

LINK Smart

Toward a shared, connected future

CYBERLINKS CO., LTD.

Financial Results for 1Q FY12/26

(January 1, 2026 – March 31, 2026)

May 15, 2026

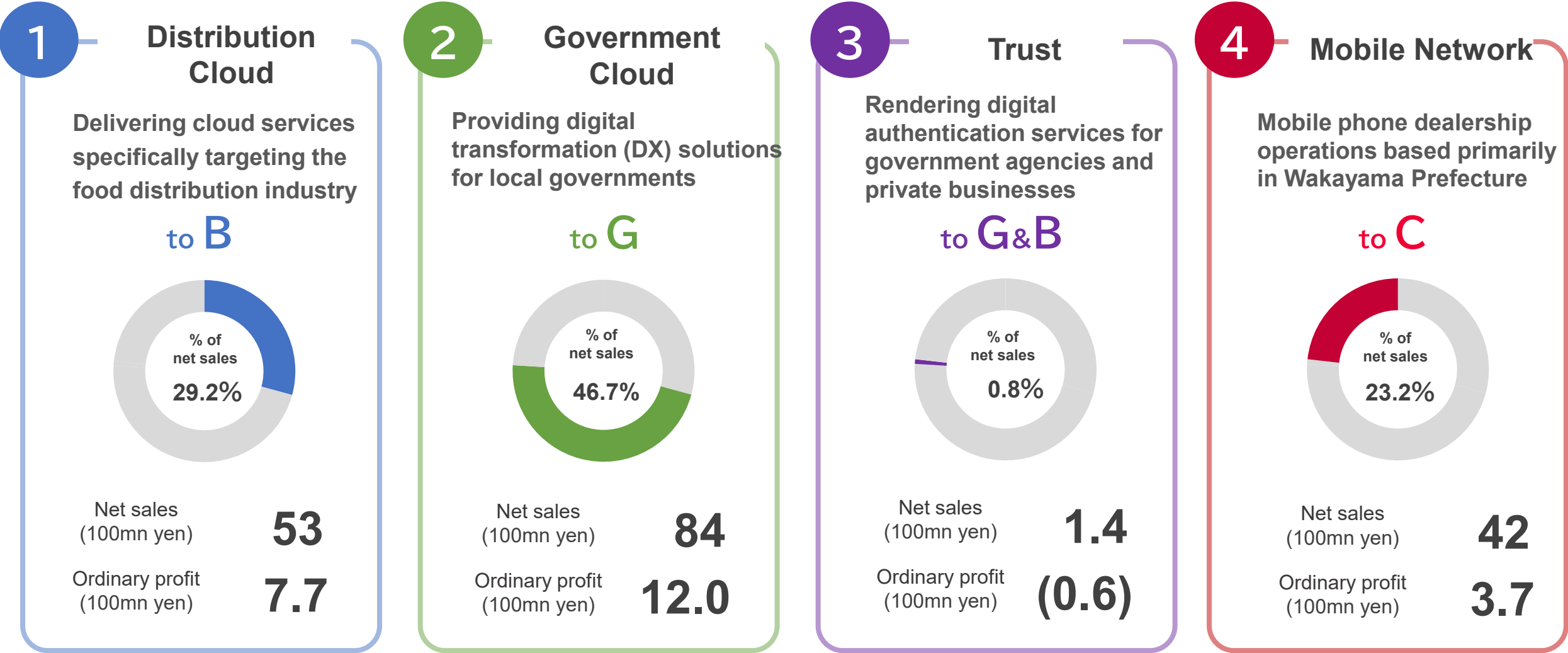
INDEX

- 0. Overview of Business Operations**
 - 1. Executive Summary**
 - 2. Consolidated 1Q FY12/26 Results**
 - 3. Sustainability Initiatives**
 - 4. Shareholder Returns**
 - 5. About CYBERLINKS**
-

0. Overview of Business Operations

0. Overview of Business Operations

- Cyberlinks operates across four segments: the Distribution Cloud business, the Government Cloud business, the Trust business, and the Mobile Network business.
- The Distribution Cloud business is our growth driver.



※FY12/25 results

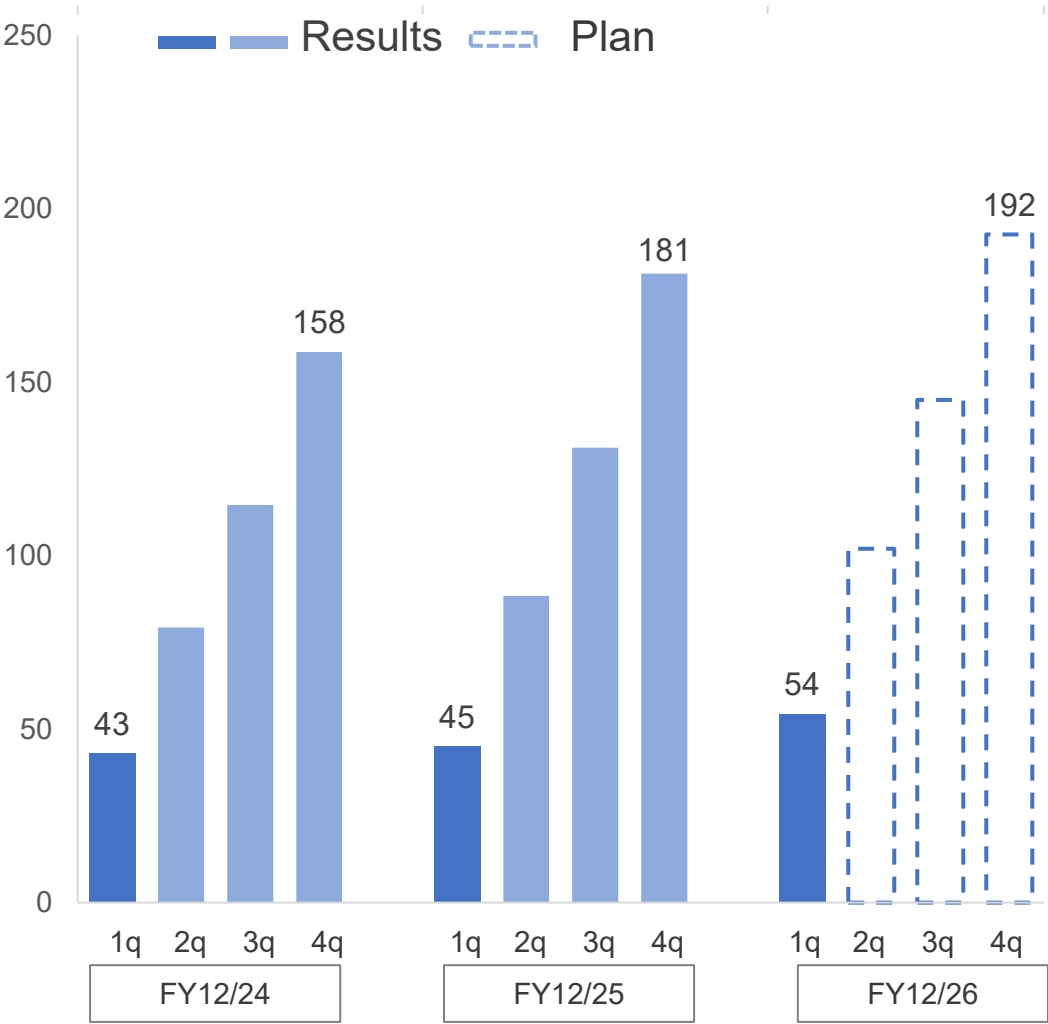
1. Executive Summary

- Expanded delivery of services through the Distribution Cloud business while pushing forward with multiple projects in the Government Cloud business
- Both net sales and profit showed steady progress in line with our 1H projections

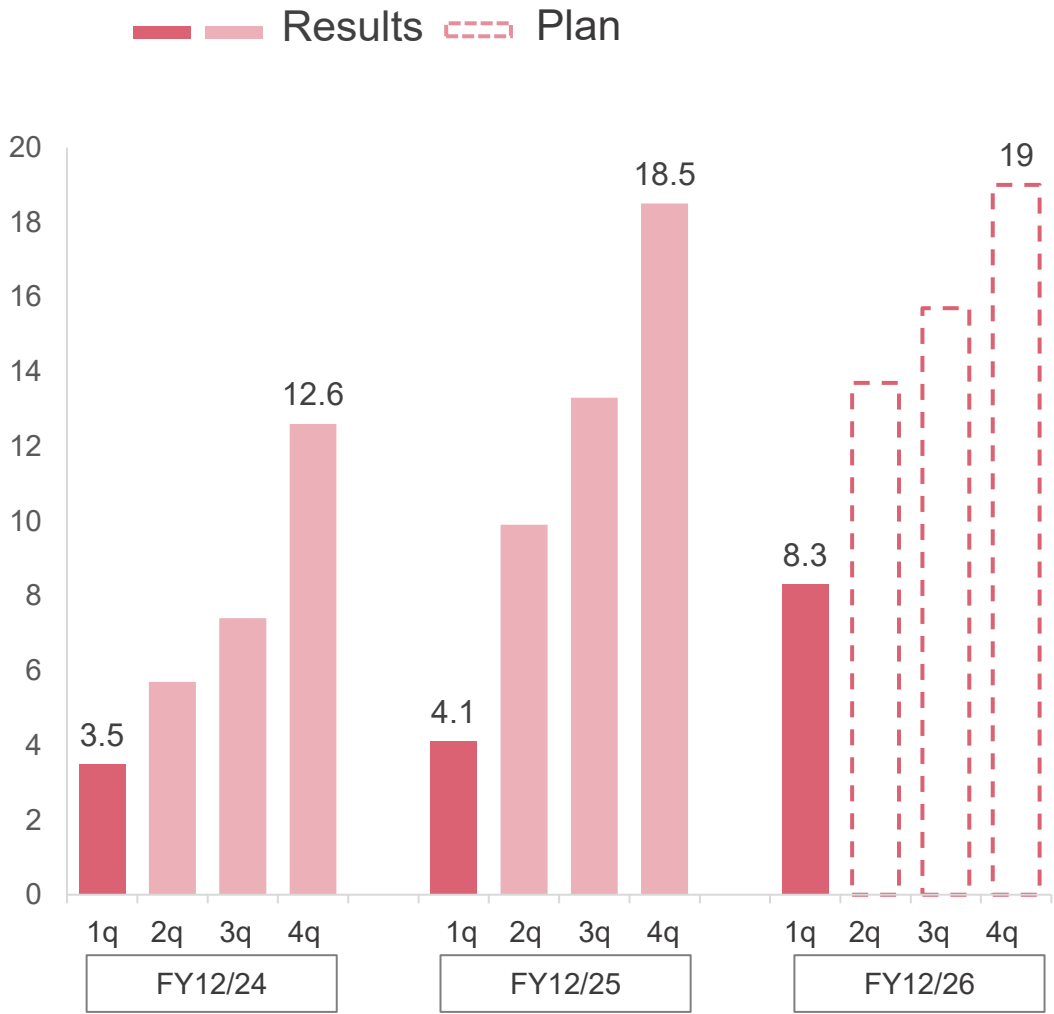


■ Net sales and profit continue to trend upward as we target new record highs.

Net sales (cumulative) (100mn yen)



Ordinary profit (cumulative) (100mn yen)

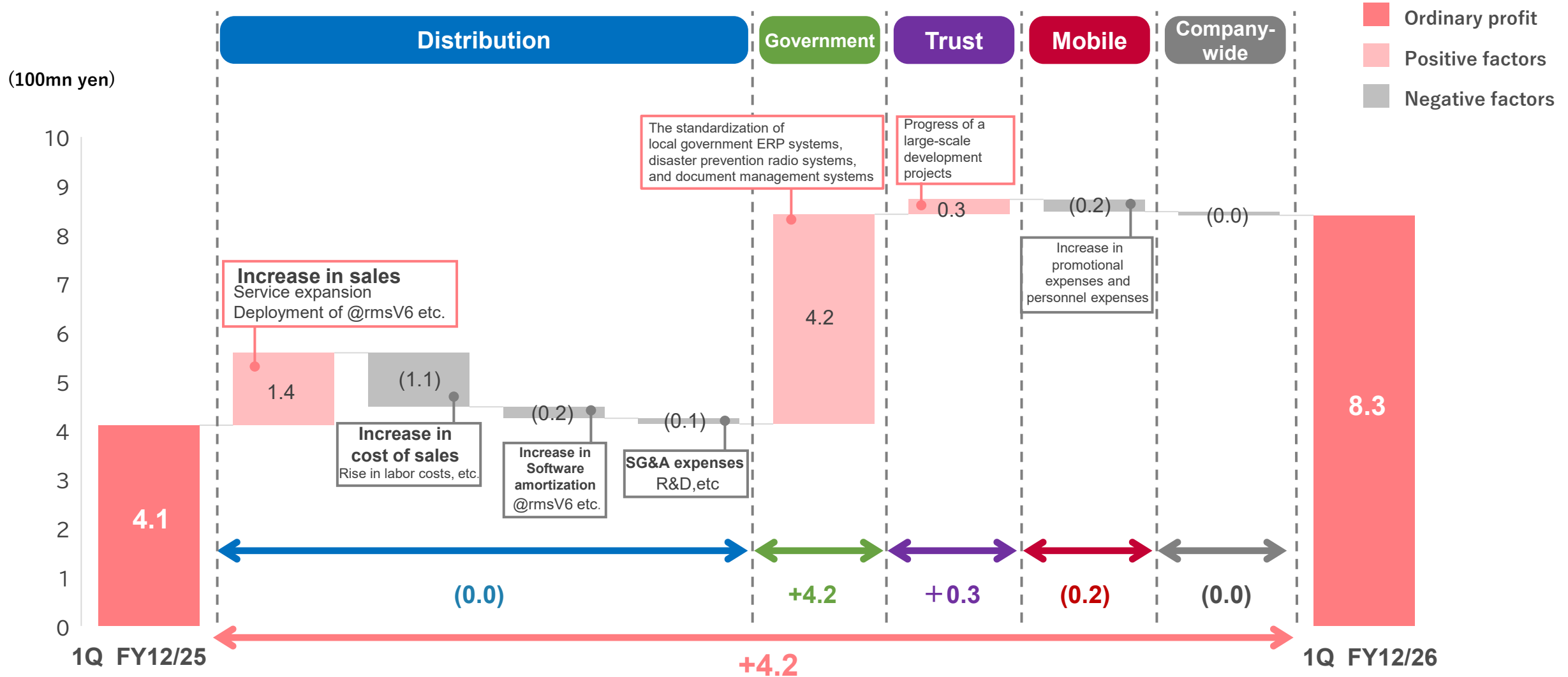


2. Consolidated 1Q FY12/26 Results

(millions of yen)	1Q FY12/26 (Actual)	1Q FY12/25 (Actual)	YoY Change (%)	1H FY12/26 (Plan)	Progress vs. Plan (%)
Net sales	5,440	4,500	20.9%	10,203	53.3%
Distribution Cloud	1,368	1,224	11.7%	2,835	48.3%
Government Cloud	2,843	2,107	35.0%	4,977	57.1%
Trust	73	19	279.5%	194	38.1%
Mobile Network	1,154	1,149	0.5%	2,197	52.5%
Recurring revenue	2,297	2,117	8.5%	4,585	50.1%
Distribution Cloud	1,085	1,044	3.9%	2,198	49.4%
Government Cloud	999	881	13.3%	1,955	51.1%
Trust	20	19	3.6%	47	42.7%
Mobile Network	193	171	12.5%	385	50.1%
Operating profit	834	414	101.3%	1,382	60.4%
Ordinary profit	834	410	103.4%	1,373	60.8%
Distribution Cloud	160	162	(1.5%)	386	41.5%
Government Cloud	678	250	171.4%	1,073	63.3%
Trust	(3)	(33)	—	2	—
Mobile Network	105	130	(19.2%)	187	56.3%
Adjustments	(105)	(98)	—	(275)	—
Profit attributable to owners of parent	573	271	111.4%	930	61.7%
EPS	JPY51.78	JPY24.27	—	JPY83.96	—

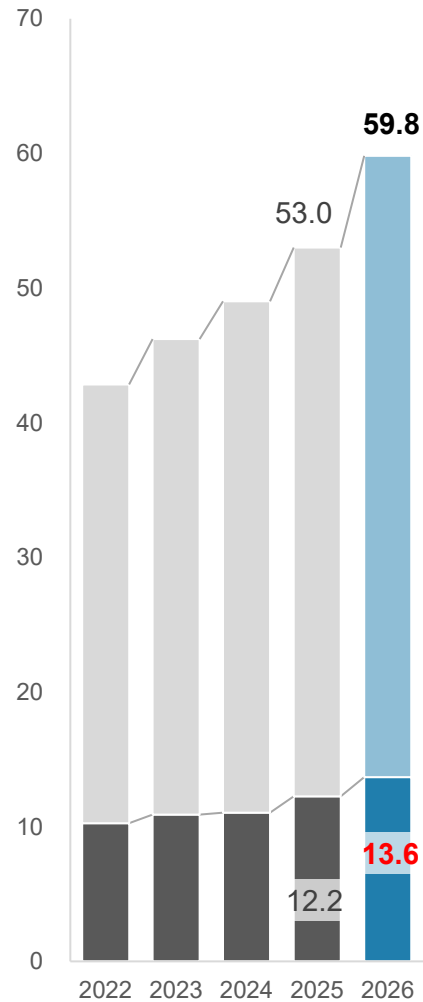
2. Consolidated 1Q FY12/26 Results Factors affecting ordinary profit

- Distribution Cloud: profit was slightly down due mainly to increase in labor costs associated with the strengthening of the organizational structure, including personnel recruitment and increase in salary levels, in FY12/25, despite sales up due to service expansion.
- Government Cloud: Projects involving the standardization of local government ERP systems, disaster prevention radio systems, and document management progressed, contributing significantly to profit growth.



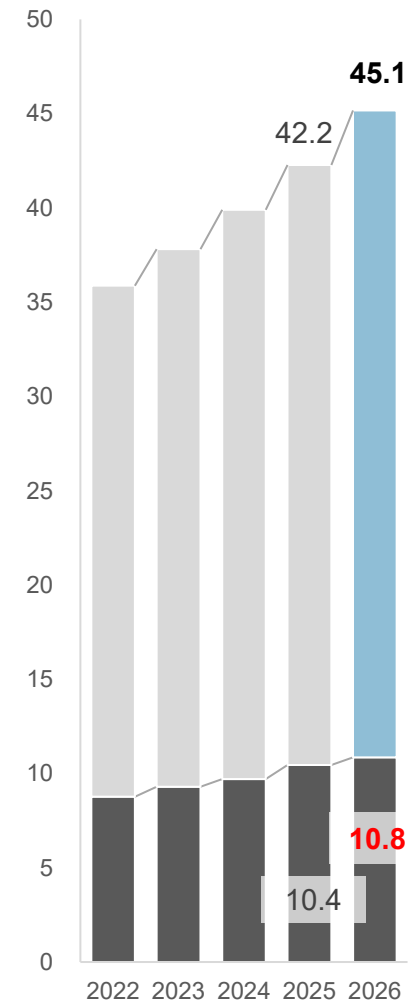
Net sales

(100mn yen)



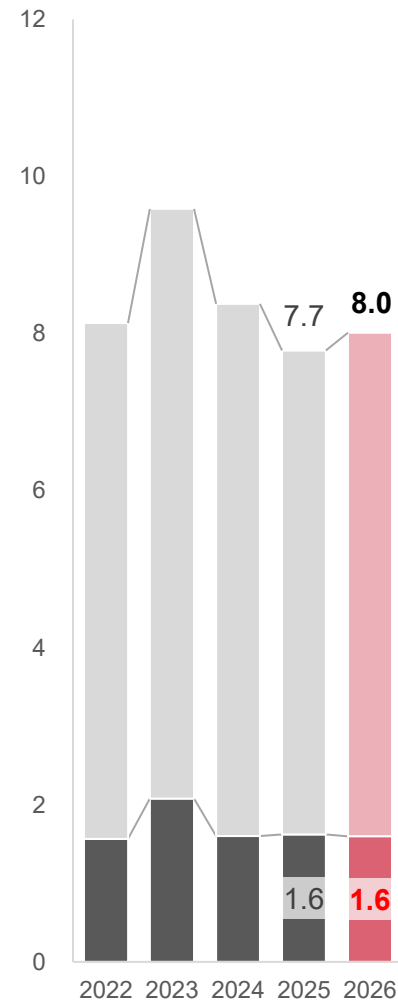
Recurring revenue

(100mn yen)



Ordinary profit

(100mn yen)



1Q FY12/26 Results

Sales up due to broader service; profit down due to increase in labor costs associated with the strengthening of the organizational structure in FY12/25

- ◆ @rmsV6
Launched operations for two additional customers
Secured orders from major supermarket chains
- ◆ Progress on execution of already-booked orders
Sales growth generated through implementation of @rmsV6, sendonetV2, etc.
- ◆ SendonetV2
Secured an order from a major supermarket chain

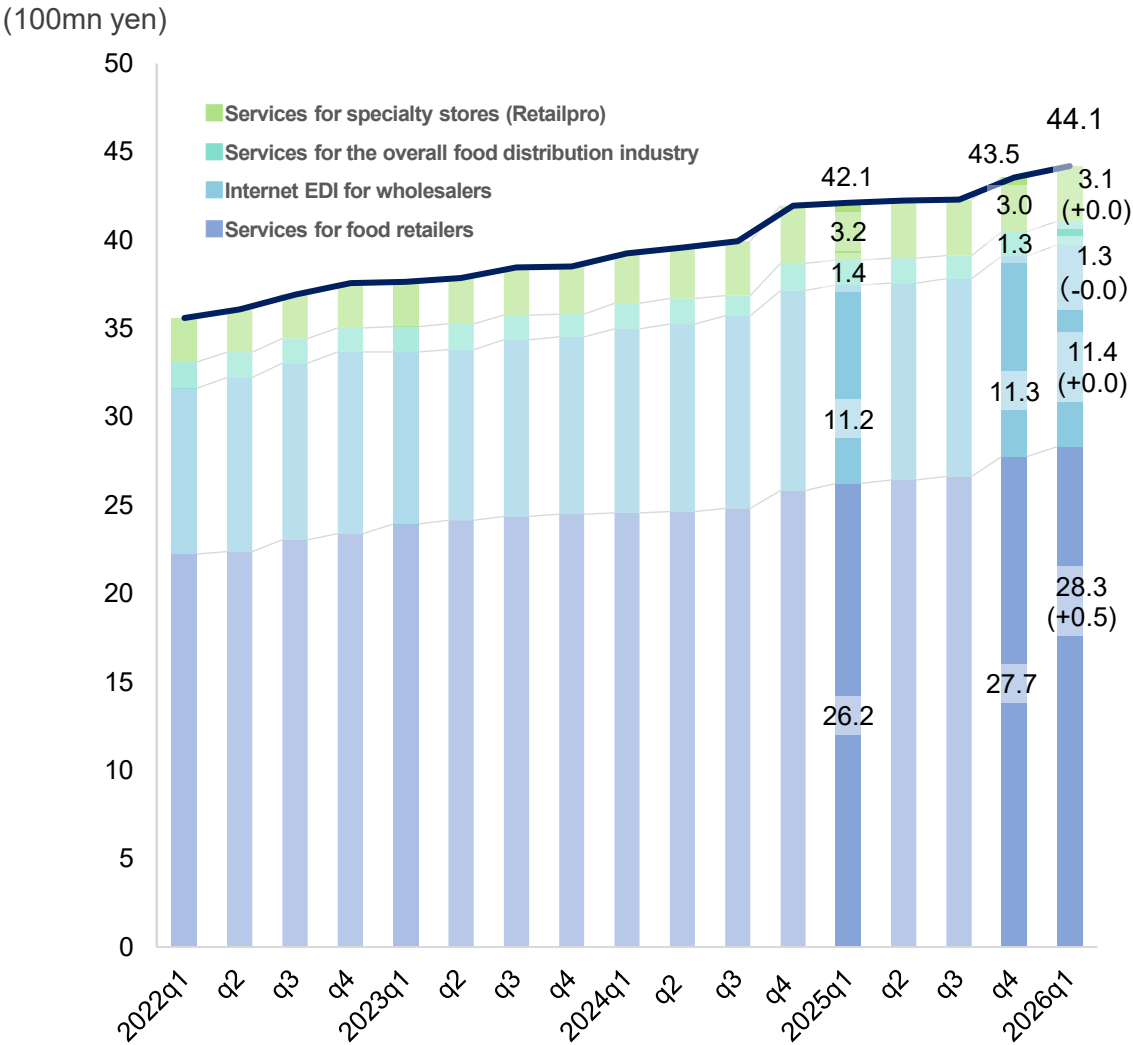
Full-Year FY12/26 Forecast

Focus on implementation for already-booked projects

- ◆ @rmsV6
Advance development targeting the incorporation of AI functionality
- ◆ Increase recurring revenue through broader service delivery @rmsV6 , SendonetV2 , Automatic Ordering, Cloud EDI Platform etc.
- ◆ RetailPro, a sales management system for specialty stores. Rollout is expanding from an existing customer's overseas stores to its stores in Japan.

- ARR has increased with the launch of multiple services, including @rmsV6.

ARR (Monthly recurring revenue for the final month of a given quarter × 12 months)



Key Service KPIs



Target number of stores using core ERP system

FY12/25 Results	1Q FY12/26 Results	FY12/30 Medium-term management plan
1,219	1,283 (+64)	2,400



Target number of registered IDs for C2Platform

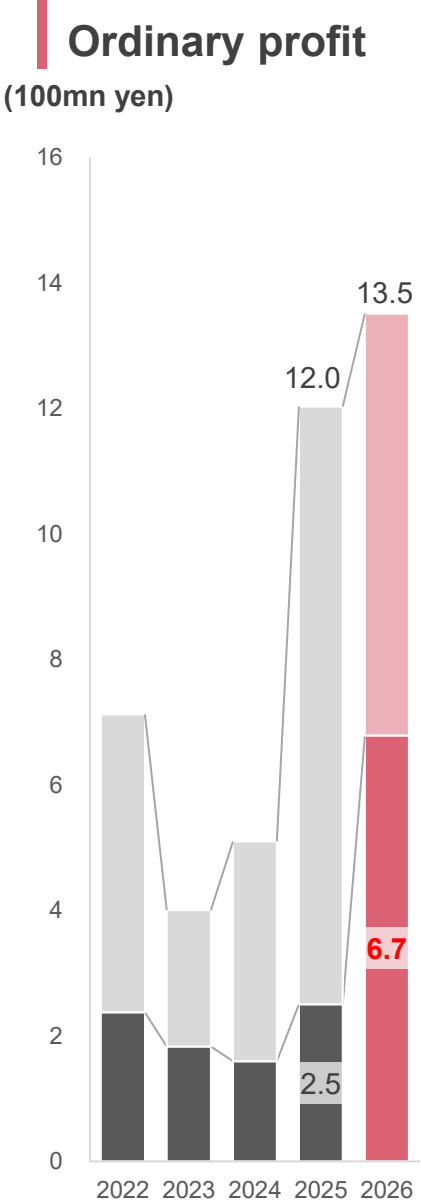
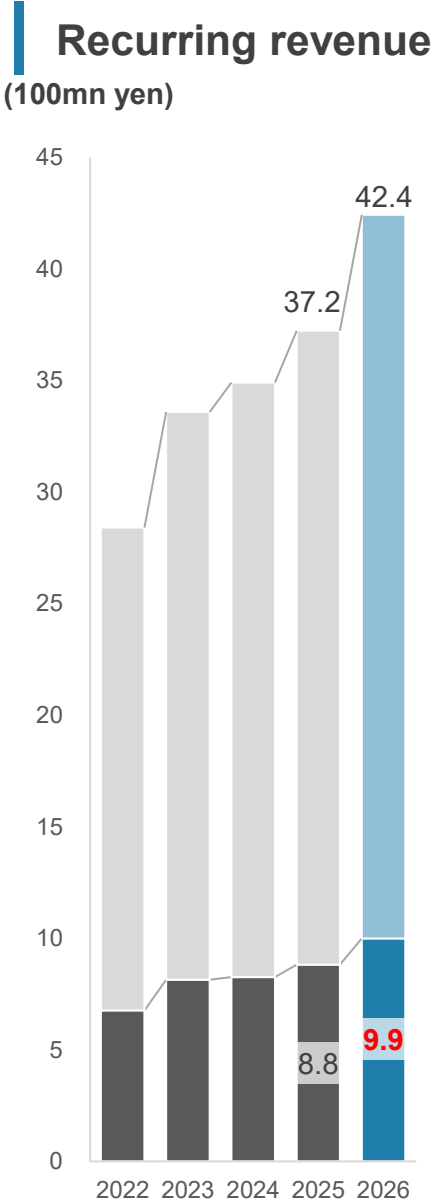
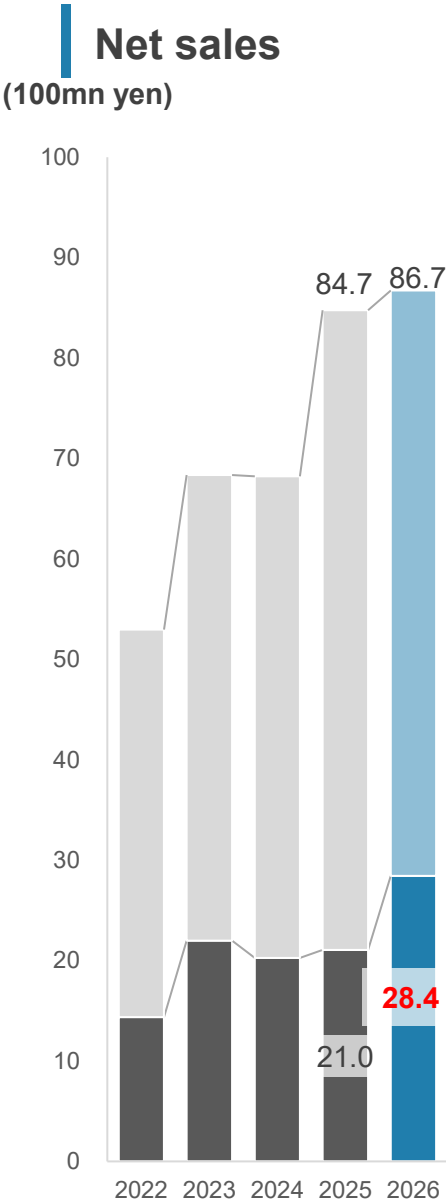
FY12/25 Results	1Q FY12/26 Results	FY12/30 Medium-term management plan
693	699 (+6)	6,500



Target number of stores using RetailPro

FY12/25 Results	1Q FY12/26 Results	FY12/30 Medium-term management plan
Overseas 183 Domestic 53	193(+10) 53(±0)	700 1,300

() indicate changes vs. FY12/25



1Q FY12/26 Results

Local government DX and disaster prevention system construction projects contributed to sales and profit growth

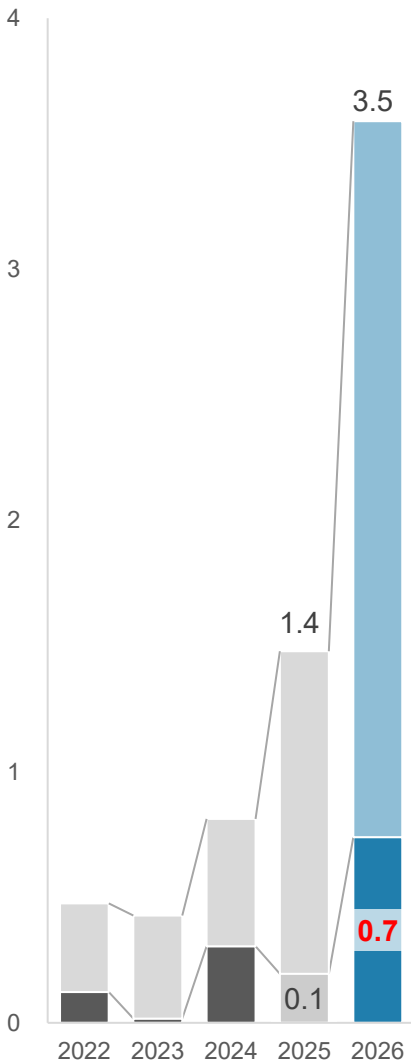
- ◆ Sales and profit contributed significantly to increased, driven by projects related to the unification and standardization of local government ERP systems, and disaster prevention radio systems
- ◆ Minnano Madoguchi online public service portal for local governments
Launched for the Tokyo's Edogawa Ward
Released AI chatbot functionality

Full-Year FY12/26 Forecast

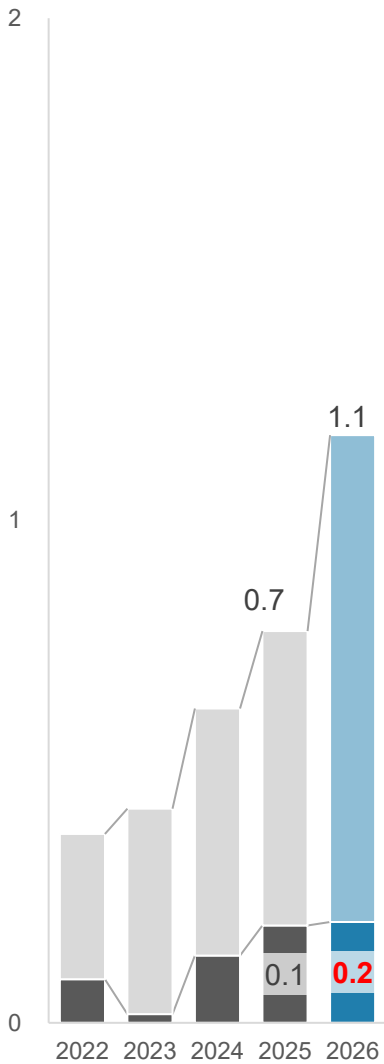
Sales and profit growth driven primarily by local government DX projects

- ◆ Projects related to the unification and standardization of ERP systems for local governments
Expected to contribute significantly through 1H
- ◆ Promote initiatives aiming to incorporate AI functionality into Minnano Madoguchi and ActiveCity
- ◆ Software amortization associated with the acquisition of Synergy Inc. to decrease JPY 70 million per year

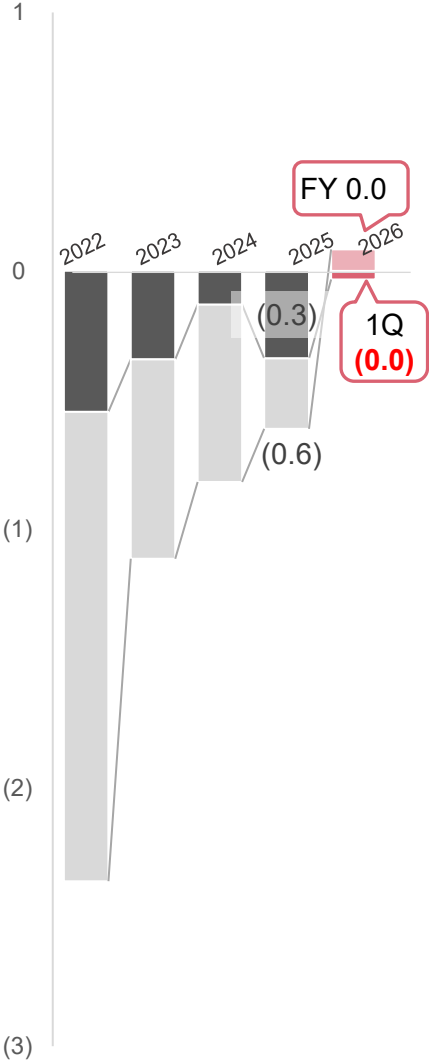
Net sales
(100mn yen)



Recurring revenue
(100mn yen)



Ordinary profit
(100mn yen)



1Q FY12/26 Results

Sales increased thanks to contribution from large-scale development projects

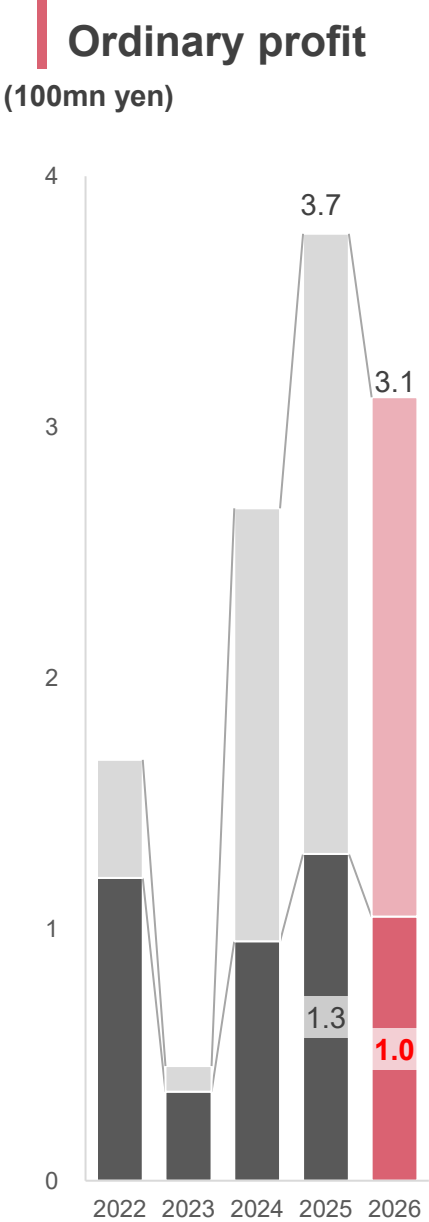
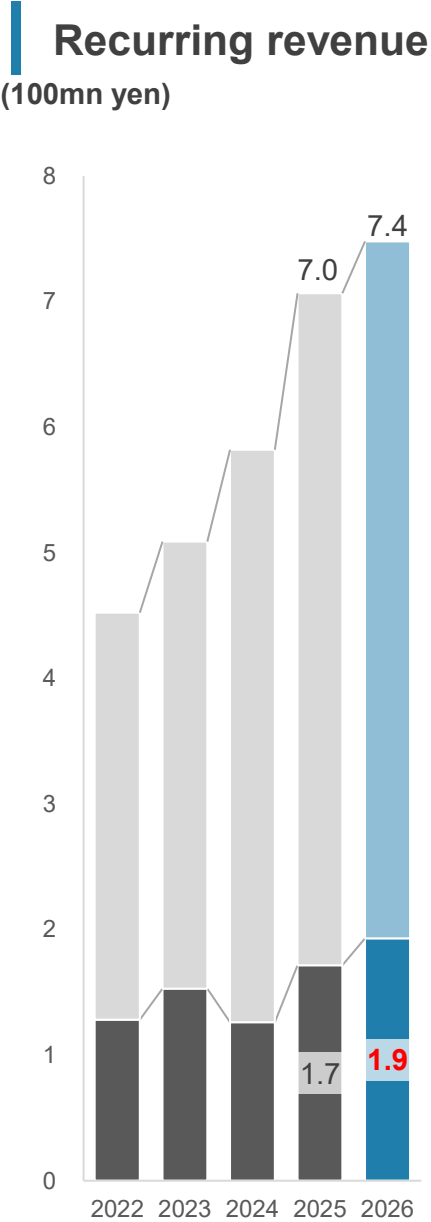
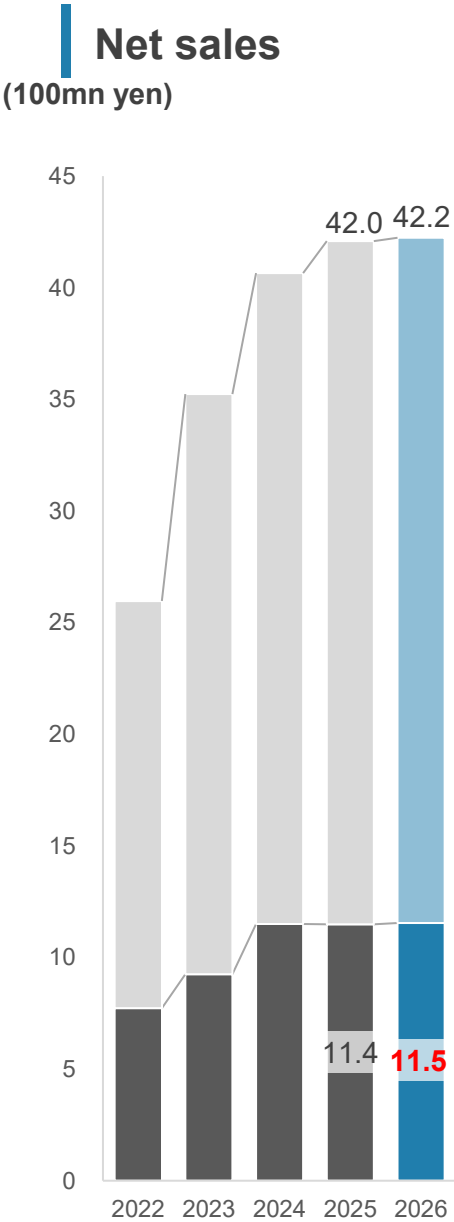
- ◆ Contribution from contract-based development projects for national qualification examination systems
- ◆ Expanded delivery of CloudCerts services
Secured multiple new orders and began issuing certificates

Full-Year FY12/26 Forecast

Accelerating efforts targeting the distribution of VC*

- ◆ Achieved progress on contract-based development projects for national qualification examination systems
- ◆ Participated in Japan DX Week and local government DX exhibition
- ◆ Construction of VC* distribution platform
Promote sales of eKYC (facial recognition) services; facilitate initiatives aiming to build wallet functionality

*VC: Abbreviation for “Verifiable Credentials”
A machine-readable, general-purpose data format (digital certificate) and data distribution model enabling functions such as authenticity verification and tamper prevention through digital signatures



1Q FY12/26 Results

Sales increased on higher device sales, but profit declined due to growth in SG&A expenses

- ◆ Device replacement demand expanded ahead of the conclusion of 3G services
- ◆ Profit declined due in part to incentive structure changes, higher promotional expenses, and growth in personnel expenses following salary increases.

Full-Year FY12/26 Forecast

Secure further productivity improvements as we work to achieve our targets

- ◆ Focus on sales activities, including off-site sales efforts and the development of new sales areas
- ◆ Promotion of initiatives pursuing productivity enhancements of store operations; establishment of a centralized operations hub at headquarters and transition toward full-scale online customer services for stores
- ◆ Optimize store locations to provide better-balanced coverage across sales areas

3. Sustainability Initiatives

3. Sustainability Initiatives

■ Promotion of initiatives in response to Japan’s Corporate Governance Code

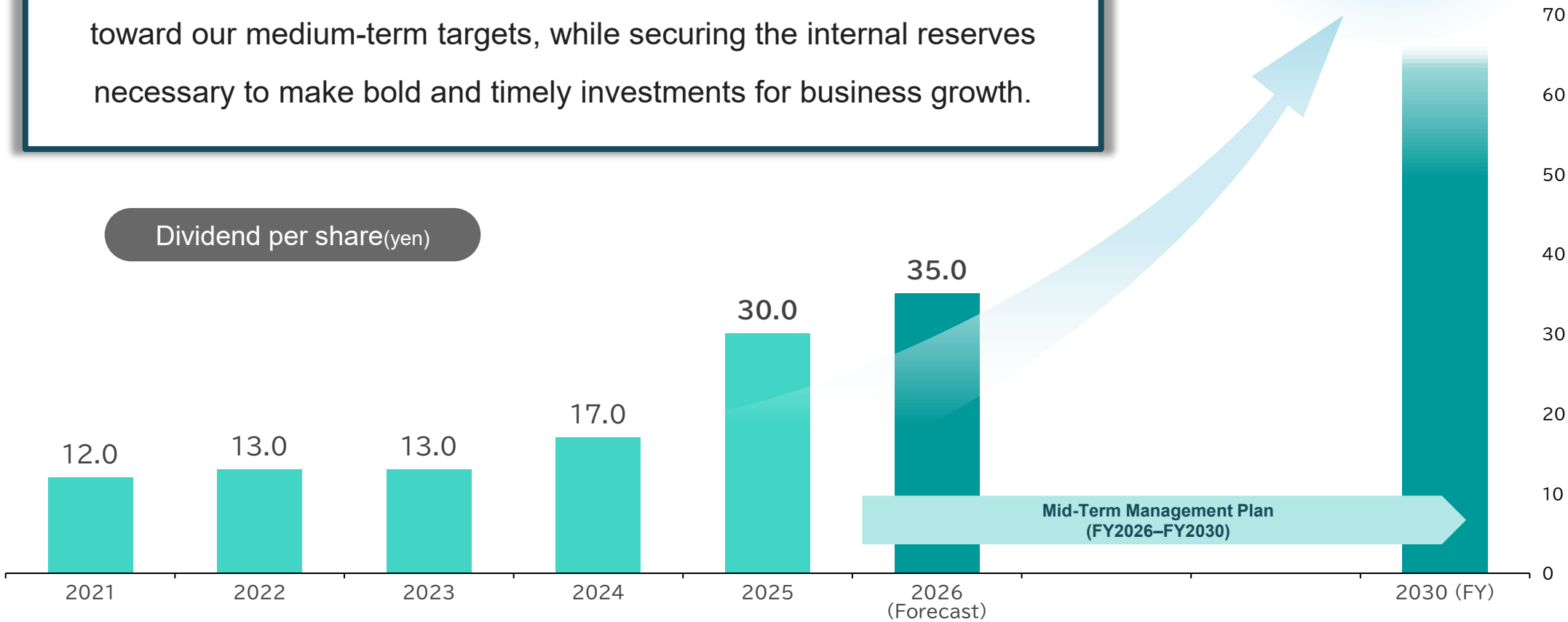
E	■ <u>Calculate CO2 emissions (Scope 1 through 3) and set/disclose reduction targets (Scope 1 and 2)</u> ■ Streamlined offices (closure of Nara Office) ■ Enabled <u>signing of minutes and commercial registration online with MynaTrust</u> ■ Gradually replace <u>gasoline vehicles with PHVs</u> in our fleet
S	■ <u>Raise salaries</u> (company-wide <u>average of 3.4% increase</u> April 2026) ■ <u>Implement initiatives to promote the advancement of women in the workplace</u> (ratio of senior staff: <u>28.5%</u>; ratio of managers: <u>7.0%</u>) *As of December 31, 2025. *By end-FY12/25: 25% target ratio of female senior staff; By end-FY12/30: 10% target ratio of female managers ■ <u>Promotion of paternity leave among male employees</u> (2025 take-up rate: 92.3%) ■ <u>Increase the contribution ratio for the defined contribution (DC) pension plan premiums and introduce an elective DC pension plan</u> ■ Encourage company-wide operational use of AI (for development work, etc.) to improve productivity ■ Improve operational efficiency by <u>revamping internal ERP systems</u> (for accounting, sales, purchasing, workflow, etc.)
G	■ Ensure at least one-third of directors are independent outside directors ■ <u>Adopt the exercise of voting rights via the Internet</u> ■ <u>Enhance and improve both English disclosure materials and English IR website</u>; establish a <u>YouTube</u> channel ■ Strengthen outreach to individual investors (<u>hold more information sessions for individual investors</u>, leverage <u>SNS</u>, etc.)

4. Shareholder Returns

Shareholder Return Policy

We will raise our dividend payout ratio and dividend per share in line with improved earnings and profitability (improved cash flow) by making progress toward our medium-term targets, while securing the internal reserves necessary to make bold and timely investments for business growth.

Basic shareholder return approach
Maintain progressive dividend policy and raise the dividend payout ratio



Other

- We develop content on platforms such as IR note magazine and X (formerly Twitter), allowing readers to catch up on our initiatives in real time.
- Reports on our company are available through Shared Research.

IR note magazine

note

https://note.com/cyberlinks_note



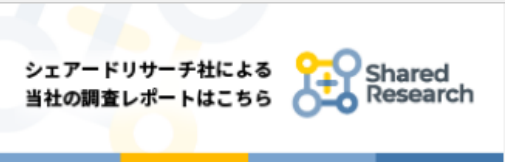
X (formerly Twitter)



User name: @CyberLinks_3683
https://x.com/CyberLinks_3683



Shared Research



<https://sharedresearch.jp/ja/companies/3683>

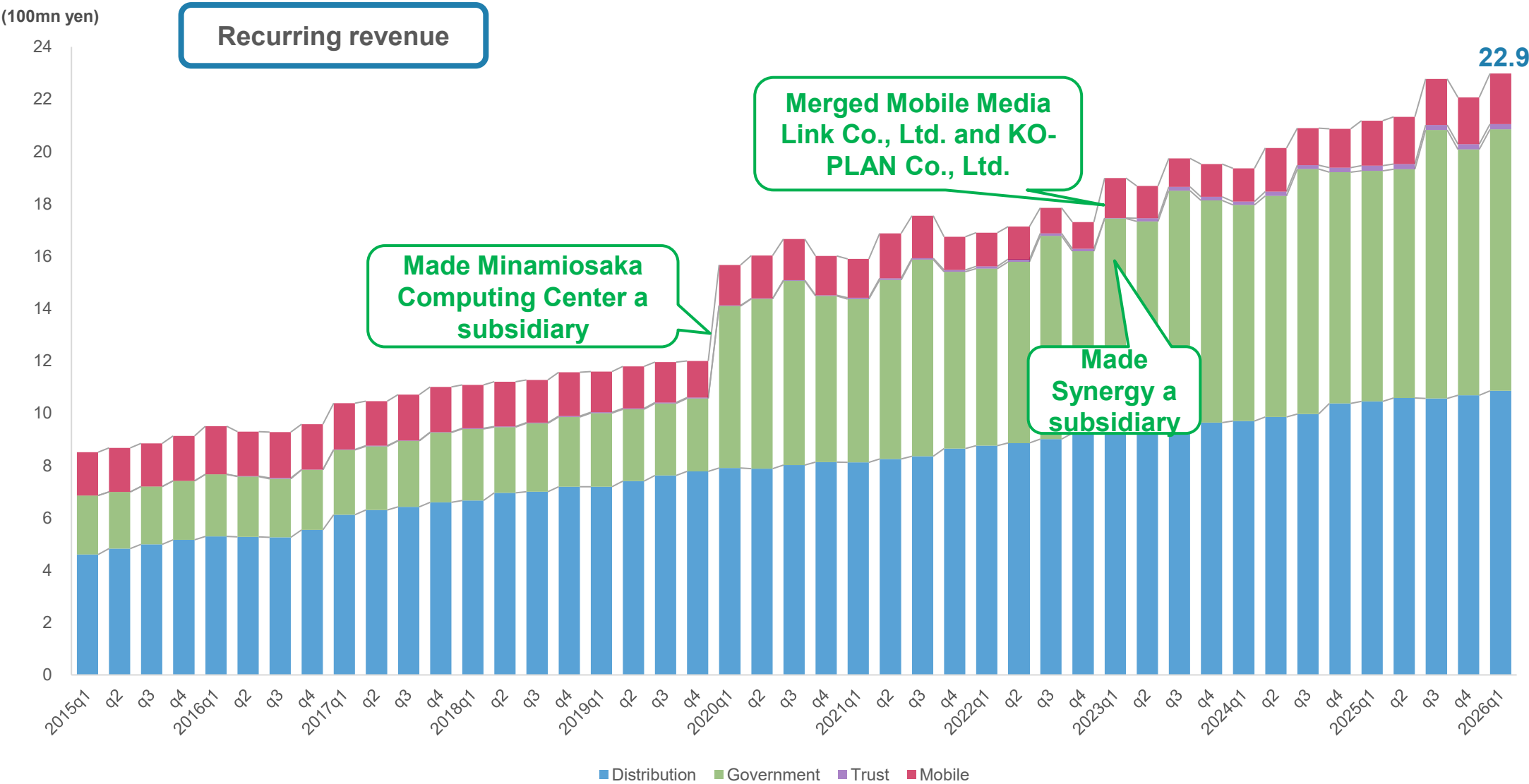


Supplementary Materials

(millions of yen)

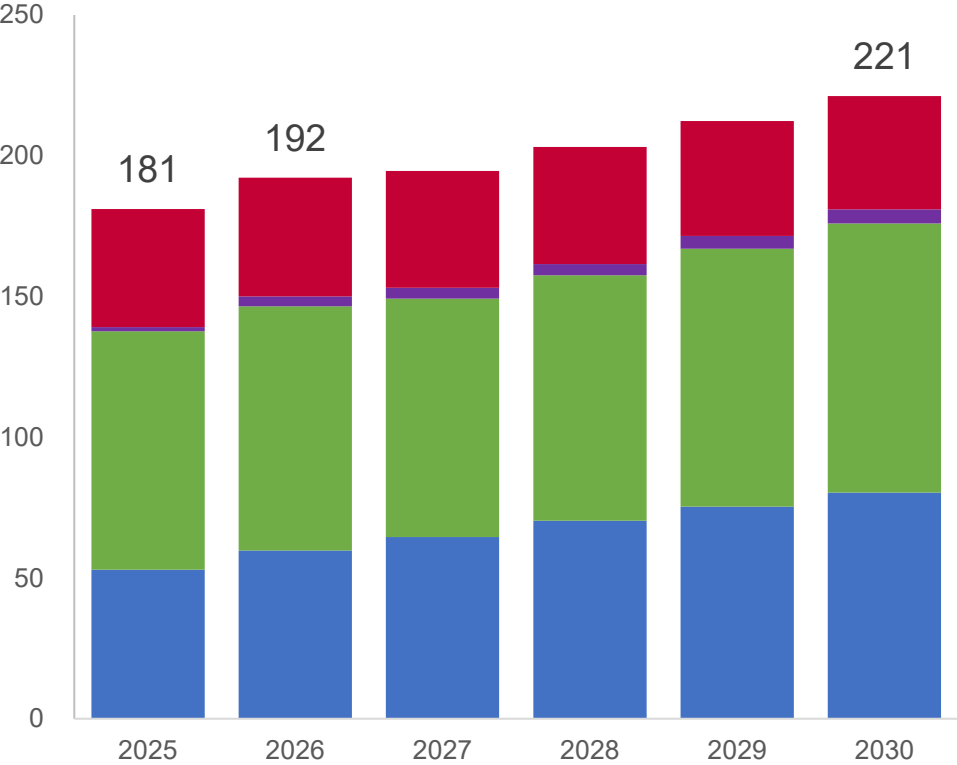
		End-Dec. 2025		End-Mar. 2026			Factors behind changes
		Amount	Composition	Amount	Composition	Change	
Assets	Current Assets	8,467	53.6 %	9,632	56.4%	1,165	Notes and accounts receivable - trade, and contract assets increased
	Non-current Assets	7,323	46.4 %	7,441	43.6%	117	Increase in construction in progress, buildings and structures
	Total Assets	15,791	100.0%	17,074	100.0%	1,282	
Liabilities & Net Assets	Current Liabilities	5,185	32.8 %	5,954	34.9%	769	Increase in short-term borrowings due to loans
	Non-current Liabilities	1,462	9.3 %	1,724	10.1%	261	Increase in long-term borrowings due to loans
	Total Liabilities	6,648	42.1%	7,679	45.0%	1,031	
	Total Net Assets	9,143	57.9%	9,394	55.0%	251	Retained earnings expansion due to the accumulation of profit attributable to owners of parent
	Total Liabilities & Net Assets	15,791	100.0%	17,074	100.0%	1,282	

■ Growth continued to be driven by the Distribution Cloud business

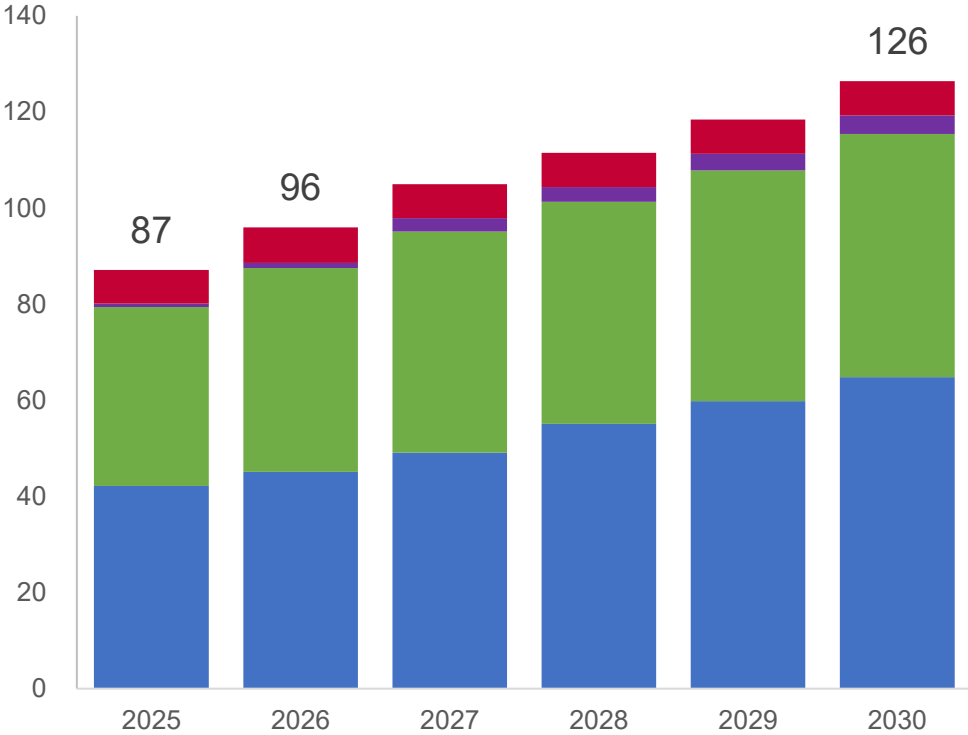


- We expect growth in sales from the Government Cloud and Distribution Cloud businesses to drive performance expansion.

Net sales (100mn yen)

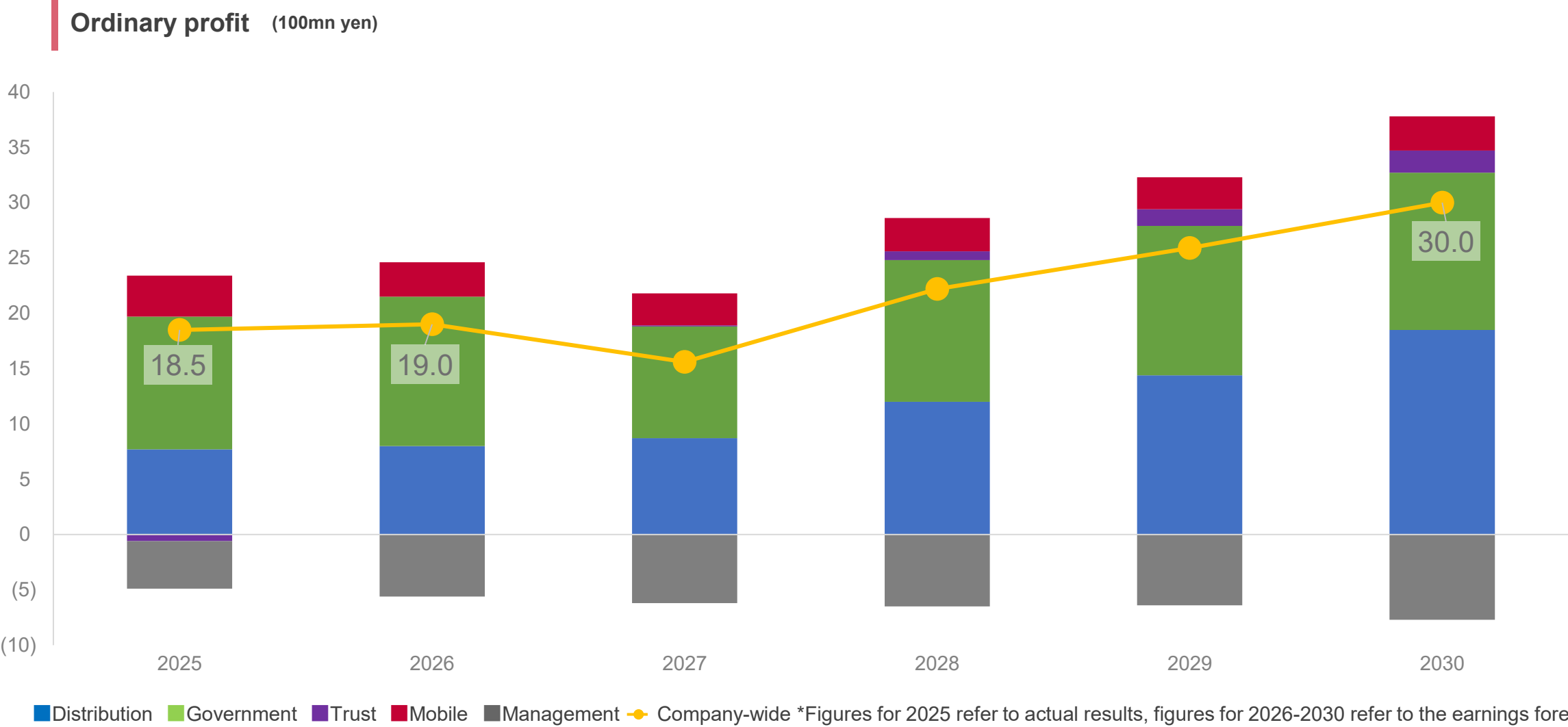


Recurring revenue (100mn yen)



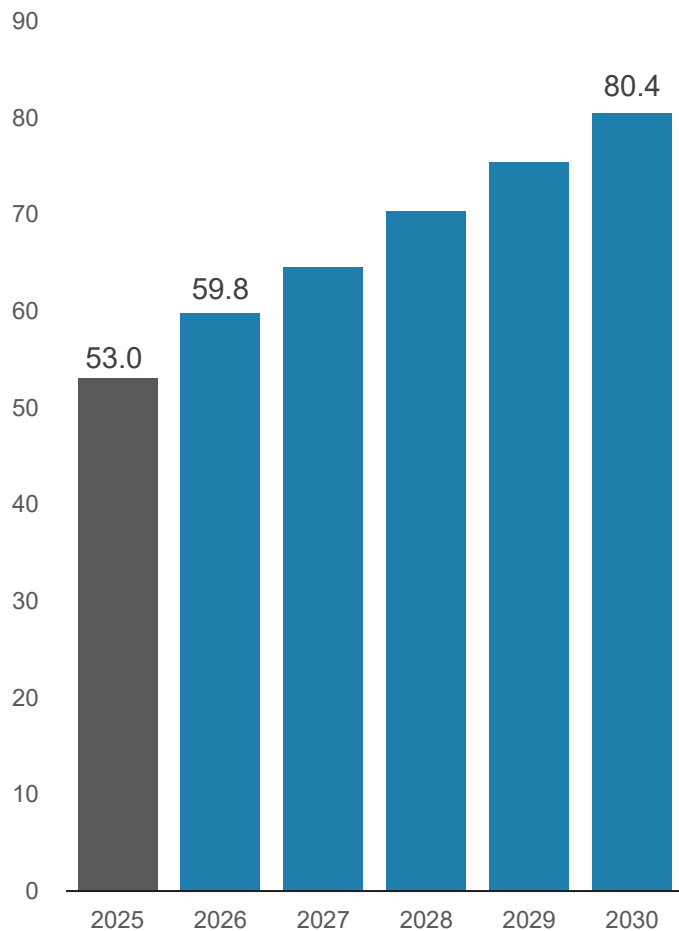
■ Distribution ■ Government ■ Trust ■ Mobile *Figures for 2025 refer to actual results, figures for 2026-2030 refer to the earnings forecast.

- In 2027, we anticipate the Government Cloud business will face a drop-off after the strong contribution from local government ERP system standardization projects fades. However, goodwill amortization associated with the acquisition of Synergy Inc. (JPY 160 million per year) will end in 2027, paving the way for profit growth from 2028 onward.

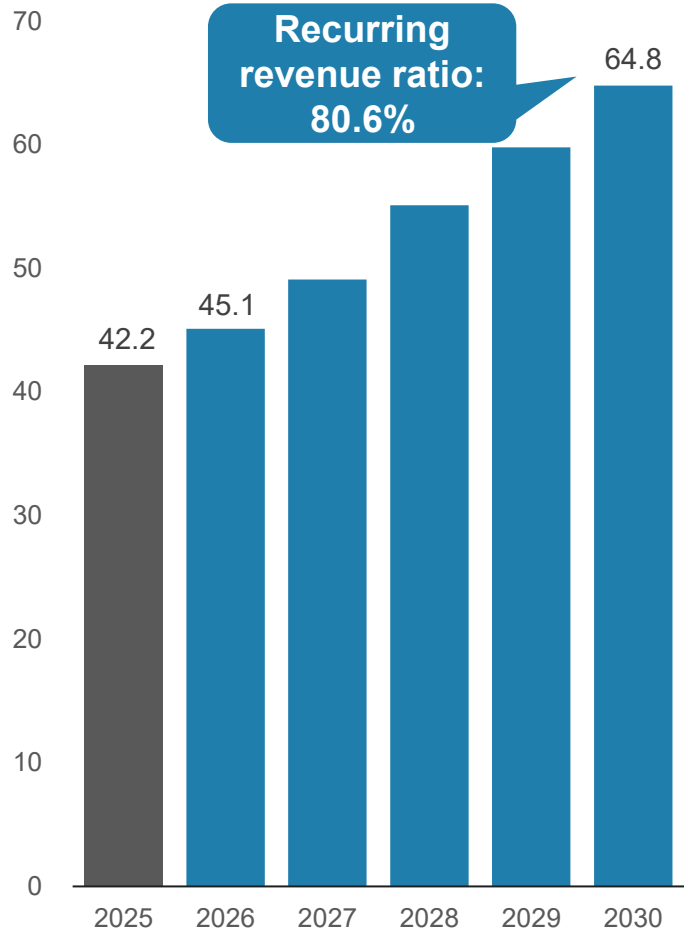


- Drive significant profit growth by expanding services and increasing recurring revenue

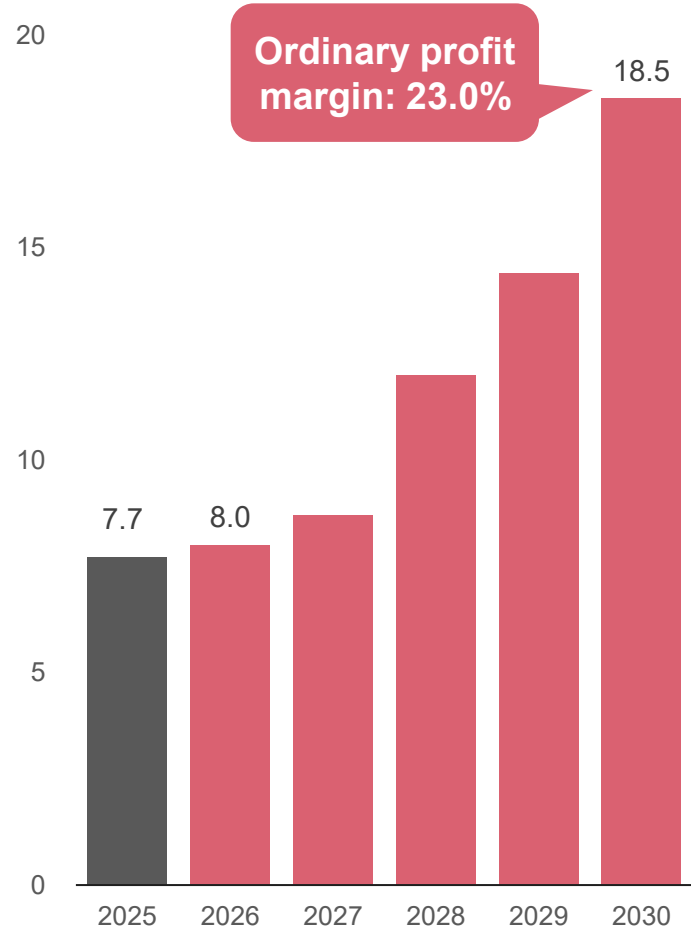
Net sales (JPY100mn)



Recurring revenue (JPY100mn)



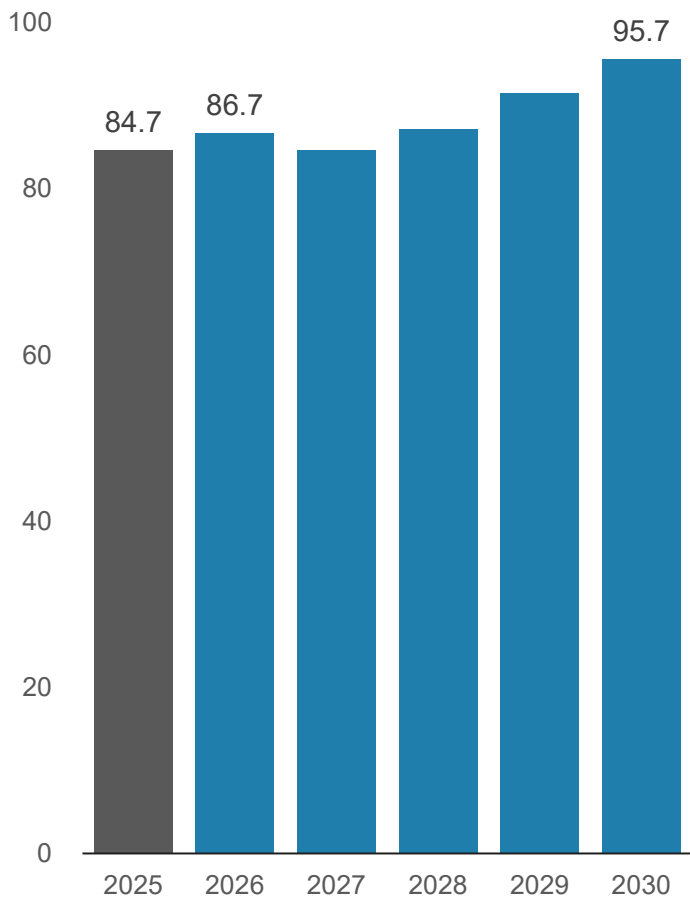
Ordinary profit (JPY100mn)



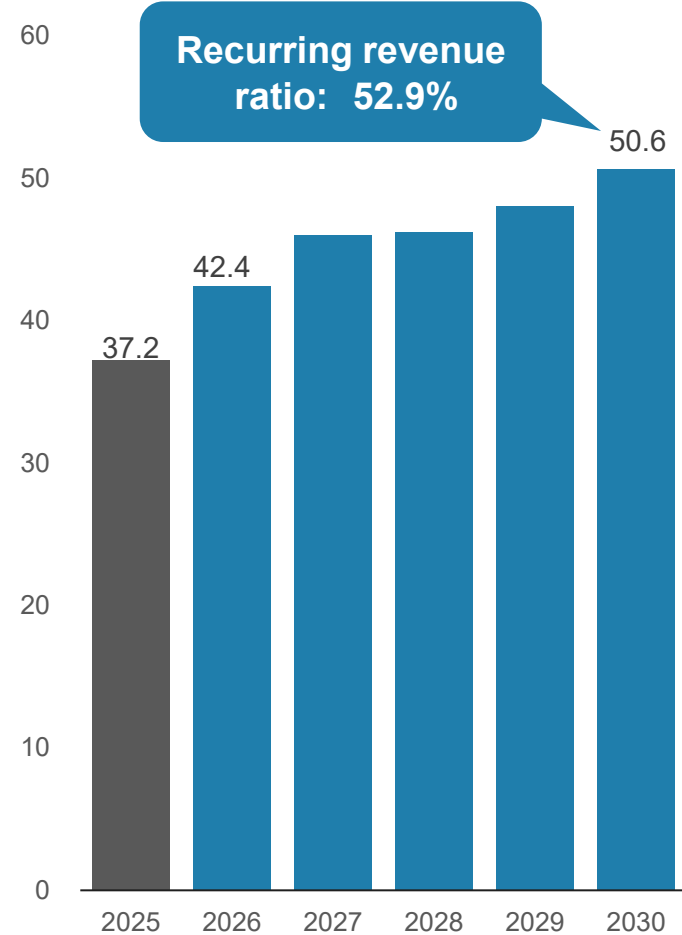
*Figures for 2025 refer to actual results, figures for 2026-2030 refer to the earnings forecast.

- Achieve recurring revenue ratio of over 50% through growth in nationwide cloud services

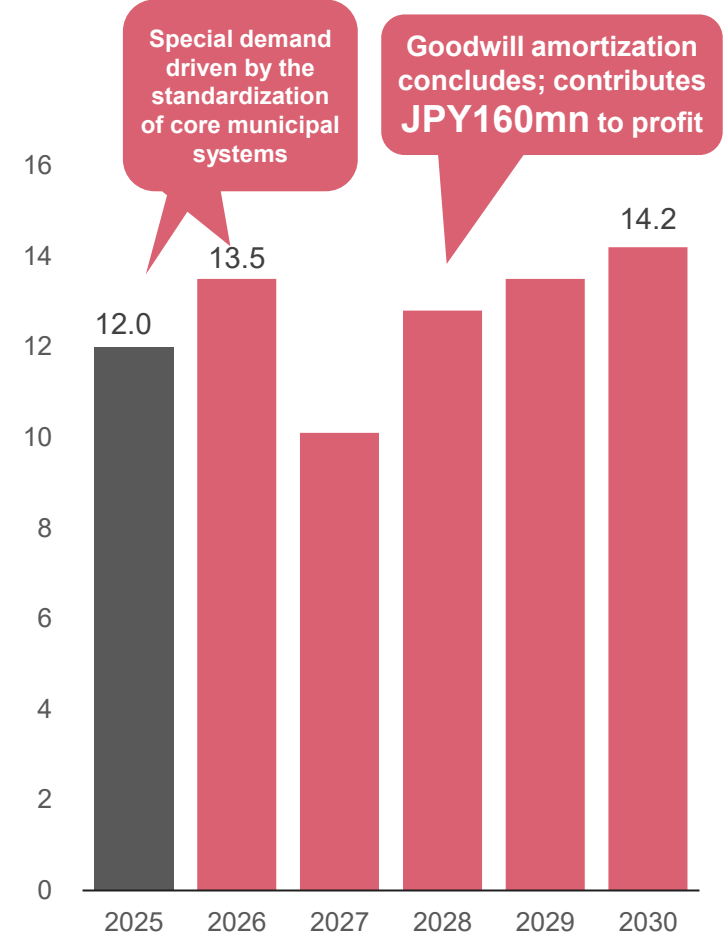
Net sales (JPY100mn)



Recurring revenue (JPY100mn)

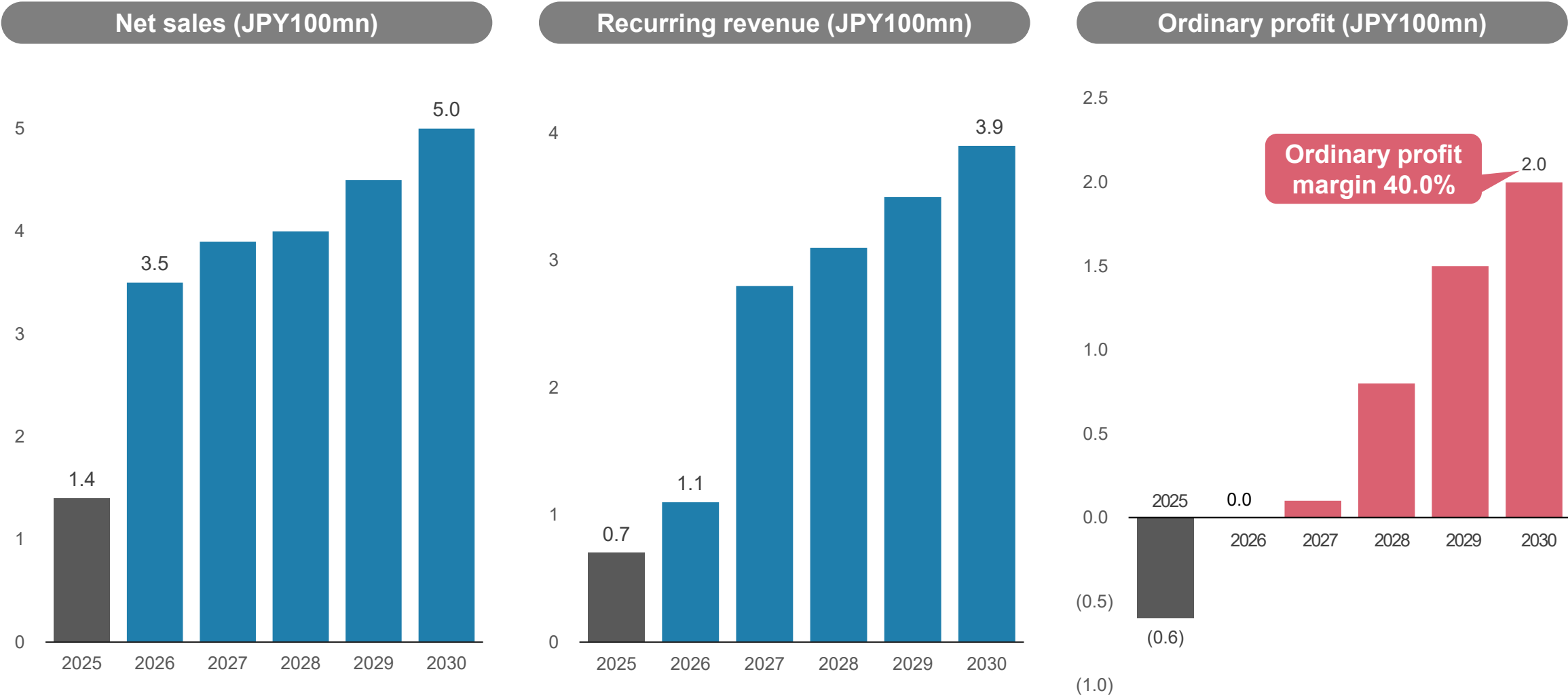


Ordinary profit (JPY100mn)



*Figures for 2025 refer to actual results, figures for 2026-2030 refer to the earnings forecast.

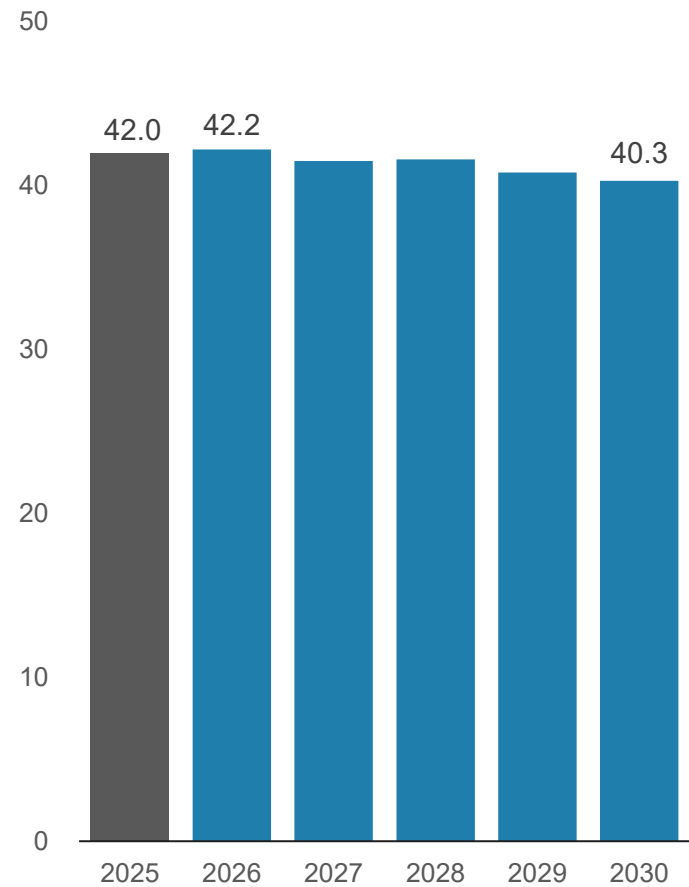
- Targeting profitability by 2026 while expanding revenue to establish the Trust Business as a core earnings pillar by 2030



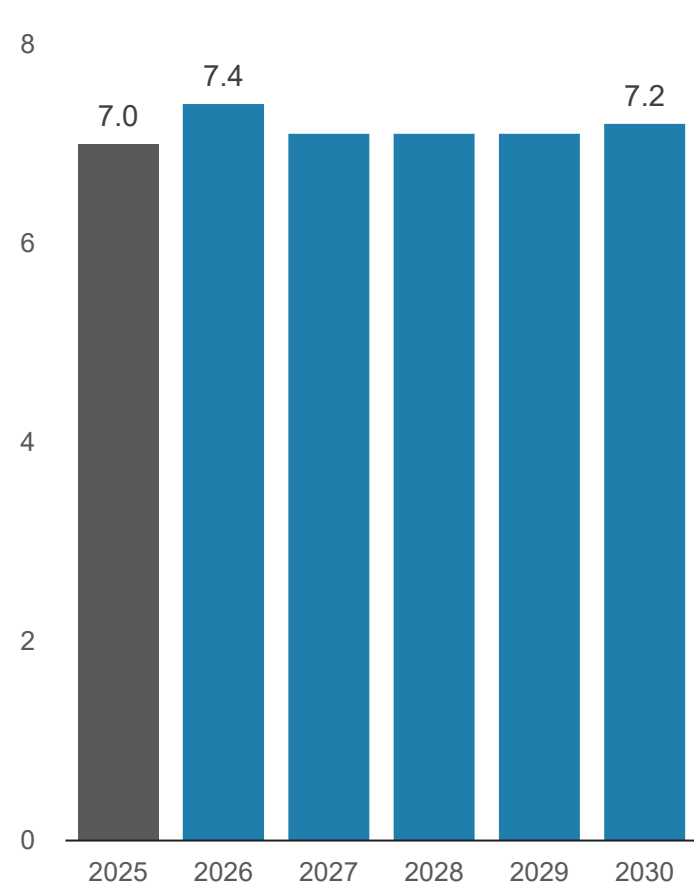
*Figures for 2025 refer to actual results, figures for 2026-2030 refer to the earnings forecast.

- Despite a challenging business environment, maintain sales and profits by improving operational efficiency.

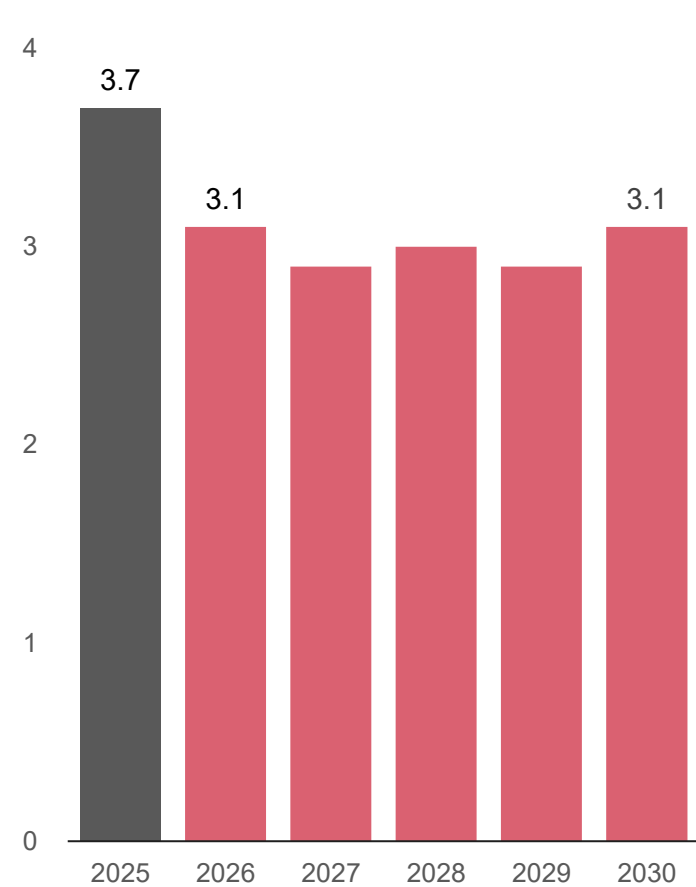
Net sales (JPY100mn)



Recurring revenue (JPY100mn)



Ordinary profit (JPY100mn)



*Figures for 2025 refer to actual results, figures for 2026-2030 refer to the earnings forecast.

5. About CYBERLINKS



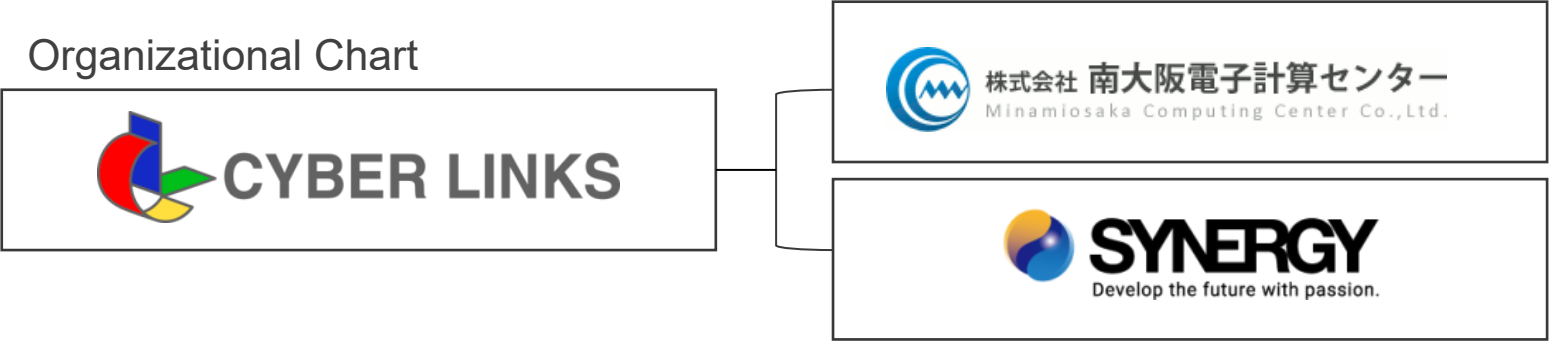
Incorporated
1964
Headquarter
Wakayama City

Naoki Higashi, President

Market listing
**The Standard Market
of the Tokyo Stock
Exchange**

Employees (consolidated)
903 employees
* As of December 31, 2025.
Subsidiaries
2

Organizational Chart



Exterior of headquarters



Interior of headquarters

【Management Philosophy】

To be noble, strong, and devoted

Business is a noble social activity

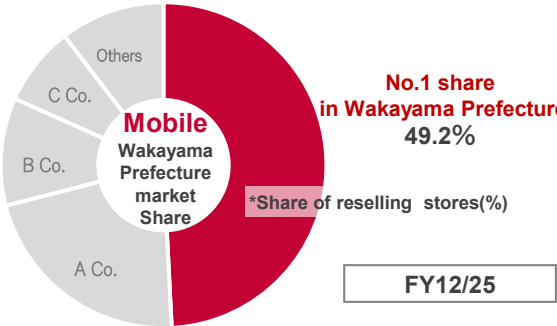
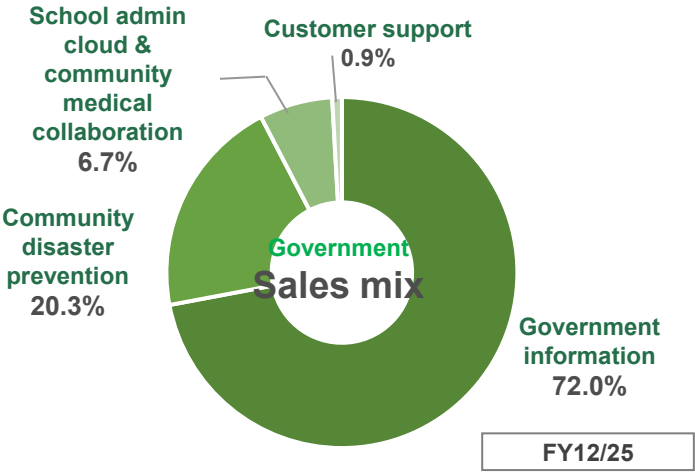
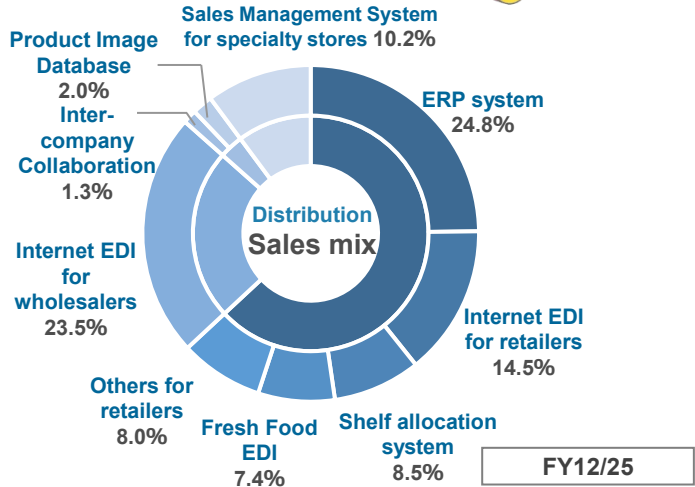
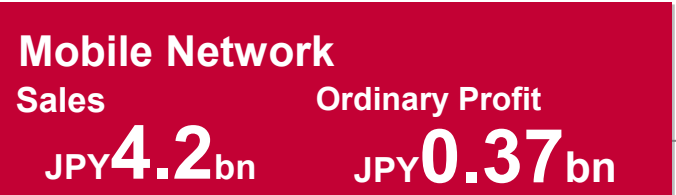
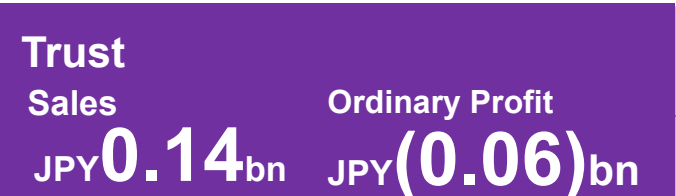
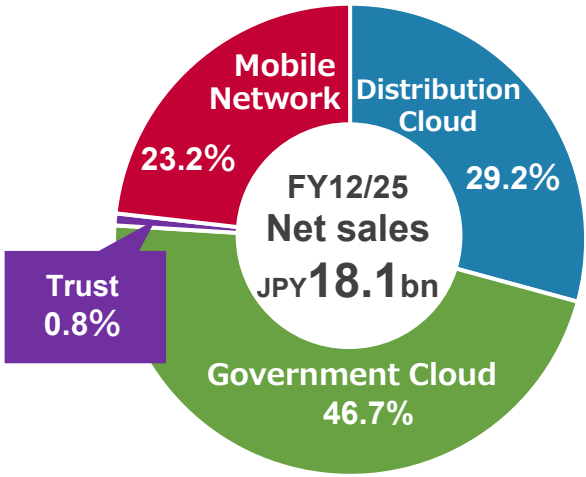
Professional duties and business operations are not merely means of earning a livelihood; they are also forms of social engagement.

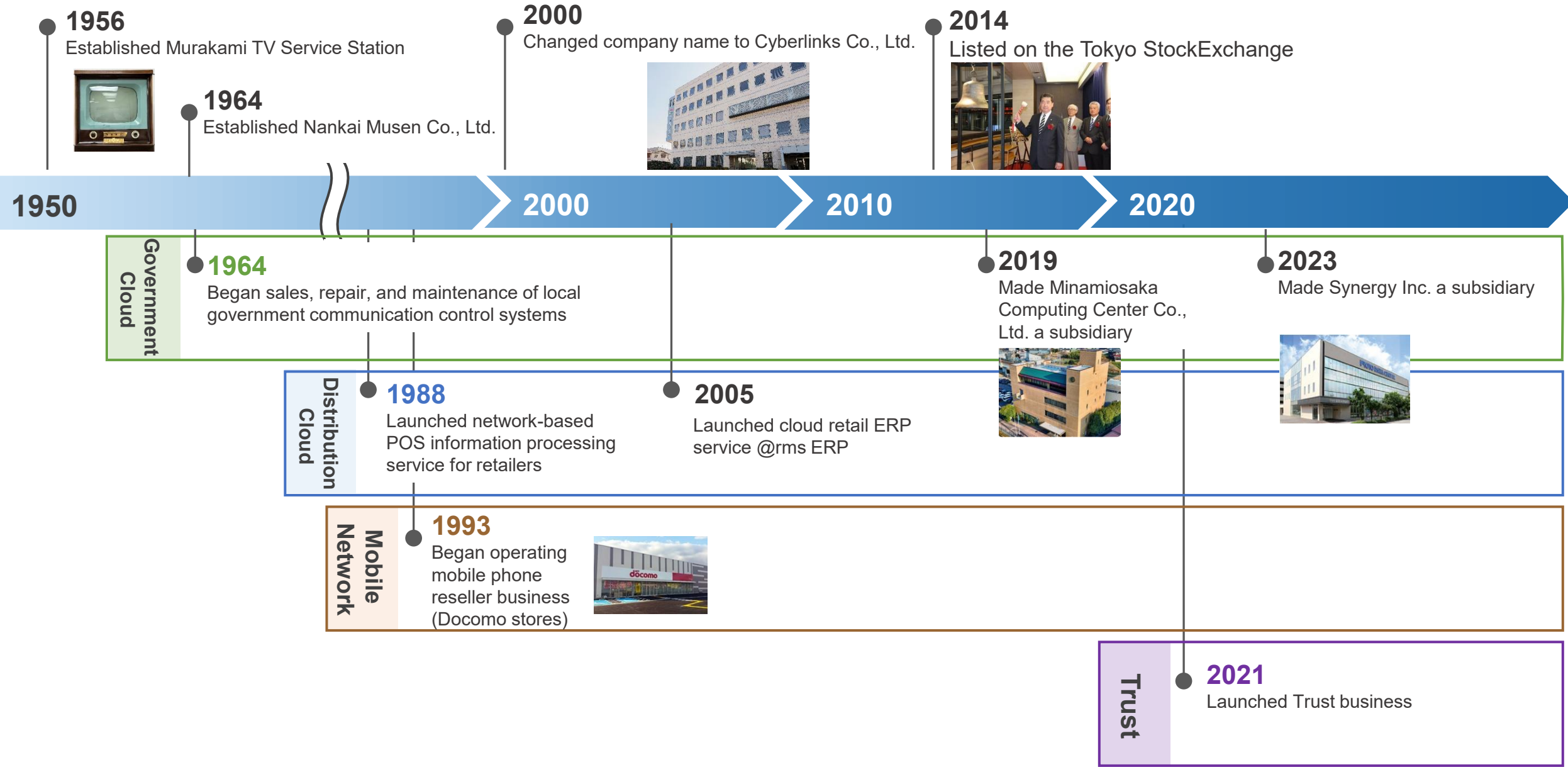
Business operations are honorable social activities through which essential services are provided for a fee. As such, they fulfill an important role, supporting society alongside government administration and volunteer efforts.

Companies prioritizing selfish motives fall away, while only those providing outstanding services continue to grow.

Through pride in our work and commitment to society, we find true happiness as individuals.

5. About CYBERLINKS Overview of Business Operations

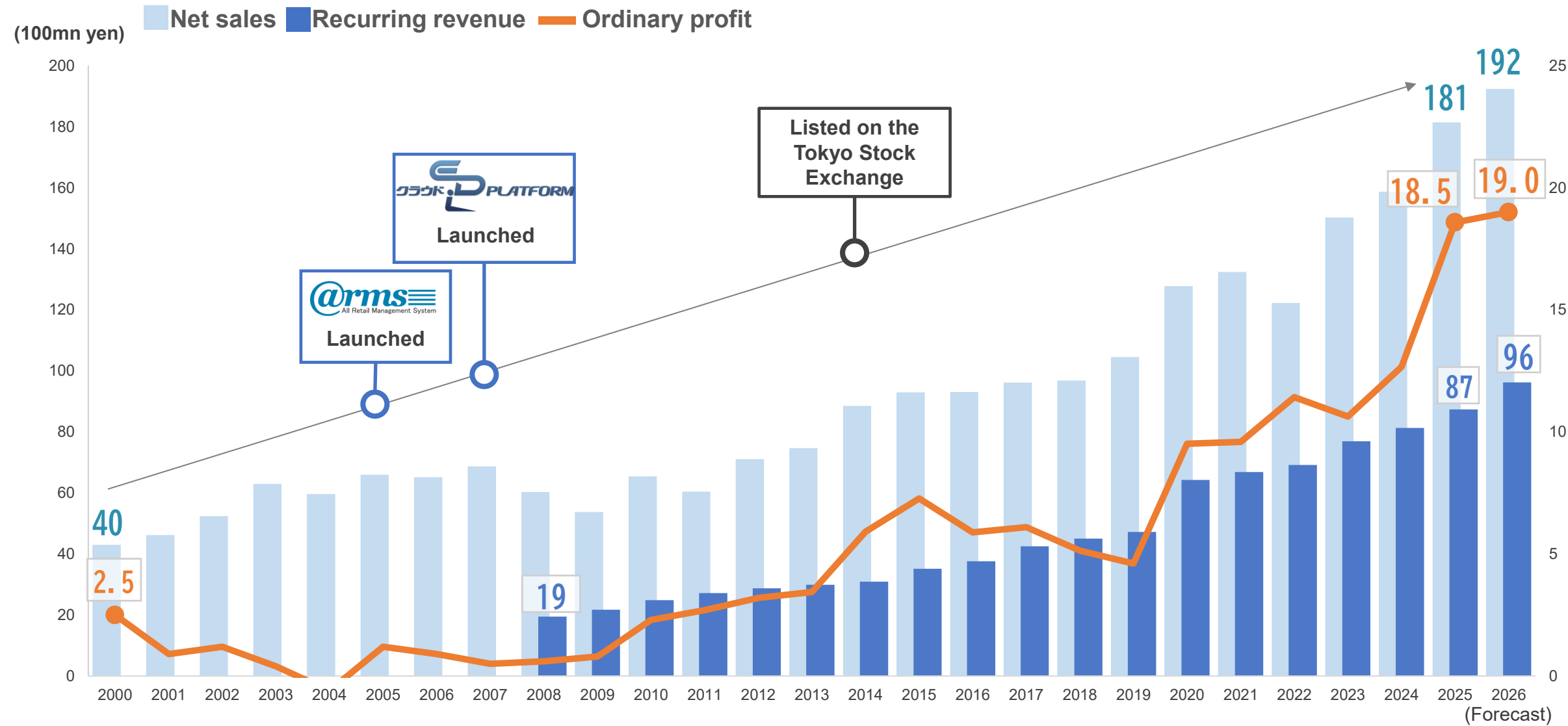




5. About CYBERLINKS Business Performance



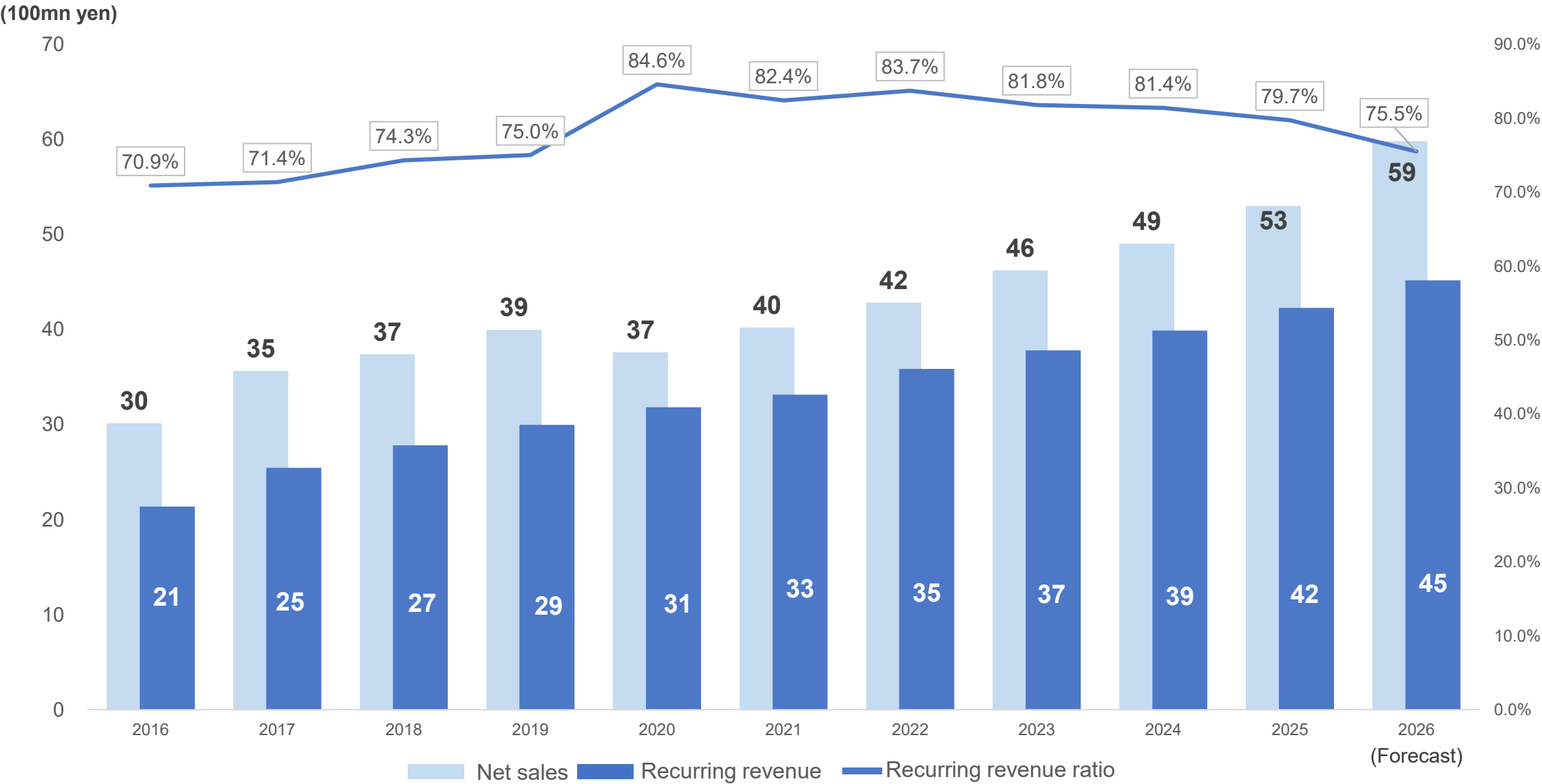
- We prioritize recurring revenue, which comes in continuously, rather than relying on one-off sales.
- By fostering long-term relationships with customers, we work to pursue stable and sustainable earnings growth.



5. About CYBERLINKS

① Distribution Cloud

- We have established a business model that achieves high stability by prioritizing recurring revenue from monthly usage fees.
- Our rate of churn for services is low, with recurring revenue rising by over JPY 200 million annually.



Cloud services specifically targeting
the food distribution industry

Share of food retailers
utilizing our services

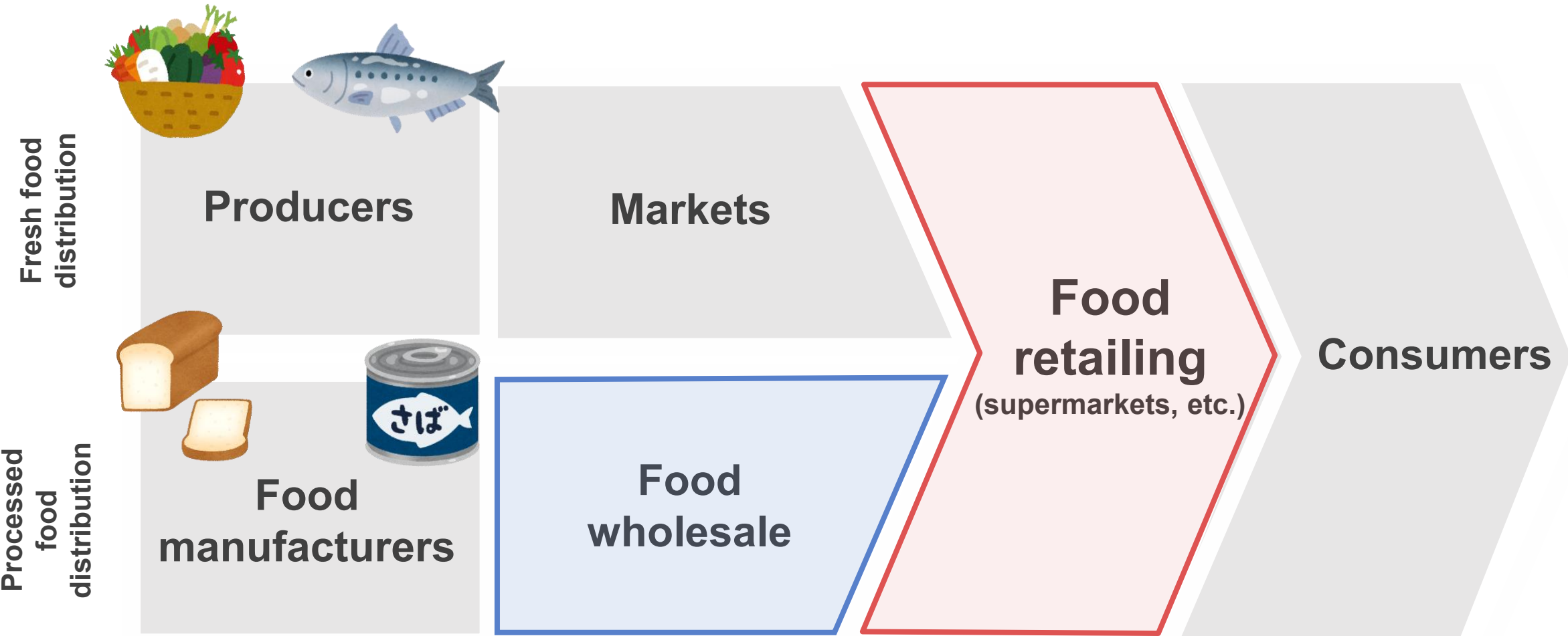
Share of top-ten processed food
wholesalers utilizing our solutions

Cyberlinks is the **only** provider

30%

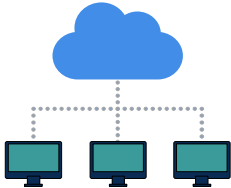
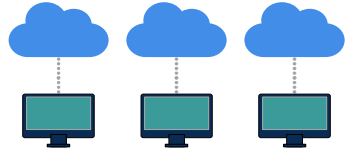
8/10 companies

- Cyberlinks provides services in two key sectors within the broader food distribution value chain; namely, food retail and food wholesale.
- By concentrating on these two sectors, we have developed a thorough understanding of corresponding business practices and challenges, enabling user-centric service development and deployment.



5. About CYBERLINKS ①Distribution Cloud Challenges in the Food Distribution Industry

- The term “Shared Cloud” refers to cloud services designed for joint use across multiple companies.
- For users, these cloud services address engineer shortages and provide continuous access to the latest systems while eliminating the need for major initial investment.

	Cyberlinks's Shared Cloud	On-premise system usage	Private cloud system usage
			
Hardware	Shared use of both hardware and software	Private servers for individual companies	Private cloud systems for individual companies
Software		Private systems (or packaged software) for individual companies	
Initial investment	◎ Low prices achieved through a service-based model	✗ Costly hardware Costly software	△ Affordable hardware Costly software
System renewal	◎ Cyberlinks ensures regular hardware and software updates	✗ Requires hardware updates every few years Costly software updates	△ No hardware updates required, but software updates are costly
Operation & Maintenance	◎ Handled entirely by Cyberlinks	✗ Hardware and software maintenance personnel needed	△ Hardware maintenance can be outsourced, but software maintenance personnel needed
Helpdesk	◎ Handled entirely by Cyberlinks	✗ Requires in-house support	✗ Requires in-house support

Specifically targeting the food distribution industry × Shared Cloud = Unique value (high quality, low cost)

Select Food Retailers



For Your Smile 健康で豊かな暮らしづくりのお手伝い



Select Food Wholesalers and Manufacturers

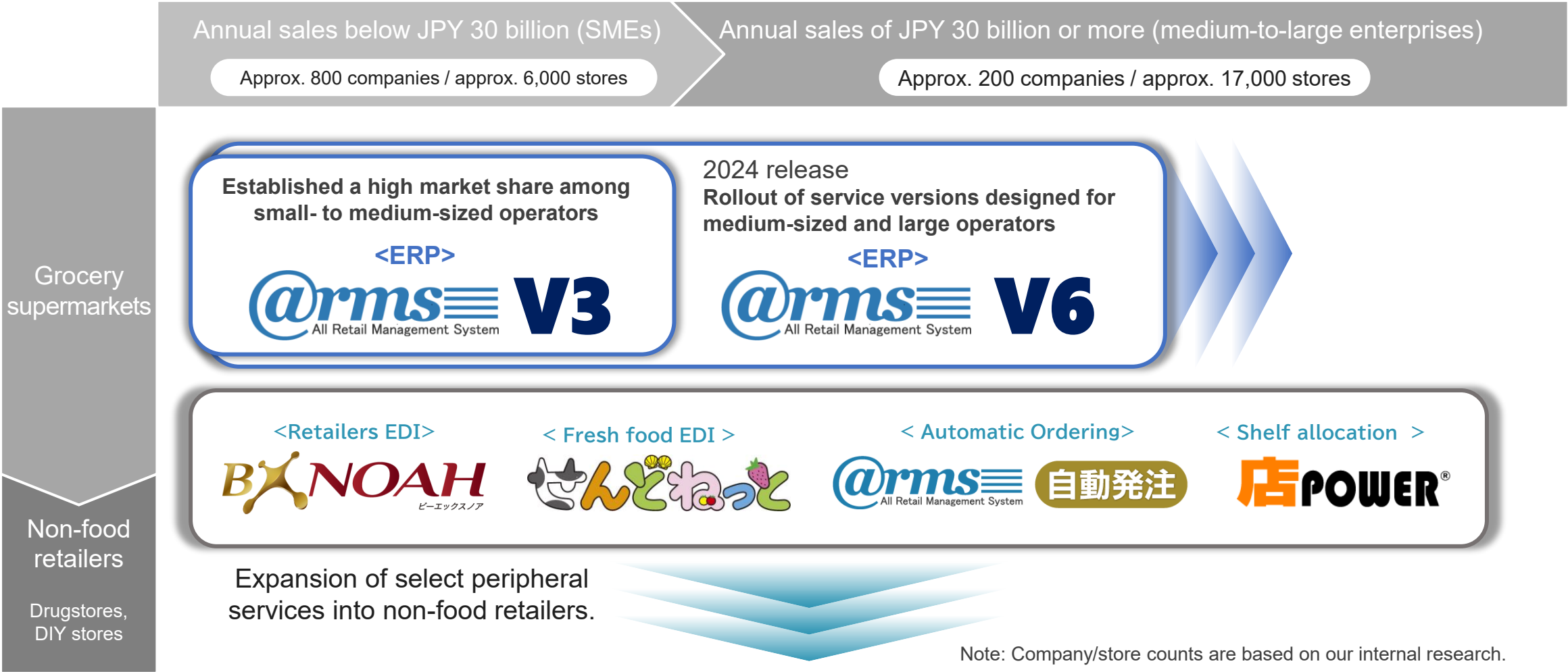


すこやかな毎日、
ゆたかな人生



5. About CYBERLINKS ①Distribution Cloud Business Strategy for Food Retail

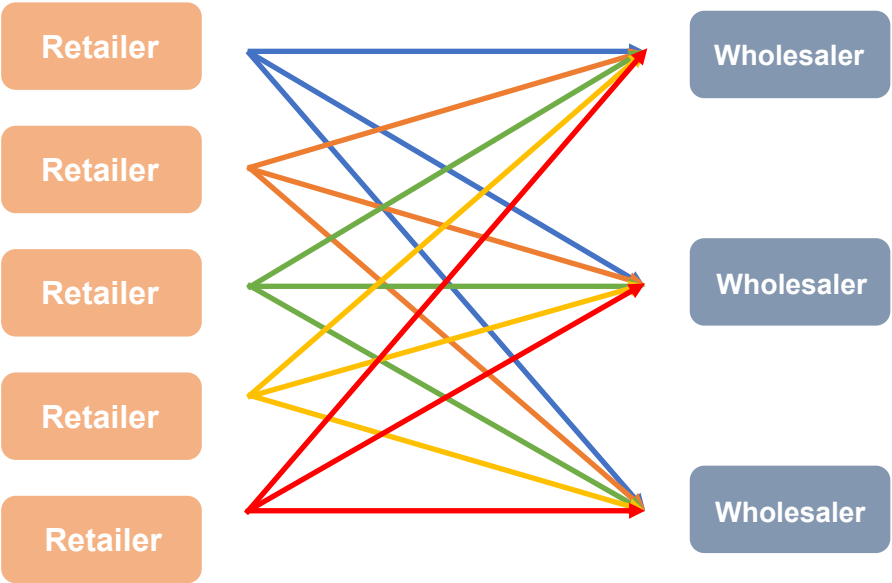
- We aim to strengthen the value of our presence within the medium-to-large enterprise segment (companies generating annual sales of JPY 30 billion or more).
- Expansion of select peripheral services into non-food retailers.



- Retailers (grocery supermarkets, etc.) employ a wide range of methods when placing orders with processed food wholesalers.
- By consolidating communication methods and character encoding formats under a unified standard, we can significantly reduce operational burdens and costs for client companies (processed food wholesalers).

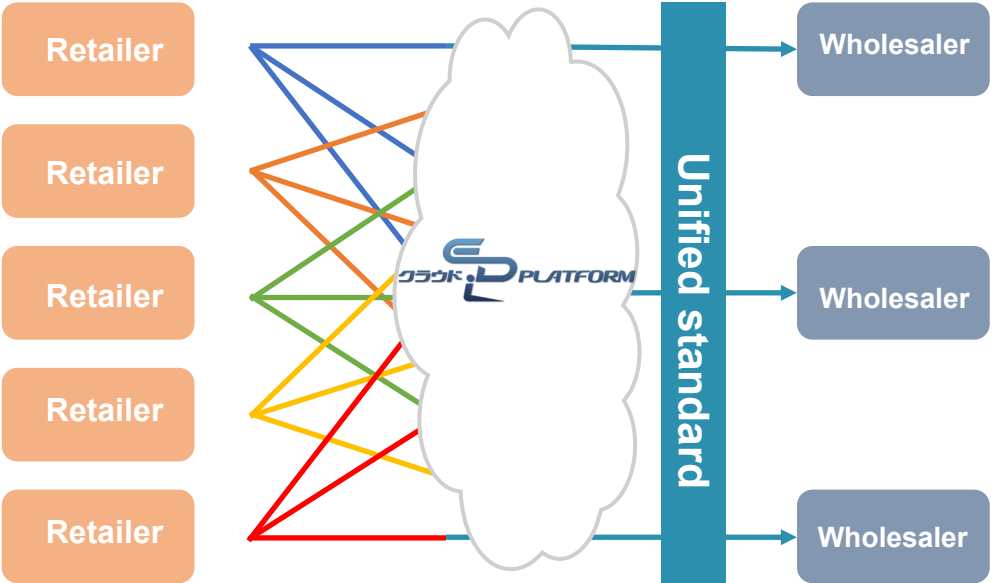


Diverse communication formats create confusion among wholesalers



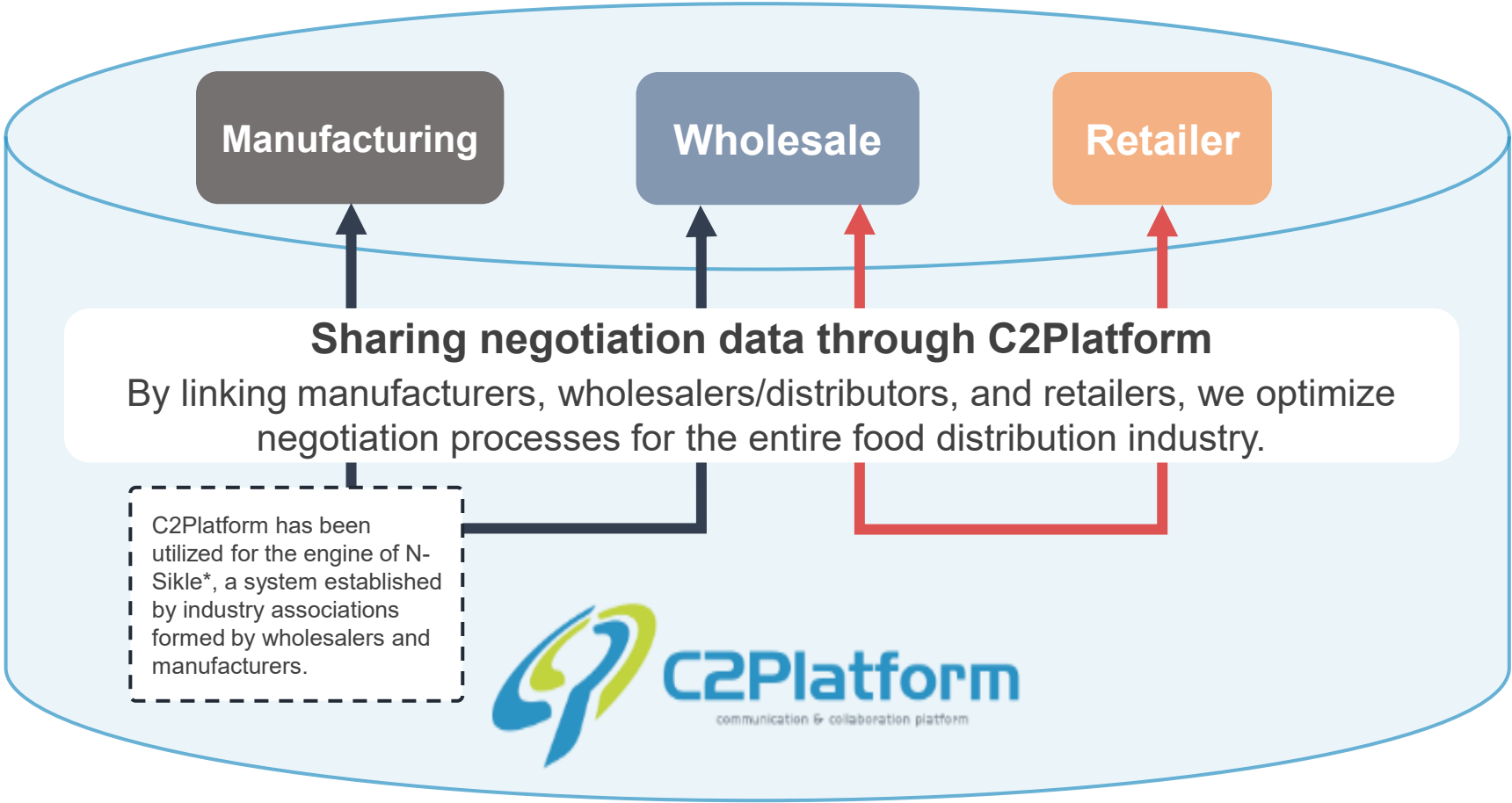
Consolidate network types and communication methods

Our Cloud EDI Platform automatically standardizes formatting for all incoming communications



5. About CYBERLINKS ①Distribution Cloud C2Platform Overview

- The extremely large volume of negotiations among retailers, wholesalers, and manufacturers, which are conducted using a wide variety of formats, including emails and phone calls, creates a substantial operational burden.
- Aiming to significantly enhance efficiency across the entire food-distribution supply chain, we plan to establish a platform for digitizing and standardizing quotation and negotiation procedures.



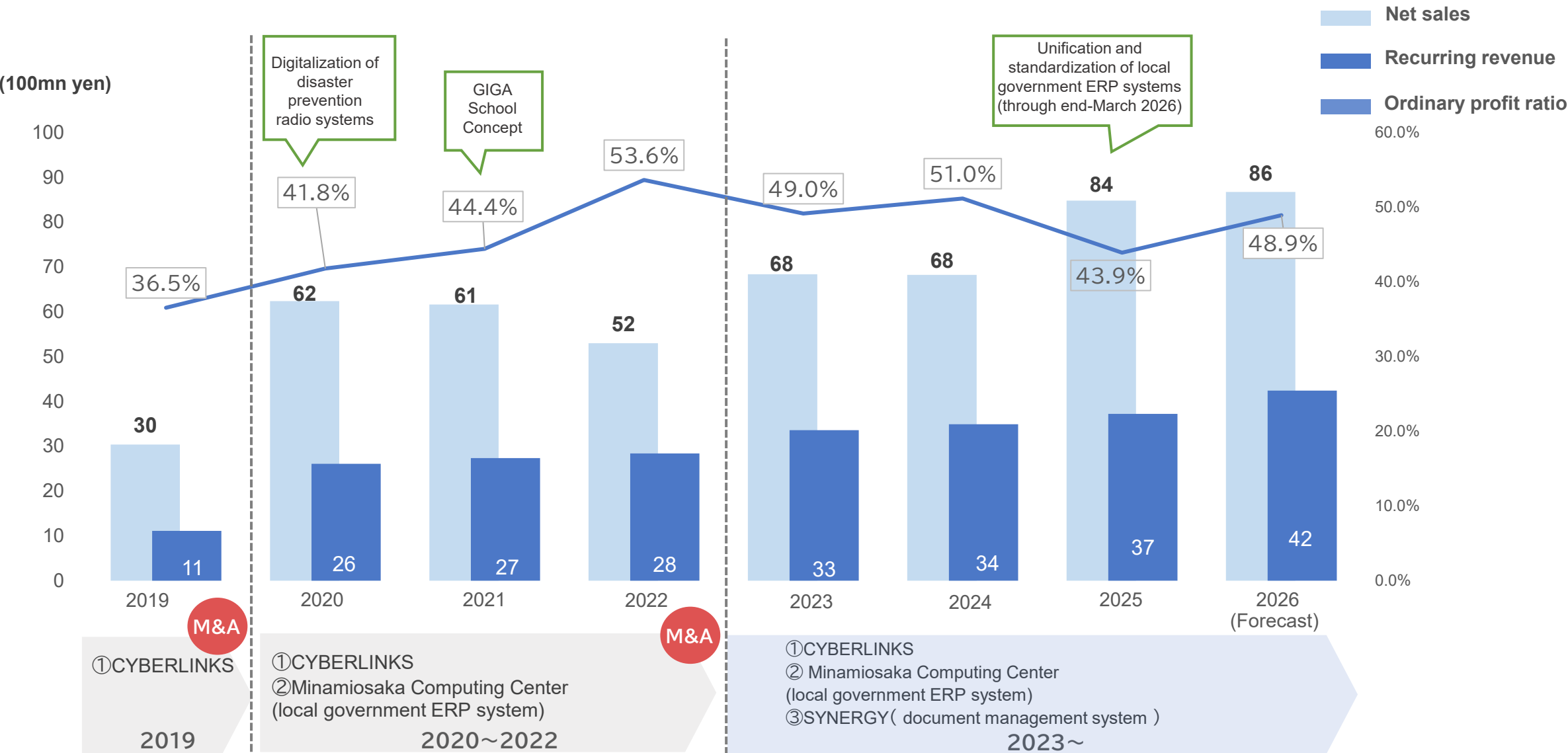
- A business negotiation support service established by the Japan processed Foods Wholesalers Association with the aim of standardizing business negotiation procedures between manufacturers and wholesalers

5. About CYBERLINKS

② Government Cloud

5. About CYBERLINKS ②Government Cloud

- Recurring revenue is increasing steadily, thanks in part to M&A.
- Due to the characteristics of this business, non-recurring revenue is highly volatile from year to year, fluctuating significantly according to national policy priorities and budget allocations.



- We have established a strong business foundation in Wakayama Prefecture and surrounding areas.
- Leveraging the momentum of municipal digital transformation (DX), which accelerated during the COVID-19 pandemic, we are pursuing a nationwide rollout of DX support services for local governments.

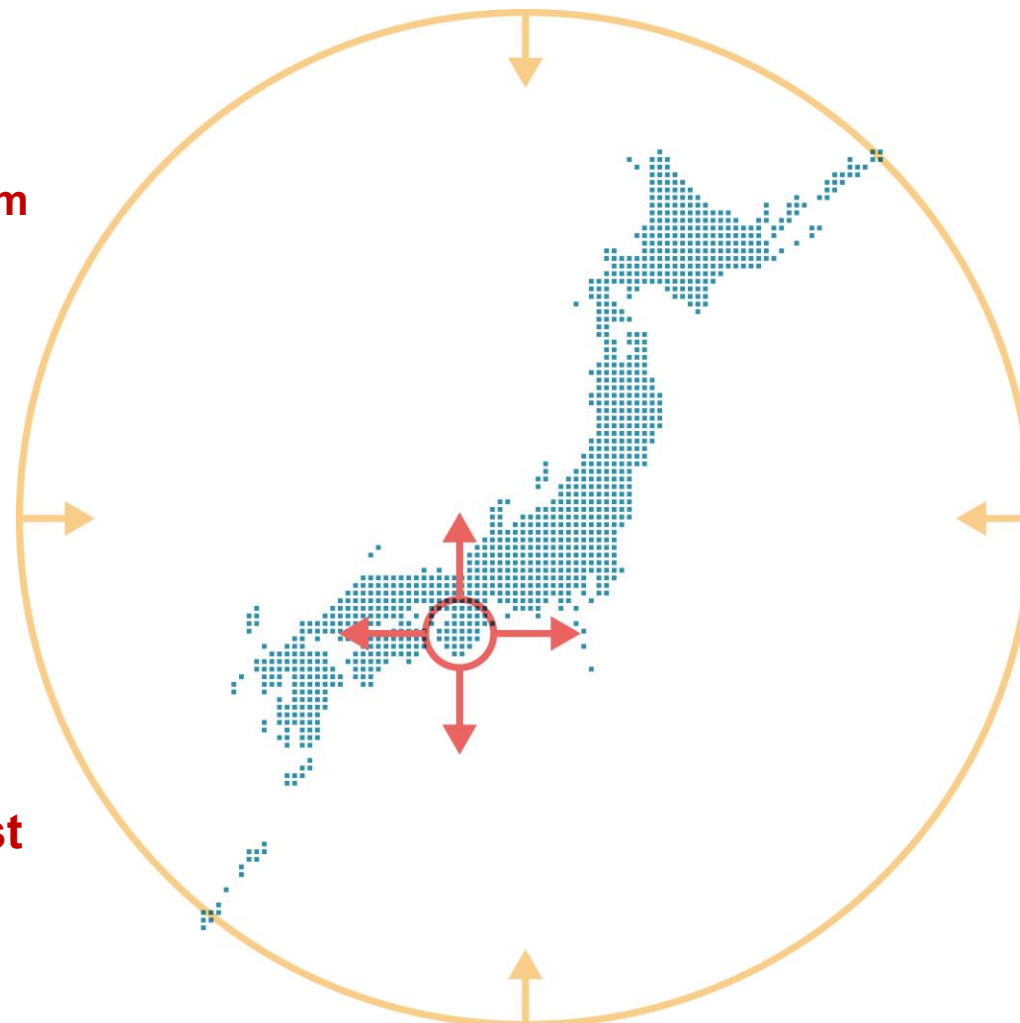
Achieving Growth Through Both **Local Engagement** and **National Expansion**

Local engagement

- disaster prevention system
- ERP systems
- Internal local government networks, etc.



High market share built on proven performance and trust



National expansion

- ActiveCity document management system
- Minnano Madoguchi online public service portal
- MynaSign electronic authentication service



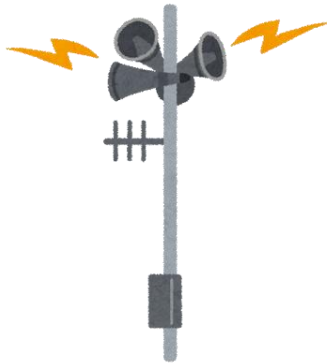
Accelerating growth through municipal DX

- Through disaster-prevention systems, we support community development that enables residents to live safely and comfortably.
- Through information-system solutions (resident record management network security assurance, etc.), we facilitate municipal digital transformation.

Disaster prevention systems

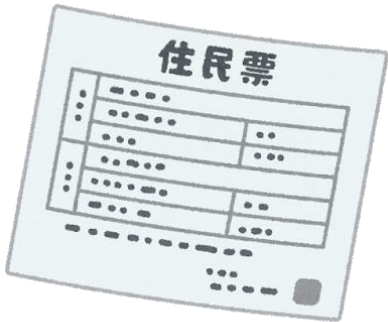


Monitoring systems for
dams, rivers, etc.

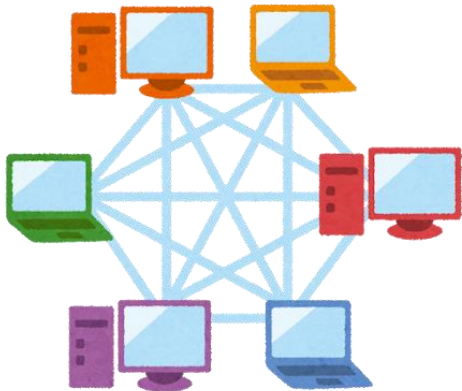


Installation and maintenance
of municipal disaster
prevention radio systems

Information systems

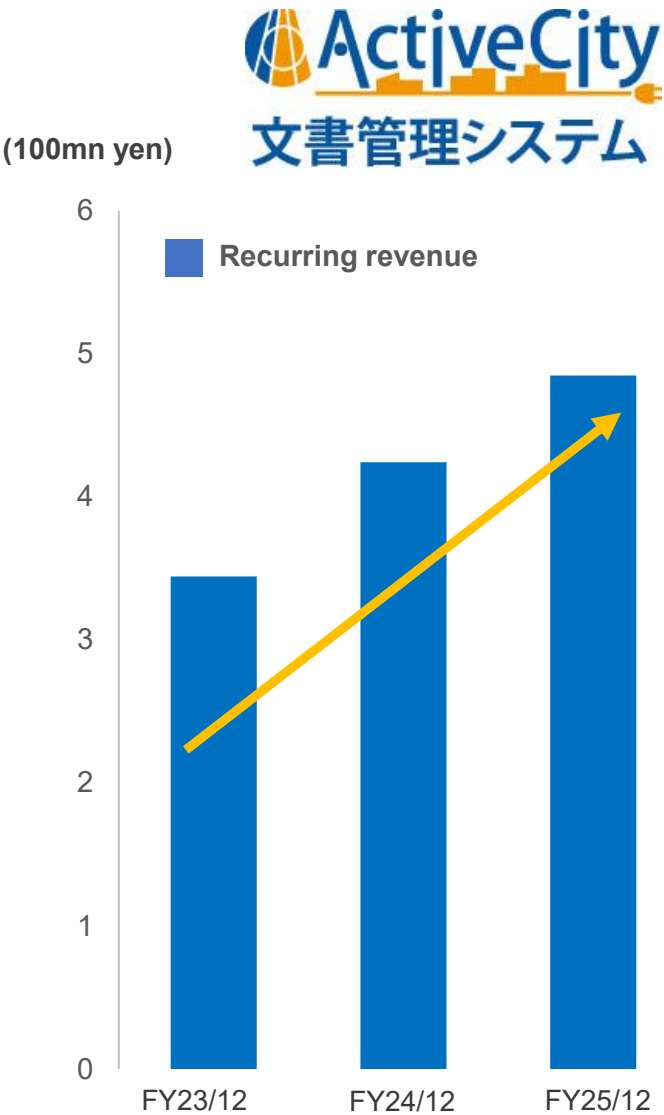


Resident information
management systems
providing a foundation for
resident services

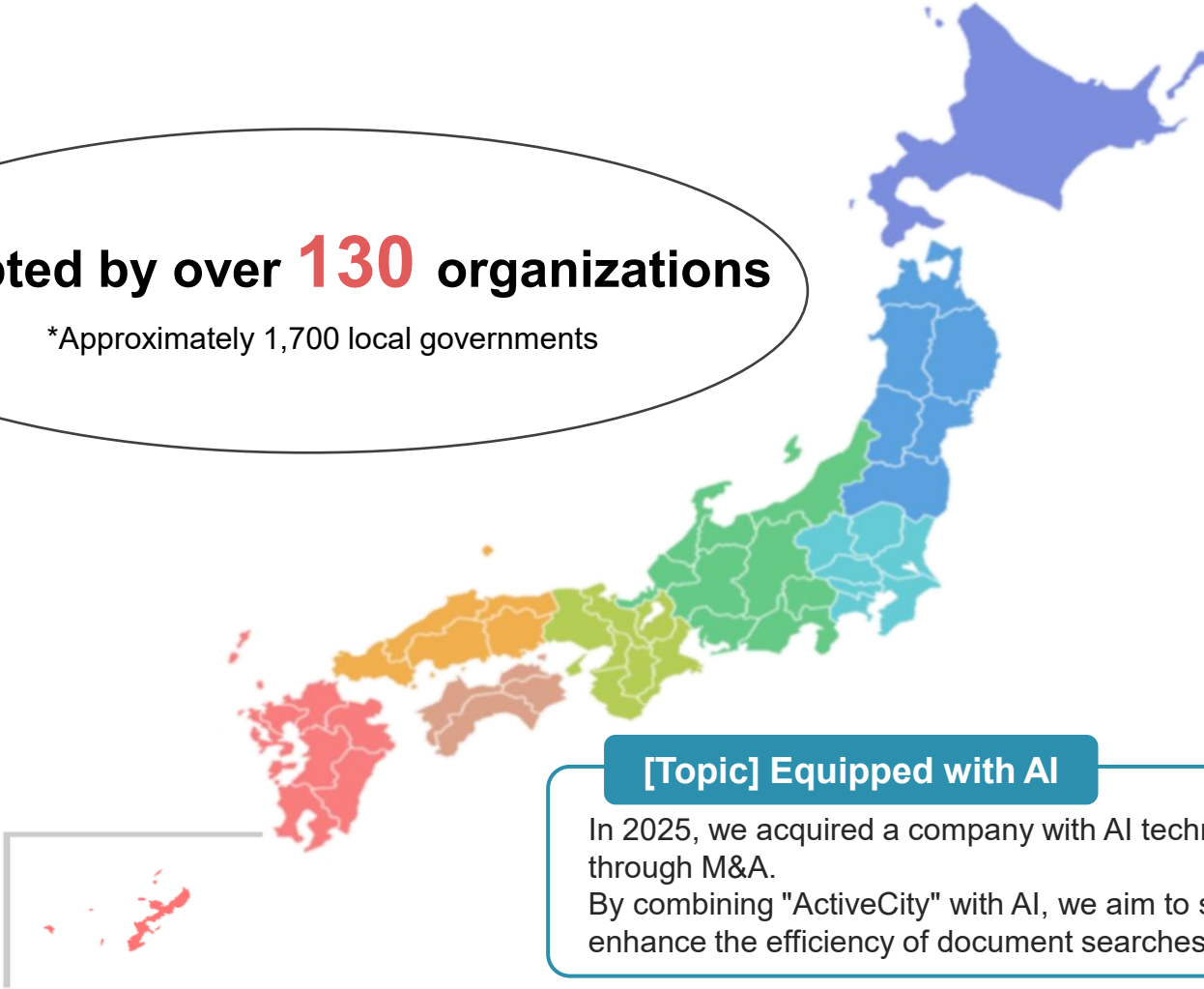


Ensuring network security
for local governments

- ActiveCity is a cloud service combining the functions necessary for public records management and electronic approval/authorization.
- Adoption is progressing across Japan among municipalities of all sizes, from small communities to large jurisdictions.



Adopted by over 130 organizations
*Approximately 1,700 local governments



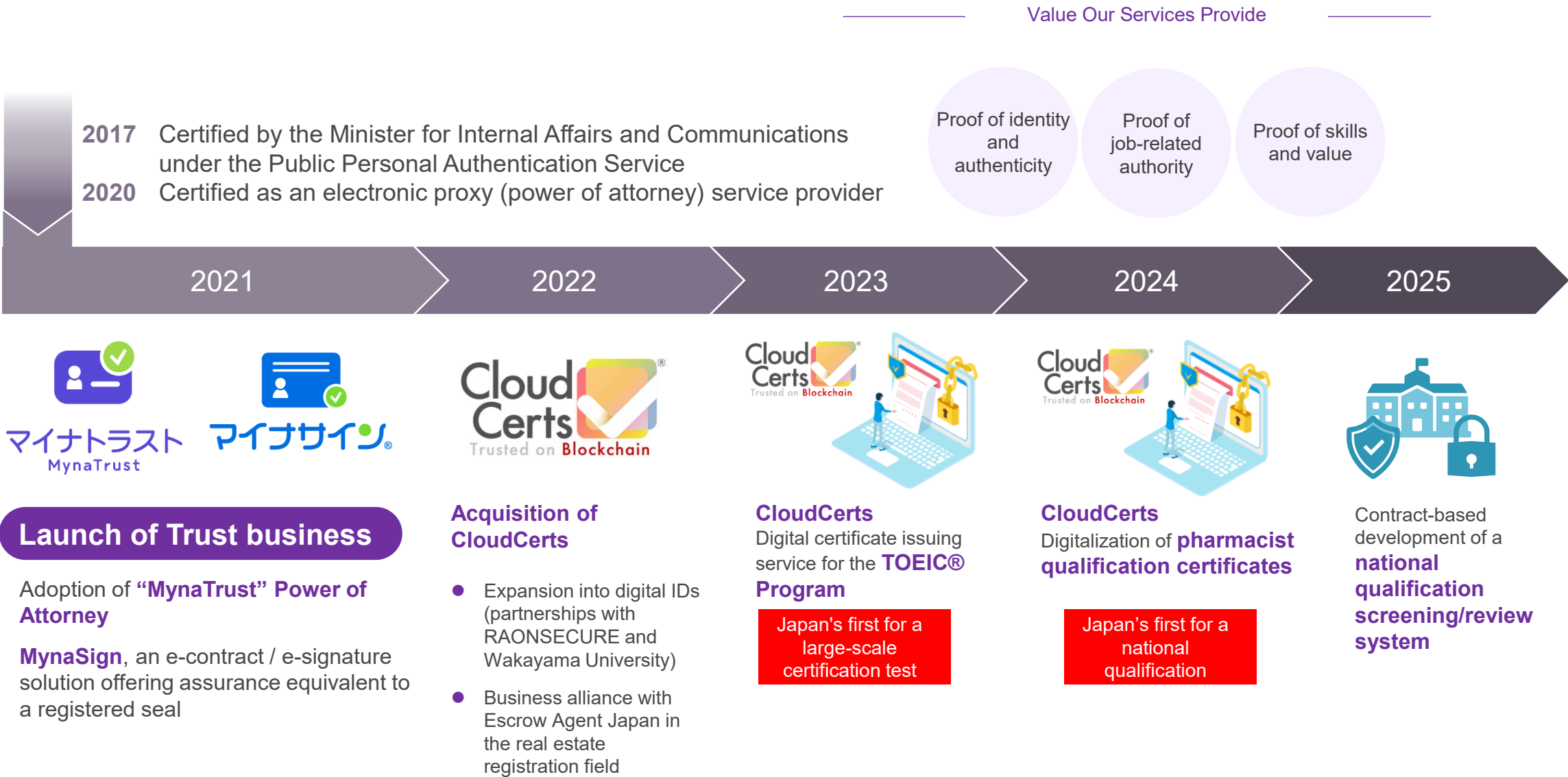
[Topic] Equipped with AI

In 2025, we acquired a company with AI technology through M&A. By combining "ActiveCity" with AI, we aim to significantly enhance the efficiency of document searches.

5. About CYBERLINKS

③Trust

- Developing digital trust services essential for a society becoming less dependent on major platform providers



5. About CYBERLINKS

④ Mobile Network

- As the largest operator of Docomo Shops in Wakayama Prefecture, Cyberlinks manages 10 Docomo Shops within the area.



Nankai Wakayama City
Station Store



JR Wakayama Station Store



Katsuragi Store



Iwade Store
(Largest store in Wakayama Prefecture)



Central City Wakayama Store



Nobutoki Store



Tanabe Store



Shingu Store



Hashimoto Store



Hashimoto Ayanodai Store



* As of March 31, 2026.

WiLL makes anything すべては思うことから始まる—



CYBERLINKS CO., LTD.
Corporate Planning Division

<https://www.cyber-l.co.jp/inquiry/>

■ Disclaimer

This document contains forward-looking statements, including forecasts, future plans, and management targets pertaining to the Company. These forward-looking statements are based on current assumptions about future events and trends, and the accuracy of these assumptions is not guaranteed. Actual results may differ significantly from those described in this document due to a variety of factors. Unless otherwise specified, the financial data in this document is presented in accordance with accounting principles generally accepted in Japan. The Company makes no guarantee that it will revise any of the forward-looking statements it has already made, regardless of the occurrence of future events, except as required by disclosure regulations. Information regarding other companies is based on information that is generally known to the public.

WiLL makes anything