

# Presentation Material

## for the First Half of the Fiscal Year Ending March 31, 2026

November 6, 2025

# Executive Summary

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【Notice regarding Earnings by Segment】

- Net sales by segment include inter-segment sales or transfers.  
Segment income is based on operating income.

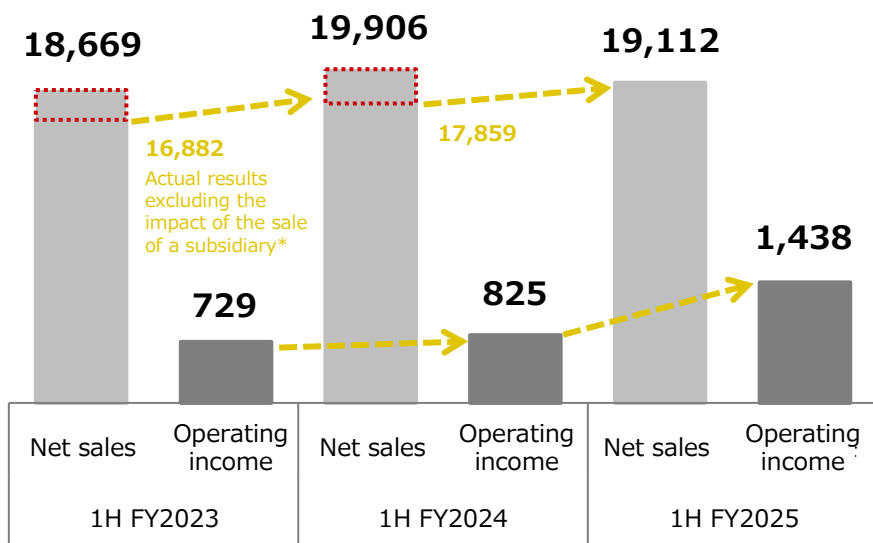
DH Group performed well on the back of Nintendo Switch 2 launch, and AGEST Group improved its profitability. **Record-high consolidated operating income for 1H FY2025** with sales and profit growth in real terms.

Net sales	Operating income	Profit attributable to owners of parent
<p>¥<b>19,112</b> mn (YoY change <b>-4.0%</b>)</p> <p><small>* In real terms excluding the impact of the sale of a subsidiary</small> <b>YoY change +7.0%</b></p>	<p>¥<b>1,438</b> mn (YoY change <b>+74.2%</b>)</p> <p><small>* In real terms excluding the impact of the sale of a subsidiary</small> <b>YoY change +84.4%</b></p>	<p>¥<b>757</b> mn (YoY change <b>+66.5%</b>)</p>

## Performance trends

(JPY mn)

■ Net sales ■ Operating income - - - In real terms growth



## Key points of financial results

- **Sales growth in real terms**, excluding the impact of the sale of identity Inc. in Q3 FY2024.
- Achieved **a record-high Operating income in 1H**, with sales expansion of DH Group due to the strong trends of the console game-development market following the launch of Nintendo Switch 2 and with a shift to a profitable structure in the AGEST Group.
- Progress toward the full year plan stands at 48.1% for net sales and 54.5% for Operating income, with **Operating income exceeding the 1H plan**.
- Loss on valuation of investment securities of ¥299 million related to TOKYO GameFi, Inc., which develops and operates NFT-games.
- **Executing growth strategies in each business** as an independent group, aiming to the Spin-Off Listing.

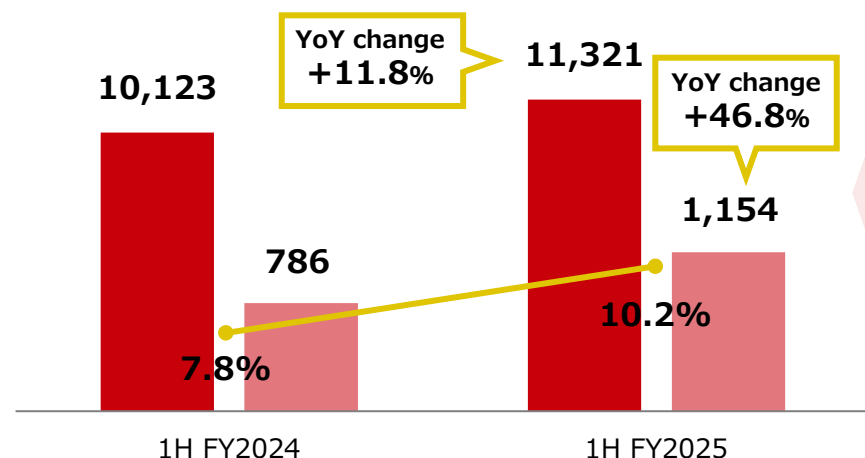
# Summary of Results by Segment - DH Group Biz

\* The results for 1H FY2024 exclude the impact of the sale of a subsidiary

Both services achieved double-digit sales growth due to concentrated investments in entertainment areas under favorable market conditions. Segment-income progress rate against the full year forecast is also favorable, reaching 57% ahead of the plan.

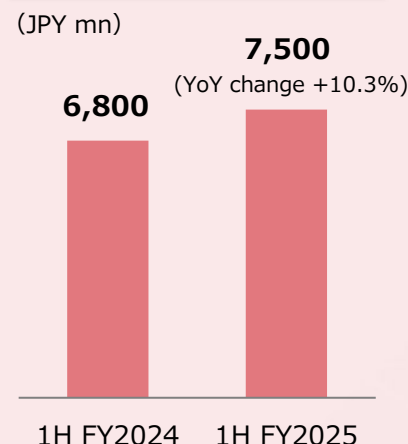
## ■ DH Group Business results (\*)

(JPY mn) ■ Net sales ■ Segment income ● Segment income margin

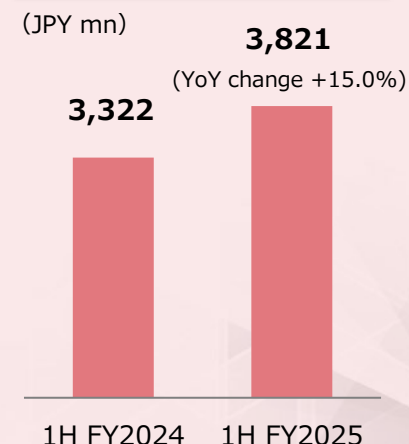


## [sales by service]

Domestic debugging  
Net sales



Global and others  
Net sales



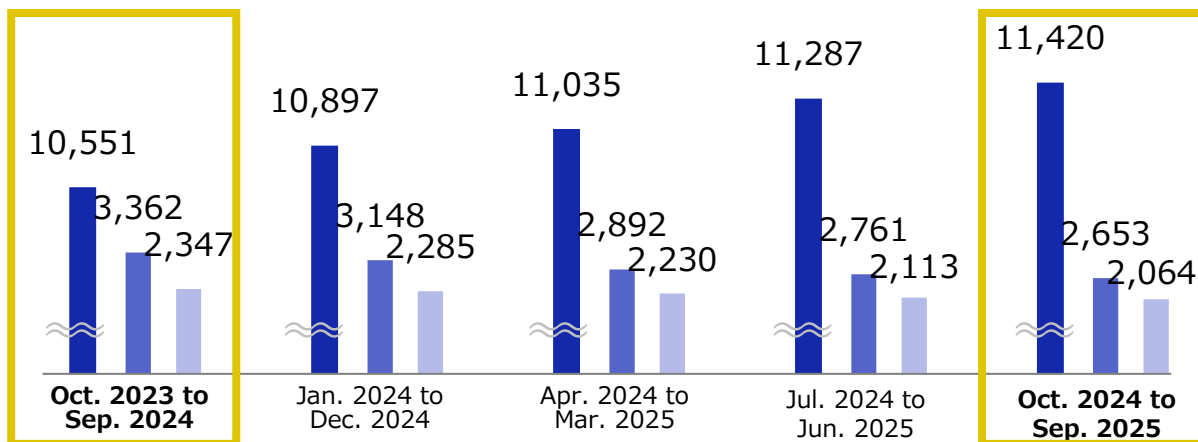
## ■ Key points of financial results

- Amid favorable market-environment conditions such as Nintendo Switch 2 launches, we steadily acquired new large-scale projects and achieved **YoY +10% sales growth in the Domestic debugging**.
- Focus businesses **Global and others achieved YoY +15% sales growth**.
  - Growth in translation and LQA, due to the full-scale launch of “ella,” a unique game-specialized AI translation engine.
  - High performance in game-development support, including projects of new titles for Nintendo Switch 2.
- **Segment income reached YoY +47%**, exceeding the 1H plan, due to growth in profitable Domestic debugging.

**Achieved both profitability and growth investment in HR and AI, against the backdrop of domestic QA solution's sales growth. A record high ¥778 million LTM segment income.**

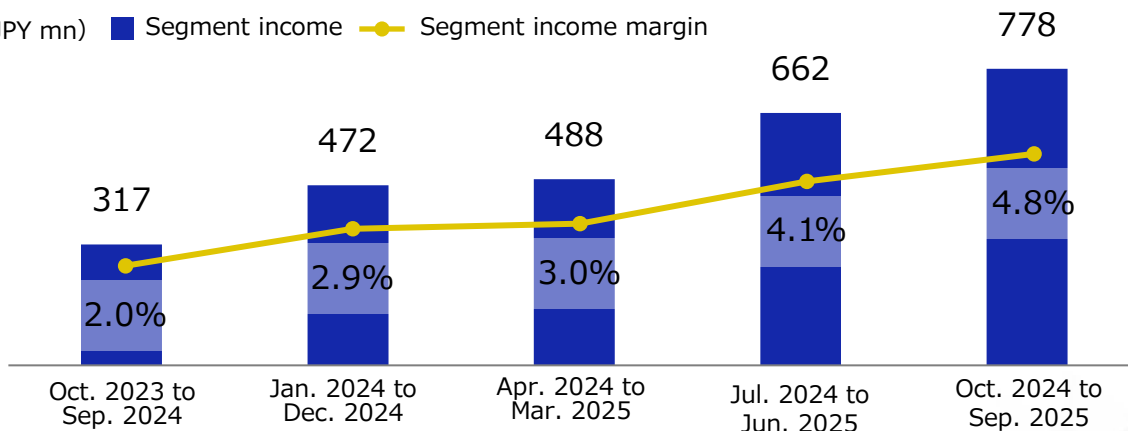
## ■ Trend of the latest 12 months sales for each service

(JPY mn) ■ Domestic QA solutions ■ Overseas QA solutions ■ IT services and others



## ■ Trend of the latest 12 months segment income

(JPY mn) ■ Segment income ● Segment income margin



### Points

- Our mainstay domestic QA solution continue to **grow at a steady pace**.
- Sales of Overseas QA solution declined, partly due to the exclusion of MK Partners, Inc. from consolidation in Q3 FY2024. **Aiming to return to a growing trajectory by restructuring businesses.**
- IT services and others divisions are **strategically downsized** low profit services.

### Points

- **Stable profitability** by strategically building a businesses portfolio. **Profitability has improved**, despite investing in AI and others.
- **Improve the Gross margin ratio** of mainstay domestic QA solution.
- **Progress exceeded expectations in 1H FY2025** toward achieving the full-year plan.

## DH Group Business

**Strategic business alliance with GENERAL ARCADE and LUNATE in November 2025.**



### GENERAL ARCADE and LUNATE

- Group of game development engineers in Singapore
- **Approx. 50 cutting-edge game engineers** employed

### Purpose

- Supporting the seamless development of high-quality games
- Integration of porting and QA servicing

## DH Group Business

**Established of a consolidated subsidiary in Thailand in October 2025 to strengthen translational and LQA**



## DH Group Business

**HUWIZ SOLUTIONS to become a consolidated subsidiary on November 20, 2025(plan)**



### HUWIZ SOLUTIONS

- Gaming QA company in Canada
- **Over 100 testers** employed

### Purpose

- Expanding the client basement in Europe and the USA.
- Reinforcement of English-language QA service capacity and expansion of various services

## DH Group Business

**eSports competition for seniors "GeeSports Tournament" at EXPO 2025 OSAKA, KANSAI, JAPAN**



## AGEST Group Business

**Unique AI test tool "TFACT" officially launched in September 2025**



## AGEST Group Business

**"Kanda Base" was newly established in September 2025 as the 9th AGEST office in Japan**

# Maximizing Corporate Value

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Aiming to maximize the potential of each businesses with management focus and optimal capital policies through Spin-Off Listing, making each as an independent group with each clearly different businesses value creation strategy.

## DH Group Business

- Well established and differentiated business model
- Clear value proposition
- Horizontal and vertical expansion of core businesses (global expansion)



**Investing in new locations and achieving stable growth**

### Vision

**To be a corporate group capable of competing in the global market as a “Global Quality Partner in the entertainment industry.”**

## AGEST Group Business

- Changing and innovative business model
- Businesses value created by innovation
- Expand added value of technologies and specialists



**Investing in technology and growing with innovation**

### Vision

**To be an “AI-era testing company that ensures the quality of enterprise systems with cutting-edge technology.”**

## ■ Expected return on Spin-Off Listing

- ✓ Expect to improve medium-term profitability with more focused management and optimal capitalization policies to attract new shareholder.
- ✓ By evaluating an inherent value of an individual business in the market, a stock price converges to its intrinsic value.
- ✓ By eliminating conglomerate discounts, it develops simple and easy-to-understand stock prices.



# Business Transformation and Growth through an Independent Management Structure

Since starting Spin-Off Listing preparation in May 2023, effectively shifted to an **independent management structure** and implemented **swift management decisions** and **focused investments** according to each strategies of DH Group and AGEST Group. **As a result, executing business transformation and growth without any compromise** in the different game industry and IT industry for each.

## DH Group

### Diversify services and enter the global market

- Expand mid-career recruitment from the entertainment industry.
- Develop unique AI translation engine specializing in game.

- Aggressive exhibitions at game shows.
- Selected as a regional preferred vendor in Japan of a major global company.

- M&As and establishment new entities in overseas.
- New challenges for AI and eSports, etc.

### Human resource and business basement

### Branding and customer base

### Business model

## AGEST Group

### Reinforce engineers and technological capability

- Accelerate recruitment of high-skill engineers.
- Pursue QA technology and promote the utilization of AI.

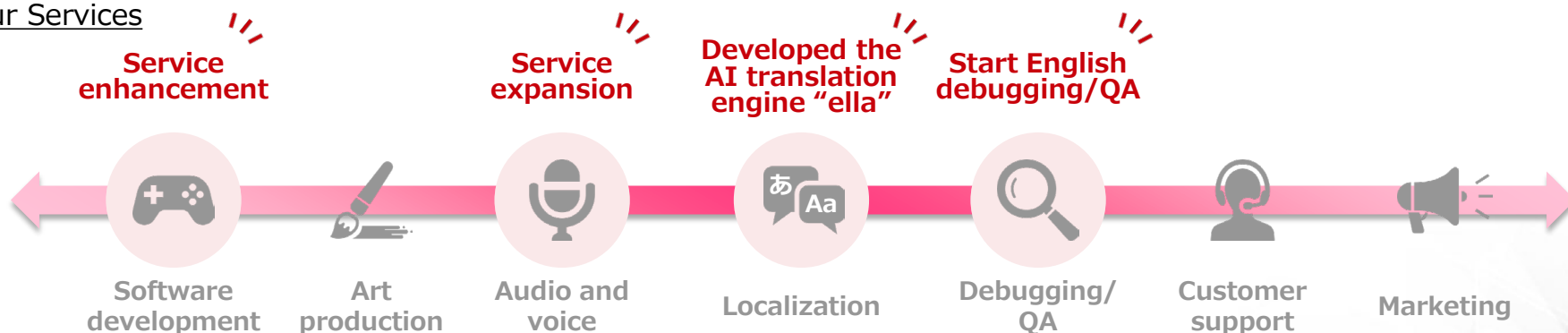
- Build a corporate branding structure with "Tech".
- Acquire domestic clients.

- Restructuring the profitability of foreign businesses.
- Reduction of non-core businesses.

From a “Debugging/QA specialist company” with major share in Japan, to a “Global Quality Partner” with experts supporting the quality of games worldwide.

## 1. Realize **one-stop solutions** by launching a series of new services

### Our Services



## 2. Expanding areas from Japan to **Asia** further **Europe and North America**

Newly established offices in India and Thailand to expand Asian businesses to seven countries/regions.



Acquiring new subsidiary(\*) in Canada to strengthen Europe and North America area.



\*Plan to acquire it on November 20, 2025.

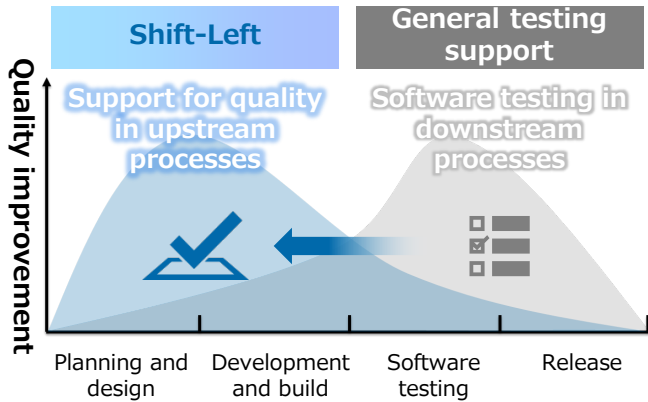
Shifting from a “man-month” model to a “tech-driven” model, to be an “AI-era testing company that ensures the quality of enterprise systems with cutting-edge technology.”

## 1. Expand high-value-added services as a QA specialized company

Launched “QA for Development” in response to Shift-Left needs

Developed unique AI test management tool “TFACT”

Started development of a fully domestic SBOM tool



**TFACT**  
Testing Factory  
— AGEST AI Assist

? What is “SBOM” ?

Abbreviation for “Software Bill of Materials” that lists the components comprising software and their dependencies.

## 2. Increase in high-skill engineers

### Number of domestic QA engineers

As of Mar. 31, 2023

**539 people**



As of Sep. 30, 2025

**709 people**

## 3. To develop a stable profit structure

### Segment income margin of LTM (\*)

Jul. 2023 to Jun. 2024

**0.8%**

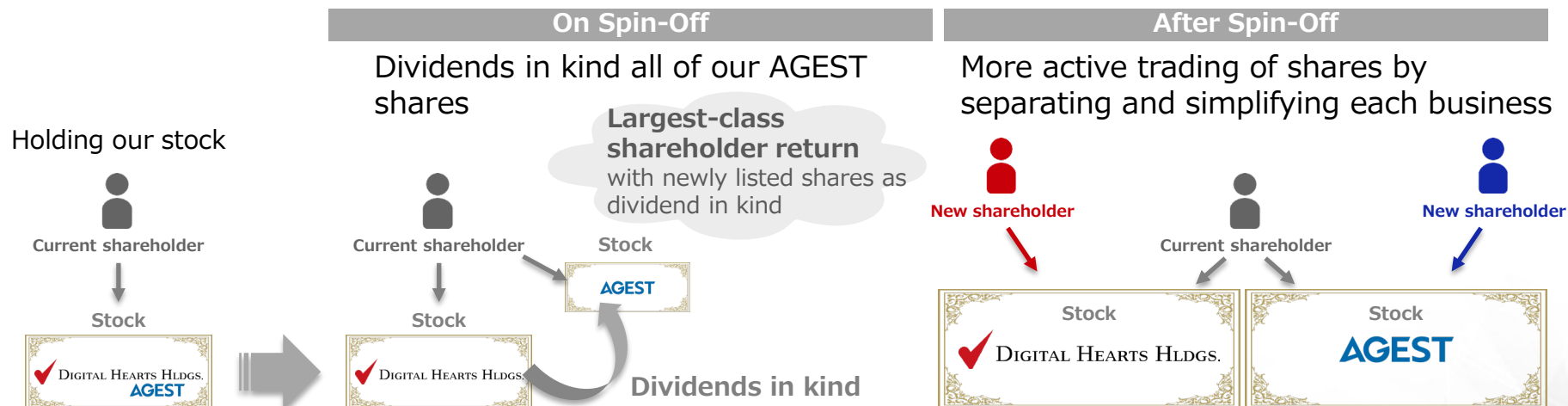


Oct. 2024 to Sep. 2025

**4.8%**

Steadily preparing for Spin-Off Listing and aiming to maximize the growth potential of both businesses.

## ■ Spin-Off scheme



## ■ General cases of schedule for Spin-Off Listing

Approx. 2-3 months



Regarding the Spin-Off, the distribution of AGEST shares as a dividend in kind

Execution of the Spin-Off Listing

# Growth Strategy

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Domestic and overseas console game-market has been revitalized by the launch of Nintendo Switch 2.

Accelerating borderless development of cross-border games.

## Development cost

**Rising development costs**  
due to complexity of games



\* The image is for illustrative purposes only and do not represent actual game images.

The more complex software,  
the higher risk of defects

## Various game platforms

**Multi platform**  
has become standard



Require to verify defects on PCs and  
consoles with various specifications

## Languages in different areas

**Multilingual support**  
has become essential



Demand of translation and voice  
recording that bring out the  
worldview and character traits

Need to launch high-quality titles without defects simultaneously on a wide range of devices and in various countries and regions, **bringing the expansion of business demand and new opportunities for DIGITAL HEARTS**

Holding various resources in addition to the expertise in the game industry developed since its establishment.

Powerful support for achieving success in flexible game development.

## Game enthusiasts driving entertainment quality

### Quality

- Service quality leveraging Japan's unique "meticulous" mentality
- Maximizing game appeal through quality enhancement support by members overflowing with passion for games
- Over 20 years of accumulated expertise in the gaming industry since our founding

## Abundant resources and dominant domestic market share

### Scalability

- Pool of approx. 8,000 testers
- 13 domestic and 10 foreign businesses bases
- Dedicated testing equipment over 10,000 units

## Fast-moving adaptability to meet client demand on the same day

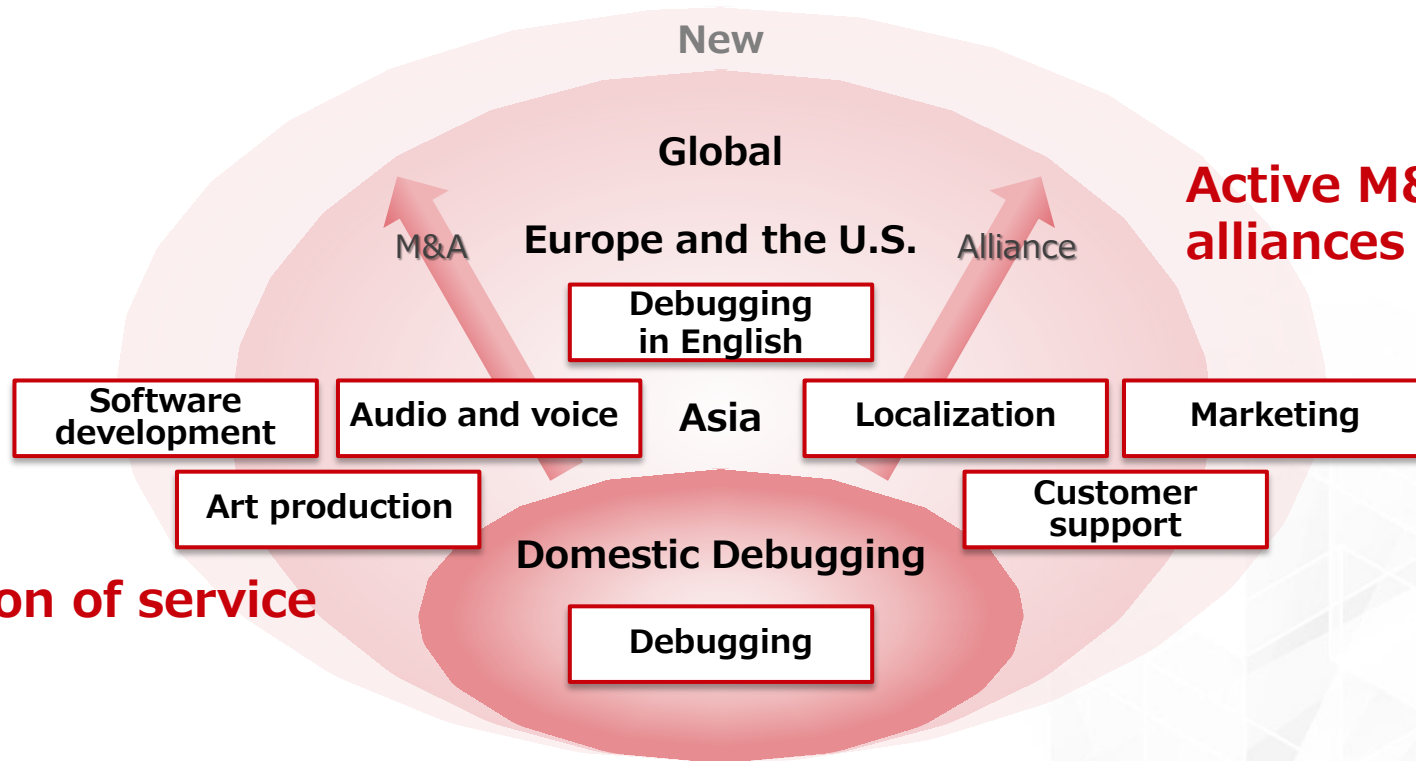
### Flexibility

- Respond to daily client requests of personnel from dozens to hundreds
- Operational capabilities of assigning teams from among abundant human resources with skills and experience that meet client demand

Growing in the global market.

Expanding its services as **one-stop solutions** to provide “high quality and speed,” to become “**Global Quality Partner**” as the global player in the world market.

## Geographical expansion



**Expansion of service**



Steadily expanding overseas business bases focusing on acquiring global clients.

## ■ Business Locations

 ... Debugging/QA base     ... Localization base     ... Game development base

### India

Established an English-language Debugging/QA joint venture with a local game productions in January 2024.

### Canada

Canadian QA company HUWIZ will become a consolidated subsidiary as of November 20, 2025. (planned)

Europe

South Korea

China

Japan

USA

**HUWIZ**

Target region for establishing the next base



 DIGITAL HEARTS

Taiwan

### Singapore

Signed a strategic business alliance in November 2025 with GENERAL ARCADE and LUNATE, a group of game-development engineers in Singapore.



### Thailand

Established a consolidated subsidiary for translation/ LQA in Bangkok, Thailand in October 2025.

By promoting the use of AI, aiming to add value to services and improve operational efficiency.

In collaboration with "Beware of Bytes!," a strategic joint unit formed by bringing together elite members including AI specialists from GENERAL ARCADE and LUNATE, we will **commence research and development on next-generation debugging services utilizing AI.**

**BEWARE OF BYTES!**

Mr. Tsuyoshi HASHIGUCHI, former Google Cloud Japan Executive Officer and Head of AI Business Division, newly appointed **as AI Strategic Advisor.**

**To improve operational efficiency by utilizing AI.**



Mr. Tsuyoshi  
HASHIGUCHI

**ella** translation service  
**Make a revolution in game translation** with a unique AI translation engine that expresses "Emotion."

eSports competition for seniors “GeeSports Tournament” at EXPO 2025 OSAKA, KANSAI, JAPAN. Focusing on the new possibilities of games to resolve the issues facing an aging society.



## Purpose and Significance of GeeSports (\*)

1. Creating new motivation for seniors by providing games and holding events.
2. Promoting health maintenance and dementia prevention while enjoying games.
3. Testing for new possibilities of games for social participation and multigenerational exchanges.

\* GeeSports...Unique words with the acronym “GrandParents” “Exciting” and “Empower”

**At the GeeSports Tournament held in EXPO 2025 OSAKA, KANSAI, JAPAN, teams in their 90's and players aged 94 are all participating.**

They underwent an overwhelming fight with high concentration and breathtaking teamwork. During the game, players wrapped themselves in a warm air with “Keep it!” cheering from visitors on how to fight each other.

### Voice of players participating

“It’s fun because I haven’t done so, and I got so caught up in practicing I forgot how tired my hands were.”

“People who have never spoken finally became familiar with the opportunity to practice games.”

“It’s good that the brains were active because there is also the aspect of a battle of wits.”

**Covered in over 350 articles, generating strong interest from corporations and local governments with lots of inquiries regarding future event hosting.**

Cases of media coverage

\*Click to view the article in Japanese.

- Television Osaka :94-Year-Old Gamer Lights Up Expo as “Geesports” Heats Up
- Asahi Shimbun :Seniors Battle It Out in eSports, Proving Age Is No Barrier to New Challenges



**The second GeeSports Tournament will be held in autumn 2026.**

Through the AI automation tool "TFACT" and the domestically developed "SBOM management tool", we are targeting the "Global Market". Providing Japanese quality technology and security services.  
Toward realizing our mission: "SAVE the DIGITAL WORLD"

# Global Quality & Security Company with AI



Innovative AI Automation Tool "TFACT"

Test process innovation

2026~

2025

2024



Domestic and Global Market Expansion of the SBOM Management Tool

To be a top company in cybersecurity

2023

2022

2021



Global Expansion Centered on Overseas Subsidiaries

Bringing AGEST to the world through Japanese-quality technology and cybersecurity services

2017

AGEST defines new service offerings in line with its growth strategy.

## 1 Focus Area QA Solution

### Main services

Providing software testing as a QA solution to detect defects in software systems

## 5 Other Services (SI, BPO)

System Integration, encompassing development support, system maintenance, and operational support, and BPO Services.

## 2 Focus Area AI and Automation Solutions

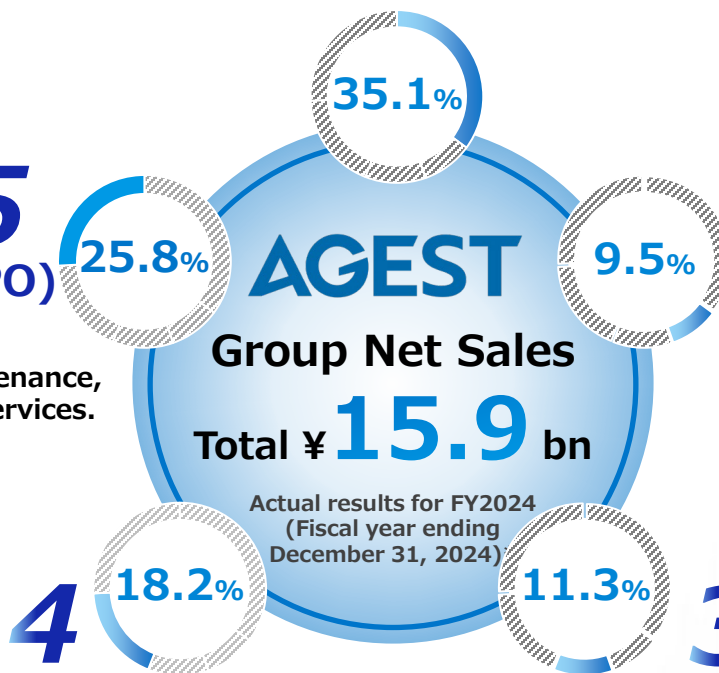
Providing quality support services leveraging technology, including the AI-powered test management tool "TFACT" and the test automation tool "TestArchitect" which is offered by our U.S. subsidiary.

## 3 Focus Area Cybersecurity Solution

Centered around our Security Operations Center (SOC), which monitors software and networks, detects attacks, and implements countermeasures, we provide comprehensive cybersecurity services including vulnerability assessments and other security testing. We are also planning to newly offer an SBOM management service for Web systems, among others.

## 4 ERP Solution

Offering the provision of consultants for implementing and developing ERP systems (such as SAP), the delivery of solution services, and license sales.



# AGEST's Test Automation Initiatives and Compatibility with AI Testing

- As a dedicated testing company, we also focus on test automation.
- Combined with our AI testing tool “TFACT,” this enables streamlined testing processes and further revenue growth.

## Our history of test automation and roadmap for AI testing area

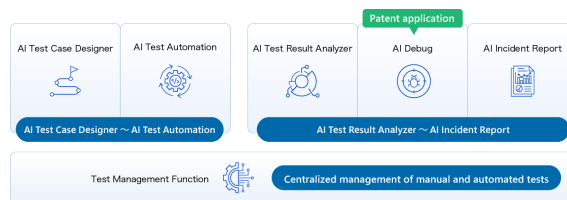


Software test automation tool developed by LOGIGEAR CORPORATION, our subsidiary, with **over 10 years of operational experience, capable of automating testing for any device**






Embracing the AI trend and seeking further efficiency and quality improvements, we developed **the innovative AI testing tool “TFACT”**. The β version was released in January 2025, with the official version following in September.

**The AI testing tool, TFACT, provides one-stop assistance from test case creation to automated execution, result analysis and reporting, and test case management.**

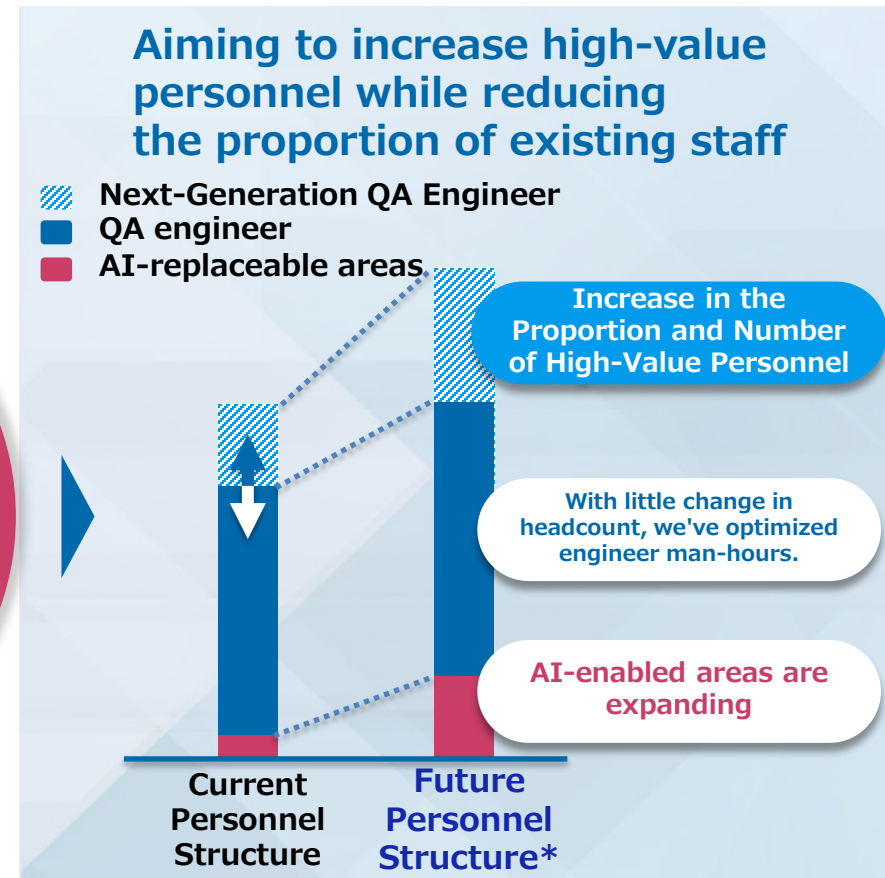
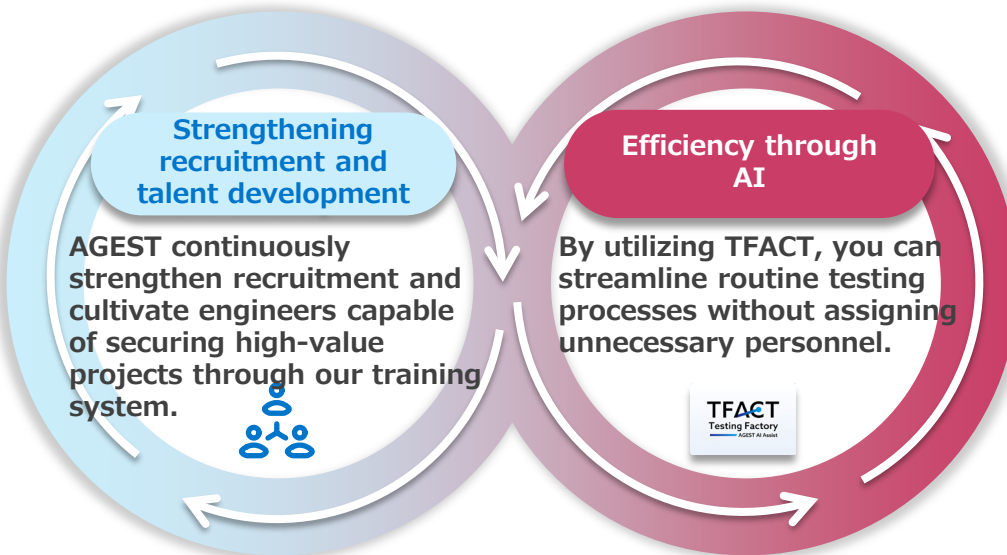


**By integrating “TestArchitect” with “TFACT,”** AGEST enables further technological innovation. In January 2026, the **company plans to launch the SaaS version of TFACT,** aiming to **establish a new revenue model.**

-  **The expansion of AI-enabled areas makes AI testing possible on any device**
-  **Further reduction in testing effort and overwhelming market delivery speed**
-  **Enhancing test accuracy and quality through the acquisition of vast amounts of test data**

- Securing and developing top talent is a key mission for our company.
- Furthermore, through the utilization of TFACT, we will continue to **evolve by optimizing our engineering team composition and expanding our testing capabilities.**

Establish a virtuous cycle of recruitment, development, and AI-driven efficiency



\*This document includes an illustrative diagram created by our company showing the future personnel structure of our company.

- Implementing **SBOM management services** enables **comprehensive and continuous security management**.
- As the adoption of SBOMs accelerates and regulations tighten in the US, EU, and other regions, Japan is also expected to require countermeasures.
- We plan to **release an SBOM management service for Web systems and other similar applications in January 2026**.

## About SBOM

An SBOM (Software Bill of Materials) is a list of the components that make up a piece of software and their dependencies. This is important for managing software security risks and streamlining vulnerability response and license management.

## AGEST's SBOM Vulnerability Periodic Reporting Service

AGEST was quick to launch its SBOM management service for IoT devices.

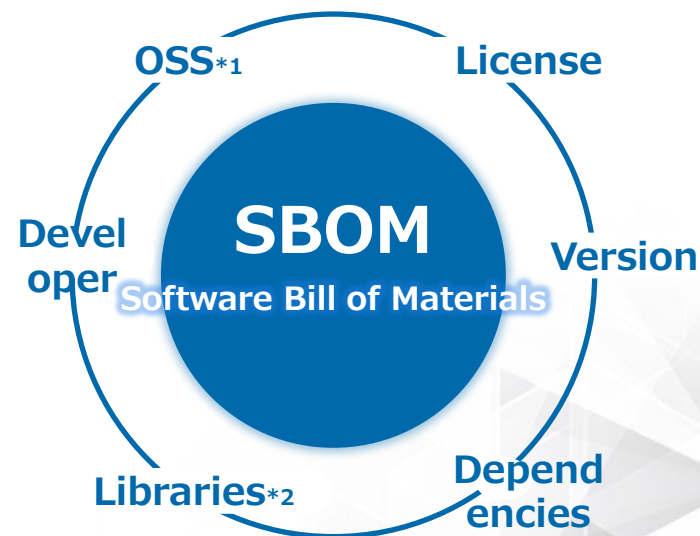
Going forward, we will expand this service to cover domains such as Web systems, servers, and business systems, in addition to IoT devices.

Web system

Server

IoT and embedded devices

Business system



We aim for the leading market share in the industry as a fully domestic SBOM management service.

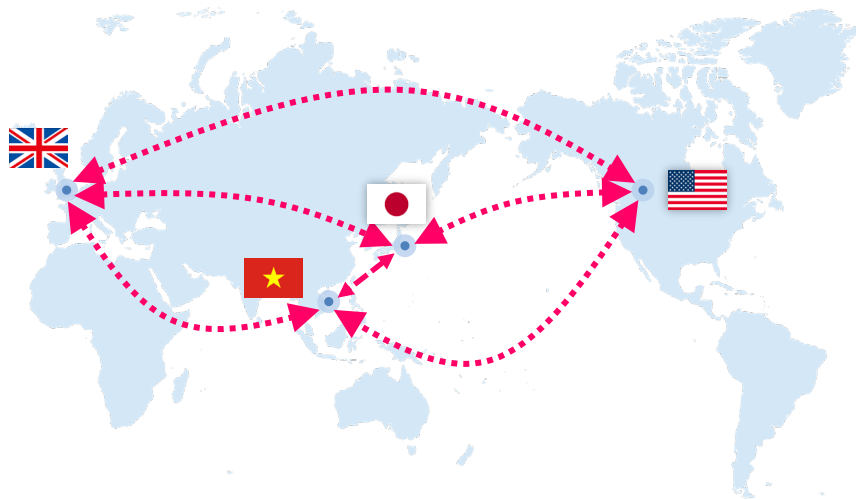
\*1 OSS stands for Open Source Software, referring to software that can be used, modified, and redistributed.

\*2 A library refers to a collection of reusable program components or materials for a specific purpose.



- Further expansion and efficiency gains through organic growth at each company and global collaboration.

Organically linking the product, delivery, and sales structures in each country.  
 In particular, we will focus on the global expansion of our domestic products, "TFACT" and "SBOM".



QA AI Sec. ERP others



- Service delivery to the Japanese domestic market
- Delivery of each solution
- Development of QA, AI, Security, and ERP products



QA AI Sec. ERP others



- Service provision to the US market
- Development of AI and automation products
- Sales of TFACT/SBOM



QA AI Sec. ERP others



- Service Provision to the Euro Market
- ERP Delivery
- In-House ERP Product Development
- Sales of TFACT/SBOM



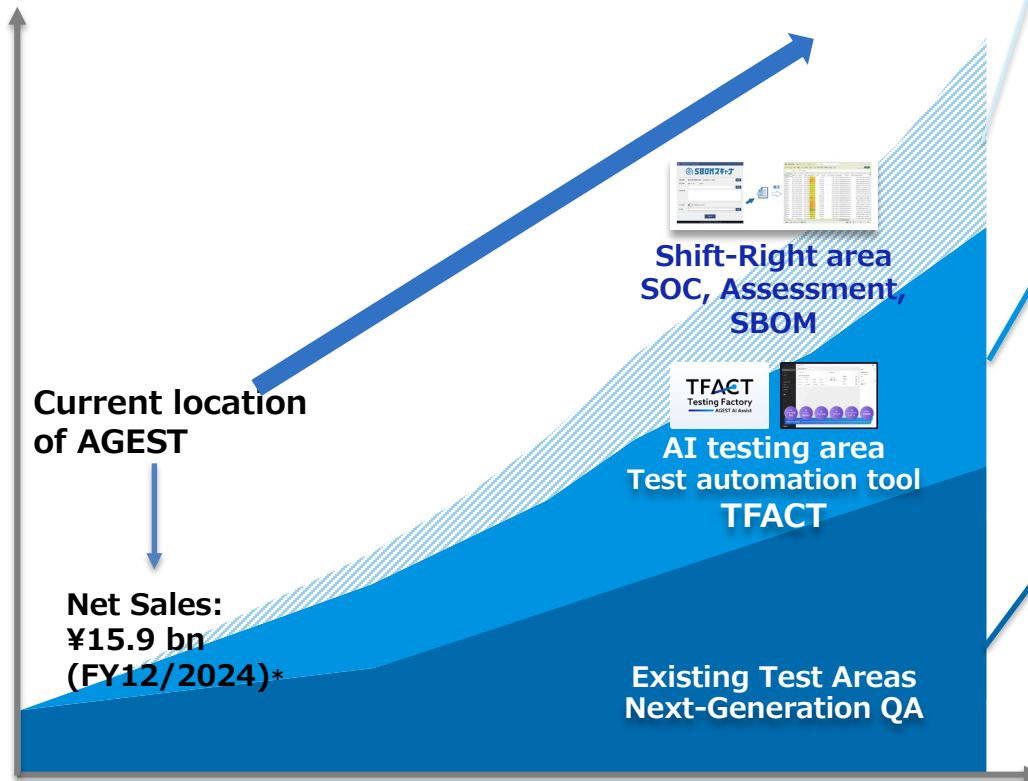
QA AI Sec. ERP others



- Vietnam Offshore (QA, AI, and Other Delivery)
- Service Provision to the Vietnam Market
- Sales of TFACT/SBOM

- Going forward, we will focus on TFACT-driven automation and AI testing, as well as shift-right testing, in addition to existing testing domains.
- Further growth will be achieved through global expansion, not just domestically.

## Vision of AGESt's growth strategy



### Growth strategy for the Shift-Right area

QA AI **Sec.** ERP others

Advance the implementation of SBOM management tool to provide customers with continuous security management and secure a new SaaS-based revenue model. Aim for expansion in the global market, similar to TFACT.

### Growth strategy for the automation /AI testing area

QA **AI** Sec. ERP others

Promoting TFACT adoption and expanding tool sales models. Continuously adding new features to achieve TFACT implementation and sales in overseas markets.

### Growth strategy for existing test area

QA **AI** **Sec.** **ERP** others

Continuous pursuit of the Shift-Left strategy and enhanced recruitment and development of Next-Generation QA engineers. Optimizing resource cost-efficiency

# Consolidated Financial Results for 1H FY2025

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# Summary of Business Results for the Six Months Ended September 30, 2025

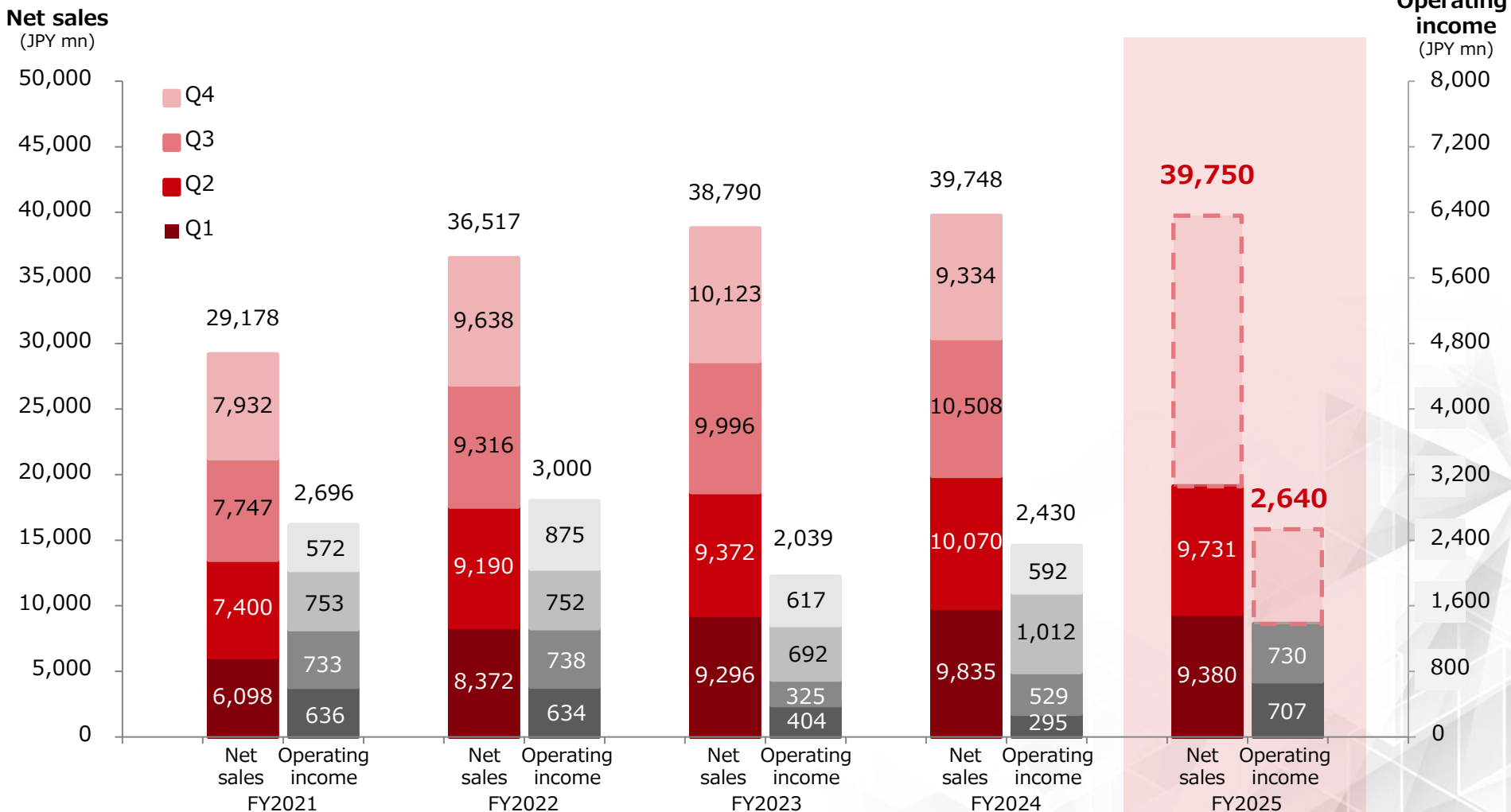


- Sales decreased due to exclusion of subsidiaries in FY2024, but **existing businesses grew excluding this impact.**
- **Record-high operating income** driven by new hardware launch boosting **high profitable Domestic debugging** and **AGEST Group's turning to profitable.**
- Despite ¥299 mn loss on valuation of investment securities, **net income rose significantly** by operating profit growth.

(JPY mn)	1H FY2024	1H FY2025	YoY change		YoY change excluding the sale of a subsidiary(*)
<b>Net sales</b>	<b>19,906</b>	<b>19,112</b>	<b>-794</b>	<b>-4.0%</b>	<b>+7.0%</b>
Cost of sales	15,031	14,108	-923	-6.1%	+5.7%
Cost of sales (%)	75.5%	73.8%		-1.7 points	-0.9 points
Gross profit	4,874	5,003	+128	+2.6%	+11.0%
SG&A	4,048	3,564	-483	-12.0%	-4.4%
<b>Operating income</b>	<b>825</b>	<b>1,438</b>	<b>+612</b>	<b>+74.2%</b>	<b>+84.4%</b>
<b>Operating income Margin</b>	<b>4.1%</b>	<b>7.5%</b>		<b>+3.4 points</b>	<b>+3.2 points</b>
<b>Ordinary income</b>	<b>809</b>	<b>1,422</b>	<b>+612</b>	<b>+75.7%</b>	<b>—</b>
<b>Profit attributable to owners of parent</b>	<b>455</b>	<b>757</b>	<b>+302</b>	<b>+66.5%</b>	<b>—</b>
<b>EBITDA</b>	<b>1,314</b>	<b>1,833</b>	<b>+519</b>	<b>+39.5%</b>	<b>+54.9%</b>

**Record-high profits in 1H, driven by Domestic debugging growth and improved profitability of AGESt Group.**

**Both businesses are progressing steadily toward full-year targets.**



(JPY mn)	Q4 FY2024 (As of March 31, 2025)	Q2 FY2025 (As of September 30, 2025)	Change from Q4 FY2024
<b>Total assets</b>	<b>19,949</b>	<b>20,286</b>	<b>+337</b>
Current assets	14,069	14,734	+665
Cash and deposits	7,593	8,027	+433
Noncurrent assets	5,880	5,551	-328
Property, plant and equipment	1,475	1,502	+27
Intangible assets	1,748	1,683	-64
Goodwill	1,035	848	-186
Investments and other assets	2,656	2,365	-290
<b>Total liabilities</b>	<b>10,688</b>	<b>10,769</b>	<b>+80</b>
Current liabilities	10,473	10,558	+85
Short-term loans	5,200	5,500	+300
Noncurrent liabilities	215	210	-4
<b>Total net assets</b>	<b>9,260</b>	<b>9,517</b>	<b>+257</b>
Shareholders' equity	7,859	8,349	+490
Accumulated other comprehensive income	1,094	864	-229
Non-controlling interests	306	302	-3
<b>Total liabilities and net assets</b>	<b>19,949</b>	<b>20,286</b>	<b>+337</b>

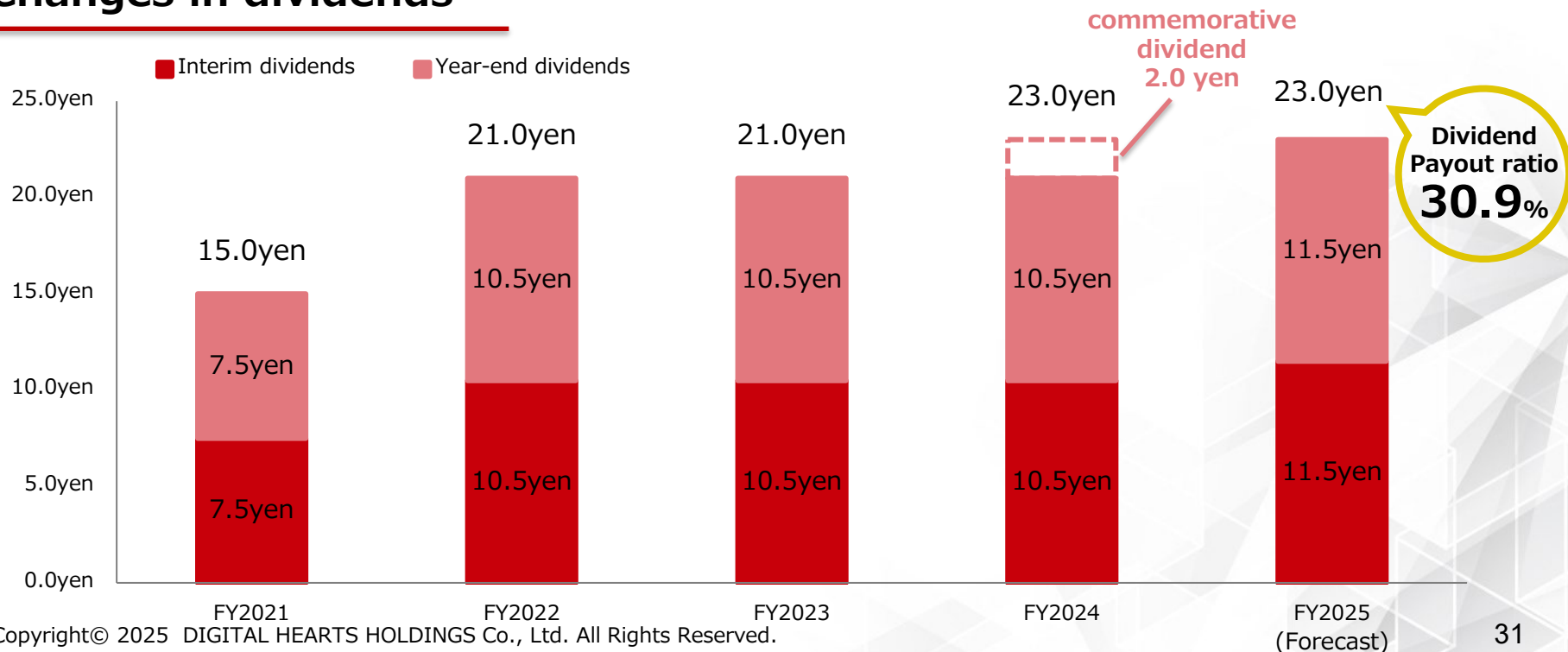
(JPY mn)	1H FY2024	1H FY2025	YoY Change
<b>Net cash provided by operating activities</b>	<b>1,257</b>	<b>981</b>	<b>-276</b>
(*Cash flows before income taxes paid)	<b>1,516</b>	<b>1,535</b>	<b>+19</b>
<b>Net cash used in investing activities</b>	<b>-714</b>	<b>-472</b>	<b>+242</b>
<b>Net cash provided by (used in) financing activities</b>	<b>-612</b>	<b>-0</b>	<b>+612</b>
Effect of exchange rate change on cash and cash equivalents	<b>140</b>	<b>-75</b>	<b>-216</b>
<b>Net increase in cash and cash equivalents</b>	<b>71</b>	<b>433</b>	<b>+361</b>
Cash and cash equivalents at the beginning of period	<b>6,858</b>	<b>7,593</b>	<b>+735</b>
Cash and cash equivalents at the end of period	<b>6,930</b>	<b>8,027</b>	<b>+1,096</b>

The interim dividend are **11.5 yen**, in line with the initial forecast. The annual dividend is **expected to be stable at 23.0 yen**, the same level as the previous year.

## Basic Policy to Return Profits to Shareholders

While securing sufficient internal reserves to invest in business growth and strengthen our management structure, stable dividends to shareholders with a **payout ratio of 20%** as the minimum target

## Changes in dividends





# Financial Results of 1H FY2025 by Segment and Full-year Forecast of FY2025

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【Notice regarding Earnings by Segment】

- Net sales by segment include inter-segment sales or transfers.  
Segment income is based on operating income.

# Summary of Financial Results by Segment

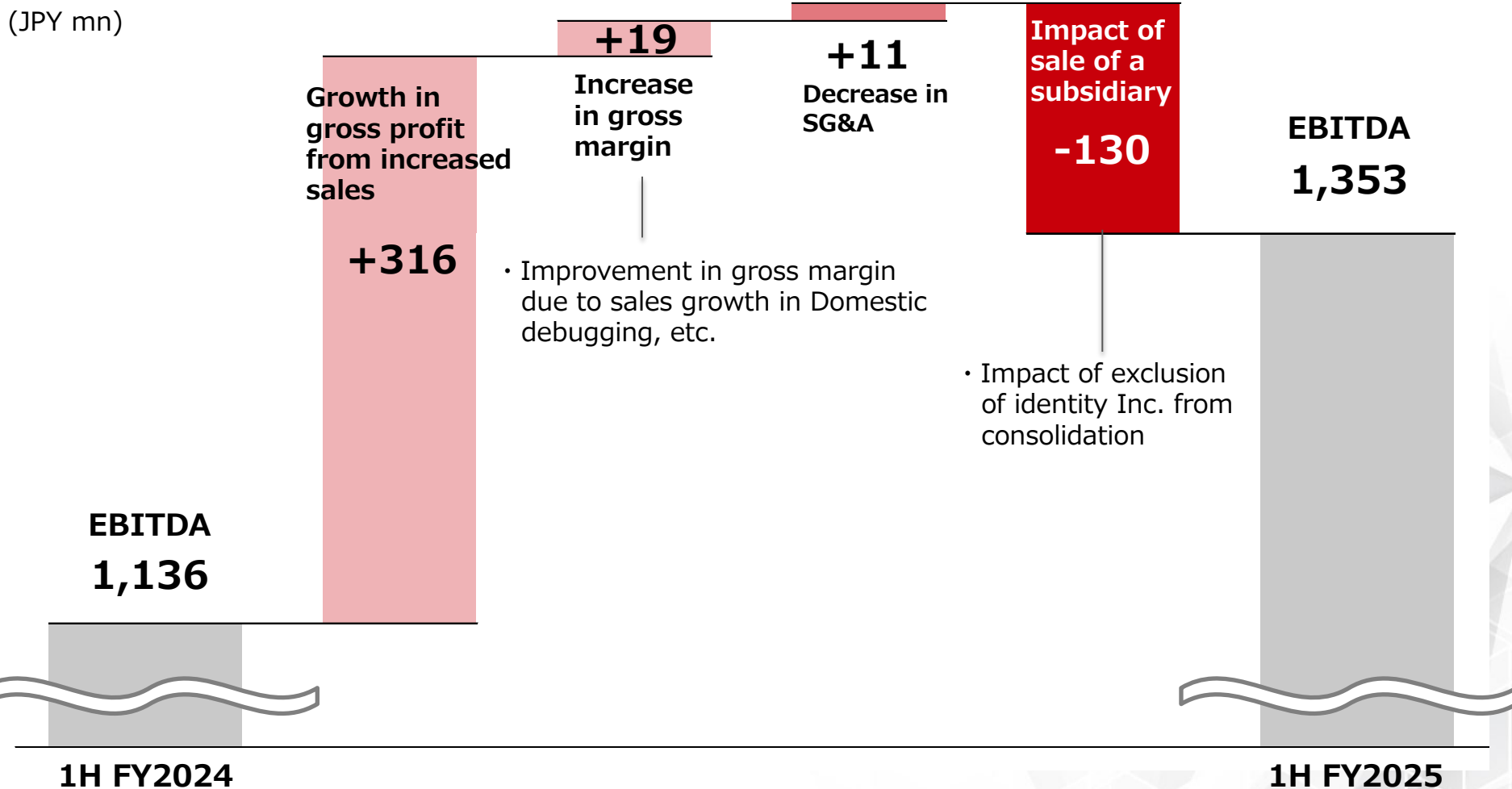


(JPY mn)	1H FY2024	1H FY2024 excluding the impact of the sale of a subsidiary(*)	1H FY2025	YoY change	YoY change excluding the impact of the sale of a subsidiary(*)
<b>Net sales</b>	<b>19,906</b>	<b>17,859</b>	<b>19,112</b>	<b>-4.0%</b>	<b>+7.0%</b>
DH Group	12,170	10,123	11,321	-7.0%	+11.8%
AGEST Group	7,925	7,925	7,905	-0.3%	-0.3%
Adjustments	-190	-190	-114	—	—
<b>Operating income</b>	<b>825</b>	<b>780</b>	<b>1,438</b>	<b>+74.2%</b>	<b>+84.4%</b>
DH Group	832	786	1,154	+38.8%	+46.8%
AGEST Group	-6	-6	283	—	—
<b>EBITDA</b>	<b>1,314</b>	<b>1,183</b>	<b>1,833</b>	<b>+39.5%</b>	<b>+54.9%</b>
DH Group	1,136	1,006	1,353	+19.1%	+34.5%
AGEST Group	177	177	479	+170.5%	+170.5%

- Revenue declined mainly due to the sale of subsidiary in Q3 FY2024. **Segment net sales in real terms achieved double-digit growth of YoY +11.8%** against the backdrop of market-activation by the launch of Nintendo Switch 2 and increased multilingual development of titles.
- **1H segment income reached ¥1.1 bn, YoY +38.8%**, due to sales growth of highly profitable Domestic debugging, progressing favorably against full year forecast ¥2.0 bn.
- To more accurately reflect actual conditions in response to the large amount procured of specialized testing equipment and others, **the depreciation methods in a subsidiary were changed from Q1**. As a result, 1H FY2025 segment income increased by ¥33 mn.

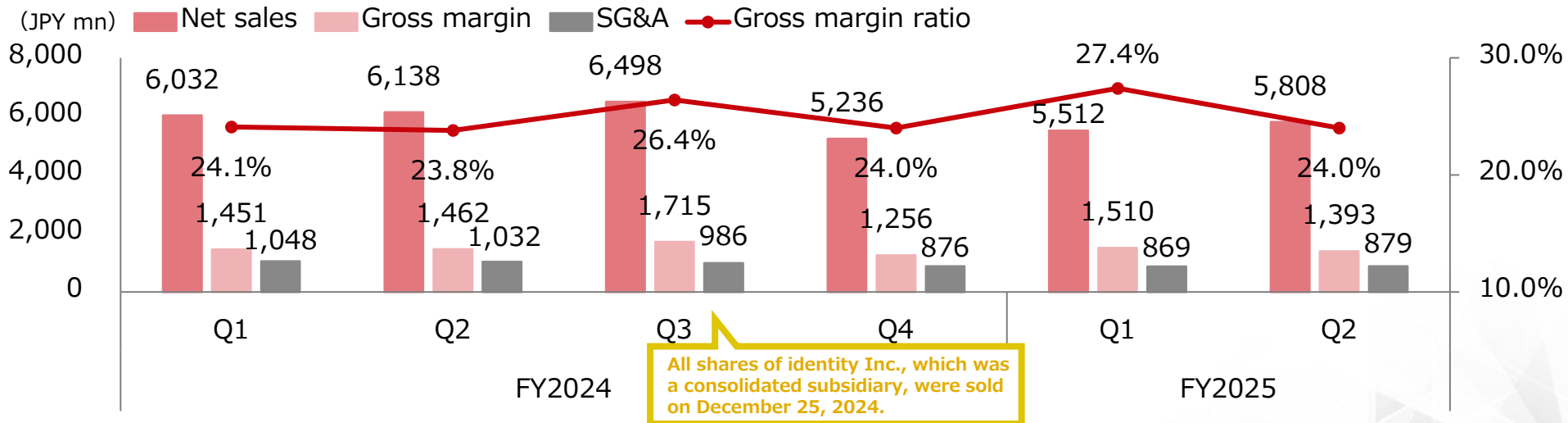
(JPY mn)	1H FY2024	1H FY2025	YoY change
<b>Net Sales</b>	<b>12,170</b>	<b>11,321</b>	<b>-7.0%</b>
Domestic debugging	6,800	7,500	+10.3%
Global and others	5,370	3,821	-28.8%
<small>*1H FY2024 results include identity Inc., which was sold in December 2024.</small>			
<b>Segment income</b>	<b>832</b>	<b>1,154</b>	<b>+38.8%</b>
<b>EBITDA</b>	<b>1,136</b>	<b>1,353</b>	<b>+19.1%</b>

Despite the impact of the subsidiary sale, EBITDA achieved significant growth YoY +19.1%, driven by sales growth in profitable Domestic debugging etc.

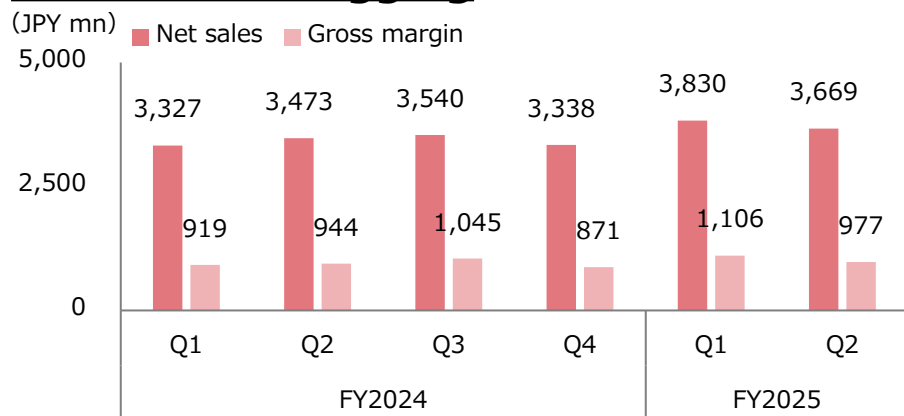


## Performance Trends

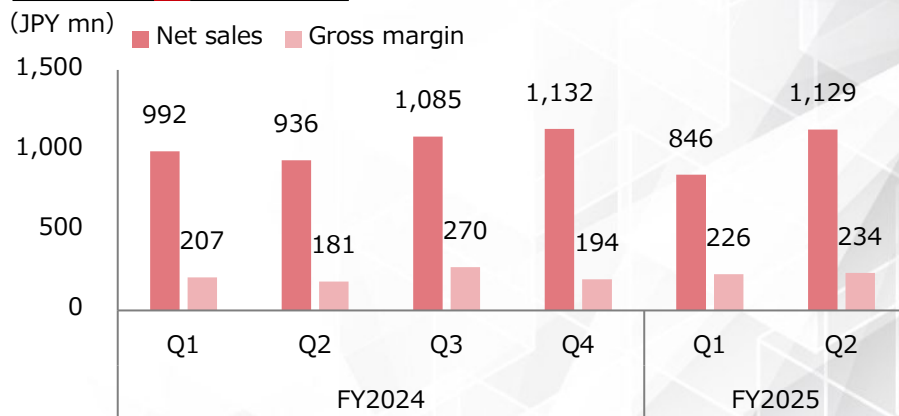
### DH Group Business



### Domestic debugging

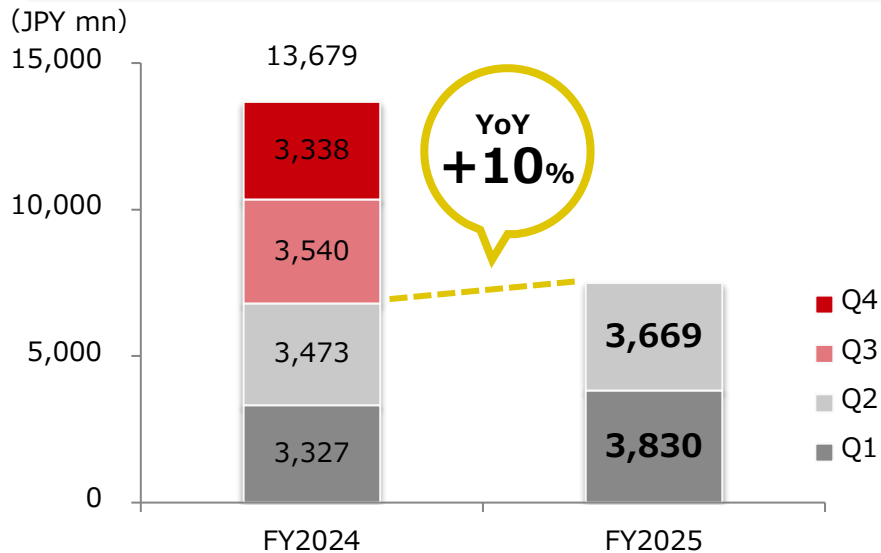


### Global(\*) service

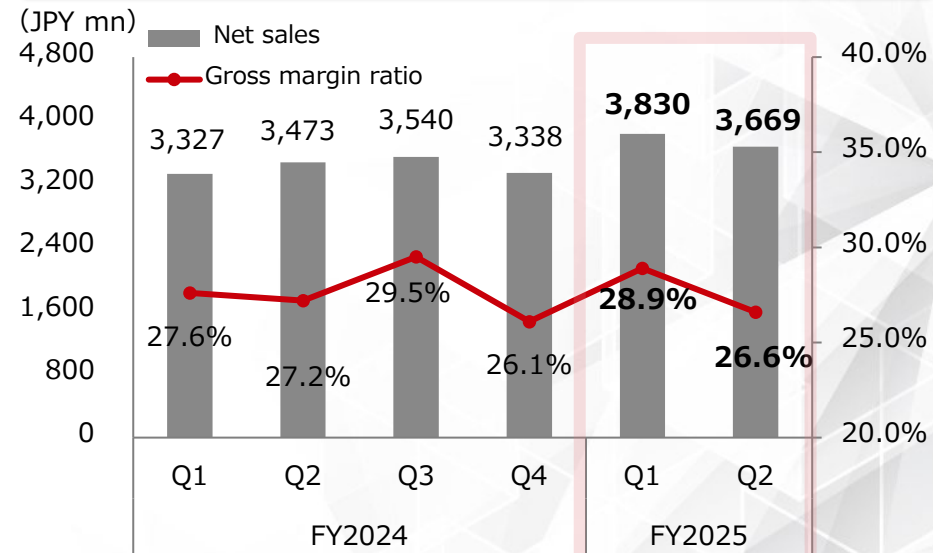


- Strong performance, with **sales growth of YoY +20% in debugging for console games**, by steadily acquiring new projects leveraging the strengths of **over 600 testing equipment specialized for new hardware** procured since soon the end of FY2024.
- **While continuing to invest in human capital** including the raise of hourly wages for testers, the gross margin for 1H FY2025 **remained high at 27.8%**, supported by revenue growth.
- Amid expectations of the further development of new console game titles, we will continue to promote our unique quality methodology, DHQ (Digital Hearts Quality), **to secure further new projects.**

## Quarterly sales

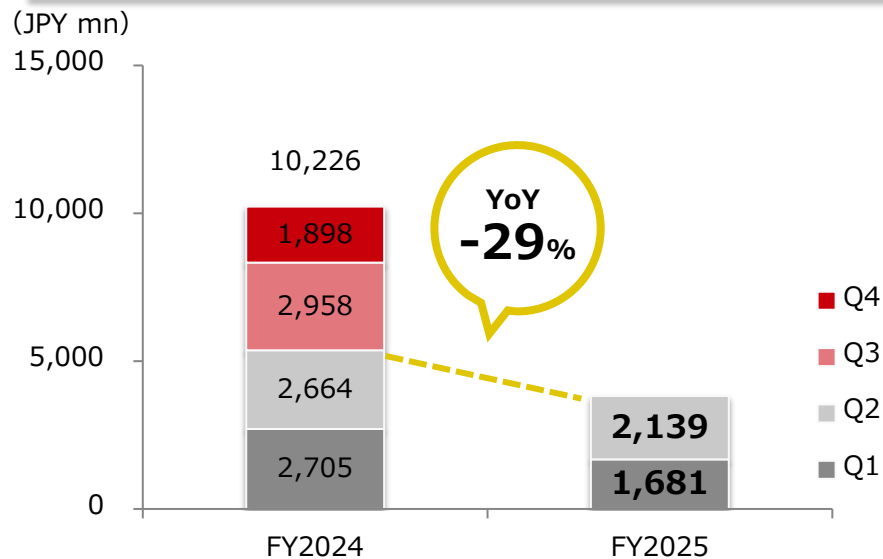


## Net sales and Gross margin ratio

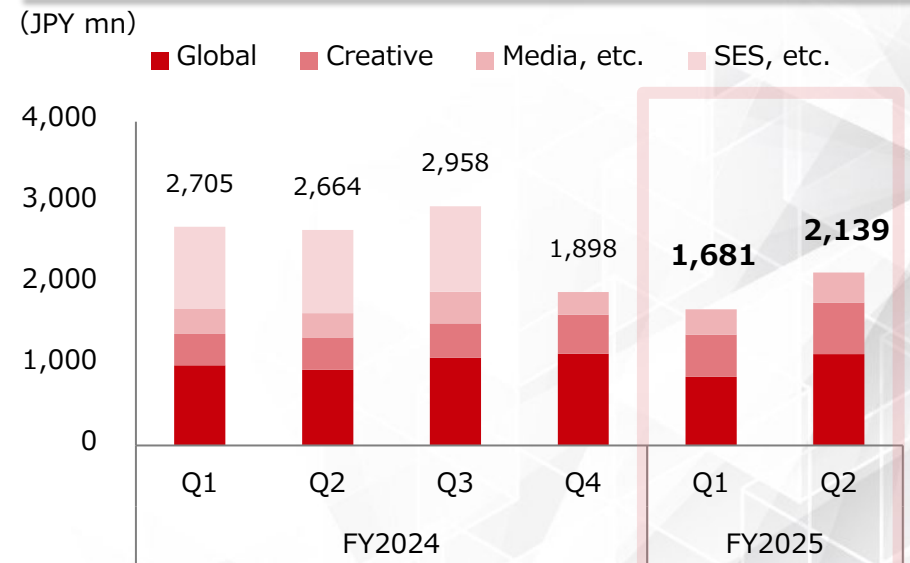


- **YoY +15% double-digit sales growth in real terms** excluding the impact of the sale of a subsidiary, by **steadily acquiring new projects in translation and LQA** due to the full launch of “ella,” our innovative AI translation engine specializing in games, and additionally by **growing sales of Creative services** due to new development-support projects including those for Nintendo Switch 2.
- Accelerate investing in global expansion by improving Asian resource through **the establishment of a consolidated subsidiary in Thailand**, expanding English-language debugging through **the acquisition of a Canadian entity**, and strengthening game-development through **the strategic business alliance with Singaporean companies**.

## Quarterly sales



## Quarterly sales by service



- **YoY +2.1% sales growth of QA solution**, by **steadily increasing in domestic QA solution** against a backdrop of strong demand for testing in Japan and by covering sluggish foreign businesses mainly due to the impact of the sale of subsidiary.
- Decreasing sales in IT services and others, due to **the strategic downsizing** of low-profit businesses and **the negative impact from price hike on endpoint security monitoring devices** by a certain vendor.
- While **actively investing for future growth** in HR like engineers and in tools like AI test tools “TFACT” and SBOM<sup>(\*)</sup> management tool, **improved gross margin and reduced SG&A expenses** through sales expansion of core services and restructuring of foreign businesses, resulting in **a significant profit increase by YoY ¥290 mn.**

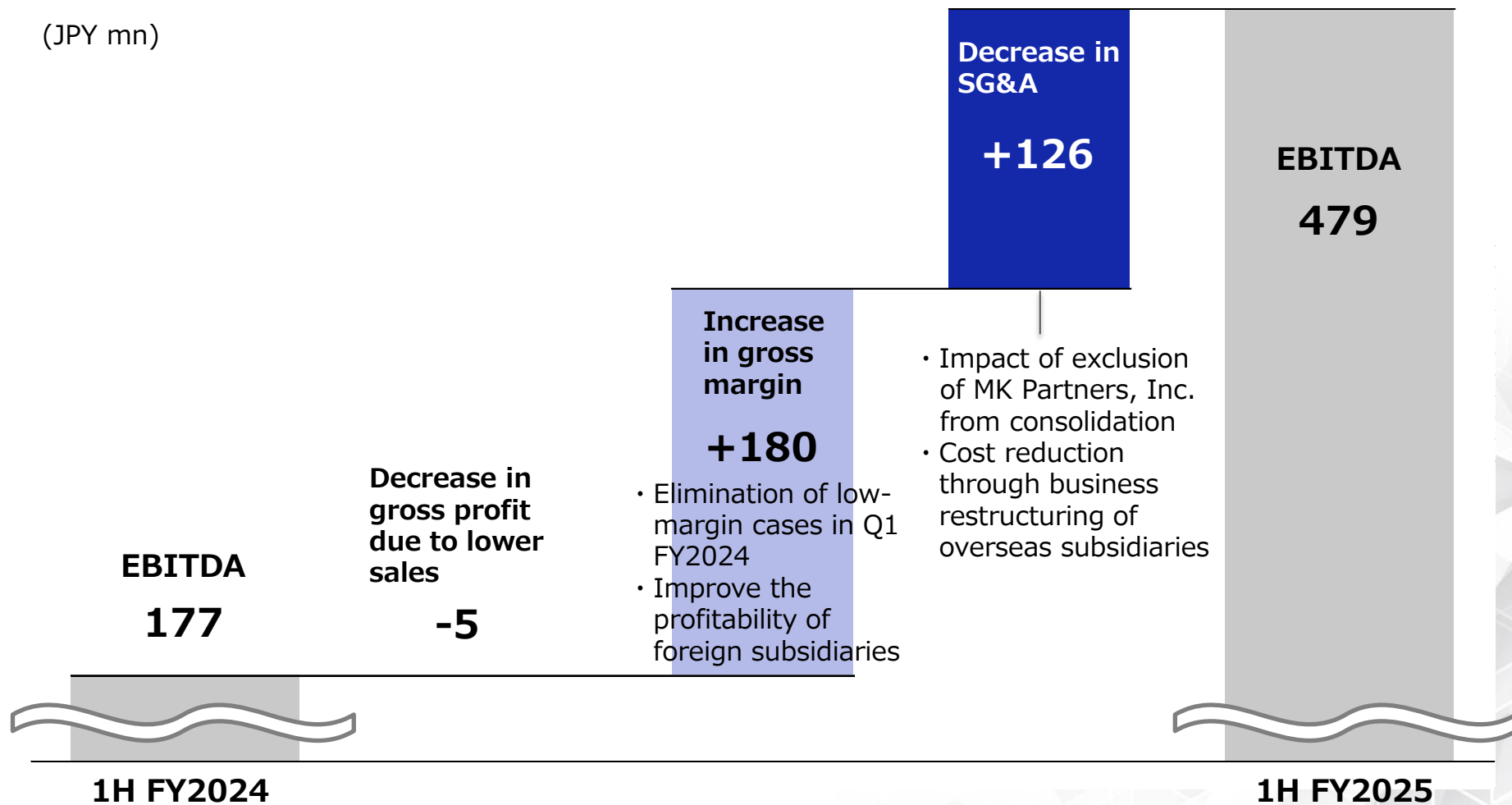
\*SBOM (Software Bill of Materials) refers to a structured list of OSS and other components contained in software.

(JPY mn)	1H FY2024	1H FY2025	YoY change
<b>Net sales</b>	<b>7,925</b>	<b>7,905</b>	<b>-0.3%</b>
QA solution	<b>6,843</b>	<b>6,988</b>	<b>+2.1%</b>
IT services and others	<b>1,081</b>	<b>916</b>	<b>-15.3%</b>
<b>Segment income</b>	<b>-6</b>	<b>283</b>	<b>—</b>
<b>EBITDA</b>	<b>177</b>	<b>479</b>	<b>+170.5%</b>



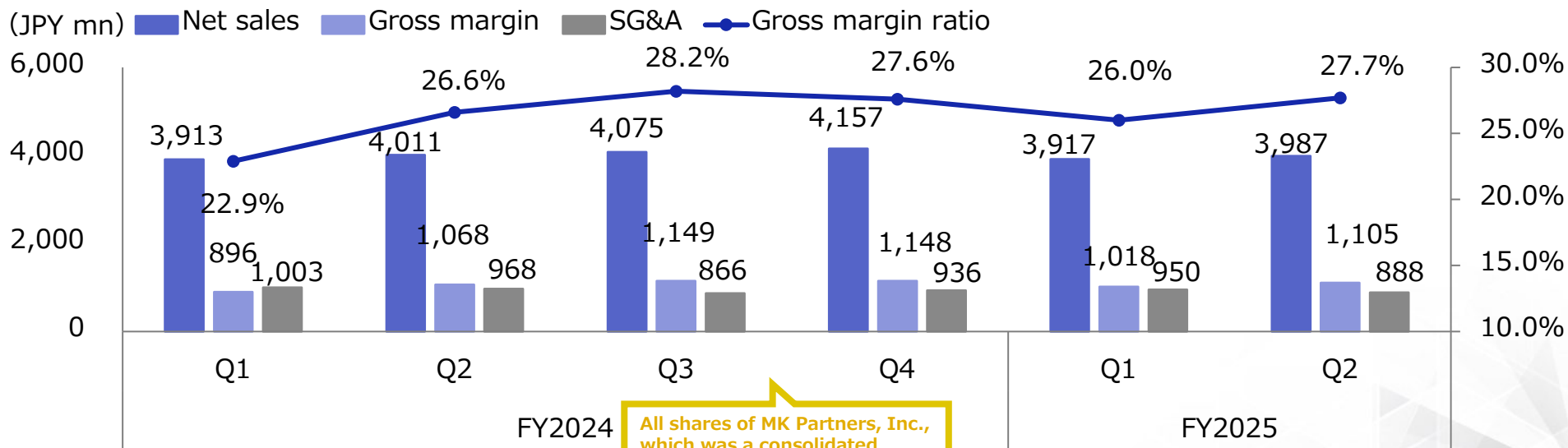
**EBITDA achieved significant profit growth of YoY 2.7 times due to improved gross margin in both domestic and foreign businesses and to lower SG&A expenses due to businesses restructuring of foreign subsidiaries.**

(JPY mn)



## AGEST Group Business

### Performance Trends



### QA solution division KPI

#### Number of clients with orders(\*1/\*2)

Q2 FY2024

**727** companies

Q2 FY2025

**764** companies

Breakdown of YoY changes in number of clients with orders

Domestic +47 companies  
Overseas -10 companies

#### Annual sales per client(\*1/\*2)

Q2 FY2024

**¥18** mn

Q2 FY2025

**¥18** mn

#### Number of engineers(\*2)

Q2 FY2024

**1,055** people

Q2 FY2025

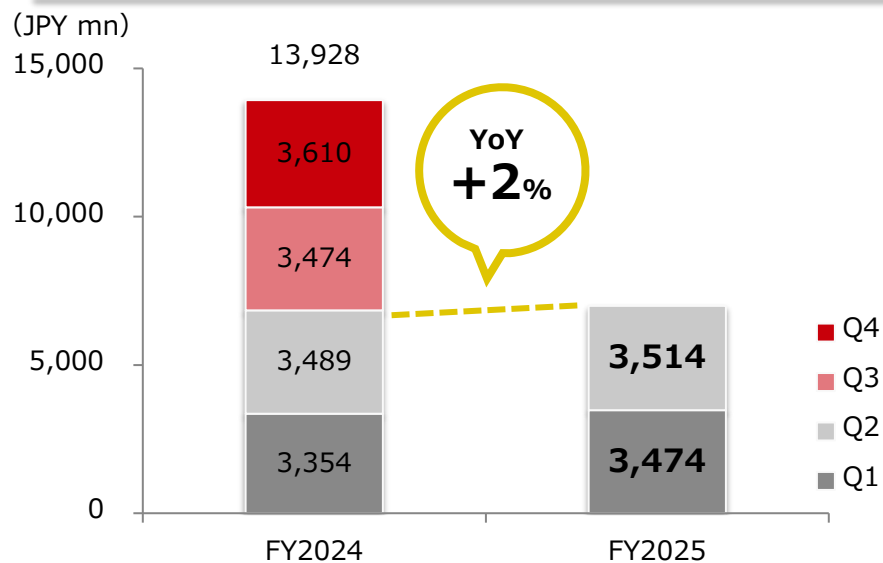
**1,071** people

Breakdown of YoY changes in number of engineers

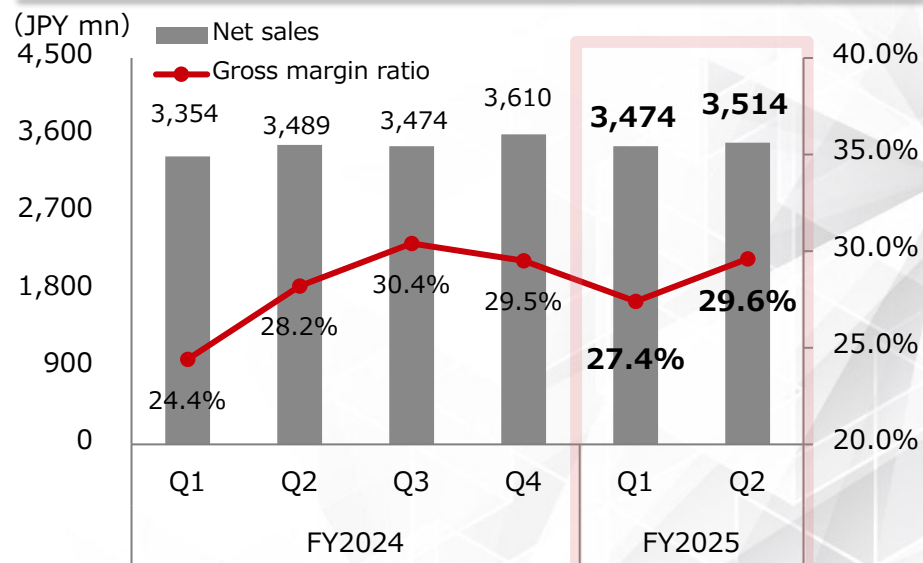
Domestic +44 people  
Overseas -28 people

- **Continued the sales growth trend in the domestic businesses, up 7% YoY**, due to the steady acquisition of new testing projects under the favorable market-environment.
- **Profitability of overseas businesses improved** mainly due to business restructuring, while continued decline in sales with the share sales MK Partners, Inc.
- **Accelerate growth investments in engineers and AI test tools** to further expand our business, with the stable gross profit margin at over 27%, excluding Q1 FY2024, when it temporarily declined due to a certain low-profit project.
- **Full-scale utilization of AI in testing**, such as an official launch of our unique AI test tool, TFACT, in September 2025.

## Quarterly sales



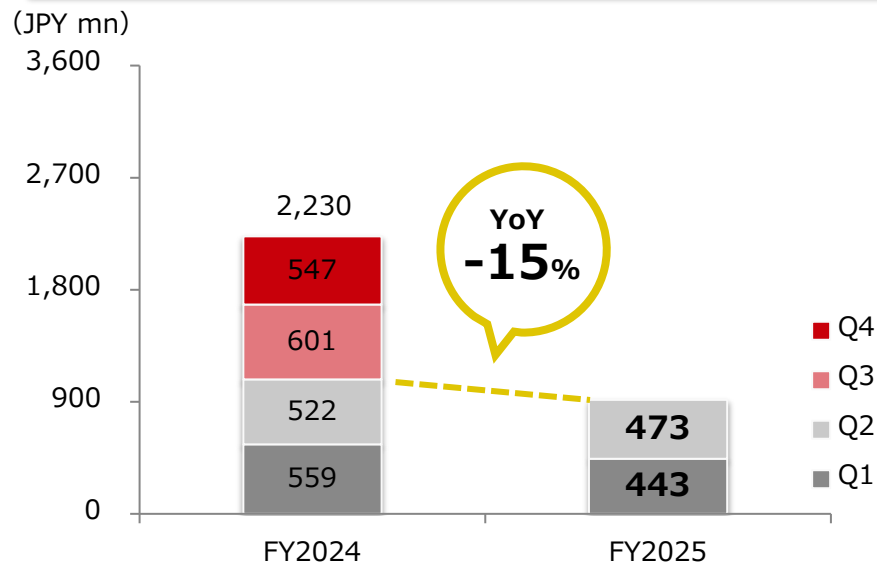
## Net sales and Gross margin ratio



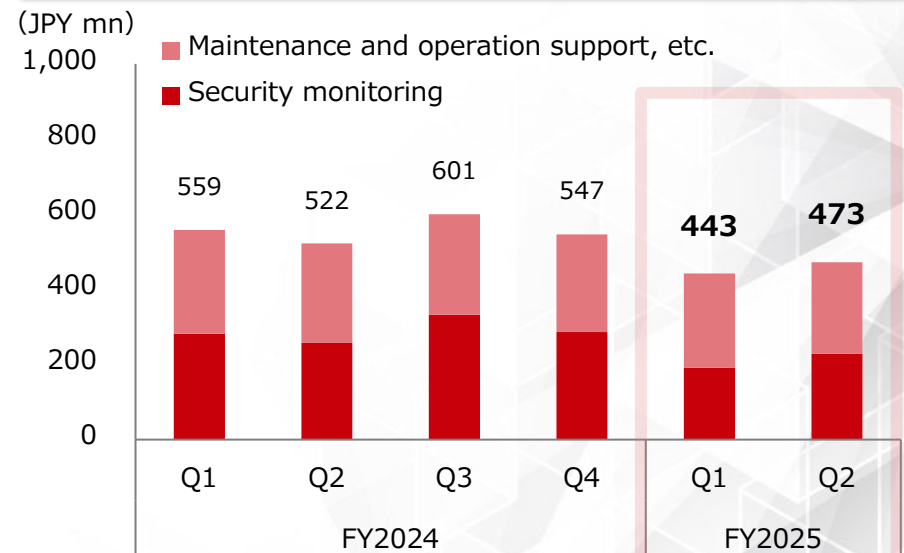
- **Strategic reduction of certain low-profit services**, such as maintenance and operation support.
- License renewal revenue declined in the security monitoring service due to **price increases on endpoint security devices** by a certain vendor.
- We are **accelerating the development of our SBOM management tool** in preparation for its launch in January 2026. Looking ahead, we aim to capture the top market share as a fully domestic SBOM management service.

\*SBOM (Software Bill of Materials) refers to a structured list of OSS and other components contained in software.

## Quarterly sales



## Quarterly sales by service



# FY2025 Consolidated Financial Forecast

- **Planning sales and profit growth**, with continuous sales growth in real terms.
- DH Group is aiming to **grow both its sales and profit in real terms**, excluding the impact of the sale of a non-core subsidiary, with the strong demand due to the release of new hardware and increase in multilingual titles in the global market.
- AGEST Group is aiming **YoY +29% profit growth** with investment in HR and AI in the domestic QA solution, as **conservative plans amid preparations for Spin-Off Listing**.
- **Net Profit target of YoY +164%**, incl the impact of extraordinary losses in FY2024.

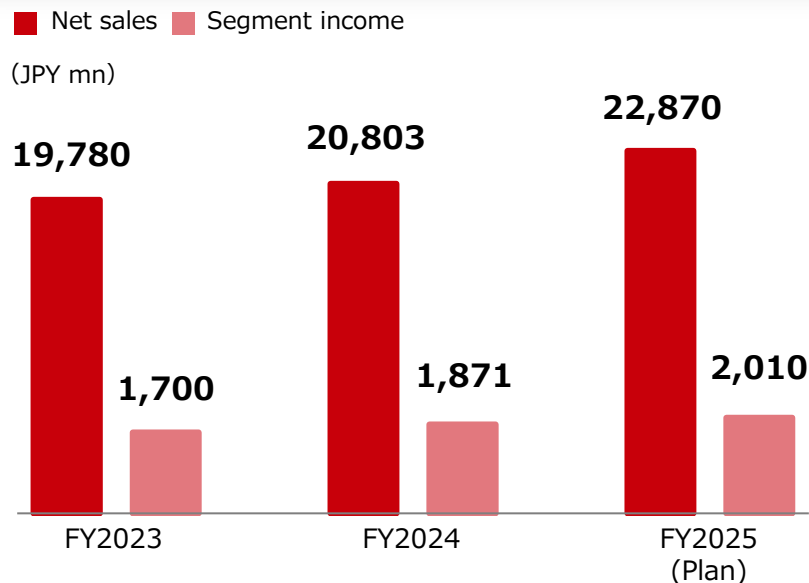
(JPY mn)	Full-year FY2024 (Actual)	Full-year FY2025 (Forecast)	YoY change	YoY change excluding the impact of the sale of a subsidiary (*)
<b>Net sales</b>	<b>39,748</b>	<b>39,750</b>	<b>+0.0%</b>	<b>+8.5%</b>
DH Group	23,906	22,870	-4.3%	+9.9%
AGEST Group	16,158	16,880	+4.5%	+4.5%
Adjustments	-316	—	—	—
<b>Operating profit</b>	<b>2,430</b>	<b>2,640</b>	<b>+8.6%</b>	<b>+11.9%</b>
DH Group	1,941	2,010	+3.5%	+7.4%
AGEST Group	488	630	+28.9%	+28.9%
<b>OP margin</b>	<b>6.1%</b>	<b>6.6%</b>	<b>+0.5points</b>	<b>+0.2points</b>
<b>Ordinary income</b>	<b>2,278</b>	<b>2,640</b>	<b>+15.9%</b>	—
<b>Profit attributable to owners of parent</b>	<b>629</b>	<b>1,660</b>	<b>+163.7%</b>	—

# DH Group Business Forecast for FY2025

(\*excluding the impact of the sale of a subsidiary)



DIGITAL HEARTS HLDGS.



## ■ FY2025 DH Group Business Full-Year Forecast (excluding the impact of the sale of a subsidiary\*1)

Net sales

¥**22,870** mn

(YoY change +9.9%)

Segment income

¥**2,010** mn

(YoY change +7.4%)

\*1 In December 2024, we transferred all shares of identity Inc., a consolidated subsidiary engaged in our non-core businesses. Therefore, for the purpose of comparison, the results for FY2023 and FY2024 on this page exclude the impact of this change (FY2024 net sales of ¥3,103 mn and segment income of ¥70 mn (after consolidation)).

## ■ Key points of FY2025

1.

**To expand our core Domestic debugging division, buoyed by the launch of Nintendo Switch 2**

Test equipment for Nintendo Switch 2  
Already **600** units in stock!  
(As of March 31, 2025)

2.

**Aiming the double-digit growth in global services<sup>(\*)</sup> supporting the globalization, multi-platform, and multi-language development of games**

3.

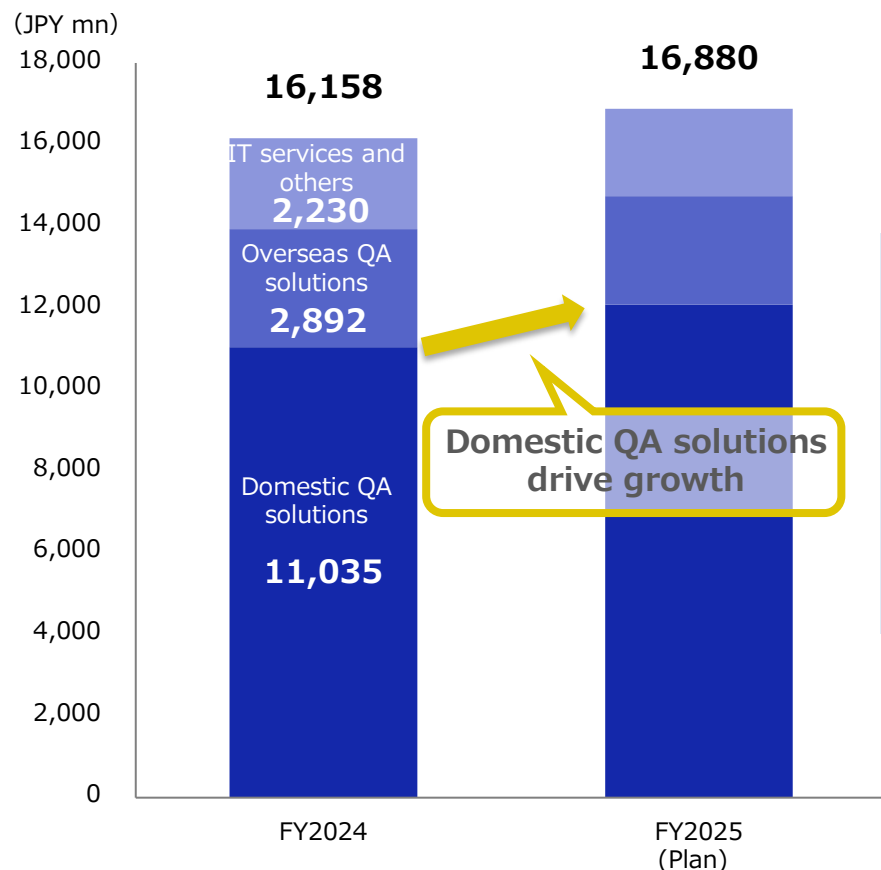
**Service expansion and new business creation by a unique talent model through an abundant and diverse workforce with various educational backgrounds, work experience, nationalities working in a variety of ways**

\* Global services: Translation/ LQA, marketing support, and overseas debugging

Expand sales mainly in domestic QA solutions by promoting the use of AI in the testing field. Aim for significant profit growth for the second consecutive year, while increasing the number of test engineers hired and improving average revenue per customer, along with enhanced gross profit margin driven by operational reforms launched in FY2024.

## ■ AGEST Group Business Sales Trends

## ■ FY2025 AGEST Group Business Full-Year Forecast



Net sales	Segment income
-----------	----------------

<p><b>¥16,880 mn</b> (YoY change +4.5%)</p>	<p><b>¥630 mn</b> (YoY change +28.9%)</p>
---	---

- AGEST Group plan to **significant sales growth in domestic QA solutions**
- Fundamental operational improvements in FY2024, with continued high gross profit margin expected in FY2025 (Gross profit margin: FY2024 **26%** → FY2025 **27%**)
- Strengthening recruitment of Next-Generation QA engineers
- Competitive advantage established by leading the adoption of AI in the testing field, supported by favorable market conditions in Japan

	FY2024	FY2025(Plan)
Number of domestic test engineers hired	<b>67 people</b>	<b>117 people</b>
Group average annual sales per client	<b>¥19 mn</b>	<b>¥20 mn</b>

# Appendix

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Our mission

## SAVE the DIGITAL WORLD

Market environment

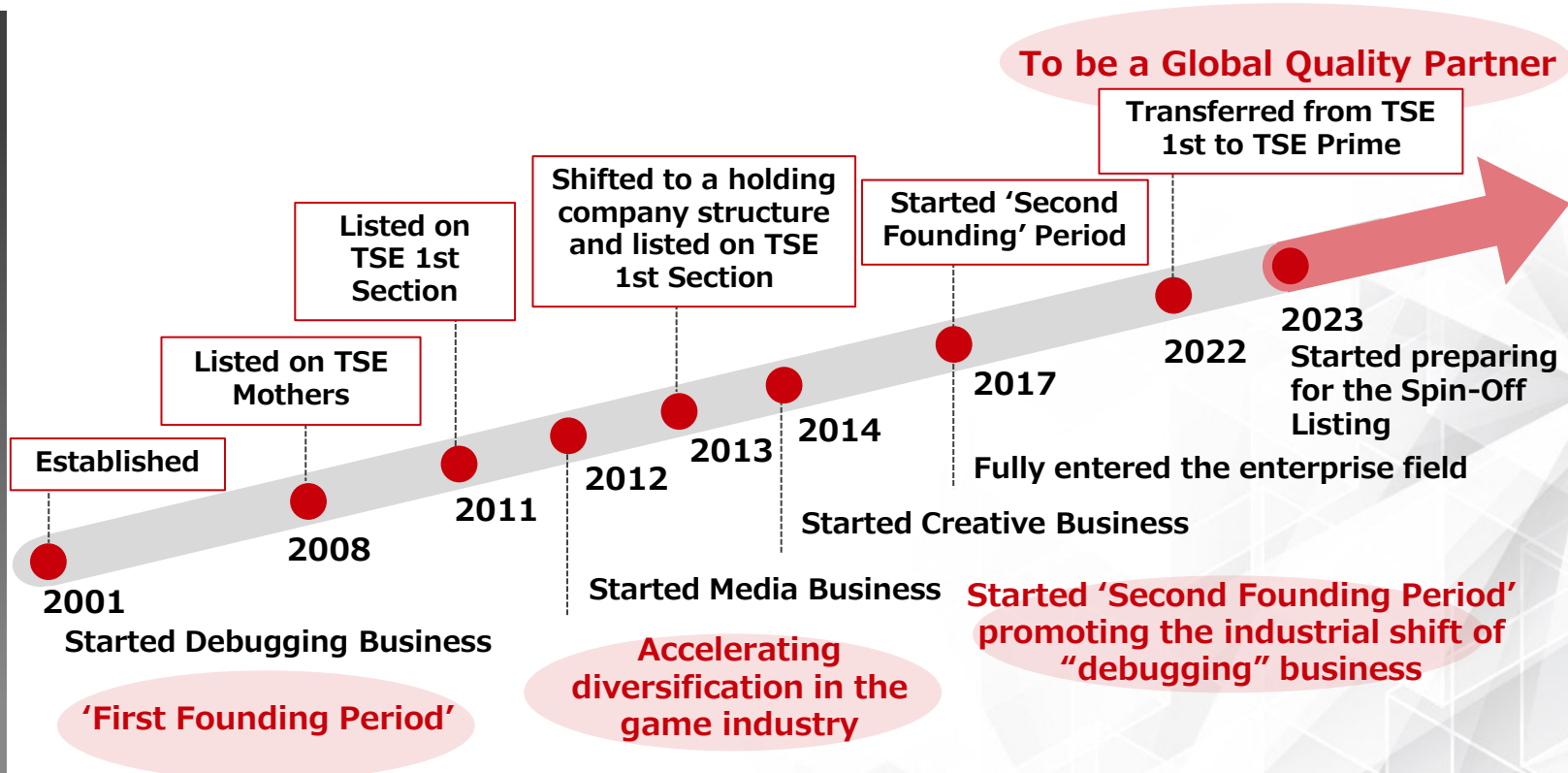
Growth of console game market

Growth of mobile game market

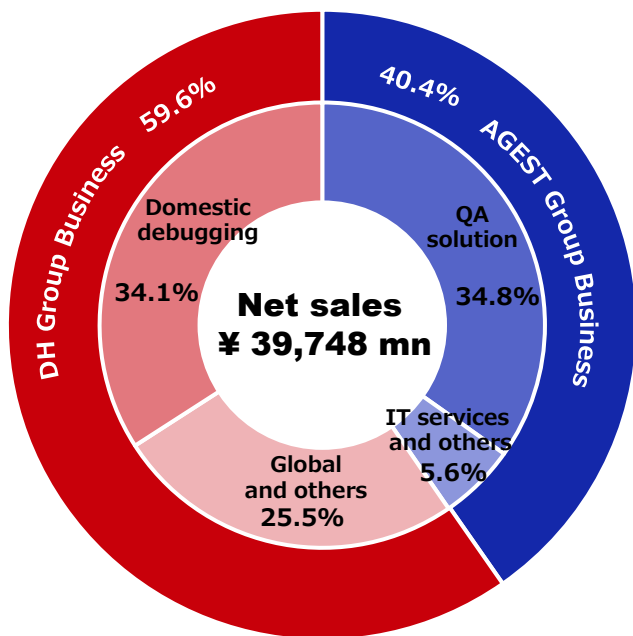
Expansion of IoT

Expansion of DX

History



## Our core business: Debugging and QA(Quality Assurance)



### Sales breakdown by segment (FY2024)

\*Segments include inter-company sales and/or transfers.

DH Group Business	Domestic debugging	34.1%	<ul style="list-style-type: none"> <li>➤ Debugging for console games, mobile games, etc.</li> </ul>
	Global and others	25.5%	<ul style="list-style-type: none"> <li>➤ Translation, LQA*, and localization for game software</li> <li>➤ Marketing support for game launching in overseas markets</li> <li>➤ Game development and CG development</li> <li>➤ Game information site "4Gamer.net"</li> </ul>
AGEST Group Business	QA solution	34.8%	<ul style="list-style-type: none"> <li>➤ Testing for business systems incl. online</li> <li>➤ Support for test automation</li> <li>➤ Security test</li> <li>➤ Introduction of ERP and CRM</li> <li>➤ System development</li> </ul>
	IT services and others	5.6%	<ul style="list-style-type: none"> <li>➤ Security monitoring</li> <li>➤ IT support</li> </ul>



## DIGITAL HEARTS HLDGS. (Holding Company)

(As of September 30, 2025)

### DH Group Business

#### **DIGITAL HEARTS Co., Ltd.**

Game debugging for Japanese game makers, Localization, etc.

#### **DIGITAL HEARTS CROSS Group**

Marketing support, etc.

#### **DIGITAL HEARTS (Shanghai) Co., Ltd.**

Game debugging, Localization, etc.

#### **DIGITAL HEARTS Seoul Co., Ltd.**

Game translation, Marketing support, etc.

#### **Digital Hearts Linguitronics Taiwan Co., Ltd.**

Game translation

#### **JetSynthesys Digital Services Private Limited**

Game debugging for overseas game makers

#### **FLAME Hearts Co., Ltd.**

Game development and CG content development

#### **Aetas, Inc.**

Operation of a game information site, "4Gamer.net"

### AGEST Group Business

#### **AGEST, Inc.**

System testing, Cyber-security, etc.

#### **AGEST Vietnam Co., Ltd.**

System testing, Test automation support

#### **LOGIGEAR CORPORATION**

System testing, Test automation support

#### **DEVELOPING WORLD SYSTEMS LIMITED**

Introduction and maintenance support for Oracle products

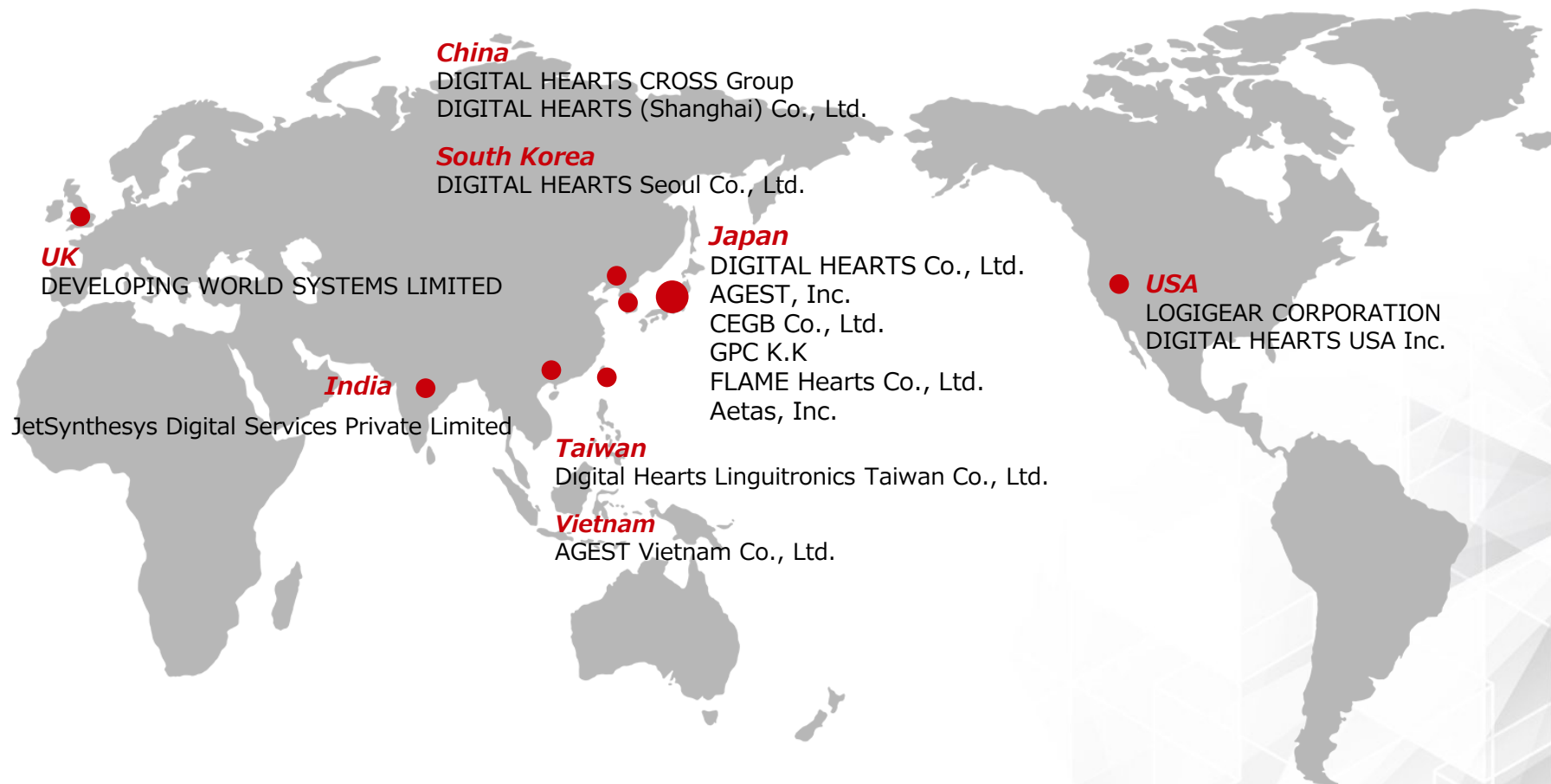
#### **CEGB Co., Ltd.**

SAP implementation and operation support, system development support, etc.

#### **GPC K.K**

SAP/ERP implementation support, System development, etc.

(As of September 30, 2025)



# Consolidated Financial Statement

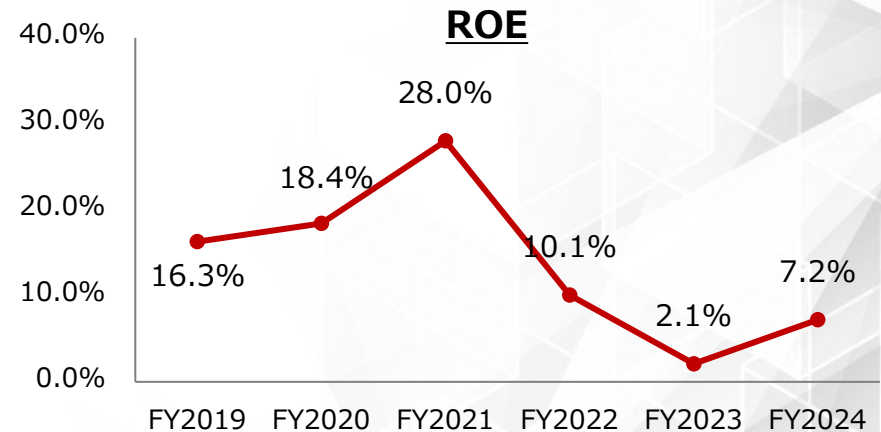
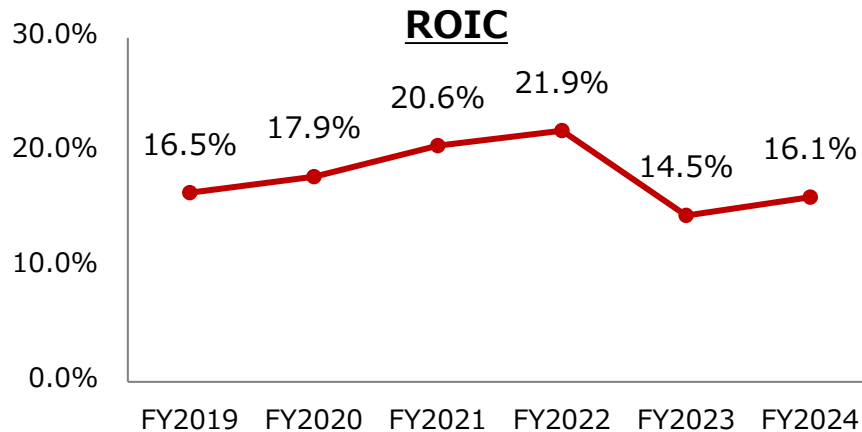
(JPY mn)	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023 (Former*)	FY2023 (Current*)	FY2024
Net sales	17,353	19,254	21,138	22,669	29,178	36,517	38,790	38,790	39,748
DH Group Business (Former Entertainment Business)	15,568	15,951	16,115	15,647	17,687	19,815	19,180	23,488	23,906
AGEST Group Business (Former Enterprise Business)	1,892	3,302	5,022	7,021	11,491	16,840	19,714	15,975	16,158
Adjustments	-108	-0	-	-	-	-138	-105	-674	-316
Operating income	1,735	1,605	1,394	1,908	2,696	3,000	2,039	2,039	2,430
DH Group Business (Former Entertainment Business)	2,966	3,086	2,964	3,077	3,668	4,214	3,325	1,734	1,941
AGEST Group Business (Former Enterprise Business)	-14	-226	-67	188	645	639	423	305	488
Adjustments	-1,215	-1,254	-1,503	-1,356	-1,616	-1,853	-1,709	-	-
Operating income margin	10.0%	8.3%	6.6%	8.4%	9.2%	8.2%	5.3%	5.3%	6.1%
DH Group Business (Former Entertainment Business)	19.1%	19.3%	18.4%	19.7%	20.7%	21.3%	17.3%	7.4%	8.1%
AGEST Group Business (Former Enterprise Business)	-	-	-	2.7%	5.6%	3.8%	2.1%	1.9%	3.0%
Profit attributable to owners of parent	1,200	1,575	792	974	1,778	799	176	176	629
Total assets	8,575	9,832	10,637	14,338	17,610	19,581	21,103	21,103	19,949
Current assets	6,732	7,403	7,453	9,744	10,392	12,528	13,526	13,526	14,069
Cash and deposits	3,894	4,197	3,739	5,076	5,208	6,456	6,858	6,858	7,593
Noncurrent assets	1,842	2,428	3,183	4,593	7,217	7,052	7,576	7,576	5,880
Goodwill	150	481	1,027	2,467	4,588	3,468	2,313	2,313	1,035
Total liabilities	5,005	4,819	5,198	8,024	10,044	10,107	12,250	12,250	10,688
Interest-bearing liabilities	2,627	2,272	2,553	4,797	5,590	5,127	7,133	7,133	5,249
Total net assets	3,570	5,012	5,438	6,314	7,566	9,474	8,852	8,852	9,260
Shareholders' equity	3,369	4,791	4,922	5,691	6,991	8,806	8,415	8,415	8,953
Shareholders' equity ratio	39.3%	48.7%	46.3%	39.7%	39.7%	45.0%	39.9%	39.9%	44.9%
Net cash	1,266	1,924	1,186	278	-382	1,328	-275	-275	2,343
Debt Equity Ratio	0.8	0.5	0.5	0.8	0.8	0.6	0.8	0.8	0.6
Net cash provided by operating activities	1,436	889	1,086	1,416	3,077	2,850	1,759	1,759	3,119
Net cash used in (provided by) investing activities	-618	62	-1,018	-1,813	-2,537	-1,903	-2,369	-2,369	-5
Net cash provided by (used in) financing activities	-250	-693	-515	1,730	-546	141	934	934	-2,555
ROE	40.0%	38.6%	16.3%	18.4%	28.0%	10.1%	2.1%	2.1%	7.2%
Dividend Payout Ratio	20.9%	18.0%	38.6%	31.0%	18.2%	57.5%	264.5%	264.5%	81.4%

\*We have changed the disclosed segments from FY2024. The results by segment in the above list are based on the current disclosed segments only for FY2023 and FY2024. The segment results for FY2022 and earlier years are based on the former segment definition.

## Basic policy

With a sound financial foundation, we aim to sustainably improve our corporate value by actively investing in human resources, technologies, M&As, and other developments. We also strive to maintain optimal capital efficiency by adhering to our financial discipline of “ROIC over 15%” when making investment decisions. Consequently, over the five years ended March 31, 2025, we achieved a high sales growth rate of CAGR approximately +10% in DH Group Business as a stable business, and CAGR over +20% in AGEST Group Business as a rapid growing segment. On the other hand, in terms of capital-efficiency, we maintained a level significantly higher than our WACC (4-6%), with ROIC at around 15-20% for the same five years period. Furthermore, since May 2023, we have been preparing for Spin-Off Listing of AGEST, Inc., the core subsidiary of the AGEST Group Business, in order to accelerate the pace of growth of both DH Group Business and AGEST Group Business and to maintain and improve our capital efficiency. Going forward, we intend to maximize our corporate value by continuing to manage our business with such cost of capital in mind and to take on the challenge for further growth.

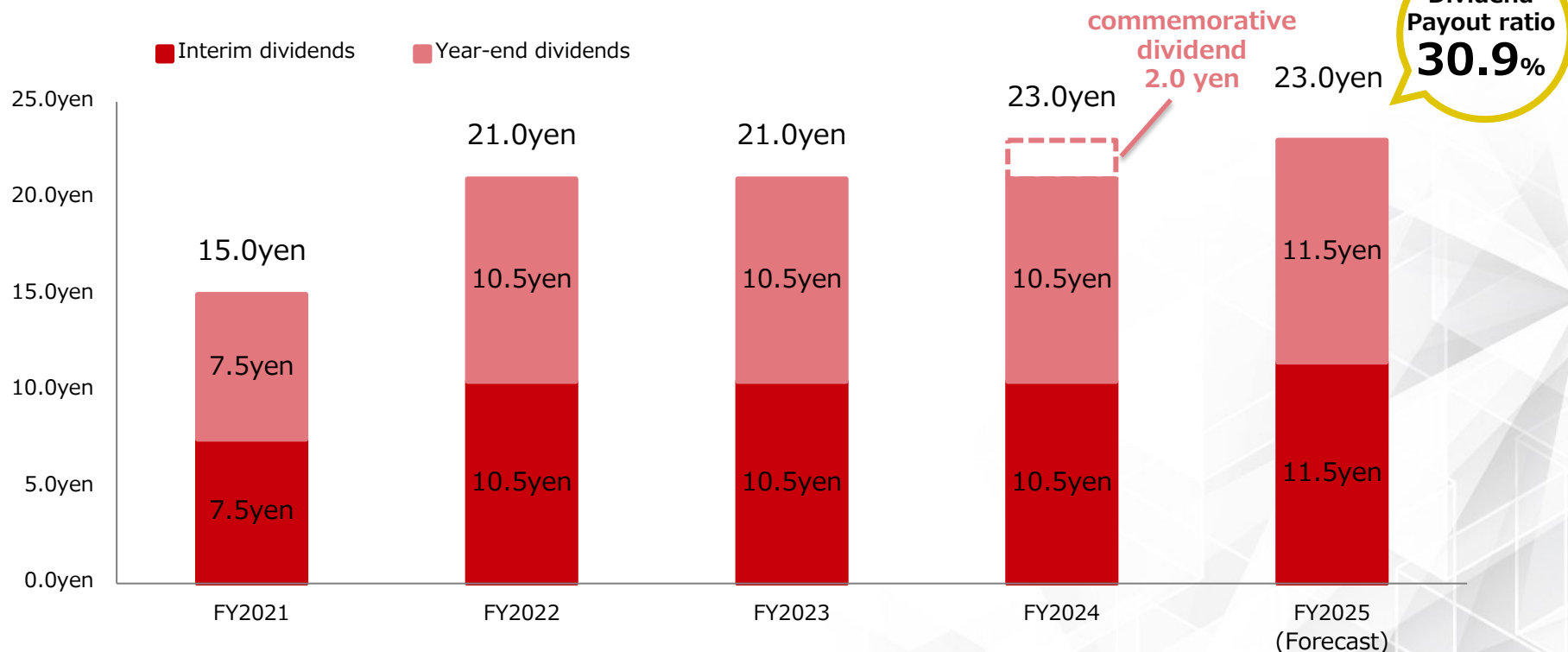
## ROIC and ROE



## Basic Policy to Return Profits to Shareholders

While securing sufficient internal reserves to invest in business growth and strengthen our management structure, stable dividends to shareholders with a payout ratio of 20% as the minimum target

## Changes in dividends



## Major risks

## Countermeasures

### 1. Leakage of confidential information

- Prohibiting staff members from bringing personal items into the test room
- Physical security measures including access control with fingerprint authentication and the installation of security cameras
- Introduction of a personal reference system that applies to all registered testers

### 2. Obsolescence of existing services by technological innovation

- Focusing on the application of the latest technologies, including a test automation and AI Utilization
- Developing new services to improve added value

### 3. Reduction of productive population in Japan

- Developing internal training programs that will enable the active participation of members with diverse generational, racial, and other backgrounds
- Strategically acquiring human resources through our overseas offices

### 4. Expansion of corporate acquisition and new businesses

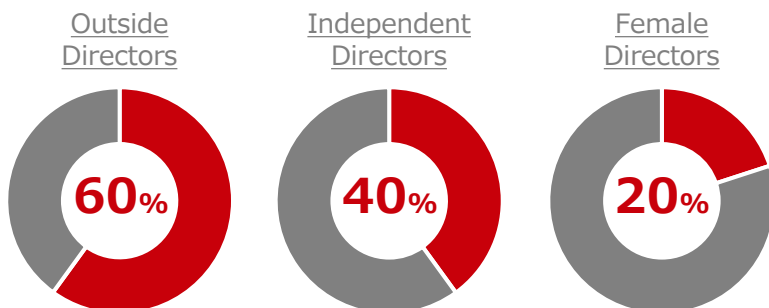
- In-depth market research and due diligence
- Reducing risks by building a system for appropriate business management after acquisition



(As of September 30, 2025)

## Board of Directors

Consists of members from diverse backgrounds, including founder, corporate management experiences in various industries, certified public accountants, and lawyers, and holds discussions from a diverse perspective.



## Audit & Supervisory Board

Members with specialized knowledge and experience in finance, accounting, compliance, etc., audit the execution of duties by directors.

## Investment Committee

Implement appropriate investment with a certain discipline by deliberating in advance for large scale investments including M&As.

## Risk Management Committee

Identify risks and formulate countermeasures on a cross-group basis.

(As of March 31, 2025)

**Ratio of female managers \*1**

**18.9%**

**Ratio of foreign employees \*2**

**11.2%**

**Ratio of employees with disabilities \*3**

**2.6%**

\*1 Reporting target: The Company and all of consolidated subsidiaries in Japan and overseas

\*2 Reporting target: The Company and all of domestic consolidated subsidiaries

\*3 Reporting target: DIGITAL HEARTS HOLDINGS Co., Ltd., DIGITAL HEARTS Co., Ltd., AGESE, Inc., DIGITAL HEARTS PLUS Co., Ltd.

## Our Major Initiatives and Sustainable Development Goals (SDGs)

### Human resource

#### To resolve the shortage of IT human resource

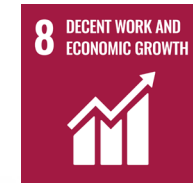
- Internal support system for obtaining software test certification of “ISTQB”.
- Provides world-class test engineer training programs at its unique educational institution, AGESt Academy



### Human resource

#### Workplace for diverse human resources

- Provide workplaces for diverse people such as students, part-timers, young actors and musicians, and people with disabilities at test centers with over 3,000 people every day.
- Employ foreign nationalities of more than 35 countries/areas, such as Asia, Europe and the U.S., who engage in translation/linguistic debugging service, etc.



### Technology

#### To realize a secure and safe digital society

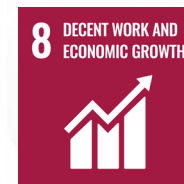
- Established AGESt Testing Lab., a unique technology research institute, to promote research on new testing techniques to support a constantly evolving software society through industry-academia collaboration.
- Develop original unique tools and business solutions by utilizing AI.



### Communities

#### To revitalize local community and resolve IT disparities

- Create jobs throughout nationwide test centers (Lab.) and promote teleworking/work-from-home style by Remote Debugging service.



Terms	Definition
System Testing	This is a term used in our Enterprise Business and the same meaning of software testing. System testing comprises detection of system bugs for enterprise resource planning (ERP) software, websites, business apps, etc.
Debugging	This is a term used in our Entertainment Business. We run tests and find software bugs from the perspective of the user. Debugging generally refers to the identification and correction of errors, but we specialize in identifying and reporting them. Mobile games comprise two-thirds of our debugging requests, with console games making up the other third.
QA	An abbreviation for Quality Assurance. It includes both of software testing and game debugging.
LQA	An abbreviation for Linguistic Quality Assurance. LQA focuses on finding and fixing in-game linguistic errors that occur when translating from a foreign language.
Shift Left	This is the concept about software development process. The idea is to implement testing and security measures early in the total development process. By making it smaller to have a development rework due to bugs and vulnerabilities, it is expected to speed up and secure the entire development cycle.
Shift Right	A method to continuously improve the software quality by utilizing data obtained from user operations after software release.
QA for Development	It is the name for our original services, which are high-value-added solutions to support “Shift Left”.
DHQ	DHQ, as Digital Hearts Quality, shows our unique QA methods and code of conduct that defines our commitment to client success.
Tester	Staff members who carry out debugging. Most of our testers are registered part-time workers. Some are trained to work as test engineers or cybersecurity specialists.
Next-generation QA engineer	The highest-class QA engineer with knowledge of both software development and testing to contribute to client’s service quality improvement for all from development to post-release.
Console Games	A game played using dedicated hardware such as the Nintendo Switch or PlayStation.



DIGITAL HEARTS HLDGS.

<Contact>

**Investor and Public Relations Division**

**Phone : +81-3-3373-0081**

**Email : [ir\\_info@digitalhearts.com](mailto:ir_info@digitalhearts.com)**

**HP : <https://www.digitalhearts-hd.com/en/>**

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