



Fiscal 2023 1H Financial Results Materials

Six Months Ended July 31, 2023

(40th Fiscal Year)

ACCESS CO., LTD. (4813)

August 2023

ACCESS™

Agenda

1. Financial Results for FY2023 1H
Six Months Ended July 31, 2023
(40th Fiscal Year)
2. Progress of the Network Business
3. Full-year Financial Forecast and
Medium-term Vision (Reposted)
4. Appendix

Net sales JPY **6,738** million YoY
+31.1%

Operating profit JPY **(1,125)** million YoY
+890 million

- Net sales in the Network Business nearly doubled
- Improved profitability in all segments

01

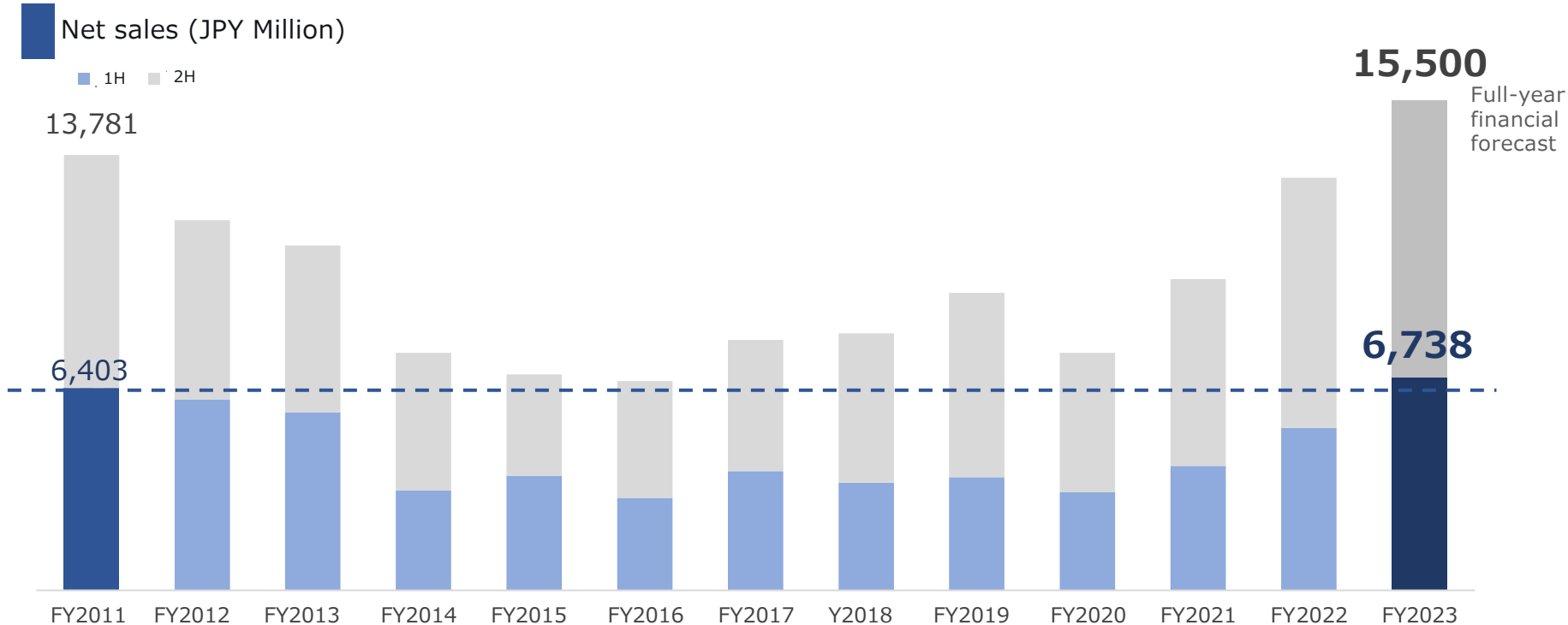
Financial Results for FY2023 1H Six Months Ended July 31, 2023 (40th Fiscal Year)

Both net sales and each stage of profit achieved forecasts

| (JPY Million) | FY2023 1H Forecast | FY2023 1H Results | Cause |
|---|-----------------------|------------------------------|---|
| Net sales | 6,180 | 6,738 | Impact of exchange rate fluctuations of +528 |
| Operating profit | (1,290) | (1,125) | Impact of exchange rate fluctuations of (124) |
| Ordinary profit | (1,315) | (1,033) | |
| Profit attributable to owners of parent | (1,349) | (1,087) | |
| EBITDA* | (Undisclosed) | 355 | |

*: EBITDA=Operating profit + Depreciation and Amortization + Amortization of Goodwill

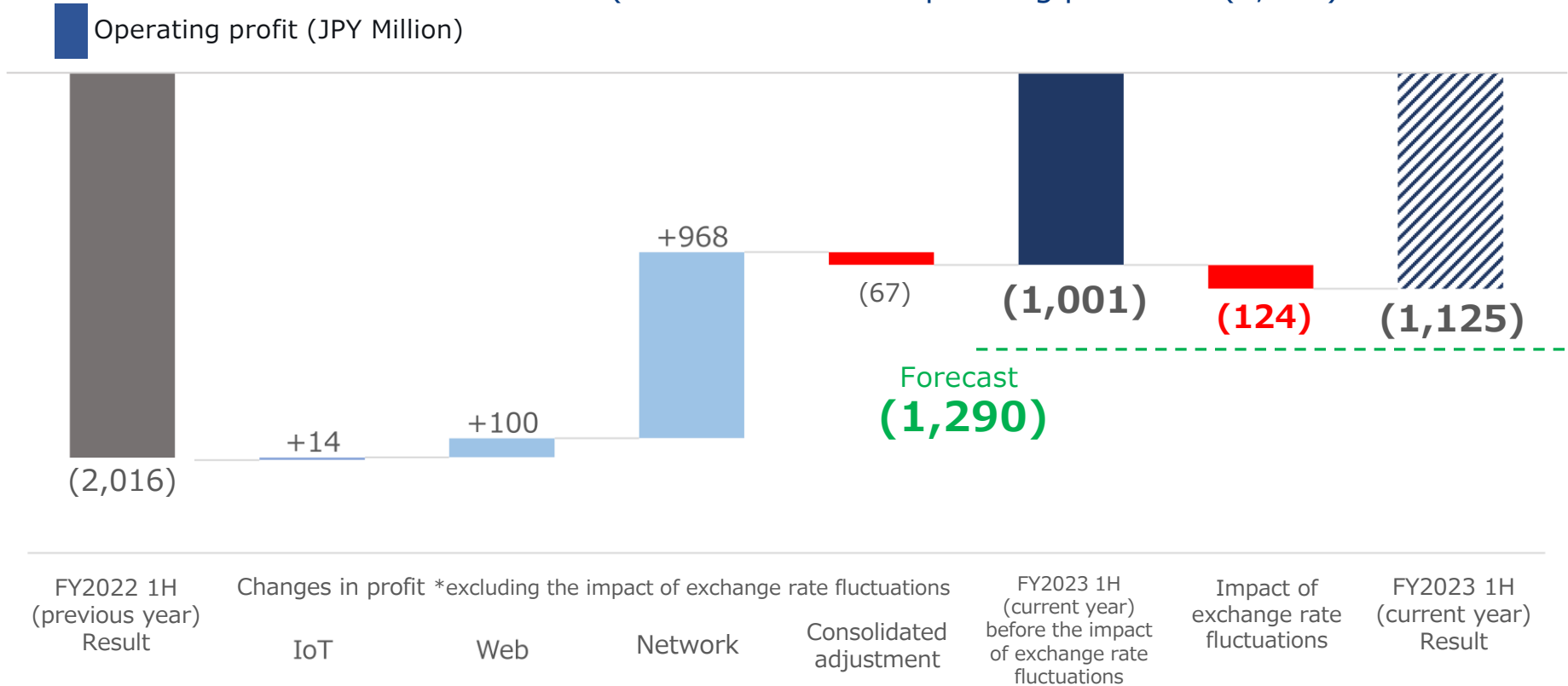
Achieved the highest net sales for 1H after FY2011



YoY Changes in Operating Profit

Consolidated operating profit or loss improved from the initial forecast, including the impact of exchange rate fluctuations*

(*Forecast for 1H: operating profit JPY (1,290) million)



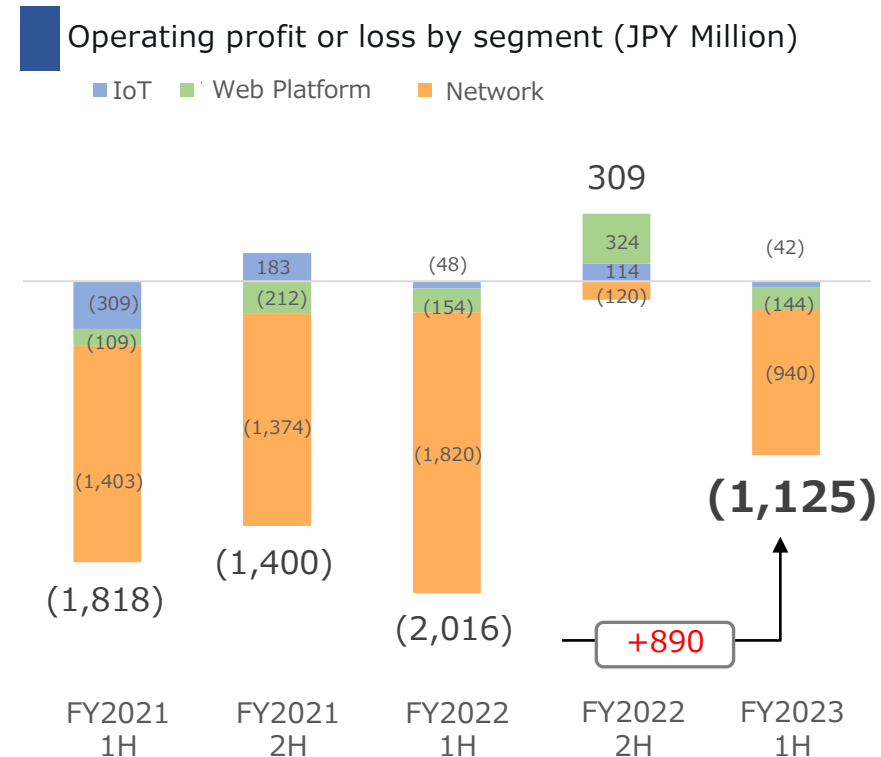
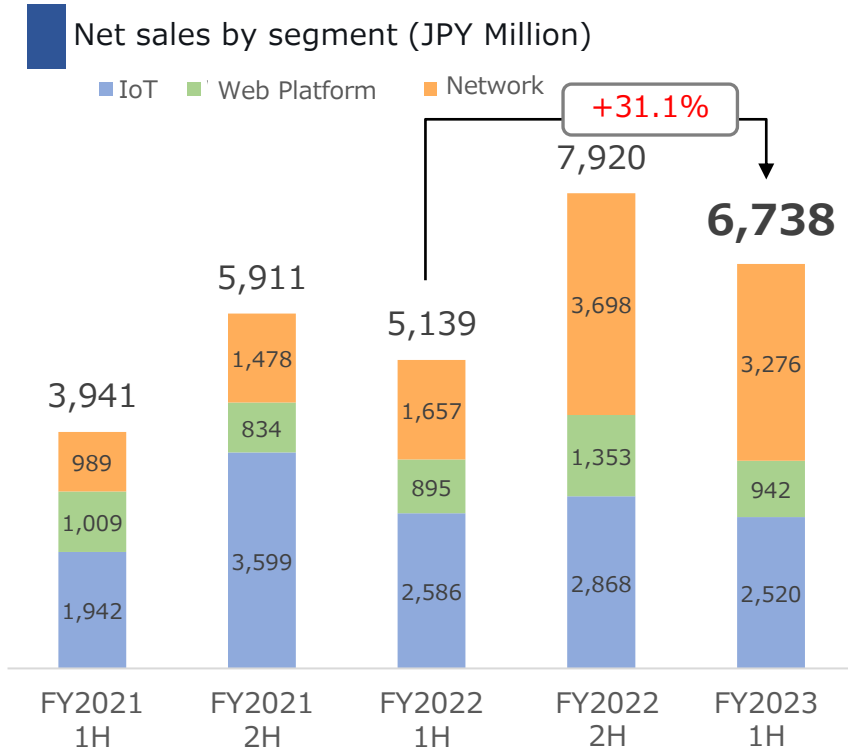
EBITDA returned to profitability as of 1H

| (JPY Million) | FY2022 1H | FY2023 1H | YoY |
|------------------|-----------|-----------|-----------------|
| Net sales | 5,139 | 6,738 | +1,598 / +31.1% |
| Operating profit | (2,016) | (1,125) | +890 / — |
| EBITDA* | (53) | 355 | +409 / — |
| EBITDA margin | — | 5.3% | — |

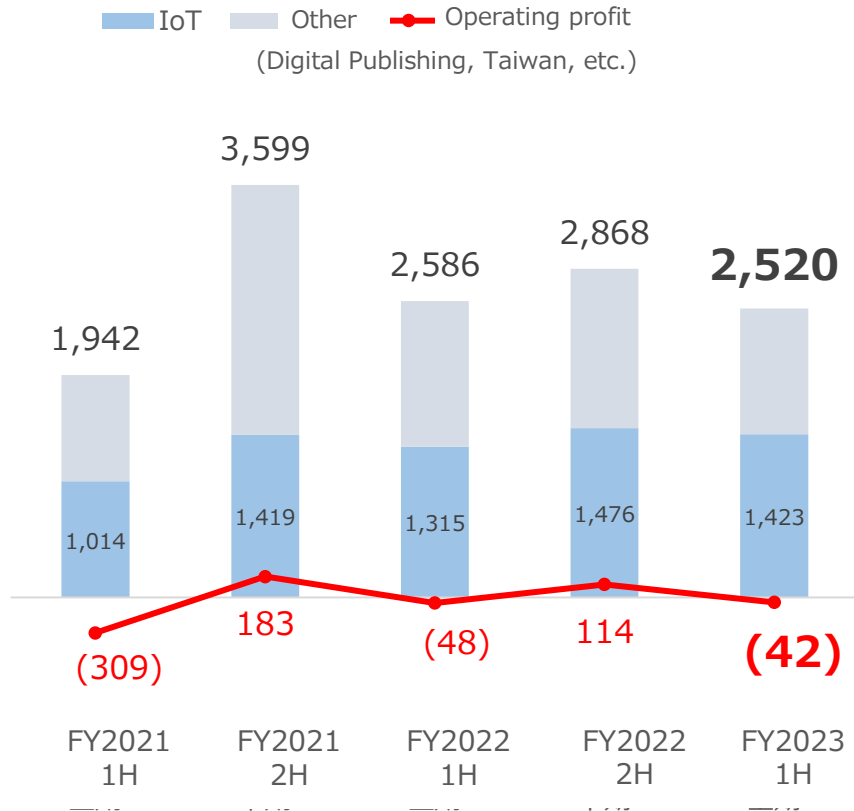
*: EBITDA=Operating profit + Depreciation and Amortization + Amortization of Goodwill

Overview by Segment

Growth of the Network Business drove sales growth, continuing to gain in importance



Net sales and segment profit or loss(JPY Million)



Segment results remained at the same level year on year, but IoT professional services were firm

IoT Field

- Sales of IoT professional services* continued to grow, while maintaining profitability
- *Custom-made development projects, including consultation

Other

- Sales in Digital Publishing decreased as a large-scale development projects in 2022 1H came to an end

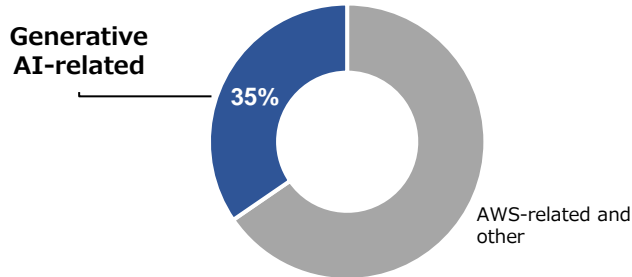
- Inquiries for professional services projects are also increasing
- Embedding into our software products and services

Utilization to acquire professional services projects

Inquiries for generative AI-related projects increased significantly in 1H

- Use for customer support such as helpdesk and inquiry handling
 - Automation or labor-saving in preparation of daily work report and other reports
 - Optimization of fleet assignment, route selection and schedule design for the logistics industry
- ➔ **In response to various needs, provide one-stop support from planning phase through development**

Inquiries for professional services by type of project (FY2023 1H)



Introduction in the office and to our products

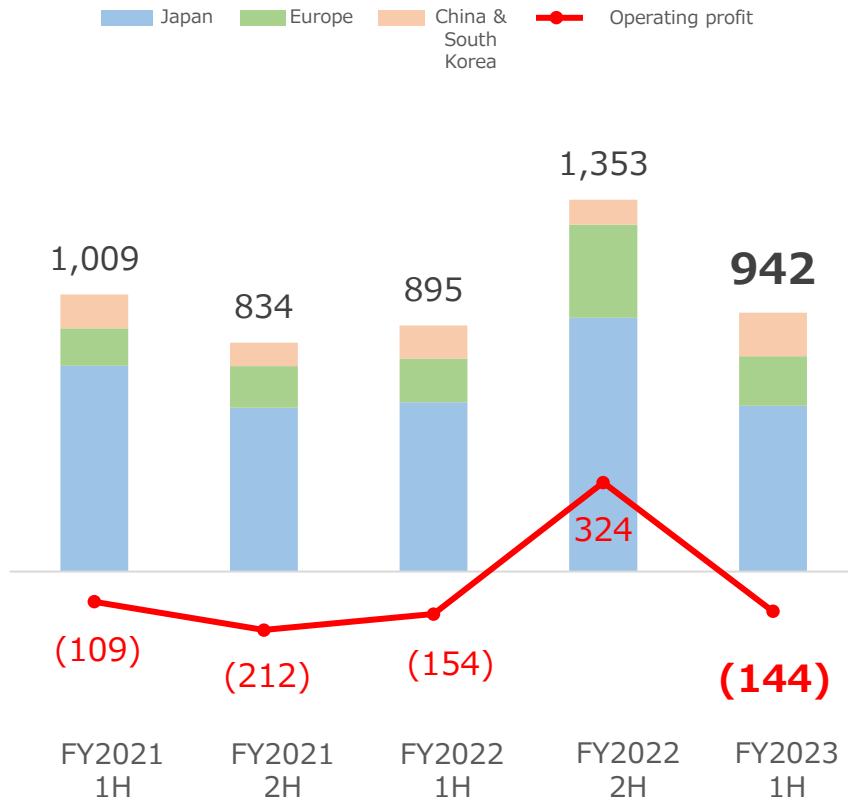
Embedding into our software products and services

- Provide a development service of business chatbot extension on Linkit®, a business chatbot
- Introduce an automated handling of inquiries for operation manual to CROS®, a mail-order support service
- Link signage solutions and generative AI technologies

Company-wide initiatives by using as infrastructures or sharing knowledge

- [Company-wide] Prepare generative AI usage guidelines
- [Development] Consider streamlining of development activities based on automatic code generation
- [Sales] Hold presentations and workshops on generative AI services
- [Administration] Use for handling in-house inquiries

Net sales and segment profit or loss (JPY Million)



Results fluctuated by sites, but net sales and profit are increasing year on year as the whole

Japan

- Results progressed generally in line with the forecast, despite a potential risk of inventory adjustments of TV and other final products

Overseas sites

- Business results improved due to increases in in-vehicle infotainment (IVI) projects at sites in Europe and South Korea

Adoption of "Access Twine 4 Car" (hereinafter, "T4C") progressed

XPENG, an emerging EV manufacturer in China, chose T4C

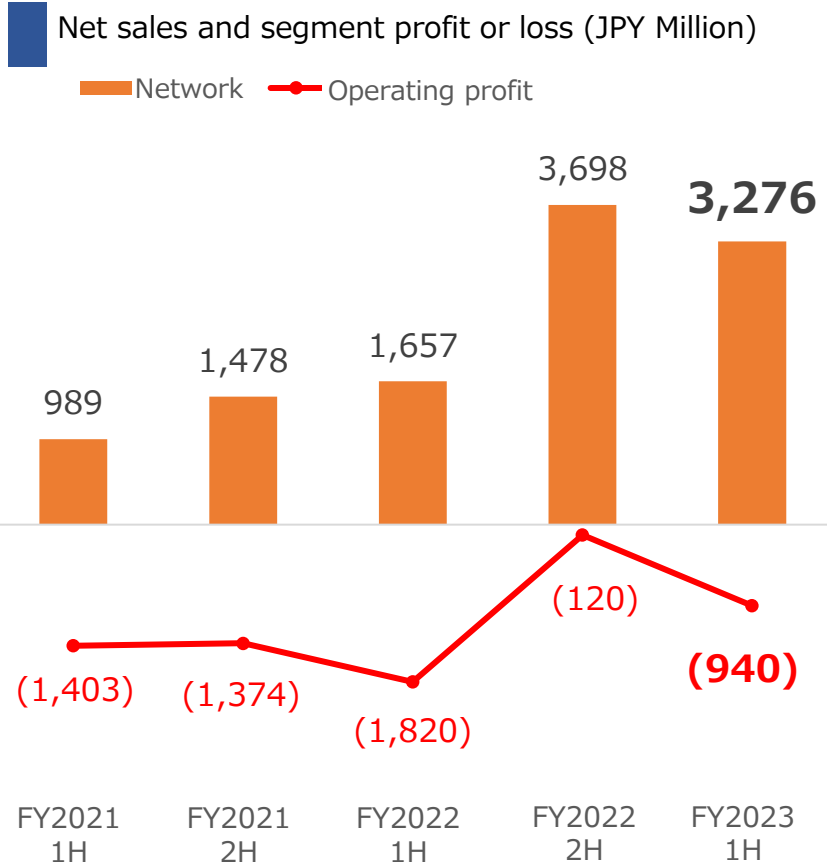
- XPENG chose T4C as a platform for providing apps, games and streaming services for new vehicles
- Installed on new models shipped to Europe commencing this summer
- Existing vehicles can be also upgraded through software update



Great Wall Motor selected IVI that integrates T4C and Radioline

- We integrated Radioline app, a leading podcast in Europe, to T4C
- Great Wall Motor, which is currently expanding business into Europe and other regions, selected T4C as IVI on the back of high expectations for connected services





Keeping the sales level close to FY2022 2H sales when the rapid growth was achieved

Network Business

- Number of new customers increased steadily, and the accumulated number of OcNOS customers exceeded 280 companies
- Recognize that our product competitiveness is also increasing, leading to a repeat order received for a large-scale contracted project, as announced in Q1

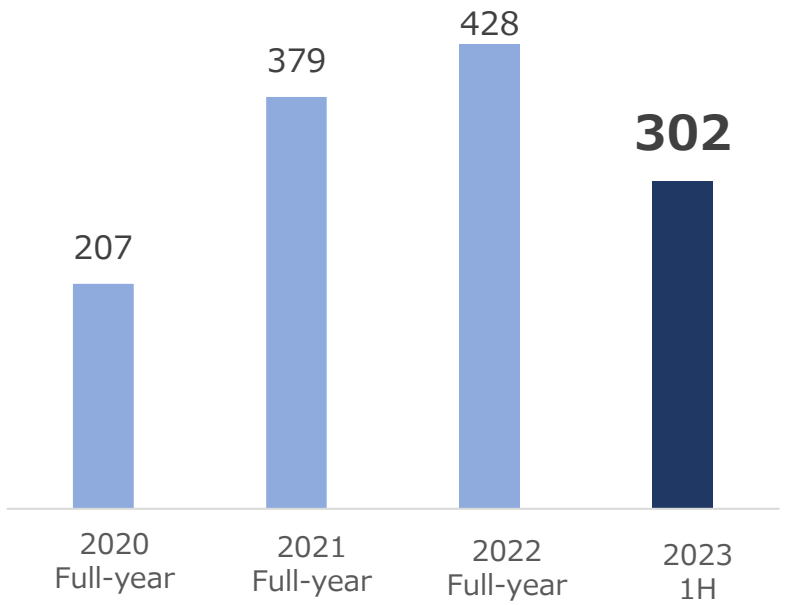
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Progress of the Network Business

- The number of orders received increased (year on year), keeping up the momentum in Q1
- Due to the impacts of a repeat order received for a large-scale project in Q1 and other factors, the amount of orders received achieved a record high for 1H

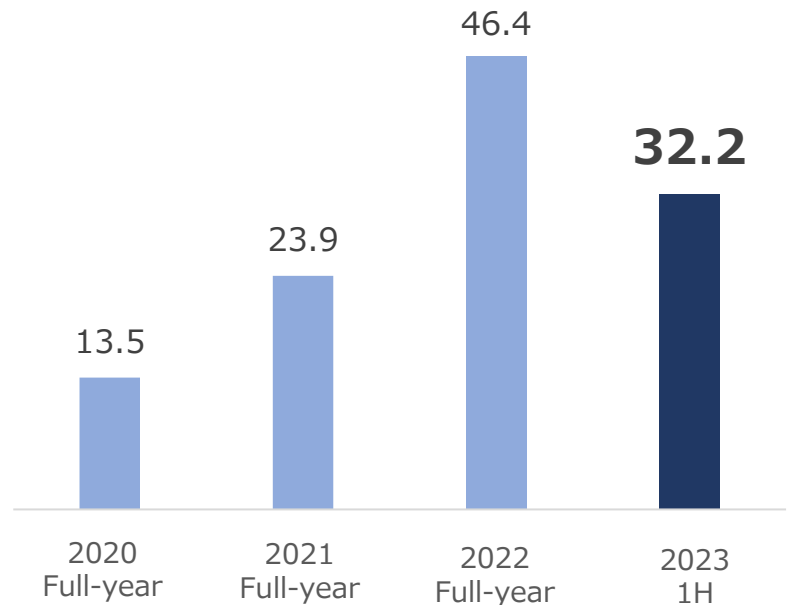
Number of orders received

Number of orders received in 2023 1H increased by 48% year on year



Amount of orders received*(USD mil.)
*Including multi-year contracts

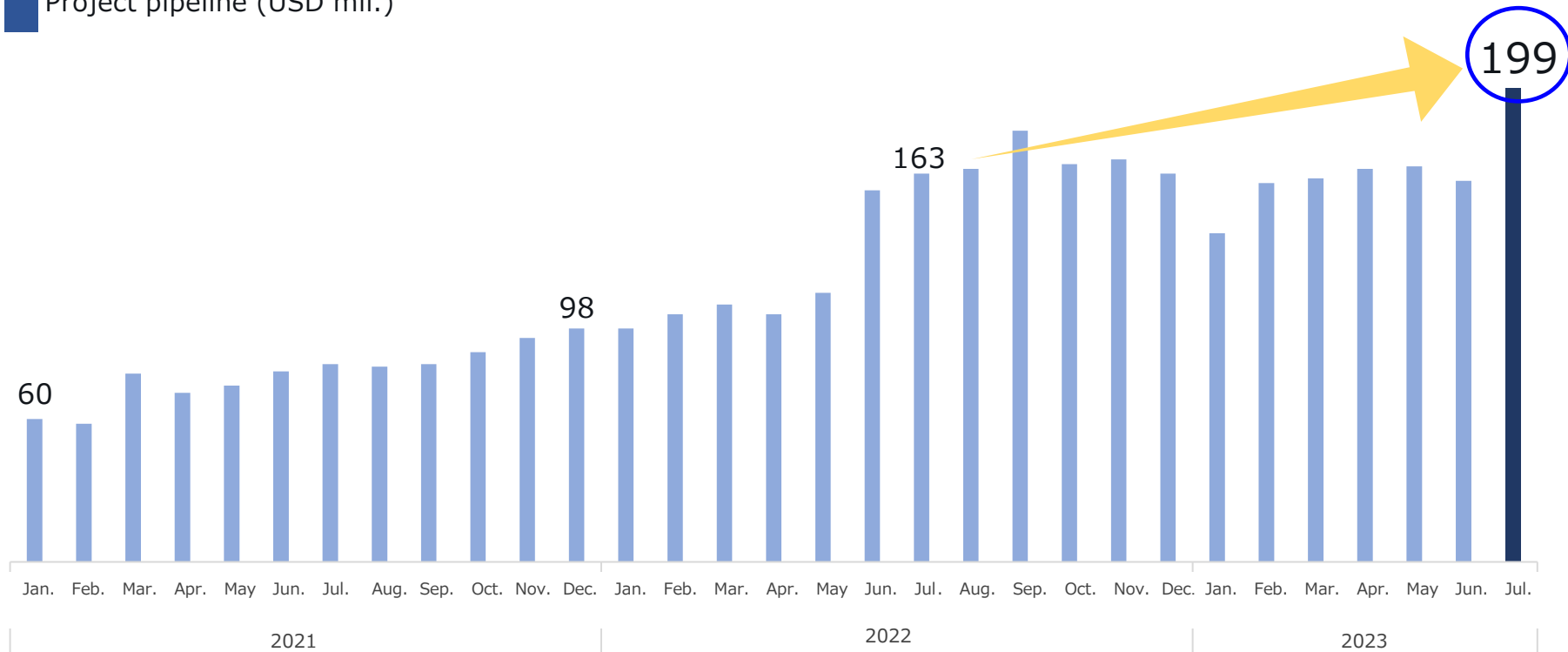
Amount of orders received in 2023 1H more than doubled year on year



Project Pipeline (Potential Project Amount)

- Potential project amount of 199 million USD at present (total of inquiries, etc.; projects for which orders have not yet placed)
- The amount increased by 22% year on year

Project pipeline (USD mil.)

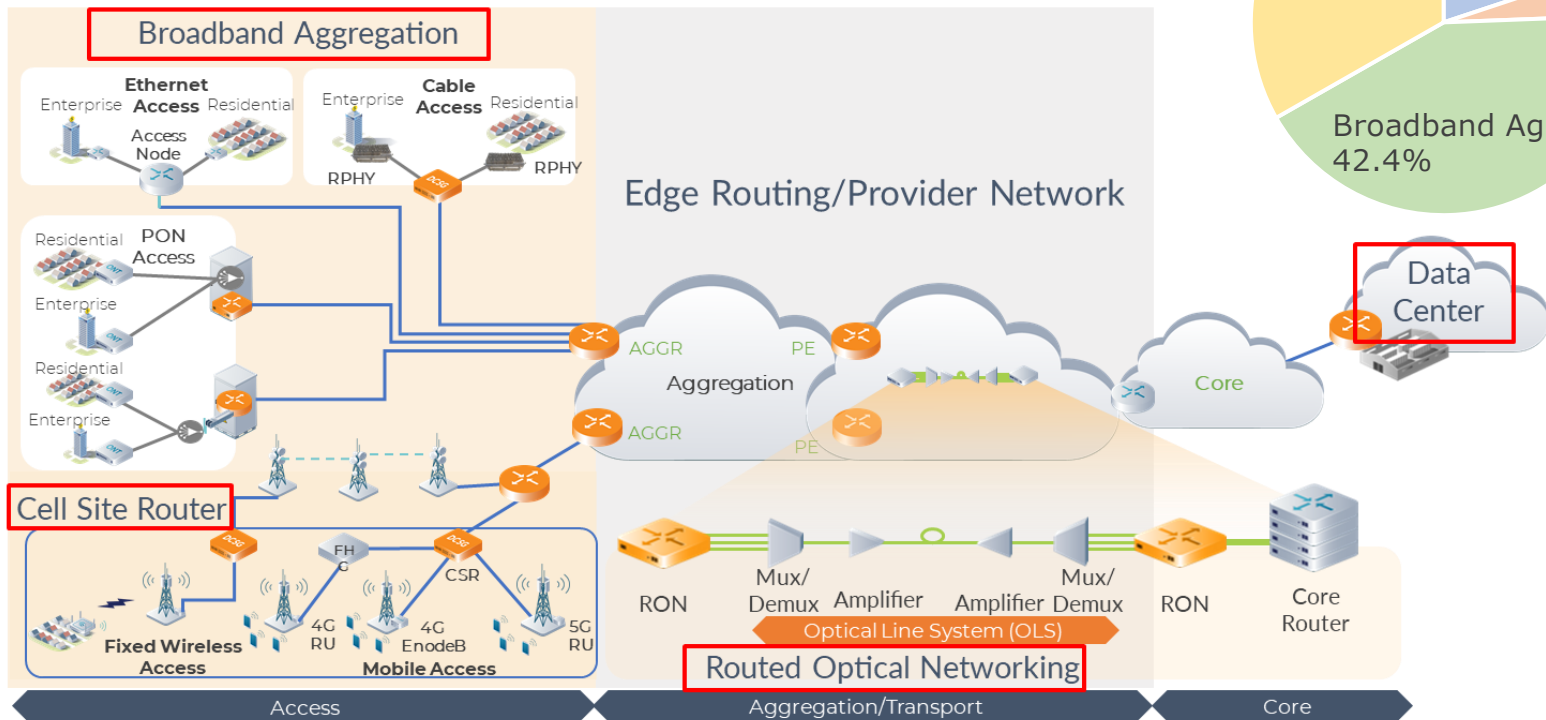
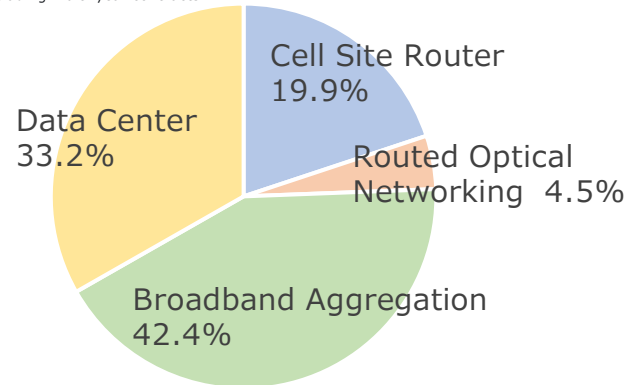


Orders Composition by OcNOS Use Case

(From 2021 through present)

- Orders were mostly for Broadband Aggregation and Data Centers

Composition of accumulated orders received* (%)
*Including multi-year contracts





One of the top 25 Internet service providers in the U.S.

Broadband Aggregation

- Ensured interoperability with the existing MikroTik and Arista Networks products
- Speedy time-to-market and low cost
- Achieved easy-to-use UI, abundant functions and simplicity



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A major IT service provider in Indonesia

Broadband Aggregation

- Adopted white box to upgrade an in-house legacy network, expanding its capacity at low cost
- Seamless and phased transition to white box with no service interruption, while ensuring interconnectivity with legacy devices



A service provider in Florida

Broadband Aggregation

- Replaced the existing Juniper products with white box as equipment for Internet access services for multiple dwelling unit (MDU)
- Expanded network capacity, while reducing total cost of ownership (TCO)



A major service provider in the U.S.

Broadband Aggregation

- Integrated three different types of legacy networks
- Enhanced network stability with lower operational cost
- Achieved swift introduction



03

Full-year Financial Forecast and Medium-term Vision (Reposted)

Full-year Consolidated Financial Forecast for FY2023(40th Fiscal Year)

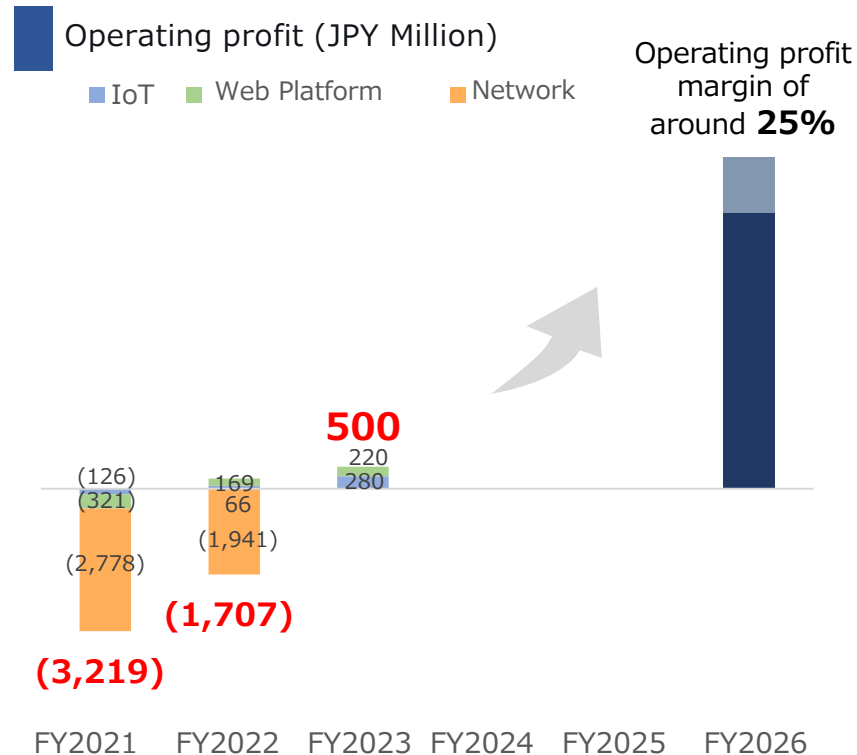
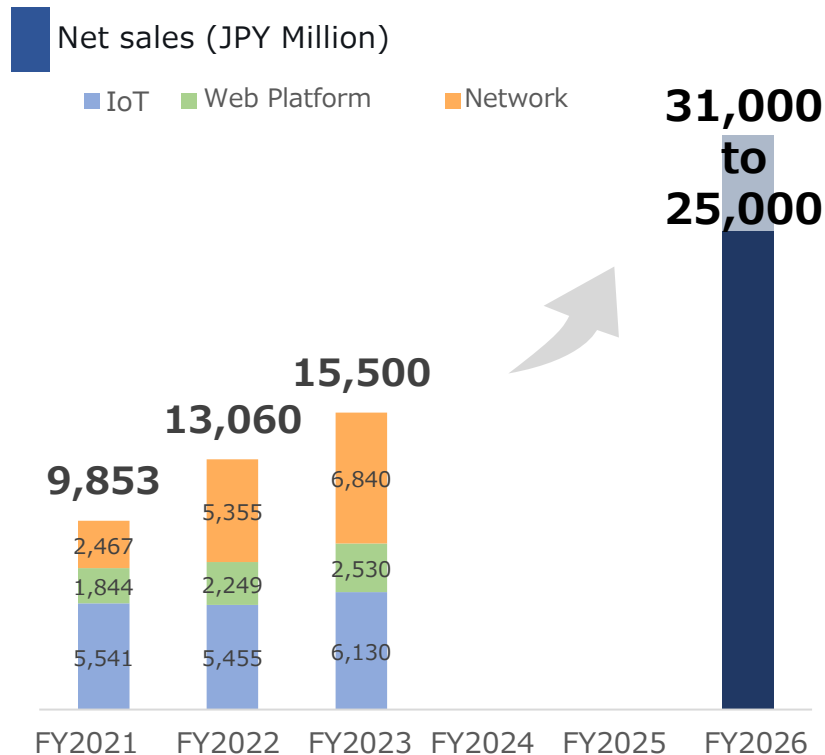
Maintain sales growth and return to profitability for the first time in four fiscal years

| (JPY Million) | FY2022 | FY2023 | YoY |
|---|---------|---------------|-----------------|
| Net sales | 13,060 | 15,500 | +2,439 / +18.7% |
| Operating profit | (1,707) | 500 | +2,207 / — |
| Ordinary profit | (1,337) | 450 | +1,787 / — |
| Profit attributable to owners of parent | (2,684) | 270 | +2,952 / — |
| EBITDA* | 2,337 | 3,900 | +1,562 / +66.8% |

*: EBITDA=Operating profit + Depreciation and Amortization + Amortization of Goodwill

Target figures for FY2026

Net sales: JPY 25 billion to JPY 31 billion, Operating profit margin: around 25%



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Appendix






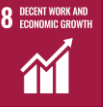


The Network Business will drive sales growth and eliminate segment deficit

| (JPY Million) | | FY2022 | FY2023 | YoY |
|-----------------------|------------------------|---------|--------|------------------------|
| IoT Business | Net sales | 5,455 | 6,130 | +674 / +12.4% |
| | Segment profit or loss | 66 | 280 | +213 / +324.0% |
| Web Platform Business | Net sales | 2,249 | 2,530 | +280 / +12.5% |
| | Segment profit or loss | 169 | 220 | +50 / +29.6% |
| Network Business | Net sales | 5,355 | 6,840 | +1,484 / +27.7% |
| | Segment profit or loss | (1,941) | 0 | +1,941 / — |

Basic Policy

Based on our vision statement of being an independent research and development oriented company that continuously innovates globally with technology, intelligence, creativity and audacity, we aim to contribute to social transformation and new value creation by continuing to develop and provide technologies and products that support IoT. Moreover, we have built a globally scaling business model that does not suffer from galapagosization, aiming to improve corporate value.

We will continue to work to realize these goals, incorporate Sustainable Development Goals (SDGs) and ESG into our management, and promote initiatives to realize a sustainable society.

| Classification | Main initiatives | Related SDGs/ESG |
|--|---|---|
| <p>【Environment】</p> <p>Through our business activities, we will contribute to the realization of a sustainable society that balances social and economic development with the maintenance and conservation of the global environment by promoting initiatives aimed at resolving various social issues, including environmental load reduction</p> | <p>Initiatives to reduce greenhouse gas emissions and conserve energy</p> <ul style="list-style-type: none"> • Disclose climate-related information based on TCFD recommendations (in preparation) • Reduce the environmental load of offices • Comply with environment-related laws and regulations and provide education <p>Initiatives through business</p> <ul style="list-style-type: none"> • Contribute to the move towards no paper with viewer technology • Develop energy management solutions • Promote the introduction of white box solutions to data centers and develop low-power switches and routers, etc. |    |
| <p>【Social】</p> <p>We will formulate a basic policy for human resource management and a basic policy for intellectual property in order to realize our corporate philosophy</p> | <p>Initiatives related to human capital</p> <ul style="list-style-type: none"> • Respect for human rights • Promote diversity • Develop human resource and create comfortable working environments • Implement initiatives for health and safety <p>Initiatives related to intellectual property</p> <ul style="list-style-type: none"> • Build a system for managing and promoting intellectual property • Respect for the intellectual property of other companies • Provide continuous education on intellectual property |     |
| <p>【Governance】</p> <p>We will implement measures to strengthen and enhance governance in order to improve corporate value</p> | <ul style="list-style-type: none"> • Build a system to strengthen corporate governance • Implement periodical evaluations of the effectiveness of the Board of Directors • Establish a decision process for executive remuneration that ensures fairness and transparency • Enhance internal control through the implementation of company-wide risk identification and monitoring by the Compliance and Risk Management Committee • Establish various reporting desks |  |

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The logo features the word "ACCESS" in a bold, blue, sans-serif font. The letter "C" in the second "CC" is replaced by a large, blue, 3D-style sphere with a gradient. Above the second "C" and the "E" are three smaller, blue, 3D-style spheres of decreasing size, arranged in a diagonal line from top-left to top-right. A trademark symbol (TM) is positioned to the upper right of the final "S".