

Sep 13, 2024

Company Name: Fibergate Inc.
Representative: Masanori Inomata, President and C.E.O.
(Code No.: 9450, Prime Market of Tokyo Stock Exchange)

Plan for Compliance with the Listing Maintenance Criteria

The Company fails to comply with the criteria for maintaining listing on the Prime Market of the Tokyo Stock Exchange as of the end of June 2024. We hereby would like to inform you that we have prepared a plan to comply with the listing maintenance criteria as follows.

1. The Company's compliance status with the listing maintenance criteria and planning period

The Company's compliance with the criteria for maintaining listing on the Prime Market as of the end of June 2024 is as follows, and we do not meet the criteria for "market capitalization of tradable shares".

We will fulfill the criteria for "market capitalization of tradable shares" that did not comply this time by the end of June 2025, and make various efforts to comply with the listing maintenance criteria as follows.

	Number of shareholders	Number of tradable shares	Market capitalization of tradable shares	Tradable share ratio
Status of the Company (as of the end of June 2024)	5,324	85,482	9.7 billion yen	41.5%
Listing maintenance criteria	800	20,000	100 billion yen	35%
Compliance status	—	—	Not in compliance	—

*The compliance status of the Company is calculated based on the distribution status of share certificates and other information available to the Tokyo Stock Exchange, Inc. as of the record date.

2. Basic policy, issues, and details of efforts to comply with listing maintenance criteria

(1) Basic policy

With the aim of achieving sustainable growth and increasing corporate value, we announced our medium-term management plan in March 2023. In the "Medium-Term Vision and Future Policy" announced on August 14, 2024 (briefing materials for financial results for the fiscal year ended June 2024), in addition to the initiative to "Wi-Fi for all facilities," we will evolve to a new stage as an "On-Premise Infrastructure Integrator (OPIIer)" that provides not only Wi-Fi but also on-premise infrastructure services in one place, and work to further enhance our corporate value.

(2) Issues and details of efforts

Based on the results that the market capitalization of tradable shares has not reached the criteria, the Company believes that increase of corporate value is an issue, and recognizes that it is important to steadily advance various measures related to 1) “Growth Strategy” and 2) “Strengthening IR,” including the annual plan for the fiscal year ending June 2025 as shown below.

1) Growth strategy

In our mainstay home use business, we expect a continuous increase in the number of contracted houses, and aim to grow profit by increasing unit selling price through cross-selling. In the business use business, we will strive to acquire high-margin projects by expanding sales through partner strategies and strengthening our sales structure by increasing the number of sales personnel and improving their skills, mainly on our focused areas.

In addition, in the renewable energy business, we will expand our services to apartment complexes, public facilities, various stores, etc., which have the same customer base as the home use business and business use business.

<Home use business>

Although demand for existing properties has been plateauing, we believe that the pitch of the increase in the number of contracted houses will be maintained due to the increase in new property projects from the previous fiscal year. In the fiscal year ended June 2024, the result of net additions of houses with residential Wi-Fi contracts was 76,500 houses (cumulative 617,600 houses), and in the fiscal year ending June 2025, the number is expected to be 82,400 houses (cumulative 700,000 houses), which is higher than the previous fiscal year.

In addition to network cameras, we will also promote an increase in unit selling price by cross-selling IoT intercom systems, delivery boxes, EV charging services, etc.

(Houses)	Results for the fiscal year ended June 2024	Plan for the fiscal year ending June 2025	Percent change from the previous period
Cumulative number of contracted houses	617,600	700,000	13.3%

<Business use business>

In addition to the demand for free Wi-Fi, we are updating our networks in line with the promotion of DX in each industry. With "medical care, tourism, and public services" as priority areas, we will promote business expansion by strengthening our sales capabilities and developing partner strategies. In particular, in the medical field, the adoption rate of Wi-Fi for patients and visitors is low, so we will promote the introduction of Wi-Fi in cooperation with partner companies. In addition, in the nursing care field, we will promote the construction of a Wi-Fi environment that meets the DX needs of care workers.

(Millions of yen)	Results for the fiscal year ended June 2024	Plan for the fiscal year ending June 2025	Percent change from the previous period
Flow sales	956	1,465	53.2%

<Plan for the fiscal year ending June 2025>

We will implement the plan as follows and are expecting consolidated operating income to increase by 9.7% year-on-year.

(Millions of yen)	Results for the fiscal year ended June 2024	Plan for the fiscal year ending June 2025	Percent change from the previous period
Consolidated sales	12,613	14,370	+13.9%
Consolidated operating income	2,387	2,620	+9.7%

2) Strengthening IR

The Company discloses to its stakeholders information that contributes to corporate valuation and investment decisions, such as management policies, business strategies, and operating results, in a fair and timely manner.

We will continue to implement the following measures to improve the quality of our communication with investors .

- Online financial results briefings, streaming of financial results explanation video, our businesses and others
- One-on-one meetings for institutional investors
- Dissemination of information through company briefings for individual investors, various social media sites, web content, etc.
- Disclosure to overseas institutional investors in English
- Disclosure of information on sustainability initiatives

Inquiries	FG IR Team E-Mail: fgir@fibergate.co.jp URL: www.fibergate.co.jp/en/
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