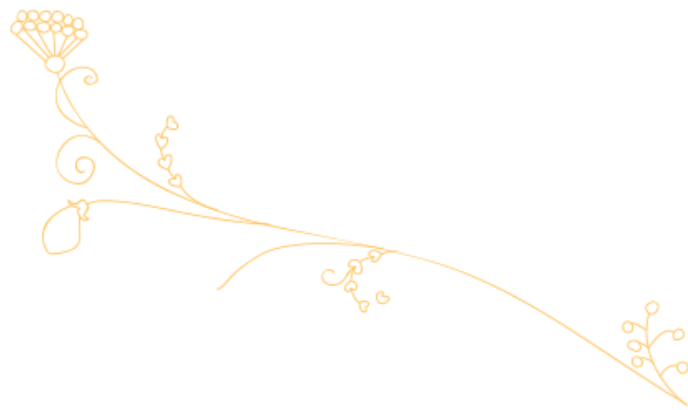




FY2023 Results Briefing Materials

February 2024

CERES INC. (Prime Market of the Tokyo Stock Exchange: #3696)





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1. FY2023 Consolidated Results Summary
2. FY2023 Results Summary of Each Business
 - Mobile Service Business
 - Financial Service Business
3. FY2024 Forecasts /
Progress of Medium-Term Management Plan 2026

APPENDIX



1. FY2023 Consolidated Results Summary



Net sales increased 22.7% YoY to ¥6,777 million.

- In Mobile service, sales increased by 20.5% YoY to ¥6,574 million due to very strong sales of multiple products in D2C, despite lower sales in point services
- In Financial service, sales increased 1.8 times YoY to 205 million yen due to strong sales in staking services at Mercury and factoring service at labol

Operating profit increased 36.8% YoY to ¥382 million.

- In Mobile service, operating profit increased by 13.3% YoY to ¥926 million due to improved gross profit margin of Moppy and continued strong sales of "Pitsole" in D2C, which absorbed advertising investment for new products.
- In financial service, an operating loss of ¥239 million, flat YoY, was recorded due to the impact of impairment losses on shares in CVC, regardless of sales growth in Mercury and labol and a rise in crypto asset prices.

Ordinary profit increased 4.8X times to ¥483 million.

- We recorded ¥104million of equity in the profit of our affiliate bitbank as the crypto asset market shows signs of recovery.

Profit attributable to owners of the parent ¥339 million.

Condensed Income Statement (Full year)

(Millions of yen)	FY2023	FY2022	YoY
Net sales	24,070 (100.0%)	20,536 (100.0%)	+17.2%
Gross profit	10,587 (44.0%)	8,063 (39.3%)	+31.3%
SG&A expenses	9,468 (39.3%)	6,816 (33.2%)	+38.9%
Operating profit	1,118 (4.6%)	1,246 (6.1%)	-10.3%
Ordinary profit	1,217 (5.1%)	679 (3.3%)	+79.1%
Profit *1	451 (1.9%)	46 (0.2%)	+868.0%
EBITDA *2	1,707 (7.1%)	1,147 (5.6%)	+48.8%

*1 Profit represents profit attributable to owners of parent.

*2 EBITDA: Profit before income taxes + Interest expenses + Depreciation + Amortization of goodwill (addition of amount equivalent to amortization of goodwill including share of loss of entities accounted for using equity method) + impairment losses.

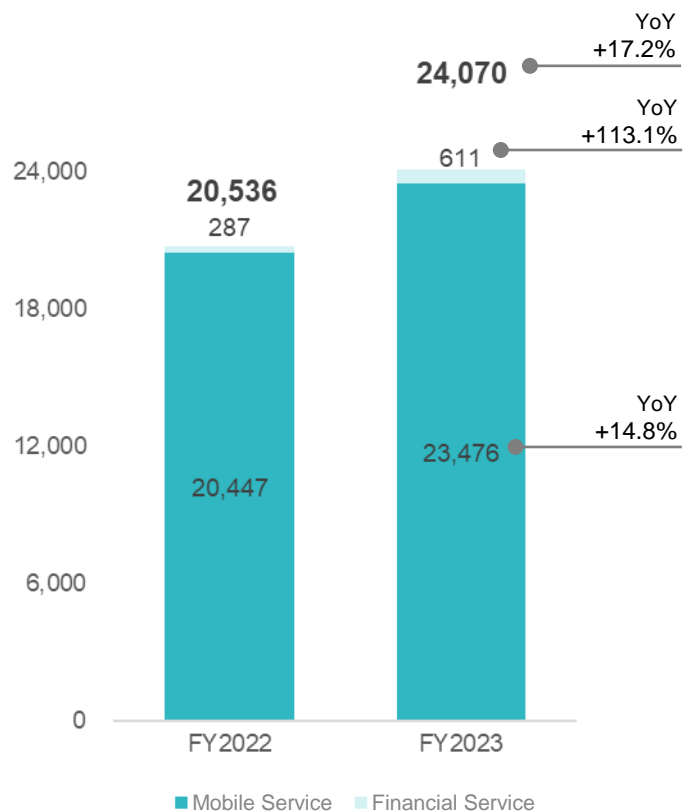
Segment Information (Full year)

In Mobile Service, robust sales in D2C but profit down due to weak Internet advertising and proactive investment in human resources in DX.

In Financial Service, Mercury and labol performed well, with sales increasing and losses narrowing.

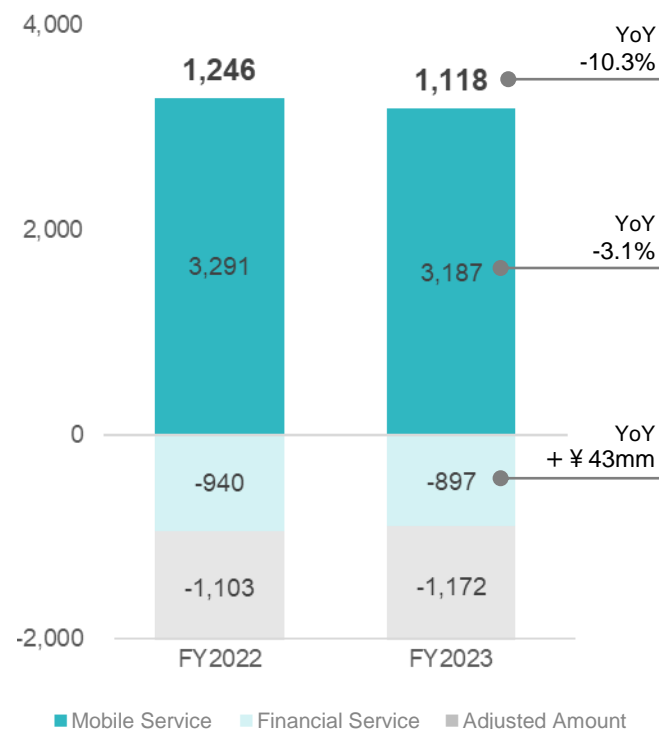
(Millions of yen)

Net sales



(Millions of yen)

Operating profit



* Inter-segment transaction value is not indicated since its impact on the graph is immaterial.

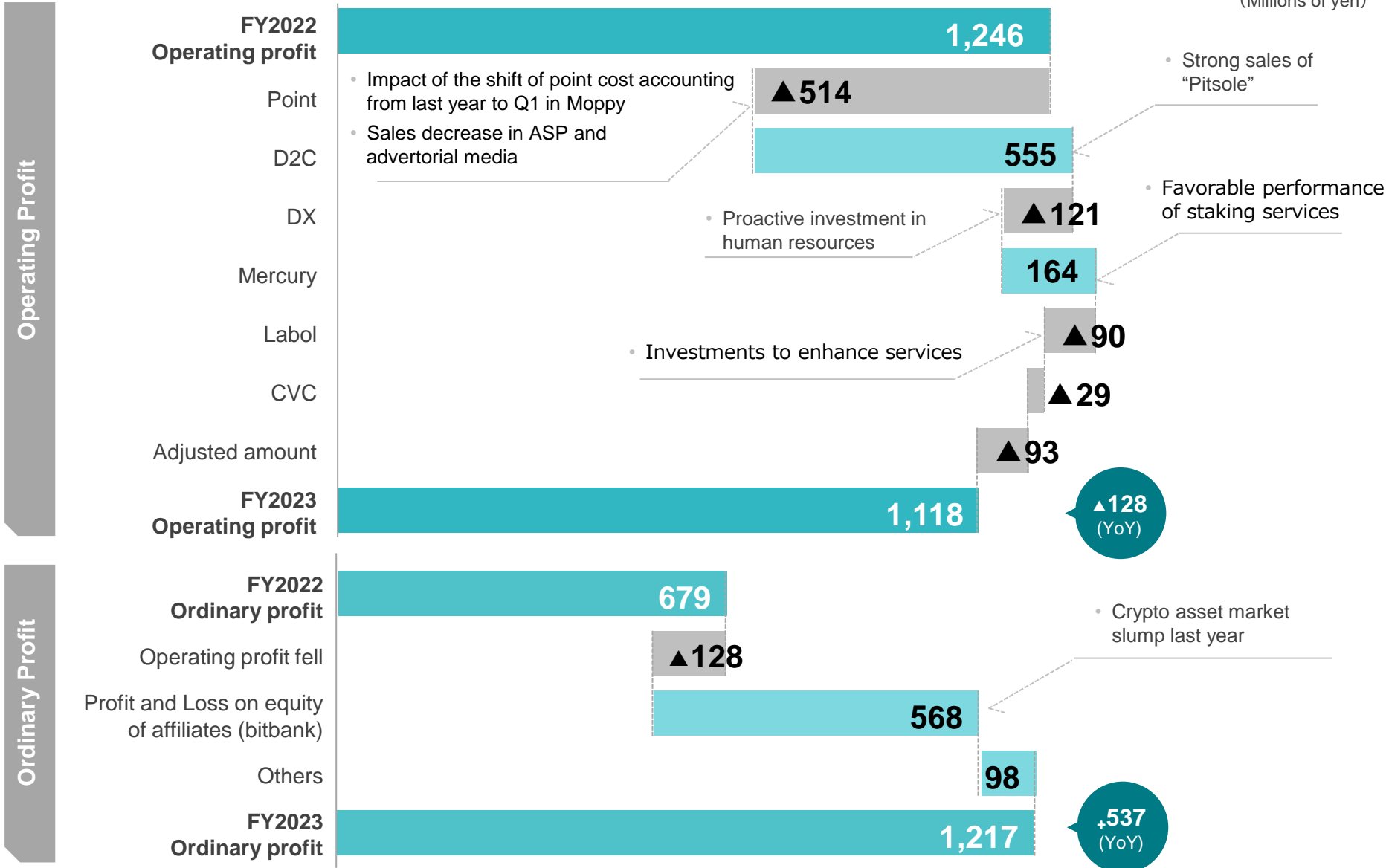
* Adjusted amount includes expense items that do not belong to a specific segment.

Earnings by Business Segment (Full year)

(Millions of yen)	Net sales		Operating profit	
	FY2023	FY2022	FY2023	FY2022
ALL	24,070 YOY +17.2%	20,536	1,118 YOY -10.3%	1,246
Mobile Service Business	23,476 YOY +14.8%	20,447	3,187 YOY -3.1%	3,291
Point	13,817 YOY -1.6%	14,041	2,480 YOY -17.2%	2,995
D2C	5,053 YOY +125.0%	2,246	730 YOY +317.1%	175
DX	4,776 YOY +9.6%	4,358	106 YOY -53.4%	227
Transaction value within segments	-170 YOY -	-199	-129 YOY -	-106
Financial Service Business	611 YOY +113.1%	287	-897 YOY -	-940
Inter-segment transaction value / Adjusted amount	-18 YOY -	-198	-1,172 YOY -	-1,103

Factors Affecting Operating Profit and Ordinary Profit (Full year)

(Millions of yen)



Progress Versus Company Initial Forecasts



(Millions of yen)	FY2023	Initial forecast (Feb. 10, 2023)	Initial forecast Change
Net Sales	24,070	23,000	104.7%
EBITDA *1	1,707	2,100	81.3%
Operating profit	1,118	1,600	69.9%
Ordinary profit	1,217	1,600	76.1%
Profit *2	451	800	56.4%

- Sales exceeded expectations due to significantly higher than expected D2C sales, while AD.TRACK and advertorial media fell short of expectations.
- Operating profit was lower than expected as it was impacted by the cost shift from the prior year at Moppy, the impact of lower sales at AD.TRACK and advertorial media, and unprofitable projects at DX.
- Profit was affected by a software impairment loss of 368 million yen recorded by Mercury in Q3 as an extraordinary loss.

*1 EBITDA: Profit before income taxes + Interest expenses + Depreciation + Amortization of goodwill (addition of amount equivalent to amortization of goodwill including share of loss of entities accounted for using equity method) + impairment losses.

*2 Profit represents profit attributable to owners of parent.

Progress Versus Company Initial Forecasts by Segment

(Millions of yen)	Net sales		Operating profit	
	FY2023	FY2023 Initial forecast	FY2023	FY2023 Initial forecast
ALL	24,070 Achievement rate 104.7%	23,000	1,118 Achievement rate 69.9%	1,600
Mobile Service Business	23,476 Achievement rate 105.0%	22,350	3,187 Achievement rate 86.2%	3,700
Point	13,817 Achievement rate 94.0%	14,700	2,480 Achievement rate 74.1%	3,350
D2C	5,053 Achievement rate 187.2%	2,700	730 Achievement rate 365.2%	200
DX	4,776 Achievement rate 91.9%	5,200	106 Achievement rate 35.4%	300
Transaction value within segments	-170 Achievement rate -	-250	-129 Achievement rate -	-150
Financial Service Business	611 Achievement rate 81.6%	750	-897 Achievement rate -	-1,000
Inter-segment transaction value / Adjusted amount	-18 Achievement rate -	-100	-1,172 Achievement rate -	-1,100

Condensed Income Statement (Q4)

(Millions of yen)	Q4 FY2023	Q4 FY2022	YoY	Q3 FY2023	QoQ
Net sales	6,777 (100.0%)	5,523 (100.0%)	+22.7%	6,072 (100.0%)	+11.6%
Gross profit	3,167 (46.7%)	2,063 (37.4%)	+53.5%	2,842 (46.8%)	+11.4%
SG&A expenses	2,785 (41.1%)	1,784 (32.3%)	+56.1%	2,572 (42.4%)	+8.3%
Operating profit	382 (5.6%)	279 (5.1%)	+36.8%	270 (4.4%)	+41.5%
Ordinary profit	483 (7.1%)	99 (1.8%)	+384.5%	203 (3.3%)	+138.1%
Quarterly profit *1	339 (5.0%)	27 (0.5%)	+1117.3%	-242 (-)	—
EBITDA *2	566 (8.4%)	233 (4.2%)	+142.6%	345 (5.7%)	+63.9%

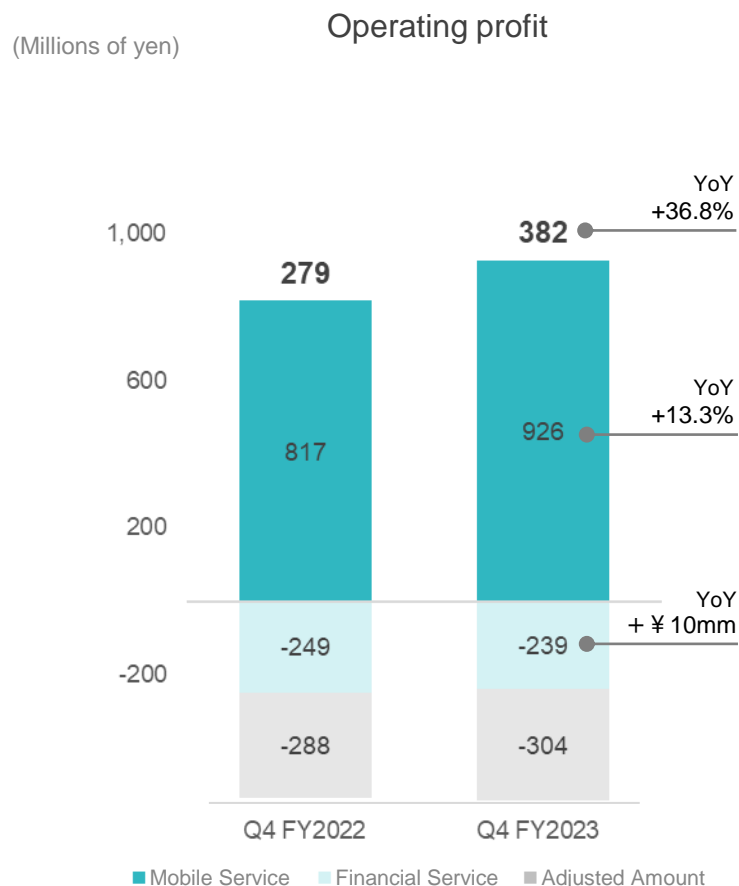
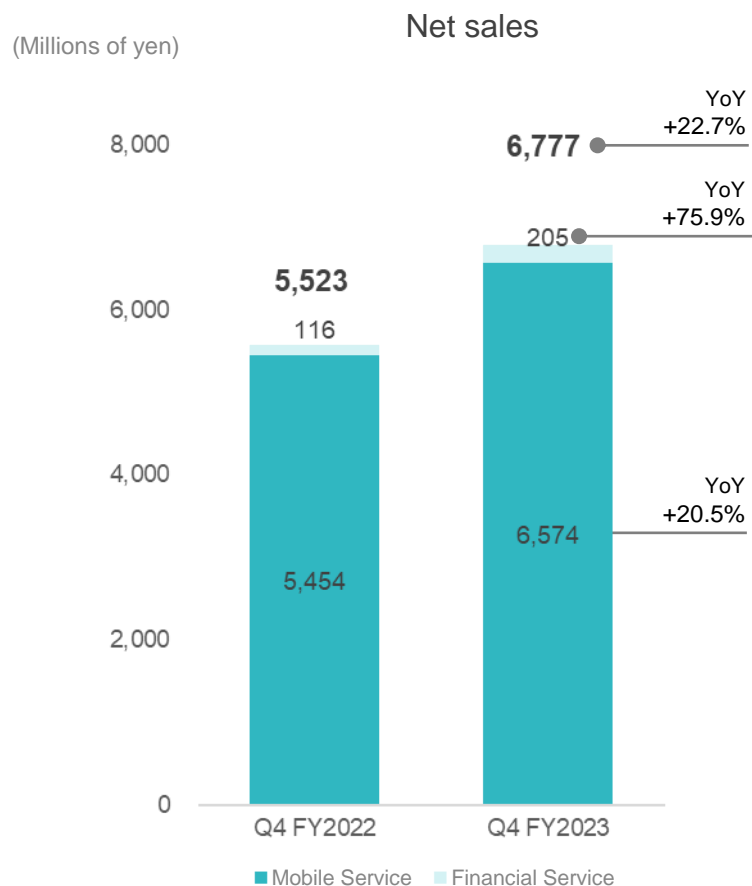
*1 Quarterly profit represents profit attributable to owners of parent.

*2 EBITDA: Profit before income taxes + Interest expenses + Depreciation + Amortization of goodwill (addition of amount equivalent to amortization of goodwill including share of loss of entities accounted for using equity method) + impairment losses.

Segment Information (Q4)

In Mobile Service, sales and profit increased due to improved gross margin of Moppy and strong sales at D2C.

In Financial Service, sales increased and losses narrowed due to good business and signs of a recovery in the crypto asset market.



* Inter-segment transaction value is not indicated since its impact on the graph is immaterial.

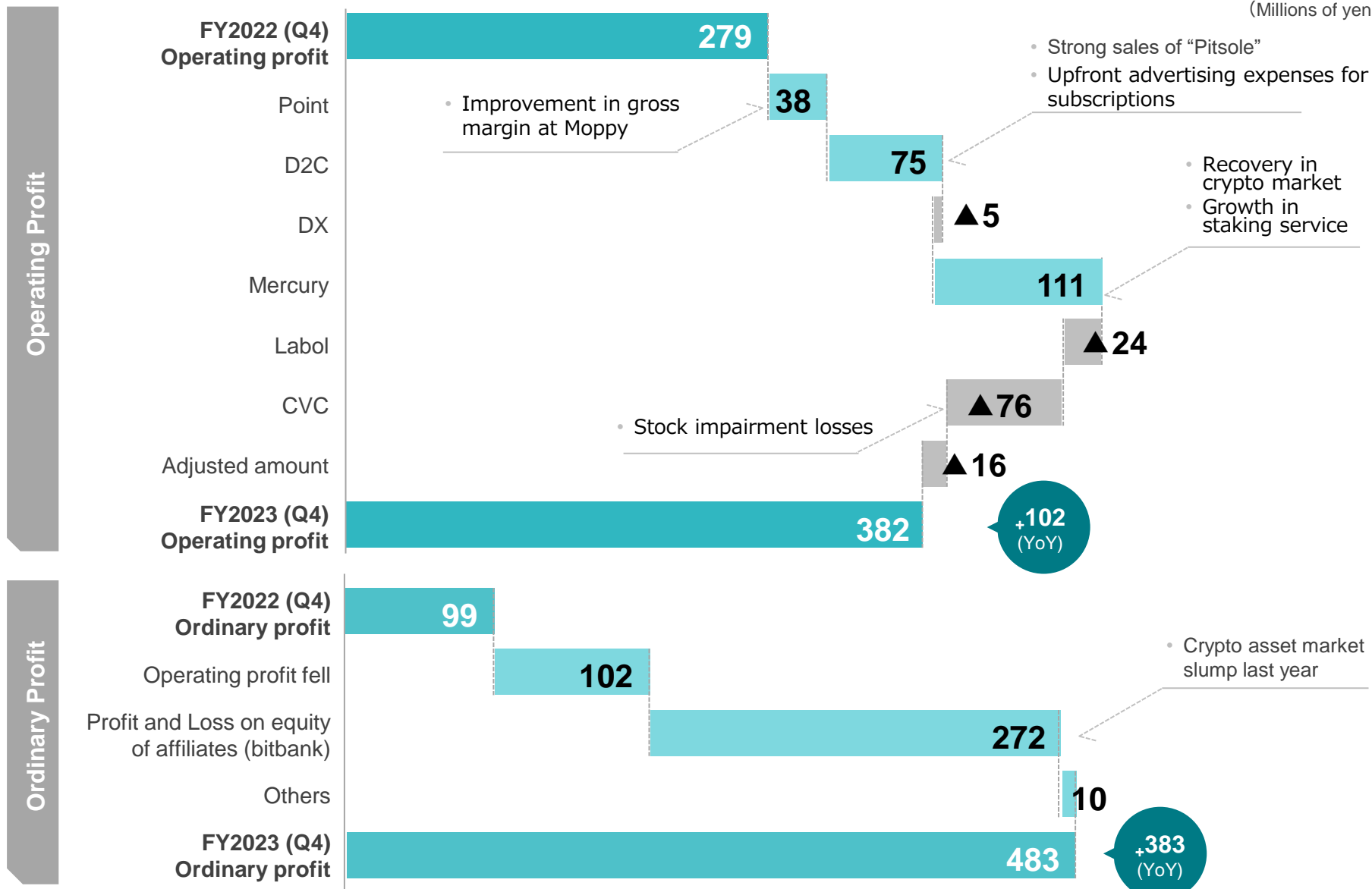
* Adjusted amount includes expense items that do not belong to a specific segment.

Earnings by Business Segment (Q4)

(Millions of yen)	Net sales		Operating profit	
	Q4 FY2023	Q4 FY2022	Q4 FY2023	Q4 FY2022
ALL	6,777 YOY +22.7%	5,523	382 YOY +36.8%	279
Mobile Service Business	6,574 YOY +20.5%	5,454	926 YOY +13.3%	817
Point	3,607 YOY -3.0%	3,719	753 YOY +5.4%	715
D2C	1,800 YOY +175.3%	654	169 YOY +81.5%	93
DX	1,211 YOY +5.4%	1,149	36 YOY -14.0%	41
Transaction value within segments	-45 YOY -	-68	-32 YOY -	-32
Financial Service Business	205 YOY +75.9%	116	-239 YOY -	-249
Inter-segment transaction value / Adjusted amount	-2 YOY -	-47	-304 YOY -	-288

Factors Affecting Operating Profit and Ordinary Profit (Q4)

(Millions of yen)



Condensed Balance Sheet

(Millions of yen)		FY2023	FY2022	Change	Major factors
	Current assets	17,586 (67.9%)	14,413 (63.8%)	+3,173	Cash and deposits: +1,565 Operational investment securities: +231 Inventory: +176
	Non-current assets	8,328 (32.1%)	8,183 (36.2%)	+144	Goodwill: -205 Software: -192 Shares of subsidiaries and associates: +78
Total assets		25,915 (100.0%)	22,597 (100.0%)	+3,318	
	Current liabilities	13,451 (51.9%)	10,558 (46.7%)	+2,893	Short-term borrowings: +963 Income taxes payable etc.: -125 Provision for point card certificates: +738
	Non-current liabilities	2,417 (9.3%)	2,342 (10.4%)	+74	Long-term borrowings: +196
Total liabilities		15,869 (61.2%)	12,900 (57.1%)	+2,968	
Total net assets		10,045 (38.8%)	9,696 (42.9%)	+349	Profit: +451 Dividends: -227
Total liabilities and net assets		25,915 (100.0%)	22,597 (100.0%)	+3,318	

Cash Flow Statement Summary

(Millions of yen)	FY2023	FY2022	Breakdown of FY2023
Cash flows from operating activities	1,061	101	Profit before income taxes: 880 Depreciation · Amortization of goodwill: 477 Provision for point card certificates: 738 Share of profit of entities accounted for using equity method: -78 Income taxes paid: -811
Cash flows from investing activities	-738	-1,685	Investment in Mercury's systems, etc. : -234 Investment securities: -106
Cash flows from financing activities	1,233	1,191	Increase in interest-bearing debt: 1,461 Shareholder returns (dividends): -227
Cash and cash equivalents at end of period	8,051	6,491	

Shareholder return

	FY2020	FY2021	FY2022	FY2023
Annual dividend	18.00 yen	40.00 yen	20.00 yen	20.00 yen
Total dividend amount	¥ 197 million	¥ 449 million	¥ 227 million	¥ 228 million
Dividend payout ratio	26.7%	15.9%	484.9%	50.5%
Dividend on equity ratio	3.1%	5.7%	2.5%	2.5%
Amount of treasury stock	¥ 299 million	-	-	-
Total shareholder return	¥ 497 million	¥ 449 million	¥ 227 million	¥ 228 million

Financial indicator

	FY2020	FY2021	FY2022	FY2023
ROA	12.5%	19.2%	3.2%	5.0%
ROE	11.8%	35.6%	0.5%	5.0%



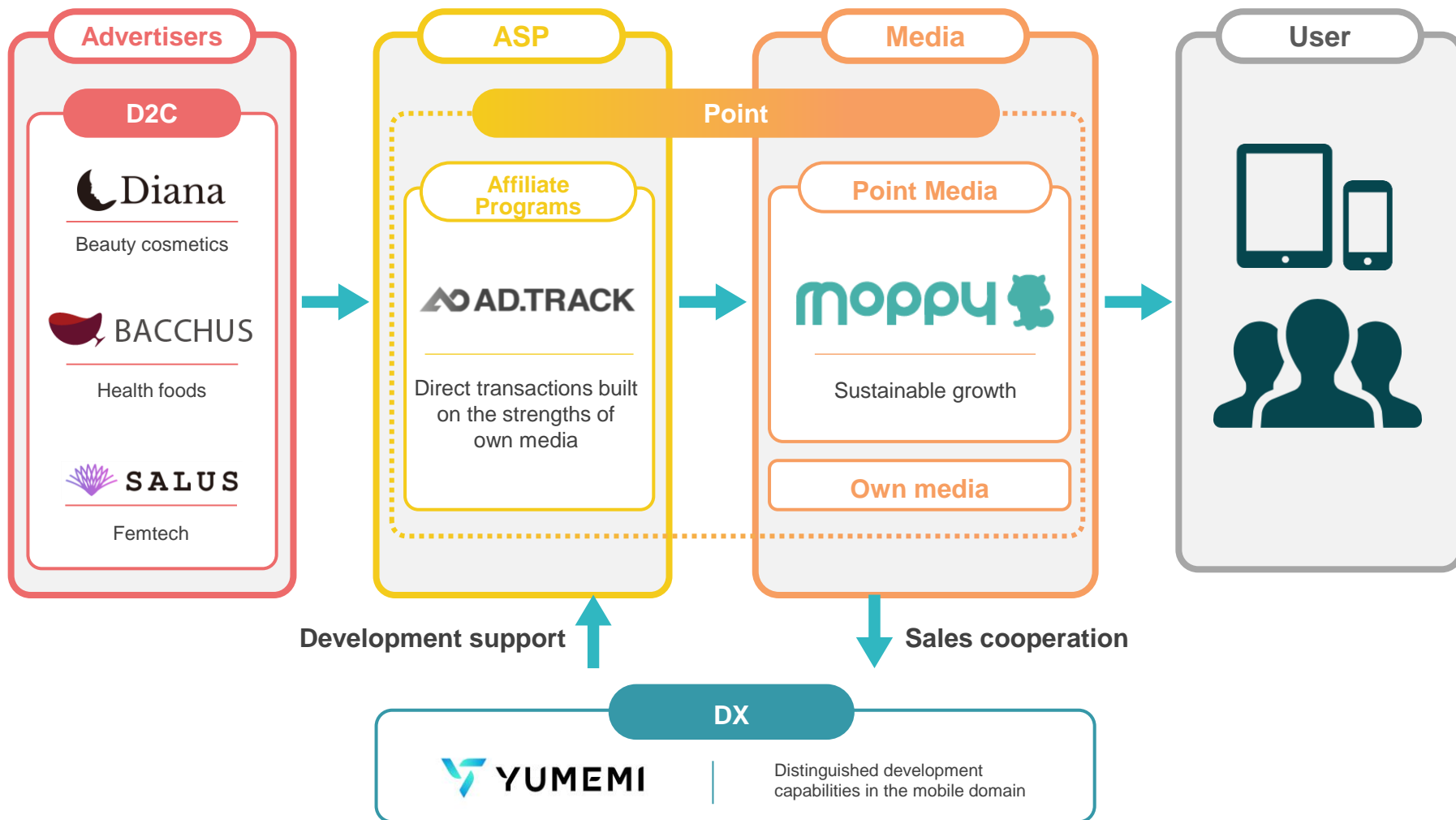
2. FY2023 Results Summary of Each Business

Mobile Service Business

Financial Service Business

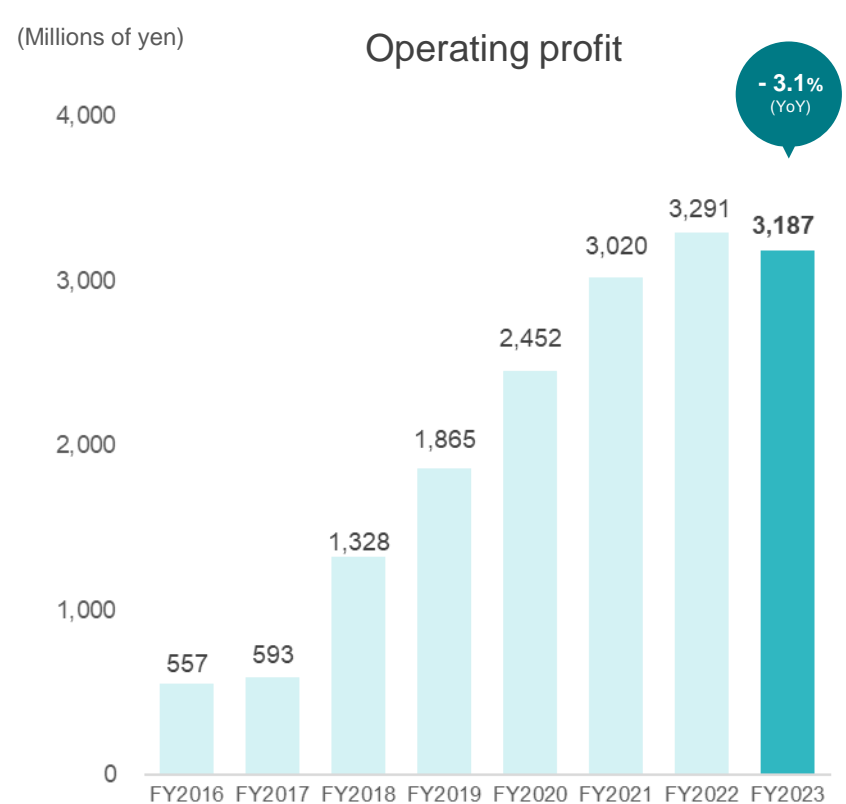
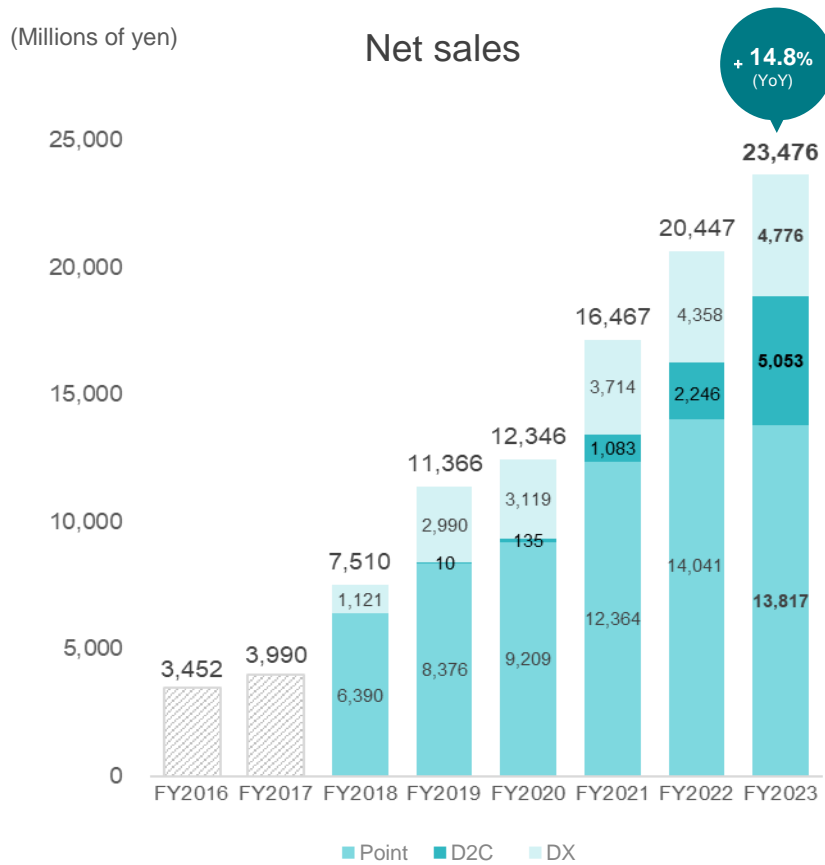
Mobile Service Business Domains

Create synergies through mutual collaboration between Moppy, AD.TRACK and D2C.



Mobile Service Business Earnings (Yearly)

Sales rose sharply as D2C got on a growth path, while internet advertising struggled. Operating profit was 4.2x higher in D2C, but remained flat YoY due to weak internet advertising and proactive investment in DX human resources.



* Numbers in FY2018 and FY2017 are unconsolidated.

* Net sales for FY2021 and earlier are stated on the assumption that the new Accounting Standard for Revenue Recognition has been retroactively applied.

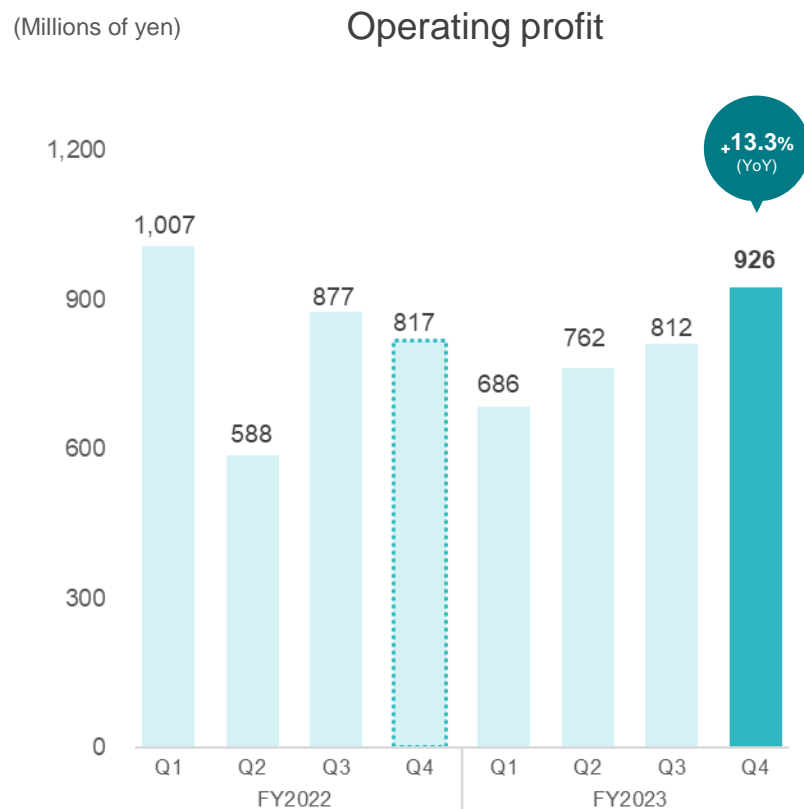
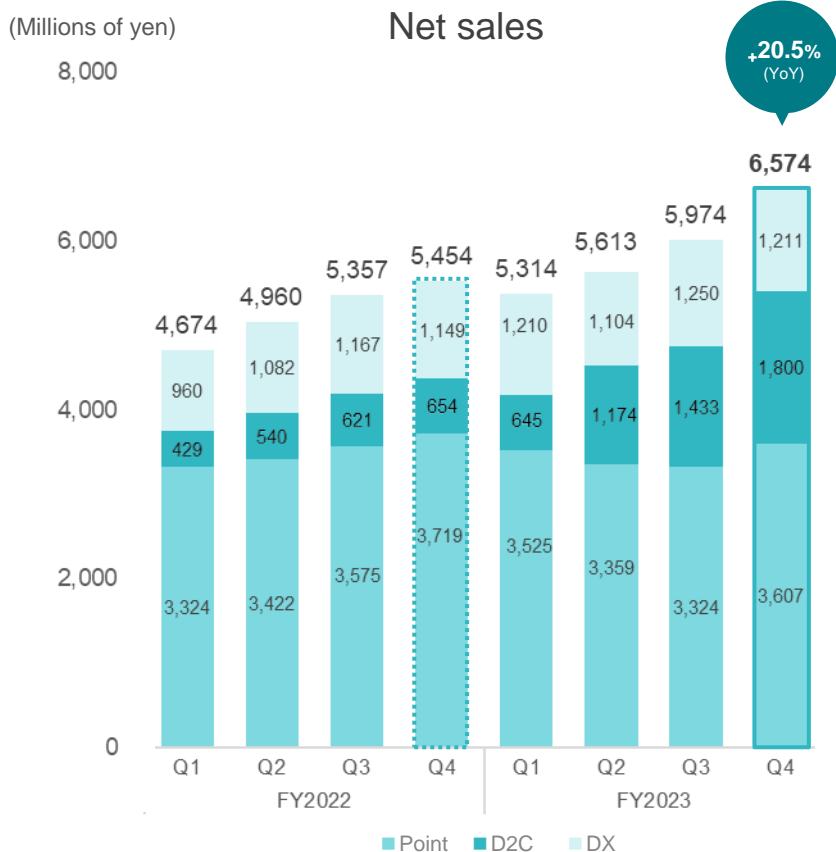
* The business classification in the Mobile Service segment for FY2021 and earlier has been revised in accordance with the changes that subsequently took place in the segment.

* Trading volume within segments are not indicated since their impact on the graphs is marginal.

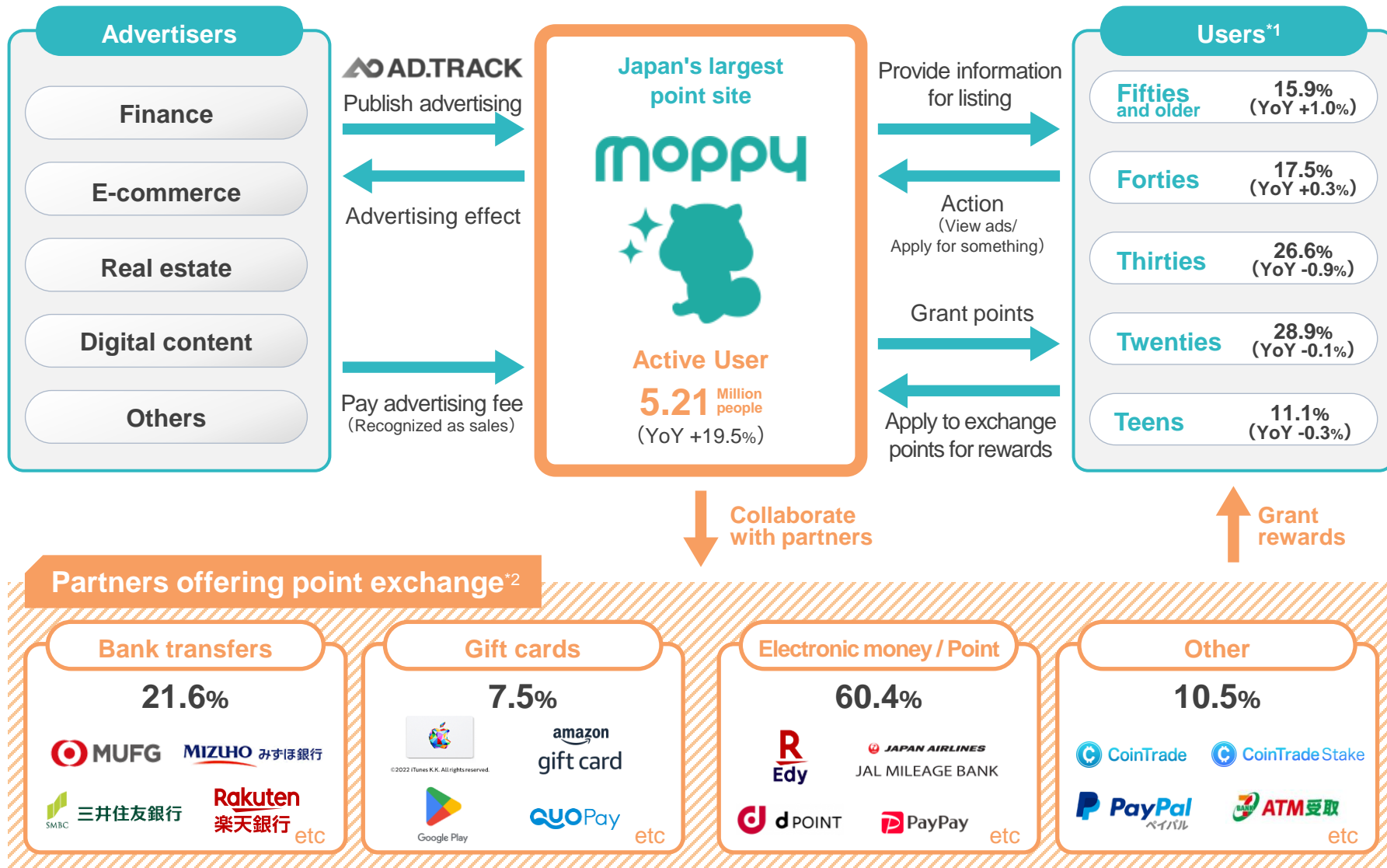
Mobile Service Business Earnings (Quarterly)

Sales were up 20.5% YoY on strong D2C performance despite deteriorating ROAS in advertorial media.

Operating profit increased 13.3% YoY driven by improved Moppy gross profit margin and strong “Pitsole” sales.



Moppy Business Model



*1 Ratios as of December 31, 2023

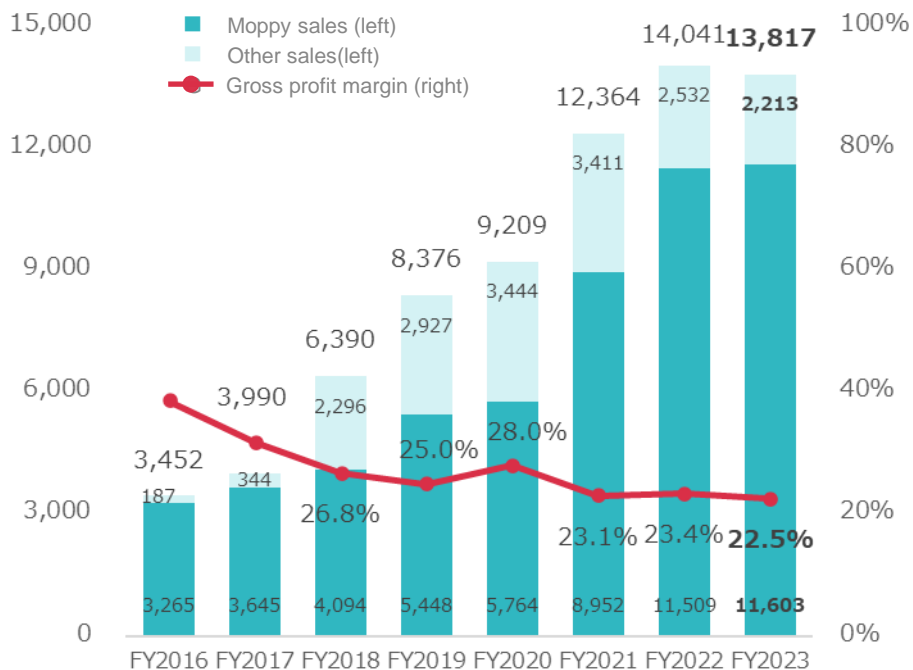
*2 Point exchange ratios are for October to December 2023

Point Earnings

Moppy sales for the full year were flat with last year, while Internet advertising struggled. ASP and advertorial media sales declined in Q4, but Moppy sales increased and gross margin improved.

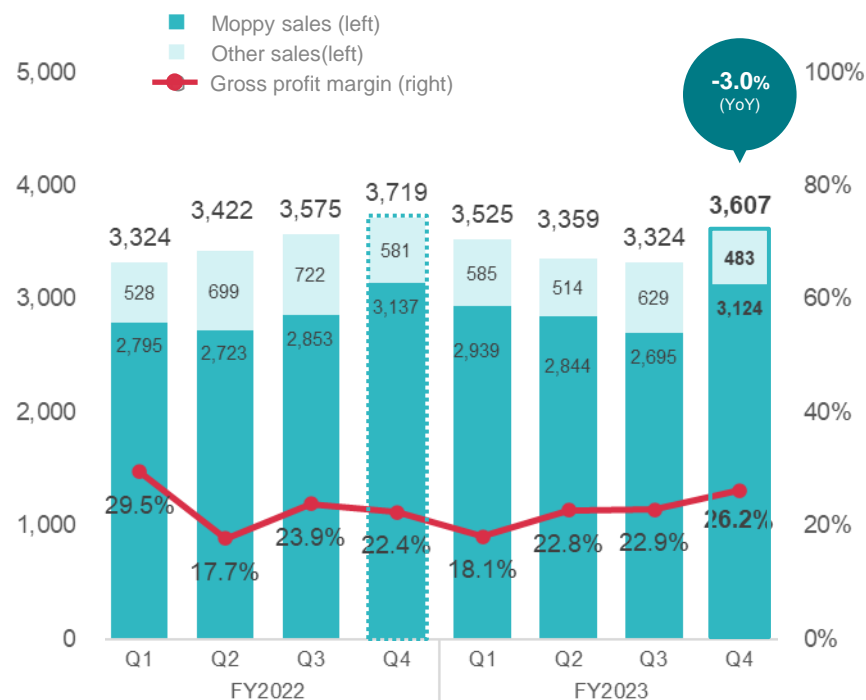
Point Sales,
Moppy GPM
(Yearly)

(Millions of yen)



Point Sales,
Moppy GPM
(Quarterly)

(Millions of yen)



* Net sales for FY2021 and earlier are stated on the assumption that the new Accounting Standard for Revenue Recognition has been retroactively applied.

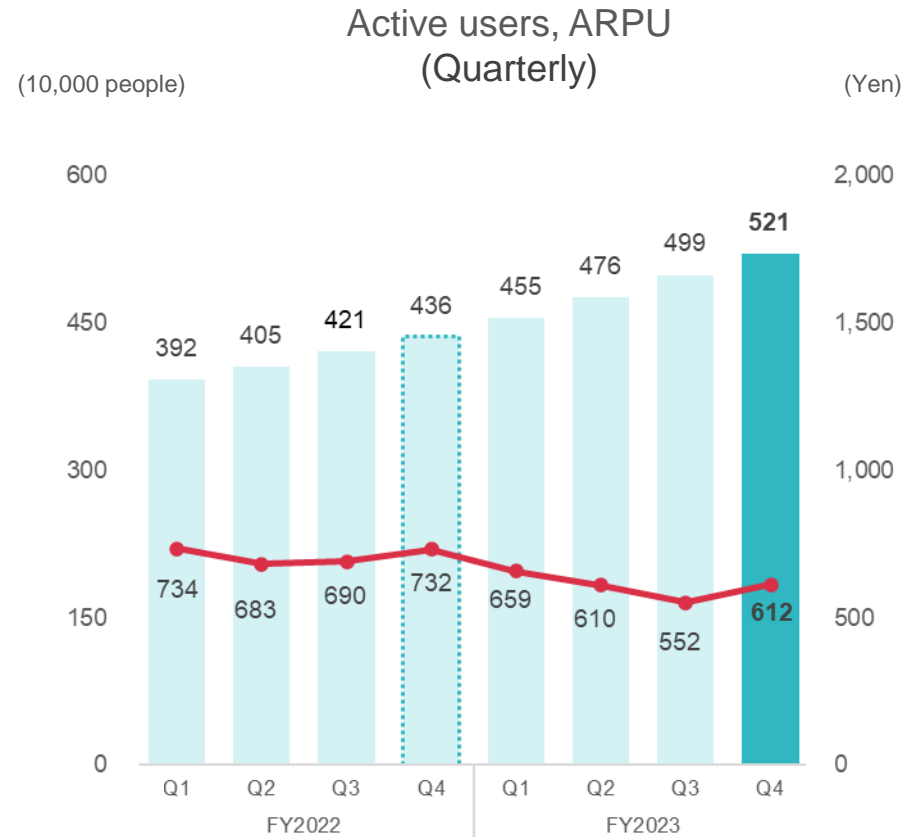
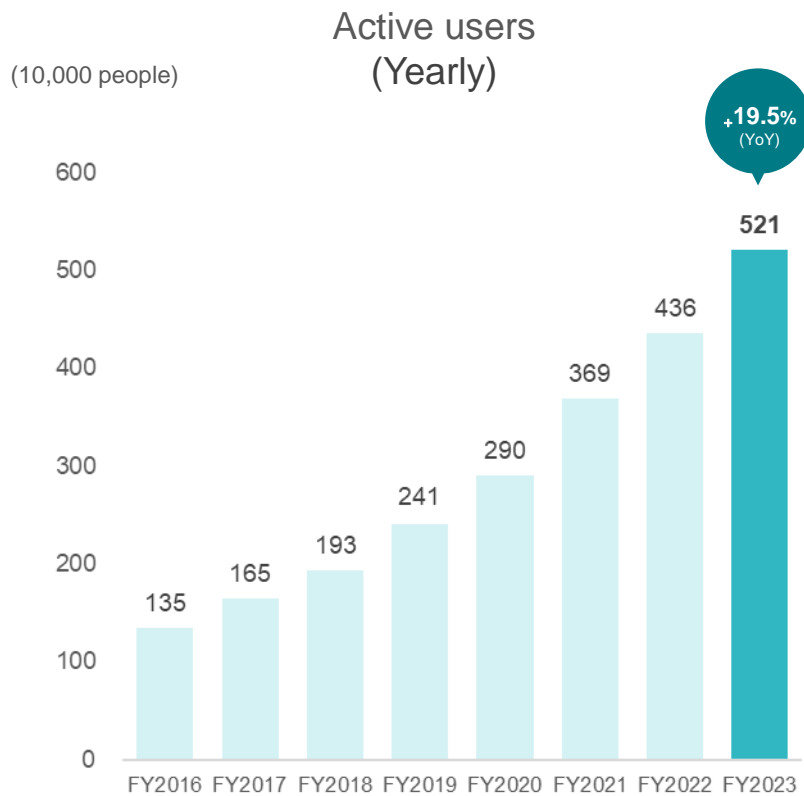
* The business classification in the Mobile Service segment for FY2021 and earlier has been revised in accordance with the changes that subsequently took place in the segment.

* Trading volume within segments are not indicated since their impact on the graphs is marginal.

Active users / ARPU / Apps Downloads (Moppy)

Membership growth accelerated in 2023, with the number of active members surpassing 5 million.

Unique users (users who responded to ads) increased, further strengthening Moppy's media power.



■ Active users (left) ● ARPU (right)

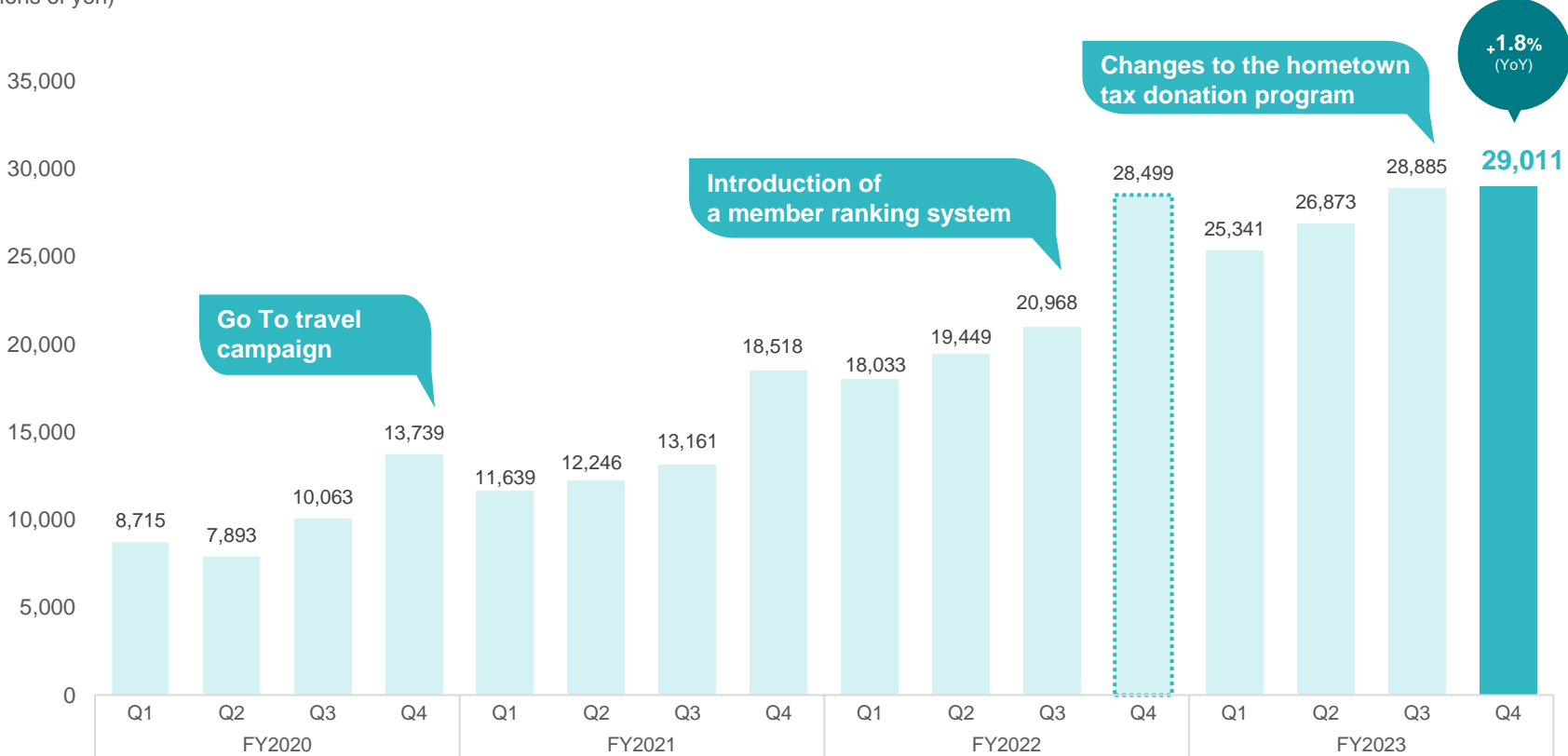
* ARPU is calculated by dividing Moppy's quarterly sales by the average number of active Moppy members during the period.

E-Commerce Transaction Value by Moppy

GMV increased both YoY and QoQ in Q4 due to increased recognition of EC affiliate usage, although some demand was brought forward to Q3 due to a change in the hometown tax donation program.

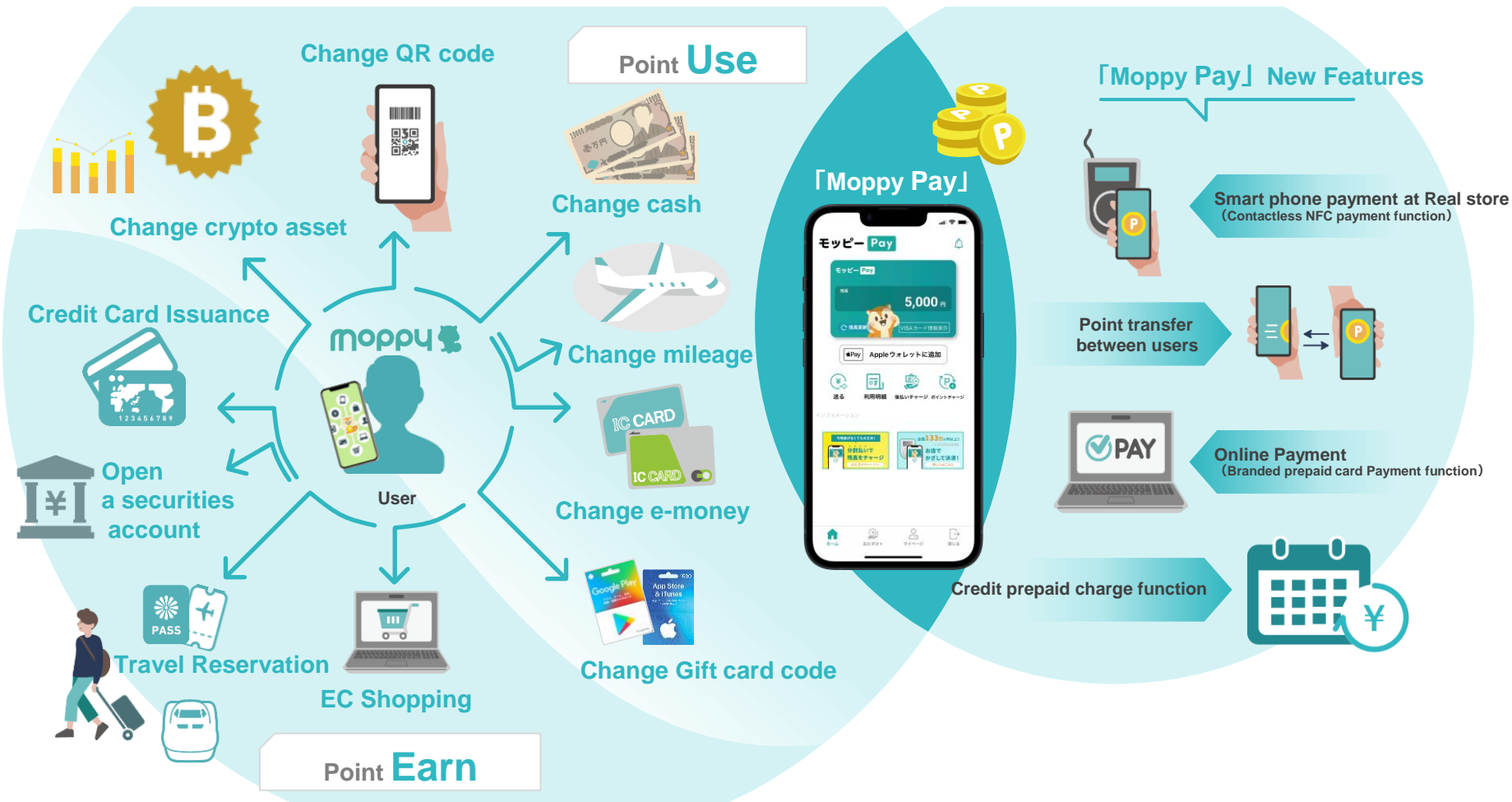
E-Commerce Transaction Value (GMV)

(Millions of yen)



Moopy Business Strategy

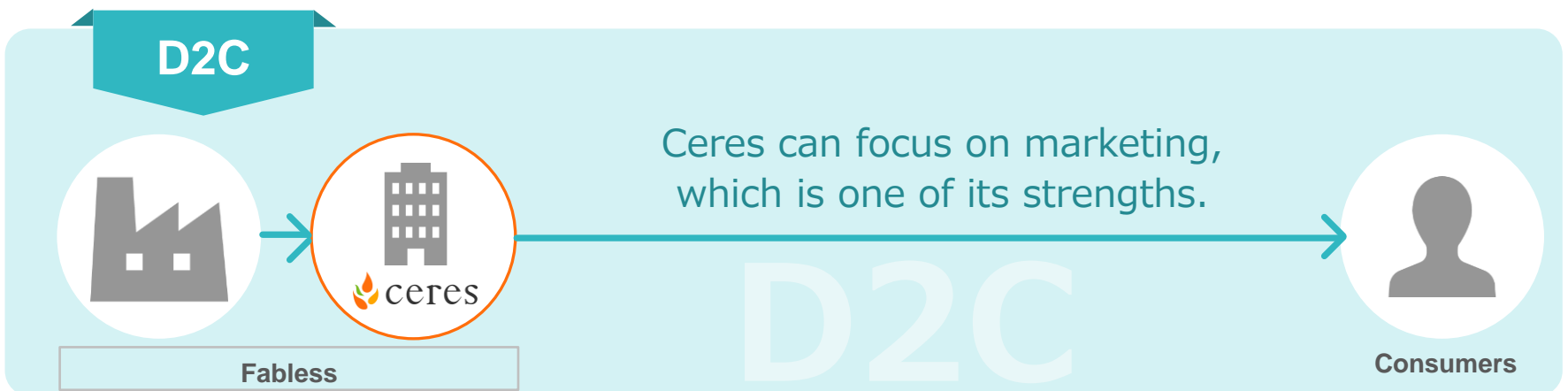
The Moopy App now includes a fintech feature called "Moopy Pay".
Creating touch points with the Moopy App both brick-and-mortar and online.



D2C Business Model

D2C is a model that delivers products directly to consumers without wholesalers, retailers, or other intermediaries.

The elimination of intermediary margins allows for more marketing investment.



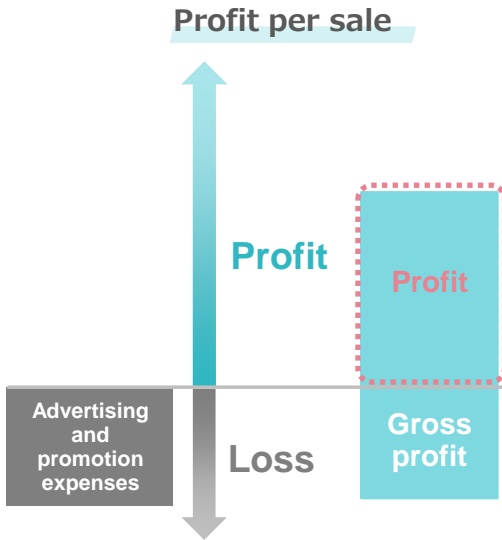
Profit Structure of D2C Single Product Sales and Subscription Sales Models

Single product

- ✓ Selling individually on our website
- ✓ Selling in malls and retail outlets



High Performance Insole 「Pitsole」



📍 Trial purchases in the mall can lead to subscription purchases.

Subscription

- ✓ Selling subscription products on our website



Supplement improve intestinal environment 「Oigurt」



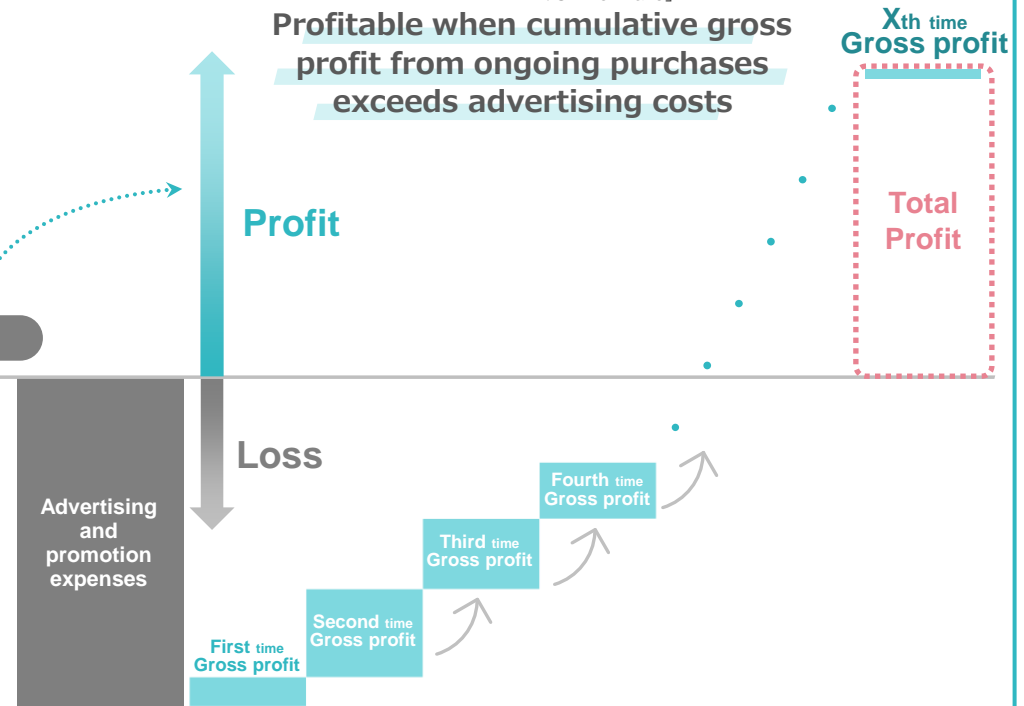
Supplement improve blood glucose levels 「Off Re : kake」



anypill
Online medical care for pills 「anypill」



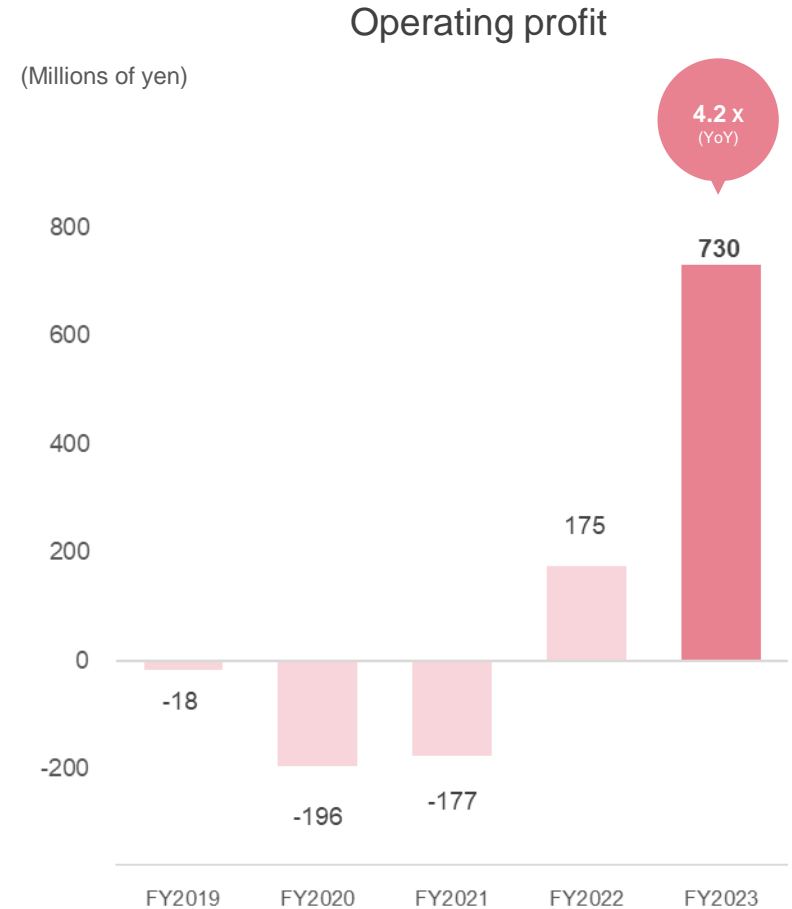
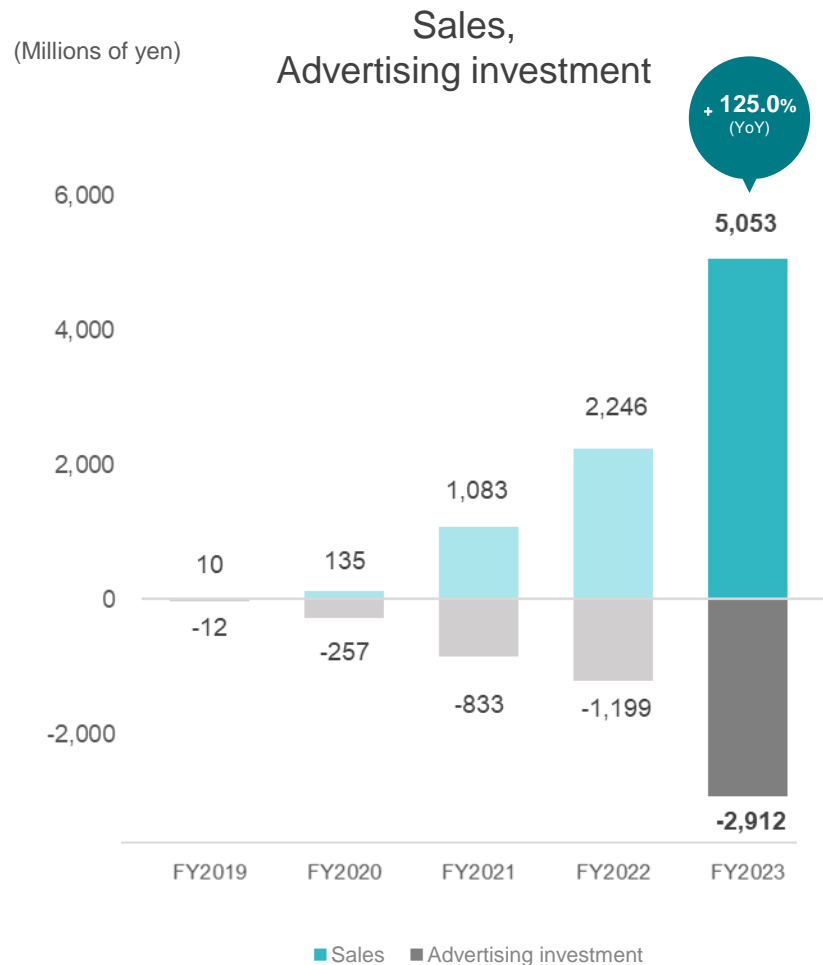
Original Cosmetics 「ÉTOILE BEAUTÉ」 series



D2C Earnings (Yearly)

Profit jumped 4.2 times thanks to High Performance Insole “Pitosole”

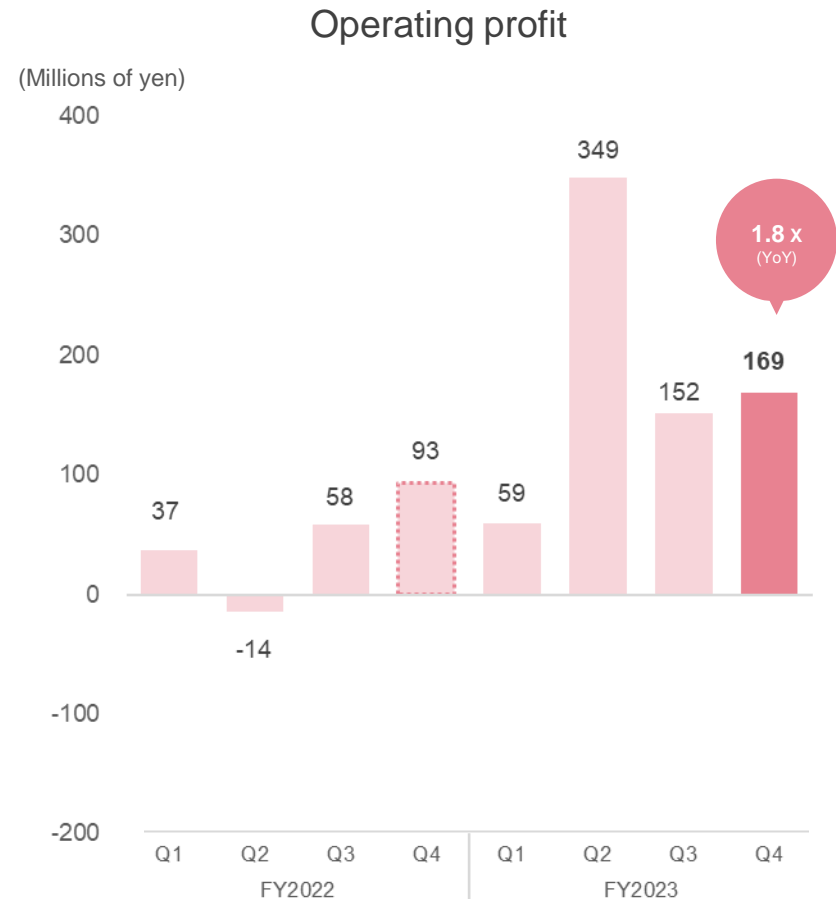
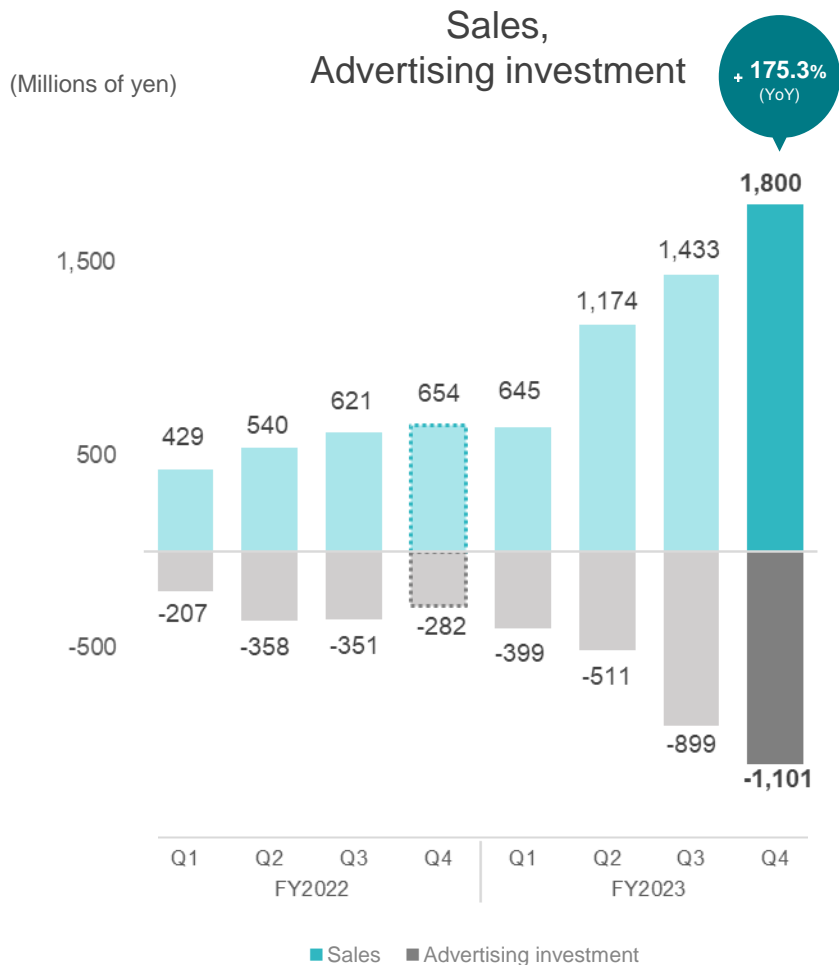
The D2C business is on a growth path with an increase in SKUs and the accumulation of know-how on “promotions that sell”.



D2C Earnings (Quarterly)

Upfront advertising expenses for subscriptions were booked such as “Oi gurt”, “Off Re:kake”.

”Pitsole” continued to sell well, absorbing advertising expenses and increasing profit compared to the previous quarter.



D2C Business Strategy

Developing products that uncover latent needs and open up new markets. Establish brand value through agile new product introductions and longer product life cycles.

Utilize expertise accumulated in 「Moppy× AD.TRACK × advertorial media」

Purchasing data of over 5 million people

Extensive experience in handling advertisements

Product Strategy

Product Development

- Proposing new concepts and creating new markets
- Start small and launch products flexibly
- Establish a position as a top player in the field



Marketing Strategy

Direct selling (Proprietary website)

- Utilizing the expertise of "promotions that sell"
- Strengthen brand power
- Increase up-sell/cross-sell
- Improve retention rate



Sales channel expansion

Reach customers that cannot be reached through proprietary websites

Online marketplaces (Amazon, Rakuten Ichiba, etc.)

Brick-and-mortar stores

DX (YUMEMI) Business Model

Enhanced focus on customers outside the omnichannel domain to drive sales. Continuous earnings growth with the recurring businesses of quasi-mandate, operation, and maintenance.

Contract app and web-service development business for corporate customers

- YUMEMI supports customers' DX promotion starting from the upstream stage and helps them bring operations in-house.
- YUMEMI, which mainly provides DX support to major domestic retailers and distributors, is now expanding its customer base to other fields.
- YUMEMI also provides development resources to CERES Group.

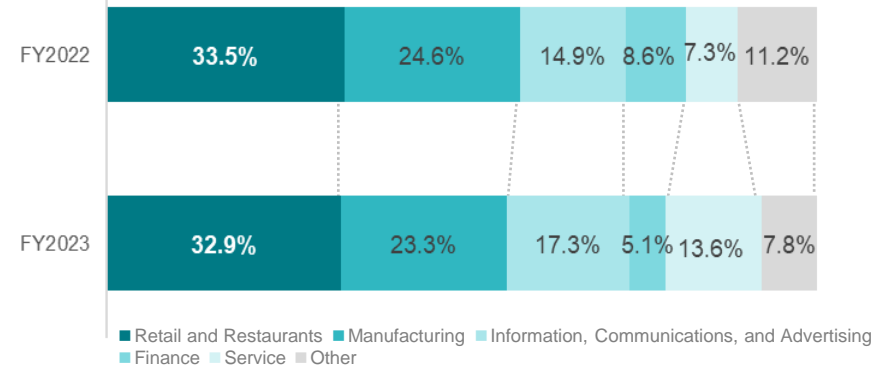
YUMEMI works with customers to jointly create internet services for consumers and end users.



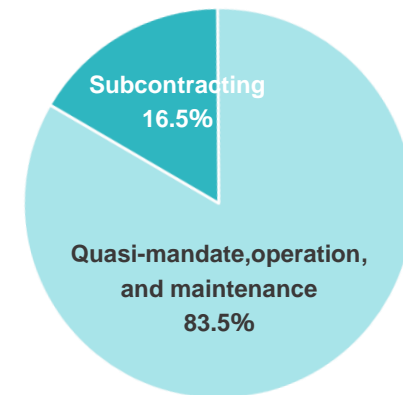
Client Cases



Customer industry distribution



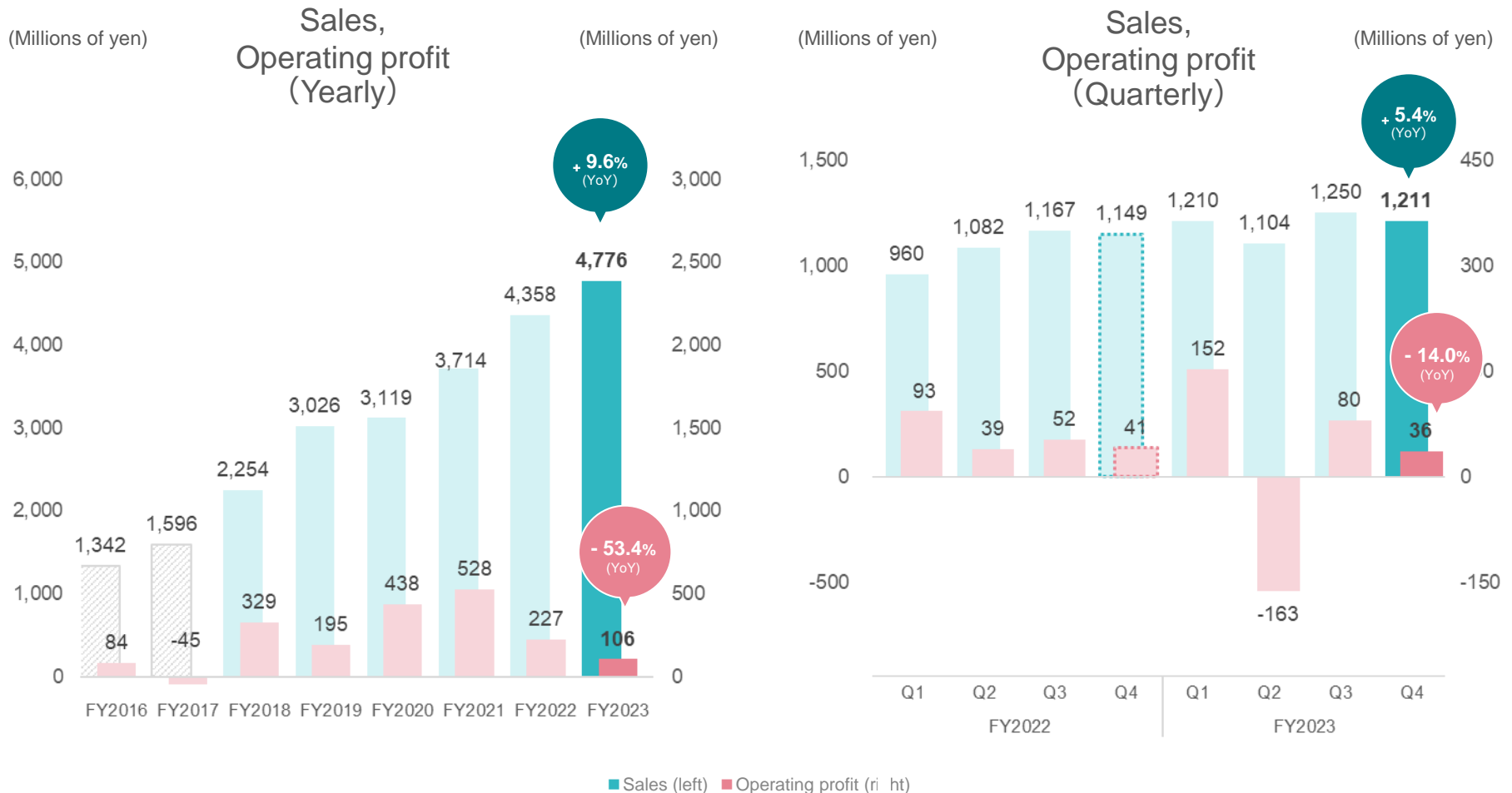
Sales by segment (FY2023)



DX (YUMEMI) Earnings

Full-year sales increased due to successfully accommodating demand, but profit decreased due to the proactive investment in human resources.

In the 4Q, the assignment of newly graduated engineers to projects progressed and the utilization rate improved, but the contribution to profit was still on the way.

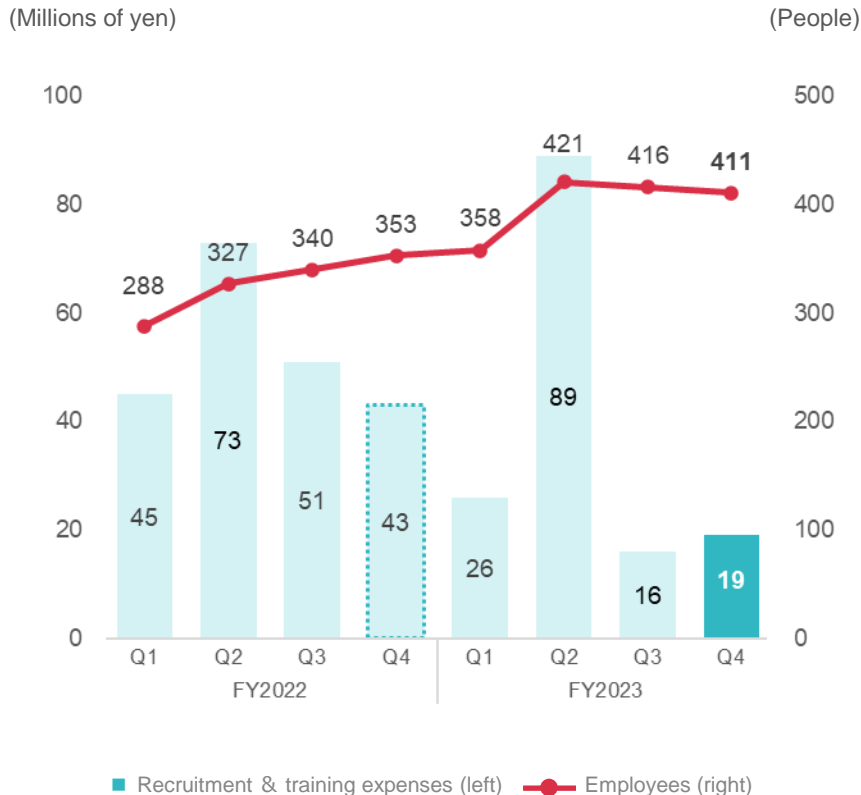


* Yumemi was an equity method affiliate in 2016 and 2017. It was consolidated in 2018 and has been included in Ceres' consolidated financial results since July 2018.

DX (YUMEMI) Earnings

In the previous fiscal year, we aggressively recruited new graduate engineers and gradually made progress in assigning them to projects, that contributed to profits. In the current fiscal year, the company has eased the pace of hiring new graduates to 30, and has shifted to a structure that emphasizes a balance between growth and profit.

Employees,
Recruitment & training expenses



Variation in cost factors from investment in human resources

	Operating ratio		SES Cost (outsourcing) / Labour Cost Ratio
	(Engineers Overall)	(Graduate engineer)	
Q1	73.5%	-	17.2%
Q2	68.0%	40.8%	13.7%
Q3	75.8%	72.3%	11.2%
Q4	74.2%	73.3%	10.2%

2023

- Hired 67 new graduate engineers for growth
- Increased costs due to proactive investment in recruiting and training

- ✓ Lead time required to assign new graduate engineers to projects
- ✓ Indirect man-hours of existing engineers required to hire and train
- ✓ Increase in outsourcing cost ratio to SES to handle projects

2024

- The number of new graduate engineers hired was 30, about half of the number hired the previous year.

- ✓ Focus on improving the utilization ratio of new graduate engineers hired in the previous year
- ✓ Strengthen of sales and marketing to secure enough orders to withstand increased hiring
- ✓ Strengthen mid-career recruitment of PMs to improve product management quality



2. FY2023 Results Summary of Each Business

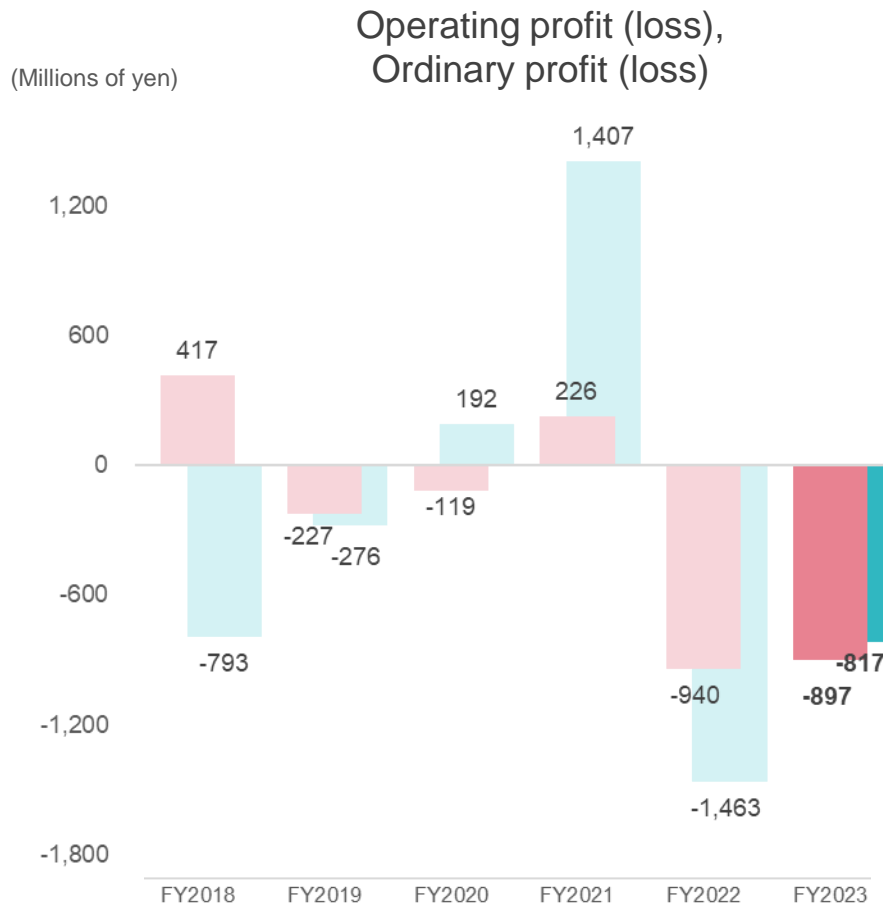
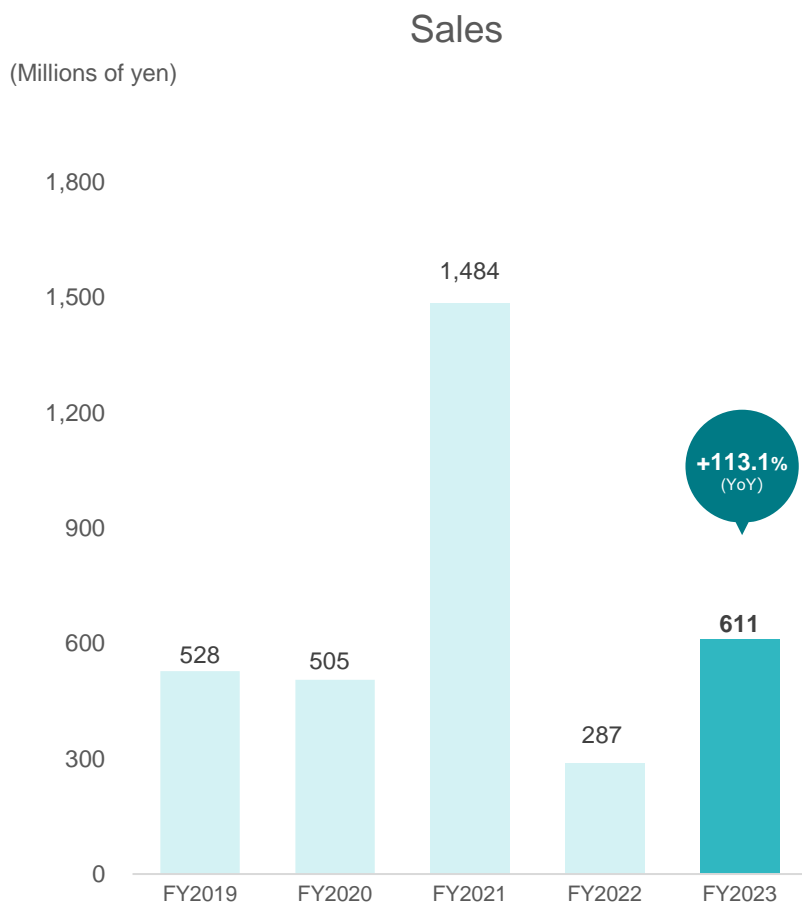
Mobile Service Business

Financial Service Business

Financial Service Business Earnings (Yearly)

Staking is available in 10 currencies at Mercury, doubled from 5 at currencies from the end of the previous year.

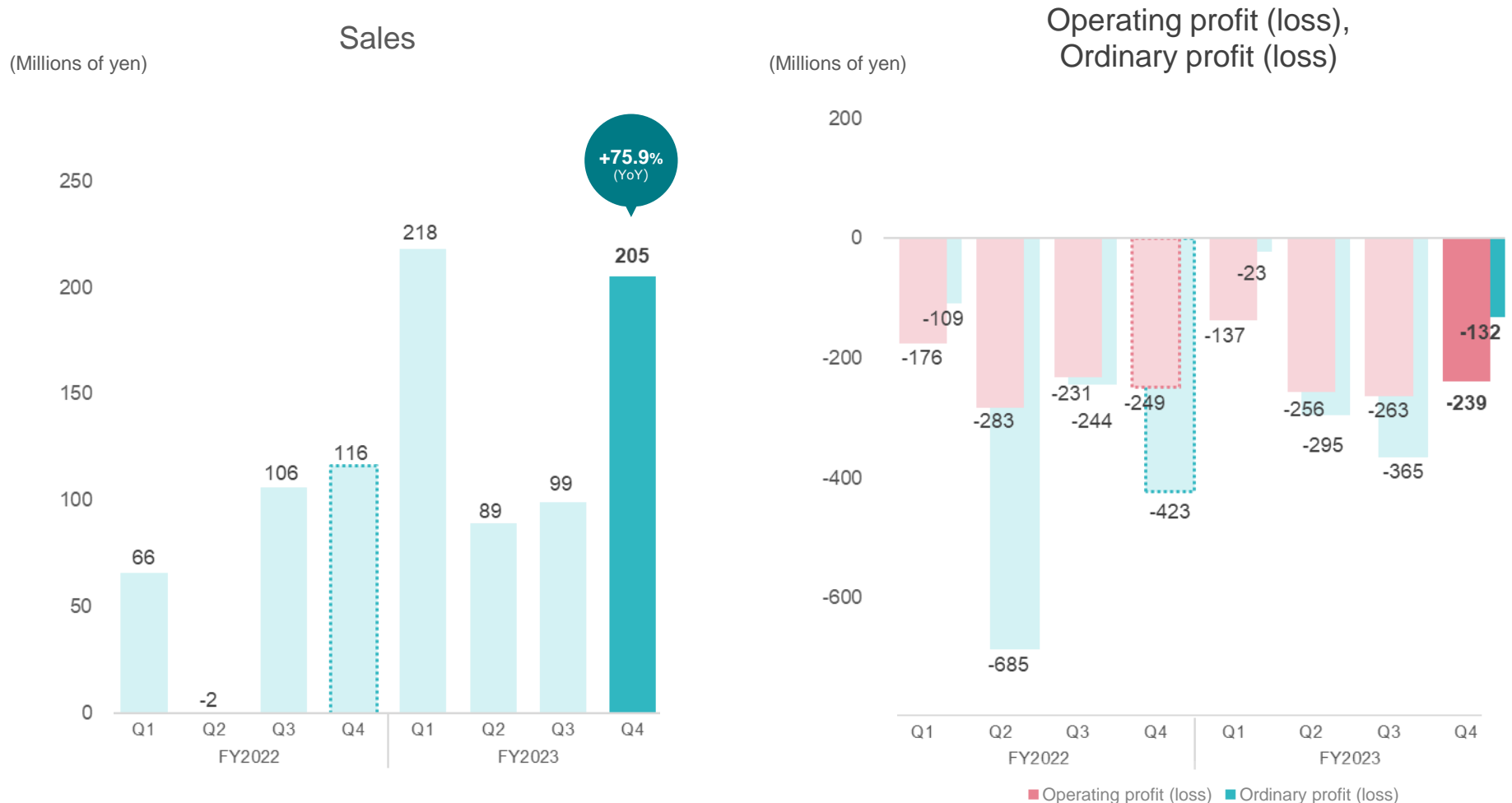
Factoring GMV of label grew 2.7 times compared to the previous year.



■ Operating profit (loss) ■ Ordinary profit (loss)

Financial Service Business Earnings (Quarterly)

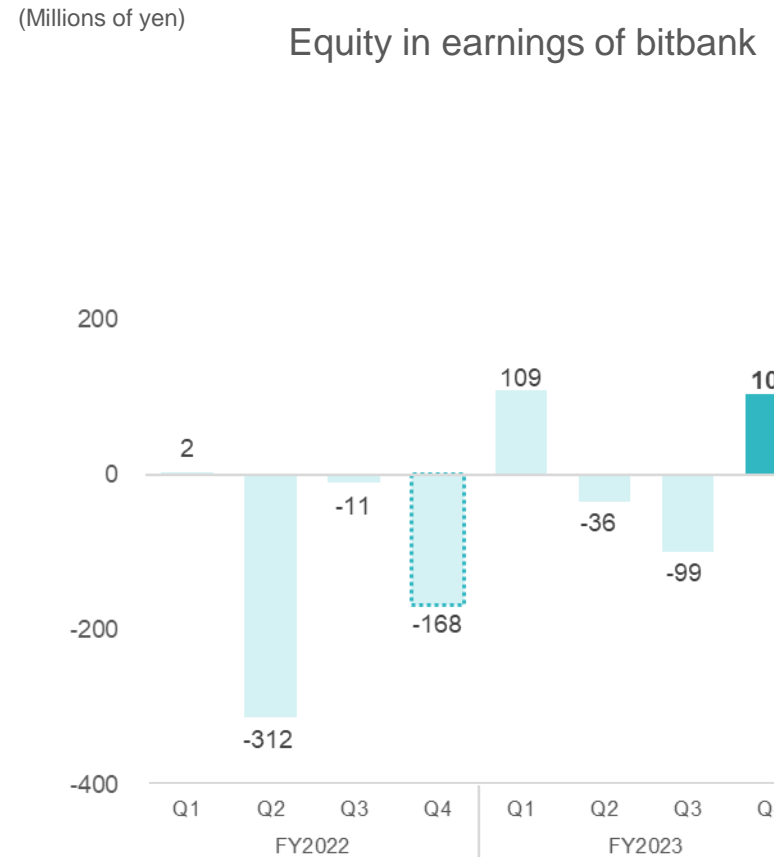
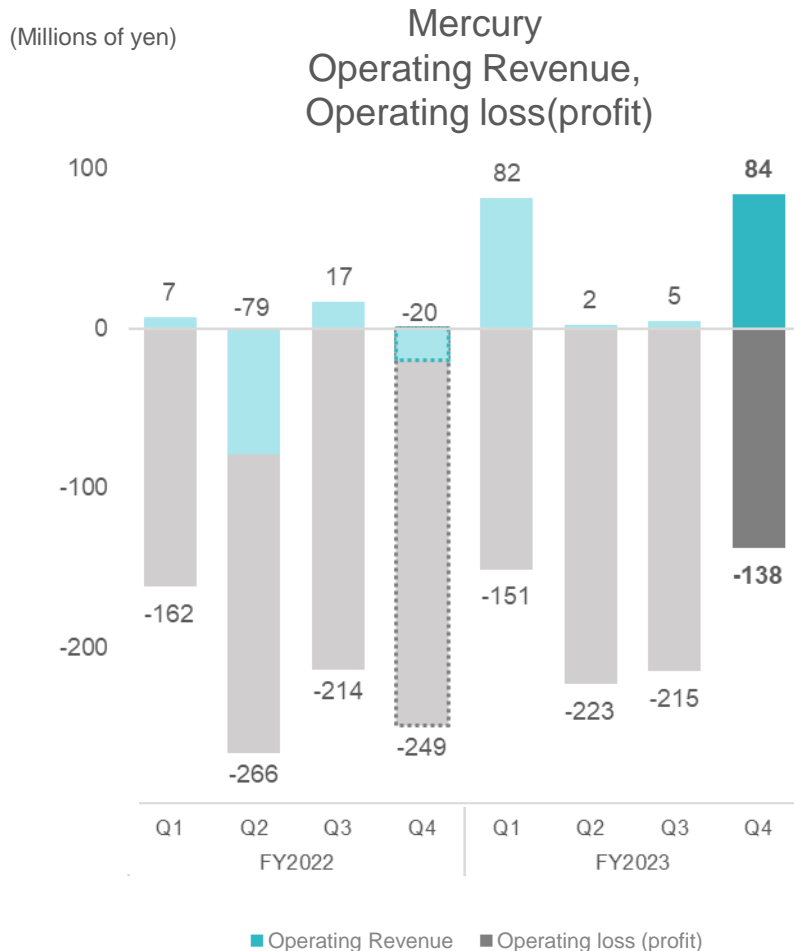
Good performance in staking at Mercury and factoring & card payments at labol. Sales increased significantly both YoY and QoQ with signs of recovery in the crypto asset market.



Mercury and bitbank Earnings

Mercury became the No.1* company in Japan in terms of the number of staking currencies available, with 10 currencies.

BB added 6 new currencies in Q4, bringing the total of 37 currencies, making it the No.1 yen and cryptoassets broker in Japan.



* Based on our research as of December 31, 2023

Mercury's Holdings of Crypto Assets and the Impact on PL

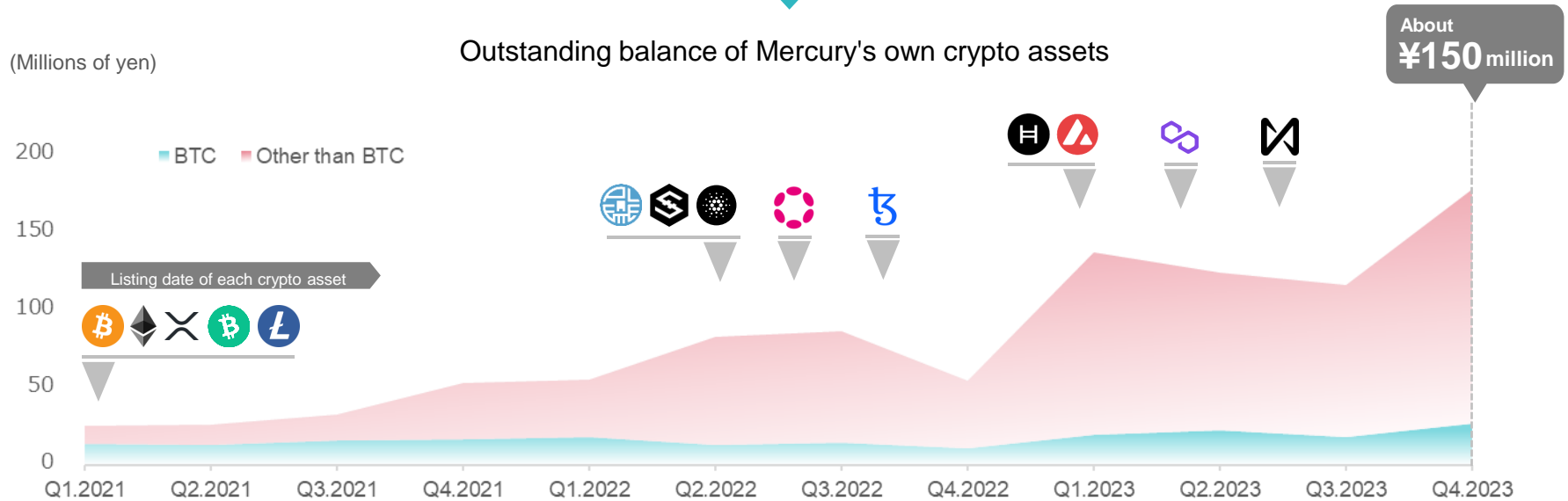
Mercury holds a certain amount of crypto assets

- To ensure trading liquidity
- To secure a minimum staking amount
- Because revenues are received in crypto assets

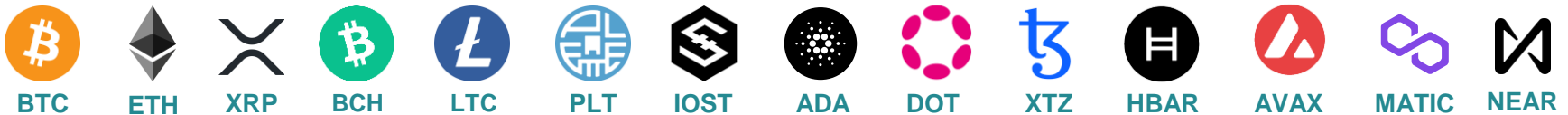
For self-holding crypto assets, under the accounting rules, valuation/gains or losses on sale are booked to net sales.

*** No cash inflows or outflows with regard to valuation gains or losses.**

There is a risk of price volatility for own holdings



Crypto assets handled



Blockchain Business Strategy

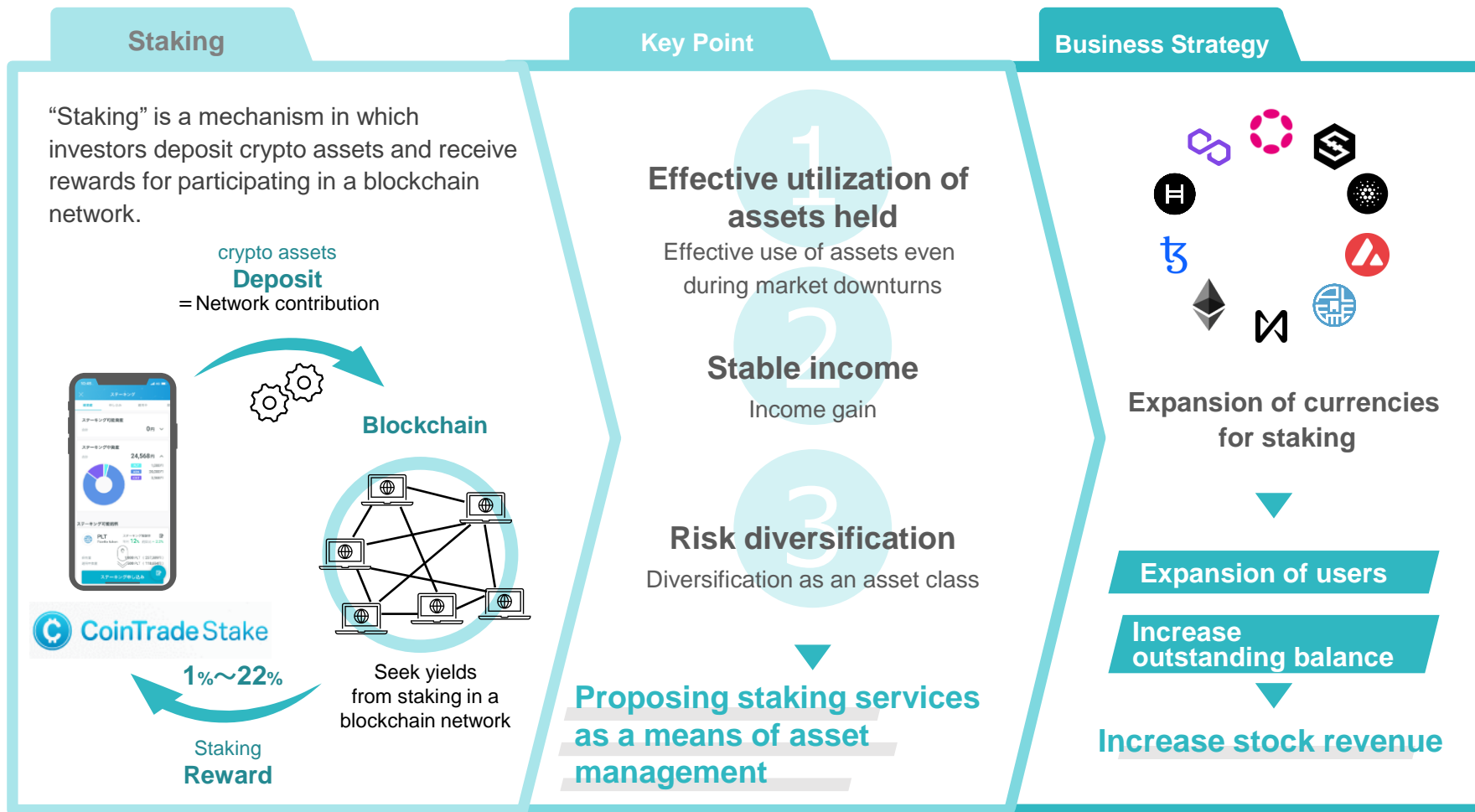
The crypto asset market is expected to be driven by the macro environment. In response to the booming market, Group companies are moving from the preparation phase to the growth phase.



Mercury Business Strategy

Propose crypto assets as one of the asset management methods through staking services.

Establish a position as a staking firm by expanding the number of currencies stocks handled and the number of users.



Top-ranking crypto asset trading volume in Japan



No. 1 in domestic trading volume of altcoins

High-grade security backed by in-house developed wallet

Japan Digital Asset Trust Preparatory Company, inc. (JADAT) established



A preparatory company for asset management services for digital assets* jointly established by the two companies by combining their strengths.

* crypto assets and other public blockchains , security tokens, stable coins, NFTs, etc.

- Plan to launch margin trading service for crypto assets
- Continue to expand asset lineup in stages
⇒ Aim to become No. 1 in Japan by number of crypto assets handled

✓ Increase user count

✓ Activate transactions

✓ Expand revenue

- Acquire trust business license
- Handle crypto assets, stablecoins, NFTs, etc.

✓ Capture institutional investors

Demand for trading and custody of crypto assets

✓ Capture business demand

NFT custody demand from game companies, etc.

✓ Stable recurring revenue

Commissions from assets in custody

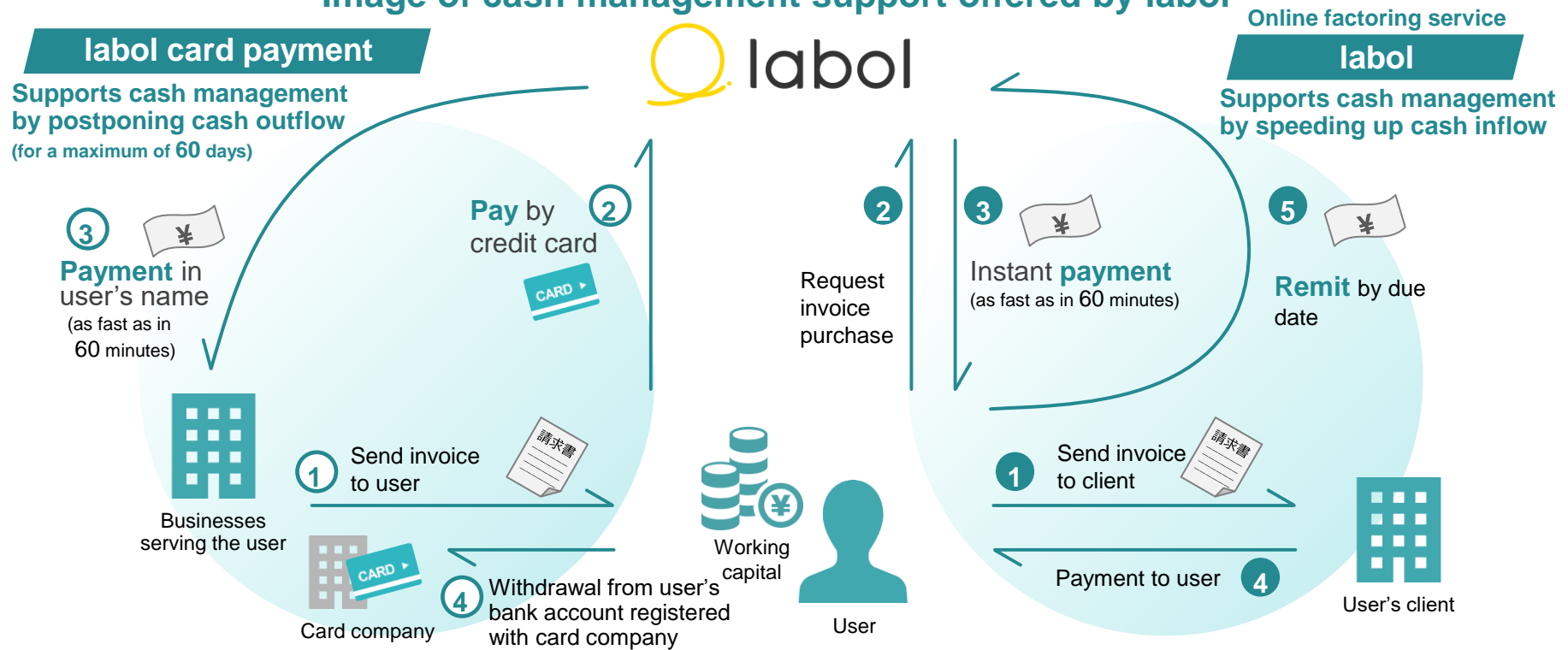
Aim to be “No. 1 in the Crypto Asset Exchange”

labol Business Strategy

Provides cash management support for both sales and expenses with factoring and credit card payments.

Building up the number of users and GMV and contribute to accelerate the business of freelancers.

Image of cash management support offered by labol



labol card payment

A financial service, which serves as a bridge between business operators wishing to pay by credit card and businesses that do not accept credit card payments (non-member merchants). The service enables users to use a credit card on hand to pay expenses that could not be paid by credit card until now, thereby postponing users' cash payment by a maximum of 60 days*.

* The number of days depends on the payment cycle of the credit card used.

Investment and Development Business (CVC)

With the aim of further expanding its investment and development business, decided to operate a fund from 2024.

Transfer to the first fund as a continuation fund with a book value of ¥1 billion , 17 mobile sector investee companies.

*As of December 31, 2023



Collaborations in Mobile Service

Media, D2C-related

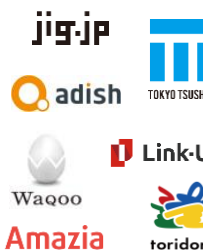


Collaborations in Financial Service

Fintech, blockchain-related



valuedesign



IPO Result 8 companies



3. FY2024 Forecasts / Progress of Medium-Term Management Plan 2026

FY2024 Earnings Forecast

(Millions of yen)	FY2024 (Forecast)	FY2023	YoY	YoY Changes in Amount
Net Sales	27,000 (100.0%)	24,070 (100.0%)	+12.2%	+2,929
Operating profit	1,600 (5.9%)	1,118 (4.6%)	+43.1%	+481
Ordinary profit	1,600 (5.9%)	1,217 (5.1%)	+31.4%	+382
Profit *1	800 (3.0%)	451 (1.9%)	+77.3%	+348
EBITDA *2	2,100 (7.8%)	1,707 (7.1%)	+23.0%	+392
Dividend	20.00 yen	20.00 yen		
EPS	70.09 yen	39.57 yen		
Dividend payout ratio	28.5%	50.5%		

*1 Profit represents profit attributable to owners of parent.

*2 EBITDA: Profit before income taxes + Interest expenses + Depreciation + Amortization of goodwill (addition of amount equivalent to amortization of goodwill including share of loss of entities accounted for using equity method) + impairment losses.

FY2024 segments Forecasts

(Millions of yen)	Net sales		Operating profit	
	FY2024 Forecast	FY2023	FY2024 Forecast	FY2023
ALL	27,000 YOY +12.2%	24,070	1,600 YOY +43.1%	1,118
Mobile Service Business	25,720 YOY +9.6%	23,476	3,760 YOY +17.9%	3,187
Point	14,000 YOY +1.3%	13,817	2,830 YOY +14.1%	2,480
D2C	6,400 YOY +26.6%	5,053	785 YOY +7.5%	730
DX	5,500 YOY +15.1%	4,776	275 YOY +158.9%	106
Transaction value within segments	-180 YOY -	-170	-130 YOY -	-129
Financial Service Business	1,300 YOY +112.5%	611	-780 YOY -	-897
Inter-segment transaction value / Adjusted amount	-20 YOY -	-18	-1,380 YOY -	-1,172

Net sales are expected to grow 12.2% YoY to ¥2.7 billion.

- In Mobile service, we expect stable growth in Moppy and continued strong growth in D2C. Sales growth is expected in DX by increasing orders through sales reinforcement.
- In Financial service, we will look to expand Mercury's staking sales. In labol sales are expected to more than double YoY due to an increase in the number of members and GMV.

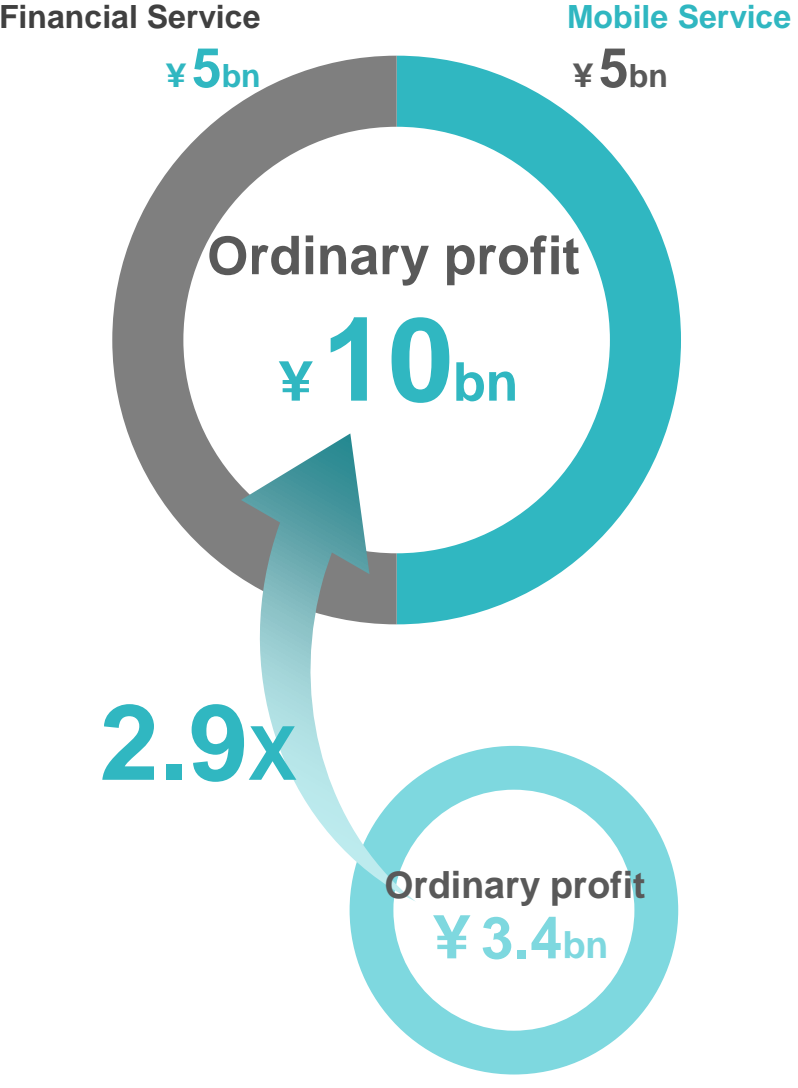
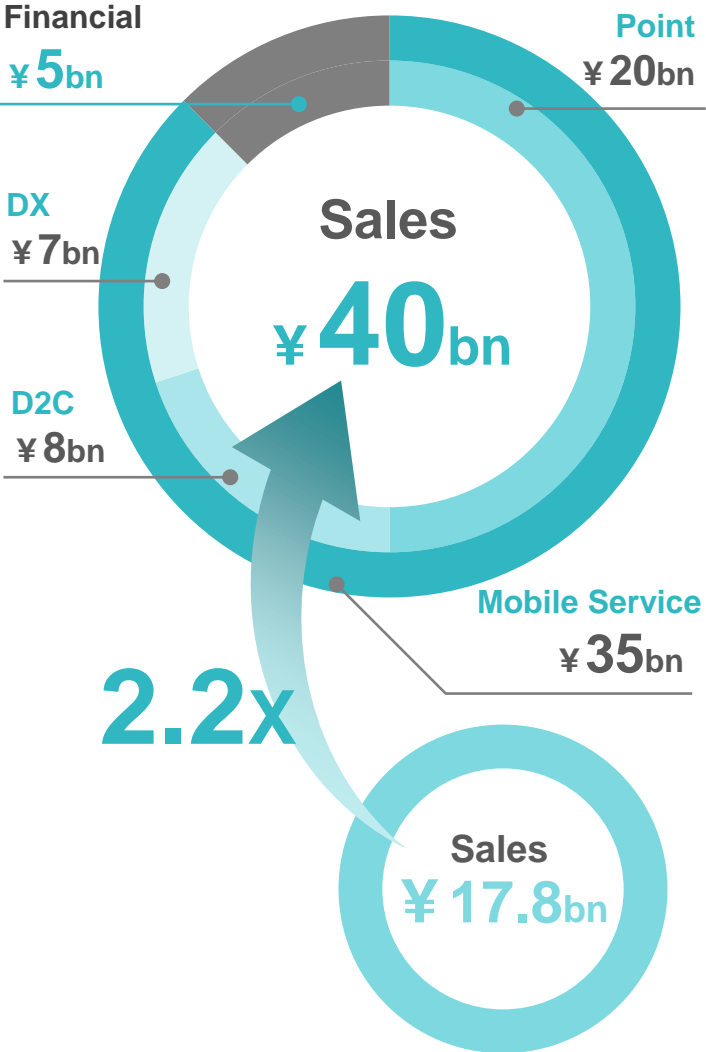
Operating profit is expected to grow 43.1% YoY to ¥1.6 billion.

- In Mobile service, we take measures to improve ad usage UUs for Moppy. Profitability of D2C subscriptions and higher operating rates in DX are aimed to increase operating profit.
- In financial service, operating loss is expected to be narrowed by sales expansion on Mercury and labol.

Ordinary profit is expected to grow 31.4% YoY to ¥1.6 billion.

- Since it is difficult to predict market trends, changes in crypto asset prices are not reflected in our forecast for equity in earnings of affiliate bitbank.
- We assume equity in earnings of bitbank to be around zero.

Sales and Profit Composition of the Medium-Term Management Plan 2026



Progress of Medium-Term Management Plan 2026 (Point)

Progress to 2023

Point Sales



Moppy ⇒ Both sales and membership exceeded the plan.

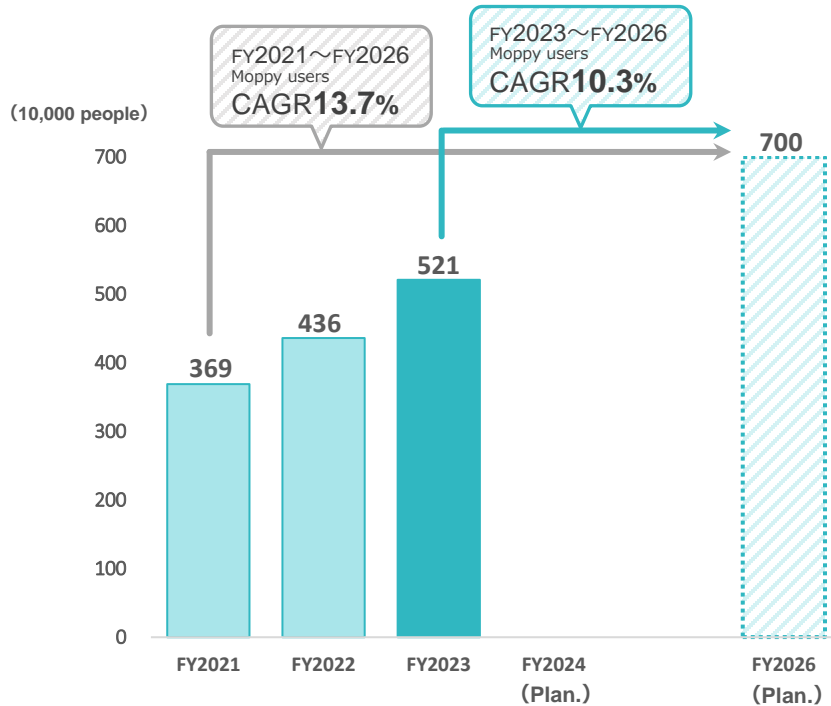


ASP & advertorial media ⇒ Weak advertising impacted.

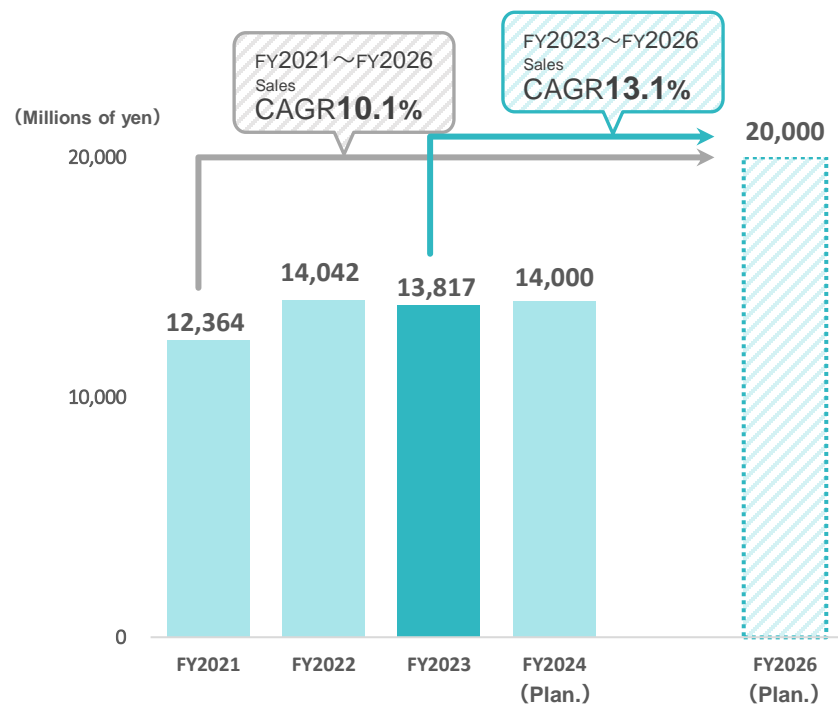
Change in sales and marketing structure for Moppy, ASP and advertorial media

Aggressive acquisition of new customers, targeting sales of ¥20 billion

Moppy users



Point Sales



Progress of Medium-Term Management Plan 2026 (D2C)

Progress to 2023

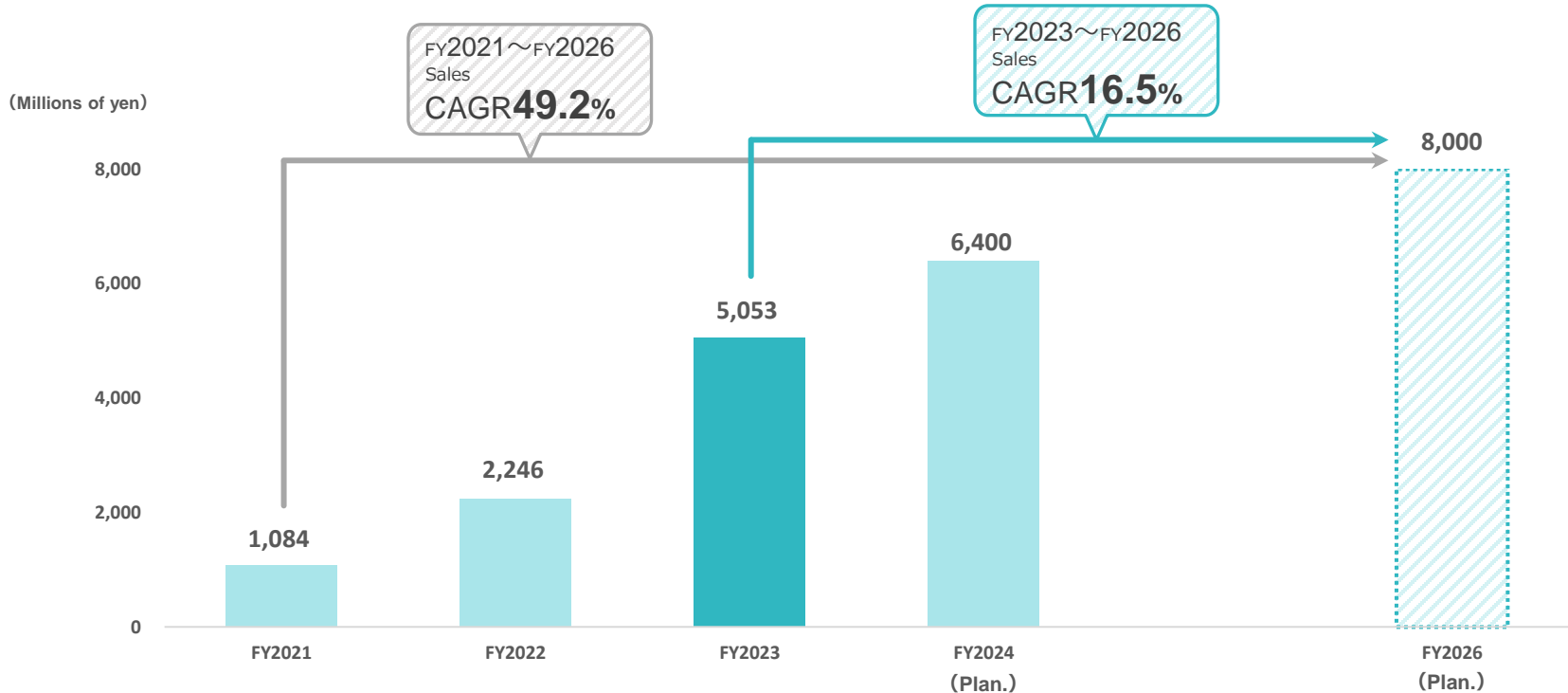
D2C Sales



Cleared high hurdle sales targets.
Business is on a growth path and is
on track to exceed the plan.

By utilizing accumulated expertise in promotions, flexible product launches products
and strengthen brand power, targeting sales of over ¥8 billion

D2C Sales



Progress of Medium-Term Management Plan 2026 (DX)

Progress to 2023

DX Sales

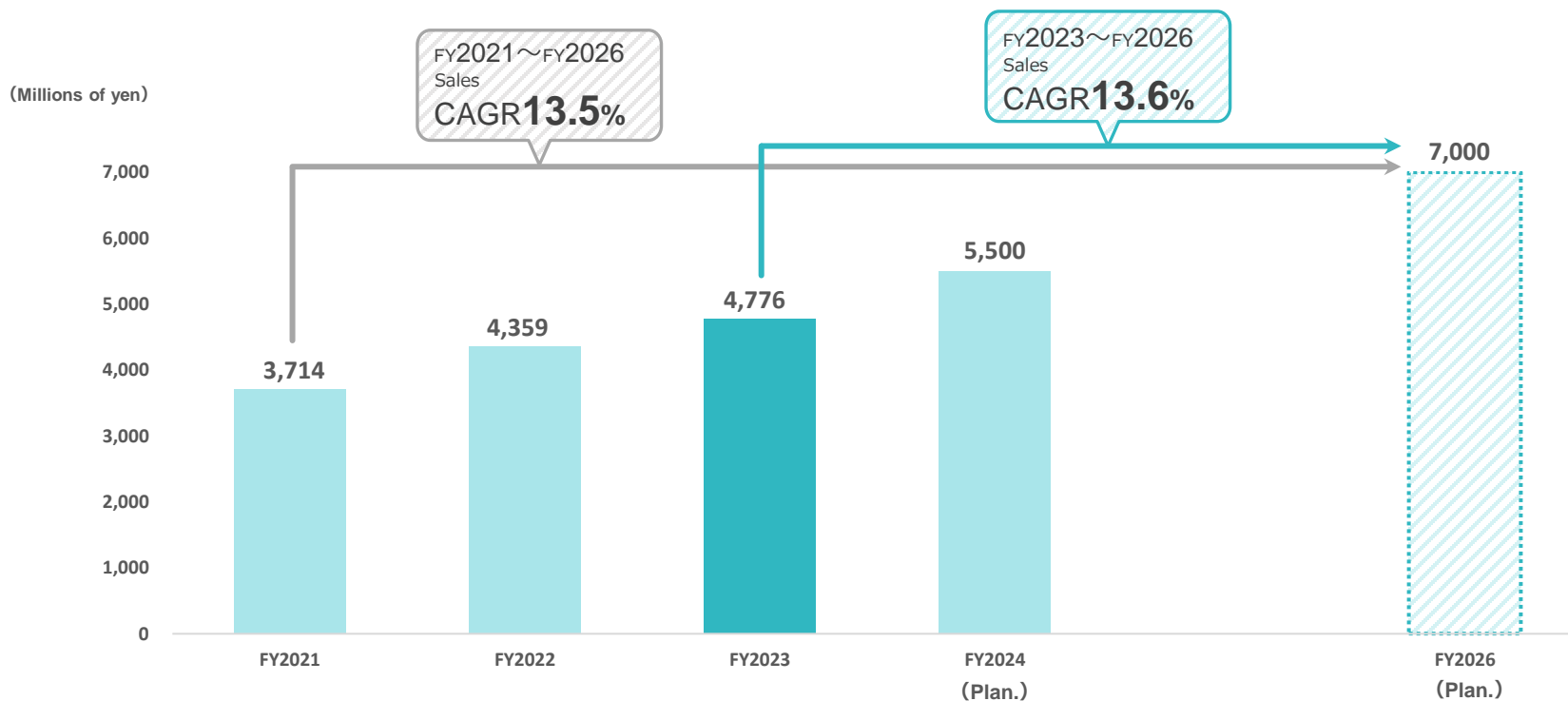


Overall sales progressed as planned.

Progress in building a framework through proactive recruitment of engineers was in line with expectations.

Continue to strengthen the engineering structure and increase orders, as well as strengthen the sales structure, targeting sales of **¥7 billion**

DX Sales



Progress of Medium-Term Management Plan 2026 (Financial Service)



Crypto asset exchange with strength in staking

- 14 crypto currencies
- 10 currencies for staking

No. 1 crypto asset management firm in Japan

- Number of accounts: 0.25mn
- Staking balance: ¥1.0bn

Equity-method affiliate companies (23.6%)



One of the top crypto asset exchanges in the country

- 37 crypto currencies
- Annual transactions of ¥1.5trillion

No. 1 crypto asset exchange in Japan

- Total transactions of FY2024-FY2026: ¥45trillion
- Expansion of custody services

FY2026
Ordinary profit

¥5.0bn



Financial services platform for freelancers

- Annual transaction: ¥240.0bn+
- Plan to go public

Funding support services for freelancers

- Online factoring service 「Iabol」
- Card Payment Service 「Iabol card payment」

CVC

Apollo Capital Fund for Web3

- FY2024-FY2026年 amount for EXIT: over ¥5.0bn

CVC (Corporate Venture Capital)

- Investee: 40 companies
- accumulated EXIT amount: ¥3.5bn



Appendix



Appendix

Profile

Enriching the world through internet marketing

CERES aims to realize prosperous social interactions by providing various marketing services through the Internet, which has become a part of our social infrastructure.

Create a token economy



CERES is “the goddess of the earth” and “the goddess of abundant harvest” in Greek mythology. The Greek name for the Goddess is Demeter, and CERES is its Roman equivalent.

Company Name	CERES INC.
Established	January 28,2005
Location	Setagaya Business Square Tower, 24 Floor 4-10-1 Yoga, Setagaya-ku, Tokyo
Fiscal Year	December 31
Capital	¥ 2,046 million (As of December 31, 2023)
Representative	Satoshi Takagi, President and Representative Director
Employees (Consolidated)	615 (As of December 31, 2023; without temporary staff)
Businesses	Mobile Service Business Financial Service Business
Consolidated Subsidiaries	Mercury Inc., Diana Inc., Bacchus Inc., studio15 Co.Ltd., label inc., Salus,inc., Apollo Capital INC.,YUMEMI Inc.
Equity-method affiliate companies	bitbank, Inc.



2022 Transition to the New Prime Market of the Tokyo Stock Exchange

2021 Made studio15 Co.Ltd. a consolidated subsidiary

2018 Made YUMEMI Inc. a consolidated subsidiary

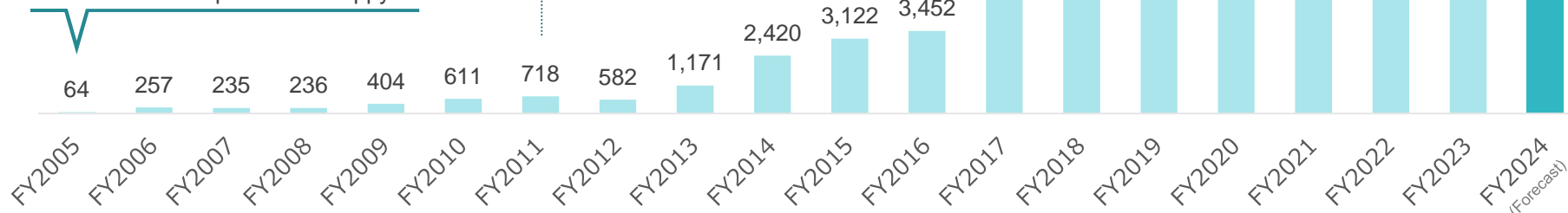
2017 Made bitbank, Inc. an equity-method affiliate
Established Mercury Inc. to enter into the crypto asset exchange business

2016 Made YUMEMI Inc. an equity-method affiliate
Listed on the First Section of the Tokyo Stock Exchange

2014 **Listed on the Mothers market of the Tokyo Stock Exchange**

2011 Launched “Moppy” for smartphones

2005 CERES INC. established
Launched point site “Moppy”



*Net sales are stated on the assumption that the new Accounting Standard for Revenue Recognition has been retroactively applied.







Sales (millions of yen)

Business Portfolio





We generate cash steadily in our mainstay Moppy business, and invest actively in growth areas.

We achieve a sustainable business portfolio by combining businesses of varying growth models.

Mobile Service Business

Point	 
D2C	  
DX	

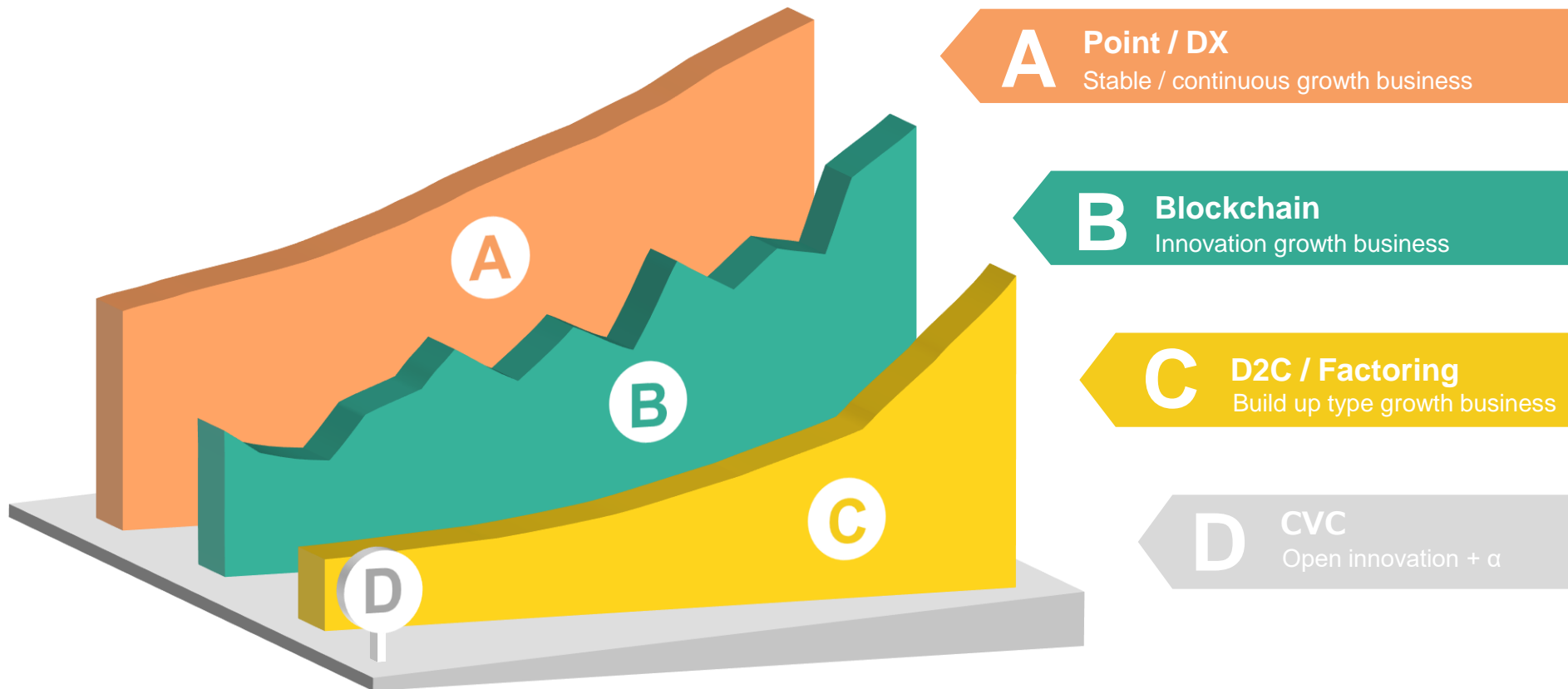
Financial Service Business

Blockchain	 
Online Factoring	 
CVC (corporate venture capital)	Investment development business

An Image of Growth up to 2026

We will pursue medium-term growth leveraging three business portfolios that feature varying growth models.

We plan to achieve stable growth with Point and DX while aiming for dynamic and rapid growth with Blockchain and D2C.










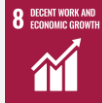





















Appendix

Sustainability

Setting Materiality

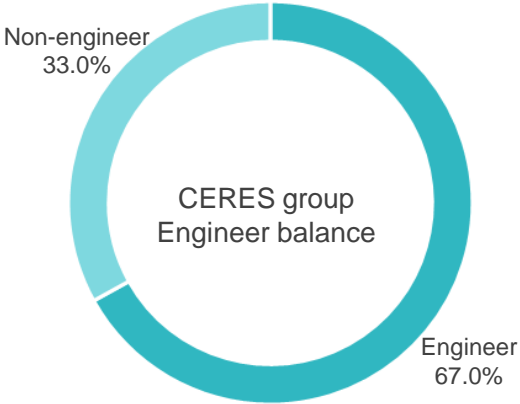
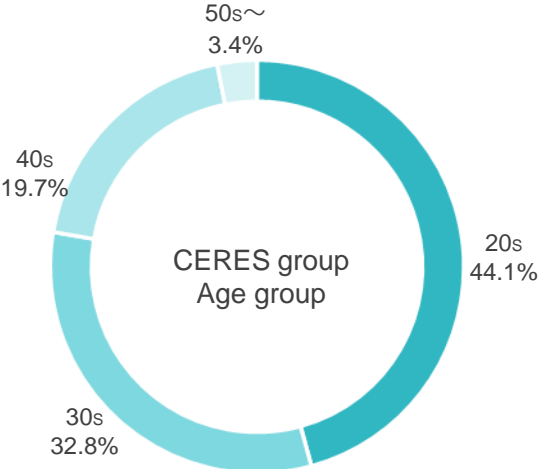
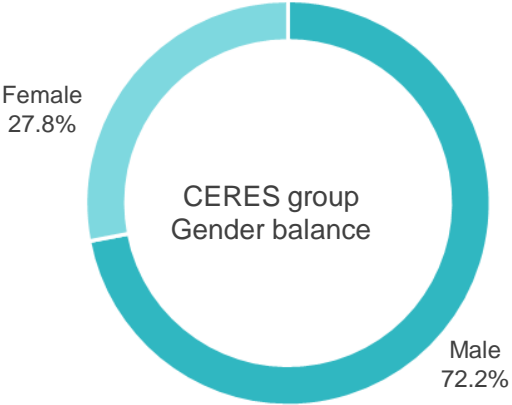
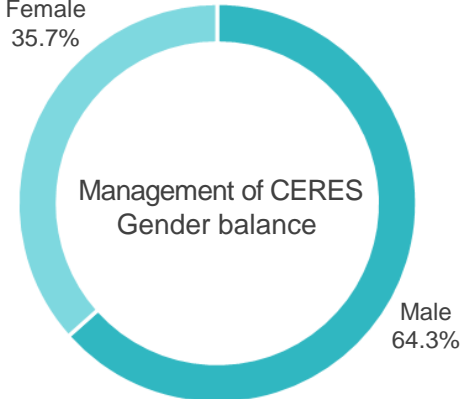
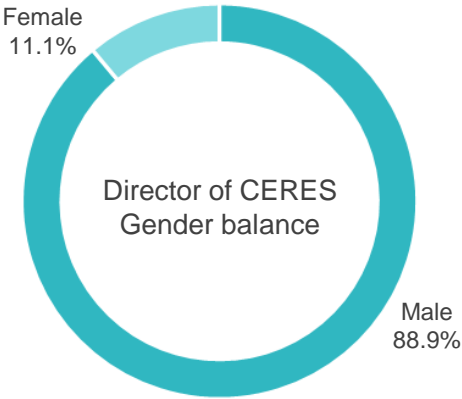
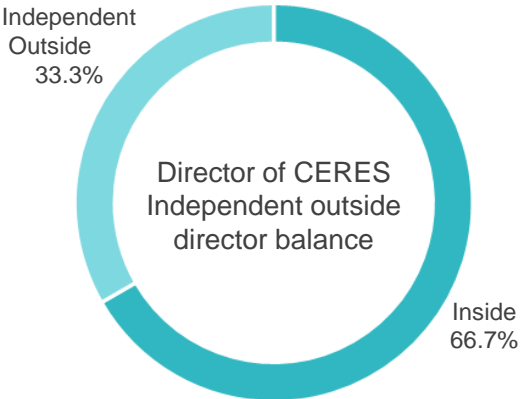
We identified seven material issues as key themes to focus on, and intend to step up existing ESG strategies implemented to practice sustainable management.

Materiality		SDGs					
1	Enriching the world through our services						
2	Resolving social issues and promoting economic development through open innovation						
3	Proper digital advertising and sound development of the industry						
4	Providing environmentally friendly products and services						
5	Active empowerment of diverse human resources						
6	Information security and privacy						
7	Strengthening of corporate governance						

Promoting Governance and Diversity

Boost corporate value over the medium to long term by strengthening corporate governance.

Promote diversity, including gender equality, to achieve sustainable growth.



* As of December 31,2023

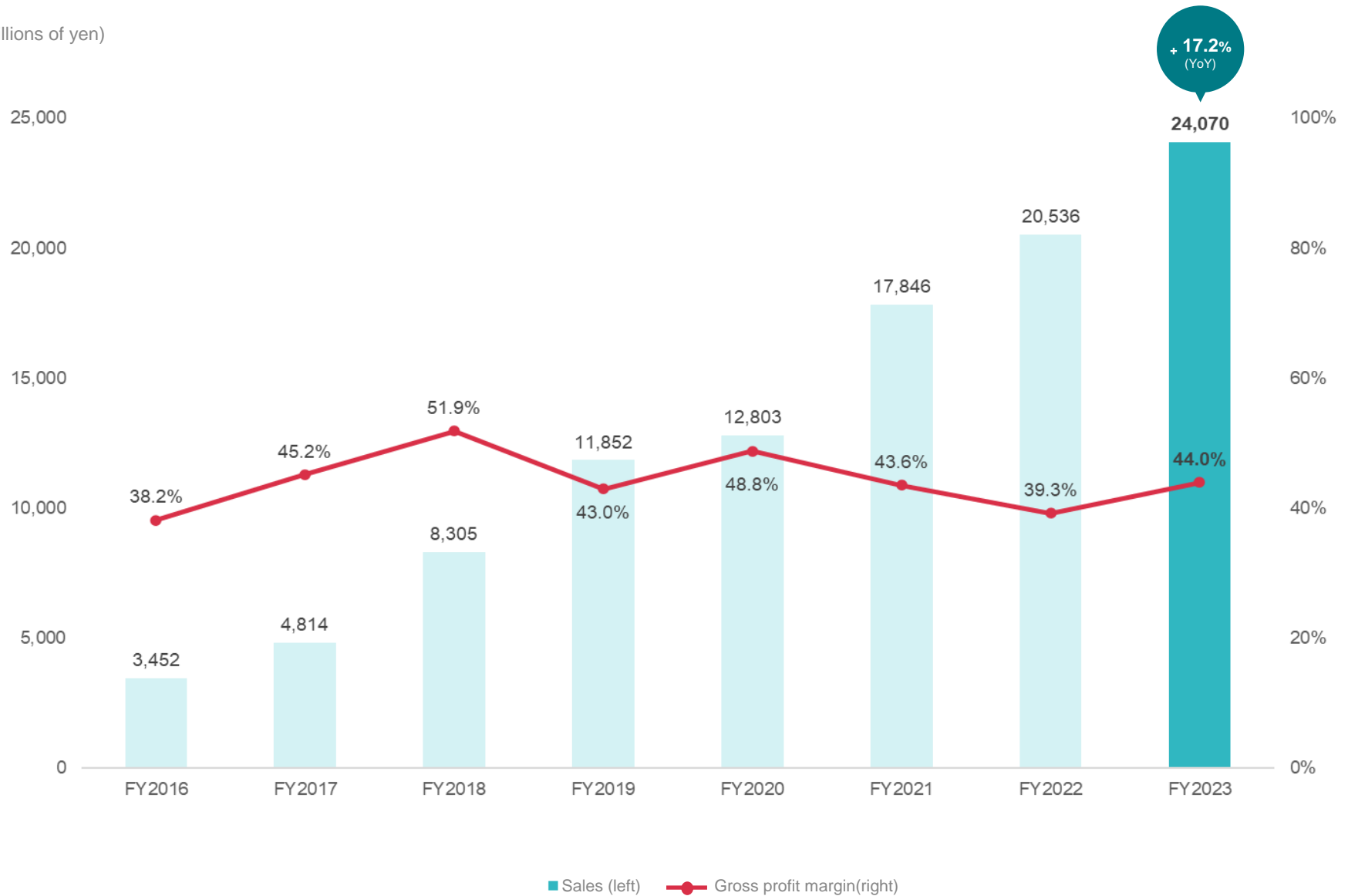


Appendix

Earnings

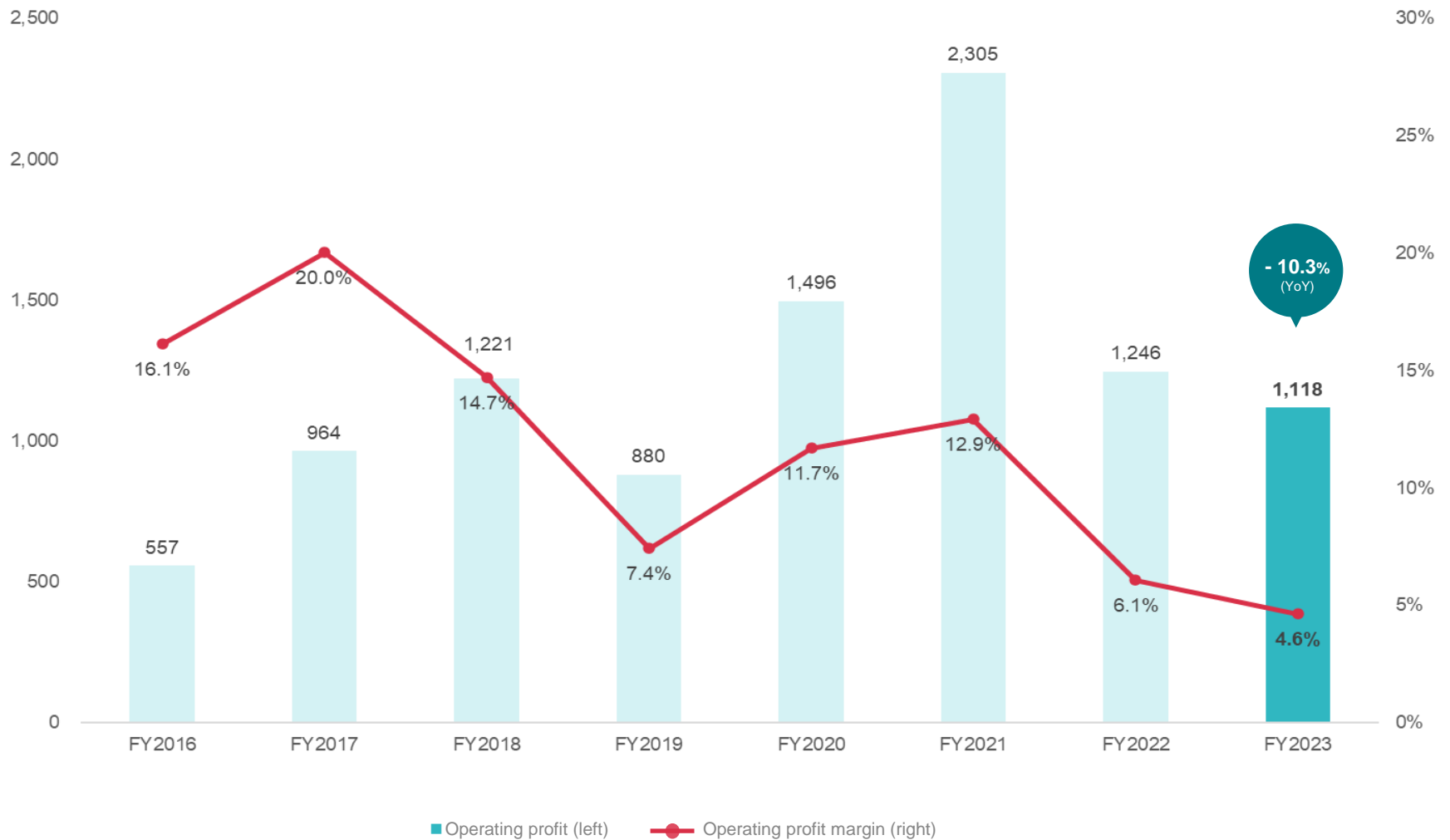
Yearly Sales

(Millions of yen)



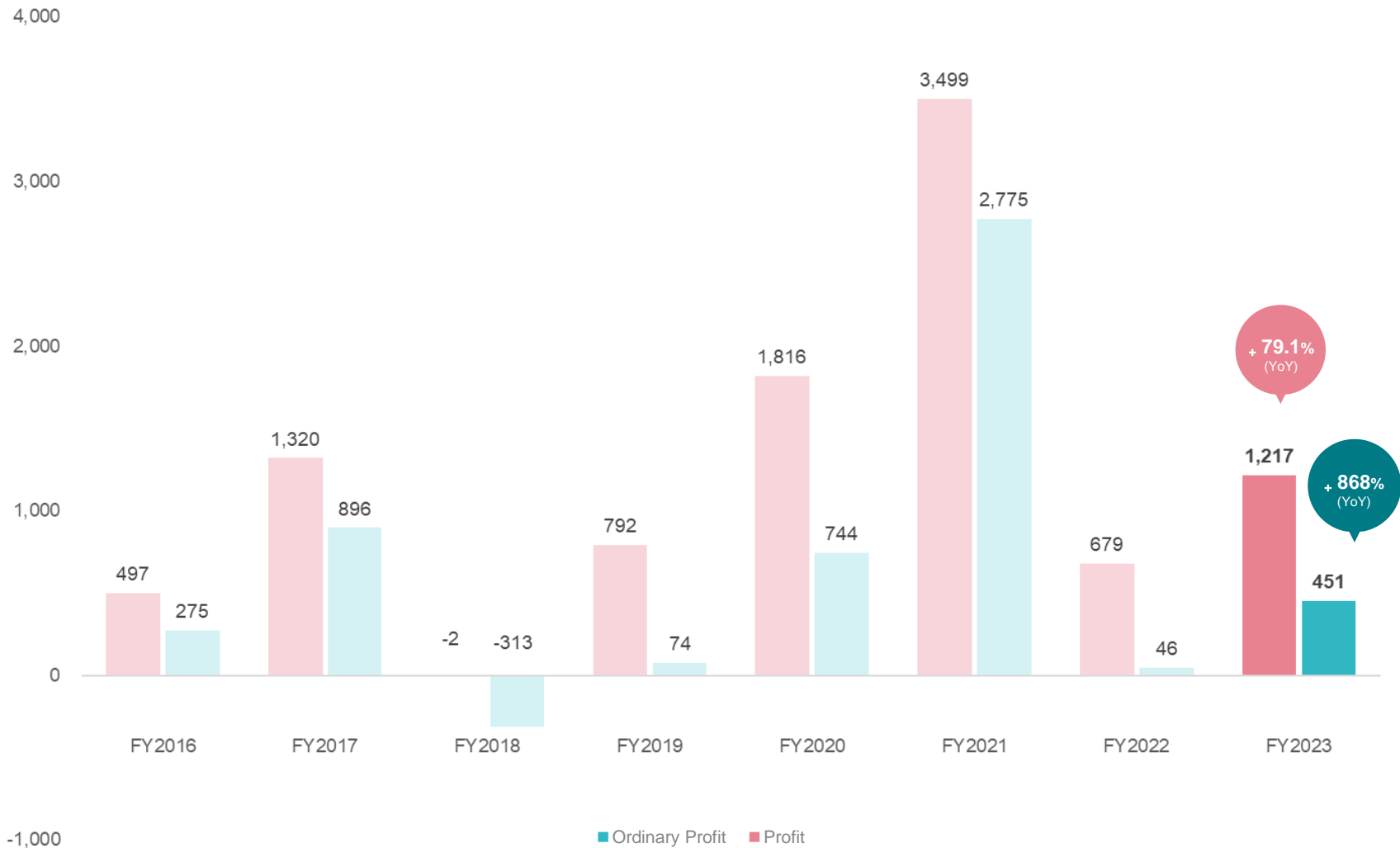
Yearly Operating Profit

(Millions of yen)



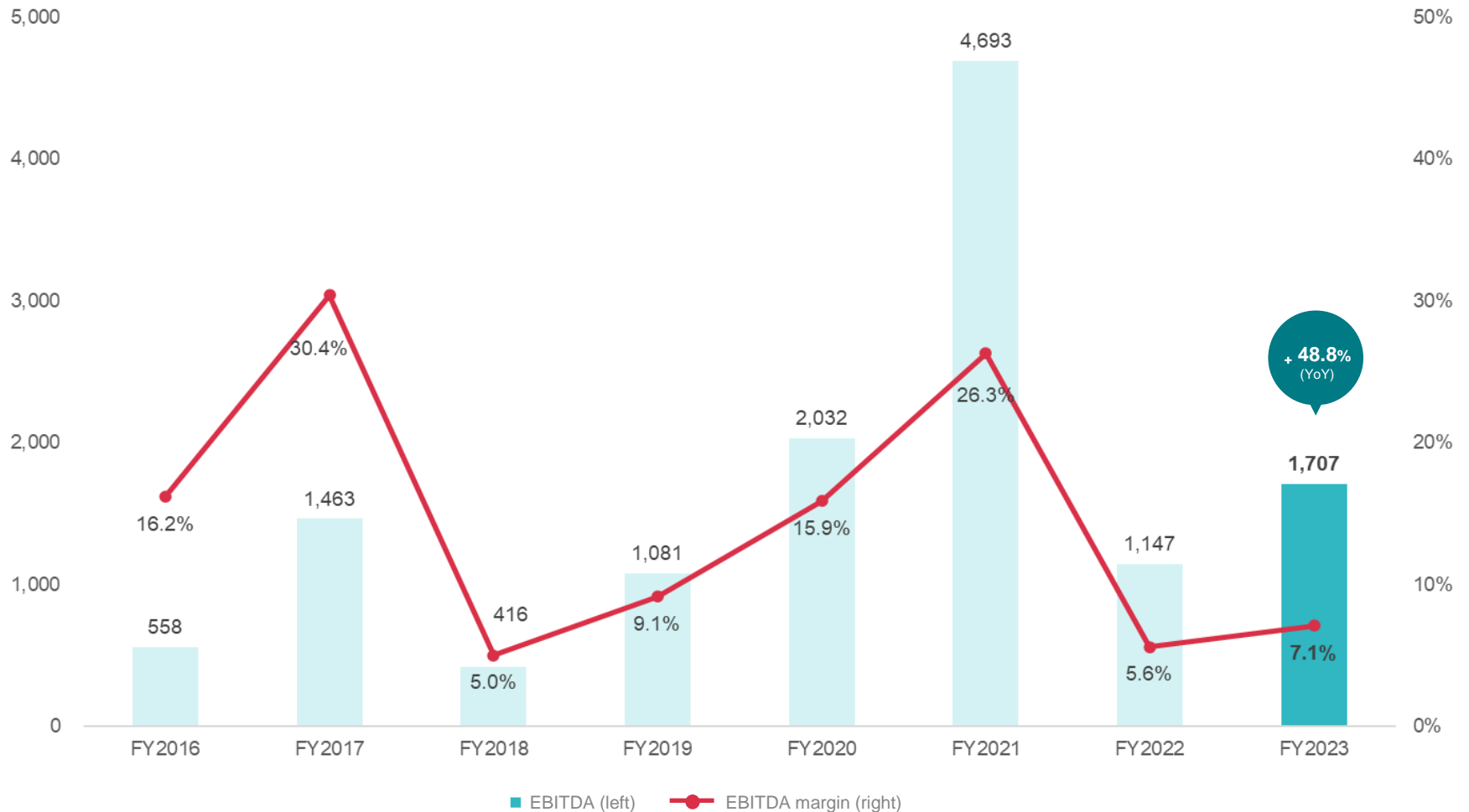
Ordinary Profit and Profit

(Millions of yen)



Yearly EBITDA

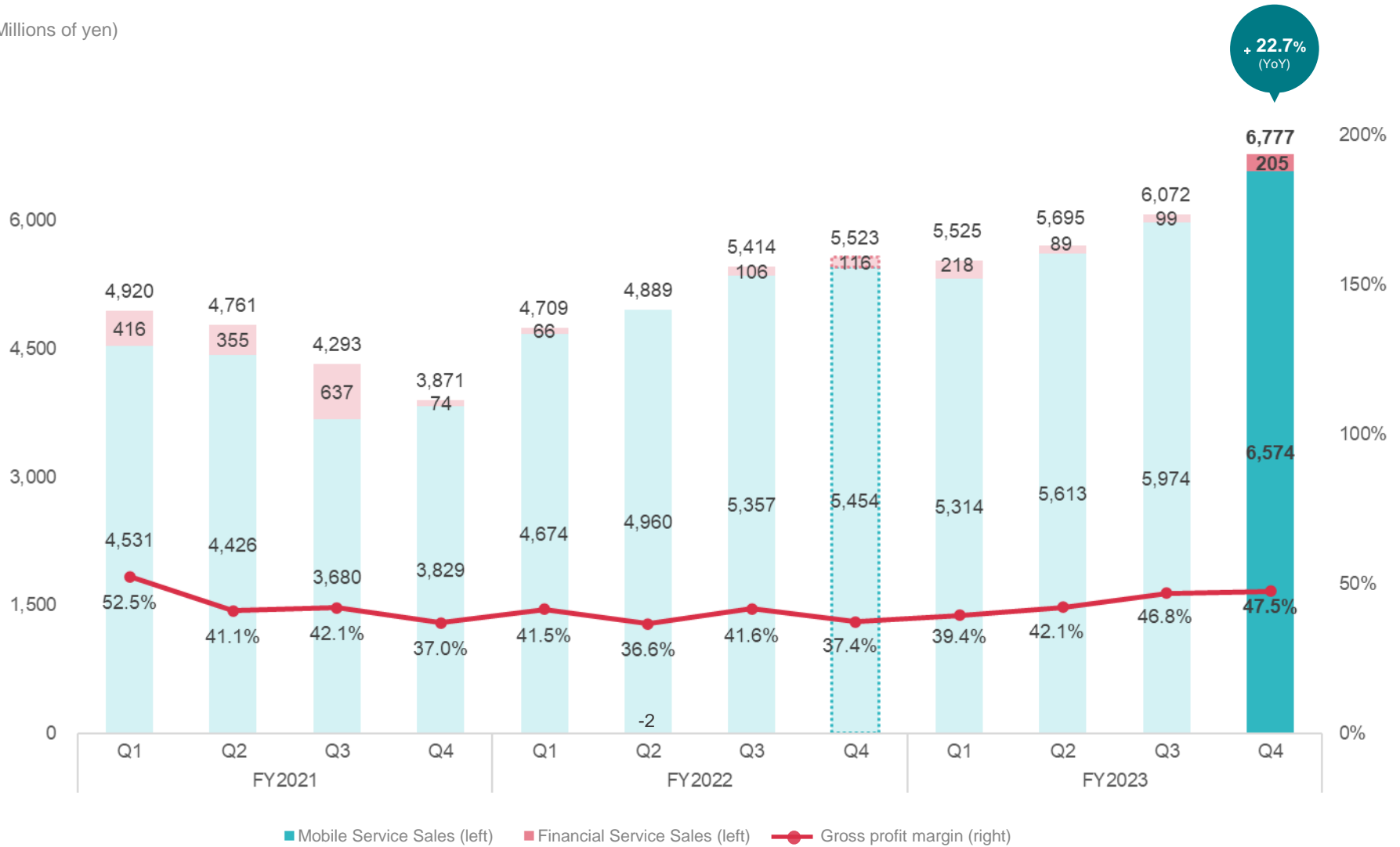
(Millions of yen)



* EBITDA: Profit before income taxes + Interest expenses + Depreciation + Amortization of goodwill (addition of amount equivalent to amortization of goodwill including share of loss of entities accounted for using equity method) + impairment loss.

Quarterly Sales

(Millions of yen)



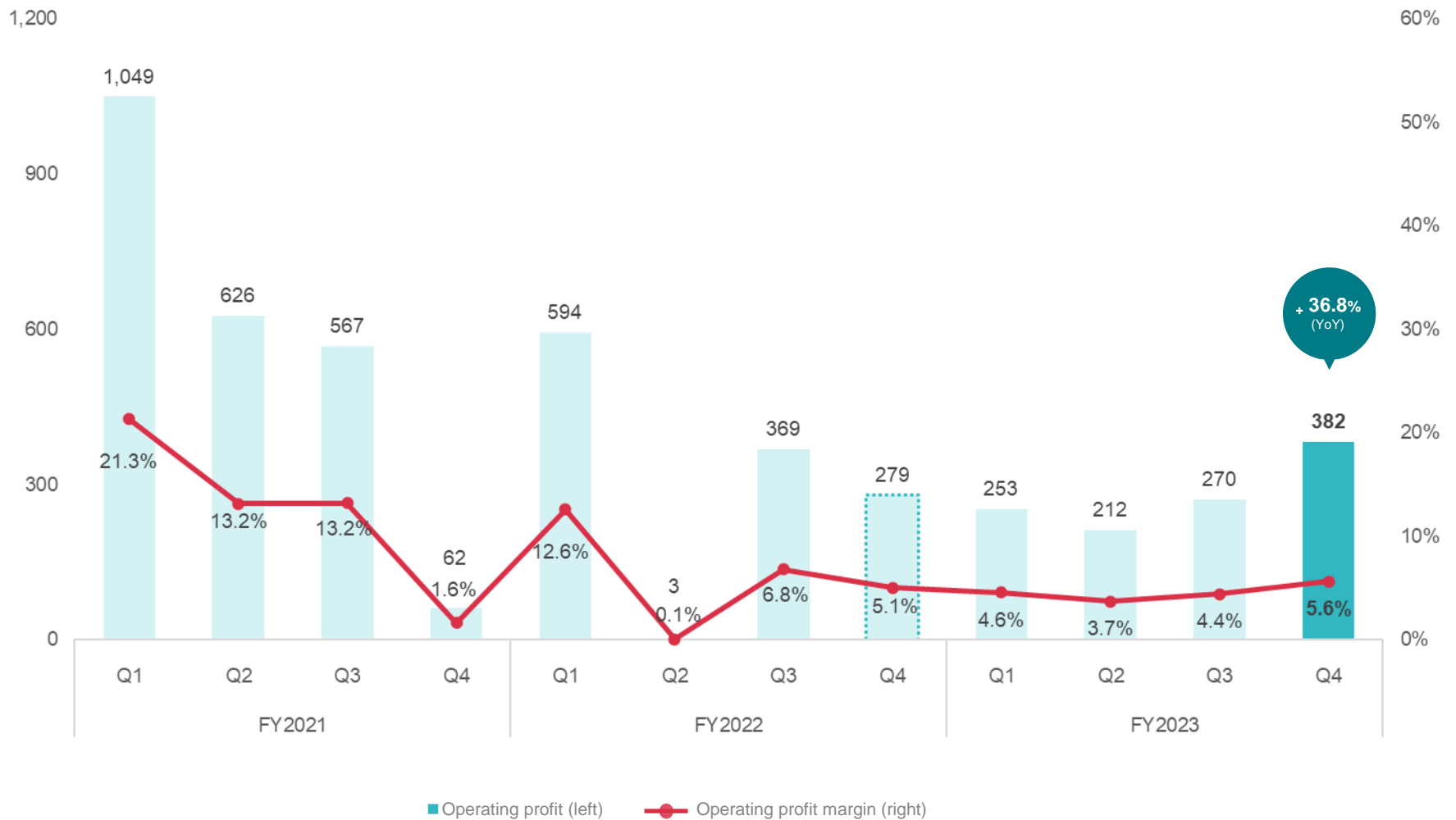
* Net sales for FY2021 and earlier are stated on the assumption that the new Accounting Standard for Revenue Recognition has been retroactively applied.

* The business classification in the Mobile Service segment for FY2021 and earlier has been revised in accordance with the changes that subsequently took place in the segment.

* Trading volume within segments are not indicated since their impact on the graphs is marginal.

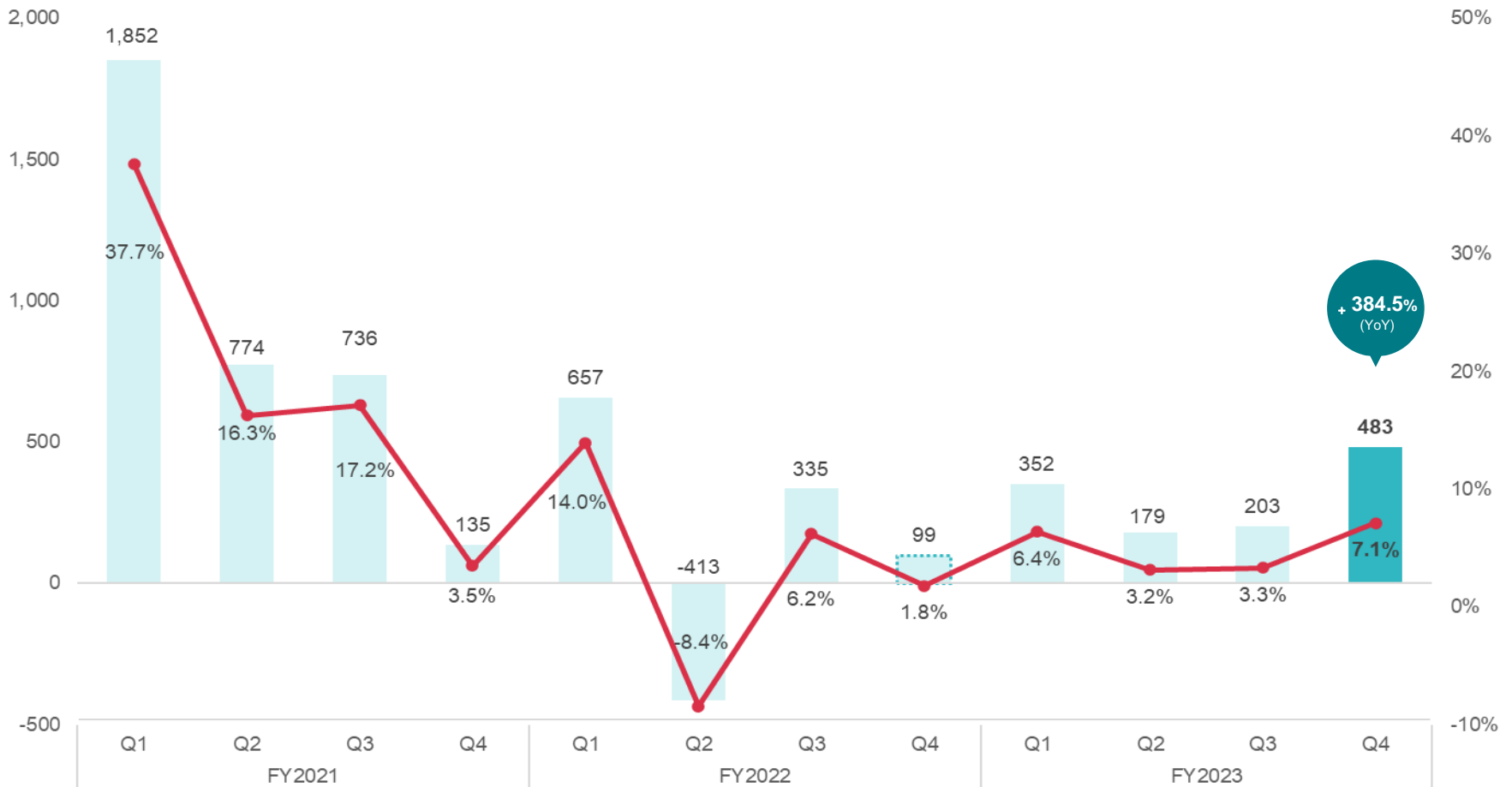
Quarterly Operating Profit

(Millions of yen)



Quarterly Ordinary Profit

(Millions of yen)

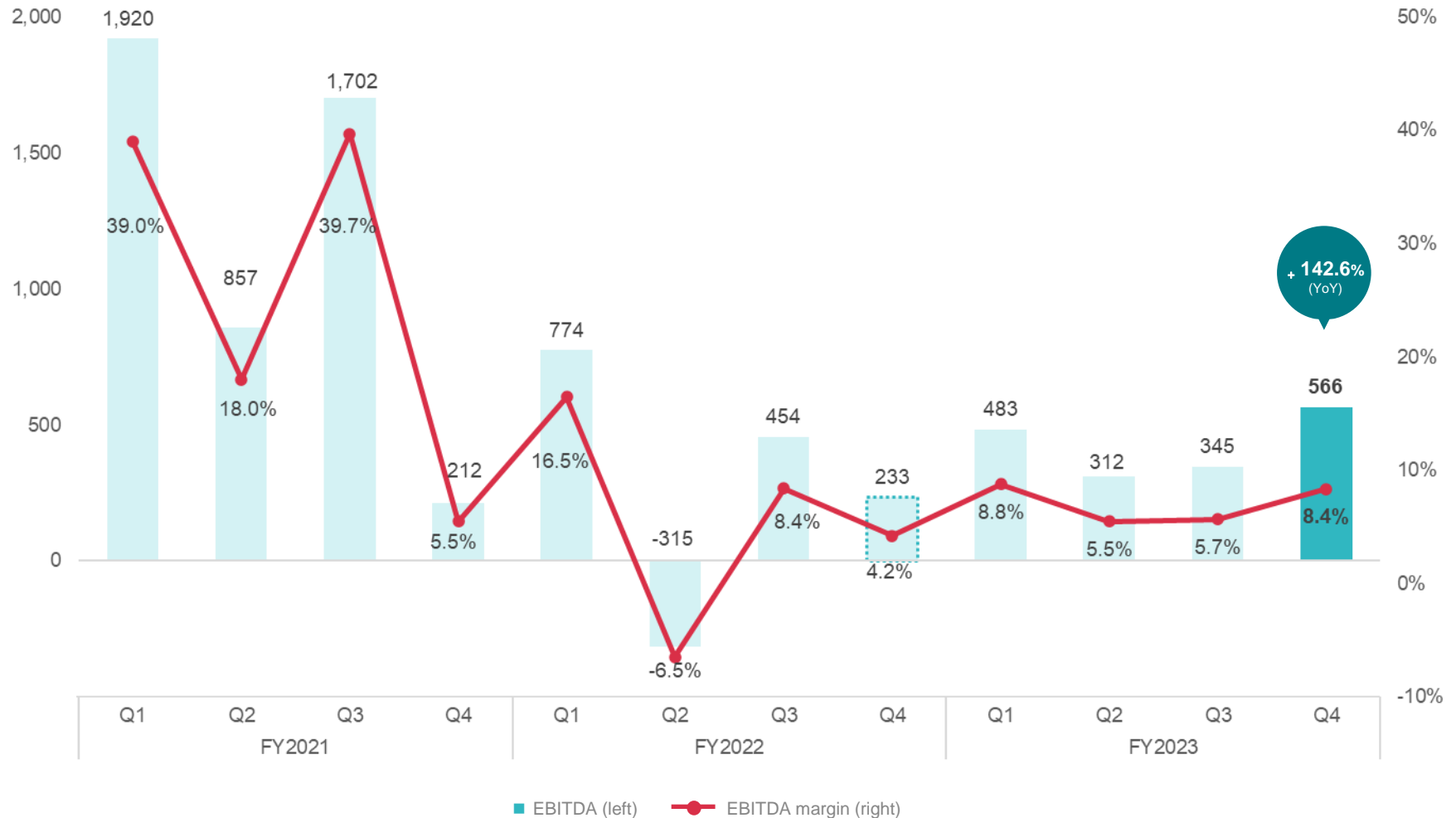


+ 384.5%
(YoY)

■ Ordinary profit (left) ● Ordinary profit margin (right)

Quarterly EBITDA

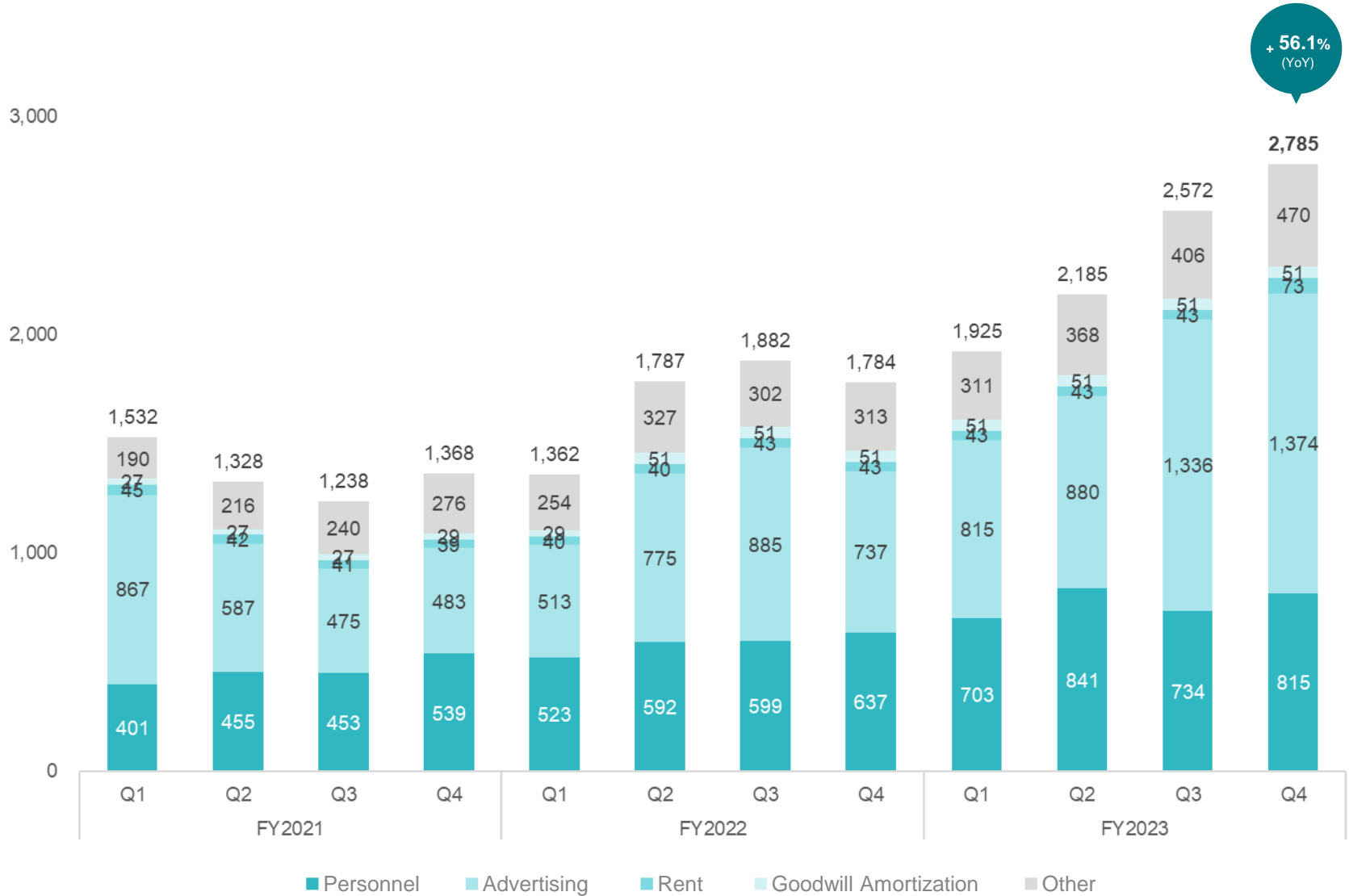
(Millions of yen)



* EBITDA: Profit before income taxes + Interest expenses + Depreciation + Amortization of goodwill (addition of amount equivalent to amortization of goodwill including share of loss of entities accounted for using equity method) + impairment loss.

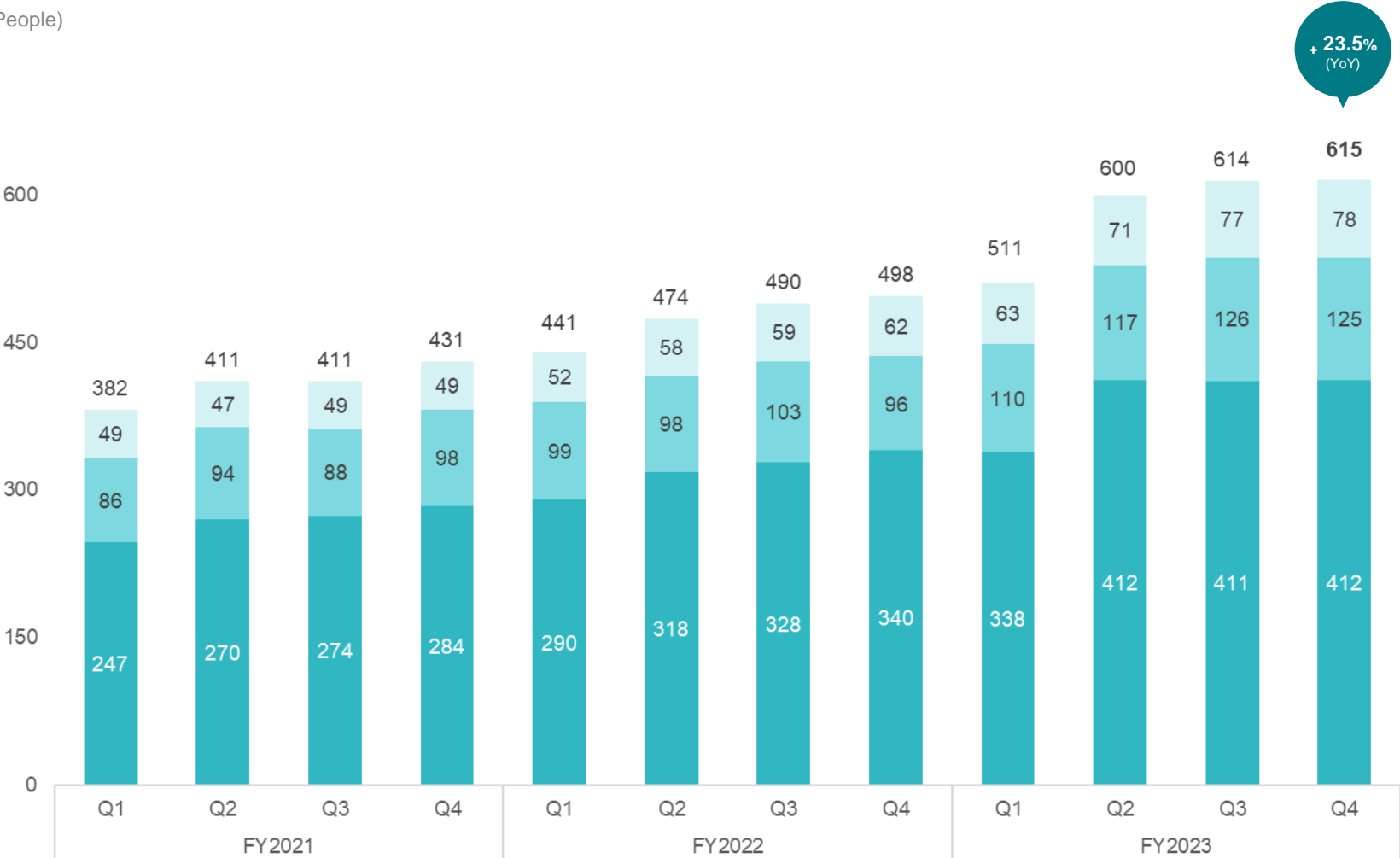
Quarterly SG&A Expenses

(Millions of yen)



Employees

(People)



+ 23.5%
(YoY)

■ Engineer ■ Marketing ■ Corporate

* Excluding contract employee, temporary employee, and part-time job

Performance Highlights 1

(Millions of yen)	FY2019 (consolidated)	FY2020 (consolidated)	FY2021 (consolidated)	FY2022 (consolidated)	FY2023 (consolidated)
Net sales	11,852	12,803	17,846	20,536	24,070
Sales growth rate	42.7%	8.0%	39.4%	15.1%	17.2%
Operating profit	880	1,496	2,305	1,246	1,118
OPM	7.4%	11.7%	12.9%	6.1%	4.6%
Operating profit growth rate	-27.9%	70.0%	54.0%	-45.9%	-10.3%
Ordinary profit	792	1,816	3,499	679	1,217
Profit *1	74	744	2,775	46	451
EBITDA *2	1,081	2,032	4,693	1,147	1,707

*1 Profit represents profit attributable to owners of parent.

*2 EBITDA: Profit before income taxes + Interest expenses + Depreciation + Amortization of goodwill (addition of amount equivalent to amortization of goodwill including share of loss of entities accounted for using equity method) + impairment losses.

Performance Highlights 2

	FY2019 (consolidated)	FY2020 (consolidated)	FY2021 (consolidated)	FY2022 (consolidated)	FY2023 (consolidated)
Gross assets (millions of yen)	12,902	16,227	20,234	22,597	25,915
Net assets (millions of yen)	6,581	7,091	9,819	9,696	10,045
Net cash (millions of yen)	806	2,154	2,435	590	694
ROA	6.4%	12.5%	19.2%	3.2%	5.0%
ROE	1.2%	11.8%	35.6%	0.5%	5.0%
Equity ratio	47.3%	40.1%	44.8%	39.3%	35.4%
D/E ratio	47.6%	55.5%	44.9%	61.4%	73.8%
EPS (yen)	6.78	67.32	251.75	4.12	39.57

Quarterly Sales

(Millions of yen)	FY2022				FY2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	4,709	4,889	5,414	5,523	5,525	5,695	6,072	6,777
Mobile Service Business	4,674	4,960	5,357	5,454	5,314	5,613	5,974	6,574
Point	3,324	3,422	3,575	3,719	3,525	3,359	3,324	3,607
D2C	429	540	621	654	645	1,174	1,433	1,800
DX	960	1,082	1,167	1,149	1,210	1,104	1,250	1,211
Transaction value within segments	-39	-84	-7	-68	-66	-25	-32	-45
Financial Service Business	66	-2	106	116	218	89	99	205
Inter-segment transaction value or transfers	-32	-68	-49	-47	-7	-6	-1	-2

Quarterly Operating Profit

(Millions of yen)	FY2022				FY2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Operating profit	594	3	369	279	253	212	270	382
Mobile Service Business	1,007	588	877	817	686	762	812	926
Financial Service Business	-176	-283	-231	-249	-137	-256	-263	-239
Adjusted amount	-236	-301	-277	-288	-294	-293	-279	-304



Notes regarding forward-looking statements

- The materials and information provided in this presentation contain forward-looking statements that are based on current forecasts, estimates, and assumptions that are subject to risk, and also include uncertainties that could cause actual results to differ materially from the statements in this presentation.
- These risks and uncertainties include general industry and market conditions, and general domestic and international economic conditions such as interest rate and currency exchange fluctuations.
- Please note that the Company is under no obligation to update or revise the forward-looking statements contained in this presentation, even if new information or events emerge in the future.