

Technology X Open Innovation

**Supplementary Material for the Q1 FY09/2023
42nd Fiscal Year**

SystemSoft Corporation

TYO: 7527

February 10, 2023

- **FY09/2023 First Quarter Financial Results Summary**
- **FY09/2023 First Quarter Financial Results Reporting by Segment**
- **FY09/2023 Earnings Forecast**
- **Appendix**

FY09/2023 First Quarter Financial Results

Financial Results Summary

Summary of consolidated financial results for 1Q FY09/2023

Progress largely in line with plan

Some projects are scheduled to be booked from 2Q onward.

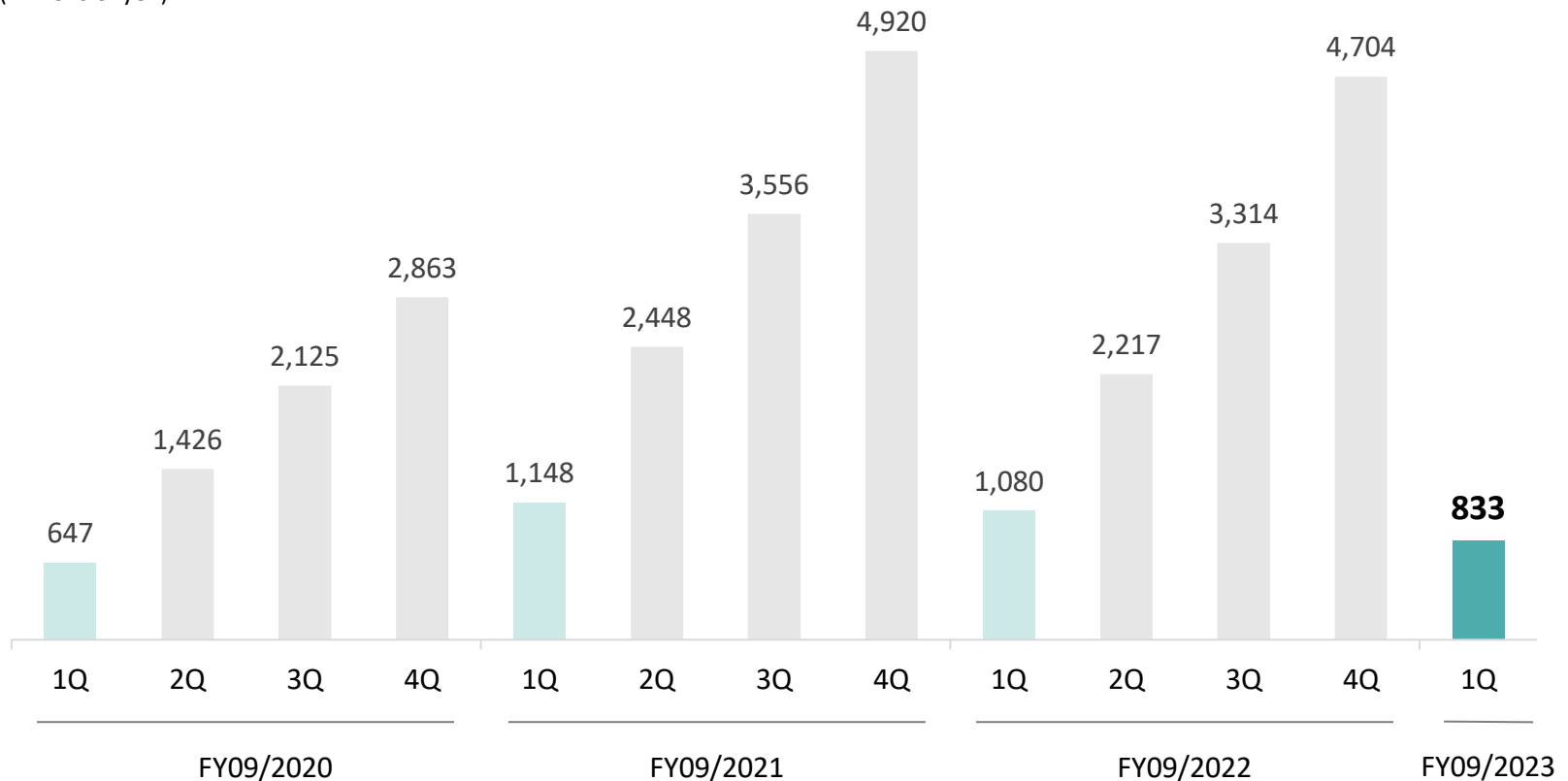
Promote each project to return to profitability at an early stage and achieve the full-year plan

| (Millions of yen) | 1Q 2022 | | 1Q 2023 | | YoY |
|---|---------|-------|---------|--------|-------|
| | Amount | % | Amount | % | |
| Net sales | 1,080 | 100%. | 833 | 100%. | 77.2% |
| Gross profit | 197 | 18.3% | 181 | 21.8 | 92.0% |
| SG&A expenses | 241 | 22.3% | 216 | 26.0% | 89.7% |
| Operating income | -44 | -4.1% | -34 | -4.2% | — |
| Net income attributable to shareholders of the parent company | -65 | -6.1% | -83 | -10.0% | — |

Net sales quarterly changes (Cumulative period)

**Technology business projects are progressing well.
Partial closure of fabbit stores due to redevelopment is expected to be resolved in the second half of the fiscal year.**

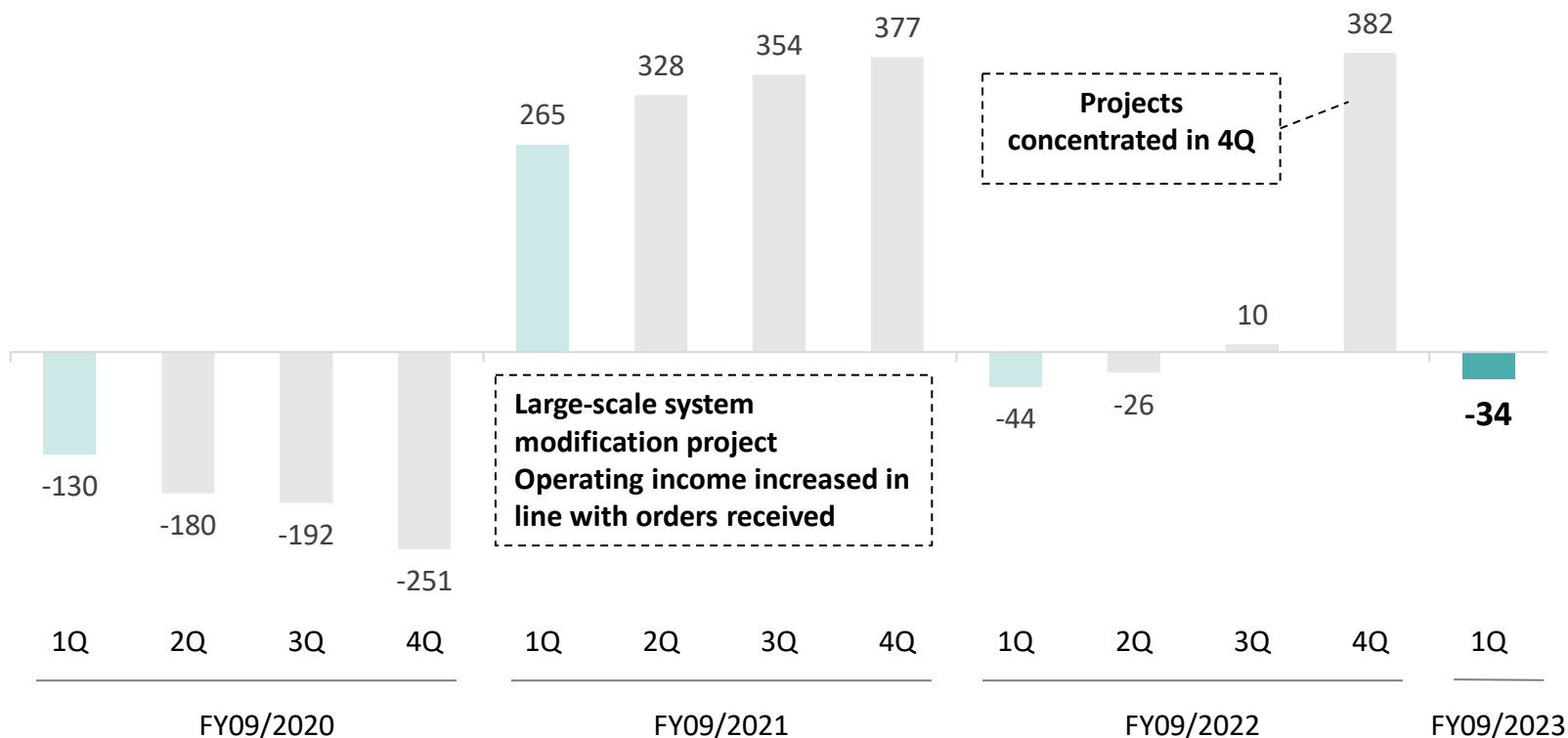
(Millions of yen)



Operating Income Quarterly Changes (Cumulative Period)

**By refining unit prices and ongoing cost control
Operating income improved from the same period of the previous year**

(Millions of yen)



Balance Sheet

| (Millions of yen) | 4Q FY09/2022 | 1Q FY09/2023 | Increase/ Decrease |
|-------------------------------|-----------------|-----------------|-----------------------|
| Current assets | 3,994 | 3,543 | -450 |
| Fixed assets | 3,230 | 3,292 | +61 |
| Current liabilities | 775 | 661 | -114 |
| Fixed liabilities | 583 | 542 | -40 |
| Net assets | 5,865 | 5,631 | -233 |
| capital stock | 1,706 | 1,706 | 0 |
| Capital surplus and others | 4,226 | 3,973 | -253 |
| Total assets | 7,224 | 6,835 | -389 |

FY09/2023 First Quarter Financial Results

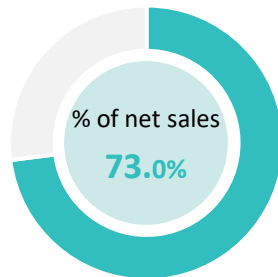
Financial Results by Segment

Two pillars of business: Technology Business and Open Innovation

Business

Technology

SS Cloud Series for real estate operators and responsible for system development for major companies and public sector



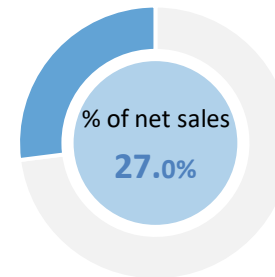
SaaS/RPA
SS Payments



System Development
and
Solutions

Open Innovation

Creation of ecosystems through inter-company collaboration and focus on local development and knowledge sharing

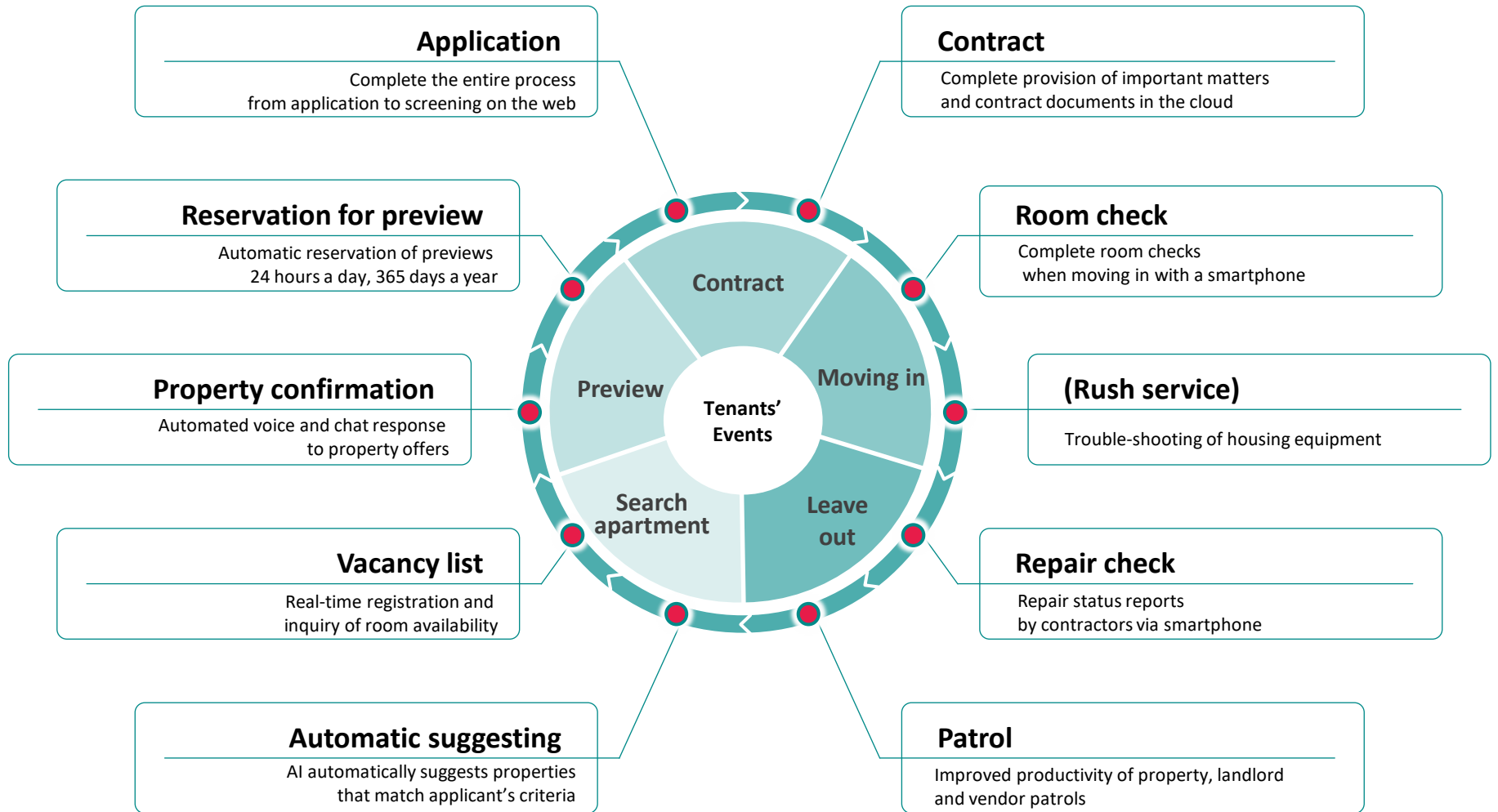


fabbit (DX linkage)



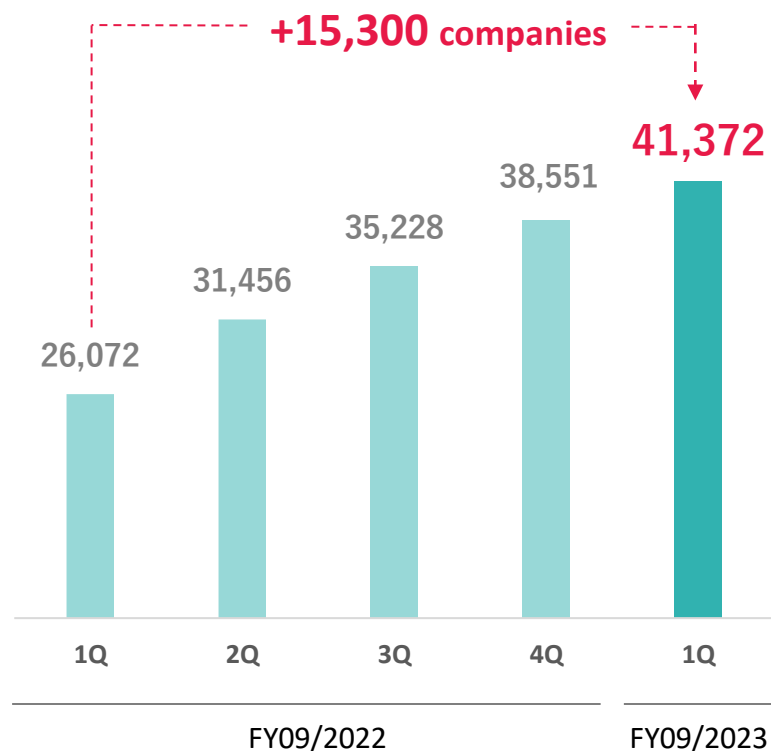
Consulting

Promoting "ReTech" (Real Estate x Technology)

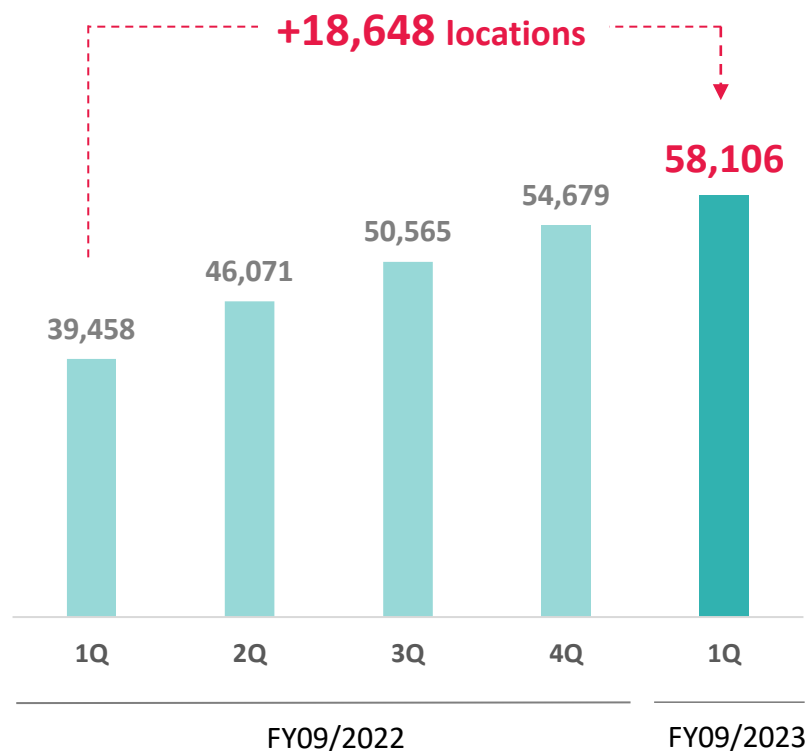


Achieved one of the largest* installations in Japan through aggressive sales activities

Number of companies using the system (cumulative total)



Number of locations used (cumulative total)

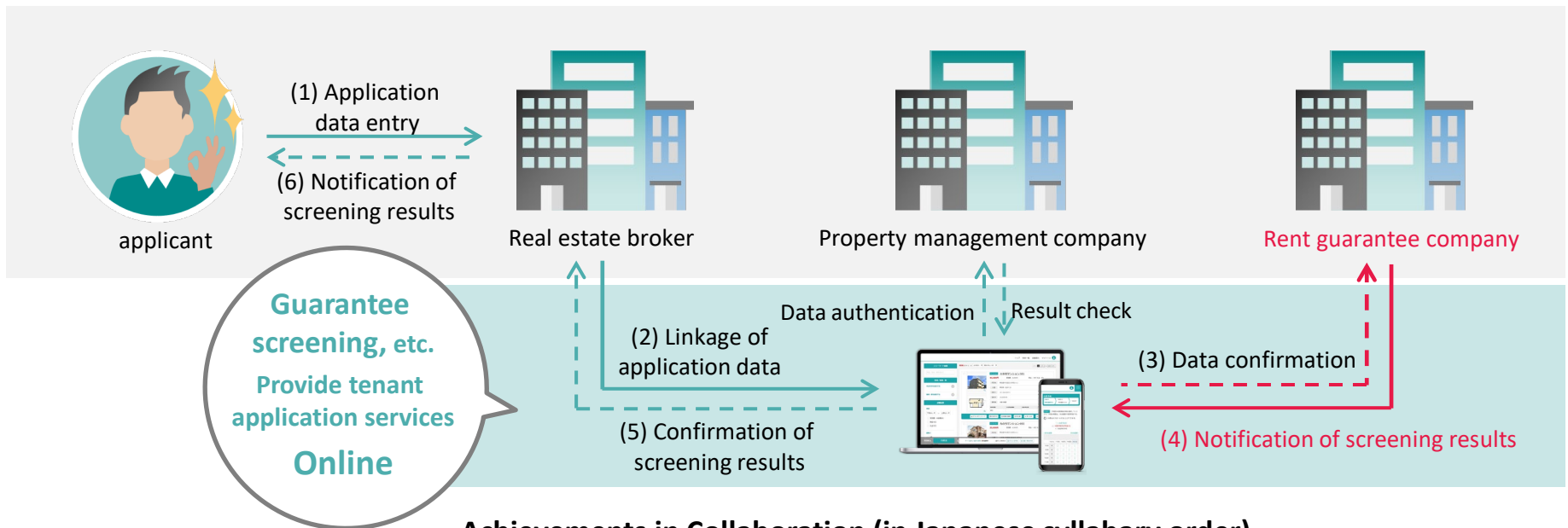


The "Cumulative total number of locations used" is simply the sum of the number of locations used by the agent and management company for each cloud. (For management companies, head offices, branches, sales offices, and stores are counted among those that applied.)

The "Cumulative total number of companies using the system" is simply the total number of companies using the service of the agent and management company for each cloud.

*Based on our own research.

“SKIPS” collaboration is expanding, totaling now to 22 companies Strongly promoting fintech for real estate business



Achievements in Collaboration (in Japanese syllabary order)

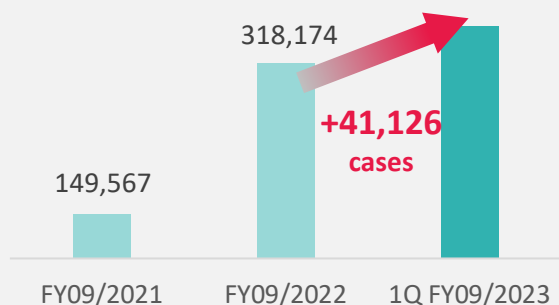
- ARC Corporation (Iwate)
- Anshin Guarantor Service Co., Ltd. (Tokyo)
- Orico Forrent Insure Co.,Ltd. (Tokyo)
- J-LEASE Co., LTD. (Oita)
- Zenhoren Co., Ltd. (Okinawa)
- Japan Rental Apartment Guarantee Organization (Osaka)
- REST SOLUTION K.K. (Tokyo)
- APLUS Co., Ltd. (Osaka)
- Epos Card Co., Ltd. (Tokyo)
- CREDENCE CORPORATION (Tokyo)
- JACCS Co.,Ltd. (Tokyo)
- SHIN NIHON CREDIT GUARANTEE CO.,LTD. (Tokyo)
- nap. Inc. (Tokyo)
- Hot Hosityou Inc. (Hokkaido)
- Casa Inc. (Tokyo)
- alpha Co., Ltd. (Kagoshima)
- L's SUPPORT Co., Ltd (Tokyo)
- Global Trust Networks Co., Ltd. (Tokyo)
- Zenkoku Rent Guaranty Corporation (Tokyo)
- Nihon Safety Co. Ltd. (Tokyo)
- RACCOON RENT, Inc. (Tokyo)
- JPMC finance Co., Ltd. (Tokyo)

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

Money transfer service "FliCO"

Total number of cases
(Sept. 2021 - Sept. 2023 1Q)

359,300 cases

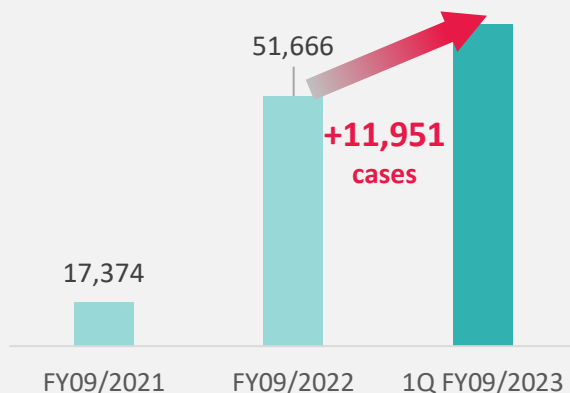


No installation fee, no monthly fee, no need to open an account
Significant reduction in transfer fees

Direct debit service

Total number of cases
(Sept. 2021 - Sept. 2023 1Q)

63,617 cases

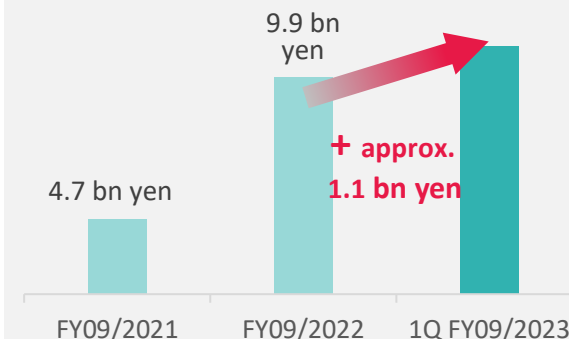


No need to confirm errors in description and stamping
Significantly reduced fees for account transfers

Credit card payment services

Total settlement amount
(Sept. 2021 - Sept. 2023 1Q)

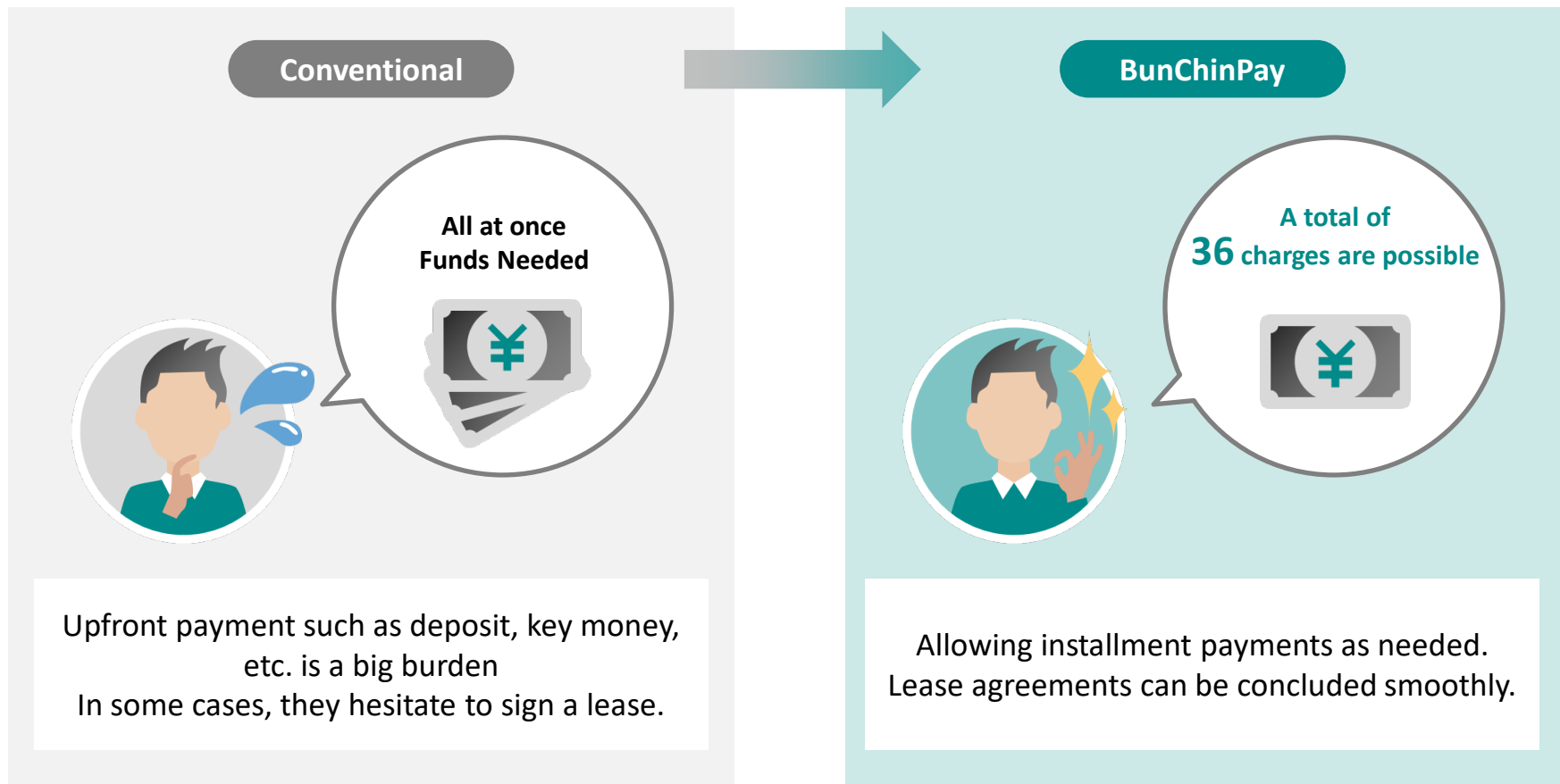
about **11 JPY bn**



Settlement service of lump-sum payment by credit card for real estate rental, such as Deposits, key money, etc.

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

Initiated collaboration with APLUS Co., Ltd. on online credit service for upfront payment, reducing burden on the lessee



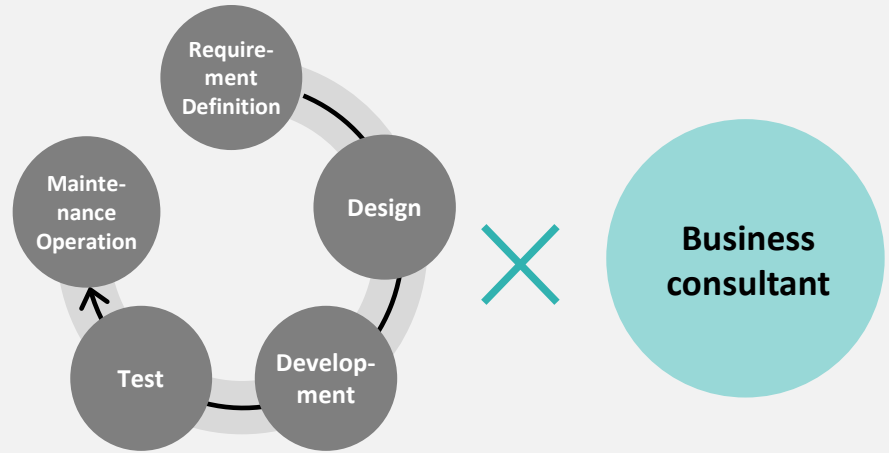
"BunChinPay" is the name used by SystemSoft Corporation and SS Technologies for the "WEB Credit for lump-sum payment" service. This service is an application for shopping credit by APLUS Co., Ltd., and there will be screening before using this service.

We provide a full range of services from development to maintenance and operation.


Offered to meet the needs of users in a wide range of industries


One-stop service x consulting

By combining the strengths of our consulting services, which are based on years of experience, know-how, and knowledge, with the general system development process, we are able to develop products that provide higher customer satisfaction.




Example of a company


Banks
RMS
Digitize a large number of regulations and manuals used within the bank. Contributes to improved operational efficiency and cost reduction.


Insurance
ERP
A core business system centered on a host system. Building advanced systems that require stability and accuracy.


Retail & Sales
EC Site Building System
The package allows for project and product additions, inventory management, and even effectiveness measurement through access analysis.


Manufacturer
Business Support Systems
A system that can be used to manage sales activities and results, and to develop more effective sales and management strategies.


Incorporated educational institution
Academic Support Systems
A portal system that allows students to access the school's homepage, as well as notifications of credit acquisition status and information on school closures and make-up classes.



Renewal at some fabbit stores nationwide

Aiming to expand membership and increase member satisfaction

fabbitGG Across Fukuoka



1-1-1 Tenjin, Chuo-ku, Fukuoka City

Located in the central district of Fukuoka
fabbitGG Across Fukuoka

Conveniently located near Government
facilities, including
Fukuoka City Hall, Tax Office, Legal Affairs,
Bureau, etc. a perfect setup for startup
companies

Highly popular in the Kyushu area along with the Hakata station-front office area
Active innovations is born every day in this spacious location.

Address registration available in 1 minute from Tokyo Station.

Opened virtual office

「fabbit丸の内」
コワーキングバーチャル

最高の立地で、住所登記が利用できます。

FABBIT-MARUNOUCHI-COWORKING VIRTUAL

「東京駅千代田区丸の内1丁目」
東京駅1分。

ACCESS
JR東京駅 徒歩10分
JR丸の内線 徒歩3分
JR東京駅 徒歩3分
東京メトロ丸の内線 徒歩1分
大手町駅 徒歩1分

新規キャンペーン,1
月額11,000円(税込)
事務費22,000円(税込)
⇒ 3,980円 (税込)
※事務手数料 なし、住所転入方法: タテカのみ
※対象: 6ヶ月以上の新規契約

新規キャンペーン,2
年払いが
お得! 39,800円 (税込)
※事務手数料 なし
※対象: 1年以上で新規契約と異払いが可能な方

★月1回フリー席のご利用OK!
(または fabbit京橋, fabbit銀座, fabbit青山, TREL東京 のフリー席をご利用いただけます)
※満席、遠征(ペナルティ)等で利用できない場合はご了承ください。ご契約が1年以上継続し、お申し込みの条件を満たす場合は、優先的にご利用いただけます。

各種オプションサービスもご用意。詳しくはお問い合わせください。

事務費 1,100円/月
事務費 1,380円/月
事務費 1,570円/月
事務費 1,770円/月
事務費 1,970円/月
事務費 2,170円/月
事務費 2,370円/月

fabbit丸の内 コワーキングバーチャル
〒100-0005 東京都千代田区丸の内1-4-1 丸の内トラストタワー19階
受付時間: 9:00~18:00(平日) ※受付: 丸の内線丸の内駅・丸の内線有楽町線丸の内駅・丸の内線日暮里駅
TEL 0120-257-527

fabbit Marunouchi Coworking Virtual

1 Marunouchi, Chiyoda-ku, Tokyo

● Open campaign

Regular monthly fee 11,000 yen (tax included)
Administration fee 22,000 yen (tax included)

Special Price →
3,980 yen/month, 0 yen administration fee

● Annual Payment Open Campaign

*Limited to the first 100 customers.

Special Price →
39,800 yen per year, 0 yen administration fee

*There are some conditions for applying the campaign.

https://fabbit.co.jp/campaign/marunouchi_opencp/

FY09/2023

Earnings Forecast

**System development and solutions business remained strong
Further expand the number of SaaS installations and monetize them for the future
solid forecast for the full year.**

| (Millions of yen) | FY09/2022 Actual | FY09/2023 forecast |
|--|---------------------|-----------------------|
| Net sales | 4,704 | 4,400 |
| Operating income | 382 | 310 |
| Ordinary income | 403 | 220 |
| Net income Attributable to: Shareholders of the parent company | 225 | 110 |

Important measures

Strengthen SaaS business

- **Expand market share** by increasing the number of companies and locations using the service
- **Expand lineup by** developing and launching new services

Expansion of revenue base

- **Developing new customers** through aggressive sales and marketing activities
- **Upselling existing customers by** quickly identifying customer needs

Building a foundation aimed at promoting important measures

Investment in human resources

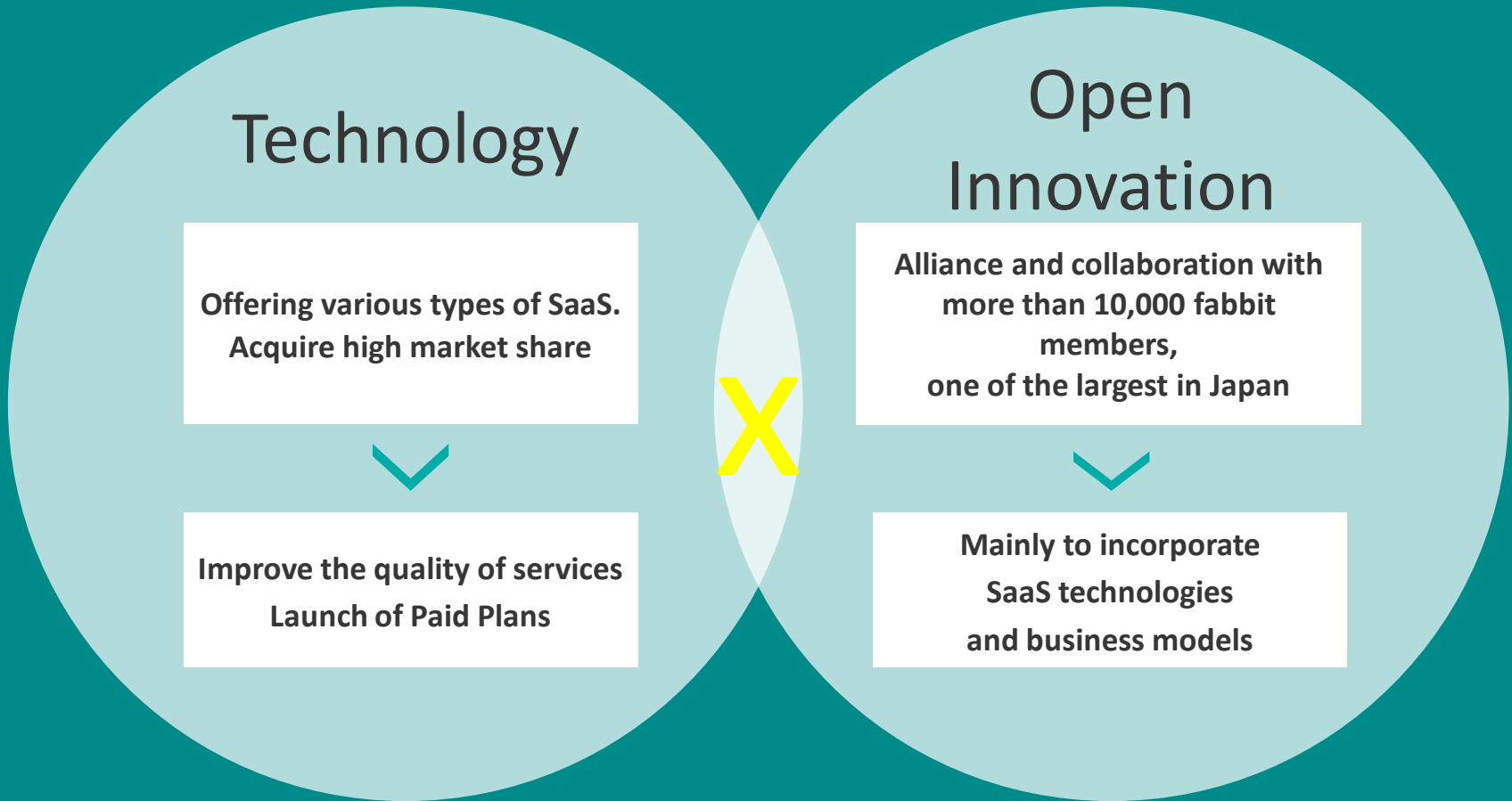
- Strengthen recruitment of new graduates and high-level human resources with the ability to make an immediate impact
- Optimize and streamline development programs, including training
- Appropriate reallocation due to business portfolio transformation

Strengthening Corporate Governance

Reinforcement of business foundation

Appendix

STRATEGY



Adding New Value

Medium- to Long-term Growth Image

Technology and Open innovation.
Promoting DX Society
Expand business and increase corporate value

Current
▼

Growth driver

SaaS and RPA
(robotic process automation)
Business

Stable revenue base

System development and
solution business

Technology



cooperate



cooperate



Open Innovation

Expanding collaboration with a membership companies consisting of multiple industries
Expand and strengthen our services and enter new business areas

Technology × Open Innovation

Systemsoft

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