

May 22, 2025

Company name: Cyberlinks Co., Ltd. Representative: Naoki Higashi, President (Code number: 3683 The Standard Market of the Tokyo Stock Exchange) Contact: Takayuki Torii, Director, General Administration Manager (Tel: +81-(0)73-448-3600)

(Correction) Regarding Partial Correction to the "Financial Results for 1Q FY12/25"

Cyberlinks Co, Ltd. (hereafter, "the Company") announces that it has made corrections to some of the contents of the "Financial Results for 1Q FY12/25" released on May 14, 2025.

1. Reason for Correction

The Company identified some errors in the "Financial Results for 1Q FY12/25," and will correct them accordingly.

2. Corrections and Details (corrections are underlined)

Page 9 Comments in "Full-Year FY12/25 Forecast "

Before Correction	After Correction
 Received a major tax administration system 	 Received a major tax administration system
deployment order from Wakayama Prefecture;	deployment order from Wakayama Prefecture;
efforts targeting an <u>April 2026</u> launch currently	efforts targeting a January 2027 launch
underway	currently underway



CYBERLINKS CO., LTD. Financial Results for 1Q FY12/25

(January 1, 2025 – March 31, 2025)

May 14, 2025



Securities Code: 3683



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1. Executive Summary



Net sales

Net sales increased thanks primarily to the ongoing deployment of @rmsV6 and selling price revisions within the Distribution Cloud segment, and progress on disaster prevention radio system projects undertaken for government agencies in the Government Cloud segment.

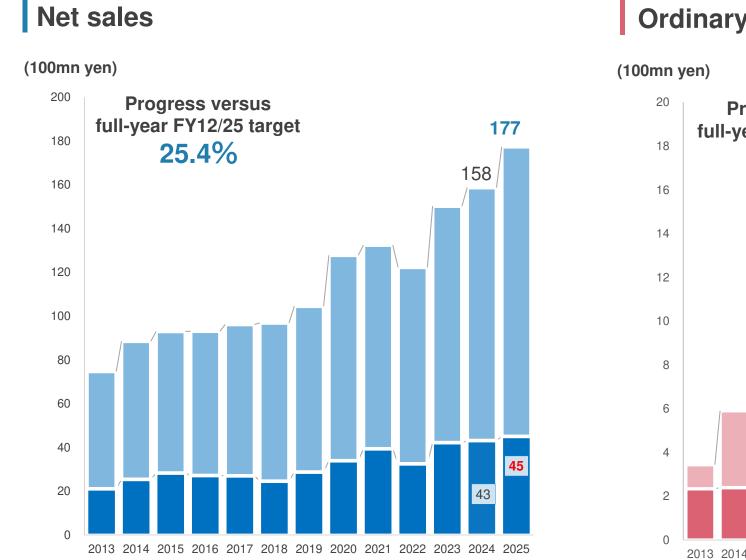
Ordinary profit

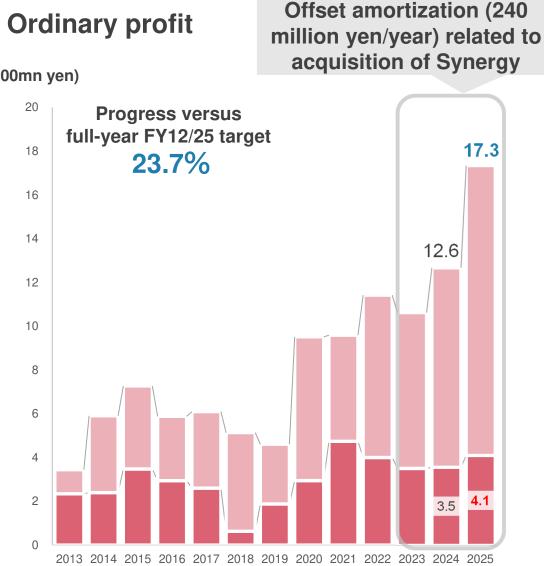
Ordinary profit expanded due to improved profitability in the Government Cloud segment and higher incentive revenue in the Mobile Network segment.

(100mn yen) 10 EV1	1Q FY12/24 results	10 EV12/25 reculte	YoY		1H FY12/25	Progress vs. Plan
(100mn yen)	TQT 112/24 TeSuits		Amount	%	plan	%
Net sales	43	45	+1.8	4.4	88	50.8
Recurring revenue	19	21	+1.8	9.4	42	50.4
Ordinary profit	3.5	4.1	+0.5	15.1	7.8	52.4
Ordinary profit margin	8.3%	9.1%	+0.8pt		8.8%	

1. Executive Summary Net sales and Ordinary Profit







*The lower part of the stacked chart shows 1Q figures, and the upper part shows full-year results minus 1Q figures.

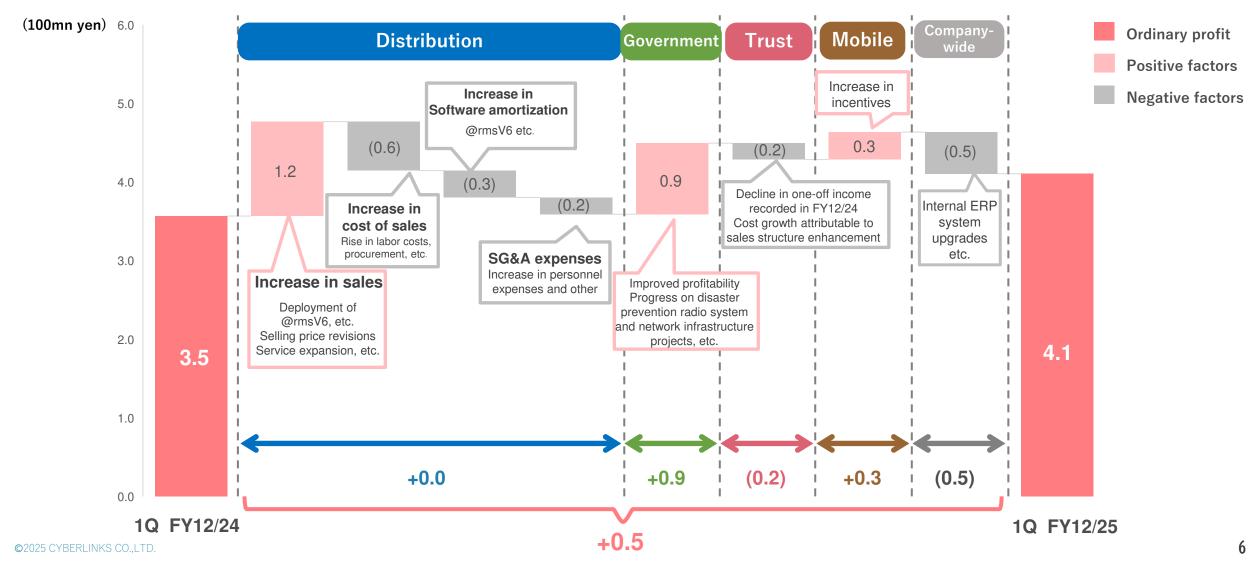


2. Consolidated 1Q FY12/25 Results & Full-Year FY12/25 Forecast



Sales growth driven by the ongoing deployment of @rmsV6 and selling price revisions within the Distribution Cloud segment offset cost increases.

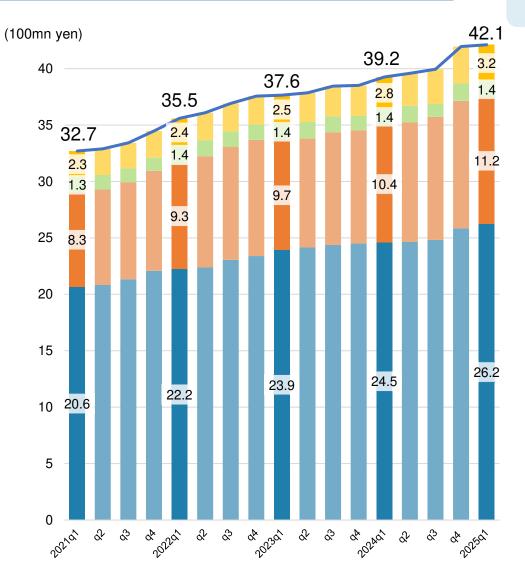
Ordinary profit expanded substantially due to the progression of disaster prevention infrastructure projects undertaken for government agencies and improved profitability in the Government Cloud segment.



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



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



Example: ARR for 1Q FY12/25 = recurring revenue for March 2025 \times 12

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



Services for Processed Food

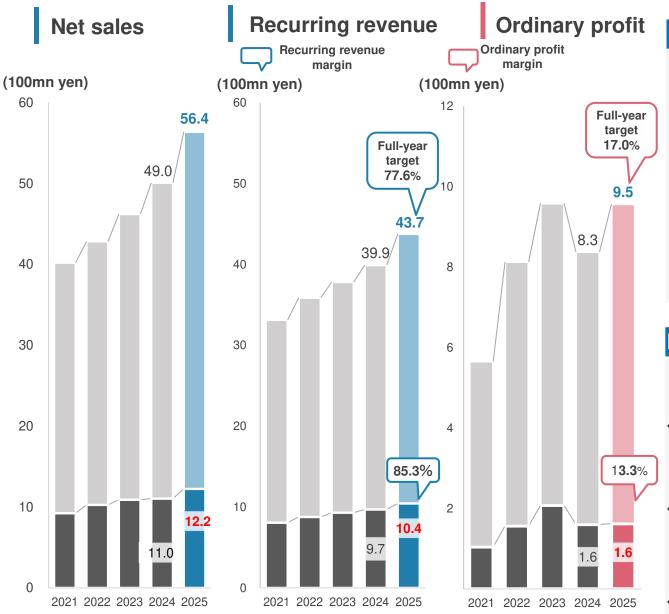


Services for the Overall Food Services for Specialty Stores Distribution Industry

+1.6







1Q FY12/25 Results

Sales rose thanks to ongoing deployment of @rmsV6, expanded delivery of services, and selling price revisions, offsetting labor cost expansion and driving profit growth.

 Ongoing deployment of @rmsV6
 One existing client migrating from version V3 in March, and preparations underway to onboard a new client in April

Cloud EDI-Platform

Major existing customer additionally using a competitor's service has now fully migrated to our Cloud EDI Platform

Full-Year FY12/25 Forecast Sales and profit growth supported by the rollout of @rmsV6

Revision of @rmsV6 deployment schedule

Deployment at one client, initially scheduled for 2025, has been postponed to 2026 due to resource reallocation to advance multiple projects concurrently. Sales from @rmsV6 deployment will be recognized in line with work progress.

C2Platform Negotiation Support service

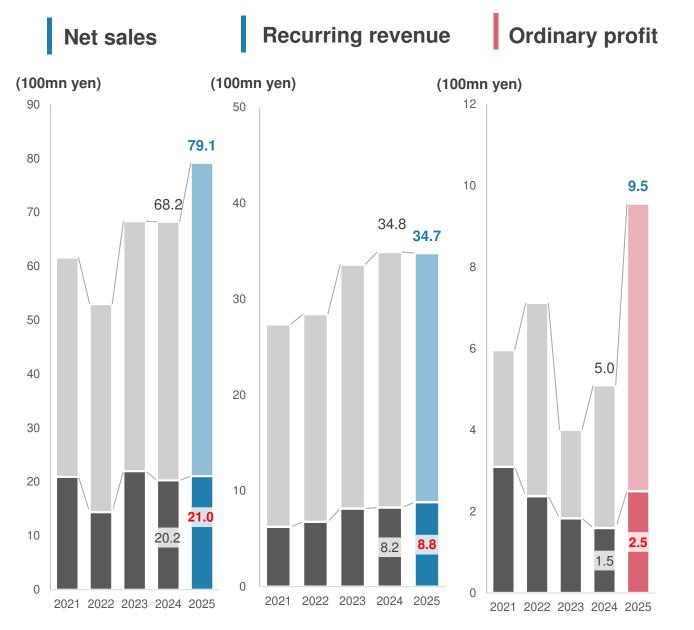
Leverage adoption of C2Platform Negotiation Support service for the Japan Processed Foods Wholesalers Association's

N-Sikle business negotiation support system to expand services for wholesalers

Software amortization associated with service development expected to increase approximately 160 million yen YoY

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1Q FY12/25 Results

Sales and profit growth secured primarily through progress on disaster prevention radio system projects for government agencies

- Progress on disaster prevention radio system and network infrastructure projects
- Profitability improved from FY12/24, when equipment accounted for a larger share of sales
- ActiveCity document management system Proactively targeting an April 2025 launch for Wakayama City and other municipalities
- MynaSign electronic authentication service Began undertaking efforts aiming to integrate MynaSign with the library information system of Tokyo's Machida City
- Participated in the Digital Messe Nara 2025 exhibition during January 2025

Full-Year FY12/25 Forecast

Disaster prevention infrastructure and local government DX projects

 Projects related to the unification and standardization of ERP systems for local governments

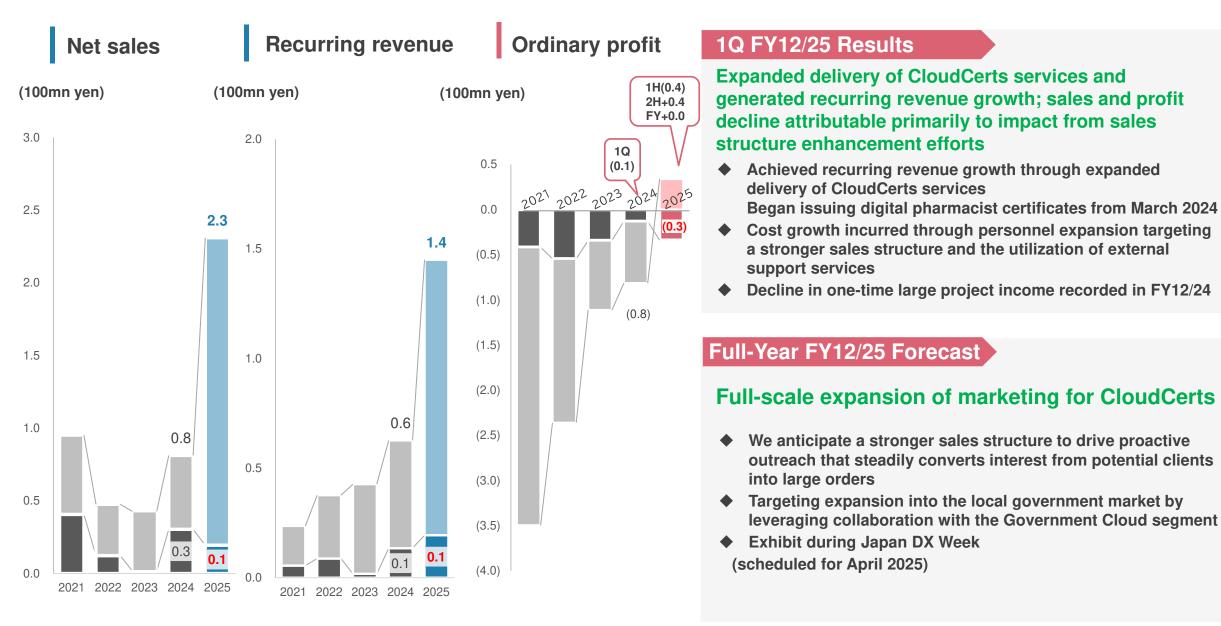
Migration procedures underway for 18 order-placing government bodies

ActiveCity

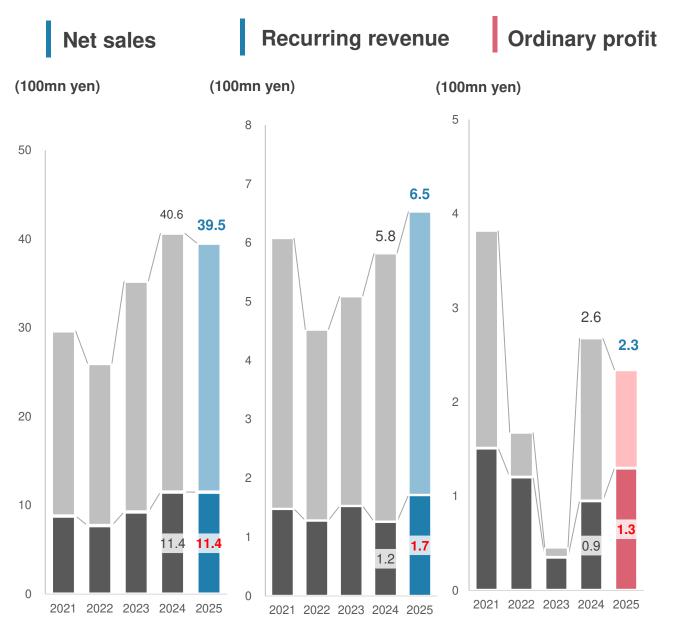
Secured major ActiveCity orders from Tokyo's Ota Ward and Chiba Prefecture's Funabashi City; currently focusing on sales activities

- Received a major tax administration system deployment order from Wakayama Prefecture; efforts targeting a January 2027 launch currently underway
- Progress on disaster prevention radio system-related projects
- 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)









1Q FY12/25 Results

Sales remained level with FY12/24, but profitability and segment profit improved

- Despite a decline in handsets sold, we adapted to carrier incentive structure changes and strove to achieve all key performance targets.
- We generated growth in incentive revenue and improved profitability.

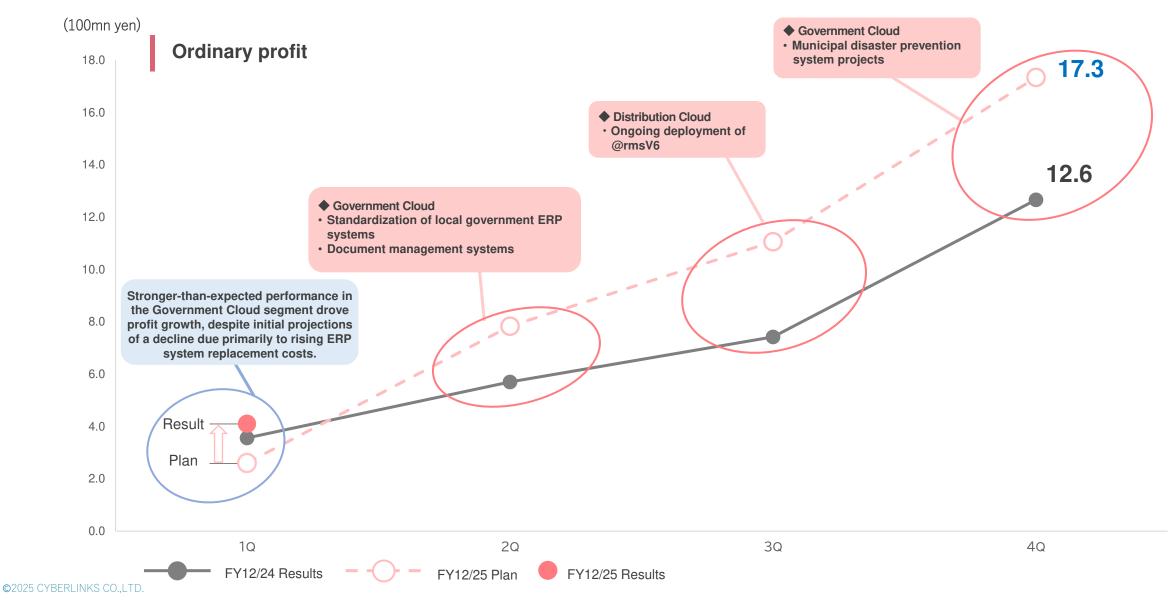
Full-Year FY12/25 Forecast

The recovery trend of FY12/24 is projected to continue

- Incentive structure changes may cause slowdown in growth starting from Q2, but we remain focused on achieving full-year targets.
- 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.



Despite initial projections of a Q1 profit decline, profit grew on stronger-than-expected performance in the Government Cloud segment; no changes have been made to projections for Q2 and subsequent quarters.





3. About CYBERLINKS





Naoki Higashi, President

Market listing The Standard Market of the Tokyo Stock Exchange Employees (consolidated)

Headquarter Wakayama City



Exterior of headquarters



Incorporated

1964

Subsidiaries

Organizational Chart







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.

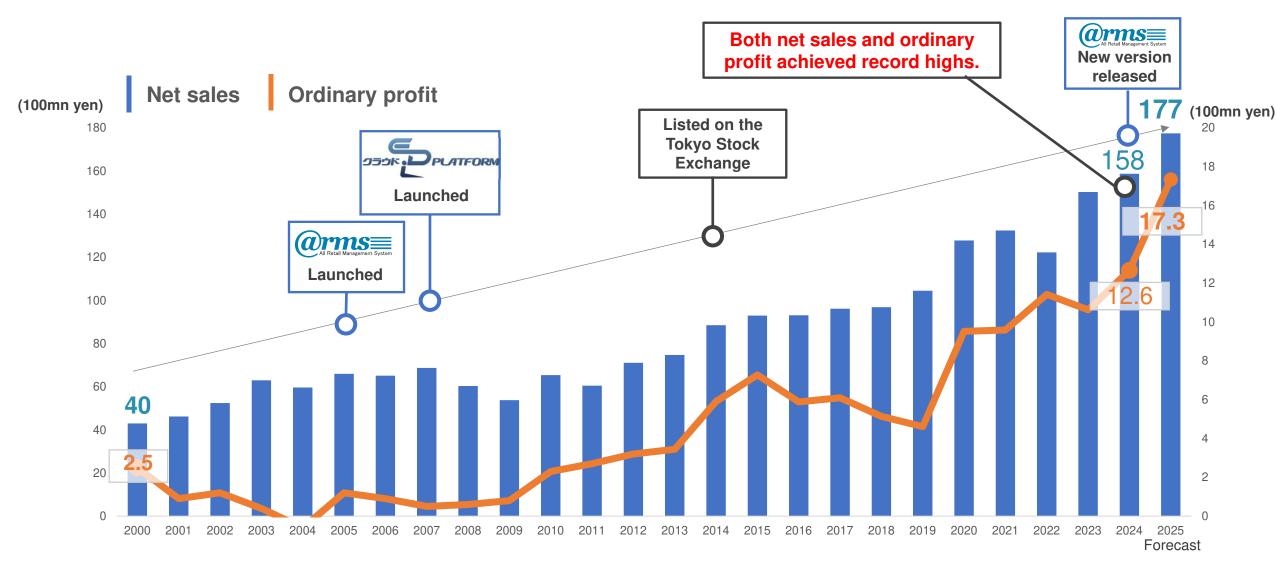
Companies prioritizing selfish motives fall away, while only those providing outstanding services continue to grow.

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

3. About CYBERLINKS Business Performance



- In 2005 and 2007, we launched @rms and the Cloud EDI Platform, two key services in the Distribution Cloud business.
- We are generating steady business growth through service monetization.



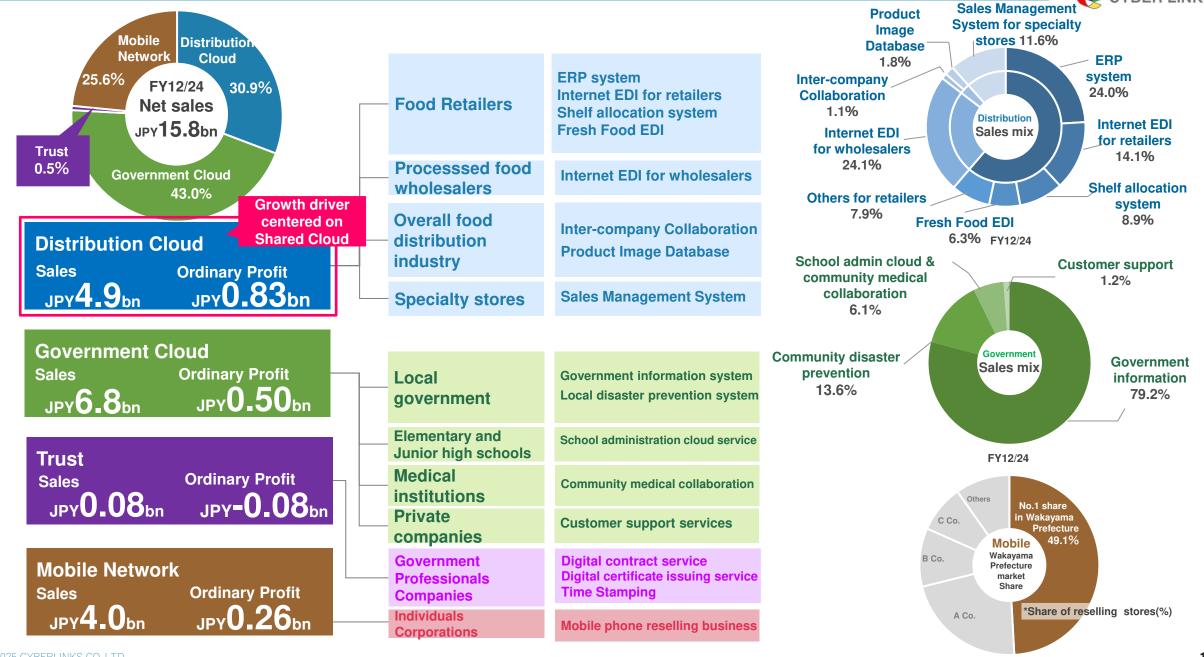
3. About CYBERLINKS Overview of Business Operations and Performance



- Cyberlinks operates across four segments: the Distribution Cloud business, the Government Cloud business, the Trust business, and the Mobile Network business.
- As our core source of earnings, the Distribution Cloud business will be a key driver of growth moving forward.

Business	to X	Business overview	Net sales (100mn yen)	Ordinary profit (100mn yen)
Distribution Cloud	to B	Delivering cloud services specifically targeting the food distribution industry	49	8.3
Government Cloud	to G	Providing digital transformation (DX) solutions for local governments	68	5.0
Trust	to G&B	Rendering digital authentication services for government agencies and private businesses	0.8	(0.8)
Mobile Network	to C	Mobile phone dealership operations based primarily in Wakayama Prefecture	40	2.6

3. About CYBERLINKS Breakdown of Business (Consolidated)



FY12/24

CYBER LINKS



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

3. About CYBERLINKS Distribution Cloud Target Sectors

- 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.

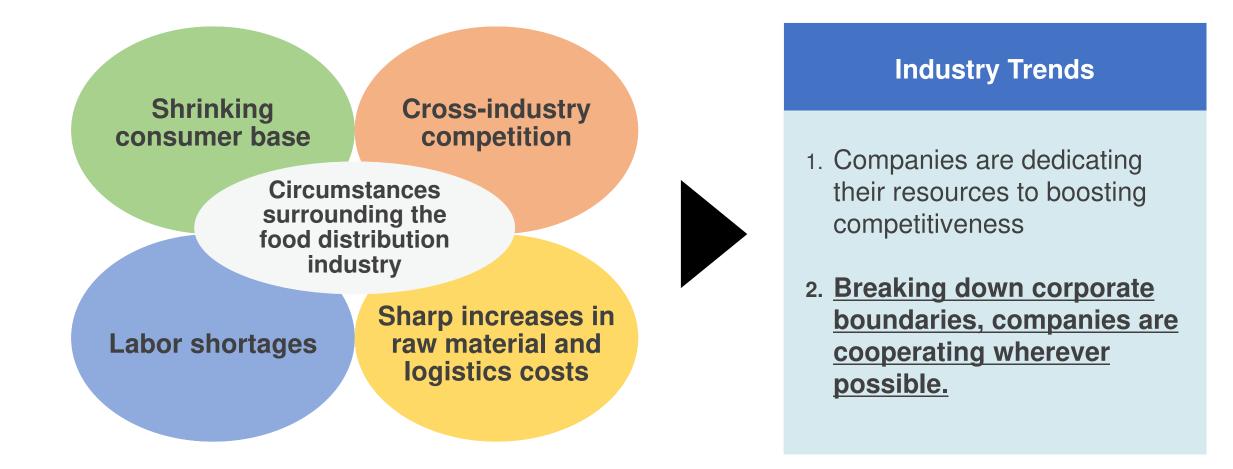


CYBER LINKS

3. About CYBERLINKS Distribution Cloud Challenges in the Food Distribution Industry



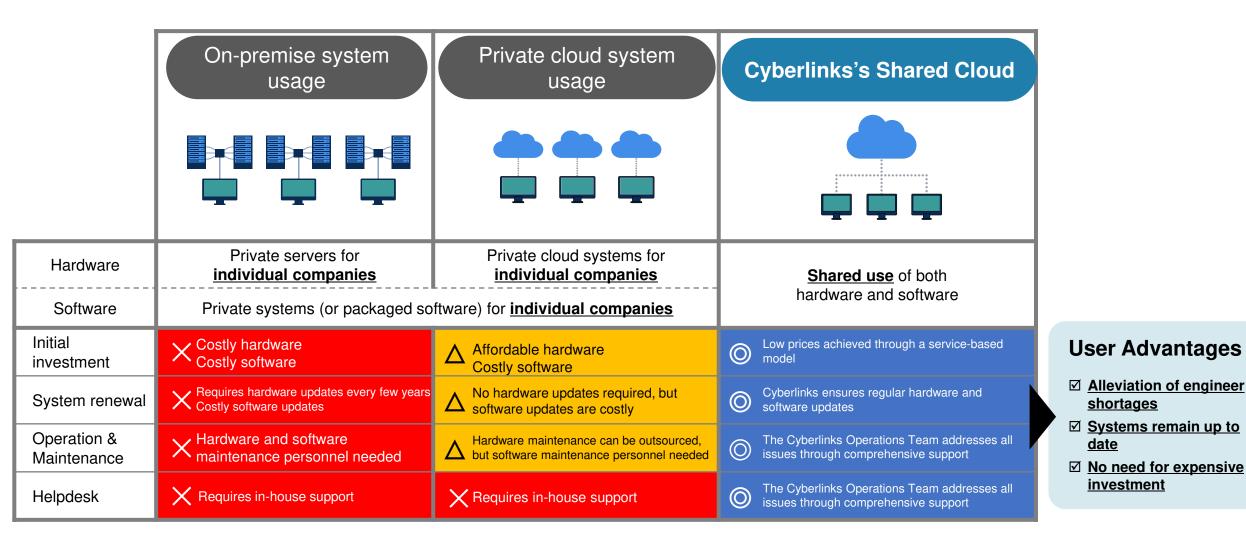
- The industry is increasingly embracing a spirit of cross-company collaboration in response to harsh market conditions.
- Cyberlinks is promoting cross-company sharing of business systems.



3. About CYBERLINKS Distribution Cloud Challenges in the Food Distribution Industry



- The term "Shared Cloud" refers to cloud services designed for joint use across multiple companies.
- In contrast with systems developed separately for individual users, Shared Cloud systems require little initial investment, eliminate the need for system upgrades, and enable companies to operate without personnel specializing in hardware/software maintenance or inquiry support.





CYBER LINKS

3. About CYBERLINKS Distribution Cloud Challenges in the Food Distribution Industry



- Earnings primarily generated through monthly usage fees (recurring revenue)
- We secure 85% of sales proceeds from food retailers in the form of highly stable recurring revenue.

Monthly fee structure by service (recurring revenue + initial Investment) Base fee + Per store charge + initial Investment rms≣ Recurring Base fee + Per partner charge + initial Investment NOAH Revenue (a)rms≣ (Base fee + Per partner charge + Per store charge + initial Investment は鮮 85% **POWER**® Per user ID charge + initial Investment

Note: Displays standard pricing models

 ω ERP accounts for 40%

3. About CYBERLINKS Distribution Cloud Churn

- Churn for @rms ERP is 0.3%, dramatically lower than the industry average for SaaS.
- Strong customer loyalty and retention due to high levels of satisfaction regarding cost, features, and ease of use.

VS

Monthly churn

Just under 3% for general SaaS

Source: Recurly Research

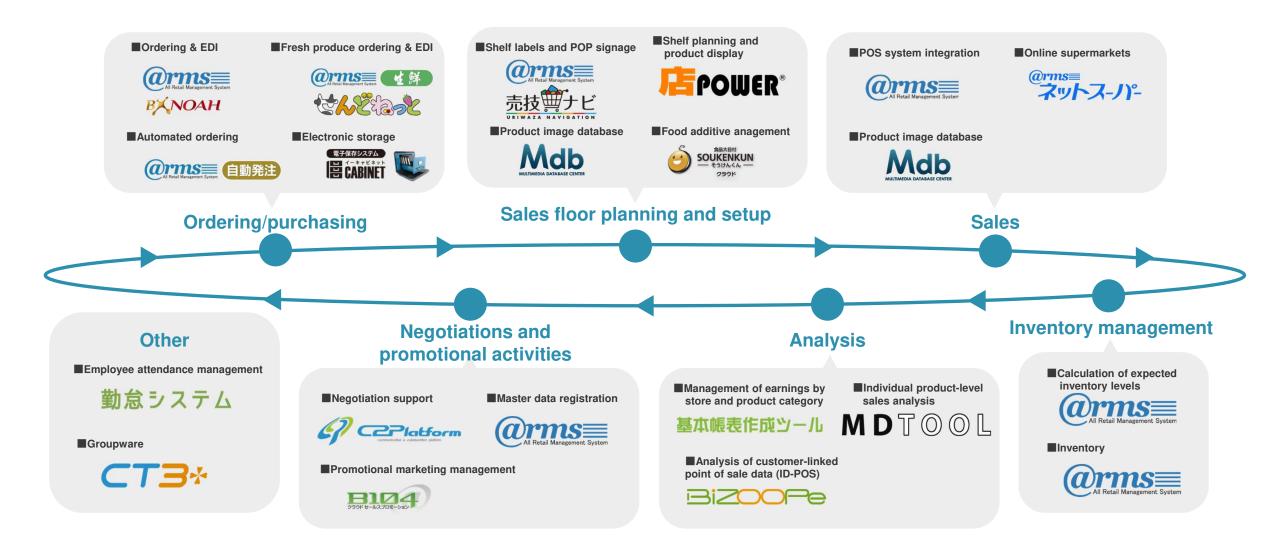
Monthly churn

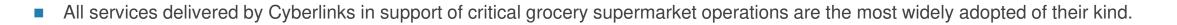
Just under 0.3% for @rms ERP

Note: Calculated based on the number of cancelling companies and indicates average monthly churn for 2021–2023 (three years)



- Shared Cloud covers nearly all services required for grocery supermarket operations.
- Alongside our internal development efforts, we are proactively pursuing M&A to broaden and enhance our service lineup.







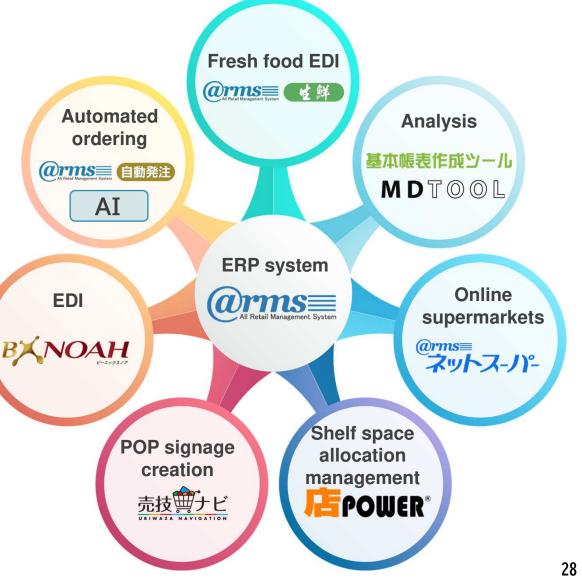
Note: Number of food retailers utilizing OEM and other services from Cyberlinks as of 2022 (source: internal research)

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- Services are smoothly integrated primarily through core systems while built-in mechanisms facilitate data exchange between different services and modules.
- We generate business growth through both new customer acquisition and expansion in service utilization among existing users.

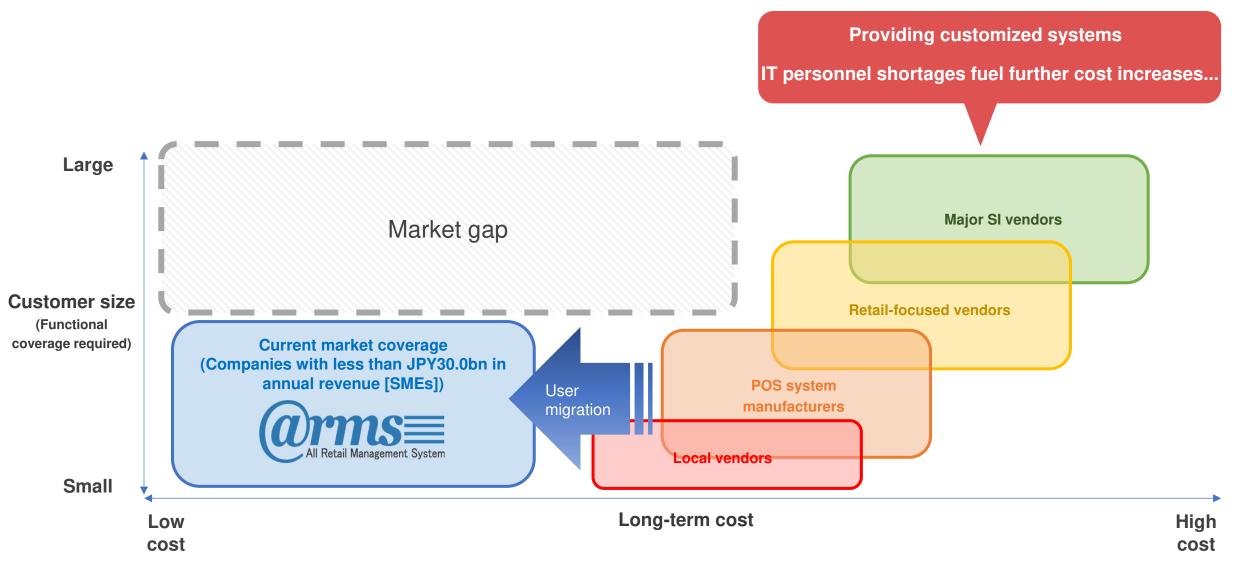




3. About CYBERLINKS Distribution Cloud Future Developments (1): The Market for ERP system



- Low-cost services are increasingly in demand among large-sized customers, amid concerns over rising development costs fueled by IT workforce shortages.
- Currently, no providers are offering low-cost services targeting large-sized customers, and Cyberlinks is positioning itself to fill this market gap.





To fulfill the needs of large grocery supermarkets seeking advanced and cost-effective ERP systems, Cyberlinks has launched the new @rmsV6.





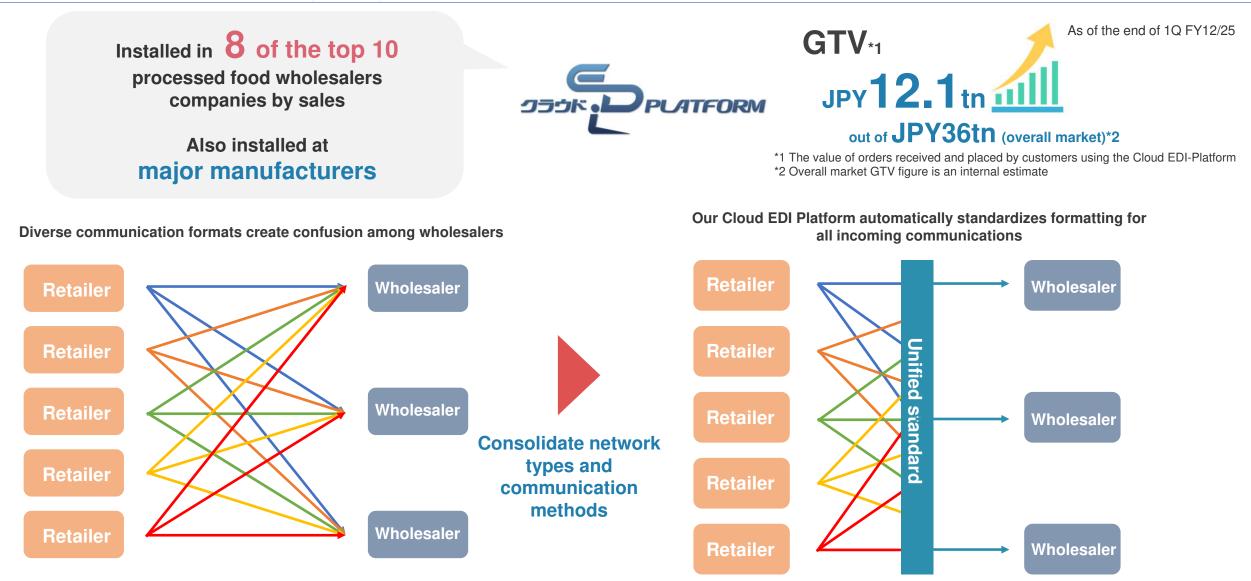
(Recurring revenue for Cyberlinks)

(Recurring revenue for Cyberlinks)

3. About CYBERLINKS Distribution Cloud Cloud EDI Platform Overview

CYBER LINKS

- 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).



				(store)
Food Retail (@rms)	FY12/20 Results	FY12/24 Results	1Q FY12/25 Results	FY12/25 mid-term management plan
KPI:# of stores (Overall Market:21,000 stores)	1,205	1,271	1,271 (+0)	1,765
*Number of stores using @rms ERP				(JPY trillion)
Processed Food Wholesale (EDI-Platform)	FY12/20 Results	FY12/24 Results	1Q FY12/25 Results	FY12/25 mid-term management plan
KPI: GTV (Overall Market: JPY 36 trillion)	8.7	9.8	12.1 (+2.3)	12.3
*Gross Transaction Value: The value of orders received and placed bycustomers using our services. * Major existing customer has now fully migrated to our Cloud EDI Platf				
Retailer/Wholesale /Manufacturing (C2Platform)	FY12/20 Results	FY12/24 Results	1Q FY12/25 Results	FY12/25 mid-term management plan
KPI: # of IDs (Overall Market:220,000 ID)	0	414	454 (+40)	5,000
Retail @rms ERP system	Wholesale (Co	EDI-Platform		ufacturing
		atform on Platform)		

3. About CYBERLINKS Government Cloud

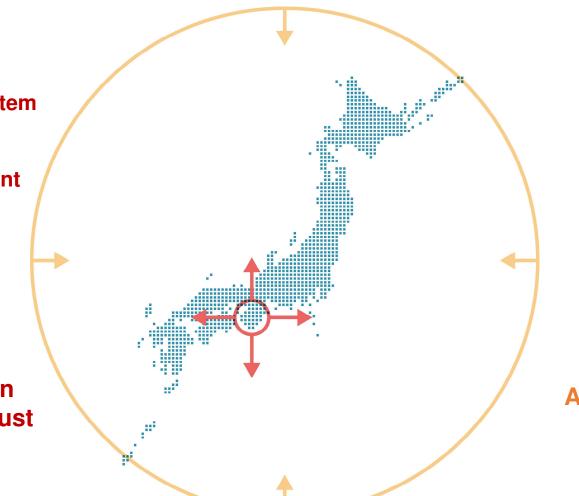
- We have established a strong business foundation in Wakayama Prefecture and surrounding areas.
- Leveraging the momentum of municipal digital transformation (DX), which accelerated during the COVID-19 pandemic, we are pursuing a nationwide rollout of DX support services for local governments.

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

CYBER LINKS

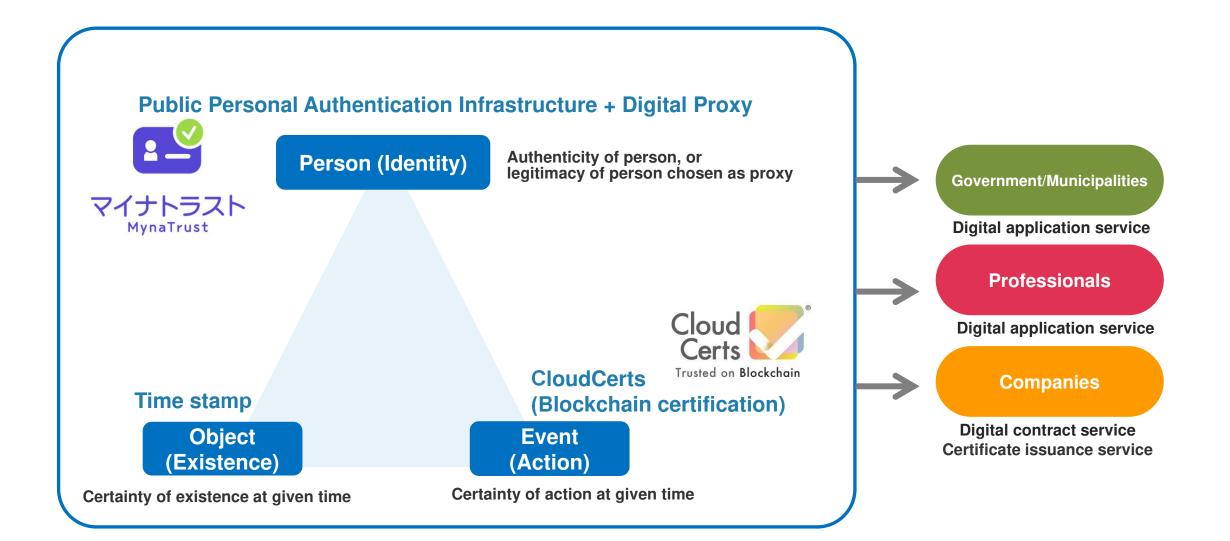
- ActiveCity document management system
- Minnano Madoguchi online public service portal
- MynaSign electronic
 authentication service

Accelerating growth through municipal DX

3. About CYBERLINKS Trust



 Leveraging our core strength in "Third Trust" service based on the My Number Card, we offer comprehensive trust services for people (identity), objects (existence), and experience (actions).



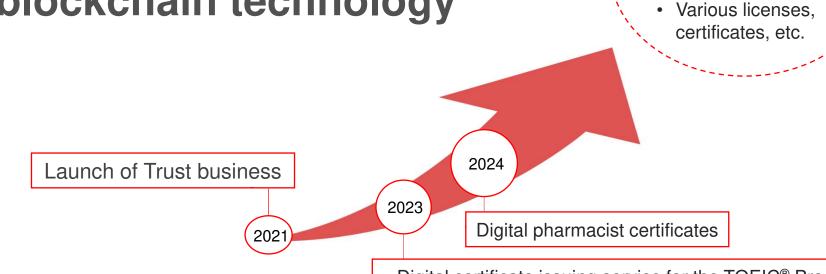
3. About CYBERLINKS Trust



- The CloudCerts digital certification service continues to generate impact as it is adopted by a growing number of customers.
- Anticipating a wide range of usage scenarios, we are aiming to accelerate the adoption of our services.



Transforming all forms of proof into secure digital certificates using blockchain technology





Expansion into

diverse fields

Product warranties

Graduation certificates

Transcripts

3. About CYBERLINKS Mobile Network



- As the largest operator of Docomo Shops in Wakayama Prefecture, Cyberlinks manages 10 Docomo Shops within the area.
- We began operations of the Nobutoki, Central City Wakayama, and Shingu stores following M&A executed in December 2021.



Nankai Wakayama City Station Store



JR Wakayama Station Store



Hashimoto Store

döcomo döcomo

Hashimoto Ayanodai Store

docomo



Katsuragi Store



Tanabe Store

Iwade Store (Largest store in Wakayama Prefecture)



Shingu Store



Central City Wakayama Store



Nobutoki Store



4. Sustainability Initiatives



- Promotion of initiatives in response to Japan's Revised Corporate Governance Code
 - Environmental Calculate CO2 emissions (Scope 1 through 3) and set/disclose reduction targets (Scope 1 and 2) Streamlined offices (closure of Shizuoka Office, Sendai Office, and Fukuoka Sales Office) Enabled signing of minutes and commercial registration online with MynaTrust Gradually replace gasoline vehicles with PHVs in our fleet Social Raise salaries (maximum 9.0% increase, company-wide average of 3.9% increase April 2025) Increase the contribution ratio for the defined contribution (DC) pension plan premiums and introduce an elective DC pension plan (September) Implement initiatives to promote the advancement of women in the workplace (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 revamping internal ERP systems (for accounting, sales, purchasing, workflow, etc.) Provided training for managerial candidates (management strategy school,team-building) Create an employee-friendly workplace (renovate office space) Enhance and improve both English disclosure materials and English IR website; establish a YouTube channel Strengthen outreach to individual investors (hold more information sessions for individual investors, leverage SNS, etc.) Adopt the exercise of voting rights via the Internet Ensure at least one-third of directors are independent outside directors

4. Sustainability Initiatives



- Actively investing in people as a means of growth.
- Guided by a "Work Smart" philosophy, Cyberlinks is facilitating the creation of comfortable and motivating working environments.

Raise salaries

Implemented wage increases capped at 9% (April 2025)

Create an employee-friendly workplace





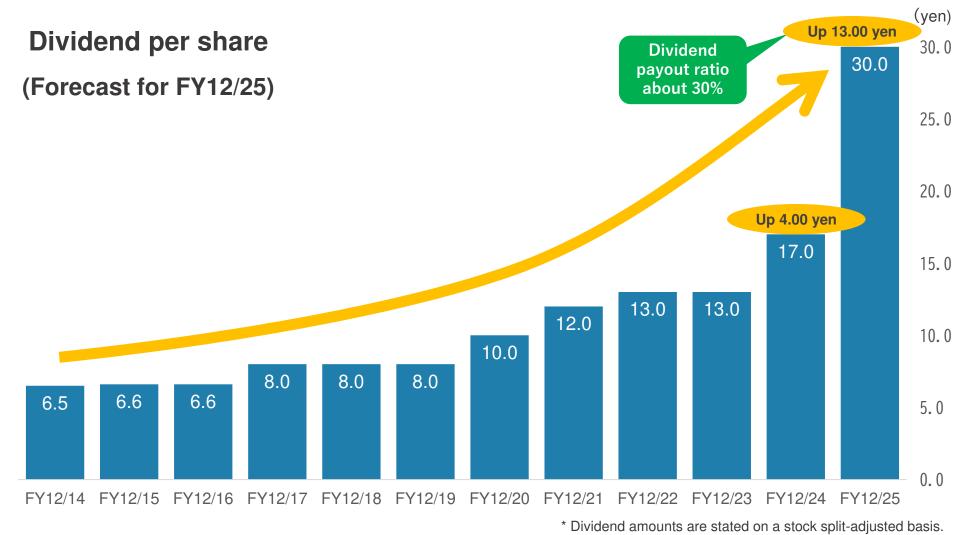


5. Shareholder Returns

5. Shareholder Returns



- We continue to adopt a progressive dividend policy, ensuring dividends per share are either increased or maintained year on year.
- 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.





Supplementary Materials



(millions of yen)

	1Q FY12/24 (Actual)	1Q FY12/25 (Actual)	YoY Change (%)	1H FY12/25 (Plan)	Progress vs. Plan (%)
Net sales	4,311	4,500	4.4%	8,866	50.8%
Distribution Cloud	1,104	1,224	10.9%	2,594	47.2%
Government Cloud	2,027	2,107	3.9%	4,203	50.1%
Trust	30	19	(36.0%)	64	30.4%
Mobile Network	1,149	1,149	0.0%	2,005	57.3%
Recurring revenue	1,935	2,117	9.4%	4,200	50.4%
Distribution Cloud	970	1,044	7.7%	2,128	49.1%
Government Cloud	825	881	6.8%	1,708	51.6%
Trust	13	19	44.4%	44	44.0%
Mobile Network	126	171	36.0%	320	53.6%
Operating profit	355	414	16.5%	783	52.9%
Ordinary profit	356	410	15.1%	783	52.4%
Distribution Cloud	160	162	1.4%	394	41.2%
Government Cloud	159	250	56.7%	549	45.6%
Trust	(13)	(33)	_	(40)	_
Mobile Network	95	130	36.5%	119	109.3%
Adjustments	(45)	(98)		(239)	_
Profit attributable to owners of parent	228	271	18.5%	529	51.3%
EPS	JPY20.52	JPY24.27	_	JPY47.34	_



(millions of yen)

		End-Dec. 2024		End-Mar. 2025		25	Factors behind changes	
		Amount	Composition	Amount	Composition	Change	ractors bernind changes	
Assets	Current Assets	6,665	49.2%	7,545	51.6%	880	Notes and accounts receivable - trade, and contract assets increased	
	Non-current Assets	6,886	50.8%	7,088	48.4%	201	Increase in software	
	Total Assets	13,551	100.0%	14,633	100.0%	1,081		
Liabilities & Net Assets	Current Liabilities	3,504	25.9%	4,595	31.4%	1,090	Increase in short-term borrowings due to loans	
	Non-current Liabilities	1,907	14.1%	1,808	12.4%	(98)	Decrease in long-term borrowings due to repayment	
	Total Liabilities	5,411	39.9%	6,403	43.8%	991		
	Total Net Assets	8,139	60.1%	8,229	56.2%	89	Increase in retained earnings due to accumulation of profit	
	Total Liabilities & Net Assets	13,551	100.0%	14,633	100.0%	1,081		



(millions of yen)

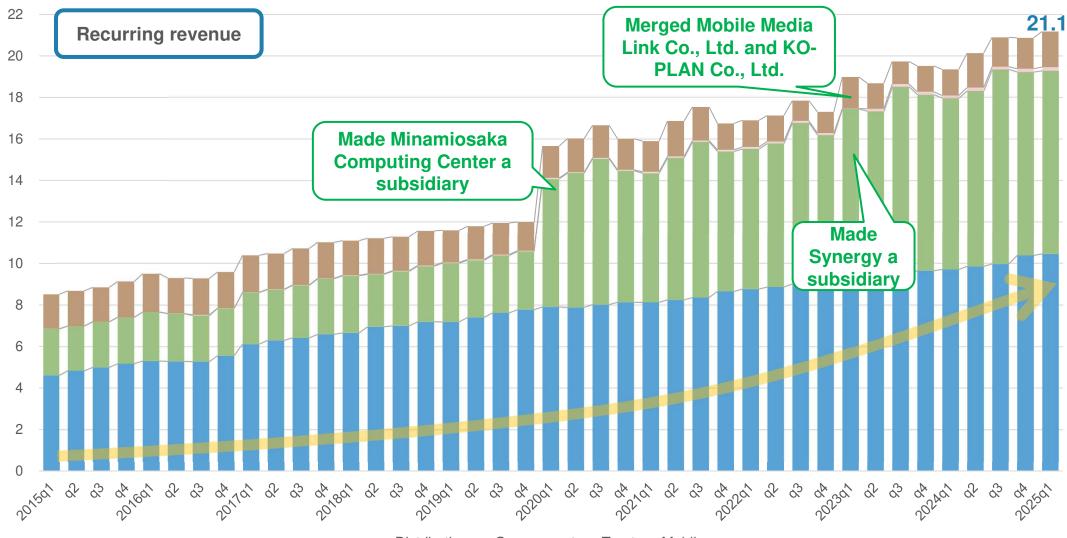
		FY12/24 (Cons. Actual)	FY12/25 (Forecast) (\ref{K})	YoY Change (%)
Net sa	ales	15,870	17,741	11.8%
	Distribution Cloud	4,902	5,640	15.0%
	Government Cloud	6,822	7,918	16.1%
	Trust	81	231	184.5%
	Mobile Network	4,064	3,952	(2.8%)
Recur	ring revenue	8,125	8,654	6.5%
	Distribution Cloud	3,990	4,378	9.7%
	Government Cloud	3,489	3,478	(0.3%)
	Trust	62	145	131.6%
	Mobile Network	582	653	12.2%
Opera	ting profit	1,255	1,731	37.9%
Ordina	ary profit	1,266	1,734	36.9%
	Distribution Cloud	837	957	14.2%
	Government Cloud	509	956	87.5%
	Trust	(81)	0	—
	Mobile Network	267	234	(12.6%)
	Adjustments	(267)	(413)	—
Profit a	attributable to owners of parent	814	1,147	40.8%
EPS		JPY72.95	JPY102.66	

*No revisions have been made to the forecast announced on February 14, 2025.



Growth continued to be driven by the Distribution Cloud business

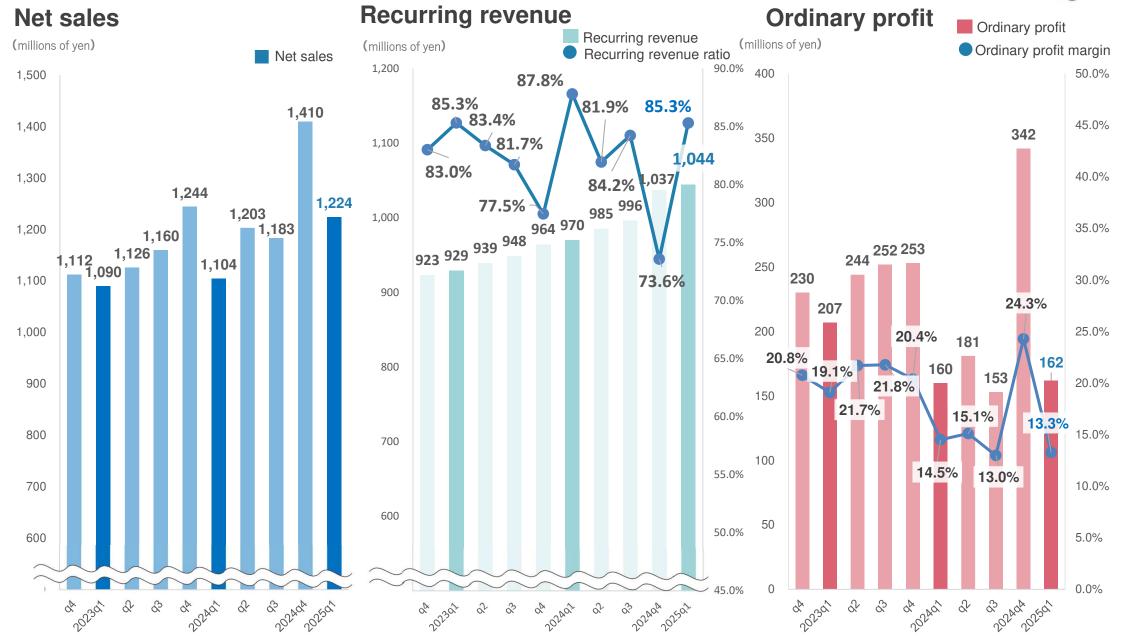




Distribution Government Trust Mobile

Supplementary Materials Performance in Distribution Cloud Business Net sales & Ordinary profit (Quarterly)

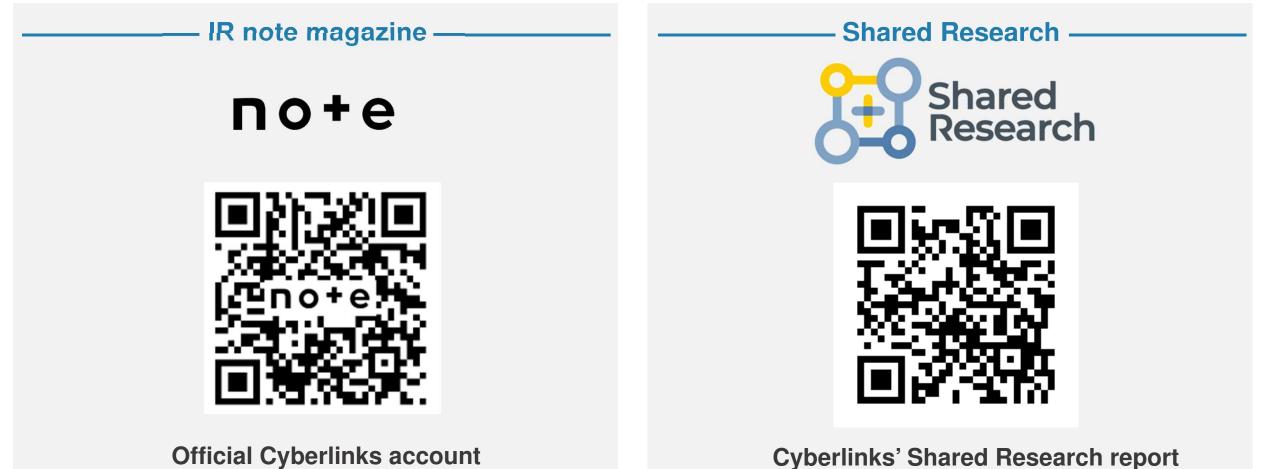




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https://sharedresearch.jp/ja/companies/3683



CYBERLINKS CO., LTD.

Corporate Planning Division

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

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