



Technology X Open Innovation

**Supplementary Material for the Fiscal Year ended
September 30, 2021 (40th Period)**

Systemsoft Corporation

TYO: 7527

November 12, 2021

- **Summary of Financial Results for the Fiscal Year Ended September 30, 2021**
- **Progress in SaaS and RPA Business**
- **Forecast for the fiscal year ending September 30, 2022**
- **Towards a TSE Prime Market Fit**
- **Appendix**

POLICY

Technology



Open Innovation

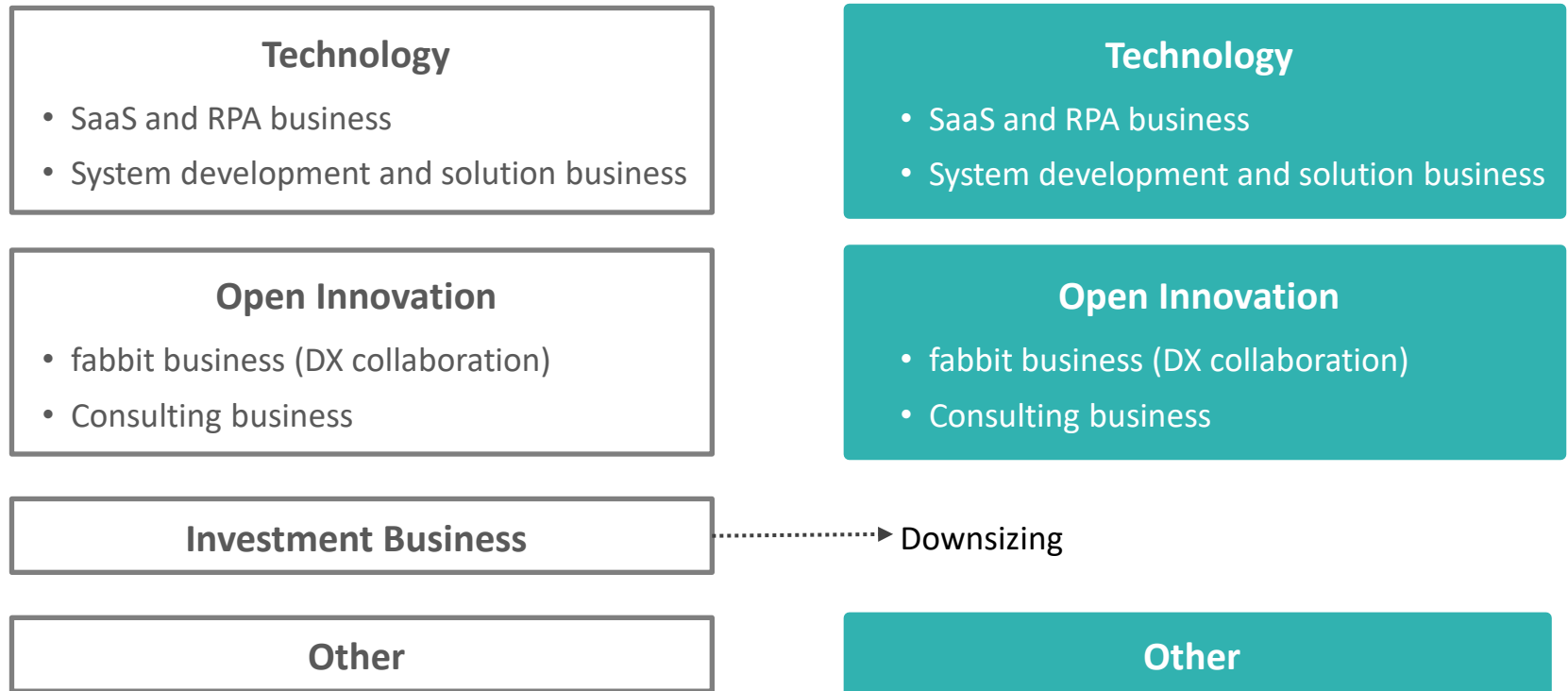
New Value

The emerald green color (Blue Veil Dance) expresses the desire to build up relationships with stakeholders, which was established when Avispa Fukuoka, the J-League club we support, was founded.

New segmentation will be adopted from the second quarter of the fiscal year ended September 30, 2021

Clarification of the Group's business positioning

Build a management system that is in tune with changing market trends, especially in digital and IT. Going forward, we will downsize the investment business and promote business in three segments



Summary of Financial Results for the Fiscal Year Ended September 30, 2021

Substantial increase in sales and profit from the previous fiscal year

Sales
4,920 million yen
171.8%
YoY

Operating income
377 million yen
Increase of
+628 million yen
YoY

Net income
483 million yen
Increase of
+1,139 million yen
YoY

- Substantial increase in sales due to increased orders for system development projects, etc.
- In addition to the increase in profit due to the increase in sales, operating income also increased significantly from the previous year due to the reduction in the cost of sales ratio.
- Net income increased significantly from the previous fiscal year due to an extraordinary gain of 238 million yen from the stepped acquisition of fabbit Co., Ltd.

Summary of Consolidated Financial Results

**Merger with fabbit, Inc. and system development and solution business.
Achieved a significant increase in sales and profit compared to the previous fiscal year,
with an operating profit margin of approximately 7.7%.**

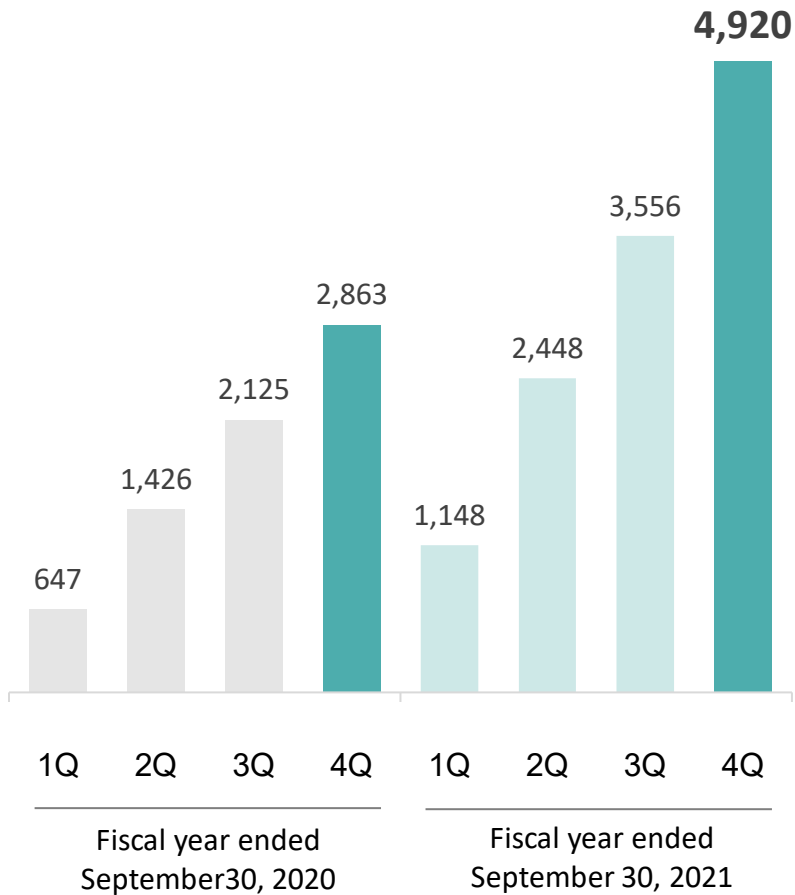
(Unit: million yen)	Fiscal year ended September 30, 2020		Fiscal year ended September 30, 2021		Change from previous period	Percentage change
	amount	%	amount	%		
Sales	2,863	—	4,920	—	+2,056	+71.8
Gross profit	339	11.8	1,301	26.4	+961	+283.7
SG&A expenses	590	20.6	923	18.8	+333	+56.4
Operating income	-251	—	377	7.7	+628	—
Ordinary income	-275	—	342	7.0	+618	—
Extraordinary gains	4	—	241	—	+236	—
Extraordinary loss	-350	—	-18	—	+331	—
Pretax net income	-621	—	565	11.5	+1,187	—
Net income attributable to shareholders of the parent company	-655	—	483	9.8	+1,139	—

Net Sales and Operating Income Quarterly Trends

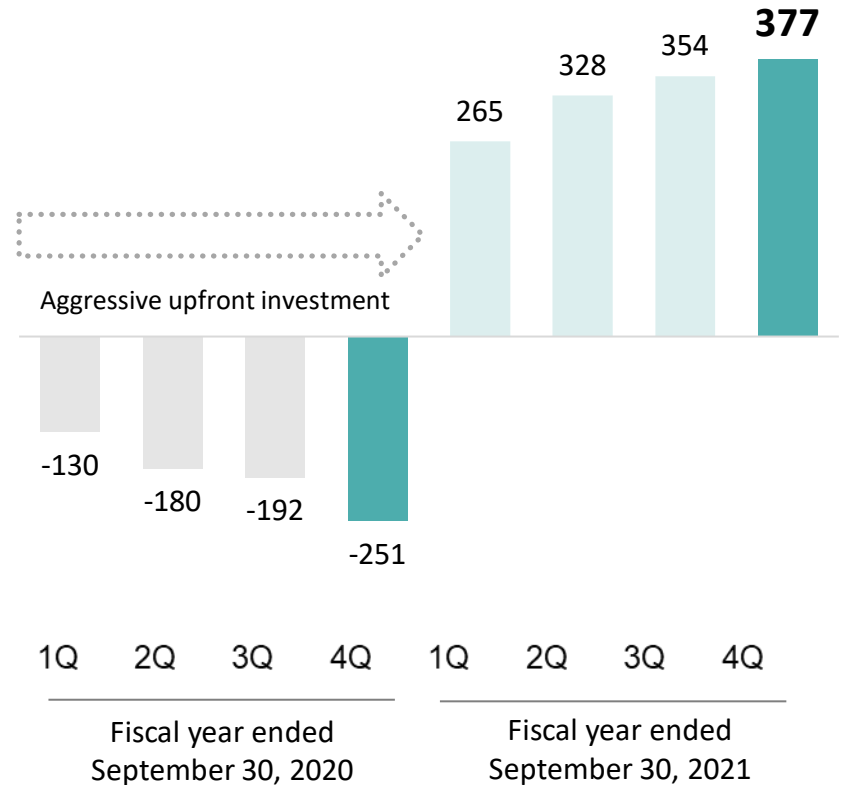
Sales continued to increase significantly in each quarter compared to the same period last year. Operating income has been in **positive** since the beginning of the fiscal year, and profits are steadily increasing.

Net Sales (Unit: million yen)

Started fabbit business in 2Q of FY09/2021



Operating Income (Unit: million yen)



Balance Sheet

Expansion of asset size through absorption of fabbit Shareholders' equity ratio is 77.8%.

(Unit: million yen)	Fiscal year ended September 30, 2020	Fiscal year ended September 30, 2021	Difference from the previous year	Main reasons for changes
Current assets	3,258	4,158	+899	Increase in cash and deposits of 292 million yen, increase in notes and accounts receivable of 628 million yen, etc.
Cash and deposits	1,789	2,081	+292	
Fixed assets	1,738	3,285	+1,546	Increase in goodwill of 1,406 million yen, increase in investment securities of 265 million yen, etc.
Tangible fixed assets	38	47	+9	
Intangible fixed assets	944	2,435	+1,490	
Investments and other assets	755	803	+47	
Current liabilities	419	1,103	+683	Increase in notes and accounts payable-trade of 240 million yen, increase in short-term loans payable of 200 million yen, etc.
Fixed liabilities	612	525	-87	Decrease of 100 million yen in bonds, etc.
Net assets	3,964	5,814	+1,850	Increase in capital surplus due to the absorption-type merger with fabbit Corporation, and increase in retained earnings due to the posting of net income attributable to shareholders of the parent company
Capital stock	1,511	1,663	+152	
Capital surplus and others	2,453	4,151	+1,697	
Total assets	4,997	7,443	+2,446	

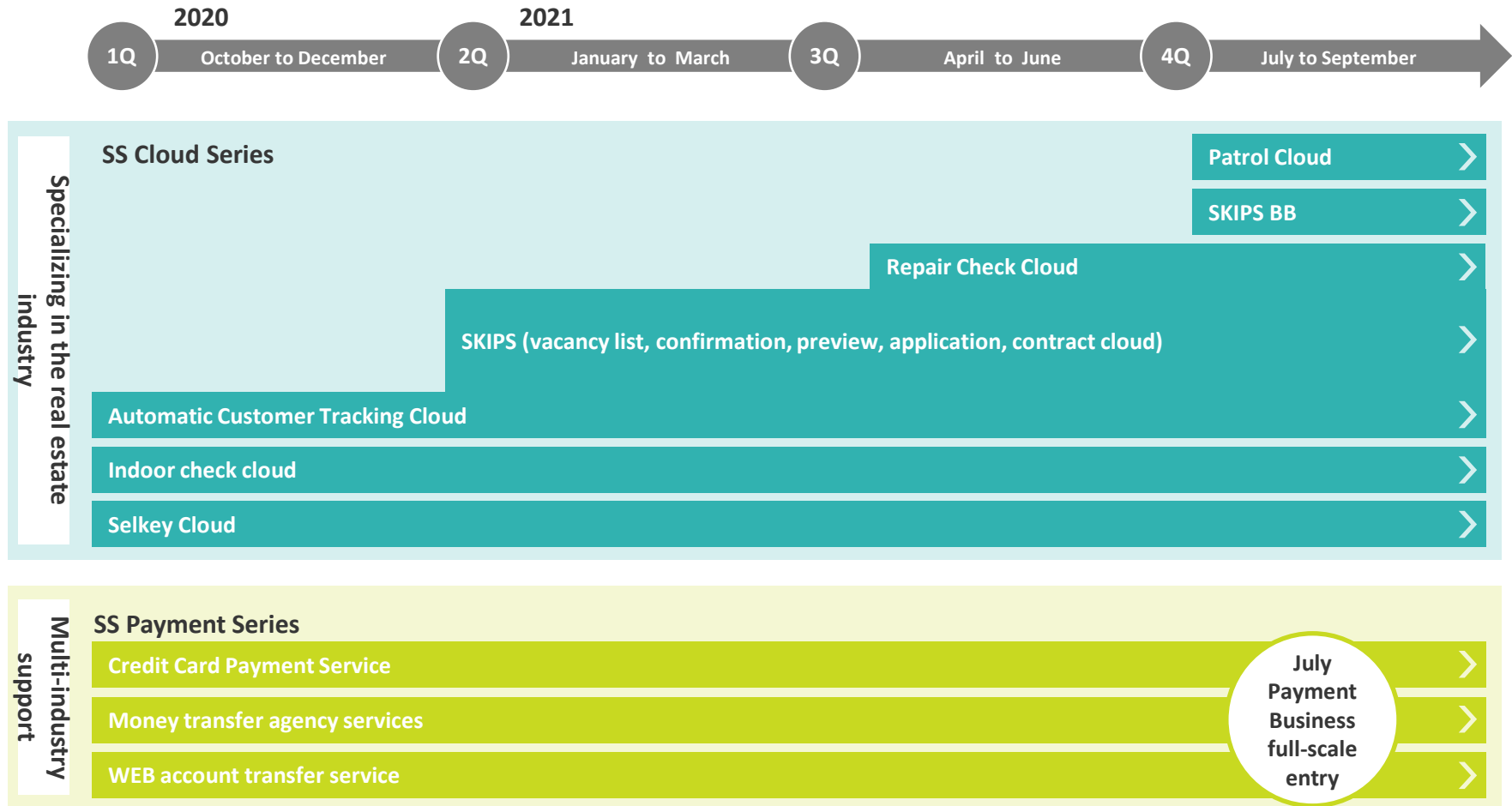
Cash Flow

(Unit: million yen)	Fiscal year ended September 30, 2020	Fiscal year ended September 30, 2021	Main reasons for changes
Cash flows from operating activities	-47	115	Increase in income before income taxes and minority interests of 1,187 million yen, increase in notes and accounts receivable-trade of 654 million yen, etc.
Cash flows from investing activities	-128	-200	Increase of 175 million yen in payments for purchase of investment securities, decrease of 81 million yen in payments for loans receivable, etc.
Cash flows from financing activities	133	228	Decrease of 300 million yen in proceeds from issuance of bonds, increase of 260 million yen in proceeds from issuance of shares through exercise of stock acquisition rights, increase of 200 million yen in proceeds from short-term loans payable, etc.
Cash and cash equivalents at end of period	1,789	2,081	

Progress in SaaS and RPA Business

SaaS product and service deployment status

Aggressively launch 10 SaaS products related to real estate DX in the market
The SS Payment Series, which can be deployed in multiple industries, is also available.

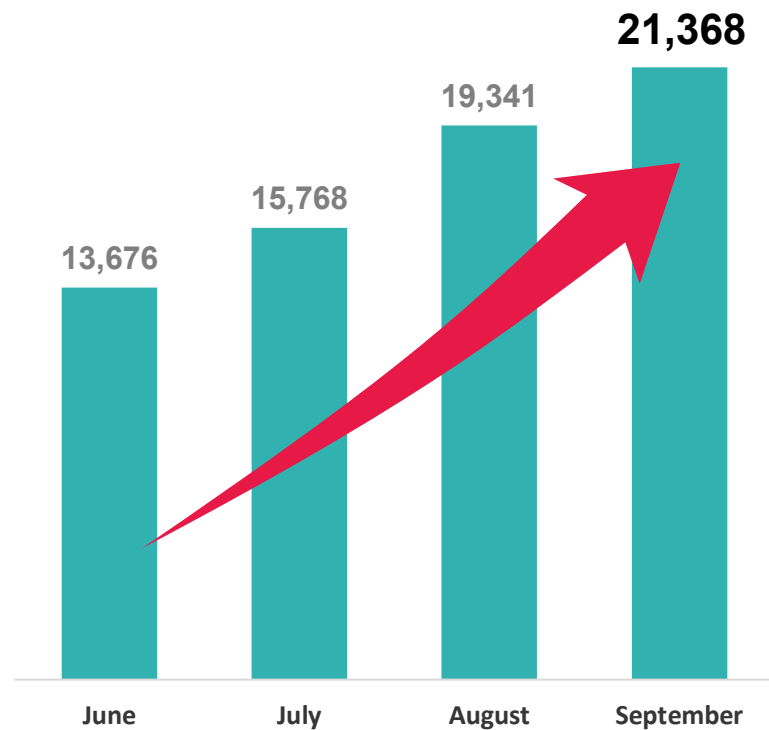


SS Cloud Series Installation Status

Steady increase in the number of installations thanks to aggressive sales activities
The number of locations using SaaS products has already exceeded 30,000.

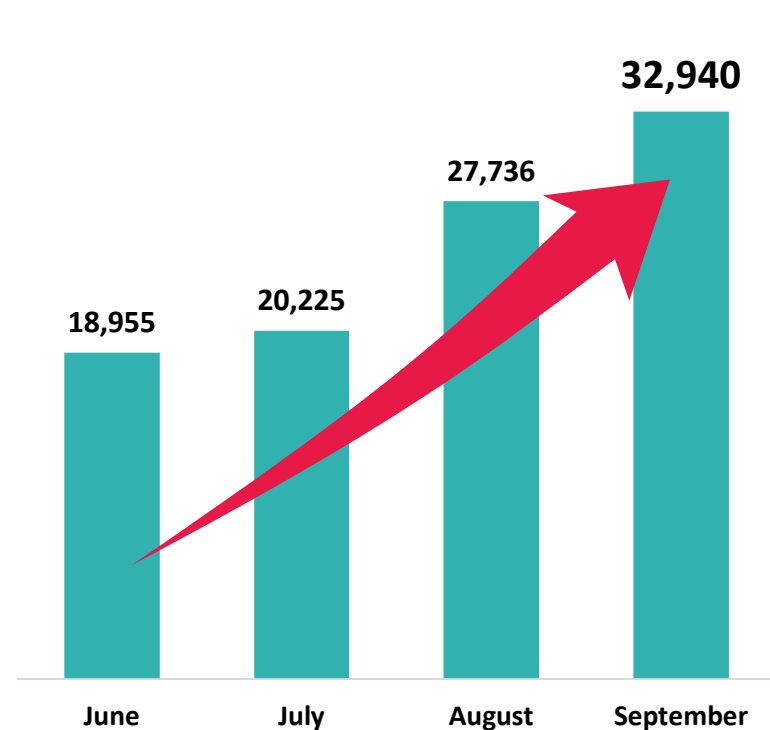
Number of companies using the system
(cumulative)

(Unit: million yen)



Number of locations used
(cumulative)

(Unit: million yen)



The "total number of locations used" is simply the sum of the number of locations used by the agent and the management company for each cloud.
(Management companies include the head office, branches, sales offices, and stores among those that have applied.)

The "Total number of companies using cloud computing" is simply the sum of the number of companies using the mediation and management companies for each cloud.

In cooperation with SS Cloud Series Develop services to further improve operational efficiency

Cumulative usage results*

Transfer agent service
“FliCO”

149,567 Cases

No installation fee, no monthly fee,
no need to open an account
Substantial reduction in transfer fees

Account Transfer
Service

17,374 Cases

No need to check for errors in writing or
stamping
Dramatically reduced account transfer
fees

Credit Card
Payment Services

about **4.7** Billion yen

Security deposit, key money, etc.
related to real estate leasing
Use a credit card to pay the lump-sum
deposit.
Services to be settled

*October 2020 to end of September 2021

*This product is a service that introduces customers to the management company.

Expand business base to increase the number of SaaS contracts

System integration with 11 Rent guarantee companies

July 28, 2021

Information on prospective tenants who apply for housing on “SKIPS” is shared with rent guarantee companies, streamlining the process of submitting applications and completing screening. The number of linked companies is scheduled to increase in the future.

Rent guarantee companies covered by this project (in alphabetical order)

- ARC Corporation (Iwate)
- APlus Corporation (Osaka)
- Anshin Hoshou K.K. (Tokyo)
- Epos Card Corporation (Tokyo)
- Orico Current Insurance Company Limited (Tokyo)
- Credence Corporation (Tokyo)
- J-LEASE Corporation (Oita)
- Zenkoku Rent Guaranty Corporation (Tokyo)
- Zenpo-ren Corporation (Okinawa)
- Nap Rent Guarantee Corporation (Tokyo)
- Japan Safety Corporation (Tokyo)

Tie-up with Zankankyo Research Institute (Largest player in the real estate industry)

September 3, 2021

SS Technology provides the “SS Cloud Series,” a SaaS for real estate companies, to members of the Zenkanokyo Property Management Association to support the DXification of member companies.

SS Technologies



About Zenkankyo Research Institute (Zenkankyo)

The Zenkankyo is the industry's largest business organization, with approximately 1,900 real estate companies nationwide and 3.8 million units under management.

Accelerate the development of products and services that meet the needs of DX

Real estate DX-related system construction Partnership with Genie Co.

June 30, 2021

We plan to build a system to improve the efficiency and productivity of real estate-related operations by incorporating our expertise in providing SaaS products into marketing solutions that utilize Genie's software, big data and AI.



About Genie

We provide 3 businesses; “Advertisement platform business”, “Marketing SaaS business”, and “Overseas business”.

“In the Marketing SaaS business”, we have developed and provided our own sales and marketing platform and have supported 10,000 companies.

App Development Platform Partnership with Docodoor Co.

September 6, 2021

Real estate-related companies with physical stores nationwide have formed a business alliance with Docodoor Inc., which has an app development platform, to expand their product lineup and strengthen their services in response to the acceleration of communication with users through apps.



About Docodoor, Inc.

Operates Applimo, a cloud-based app development platform.

Applimo is an app development platform that allows you to start mobile app development with no initial cost, which used to cost 3~10 million yen. It has been adopted by small and medium-sized companies, large corporations, and government agencies across the country that have been unable to develop applications due to development costs.

Forecast for the year ending September 30, 2022

Net sales and operating income are both expected to increase year on year.
System development business, a stable revenue base, continues to perform well
Further expand the number of SaaS installations, a growth driver, and
Increase profitability for the future

(Unit: million yen)	Fiscal year ended September 30, 2021 Achievements	Fiscal year ending September 30, 2022 Forecast
Sales	4,920	5,000
Operating income	377	400
Ordinary income	342	370
Attributable to shareholders of the parent company Net income	483*	220

* As a result of the absorption-type merger of fabbit, an extraordinary gain of 238 million yen was recorded related to the step acquisition.

1 **Strengthen existing businesses**

- System development and solutions business continues to make progress in the development of large-scale projects.
- Capture increasing demand and secure orders

2 **Expand the number of SaaS contracts and move into the monetization phase**

- Expand the number of contracts within the real estate industry
- Development of new SaaS products and expansion into other industries
- Improvement of product value and pursuit of service quality
- SaaS products will be available for a fee starting in September 2022.

3 **increase in public awareness**

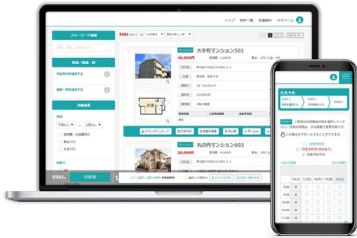
At a meeting of the Board of Directors held on August 2, 2021, the Company passed a resolution that it intends to select the Tokyo Stock Exchange Prime Market in the new market segmentation.

We will continue to aim to meet all the criteria for the Prime Market, and will also submit a "Plan for Compliance with Listing Maintenance Criteria" in accordance with the schedule set by Tokyo Stock Exchange to apply for the transitional measures for listing maintenance criteria.

Appendix

SKIPS

DXing the operations of property management companies
 Helping to improve productivity and customer acquisition



- Vacancy List Cloud
- Confirmation Cloud
- Preview Cloud
- Application Cloud
- Contract Cloud

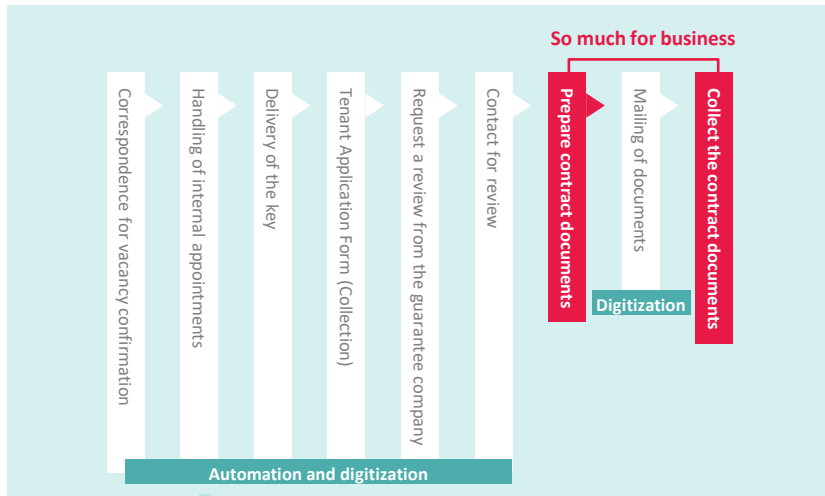
SKIPS BB

An inter-dealer distribution site where property information can be registered, published, searched and viewed.



Largest number of properties listed in Japan

Over **300,000** cases



Brokerage firms were using a number of vendor distribution sites to search for properties.

Management companies use "visits," "e-mail DMs," and "simultaneous faxes." I've been providing you with property information.

We pay a lot of money for advertising on inter-dealer distribution sites to list properties and I've been doing some search browsing.

All of this is **no longer necessary**

Linkage makes it even more convenient



Indoor check cloud

- Make it easy for tenants to check the room when they move in with their smartphones
- Data storage is in the cloud and reports are automatically generated.



Patrol Cloud

- Calculates and proposes the optimal route by registering visit schedules and tasks.
- Photos and work records automate report writing on your smartphone.
- Can be used for visiting vendors, owners, etc.



Selkey Cloud

- No need to hand over the key at the time of preview.
- Residents can use it as a smart key even after moving in.

Automatic Customer Tracking Cloud

- AI service that automatically sends properties that match the customer's criteria
- Reduce the number of potential customers you lose.

New clouds to be released in the future

SS chat	expected to launch in October, 2021
New automatic customer tracking cloud	expected to launch in November, 2021

Repair Check Cloud

- The contractor reports the status of the repair work via smartphone.
- Automatic data storage and report generation



Increase productivity of commercial store brokerage services

Cloud services to be raised substantially

Inter-store distribution cloud

Inter-company distribution service for vacant tenant information

Cloud of store opening needs

A service that provides information on companies opening stores.

Store locator site

Search site for vacant tenant information

"A company specializing in the brokerage of commercial retail space."

"A company that provides retail brokerage services as a secondary business."

"A company that brokers the sale of stores."

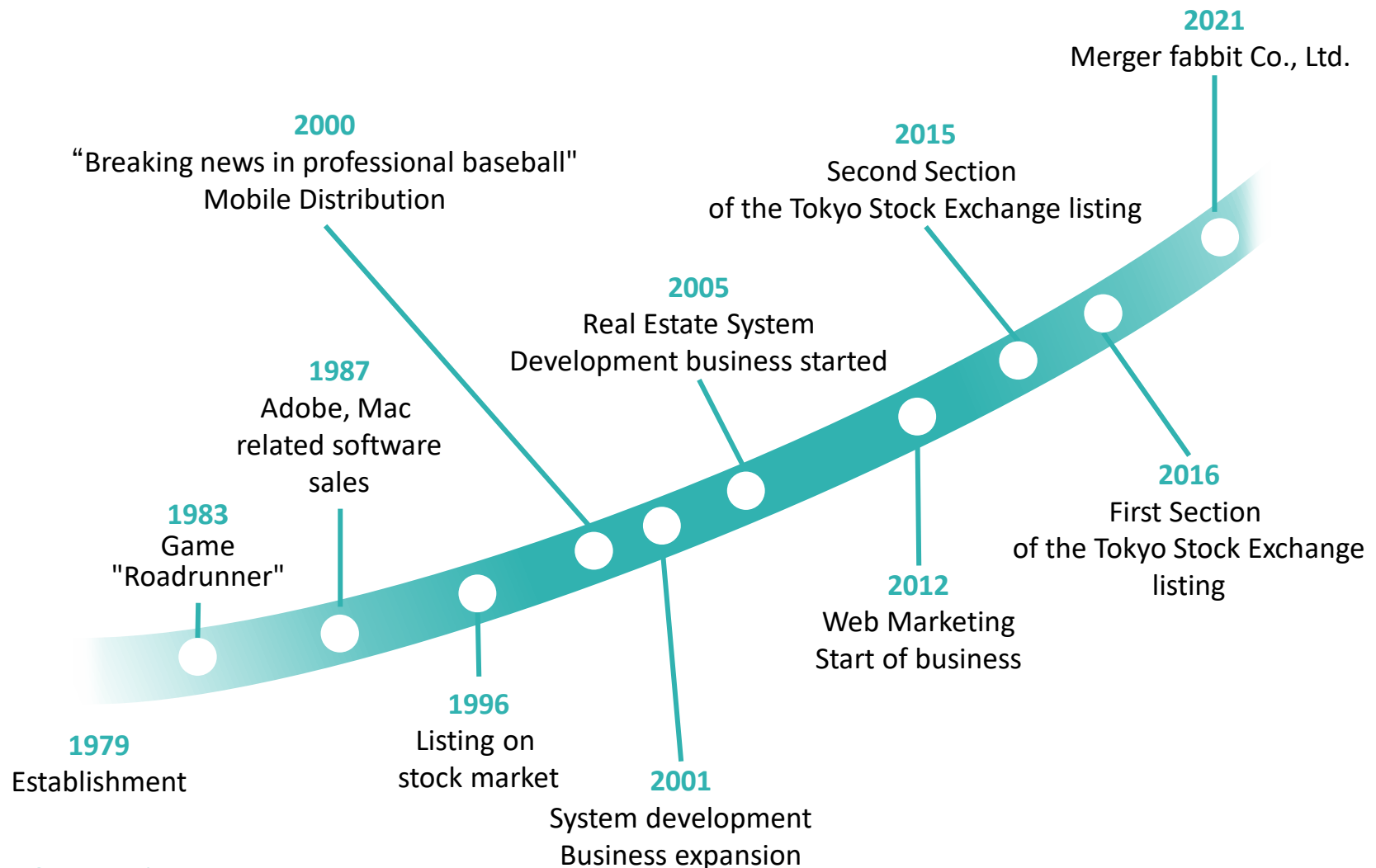
"A company that takes orders for store interiors."

Aim to increase productivity

About Us

Company name	Systemsoft Corporation
Establishment	September 1979
Capital stock	1,663 million yen (as of September 30, 2021)
Net sales	4,920 million yen (fiscal year ended September 30, 2021)
office	Tokyo Head Office, Fukuoka Head Office, Kitakyushu Office
Directors and Corporate Auditors	Representative Director, President Haruki Yoshio Representative Director, Vice President Yasunari Tanaka Director, Masahiro Ishikawa Director Koji Omura Director(Outside) , Yujiro Takahashi Director (Outside), Masaaki Asako Full-time Corporate Auditor (Outside), Michiko Hirayama Corporate Auditor (Outside) , Toshio Shimada Corporate Auditor (Outside), Hideaki Takahashi
Number of employees	170 (as of October 1, 2021, consolidated, not including directors)
Business Description	Technology, open innovation
Group Companies	SS Technologies Corporation, SS Service Corporation
Correspondent Banks	Sumitomo Mitsui Banking Corporation, Mizuho Bank, Fukuoka Bank, Sumitomo Mitsui Trust Bank

**We have been developing systems for more than 40 years.
We aim to be an attractive corporate group through the creation of
new business opportunities.**



Technology × Open Innovation

Systemsoft

This document was created by the Company for the purpose of understanding the current state of Systemsoft Corporation (hereinafter referred to as the "Company"). In addition, the plans and forecasts described in this document are determined and predicted by the Company based on the information at the time of creation. Plans and prospects may change significantly due to changes in the business environment in the future. In that event, we are not obligated to update or amend the contents of this announcement. Based on the above, investors are requested to invest at their own risk.