











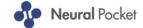




Financial Results Briefing Material FY2022 (ended Dec 31st, 2022)

Neural Pocket Inc. February 10, 2023

Translation of original Japanese version



FY2022 ended Dec. full year highlights



Net Sales

+185% Growth

Annual revenue YoY%

Profitability

Second half of fiscal year

Operating profit, Net income

V-shape recovery in progress

Corporate

Neural Marketing Inc.

M&A execution and PMI

Realization of business expansion and group synergies

Overseas Biz

Overseas expansion

Initiated smart city business activities in Southeast Asia entering Thailand

2

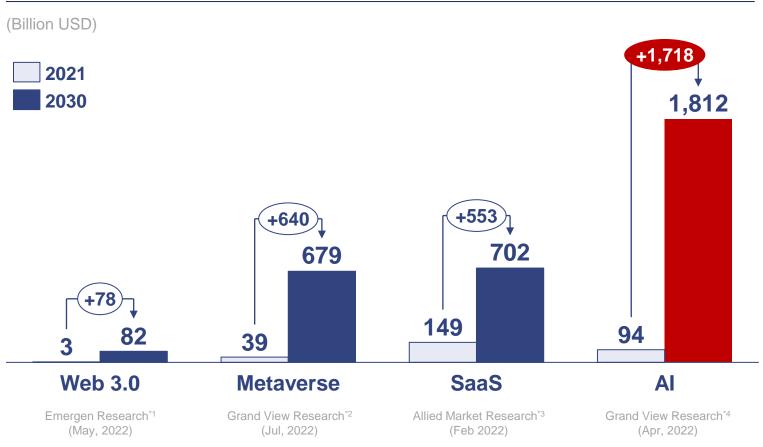


- Al Industry Trend and Company Advantage
- FY2022 Highlights
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- Al Service Progress



Al industry is expected to grow to an overwhelming market size compared to other growth areas

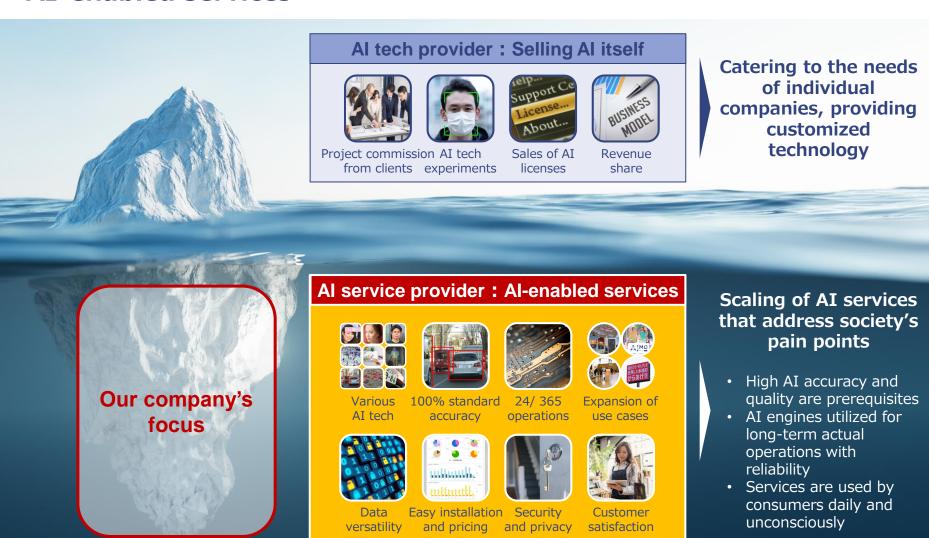
Global market size comparison



^{*1} Emergen Research, Web3.0 Market Size, Share, Trends (May, 2022) *2 Grand View Research, Metaverse Market Size, Share & Trends Analysis Report (Jul, 2022) *3 Allied Market Research, Software As A Service (SaaS) Market Statistics: 2030 (Feb, 2022) *4 Grand View Research, Artificial Intelligence Market Size, Share & Trends Analysis Report (Apr, 2022)

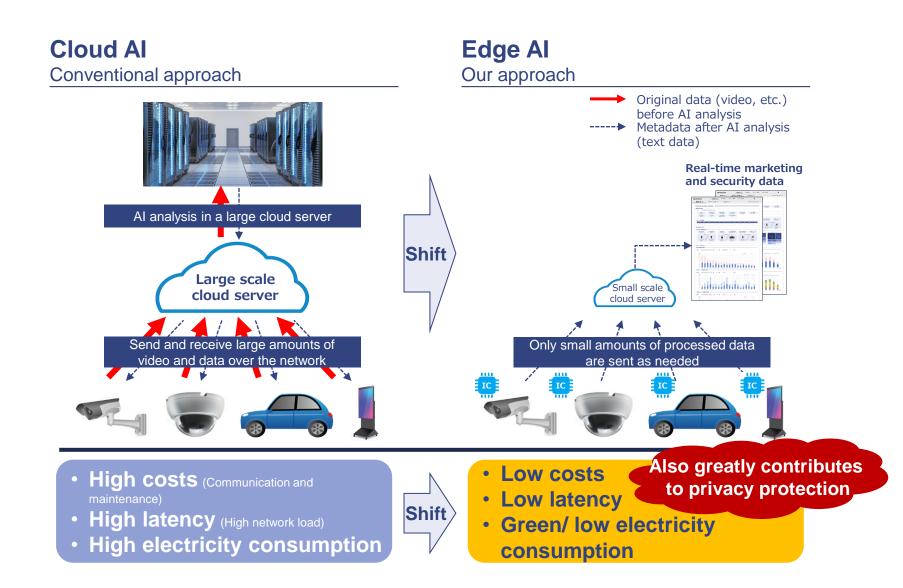


The AI industry is shifting from selling "AI tech itself" to selling "AI-enabled services"





AI technology is evolving along with the industry's growth





Adoption of edge AI technology is accelerating at many global leading companies



Accelerate development of edge devices for autonomous driving to achieve low latency and safety unaffected by the communication environment.

NVIDIA DRIVE AGX Xavier



arm

Ethos NPU series, Edgeoriented chips specializing in deep learning to achieve highspeed inference with low power consumption.





Many research results of edge Al for low latency processing of metaverse equipment.





Acquired XNOR.ai, a company with technology for high-speed AI execution on edge devices, for USD 200 million.





Dedicated Edge AI chips are standard in smartphones, and their performance is advancing every year.



SONY

Practical application of image sensor-integrated edge AI chip for real-time image recognition and metadata conversion.



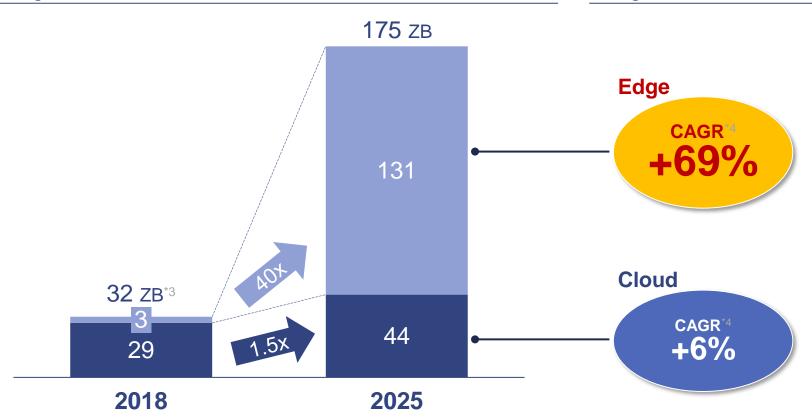


Edge processing is rapidly expanding

Total data processed at the edge vs in the cloud*1*2

Growth forecast
Through 2018 to 2025

Through 2018 to 2025



^{*1} Source for Edge share: What Edge Computing Means for Infrastructure and Operations Leaders, Gartner (Oct 2018).

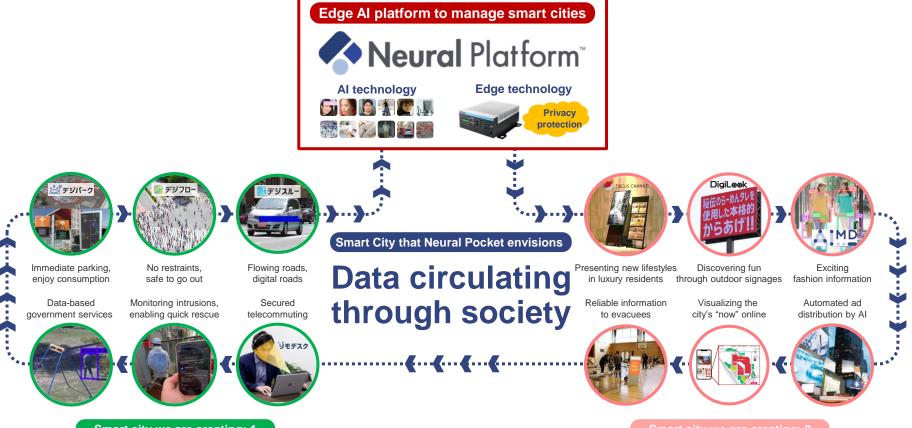
^{*2} Source for amount of data: Data Age 2025 Whitepaper, IDC (Nov 2018), accounts for all data created, captured, and replicated globally.

^{*3} Zetabyte. Unit of data. Equivalent to 109 TB (terabyte).

^{*4} Compound annual growth rate.



We enable smart cities with edge AI – Our edge AI platform allows for the circulation and utilization of data in physical spaces



Smart city we are creating: 1

Eliminating waiting time

Data analysis using AI technology allowing for fun and peace of mind

Smart city we are creating: 2

Encountering information

Information delivery customized to local regions and individuals, with Al-enabled viewer behavior analysis and automatic distribution



Neural Platform is a comprehensive environment to facilitate AI software development and day-to-day operations



Functions		Image and overview		Functions		Image and overview	
Service, application building features	AI service mgnm't	DOS 1920.	 Manage and provide AI services (AI models), such as people flow analysis and vehicle analysis, with a smartphone app store approach Services can be easily uploaded as developers updates the AI program 		Equipment mngm't, alive monitoring	TOTAL S. BEEF STREET PRIME STREET ON JOHN STREET STREET ON JOHN STREET ON	 Real-time management of operational (alive/ dead) status of edge devices Operational status and error logs of Al services in each device managed
	AI dev. environ.		 Development environment for internal and external developers to conduct AI dev. (annotation, model selection, training etc.) Application dev. environment to run on various edge devices and apps, as well as smartphones 	Edge Equipment Operatio- nal Functions	Remote Automatic Update	The state of the	 Automatic transmission and update of AI services/ models and content (text, photos, video, audio, etc.) via LTE network Content playback programs and program listings updated via network
Content application functions	Content play and display (CMS)	ADOOH	 Programs to play content (text, photos, video, audio, etc.) essential to AI services Information communicated in real time through LTE network to and from edge devices. 		Security ware	The second of th	 Prevent attacks on edge devices by diagnosing security vulnerabilities for h/w and s/w Encrypt data and communications and monitors attacks Automatic video deletion for privacy protection
	Data analysis		 Stores data sent from edge devices and analyzes data to influence people's behavior. Various display formats, enabling data analysis to be conveniently performed on a web browser. 				



We develop proprietary AI libraries/ edge-related implementation technologies to enable AI smart cities

People attribute analysis

Gender/ age estimation

Facial recognition



Line-of-sight detection

Fashion analysis

People emotion and thought analysis





Natural language processing nuch make make

People movement and behavior analysis

Congestion analysis Vacancy detection





Safe monitoring



Intrusion detection crime prevention



Traffic analysis



Vehicle analysis Parking occupancy



License plate



Technologies related to social implementation of Al

Edge Al



Edge security



Ad delivery optimization



Al-enabled product recommendation



Data analytics



Digital signage integration



Mobile app





Our AI libraries operate on a variety of technical standards, contributing as an Edge AI Platform developer

Examples of edge devices running our edge Al



















Processor OS































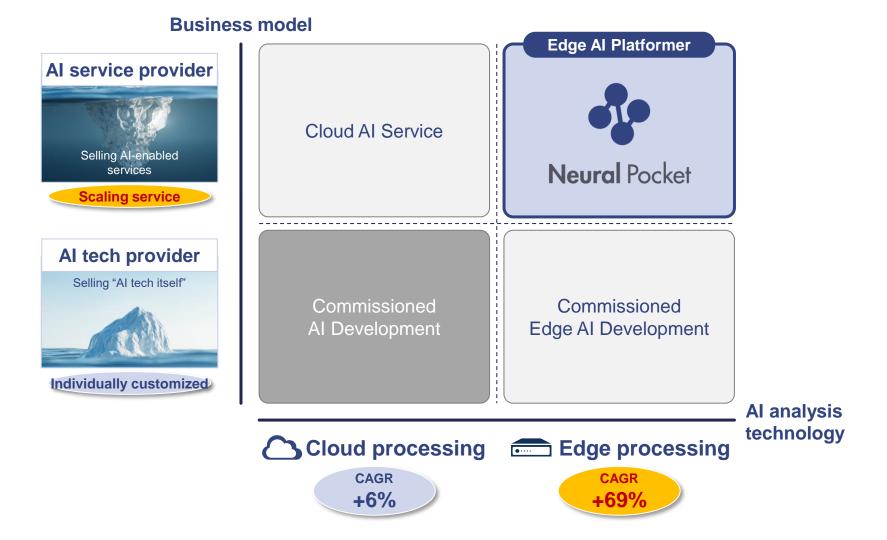








As business models in the Al industry diversify, we have established our position as an edge Al platformer





In the rapidly growing edge AI market, we have been accelerating growth since inception





AI platforms expected to emerge from Asia, where the development of smart cities are most rapid





Established Thai subsidiary in Nov. 2022, to participate in greenfield type urban development popular across Southeast Asia

Neural Pocket Thailand (Bangkok office) and CRC Tower where the base is located



Company name Neural Group (Thailand) Co., Ltd.

Representative Kazuma TAKENAKA, CEO/ Managing Director

Location 36th Floor, Office number 11, CRC Tower, All Seasons Place, Wireless Road, Lumpini, Phatumwan,

Bangkok, Thailand 10330

Established November 4th, 2022

Ownership Neural Pocket Inc. 100%

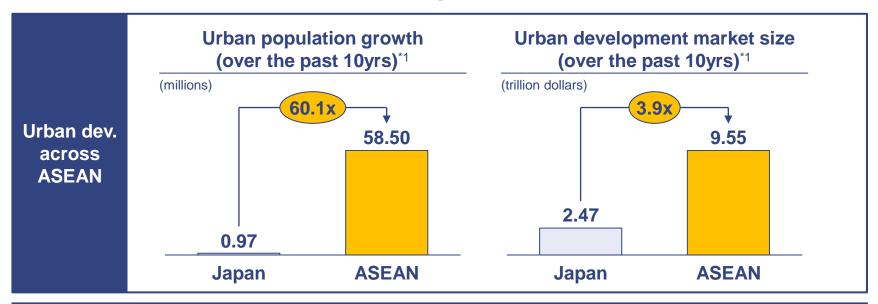
Background Based on our track record of providing unique AI services to realize smart cities in Japan, we aim to

expand our business in Thailand and other SE Asian countries. Particularly in SE Asia, "green field" type developments, in which new cities are built on a vast scale, are popular, and the company aims

to participate in large-scale development projects.



Vast infrastructure investment expected in Thailand and SE Asia



Thai stateled investment plans

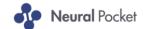


^{1: &}quot;Toward Overseas Urban Development Business Development - Smart City Business Creation", Nomura Research Institute, Ltd. presentation (December 16, 2014).

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Highlights for FY2022 ended Dec. – Continued growth and overseas business expansion

Growth

Transforming business model whilst rapidly growing topline

Net sales growth

+185%

Annual YoY

Profitability

Sustained high gross margins allow for strong future profitability

Gross profit margin

66%

Annual

Sales Force

Al startup with large **80+** sales staff

Group Employees*1

182 (+130)

(): versus last year

Overseas

Accelerate business scale in SE Asia, where green field dev. thriving

Incorporation in Bangkok, Thailand

Technology

Tech dev. by engineers from 7 countries with strength in edge Al

of patents*2

29 (+3)

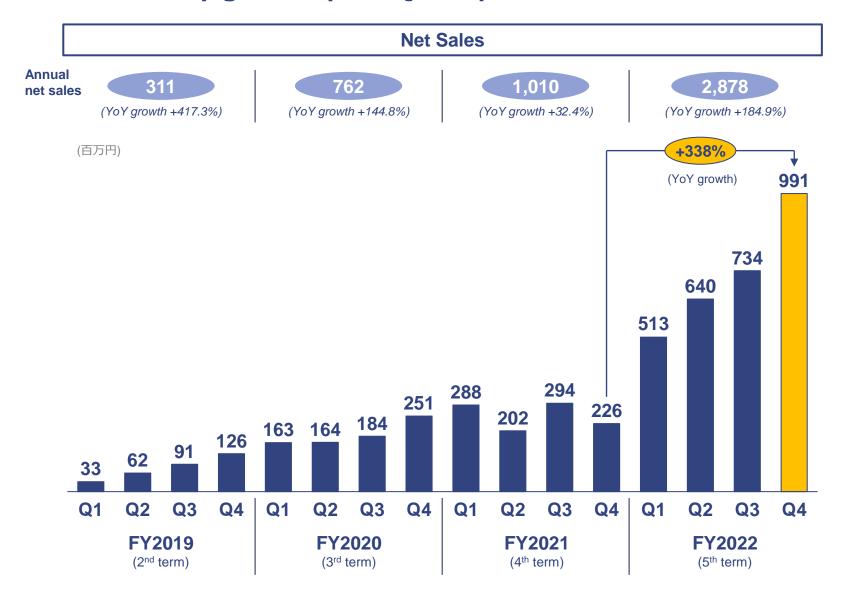
(): versus last year

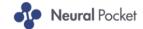
^{*1} As of Dec 31, 2022. Excludes executives (Full-time board directors, auditors, executive officers), part-time employees, subcontractors, interns. Includes full-time employees from subsidiaries, Neural Engineering Inc. and Neural Marketing Inc.

^{*2} Total of i) granted 16, ii) applying domestically 9, and iii) applying internationally 4. As of Dec 31st, 2022.

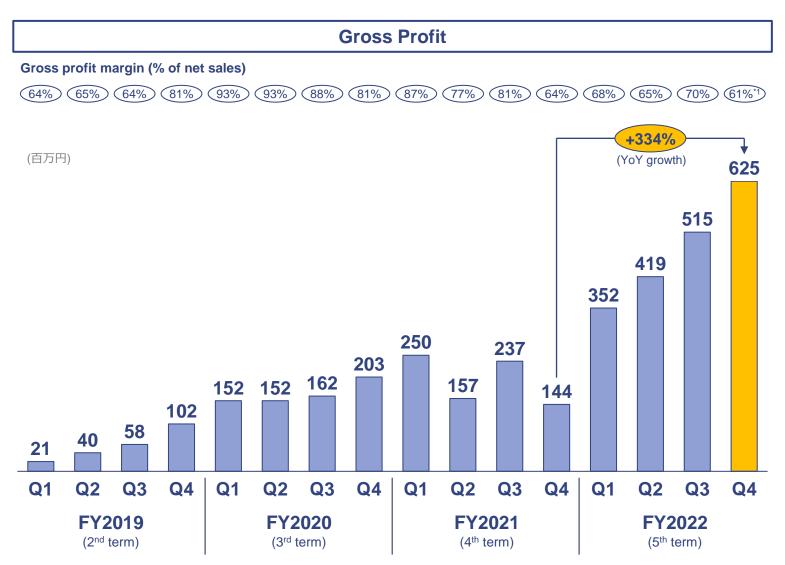


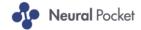
Sustained steady growth post Q1 acquisition of Neural Marketing



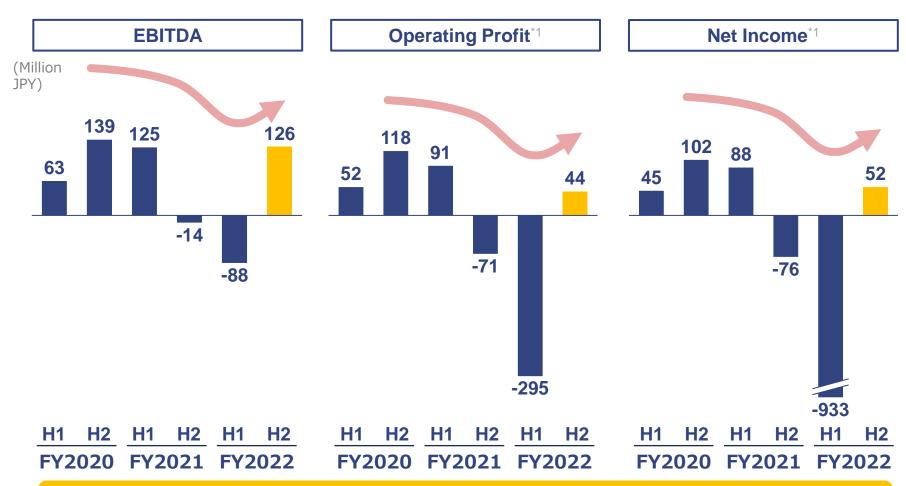


Steady expansion of gross profit, which is the second most important performance indicator after sales





Over 18 months, we have transformed the business model and profitability is on a V-shaped recovery path



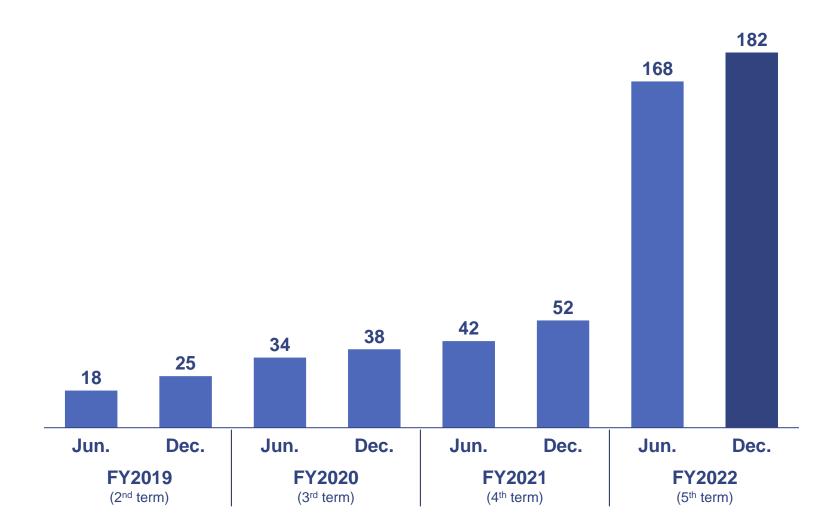
The transformation of our business model from fee-based sales (AI development/ licensing) to unit-based sales (proprietary AI service sales) close to completion

^{*1} Amortization expenses for intangible assets was retroactively revised in accordance with the finalization of PPA (Purchase Price Allocation). As a result, amortization expenses for intangible assets for Q1, Q2, and Q3 increased by a total of 66 million yen, resulting in differences in operating income for Q1, Q2, and Q3 from those in the 3Q results presentation.



Trajectory of Neural Pocket Group full-time employees*1

(# of staff)

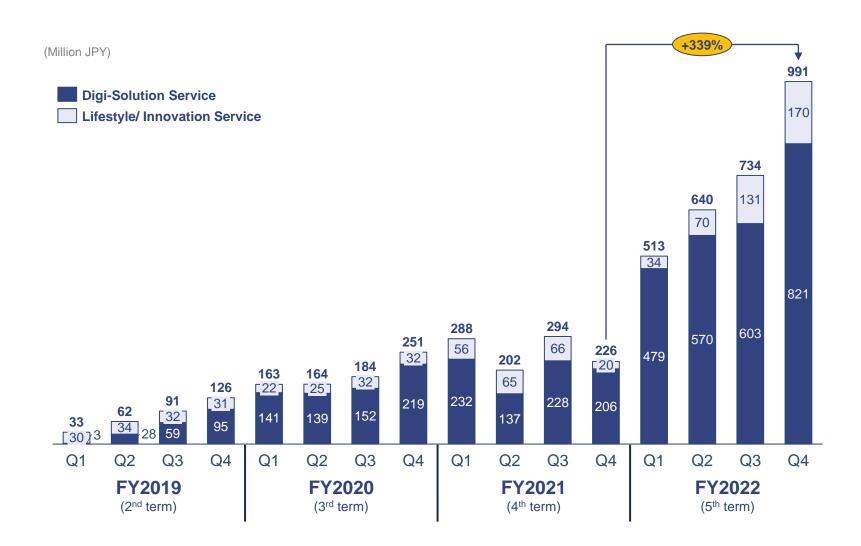


^{*1} As of Dec 31st 2022. Excludes executives (full-time board directors, auditors, executive officers), part-time employees, subcontractors, interns. Includes full-time employees from subsidiaries, Neural Engineering Inc., Neural Marketing Inc.

23



Net sales by service domain





FY2022 ended Dec. financial results

Published Aug.	

10th, 2022

• Progressive shift from fee-based to unit-based operations resulting in record sales

 Achieved operating profits and net profits in H2 due to profitability improvement driven by sales growth

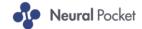
 V shaped recovery in progress as the company achieved record sales and sales growth. Recorded largest year-end order backlog of 397 million yen.

(Million JPY)	FY2021 ended Dec. results	FY2022 ended Dec. forecast	FY2022 ended Dec. results	vs forecast amount	vs forecast percentage
Net sales	1,010	3,200	2,878	-321	-10.0%
Gross profit % of net sales	787 78.0%	2,100 65.6%	1,910 66.3%	-189	-9.0%
EBITDA % of net sales	112 11.1%	350 10.9%	38 1.3%	-311	-89.0%
Operating profit % of net sales	20 2.0%	20 0.6%	-251 -8.7%	-271	NA
Net income % of net sales	11 1.1%	-622 -19.4%	-880 -30.5%	-258	NA

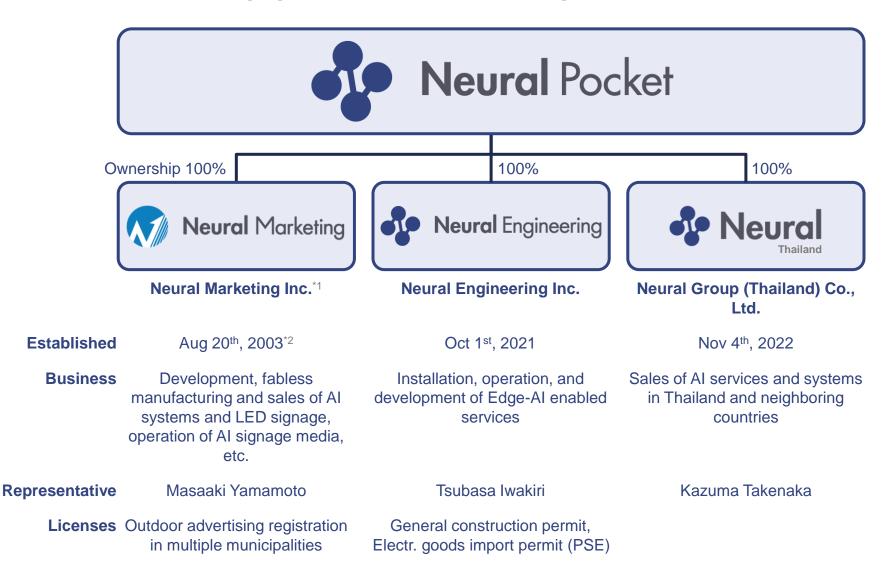


FY2022 (ended Dec.) consolidated Balance Sheet

(Million JPY)	FY2022
	As of Dec 31st
Total current assets	2,091
Cash and cash assets	1,112
Total non-current assets	1,831
Total assets	3,922
Total liabilities	3,460
Interest bearing debt	2,854
Total net assets	461



Neural Pocket Group (as of Dec. 31st, 2022)

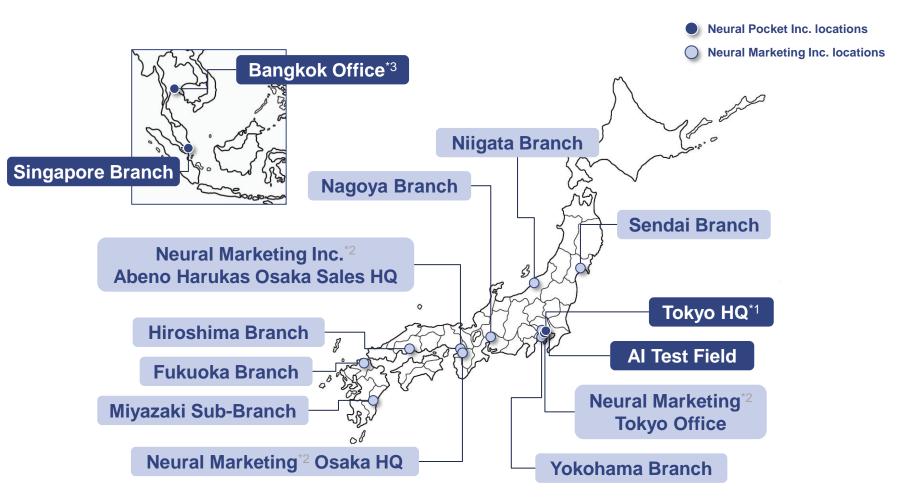


^{*1} NETTEN Inc. and Focus Channel Inc. were consolidated on Aug 1st 2022 and subsequently the company name changed to Neural Marketing Inc. on Sep 1st, 2022.

^{*2} Date of incorporation of NETTEN Inc. before name change; name changed to Neural Marketing Inc. on September 1, 2022.



Neural Pocket Group operates 14 locations internationally, possessing the necessary infrastructure to support the development of smart cities



^{*1} Neural Engineering Inc. is established within Neural Pocket Inc. Tokyo HQ.

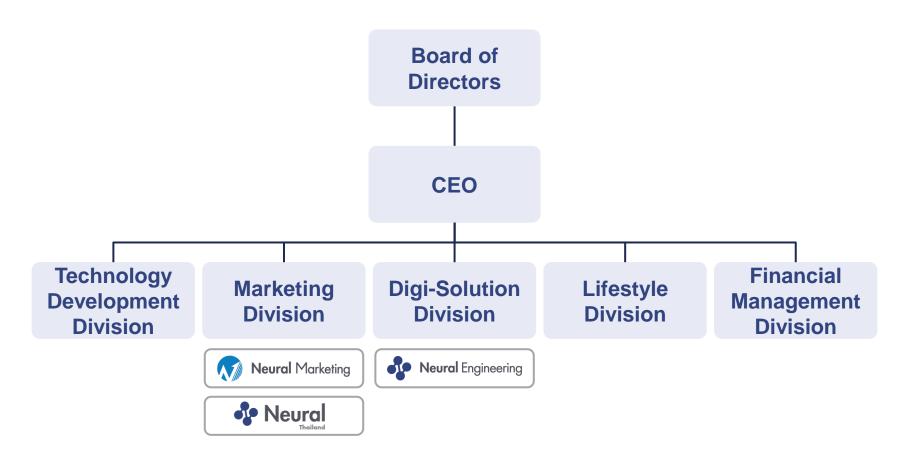
^{*2} NETTEN Inc. and Focus Channel Inc. have been consolidated on Aug 1st, 2022. Subsequently the corporate name has been changed to Neural Marketing Inc.

^{*3} Neural Group (Thailand) Co., Ltd. established in Nov. 2022



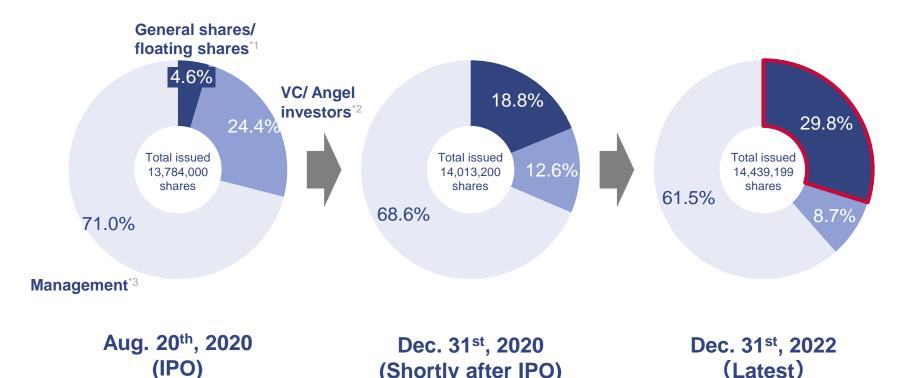
Introduced business units from the beginning of the FY2022

- Business units allow for different business divisions to pursue scale, independent of each other
- Broad executive team in place to lead each of the divisions





General shares/ floating shares increasing since IPO (as of Dec. 31st, 2022)



(Shortly after IPO)

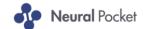
^{*1} Sum of 415,000 publicly offered shares upon IPO, 215,800 sold shares during IPO (including over-allotment), and shares sold by pre-IPO investors (e.g., VC investors, angel investors) and management that the company is aware of.

^{*2} Shares held by pre-IPO investors (e.g., VC investors, Angel investors).

^{*3} Shares held by internal board directors.



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FY2023 ending Dec. Business growth themes



Neural Pocket Group

- Management theme for FY2023 is "Scale and profitability"
 - → Scale unit-based revenue while maintaining high gross profit margins
 - → Achieve OP profits for the year whilst making investments to fuel future growth
- Flexibly consider M&As that contribute to the expansion of services



Al Digi-Solution

- Horizontal expansion across both the public and private sectors and install a total of 400 cumulative units by the end of FY2023
- Participate in large-scale urban/smart city development in Thailand and Southeast Asia out of our Thailand office



Neural Marketing

- Further bolster sales team by hiring over 70 sales personnel against a backdrop of over 10%^{*1} market growth tailwinds
- Establish 6 new locations: Okinawa, Minami-Kyushu, Shikoku, Hokuriku, North Kanto, and Hokkaido
- Target to install ad signages, or LED ad vision's in 50 new locations*2



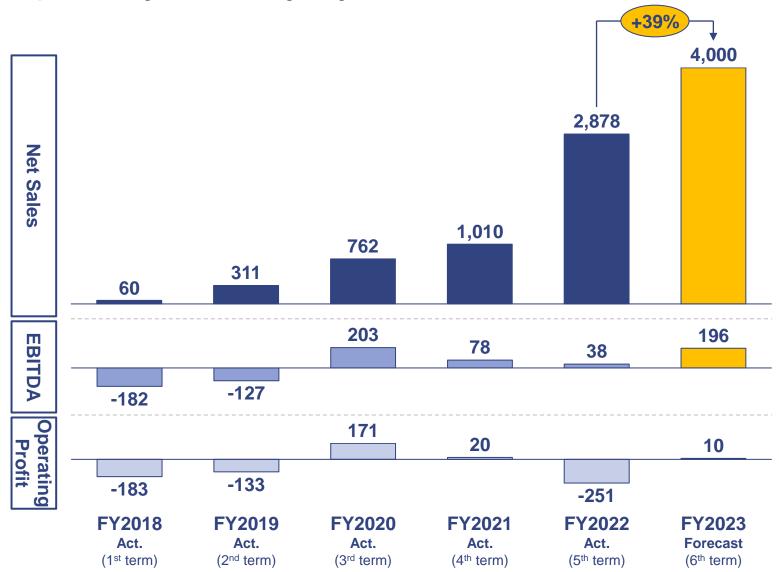
Lifestyle/Innovation

- Stable continuation of ongoing apparel business
- Proactive in-house development of new areas that could become future pillars of our business
 - → Demand forecast AI, dress-up AI
 - → Logistics container loading optimization and satellite image analysis
 - → Gaming using AI technology, etc

^{*1} Growth rate of the domestic digital signage sales and advertising sales market. Based on "Digital Signage Market Research 2021" published by Fuji Chimera Research Institute, Inc. in February 2021.

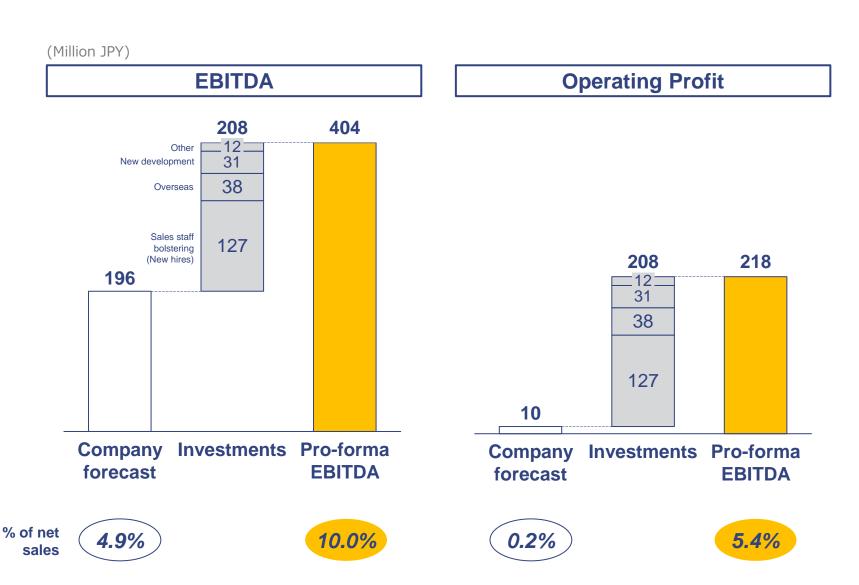


FY2023 Forecast - Priority is placed on achieving YoY 40% organic growth, whilst profitability is planned at around break-even





Allocating profits generated towards upfront investments



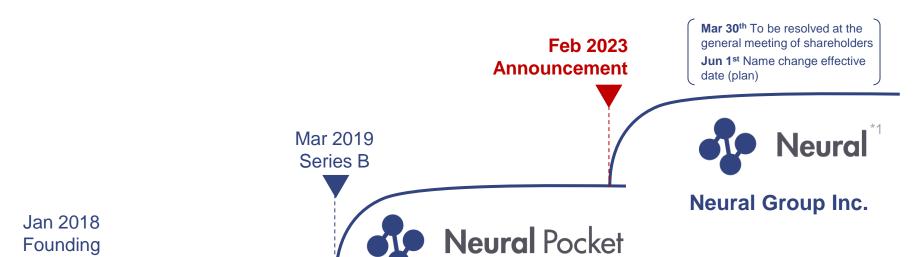


FY2023 ending Dec. consolidated forecast

(Million JPY)	FY2022 ended Dec. results	FY2023 ending Dec. forecast	Growth Value	Growth Percentage
Net Sales	2,878	4,000	1,121	+38.9%
Gross profit % of net sales	1,910 66.3%	2,650 66.2%	739	+38.7%
EBITDA % of net sales	38 1.3%	196 4.9%	157	+409.8%
Operating profit % of net sales	-251 -8.7%	10 0.2%	261	-
Ordinary profit % of net sales	-247 -8.5%	2 0.0%	249	-
Net income % of net sales	-880 -30.5%	-100 -2.5%	780	-



Five years since founding, we aim to expand our business and contribute to society - Rebranding the company name to "Neural Group"



FASHION POCKET

Fashion Pocket Inc.

- Utilizing AI technology in for video footage for apparel industry
- Developed fashion trend analysis "AI MD"

Neural Pocket Inc.

- Widely deploy AI technology for images to be deployed to realize smart cities
- In addition to AI analysis, invest in AI signage media and LED display media to broadcast information
- Growing into one of the top global companies in the edge Al domain, advancing technology and the penetration of Al services in society
- Expand local advertising media in the real world through AI technology, as well as to utilize AI in a wide range of areas such as virtual/gaming and satellite image detection

^{*1} Tentative. New logo design to be announced at later date.



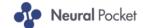
Executive team and Board of Directors

Executive team (as of Feb 10 th , 2023)				
Position	Roles and Responsibilities	Name		
CEO Director	-	Roi Shigematsu		
CFO Director	President of Financial Management Division	Ryosuke Tane		
Executive Director	President of Marketing Division Neural Marketing Inc. CEO	Masaaki Yamamoto		
Executive Director	President of Digi-Solution Division Neural Engineering Inc. CEO	Tsubasa Iwakiri		
Executive Director (CTO)	President of Technology Development Division	Takahiro Mikami		
Director	President of Lifestyle Division	Yusuke Furuta		
Director	Chief General Manager, Sales Management Department, Digi-Solution Division	Taro Hitokoto		
Director	Chief General Manager, Platform Development Department, Technology Development Division	Kenichiro Kanai		

Board of Directors (plan pending Mar 30 th , 2023 Annual Shareholder Meeting)				
Position	Name	Position	Name	
Representative director	Roi Shigematsu	Full-time auditor	Miho Takemura	
Director	Ryosuke Tane	Auditor	Toshiki Wakamatsu	
Director	Masaaki Yamamoto (New)*1	Auditor	Hajime Shirai	
Outside director	Yoichi Yamagishi			
Outside director	Maiko Hasumi			

XYuichi Sasaki is expected to resign and retire from the board on Feb 17th.

^{*1} The Board of Directors resolved at its meeting held on February 10 to submit a proposal for the election of new director candidates to the General Meeting of Shareholders to be held on March 30, 2023. The new director candidate will officially assume office after the resolution of the annual general meeting of shareholders.



Management team (expected as of Mar. 30th, 2023)

Name		Career overview
	Representative Director Roi Shigematsu	Former Partner at McKinsey, working in 11 countries including Japan, Germany, and the U.S as leader in IoT and AI field. Founded Neural Pocket in January 2018 with the goal of realizing the digitization of the real world through AI. He holds a Master's degree in Engineering from the University of Tokyo and is currently a member of the Advisory Board of the School of Engineering.
Board Directors	CFO Director Ryosuke Tane	He was engaged in private equity investing at Bain Capital Japan. After serving as the Tokyo General Manager of Oyo Technology and Hospitality Japan, he joined Neural Pocket. He currently overseas the group's corporate division and also leads M&A activities. He holds an MBA from Stanford University's Graduate School of Business.
	Director (New*1) Masaaki Yamamoto	After being involved in the development of DVDs and head-mounted displays at Sony, he led several new businesses and internal startups. After joining the company, he worked in the R&D department and is currently the president of Neural Marketing, Inc. He holds a master's degree from Tokyo Institute of Technology
	External Director Yoichi Yamagishi	After working in the investment banking division of Nomura Securities Co., Ltd. in M&A advisory and public underwriting, he was appointed as General Manager of Public Underwriting Department of Mizuho Securities Co. After retiring from Mizuho Securities, he served as an outside director of D.L.E. Inc. and Laox Co. He is a certified public accountant.
	External Director Maiko Hasumi	After working for Fuji Television Network, Inc. and Fidelity Investment Trust Co. currently fund manager at Ever Rich Asset Management. Currently director and member of the Audit Committee of Z Holdings Corporation (formerly Yahoo! Japan), etc. Appointed outside director of Neural Pocket in 2021. Holds an MBA from Stanford University's Graduate School of Business.
Auditors	Full-time auditor Miho Takemura	After working at Ernst & Young Shin Nihon LLC (EY Ernst & Young Shin Nihon LLC), where she mainly audited securities companies and other financial institutions, she worked as a full-time auditor at IRIDGE Co. Certified public accountant.
	Auditor Toshiki Wakamatsu	After working at Sato Sogo Law Office, he opened Saltus Law Office. He has served as a director of Orchestra Holdings Inc. and Voicy Inc. and has been a corporate auditor of Neural Pocket since 2019. Attorney. Specializes in a wide range of corporate legal matters, including corporate law and the FIEA.
	Auditor Hajime Shirai	After working at Arata Audit Corporation (PwC Arata LLC), Frontier Management Inc. and Deloitte Touche Tohmatsu LLC, he established Grintee Inc. Ltd. Appointed as a corporate auditor of Neural Pocket in 2020. Certified public accountant.
Advisor	Professor Yutaka Matsuo	Professor at the Artificial Intelligence Research Center, Graduate School of Engineering, the University of Tokyo. He is a leading expert in the field of AI and deep learning in Japan. He is also the chairman of the board of the Japan Deep Learning Association and an outside director of Softbank Group Corp.

^{*1} The Board of Directors resolved at its meeting held on February 10 to submit a proposal for the election of new director candidates to the General Meeting of Shareholders to be held on March 30, 2023. The new director candidate will officially assume office after the resolution of the annual general meeting of shareholders.



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Digi-Solutions service lineup – Providing a suite of packaged AI services



Digi Park

Parking management system to eliminate waiting time





Digi Thru

Visualization of vehicles through license plate analysis





Digi Flow

Visualization of people flow for improved facility operations



SIGN DIGI

Ready-to-install AI signage with viewership and audience detection





Security risk management to enable work-from-home call center operations



DigiLook

Outdoor LED signage for retail stores to large public facilities





FOCUS CHANNEL

High-end apartment digital signage advertising for 150K+ residents



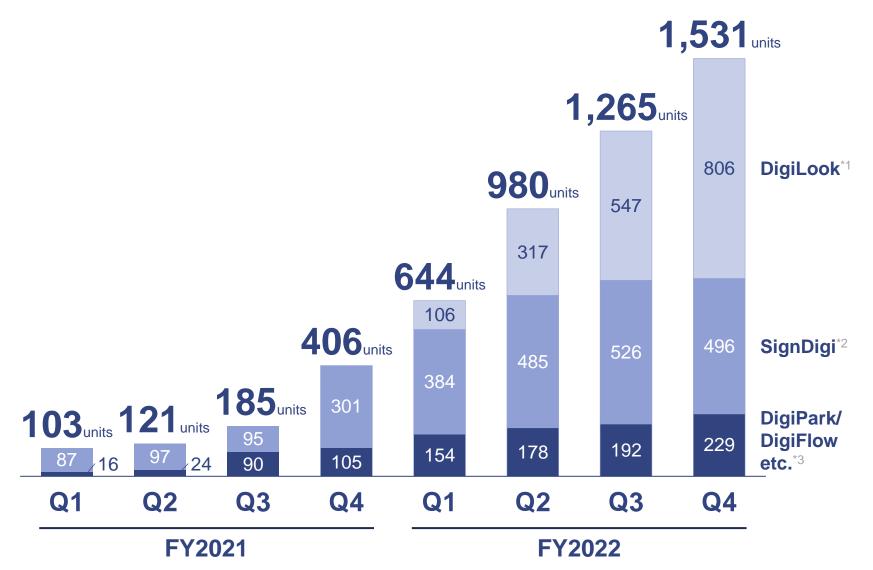
Other new services

Various proprietary services utilizing edge AI (e.g., Intrusion detection)





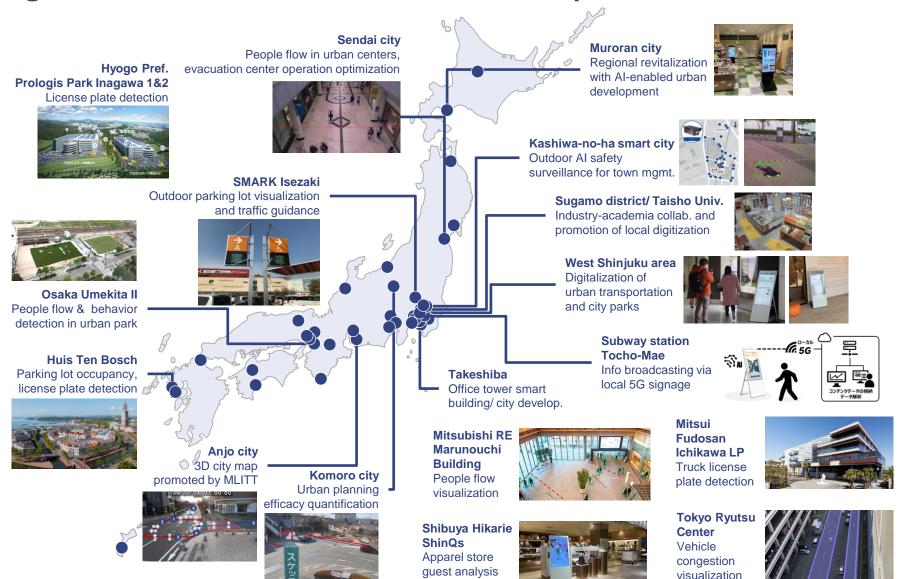
Digi-Solutions unit installation (Cumulative)

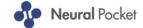


^{*1} LED signages installed (# of locations) by Neural Marketing Inc., post acquisition by Neural Pocket. *2 Mainly Focus Channel digital signages installed in apartments. Also includes other signages installed for commercial use or trial installations unrelated to Focus Channel. *3 Number of edge box units installed for DigiPark/ DigiFlow, etc. A single edge box is often connected to multiple cameras to run Al detection.



Digi-Solution services introduced across Japan





Mitsubishi Estate: Detection of people flow across 3 major buildings in Marunouchi



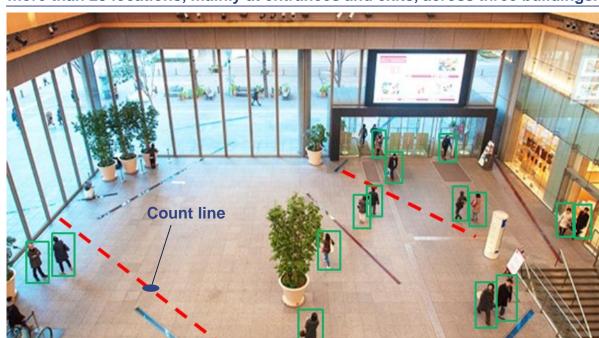


Total guest count and the number of guests staying within the building at any given time is visualized. Edge Al processors were connected to existing surveillance cameras across events spaces, entrances and exits, and escalator entrances across three buildings. In addition, by linking such data with Mitsubishi Estate's database, they can now analyze the impact of events, layout, and seasonal changes on the flow of people within the building.

Marunouchi Building where Digi-Flow was introduced*1

Detection of people flow within Marunouchi Building, Digi-Flow is installed in more than 25 locations, mainly at entrances and exits, across three buildings.





Visualization of guest count, number of guests within the building, and traffic direction through Edge Al cameras

^{*1} Building photo courtesy of Mitsubishi Estate Co.



Huis Ten Bosch Amusement Park Parking lot visualization





Digi Thru

Where system was installed*1









Visualization of congestion in large parking lots and car number detection

^{*1} Photo of park and map courtesy of Huis Ten Bosch



Introduction of "Digi-Thru" license plate detection to Mitsui Fudosan's logistics facility

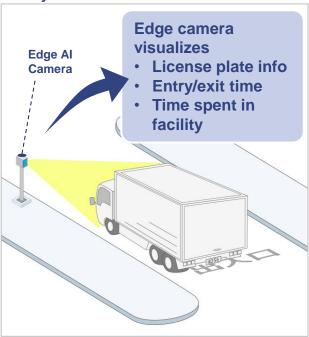


Edge AI cameras installed near entrances and exits detecting license plates of moving vehicles to visualize traffic volume, determine vehicle attributes, and analyze utilization. The data is used to eliminate truck waiting time and support efficient operations.

Mitsui Fudosan Logistics Park (MFLP) Ichikawa Shiohama II, where "Digi-Thru" was installed in July 2022







Contributing to improved efficiency for logistics warehouse through visualization of vehicle traffic with Edge Al Cameras

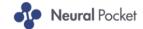


License plate detection at Prologis Park Inagawa





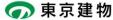
Truck traffic visualization via license plate detection utilizing 20 existing security cameras



Customer testimonials for Digi-Solutions



Tokyo Tatemono Co., Ltd. Digi-Park case example





古澤様の自己紹介をお願い致します。



東京建物株式会社 新規事業開発部 事業開発グループ 課長

オープンイノベーションの担当として、現場のニーズを吸い上げ、適切なスタートアップを紹介する仕事をしていました。

デジパークの導入効果はねらい通りでしたか?





下:潜空表示灯

デジバークを導入したことにより、来訪した車両がスムーズに空き車 <u>室に移動していただけるようになりました</u>。満空灯とLEDサイネージを 見て、どこが空いているのかが一目で分かるようになったところが大き いです。お客様が情報を能動的に探すのではなく、パッと見て受動的に

雑したりという課題が発生します。

わかるようになったとご好評いただいています。

ショッピングセンターでは、お客様ができるだけ施設に近い場所に駐車をされようとして駐車場内で滞留してしまうことがあります。その結果、駐車場内の交通量が余計に増えてしまったり、特定のエリアだけ混

デジパークによってストレスなくスムーズに駐車された上で、気持ちよく施設内でのお買い物が始められるというのは、巡り巡って売上向上にも繋がっていくのではないかと考えています。

お客様の誘導だけでなく、駐車場の利用状況に関するデータも取得できていますが、 その活用についてお考えのことはありますか?

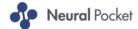


現場で感覚的に理解されていたことも、これまではデータという裏付けがありませんでした。それが定量的に把握できるようになったことは重要だと思います。デジパークの管理者用ダッシュボードでは、あらかじめ定めた区画ごとに時間帯別の混雑度が分かります。これと施設内の状況を照らし合わせて分析し、何か対応できることはないか、といったことを今後検討していきます。

例えば、イベントがあるときに通常の駐車場利用と異なる利用のされ 方をする傾向があった場合、誘導員の配置や警備の巡回ルートを変更して業務を効率化するといった判断を、データをもとに関係者が納得した上で行えるようになるのではないかと考えています。

また、データをどう活用するかを事前に絞るのではなく、日々変化する施設の状況に応じて、駐車場がどのように利用されているかというデータを見返すことで、新しい気づきが生まれるといった循環ができていくのではないかと思います。

Enhancing customer experience and operations every day in large parking lots



Agreement and ongoing analysis of people flow to promote digital transformation in Komoro City

Agreement signing ceremony, announced Feb 4, 2022



Toshihiro Koizumi, Mayor of Komoro (third row from the top, left), Hiroyuki Matsunaga, Deputy General Manager, Urban Renaissance Agency East Japan (first row from the top, right), Mamoru Ogihara, President of Machizukuri Komoro (first row from the top, left), Shuta Shibato, Director of Administration Department, Kakuichi Corporation (third row from the top, right), Shigematsu, President of the Company (second row from the top, center), Takashi Hanaoka, Chairman of Komoro Tourism Bureau (second row from the top, left), Akiko Takakura, Chief of Urban & City Development Division, Nagano Prefecture Construction Department (second row from the top, right

Activity image





Verification of the effect of information broadcasting around central Komoro City on the flow of people. Neural Pocket collected and analyzed information necessary for the study of urban development using image analysis. The above images are for illustrative. (Extracted from press release issued on February 4, 2022)

We are supporting efforts in Komoro City to acquire people flow data and promote pedestrian traffic in the city center



Oedo Line Tochomae Station: Installation of AI signages using local 5G

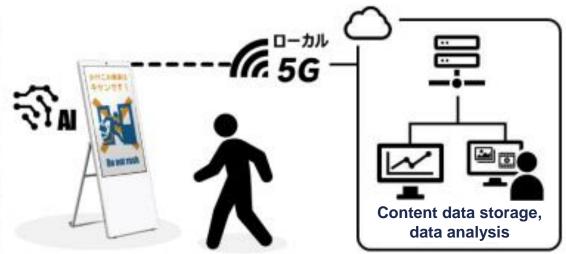
[Overview]

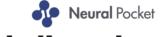
- Joint initiative with JTOWER, NTT East, and FCNT to verify use cases of new digital technology in train stations using 5G technology
- Installed Al signage in stations to broadcast information to commuters and measure viewing data through using built-in camera
- Accelerating digitalization of operations through flexible and efficient information transmission within public facilities

[Going forward]

Further collaboration to install 5G solutions to railway-related facilities nationwide







DigiLook: Top share in Japan with more than 10,000 **LED** signage installations





- Unparalleled installation track record Experience in a wide variety of industries, including large corps, government offices, commercial facilities, and merchant stores
- Unparalleled track record of stable operations Stable operating track record throughout Japan, including cold, hot, and humid regions
- Flexible contract forms Flexible purchase formats such as lease agreements and credit/cash purchases



We are accelerating sales efforts towards large corporations and large-scale facilities. We are also promoting the development of highly functional products with remote content distribution and AI detection functions.

Neural Pocket DigiLook

LED Vision installation cases

LED vision, which excels in visibility and spatial presentation, is used in various scenes throughout the city to promote sales at facilities and stores, and as a medium for people to encounter new information.









FC Imabari Stadium – Introduced large scale LED



Introduced our LED Vision "DIGILOOK" at the Imabari Stadium in Ehime Prefecture





We deliver the advertiser's message to the residents of high-end urban apartments



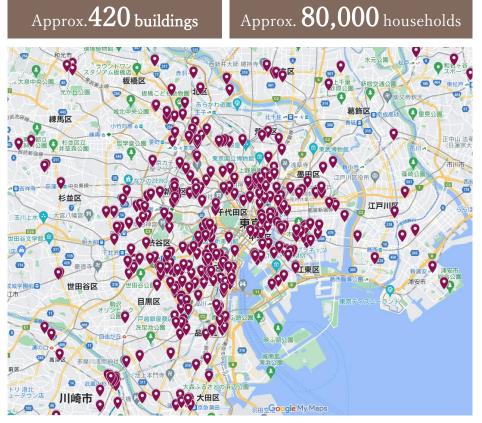








We deliver the advertiser's message daily and repeatedly to approx. 200K residents of high-end urban apartments



XAs of Dec. 31, 2022

Impression

Steady reach regardless of seasons and externalities



Apartment Signage Ads Market No. 1

Frequency

Located in living spaces and repeatedly appealing to all residents

- >> View count per program: 1.50 million \sim /month
- >> Play count per program: **3.50 million~/**month

Targeting

High-grade apartment where many affluent consumers reside

One-stop solution

Acquisition from brand awareness to detailed consideration through ad distribution and flyer placements



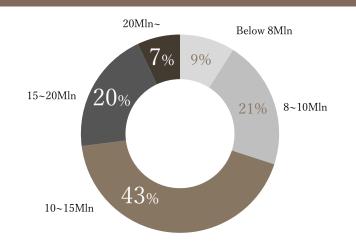
Repeatedly reach a fashion-conscious and highly motivated segment of the business community

70% of the residents exceed an annual household income of 10 million yen.

Most of the apartments are family-oriented, where there is little gender bias, and all households are equally targeted.

Highly visible digital signage enables repeated promotion of brands/ advertisers.

Household income



Household income exceeding 10 Mln JPY

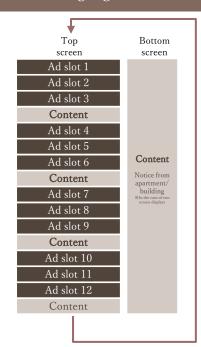
Approx. $70_{\%}$ **Estimated from apartment prices

■ Composition of apartment signage content distribution



As a medium suitable for private spaces, we interweave facility announcements and content between advertisements

Signage Ad distribution configuration



Repeated broadcast

Ad slot information

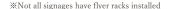
 $16 \; \text{slots} \times 15 \; \text{secs} \\ \text{(Ads 12 slots)}$

Approx. 240 secs (Ads 180 secs)

Examples of installed signages

Flyer racks are also set up near the signage where advertisements are distributed



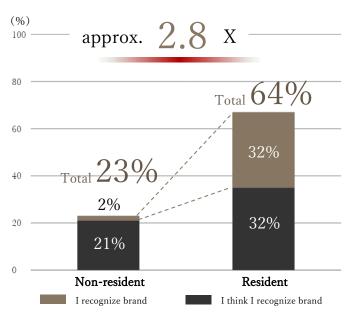






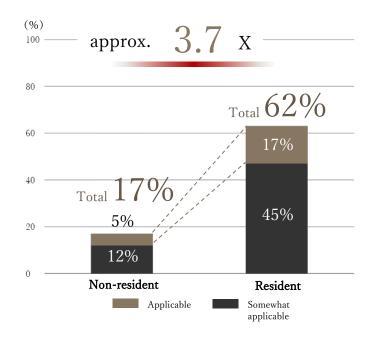
High brand lift effect, contributing to improved recognition and understanding of products and services

Cognitive change regarding advertising



Research: Macromill Inc. Research period: June 2021

Understanding of characteristics of services and products



■ Product sample distribution and physical events for enhanced outreach



Realizing sales promotion that go beyond announcements and product recognition via sampling, experiencing, and events



Higher advertising effectiveness through "Notice" \rightarrow "Product recognition" \rightarrow "Experience"





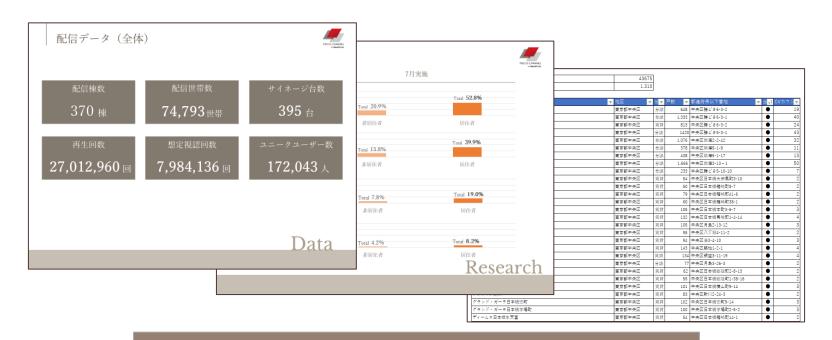




Direct outreach to target customers with experiential and exhibition events utilizing common areas



For larger advertisers we can provide implementation reports, including brand lift research, post ad delivery



Includes delivery data, brand lift survey results, etc. Conversion measurement data with list of apartment addresses also available upon request.



GROWTH'

THE TOKYO TAXI VISION

- Collaboration with "THE TOKYO TAXI VISION GROWTH" (operated by News Technology Co., Ltd.), one of the largest taxi signage media in Japan
- Started sales of "Executive Reach Plan," delivering information from living spaces to mobile spaces targeting affluent people in Tokyo
- Also offering tie-up advertisements with GROWTH's original information program, HEADLIGHT

Focus Channel, Media Sheet





Examples of broadcasted advertisements

■三越伊勢丹ふるさと納税 日本全国から、百貨店バイヤーこだわりの

百貨店バイヤーこだわりの特産品をお届けします。 ウェブから簡単にお申し込みできます。

●三越伊勢行よるさと前税 株本

9月6日(火)~28日(水) 日生劇場

M&A

ウィルゲートM&A













総点数1,000点以上、 半年に一度のアートの祭典が開幕!

DAIMARU

アルミボトルを





SUUMO1















#flect











ディノスのスマート家具レンタル

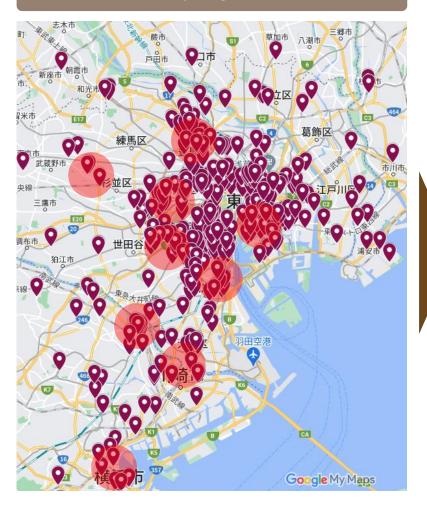




■ Providing region-specific "Local Ads" and collaboration with DigiLook



Promote installation of signages in target areas with many large condominiums



Expansion of area-specific area advertising and development of new advertising products

Distribute advertisements of local businesses

Golf studio



Dentists, clinics



New advertising products

Advertisements in both apartments and outdoor visions in same area





■ List of installed apartments



The Tokyo Towers (Mid Tower) The Tokyo Towers (Sea Tower) The Tokyo Towers (Mid Tower) Kachidoki The Tower Park Tower Harumi Harumi Terrace The Harumi Residence De Tour Tokyo Mid Bay Kachidoki KDX Odenma Residence The Park Habio Nihonbashi Hakozakicho KDX Residence Nihonbashi Suitengu KDX Residence Nihonbashi Hakozaki Residia Mitsukoshimae Residia Nihonbashi Bakurocho Residia Tsukishima II We Will Hatchobori Residia Ginza East PRIME MAISON Ginza East Esty Maison Ginza Castalia Suitengu II Castalia Higashi-Nihonbashi Residia Shinkawa Grand Galla Nihonbashi Kabuto-cho Grand Galla Nihonbashi Kavabacho Dames Nihonbashi Suitengu Deems Kachidoki Comforia Nihonbashi Duke Scara Nihonbashi Brillia Ist Tower Kachidoki Rietcoat Alux Tower Cosmopolis Shinagawa Park Court Akasaka The Tower Global Front Tower Shibaura Island Cape Tower AOUACITY Shibaura

Albul Takanawa

KDX Residence Shirokane I

KDX Residence Shirokane II

KDX Residence Shiba-Koen

KDX Residence Azabu East

KDX Residence Nishiazabu

Residia Tower Azabujuban

KDX Residence Minami Azabu

Central Crib Roppongi 1 Central Crib Roppongi 2 Central Crib Roppongi 3 Roppongi MK Art Residence White Tower Hamamatsucho **IUN HANABI** Residence Shirokane Korole Residence Shirokane Park Front Wat's Shirokane Prime Maison Shirokane-Takanawa Urban Flats Shibaura (Esty Maison Shibaura) Esty Maison Azabu Nagasaka Comforia Tamachi Deems Azabu Raccooncho (Park Habio Azabu Raccooncho) Park Habio Akasaka Tower Akasaka Hikawa-cho Residence Residia Toranomon 31 21 Residia Tower Nogizaka Park Axis Nishi Azabu Stage Park Axis Azabu-Sendazaka MFPR Court Akasaka-mitsuke Park Axis Akasaka-mitsuke Castalia Takanawa Castalia Shiba-Koen PROUD FLAT Shirokane-Takanawa Castalia Azabujuban Shichimenzaka Residia Roppongi Hinokicho Koen Residia Shibaura Apartments Tower Azabujuban Comforia Shibaura Bauhaus Comforia Mita EAST Comforia Azabu EAST Park Axis Premier Minami Aoyama Akasaka The Residence KDX Residence Hanzomon Spacia Akihabara Park Habio Iidabashi Residia Kudanshita Forecity Akihabara

Urban Park Azabujuban

Lexington Square Shirokane-Takanawa

Residia Nishi-Azabu

Clio Mita La Mode

Bellevue Chiyoda Iidabashi Deems Otemachi North Gala Station Iwamotocho North Premiere Ichibancho KDX Daikanyama Residence KDX Residence Nishihara KDX Residence Ebisu Prime Maison Ebisu Esty Maison Sasazuka PRIME MAISON Shibuya Park Habio Shibuya Honmachi Residence Comforia Sasazuka Comforia Harajuku Comforia Kitasando Park Habio Ebisu Residia Hiroo II Residia Ebisu II Park Axis Daikanyama D'Clady Ivan Hatsudai Forecity Tomigaya Ouiz Ebisu Castalia Hatsudai Park Axis Shibuya Sakuragaoka WEST Residia Sasazuka II KDX Residence Hatagaya Daikanyama Tower Deems Shibuva Honcho Grand Charme Hiroo Beacon Tower Residence Canal First Tower The Toyosu Tower Orizon Mare UUR Court Kinshicho Arden Kivosumi Shirakawa Ecology Toyocho Pro Century Esty Maison Oshima Comforia Tovosu Comforia Kameido South City Tower Ariake Brillia Ariake Sky Tower Crevia Luxe Monzennakacho Park Habio Monzennakacho KDX Residence Tovosu MFPR Court Kiba Park Deems Kiba

Deems Toyocho Deems Toyocho II Royal Parks Toyosu Cosmo The Canal Tokyo East Residia Oshima Residia Kameido Residia Kiba Park Homes Toyocho Canal Arena Comforia Morishita Riverside Canal Square Toyosu Rosewood Heights Monzennakacho Galla Precious Monzennakacho Galla Grandy Morishita Gala Precious Kiba Gala Grandy Toyocho Gala Grande Gala Oshima Comforia Kiba Park Comforia Oshima Comforia Toyocho Comforia Morishita PRIME URBAN Monzennakacho PRIME URBAN Tovosu New Rise City Tokyo Bay High Rise Brillia Ist Shinonome Canal Court Resident Place Nishi-Kasai Acras Crystal Marks Inici Mizue Premisto Ichinoe Aquarena Minami Kasai Comforia Shin Nakano Deems Honancho The Park House Nishi-Shinjuku Tower 60 The Park Habio Shinjuku KDX Residence Higashi-Shinjuku D Marks Nishi-Shinjuku Tower KDX Residence Nishi-Shinjuku Prime Maison Ichigaya-Yamabushicho Esty Maison Higashi-Shinjuku Comforia Shinjuku East Side Tower Comforia Higashi-Shinjuku Station Front Residia Ichigava The Park Habio Waseda Kawadacho Garden / Club Floor Kawadacho Garden / Building 1

■ List of installed apartments



Kawadacho Garden / Building No.2 Castalia Shiniuku-Gyoen Castalia Shiniuku Residia Nakaochiai (Building C) Residia Ichigaya-Yakuoji KDX Residence Kagurazaka Dori Hulic Residence Shinjuku Toyama Park Sphere Ushigome-Kagurazaka Comforia Waseda Comforia Ichigaya Yanagicho Comforia Shinjuku As Nishiwaseda East Wing Iidabashi Hightown CONTRAL nakameguro Comforia Shibuya WEST KDX Residence Jiyugaoka Residia Yutenji Residia Tower Naka-Meguro The Park Habio Meguro MFPR Meguro Tower Residia Meguro IV Castalia Nakameguro PRIME URBAN Meguro Ohashi Hills Residia Naka-Meguro III Louvre Meguro Fudomae Shinagawa Seaside Residence KDX Residence Togoshi KDX Residence Shinagawa Seaside Residia Shimatsuyama Belle Face Meguro Castalia Meguro Kamuro-zaka Castalia Tower Shinagawa Seaside Esty Maison Shinagawa Seaside I Esty Maison Shinagawa Seaside II Esty Maison Shinagawa Seaside III Orchid Residence Shinagawa Esty Maison Oi Sendaizaka Comforia Meguro Chojamaru Prime Maison Shirokanedai Tower The Park Habio Shinagawa Togoshi Residia Higashi-Shinagawa OASE Shinagawa Residence Park Cube Higashi-Shinagawa Castalia Togoshi

Castalia Nakanobu PROUD FLAT Togoshi-Koen Residia Minami Shinagawa II Residia Tower Meguro Fudomae Dames Shinagawa Minami-Ooi Dames Oimachi Dames Shinagawa Minami Hulic Ebara Deems Shinagawa Togoshi II Glenpark G-WEST Comforia Shinagawa EAST PRIME URBAN Oimachi II PROUD FLAT Shinagawa Oimachi Belle Face Mishuku Esty Maison Daizawa Comforia Komaba Residia Sangenjaya The Park Habio Sangenjaya Terrace Brilliaist Sangenjaya (Ivy Terrace) Brilliaist Sangenjaya (Blossom Terrace) Gardeniere Kinuta Residence Gardeniere Kinuta WEST Comforia Shimokitazawa Belle Face Hongo Yumicho Comforia Bunkyo Kasuga Park Axis Bunkyo Stage Residia Bunkyo Honkomagome Residia Ochanomizu Residia Bunkyo Otowa Residia Bunkyo Otowa II Bunkyo Green Court Terrace Bunkyo Green Court View Tower Honkomagome Hulic Residence Komagome Apartments Sendagi Comforia Kasuga Tomizaka KDX Bunkyo Sengoku Residence Cross Residence Higashi Jujo Comforia Takinogawa Park Axis Akabane Minami Royal Parks Riverside Green Forest Park Arena Roval Parks Nishi Arai Royal Parks Caesar Roval Parks Umejima

ARTECASA Alivie Avase

First Residence Nishi Arai Esty Maison Akihabara Comforia Asakusabashi Park Habio Akihabara Park Habio Akihabara Est The Park Habio Ueno Residence The Park Habio Ueno-okachimachi Residia Ueno-Okachimachi Park Axis Motoasakusa Stage Park Cube Ueno Castalia Kita Ueno Castalia Minowa Residia Shin-Okachimachi II Comforia Asakusa Matsugaya The Park Habio Shin-Okachimachi Residia Suginami Honancho Royal Parks Ogikubo Residia Ogikubo In the Park Ogikubo Tokyo Sur House TK Denenchofu Ladies Flats Cross Residence Kamata Comforia Nishi-Kamata Forecity Shin-Kamata Park Axis Kamata Station Gate Residia Omori Higashi Residia Kamata IV Residia Kamata Residia Tamagawa KDX Residence Yukigaya-Otsuka KDX Residence Kamata Minami Vauga Corte Nishimagome Azir Court Comforia Omori DEUX KDX Residence Ovama Hilltop Square Park Square Narimasu THE ITABASHI Terrace City Terrace Kaga Residia Itabashi S-FORT Naka Itabashi KDX Residence Naka Itabashi KDX Shimurazakaue Residence Comforia Ovama

Livio Tower Itabashi Residia Tower Kamiikebukuro (Tower Tower) Residia Tower Kamiikebukuro (Park Tower) ba apartment Residia Mejiro West Park Tower Ikebukuro Comforia Higashi Ikebukuro WEST The Park Habio Sugamo Castalia Otsuka Grande Maison Ikebukuro Ichibankan Deems Otsuka Gala Grandy Ikebukuro II Comforia Narimasu KDX Residence Kamishakuiii II The Park House Kamishakujii Residence S-FORT Kinshicho Residia Kinshicho Residia Kinshicho II Lexied Ryogoku Ekimae Gala City Ryogoku Comforia Ryogoku DEUX Castalia Arakawa Hulic Residence Chofu Shibasaki Cosmo The Parks Chofu Tamagawa Chofu Tamagawa Garden Fort Royal Parks Wakabadai City Terrace Akishima Royal Parks Hanakoganei KDX Residence Tachikawa Viegarden The Residence Price Hill The Park House Yokohama Shinkoyasu Garden The Park House Yokohama Oguchi The Residence Fort Yokohama Deems Yokohama Aokicho Park Court Yamashita Koen KDX Residence Yokohama Kannai Pacific Royal Court Minatomirai Roval Tower Yokohama Tsurumi City Terrace Yokohama South The Garden I-Grandia Hivoshi S-FORT Yokohama Aobadai Bland's Yokohama Park Homes Yokohama Yamata Center Forest

■ List of installed apartments







There is vast potential of locations for Digi-Solution Services to be installed

Figures represent # of locations within Japan





Appearances at seminars/ events

Al technology

- Tokyo Data Platform Convention Professional Advisor
- RX Japan NexTech Week2022 [Fall] Lecture title "Smart Cities Today"
- Macnica: Possibilities in Retail for Image Recognition Al Speaker on Image Recognition Al
- Al Innovation AWARD2022 "Future envisioned by Smart Cities"
- HONGO Al 2021 Judge
- JR East Mobility Transformation Consortium

Urban planning

- Shibuya Ward Kitaya Park Jinnan Market Thinking about the future of Shibuya Park! Speaker
- Muroran City DX Promotion Forum Panelist for "Connected Smart City" session
- "Roadside Station Murayama" Development Basic Plan Study Citizens' Meeting Advisor
- Regional Development College in Otaru Plans for Otaru, a new northern commercial city, based on a Digital Rural City State Concept Speaker
- National Ugoki Statistics Co-creation Idea Contest (Softbank) Awarded Excellence Prize

Collaboration with Academia

- DCON2023 Japan Technical College Deep Learning Contest Final round, technical jury
- Yokohama f College Special lecture
- Aoyama Gakuin University Special lecture

Apparel

- Ministry of Economy, Trade and Industry The 5th Study Group on Sustainability in Textile Industry Presenter
- Senken Shinbun "Fashion DX Day 2021"

Others

- ROCK THAILAND #4 Presented in Bangkok, Thailand
- AWS Japan [IoT AWS Seminar for Engineers] etc. "Creating services using IoT Core"
- NTT Docomo Ventures Start-up Academy
- WIRED STARTUP LOUNGE "The Art of Innovation -Mirror World"



Thailand: Presenting at exchange event hosted by the Embassy of Japan between local conglomerates and start-ups

Pictures from event







JETRO Business Brief article

日本のスタートアップ9社、「Rock Thailand #4」でタイ 大手企業に技術紹介

イベントの冒頭、西村康稔経済産業相は「サブライチェーンの混乱、カーボンニュートラルの達成といったリス ク・課題の解決のカギは、イノベーションにある」と強調した。その上で、「ディープテックや斬新な発想を有し、 次の時代の成長を牽引するスタートアップの存在が欠かせない」と述べ、日本政府として日本のスタートアップと ASEANの経済界のコラボレーションを積極的に推進する考えを示した。



人工知能 (AI) 技術やバイオ技術を持つ日本のスタートアップ9社は、タイの社会課題を踏まえ、自社技術がどの ように課題解決に貢献できるかを発表した。リアルタイム画像認識とAI技術を使ったスタートアップであるニューラ

Local Thai media coverage

true

เปิด 9 สตาร์ตุอัปญี่ปุ่น เตรียมจับคู่บริษัทไทยชั้นนำ ใน "Rock Thailand" ครั้งที่ 4











^{*1} JETRO (Japan External Trade Organization) Bangkok website URL https://www.jetro.go.jp/biznews/2022/11/eaffaede81bf189a.html



Membership in many public/private organizations related to AI and smart cities

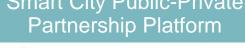
Smart City related



Japan Platform for Driving Digital Development: JPD3











Kamakura City Smart City Public Private Sector Research Association

MaaS Social Implementation Promotion Forum

Industry groups



Japan Business Federation



Japan
Deep Learning
Association





The Osaka Chamber of Commerce and Industry



Michi-no-Eki

SENDAI BOSAI TECH

Collaboration with corporations



SoftBank

5G

Consortium







Overseas



日本タイ協会 THE JAPAN THAILAND ASSOCIATION



JETRO Members, Japan External Trade Organization

Company mission

"Update the world for a better tomorrow"

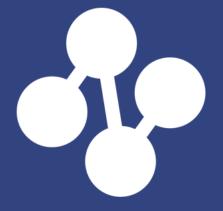




Disclaimer

Handling of the material

This document contains forward-looking statements. These statements are based solely on the information available at the time the statements were made. Furthermore, such statements are not guarantees of future results and are subject to risks and uncertainties. Actual results may differ materially from those projected in the future due to changes in the environment and other factors. Factors that may affect the actual results described above include, but are not limited to, domestic and international economic conditions and trends in relevant industries. We are under no obligation to update or revise any of the future information contained in these materials in the event that new information comes to light or future events occur. The information contained in these materials relating to matters other than the Neural Pocket is quoted from public information and Neural Pocket has not verified and does not guarantee the accuracy or appropriateness of such information.



Neural Pocket