Q3 FY2023 Financial Results Presentation Materials

November 14, 2023



Safie Inc.



Agenda

- 1. Company and Business Overview
- 2. Q3 FY2023 Financial Results
- 3. Business Update
- Appendix



1.Company and Business Overview

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- 3. Business Update

Appendix

Company Overview

At a Glance

Established

October 2014

Number of employees (as of Oct. 2023)^{%1}

417

Annual Revenue (Guidance, FY2023)

¥11,615 million

ARR (as of end-Sep. 2023) *2

¥8,603 million

Number of billing cloudcams (as of end-Sep. 2023) ^{×3}

219 K units

%1 Number of employees is counted at the beginning of the month.

*2 ARR: Annual Recurring Revenue. ARR is calculated by multiplying MRR (Monthly Recurring Revenue) at the end of the month by 12 (months).

MRR: Monthly Recurring Revenue. MRR is the sum of total charges in the current month based on the contracts with continuous billing as of the end of the applicable month (including sales through sales partners).

3 Billing cloudcam is the number of cloudcams in operation that is fee-charging for each quarter. It does not represent the number of cloudcams sold in each quarter.

Overview of Products & Services



- 1. Cloud-driven camera OS
- 2. Powerful security
- 3. High quality UI/UX
- 4. Highly scalable platform

History and market share

Capital and Business Alliance

Business Alliance

Business Alliance

Number of billing cloudcams

信頼される安心を、社会へ。

SEN

NTT東日本

SECC

Billing Cloudcams and Major Business Alliances

Market Share

Market share of cloud monitoring and video recording services *





219K Units

(as of end-Sep. 2023)

X Source: Techno Systems Research report of "Cloud recording service market research of network camera (2022)". Cloud monitoring and video recording service is defined as a cloud service that uses network cameras and provides monitoring and/or recording as a paid service. Market share is based on the number of registered camera s by engine.

Our Client: Track record of large enterprises (Examples)



Leverage video data to drive Onsite DX across industries



Safie's Vision: Create a better future with intelligent vision



Safie's product: A Cloudcam That Gets Smarter (1 of 2)

A Cloudcam that "gets smarter"

Embedded with quad-core processor. The edge-AI-enabled cloudcam app (AI-app) is tuned to each customer's use case



Safie's product: A Cloudcam That Gets Smarter (2 of 2)

Store management solution for managers "Store People Detection Pack"







Counting people in a pre-defined area



defined area

Driving store management and manpower-saving initiatives together with investee partners

safie **ventures**



Industry specific solutions

Other investments to date





Edge AI/MLOps

%safie



IoT device (Telepresence system)







Drone



※Investment from Safie Inc.

Marketing platform



© Safie Inc.

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Remote customer service

Remote customer interface

to serve maximum number of stores with minimal staffing





Store management DX app

Productivity increase through simultaneous achievement of improvement in business efficiency and job satisfaction of shift workers

Progress in expanding and onboarding a diverse range of applications suited for various needs and industries

Speedy rollout of diverse applications by accelerating and automating AI development and optimization





Safie is a platformer that offers Onsite DX solutions



2. Q3 FY2023 Financial Results

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KPI Highlights

Achieved ARR of **¥8.6 bn** (up 24.3% YoY), and the number of billing cloudcams of **219 K units** (up 28.1% YoY)

ARR (YoY changes)

 Grew 24.3% YoY driven mainly by direct sales especially large-scale customers

Number of Billing Cloudcams (YoY changes)

- Safie PRO trended solidly in direct sales
- Safie GO/Pocket is progressing steadily in the second half of the year

Trend of ARR and Billing Cloudcams

✔ ARR reached ¥8.6 bn and billing cloudcams reached 219 K units



Trend of Billing Cloudcams by Sales Channel

Safie PRO trended solidly in direct sales Safie GO/Pocket is progressing steadily in the second half of the year



Trend of ARPC (Average Revenue per Camera)

✓ The product mix of Safie PRO and Safie GO/Pocket is one of the main factors of ARPC, and stays similar ratio from the previous quarter . Therefore the ARPC remained flat

(¥ thousand)



Mar-end Jun-end Sep-end Dec-end	Mar-end Jun-end Sep-end Dec-end	Mar-end Jun-end Sep-end Dec-end	Mar-end Jun-end Sep-end
2020	2021	2022	2023

※1 : ARPC: Average Revenue per camera. ARPC = ARR ÷ Nos. of billing cloudcams

Q3 FY2023 Financial Results Highlights

Revenue for this Q3 was ¥3.0 bn, up 31.4% YoY and up 4.6% QoQ

- One-time revenue was ¥0.9 bn, up 46.8% YoY
- Recurring revenue was **¥2.1 bn**, **up 25.6% YoY**

Gross profit was ¥1.4 bn, gross profit margin was 46.5%

• Gross profit margin declined 1.4%p QoQ, due to decline of one-time gross profit margin from volume discount to large-scale projects

Operating losses was ¥0.3 bn

 Operating losses widened by ¥0.11 bn YoY due to decline in gross profit margin, sales and marketing expenses to pursue further industry penetration, investment in human capital, and office relocation expenses

Revenue Trend



- Reached ¥932 mil thanks to large-scale projects
- Recurring revenue reached ¥2,101 mil
 - Increase of ¥428 mil or 25.6% YoY
 - Increase of ¥127 mil or 6.4% QoQ

%1 : One-time revenue includes merchandise and camera set up installation work etc.

%2 : Recurring revenue includes cloud, applications, rental and including SIM, etc.%3 : Reporting on a consolidated basis from Q3 FY2022

Revenue breakdown and gross profit margin of one-time and recurring revenue

✔ Gross profit margin declined, due to volume discount to large-scale projects

One-time^{*2} Recurring^{%1} 68% 69% 72% 72% 75% 32% 31% 28% 28% 25% FY22Q3^{**3} FY22Q4 FY23Q2 FY23Q3 FY23Q1





Trend of Gross Profit Margin

X1 : Recurring revenue includes cloud, applications, rental and SIM, etc.

&2 : One-time revenue includes merchandise and camera set up installation work, etc.

※3 : Reporting on a consolidated basis from Q3 FY2022

Gross Profit Trend



Gross profit margin deteriorated by 1.4% points QoQ mainly due to decline in one-time gross profit margin

Recurring gross profit grew steadily

**1 : One-time revenue includes merchandise and camera set up installation work etc.

%2 : Recurring revenue includes cloud, applications, rental and including SIM, etc.

3 : Reporting on a consolidated basis from Q3 FY2022

SG&A Trend



 Expenses increased mainly for investment in marketing activities to drive industry penetration, investment in human capital and rent increases due to office relocation

- G&A increased ¥62 mil QoQ
- R&D increased ¥43 mil QoQ
- S&M increased ¥57 mil QoQ
- %1 : G&A stands for General and Administrative and is the sum-total of administrative personnel cost and other related/common expenses.
- *2 : R&D stands for Research and Development and is the sum-total of R&D engineer personnel cost, outsourcing expense and other related/common expenses.
- 3: S&M stands for Sales and Marketing and is the sum-total of sales promotion expense, advertising expense, sales personnel costs and other related/common expenses.
- %4 : Reporting on a consolidated basis from Q3 FY2022.

Operating Profit Trend

(¥ million)



Q3 operating loss was ¥399 mil due to stagnant gross profit growth and upfront investment

*1 : Reporting on a consolidated basis from Q3 FY2022.

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3. Business Update

- Company and Business Overview
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Appendix

Growth Drivers

✓ While the growth driver is to increase the number of cloudcams through industry penetration, we develop solutions that contribute to improving the unit price



Growth Themes to Achieve Our Target





KAN

AIRF

Appiying The digtal transformation D using video data to a wide range of industries



The Five Steps for Onsite DX Using Cloudcams





Progress through the Five Steps

Increasing need for crime prevention and recording

There are increasing number of projects taking advantage of the unique features of cloud services with high real-time performance

Backdrop to increasing need for crime prevention and recording

Use Case

- Fostering a sense of security and improving safety for customers
- Transparency of corporate activities
- Protection of staff and employees



Gulliver

Secure traceability through visualization of maintenance and sheet metal forging

- We have been working to increase the transparency of our maintenance, sheet-metal, and other operations. As part of these efforts to ensure traceability of its maintenance and sheet-metal process, the company began installing cloudcams
- Cloudcams are installed in the sites, allowing car owners to directly check the status of maintenance and repairs with their own eyes



Cloudcams installed in maintenance and forging plants. Video can be stored as evidence



Customers can view the ongoing maintenance and sheet metal forging work

Increasing need for remote connectivity

Increasing adoption to improve business efficiency such as reduction of costs and travel time to/from construction sites, by deploying video imaging to carry out remote operations in the construction industry that faces the 2024 Issue

Need for remote connectivity

The 2024 Issue of Construction Industry

- Work Style Reform Law $^{\otimes 1}$ promulgated in April 2019
- The law will be applied to the construction industry from April 2024 after a 5-year grace period based on decision that short-term improvement in working environment deemed difficult for the construction industry

Maximum limit on overtime work

The law stipulates the maximum limit of overtime as	
"45 hours per week / 360 hours per year", with	
punishments for violations	



2023

"Equal pay for equal work" applied to both regular and non-regular workers

Raising overtime additional pay rate for overtime work exceeding 60 hours per month Overtime pay rate raised from 25% to 50%, starting from

*1 The full title is Act on the Arrangement of Related Acts to Promote Workstyle Reforms.



Over 820 cloudcams in operation Contributing to workstyle reform in the construction industry

• Safie's cloudcams are now standard ICT item across the company with a minimum of 1 cloudcam to be installed at each construction site.

Use Case

- It enables remote monitoring of each process such as material delivery/dispatch in construction site, as well as real-time confirmation during typhoons or earthquakes.
- One construction site implemented a total of 19 Safie GO cloudcams which is used for safety management, crime prevention and disaster prevention.



Expanding among house builders



Expanding business area with new Kansai branch

✓ Safie participated in the Umekita Project upon opening of the Kansai branch



- Kansai Branch is scheduled to open in January 2024, as our first office in the Kansai region. We are planning to prepare a showroom for live experience of Onsite DX solution using video data. The Kansai region is expected to enjoy large-scale investments such as the Osaka-Kansai 2025 Expo and IR (Integrated Resort).
- By participating in the Umekita Project, Safie will strive to create value by utilizing video data to resolve issues in industries as well as for city planning.

※ Image of showroom

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Onsite DX in the Logistics Industry

Powered by Safie 現場DX

N9

N8

Three issues facing the logistics industry



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Serious labor shortage in the market

• The logistics industry is one of the industries with a serious labor shortage in Japan, along with the construction and medical/welfare sectors^{*1}

Tightening supply/demand in distribution



- Supply/demand gap is widening due to expansion of E-Commerce (EC) and high-variety small-lot transportation
 - Demand continues to exceed supply, while supply is declining due to labor shortage and aging workforce
- Ratio of logistic cost to revenue is at the highest level in past 20 years at shipper companies^{**2}

The 2024 Issue of logistics industry (Max limit on overtime work for truck drivers)

- Overtime work limit (960 hours annually) will be applied to truck drivers from April 2024
- Concern over increasing of logistics demand which is said to cause a 14.2% shortage of transport capacity compared to 2019 (pre-COVID)^{**2}

Onsite DX to enable productivity improvement and quality enhancement



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Improving business productivity by linking video data & warehouse management system

→Case of

Grow the new Story. 新しい物流で、新しい社会を、共に育む。

Reason for installation

 At the Chiba North Center of Sagawa Global Logistic Co. Ltd., when there is an inquiry about a product after it had been shipped, an average of one hour per case is spent on non-core tasks, such as searching for evidence that there had been no problems with the work.

Use case

 Safie One, an AI-enabled cloudcam was installed at each inspection workbench, and video data is linked to the company's shipment management dashboard of WMS (Warehouse Management System).

Benefit

- Whenever an inquiry is received, it is now possible to confirm inspection task of the relevant item within a minute.
- The significant reduction in inquiry operations during the high-season makes it possible to concentrate on core operations and other operations requiring human response.

現場DⅩ

核品的系

15:07:23

15:02:31

15:07:23

Contributing to reducing idle time of trucks with real-time assessment of berth utilization

Reason for installation

• Items that requires distribution processing operations such as inspection and packaging has increased at Fukuoka Center. The number of workers has increased dramatically due to a large increase in truck loading/unloading and ancillary work in the warehouse, but the company wanted to ensure a high level of individual work quality and productivity without increasing the number of managers.

Use case

• Video record each task using Safie Pocket2.

Video image is shown on a monitor that can be viewed by all staff members.

• Cloudcams are installed at the warehouse dock^{*1} where merchandise is loaded/unloaded in order to monitoring of utilization rate remotely.

%1 : Refers to temporary stoppages or idling of facilities and manufacturing due to a manufacturing incident.

Benefit

- Work staff can assess backlog (unprocessed merchandise) of the previous process with a single glance. It improves speeds of assessment of conditions and enables flexible response, and hence it enables arranging support staff to bottleneck points.
- Assessing progress in loading/unloading at and vacancy of the warehouse dock from the office enables improvement of warehouse dock utilization rate through optimal operations and reduction of truck idle time.

Quick recovery to stable utilization even during a "choko-tei" by building a remote management system of facilities

Reason for installation

- Due to the sudden occurrence of "choko-tei"*1 where equipment stops in warehouse, The long hours spent monitoring the equipment at the breakdown site caused a large time loss.
- Smartphones and online conference tools were used to provide remote support to less-experienced engineers. However, they were concerned about the usability of these tools, as they were dangerous to use with their hands full.

*1: Refers to temporary stoppages or idling of facilities and manufacturing due to a manufacturing incident.

Use case

- Cloudcams are installed at points where "choko-tei" *1 is likely to occur, and are used to review cloud-recorded video images when an abnormality occurs.
- Experienced engineers view video data broadcasted from less-experienced engineers with bodycam Safie Pocket2 attached at work site.

Benefit

- It enables more effective utilization of human resources by eliminating the need to physically visit the work site and to stay there for facility incident.
- Travel time of engineers have been significantly reduced by remotely assessing work site conditions.

Visualization of warehouse contents, reduction of onsite confirmation tasks, resolving causes of incidents

Reason for installation

- The company is striving to make sure no products are hold up the process line, given there are several tens of thousands of cases shipped in a single day.
- The company wants to minimize impact on shipment by quick response and recovery for incident occurs, including "choko-tei"*1 cases.
- *1: Refers to temporary stoppages or idling of facilities and manufacturing due to a manufacturing incident.

Use case

- More than 800 cloudcams are installed in total at various points of all six warehouses and centers owned by the company.
- Cloudcams are installed at merge points in production lines and/or where it is difficult for humans to enter to make a confirmation.
- Cloudcams are installed where incidents have occurred to assess the causes whenever it occurs again.

Benefit

- Reduced the hassle of visiting worksites by confirming via video given the large-scale and multiple locations to manage.
- The number of troubles that occurred and the causes were traced back was about 20 cases, resulting in a labor cost reduction of about ¥800,000 per month.

Safie will drive Onsite DX for a wide range of industries

✓ Safie cloudcam footprint is spreading over many industries

Summary

- Market demand for STEP1 (crime prevention and recording) and STEP2 (remote connectivity) continues to be strong. We are strengthening this further as growth foundation for Safie.
- Safie continues exploring more solutions to offer by collaborating with partner companies in video×business tools and video×AI.
- Management strategy is planned to update at upcoming FY2023 full year results announcement.

映像から未来をつくる 「「「Safie

Appendix

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Business Growth Leading to an Expanding TAM

 Domestic market growth potential is huge at approx. 28.63 mil. units; and an even larger potential exists in the global market

- *1 : Network camera refers to a usable commercial-use camera with a built-in IP function that can self-connect to the internet. (Source: Yano Research Institute) Figures are calculated by applying certain assumptions on data from various sources. Refer to page 42 of the Appendix for the calculation method.
- *2 : A surveillance/monitoring camera refers to surveillance camera products which can be broadly classified as IP cameras or analog cameras. (Source: Yano Research Institute)
 Figures are Safie estimates calculated by applying certain assumption to the shipment volume data stated in Yano Research Institute Ltd.'s "Surveillance Camera Market Forecast 2020 Visual Communication Research".

Estimated TAM (Safie estimates)

Strategy	Industry	Potential business locations (unit: thousand sites)	Estimated number of cloudcams per location %1	Potential number of cloudcams (unit;: million units)
	Restaurant	1,420 ^{%2}	approx. 4 units	approx. 5.67 mil
Main markets (surrent)	Retail	990 ^{%3}	approx. 4 units	approx. 3.96 mil.
Main markets (current)	Service	470 ^{×4}	approx. 4 units	approx. 1.89 mil.
	Construction	210 ^{※5}	approx. 5 units	approx. 1.05 mil.
	Manufacturing and logistics	50 ^{%6}	approx. 10 units	approx. 0.45 mil.
Newly entered markets	Infrastructure/public sector	2,000 ^{%7}	approx. 3 units	approx. 6.01 mil.
	Finance	250 ^{%8}	approx. 3 units	approx. 0.75 mil.
	Parking lot	5,340 ^{※9}	approx. 1 unit	approx. 5.34 mil.
	Hospital and nursing home	190 ^{×10}	approx. 5 units	approx. 0.97 mil.
Potential markets	Educational institution	80 ^{×11}	approx. 10 units	approx. 0.83 mil.
(medium- to long-term)	Office	190 ^{×12}	approx. 3 units	approx. 0.57 mil.
	Condominiums	120 ^{×13}	approx. 3 units	approx. 0.36 mil.
	Elevator	770 ^{×14}	approx. 1 unit	approx. 0.77 mil.
	Total	12,080	-	approx. 28.63 mil.

%1 Estimated number of units installed per base: our estimated value based on past business experience, etc. %2 Number of restaurants operating facilities cited from Ministry of Heath, Labor and Welfare "Report on Public Health Administration and Services" (2019) %3 Number of establishments of retailers cited from Ministry of Economy, Trade and Industry "Economic census-activity survey results (wholesale and retail, 2016)" %4 Total number of amusement stores (2017), pachinko stores (2018), hotels (2017), inns (2017), museums (2018), hair dressing shops and barbers (2018), and public bathhouse (2018) cited from Yano Research and Institute Ltd." Surveillance Camera Market Forecast and Next-Generation" %5 Total number of bank branches (2018–19), and ATMs (

Business Model and Sales Channel

✓ Safie's business consist of sales of cloudcams ^{※1} by direct and/or through sales partners as well as providing cloud recording services^{※2}

One-time revenue (revenue from cloudcam sales) Recurring revenue (revenue from monthly charges for cloud recording services, viewing and use of applications)

- *1 Safie procures cloudcams from various camera manufacturers (incl. Safie brand cloudcams) and does not engage in manufacturing.
- 32 Safie does not develop all the cloud infrastructure on its own but utilizes the services of major cloud vendors to provide data storage and viewing services.
- **3 "OEM partner" is a partner that purchases cloudcams and cloud services (or only the latter) from Safie and resells to end clients under the partner's brand name. "Other sales partners" is a partner that purchases cloudcams and cloud services (or only the latter) from Safie and resell to end customers under the Safie brand name.

Revenue Breakdown by Sales Channel

✓ The proportion of direct sales gradually increases within direct sales channel/wholesale channel ratio

Revenue Breakdown (Quarterly)

%1 : Reporting on a consolidated basis from Q3 FY2022

Breakdown of Billing Cloudcams

Churn rate of month billing cloudcams is trending stably at a low rate

%1: Churn rate is based on the number of billing cloudcams at the end of the month and is calculated as follows: Monthly churn rate of billing cloudcams: Number of churned units in the current month ÷ Nos. of billing cloudcams at the end of the previous month. , %2: Operating rate = Nos. of billing cloudcams at the end of the month ÷ Nos. of cloudcams for rental business at the end of the month (excluding units in repair). %3: Regarding the churn rate figures, due to the reclassification of Billing Cloudcams, the churn rate for Mar. 2023 is calculated based on the new classification from Q1 FY2023, while the new classification has not been applied for the past churn rate.

Churn Rate and Operating Rates

Safie PRO Billing Cloudcam Churn Rate (volume basis)^{**1}

		2021/12	2022/3	2022/6	2022/9	2022/12	2023/3	2023/6	2023/9
Wholesale	Monthly	4.0%	2.5%	2.0%	1.1%	1.6%	1.2%	1.5%	1.6%
WHOlesale	12-mnth avg.	6.4%	5.4%	4.2%	2.8%	2.0%	1.6%	1.6%	1.7%
Direct Sales	Monthly	0.6%	0.7%	0.6%	0.7%	0.8%	0.8%	0.7%	0.7%
Direct Sales	12-mnth avg.	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.8%	0.8%
Total	Monthly	2.6%	1.8%	1.4%	0.9%	1.2%	1.1%	1.2%	1.2%
	12-mnth avg.	4.3%	3.6%	2.8%	1.9%	1.4%	1.2%	1.2%	1.3%

GO/Pocket Billing Cloudcam Operating Rate (volume basis)

		2021/12	2022/3	2022/6	2022/9	2022/12	2023/3	2023/6	2023/9
Total	Monthly	88%	88%	90%	92%	94%	94%	93%	90%

*1 : Due to the change in method of aggregating the number of billing cloudcams, figures for the churn rate is based on new method applicable from Q1 FY2023, and past figures are based on the previous method and are not adjusted to the new aggregation method.

Management Team (1)

Ryuhei Sadoshima

Representative Director & CEO

- Dec. 1999 Founded Daigakunote.com (CEO) Apr. 2002 Joined So-net Co., Ltd (currently Sony Network Communications Inc.)
- Oct. 2010 Joined Motion Portrait, Inc. (CMO)
- Oct. 2014 Founded Safie Inc.
- Dec. 2020 Ranked in first place of Forbes JAPAN's 200 Superstar Entrepreneurs 2021

Moriaki Shimozaki

Director

- Mar. 2003 Masters from Graduate School of Information Science and Technology, Department of Mechano-Informatics, The University of Tokyo
- Apr. 2003 Joined Sony-Kihara Research Center, Inc.
- Jan. 2009 Joined Ziosoft, Inc.
- Dec. 2013 Joined Motion Portrait, Inc.
- Oct. 2014 Founded Safie Inc.
- Feb. 2023 Founded Viagate Inc.

Kazuma Morimoto

Director and CTO, R&D Division Head

 Mar. 2001
 Graduated from The University of Tokyo, Department of Applied Physics, School of Engineering

 Apr. 2001
 Joined Sony Corporation

 Aug. 2012
 Joined GREE, Inc.

 Nov. 2013
 Joined Motion Portrait, Inc.

 Oct. 2014
 Founded Safie Inc.

Shoichiro Iwata

Outside Director

Mar. 1973	Joined Lion Fat and Oil Co., Ltd.
	(currently Lion Corporation)
Mar. 1986	Joined PLUS CORPORATION
May 1992	Head of ASKUL Business Promotion Office at PLUS CORP.
Mar. 1997	President of ASKUL Corporation
May 2000	President and CEO of ASKUL Corporation
Jun. 2006	Outside Director of Shiseido Company, Limited
Apr. 2008	Vice Chairman of Japan Association of Corporate Executives
Apr. 2012	Trustee of Japan Association of Corporate Executives
Sep. 2019	CEO of FORCE Marking & Management, Inc. (current position)
Aug. 2020	Outside Director of Safie, Inc. (current position)
Jun. 2021	Outside Director of S. T. Corporation (current position)
Sep. 2021	Outside Director of Arithmer, Inc. (current position)
May 2022	Outside Director of Hacobu, Inc. (current position)

Tetsuharu Furuta

Director and CFO, Administration Division Head

Apr. 2006Joined McKinsey & Company Inc.Nov. 2010Joined INCJ. Ltd.

(Innovation Network Corporation of Japan)

- Mar. 2017 Joined Safie Inc. as CFO (current position)
- Oct. 2019 Director of Safie Inc. (current position)

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Management Team (2)

Nobuaki Nishimura

Executive Officer and CRO, Sales Division Head

Apr. 2001Joined Orix CorporationMay 2018Seconded to ORIX Corporation USAMay 2022Joined Safie Inc.Jan. 2023Appointed Executive Officer

Shinya Nakamura

Yumi Uematsu

Apr. 1999 Joined Hitachi Medico

Nov. 2006 Joined Sony Corporation

Joined Amazon G.K.

Joined Safie Inc.

Jan. 2015

Sep. 2017

Feb. 2020

Apr. 2021

Dec. 2021

Executive Officer and CCO, Customer Service Division Head

Executive Officer and VPoP, Planning Division Deputy Head

Engineering, Graduate School, Hokkaido University

(currently Fuji Film Health Manufacturing Corporation)

Joined Spotlight Inc. (currently Rakuten Payment, Inc.)

Mar. 1999 Masters from Division of Quantum Science and

Appointed Planning Division Head

Appointed Executive Officer

Oct. 2001	Joined IT-it Co., Ltd.
	(currently EXEO System Management, Inc.)
Mar. 2007	Joined So-net Corp.
	(currently Sony Network Communications Inc.)
Apr. 2020	Joined Safie Inc., Operations Head
Dec. 2021	Appointed Executive Officer

Ryuta Suzuki

Executive Officer and VPoS, Sales Division Deputy Head

Apr. 2004 Joined Jupiter Telecom Inc. (currently JCOM Co. Ltd.)

- Jun. 2011 Joined G&H Inc. as Director and CSO
- Oct. 2016 Joined Safie Inc. GM of Sales Div.
- Oct. 2018 Appointed GM of Partner Sales HQ
- Dec. 2020 Appointed Executive Officer

Hisaya Shiraishi

Executive Officer and CPO, Planning Division Head

- Apr. 1997 Joined TDC Soft Inc.
- Oct. 2002 Joined Yahoo Japan Corporation
- Jun. 2018 Joined GYAO Corporation as Director
- Oct. 2021 Joined Z Entertainment Corporation as head of CPO office
- Jun. 2022 Joined Safie Inc.
- Jan. 2023 Appointed Executive Officer

Employees

Number of employees^{%1}

Employee breakdown (as of Oct. 2023)

Consolidated Balance Sheet

£: thousand)	End Dec. 2022	End Sep. 2023		End Dec. 2022	End Sep. 2023
Assets			Liabilities		
Current assets			Current liabilities		
Cash and deposits	8,771,628	7,308,635	Accounts payable – trade	556,961	682,310
Notes and accounts receivable - trade, and contract assets	1,152,934	1,514,124	Current portion of long-term borrowings	31,656	91,794
Electronically recorded monetary claims - operating	9,500	10,800	Income taxes payable	29,869	31,383
Merchandise	1,022,136	1,074,735	Provision for bonuses	55,620	32,807
Other	281,583	472,867	Other	715,521	687,132
Allowance for doubtful accounts	-3,116	-3,984	Total current liabilities	1,389,628	1,525,428
Total current asset	11,234,666	10,377,178	Non-current liabilities		
Non-current assets			Long-term borrowings	94,204	2,824
Property, plant and equipment	-	180,334	Other	242	60,504
Investments and other assets			Total non-current liabilities	94,446	63,328
Investment securities	1,056,301	1,244,011	Total liabilities	1,484,074	1,588,757
Other	434,211	366,229	Net assets		
Total investments and other assets	1,490,513	1,610,241	Shareholder's equity		
Total non-current assets	1,490,513	1,790,576	Share capital	5,476,879	5,572,996
Deferred assets	363	302	Capital surplus	7,962,262	8,058,379
Total assets	12,725,542	12,168,057	Retained earnings	-2,203,384	-3,057,005
			Treasury shares	-167	-167
			Total shareholder's equity	11,235,590	10,574,203
			Accumulated other comprehensive income Valuation difference on	540	1 1/1

available-for-sale securities Total accumulated other

comprehensive income

Share acquisition rights

Total liabilities and net assets

Total net assets

10,579,299

12,168,057

1,144

3,952

549

5,328

11,241,467

12,725,542

Disclaimer

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