



Translation

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Notice Regarding Changes in Reporting Segments

ORO Co., Ltd. (the “Company”) hereby announces that, at the Board of Directors meeting held on May 14, 2024, resolved to change reporting segments. The details are as follows.

Details

1. Reason for Change

Since the first quarter of the fiscal year ended December 31, 2019, the Company has been reporting its business in two segments: the Cloud Solutions (CS) business and the Digital Transformation (DX) business. Currently, SaaS-related revenue aside from ZAC, ZAC Enterprise, and Reforma PSA is steadily growing, including the domestic sales agency operations for “Semrush” (the SEO tool by Semrush Holdings, Inc.) and the newly introduced SaaS management tool “dxeco.”

Given this, to better align with business realities, the CS business will now encompass not only its traditional products (ZAC, ZAC Enterprise, and Reforma PSA) and other third-party cloud solutions but also include Semrush, which was formerly reported under the DX business, and dxeco. Marketing support services previously reported under the DX business (excluding Semrush) will now be reported under the newly established “Marketing Solutions (MS) business.”

Due to these changes, the Cloud Solutions business will now focus on developing and providing proprietary cloud services, along with services from other companies. The Marketing Solutions business will primarily offer marketing support services to clients.

2. Details of Changes

1. The domestic sales agency business of the SEO tool “Semrush,” previously reported under the Digital Transformation business, is now classified as part of the Cloud Solutions business.
2. The Digital Transformation business has been discontinued, and a new Marketing Solutions business has been established. Marketing support operations (excluding “Semrush”), previously reported under the Digital Transformation business, will now be reported under the Marketing Solutions business.
3. The SaaS management tool “dxeco” was previously considered a new business in the pre-commercialization stage, with its costs distributed between two segments. However, since its commercialization is expected in the current fiscal year, all its sales and expenses will now be reported entirely under the Cloud Solutions business.

3. Timing of Change

Starting from the first quarter of the fiscal year ending December 31, 2024, the Company will report its performance based on the new segments.

Note: This change will be applied retrospectively to the results of the fiscal year ended December 31, 2023.

4. Comparison of Old and New Segments

Old Segment

CS	ZAC license fee
	Maintenance fee, SaaS and other monthly service fees
	ZAC ERP installation consultation and customization
	Reforma PSA
	Other products, etc.
DX	Marketing / promotion
	System/website integration, etc. (including sales from Semrush)
	Operation support, Operation office



New Segment

CS	ZAC license fee
	Maintenance fee, SaaS and other monthly service fees
	ZAC ERP installation consultation and customization
	Reforma PSA
	dxeco, Semrush, other products
MS * Newly Established	Marketing/promotion
	System/website integration, etc.
	Operation support, Operation office