



Technology X Open Innovation

**Supplementary Material – Fiscal Year Ending
September 30, 2023**

Systemsoft Corporation

TYO: 7527

November 10, 2023

- **FY09/2023 Full Year Financial Results Summary**
- **FY09/2023 Full Year Financial Results Reporting by segment**
- **FY09/2024 Earnings Forecast**
- **Appendix**

FY09/2023 Full Year

Financial Results Summary

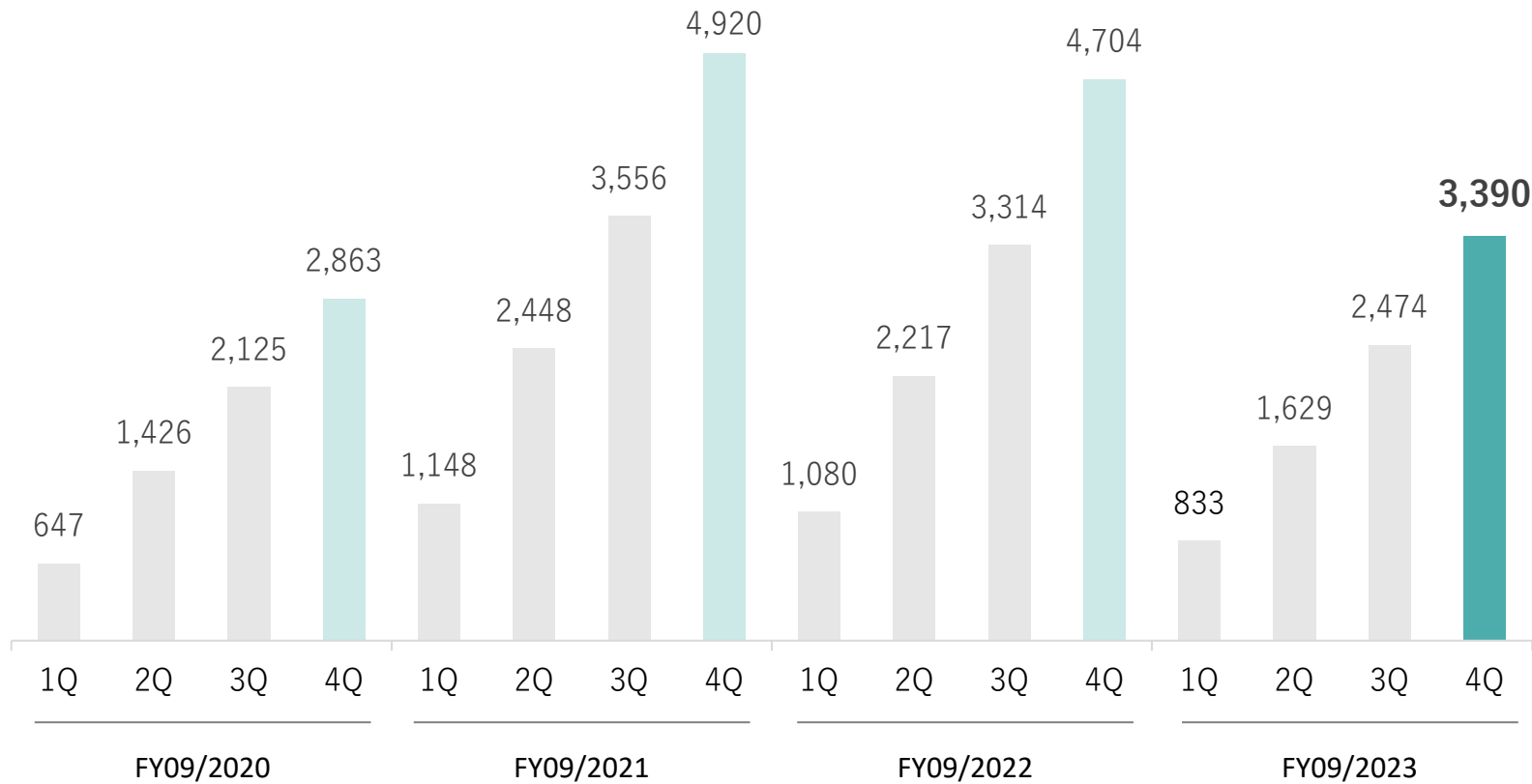
Sales and profits decreased due to change in contract format and review of timing of fee-based SaaS business

	FY09/2022		FY09/2023		YoY change
	Amount	%	Amount	%	
(Millions of yen)					
Net sales	4,704	100%	3,390	100%	72.1%
Gross profit	1,336	28.4%	984	29.0%	73.7%
SG&A expenses	953	20.3%	829	24.5%	87.0%
Operating income	382	8.1%	155	4.6%	40.5%
Net income attributable to shareholders of the parent company	201	4.3%	93	2.8%	46.6%

Net sales quarterly changes (Cumulative period)

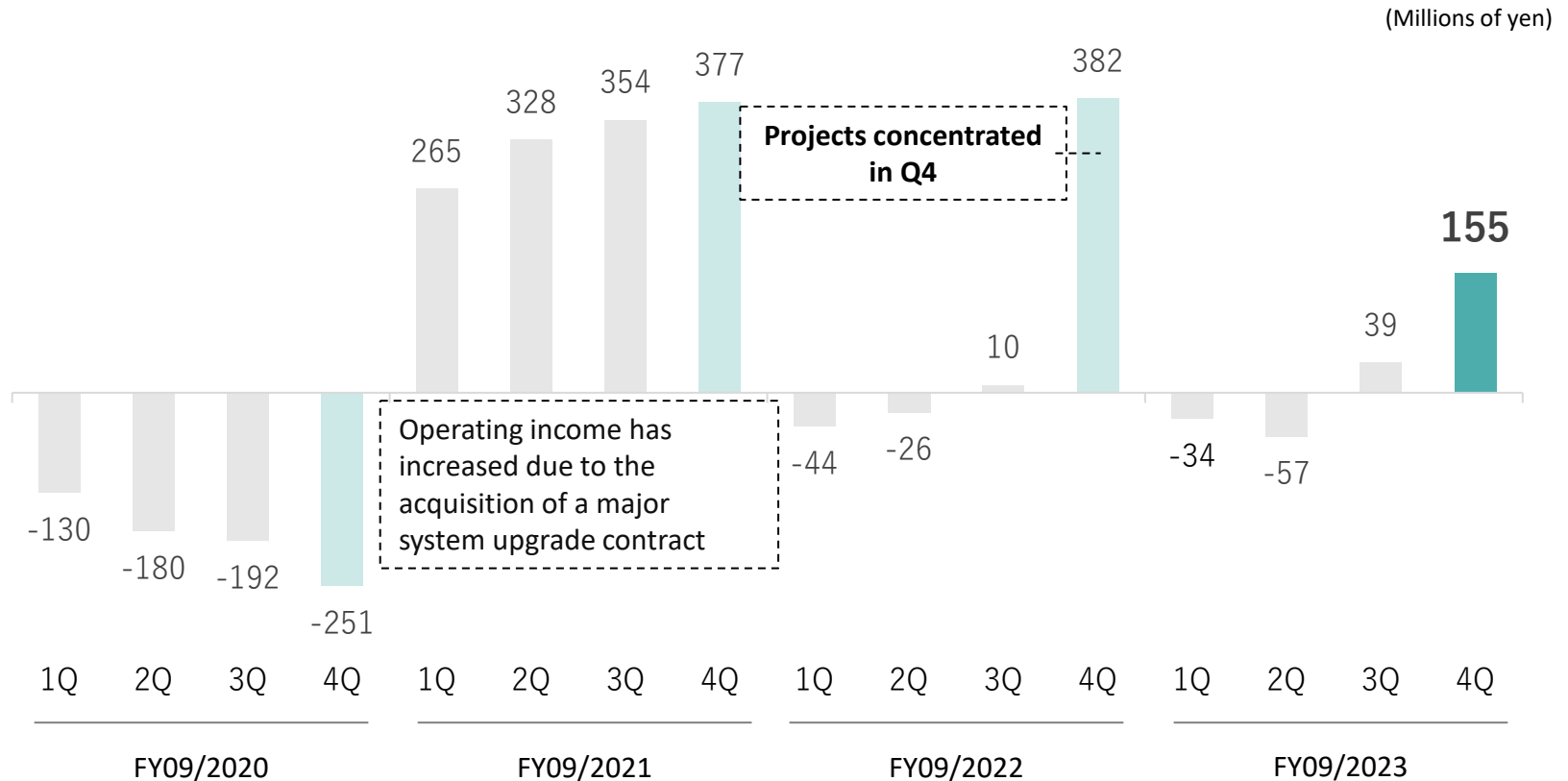
Sales declined for full year due to changes in contract for some projects in system development.

(Millions of yen)



Operating Income Quarterly Changes (Cumulative Period)

First half's decline from previous year offset by stronger performance in second half



Balance Sheet

(Millions of yen)	Q4 FY09/2022	Q4 FY09/2023	Increase/ Decrease
Current assets	3,994	3,610	-384
Fixed assets	3,230	3,131	-98
Current liabilities	775	599	-176
Fixed liabilities	583	360	-222
Net assets	5,865	5,782	-83
Capital stock	1,706	1,706	0
Capital surplus and others	4,226	4,150	-76
Total assets	7,224	6,742	-482

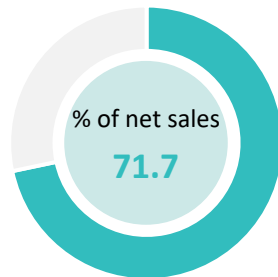
FY09/2023 Full Year

Financial Results by Segment

Two pillars of business: technology business and open innovation business

Technology

Engaging in the SS Cloud Series to provide real estate operators, major corporations, and public sector with robust system development solutions



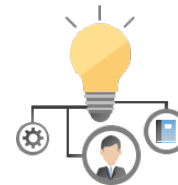
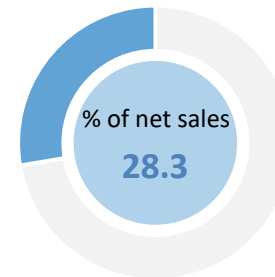
SaaS/RPA
SS Payments



System development
and solutions

Open innovation

Focusing on creating ecosystems through corporate collaboration, revitalizing local regions and knowledge sharing

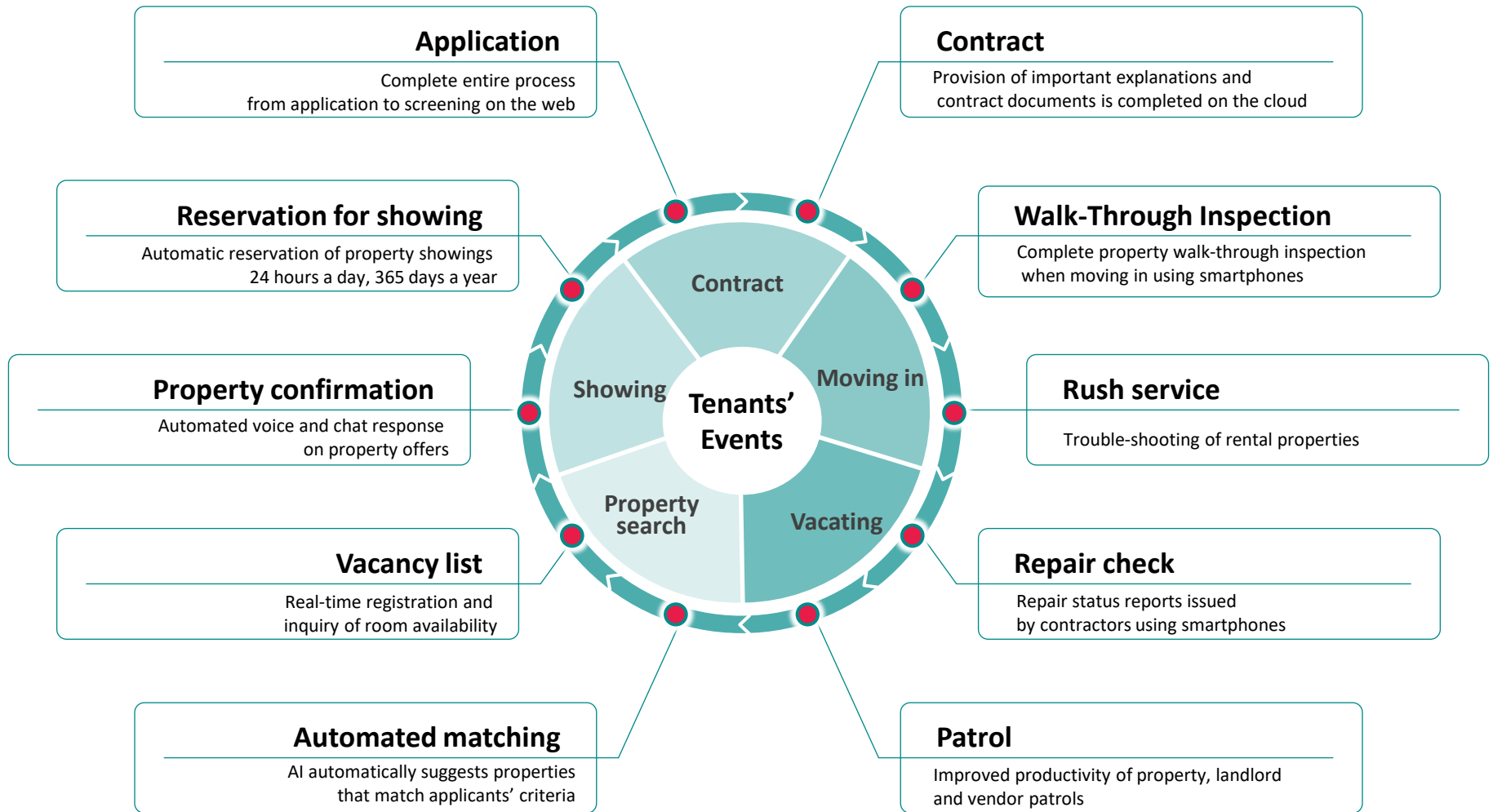


fabbit (DX linkage)



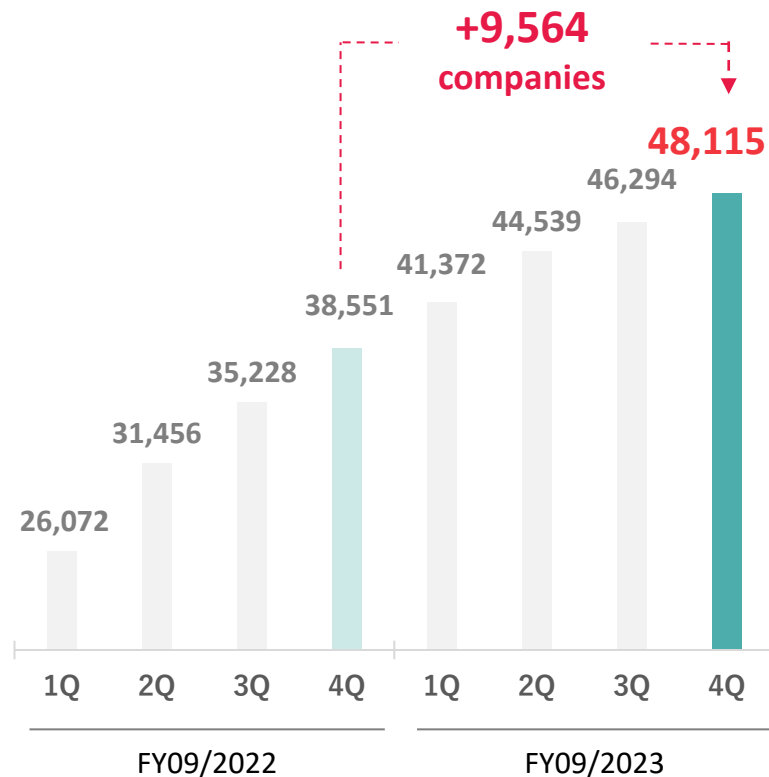
Consulting

Promoting "ReTech" (Real Estate x Technology)

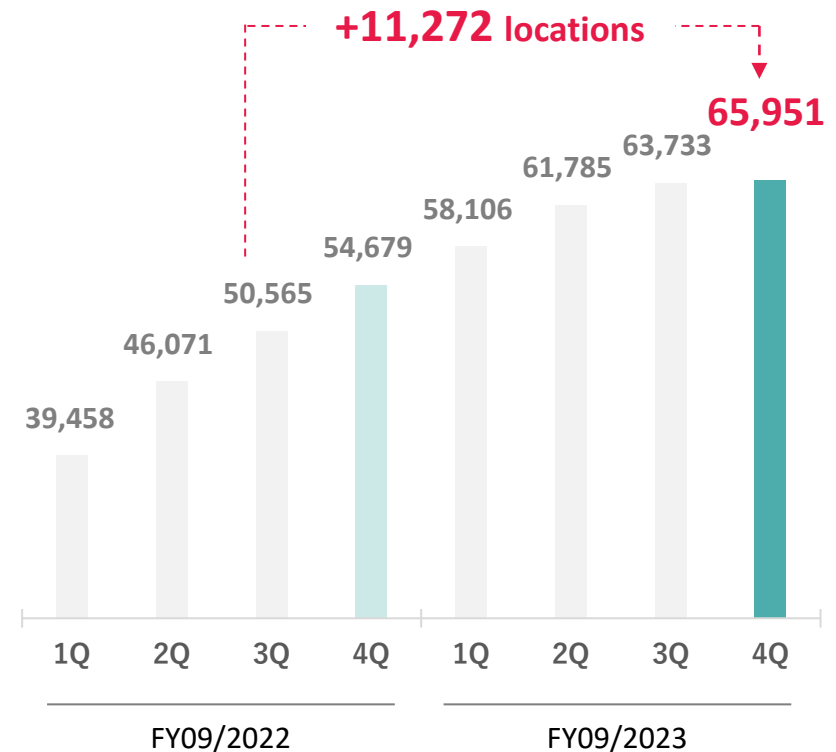


Achieved one of largest* installations in Japan through aggressive marketing

Number of companies using service (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 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.

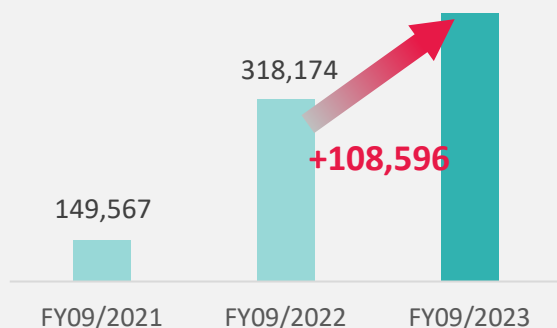
*Based on our own research.

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

Money transfer service

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

426,770 cases

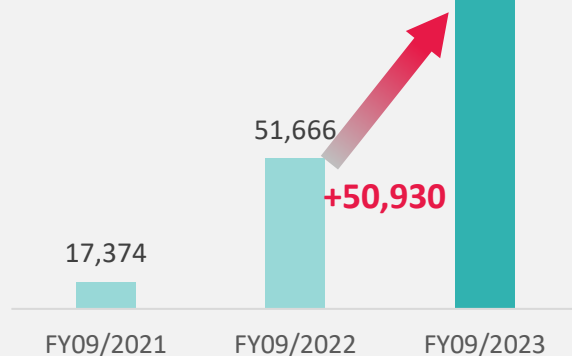


**No installation fee, no monthly fee,
no need to open an account
Significant reduction in remittance
transfer fee**

Account transfer service

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

102,596 cases

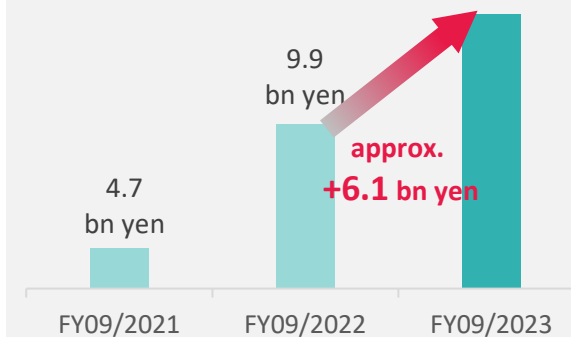


**No need to confirm errors in signing or
stamping
Dramatically reduced account transfer fees**

Credit card payment services

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

about **16 bn JPY**



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

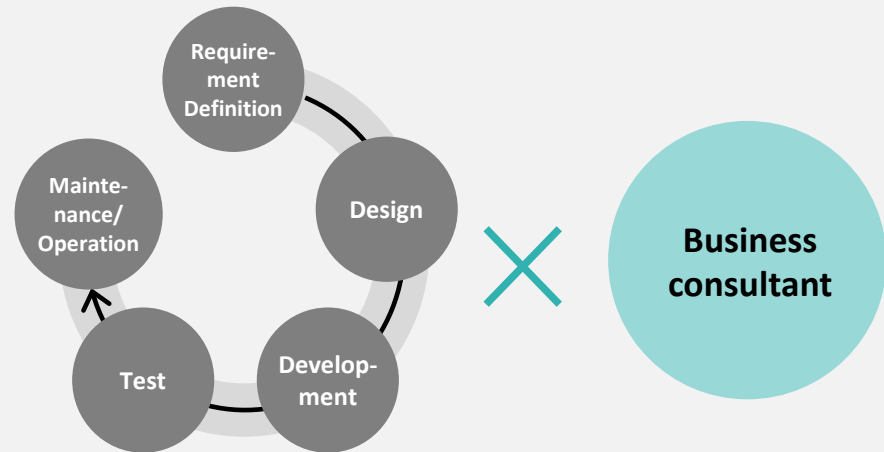
*This product is a service to introduce customers to the management company.

About system development and business

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 leveraging strengths of consulting derived from years of experience, know-how, and knowledge in the general system development process, it is possible to achieve development with higher customer satisfaction.



Case studies



Banks

RMS

Digitize large number of regulations and manuals used within the bank. Contribute to improve operational efficiency and cost reduction.



Property insurance

ERP

Core business system centered on host system. Building advanced systems that require stability and accuracy.



Retail & Sales

EC Site Building System

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.



Educational institutions

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.



FY09/2024

Earnings Forecast

Reduction in scale of development due to changes in form of contracts for part of system development business

Careful consideration of timing and scope of fee-based SaaS business

(Millions of yen)	FY09/2023 Actual	FY09/2024 Forecast
Net sales	3,390	3,000
Operating income	155	130
Ordinary income	135	110
Net income Attributable to Shareholders of the parent company	93	65

For fiscal year ending September 2024, we will proceed with internal consolidation and strengthening as a period of reinforcement aimed at medium to long-term growth.

Reinforcement of business structure

System development

- Expanding projects in the **development** field, which has always been one of our strengths
- Increased contractual certainty through **more flexible contractual arrangements**
- Improved **profit margins** through operational efficiency and cost control

SaaS for Real Estate Agents

- Continue to promote aggressive sales activities to expand market share

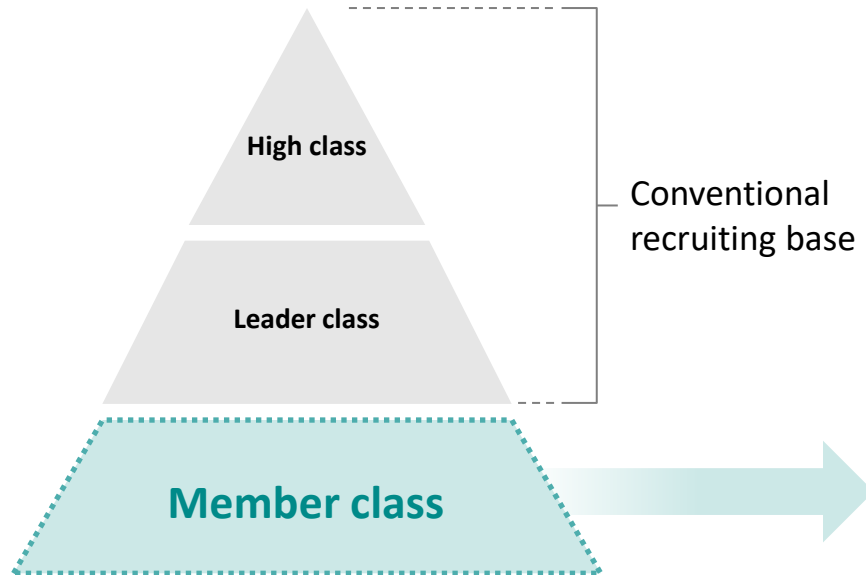
Investment in human resources

- **Securing personnel** to meet robust demand for system development
 - ✓ Renewal of recruitment website, expansion of recruitment contacts already implemented
- Enhancement of the **training system**, including retraining of recruited talent, to accelerate development speed

Strengthen securing and development of human resources to support medium- to long-term growth

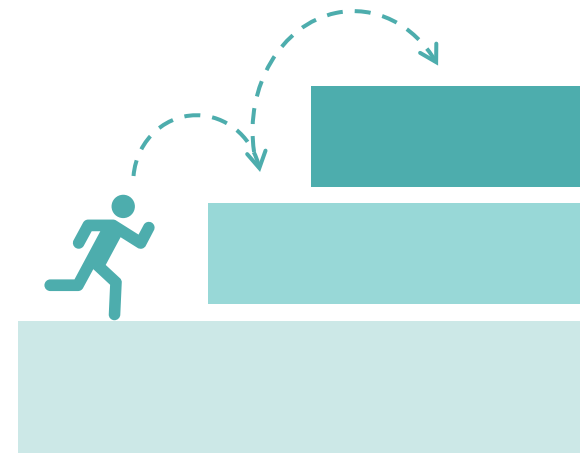
Expansion of recruitment quota

Widely recruiting mainly engineers



Enhanced skill development

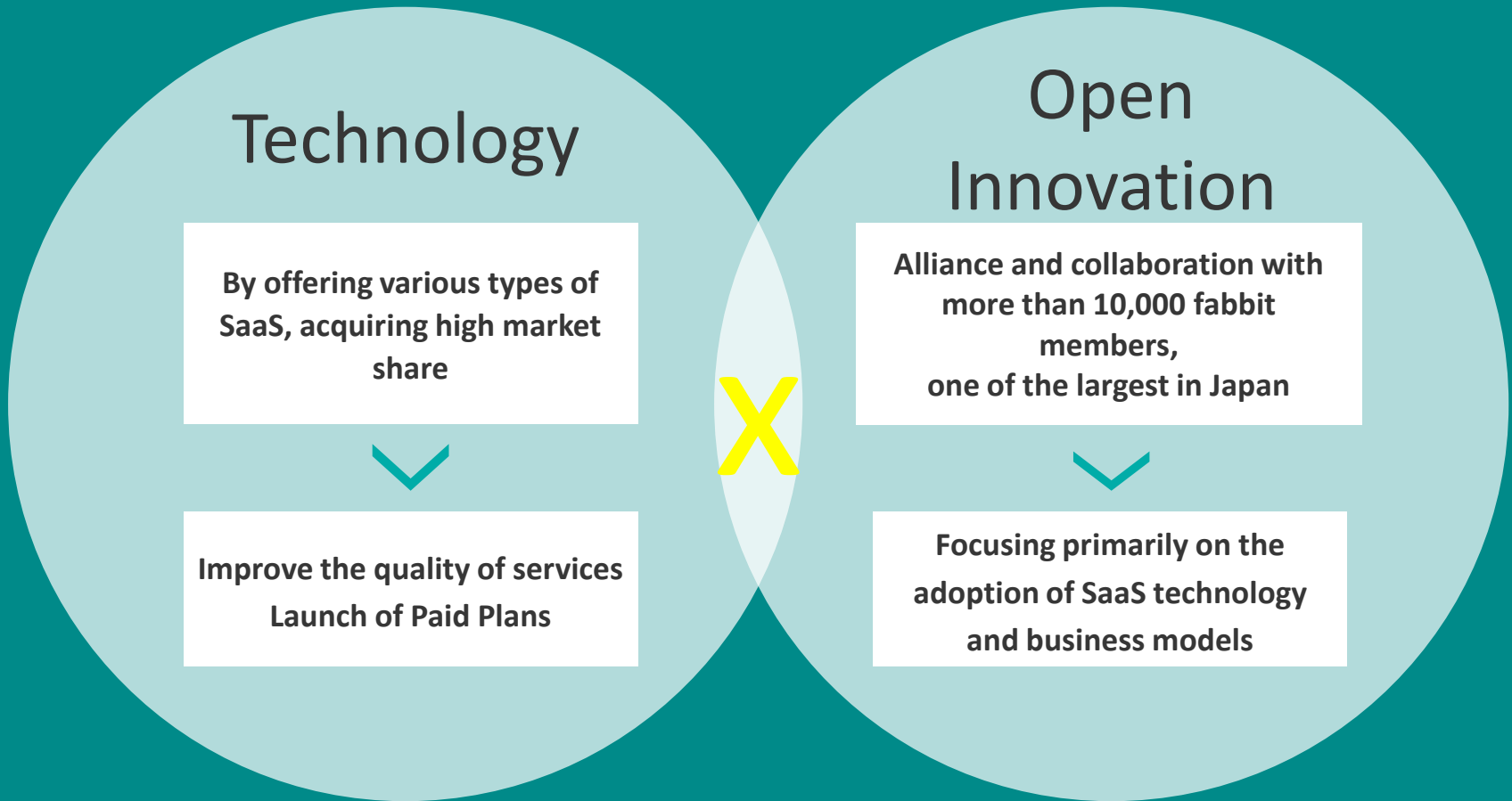
Post-employment employee training,
Enhancement of training programs



By widening range of recruiting slots, we advance talent acquisition, and by enhancing and expanding employee benefits and educational systems, we create an environment conducive to growth

Appendix

STRATEGY



Adding New Value

Medium- to Long-term Growth Image and Current Measures

Company

- ✓ Expansion of SES into new areas
- ✓ Diversification of contract types to win future projects and improve stock revenue ratio
- ✓ Investment in human resources, including recruiting, training and educating employees and business partners

Development

- ✓ Respond to existing customer replacement needs + up-sell
- ✓ Sales activities to acquire new projects

SaaS

- ✓ Continue to prioritize market share expansion



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.