Supplementary Material on Financial Results for Q1 FY12/26

CELSYS, Inc.

Securities Code: 3663

May 8, 2026

CELSYS

CELSYS 35th

35th ANNIVERSARY

Continuing your
creative journey with you

CELSYS celebrated its 35th anniversary on May 1, 2026.

We will continue to provide value that supports creative activities and achieve sustainable growth in the global creator economy market through continuous improvement of our functions and evolution of our services. We will also work to enhance shareholder returns.

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About CELSYS

CELSYS

Providing Japanese-made creative applications for creators and expanding market share and revenue globally

Building a global creator platform with CLIP STUDIO PAINT at its core

CELSYS business highlights

CLIP STUDIO PAINT shipments and users

Cumulative shipments

over **63.00 million units**

Percentage of overseas users

more than **80%**

Usage ratio among manga artists

95%

CELSYS financial highlights

Sustainable high-profit model and strong shareholder returns

ROE target

30% or higher

Operating margin target

30% or higher

Subscription ARR*

over **5.8 billion yen**, growing at **26%** annually

Dividend per share

increasing for **11** consecutive terms → **38** yen/share for FY12/26 (plan)

* Annual Recurring Revenue (ARR): expected net sales for one year assuming that all contracts are renewed at the time of renewal

CELSYS's Mission

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CELSYS provides creative experience through a creation infrastructure that supports the whole path of creators' activities, "CREATOR JOURNEY"

Creator

CREATOR JOURNEY

Creator Support Field

Create works

CLIP STUDIO PAINT

Growth phase

Creator Platform Field

Place for creative activities

- Safe space to showcase and sell one's works
- Foster communities
- Record and authenticate creative work
- Generate monetization opportunities

Foundation-Building phase

New creators

The world is more vibrant when everyone's passions are connected

Fans and Communities

Medium- to Long-Term Outlook

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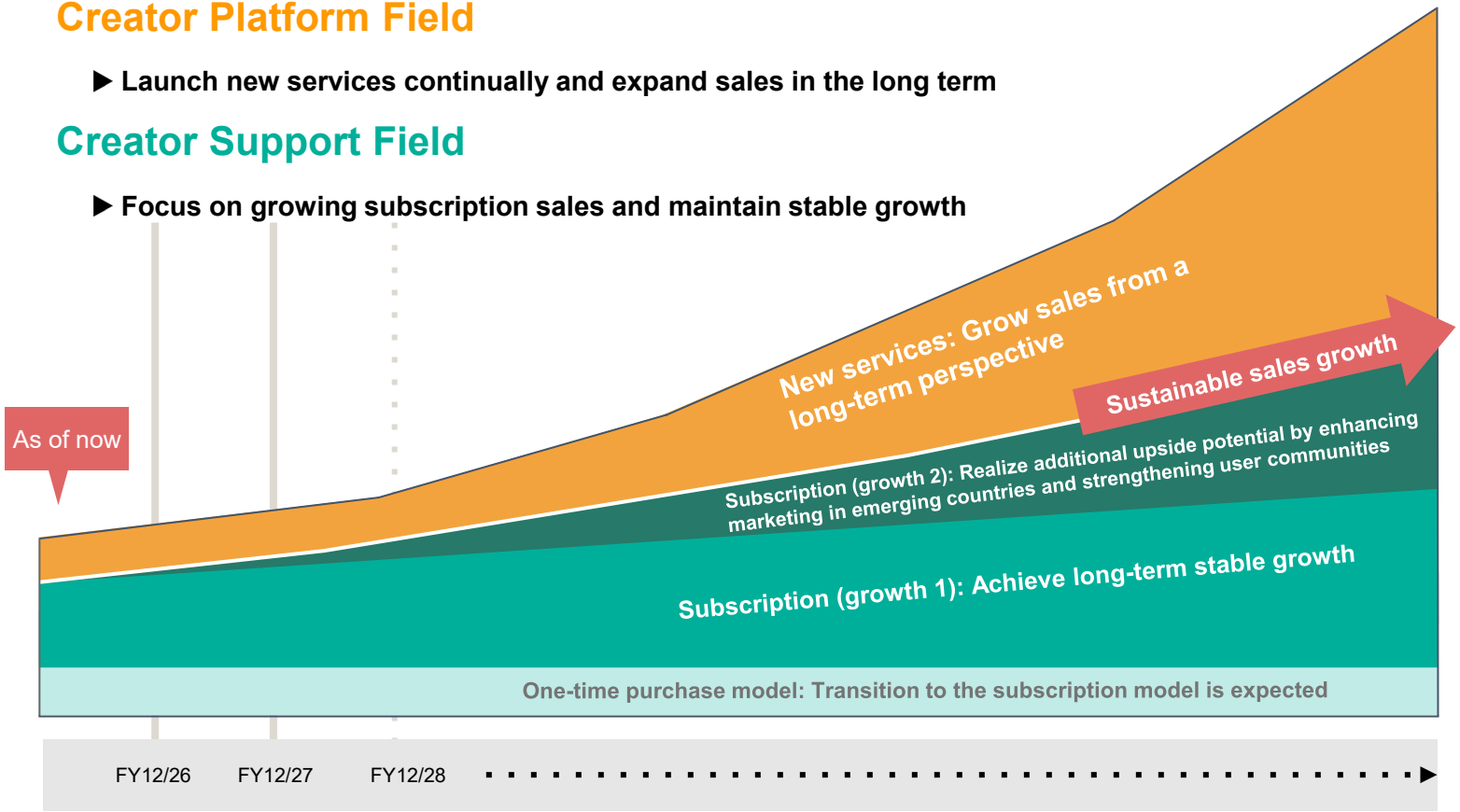
Creator Platform Field

▶ Launch new services continually and expand sales in the long term

Creator Support Field

▶ Focus on growing subscription sales and maintain stable growth



The second pillar

Additional revenue growth

Creator Platform Field

The first pillar

Robust revenue base

Creator Support Field

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1. Financial Results

1-1. Summary for Q1 FY12/26

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Q1 performance reached a record high

Q1 financial results

Unit: million yen

		YoY change
Net sales	2,803	+16.7%
Operating profit	1,211	+59.6%
Operating margin	43.2%	+11.6pt
ARR*1	5,831	+25.9%

ROE	40% or higher*2

Key topics

- **CLIP STUDIO PAINT major version upgrade**
  - Ver. 5.0 was released in March and was well received worldwide.
- **Subscription ARR reached a record high**
  - The increase from the previous month was the largest in the past three years.
- **One-time purchase sales increased**
  - Sales increased due to higher demand for the paid upgrade to Ver. 5.0.
  - Price revisions and new user acquisition campaigns also contributed.
- **Cancellation of treasury shares**
  - We cancelled 1,500,000 treasury shares for the first time.

*1 Annual Recurring Revenue (ARR): expected net sales for one year assuming that all contracts are renewed at the time of renewal
*2 ROE: forecast assuming performance from Q2 onward progresses as planned

1-2. Q1 FY12/26 Financial Results

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Unit: million yen

	Q1 FY12/25	Q1 FY12/26	YoY
Net sales	2,401	**2,803**	**+16.7%**
Subscription	1,157	**1,457**	**+25.9%**
Operating profit	759	**1,211**	**+59.6%**
Operating margin	31.6%	43.2%	+11.6pt
Ordinary profit	750	**1,213**	**+61.7%**
Ordinary profit margin	31.3%	43.3%	+12.0pt
Profit	684	**813**	**+18.9%**
Profit margin	28.5%	29.0%	+0.5pt

1-3. Achievement rate of financial results

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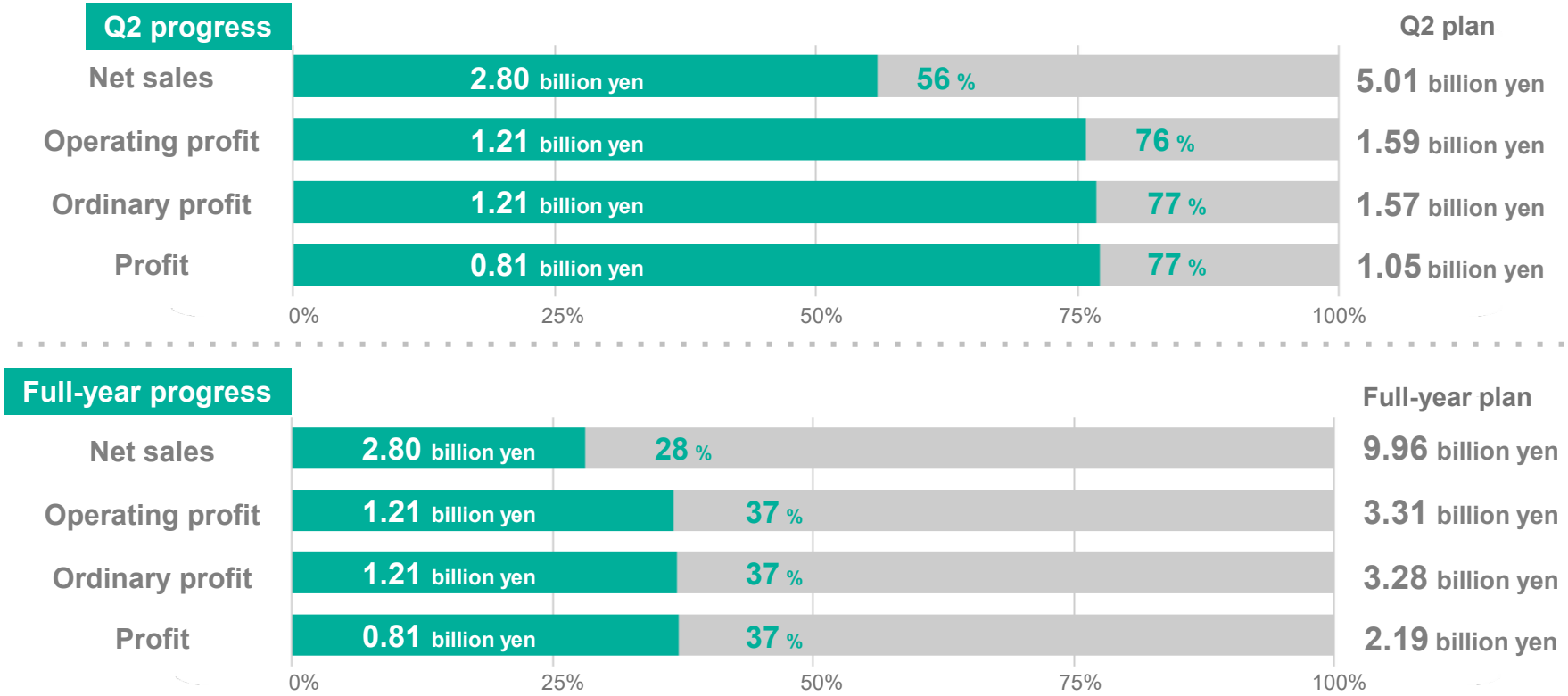
Progress in net sales and profit remains strong

Any necessary revisions will be promptly disclosed while monitoring future business progress



1-4. Trends in net sales and operating profit

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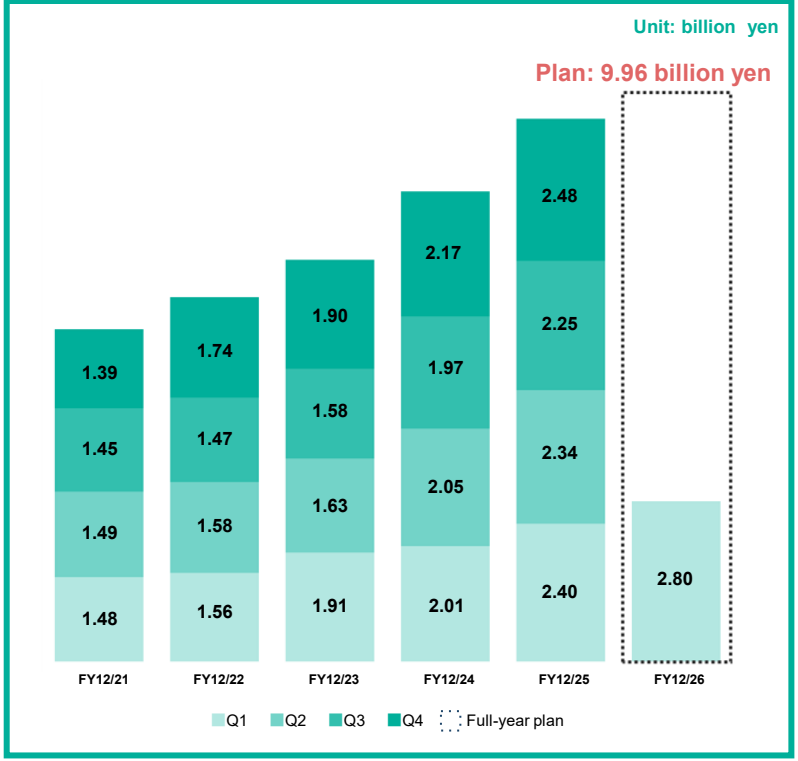
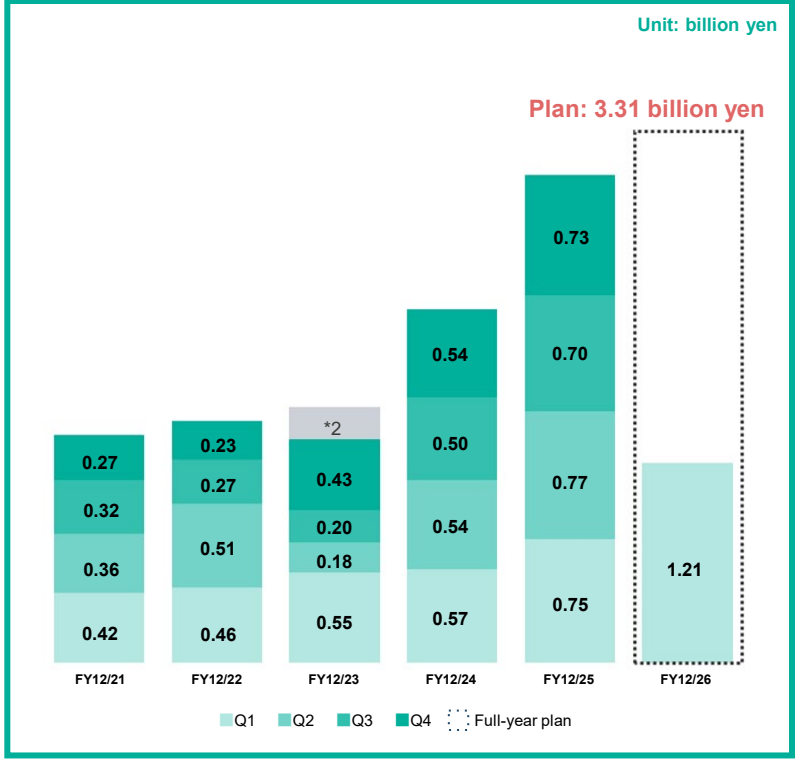
Net sales*1



*1 Excluding sales from the UI/UX business sold in 2023

Operating profit



*2 Approx. 0.2 billion yen of one-time losses due to enhanced security measures

1-5. Q1 FY12/26 Key Management Indicators

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Led by subscription ARR, key indicators progressed steadily

	Q1 FY12/25	**Q1 FY12/26**	YoY	Progress & trends
Subscription ARR*1	4.63 billion yen	**5.83 billion yen**	**+25.9 %**	
Subscription churn rate*2	5.1 %	**5.4 %**	**+0.3 Pt**	
Number of platform users	10.04 million	**12.33 million**	**+22.8 %**	
CLIP STUDIO PAINT Cumulative shipments	49.80 million units	**63.17 million units**	**+26.9 %**	
CLIP STUDIO PAINT Overseas ratio	81.0 %	**82.5 %**	**+1.5 Pt**	

*1 Annual Recurring Revenue (ARR): expected net sales for one year assuming that all contracts are renewed at the time of renewal
*2 Churn rate: the percentage of customers who cancelled contracts (customer attrition rate)

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2. Performance and Outlook

2-1. Progress on the Medium-Term Management Plan 2025–2027 and Future Outlook

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Business operations and net sales are progressing in line with the plan, while the operating profit target for 2027 is expected to be achieved one year earlier than scheduled.

	FY12/25		FY12/26 Plan	FY12/27 Plan
	Plan	Results		
Net sales	9.0 billion yen	9.4 billion yen	9.9 billion yen	Net sales 10.7 billion yen
Operating profit (Profit ratio)	2.5 billion yen	2.9 billion yen (31.3%)	3.3 billion yen (33.3%)	Operating profit 3.3 billion yen (Profit ratio: 30% or higher)
ROE	30.0%	35.5%	40% or higher	ROE 30% or higher

Operating profit expected to significantly exceed the target

Operating profit in FY12/27 is expected to significantly exceed the target due to business investment policy

- Business investment implemented steadily at a constant scale
  - Maintain operating margin in the 30% range during the Medium-Term Management Plan period
- Applying the advertising expenses-to-net sales ratio benchmark of 14% to 16%
  - FY12/25 result: 14.4%
  - FY12/26 plan: 14.5%

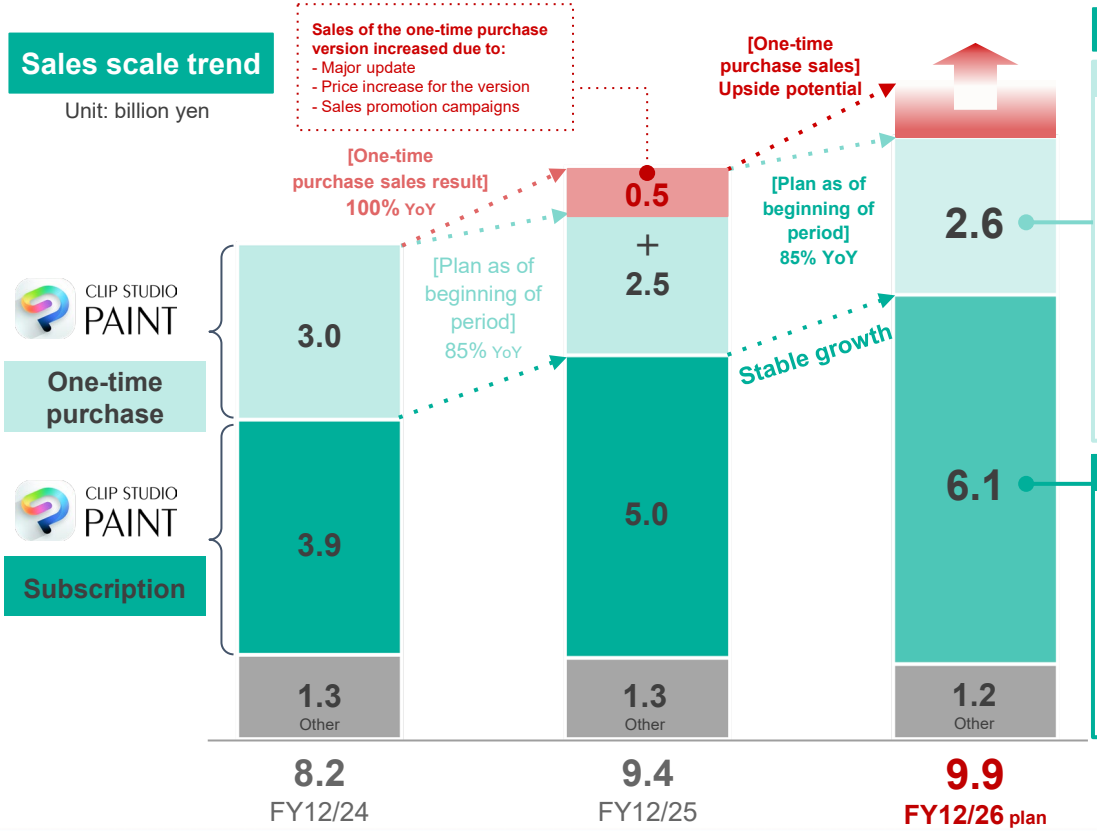
Q1 FY12/26 results: 12.2%

2-2. FY12/26 Sales Plan

Subscription sales are expected to grow stably. As for sales of the one-time purchase version, as of the beginning of the period, we assume the effect of customers' transition to subscription, while upside potential could be realized through marketing campaigns, as was the case in the previous period.

Sales scale trend

Unit: billion yen



Key Activities and Progress in FY12/26

One-time purchase

- **Initial plan: 85% YoY, assuming subscription transition**
- **Pursuing upside against the plan via strengthened growth initiatives.**
  - Major version upgrade
    → Completed in March; highly rated
  - One-time purchase version price increase (+10% average)
    → Completed in March
  - New user acquisition campaigns
    → Completed in March; 150% of plan

→Strong performance has generated a 0.2 billion yen against the full-year plan.
Quarterly new user acquisition campaigns to continue

Subscription

- **Expected to grow stably**
- **Implement measures to acquire new users, aiming to accelerate growth**
  - Marketing in emerging countries
  - Increase competitiveness on mobile devices and tablets
  - Improve retention by strengthening community services

→ ARR increased as planned, with a record-high increase in March

2-3. Major Version Upgrade of CLIP STUDIO PAINT Implemented in Q1

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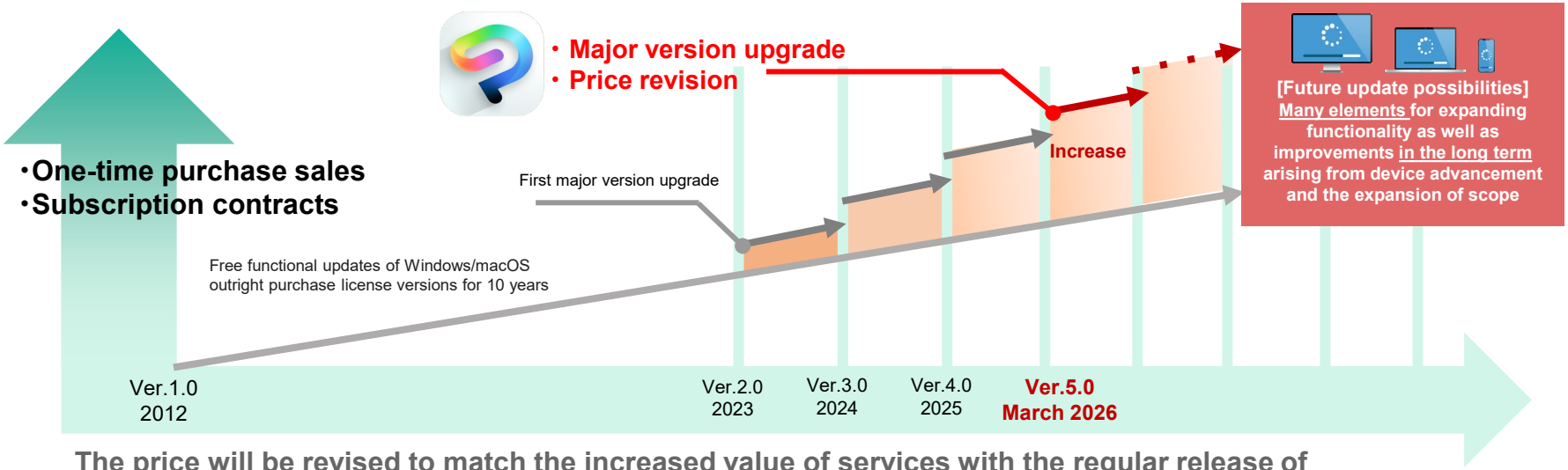
Added and improved functions to raise sales and the number of subscription contracts

- Ver. 5.0 was released worldwide in March. The one-time purchase version price was also increased by 10% on average (P.36)

→ **Ver. 5.0 was well received worldwide and achieved sales of over 150% of the initial plan**
Strong sales of the one-time purchase version and an increase in subscription contracts raised monthly sales in March above 1.3 billion yen for the first time



The price will be revised to match the increased value of services with the regular release of major updates in the future.

2-4. Targets for Financing Activities

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Achieve ROE of 30% or higher constantly

Maintain our management with awareness of stock price and capital cost

Continue to enhance shareholder returns

Consider increasing dividends over the medium to long term

Purchase and cancellation of treasury shares →1,500,000 shares were cancelled on March 16, 2026

Focus on maintaining inclusion in TOPIX

Aim to maintain inclusion in TOPIX even after the revision of the TOPIX selection criteria*

Enhance our IR activities and implement our capital policy to ensure appropriate evaluation for our shares, while ensuring sufficient liquidity

* The Company's shares have been a constituent in TOPIX, selected by the Tokyo Stock Exchange, since October 2024.

2-5. Capital Policy: Dividends

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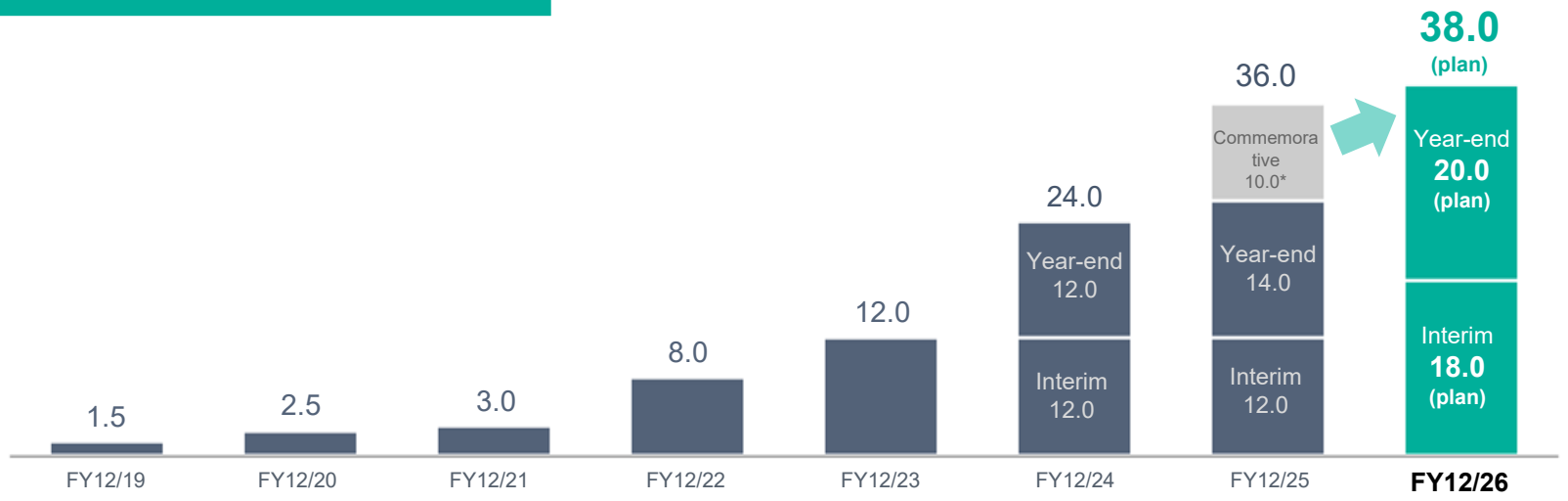
Plan to increase dividends for FY12/26: Annual dividend of 38 yen per share

We will consider increasing dividends for the current period while monitoring future business progress.

Dividend change and forecast (yen)



* Commemorative dividend for listing on the Prime Market

We will continue to strive to increase dividends over the medium to long term, taking into consideration the target of achieving ROE of 30% or higher.

2-6. Capital Policy: Treasury Shares

CELSYS

Cancellation of treasury shares

First cancellation of treasury shares implemented on March 16, 2026

Total number of shares cancelled (Treasury share holding ratio)	**1,500,000 shares** (Before cancellation: 18.3% → After cancellation: 14.8%)

We will continue to consider cancellations with a treasury share holding ratio of around 10% as a guide.

Acquisition of treasury shares

Total amount acquired to date	**6.5 billion yen**

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3. Market & Environment

3-1. Our Work on AI Technology (1)

CELSYS

Initiatives for products and services provided by the Company

For over a decade, CELSYS has continued research and development efforts focused on the potential of AI technology in the fields where we can support creators' creative activities

Policies

Support creators through technology

Maintain the utmost respect for ethics and rights at all times

- Continue development investment in AI
- Promote utilization of AI technology
- Postpone implementation of functions using image generation AI

3-2. Our Work on AI Technology (2)

CELSYS

Initiatives in the Company's management

CELSYS promotes an AI-native management system and has built a structure to use AI technology across the Company

Policies

Actively use AI technology to improve service quality and increase internal operational efficiency

- Use in management control operations to improve operational efficiency and eliminate dependence on specific individuals
- Promote use in development and testing
- Improve the quality of customer and user support

3-3. Impact of AI Technology on Our Business

CELSYS

The Company has established a business structure centered on providing value that cannot be replaced by AI

Rapid expansion of generative AI since 2023

As of 2026, CLIP STUDIO PAINT users and sales continue to grow

Demand for CLIP STUDIO PAINT is not affected by generative AI

Why?

Ninety percent of CLIP STUDIO PAINT users are hobby creators or high-level amateur creators, who sign up and purchase the application because they appreciate the value of the creative experience itself, in addition to higher productivity enabled by enhanced functions

Creative experience provided by CLIP STUDIO PAINT	- "Joyful experience" of drawing on your own - You can feel your drawing skills improve as you continue to use it - A sense of fellowship you can get through the creative community

We will continue to provide service value that cannot be replaced by generative AI

3-4. Initiatives to further enhance the value of the “creative experience” that AI cannot replace

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Rebranding of CLIP STUDIO PAINT

Renewed CLIP STUDIO PAINT with a friendly and vibrant app image that evokes **the joy of the creative experience itself** through drawing

CLIP STUDIO
PAINT

A new service is also under development to further enhance the value of the “creative experience” → (P. 43)

3-5. Environment Surrounding the Company

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External environment and expected growth of CELSYS's business

Various Japanese entertainment content is spreading worldwide

(It has been hugely popular through Netflix, Amazon Prime, Crunchyroll, Webtoon, etc.)

More user access to content

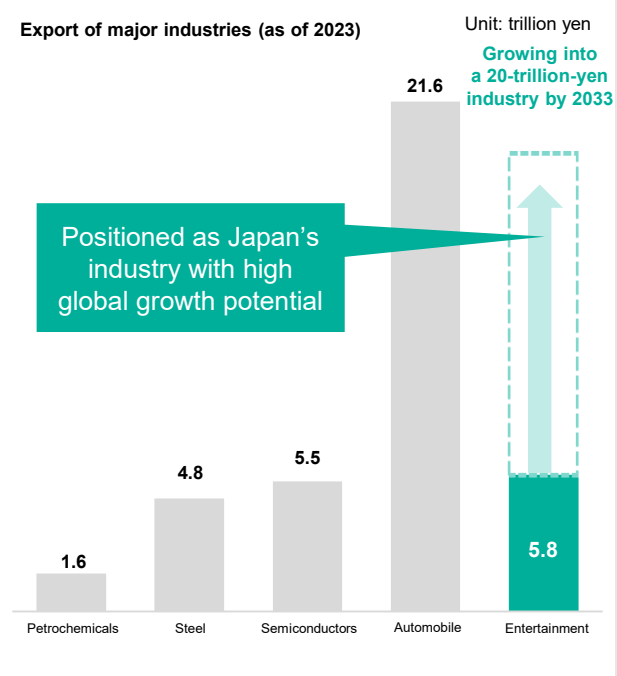
Motivate potential creators

More creators to some extent

Favorable situation

More users of CLIP STUDIO PAINT

Entertainment and creative industry strategy in Japan



Source: "Entertainment and Creative Industry Strategy—Five-Year Action Plan Toward Developing Content Industry Generating Overseas Sales Revenue of 20 Trillion Yen," the Ministry of Economy, Trade and Industry (2025)

3-6. CLIP STUDIO PAINT's Market - SOM, the size of our realistically obtainable market

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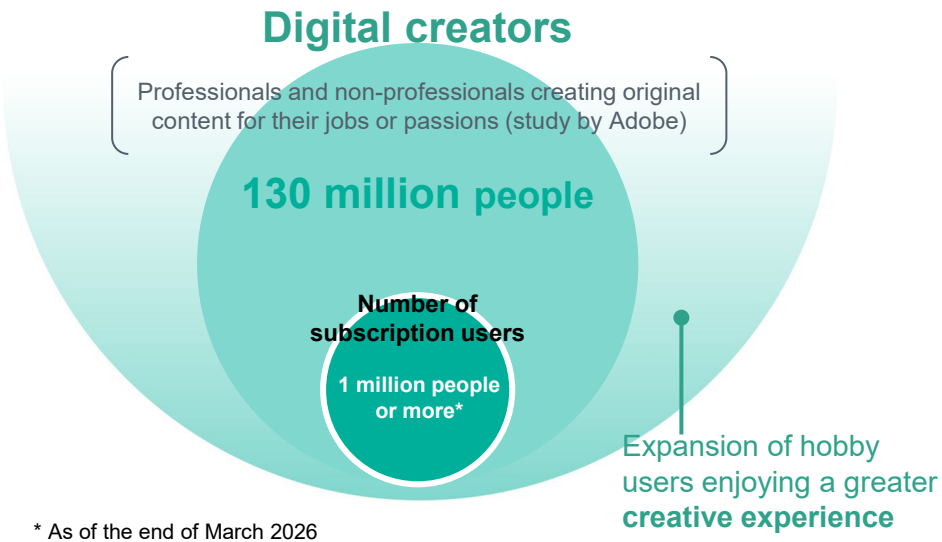
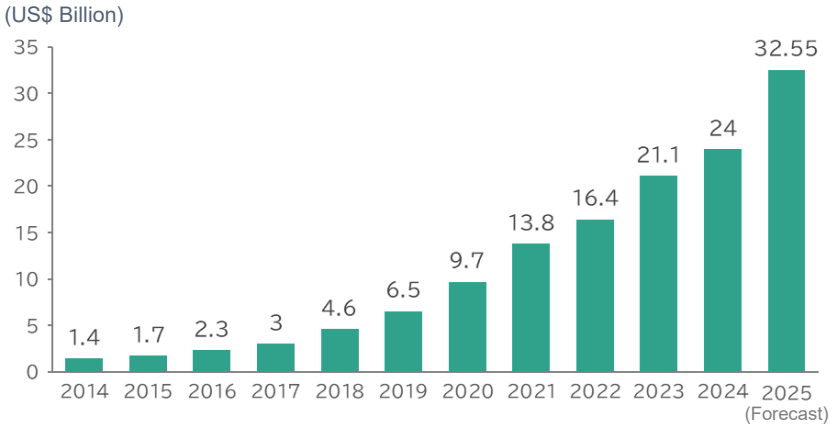
The global potential user base exceeds 130 million, with significant growth potential



* As of the end of March 2026

The **global creator** economy market continues to grow.



- According to the "Future of Creativity" study conducted by Adobe, there are 303 million creators active globally, and it is estimated that there are 260.58 million active creators, excluding influencers. The study defines creators as professionals and non-professionals creating original content for their jobs or passions, and the number of creators in the design (including illustration) and video fields are estimated to be 135.5 million, approximately 52% of the total population.
"Future of Creativity" (https://www.adobe.com/content/dam/cc/jp/news-room/pdfs/202208/20220826_adobe-future-of-creativity.pdf)
- Market scale of the creator economy: Influencer Marketing Hub "Influencer Marketing Benchmark Report 2025"
(https://influencermarketinghub.com/influencer-marketing-benchmark-report/)
- "2025's Creator Economy Statistics That Will Blow You Away"
(https://www.wpbeginner.com/research/creator-economy-statistics-that-will-blow-you-away/#aioseo-general-creator-economy-statistics)

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To the Shareholders

Information For Shareholders

To the Shareholders

CELSYS

Monthly progress report

Main indicators are reported monthly on the Creator Support field and Creator Platform field.

Report: https://www.celsys.com/en/irinfo_news/contents_type=47

Shareholder benefit system

A shareholder benefit system has been established so many people will hold the Company's shares in the medium to long term and to deepen understanding of the Company's business. Shareholders holding 200 shares or more can continuously use CLIP STUDIO PAINT EX.

Shareholder benefit (Japanese only): https://www.celsys.com/irinfo_returns/

IR questionnaire

A questionnaire on IR is posted on the Company's website. Your opinions will be used as a reference for future IR activities, such as improving the Monthly progress report.

Questionnaire (Japanese only): https://www.celsys.com/irinfo_questionnaire/

IR online magazine

The latest IR information will be sent to registered shareholders via e-mail.

Online magazine (Japanese only): https://www.celsys.com/irinfo_magazine/

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Appendix

Reference Material (1)

- ❑ Progress of the Medium-Term Management Plan
- ❑ Creator Support Field (Growth phase)
- ❑ Creator Platform Field (Foundation-Building phase)

Reference Material (2)

- ❑ Service Overview and Activity Status
- ❑ Monthly Progress

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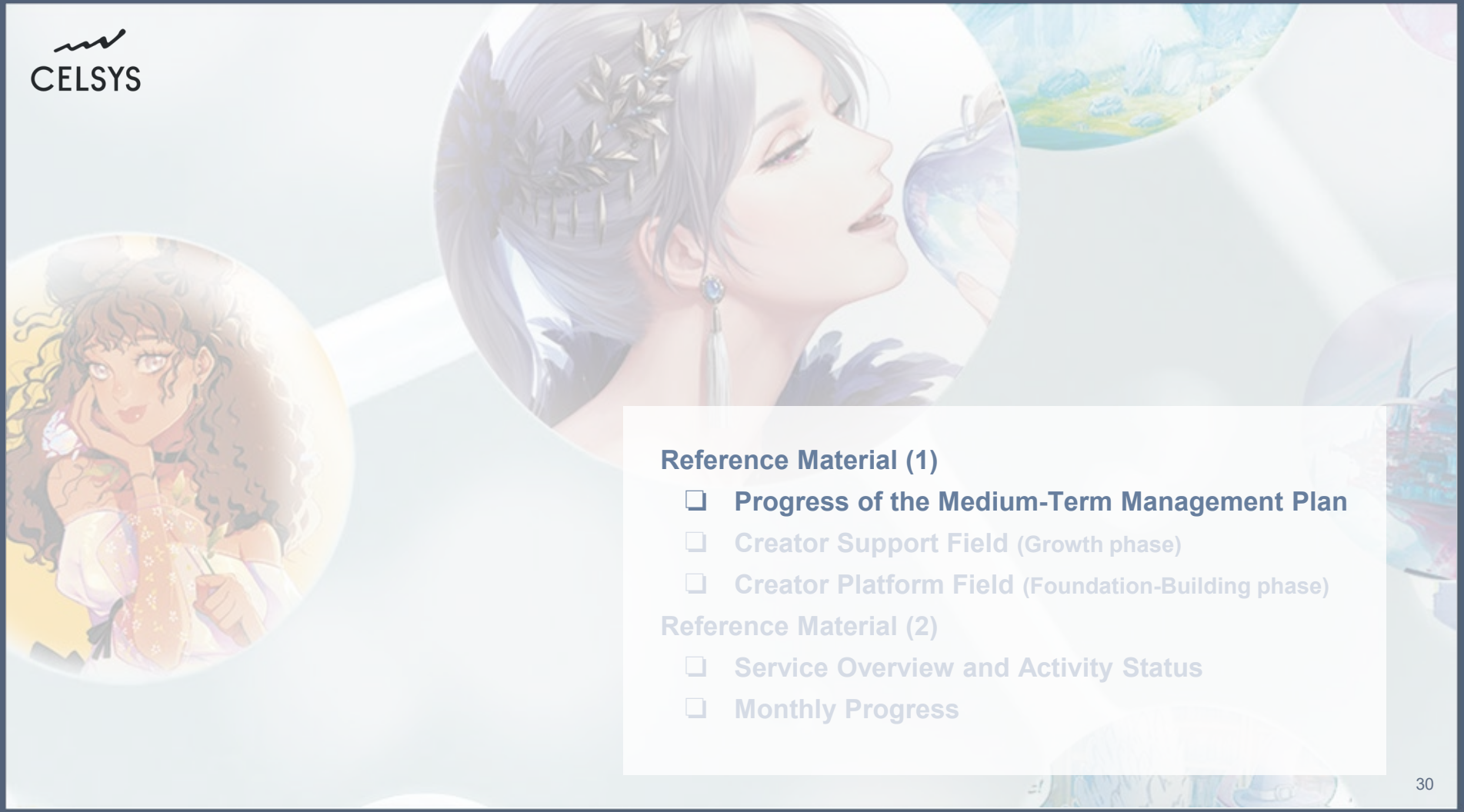

Reference Material (1)

- ❑ **Progress of the Medium-Term Management Plan**
- ❑ **Creator Support Field (Growth phase)**
- ❑ **Creator Platform Field (Foundation-Building phase)**

Reference Material (2)

- ❑ **Service Overview and Activity Status**
- ❑ **Monthly Progress**

Reference Material: Key Points of the Medium-Term Management Plan

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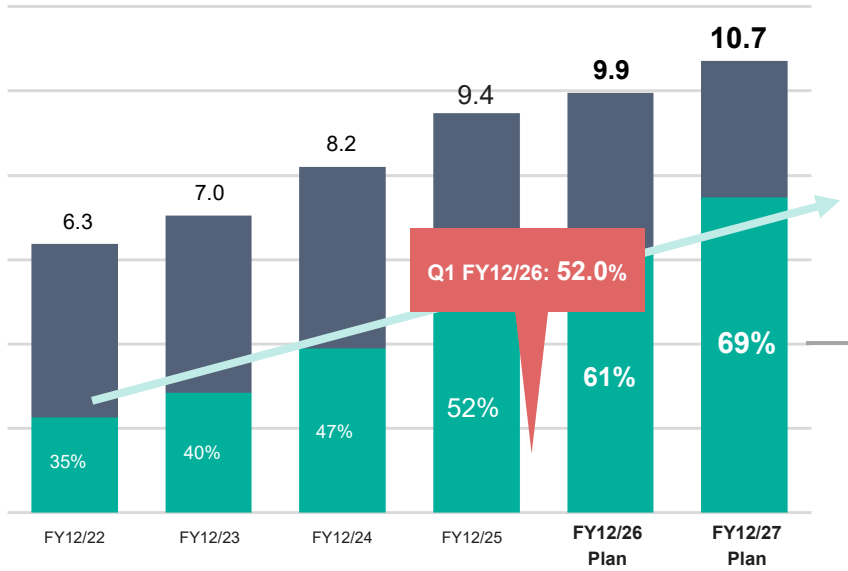
Promotion of subscription contracts

Growth of subscription sales is expected to drive an increase in overall net sales.
We aim to achieve a stable and highly profitable revenue structure with subscription sales accounting for about 2/3 of total sales.

Sales segments and trends

(Unit: billion yen)

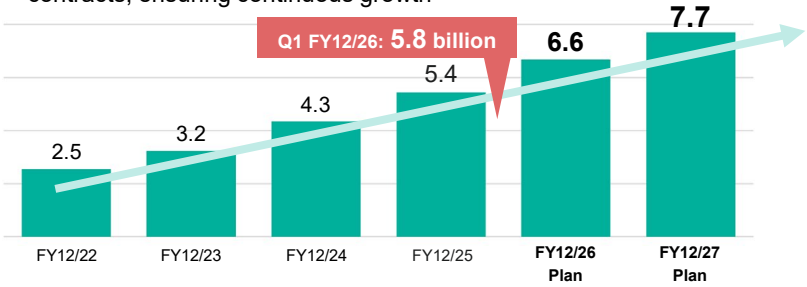


Subscription
Platform services, tool sales, and distribution solutions

Trend of ARR of subscription sales

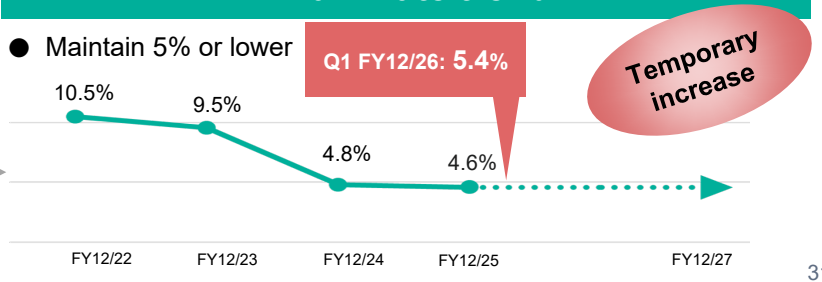
- Implement initiatives to increase the number of contracts, ensuring continuous growth

(Unit: billion yen)



Churn rate trend

- Maintain 5% or lower



Reference Material: Medium-Term Management Plan - Non-Financial Policy Initiatives Toward Business Innovation

CELSYS

Establish management structure that takes perspectives of shareholders and investors into consideration

Commitment to achieving the Medium-Term Management Plan, further expanding business, and improving earnings

As part of strengthening our corporate governance system, we are promoting business innovation to achieve sustainable growth and increase corporate value

System — Review officer remuneration system

- A remuneration system that takes investors' perspectives into consideration

▶ Abolish the Officer Retirement Benefit System*
▶ Change the remuneration system for senior management
Increase the ratio of stock-based compensation and establish performance-linked remuneration

Struc-ture — Rejuvenate management structure

- Systemic successor development
- Strategic shift to next-generation talent

▶ Advance senior management team rejuvenation
▶ Strengthen hiring of manager candidates
▶ Strengthen hiring and development of young new graduates

Activi-ties — Enhance IR structure

- Strategy development and decision-making that take consideration of views of institutional investors and analysts

▶ Senior management (representatives) attends all IR meetings with institutional investors

* Abolished as of the end of December 2025

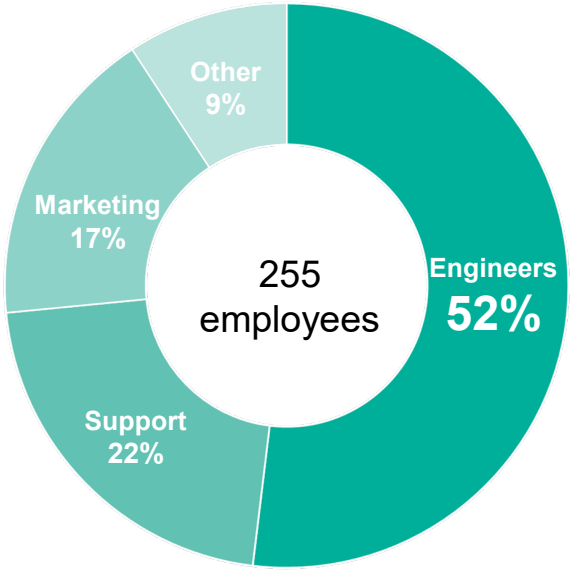
Reference Material: Medium-Term Management Plan - Non-Financial Policy: Initiatives to Maximize Human Capital

CELSYS

Employee composition

Talented engineers compose the majority of our employees

A structure capable of planning and developing proprietary services with CLIP STUDIO PAINT at the core, representing our strengths



Global talent ratio

Global talent supporting global expansion

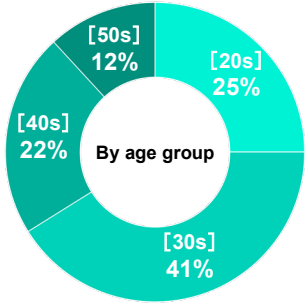
Enhance response speed and quality by conducting marketing campaigns and meeting user needs globally on our own

Global talent 17%

(40 employees or more)

Organization to achieve sustainable growth

Young talent is driving our business: Majority of our employees are in their 20s and 30s



Ratio of women in managerial positions

36%

* As of the end of March 2026

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Reference Material (1)

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- ❑ **Creator Support Field (Growth phase)**
- ❑ Creator Platform Field (Foundation-Building phase)

Reference Material (2)

- ❑ Service Overview and Activity Status
- ❑ Monthly Progress

Reference Material: Summary of Activities in the Creator Support Field

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Increase number of CLIP STUDIO PAINT subscription contracts, continue growth of ARR

▼Priority measures

(1) Increase new user acquisition by strengthening global expansion

(2) Expand the user base by engaging with young and light users

(3) Increase the retention rate by strengthening user communities

Reference Material: Business Model: Stable Earnings from Subscription Sales

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CLIP STUDIO PAINT focuses on providing licenses through a subscription model, with the aim of improving stable earnings over the medium to long term. The Company is working to increase the number of subscription contracts by strengthening this approach.

	One-time purchase model	Subscription model
Initial investment required by users (ease of getting started)	High (difficult to start)	**Low (easy to start)**
Timing of recognition of sales effectiveness for the Company	Short term	**Medium to long term**

Current focus

Examples of licensing models: Japan and overseas

Good value of subscription plans

CLIP STUDIO PAINT PRO

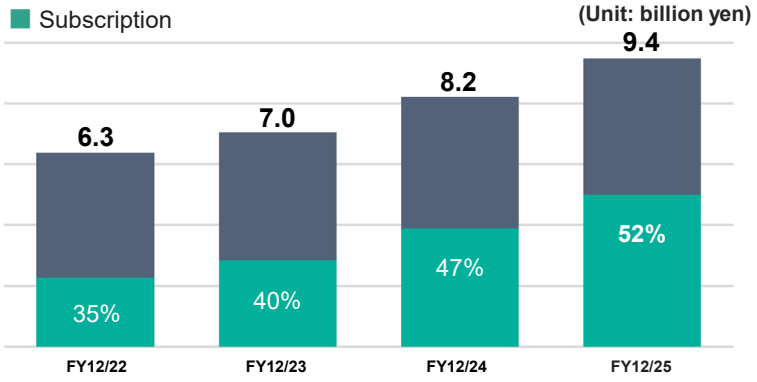
Price revision in March 2026

Subscription model		One-time purchase model
Monthly plan	Yearly Plan	One-time payment
480 yen	3,000 yen	6,900 yen
$4.49	$26.99	$63.00

* Fees for the device plan

* The price for the one-time purchase model is the price after the revision (increase) implemented in March 2026

Trend in the ratio of subscription sales to total company sales



In parallel with the subscription model, we continue to offer a one-time purchase version. This version contributes to earnings through new user acquisition campaigns and addresses the needs of users who are reluctant to enter into subscription contracts. By complementing the subscription model, it helps maximize overall earnings. The one-time purchase version allows access to new features by purchasing an additional subscription or paying a version update fee.

Reference Material: Initiatives in Global Expansion to Acquire New Users

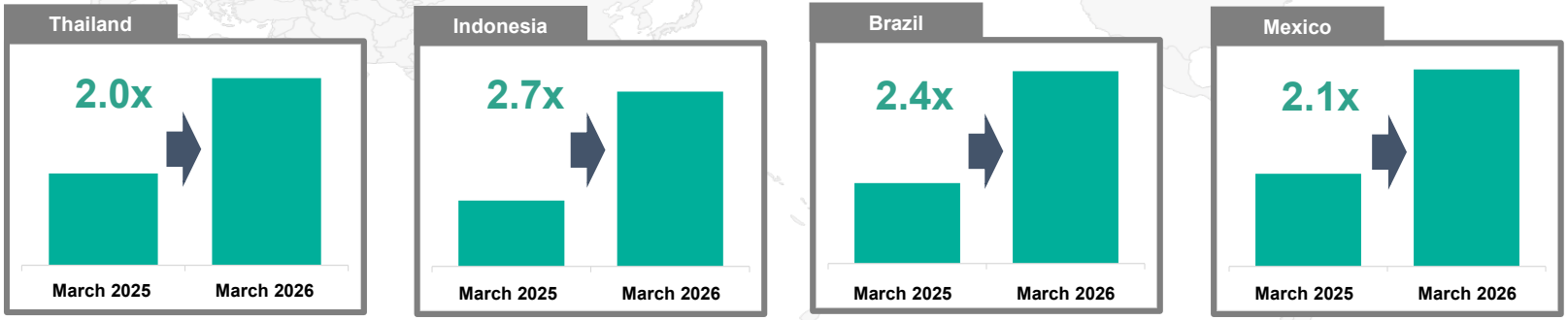
CELSYS

Focus also placed on marketing in emerging countries, with new users increasing

- Continue to strengthen expansion efforts in the markets that we have served for years, such as Europe, the US, Japan, and South Korea.
- Also strengthen expansion efforts in populous emerging countries to acquire additional new users.
- Strive to maximize the number of prospective customers by continuing to adapt to mainstream payment options in each country.

From Q1 FY12/26, we newly support UnionPay Card (China), as well as Naver Pay, Shinhan Card, and other cards (South Korea).

Trend in subscription contracts*



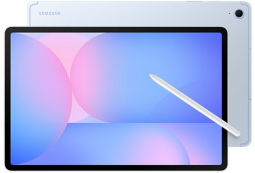
* Comparison of cumulative subscription contracts in March 2025 and March 2026

Reference Material: Acquiring New Young and Light Users; Measures for Mobile Devices

CELSYS

Measures such as bundling with tablets from various companies

Supported devices increasing



UI/UX improvements and expanded functionality

Easy operation even with finger drawing

Maximize stable revenue opportunities by increasing CLIP STUDIO PAINT users on Android (subscription contracts)

CELSYS

Reference Material (1)

- ❑ Progress of the Medium-Term Management Plan
- ❑ Creator Support Field (Growth phase)
- ❑ **Creator Platform Field (Foundation-Building phase)**

Reference Material (2)

- ❑ Service Overview and Activity Status
- ❑ Monthly Progress

Reference Material: Summary of Activities in the Creator Platform Field

CELSYS

Continue to develop and start providing new platform services

▼Priority measures

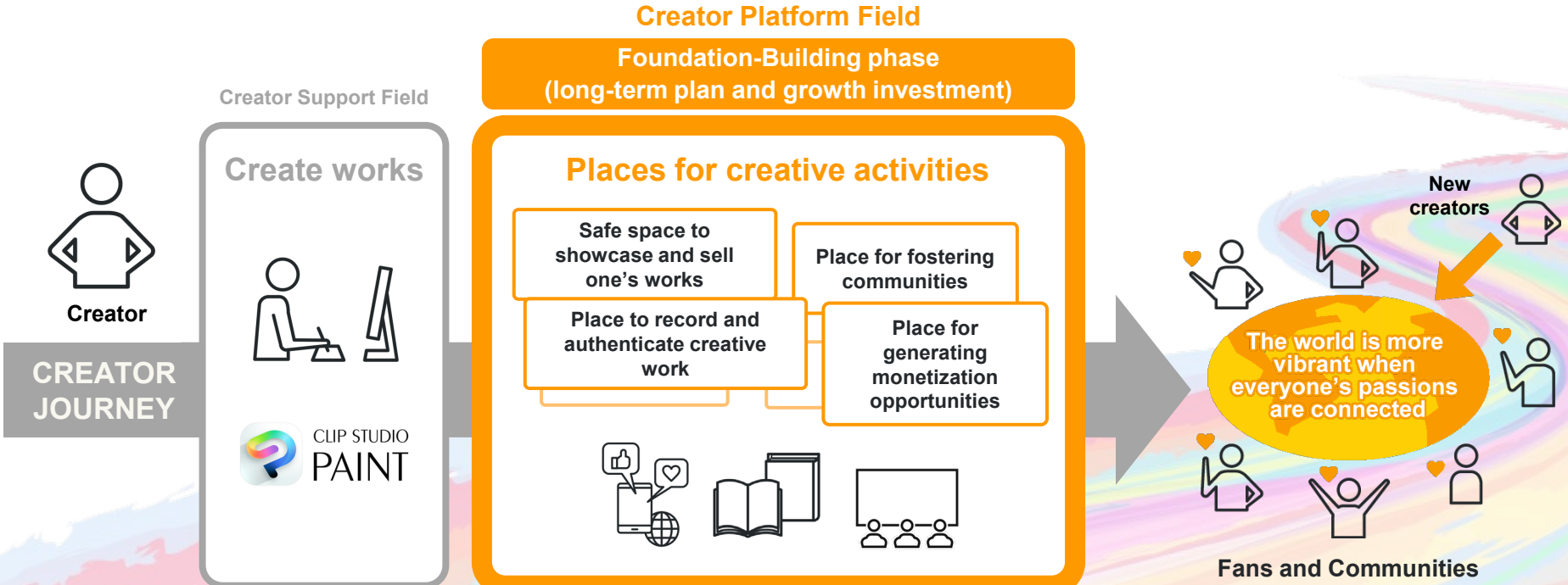
(1) Develop and provide new services

(2) Improve our existing services and provide distribution solutions

Reference Material: Vision for Creator Platform Field

CELSYS

In the "CREATOR JOURNEY," which refers to the path connecting creators who produce works and the audiences who enjoy them, we aim to provide value for the activities that follow the step of creating works by expanding platform services and establishing a new core pillar of our business.



Reference Material: Overview of Services in Creator Platform Field and Revenue Opportunities

CELSYS

We are developing new services. We will provide services from a long-term perspective and strive for increased revenue and stable growth.

New

New platform:
(1) Develop a new platform to support creators' monetization
(2) Develop new services to strengthen user communities

Under development

Expecting increased revenue from a long-term perspective

In operation

Platforms:
Provide material and information platforms, such as CLIP STUDIO ASK, CLIP STUDIO ASSETS, and Art Rocket

Distribution solutions:
Provide the e-book viewer CLIP STUDIO READER

Revenue opportunities (outlook)

Expected to generate a new revenue stream and then continue to grow

Expected to remain stable

Reference Material: Activities in the Creator Platform Field: Topic (1)

CELSYS

New platform and services under development

(1) Platform to support creators' monetization

A new platform to support creators throughout the process of showcasing their works to many people, attracting new fans, getting sponsored projects, and monetization. For creators, generating revenue through creation is one of the most challenging issues*. We will help to solve this and contribute to the expansion of the global creator economy.

Enhance creators' visibility	Strengthen creators' monetization points	Help IP businesses find creators to work with
Support from fans	Provide various revenue opportunities	Connect creators and IP businesses

(2) Services to strengthen user communities

New community services to promote creators' networking.
We will energize user communities globally, stimulate the joy of drawing, and boost creators' creative urge to increase the retention rate of CLIP STUDIO PAINT.

Strengthen user communities globally	Boost creators' creative urges	Contribute to lowering the churn rate of CLIP STUDIO PAINT

➡ **Continue our planning and development efforts to launch our new platform and services in 2026 and beyond**

* Referenced source: Survey Results on Domestic Creator Economy (2022)

Reference Material: Activities in the Creator Platform Field: Topic (2)

CELSYS

Improve and revitalize our existing services

Implementing measures to enhance the retention rate of CLIP STUDIO PAINT

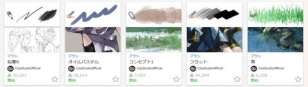
CLIP STUDIO PAINT

The retention rate has increased due to efforts to strengthen our services

Strengthening services to share techniques for making full use of CLIP STUDIO PAINT

■ Q&A community

■ Courses on how to draw



■ Material marketplace

■ Work viewer

Platform users

More than 12 million creators have registered as users globally

Many creators using this service have made their debut

Creators have published serial works with major publishers such as KADOKAWA and KODANSHA

Strengthening services to promote the use of creators' works

■ Matching editors and creators

■ Supporting creators' entry into manga contests

CELSYS

Reference Material (1)

- ❑ Progress of the Medium-Term Management Plan
- ❑ Creator Support Field (Growth phase)
- ❑ Creator Platform Field (Foundation-Building phase)

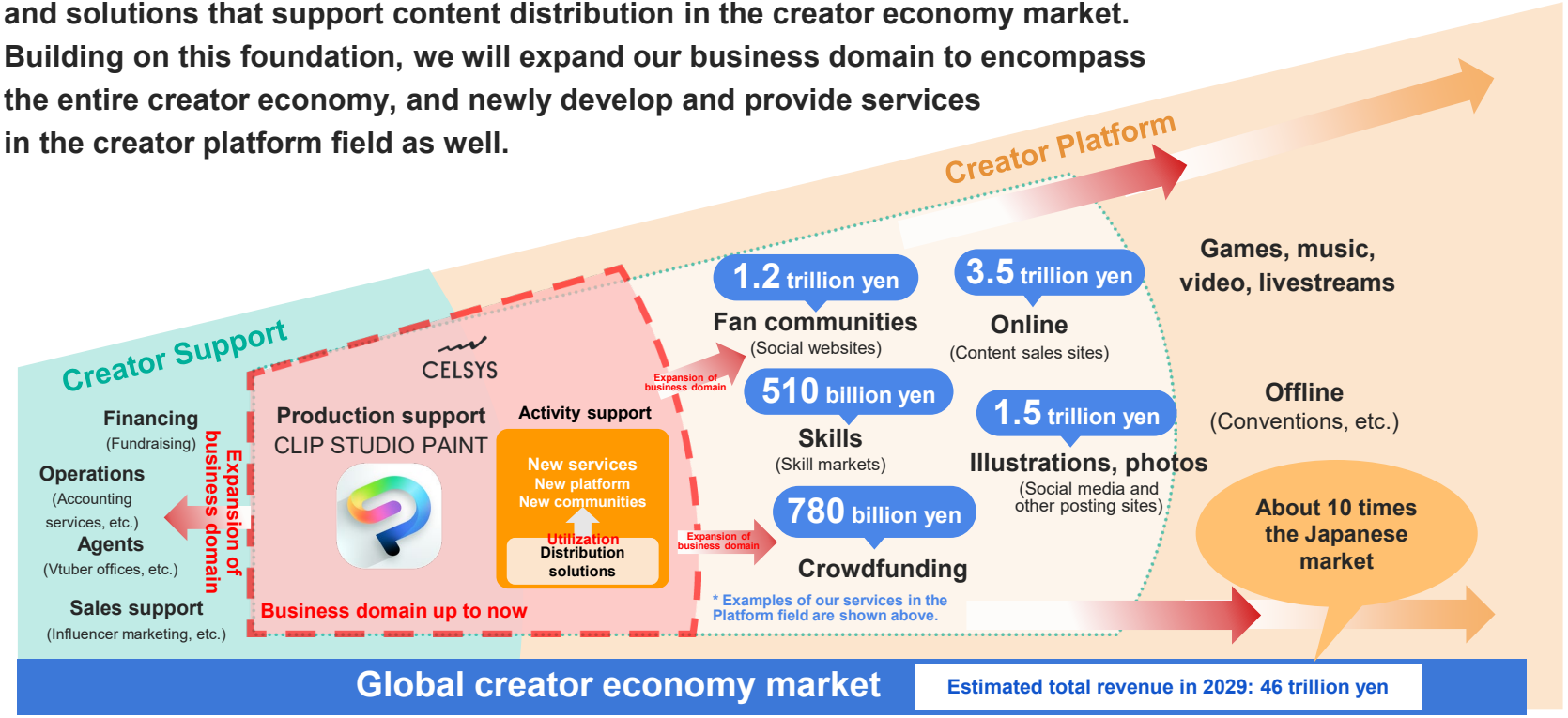
Reference Material (2)

- ❑ Service Overview and Activity Status
- ❑ Monthly Progress

Reference Material: CELSYS's Business Domain -TAM, the potential size of our obtainable market

CELSYS

CELSYS will leverage its strengths cultivated through providing support for content production and solutions that support content distribution in the creator economy market. Building on this foundation, we will expand our business domain to encompass the entire creator economy, and newly develop and provide services in the creator platform field as well.



Referenced source: CELSYS's estimate based on the sales scale of each service referencing Creator Economy Market (2024) and Survey Results on Domestic Creator Economy (2024). The overseas market is estimated to be 10 times the domestic market (based on the survey results of the domestic creator economy market).

Reference Material: CLIP STUDIO PAINT Creative Application for Creators (1)

CELSYS

■ Key features

Application for creative activities in a wide range of fields, such as illustration, comic, Webtoon, and animation

CLIP STUDIO PAINT

- **Globally available, highly competitive creative application based on a subscription model**
- **An all-in-one creative application that meets the needs of a wide range of creators, allowing them to create high-quality works with professional-grade features**
- **Available on any device, including tablets, smartphones, and PCs**

■ Market share

Paint application for production support
#1 sales/market share*1

Usage ratio on pixiv, one of the world's largest social media for illustration*2
63%

Usage ratio among manga artists in Japan*3
95%

Usage ratio in animation productions in Japan*4
82%
(2023 survey: 72%)

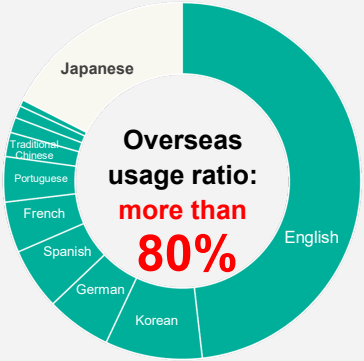
*1 Ranked #1 in the BCN Award for graphics software for FY2015/2016/2017/2019
*2 The most used app for submitting works on pixiv (Dec. 2015 - Dec. 2024 as determined by CELSYS based on figures provided by pixiv)
*3 Fact-finding survey on manga artists (2021) conducted by ManNavi, Manga Award / Mochikomi portal site
*4 Survey on the usage of commercial animation production software (2025) conducted by the Secretariat of the Animation Creative Technology Forum (ACTF)

Reference Material: CLIP STUDIO PAINT Creative Application for Creators (2)

CELSYS

■ Cumulative shipments and supported languages

Used by 63 million*1 creators worldwide

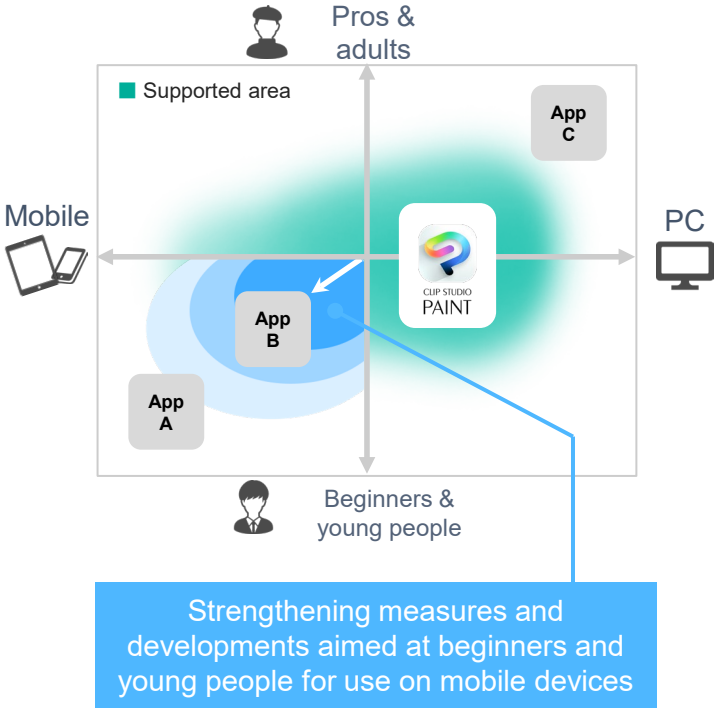


Increasing steadily

Supporting 11 languages

Japanese, English, Korean, Chinese (Traditional/Simplified), French, Spanish, German, Portuguese, Thai, Indonesian

■ Position



■ State of use

The user's purpose*2	Category of the user's creative work*3	Type of device used*4
Hobby : Work	Illustration : Animation & manga	PC : Mobile device
9 : 1	9 : 1	6 : 4

*1 CLIP STUDIO PAINT cumulative shipments *2, 3 and 4: Studies by CELSYS

Reference Material: Bundling of CLIP STUDIO PAINT

CELSYS

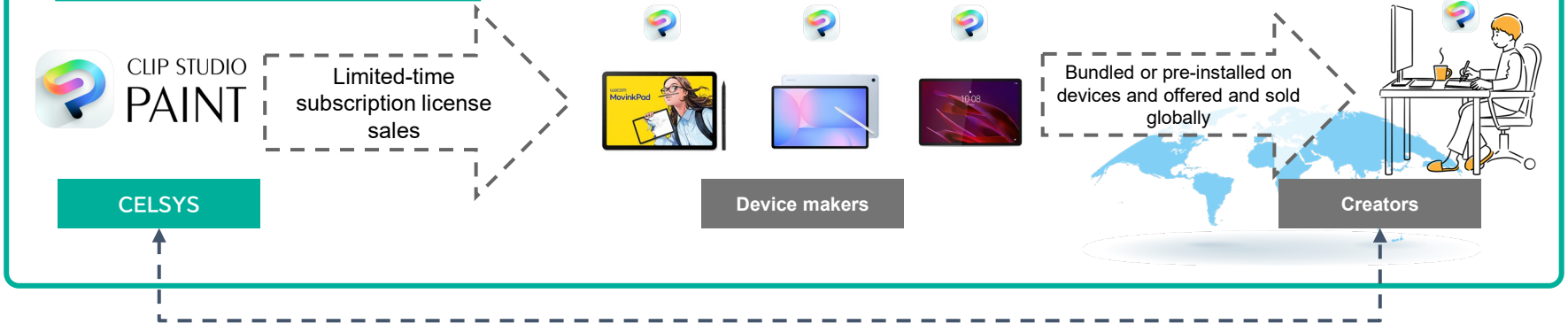
Promotion through product bundling with device makers

We actively bundle or pre-install CLIP STUDIO PAINT on globally available devices, including Wacom and Samsung devices.

Expected benefits of bundling

- **Expand brand recognition globally**
- **Increase users and subscribers**
- **Enhance reach to young people**

Bundling scheme



After expiry of the bundled or pre-installed license, continued use shifts to subscription contracts → Monetization

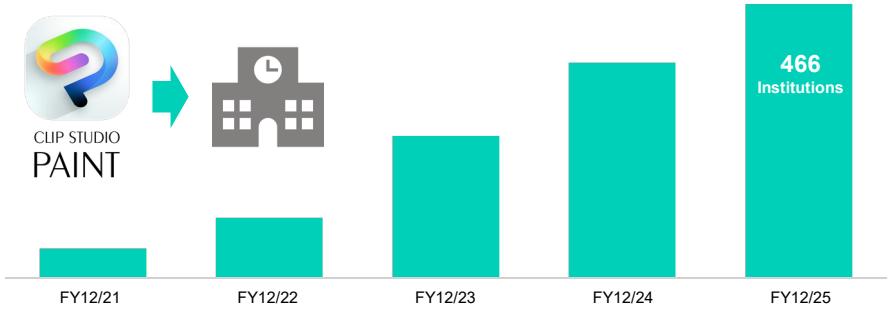
Reference Material: Social Contribution Activities through CLIP STUDIO PAINT

CELSYS

Social contribution activities to vitalize the global content industry

Creating and developing next-generation creators by providing CLIP STUDIO PAINT to educational institutions

Increasing use at creative schools worldwide



Examples of recipients

The Nippon Foundation and DWANGO (N Junior School, N High School, ZEN Univ)	Kyoto Seika University (Department of Manga, Faculty of Manga)	Vantan Game Academy Tokyo School (vocational school)
Dauphin County Technical School (North American public vocational high school)	De Montfort University (UK public univ)	SBS GAME ACADEMY (South Korean game education institution)

Initiatives with other education-related organizations

Building a global provision system for educational institutions in cooperation with organizations

2026 NAEA NATIONAL CONVENTION | MARCH 5-7 CHICAGO

International creative event hosted by the National Art Education Association

DuocUC

Animation event held at a technical college in Chile

J-MANGA CREATE

Digital creator development project

JPIC

Project implemented by the Japan Publishing Industry Foundation for Culture and promoted by Japan's Agency for Cultural Affairs

Reference Material: Three Strengths (Advantages) of CLIP STUDIO PAINT

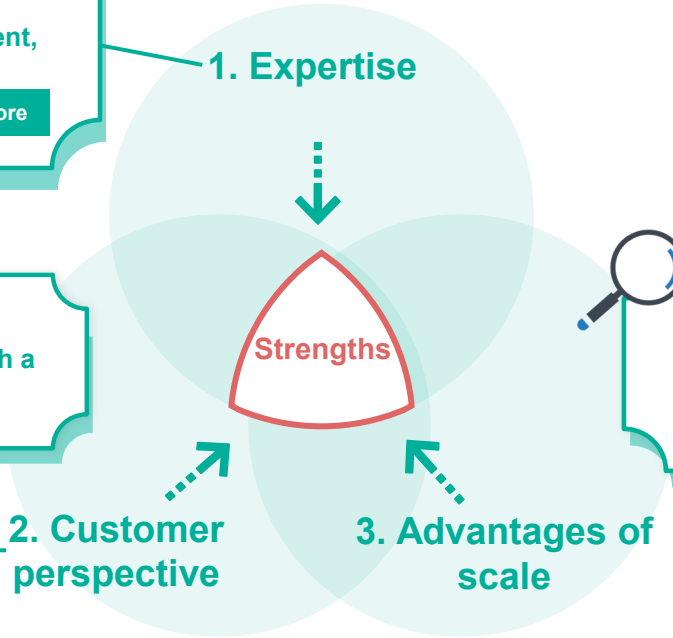
CELSYS

Pursuit of proprietary graphic technologies and accumulated know-how of planning, development, and operation of applications

Have supported creators for 30 years or more

1. Expertise

Unrivaled, affordable price for professional-grade application, with a focus on users



Established strong user communities where users can share their tips and questions

Target users of 130 million worldwide (P. 26)

Reference Material: Reasons Why People Choose CLIP STUDIO PAINT

CELSYS

Over 30 years of experience in developing graphic tools
New features designed to meet user feedback and evolving industry needs are
provided through regular updates

Extensive user communities
Users can share drawing tips and ask questions, with opportunities to communicate globally

Affordable pricing for students
Professional-grade application accessible to everyone

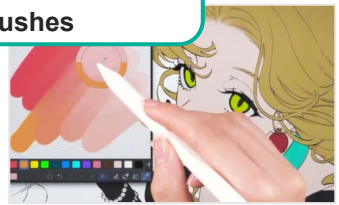
Beginner-friendly
Equipped with a simple user interface

CLIP STUDIO PAINT

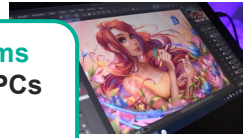
Create all kinds of artwork
All-in-one app for illustration, manga, Webtoon, and animation

3D drawing support features
Use poseable models and 3D materials to efficiently create high-quality artwork

Enjoy a beautiful, smooth drawing experience
Unlimited access to over 40,000 brushes



Compatible with a wide range of devices and platforms
Full features available on tablets, smartphones, and PCs
iPad / iPhone / Android / Windows / macOS



Reference Material: Hear from Clip Studio Paint Users by Industry

CELSYS

Comic Artist

NEW

Clip Studio Paint is a digital tool that preserves a traditional feel while allowing for drawing techniques not possible with traditional methods. That's what makes it incredibly enjoyable. With each update, the possibilities keep expanding, from “I wish I could do this,” to “Wow, it can do that too!?” which is really exciting.

(From a Clip Studio Paint user comment)

©Tsubasa Yamaguchi / KODANSHA LTD.

Tsubasa Yamaguchi
(Work: Blue Period)

Illustrator VTuber / Clip Studio Paint Official Ambassador

NEW

I'm so happy to be able to promote Clip Studio Paint, which I started using when I first started drawing. One of the reasons I’ve been using it is that I can instantly bring my ideas to life, from quick sketches to line art and coloring! Lately, I've been wanting to do animation as well, aside from just illustrations, and Clip Studio Paint has been incredibly useful for animating, too!

(From the CLIP STUDIO PAINT × Nijipuka Nuhu collaboration commercial)

©Nijipuka Nuhu

Nijipuka Nuhu

Animation Studio

NEW

Clip Studio Paint is an essential app for creative work. It’s convenient when doing collaborative work with the team, allowing us to replicate the same creative environment across devices. It supports and covers all aspects of the creative process.

(Hiroto Nakaya Storyboard Artist, MARZA ANIMATION PLANET INC.)

The appeal lies in Clip Studio Paint’s ability to handle a variety of production processes, from storyboards and 2D animation drawings to more complex animations. With extensive support, including updates, I can use the app in confidence.

(Kaoruko Nishiyama Storyboard Artist, MARZA ANIMATION PLANET INC.)

(From a comment on Clip Studio Paint)

©GINBIS
©Dream Animals Movie Production Committee

MARZA ANIMATION PLANET INC.
(Work: "Tabekko Doubutsu: THE MOVIE")

MARZA ANIMATION PLANET

Illustrator (Overseas)

NEW

I really like how intuitive and easy Clip Studio Paint is to use and it has made my drawing process simpler and more efficient. Clip Studio Paint has a wealth of materials and a community making it easy to constantly get new information and materials from fellow creators. It is well suited for my creative needs, and I encourage everyone to try these powerful features!

(From a CLIP STUDIO TIPS feature article)

©Ahoi

Ahoi (Taiwan)

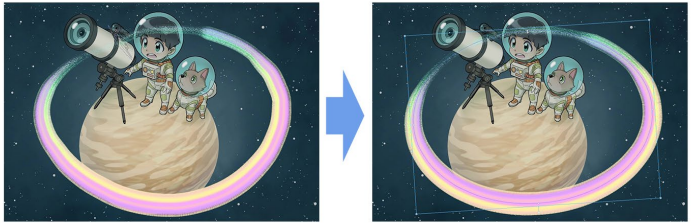
*Excerpts from Clip Studio Paint case studies, interviews, comments on social media, etc.

Reference Material: Key details of Major version upgrade (Ver. 5.0)

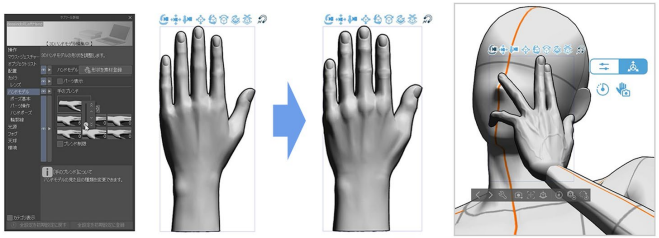
CELSYS

Further enhanced drawing and 3D-related functions

Smart Shape: Help draw smooth curves and well-balanced figures intuitively and efficiently



3D Hand Model: Increase drawing quality and speed by using a high-quality three-dimensional model of a hand

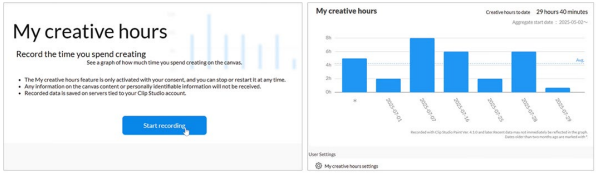


Added functions to the simple mode for young and entry-level users

Animation production function with a simple user interface, which even enables first-time users to produce animations intuitively

Visualize production time

Visualize production time with graphics, which enhances creators' motivation in their daily creative work



We have implemented approximately 400 updates to add and improve functions in the update from Ver. 4.0 to Ver. 5.0

- For details about CLIP STUDIO PAINT Ver. 5.0:https://www.clipstudio.net/en/news/202603/11_01/

Reference Material: Marketing Activities—Major Activities

CELSYS

Marketing activities for all parts of the world are conducted by our own staff members. Our staff who have deep knowledge about local markets carry out marketing in ways that match market characteristics.

Global talent
17%
of all employees

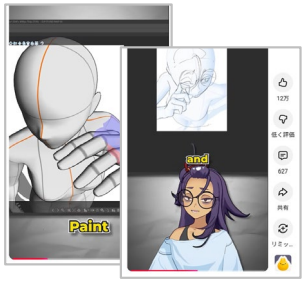
Web marketing

Place web advertisements optimized for the market of each country

Influencer marketing

Social media promotion in collaboration with famous influencers

- **Approx. 890 or more** collaborative campaigns annually
- Working with **approx. 200 or more** influencers globally



Vtuber/ illustrator pikat (Hong Kong)
(YouTube short video)

Illustrator Sara Fabrizi (Italy)
(Instagram post)

Supporting events and contests

Strengthen customer touchpoints through real events and contests in the entertainment field

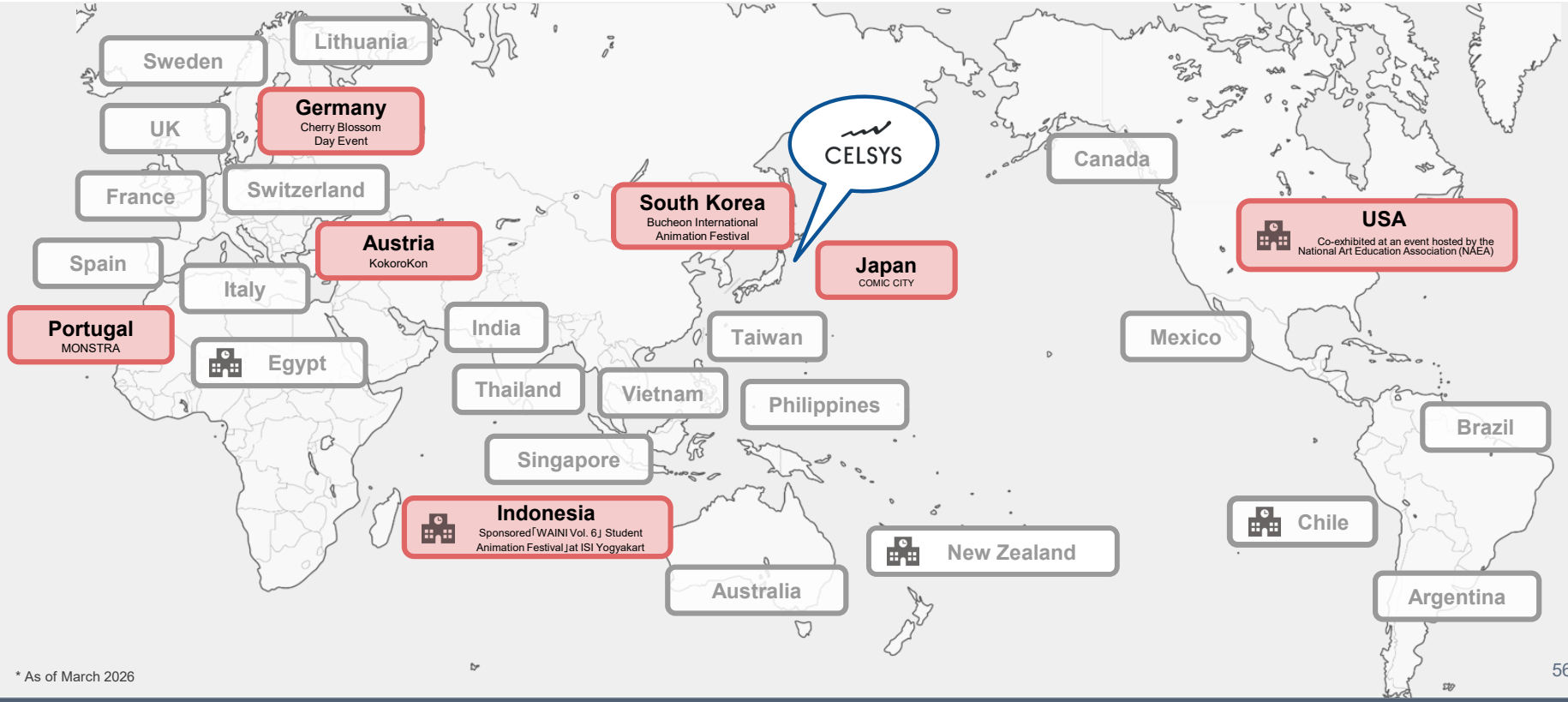
Supporting approx. 60 events and contests annually in more than 20 countries and regions

* The above figures only represent activities outside Japan for FY12/25.

Reference Material: Marketing Activities - Exhibit at and Sponsor Real Events

CELSYS

= Marketing activities in Q1 FY12/26 = Countries with marketing activities = Collaborative initiative with an educational institution



* As of March 2026

Reference Material: Other Activity Topics

CELSYS

■ ■ ■ = Expected impact of the activities

February 2026

CLIP STUDIO PAINT was made available as pre-installed offerings with new tablets from NEC.

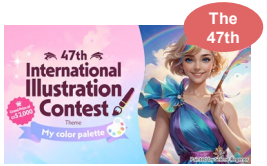
CLIP STUDIO PAINT

Increased subscription contracts

Strengthened promotion for smartphones and tablets

January to March 2026

CLIP STUDIO PAINT regularly holds illustration and manga contests for creators worldwide as well as coloring contests jointly with other companies.



©CFM

Increased overseas users

Increased subscription contracts

January to April 2026

CLIP STUDIO PAINT sponsors various cultural events held globally.
We aim to increase service awareness and acquire new users.

台中國際動漫節 4.3～6 台中國際展覽館

KokoroKon

ANIME OTTAWA

MONSTRA 12 > 22 MAR 2026

Increased overseas users

Increased subscription contracts

Strengthened promotion for smartphones and tablets

See here for all activities: https://www.celsys.com/en/irinfo_celsysnews/&contents_type=7

Reference Material: CLIP STUDIO PAINT User Support

CELSYS

CLIP STUDIO PAINT

Provide extensive user support

▶Available **24/7**.
▶Available for users **worldwide**.
Adding support languages will be considered in response to needs.

Promptly capture customers' needs

▶Support provided by our **own staff members**.
System that enables us to promptly capture needs.
System that enables us to promptly share information with the development team.

We appropriately capture customers' needs, enabling us to provide an application that is always highly evaluated

Develop and operate a tool that visualizes user needs and internally shares them at any time

★The **"Thank-you ratio"** for user support is designated as an important KPI.
★**Available in multiple languages** (Japanese, English, Korean, etc.)
★Response time is designated as a KPI to ensure operation focusing on **speed**.

Reference Material: Accelerating and Enhancing Management Decision-Making

CELSYS

The Company has developed and operates an in-house data visualization tool for business and management data. This enables real-time analysis of the current situation, supporting faster and more accurate management decision-making, as well as agile formulation of growth strategies.

Enabling data-driven management decision-making

<Specific example>
Swift information disclosure

Calculate results, full-year forecast figures, etc., within 5 business days from the end of quarter

Disclose monthly progress reports generally within 5 business days after month-end

<Specific example>
Appropriate cost allocation

Curb excessive development investments while maximizing revenue of the Creator Support field

↓

Mainly for advertising expenses

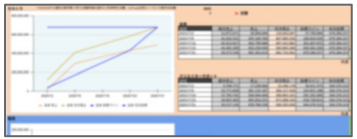
Budget vs. actual management	Customer analysis	Investment strategy	Cost management
Improve goal achievement rate through early issue detection and resolution	Optimize promotions and reflect needs in product development	Identify growth drivers and allocate management resources effectively	Improve operational efficiency and maximize profitability

Responding to changing environments Continuous tool enhancement

Data visualization tool

Real-time analysis and simulation

Weekly sales performance and forecasts



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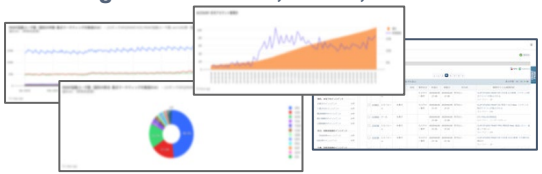
Understanding user behavior, needs, and contract status



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Internal operations data

Reference Material: Business Impact from External Factors Such As Tariff Measures and Foreign Exchange Fluctuation

CELSYS

■ Impact on business performance from U.S. tariff measures

The majority of the Company's business consists of digital services that do not involve the import or export of physical products and are therefore not subject to tariffs. We have not been directly affected, and there is no expected impact on the financial results forecast.

■ Impact on business performance from foreign exchange fluctuations

In the Company's overseas operations, sales of CLIP STUDIO PAINT are settled in currencies other than Japanese yen, and server usage fees and advertising expenses are also invoiced in foreign currencies. As such, fluctuations in sales and expenses tend to offset each other. As a result, the impact of foreign exchange rate fluctuations on profit is limited, and there is no significant effect on our overall business performance. Additionally, the Company's international transactions are conducted in a variety of currencies, including not only the U.S. dollar but also the euro, Korean won, and others. Therefore, fluctuations in any single currency have minimal impact on our business performance.

Overseas sales

Sales and subscription fees for CLIP STUDIO PAINT settled in currencies other than Japanese yen

- CLIP STUDIO PAINT subscription fees
- CLIP STUDIO PAINT one-time purchase version sales

Overseas expenses

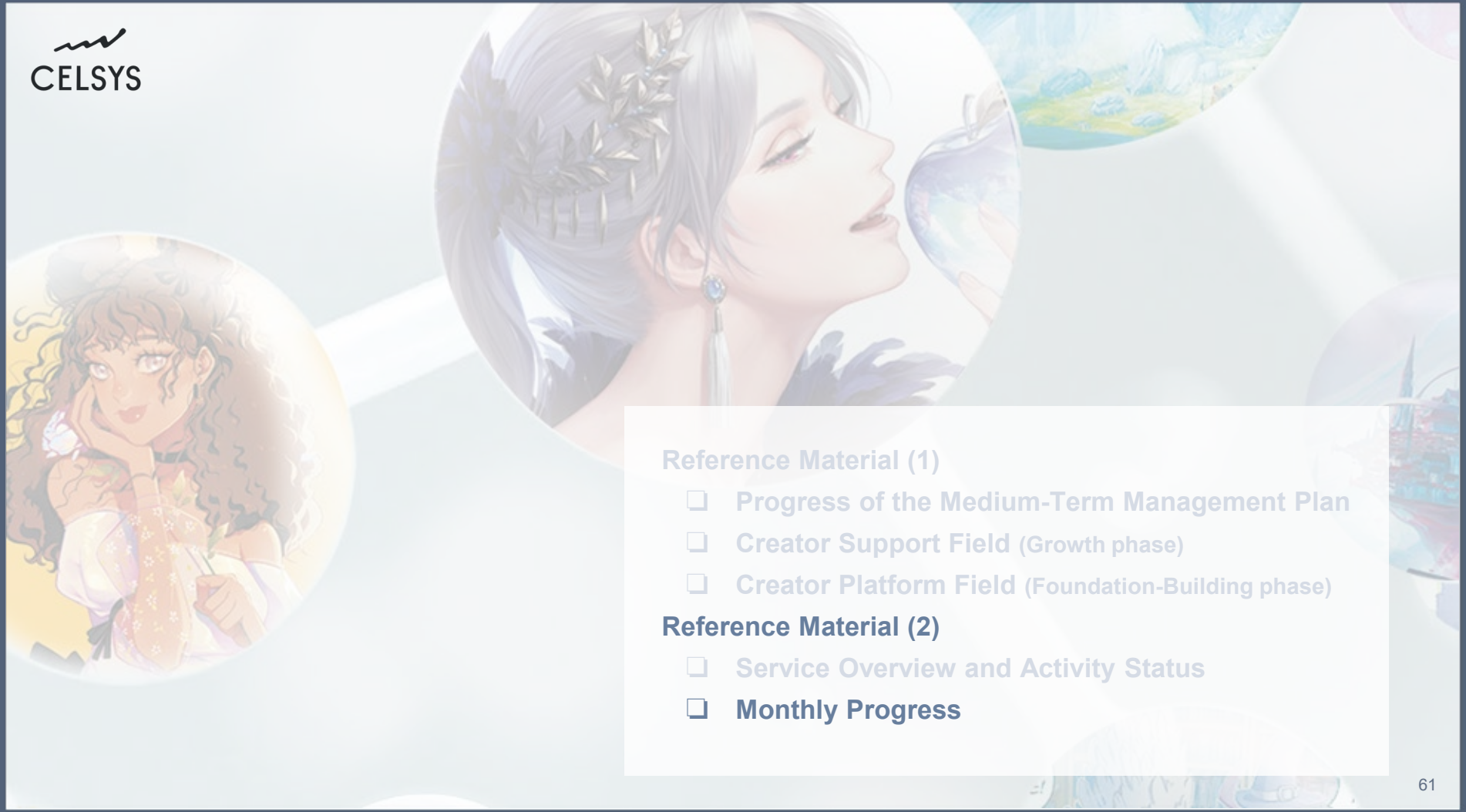
Server usage fees invoiced in currencies other than Japanese yen

- AWS (Amazon Web Services), etc., server usage fees

Advertising expenses invoiced in currencies other than Japanese yen

- Google, Facebook/Instagram, etc., ad placement unit prices

CELSYS



Reference Material (1)

- ❑ Progress of the Medium-Term Management Plan
- ❑ Creator Support Field (Growth phase)
- ❑ Creator Platform Field (Foundation-Building phase)

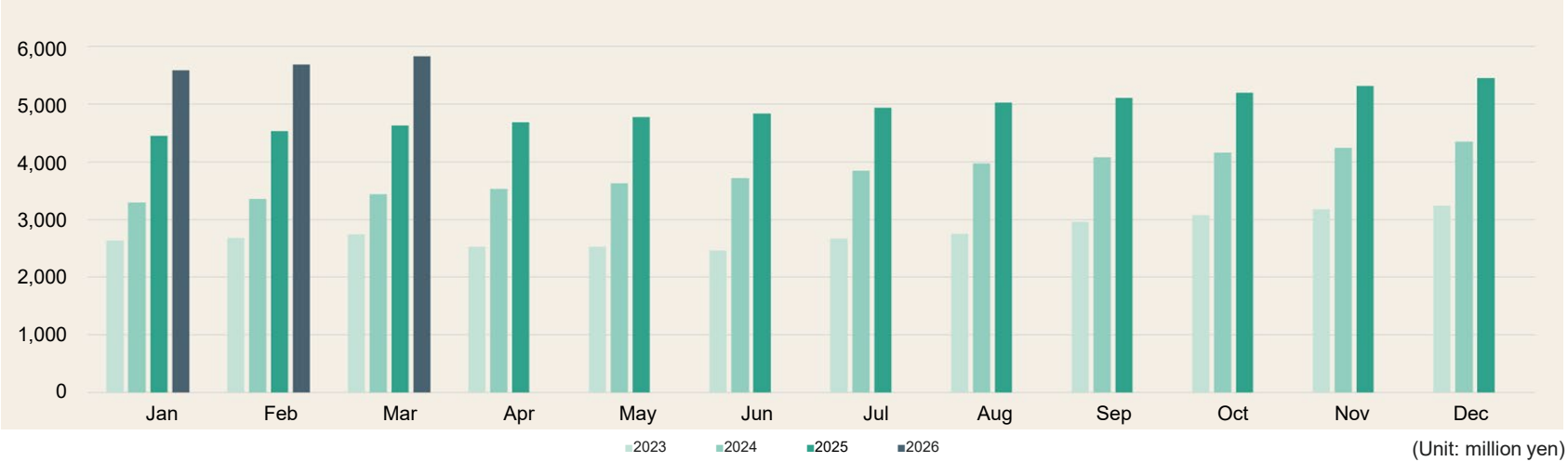
Reference Material (2)

- ❑ Service Overview and Activity Status
- ❑ Monthly Progress

Reference material: Monthly progress of the Creator Support field

CELSYS

■ Rolling three-month average ARR of CLIP STUDIO PAINT subscription sales



(Unit: million yen)

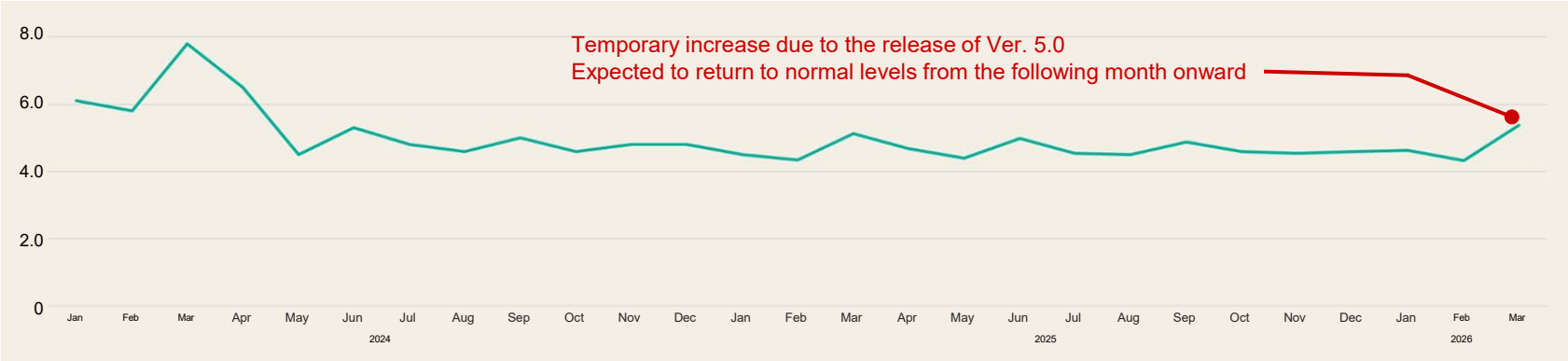
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
2023	2,633	2,676	2,746	2,531	2,523	2,462	2,668	2,755	2,956	3,074	3,178	3,236
2024	3,293	3,358	3,439	3,527	3,631	3,713	3,840	3,972	4,075	4,158	4,240	4,347
2025	4,451	4,524	4,631	4,683	4,776	4,834	4,935	5,025	5,106	5,200	5,312	5,450
2026	5,583	5,682	5,831									

Note: ARR (an abbreviation for Annual Recurring Revenue, which is the revenue assumed to be earned in a year, assuming that all contracts are renewed at the time of contract renewal) is a three-month moving average due to monthly fluctuations caused by the number of days per month (28 business days for regular months and 35 business days for special months) depending on the settlement method and the fact that the settlement is adjusted for each quarter-end month.

Reference material: Monthly progress of the Creator Support field

CELSYS

■ CLIP STUDIO PAINT churn rate (paid contracts)



(Unit: %)

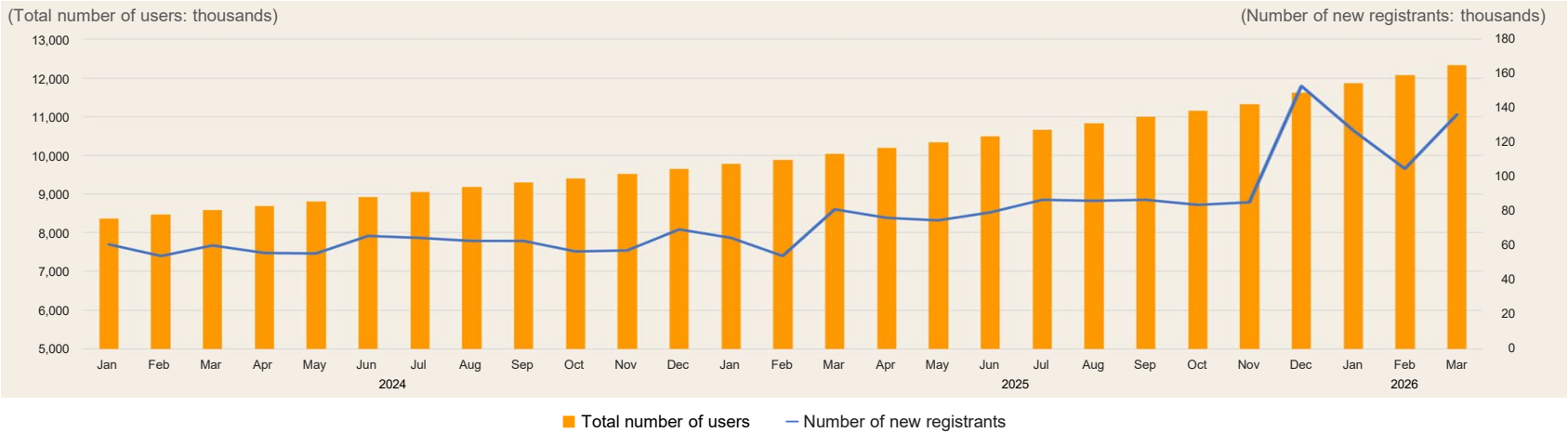
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2024	6.1	5.8	7.8	6.5	4.5	5.3	4.8	4.6	5.0	4.6	4.8	4.8
2025	4.5	4.4	5.1	4.7	4.4	5.0	4.5	4.5	4.9	4.6	4.5	4.6
2026	4.6	4.3	5.4									

Note: The cancellation rate (customer churn rate) based on the number of customers with paid subscription contracts for the Clip Studio Paint. It is calculated based on the number of cancellations during the month relative to the number of subscriptions as of the end of the previous month; if one customer has multiple subscriptions, each subscription is calculated as a separate subscription. In addition, due to the nature of the product, which offers monthly subscription plans that can be used only when necessary, in addition to annual subscription plans, there are cases where the same customer repeatedly subscribes and cancels subscriptions, and all these instances are included in the calculation.

Reference material: Monthly progress of the Creator Platform field

CELSYS

■ Number of platform users



(Unit: persons)

	Number of users	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2024	Total	8,363,385	8,468,239	8,585,307	8,693,667	8,801,454	8,929,352	9,054,656	9,176,596	9,298,658	9,408,838	9,520,267	9,655,270
	New	117,993	104,854	117,068	108,360	107,787	127,898	125,304	121,940	122,062	110,180	111,429	135,003
2025	Total	9,780,600	9,885,832	10,043,654	10,191,550	10,336,833	10,491,221	10,659,889	10,827,363	10,995,848	11,158,579	11,324,429	11,621,765
	New	125,330	105,232	157,822	147,896	145,283	154,388	168,668	167,474	168,485	162,731	165,850	297,336
2026	Total	11,868,472	12,071,888	12,336,703									
	New	246,707	203,416	264,815									

Note: The number includes users of services provided in the Creator Platform field as well as users of “CLIP STUDIO ASSETS” and other web services related to CLIP STUDIO.

Reference material: Monthly progress of sales by field

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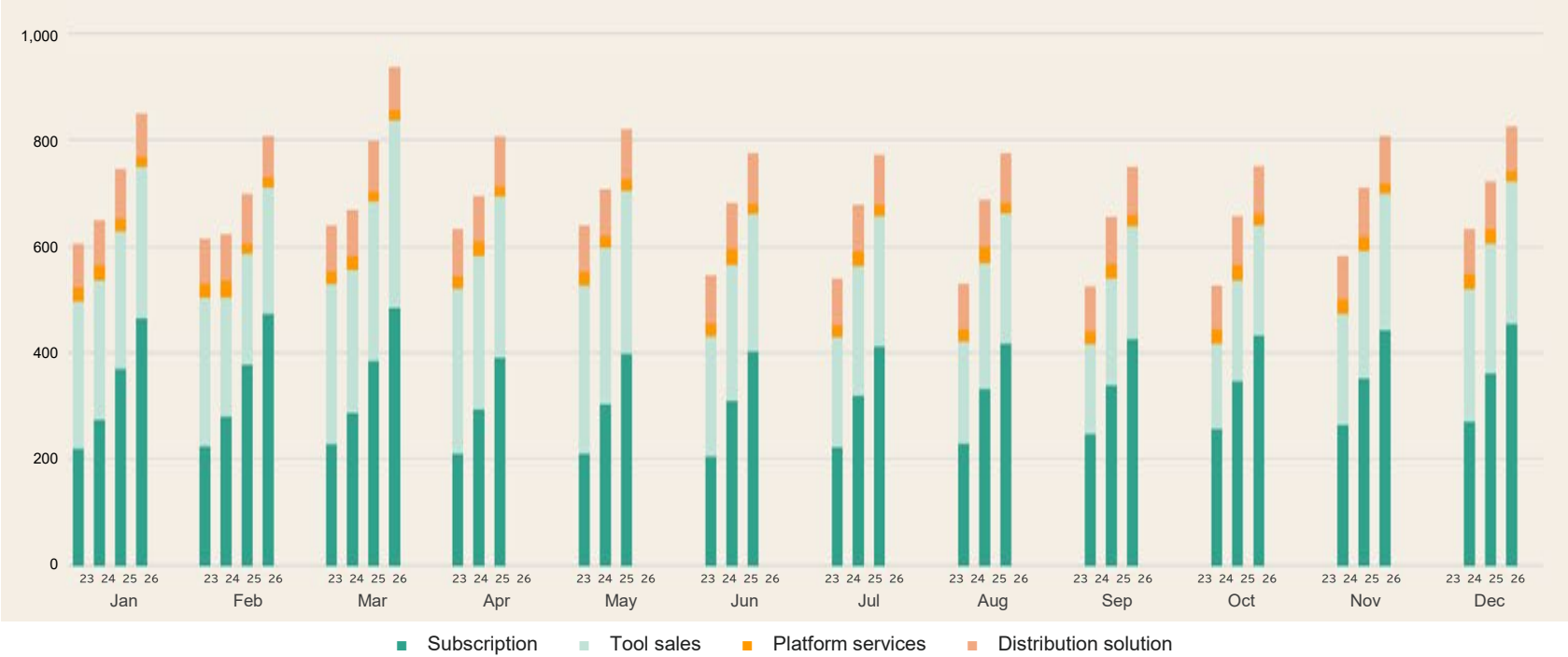
■ Breakdown of rolling three-month average sales of Creator Support field and Creator Platform field- Graph

(Unit: million yen)



Note: Three-month moving averages are used because the amount fluctuates on a monthly basis due to the number of days in a month (28 business days for regular months and 35 business days for special months) depending on the means of settlement and the fact that settlement adjustments are made for each quarter-end month.
Differences from consolidated results and other indices may arise due to the fact that amounts less than one million yen are rounded down in the calculation process.
Subscriptions is the sales from Clip Studio Paint subscriptions.
Tool sales includes sales of the one-time purchase model and corporate licenses.
Platform services include sales of CLIP STUDIO WEB services. Distribution solutions include sales related to e-books.

Reference material: Monthly progress of sales by field

CELSYS

■ Breakdown of rolling three-month average sales of Creator Support field and Creator Platform field- Details

(Unit: million yen)

		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
2023	Distribution solution	83	85	86	88	88	91	88	86	83	83	84	84
	Services	28	27	26	24	24	24	23	24	25	26	26	29
	Tool sales	276	280	300	310	317	226	206	192	170	162	209	249
	Subscriptions	219	223	228	210	210	205	222	229	246	256	264	269
2024	Distribution solution	85	86	87	87	86	86	86	87	89	91	92	90
	Services	28	32	26	26	22	30	30	32	27	28	27	26
	Tool sales	263	225	270	289	296	256	242	237	200	191	238	244
	Subscriptions	274	279	286	293	302	309	320	331	339	346	353	362
2025	Distribution solution	91	93	95	95	94	96	95	93	90	89	89	85
	Platform services	24	20	19	19	20	19	20	20	21	21	20	20
	Tool sales	259	208	299	303	307	259	246	244	212	207	257	267
	Subscriptions	370	377	385	390	398	402	411	418	425	433	442	454
2026	Distribution solution	83	80	79									
	Platform services	20	19	20									
	Tool sales	283	237	352									
	Subscriptions	465	473	485									

Note: Three-month moving averages are used because the amount fluctuates on a monthly basis due to the number of days in a month (28 business days for regular months and 35 business days for special months) depending on the means of settlement and the fact that settlement adjustments are made for each quarter-end month.
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