

CYBERLINKS CO., LTD.

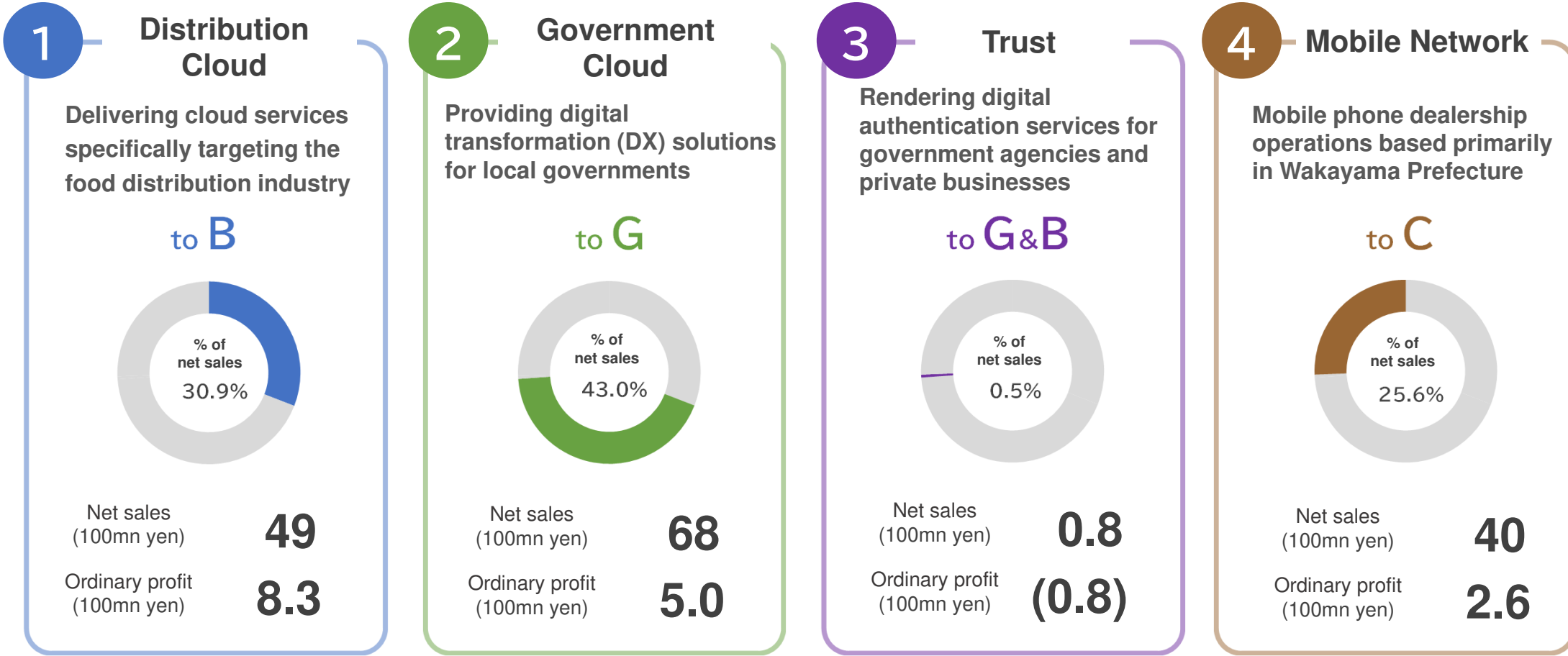
Financial Results for 1H FY12/25(Interim Period)

(January 1, 2025 – June 30, 2025)

September 2, 2025

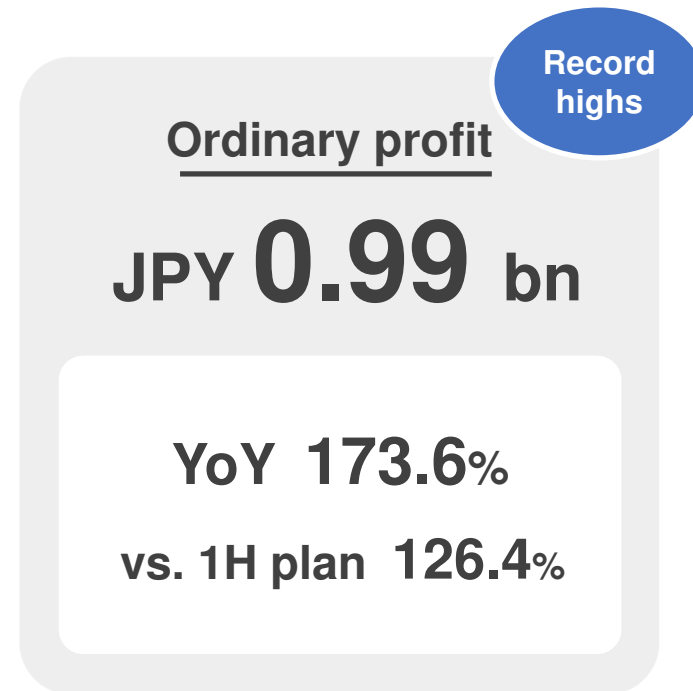
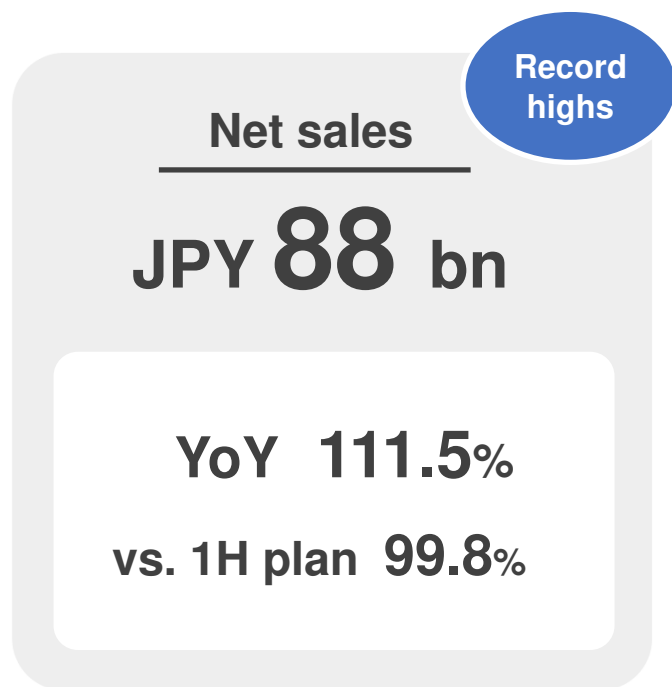
0. Overview of Business Operations

- 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.



※FY12/24 results

- Expanded delivery of services through the Distribution Cloud business while pushing forward with multiple projects via the Government Cloud business.

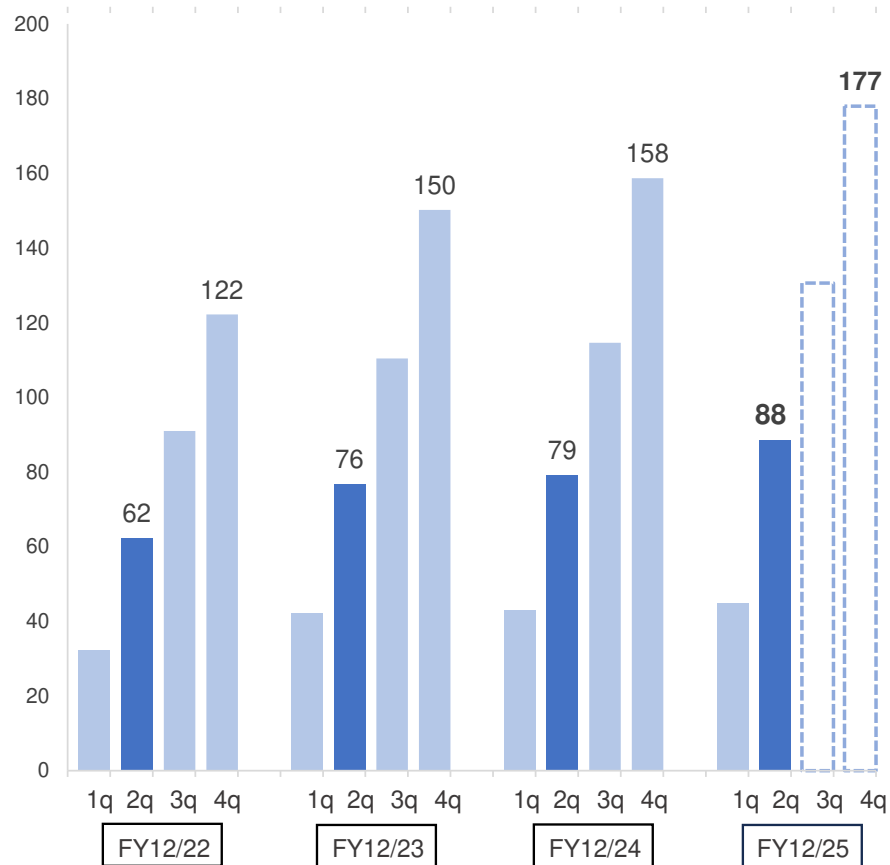


1. Executive Summary 1H FY12/25

- Net sales continue to rise, and we are targeting a new record high for the full-year.
- Additionally, we are pursuing record-high profit for the full-year as we aim to absorb cost growth related to M&A and staffing.

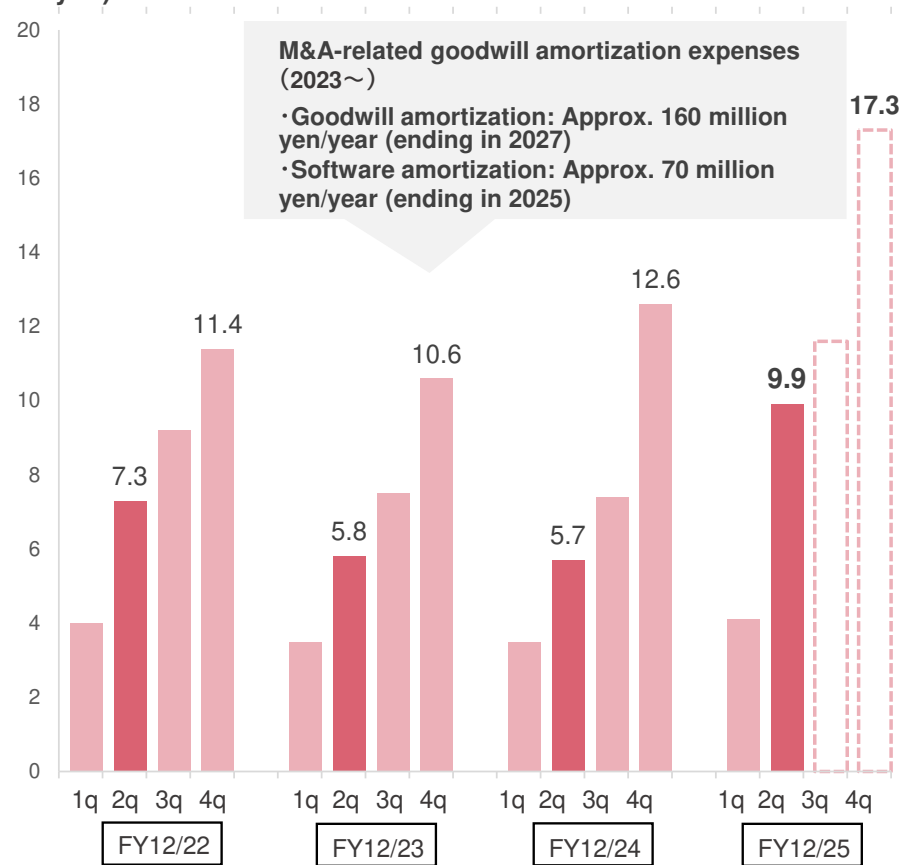
Net sales (cumulative) — Results — Plan

(100mn yen)



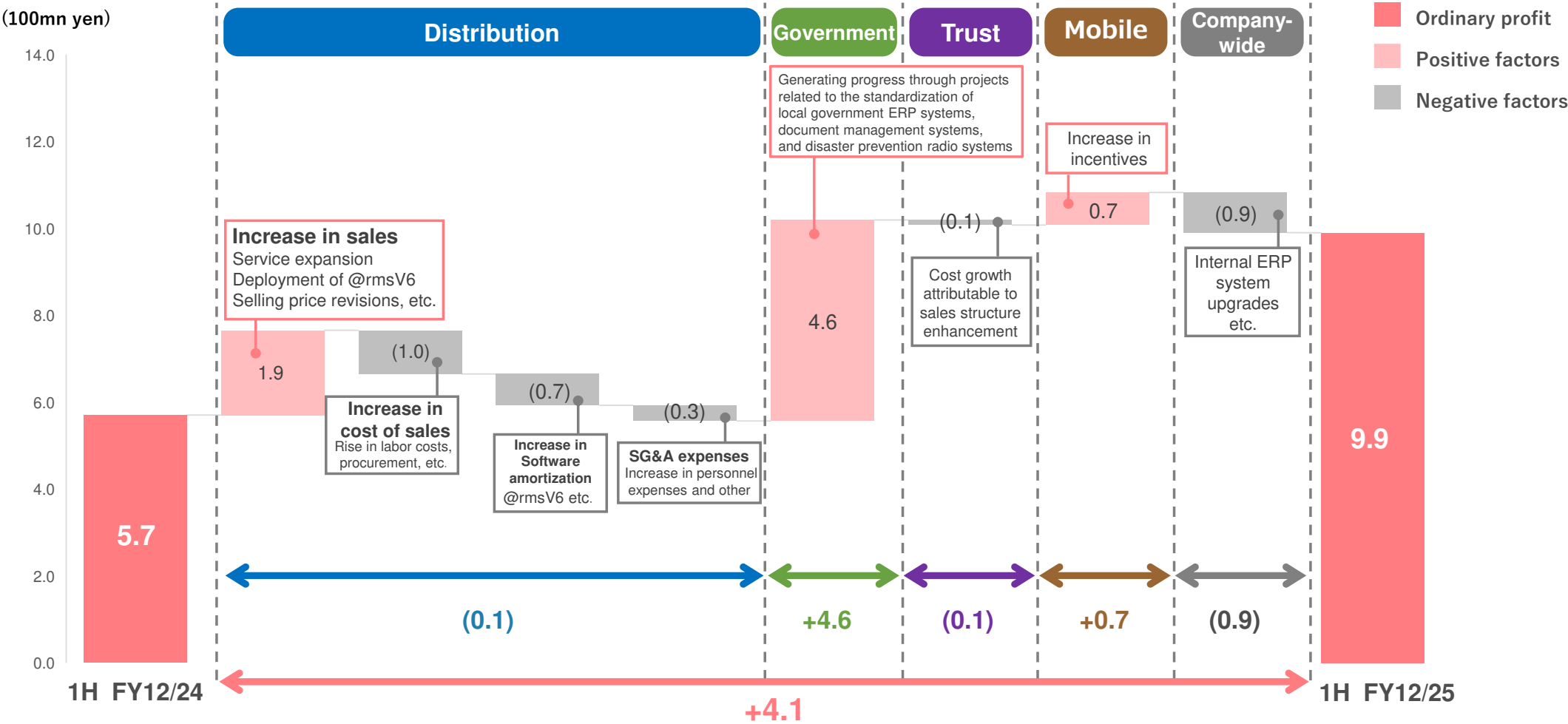
Ordinary profit (cumulative) — Results — Plan

(100mn yen)



2. Consolidated 1H FY12/25 Results & Full-Year FY12/25 Forecast Factors affecting ordinary profit

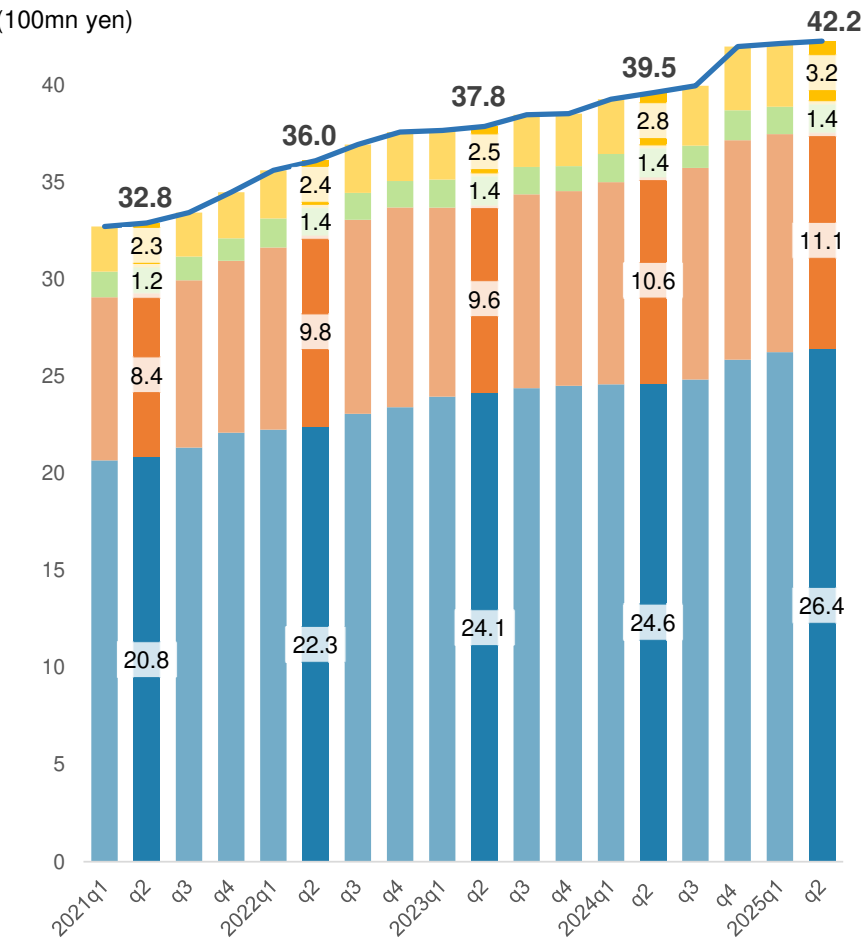
- Distribution Cloud: Sales rose thanks to service expansion, but profit fell slightly due to higher costs stemming from an increase in headcount and growth in amortization expenses from development-related software.
- Government Cloud: Progress achieved through projects targeting standardization of local government ERP systems and expanded application of our document management systems contributed significantly to company-wide profit growth.



2. Consolidated 1H FY12/25 Results & Full-Year FY12/25 Forecast Distribution Cloud <ARR>

Achieved solid annual expansion of about JPY 200 million thanks primarily to growth in services for food retailers, including @rms ERP

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



Services for Food Retailers Wholesalers

YoY +1.7

Services for Processed Food

YoY +0.5

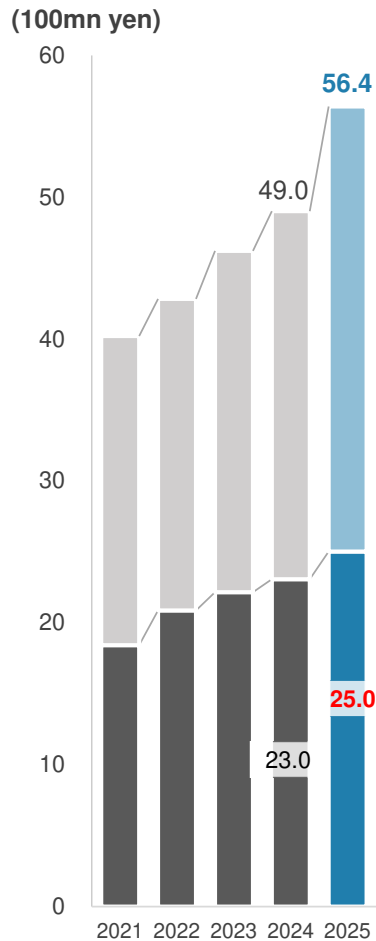
Services for Specialty Stores

YoY +0.3

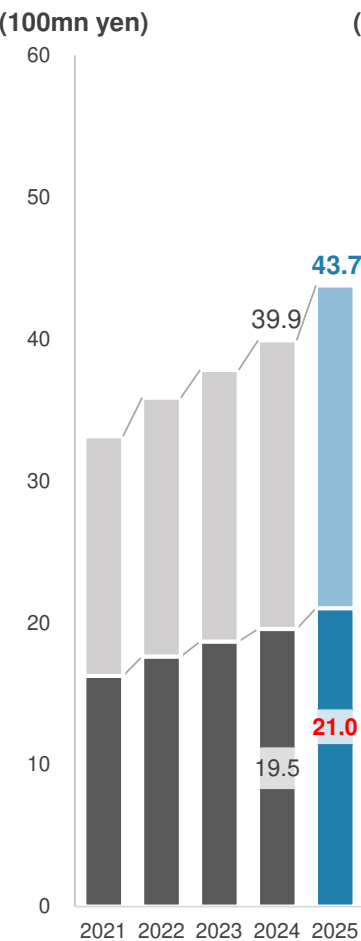
Services for the Overall Food Distribution Industry

YoY (0.0)

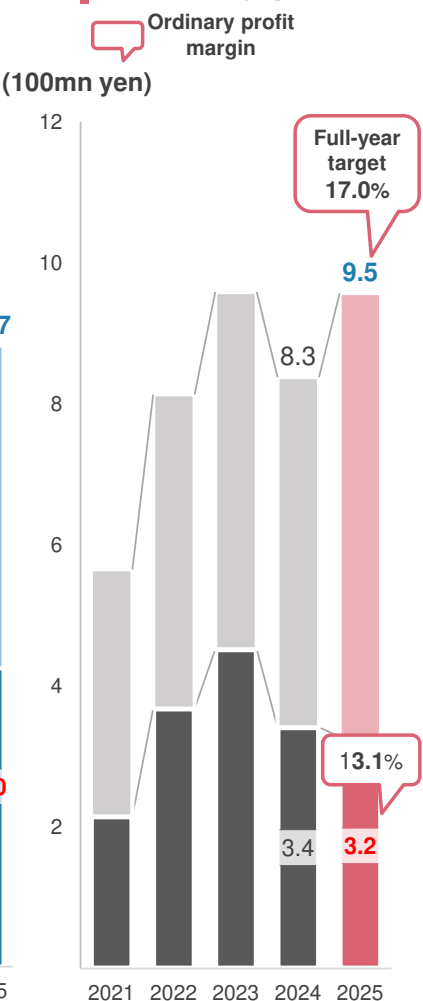
Net sales



Recurring revenue



Ordinary profit



1H FY12/25 Results

Sales up on broader service delivery and selling price revisions; profit down slightly due to higher amortization and labor costs

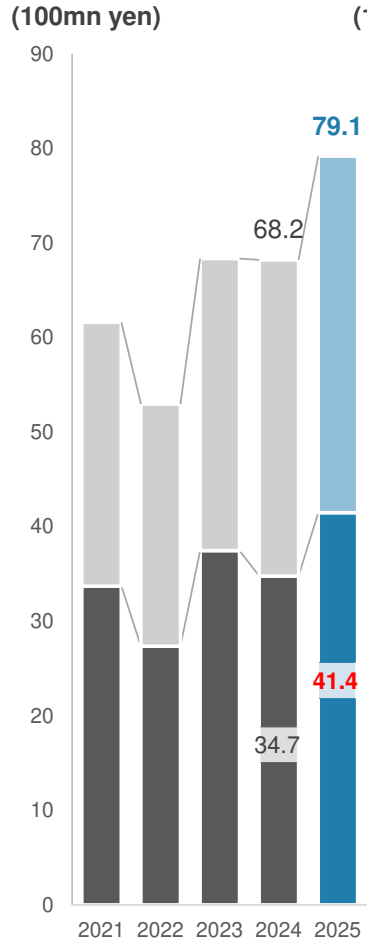
- ◆ Launch of @rmsV6
March 2025: one upgrade from @rmsV3
April 2025: one new customer
- ◆ Cloud EDI-Platform
Major existing customer additionally using a competitor's service has now fully migrated to our Cloud EDI Platform
- ◆ Demand for the sendonetV2 fresh food EDI system is expanding, and our proven track record is generating growth in leads and order acquisition.

Full-Year FY12/25 Forecast

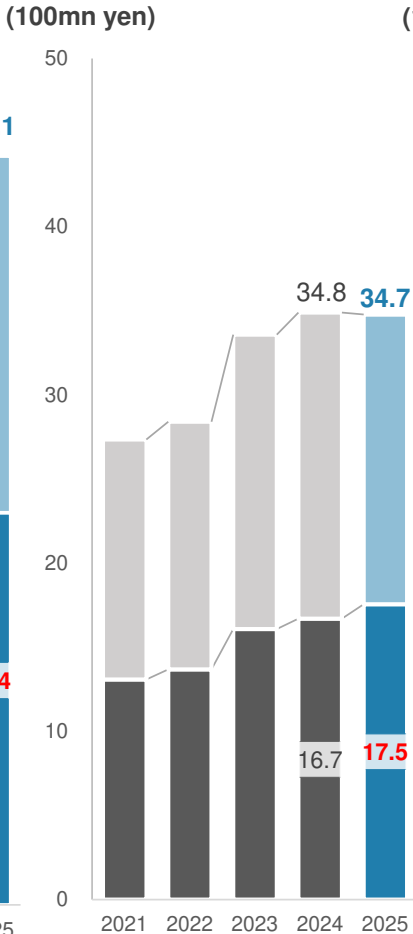
Sales and profit growth supported by the rollout of @rmsV6

- ◆ Focusing on implementation initiatives targeting operational launches for @rmsV6
- ◆ Fresh food EDI system sendonetV2: Focusing on both deployment operations for already-secured orders and new order acquisition
- ◆ C2Platform Negotiation Support service
Broader adoption by major retailers and integration with the Japan Processed Foods Wholesalers Association's N-Sikle system are expected to serve as a foothold for accelerated uptake
- ◆ Software amortization associated with service development expected to increase approximately 160 million yen YoY

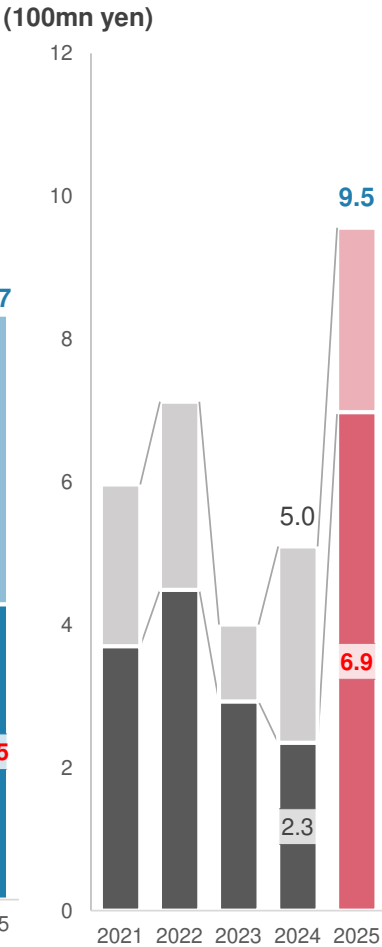
Net sales



Recurring revenue



Ordinary profit



1H FY12/25 Results

Local government DX supports growth in sales and profit

- ◆ Sales and profit increased, driven by projects related to the unification and standardization of local government ERP systems, document management systems, and disaster prevention radio systems
- ◆ ActiveCity document management system
 - April 2025 launch for Wakayama City and other municipalities
 - Secured major ActiveCity orders from Tokyo's Ota Ward and Chiba Prefecture's Funabashi City
- ◆ Minnano Madoguchi online public service portal for local governments
 - Launched for the City of Nara in March 2025

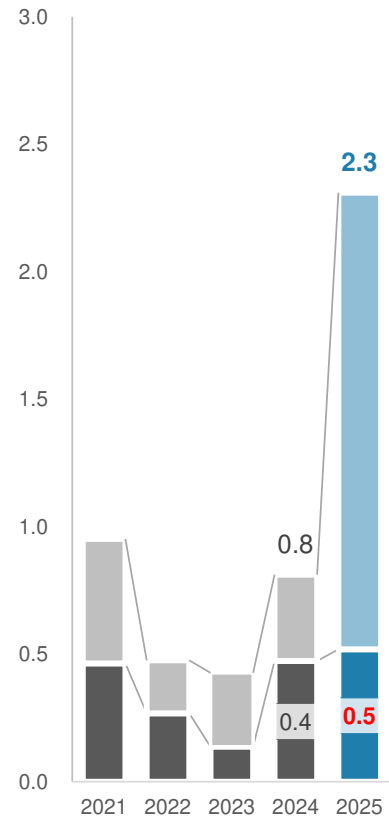
Full-Year FY12/25 Forecast

Sales and profit growth driven primarily by local government DX projects

- ◆ Focused on generating progress through already-secured projects and implementation-related operations
 - Unification and standardization of local government ERP systems
 - ActiveCity
 - Disaster prevention radio systems
 - Established and implemented a tax administration system for Wakayama Prefecture
- ◆ M&A-related goodwill amortization expenses (240 million yen/ year) will continue
 - Software amortization: Approx. 70 million yen/year (ending in 2025)
 - Goodwill amortization: Approx. 160 million yen/year (ending in 2027)

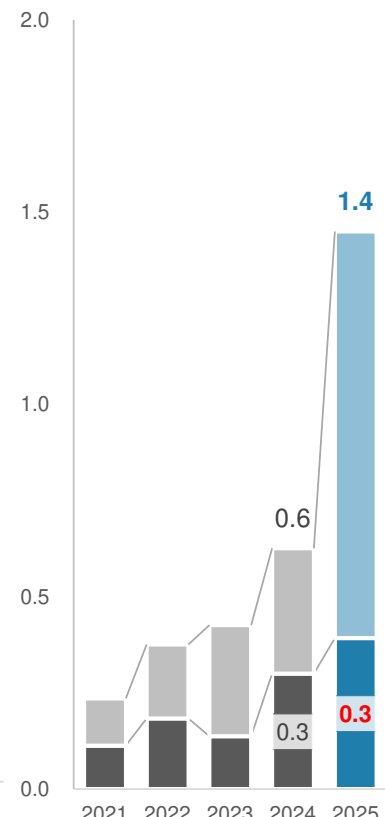
Net sales

(100mn yen)



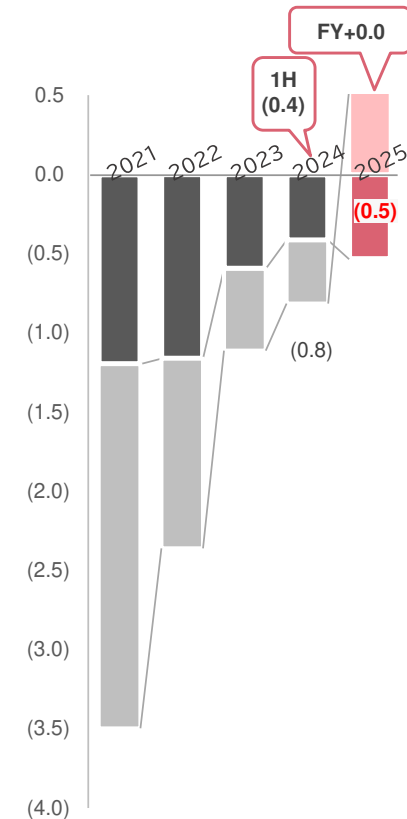
Recurring revenue

(100mn yen)



Ordinary profit

(100mn yen)



1H FY12/25 Results

Expanded delivery of CloudCerts services, Sales growth profit decline attributable primarily to impact from sales structure enhancement efforts

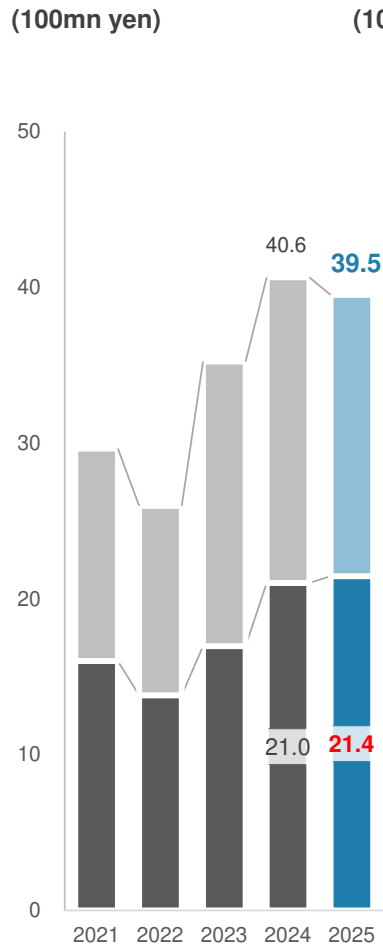
- ◆ Expanded delivery of CloudCerts services drove sales growth
Began issuing digital pharmacist certificates from March 2024
- ◆ Cost growth from enhancement of sales organization
Emphasizing sales capabilities by increasing staffing and utilizing external support services
- ◆ Exhibit during Japan DX Week (scheduled for April 2025)
The number of prospective customers (leads) reached a record high

Full-Year FY12/25 Forecast

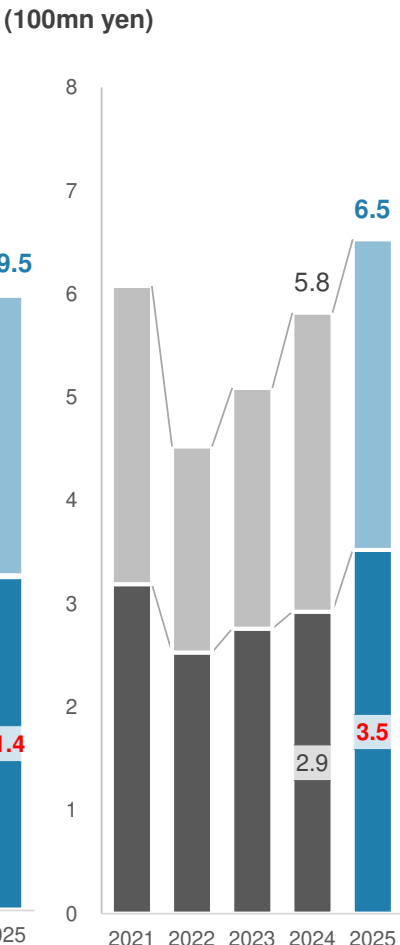
Acceleration of order acquisition for CloudCerts

- ◆ We will continue proactive sales efforts, steadily converting strong inquiry volumes into projects, while targeting large-scale deals
- ◆ Targeting expansion into the local government market by leveraging collaboration with the Government Cloud segment

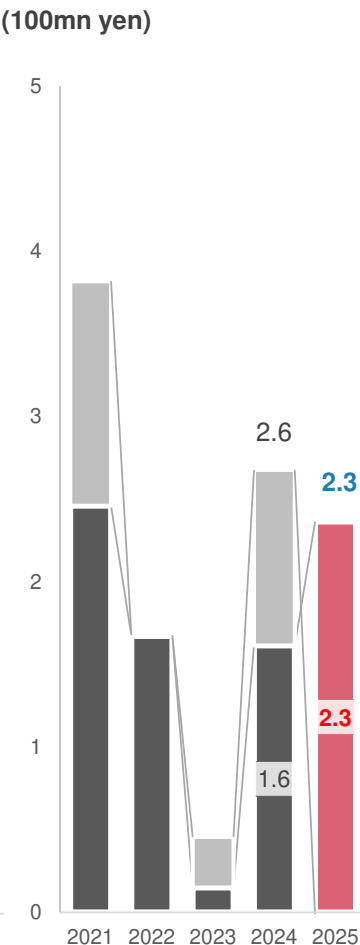
Net sales



Recurring revenue



Ordinary profit



1H FY12/25 Results

Sales and profit growth secured through incentive revenue expansion

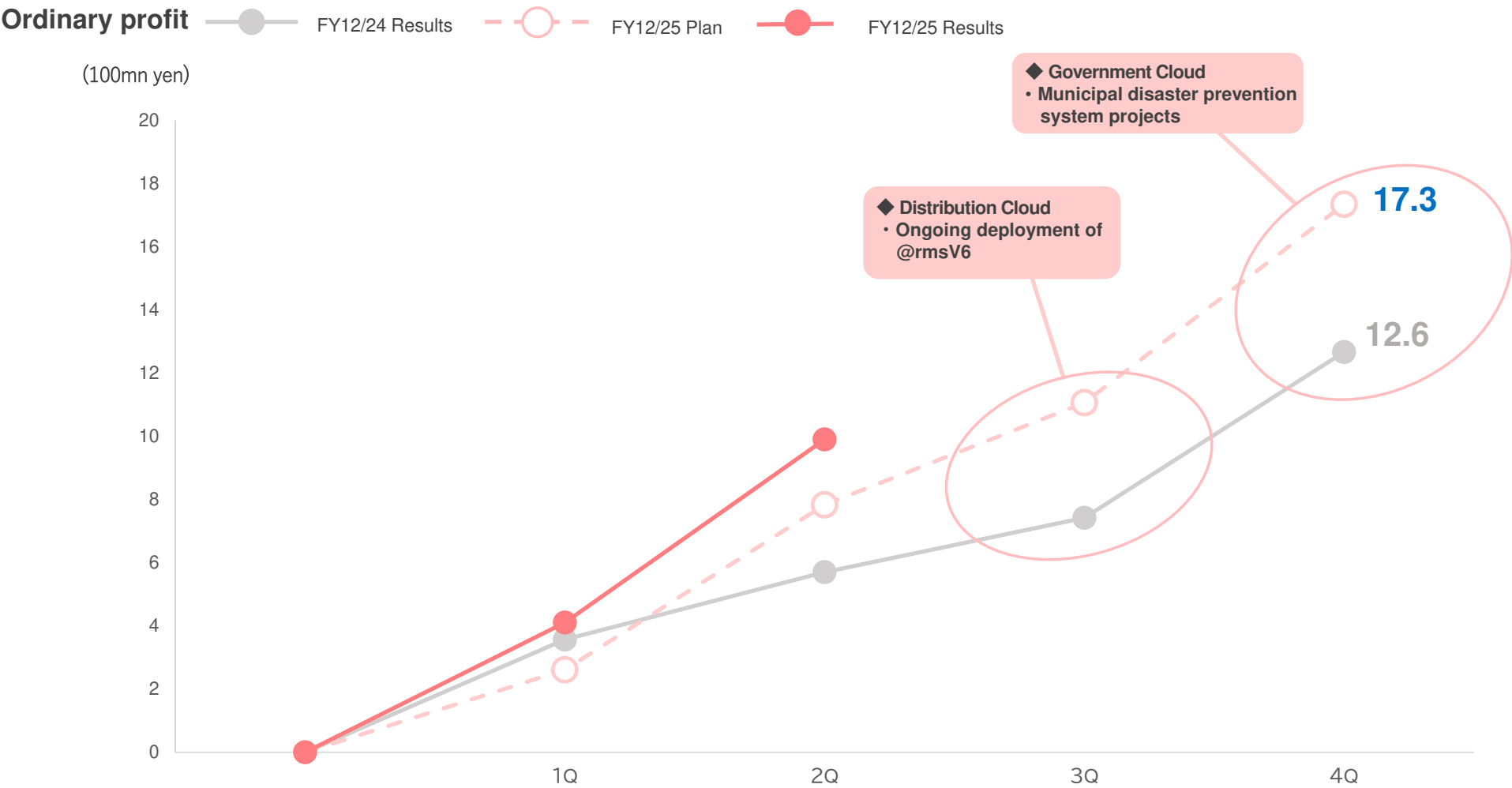
- ◆ Handset sales declined, but we strengthened our focus on meeting carrier KPIs, lifting incentive revenue and improving profitability.
- ◆ Profit has already exceeded 100% of our full-year projection.
- ◆ We launched trial-based online customer services for stores while enhancing their operational efficiency through a more flexible approach toward personnel staffing/allocation.

Full-Year FY12/25 Forecast

Maintain strong 1H momentum while aiming to outperform our projections

- ◆ Continue conducting door-to-door sales and other proactive marketing activities while holding events that effectively leverage physical business locations
- ◆ Enhance customer loyalty through maintaining and improving service quality.
- ◆ We anticipate increased device replacement demand leading up to the March 2026 termination of 3G network services.
- ◆ Through the implementation of online customer services and other initiatives, we will aim to streamline store operations.

■ Building on the momentum from Q1, results outpaced our 1H projections



4. Sustainability Initiatives

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

E	<ul style="list-style-type: none"> ■ <u>Calculate CO2 emissions (Scope 1 through 3) and set/disclose reduction targets (Scope 1 and 2)</u> ■ Streamlined offices (closure of Shizuoka Office, Sendai Office, and Fukuoka Sales 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	<ul style="list-style-type: none"> ■ <u>Raise salaries (maximum 9.0% increase, company-wide average of 3.9% increase April 2025)</u> ■ <u>Increase the contribution ratio for the defined contribution (DC) pension plan premiums and introduce an elective DC pension plan (September)</u> ■ <u>Implement initiatives to promote the advancement of women in the workplace</u> (ratio of senior staff: 27.5%; ratio of managers: 7.8%) *As of December 31, 2024. *By end-FY12/25: 25% target ratio of female senior staff; By end-FY12/30: 10% target ratio of female managers ■ Improve operational efficiency by <u>revamping internal ERP systems</u> (for accounting, sales, purchasing, workflow, etc.) ■ Provided training for managerial candidates (management strategy school,team-building) ■ <u>Create an employee-friendly workplace</u> (renovate office space) <div data-bbox="1518 642 1845 778"> <p>Achieved our female senior staff ratio ahead of schedule</p> </div>
G	<ul style="list-style-type: none"> ■ <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.) ■ <u>Adopt the exercise of voting rights via the Internet</u> ■ Ensure at least one-third of directors are independent outside directors

4. Management Mindful of Cost of Equity and Stock Prices Initiatives and Policies

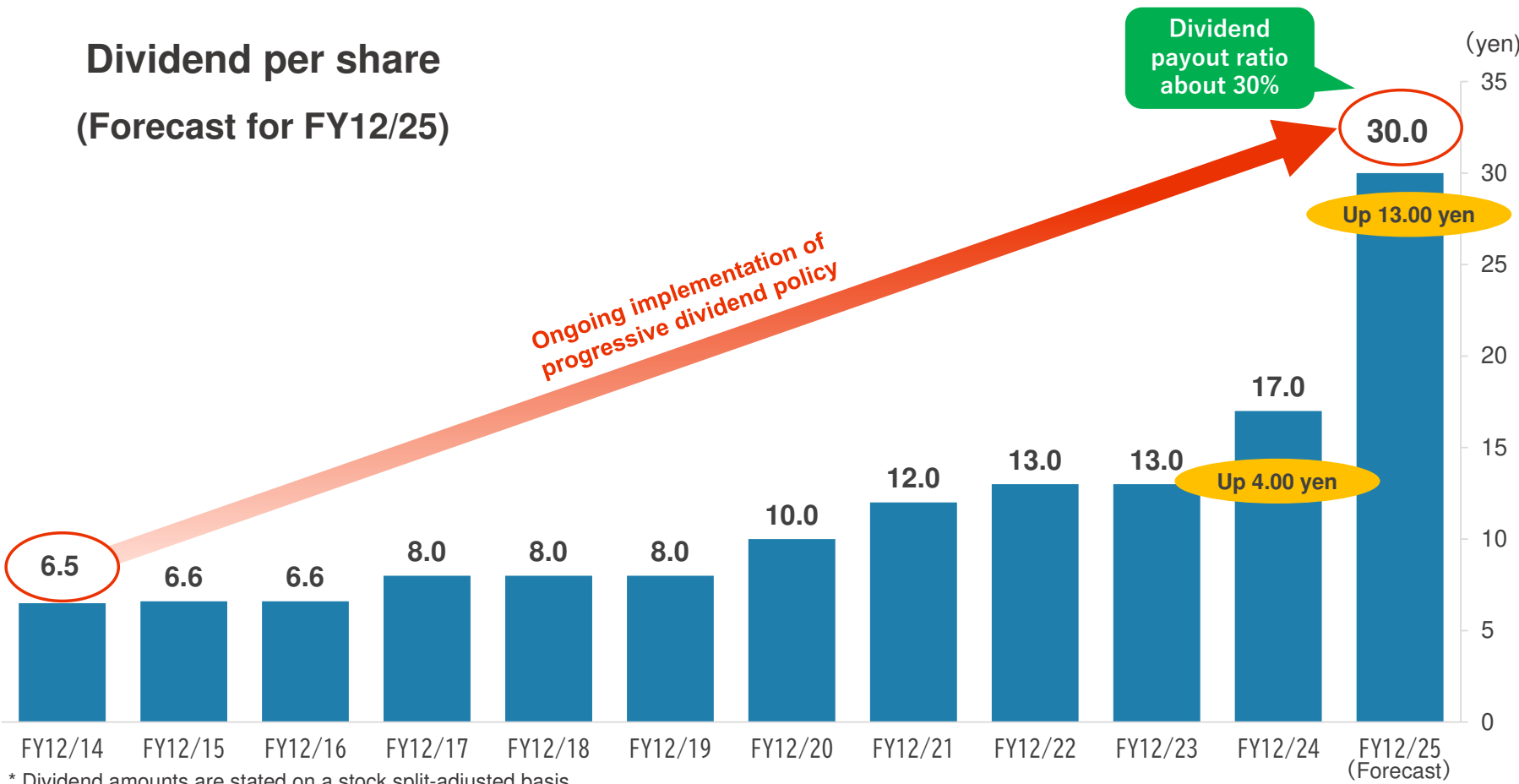
- We aim to enhance corporate value by elevating our earnings efficiency and fostering expectations for future growth.
- Details of our systemic corporate value enhancement initiatives will be published in our new mid-term management plan, which is currently under development and slated for release in February 2026.

Initiatives

Current initiatives under implementation

Strategy	Initiatives	Current initiatives under implementation
	Growth strategy	<ul style="list-style-type: none"> ◆ Execution of mid-term management plan <ul style="list-style-type: none"> • Achieve current medium-term management plan targets (planned) • Formulating a new medium-term management plan ◆ Improve productivity through operational streamlining <ul style="list-style-type: none"> • Upgrade internal ERP systems ◆ Enhancing human capital investment <ul style="list-style-type: none"> • Improve employee working conditions and benefits (raise salaries, Introduce an elective defined contribution (DC) pension plan, consider location-based allowances) • Strengthen recruitment (revise interview methods, redesign recruitment website) • Strengthen human resource development (expand support for acquisition of professional certifications) ◆ Consider performance-linked compensation for directors
	Financial strategy	<ul style="list-style-type: none"> ◆ Review shareholder returns <ul style="list-style-type: none"> • FY12/24 dividends per share: 17.0 yen (up 4.0 yen) • Projected FY12/25 dividends per share: 30.0 yen (up 13.0 yen)
IR strategy	<ul style="list-style-type: none"> ◆ Enhance information disclosure and dialogue opportunities <ul style="list-style-type: none"> • Develop and disclose corporate value improvement scenarios, including value creation stories • Investment and utilization of non-financial capital (human and intellectual) and disclosure of related information 	<ul style="list-style-type: none"> ◆ Step up contact with individual investors to increase trading volume <ul style="list-style-type: none"> • Prepare documents for individual investors • Hold more detailed and thorough briefing sessions for individual investors • Begin disclosing information through the IR note Magazine, X platform

- 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.



* Dividend amounts are stated on a stock split-adjusted basis.

- 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)

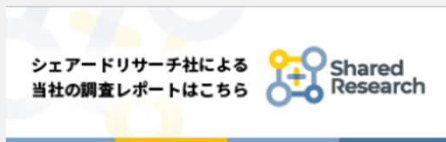


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Shared Research



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



WiLL makes anything すべての思うことから始める—



CYBERLINKS CO., LTD.
Corporate Planning Division

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

■ Disclaimer

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