



# Fiscal 2024 1H Financial Results Materials

## Six Months Ended July 31, 2024

### (41st Fiscal Year)

ACCESS CO., LTD. (4813)

August 2024

ACCESS™

# Agenda

1. Financial Results for FY2024 1H  
Six Months Ended July 31, 2024  
(41st Fiscal Year)
2. Business Overview
3. Full-year Financial Forecast (Reposted)
4. Appendix

Net sales    JPY **8,059** million    YoY  
+19.6%

Operating profit    JPY **(982)** million    YoY  
+143 million

- Net sales in the Network Business were steady
- Improved profitability year on year in all segments

# 01

## **Financial Results for FY2024 1H Six Months Ended July 31, 2024 (41st Fiscal Year)**

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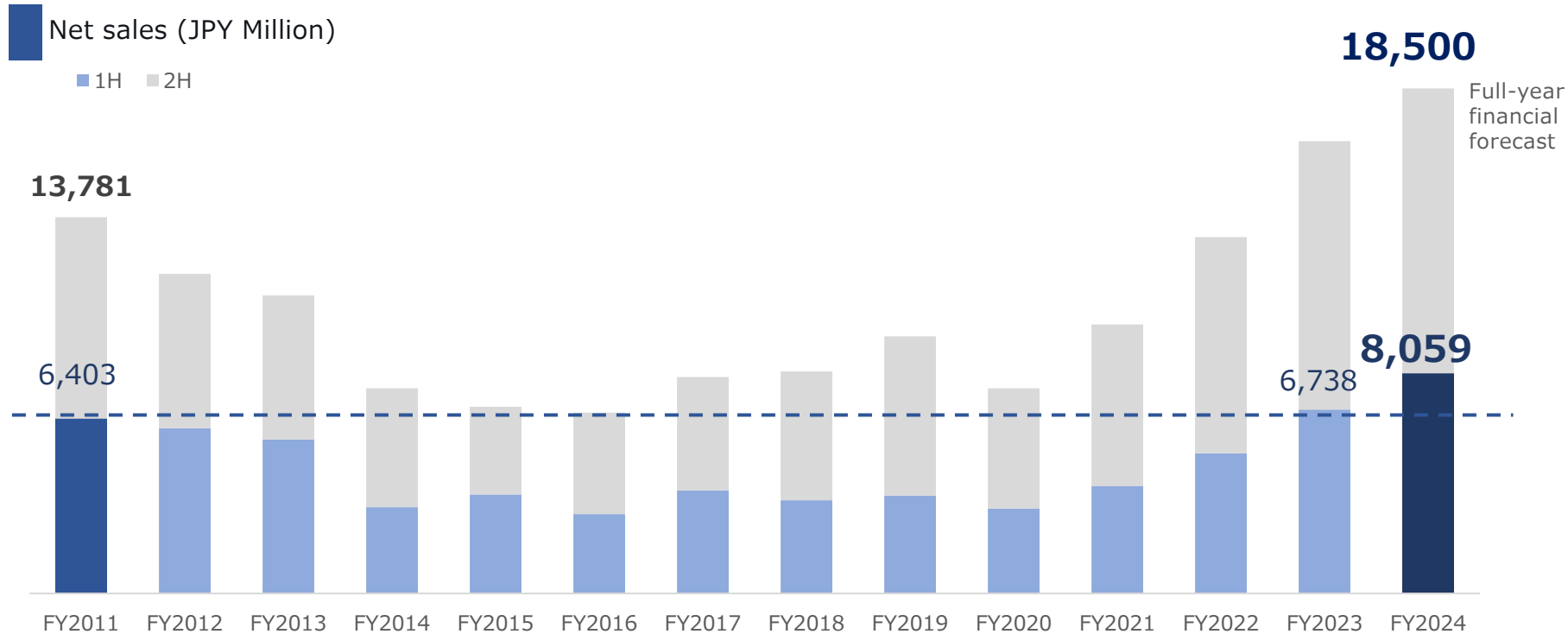
Both net sales and each stage of profit improved from forecasts

(JPY Million)	FY20241H Forecast (initial forecast)	FY2024 1H Forecast (revised)	<b>FY2024 1H Results</b>	Cause
Net sales	7,000	8,000	<b>8,059</b>	Impact of exchange rate fluctuations of +652
Operating profit	(1,630)	(800)	<b>(982)</b>	Impact of exchange rate fluctuations of (107)
Ordinary profit	(1,650)	(450)	<b>(652)</b>	
Profit attributable to owners of parent	(1,700)	(550)	<b>(789)</b>	
EBITDA*	(Undisclosed)	(Undisclosed)	<b>1,010</b>	

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

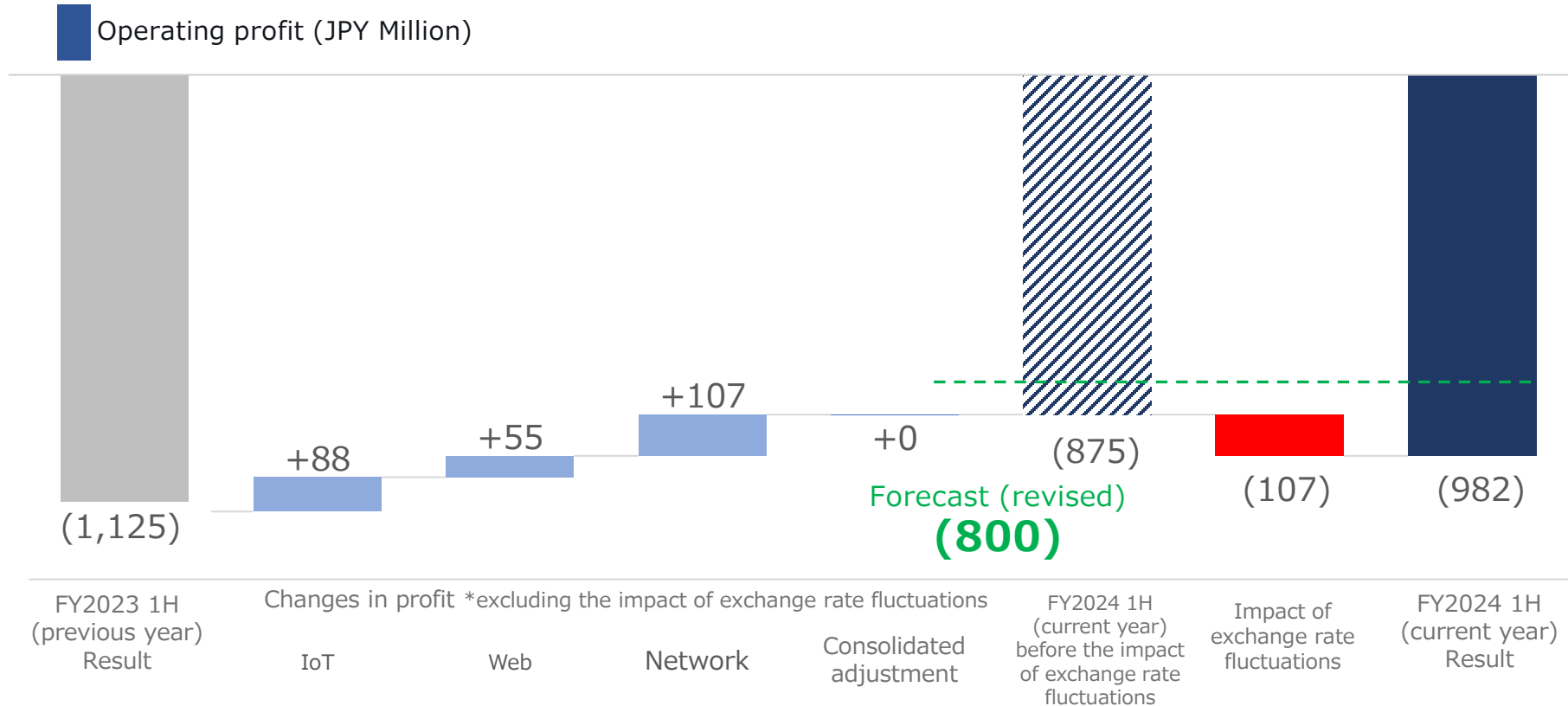
## Reference: Net Sales Trends in 1H

- Achieved the highest net sales for 1H after FY2011, for the second consecutive year
- Achieved sales growth for the fourth consecutive year

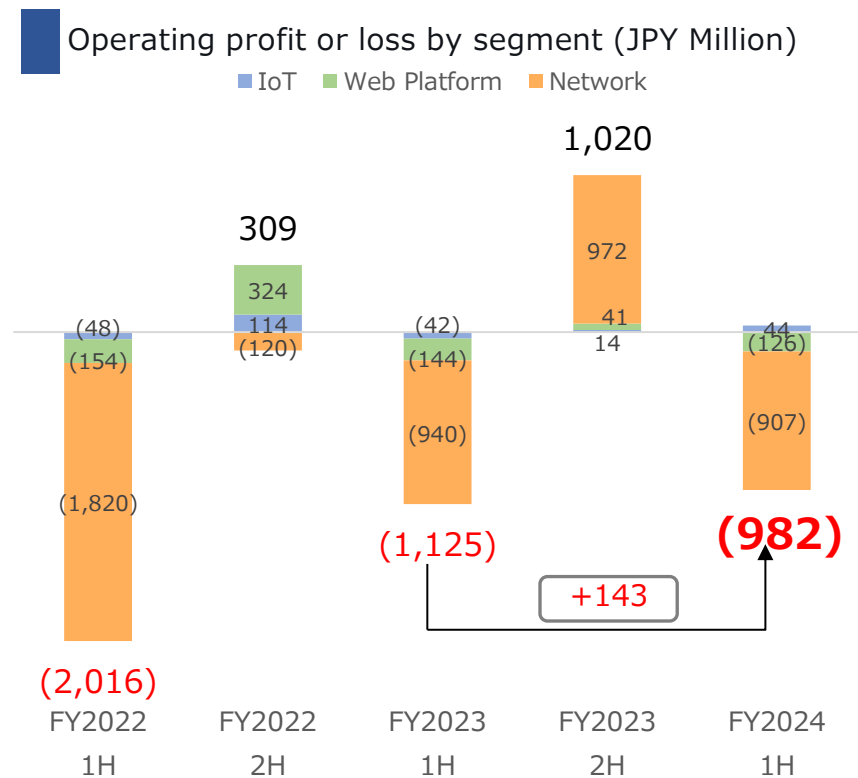
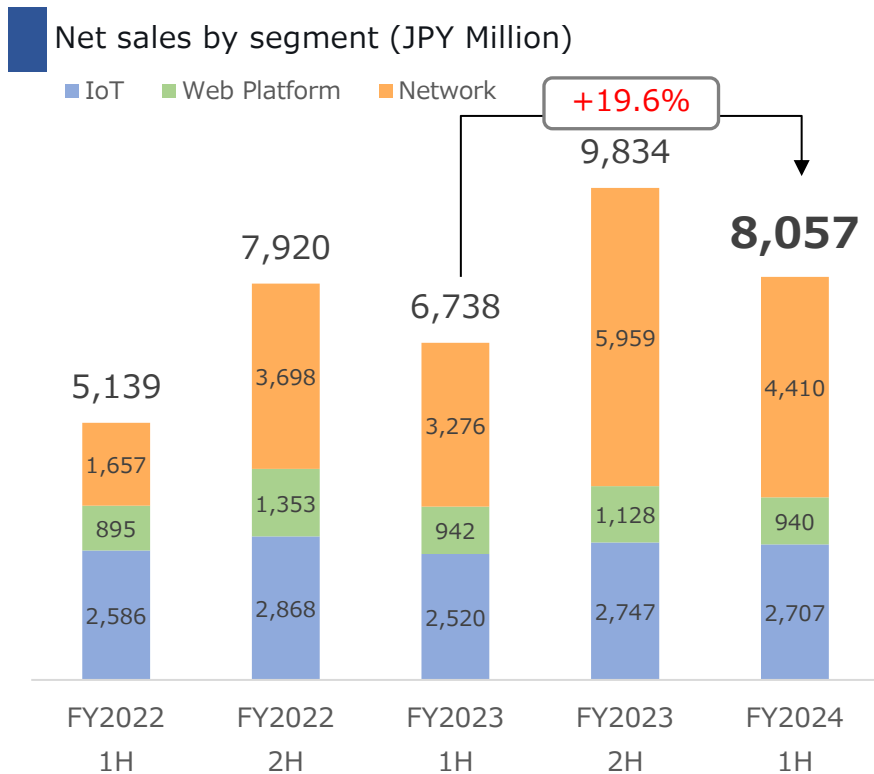


# YoY Changes in Operating Profit

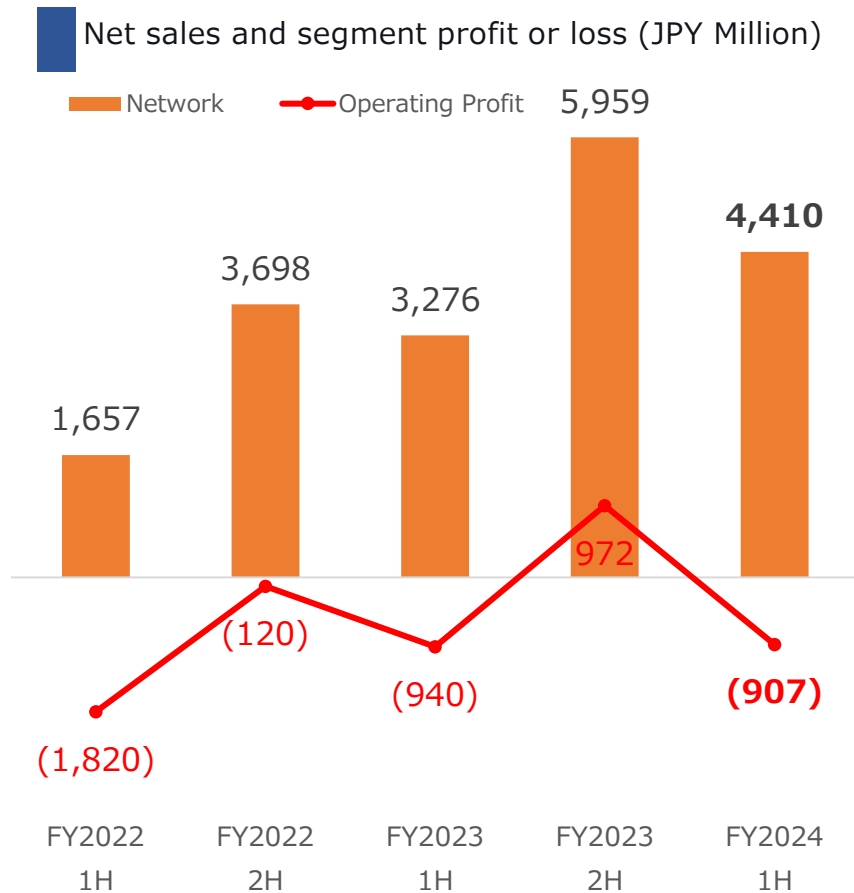
- Profitability improved in all segments
- Deficit was reduced significantly year on year



## Growth of the Network Business drove consolidated net sales growth



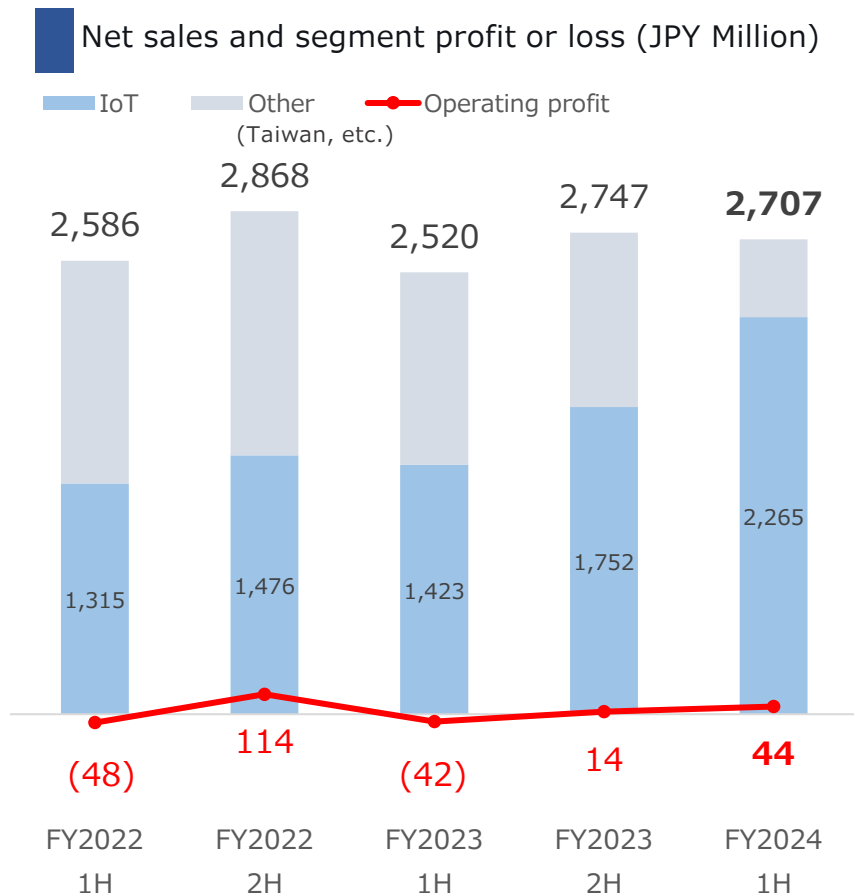




Net sales grew over 34% year on year  
Profit or loss also improved

## Network Business

- The network equipment industry as a whole remains in a correction phase as expected, but the Company is steadily expanding the business
- Acquired 52 new corporate customers in 1H
- 1H results revised upwards due to orders for projects expected in 2H being brought forward to 1H



Growth of the IoT field offsets the drop in sales due to the spin-off of the Digital Publishing Business, resulting in net sales and profit growth

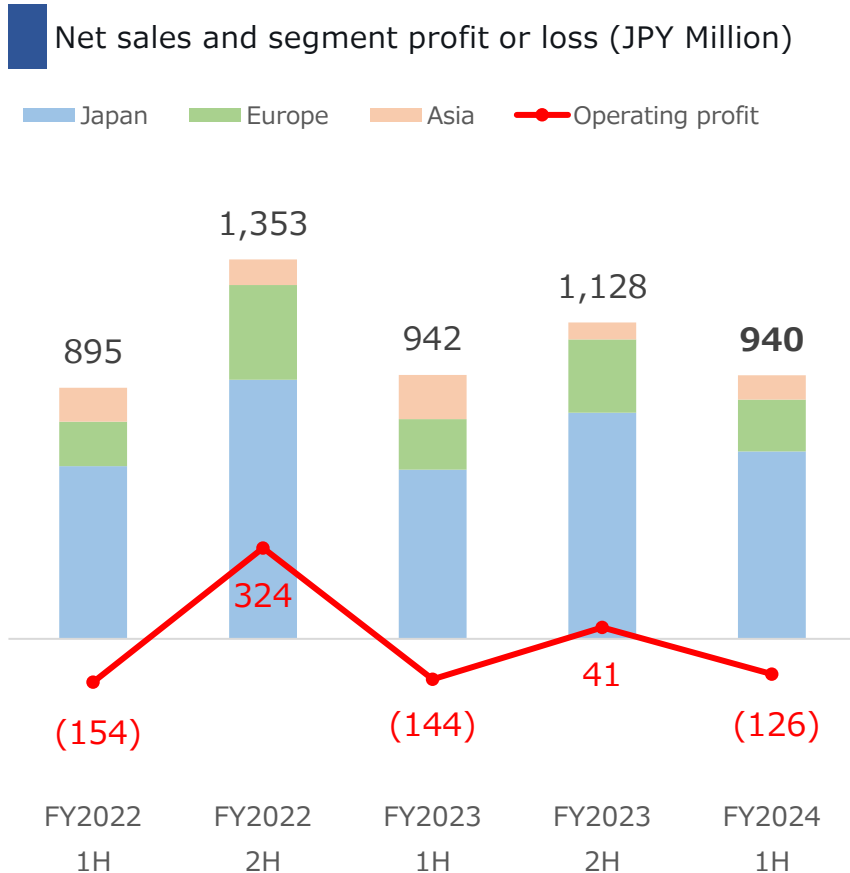
## IoT Field

- Net sales rose 59% year on year, led by professional services\*

\*Custom-made development projects, including consultation

## Other

- The Taiwan business showed a steady improvement in profitability



Net sales remained at the same level year on year but profitability improved

## Japan

- Demand for in-vehicle projects was strong, and sales increased year on year, mainly due to royalties

## Overseas sites

- Despite partial project delays at some sites in Asia, projects in Europe remained the same year on year

# 02

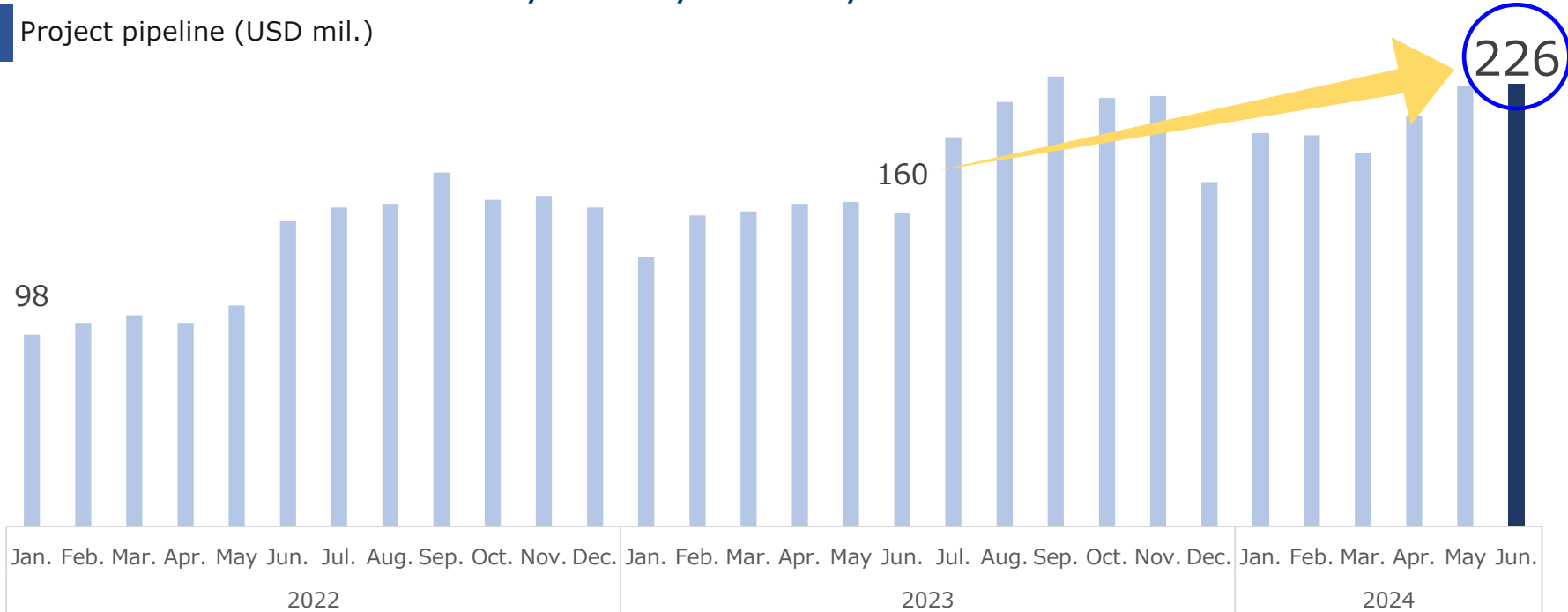
## Business Overview

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## Project Pipeline (Potential Project Amount)

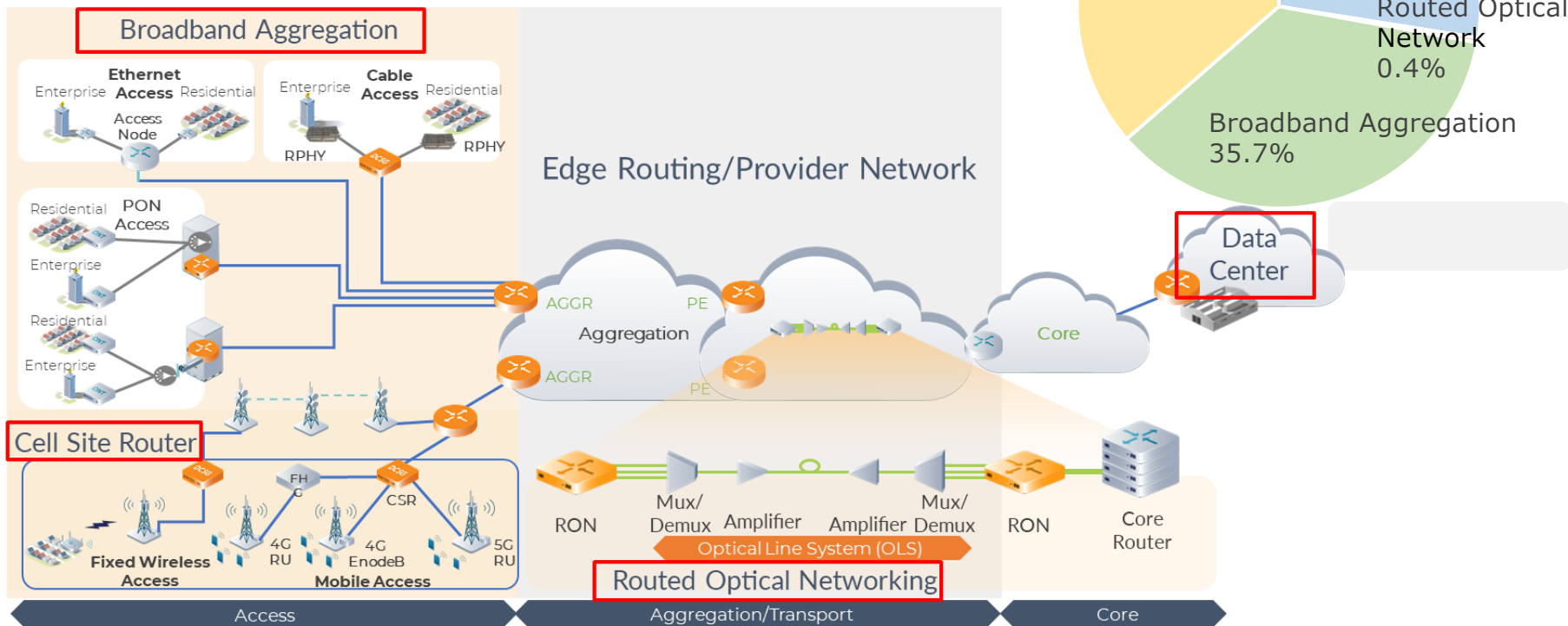
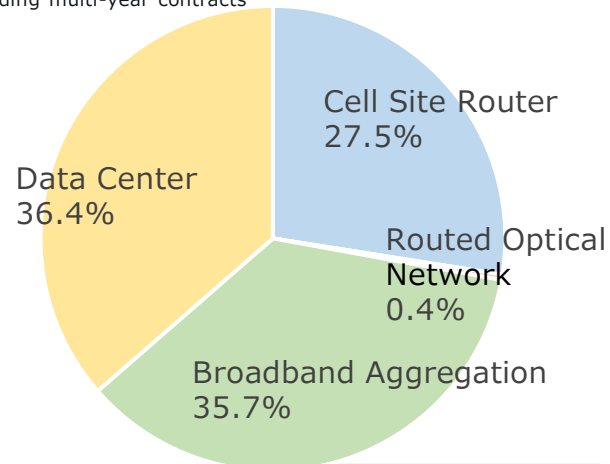
- Potential project amount of 226 million USD at present  
(total of inquiries, etc., for which orders are expected to be received within one year; projects for which orders have not yet placed)
- The amount increased by 41% year on year

Project pipeline (USD mil.)



- Orders were mostly for Broadband Aggregation and Data Centers

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



# Network Business

## Major Examples of Recent Adoptions



### A French cloud provider and system integrator

#### Data Center

- Introduced open networking solutions to data center services in place of existing solutions



### A service provider in Venezuela

#### Broadband Aggregation

- Highly regarded by customers for comprehensive functionality and cost effectiveness
- Dramatically increased bandwidth capacity to meet ever-increasing service demands



### ISP operator in Austria

#### Broadband Aggregation

- Upgraded our own backbone network by replacing existing solutions
- Highly regarded for smooth transition and after-sales service



### ISP operator based in California

#### Broadband Aggregation

- Adopted OcnOS for infrastructure expansion to meet growing network needs
- Interoperability with existing networks provides an open networking platform



# Launched ChatGPT-4o-compatible generative AI platform “FrascoAI™”

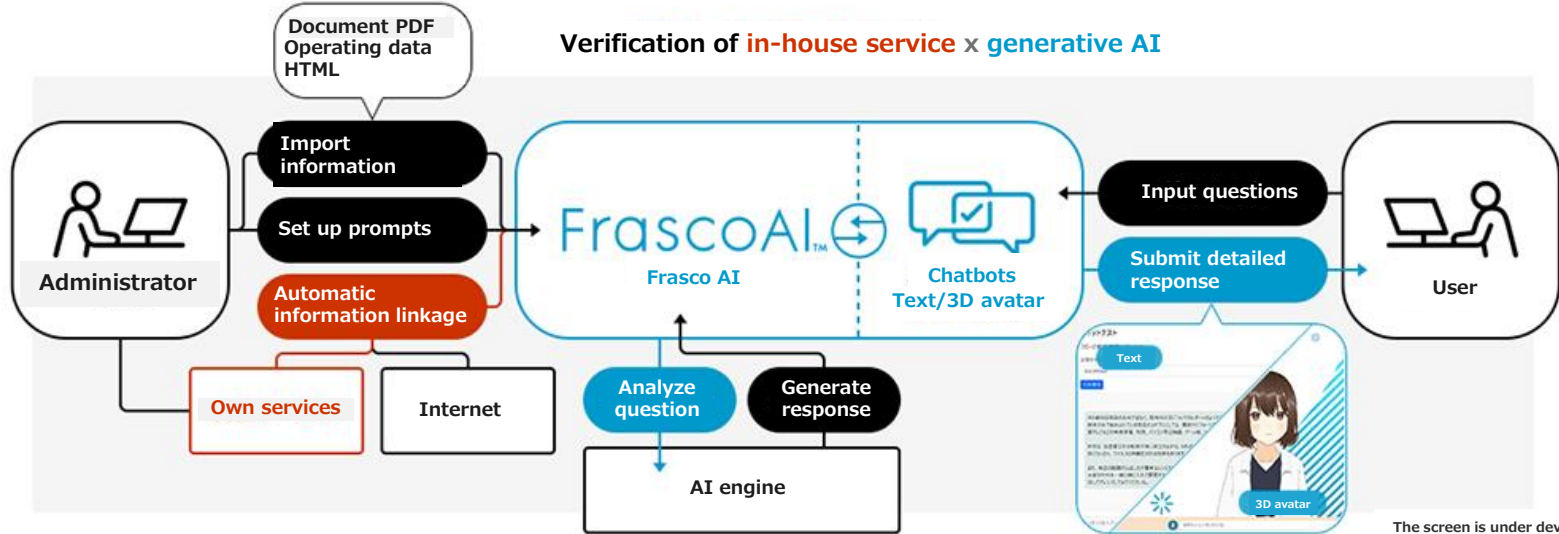
“FrascoAI” concept

## Generative AI can be easily implemented and tested in as little as one day

- Significantly reduce the time required for complex contracts and system construction
- Provide chat AI, AI avatars, and management screens, etc. as a single package

## Implementing high-level security

- Since internal company data is not used in the learning model, it can be easily used without compromising confidentiality





## Broadcasting and infotainment-related initiatives

While maintaining and expanding the business foundation for existing products, promoting to take on the challenge of new fields

### Browser solutions adopted for Panasonic's first Fire TV-equipped smart TV

- The Company's browser **is adopted** for all 4K OLED and 4K LCD TVs (7 models) in Panasonic's new Viera series
- In addition to the content offered in Fire TV, it also integrates TV broadcasts, online video listings, and voice control of smart home appliances, etc.
- Seamless integration between home and mobile spaces, IoT devices, and recording devices



### Collaboration to expand video/content distribution platform

- Collaborate with Taiwan's Ali to integrate "ACCESS Twine™ Micro Client" into Ali's real-time OS (RTOS) STB platform
- Add cloud-based VOD and over-the-top (OTT) capabilities for set-top boxes (STBs)
- Collaborate with France's Dailymotion to provide in-vehicle infotainment
- Integrate Dailymotion's apps and video technology into "ACCESS Twine™ for Car" and "NetRange Smart TV App Store"



# 03

## **Full-year Financial Forecast (Reposted)**

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# Consolidated Financial Forecast for FY2024 (41st Fiscal Year) (reposted)

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

(JPY Million)	FY2023	<b>FY2024</b>	YoY
Net sales	16,573	<b>18,500</b>	+1,926 / +11.6%
Operating profit	(105)	<b>500</b>	+605 / —
Ordinary profit	(12)	<b>450</b>	+462 / —
Profit attributable to owners of parent	(280)	<b>210</b>	+490 / —
EBITDA*	3,126	<b>4,300</b>	+1,173 / +37.5%

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

# Segment Forecast for FY2024 (41st Fiscal Year) (reposted)

Achieve sales growth and profitability in all segments

(JPY Million)		FY2023	<b>FY2024</b>	YoY
Network Business	Net sales	9,235	10,000	+764 / +8.3%
	Segment profit or loss	31	250	+218 / +690.3%
IoT Business	Net sales	5,267	6,100	+832 / +15.8%
	Segment profit or loss	(27)	200	+227 / —
Web Platform Business	Net sales	2,070	2,400	+329 / +15.9%
	Segment profit or loss	(102)	50	+152 / —

# 04






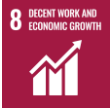


## Appendix

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## Basic Policy

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

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

Classification	Main initiatives	Related SDGs/ESG
<p><b>【Environment】</b></p> <p>Through business activities, we will contribute to the realization of a sustainable society that balances social and economic development with the maintenance and conservation of the global environment by promoting initiatives aimed at resolving various social issues, including environmental load reduction</p>	<p><b>Initiatives to reduce greenhouse gas emissions and conserve energy</b></p> <ul style="list-style-type: none"> <li>• Disclose climate-related information based on TCFD recommendations</li> <li>• Reduce the environmental load of offices</li> <li>• Comply with environment-related laws and regulations and provide education</li> </ul> <p><b>Initiatives through business</b></p> <ul style="list-style-type: none"> <li>• Develop energy management solutions</li> <li>• Promote the introduction of white box solutions to data centers and develop low-power switches and routers, etc.</li> </ul>	  
<p><b>【Social】</b></p> <p>We will formulate a basic policy for human resource management and a basic policy for intellectual property in order to realize our corporate philosophy</p>	<p><b>Initiatives related to human capital</b></p> <ul style="list-style-type: none"> <li>• Respect for human rights</li> <li>• Promote diversity</li> <li>• Develop human resource and create comfortable working environments</li> <li>• Implement initiatives for health and safety</li> </ul> <p><b>Initiatives related to intellectual property</b></p> <ul style="list-style-type: none"> <li>• Build a system for managing and promoting intellectual property</li> <li>• Respect for the intellectual property of other companies</li> <li>• Provide continuous education on intellectual property</li> </ul>	   
<p><b>【Governance】</b></p> <p>We will implement measures to strengthen and enhance governance in order to improve corporate value</p>	<ul style="list-style-type: none"> <li>• Build a system to strengthen corporate governance</li> <li>• Implement periodical evaluations of the effectiveness of the Board of Directors</li> <li>• Establish a decision process for executive remuneration that ensures fairness and transparency</li> <li>• Enhance internal control through the implementation of company-wide risk identification and monitoring by the Compliance and Risk Management Committee</li> <li>• Establish various reporting desks</li> </ul>	

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ACCESS<sup>TM</sup>

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