

VELTRA™

VELTRA changes TRAVEL

FY2025 Q2 Financial Results



VELTRA CORPORATION:TSE7048



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FY2025 Q2 Results Overview

About VELTRA



VELTRA is a travel tech company that operates two core businesses: an OTA (Online Travel Agency) business and a transportation and tourism DX business, centered on "experiences" such as tours, activities, attractions, and transportation options at travel destinations.

OTA (online travel) business

VELTRA is a leading company specializing in overseas and domestic tours and activities.

VELTRA

VELTRA.com / HawaiiActivities.com

B to C

Reservation service targeting Japanese travelers

Tourism IT business

Linktivity is Japan's largest-scale DX and sales channel expansion services for transportation and tourism companies

LINKTIVITY

linktivity.co.jp

B to B to C

Providing sales support for companies targeting inbound foreign visitors



Results

- Operating revenue **increased by 15.7% year-on-year to 2,101 million yen**, driven by the recovery of the travel business and the expansion of LINKTIVITY.
- Operating profit improved by approximately 110 million yen year-on-year, ending at a loss of 89 million yen.

OTA Business Segment revenue for the OTA business was **1,653 million yen (1,493 million yen in the same period of the previous year), representing a year-on-year increase of 10.7%.**

Within this, the **overseas travel business grew by 17.4% year-on-year**, but the impact of the weak yen and high prices on overseas travel, is expected to impact the recovery of the overseas travel market for the foreseeable future.

Tourism IT Business The volume of transactions for LINKTIVITY is expanding at a faster pace than the increase in the number of inbound foreign tourists. Segment revenue for the Tourism IT business reached **424 million yen (310 million yen in the same period last year), representing a YoY increase of 36.7%.**

* Operating revenue figures for each segment are reported before offsetting inter-segment transactions.

External Environment

- The number of Japanese outbound recovered to **69.3%** of 2019 levels.

2025 Jan-Jun
Approx. **6.6 million** (YoY +14 %)

- The number of inbound visitors reached **+29.4%** of 2019 levels, surpassing pre-covid levels.

2025 Jan-Jun
Approx. **21.5 million** (YoY +21%)

Source: JNTO

Profit and Loss Summary



Driven by the gradual recovery of travel demand and the expansion of our business portfolio, revenue increased by 15.7% YoY. Operating profit improved YoY to a loss of 89 million yen

Unit: Million Yen	FY2024 Q2	FY2025 Q2	YoY	Change
Operating Revenue	1,815	2,101	+15.7%	+285
Operating Expenses	2,013	2,190	+8.8%	+176
Operating Loss	▲ 197	▲ 89	—	+108
Non-operating Income	1	29	+2,752%	+28
Non-operating Expenses	88	45	▲ 48.8%	▲ 43
Ordinary Loss	▲ 285	▲ 104	—	+180
Net Income	▲ 271	▲ 79	—	+191
Net income per share (Yen)	▲ 7.46	▲ 2.17	—	+5.29yen

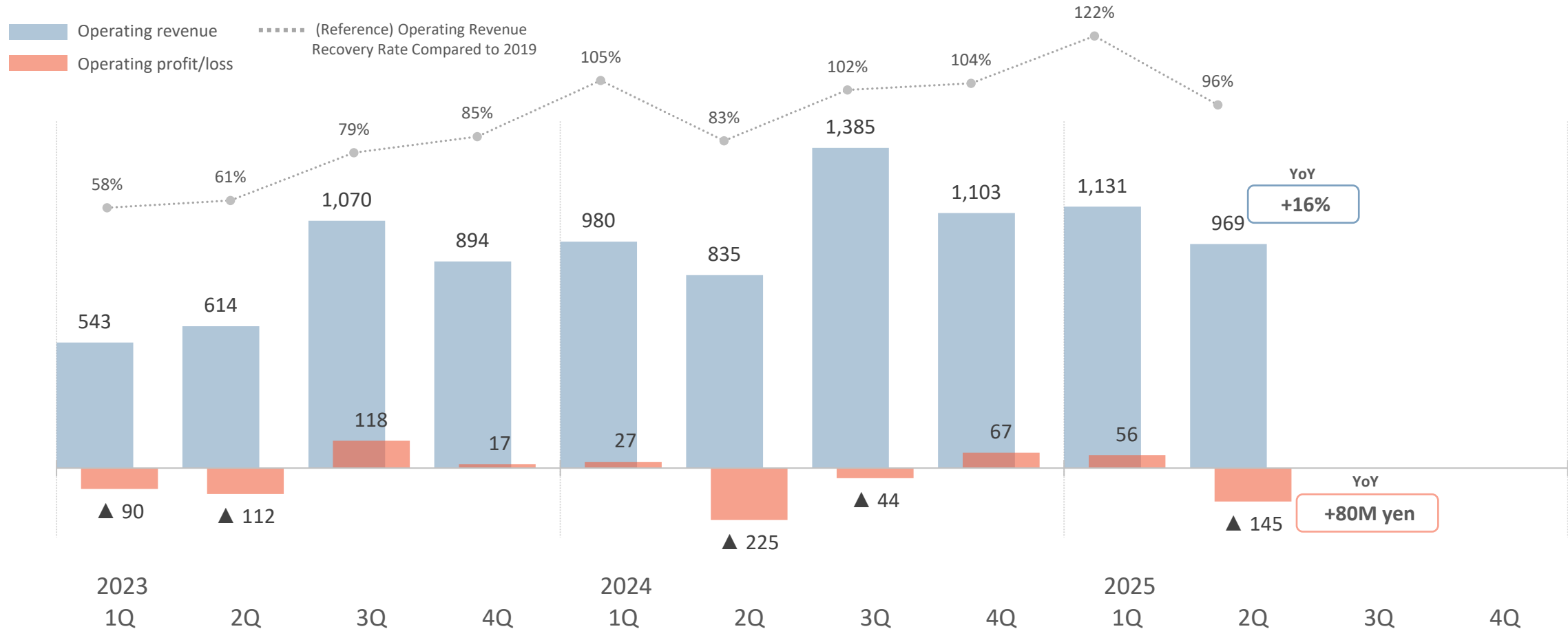
Quarterly Changes in Operating Revenues and Operating Income (Loss)



In the second quarter, operating revenue increased by 15.7% year-on-year to 969 million yen, and operating profit improved by 80 million yen year-on-year to a loss of 145 million yen.

The second quarter is traditionally a slow season for travel, so operating losses are as forecasted.

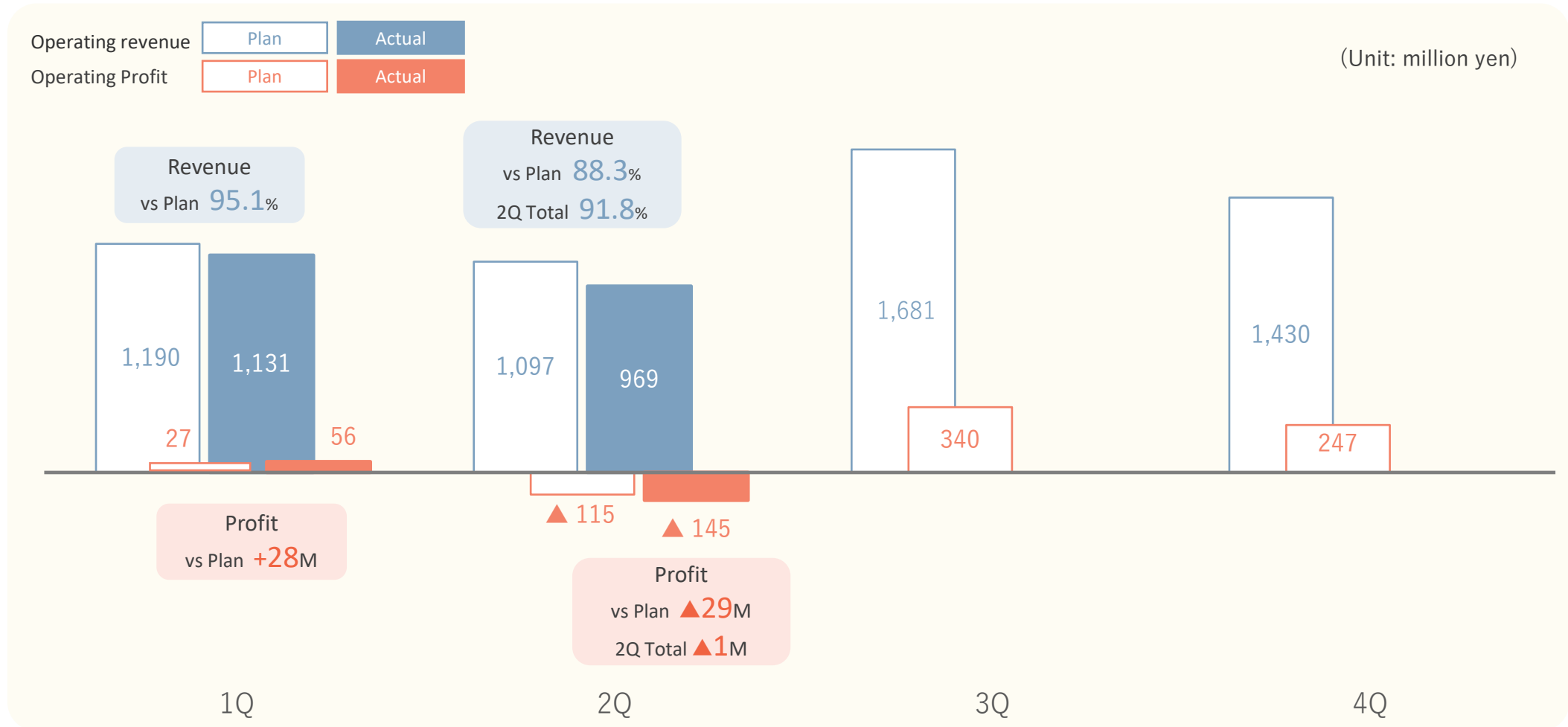
(Unit: million yen)



Progress Toward the 2025 December Fiscal Year Plan



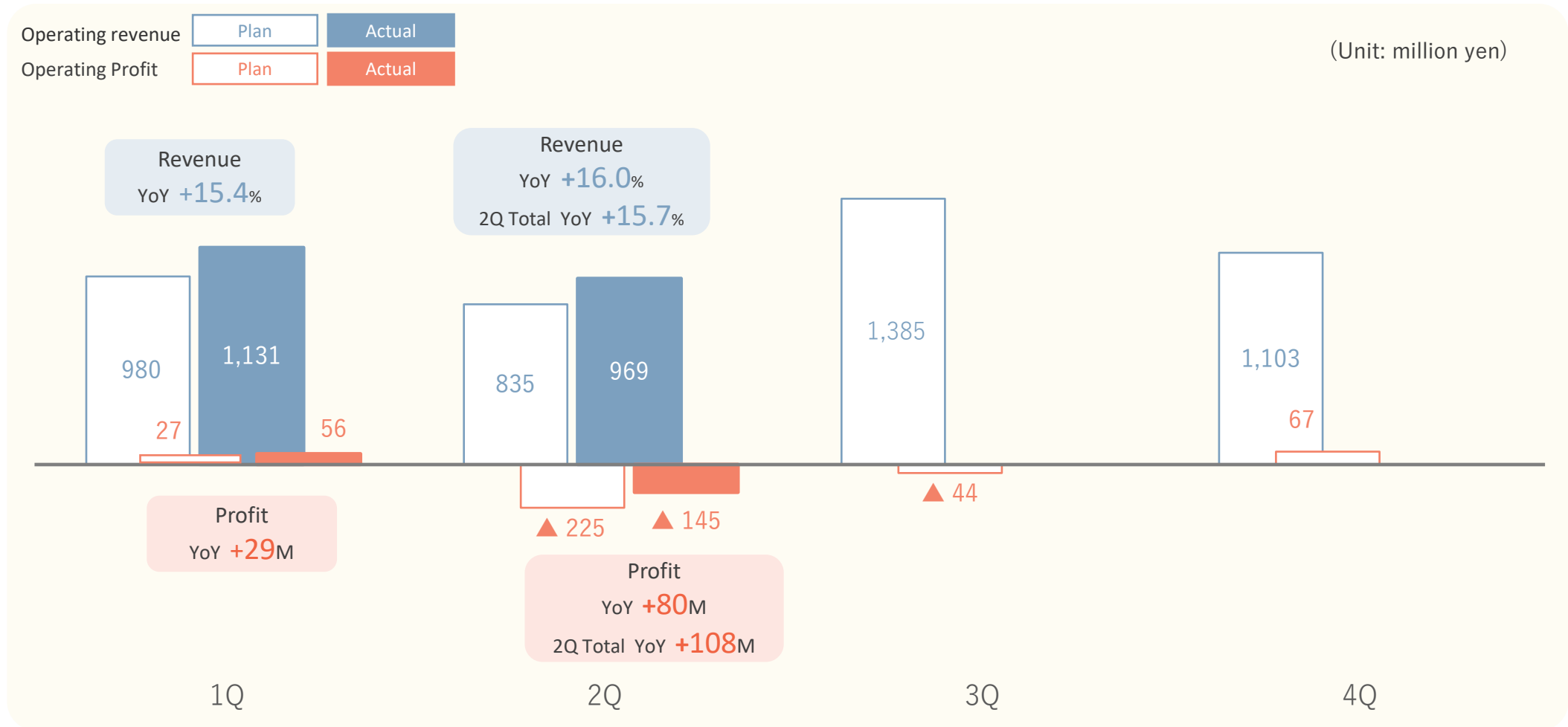
Operating revenue for the 2Q cumulative total is progressing at 91.8% of the plan, with costs also controlled at 92% of the plan. Anticipating an increase in travel demand from summer to fall, we plan to secure profits starting from the third quarter.



2025 December Quarter Quarterly Performance Year-on-Year Comparison



Compared to the previous year, operating revenue increased by approximately 290 million yen. Costs were kept at the previous year's level, resulting in an increase of approximately 110 million yen in operating profit for the first two quarters.



Cost Trends and Plans



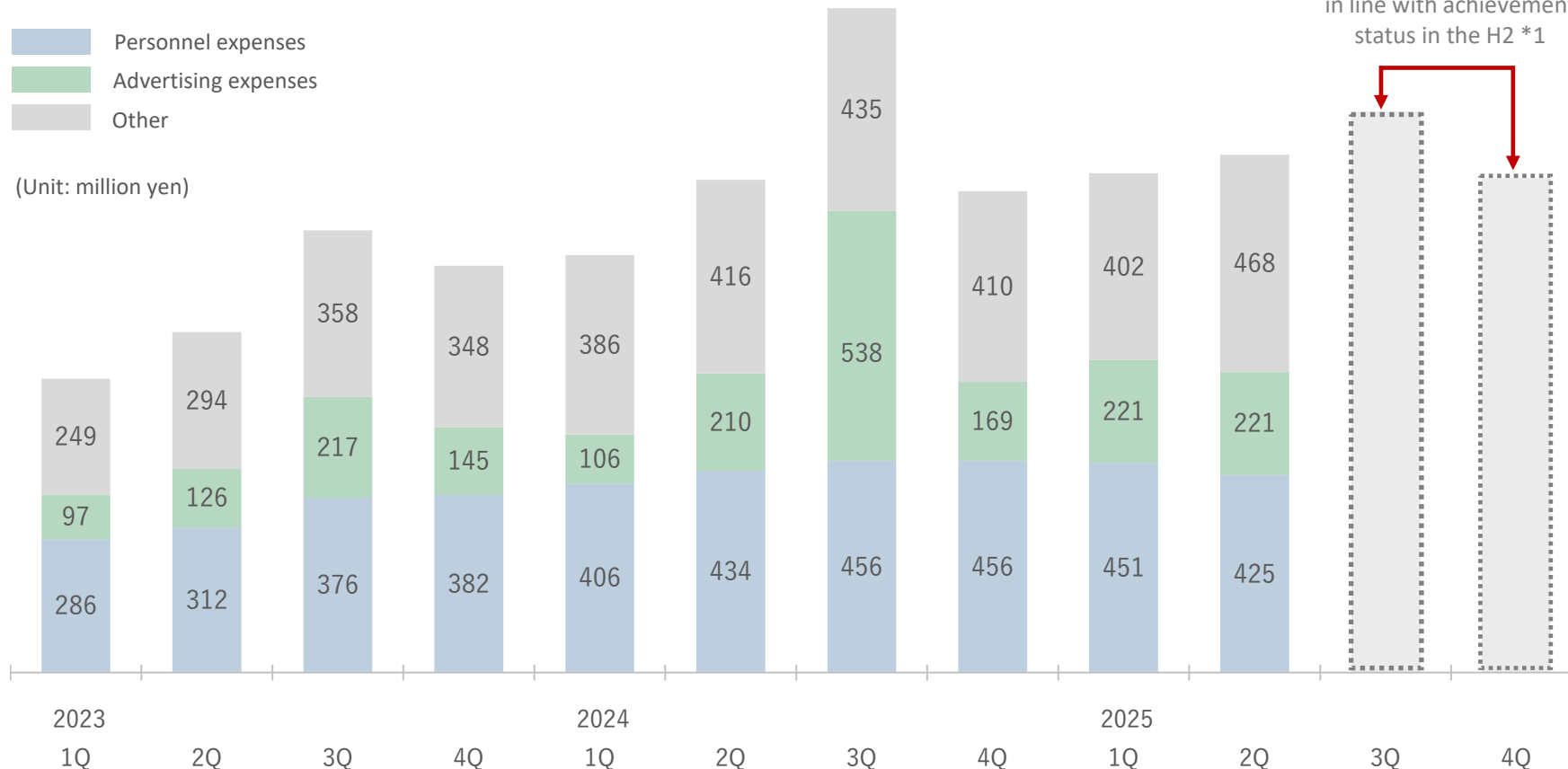
Cost utilization rate for the first half of the fiscal year will be appropriately controlled in line with operating revenue performance.

Cost controls will also be implemented in the second half of the year in line with achievement status

*1 Advertising expenses temporarily increased in Q3 due to the busy season. Investments in awareness advertising implemented last year will not be carried out this quarter.

- Personnel expenses
- Advertising expenses
- Other

(Unit: million yen)



Costs will also be controlled in line with achievement status in the H2 *1

Cost increase/decrease factors (vs. 2024 Q2)

Personnel expenses (▲9M yen)

- Number of employees increased due to hiring in the second half of 2024
- However, labor costs ▲9M in the Q2

Advertising expenses (+11M yen)

- Advertising expenses related to customer acquisition increased in line with the growth in sales from the OTA business
- Other expenses (+52 million yen)

Other expenses (+52M yen)

Increased

- Payment processing fees +15M yen (linked to sales growth)
- Communication expenses +28M yen
- Software amortization expenses +6M yen
- Office rent: +20M increase
- Other COGS: +30M yen

Decrease

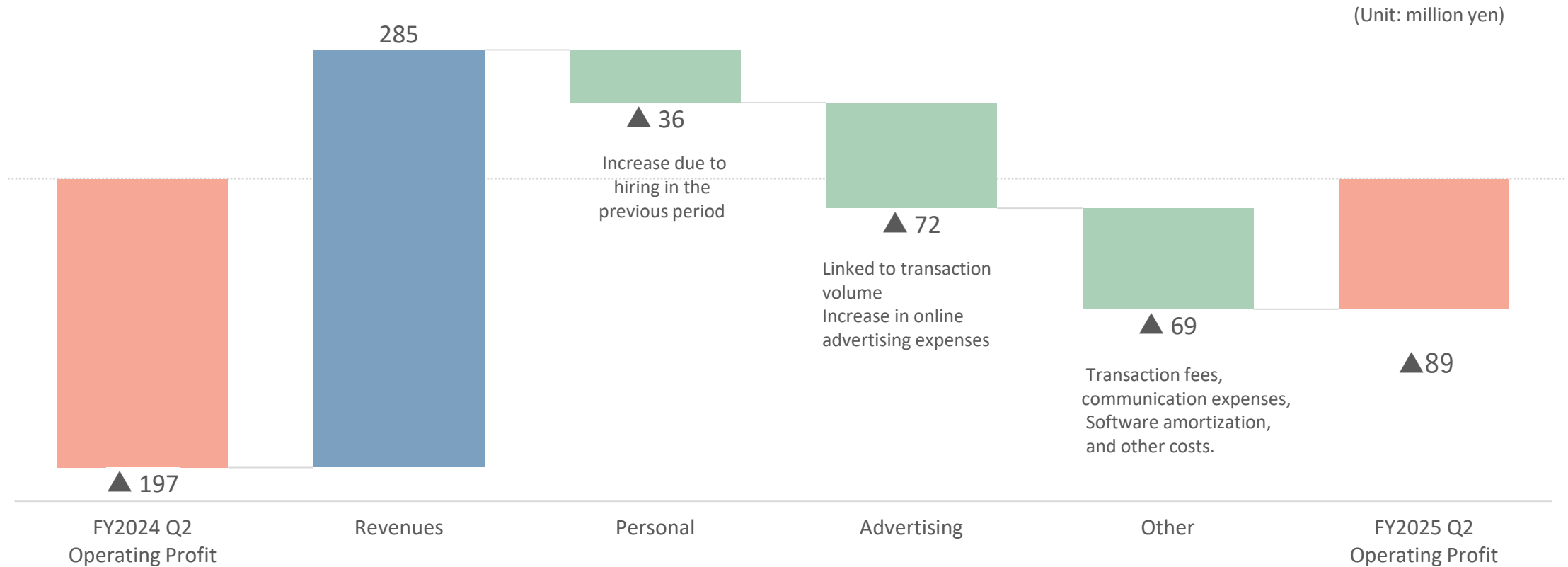
- Recruitment-related expenses ▲23M yen
- Other expenses ▲32M yen

Operating Profit Analysis



Operating revenue increased by 15.7% year-on-year, amounting to an increase of 285 million yen.

Costs increased due to factors linked to GMV growth, such as advertising expenses and payment processing fees; however, through appropriate control, the increase in costs remained below the growth rate of revenue, resulting in a 65% improvement in operating loss compared to the same period last year

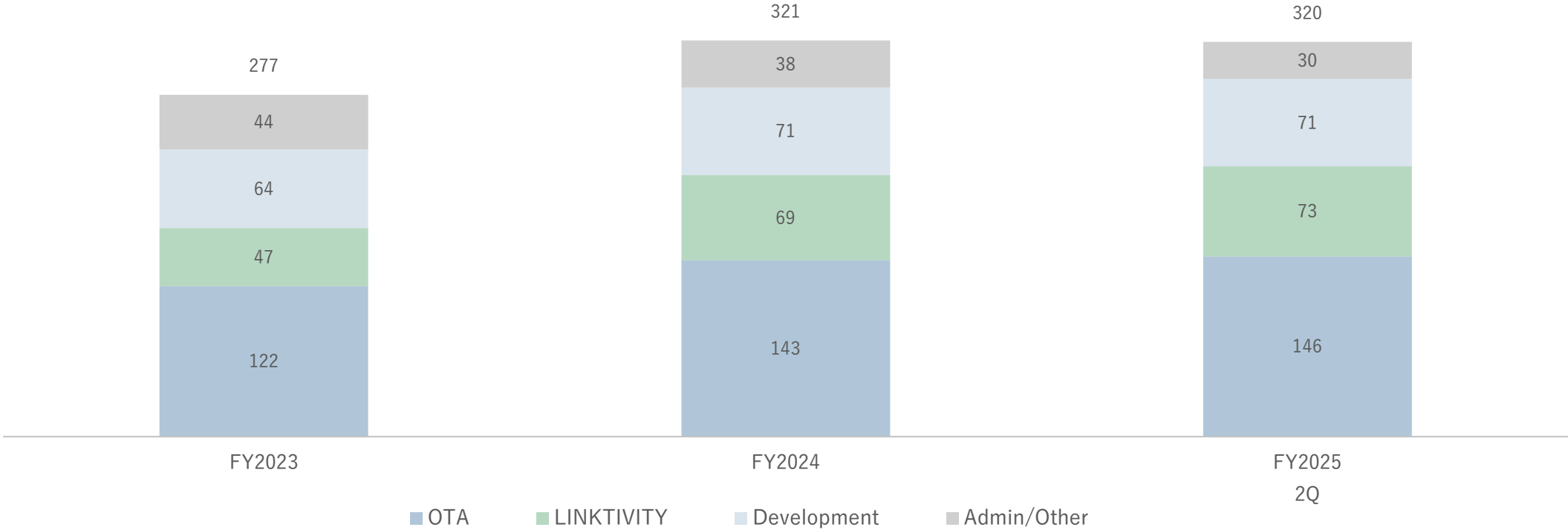


Personnel Trends



This year, we plan to maintain the same level of personnel as last year, with a partial increase in personnel in the second half due to expanded sales of LINKTIVITY.

Additionally, we are implementing productivity improvement measures, including the use of AI, and are currently conducting organizational reforms that will not be linked to sales growth in the coming fiscal year and beyond.



* Starting from the 2025 tally, the 15 personnel previously included in the "Management Department/Other" category have been transferred to the OTA bus

Balance Sheet Summary



Improvement in operating cash flow due to increased revenue resulted in a 4.5 billion yen increase in cash and cash equivalents, bringing the total to 56 billion yen

As a result of an increase in customer advance payments due to further improvements in business revenue, current liabilities increased by 540 million yen, causing the equity ratio to decrease by 2.8 percentage points

Unit: Million Yen	FY2024 Q2	FY2025 Q2	Change	Details
Current Assets	7,846	8,123	+276	Cash and deposits increased by 453 million yen, and accounts receivable decreased by 169 million yen
Cash and Deposits	5,166	5,620	+453	
Fixed Assets	738	828	+90	Software increased by 97 million yen
Assets Total	8,584	8,951	+367	
Current Liabilities	5,695	6,241	+545	Advance receipts increased by 862 million yen, and operating payables decreased by 287 million yen
Favorable Sub Liabilities	0	0	0	
Fixed Liabilities	0	4	+3	Provision for directors' remuneration increased by 3 million yen
Liabilities Total	5,696	6,245	+548	
Total Net Assets	2,888	2,706	▲ 181	Decrease in retained earnings due to the recognition of interim net income attributable to parent company shareholders of 79 million yen, foreign currency translation adjustment of 63 million yen, and decrease in non-controlling interest of 29 million yen
Capital to Asset Ratio	29.1	26.3	▲ 2.8 pt	

Cash Flow Summary



Unit: million yen	FY2024 Q2	FY2025 Q2	Change	Details
Operating Cash Flow	696	714	18	Increases in advance receipts of 871 million yen and a decrease in accounts receivable of 164 million yen, and decreases in accounts payable of 278 million yen
Investing Cash Flow	▲ 233	▲ 539	▲ 306	Expenditures for the acquisition of fixed assets 183 million yen, expenditures for deposits into time deposits, etc. 380 million yen
Financing Cash Flow	1,881	0	▲ 1,881	No increase or decrease in cash from financing activities
Effect of exchange rate change	109	▲ 82	▲ 191	
Cash and Cash Equivalents at the end of year	6,148	5,259	▲ 888	

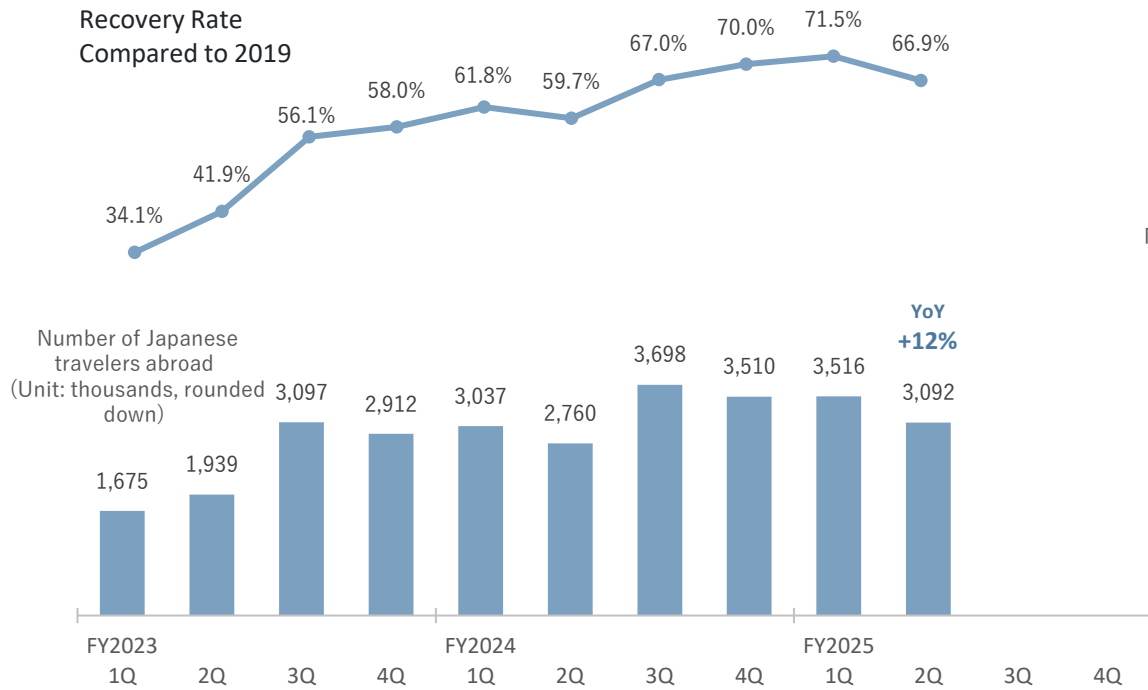
FY2025 Q2 Results and Market Environment by Business

External Environment



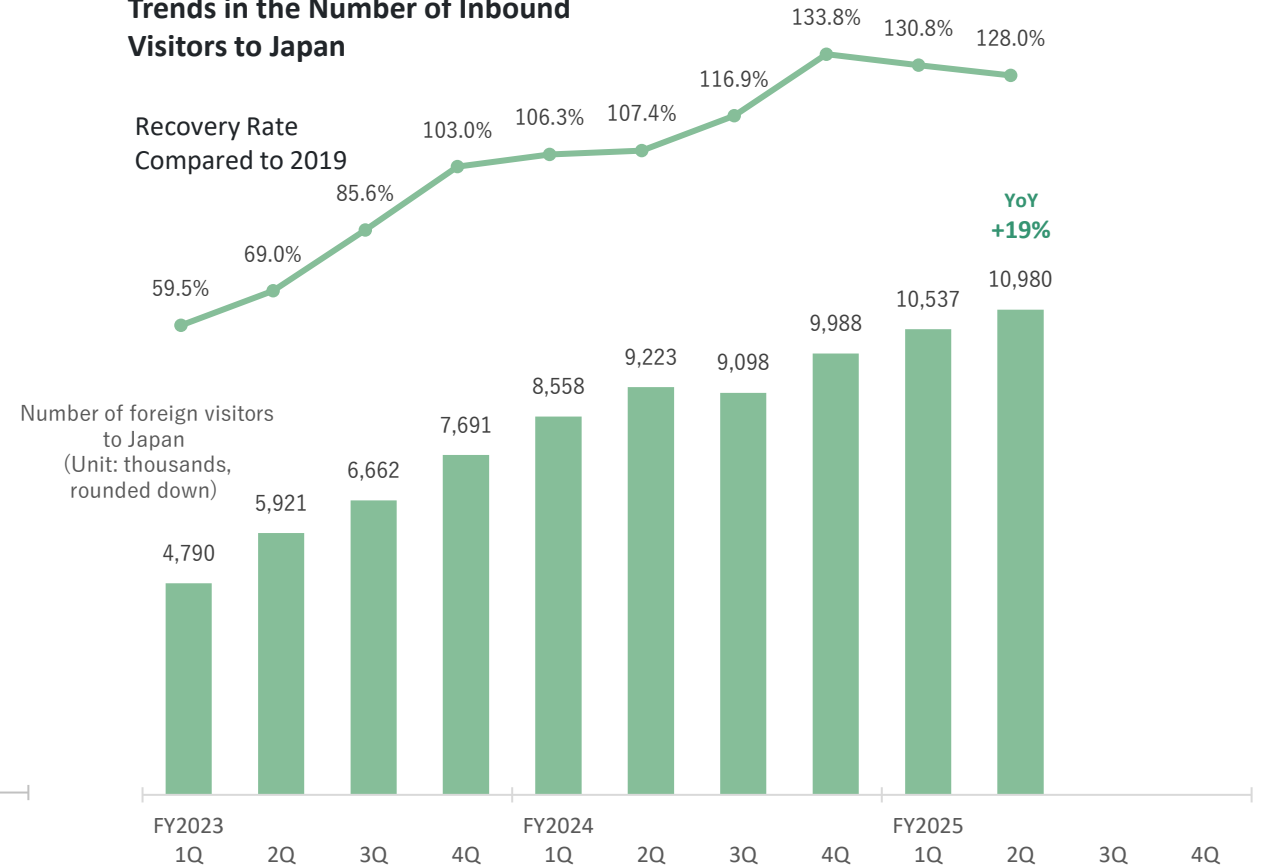
The number of Japanese travelers abroad has recovered to about 70% of 2019 levels, but is still only halfway to full recovery, although it shows year-on-year growth of over 10%. The number of visitors to Japan is currently showing signs of slowing down, but continues to increase at a high level.

Trends in the Number of Japanese Outbound Travelers



Source JNTO

Trends in the Number of Inbound Visitors to Japan



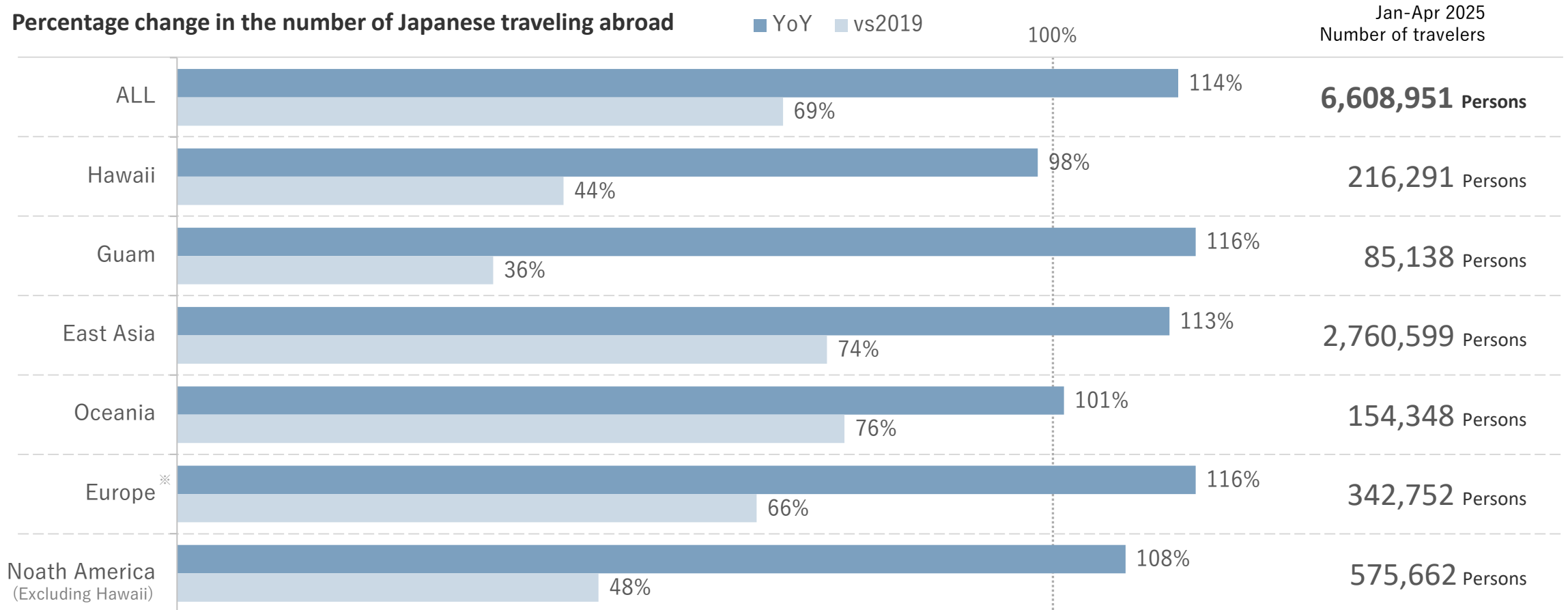
Source JNTO

External Environment (Status of Japanese Overseas Travel by Major Region)



Number of Japanese Overseas Travelers by Major Area Trends (January 2025 – April 2025)

In addition to Asia, which has been recovering since last year, the number of Japanese travelers to Europe has also shown signs of recovery this year. the number of Japanese travelers to our main markets, Hawaii, Guam, and North America, remains at a low level.



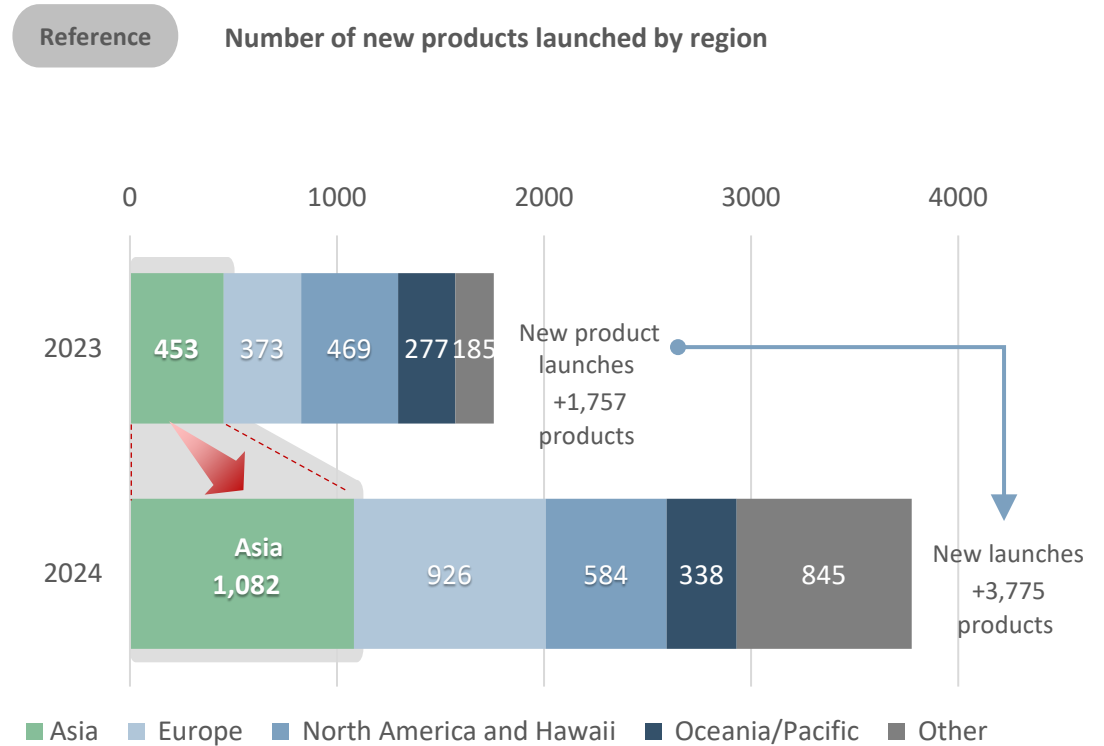
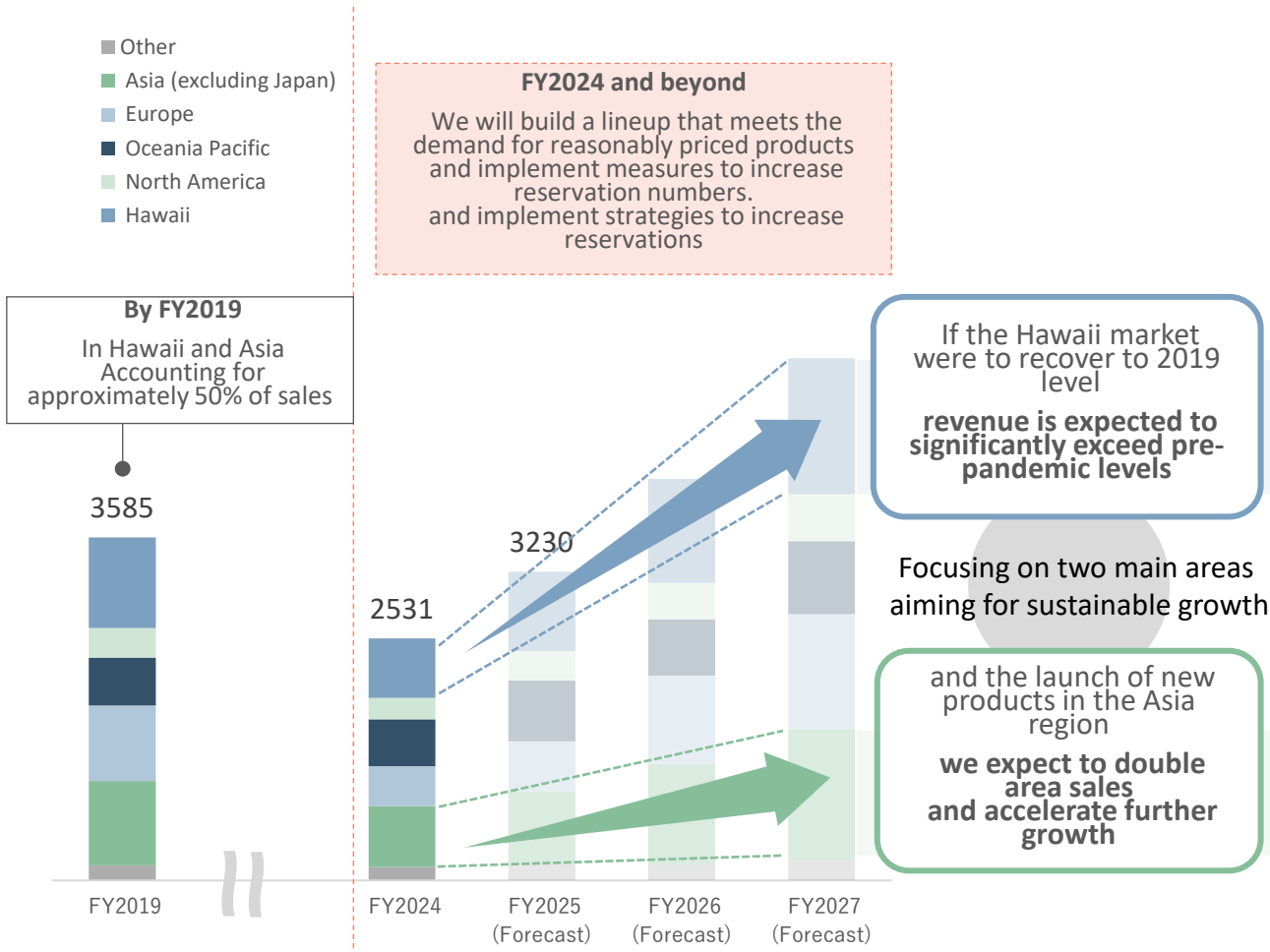
Source: JTB Research Institute - Outbound Japanese Overseas Travel Trends

※ Europe is calculated based on the results of seven countries for which data is available

Overseas Sales Ratio by Region



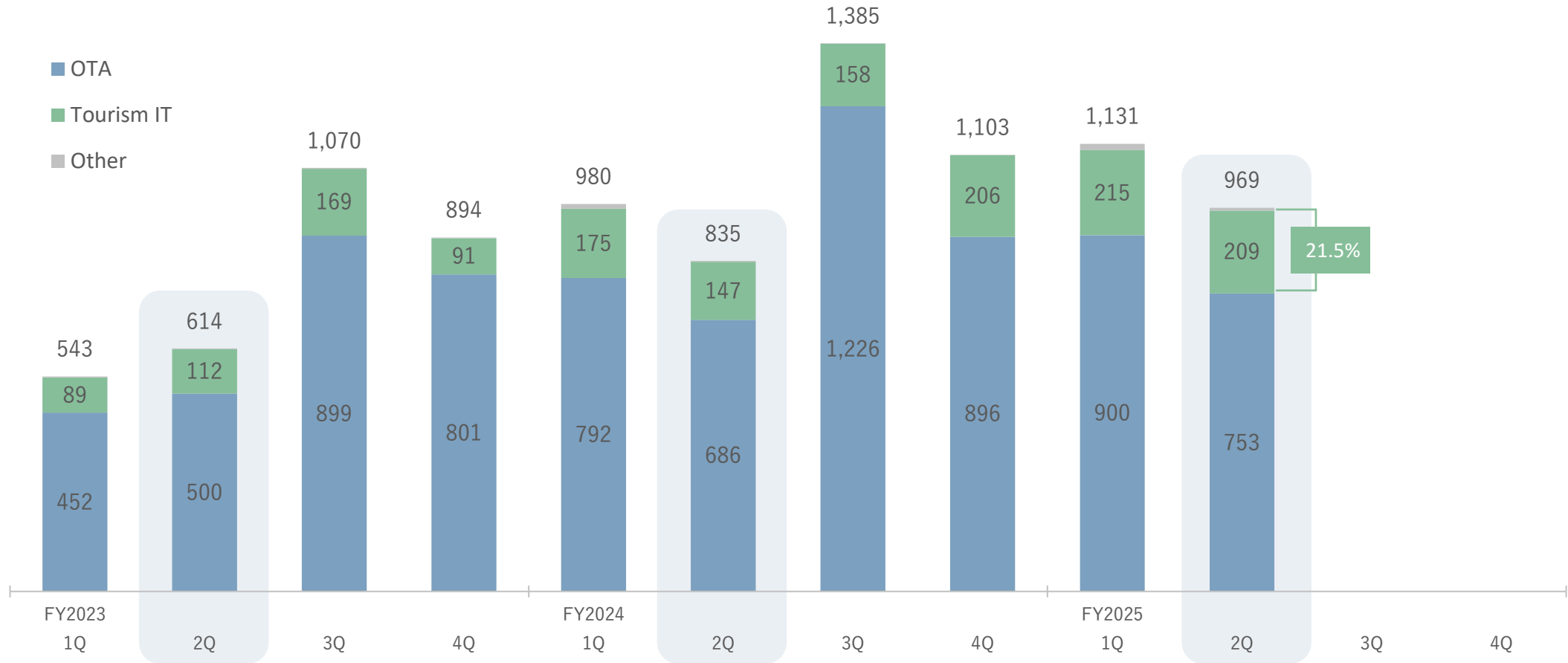
In our OTA business, sales by region account for approximately 50% in Hawaii and Asia. We anticipate sustained growth in overall sales driven by **the recovery in demand from Hawaii** and the expansion of **strategic products in the Asia** region, which is already showing signs of recovery



Segment Operating Revenue Quarterly Trends



The sales mix consists of the OTA business, which includes overseas travel, domestic travel, and Hawaii Activities, and the tourism IT business, which is mainly comprised of LINKTIVITY. While seasonal fluctuations exist, there is a trend toward an increasing proportion of the tourism IT business



※ Starting from the fiscal year ending December 2025, in order to disclose segment information, we have reclassified and transferred a portion of operating revenue previously managed under "Other" to "OTA Business," resulting in retroactive adjustments to revenue amounts by business segment
 ※ The operating revenue figures for each segment are reported before offsetting inter-segment transactions.

Q2 FY2025 Performance by Segment



(Unit: Thousand yen)	Report Segment			Others	Total	Adjustment	Quarterly Consolidated Financial Statements Amount Reported
	OTA	Tourism IT	Subtotal				
Operating Revenue							
Operating Revenue from External Customers	1,631,373	424,988	2,056,361	44,917	2,101,278	-	2,101,278
Inter-segment Transaction Adjustments	4,509	6,332	10,841	-	10,841	△10,841	-
Segment Operating Revenue	1,635,882	431,320	2,067,203	44,917	2,112,120	△10,841	2,101,278
YoY	+ 9.3%	+ 36.7%	+ 14.0%	+274.3%	+15.7	-	+ 15.7%
Segment Profit	245,646	△116,391	129,254	15,200	144,454	△233,524	△89,069
YoY	+192.4%	-	+538.8%	-	+664.6%	-	-

※ The "Other" category includes business segments not included in the reportable segments, including new businesses.

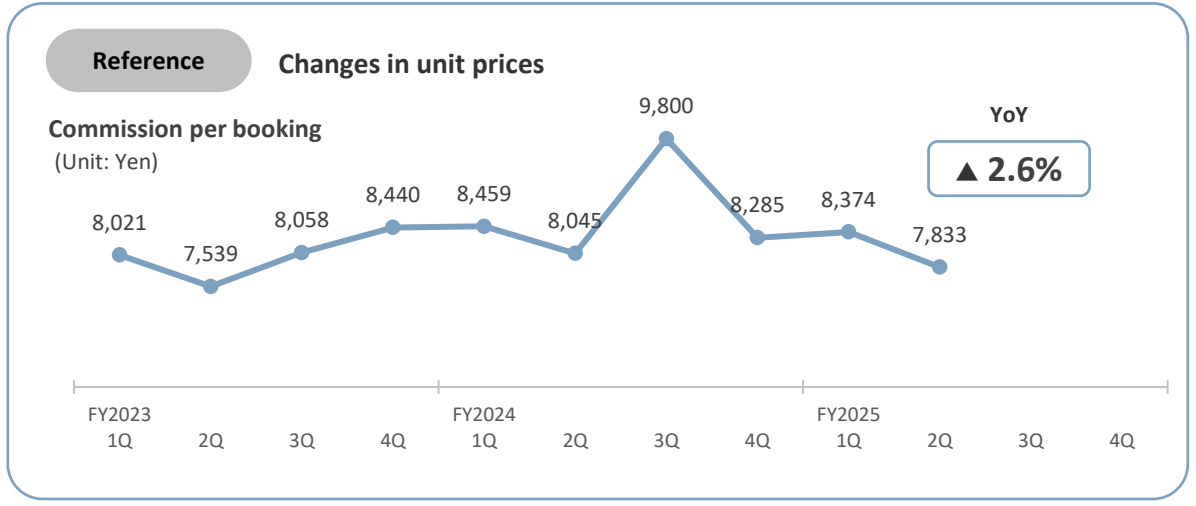
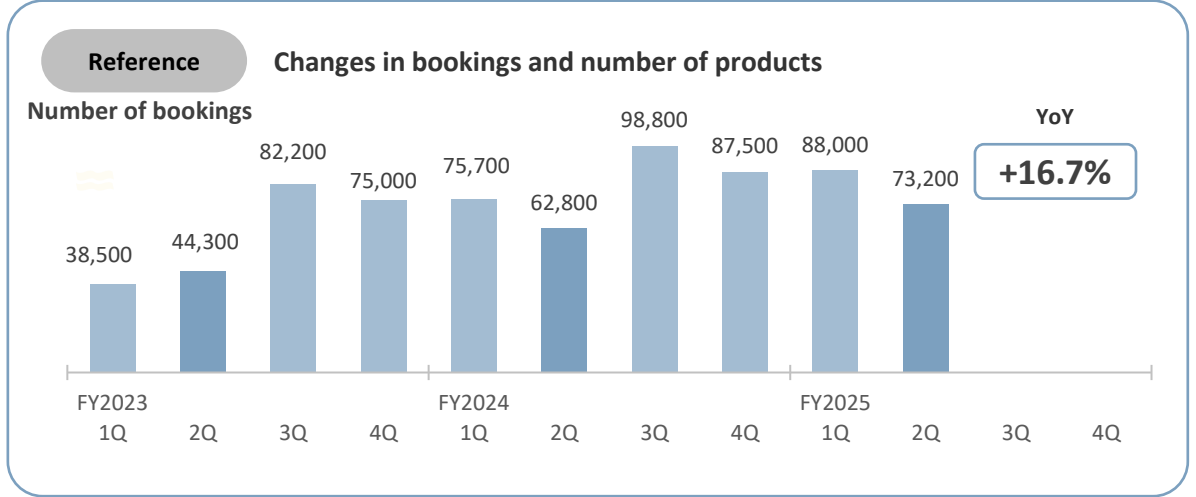
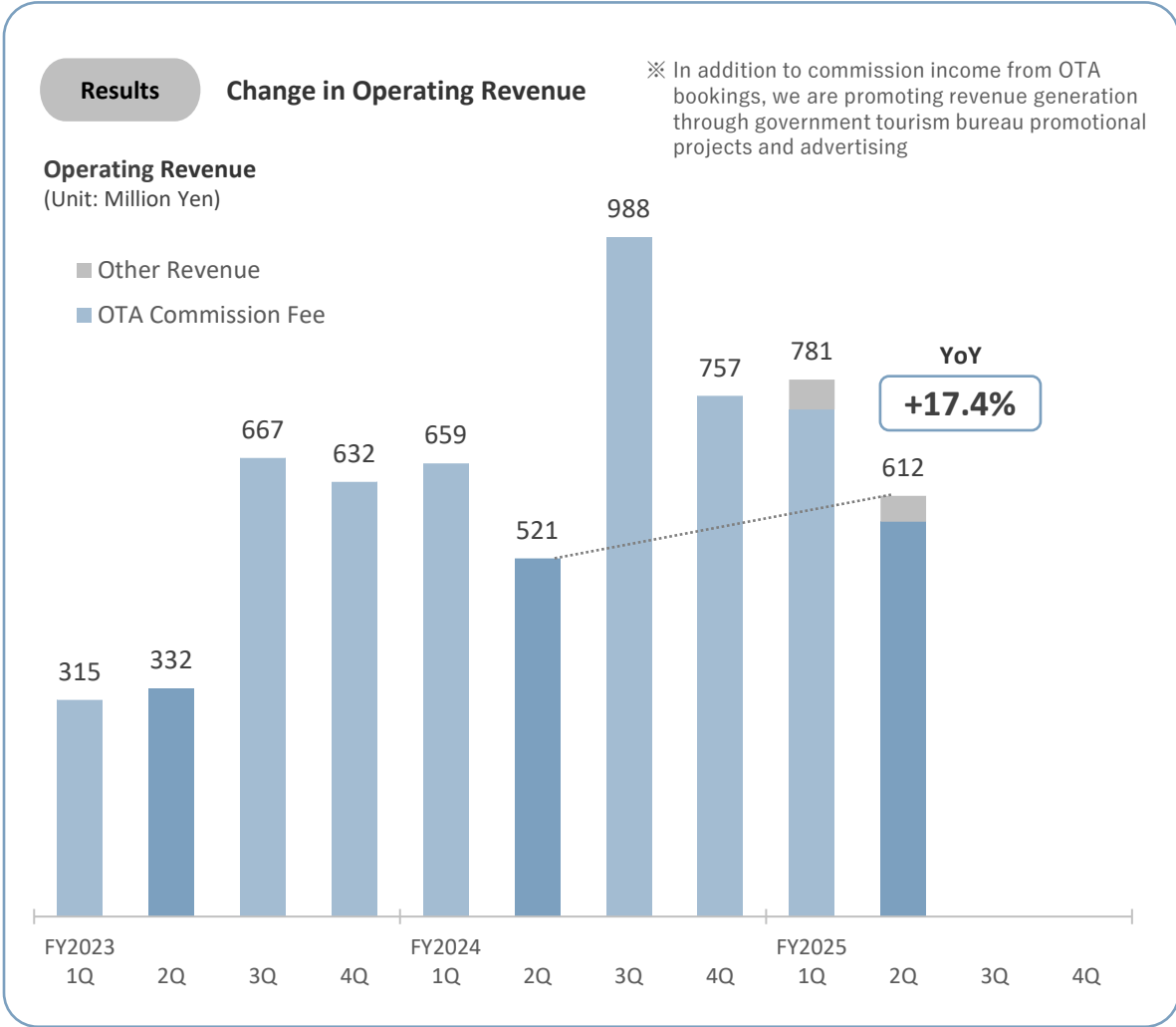
※ The adjustment amount for inter-segment transactions includes inter-segment transaction eliminations and expenses of the parent company's head office management department not attributable to the reporting segments, totaling 125,151 thousand yen.

Business by Segments

Overseas



The core overseas travel business achieved sales growth of 17.4%, surpassing the 12% year-on-year increase in overseas travelers. In addition to commission income, the company developed new revenue models such as advertising income and the strengthening of B2B2C services.

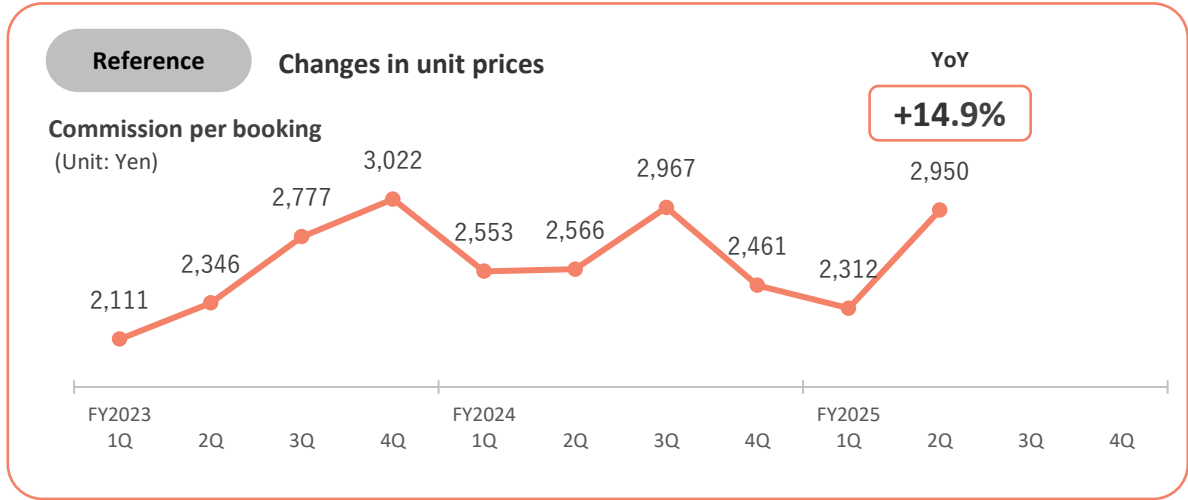
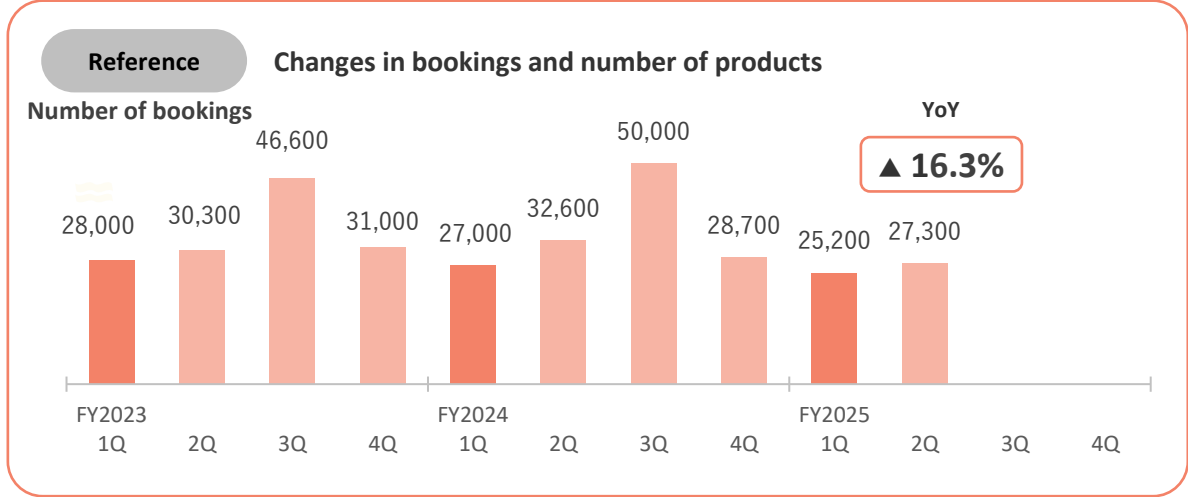
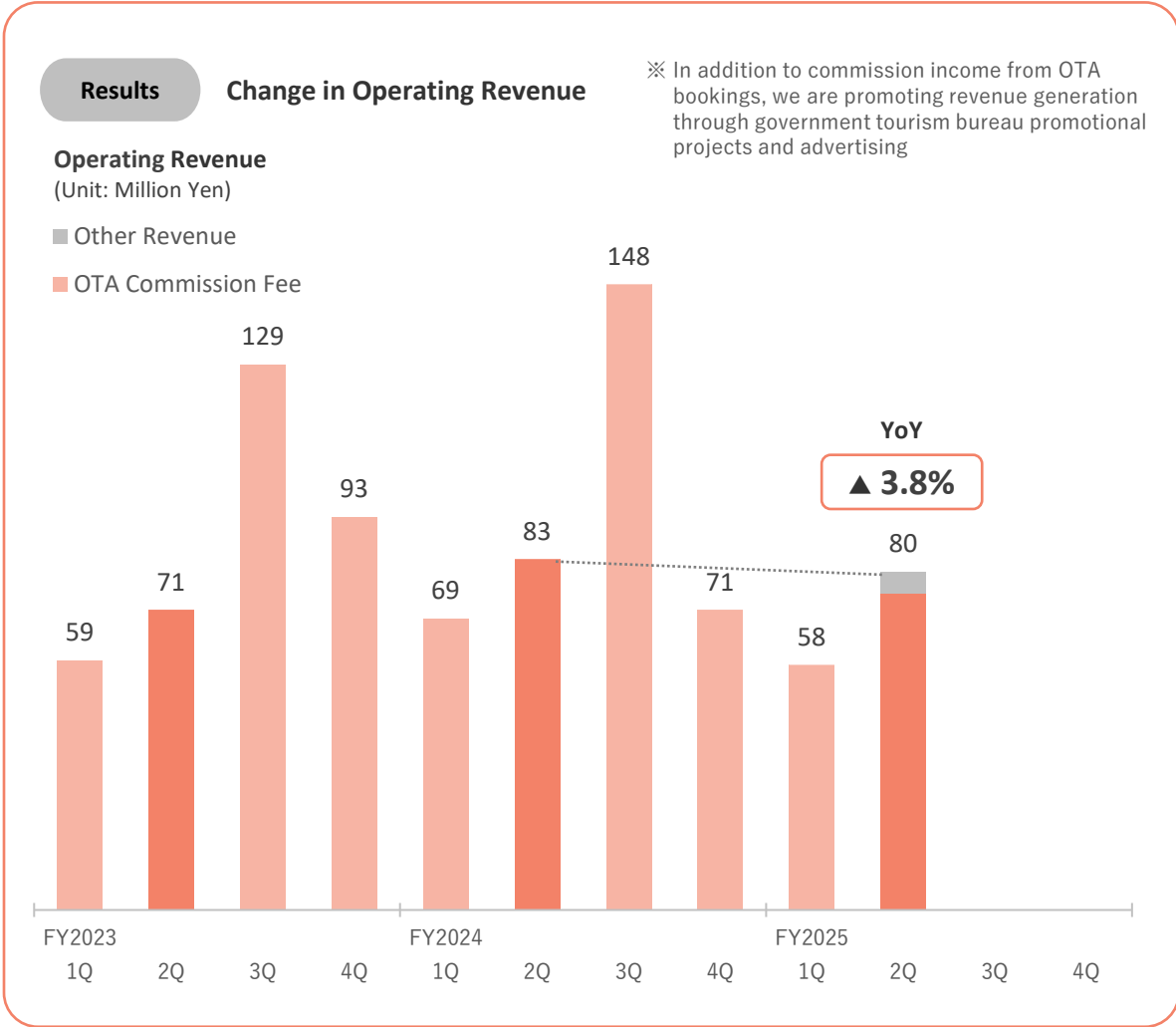


Business by Segments

Domestic



Focusing on improving productivity, measures such as limiting operational areas and reducing personnel have been implemented. While profit margins are improving, sales are on a downward trend. The strategy is currently being revised with an eye toward developing new markets, such as cruise port tourism and B2B sales for inbound demand.

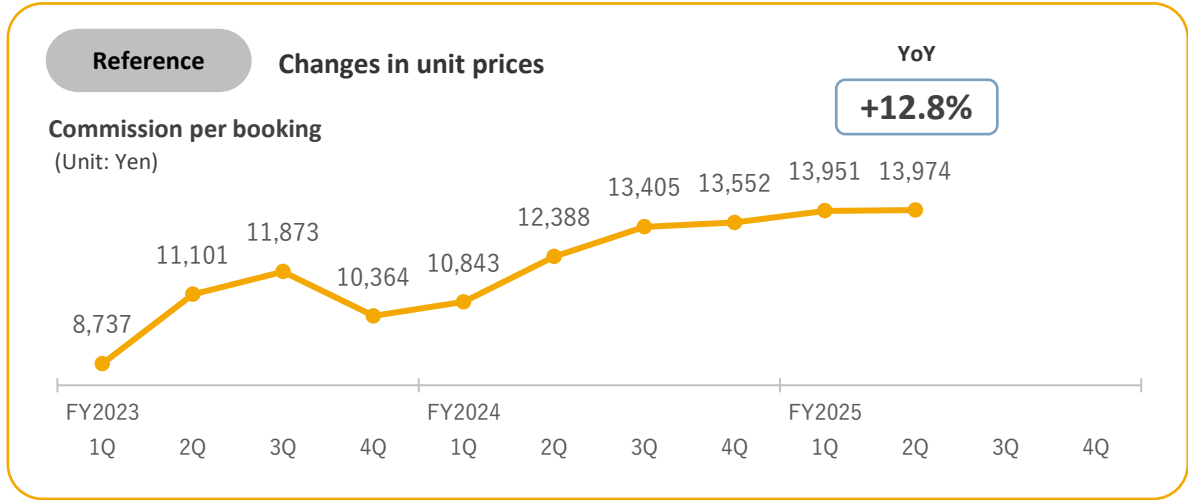
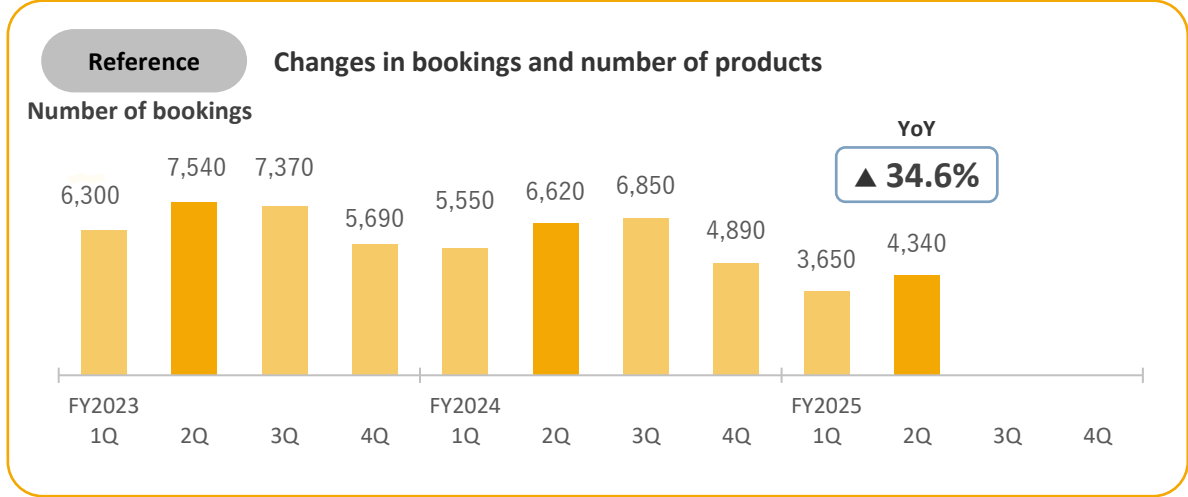
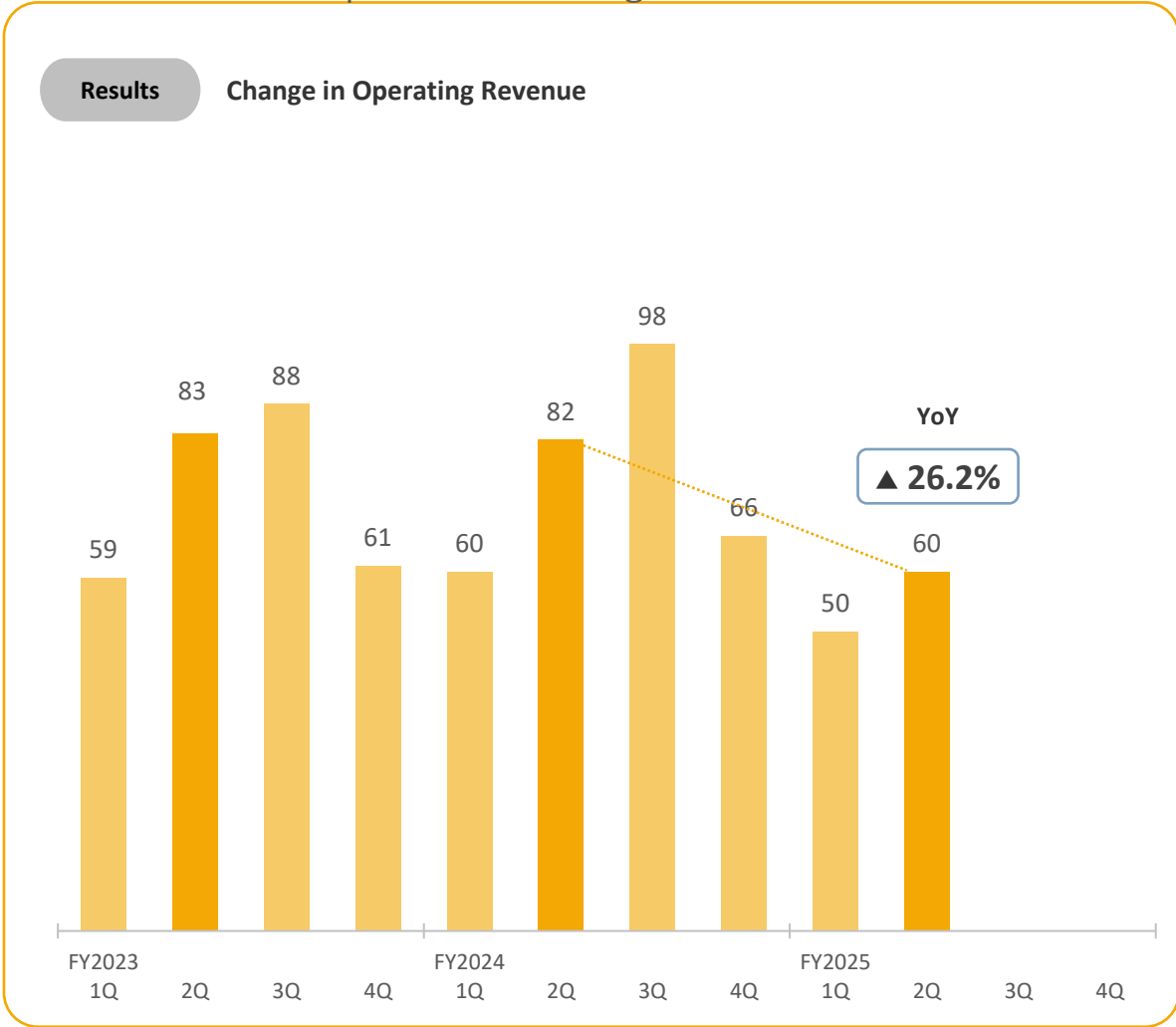


Business by Segments

Hawaii Activities

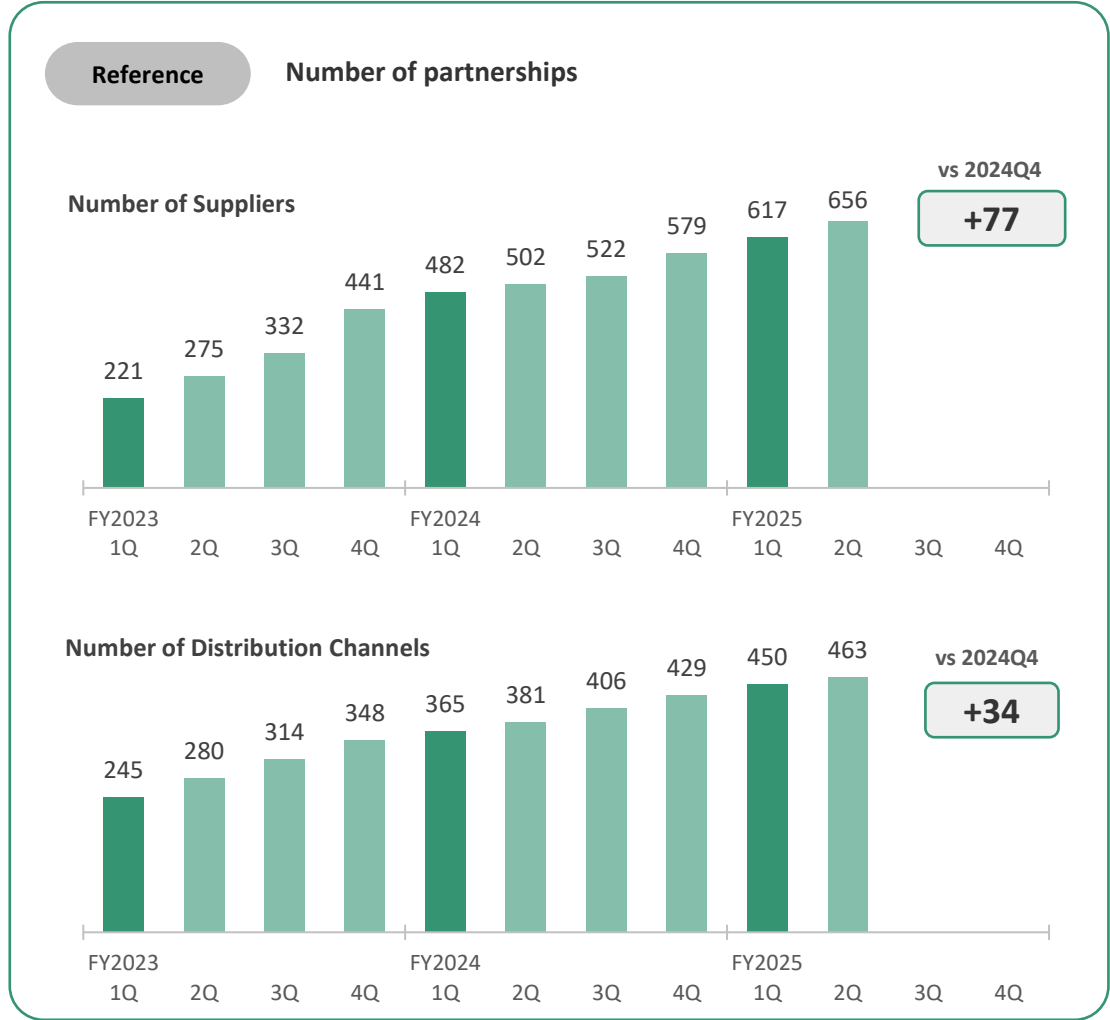
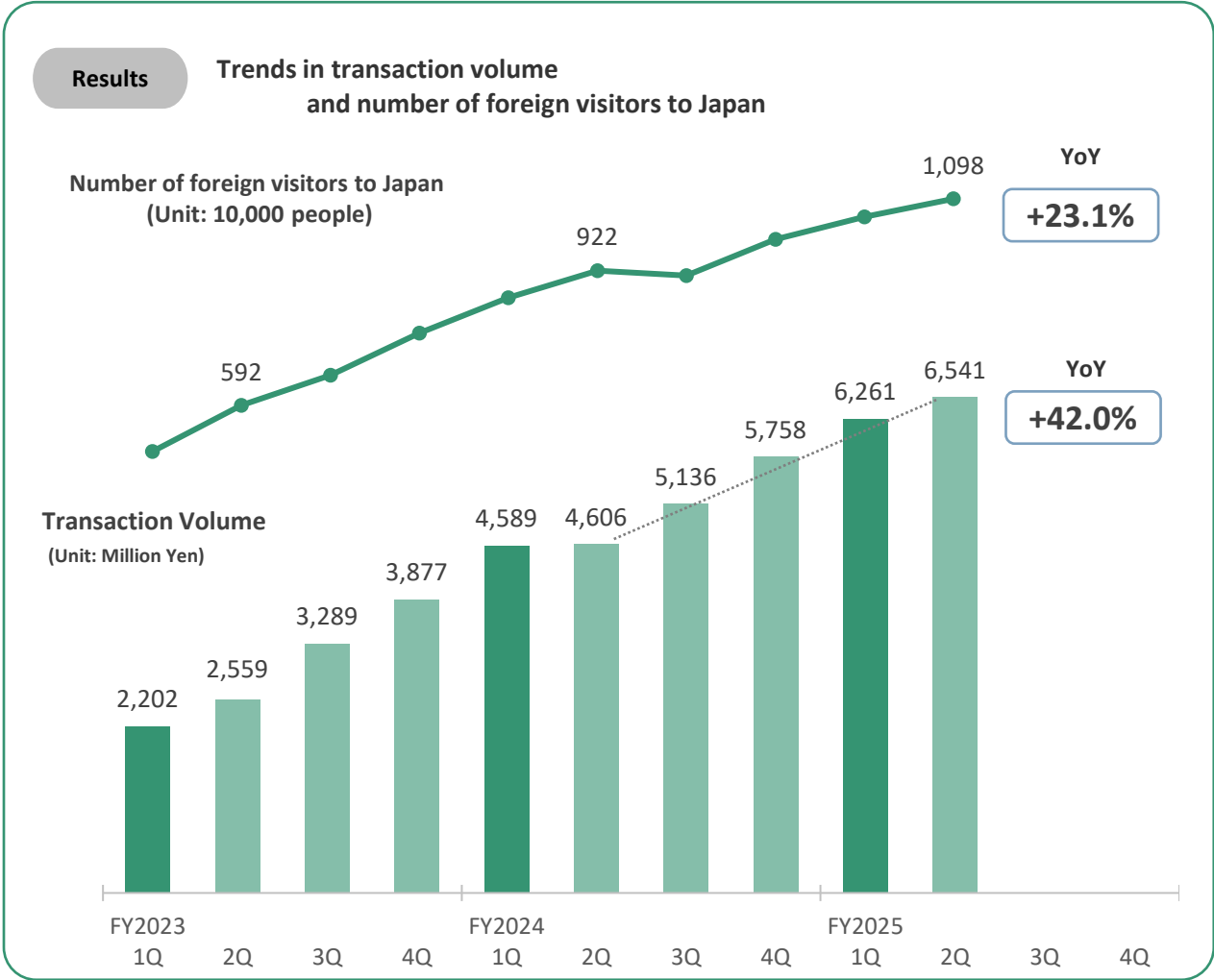


Since the beginning of this year, the number of travelers to the U.S. mainland has been on a declining trend. Although sales have increased compared to before COVID-19, the number of bookings is decreasing due to intensifying competition. While improving productivity and securing profits, the strategic policy is planned to be revised through channel expansion using AI and the development of new regions.





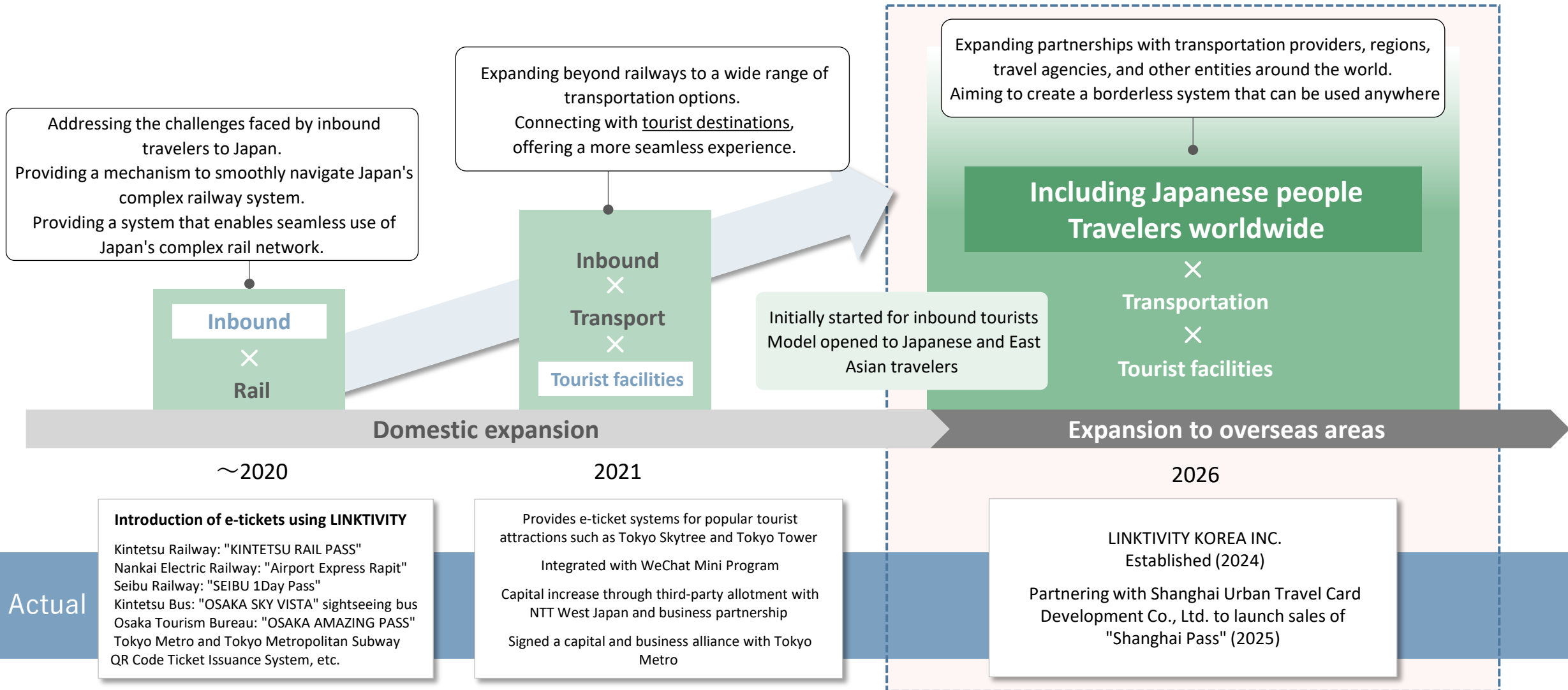
In line with the increase in the number of inbound visitors to Japan, transaction volume has also been steadily increasing. Market growth, expansion of product offerings, inter-company collaboration, and expansion of business areas are expected to drive further growth in transaction volume in the future.



Expansion of the LINKTIVITY Business Model



Connecting the travel industry and consumers through technology: from simplifying rail travel for foreign tourists to seamlessly connecting travelers worldwide with regions and transportation systems, Linktivity is creating a borderless system.



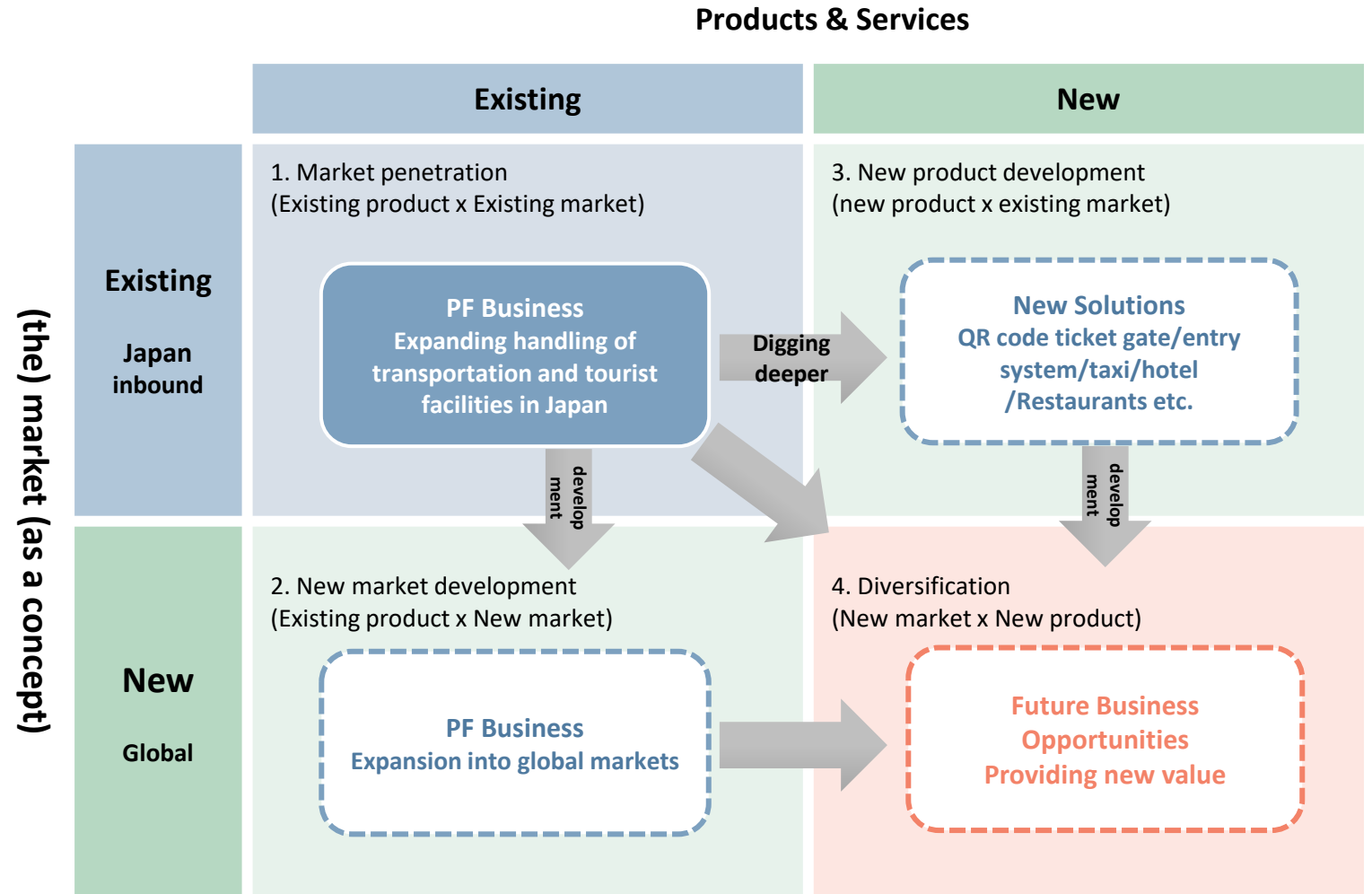


1. Strengthen GDS (Global Distribution System) Merchandise & Network

Expanding the handling of tickets for transportation and sightseeing facilities in Japan. Furthermore, we aim to establish a global distribution system by horizontally expanding our solutions outside of Japan, particularly in Asia.

2. Expansion of Solutions for Operators

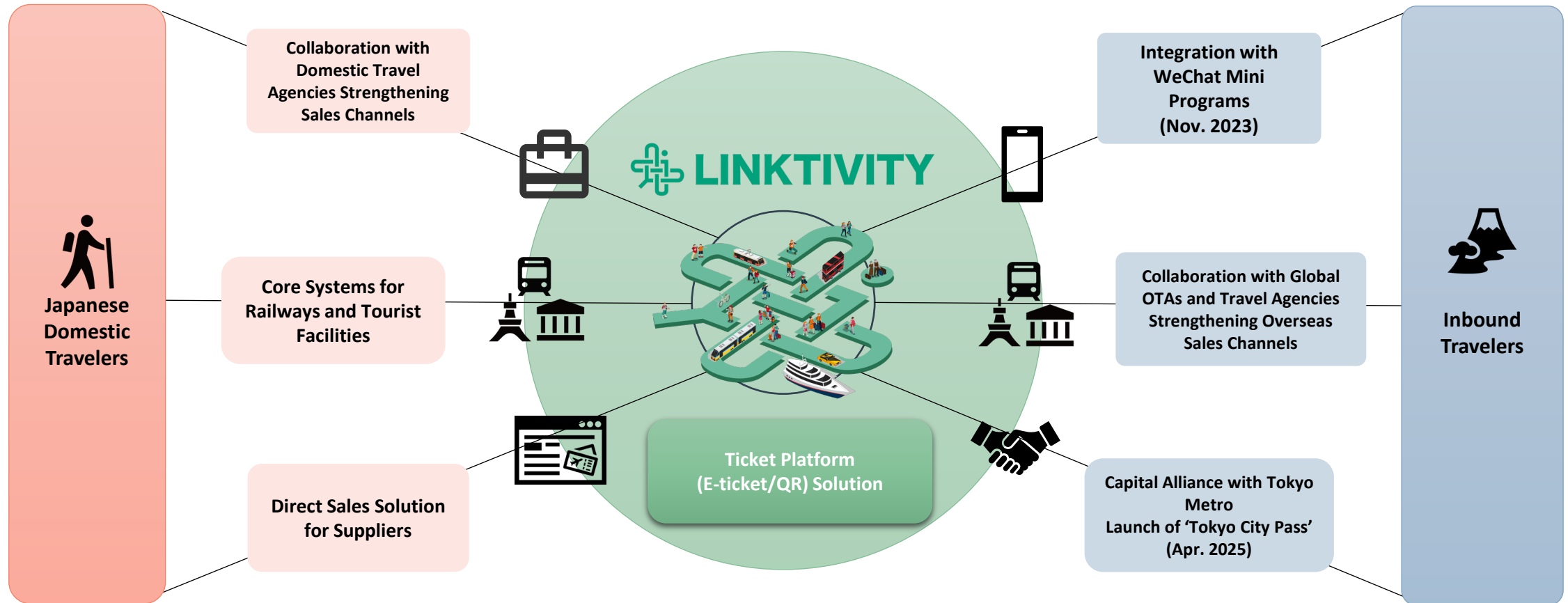
By further deepening solutions for our partners and expanding Japan's largest integrated tourism and transportation IT solutions, we aim to further strengthen relationships with business operators.



Expansion of LINKTIVITY's Business Domain and Target Customers



We are expanding our business scope beyond the traditional provision of e-ticket solutions for transportation operators and tourist facilities. By offering core systems and entry/exit solutions for tourist facilities and railway operators, we have begun sequential development and provision of new services not only for inbound travelers to Japan but also for domestic travelers.



LINKTIVITY TOPICS



Strengthening collaboration with railway companies and integrating with a convenient WeChat mini app for Chinese tourists to use taxis.

March 31, 2025

Kintetsu, Nankai, and Meitetsu offer unlimited rides Digital Free Ticket Sales Begin



"3-3-SUN Digital Free Pass"

- Freely explore the Kansai and Tokai regions. Visit popular tourist spots along the lines of each company, including Koyasan, Nara, Ise-Shima, Nagoya, Inuyama, and more.
- Includes access to Kansai International Airport and Chubu International Airport, enhancing convenience for airport users

May 9, 2025

Keio Electric Railway for Inbound Tourists Three special ticket products now available

- Keio Electric Railway is launching a new service for foreign visitors to Japan
- More convenient with digital tickets

Enjoy Mount Takao, famous as a power spot, and its surrounding facilities

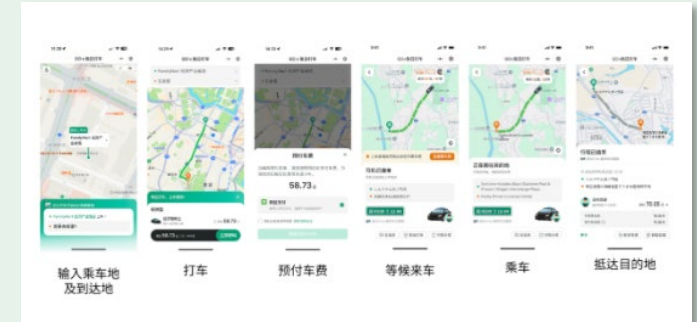
- 'Mt. Takao + Keio 1-Day Ticket'
- 『Mt. Takao + Keio 1-day Ticket - Ukai Toriyama -』

Yomiuri Land One-Day Pass, etc. Enjoy attractions along the Keio Sagami Line

- 'Keio Amusement Ticket - Yomiuri Land'

May 21, 2025

GO × Tencent × LINKTIVITY Taxi booking and payment via WeChat



- No app required—book and pay easily within WeChat
- Covering major cities nationwide, accommodating diverse needs
- Accurately addressing user needs and promoting digital tourism between Japan and China

"No language barriers," "Easy payment," "Intuitive to use" to meet the needs of Chinese tourists seeking such services

FY2025 Earnings Forecast

FY2025 Performance Forecast



Operating revenue is projected to increase by 25.6% year-on-year to 5.4 billion yen, driven by improved profitability in the overseas travel business and expansion of the LinkTivity business.

Through talent acquisition and reduced advertising investments to improve the operating profit margin of the OTA business, as well as rigorous cost control, we aim to achieve **profitability** with certainty

Unit: Million yen	FY2024	FY2025 (Forecast)	YoY
Operating Revenue	4,304	5,400	+25.4%
Operating Expenses	4,480	4,900	+9.4%
Operating Profit	▲175	500	—
Ordinary Profit	▲298	480	—
Net Income	▲407	400	—
Net income per share (Yen)	▲11.18	10.93	+22.11yen



2025 Exchange rate forecast





USD rate : 145 – 155yen (We do not expect a significant shift towards a stronger yen)

2025 Market growth forecast

		vs 2024	vs 2019	Business Environment (supplementary)
Oversea Market (Outbound)		+6~13%	70%	<ul style="list-style-type: none"> • Recovery of travelers stagnated at about 70% compared to 2019 • Continued popularity of Asian destinations • Continued consumer demand for reasonably priced products
Japan Domestic Market		±0%	-	<ul style="list-style-type: none"> • Although lodging costs will continue to rise, demand is expected to remain at the same level as in 2024
Inbound Market		+15%	-	<ul style="list-style-type: none"> • Continued growth due to continued yen depreciation and recovery of the Chinese market
Global Market		±0%	-	<ul style="list-style-type: none"> • The global travel market is expected to grow by 3-5%, but the environment for this business is expected to be the same level of demand as in 2024

FY2025 Earnings Plan by Business

(Unit: Millions yen)

Business	FY2024 Actual	FY2025 Plan	YoY	Important measures
Group consolidation	4,304	5,400	+25.5%	<ul style="list-style-type: none"> Increased revenues, cost reductions, and suspension of some investments will ensure profits Review of business structure
 Overseas (Outbound)	※ 2,927	※ 3,692	※ +26.1%	<ul style="list-style-type: none"> Focus on regions where travel recovery is remarkable and expand product lineup Improve efficiency & speed up business operations by strengthening business alliances Investment in SEO customer attraction and UX improvement Restructuring of the system development system Expanding new revenue beyond booking commissions
 Japan Domestic	372	377	+1.5%	<ul style="list-style-type: none"> Business efficiency by concentrating on best-selling products & areas Promote selection and concentration, and acquire reservations by leveraging our strengths
 HAWAII ACTIVITIES <small>A VELTRA Company</small>	304	336	+10.4%	<ul style="list-style-type: none"> Intensive reinforcement of specific categories Acquisition of group needs
	688	963	+40.0%	<ul style="list-style-type: none"> Expansion of facilities for platform use Expanding Transportation & Institutional Solutions

*In preparation for disclosing segment information starting from the December 2025 fiscal year, a portion of operating revenue previously managed under 'Other' has been reclassified to the 'OTA Business (Overseas Travel Business)' segment. As a result, the figures for the Overseas Travel Business have changed as follows. Please note that the total company figures remain unchanged.

FY2024 Actual: 2,838 → 2,927 FY2025 Plan: 3,643 → 3,692 YoY +28.3 → +26.1%

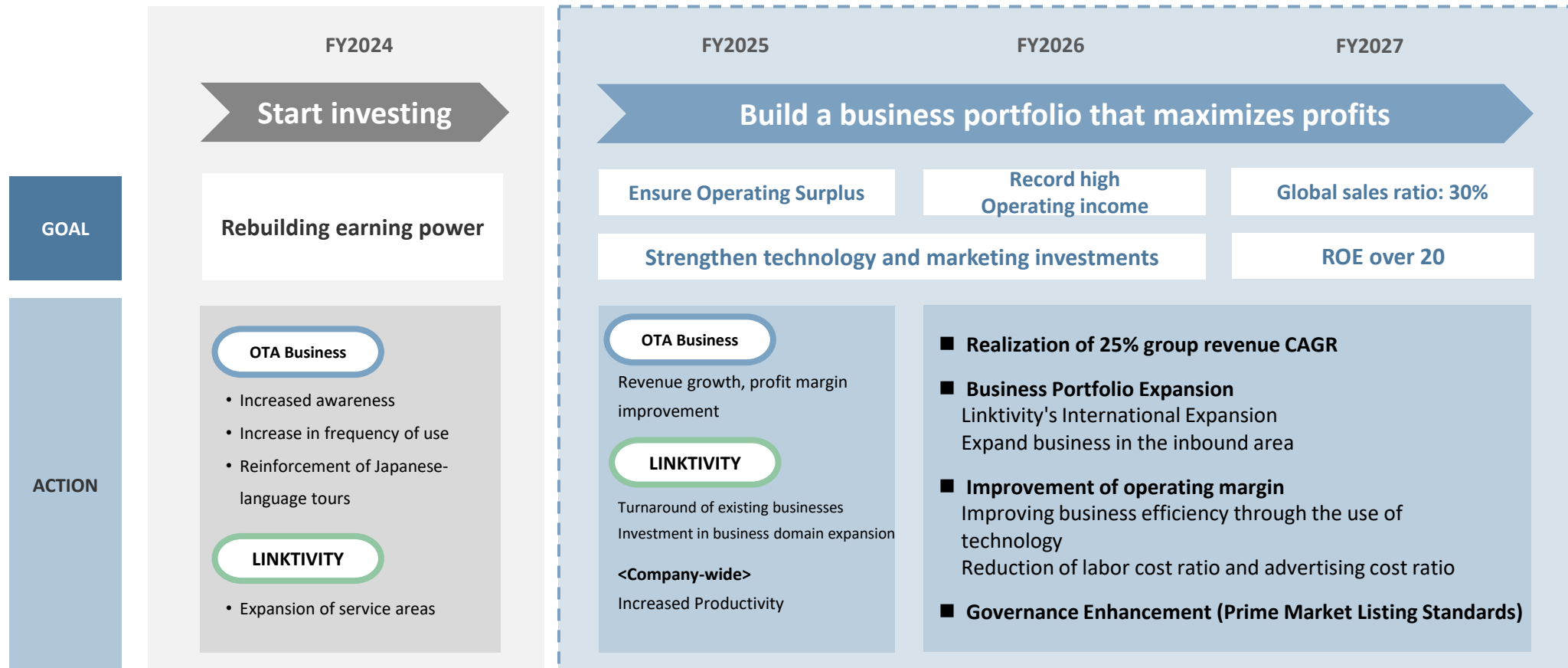


Medium-Term Business Plan and Future Initiatives



From “Japanese market” to “Global market”

The previous KPI of "1 million fans" was based on the assumption that Japanese travelers would use the service multiple times, but this KPI has been changed as we aim for the global market. We will aim for full-fledged expansion into the global market, using the expansion of revenue and improvement of profitability in our core OTA business and the expansion of the LINKTIVITY business and the inbound market as footholds.



Mid-term Management Plan Summary



Management Plan

In FY2027

Operating revenue

8.4

billion yen
(vs.2024 +95%)

Operating income

1.4

billion yen

Operating profit ratio

17%

Most Important Indicator

ROE

20%

3-year CAGR

25%

Global* sales ratio

30%

(in 2027)

Core Business Strategy

OTA Business

Strengthened Marketing & Technology Division for Japanese market to enhance profitability

LINKTIVITY

Further expansion of inbound B2B business

New Business

Expand inbound and global sales*.

Management Strategy

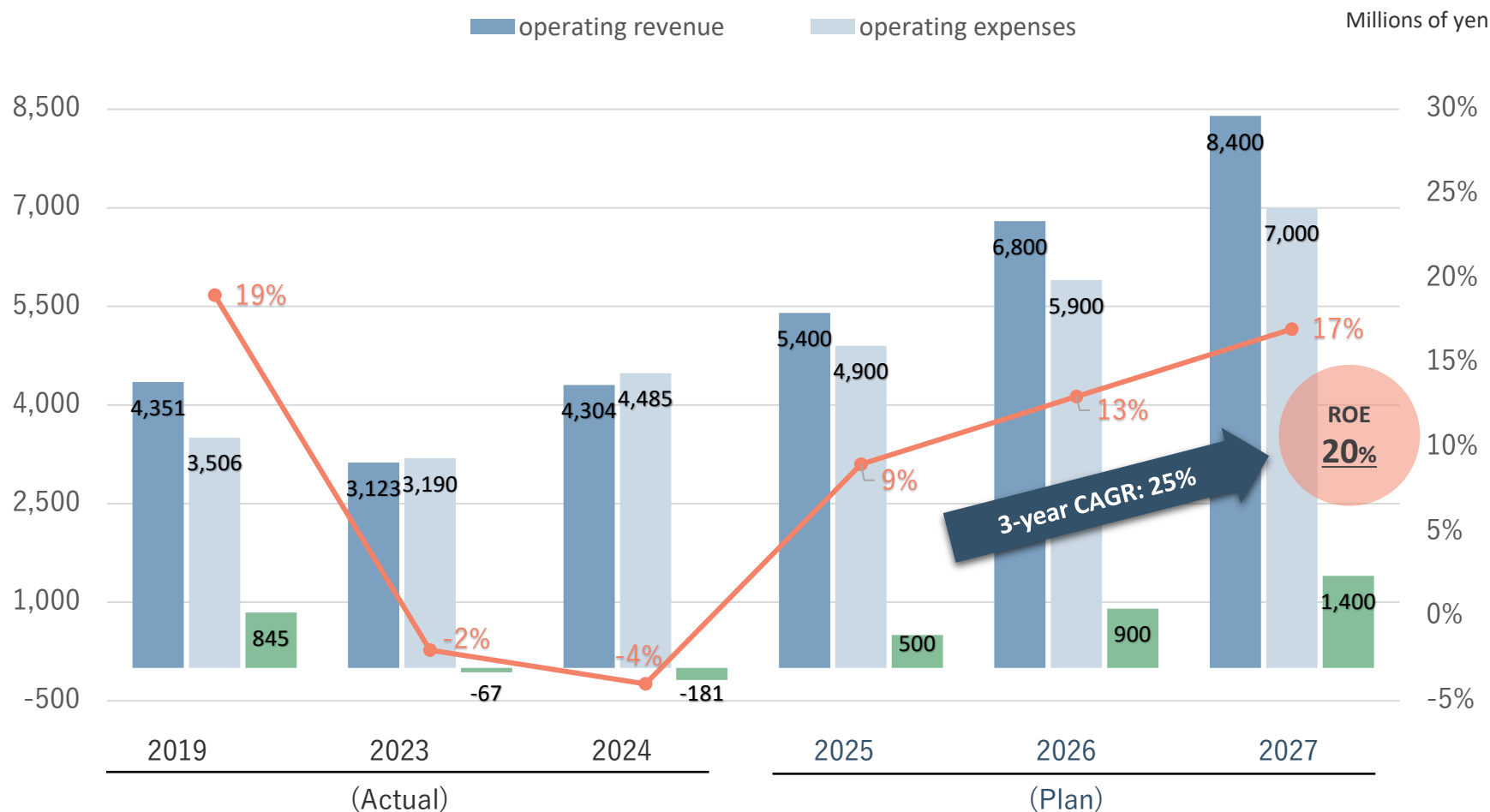
- Realization of highly efficient management
- Achieve continued growth in the global tourism industry
- Achieve stronger governance and corporate functions

* Global sales = total non-Japanese sales at Linkactivities, HawaiiActivities, VELTRA OTA, and new businesses

Business Performance Trends



In 2027, we aim to achieve operating revenue of 8.4 billion yen (3-year CAGR: 25%), operating income of 1.4 billion yen, and an operating margin of approximately 17%.



**Year 2027
KPI Targets**

Operating Revenue
8.4 billion yen
(3-year CAGR: 25%)

Operating Income
1.4 billion yen

Operating Profit Ratio
Approx. **17%**

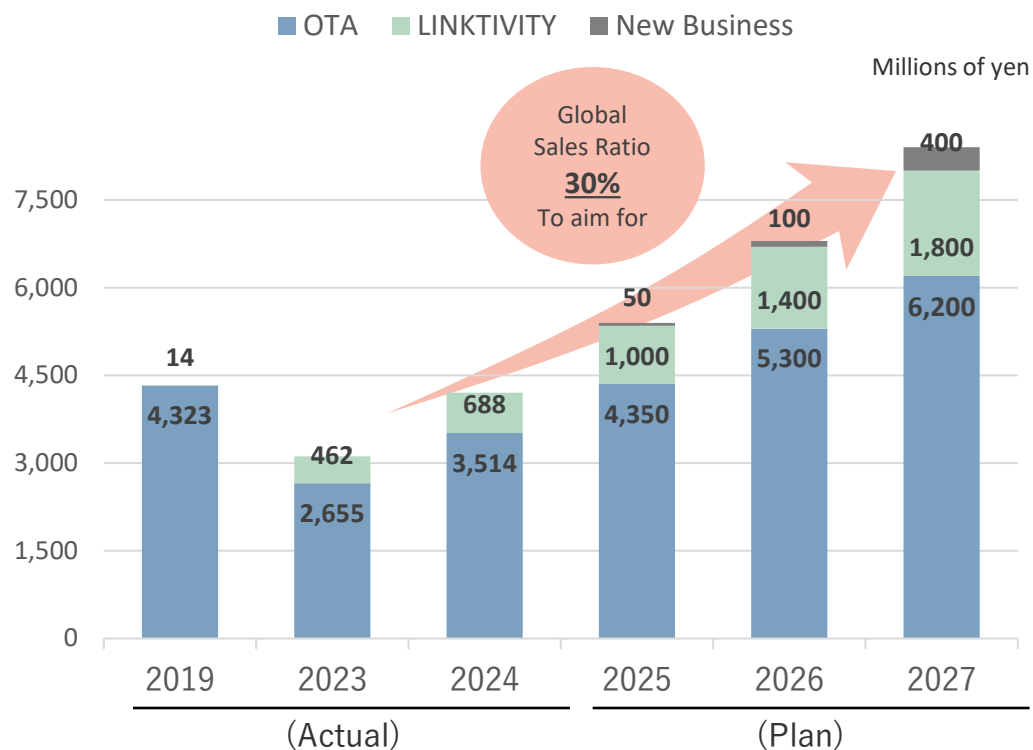
ROE
20%

Departmental Targets



- OTA Business** VELTRA: Strengthens Japanese Marketing & Technology Division to Maximize Profitability and Productivity
- LINKTIVITY** Further expansion of B2B business in inbound
- New Business** Expand inbound and global sales

Actual and projected operating revenues by business segment (~2027)



Millions of yen

Department	Operating revenue (vs. 2024)	Operating revenue CAGR	Operating Profit (Ratio)
OTA	6,200 (+75%)	20%.	2,785 (45%)
LINKTIVITY	1,800 (+160%)	35%.	300 (17%)
New business	400	-	-300
HQ	-	-	-1,385
Total amount	8,400 (+90%)	25%.	1,400 (17%)



Current State and Potential of the Cruise Market

22

Number of Japanese Cruise Passengers

Number of Japanese cruise passengers in 2024
(15% increase from the previous year)

1.44 million

Number of cruise passengers visiting Japan

Number of cruise passengers visiting Japan in 2024
(Four times the previous year's figure, marking rapid growth)

1 million

Ministry of Land, Infrastructure, Transport and Tourism (MLIT) 2030 target

The Ministry of Land, Infrastructure, Transport and Tourism's target for the number of Japanese cruise passengers by 2030
for the number of Japanese cruise passengers

Current challenges

- Mainstream is through travel agencies
- High-cost, long-stay cruises targeting the senior demographic are the mainstay
- OTA (online sales) is an underdeveloped and untapped area

Growth Opportunities

- Tapping into untapped markets (younger generations and family groups)
- Expanding sales internationally, including the Asian region
- A cruise platform only possible in the AI era

Source: Ministry of Land, Infrastructure, Transport and Tourism: Cruise Promotion (Trends in Japan's Cruise Industry) / Expert Panel on the Sustainable Development of Japan's Cruise Market

VELTRA's new cruise experience ② (Entry into the cruise business)



Build a platform that allows users to easily book and participate in any cruise anywhere in the world at any time

■ Create all products with AI	All courses are generated by AI. All courses can be sold in real time.
■ Global sales	Targeted at global travelers across Asia, not just Japanese travelers.
■ Wide range of products	From 1-night, under \$100 cruises to luxury adventures.
■ Direct connection	Integrated with cruise company databases and APIs for real-time booking.
■ Expanding new customer segments	Target not only seniors but also younger generations and families who have never experienced cruises before.
■ Sale of port-of-call experience products	Provide in-trip experiences to revitalize tourism in local port cities.

VELTRA aims to create a **cruise FIT** market of **approximately 20,000 people and 5 billion yen by 2028**
When this target is achieved, it will signify a shift toward a market where cruises become a more accessible travel option

Appendix

Company Information



VELTRA Corporation

Headquarters 2-13-12 Nihonbashi, Chuo-ku, Tokyo
103-0027 Japan

Capital JPY 2,078,381,825 (as of June 2025)

Founded November, 1991

of Employees 312 (Consolidated)
219 (Non- Consolidated)

Subsidiaries [Malaysia] VELTRA Malaysia Sdn, Bhd.
[USA (HA)] VELTRA Inc.
[Japan] LINKTIVITY Inc.
[South Korea] LINKTIVITY KOREA INC.

Rep Office Bangkok, Ho Chi Minh City



Business Category



Board of Directors

CEO, President	Wataru Futagi
Director	Tomoharu Kurakami
CFO, Director	Jumpei Minashima
Outside Director	Rod Cuthbert
Outside Director, Audit Committee Member	Tetsushi Ikeda Masato Mori Gaku Suzuki

Milestones

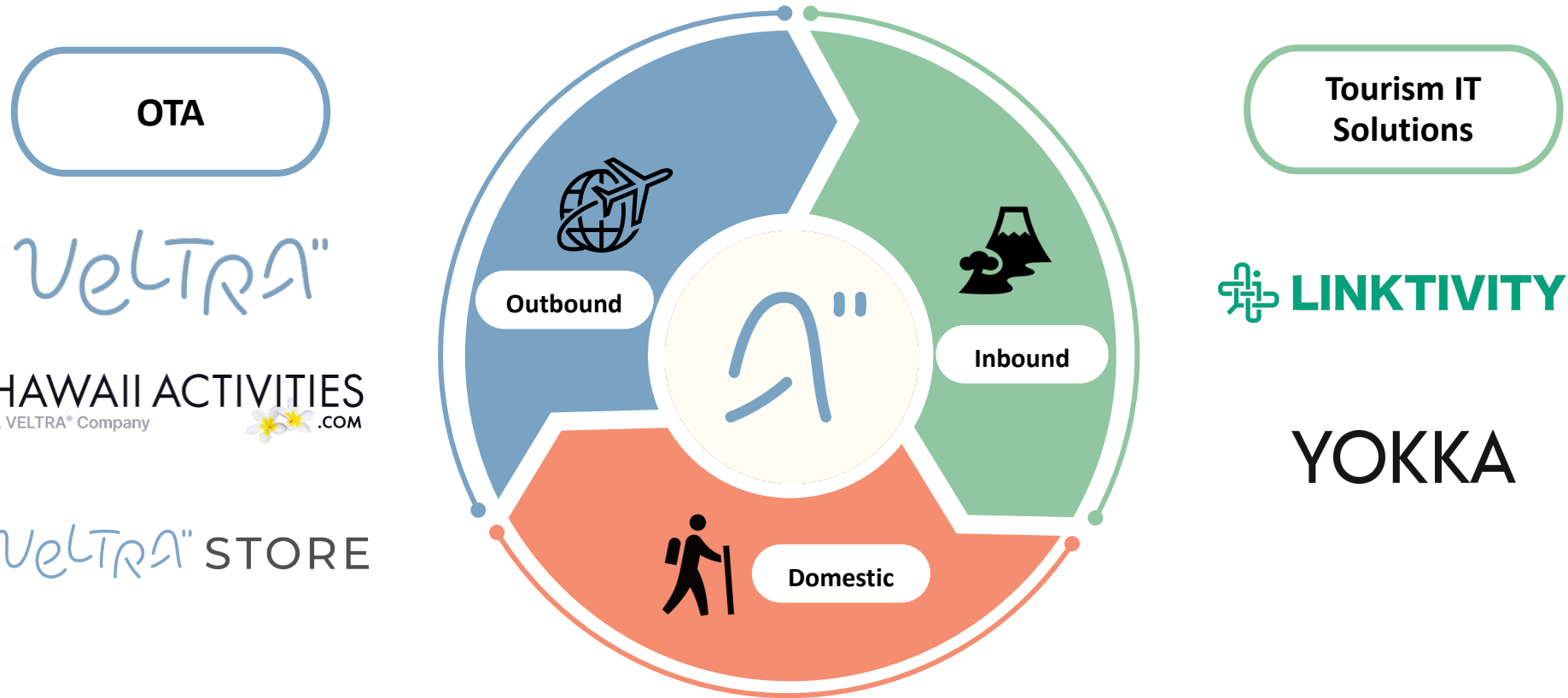


- 1991 Founding of ALAN Corporation (to become VELTRA Corporation)
- 2004 Launch of Tours & Activity Booking Platform “Alan1.net”
Acquisition of HawaiiActivities.com (VELTRA Inc / Formerly White Publishing, Inc.)
- 2012 Changed brand and company name to VELTRA from Alan1.net
Launch of English website for Japan inbound market
Establishment of VELTRA Malaysia Sdn.Bhd. in Kuala Lumpur, Malaysia
- 2016 Acquisition of CityDiscovery.com (City Discovery SAS)
- 2017 Launch of Korean website (Association with 12cm)
Establishment of LINKTIVITY PTE.LTD in Singapore
- 2018 Listed on the Tokyo Stock Exchange market (7048.T)
- 2020 Establishment of LINKTIVITY Inc. in Japan. Transferred the platform business from Singapore
- 2021 Capital and business alliance with OpenDoor Inc.
- 2022 Moved to the TSE Growth Market following restructuring of Tokyo Stock Exchange
- 2023 Transition to a company with an audit committee
Capital and business alliance with JTB Corp. in the activity business
- 2024 LINKTIVITY Inc. has formed a capital and business alliance with Tokyo Metro

About VELTRA



VELTRA provides seamless solutions to encounter "genuine experiences" through the power of technology, ranging from domestic to international, online to offline, beyond the boundaries of existing travel agencies.



VELTRA aspire to become a 'Total Solution Provider for Tourism Experiences'.

Core Business



VELTRA and Hawaii Activities specialize in experience-focused activity reservations for Japanese and U.S. travelers respectively. Our tourism IT solution is also expanding transport and facility ticketing platforms.

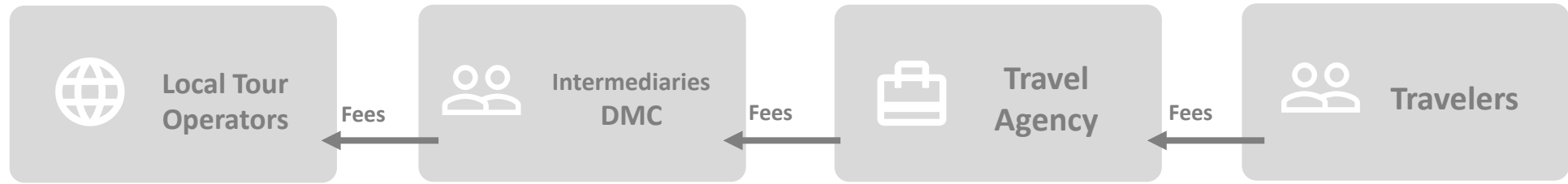
OTA			Tourism IT Solutions		
VELTRA		HAWAII ACTIVITIES A VELTRA® Company		LINKTIVITY	
2.8 million (YoY +30万人)		Members	200,000	Number of Users	--
22,000 (YoY +3,000) 150 Countries		Activities Countries	780 All Hawaiian Islands	Number of distributors	617 (YoY+135)
9,000 (YoY +1,000社)		Partners	440	Number of partners	450 (YoY+85)
620,000+		Customer Reviews	14,000	Number of countries served	Sold worldwide, mainly in Asia
Japanese Outbound & Inbound		Target Market	US residents travelling to Hawaii	Target Market	Japan Inbound

OTA Business: Transforming the supply chain for experience booking



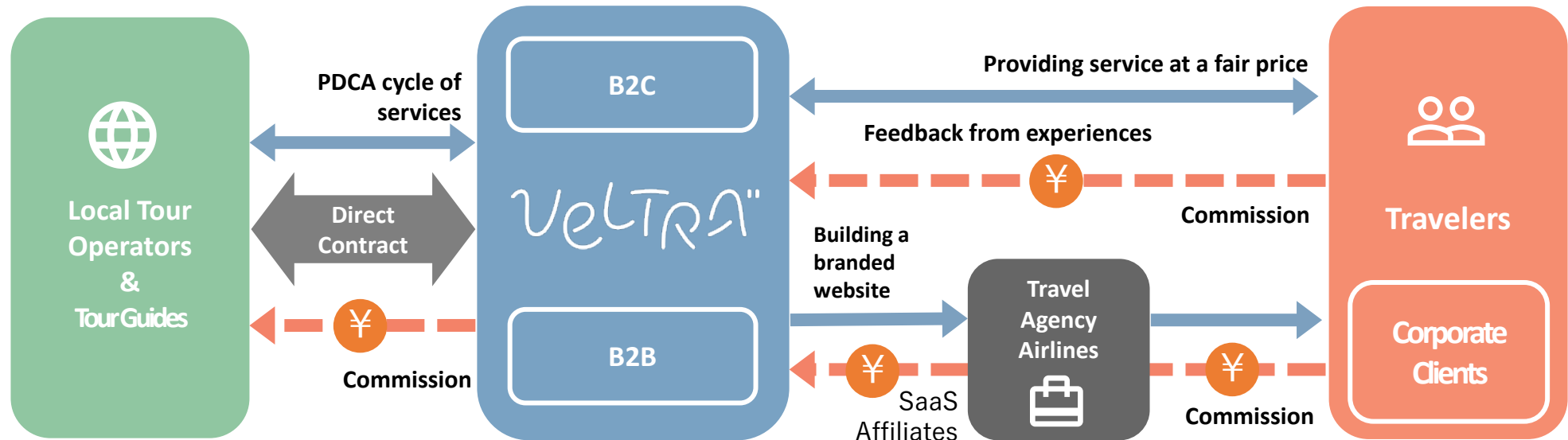
Before

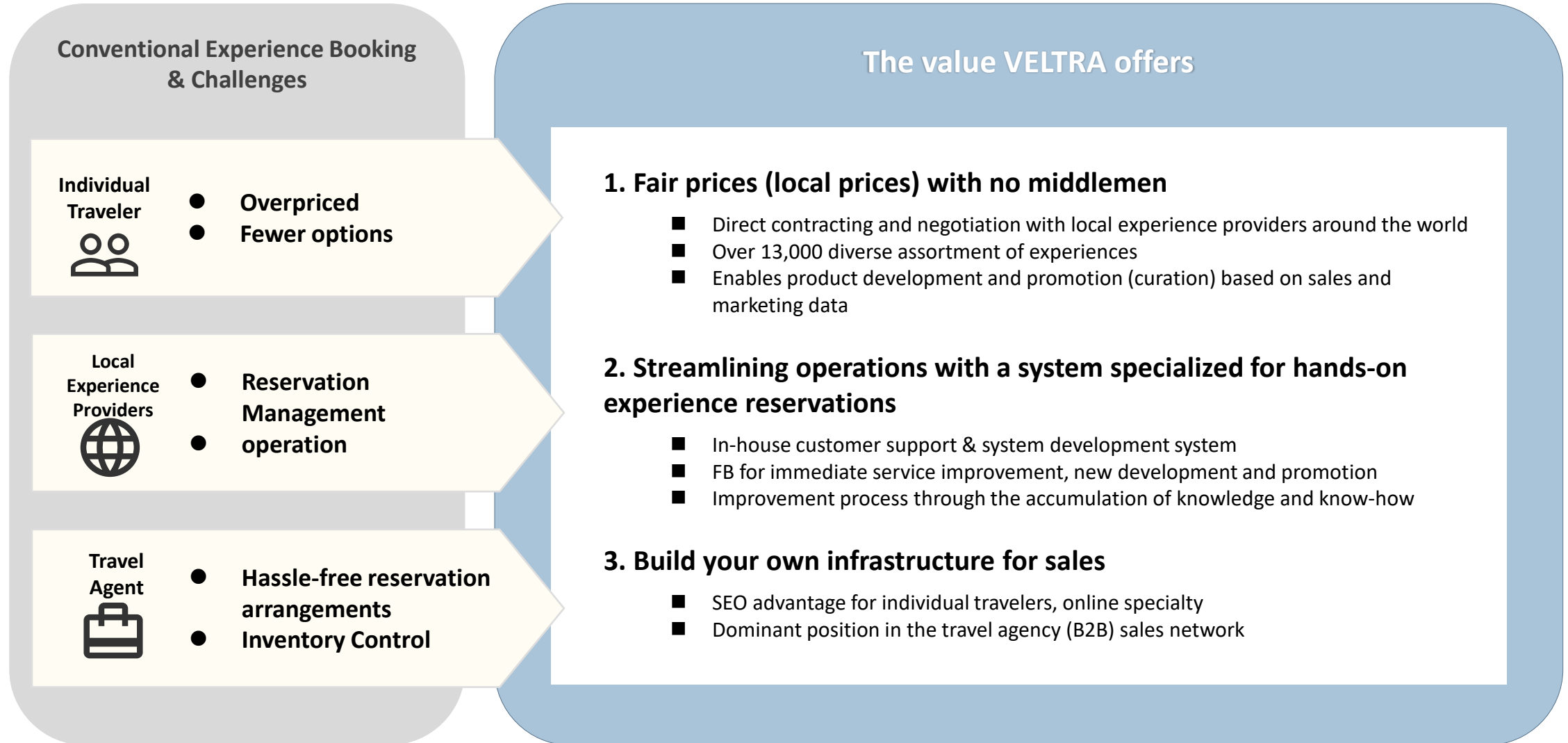
The product options were limited and prices were higher due to intermediaries like wholesalers or DMCs. Even for independent travelers, searching, booking, and paying for overseas experiences was complicated.



VELTRA booking platform

VELTRA improves overseas travel for individual travelers and local experience providers by contracting directly with local tour operators and pursuing service improvements through digital transformation and operational efficiency.







A Pioneer in Japan's Experience-focused OTA

In addition to our large membership base, a wide range of experience products tailored specifically for Japanese customers and our high quality of services are superior to those of our competitors.



Worldwide network of more than **9,000 companies** in **150 countries**



2.8+ Million Members



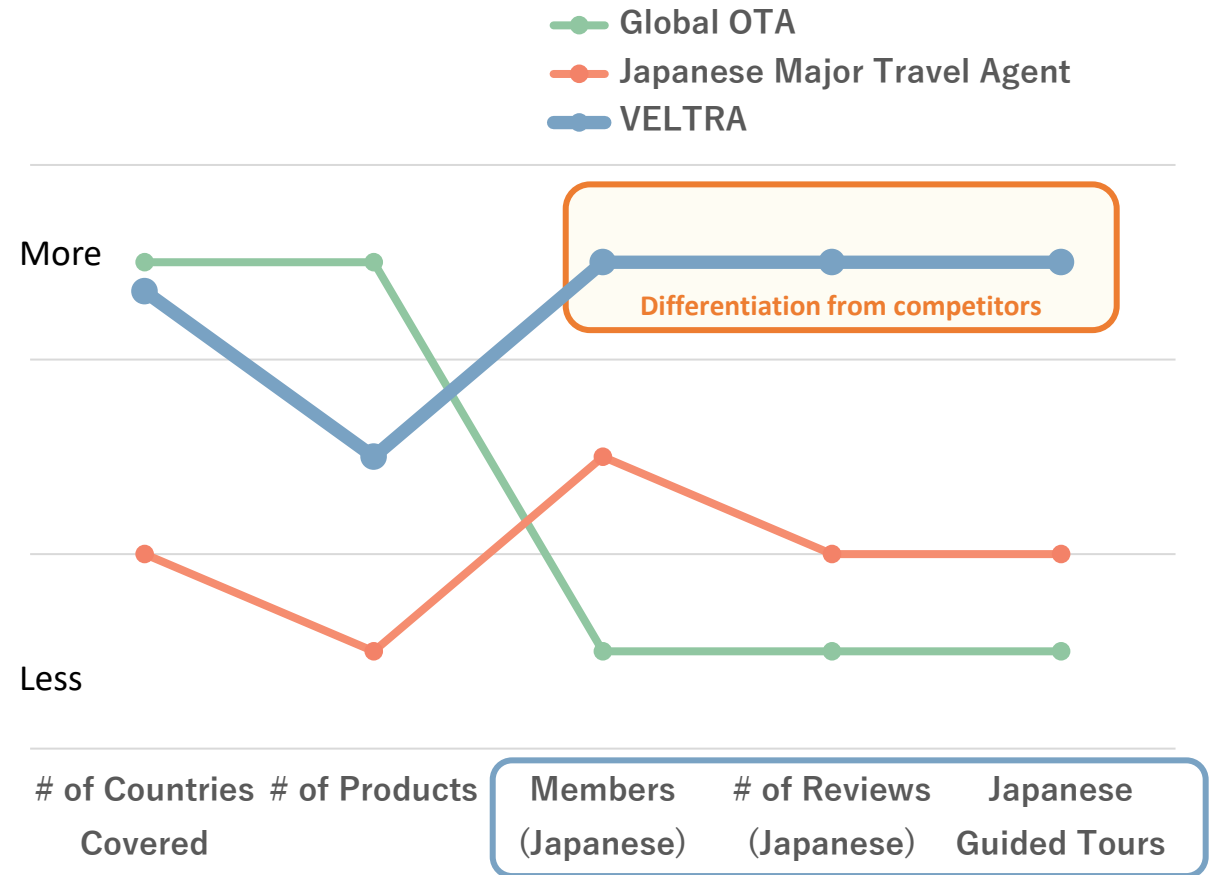
22,000+ Tours & Activities



620,000+ Customer Reviews



3,000+ Japanese Guided tours





Strong presence in the online market

VELTRA has established an outstanding presence in the online market for tours & activities through its comprehensive marketing capabilities from acquisition to retention and its broad network of travel agencies.



3M USER/month*
Organic traffic
*2017-2019 Average



200,000+/month
Owned media traffic



2,000+
BtoB Network
in Japan



100+
API Integration

Service chosen by customers

Specializing in tours & activities for years, a high level of satisfaction from both customers and suppliers through our service and product management system differentiate VELTRA from our competitors.



50% of bookings
are returning
customers
*2019 results



NPS(+27%)
Customer Royalty
*Net Promotor Score



Localized
UI/UX

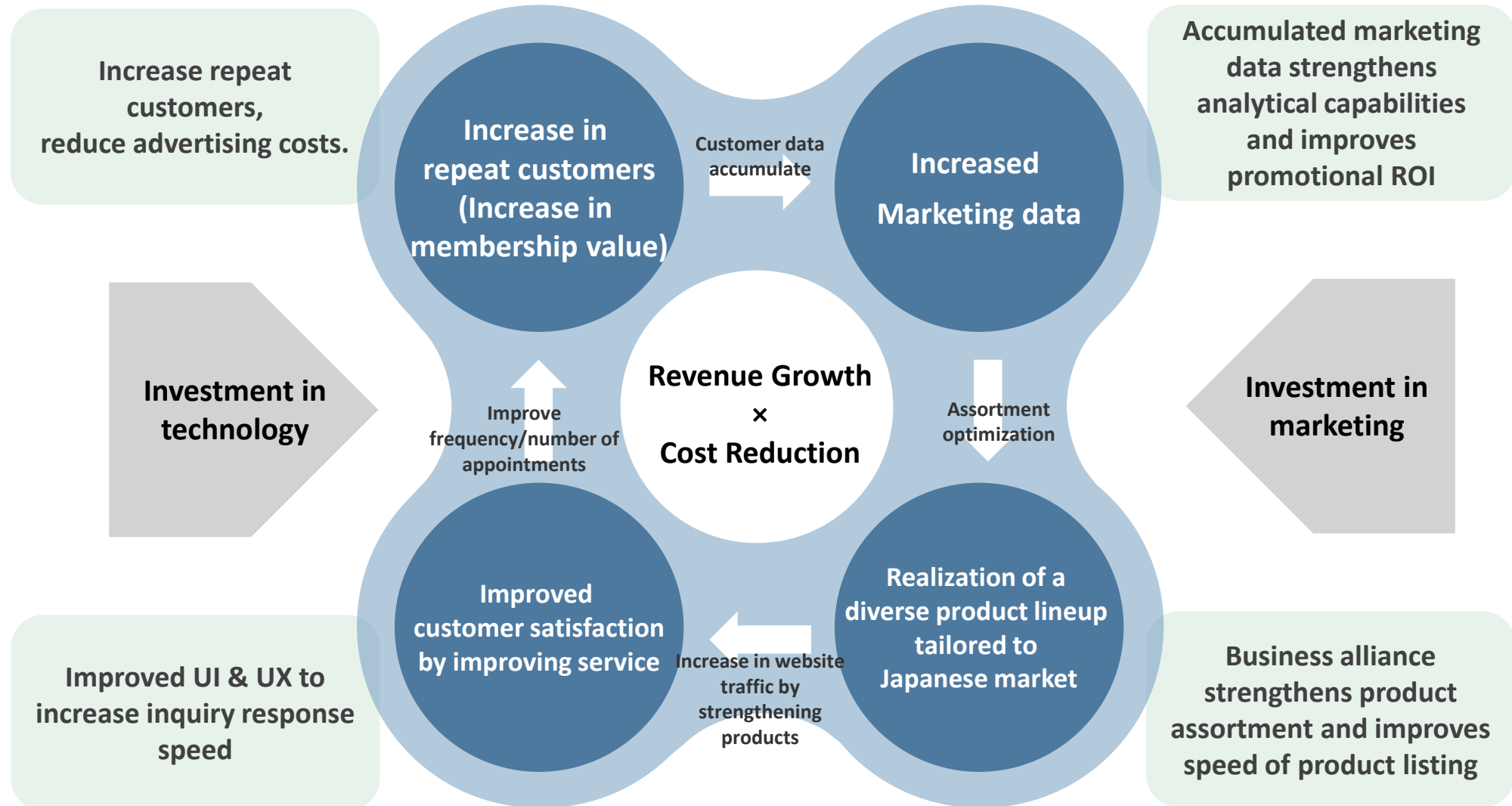


24/7
Customer Support



Cycle for Growth and Productivity Improvement

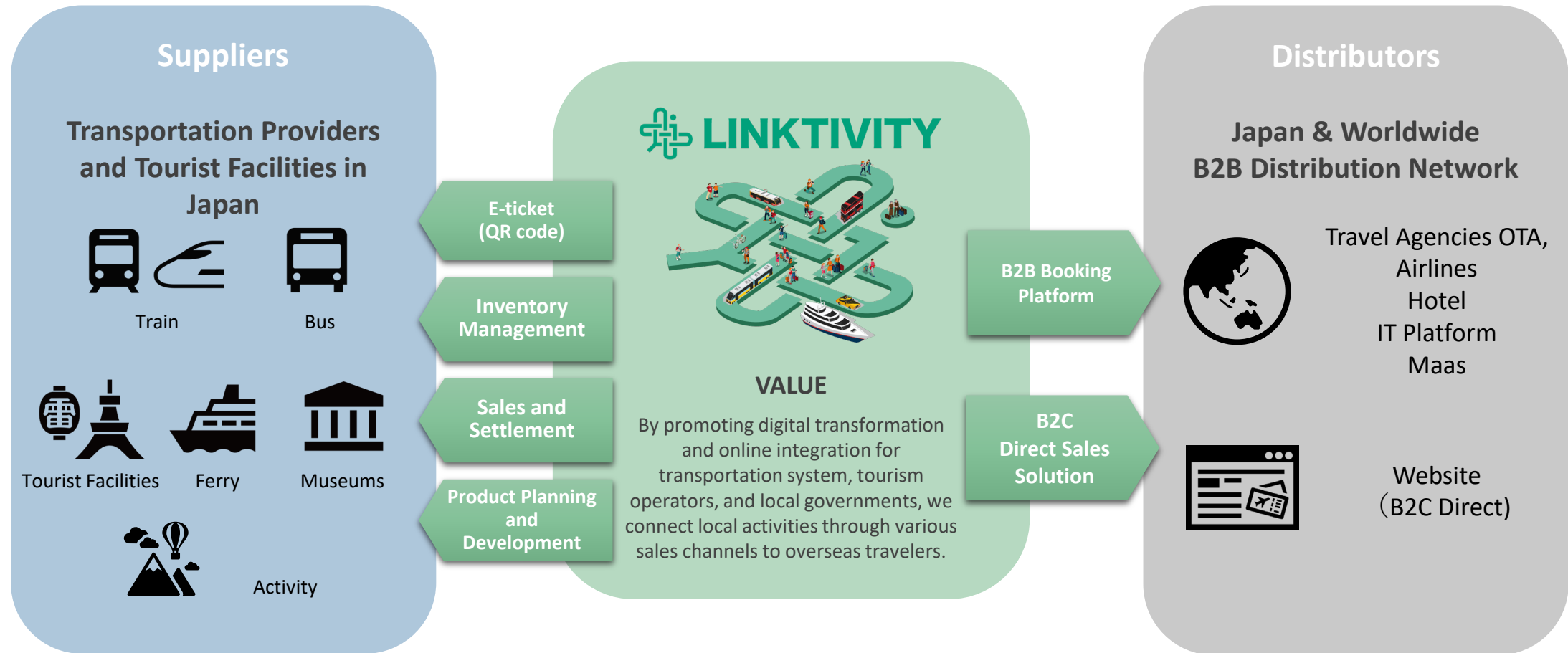
We aim to achieve further growth by increasing productivity through marketing investments and technology investments, and reinvesting the resulting profits.



LINKTIVITY's Business Model



LINKTIVITY is a platform connecting Japanese transportation providers, tourist facilities, and local governments with travel companies worldwide. It solves the traditional problem of complex distribution structures between service providers and vendors, achieving one-stop system integration.



LINKTIVITY Expansion of Business



Expanding services by providing various solutions to suppliers' challenges

① Channel Manager

Manage sales to overseas and domestic OTAs, travel agencies, hotels, etc., in a centralized manner.



Reach over 400 clients

- No initial setup or operational fees
- E-Ticket (QR)
- Sales partner contract management
- Product & Inventory management
- Sales Management
- Settlement Management
- Customer Support
(Japanese, English, Chinese, Korean)

Manage sales in less familiar languages, international customer support, and billing.

② Direct Sales Solution

Build your official website at low cost, with support for sales, operations, and marketing.



Supports all product variations

- No initial or operational fees
- Sales partner contract management
- Product management
- Membership registration
- Multilingual translation
- Customer support
- Sales website
- Payment options (Cards · Wechat · Alipay)

Support for customer service in various languages and expansion into sales channels like Google Things To Do and WeChat Mini Programs.

③ Planned Products

Develop and sell planned products (single items + extras).



Package and bundle products

Boost value and enable diverse promotions by bundling and discounting with other products through your own sales channels.

In-house products

In-house products + transportation

In-house products + meal vouchers

In-house products + experiences

If LINKTIVITY lacks partner products, we also handle contract acquisition through sales representation.

④ Entry and Exit Solution

POS · Ticket Machine · Gate



Low-cost cloud implementation



Case Studies:

- Tsutenkaku "Dive & Walk"
- Shima Green Adventure

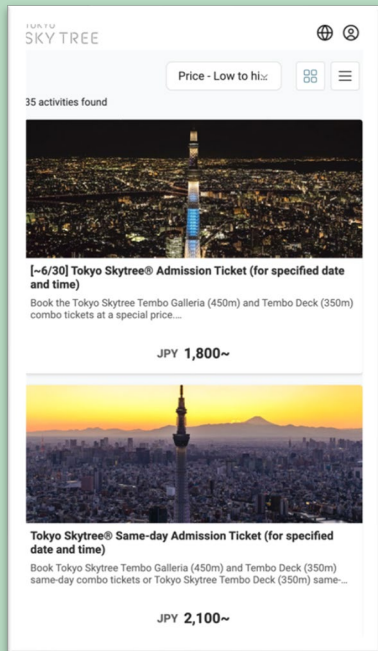
LINKTIVITY Expansion of Business



In addition to our platform business, we are expanding the provision of solutions for tourist facilities and railway operators.

Direct Sales Solutions for Tourist Facilities

Construction of Official B2C Websites for Tourist Facilities, and Marketing Support (e.g. Tokyo Skytree®)



Enabling the creation and sale of planned products combining facilities, transportation tickets, and more. (e.g. Tokyo Skytree® Enjoy Pack)

Ticket only

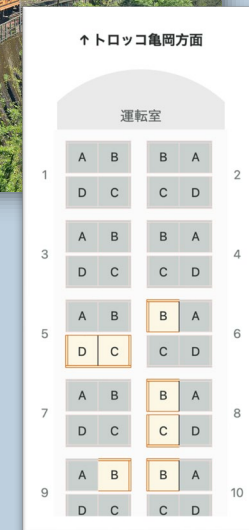
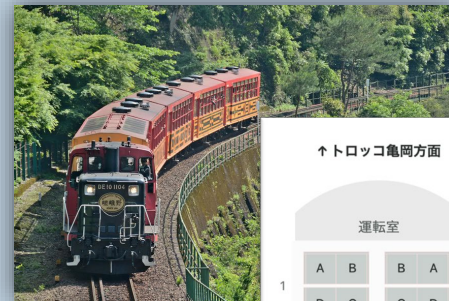
Ticket + TeamLab Planets (Facilities)

Ticket + Tokyo Metro Pass (Transport)

Ticket + Kimono (Experiences)

Digital Infrastructure Solutions for Railway Operators and Tourist Facilities

E-ticket & Core Systems for Sightseeing Railways (e.g. Sagano Romantic Train)



E-ticket & Core Systems for Tourist Facilities (e.g. Osaka Tsutenkaku, Shima Green Adventure etc.)



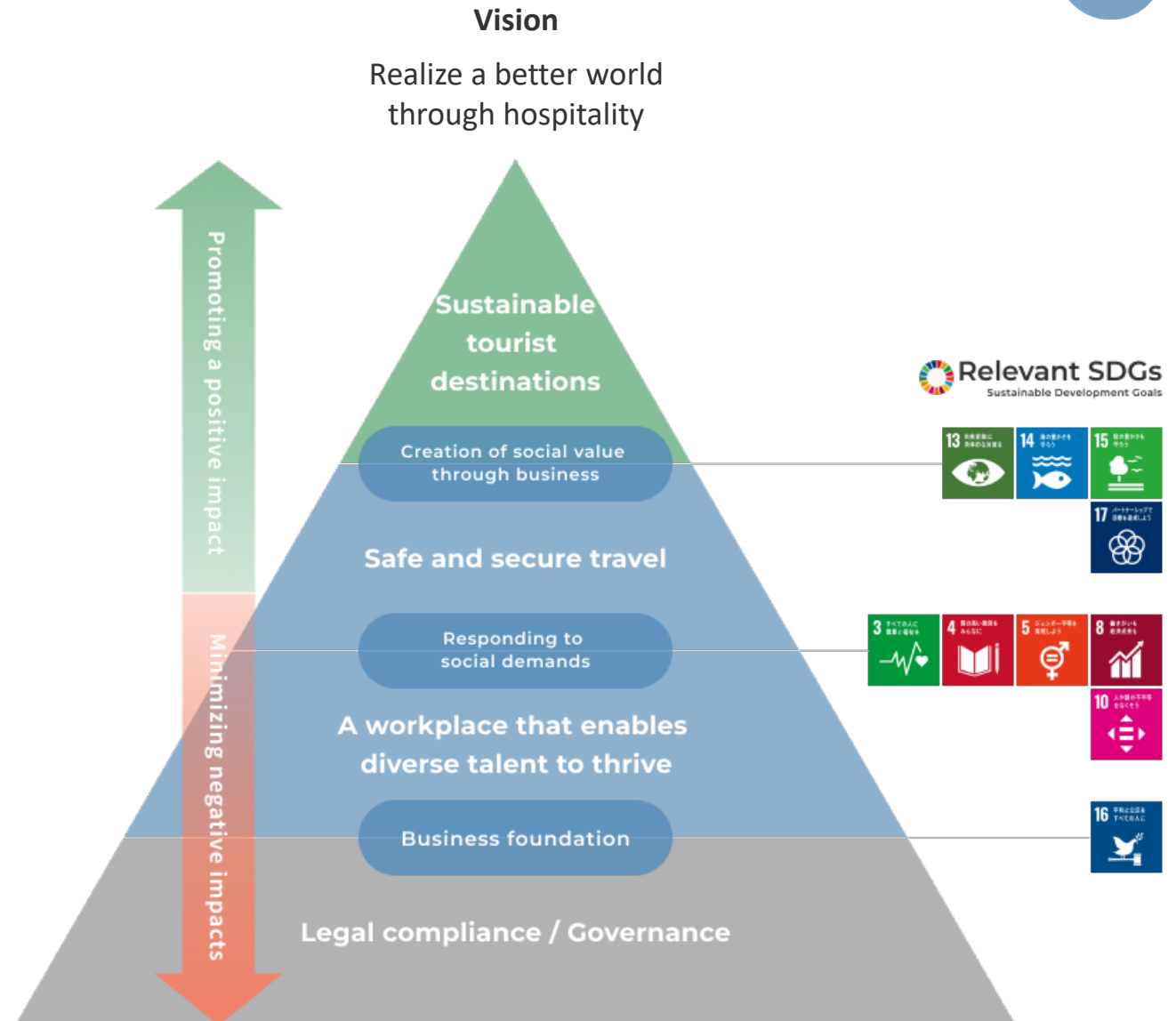


Sustainability Basic Policy:

We aim to realize our vision by creating social value through our business, based on the foundation of compliance with laws and governance, and responding to social demands such as "safe and secure travel" and "a workplace environment where diverse human resources can play an active role". We also aim to create sustainable tourist destinations.

Topics:

- At the 1st JATA SDGs Award in the Social and Human Rights, our Work from Anywhere: Creating a workplace environment where diverse human resources can thrive regardless of changes in life stages won the Encouragement Award in June 2023.
- Sustainability page launched on corporate website (Aug 2023).
- VELTRA's tour 'SDGs Educational Trip in Onna Village, Okinawa' won the 'Sustainable Tourism Award (UNWTO)' at the 7th Japan Tourism Awards (September 2023).



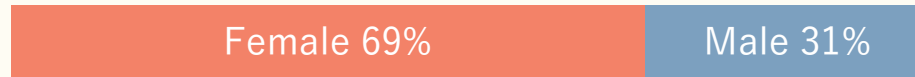
Initiatives to Promote Human Resources and Women's Advancement



We have worked to create a work environment where diverse human resources can work with a sense of fulfillment and satisfaction, especially in our support for the success of women leaders.



Employee ratio



*31% are working mothers



Female managers Ratio



*The average number of female managers in Japan is 8.9% (according to Teikoku Databank)



Return to work after maternity leave **95%**



Avg. Age : **37** yo

- 2018 Partial introduction of telework scheme "Work from Home"
- 2020 Achieved smooth and complete transition to telework by 2020
- 2021 Introduce a unique work location scheme "*Work from Anywhere"

*"Work from Anywhere" allows employees to work from anywhere in the world, choosing the most suitable location for their work according to their individual circumstances, aiming to improve work-life balance and work styles with high productivity.

Implementation of the HR policy to improve employee engagement



Introducing a variety of HR measures that respond to diversifying work styles, improving employee engagement and performance, and securing human resources and strengthening competitiveness in preparation for the resurgence of the tourism market.

Engagement improvement measures

Overview

Salary increases

Decided to raise employees' base salaries (base increase) in response to recent price hikes and for the purpose of **strengthening the company's competitiveness and sustainable growth.**

Resumption of evaluation incentive payments

Based on the "Pay for Performance" policy, the company aims to enhance the competitiveness of the company as a whole by providing incentives to employees who produce results, thereby **increasing their motivation and productivity.**

Introducing "Work from Anywhere"

Strengthening cooperation with local tour operators in Japan and overseas and improving work productivity, as well as offering discounts on activities through the VELTRA welfare program, will **lead to an enhanced work-life balance.**

Workplace where female employees can play an active role

Starting this fiscal year, support for male employees to take childcare leave and nursing care leave will also be strengthened.

Utilizing referral system

Actively recruiting through referrals from former employees or friends and acquaintances of employees

Future Outlook

In June 2023, we will move our head office functions to WeWork, which provides flexible office space, to promote a diverse work style that is not restricted by location, and to further improve operational efficiency and productivity. From the perspective of DE&I, we will actively consider the introduction of training and personnel systems to create a work environment in which all employees are respected and a diverse workforce can play an active role, regardless of differences in sexual orientation, gender identity, nationality, and disabilities.

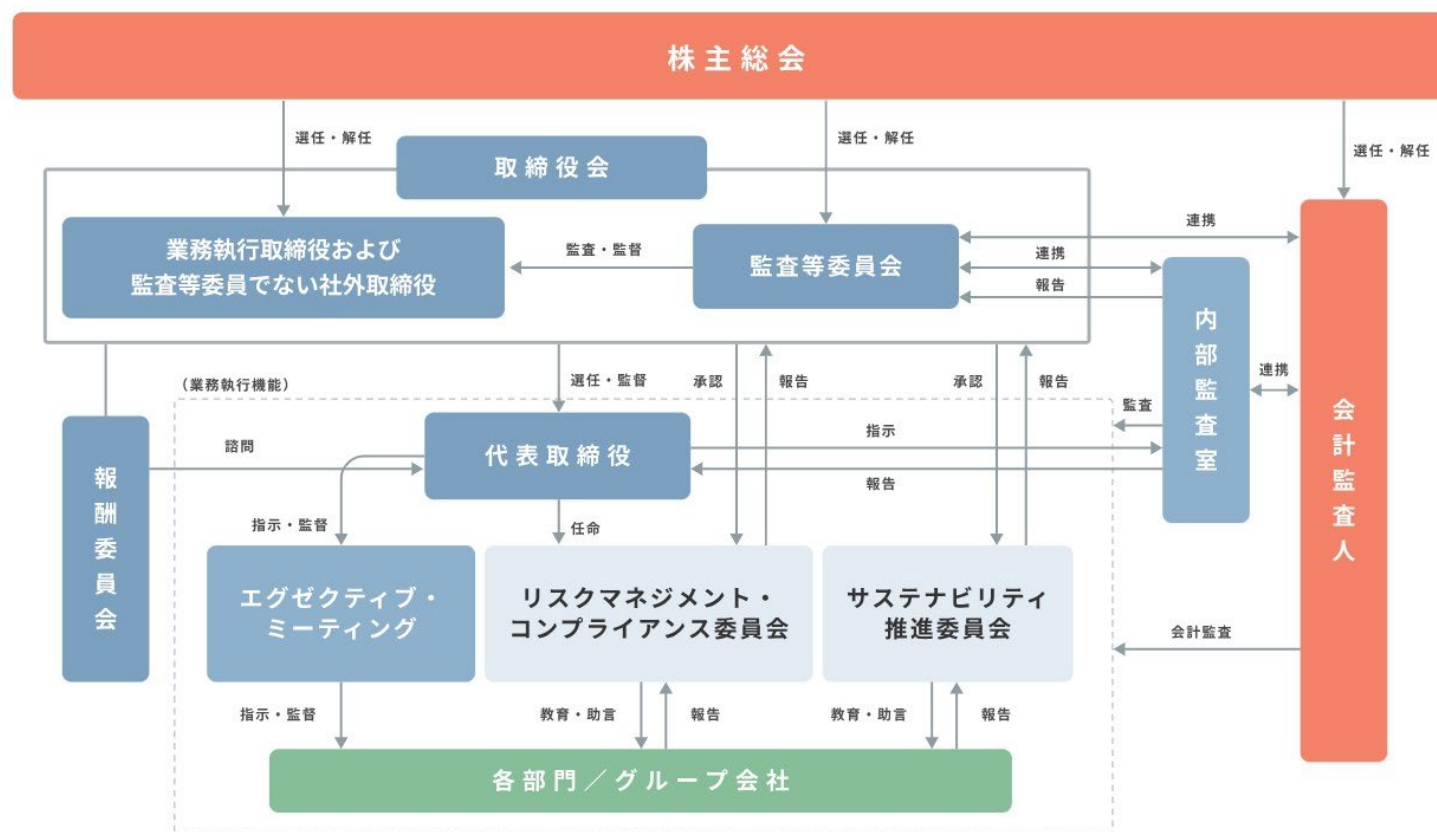
Initiatives to Improve Corporate Governance



Transition to a Company with Audit Committee

Objectives:

- To further enhance corporate governance by strengthening the supervisory function of the Board of Directors and further strengthening the supervisory system by making Audit Committee members, who are responsible for auditing the execution of duties by directors, voting members of the Board of Directors.
- To further enhance corporate value by enabling the Board of Directors to broadly delegate decision-making authority for business execution to directors, thereby accelerating management decision-making.





Forward looking statements made in this document include information regarding forecast of financial results and business plans. The information in this report is based on information that is available, as well as estimates, assumptions and projections that are believed to be reasonable at the time of publication and include risks or uncertainties. They are not meant to be binding commitments by the Company. There may be cases in which actual results differ from forecast values. Even though new situations occur in the future or conditions fluctuate, VELTRA does not intend to change or revise the descriptions found in this document.

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