



ORCHESTRA HOLDINGS

Results of Operations  
for the Second Quarter  
of the Fiscal Year  
Ending December 31,  
2025



# Executive Summary



FY2025 2Q	Net sales 7,794 mil yen YonY +15.8% Gross profit 3,390 mil yen YonY +5.0%	EBITDA 635 mil yen YonY △15.1% Operating income 321 mil yen YonY △35.0 %
<p>Sales and gross profit reached record highs in 2Q. In the DX business, the software testing business grew steadily, and revenue expansion was also contributed by the consolidation effect of the two companies acquired through M&amp;A during the current period. Although EBITDA and operating income declined due to the loss of a major customer in the DM business, the results for the first half of the fiscal year were generally in line with the full-year forecast. Both the DM and DX businesses are expected to grow in the second half of the fiscal year, and performance is expected to recover from the low point in 2Q.</p>		

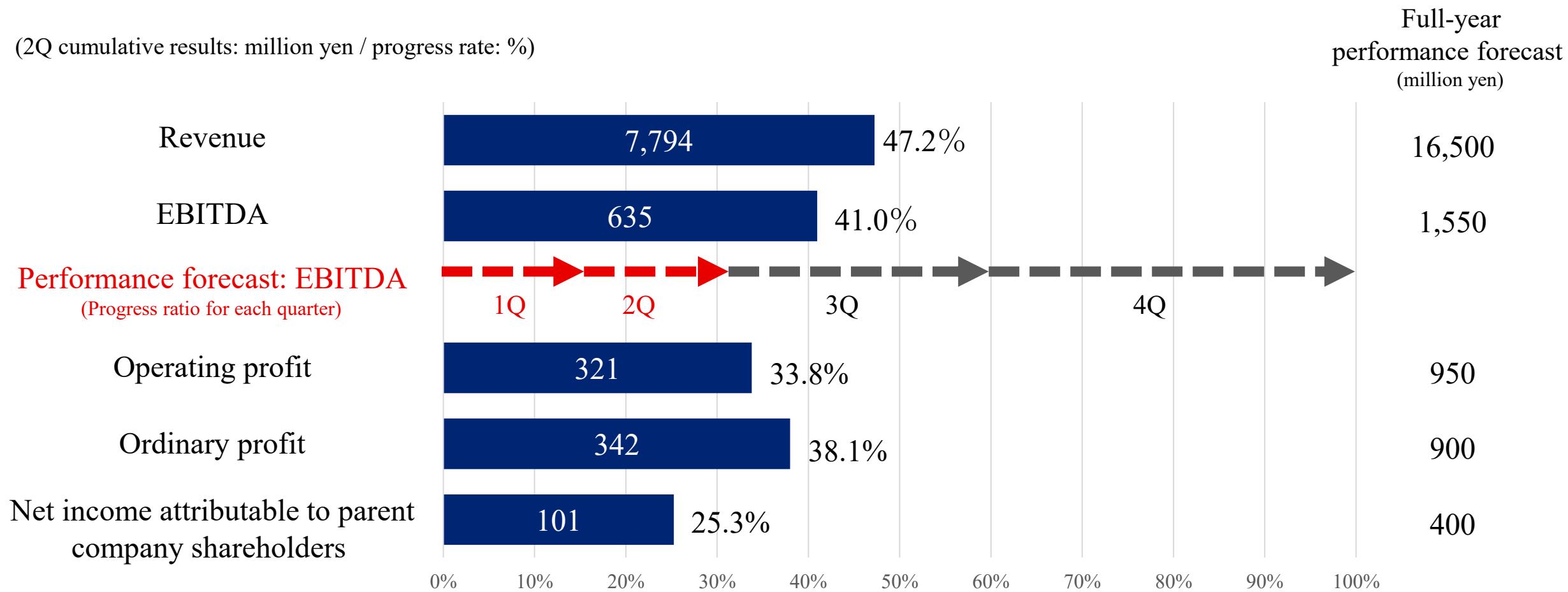
<b>Digital Transformation (DX) Business</b>  Net sales 3.80 bil yen (YonY +16.5%) EBITDA 0.42 bil yen (YonY +24.9%)  Segment sales and EBITDA reached record highs in 2Q.  Contributing factors included growth in the software testing business and increased revenue from M&A in 1Q (JTPRO Corporation and KHWAYz Co.,Ltd.).	<b>Digital marketing (DM) Business</b>  Net sales 2.75 bil yen (YonY △3.8%) EBITDA 0.96 bil yen (YonY △14.7%)  Revenue and profit declined due to the impact of major customers leaving. On the other hand, business negotiations with major companies are progressing thanks to strengthened sales efforts targeting new customers, and a recovery in business performance is expected from 3Q onwards.	<b>(Started in 3Q) New segment IP &amp; Entertainment Business</b>  From 3Q, the IP & Entertainment segment was established to expand the development of digital content and the utilization of in-house IP. (See page 5 for details.)	<b>Change in accounting standards to IFRS</b>  We are currently preparing to adopt IFRS (International Financial Reporting Standards) in FY25. The adoption of IFRS, which does not amortize goodwill, is a change aimed at more appropriately disclosing the actual performance of our company, which positions M&A as a core strategy for growth. Note that the annualized amount of goodwill amortization currently recognized is approximately 610 million yen.  <b>Shareholder return</b>  Considering the stock price level, we will acquire treasury stock worth 200 million yen. (See page 4 for details.)
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# FY2025 Consolidated Forecast



Sales and profits for 2Q were generally in line with expectations.

(2Q cumulative results: million yen / progress rate: %)



# Shareholder Returns

We aim to deliver sustainable shareholder value growth through M&A and strategic investments in new business areas. Shareholder returns remain a key pillar of our value creation strategy and will be implemented in balance with growth investments.

## Dividend Plan

For the fiscal year ending December 2025, we plan to raise the ordinary dividend by 11 yen to 12 yen per share, reflecting our earnings forecast, financial position, and other considerations.

	FY2024	FY2025
Type of Shares	Dividend per share	11.0 yen
Total Number of Shares to be Acquired		Up to 400,000 shares
Total Acquisition Amount		Up to 200 million yen
Acquisition Period		August 15, 2025 – March 24, 2026
Acquisition Method		Market purchases

## Share Repurchase Plan

We plan to repurchase up to 200 million yen of our own shares. Taking into account our share price level and financial position, the repurchased shares will be held for strategic purposes, including potential use in M&A.

Type of Shares	Common shares of the Company
Total Number of Shares to be Acquired	Up to 400,000 shares
Total Acquisition Amount	Up to 200 million yen
Acquisition Period	August 15, 2025 – March 24, 2026
Acquisition Method	Market purchases

# About the new segment

The domestic content market surrounding the entertainment and creative industries is worth more than 13 trillion yen, and the global market is worth more than 135 trillion yen, and is expected to continue expanding in the future.\* As sales of related businesses within the group are expected to grow in the future, the IP & Entertainment business will be established as a new business segment from 3Q 2025 to expand the development of digital content such as games and fortune-telling, and the utilization of the company's own IP.

*Vivo*

Expanding IP business



Handling game planning, development, and operation across all platforms.  
Focusing on development on Roblox



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ウラーラ

“Urala” is a fortune-telling service that allows you to consult with over 1,000 fortune-tellers via chat.



01 Financial Overview: 2Q FY2025

02 Compliance with listing maintenance criteria

03 Business Summary

04 Growth Strategy

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# 01 Financial Overview: 2Q FY2025

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# 2Q FY2025 Consolidated Results



Sales and gross profit reached record highs in 2Q.

Driven by growth in the DX Business's software testing segment and contributions from two M&A-acquired companies\* consolidated this fiscal year. EBITDA and operating profit declined due to the loss of a major DM Business customer, but 1H results are broadly in line with the full-year forecast. Both DM and DX Businesses are expected to grow in 2H, with performance recovering from the 2Q bottom.

\* JTPRO Corporation (consolidated in P/L from February 2025), KHWAYz Co.,Ltd. (consolidated in P/L from March 2025)

(Millions of yen)	1H/FY2025	1H/FY2024	% Change	2Q/FY2025	2Q/FY2024	% Change
<b>Net Sales</b>	<b>7,794</b>	<b>6,730</b>	<b>15.8%</b>	<b>3,713</b>	<b>3,340</b>	<b>11.2%</b>
<b>Gross Profit</b>	<b>3,390</b>	<b>3,230</b>	<b>5.0%</b>	<b>1,538</b>	<b>1,523</b>	<b>1.0%</b>
<b>SG&amp;A expenses</b>	<b>3,069</b>	<b>2,735</b>	<b>12.2%</b>	<b>1,554</b>	<b>1,464</b>	<b>6.1%</b>
<b>EBITDA</b>	<b>635</b>	<b>748</b>	<b>△15.1%</b>	<b>146</b>	<b>188</b>	<b>△22.0%</b>
EBITDA margin	8.2%	11.1%	△3.0%	4.0%	5.6%	△1.7%
<b>Operating Profit</b>	<b>321</b>	<b>494</b>	<b>△35.0%</b>	<b>△ 15</b>	<b>59</b>	<b>-</b>
<b>Ordinary Profit</b>	<b>342</b>	<b>484</b>	<b>△29.2%</b>	<b>16</b>	<b>57</b>	<b>△71.6%</b>
Profit attributable to owners parent	101	249	△59.4%	△ 42	13	-

# 2Q FY2025 Segment Results



[DX Business] Revenue and EBITDA reached record highs for 2Q, driven by steady growth in the software testing business and contributions from two companies\* acquired and consolidated during the current fiscal year through M&A.

[DM Business] Revenue and profit declined due to the loss of a major customer. However, strengthened sales efforts targeting new customers have advanced negotiations with multiple large enterprises, and performance is expected to recover from 3Q onward.

[Other Businesses] Land Ho Co.,Ltd., which joined the Group through M&A in the previous fiscal year, contributed to revenue growth.

\*JTPRO Corporation (consolidated in P/L from February 2025), KHWAYz Co.,Ltd. (consolidated in P/L from March 2025)

Segment (Millions of yen)	1H/FY2025	1H/FY2024	% Change	2Q/FY2025	2Q/FY2024	% Change
<b>Digital Transformation(DX) business</b>						
Net sales	3,806	3,266	16.5%	1,897	1,745	8.7%
EBITDA	427	342	24.9%	200	179	11.9%
Segment profit	247	205	20.9%	105	109	△3.5%
<b>Digital Marketing business</b>						
Net sales	2,756	2,864	△3.8%	1,230	1,287	△4.5%
EBITDA	963	1,130	△14.7%	328	434	△24.3%
Segment profit	873	1,036	△15.8%	283	387	△26.8%
<b>Other businesses</b>						
Net sales	1,313	641	104.8%	632	326	93.9%
EBITDA	38	△ 16	-	3	△ 18	-
Segment profit	3	△ 22	-	△ 13	△ 21	-

# Quarterly Consolidated Results

2Q Record high

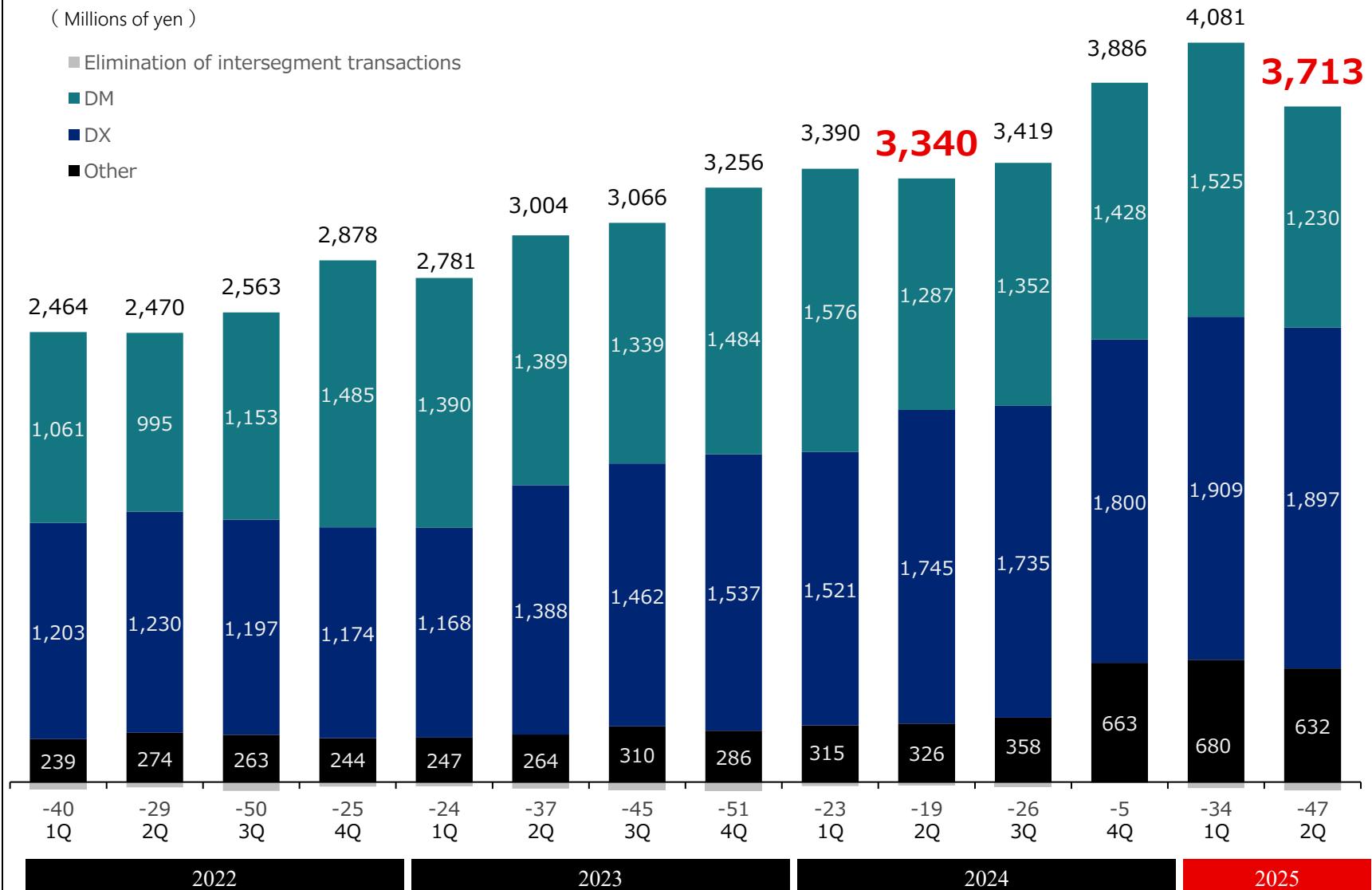
Net sales

Up 11.2% YonY

- Record high in 2Q
- Driven by growth in the DX Business's software testing segment and increased contributions from companies that joined the Group through M&A and were consolidated during the current fiscal year.

( Millions of yen )

- Elimination of intersegment transactions
- DM
- DX
- Other



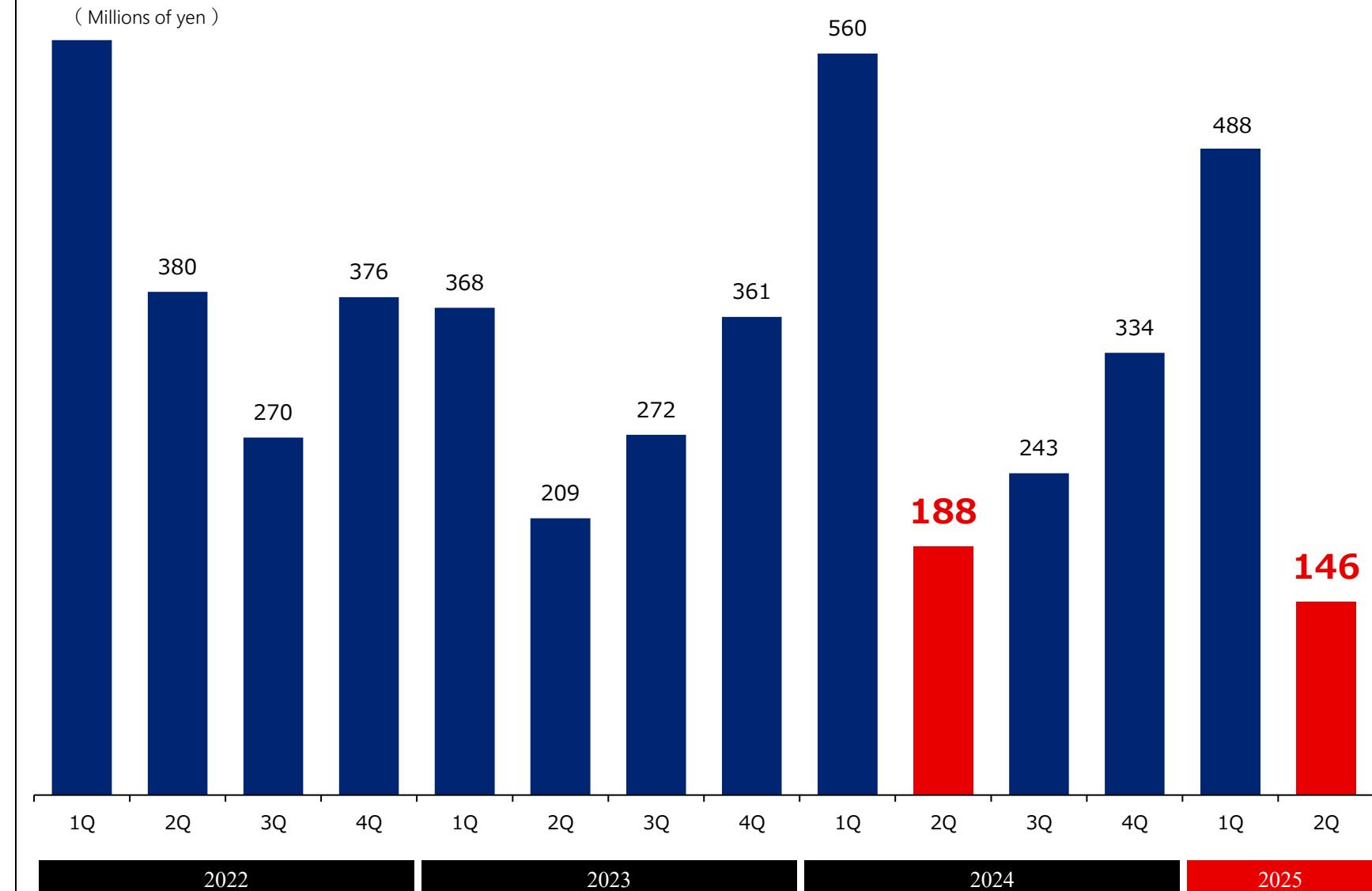
# Quarterly Consolidated Results



## EBITDA

Down 22.0% YonY

- While the DX Business achieved record-high revenue and EBITDA for 2Q, the loss of a major customer in the DM Business had a significant impact, resulting in a YonY decline in EBITDA.



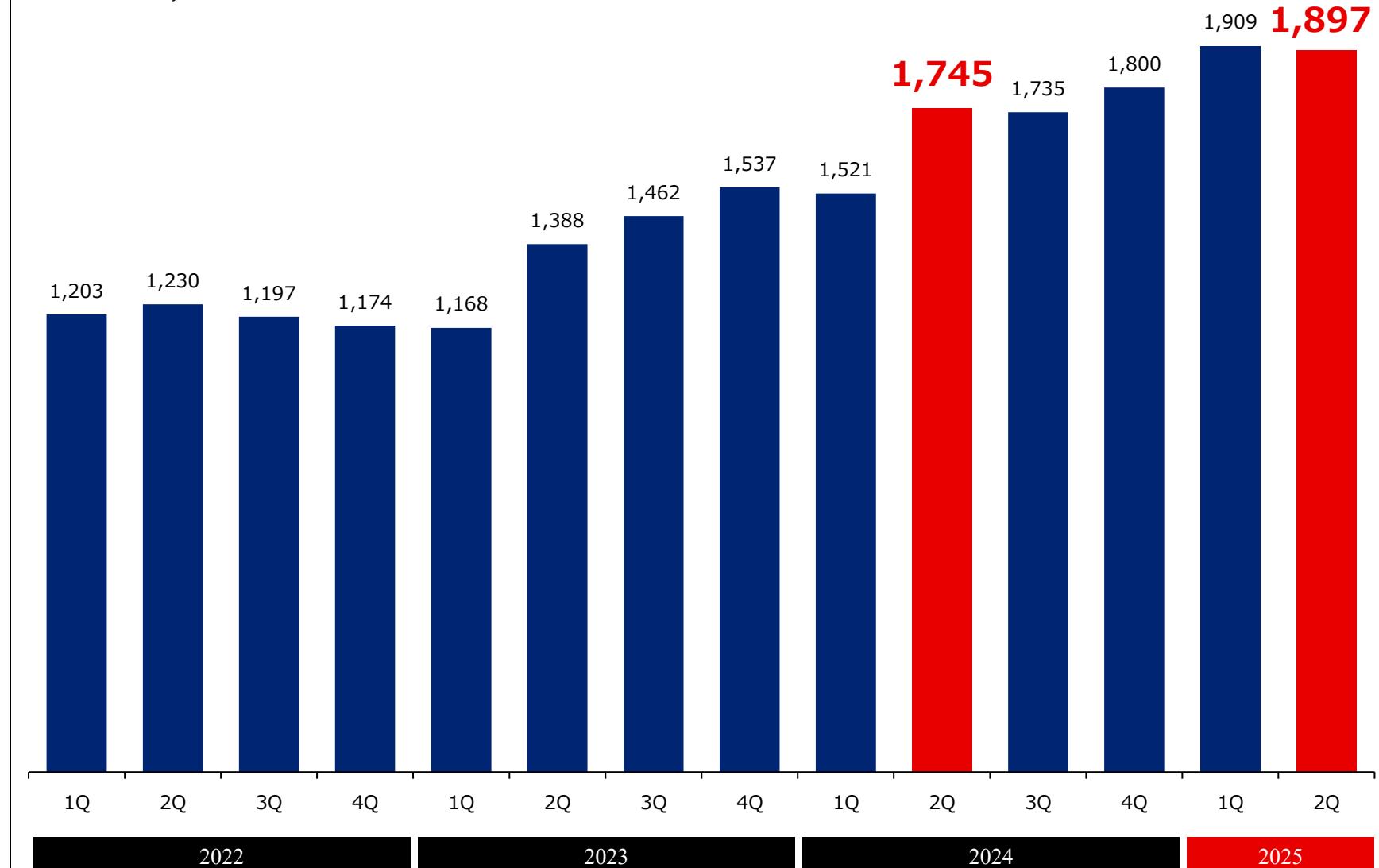
# DX Business: Quarterly Results

**2Q Record high**

Net sales  
Up 8.7% YonY

- Record high in 2Q
- JTPRO Corporation, which was acquired by VES, Inc., will be consolidated in the P/L from February 2025, and KHWAYz Co., Ltd. from March 2025, contributing to net sales growth on a YonY basis.

( Millions of yen )



# DX Business: Quarterly Results

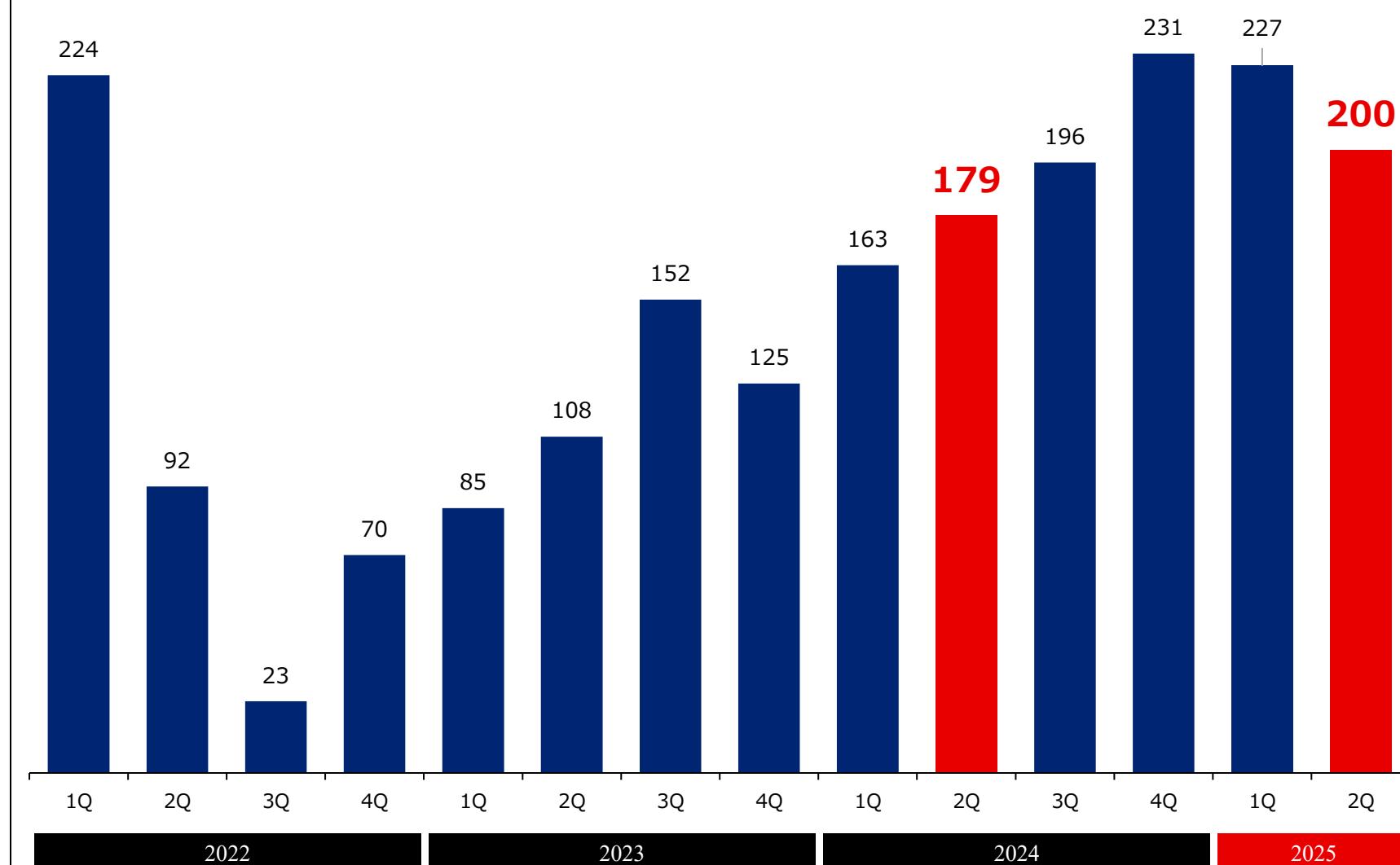
2Q Record high

EBITDA

Up 11.9% YonY

- Record high in 2Q
- JTPRO Corporation, which was acquired by VES, Inc., will be consolidated in the P/L from February 2025, and KHWAYz Co., Ltd. from March 2025, contributing to EBITDA growth on a YonY basis.

( Millions of yen )



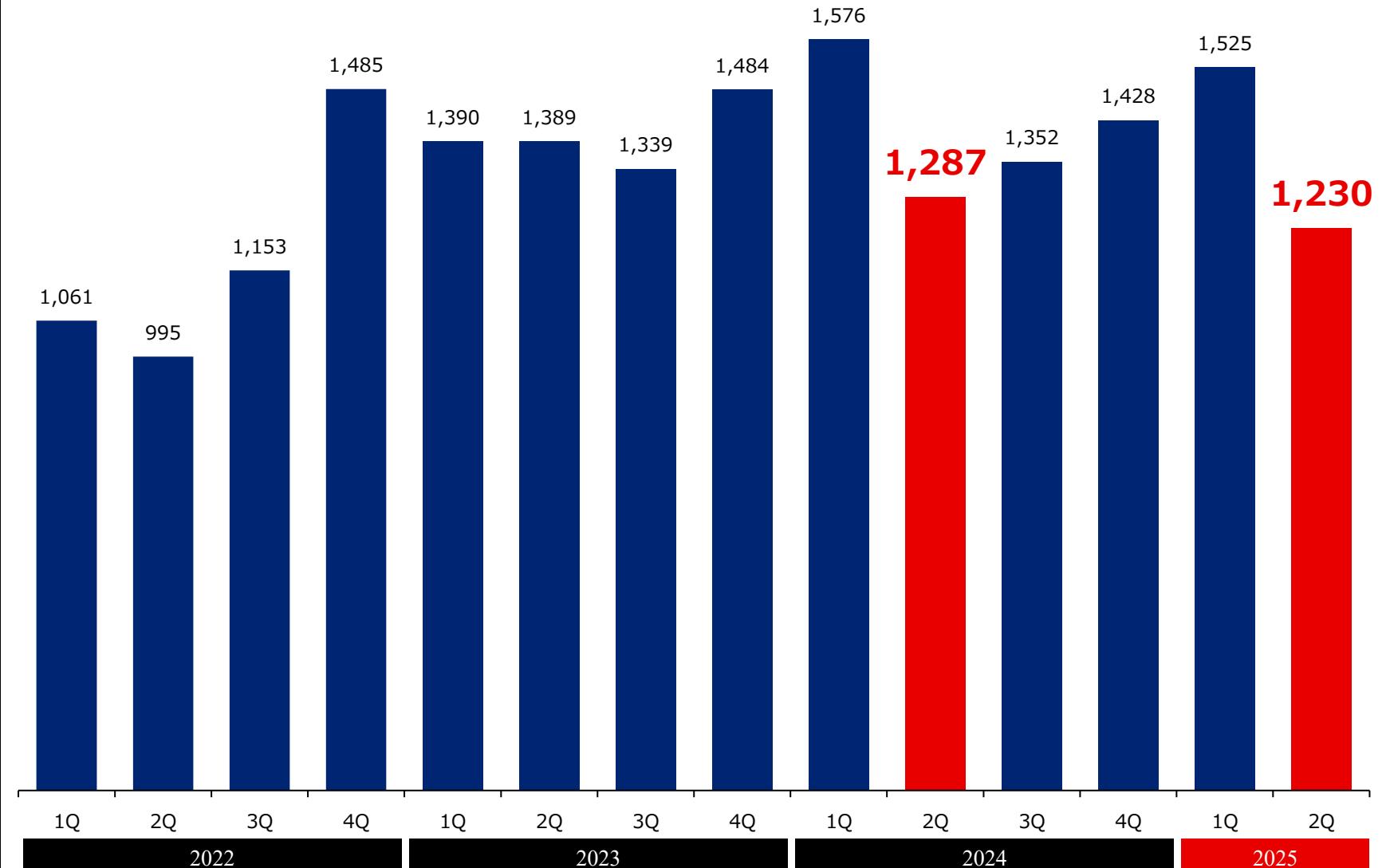
# Digital Marketing Business: Quarterly Results

## Net sales

Down 4.5% YonY

- Slight decrease in YonY due to the impact of the departure of a major customer.
- Currently, business negotiations with multiple large enterprises are progressing thanks to the strengthening of our sales structure, and a recovery is expected from 3Q onward.

( Millions of yen )



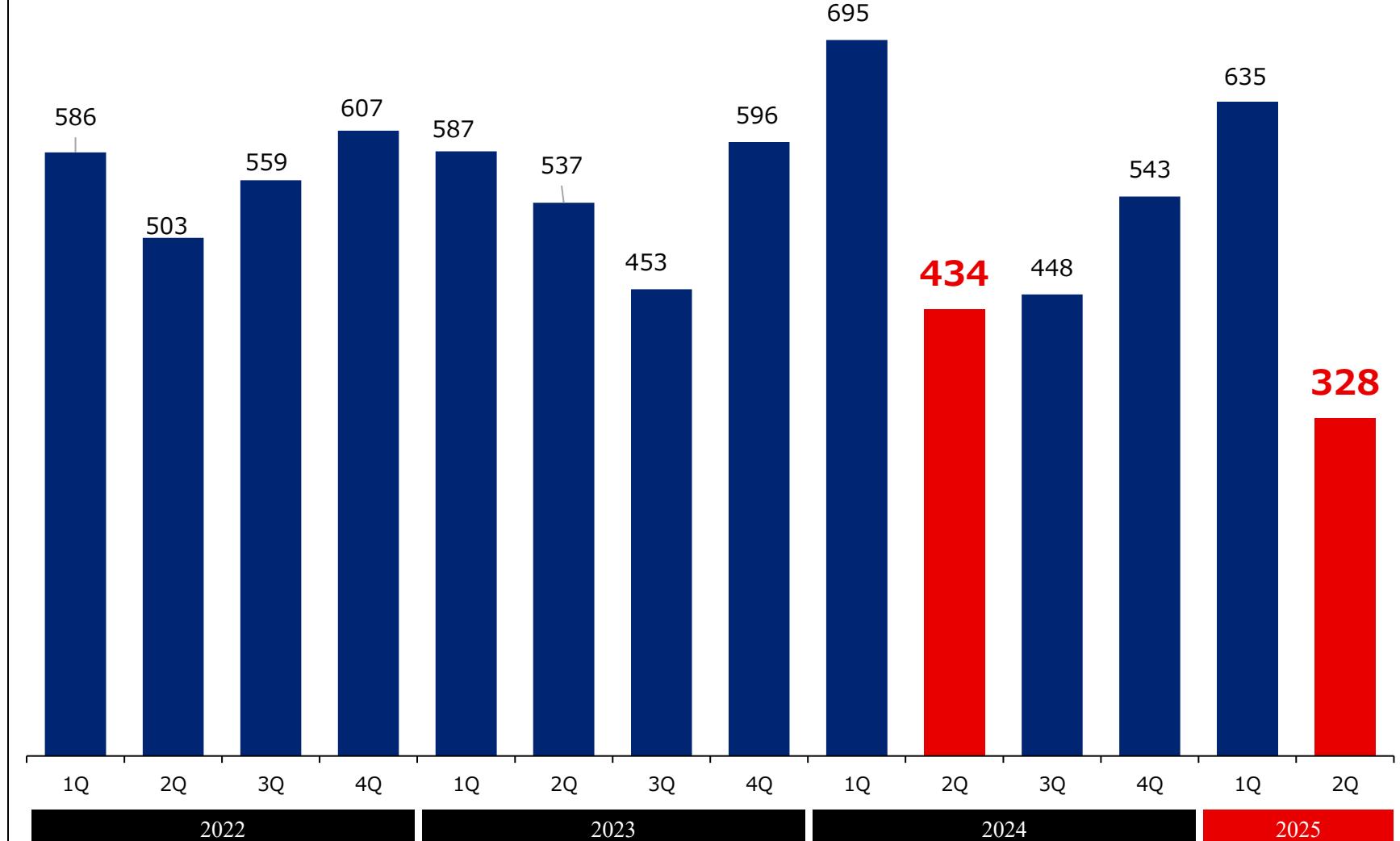
# Digital Marketing Business: Quarterly Results

## EBITDA

Down 24.3% YonY

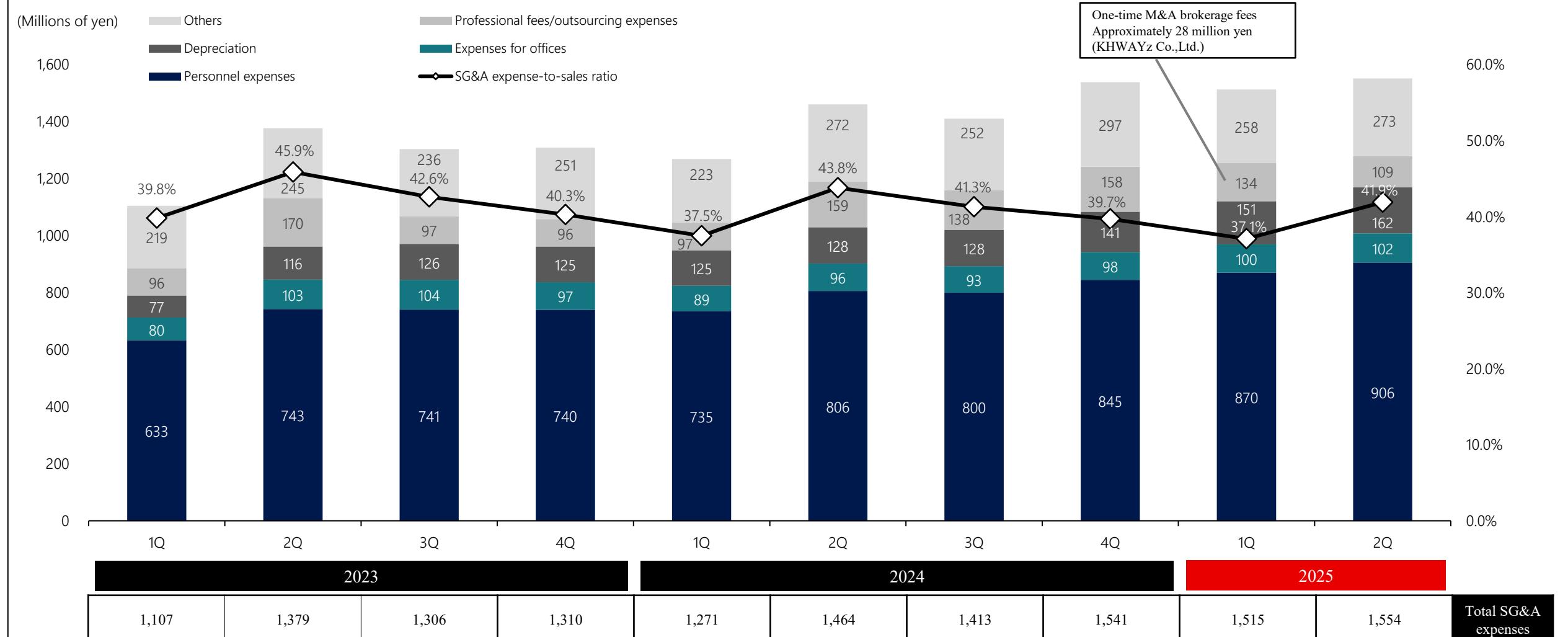
- EBITDA down 24.3% YonY due to the loss of a major customer. Currently, business negotiations with multiple large enterprises are progressing thanks to the strengthening of our sales structure, and a recovery is expected from 3Q onward.

( Millions of yen )



# Changes in SG&A Expenses

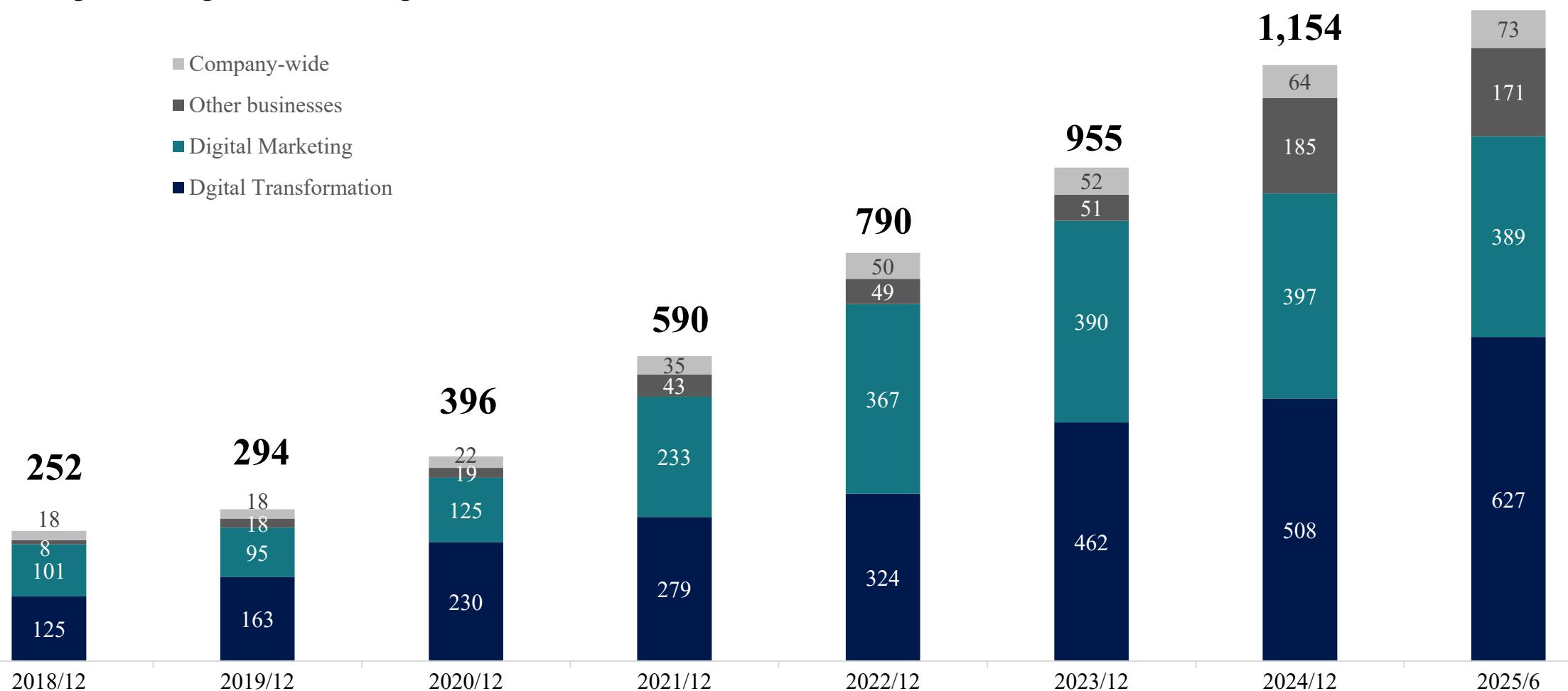
SG&A expenses increased YonY due to M&A and aggressive investment in human resources.



# Changes in The Number of executives and employees

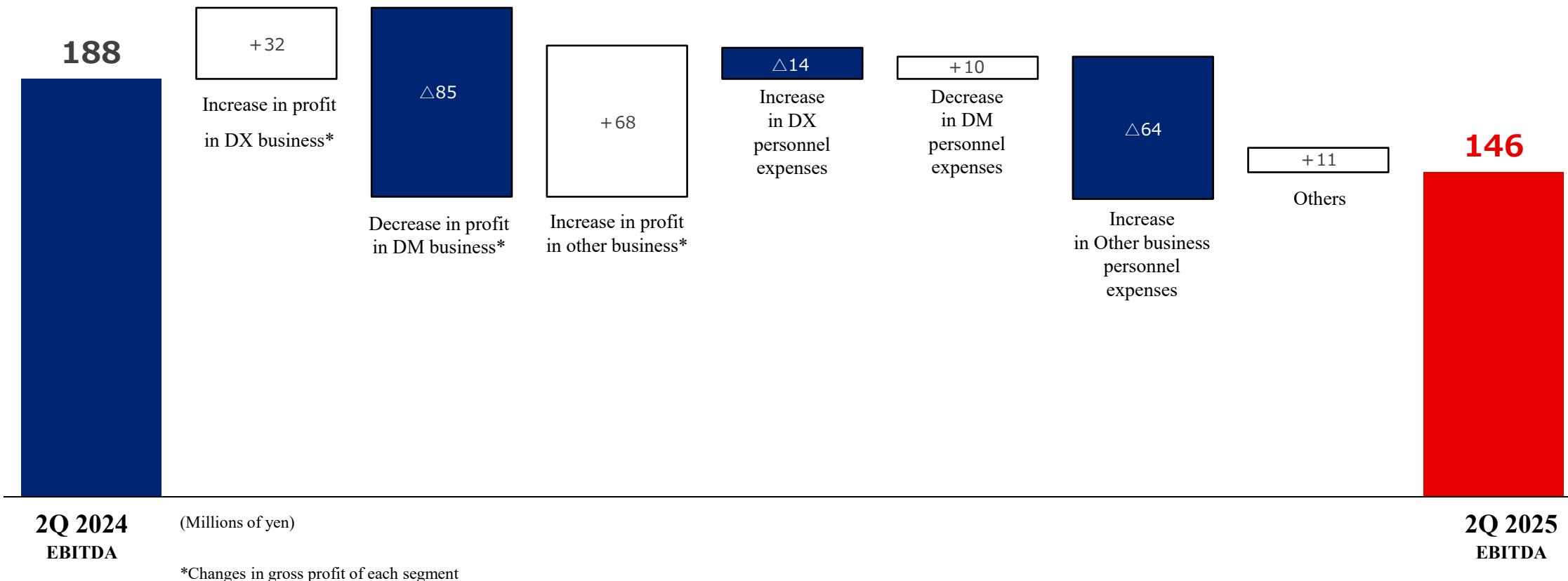
The number of executives and employees is 1,260 at the end of June 2025

DX business increased by approximately 120 employees from the end of the previous fiscal year.  
 Strengthened organization through M&A and PM recruitment.



# 2Q FY2025 Changes in EBITDA

Although the DX business and other businesses contributed to profits, EBITDA decreased year on year due to the significant impact of a decline in profits caused by the loss of a major customer in the DM business.



# 2Q FY2025 Consolidated Balance Sheet



The equity ratio is 41.3%, and the goodwill-to-net assets ratio is approximately 0.75, maintaining financial soundness while continuing growth investments.

(Millions of yen)	Jun.30, 2025	Dec.31, 2024	Change
Current assets	7,126	7,128	△ 1
Non-current assets	6,429	5,692	736
Property, plant and equipment	315	311	3
Intangible assets	4,568	3,855	712
Investments and other assets	1,545	1,525	19
Total assets	13,556	12,821	734
Current liabilities	4,906	4,696	209
Non-current liabilities	2,602	1,999	603
Total liabilities	7,508	6,695	812
Total net assets	6,047	6,125	△ 78
Total liabilities and net assets	13,556	12,821	734

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## 02 Compliance with listing maintenance criteria

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# Status of compliance with Prime Market listing maintenance criteria



## 【Status of compliance with Listing Maintenance Criteria】

As of our most recent record date (December 31, 2024), the company did not meet the criteria for maintaining a listing on the Prime Market in terms of “Total market value of shares in circulation”.

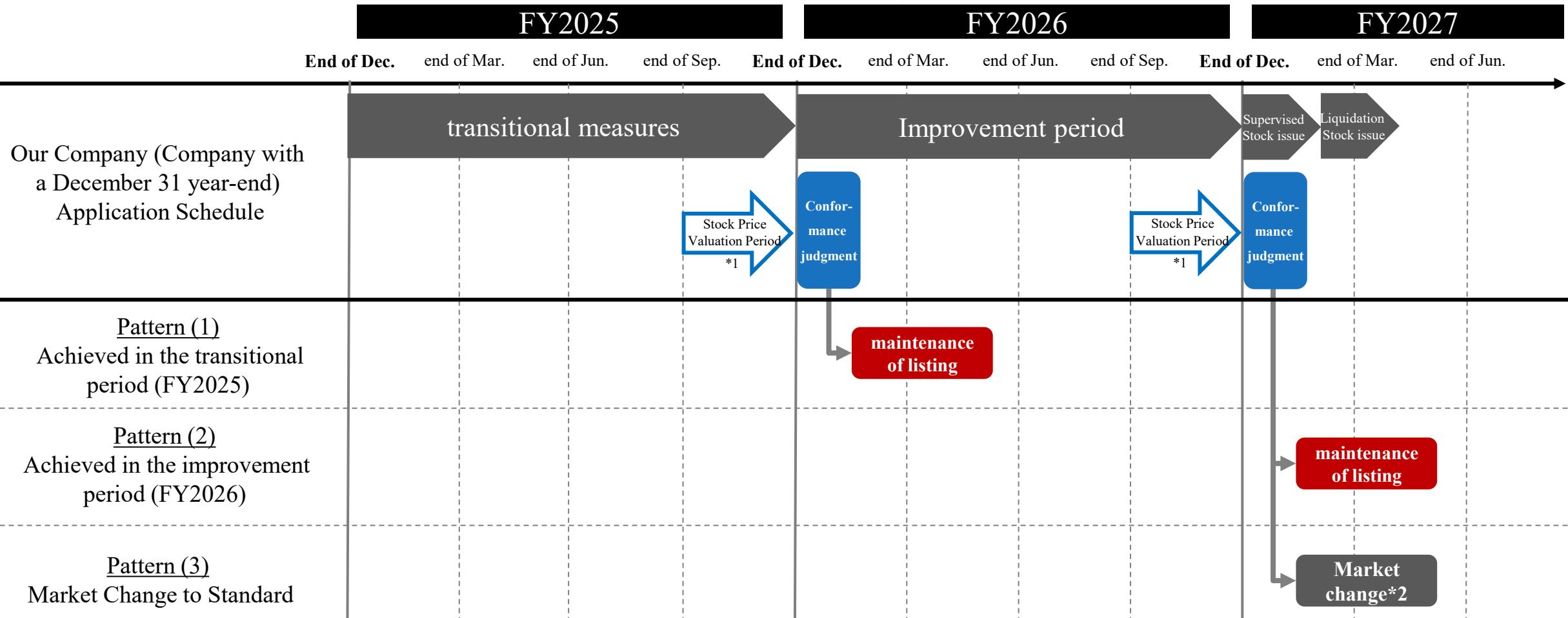
We aim to achieve a market capitalization of 10 billion yen, which is the benchmark for the number of shares outstanding.

	Prime Market criteria	As of December 31, 2023	As of December 31, 2024	Compatibility status
Number of shareholders	800 people	3,352 people	3,018 people	○
Number of shares in circulation	20,000 units	37,053 units	39,233 units	○
Total market value of shares in circulation	10 billion yen	3.70 billion yen	3.28 billion yen	×
Ratio of shares in circulation	35.0%	37.7%	39.0%	○

\*The total market value of shares in circulation is calculated by multiplying the average of the daily closing stock price during the stock price evaluation period (three months prior to the end of the fiscal year) by the number of shares in circulation at the end of the fiscal year.

# Schedule for compliance with Prime Market maintenance criteria

During the transitional measures or improvement period, the company will aim to improve its stock price by increasing corporate value, focusing on performance improvement and shareholder returns, in order to achieve the criteria for maintaining the prime market. As a backup plan, we will also proceed with Pattern (3), "Market Change to Standard".



\*1: The market capitalization of tradable shares is calculated by multiplying the average of the daily final share price during the stock price evaluation period (three months prior to the end of the fiscal year) by the number of shares in circulation at the end of the fiscal year. \*2: Application for change of market classification must be made by the end of December of FY2026.

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## 03 Business Summary

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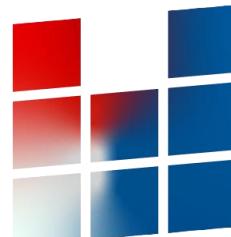
# Business Segment



\* Only listed main businesses



## Digital Marketing (DM) Business



Digital Identity

Mint'z  
Planning co.,ltd.

## Digital Transformation (DX) Business

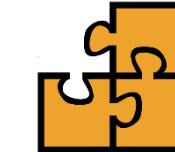
Listed with  
Growth Market



Sharing Innovations



validation engineering service



JTPRO Corporation



## Others



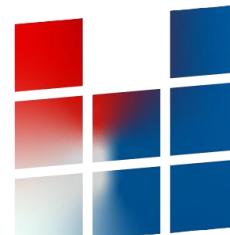
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## Digital Marketing (DM) Business



### Digital Identity

Mint'z  
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## Digital Transformation (DX) Business

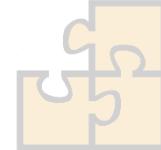
Listed with  
Growth Market

VES  
validation engineering service

KHWAYz



Sharing Innovations



JTPRO Corporation

## Others

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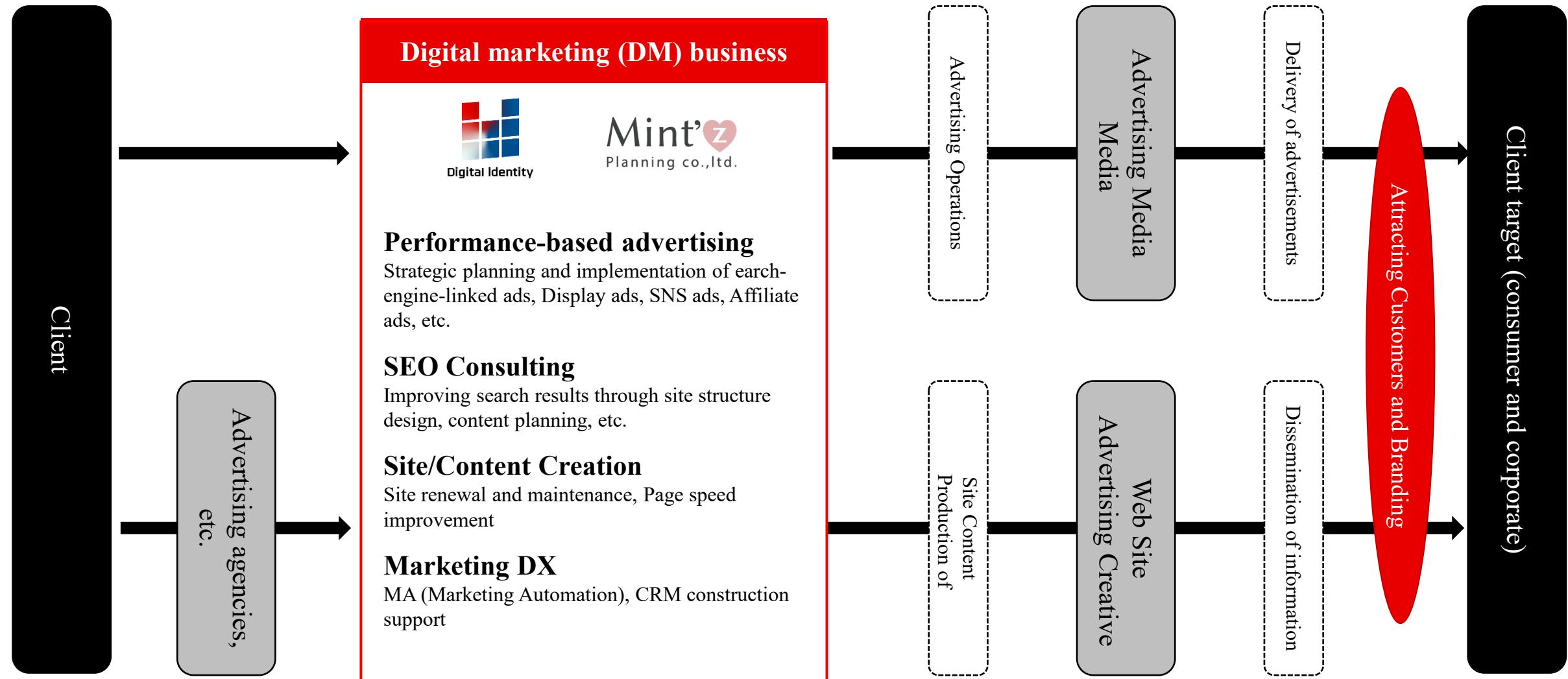
R-Stone.co.,ltd.

TechReach



# Business Model

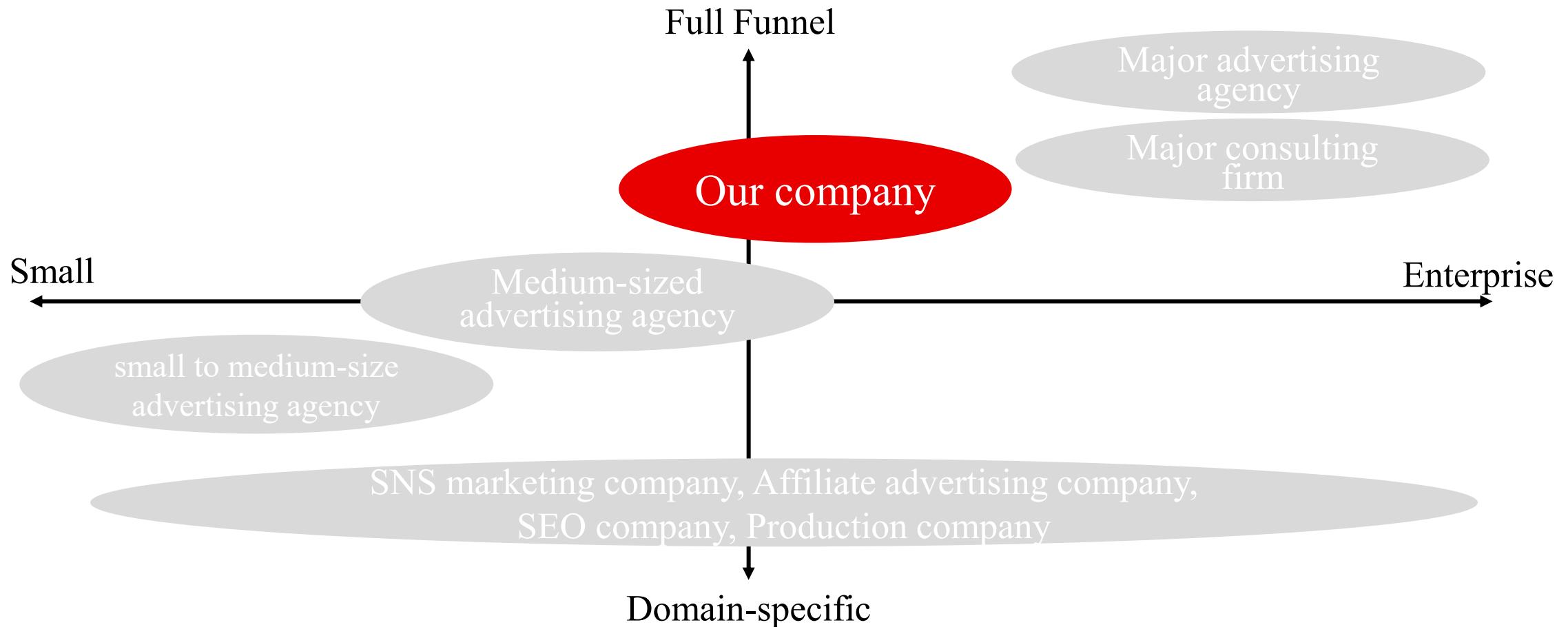
We support the optimization of the entire marketing process, from digital marketing strategy planning and proposal/execution to data analysis, and contribute to client customer acquisition and branding.



# Positioning

## Full Funnel × Mid-Market

By making a wealth of services available in-house, we provide consulting services for the entire digital marketing process, with all digital marketing initiatives as options (full funnel). The main target is the mid-market where major advertising agencies do not enter.

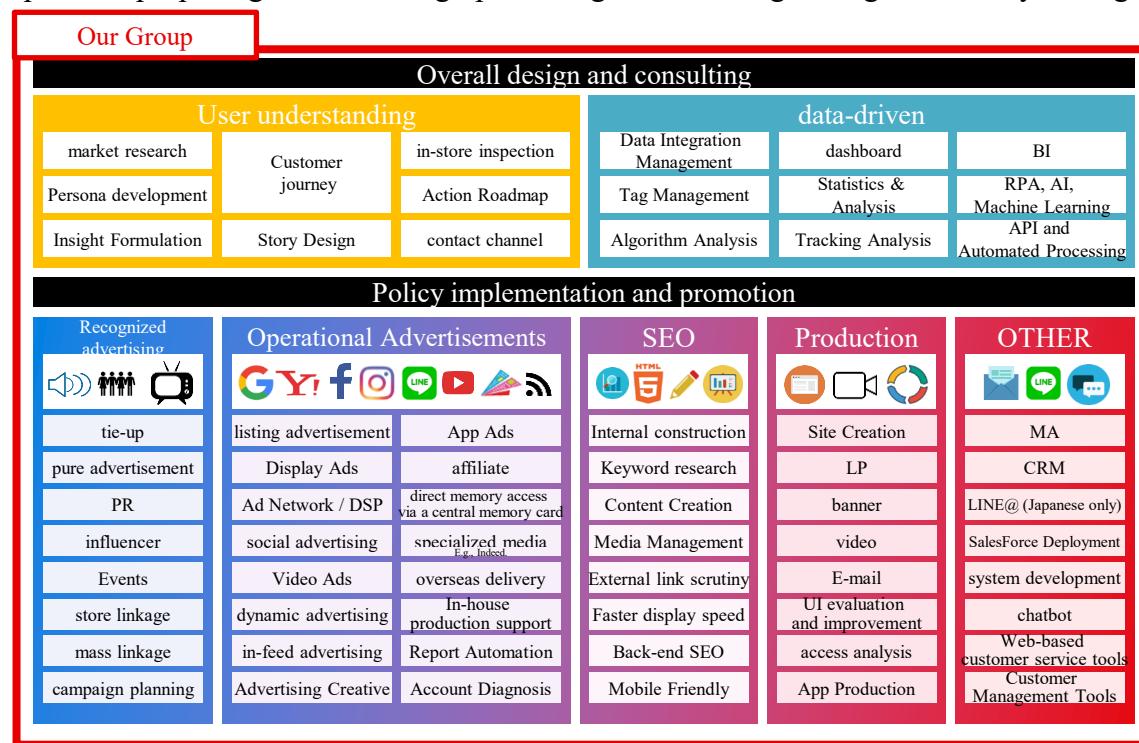


# Strengths and Features with Full Funnel

Against the backdrop of digital marketing technology that is evolving day by day, the sophistication and complexity of customer needs is becoming more pronounced. In addition to high-quality services, there is a constant need for optimization of digital marketing strategies, as well as the implementation and review of flexible and agile measures. Our group has built a system that makes use of the strengths of the full funnel to enable the planning and implementation of optimal, centrally managed digital marketing strategies. This enables the provision of high-value-added services that meet customer needs.

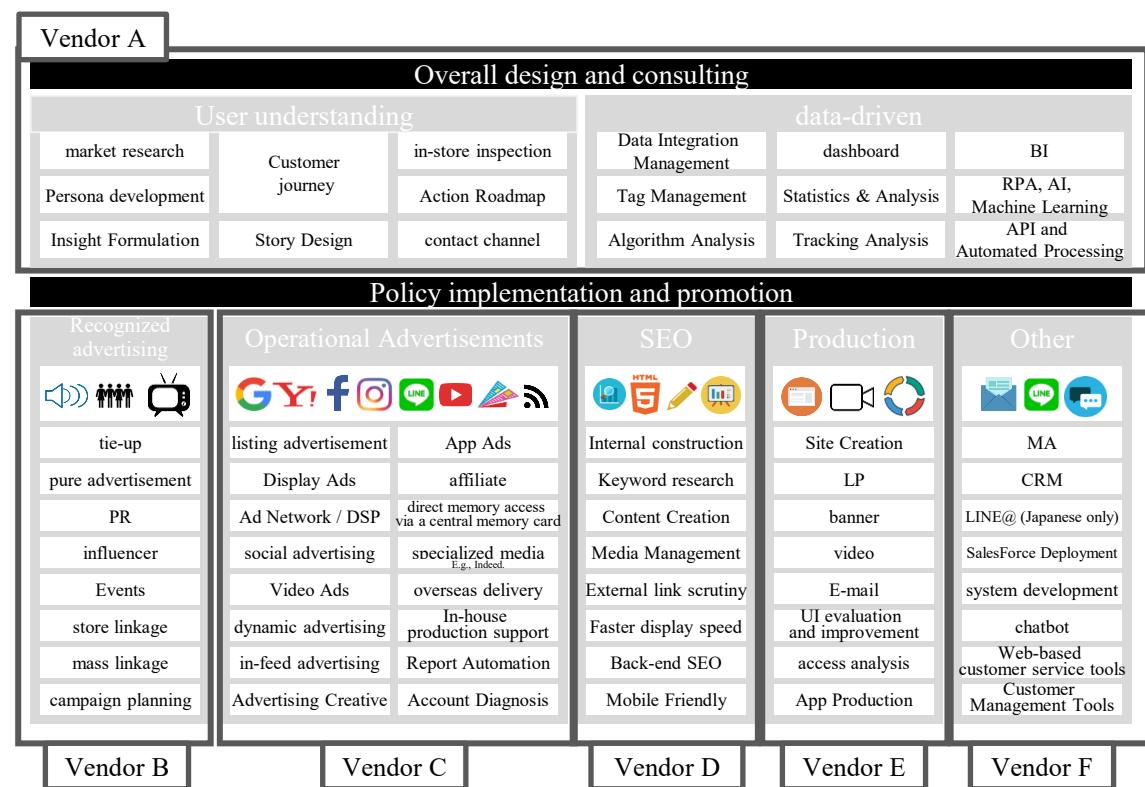
## Full funnel

Capable of proposing and executing optimal digital marketing strategies centrally managed



## Domain-specific

Vertical division by multiple vendors, reduced mobility, and intermediary margins



# Most Recent Topic: Responding to generative AI

## Launching TikTok Shop Operation Support Service

### ~Providing comprehensive support from store opening to video production and advertising management~

“TikTok Shop” is a short video-linked e-commerce platform that allows users to sell and purchase products within the TikTok app. The service provides a one-stop solution for everything from store setup support to video production, live streaming, influencer recruitment, advertising management, and performance analysis.

Aiming to expand the TikTok e-commerce market in Japan, the service supports clients in enhancing their brand value and maximizing results.



# Digital Transformation (DX) Business



\* Only listed main businesses



## Digital Marketing (DM) Business



Digital Identity

Mint'z  
Planning co.,ltd.

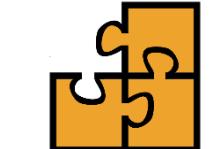
## Digital Transformation (DX) Business

Listed with  
Growth Market



*Sharing Innovations*

**VES**  
validation engineering service



JTPRO Corporation

KHWAYZ

## Others

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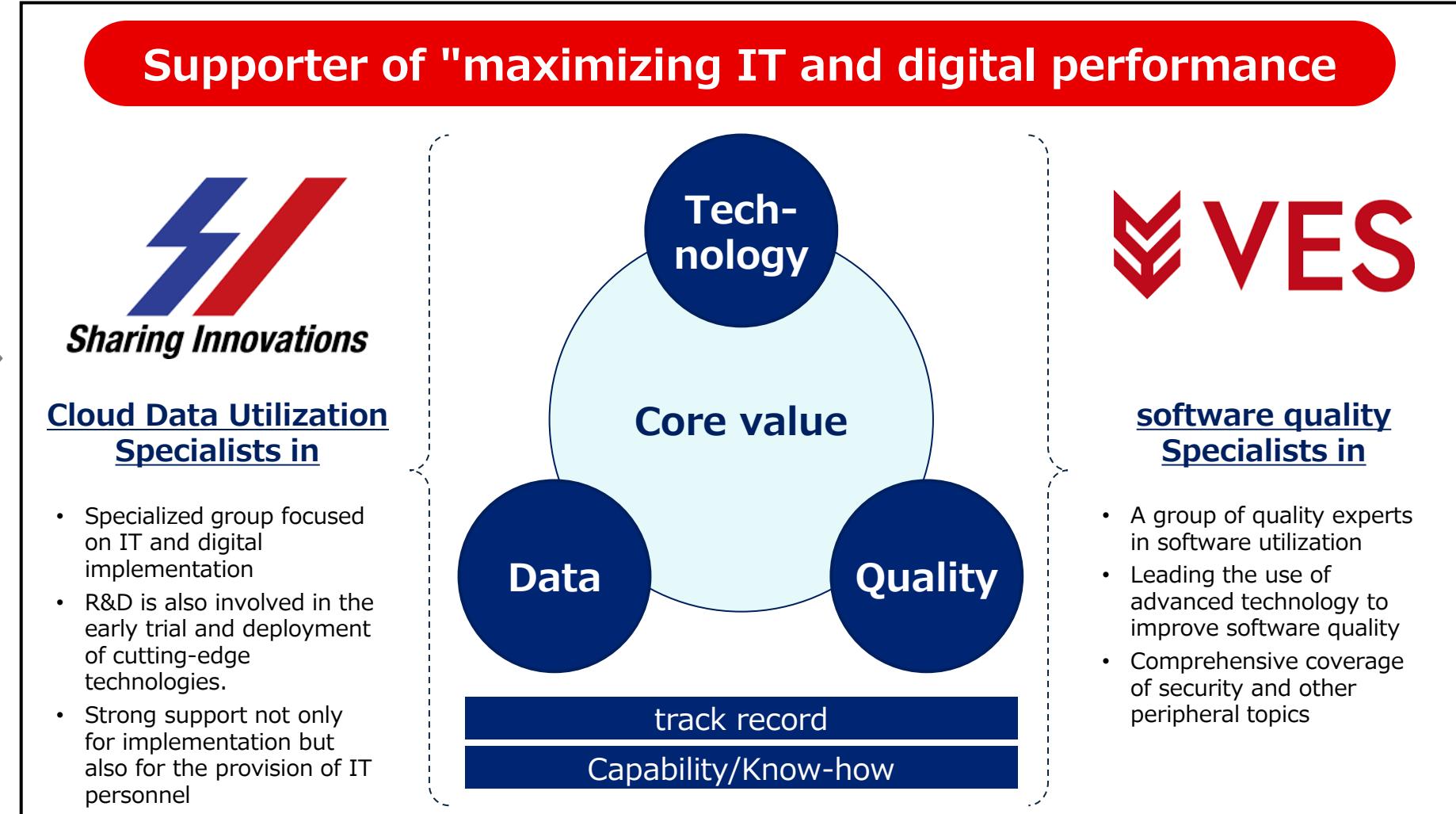
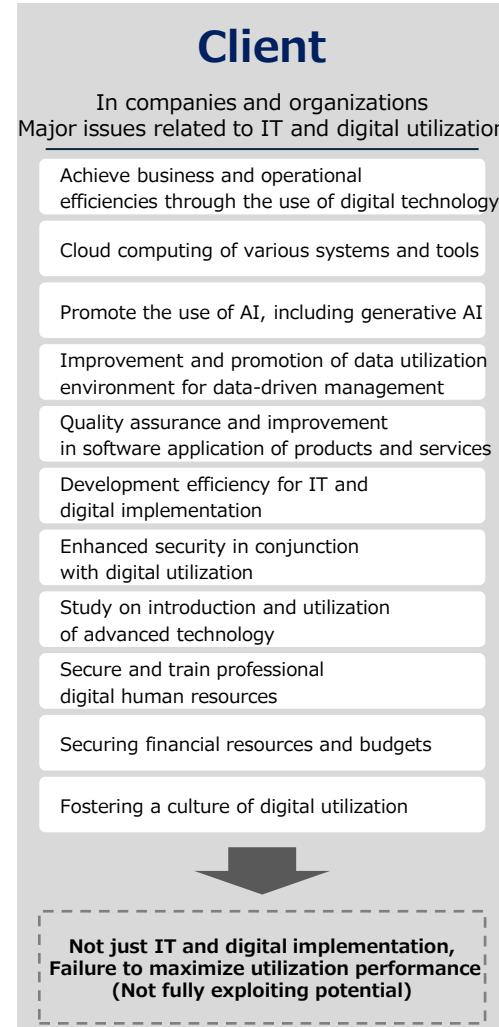
R-Stone.co.,ltd.

TechReach テックリーチ



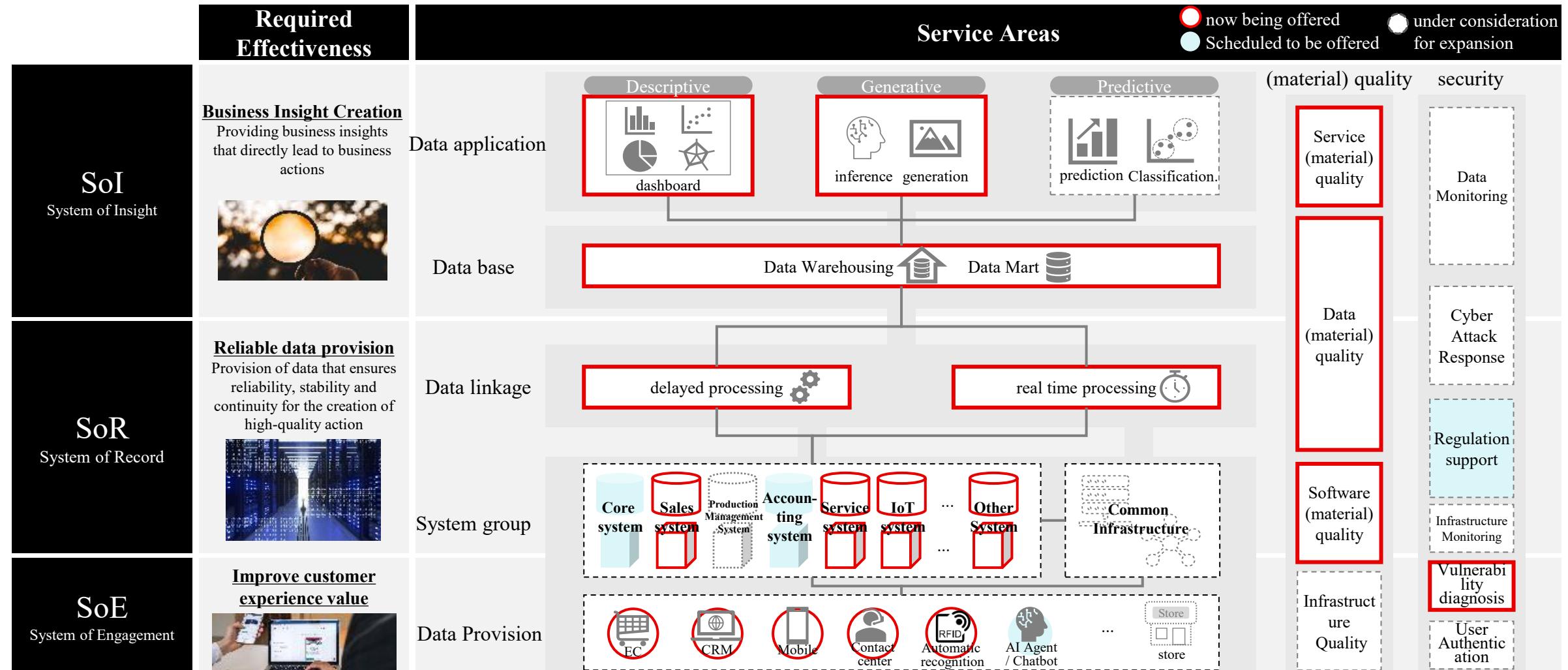
# Summary

Providing value that goes beyond mere "implementation support" to maximize IT and digital performance after implementation



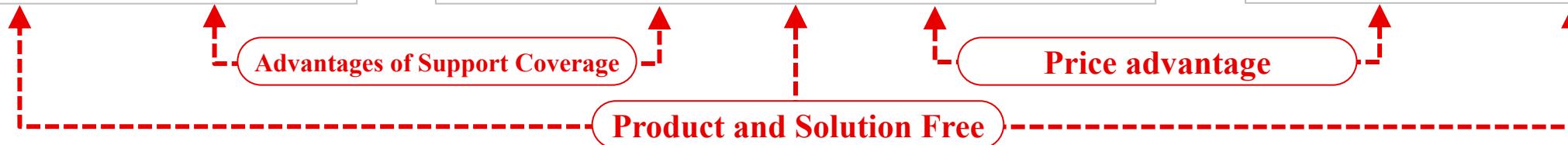
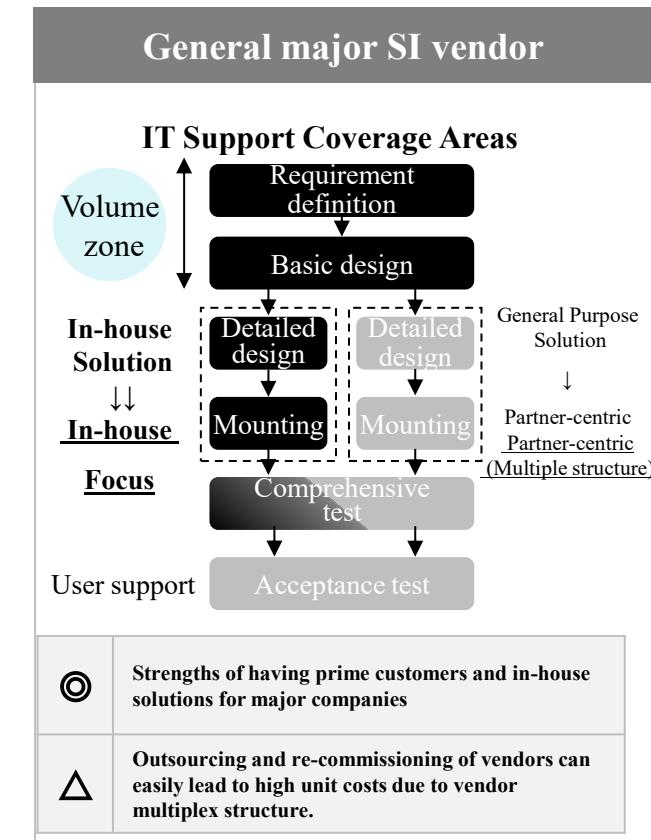
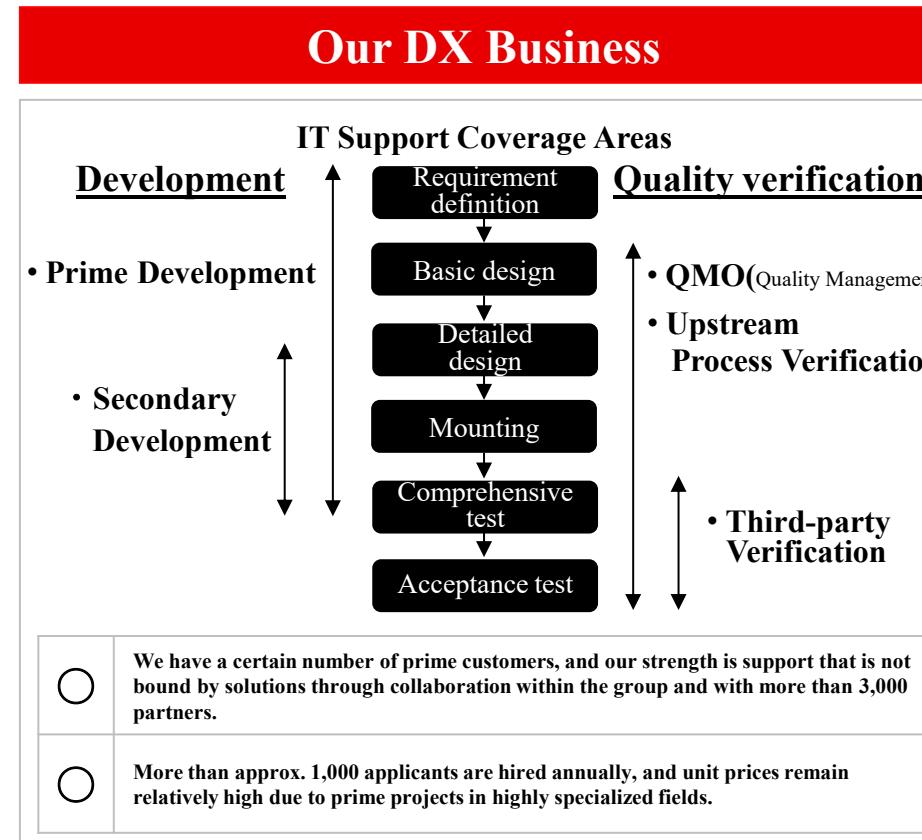
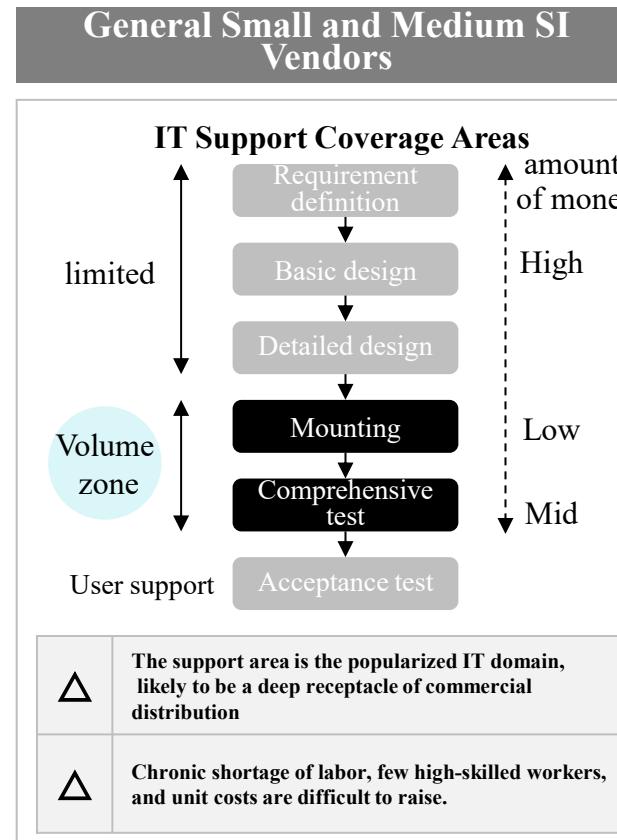
# Business Model

Promoting problem-solving support centered on system and software implementation and data utilization support. Aiming to expand coverage with an eye on partner collaboration and M&A in the future, in addition to in-house services.



# Strengths and characteristics compared to competitors

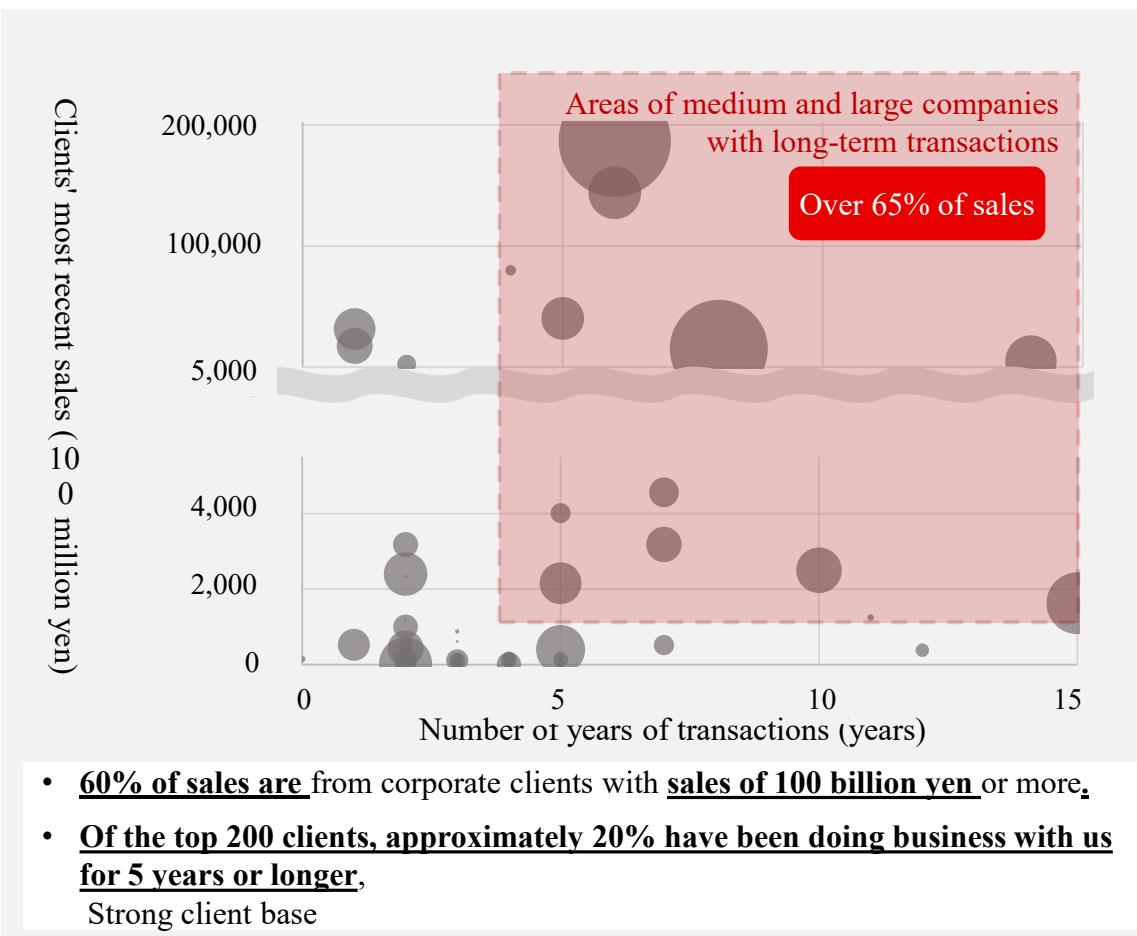
It has a price advantage over major vendors and a support range advantage over small and medium-sized vendors, and it is easy for customers to choose it because of these advantages. It is also easy for other companies in the same industry to collaborate with it because of these advantages.



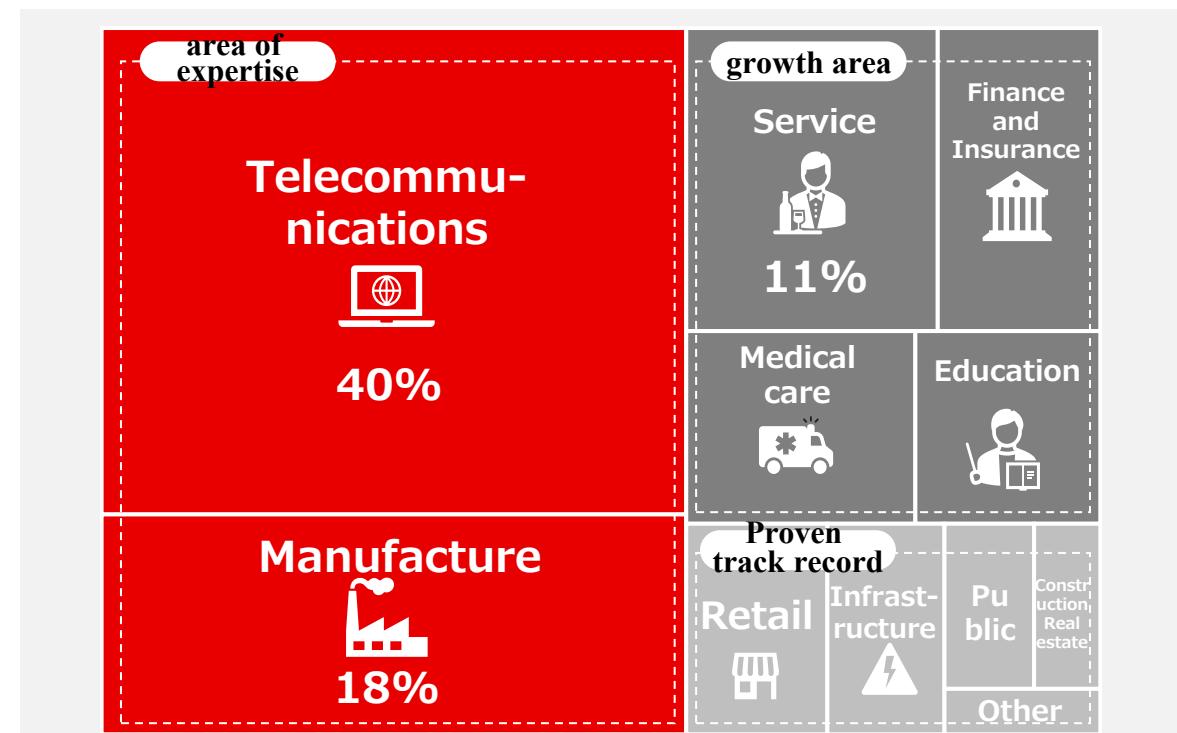
# Client Demographics, Industry

Responding to a wide range of client needs through a solid client base and a proven track record in services for the information and telecommunications and manufacturing industries, with medium- to large-sized companies with a track record of medium- to long-term transactions (5 years or more) as the main client base

client layer



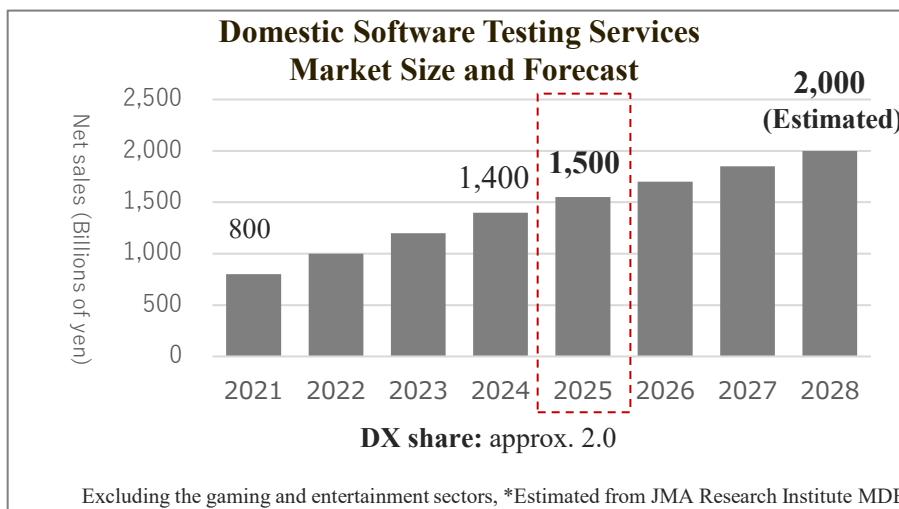
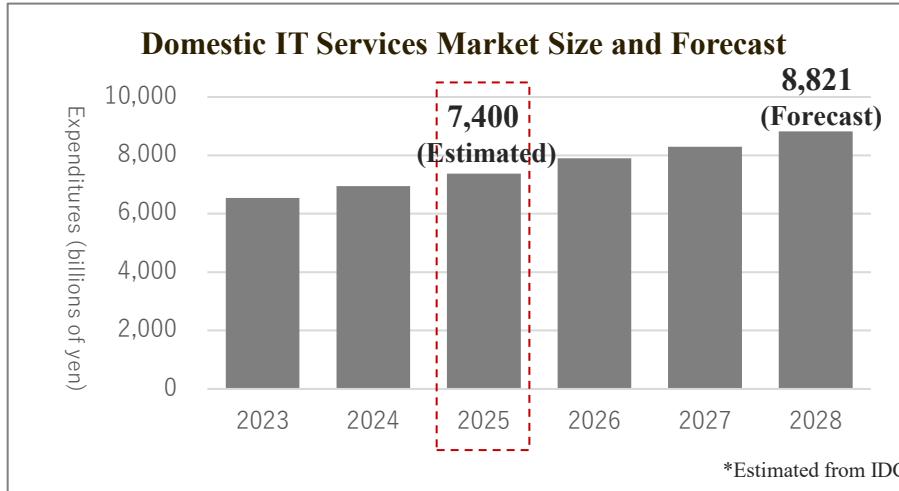
type of industry



- Information and communication and manufacturing industries account for 58% of the total, and are the main industries in terms of revenue
  - Especially in the manufacturing industry, there are many industry-specific service achievements, and industries to be strengthened in the future

# Market Environment

While the use of generative AI is expected to accelerate in the IT and digital market in 2025, the systems (DX) and software-related markets, which are the focus of our Group's DX business, will remain strong.



	Category	Summary	Market	Fit feel.
Whole	Software Development Market	<ul style="list-style-type: none"> <li>Expected to grow at a CAGR of 10.2% to reach 8.7261 trillion yen in 2029</li> <li>Investment in AI platforms centered on generative AI and data/content infrastructure is rapidly increasing</li> <li>Beyond the peak of special demand due to legal reforms, demand for system upgrades is expected to continue beyond the “2025 cliff.”</li> </ul>		
	DX Market	<ul style="list-style-type: none"> <li>Expected to grow at a CAGR of 10.4% to reach 9.2666 trillion yen in 2030</li> <li>Industry share: Transportation/logistics, manufacturing, finance, healthcare/nursing care, local government</li> <li>DX promotion ratio is growing, but showing a slight slowdown</li> </ul>		
Attention area	Cyber Security Market	<ul style="list-style-type: none"> <li>The CAGR for 2022-2027 is expected to be 7.2%, expanding to 2.37 trillion yen by 2030</li> <li>The service scale is expected to be SOC &gt; consulting &gt; diagnostics</li> <li>Demand is expected to increase due to the advancement of smart cities and the rising risk of cyberattacks</li> </ul>		
	AI-related markets	<ul style="list-style-type: none"> <li>Expected to grow at a CAGR of 25.6% from 2024 to 2029, reaching 4.3412 trillion yen in 2029</li> <li>In addition to generative AI, AI agents are gaining attention</li> <li>The development of AI is also expected to accelerate the development of robotics, autonomous driving, smart cities, and remote healthcare</li> </ul>		
Attention area	Embedded Software Development Market	<ul style="list-style-type: none"> <li>The CAGR for 2022-2027 is expected to be 5.3%, expanding to 661.3 billion yen by 2030</li> <li>Growth is expected in electronic devices, industrial machinery, and automotive control, and the market is expected to continue growing</li> <li>While demand for edge computing and autonomous driving is expected to increase, there are also concerns about the impact on environmental issues and SDGs</li> </ul>		
	In-vehicle Software (the) market (as a concept)	<ul style="list-style-type: none"> <li>Expected to grow at a CAGR of 7.5% from 2024 to 2030, reaching 1 trillion yen in 2030</li> <li>Expected increase in demand for autonomous driving software, sensors, and development simulation</li> <li>In 2024, the industry is expected to suffer a 244 billion yen blow due to certification fraud issues, including related industries</li> </ul>		
Attention area	Medical System and Device Development Market	<ul style="list-style-type: none"> <li>The CAGR for medical system development from 2023 to 2026 is 0.6%, with a market size of 500 billion yen</li> <li>Japan lags behind other countries, so there is room for growth, but there are concerns about competitiveness.</li> <li>The introduction of electronic medical records is progressing, but growth is stagnating. However, there are expectations for medical DX, such as the introduction of My Number health insurance cards</li> </ul>		

\*Legend

Market &gt; Strong

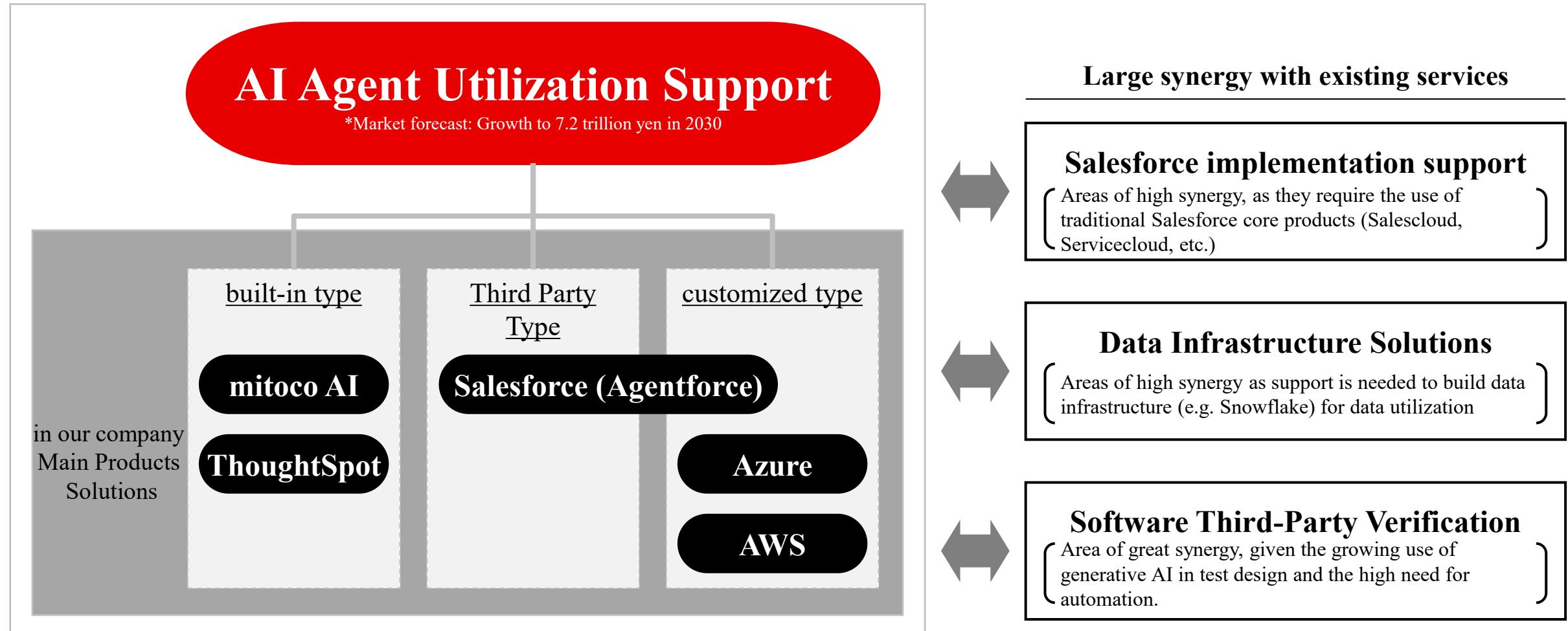
Slightly favorable

Sideways

DX fit &gt; Direct Area Indirect area Related Areas

# Most Recent Topic: AI Agents

We have begun work in the "AI agent" area, the latest technology. Aiming to build a new revenue base by flexibly responding to rapidly changing market trends and leveraging the high affinity with existing solutions.



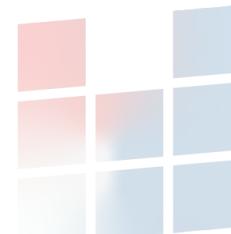
# Other Businesses



\* Only listed main businesses



## Digital Marketing (DM) Business



Digital Identity

Mint'z  
Planning co.,ltd.

## Digital Transformation (DX) Business

Listed with  
Growth Market



Sharing Innovations

VES  
validation engineering service



JTPRO Corporation

KHWAYz

## Others



スキルナビ

R-Stone.co.,ltd.

TechReach



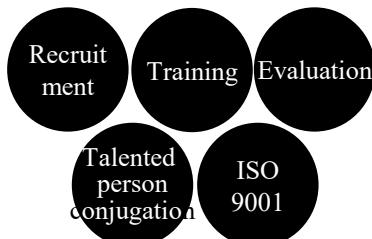
# Business Overview

Developing new core and stable profitable businesses by leveraging the Group's foundation

## SaaS Business



- ✓ SaaS-based skills management system
- ✓ Skills management and training supported by the latest technology



- ✓ Adoption is accelerating in major manufacturing companies

## Advance Investment Phase

## Game Development Business



- ✓ We handle game planning, development and operation regardless of platform.
- ✓ We have entered the DX field by utilizing the UI and UX knowledge we have cultivated through game development.
- ✓ We handle everything from planning, development, operation and sales promotion to strengthen corporate branding using Roblox\*.

(Metaverse × Marketing Field)

\*A powerful metaverse platform used by approximately 80 million people worldwide every day.

## Business expansion phase

## IT Human Resources Business



R-Stone.co.,ltd.  
TechReach

- ✓ R-stone, a job placement agency specializing in IT engineers and creators, joined the company through an M&A in FY2021.
- ✓ Operates "TechReach", a project and job information site for freelance engineers

## Business expansion phase

## Platform Business



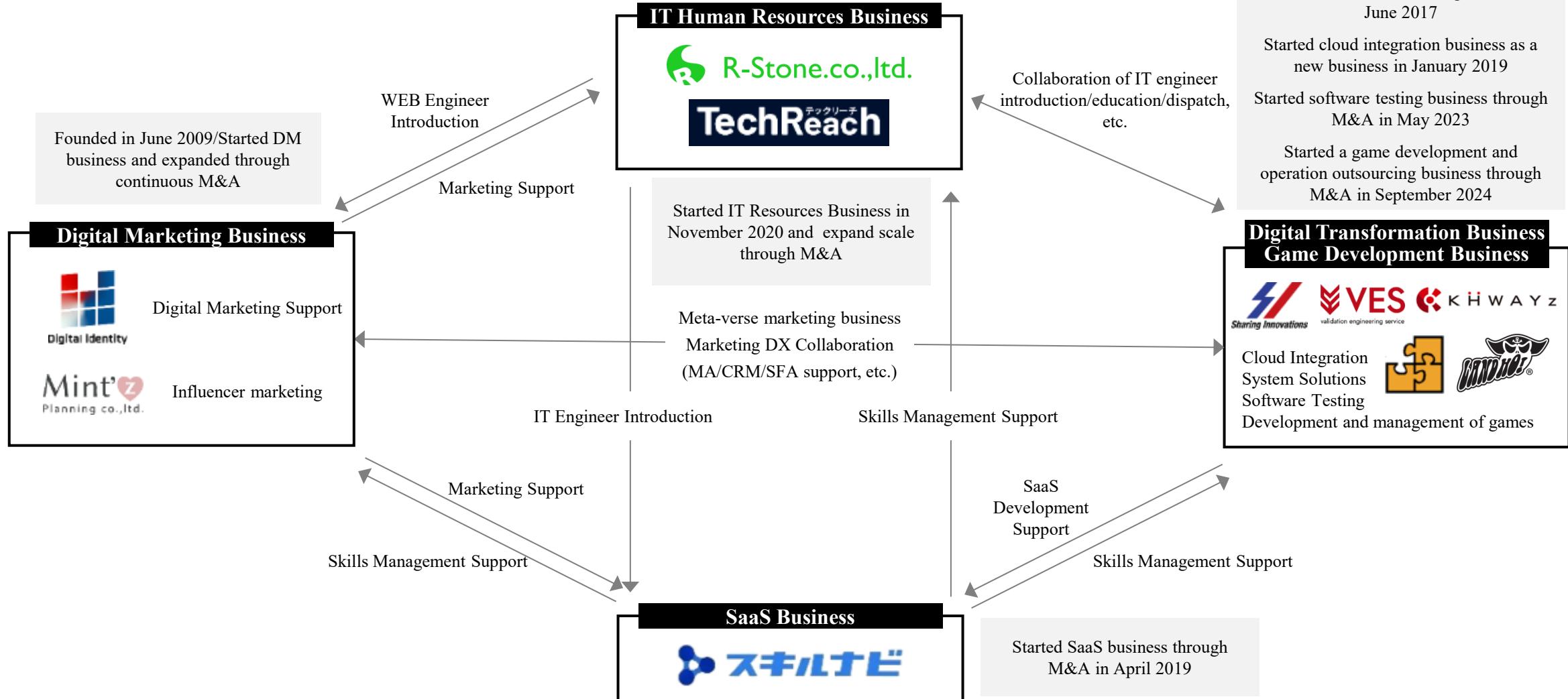
- ✓ A fortune-telling service that allows you to chat with over 1,000 fortune-tellers on your iPhone or Android. You can also consult by phone or email.
- ✓ We have conducted over 2 million appraisals.

## Stable Profitability Phase

\*Major businesses within the Other Businesses segment

# Business Synergies

Create synergies among businesses to build a high-growth × high-profit business model



# Corporate Venture Capital Investments

Five investees achieved IPO on the Tokyo Stock Exchange

IPO July 2020



HR

IPO Nov. 2020



Marketing

IPO Dec. 2020



Fraudulent  
order detection

IPO Sept. 2021



Payments

IPO Mar. 2022



Health care



Point mall



Electricity retailing



Cosplay



AI



Fintech



MEO



Real estate



Con-tech



Project  
Management



Smart homes



P2C



HR



Health care



HR

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## 04 Growth Strategies

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# Medium- to Long-term Growth Strategies

Medium- to long-term growth strategy formulated, with a commitment to growth in the next fiscal year and beyond, bottoming out in FY2023.

Based on the growth of 2 main businesses, aim for EBITDA of 5 billion yen in 5 years and 15 billion yen in 10 years through M&A and contribution from new businesses.

**New business**

New business under development is growing steadily and will contribute significantly to the Group's earnings in the future.

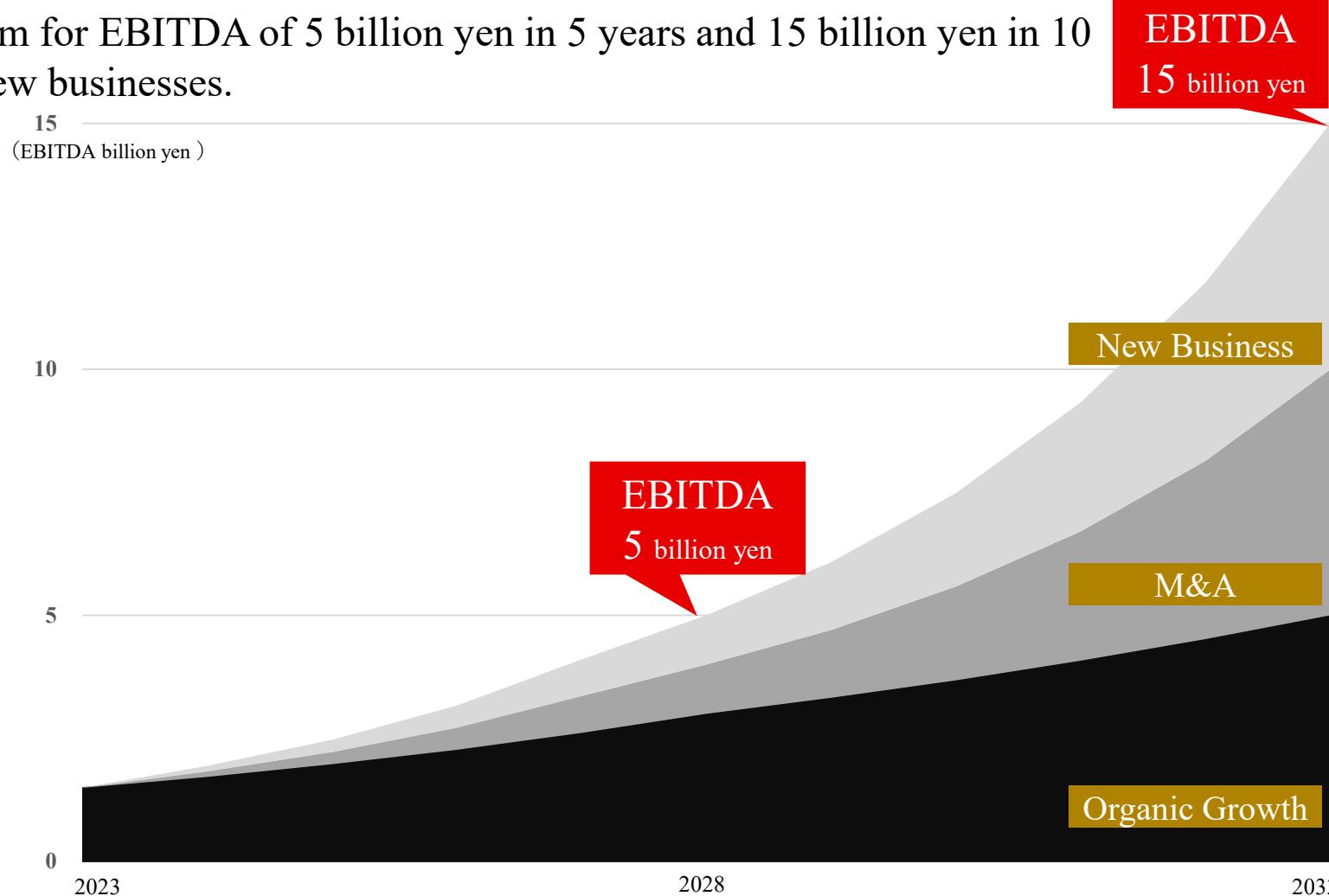
**M&A**

Accelerate growth of existing businesses by expanding business scale and service areas through M&A

**Organic growth in two main businesses**

**Digital Marketing Business**  
 Steadily capture market growth and drive overall growth

**Digital Transformation Business**  
 After undergoing structural reform, Sharing Innovations is on track for increased revenue and profits.  
 VES, Inc.'s software testing business aims to grow to sales of 10 billion yen by FY2028.



# Growth Strategy

Strength

01

Compete in a growing market

Strength

02

Active utilizations of M&A

Strength

03

Cultivate new business

# Growth Strategy: Compete in a growing market

Developing business in a growing market with favorable macroeconomic conditions

## DX business

Japan's IT professional shortage will become even worse

Forecast a shortage of as much as 790,000 in 2030 <sup>\*1</sup>

\*1 Source: "IT Personnel Supply and Demand Survey" conducted for Ministry of Economy, Trade and Industry

Japan's market for cloud services is expected to expand at an average annual rate of 17.9% between 2022 and 2027.

The market size in 2027 is projected to be 13,257 billion yen, 2.3 times larger than in 2022. <sup>\*2</sup>

\*2 Source: International Data Corporation Japan "Domestic Cloud Market Forecast, 2023 - 2027"

The domestic software industry market is growing steadily.

Among them, the software testing market size is estimated to account for

more than 30%, or 6 trillion yen. <sup>\*3,4</sup>

\*3 Source: Ministry of Economy 「Basic Survey of Information and Communication Industry」

\*4 Source: IPA 「Software Development Data White Paper」

## Digital Marketing business

The increasing speed of the digitalization of society is fueling growth of the internet advertising market. The programmatic advertising market, a key strength of Orchestra Holdings, recorded growth of 11.1% in 2024 <sup>\*5</sup>

\*5 Source: Dentsu Inc. "2024 Advertising Expenditures in Japan"

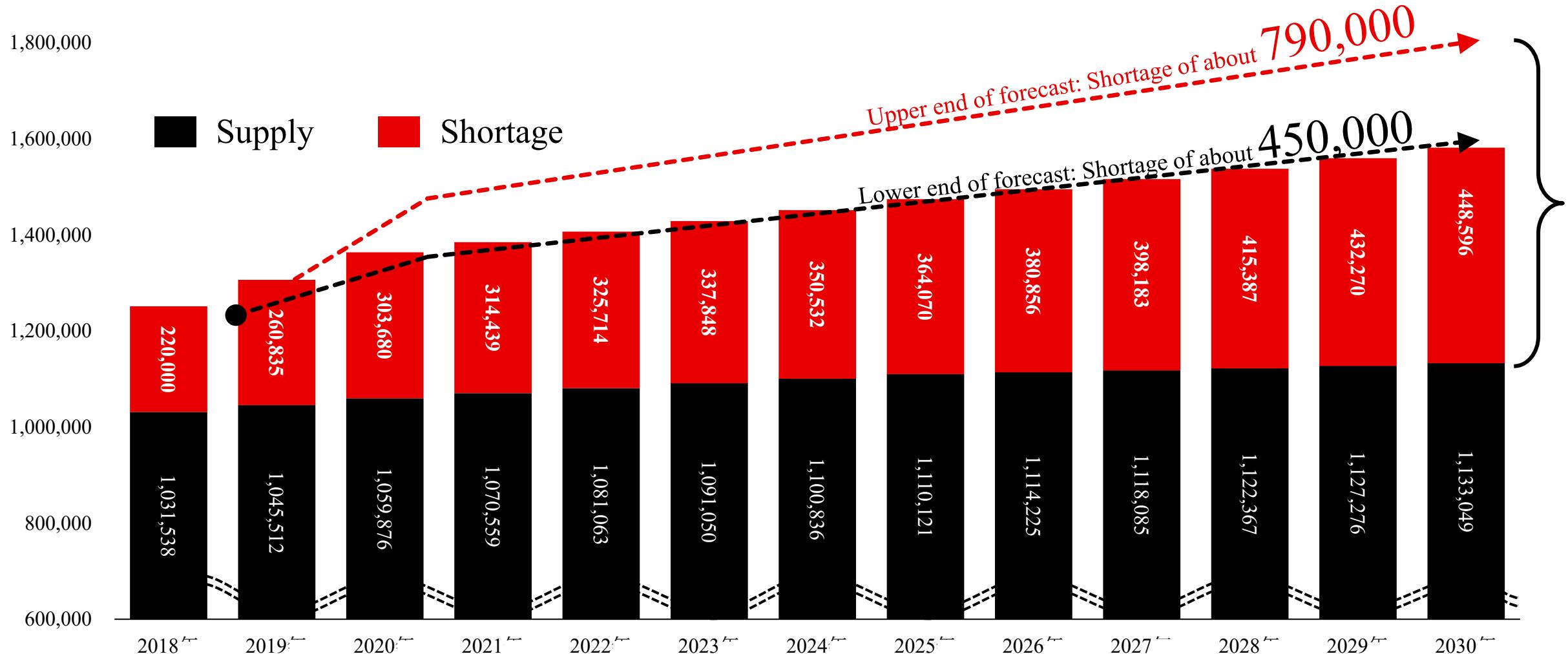
# Growth Strategy: Compete in a growing market

## / Projected Shortage of IT Professionals in Japan



Forecast a shortage of up to 790,000 in 2030

Demand for IT professionals is expected to increase steadily



Source: "IT Personnel Supply and Demand Survey" conducted for the Ministry of Economy, Trade and Industry

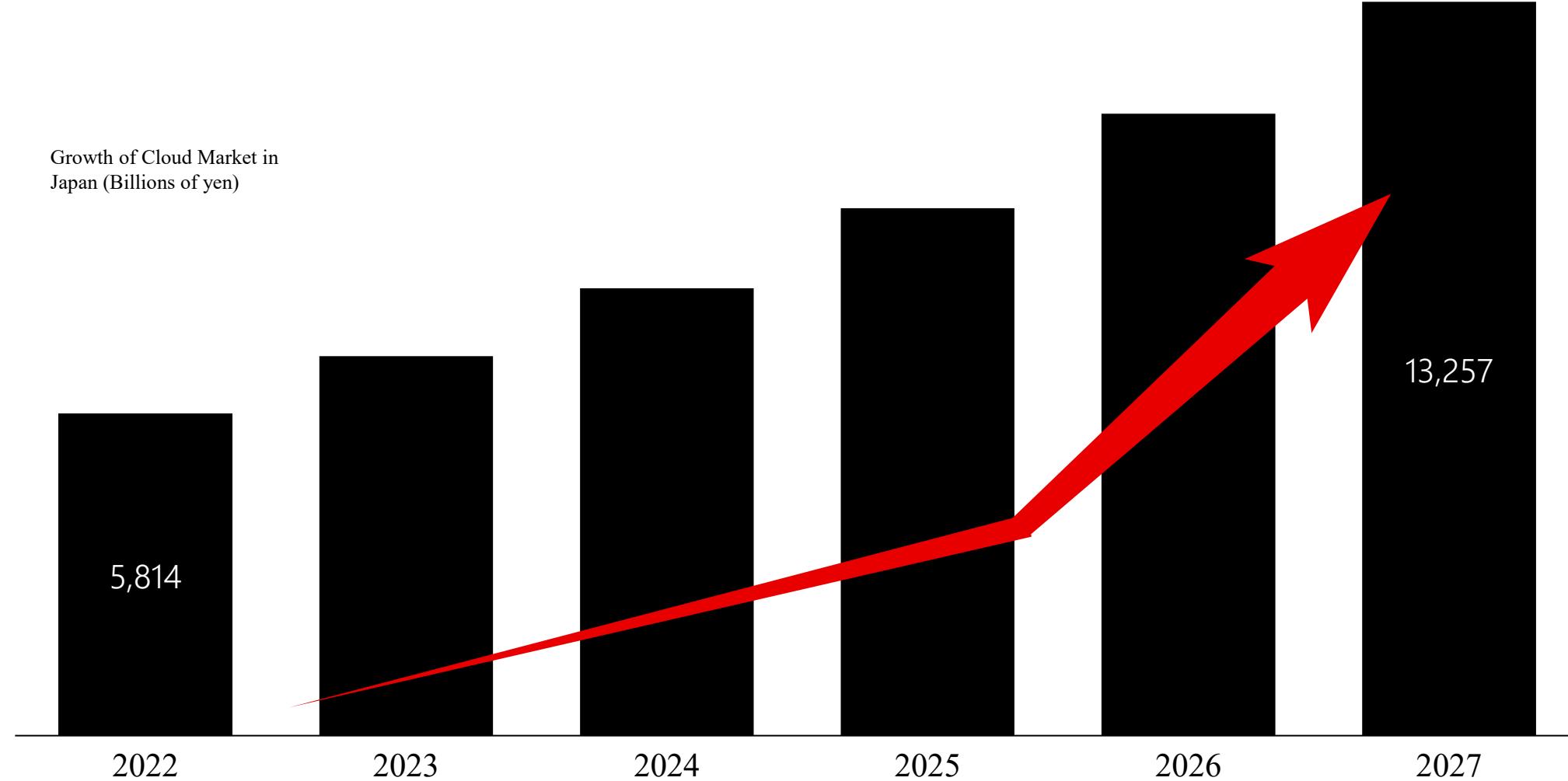
# Growth Strategy: Compete in a growing market

## / Growth of the Cloud Market in Japan



Average annual growth rate of 17.9% from 2022 to 2027.

The market size in 2027 is projected to be 13,257 billion yen, 2.3 times larger than in 2022.

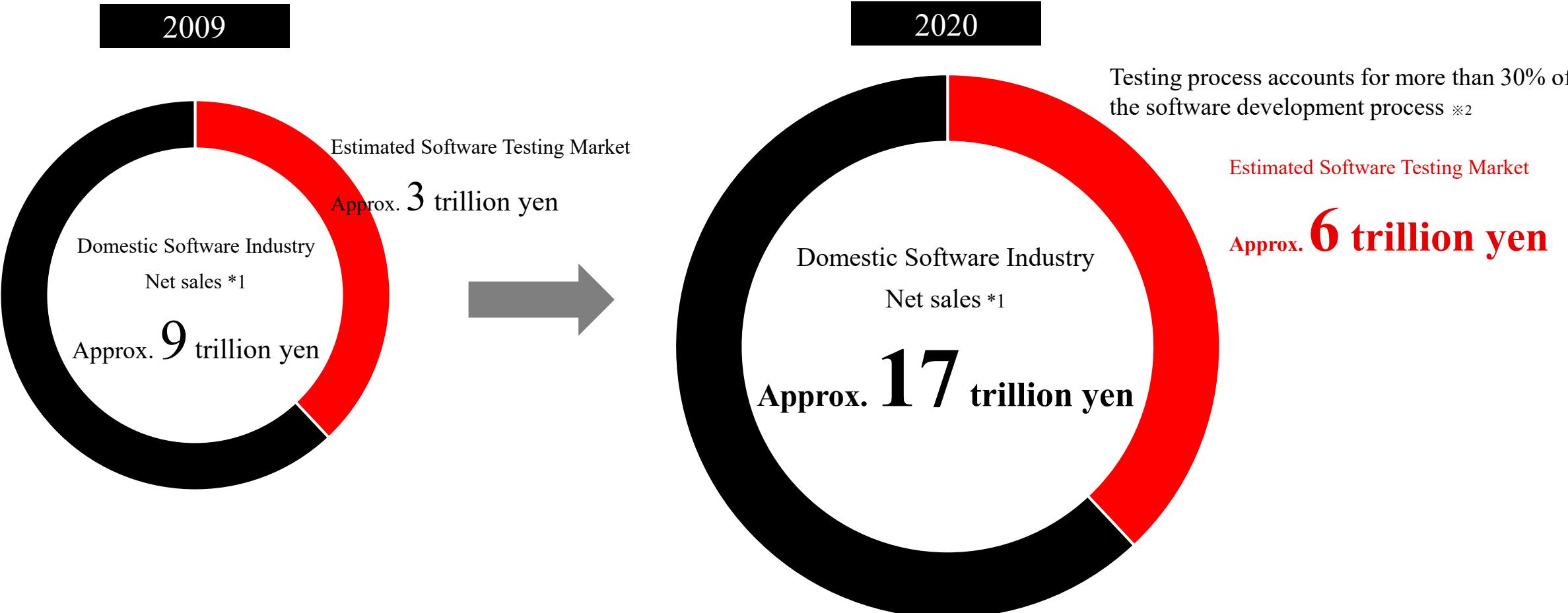


# Growth Strategy: Compete in a growing market

## / Software Testing Market in Japan



New entry into the approximately 6 trillion yen software testing market through M&A of VES, Inc.



\*1 Source: Ministry of Economy 「Basic Survey of Information and Communication Industry」

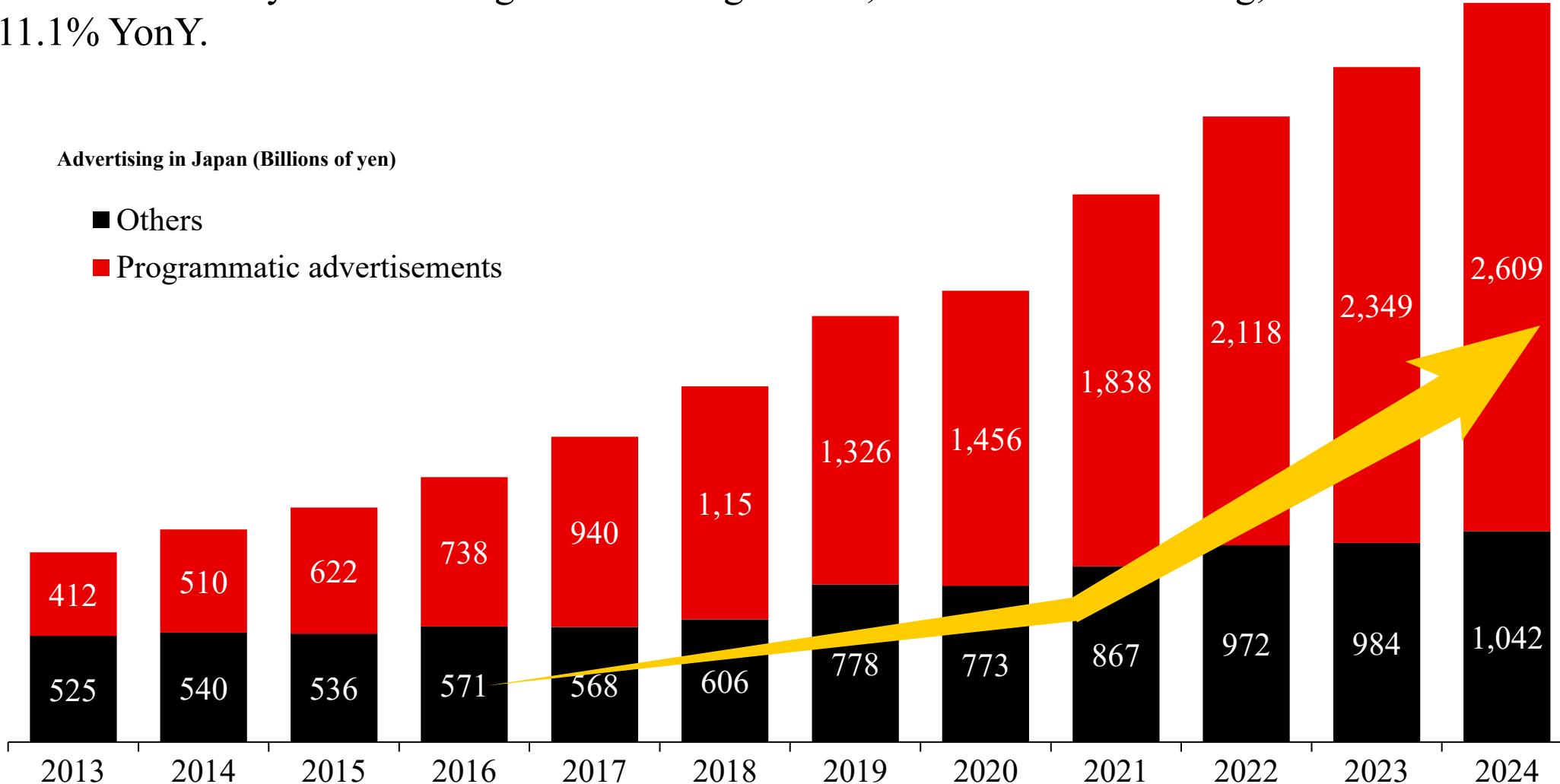
\*2 Source: IPA 「Software Development Data White Paper」 Refer to the percentage of the 5 development processes in the new development, including the integration test and comprehensive test processes.

# Growth Strategy: Compete in a growing market

## / Internet Advertising Market in Japan



The Internet advertising market has grown significantly due to the accelerating digitalization of society. The managed advertising market, in which we are strong, grew 11.1% YonY.



Source: Publicly announced advertising data since 2012 using "Advertising Expenditures in Japan" by Dentsu Inc.

# Growth Strategy: Active utilizations of M&A

Since its establishment, the company has read market trends and conducted M&A.  
 We will continue to carefully select M&A projects and conduct M&A strategically.

**DX** Coznet LLC  
**DX** JTPRO Corporation  
**DX** KHWAYz Co.,Ltd.

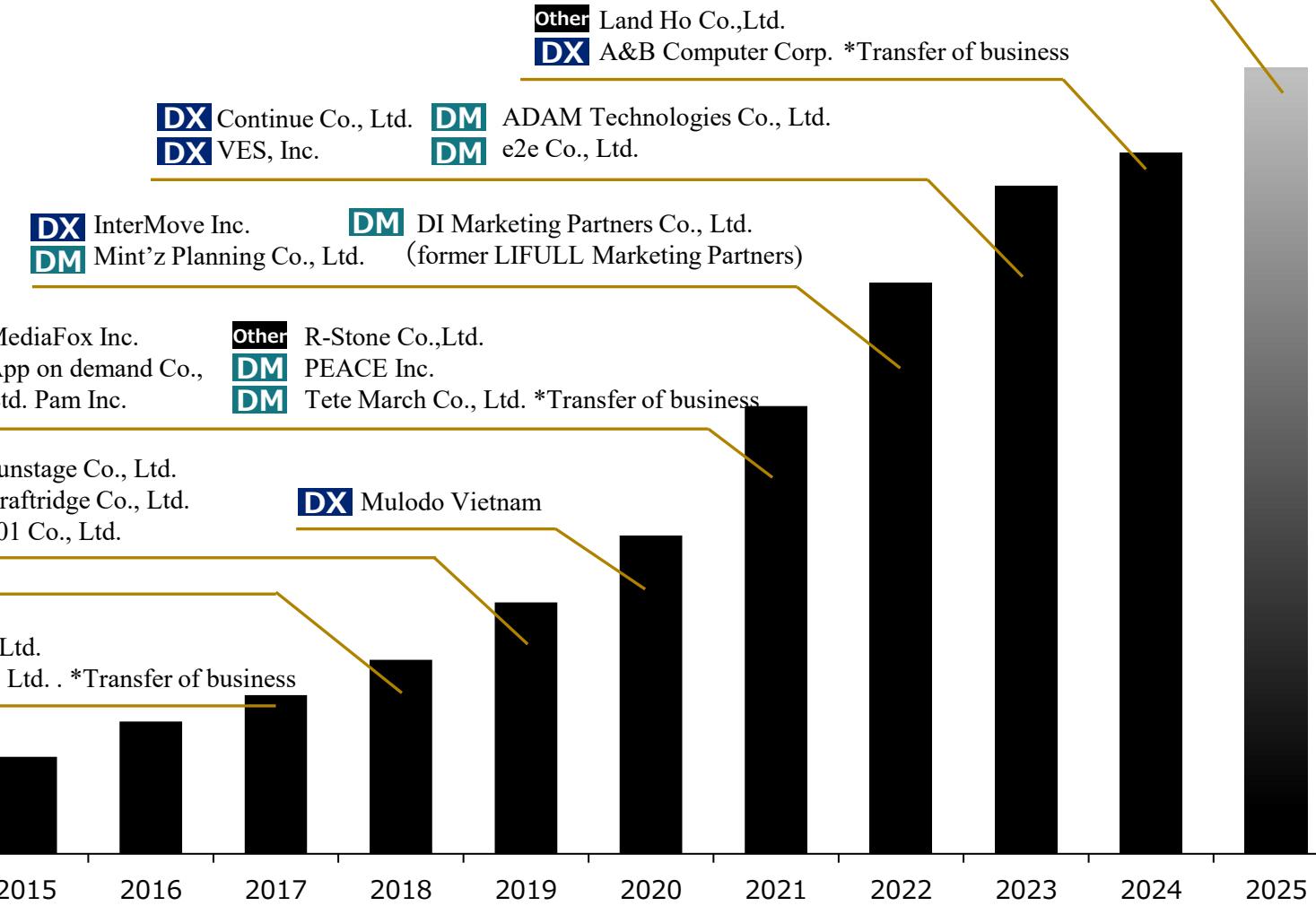
Cumulative M&A Executed  
**28** companies

**DX** GLOBAL RESEARCH Inc. \*Transfer of business  
**DX** SS-Avenue Co., Ltd.

**DM** Creative Services \*Transfer of business

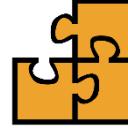
**DM** SEM consulting business \*Transfer of business

2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025



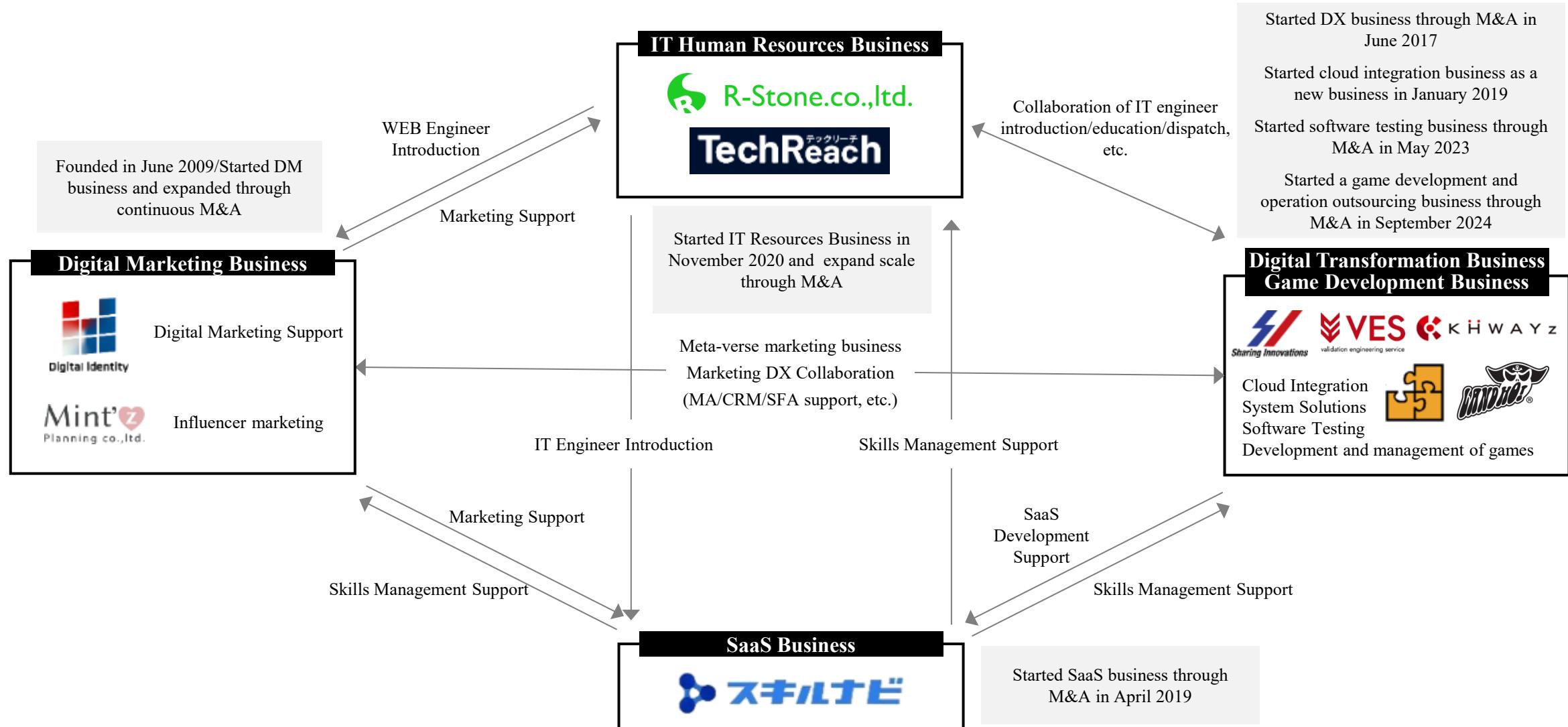
# Growth Strategy: Active utilizations of M&A

In FY2025, the growth of the DX business will accelerate with the participation of JTPRO Corporation, KHWAYz Co.,Ltd. and Coznet LLC in the group.

Segment	Area	Track record	M&A Objectives	Market scale
Digital Marketing	AD/SEO creative SNS Marketing  Started June 2009	   LIFULL Marketing Partners	<b>Expansion of business scale through roll-up strategy</b> Through mergers and acquisitions of several peer companies, Expand service lineup, customer base, and human resources	Approx. 3 trillion yen <small>*1</small>
Others	Game Development  Starts in Sep 2024		<b>Expansion of TAM (*4) (new entry into game development market)</b> <b>Create synergies with existing DX business</b>	Approx. 2 trillion yen <small>*5</small>
DX	System Solutions  Started June 2017	  *11 companies in the DX area M&A, integration	<b>Expand TAM (*4) by entering adjacent markets</b> Leveraging our knowledge in the digital marketing business, New entry into Marketing DX based on Salesforce	Approx. 16 trillion yen <small>*2</small>
	Cloud integration  Starts January 2019	  	<b>Expansion of business scale through roll-up strategy</b> Through mergers and acquisitions of several peer companies, Expand service lineup, customer base, and human resources	(one's) household Approx. 6 trillion yen <small>*3</small>
	Software Testing  Starts in May 2023		<b>Expand TAM (*4) by entering adjacent markets</b> Synergy with existing DX business is expected, New Entry into Software Testing Business	

# Growth Strategy: Cultivate new businesses

Aim to develop and expand new businesses, focusing on business areas where synergies can be created.





*Vision*

# *The Chain of Creation*



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*Thank You!*