



To worthwhile life

Materials for the Briefing Session on the Financial Results for the Third Quarter of the Fiscal Year Ending June 30, 2024

**Japan Living Warranty Inc.
May 10, 2024
The Tokyo Stock Exchange
Growth Market (7320)**

We have prepared this document solely for the purpose of offering general information about Japan Living Warranty Inc. (hereinafter referred to as “the Company”), and not for the purpose of soliciting investment in shares or other securities of the Company. The Company’s financial results, plans, estimates, forecasts, and other information pertaining to the future stated in this document are information currently available or the Company’s current judgment and thinking, and contain uncertainties that could lead in effect to the results being different from such descriptions. This document has been prepared based on current general economic, social, and other conditions, and may be altered without any notice for reasons such as changes in the economic situation. The Company exercised extreme caution in preparing the content of this document, but please be careful about the possibility of misrepresentation of information.

01 Executive Summary

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Both net sales and profits reached record highs / smooth progress towards achieving the full-year plan

Our two major businesses are making steady progress, with operating profit reaching 147% YoY

.....



Achieving discontinuous growth by significantly strengthening our in-house IT development system

Reached a basic agreement on business integration with MEDIASEEK, inc., and towards a system with 100 IT engineers

.....



Launching a new warranty service that captures social needs

For renewable energy businesses: Economic effect simulation warranties
For construction companies: Non-residential wood construction building warranties

.....



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Summary of Financial Results for Q3 FY2024

Record high net sales and profits/ Smooth progress towards achieving the full-year plan

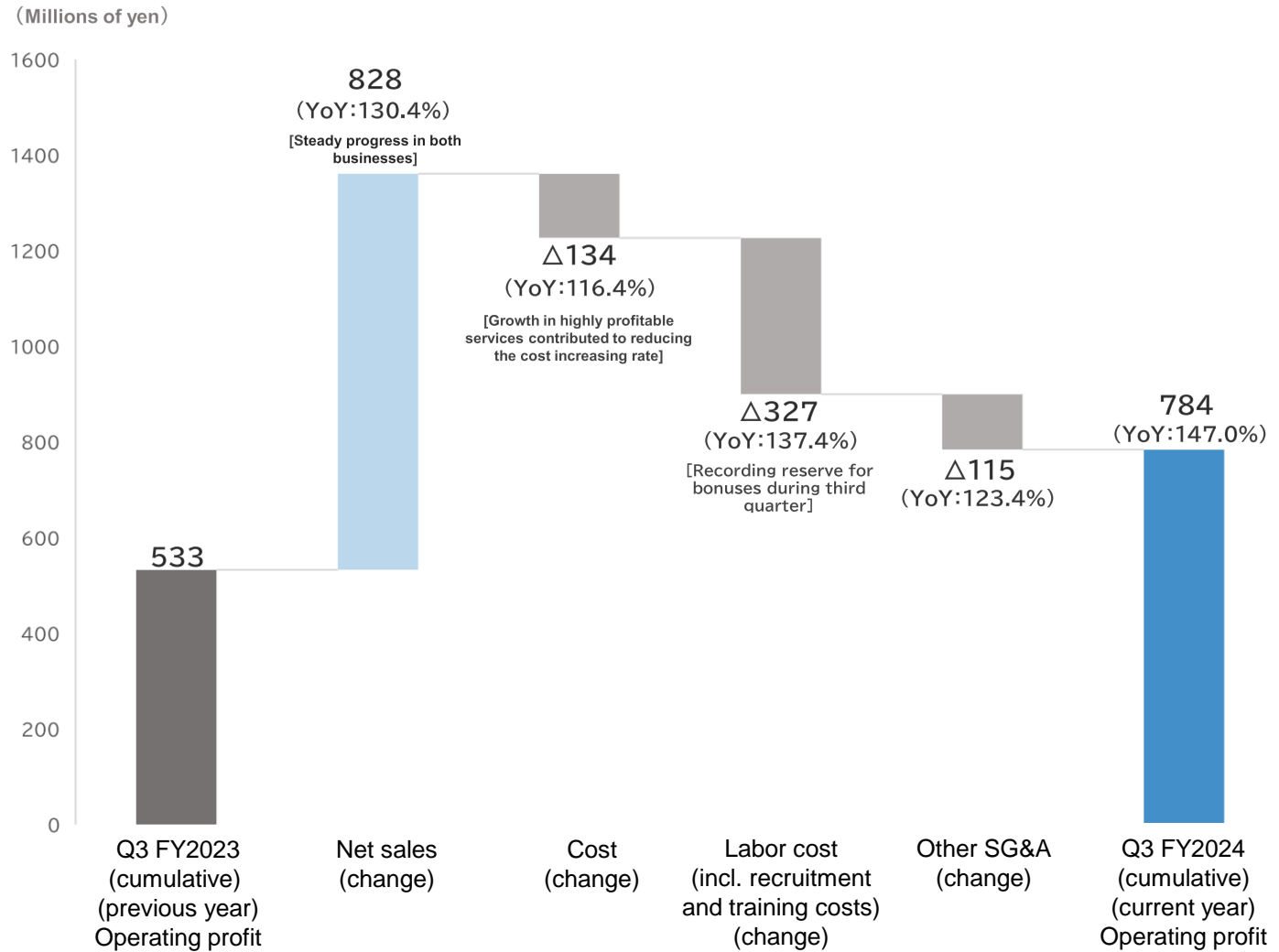
- Both of our two major businesses are showing steady growth, with both net sales and profits reaching record highs in the third quarter of the fiscal year
- Operating income increased significantly by 147.0% YoY
- Smooth progress towards achieving the full-year plan

	Q3 FY2024 (2023.7~2024.3)	Q3 FY2023 (2022.7~2023.3)	YoY		Progress to full-year plan
Net sales	3,551 Millions of yen	2,723 Millions of yen	+ 828 Millions of yen	130.4%	72.0%
Operating profit	784 Millions of yen	533 Millions of yen	+ 250 Millions of yen	147.0%	78.4%
Ordinary profit	976 Millions of yen	707 Millions of yen	+ 268 Millions of yen	138.0%	80.1%
Net income attributable to parent company shareholders	666 Millions of yen	485 Millions of yen	+ 180 Millions of yen	137.2%	74.4%

Analysis of Q3 FY2024 (cumulative) Consolidated Operating Profit

- Net sales recorded a significant increase of 130.4% YoY thanks to robust financial results of the two main businesses
- In parallel with the progress in net sales, growth in highly profitable services contributed to a significant increase in profits
- Consequently, operating profit amounted to 147.0% of the previous year's operating profit

Success robust net sales growth of highly-profitable products



Q3 FY2024 Consolidated P/L

Large improvements in current profit margins while strengthening mid- to long-term growth investment

- Growth investment in accordance with the Medium-Term Management Plan, particularly aggressive digital and human resources investment, progressed as planned
- Growth in highly-profitable services, as well as increased efficiency (including a shift to digital), contributed to improved profit margins
- We are continuing to promote management with both short-term and mid- to long term commitments

(Millions of yen)	Q3 FY2023	Q3 FY2024	Change	YoY
Net sales	2,733	3,551	828	130.4%
Cost of sales	822	956	134	116.4%
Gross profit on sales	1,901	2,594	693	136.5%
Gross margin on sales	69.8%	+3.2pt → 73.0%	-	-
SG&A	1,367	1,810	442	132.4%
(Breakdown: Labor cost (incl. recruitment and training costs))	876	1,203	327	137.4%
Operating profit	533	784	250	147.0%
Operating profit margin	19.6%	+2.5pt → 22.1%	-	-
Ordinary profit	707	976	268	138.0%
Ordinary profit margin	26.0%	+1.5pt → 27.5%	-	-
Profit attributable to owners of parent	485	666	180	137.2%

Mid- to long-term growth investments

Improving current profit margins

Summary of Q3 FY2024 Consolidated Financial Results [Net Sales by Segment]

Significant YoY growth for both major businesses, exceeding our plans

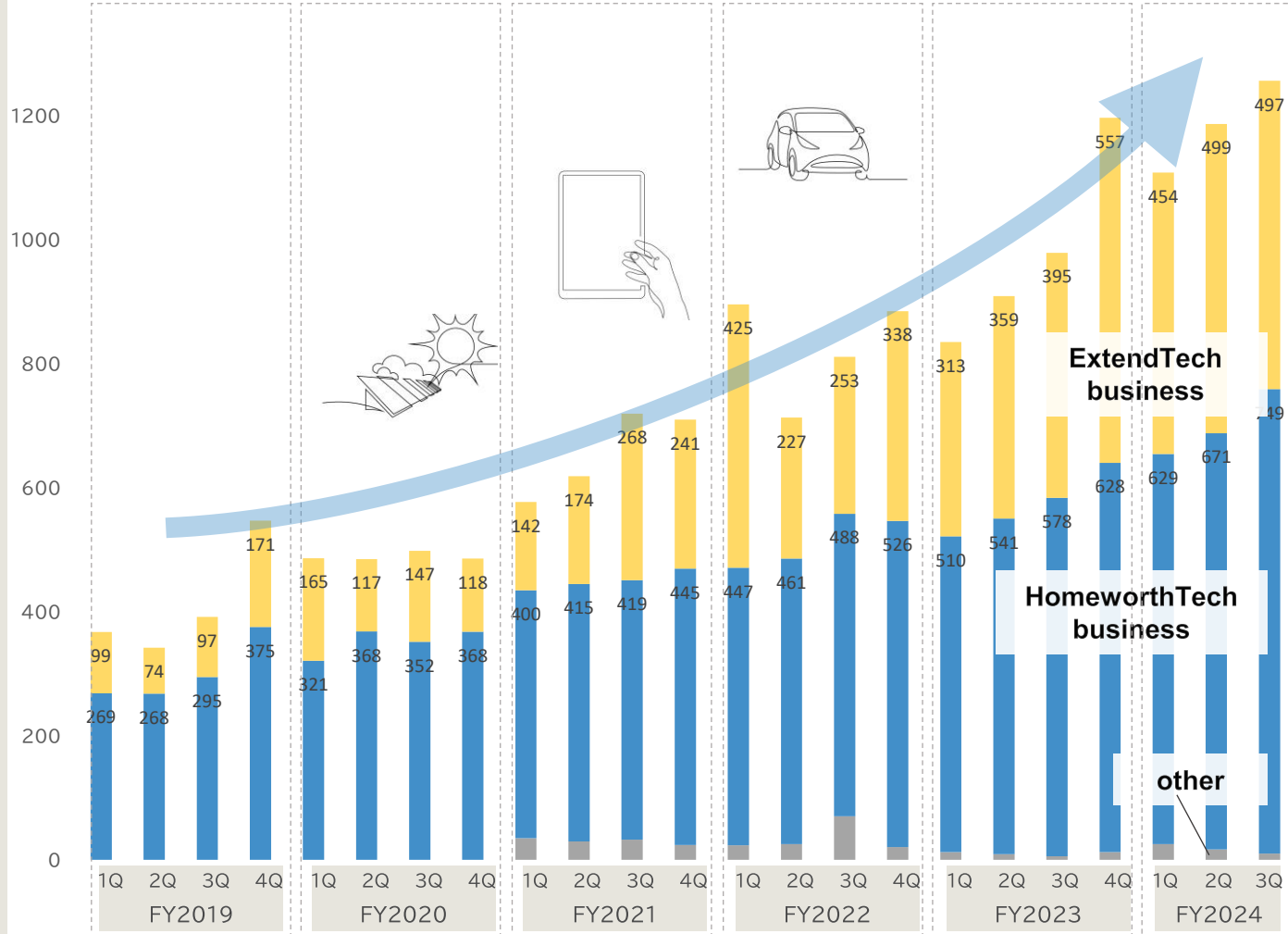
- In the HWT business, continuing efforts from the previous fiscal year to provide added value, such as SaaS, were successful, and progress was made on various warranty services
- The EXT business saw continued smooth progress, centered around renewable energy equipment such as storage batteries, which have high social needs
- As a result, both major businesses made significant YoY progress

	Q3 FY2024 (2023.7~2024.03)	Q3 FY2023 (2022.7~2023.3)	YoY	
Net sales	3,551 Millions of yen	2,723 Millions of yen	+ 828 Millions of yen	130.4%
Homeworth Tech business	2,050 Millions of yen	1,629 Millions of yen	+ 420 Millions of yen	125.8%
ExtendTech business	1,449 Millions of yen	1,067 Millions of yen	+ 382 Millions of yen	135.8%
Other	51 Millions of yen	26 Millions of yen	+ 24 Millions of yen	194.1%

Trends of Consolidated Net Sales [By Segment]

Both businesses continued sequential and stable growth

(millions of yen)



- Both businesses continued sequential and stable growth.
- Together with the steady growth of the HWT business, the EXT business has grown to be a main pillar of the Company's operations by capturing social needs.
- The HWT business continued to expand and deeply cultivate the markets by introducing new warranty services and SaaS products one after another in the housing area.
- The EXT business continued to cultivate the renewable energy area, which have high social needs, and develop the new warranty markets.

Summary of Q3 FY2024 Consolidated Financial Results [Profit/Loss by Segment]

Both businesses smoothly progress
towards achieving the full-year plan

[EXT business]

- The EXT business accumulated profits exceeding our plans, led by the development of warranty services for renewable energy equipment, such as storage batteries, which have high social needs

[HWT business]

- We have strengthened investment to achieve the Medium-Term Management Plan, profit levels are in line with the initial plan, and we expect to achieve the full-year plan

*See the next page for details on the accounting structure for the HWT business

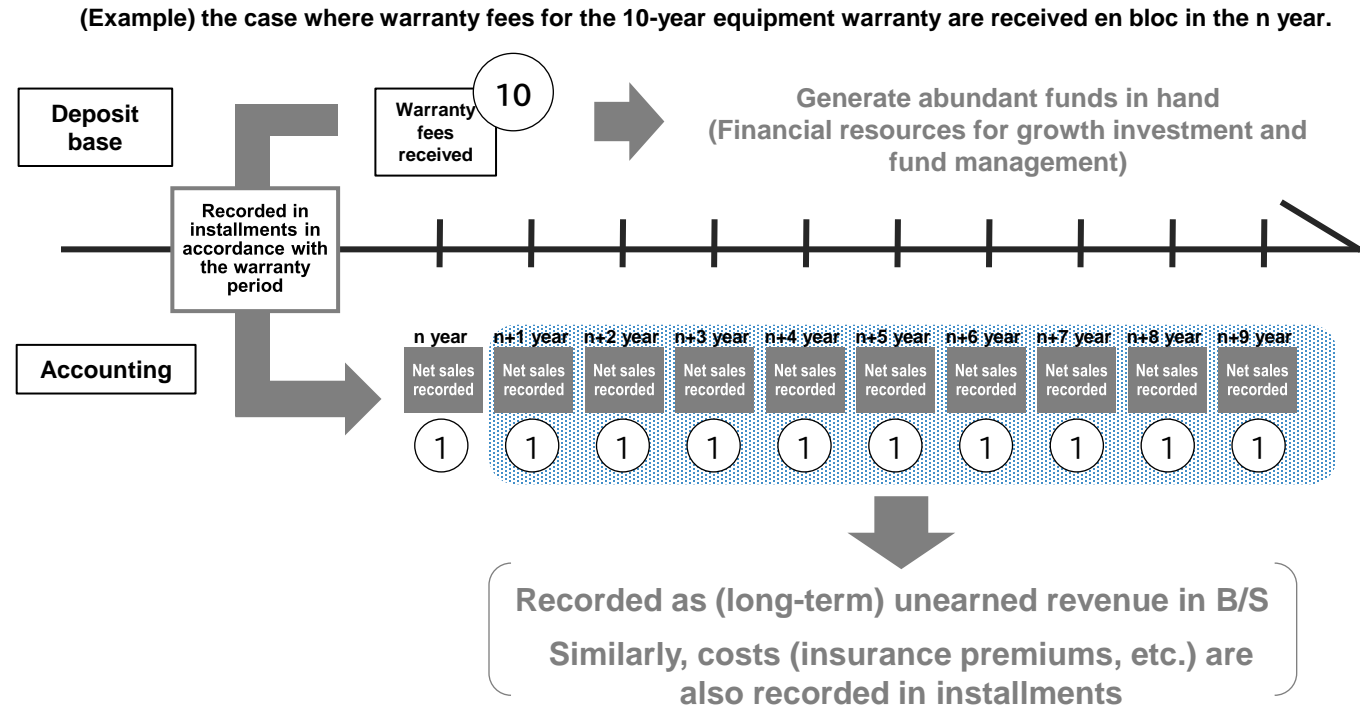
	Q3 FY2024 (2023.7~2024.3)	Q3 FY2023 (2022.7~2023.3)	YoY	
Operating profit/loss	784 Millions of yen	533 Millions of yen	+250 Millions of yen	147.0%
Homeworth Tech Business	85 Millions of yen	132 Millions of yen	△47 Millions of yen	64.1%
ExtendTech Business	728 Millions of yen	428 Millions of yen	+299 Millions of yen	169.9%
Other	△28 Millions of yen	△27 Millions of yen	△1 Millions of yen	—

Long-term warranty services have the structure that tends to see profits squeezed in the expansion stage of business due to accounting treatment

Accounting Treatment Structure of Long-term Warranty Contracts

~ HomeworthTech business ~

- With respect to long-term warranty contracts in the HomeworthTech business, while net sales and costs are recorded on a pro rata basis in accordance with the warranty period, selling, general and administrative expenses are recorded en bloc, making the Company's earnings structure into one that tends to see profits squeezed in the expansion stage of business.
- The maturing of business (an increase in an outstanding balance of warranty contracts) has turned it into the long-term stable earning structure.
- Long-term warranty contracts generate abundant funds in hand as warranty fees are obtained en bloc at the time of conclusion of contracts.
- Abundant funds arising from long-term warranty contracts can be used for proactive growth investment and asset management.



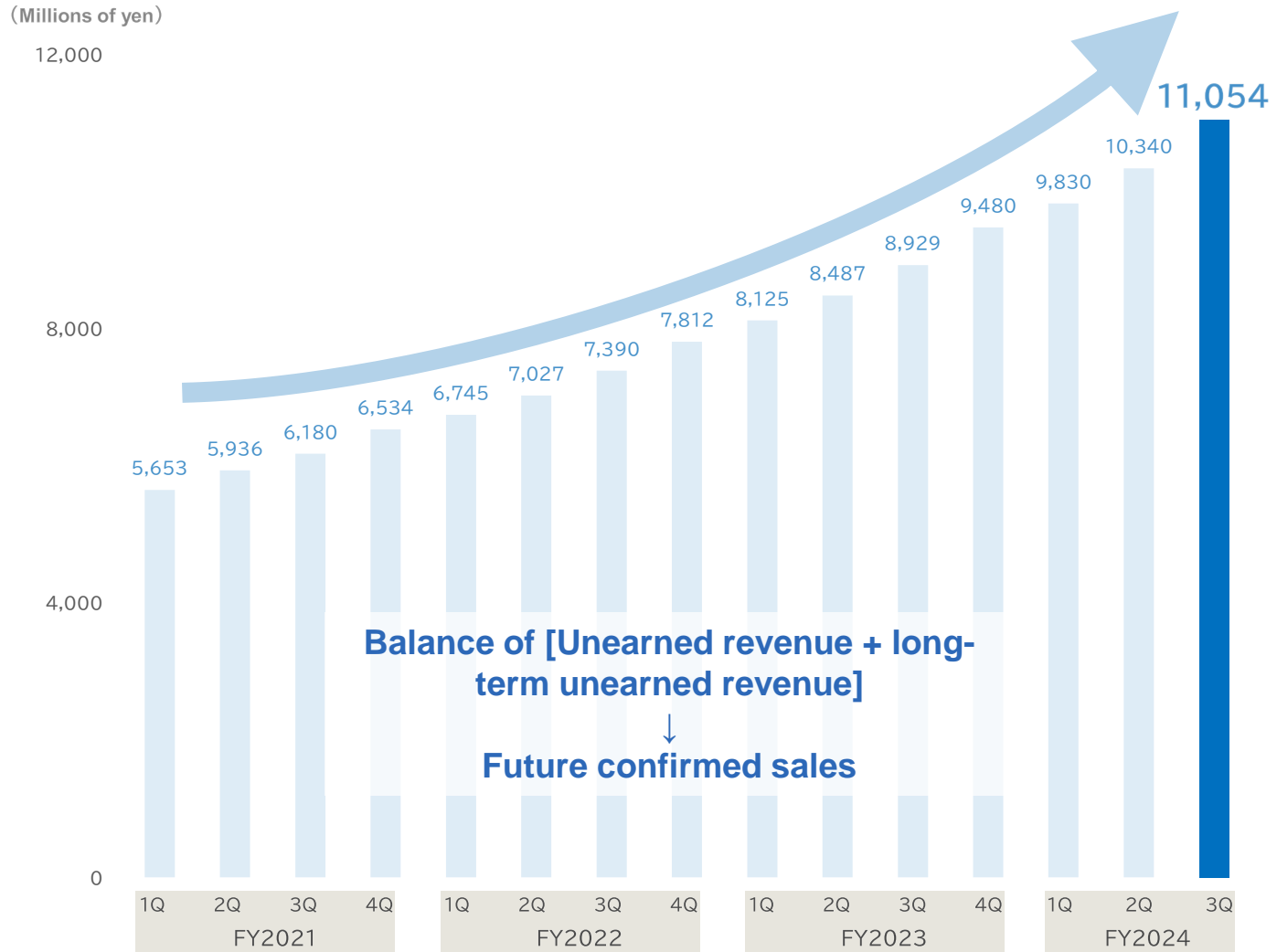
Trends in unearned revenue*

[HWT business]

- Unearned revenue,* positioned as a major KPI for the HWT business, topped 11 billion yen at the end of the current quarter
- Of warranty fee revenues, those not yet recorded as net sales were recorded as unearned revenue + long-term unearned revenue on the balance sheet
- Unearned revenue* means definite net sales over the future, and thus the balance will be recorded as net sales sequentially to underpin future profitability

Unearned revenue, or unrecorded sales, has steadily accumulated and now exceeds 11 billion yen

*Total value of "unearned revenue + long-term unearned revenue," which corresponds to unrecorded sales for the HWT business



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Topics ①

Business integration with MEDIASEEK, inc.

- The business integration has two major aims:

01 Strengthen our IT system development system

Recruitment competition for IT talent and soaring costs for outsourcing to external vendors are emerging as social issues, so we will realize a shift to in-house production with a system of approx. 100 IT engineers

This is part of our long-standing digital strategic investments, and is expected to have ripple effects in both the short- and medium-term.
*Refer to P37

02 Improve the environment for Prime market listing

By fulfilling the primary formal requirements through business integration, we aim to achieve sustainable corporate growth and shareholder returns as well as an early listing on the Prime market

Aims of the business integration

01

Strengthen our IT system development system, and shift to in-house production

- Amidst intensifying recruitment competition for IT talent, towards a system with 100 IT engineers

[Short term] Develop SI business in existing areas

- Respond to system development needs that are emerging in the housing and renewable energy fields

[Medium term] Early monetization of SaaS/FinTech business

- Achieve the previous Medium-Term Plan ahead of schedule by strengthening our development system

02

Improve the environment for TSE Prime market listing

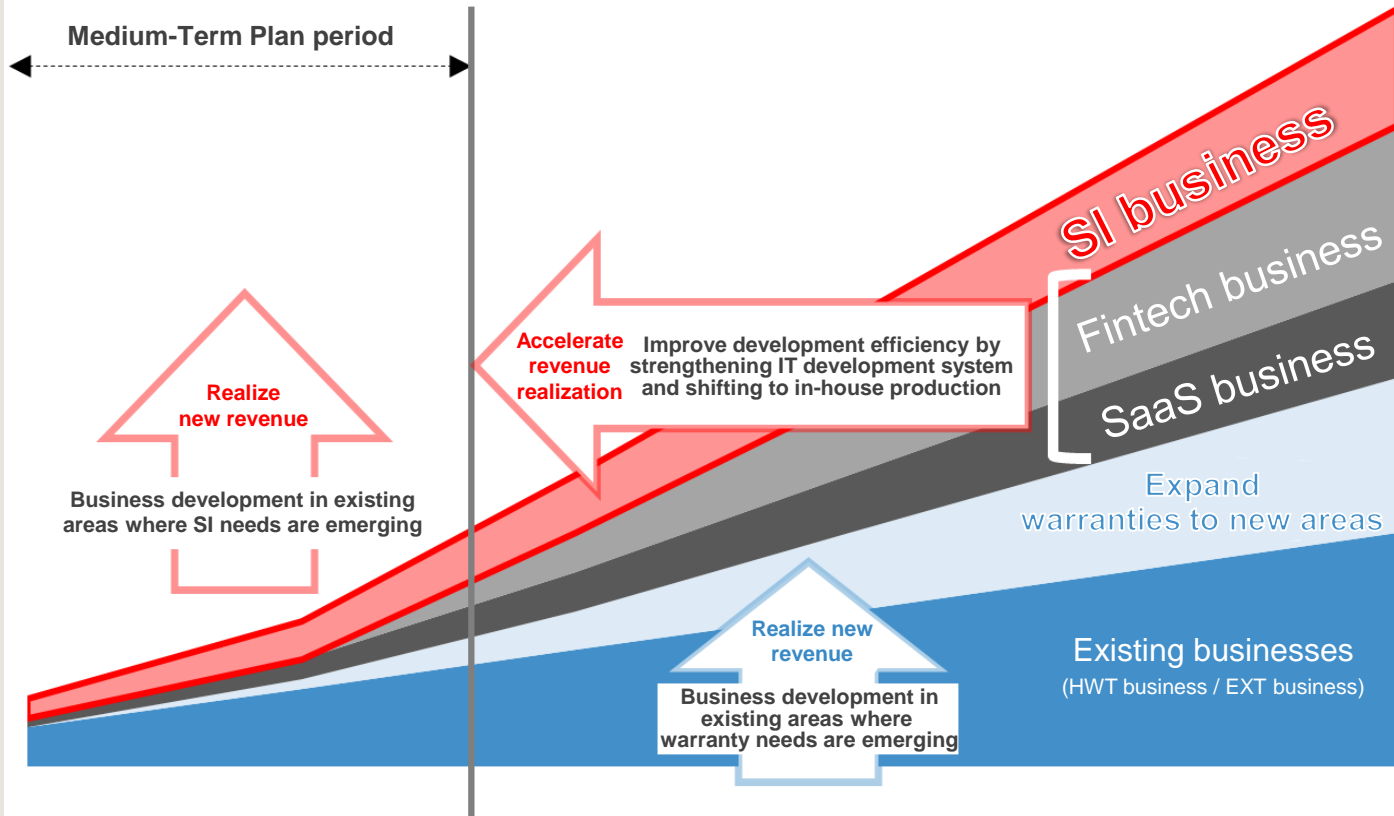
- Together with an early listing, achieve sustainable corporate growth and shareholder returns

Topics ①

Business integration with MEDIASEEK, inc.

Plan to expand the SI business to primary markets and realize discontinuous growth

[Image of medium- to long-term net sales]

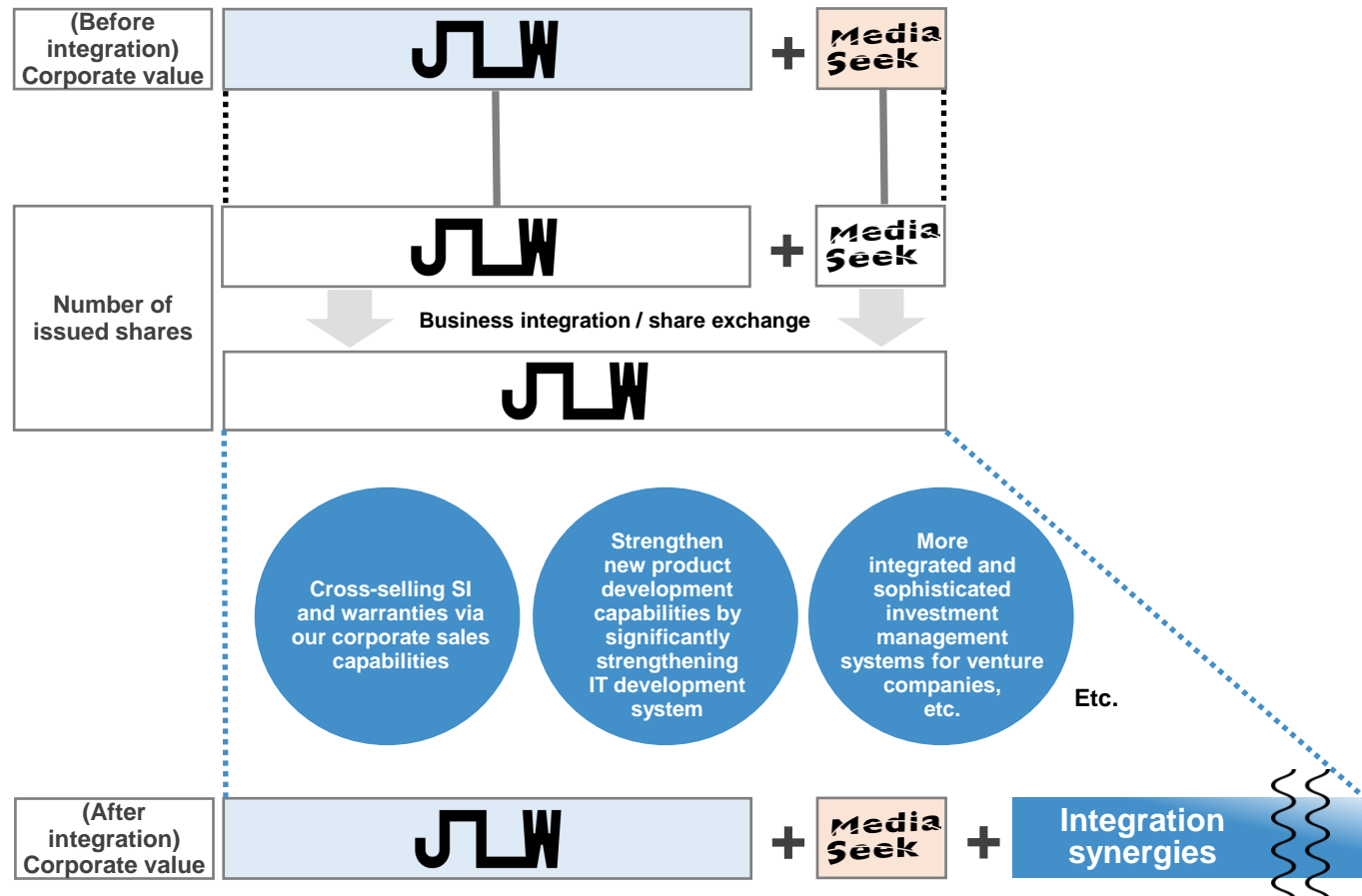


- Providing a wide range of added value to client companies is essential in order to further accelerate our acquisition of warranty services
- Promptly begin providing SI solutions to existing client companies whose needs have already become apparent, and aim to realize new profits
- Also promote cross-selling by expanding warranty services to new areas, focusing on existing MEDIASEEK customers
- Both companies have also already begun establishing a joint engineer recruiting and training system in order to further strengthen our IT development system and to contribute to early profits in the SaaS and Fintech businesses
- On August 9, 2024, we plan to release our Medium-Term Plan that reflects the above
- In connection with this business integration, we are also considering changing our company's trade name and are considering a new branding strategy

[Reference] If new shares are issued for a share exchange

Aiming to improve group corporate value beyond simple summation via integration synergies

(Image of changes in corporate value)



- During the business integration and in the event of a share exchange based on the exchange ratio (as calculated by a third party), new shares may be issued in addition to the treasury shares that are currently held
- In that case, although the number of our outstanding share will increase due to the issuance of new shares, we will work to increase corporate value not only by simply summing up the corporate value of both companies, but also by maximizing synergies from the business integration across all aspects, including sales, product development, and investment management

Topics ②

Long-term warranty services for non-residential wood buildings

- Started providing long-term warranty services for non-residential wood construction buildings such as offices and stores
- Due to expansion in the non-residential wood construction market, demand for long-term warranty services is increasing
- Non-residential wood construction building contribute to green growth with a view towards carbon neutrality, so we expect that in the future even more companies will actively engage in such efforts

Began offering long-term warranty services for non-residential wood buildings



[For more information, see our April 25, 2024 press release](#)

Topics ③

Began providing economic effect simulation warranties

- Kokusai Kogyo has begun providing Japan's first* economic effect simulation warranties for its "Enegaeru" series of economic effect simulation services that are provided to renewable energy businesses
- Starting with this service, we are aiming to advance into new warranty fields by utilizing predictive analysis technologies that utilize AI

*According to Japan Living Warranty research

Business partnership with Kokusai Kogyo to begin providing economic effect simulation warranties



[For more information, see our April 30, 2024 press release](#)

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We expect to achieve 1 billion yen in operating profit and consequential higher profits on higher net sales since the Company's exchange listing

Consolidated Financial Results Estimate for the Fiscal Year Ending in June 2024

- We estimate an all-time high and consequential higher profits on higher net sales since the exchange listing
- Operating profit is estimated to reach 1 billion yen YoY while we continue investment in the digital domain, as we did in the previous fiscal year, toward realizing the Medium-Term Plan goals

	FY2024 (2023.7~2024.6)	FY2023 (2022.7~2023.6)	YoY	
Net sales	4,930 Millions of yen	3,919 Millions of yen	+ 1,011 Millions of yen	125.8%
Operating profit	1,000 Millions of yen	741 Millions of yen	+ 259 Millions of yen	134.8%
Ordinary profit	1,220 Millions of yen	1,021 Millions of yen	+ 199 Millions of yen	119.5%
Profit attributable to owners of parent	896 Millions of yen	751 Millions of yen	+ 145 Millions of yen	119.3%

We expect to record all-time high net sales for both businesses by capturing market needs

Consolidated Financial Results Estimate for the Fiscal Year Ending in June 2024 [Net Sales by Segment]

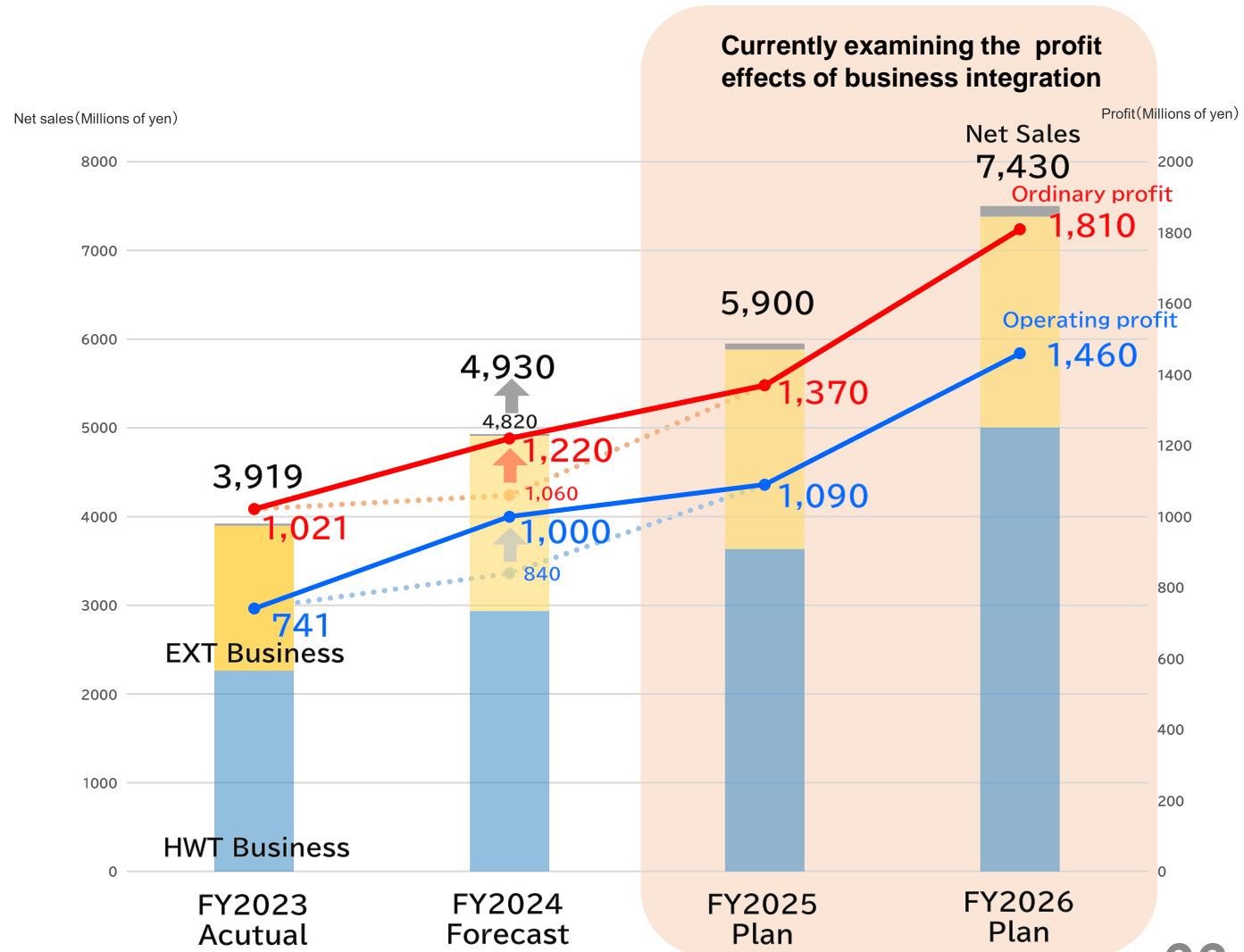
- We estimate all-time high net sales for the two main businesses.
- The HomeworthTech business is expected to record a 130.1% rise in net sales thanks to progress in the new core service of building warranty on top of equipment warranty.
- The ExtendTech business is expected to record a 121.6% rise in net sales thanks to continued progress in the renewable energy area with high social needs.

	June 2024 (2023.7~2024.6)	June 2023 (2022.7~2023.6)	YoY	
Net sales	4,930 Millions of yen	3,919 Millions of yen	+1,011 Millions of yen	125.8%
Homeworth Tech business	2,936 Millions of yen	2,256 Millions of yen	+680 Millions of yen	130.1%
ExtendTech business	1,975 Millions of yen	1,624 Millions of yen	+351 Millions of yen	121.6%
Other	19 Millions of yen	38 Millions of yen	△19 Millions of yen	50.0%

Medium-Term Plan [Net Sales / Profit]

We plan to release the forecasts after FY2025 on August 9, 2024

- In the wake of the increasing probability of the growth strategy, we announced a three-year financial results plan, in addition to the current year (the fiscal year ending in June 2024).
- We plan to roughly double both net sales and profits by mainly focusing on the building warranties in the HWT Business and the renewable energy equipment warranties in the EXT Business.
- We will establish the Company's unshakable positioning in the warranty business by providing SaaS as an added value.
- We plan to appropriate profits accumulated in both businesses for investment in long-term growth.
- Currently, we are reviewing plans for the next fiscal year and beyond due to business integration, we plan to release on August 9, 2024.



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We are a WorthTech Company.

**We are a WorthTech
Company that maximizes
the property value of living
by innovative real-world
and digital services.**



Corporate name: Japan Living Warranty Inc.

Founded: March 2009

Locations:

- Tokyo Head Office
Sumitomo Fudosan Nishinjuku Building No.4, 4-33-4 Nishishinjuku, Shinjuku-ku, Tokyo
- Osaka Branch Office
Imon Kawaramachi Daini Building, 4-8-4 Kawaramachi, Chuo-ku, Osaka-shi, Osaka Prefecture
- Nagoya Branch Office
Toshin Meieki Building, 2-45-14 Meieki, Nakamura-ku, Nagoya-shi, Aichi Prefecture
- Fukuoka Branch Office
Across Cube Hakata Ekimae, 3-4-25 Hakata Ekimae, Hakata-ku, Fukuoka-shi, Fukuoka Prefecture

Group companies:

- Living Point Inc. (a wholly-owned subsidiary)
- Living Finance Inc. (a wholly-owned subsidiary)

Licenses and registration, etc.

(Japan Living Warranty Inc.)

Fintech Association of Japan – Enterprise member

The offices of registered architects: Tokyo Governor Registration No. 63955

Ordinary construction license: Tokyo Governor Approval (Han-2) No. 152448

Housing defect warranty liability insurance corporation registered inspection operator

(Living Point Inc.)

Registration as an Issuer of Prepaid Payments Instruments for Third-Party Business:

The Director-General of the Kanto Local Finance Bureau No. 00676

(Living Finance Inc.)

Registration as an individual credit purchase intermediary: Kanto (ko) No. 113

SLOGAN

To worthwhile life

価値あふれる暮らしへ

MISSION

**Maximize the property value of living
through ingenious real and digital services**

VISION

Bring an invariable value to all aspects of living

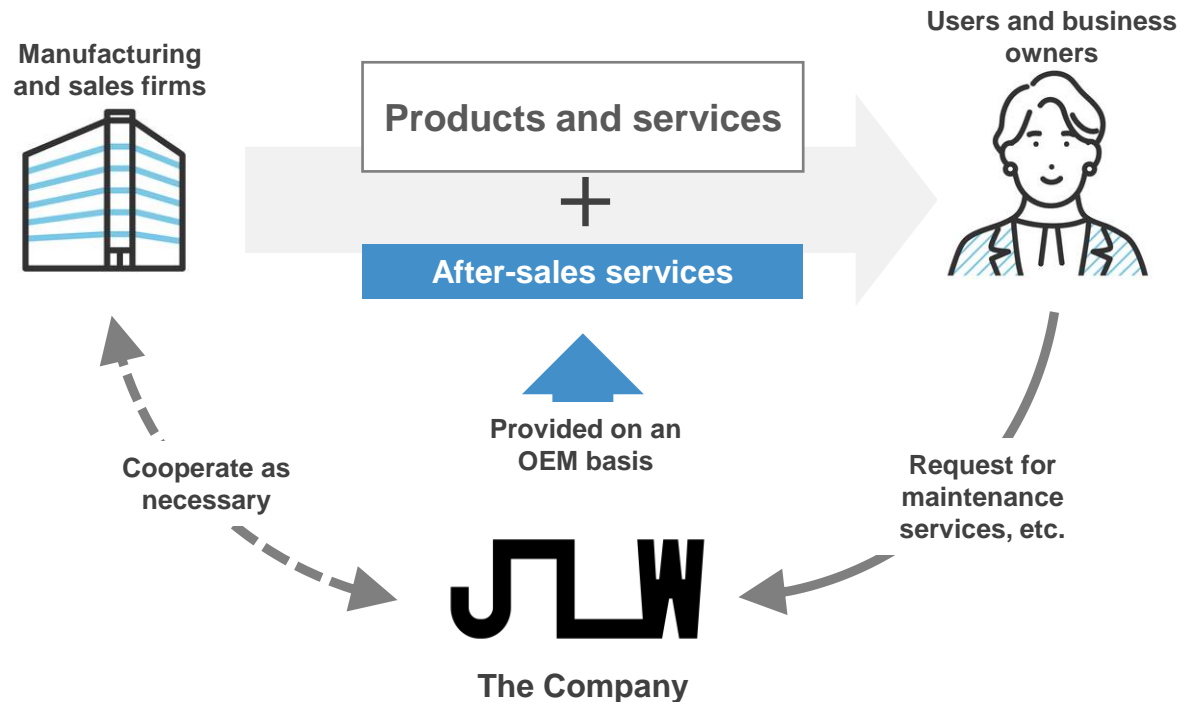
- Composed of members with respective strengths in insurance/operations/finance
- Aims for management of diversity/sustainability by appointing one female director and three executives in their 30s

		Innovation	Marketing	Operation	Finance	Human resources management	IT literacy	Sustainability	Career
	Yoshitaka Adachi Representative Director and President General Manager, Management Headquarters								Upon graduating from School of Engineering, Tokyo Institute of Technology, joined Sanwa Bank (currently MUFJ Bank), and was engaged in trading of interest rates of major countries and foreign exchange, and marketing of derivatives products. Later joined the Japanese subsidiary (Marsh Japan) of Marsh Inc., and handled PL risk countermeasures for a major medical equipment manufacturer and provided consulting services for captive investment deals. Took office as the Company's Representative Director in September 2013.
	Takuya Arakawa Representative Director and Chairman, General Manager, Corporate Sales Headquarters								Upon graduating from the Faculty of Law, Waseda University, joined Nippon Fire & Marine Insurance (currently Sompo Japan Insurance) and then moved on to the Japanese subsidiary (Marsh Japan) of Marsh Inc., where he handled risk management of exchange-listed REITs and arranged a lot of special insurance contracts, including earthquake insurance of commercial properties. Took office as the Company's Representative Director in March 2009.
	Miyoko Kido Director, General Manager, Business Operations Headquarters								Upon graduating from the School of Education, Waseda University, joined CBS Sony Group (currently Sony Music Entertainment (Japan)), and then moved on to MOSHI MOSHI HOTLINE (currently Relia, Inc.), where she was engaged in the building and management of a large number of large-scale contact centers. Took office as the Company's Director in September 2017.
	Atsushi Yoshikawa Director, General Manager, Administrative Headquarters								After graduating from the Faculty of Engineering, University of Tokyo, he won the venture contest on the University of Tokyo campus while still enrolled in the university's graduate school. Later, he joined Shinsai Partners (currently BI Resta SSI), where he took charge of direct marketing and insurance-related core systems. Took office as the Company's Director in September 2017. A Fellow of the Institute of Actuaries of Japan.
	Kosuke Kato Director, Deputy General Manager, Corporate Sales Headquarters								Upon graduating from the School of Commerce, Waseda University, joined Nippon Life Insurance, where he was engaged in the system planning and personnel management in the human resources division and then took charge of planning and education operations in the personal insurance/agency division. Joined the Company in June 2016, and became Director in September 2022.
	Tadashi Nomura Executive Officer, Deputy General Manager, Corporate Sales Headquarters								Upon graduating from the School of Law, Hokkaido University, joined Mitsubishi Motors, where he took charge of domestic sales planning and product planning. Later, he joined ALICO Japan (currently MetLife Insurance) and was engaged in the marketing of insurance products for individuals. Joined the Company in October 2016, and became Executive Officer in October 2018.
	Naoki Watabe Executive Officer, General Manager, Digital Strategy Promotion Headquarters, and General Manager, Sales Supervision Headquarters								Upon graduating from the School of Commerce, Waseda University, joined Nippon Life Insurance. After handling sales planning at branches and product designing and system building in the agency division, he became responsible for personnel evaluation and the planning of the promotion of active participation of women in the human resources department. Joined the Company in November 2018, and became Executive Officer in October 2021.
	Yuichiro Nakane Executive Officer, Deputy General Manager, Business Operations Headquarters								After joining a real estate company as a new university graduate, experienced real estate buying and selling as well as brokering and management of rental property. Later he joined Joint Property and took charge of leasing operations and new customer development. Joined the Company in November 2012, and became Executive Officer in September 2022.

The Company's Positioning

We act as stagehands supporting client firms' after-sales services behind the scenes

- We provide warranty and other after-sales services on an OEM basis to companies that manufacture and sell various products and services.
- Our strength lies in our capability to provide total solutions, ranging from the planning and designing of after-sales services to the management of various operations.
- In the “warranty field” in particular, we excel in optimal system designing and management due to our specialized knowledge and cooperation with major non-life insurance companies.



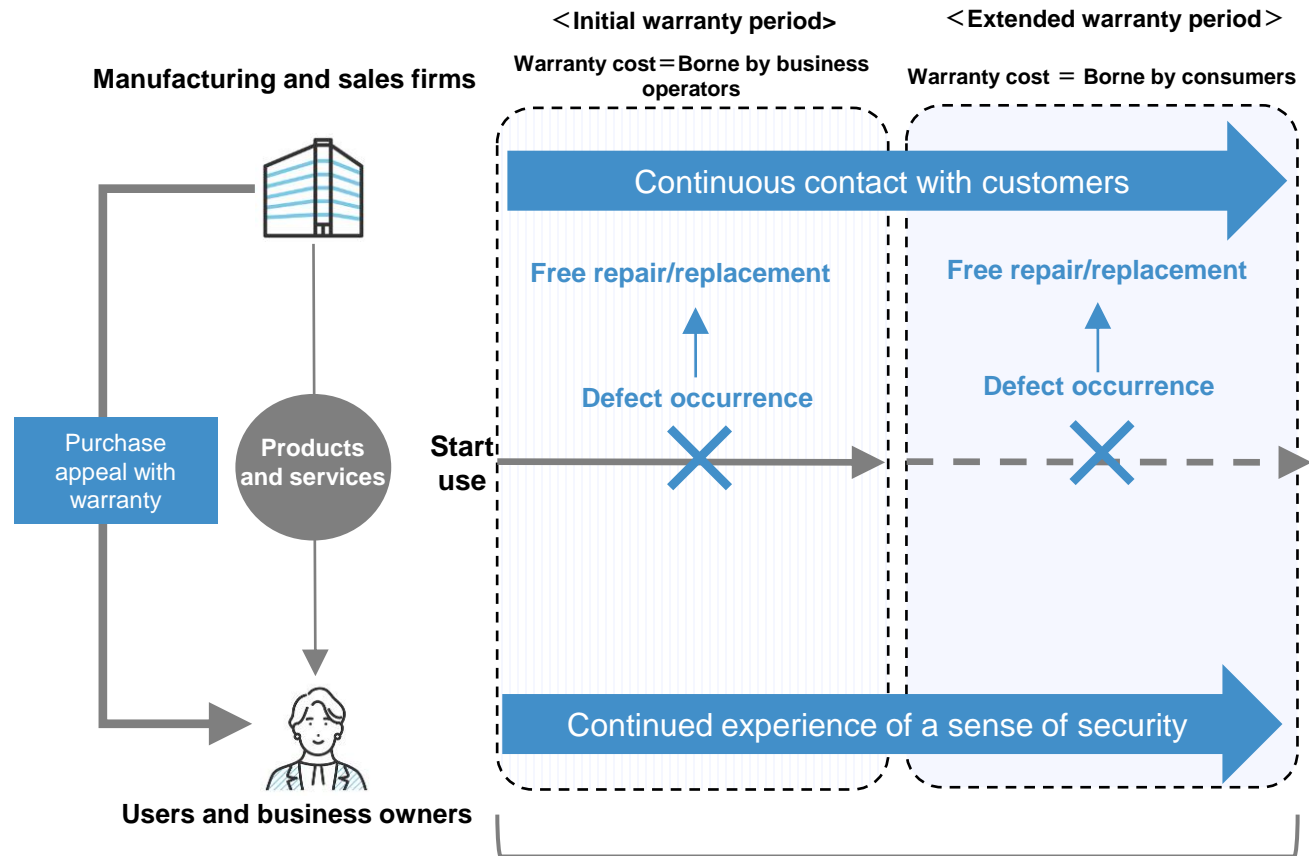
What is warranty?

Objective and outline of warranty service

- In the event of occurrence of prescribed defects, consumers can benefit from free-of-charge repairs and replacement by attaching warranty to products and services.
- Warranty services are broadly divided into the following two types:
 - Cases where a business operator bears warranty cost and extends the initial standard warranty period for long.
 - Cases where a consumer bears warranty cost and makes a warranty contract voluntary.
- We capture needs of business operators considering the introduction of a warranty system, build appropriate warranty systems for them, and carry out and support business operations on their behalf.
- The operation of the warranty system is characterized by the very sophisticated expertise as it requires the conclusion of backup non-life insurance policies and particular management and operations.
- In particular, the stable and continuous operation of the warranty system is possible as we offer functions for supporting insurance assessment operations through cooperation with non-life insurance companies.

We offer sales promotion and contacts with customers for business operators

We offer safe experiences for consumers



- **We design and build the warranty system in response to the needs of companies.**
 Example: Extend the initial warranty period with manufacturing and sales companies bearing warranty cost.
 Example: Provide the extended warranty service with consumers bearing warranty cost.
- **We undertake business operations and CRM support.**

After-Sales Services DX: The Big Picture

- We can provide a wide range of the elements that companies that manufacture and sell products need in order to provide after-sales services.
- We can offer solutions that meet companies' needs, from the warranty, which is the most explicit element of after-sales services, to contact center operations, logistics, inspection and repairs, point system, settlements, and history management.
- We can also provide many solutions in the form of SaaS products, which will support companies in improving their operational efficiency.
- After-sales services are not limited to digital operations and may require hands-on, real services such as repair work and inspections. Another of our strengths is the networks we have nationwide for handling these services.

Achieving optimal after-sales services using our extensive solutions lineup

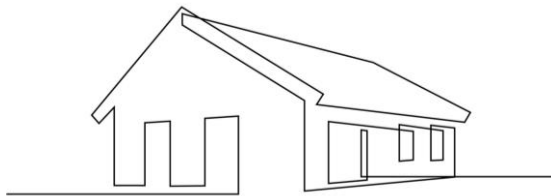


Markets We are Currently Developing

- We offer wide-ranging solutions beyond the warranty services we have provided to a total of 4,000 client firms in the housing area since our company was founded.
- Based on the experience and know-how we have cultivated in the housing area, we are steadily expanding the business areas we handle to enter markets such as PVs/EVs, educational ICT, and home electronics.
- Going forward, we plan to proactively expand into other new areas as well.

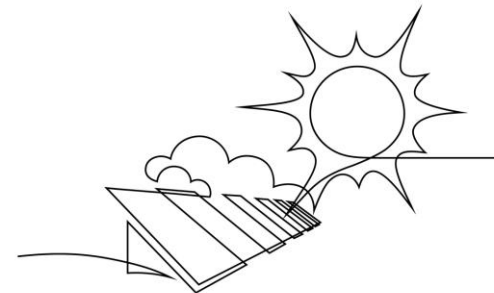
While housing remains our core market, we are accelerating our expansion into new areas

HomeworthTech business areas

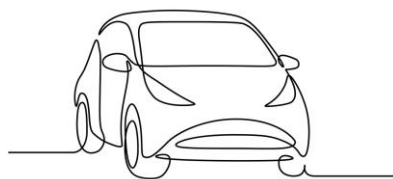


Housing (detached houses, condominiums)

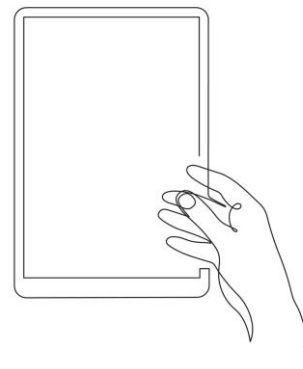
ExtendTech business areas



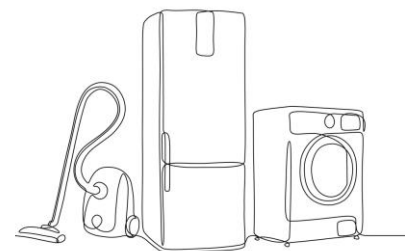
PVs (photovoltaic power generation and storage devices)



EVs (electric vehicles)



Educational ICT devices

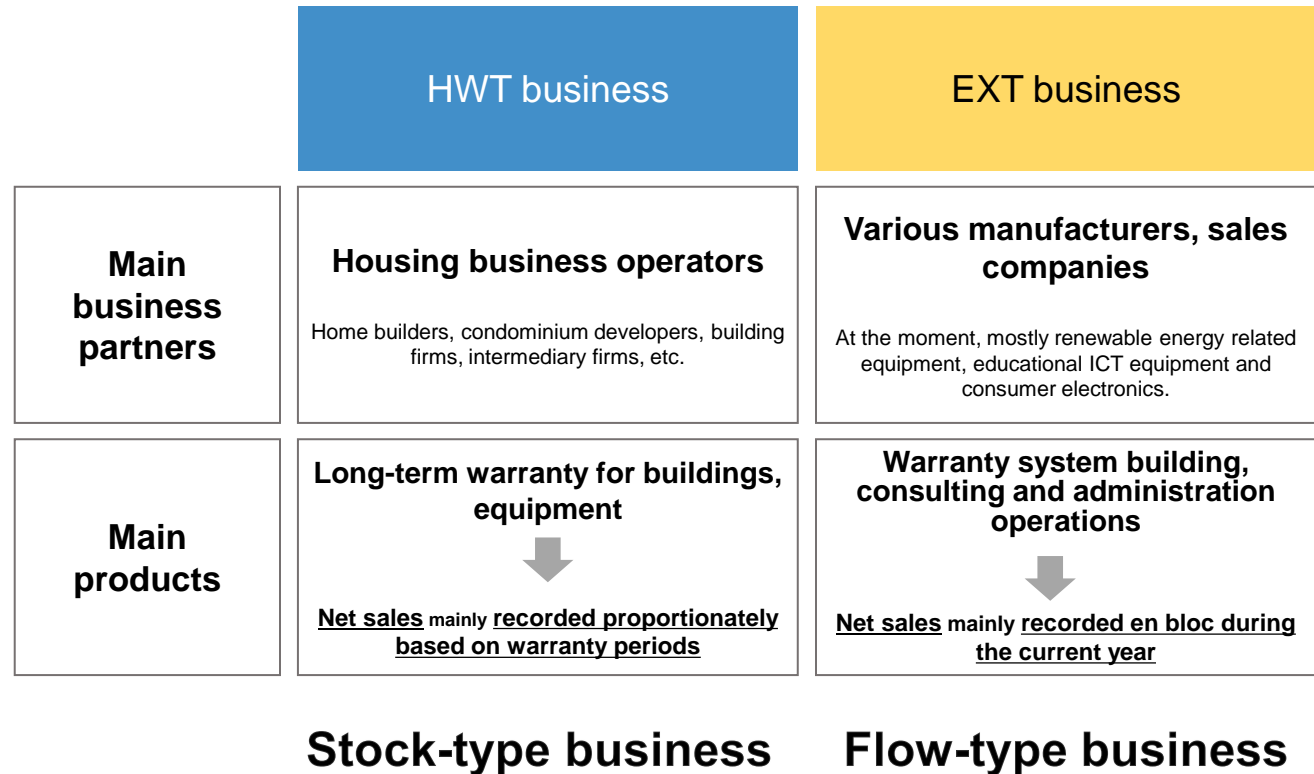


Home appliances

Characteristics of the Two Main Businesses

- The HomeworthTech business, where we often serve as a joint warranty entity, is the stock-type business that mainly records net sales proportionately based on warranty periods.
- The ExtendTech business that mainly covers system building and administration operations is the flow-type business, with net sales recorded en bloc during the current year.
- The hybrid operation of the two businesses with different profit structures allows us to adopt corporate management with a good balance between short-term profits and mid- and long-term growth investment.

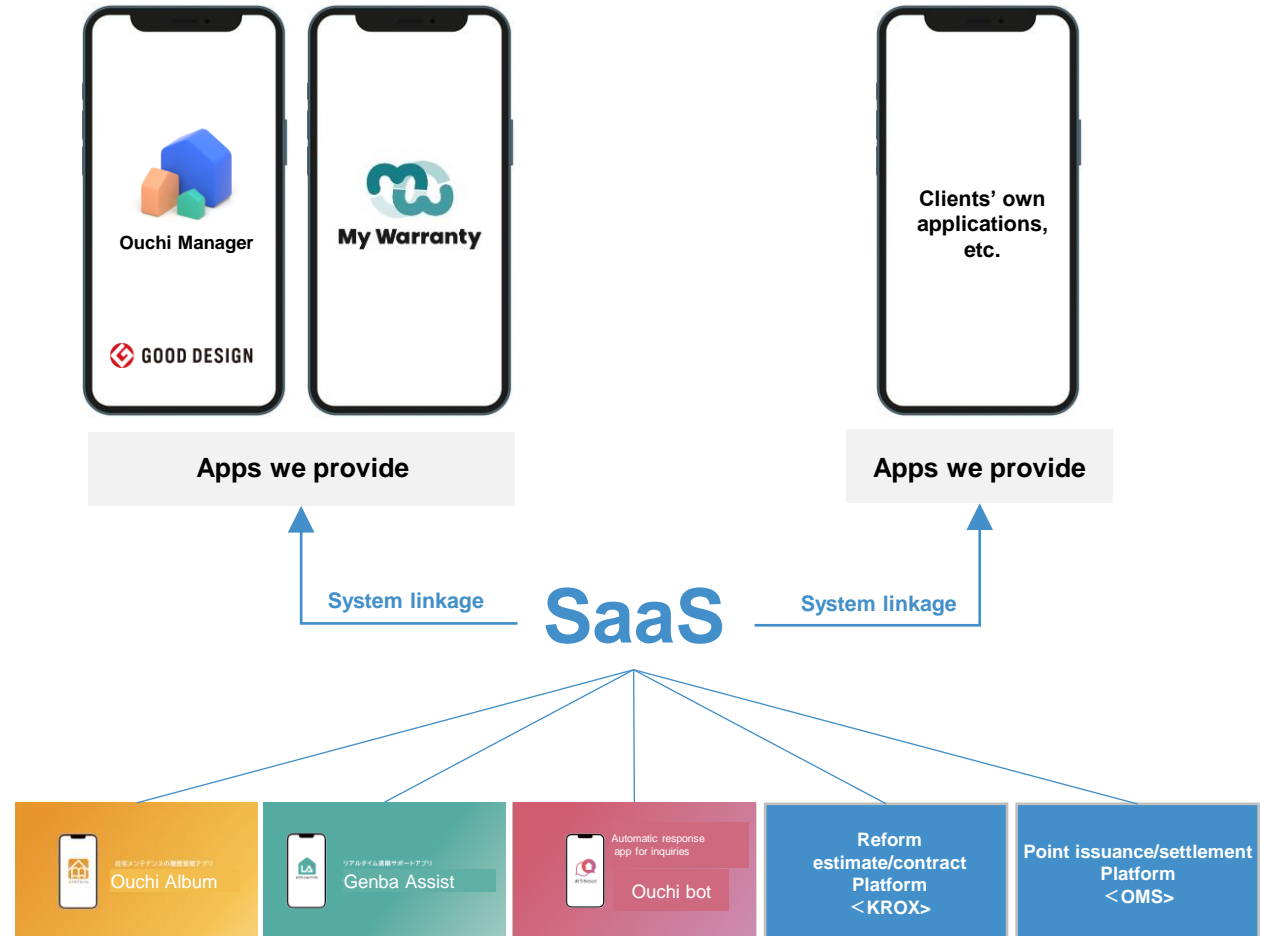
Hybrid corporate management combining stock-type and flow-type businesses



Provision of SaaS through applications

We support after-sales service DX by providing SaaS linkable to various applications

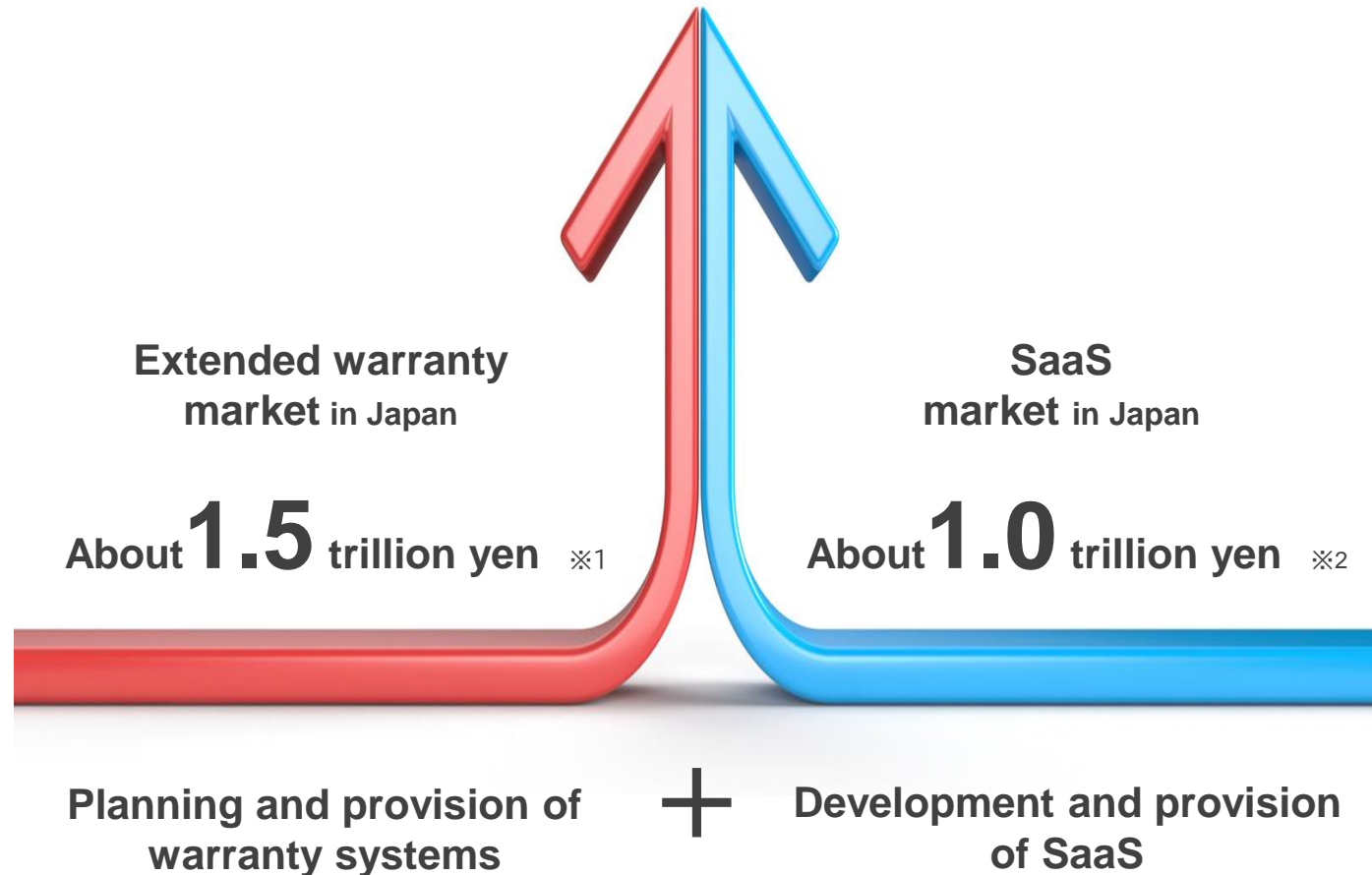
- We provide applications that support the use of warranties in combination with the provision of warranties.
 - Housing area = Ouchi Manager
 - Non-housing area = My warranty
- In addition to the Company's above applications, we support corporate customers' after-sales services DX by providing SaaS linkable to other companies' applications.
- Going forward, we plan to continue to newly develop SaaS with respect to the functions necessary for the provision of after-sales services.



Business Outlook

Aiming to tap into a 2.5 trillion-yen market by providing after-sales service DX

- Since our founding, we have pursued warranty development in the housing-related area as our core business.
- Amid the trend toward sustainability, there has been increasing interest in the provision of after-sales services for companies' products in areas other than housing, and we are pursuing the development of warranty business in new areas.
- In addition, we will leverage the digital product development platform we have built through proactive investment to accelerate the development of vertical SaaS that grasps the unique business practices of each industry.
- We aim to grow further as a company by rolling out after-sales services DX for a broad range of industries, which we will achieve by combining our warranty know-how with SaaS.



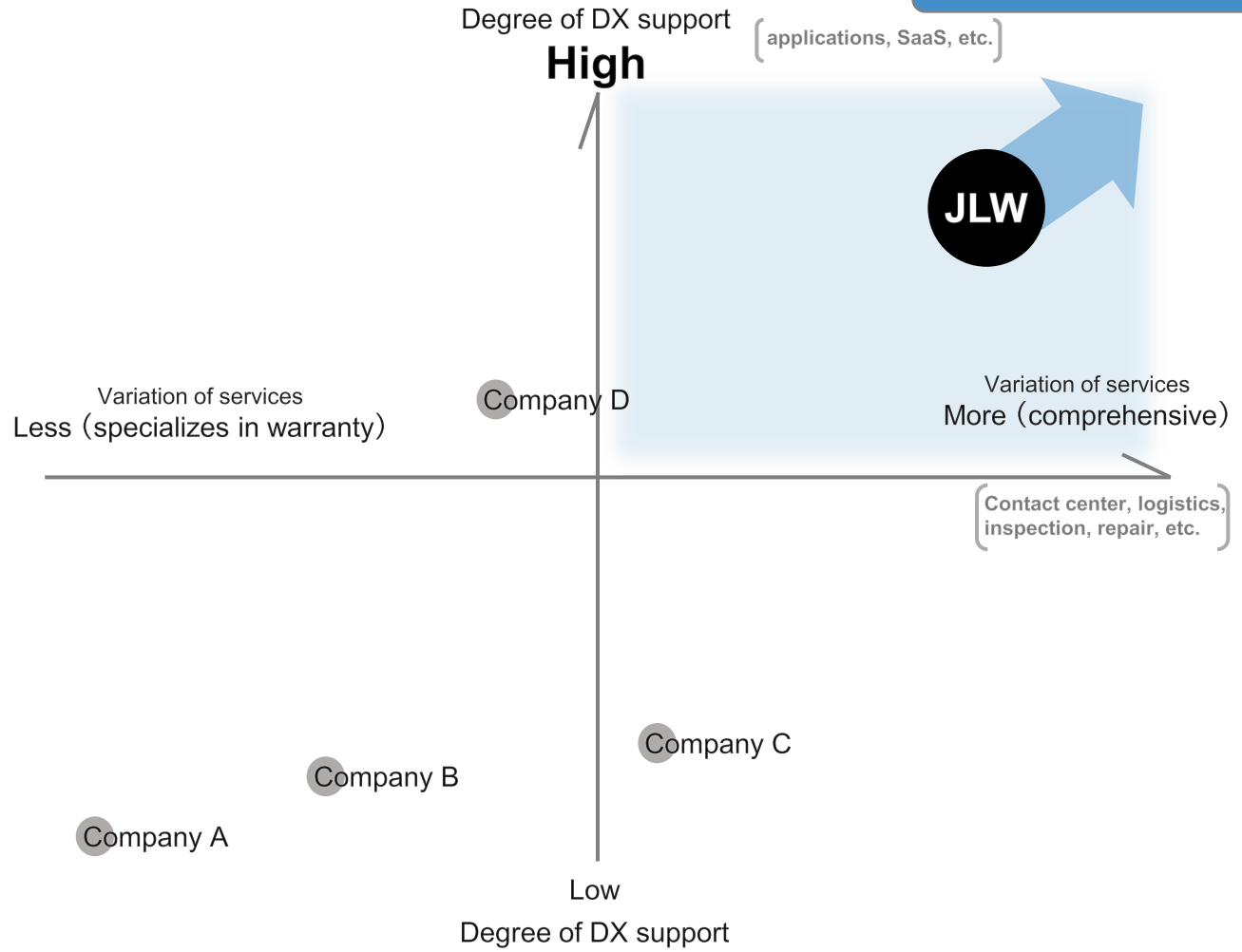
※1. Source: Yano Research Institute Ltd., "Domestic Warranty (Extended Warranty) Service Market in Japan 2022 Edition."

※2. Source: Fuji Chimera Research Institute, "Software Business New Market 2022 Edition."

Competitive Environment

Our strength lies in the wide variations of services and business support by DX

Aim high dimension by business integration with MEDIASEEK, inc.

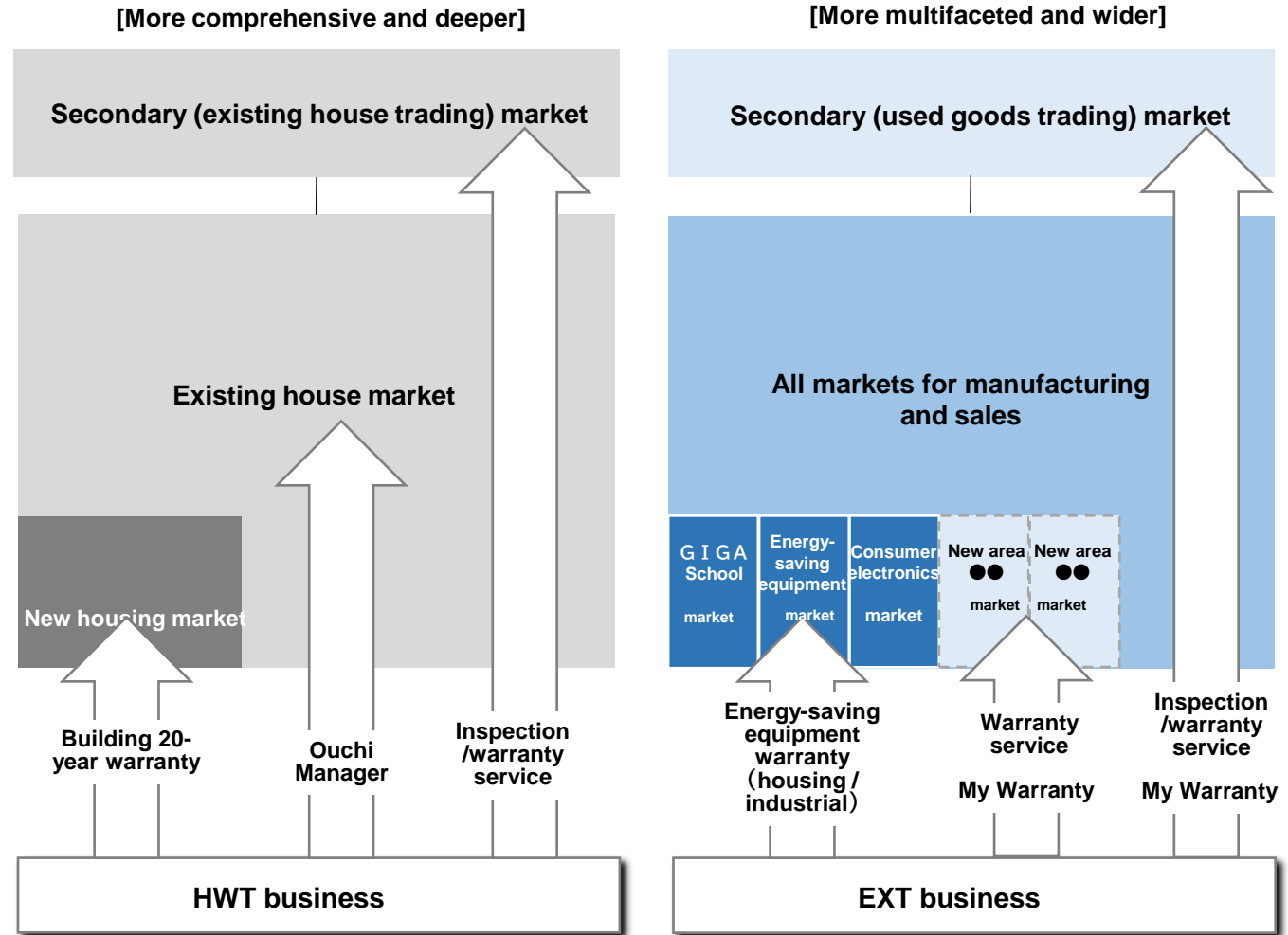


*Companies A to D were selected from our client firms to which we are providing the warranty service (based on an internal survey).

Widening New Markets

Promote deeper cultivation of the housing area and expansion of the new warranty area

- In the housing area,
 - (1) For the new housing market, we are promoting the sale of the “building 20-year warranty backup service,” which has grown into a core service next only to the housing equipment warranty service.
 - (2) For the existing housing market, we are focusing on the approach revolving around “Ouchi Manager.”
- In the non-housing area,
 - (3) We are continuing to promote the attachment of warranty to renewable energy-related equipment with strong social needs.
 - (4) For unexplored new areas, we are promoting the approach that combines the warranty, My Warranty application and SaaS.
- Common in both areas,
 - (5) We are promoting the provision of solutions that contribute to revitalizing the secondary markets from the SDG perspective as well.

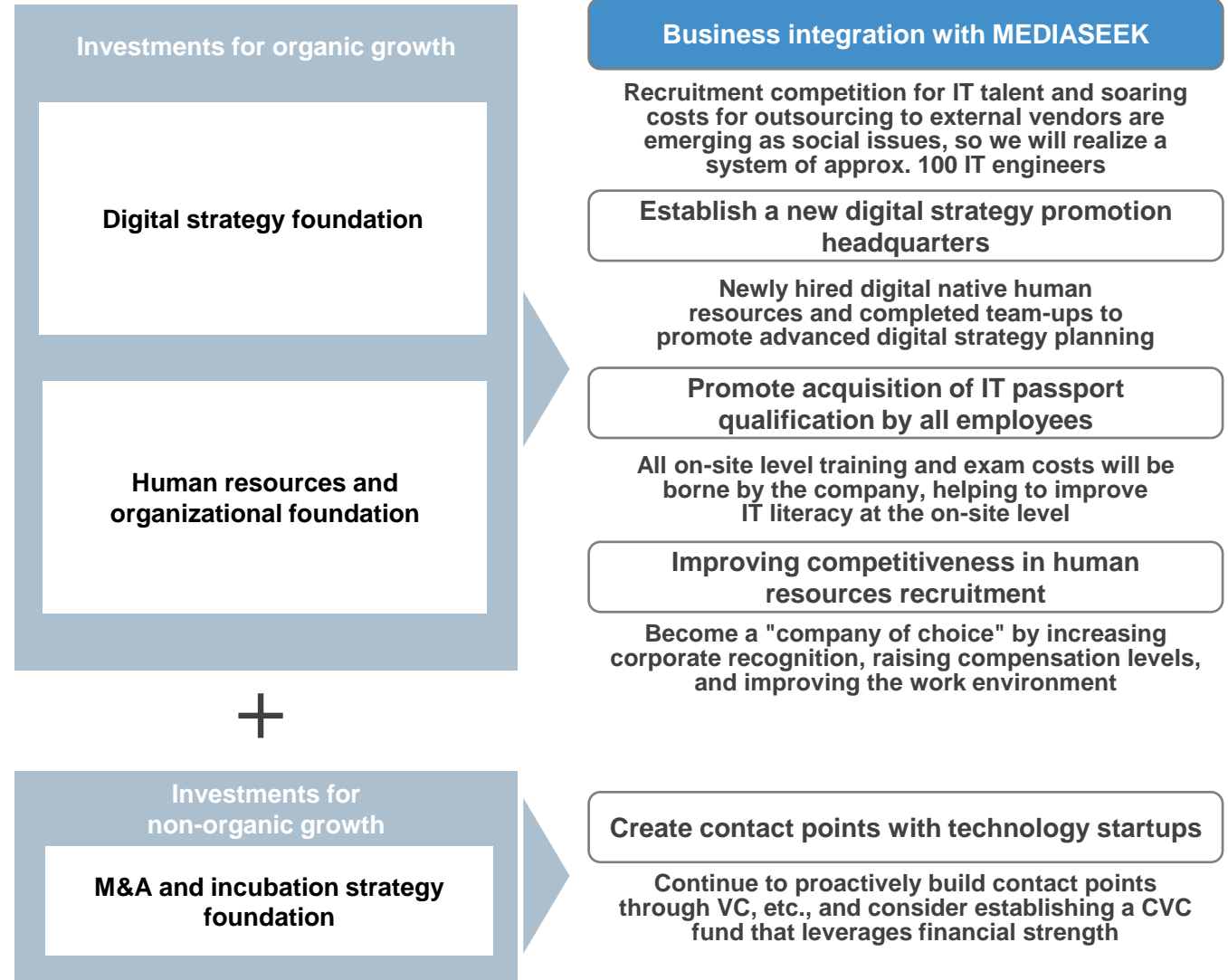


*The size of charts does not indicate how big each market is.

Growth investment policy

Actively investing with a view towards long-term growth

- Continue to actively invest, primarily in systems and human resources to realize medium- to long-term strategies
- From the beginning of the quarter, establish a digital strategy promotion headquarters as a core organization to realize our digital strategy
- Continue efforts to improve company-wide IT literacy, including having all employees acquire the IT passport qualification
- Continue building contact points with technology startups for the purpose of discovering new technologies and businesses, and conduct activities with a few towards M&A and the establishment of a CVC fund



SDGs Initiatives

We will continue our sustainability activities to realize a world where we can use good things for a long time

- “Using good things for a long time” is the starting point that our after-sales services are built on.
- As a WorthTech company that maximizes the property value of living through innovative real-world and digital services, we will continue our sustainability activities across the Group to remain a company that contributes to the realization of a sustainable society.
- We will pursue further activities as a Group, led mainly by the SDGs Promotion Office.

SUSTAINABLE DEVELOPMENT GOALS



4. High-quality education to everyone

Promote the improvement of the ICT environment at educational institutions

We are contributing to the improvement of the stable and high-quality educational environment by proactively offering the warranty systems for the improvement of the ICT environment at educational institutions under the GIGA School scheme, including educational tablets and personal computers.



11. Urban development for sustainable cities and towns

Inigorate the distribution of used residential houses

We are contributing to the invigoration of the distribution of used residential houses by offering the services that help to maintain and enhance the asset value of used residential houses, including inspections of used residential houses, implementation of appropriate maintenance through electronic money reserves and the guarantee of selling prices.



7. Clean energy for everyone

Promote the spread of equipment related to renewable energy

We are contributing to the spread of renewable energy technology by offering the warranty systems for power generating equipment and capacitors related to photovoltaic power generation as well as facilities for wind force power generation.



12. Responsible production and consumption

Nurture the culture of “using good things for a long time”

We are contributing to the development of sustainable patterns of production and consumption by offering the warranty services premised on repairs in the event of failure.



9. Create the foundation for industry and technological innovation

Promote digital transformation of the housing/real estate sectors

We are contributing to the digital transformation of the housing/real estate sectors by offering the mobile application for house owners as well as digital service infrastructure, such as B2B and SaaS.



13. Specific actions needed to deal with climate change

Reduce the emissions of CO2

We are contributing to the reduction of CO2 emissions by getting out of the scrap-and-build patterns. We call for the maintenance and enhancement of the value of houses by appropriate reform and maintenance and for endeavors for the enhancement of quality and marketability of housing stocks.