

Speee, Inc (4499)



Financial Results Briefing Material

Second Quarter of Fiscal Year Ending September 2025

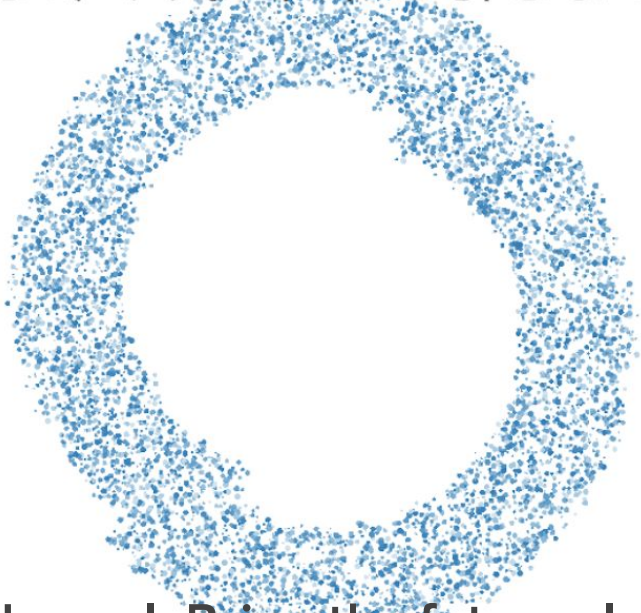
May 15, 2025

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Mission

解き尽くす。未来を引きよせる。



Unravel. Bring the future closer

Information and information... People and people... Services and services...

All linked together, we are the company that brings the future closer

Operating Results for 2Q FY25



Executive summary

2Q FY25
Quarterly Results

Sales	4,354m JPY	YoY	+ 11.0%	Progress	45.7%
Operating profit	41m JPY	YoY	-- %	Progress	-- %

Finance DX

Business Environment	Topics	Outlook
<ul style="list-style-type: none">• Regulatory developments in the U.S. are accelerating toward stablecoin legislation, while legal frameworks and market expansion are progressing globally.• Market activity is growing, as seen in the launch of Circle’s Circle Payments Network (CPN) and SBI’s retail offering of USDC.	<ul style="list-style-type: none">• Project Pax has completed Phase 1 (technical verification with Swift) and is currently in Phase 2 (technical and operational validation with banks).• Participation continues to grow domestically and internationally, with Shoko Chukin Bank, Korea, and Hong Kong joining from Phase 2.• The cross-chain bridge "TOKI" has entered live operation.	<ul style="list-style-type: none">• Project Pax aims for commercialization within the year by onboarding global financial institutions.• In collaboration with Progmatt, we will advance the issuance and distribution of stablecoins.• We plan to accelerate strategic hiring to enhance competitiveness in global markets.

Legacy Industries DX

<ul style="list-style-type: none">• The number of online users continues to increase, and customer acquisition channels are becoming more diversified.	<ul style="list-style-type: none">• Revenue and profit increased year-over-year.• Nurikae ranked No.1 in users and contracts in a survey of exterior wall painting matching services.	<ul style="list-style-type: none">• Develop multiple products to strengthen the business foundation and increase the number of successful matches.• Optimize our customer acquisition portfolio.• Launch TV commercials next quarter.
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DX Consulting

<ul style="list-style-type: none">• Demand for DX consulting remains strong, alongside interest in marketing-related services.	<ul style="list-style-type: none">• Recognized revenue from large-scale projects.• New client acquisition remains solid due to successful onboarding of new hires, contributing to sales growth.	<ul style="list-style-type: none">• Expect further revenue growth driven by an increase in client numbers.• Unit price is expected to gradually rise due to higher-value contracts.
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Summary of FY25 2Q

- Revenue continued to grow steadily year over year.
- Operating profit increased year over year, supported by steady growth in Legacy Industries DX and DX Consulting, progressing largely in line with full-year forecasts.

Unit: Million yen	2Q Actual	Comparison				Progress	
		YonY		QonQ		Guidance	Progress
		Acutual	% change	Acutual	% change		
Net sales	4,354	3,921	+11.0%	3,873	+12.4%	18,010	45.7%
Operating profit	41	-69	-%	-4	-%	0	-%
Ordinary profit	36	-52	-%	10	+252.5%	0	-%
EBITDA	64	-21	-%	38	+67.3%	113	90.5%
Net profit	-48	-61	-%	-84	-%	-614	-%



Breakdown of cost of sales and SG&A expenses

- Personnel expenses rose +8.1% YoY due to expanded recruitment
- Other SG&A expenses increased due to higher recruitment costs and system audit fees

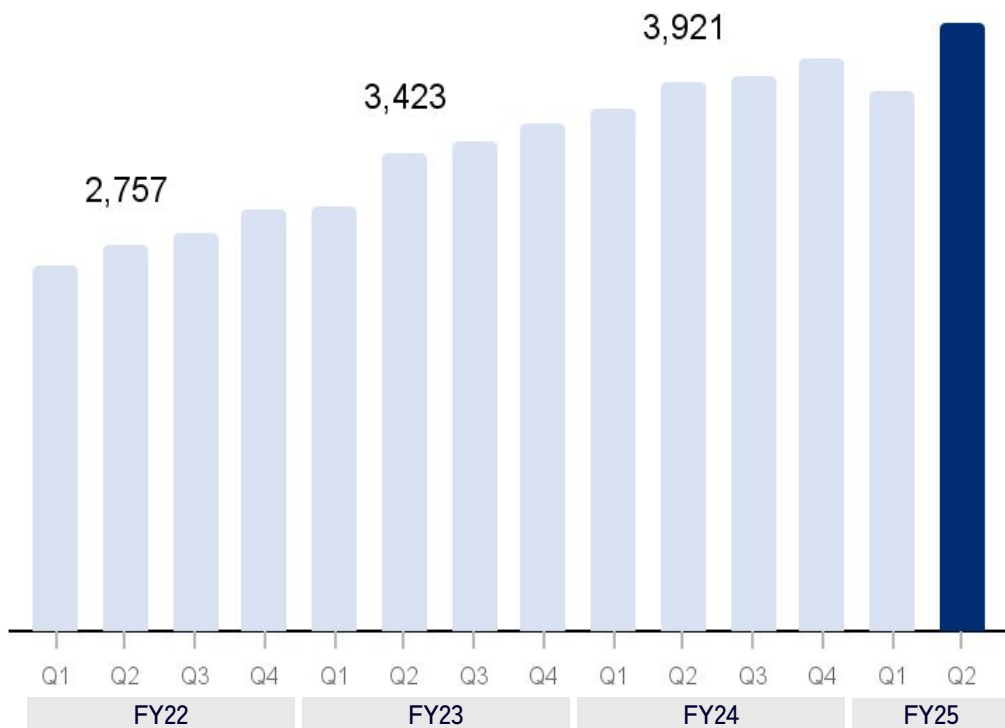
Unit: Million yen	Actual	Comparison			
		YonY		QonQ	
		Actual	% change	Actual	% change
Labor cost	683	492	+38.7%	660	+3.6%
Rent	40	35	+13.8%	41	-2.4%
Other cost of sales	101	91	+11.4%	96	+5.5%
Total cost of sales	825	619	+33.3%	797	+3.5%
Personnel expenses	875	948	-7.8%	801	+9.1%
Advertising	2,027	1,926	+5.2%	1,624	+24.8%
Rent	72	78	-7.0%	71	+1.7%
Information system fees	126	101	+24.8%	102	+24.0%
Other SG&A expenses	385	314	+22.3%	479	-19.8%
Total SG&A expenses	3,487	3,370	+3.5%	3,080	+13.2%
Total of cost of sales and SG&A	4,312	3,990	+8.1%	3,878	+11.2%



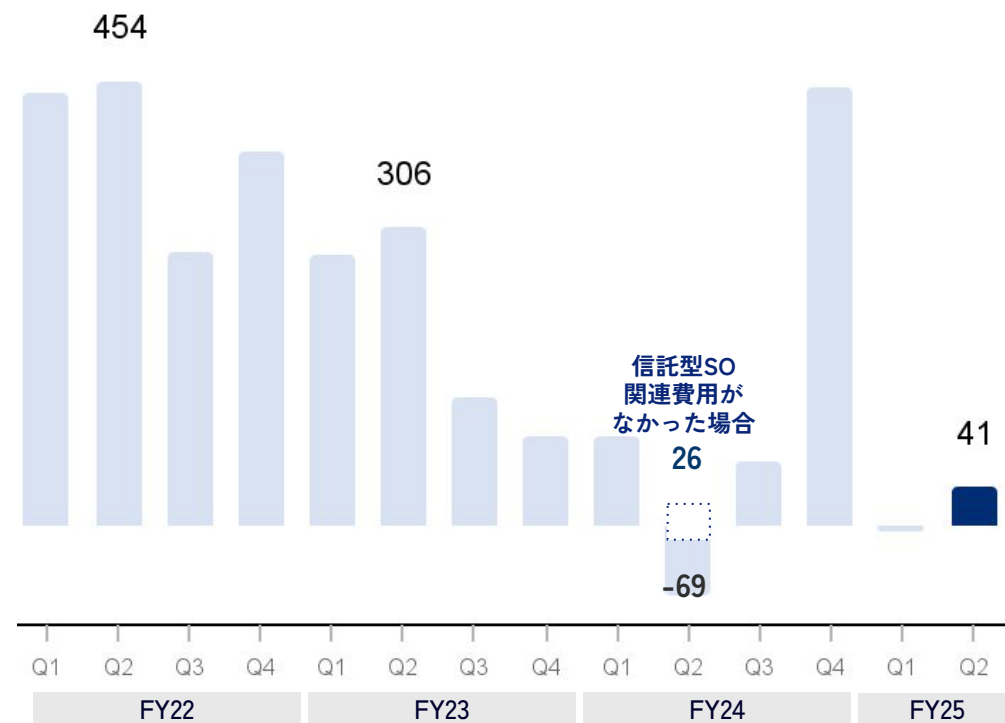
Consolidated – Sales and operating profit

- Revenue reached a record high
- Operating profit increased YoY, with Finance DX investments progressing as planned

Sales + 11.0 % Unit: Million yen



Operating profit Unit: Million yen





Finance DX – Sales and operating profit

Revenue of 0 million JPY and Operating Loss of 246 million JPY, in line with expectations



Development Progress

- Issuance : System development completed in 2024; administrative procedures with authorities ongoing.
- Distribution : Phase1 (technical validation with SWIFT) has been completed. Phase2 (technical and operational validation with banks) is currently underway. This phase involves testing closer to actual cross-border remittance operations and identifying key issues to be addressed for commercialization.

Cross-Chain Bridge "TOKI":
Now operating in a live production environment

Domestic and International Participation

- Domestic: Progressing as planned; Shoko Chukin Bank joined from Phase 2.
- International: Progressing as planned; participants from Korea and Hong Kong joined from Phase 2.

-

Recruitment

- Strengthening recruitment systems and public relations. Progressing largely as planned.



Progress on the Stablecoin Business

Network development is progressing smoothly.

Issuance is slightly delayed but expected to have no impact on the timing of commercial distribution.



Stablecoin Issuance

- Stablecoin issuance system completed within 2024.
- Administrative procedures with authorities are in the final stages following external incidents involving crypto asset leaks.

Distribution System Development

- Phase 1 (Completed): Developed prototype for stablecoin transfer via SWIFT and completed technical validation.
- Phase 2 (Ongoing): Technical and operational validation with banks. Identifying and resolving issues toward commercialization.
- Target: Commercialization within 2025.



Domestic and International Participation

- Domestic: Shoko Chukin Bank, one of Japan's leading financial institutions for SMEs, has joined Phase 2. Discussions with other major banks are also underway. With this collaboration, Shoko Chukin becomes the first domestic bank to evaluate the technical and operational feasibility of Project Pax, launching a full-scale verification phase toward commercialization.
- Asia: Technical validation and discussions with Korea and Hong Kong.
- Europe: Discussions with major EU banks as early commercialization candidates.
- United States: Engaging major US banks with a focus on USD settlement opportunities.
- Future Expansion: Participating in on-chain security token working group to support ecosystem growth.



Business Environment Surrounding the Stablecoin Business

In the largest market - the United States regulatory frameworks and market expansion are accelerating. Similar services to ours, such as Circle's Circle Payments Network (CPN), are also emerging.



United States

Market Size

- **Stablecoin market projected to grow from \$230 billion to \$2 trillion by the end of 2028.**

(Source: CoinDesk - Standard Chartered: Stablecoin market could reach approximately ¥290 trillion by 2028)

Legal Framework

- **U.S. stablecoin regulation is processing, making it easier to enter the U.S. market and adopt USD settlements.**

(Source: CoinPost - U.S. stablecoin regulation accelerating, Trump administration aims for enactment by August)

Service

- **Circle announced the Circle Payments Network (CPN), targeting an international remittance network using stablecoins. This development aligns closely with our use case and reflects growing market demand.**

(Source: Yahoo! News - Circle launches beta version of Circle Payments Network for financial institutions)



Legacy Industries DX – Sales and operating profit

- Revenue reached a record high
- Operating profit grew in line with revenue

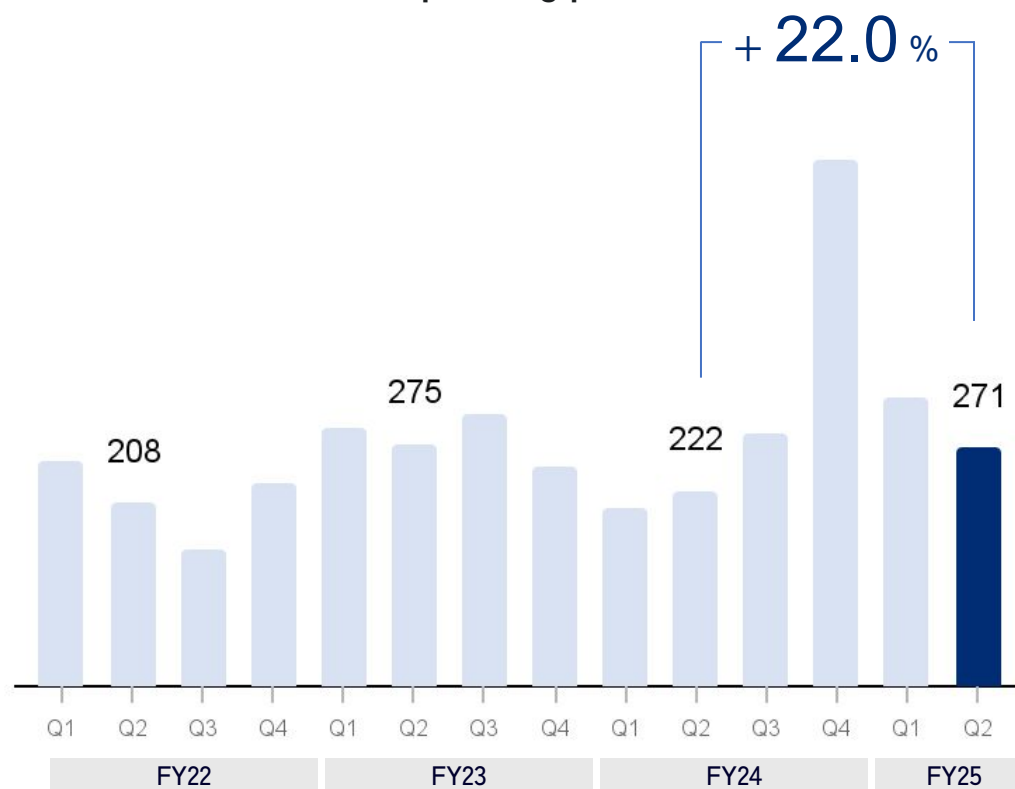
Sales

Unit: Million yen



Operating profit

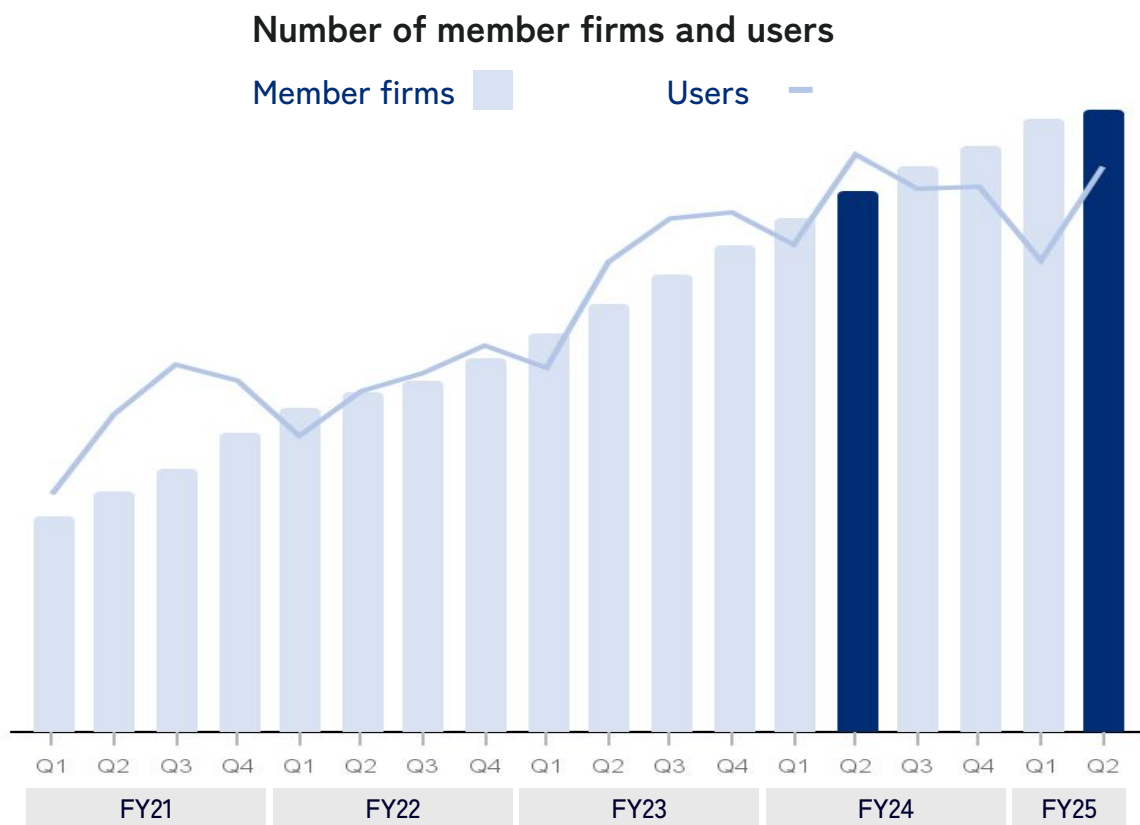
Unit: Million yen





Legacy Industries DX – Key KPIs

- The number of member firms continued to grow steadily, along with the number of products offered
- Slight decline in user acquisition due to changes in the competitive landscape and user behavior



Member firms : YoY +15.2 %

- The number of member firms continued to grow steadily, supported by ongoing efforts to acquire new clients across each business domain.
- The number of product offerings also increased, and new products are under development

Users : YoY -2.1 %

- Decline driven by lower marketing efficiency
- Working on optimizing customer acquisition channels

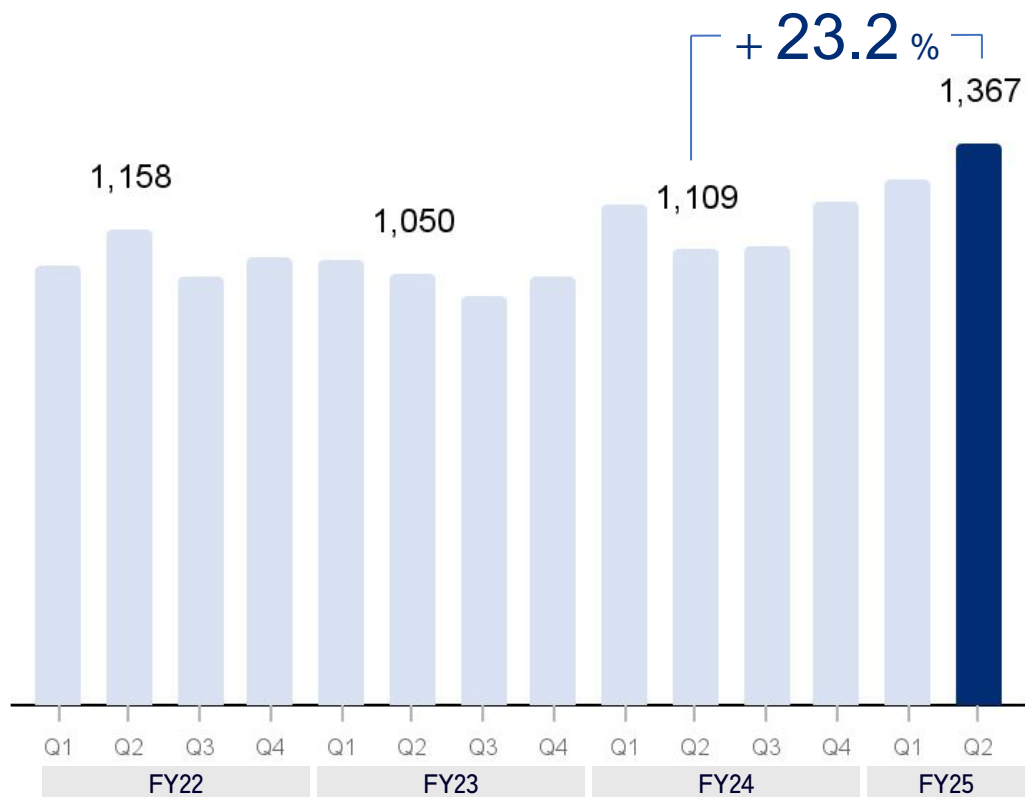


DX Consulting – Sales and operating profit

- Revenue reached a record high
- Operating profit grew in line with revenue

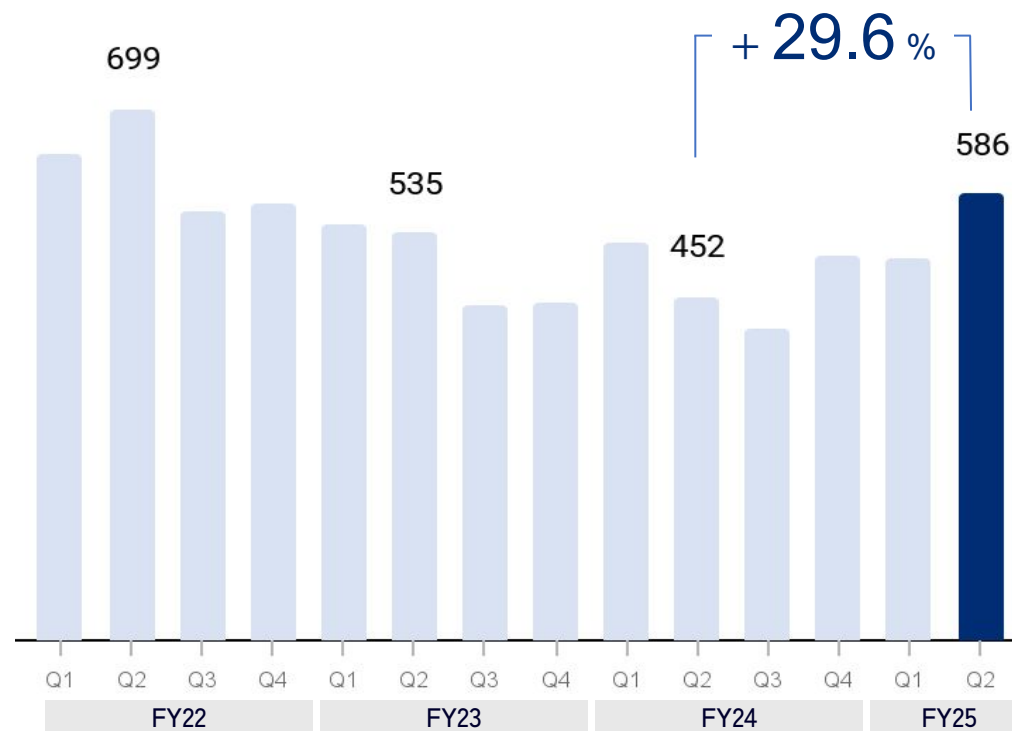
Sales

Unit: Million yen



Operating profit

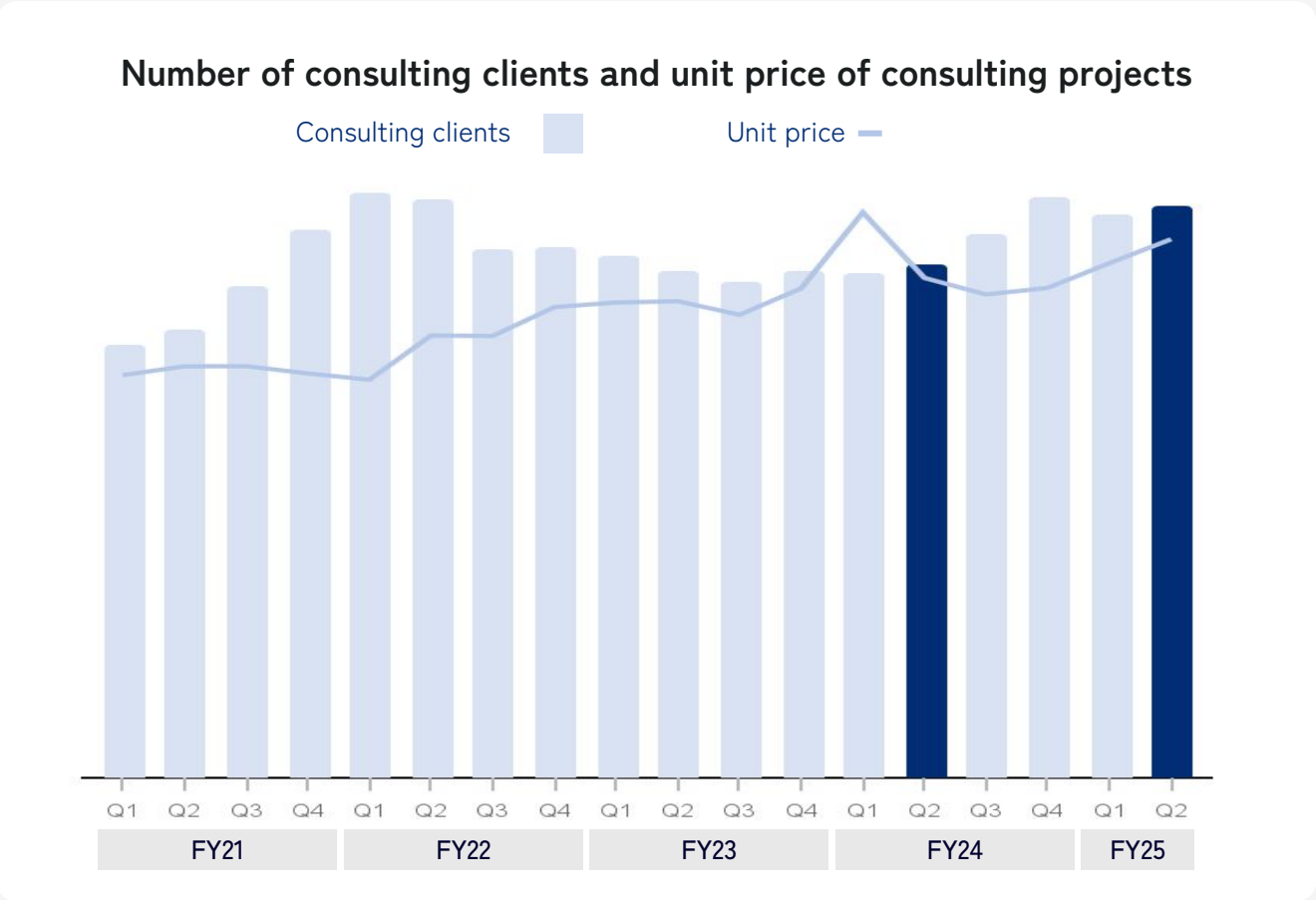
Unit: Million yen





DX Consulting – Key KPIs

- Number of clients increased YoY due to expanded hiring and onboarding of new personnel, with continued growth expected. The unit price increased YoY due to higher new order values and revenue recognized from large-scale projects.



Number of clients : YoY +11.5 %

- Personnel count increased +13% YoY
- Continued onboarding expected to drive further clients growth

Unit price : YoY +7.7 %

- Unit price continued to rise due to improved pricing for new orders
- In this quarter, it increased notably due to revenue recognized from a large-scale project.

Growth Strategies



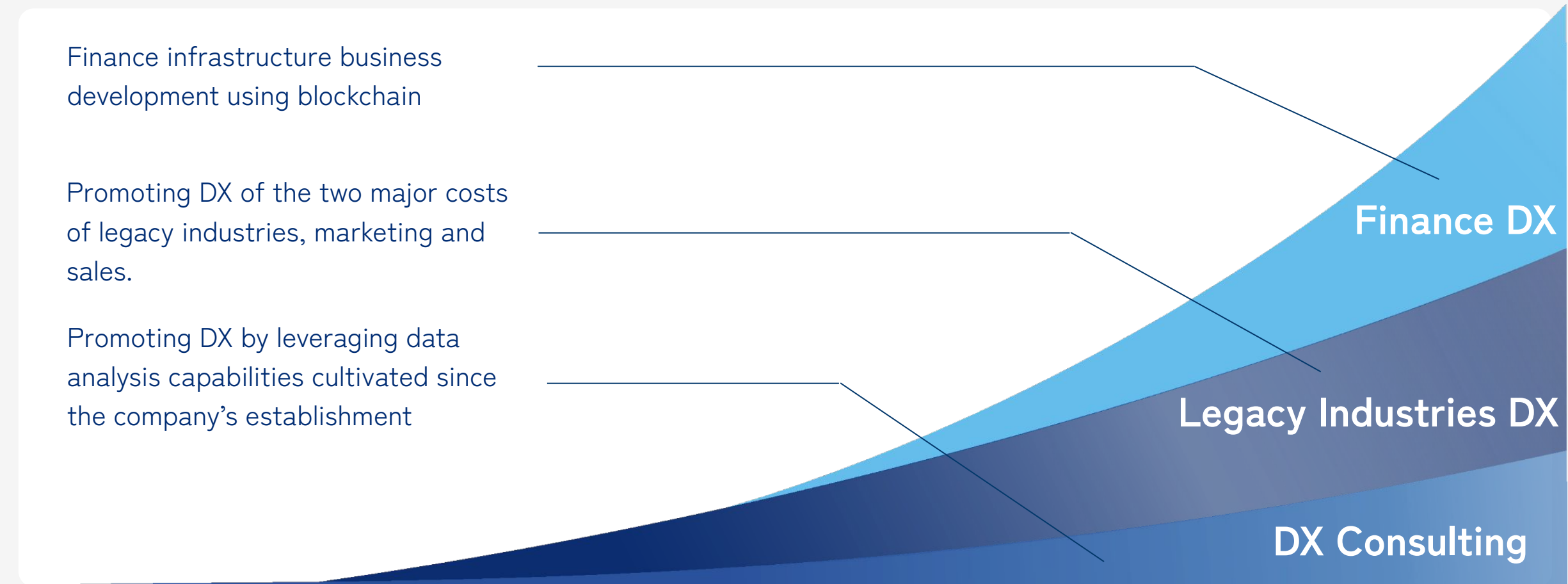
Company growth strategies

- Aiming for further growth with Finance DX where a large and rapid market growth can be expected, in addition to the high growth of Legacy Industries DX and DX Consulting

Finance infrastructure business development using blockchain

Promoting DX of the two major costs of legacy industries, marketing and sales.

Promoting DX by leveraging data analysis capabilities cultivated since the company's establishment

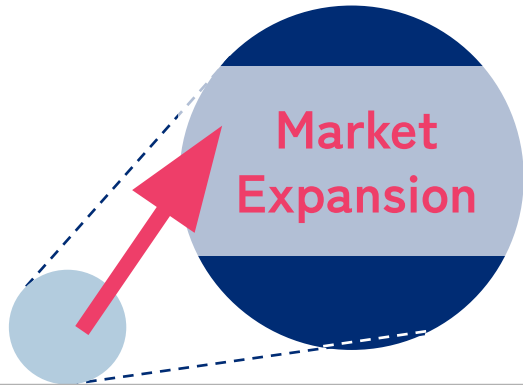




Growth image of each segment

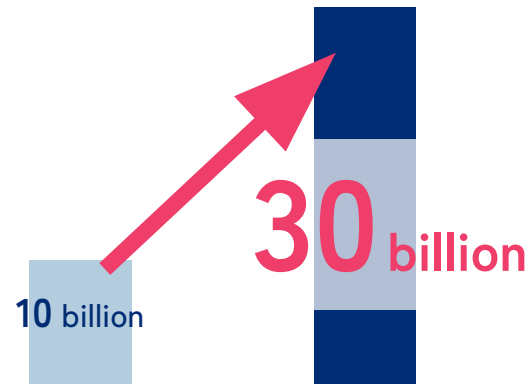
- Continuous investment in Legacy Industries DX and DX Consulting for medium to long term growth.
- Investment in Finance DX for digital asset product development such as stablecoin.

Finance DX



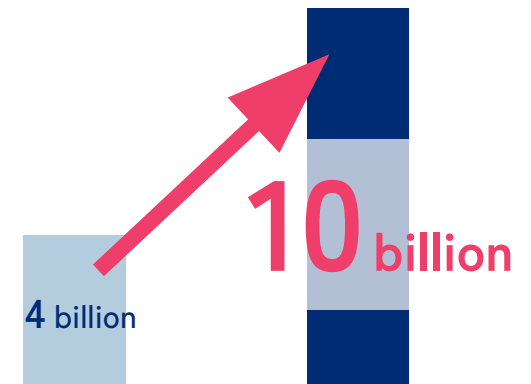
We are launching Project Pax with the goal of establishing international remittance services using stablecoins. In this rapidly expanding market, we aim to generate revenue through stablecoin investment returns and international remittance fees.

Legacy Industries DX



Sales reached 10 billion scale. Anticipating 30 billion sales in the future, investments will be made in DX products and marketing.

DX Consulting

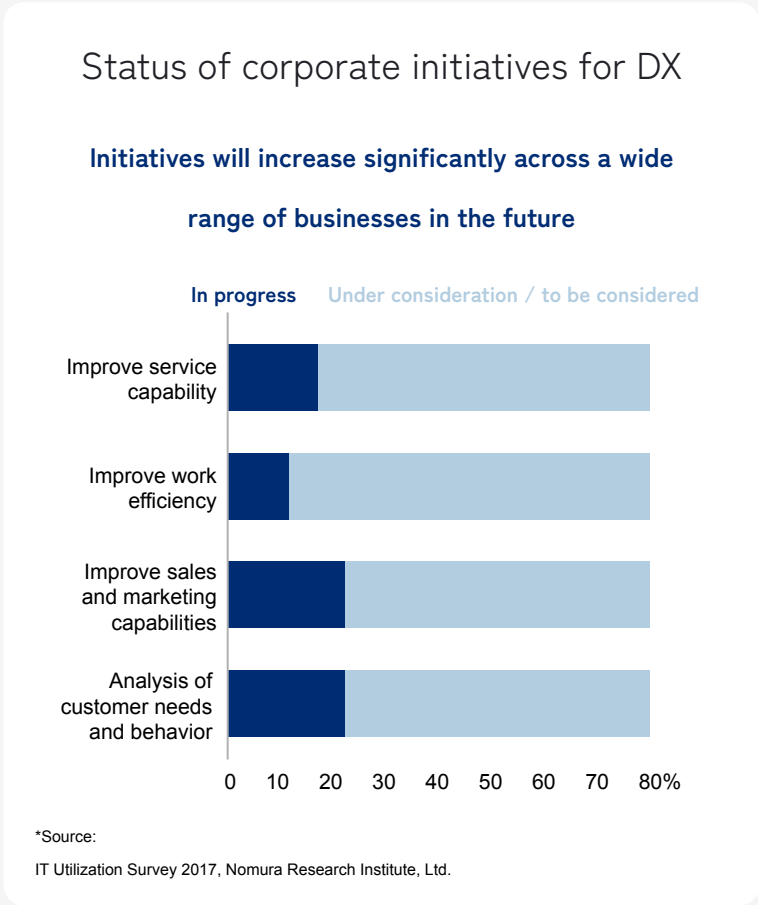
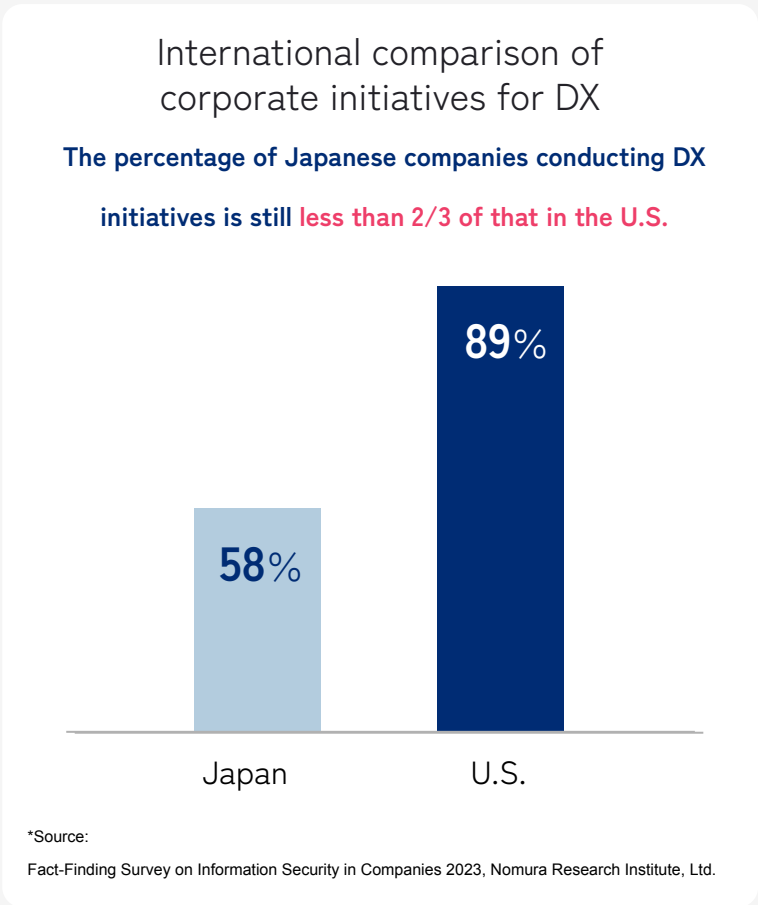
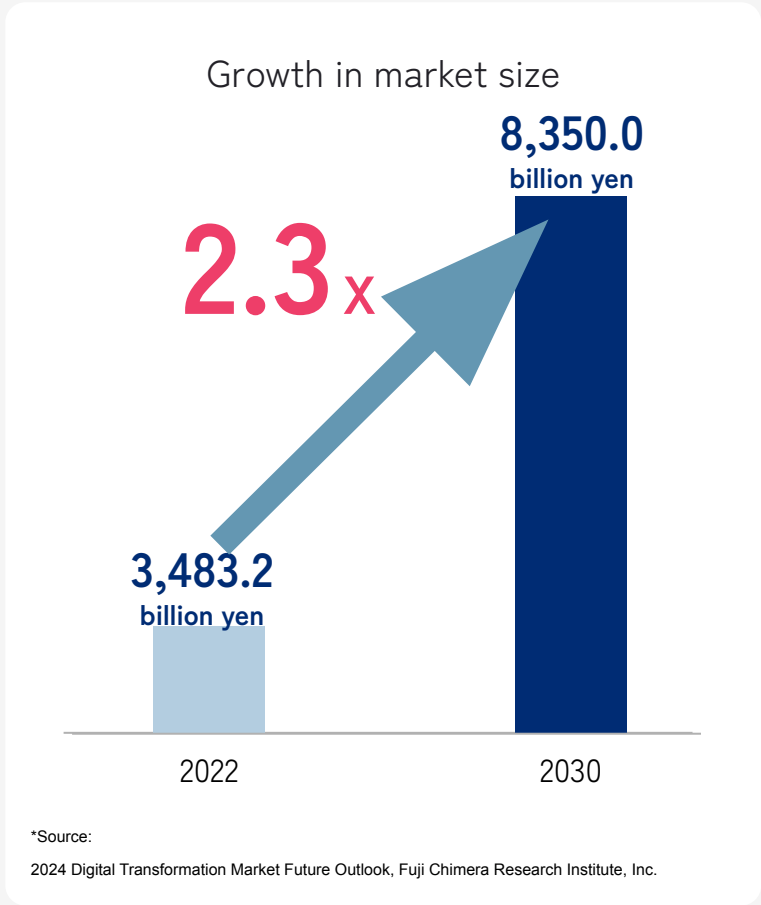


Sales reached 4 billion scale. Anticipating 10 billion sales in the future, further hiring of staff will be made to expand the consulting business to other than marketing field.



Growth potential of the DX market

■ DX market is a growing market with great potential.

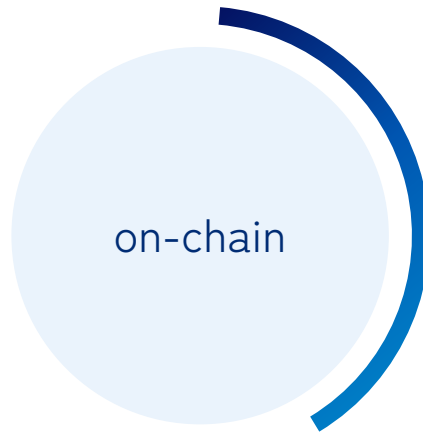




The Inevitable On-Chaining of Financial Infrastructure

- The following three factors are driving the on-chaining of financial infrastructure

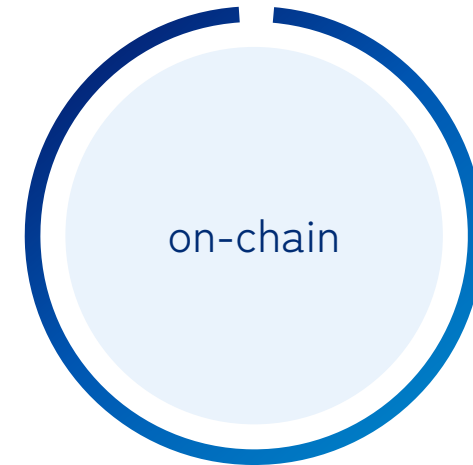
(On-chaining refers to processing using blockchain technology.)



01
Maturation of technology
and emergence of
practical use cases



02
Development of legal
frameworks and
regulations



03
Rise of global-scale financial
infrastructure initiatives

The Inevitable On-Chaining of Financial Infrastructure

- Blockchain technology is highly compatible with the payment domain and offers significant potential for expansion into adjacent ecosystems.

on-chain

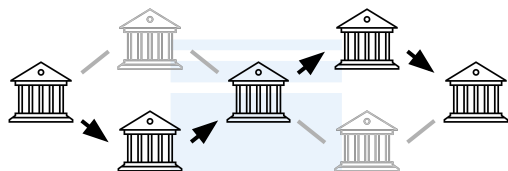
Maturation of technology and emergence of practical use cases

Bank-to-Bank Payments Without Central/Correspondent Banks

Enables cheaper, faster, and more transparent international remittances.

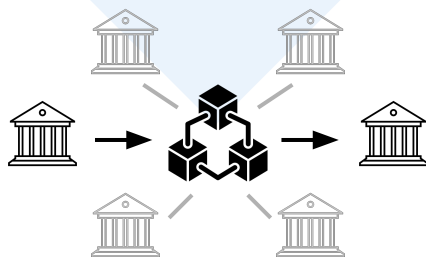
Complex network involving central banks and correspondent banks

before



Hub-and-spoke network connected via a shared on-chain platform

after

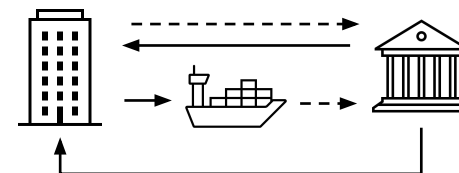


Expandability to Adjacent Ecosystems

Integration with corporate activities and fundraising/asset management functions.

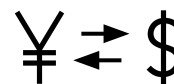
programmability

Enables automatic payments linked to corporate systems and external information.

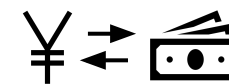


atomic settlement

Enables PvP (Payment versus Payment) and DvP (Delivery versus Payment) settlement across different currencies/assets.



PvP settlement between different currencies
(Payment vs Payment)



DvP settlement against securities
(Delivery vs Payment)



The Inevitable On-Chaining of Financial Infrastructure

- **Stablecoin regulations are progressing worldwide, creating a foundation for legally compliant digital currencies that banks and corporations can more readily adopt.**

on-chain

Development of
legal frameworks
and regulations



- Revised Payment Services Act (effective 2023): Defines stablecoins as "electronic payment instruments" and establishes regulations for their issuance and distribution.



- MiCA (Markets in Crypto-Assets Regulation, effective 2024): Defines stablecoins as "E-money Tokens (EMT)" or "Asset-Referenced Tokens (ART)" and regulates their issuance and circulation.



- The GENIUS Act (Guiding the Evolution of National Innovation for U.S. Stablecoins Act) and the STABLE Act (Stablecoin Transparency and Accountability Act) are under deliberation in both houses of Congress.



- Legislative efforts are underway toward full legalization by 2025.
- Banks are conducting technical validations to enable commercialization immediately after regulatory approval.



The Inevitable On-Chaining of Financial Infrastructure

Rather than connecting fragmented financial services from individual institutions, there is a growing shift toward providing services through a unified common platform.

on-chain

Rise of
global-scale
financial
infrastructure
initiatives



BIS
(Bank for International Settlements)



Finternet

- The vision for “Finternet” is to bring all financial assets on-chain under a unified ledger.
- As part of this initiative, Project Agorá has been launched in collaboration with multiple central and commercial banks, including 7 central banks and over 40 financial institutions.



Global Layer 1 / PARTIOR



On-Chain Financial Infrastructure

- Major banks in Japan, the U.S., and Europe (including JPMorgan, MUFG, Citi, HSBC, and Société Générale) are leading initiatives to build on-chain financial infrastructure.



Project Pax



International Remittance
Network Construction

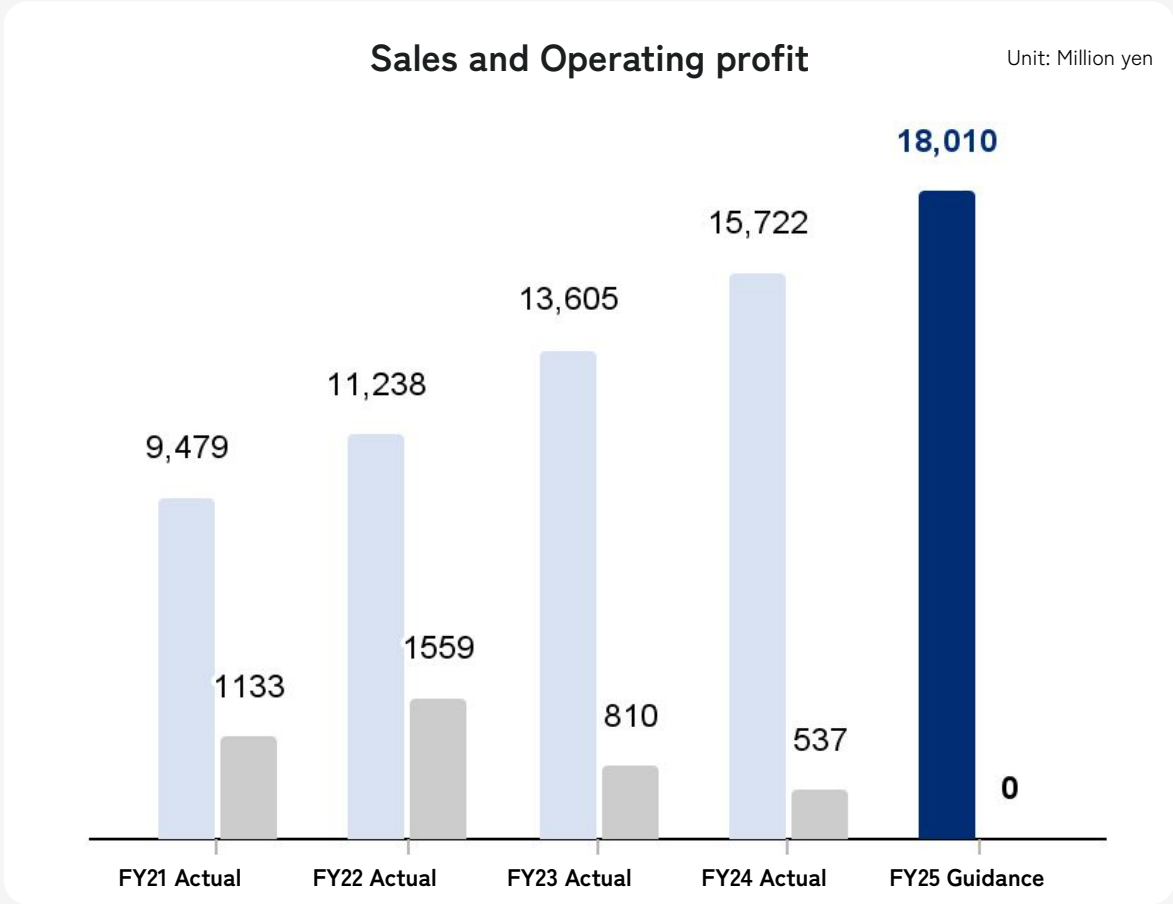
- Efforts are underway to transition the existing remittance infrastructure of Swift and banks onto blockchain, aiming to realize cheaper, faster, and more transparent international transfers.

Guidance



Consolidated – Guidance of FY25 (previously announced)

We expect growth in revenue and profit in our core businesses. Leveraging this solid business foundation, we plan to expand into the stablecoin market as a key pillar of our new mid-to-long-term strategy. To achieve this, we will incorporate proactive investment plans in Finance DX.

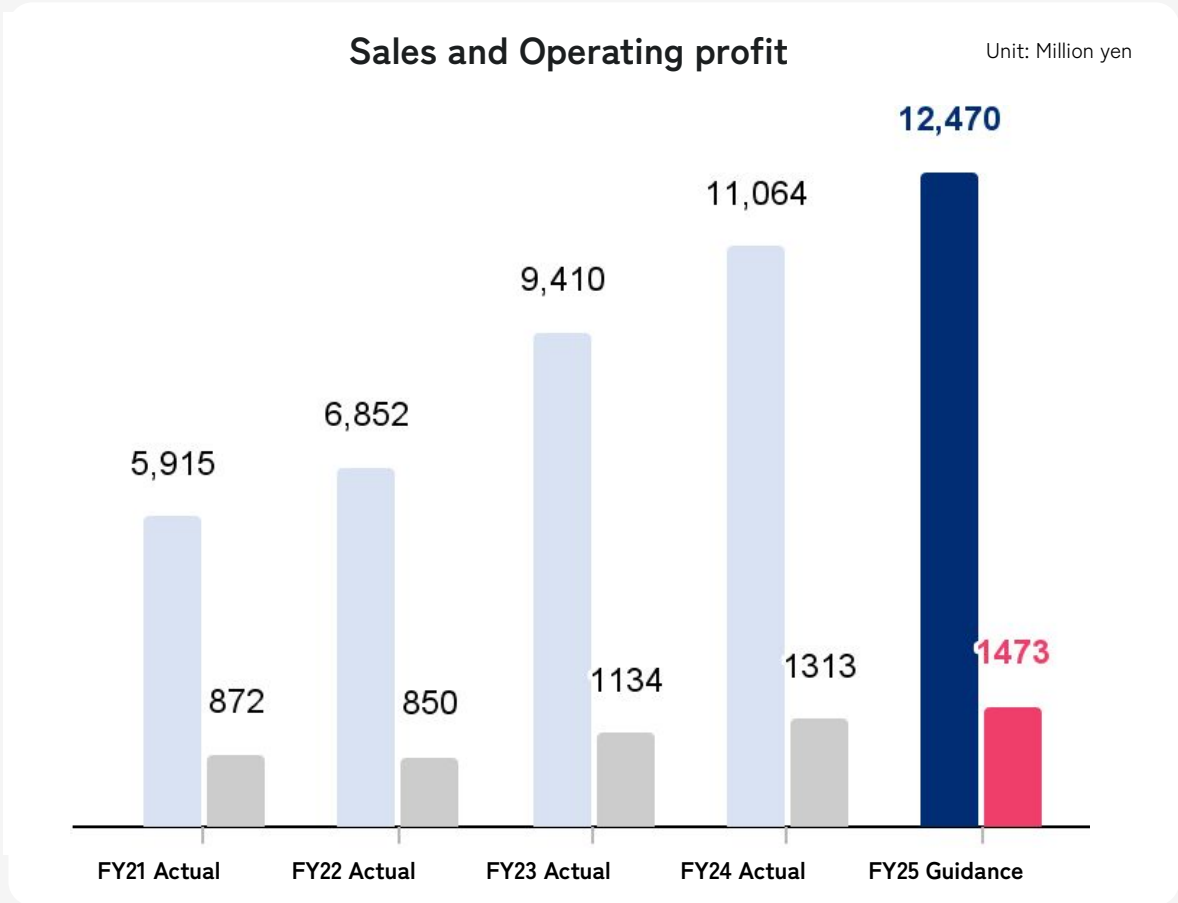


	FY24 Actual	FY25 Guidance	%
Net sales	15,722	18,010	+ 14.6%
Legacy Industries DX	11,064	12,470	+ 12.7%
DX Consuting	4,677	5,554	+ 18.8%
Finance DX	1	0	-
Operating profit	537	0	- 99.9%
Legacy Industries DX	1,313	1,473	+ 12.2%
DX Consuting	1,891	2,193	+ 16.0%
Finance DX	-440	-1,221	-
Ordinary profit	594	0	-%
EBITDA	717	112	- 84.3%
Net profit	244	-614	-%



Legacy Industries DX – Guidance of FY25 (previously announced)

We anticipate revenue and profit growth driven by an increase in users and product offerings. We will continue investments in talent, product development, and customer acquisition to support long-term growth.



Legacy Industries DX Guidance

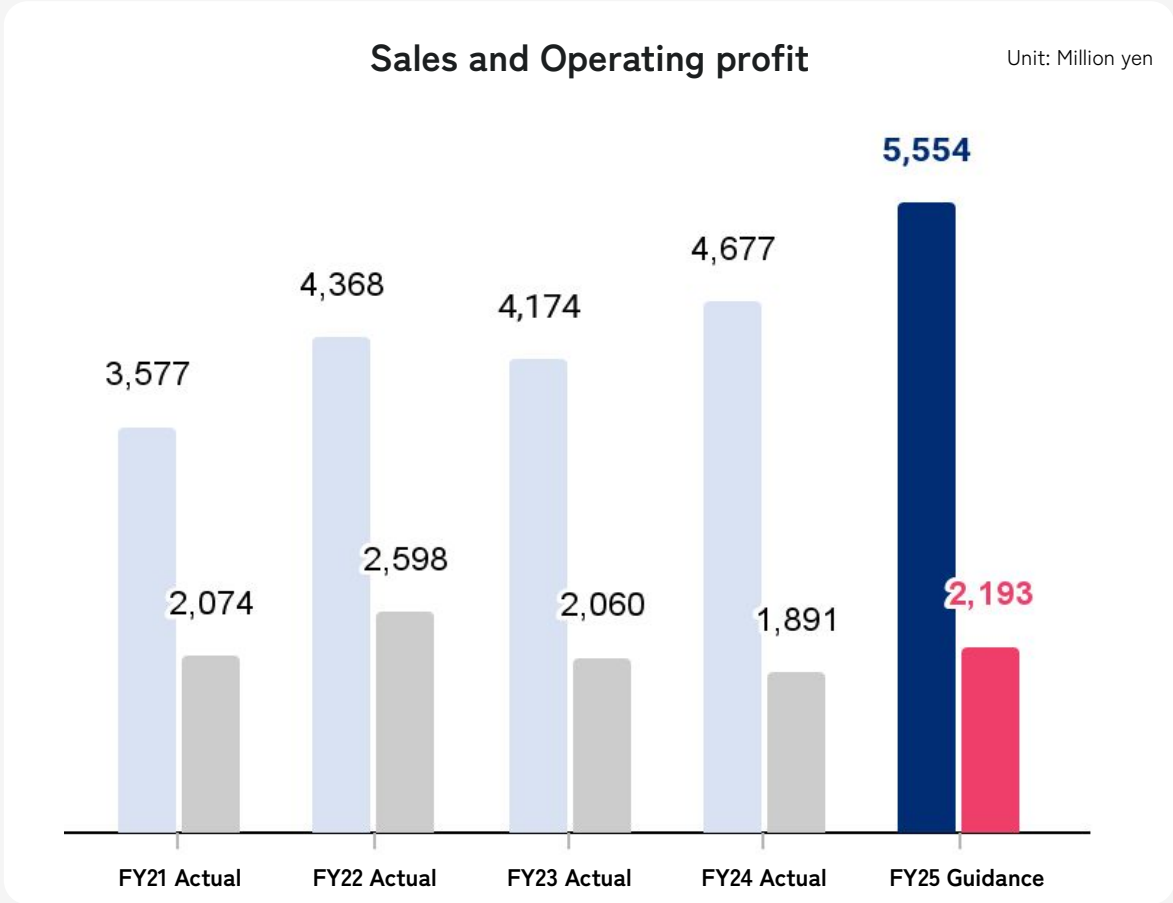
- Net Sales 12,470 million yen (+12.7% Y/Y)**
In addition to the expansion of existing services, we expect growth in users and partner companies through enhanced marketing investments, new product development, and strengthened alliances.
- Operating Profit 1,473 million yen (+12.2% Y/Y)**
While continuing strategic investments to maintain and enhance long-term competitiveness, we expect profit growth in line with revenue expansion.

By expanding the value chain, we aim for sustained 120% revenue growth over the mid-to-long term.



DX Consulting – Guidance of FY25 (previously announced)

Continued investments in talent are expected to drive revenue and profit growth in FY2025. To achieve sustainable 120% growth over the mid-to-long term, we will continue investing in organizational expansion.



DX Consulting Guidance

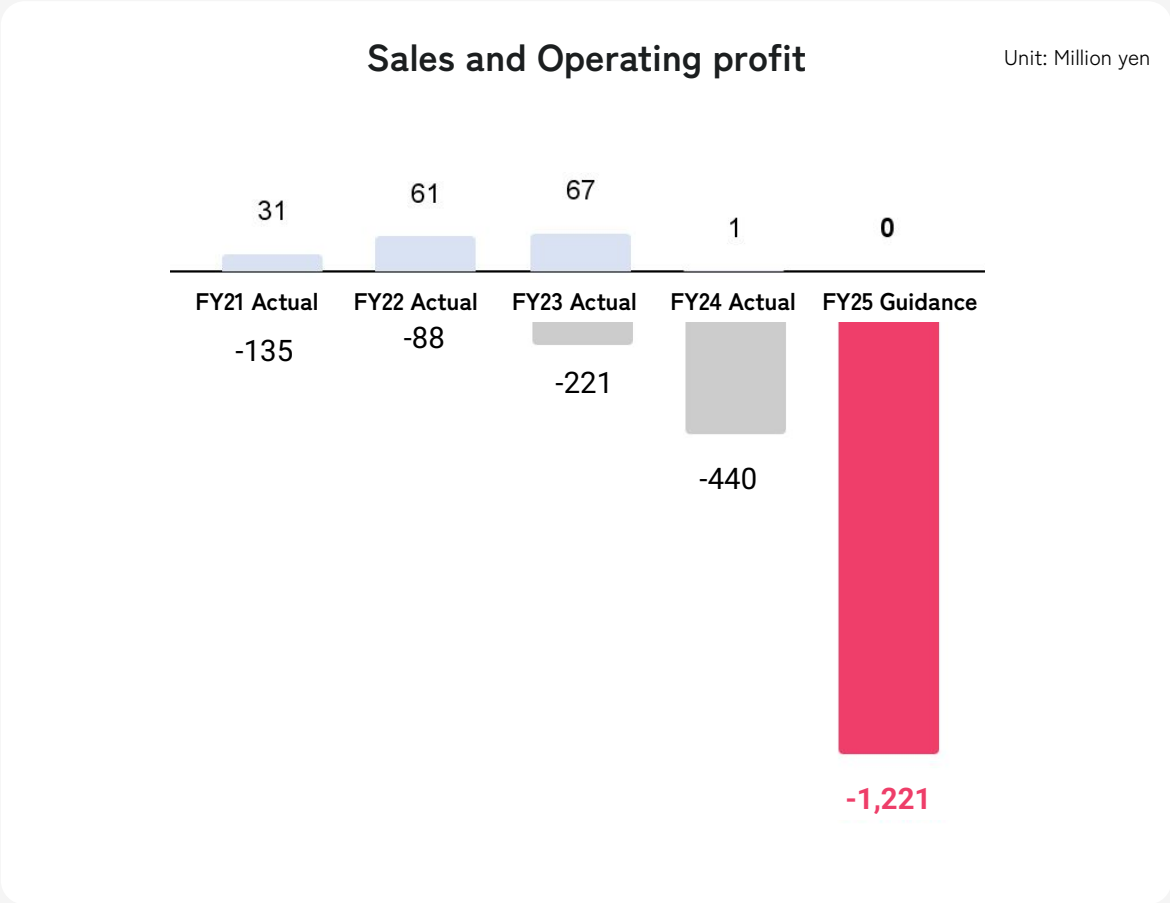
- **Net Sales** 5,554 million yen (+18.8% Y/Y)
With increased sales capabilities from prior-year hiring, current orders remain strong, leading to high growth expectations.
- **Operating Profit** 2,193 million yen (+16.0% Y/Y)
With revenue growth, we anticipate a significant increase in profit. As we expand in the DX consulting domain, we will further enhance the recruitment of highly skilled professionals.

**By strengthening talent acquisition,
we aim for sustained 120% revenue growth.**



Finance DX – Guidance of FY25 (previously announced)

We are taking a conservative approach to when revenue from stablecoin issuance will be recognized, so we are not projecting any revenue from this in the current fiscal year. With the transition from the R&D phase to the product development phase, we will expand our development investments.



Finance DX Guidance

- Net Sales 0 million yen**
We don't expect any revenue for this fiscal year. However, we will promptly disclose any updates as the situation evolves. Moving forward, we anticipate generating revenue from both investment returns associated with stablecoin issuance and international remittance fees derived from partnerships with SWIFT and other financial networks.
- Operating Profit -1,221 million yen**
To establish a first-mover advantage in the global market, we plan to make large-scale investments.

Given the increasing clarity of our monetization model, we will make proactive investments in human resources to establish a first-mover advantage in the global market and work towards monetization.

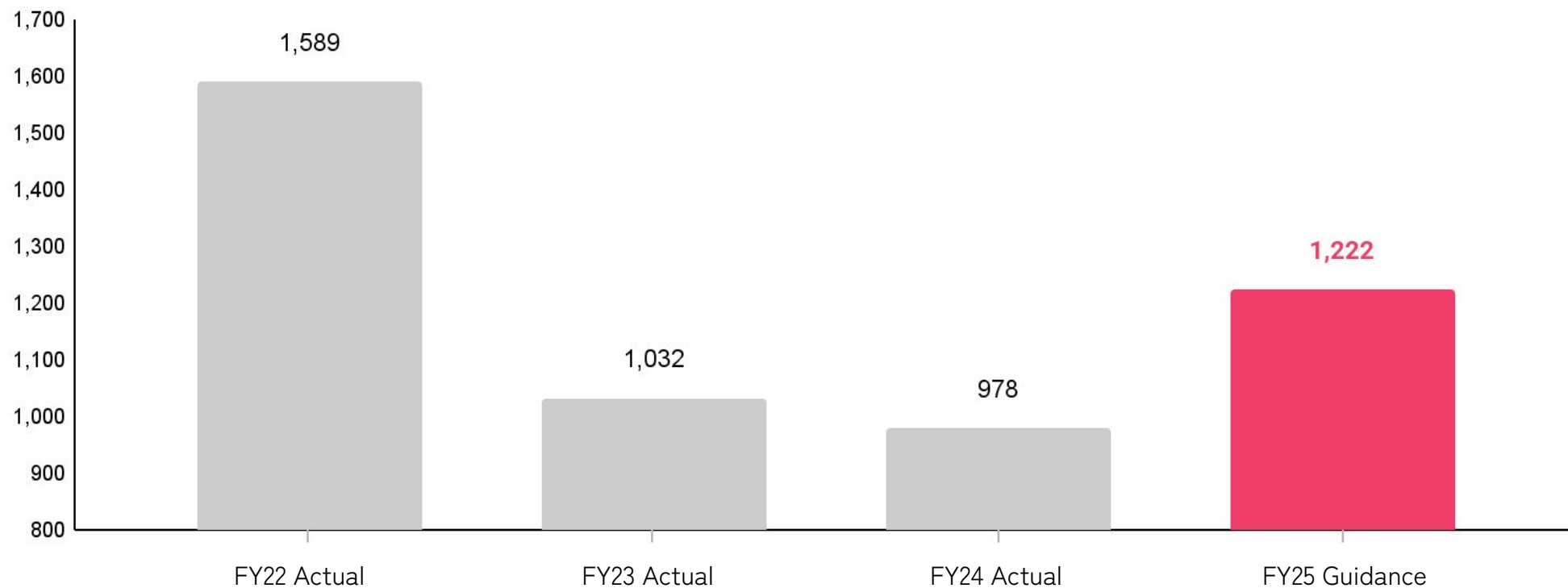


Operating profit Trends Excluding Finance DX (previously announced)

- Sustained investment drives continued growth in our core businesses.
- Operating profit (excluding Finance DX) is expected to rise by +25% YoY as business expansion accelerates.

Unit: Million yen

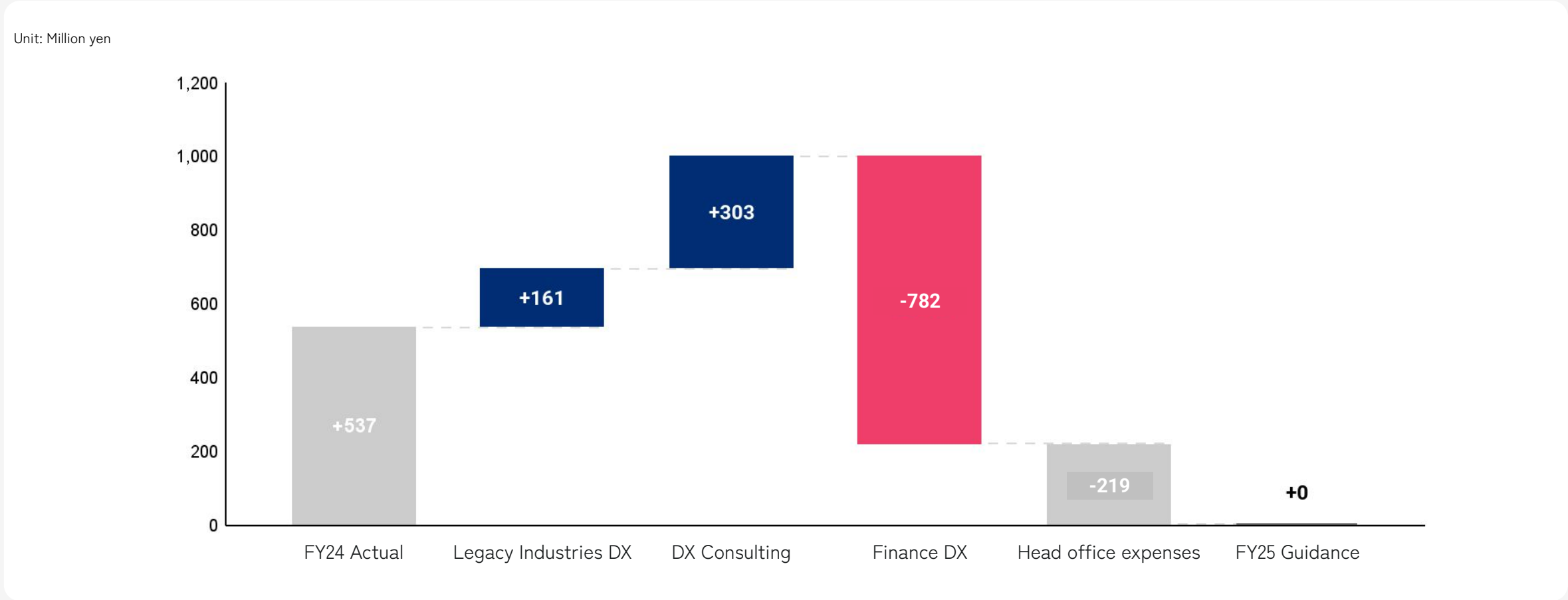
Operating profit Excluding Finance DX





Operating profit Change by segment (previously announced)

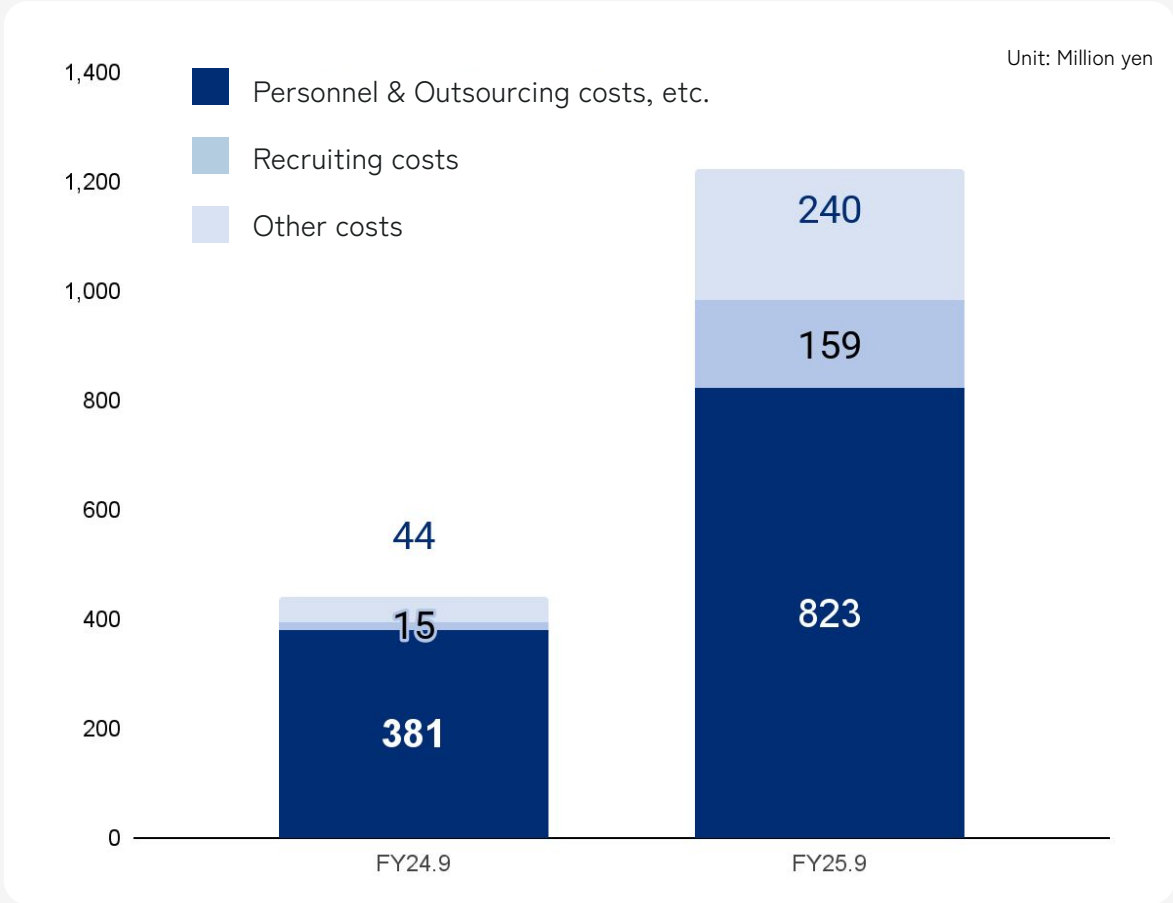
- Legacy Industries DX and DX Consulting: +464 million JPY YoY
- Finance DX: Strategic investment expansion, projected YoY decline of 782 million JPY





Breakdown of Finance DX Investments (previously announced)

As we transition into an advanced development phase, we are strengthening our specialized organizational capabilities to capture market share in the stablecoin sector. We anticipate hiring more than 50 new employees annually.



Breakdown of Finance DX investments

- **Personnel & Outsourcing costs, etc.**
823 million yen (+116% Y/Y)
In addition to engineers and other product development staff, we plan to hire business development professionals to drive operations forward, as well as back-office personnel.
- **Recruiting costs 159 million yen (+930% Y/Y)**
Expected expenses for recruitment advertising and payments to recruitment agencies to facilitate active hiring.
- **Other costs 240 million yen (+436% Y/Y)**
Includes expenditures for system security audits and related measures.

Appendix

Company Overview



Company overview

Company Name	Speee, Inc.					
Representative	Hideki Otsuka					
Business Activities	Finance DX / Legacy Industries DX / DX Consulting					
Date Founded	November 29, 2007					
Capital	2,900,629 thousand yen (as of March 31, 2025)					
Number of employees	592 (as of March 31, 2025) (excluding temporary employees, outsourcing and part-time employees)					
Board of directors	Representative director Director Director	Hideki Otsuka Tetsushi Hisata Shoji Watanabe	Director Director Outside director	Masataka Nishida Masami Taguchi Jun Hasebe	Outside director Outside director Outside director	Sayuri Emi Kenji Yamanaka Satoru Takamatsu
Location	3-2-1 Roppongi, Minato-ku, Tokyo, 106-0032 Japan					



Management



Representative director,
Founder and CEO
Hideki Otsuka



Director, Founder and
CEO of Datachain, Inc.
Tetsushi Hisata



Director and CEO of
ThinQ Healthcare, Inc.
Shoji Watanabe



Director and COO
Responsible for
Real Estate DX Business
Masami Taguchi



Senior Executive Officer
Responsible for
Marketing DX Business
Wataru Honda



Director and CFO
Responsible for
Corporate Administration
Division
Masataka Nishida



Professional Executive
Officer
VP of Engineering
Koichiro Oba



Professional Executive
Officer
CISO(Chief Information Security
Officer)
Hideyuki Ito



Professional Executive
Officer
Datachain, Inc., CTO
Jun Kimura

Outside Director: **Jun Hasebe**
Outside Director: **Sayuri Emi**
Outside Director: **Kenji Yamanaka**
Outside Director: **Satoru Takamatsu**



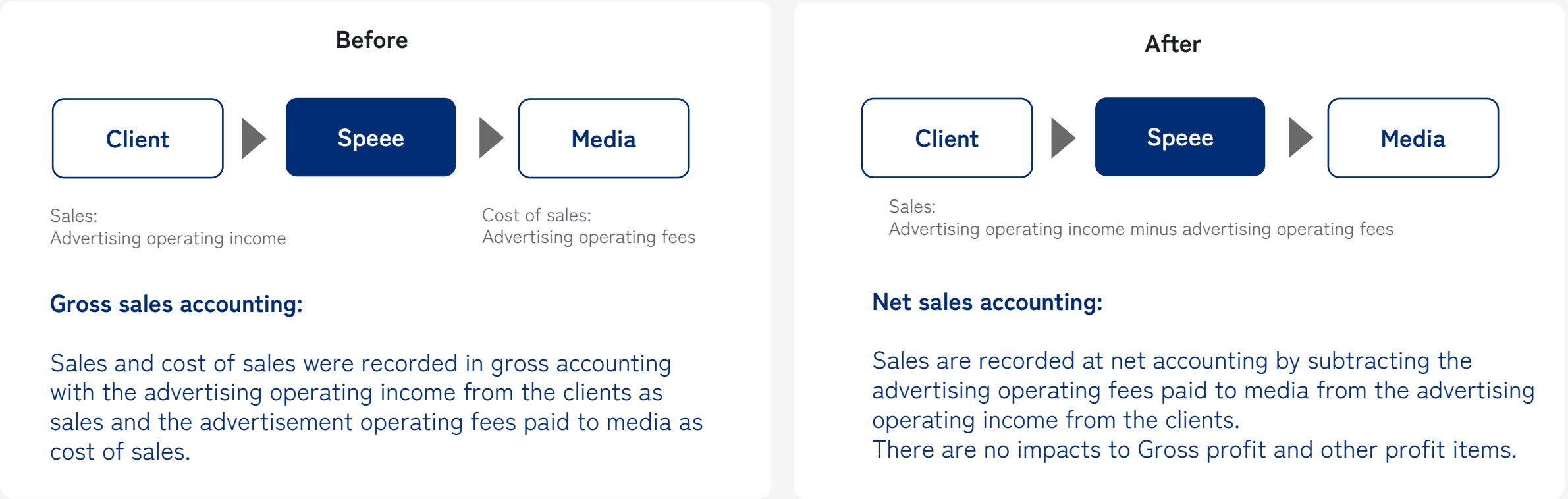
Corporate History

November	2007	DX Consulting	Established Speee, Inc. Launched “Web analytics” business
October	2013	DX Consulting	Launched “Trading Desk” business for digital advertisement focused on DSP
January	2014	Legacy Industries DX	Launched “leul” business , a matching service for the sale of existing real estate properties
December	2015	Legacy Industries DX	Launched “Nurikae” business , a matching service for exterior renovation
April	2016	DX Consulting	Launched “UZOU” business, a native advertisement distribution platform
March	2018	Finance DX	Established Datachain, Inc. (currently a consolidated subsidiary), a domestic subsidiary engaged in data platform business based on blockchain technology
October	2018	DX Consulting	Launched “Bantner” business, a marketing support service that utilizes data integration method and predictive technology.
August	2019	DX Consulting	Established ThinQ Healthcare, Inc. (currently a consolidated subsidiary), a domestic subsidiary
July	2020		Listed on the JASDAQ market of the Tokyo Stock Exchange
December	2020	Legacy Industries DX	Launched “Caresul” business, a matching service in the care and welfare fields
October	2021	DX Consulting	Launched “SPEC” business, a DX consulting service for the corporate strategy.
September	2023	Finance DX	Co-founded Progmatt, Inc. to build a national infrastructure for the digital asset market.
October	2023	DX Consulting	Launched “Comple” business, an automated reminder system SaaS business from ThinQ Healthcare, Inc
September	2024	Finance DX	Launched “Project Pax,” a project to establish a cross-border stablecoin remittance infrastructure



Adoption of accounting standards for revenue recognition

- Effective from 1Q of FY22, “Accounting Standard for Revenue Recognition” is applied.
- Recognition of advertisement sales changed to net accounting in DX Consulting.



Effective from 1Q of FY22, "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and related standards are applied. For the purpose of comparability, the results of DX Consulting segment for FY21 are presented as if the standards had been applied.

Sustainability Initiatives



Society and sustainability that we aim for:

- We aim for a diverse society where everyone can enjoy rich digital experiences and feel fulfilled by focusing to their own work

1

Rich digital experiences

We aim to create an ecosystem through DX where people can continue to receive the rich consumer experiences without any loss of enjoyment.

2

Fulfillment by focusing more into their own work

Through the ecosystem we create, we want to realize an environment where people can delegate the work to digital and feel fulfilled by focusing more to their own work according to their individual lifestyles.

3

Integrated diversity

We want to encourage the development of a society that recognizes truly integrated diversity, not just diversity based on the accumulation of individualism.



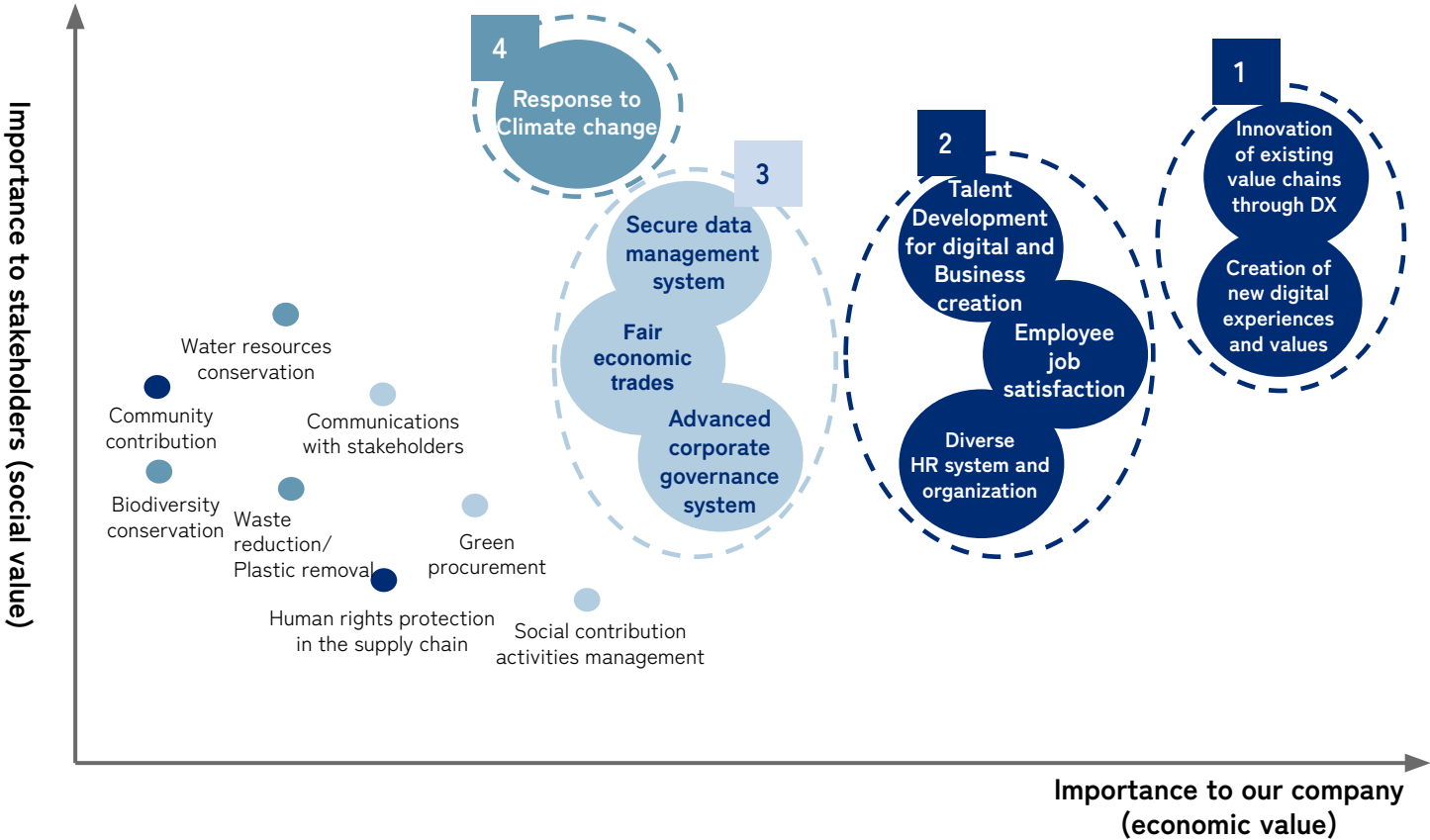
Identified materiality in our sustainability management

Materiality

1	Social: Creation of new value chain through Digital Transformation
2	Social: ‘Biz Dev’ talent development
3	Governance: Strong and sustainable management system
4	Environment: Response to climate change



Materiality map





Part of our initiatives:

Environment



Secondary distribution/increasing the useful life of used household

Stimulating social transaction and contributing to the reduction of waste material by increasing the useful life of household



Reduction of energy and CO₂ by online business activities

All business activities including sales can be completed online in daily work



Paperless business

Reducing traditional flyer distributions by customer attraction on the web system in real estate industry

Social



Efficiency through matching projects

Contributing to deliver necessary information directly to those who want to know more



Enhancing corporate e-commerce

Maximizing the profits of client companies as well as improving the customer and consumer experiences

Governance



Strong and secure governance

Further strengthening governance structure by transition to audit supervisory committee from board of auditors



Risk management and compliances

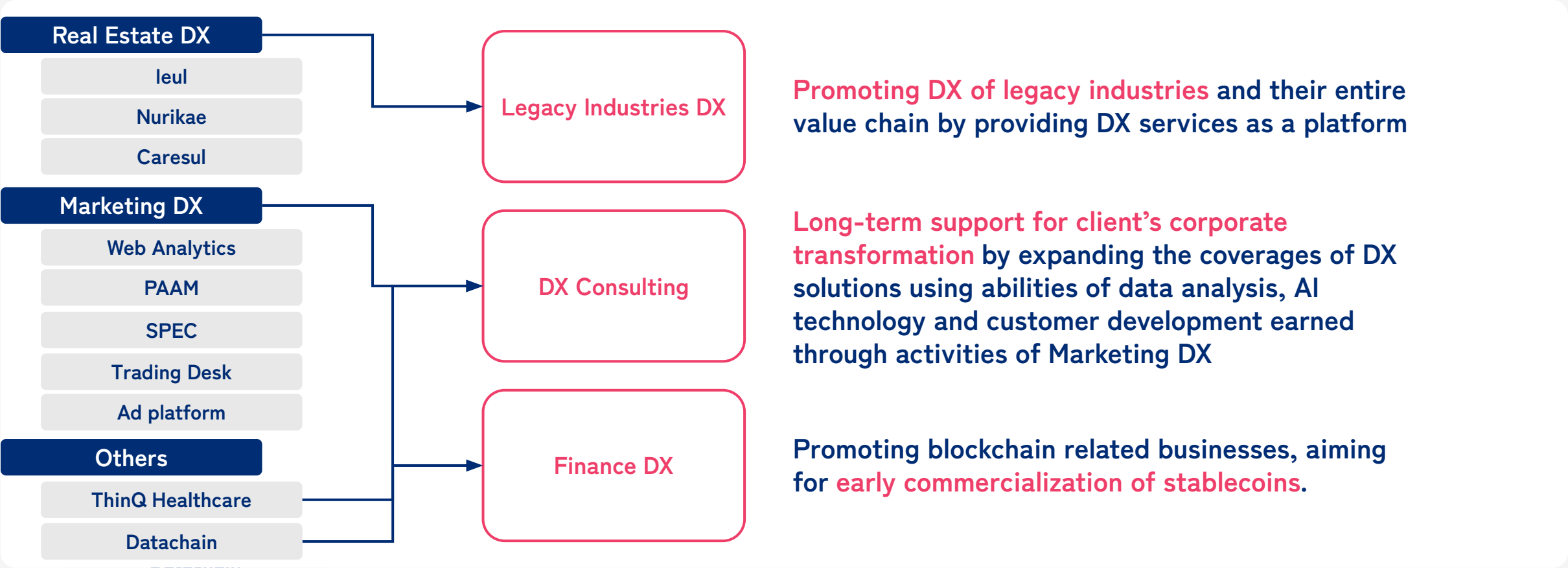
Continuing employee training programs for information security and compliances

Business Overview



Change of segments

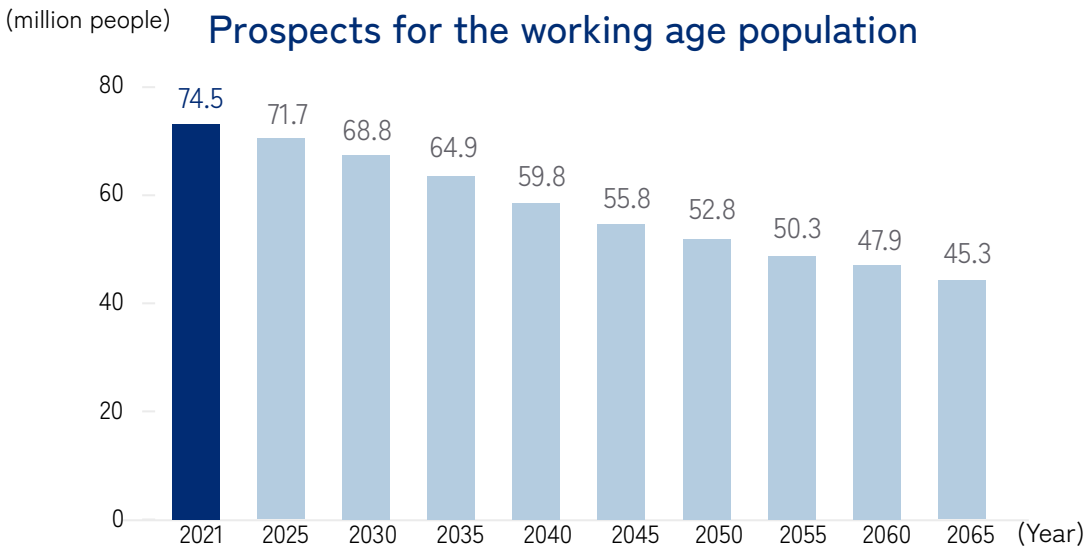
Applied from FY2024, Segments are reclassified due to change in the business environment and evolution of services offered.





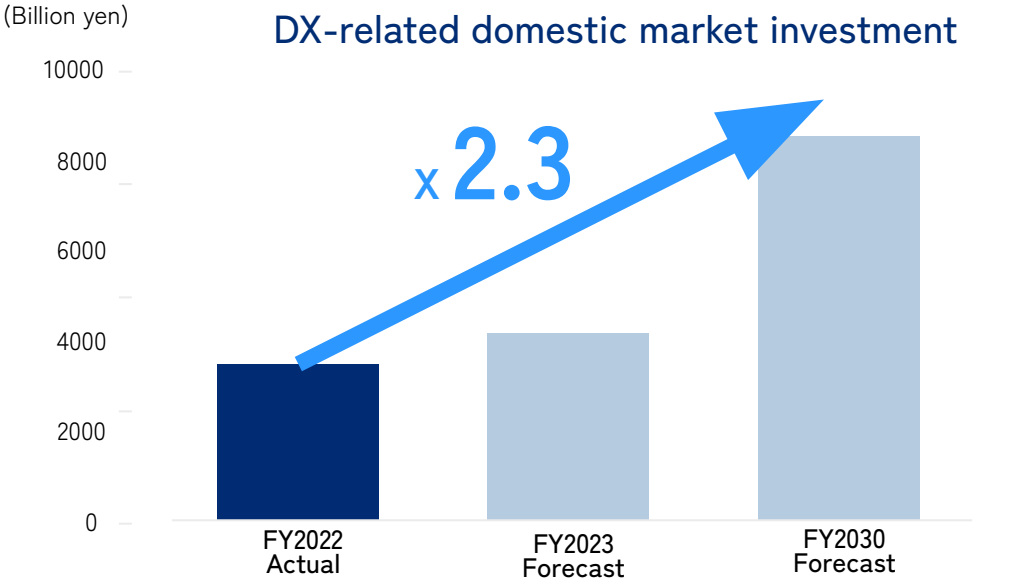
Speee’s DX ideas

- We contribute to improving overall societal productivity by promoting DX in legacy industries through the social implementation of blockchain and AI.



Source: 2022 White Paper on Ageing Society, 2022 edition, Cabinet Office.

Sustainability of the industry is at a stake in a society with declining birthrate and working age population

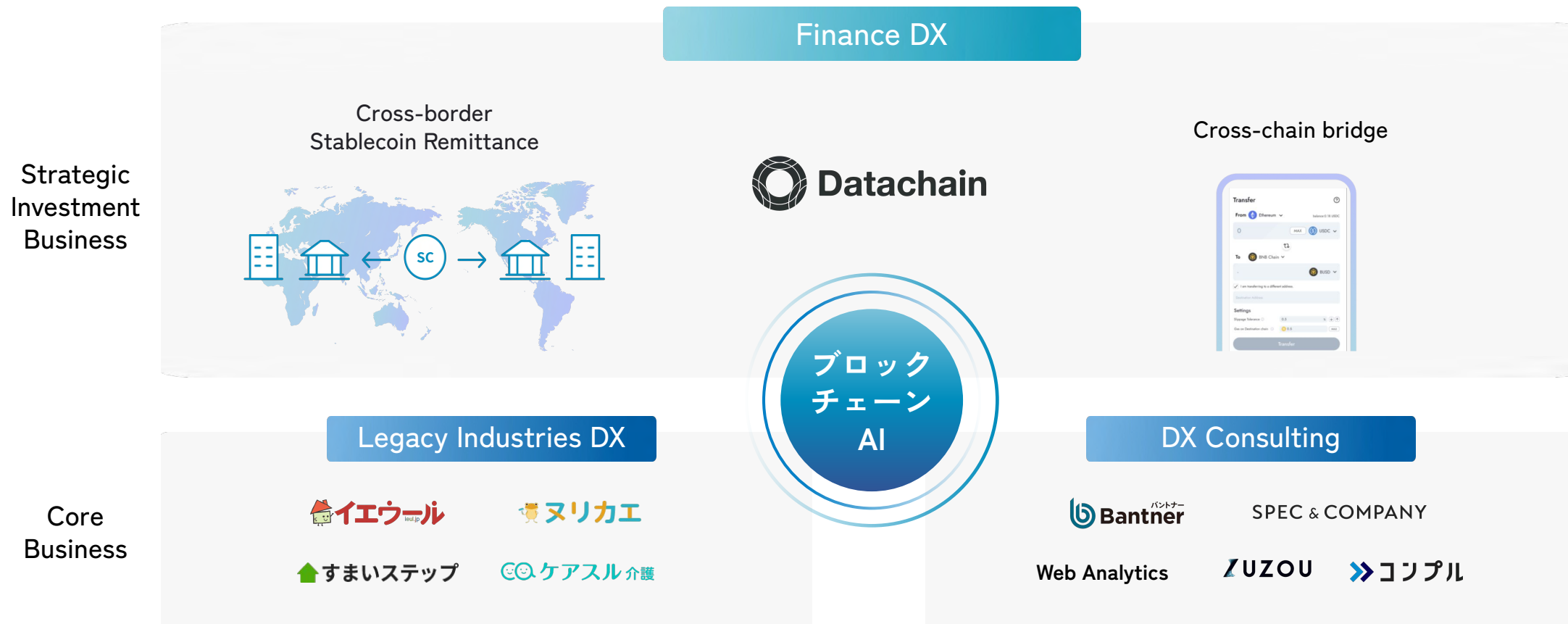


Source: Fuji Chimera Research Institute, 'DX-related domestic market (investment)' (2024).

The creation of a new business economy based on digital technologies such as AI and blockchain is essential



Business Overview



We drive DX across legacy industries by advancing the social implementation of blockchain and AI.



Company growth strategies

- Aiming for further growth with Finance DX where a large and rapid market growth can be expected, in addition to the high growth of Legacy Industries DX and DX Consulting

Finance infrastructure business development using blockchain

Promoting DX of the two major costs of legacy industries, marketing and sales.

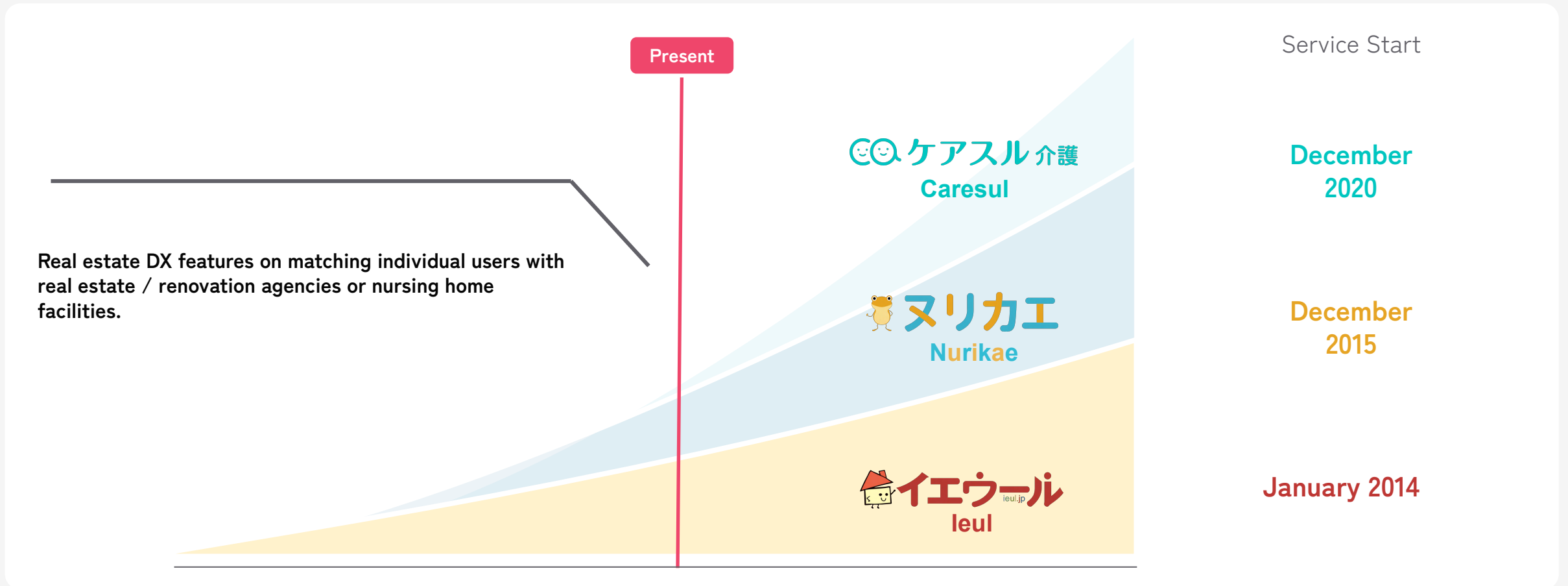
Promoting DX by leveraging data analysis capabilities cultivated since the company's establishment





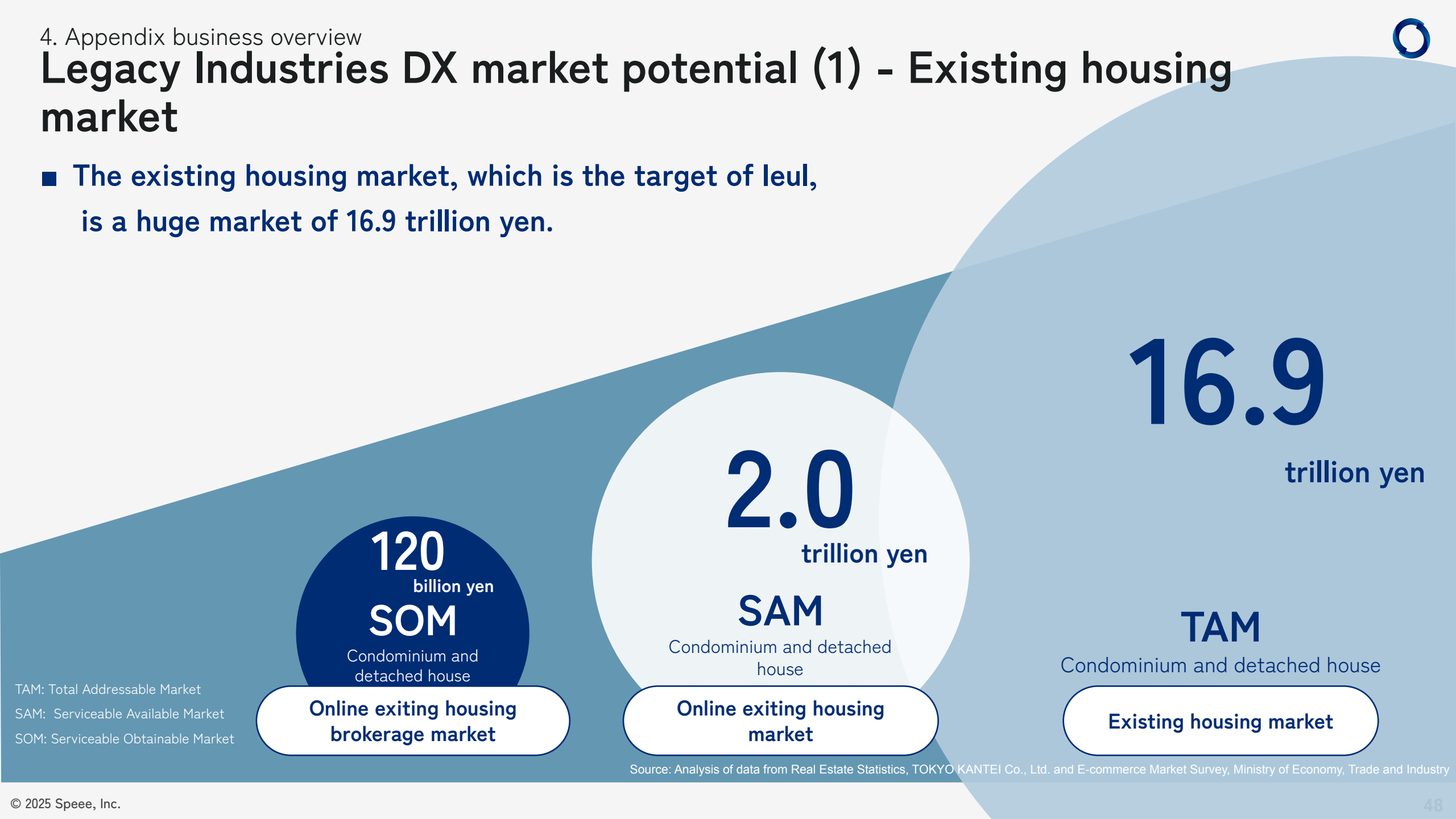
Legacy Industries DX – Vision for future growth

- Same business model is used for each service.
- Model with higher profitability due to business expansion.



Legacy Industries DX market potential (1) - Existing housing market

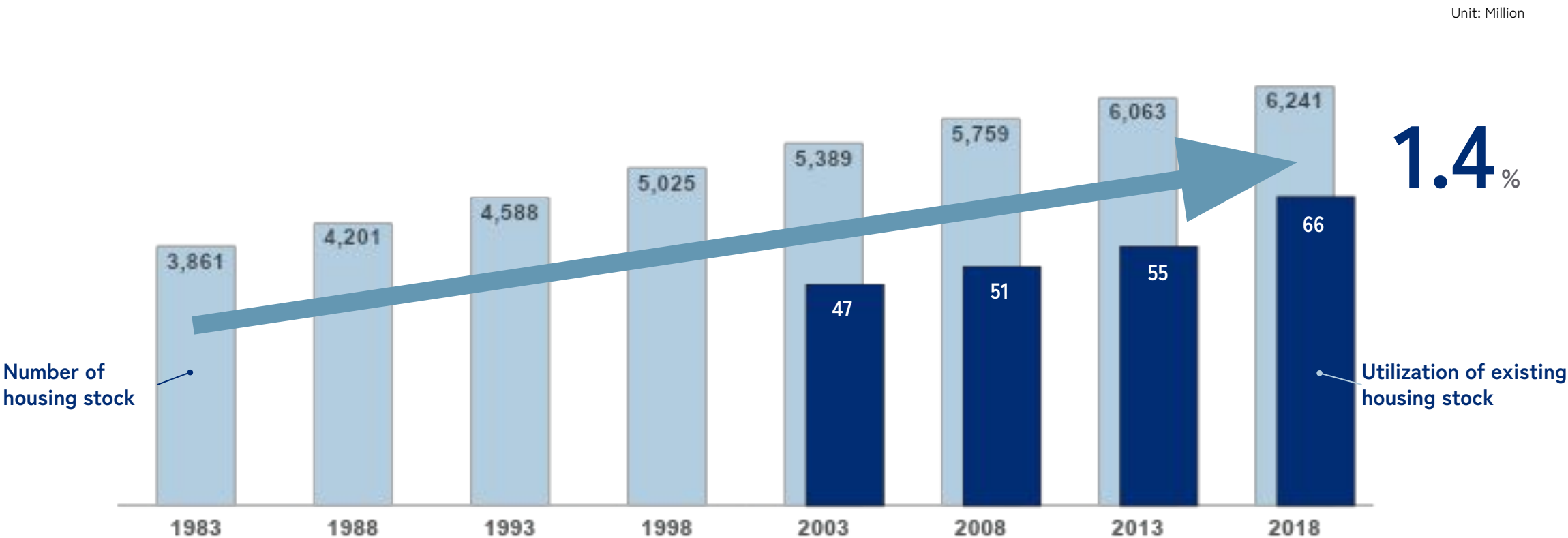
- The existing housing market, which is the target of leul, is a huge market of 16.9 trillion yen.





Legacy Industries DX market potential (2) - Number of housing stock

- The number of housing stock, which is the base of the existing housing market, is increasing every year, and the utilization has been accelerating in recent years.

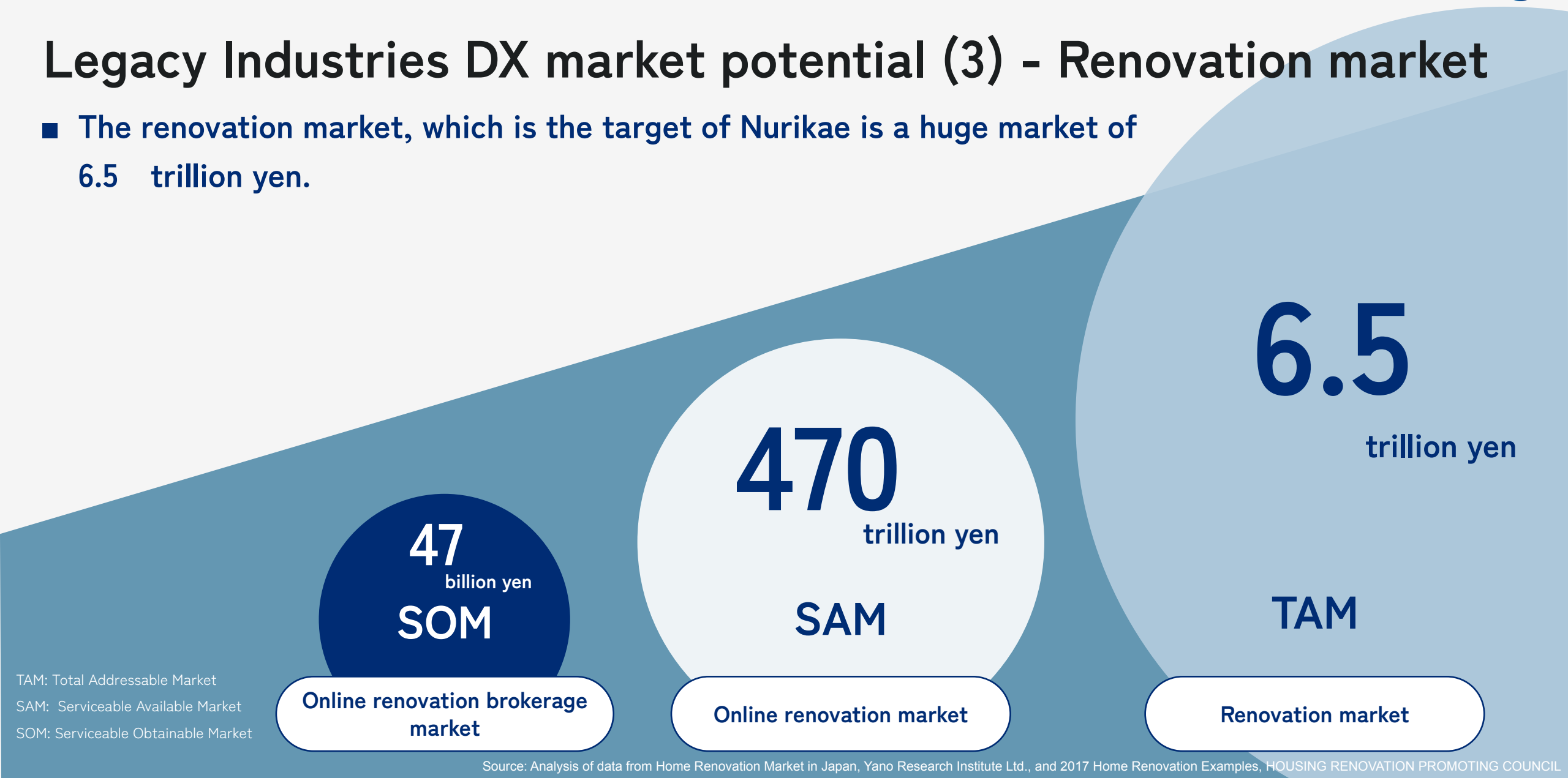


Source: Data from Housing and Land Survey, Ministry of Internal Affairs and Communications, and Real Estate Statistics



Legacy Industries DX market potential (3) - Renovation market

- The renovation market, which is the target of Nurikae is a huge market of 6.5 trillion yen.



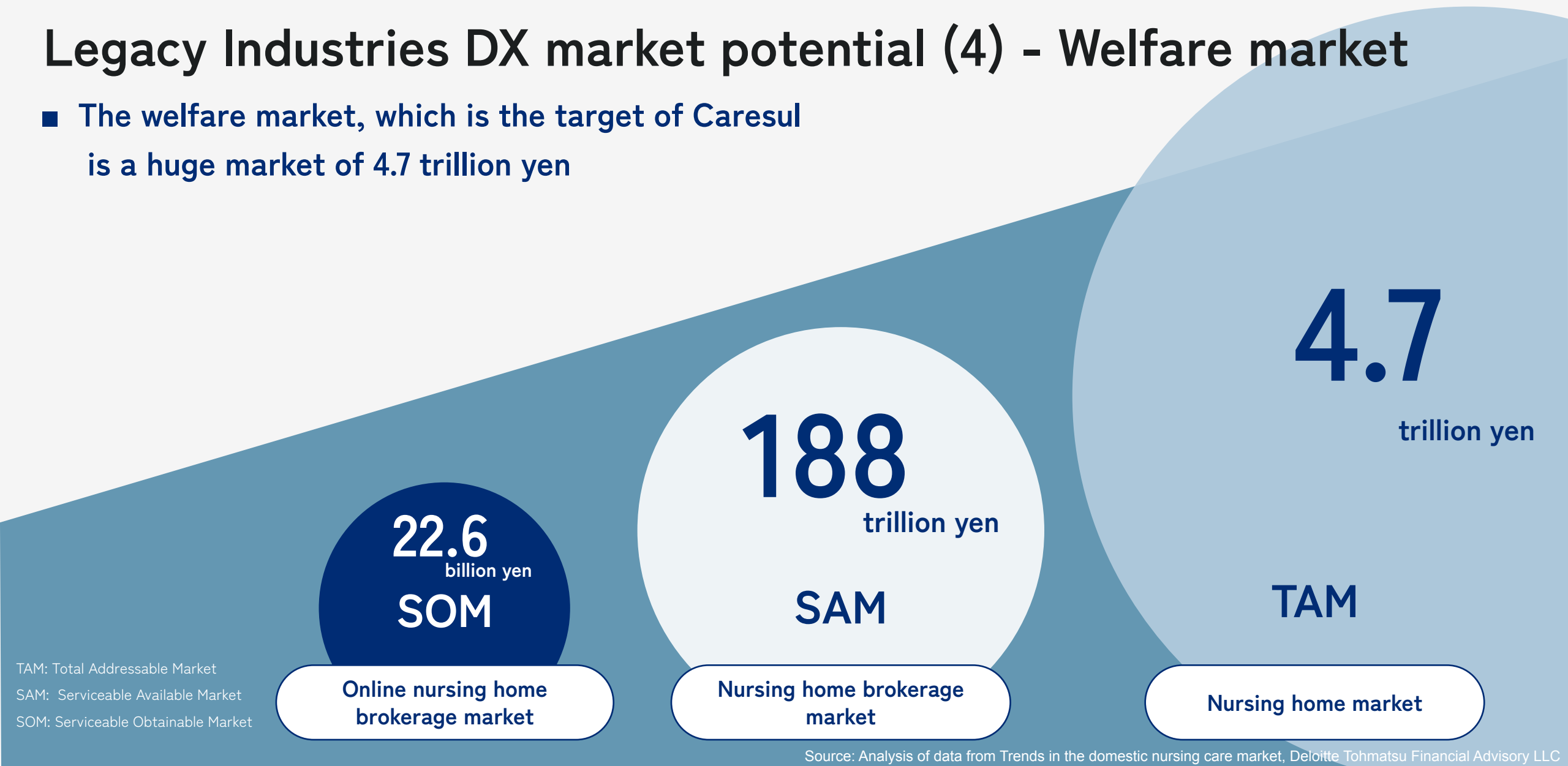
TAM: Total Addressable Market
SAM: Serviceable Available Market
SOM: Serviceable Obtainable Market

Source: Analysis of data from Home Renovation Market in Japan, Yano Research Institute Ltd., and 2017 Home Renovation Examples, HOUSING RENOVATION PROMOTING COUNCIL



Legacy Industries DX market potential (4) - Welfare market

- The welfare market, which is the target of Caresul
is a huge market of 4.7 trillion yen



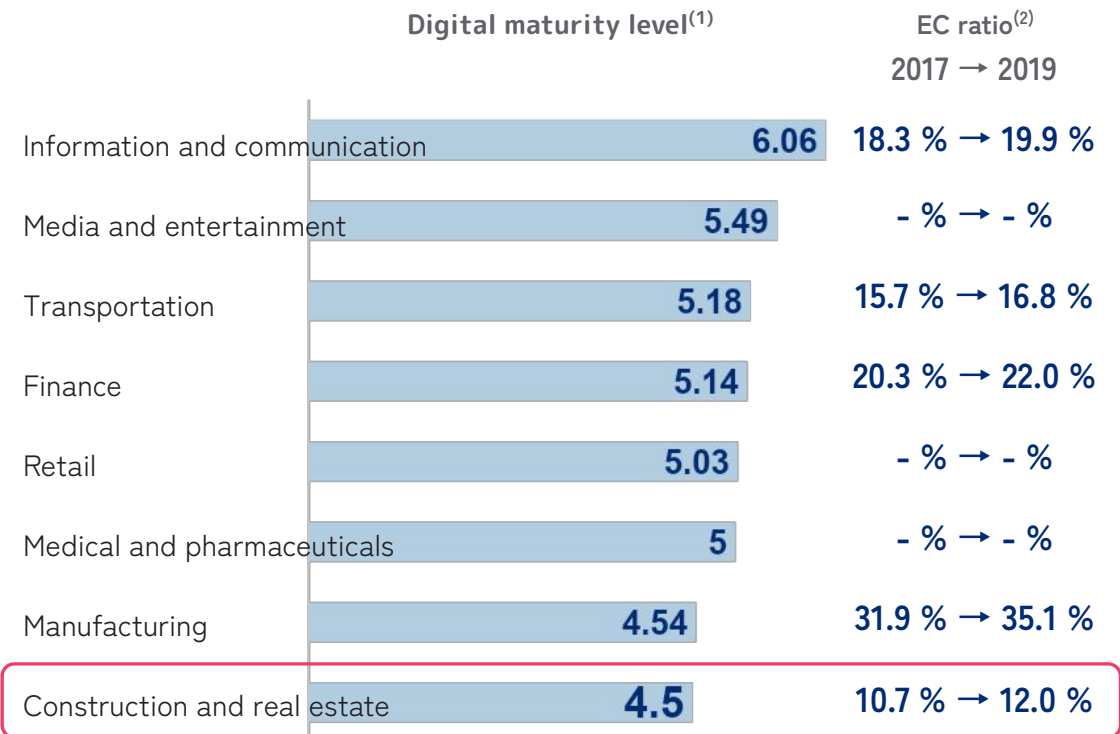
Source: Analysis of data from Trends in the domestic nursing care market, Deloitte Tohmatsu Financial Advisory LLC



Legacy Industries DX market potential (5) - Room for DX

- Real estate market has lagged other industries in adopting DX. With support from the government policy, the trend toward digitalization is expected to accelerate in the future.

Digitalization in the Real Estate Industry

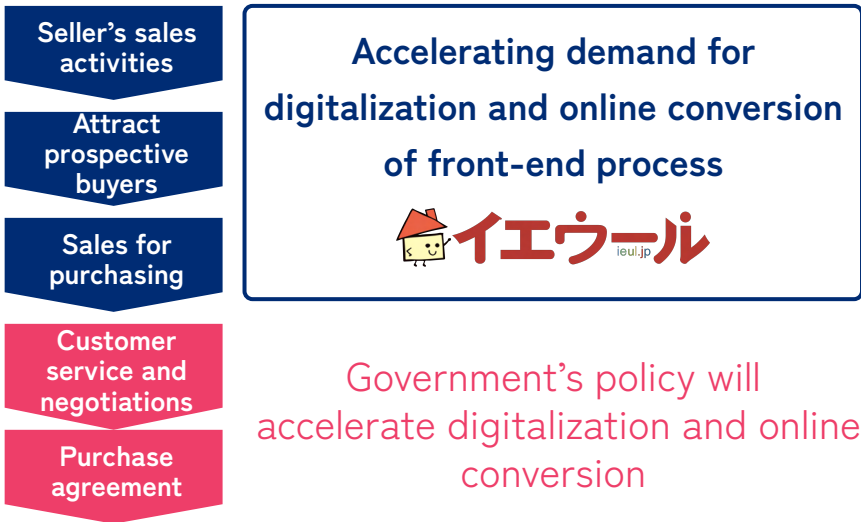


(1) Digital Business Global Executive Study, Kane, et al. (2015)
(2) E-commerce Market Survey, Ministry of Economy, Trade and Industry

Trend of Digitalization in the Real Estate Industry

Revised Building Lots and Buildings Transaction Business Act is in place since May 2022.

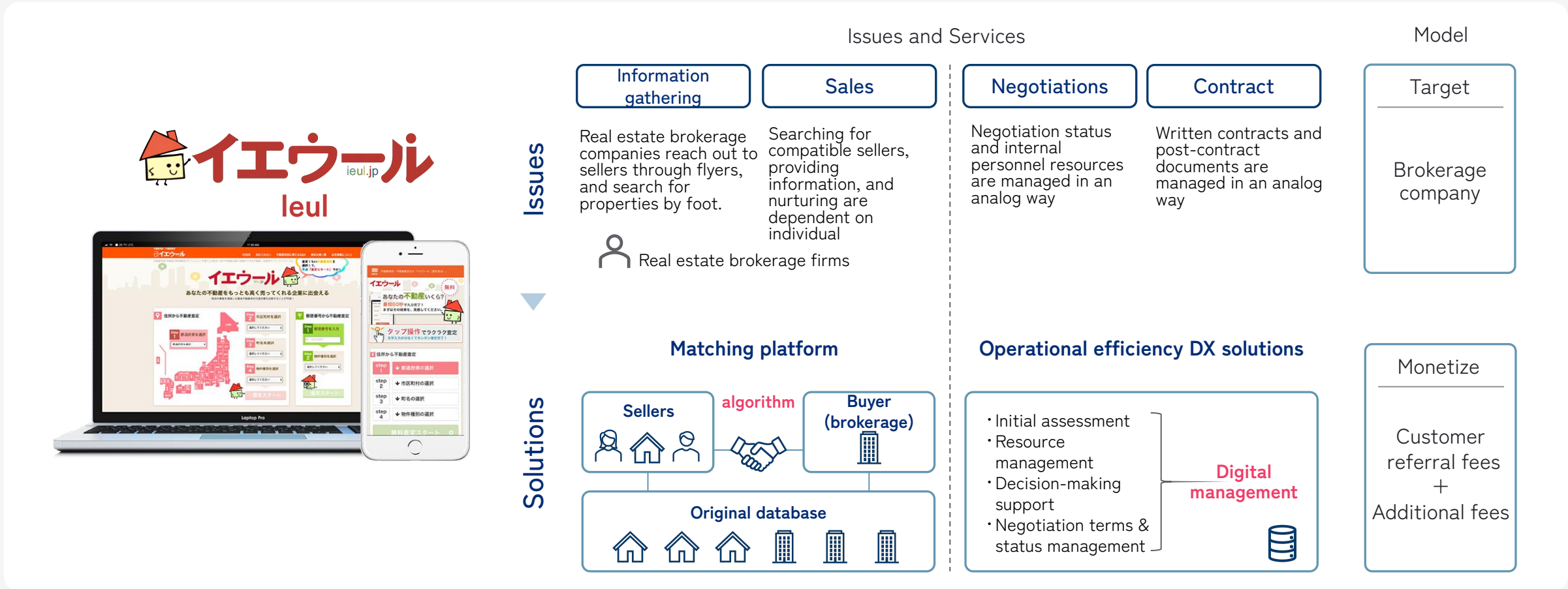
Digitalization and online promotion are accelerating in areas of contractual procedures for real estate transactions





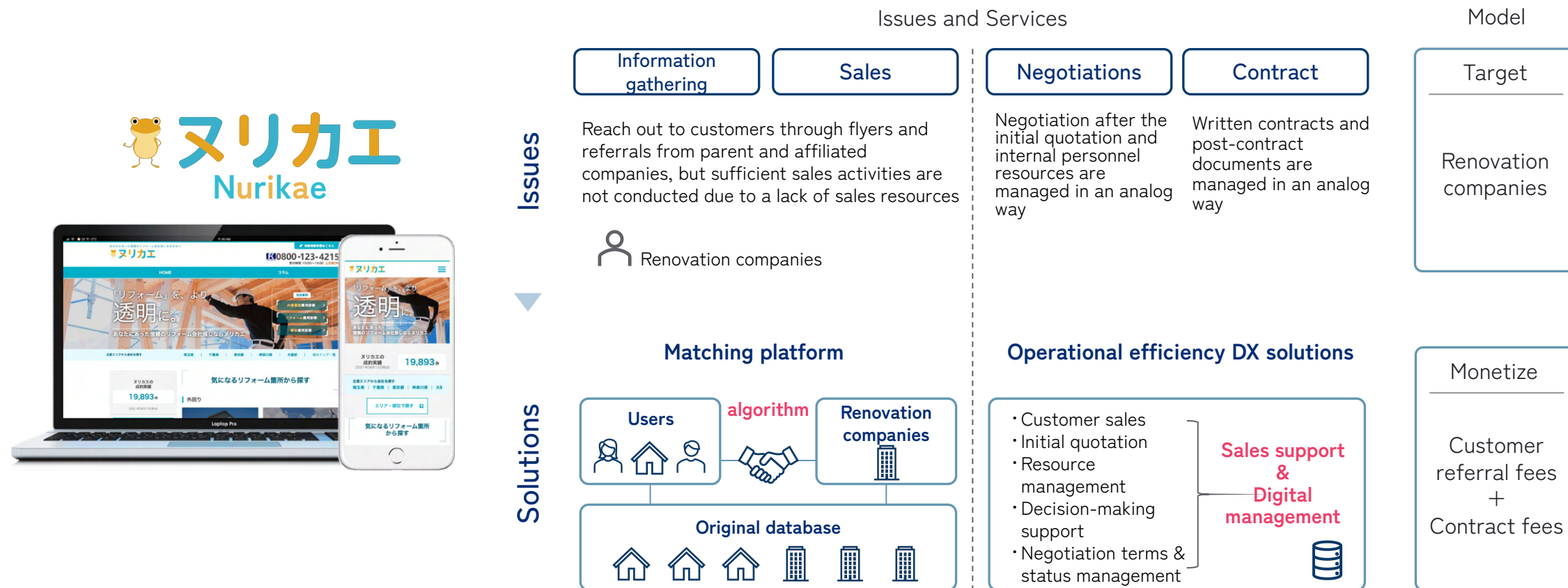
Legacy Industries DX business model: leul

- leul solves the difficulties of traditional operations of real estate brokerage companies centered on offline with a matching platform and operational efficiency DX.



Legacy Industries DX business model: Nurikae

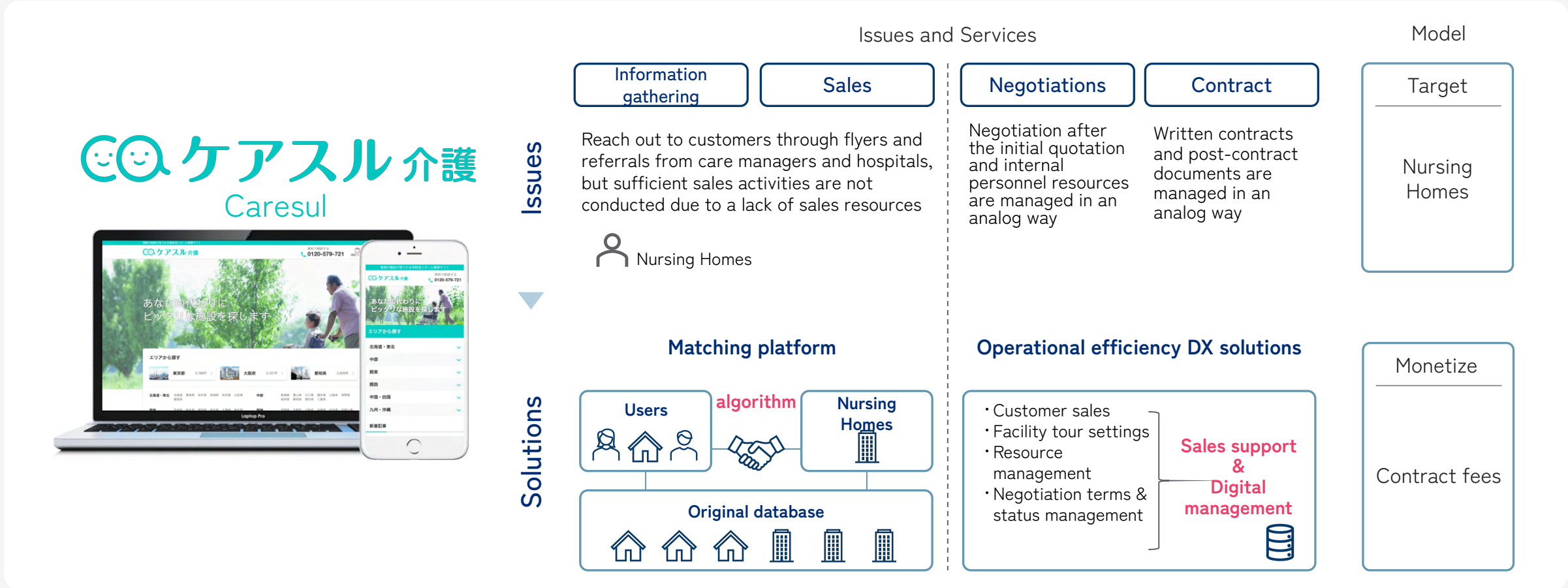
- Nurikae solves the difficulties of traditional operations of renovation companies centered on offline with a matching platform and operational efficiency DX.





Legacy Industries DX business model: Caresul











- Caresul solves conventional offline operations at nursing homes with matching platform and business efficiency DX.





Legacy Industries DX - Adoption of Sales DX Products

- Promoting DX of each business process of the member firms through multi-product deployment.
- Development and launch products in domain other than real estate are planned.

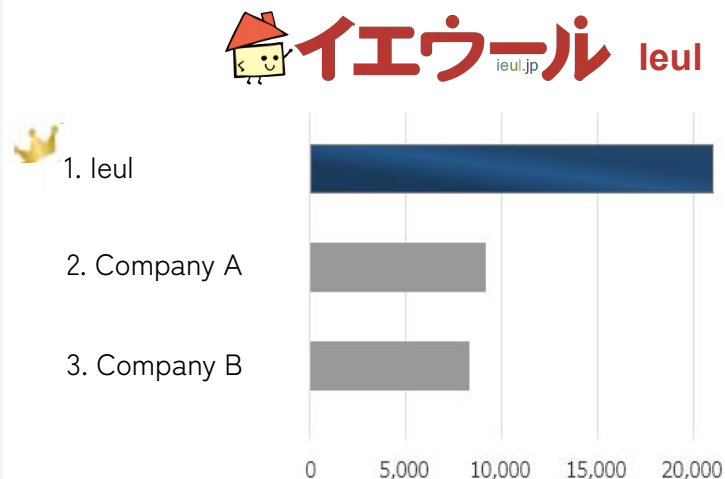
Operation flow of the member firms				
Sales DX products	 Assessment	 Sales	 Preview	 Contract
 AI assessment				
 Sales support				
 CRM				
...				



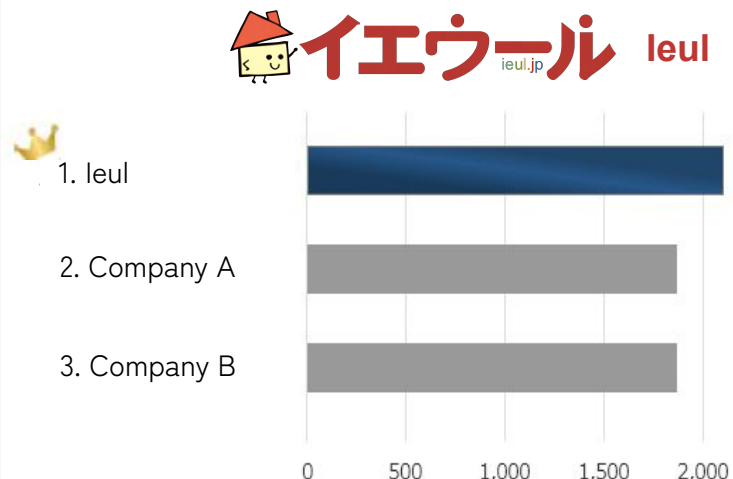
Legacy Industries DX - Results of ranking survey

leul ranked No.1 in all category — number of users, number of member companies, and area coverage — in the ranking survey on real estate batch assessment site.

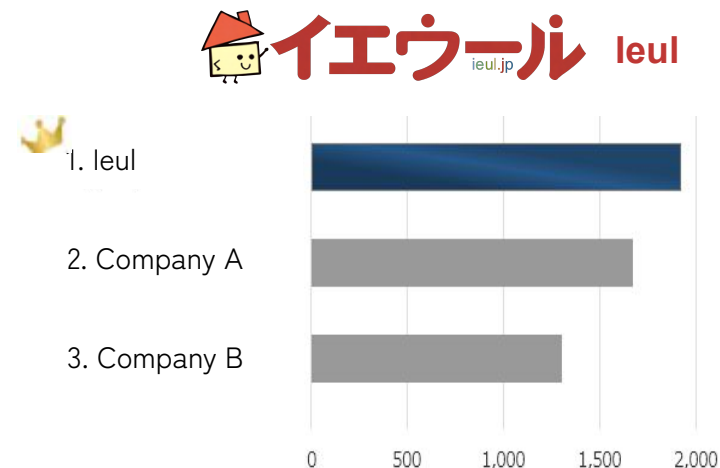
Monthly number of users



Number of member companies



Area coverage





Legacy Industries DX - Results of ranking survey

Nurikae ranked No.1 in all key categories — number of users, number of contracts, total transaction volume, number of listed companies and number of published reviews — in the survey on exterior wall painting.





Legacy Industries DX - Strengthen ability to attract customers

- Continuously strengthen our ability to attract customers by enhancing our services and partnering with other media.

Our Services



Increasing in the number of partner media



Send
Users



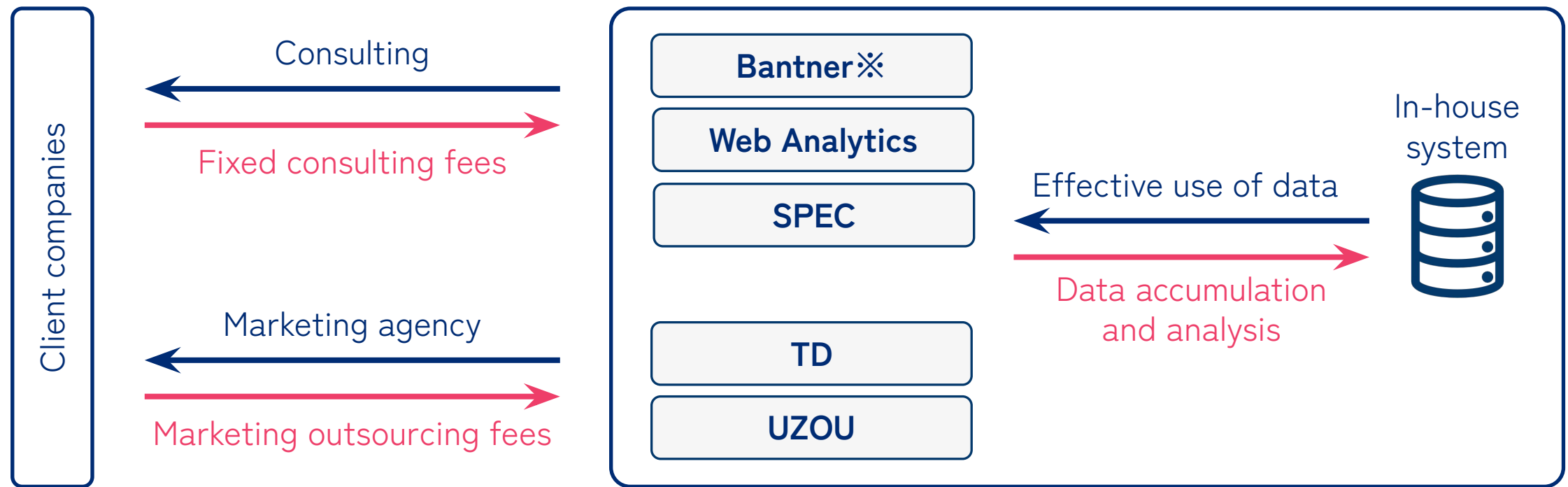
Team up with real estate batch assessment website and send prospect customers to “leul”, “Nurikae” and “Sumai step”

Strengthen ability to attract customers



DX Consulting business model

- Provide consulting services to support from planning to executing in the marketing field by analyzing and effectively utilizing data accumulated through the business.



※former name : PAAM



DX Consulting Services

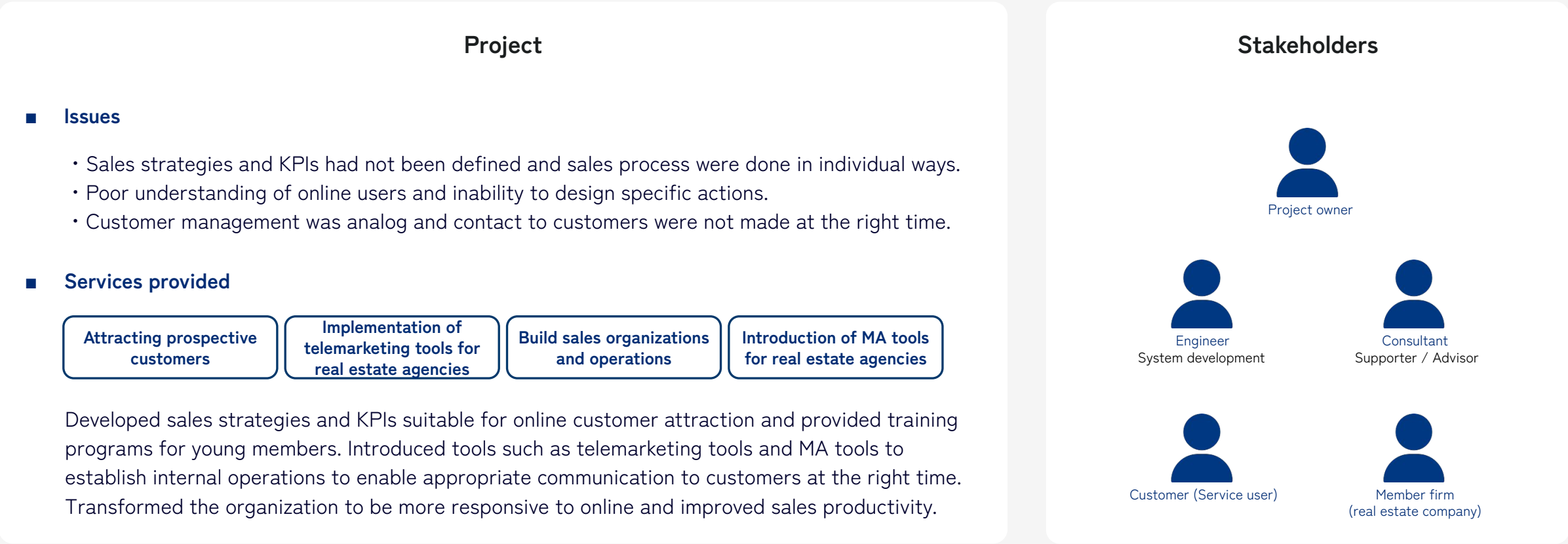
■ Providing consulting services such as sales, marketing and operational efficiency based on data

Client	Small and medium sized manufacturing company	Major manufacturer
Service	Accompanying corporate DX support <ul style="list-style-type: none">• Provide companion support in offensive DX such as sales and marketing, and defensive DX with a focus on operational efficiency• Support development of data integration platform that integrates sales activity, marketing and other core data to identify customer needs• Achieved 200% increase in the number of business negotiations through upgraded sales and marketing activities using SFA/MA.• Provided back office DX support for operational efficiency• Support for promotion of AI use with focus on generative AI	Marketing data utilization strategies <ul style="list-style-type: none">• Integrated data across group companies to analyze loyalty and communication optimization<ul style="list-style-type: none">- Integrate data held by multiple group companies and performed cross sectional loyalty analysis- Customer labels are assigned using proprietary algorithm for optimum communication (e.g. recommending optimal products by capturing changes in life events)• Generalized process of customer analysis and marketing planning by implementing data integration infrastructure and avoid data split among corporate staff
Supporting areas	<ul style="list-style-type: none">• Data utilization (data integration platform)• Sales DX• Marketing DX	<ul style="list-style-type: none">• Data utilization (data integration platform)• Marketing sophistication• Marketing process generalizations



Case study: Support for real estate companies’ DX

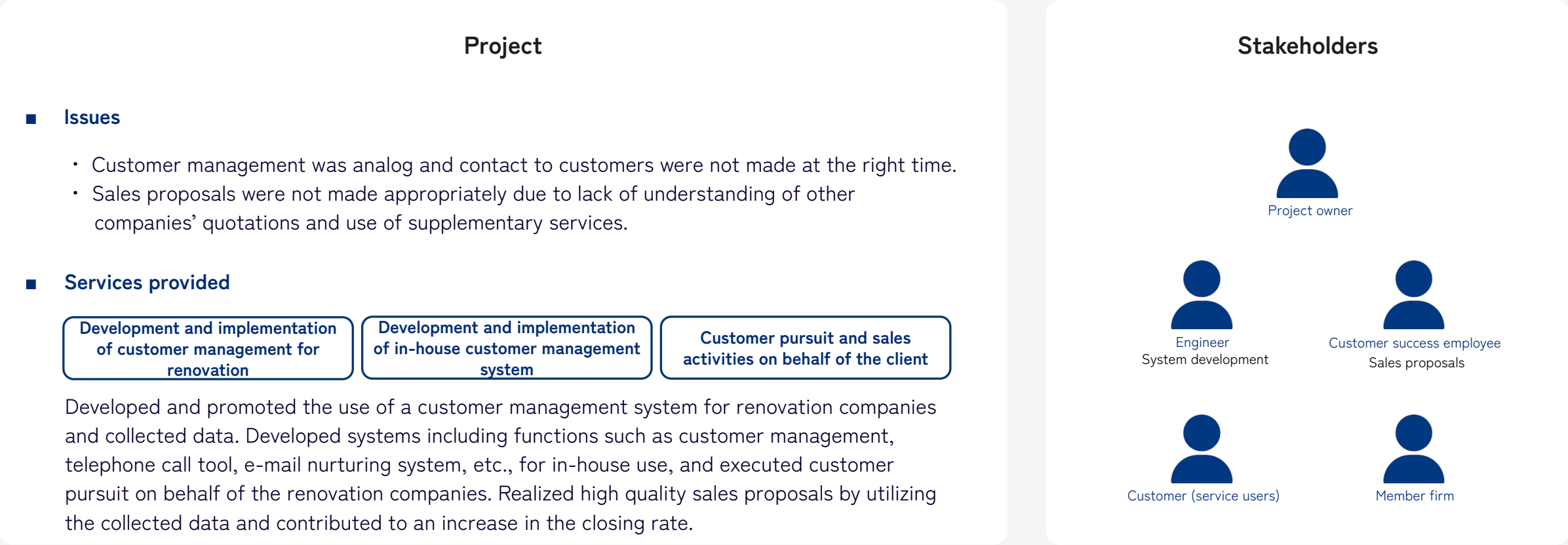
- Support from sales DX strategy to execution to a real estate companies with service flows based on traditional offline customer attraction. Contributed by improvement in sales productivity with providing DX solutions and establishment of online-optimized sales teams.





Case study: Support for renovation companies' DX

- Provided DX services to small and medium renovation companies, where most of the operations were analog. Contributed by in combination of implementing in-house systems and forming operations for customer management and resulted in higher closing rates.





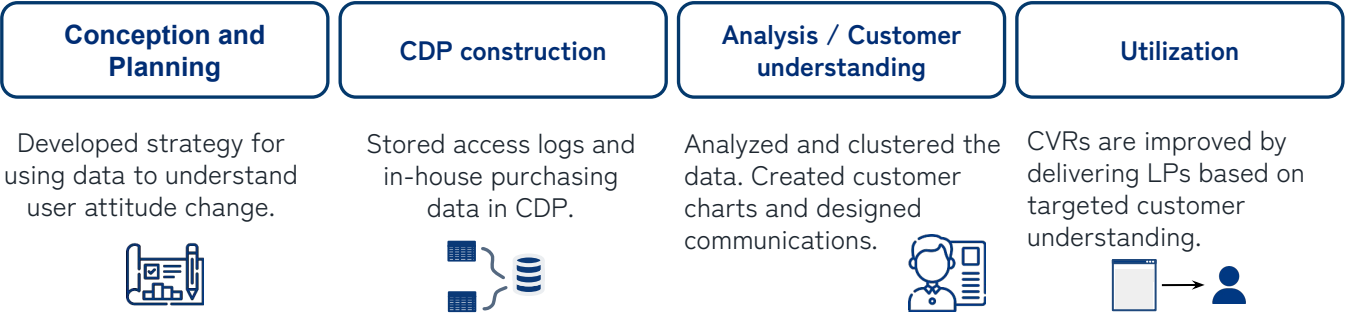
Case study: DX support for BtoBtoC company

- Provided support for a major foreign healthcare/toiletries company from marketing DX strategy to execution. Support themes expanded to include web marketing, brand site optimization, etc. derived from data utilization support.

Project

- Issues
 - Lack of user understanding and communication design
 - Failure to implement data-driven PDCA (Plan-Do-Check-Act) cycle for campaign initiatives, etc.
 - Not knowing the demographics of users with a high return on investment

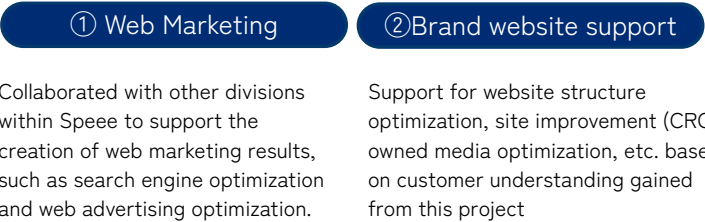
- Services provided



Team



Derivative project





Case study: DX support for BtoBtoC company

- Supported Iris Ohyama Inc. from CDP development to execution of marketing and sales initiatives, achieving efficiency gains and enhanced sophistication. We continue to support the establishment of these practices.



Project

■ Issues

To further enhance its strengths in identifying business opportunities and accelerating business development, the company aimed to integrate and leverage dispersed internal data to streamline and enhance sales and marketing operations.

■ Services provided

CDP Development	Discovery of Promotion Opportunities	Marketing Efficiency Improvement	Sales and Marketing Sophistication
Accumulated access logs and in-house purchasing data into the CDP.	Identified products with high cross-selling potential and customers with high likelihood of purchasing target products.	Standardized the customer analysis process by developing manuals and templates for product planning and promotions.	Organized sales operations including SFA (Sales Force Automation) construction, designed ideal processes, and restructured and re-established MA (Marketing Automation) operations to ensure sustainable operation.

Team



Derivative project

① Web Strategy Planning	② E-Newsletter Performance Improvement
Based on data analysis such as access logs, we defined customer value propositions for the corporate website and supported the planning of its ideal structure.	Continuously proposed improvement measures to enhance lead generation and effectiveness of e-newsletters, aligned with a wide range of product offerings.



Case study: DX support for BtoB company

- Supported a manufacturing company from sales DX strategy to execution. Expanded our support themes further to include web marketing and DX human resource recruitment.

Project

■ Issues

- Sales strategies and KPIs had not been defined and sales process were done in individual ways.
- Salesforce was in place but not been used to improve sales activities
- Failure to visualize marketing results.

■ Services provided

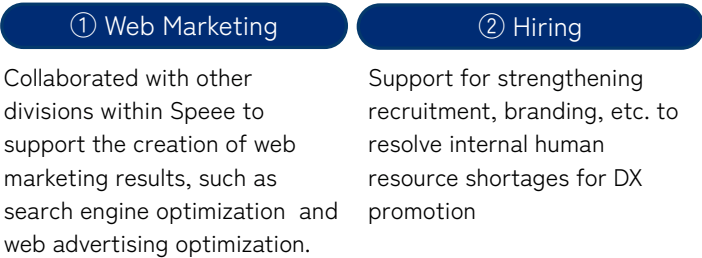


Developed sales and marketing strategies by the identified organizational issues that rose from conducting on-site interviews. Designed and built Salesforce and Pardot, created dashboards and transformed the organization to manage sales and marketing centrally to make data-driven decisions.

Team



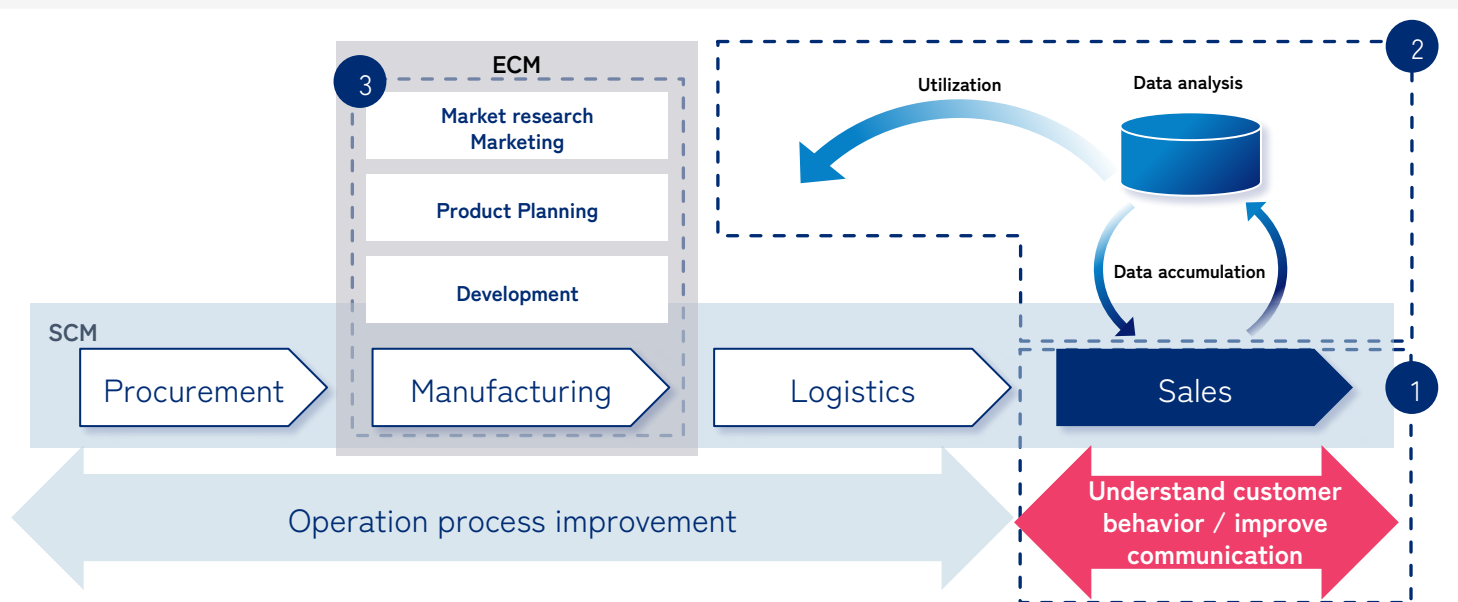
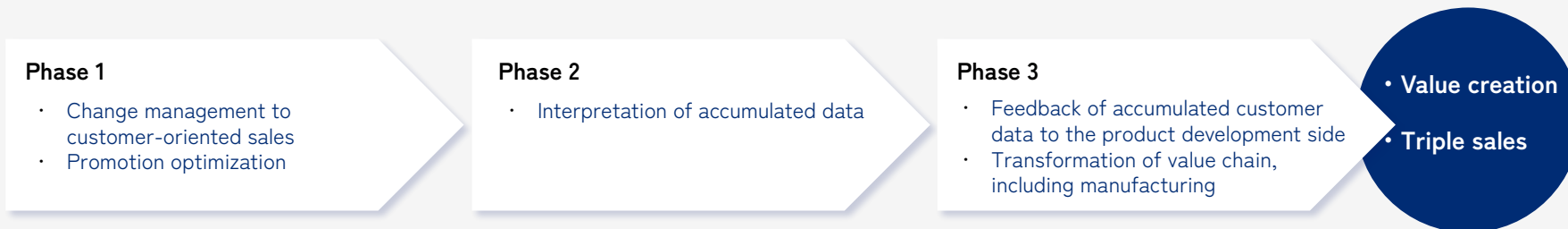
Derivative project





Case study: Manufacturing Value Chain Transformation

The challenge of tripling sales of a historic company in five years



Team structure that maximizes Speee's Capabilities



Datachain

Business

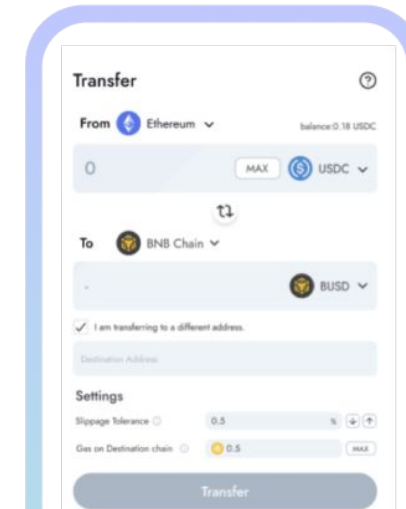
- We seek to capture a substantial market by expanding our operations on a global scale in two key businesses: a stablecoin-based international remittance solution and a cross-chain bridge.

Cross-border Stablecoin Remittance



Remittance solution business that solves the three challenges of "cost," "speed," and "convenience" of international remittances

Cross-chain bridge

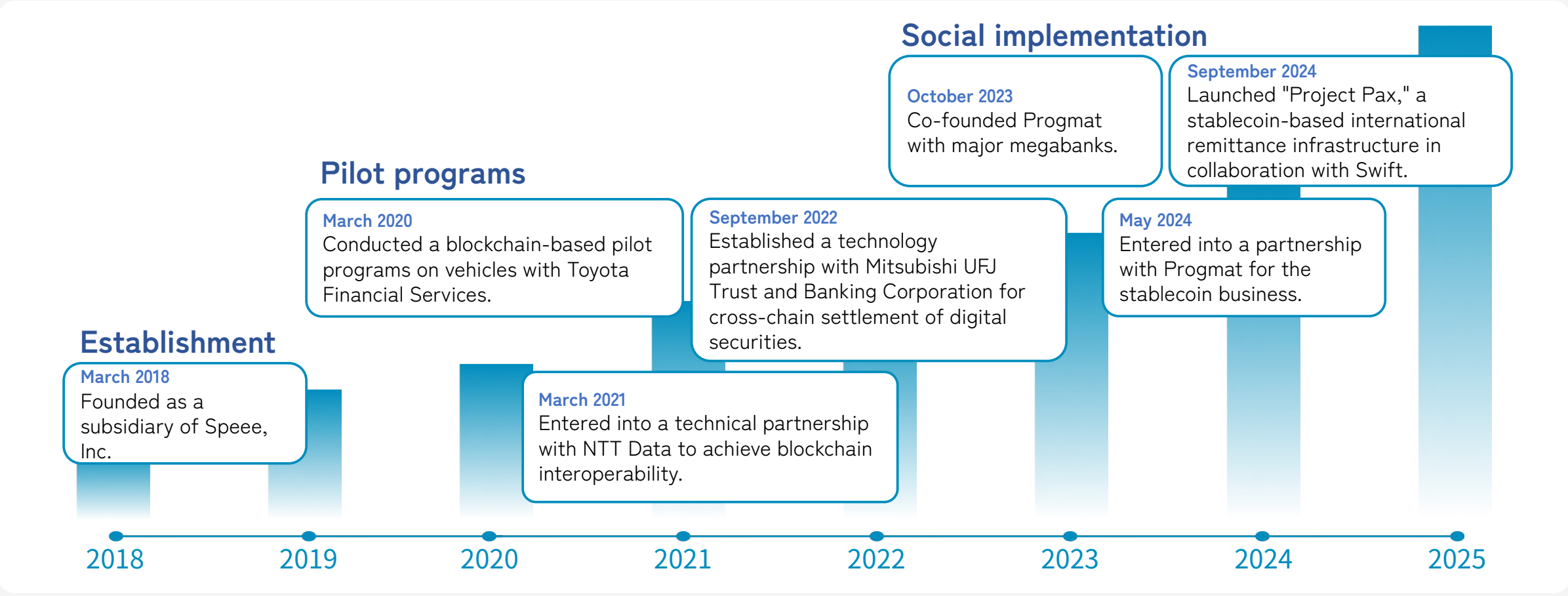


Businesses that enable easy exchange of digital assets between different blockchains



Growth Milestones

- Datachain was established in 2018, and pilot programs with major corporations began in 2020.
- In 2023, we co-founded Progmatic and intensified our efforts to address critical challenges in global finance.





Key Strategic Partners for Business Operations

- We have established strong partnerships with Progmatt and Swift, key players in Japan's and the global financial infrastructure sectors.

progmat

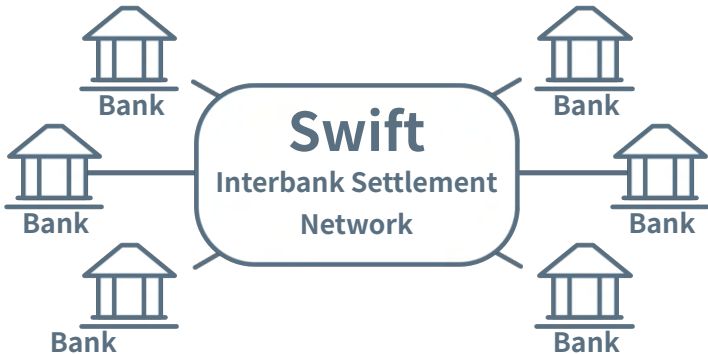
Capital relationship/
Business partner

- ✓ Established in October 2023 through a joint initiative with leading megabank groups, JPX (Japan Exchange Group), SBI Group, and NTT Data.
- ✓ Offers infrastructure for digital securities and stablecoin transactions.



API utilization

- ✓ A global network used by over 11,000 financial institutions across more than 200 countries and regions. It enables banks worldwide to facilitate international transactions using a secure and standardized method.
- ✓ A dominant player in international payments and settlements, Swift holds a significant market share and plays an indispensable role in global financial transactions. It has been leveraged as a critical tool in enforcing economic sanctions, including those against Russia.



Competitive Advantages

- Established competitive advantages through R&D-driven technological capabilities, intellectual property, and business development capabilities.
- Secured a position to target global markets by partnering with Swift, Progmatt, and financial institutions.

Technological Capabilities and Intellectual Property



Protocol connecting multiple blockchains
Developed **the most modules worldwide for IBC**, which connects multiple blockchains.



Developed **LCP middleware** that enables **interoperability**, offering outstanding safety, efficiency, and scalability.



Patent application filed for a remittance system utilizing **stablecoins** in collaboration with Swift.



Business Development Capabilities



Established strong partnerships with global players in international financial infrastructure, such as Swift and Progmatt, ahead of competitors.



Conducted early business validation in the real world, including international remittances using stablecoins, involving major financial institutions, thus creating an environment that is difficult for competitors to enter.

International Remittance Solution Business using Stablecoins





About stablecoins

- The stablecoin issued by Progmatic is stable, with its value being equivalent to that of a fiat currency.
- It is easy to use for commercial transactions and remittances, and is expected to see increased adoption in the market.



Cryptocurrencies with Fluctuating Value Against Fiat Currencies

- ✓ Cryptocurrencies such as Bitcoin and Ethereum function as currencies independent of central banks and governments.
- ✓ Their prices are determined by market demand and supply, making their value highly volatile.

	Backing Assets	Issuer
 Bitcoin	None	Distributed Network
 Ethereum	None	

Stablecoins Backed by Fiat Currencies, Offering Stable Value

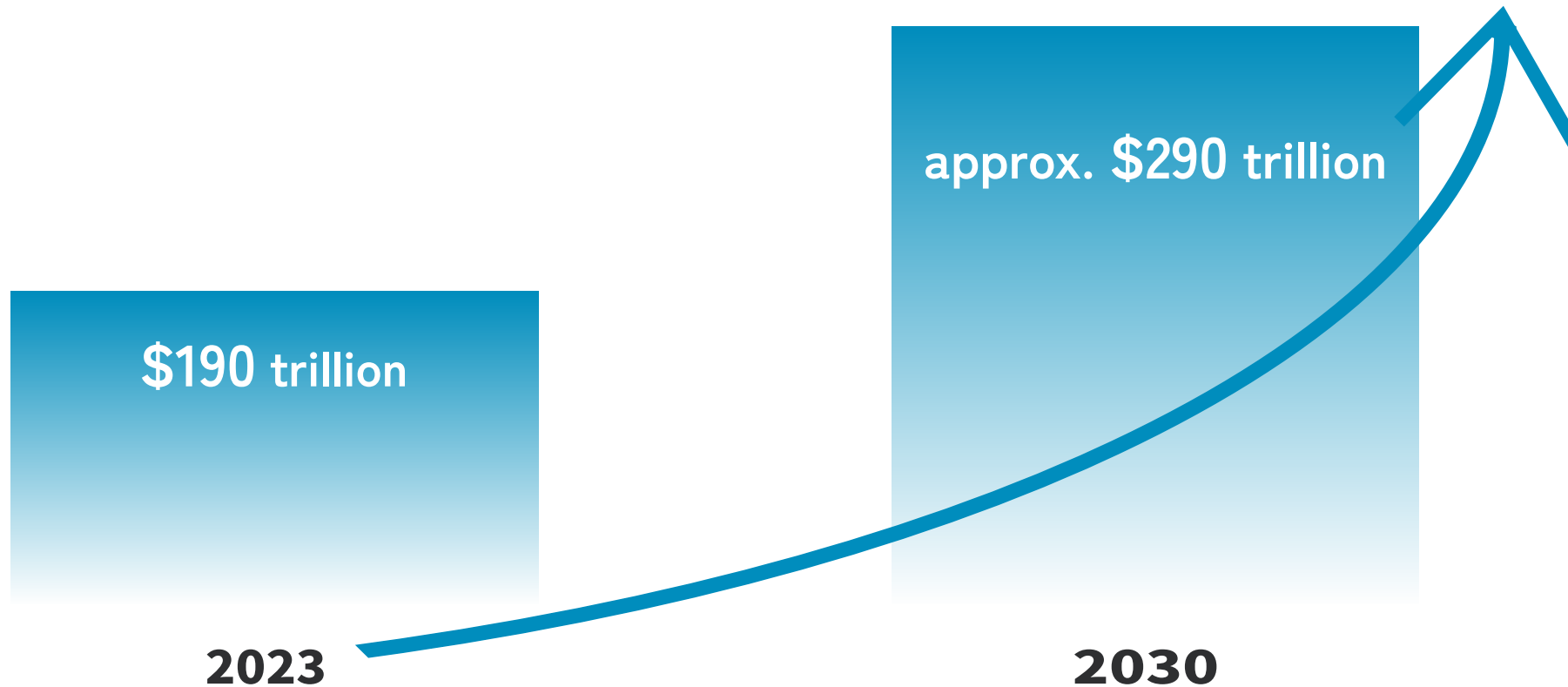
- ✓ Stablecoins are backed by fiat currencies (such as the US dollar or Japanese yen). Since the exchange rate with fiat currencies is fixed, their value remains equivalent to that of the fiat currency.
- ✓ As a result, stablecoins are expected to see increased usage in commercial transactions and remittances in the market.

	Backing Assets	Issuer
 Progmatic SC	USD / JPY / EURO	Trust Bank
 PYUSD	USD	PayPal Inc.



Market Size of the International Remittance Market

- The international remittance market is projected to reach approximately \$290 trillion by 2030, making it an exceptionally large market.
- As the number of global enterprises increases, year-on-year growth is expected.





Challenges in the international remittance market

- There are three key challenges related to the speed, cost, and operations of remittances

Remittance speed is
Slow

International remittances can take several days to several weeks to process, and delays can be even longer when errors occur.

Remittance costs are
High

Currently, remittance costs are very high, with typical fees alone ranging from several thousand yen to tens of thousands of yen.

Remittance procedures are
Inconvenient

The remittance process is not automated and always requires human intervention, making it cumbersome and inefficient.



Benefits of Introducing Stablecoins in International Remittances

- By introducing stablecoins, we can achieve remittances that are "faster, cheaper, and more convenient."

Current remittance speeds range from several days to several weeks



Fast

Remittance speed can be greatly accelerated.

Remittance costs currently range from several thousand yen to tens of thousands of yen



Cost-effective

Remittance costs can be reduced.

Remittance procedures are not automated



24/7 operational

Automated, programmable remittances can be achieved.

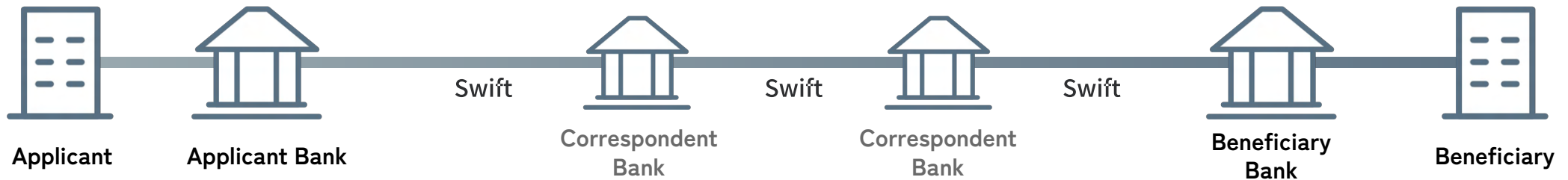


Why the International Remittance Value Chain is Shortened

- Utilizing a stablecoin-based remittance infrastructure enables direct transactions between applicant and beneficiary banks. This significantly reduces process complexity and improves efficiency.

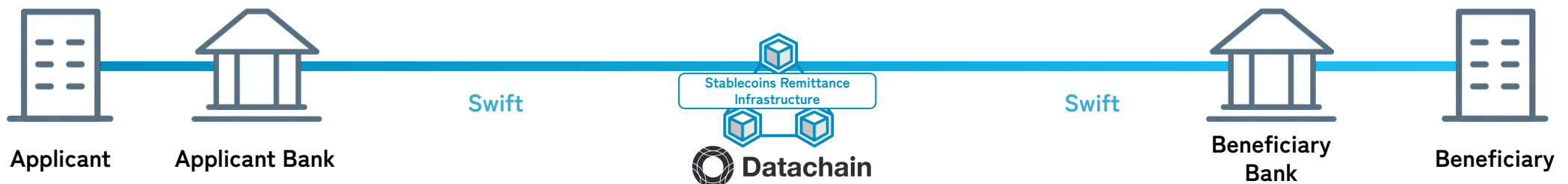
Current International Remittance Value Chain

Transactions require intermediary banks when applicant and beneficiary banks lack a direct relationship.



International Remittance Value Chain with Stablecoins





A new infrastructure eliminates intermediaries by enabling direct bank-to-bank transactions, streamlining the entire process.





International Remittance Infrastructure Project "Project Pax"

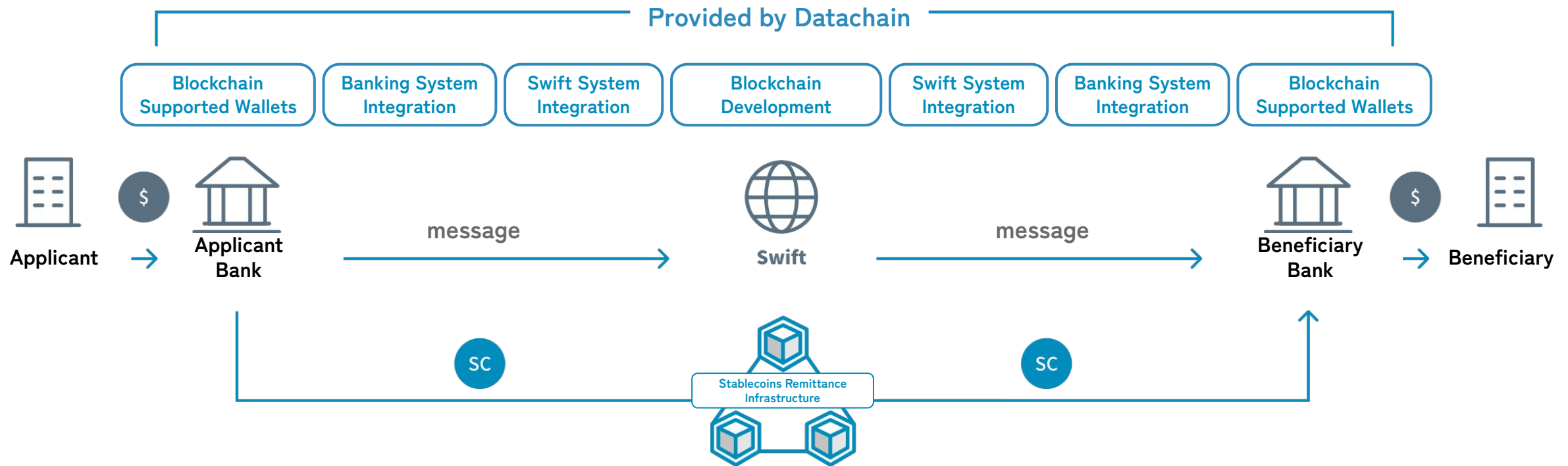
- In collaboration with Swift and other partners, the "Project Pax" project to build an international remittance infrastructure using stablecoins has been launched. The goal is to commercialize it by the end of 2025.

 Project Pax	Participating Companies	Role
	 Datachain	<ul style="list-style-type: none">• Development of this infrastructure• Overall business design and promotion
	 prograt	<ul style="list-style-type: none">• Co-development of this infrastructure (in collaboration with the SC issuance infrastructure)• Joint design and promotion of the overall business
	Related Financial Institutions	<ul style="list-style-type: none">• Review from an operational perspective of this infrastructure
	 Swift	<ul style="list-style-type: none">• Authorizing the use of the existing API framework• Providing API mockups and simulation environments



Overview of the International Remittance Infrastructure Using Stablecoins

- The applicant bank instructs the beneficiary bank via Swift's messaging service, and stablecoins are transferred through the international remittance infrastructure.





Three Reasons Why Datachain, a Company from Japan, Was Able to Collaborate with Swift

- **Leveraging the market environment in Japan, where stablecoin regulations were established ahead of global trends, and receiving recognition for its efforts with international financial institutions and innovative business ideas, Datachain successfully formed a partnership with Swift.**

01



Japan's World's First Stablecoin Regulations

In the highly regulated financial sector, Datachain was recognized for being a Japan-based company operating under the world's first clearly defined legal framework for stablecoins.

02



Led by International Financial Institutions

The project is led by three major Japanese megabanks alongside prominent international financial institutions, a factor that has been highly acknowledged.

03



Demonstrating the Essential Role of Swift and Banks

Datachain showed that Swift and banks, essential for maintaining the global financial order by combating money laundering and financing terrorism, remain crucial even in stablecoin remittances. This was recognized as a key achievement.

Revenue model

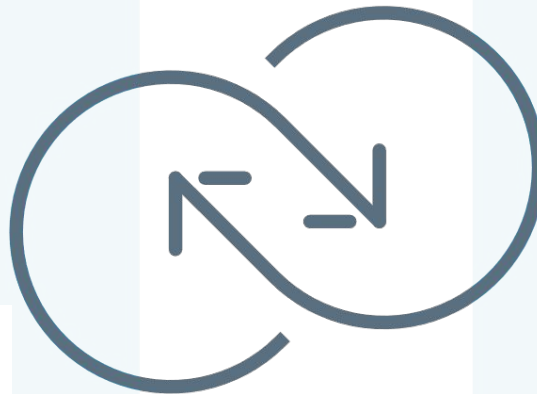


Revenue Model

- In addition to transaction fees from international remittances, we expect to generate investment income from stablecoin issuance.
- As the adoption of international remittance settlements expands, the issuance volume of stablecoins will increase, creating a synergistic effect that boosts investment income.



Investment Income from
stablecoin issuance

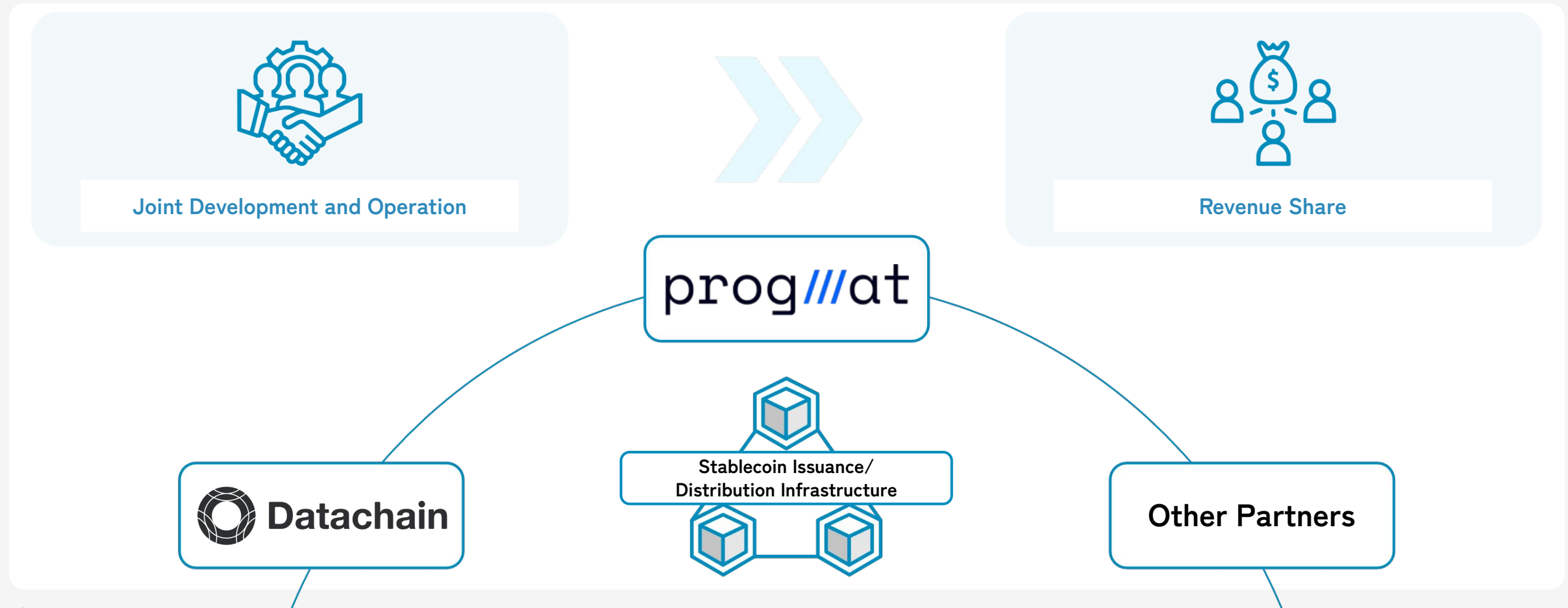


Transaction Fees from
international remittances



Background on Datachain's Revenue from Stablecoin Issuance

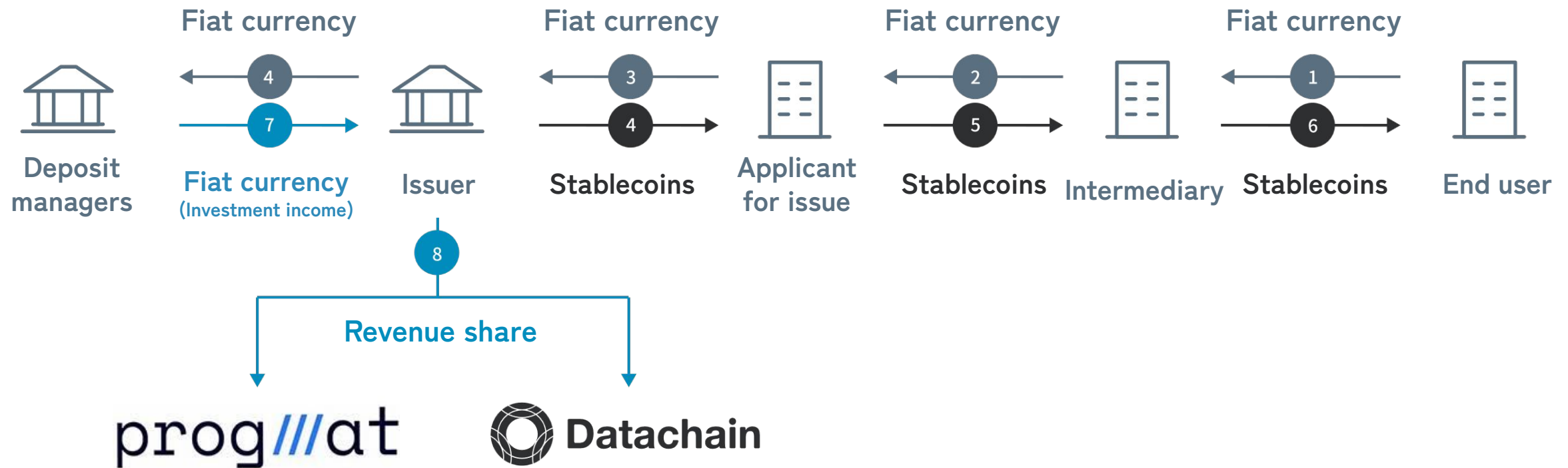
Datachain engages in the joint development and operation of the stablecoin issuance and distribution infrastructure. Instead of earning product usage fees, Datachain secures a share of the investment income generated from stablecoin issuance.





Mechanism of Revenue Generation from Stablecoin Issuance

- Revenue is earned through a revenue share of the investment returns generated from the fiat currency held in reserve for stablecoin issuance.





Existing Major Players in Stablecoin Issuance

- The stablecoin issuance market is currently an oligopoly, dominated by the two leading companies, Tether and Circle.
- Tether's quarterly net income amounts to approximately \$120 billion.

Tether※

Circle※※

Balance



120 billion USD⁽¹⁾
(USDt)

(1) as of October 28, 2024



34 billion USD⁽²⁾
(USDC)

(2) as of October 24, 2024

Scale

Quarterly operating profit of
over 4 billion USD⁽³⁾

(3)Net income for Jan~Mar 2024

*Announced by Tether; for the quarter ended Jun 30, 2023

Reference : Total quarterly profit of three Japanese
megabank groups: 399.6 billion yen (Jan~Mar 2024)

Half year revenue of
7.79million USD⁽⁴⁾

(4)Sales for January~June 2023

Announced by Circle; for the half ended Jun 30, 2023

※Source - Transparency: Tether - Tether Releases Q1 2024
Attestation: Reports Record

※※Source - Circle preps \$1B war chest to deal with market
threats from PayPal and others:Cointelegraph

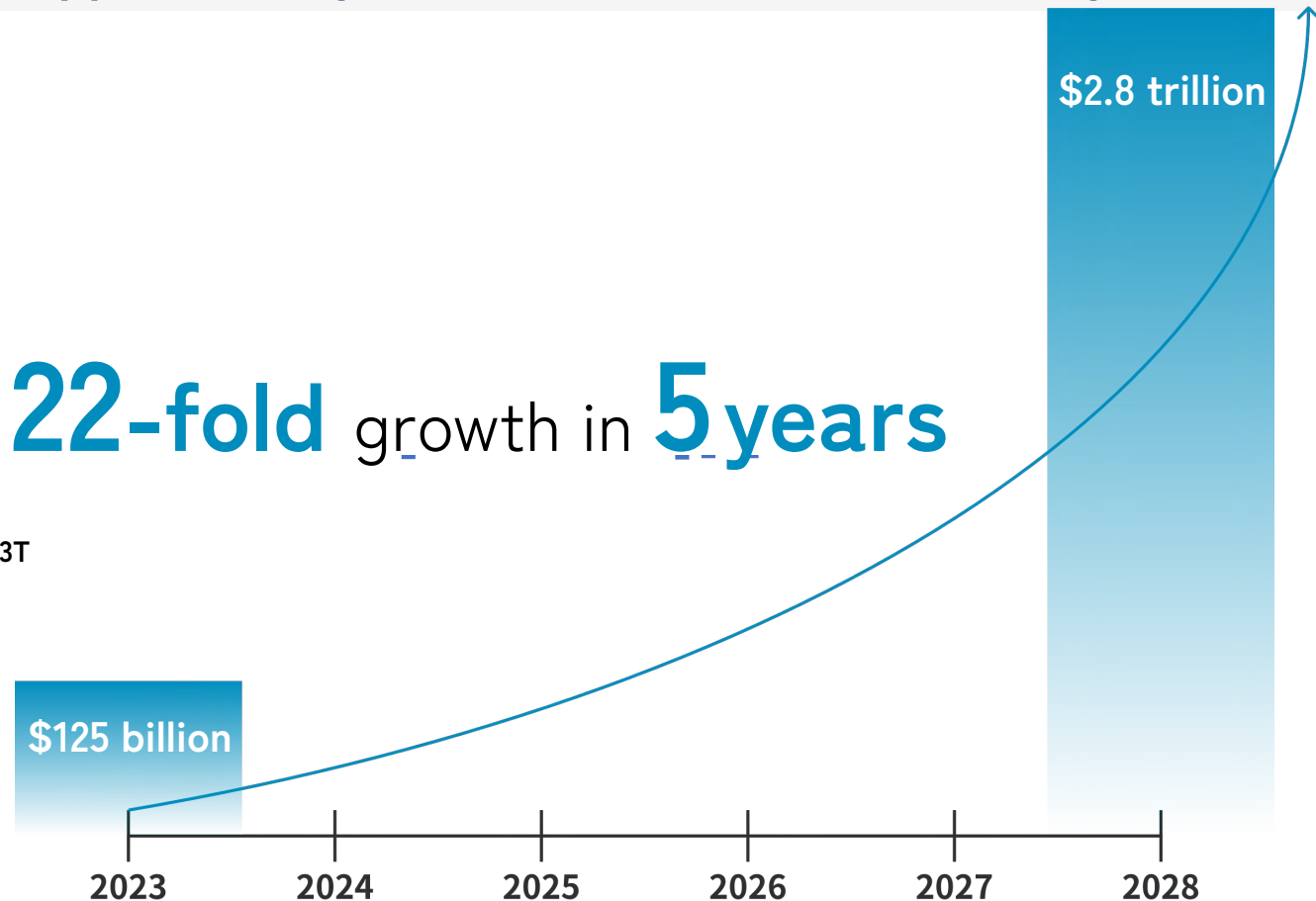


Future Outlook for Stablecoin Issuance Volume

- The stablecoin issuance volume is projected to reach approximately USD 2.8 trillion by 2028, 22 times higher than 2023.
- This would represent approximately 10% of the current fiat currency issuance volume.

22-fold growth in **5 years**

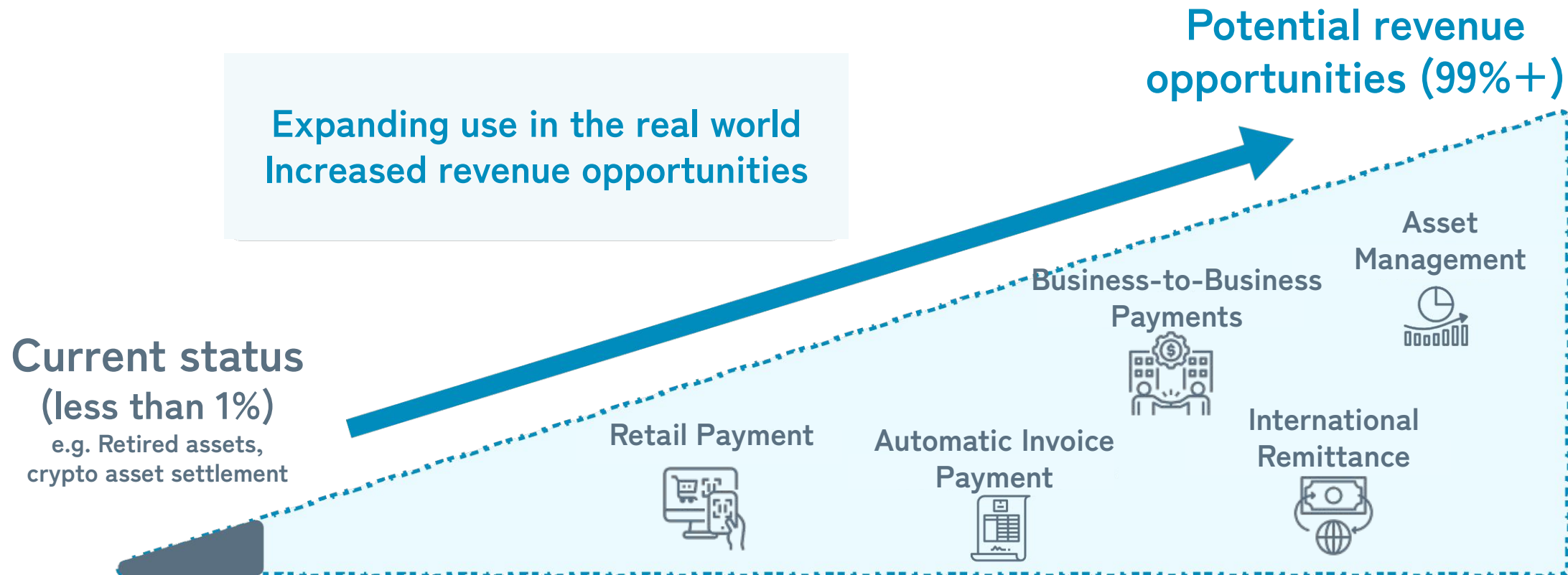
Source :
Stablecoins Market to Soar to Almost \$3T
in Next 5 Years: Bernstein





Potential Revenue Opportunities from Stablecoin Issuance

- While current stablecoin usage is primarily related to cryptocurrency transactions, its expansion into real-world applications is anticipated.
- As real-world usage expands, revenue opportunities are also expected to grow.



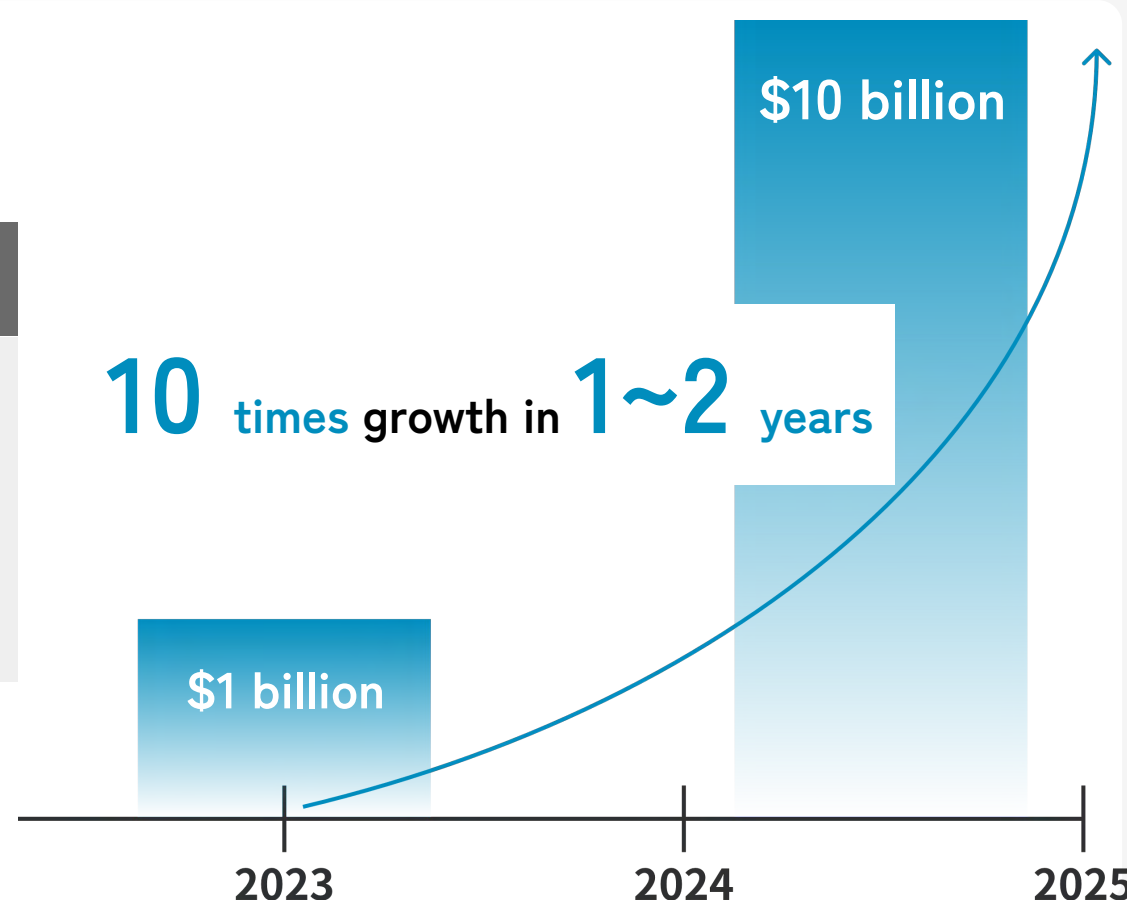


Signs of Digital Money Adoption in Real-world Applications: JPM Coin

- JP Morgan launched JPM Coin, a deposit-backed digital currency.
- Daily transaction volumes are expected to reach approximately \$10 billion by 2024-2025 (accounting for 1% of the bank's total transaction volume).

Deposit-backed digital money (Tokenized Deposits)

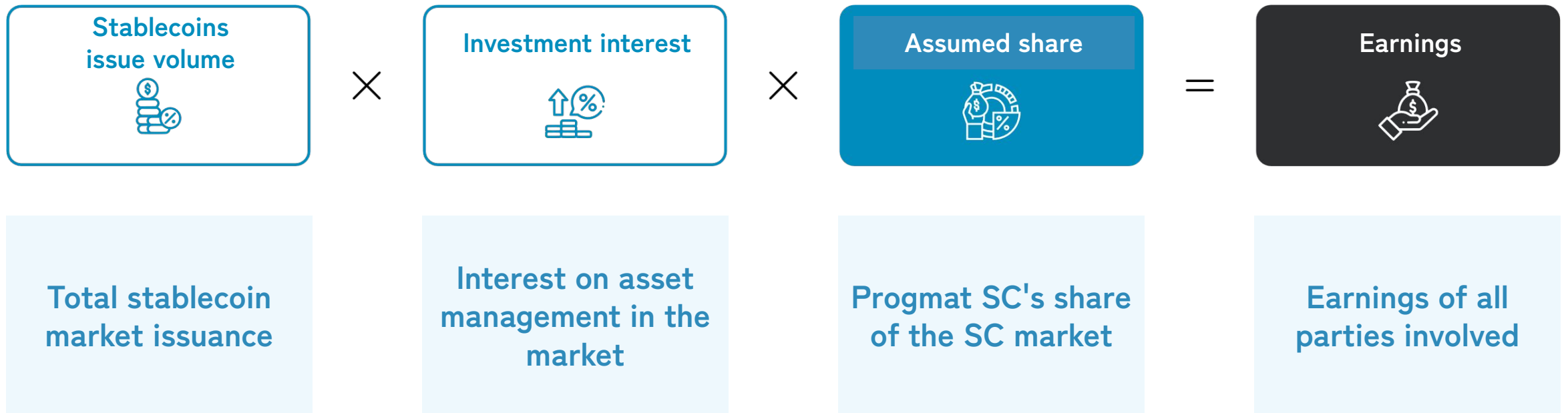
- ✓ A type of digital money issued based on bank deposits that can be traded or transferred on a blockchain.
- ✓ Like stablecoins, it has programmable features that enable automated operations.





Revenue Structure from Stablecoin Issuance

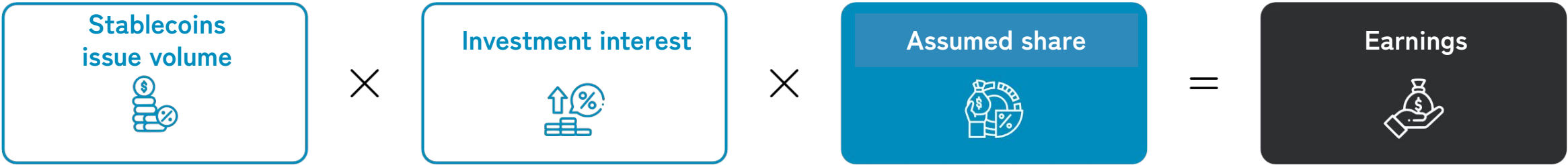
- Revenue is determined by the stablecoin issuance volume, investment interest rates, and the expected market share.
- Datachain is expected to earn revenue through revenue sharing.





Revenue Simulation from Stablecoin Issuance

■ If the stablecoin adoption rate reaches 10% by 2028, the estimated total revenue for all stakeholders varies based on investment interest rates and assumed market shares, as shown below.



Assumptions

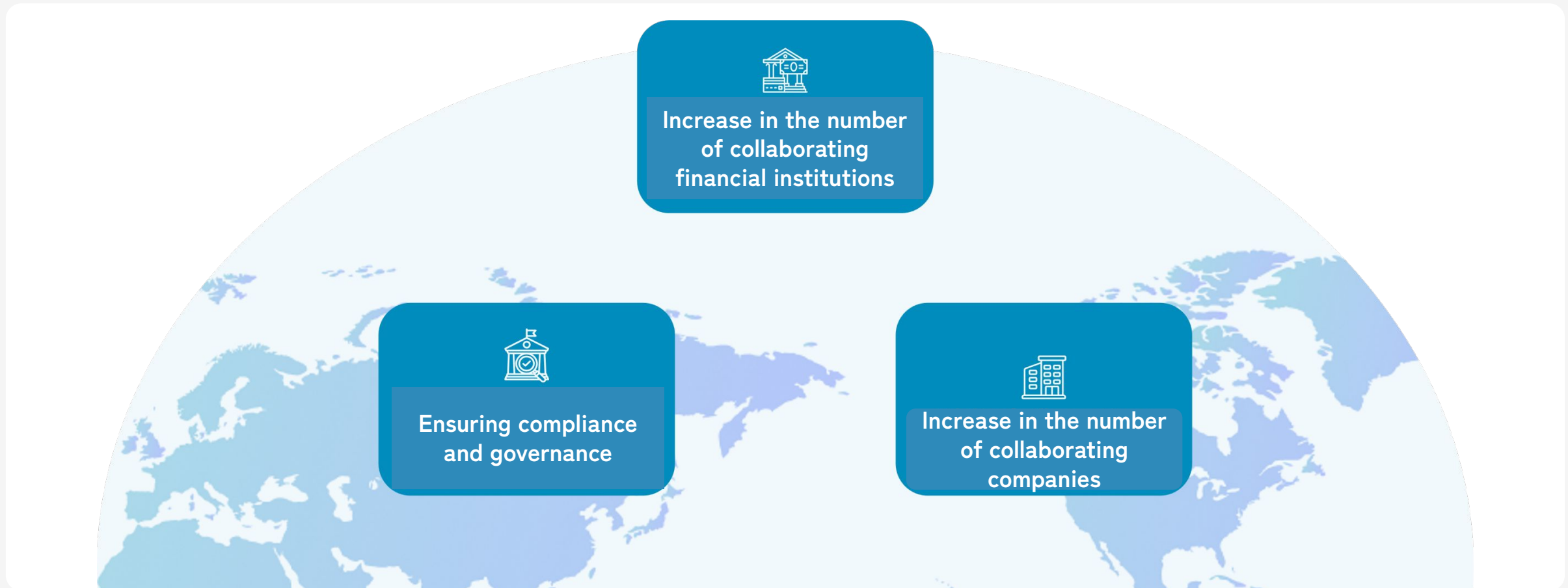
- 1. SC issuance amount: Assumed to be \$2.8 trillion in 2028 (Ref: Bernstein report)
- 2. Exchange rate : Assumed at 150 yen to the U.S. dollar
- 3. Interest rate : Depends on the pegged currency.Simulations were conducted under the assumption of 5% and 1% for this study.
- ※ Also considering revenue sharing to other stakeholders and designing incentives to increase the number of SC holders

Earnings (at 5% interest rate)	
1%	210 billion yen (at 1% interest rate: 42 billion yen)
3%	630 billion yen (at 1% interest rate: 126 billion yen)
5%	1.05 trillion yen (at 1% interest rate: 210 billion yen)
10%	2.1 trillion yen (at 1% interest rate: 420 billion yen)
20%	4.2 trillion yen (at 1% interest rate: 840 billion yen)



Datachain's Global Initiatives for Market Share Expansion

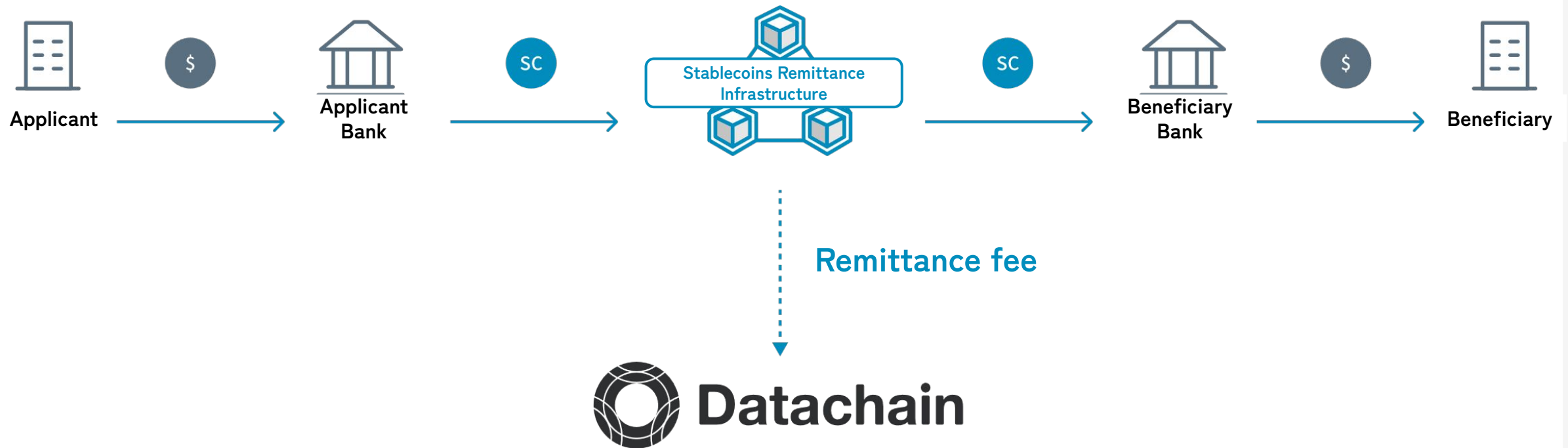
- To expand its market share, increasing partner financial institutions and companies, along with ensuring compliance and governance, will be essential.





Transfer fees for stablecoins international remittances

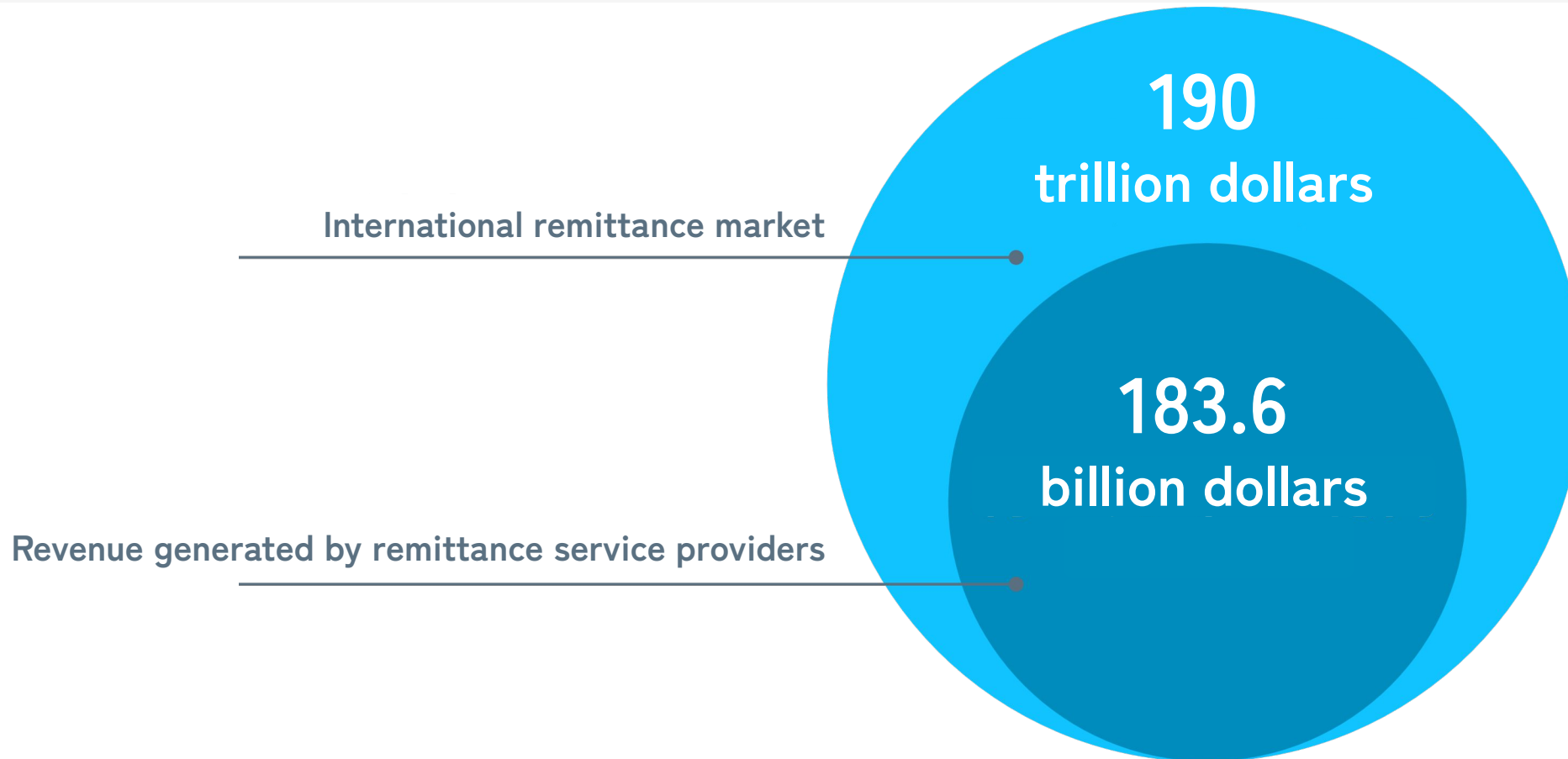
- We anticipate earning a meaningful volume of remittance fees from stablecoin international payments.





Potential of the Stablecoin Remittance Business

- The International remittance market is approximately USD 190 trillion in transaction volume and USD 183.6 billion in revenue generated by payment service providers, making it a highly significant market.



International Remittance Solution Roadmap

- We aim for the commercialization of the stablecoin remittance platform by the end of 2025.

