

# Fiscal 2021 1H Financial Results Presentation

## Six Months Ended July 31, 2021

### (38th Fiscal Year)

ACCESS CO., LTD.  
September 2021

**ACCESS**<sup>TM</sup>

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# Notes on Forward-Looking Statements

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- Forward-looking statements are subject to uncertainties that could cause actual results or outcome to differ materially from those statements. Accordingly, it is not advised to make investments and other decisions based solely on the content of this document.

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Six Months Ended July 31, 2021 (38th Fiscal Year)**
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Six Months Ended July 31, 2021 (38th Fiscal Year)**

1. Highlights of FY2021 1H  
Six Months Ended July 31, 2021  
(38th Fiscal Year)

# Highlights of FY2021 1H (1)

- Net sales increased by 26.8% year-on-year due to increased royalty income, etc.
- EBITDA improved by JPY 266 million
- In addition, gain on investments in investment partnerships of JPY 452 million reported as non-operating income\*

(JPY Million)

|   | FY2021 1H | YoY                |
|---|-----------|--------------------|
| Net sales                               | 3,941     | +26.8%             |
| Operating profit                        | (1,818)   | -<br>(YoY: -1,788) |
| EBITDA**                                | (273)     | -<br>(YoY: -539)   |
| Profit attributable to owners of parent | (1,412)   | -<br>(YoY: -1,735) |

\* Refer to "Notice Regarding Reporting of Gain on Investments in Investment Partnerships (Non-operating Income) and Revisions of the Consolidated Financial Results Forecast for the Six Months Ended July 31, 2021" (available in Japanese only) released on August 30, 2021 (available in Japanese only)

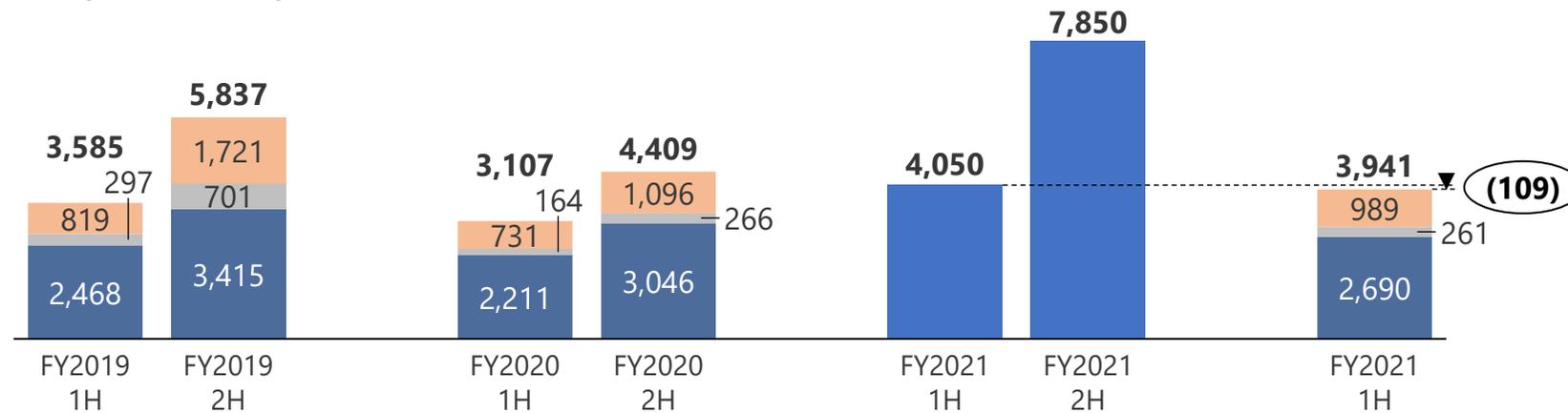
\*\* EBITDA=Operating profit + Depreciation and Amortization

# Highlights of FY2021 1H (2)

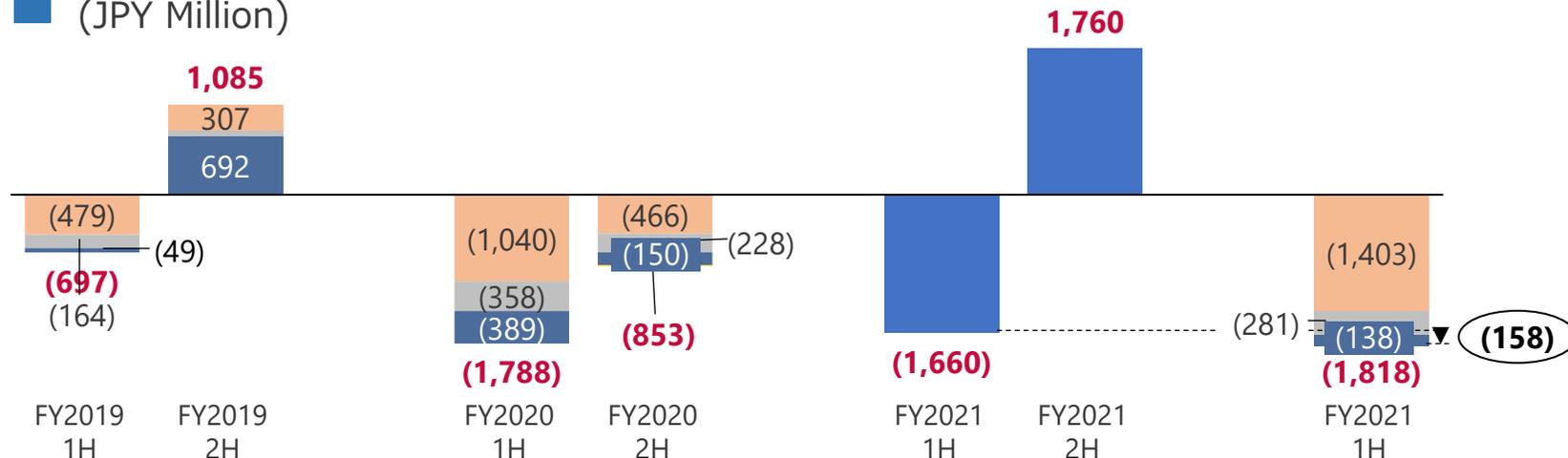
- Net sales increased in each segment due to increased royalty income, etc.  
Regarding cost of sales and selling, general and administrative expenses, depreciation for software and expenses associated with enhancement of personnel structure increased

Net sales by segment  
(JPY Million)

Domestic Business Overseas Business Network Business Operating profit Planned



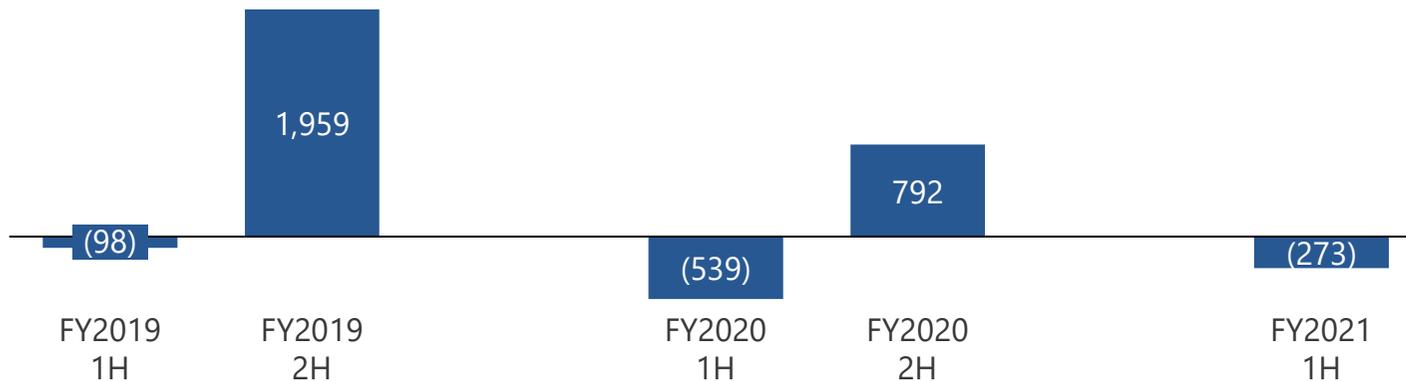
Operating profit • Segment profit  
(JPY Million)



# Highlights of FY2021 1H (3)

- EBITDA increased year-on-year
- Continued to invest in product development in growth fields, particularly in the Network Business

Consolidated EBITDA (JPY Million)



Acquired software assets (JPY Million)

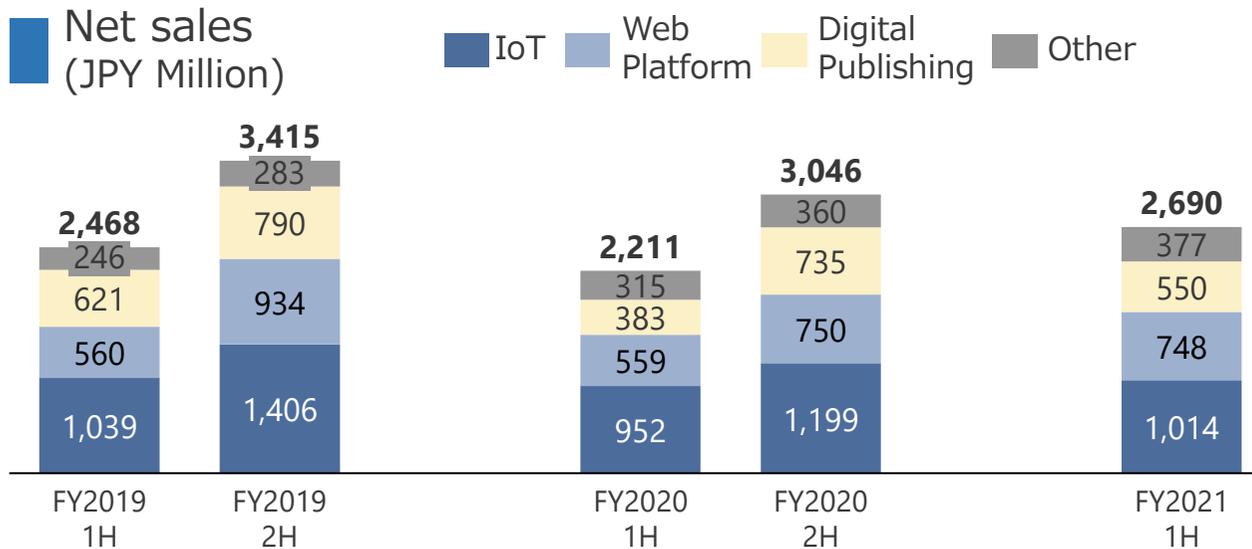


2. Highlights of Segment Results of FY2021 1H  
Six Months Ended July 31, 2021  
(38th Fiscal Year)

# Highlights of Segment Results of FY2021 1H (1)-1

## (Domestic Business – Financial Results)

- Net sales and profits increased year-on-year as every business showed steady financial results



### IoT Field

Orders increased with increasing inquiries especially about infrastructure-related projects

### Web Platform Field

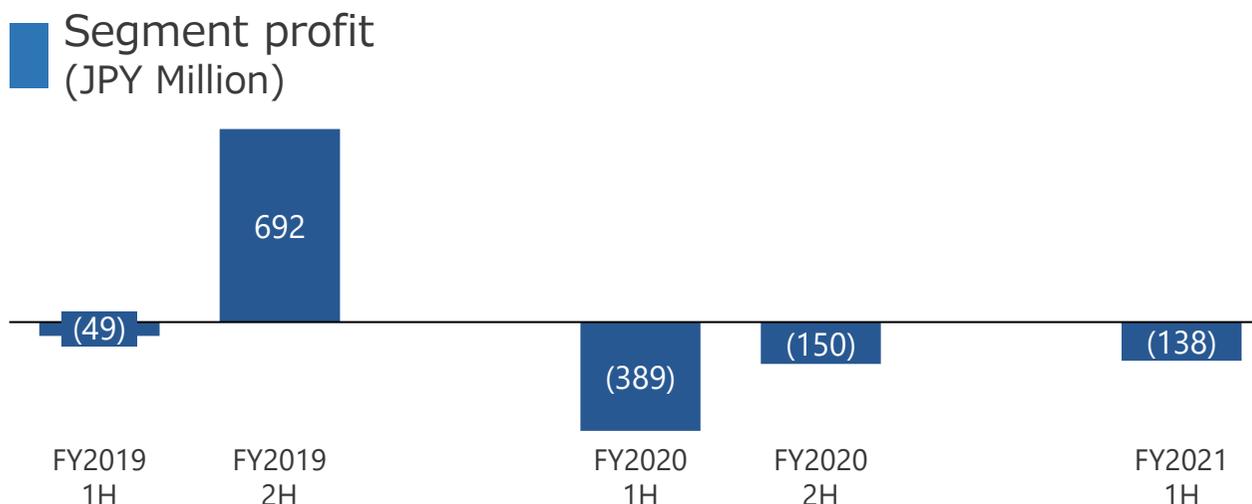
Royalty income increased with brisk growth in shipment volume of the products installed with our browsers

### Digital Publishing Field

Worked to increase profits through development for improvement of usability of existing services, etc.

### Other

Services to mail-order businesses in a Taiwanese subsidiary showed steady financial results



# Highlights of Segment Results of FY2021 1H (1)-2

## (Domestic Business – Future Initiatives)

- An overview of initiatives to be carried out by the Domestic Business segment is as below:

### IoT Field

- Secure orders for IoT service development and construction projects in various industries, taking advantage of our strength in providing one-stop services for everything from sensor devices to individual applications and cloud platforms
  - Enhance proposals linked with advanced technologies such as industrial drone and data science
  - Enhance sales of Linkit series utilizing positional information
  - Enhance proposals for energy management and solutions to realize a decarbonized society



### Web Platform Field

- Strive to maintain a high market share in TV as a browser application
- Address demand for in-vehicle infotainment that integrates and provides both driving support information such as traffic information, as well as entertainment information such as viewing a variety of content, for in-vehicle equipment



### Digital Publishing Field

- Strive to expand market share by strengthening relationships with major publishers and businesses that own proprietary content, and who represent a strong customer base
- Strive to increase revenue opportunities by enhancing platform functions and expanding the range of services provided in response to new business models, such as analysis of subscription histories and promotional support



### Other

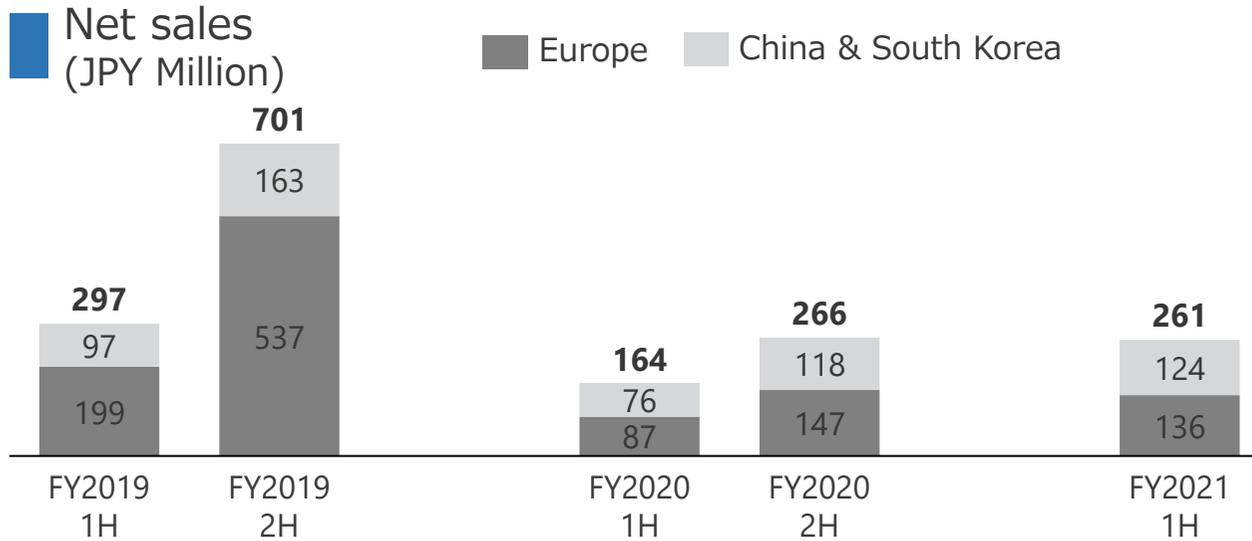
- Aim to achieve business growth by retaining an existing customer base and expanding service territory



# Highlights of Segment Results of FY2021 1H (2)-1

## (Overseas Business – Financial Results)

- Net sales and profits increased year-on-year due to increased royalty income

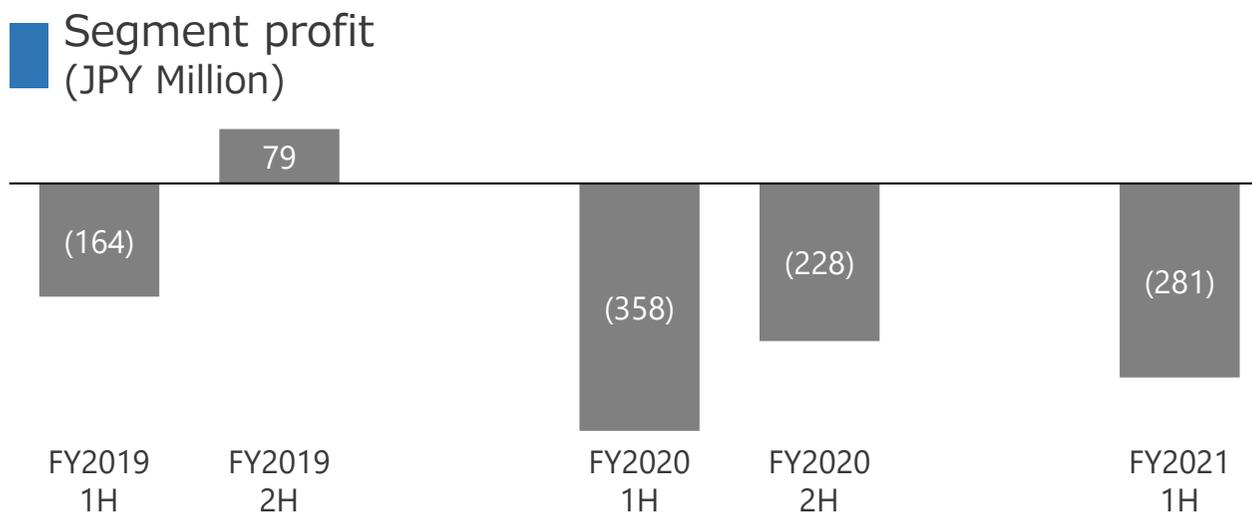


### Europe

Continued to foster content delivery and service platform business for in-vehicle infotainment

### China & South Korea

Royalty income increased with brisk growth in shipment volume of the products installed with our browsers



# Highlights of Segment Results of FY2021 1H (2)-2

## (Overseas Business – Future Initiatives)

- An overview of initiatives to be carried out by the Overseas Business segment is as below:

### Europe

- Give priority to restoring revenue base for existing browsers, and foster business in fields for in-vehicle infotainment in the long term
  - For browsers, develop business in the automobile and the TV fields respectively by leveraging our past achievements and knowledge
  - For NetRange products, plan to develop business in the TV field and launch advertising services
  - While supporting revenue base with the above initiatives, foster business in fields for in-vehicle infotainment in the long term



### China & South Korea

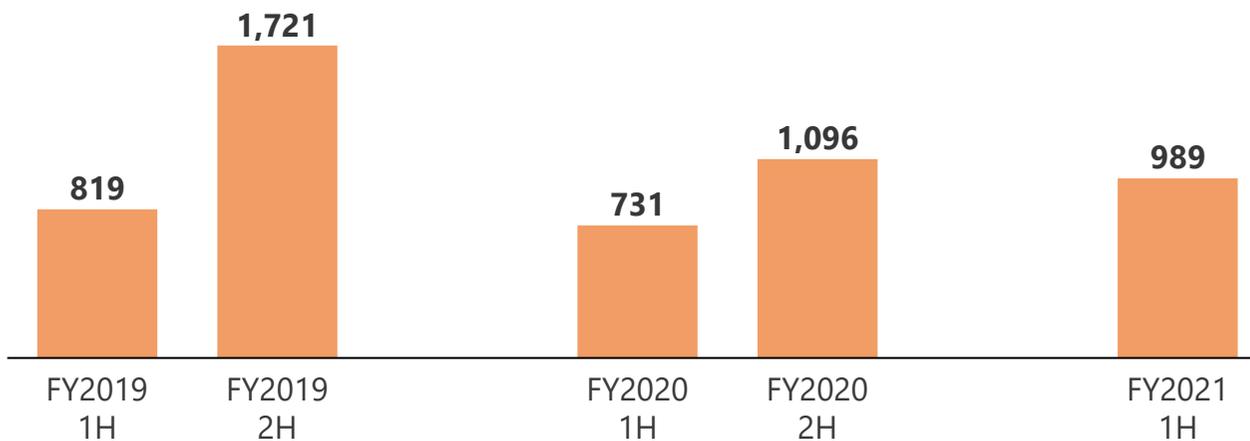
- Actively deploy solutions locally that are newly developed and commercialized within the ACCESS group

# Highlights of Segment Results of FY2021 1H (3)-1

## (Network Business – Financial Results)

- Net sales increased due to increased orders, but profits decreased year-on-year, as an increase in expenses caused by increased personnel expenses and depreciation for software exceeded the effect of increased net sales

Net sales (JPY Million)

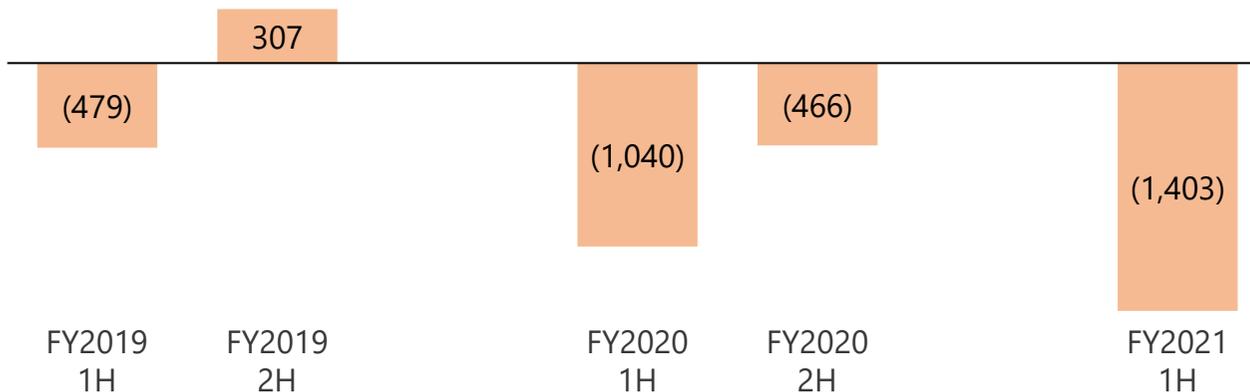


### Segment as a whole

While project inquiries and orders steadily increased, the amount of the initial order received tends to be smaller than anticipated

Continue with commercial testing and evaluation, as well as negotiations to secure orders for large-scale projects

Segment profit (JPY Million)



# Highlights of Segment Results of FY2021 1H (3)-2

## (Network Business – Business Partnership with NTT)

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- In the Innovative Optical and Wireless Network (IOWN), we will establish the All-Photonics Network (APN) and develop IOWN products that make use of APN technologies.
- Prior to the deployment of IOWN products in the future, we will commercialize the network OS developed by NTT and utilize IPI's sales and maintenance system to build a system to sell and maintain the network OS in the global market.

Source : NTT Press Release on July 27, 2021 (<https://group.ntt/en/newsrelease/2021/07/27/210727a.html>) supplemental materials