



(1st Quarter, Fiscal Year Ending March 2025) Financial Results Presentation Materials

FLECT Co., Ltd. (Securities Code: 4414)

August 13, 2024

Company Profile

Company Name	FLECT Co., Ltd.
Established	August 2005
Capital Stock	701 million yen (as of June 2024)
Number of Employees	371 (as of June 2024)
Address	11F, Hamamatsucho Bldg., 1-1-1 Shibaura, Minato-ku, Tokyo
Business Description	<ul style="list-style-type: none">• Cloud Integration Services• Cariot Services





Representative Director CEO
Koji Kurokawa

Realizing an Ideal Future with the Cloud

We are a Multi-Cloud Integrator supporting corporate DX with our cutting-edge cloud technology and designs.

In a society where all people and things are digitally connected, we realize a new digitally optimized customer experiences and support customer-centered business innovation.

Service Overview

Cloud Integration

Professional services supporting corporate DX

We support “Proactive DX” that can realize a new customer experiences through our cutting-edge cloud technology. This is a one-stop service for digital transformation in existing and new business initiatives, ranging from service planning, designing, multi-cloud development, to actual implementation.



Cariot

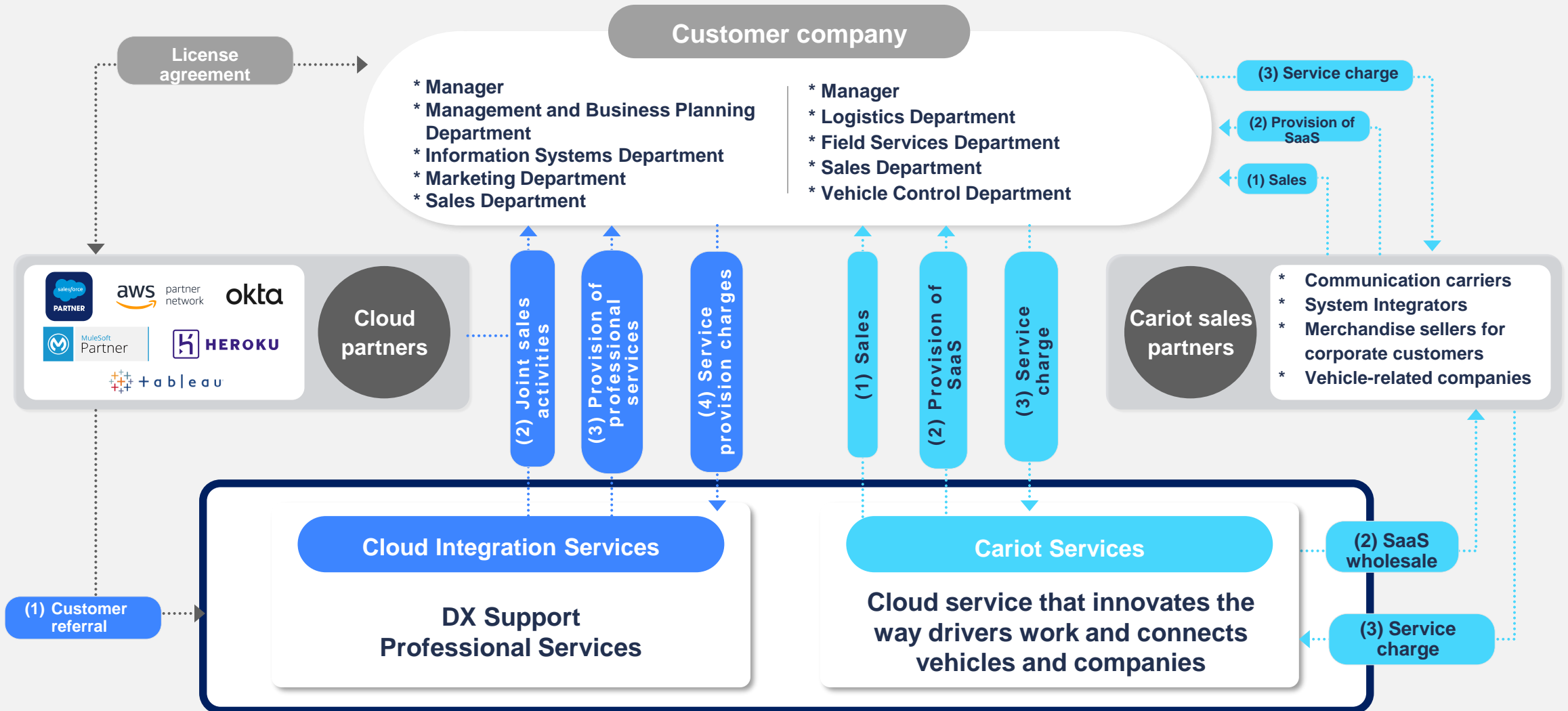
Cloud service that innovates the way drivers work and connects vehicles and companies

Cariot is the company’s cloud service that provides work efficiency, peace of mind and safety in the field by using real-time information on commercial vehicles and vehicle management work DX. We support the work style innovation of all people involved with vehicles, centered on drivers and also including managers, staff and customers.



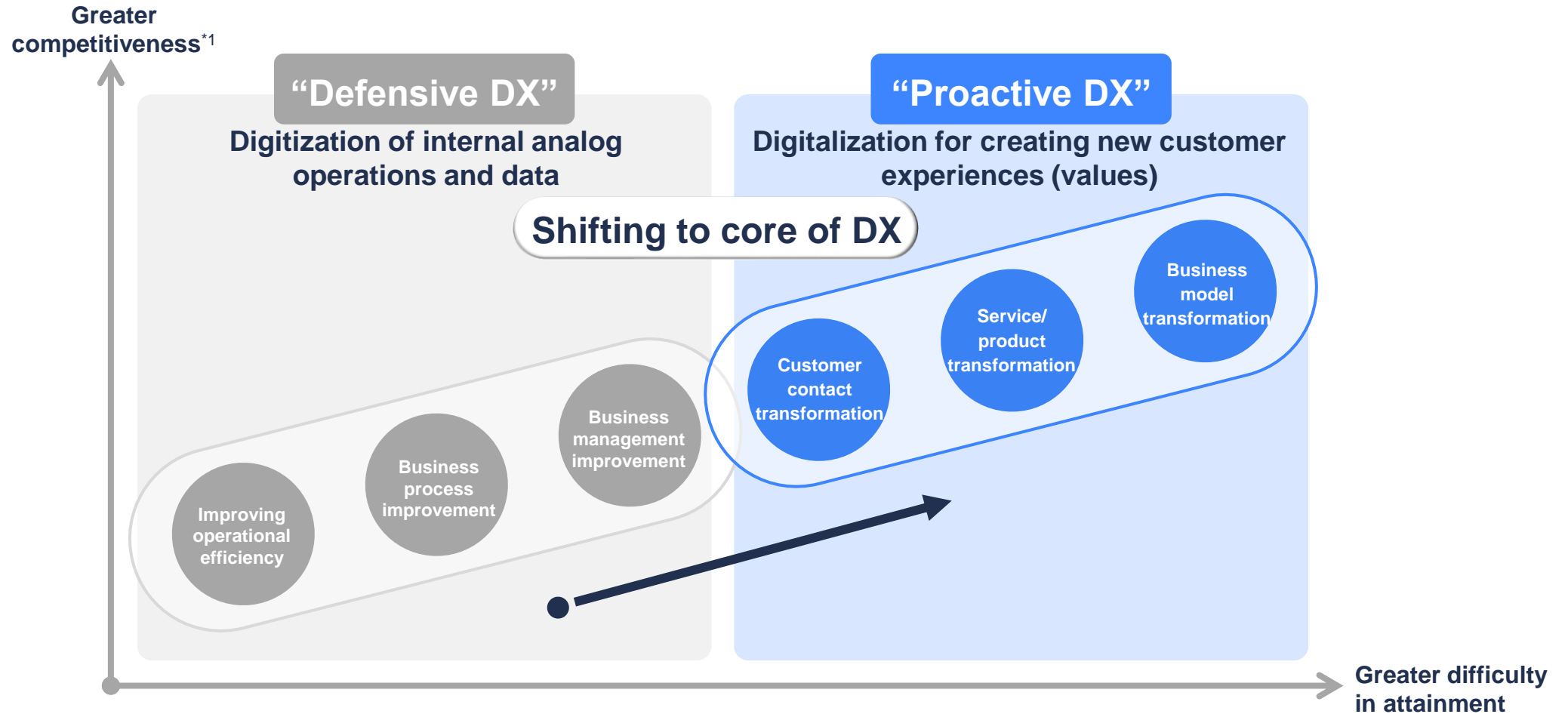
Service Flow

In Cloud Integration Services, professional services are provided directly to customer companies through joint sales activities with cloud partners. Cariot Services is a subscription-type business model to provide SaaS licenses primarily in direct sales to customer companies.



Core of DX Lies in “Proactive DX” that can Enhance Corporate Competitiveness

Companies can enhance their competitiveness by shifting from “Defensive DX,” digitizing internal analog operations and data through replacement of paper documents with data in order to cut costs, to “Proactive DX,” creating new customer experiences designed to enhance revenue and customer engagement.



*1: Compiled proprietarily based on “Survey on Digitization Initiatives in Japanese Companies,” NTT DATA INSTITUTE OF MANAGEMENT CONSULTING, Inc.

Supporting “Proactive DX” that can Realize a New Customer Experiences Through Our Cutting-edge Cloud Technology

We support the digital transformation of companies’ new and existing business, including IoT / mobility, AI services, community and EC services that connect with customers, and the building of API coordination and ID authentication infrastructure.

Our customer base is centering on major companies*₁ intending to actively promote DX, Major companies accounted for 91% of the total sales*₂.

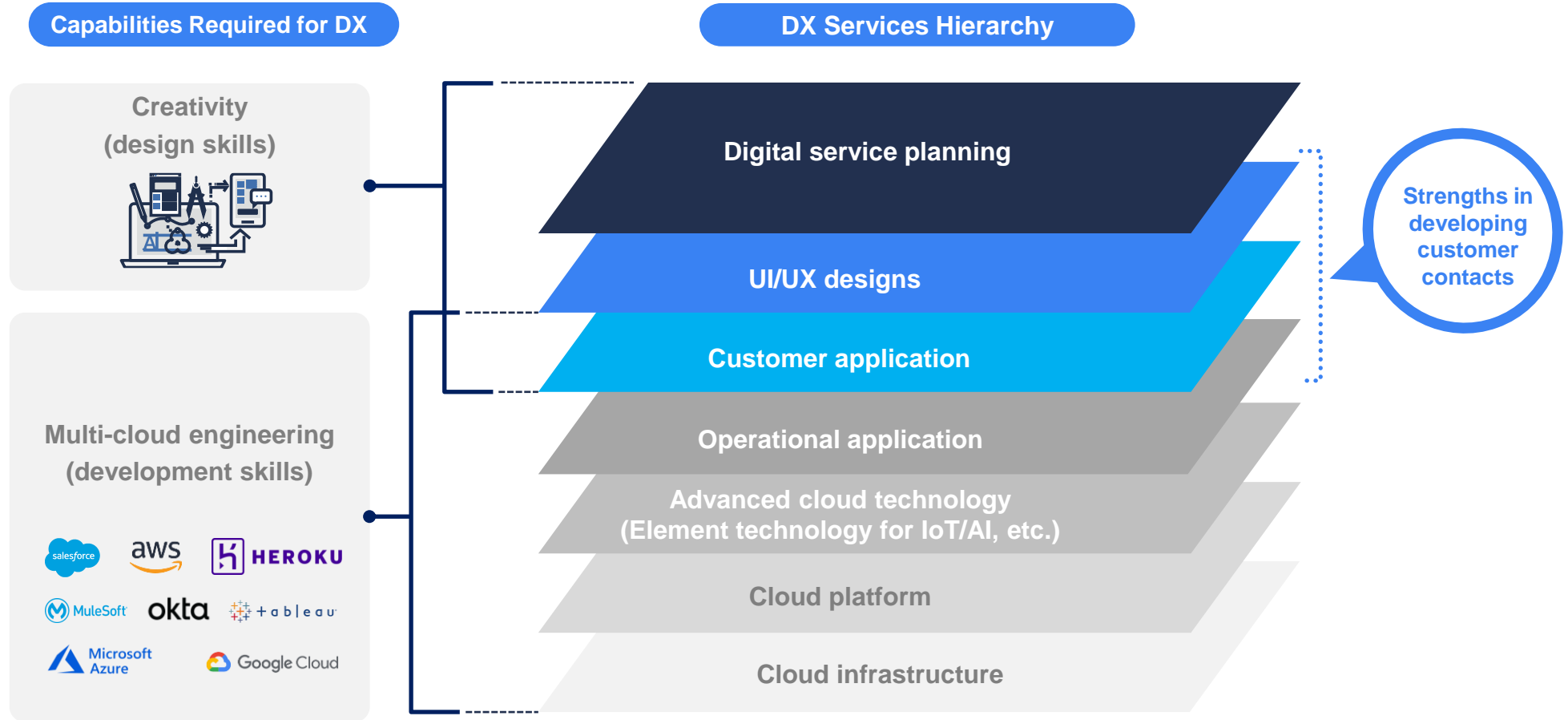


*1: Major companies: Those listed in Nikkei 225, Nikkei 400, or Nikkei 500; or their group companies or those whose sales are equivalent (100 billion yen or more)

*2: Figures for the 1Q fiscal year ending March 2025

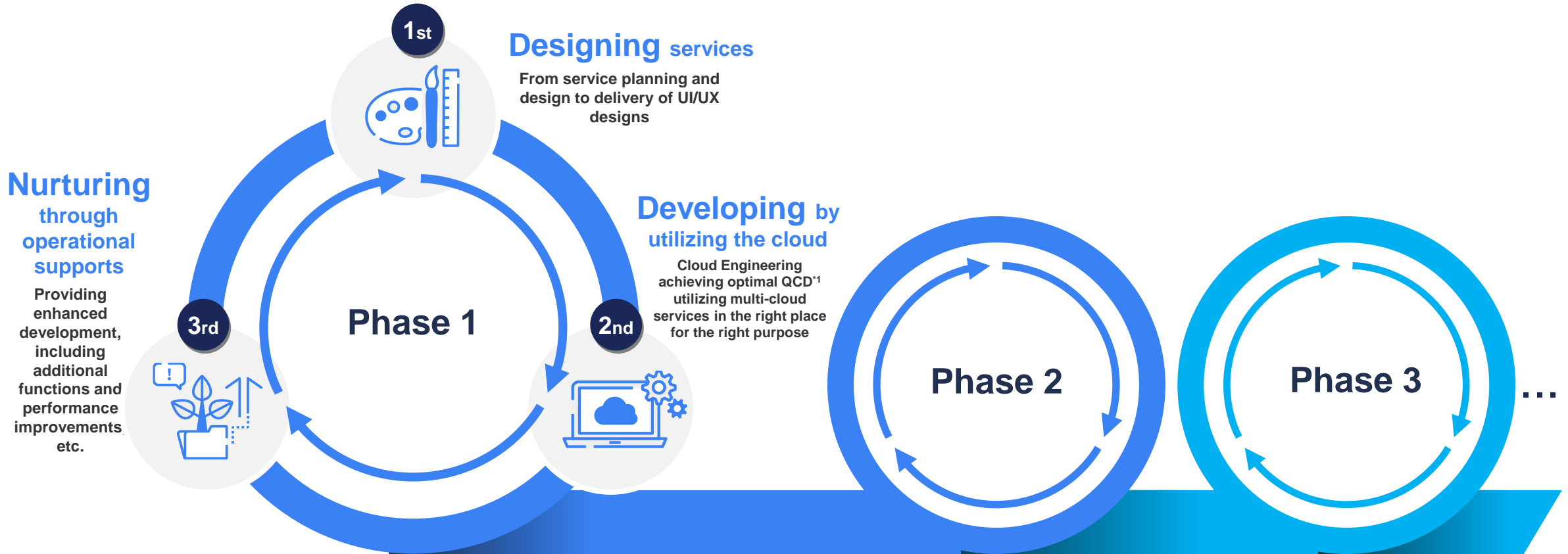
One-stop Service that Create Digital Services

We take advantage of the “Creativity (design skills)” that can achieve proactive DX and the “multi-cloud engineering” capabilities (development skills), and of the strengths in developing value-creating customer contacts (front end).



High Agility in Adapting to Changes (Ability to Think and Move Quickly)

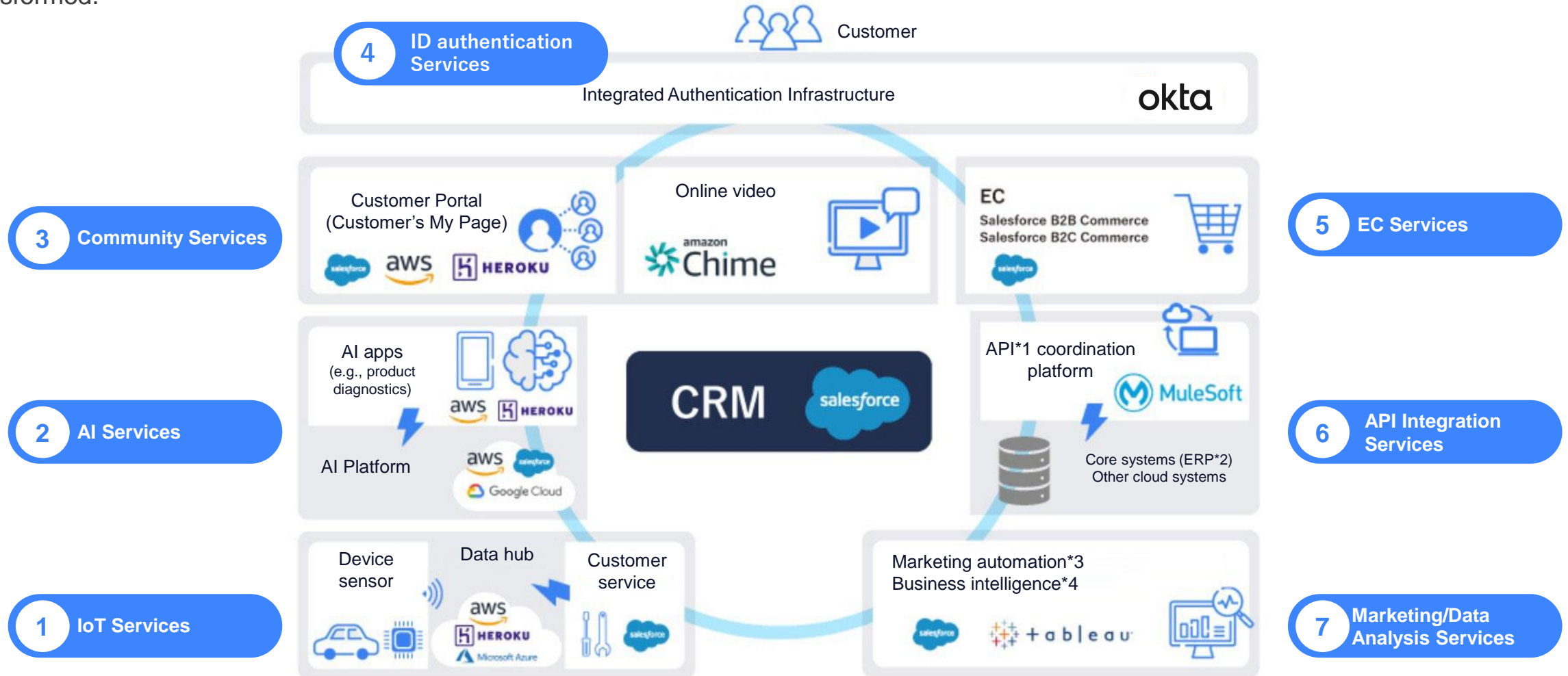
An average period of a single project cycle is about three months. A project does not end with the initial construction but supports DX service growth by repeating the delivery cycles.



*1: QCD: Quality, Costs, Delivery

High Technological Capabilities of Multi-cloud Functions Enabling Business Transformation based on DX

Instead of simply building a single digital service, we develop multiple digital services and bundle them together to help business models to be transformed.

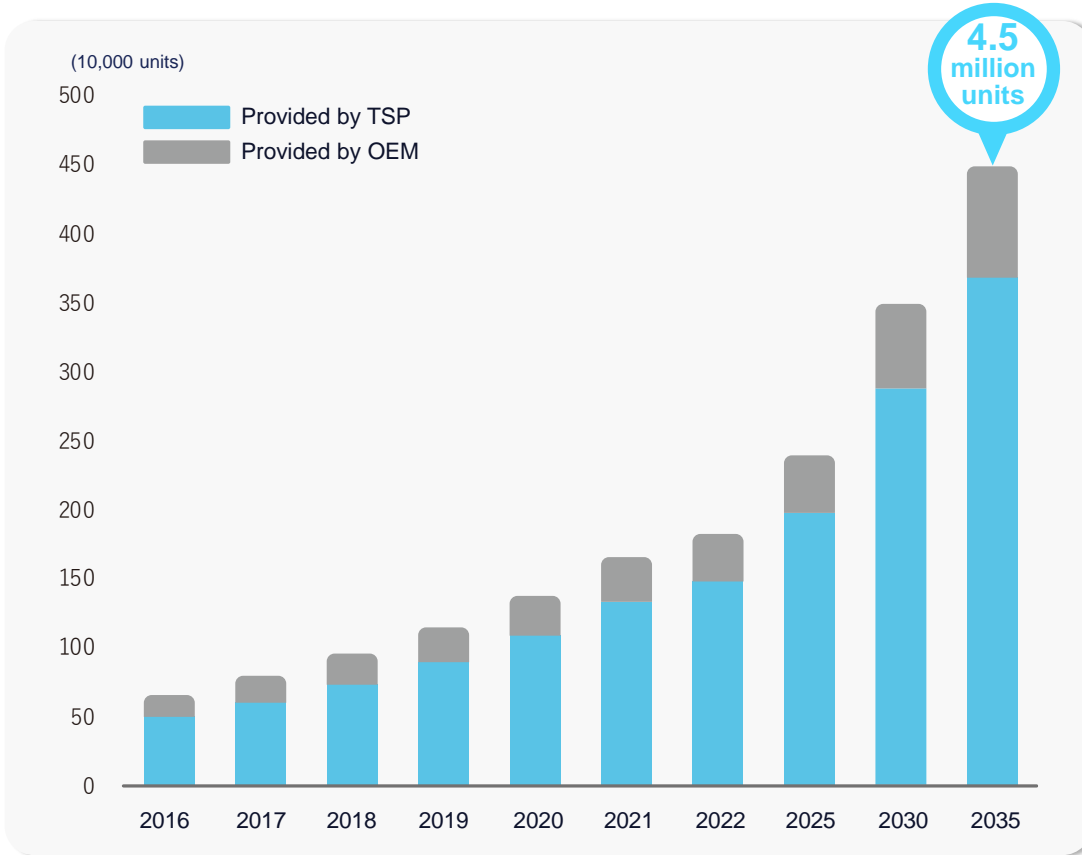


*1: Application Programming Interface: Interface specification used for multiple software products to exchange information with each other
 *2: Enterprise Resource Planning: An integrated core operational system
 *3 Marketing Automation: A tool to automate marketing activities
 *4 Business Intelligence: A tool to collect, accumulate, analyze, and process large amounts of data to support management strategy decisions

Potential of the Commercial Vehicle Telematics Market in Japan

The number of vehicles participating in the telematics market is expected to rise to 4.5 million by 2035 in Japan.

Cumulative numbers of vehicles participating in the commercial vehicle telematics market in Japan*1



2022
Number of domestic commercial vehicles (TAM *2)
16 million units/576 billion yen

2035
Domestic commercial vehicle telematics
4.5 million units/162 billion yen

2022
Domestic commercial vehicle telematics
1.83 million units/67.6 billion yen

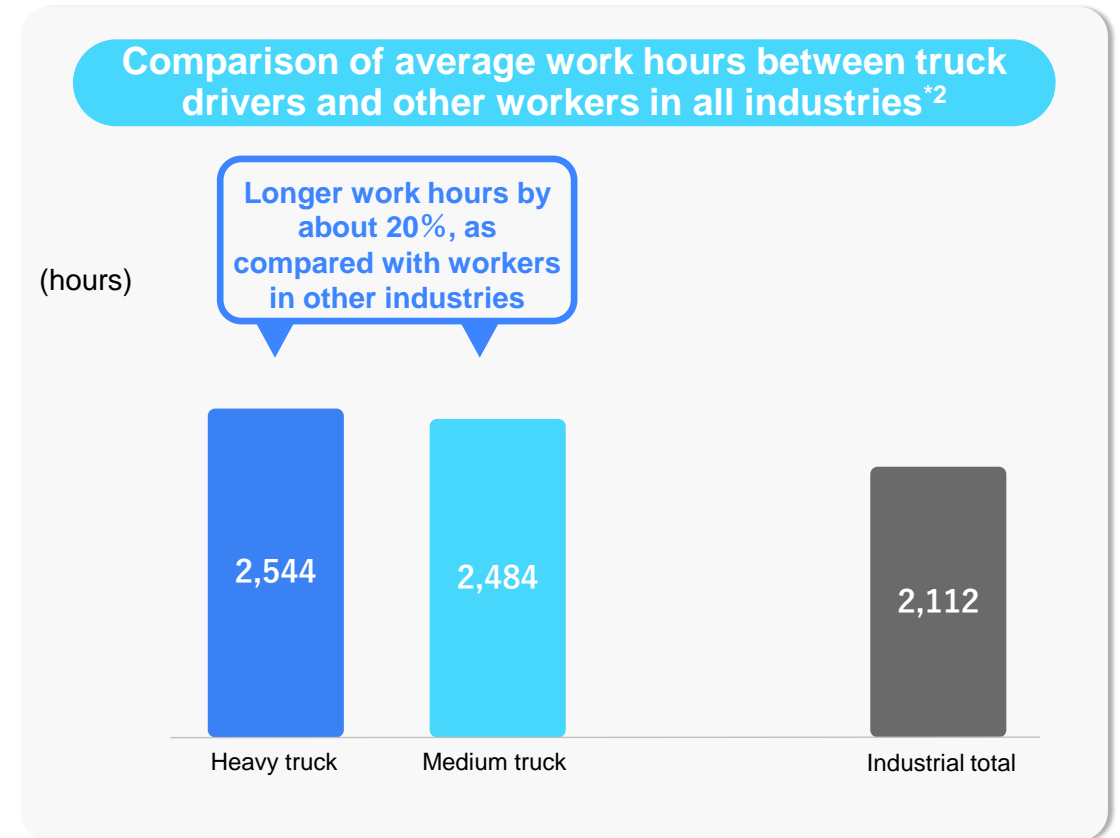
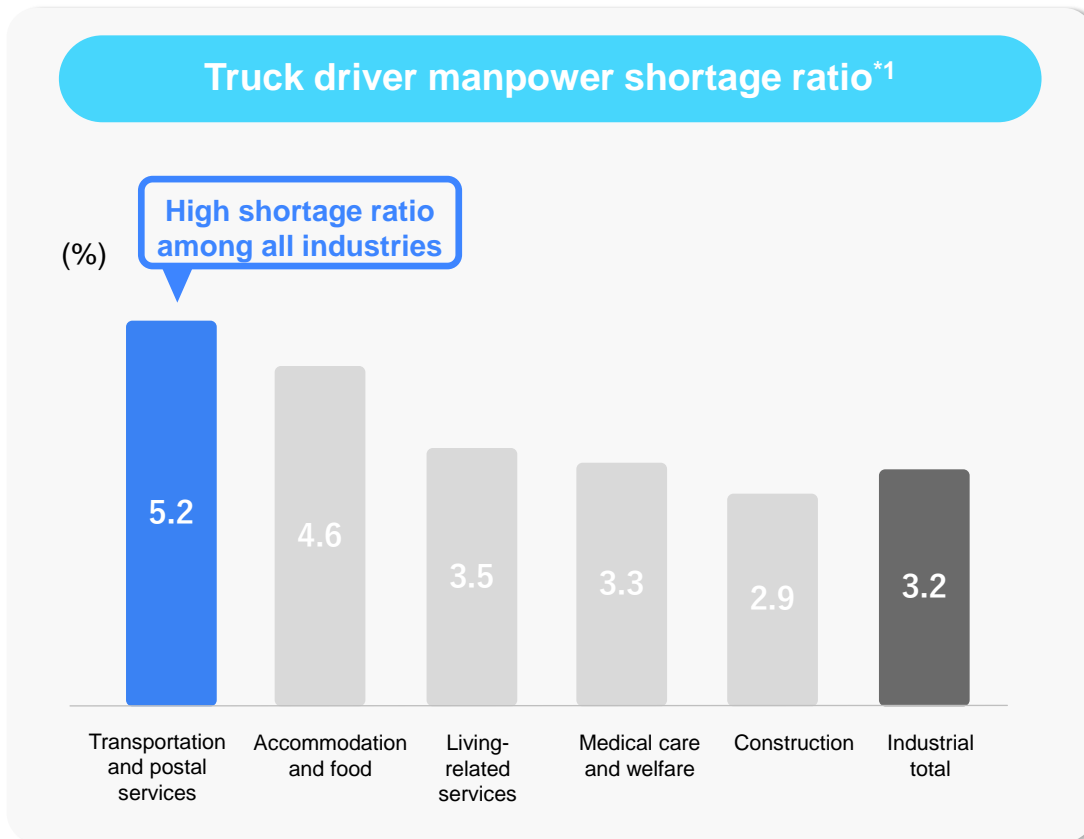
*1: Proprietary compiled, based on "Current State of Connected Car-related Markets and Telematics Strategies in 2019," Fuji Keizai Co., Ltd. TSP (Telematics Service Provider) represents third parties; OEM (Original Equipment Manufacturer) represents auto manufacturers.

*2: TAM: Total Addressable Market indicates the largest market opportunity that can be obtained. The monetary values are proprietary calculated provisionally by our monthly average service unit price x 12 months x number of vehicles.

The numbers of vehicles are calculated by subtracting the number of privately leased vehicles from the number of freight vehicles (as at the end of January 2023) in the "Number of Vehicles Owned" issued by the Automobile Inspection & Registration Information Association of Japan and the number of passenger vehicles in the "Annual Changes in the Number of Vehicles Leased by Model in Japan and Year-on-Year Changes" issued by the Japan Automotive Leasing Association.

Problems in the Mobility Industry

The critical situation in logistics has emerged due to a shortage of truck drivers, etc. In addition, the “restriction of annual overtime work hours to 960 hours” was imposed on automobile driving operations in April 2024, according to the “Work-style Reform.”, thereby requiring industry-wide measures to be taken.

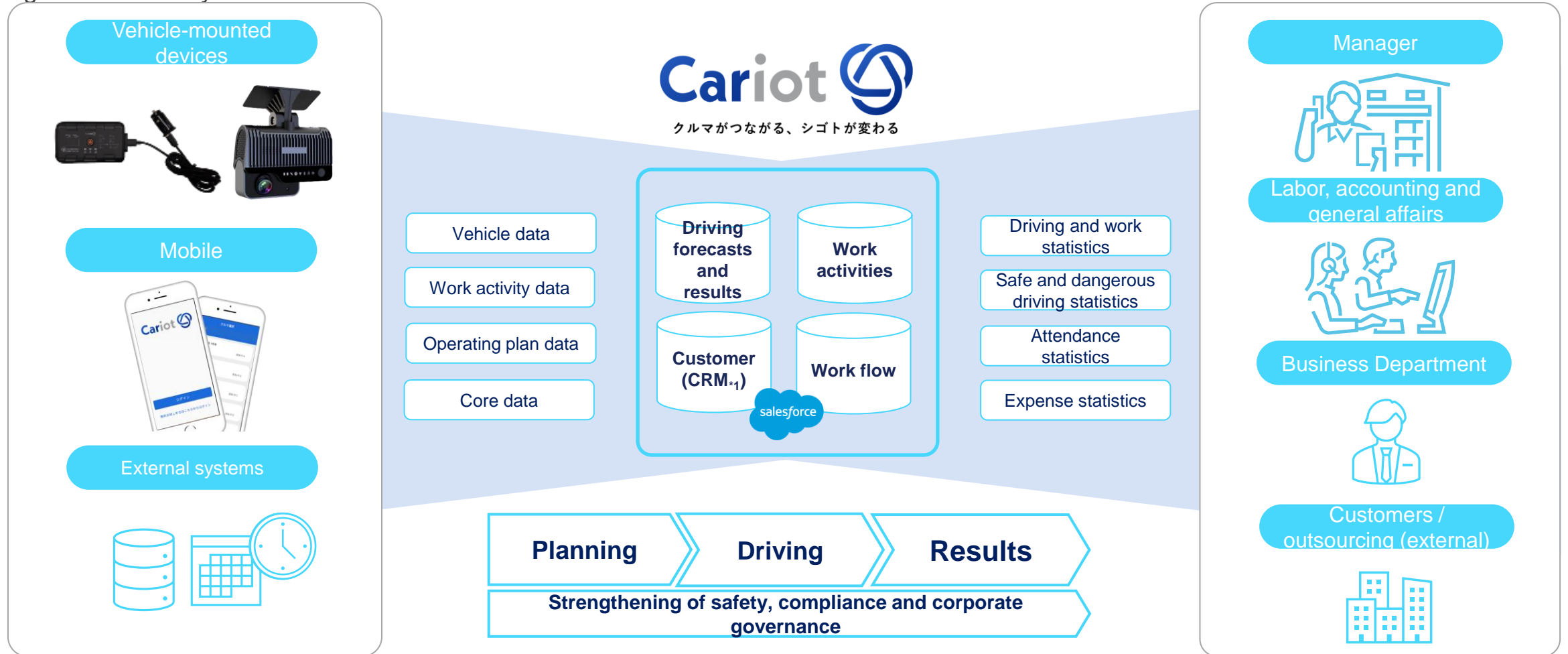


*1: Labor Economy Trend Survey February 2023 (Ministry of Health, Labour and Welfare)

*2: Compiled proprietarily, based on the “Portal Site for Improvement of Long Working Hours for Truck Drivers” of the Ministry of Health, Labour and Welfare.

“Cariot,” a cloud that innovates the way drivers work and connects vehicles and companies

This is a cloud service with which vehicle data can be obtained, visualized and used simply and in real-time by means of vehicle-mounted devices and smartphone applications. It provides a consistent, digital work experience, from driving forecast management to statistical analysis, to support the greater efficiency of vehicle-related work.



*1 Abbreviation of Customer Relationship Management, a customer management system.

**Financial results for the 1st Quarter
of the fiscal year ending March 2025**

(1st Quarter, Fiscal Year Ending March 2025) Financial Results Summary

1 Highest ever 1Q sales and profits at each level achieved

We achieved our highest 1Q sales due to strong demand and healthy project progress.

1Q, fiscal year ending March 2025



2 Continued acquisition of multiple new clients

ARPA increased as we continues to receive orders from existing customers while acquiring multiple new customers.



Excluding customers with quarterly sales of 1 million yen or less

3 The number of engineers and other employees increased significantly

We are also progressing ahead of schedule in the human resources seller's market, increasing by 49 people compared to March 2024, including 34 new graduates. In the term ending March 2025, we are planning for 350 employees (net increase of 75) and will continue to focus on recruitment activities.

As of the end of June 2024



4 Revised earnings forecast in association with Cariot becoming a joint venture

Since the company is not subject to consolidated accounting, the joint venture is not accounted for by the equity method and there is no equity method investment profit or loss. Because the change will take effect on October 1, 2024, Cariot results are included through 2Q.

Forecast of results for Full Year, FY2024



*1 Professional human resources such as engineers and managers in the Cloud Integration Services Division, excluding administrative personnel (as of the end of June 2024)

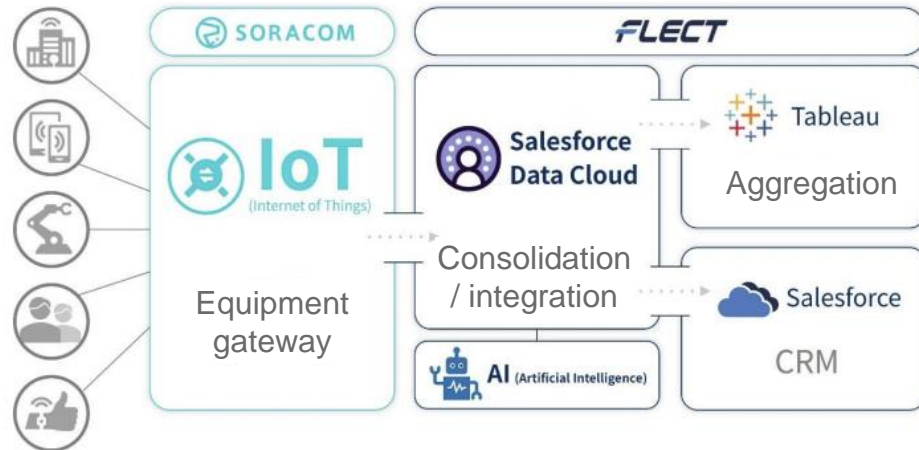
(1st Quarter, Fiscal Year Ending March 2025) Topics-1

In cloud integration services, we started collaboration with SORACOM in the IoT area. In addition, we decided to spin off the Cariot service and turn it into a joint venture with SORACOM.

Start of collaboration with SORACOM in the IoT area

We began the provision of a new service that supports customers so that they can integrate diverse business data, including IoT data and customer data, in the Salesforce Data Cloud and use it effectively. SORACOM will use its rich knowledge and experience of IoT devices and communications to support the optimal configuration of sensors, devices and communications, and equipment selection.

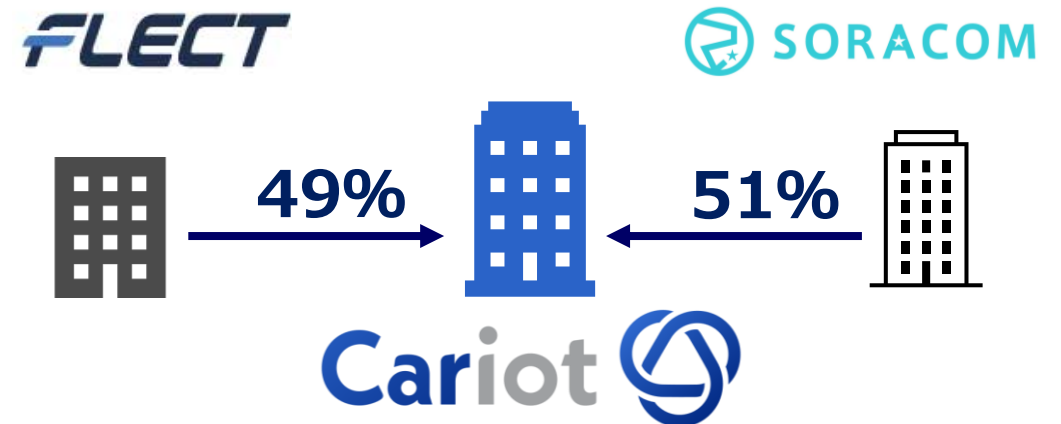
We support the improvement of companies' productivity and operational efficiency by integrating Salesforce and IoT technologies.



Cariot becoming a joint venture *Effective date October 1, 2024

Planning to accelerate the growth of Cariot services, we decided to develop the business as a joint venture with SORACOM.

We will realize the creation of synergies in Cariot services while working more closely than ever.



(1st Quarter, Fiscal Year Ending March 2025) Topics-2

Orders for multiple projects were received from the National Institute of Advanced Industrial Science and Technology (AIST). In addition, we also received an award from MuleSoft for the third consecutive year.

Orders received for multiple projects from the National Institute of Advanced Industrial Science and Technology (AIST)

We received orders for multiple projects from the National Institute of Advanced Industrial Science and Technology (AIST), including “a financial accounting-related application system service,” “a chemical substance / research results export system service” and “a research note system service.”

We will use Salesforce to build highly convenient, cloud-based systems.

*Successful Bid Information (publication end date: March 31, 2026)

“Financial accounting-related application system service”
https://www.aist.go.jp/aist_j/procure/supplyinfo/pub/detail/GVW5ZNST

“Chemical substance / research results export system service”
https://www.aist.go.jp/aist_j/procure/supplyinfo/pub/detail/465BAT8O

“Research note system service”
https://www.aist.go.jp/aist_j/procure/supplyinfo/pub/detail/RXXUARQ6

MuleSoft award received for the third consecutive year

We received an award from MuleSoft for the third consecutive year for demonstrating wide-ranging knowledge and strong technical capabilities with the MuleSoft API coordination platform in regard to support for its introduction.



Received a MuleSoft award
for the third
consecutive year



Salesforce Japan Partner Award 2024
Japan Partner of the Year <MuleSoft>

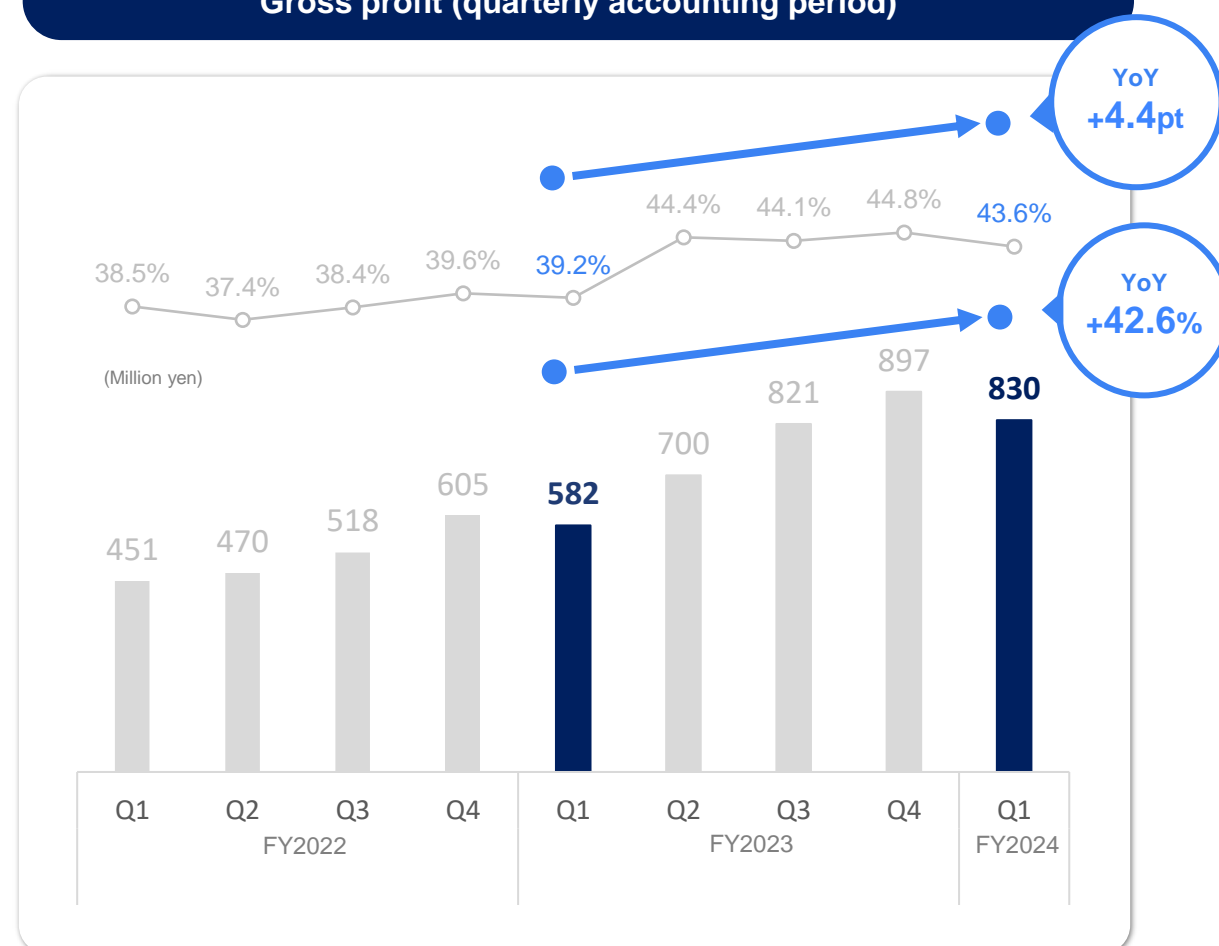
(1st Quarter, Fiscal Year Ending March 2025) Results Trends

Strong demand for DX support continued, and 1Q sales reached a record high of 1,904 million yen (up 28.4% year-on-year). Project progress also continued to be healthy, and we maintained a high profit rate with a gross profit margin of 43.6% (up 4.4 pts year-on-year). In 1Q last year, the profit rate declined due to unprofitable projects, but it has improved this term. Gross profit was a record high for 1Q at 830 million yen (up 42.6% year-on-year).

Sales (quarterly accounting period)



Gross profit (quarterly accounting period)

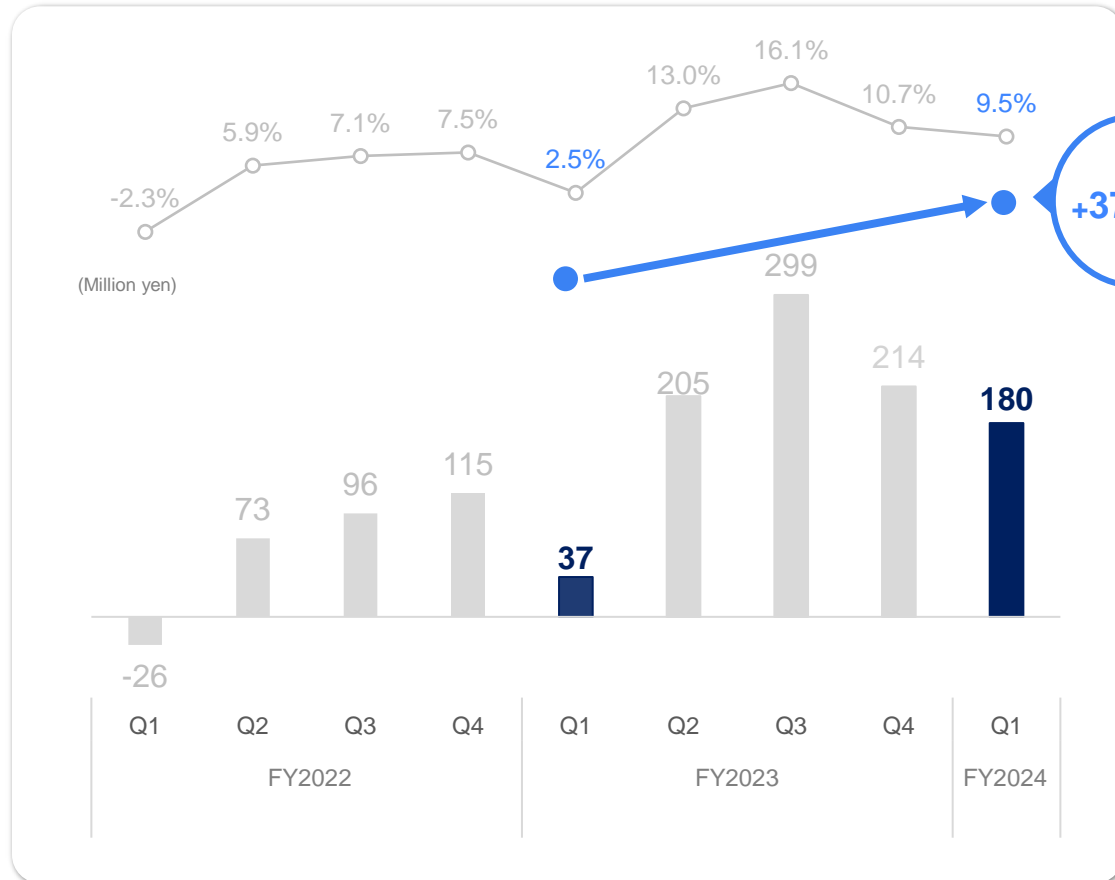


(1st Quarter, Fiscal Year Ending March 2025) Results Trends

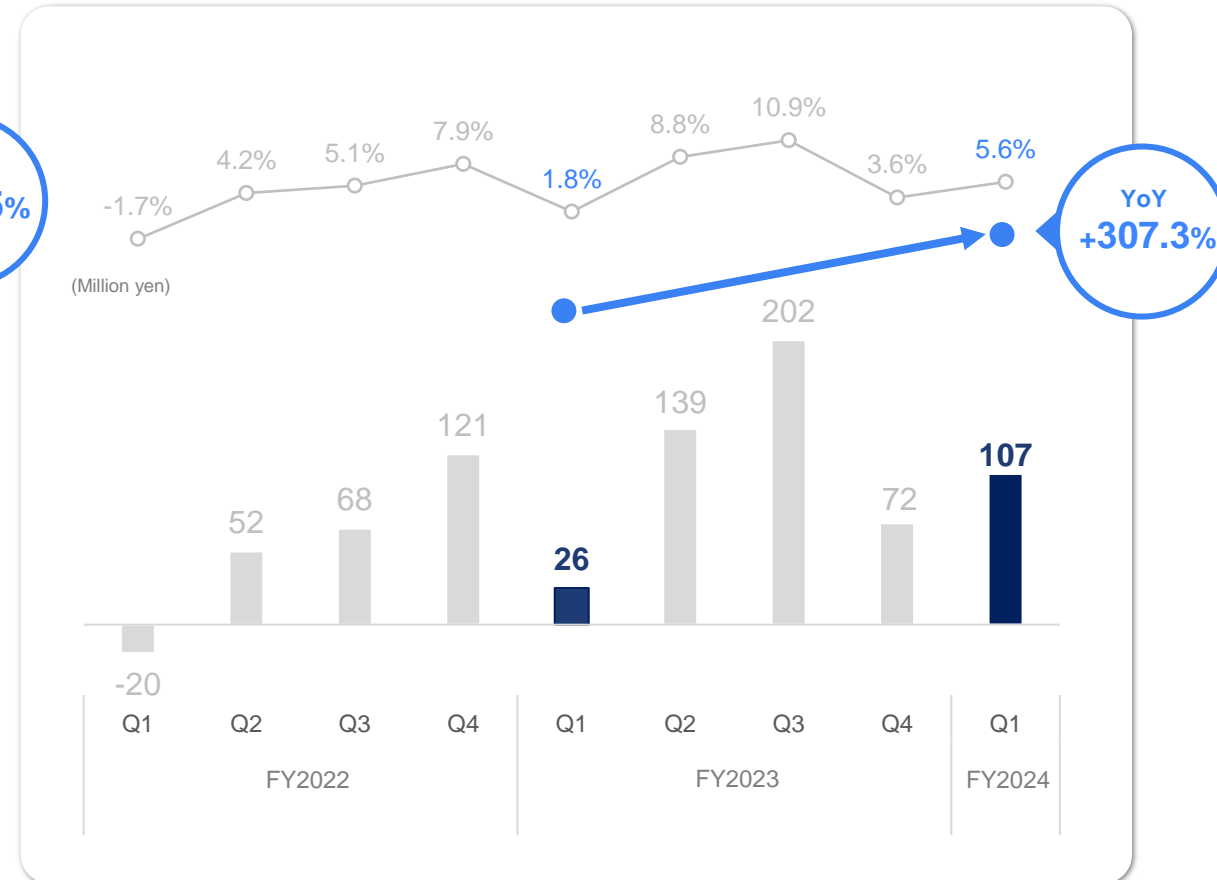
In addition to the improvement of the gross profit margin, operating profit increased to 180 million yen (up 377.5% year-on-year) due to a lower SG&A-to-sales ratio due to the revenue increase effect.

Net income also increased to 107 million yen (up 307.3% year-on-year).

Operating income (quarterly accounting period)



Net income (quarterly accounting period)



(Full year, fiscal year ending March 2025) Revision of the Earnings Forecasts

We revised the results forecast to incorporate the impact of making Cariot a joint venture. We revised sales downwards to 8,171 million yen (down 2.2% compared to the initial forecast), gross profit downwards to 3,568 million yen (down 2.0% compared to the initial forecast), operating income upwards to 952 million (up 3.5% compared to the initial forecast), and net income upwards to 569 million (up 4.0% compared to the initial forecast). Since the company is not subject to consolidated accounting, the joint venture is not accounted for by the equity method and the company will not record an equity method investment profit or loss. Because the change to a joint venture will take effect on October 1, 2024, Cariot results are included through 2Q.

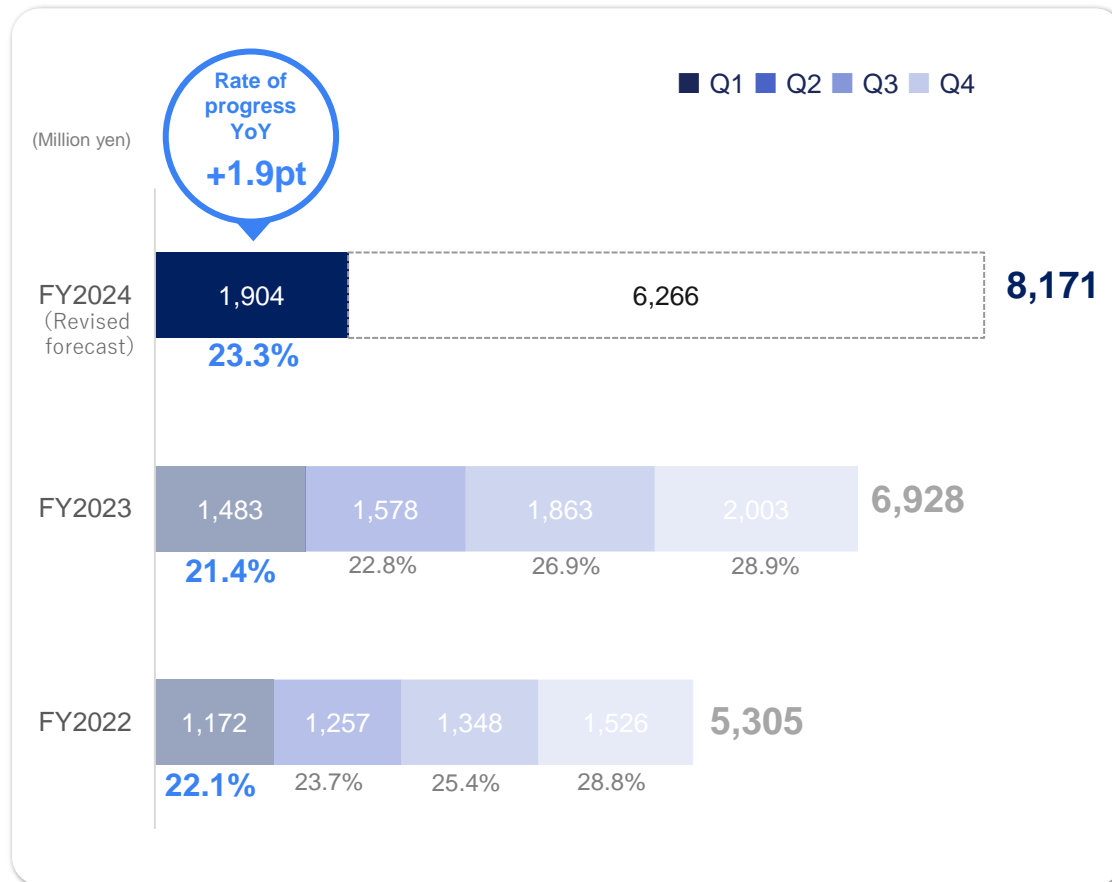
(Million yen)

	FY2024 (Fiscal year ending March 2025) forecast (Initial forecast)	FY2024 (Fiscal year ending March 2025) forecast (Revised forecast)	Compared with initial forecast	
			Change in amount	Rate of change
Sales	8,353	8,171	-182	-2.2%
Gross profit	3,641	3,568	-73	-2.0%
(%)	43.6%	43.7%	+0.1pt	-
SG&A	2,722	2,616	-105	-3.9%
(%)	32.6%	32.0%	-0.6pt	-
Operating income	919	952	+32	+3.5%
(%)	11.0%	11.7%	+0.6pt	-
Net income	547	569	+21	+4.0%
(%)	6.6%	7.0%	+0.4pt	-

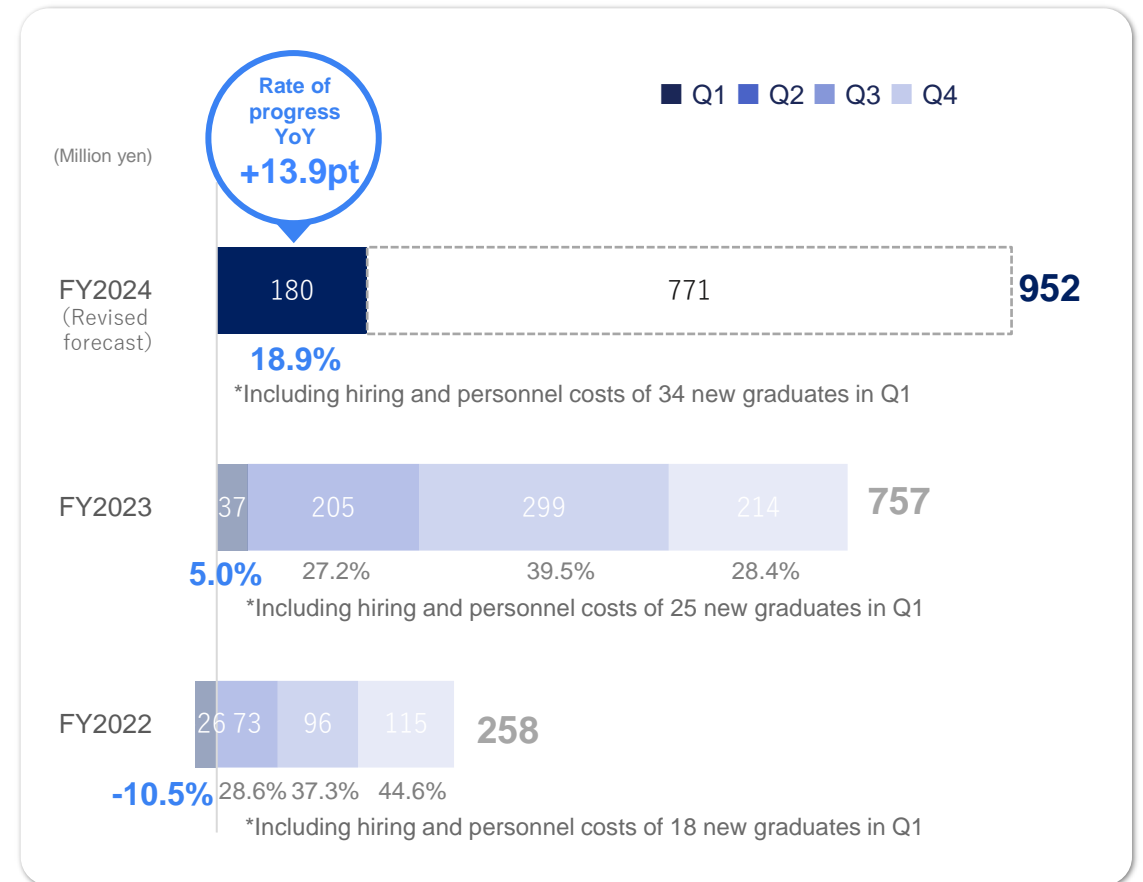
(1st Quarter, Fiscal Year Ending March 2025) Results Progress

The sales progress rate at 23.3%, and the operating profit progress rate at 18.9% are trending steadily.

Sales - rate of progress



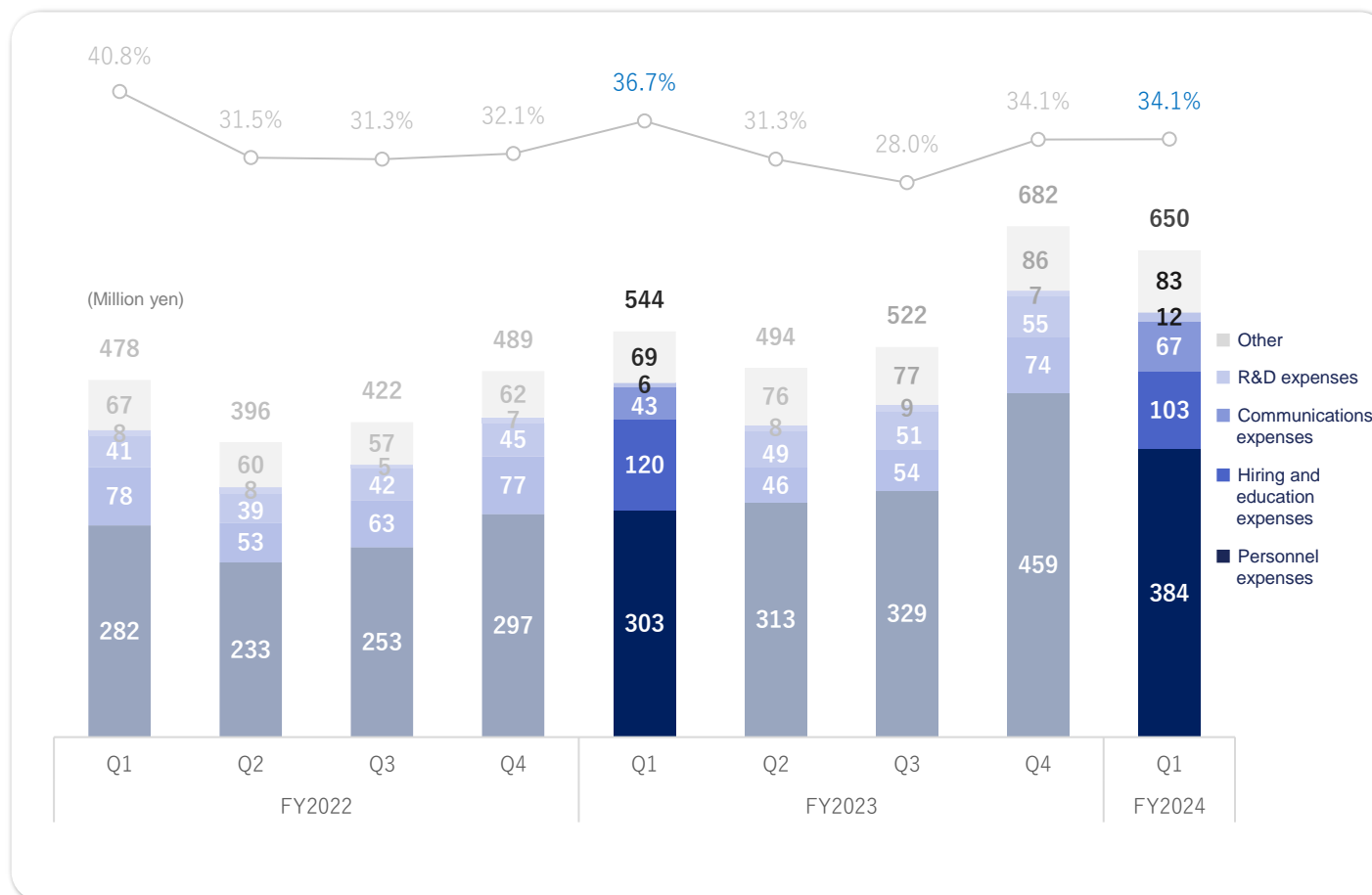
Operating income - rate of progress



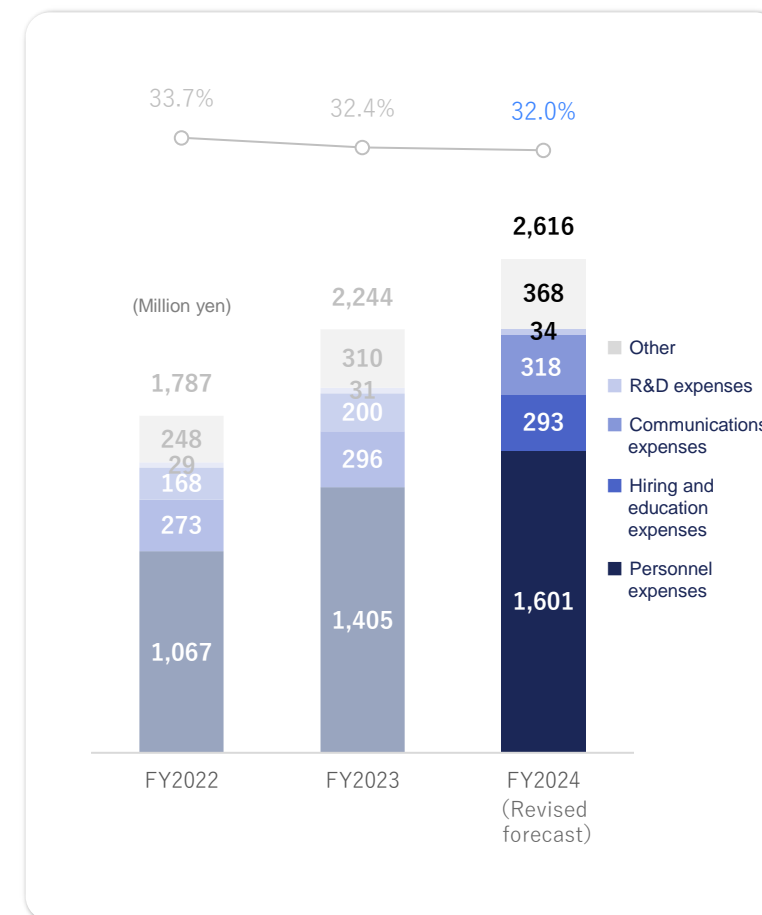
(1st Quarter, Fiscal Year Ending March 2025) Selling, General and Administrative Expenses

Selling, general and administrative expenses for 1Q of the term ending March 2025 were 650 million yen (up 19.4% year-on-year). In addition to expenses related to new graduates who joined the company in April, the establishment and expansion of cross-functional organizations led to an increase in SG&A expenses, but the SG&A to sales ratio declined 2.6 pt compared to the previous year.

Quarterly accounting periods



Full Year



(1st Quarter, Fiscal Year Ending March 2025) Balance Sheet

The main changes are current assets decreasing by 430 million yen and current liabilities decreasing by 565 million yen. The equity ratio of 58.4% is a sound financial foundation.

(Million yen)

	FY2023 (As of term-end)	FY2024 (June 30, 2023)	Change in amount
Total assets	4,010	3,591	-418
Current assets	3,605	3,174	-430
Fixed assets	404	416	+11
Total liabilities	2,022	1,495	-526
Current liabilities	1,503	938	-565
Fixed liabilities	518	557	+38
Net assets	1,988	2,096	+108
Total assets	4,010	3,591	-418
Cash and deposits	1,575	1,164	-410
Interest-bearing liabilities	585	569	-16
Equity ratio	49.6%	58.4%	+ 8.8pt

Trend in Results

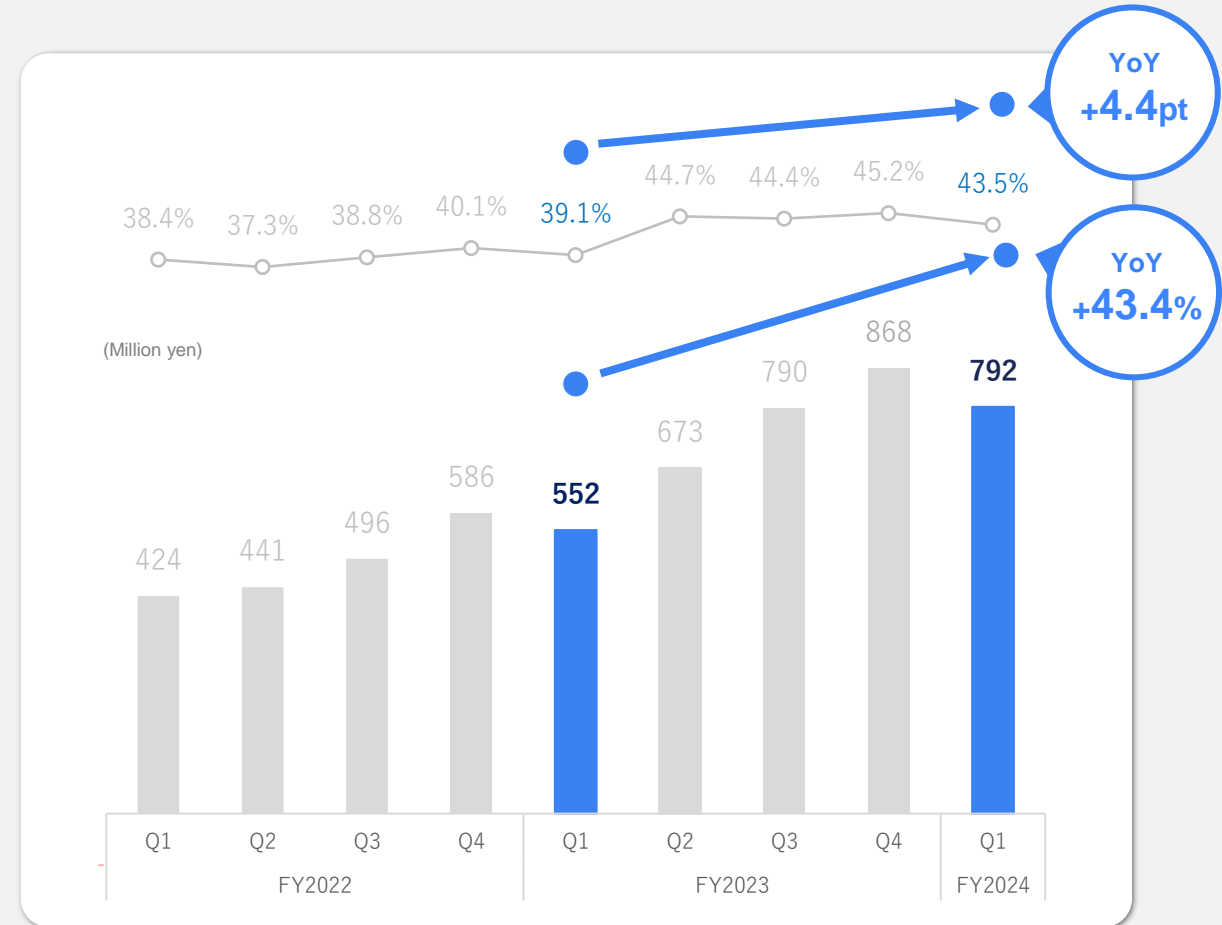
Sales (quarterly accounting period)

Based on strong demand for DX support and sales achieved our highest 1Q sales of 1,823 million yen (up 28.9% year-on-year).



Gross profit (quarterly accounting period)

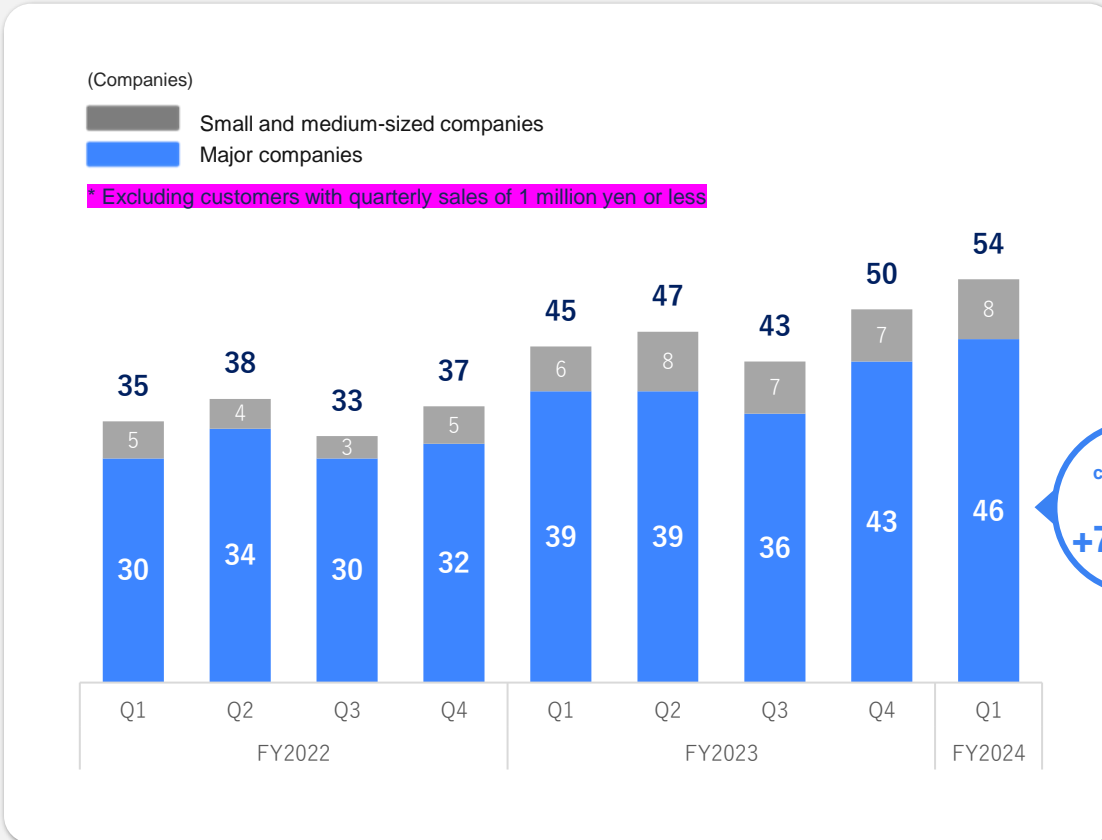
Projects are making healthy progress, and we have maintained a high profit rate with a gross profit margin of 43.5% (up 4.4 points year-on-year).



KPI Trends (Quarterly Basis)

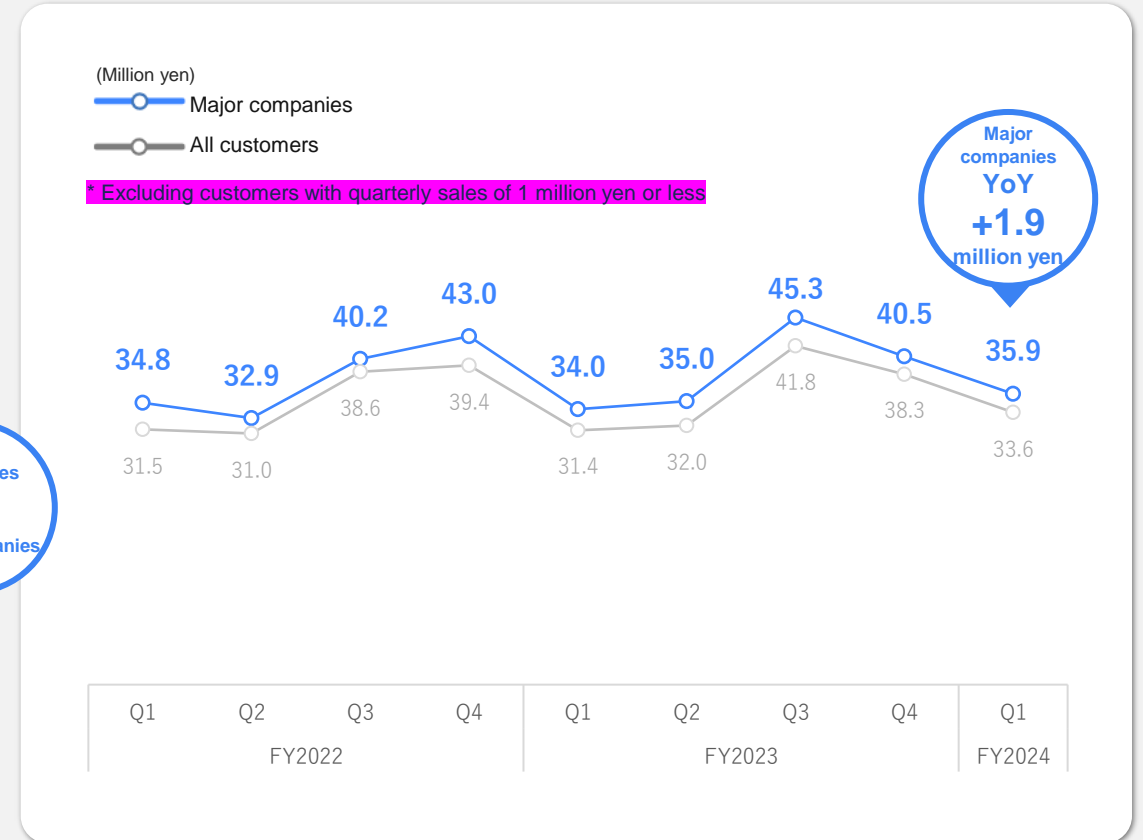
Number of quarterly contract customers*1

The number of major company quarterly contract customers increased by 7 in 1Q of the term ending March 2025 compared to previous year to 46 companies as a result of focusing on the acquisition of new customers.



Quarterly average revenue per account (ARPA)*2

As a result of receiving orders from existing customers while acquiring multiple new customers, ARPA for major companies in 1Q of the term ending March 2025 was 35.9 million yen, an increase of 1.9 million yen compared to previous year.



*1 Number of contract customers in the quarterly accounting period excluding resales and quarterly sales of 1 million yen or less. Resales are where the company resells purchased licenses to customers and are excluded because the amount at the company is small.

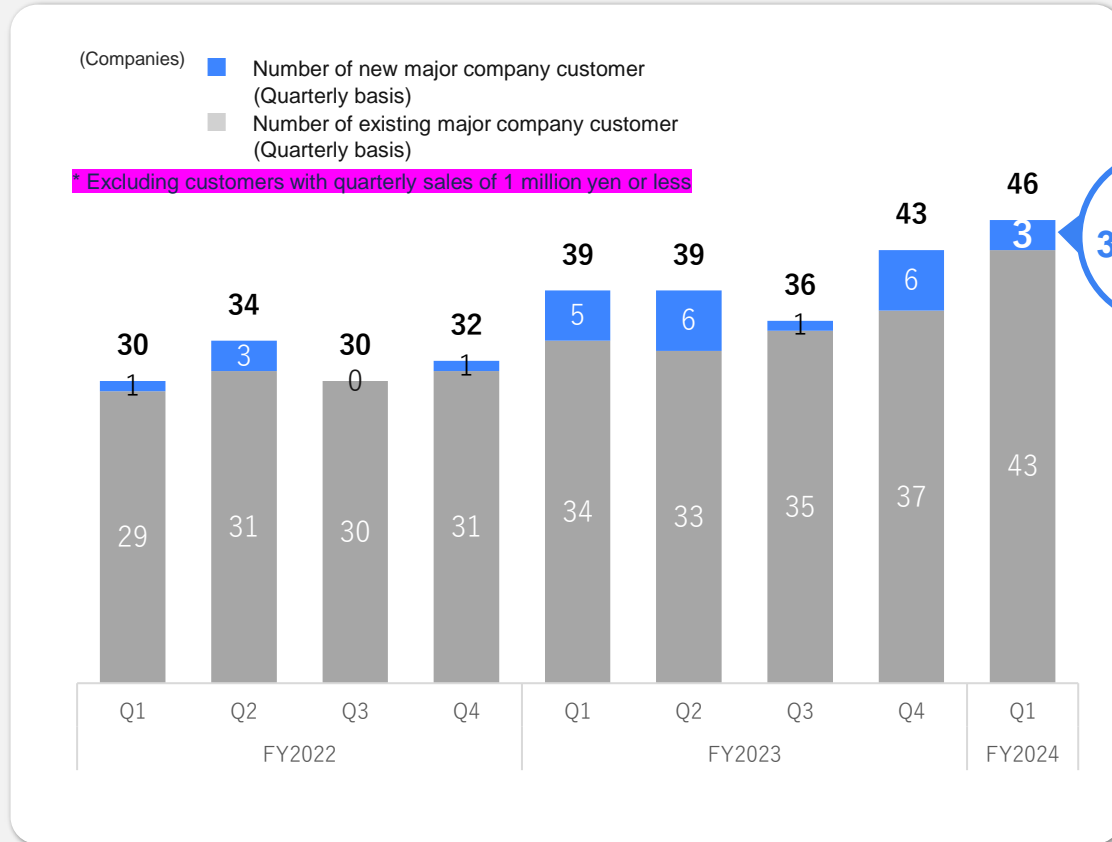
*2 Abbreviation of average revenue per account (average sales per customer), or quarterly average sales per customer excluding resales and quarterly sales of 1 million yen or less.

Calculated by dividing quarterly sales excluding resales and quarterly sales of 1 million yen or less by the number of quarterly contract customers

KPI Trends (Quarterly Basis)

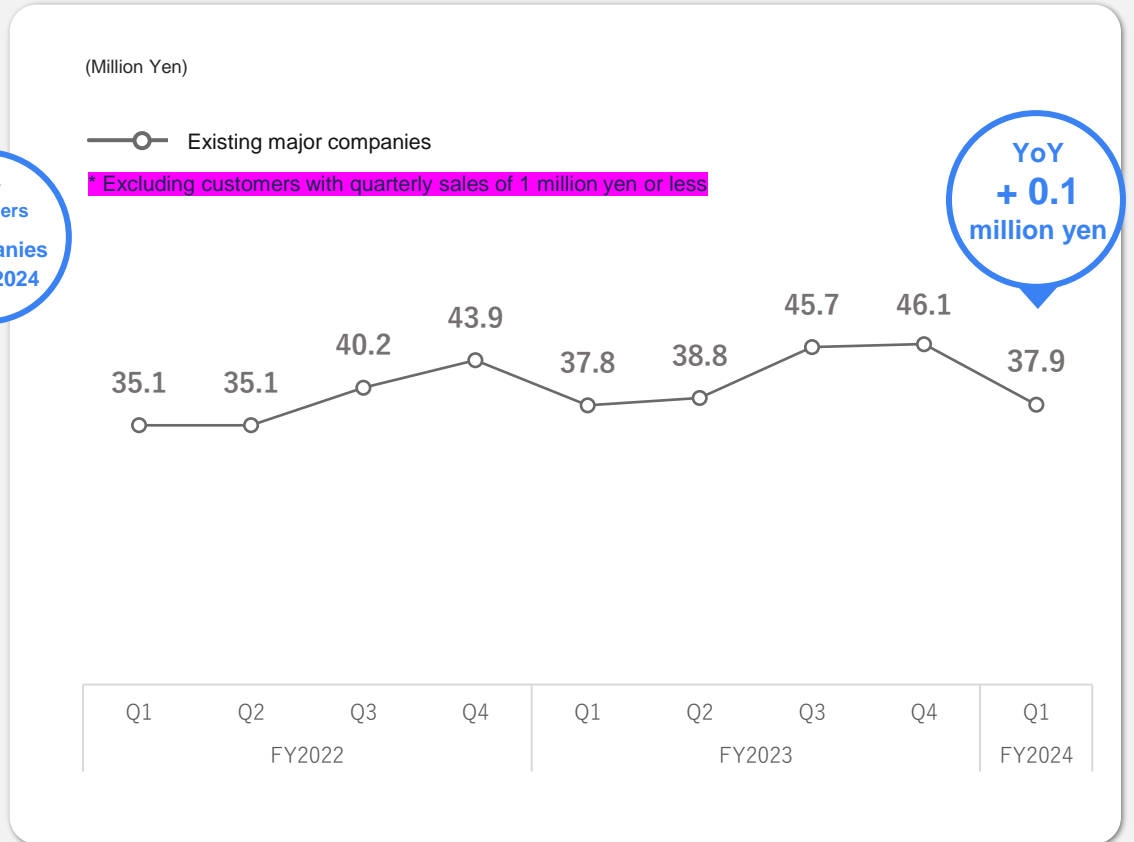
Number of quarterly contract ^{*1} Classification of major companies by new and existing ^{*2}

In 1Q of the term ending March 2025, we acquired 3 new major customer companies. The number of existing major company customers increased by 9 compared to previous year to 43 companies.



Quarterly average revenue per account (ARPA)^{*3} Existing major companies

ARPA for existing major companies in 1Q of the term ending March 2025 was 37.9 million yen, an increase of 0.1 million yen compared to previous year. The backdrop to this was that the contribution to results of customers acquired in 4Q of the term ended March 2024 was still minor.



^{*1} Number of contract customers in the quarterly accounting period excluding resales and quarterly sales of 1 million yen or less. Resales are where the company resells purchased licenses to customers and are excluded because the amount at the company is small.

^{*2} Customers newly acquired in the current quarter are referred to as new customers and other customers as existing customers

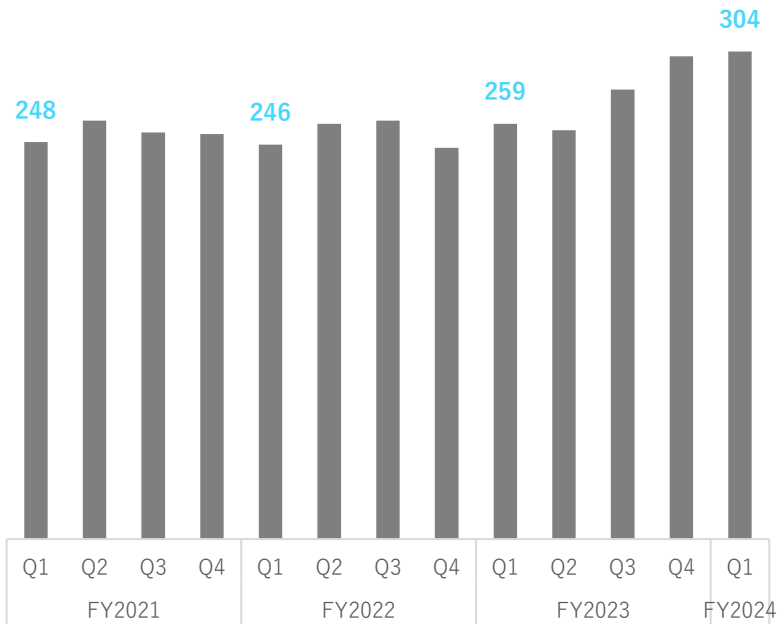
^{*3} Abbreviation of average revenue per account (average sales per customer), or quarterly average sales per customer excluding resales and quarterly sales of 1 million yen or less. Calculated by dividing quarterly sales excluding resales and quarterly sales of 1 million yen or less by the number of quarterly contract customers

KPI Trends

We focused on our target areas of greater efficiency of delivery operations for logistics divisions and greater vehicle operating efficiency for general affairs divisions, where we can take advantage of our competitive superiority. As a result, we obtained a large number of new customers, with the number of contracts increasing to a record high of 368 in 1Q of the term ending March 2025. On the other hand, acquisitions of medium-sized and large companies, which expanded as target customers from the previous term, did not grow. As a result, ARR in 1Q of the term ending March 2025 increased by 3 million yen compared to the previous quarter to 304 million yen.

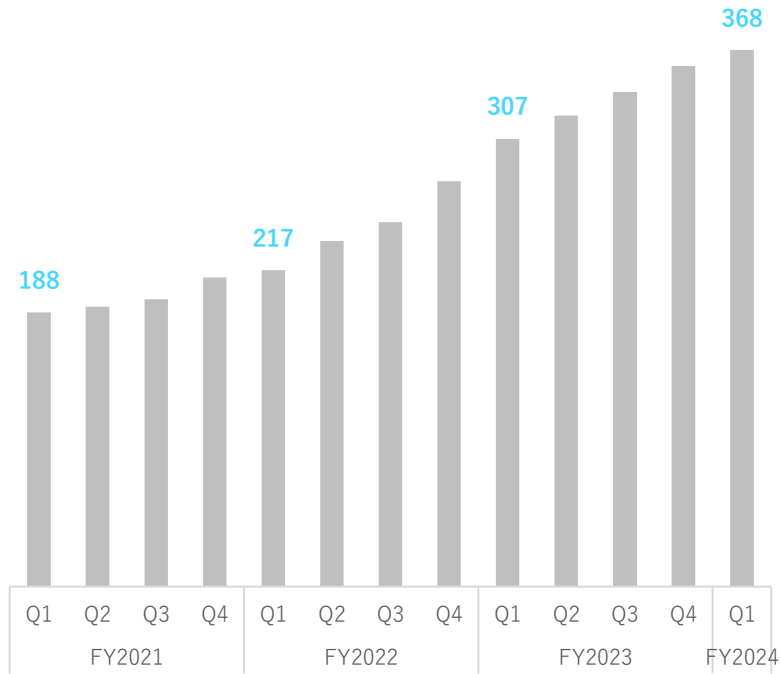
ARR*₁

(Million yen)



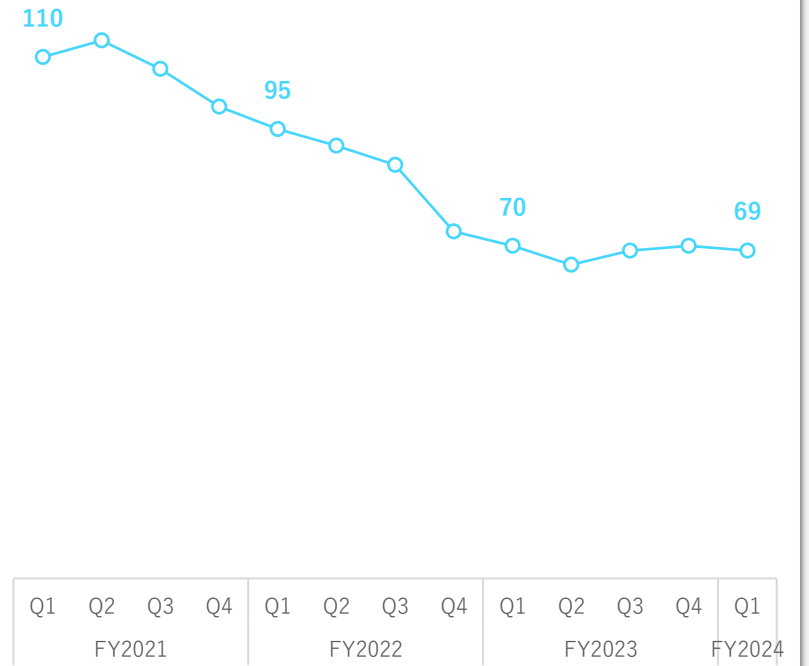
Number of contracts*₂

(Contracts)



ARPA*₃

(Thousand yen)



*1 Abbreviation of annual recurring revenue. Annual recurring revenue calculated by multiplying MRR (abbreviation of monthly recurring revenue) at the end of the month by 12

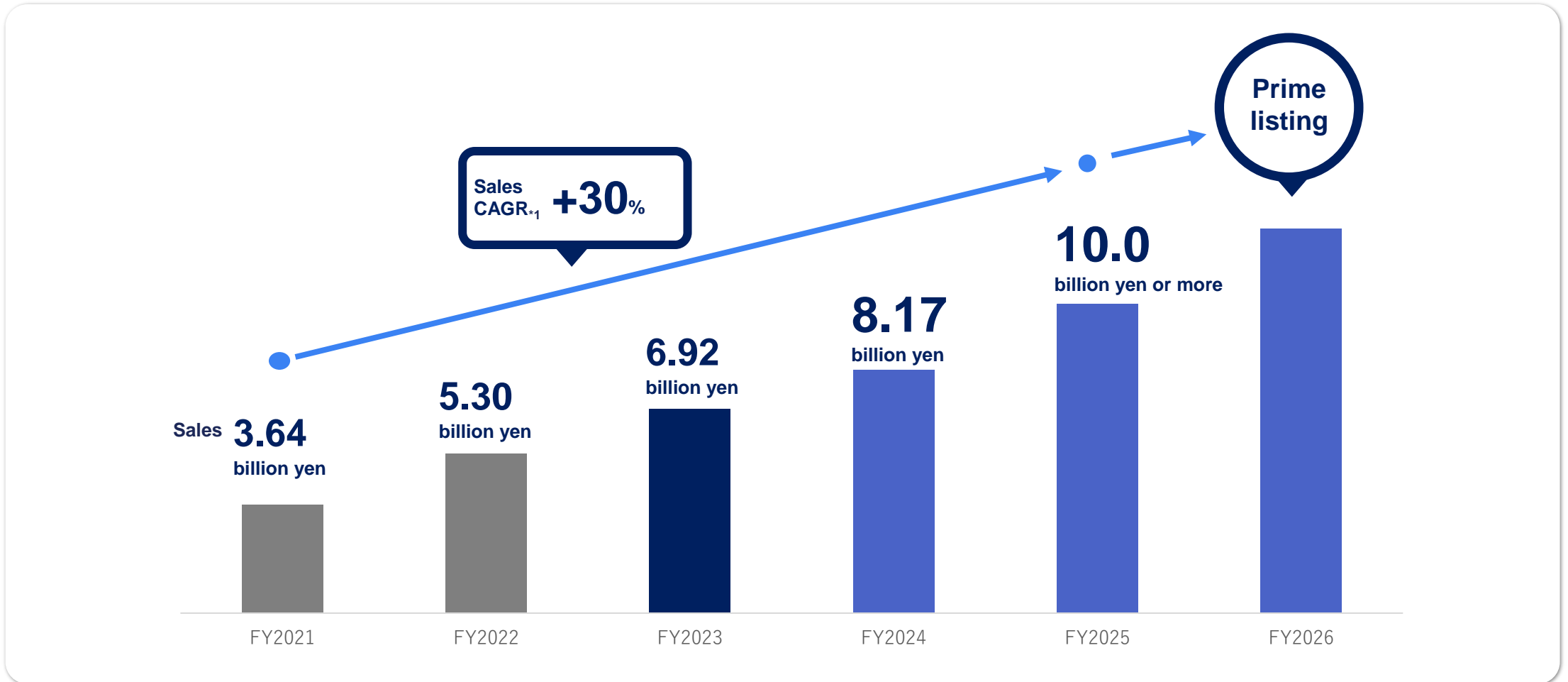
*2 Number of contracts per month at end of quarter

*3 Abbreviation of average revenue per account. Average MRR per contract

Growth Strategy

Medium to long-term growth plan aimed at Prime market listing

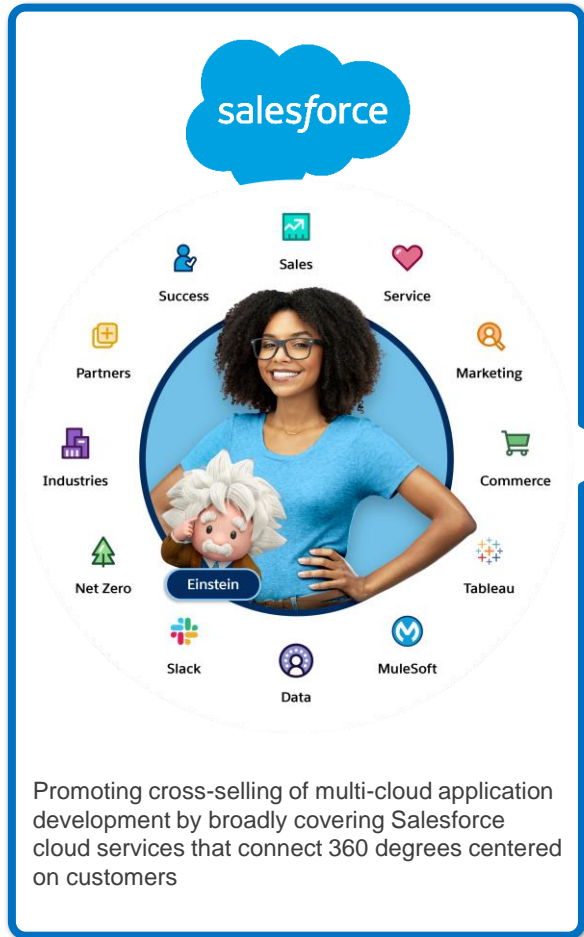
By promoting the growth strategies of “multi-cloud strengthening and development,” “investment in human resources (education and recruitment),” and “investment in R&D,” we will continue growth centered on Cloud Integration Services. We will aim to achieve net sales of at least 10 billion yen in FY2025 and a listing on the Tokyo Stock Exchange Prime market in FY2026.



*1 Compound Annual Growth Rate from FY2021 to 2025 (forecast).

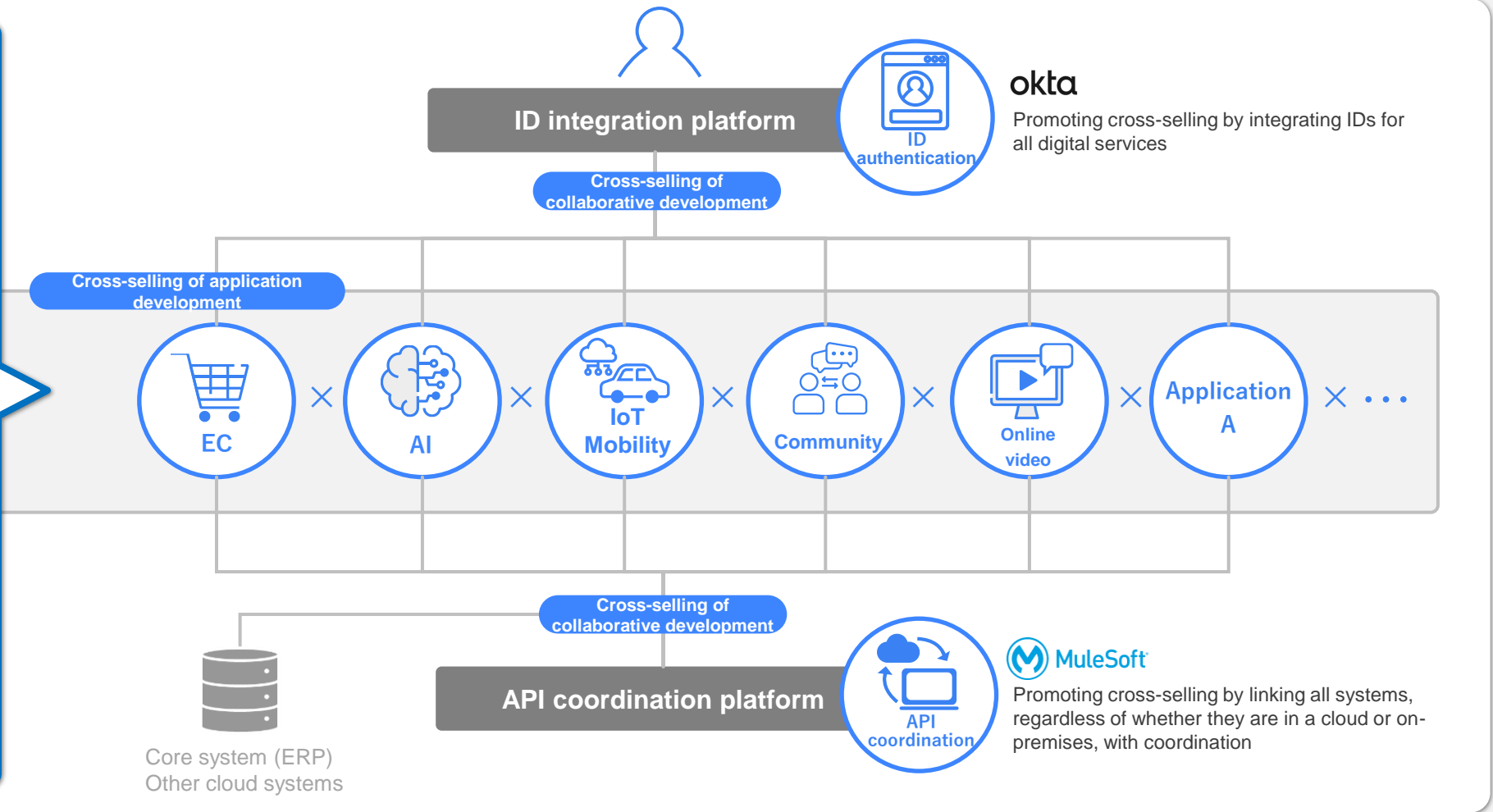
Enhancing and Developing Multi-cloud Services

In addition to multi-cloud application development, we will promote cross-selling through platform collaborative development to increase ARPA among existing customers. Further, we will also expand business channels by developing cloud partners towards increasing the number of contracted customers.



A central image of a woman holding a baby is surrounded by various Salesforce ecosystem icons: Success, Sales, Service, Partners, Marketing, Industries, Commerce, Net Zero, Einstein, Slack, Data, and MuleSoft.

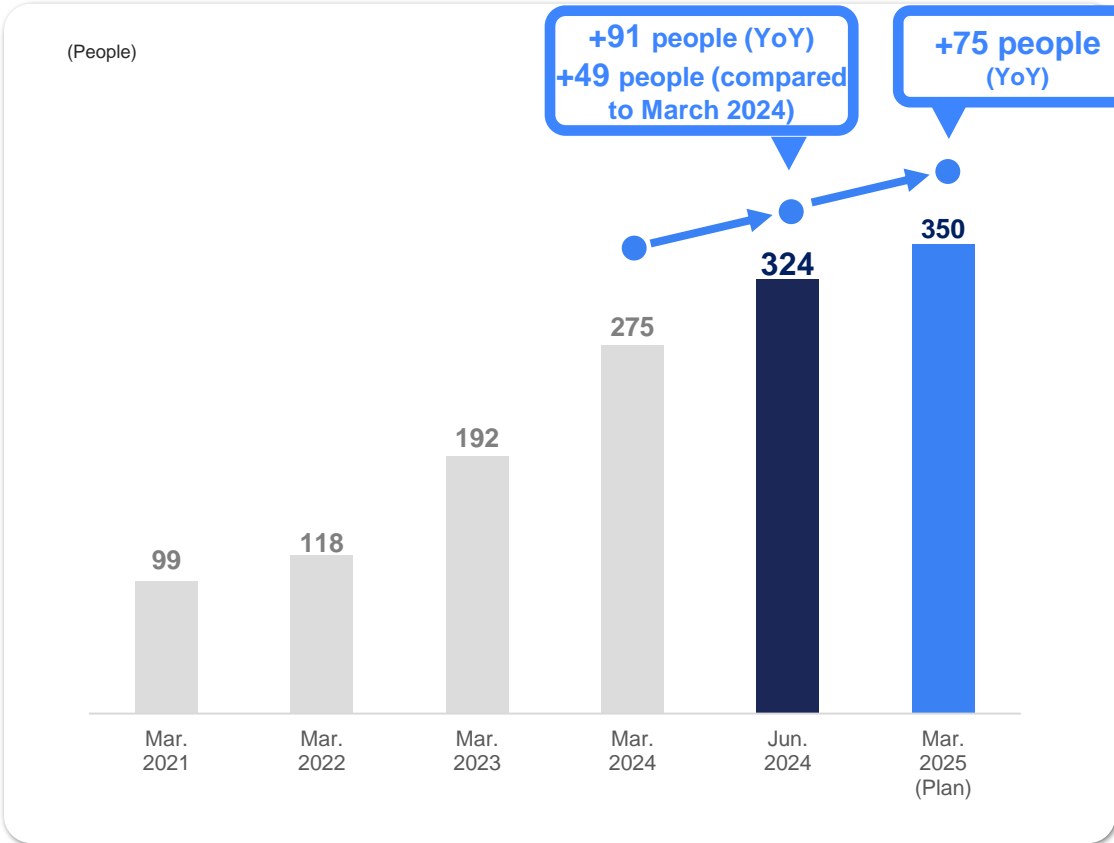
Promoting cross-selling of multi-cloud application development by broadly covering Salesforce cloud services that connect 360 degrees centered on customers



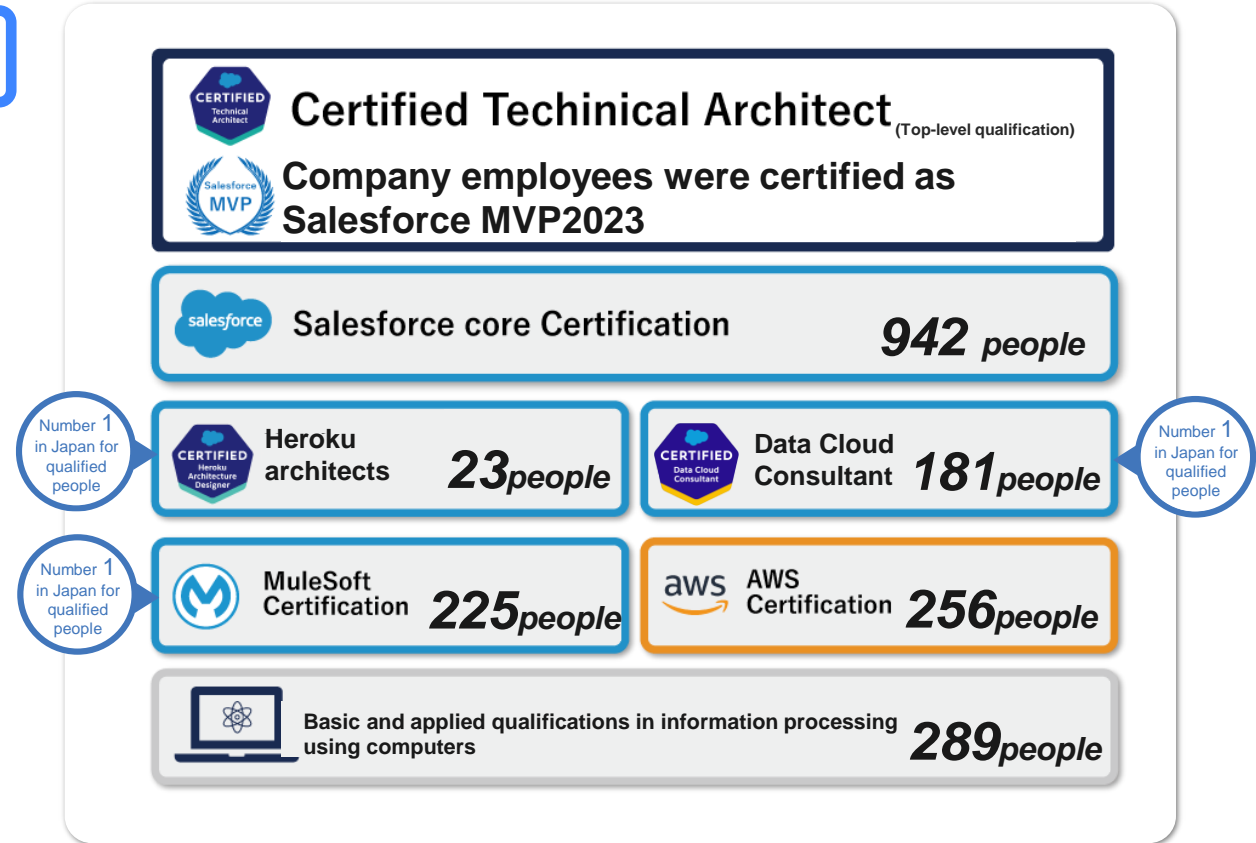
Organizational expansion centered on cloud engineers and other employees

The number of cloud engineers and other employees increased by 91 year-on-year, and by 49 compared with the end of March 2024 to 324 people as of the end of June 2024, and in April 2024, 34 new graduates with advanced degrees in science joined the company.

Trend in the number of engineers and other employees*1



Promotion of the acquisition of multi-cloud qualifications*2



*1 Professional human resources such as engineers and managers in Cloud Integration Services Division, excluding administrative personnel

*2 Total number of qualified people as of the end of July 2024

Promotion of Systems Fostering Multi-disciplinary Expertise and Human Resource Development

With a team dedicated to education enablement (promotion) as a focal point, we constantly promote employee education and systemic improvement activities.

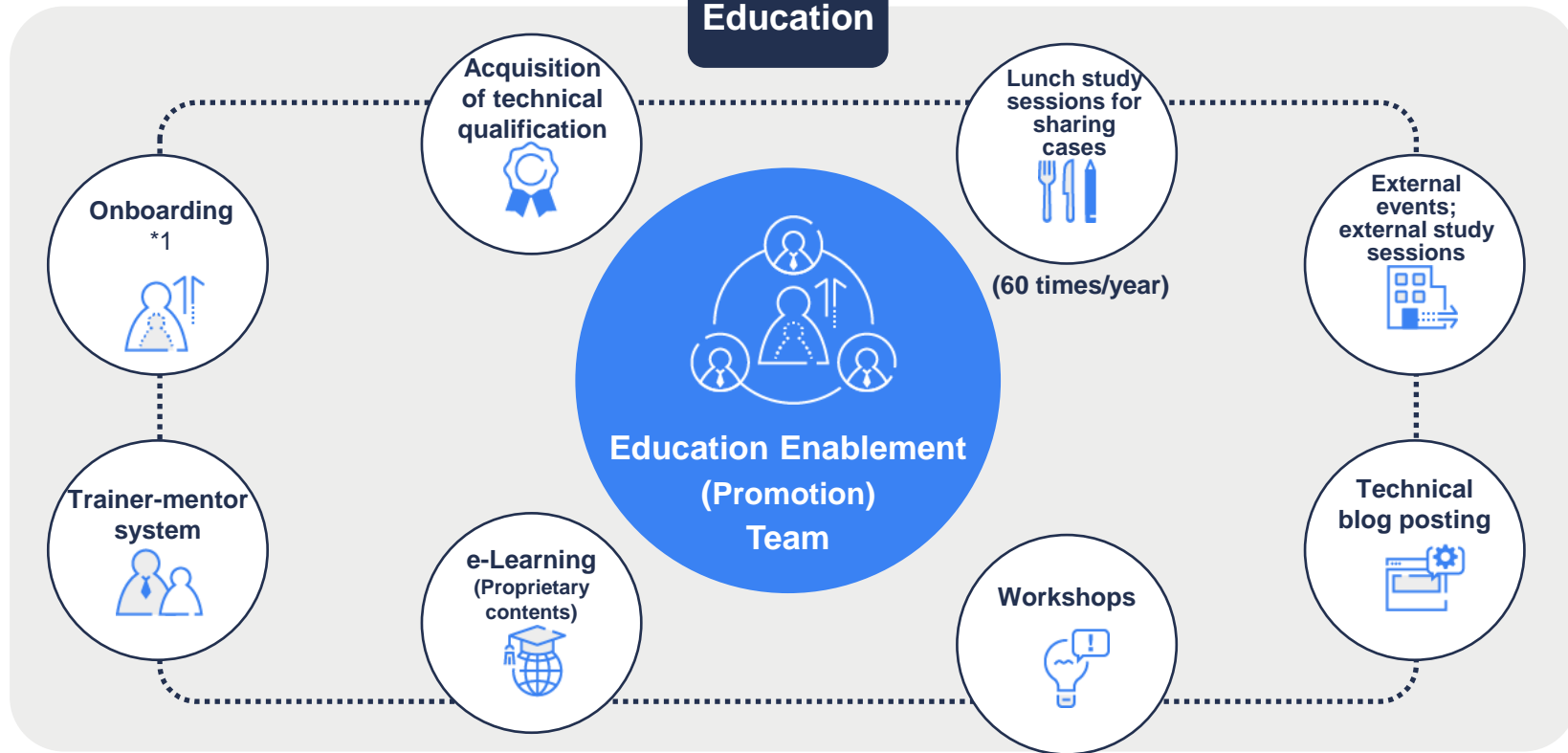
One month from joining the company to project assignment

Joining

Ratio of new mid-career recruits having no job experience in cloud business
90%



Education



Actual work

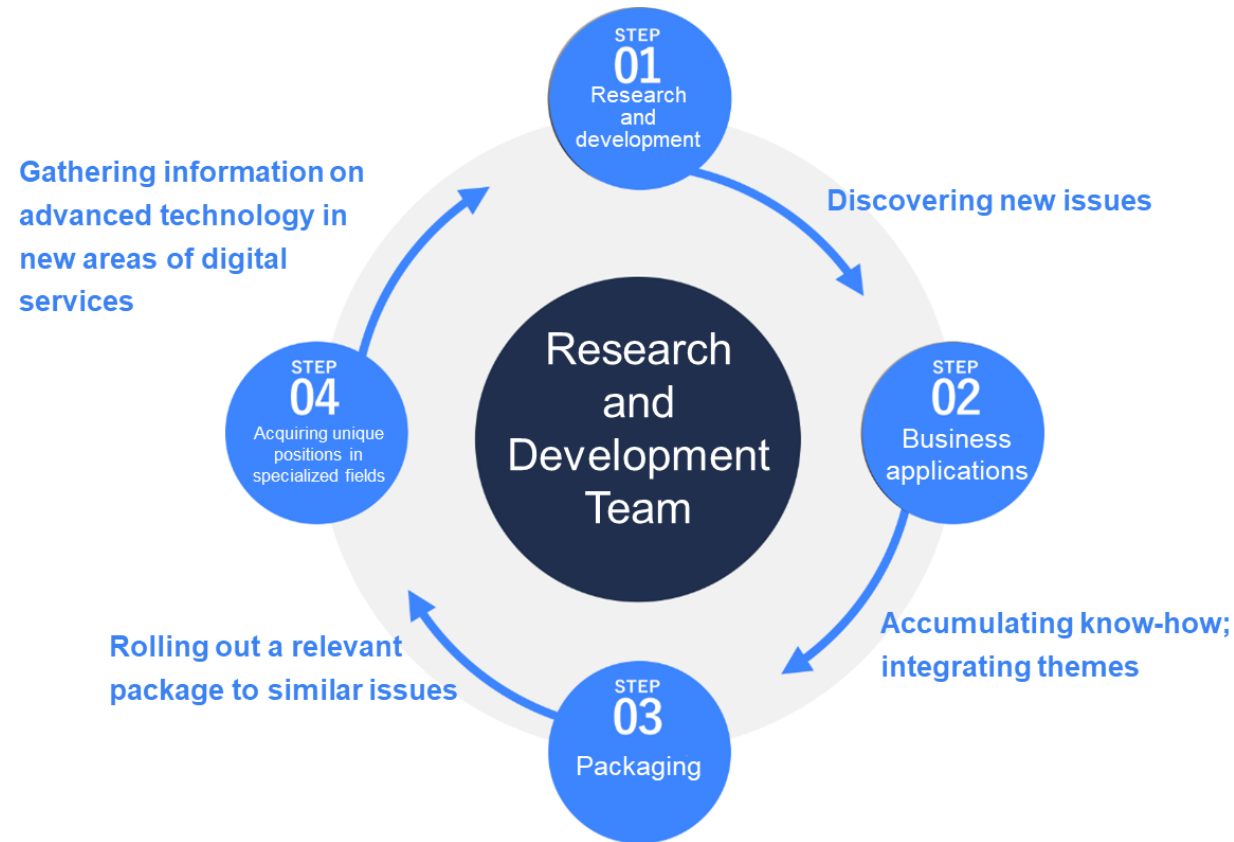
Continuous improvement through feedback cycles



*1: A series of workforce development steps to fully induct mid-career recruits into an organization until they can be recognized as valuable assets

High added value creation cycle through R&D

We apply our cutting-edge cloud technology obtained through R&D expeditiously to a wide variety of issues taking place in companies and society. Through accumulating this know-how, we can create packages of the most advanced cloud technology, which can then be rolled out to similar issues and constitute our unique competitiveness ahead of our competitors in specialized fields totally unfamiliar to them.



Appendix

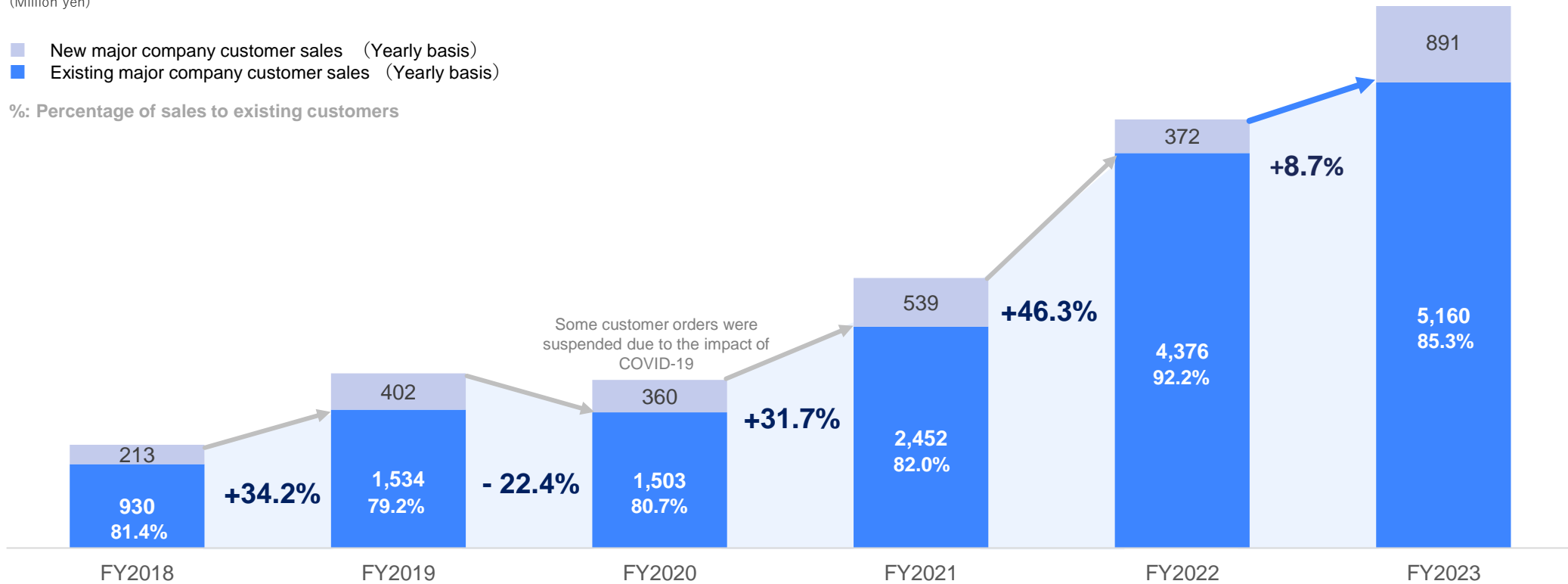
Year-on-year sales growth rate for existing major company customers*1

Sales to existing major company customers will continue to grow due to continuing orders for DX projects and cross-selling. Because we focused on new customers in the term ended March 2024, sales to existing customers increased by 8.7%, but the sales ratio of existing major company customers was at a high level at 85.3%.

(Million yen)

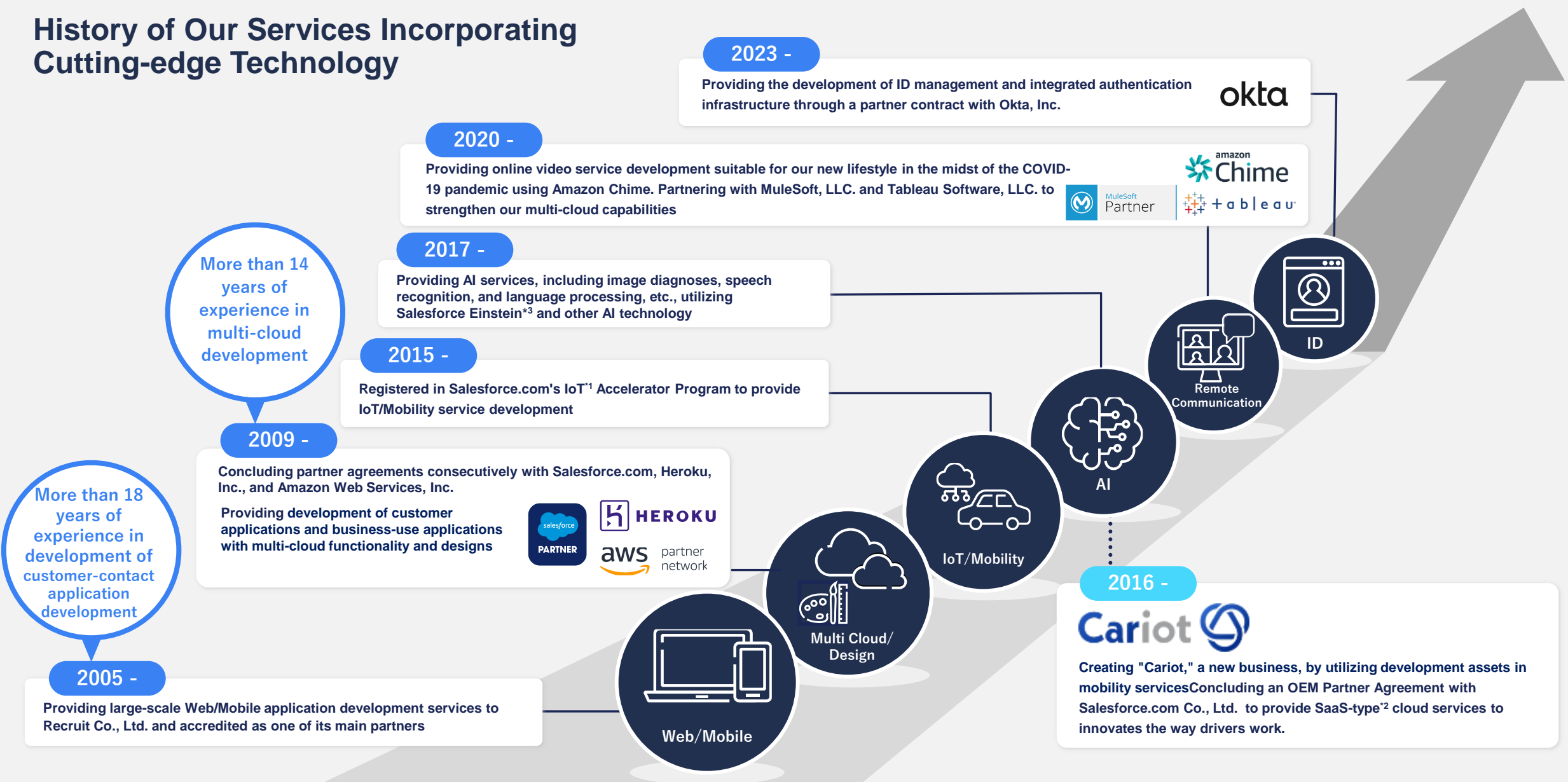
- New major company customer sales (Yearly basis)
- Existing major company customer sales (Yearly basis)

％: Percentage of sales to existing customers



*1 Year-on-year sales growth rate for existing major company customers: Growth rate of total sales for major company customers with contracts prior to the previous fiscal year

History of Our Services Incorporating Cutting-edge Technology



*1: IoT (Internet of Things): Physical things that can be operated via the Internet
 *2: SaaS (Software as a Service): Service to provide applications that used to be provided as packages over the Internet
 *3: Salesforce Einstein: Name of the AI (artificial intelligence) service provided by Salesforce.com, Inc.
 *4: Salesforce.com Co., Ltd. changes company name to Salesforce Japan Co., Ltd. as of February 2022

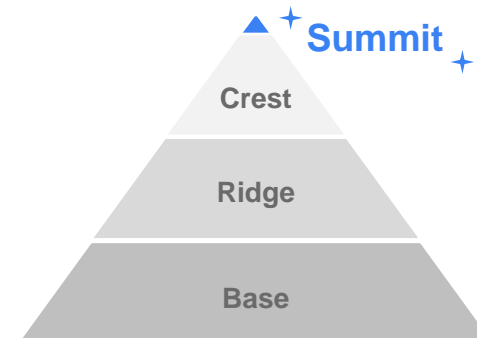
Our Domestically and Globally Acclaimed Advanced DX Achievements

Our DX achievements in domestic AI services are critically acclaimed, and received the Salesforce Global Innovation Award in 2019, the first of its kind in Japan. In addition, we are also certified as top domestic partners for Salesforce and MuleSoft.

- May 2015** **“Special Award,” Salesforce Partner Award**
Awarded for the achievements in our highly acclaimed IoT projects
- May 2018** **Salesforce "Innovation Partner of the year"**
Awarded for our achievements in the Einstein (AI) Project
- November 2019** **Salesforce Partner Innovation Award**
First Japanese company awarded for achievements in our Einstein (AI) Project in Japan
- May 2020** **Salesforce "Innovation Partner of the year"**
Awarded for our achievements in a multi-cloud development project
- March 2022** **MuleSoft Japan**
“MuleSoft Japan Partner Enablement Award 2022”
Awarded for our achievements in MuleSoft business
- May 2023** **MuleSoft Japan**
“MuleSoft Japan Partner Enablement Award 2023”
Awarded for our achievements in MuleSoft business
- April 2024** **Salesforce Japan Partner Award 2024**
“Japan Partner of the Year <MuleSoft>”
Awarded in recognition of wide-ranging knowledge and high-level technical capabilities in MuleSoft

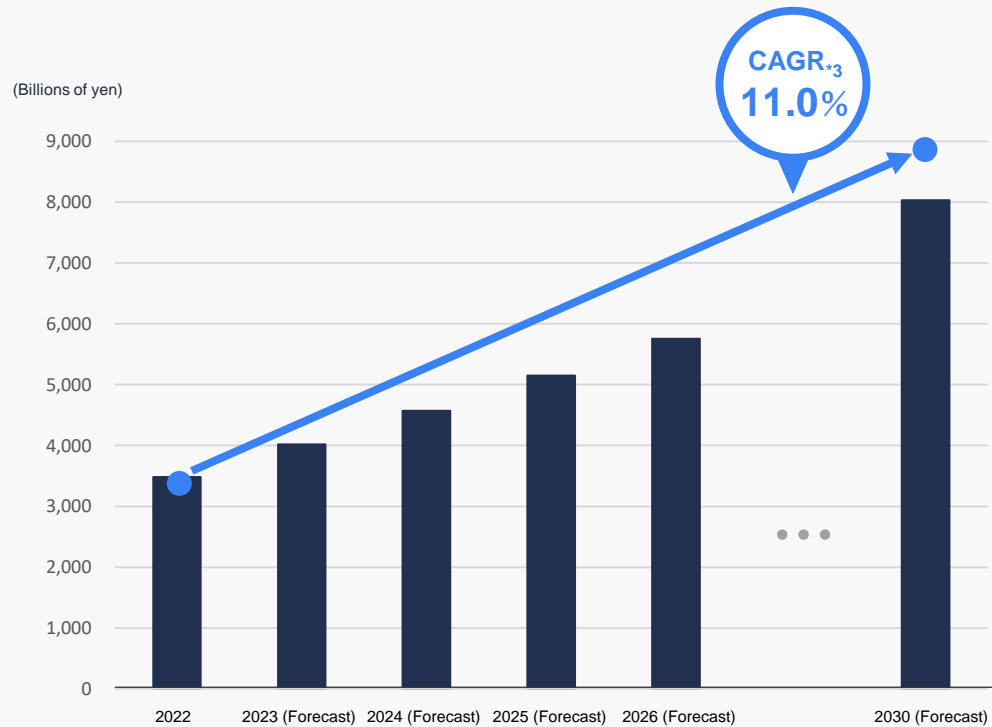


PARTNER INNOVATION AWARDS 2019 WINNER

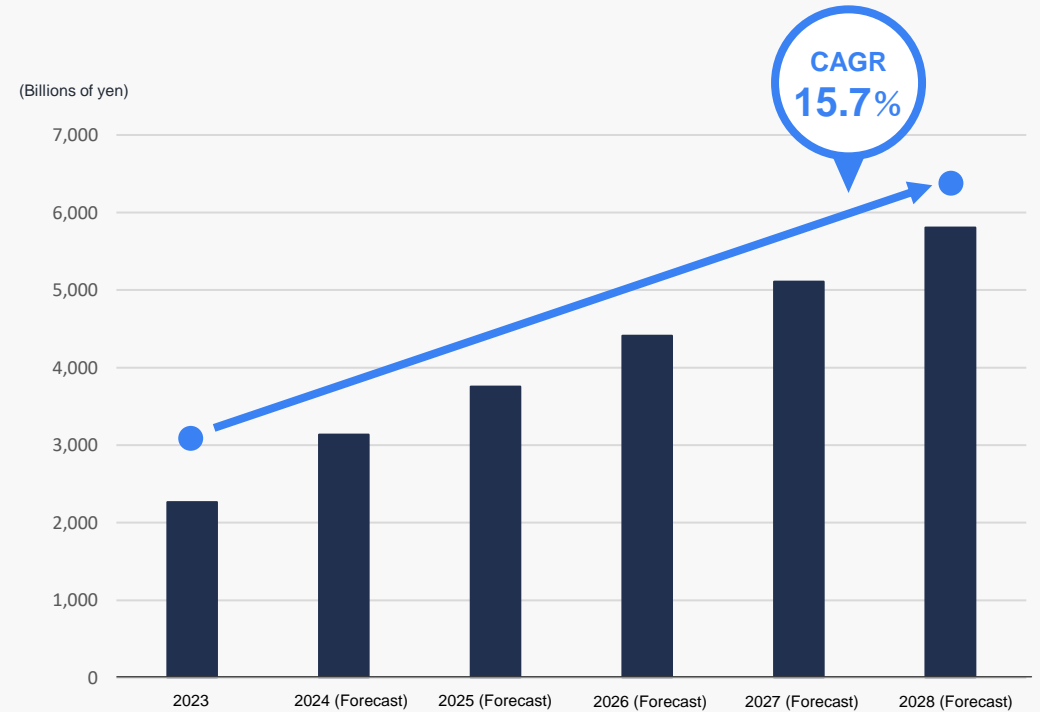


Both DX and Cloud Markets in Japan Are Steadily Expanding

The domestic DX market is expanding at a CAGR of 11.0% from 2022 to 2030.*₁



The domestic public cloud market is expanding at a CAGR of 15.7% from 2023 to 2028.*₂



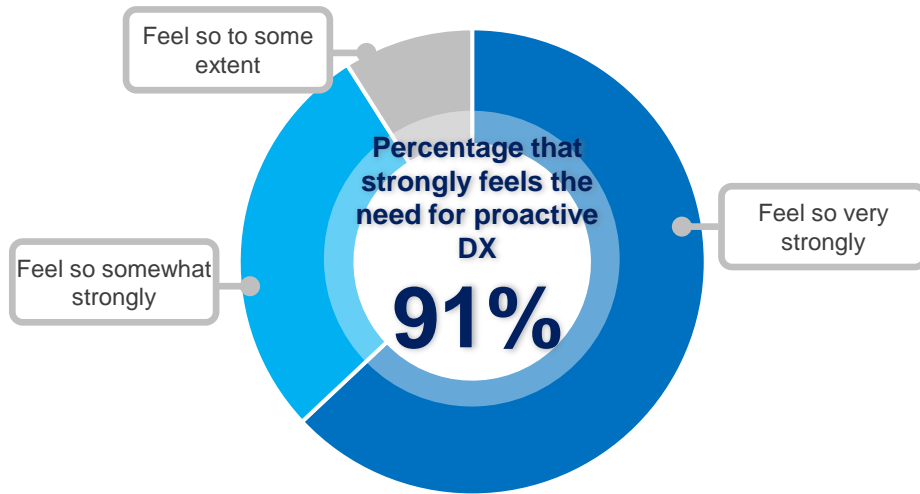
*1: Quoted from "2024 Future Prospects of the Digital Transformation Market," Fuji Chimera Research Institute, Inc.

*2: Quoted from "Sales Prospects in the Domestic Public Cloud Service Market," International Data Corporation Japan (IDC)

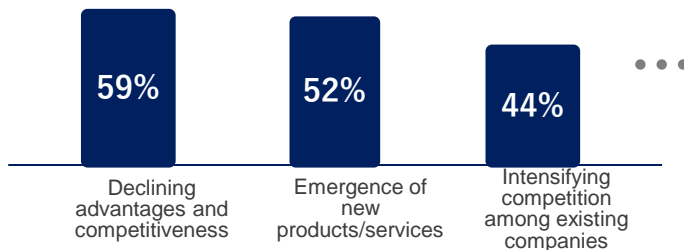
*3: CAGR (Compound Annual Growth Rate) is an annual geometric mean calculated from multiple-year growth rates.

Current DX Status in Japan

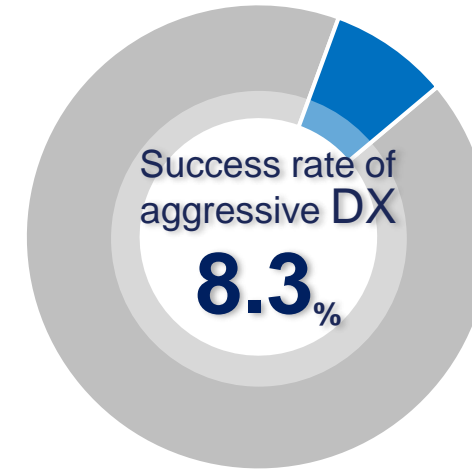
About 90% of the companies have strong needs for “Proactive DX.”
This is due to their concerns about the potential decline of their own advantage and competitiveness.*1



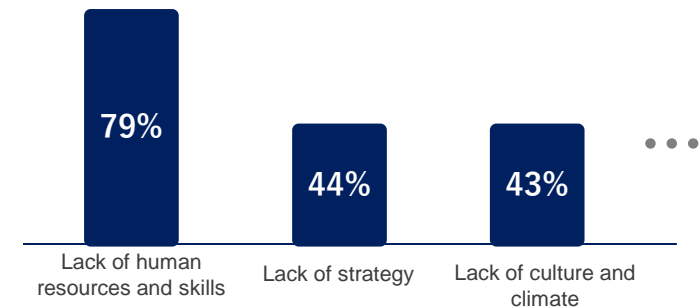
Challenges associated with concerns about the proliferation of digital technology



On the other hand, only 8.3% of companies have produced results with aggressive DX that creates new value for customers*2
Issues in the promotion of DX include people and organizations, such as “a lack of human resources and skills”*3



DXを進める際の課題

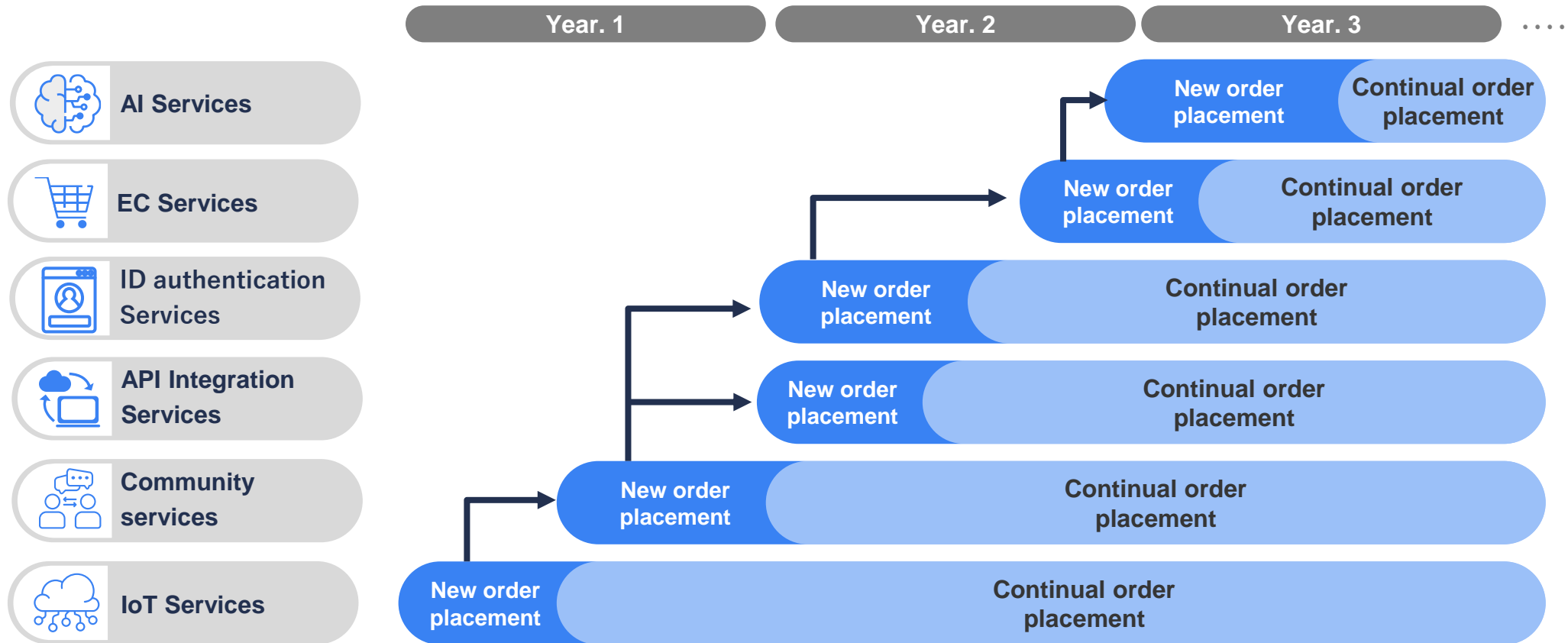


*1 Compiled proprietarily, based on “A Study on Functions and Roles of Human Resources Promoting Digital Transformation,” (May 17, 2019) Information-technology Promotion Agency, Japan (IPA) (<https://www.ipa.go.jp/files/000073700.pdf>)

*2 *3 Prepared at the company based on JUAS “Corporate IT Trends Survey Report 2024”

Continuous Orders for DX Projects and Expansion with Cross-selling

We will continue to develop digital services while simultaneously promoting the development of multiple digital services.



Sustainability Initiatives

In 2020, we joined the SDGs Public-Private Partnership Platform for Local Revitalization operated by the Cabinet Office, and have contributed to the SDGs through various initiatives

Society

Job satisfaction and job opportunities

- Provision of opportunities to improve skills and advance career with the theme of maximizing value of resume
- Provision of care for job satisfaction by monitoring the Employee Engagement Scores
- Recruitment of diverse human resources, such as local residents (full remote work), those with no cloud experience, foreign nationals, and elderly staff
- Short-time work and leave for childcare
- Reform of the way drivers work with Cariot service



Promotion of education

- Promotion of education by education enablement team
- Provision of a variety of educational opportunities, including the holding of internal and external technical study sessions, support for acquisition of qualifications, and in-house original e-learning



Technology innovation

- Research and development of advanced cloud technologies, social implementation of technological innovation through DX support for companies



Economic growth and productivity

- Improvement of productivity and creation of new customer experience value through DX support for companies
- Provision of diverse ways of working to maximize performance, including full remote work



Governance

Corporate governance

- Checks by a majority of outside directors
- Fair decision-making with a composition of directors with diverse knowledge

Compliance

- Establishment of a solid management foundation through compliance



Environment

CO₂ emissions

- Support for mobility service development, contribution to CO₂ emissions reduction through Cariot service
- Contribution to reducing CO₂ emissions by eliminating physical servers

Conservation of natural resources

- Promotion of paperless operations with DX support



Management Team



**Founder/
Representative Director and CEO**

Koji Kurokawa

Starting a company as a student and accumulating entrepreneurial experience in IT for 20 years

Based on his experience of founding a predecessor IT company, Mr. Kurokawa established FLECT Co., Ltd. in 2005. As Representative Director and CEO, he launched its cloud services and established the business bases and has steadfastly directed its course at the helm. With the mission of "Pursuit of Everyone's Fulfilment of Life through the Internet," he firmly intends to maximize the happiness all stakeholders of the Company can enjoy and values it can present.



Director and COO

Masaoki Ohashi

Selected one of the 99 people capable of changing the IoT in Japan

Mr. Ohashi joined Sony Ericsson Mobile Communications in 2004 and was first engaged in the development of smartphone middleware. He joined FLECT Co., Ltd. in 2007, and was appointed director in 2009. He then took charge of its cloud business, and successfully led it onto a path of growth. Subsequently he took up the Company's IoT initiatives, and started up Cariot, the Company's connected car business, and has led it to growth. Since 2017, Mr. Ohashi has supervised overall company operations.



External Director, Audit and Supervisory Committee Member

Yosuke Tetsukawa

**Representative Partner, Improve Tax Co.
Certified Public Accountant**



External Director, Audit and Supervisory Committee Member

Akihito Fujiwara

Former Standing Audit and Supervisory Board Member, Recruit Holdings Co., Ltd.



External Director, Audit and Supervisory Committee Member

Shuya Ogawa

Attorney at Law, Partner, TMI Associates

About handling of this document

- This material has been prepared exclusively for providing information about the Company, and has not been offered as solicitation to buy or sell its securities. Forward-looking statements about future prospects are formulated based on information as at the date of issuance of this material, and thus contain various risks and uncertain factors, and do not guarantee any future results and achievements. Furthermore, information concerning parties other than the Company has not undergone verification about its accuracy or fitness, etc., which cannot be guaranteed.