

毎日、発明する会社

FY2022/04

Financial Results for the Full-Year

FreeBit Co., Ltd.
June 9, 2023

Agenda



1.	SiLK VISION 2024's Current Site and Final Year Policies aimed toward the Next Medium-Term Management Plan	• • • •	3
2.	Full-year results for the year ended April 31, 2023		59
3.	Full-year results by segment for the year ended April 31, 2023		73
4.	FY2024/4 full-year forecast	• • • •	86
5.	Appendix		90

FreeBit

SiLK VISION 2024's Current Site and Final Year Policies aimed toward the Next Medium-Term Management Plan



Summary of Consolidated Financial Results for the Fiscal Year Ended April 2023



	(Millions of yen)		FY04/23 full year		Increase/Decrease		Percentage increase/decrease	
(Millions of y			Actual	Earnings Forecasts (Upward Revision)	YoY change	Results vs. Forecast (Upward Revision)	YoY change	Earnings Forecasts (Upward Revision)
Net sales	Actual	43,075	46,771	46,000	+3,695	+771	+8.6%	+1.7%
EBITDA	Actual	3,290	4,065	_	+775	_	+23.6%	_
Operating	Actual	3,165	4,007	3,500	+842	+507	+26.6%	+14.5%
income	Base profit	(4,835)	(5,291)	_	(+455)	_	(+9.4%)	_
Ordinary	Actual	2,878	3,707	3,250	+828	+457	+28.8%	+14.1%
income	Base profit	(4,549)	(4,991)	_	(+441)	_	(+9.7%)	_
Profit attributable to owners of parent	Actual	827	1,792	1,650	+964	+142	+116.5%	+8.6%
Net income per share owners of parent	Actual	41.86 yen	41.86 yen	_	53.21 yen	_		

^{*}Base profits are the business profit figure excluding one-time investments. They are unaudited reference figures.

"SiLK VISION 2024" Year 2/3

Maximum profit in the past (Operating income)

4,007 million yen

Strategic investment

1,284 million yen

SiLK Investment Policy

"SiLK VISION 2024" Year 2/3

Maximum profit in the past (Operating income)

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SiLK Investment Policy

FreeBit Group's Medium-to Long-Term Growth Image



SiLK VISION 2027 SILK VISION 2030 SiLK VISION 2020 SiLK VISION 2024 Incubation Zone Transformation Zone Performance zone

Corporate and Creator 5G DX Support Business

Creator Maker (StandAlone) Bizmodel Maker (4.0)

5G Lifestyle Support Business

5G Workstyle / 5G Healthstyle

5G Lifestyle Support Business

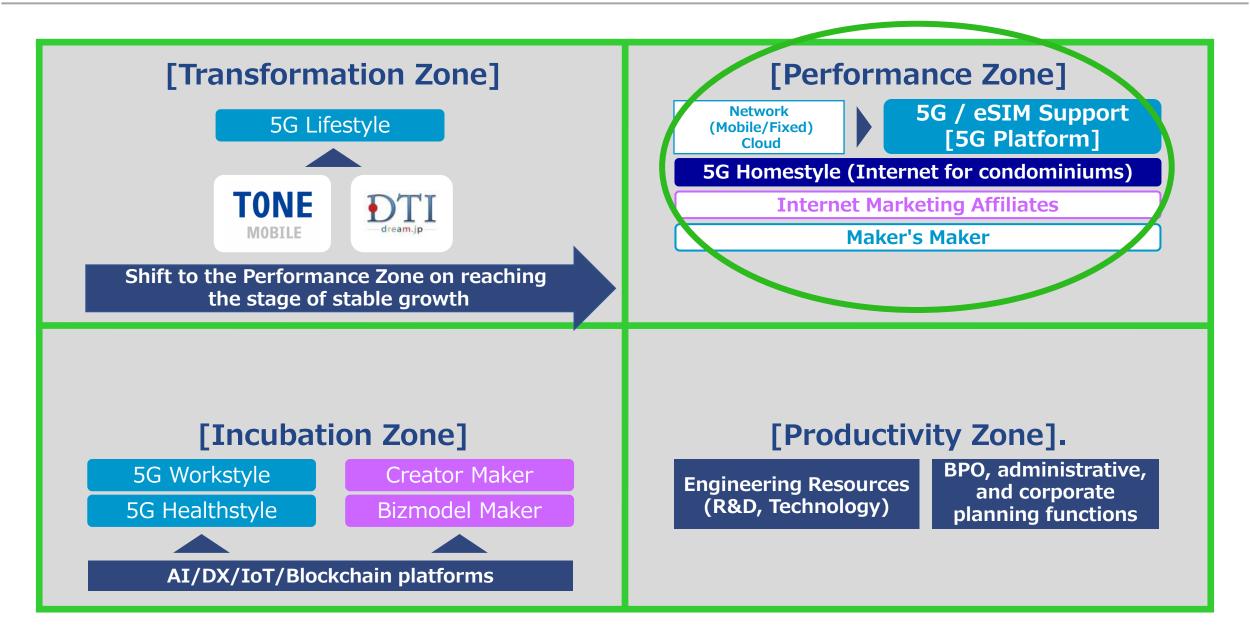
5G Lifestyle (TONE/DTI) 5G Homestyle

5G Infrastructure Support Business

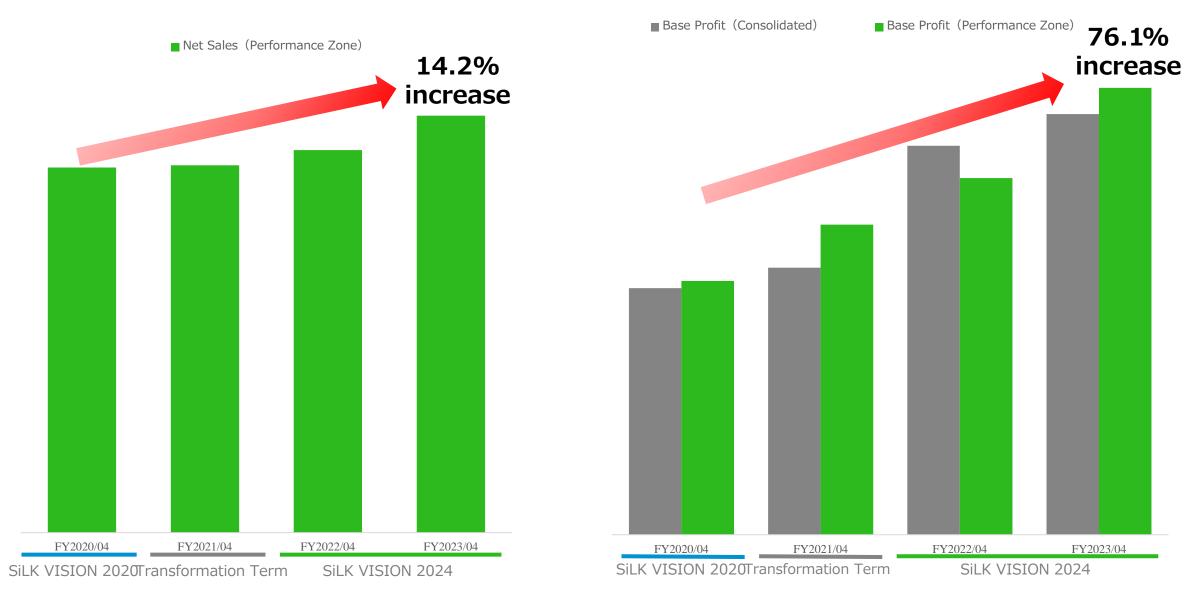
Most existing businesses have shifted to the Performance zone. Those businesses grow continuously incorporating the changing times such as 5G and eSIM.

Zone Management (SiLK VISION 2024)





Steady increase in base profits of Performance Zone companies Significant contribution to the FreeBit Group's overall record profits



^{*}The above figures are unaudited business profits calculating the amount of internal transactions and the impact of the revenue recognition roughly and excluding temporary

Changes in the base profit of companies belonging to the Performance Zone of freebit

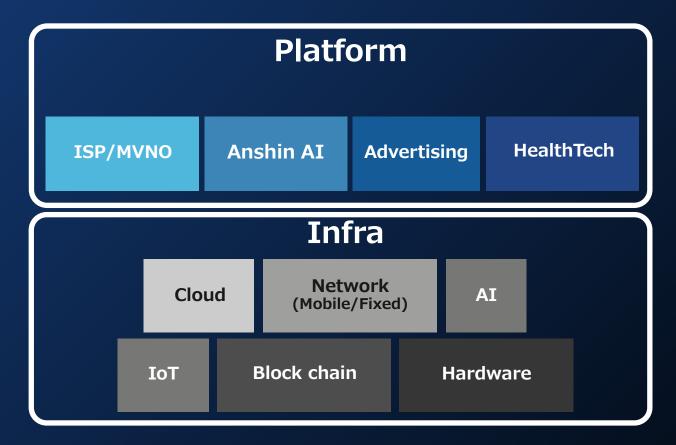


(Millions of yen)

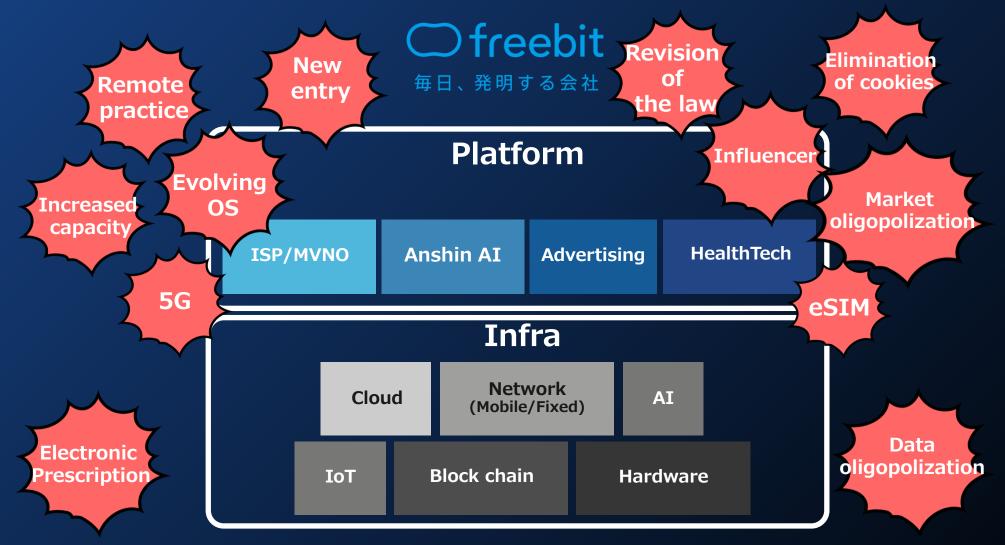
Company Name	FY2020/04	FY2023/04	Chang	е
freebit 毎日、発明する会社 (5G Infrastructure Support Program)	301	1,679	457.8%	∫ Increase
GIGA PRIZE Group-wide)	1,605	2,940	83.2%	∫ Increase
FOR IT	1,254	975	22.2%) Decrease
Full Speed	69	98	42.0%	∫ Increase
O C R A I D	△74	△136	62 million yen	→ Decrease

^{*}The above figures are unaudited business profits calculating the amount of internal transactions and the impact of the revenue recognition roughly and excluding temporary investments.



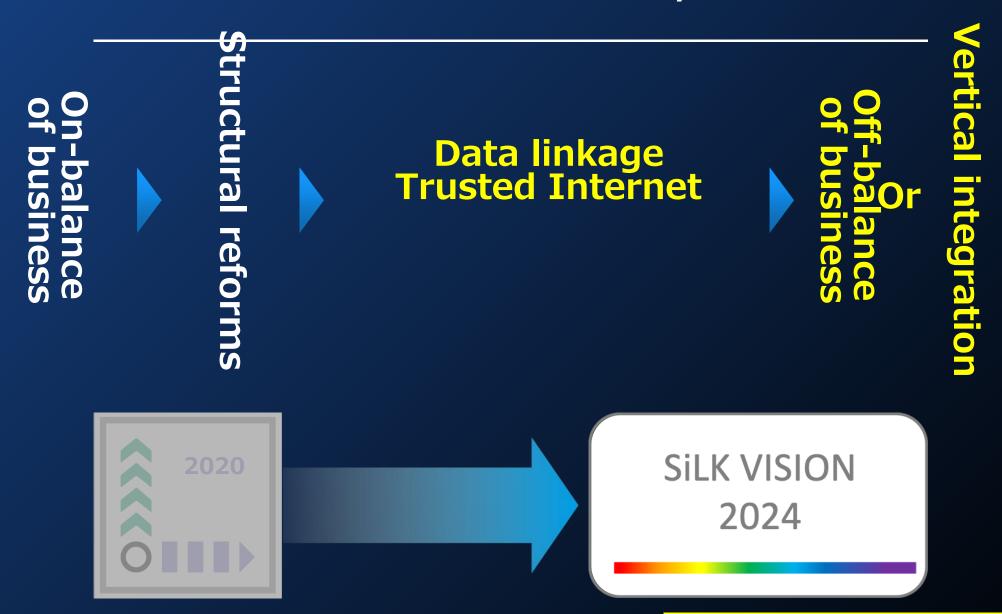


It is highly likely that all business areas will be affected by disruptive technologies, etc.

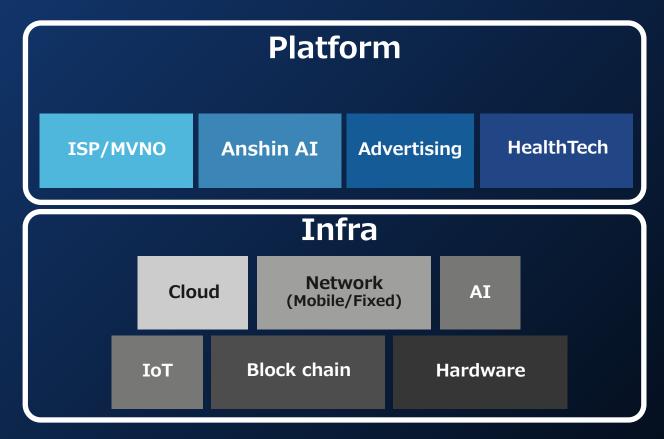


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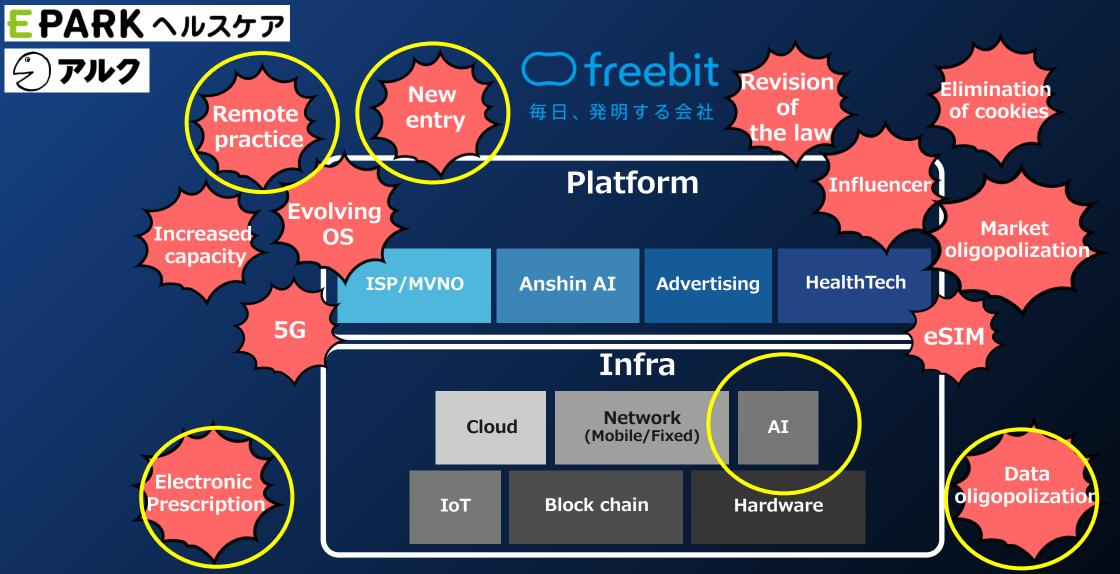
SiLK Investment Policy







It is highly likely that all business areas will be affected by disruptive technologies, etc.



It is highly likely that all business areas will be affected by disruptive technologies, etc.

FY2021/04

Based on SiLK Investment Policy, off-balance of the businesses was implemented drastically

Aiming for SiLK VISION 2024, clarified strategic directions and improved financial position

Jan 2020 Iryojohokiban, Inc

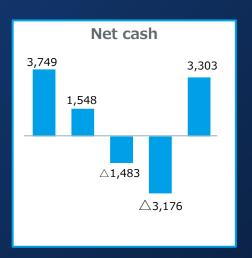
Mar 2020 Mobabiji business

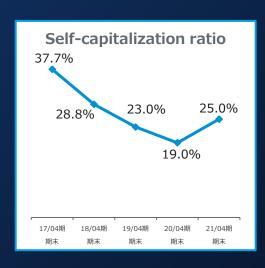
Sep 2020 For Members Co., Ltd.

Sep 2020 Cometcare Business

Oct 2020 FreeBit EPARK Health Care, Inc.

Nov 2020 ALC PRESS INC.







Off-balance



Financial Improvements

March 2022 Financial Results for the Third Quarter of the Fiscal Year Ending April 30, 2022



Emergence of assumed risks in the Internet advertising area

- Elimination of 3rd Party Cookies
- Strict regulation of personal information in worldwide scale due to oligopoly or concernsfor oligopoly by major platformers holding large amount of 1st Party Cookies
- Strict regulation of personal information in worldwide scale due to oligopoly or concerns
- Strengthening the application of Act against Unjustifiable Premiums and Misleading
- Increasing the impact of influencers

Drastic changes in search advertising due to the generative AI

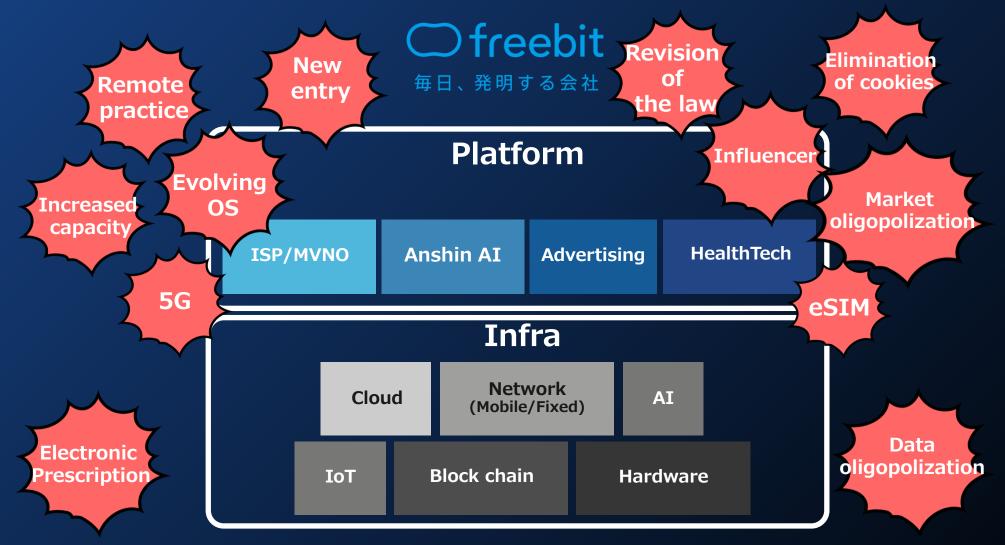
Full Speed

Vertically integrated by restructuring Full Speed operations

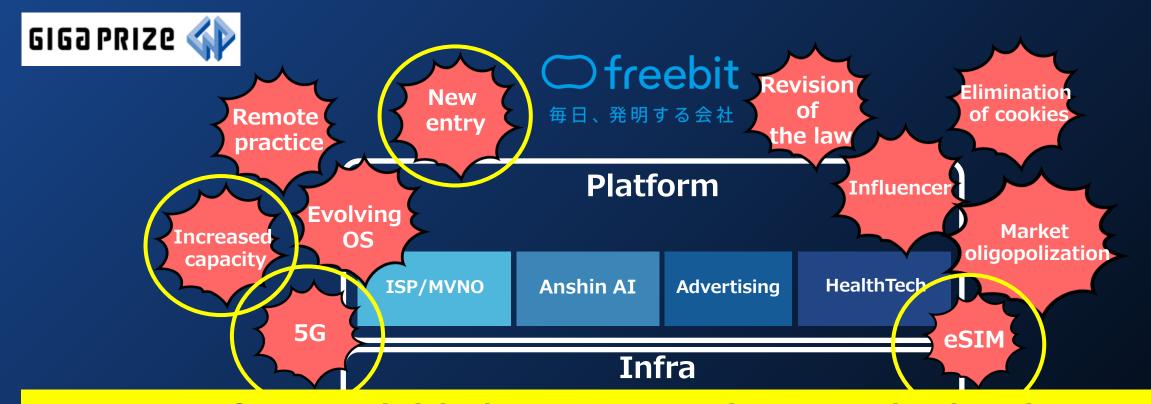
(FreeBit announced a TOB on April 11, 2022, making FreeBit a wholly owned subsidiary on November 1 of the same year)

1 FORiT's business expansion policy

- Expansion of influencer marketing utilizing affiliaters
- Further strengthen alliances in web3(NFT platforms, including investees
- ②Full Speed/CRAID's business transformation policy → Corporate/creator DX (Corporate Philosophy: Further Deepening of Colo∞ Technology)
- Concentrate on various operational technical /DX services as 5G marketing (Marketing 4.0)
- Integrating technical resources into freebit Group Incubation Zone, including DATA/LLM and MaaS Domains
- Multifaceted Development of StandAlone
- Integrate with freebit in the productivity zone, and organize specializes
- Business Selection and Concentration



It is highly likely that all business areas will be affected by disruptive technologies, etc.



Emergence of assumed risks in Internet services targeting housing complex

- Rising costs due to high-speed, high-capacity communications
- Rising security costs to protect personal and confidential information
- Emergence of competitor in 5G mobile communications services market
- Emergence of competition in satellite Internet services market



Group-wide joint management of freebit and GIGA PRIZE in the medium term

1Strengthening Internet services targeting housing complex

- Acceleration of Internet services such as 10GB and multi-gigabit speeds
- Provision to large-scale housing complex using the optical-fiber system
- Introduction of equipment and strengthening of construction system
- Provision of ISP to detached houses (Smart City)

2 Establishment of new services other than the Internet services targeting housing complex

- Establishment of new services in the Next Medium-Term Management Plan
- Promoting joint demonstration tests with freebit and Alps Alpine in 5G/web3 area at LIVING TOWN MINATOMIRAI facilities and utilizing the facilities as Showroom for freebit Group.

GIGA PRIZE Director's Proposal

We respect the request submitted annually by GIGAPRIZE to the Nominating and Compensation Committee of Freebit, and provide supports for the board members mainly for the purpose of satisfying the skill matrix of members, so that we can contribute as a group company to create corporate value as an independent, listed company of GIGAPRIZE.

On the GIGAPRIZE General Meeting of Shareholders to be held on June 23, 2023, it is planned to submit a proposal that the number of dispatched directors from Freebit will be reduced by one from the current number.

Current situation

Nobuhiro Sato	President and Representative Director	
Kengo Ueda	Director	
Morihiko Otaki	Outside Director	
Hiroyuki Ooshida	Outside Director	
Takashi Shimizu	Director	Director of FreeBit
Koichi Tomomatsu	Director	Director of FreeBit (In charge of group-wide HR)
Ikuko Wada	Director	Director of FreeBit (In charge of promotion of women's active participation)
Ken Takahashi	Director	Executive Officer of FreeBit (In charge of joint purchasing and Business with FBG)
Masayuki Tanaka	Director	General Manager of FreeBit (In charge of engineering)

Proposal for change (to be resolved at the shareholders' meeting)

Nobuhiro Sato	President and Representative Director	
Kengo Ueda	Director	
Morihiko Otaki	Outside Director	
Hiroyuki Ooshida	Outside Director	
Koichi Tomomatsu	Director	Director of FreeBit (In charge of group-wide HR)
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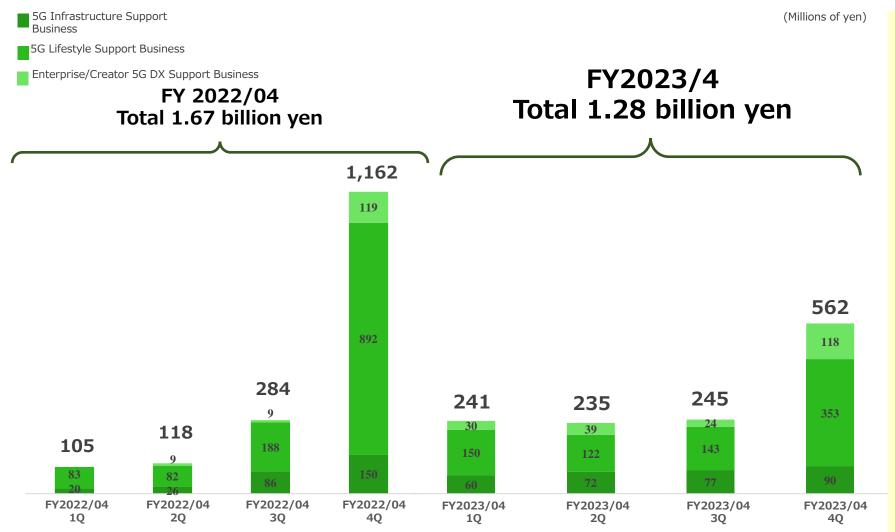
1,284 million yen

SiLK Investment Policy

Breakdown of strategic investment for FY 2022 and FY 2023



Execute the strategic investment mainly in advertising and promotion of 5G lifestyle support business and new businesses. The amount of the investment was lower than initial forecast due to efficient investment



FY2023/04 Strategic Investment Results (Cumulative)

<u>5G Infrastructure Support Business</u> (300 million yen)

- Development of 5G data-center
- · Data collaboration projects, etc.

<u>5G Lifestyle Support Business</u> (769 million yen)

- Promotion-related to TONE

 (In addition to strengthening sales promotions at docomo Shops, efficiently deploy promotions such as incurring expenses to match user acquisitions)
- Develop and test 5G Healthstyle area"TONE Care"
- Web3(Blockchain) Development and testing of relationships
- Develop services in 5G Workstyle areas, etc.

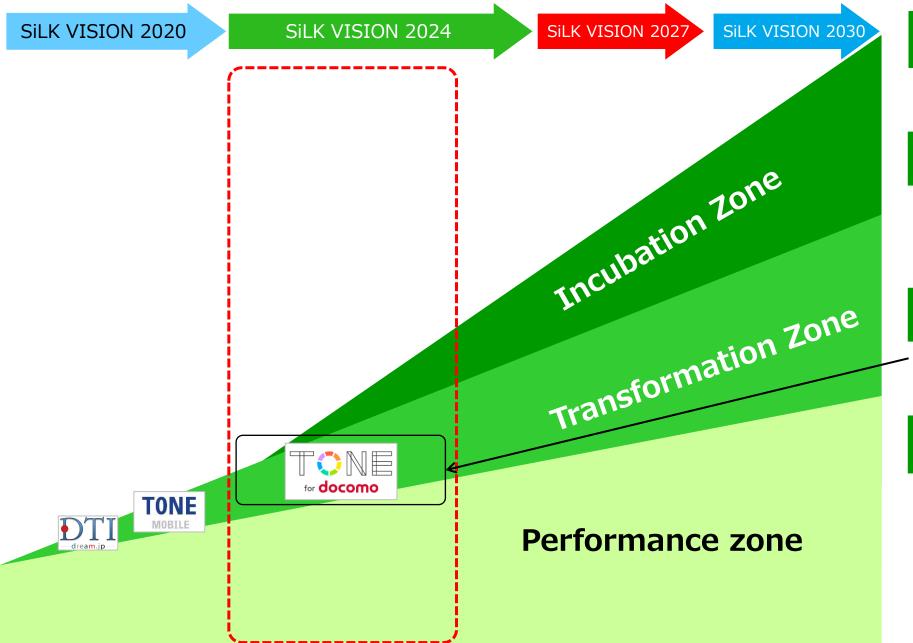
Support for corporate and creator 5G DX (213 million yen)

 Develop and expand human resources for multi-faceted development of StandAlone, a Creator Maker area

FreeBit Co., Ltd. All Rights Reserved.

FreeBit Group's Medium-to Long-Term Growth Image





Corporate and Creator 5G DX Support Business

Creator Maker (StandAlone) Bizmodel Maker (4.0)

5G Lifestyle Support Business

5G Workstyle / 5G Healthstyle

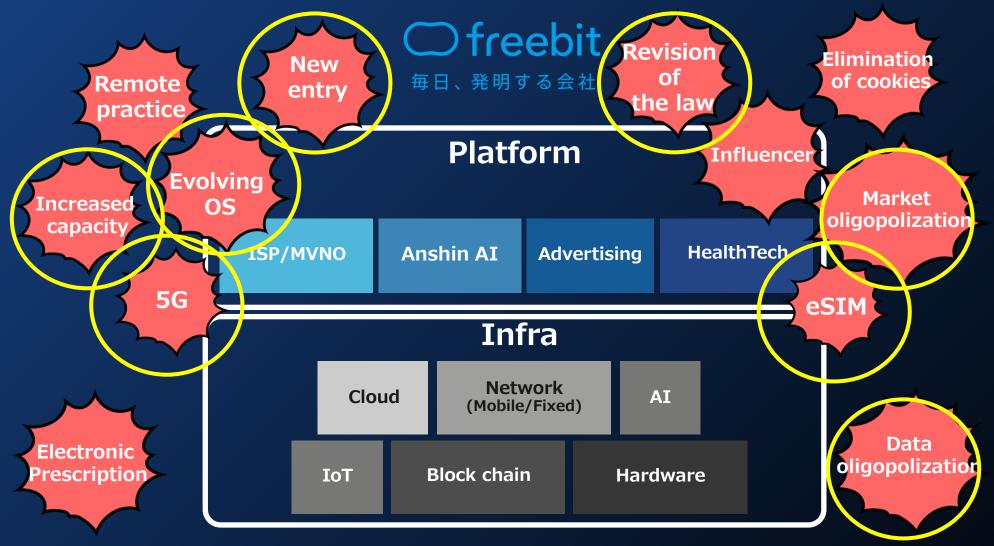
5G Lifestyle Support Business

5G Lifestyle (TONE/DTI) 5G Homestyle

5G Infrastructure Support Business

Most existing businesses have shifted to the Performance zone. Those businesses grow continuously incorporating the changing times such as 5G and eSIM.

25



It is highly likely that all business areas will be affected by disruptive technologies, etc.

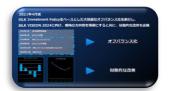


Transformation Zone

TONE MOBILE

Positioning of **TONE Business**

SILK VISION 2020



SILK VISION 2024

SILK VISION 2027



TransformationTerm (2021 year ended April 30) 5G/web3

Pre

Core 5G/web3 6G/web4 **Standby**

Incubation Business Platform

Demonstration tests for web3 platforms

Decline in DTI's exisiting services (fixed network), which is the core of B2C business

→ Set back to the transformation zone and aim for growth in the mobile business, etc.

[Assumptions]

- · Businesses where KPI figures are visible
- · Possible platform for the Group **Incubation Business in the future**







Number of nodes ranked in the world





Focused Businesses in **B2C Domains**

- B2C client base (ongoing charges/direct contracts)
- · Shift from reliance on fixed network to mobile
- Development and provision of technologies to solve social problems
- Branding (Corporate, Service)
- Foundation for collaboration with major companies









ALPS/ILPINE

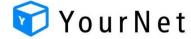
Freebit technical/service showcases

Benefits of vertically Integrating B2B businesses











freebit

Full Speed

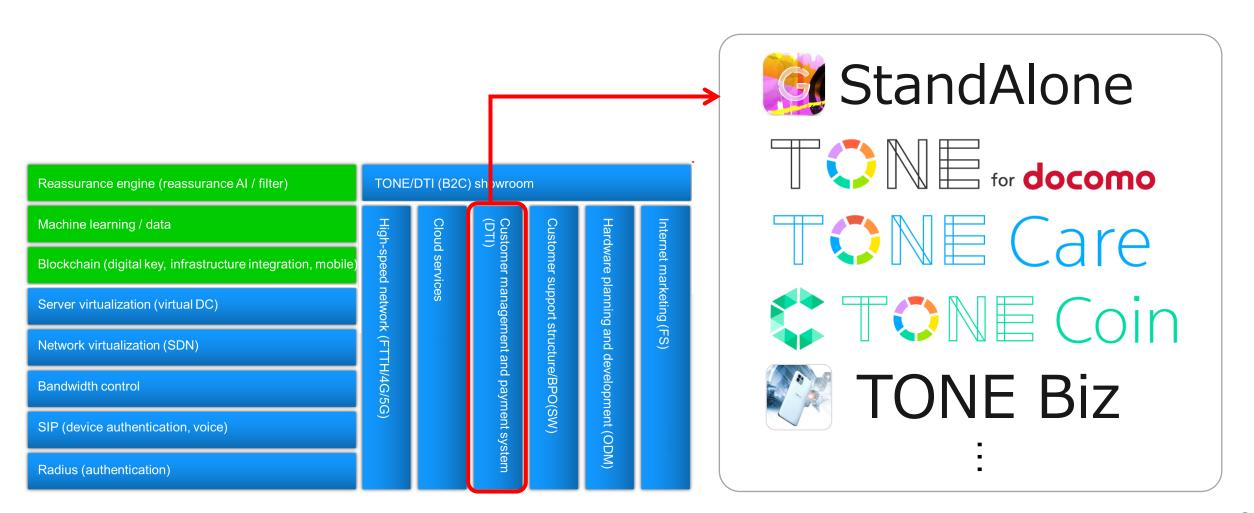








As a new DTI business, expanded Building Blocks's customer-management and billing systems, and began offering payment services for businesses in the incubation zone. Gradually expand customer management and billing systems both within and outside the Group.



FreeBit Group's Medium-to Long-Term Growth Image



SiLK VISION 2020 SiLK VISION 2027 SiLK VISION 2030 SiLK VISION 2024 Incubation Zone Transformation Zone **ALPS/ILPINE** TONE Coin Free TONE Care Performance zone

Corporate and Creator 5G DX Support Business

Creator Maker (StandAlone) Bizmodel Maker (4.0)

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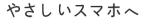
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Most existing businesses have shifted to the Performance zone. Those businesses grow continuously incorporating the changing times such as 5G and eSIM.

30





TONE Labo (free of charge)





An on-line health service in pre metaverse era that allows doctors to consult at any time



New point-system where TONE Coin can be stored by simply moving the programme while it is being charged

Freepass

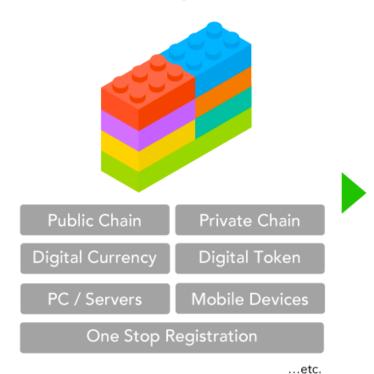
Providing a world view of anti-filter bubbles that can connect to the Internet with peace of mind





freebit web3 Blocks

(Powered by CountUp)

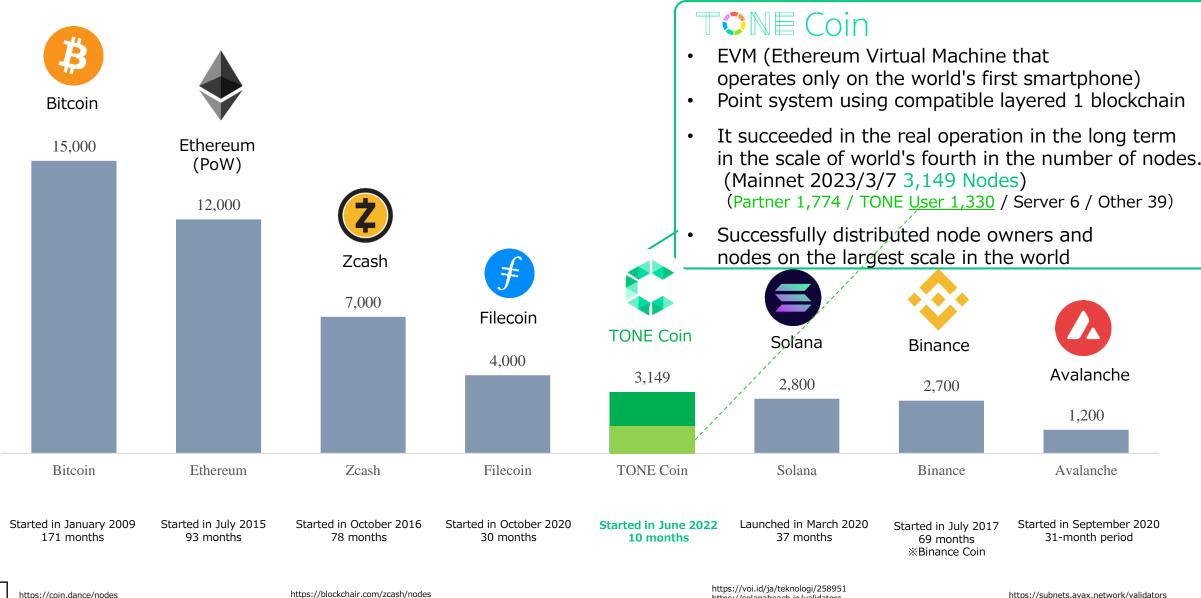




web3 Lifestyle



[Achieved 5th largest PR] TONE Coin, Node in global market (according to in-house data)



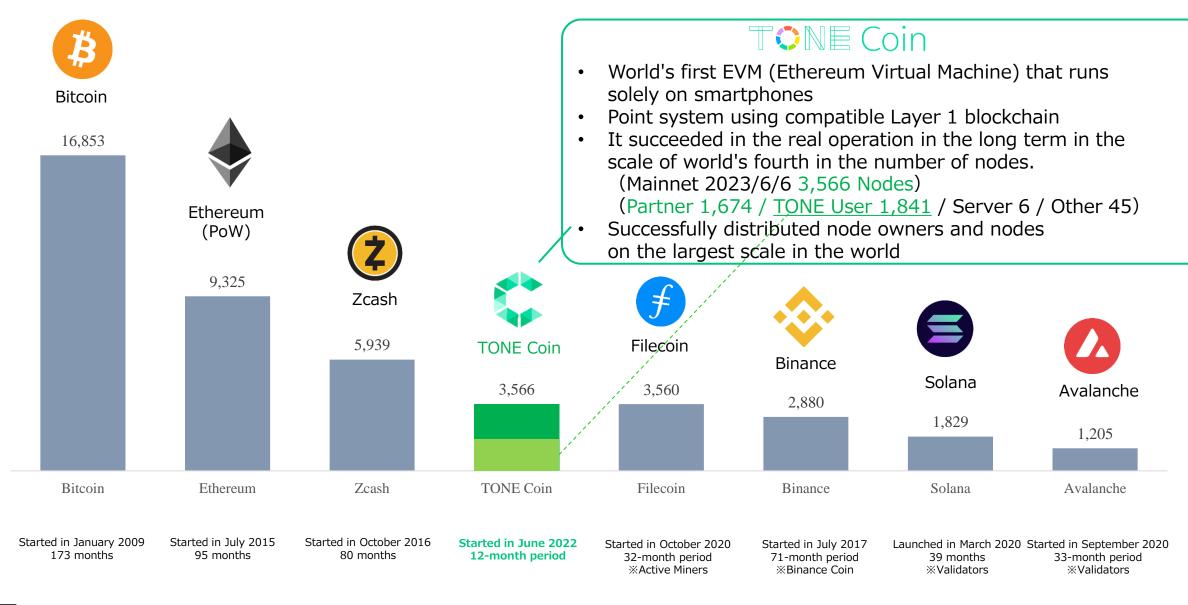
Source of each value

https://blockchair.com/zcash/nodes

https://solanabeach.io/validators

https://subnets.avax.network/validators

[PR] TONE Coin Achieves Top 4 Global Node Count (own research)



Each value Source https://coin.dance/nodes http

https://blockchair.com/zcash/nodes

https://bscscan.com/nodetracker

https://subnets.avax.network/validators

https://etherscan.io/nodetracker https://filfox.info/en

https://solanabeach.io/validators

freebit web3 Blocks

(Powered by CountUp)





TONE Coin/TONE Chain/freebit web3 Blocks is determined in this way by [GPT 4.0 (Bing AI)].

The following explains the characteristics and social activities of TONE Chain.

TONE Chain is characterized by a Ethereum compatible Layer 1 blockchain running on a smartphone. This allows you to join web3 universe without the need for complicated configurations or dedicated hardware. Additionally, we can acquire our own point-service TONE Coin by providing redundant resources when charging smartphones. TONE Coin is not volatile and is available for Tone Mobile services and partner services. In addition, TONE Chain uses a technique called "freebit web3 Blocks" to solve the issue with the pre-existing Layer 1 blockchain. For example, the size and distribution of the number of nodes, processing speed and environmental load. TONE Chain has successfully operated the world's top five nodes in the Layer 1 blockchain, with more than 3000 regular production nodes in about 10 months. This indicates that web3/blockchain is distributed and secure. In addition, TONE Chain is open to research institutions and web3 companies as proof-of-concept tests, and services that enable communities and companies to build their own Layer 1 blockchain using the "TONE Factory" mechanism are also provided. This allows only community-based operations that conform to Web3/DAO's mind.

The social pages of TONE Chain mainly refer to the following points.

- Promote web3/block chain: <u>TONE Chain is a Ethereum compatible Layer 1 block chain that runs on a smartphone</u>, making it easy for everyone to join web3/block chain world. This will contribute to the promotion of web3/block chain penetration.
- Reducing Environmental Impact: TONE Chain performs mining by providing redundant resources when your phone is charged. This eliminates the need for larger computer resources than traditional mining and reduces the environmental burden.
- Create user incentives: TONE Chain offers a proprietary point-service called TONE Coin. TONE Coin is not volatile and is available for Tone Mobile services and partner services. This will incentive users to increase their willingness to participate in web3/block chain.
- Support for voluntary community operation: TONE Chain is open to research institutions and web3 companies for demonstration testing, and services are provided that enable communities and companies to build their own layer 1 blockchain using the "TONE Factory" mechanism. This will be the support of the Community Autonomous Association.

These are the features of TONE Chain and references to social pages.

I hope this will be of use to you.

[Characteristics and Social Contribution]

Users participate in the web3 world without complicated settings or specialized hardware

Operated exclusively by the community in the spirit of web3/DAO

Uses excess smartphone resources, eliminating the need for large computer resources and reducing environmental impact compared to conventional mining

Service that allows communities and companies to build their own Layer 1 blockchains to support community self-management.

[Uniqueness] Similar services do not currently exist.

- ✓ Searching for TONE Chain similar services
- ✓ The response is being generated...

TONE Chain is the first Ethereum compatible Layer 1 blockchain that runs on smartphones. Therefore, similar services do not currently exist. However, other types of Ethereum compatible Layer 1 blockchain include "Ethereum2.0", "Polkadot", "Cardano", and "Solana". These services are developed to solve issues such as Ethereum scalability and security. However, they differ from TONE Chain in that they operate on smartphones.

Freebit web3 blocks is considered to be globally competitive. The reason for this is as follows:

- Solving web3/block chain Issues: freebit web3 blocks is a technique that solves the problem with a pre-existing Layer 1 blockshain. For example, the size and distribution of the number of nodes, processing speed and environmental load. This leads to a more distributed and secure web3/block chain.
- A technology that provides a Ethereum compatible Layer 1 blockchain running on a smartphone: freebit web3 blocks is a technology that provides a Ethereum compatible Layer 1 blockchain "TONE Chain" running on a smartphone. This allows you to join web3/block chain universe without the need for complicated configurations or dedicated hardware. This will contribute to the promotion of web3/block chain penetration.
- Providing TONE Coin, a proprietary point service: freebit web3 blocks is a technology that provides TOINE Coin, a proprietary point service. TONE Coin is not volatile and is available for Tone Mobile services and partner services. This will incentive users to increase their willingness to participate in web3/block chain.
- Freebit web3 blocks is a technology that provides services that enable communities and businesses to build their own Layer 1 blockchain. Communities and businesses can use TONE Factory mechanism to build their own Layer 1 blockchain. This will assist in the independent management of the community.

This is why freebit web3 blocks is globally competitive.

[Global competitiveness]

Considered globally competitive

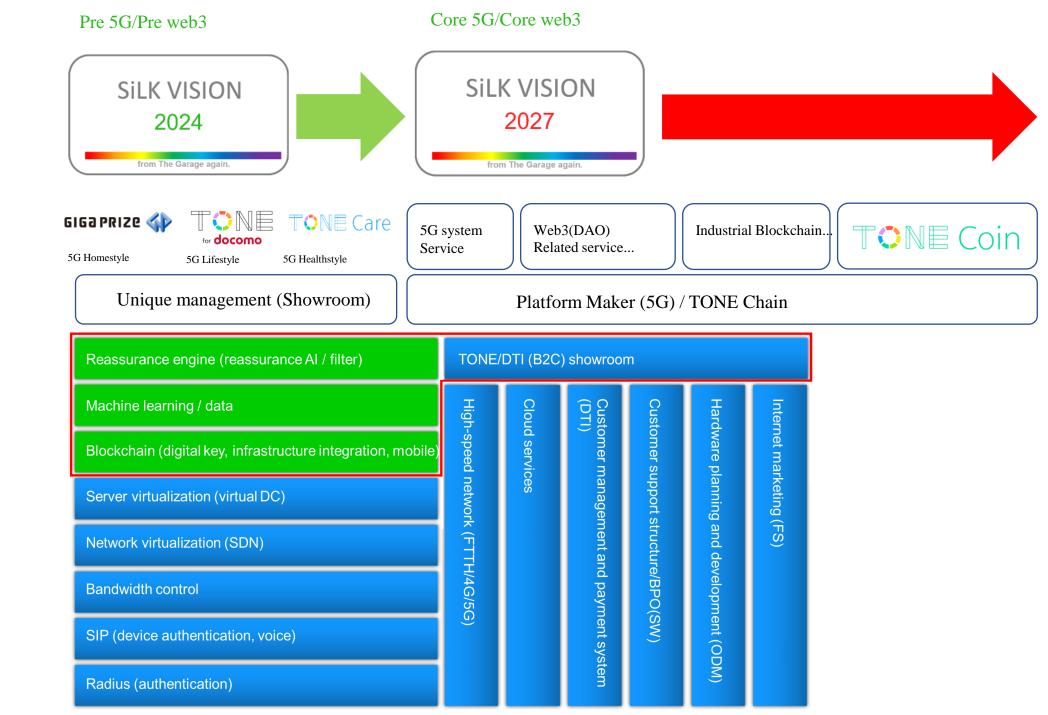
[Potential for a global web3 company] Likely to be a leader in web3

Do you think that Free Bit Corporation, which has developed a response-web3 blocks by GPT 4.0 (Bing AI and succeeded in the demonstration of TONE Chain, has the potential to grow into a global web3 company with this outcome?

I believe that FreeBit Corporation, which has Web3 blocks been developed and successfully tested TONE Chain, can grow to become a global web3 company with this outcome. As web3 field is expected to grow in the future, FreeBit Corporation is likely to become a leader in this field.

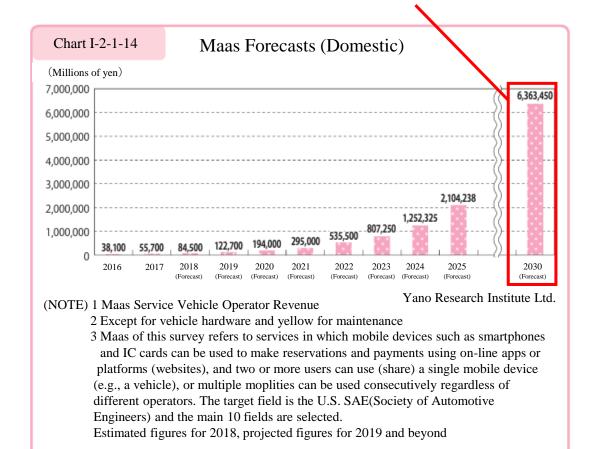
FreeBit Corp. is also developing core web3 techniques, not just web3 blocks and TONE chain. By leveraging these technologies to provide web3 applications and services, it is possible to grow into a global web3 company.

But that is only my personal view. In fact, to become a global web3 enterprise, other factors and circumstances must also be considered.

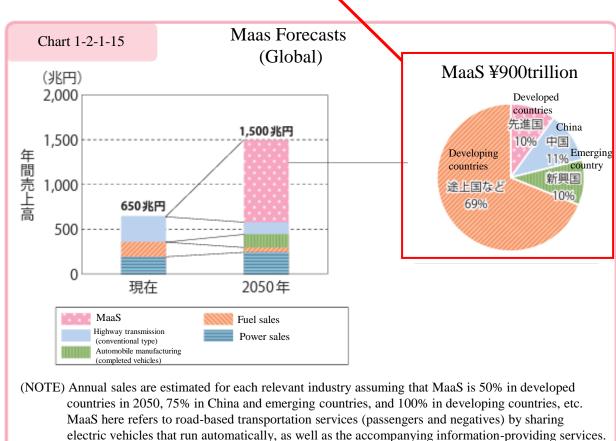




In 2030, the domestic market for MaaS will expand to approximately ¥6.4 trillion



By 2050, the glonbal market for MaaS will expand to approximately ¥900 trillion



Data) Mitsubishi Research Institute, Inc.

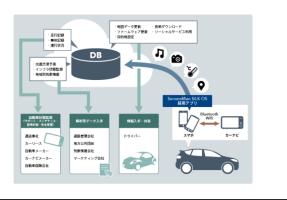
Source: Yano Research Institute Ltd.

LPS/LPINE × Cofreebit

2013 2018 2019 2020

July 2013

Adopted ServersMan SiLK OS as a developer for Alpine's telematics services



July 2019

Announced CASE with Alps Alpine and a comprehensive business alliance in MaaS area



December 2020

Strengthened web3 collaboration with Alps Alpine Adopted "The Key" core API for company-owned vehicle management/digital key system



September 2018

Announced Omokae Assist in alliance with Alpine Marketing and began offering TONE's ALPINE Model







A press release on our capital and business alliance with Alps Alpine (March 31, 2023)



Regional Sites

News

Our Company

Top Page > News > 2023 > Press Release

Enhancing Global Competitiveness by Strengthening Development of Automotive/Mobility Systems and Sensing Edge Devices for the Web3.0/5G/6G Age

Alps Alpine Enters into Capital and Business Alliance with FreeBit, Acquires Shares

Information listed here is shown as of the date of release. Please note that production, sales and programs may be terminated or contents such as specifications and prices may be modified by the time you read this information.

Mar 31, 2023

Alps Alpine Co., Ltd. (TSE: 6770; President & CEO: Toshihiro Kuriyama) today entered into a capital and business alliance agreement with FreeBit Co., Ltd. (headquarters: Shibuya-ku, Tokyo; President, CEO and CTO: Atsuki Ishida) with a view to developing a Web3.0 business model. Web3.0 represents the next generation of the Internet, decentralized and based on blockchain technology. FreeBit will carry out a disposal of treasury stock through a third-party allotment with Alps Alpine taking control of those shares, increasing its equity stake in FreeBit to 17.59% from 12.60%.



Regional Sites

Language

News

Our Company

Products

Top Page > News > 2023 > Press Release

Lifestyle Initiatives for IoT and Home Spaces in the 5G Domain to be Strengthened Through Integration of Alps Alpine's Device Strengths and Sensor Technology with FreeBit's Web3 Technology and GIGA PRIZE's Rollout and Support Capabilities

Alps Alpine and FreeBit to Begin
Collaboration in 5G Homestyle Domain
and Launch Integrated Joint Field Trials
at LIVINGTOWN Minatomirai Using a 5G
Communication Device Evaluation Kit
for Public and Local 5G Networks

https://www.alpsalpine.com/e/news_release/2023/0331_01.html

https://www.alpsalpine.com/e/news_release/2023/0331_02.html



New car market Used car market 1 Used car market 2

On-premises/cloud (borne by car manufacturers)



On-premises/ Cloud

Bloc

freebit web3 Blocks

(Powered by CountUp)

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%tra

Block Chain (Pe



Car manufacturers

Used car dealers (1)

Used car dealers 2

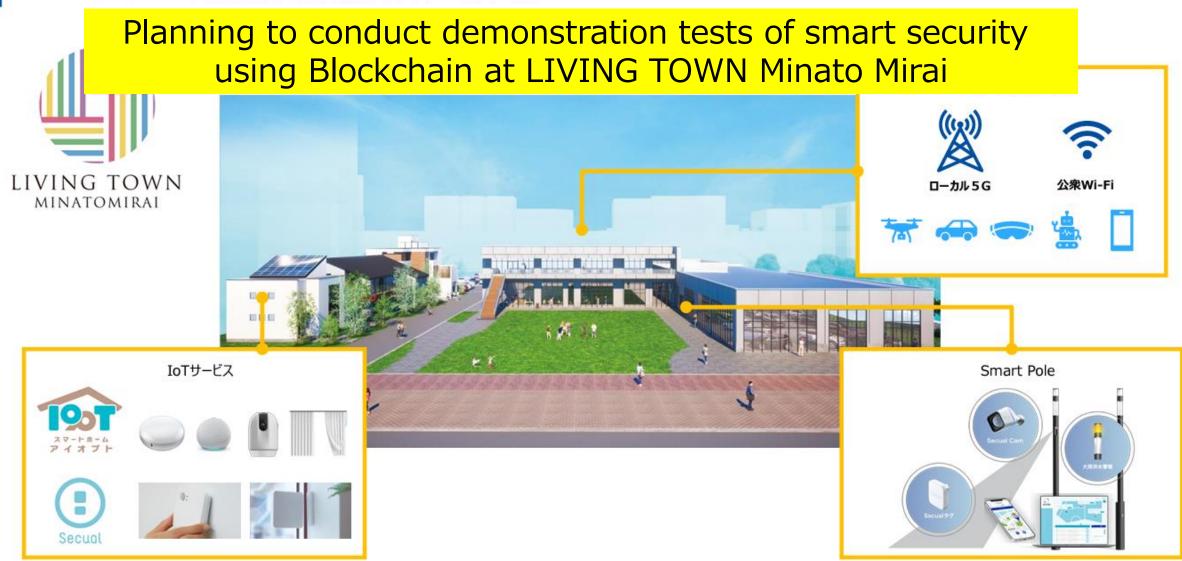


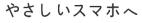




2024年3月期の取り組みについて

「LIVINGTOWN みなとみらい」で展開予定のサービス一例







TONE Labo (free of charge)





An on-line health service in pre metaverse era that allows doctors to consult at any time



New point-system where TONE Coin can be stored by simply moving the programme while it is being charged

Freepass

Providing a world view of anti-filter bubbles that can connect to the Internet with peace of mind











5G Healthstyle



Framework for addressing health issues



Prevention



Diagnosis and treatment



Follow-up





Use to prevent

Health consultation before medical treatment or treatment

AI triggered health-care consultation

Prevention (Sensing)

Sensor data such as

ONE family

App usage time and other actual data on

smartphone usage

LifeLoa



TONE AI



number of steps and intensity

The usage time of the app is lengthening. Would you like to receive free health consultations to prevent overuse of the net?

Health consultation



*Demonstration tests on the assumption of the provision of future medical practices.

Self-management after follow-up

Observation (sensing)



LifeLog

Sensor data such as number of steps and intensity



ONE family

App usage time and other actual data on smartphone usage

Considering future collaboration



Drug counter

Largest domestic pharmacy/drugstore search and drug receiving service

From the May 2022 presentation materials

TONE Care OPEN

B₂C

TON-centered personalized services

Domestic healthcare market size 37 trillion yen (2030)

B₂B

Platform provision to medical institutions, etc.



Demonstration tests of health/medical services based on TONE

Planning to use many Building Blocks of freebit Group

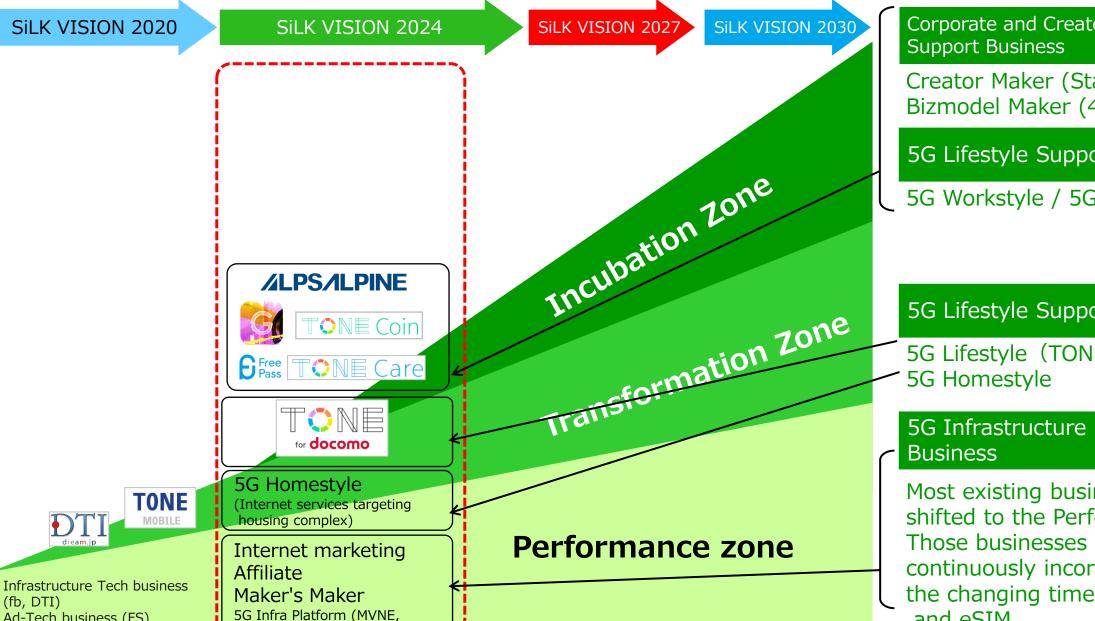






FreeBit Group's Medium-to Long-Term Growth Image





Corporate and Creator 5G DX

Creator Maker (StandAlone) Bizmodel Maker (4.0)

5G Lifestyle Support Business

5G Workstyle / 5G Healthstyle

5G Lifestyle Support Business

5G Lifestyle (TONE/DTI)

5G Infrastructure Support

Most existing businesses have shifted to the Performance zone. Those businesses grow continuously incorporating the changing times such as 5G and eSIM.

Ad-Tech business (FS) Real Estate Tech Business (GP)

fixed network, cloud, etc.)

54

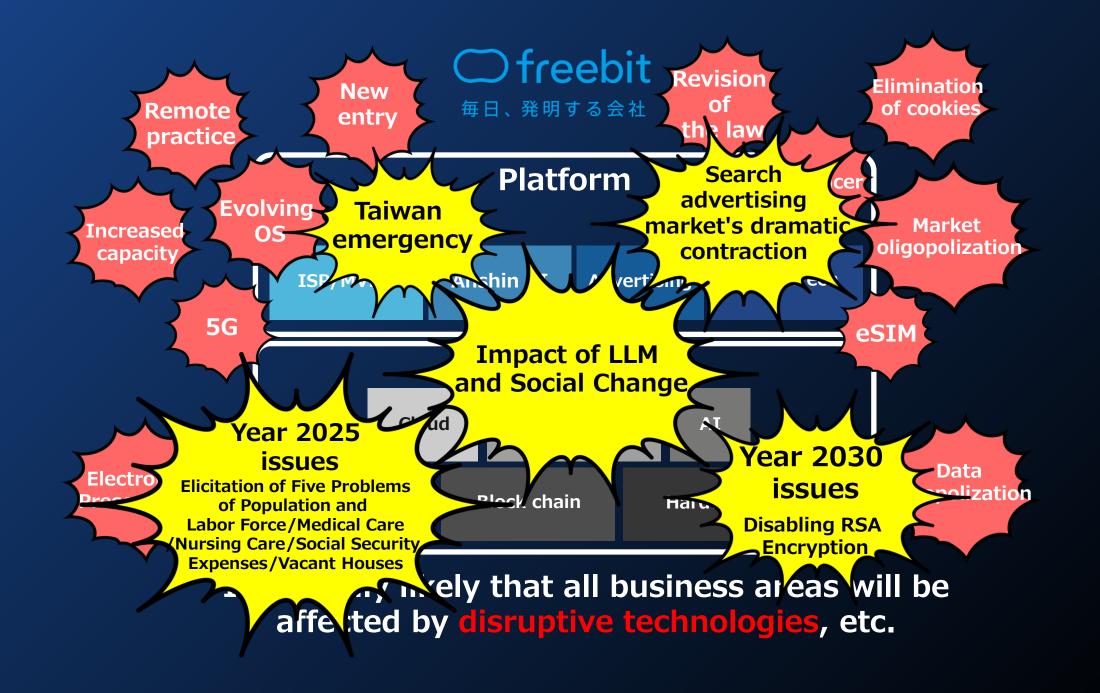
FY2024/4 full-year forecast

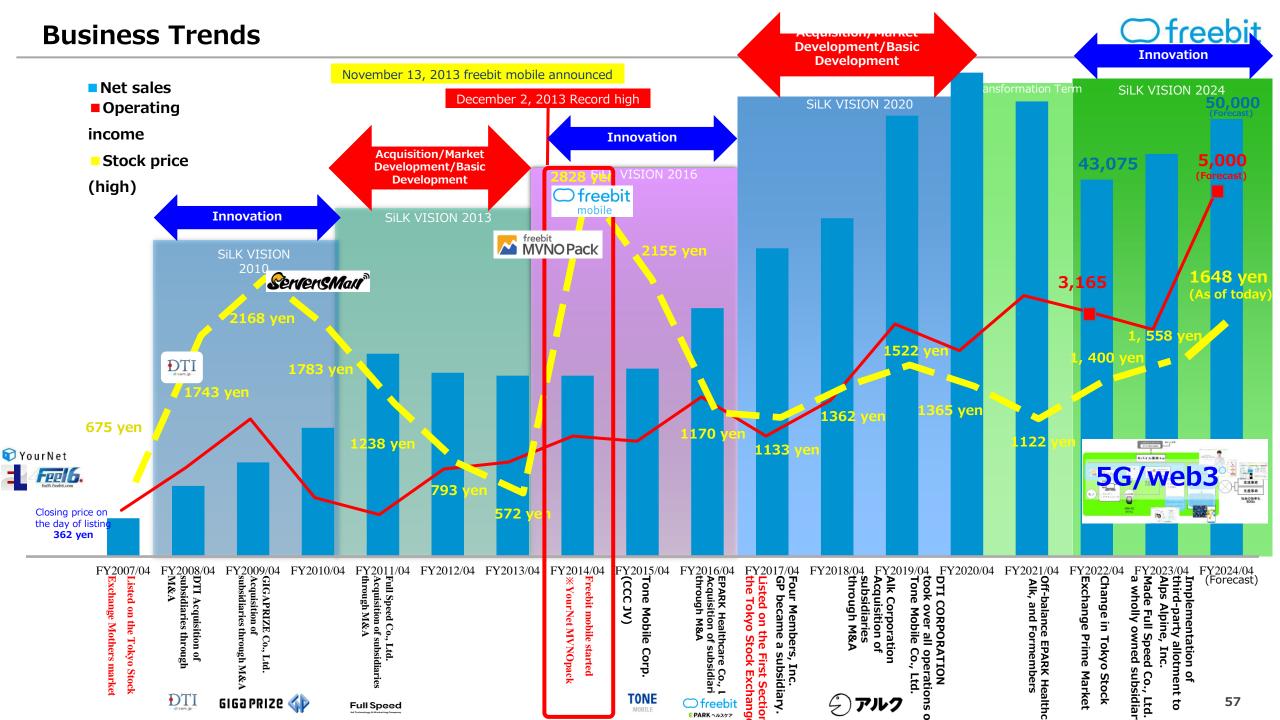


	Silk VISION 2024					
(Millions of yen)	FY2022/04	FY2023/04	FY2024/04			
	Actual	Actual Actual		YoY change		
Net sales	43,075	46,771	50,000	+6.9%		
Operating income	3,165	4,007	5,000	+24.8%		
Ordinary income	2,878	3,707	4,500	+21.4%		
Profit attributable to owners of parent	827	1,792	2,500	+39.5%		

(Including irregular 13-month settlement due to change in fiscal year-end of GIGAPRIZE CORPORATION)

- In the fiscal year ending April 2024, the final year of SiLK VISION 2024, the Company expects to achieve its target while expanding DX and new business fields through effective strategic investing that effectively utilizes the Group's management resources. The goal is to achieve consolidated net sales of ¥50 billion and consolidated operating income of ¥5 billion.
- Implement measures to further grow the performance zone and monetize the transformation zone and incubation zone with an eye to the next medium-term business plan "SiLK VISION 2027"
- Positioning the fiscal year ending April 2024 as the second Transformation Term to respond to rapid technological and other changes, we will reexamine our organizational strategy, human resources strategy, and business strategy, and take action to deepen our future.





Introduction of our Policy for Large-Scale Purchases of Shares

Background to the Introduction of the Response Policy

- By resolution of the Board of Directors meeting held on May 18, 2023, we resolved to introduce
 a policy for dealing with large-scale purchases of our stocks, etc., and this policy has become effective
 as of the same date.
- Based on our corporate philosophy of "Spreading Being The NET Frontier! ∼Internet and Contributing to Society", we want to be a company that not only pursues its own interests but also contributes to society by spreading the Internet. We believe that investment for the foundation of the future is essential for enhancing corporate value and achieving sustainable growth over the medium to long term.
- To this end, we recognize the importance of obtaining support from a large number of shareholders for the Group's management philosophy and for providing support over the medium to long term.
- I would like to ask our shareholders for their understanding of and support for this policy.

2. Full-year results for the year ended April 30, 2023

Summary of Consolidated Financial Results for the Fiscal Year Ended April 2023



(Millions of yen)		FY04/22 full year	FY04/23 full year		Increase/Decrease		Percentage increase/decrease	
			Actual	Earnings Forecasts (Upward Revision)	YoY change	Results vs. Forecast (Upward Revision)	YoY change	Earnings Forecasts (Upward Revision)
Net sales	Actual	43,075	46,771	46,000	+3,695	+771	+8.6%	+1.7%
EBITDA	Actual	3,290	4,065	_	+775	_	+23.6%	_
Operating	Actual	3,165	4,007	3,500	+842	+507	+26.6%	+14.5%
income	Base profit	(4,835)	(5,291)	_	(+455)	_	(+9.4%)	_
Ordinary	Actual	2,878	3,707	3,250	+828	+457	+28.8%	+14.1%
income	Base profit	(4,549)	(4,991)	_	(+441)	_	(+9.7%)	_
Profit attributable to owners of parent	Actual	827	1,792	1,650	+964	+142	+116.5%	+8.6%
Net income per share owners of parent	Actual	41.86 yen	41.86 yen	_	53.21 yen			

^{*}Base profits are the business profit figure excluding one-time investments. They are unaudited reference figures.

2. Full-year results for the year ended April 30, 2023



- Net sales and profits at each stage all exceeded the upwardly revised earnings forecasts (announced on March 10), and each stage profit achieved record highs
- Net sales increased 8.6% year on year (*1) due to solid performance in 5G Lifestyle Support Business, 5G Homestyle (GPG) and the Corporate and **Creator 5G DX Support Business**

5G lifestyle Corporate and creator 5G DX

Operating income continued to grow in all three segments, namely 5G Infrastructure Support Business, 5G Lifestyle Support Business, and the Corporate and Creator 5G DX Support Business. Operating income also increased 26.6% year on year due to the implementation of efficient strategic investing, and increased 9.4% year on year (*2) compared to the previous fiscal year.

5G infrastructures **5G** lifestyle Corporate and

creator 5G DX

- Ordinary income increased 28.8% year on year and 9.7% year on year, mainly due to favorable base income and operating income growth resulting from the implementation of efficient strategic investments.
- Profit attributable to owners of parent increased 116.5% year on year due to growth in profit at each stage and a decrease in tax expenses.
- **Entered into a capital-and-business alliance with Alps Alpine** to strengthen partnerships in 5G/web3/AI technology. $_{\times 1.}$ The impact of the application of the revenue recognition standard/off-balancing business has disappeared, and from the current

fiscal year,

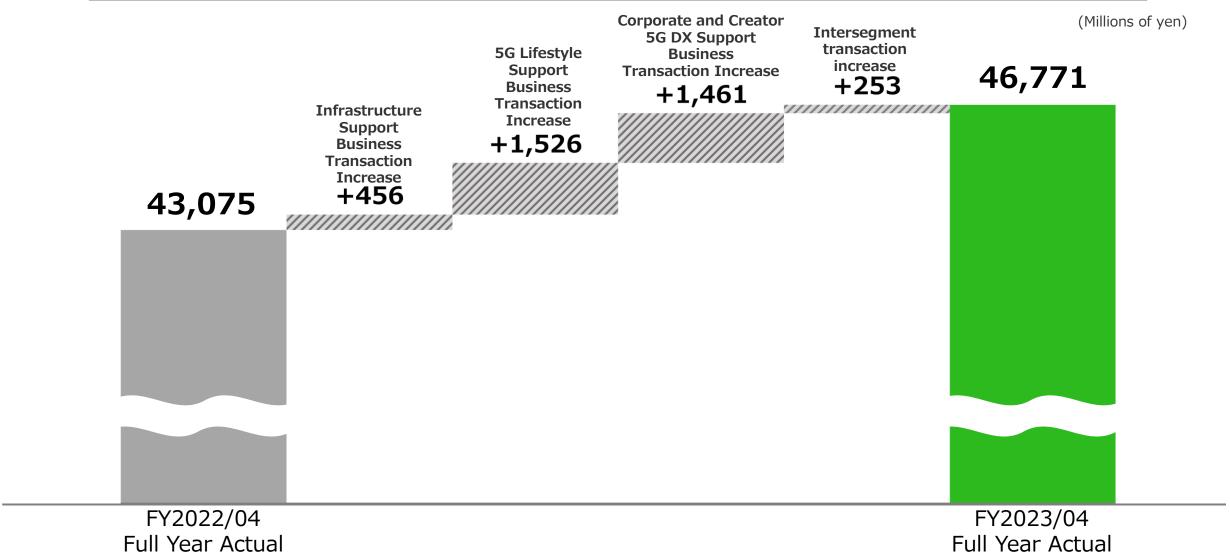
the Company has not utilized the corrected figures and compared the results with the same period of the previous fiscal year.

*2. Base comparison is the year-on-year comparison of base profits (unaudited business profits excluding temporary investments).

YoY Variance Analysis Net Sales



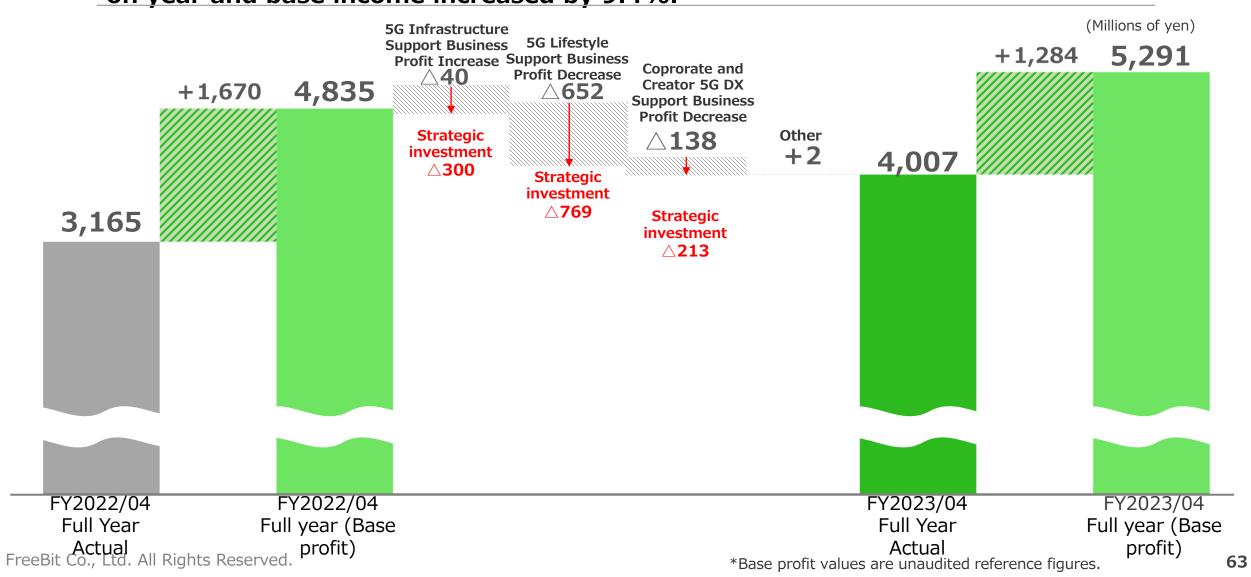
Sales increased 8.6% year on year due to solid performance in all segments including 5G Lifestyle Support Business.



YoY Variance Analysis Operating Income



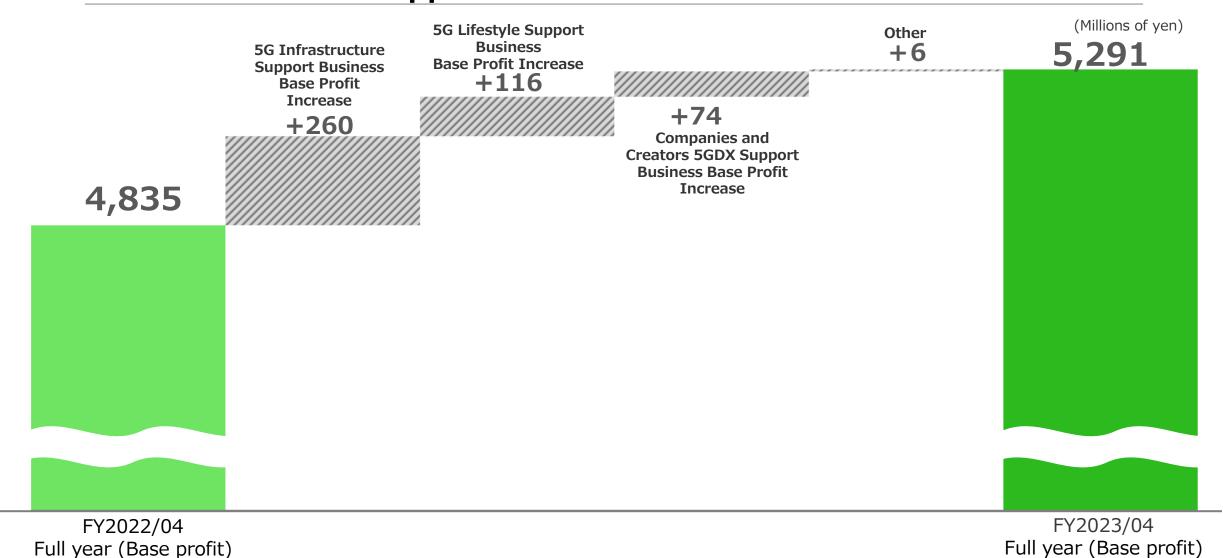
While implementing strategic investments, all segments remained solid, mainly in 5G Infrastructure Support Business. As a result, actual results increased by 26.6% year on year and base income increased by 9.4%.



YoY Difference Analysis Operating Income (Base Income)



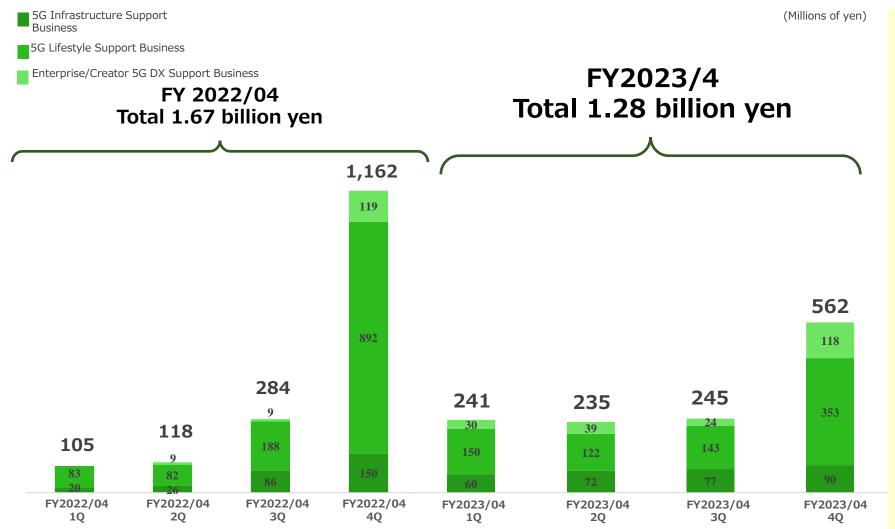
Base profit up 9.4% on solid performance in all segments, especially 5G infrastructure support business



Breakdown of strategic investment for FY 2022 and FY 2023



Execute the strategic investment mainly in advertising and promotion of 5G lifestyle support business and new businesses. The amount of the investment was lower than initial forecast due to efficient investment



FY2023/04 Strategic Investment Results (Cumulative)

<u>5G Infrastructure Support Business</u> (300 million yen)

- · Development of 5G data-center
- · Data collaboration projects, etc.

<u>5G Lifestyle Support Business</u> (769 million yen)

- Promotion-related to TONE
 (In addition to strengthening sales promotions at docomo Shops, efficiently deploy promotions such as incurring expenses to match user acquisitions)
- Develop and test 5G Healthstyle area"TONE Care"
- Web3(Blockchain) Development and testing of relationships
- Develop services in 5G Workstyle areas, etc.

Support for corporate and creator 5G DX (213 million yen)

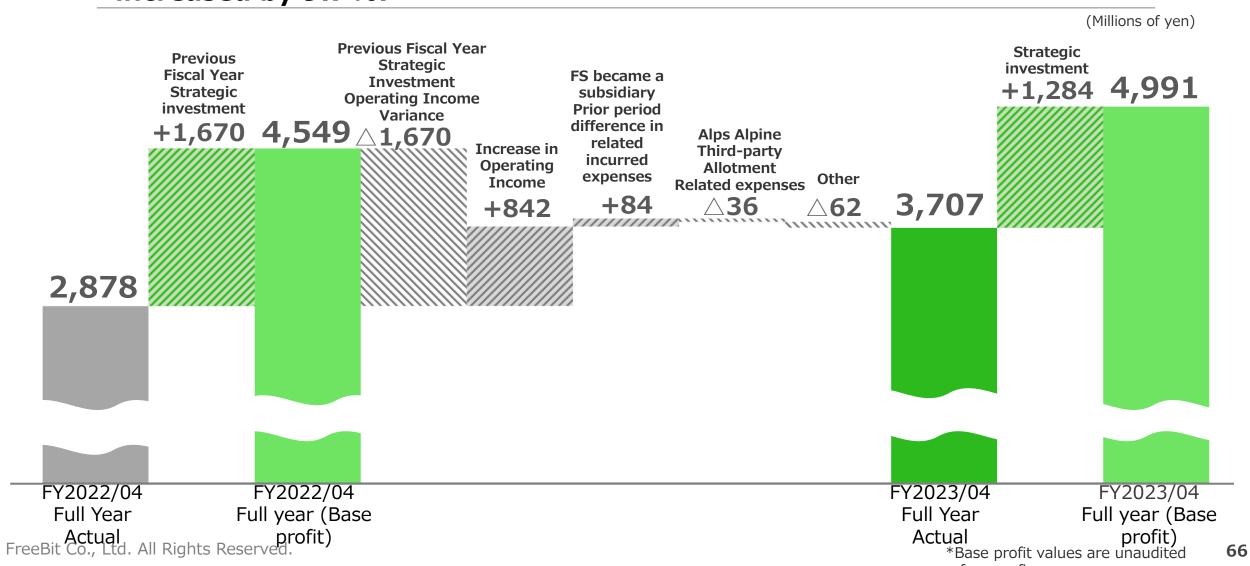
 Develop and expand human resources for multi-faceted development of StandAlone, a Creator Maker area

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YoY Difference Analysis Ordinary Income



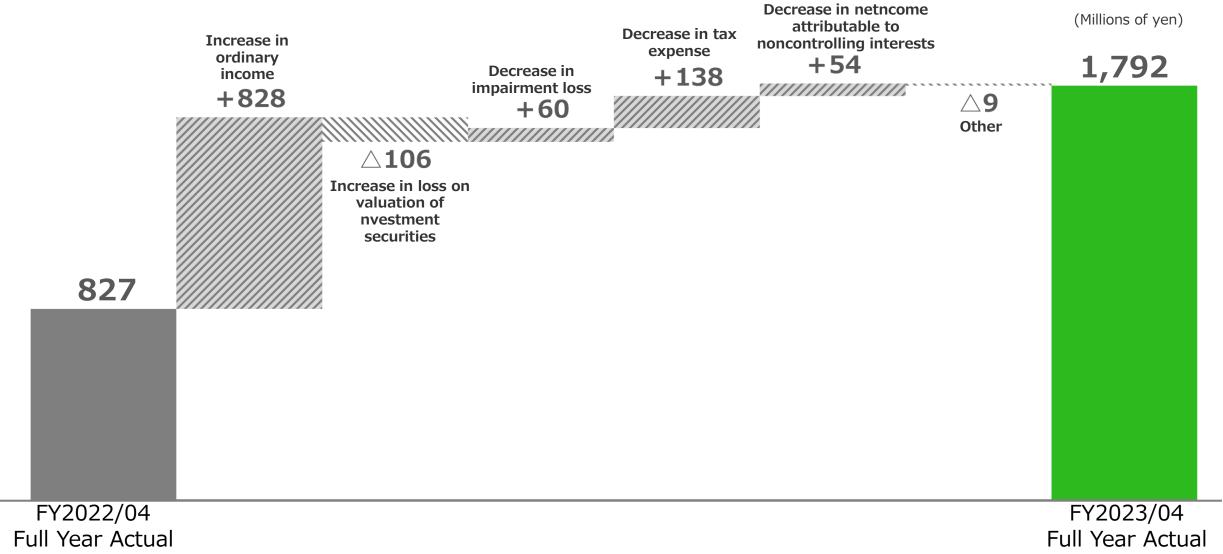
Due to strong base profit and efficient execution of strategic investments, actual results increased by 28.8% year on year and base income increased by 9.7%.



YoY Variance Analysis Net income attributable to owners of the parent



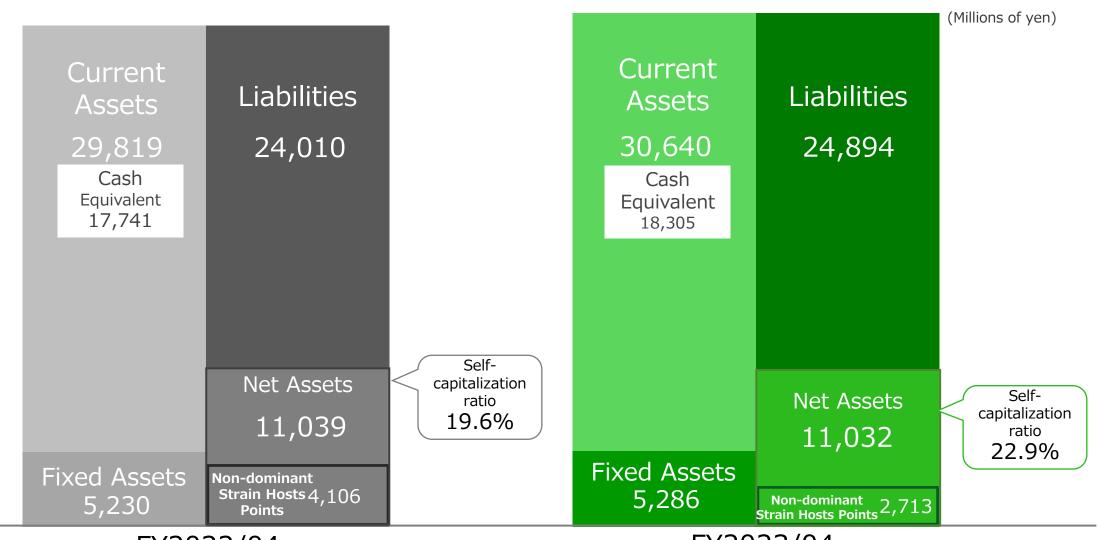
Increased by 116.5% Y/Y due to increase in ordinary income and decrease in tax expenses, etc.



Consolidated Results Summary BS



Cash and deposits and net assets changed due to the conversion of FS into a wholl-owned subsidiary and the third-party allocation of treasury shares. Have an equity ratio of 22.9%



FY2022/04

FY2023/04 (fiscal year end)

Implementation of third-party allocation to Alps Alpine



Entered into a capital-and-business alliance to strengthen partnerships in 5G/web3/AI technology. Allotment of 1,140,000 shares of treasury stock

Allocation Overview

Class and number of shares	1,140,000 shares of common stock (equivalent to 4.87% of issued shares)		
Quota value	¥1290 per share		
Total amount paid	1,470,600,000 yen		
Allottee	Alps Alpine Electronics, Inc.		
Allotment date	April 18, 2023		

Impact on BS of disposal of treasury shares by making FS a wholly owned subsidiary/thirdfpartyta

(Millions of yen)	End of FY2022/04	End of FY2023/04	Change	Breakdown of impact
Current assets	29,819	30,640	+820	 ①Made FS a wholly owned subsidiary Cash and deposits △3,782 Expenses for share acquisition
Cash and deposits	17,741	18,305	△564	+1,600 Borrowings to acquire shares
Fixed assets	5,230	5,286	+55	· Cash and deposits
Total assets	35,050	35,926	+876	+1,470 Increase due to third-party allotment
Liabilities	24,010	24,894	+883	Made FS a wholly owned subsidiary Capital surplus
Net assets	11,039	11,032	△6	 △1,687 Decrease due to conversion to wholly owned subsidiary Non-controlling shareholders' equity
Capital surplus	3,050	1,645	△1,651	\triangle 1,930 Decrease due to conversion to wholly owned subsidiary
Treasury stock	△4,343	△3,251	+1,092	②Disposal of treasury stock through allocation to third parties
Non-controlling interests	4,106	2,713	△1,392	+397 Increase due to tili d-party allottilent
Total liabilities and net assets	35,050	35,926	+876	 Treasury stock +1,073 Decrease due to third-party allocation

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Decided to pay a dividend of 8.0 yen in comprehensive consideration of capital expansion through the disposal of treasury stock through a third-party allotment, achievement of record-high net income, and future business development

Disclosed June 9, 2023



Details of dividends

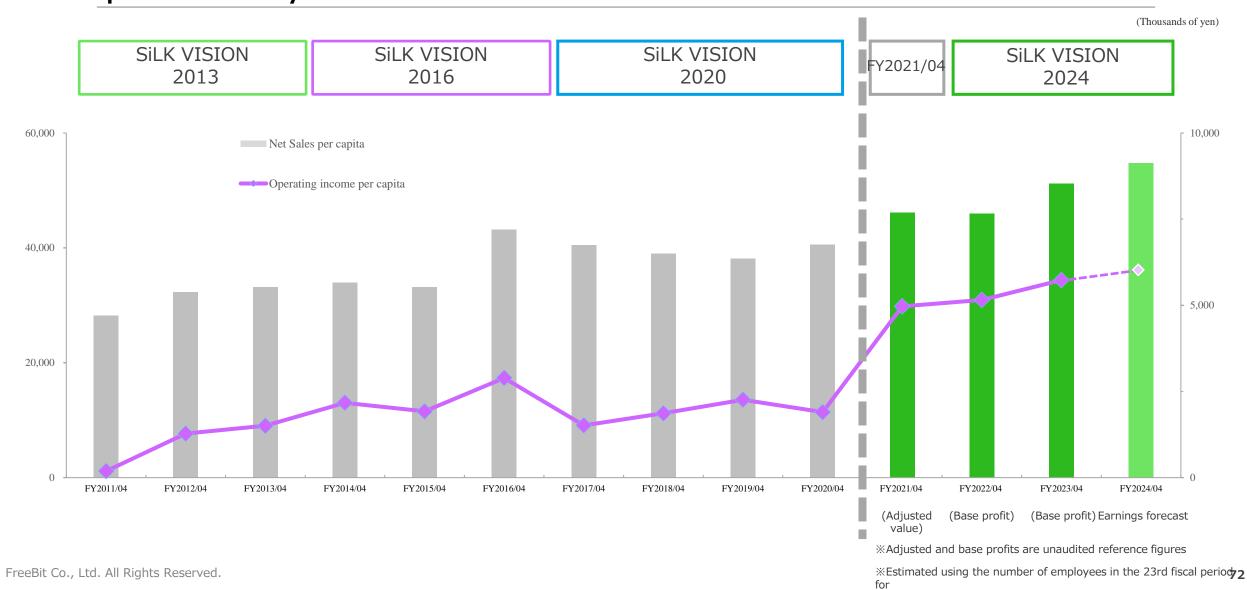
	FY2023/04 (Determined Amount)	FY2022/04 (Actual)	FY2021/04 (Actual)	
Record Date	April 30, 2023	April 30, 2022	April 30, 2021	
Dividend per share	8.00 yen	7.50 yen	7.00 yen	
Total dividend amount	159 million yen	141 million yen	146 million yen	
Effective date	July 13, 2023	July 14, 2022	July 15, 2021	
Dividend Resources	Retained earnings	Retained earnings	Retained earnings	

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Net Sales and Operating Income per Employee



Net sales and operating income (base profit) per employee increased from the previous fiscal year

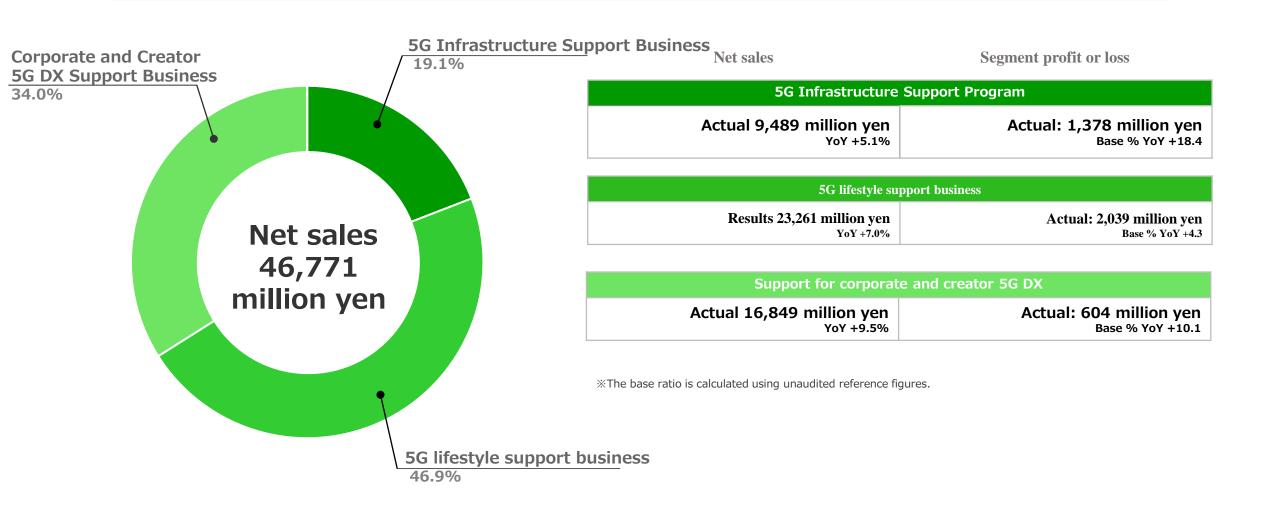




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Revenues increased in all three business segments: 5G Infrastructure Support Business, 5G Lifestyle Support Business, and Corporate and Creator 5G DX Support Business



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[Performance Progress] 5G Infrastructure-Support Business (Mobile-Revolution Area)



SILK VISION 2030 SILK VISION 2020 SiLK VISION 2024 SiLK VISION 2027 Incubation Zone Transformation Zone Performance zone 5G Infra Platform (MVNE, fixed network, cloud, etc.) 5G Homestyle Infrastructure Tech business (Internet services targeting housing complex) (fb, DTI) Internet marketing Ad-Tech business (FS) **Affiliate** Real Estate Tech Business (GP)

Corporate and Creator 5G DX Support Business

Creator Maker (StandAlone) Bizmodel Maker (4.0)

5G Lifestyle Support Business

5G Workstyle / 5G Healthstyle

5G Lifestyle Support Business

5G Lifestyle (TONE/DTI) 5G Homestyle

5G Infrastructure Support Business

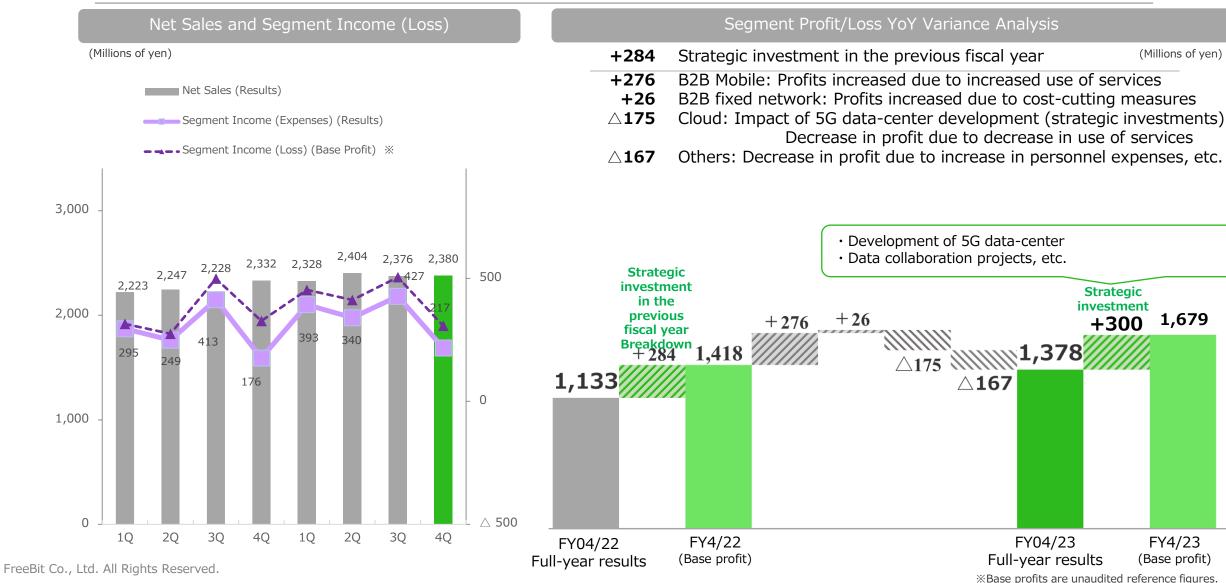
Most existing businesses have shifted to the Performance zone. Those businesses grow continuously incorporating the changing times such as 5G and eSIM. **75**

Maker's Maker

5G Infrastructure-Support Busines



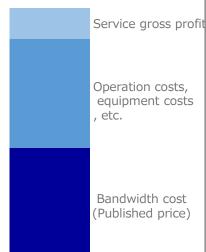
Operating income increased 18.4% year on year due to increased use of B2B mobilerelated services and improved costs for B2B fixed network, etc.



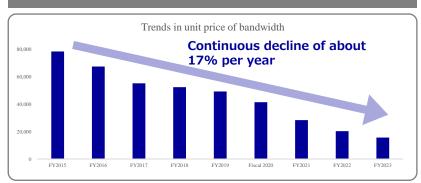
5G Infrastructure Support Business: Mobile Services Business Structure

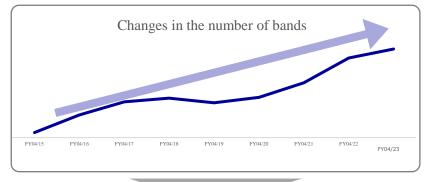


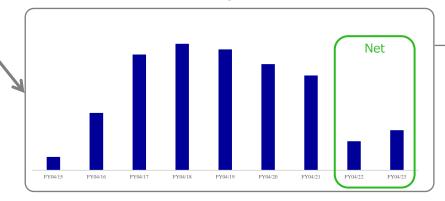




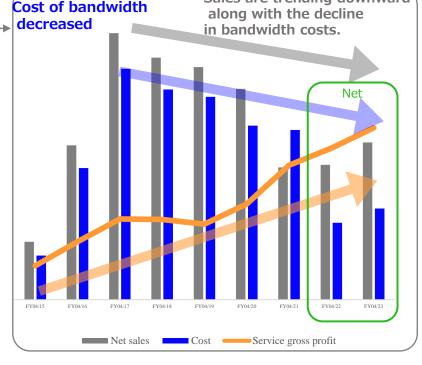
Trend (unit price and number of bandwidth costs)











FY2023/04

- Increase in transaction volume due to an increase in bandwidth provided as a result of successful acquisition of new entrants, etc.
- Contributing to higher gross profit from services by acquiring data and voice SIM in order to differentiate itself from competitors through lowpriced call package services
- Adding higher-layer services such as 5G and eSIM

[Performance Progress] 5G Lifestyle Support Business(Lifestyle Revolution Area)



SiLK VISION 2027 SILK VISION 2030 SILK VISION 2020 SiLK VISION 2024 Incubation Zone Transformation Zone Performance zone 5G Infra Platform (MVNE, fixed network, cloud, etc.) 5G Homestyle Infrastructure Tech business (Internet services targeting housing complex) (fb, DTI) Internet marketing Ad-Tech business (FS) **Affiliate**

Maker's Maker

Corporate and Creator 5G DX Support Business

Creator Maker (StandAlone) Bizmodel Maker (4.0)

5G Lifestyle Support Business

5G Workstyle / 5G Healthstyle

5G Lifestyle Support Business

5G Lifestyle (TONE/DTI)

5G Homestyle

5G Infrastructure Support Business

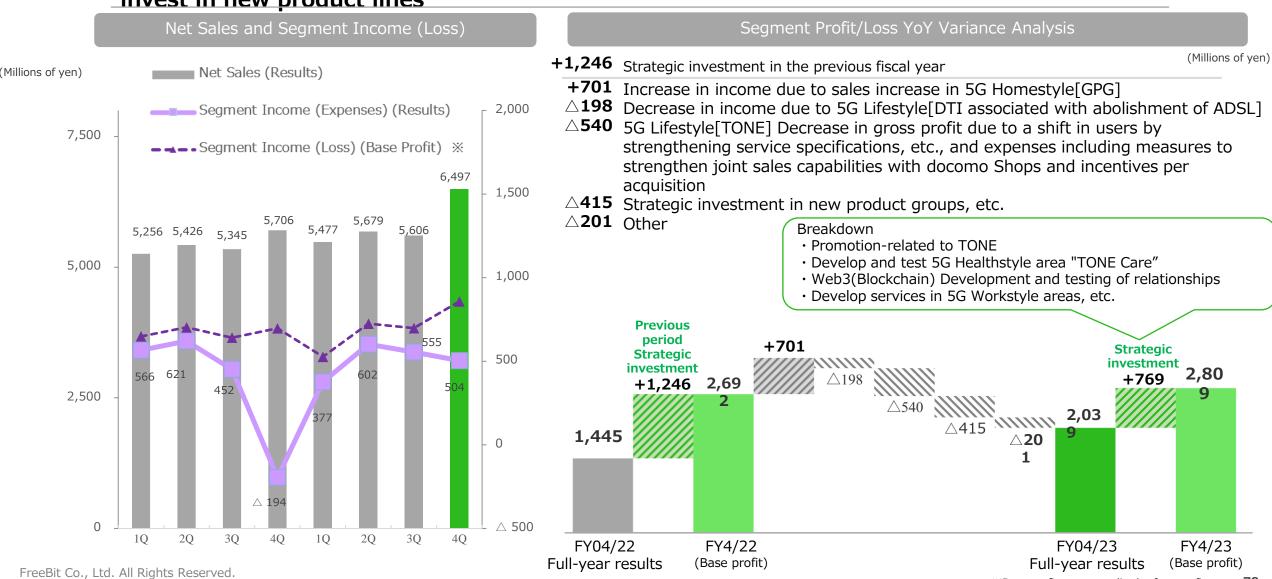
Most existing businesses have shifted to the Performance zone. Those businesses grow continuously incorporating the changing times such as 5G and eSIM.

Real Estate Tech Business (GP)

78

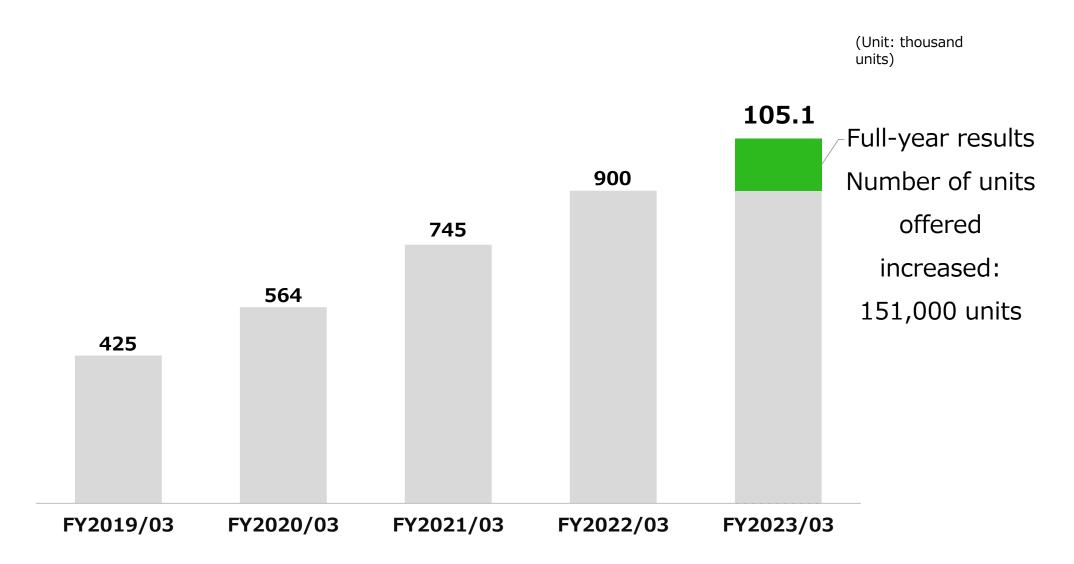


Operating income increased 4.3% year on year due to steady 5G Homestyle performance, despite measures to strengthen 5G Lifestyle service pecifications, strengthen sales capabilities, and invest in new product lines





The number of units provided for ISP services for apartment buildings, a key indicator of 5G Homestyle(GPG), increased by 151,000 units compared to the end of the previous fiscal year, surpassing the full-year forecast of 105,0000 units





"LIVING TOWN Minato Mirai" pre-opened on April 29 Started providing technology through a capital and business alliance with Alps Alpine

Pre-opening of LIVING TOWN Minato Mirai

Ai-Messe Minato Mirai, operated by i-builders, pre-opened on April 29 in

LIFE CREATION section of the housing exhibition area. Providing IOPT, an IoT service offered by Optage, Inc. within the model house, and Secual's home security service, providing a place for customers to actually experience and experience smart homes



「アイメッセみなとみらい」イメージパース





















Commenced joint field trials with Alps Alpine through a capital and business alliance

Started technical collaboration in 5G Homestyle field through a capital-and-business alliance between FreeBit and Alps Alpine (March 31)

Started technical collaboration at "LIVING TOWN Minato Mirai".

Strengthen initiatives for lifestyles such as IoT and housing spaces in 5G area.



「LIVINGTOWN みなとみらい」 施設構成



Launched new services, including high-location maintenance services utilizing drones and the provision of a face recognition platform for all face recognition condominiums

 Provision of high-rise maintenance services utilizing drones

Developed by three companies: D.U-NET and Flight PILOT. Safe and efficient use of drones to inspect and work at heights of apartment houses and detached houses

 Provision of face recognition platform "FreeiD" for all face recognition condominiums

Started a business alliance with GIGAPRIZE to mutually sell ISP services for apartment buildings and FreeiD, a face-recognition platform developed and provided by DXYZ.

We propose FreeiD to meet customer needs. We provide onestop services from installation to maintenance and support.



屋根部の洗浄の様子







[Performance Progress] Corporate and Creator 5G DX Support Business (Production Revolution Area)



SiLK VISION 2020

Incubation Zone

Transformation Zone

Performance zone

5G Infra Platform (MVNE, fixed network, cloud, etc.) 5G Homestyle (Internet services targeting housing complex) Internet marketing **Affiliate**

SiLK VISION 2030 SiLK VISION 2024 SiLK VISION 2027

Corporate and Creator 5G DX Support Business

Creator Maker (StandAlone) Bizmodel Maker (4.0)

5G Lifestyle Support Business

5G Workstyle / 5G Healthstyle

5G Lifestyle Support Business

5G Lifestyle (TONE/DTI) 5G Homestyle

5G Infrastructure Support Business

Most existing businesses have shifted to the Performance zone. Those businesses grow continuously incorporating the changing times such as 5G and eSIM. 83

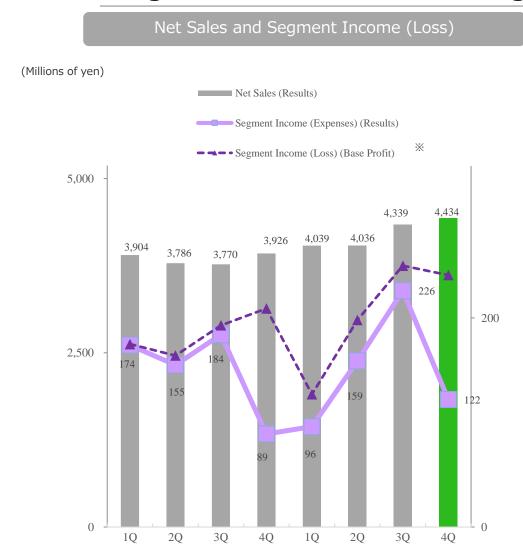
Infrastructure Tech business (fb, DTI) Ad-Tech business (FS) Real Estate Tech Business (GP)

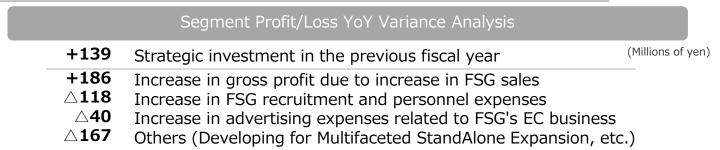


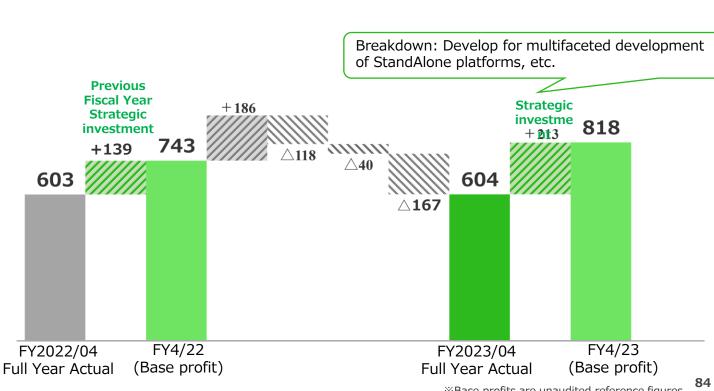
Corporate and Creator 5G DX Support Business Progress



Profit increased by 10.1% year-on-year (compared to the base), recovering from the stagnant demand for advertising following the Corona crash.







Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Business - Business - Business - Busi Full Speed present to Corporate and Creator 5G DX Support Business - Busines



Launch of subscription services and holds creator bers' day events at StandAlone, a creator support platform

Starting Play.Goose Subscription Service

Launched a subscription service at a monthly fee of ¥300 (including tax).

Provides services that allow artists and fans to create works in both directions, such as the ability to download/watch the latest songs in advance, the experience of creating music and events together with Play. Goose, and the monthly membership vote on the songs covered by the songs.



Image of services provided

Preliminary distribution of undisbursed album music within the app

Singing with tour songs, performances and monthly live streams.

Covered songs to be decided as members

Tour and live distribution

Birthday event for the actor, Eiji Akaso

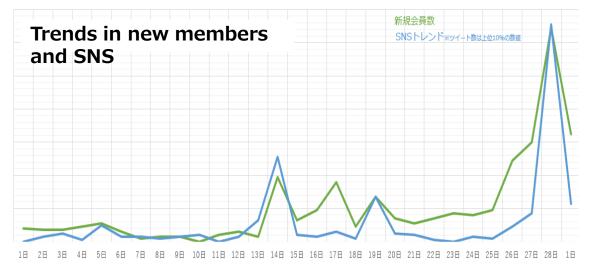
On Tuesday, February 28, the FreeBit Office delivered an online birthday event for the actor Eiji Akaso.

Approximately 6500 people participate in the event in real time, leading to an increase in the number of members.

In September, we plan to hold a total of four fan meetings in Tokyo Osaka at Full Speed Planning



Store Assessment Google"4.7"Apple"4.0

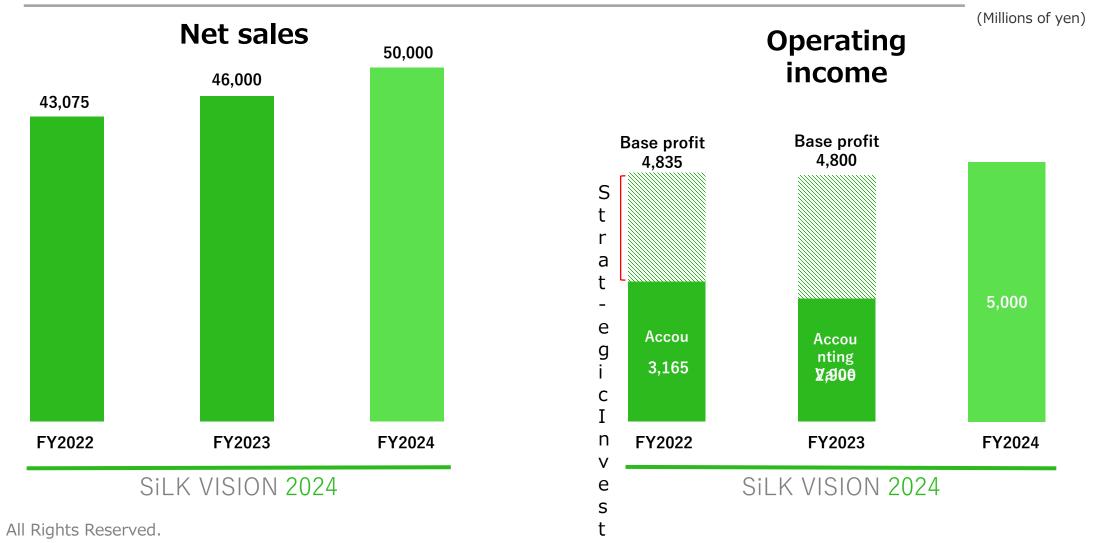


4. FY2024/4 full-year forecast

Medium-term management plan "SiLK VISION 2024"

Excerpt from "Financial Results for the First Quarter of the Fiscal Year **Ending April 2023"**

FreeBit Group Earnings Targets for the Fiscal Year Ending April 2024 Aiming for 50 billion yen in sales and 5 billion yen in operating profit



FY2024/4 full-year forecast



(Millions of yen)	Silk VISION 2024			
	FY2022/04	FY2023/04	FY2024/04	
	Actual	Actual	Earnings Forecasts	YoY change
Net sales	43,075	46,771	50,000	+6.9%
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(Including irregular 13-month settlement due to change in fiscal year-end of GIGAPRIZE CORPORATION)

- In the fiscal year ending April 2024, the final year of SiLK VISION 2024, the Company expects to achieve its target while expanding DX and new business fields through effective strategic investing that effectively utilizes the Group's management resources. The goal is to achieve consolidated net sales of ¥50 billion and consolidated operating income of ¥5 billion.
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- Positioning the fiscal year ending April 2024 as the second Transformation Term to respond to rapid technological and other changes, we will reexamine our organizational strategy, human resources strategy, and business strategy, and take action to deepen our future.

Disclaimer



Forward-looking statements in this document, including our forecasts, forecasts, targets, plans and strategies, are based on information that we believe to be reasonable at the time of preparation of this document. Actual results may differ materially from these forecasts and targets due to various factors. These materials are explanatory materials for our business strategy and are not prepared for the purpose of soliciting investment.

<IR and Inquiries Regarding This Material>

FreeBit Co., Ltd.
In charge of IR, Corporate
Planning Division

Email freebit-ir@freebit.net WEB https://freebit.com/

5. Appendix

Explanation of the Three Revolution Areas and Each Business

Mobile revolution area

In order to solve various social problems, such as environmental problems, an aging society, and low growth, and to realize a sustainable society, the area provides the infrastructure that is the foundation for the improvement of the efficiency of people's lives and the production revolution of intelligence.

Lifestyle revolution area

For the transition to a sustainable society, people's ways of working, learning, and living will change. This is an area in which we solve the social problems that are necessary for this purpose and create new societies and values.

Production revolution area

"Structuring of intelligence" to mobilize appropriate knowledge from a vast amount of knowledge for solving social problems, and the resulting "production revolution of intelligence" brings about innovation.

5G Infrastructure Support Business

A business that provides a platform that supports not only the creation of "human" but also the creation of "consumer" markets that lead to Connected and reliable use of "goods" at an affordable price through 5G and eSIM(SIM software/AI/Blockchain.

5G Lifestyle Support Business

Using platforms created by 5G support business, this business builds and provides business platforms that support the creation of various "cost" markets, such as "safe and secure lifestyles," "healthy lifestyles," "work styles," and "housing," which are unique to 5G era.

Support for corporate and creator 5G DX

A business that supports manufacturing in 5G age by using a proprietary DX method to build platforms that enable not only corporations but also creators and influencers that will become the core of future manufacturing, from "(Market Creation)—Value Creation—Verification—Market Introduction—Maintenance of Customer Relations."

Market potential

5G related market for the domestic industry is 210.6 billion yen, IoT market is 10.2 trillion yen, and even MaaS is 2.9 trillion yen. However, from a unique perspective of "DAO" (autonomous decentralized organization), which differs from the huge platform formers, where various issues are emerging, we approach these huge markets.

Market potential

With the new corona, people's desire has fallen to the "safety desire" of the 5-stage theory of Mazroe, but with the spread of vaccines in the future, the higher-order desire (= cost consumption) has been revived. Accelerating the penetration of IT into lifestyles in 5G also contributes to the creation of higher-order markets-goods—services—outcomes.

Market potential

In Marketing 4.0, creators and influencers do not simply recommend goods and services, but rather propose what they can become as a result of using them. In other words, a market that satisfies Mazlo's "desire for self-realization" (= cost consumption) is required.

(NOTE)Domestic 5G related markets (2027) and domestic IoT markets (2025) are based on IDC Japan surveys, and MaaS domestic markets (2030) are based on Fuji Keizai.