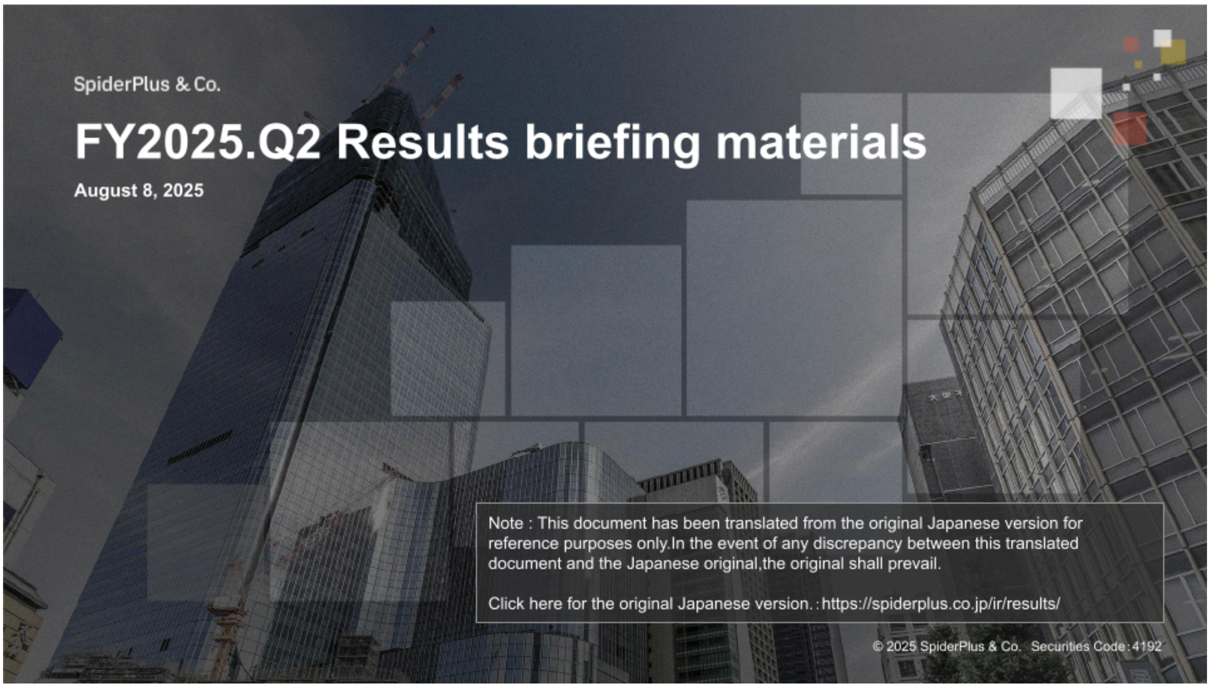
SpiderPlus & Co.

August 12, 2025
SpiderPlus&Co.
Kenji Ito, President and Representative Director
(TSE Growth: 4192)

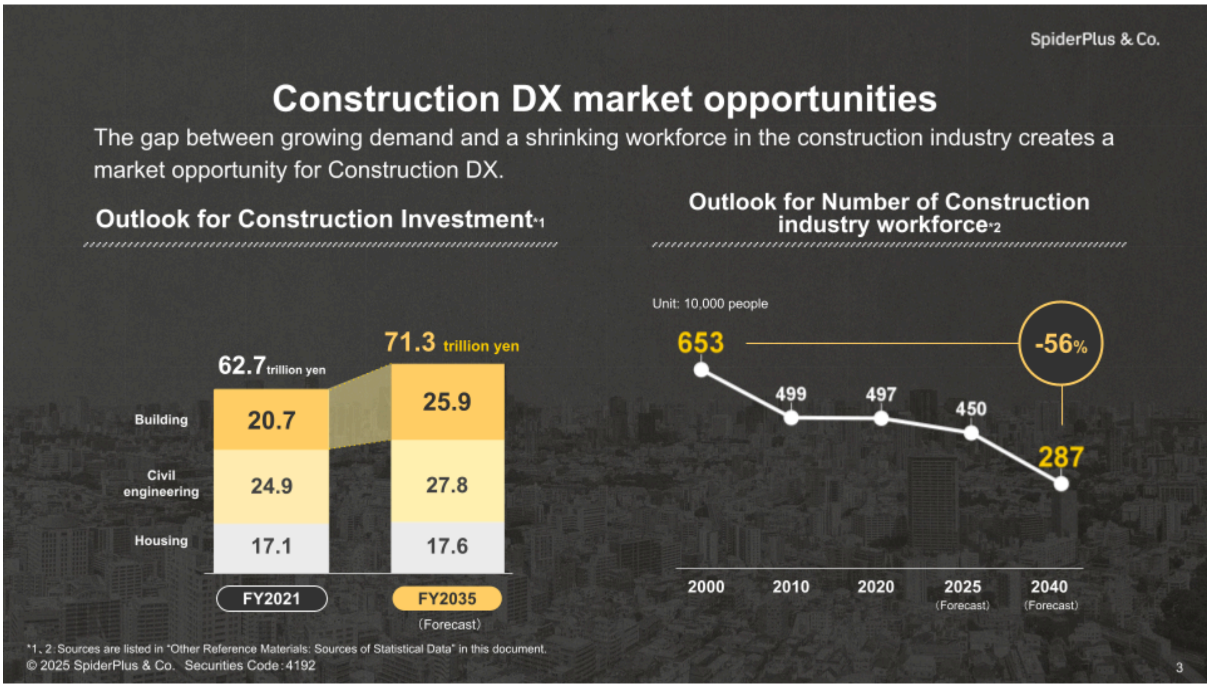
Script FY2025.Q2 Results briefing materials



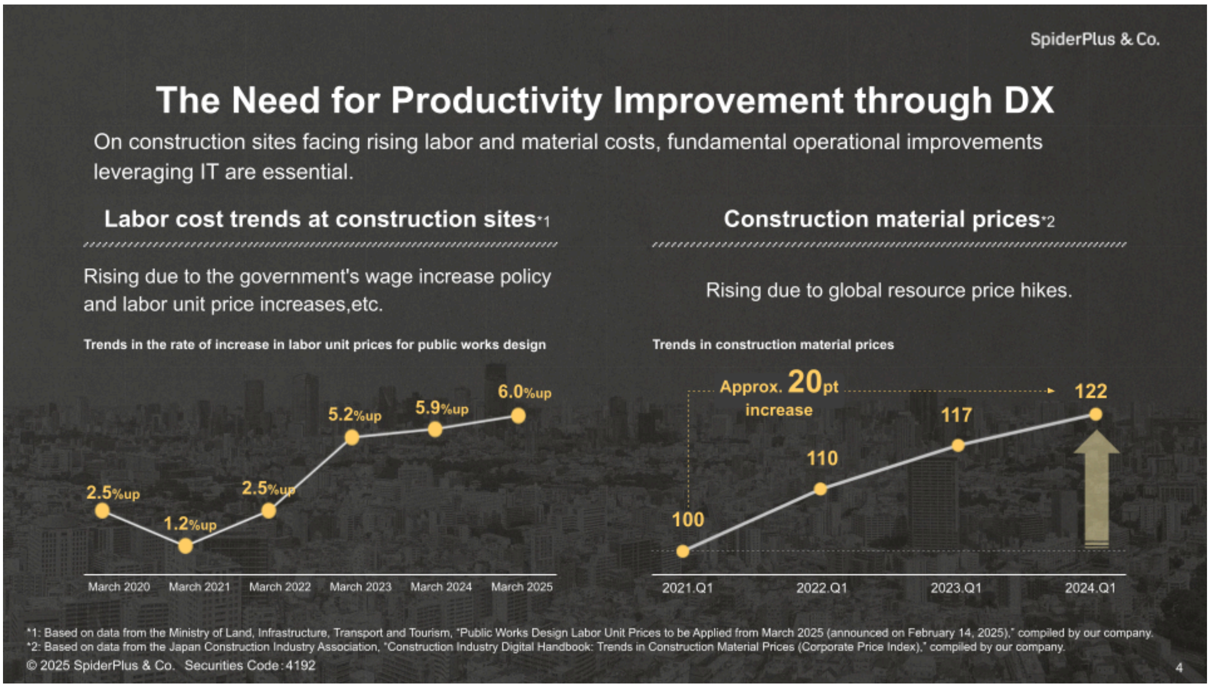
【Notes1】
This document has been translated from the original Japanese version*1 for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original,the original shall prevail.
*1 : Click here for the original Japanese version.:
https://contents.xj-storage.jp/xcontents/AS81382/871bb390/4e3a/4e28/bc5b/751cbdfac648/140120250807534966.pdf

【Notes2】
Forward-looking statements in this script are not guarantees of future results or performance. Such forward-looking statements involve known and unknown risks and uncertainties that could cause actual future results and financial condition to differ materially from any future results or outcome expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from those described in these statements include, but are not limited to, changes in national and international economic conditions and trends in the industries in which we operate. This transcription has been prepared for informational purposes only. It is not intended as an offer to sell or a solicitation of an offer to buy any securities in Japan, the United States or elsewhere.

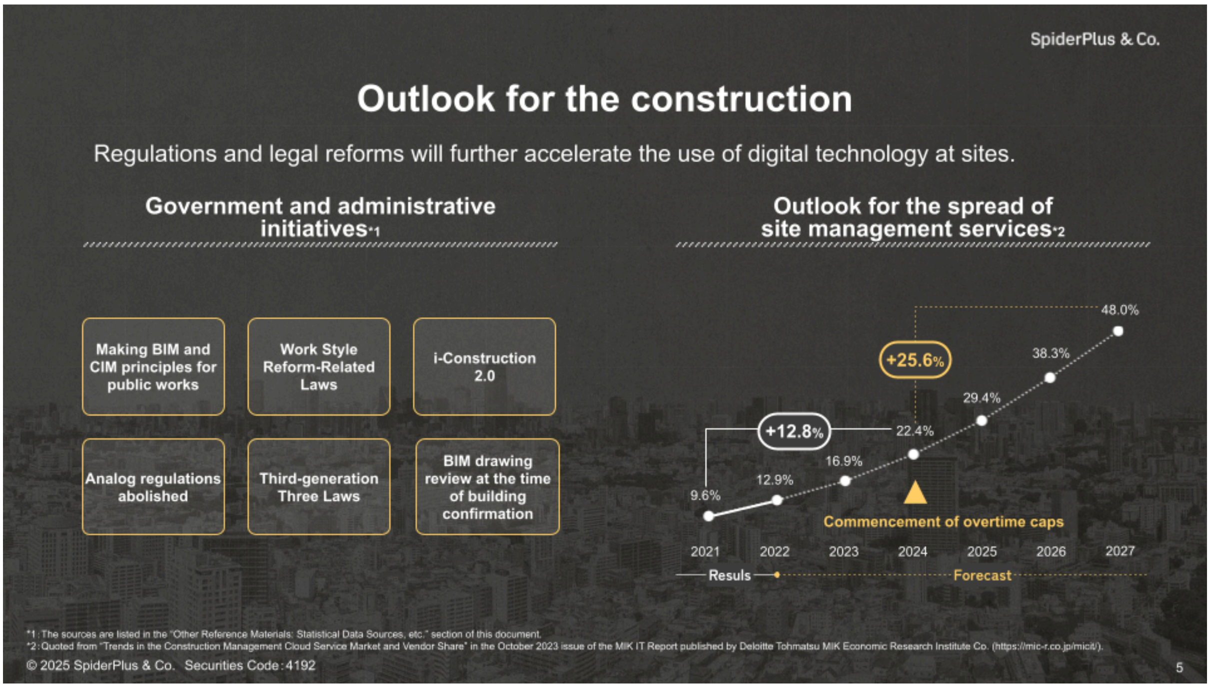
Our company is engaged in businesses that contribute to improving productivity and reforming work methods at construction sites through technology.



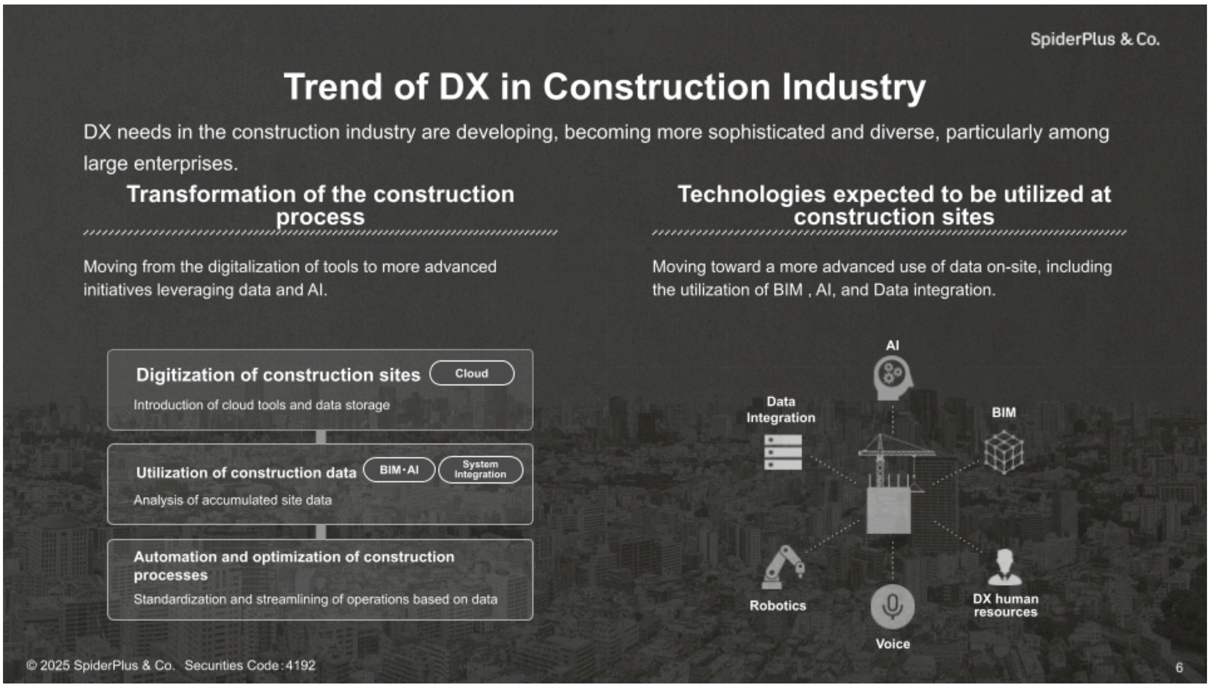
The construction industry is expected to grow in the mid-long term, mainly due to urban redevelopment and increased demand for repairs to aging infrastructure.
On the other hand, the industry faces structural issues such as a continuing decrease in the workforce. We believe that the growing need for productivity improvements through DX will create market opportunities for construction DX.



In recent years, labor and material costs have continued to rise, and "increasing construction site costs" have become an issue that the construction industry must address. There is a need for fundamental business improvements through the use of IT.

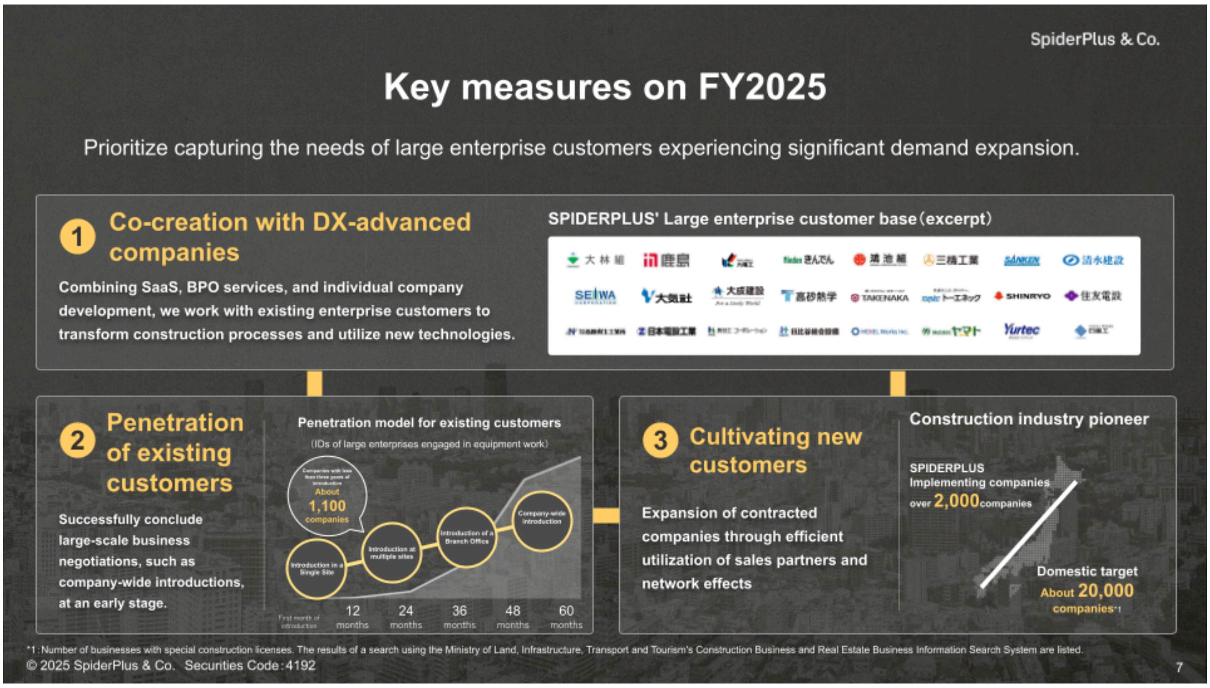


Many of the regulations and legal reforms being implemented by the government and other administrative bodies are also promoting the use of IT and DX at construction sites. This market environment is expected to accelerate the use of digital technology at construction sites, leading to further expansion of the construction DX market in the future.



Here are some additional notes on the trends in construction DX needs. Major companies in the construction industry are actively pursuing DX, with needs becoming more sophisticated and diverse, ranging from the digitization of operations through the introduction of digital tools to the transformation of business processes utilizing construction data and AI.

The construction industry is seeking solutions that can meet these needs. We are seeing an increasing number of inquiries about how to utilize SPIDERPLUS to further improve productivity, and our opportunities for growth are expanding.

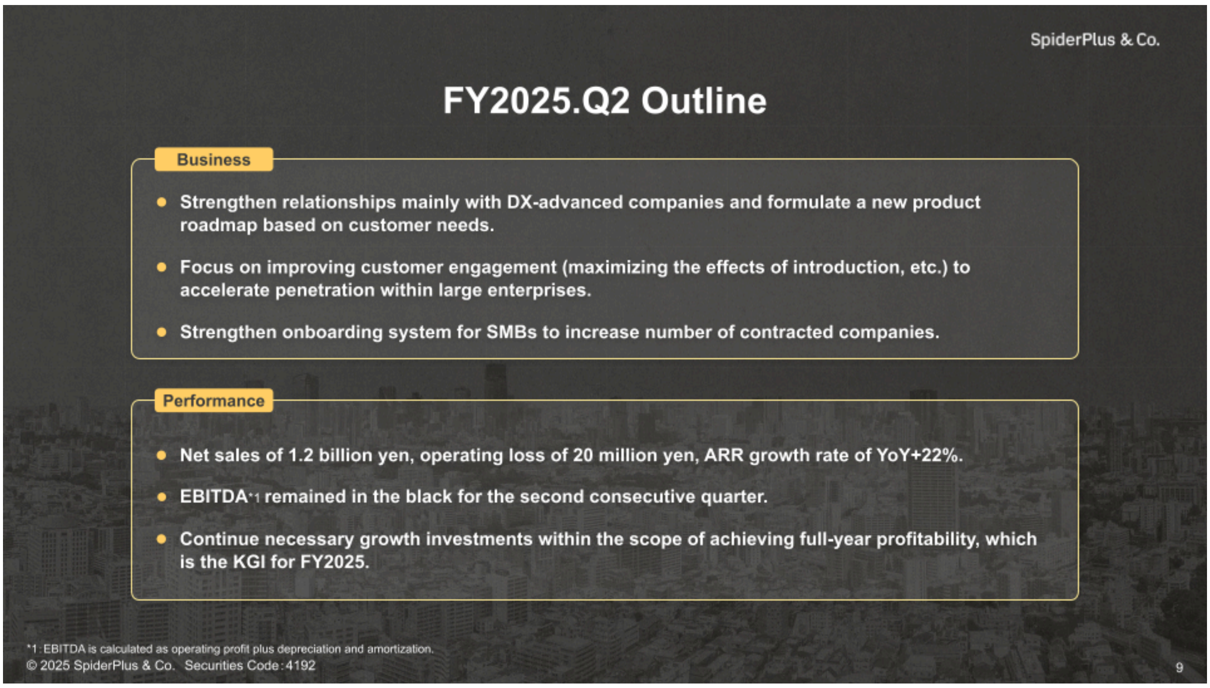


Based on the market environment and demand trends, we have set three key measures for FY2025: “Co-creation with DX-advanced companies,” “penetration of existing customers,” and “exploring companies that have not yet introduced DX.”

In “co-creation with DX-advanced companies,” we are focusing on prioritizing the needs of large enterprise customers, where demand is currently expanding significantly.“Co-creation with DX-advanced companies” will be strengthened not only at the customer's site but also with the customer's management, such as the DX strategy office.

We expect that this measure will lead to the promotion of company-wide introduction at large customers, and that the promotion of company-wide introduction at large enterprises will lead to the expansion to medium-sized and small businesses nationwide that make up the supply chain of those companies, i.e., the promotion of penetration to companies that have not yet introduced DX.

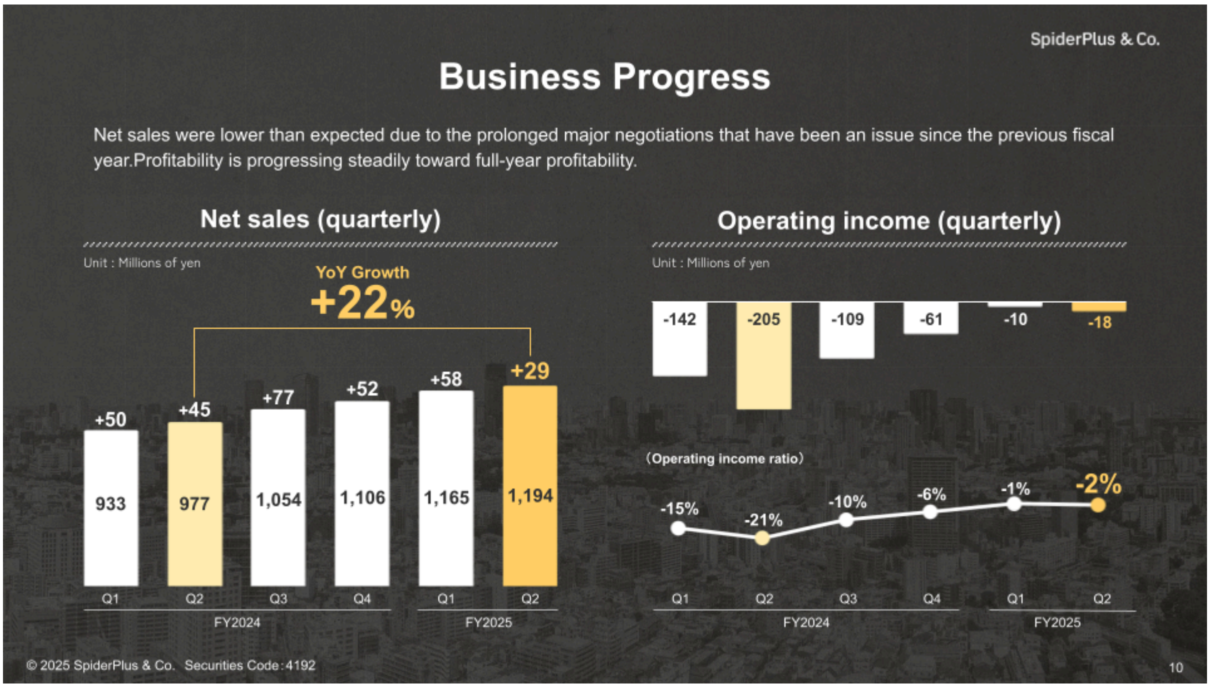
Now, I will explain the performance highlights for FY2025.Q2.



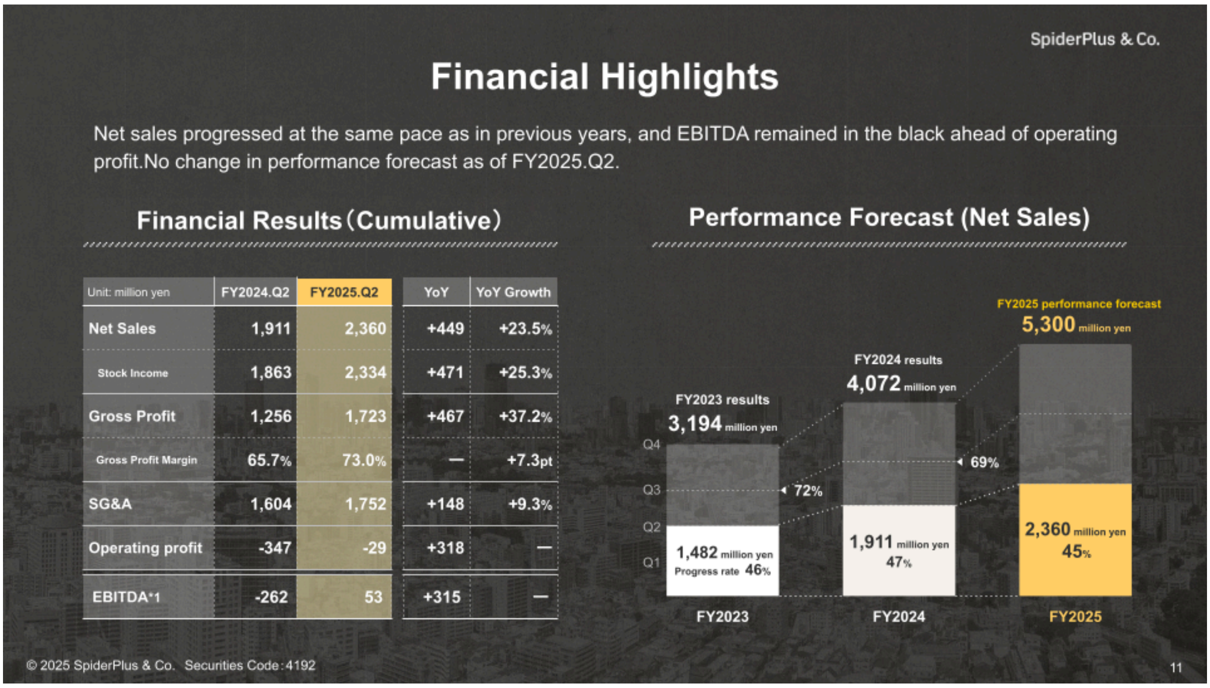
Here is an outline of FY2025 Q2.

In terms of business, we strengthened relationships with DX-advanced companies and formulated a new product roadmap based on customer needs. In addition, we continued to improve customer engagement to accelerate penetration within large enterprises and worked to build an onboarding system for SMBs.

In terms of performance, net sales for the quarter were 1.19 billion yen, operating loss was 0.02 billion yen, and ARR growth rate was +22% year-on-year. Toward achieving full-year profitability, which is our KGI for FY2025, we have achieved quarterly profitability for the second consecutive quarter, ahead of schedule. We will continue to make the investments necessary for future growth.



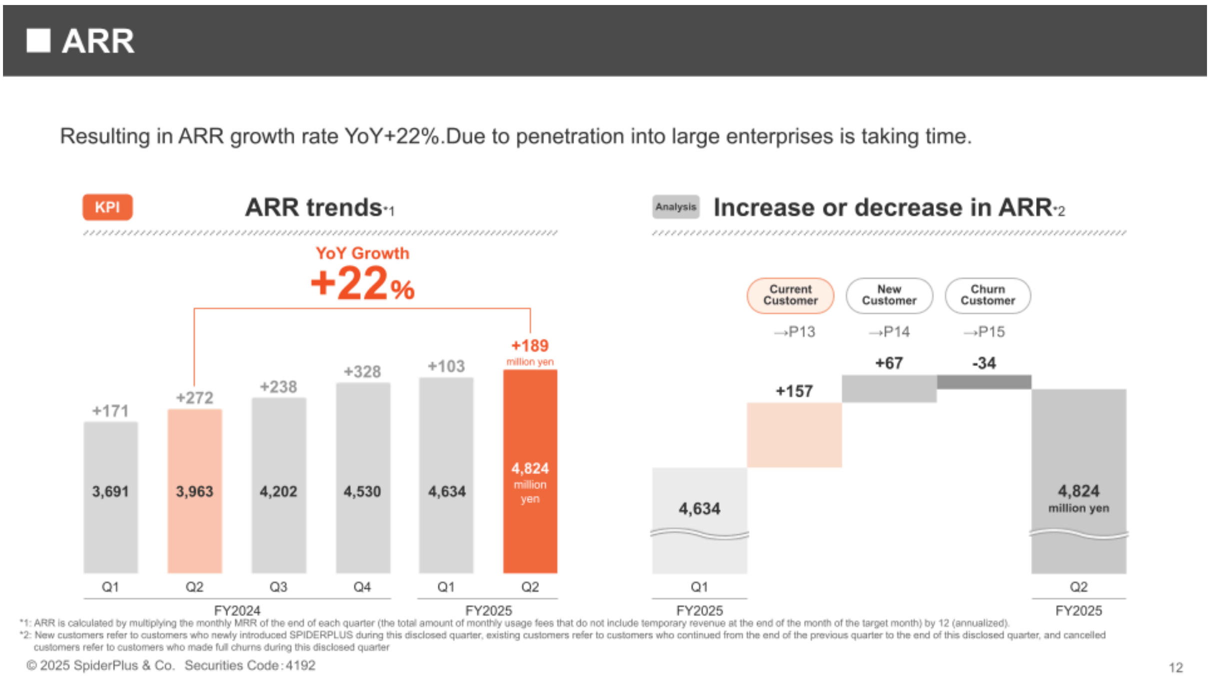
Performance is progressing more slowly than targeted due to the continuation of prolonged major negotiations, which have been an issue since the previous fiscal year. However, profitability is progressing steadily toward full-year profitability.



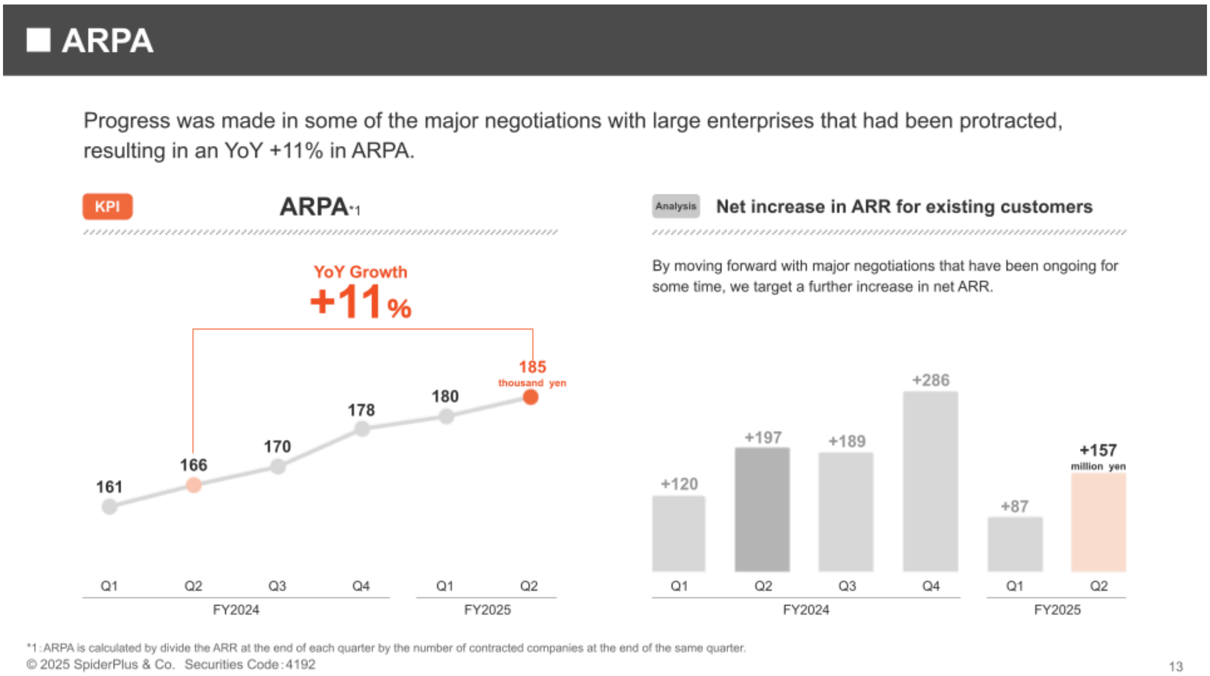
Unit: million yen	FY2024.Q2	FY2025.Q2	YoY	YoY Growth
Net Sales	1,911	2,360	+449	+23.5%
Stock Income	1,863	2,334	+471	+25.3%
Gross Profit	1,256	1,723	+467	+37.2%
Gross Profit Margin	65.7%	73.0%	—	+7.3pt
SG&A	1,604	1,752	+148	+9.3%
Operating profit	-347	-29	+318	—
EBITDA*1	-262	53	+315	—

Financial results showed YoY expansion in net sales due to an increase in stock revenue accompanying ARR growth. In terms of earnings, productivity improvements led to significant YoY improvements in each stage of earnings. EBITDA was positive at 53 million yen for FY2025.Q2 cumulative period.

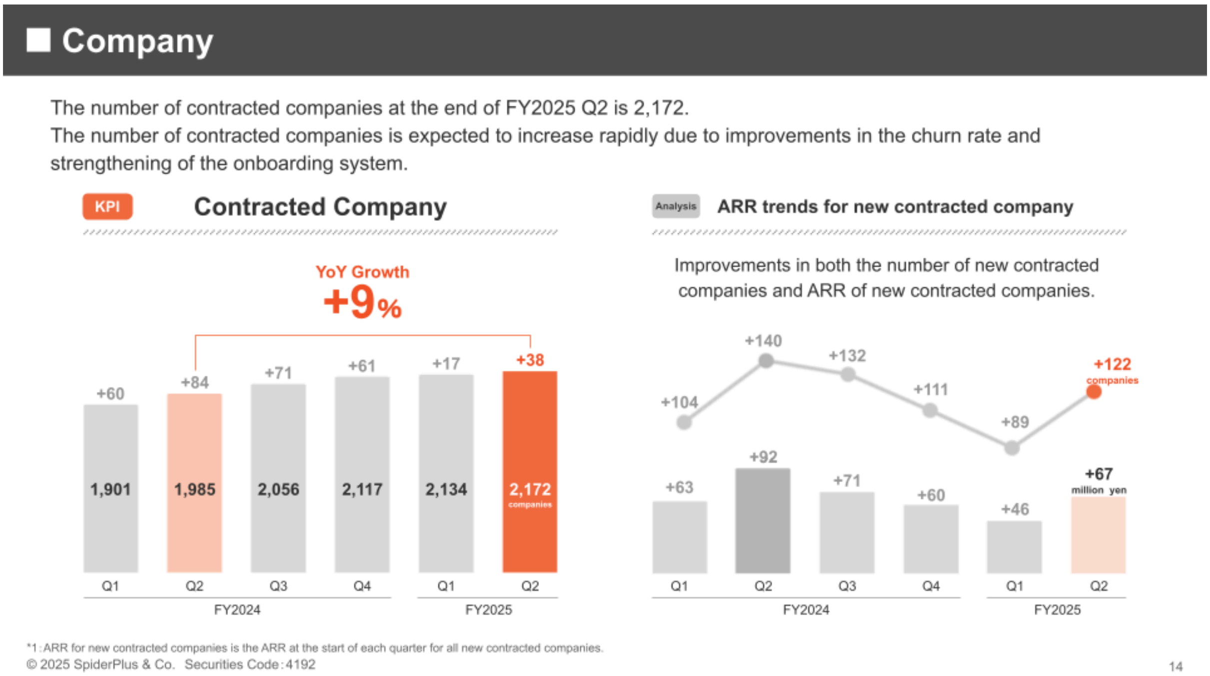
As explained on the previous page, we expect sales to be lower than targeted, but based on current trends, we have not changed our performance forecast for FY2025.Q2.



ARR ended up at 22% year-on-year growth as penetration among large enterprise customers took longer than targeted. The following pages provide an analysis of each KPI by the ARR increase/decrease items listed in this slide.

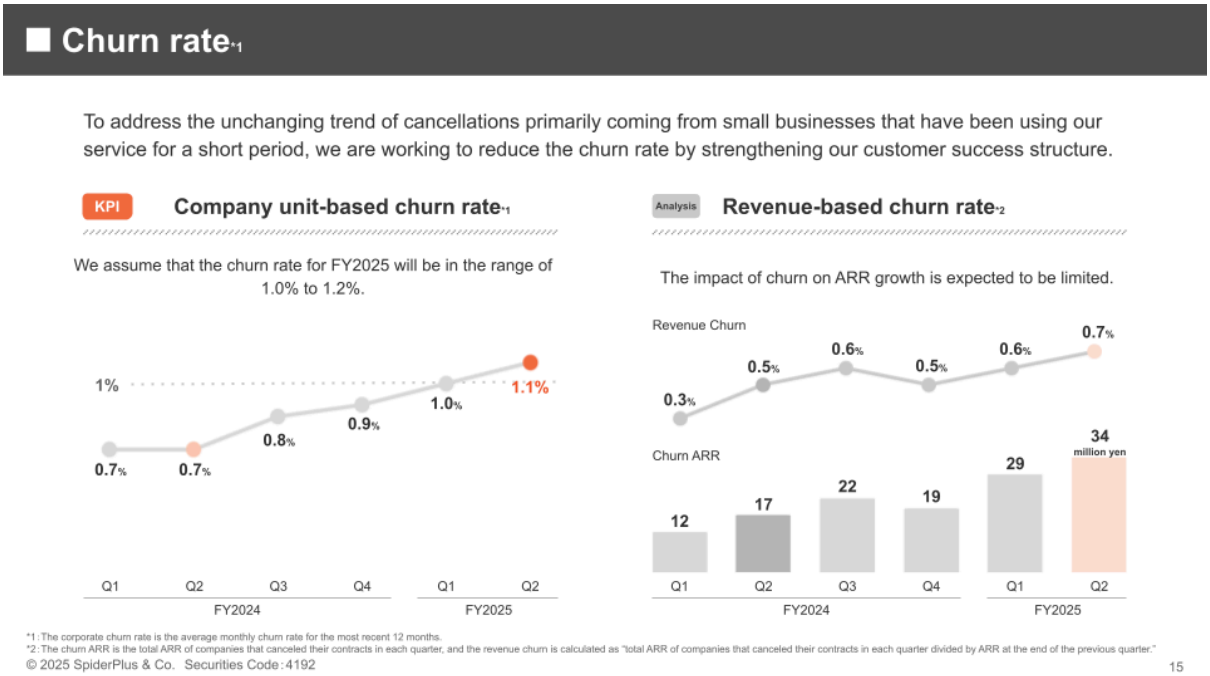


ARPA ended the quarter up 11% year on year, as progress was made on some of the major negotiations with large enterprises that had been ongoing for some time.
We expect ARPA growth to accelerate as penetration within large enterprises progresses and major negotiations are concluded.



The number of contracted companies has increased from the previous quarter due to improvements in the “deal closure rate,” which was a challenge in the previous quarter. (FY2025.Q1: 17 companies → FY2025.Q2: 38 companies)

ARR from new companies also increased (FY2025.Q1: 46 million yen → FY2025.Q2: 67 million yen), and the number of new contracted companies also increased (FY2025.Q1: +89 companies → FY2025.Q2: +122 companies).
We expect the net increase in the number of contracted companies to accelerate toward the end of FY2025 through improvements in the churn rate and strengthening of the onboarding system.



Although the churn rate per company is increasing, the trend remains unchanged in that "the majority of companies that cancel their subscriptions are small businesses that have been using the service for a short period of time" and "the impact on overall ARR growth is limited."

However, we recognize that this situation needs to be improved, and we are working to reduce the churn rate by strengthening our customer success system for SMBs and enhancing our post-introduction onboarding.

Reference KPI trends by customer size[*1]

Challenges include increasing penetration among large enterprises (ARPA) and acquiring new customers (Number of contracted companies) among SMBs.

	Unit	Results					Increase or decrease				
		FY2024.Q2	FY2024.Q3	FY2024.Q4	FY2025.Q1	**FY2025.Q2**	FY2024.Q2	FY2024.Q3	FY2024.Q4	FY2025.Q1	**FY2025.Q2**
ARR	Billion yen	3.9	4.2	4.5	4.6	**4.8**	+0.27	+0.23	+0.32	+0.10	**+0.18**
Large Enterprise	Billion yen	2.7	2.8	3.0	**3.0**	**3.1**	+0.17	+0.11	+0.14	+0.02	**+0.12**
SMB	Billion yen	1.2	1.3	1.5	**1.5**	**1.6**	+0.10	+0.12	+0.18	+0.07	**+0.06**
Company	Companies	1,985	2,056	2,117	2,134	**2,172**	+84	+71	+61	+17	**+38**
Large Enterprise	Companies	383	381	386	387	**386**	+10	-2	+5	+1	**-1**
SMB	Companies	1,602	1,675	1,731	1,747	**1,786**	+74	+73	+56	+16	**+39**
ARPA	thousand yen	166	170	178	180	**185**	+4	+3	+8	+2	**+4**
Large Enterprise	thousand yen	596	625	649	653	**681**	+22	+28	+23	+4	**+27**
SMB	thousand yen	63	66	73	76	**77**	+2	+3	+6	+2	**+1**

*1：Large enterprises and SMBs are classified based on our customer management standards, such as having 300 or more employees. The classification of large enterprises and SMBs was revised in FY2025.Q1, and figures for FY2024 and earlier have been recalculated based on the new classification.

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This slide summarizes KPI trends by customer size.
Penetration into large companies is an important driver of ARR growth for our company, but the pace of ARR growth at large companies has not yet reached its peak.
This is mainly due to stagnant ARPA growth as a result of the prolonged nature of large-scale negotiations, such as company-wide implementations, with large companies, which are our focus.
We expect ARPA growth to resume in the next fiscal year as we continue to focus on large companies.

Analysis of business progress and initiatives

	Challenges for Improving Growth Rate	Initiatives from FY2025.Q2
Large Enterprise	**Issue ARPA** • Major negotiations, such as company-wide introduction, took longer than expected. **Analysis** • Improvement in customer engagement (results of utilization) necessary for advancing major negotiations is required beyond the target level. • Responding to the increasingly sophisticated and diverse needs of DX	**Continue Strengthening account management structure** • Strengthening customer success strategies and systems based on results. • Promotion of solution proposals based on customer DX strategies. **Continue Combination with professional services** • Shortened lead times through joint development with core systems. • Responding to the individual requests of DX-advanced companies to broadly address DX needs. **New Promoting a new product roadmap** • Scheduled to be launched sequentially from the end of the year based on a roadmap that takes into account customer needs.
SMB	**Issue Number of contracted company** • Improved churn rate for SMBs • Further improvement in close rate for new customers **Analysis** • The number of leads increased in line with market expansion, but sales performance varied. • Resource dispersion in SMB onboarding systems	**Continue Strengthening onboarding systems** • In addition to online study sessions and content expansion, we will strengthen the success system at local bases and establish an onboarding system with partner companies. **Continue Improvement in sales productivity** • Implement sales team training and optimize business processes.

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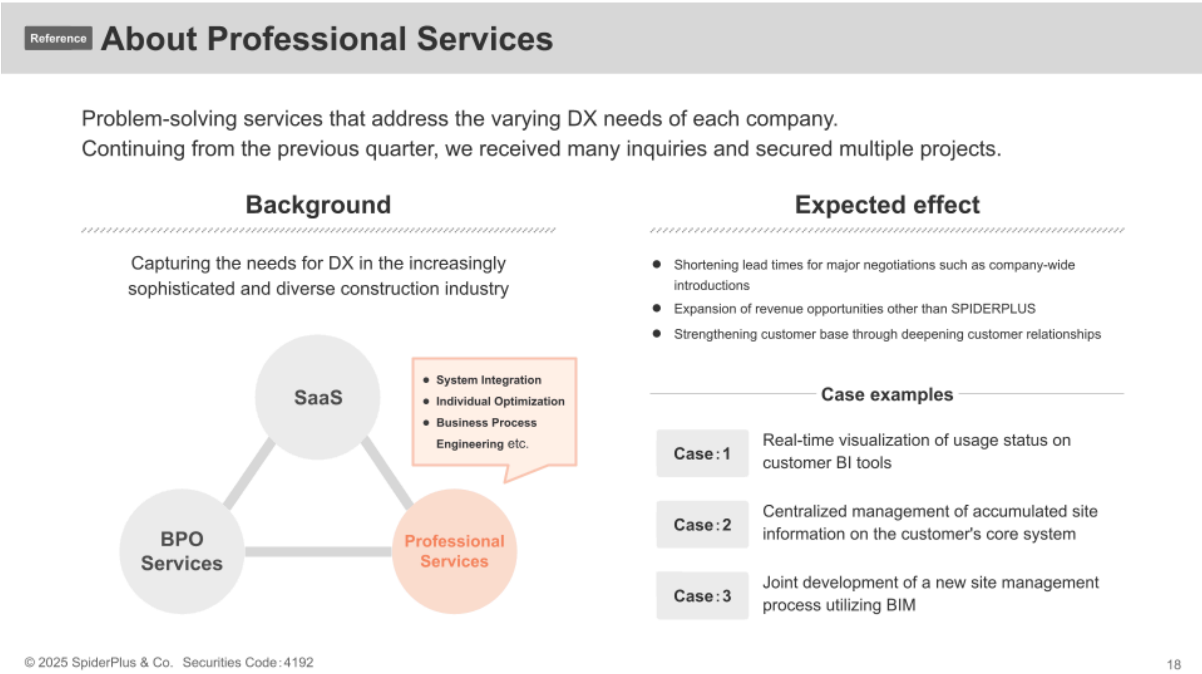
We believe that the challenges we need to address in order to achieve our business progress are “challenges in ARPA growth for large enterprises” and “challenges in expanding the number of contracted companies in the SMB segment.”

Regarding ARPA growth for large enterprises, we will focus on strengthening our account management system to provide solution-based sales for each customer, launching full-scale professional services that address the different DX needs of each company, and launching new features based on new products and new features planned in our new product roadmap.
We will accelerate the expansion of the number of contracted companies by improving productivity in our sales organization and strengthening onboarding for SMBs.

In addition to the above domestic business development, overseas business is also progressing steadily, with the introduction of our services by local companies in countries other than our focus countries.



This is about professional services, which we have been working on since the previous quarter.

Professional services are problem-solving services that meet the DX needs of each company. Large enterprises are increasing their DX budgets, and demand is expanding. Our current professional services are mainly focused on individual company development projects. There were several projects in the second quarter.

Reference About the new product roadmap*1

The new product roadmap was developed based on the needs of companies that are proactively engaging in DX. We will expand our product scope from being a tool specifically for "construction management" to becoming a "system infrastructure for all on-site operations."

Classification of important tasks at construction sites into three areas: “people, Processes, and Assets”

Future plans*1

- In addition to specializing in “Quality,” we are expanding into the areas of ‘Human resource’ and “Materials & Equipment.”
- In addition to in-house development, we promote integration with software from other companies and customer systems to quickly enhance added value.
- Enhanced product lineup through the addition of new features to existing products and the development of new products.
- In collaboration with SPIDERPLUS, we plan to launch S+Collabo, a communication tool that can be used by everyone on site, including site managers and on-site craftspeople, within FY2025.

*1 :“Integrated platform "SPIDERPLUS Workspace" to be released sequentially (announced on July 8, 2025)” (https://spiderplus.co.jp/news/news-release/9160/)

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This is our newly formulated product roadmap.

This roadmap has been released to the public with the aim of strengthening relationships with large enterprise customers in the construction industry who are expanding their DX investments, and communicating that our products can be an essential partner in promoting their DX capabilities.

Going forward, we will promote product development based on a roadmap formulated in line with the needs of DX-advanced companies. In addition to accelerating the growth of SPIDERPLUS, we will aim to build a product lineup that will serve as the operational foundation and “site infrastructure” for our customers by developing several new products that expand our target areas.

Specifically, in addition to the “Quality” (operations) that we have focused on in the past, we will expand into the areas of ‘human resources” and “materials and equipment”.In addition to in-house development, we will promote integration with software from other companies and customer systems to quickly expand added value.

We are also planning to launch new products in fiscal 2025, including S+Collabo, a communication tool that can be used by all site personnel, including site managers and on-site craftspeople.

(For a user-oriented introduction to the product roadmap, please visit the following link)

【S+ User Meet UP in Tokyo】Digest Movie (July 2025 release)

https://www.youtube.com/watch?v=s00ipQhyhFk

Now, We will explain the financial highlights.

Consolidated Balance Sheet*1

Unit : Millions of yen (rounding down to the nearest unit)	FY2024 (consolidation)	FY2025.Q2 (consolidation)
Cash and deposits	2,740	2,644
Other current assets	654	715
Current assets	**3,395**	**3,359**
Software	335	275
Software in progress	21	34
Other fixed assets	459	439
Fixed assets	**815**	**749**
Total assets	**4,211**	**4,108**
Borrowings	1,029	950
Other liabilities	536	538
Total liabilities	**1,565**	**1,489**
Total net assets	**2,645**	**2,619**
Equity ratio	*62.8%*	*63.7%*

Cash and deposits

- Cash and deposits decreased mainly due to repayment of long-term borrowings, but net cash remained stable due to EBITDA surplus.

Software/Software in progress

- The balance of software decreased due to depreciation.

Borrowings

- There is a credit facility of 950 million yen for overdrafts and other loans (as of June 30, 2025).

Net assets

- Equity ratio increased, stable financial base established.

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As of the end of FY2025.Q2, cash and deposits totaled 2,644 million yen, and the equity ratio was 63.7%. We are conducting our business operations on a stable financial foundation.

■ Consolidated Statements of profit and loss

Unit : Millions of yen (rounding down to the nearest unit)	FY2025.Q1 Accounting period (consolidation)	FY2025.Q2 Accounting period (consolidation)	From the previous quarter	FY2024.Q2 Cumulative period (consolidation)	FY2025.Q2 Cumulative period (consolidation)	Year on year
Net sales	**1,165**	**1,194**	**+2.5%**	**1,911**	**2,360**	**+23.5%**
Of which, stock income	**1,152**	**1,181**	**+2.5%**	**1,863**	**2,334**	**+25.3%**
Stock income ratio	*98.9%*	98.9%	—	*97.5%*	**98.9%**	*+1.4pt*
Gross profit	**835**	**888**	**+6.3%**	**1,256**	**1,723**	**+37.2%**
Gross profit margin	*71.7%*	74.3%	*+2.6pt*	*65.7%*	73.0%	*+7.3pt*
SGA cost	845	906	+7.2%	1,604	1,752	+9.3%
SGA cost ratio	*72.6%*	75.9%	*+3.3pt*	*83.9%*	74.3%	*-9.6pt*
Operating loss	**-10**	**-18**	—	**-347**	**-29**	—
Operating profit margin	*-0.9%*	-1.6%	*-0.7pt*	*-18.2%*	-1.2%	*+17.0pt*
Ordinary loss	**-11**	**-21**	—	**-347**	**-33**	—
Loss before income taxes	**-11**	**-21**	—	**-347**	**-33**	—
Net sales	**-14**	**-24**	—	**-353**	**-38**	—

Net Sales

- Increase in recurring revenue due to ARR growth of SPIDERPLUS

Gross Profit Margin

- Gross profit margin improved by 7.3 points YoY due to progress in development projects based on a new product roadmap and revisions to the development structure.
- Gross profit for the cumulative period increased 37.2% YoY due to sales growth and an increase in gross profit margin.

SGA cost

- Continued disciplined investing, with SG&A expenses as a percentage of net sales at 74.3% for the cumulative period.

Next is the consolidated income statement. Net sales increased due to an increase in stock revenue, mainly due to the growth in SPIDER PLUS ARR. Gross profit margin improved by 7.3 points YoY due to the progress of development projects based on the new product roadmap and the revision of the development structure.

Selling, general and administrative expenses for the second quarter were approximately 900 million yen. We are implementing growth investments with a target of 900 million to 1 billion yen per quarter with the aim of achieving full-year profitability in FY2025.

■ Consolidated Statements of Cash Flows

Unit : Millions of yen (rounding down to the nearest unit)	FY2024.Q2 Cumulative period (consolidation)	FY2025.Q2 Cumulative period (consolidation)
Cash Flows from operating activities	-322	-13
Investment Cash Flow	-45	-16
Free Cash Flow	**-368**	**-29**
Financial Cash Flow	383	-67
Effect of exchange rate changes on cash and cash equivalents	**-1**	**-0**
Net increase (decrease) in cash and cash equivalents	**+13**	**-96**
Cash and cash equivalents at beginning of year	2,846	2,740
Cash and cash equivalents at end of year	**2,859**	**2,644**

Operating Cash Flow

- Operating cash flow improved due to a decrease in operating loss.

Cash flows from investing activities

- Investments mainly related to the development of software for internal use.

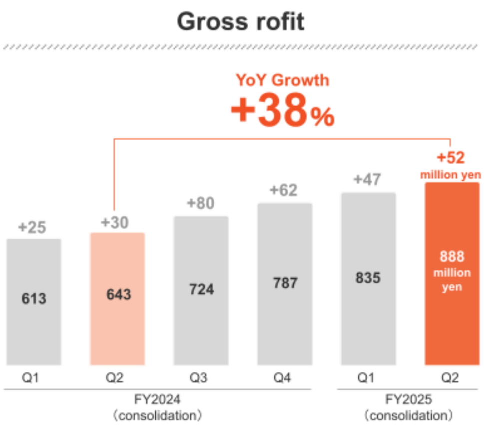
Cash flows from financing activities

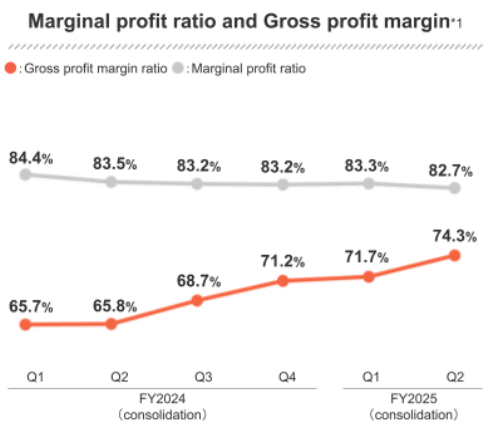
- Expenditures based mainly on agreed repayment of borrowings.

Next, we will explain consolidated cash flows.
Operating cash flows improved significantly due to a decrease in operating loss. The negative cash flow from financing activities was mainly due to payments for scheduled repayment of borrowings.

■ Gross profit

As a result of revising development projects and the development structure based on a new product roadmap, the percentage of development personnel expenses for maintaining services decreased relatively, and gross profit margin increased to 74.3%.





*1 :Contribution margin is calculated as "Net Sales - Communication Expenses (Cost of Sales) - Commission Expenses (Cost of Sales)," and contribution margin ratio is calculated as "Contribution Margin ÷ Net Sales."

Regarding gross profit, the contribution margin ratio has remained stable. Additionally, the gross profit margin has increased to 74.3%.

In accounting for development personnel expenses, the Company records such expenses as either cost of sales or selling, general and administrative expenses, depending on the department to which the development personnel belong and the projects on which they are engaged. For example, labor costs related to projects for the development of highly innovative functions are recorded as selling, general and administrative expenses. Cost of sales may increase or decrease depending on the allocation of development personnel and projects.

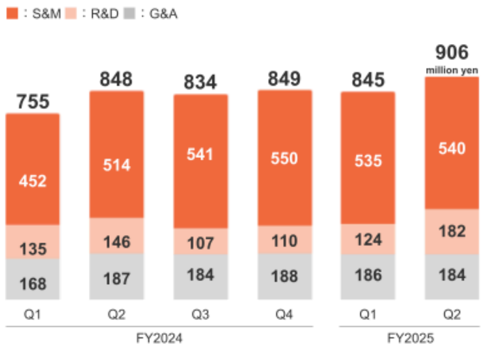
In FY2025, we have formulated a new product roadmap and are revising our development projects and development structure based on it. As a result, the percentage of development personnel expenses for service maintenance in cost of sales has decreased relatively, and the gross profit margin has improved.

Gross profit increased 38% YoY due to the increase in gross profit margin and sales.

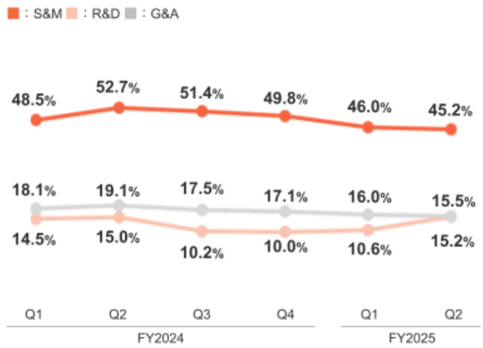
■ SG&A expenses

R&D increased due to stronger investment in the development of new products and other initiatives.
No change to sales and administrative expense investment policy for FY2025 (quarterly average of 900 million to 1 billion yen).

SG&A Expenses*1



Ratio of SG&A expenses to net sales*1



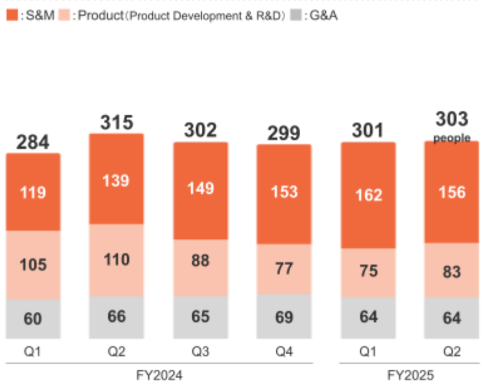
*1 : S&M: Abbreviation for Sales and Marketing. The total amount of personnel expenses, advertising and promotion expenses, sales commissions, and related common expenses attributable to the sales department(including marketing) for each quarterly accounting period.R&D: Abbreviation for Research and Development. "Total amount of personnel expenses, etc. related to the development department and related common expenses for each quarterly accounting period." G&A: Abbreviation for General and Administrative. "Total amount of expenses related to the corporate department and related common expenses for each quarterly accounting period."

Next, we would like to talk about selling, general and administrative expenses.
In the second quarter, selling, general and administrative expenses increased from the previous quarter due to increased investment in R&D related to the development of new products. We plan to invest between 900 million and 1 billion yen per quarter in selling, general and administrative expenses in fiscal 2025.

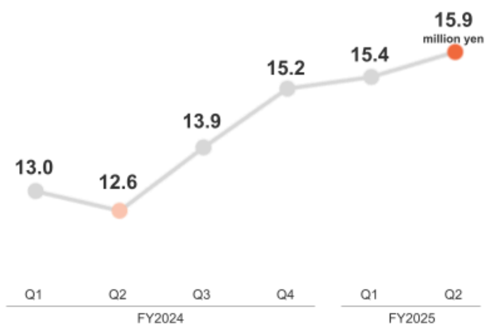
■ Status of investment (Human capital)

Continue to systematically invest in human resources while improving productivity from Q3 onwards.

Number of Employees*1



ARR per employee



*1 : Includes non-regular employees and SES personnel. G&A includes employees on leave, such as parental leave, and full-time corporate officers.

Finally, we would like to discuss human resource investment.
We invest based on ARR per employee as an indicator of organizational productivity.

We will continue to increase productivity while systematically investing in human resources in Q3 and beyond.

This concludes our financial results for the second quarter of fiscal year 2025.

In order to achieve our corporate vision of “site infrastructure that makes people who build things passionate about their work” in the construction DX market, which is currently in an expansion phase, we announced our medium-term product roadmap for the second quarter of fiscal year 2025.

We will continue to contribute to the development of the construction industry by working with our customers and other stakeholders to create a “site infrastructure system” that solves the challenges facing the construction industry, which is a social infrastructure industry facing labor shortages and other issues, through the power of technology.

(Please refer to the following release for our new corporate vision.

SpiderPlus&Co. revamps its mission, vision, and values (July 8, 2025)

https://spiderplus.co.jp/news/news-release/9176/

and above

For inquiries regarding this matter, please contact
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