

Fibergate Inc.

Financial Results Briefing for FY 6/2023



Listing Exchange: TSE Prime Market;
SSE Main Market

Securities Code: 9450

 **Financial Results for FY 6/2023**

 **Forecast of Results for FY 6/2024**

 **Topics**

Appendix

1

FY 6/2023 Results: 20% increase in sales and 43% increase in ordinary income

- ✓ Mainly due to accelerated growth in Home Use, ordinary income significantly exceeded initial expectations. Cash flow has also improved and FCF finally achieved a full-year surplus.
- ✓ Fears of a slowdown in growth at the beginning of the fiscal year have been overturned, and the rate of growth has in fact accelerated over the course of each quarter.

2

FY 6/2024 Outlook: 7% increase in sales and 10% increase in ordinary income

- ✓ We expect a slowdown in growth due to the off-season for real-estate projects. The Telecommunications business alone is expected to secure a 16% increase in revenue, almost the same level of growth as in the previous year.
- ✓ By segment, Home Use, which has contributions from new-build projects, to continue to perform well. Business Use also to expand, driven by an increase in flow income as a leading indicator.

3

Topics



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Financial Results for FY 6/2023

Overview of Consolidated Financial Results FY 6/2023

- FY 6/2023 saw a 20% YoY increase in sales and a 43% increase in ordinary income. Sales fell slightly short of original estimates, but ordinary income exceeded them by 17%. Despite concerns about a slowdown in growth at the beginning of the fiscal year, the results showed a significant increase in profits. In fact, the growth rate accelerated.
- The main growth driver was the core Home Use business. In addition to existing projects, contribution from new construction projects is now in full swing. On the other hand, the Business Use business, positioned to be a medium-term focus area, has not yet reached its expected growth acceleration rate, despite the renewed influx of people since bottoming out.

	(Millions of JPY) Rounded down to nearest million; Percentages rounded to nearest 0.1%	FY 6/2022 Actual	FY 6/2023		Versus Forecast	Year on Year	
			Forecast	Actual	Difference	Difference	Percentage
Net Sales		10,624	12,900	12,795	-104	+2,171	+20.4%
	Home Use	8,141	9,320	9,600	+280	+1,459	+17.9%
	Business Use	+1,244	1,830	1,512	-317	+267	+21.5%
	Real Estate	1,238	1,750	1,682	-67	+444	+35.9%
Operating Profit		1,652	2,020	2,320	+300	+667	+40.4%
	Home Use	2,318	2,530	2,970	+440	+651	+28.1%
	Business Use	235	570	289	-280	+54	+23.0%
	Real Estate	52	80	138	+58	+86	2.6x
	Adjustment	-953	-1,160	-1,078	+81	-124	+13.0%
Ordinary Income		1,604	1,960	2,290	+330	+686	+42.8%
Ordinary Income Margin		15.1%	15.2%	17.9%	+2.7pp	+2.8pp	—
Net Profit		1,073	1,300	1,482	+182	+409	+38.1%

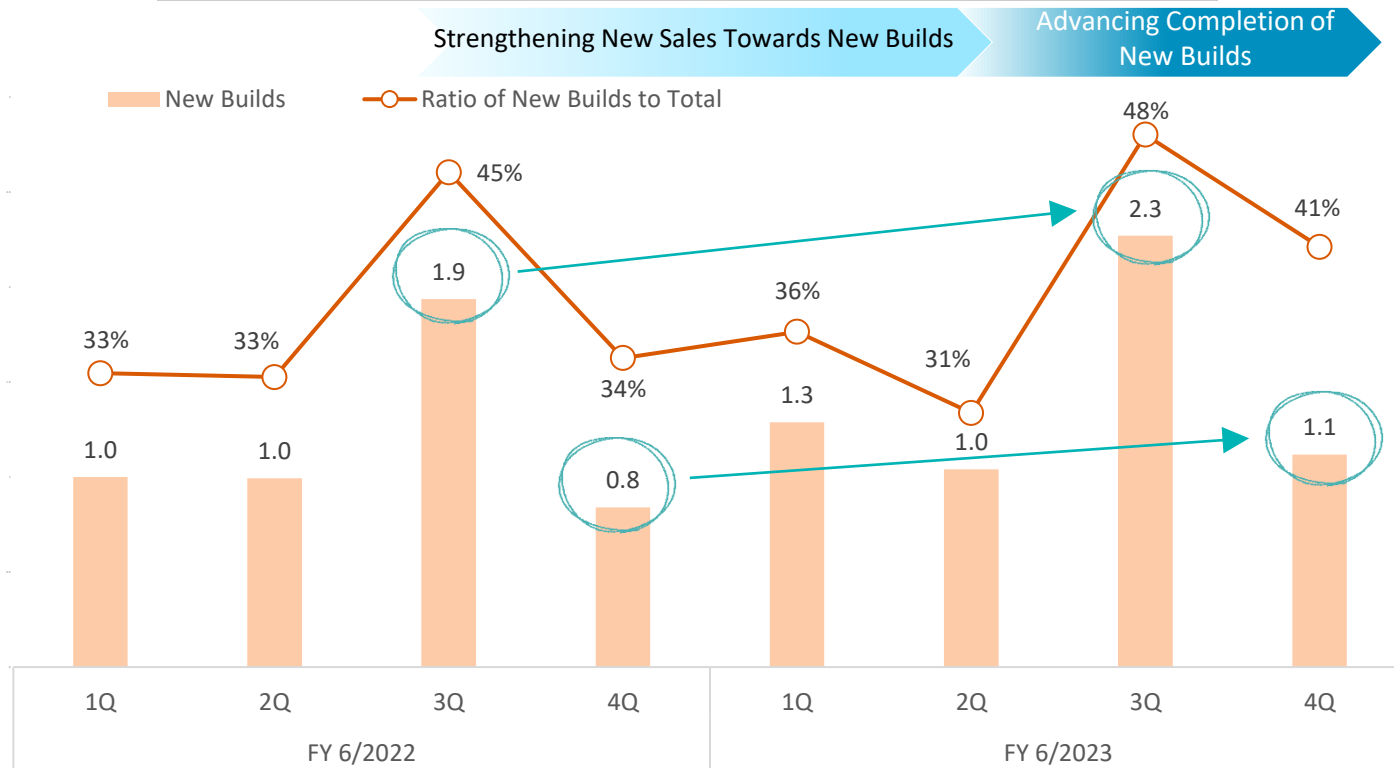
Summary of Consolidated Financial Results by Quarter

- 4Q sales reached a record high. Increased 4Q sales and profits secured a growth trajectory. Growth was achieved in all segments.
- However, seasonality and additional adjustments affected results compared to the 3Q, which showed record profits. Nevertheless, the Business Use business, a key focus area, secured sales growth for the fourth consecutive quarter, and the Real Estate business, which recorded new projects, also contributed to earnings growth.

(Millions of JPY) Rounded down to nearest million; Percentages rounded to nearest 0.1%.	FY 6/2022				FY 6/2023				4Q vs 3Q	4Q YoY
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Sales	2,258	2,323	2,618	3,423	2,591	2,612	3,024	4,567	+1,542	+1,143
Home Use	1,930	1,977	2,132	2,101	2,256	2,245	2,632	2,466	-165	+365
Business Use	257	336	342	308	329	350	381	450	+68	+141
Real Estate	70	10	144	1,013	5	16	10	1,650	+1,639	+636
Operating Profit	288	445	515	403	480	511	745	582	-163	+179
Home Use	451	611	656	598	671	717	897	683	-213	+84
Business Use	53	76	58	46	46	70	89	83	-6	+36
Real Estate	0	3	19	28	-8	4	-2	145	+147	+116
Adjustment	-216	-246	-219	-270	-229	-280	-238	-329	-91	-59
Ordinary Income	279	439	509	375	480	500	737	571	-166	+195
Ordinary Income Margin	12.4%	18.9%	19.5%	11.0%	18.5%	19.2%	24.4%	12.5%	-11pp	+1.5pp
Net Profit	182	299	345	246	337	338	499	306	-192	+60

- The number of new Home Use connections opened in the 4Q increased 33% YoY. While the 3Q was already +17%YoY, the rate of new connections being established at new builds is further increasing. New builds accounted for 41% of total new connections.
- The acceleration in growth rate is due to the fact that the completion of new builds has finally begun to pick up momentum since strengthening sales efforts towards new building projects. Though there was a decline from the 3Q due to seasonality, the strategy to strengthen efforts towards new builds is steadily bearing fruit.

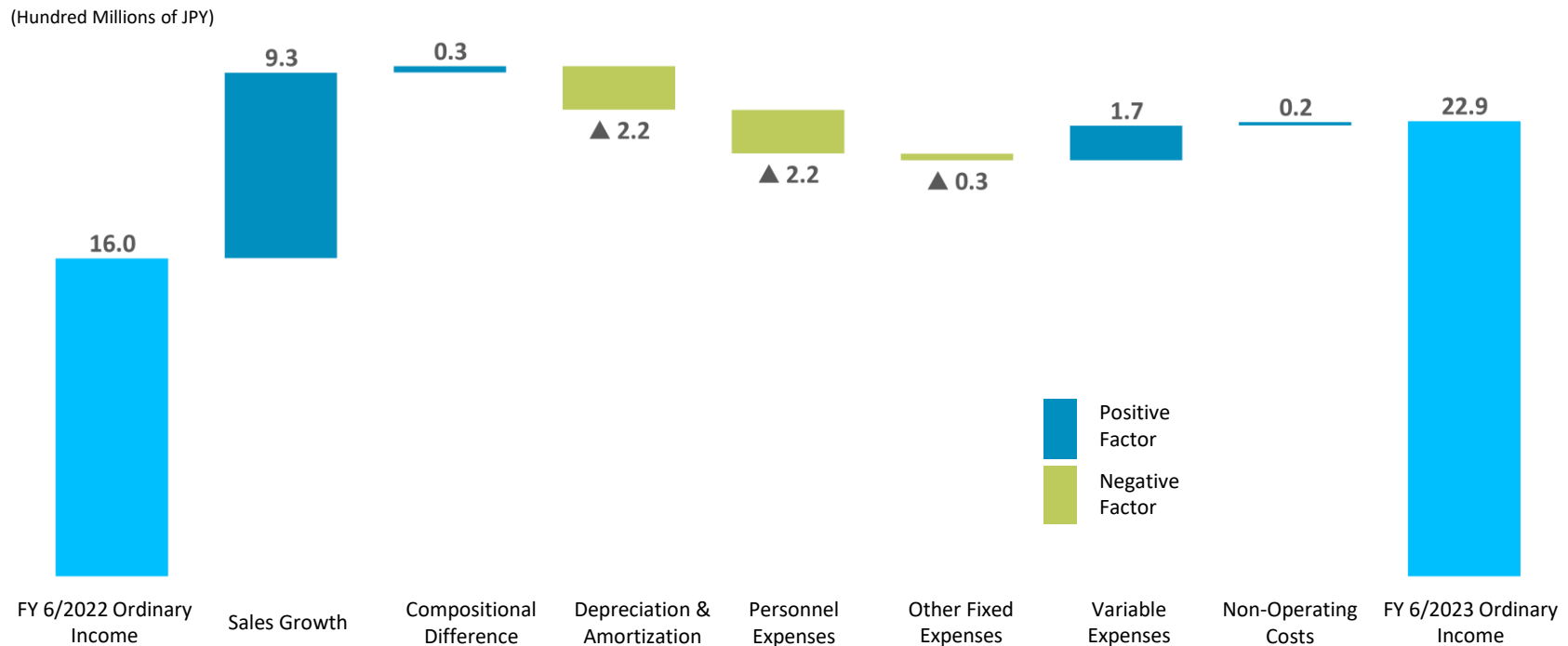
Home Use Business: Number of New Connections for New Builds



* Number of new 1Q FY 6/2022 connections = 1.0

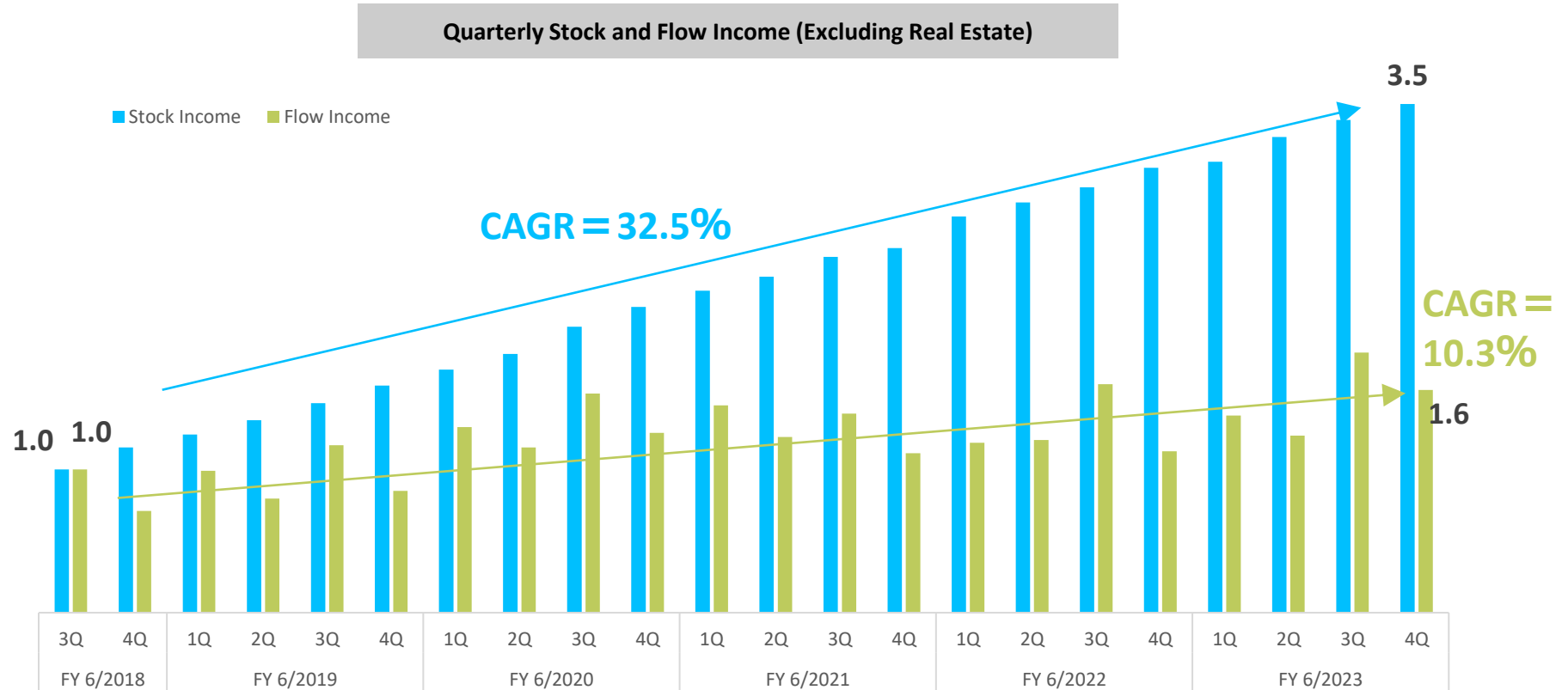
- The main reason for the YoY increase in ordinary income was higher sales. In addition to accelerated expansion of the Home Use business, Business Use sales also recovered. New projects in the Real Estate business also contributed. We were able to absorb profit suppressing factors such as higher personnel costs and depreciation.
- Progress was also made in controlling various costs through the promotion of efficient sales. Despite the increase in total line usage fees, the benefits of per-unit cost control are steadily becoming evident.

Analysis of Ordinary Income for FY 6/2023



Changes In Stock And Flow Income

- Stock income grew steadily. Through the added effect of new build sales we have been able to achieve 21 consecutive quarters of growth since the company's listing. The average annual growth rate has gradually decreased due to the increase in scale, but it still remains high at 32.5%.
- On the other hand, flow income is highly volatile, but the scale of the business is steadily expanding. Average annual growth rate here is also over 10%.



Note: 3Q 6/2018 = 1. Differences in values below shown decimal points may cause apparent differences in the height of the graphs despite the same numerical notation. This revenue breakdown is a continuous comparative figure based on our definition, and strictly differs from the revenue prorated for each period under revenue recognition standards.

Trends in Key Indicators

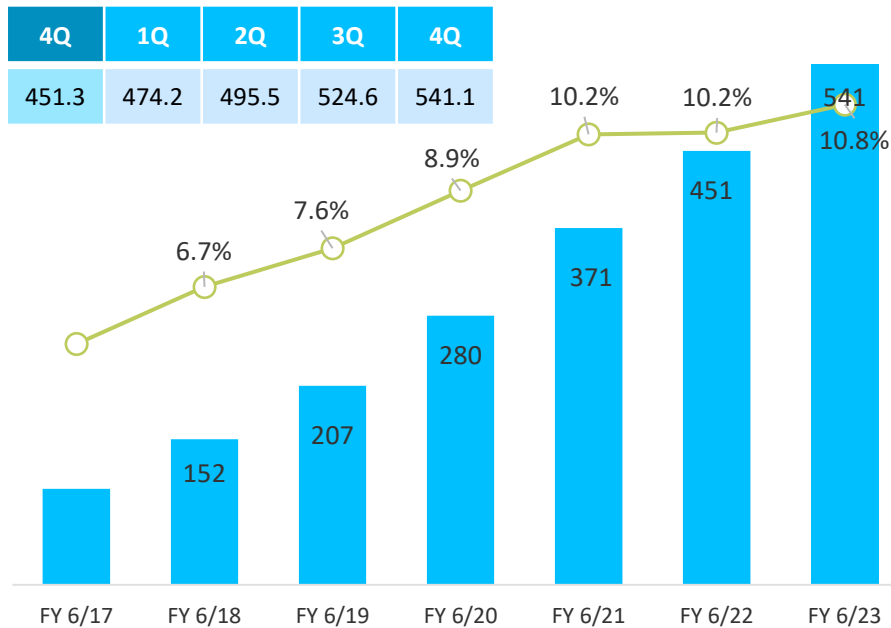
- The number of Residence Wi-Fi Service units connected at the end of the fiscal year was 540,000 units. The rate of new connections is increasing, partly due to the effects of new build sales.
- Flow business sales, a leading indicator for Business Use and a key strategic area, increased for the first time in three fiscal years as a result of strengthening sales efforts and a tailwind from the recovery in footfall. Stock business sales, a lagging indicator, are also steadily increasing, but it has taken time for sales efforts to reflect in results, and we did not reach the target level set during the fiscal year.

Number of Residence Wi-Fi Service Units Connected & National Market Share*

■ Residential Wi-Fi Service Connections (1000s)

—○ National Market Share

Changes over the past 5 quarters

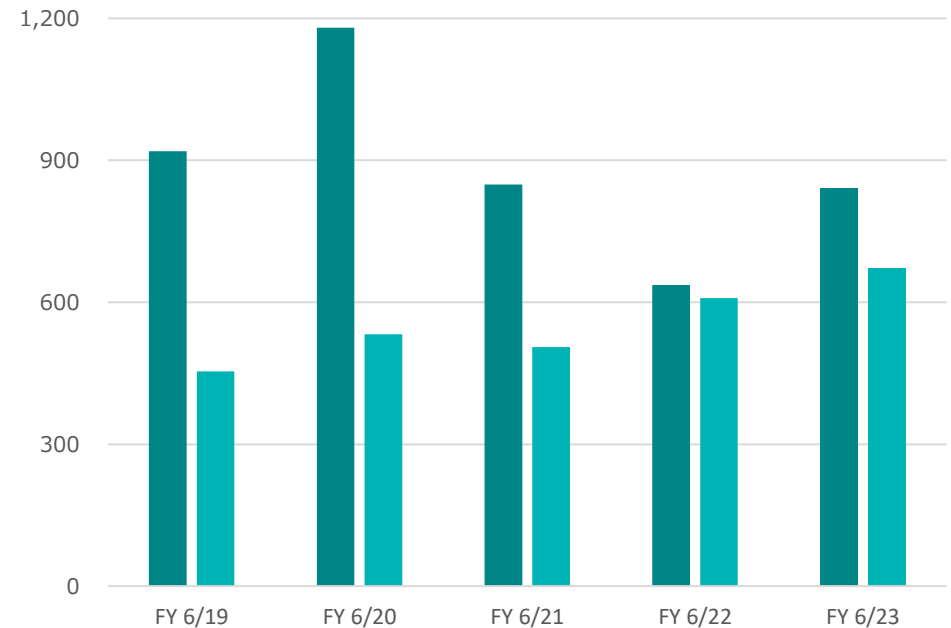


* Nationwide share is calculated by dividing the total number of units provided by ISPs (as of the end of each March), according to MM Research Institute's announcement, by the company's total number of contracted units at the end of the fiscal year (or the end of the most recent quarter).

Business Use Sales by Flow/Stock

■ Flow ■ Stock

(Millions of JPY)



Due to the revised definition of flow revenue, the company has revised its previously disclosed figures for FY 6/2022 and prior.

Consolidated Financial Summary (Balance Sheet)

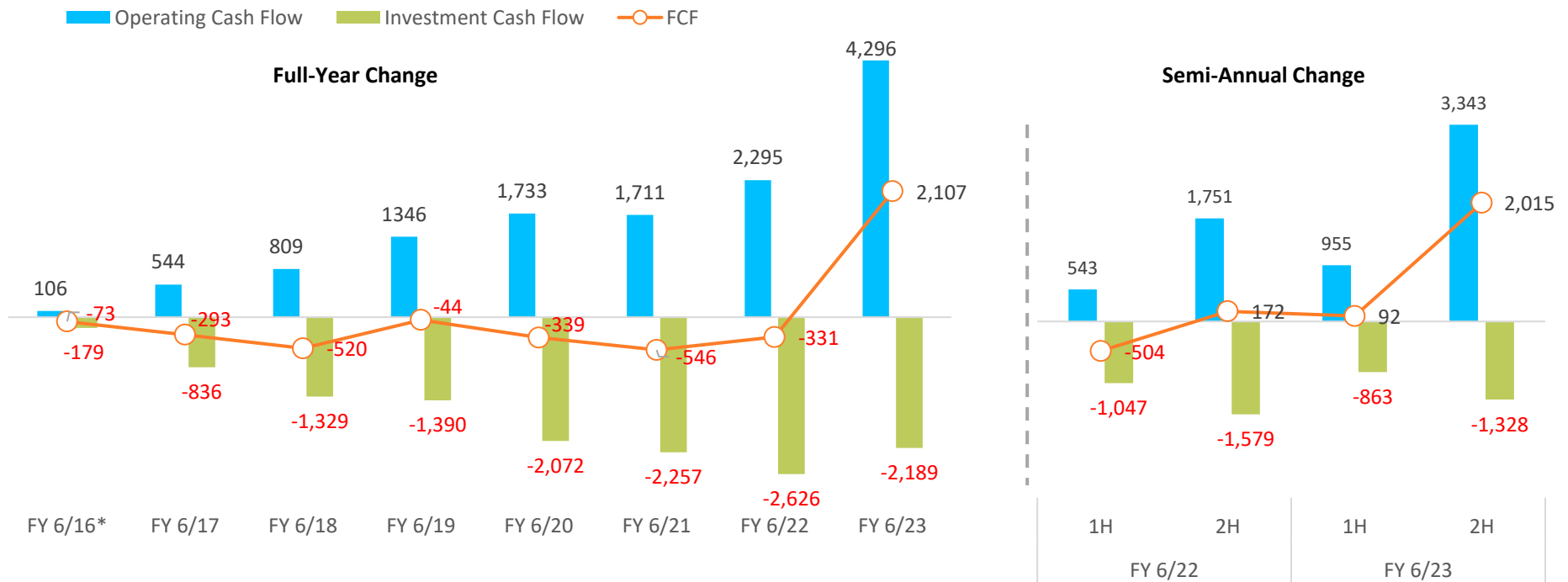
- Equity ratio is 36.8%: although revenue recognition standards had caused a decline to the 25% level, it has almost recovered to pre-adoption levels.
- Interest-bearing debt also declined for the first time in four fiscal years. While the structure of cash outflow preceding business expansion remains unchanged, the tight cash flow-related financial situation has finally eased with an increase in cash flow accompanying business expansion. The trend of increasing loans has finally begun to turn.

(Millions of JPY) Rounded down to nearest million; Percentages rounded to nearest 0.1%		FY 6/2021	FY 6/2022	FY 6/2023	Change from FY 6/2022	
Current Assets		3,920	6,028	5,559	-468	Continued cash outflow from Telecom business and impact from Real Estate sales.
	Cash and deposits	2,196	2,303	2,382	+78	
	Accounts receivable	1,234	1,375	1,585	+210	Decreased due to Real Estate sales.
	Inventories (Telecom)	311	654	637	-17	
	Inventories (Real Estate)	55	1,426	655	-771	Telecom business-related assets increased due to increase in Wi-Fi contracts. However, a portion of Real Estate-related assets were repurposed for sale.
Fixed Assets		5,475	7,057	7,203	+146	
	Property, plant and equipment	5,246	6,204	6,565	+360	
Total assets		9,397	13,087	12,764	-322	
Liabilities		5,720	9,808	8,005	-1,802	Progress in debt repayment
	Interest-bearing debt	4,453	6,653	4,672	-1,981	
	Contract liabilities	-	1,958	1,638	-320	Equity ratio of 36.8%. Almost recovered to pre-revenue recognition standards adoption level
Net assets		3,677	3,279	4,758	+1,479	
Total liabilities and net assets		9,397	13,087	12,764	-322	

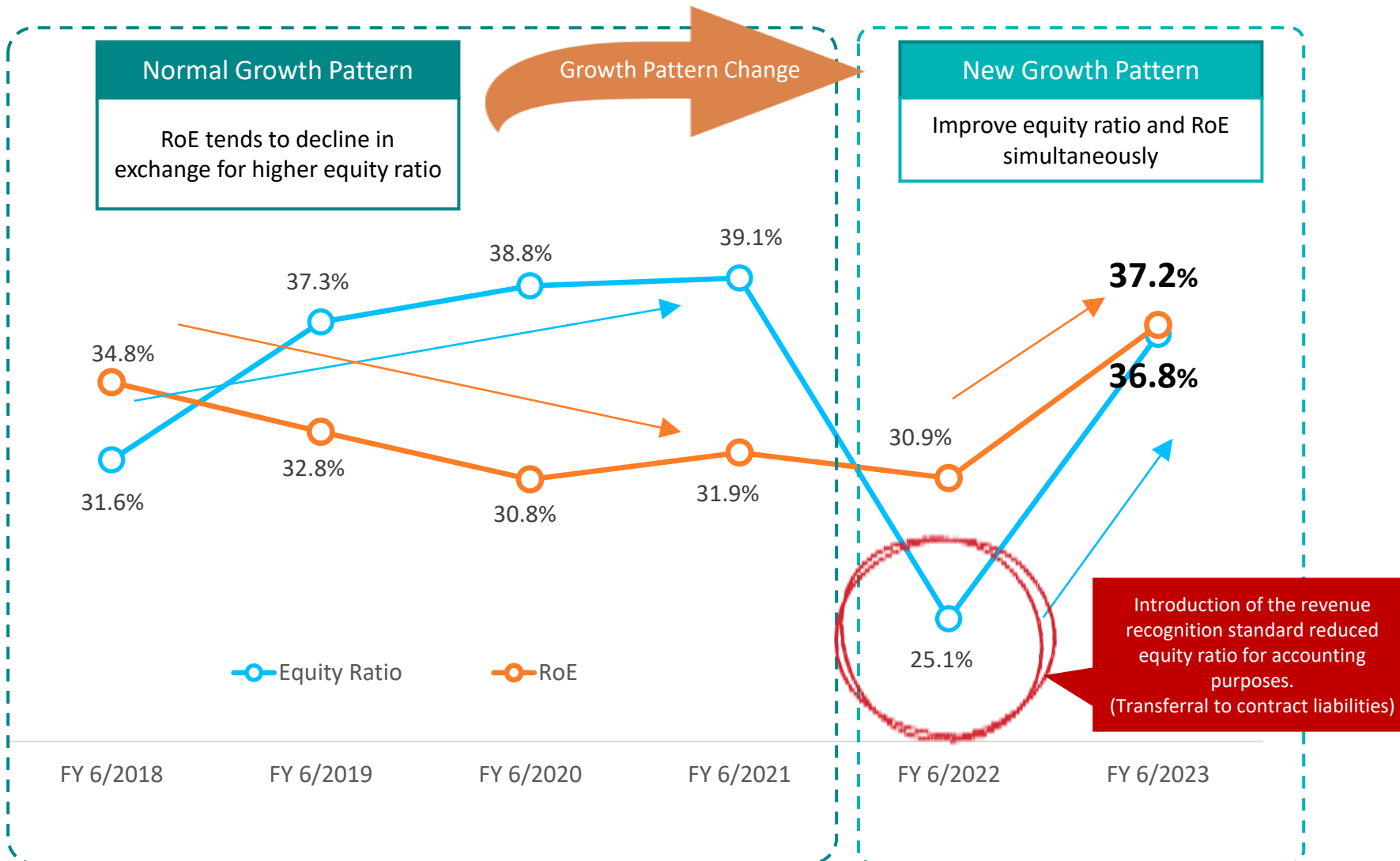
- FCF for FY 6/2023 was ¥2.1bn, the first full-year surplus since the company was listed. We posted positive FCF for the third consecutive half and, in the second half alone, the surplus reached ¥2bn due in part to the Real Estate business. Even excluding Real Estate, the Telecommunications business secured positive FCF.
- Accordingly, FCF is mainly used to repay debt. We recognize that the increase in cash flow associated with business expansion is finally starting to reduce our financial burden. The tight cash situation we have faced since the company's inception has finally moved to the next phase.

Long-Term Cash Flow Trends

(Millions of yen)



* FY 6/2016 figures based on a 6 month period



Further Raise of Year-End Dividend Forecast

- We raised the year-end dividend forecast again due to excess ordinary income versus our previous forecast.
- We have planned a year-end dividend of ¥10 per share for FY 6/2023, consisting of an ordinary dividend of ¥8 per share and a commemorative dividend of ¥2 per share for the company's 20th anniversary. Dividend payout ratio: 13.7% (including commemorative dividend).

	Dividend		
	End of 2Q	End of FY	Yearly total
<Plan for FY 6/2023>			
Original forecast (Announced Aug. 12, 2022)	¥0.00	¥7.00	¥7.00
Previous revised forecast (Announced May 15, 2023)	¥0.00	¥9.00 (Ordinary dividend ¥7.00) (Commemorative dividend ¥2.00)	¥9.00 (Ordinary dividend ¥7.00) (Commemorative dividend ¥2.00)
Revised forecast	¥0.00	¥10.00 (Ordinary dividend ¥8.00) (Commemorative dividend ¥2.00)	¥10.00 (Ordinary dividend ¥8.00) (Commemorative dividend ¥2.00)
Dividend payout ratio			Incl. Commemorative: 13.8% Ordinary only: 10.9%
<FY 6/2022>			
Previous results (FY 6/2022)	¥0.00	¥4.50	¥4.50
Dividend payout ratio			8.5%



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Forecast of Results for FY 6/2024

Forecast of Consolidated Financial Results for FY 6/2024 ① - Summary

- We forecast a 7% increase in sales and a 10% increase in ordinary income for FY 6/2024. The slowdown in growth from the previous fiscal year is due to the Real Estate business, which will enter an off-season. The Telecommunications business is expected to maintain growth of 16%, inline with the previous fiscal year's 18% sales growth.
- By segment, the Home Use business will continue its strong performance, driven by new building sales. Business Use is also expected to expand, driven by an increase in flow income as a leading indicator. We expect it to recover from lead-time delays and achieve the most growth of all segments this fiscal year.

(Millions of JPY) Rounded down to nearest million		FY 6/2022	FY 6/2023	FY 6/2024 Forecast	Year on Year	
					Change	Percentage Change
Net Sales		10,624	12,795	13,710	+914	+7.1%
	Home Use	8,141	9,600	11,020	+1,419	+14.8%
	Business Use	1,244	1,512	1,860	+347	+23.0%
	Real Estate	1,238	1,682	830	-852	-50.7%
Operating Profit		1,652	2,320	2,530	+209	+9.0%
	Home Use	2,318	2,970	3,290	+319	+10.8%
	Business Use	235	289	460	+170	+58.7%
	Real Estate	52	138	80	-58	-42.2%
	Other	-953	-1,078	-1,300	-221	-20.6%
Ordinary Income		1,604	2,290	2,520	+229	+10.0%
Ordinary Income Margin		15.1%	17.9%	18.4%	+0.5pp	-
Net Profit		1,073	1,482	1,680	+197	+13.3%

- The forecast of ¥230m YoY ordinary income growth assumes the Home Use business will continue to be the largest contributor. The Business Use business, considered an area of focus, is also expected to see the benefits of our preparations.
- Meanwhile, the Real Estate business and others are entering an off-season. However, we expect to secure a profit in the Renewable Energy business.
- We expect costs to continue to rise, primarily due to personnel and development costs in our head office and other expenses.

FY 6/2023 Ordinary
Income
¥2.29bn

Assumed FY 6/2024
Ordinary Income
¥2.52bn

+¥230m

Home Use

+¥320m

Increase in new builds and stock earnings
Increase in Home IoT-related sales and optional products

Business Use

+¥170m

Accelerated demand for commercial/retail/leisure facilities due to recovery of footfall
Expanding the scope of Wi-Fi installation locations to secure communication infrastructure
Continue to uncover demand for hotels/hospitals/nursing care/BCP support, etc.

Real Estate

▲¥60m

This cycle of large Real Estate sales has run its course
Renewable Energy business is expected to be profitable for the full year

Head Office etc.

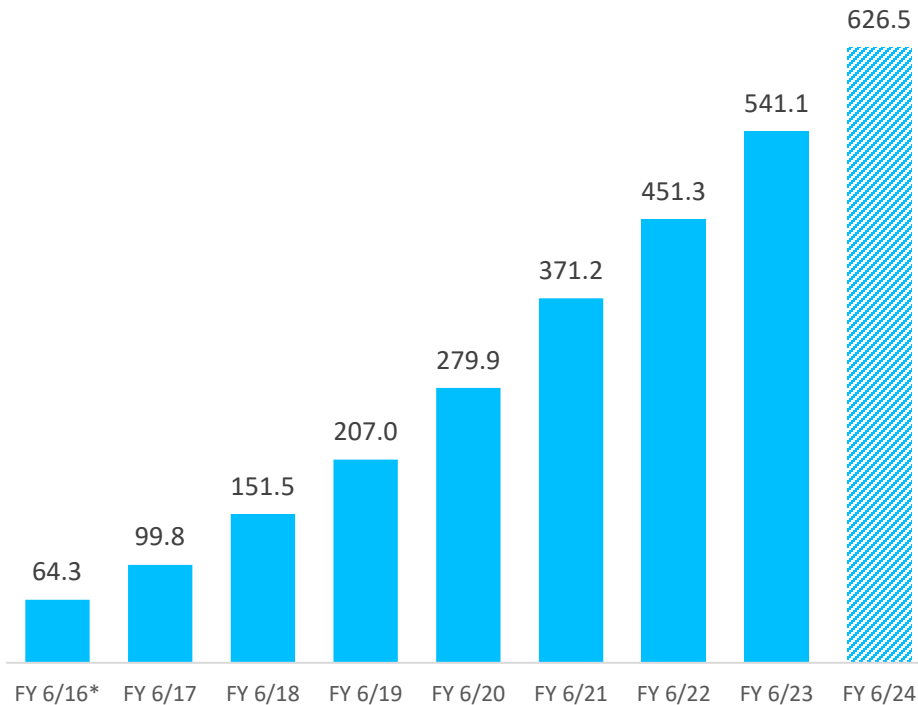
▲¥200m

Increase in personnel and development expenses continues

- The assumed increase of newly connected residential Wi-Fi units is +>92,000 units. The cumulative number of units is estimated to be 626,000. The expansion rate is expected to remain almost the same as past levels. In terms of new build / existing build composition, the proportion of new builds is expected to increase as new builds are fully completed.
- In Business Use, we expect to see a further accumulation of flow sales. We will focus on sales in key areas such as hospitals, nursing care facilities, and tourist facilities, as well as on the promotion of unique products such as "one-touch Wi-Fi," which are easy to introduce.

Number of Units Connected to the Residence Wi-Fi Service

(Units: Thousands)

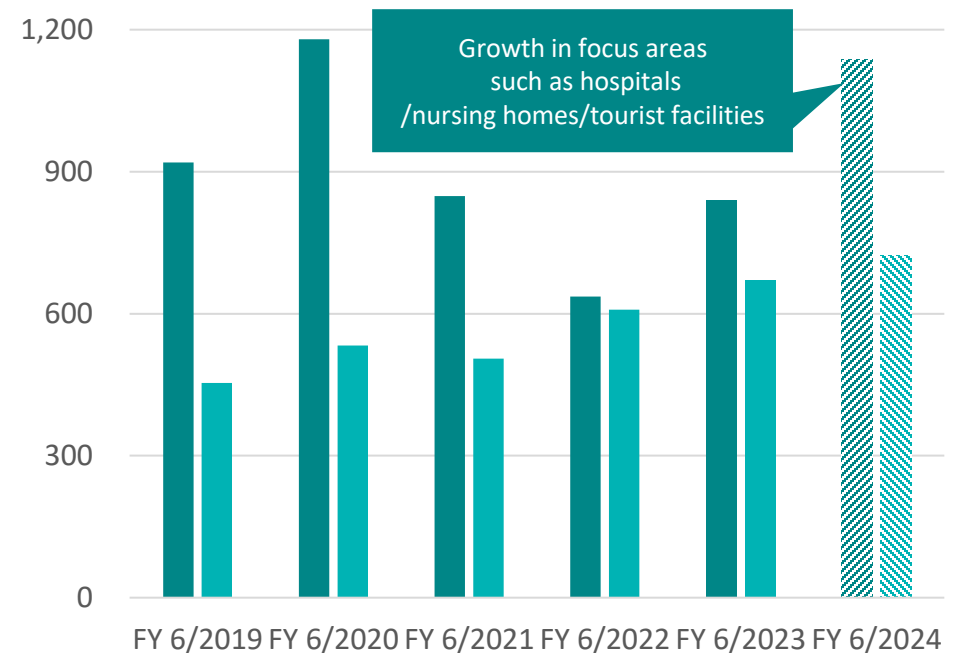


* FY 6/2016 figures based on a 6 month period

Business Use Sales by Flow/Stock

■ Flow ■ Stock

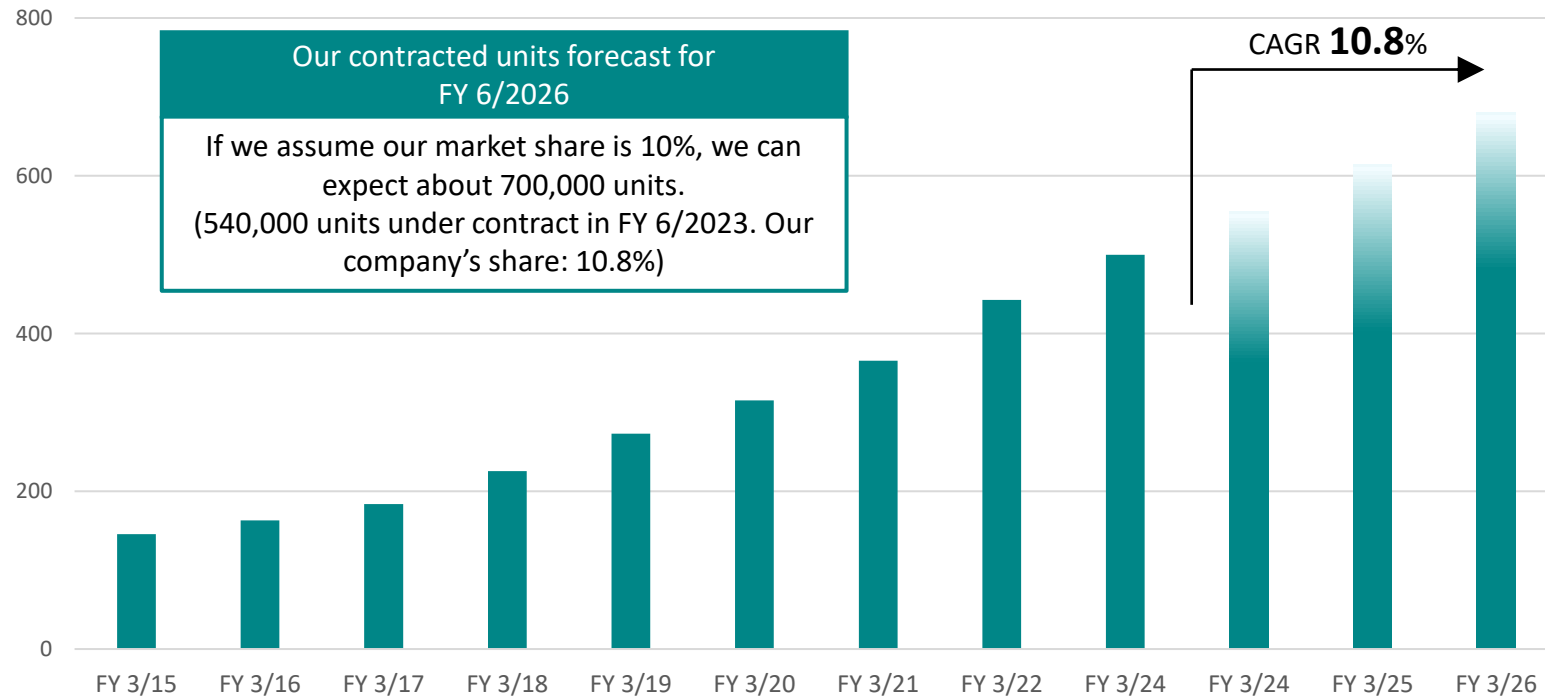
(Millions of JPY)



- According to MM Research Institute, the residential Wi-Fi market continues to expand, and the number of units with all-inclusive Internet is expected to grow at an annual rate of 10.8% until the end of March 2026.
- As long as there is no significant decline in market share, we will be able to benefit from the same degree of market expansion. We will also enhance high compatibility value-added services to retain existing customers and strengthen our appeal to new customers.

Number of Units Provided By All-inclusive Condominium ISPs

(Units: Thousands)



Source: MM Research Institute: Number of units serviced by ISPs for condominiums with all-inclusive service (announced on Aug. 2, 2023)

We will develop various optional services as up-/cross-sell products in the Home Use business



Optional Product Ranges

- ✓ FG Smart Call (intercom with facial recognition)
- ✓ FGTV (Fiber Optic TV Service)
- ✓ FG Home IoT (smart locks, smart sensors)
- ✓ Expansion of content for residents (e.g., unlimited e-magazine & manga reading services)
- ✓ EV Charging Stations
- ✓ Network Camera
- ✓ Home Delivery Box Installation Service



FG Smart Call



FGTV



Network Camera



Home Delivery
Box Installation
Service



Unlimited
e-magazines &
manga



EV Charging
Station



Smart Lock &
Smart Sensor

Former Business Use Business Model

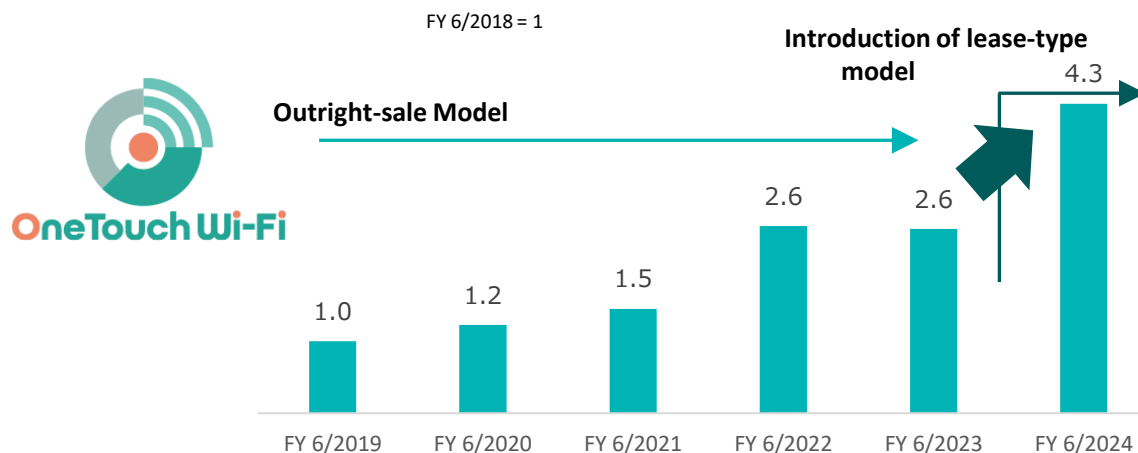


- ✓ Development support for commercial facility and telecommunication brands (behind-the-scenes business)
- ✓ Wholesale of telecommunications equipment and other equipment via outright sale
- ✓ Wi-Fi service provided by our company

Lease-type model added to Business Use business

- ✓ Communication equipment is provided on lease from our company, thereby reducing the initial investment burden on the customer
- ✓ We have already accumulated know-how on the lease-type model through our Home Use Business, and we can leverage our strengths in this area

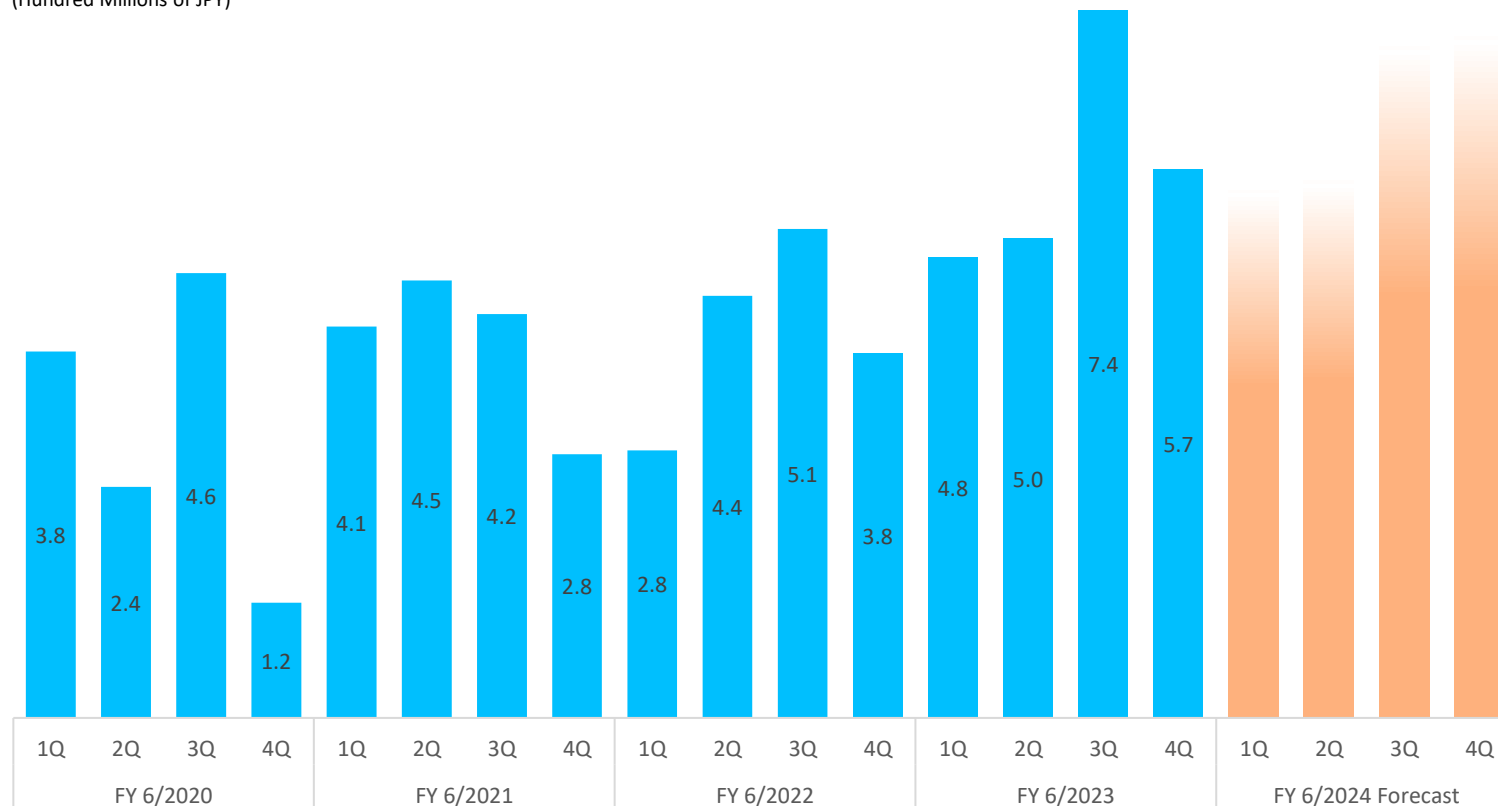
Example of Commercial Products Anticipated from the Introduction of the Lease-type Model (One-touch Wi-Fi Sales)



- Looking at ordinary income by quarter, volatility due to seasonal factors has gradually decreased since FY 6/2022, and there is a noticeable trend of improving performance as the fiscal year progresses. Accumulation of stock revenue is steadily raising the "earning power" of the company.
- No major quarterly changes are expected in FY 6/2024. Nevertheless, we expect the trend of recording higher sales from 3–4Q to continue, corresponding to the rental housing market's busy season.

Visualization of Quarterly Ordinary Income Trends

(Hundred Millions of JPY)



- For FY 6/2024, we plan to pay an annual dividend of ¥10 per share, incorporating the commemorative dividend paid in the previous fiscal year into the ordinary dividend. The annual ordinary dividend is expected to increase by ¥2 per year (total dividends, including commemorative dividends, remain flat YoY).
- However, in response to increased business stability, we will begin paying semi-annual dividends from the current fiscal year.

	Dividend		
	End of 2Q	End of FY	Yearly total
<Forecast for FY 6/2024>			
Current Forecast	¥5.00	¥5.00	¥10.00
Dividend payout ratio			12.1%
<FY 6/2023>			
Previous plan (FY 6/2023)	¥0.00	¥10.00 (Ordinary dividend ¥8.00) (Commemorative dividend ¥2.00)	¥10.00 (Ordinary dividend ¥8.00) (Commemorative dividend ¥2.00)
Dividend payout ratio			Incl. commemorative: 13.8% Ordinary only: 10.9%



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Topics

1**Renewable Energy: Testing a distributed energy storage control system****2****Business Use: Expand installations in nursing homes****3****Business Use: 'Kagitouban' service begins****4****Participation in IR note Magazine****5****Conceptualizing the International Environmental Financial City in Sapporo****6****Progress towards SDGs**

We started verification tests of a distributed energy storage control system for apartment complexes with HeadSpring, a power electronics manufacturer.

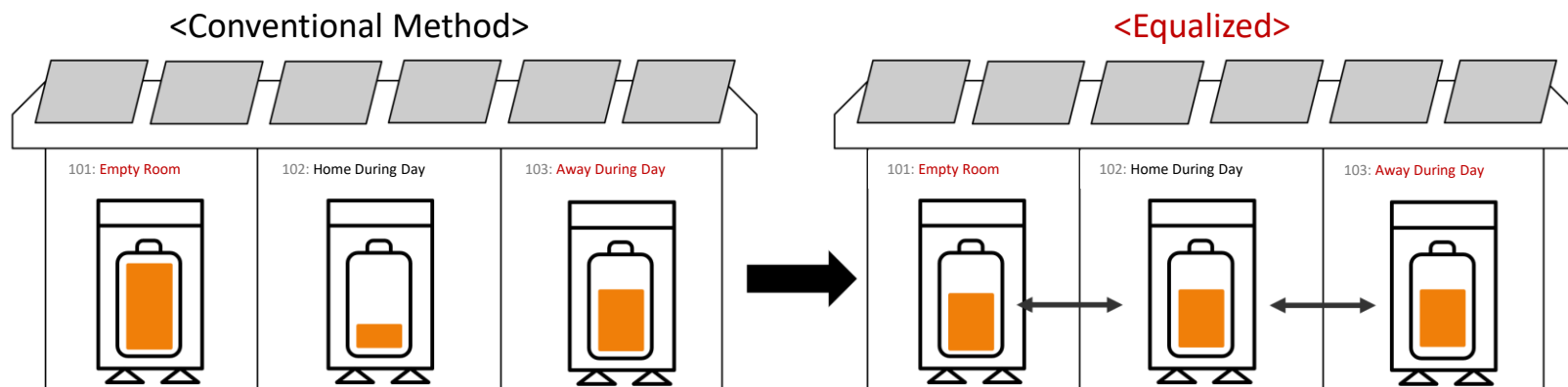


Objective: To reduce electricity costs for the entire building.

Method: Maximizing the efficiency of photovoltaic power generation by equalizing electrical energy levels across energy reservoirs.

[Verification Test Overview]

- Installed HeadSpring's energy management system in the experimental "Reunir Gracias Kawaguchi" facility.
- Distributed electrical energy from the least power-consuming reservoirs evenly across all other reservoirs.
- Minimized the amount of electricity received from the power companies by effectively utilizing energy generated by solar power generation.



We installed Wi-Fi in group homes for people with dementia


Support for DX through the use of ICT to improve operational efficiency / reduce workload of management staff



* Group home — Community nursing home for people with dementia. They provide support for the independent living of dementia patients with the assistance of expert staff.

[Key Points Regarding Installation]

- Wi-Fi is linked to nursing patient care recording software, bed sensors, nurse-calling devices, etc.
- Network security measures (such as an unauthorized access prevention system) are in place to protect critical data.
- Wi-Fi access points are installed in each room (SSIDs are differentiated for guests, staff, and ICT)
- Network cameras are used to monitor residents and enhance security.



Contributes to improving staff operational efficiency

[Installation Overview]

Name: Ao no Kaze Group Home (9 Beds)

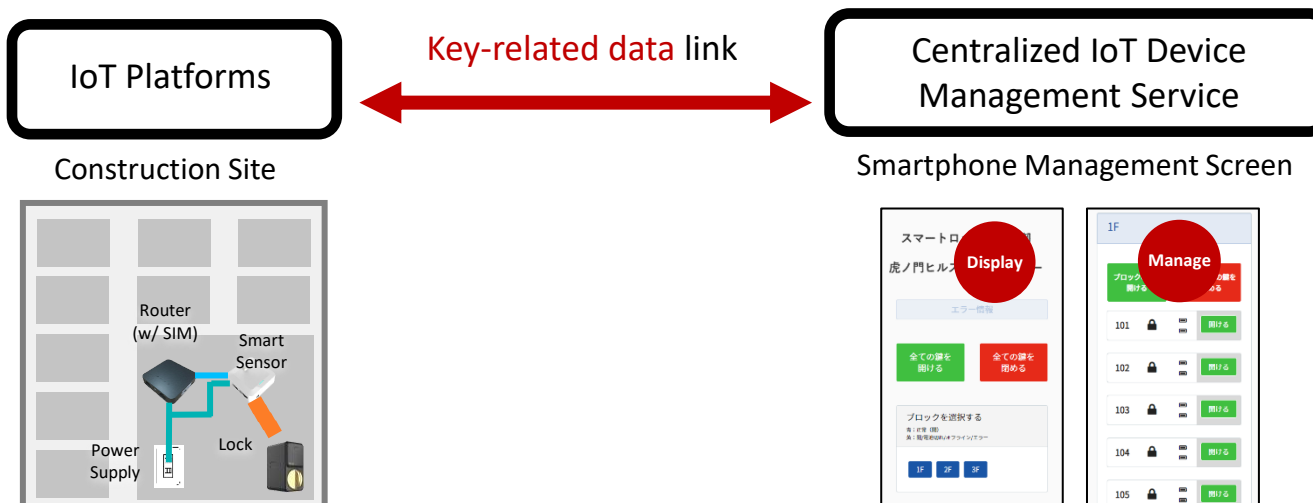
Address: 2379-1 Fukuroda, Ohko-cho, Kuji-gun, Ibaraki

Installed equipment: 8 Wi-Fi devices, 1 unauthorized access prevention system, 4 network cameras

Kagitouban

Proprietary key management system for apartment construction sites

Smart locks are installed at the entrances of each housing complex construction site and managed with a proprietary application.



Benefits of Kagitouban

- ① Remote locking and unlocking: Remote operation by on-site technicians saves management labor.
- ② Visualization of key open/close info: Security measures are strengthened by confirming the key-opening and -closing information of each dwelling unit with a mobile device.



**Contributing to DX at
construction sites**

We started participating in the 'IR note Magazine', utilizing the **n o + e** media platform in June 2023

■ IR note Magazine

IR note Magazine is a new attempt at delivering IR articles to investors through co-creation that transcends corporate boundaries.

※ As of June 2023, 36 companies are participating.

■ Objective

Improve IR communications with investors through proactive IR activities.

n o + e



Conceptualizing the International Environmental Financial City

■ Team Sapporo-Hokkaido

Consortium project of industry-academia-government-finance organizations* with the aim of attracting up to ¥40 trillion in GX investment to Sapporo, Hokkaido over the next 10 years in order to realize a decarbonized society

(up to ¥150 trillion for Japan as a whole)

The industrial structure of Hokkaido as a whole could change.

Expanding telecom demand in various business settings

↓
Proliferation of Renewable Energy


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Hopes for the acceleration of the 'Wi-Fi, Anywhere' approach

- ✓ Access advantages as a local company
- ✓ Shorter lead time in Business Use demand
- ✓ Further build up expertise by expanding the number of projects

* Team Sapporo-Hokkaido Consortium participating organizations/companies

Industry

- Hokkaido Economic Federation
- Hokkaido Federation of Chambers of Commerce & Industry
- Sapporo Stock Exchange
- Hokkaido Electric Power Company
- Hokkaido Gas Co.

Academic Institutions

- Hokkaido University

Government Offices

- City of Sapporo
- Hokkaido
- Organization for Decarbonization Support
- Financial Services Agency
- Hokkaido Finance Bureau
- Ministry of Economy, Trade & Industry
- Hokkaido Bureau of Economy, Trade and Industry
- Ministry of the Environment
- Hokkaido Regional Environment Office, Ministry of the Environment

Finance

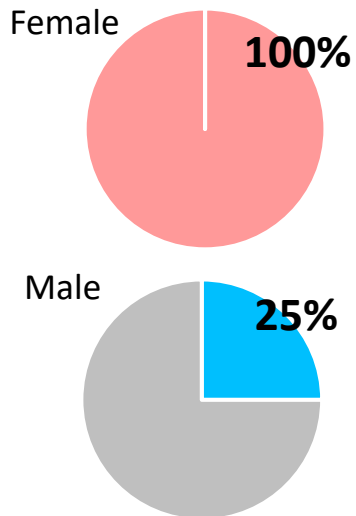
- North Pacific Bank
- Hokuhoku Financial Group
- Mitsubishi UFJ Bank
- Mizuho Bank
- Sumitomo Mitsui Banking Corporation
- Development Bank of Japan

Mission 1

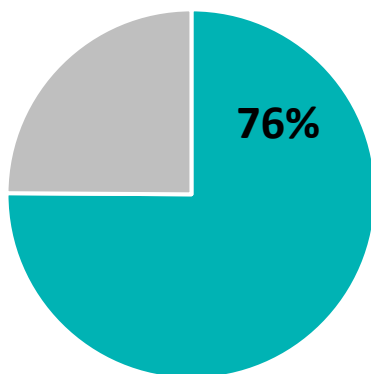


We aim to realize a variety of work styles that employees can choose according to their stage in life

Employees taking parental leave
(as of the end of June 2023)



Ratio of remote work
(as of the end of June 2023)

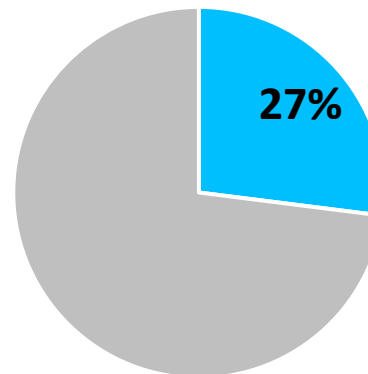


Mission 2

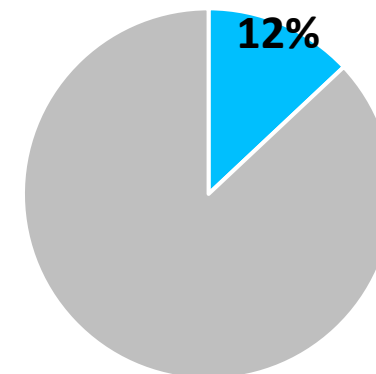


We will work to promote diversity so that personnel with diverse perspectives and values can play an active role in the company.

Ratio of women in management positions
(as of June 2023)



International Human Resources Ratio
(as of June 2023)





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Appendix



**A Wi-Fi solutions company independent from telecom carriers,
dealing in everything from telecom device development and
production to electronic communication services**

***An independent public wireless LAN operator**

In the public wireless LAN (Wi-Fi) access service sector, there are currently 15 companies with national reach under the jurisdiction of the Ministry of Internal Affairs and Communications (Communications Bureau, Business Policy Division), and we rival the major carriers.

Telecommunications Business: Wi-Fi systems



Wi-Fi, Anywhere



Fibergate Inc.

株式会社ファイバーゲート



Real Estate Business:
Wi-Fi, IoT, developing green energy
apartments and making property lineups

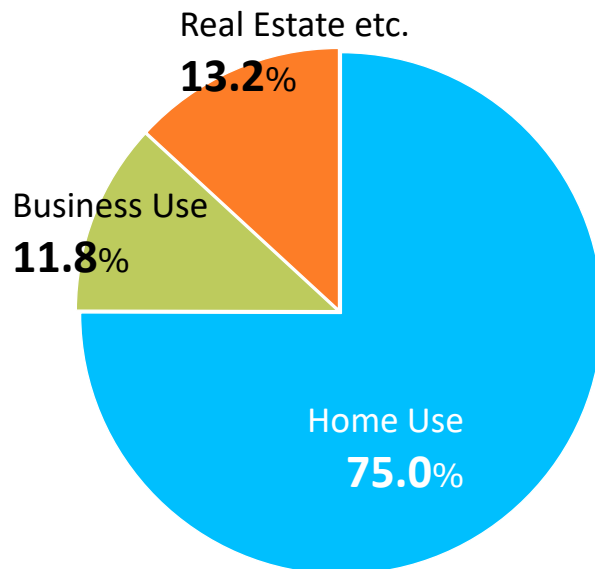


Renewable Energy Business:
All-in-one generation and
consumption energy systems

- We have 3 businesses: 2 in telecoms and 1 in real estate. Our main strength is residential Wi-Fi, which contributed 76.6% of sales in the most recent reporting period.
- We are focusing efforts on our highly profitable private brand support (behind-the-scenes business).

Sales Breakdown

FY 6/2023 Results



Our main telecommunications businesses

Home Use



- Internet services for entire apartment complexes
- Customers are apartment complex owners

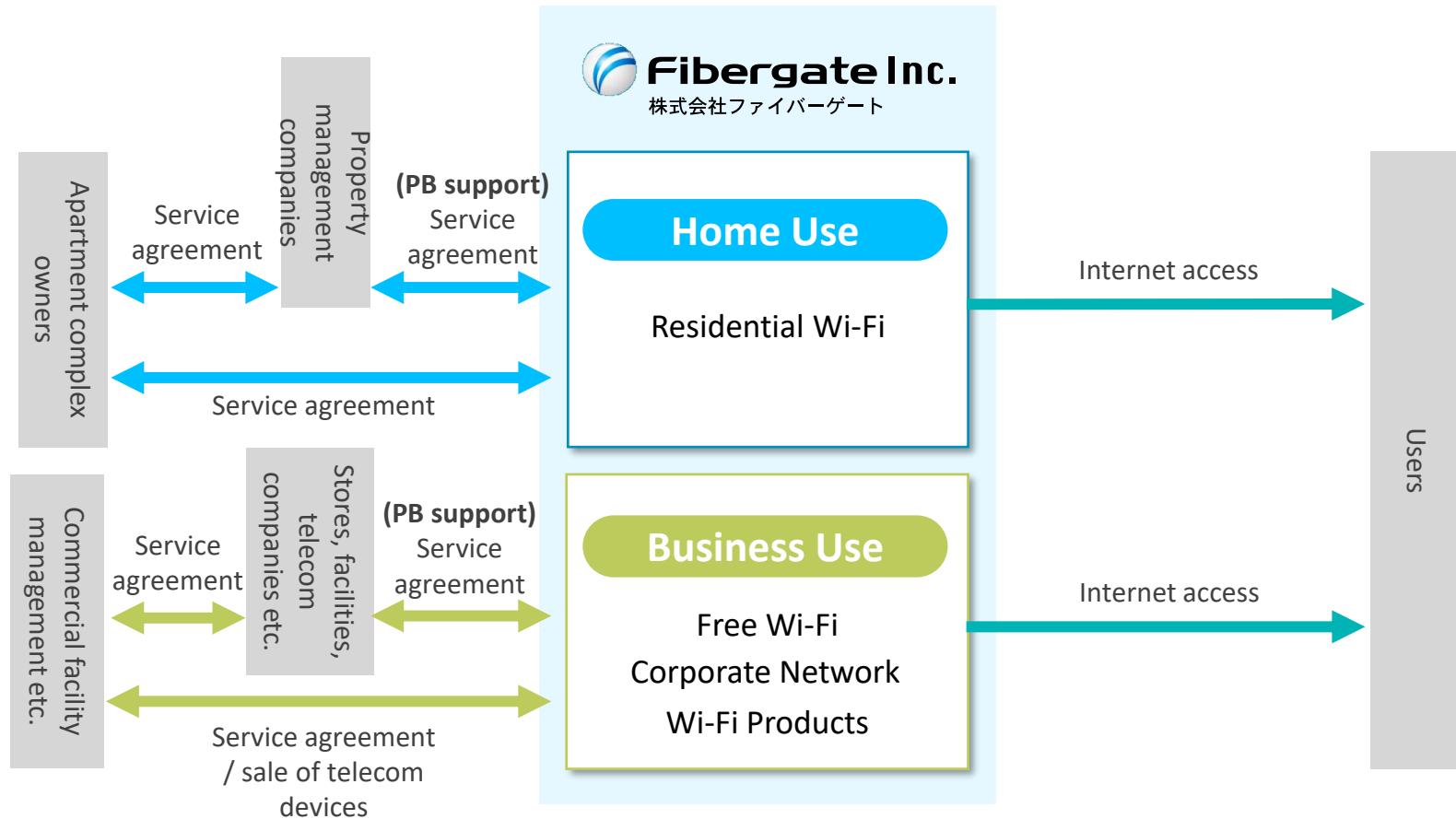
Business Use



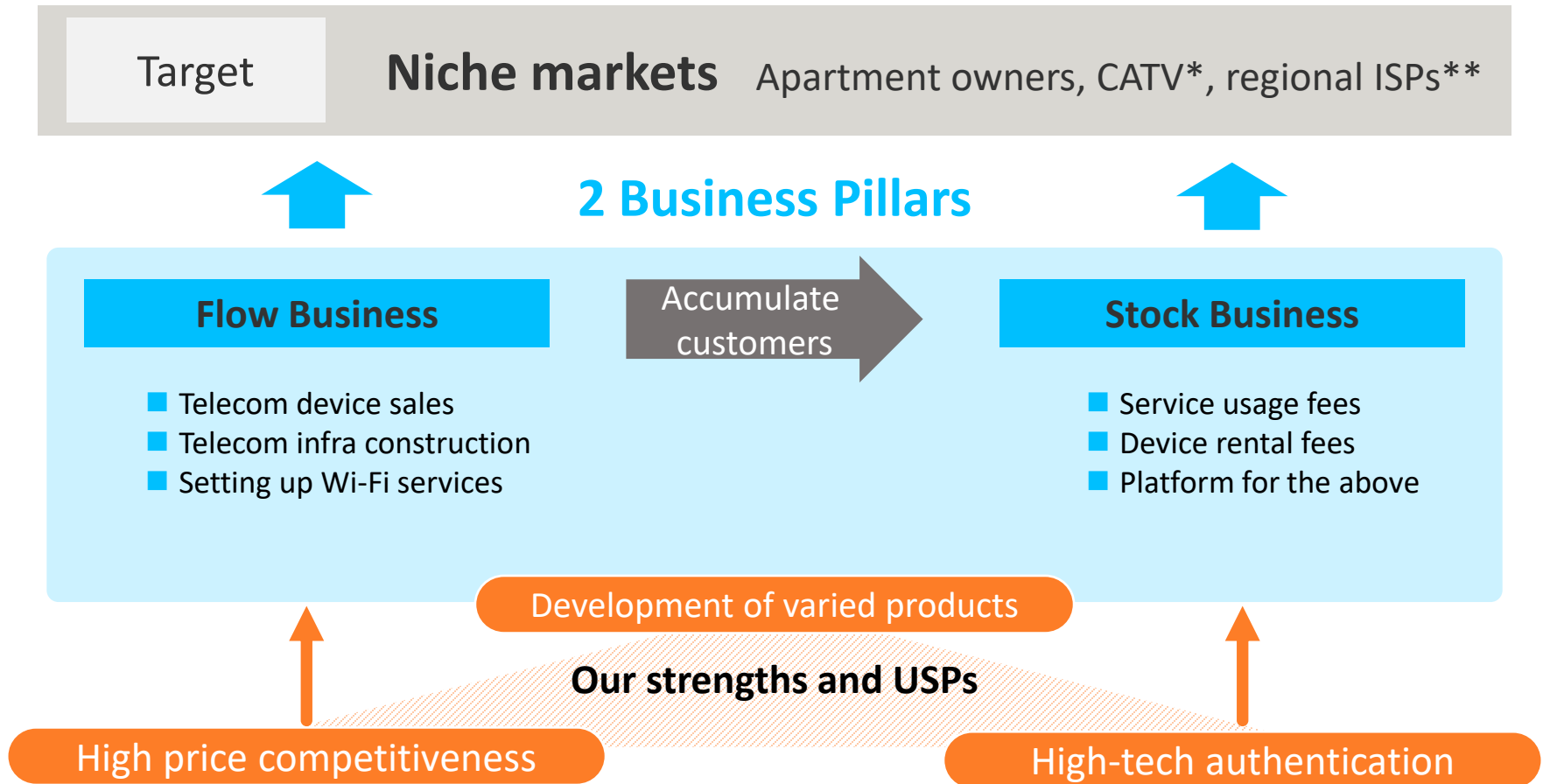
- Free Wi-Fi Business (for sightseeing, commercial facilities)
- Corporate Network Business (such as internet provider services)
- Wi-Fi Product Business (production and sale of telecom devices)
- Customers are tourism organizations, owners of commercial facilities etc.)

Telecommunications Business Model

- We receive remuneration from our service contractors: end users pay nothing.
- Supporting our customers with their private brands is our forte.



- We aim to prepare our flow and stock pillars to reach niche markets.
- We have 3 USPs: our product development, our competitiveness on price, and our authentication technology.



*CATV: Cable Television. A company using optical cables to provide television, internet, and telephone services.

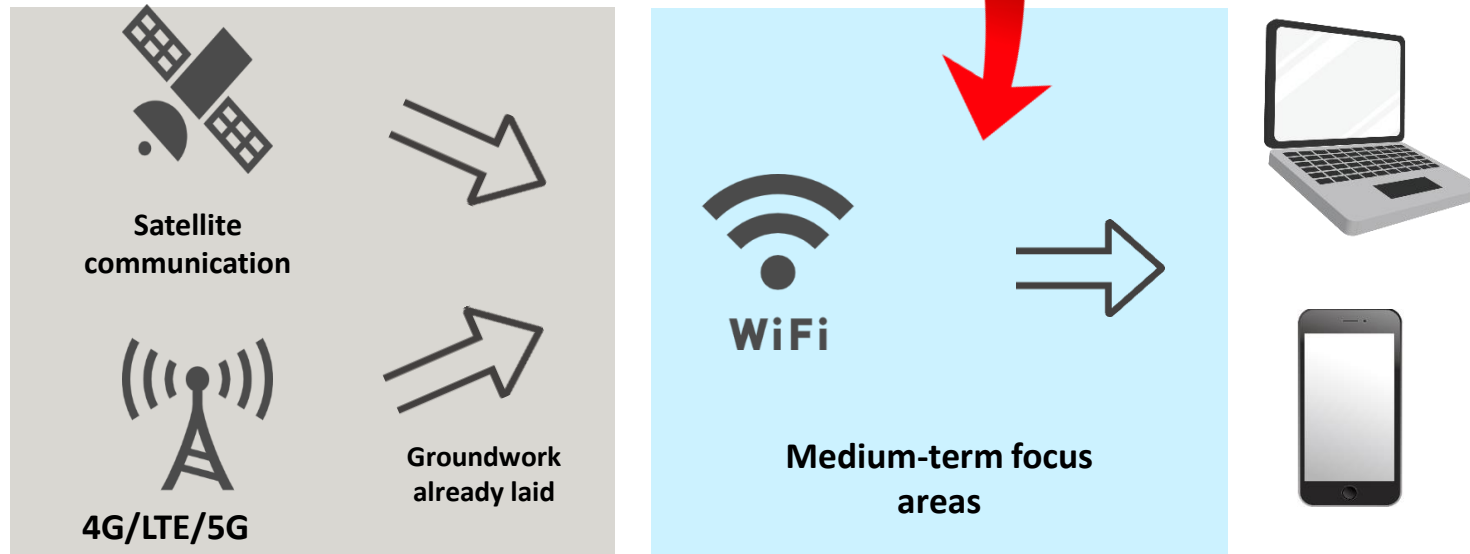
**ISP: Internet Service Provider. A telecom carrier providing services such as internet connection.

Wi-Fi, Anywhere

We will strengthen and expand the network to realize our alternative carrier vision

Toward an “Alternative Carrier”

~Aiming for every communication gateway~



Year	Events
2000	➤ Established in Wakabayashi Ward, Sendai, to broker telephone services domestically and internationally
2003	➤ Moved headquarters to Sapporo Chuo Ward ➤ Core business: selling broadband lines online and building a network of multiple brick-and-mortar locations
2004	➤ Began the residence Wi-Fi business
2005	➤ Began offering broadband services
2006	➤ Began providing free internet private brand services for communal housing
2009	➤ Began the free Wi-Fi service business
2013	➤ Established NOIS Inc. as a subsidiary to plan and develop computer hardware and software, and to act as an internet line agency
2014	➤ Began selling telecom devices produced in-house (Wi-Fi product business) ➤ Began providing private brand Wi-Fi services for stores and commercial facilities
2015	➤ Acquired Telecommunications Contractor Authorization (Governor of Hokkaido Authorization) ➤ Established Fibergate Taiwan Inc. as a wholly-owned subsidiary in Taiwan ➤ Acquired a license as a telecommunications business in accordance with the Telecommunications Business Act
2018	➤ Listed on the TSE Mothers Index ➤ Carried out a 2-for-1 stock split
2019	➤ Moved to the TSE 1 st Section ➤ Listed on the Sapporo Stock Exchange ➤ Carried out a 2-for-1 stock split
2020	➤ Established FG-Lab Inc. as a subsidiary for product development
2021	➤ Established the subsidiary FG Smart Asset Inc., which deals in real estate ➤ Established OffGrid-Lab Inc., which deals in renewable energy
2022	➤ Acquired all shares of TM Asset Inc., which deals in real estate holdings and sales

Financial year		FY 6/2019	FY 6/2020	FY 6/2021	FY 6/2022	FY 6/2023
Sales	(Millions of JPY)	5,446	7,424	8,491	10,624	12,795
Ordinary Income	(Millions of JPY)	886	1,215	1,543	1,604	2,290
Net Profit	(Millions of JPY)	550	722	1,019	1,073	1,482
Capital	(Millions of JPY)	426	479	488	494	494
Total issued shares	(Thousand shares)	9,807	20,402	20,487	20,591	20,591
Net assets	(Millions of JPY)	1,981	2,710	3,677	3,279	4,758
Total assets	(Millions of JPY)	5,311	6,984	9,397	13,087	12,764
Net assets per share	(JPY)	202.06	133.52	180.40	160.74	230.12
Earnings per share	(JPY)	57.60	36.19	50.11	52.60	72.70
Equity ratio	(%)	37.30	38.80	39.13	25.06	36.80
RoE	(%)	32.77	30.81	31.92	30.86	37.19
Cash flow from operating activities	(Millions of JPY)	1,345	1,732	1,710	2,295	4,296
Cash flow from investing activities	(Millions of JPY)	-1,389	-2,071	-2,256	-2,626	-2,189
Cash flow from financing activities	(Millions of JPY)	-15	699	1,326	436	-2,027
Cash and cash equivalents	(Millions of JPY)	1,058	1,415	2,196	2,303	2,382
Employees	(People)	159	180	221	231	232

Thank you for your attention

A warning regarding company outlook

The contents of this presentation are based on certain assumptions, and do not ensure or guarantee that forecast figures or measures will come to pass.

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