

Results of Operations for the First Quarter of the Fiscal Year Ending December 31, 2024

Executive Summary

FY2024 1Q	Net Sales 3,390 mil yen YonY+21.9% Gross Profit 1,706 mil yen YonY+22.1%	EBITDA 560 mil yen YonY +52.1% Operating Profit 434 mil yen YonY +49.5%
	Net sales and gross profit reached record highs. Both the DM and DX businesses recovered their performance, resulting in a significant increase in profit.	

Digital Marketing（DM） Business

After bottoming out in 3Q last year, when advertising budgets of major clients shrank, performance is on a recovery track.

Growth is accelerating due to synergy effects such as increased cross-selling transactions with M&A companies.

Orders from existing and new clients increased steadily, and advertising budgets of major clients increased, resulting in record-high sales and profits.

Digital Transformation（DX） Business

Sharing Innovations (SI) entered a phase of renewed growth after structural reforms and improvement of profitability through cost optimization.

VES, Inc. continued to invest in human resources and focused on expanding its structure due to increased inquiries.

M&A

In the DX business (VES, Inc.), acquired the SES business of A&B computer Corp. in April.

Approximately 150 people, mainly engineers, belong to the company.

Sales and profit are scheduled to be recorded from 2Q. (See p.55 for details)

Contents

01 Financial Overview: 1Q FY2024

02 Earnings Forecast: FY2024

03 Business Summary

04 Growth Strategy

05 ESG Activities



01 Financial Overview: 1Q FY2024

1Q FY2024 Consolidated Results

Net sales and gross profit reached record highs.

The DX business, after undergoing structural reforms, has become profitable on a stable basis since the 3Q of the previous fiscal year. Also, in the DM business, business performance has recovered since bottoming out in the 3Q of the previous fiscal year, and profits have increased significantly due to strong orders. EBITDA increased 52.1% YonY.

(Millions of yen)	1Q/FY2024	1Q/FY2023	% Change
Net Sales	3,390	2,781	21.9%
Gross Profit	1,706	1,397	22.1%
SG&A expenses	1,271	1,107	14.9%
EBITDA	560	368	52.1%
EBITDA margin	16.5%	13.2%	3.3%
Operating Profit	434	290	49.5%
Ordinary Profit	427	298	43.0%
Profit attributable to owners parent	235	205	14.5%

Impact of higher tax expense compared to last year. In the previous year, the company utilized tax losses from M&A companies.

1Q FY2024 Segment Results

The DX business has undergone structural reforms and profitability has improved significantly due to cost optimization, resulting in a 91.6% increase in EBITDA. The DM business also recovered after bottoming out in 3Q of the previous year, achieving record-high sales and profits due to increased orders from existing and new clients, as well as increased advertising budgets from large clients. In other businesses, upfront investment* in the new “Skill Navi” business continued.

※1 Upfront investment in SkillNavi: QTD 56million yen

Segment (Millions of yen)	1Q/FY2024	1Q/FY2023	% Change
Digital Transformation(DX) business			
Net sales	1,521	1,168	30.2%
EBITDA	163	85	91.6%
Segment profit	95	60	57.6%
Digital Marketing business			
Net sales	1,576	1,390	13.4%
EBITDA	695	587	18.4%
Segment profit	649	541	20.0%
Other businesses			
Net sales	315	247	27.3%
EBITDA	2	△ 12	-
Segment profit	△ 0	△ 15	-

Quarterly Consolidated Results

Record high

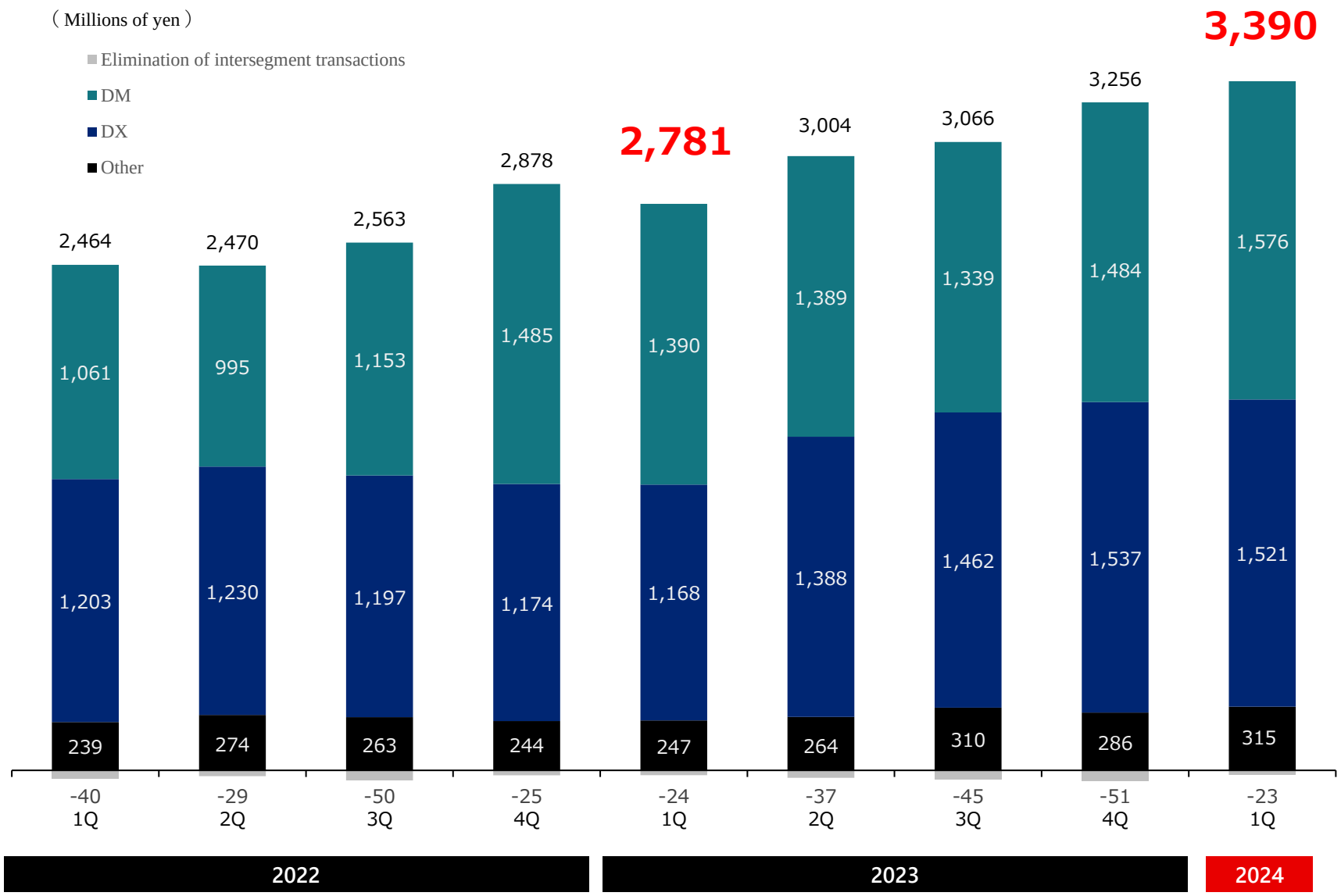
Net sales

Up 21.9% YonY

- Net sales reached a record high after 2022, when there was a change in accounting standards*.
- The scale of business in each segment continues its growth trend.

*Right graph shows the sales transition after the start of application of the new revenue recognition standard.

Effective from FY2022, due to the application of the new revenue recognition standard, a portion of sales in the digital marketing business will be changed from gross to net presentation.

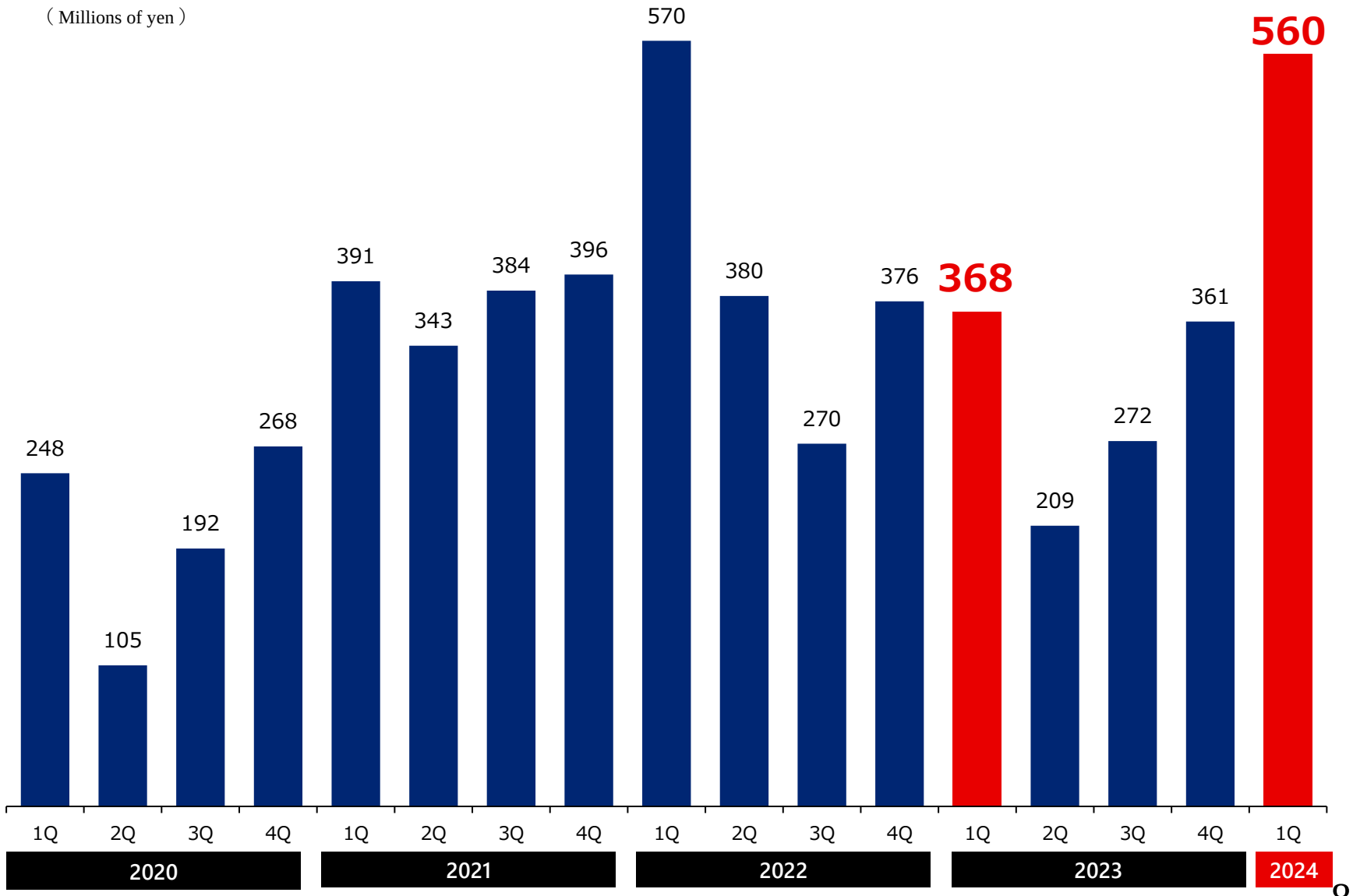


Quarterly Consolidated Results

EBITDA

Up 52.1% YonY

- Business performance recovered in each business segment (see details from next page), reaching the same level as FY2022 1Q, which marked a record high.



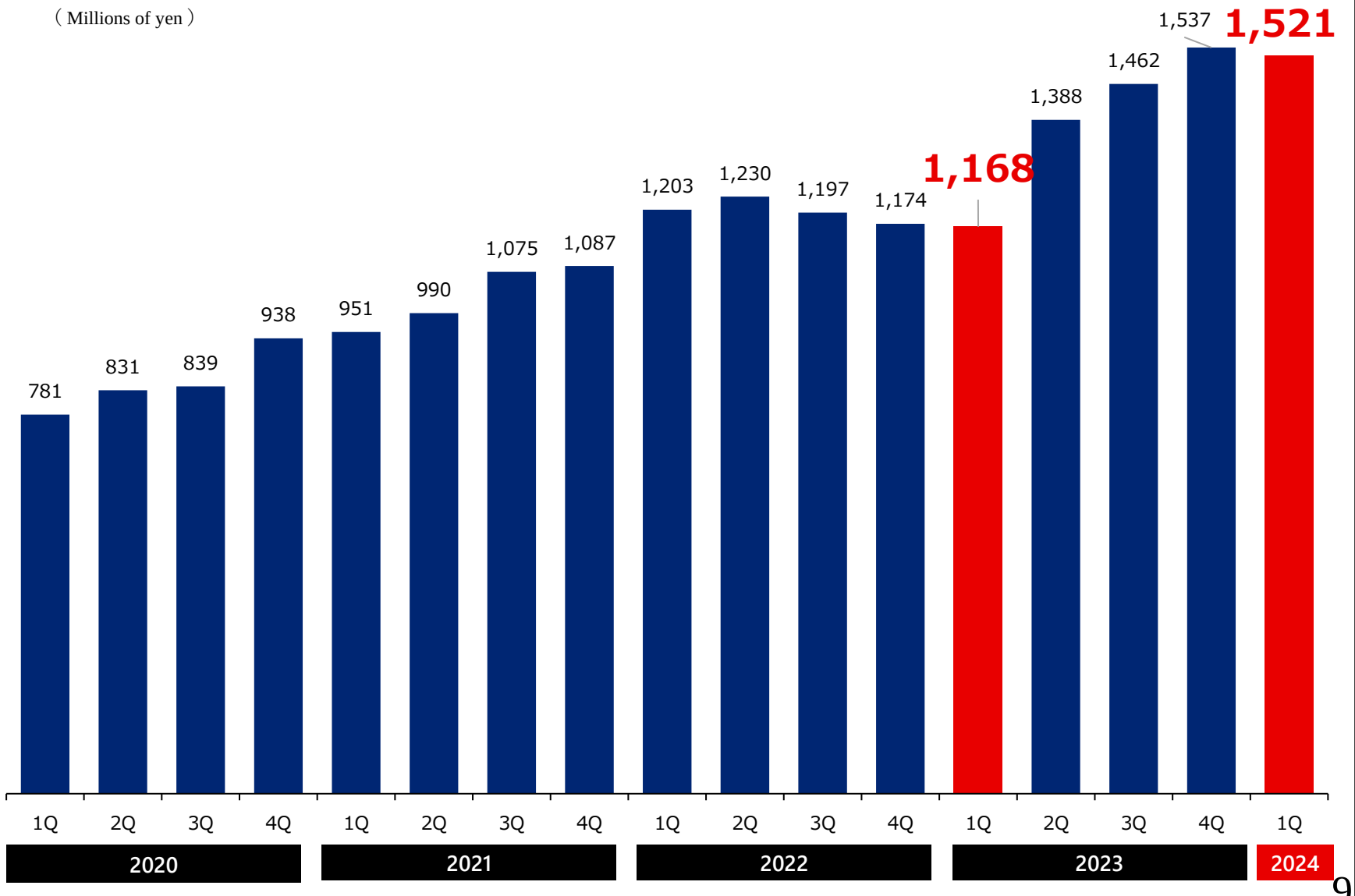
DX Business: Quarterly Results

1Q Record Sales

Net sales

Up 30.2% YonY

- Sales increased significantly compared to last year, mainly due to the start of consolidation of VES, Inc. from FY2023 2Q.

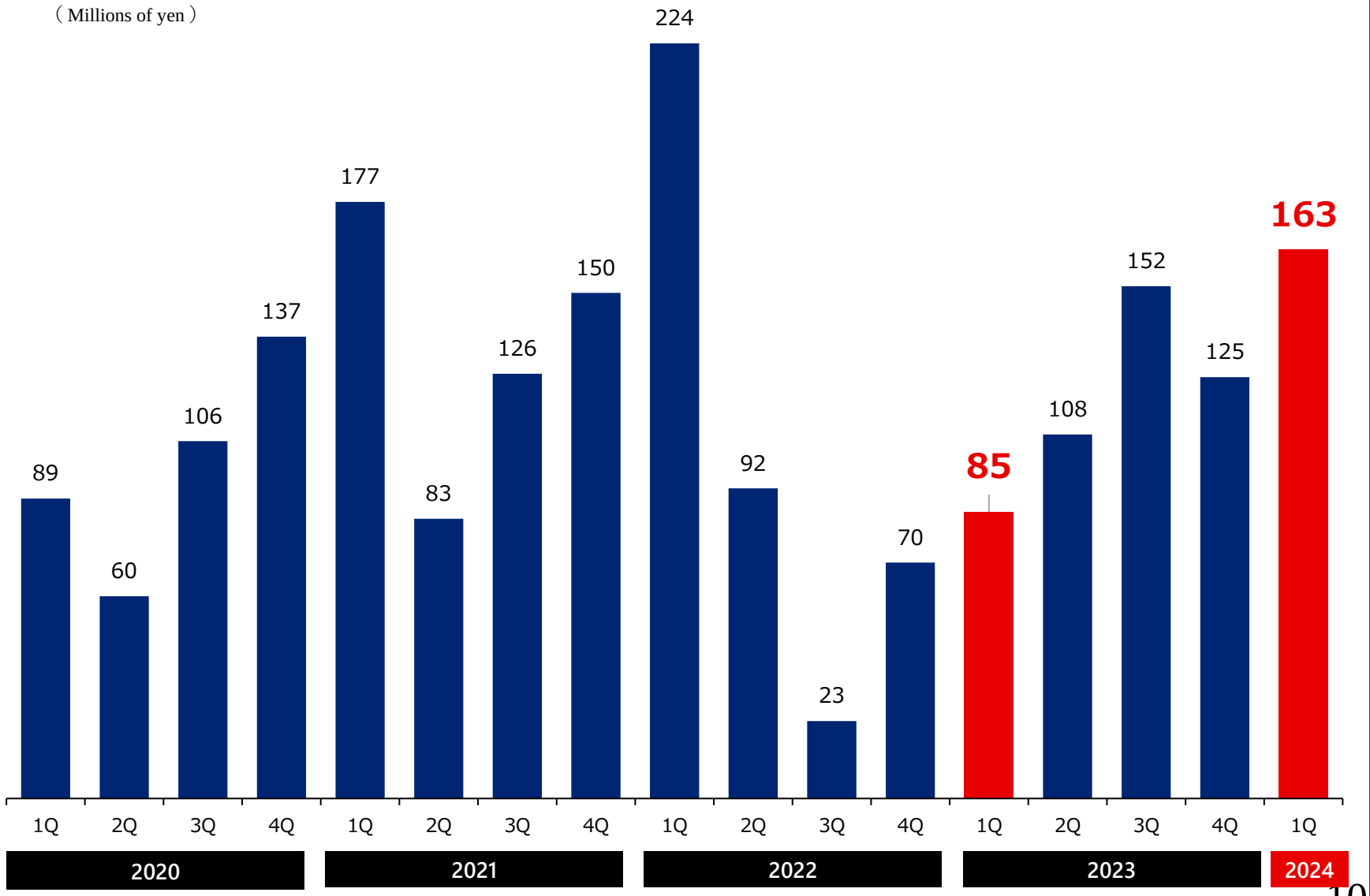


DX Business: Quarterly Results

EBITDA

Up 91.6% YonY

- Sharing Innovations' profitability improved through cost optimization following the restructuring of its cloud integration business, and the company entered a phase of re-growth with its highest profit after 2H FY2022.
- Cross-selling opportunities expanded through the sharing of VES, Inc.'s prime customer base, accelerating group synergies.



Digital Marketing Business: Quarterly Results

Record high

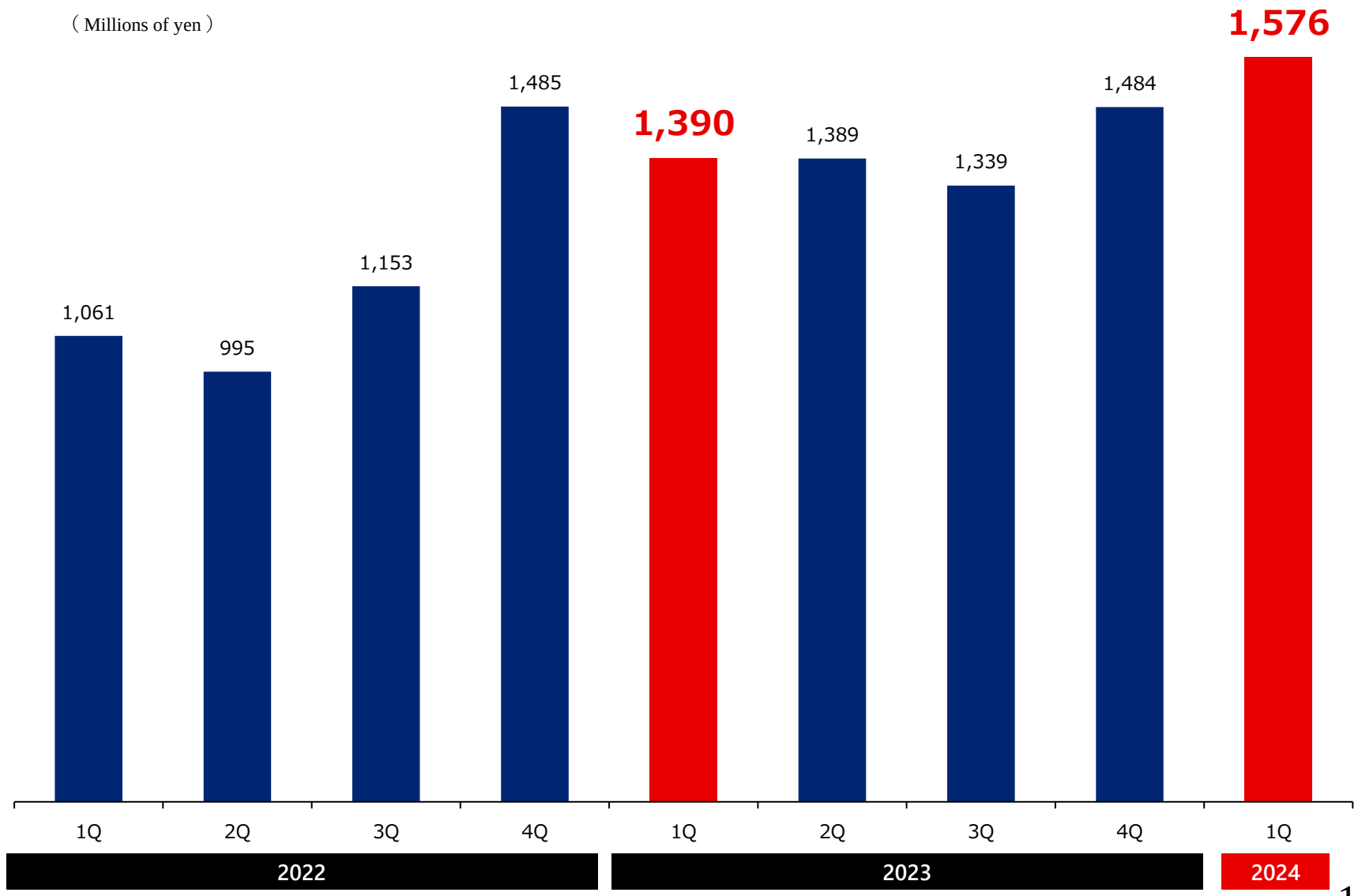
Net sales

Up 13.4% YonY

- Sales reached a new record high since 2022, when there was a change in accounting standards*.
- Return to growth trend after bottoming out in FY2023 3Q, which was affected by advertising budget reductions of major customers

*Right graph shows the sales transition after the start of application of the new revenue recognition standard.

Effective from FY2022, due to the application of the new revenue recognition standard, a portion of sales in the digital marketing business will be changed from gross to net presentation.



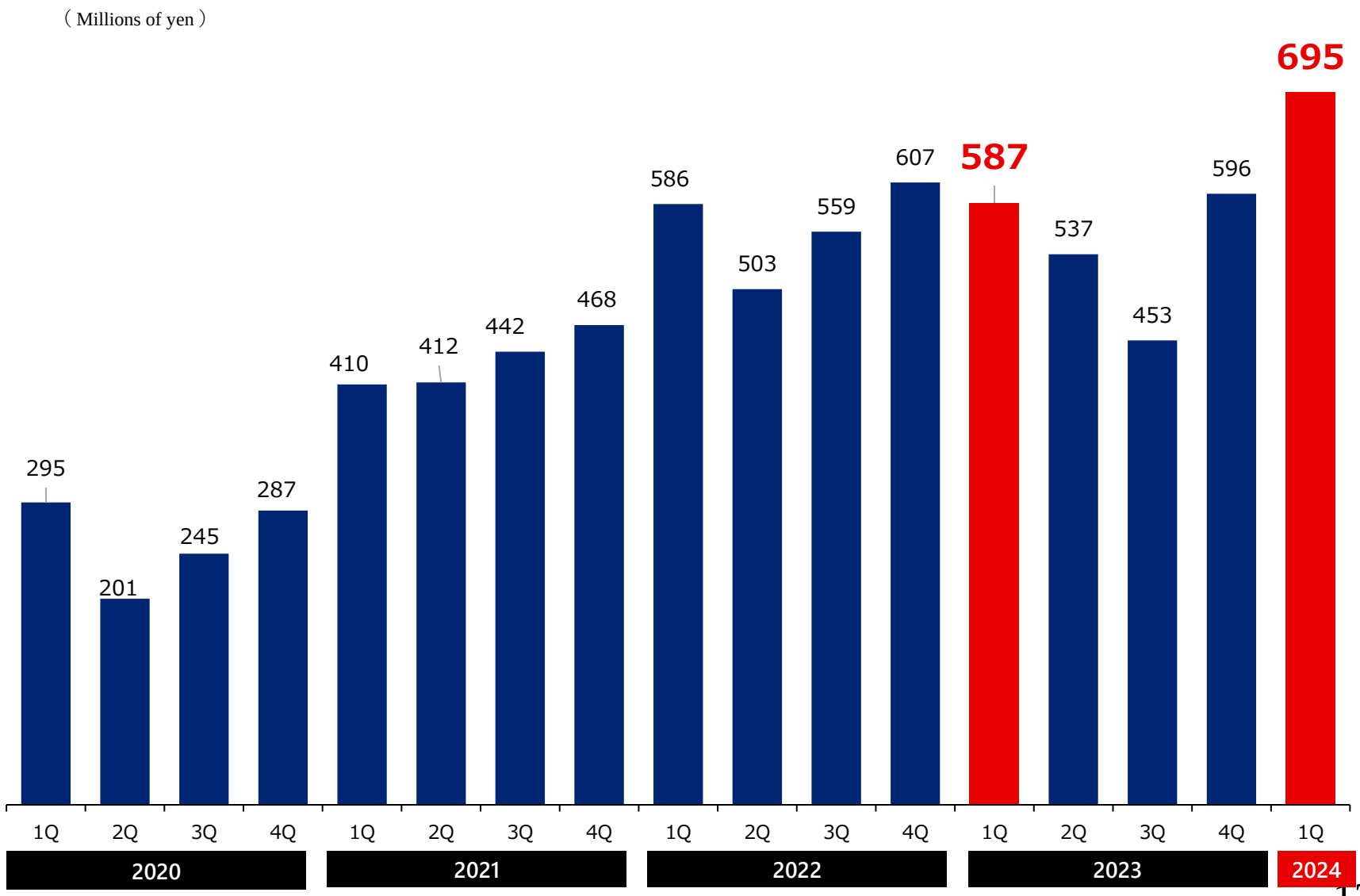
Digital Marketing Business: Quarterly Results

Record high

EBITDA

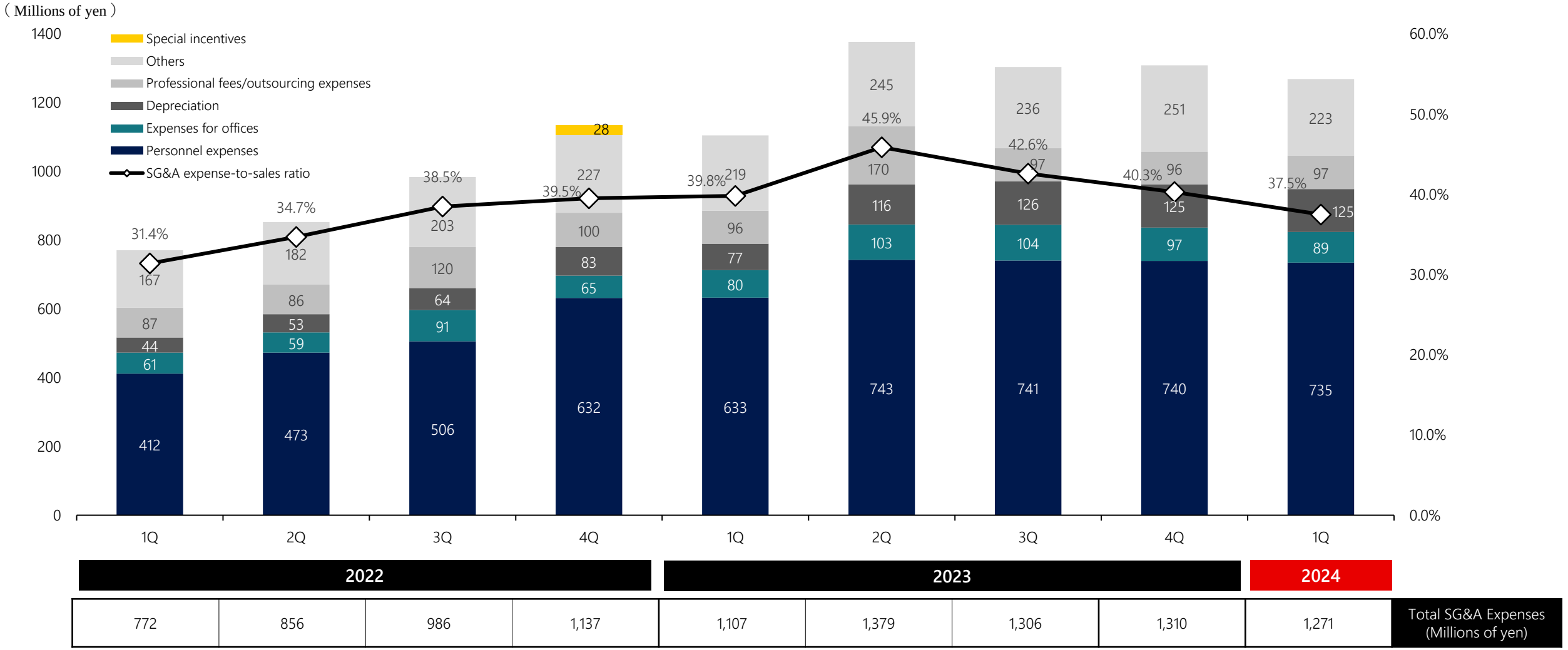
Up 18.4% YonY

- Return to growth trend after bottoming out in FY2023 3Q, which was affected by advertising budget reductions of major customers.
- Growth accelerated due to synergy effects such as increased cross-selling transactions with M&A companies.
- Orders from existing and new clients increased steadily, and advertising budgets of major clients increased, resulting in record-high profits.



Changes in SG&A Expenses

Return to growth trend in DM business and completion of structural reforms in DX business (cloud integration), profitability has improved and SG&A expense ratio is on the decline.



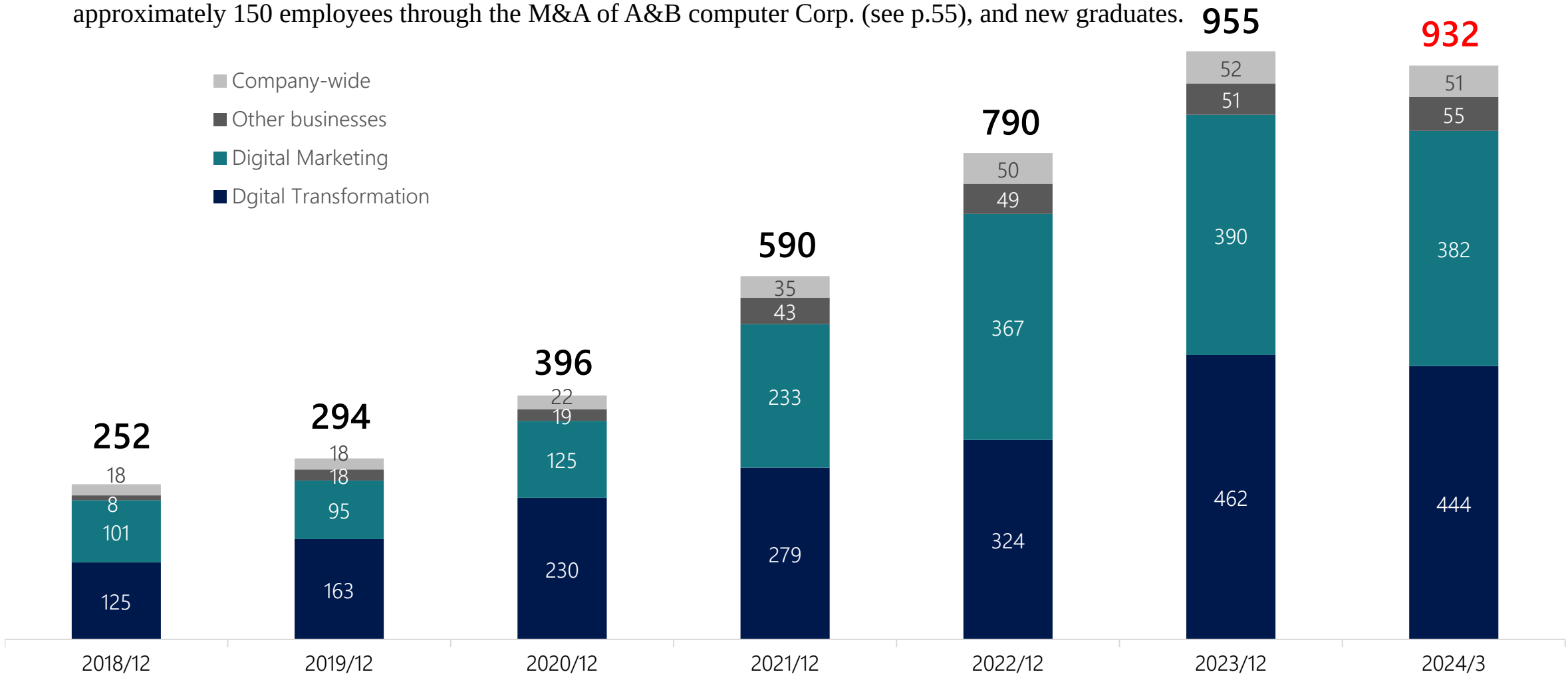
772	856	986	1,137	1,107	1,379	1,306	1,310	1,271

Total SG&A Expenses (Millions of yen)

Changes in The Number of executives and employees

The number of executives and employees is 932 at the end of March 2024

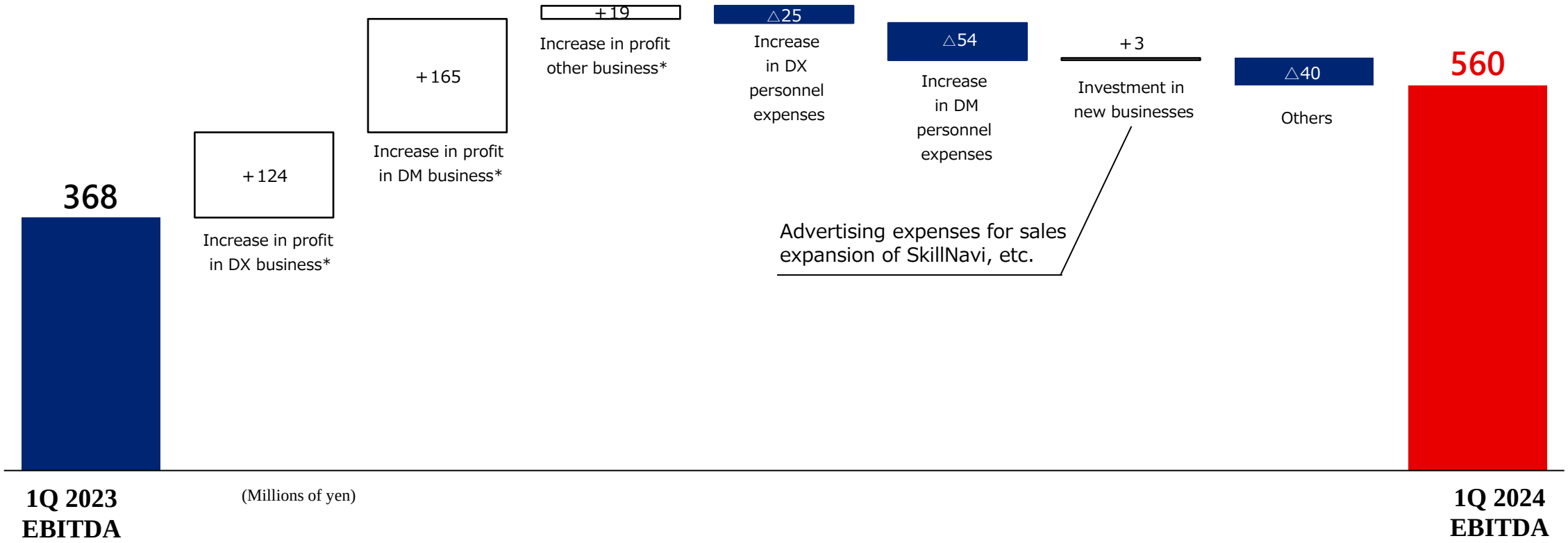
As of April 1st, the group now has more than 1,000 employees as a result of the participation of approximately 150 employees through the M&A of A&B computer Corp. (see p.55), and new graduates.



1Q FY2024 Changes in EBITDA

In the DM business, business performance has recovered since bottoming out in FY2023 3Q and profits have increased significantly due to strong orders.

In the DX business, the structural reform of Sharing Innovations' cloud integration business was completed, profitability improved. EBITDA increased by 52.1% YonY.



*Changes in gross profit of each segment

1Q FY2024 Consolidated Balance Sheet

Equity ratio of 43.2%, goodwill to capital ratio of 0.6x, maintaining financial soundness while continuing to invest in growth.

(Millions of yen)	Mar.31, 2024	Dec.31, 2023	Change
Current assets	8,003	7,145	858
Non-current assets	5,400	5,567	△ 167
Property, plant and equipment	426	528	△ 102
Intangible assets	3,541	3,653	△ 112
Investments and other assets	1,432	1,385	47
Total assets	13,403	12,712	690
Current liabilities	5,040	4,401	638
Non-current liabilities	2,152	2,274	△ 121
Total liabilities	7,192	6,676	516
Total net assets	6,211	6,036	174
Total liabilities and net assets	13,403	12,712	690



02 Earnings Forecast: 2024

FY2024 Consolidated Forecast

In the first quarter, budget progress was favorable.

Profit is expected to increase by 20%-30% due to the contribution of Sharing Innovations, which has returned to the re-growth phase through structural reforms, and VES, Inc., which is steadily expanding its business through PMI. Although the DM business has been on a recovery trend after bottoming out in FY2023 3Q, the budget plan assumes that performance will be at the same level as last year.

(Millions of yen)	1Q/FY2024 Amount	1Q/FY2024 Progress ratio	FY2023 Results	FY2024 Forecasts	YoY Change Amount	YoY Change %
Net sales(Net)	3,390	24.2%	12,109	14,000	1,890	15.6%
EBITDA	560	37.4%	1,212	1,500	287	23.7%
Operating profit	434	43.5%	765	1,000	234	30.6%
Ordinaly profit	427	42.7%	776	1,000	223	28.8%
Profit attributable to owners of parent	235	42.9%	474	550	75	16.0%

2024 Shareholder Distributions

The ordinary dividend will be increased by 1 yen to 11 yen per share.

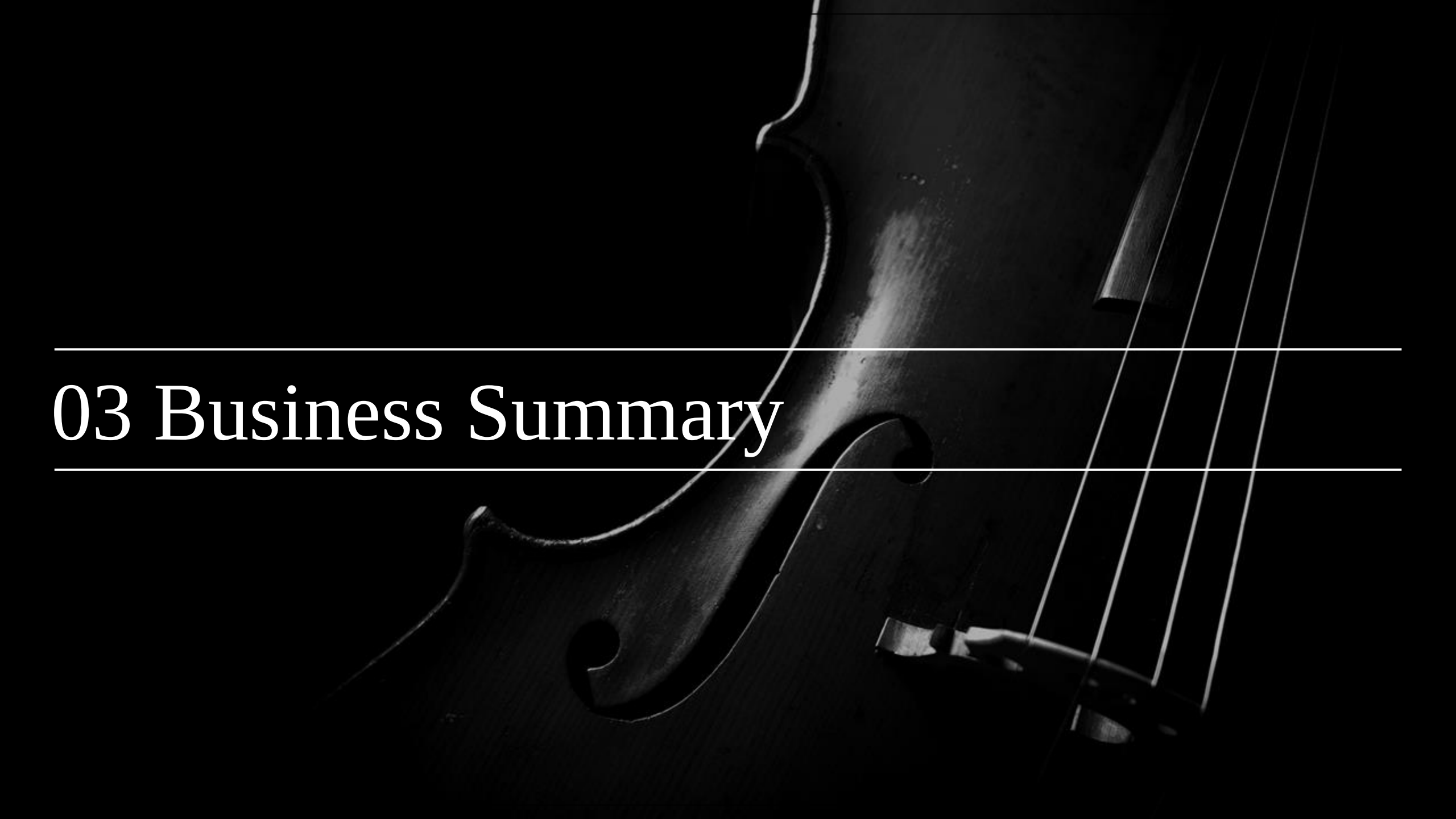
Policy for shareholder distributions

Our goal is the constant growth of shareholder value by making investments for growth by using M&A and starting businesses in new market sectors.

Shareholder distributions are an important means of increasing shareholder value. Our policy is to distribute earnings to shareholders while maintaining the balance between these distributions and investments for growth.

In 2024, based on our forecast for sales and earnings, our financial position, and other considerations, we plan to raise the ordinary dividend from 10 yen to 11 yen.

	2023	2024
Dividend per share	10.0 yen (Ordinary dividend: 10.0 yen)	11.0 yen (Ordinary dividend: 11.0 yen)



03 Business Summary

Business Segment

＊Only listed main businesses

ORCHESTRA HOLDINGS

Jun 2009：Established
Sept 2016：Listed with Mothers of TSE
Dec 2018：Listed with 1st section of TSE

Digital Marketing（DM）business

Digital Identity

Mint'Z Planning co.,ltd.

Digital Transformation（DX）business

Sharing Innovations

Mar 24, 2021
Listed with Mothers
(Growth Market)

VES
validation engineering service

Others

スキルナビ

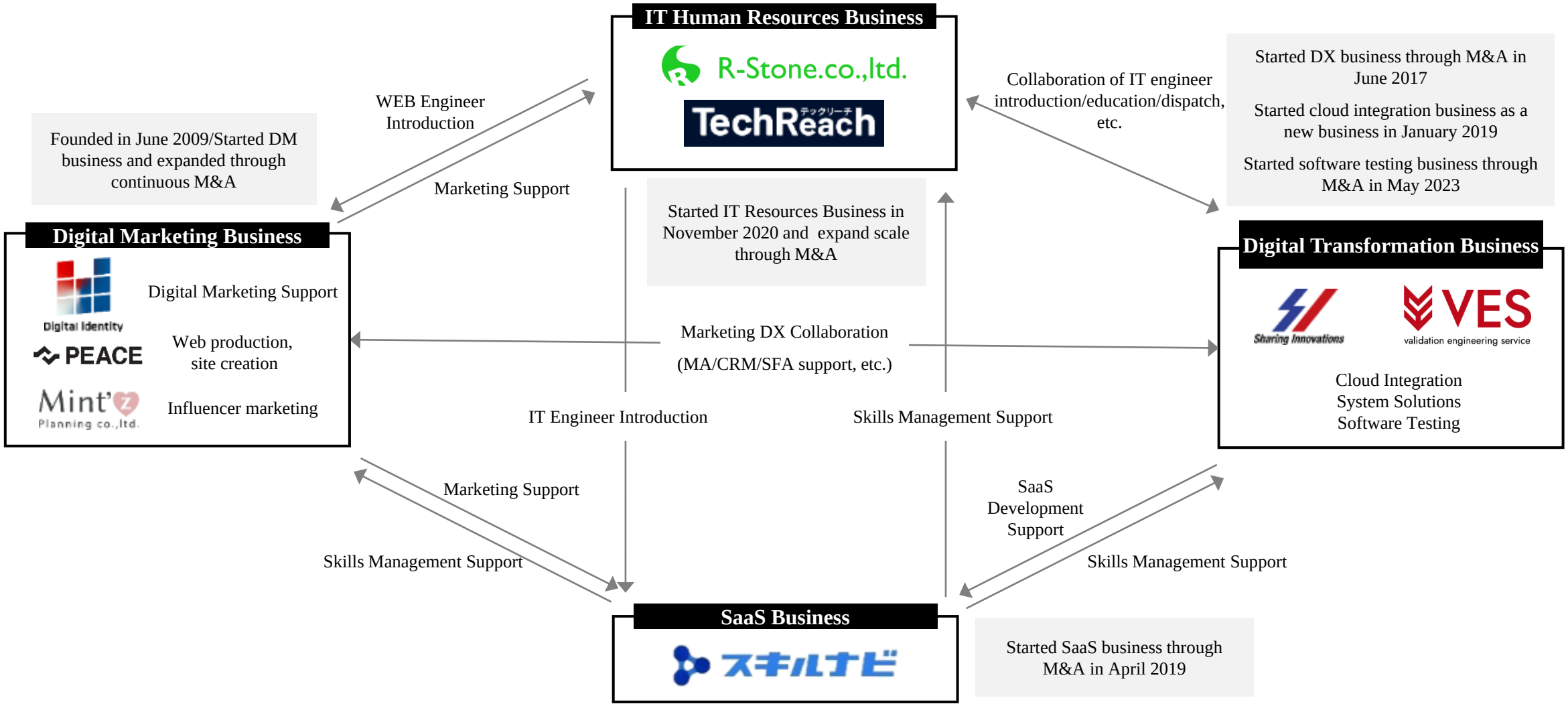
ウラーラ

R-Stone.co.,ltd.

TechReach テックリーチ

Business Synergies

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



Digital Marketing (DM) Business

＊Only listed main businesses

ORCHESTRA HOLDINGS

Jun 2009：Established
Sept 2016：Listed with Mothers of TSE
Dec 2018：Listed with 1st section of TSE

Digital Marketing （DM） business

Digital Identity

Mint'Z Planning co.,ltd.

Digital Transformation （DX） business

Sharing Innovations

Mar 24, 2021
Listed with Mothers
(Growth Market)

VES
validation engineering service

Others

スキルナビ

ウラーラ

R-Stone.co.,ltd.

TechReach テックリーチ

Business Overview

Starting with attracting customers digitally, developing into various products to provide end-to-end digital marketing service to customers.

Starting with attracting customers in digital marketing business

AD Business／SEO Business

＋

To optimize the acquisition efficiency after attracting customers, started a production business centered on sites / LPs

CREATIVE Business（such as website renewal）

＋

Engine for AD performance improvement

AD CREATIVE Business

＋

Specialized in production for multi-purpose movies

Movie Business

＋

To stay close to the customer's business

DATA Business

（Establishing BI・Analyzing）

＋

For direct and drastic contribution to customer business

MARKETING DX Business

（MA・DX Consulting）

＋

To enhance the site's ability to attract customers and information dissemination

CONTENTS Business

＋

Boost the power of information transmission

INFLUENCER Business

Business Overview

Build a system that can be executed in a one-stop system from end to end

Overall design and Consulting

Understanding Users

Market research	Customer journey	In-store survey
Persona development		Action roadmap
Insight development	Story Design	Contact channel

Data Driven

Data integration management	Dashboard	BI
Tag management	Statistics/analysis	RPA・AI・machine learning
Algorithm analysis	Tracking analysis	API・automatic processing

Execution of measures and promotion

Cognitive Advertising

- Tie-up
- Pure Ad
- PR
- Influencer
- Event
- In-store linkage
- Mass linkage
- Campaign

Programmatic Advertising

Listing Ad	App Ad
Display Ad	Affiliate Ad
Ad network・DSP	PMP
Social Ad	Specialized Media 例：インディード
Movie Ad	Overseas Streaming
Dynamic Ad	In-house production support
Infeed Ad	Report automation
Ad Creative	Account diagnosis

SEO

- Internal enforcement
- Keyword research
- Content production
- Media management
- External link scrutiny
- Speeding up display speed
- Backend SEO
- Mobile friendly

Creation

- Website creation
- LP
- Banner Ad
- Movie
- Email
- UI evaluation/ improvement
- Access analysis
- App creation

OTHER

- MA
- CRM
- LINE@
- SalesForce Implementation
- System development
- Chatbot
- WEB customer service tool
- Customer management tool

Highlights

Certified as an Advertisement Operation Certified Partner of the Yahoo! Marketing Solutions Partner Program for 9 consecutive terms

Only 8 companies have accomplished this since the Yahoo! Marketing Solutions Partner Program started.

Digital Identity

YAHOO! JAPAN マーケティングソリューション

セールスパートナー

広告運用認定

Digital Transformation (DX) Business

＊Only listed main businesses

ORCHESTRA HOLDINGS

Jun 2009：Established
Sept 2016：Listed with Mothers of TSE
Dec 2018：Listed with 1st section of TSE

Digital Marketing （DM） business

Digital Identity

Mint' Planning co.,ltd.

Digital Transformation （DX） business

Sharing Innovations

Mar 24, 2021
Listed with Mothers (Growth Market)

VES
validation engineering service

Others

スキルナビ

ウラーラ

R-Stone.co.,ltd.

TechReach テックリーチ

Sharing Innovations / Business Overview

CLOUD INTEGRATION

Cloud service implementation
support centered on Salesforce

DATA SUCCESS

Support for a full range of data utilization
from data success consulting to environment
construction and utilization support

SYSTEM SOLUTION

DX support in scratch development
centered on open technology

WEB

Smart Phone

core system

Sharing Innovations / Business Overview

Approach for Multi-Cloud Tools

CLOUD INTEGRATION

Cloud service implementation support centered on Salesforce

【Products that can be implemented】

- Sales Cloud
- Experience Cloud
- CRM Analytics
- Service Cloud
- Heroku
- Quip
- Marketing Cloud Account Engagement
- Marketing Cloud Engagement

Sharing Innovations / Business Overview

Unparalleled number of Salesforce/Tableau certifications*

*As of April 1, 2024

MARKETING

Salesforce 認定 Marketing Cloud Account Engagement コンサルタント	11 persons
Salesforce 認定 Marketing Cloud Account Engagement スペシャリスト	36 persons
Salesforce 認定 Marketing Cloud メールスペシャリスト	7 persons
Salesforce 認定 Marketing Cloud アドミニストレーター	29 persons
Salesforce 認定 Marketing Cloud デベロッパー	2 persons
Salesforce 認定 Marketing Cloud コンサルタント	1 person

ENGINEERING

Salesforce 認定 Development Lifecycle and Deployment アーキテクト	1 person
Salesforce 認定 Identity and Access Management アーキテクト	1 person
Salesforce 認定 Integration アーキテクト	1 person
Salesforce 認定 Data アーキテクト	3 persons
Salesforce 認定 上級Platformデベロッパー	8 persons
Salesforce 認定 Platformデベロッパー	15 persons
Salesforce 認定 Sharing and Visibility アーキテクト	4 persons
Salesforce 認定 Platform アプリケーションビルダー	48 persons
Salesforce 認定 アプリケーション アーキテクト	3 persons
Salesforce 認定 Heroku アーキテクト	9 persons
Salesforce 認定 JavaScript デベロッパー	4 persons
Salesforce 認定 システムアーキテクト	1 person

OPERATION

Salesforce 認定 上級アドミニストレーター	47 persons
Salesforce 認定 アドミニストレーター	177 persons
Salesforce 認定 アソシエイト	1 person
Salesforce 認定 Sales cloud コンサルタント	57 persons
Salesforce 認定 Service cloud コンサルタント	70 persons
Salesforce 認定 Experience Cloud コンサルタント	40 persons
Salesforce 認定 Field Service コンサルタント	13 persons
Salesforce 認定 AIアソシエイト	12 persons
Salesforce 認定 CRM Analytics and Einstein Discovery コンサルタント	49 persons

Tableau

Tableau Certified Consultant	7 persons
Tableau Certified Data Analyst	2 persons
Tableau Desktop Specialist	9 persons

SALES

Salesforce 認定 セールスエキスパート	3 persons

VES / Business Overview

Main Business

- Software Third-Party Verification Services
- Test Automation Services
- Nearshore Verification Services
- Usability Verification Services
- Test Engineer Training Support Services

Select the best verification system for each client

Takizawa Software Verification Center





Metropolitan Area Verification Lab



Cumulative total of over 12,000 cases Extensive verification experience

Since starting software verification services in 2003, we have accumulated specialized technology and expertise in verification in a variety of industries.

No.1 in the industry IVEC's highest rank Platinum Partner Certification

No. 1 in the industry for LEVEL 5 certification, the highest level of the IT Verification Engineer Certification Examination (IVEC). We have high-level test engineers.

IVEC Platinum Partner

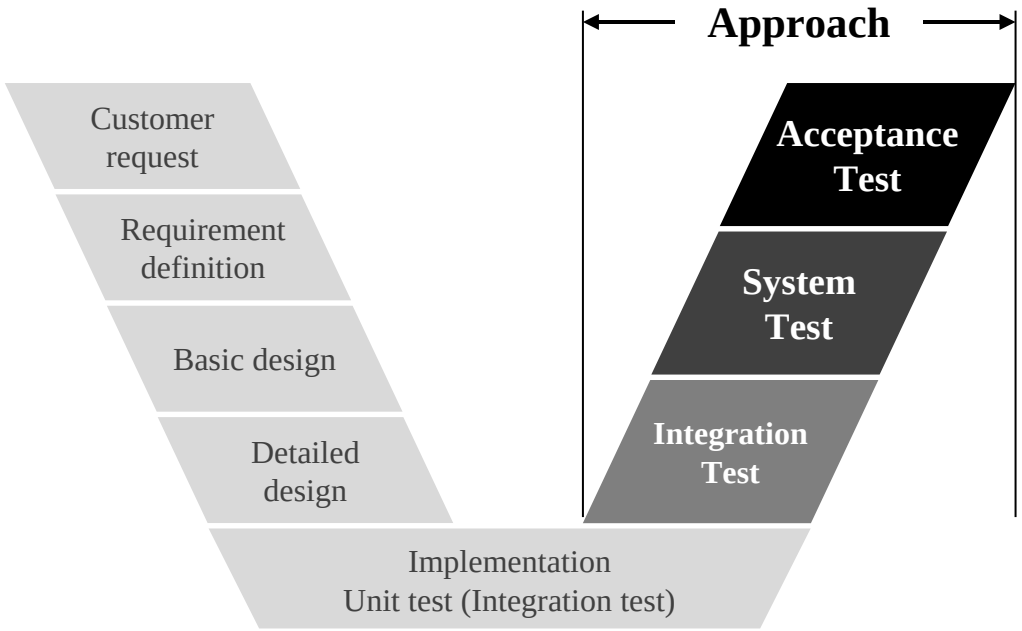
Software Testing International Certification JSTQB Gold Partner Certification

We have been certified as a "Gold Partner" by ISTQB, an international certification body, as a sign of recognition of our high-quality testing services.

ISTQB Gold Partner International Software Testing Qualifications Board

VES / Business Overview

Third-party verification services can support all phases of testing after the integration test, from test strategy, planning, design, execution, and final report.



Third-Party Verification Services Process

Test Strategy	Test Planning	Test Design	Test Execution	Final Report
Establish testing methodology, goals, types, resources, and schedule	Develop an effective test plan in line with the assignment	Develop test cases based on test plan	Execute test cases and check results based on test design	Final report summarizing test results

Point

Conduct a review for each verification process, potential defects are efficiently eliminated.

○ Example of Documentation
・Test Plan
・Test specification
・Defect report
・Completion report

Third-party verification solutions (excerpts)

● Software Verification Services

Verify and evaluate software from an objective perspective to identify and report on problems that are often overlooked

● Embedded Verification Services

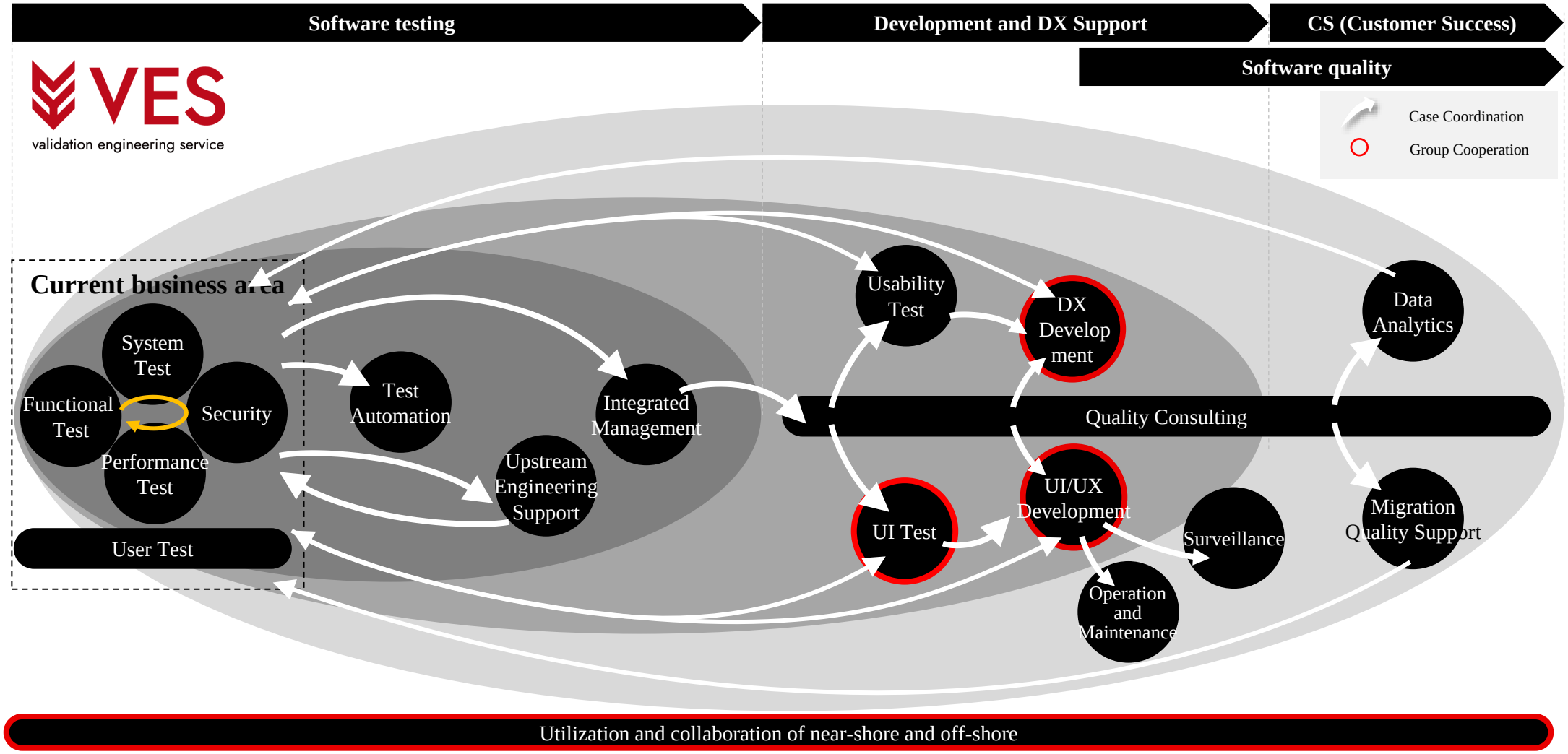
Various tests are conducted to verify that the embedded control software operates correctly and achieves its objectives

● EC/Web Verification Services

One-stop, speed-oriented verification from test planning to implementation for customers developing web services

VES / Business Strategy

Starting from software testing, expanding to DX and CS areas to become an expert in software quality.



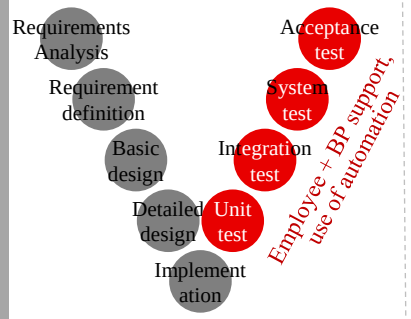
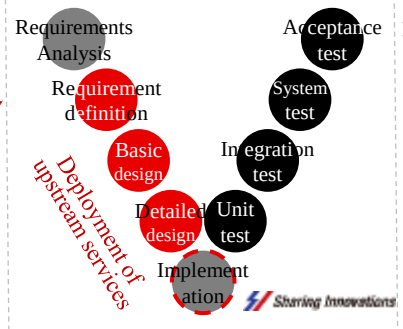
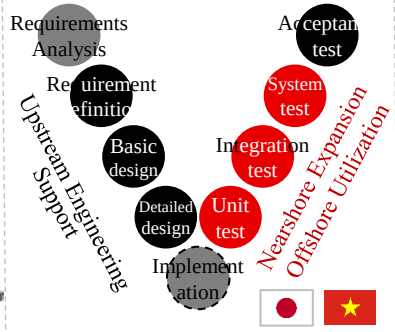
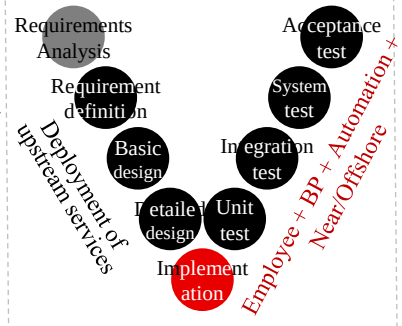
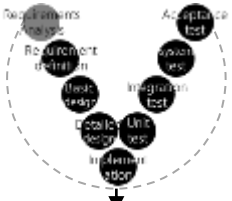
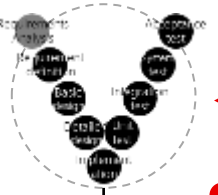
Software Quality Experts

Expand our service area to become “Software Quality Experts”

VES / Business Strategy

Aiming to grow to 10 billion yen in sales by leveraging the resources of the ORCHESTRA Group. STEP 1 has been on progress by expanding upstream services and development capabilities through mid-career recruitment and M&A of A&B Computer (see page 55).

FY2023 → FY2028

	Step0 Existing state	Step1 Upstream ＋ development	Step2 Offshore Utilization	Step3 In-house development	Step4 Expansion into new areas	Step5 Customer Success Deployment
Objective	**Stable profitability through the establishment of a business foundation**	**Increase revenue** by expanding the range of requests handled	Near-shore and off-shore utilization to **Strengthening Cost Competitiveness**	Reinforcement of Implementation Capability **Expansion of Earnings**	Reinforcement of Implementation Capability **Expansion of Earnings**	Cyclical Response to Fixation **Expansion of Earnings**
Business development		 Development within the group or in collaboration with BP	 Development within the group or in collaboration with BP	 In-house development	Third-Party Verification Services  Quality Consulting DX Support / Operation Monitoring	
Estimated sales	1.54 billion yen	2.40 billion yen (YonY 156.3%)	3.50billion yen (YonY 145.6%)	4.91 billion yen (YonY 140.2%)	7.01 billion yen (YonY 142.6%)	10.03 billion yen (YonY 143.1%)
Number of engineers	223 people (Full-time employee 71.3%)	261 people (Full-time employee 67.0%)	317 people (Full-time employee 62.7%)	358 people (Full-time employee 58.4%)	485 people (Full-time employee 54.2%)	614 people (Full-time employee 49.9%)
Point	• Deployment of automation, security, and other areas around test validation • Improvement of PM and PL delivery skills to stabilize service delivery	• Test Verification area aims to expand from adaptation to loyal customers • Hiring upstream process skills & experience	• Offshore expansion through SIV utilization • Acquisition of global projects • Become a client of a major local company (Takizawa TC model → 2nd TC development)	• Capability of development • Provide collaborative solutions with upstream and testing areas • Provide quality assurance	• Quality expertise (compliance with laws, regulations, standards, etc.), not just IT consulting • DX and operational monitoring works with seasonal products	• Establishing a position as a quality control

Others

＊Only listed main businesses

ORCHESTRA HOLDINGS

Jun 2009：Established
Sept 2016：Listed with Mothers of TSE
Dec 2018：Listed with 1st section of TSE

Digital Marketing （DM）business

Digital Identity

Mint'z Planning co.,ltd.

Digital Transformation （DX）business

Sharing Innovations

Mar 24, 2021
Listed with Mothers
(Growth Market)

VES
validation engineering service

Others

スキルナビ

ウラーラ

R-Stone.co.,ltd.

TechReach テックリーチ

Other Businesses

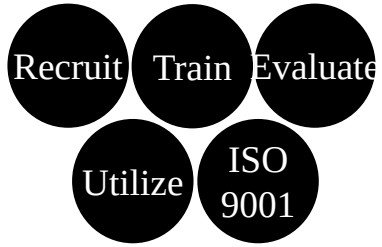
Raising the next core businesses

Major businesses within other business segments:

SaaS Business

Skill Navi
スキルナビ

- ✓ An SaaS skill management system
- ✓ Supporting skill management and development with the latest technology



- ✓ Introduction in major manufacturing companies is accelerating

Platform Business

Urala
ウラーラ



- ✓ An iPhone/Android app for fortune telling chat consultations by more than 1000 fortune tellers throughout Japan
- ✓ Cumulative number of consultations exceeded 1.3 million.

IT Human Resources Business

R-Stone.co.,ltd.

TechReach テックリーチ

- ✓ Acquired "R-Stone", a recruiting firm specializing in IT engineers and creators in 2021.
- ✓ Operates “TechReach”, a project and job information site for freelance engineers.

SaaS Business / Business Overview

Developing "Skill Navi" with strength in skills management

- Strengths in visualization and management of skills
- Accelerating adoption by major manufacturing companies that require detailed skills management
- Can also be used for re-skilling and job-based work styles



スキルマネジメントシステムとして、スキル管理から教育連動、業務との紐づけや分析、
人事機能まで活用することで人事システムをスキルナビで完結も可能

スキルマネジメントシステム

スキル管理 マルチ多階層にスキル管理や補正、評価者のコメント、研修等の紐づけなど多種多様な機能あり	**資格管理** 保有資格の管理全般 有効期限管理（アラート機能）や資格証明書の管理も可能	**研修・試験管理** 研修・試験結果の管理、スキルとの連動による研修の有効性検証などにも対応
キャリアモデル 志望キャリアの登録から現在のスキルや保有資格とのマッチ度の可視化や適応率が見える	**分析・比較** 個人、部署、自由なグループでの比較、複雑な分析まで可能	**異動シミュレーション** あらゆるパターンのシミュレーションが可能。保存機能、能力視点、育成視点、サクセッションプラン等
従業員検索 複雑な要件検索が可能になるため、業務やプロジェクトアサインでの活用も	**スキルナビフォーム** 自由なフォーマットを作成し、業務管理からスキルや経験値との連動まで、幅広い活用が可能	**スキルナビBI** 人的資本の情報開示に向けたパッケージ機能 必要項目を簡単にダッシュボード化

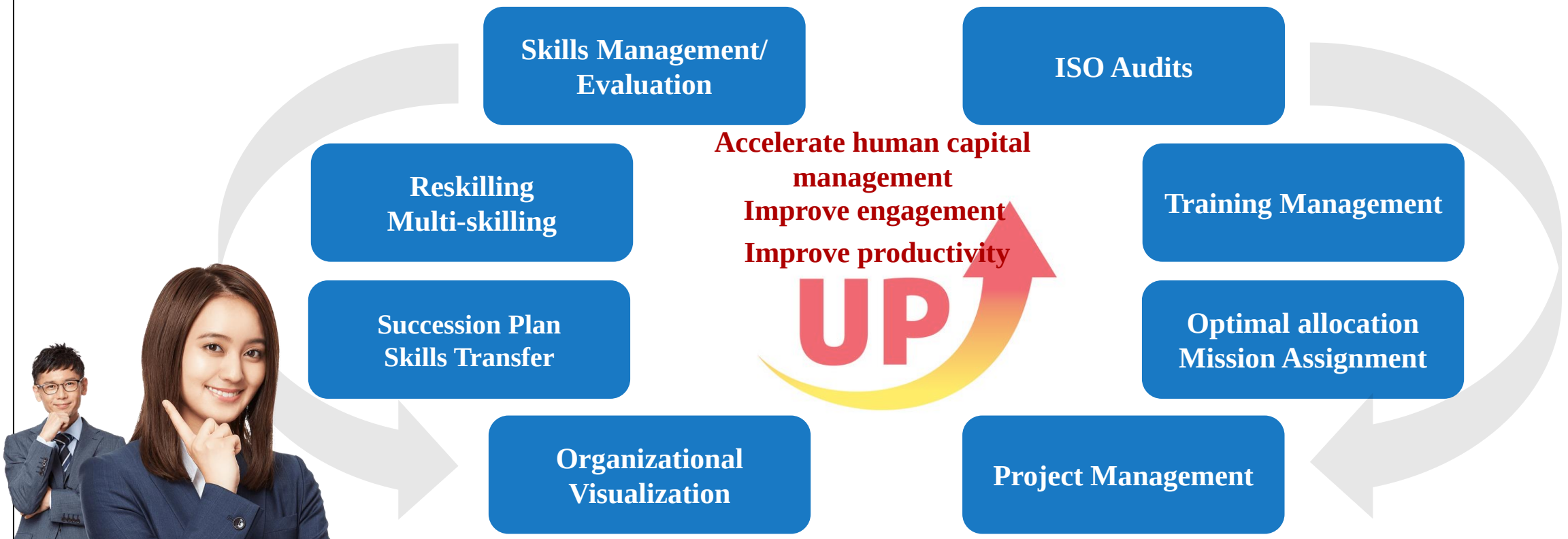
人事機能

従業員データ 各種従業員データの保有や管理、人事システムとの連携なども可能	**従業員サーベイ** 従業員サーベイやエンゲージメント分析
評価機能 スキル評価以外に人事評価、コンピテンシー評価など各評価制度に対応	**面談履歴** 面談履歴、1on1の管理など

SaaS Business / Business Overview

What is skills management?

By effectively utilizing skills-based data Maximize organizational performance through training, education, optimal allocation, and organizational visualization, and contribute to improved employee engagement.



SaaS Business / Business Overview

The Need for a Skills Management System

In addition to the DX trend, the need for skill management systems is increasing, from productivity improvement to human capital management.

Work site

■ **Limitations of Excel operation**
- Linkage with training plan is complicated and difficult to manage.
- Visualization/analysis is difficult.
- The number of items to be managed has increased, making on-site operations and audit responses more complicated.

■ **Formalization of operations**
- Efforts are made on a site-by-site basis and are not thoroughly operated or managed.

■ **Existing system cannot meet the requirements**
- The company-wide HR system in place does not meet the requirements and continues to be analog.

Management

■ **Visualization of organizational status, including organizational management and human capital perspective**
- In many cases, each work site is managed in an analog manner, which does not lead to visualization of the organization or the company as a whole.

SaaS Business / Business Overview

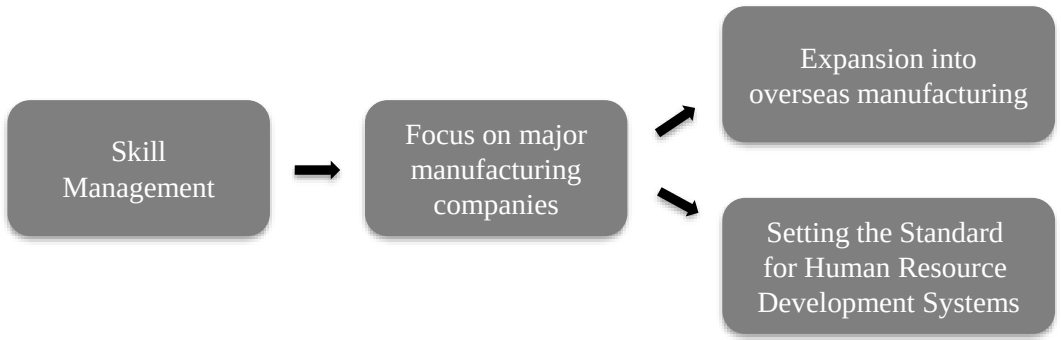
Skill Navi growth strategy スキルナビ

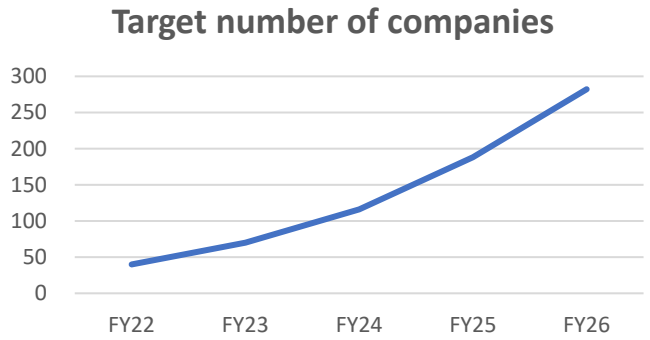
As the working-age population continues to decline, there is an increasing need to build human resource management systems in order to "maximize human capital," "improve productivity," and "reskilling".

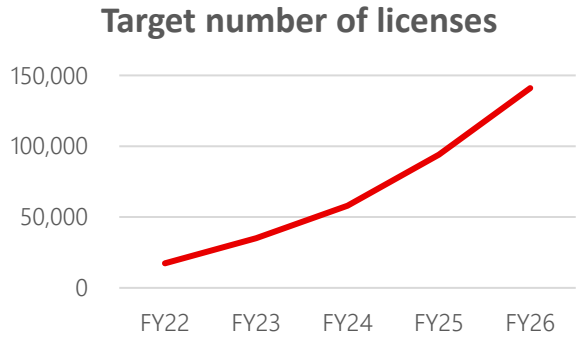
Among these, Skill Navi's competitive advantage of visualizing skills and managing the implementation and effectiveness verification of necessary training programs in real time is expected to be needed by many companies, and we aim for significant growth in this field.

Of the human resource management systems, we focus on "skill management," which is the most important aspect of building a framework for human resource development. We aim to increase the number of companies that have adopted the system, particularly in the manufacturing industry, which requires more detailed skills management.

Few competitors focus on skills management, and because of the competitive advantage of its functions, Skill Navi has recently been adopted by major manufacturing companies. In the future, we plan to further expand its business overseas and establish a de facto standard for building a framework for human resource development in the manufacturing industry.







SaaS Business / Business Overview

Skill Navi Major Installation Results

The number of companies introducing Skill Navi is increasing



IT Human Resources Business / Business Overview

- Acquired R-Stone, a recruitment agency specializing in the IT field, through M&A in FY2021
- Operates "TechReach", an IT recruiting and project introduction media
- Supports the recruitment for group companies, contributing to the reduction of recruitment costs at the group level.

R-Stone.co.,ltd.

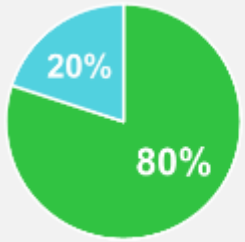
人材紹介サービスについて

クリエイター・エンジニアに特化したコンサルタントが採用活動をサポート

主なターゲット層	年齢	希望勤務地	現在年収
	20代後半～40代後半	東京	350～1000万円台

月間登録者数　エンジニア 120 名　クリエイター 80 名

集客経路





TechReach



- Specialized in freelance
  - ・Engineer
  - ・Creator
  - ・PM・PMO…
- Strength of TechReach
  - ・80% are end/main contractor direct projects
  - ・15 days payment cycle

Corporate Venture Capital Investments

ORCHESTRA HOLDINGS

Five investees achieved IPO on the Tokyo Stock Exchange

IPO July 2020	IPO Nov. 2020	IPO Dec. 2020	IPO Sept. 2021	IPO Mar. 2022		
BRANDING ENGINEER HR	GEO CODE Marketing	CALLO Fraudulent order detection	ROBOT PAYMENT Payments	Mental Health Technologies Health care	OZVISION Point mall	NEXT ONE Electricity retailing
Maple Systems BtoB matching	WCS Cosplay	JOBSUGOI.COM HR	Concierge U AI	firstcard Fintech	Canly MEO	WealthPark Real estate
LiveSmart Smart homes	BEAUTY DOORS P2C	Fourth Valley HR	Mealthy Health care	attuned HR	CONOC Con-tech	CBT Project Management



04 Growth Strategy

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

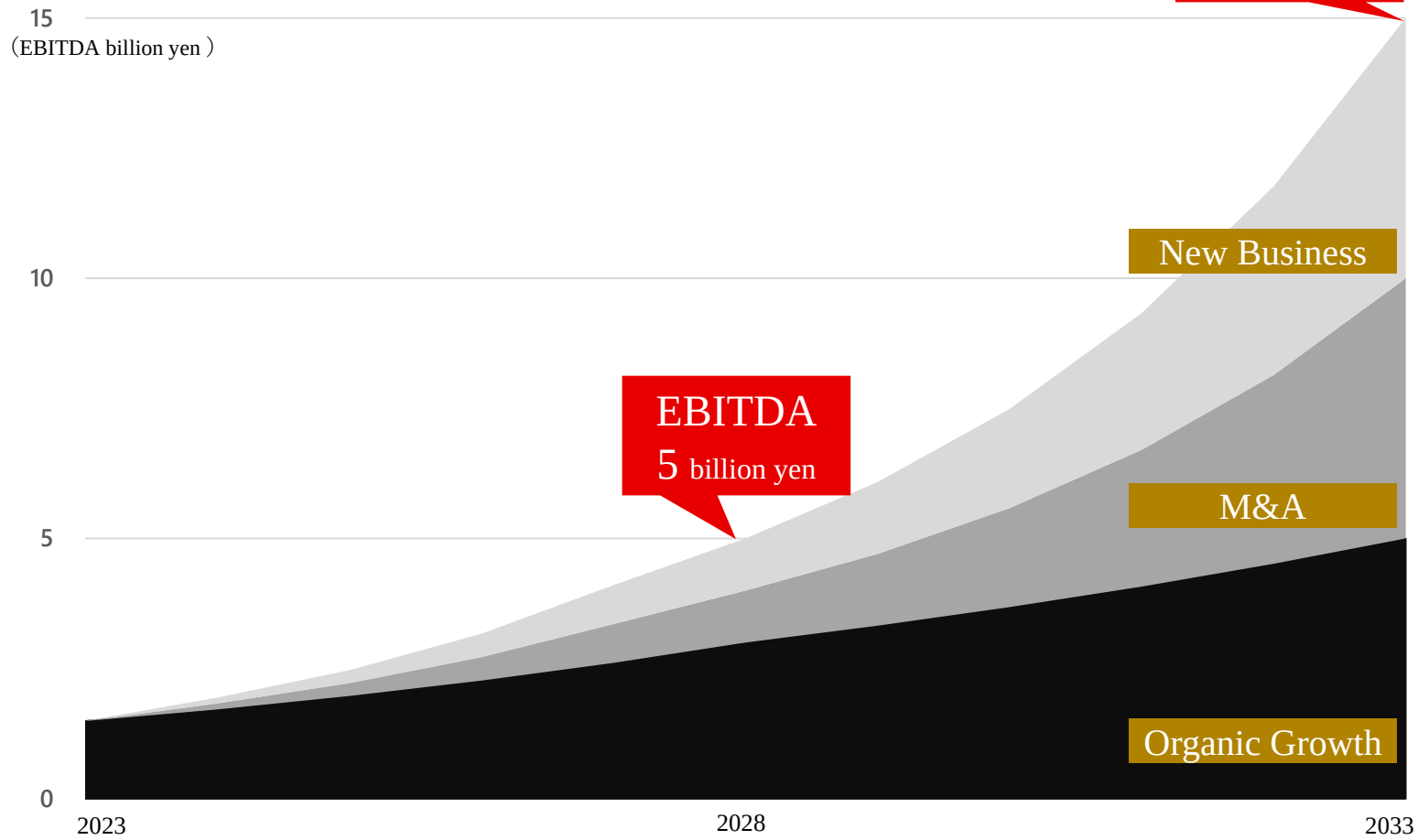
New business under development is growing steadily and will contribute significantly to the Group's earnings in the future.

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
Sharing Innovations will return to profitability in the second half of the year due to progress in structural reforms, and will be on a revenue and profit growth path from the next fiscal year. VES aims to grow its software testing business to 10 billion yen in sales over the next five years.



Future Outlook and Initiatives

Future Outlook and Initiatives for Each Business

Digital Marketing Business	Sustain 10-20% annual growth through organic growth + M&A and drive overall group growth by strengthening the new customer acquisition system, strengthening cross-selling by leveraging the group's customer base, and maximizing return on investment by using generative AI.
Digital Transformation Business	【Sharing Innovations, Inc.】 Completed structural reform of the Cloud Integration business and entered a phase of renewed growth. 【VES, Inc.】 Utilizing the resources of the ORCHESTRA Group, the company will expand its organizational structure and service areas, aiming to grow to 10 billion yen in sales over the next five years. (See p.33-34) M&A of A&B Computer Corp. (see p.55) expanded upstream process and development capabilities, and plans are progressing smoothly.
New business	【Skill Navi】 Focusing on "skill management," the most important aspect of building a framework for human resource development. The company is expanding its introduction mainly among major manufacturing companies that require detailed skill management. In the future, the company aims to become the de facto standard for overseas development in the manufacturing industry and for building a framework for human resource development. (See p.37-41) 【IT Human Resources Business】 Continued annual growth of 20-30%. TechReach, the recruitment media is expected to be profitable on a monthly basis within this fiscal year and resulting in a significant improvement in profits. In addition, by recruiting IT personnel through in-house HR agency, we can reduce recruiting costs significantly at the Group level (See p.42).

Growth Strategy

Strength 01

Compete in a growing market

Strength 02

Active utilizations of M&A

Strength 03

Cultivate new business

Growth Strategy: Market Selection

Focusing on growth market

DX business

Japan's IT professional shortage will become even worse
Forecast a shortage of as much as 790,000 in 2030 *1

*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. *2

*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. *3,4

*3 Source: Ministry of Economy「Basic Survey of Information and Communication Industry」
*4 Source: IPA「 Software Development Data White Paper 」

Digital Marketing business

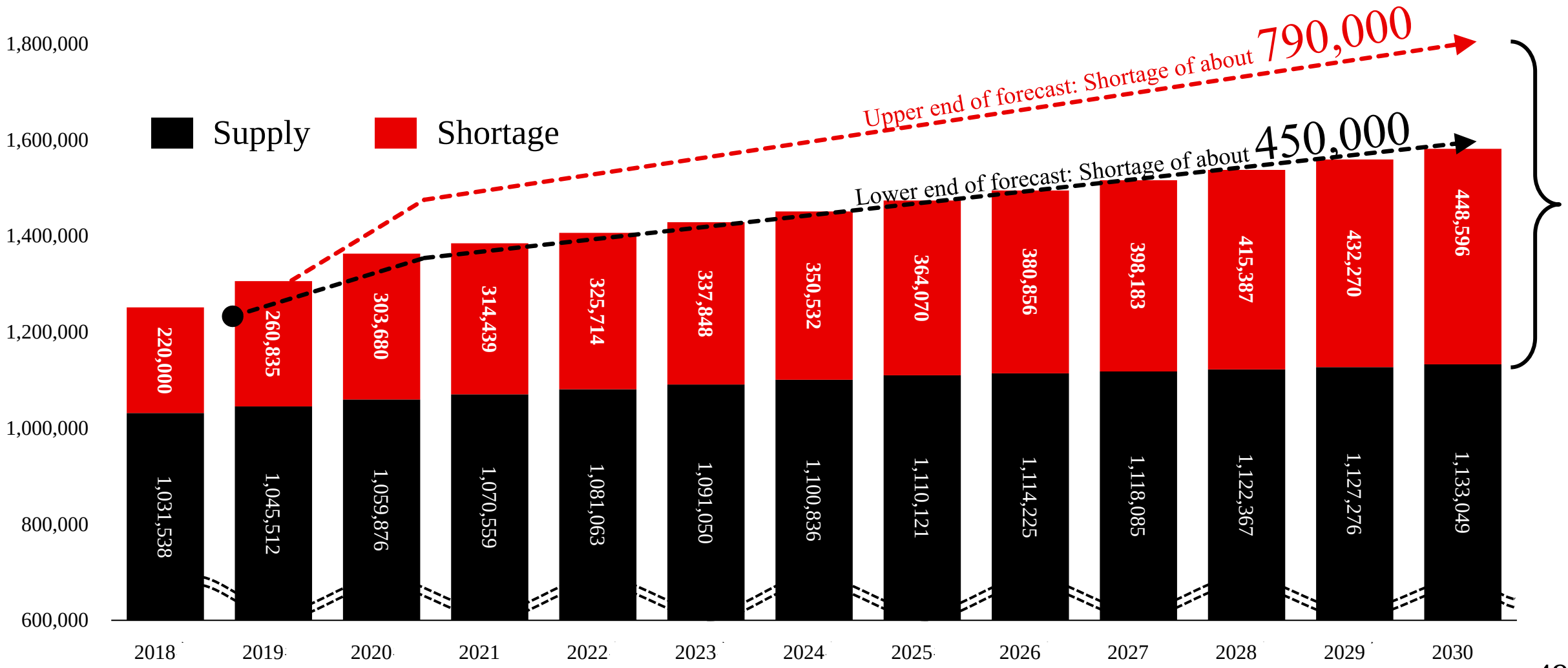
The increasing speed of the digitalization of society is fueling growth of the internet advertising market. The programmatic advertising market, a key strength of Orchestra Holdings, recorded growth of 10.9% in 2023 *5

*5 Source: Dentsu Inc. "2023 Advertising Expenditures in Japan"

Market Data: Projected Shortage of IT Professionals in Japan

Forecast a shortage of up to 790,000 in 2030

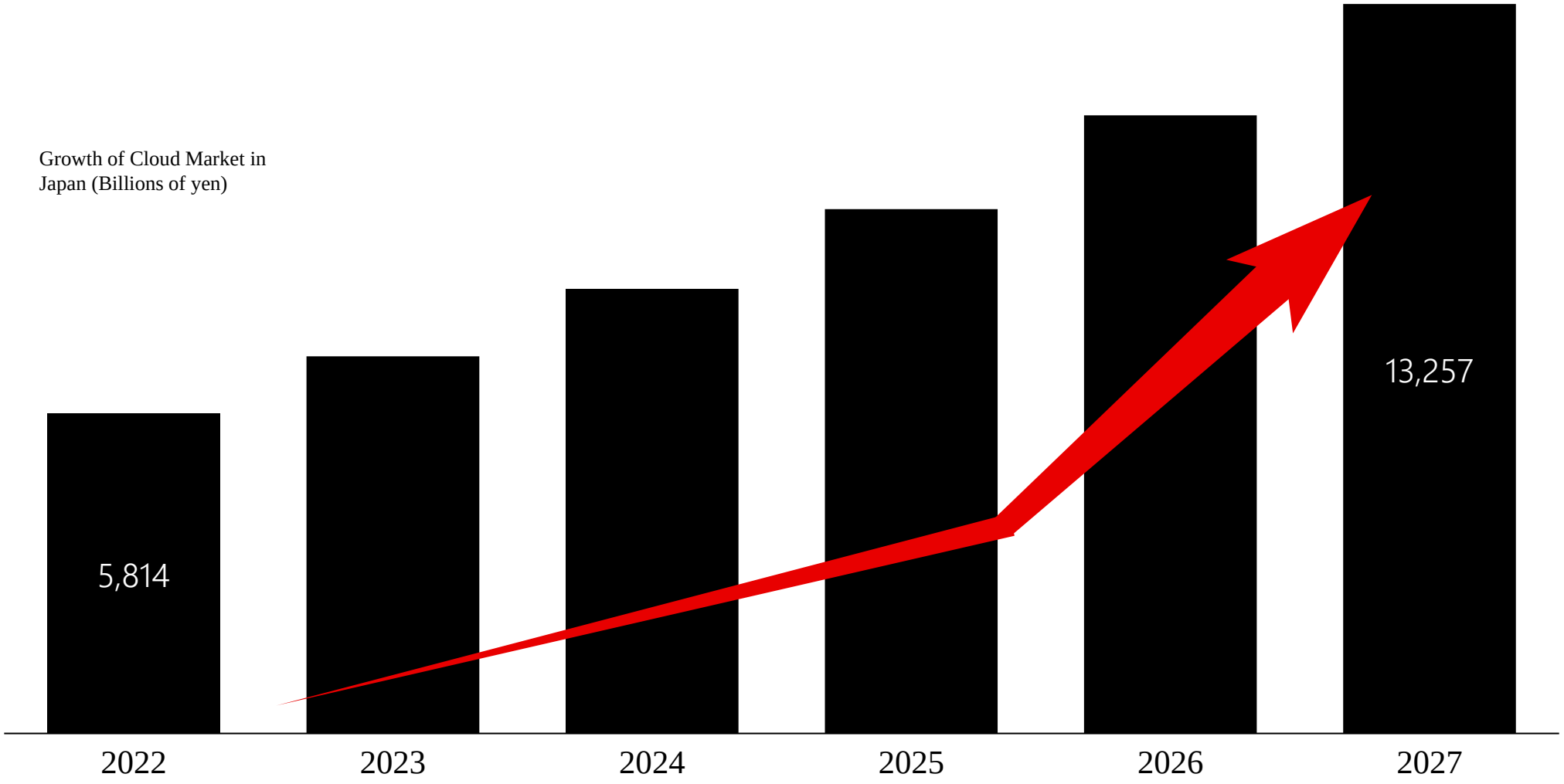
Demand for IT professionals is expected to increase steadily



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

Market Data: 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.

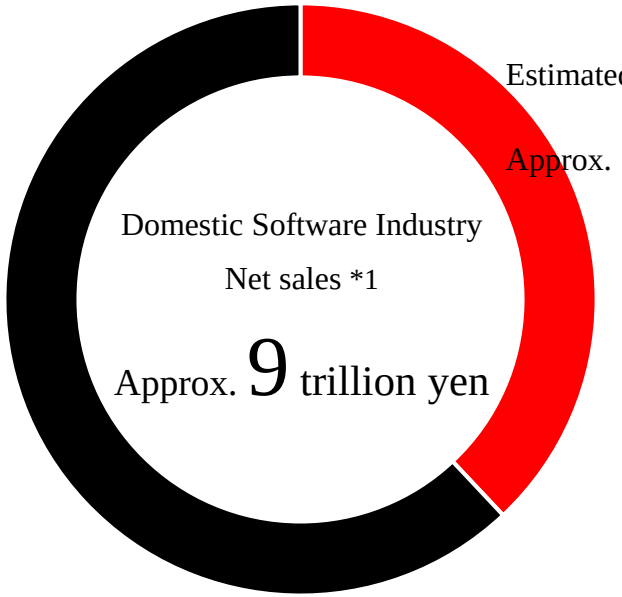


Source: International Data Corporation Japan “Domestic Cloud Market Forecast, 2023 - 2027”

Market Data: Software Testing Market in Japan

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

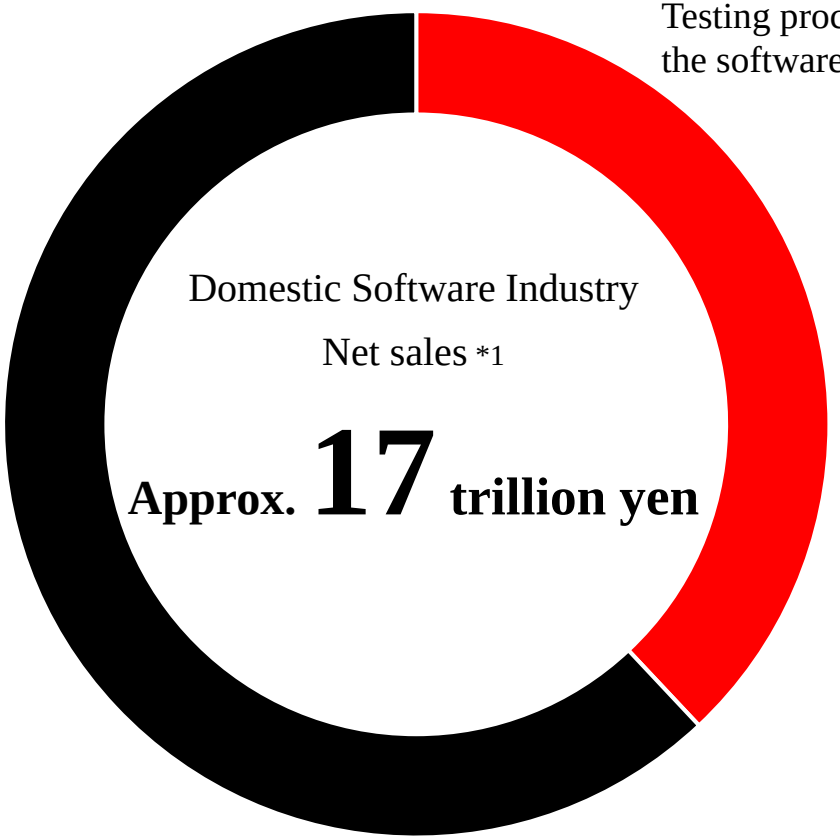
2009



Estimated Software Testing Market

Approx. 3 trillion yen

2020



Testing process accounts for more than 30% of the software development process ※2

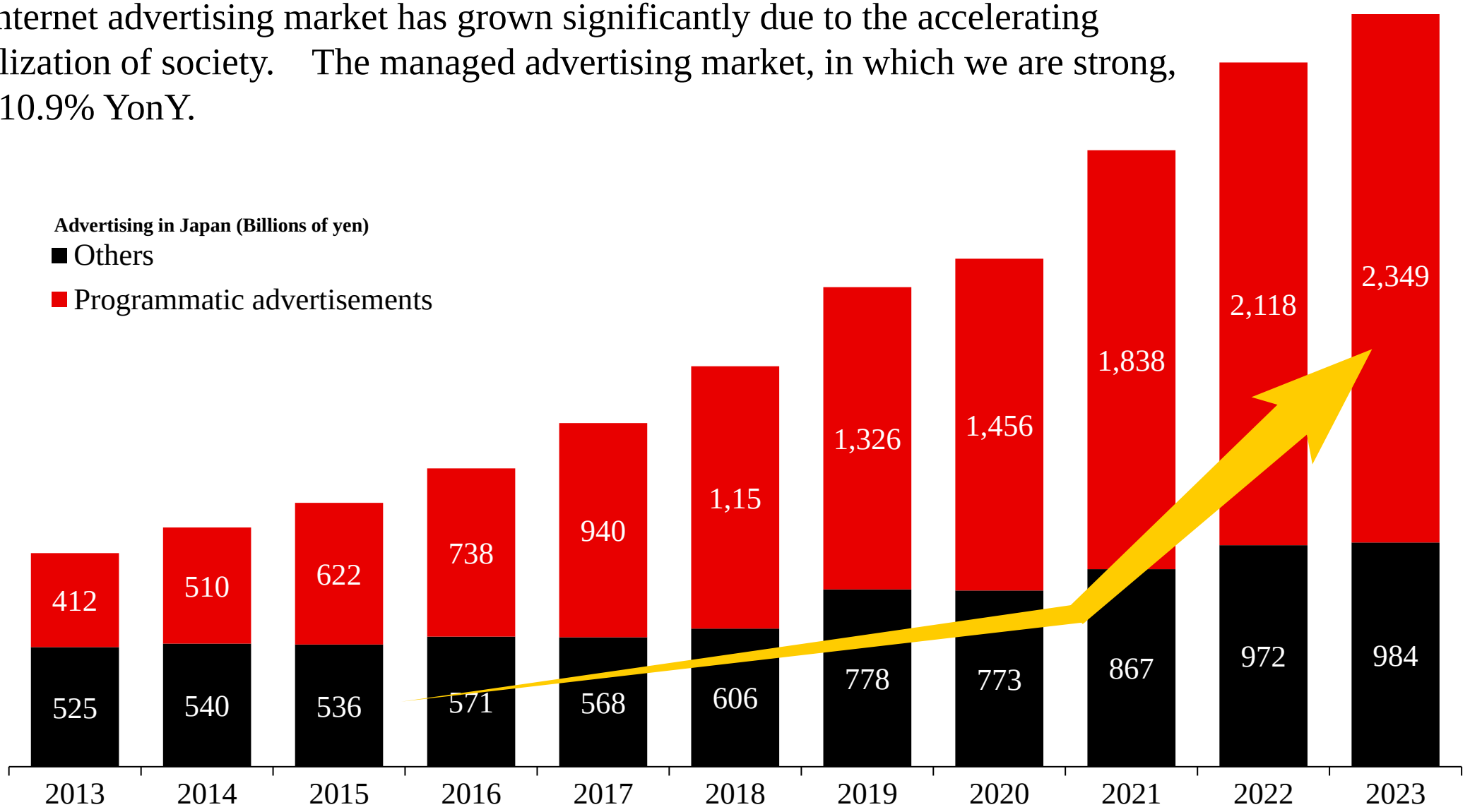
Estimated Software Testing Market

Approx. 6 trillion yen

*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.

Market Data: 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 10.9% YonY.



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

Growth Strategy

Strength 01

Compete in a growing market

Strength 02

Active utilization of M&A

Strength 03

Cultivate new business

Growth Strategy: Active Utilization of M&A / History

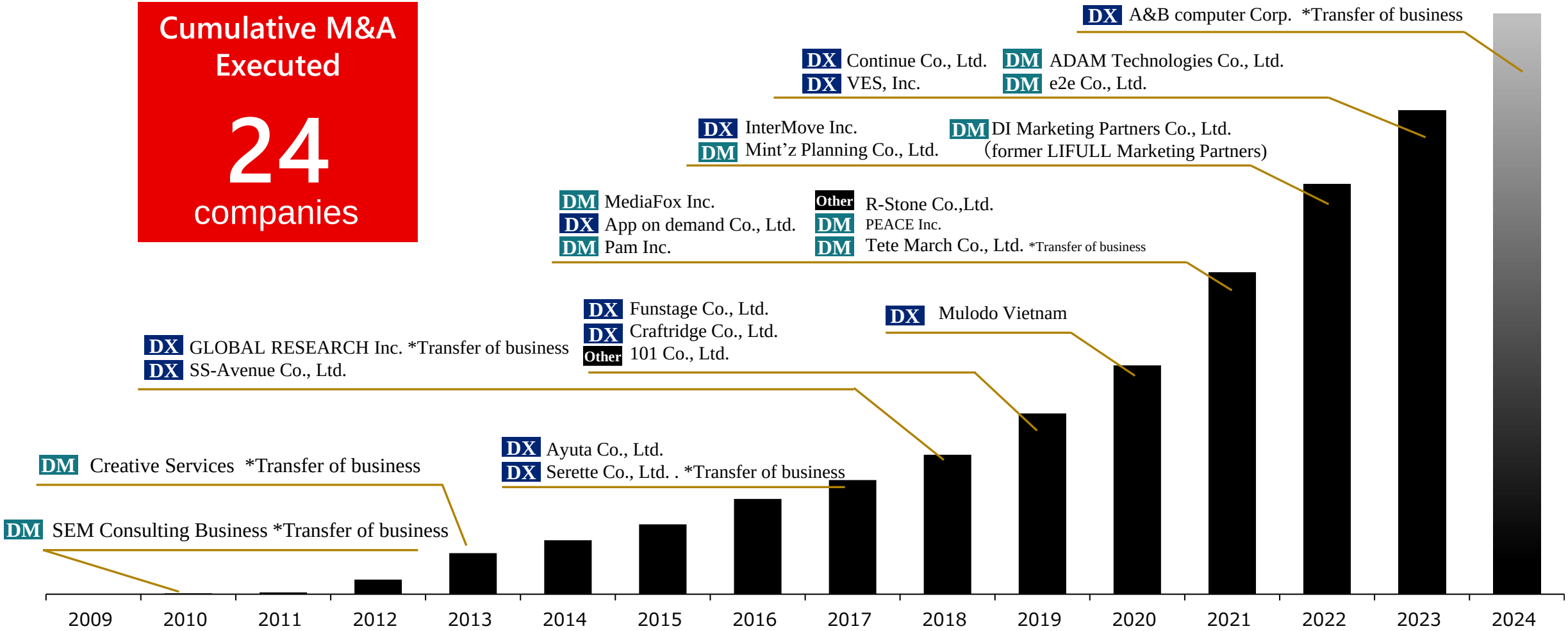
Since its establishment, the company has read market trends and conducted M&A.

We will continue to carefully select M&A projects and conduct M&A strategically.

Cumulative M&A Executed

24

companies



Growth Strategies: Active Utilization of M&A

One business acquisition was made during the period.

In April 2024, our consolidated subsidiary VES, Inc. acquired the system engineering services of A&B computer Corp.
With the participation of A&B computer Corp., which has highly skilled engineers at the project manager and project leader level and has handled many projects for major clients, we will build a system that can provide a full range of services from system development, testing, and maintenance to operation, This will accelerate growth toward VES, Inc.'s goal of becoming an “Software quality experts”.

Growth Strategies: Active Utilization of M&A

Accelerate the speed of growth in each business through the use of M&A
and expand business domains by entering adjacent markets where growth is expected.

Segment	Domain	Track record	M&A Strategies and Objectives	Market scale
Digital Marketing	AD/SEO Creative SNS Marketing Started Jun 2009	PAM GROUP, ADAM TECHNOLOGIES, Mint'z Planning co.,ltd., P2P LIFULL Marketing Partners	・**Expand business scale through roll-up strategy** Expanding our service lineup, customer base, and human resources through M&A with multiple companies in the same industry	Approx. 3 trillion yen ※1
DX	System Solutions Started Jun 2017	Sharing Innovations, A&B エー・アンド・ビー・コンピュータ *M&A and integration of 10 companies in the DX area	・**Expand TAM (*4) by expanding into adjacent markets** Utilizing the knowledge gained in the digital marketing business, we entered the marketing DX centered on Salesforce ・**Expand business scale through roll-up strategy** Expanding our service lineup, customer base, and human resources through M&A with multiple companies in the same industry	Approx. 16 trillion yen ※2
	Cloud Integration Started Jan 2019			
	Software testing Started May 2023	VES validation engineering service	・**Expand TAM (*4) by expanding into adjacent markets** Expect synergies with existing DX businesses	of which Approx. 6 trillion yen ※3

*1 Source: Dentsu “Advertising Expenditures in Japan *2 Source: Ministry of Economy, Trade and Industry, "Basic Survey of Information and Communication Industry" (calculated from software industry sales)

* 3 Source: Information-technology Promotion Agency, Japan (IPA) “Software Development Analysis Data Collection * 4 TAM=Total Addressable Market

Growth Strategy

Strength 01

Compete in a growing market

Strength 02

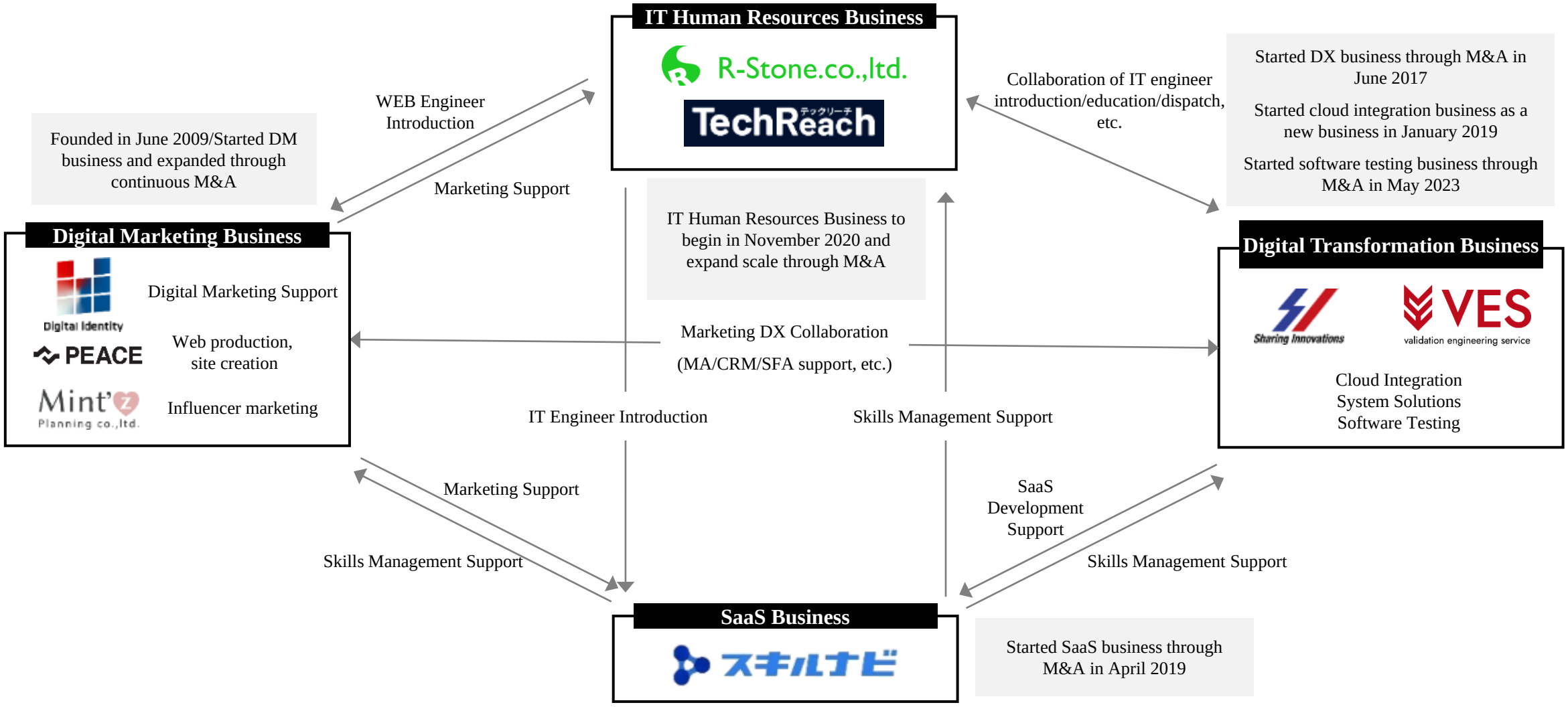
Active utilizations of M&A

Strength 03

Cultivate new business

Cultivate new businesses

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





05 ESG Activities

ESG Activities

Basic Sustainability Policy

We believe that contributing to the resolution of social issues through our business activities contributes to the creation of a sustainable society, which in turn leads to the sustainable growth of our group and enhancement of our corporate value.

To this end, we will set materiality issues and promote sustainability activities through our business activities, taking into consideration various factors such as the business environment surrounding our group, our business situation, and the stage of our business.

Environment



Social



Governance



ESG Activities

Materiality Initiatives

Environment

Realization of office ecology through support for corporate DX

The Group will contribute to paperless, energy-saving and CO2 reductions by supporting the DX of companies through salesforce implementation support and its consulting services, by promoting the computerization, streamlining of internal procedures and the reform of work styles through teleworking, etc.

Social

IT Human Resource Development

The group will promote the development of IT human resources in order to address the increasingly serious shortage of IT personnel, contribute to the realization of an efficient and affluent society by addressing the digitization of society, which is expected to become even more prominent in the future.

Promoting Diversity and Diverse Work Styles

The Group does not tolerate discrimination on the basis of race, nationality, gender, age, religion or political ideology, disability, marital status, child status, sexual orientation, gender identity, etc., in its corporate activities.
The Group provides equal opportunities to all people and respects their human rights to the fullest extent.

Respect for human rights

In accordance with the "Orchestra Holdings Human Rights Policy,
we will contribute to the development of a sustainable society by respecting human rights in all aspects of our operations.

Governance

Strengthening the Governance System

The Group recognizes that strengthening and enhancing corporate governance is an important management issue in order to maintain and improve its competitiveness over the long term.
We will implement measures such as the establishment of various committees, further appointment of outside directors, and evaluation of the effectiveness of the Board of Directors.

ESG Activities

Environment

Initiatives in Business Activities

Digitization of operations by supporting companies' DX



・Complicated workflow

・Face-to-face meetings and contracts

・Exchange of paper forms

・Increase in operational efficiency

・Reduction of transportation and logistics

・Reduction of paper

Supporting companies' DX will not only increase operational efficiency, but also reduce the movement of people/things and the use of paper.

In-house Activities

Utilization of remote work

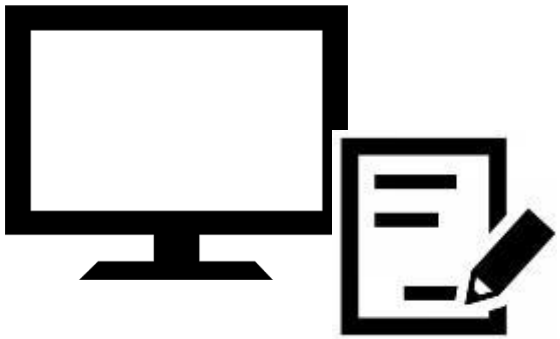


We have already introduced a hybrid work system that combines remote work and office work.

By using different types of work depending on the nature of the business and operations, we have been able to control the movement of people without reducing operational efficiency.

Using remote work reduces traffic and CO2 emissions.

Digitization of documents



＜ Documents that have been digitized ＞

・Contracts (with electronic signatures)

・ Human resource documents (HR software installed)

・ Meeting documents (monitors installed in meeting rooms)

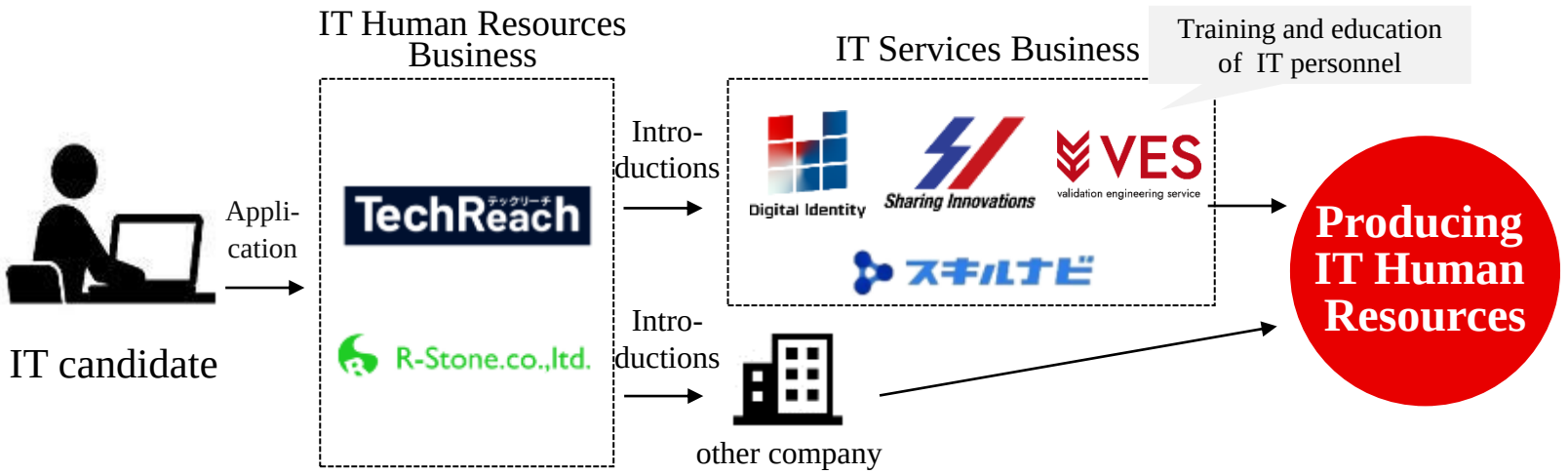
The paperless workflow is being promoted through the construction of a workflow that involves as little paper as possible.

ESG Activities

Social

Responding to Industry Challenges

Building a business model for producing IT human resources



To contribute to the IT industry by producing a steady stream of IT personnel through each of our businesses to address the industry's challenge of **a shortage of up to 790,000 IT personnel** by 2030.

Diversity

Promotion of women's activities

The Group's Percentage of women among all employees

38.4%

The Group's Percentage of women on the board of directors

21.6%

The Group's Percentage of women in management positions

18.4%

(As of March 31, 2024)

Creating an internal environment in which women can play an active role to ensure sustainable growth.

ESG Activities

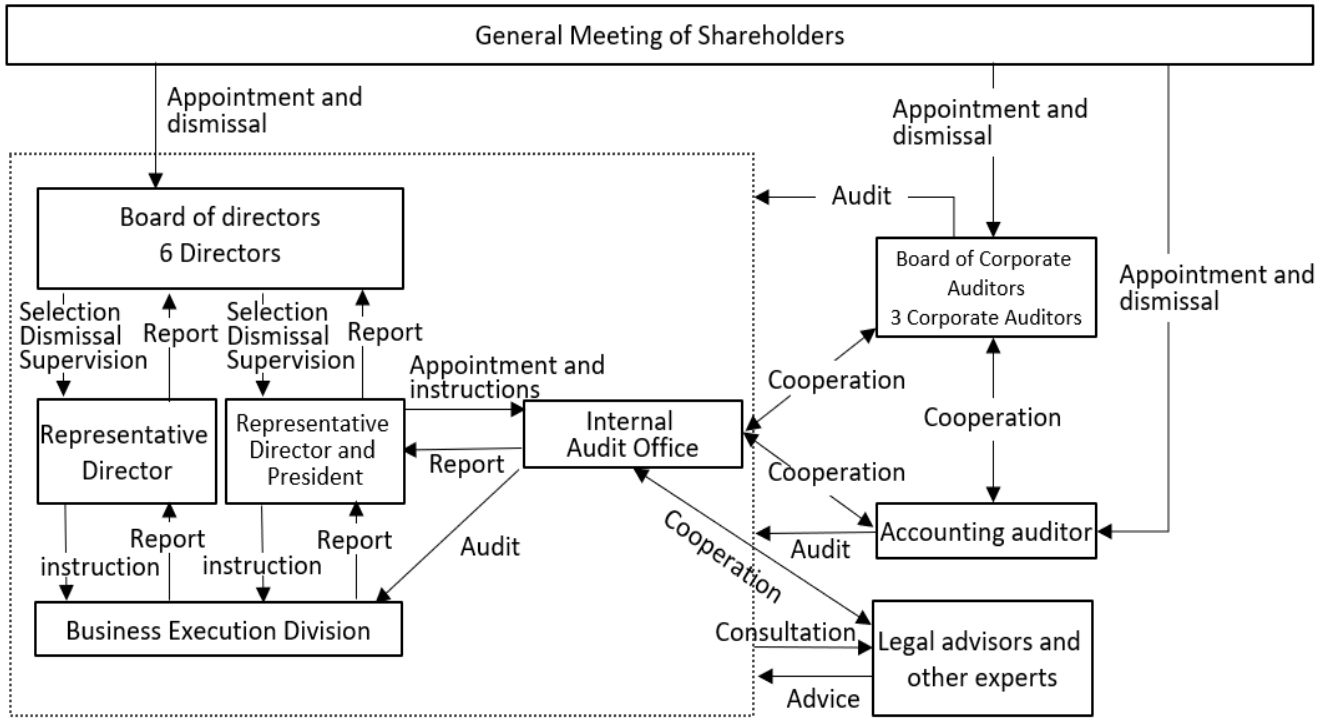
Governance

Governance Features

① Corporate Governance Structure

As a company with a board of auditors, we have established a corporate governance system centered on the board of directors, board of auditors, and accounting auditors.

Two of the six directors on the Board of Directors are outside directors, and all three members of the Board of Corporate Auditors are outside corporate auditors, who make management decisions while incorporating objective opinions, and supervise and audit from a standpoint independent of the Board of Directors.



② Maintenance of Internal Controls

In order to ensure transparency and fairness in corporate management, the Company has established an Internal Audit Office to check and determine whether various rules and regulations have been established and are functioning properly.

In cooperation with the accounting auditor, the Internal Audit Office conducts regular internal audits of each division and each company in our group in accordance with the "Internal Audit Regulations.


Vision
The Chain of Creation
ORCHESTRA HOLDINGS

Disclaimer

Precautions concerning forward-looking statements

- This presentation includes forward-looking statements that are based on current outlooks, forecasts and assumptions concerning risk factors. Actual results of operations may be different because these statements incorporate uncertainties. These risk factors and uncertainties include, but are not limited to, changes involving industries and markets and the Japanese and global economies, such as interest rate and foreign exchange rate movements.

- Orchestra Holdings is not obligated to update or revise forward-looking statements in this presentation even if there is new information or events that affect these statements.

- Irrespective of the occurrence of future events or any other reason, Orchestra Holdings may not revise statements about the outlook that have already been announced except in cases where a revision is required by the disclosure rules.

- Information about companies other than Orchestra Holdings is based on information available to the public.



ORCHESTRA HOLDINGS

Thank You!