



Technology X Open Innovation

**Supplementary Material for the Q1 FY2022/9
(41th Period)**

Systemsoft Corporation

TYO: 7527

February 10, 2022

- **FY 2022/9 First Quarter Financial Summary**
- **FY 2022/9 Earnings Forecast**
- **Appendix: Medium-Term Management Plan**

FY 2022/9 First Quarter Financial Summary

Performance progressed as initially planned

In the same period of the previous fiscal year, sales of 151 million yen and profit of 149 million yen from the investment business* made a significant contribution to earnings.

Even excluding these factors, sales for the current fiscal year were almost in-line with the previous year.

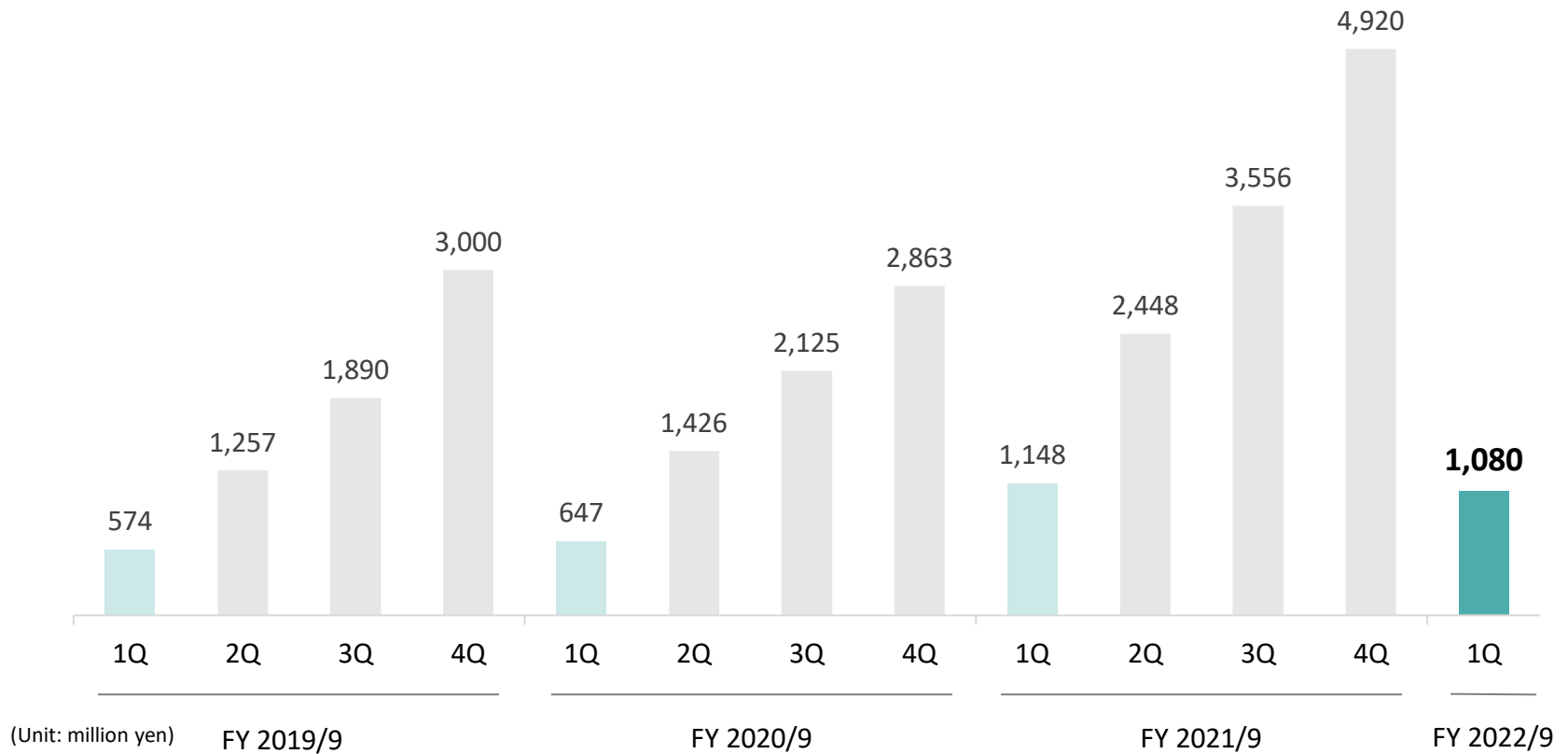
Profit progressed as expected despite the impact of upfront costs for each project.

| (Unit: million yen) | Q1 FY2020 | | Q1 FY2021 | | Q1 FY2022 | |
|---|-------------|--------|--------------|-------|--------------|-------|
| | Amount | % | Amount | % | Amount | % |
| Net sales | 647 | 100% | 1,148 | 100% | 1,080 | 100% |
| Gross profit | 32 | 5.0% | 419 | 36.5% | 197 | 18.3% |
| SG&A expenses | 162 | 25.2% | 154 | 13.5% | 241 | 22.3% |
| Operating income | -130 | -20.1% | 265 | 23.1% | -44 | -4.1% |
| Quarterly net income attributable to shareholders of the parent company | -209 | -32.3% | 232 | 20.2% | -65 | -6.1% |

*The investment business has been downsized in accordance with the change in segmentation implemented in the Second quarter of FY2021.

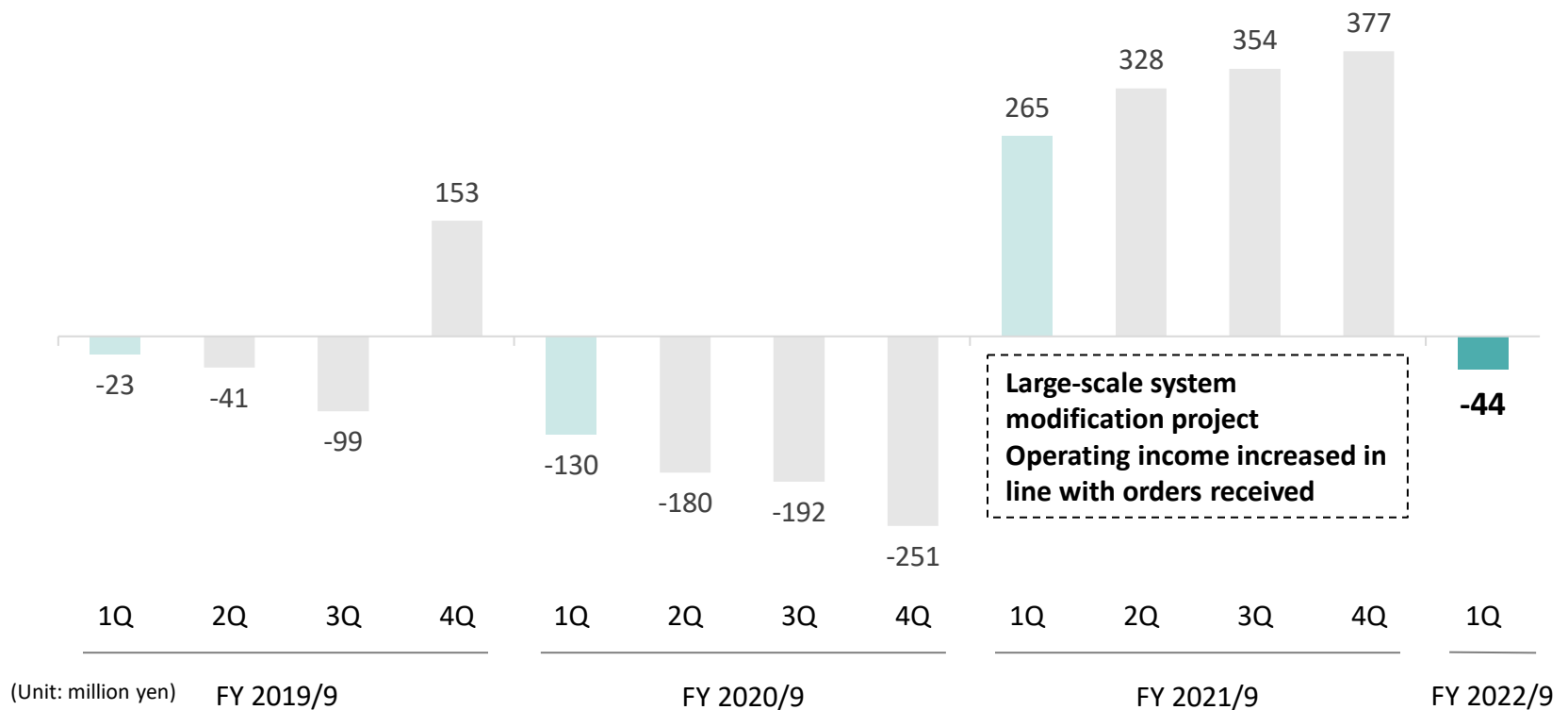
Net Sales Quarterly (cumulative period)

As new projects steadily accumulate in the first quarter of the current fiscal year, net quarterly sales resulted in almost the same level as the previous fiscal year.



Operating Income Quarterly Trends (Cumulative)

While the project itself is progressing well,
profitability in Q1 was negative due to upfront expenses.



**With the absorption of fabbit in the fiscal year ended September 30, 2021,
asset size increased year-on-year**

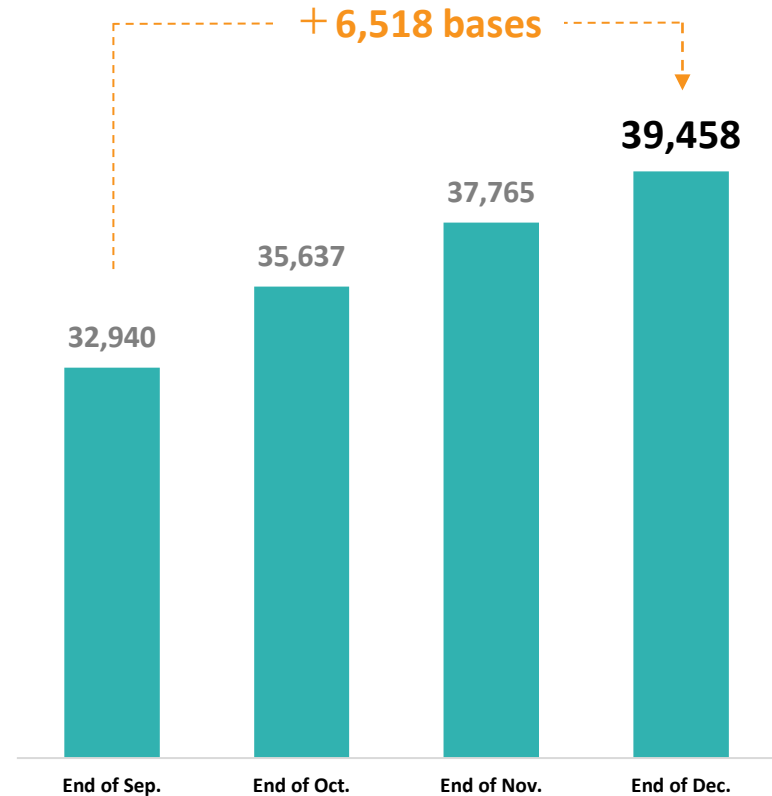
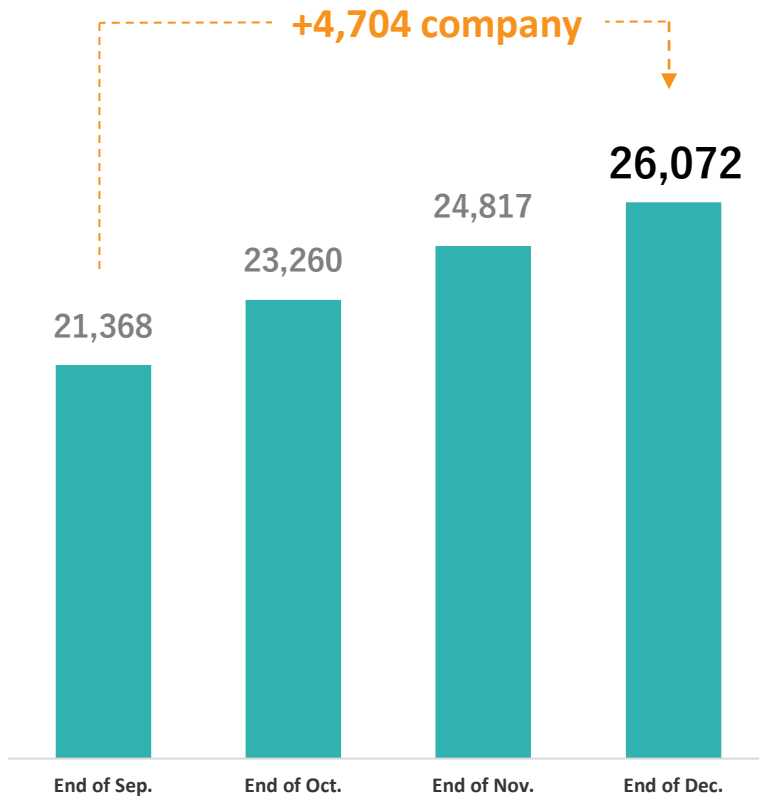
| (Unit: million yen) | Q1 FY2022 | Q2 FY2021 | Increase/ Decrease |
|----------------------------|--------------|--------------|-----------------------|
| Current assets | 3,463 | 3,902 | +439 |
| Fixed assets | 1,687 | 3,272 | +1,584 |
| Current liabilities | 491 | 998 | +507 |
| Fixed liabilities | 590 | 505 | -84 |
| Net assets | 4,069 | 5,670 | +1,601 |
| Capital stock | 1,511 | 1,706 | +195 |
| Capital surplus and others | 2,516 | 3,712 | +1,195 |
| Total assets | 5,150 | 7,174 | +2,023 |

SS Cloud Series Usage Status

Steady increase in the number of installations thanks to aggressive sales activities
The number of locations that utilizing SaaS products is approaching 410,000.

Number of companies using the system (cumulative total)

Number of locations used (cumulative)



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 Services are being developed to further improve operational efficiency

October 2021 to December 2021 Accumulated usage

Transfer agent service
“FliCO”

41,438 cases

Account Transfer
Service

6,475 cases

Credit Card
Payment Services

about **1.1** Billion yen

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

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

Real estate leasing related transaction
including Security deposit, key money,
etc.
Settlement services for utilizing credit
card to pay the lump-sum deposit.

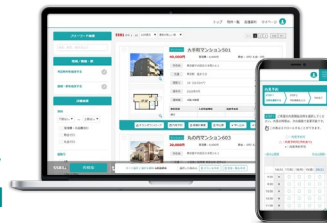
This product is a service that introduces customers to the management company.

SaaS for real estate companies "SKIPS" System Linkage with Three New Rent Guarantee Companies Collaboration results across the 14company

Rent-guarantee companies that have newly started cooperation (by syllabary order)

- Ells Support Co., Ltd. (Tokyo)
- Global Trust Networks Co., Ltd. (Tokyo)
- Hot Hosyou Inc. (Hokkaido)
- • • Plan to expand the number of partner companies

Rent guarantee companies linked to SKIPS can check the information of prospective tenants who have applied to move in on the system. This improves operational efficiency in the process of submitting applications and completing screening process.



Companies with collaboration history (by syllabary order)

- ARK CO., Ltd (Iwate)
- APLUS Co., Ltd. (Osaka)
- Anshin Guarantor Service Co., Ltd. (Tokyo)
- Epos Card Co., Ltd. (Tokyo)
- Orico Forrent Insure Co.,Ltd. (Tokyo)
- CREDENCE CORPORATION (Tokyo)
- J-LEASE Co.,LTD. (Oita)
- Zenkoku Rent Guaranty Corporation (Tokyo)
- Zenhoren Co., Ltd. (Okinawa)
- nap. Inc. (Tokyo)
- Nihon Safety Co. Ltd. (Tokyo)

FY 2022/9 Earnings Forecast

Forecast for the year ending September 30, 2022

Full-year sales and operating income are both expected to increase year on year.
System development business, a stable revenue base, continues to perform well
Driven by further expansion of the number of SaaS installations,
profitability is set to increase for the future.

| (Unit: million yen) | FY 2021/9 Actual | FY 2022/9 Forecast |
|--|---------------------|-----------------------|
| Net sales | 4,920 | 5,000 |
| Operating income | 377 | 400 |
| Ordinary income | 342 | 370 |
| Attributable to shareholders of the parent company Net income (loss) | 483 | 220 |

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 made available for a fee starting in FY 2022/9

3 **Increase public awareness**

Appendix: Medium-Term Management Plan

Short-term

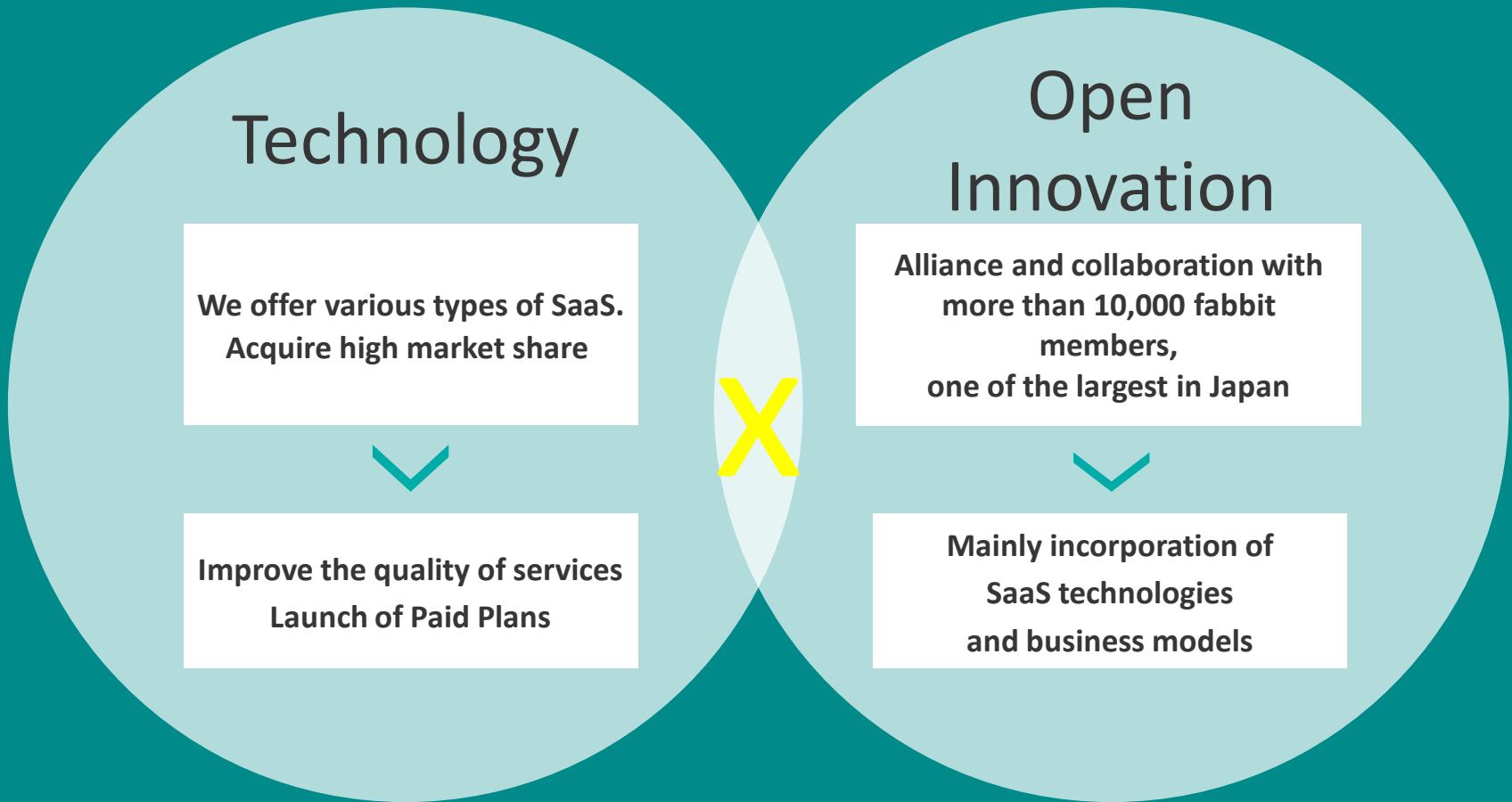
Lead the DXification
of the real estate industry



Mid-term

Systemsoft IT technology and
Promoting DX Society through innovation

STRATEGY



Adding New Value

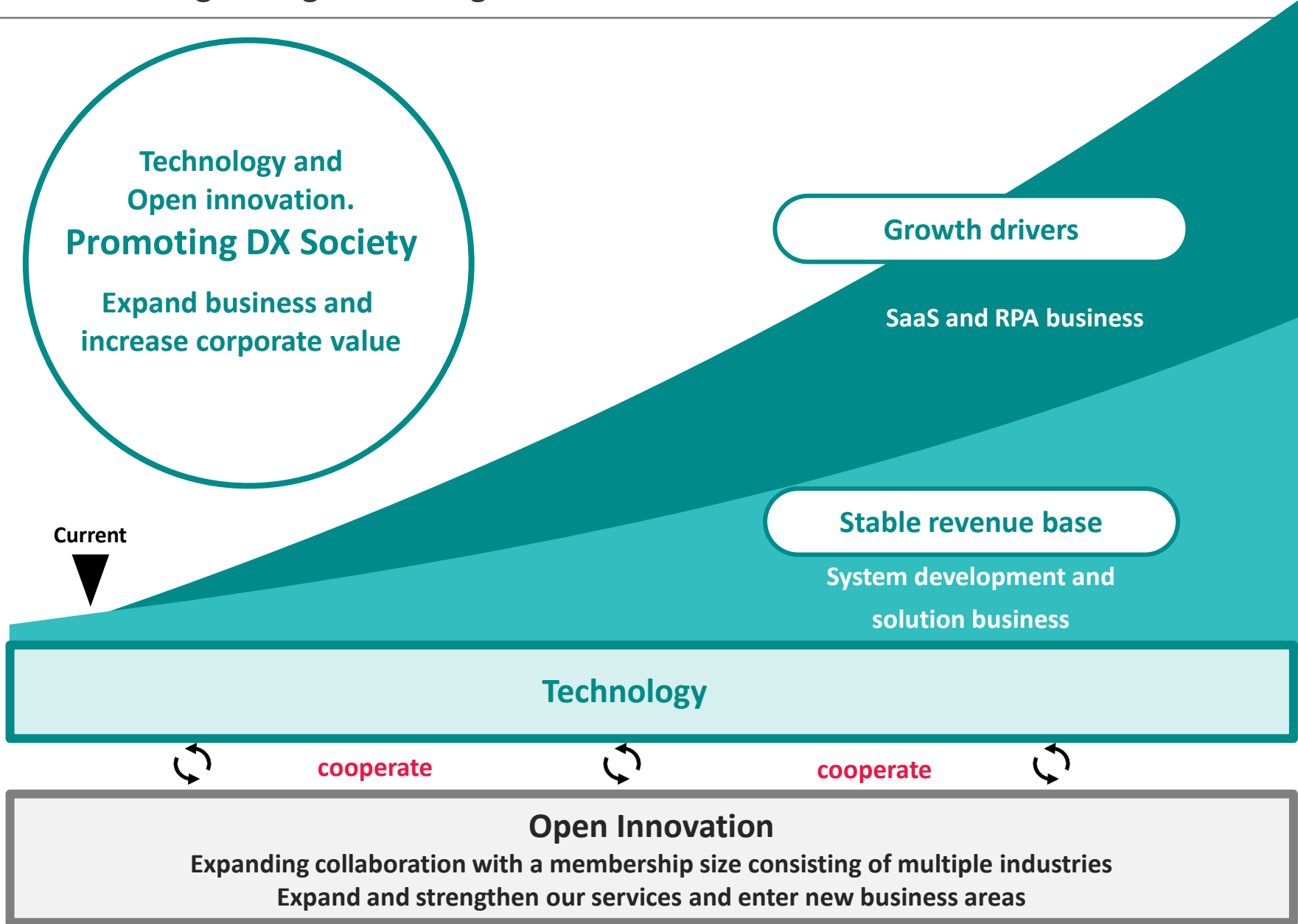
Medium-term management plan figures

System development business continues to perform well as a stable revenue base. SaaS business, a growth driver, to start charging for services from September 2022.

| (Unit: million yen) | Fiscal year ending September 30, 2022 Forecast | Fiscal year ending September 30, 2023 Forecast | Fiscal year ending September 30, 2024 Target |
|--|--|--|--|
| Net sales | 5,000 | 7,000 | 8,000 |
| Operating income | 400 | 700 | 1,000 |
| Attributable to shareholders of the parent company | 220 | 500 | 700 |
| Net income (loss) | | | |

For details, please refer to "Medium-Term Management Plan 2022-2024".
<https://www.systemsoft.co.jp/wp-content/uploads/2021/11/chuukei20211112.pdf>

Medium- to long-term growth image



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