



Densan System Holdings Co., Ltd. Presentation Materials for the 3Q FY2025 Results Briefing

Tokyo Stock Exchange Prime
Nagoya Stock Exchange Premier
Securities Code: 4072

Forward-looking statements contained in this document are based on current estimates and projections and include potential risks and uncertainties. Future results are therefore not guaranteed. Please note that actual results may differ from projections due to changes in the business environment and other factors. Amounts are displayed rounded down to units of one million yen. Aggregate totals stated in charts may not tally with a result. Percentages are displayed rounded to the second decimal point.

*Information from 2Q FY2021 and before is that of Densan System Co., Ltd.

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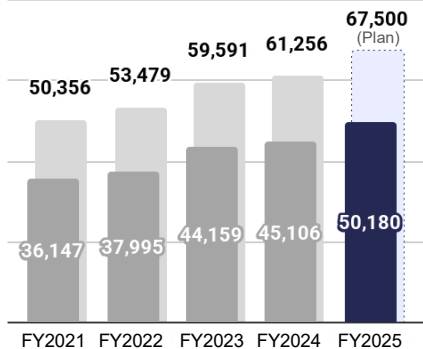
3Q FY2025 Business Results Highlights

Unit: Millions of yen

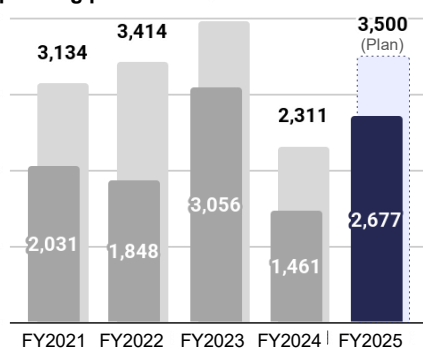
- Net sales increased due to growth of the Google business.
- Each stage of profit increased due to the increase in sales. This was a significant increase relative to the same period of the previous year, which was affected by unprofitable projects.
- As net sales and each stage of profit are progressing largely in line with plans, the forecast for the current fiscal year remains unchanged from the plan at the beginning of the fiscal year.

	FY2024 First nine months	FY2025 First nine months	YoY		Full-year plan	Progress
			Amount	Ratio		
Net sales	45,106	50,180	5,073	11.2%	67,500	74.3%
Operating profit	1,461	2,677	1,215	83.2%	3,500	76.5%
Profit margin	3.2%	5.3%	Up 2.1% points		5.2%	
Ordinary profit	1,622	2,830	1,207	74.5%	3,530	80.2%
Profit margin	3.6%	5.6%	Up 2.0% points		5.2%	
Net income	847	2,235	1,388	163.8%	2,530	88.4%

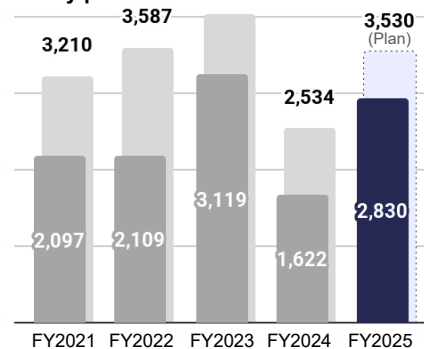
Net sales



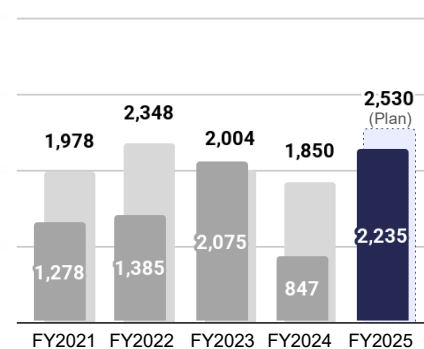
Operating profit



Ordinary profit

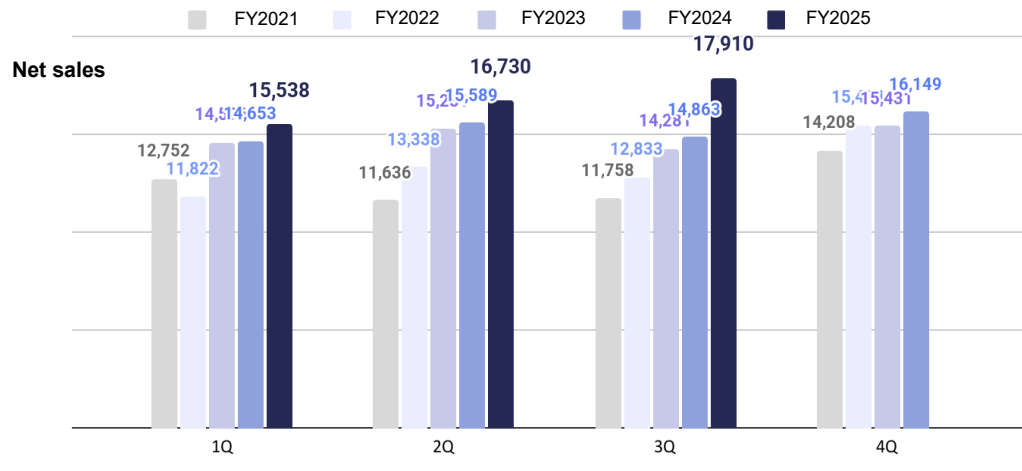
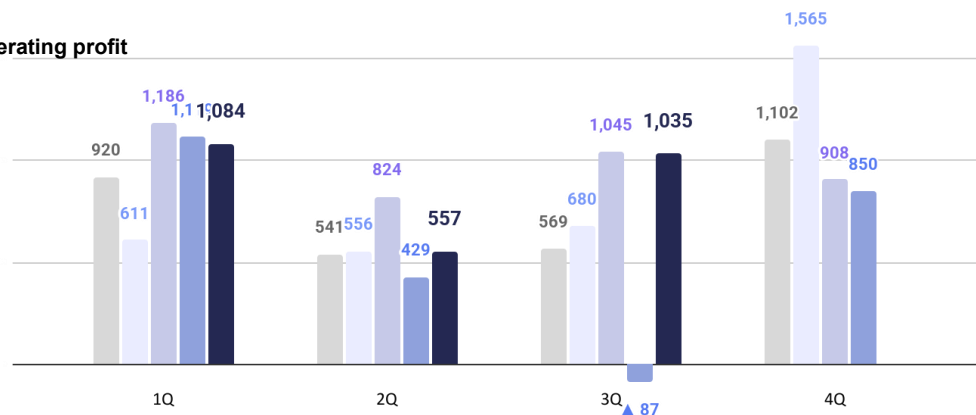


Net income



3Q FY2025 Business Results Quarterly Trends

Unit: Millions of yen

**Operating profit**

- Net sales increased steadily every fiscal year.
- In 3Q, net sales increased by ¥3,047 million, or 20.5% year on year, marking a record high again following 1Q and 2Q.

- Operating profit also increased steadily due to the increase in sales.
- This was a significant increase relative to the same period of the previous year, which was affected by unprofitable projects.
- However, due to higher personnel expenses and purchase prices, profits did not reach levels from FY2023.

3Q FY2025 Business Results Financial Condition (B/S)

Unit: Millions of yen

- Total assets at the end of 3Q increased by ¥11.6 billion from the end of the previous fiscal year. This was mainly due to increases in monetary trusts, cash and deposits, and accounts receivable - trade.
- Liabilities increased by ¥10.0 billion from the end of the previous fiscal year. This was mainly due to increases in deposits received in payment agency services and short-term borrowings.
- Short-term borrowings arose from temporary overdrafts in connection with advance payments in payment agency services.

- About net cash

Temporary deposits from customers in the payment agency service business are recorded as both liabilities (deposits received in payment agency services) and assets (money held in trust, etc.). Considering the characteristics of the business, the real net cash available for allocation to management and investment is as follows.

	FY2024	FY2025 3Q	Change in amount
Total assets	61,747	73,351	11,604
Current assets	53,876	65,545	11,669
Non-current assets	7,870	7,805	(65)
Total liabilities	39,452	49,503	10,050
Current liabilities	37,804	48,194	10,389
Non-current liabilities	1,648	1,309	(338)
Total net assets	22,294	23,847	1,553
Equity ratio	35.8%	32.2%	Down 3.5% points
Deposits received in payment agency services	19,370	23,397	4,027
Equity ratio excluding deposits received in payment agency services	52.1%	47.3%	Down 4.8% points

	FY2024	FY2025 3Q	Change in amount
A) Total cash	34,811	43,002	8,190
Cash and deposits	19,279	21,680	2,400
Money held in trust	15,531	21,321	5,790
B) Deposits received in payment agency services	19,370	23,397	4,027
C) Interest-bearing debt	1,075	5,716	4,662
Net cash (A - B - C)	14,365	13,888	(499)

*Deposits received in payment agency services refers to funds deposited with payment slips, etc. As they appear on the balance sheet, they are included in the calculation of the equity ratio for accounting purposes.

Cash Allocation Strategy

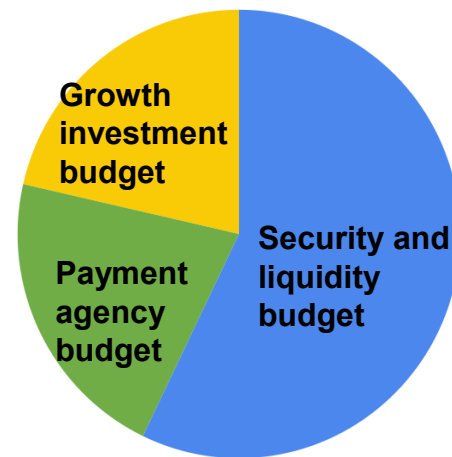
All funds are allocated for strategic purposes

Flow: Free cash flow

First priority	Shareholder returns: Pay stable and continuous dividends based on financial soundness. (Dividend for FY2025: Approx. ¥860 million forecast)
Second priority	Financial soundness: Secure and maintain a liquidity buffer to cover payment advances.
Third priority	Growth investment: Strategic investment to secure competitive advantage while maintaining a balance between security and returns.

Stock: Strategic allocation of net cash (¥13.8 billion as of 3Q FY2025)

1. Security and liquidity budget	Working funds A reserve for monthly funding needs. (Secure funds of about 1.2 times monthly sales = ¥8.0 billion)
2. Payment agency budget	Payment agency funds Securing funds to address liquidity risk from payment advances (¥3.0 billion) 3Q FY2025: Separate short-term borrowings of ¥5.0 billion were created to meet temporary funding needs.
3. Growth investment budget	Investment in growth strategies, M&A standby funds Strategic reserve in preparation for expansion into new business areas and dynamic M&A to acquire technology. (¥3.0 billion)



Note: From the standpoint of security, efficiency, and growth, cash is properly rebalanced through a strategic breakdown of the stock (balance) of funds earned in business flow.

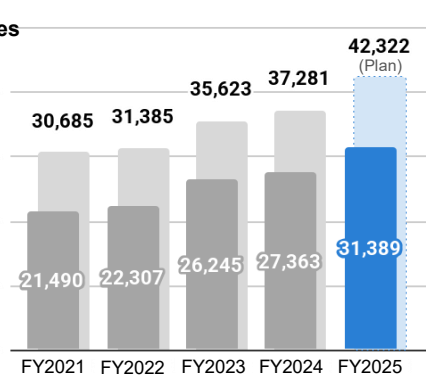
3Q FY2025 Business Results Information Services Segment Summary

Unit: Millions of yen

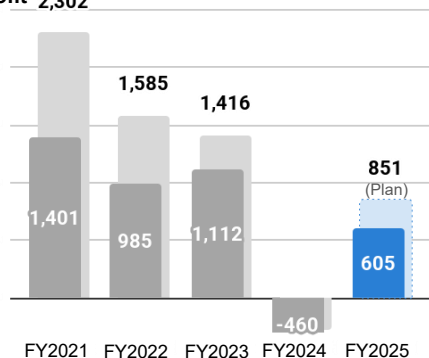
- Net sales amounted to ¥31,389 million, a 14.7% year on year increase.
- In SI and software development, system projects for the auto auction industry performed well, as did cloud services such as Google Workspace and Google Maps.
- Sales of merchandise and finished goods grew significantly year on year due to GIGA School introduction.
- Operating profit increased significantly relative to the same period of the previous year, which was affected by unprofitable projects.

	FY2024 First nine months	FY2025 First nine months	YoY		Full-year plan	Progress
			Amount	Ratio		
Net sales	27,363	31,389	4,025	14.7%	42,322	74.2%
SI and software development	19,949	21,812	1,863	9.3%	29,475	74.0%
Information processing	4,065	4,368	303	7.5%	6,397	68.3%
Sales of merchandise and finished goods	3,270	5,140	1,869	57.2%	6,366	80.8%
Other revenue	78	68	(10)	(13.6%)	83	81.6%
Operating profit	(460)	605	1,065	-	851	71.2%
Operating profit margin	(1.7%)	1.9%	Up 3.6% points		2.0%	

Net sales

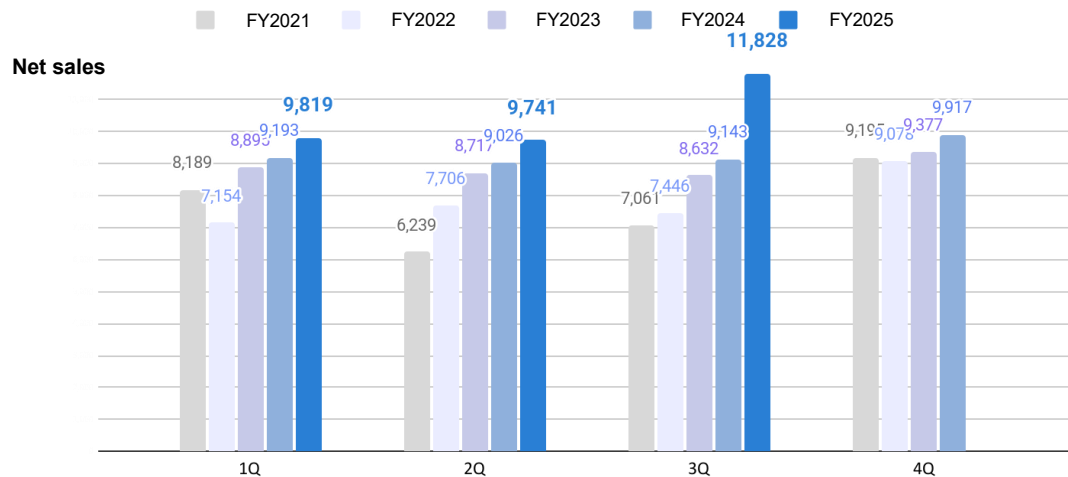


Operating profit 2,302

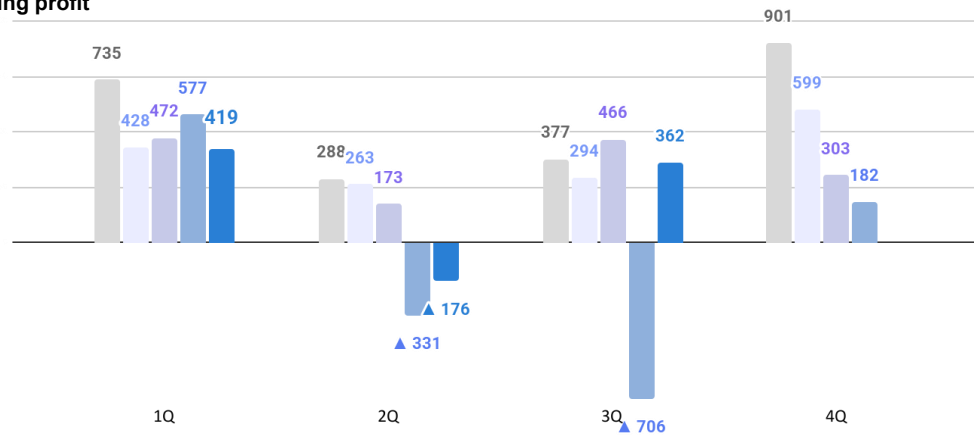


3Q FY2025 Business Results Information Services Segment Quarterly Trends

Unit: Millions of yen



- 3Q sales grew significantly due to GIGA School introduction.
- Achieved 11 consecutive quarters of year on year sales growth since 1Q 2023.

Operating profit

- This was a significant increase relative to the same period of the previous year, which was affected by unprofitable projects.
- Higher purchase prices, personnel expenses rose, and investment increased.
- GIGA School projects had low profit margins and could not compensate for increased costs; therefore, operating profit did not reach 2023 levels.

3Q FY2025 Business Results Information Services Segment in Detail (Google Business)

Unit: Millions of yen

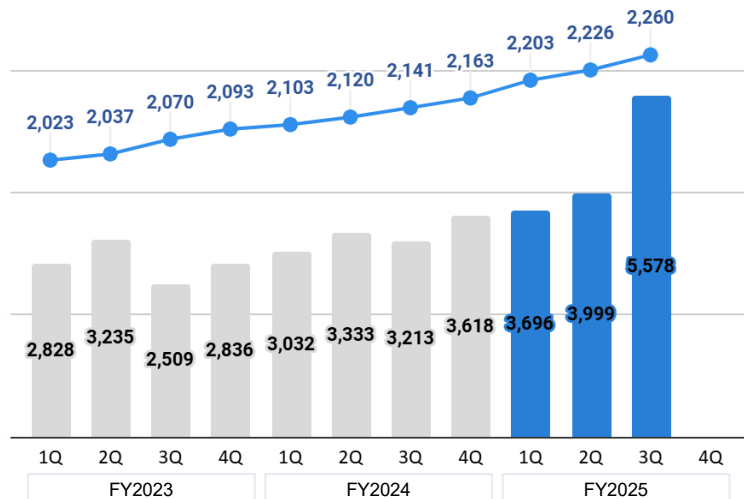
- Google Workspace saw steady growth in the number of business partners.
- Net sales increased significantly due to GIGA School project introduction.

Google Workspace adopter companies **2,260**

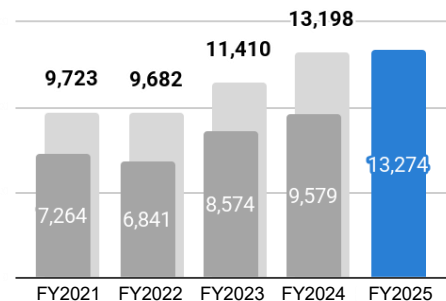
Google business annual sales **38.6%** up from the previous fiscal year

■ Number of Google Workspace adopter companies

Net sales



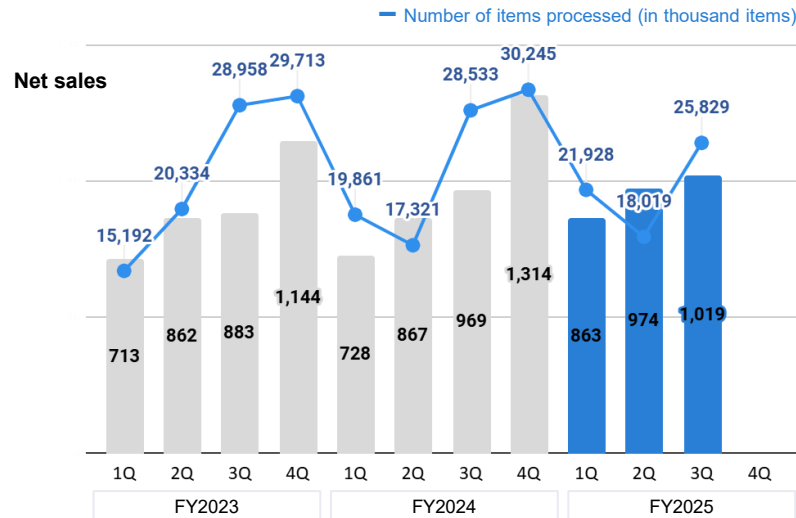
(Cumulative)



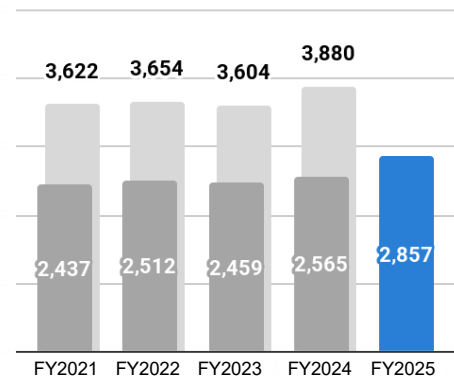
3Q FY2025 Business Results Information Services Segment in Detail (BPO Business)

Unit: Millions of yen

- Net sales in 3Q amounted to ¥1,019 million, a 5.2% year on year increase. For the cumulative total up to 3Q, sales increased by 11.4%.
- Continuing from 2Q, invoice preparation services were the driving force, while call center and invoice printing services remained flat and data entry decreased.



(Cumulative)

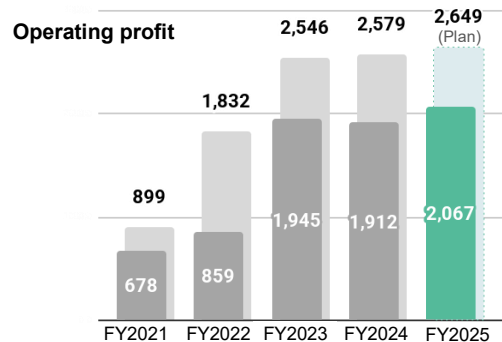
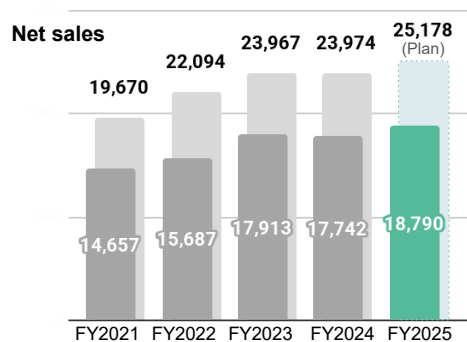


3Q FY2025 Business Results Payment Agency Services Segment Summary

Unit: Millions of yen

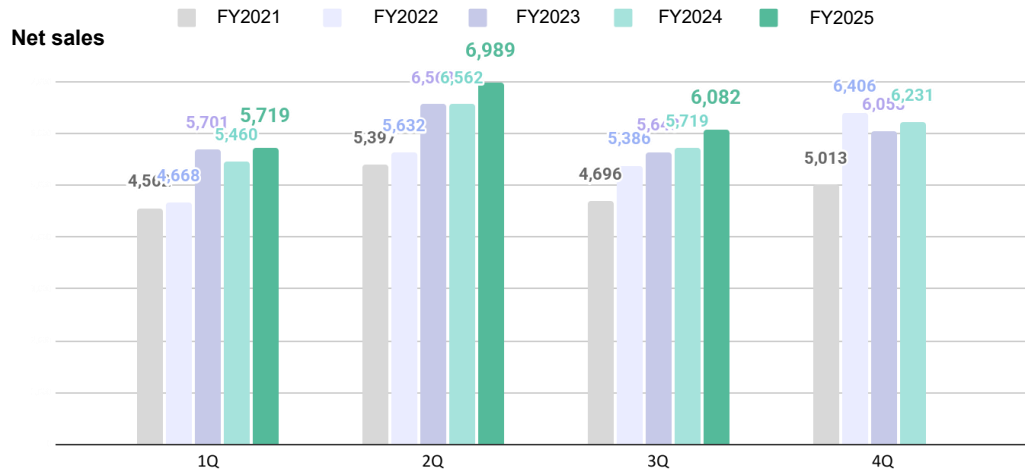
- Sales increased in each service except remittance services due to steady growth in usage by customers that started operations in the second half of the previous fiscal year and beyond.
- In remittance services, sales decreased due to the termination of international remittance services last year.
- Operating profit also increased due to the increase in sales of each service.

	FY2024 First nine months	FY2025 First nine months	YoY		Full-year plan	Progress
			Amount	Ratio		
Net sales	17,742	18,790	1,048	5.9%	25,178	74.6%
Payment and collection agency service	16,419	17,316	897	5.5%	23,187	74.7%
Online payment service	713	906	192	27.0%	1,067	85.0%
Remittance service	207	43	(163)	(78.9%)	49	89.7%
Payment agency peripheral services	236	237	1	0.7%	315	75.5%
Other revenue	166	286	120	72.2%	560	51.1%
Operating profit	1,912	2,067	155	8.1%	2,649	78.1%
Operating profit margin	10.8%	11.0%	Up 0.2% points		10.5%	

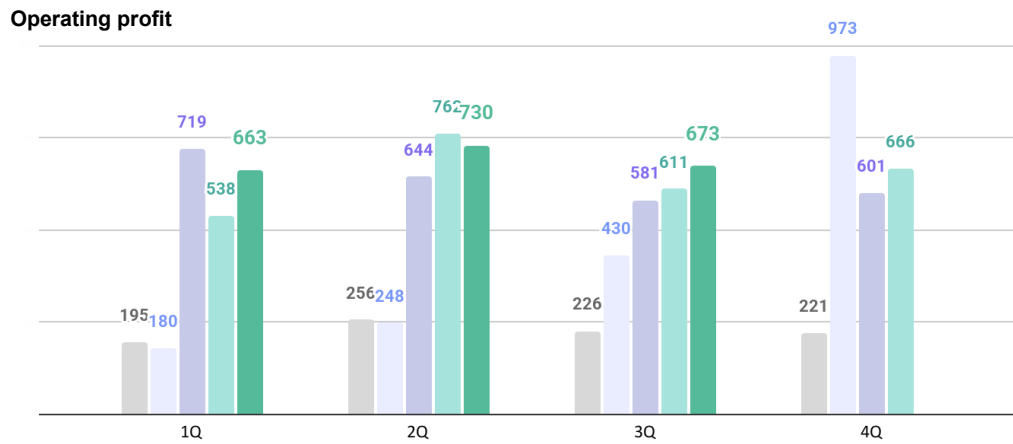


3Q FY2025 Business Results Payment Agency Services Segment Quarterly Trends

Unit: Millions of yen



- Net sales increased by ¥363 million, or 6.3% year on year, marking a record high due to the launch of operations with new customers and revision of unit sales prices.



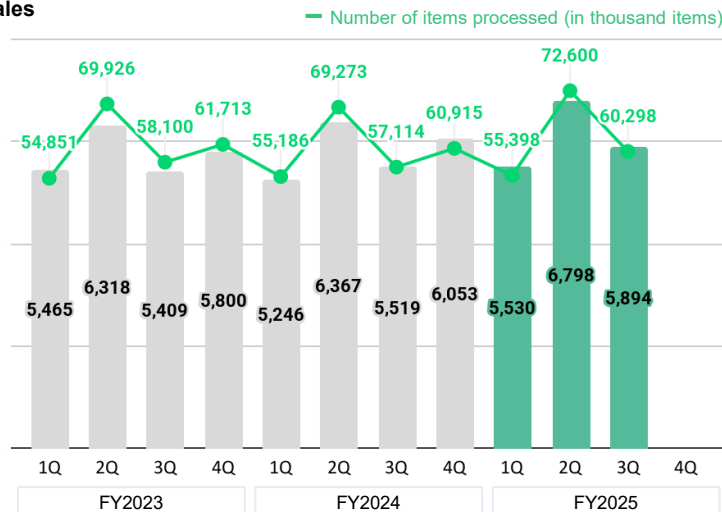
- Operating profit also increased steadily due to the increase in net sales.

3Q FY2025 Business Results Payment Agency Services Segment in Detail (Payment and Collection Agency Services / Online Payment Services)

Unit: Millions of yen

- The number of large customers that began operations last year increased, and new customers, primarily local governments, began operations smoothly, with the number of accounts increasing steadily from 1Q.
- Furthermore, price increases to reflect higher unit purchase prices progressed, and sales growth continued from the second half of the previous year.

Net sales



Initial Plan for FY2025

Unit: Millions of yen

- Net sales are projected to increase by 10% or more due to growth in information services.
- Each stage of profit is projected to increase substantially amid improvement in negative factors associated with FY2024.
- The rates of increase with respect to ordinary profit and net profit are low relative to that of operating profit due to a reduction in dividend income and gain on sale of investment securities, which were recorded for FY2024.

- Robust performance is likely given substantial market needs with respect to the cloud, AI, and BPO.
- A substantial increase is projected in sales of merchandise and finished goods associated with NEXT GIGA.
- We will increase investment in new service platforms utilizing Web3, NFT, blockchain, etc.
- Upward momentum in sales persists due to a new large customer having embarked on operations and progress achieved in ensuring that prices reflect higher unit purchase prices.
- We are promoting differentiation through PAYSLE electronic payment slip services and TREE PAYMENT services for enabling customers to select preferred payment options.
- We are developing markets by enhancing functionality of our comprehensive payment services platform.

	FY2024	FY2025 Plan	Change in amount	Y-o-y
Net sales	61,256	67,500	6,244	10.2%
Information Services Segment	37,281	42,322	5,040	13.5%
Payment Agency Services Segment	23,974	25,178	1,203	5.0%
Operating profit	2,311	3,500	1,188	51.4%
Operating profit margin	3.8%	5.2%	Up 1.4% points	
Information Services Segment	(278)	851	1,129	-
Operating profit margin	(0.7%)	2.0%	Up 2.8% points	
Payment Agency Segment	2,579	2,649	70	2.7%
Operating profit margin	10.8%	10.5%	Down 0.2% points	
Ordinary profit	2,534	3,530	995	39.3%
Ordinary profit margin	4.1%	5.2%	Up 1.1% points	
Net profit	1,850	2,530	679	36.7%
Segment profit adjustment amount	10	0		

Information Services Segment Sales	FY2024	FY2025 Plan	Change in amount	Y-o-y
SI and software development	27,188	29,475	2,287	8.4%
Information processing	5,850	6,397	547	9.4%
Sales of merchandise and finished goods	4,138	6,366	2,227	53.8%
Other revenue	104	83	(21)	(20.3%)

Payment Agency Services Segment Sales	FY2024	FY2025 Plan	Change in amount	Y-o-y
Payment and collection agency service	22,204	23,187	983	4.4%
Online payment service	982	1,067	85	8.6%
Remittance service	226	49	(178)	(78.5%)
Payment agency peripheral services	321	315	(6)	(2.0%)
Other revenue	853	560	320	133.5%

FY2025 Key Measures

Transforming into a Value Creator

- DSK Transformation

Transition to a service-based business. Expansion of stock ratio.

Establishment of a new Business Design Planning and Promotion Headquarters in charge of promoting the information processing service business.

Planning and promotion of new business initiatives and services.

- Strengthening of coordination between Group companies.

Assignment of a Director in charge of managing intra-Group coordination.

Establishment of a new Sales Promotion Office inside of Densan System in charge of promoting the sales activities of the Group as a whole (under the direct control of the president).

We will promote sales activities that aren't restricted by organizational boundaries.

- Expansion into Adjacent Areas.

Establishment of a Co-Creation Ecosystem Planning Office within the Business Design Planning and Promotion Headquarters.

Planning and promotion of payment services utilizing web3 and blockchain technology.

- Human Resource Development

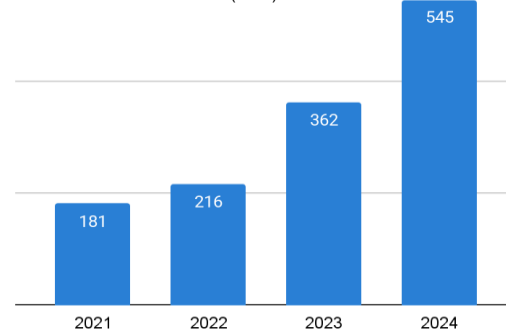
Hired 36 new graduates in April 2025 (25 new graduates and 89 mid-career hires in 2024).

Changes to education, incentives, etc.: Qualified Cloud Technicians: 545 (total)

Since 2023, the Company has encouraged and supported the acquisition of cloud-related qualifications

(incentives will be several times higher in 2023/2024 compared with 2022).

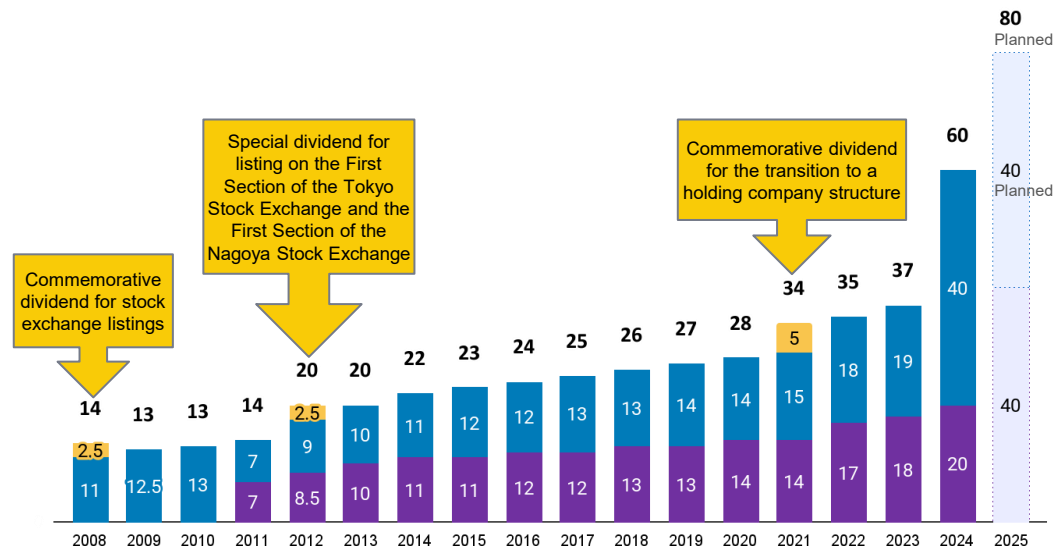
Qualified Cloud Technicians (Total)



Shareholder Returns

Our basic policy will be to conduct stable and continuous distribution of profits based on a comprehensive assessment of our financial position and business performance, while retaining sufficient reserves.

- FY2024: Ordinary dividend: ¥60 per share per annum (interim ¥20, year-end ¥40)
Shareholder benefits: Specialties of Gifu Prefecture or a donation equivalent to ¥3,000 (for shareholders who have held one unit (100 shares) or more for at least one year)
- FY2025 plan: Annual ordinary dividend of ¥80 per share (interim ¥40, year-end ¥40)



Sustainability Policy

We will create new innovations through sustainability.

Based on our Sustainability Policy, the Densan System Group considers diversity as an important management strategy because respecting the diverse individuality and values of each of our employees and maximizing each other's strengths are essential to continue providing valuable services that meet the diverse needs of our customers.

Furthermore, with the aim of achieving an organization where each of our employees can embrace their work and thrive in the company, we will continue to promote initiatives for human capital and health management.

Initiatives in 2024

- We strove to establish workplaces that enable all of our employees to work with peace of mind over the long term while fully demonstrate their individual abilities.
We acquired L-boshi (two stars) certification as a company that promotes active participation of women in the workplace.
- Health Management
Reduction in designated working hours (from 8 hours to 7.5 hours) / adoption of flextime system across the entire Company (overtime reduced by 3.8 hours) / paid leave granted upon joining the Company (ten days) / introduction of employee benefits club / employees provided with health and wellness application

Certified as a 2025 KIH Outstanding Organization (Large Enterprise Category)

We were recognized as a company committed to health management with a 2025 KIH Outstanding Organization (Large Enterprise Category) certification.

What is the KENKO Investment for Health (KIH) certification system?

It is an award system operated by the Japan Health Council with the aim of creating an environment in which large corporations, small and medium-sized enterprises, and other corporations that practice especially excellent health management can receive social recognition from employees, job seekers, partner companies, financial institutions, and others by shedding a spotlight on these companies and their efforts.

[Health Management Initiatives] https://www.ds-hd.co.jp/sustainability/social/health_management/

In order to realize sustainable corporate management, we will continue to build a safe and comfortable workplace environment where each and every employee can perform to the best of their abilities.

We will also further promote health management through activities worthy of the title of KIH Outstanding Organization.



2025
健康経営優良法人
KENKO Investment for Health
大規模法人部門

Sustainability Policy



Aiming to be a company where women can actively participate

The Group company, Densan System Co., Ltd., has obtained the two-star Eruboshi Certification (Level 2) established by the Minister of Health, Labour and Welfare for companies with excellent conditions for promoting the active participation of women in the workplace. We will further work to create a workplace environment where women and other diverse human resources can actively participate, and we will promote human capital and health management.

Aiming for three-star Eruboshi Certification (Level 3) (key indicators)

- Ratio of female employees: FY2024 28.7% ⇒ June 2025 30.8% (up 2.1 points)
- Ratio of female managers: FY2024 7.1% ⇒ June 2025 9.1% (up 2.0 points) *Targeting the industry average of 12.6%

We will enhance female employees' trust in and engagement with the Company by appointing women to management levels.

In addition, by developing an environment in which people who are raising children or considering doing so in the future can work comfortably with work-life balance, we will secure talented personnel and improve the motivation of employees toward their work.

Aiming for Kurumin Certification (new) (key indicators)

- Childcare leave acquisition rate (men): target 30% or higher / June 2025 66.7%
- Childcare leave acquisition rate (women): target 75% or higher / June 2025 100.0%
- Annual paid leave acquisition rate: target 75% or higher / End of June 2025 71.7%
- Average monthly overtime hours: target under 30 hours / June 2025 8.3 hours(Full-time employees only)

By considering measures such as developing systems for taking long consecutive leave, we will raise the annual paid leave acquisition rate and achieve employee well-being (physical and mental fulfillment).

Response to Achieve Management with Awareness of Capital Cost and Stock Price

We will aim to further strengthen profitability while also steadily implementing measures to improve capital cost, including timely and appropriate disclosure of information as well as financial and capital policies. We will also continue to improve equity spread while “maintaining the 12% ROE.”

▶ **Current situation (for FY2024)**

$$\begin{array}{|c|} \hline \text{Corporate value} \\ \hline \begin{array}{|c|} \hline \text{Equity spread} \\ \hline 2.4 \% \end{array} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{ROE} \\ \hline 8.7 \% \end{array} - \begin{array}{|c|} \hline \text{Shareholders' equity cost} \\ \hline 6.3 \% \end{array}$$

▶ **Initiative policies: To achieve specific corporate value improvements**

Strengthen ability to generate profit

- Create and develop new business for continued business expansion
- Strengthen our structure to be a highly profitable company

Strengthen financial and capital strategies

- Fulfill shareholder returns with priority on continuing stable dividends
- Strengthen investment in human capital
- Reduce cross-shareholdings

Reduce capital cost

- Actively disclose risk information

Topics

- January 6, 2025: DSK We expanded our convenience store payment agency business with a contract for national tax collection agency services!

We expanded our role as public infrastructure with a new contract for national tax collection agency services.

We aim to further expand the business by contributing to improved convenience for society as a whole, strengthening our stable revenue base, and building trust and our track record in the public sector.

- March 11, 2025: DSK We were recognized as a 2025 KIH Outstanding Organization (Large Enterprise Category)

Improving the wellbeing of employees is an important initiative that will lead to higher productivity and corporate value. We will continue to promote it further to enhance our corporate value.

- March 21, 2025 DSK We were contracted to develop systems for GYOSEI CORPORATION's "My Roppo" mobile app

- Development of a legal code reader app utilizing generative AI -

This is an example of the use of generative AI leveraging Amazon Bedrock's RAG (Retrieval Augmented Generation) technology to enable natural language searches.

- April 17, 2025 DSHD, DSK Announcement of increases to employee base pay and starting pay for new graduates

Based on the belief that people are the source of our sustainable growth, we have revised our salary system with the aim of improving employee engagement and securing quality talent. In addition to increasing base pay for current employees, we have also raised starting pay for new graduates with the aim of enhancing our long-term corporate value.

- April 28, 2025 DSK We opened a Kyushu Branch in Fukuoka Prefecture, making a full-scale entry into the Kyushu/Okinawa DX market, promoting DX of local governments and companies in the region

We aim to further accelerate customers' promotion of DX by building a service provision system rooted in the region.

- April 28, 2025 DSK Start of acceptance of the SaiCoin local digital currency in our Payment Agency Services

This will enable citizens to pay their municipal and prefectural taxes using SaiCoin by scanning a barcode through the Saitama City App.

Topics

- June 2, 2025 DSHD, DSK Launch of EZASSIST FAX Order Automatic Reading to streamline fax order processing

We will support the promotion of DX and improvements in operational efficiency in the manufacturing and wholesale industries by drastically reducing the time and effort required for analog tasks in fax order processing and streamlining operations through paperless and digitized workflows, reducing the burden and errors of manual entry.

- June 12, 2025 DSHD, DSK Entered a collaboration agreement with Gifu Pharmaceutical University to promote DX utilizing AI and cloud services

This agreement aims to contribute to the development of the local community and the development of highly specialized human resources by enhancing the university's education, research, and administrative systems through the use of Google Workspace and AI.

We plan to create advanced DX cases in the pharmaceutical field by combining the expertise of Densan System and the cooperation of Gifu Pharmaceutical University.

- June 18, 2025 DSHD, DSK Began offering two support packages for Google Cloud's new service, Google Agentspace.

There are two types of packages, the Quick Start Support Package and the Utilization Promotion Support Package, which provide support tailored to the needs and implementation stage of each company, with the goal of promoting DX through AI adoption.

Densan System will maximize the potential of AI agents to strongly support companies in improving productivity and solving business challenges.

- June 30, 2025 DSHD, DSK Joined the ERP Cloud 360 Consortium to promote cloud ERP for mid-sized companies

We aim to strengthen our presence in the mid-sized company market by handling everything from sales to support for the cloud ERP solution ERP Cloud 360, which is built on Salesforce.

- August 1, 2025 DSK Started providing an integration service between Google Agentspace and the cloud-based data integration tool Reckoner

This service enables data from domestic SaaS (such as kintone and kaonavi) and on-premises environments to be easily utilized in Google Agentspace.

Topics

- 2025/8/18 DSK Contracted by Kawasaki City to build, operate, and maintain a temporary childcare system

Provided the Minnano Michishirube Special Childcare Reservation System, which is developed, maintained, and operated by Densan System, to Kawasaki City to provide temporary childcare services.

- 2025/8/22 DSHD, DSK Sumitomo Mitsui Banking Corporation, Densan System, and Ava Labs, Inc. signed a basic agreement on joint study to create new stablecoin payment and management services

We signed a basic agreement with Sumitomo Mitsui Banking Corporation and Ava Labs regarding stablecoin. We will aim and consider together to create new services related to the future payment, distribution, and operation of stablecoin, and we will support efficiency improvements.

- 2025/8/22 DSHD Notice of change of consolidated subsidiary (share transfer)

We transferred all shares of consolidated subsidiary Micro Research Ltd. (excluding Micro Research from the scope of consolidated subsidiary).

- 2025/8/28 DSK We were awarded Partner of The Year 2025 Japan by Asana

In Asana Business, made several significant contributions to growing licenses for new and existing customers within Japan, including: Long-term retention support for large customers exceeding 4,000 licenses, cross-selling to other departments through usage promotion, and internal adoption of AI Studio.

- 2025/8/28 DSK We were recognized as a AWS 200 APN Certification Distinction

We were recognized as a AWS 200 APN Certification Distinction due to reaching 200 Amazon Web Services (AWS) certifications held. We will continue to provide our clients with more specialized and extensive knowledge of AWS to further contribute to business transformation and increase corporate value.

Topics

- 2025/9/10 DSHD, DSK We launched NIPPON WONDER FACTORY, a co-creation project for tourism and regional development.

The mission of this project is to support people, goods, and money for regional development activities by awakening “wonder (surprise, excitement, and potential)” that lies dormant in local communities under the concept of being a supporting team for creating an attractive Japan. This is an alliance initiative in partnership with a wide range of service providers, rather than by Densan System alone.

- 2025/9/17 DSHD, DSK Basic agreement with JPYC inc. to jointly study social implementation of the JPYC Japanese yen stablecoin

This agreement further deepened the capital and business alliance announced on May 7, 2024. The two companies will utilize Densan System’s convenience store payment network of over 65,000 stores nationwide and the JPYC Japanese yen stablecoin issued by JPYC inc. to fulfill use cases such as B2C/B2B payment and inter-company settlements, aiming for social implementation.

- 2025/9/19 DSK Signed Japan Smart Chain vision partnership agreement with AltX Research K.K.

Through this partnership, we will jointly study the creation of use cases for the social implementation of B2C (for consumer) distribution and payment network infrastructure and next-generation payment services using blockchain technology. We will jointly study use cases and conduct a proof of concept (PoC) with the aim of commercializing a payment infrastructure for digital assets such as stablecoin, points, coupons, and NFTs, as well as next-generation payment services and Web3 wallet services.

- 2025/9/30 DSHD,DSK We launched the Tradeshift solution, a procurement and billing DX platform for Enterprises.

We launched license sales, introduction support, and operational support businesses as a Japanese market distributor of the Tradeshift solution provided by Tradeshift Japan Inc. Amidst the growing demand for digital invoicing and compliance response, we will leverage Densan System’s foundation in the payment and payment agency fields to promote the digital transformation of B2B transactions.

Topics

Stablecoin Initiatives

2023/6 The revised Payment Services Act legally defines stablecoins as a means of electronic payment and allows them to be issued and distributed in Japan.
 2025/8 Approved as an issuer of Japan's first yen-denominated stablecoin, JPYC
 2025/10 Start of issuance of the JPYC stablecoin

DSK's strengths
 (existing payment network and customer base)



Advantages of stablecoin
 (low cost and high speed)

Digital transformation of payment infrastructure using stablecoin!

Aiming to build a next-generation payment infrastructure (payment gateway) harnessing the unique characteristics of stablecoin

Working with the best partners in the areas of finance, technology (global/domestic), and Web3 to rapidly advance business



Japan's first issuer of JPYC, a yen-denominated stablecoin



A Japanese megabank (financial) promoting stablecoin business



Provides state-of-the-art blockchain technology required for stablecoin-related development



Provides blockchain infrastructure with a focus on domestic regulations



Supports building stablecoin payment and remittance infrastructure in collaboration with INTERTRADE Co., Ltd.

Various use cases under consideration: In-store payments, e-commerce payments, B2B payments, financial product payments, and other use cases are currently being explored and discussed, including seeking potential partners.

Extremely low payment/remittance processing fees

→ Lower fees than bank transfer fees, credit cards, QR code payments, etc., reducing costs

Payment and remittance infrastructure that allows for same-day receipt (same value as cash [Japanese yen] and can be converted into cash)

→ Individuals: Means of payment allowing receipt of payment for work on the same day, in line with the new era of work styles (e.g., supplemental income, crowdworkers, etc.).

→ Stores (businesses): An optimal means of payment to improve cash flow, receiving value for goods and services in real time as if it were cash

Topics

NIPPON WONDER FACTORY

2025/9



Launched NIPPON WONDER FACTORY, a co-creation project for tourism and regional development

Providing one-stop solutions to issues related to people, goods, and money faced by tourism and regional development businesses nationwide using digital technology, and supporting local monetization

<https://wonder-factory.jp/>

DSK's core business
(existing payment and BPO)



Tourism and regional development
(new growth market)

We will efficiently utilize DSK's existing strengths (payment platform, BPO center) to expand existing businesses, as well as collaborate not just within DSK, but also with specialized companies in each field (crowdfunding, DAO construction, branding and e-commerce construction support companies, etc.) in this co-creation project to provide one-stop solutions to all needs of local businesses.

kibidango

Crowdfunding
Project design, page production,
and PR management

Unyte

Community/DAO operational support
Contribution visualization, joint asset
management, and decision making

HIKARINA

New product development, activities
branding (e.g., events) to e-commerce
design and construction

First project: Crowdfunding for Noto Jochu (alcohol)

A brand-new, never-before-seen sake, created in 2020 by further purifying sake
brewed and selected by the brewery's toji (master brewers).

