

The page features several vertical black bars of varying heights and positions. Three bars are located at the top left, three in the middle left, and three at the bottom left. The title is centered on the page.

Financial Results for the 1st Quarter of Fiscal Year Ending March 2022

CHANGE Inc.
Security Code: 3962

[Notes of caution] This document is an English translation of the Japanese original. In the event of any differences or inconsistencies between the Japanese and English versions, the Japanese language version shall take precedence.

*Due to a change in the fiscal year end, the fiscal year ending March 2022 will be an irregular six-month period spanning October 2021 to March 2022. Please refer to timely disclosure documents for more details.
<https://ssl4.eir-parts.net/doc/3962/tdnet/2052567/00.pdf>

CHANGE
PEOPLE, BUSINESS, JAPAN

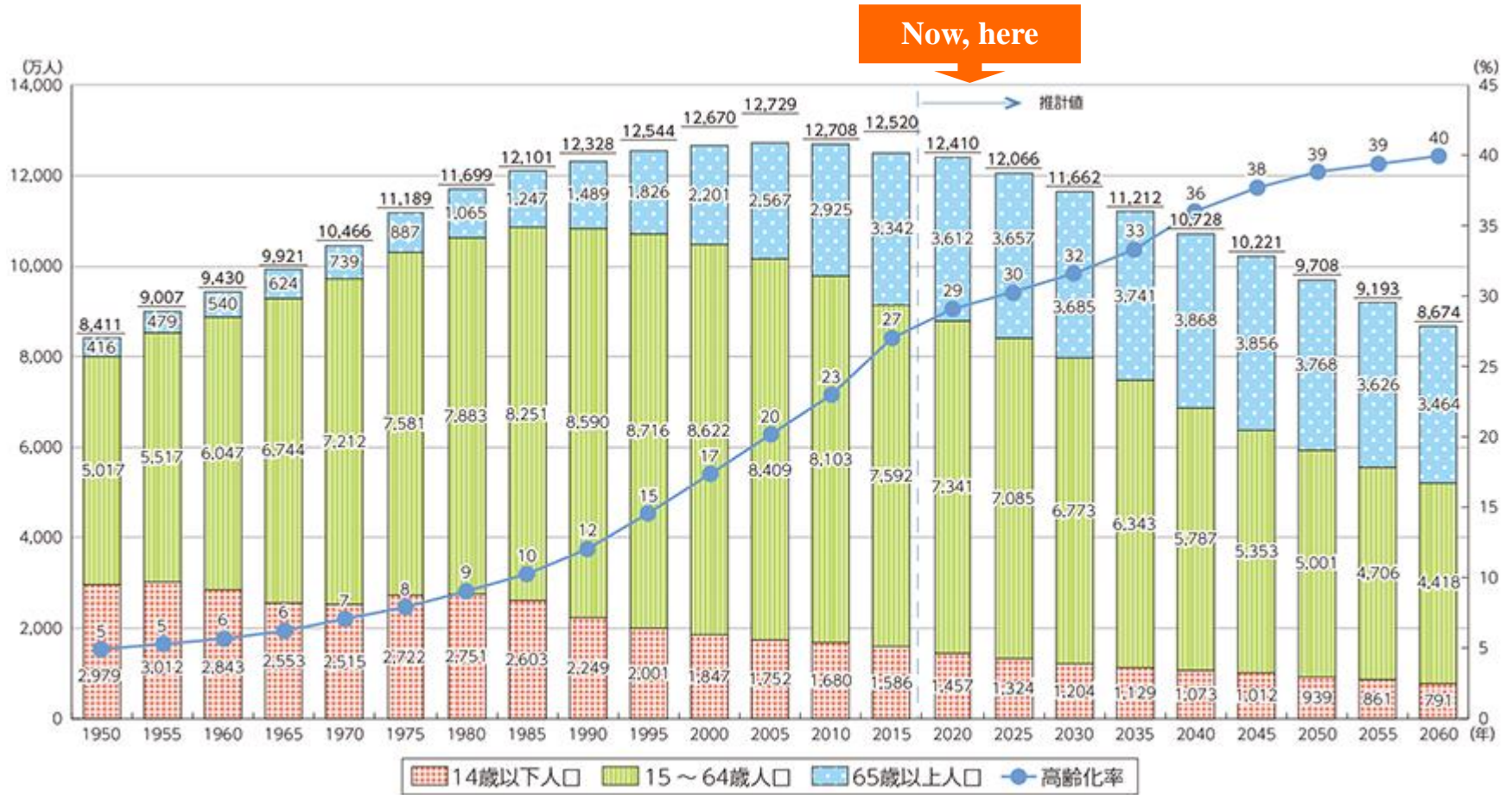
Our Mission

||| **Change People, Change Business, Change Japan.**



Our Issue

||| Change People, Change Business, Change Japan.



Source: "Table 1-1-1-1 Japan's population transition" White Paper Information and Communication in 2016 MIC

<http://www.soumu.go.jp/johotsusintokei/whitepaper/ja/h28/html/nc111110.html>

*based on data from the "Census" (MIC) until 2015 and the "forecasted population in Japan" (National Social Security and Population Problem Research Institute (2013 forecast)(median estimate for birth and death)

Our Path Drawn

||| **Currently in Chapter 2 of establishing a digital era in Japan.**



**Digitize
&
Digitalize Japan**



- ||| We will improve Japan’s productivity through the digitalization/digitization of business models and business processes and the development of digital human resources.
- ||| For achieving “Digitize & Digitalize Japan”, we will continue to work until the Phase 5, confront the social challenge of declining population, and will be a leader of overcoming the present national difficulty in spite.
- ||| We have so far released until Phase 2 of our Midterm Business Plan = [DJ2].

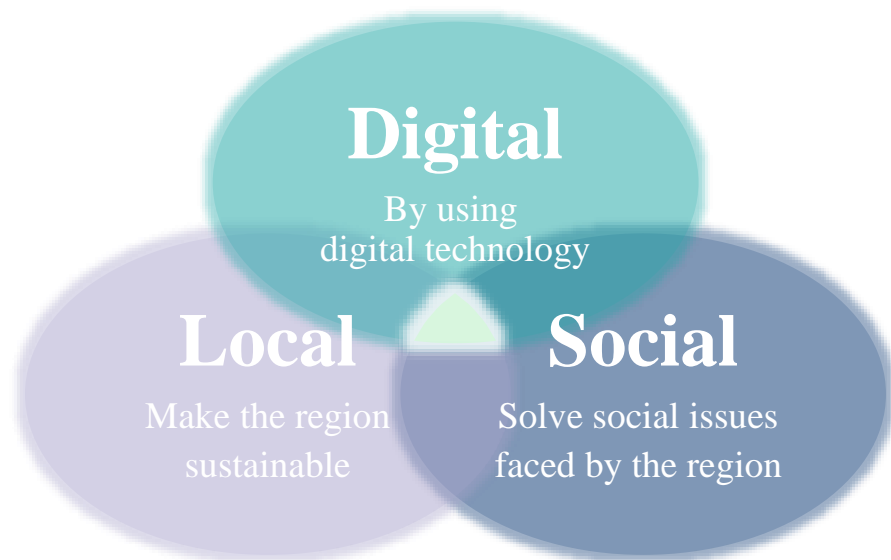
* Due to the change in the fiscal year end, we will redraw Phase 2 as a 3.5-year period that includes the irregular 6-month accounting period from October 2021 to March 2022 (details provided later in this document)

* Please see here for details of Mid-term Business Plan [DJ2] prior to revision
<https://ssl4.eir-parts.net/doc/3962/tdnet/1935387/00.pdf>

Focus Domain for “DJ2”

||| We are shifting to “Local” as preparation for [DJ2].

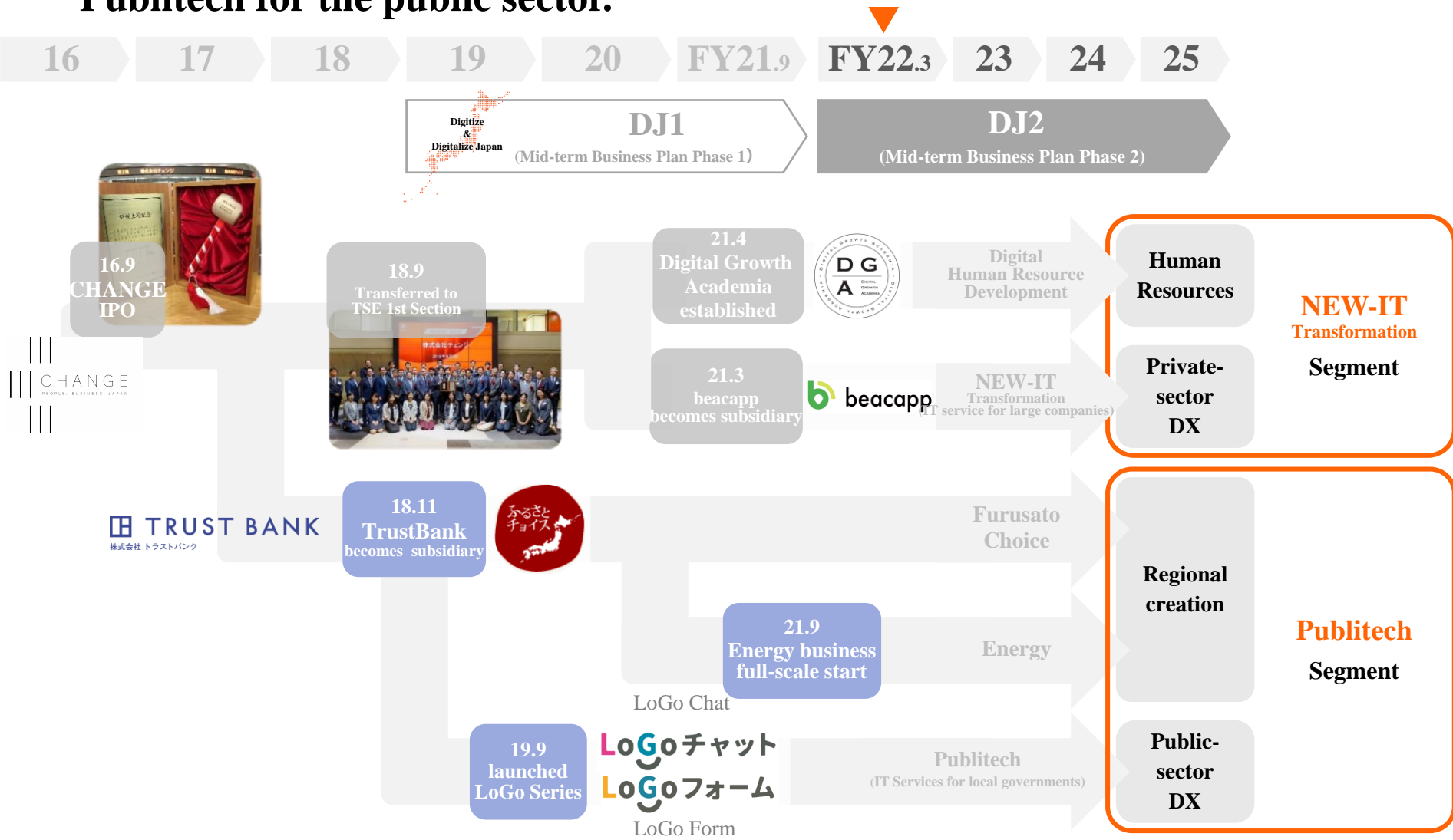
||| “DX × Regional Creation” is our sweet spot for Change Japan.



- ||| We will focus on “non-Tokyo area” which accounts for about 70% of GDP.
- ||| We will decide that the most important thing is to spread the benefits of digitalization to “Local”.
- ||| We will take on the challenge of solving critical and urgent regional issues that threaten sustainability.
- ||| We will remove the “human resource shortage” bottleneck in expanding DX in local areas.

Our Business

||| Comprises 2 key domains: private-sector NEW-IT Transformation and Publitech for the public sector.



Q1 Overview

Future Prospects

Overview of 1st Quarter Results (Consolidated)

Operating profit reached 95.7% of the irregular full-period target following the accounting period change.

*Revised target values were released on December 14, 2021

(Unit : million yen)	Target before period change (12m: ~22.9)		Target after period change (6m: ~22.3)		Q1 results	
	amount	%	amount	%	amount	%
Revenue	18,200	100.0%	11,000	100.0%	7,932	100.0%
Cost of sales	5,277	29.0%	2,384	21.7%	1,001	12.6%
Gross profit	12,922	71.0%	8,615	78.3%	6,931	87.4%
SG&A Expenses	6,122	33.6%	3,615	32.9%	2,148	27.1%
Operating profit	6,800	37.4%	5,000	45.5%	4,782	60.3%
Financial income	5	0.0%	2	0.0%	0	0.0%
Financial expenses	34	0.2%	17	0.2%	9	0.1%
Profit before taxes	6,771	37.2%	4,985	45.3%	4,773	60.2%
Income tax expense	2,124	11.7%	1,543	14.0%	1,487	18.7%
Net profit	4,647	25.5%	3,441	31.3%	3,286	41.4%
Profit attributable to owner of parent	4,522		3,380		3,265	
Loss attributable to non-controlling interests	124		61		21	
(ref) EBITDA	7,215	39.6%	5,184	47.1%	4,925	62.1%

Breakdown by business segment

Q1 (Unit : million yen)	NEW-IT trans.	Investment	Publi-tech	Adjusted
Revenue	653	24	7,254	—
└ External revenue	653	24	7,254	—
└ Inter-segment revenue	—	—	—	—
Segment profit	203	19	5,087	△528

* Due to the rounding, the sum value may not match

* Adjustments to Segment profit are mainly general and administrative expenses corresponding to corporate expenses

- ||| NEW-IT continues solid progress
[Segment profit YoY: approx. 1.5x]
- ||| Publitech maintains steady profit growth despite stagnant revenues [YoY +316 million yen]
- ||| Adjustment (HQ costs) rose significantly due to M&A preparation expenses, taxes & dues, etc.
[YoY +171 million yen]

Major Topics for the 1st Quarter

~ New JV with Konica Minolta Publitech ~

||| Launching local government DX service Govmates, Inc. in Ehime Prefecture. (Scheduled for 4.1)



- DX support, AI development
- Over 1,600 local government clients

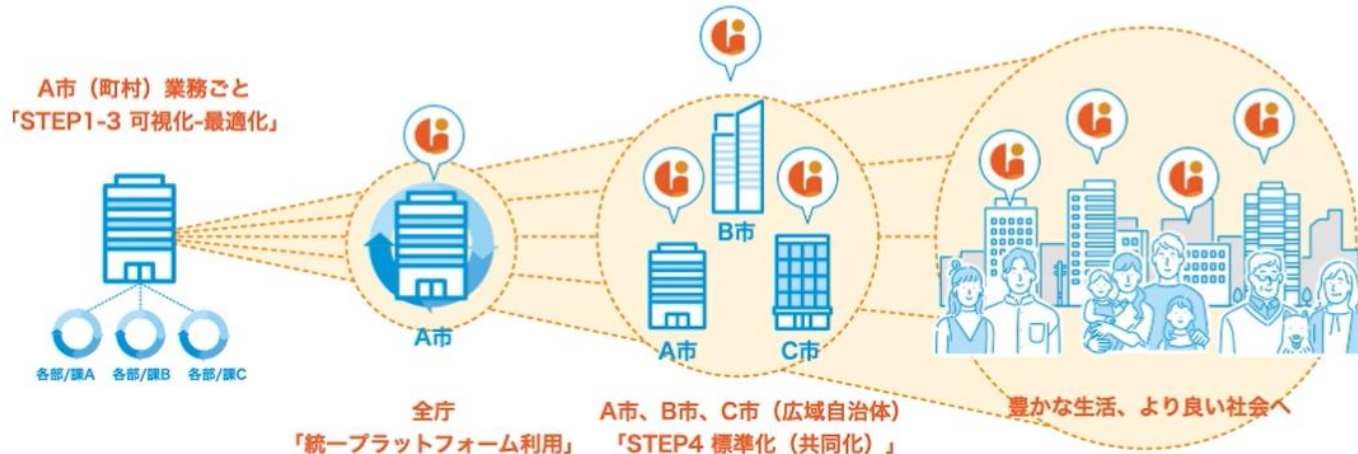


KONICA MINOLTA

- Surveys workload volume across all agencies at over 120 local governments
- Business expertise in thousands of categories



自治体DX支援プラットフォーム



* Please refer to our press release and the Govmates website for more details
<https://ssl4.eir-parts.net/doc/3962/announcement/75411/00.pdf>
<https://govmates.jp/>

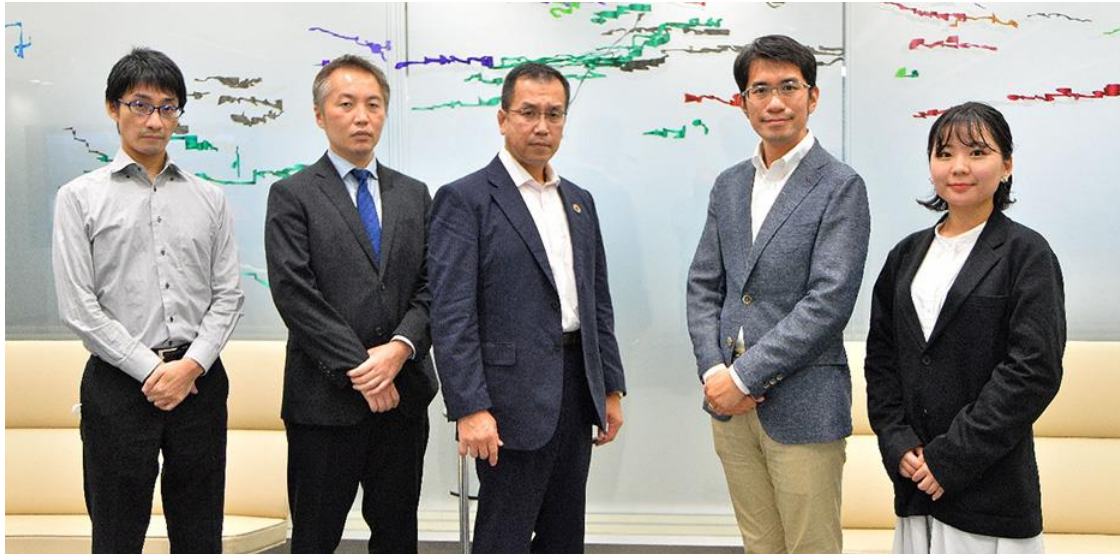
*Logos are trademarks or registered trademarks of their respective companies

Major Topics for the 1st Quarter

~ Digital Human Resource Development ~

III Synergy between the growth of large-scale support projects and new service/content development.

Supporting Obayashi Corporation's companywide employee development efforts



(From left)
Shunsuke Kawamoto, Obayashi Corporation Digital Promotion Office
Naoki Kurakata, Obayashi Corporation Digital Promotion Office
Katsutoshi Yasui, Digital Promotion Department 1 General Manager, Obayashi Corporation Digital Promotion Office
Yusuke Ohira, Digital Growth Academia, Inc.
Nanami Oba, Digital Growth Academia, Inc.

*Organization names and titles are given as at the time of the report

- III Digital “users” as well as “creators”
- III Education from the level of establishing mindset and purpose
- III Before beginning education, define a HR vision specific to each role/generation
- III Comprehensive training that goes beyond tool features and uses to business skills (how to conduct meetings, etc.)



Educational materials for transforming mindsets use VYOND animations to make content more accessible and easier to understand

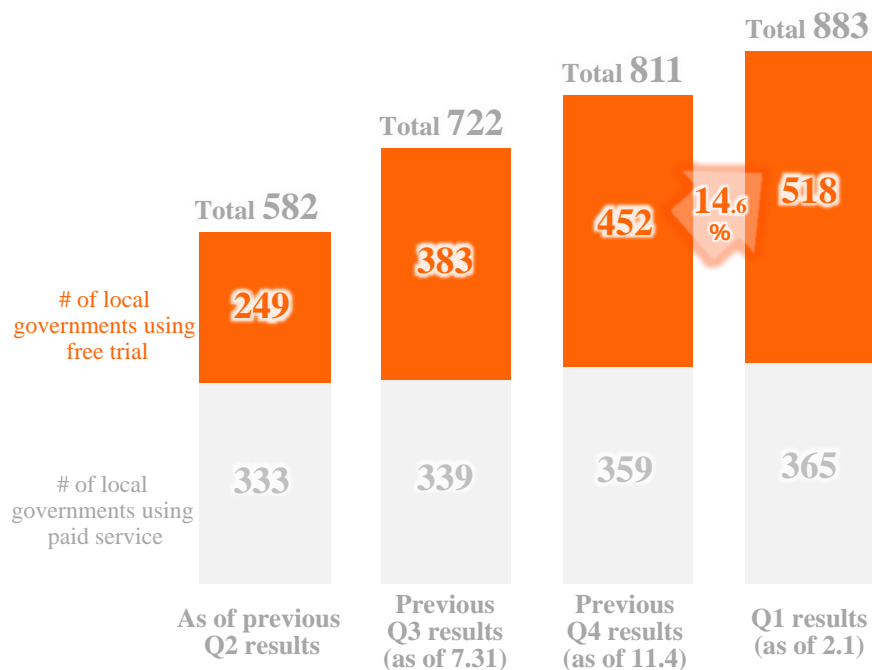
* Please refer to the Digital Growth Academia website for more details
<https://www.dga.co.jp/case-study/obayashi/>

Major Topics for the 1st Quarter

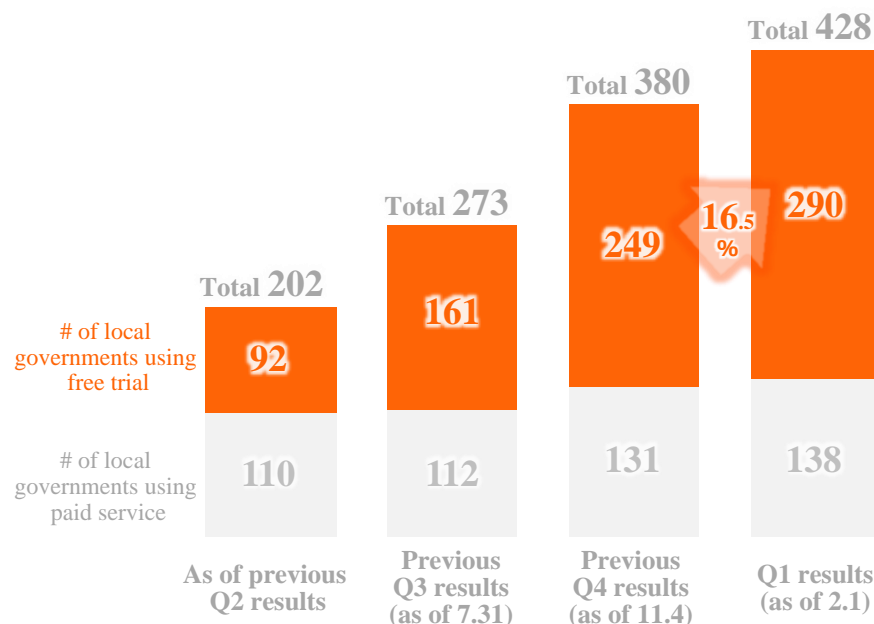
~ LoGo Series' strong performance ~

||| LoGo Series keeps its growth momentum due to its high reputation from the users.

LoGoチャット LoGo Chat



LoGoフォーム LoGo Form



* Including some related organizations

Major Topics for the 1st Quarter

~ LoGo Form adoption shows solid results ~

||| **Consistent delivery of results has contributed to greater recognition via information shared among local governments.**

Kawaguchi, Saitama			
Task/effect	Online rate	Work time reduction	Application error reduction
Infection control measures fund applications/claims	68%	1,018 hrs	20% reduction
Census taker/ instructor payment account forms	100%	233.3 hrs	Almost eliminated
Bicycle parking permit applications	51%	5,622 hrs	-
Chuo Library study seating reservations	75%	-	-

Takamatsu, Kagawa			
Task/effect	Online rate	Work time reduction	Cost reduction
Sports facility use registration	94%	~45 hrs	450 pages of paperwork (75% reduction)
Citizen satisfaction surveys	27%	99 hrs	Application errors almost eliminated
Staff training	~70%	33 hrs	Outsourcing fee reduced by 1 million yen

Matsusaka, Mie			
Task/effect	Online rate	Work time reduction	Cost reduction
GIGA School Concept Wi-Fi connectivity survey	100%	62.9 hrs	24,600 yen
Voting to name the 'Matsusaka Flame' torch for national sport events	100%	56.1 hrs	248,000 yen
Mie Matsusaka Marathon 2021 finisher medal design voting	100%	31.4 hrs	-

Uki, Kumamoto			
Task/effect	Online rate	Work time reduction	Error rate reduction
Bereavement procedures	Use for all applications	87.5 hrs (50%cut) *Public counter processing time	Prevent missed applications
Water & sewage use applications	46%	130 hrs/yr	80% reduction
Newsletter survey	100%	90 hrs/yr	-

* All surveys conducted by TrustBank between 2021.8.6~8.29. Please refer to the TrustBank Newsroom website for more details
<https://www.trustbank.co.jp/newsroom/newsrelease/press484/> (Kawaguchi) <https://www.trustbank.co.jp/newsroom/newsrelease/press486/> (Takamatsu)
<https://www.trustbank.co.jp/newsroom/newsrelease/press485/> (Matsusaka) <https://www.trustbank.co.jp/newsroom/newsrelease/press487/> (Uki)

Major Topics for the 1st Quarter

~ Regional Support Declaration endorsed by some 400 local governments ~

||| Our commitment to aligning activities with the aims of the Hometown tax system, and our support for local businesses/producers affected by the pandemic, have been widely endorsed.

Declaration on Support for Local Businesses and Producers

Furusato Choice is sincerely committed to the original meaning of the Furusato tax payment system, which is to "donate to your hometown, the region you were born in, and the region you want to support.

In addition, we will do our best to support the With Corona/Post Corona challenge of local businesses and producers who provide thank-you gifts, and fulfill our social responsibility based on the purpose of this system as a platform for hometown tax payment.

Power of
Choice
project
パワー・オブ・チョイスプロジェクト



New original character,
Choita

- Delivering support money to local businesses and producers affected by the Corona disaster and challenged with post-Corona
- NFT art of the new original character "Choita" was distributed to donors
- Proceeds from secondary sales of NFT art will also be donated to businesses and producers nationwide.

List of Supporting Municipalities

Hokkaido: Akahira City, Asahikawa City, Ashoro Town, Ikeda Town, Ishikari City, Eniwa City, Okube Town, Ohihiro City, Kamikawa Town, Kiyusato Town, Kushiro Town, Kuriyama Town, Samani Town, Saroma Town, Kanobe Town, Shimizu Town, Shimizuka Village, Shiraoi Town, Shiranui Town, Sobetsu Town, Chichibetsu Town, Teshikaga Town, Tomamae Town, Abundant Town, Nayoro City, Noboribetsu City, Haboro Town, Biei Town, Bihoro Town, Fukagawa City, Fukushima Town, Furano City, Betsukai Town, Matsuamae Town, Sobetsu Town, Yubetsu Town, Rikubetsu Town, Rishiri Town, Rishiri Fuji Town, Rumoi City
Aomori: Aomori City, Tago Town, Tohoku Town, Nanbu Town, Hachinohe City, Fukaura Town, Mutsu City
Iwate: Ichinoseki City, Ichinohe Town, Iwaizumi Town, Otsuchi Town, Kitakami City, Shiwa Town, Tono City, Nishiwaga Town, Yono Town, Fudai Village, Miyako City, Yabui Town
Miyagi: Ishinomaki City, Murata Town
Akita: Akita City, Odate City, Lagoon City, Kita Akita City, Senboku City, Daisen City, Nikaho City, Yuzawa City, Yokote City
Yamagata: Yamagata Prefectural Government, Asahi Town, Oe Town, Oguni Town, Sagae City, Sakata City, Shonai Town, Shinjo City, Tendo City, Nanyo City, Higashine City, Mogami Town, Yamagata City, Yonezawa City
Fukushima: Kunimi Town, Koriyama City, Sukagawa City, Date City, Ten'ei Village, Nihonmatsu City, Yasatsuri Town
Ibaragi: Oarai Town, Kashima City, Sakai Town, Sakuragawa City, Chikusei City, Tsuchiura City, Tone Town, Naka City, Missing City, Hitachi-Omiya City, Hokota City, Mito City, Yachiyo Town, Yuki City, Ryukesaki City
Tochigi: Ichikai Town, Oyama City, Kamimikawa Town, Shimono City, Tochigi City, Mibu Town, Motegi Town
Gunma: Anaka City, Kawaba Village, Kamaraku Town, Shibukawa City, Tatebayashi City, Tomioka City
Saitama: Ina Town, Ogawa Town, Kazo City, Kuki City, Kumagaya City, Konosu City, Sayama City, Hakuoka City, Misato Town, Moroyama Town, Yokose Town, Yoshikawa City
Chiba: Ohamishirasato City, Katori City, Konan Town, Kujukuri Town, Shirako Town, Shirai City, Tateyama City, Futtsu City, Minamiboso City, Yachimachi City, Yotsugaiho City
Kanagawa: Ayase City, Niromiya Town, Yokosuka City
Niigata: Aga Town, Uonuma City, Ojija City, Kashiwazaki City, Sado City, Sanjo City, Shogo Town, Minami Uonuma City, Murakami City, Yahiko Village, Yuzawa Town
Toyoama: Nanto City
Ishikawa: Komatsu City, Nanao City, Noto Town, Nomi City, Hakui City, Wajima City
Fukui: Fukui Prefectural Government, Awara City, Ono City, Obama City, Katsuyama City, Sakai City, Fukui City, Wakasa Town
Yamanashi: Ichikawa Misato Town, Koshu City, Kofu City, Showa Town, Tanbayama Village, Nishikatsura Town, Fujikawaguchino Town, Fujikawa Town, Fujiyoshida City, Hokuto City, Minami Alps City
Nagano: Azumino City, Ueda City, Obuse Town, Kijimadaira Village, Komagane City, Komoro City, Shimotsu Town, Tatsuno Town, Tenryu Village, Nagano City, Matsuikawa Town, Minamimaki Village, Yamanouchi Town
Gifu: Ikeda Town, Kasamatsu Town, Shirakawa Town, Takayama City, Honsu City, Wanouchi Town
Shizuoka: Izu no Kuni City, Omaezaki City, Kakegawa City, Kikukawa City, Shimizu Town, Shimoda City, Yaizu City
Aichi: Iwakura City, Okazaki City, Seto City, Takahama City, Tahara City, Togo Town, Nagakute City, Nishio City
Mie: Iga City, Kihoku Town, Kuwana City, Shima City, Shima City, Toba City, Nabari City, Matsusaka City, Mihama Town, Meiwa Town
Shiga: Omihachiman City, Koga City, Ritto City, Ryuhou Town
Kyoto: Joyo City, Seika Town, Fukuchiyama City, Minamiyamashiro Village
Osaka: Izumisano City, Kaizuka City, Katano City, Kishiwada City, Shimamoto Town, Tajiri Town, Hirakata City
Hyogo: Asago City, Awaji City, Inagawa Town, Kakogawa City, Kamikawa Town, Kami Town, Kami Town, Taishi Town, Takasago City, Tanba Sasayama City, Tanba City, Aburahi City, Yabu City
Nara: Kashihara City, Horyo Town, Sakurai City, Soni Village, Hiraguri Town, Yamato Koriyama City, Yoshino Town
Tottori: Kofu Town, Tottori City, Nichinan Town, Misasa Town, Hatou Town, Yonago City
Shimane: Ama Town, Izumo City, Ota City, Okudomo Town, Kawamoto Town, Ezu City, Hamada City, Misato Town
Okayama: Akaban City, Asakuchi City, Satosho Town, Setouchi City, Soja City, Takahashi City, Tamano City, Tsuyama City
Hiroshima: Fukuyama City
Yamaguchi: Nagato City, Hagi City, Hiroo Town, Mine City
Tokushima: Tokushima Prefectural Government, Awa City
Kagawa: Ayagawa Town, Kanonji City, Sakaide City, Sanuki City, Higashikagawa City, Marugame City, Manno Town
Ehime: Ikata Town, Imabari City, Kuma Kogen Town, Matsuamae Town
Kochi: Aki City, Ino Town, Otsuki Town, Ochi Town, Kuroshio Town, Shimanto City, Shimanto Town, Sukumo City, Susaki City, Toyo Town, Muroto City
Fukuoka: Iizuka City, Itoda Town, Umi Town, Okawa City, Okagaki Town, Ogori City, Ono Town, Kasuya Town, Kama City, Kitakyushu City, Kurate Town, Sue Town, Tagawa City, Tachiarai Town, Tomine Village, Nakagawa City, Naka City, Naka City, Nogata City, Fukuetsu City, Toyomae City, Miyawaka City, Munakata City, Yanagawa City
Saga: Imari City, Omachi Town, Kashima City, Karatsu City, Saga City, Shiraishi Town, Taku City, Miyaki Town, Yoshinogari Town
Nagasaki: Iki City, Unzen City, Sasebo City, Shimabara City, Tokitsu Town, Hirado City, Matsaura City
Kumamoto: Asagiri Town, Oguni Town, Kamiamakusa City, Koshi City, Taragi Town, Nagasu Town, Minamiaso Village, Minami Oguni Town, Yamaga City, Yamato Town, Yuzen Town
Oita: Usuki City, Oita City, Kitsuiki City, Saiki City, Takeda City, Nakatsu City, Bungo Takata City
Miyazaki: Nishitoku City, Takamabe-cho, Toumon-cho, Nichinan City, Mimata-cho
Kagoshima: Iki-Kushikino City, Ibusuki City, Uken Village, Osaki Town, Kanoya City, Kikai Town, Kimotsuki Town, Kirishima City, Soo City, Tarumi City, Nagashima Town, Nishinoomote City, Hioki City, Minamiosumi Town, Minami-Tane Town, Yakushima Town
Okinawa: Chatan Town, Motobu Town

Major Topics for the 1st Quarter

~ Creating an ecosystem by gathering partners ~

||| Using alliances to develop new donation channels and attract donors.



- ||| Assists local governments, businesses, and producers in promoting their regions



- ||| Enables easy donations via Money Forward ME, a service that visualizes finances



- ||| Linked to Merpay Smart Payments, a 'buy now pay later' service popular among youth
- ||| Connects younger generations and communities, helping to improve tax payments and financial literacy

Other Topics in the 1st Quarter

~ CHANGE ~

||| Pursuing many initiatives that shift to a 'local' focus.

2021 October - December (1st Quarter)

- ||| 10.18 Business alliance with Wilson Learning Worldwide, Inc.
- ||| 11.24 Change in fiscal year end and partial amendment to the Articles of Incorporation
- ||| 11.24 Change in shareholder benefit plan due to change in fiscal year end
- ||| 12.09 Basic Agreement to Establish a Joint Venture with Konica Minolta Publitech, Inc.
- ||| 12.16 On October 6, 2021, the company was awarded a contract to support the digitization of administrative procedures in Tokyo's wards and municipalities
- ||| 12.16 Launch of KaWaL, a subscription-based e-Learning service
- ||| 12.16 Business alliance with Career Mom
- ||| 12.20 Trust Bank announces the effect of introducing "LoGo Form" in administrative procedures (Kawaguchi, Matsusaka, Takamatsu, Uki)
- ||| 12.24 Concluded a joint venture agreement with Konica Minolta, Inc. and Konica Minolta Publitech, Inc. and established a joint venture company (consolidated subsidiary).

2022 January ~

- ||| 01.18 Formed a business alliance with Relic, a provider of the crowdfunding platform ENjiNE, to support regional banks' regional trading company business
- ||| 01.21 Establishment of "Marugoto Digital," a mother organization for developing demonstration projects using digital infrastructure in Hidaka Village, Kochi Prefecture
- ||| 01.26 Name of the joint venture company with Konica Minolta, Inc. and Konica Minolta Publictec, Inc. decided and location of the head office changed.
- ||| 01.26 Change and Konica Minolta Publitech Announced the strategy of Govmates, a joint venture to provide municipal DX services.

Other Topics in the 1st Quarter

~ TRUSTBANK ~

||| Numerous alliances and service collaborations that jointly tackle regional creation.

2021 October - December (1st Quarter)

- ||| 10.01 Began fundraising with Kyoto Prefecture and Kyoto City to support research and development of regenerative medicine using iPS cells.
- ||| 10.05 Kamakura City, Kanagawa Prefecture, and the Kamakura School Collaborative Fund to raise funds to nurture children's ability to survive Society 5.0
- ||| 10.13 Japan's Largest Hometown Taxpayer Event "The 7th Furusato Choice Great Thanksgiving Day" to be Held Online
- ||| 10.16 Japan's Largest Hometown Tax Award "Furusato Choice Award 2021" Grand Prize Winner
- ||| 10.27 Kushiro Town and Taiki Town in Hokkaido Begin Accepting Donations to Support Sea Urchin and Farmed Cherry Salmon Fishermen Affected by Red Tide
- ||| 11.01 Fujimaki Department Store Collaboration Project #4: "The Best of Japan (Winter 2021 Special)
- ||| 11.01 Start of donation application and payment within the "d-payment application".
- ||| 11.05 Kitakami City, Iwate Prefecture, and Osaki Town, Kagoshima Prefecture, jointly develop the rice shochu "kokokara Kitakami" with a rice farmer and a potato syochu liqueur brewer from Korona Kisai
- ||| 11.16 Launching "Minna to Choice," a program to co-create community vitality with those who support initiatives that lead to the future of the community
- ||| 11.18 Collaboration with media platform note / Support for communicating regional attractions with local government officials, local businesses and producers
- ||| 11.18 Settlement using au PAY begins.
- ||| 11.24 Launch of the "Power of Choice project" to support the challenges of local businesses and producers toward With Post Corona
- ||| 11.24 About 400 local governments have endorsed the Declaration on Support for Local Businesses and Producers and the Power of Choice project.
- ||| 11.24 Distribute NFT art as a "token of support" to promote support activities for local businesses through hometown tax payments
- ||| 11.25 Nakanajo Town and Nakanajo Power in Gunma Prefecture Resume "Thank You Electricity" in Hometown Tax Payment
- ||| 12.01 Linkage with MoneyForward's "MoneyForward Furusato Tax".
- ||| 12.01 Hokkaido's Samani Town Raises 1 Million Yen for Red Tide Relief through Government Crowdfunding
- ||| 12.03 Kushiro Town Government Crowdfunding Program Raises 3 Million Yen to Restore Sea Urchin in Kombu Forest Damaged by Red Tide

Other Topics in the 1st Quarter

~ TRUSTBANK ~

III (Continued)

2021 October - December (1st Quarter)

- III 12.07 Shimogamo Saryo Begins Development of Hometown Tax Refund Items in Collaboration with Nationwide Production Areas
- III 12.07 Idemitsu Kosan and Solar Frontier Sign Memorandum of Understanding on Co-Creation to Promote Decarbonization in the Region
- III 12.09 Kawanatan Town, Miyazaki Prefecture, collaborates on digital regional currency "TRON Currency" ◇Starting the municipal miner points model project
- III 12.09 All 47 versions of the original character "Choita" from all 47 prefectures released at once
- III 12.14 Wide-area collaborative government crowdfunding project launched to support entrepreneurs struggling in the region
- III 12.15 Melpay and Accelerating the Use of Hometown Taxes by Young Adults
- III 12.18 Nishiwaga Town, Iwate Prefecture, Begins Accepting Applications for Business Support for the Roadside Station "Kinjiko" Closed by Landslide
- III 12.20 Announcing the effects of using LoGo Forms in administrative procedures (Kawaguchi City, Matsusaka City, Takamatsu City, Uki City)
- III 12.21 Let's touch the community at the end of the year! Producer Support Event
- III 12.24 Corona Donation Project Reaches 400 Million Yen in Donations to Fight Novel Coronavirus Infections

2022 January

- III 01.04 Alliance with Seven Bank for chiica business, a local currency platform service for local governments
- III 01.11 Applications for a new collaborative return gift utilizing common local resources between Shimane Prefecture's Ota City, Misato Town and neighboring municipalities are now being accepted
- III 01.21 Corona Misfortune Begins Accepting Applications for the Power of Choice Fund to Support New Challenges for Local Businesses
- III 01.31 Newly released "Reading Furusato Choice," a web-based media that disseminates the appeal of the region
- III 01.31 New Service "Choice Smart Tax Return" Launched ~Furusato Tax Donation Receipt Certificate in One Package for Easier Filing
- III 02.02 Koto Ward Raises 50 Million Yen to Build a Skateboard Park in Yumenoshima through Government Crowdfunding

[Reference] Status of the IPO Acceleration Program

||| We continue to hold the following companies as of February 10, 2022.

Investment Portfolio	Time	Main Businesses and Services	Main Purpose	Trend after investment
Head Waters	2018.4	Providing applications for humanoids, building AI platforms for communication robots, and providing solutions coordinated with smartphones and IoT devices	Providing new services (integrating their apps and our knowhows) and doing joint marketing activities	2020.9 Listed on TSE Mothers (We continue to hold)
AI CROSS (formerly AOS Mobile)	2018.7	Providing B2B mobile communication services, such as “In Circle” or AI based business chat and “AOSSMS” or two-way SMS for entities	Providing and developing services and businesses based on AI and supporting a public sector’s efficient operations	2019.10 Listed on TSE Mothers (We continue to hold)
GAUSS	2019.7	Providing general purpose AI engines based on its own algorithms and developing comprehensive platforms necessary for continuous integration of AI	Developing use cases of various fields, including forecasting, image recognition, natural language processing, and analyzing voices	We continue to hold
AeroNext	2019.8	Promoting advanced research on drone architecture and developing license business of its unique gravity-center control technology globally	Promoting full-fledged social implementation of industrial drone through their DaaS* development and drone ecosystem construction * Drone as a service	We continue to hold

[Reference] Status of the IPO Acceleration Program

||| (continued)

Investment Portfolio	Time	Main Businesses and Services	Main Purpose	Trend after investment
beBit	2020.6	Its motto is “the essence of the digital age is the UX,” and supports DX/UX of large corporations. Providing UX-Team Cloud product, “USERGRAM”, in addition to domestic and overseas consulting services	Providing new services (integrating their apps and our knowhow) and doing joint marketing activities	We continue to hold
Writeup	2020.12	With the vision of “Changing All Small and Medium-Sized Enterprises Into Profitable”, it provides a variety of DX services, including support for the use of subsidies and benefits.	Realizing regional creation based on DX and DX platforms in the area of DX-related subsidy, and grant for small and medium-sized enterprises	We continue to hold *Acquired after listing on TSE Mothers
L is B	2021.6	Providing DX support solutions such as “direct”, a business chat, and “AI-FAQ Bot”, a FAQ solution equipped with its proprietary AI-engines.	Strengthening LoGo series-service and Accelerating development of services for local areas	We continue to hold
Port	2021.7	With the mission of “Providing Usualness and Happiness around the world”, developing online-media focused on specific area, such as jobs, card loans, and house-renovations.	Introducing Internet-based customer-attraction models for local companies and promoting DX in regional employment markets	We continue to hold *Acquired after listing on TSE Mothers

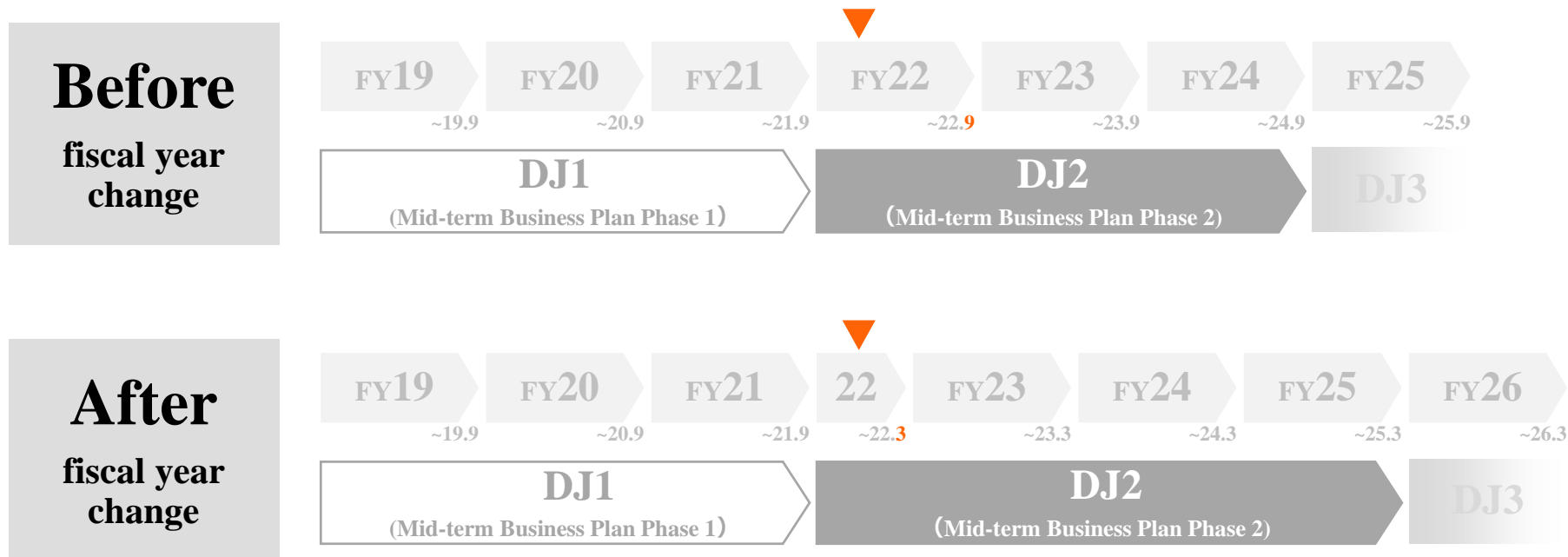
Q1 Overview

Future Prospects

Mid-term Business Plan [DJ2] Revision

||| **To accompany the change in fiscal year end, we intend to revise the current DJ2 as a 3.5-year plan.**

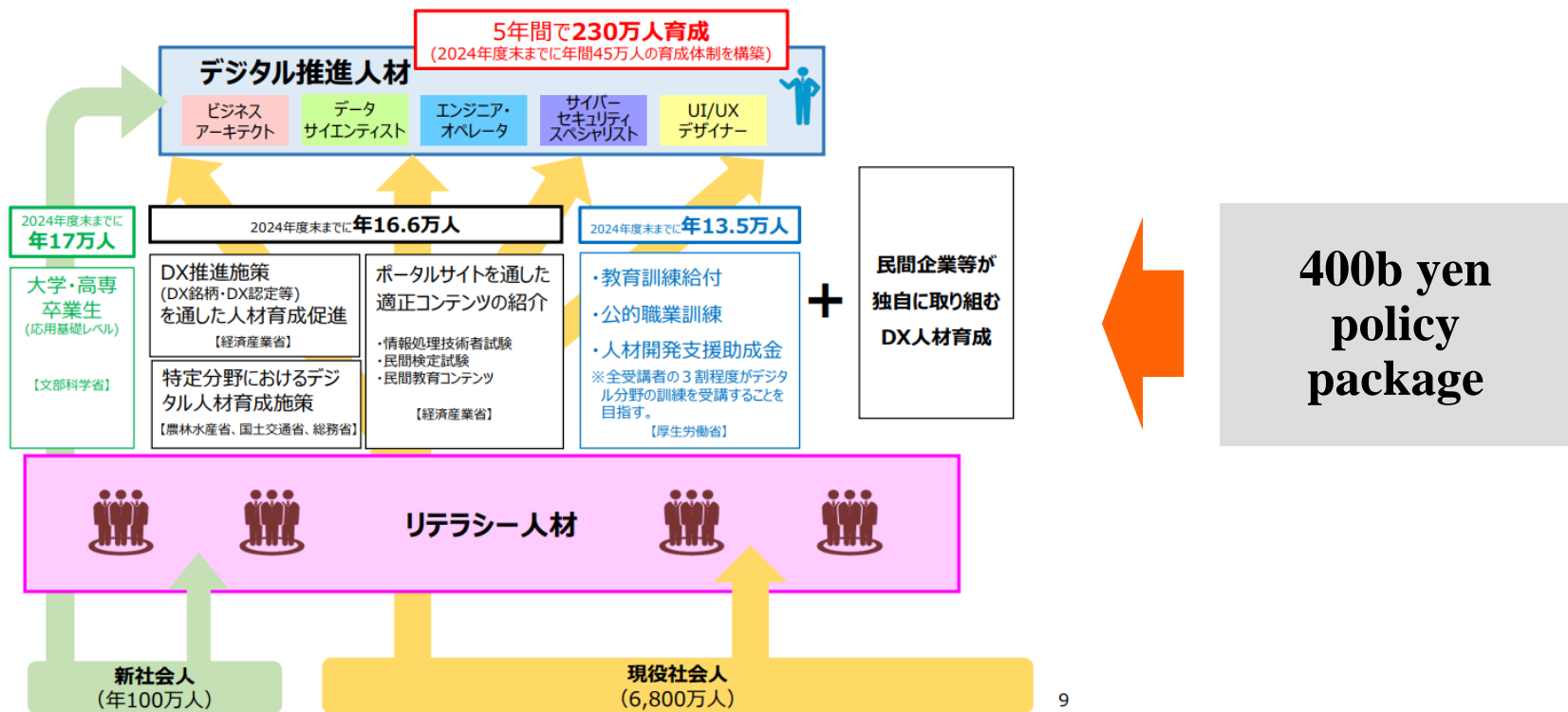
***Plan to release revised version as part of May's financial results announcement**



Digital Human Resource Development Domain

- ||| Address core themes in national policy from the perspective of both "creators" and "users" of digital technology.
- ||| We will play a central role by leveraging the fruits of KDDI collaboration and other pioneering efforts to create frameworks.

【参考】デジタル人材の育成目標の実現に向けて



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* From "Overview of Policies Related to the Digital Garden City Nation Initiative" materials submitted to Kenji Wakamiya, Minister in Charge of Digital Garden City Nation, 2nd meeting of the Council for the Realization of the Vision for a Digital Garden City Nation, 2021.12.28 https://www.cas.go.jp/jp/seisaku/digital_denon/dai2/siryou1-2.pdf

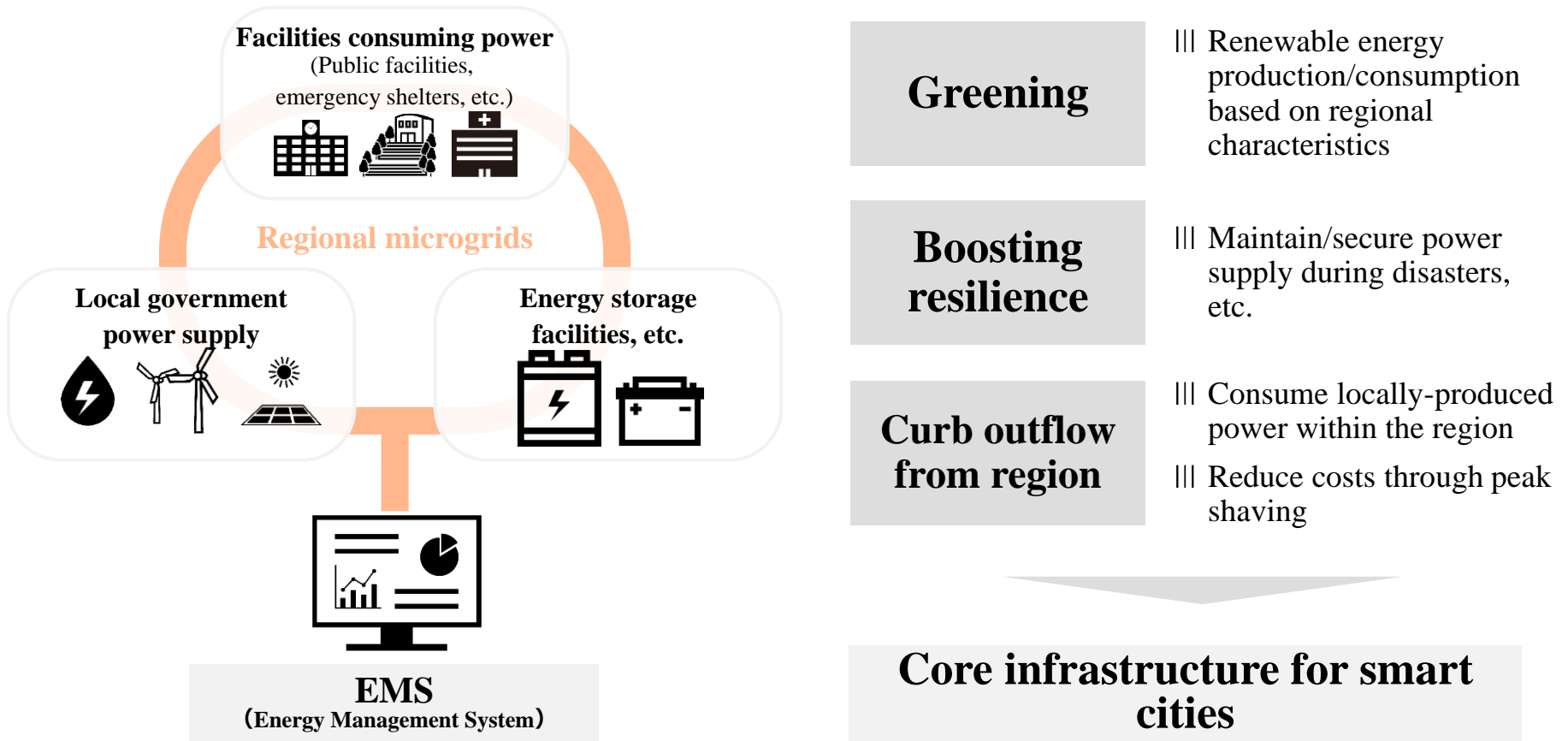
Private-sector DX Domain

- ||| Network-building efforts prior to DJ2 continue to bear fruit.
- ||| Moving forward, the challenge lies in ensuring that delivery resources expand to keep up with the creation of DX initiatives.



Regional Creation Domain ~ Energy ~

- ||| Expanding Akune (Kagoshima) pilot case into new projects.
- ||| Develop core smart city infrastructure based on high-level EMS operation expertise.



Regional Creation Domain ~ Furusato Choice ~

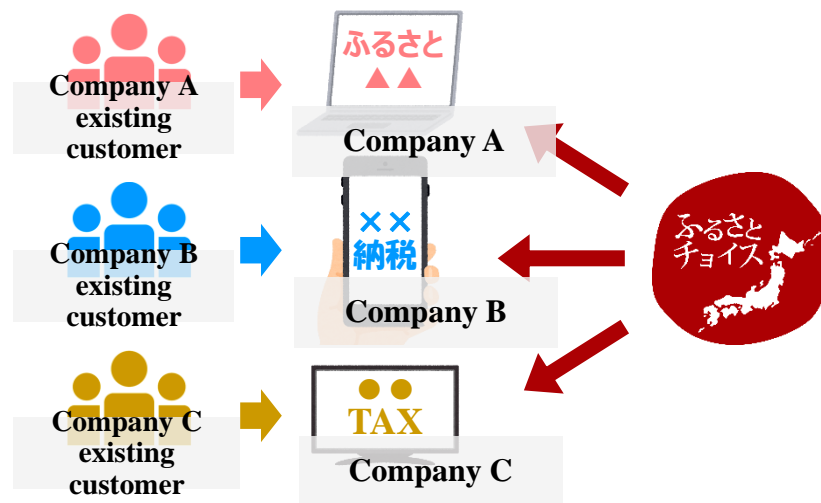
- Expand ecosystem through alliances to bring in new donors and donation opportunities.

Bringing the joy of community engagement into the real world



- Incorporating Hometown tax into in-store experiences
- Enjoy viewing actual thank-you gifts & engage with local people
- Easier to cut back on gifts that tend to become extravagant online

Linked to other Hometown tax sites



- Hometown tax's growing popularity is accompanied by increase in service providers
- Each company's strength lies in being able to tap the customer base of its core business
- We collaborate by providing operating expertise and new features

M&A Domain

||| **Despite increased activity, we remain committed to rigorous evaluation and selection without compromise.**

M&A Targets in [DJ2]

* From pre-revision DJ2

Customer base Acquisition type

- ||| We will target candidates having customer- base similar to local governments in the TrustBank model
- ||| We will focus on areas having common issues to be solved by digitization where we can create a “standard”.

Product Acquisition type

- ||| We will target candidates having products and services which can change “standards” in a specific industry or business.
- ||| We will focus on candidates having products and services that we can expand to our customer base we have already acquired or expect to acquire in the near future.

Resource Acquisition type

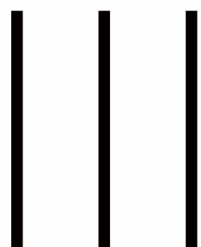
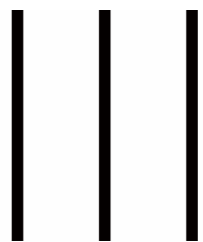
- ||| We aim to acquire candidates having consultants and engineers of a certain high quality and quantity which will be essential for the continuous horizontal deployment of the business model.

Ongoing activities

- ||| Wide range of promising candidates
- ||| Increasing opportunities/ extent of support sought from external experts
- ||| 40 million yen invested in Q1 alone

Disclaimer

- ||| All future forecasts, estimates, etc. appearing in this document were determined by us based on information available at the time of preparing these materials, and may contain a degree of uncertainty.
- ||| Actual future performance depends on various factors, and may differ significantly from any forecasts, etc. herein.



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