

Wantedly, Inc.

# **FY2020 Financial Results**

15 Oct, 2020

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# Highlights

## Increased Revenue and profit in FY2020.

- Revenue 5.9%, Operating Profit 45.4% YoY.
- Operating profit of 444 million yen was achieved as a result of reduced new investment and cost reductions in light of the uncertain situation caused by COVID-19.
- Exceeded the forecast announced on 15 July, with revenue of 100.8% and operating profit of 170.7%.

## Expected to revenue YoY -9.8% ~ 0.2% in FY2021.

\*Details on pg 14, pg 18

- In prediction of post COVID-19, investment resumed with a focus on the engagement business.
  - Focus on reducing the churn rate, which is important to the SaaS business.
  - Completed investment for People business, and will aim to strengthen the integration with Visit to increase user retention.
- Monthly results bottomed out in May, but the timing of a return to pre-COVID-19 levels is unknown.
- Focus on re-accelerating growth in FY2022, despite a projected decline in profit in FY2021 to reinvigorate and strengthen investments.

# Perk, Internal Story and Pulse all moved to beta.

Aiming for penetration of existing customers while improving the product and aiming for use by 400 companies in FY2021.

## Perk

Employee Perk



- Expanding the number of perk listings.
- From 7 services as of 17 Mar, 2020 release to over 100 services as of 15 Oct, 2020.

## Internal Story

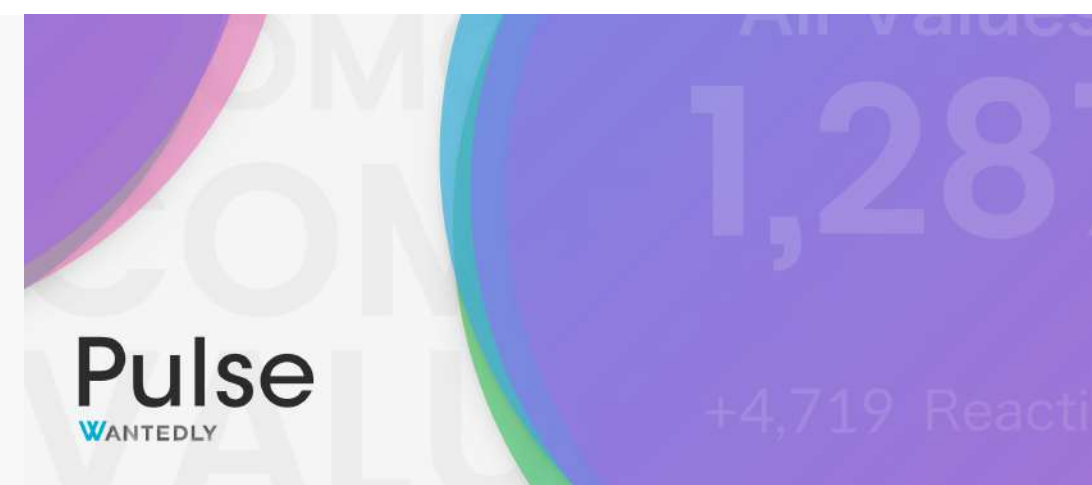
Company Newsletter



- Released beta on 14 July, 2020.
- Over 50 companies are using.

## Pulse

Condition Manegement



- Released beta on 25 Aug, 2020.
- Over 100 companies are using.

\*Details on pg 27, pg 29

# FY2020 Results

## Increased Revenue and profit.

- Increased revenue YoY, despite declines Q3 and Q4 QoQ due to COVID-19.
- Operating profit of 444 million yen was achieved as a result of reduced new investment and cost reductions in light of the uncertain situation.

## Exceeded guidance revenue and profit.

- Revenue was in line with guidance.
- Operating profit, as noted above, is the result of reduced new investment and cost reductions.

(¥M)	F8/19 Actual	F8/20 Actual	YoY	F8/20 Guidance	Progress
Revenue	2,922	<b>3,095</b>	5.9%	<b>3,070</b>	100.8%
Operating Profit	305	<b>444</b>	45.4%	<b>260</b>	170.7%
(Margin)	10.4%	<b>14.3%</b>	--	<b>8.5%</b>	--
Recurring Profit	295	<b>437</b>	48.4%	<b>260</b>	168.2%
(Margin)	10.1%	<b>14.1%</b>	--	<b>8.5%</b>	--
Net Profit	146	<b>233</b>	59.4%	<b>125</b>	186.8%
(Margin)	5.0%	<b>7.5%</b>	--	<b>4.1%</b>	--
EPS (¥)	15.9	<b>25.1</b>	57.6%	<b>13.4</b>	187.5%

\* Figures less than one million yen are rounded. \* EPS is equal to net income per share.

## Declined revenue in QoQ following Q3.

- Monthly results bottomed out in May, but did not return to pre-COVID-19 levels.

## Increased profit in both YoY, QoQ due to cost reductions.

- Advertising spend was about efficiency.
- Continued to cost reduction in Q4.

(¥M)	F8/19Q4	F8/20Q3	F8/20Q4	YoY	QoQ
Revenue	769	752	<b>737</b>	-4.1%	-1.9%
Operating Profit	-19	119	<b>137</b>	-	15.0%
(Margin)	-2.4%	15.8%	<b>18.6%</b>	-	-
Recurring Profit	-23	114	<b>140</b>	-	22.9%
(Margin)	-3.0%	15.2%	<b>19.0%</b>	-	-
Net Profit	-31	55	<b>82</b>	-	49.2%
(Margin)	-4.0%	7.3%	<b>11.1%</b>	-	-

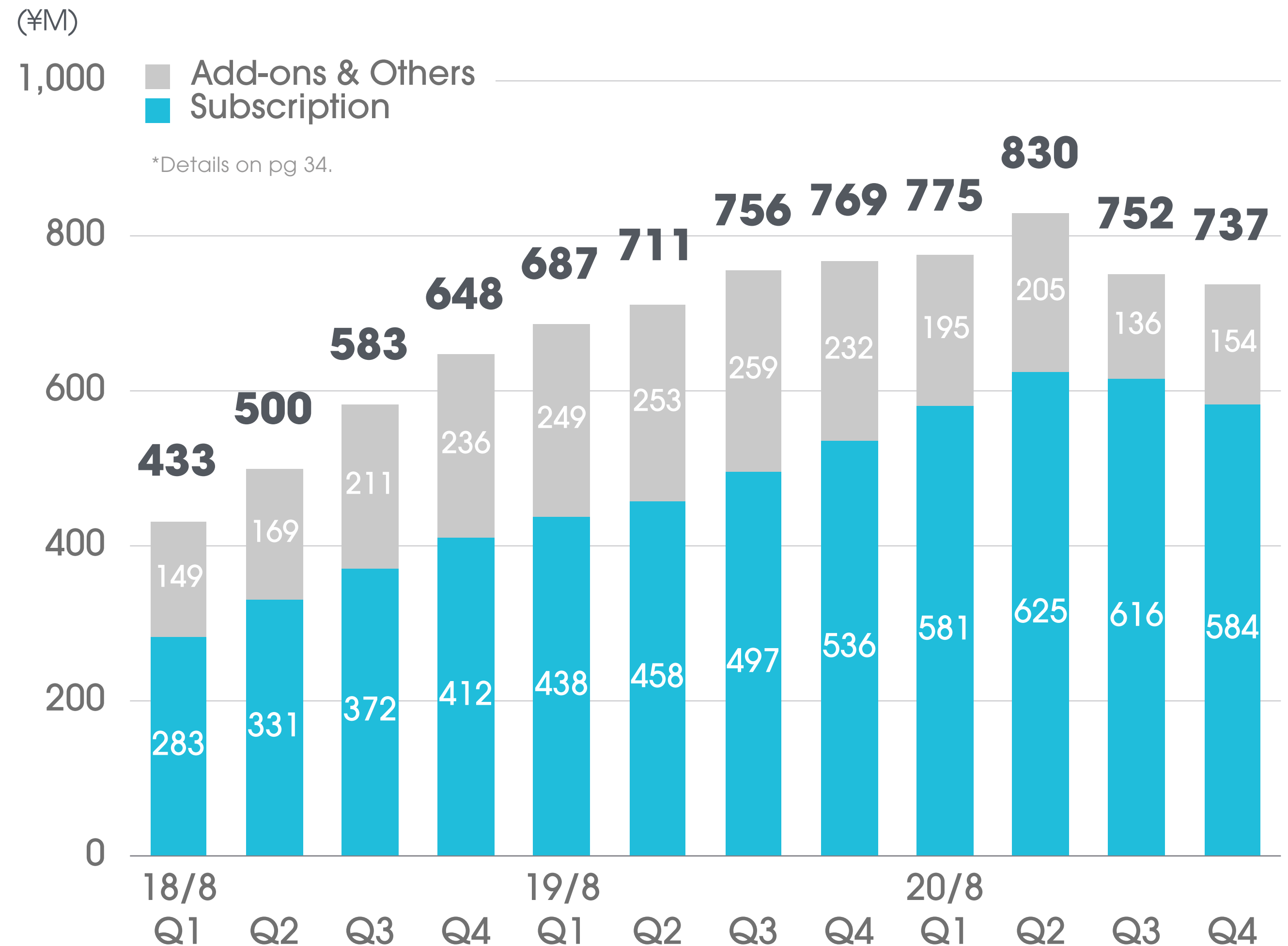
\* Figures less than one million yen are rounded.

## Add-ons turns QoQ positive.

- Demand is returning, especially from companies in the IT and telecommunications industries that were relatively unaffected by COVID-19.

## Subscription continue to be negative QoQ.

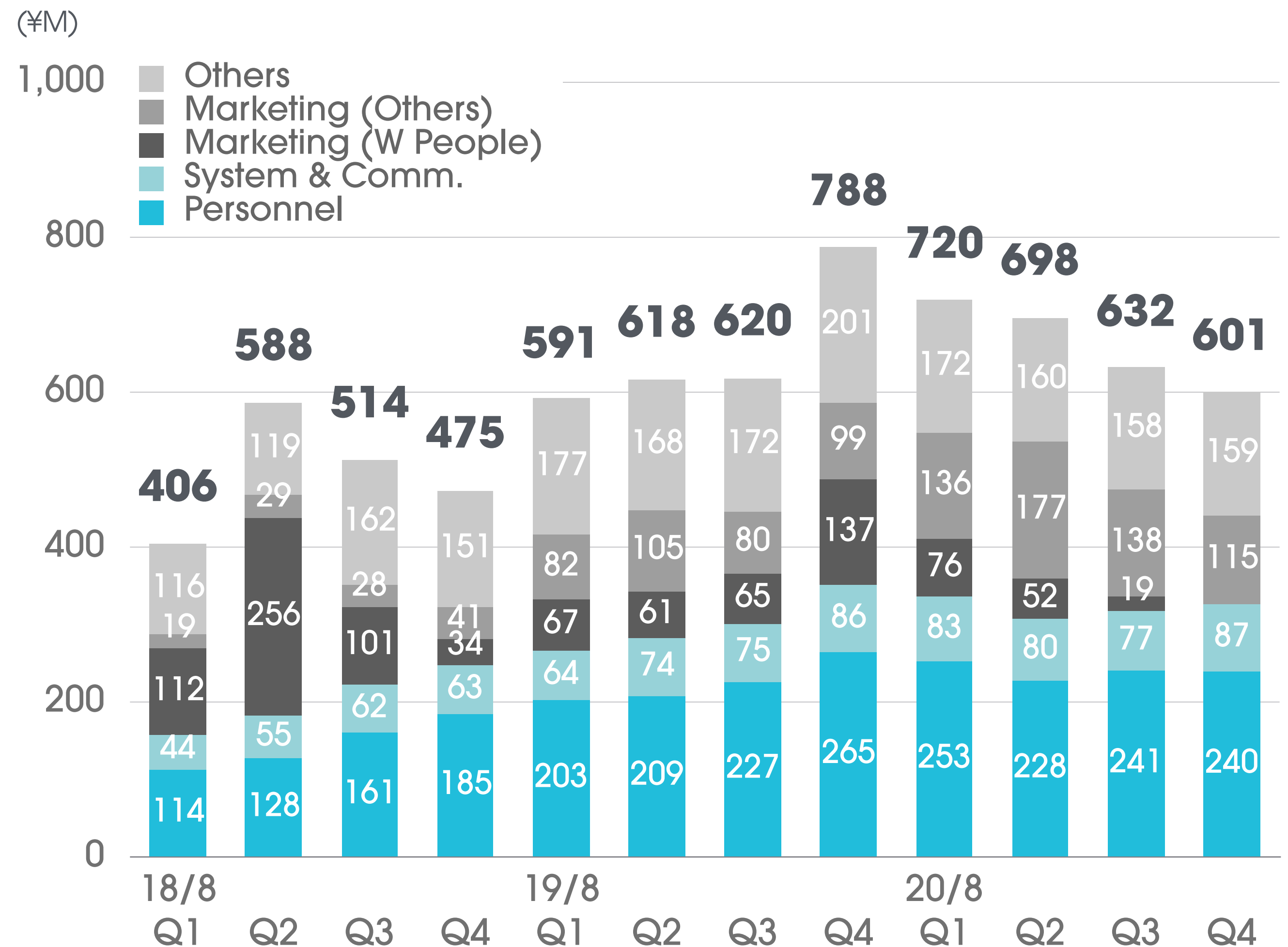
- Churn has not completed in the food and beverage industry and other non-IT and telecommunications companies.



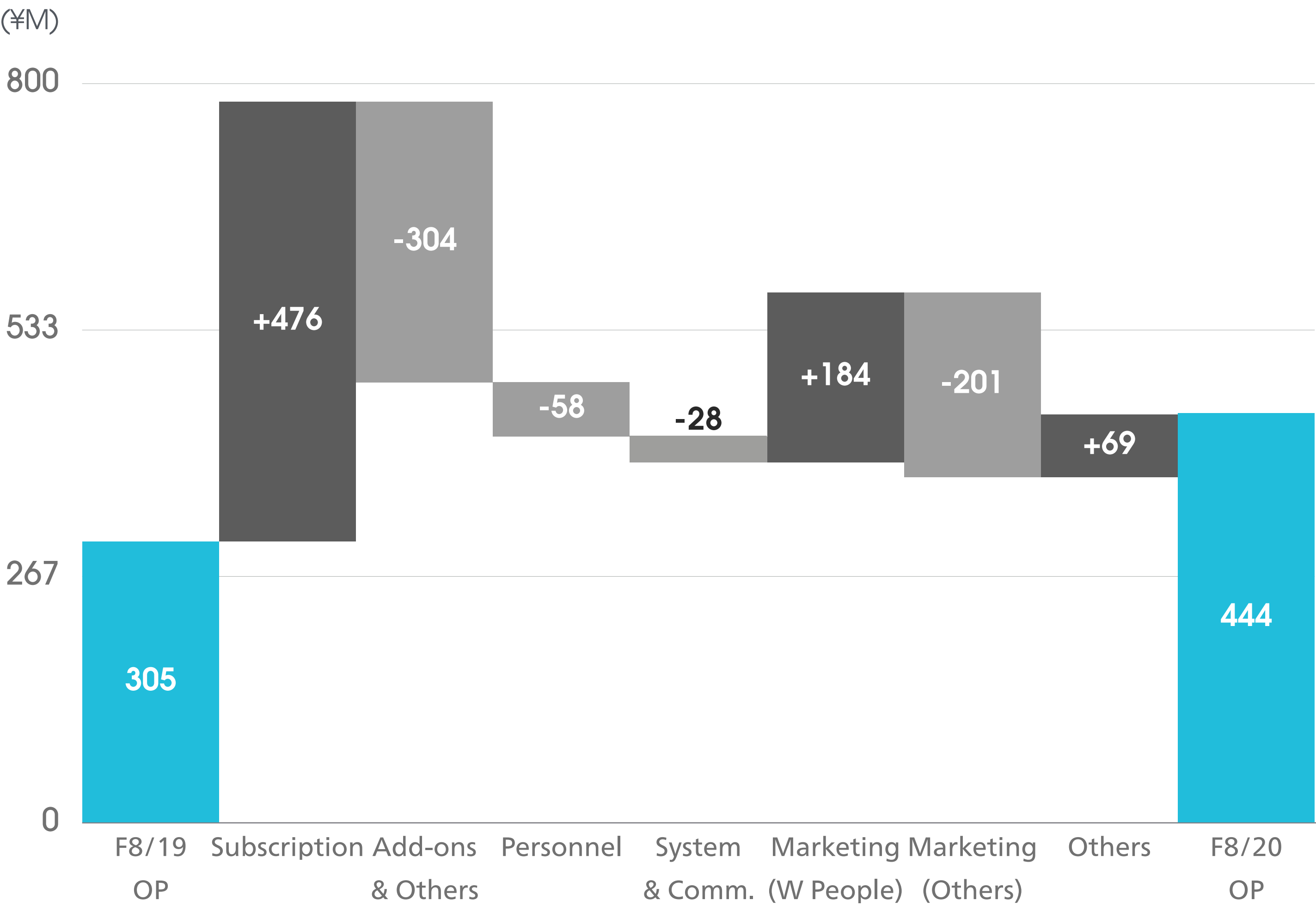
\* Figures less than one million yen are rounded.

## Continued cost reduction in Q4.

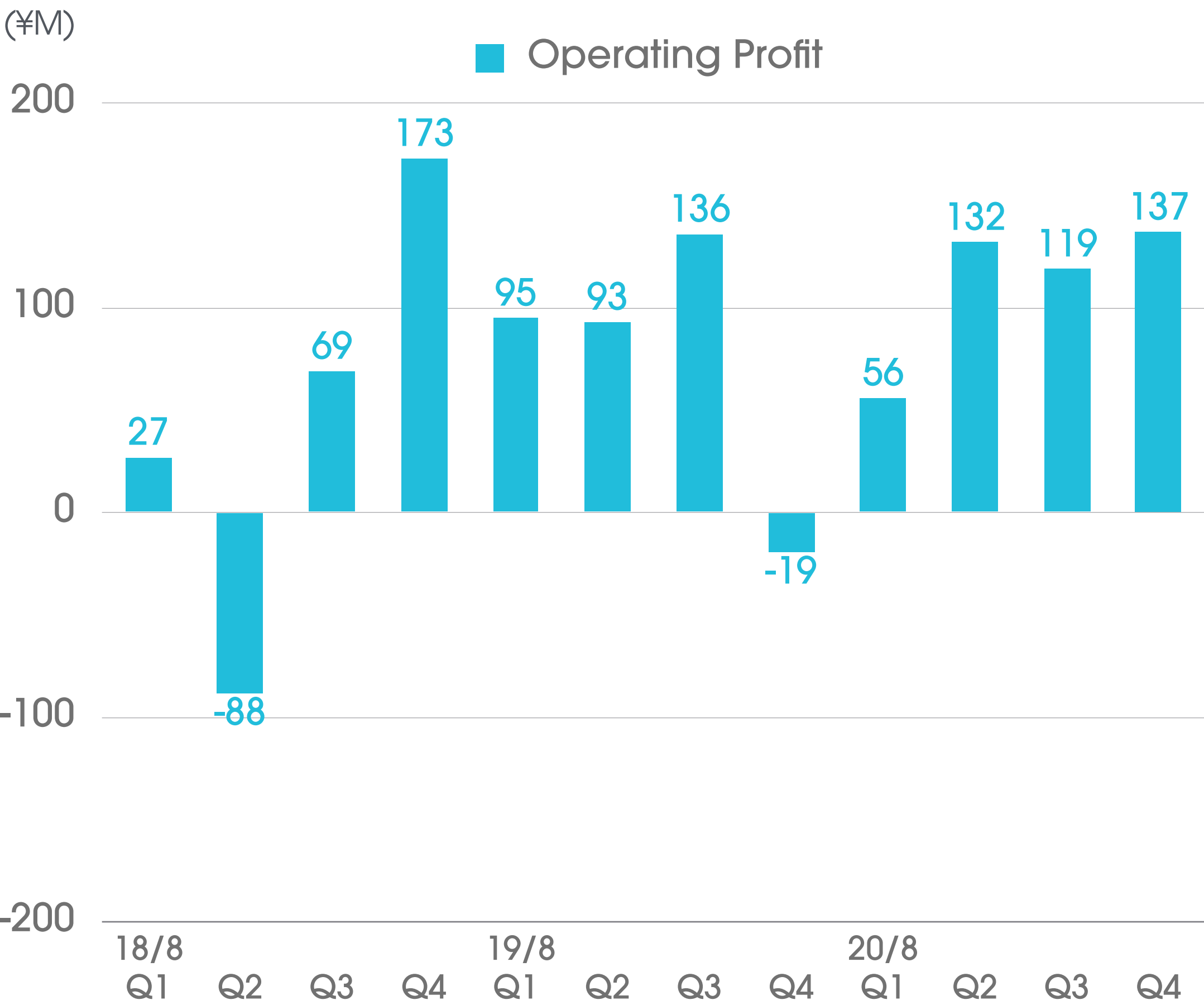
- Other advertising expenses are kept to a certain level by focusing on investment efficiency.
- Completed investment for People business, and will aim to strengthen the integration with Visit to increase user retention.
- No increase in personnel costs due to revised hiring plans due to changes in requirements.



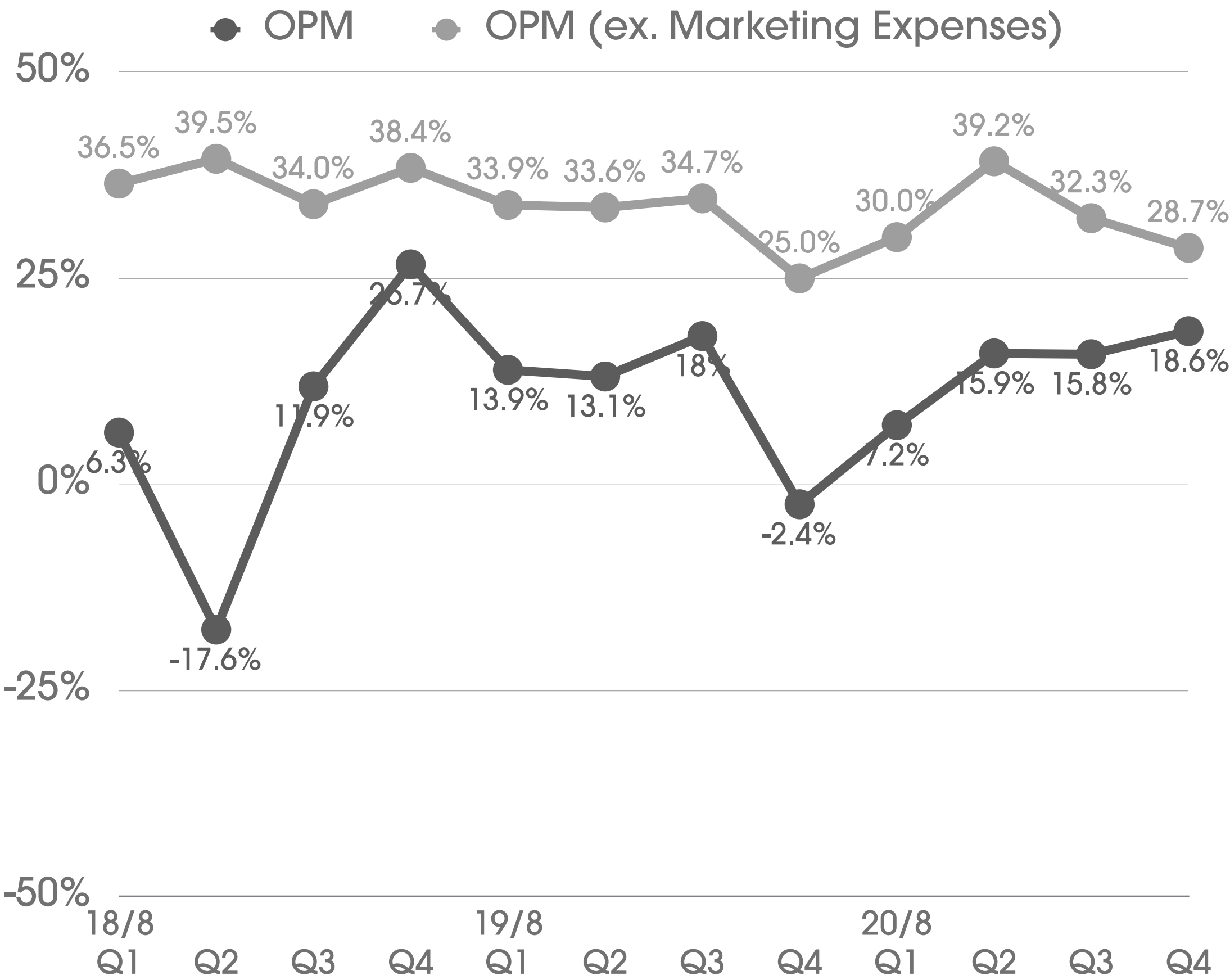
\* Figures less than one million yen are rounded. \* Promotion cost is included into "Marketing (W People)" and "Marketing (Others)" from F8/19 Q1



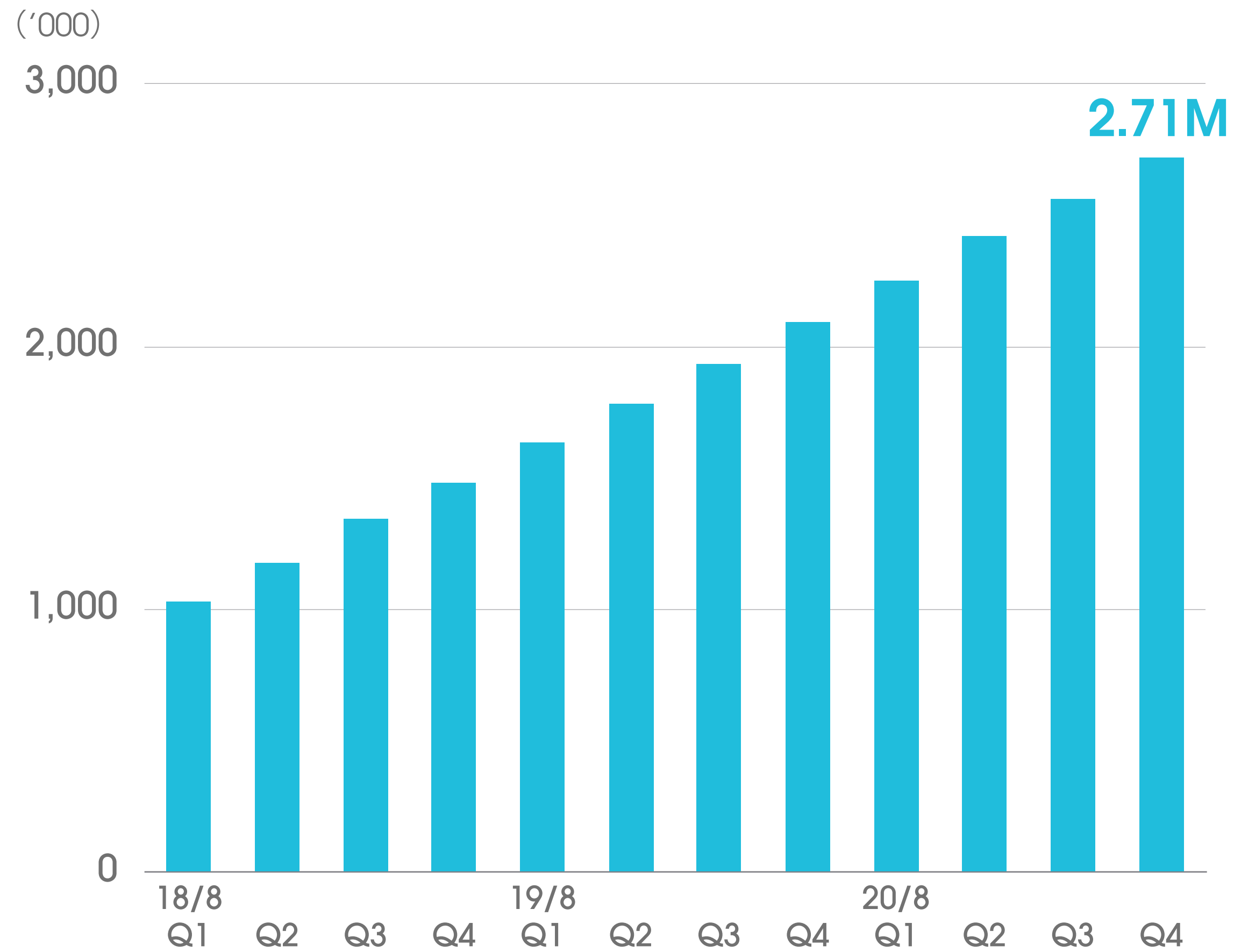
\* Figures less than one million yen are rounded.



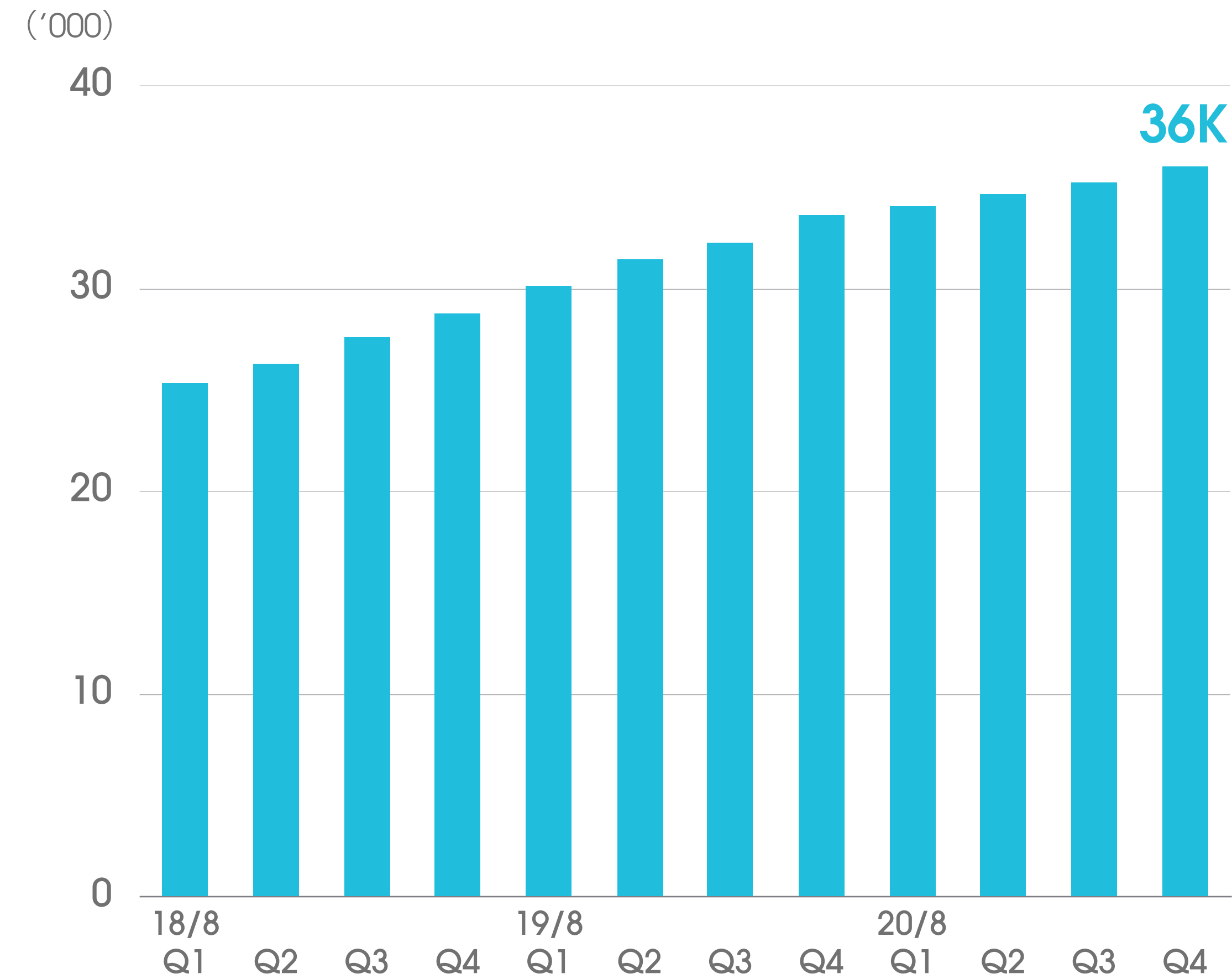
\* Figures less than one million yen are rounded.



Users



Companies



\* Figures less than one thousand are rounded.

# FY2021 Guidance

## Expected to revenue YoY -9.8% ~ 0.2%

- Monthly results bottomed out in May, but the timing of a return to pre-COVID-19 levels is unknown.

## Investing primarily in the engagement business.

- In prediction of post COVID-19, focus on reducing the churn rate, which is important to the SaaS business.

(¥M)	F8/20 Actual	F8/21 Guidance	YoY
Revenue	3,095	<b>2,790</b> ~ <b>3,100</b>	-9.8% ~ 0.2%
Operating Profit	444	<b>30</b> ~ <b>250</b>	-93.2% ~ -43.7%
(Margin)	14.3%	<b>1.1%</b> ~ <b>8.1%</b>	-- ~ --
Recurring Profit	437	<b>17</b> ~ <b>235</b>	-96.1% ~ -46.3%
(Margin)	14.1%	<b>0.6%</b> ~ <b>7.6%</b>	-- ~ --
Net Profit	233	<b>6</b> ~ <b>100</b>	-97.4% ~ -57.2%
(Margin)	7.5%	<b>0.2%</b> ~ <b>3.2%</b>	-- ~ --
EPS (¥)	25.1	<b>0.6</b> ~ <b>10.8</b>	-97.4% ~ -57.2%

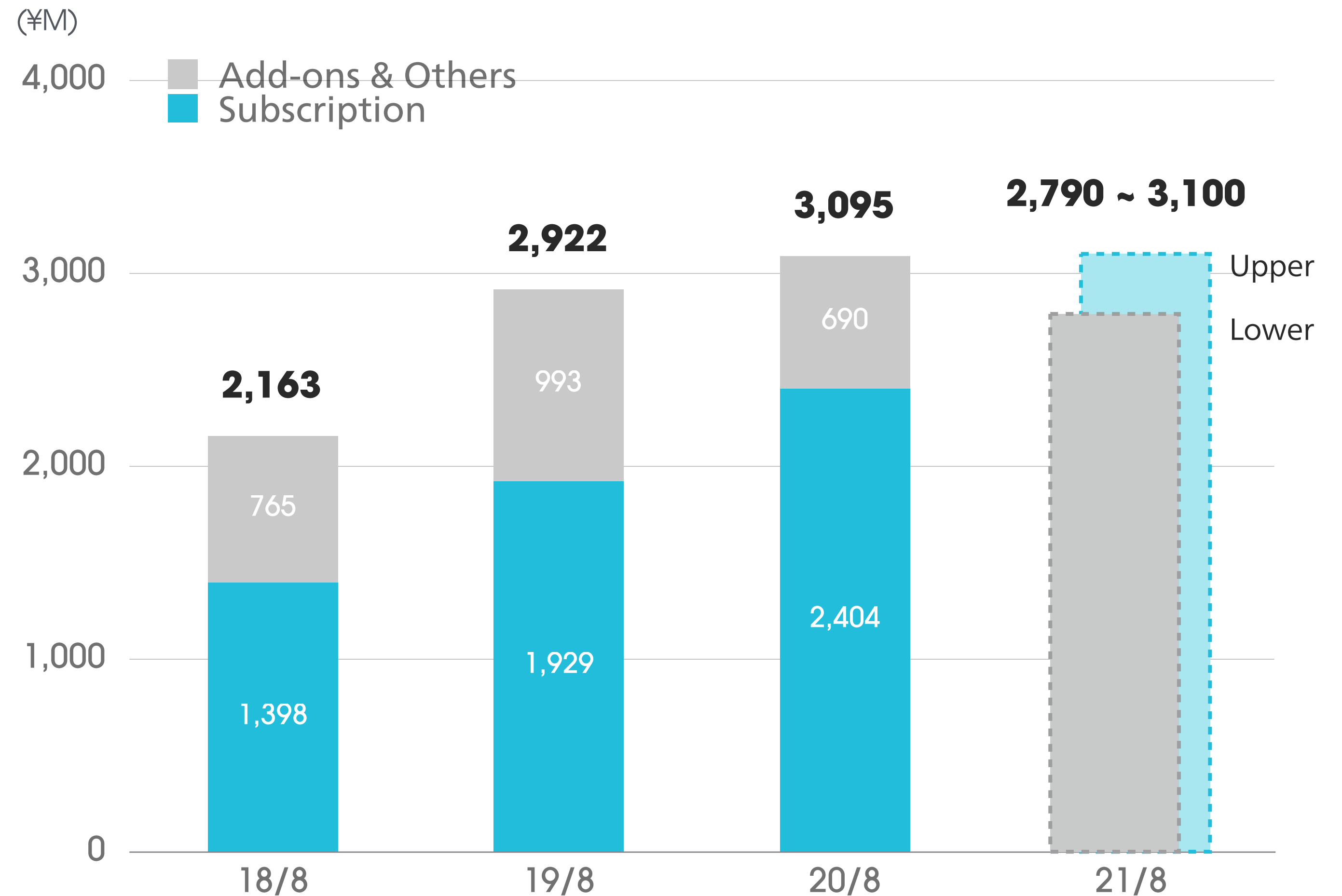
\* Figures less than one million yen are rounded. \* EPS is equal to net income per share.

## Upper end assumes positive QoQ after Q2.

- Assumption that revenue will return to pre-COVID-19 levels in Q4 as demand recovers.
- Engagement business contributes to lower churn rates, but its effect is limited.

## Lower end assumes negative QoQ until Q3.

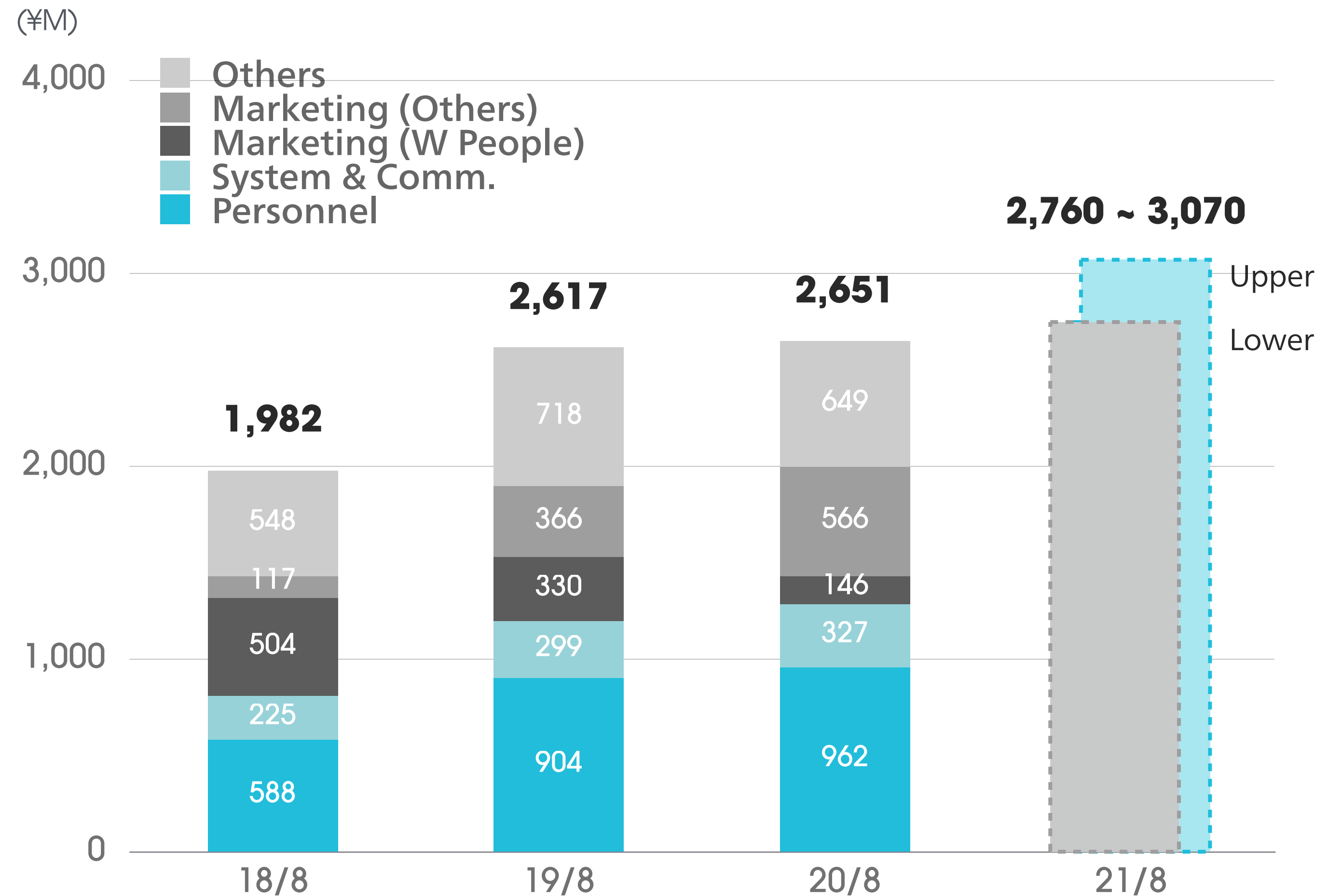
- Current demand recovery is slow, and if this continues, it will take time to return to pre-COVID-19 levels, especially for subscription.



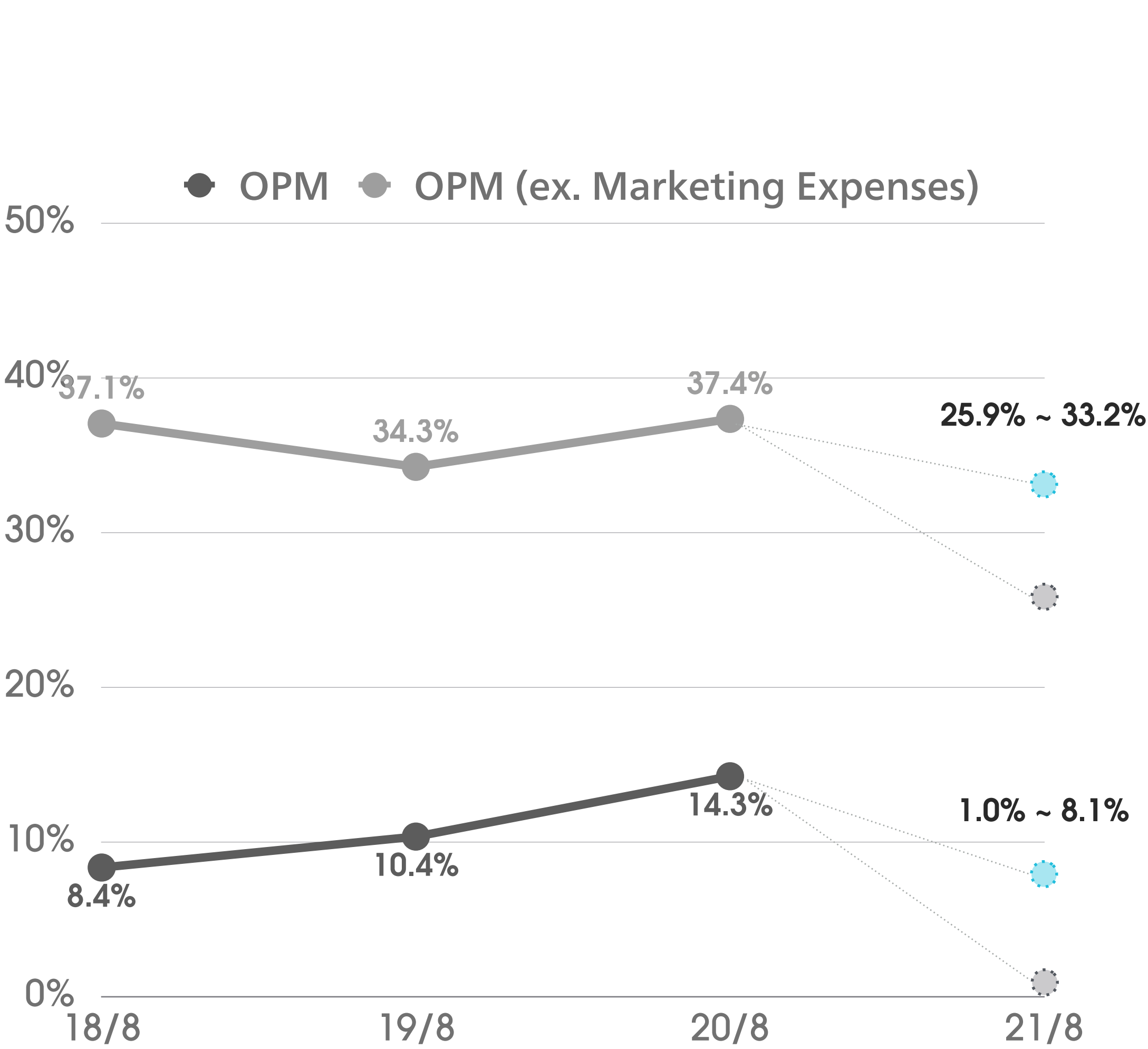
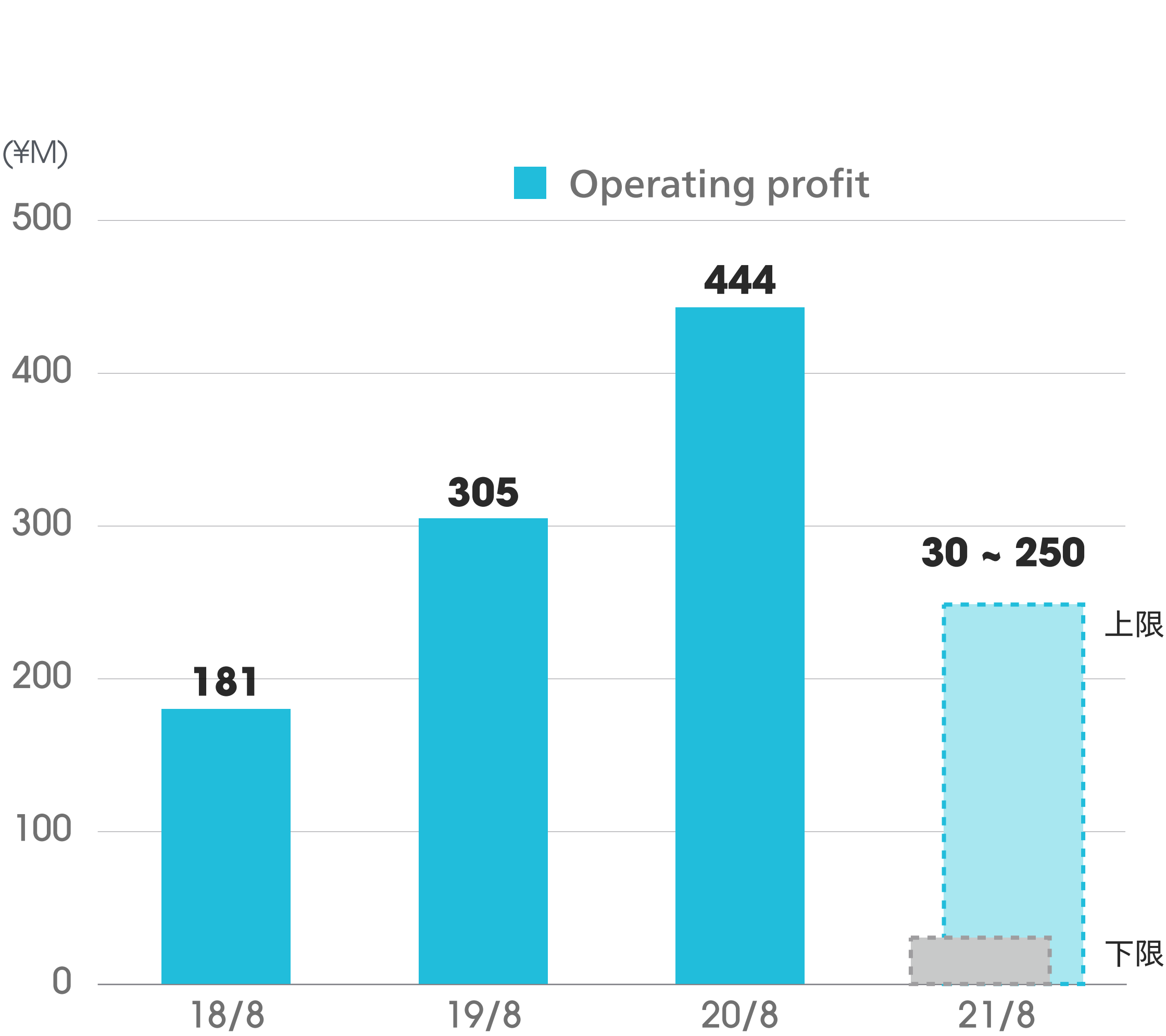
\* Figures less than one million yen are rounded.

## In all cases, continue to invest based on efficiency and business phase

- Resumed investment in advertising and personnel costs, mainly in the engagement business.
- Completed investment for People business, and will aim to strengthen the integration with Visit to increase user retention.
- Consider further investment if medium-to long-term growth is expected as demand picks up and progress is made in the engagement business.



\* Figures less than one million yen are rounded.



\*OPM(ex. Marketing Expenses) is excluding advertising and sales promotion expenses  
\* Figures less than one million yen are rounded.

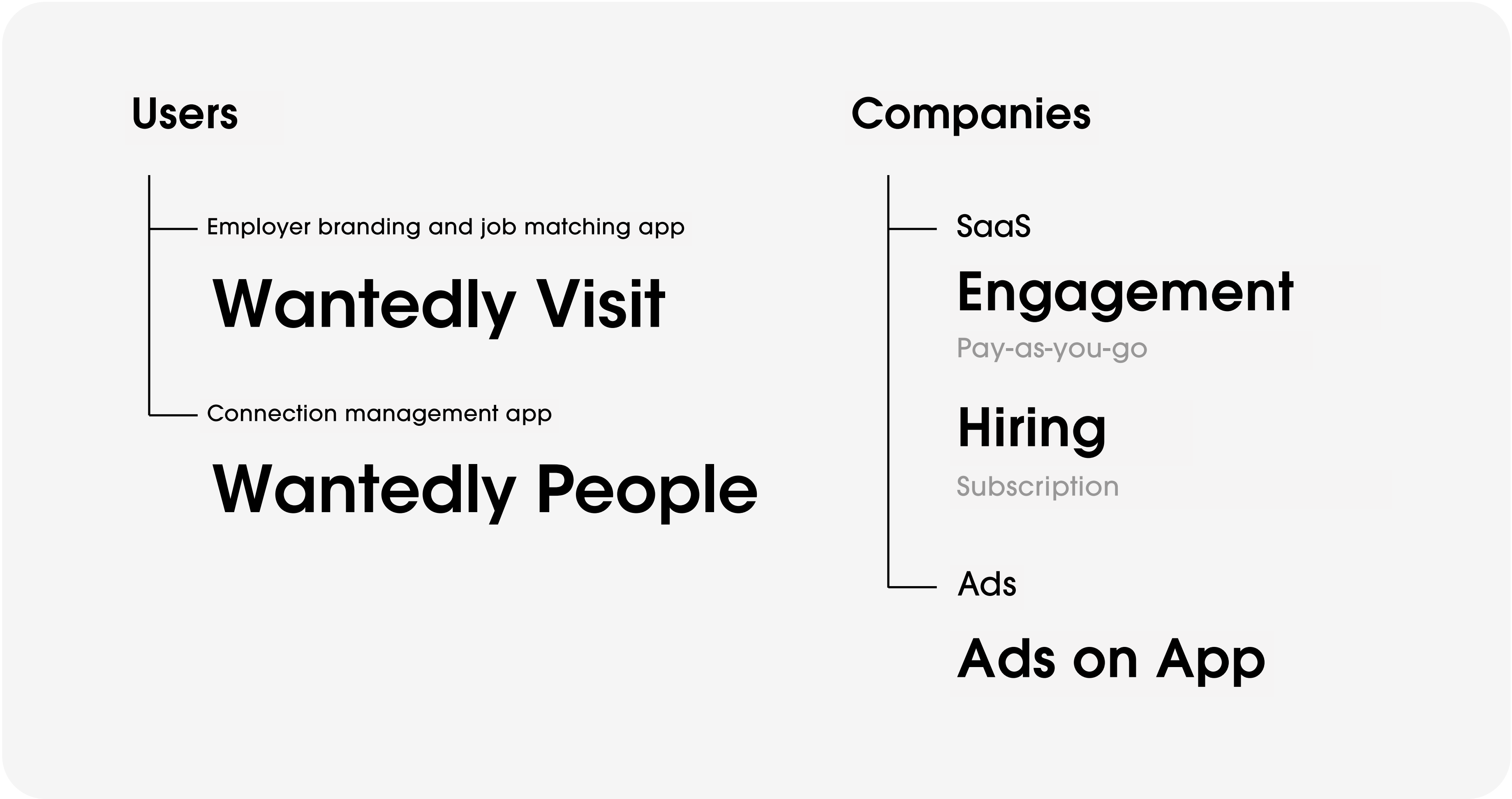
# Business Model

# Create a world where work drives passion

シゴトで  
ココロオドル  
ひとをふやす

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We are a business SNS that connects people through Discovery, Connection, and Engagement, in order to create a world where work drives passion.



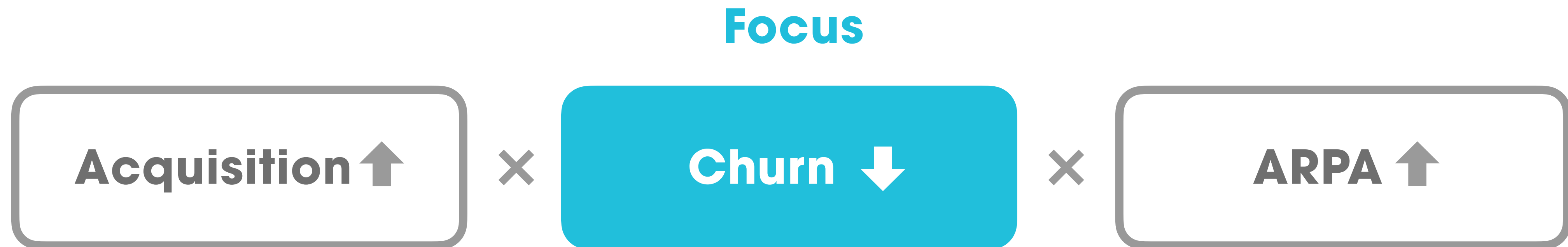
professional social networking services

# 05

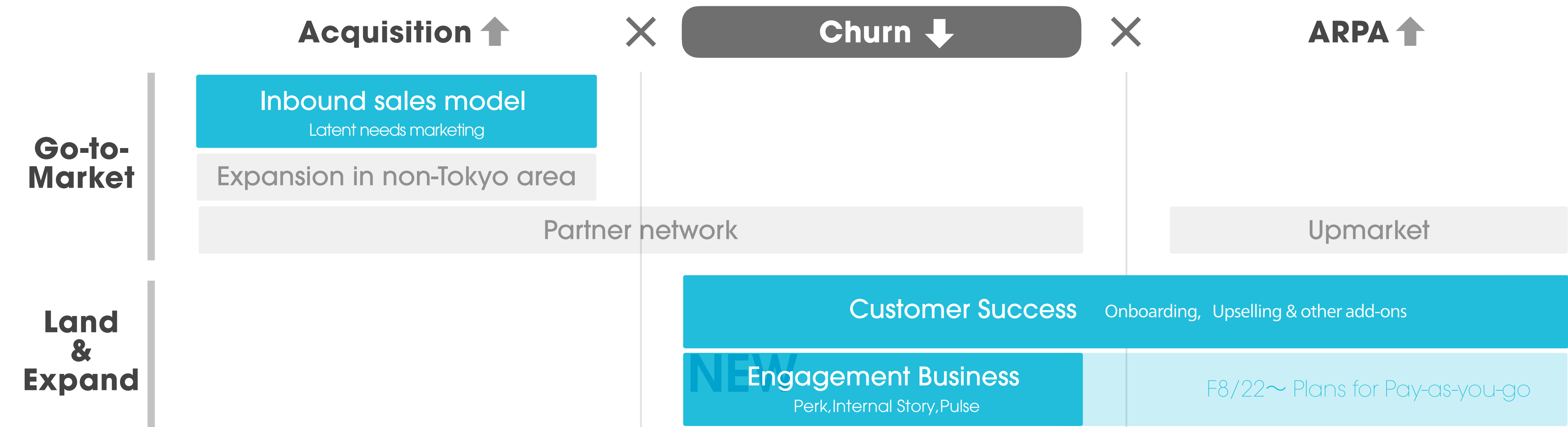
## Strategy

## Focus: Decrease churn rate to strengthen business model

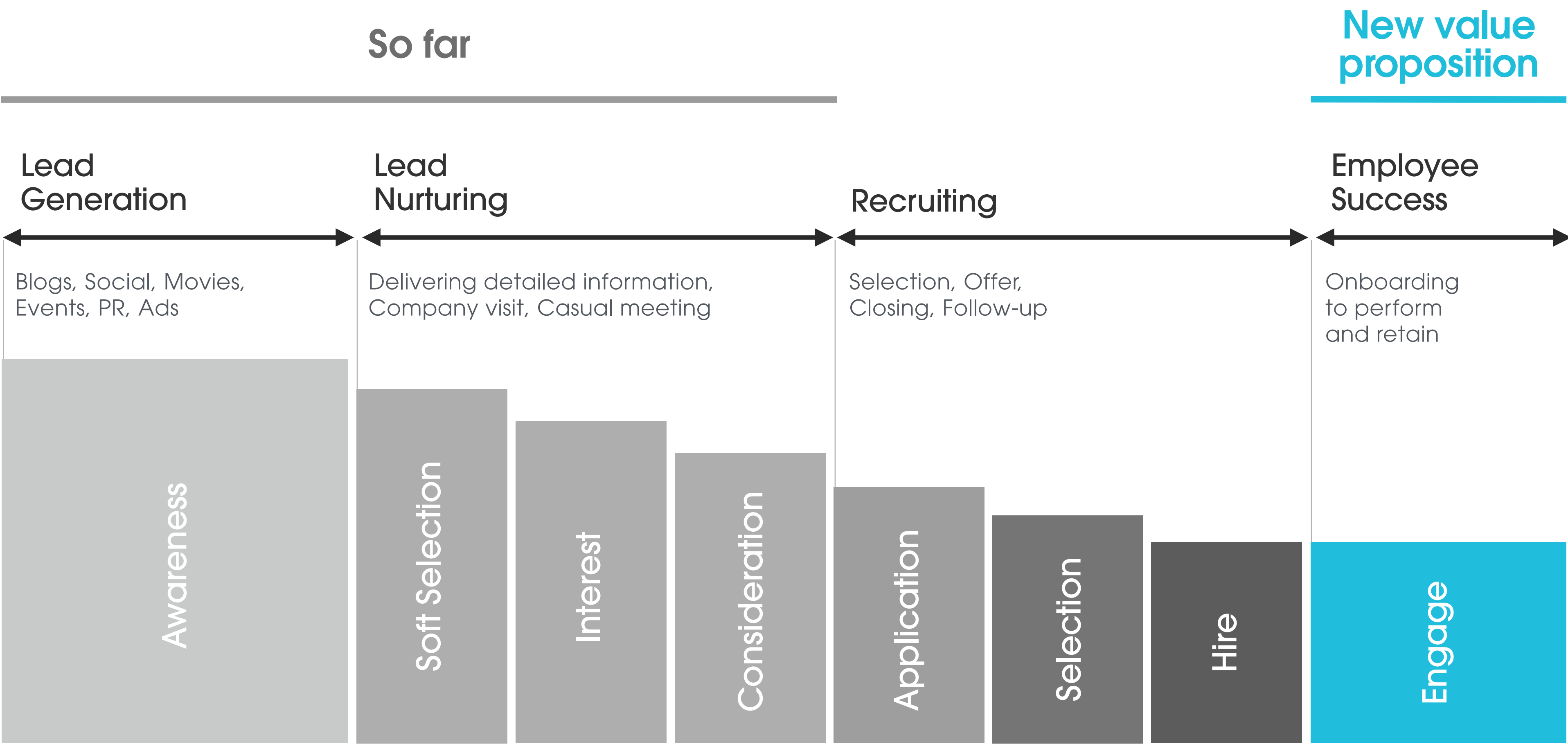
- Reduce churn rate by focusing clients to Engagement.
- Increase acquisition and improve ARPA initiatives remain the same.



# Promote long-term usage of current clients by extending the value

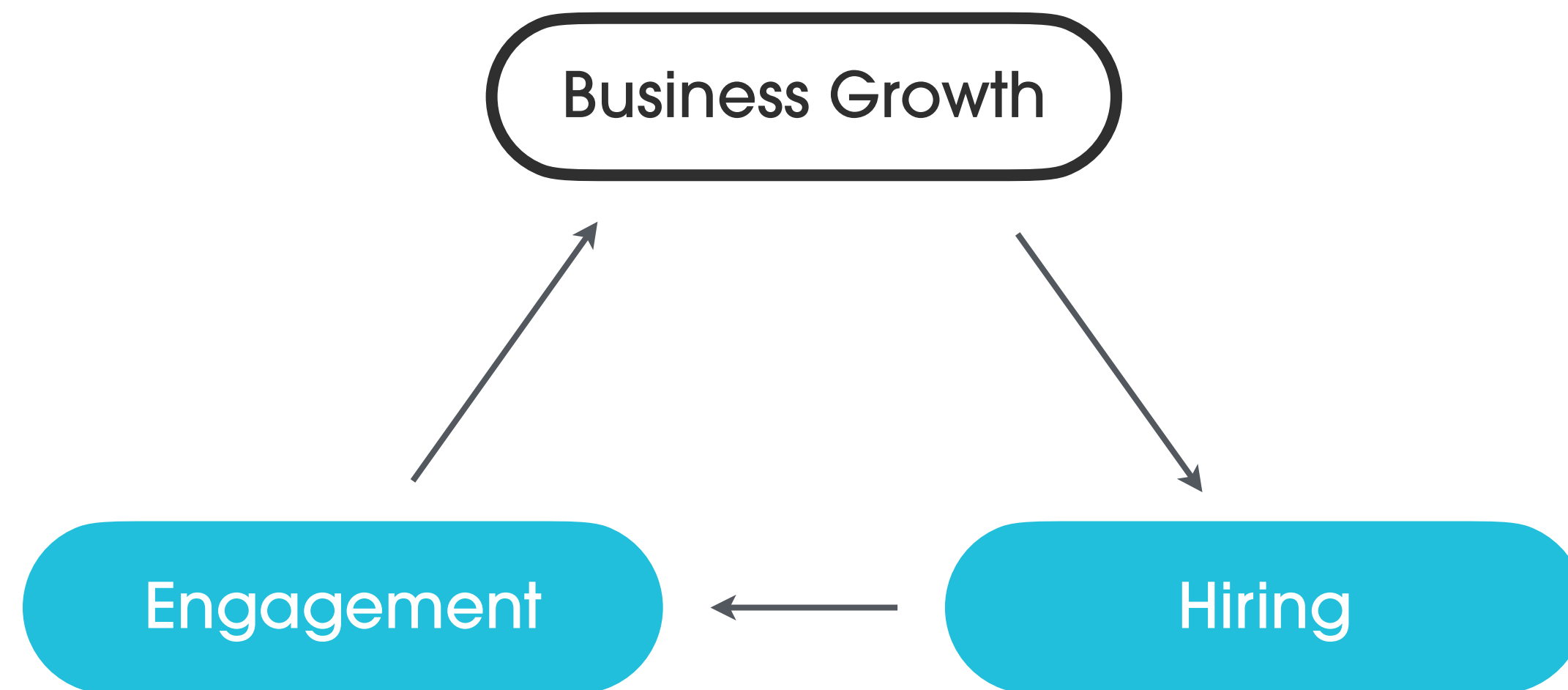


# Extend Wantedly's value beyond recruiting



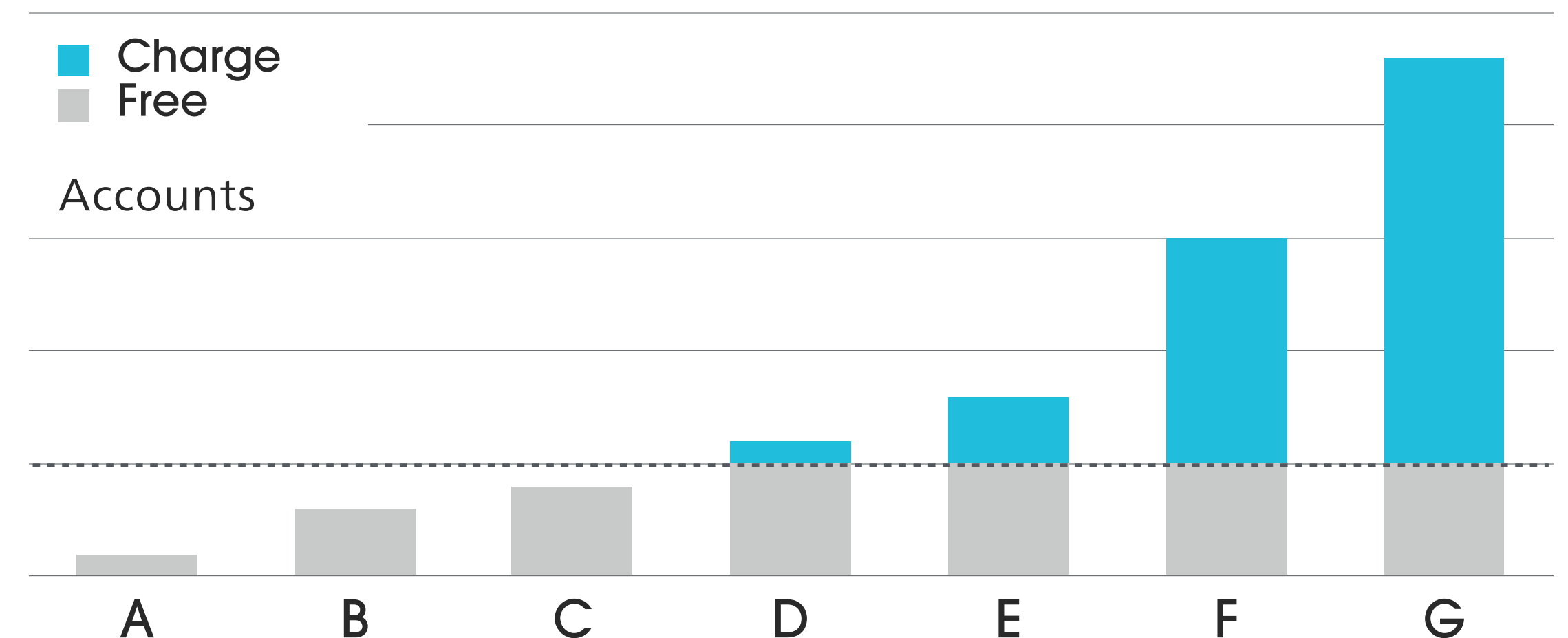
- **Aid with employee success, resulting in long term retention.**
- **Expand usage and price advantages through 3 products.**

\*details on next pg



## Cycle of growth and value proposition

Engagement drives company growth.  
Company growth creates hiring needs.



\*Currently free of charge with paying contracts

## F8/22~ Plans for Pay-as-you-go

Revenue opportunities based on company size.  
Increase stable ARPU through long-term contract.

Released on 3 Mar, 2020

# Perk β ver \*

Employee Perk

- Discounts on variety of services from housekeeping to English conversation.
- Provide special offers at low prices only found through Wantedly. (Over 100 services avail.)
- Market opportunity 100 billion yen

Source: Estimated by Wantedly based on the Ministry of Internal Affairs and Communications, "Work Force Survey" and Japan Business Federation, "Report on Welfare Expenditure Survey Results".

\*Available to all paid contractors

W Perk beta

## W のメンバー特典で シゴトに挑み続ける チカラをその手に。

ウォンテッドリー株式会社のメンバー限定。家事代行から英会話まであなたを磨く様々なサービスをお値打ち価格でご利用いただけます。Perkを使って、昨日より、もっと挑戦できる自分になるう。

### あなたの能力と知識を磨く

**ENGLISH ONLINE**  
Description of the benefit  
Company

30% OFF  
¥3234  
初回のみ

**NEWS ONDEMAND**  
Description of the benefit  
Company

3ヶ月無料  
無料  
初回のみ

### 心地よい空間で没頭

**HOUSE WORKS**  
Description of the benefit  
Company

7% OFF  
¥2558  
ずっと割引

**SHARE WORK**  
Description of the benefit  
Company

20% OFF  
¥800  
ずっと割引

**MUSIC PLAY**  
Description of the benefit  
Company

2ヶ月無料  
無料  
初回のみ

### 生活と身体を整える

**KIDS SUPPORT**

¥3000OFF

**SMART MEDIC**

¥2000 OFF

Released on 21 Apr, 2020

# Internal Story β ver \*

Company Newsletter

- Support companies to convey their visions and values online
- Diversify methods of communication as remote work increases
- Over 50 companies are using.

\*Available to all paid contractors

W

Wantedly, Inc. 社内ポータル

ストーリー

チームの様子

メンバー特典

Naoto Erika

Designer

投稿する

Stories of

W

Wantedly. Inc


仲 暁子


CEO・Founder

100年に一度の行動変容がやってくる

よく、競合の動向ばかり気にして「A社はこんな機能をつくってきたから、うちも入れよう」という話ばかりしている人がある。また、事業…

→





永続する組織文化を作りたいと思っている話

さて、永続する組織を作りたいというテーマについて、去年ぐらいから考えるようになりました。もちろん、組織の永続自体はゴールではないですね。ただ、僕たちのミッションであ「シゴトでココロオドルひとをふやす」というとてつもなく難しいミッションと、こ…

Released on 2 June 2020

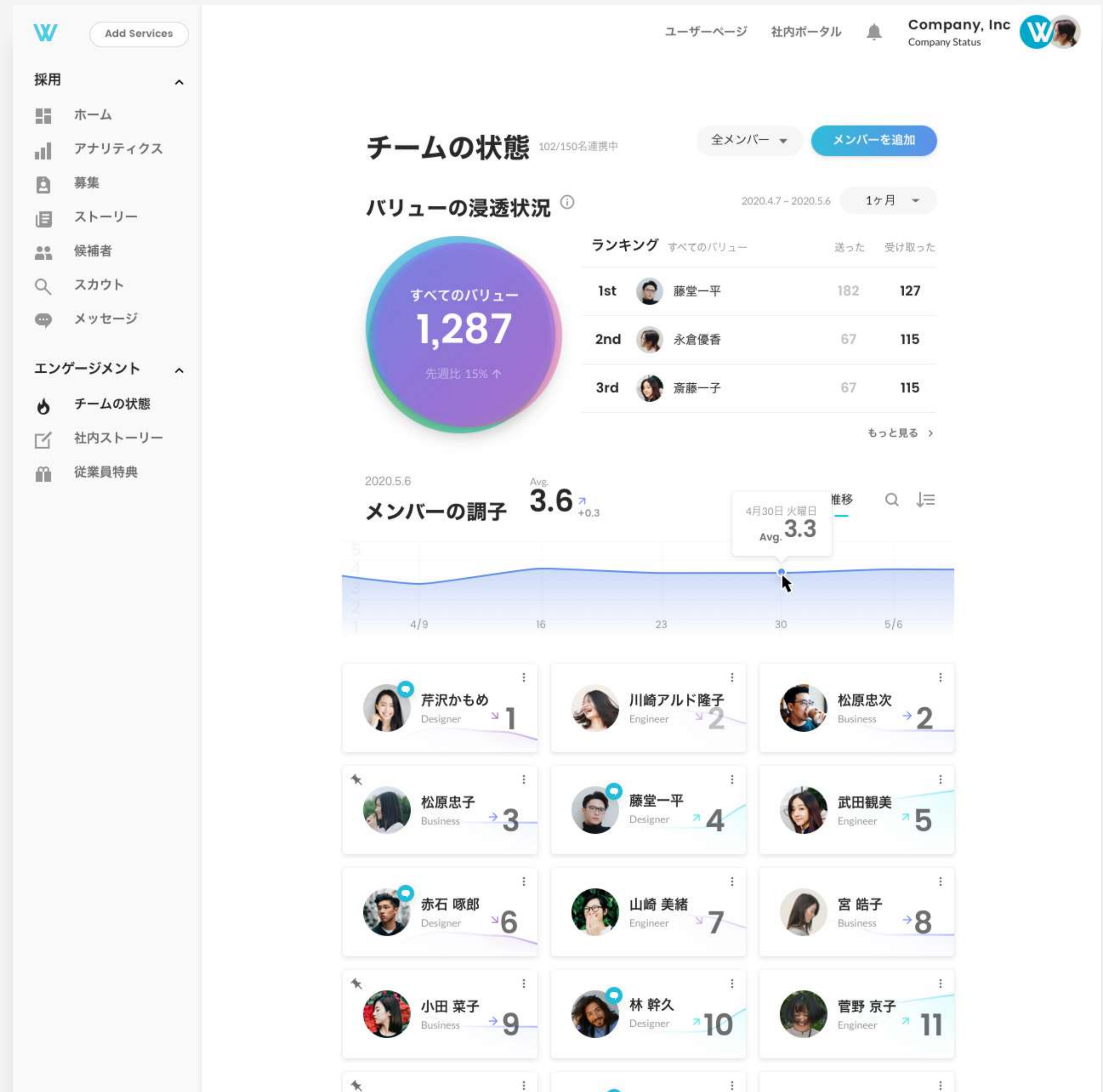
# Pulse β ver \*

## Condition Management

- Possible through Slack
- Praising based on values to help visualize company values
- Identify changes by implementing condition management
- Over 100 companies are using.
- Market opportunity 7.2 billion yen (YoY 44%)

Source: MIC Research Institute,  
"Employee Engagement Cloud Market Reality and Forecast 2020"

\*Avail. only to specific companies



# The social changes brought about by COVID-19 have made self-sustaining organizations important.

The engagement business supports the autonomy, purpose and mastery necessary for autonomous organizations.

モチベーションから紐解く  
**自律型組織の作り方**

WANTEDLY

**DRIVE! YOUR TEAM**  
MOTIVATION = AUTONOMY × PURPOSE × MASTERY

1. コロナ前、そしてコロナ後の社会の変化

## 従来とは異なる価値観のミレニアル世代、Z世代の台頭

働き方の変化が加速する中、給与や福利厚生といった条件よりも、事業の社会的意義や、会社の掲げるミッションへの共感を重視するミレニアル世代の台頭が目前に迫っている。

管理職世代が「高い給料」を最重視する一方、ミレニアル世代は有意義な仕事を最重視するという結果に

価値観	管理職世代	ミレニアル世代
有意義な仕事	11%	30%
高い給料	27%	48%
達成感	11%	24%
やりがいのある仕事	8%	10%
自己表現	6%	6%
大きな責任を任せられること	3%	12%

(出典) Mary Meeker 「Internet Trends Report 2015」

主に20-30代を対象にした調査では、96%が共感できるシゴトの方が頑張れると回答

YES 96%

(出典) ウォンテッドリー「仕事に対する意識調査」(N=1,356)

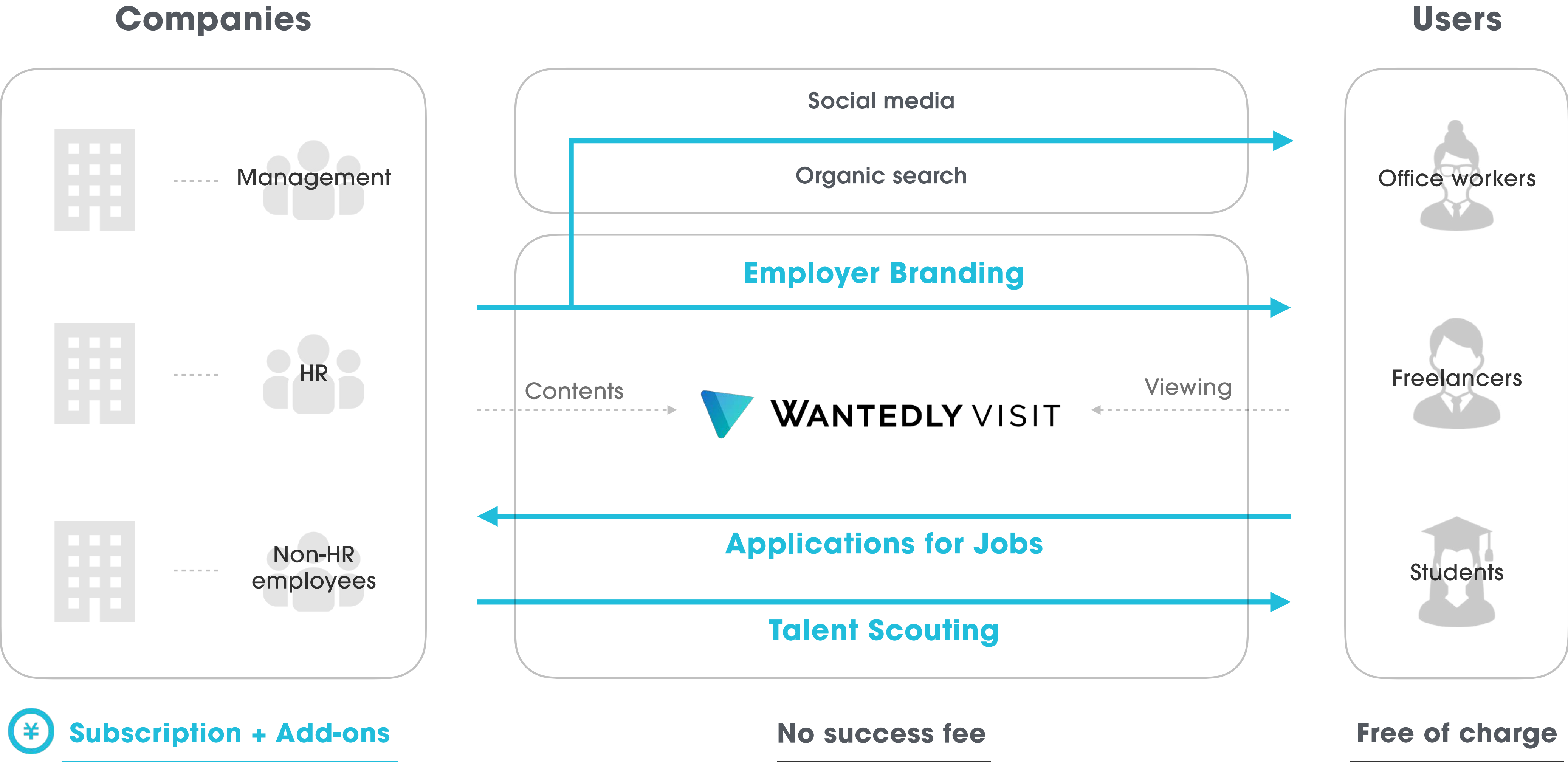
WANTEDLY ©2020 Wantedly, Inc.

# Appendix

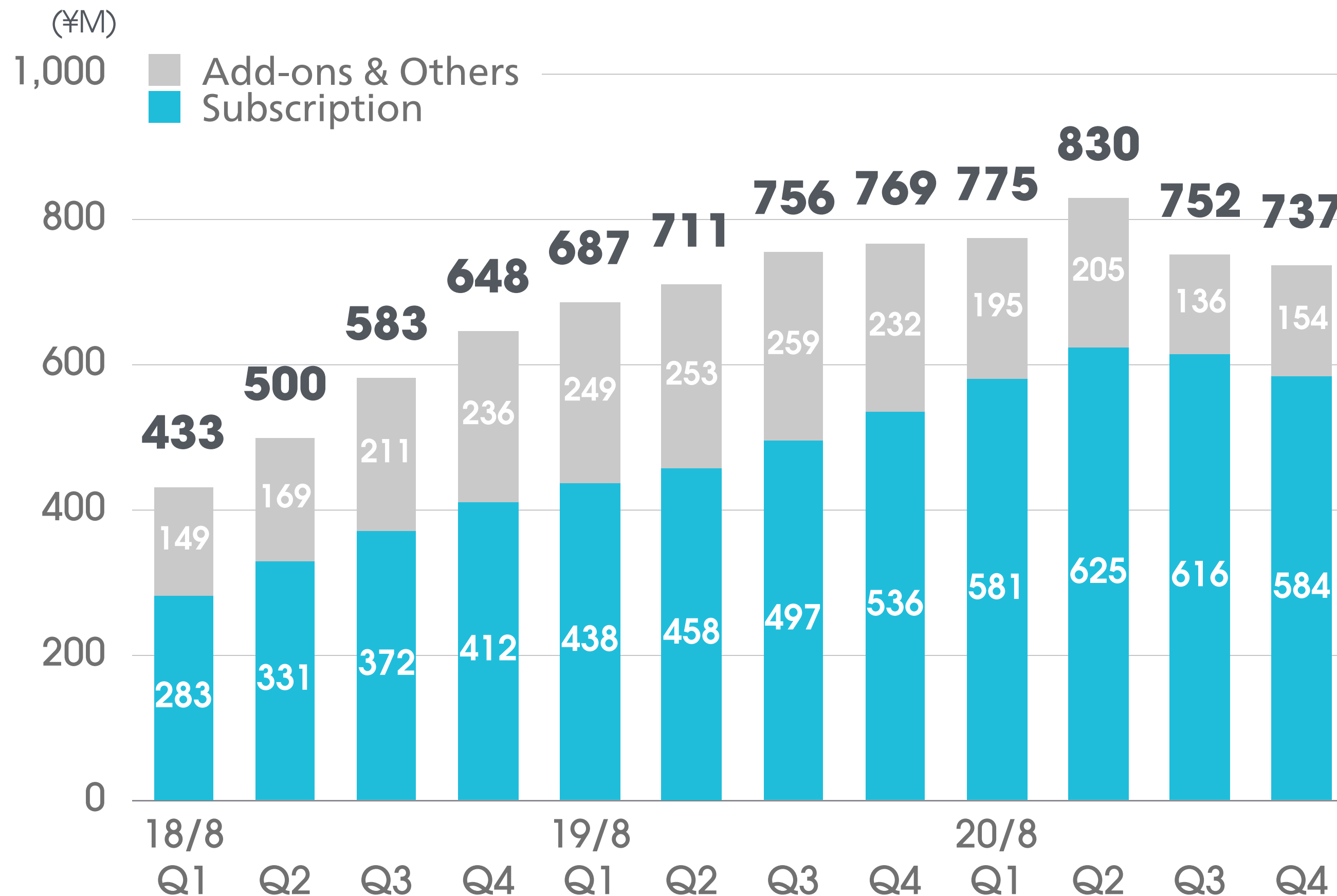
# Find your dream job

- **Matching based on shared value and mission**
  - No statement for salary or benefit. Amplify the company's voice regardless of the size.
- **A brand new experience of 'Want to Visit' a company**
  - Talent meet company whose values align to discover more opportunities.





## Revenue : Quarterly Trend



\* Figures less than one million yen are rounded.

### Add-ons

- ¥100k~ per item
- Mainly pay-per-use “Talent Scouting”
- Other one-off add-ons such as content creation and content promotion

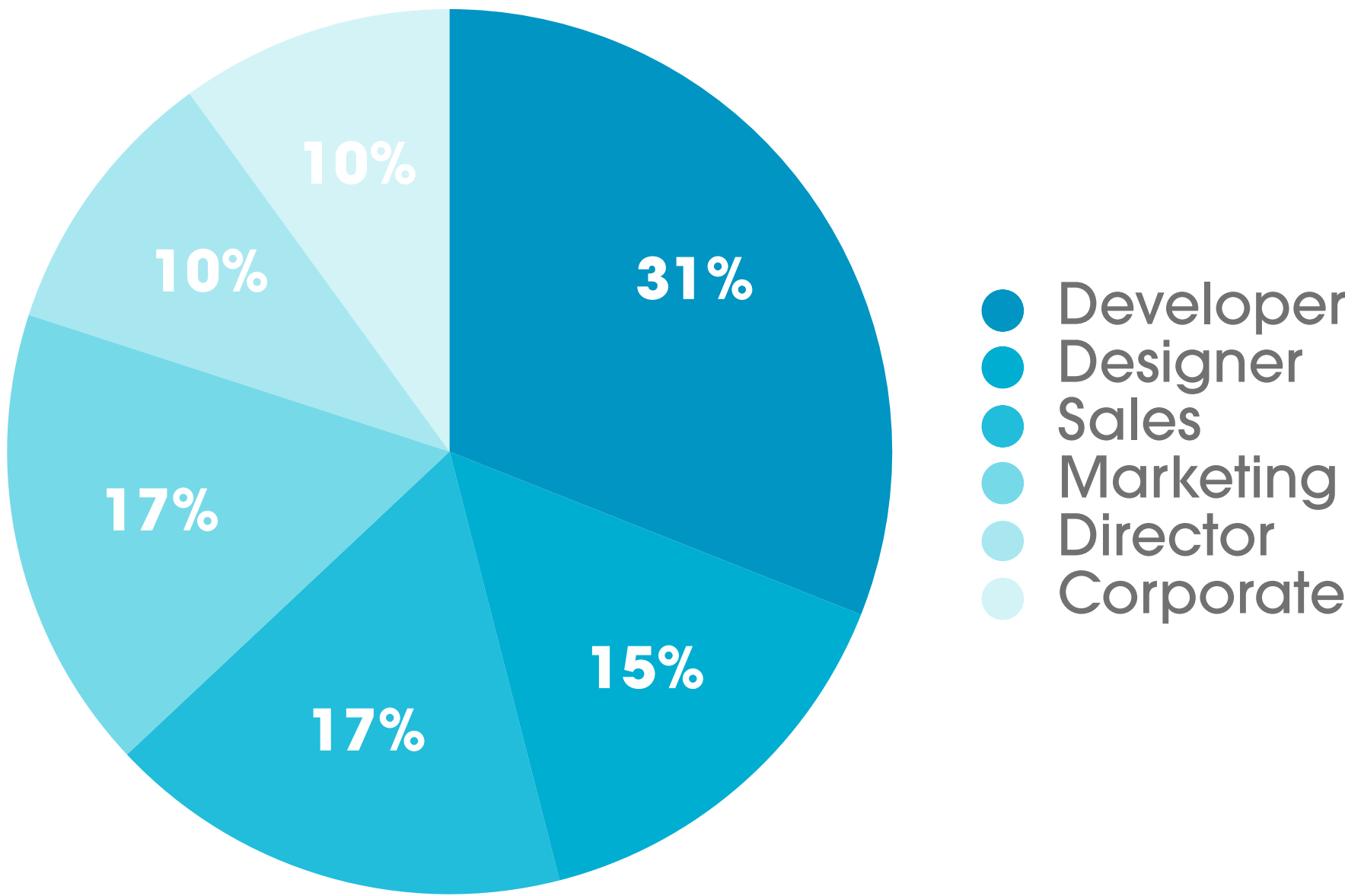
### Subscription

- ¥45k~¥200k per month (as of July 2019)
- Revised pricing plan for new company subscription in July 2019
- 6mo/1yr/2yr term contract
- Unlimited job posts & applicants
- Upper plans are bundled with talent scouting

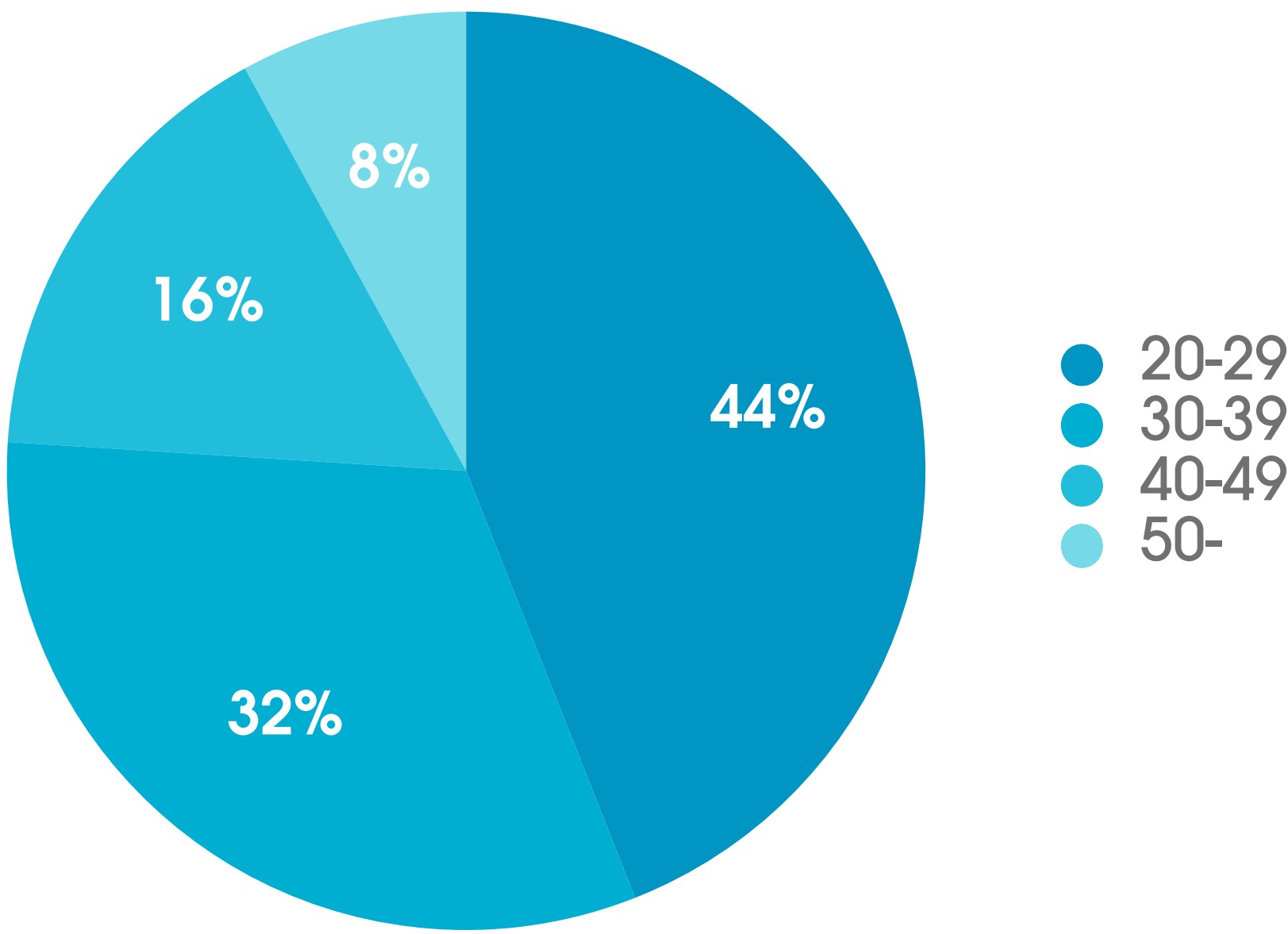
▼  
**Affordable for SMEs**  
**Higher ROI for hiring**

**Advantage in millennials and the growing Web industry.**

**Occupation**



**Age**



- **Companies from various industries, with the highest percentage in Web/Mobile industries.**
- **Most are SMEs with less than 100 employees.**

Registered companies by industry

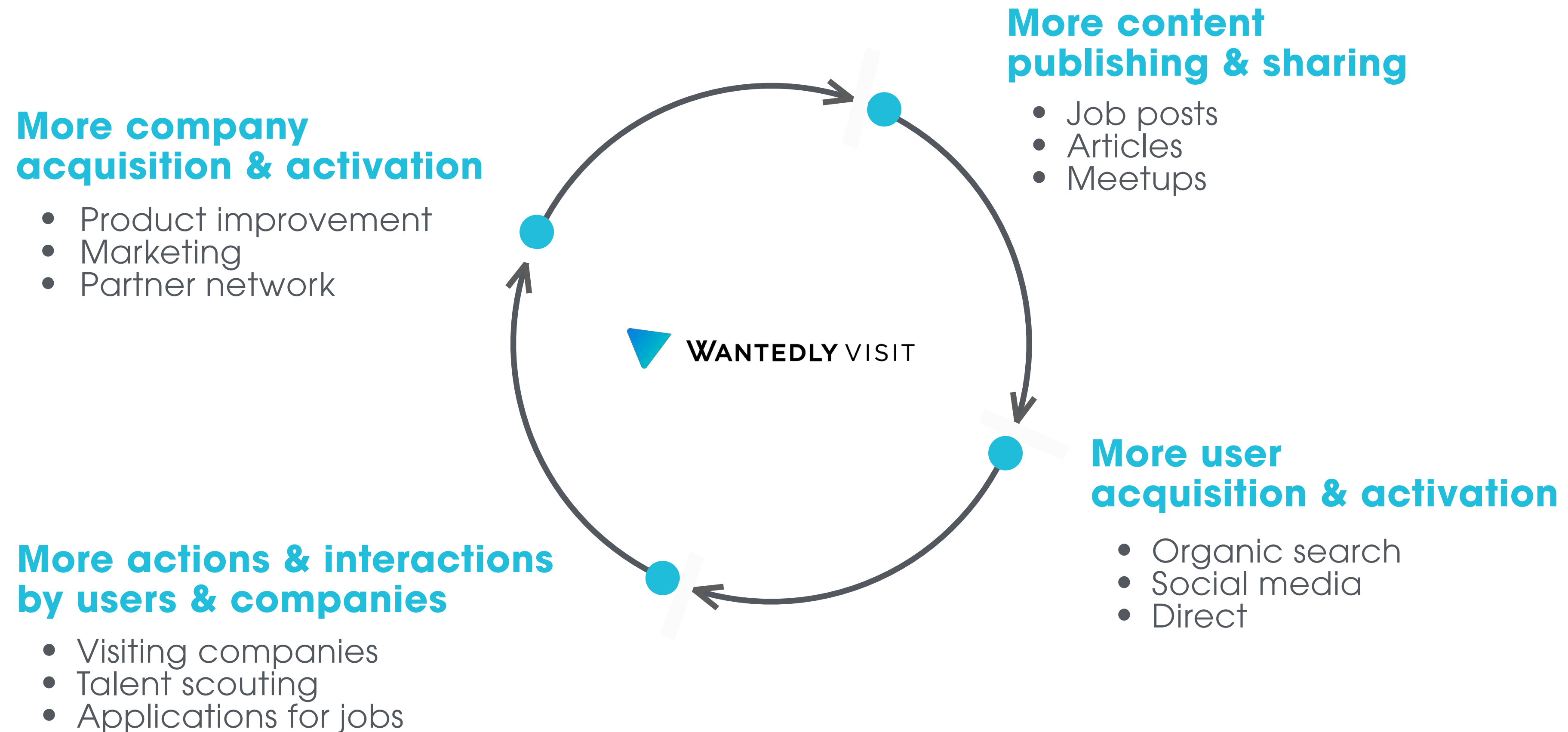


- **Companies from various industries with relatively higher share of Web/mobile.**
- **Most of them are SMEs with less than 100 employees.**

**Registered companies by industry**

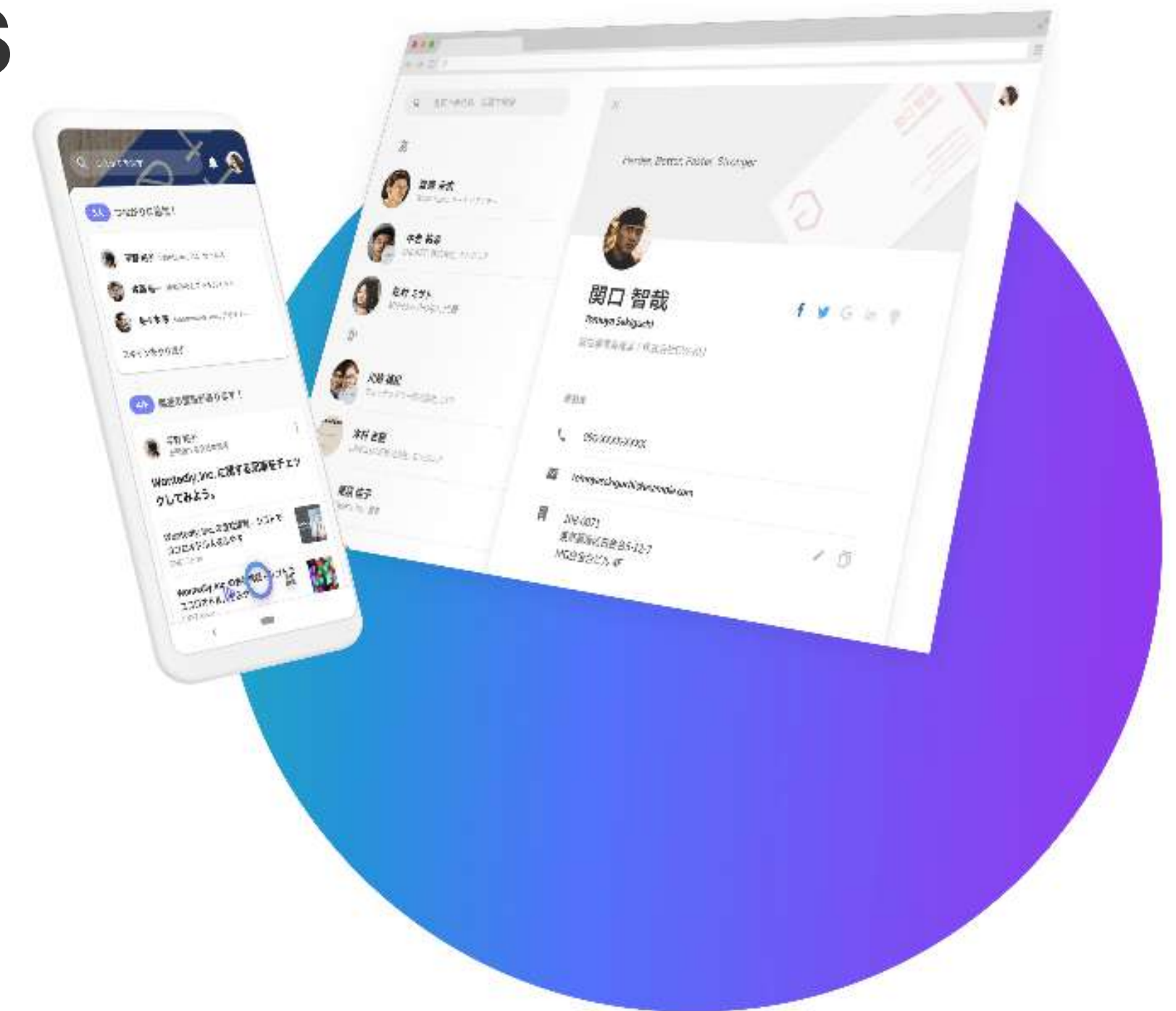


# More content publishing & sharing boost the growth cycle



# Scan cards, create connections

- **Business card scanning made fast and easy**
  - Instantly scan and digitalize multiple business cards
- **Get updates of your new connections simultaneously**
  - A chance to create deeper connections



UPDATE



Keep you informed of “Updates” from connections

SCAN



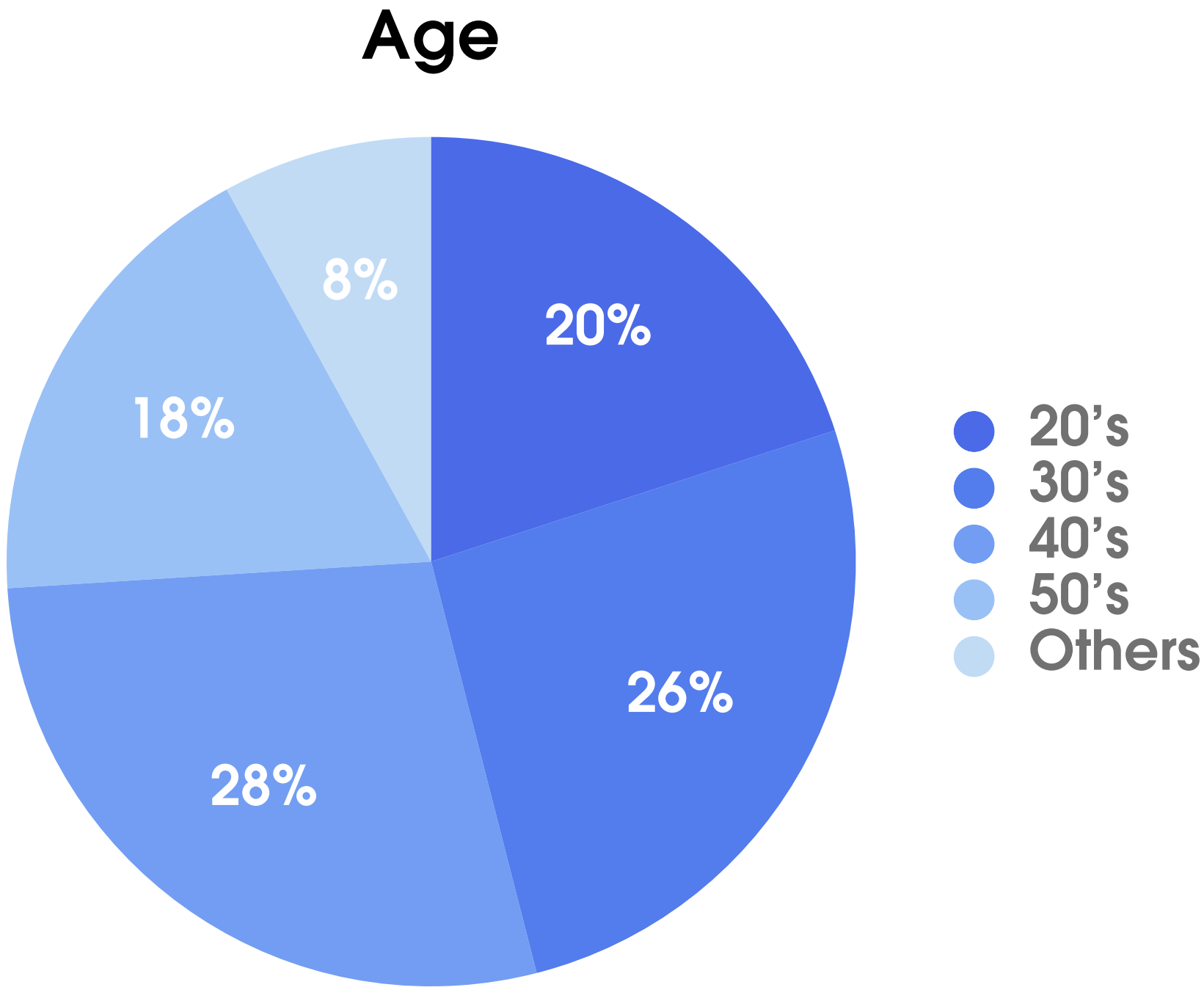
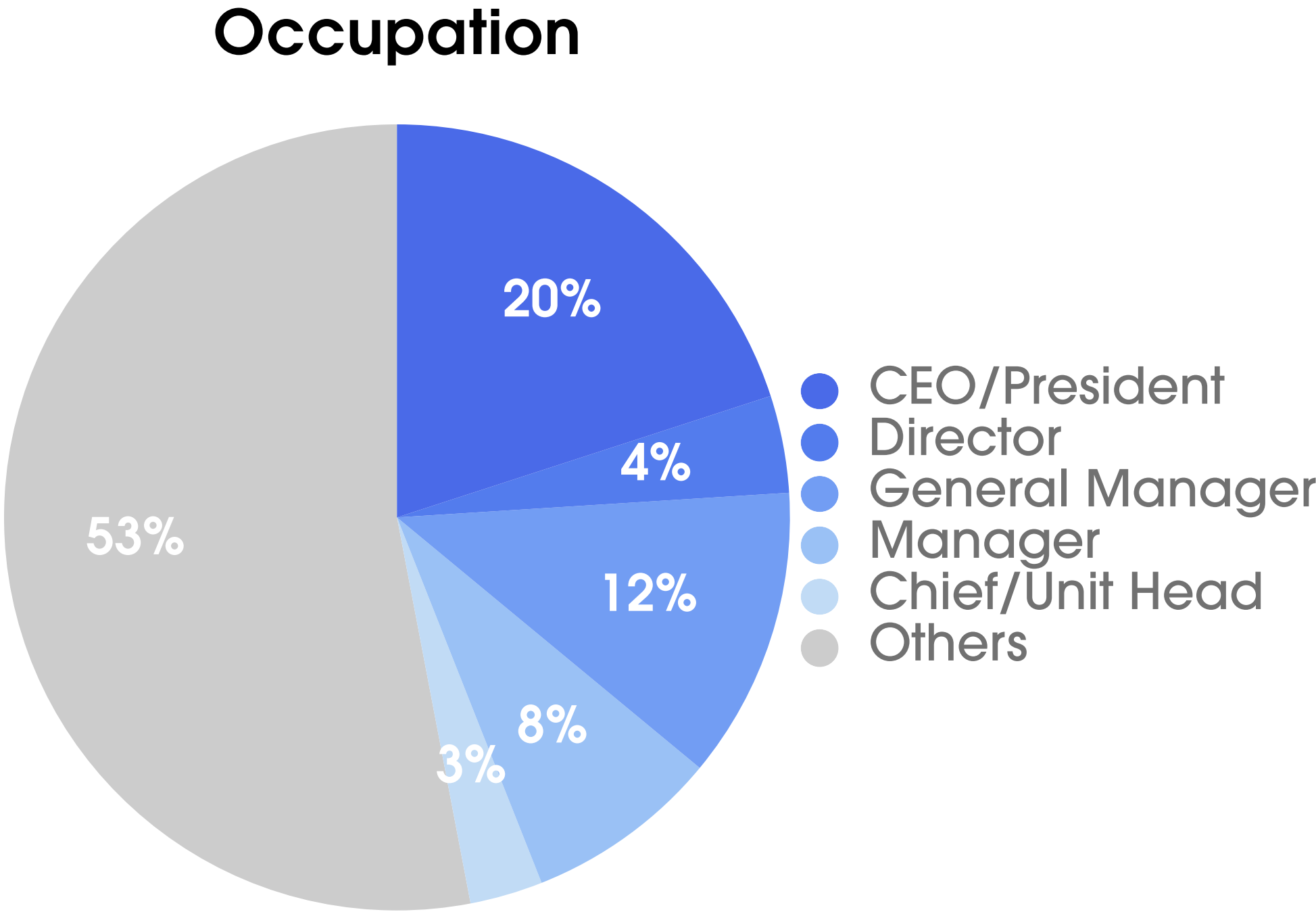
Scan up to 10 Cards at a time  
Digitize them in a flash

CONNECT



Know more about your connections

# 5M users including large number of executives and wide range of age groups



\* Surveyed by Wantedly

# Monetize by ads on “Updates”



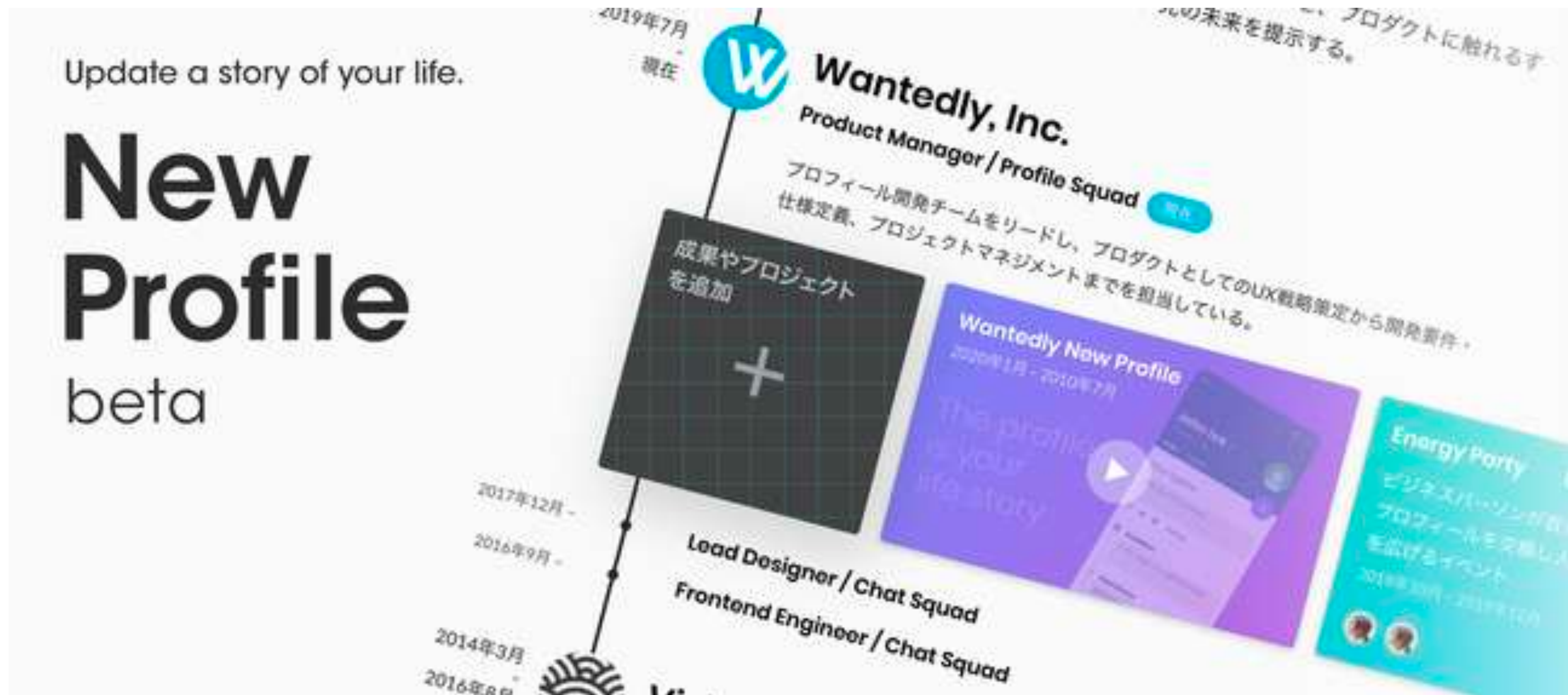
# Generate Synergy



- Exchanging users
  - Feeding contents
  - Talent scouting
- (Released beta version in Aug 2019)



# Revamped profile feature as a business portfolio to continually update and publish your work achievements.



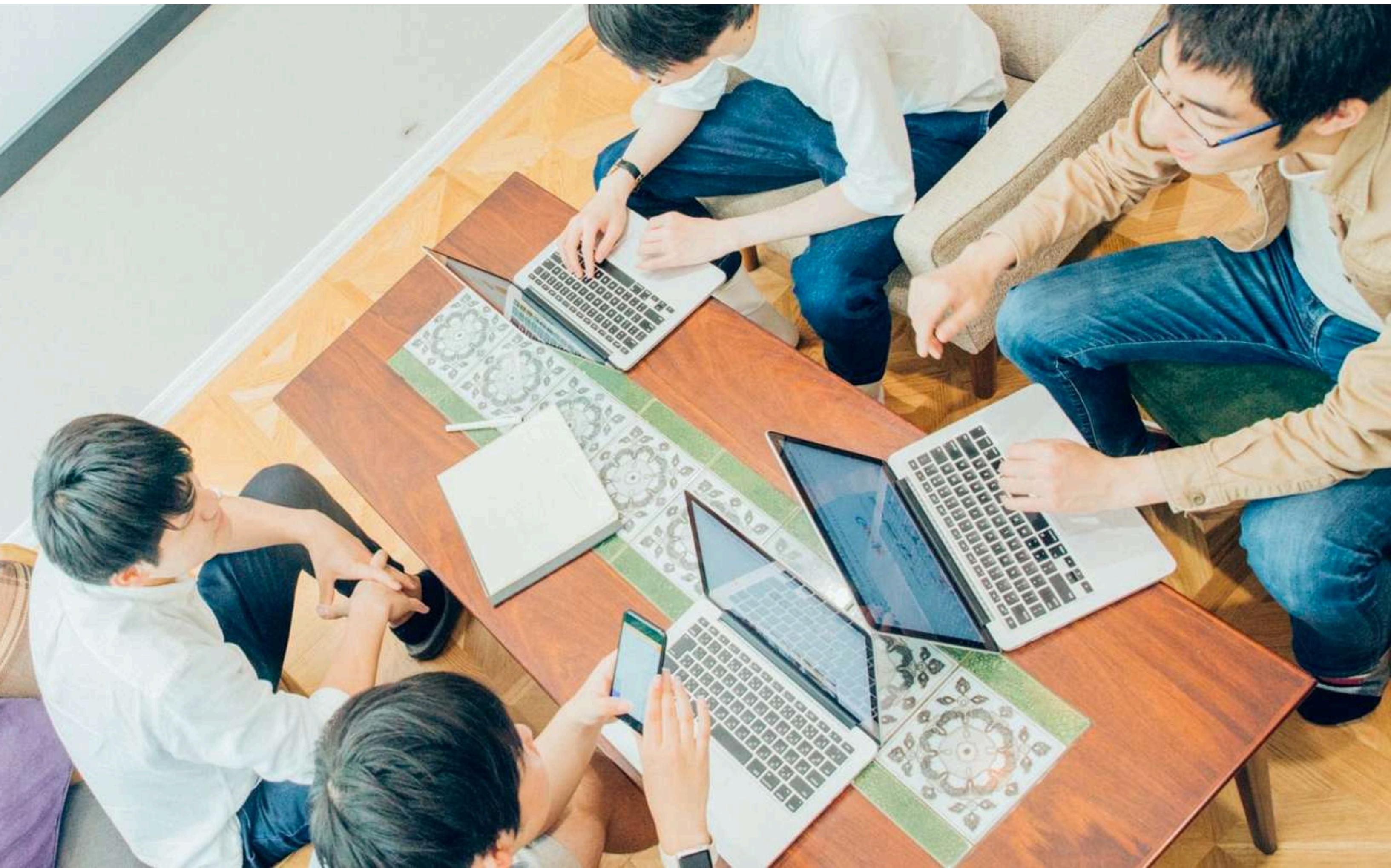


# Wantedly, Inc.

CEO                      Founded  
Akiko Naka          September, 2010

Headquarter  
MG Shirokanedai building 4F, 5-12-7,  
Shirokanedai, Minato-ku, Tokyo

Subsidiary  
Wantedly Singapore Pte. Ltd.



- 2010.09 ● Akiko Naka founded Fuel, Inc. (current “Wantedly, Inc.”)
- 2012.02 ● Officially released Wantedly (current “Wantedly Visit”)
- 2016.11 ● Released Wantedly People
- 2017.03 ● Officially Started service in Singapore
- 2017.09 ● Listed on the TSE Mothers
- 2018.06 ● Officially Started service in Hong Kong
- 2020.03 ● Released Perk
- 2020.04 ● Released Internal Story
- 2020.06 ● Released Pulse



### **Akiko Naka** / President, CEO

After graduating from the Faculty of Economics, Kyoto University, entered Goldman Sachs.  
After retiring, participated in Facebook Japan as an early member.  
In September 2010, established the present Wantedly, and developed a business social media "Wantedly" utilizing Facebook. In February 2012, officially released the service.



### **Yoshinori Kawasaki** / Director, CTO

After graduating from The Department of Information Science, the University of Tokyo, completed the master's course in the Department of Computer Science, Graduate School of Information Science and Technology, UOT.  
In 2006, entered Goldman Sachs. After serving as VP for the Technology Division, participated as CTO in the development and operation of Wantedly in April 2012.  
Assumed the present position in October 2013.

### **Akiko Takahara** / External Director

Launched Business Corp Inc. (present Benefit One Inc.) while working at Mitsubishi Corporation, and was engaged in the startup of various businesses utilizing the Internet in its very early days in Japan. Has mainly undertaken service planning and operation design, funding, etc.  
Has also leveraged experience in broad areas, including security analysis, corporate planning, and internal audit. In April 2014, took office as Full-time Auditor of Wantedly. In November 2015, took office as Outside Director (Audit and Supervisory Committee Member) of Wantedly.

### **Jun Narimatsu** / External Director

Representative Director and President of Muuseo Inc.  
After working for Deloitte Touche Tohmatsu LLC, was expatriated to the Listed Unit, Tokyo Stock Exchange, and undertook the establishment of listing rules and the application of actions based on the listing rules.  
From 2007, established the management structure as Executive CFO at Cookpad, and led its listing in Tosho Mothers. In March 2012, retired for the purpose of startup. At present, focuses on the management of online services, and also supports startups as angel investor and/or outside executive officer.  
In November 2015, took office as Outside Director (Audit and Supervisory Committee Member) of Wantedly.

### **Shinichiro Yoshiba** / External Director

Serves as partner for STW & Partners.  
After registering as lawyer in the Daini Tokyo Bar Association in 2000, served as partner for Mori Hamada & Matsumoto from 2009.  
In October 2011, took office as Outside Auditor of enish, Inc.  
In January 2015, entered STW & Partners.  
In November 2015, took office as Outside Director (Audit and Supervisory Committee Member) of Wantedly.



**Naoki Aoyama** / Executive Officer, CDO

After graduating from the Faculty of Crafts, Department of Modeling Engineering at Kyoto Institute of Technology, and completed masters at the Graduate School of Media and Governance at Keio University, entered Fujitsu Limited and was involved in UI design and art direction for Android devices. Entered Wantedly in June 2015 and assumed the present position in September 2019.



**Kaori Kawaguchi** / Executive Officer

After graduating from Waseda University, engaged in the management of competitive swimmers. In 2007, entered Recruit Agent (present Recruit Career). Has experienced corporate sales and launch of new businesses in the consumer segment, and has served as manager in the business development division. After working for HR Tech in Singapore, entered Wantedly in October 2017, and assumed the present position in September 2018.



**Kento Moriwaki** / Executive Officer

Worked as a freelance engineer while enrolled in the Department of Environment and Energy Engineering at Osaka University. After graduating from the university, entered Wantedly as a new graduate in 2015 and was assigned to the development team for Wantedly Visit. Led projects that focus on development of new functions, such as Stories, and renovation of existing functions. Assumed the present position in September 2019.



**Toshitsugu Kanehira** / Executive Officer

After graduating from the Faculty of Law and Economics at Chiba University, entered Honda Motor Co., Ltd., experienced dealing with accounting finance and management planning. After working at J.Score, established by Mizuho Bank and Softbank, entered Wantedly in January 2019, and been in charge of accounting, finance, management planning and IR. Assumed the present position in September 2019.

This material contains forward-looking statements that reflect views and assumptions of management at Wantedly, Inc., in light of information currently available with respect to certain future events, including, but not limited to financial projections and business strategies. These forward-looking statements are subject to certain risks and uncertainties, and may differ from actual business performance or results. These results of such forward-looking assumptions cannot be assured.

This material does not intend to solicit the sale or purchase of the shares of the company. Your investment decisions should be made at your discretion.

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