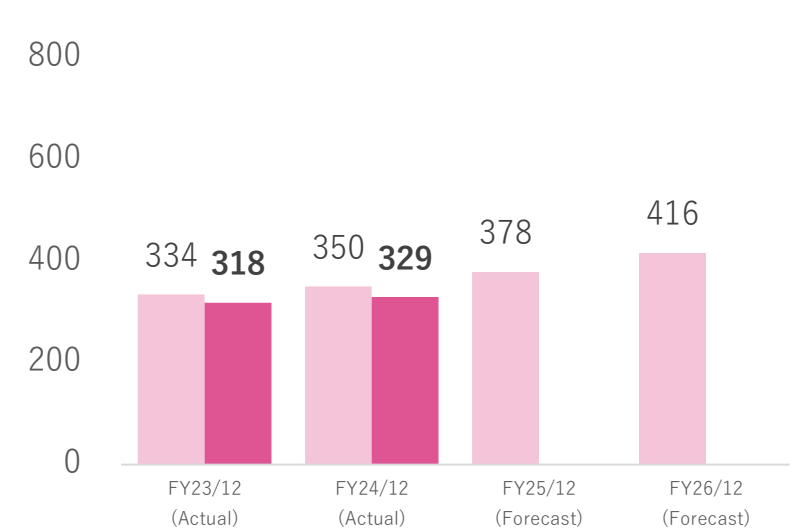
1,000 (Unit: million yen)



- Hiring volume was optimized under a productivity-focused policy.
- Results came in below target, contributing to upside in profits.

Development Expenses

1,000 (Unit: million yen)



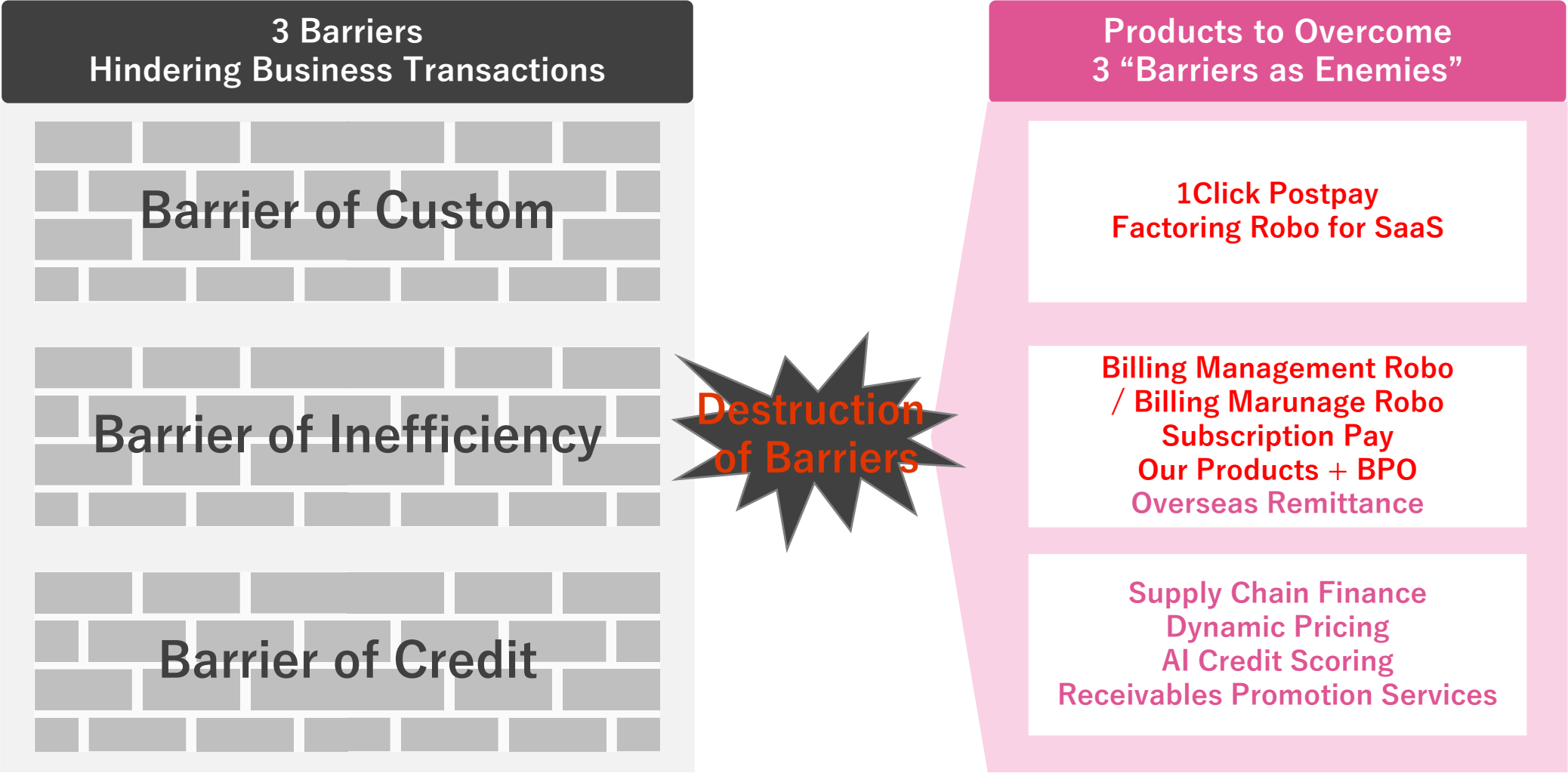
- While enhancing existing products and developing new ones, the productivity-first approach kept spending below target, contributing to profit upside.

2

Business Strategies to Achieve Mid-Term Goals

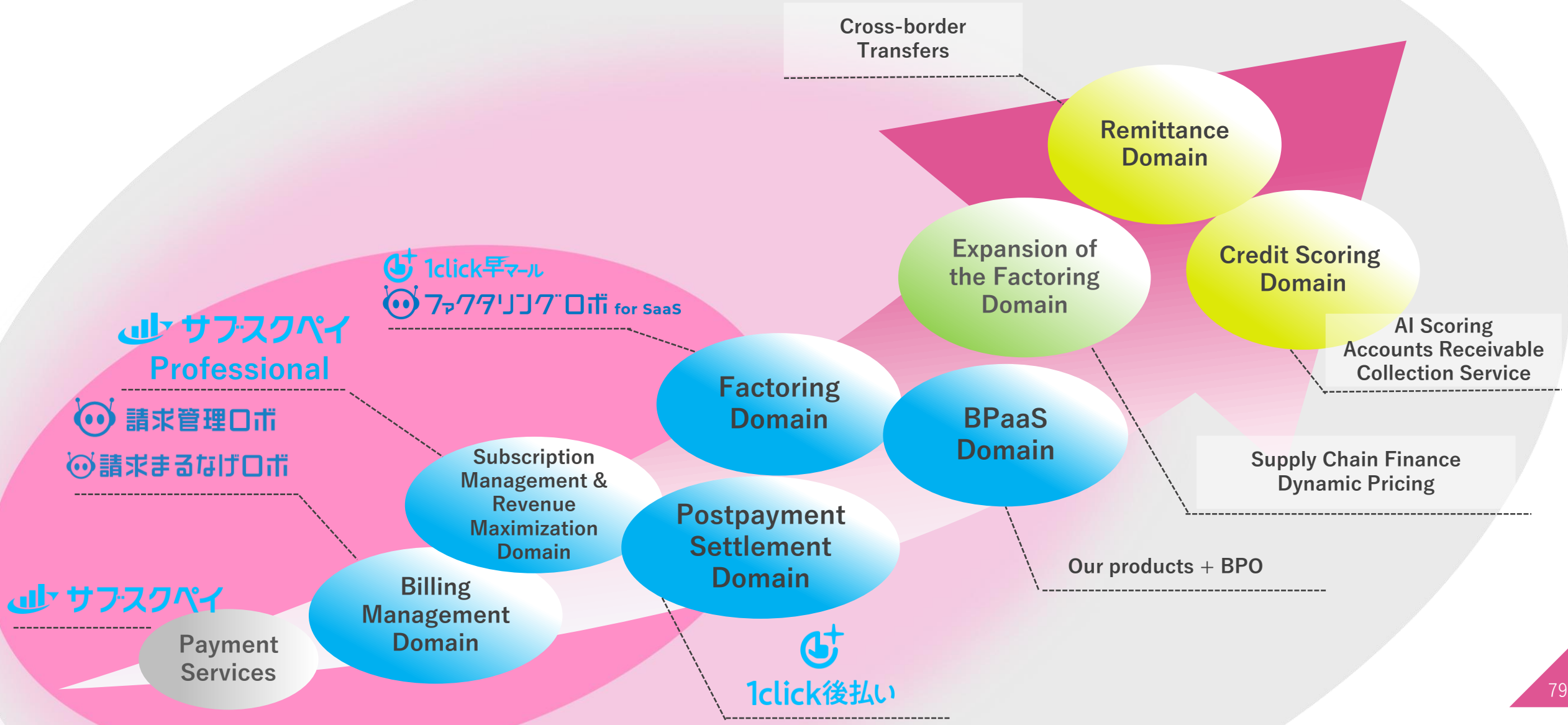
Business Development to Break Down the 3 Barriers

We offer services to address and solve the 3 barriers hindering business transactions.



Future Business Expansion

Pursue further growth by developing businesses that break down the three barriers.



3

Initiatives to Enhance Our Productivity

Why Is Productivity Improvement Necessary?

Japan ranks 31st out of 38 OECD countries in labor productivity (as of 2022), one of the lowest levels. With a declining working-age population due to a low birthrate and aging society, it is widely believed that Japan's economic growth will significantly slow unless productivity improves.

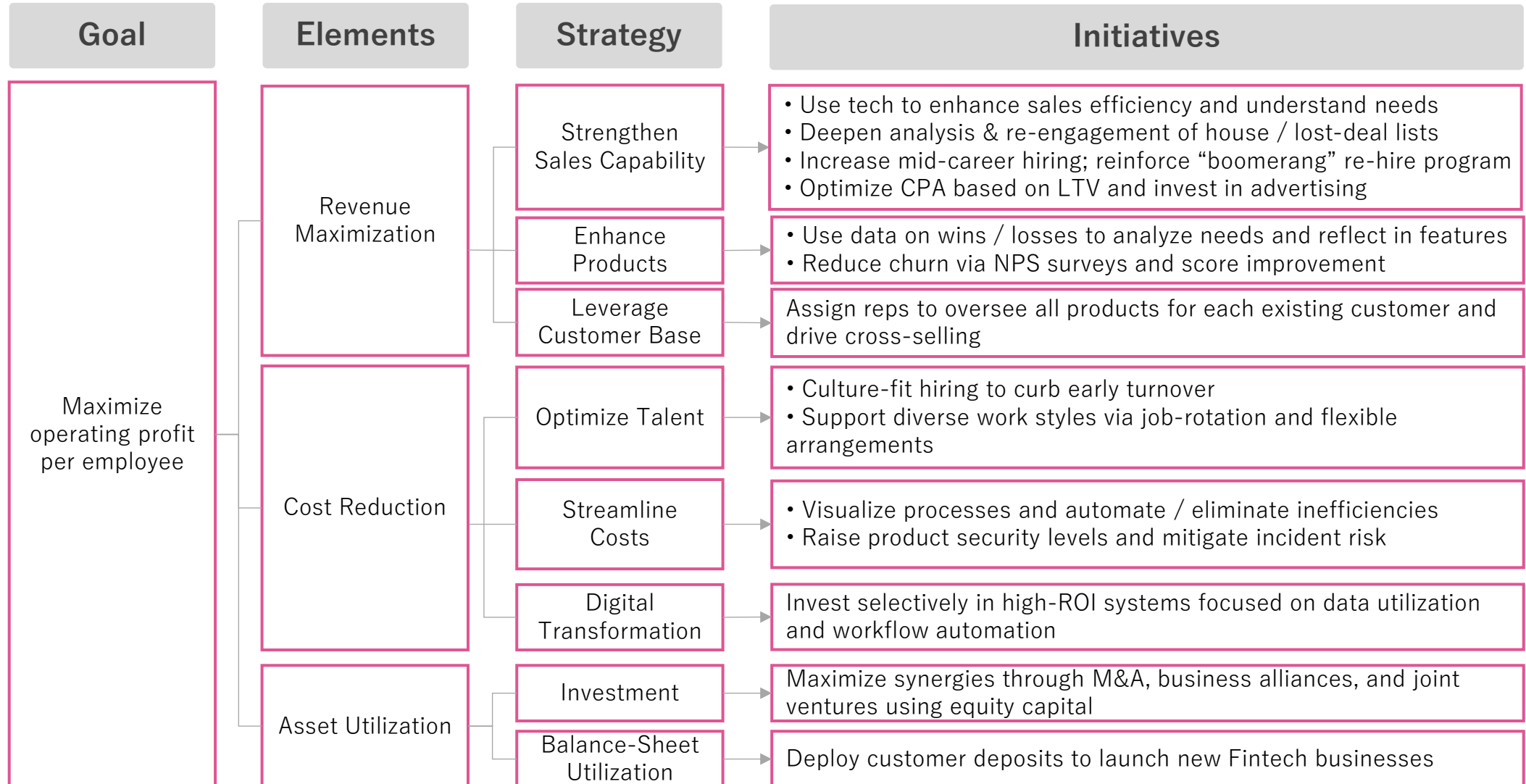
For this reason, we believe it is crucial to generate significant outcomes with limited human and capital resources, enhancing our competitiveness.

At our company, we view “productivity improvement = maximizing profit per employee” and are working to continuously enhance productivity through three categories: revenue growth, cost reduction, and asset utilization.

By maximizing profit per employee, we can increase wages, improve office environments, enhance employee benefits, and raise employee satisfaction. This in turn enables us to maintain a competitive edge, promote business growth, and achieve sustainable corporate development.

Strategies & Initiatives to Enhance Productivity

We will implement the following measures to maximize operating profit per employee.



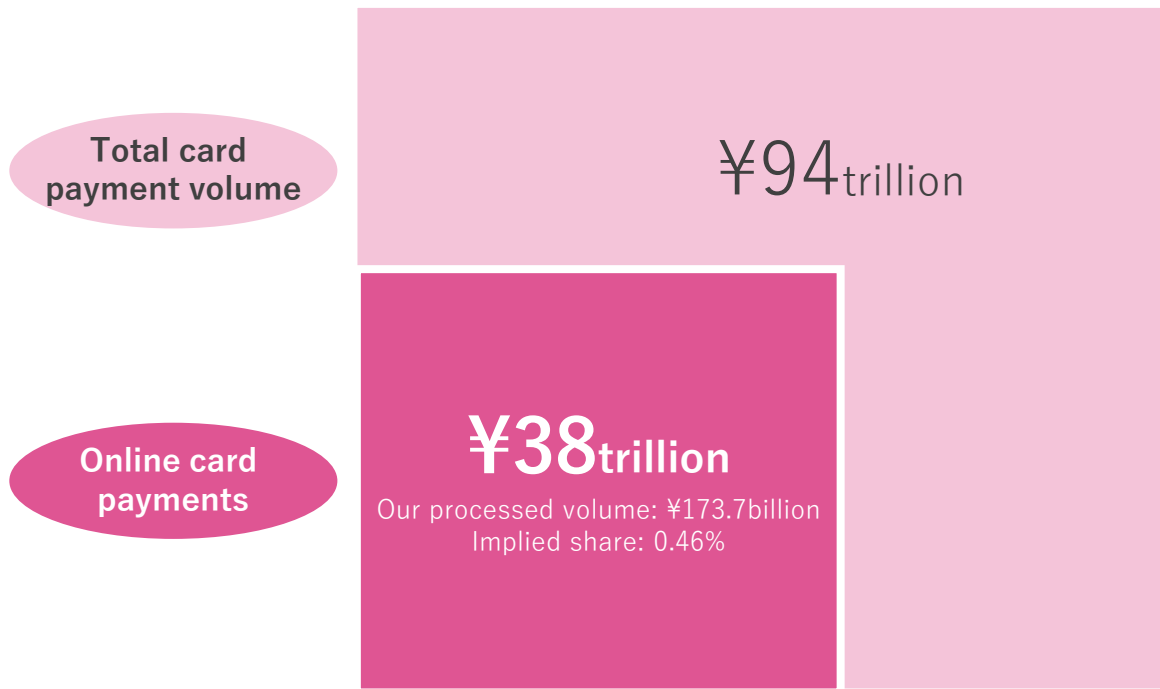
4

Market Growth Potential

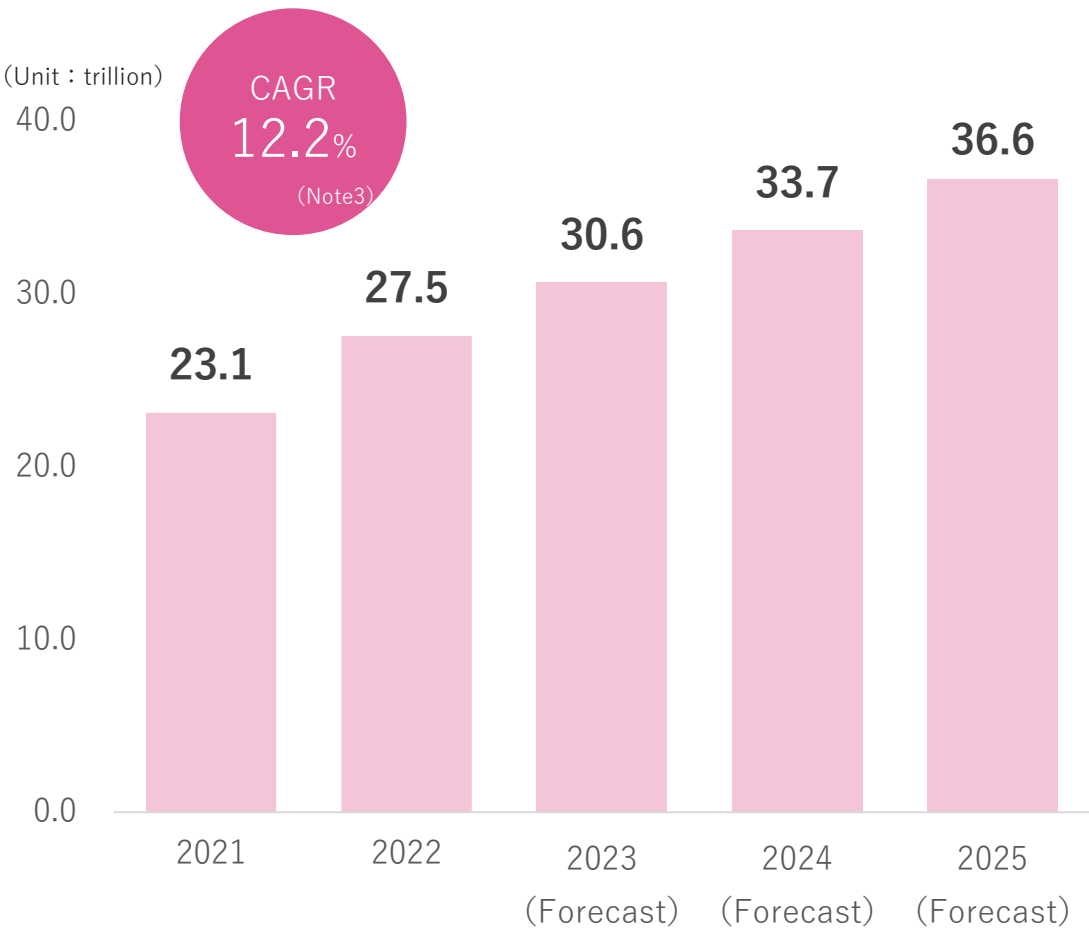
Subscription Pay – Market Size

Our estimated share of Japan’s online - payment volume is only 0.46%, while the EC-payment market itself is still growing - leaving significant headroom for further adoption.

Estimated Subscription Pay Addressable Market (2023)^(Note1)



EC Payment-Service Market Trend^(Note2)

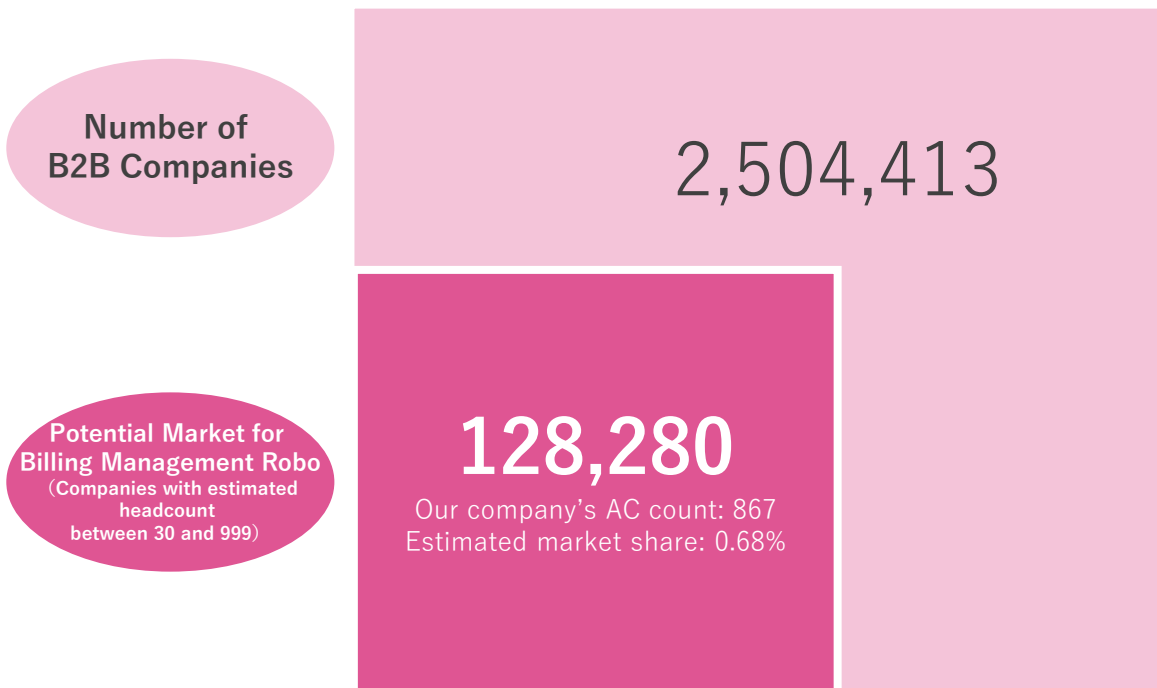


(Note 1) From the Ministry of Economy, Trade and Industry's report "Cashless Payment Ratio for 2022" (published April 2023), and Deloitte Tohmatsu MIC Research Institute's report "Current State and Outlook of Online Payment Gateway Market in E-Commerce FY2020 Edition" (published June 2020).
 (Note 2) From Yano Research Institute's announcement "Survey on the EC Payment Service Market Conducted (2023)" (published March 29, 2023).
 (Note 3) Compound Annual Growth Rate (CAGR) of market size over the five-year period from 2021 to 2025.

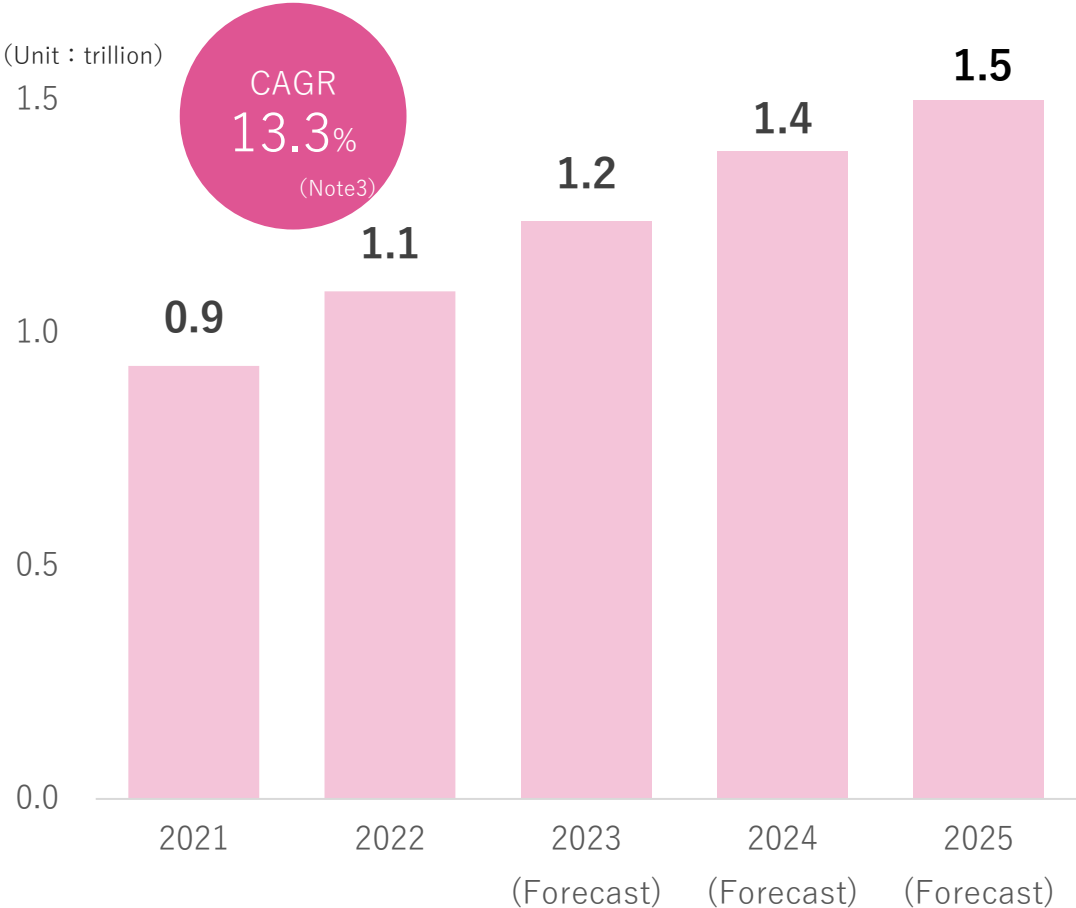
Market Size of "Billing Management Robo"

The target market for Billing Management Robo currently holds only a 0.7% share, indicating significant room for customer acquisition. As the domestic SaaS market continues to expand, system adoption is expected to accelerate further.

Estimated Market Size of Billing Management Robo (2023) ^(Note1)



Domestic SaaS Market Size Trend ^(Note2)

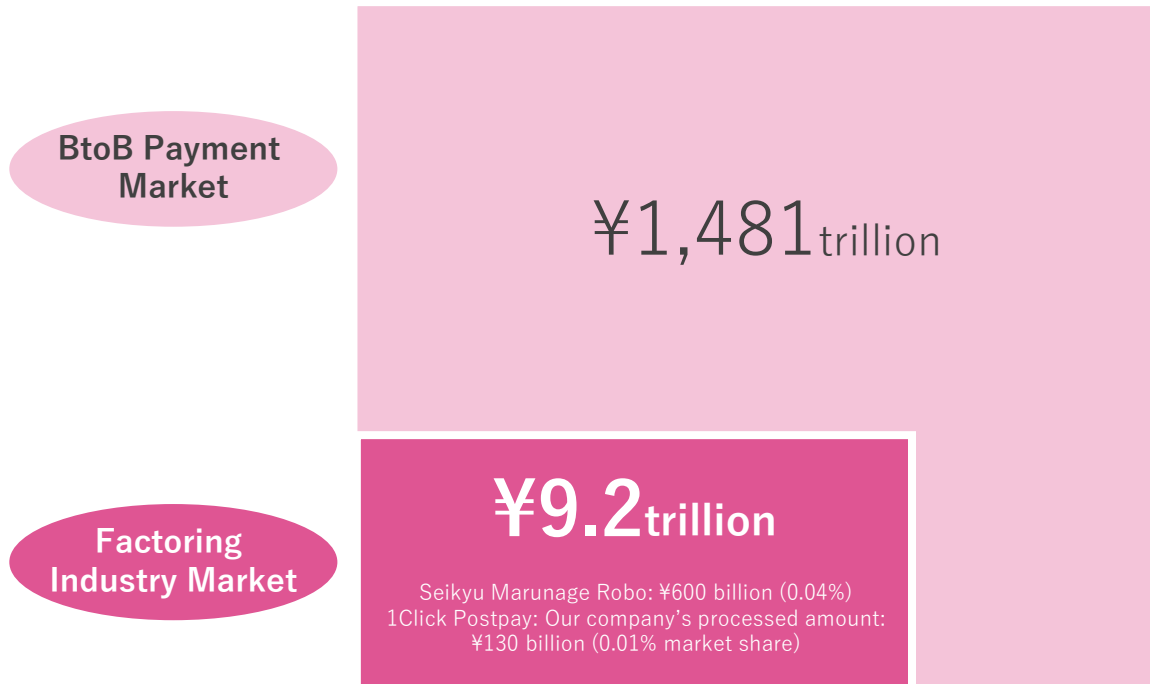


(Note 1) From the "2021 Economic Census for Business Activity" published in June 2023 by the Statistics Bureau of the Ministry of Internal Affairs and Communications.
(Note 2) From "Software Business New Market 2022 Edition" by Fuji Chimera Research Institute, Inc.
(Note 3) Compound annual growth rate (CAGR) of market size over the five-year period from 2021 to 2025.

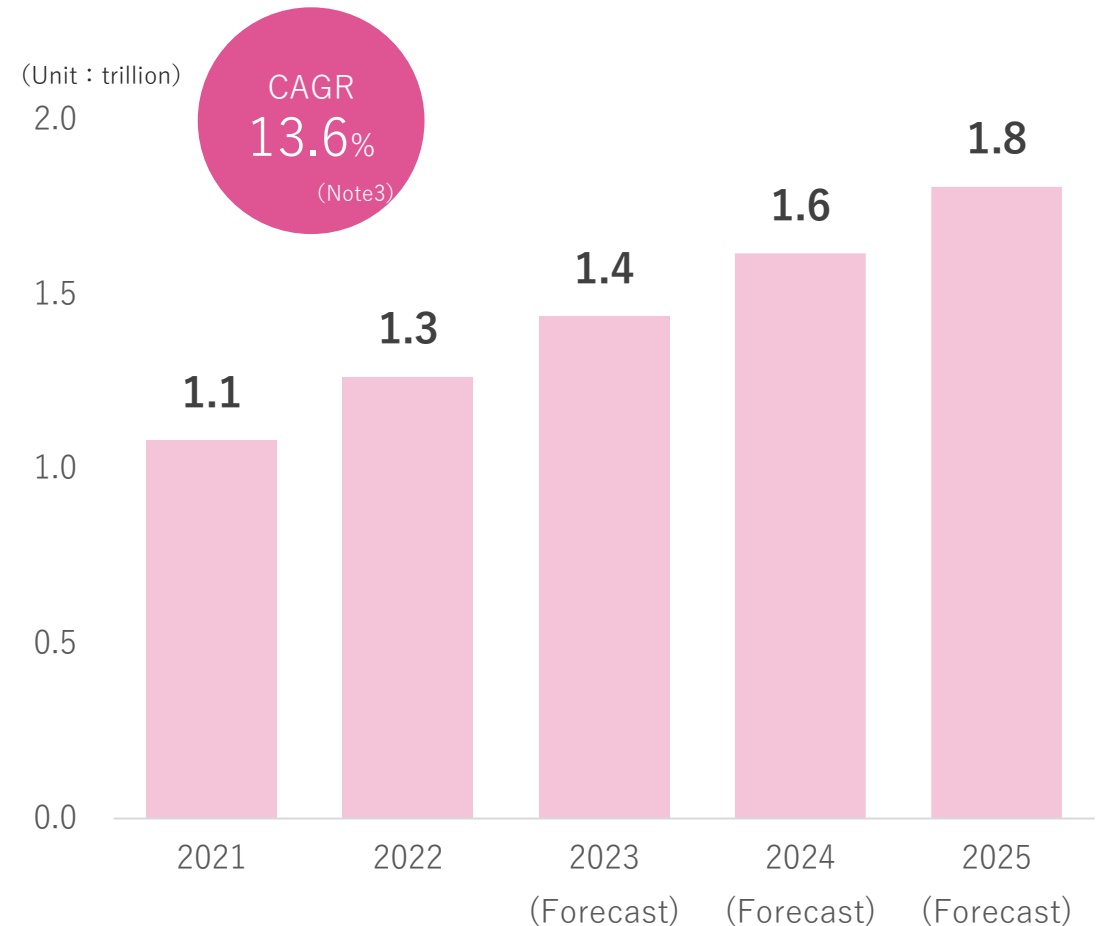
Market Size of Seikyu Marunage Robo / 1Click Postpay

The factoring industry is relatively small within the BtoB payment market.
The postpay (BNPL) market is steadily expanding, indicating significant room for product growth.

Estimated Market Size of
Seikyu Marunage Robo / 1Click Postpay as of 2023 (Note1)



Market Size Trend of Postpay Services (BNPL) (Note2)



Notes:

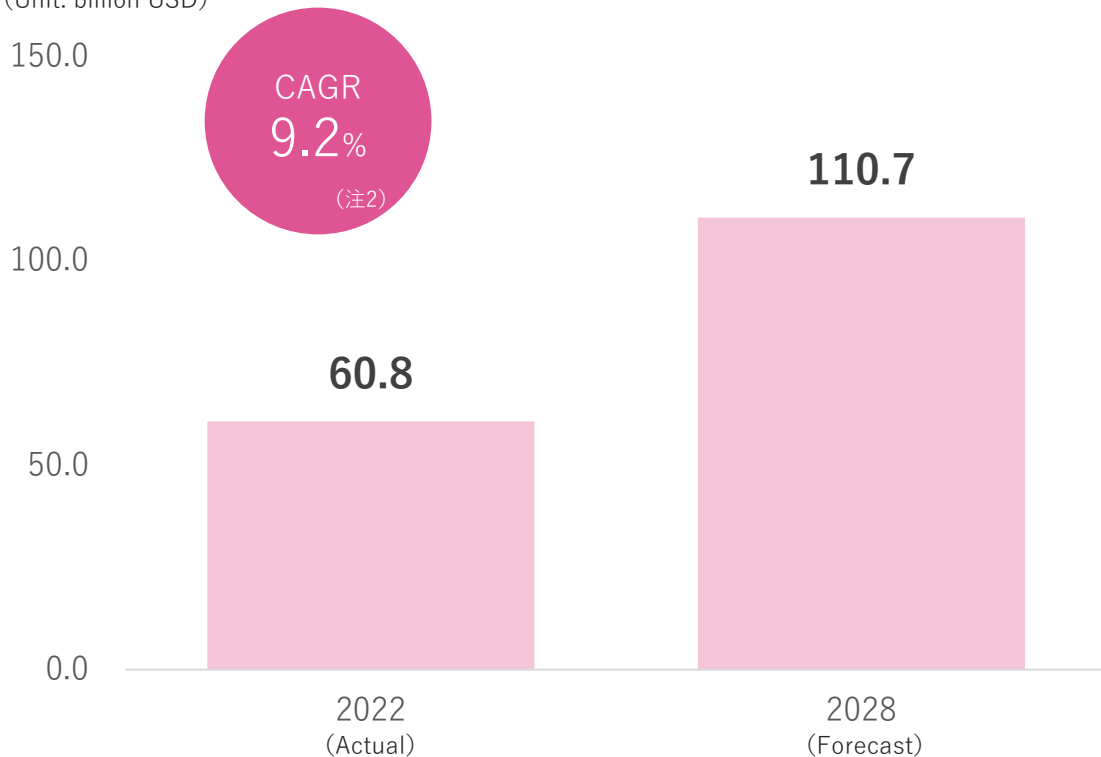
1. From publicly available data as of July 2023: Ministry of Economy, Trade and Industry "Basic Survey of Business Structure and Activities," FCI "Total Factoring Volume by Country in the Last 7 Years (in million of Euros)," and company filings.
2. From a survey released on March 29, 2023, by Yano Research Institute Ltd. on the domestic BNPL market.
3. CAGR is based on the 5-year market size forecast from 2021 to 2025.

Market Size of BPaaS

The BPaaS market is expanding globally. Trends in digital transformation (DX) and operational efficiency are also driving growth.

Global BPaaS Market Size Forecast (Note1)

(Unit: billion USD)



Key Trends Driving BPaaS Market Growth (Note3)

Widespread adoption of cloud services across various sectors

Importance of reducing system operation costs through BPO

Rising demand for efficiency and business process optimization through shared services

Increasing demand for advanced technologies such as AI and RPA

Notes:

1. Source: IMARC Group, January 2023. "BPaaS (Business Process as a Service) Market: Global Industry Trends, Share, Size, Growth, Opportunity, and Forecast 2023–2028."

2. CAGR over the six-year period from 2023 to 2028.

3. Source: Markets & Markets, "BPaaS Market by Business Process (Human Resource Management, Customer Service & Support, Accounting & Finance, Sales & Marketing, Procurement, SCM, and Operations), Deployment Model (Public, Private, Hybrid Cloud) – Global Industry Forecast to 2028."

5

Risk Factors

Risks and Countermeasures Related to Our Business Development

Main Risks and Their Impact on Business Execution	Likelihood	Severity	Countermeasures to Key Risks
About the Risk of COVID-19 Infection Currently, there has been no significant impact on our business performance. However, if the spread of infection leads to prolonged stagnation in economic activity, there is a possibility that the Japanese economy may deteriorate and worsen business sentiment. As a result, our company's business growth and financial performance may be affected.	Low	Medium	To ensure employee and family safety while maintaining customer value:- Establish remote work • environment and promote telework/flexible work • styles- Introduce special leave policy for vaccination
Risk Related to the Acquisition, Retention, and Development of Talented Personnel To enhance our competitiveness and support future business expansion, we consider the acquisition, retention, and development of excellent talent to be crucial. However, if these efforts do not proceed as planned or if key personnel leave the company, it could reduce our competitiveness and become a limiting factor for business scalability, potentially impacting our operations.	Medium	Medium	• Align recruitment plans with each business phase and hire talents who share our vision • Implement training plans, evaluation systems, and working environment enhancements aimed at employee upskilling and retention
About System Failures Natural disasters or unauthorized access by external parties (e.g., computer intrusion, viruses, cyberattacks) may lead to system failures in our payment services and disrupt operations. If such incidents occur, they may result in service interruptions or hindered transaction processing. Furthermore, the credibility of our services may be damaged, which could have a negative effect on our business performance.	Low	High	Strengthen systems and governance to prevent and respond to issues: • Security measures against internal & external threats • 24/7 system monitoring • Regular security audits • Internal reporting protocols
About Merchant Aggregation Agreements In our payment business, we have aggregation agreements with credit card companies and merchants. These agreements allow us to act as an intermediary for credit card payments and related settlement operations. However, if such agreements are terminated or restricted due to violations or rule changes, it could have an adverse impact on our operations.	Low	High	- Maintain strong relationships with major credit card companies and prioritize coordination with them

(Note): For other risks, please refer to the "Business Risks" section of the Securities Report.

Please Subscribe to Our Email Newsletter and Official LINE Account



To help investors, shareholders, and other stakeholders better understand and stay informed about our company, we have launched an “Email Newsletter” and “Official LINE Account. "We kindly invite you to subscribe.

登録方法	▼ Subscribe to the Email Newsletter		▼ Subscribe to the Official LINE Account	
				
	https://www.magicalir.net/4374/mail/		https://lin.ee/keiczv9	
	Purpose	To notify you in real-time of all timely disclosures and PR information.		To notify you of major news releases with commentary, and to enable direct communication with our IR team via LINE.
	Content	Same as the information distributed via timely disclosures and PR releases.		Major news releases (with commentary), event announcements, seminar appearance info, etc.
Frequency		2–4 times per month (Delivered simultaneously with disclosures)		2–4 times per month (Varies depending on the number of news releases and seminar appearances)

On the Nomination and Compensation Advisory Committee

To enhance objectivity and transparency in the nomination, dismissal, and compensation of directors, the Company has established a Nomination and Compensation Advisory Committee. This committee is positioned as an advisory body to the Board of Directors. Currently, the committee is composed of three members, two of whom are independent outside directors.

On Outside Directors

The Company currently appoints five outside directors, including one full-time Audit & Supervisory Board member. Of these, two are independent outside directors on the Board of Directors, and three are outside Audit & Supervisory Board members, including one full-time member. The two independent outside directors are respectively: a qualified attorney, and a former president involved in management in the IT industry.

On Promoting the Advancement of Women

The Company actively promotes the advancement of women. We aim to achieve a 50% female employee ratio by 2025 and will continue to foster a corporate culture where women can thrive and succeed.

Regarding the Handling of This Material

This material includes statements regarding future outlooks. These statements are based solely on information available at the time of preparation and do not guarantee future results. Furthermore, these statements inherently involve risks and uncertainties. Please be aware that actual outcomes may differ significantly from those forecasts due to changes in the environment.

Factors that may influence actual results include, but are not limited to, domestic and international economic trends, as well as industry movements relevant to our company.

Additionally, information contained in this material that pertains to entities other than our company has been cited from public sources, and we have not independently verified the accuracy or appropriateness of such information, nor do we guarantee it.