

SHIBUYA



HOLDINGS

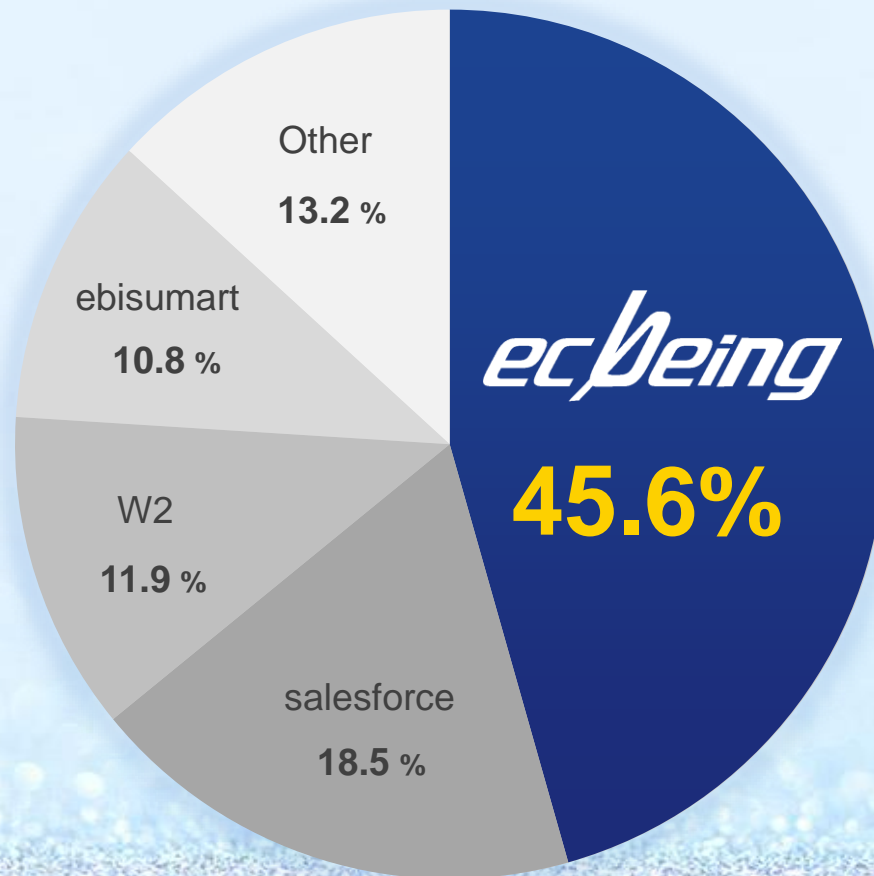
SOFT CREATE

Softcreate Holdings Corporation Company Presentation Materials



Industry: Information
& Communication
Stock code: 3371

Leading e-commerce site development platform in Japan



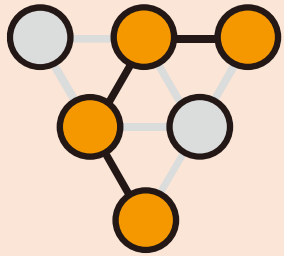
Track record in building and renewing domestic e-commerce sites

**No.1 share for
16 consecutive years**

Over 1,600 sites built

Source: Fuji Chimera Research Institute, Inc., "New Software Business Market 2024,"
e-commerce site development (customizable/SaaS) market share, FY2023 results

Top provider of proprietary products and services in Japan



ATLED

Atled Corp.



The cloud-based workflow service X-point Cloud captured the leading manufacturer share in the 2023 SaaS workflow market in two categories by employee count and in two categories by sales

Source: Techno Systems Research Co., Ltd., "2023 SaaS Workflow Market" (published in April 2024)



Exgen Networks Co., Ltd.



The comprehensive ID management package LDAP Manager has led the market by domestic shipment volume for 16 consecutive years

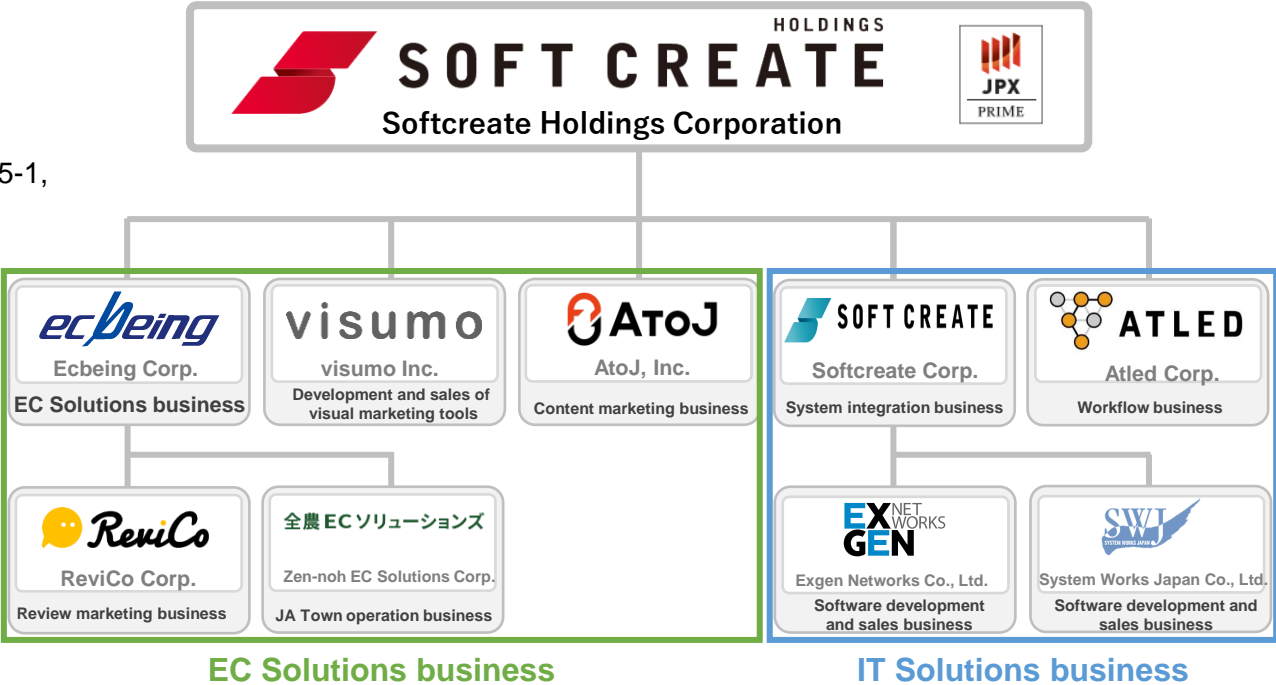
Source: Deloitte Tohmatsu MIC Research Institute Co., Ltd., "Current Status and Future Outlook of the Personal Authentication and Access Management Security Solutions Market 2024"

- 1. Company overview**
- 2. EC Solutions business**
- 3. IT Solutions business**
- 4. Earnings performance**
- 5. Shareholder returns**



Company profile

Company	Softcreate Holdings Corporation TSE Prime: 3371
Location	Shibuya Cross Tower, Shibuya 2-15-1, Shibuya-ku, Tokyo
Representative	Muneharu Hayashi, President and Representative Director
Capital	¥854,000,000 (as of March 31, 2024)
Employees	963 (as of March 31, 2024) * Group total
Businesses	EC Solutions business IT Solutions business
Offices	Tokyo head office Kansai branch office



History

Promoting management reforms to transform into a company that takes growth businesses to new heights

- 1983 Opened PC store.
- 1985 Launched contracted system development services.
- 1993 Launched network development services.
- 1999 Started operating own e-commerce site.
Launched ecbeing e-commerce site development package.
- 2003 Launched X-point workflow system.
- 2005 Listed on the Hercules market of the Osaka Securities Exchange.
- 2008 Listed on the Second Section of the Tokyo Stock Exchange.
- 2017 Listed on the First Section of the Tokyo Stock Exchange.
- 2022 **Listing moved to the Prime Market of the Tokyo Stock Exchange due to a reclassification of its market segments.**
- 2024 Leading domestic e-commerce market share (for 16th consecutive year).
Built **1,600** e-commerce sites.

EC Solutions business

Providing total e-commerce business solutions

 Ecbeing Corp.

 Az your pleasure
AtoJ, Inc. AtoJ, Inc.

 visumo Inc.

Zen-noh EC Solutions Corp.

 *ReviCo* ReviCo Corp.

We provide **one-stop** services ranging from e-commerce site development to marketing support and data analysis



System development

- Development of new e-commerce sites
- Renewals of existing e-commerce sites
- Global business support through cross-border e-commerce sites



Marketing and design support

- Marketing support to boost sales
- Omni-channel strategies



Infrastructure and security tailored to e-commerce

- Robust security measures



Cloud services

- Cloud-based e-commerce platform
- Introducing trend feature to e-commerce sites to boost efficiency and sales growth

ecbeing's product lineup supports a wide range of business models

B2C

Fully customizable



- ✓ Extensive standard features
- ✓ Expandable with additional features
- ✓ Fully customizable

B2C (for small startups)

Cloud-based



- ✓ Non-customizable model
- ✓ Automatic version updates
- ✓ Migration to ecbeing possible

B2B

Fully customizable



- ✓ Quotations issuance and credit management
- ✓ Corporate management of members
- ✓ Bulk ordering of products

Mall

Fully customizable



- ✓ Multiple stores
- ✓ Sales management for each store
- ✓ Store-specific pages

B2C

Fully customizable

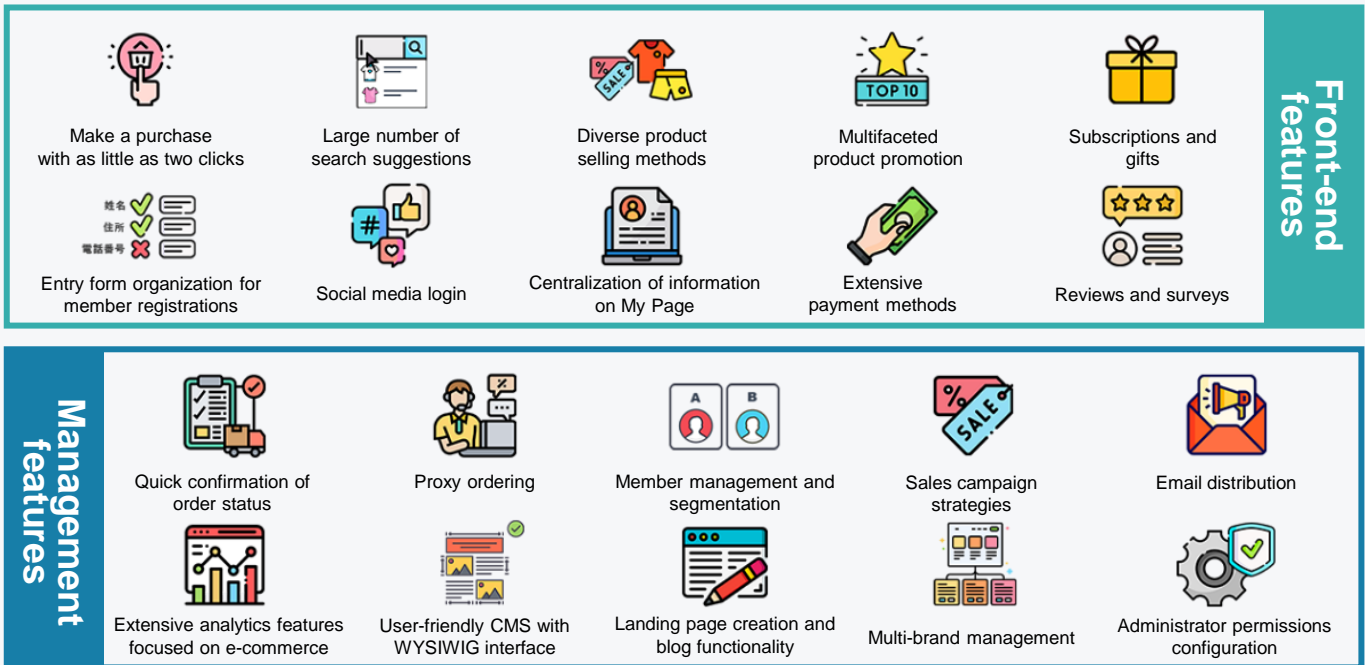
ecBeing

- ✓ Extensive standard features
- ✓ Expandable with additional features
- ✓ Fully customizable

E-commerce site development platform for mid-sized and large companies



Key points: Extensive standard features





SHIPS



CITIZEN.



DUO



PING



PARCO



IDÉE



REGAL
ONLINE SHOP



SEIBAN



ATSUGI



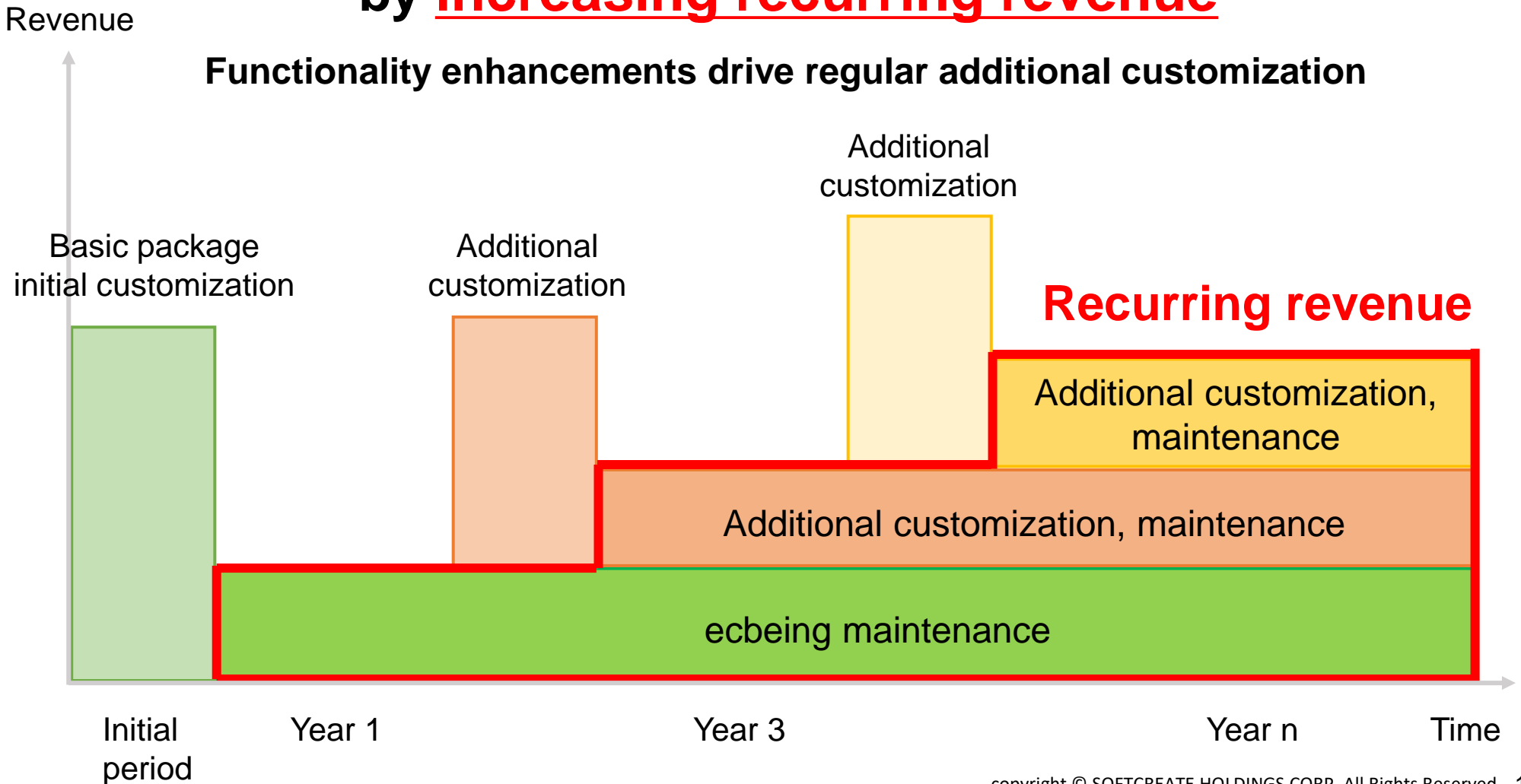
KING RECORDS

SUZETTE



Consistently secure high revenue by increasing recurring revenue

Functionality enhancements drive regular additional customization



5 reasons to choose *ecBeing*

Our strength lies in e-commerce development through the integration of production and sales, as well as the extensive accumulation of successful cases across 1,600 sites built for mid-sized and large-scale projects, partnering with clients to establish their e-businesses for 20 years.

We have achieved this through a combination of strong product capabilities, personalized support, technical expertise, a 24-hour year-round support organization, integration with marketing, and comprehensive microservice capabilities.

The driving force behind our services is a dedicated team comprising 600 developers, 250 marketing professionals, as well as sales and data center staff.



Supporting e-commerce business
growth together

**Largest support structure
in Japan**



Boosting sales
through promotional support

Marketing support



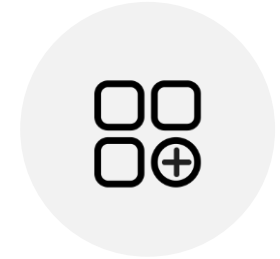
Combining a track record
of building 1,600 sites
with deep industry expertise

E-commerce platform



Adopted by major companies

**Reliable security and
quality**



Automatic version updates

Latest trends feature



Largest support structure in Japan



Development team



Marketing support team

600+ members

250+ members

ecbeing has assembled a team of human resources that is unmatched elsewhere in the e-commerce industry. It has accumulated internal expertise to address issues such as development delays and reduced development capabilities due to insufficient resources.

This industry knowledge allows ecbeing to offer features and marketing support tailored to the growth trajectory of its clients.

Key
point

When working with limited human resources, the speed of development and marketing support may not keep pace with the growth of a client's e-commerce business, potentially hindering business expansion.

Example: A company wishes to launch a summer sales campaign, but a lack of available personnel pushes the campaign back to the autumn season ...

Comprehensive support for e-businesses

Digital marketing support services

We provide comprehensive support, ranging from business consulting to online promotion and design production. Through robust systems, we **continuously** support our clients as partners.

Consulting Marketing

- Market research
- Industry analysis
- Formulating KGIs and KPIs
- Devising strategies
- Business consulting

Customer acquisition

- Media strategy and planning
- SEO
- Listing ads
- Remarketing ads
- Affiliate ads
- DSP ads
- Pure advertising
- Social media ads
- Other advertising

Site development/ improvement

- Site construction
- Content planning
- Campaign planning
- Page creation
 - user interface design
 - overall design
 - coding
- Page updating
- Site improvement & A/B testing
- Google Optimize setup
- Operation of online customer service tools
- Landing page optimization
- Entry form organization

Analysis

- KPI setting
- KPI reporting
- Access analysis
- Verification of effectiveness of improvement measure
- Verification of effectiveness of event-related measures
- Verification of ad effectiveness
- Customer analysis
- Product analysis
- User testing
- Google Analytics setup
- Google Data Studio setup
- Google Search Console setup
- Tableau implementation and setup
- BigQuery implementation and setup

CRM

- CRM planning
- Designing scenarios for email newsletters
- Creating email newsletter templates
- Creating email newsletters in HTML
- Introduction of LINE
- Implementation of shopping cart recovery tools
- Implementation of recommendation emails
- Designing online customer service scenarios



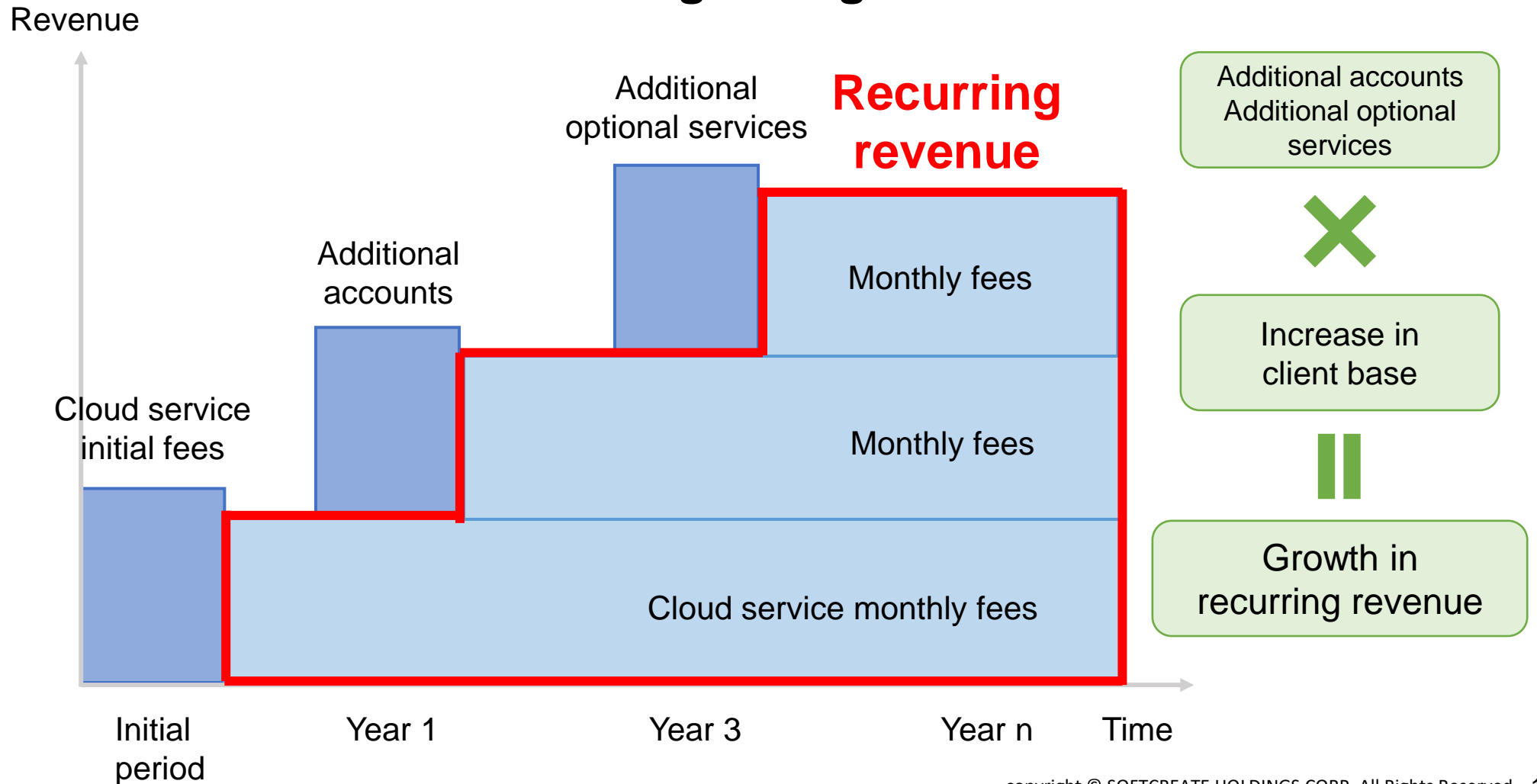
Overview of continuously evolving e-business

- Analysis + CRM
- Personalization
- Media commerce
- Social media
- Omni-channel

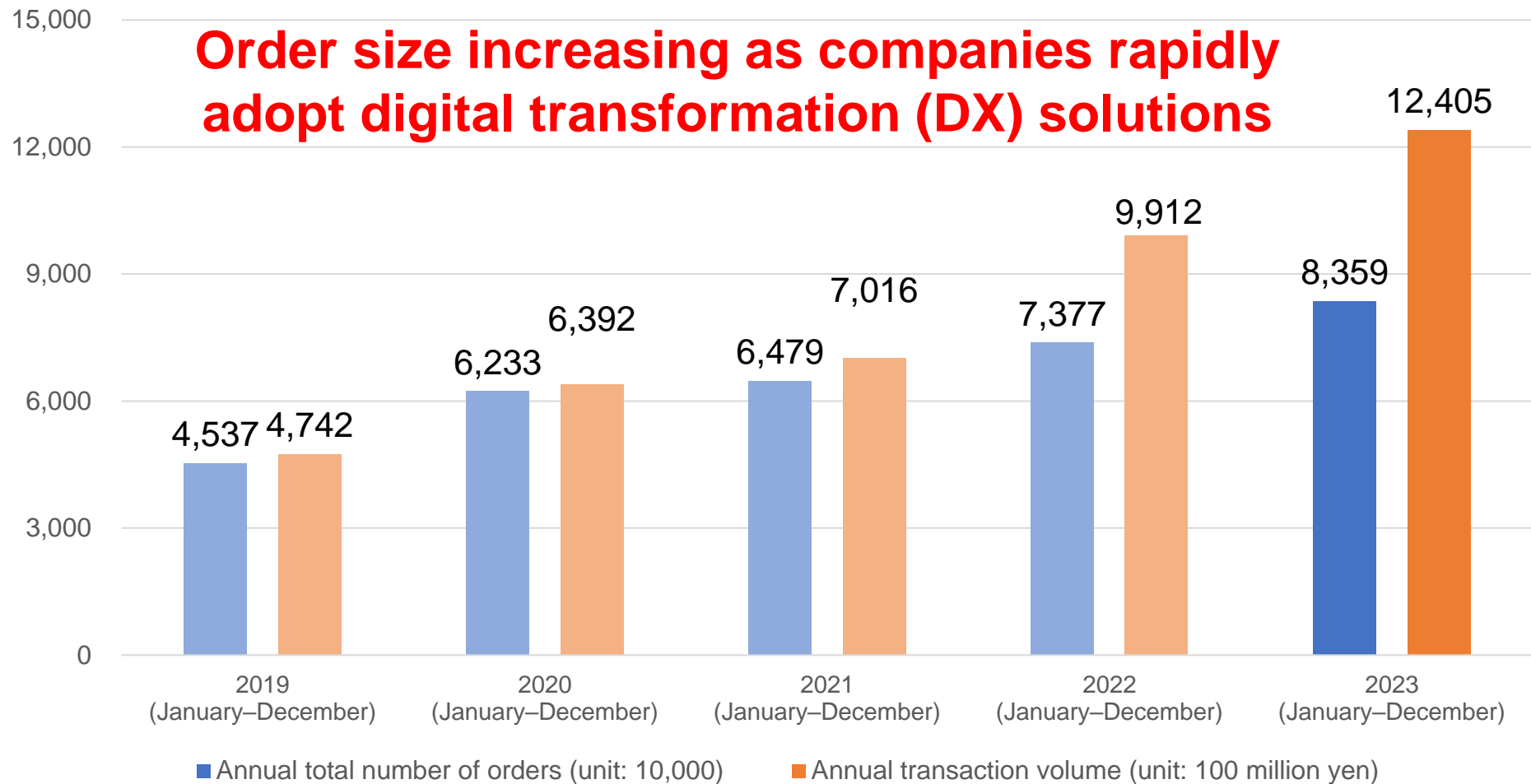


Revenue structure of cloud services

Recurring revenue increasing each year
thanks to growing client base

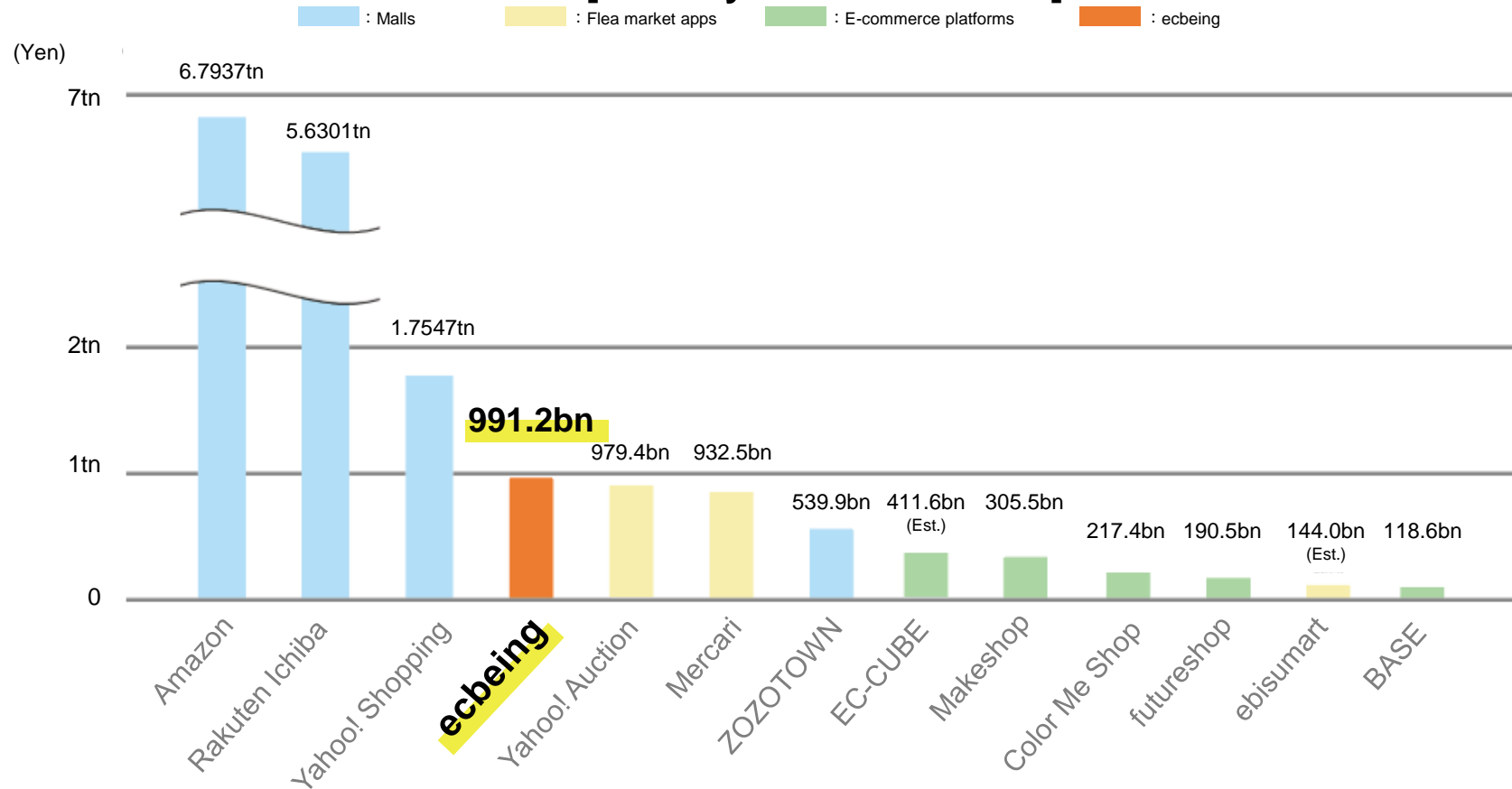


Annual transaction volume and number of orders



Domestic e-commerce ranking by total transaction volume

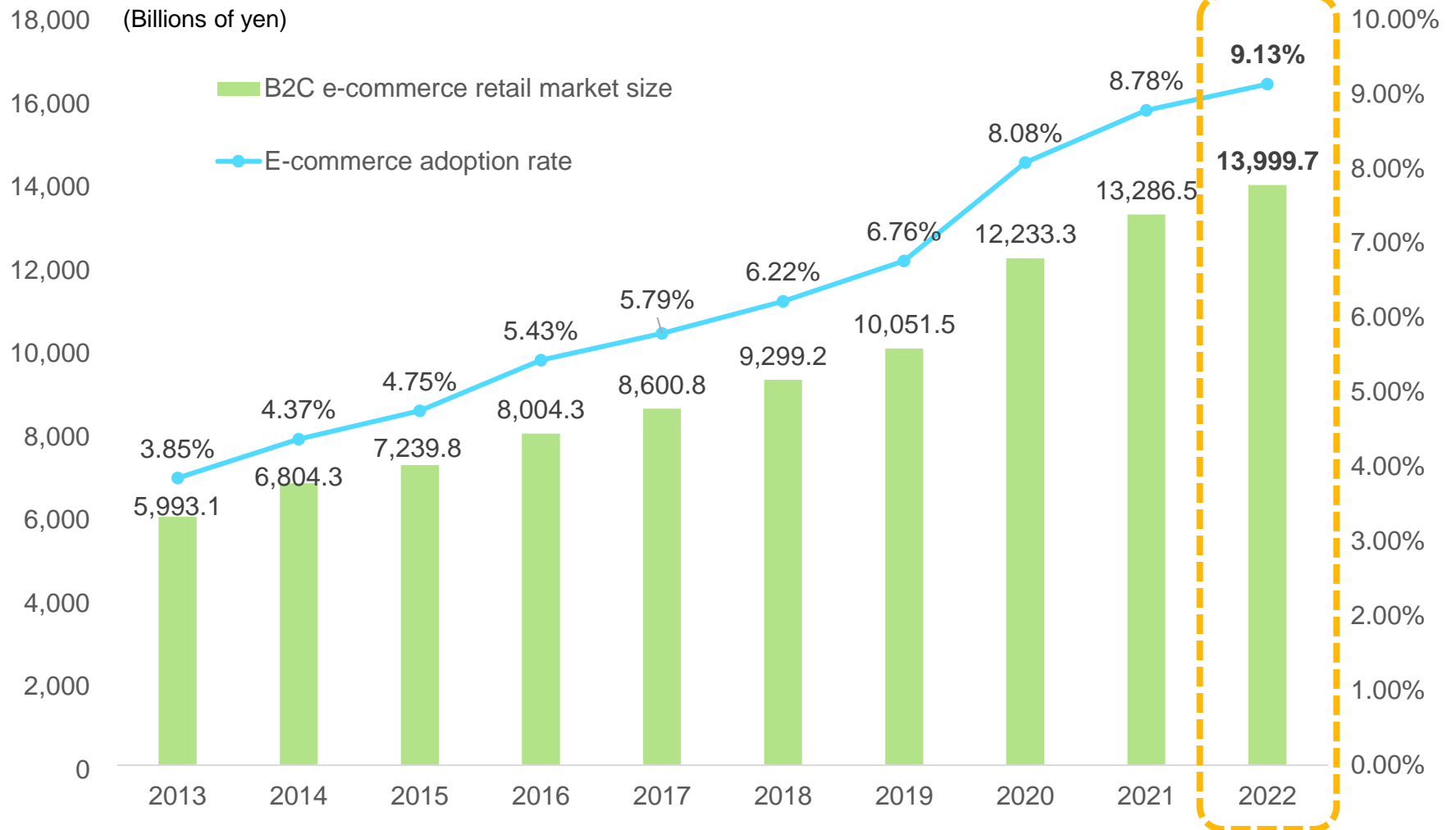
Domestic e-commerce ranking by total transaction volume [January–December 2022]



Source: Most recent data as of 2023, “2022 E-commerce Total Transaction Volume Ranking,” reflecting market trends based on the total transaction volumes of 21 domestic and 25 overseas e-commerce malls, shopping carts, and apps

Note: Estimates calculated by Softcreate Holdings based on the financial statements of each company.

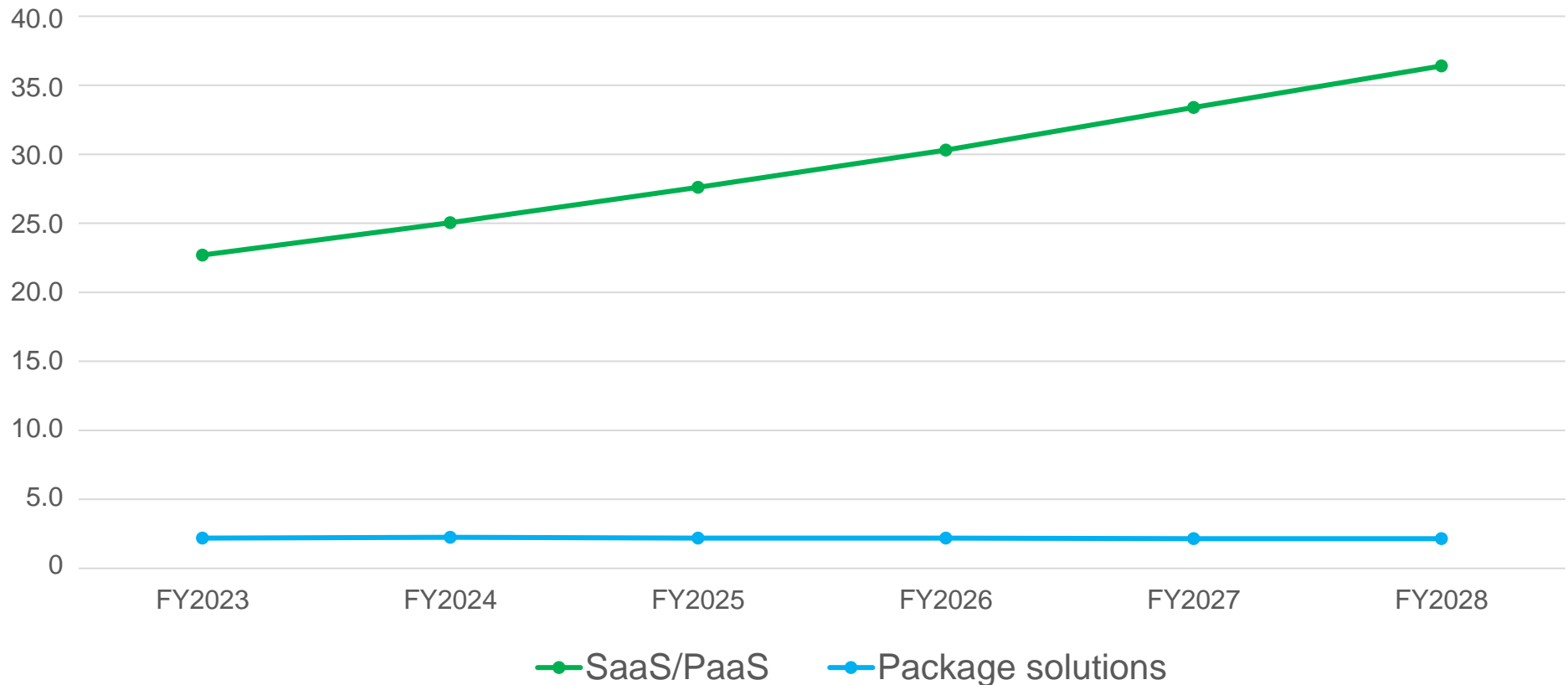
E-commerce adoption rate



Source: August 2023, Ministry of Economy, Trade, and Industry, "E-Commerce Market Survey"

The SaaS/PaaS market is expanding
at a CAGR of approx. 10%

(Billions of yen)



Source: "Trends in E-Commerce Site Development Market Size (in Value Terms)," Fuji Chimera Research Institute

Envisioned medium- to long-term growth

Core values: Development talent to drive e-businesses, personalized support capabilities, products and client base, integrated production and sales support

Mission: Foster domestic technology and contribute to Japan's development through e-business

Vision: Co-create with clients to become Japan's leading comprehensive e-business solution company

Develop microservices
that create synergies and
accelerate e-business

Develop top talent while
maintaining and enhancing
high profit margins

Enhance brand recognition
and lead acquisition,
targeting mid-sized and large
companies

Pursue customer success by
using domestic advantages,
thereby contributing to
earnings performance

Drive further earnings expansion
in the e-commerce market,
which has room to grow

Microservices

ecBeing

IT Solutions business

Comprehensive support for IT departments and
information system operations



Three pillars of IT Solutions business

Microsoft business

We provide various services, ranging from implementation, operational, and application support for Microsoft 365 and Microsoft Azure, to the establishment of Windows Server and virtualized environments.



Identity authentication, workflow, and security operations

We provide a range of services that ensure complete support for corporate IT infrastructure, ranging from consulting before the implementation of solutions to support after such implementation.

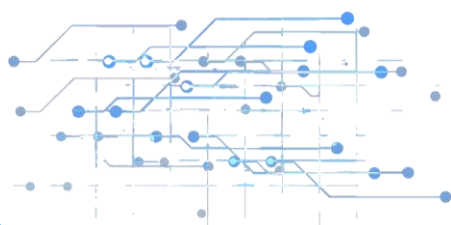


AI business

We provide services developed to enable companies to use generative AI “securely and easily.” A dedicated environment is used for each client to eliminate security risks such as data leaks, which are often a concern when using generative AI.



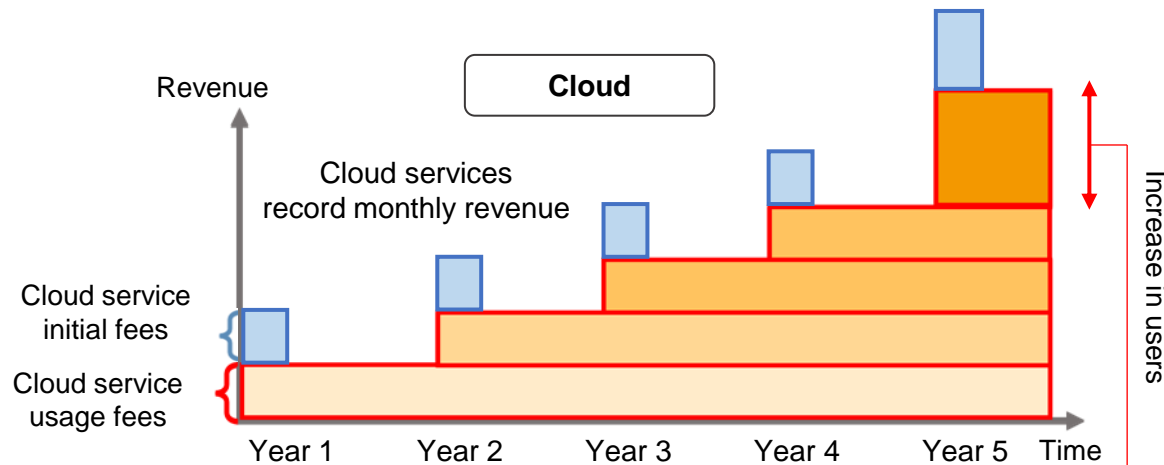
IT Solutions business		
Field	Products and services	Revenue classification
IT cloud services	SCCloud, L2BlockerCloud, X-pointCloud, Extic	Initial fees: one-time revenue Monthly fees: recurring revenue
Package solutions	L2Blocker, AglieWorks LDAP Manager	Initial fees: one-time revenue Monthly fees: recurring revenue
Security and infrastructure development services	Security, DX, infrastructure development, maintenance, hosting services	Infrastructure development: one-time revenue Maintenance, DC hosting service: recurring revenue
IT devices	Computers, servers, peripheral devices, commercial software	IT devices: one-time revenue



We propose and build systems to improve internal system issues for information system departments.



Revenue structure for IT cloud and package solutions



Both package and cloud solutions generate more **revenue** as the number of users increases

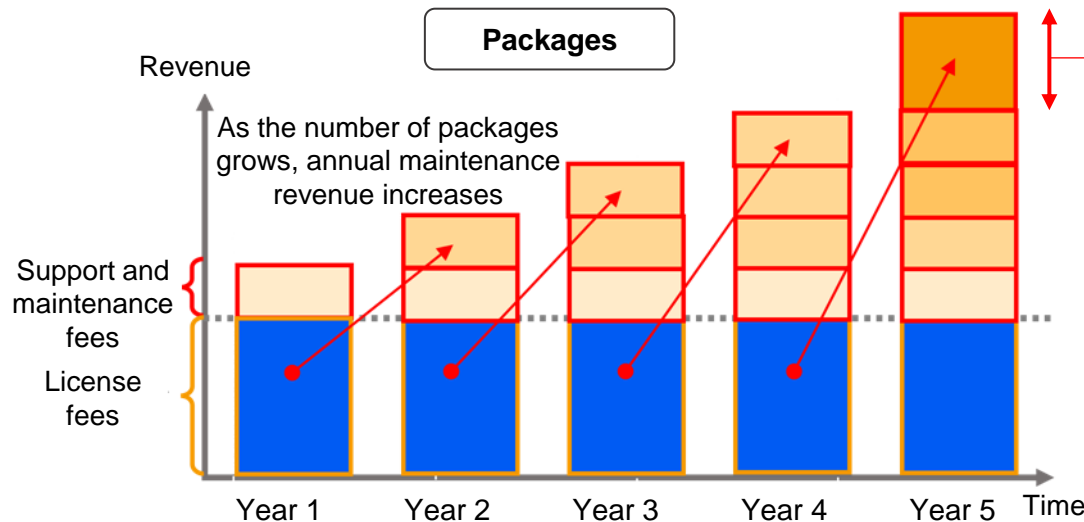


In addition

Increase in number of new users

Addition of optional services

Continued use



IT Solutions business

Microsoft 365 is a fundamental solution for collaboration, security, and productivity improvement, which supports new work styles. We provide related services under a one-stop model, ranging from design and development to operation and utilization.

Connecting people

Collaboration

- Exchange Online implementation support service
- Teams implementation support and operational support service
- SharePoint Online implementation support service
- Other peripheral services implementation support

Ensuring security anytime, anywhere

Security

- Microsoft Entra ID migration support service
- Intune implementation support / starter plan
- Microsoft Defender for Endpoint implementation support service
- Microsoft Defender for Cloud Apps implementation support service

Promoting digitalization

Productivity enhancement

- Power Platform implementation support service
- Power Apps
- Power Automate
- Power BI

Providing services to maximize utilization



Microsoft 365
Comprehensive
Support



Microsoft 365
Operations
Outsourcing Service



Softcreate 365 Club
(Utilization community)



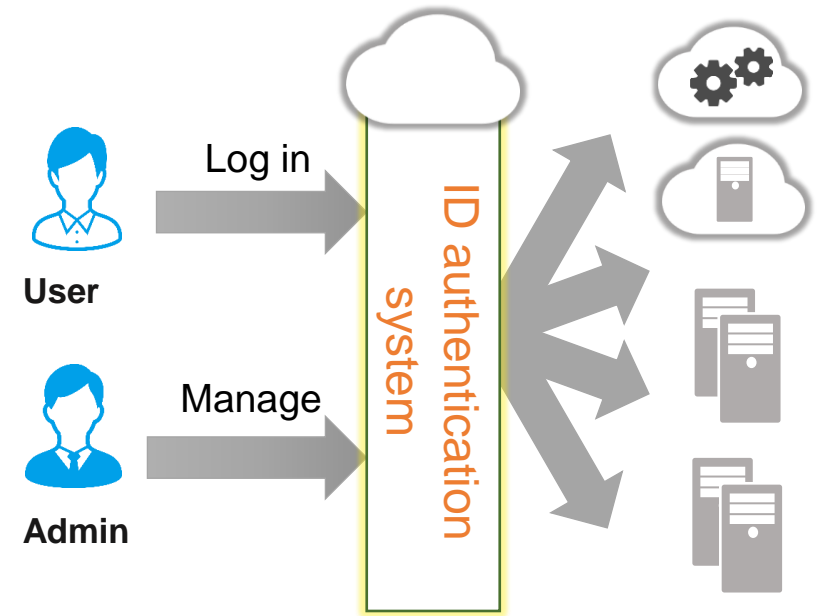
SCCloud 365
All inclusive service

ID authentication business

EXNET
GENWORKS



Providing security and convenience
with a single sign-on
Centralized system ID management
in the cloud



We offer optimal ID authentication systems for our clients' needs

 **SCC**CoreDirectory developed by Microsoft

 **TrustLogin**
Provided by  **cloud** developed by GMO

 **LTI** LDAP Manager

 **extIC** developed by Exgen Networks
Trusted Identity Center

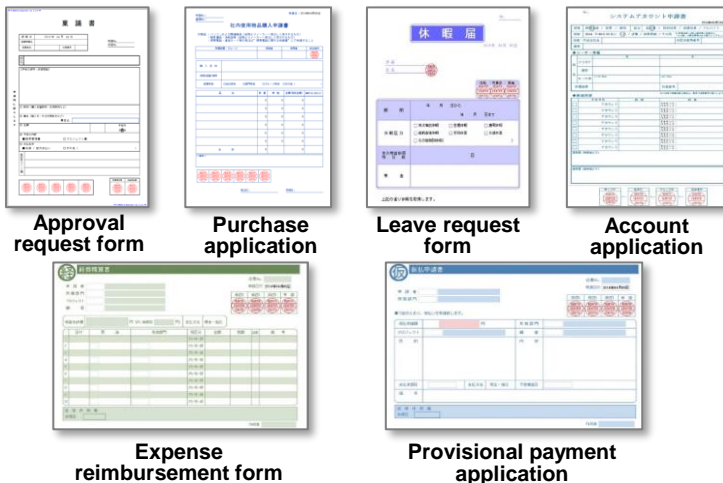


What is workflow?: “work” and “flow”

It refers to an **internal request process** where an **application** is submitted, reviewed, and approved by a supervisor, and **finalized** by a decision-maker.

This is an essential process that underpins corporate decision making.

Work [Internal requests]



Flow [Approval routes]



Products/ services



X-point cloud

AgileWorks Agile Works

Target client	Up to approx. 500 users	Approx. 500 users – several hundred thousand users
License type	Number of users	Number of concurrent users
Price structure	Initial fees	License From 2.4 million yen (excl. tax)
	Running fees	Monthly cloud fee From monthly fee of 500 yen (excl. tax) per user Annual support service 15% of license fee
Features	<p>No. 1 market share in Japan for 12 consecutive years.</p> <p>A cloud-based workflow service that is user-friendly for staff in the field and administrators, featuring no-code and intuitive operation.</p>	
	<p>A workflow system designed for large and complex organizational structures. It offers excellent support for organizational restructuring, with broad scalability, including through integration with core systems.</p>	

IT Solutions business

We offer a wide range of solutions that support corporate security measures, providing comprehensive support ranging from consulting before the implementation of security solutions to post-implementation assistance

Security measures

- Provision of comprehensive support for implementing products and services that manage security measures and IT assets



Security monitoring, diagnostics, evaluation

- Provision of security monitoring and diagnostic services that ensure early detection of security incidents and enhance security levels



Integration

- Provision of comprehensive support for the implementation of Microsoft-developed security features
Support for optimal migration to Microsoft Entra ID (Azure AD)

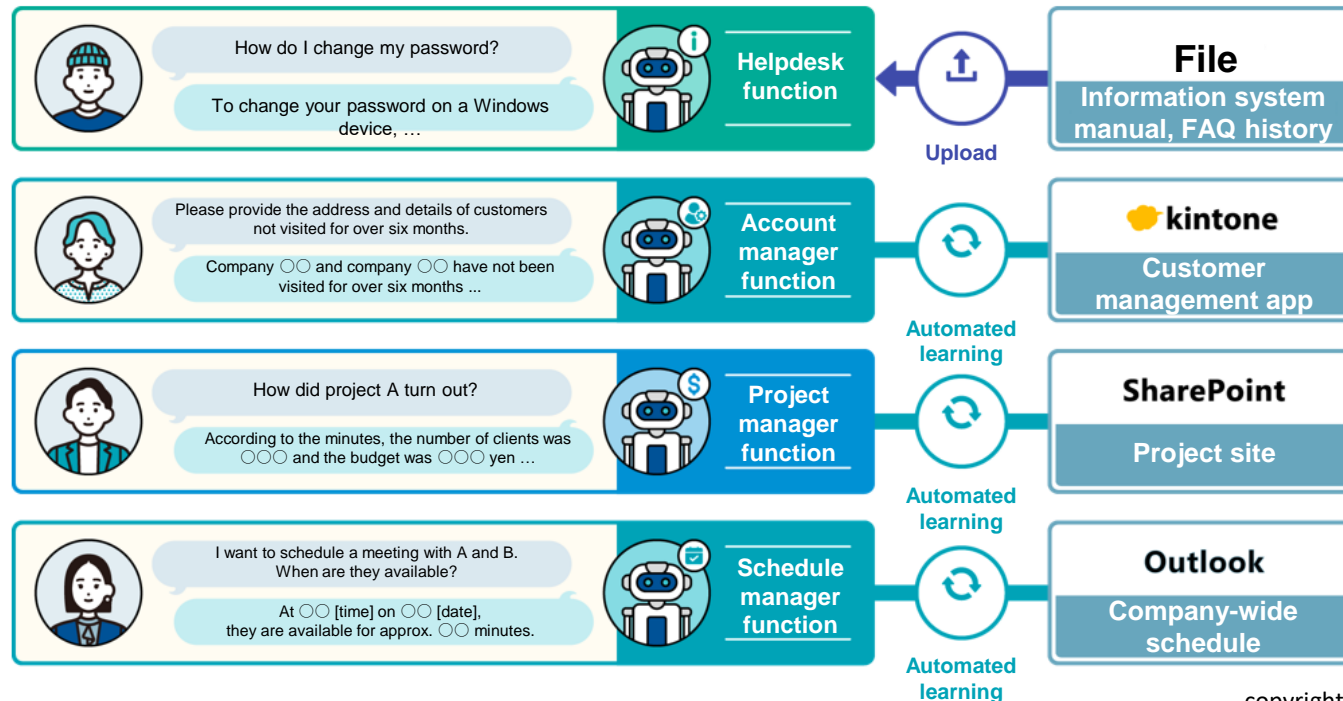


Safe AI Gateway

This generative AI solution has been designed as an “AI you can trust for work,” with a strong emphasis on security in corporate or organizational settings.

It seamlessly learns from internal files, data, and systems, acting as an exceptional assistant to support client operations.

Use case examples



Three key points

1 Promoting usage

- Easy to use with a clear UI
- Promote usage by sharing prompts
- Visualize usage conditions and conversation history

2 Secure data management

- Closed environment for each customer
- Input data is not used for learning
- Prevent unauthorized access through ID management and authentication

3 Simple learning

Two learning methods

- Upload internal data
- Integrate with other systems: kintone / SharePoint / Outlook

Future growth strategy

Mission: Contribute to a society where people can work with dignity and humanity through technology

Vision: Aspire to be the best partner for clients by helping them drive transformation with optimal technology

Value: Understand the core challenges and concerns of clients, providing value rather than products and services

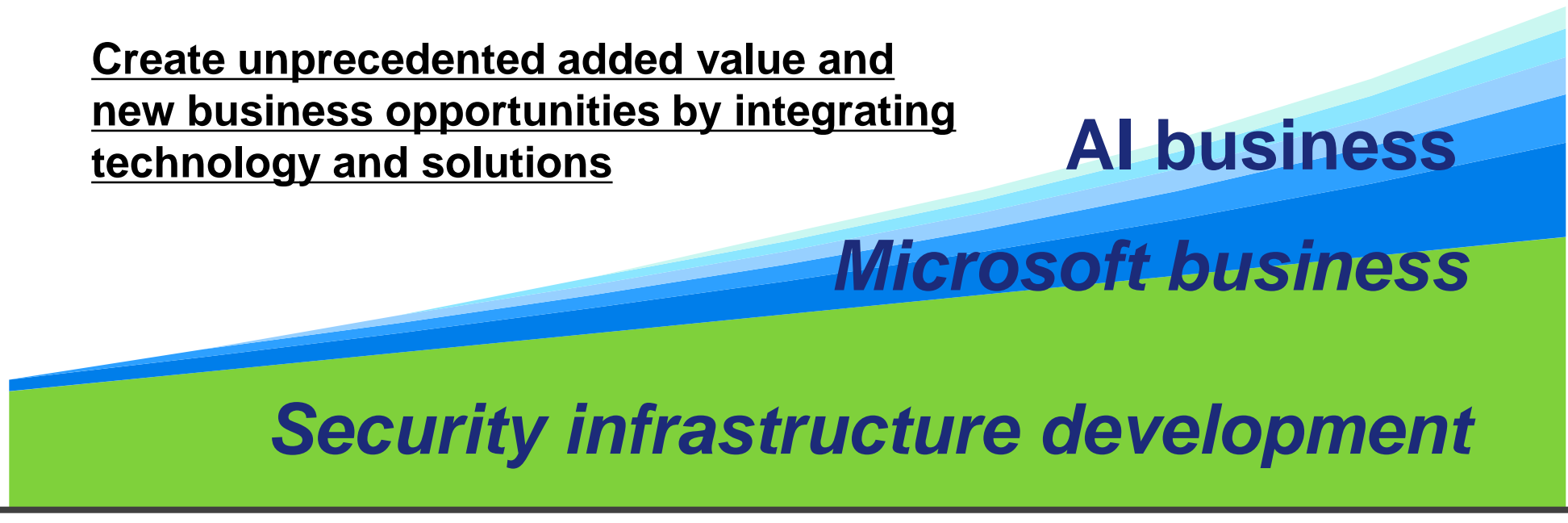
Modernize the workplace
using Microsoft's cloud
solutions

Develop IT talent and
leverage diverse
technologies

Strengthen loyalty
among existing
customers

Aim for
further innovation
through AI

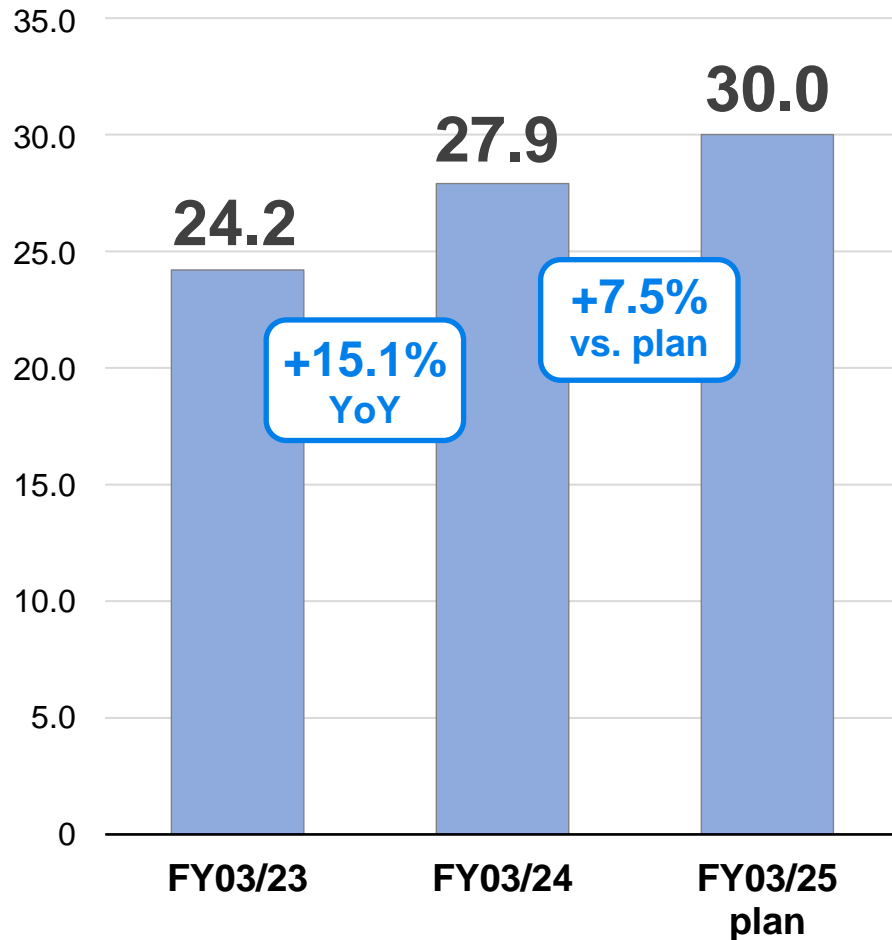
Create unprecedented added value and
new business opportunities by integrating
technology and solutions



Earnings performance

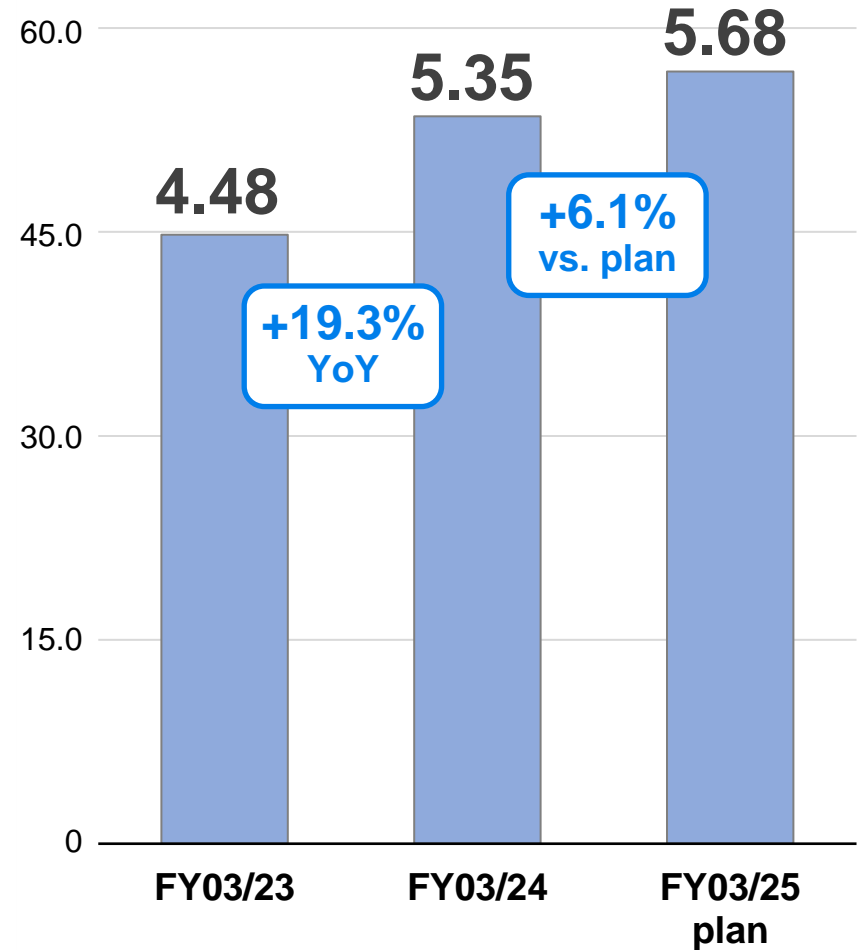
Net sales

(Billions of yen)

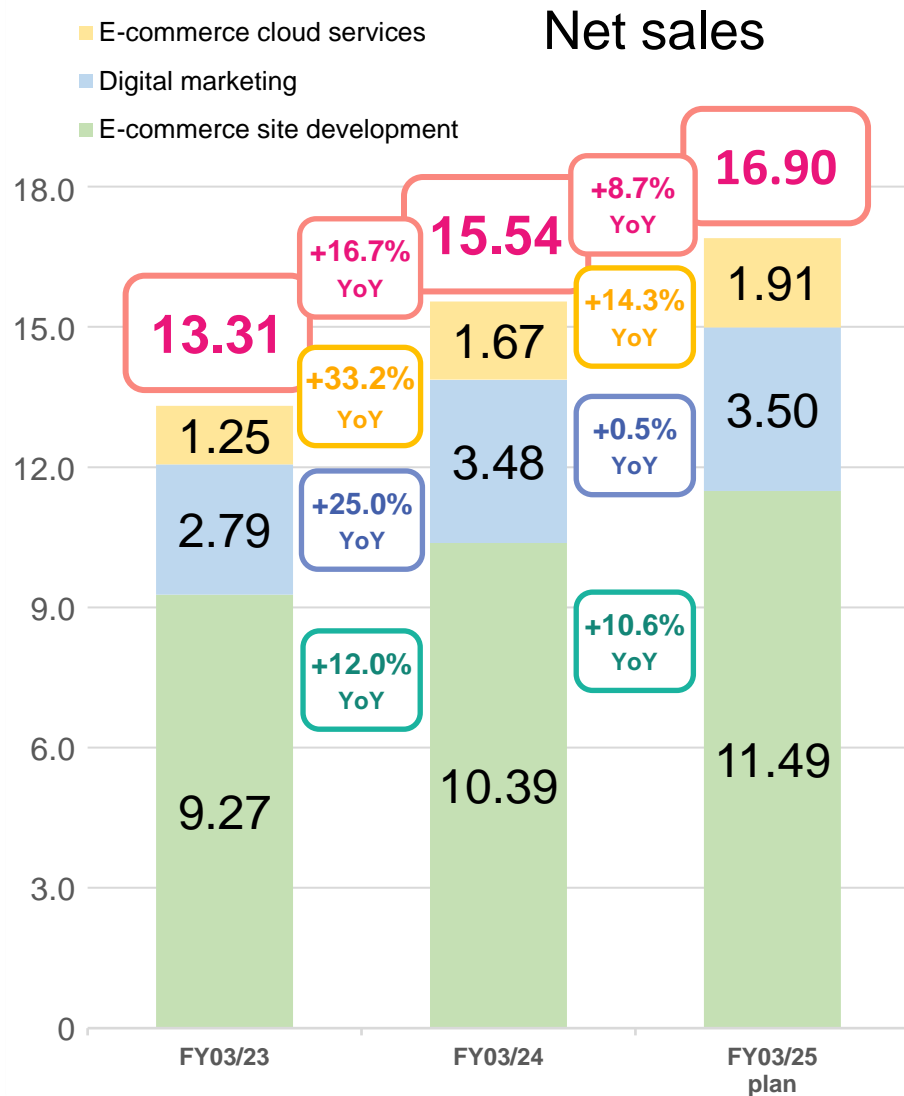


Ordinary profit

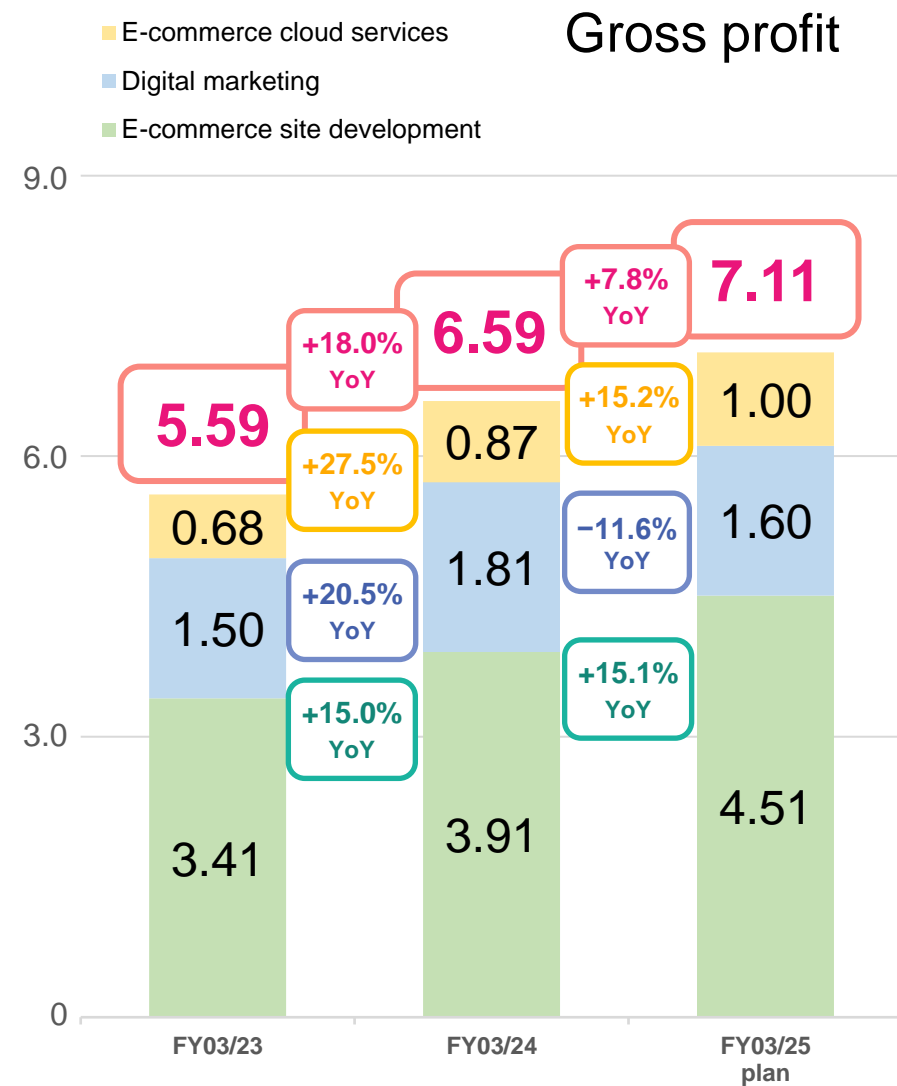
(Billions of yen)



(Billions of yen)

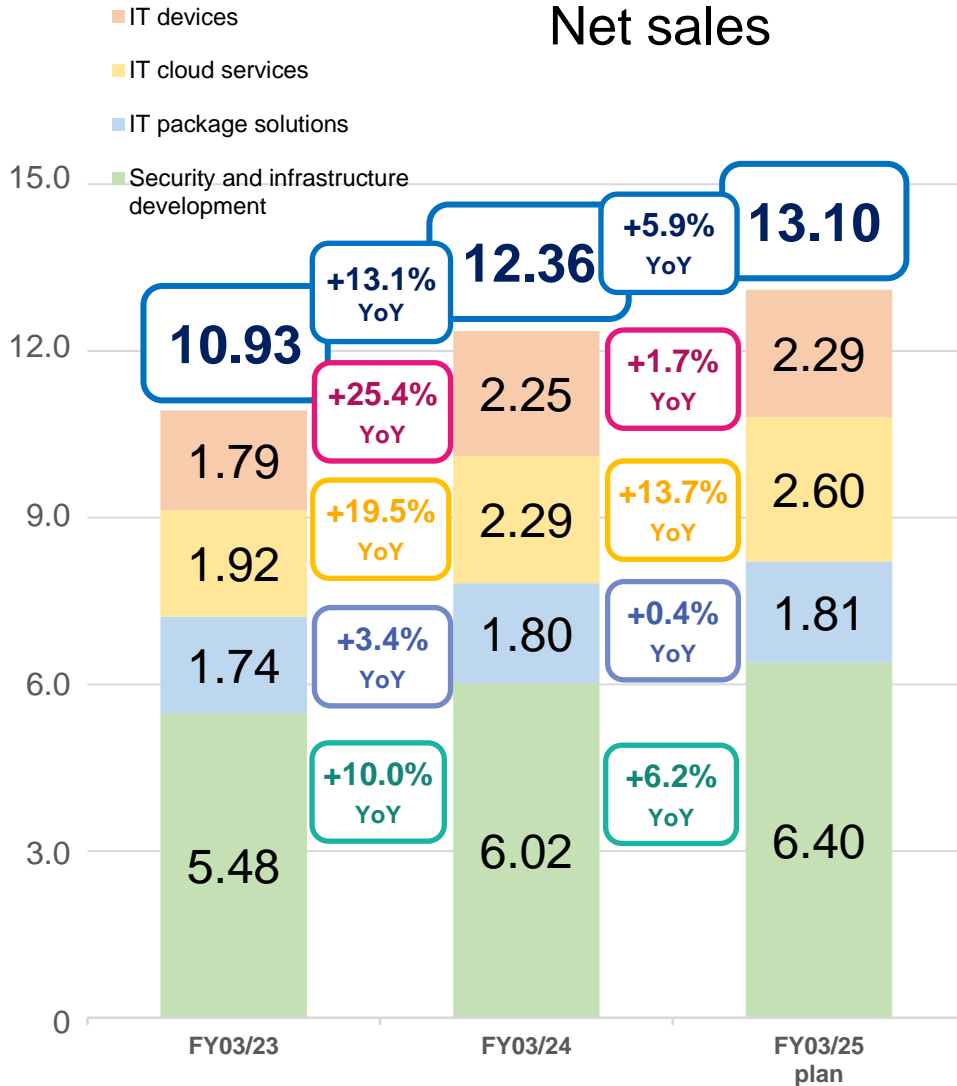


(Billions of yen)

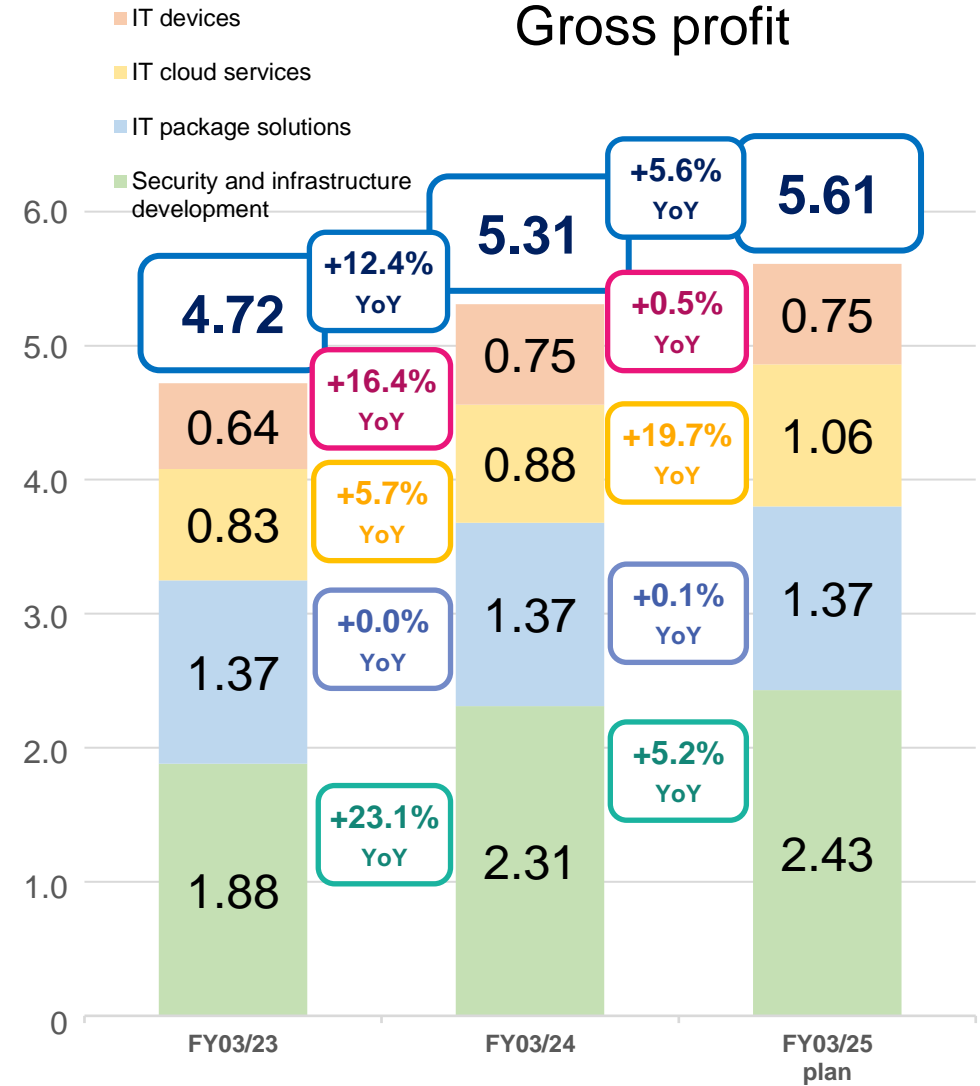


IT Solutions business: Earnings performance SOFT CREATE HOLDINGS

(Billions of yen)



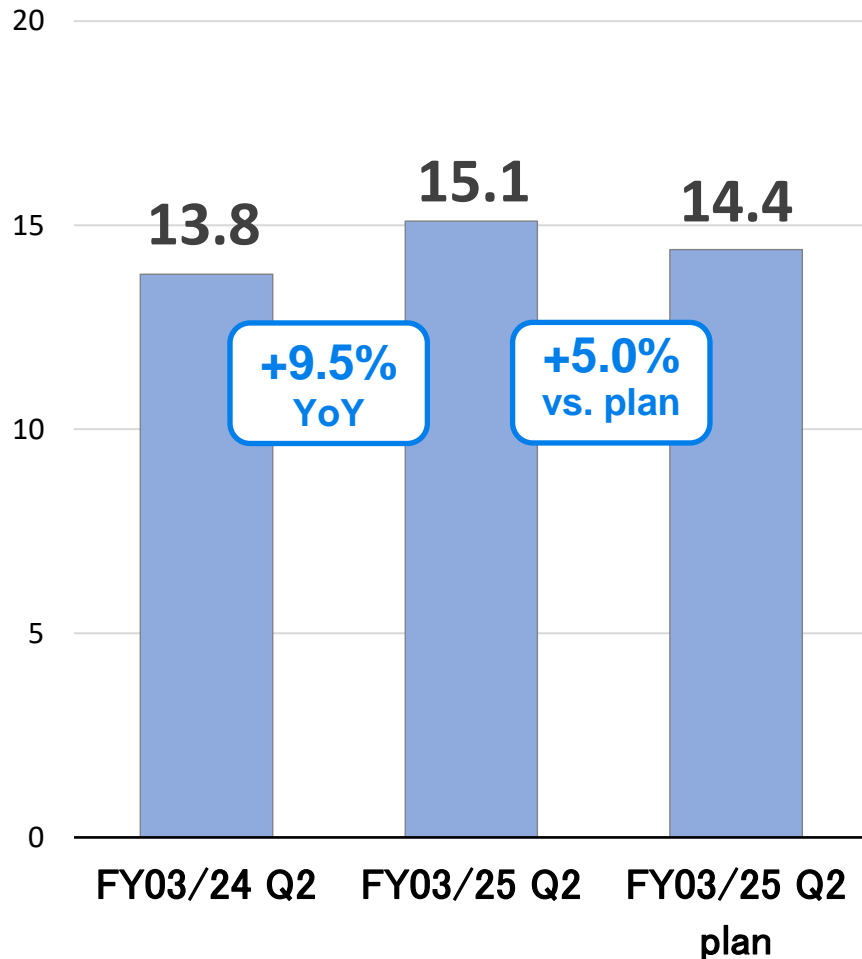
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Earnings performance

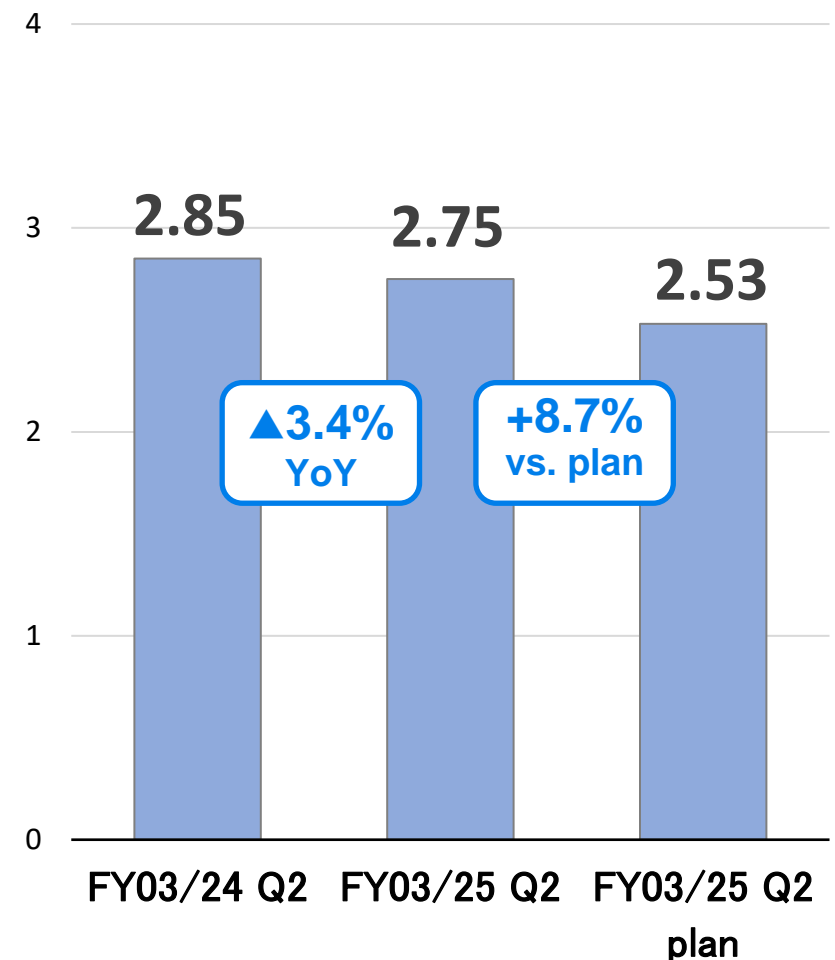
Net sales

(Billions of yen)



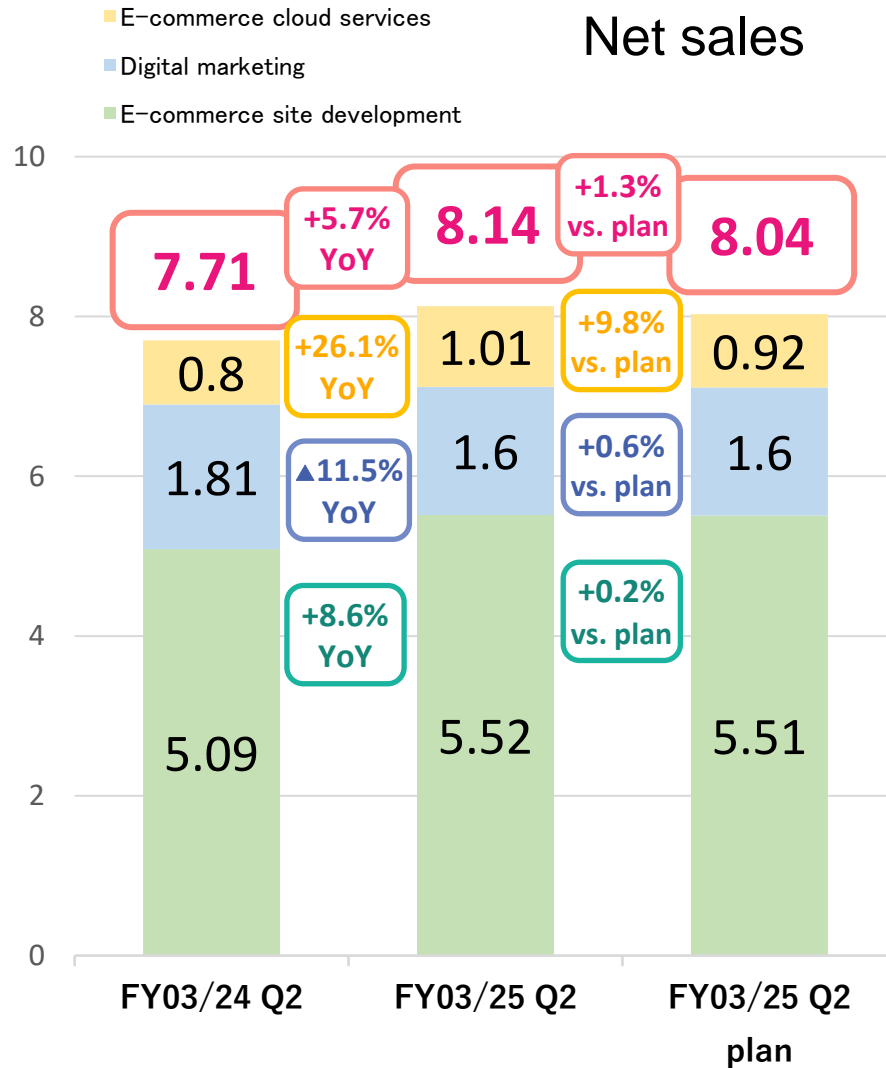
Ordinary profit

(Billions of yen)

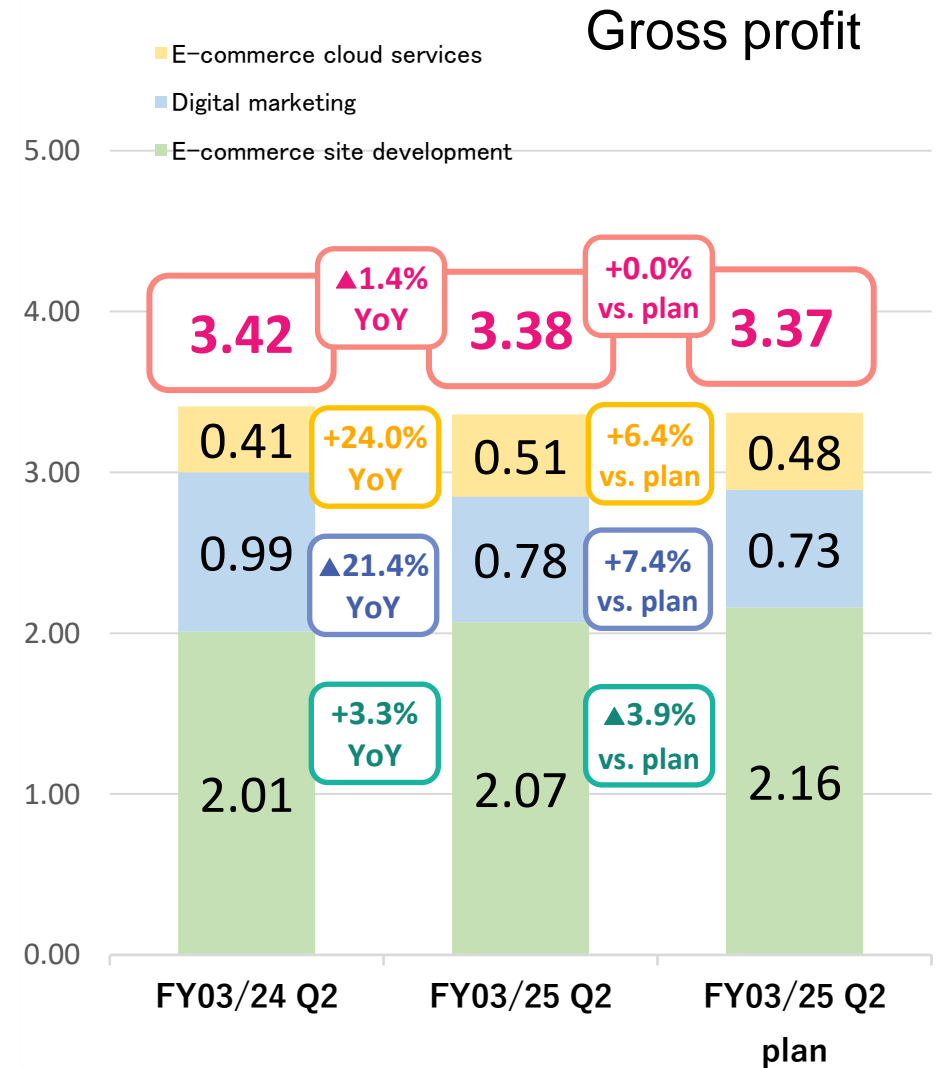


EC Solutions business: Earning performance

(Billions of yen)



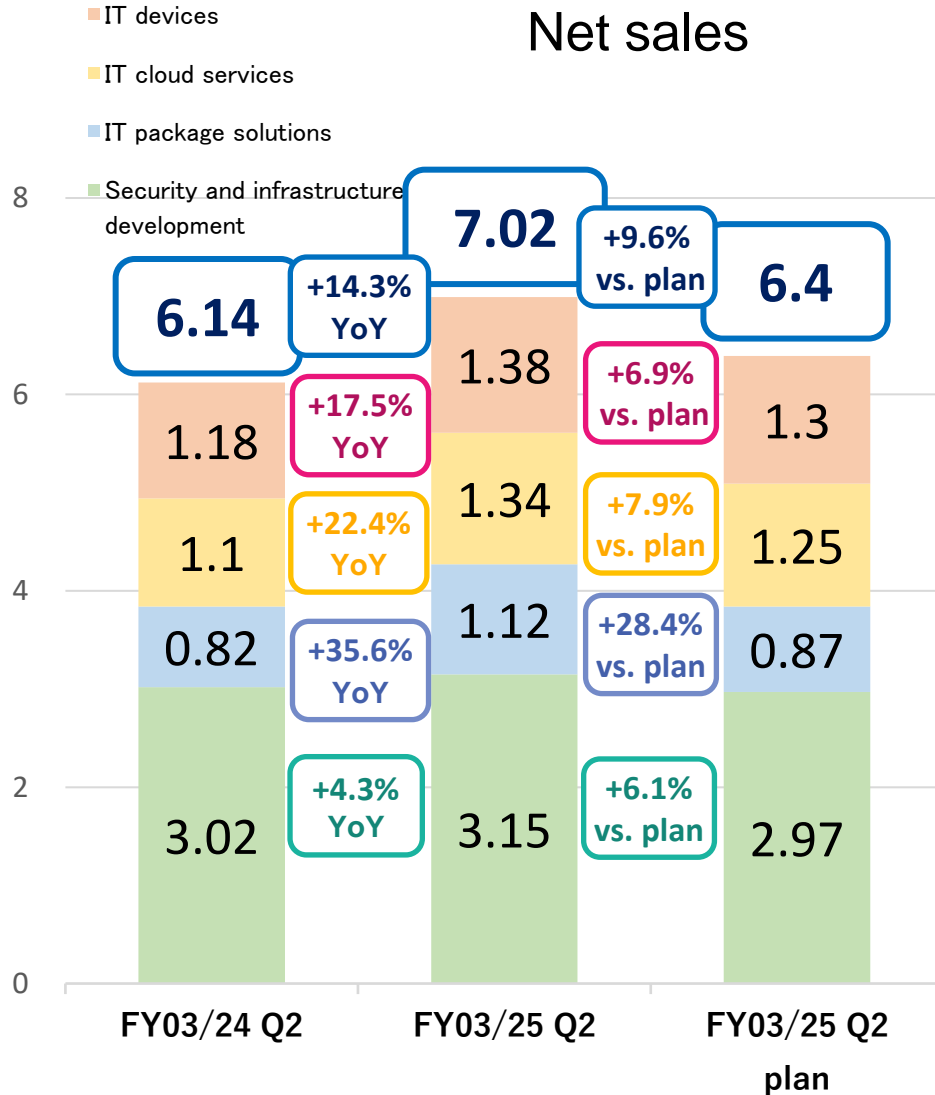
(Billions of yen)



IT Solutions business: Earnings performance

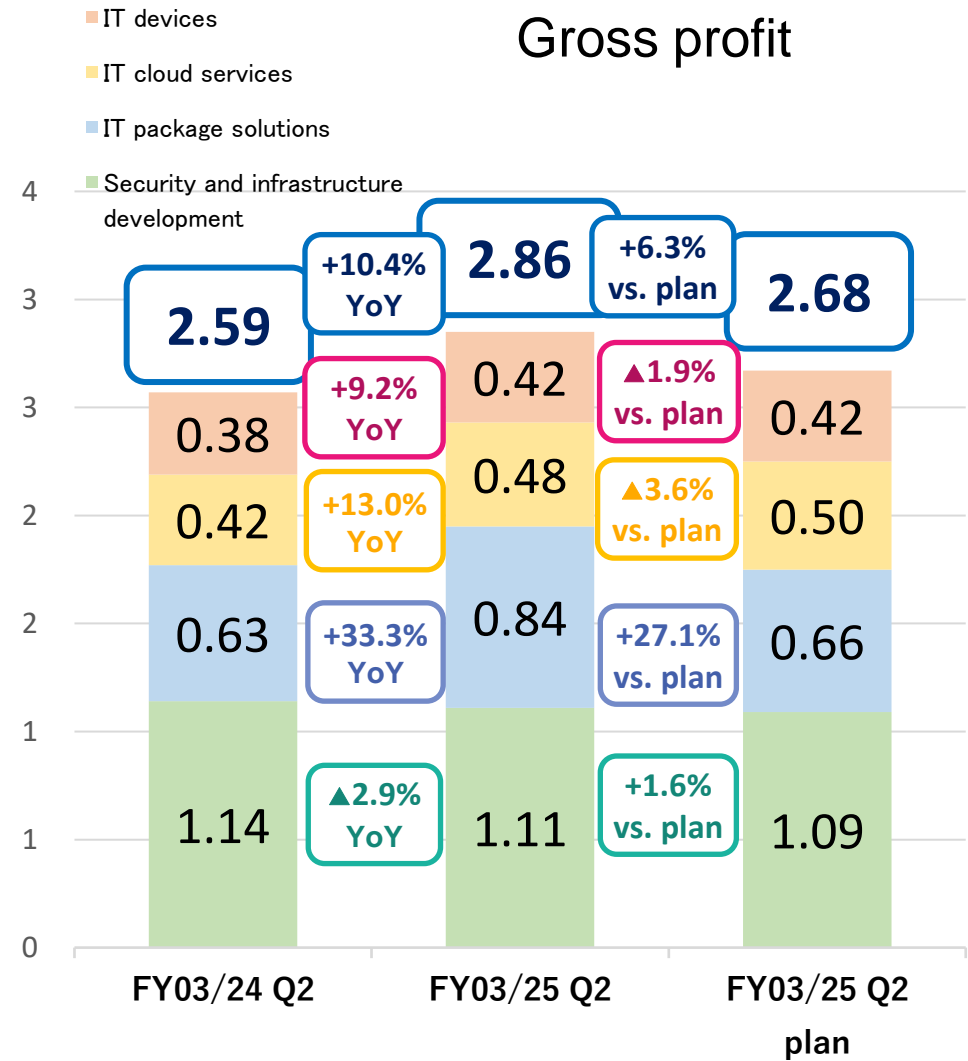
(Billions of yen)

Net sales



(Billions of yen)

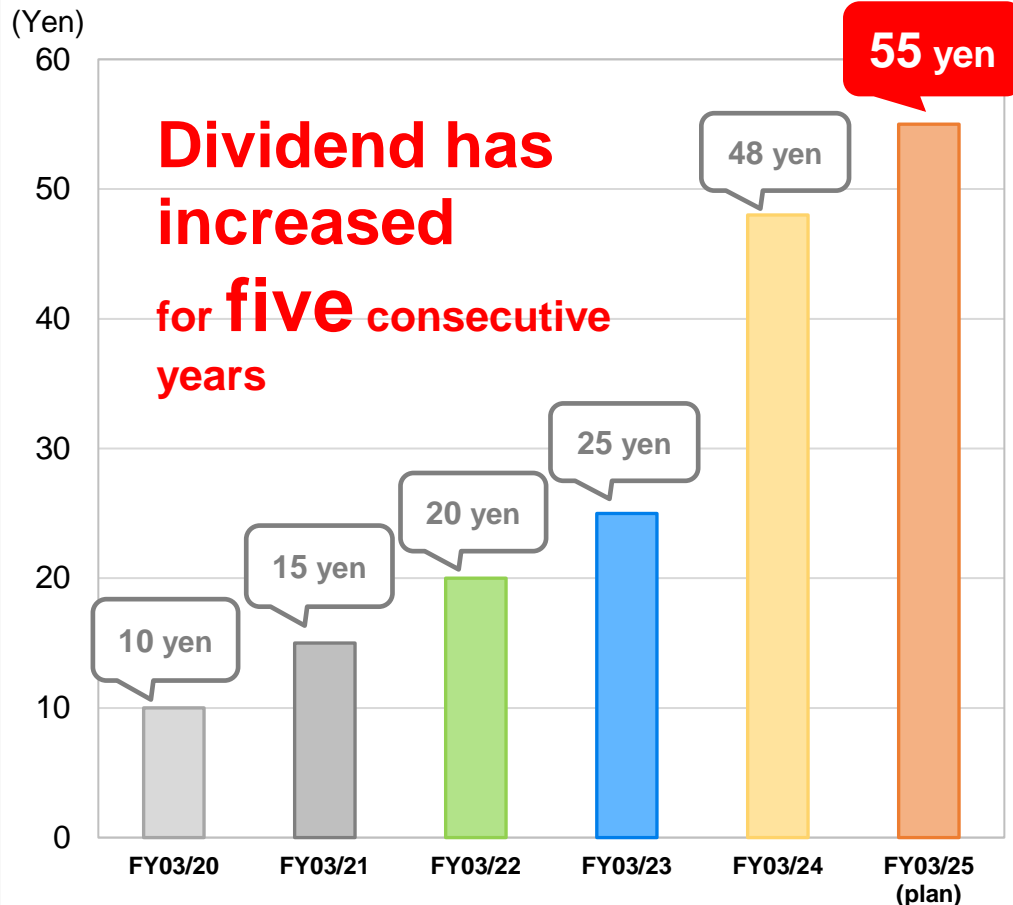
Gross profit



Shareholder returns (dividends and shareholder benefits)

Dividend per share

Target increase in payout ratio to **40%**



Required number of shares	Annual shareholder benefit	Long-term holding benefit
100 shares or more	1,000 yen	
200 shares or more	2,000 yen	
600 shares or more	3,000 yen	500 yen
1,800 shares or more	4,000 yen	1,000 yen
3,000 shares or more	5,000 yen	1,500 yen
4,200 shares or more	6,000 yen	
6,000 shares or more	7,000 yen	2,000 yen

* Long-term holding benefits are additional benefits for shareholders who have continuously held shares for more than two years (i.e., shareholders who have been listed five or more consecutive times with the same shareholder number in the shareholder register as of the last day of March and the last day of September), awarded in March.





Thank you for your attention.

We look forward to your continued support.

[stock code: **3371**]

Note regarding these materials

These materials are intended to provide information regarding the Company's financial performance in FY03/24, its outlook, and future management strategies. They are not intended to solicit investment in any securities issued by the Company.

The forward-looking statements regarding the Softcreate Group in these materials are based on information available at present. They are subject to change due to uncertainties inherent in forecasts, changes in the business environment, and other factors. Please do not reproduce, forward, or distribute these materials without permission, regardless of the purpose.

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