

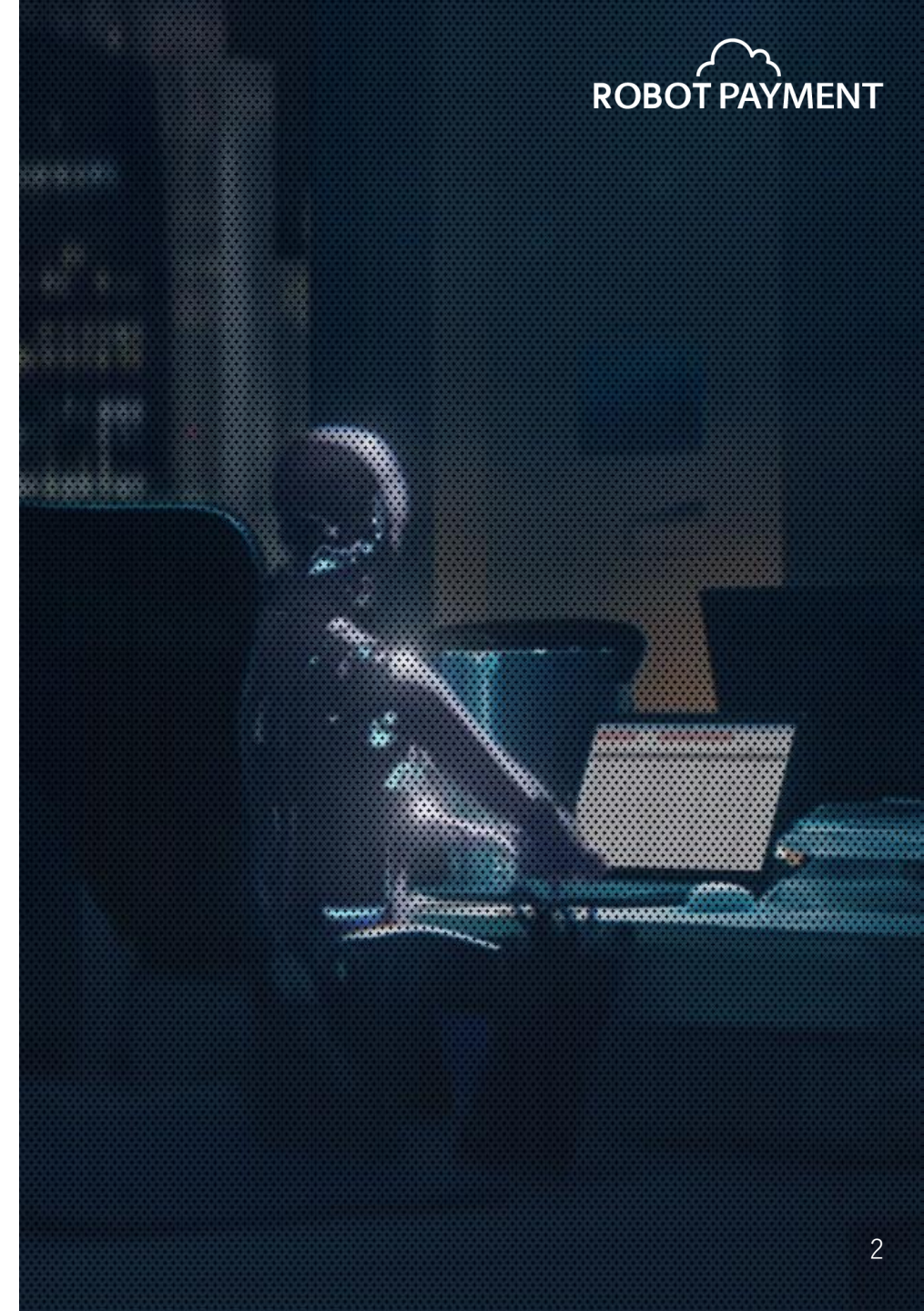
Disclosure of matters related to business plans and growth potential

ROBOT PAYMENT INC.

TSE Mothers 4374

September 28, 2021

01 | Company Information



Company Information

Company name: ROBOT PAYMENT INC.

Foundation date: October 2000

Address: 15th Arai Building 4F, 6-19-20 Jingumae, Shibuya-ku, Tokyo

Representative: Kenya Kiyoku

No. of employees: 75 (at the end of July 2021)

Accounting period: December

Business Activities: • Online Payment Processing Service
• "Billing Management Robot," a cloud-based billing management service

A group of six men in business attire standing in a row against a grey wall. They are dressed in dark blazers over light-colored shirts and trousers. The man on the far left has his hands in his pockets, while the others have various poses, some with arms crossed. The overall tone is professional and modern.

Subscription Payment Company

**Bill Collection
Mechanism**

**Features for
Subscription
Businesses**

**Customer
Management
Database**

Business Description

Developing a service that connects corporate money with technology



Subscription Payment

Online Payment



Online Payment Processing Service mainly for subscription business

Accounting DX service that streamlines and automates billing, collection, invoicing, and reminders

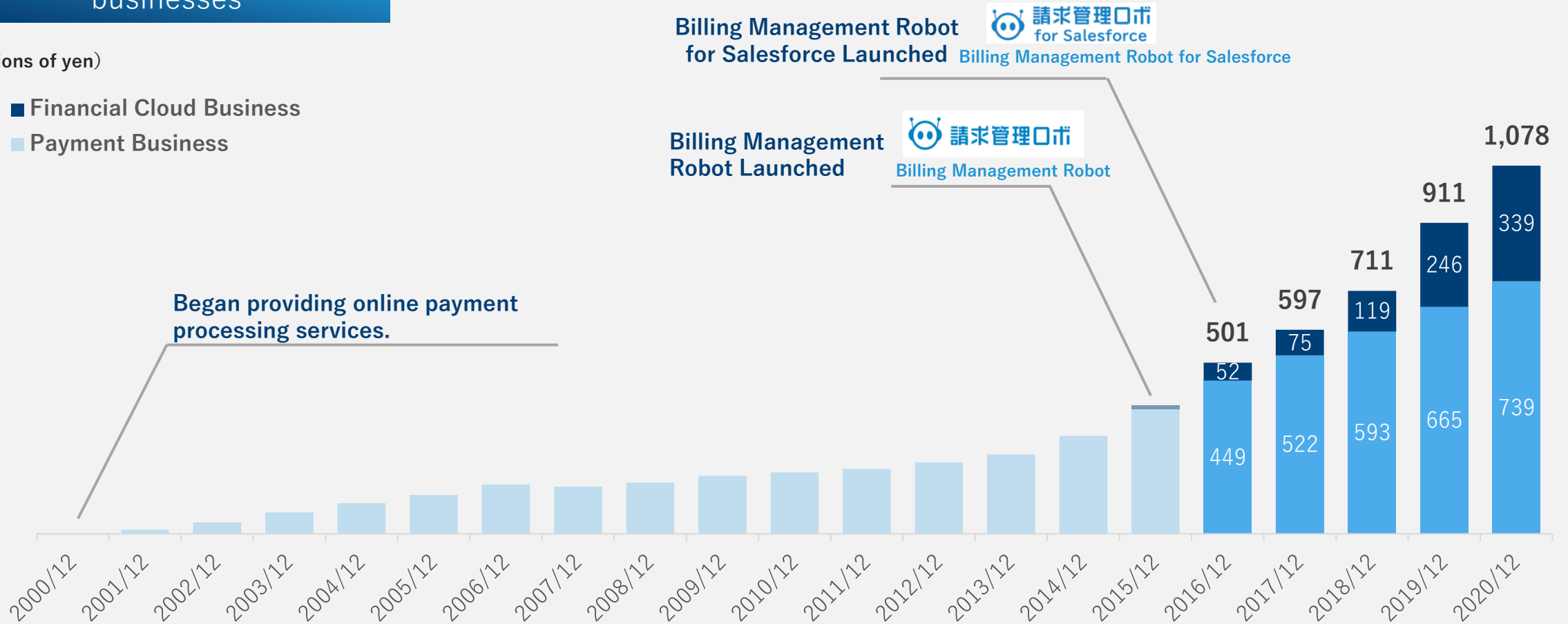
Product History

Financial cloud business is driving growth while the payment business grows steadily

Net sales of the two main businesses

(Millions of yen)

- Financial Cloud Business
- Payment Business



(Note) 1. Figures for the fiscal year ended December 31, 2018, and before have not been audited by Crowe Toyo & Co. In addition, the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 30, 2018, hereinafter referred to as the "Accounting Standard for Revenue Recognition") and the "Guidance on Accounting Standard for Revenue Recognition" (ASBJ Guidance No. 30, March 30, 2018, hereinafter referred to as the "Guidance") became effective for fiscal years beginning on or after April 1, 2018. Although the Company has adopted the revenue recognition accounting standard from the beginning of the fiscal year ending December 31, 2019, the figures in this document, including the above, are based on the assumption that the standard was adopted from the beginning of the fiscal year ending December 31, 2016.

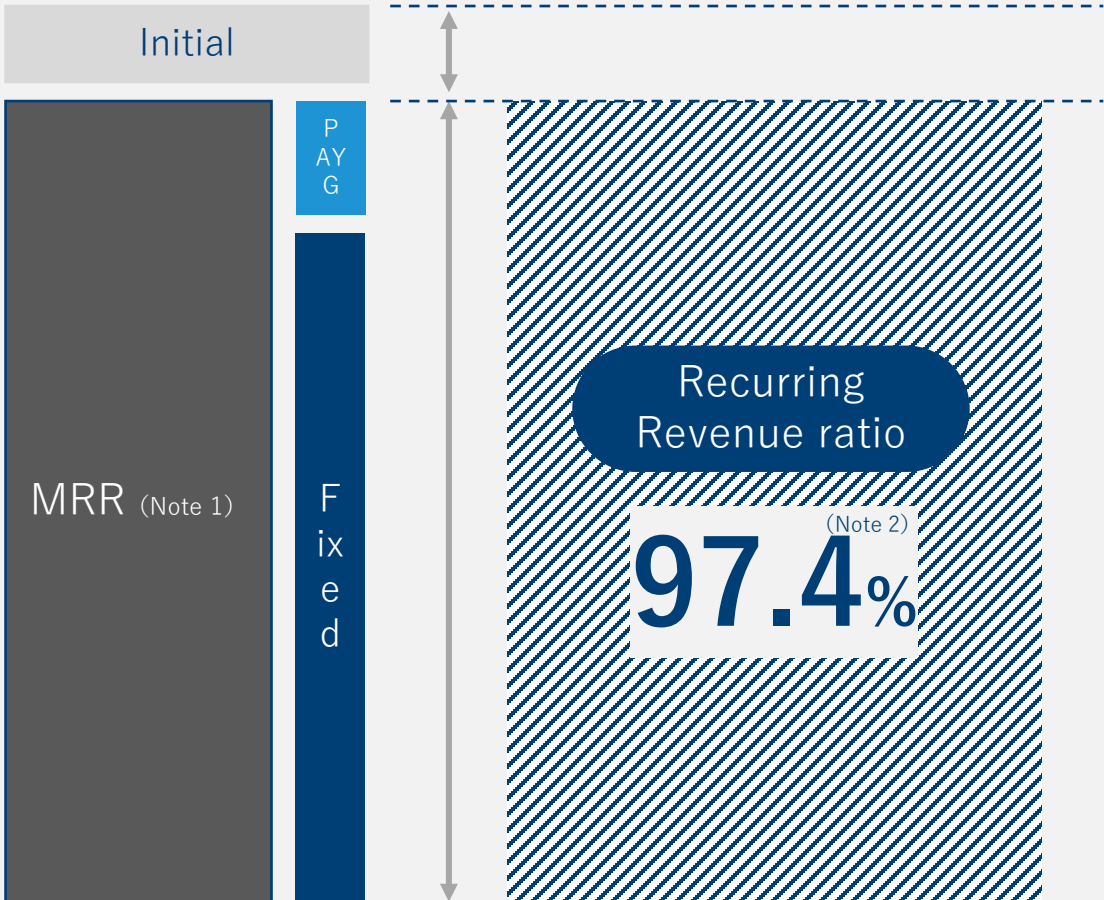
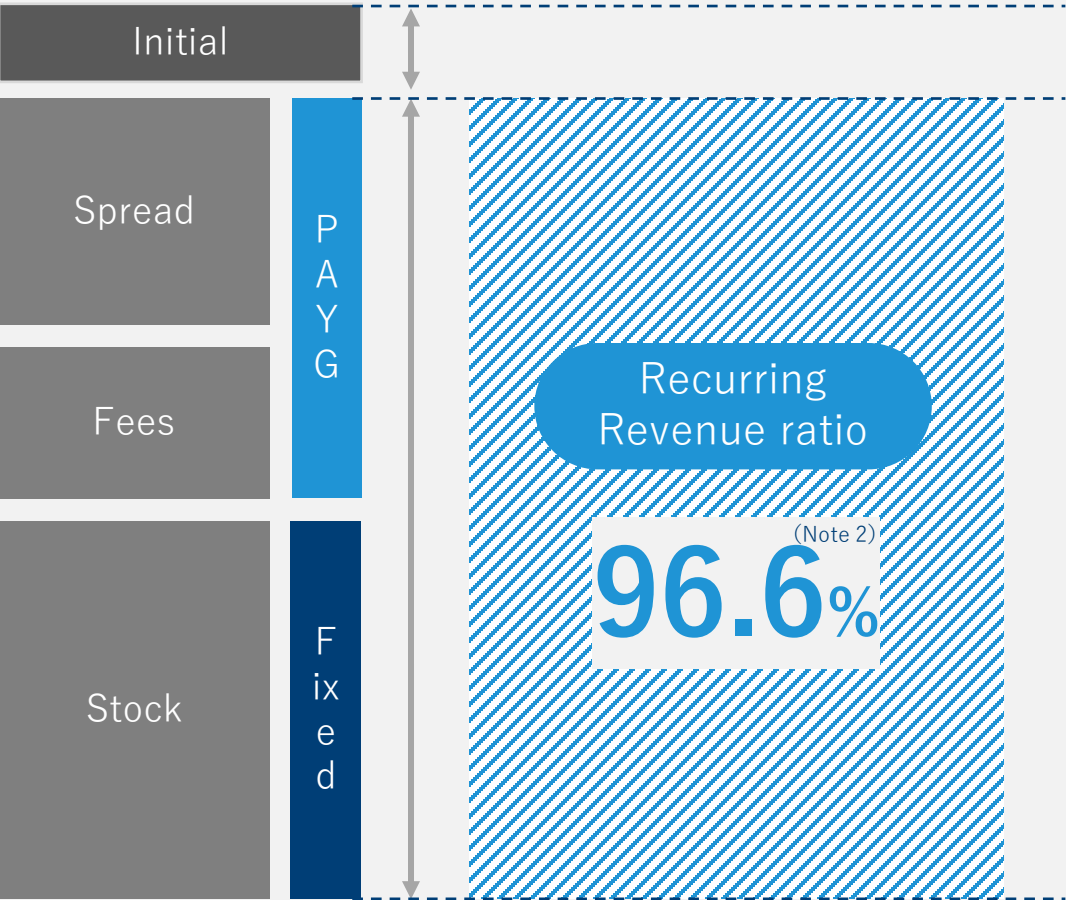
Note 2: Only sales in the Payment Business and Financial Cloud Business are included.

Revenue Structure

Both businesses steadily growing by building up recurring revenue

Payment Business

Financial Cloud Business

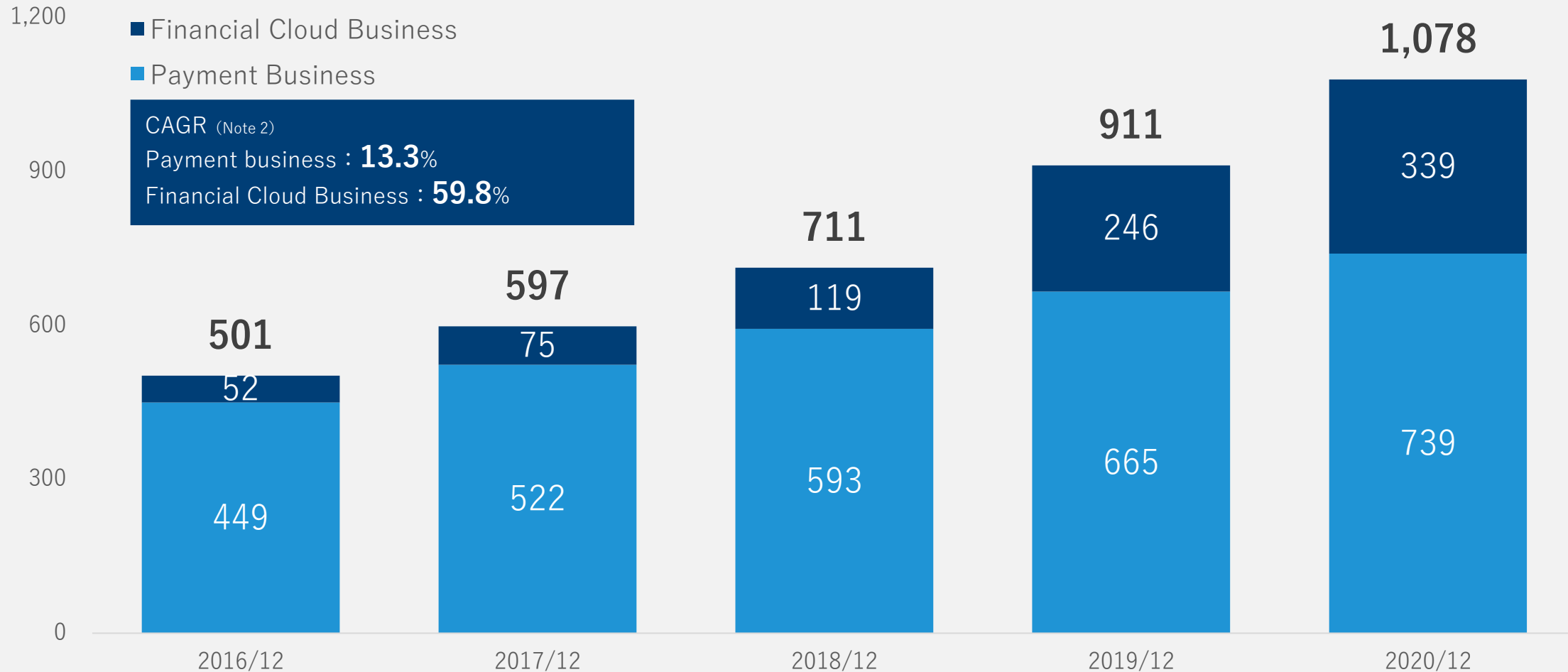


(Note 1) MRR: Abbreviation for Monthly Recurring Revenue, which refers to revenue that is earned repeatedly each month.
 (Note 2) Recurring revenue ratio: Total amount of recurring revenue divided by net sales. Figures are for a single month in June 2021.

Net Sales Trends

Sales increased owing to the stable growth of the Payments business and the high growth of the Financial Cloud business

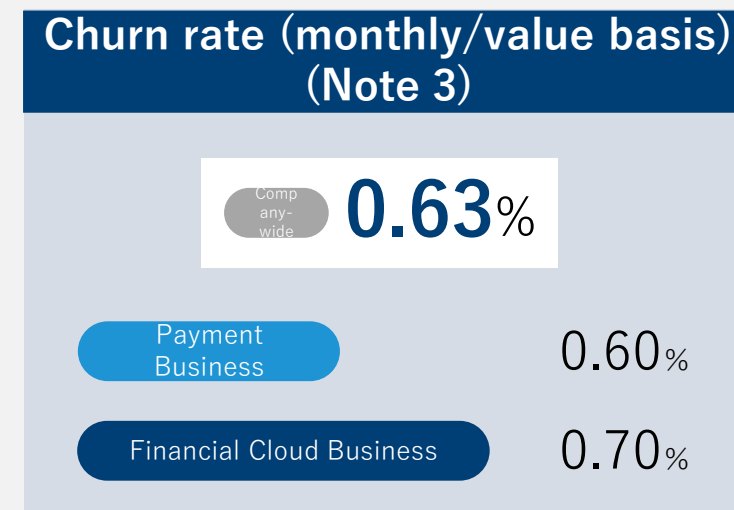
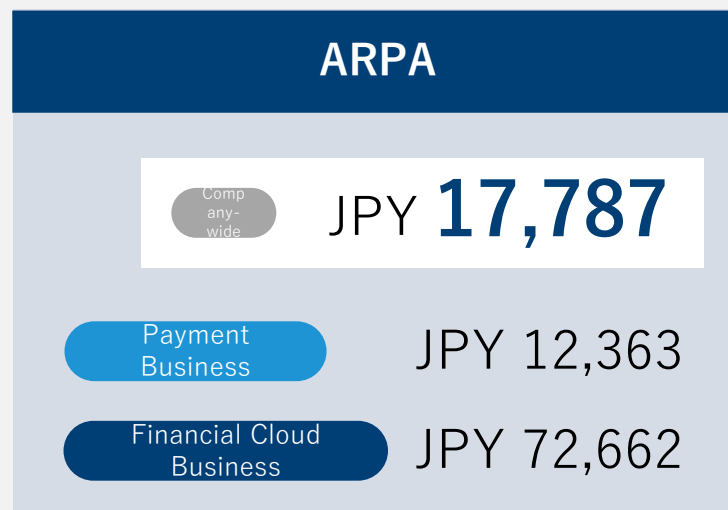
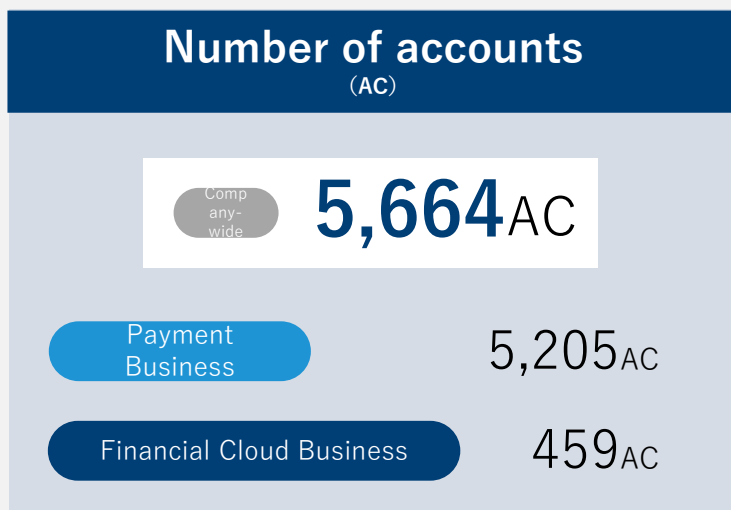
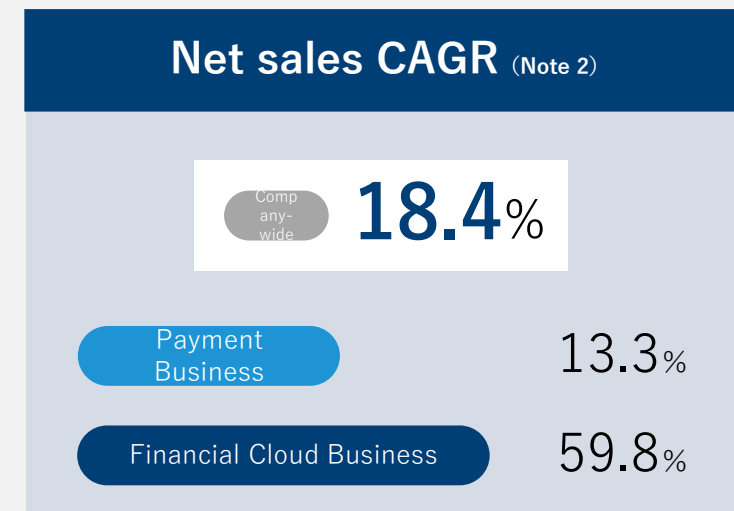
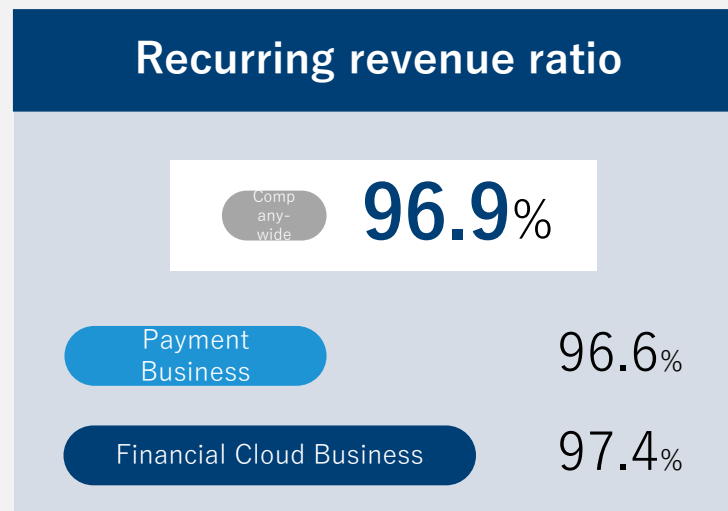
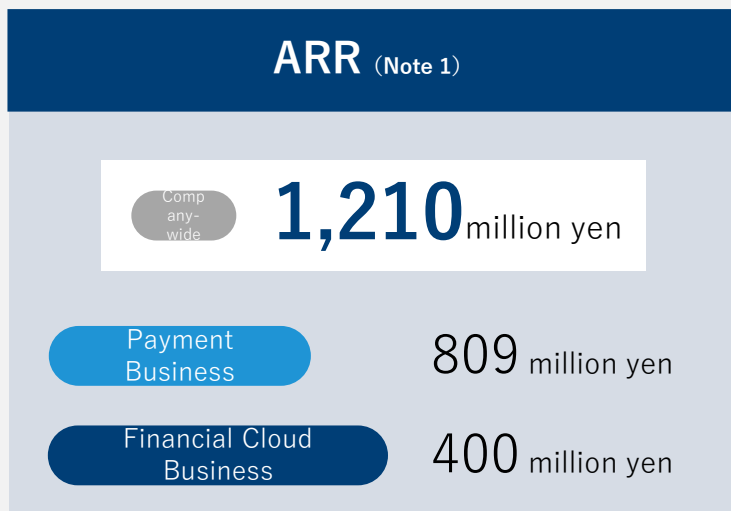
(Net Sales : Millions of yen)



(Note 1) Figures for the fiscal years 2016/12 through 2018/12 have not been audited by Crowe Toyo & Co. In addition, the Company has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 30, 2018, hereinafter referred to as the "Accounting Standard for Revenue Recognition") and the Guidance on Accounting Standard for Revenue Recognition (ASBJ Guidance No. 30, March 30, 2018, hereinafter referred to as the "Guidance") from the beginning of the fiscal year beginning on or after April 1, 2018, and the Company has applied the Accounting Standard for Revenue Recognition from the beginning of the fiscal year ending December 31, 2019. The figures in this document, including the above, are presented on the assumption that the said standards were applied from the beginning of the fiscal year ended December 31, 2016.

(Note 2) Average annual growth rate of sales over the five-year period from FY12/16 to FY12/2020.

Main KPI (Results for the year ending December 31, 2020)



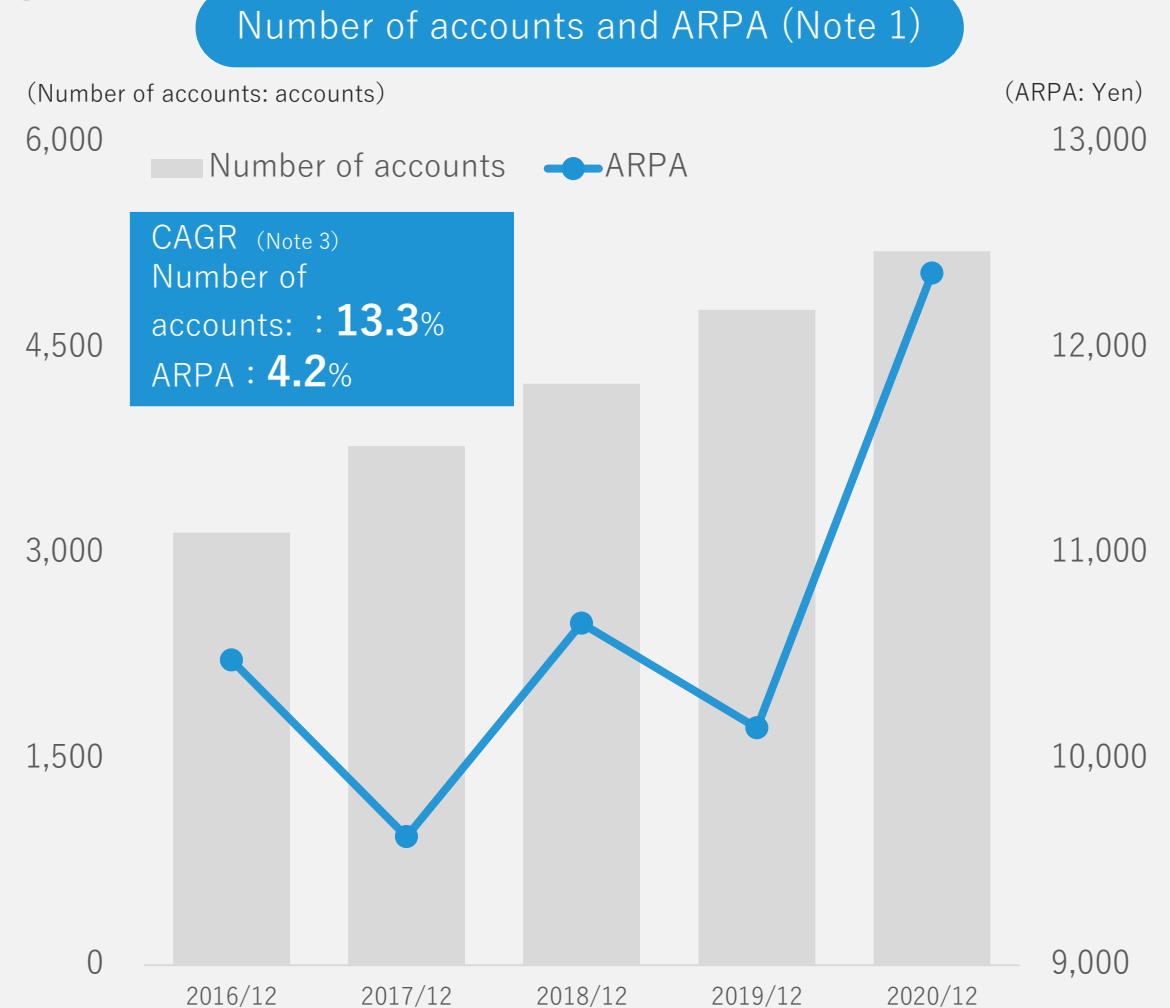
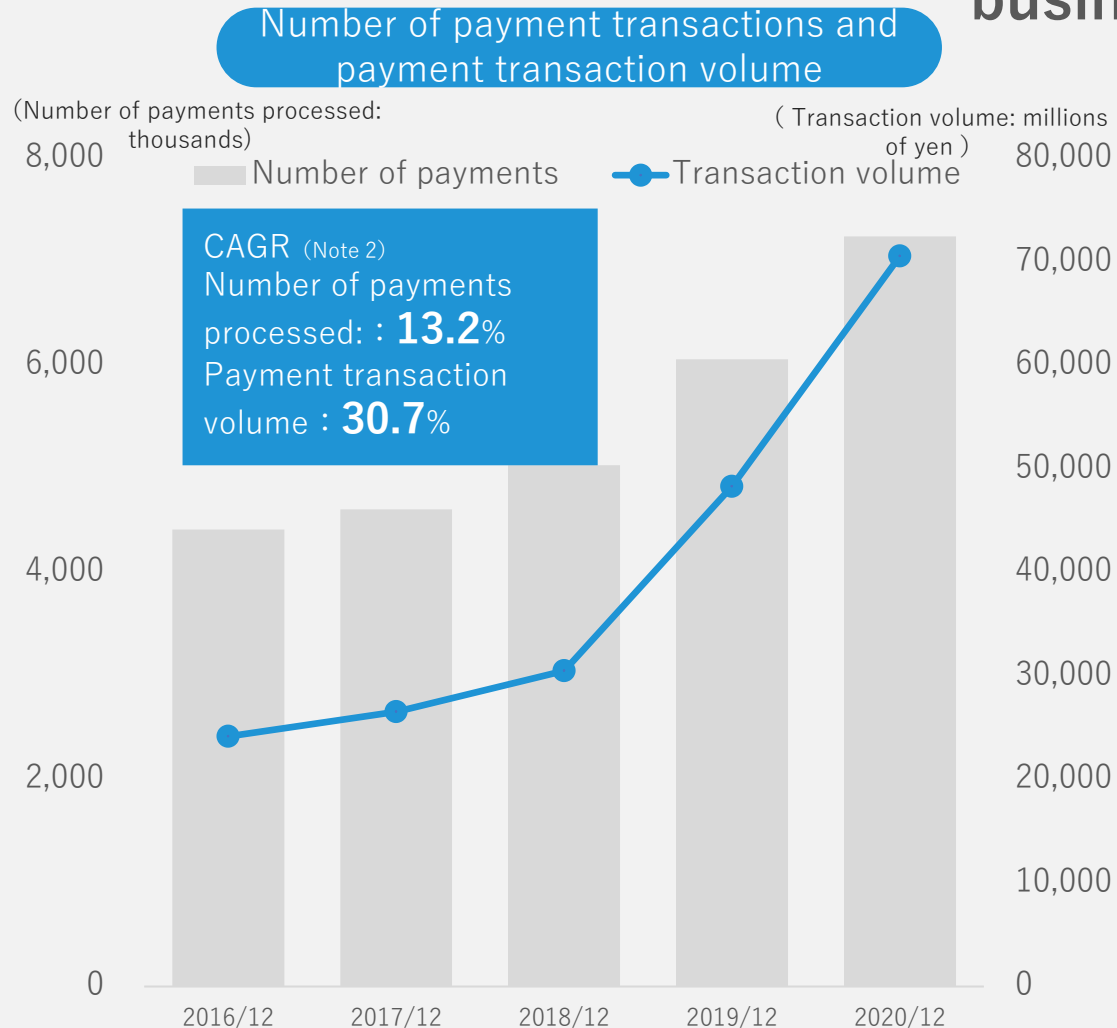
(Note 1) ARR: Abbreviation for "Annual Recurring Revenue," calculated by multiplying recurring revenue (the sum of revenue that is generated continuously over the service usage period) by 12 (annualized) for a single month in December 2020.

(Note 2) Average annual growth rate of net sales over the five-year period from FY12/16 to FY12/2020.

(Note 3) Monthly churn rate calculated by value, which is the average of "recurring revenue generated from customers who churned during the month / recurring revenue of all customers in the previous month" for each month from January to December 2020.

Steady growth in Payment business

Steady growth due to increase in e-commerce market and expansion of customer business



(Note 1) ARPA: Average Revenue Per Account, which represents the average monthly recurring revenue per account.

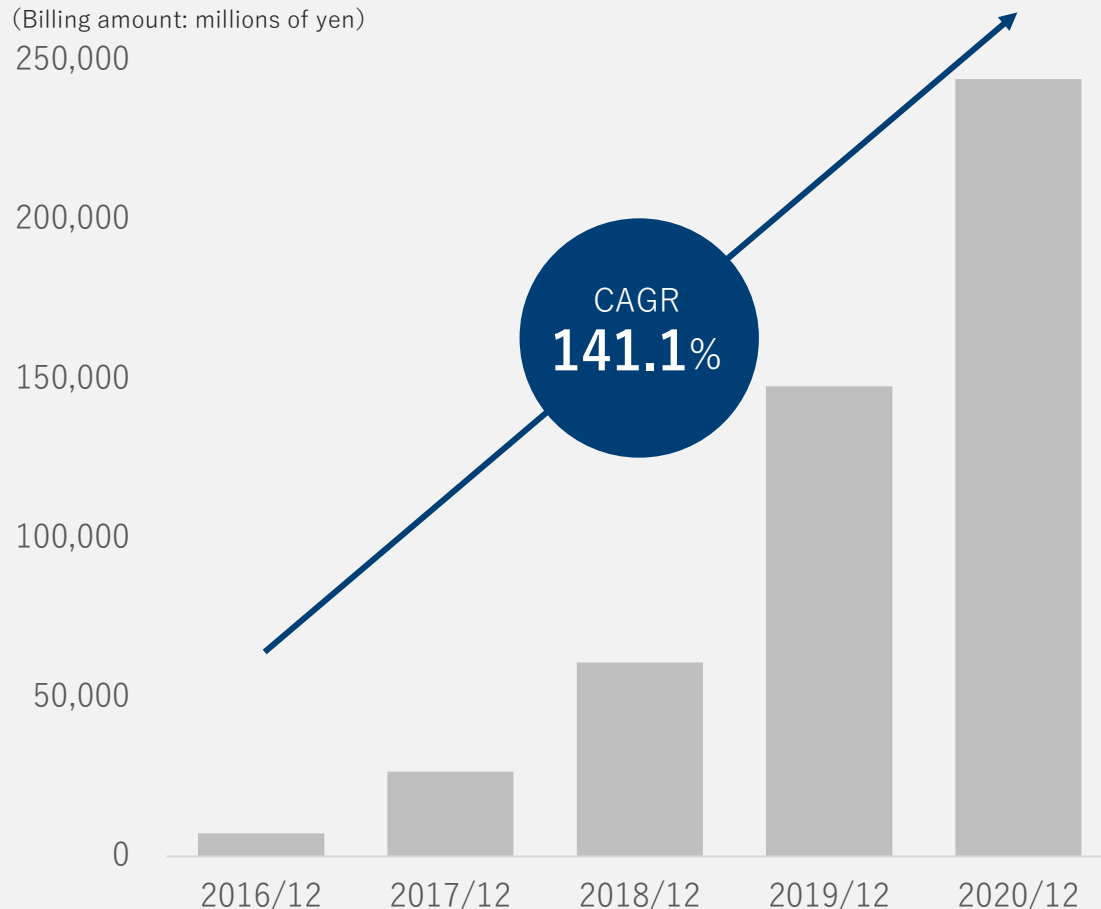
(Note 2) Average annual growth rate of the number of payment transactions and payment transaction volume over the five-year period from FY12/16 to FY12/2020.

(Note 3) Average annual growth rate of the number of accounts and ARPA over the five years from FY12/16 to FY12/2020.

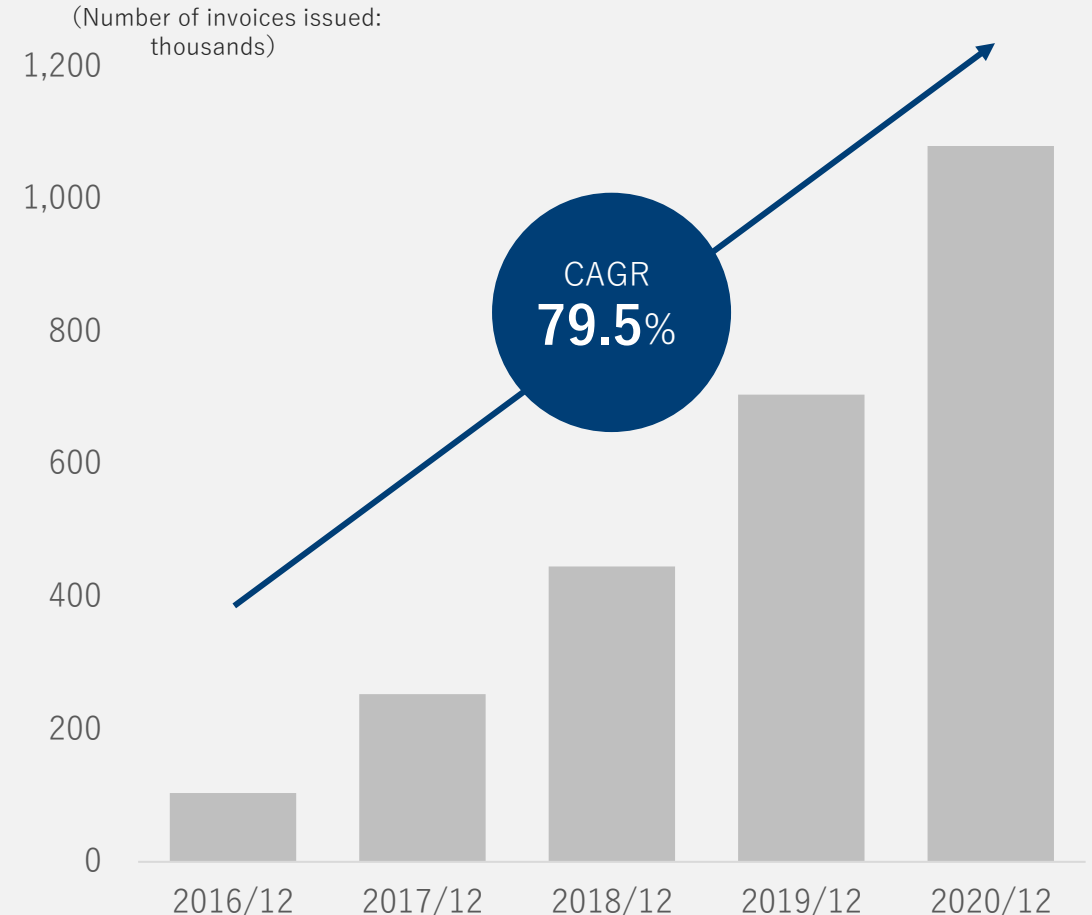
High growth rate of "Billing Management Robot"

Business is expanding on the back of increasing number of customers and demand for cloud services

Trends in billed amount (Note 1)



Trends in the number of invoices issued (Note 2)



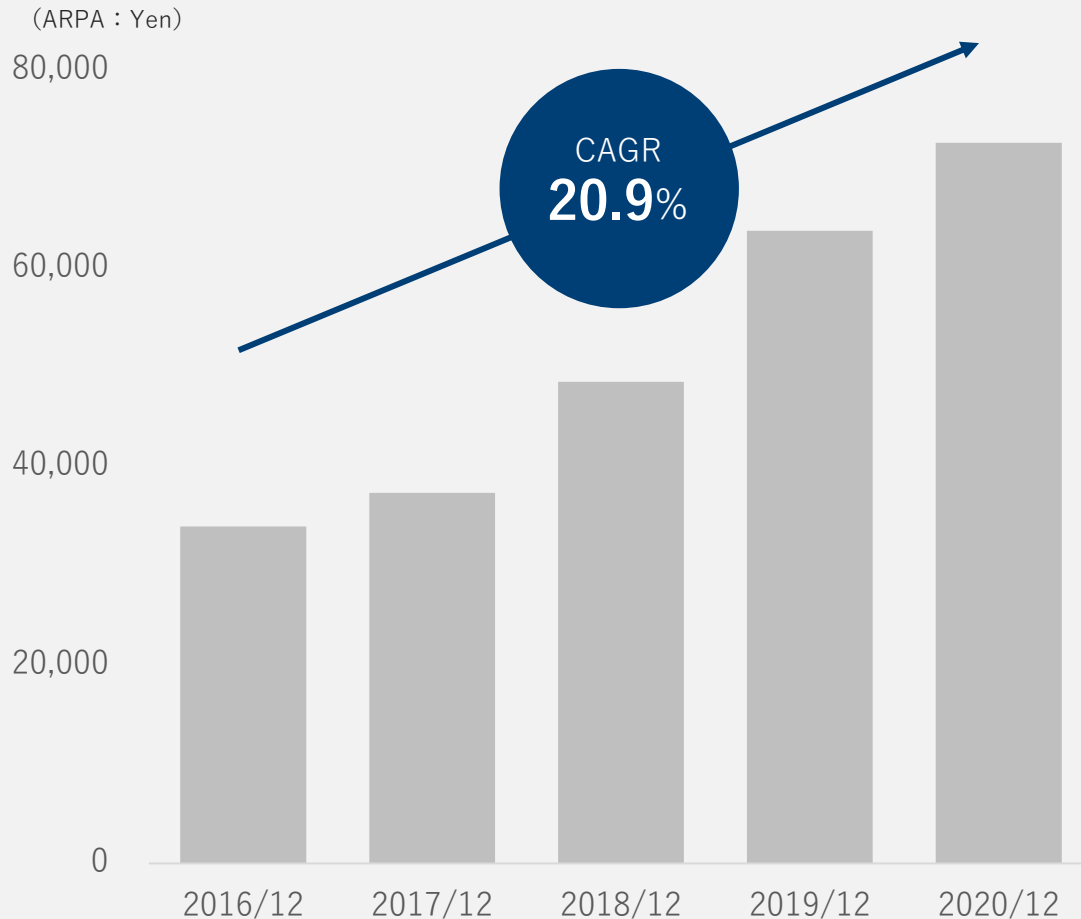
(Note 1) Average annual growth rate of billed amount over the five-year period from FY12/16 to FY12/2020.

(Note 2) The average annual growth rate of the number of invoices issued over the five-year period from FY12/16 to FY12/2020.

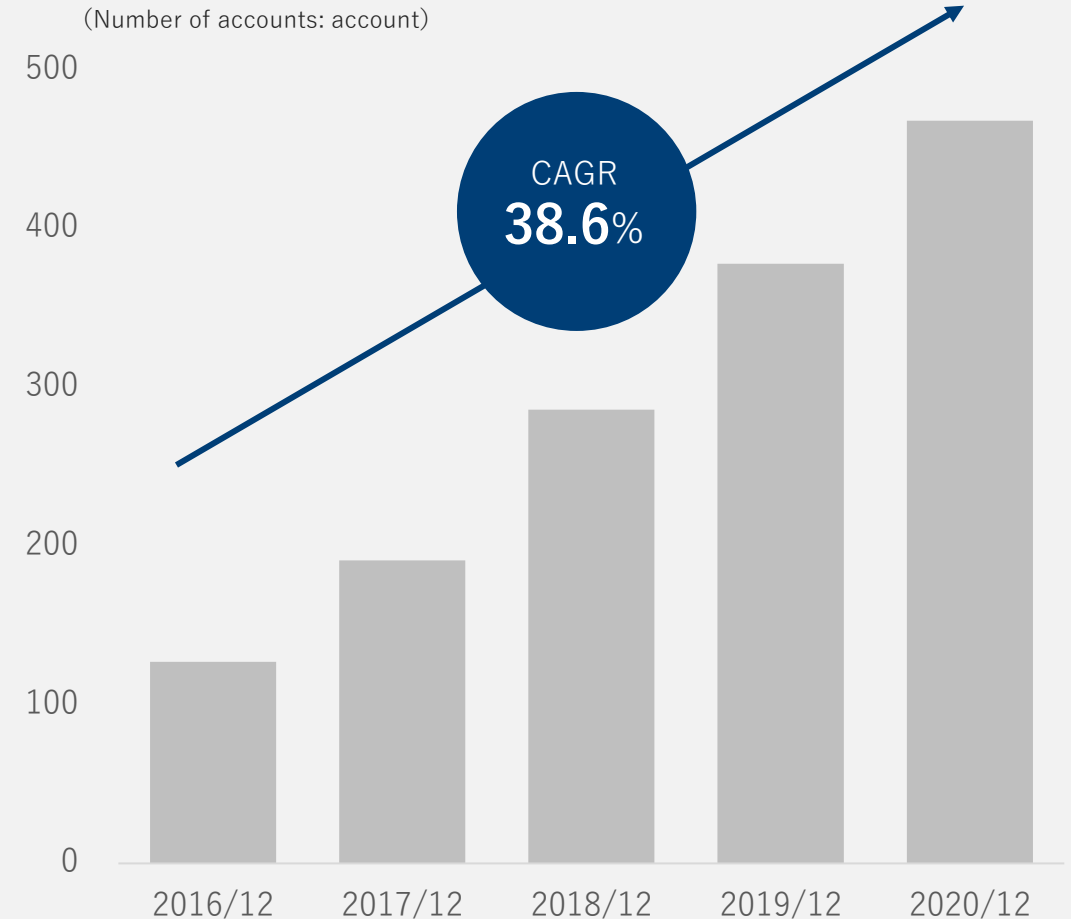
High growth rate of "Billing Management Robot"

High growth per customer and in the number of accounts

Trends per customer (Note 1)



Trends in the number of accounts (Note 2)



(Note 1) Average annual growth rate of ARPA over the five-year period from FY12/16 to FY12/2020.

(Note 2) Average annual growth rate of the number of accounts over the five-year period from FY12/16 to FY12/2020.

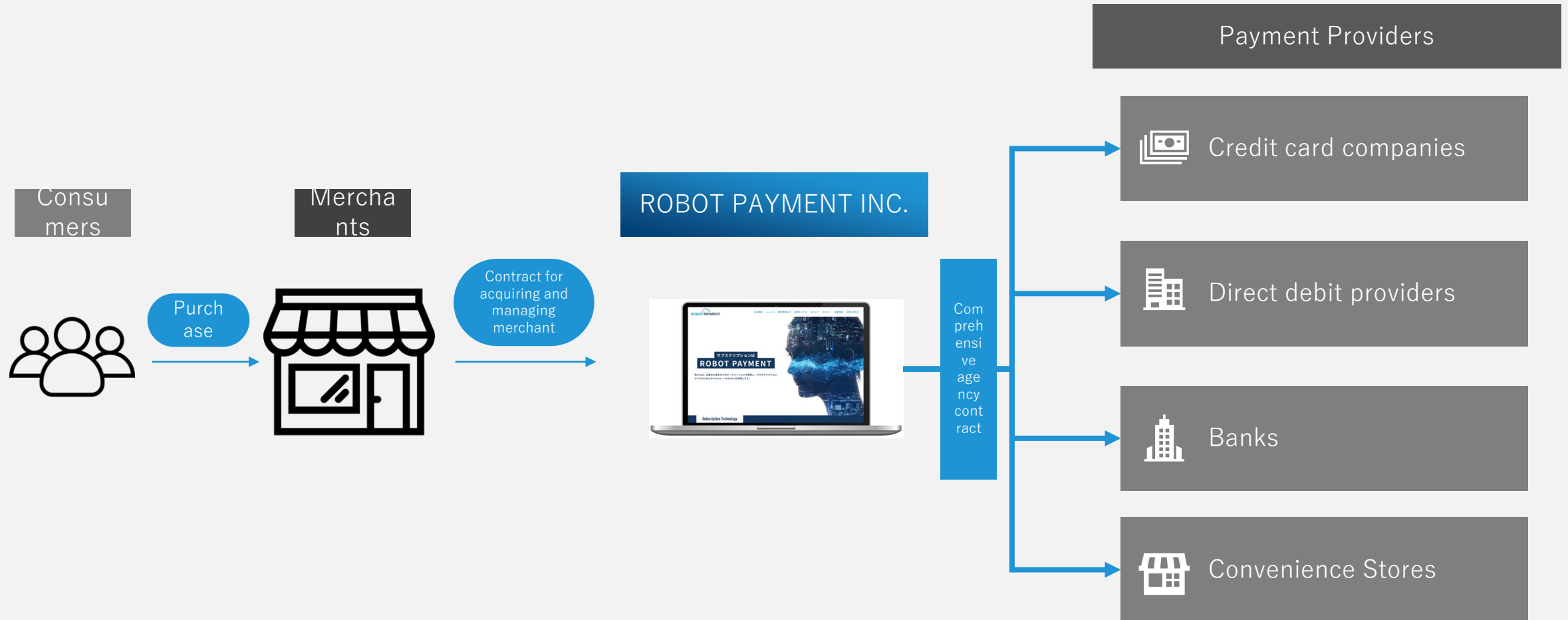
02.

Business Description



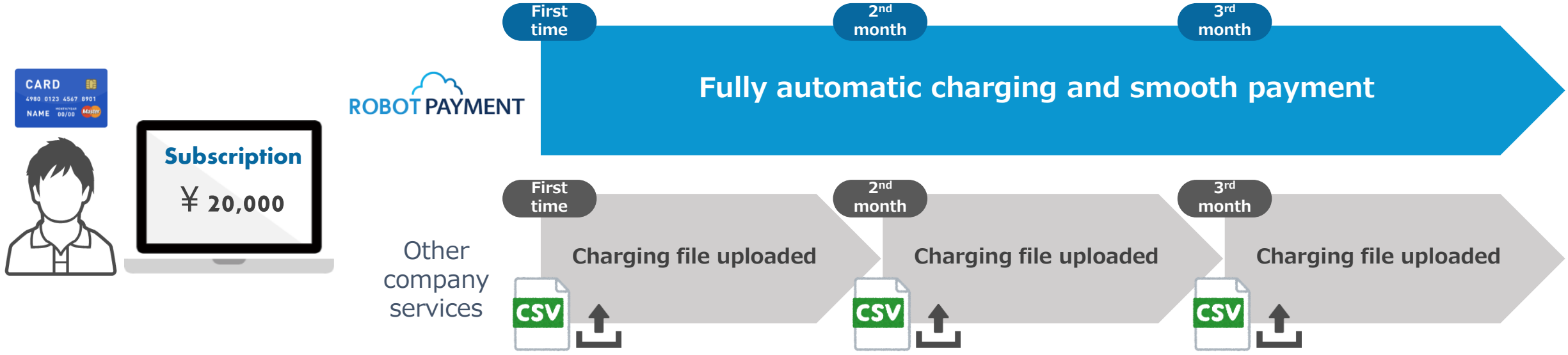
Service Overview

Provides merchants (Note) with a unified point of contact with payment providers and a collective payment method as an online payment gateway



(Note) Merchants: Customers of the payment business, such as EC businesses..

Automates payment processing for subscription businesses, reducing operational costs and human errors



Charging cycle
Choice from weekly, bi-weekly, monthly, bi-monthly, every three months, every six months, or annually available.

Changes in charging amounts
Changes can be made either through manual operation or API integration.

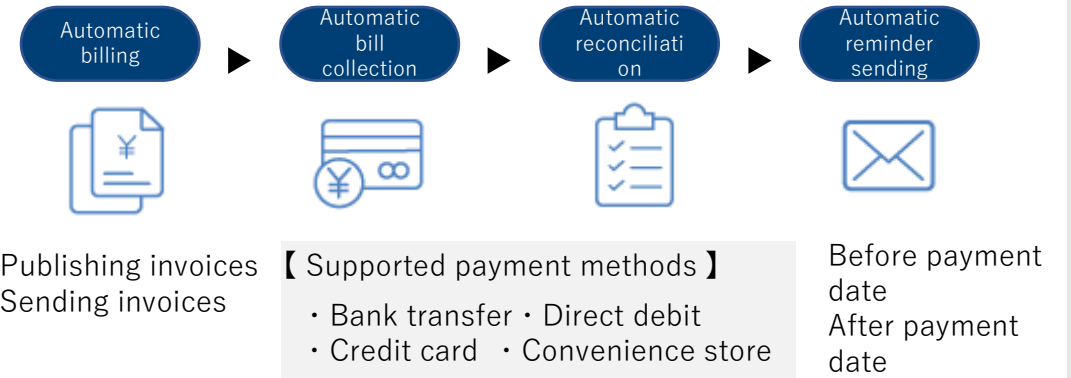
Specification of charging frequency
The charging frequency can be specified, starting from one time. Automatic charging will be stopped after the specified number of billing cycles are completed.

Free trial period
The trial period can be specified in days, and payment can be made at the trial amount.

Cancellation and withdrawal form
We provide a form that allows end users to stop recurring charging by themselves.

Specification of charging date
Automatic charging date can be set from the 1st to the 31st and the end of the month after the first payment.

Accounting DX service to streamline and automate monthly billing management tasks



Two types of provision methods

① For all users

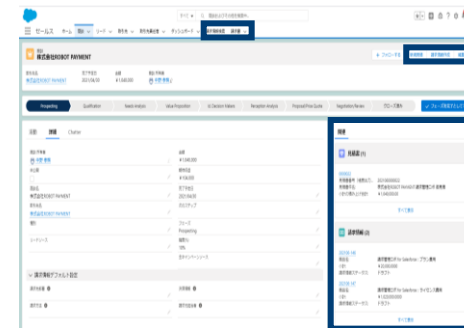
請求管理ロボ
Billing Management Robot



- Can use immediately just with internet connection
- Can be linked to multiple services using API

② For Salesforce® users

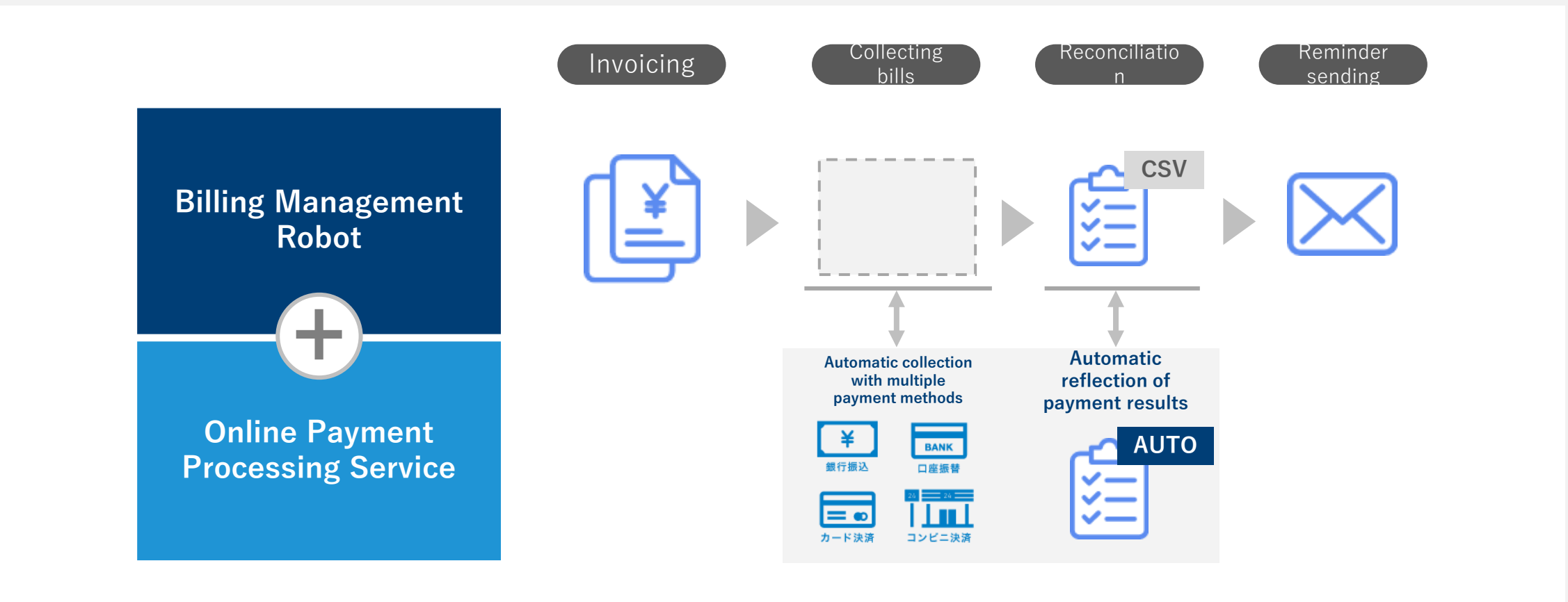
請求管理ロボ for Salesforce
Billing Management Robot for Salesforce



- Customer data managed in Salesforce® can be linked to Billing Management Robot.
- Salesforce®'s high level of customizability creates a system that matches any company's usual flow.

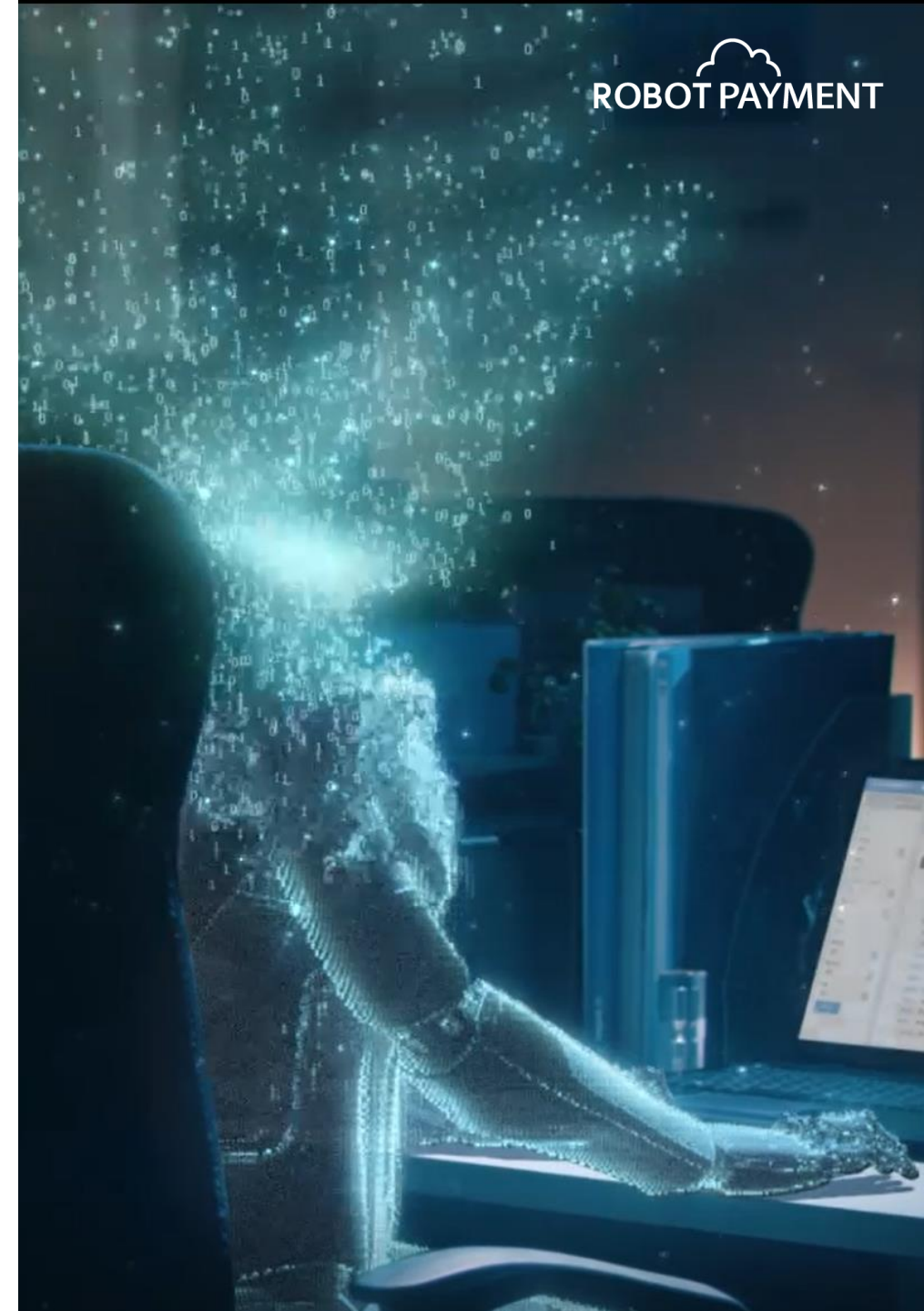
(Note) Salesforce is a trademark of Salesforce.com, Inc. and is used with permission.

Combining Billing Management Robot with Online Payment Processing Service to Reduce Churn and Maximize LTV



03.

Market Circumstances



Legal and social issues drive promotion of DX tools in accounting

October 2020

Amendment of the Electronic Books Maintenance Act

Amendments to the Electronic Books Maintenance Act will ease storage requirements by allowing image storage as well as scanner storage. 2021 and 2022 will see further relaxation of requirements, making it easier to store electronic invoices.

October 2023

Invoice system

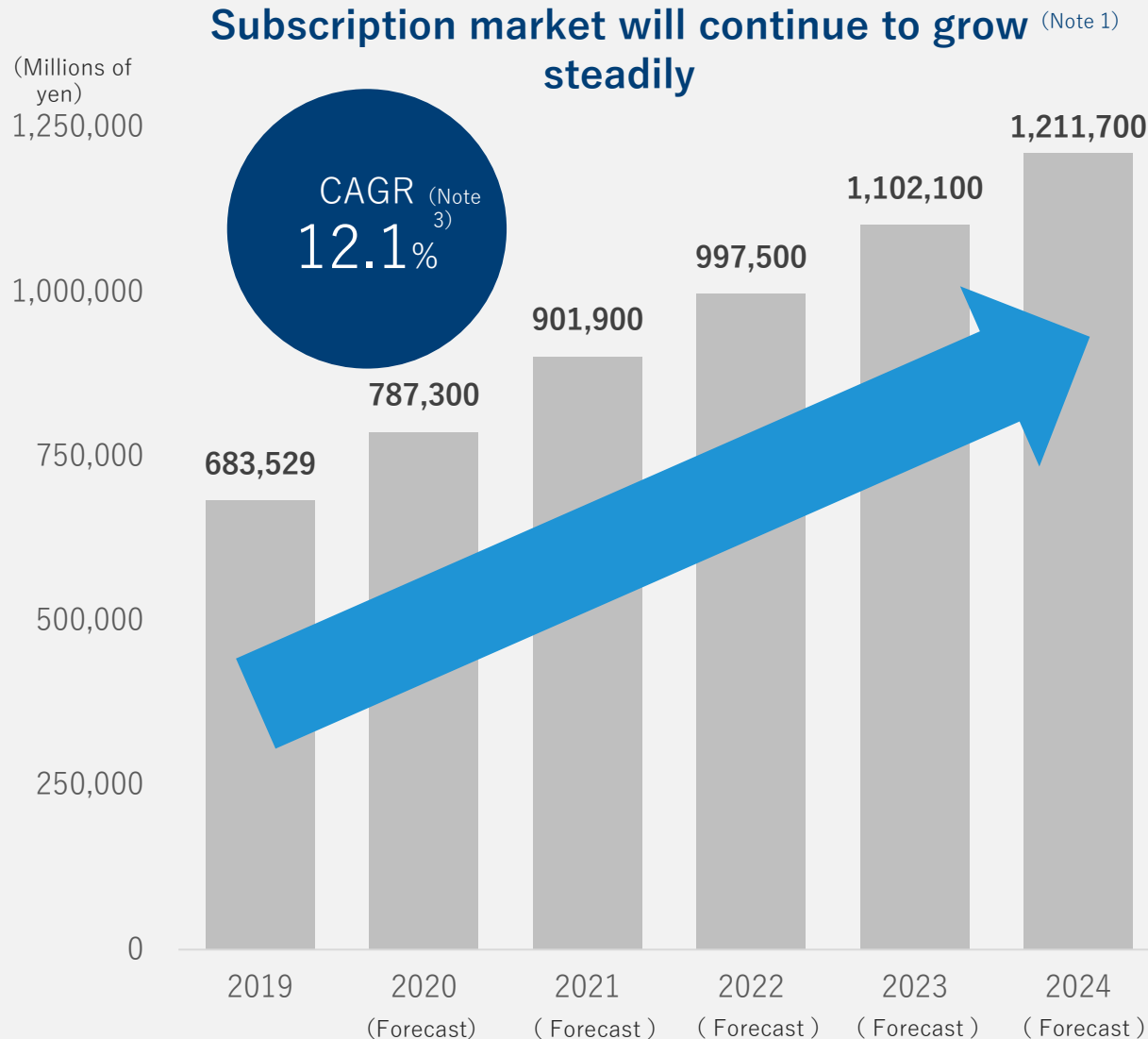
Changes in Japan's consumption tax system, the introduction of the qualified invoice preservation system (invoice system), which requires the preservation of qualified invoices as a requirement for the application of the purchase tax credit, has accelerated the systematization of invoicing operations, which will become more complicated and increase the workload if electronic invoicing is not introduced.

The peril during 2025

Ministry of Economy, Trade and Industry DX Report

About 80% of companies have legacy systems, which are a hindrance to DX. The Ministry of Economy, Trade and Industry (METI) estimates that this will result in a loss of up to 12 trillion yen per year between 2025 and 2030 in Japan. The government is taking action to address this problem.

Gaining market share in the BtoC subscription market



Aiming to capture a share of the subscription market

(Note 1) Based on "Domestic Market Size of Subscription Services" published by Yano Research Institute in April 2020. (Based on consumer payments, total of 7 markets including food and cosmetics subscription delivery services)

**Expansion
of TAM**
through the
spread of
electronic
invoicing

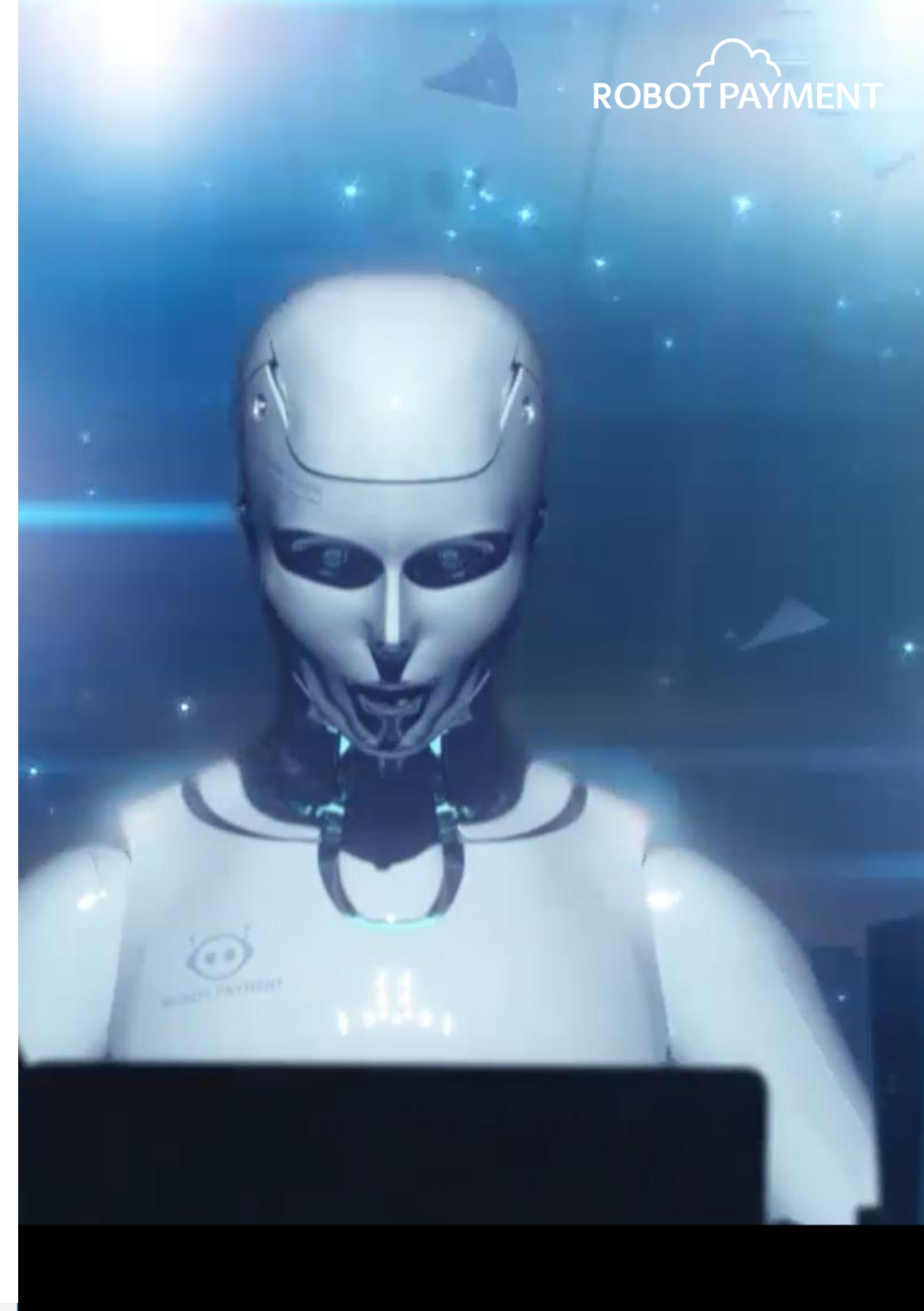
BtoB payment
market **352**
trillion yen

Our BtoB
billing/settle-
ment amount:
260 billion
yen

04.

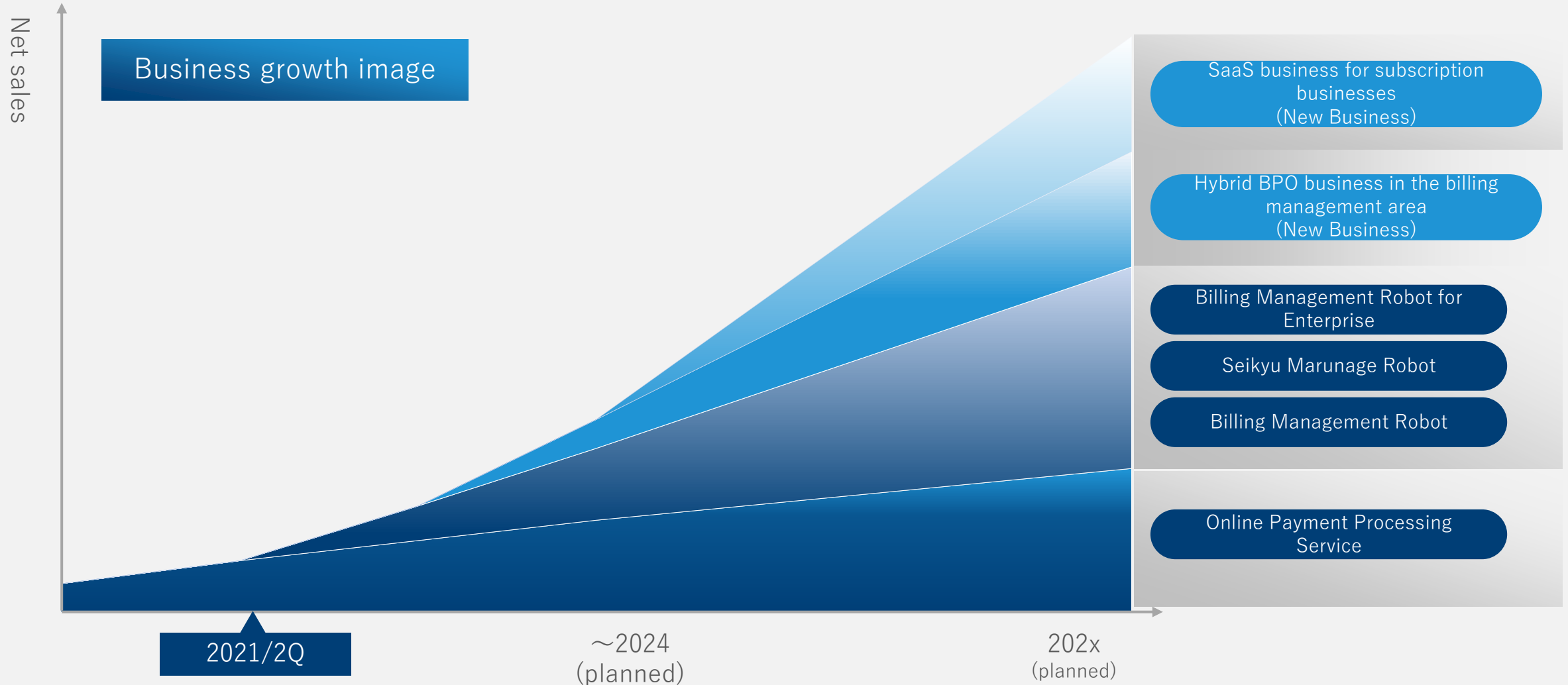
Growth Strategy

ROBOT PAYMENT



Medium- to long-term strategy

Continue to promote a business model in which earnings are steadily accumulated by expanding existing services and developing new businesses.



Further Expansion

Obtain information on many billing practices in Japan and further develop business based on the vast amount of data accumulated

