

Translation

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Summary of Consolidated Financial Results
for the Six Months Ended June 30, 2025
(Based on IFRS)

August 14, 2025

Company name: ORO Co., Ltd
 Stock exchange listing: TSE
 Stock code: 3983 URL: <https://www.oro.com>
 Representative: Atsushi Kawata, Representative Director, President and CEO
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended June 30, 2025 (from January 1, 2025 to June 30, 2025)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before tax		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended June 30, 2025	3,891	2.0	1,202	(8.1)	1,091	(24.4)	758	(23.5)
Six months ended June 30, 2024	3,815	16.3	1,309	11.4	1,444	16.2	990	16.1
	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share		Diluted earnings per share	
	Millions of yen	%	Millions of yen	%	Yen		Yen	
Six months ended June 30, 2025	754	(24.2)	748	(26.3)	47.39		—	
Six months ended June 30, 2024	995	16.2	1,016	15.9	61.73		—	

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Millions of yen	Millions of yen	Millions of yen	%
As of June 30, 2025	12,993	9,853	9,851	75.8
As of December 31, 2024	13,590	10,281	10,283	75.7

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended December 31, 2024	—	0.00	—	35.00	35.00
Year ending December 31, 2025	—	0.00	—	—	—
Year ending December 31, 2025 (Forecast)	—	—	—	50.00	50.00

Note: Revisions to the most recently released dividend forecast : None

3. Forecast of consolidated financial results for the year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	9,142	15.7	2,985	9.7	3,020	5.7	2,099	1.4	2,099	1.3	131.80

Note: Revisions to the most recently released earnings forecast : None

* Notes

- (1) Changes in significant subsidiaries during the Period
(changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies and changes in accounting estimates
- Changes in accounting principles required by IFRS: None
- Changes in accounting policies due to other reasons: None
- Changes in accounting estimates: None

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	15,949,053 shares	As of December 31, 2024	16,156,453 shares
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Number of treasury shares at the end of the period

As of June 30, 2025	144,181 shares	As of December 31, 2024	115,305 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended June 30, 2025	15,921,113 shares	Six months ended June 30, 2024	16,128,893 shares
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* These Consolidated Financial Results are not included in the scope of audits by certified public accountants or audit corporations.

* Explanation concerning appropriate use of the earnings forecast and other matters to note

(Caution regarding forward-looking statements)

Earnings forecasts and other forward-looking statements contained in this document are based on information available at the time of this document's preparation and on certain assumptions that are deemed to be reasonable. These forward-looking statements do not guarantee future performance, and actual results, performance, achievements or financial position may differ materially from those expressed or implied herein due to a range of factors.

(Method of obtaining supplementary materials to quarterly financial results)

Supplementary materials for the financial results are disclosed on TDnet and the Company's website on the same day.

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1. Condensed consolidated financial statement and key notes

(1) Condensed consolidated statement of financial position

(Thousands of yen)

	As of December 31, 2024	As of June 30, 2025
Assets		
Current assets		
Cash and cash equivalents	9,903,123	9,035,141
Trade and other receivables	974,577	726,258
Contract assets	434,012	298,536
Other financial assets	746,188	695,457
Other current assets	397,363	796,618
Total current assets	12,455,265	11,552,012
Non-current assets		
Property, plant and equipment	574,214	897,113
Intangible assets	119,889	162,352
Other financial assets	113,626	114,029
Deferred tax assets	287,019	218,816
Other non-current assets	40,169	48,850
Total non-current assets	1,134,918	1,441,163
Total assets	13,590,184	12,993,175

(Thousands of yen)

	As of December 31, 2024	As of June 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	472,523	280,221
Contract liabilities	1,600,707	1,259,136
Lease liabilities	140,310	189,416
Income tax payables	233,141	251,933
Provisions	45,396	8,119
Other current liabilities	494,532	518,003
Total current liabilities	2,986,612	2,506,830
Non-current liabilities		
Lease liabilities	195,519	506,780
Provisions	126,427	126,375
Total non-current liabilities	321,946	633,156
Total liabilities	3,308,559	3,139,986
Equity		
Capital stock	1,193,528	1,193,528
Capital surplus	1,095,202	1,095,202
Treasury shares	(313,398)	(408,982)
Retained earnings	8,202,954	7,876,260
Other components of equity	105,470	95,731
Equity attributable to owners of the parent	10,283,756	9,851,740
Non-controlling interests	(2,131)	1,448
Total equity	10,281,625	9,853,188
Total liabilities and equity	13,590,184	12,993,175

(2) Condensed consolidated statement of income and consolidated statement of comprehensive income

Condensed consolidated statement of income

(Thousands of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Revenue	3,815,658	3,891,450
Cost of sales	1,254,389	1,329,800
Gross profit	2,561,269	2,561,650
Selling, general and administrative expenses	1,207,699	1,335,755
Research and development	45,271	22,561
Other income	1,253	5,649
Other expenses	25	6,100
Operating profit	1,309,525	1,202,883
Finance income	138,801	13,877
Finance costs	3,797	124,860
Profit before tax	1,444,529	1,091,900
Income tax expenses	453,649	333,842
Profit	990,879	758,058
Profit attributable to:		
Owners of parent	995,672	754,578
Non-controlling interests	(4,793)	3,480
Profit	990,879	758,058
Earnings per share		
Basic earnings per share (Yen)	61.73	47.39
Diluted earnings per share (Yen)	-	-

Condensed consolidated statement of comprehensive income

(Thousands of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Profit	990,879	758,058
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	25,207	(9,639)
Total of items that may be reclassified subsequently to profit or loss	25,207	(9,639)
Other comprehensive income, net of taxes	25,207	(9,639)
Comprehensive income	1,016,086	748,418
Attributable to:		
Owners of the parent	1,021,038	744,838
Non-controlling interests	(4,951)	3,579
Comprehensive income	1,016,086	748,418

(3) Condensed consolidated statement of changes in equity

Six months ended June 30, 2024

(Thousands of yen)

	Equity attributable to owners of parent			
	Capital stock	Capital surplus	Treasury shares	Retained earnings
Balance on January 1, 2024	1,193,528	1,095,202	(112,862)	6,620,867
Profit				995,672
Other comprehensive income				
Total comprehensive income	-	-	-	995,672
Restricted Stock-based payment transactions			13,720	(4,473)
Dividends				(483,785)
Share repurchase			(72)	
Total transactions with owners	-	-	13,648	(488,259)
Balance on June 30, 2024	1,193,528	1,095,202	(99,214)	7,128,280

	Equity attributable to owners of parent				
	Other components of equity		Total	Non-controlling interests	Equity
	Exchange differences on translation of foreign operations	Total			
Balance on January 1, 2024	87,318	87,318	8,884,053	227	8,884,280
Profit			995,672	(4,793)	990,879
Other comprehensive income	25,365	25,365	25,365	(158)	25,207
Total comprehensive income	25,365	25,365	1,021,038	(4,951)	1,016,086
Restricted Stock-based payment transactions			9,246		9,246
Dividends			(483,785)		(483,785)
Share repurchase			(72)		(72)
Total transactions with owners	-	-	(474,610)	-	(474,610)
Balance on June 30, 2024	112,683	112,683	9,430,480	(4,724)	9,425,756

Six months ended June 30, 2025

(Thousands of yen)

	Equity attributable to owners of parent			
	Capital stock	Capital surplus	Treasury shares	Retained earnings
Balance on January 1, 2025	1,193,528	1,095,202	(313,398)	8,202,954
Profit				754,578
Other comprehensive income				
Total comprehensive income	-	-	-	754,578
Restricted Stock-based payment transactions			10,370	(1,123)
Dividends				(561,440)
Share repurchase			(624,661)	
Share cancelled			518,707	(518,707)
Total transactions with owners	-	-	(95,583)	(1,081,271)
Balance on June 30, 2025	1,193,528	1,095,202	(408,982)	7,876,260

	Equity attributable to owners of parent			Non-controlling interests	Equity
	Other components of equity		Total		
	Exchange differences on translation of foreign operations	Total			
Balance on January 1, 2025	105,470	105,470	10,283,756	(2,131)	10,281,625
Profit			754,578	3,480	758,058
Other comprehensive income	(9,739)	(9,739)	(9,739)	99	(9,639)
Total comprehensive income	(9,739)	(9,739)	744,838	3,579	748,418
Restricted Stock-based payment transactions			9,246		9,246
Dividends			(561,440)		(561,440)
Share repurchase			(624,661)		(624,661)
Share cancelled			-		
Total transactions with owners	-	-	(1,176,854)	-	(1,176,854)
Balance on June 30, 2025	95,731	95,731	9,851,740	1,448	9,853,188

(4) Condensed consolidated statements of cash flows

(Thousands of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	1,444,529	1,091,900
Depreciation and amortization	178,089	174,364
Finance income	(142,889)	(13,877)
Finance costs	1,614	115,223
Decrease (increase) in trade and other receivables	149,182	242,910
Decrease (increase) in contract assets	85,902	135,061
Increase (decrease) in trade and other payables	(128,122)	(188,886)
Increase (decrease) in contract liabilities	(17,566)	(341,184)
Increase (decrease) in provision	(26,212)	(37,143)
Other	41,429	7,572
Subtotal	1,585,958	1,185,940
Interest received	15,392	15,116
Interest paid	(1,614)	(2,206)
Income taxes paid	(252,280)	(246,815)
Cash flows from operating activities	1,347,455	952,035
Cash flows from investing activities		
Payments into time deposits	(13,029)	(12,683)
Purchase of property, plant and equipment	(56,749)	(17,267)
Purchase of intangible assets	(20,633)	(61,499)
Payments for lease and guarantee deposits	(24)	(1,463)
Proceeds from collection of lease and guarantee deposits	-	109
Other	9,732	(0)
Cash flows from investing activities	(80,705)	(92,803)
Cash flows from financing activities		
Repayments of lease liabilities	(99,105)	(101,559)
Cash dividends paid	(483,527)	(561,340)
Payments for acquisition of treasury shares	(72)	(624,661)
Decrease (increase) in deposits for acquisition of treasury shares	-	(376,898)
Cash flows from financing activities	(582,705)	(1,664,460)
Net increase (decrease) in cash and cash equivalents	684,045	(805,228)
Cash and cash equivalents at beginning of period	8,707,486	9,903,123
Effect of exchange rate change on cash and cash equivalents	58,944	(62,752)
Cash and cash equivalents at end of period	9,450,476	9,035,141

(5) Notes on condensed consolidated financial statements

(Note on the going-concern assumption)

Not applicable

(Applicable financial reporting framework)

The Company's condensed consolidated financial statements (condensed consolidated statements of financial position, condensed consolidated statements of profit or loss, condensed consolidated statements of comprehensive income or loss, condensed consolidated statements of changes in equity, condensed consolidated statements of cash flows, and notes) have been prepared in accordance with Article 5, Paragraph 2 of the Standards for the Preparation of Financial Statements of Tokyo Stock Exchange, Inc. (however, omission of description specified in Article 5, Paragraph 5 of the said standards is applied), and some of disclosure items and notes required by IAS 34 "Interim Financial Reporting" are omitted.

(Segment information)

Revenues and results for each reportable segment

Six months ended June 30, 2024

	Reportable Segment			Adjustments (Note 1)	(Thousands of yen)
	Cloud Solutions	Marketing Solutions	Total		Consolidated
Revenue					
Revenue from external customers	2,335,616	1,480,042	3,815,658	-	3,815,658
Intersegment revenue	-	-	-	-	-
Total	<u>2,335,616</u>	<u>1,480,042</u>	<u>3,815,658</u>	<u>-</u>	<u>3,815,658</u>
Segment income	<u>971,013</u>	<u>337,284</u>	<u>1,308,297</u>	<u>1,227</u>	<u>1,309,525</u>
Finance income					138,801
Finance costs					<u>3,797</u>
Profit before tax					<u>1,444,529</u>
Other					
Depreciation and amortization	119,206	58,883	178,089	-	178,089

(Note)

1. The adjustment of 1,227 thousand yen to segment income mainly consists of "Other income" and "Other expense" that are not attributable to any reportable segment.
2. Segment income corresponds to operating profit in the consolidated statements of income.
3. Segment assets, segment liabilities, and capital expenditures are not presented since they are not subject to a review to determine the allocation of management resources and evaluate financial results.

Six months ended June 30, 2025

	Reportable Segment			Adjustments (Note 1)	(Thousands of yen)
	Cloud Solutions	Marketing Solutions	Total		Consolidated
Revenue					
Revenue from external customers	2,700,135	1,191,315	3,891,450	-	3,891,450
Intersegment revenue	-	-	-	-	-
Total	2,700,135	1,191,315	3,891,450	-	3,891,450
Segment income	1,203,344	(10)	1,203,333	(450)	1,202,883
Finance income					13,877
Finance costs					124,860
Profit before tax					1,091,900
Other					
Depreciation and amortization	117,636	56,728	174,364	-	174,364

(Note)

1. The adjustment of (450) thousand yen to segment income mainly consists of “Other income” and “Other expense” that are not attributable to any reportable segment.
2. Segment income corresponds to operating profit in the consolidated statements of income.
3. Segment assets, segment liabilities, and capital expenditures are not presented since they are not subject to a review to determine the allocation of management resources and evaluate financial results.

(Notes to revenue)

The breakdown of revenue from contracts with customers

The Group establishes Cloud Solutions and Marketing Solutions as two separate reportable segments. The breakdown of revenue from contracts with customers in each business segment is as follows:

	Six months ended June 30, 2024			Six months ended June 30, 2025		
	Cloud Solutions	Marketing Solutions	Total	Cloud Solutions	Marketing Solutions	Total
ZAC license fee, maintenance fee, and SaaS and other monthly service fees	1,827,319	-	1,827,319	2,062,673	-	2,062,673
ZAC ERP installation consultation, customization	268,637	-	268,637	359,394	-	359,394
Reforma PSA	86,087	-	86,087	106,009	-	106,009
dxeco, Semrush, and other products, etc.	153,571	-	153,571	172,057	-	172,057
Marketing / promotion	-	673,376	673,376	-	515,501	515,501
System / website integration, etc.	-	465,785	465,785	-	360,495	360,495
Operation support / operation office	-	340,880	340,880	-	315,319	315,319
Total	2,335,616	1,480,042	3,815,658	2,700,135	1,191,315	3,891,450

Cloud Solutions Business

1. The business segment “ZAC license fee, maintenance fee, and SaaS and other monthly service fees” includes sales of software license, maintenance of systems, provision of cloud environment and monthly service on SaaS contract, with regard to “ZAC.” The Company provides a combination of software licensing, system maintenance, cloud environment provision, and other services that are necessary for customers to use the systems to allow the customers to enjoy the benefits of using the systems, and thus these are considered a single performance obligation. There are two types of software licensing contracts: one-time purchase contract and SaaS contract.

Under a one-time purchase contract, software license fees are received in a lump sum at the time of the conclusion of a contract, and maintenance and other fees are received monthly. Software licensing and maintenance and other services are recognized together as a single performance obligation to be satisfied over time during the period such fees are expected to provide the customer with material rights. Since the contract period is not specified in the contracts concluded with customers, the period the fees are expected to provide the customer with material rights is determined by considering the characteristics of the software licensing and related services (history of continued use by the customer, quality, etc.). Specifically, as the one-time purchase fee is approximately equivalent to the 30-month fee of a SaaS contract, the amount of such a one-time purchase fee is allocated to the material right and recognized as revenue over the 30 months.

Under a SaaS contract, software license fees are received monthly, the same as system maintenance fees, cloud environment provision service

fees and other monthly service fees under a one-time purchase contract. These performance obligations are primarily satisfied over time, and thus the monthly fees are recognized as revenue monthly over the service provision period.

2. The business segment “ZAC ERP installation consultation, customization” includes installation support service related to “ZAC” and additional development required at the time of installation. If the contract amount or the total cost to completion can be estimated reliably, revenue is recognized as the performance obligation is satisfied based on the progress towards satisfaction of the performance obligation measured as of the end of the reporting period. The progress towards satisfaction of the performance obligation is measured using the input method (the cost-to-cost method) at the costs incurred relative to the estimated total cost to completion. If the contract amount or the total cost to completion cannot be estimated reliably, revenue is recognized in an amount equal to the portion of the costs incurred that is considered highly recoverable (the cost recovery method).

3. The business segment “Reforma PSA” includes provision of monthly license for Reforma PSA. Its performance obligation is to provide an environment for the use of software. This performance obligation is primarily satisfied over time, and thus revenue is recognized over the period the service is rendered.

4. The business segment “dxeco, Semrush, and other products, etc.” includes monthly service fee for SaaS contracts of dxeco and sales of an agent of software developed by other vendors.

For SaaS contracts related to the SaaS management tool “dxeco,” software license fees are collected monthly. The performance obligation is primarily fulfilled over time, so the monthly fee is recognized as revenue monthly throughout the service provision period.

Regarding the sale of third-party software as an agent, the performance obligation for these sales is satisfied when the contractual delivery conditions are met, such as when the product is transferred to, or accepted, by the customer, and thus revenue is recognized at that point in time. As the Group is considered to be an agent in the nature of the business, given its primary responsibility for fulfilling promises, its exposure to inventory risk, and its discretion in establishing prices, revenue is recognized in the net amount of consideration received as a fee from the customer for the services rendered, less related costs, or in the amount of consideration as a certain fee in the form of a commission.

Marketing Solutions Business

5. The business segment “Marketing / promotion” includes planning of customer’s marketing and promotion, placement of advertisements, and research (including sales from advertisement management and those achieved as an agency). Revenue is recognized depending on the nature of the rights granted to the customer. When the rights are transferred to the customer at a certain point in time, revenue is recognized at that point in time, and when the rights are available for use by the customer over a certain period of time, revenue is recognized over that period of time. For sales from advertisement management and those achieved as an agency, the Group is considered to be an agent in the nature of the business, given its primary responsibility for fulfilling promises, its exposure to inventory risk, and its discretion in establishing prices, revenue is recognized in the net amount of consideration received as a fee from the customer for the services rendered, less related costs, or in the amount of consideration as a certain fee in the form of a commission.

6. The business segment “System / website integration, etc.” includes construction and renewal of websites, and contracted development and maintenance of systems as a system integrator, etc. For construction and renewal of websites and contracted development, if the contract amount or the total cost to completion can be estimated reliably, revenue is recognized as the performance obligation is satisfied based on the progress towards satisfaction of the performance obligation measured as of the end of the reporting period. The progress towards satisfaction of the performance obligation is measured using the input method (the cost-to-cost method) at the costs incurred relative to the estimated total cost to completion. If the contract amount or the total cost to completion cannot be estimated reliably, revenue is recognized in an amount equal to the portion of the costs incurred that is considered highly recoverable (the cost recovery method). For maintenance of systems, etc., revenue is recognized when the services are completed and billable.

7. The business segment “Operation support / operation office” includes operation, updating and other services on websites. The performance obligation is satisfied when the service rendered is accepted by the customer, and thus revenue is recognized at that point in time.

(Significant subsequent events)

(Share repurchase)

The Company, based on the resolution made at the Board of Directors’ Meeting held on May 14, 2025, implemented the acquisition of its own shares in accordance with Article 156 of the Companies Act, applicable pursuant to Articles 165, Paragraph 3 of the said Act.

1. Details of share repurchase on or after July 1, 2025

(1) Class of shares repurchased:	Common stock
(2) Total number of shares repurchased:	82,800 shares
(3) Total price of shares repurchased:	248,767,100 yen
(4) Repurchase period:	From July 1, 2025 to July 31, 2025 (execution basis)

2. Details of share repurchase resolved by the Board of Directors on May 14, 2025

(1) Class of shares to be repurchased:	Common stock
(2) Total maximum number of shares to be repurchased:	Up to 500,000 shares (representing 3.14% of the total issued shares, excluding treasury stock)
(3) Total maximum repurchase price of shares:	Up to 1,000 million yen
(4) Repurchase period:	From May 15, 2025 to November 30, 2025
(5) Method of repurchase:	Market purchases on the Tokyo Stock Exchange

3. Cumulative status of share repurchase based on the above resolution (as of July 31, 2025)

(1) Class of shares repurchased:	Common stock
(2) Total number of shares repurchased:	210,600 shares
(3) Total price of shares repurchased:	598,325,300 yen