July 31, 2026

Non-consolidated Financial Results for the Six Months Ended June 30, 2026 (Under Japanese GAAP)

Company name:	CELSYS, Inc.
Listing:	TSE
Securities code:	3663
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Scheduled date of filing semi-annual securities report:	August 13, 2026
Scheduled date of commencing dividend payments:	September 29, 2026
Preparation of supplementary material on financial results:	Yes
Holding of financial results briefing:	None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Non-consolidated financial results for the six months ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

(1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	5,563	17.4	2,221	44.8	2,241	46.4	1,503	72.6
June 30, 2025	4,738	–	1,533	–	1,531	–	870	–

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2026	50.70	50.63
June 30, 2025	28.43	28.39

(Note) The financial results for the fiscal year ended December 31, 2024 have been disclosed on a consolidated basis. However, beginning with the three months ended March 31, 2025, the financial results are disclosed on a non-consolidated basis. Accordingly, the year-on-year percentage changes for the six months ended June 30, 2025 are not presented.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	9,218	5,438	58.3
December 31, 2025	7,910	4,334	54.0

Reference: Equity

As of June 30, 2026:	¥5,377 million
As of December 31, 2025:	¥4,273 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2025	–	22.00	–	14.00	36.00
Fiscal year ending December 31, 2026	–	20.00			
Fiscal year ending December 31, 2026 (Forecast)			–	30.00	50.00

Notes: 1. Revision to the forecast for dividends announced most recently: None
2. The second quarter-end dividend for the fiscal year ended December 31, 2025 includes a commemorative dividend of 10 yen per share for listing on the Prime Market of the Tokyo Stock Exchange.
3. The year-end dividend for the fiscal year ending December 31, 2026 (forecast) includes a commemorative dividend of 10 yen per share for celebrating the 35th anniversary of the Company.

3. Non-consolidated financial results forecast for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	10,810	14.1	4,000	34.8	4,000	36.3	2,670	58.8	90.06

Note: Revision to the financial results forecast announced most recently: Yes

* **Notes**

(1) Adoption of accounting methods specific to the preparation of semi-annual non-consolidated financial statements: Yes

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to reasons other than (i) above: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2026	34,771,180 shares
As of December 31, 2025	36,271,180 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2026	5,102,410 shares
As of December 31, 2025	6,639,764 shares

(iii) Average number of shares outstanding during the period

Six months ended June 30, 2026	29,645,211 shares
Six months ended June 30, 2025	30,624,798 shares

* Semi-annual financial results reports are exempt from review by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

Financial results forecasts and other forward-looking statements provided in these materials are based on information available to the Company and certain other assumptions deemed reasonable as of the date of publication of this document, and do not represent any guarantee that the Company will achieve these results. Actual financial results and other aspects of business performance may differ significantly from these forecasts owing to various factors. Please refer to “1. Qualitative Information on Quarterly Financial Results (3) Explanation of non-consolidated financial results forecast and other forward-looking information” on page 4 of the attached materials for conditions forming the basis for financial results forecasts, notes regarding the use of financial results forecasts, and other information.

○ Table of Contents of the Attached Materials

1. Qualitative Information on Quarterly Financial Results

(1) Explanation of operating results

The Company operates a business that develops and provides services and platforms in the globally expanding creator economy market. To achieve further growth, we have formulated our “Medium-Term Management Plan 2025-2027.” Under this Medium-Term Management Plan, we have set forth our vision as “Creating a More Passionate World.” Through providing services that support the “CREATOR JOURNEY”—the path through which creators produce works and audiences enjoy them in the creator economy market—we strive to create “a world that is more vibrant when everyone’s passions are connected.” As part of this Medium-Term Management Plan, we have designated a return on equity (ROE) of 30% or higher during the period as an important KPI.

The Company operates its business in two fields: the “Creator Support field,” which focuses on development and sales of CLIP STUDIO PAINT, an application product for producing illustration, comic, webtoon, and animation; and the “Creator Platform field,” which consists of e-book Solution, a new platform service that is under planning and development to support monetization by creators, and new services to strengthen the user community.

While continuing to further enhance the profitability of “CLIP STUDIO PAINT” mainly for its subscription model, the Company will expand its business domain to encompass the entire creator economy market. By leveraging the trust earned from creators and strengths built through “CLIP STUDIO PAINT,” as well as its accumulated assets, the Company aims to develop and provide new services in the Creator Platform field, establishing a new core pillar of its revenue.

In the fiscal year under review, we continued to prioritize management focused on CLIP STUDIO PAINT, our made-in-Japan, subscription model-based creative application for creators, which is globally recognized, make strategic development investment, and strive to enhance corporate value.

Our operating results for the second fiscal year of the Medium-Term Management Plan 2025-2027 progressed well in line with the plan. Our business progressed strongly, with CLIP STUDIO PAINT at the core, and we recorded new highs in our major KPIs, such as monthly and quarterly net sales and operating profit. We have established a foundation for sustainable growth and achieved management with an awareness of financial soundness. Accordingly, the Company revised upward its net sales and all types of profits for the six months under review, as disclosed in the “Notice Regarding Revision to Financial Results Forecasts for the Six Months (Semi-Annual Period) Ended June 30, 2026” on July 10, 2026.

As a result, for the six months under review, the Company’s net sales amounted to ¥5,563,083 thousand (up 17.4% year-on-year), operating profit amounted to ¥2,221,446 thousand (up 44.8% year-on-year), and the operating margin was 39.9% (up 7.5 percentage points year-on-year).

Ordinary profit amounted to ¥2,241,914 thousand (up 46.4% year-on-year) due to factors such as recording of ¥26,501 thousand in dividend income and ¥5,283 thousand in interest income as non-operating income, while ¥11,516 thousand in foreign exchange losses was recorded as non-operating expenses. Profit amounted to ¥1,503,179 thousand (up 72.6% year-on-year) due to the recording of ¥738,734 thousand in income taxes. The progress rates on the first-half financial results forecast announced on February 13, 2026 are 110.9% for net sales and 139.0% for operating profit, demonstrating that both net sales and operating profit increased compared to the initial plan, as well as on a year-on-year basis. In addition, the progress rates on the revised full-year financial results forecasts announced today are 51.5% for net sales and 55.5% for operating profit.

The Company emphasizes increasing capital efficiency and enhancing shareholder returns, and carried out its first cancellation of 1,500,000 shares of treasury shares (4.14% of total number of issued shares before cancellation) on March 16, 2026.

In addition, for the fiscal year ending December 31, 2026, the Company plans to increase the amount of the annual dividend per share by ¥12 (increases by ¥2 of the interim dividend and by ¥10 as a commemorative dividend) from the initially forecasted amount (¥38) to pay an annual dividend of ¥50, as disclosed in the “Notice Regarding Revision to Interim Dividends Forecasts (Increased Dividends)” on June 5, 2026 and the “Notice Regarding Revision to Dividends Forecasts (Dividend Increase for the 35th Anniversary Commemorative Dividend)” on July 7, 2026.

The Company will continue to closely monitor business progress and trends in financial performance while flexibly implementing additional shareholder return measures for the current fiscal year.

<Creator Support field>

The Creator Support field provides services related to content production worldwide through CLIP STUDIO PAINT, the illustration, comic, webtoon and animation app, which supports the creative activities of creators active in the graphics industry. Cumulative shipments of CLIP STUDIO PAINT, the Company’s core service, reached a total of 67.00 million units by June 2026 (up 27.5% year-on-year). In addition, the subscription Annual Recurring Revenue (ARR) of the same application was ¥6.3 billion in June 2026 (up

30.7% year-on-year), recording a new high. For the provision of a license to use CLIP STUDIO PAINT via a subscription model, the Company's focus, subscription plans may lower the barriers to using the application by offering the application at a low price, but the short-term profitability is limited compared with the one-time purchase versions. That being said, the aim of increasing subscription model contracts will continue, as stable earnings in the medium to long term are expected to be generated with continued use. The monthly churn rate of CLIP STUDIO PAINT subscription contracts was 4.9% at the end of June 2026. CLIP STUDIO PAINT is offered in 11 languages, and more than 80% of its shipments are non-Japanese versions for overseas markets. To further increase sales and the number of users, the Company will continue to conduct marketing efforts not only for the English-, Korean-, German-, and French-speaking areas, but also for high growth potential emerging countries in Southeast Asia and the Central and South American region, and will also continue to support mainstream payment options in each country, thereby seeking to maximize prospective customers. Furthermore, as measures aimed at young and light users, the Company has expanded functionality and enhanced marketing efforts for tablets and other mobile devices. As a result, subscription contracts for Android devices have significantly increased recently, driving our growth.

In the six months ended June 30, 2026, we made a major update of CLIP STUDIO PAINT in March 2026, with the aim of boosting both sales and the number of users of CLIP STUDIO PAINT as well as increasing the number of subscription contracts, and Version 5.0 was released.

Version 5.0, which was released globally, received a strong response and achieved sales results that significantly exceeded the initial plan for both subscription contracts and sales of the one-time purchase version. The Company continues sales to users of the one-time purchase model and has implemented an offering model under which those users are required to sign an additional subscription contract or buy the new version on special offer to make use of all the latest functions available in Version 5.0 or later. This offering model has led to sales of the one-time purchase version due to higher demand among users of the one-time purchase model of old versions for preferential purchases and repurchases of the new version, which also has contributed to revenue. In conjunction with the major version update, the Company also revised the price of the one-time purchase version with the aim of improving profitability and ensuring the continued provision of services, implementing an average price increase of 10%. The price will be revised to match the increased value of services with the regular release of major updates in the future.

For the one-time purchase version, regular sales promotion campaigns were also conducted and the sales remained strong due to higher demand than initially expected.

<Creator Platform field>

In the Creator Platform field, the Company develops, provides, and operates a service platform that can serve as a new place for creators' activities by leveraging the trust and strengths cultivated with CLIP STUDIO PAINT, as well as the assets accumulated through its distribution solutions, and aims to stimulate creative activities and expand its business in the creator economy market and in broader fields beyond content production.

In the six months ended June 30, 2026, the Company continued its planning and development efforts to release new services that will provide creators with "A place for creators' activities" in 2026 or later, while conducting research on the ecosystem, global industry trends, and service models in the creator economy market.

In addition, the Company continued to operate its existing community services that support the use of CLIP STUDIO PAINT, while implementing continuous functional improvements to enhance user retention among subscription users. The Company also worked to increase the number of users of its platform services through initiatives such as operating Mochikomi online, a service that supports matching aspiring manga artists and manga editors seeking new talent, as well as implementing functional updates. Many creators have already made their debut through Mochikomi online, and the Company will utilize this track record and know-how for the new platform currently under development.

The number of users worldwide of the Company's creator platform services exceeded 13 million (up 24.7% year-on-year).

(2) Explanation of financial position

(Assets)

Total assets at the end of the six months under review amounted to ¥9,218,425 thousand, up ¥1,308,144 thousand from the end of the previous fiscal year. The main factors include decreases of ¥131,236 thousand in prepaid expenses, ¥68,792 thousand in accounts receivable - other, ¥38,526 thousand in software, and ¥35,480 thousand in investment securities, and increases of ¥1,322,027 thousand in cash and deposits, ¥229,441 thousand in software in progress, and ¥39,896 thousand in accounts receivable - trade.

(Liabilities)
Liabilities at the end of the six months under review amounted to ¥3,780,143 thousand, up ¥203,877 thousand from the end of the previous fiscal year. The main factors include decreases of ¥775,812 thousand in provision for retirement benefits for directors (and other officers) and ¥12,566 thousand in accrued expenses, and increases of ¥318,910 thousand in income taxes payable, ¥295,386 thousand in advances received, ¥144,363 thousand in provision for bonuses, ¥158,632 thousand in long-term accounts payable - other, and ¥83,976 thousand in accounts payable - other.

(Net assets)
Net assets at the end of the six months under review amounted to ¥5,438,281 thousand, up ¥1,104,267 thousand from the end of the previous fiscal year. The main factors include decreases of ¥1,538,662 thousand in treasury shares, ¥1,487,254 thousand in other capital surplus, and ¥35,480 thousand in valuation difference on available-for-sale securities mainly due to cancellation of treasury shares, and an increase of ¥1,088,339 thousand in retained earnings. The equity-to-asset ratio was 58.3%.

(3) Explanation of non-consolidated financial results forecast and other forward-looking information

As disclosed in the "Notice Regarding Revision to Full-Year Financial Results Forecasts for the Fiscal Year Ending December 31, 2026" announced today, the initial full-year financial results forecasts for the fiscal year ending December 31, 2026 have been revised upward, as sales of the Company's core service, CLIP STUDIO PAINT, are expected to remain stable, mainly under the subscription model, and expansion efforts in emerging countries and measures aimed at mobile users are steadily yielding results. The revision also reflects the recent trends in net sales.

	Net sales	Operating profit	Ordinary profit	Profit	Basic earnings per share
Previously announced forecasts (A)	Millions of yen 9,963	Millions of yen 3,317	Millions of yen 3,282	Millions of yen 2,192	Yen 73.97
Current revised forecasts (B)	10,810	4,000	4,000	2,670	90.06
Change (B - A)	847	683	718	478	-
Rate of change (%)	8.5%	20.6%	21.9%	21.8%	-
(Reference) Previous fiscal year financial results (Fiscal year ended December 31, 2025)	9,471	2,967	2,934	1,681	55.23

In the Medium-Term Management Plan, the Company has set a target of ROE of 30% or higher. If performance for the rest of the fiscal year under review progresses as planned, ROE for the full fiscal year is expected to be 50% or higher.

As a result of the upward revision of the financial results forecasts, the targets for net sales and profits under the "Medium-Term Management Plan 2025-2027," which is currently underway, are expected to be achieved one year earlier than scheduled. In addition, revisions are planned for the financial results for the fiscal year ending December 31, 2027, the final fiscal year of the Medium-Term Management Plan, since the results are expected to significantly exceed the forecasts.

The Company has established a business structure centered on providing value that cannot be replaced by AI.
The main users of CLIP STUDIO PAINT, the Company's core service, are creators, mainly hobbyists and highly skilled amateurs. These users continue to use the Company's service for the value of the "creative experience," which cannot be replaced by AI and includes the joy of creating by themselves, skill improvement, and empathy within the community. Even in an environment where the use of AI is expanding, both sales and the number of users of CLIP STUDIO PAINT have continued to grow.
The Company will continue to promote the use of AI in its business, while providing value that cannot be

replaced by AI, and will aim to continue business growth.

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. Consequently, the impact of exchange rate fluctuations on profit is considered to be minor, and there is no significant impact on the full-year financial results forecast. 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 do not have a significant impact on the full-year financial results forecast.

2. Semi-annual Non-consolidated Financial Statements and Major Notes

(1) Semi-annual non-consolidated balance sheet

(Unit: thousands of yen)

	Previous fiscal year (December 31, 2025)	Six months under review (June 30, 2026)
Assets		
Current assets		
Cash and deposits	4,086,301	5,408,328
Accounts receivable - trade	366,130	406,026
Finished goods	13,604	10,069
Raw materials and supplies	96,983	86,909
Accounts receivable - other	458,341	389,549
Prepaid expenses	338,334	207,098
Allowance for doubtful accounts	(93,499)	(96,332)
Total current assets	5,266,196	6,411,650
Non-current assets		
Property, plant and equipment		
Buildings	187,599	199,549
Accumulated depreciation	(102,273)	(109,225)
Buildings (net)	85,326	90,323
Tools, furniture and fixtures	308,660	298,833
Accumulated depreciation	(243,993)	(241,249)
Tools, furniture and fixtures (net)	64,667	57,584
Total property, plant and equipment	149,993	147,907
Intangible assets		
Patent right	33,423	30,460
Trademark right	33,613	31,700
Software	918,689	880,163
Software in progress	276,369	505,811
Other	18,878	28,620
Total intangible assets	1,280,974	1,476,756
Investments and other assets		
Investment securities	567,648	532,168
Shares of subsidiaries and associates	10,056	10,056
Leasehold and guarantee deposits	133,364	137,838
Deferred tax assets	502,046	502,046
Total investments and other assets	1,213,115	1,182,110
Total non-current assets	2,644,083	2,806,774
Total assets	7,910,280	9,218,425

(Unit: thousands of yen)

	Previous fiscal year (December 31, 2025)	Six months under review (June 30, 2026)
Liabilities		
Current liabilities		
Accounts payable - trade	131,152	125,706
Accounts payable - other	156,573	240,549
Advances received	1,328,647	1,624,034
Accrued expenses	76,029	63,463
Income taxes payable	455,956	774,866
Provision for bonuses	70,499	214,862
Other	213,973	189,142
Total current liabilities	2,432,831	3,232,624
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	775,812	-
Provision for retirement benefits	335,924	357,188
Long-term accounts payable - other	31,698	190,330
Total non-current liabilities	1,143,434	547,518
Total liabilities	3,576,266	3,780,143
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus		
Legal capital surplus	2,500	2,500
Other capital surplus	6,403,039	4,915,785
Total capital surplus	6,405,539	4,918,285
Retained earnings		
Other retained earnings		
Retained earnings brought forward	4,380,687	5,469,026
Total retained earnings	4,380,687	5,469,026
Treasury shares	(6,644,237)	(5,105,575)
Total shareholders' equity	4,151,989	5,291,736
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	121,704	86,224
Total valuation and translation adjustments	121,704	86,224
Share acquisition rights	60,320	60,320
Total net assets	4,334,014	5,438,281
Total liabilities and net assets	7,910,280	9,218,425

(2) Semi-annual non-consolidated statements of income
Six months ended June 30, 2026

(Unit: thousands of yen)

	Previous six months under review (from January 1, 2025 to June 30, 2025)	Six months under review (from January 1, 2026 to June 30, 2026)
Net sales	4,738,790	5,563,083
Cost of sales	1,890,715	1,693,866
Gross profit	2,848,075	3,869,216
Selling, general and administrative expenses	1,314,230	1,647,769
Operating profit	1,533,845	2,221,446
Non-operating income		
Interest income	2,598	5,283
Dividend income	21,283	26,501
Other	998	198
Total non-operating income	24,880	31,984
Non-operating expenses		
Commission expenses	8,505	-
Foreign exchange losses	18,750	11,516
Other	296	-
Total non-operating expenses	27,551	11,516
Ordinary profit	1,531,173	2,241,914
Extraordinary income		
Gain on extinguishment of tie-in shares	153,875	-
Other	37,460	-
Total extraordinary income	191,335	-
Extraordinary losses		
Loss on valuation of investment securities	480,307	-
Other	-	0
Total extraordinary losses	480,307	0
Pre-tax net profit	1,242,201	2,241,914
Income taxes - current	371,488	738,734
Profit	870,713	1,503,179

(3) Notes to semi-annual non-consolidated financial statements

(Note on entity's ability to continue as going concern)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

(Cancellation and disposal of treasury shares)

The Company resolved to cancel treasury shares by written resolution in lieu of a resolution of the Board of Directors, as provided for in Article 370 of the Companies Act and Article 27 of the Company's Articles of Incorporation, dated March 6, 2026. Based on the provisions of Article 178 of the Companies Act, the Company carried out the cancellation of 1,500,000 shares of treasury shares on March 16, 2026. In addition, the Company disposed of 37,800 shares of treasury shares as part of compensation for granting restricted stock to Directors of the Company upon the resolution of the Board of Directors meeting held on March 30, 2026.

As a result, treasury shares decreased by ¥1,538,662 thousand including the increase due to the purchase of shares less than one unit during the six months under review, and treasury shares amounted to ¥5,105,575 thousand at the end of the six months under review.

(Adoption of accounting methods specific to the preparation of semi-annual non-consolidated financial statements)

Calculation of tax expenses

The Company calculates tax expenses by multiplying profit before income taxes by a reasonably estimated effective tax rate for profit before income taxes for the fiscal year under review after the application of tax effect accounting.

(Additional information)

(Change in presentation method)

(Semi-annual non-consolidated balance sheet)

"Long-term accounts payable - other," which was previously included in "Other" under "Non-current liabilities," has been presented separately from the six months under review because its monetary significance has increased.

To reflect this change in presentation method, the non-consolidated financial statements for the previous fiscal year have been reclassified.

As a result, in the non-consolidated balance sheet for the previous fiscal year, ¥31,698 thousand in "Other" under "Non-current liabilities" has been reclassified as ¥31,698 thousand in "Long-term accounts payable - other."

(Segment information, etc.)

[Segment information]

Segment information is omitted as the Company operates a single reportable segment.

(Significant subsequent events)

Not applicable.