



Q1 FY4/2027

Results Briefing Materials

NE Inc.

September 2026 | TSE GRT : 441A

① Q1 FY4/2027 Results

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Although all-company sales declined slightly in Q1, the core Next Engine business performed solidly across GMV, number of orders processed and ARPU, achieving strong growth of over 5% YoY in both net sales and operating profit.

All-Company

Net sales

¥**966**mn

-2.7% YoY

Operating profit margin

32.2%

-3.7pt YoY

Next Engine Business

Net sales

¥**834**mn

+5.0% YoY

Operating profit

¥**557**mn

+8.8% YoY

GMV^{※1}

¥**375.2**bn

+18.1%
YoY

Number of orders processed

43.07mn

(number of contracted
companies 6,770)

+8.0%
YoY

ARPU^{※2}

¥**41,069**

+3.0%
YoY

Monthly churn rate^{※3}

0.92%

*1: Gross Merchandise Value: the total value of e-commerce transactions conducted via Next Engine (excluding amounts subject to cancellation processing since Q2 FY 4/2026).

*2: Average Revenue Per User: the average monthly net sales per Next Engine client.

*3: Monthly churn rate: calculated by dividing the average number of cancellations over the quarter by the total number of contracted companies at the end of the quarter.

Unit:¥mn	Accounting period (3mths)			
	Q1 FY4/2026 Results	Q1 FY4/2027 Results	Change	YoY
Net sales	993	966	-27	-2.7%
Next Engine Business	794	834	+39	+5.0%
Consulting Business	136	81	-55	-40.5%
Commerce Tech Business	62	51	-11	-18.2%
Operating profit	356	310	-46	-12.9%
Operating profit margin	35.9%	32.2%	-3.7pt	-

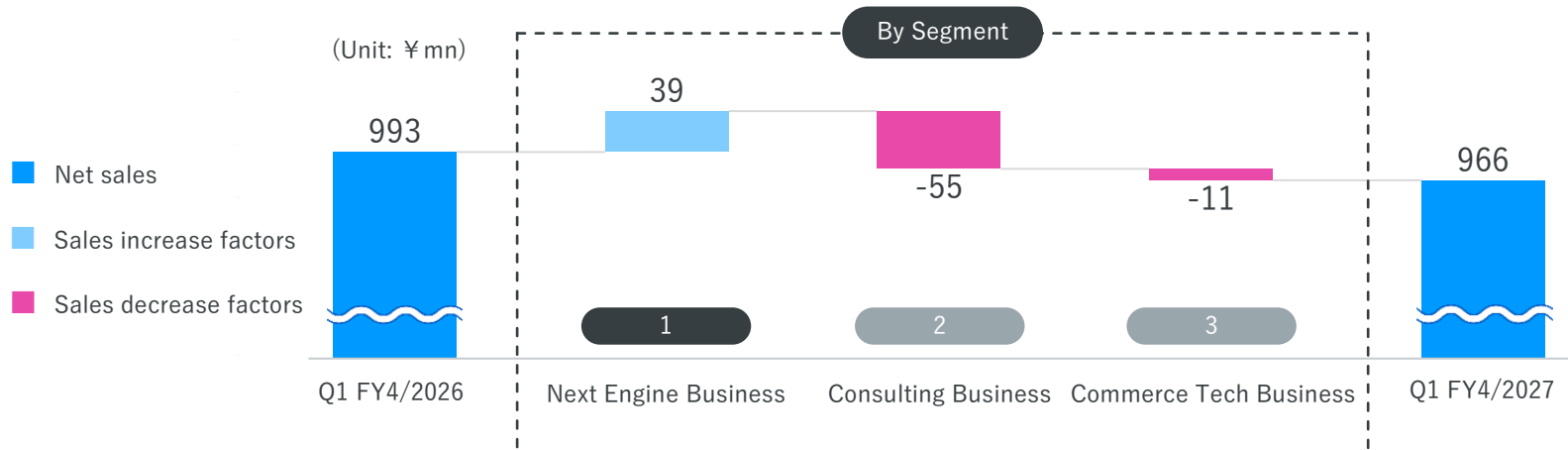
FY4/2027 Target Achievement Rate		FY4/2027 targets				
¥mn		0%	25%	50%	75%	100%
Net sales	4,630	966	Achievement rate 20.9%			
Operating profit	1,190	310	Achievement rate 26.1%			

* Figures rounded down to the nearest ¥mn; slight discrepancies may arise due to the treatment of fractions of ¥mn in the figures.

* Commerce Tech Business reorganized from Localco Business in May 2027.

Comments on target achievement rate

- As earnings are normally mostly accrued in H2, progress against the net sales target tends to be weak in Q1.
- The rate of achievement against the full-year operating profit target is more than 25% mostly because of delays in implementing investment plans in Q1. We intend to get investment back on track from Q2.



Sales swing factors

* Figures rounded down to the nearest ¥mn; slight discrepancies may arise due to the treatment of fractions of ¥mn in the figures.

1

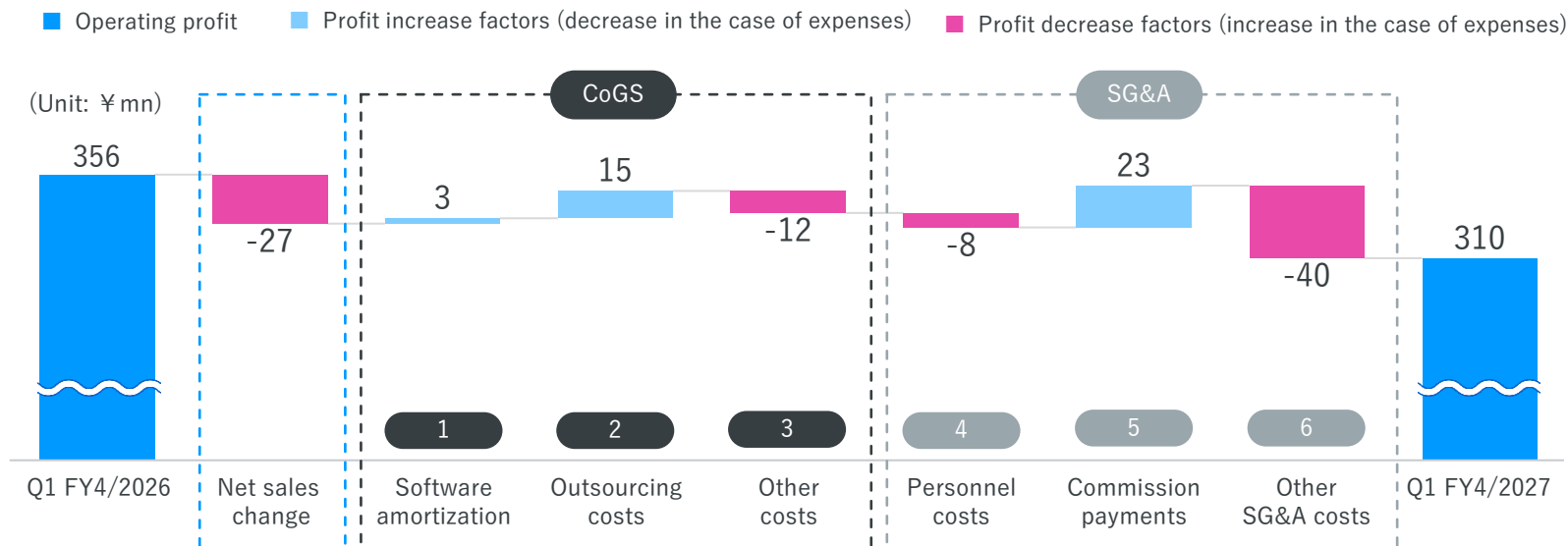
- Signs of improvement in market conditions, including an 18.1% YoY increase in GMV at EC operators, our main clients, due to wage rises bolstering consumer sentiment.
- This caused an 8.0% YoY increase in the number of orders processed for clients, while steady acquisition of projects in the Next Engine Order Made consignment development service, which aims to solve client's individual issues, created 3.0% YoY high growth in ARPU, a key metric for the sales weighting.
- Sales rose 5.0% YoY in the Next Engine Business, driven by the cycle of both external and internal factors.

2

- Sales of the generative AI online video course, which we began offering in FY4/2026, were affected by longer operating lead times owing to change in the subsidy system. There was no notable positive impact from the course in Q1 and sales declined by ¥41mn YoY.
- Sales of regular consulting services declined YoY due to ongoing challenges in securing resources, but sales are trending above initial target pace.

3

- Sales in the Hometown Tax Support Business declined ¥14mn in part due to special factors, including the cancellation of contracts with major local authorities in May 2025 (the number of local authorities under contract was one higher in FY4/2026) and the frontloading of demand from Q1 FY4/2026 ahead of the abolition of points on the Hometown Tax portal site due to planned systemic changes from October 2025. The transfer of this business was concluded on August 3, 2026.
- Sales in the E-commerce Retail Business for Traditional Crafts rose 12.9% YoY but were slightly below initial target pace.



Profit swing factors

* Figures rounded down to the nearest ¥mn; slight discrepancies may arise due to the treatment of fractions of ¥mn in the figures.

1

- Personnel costs related to Next Engine functionality and app development are allocated to software (assets) and amortized over 3 to 5 years.
- Progress on write-downs resulted in a slight decrease in the amortization amount.

2

- Outsourcing costs in the Consulting Business down after review of use of outside marketing contractors.
- Outsourcing costs (a variable cost) also down on lower sales in the Hometown Tax Support Business.

3

- Most of the increase in Other costs was the result of a ¥14mn rise in personnel costs for engineers to maintain software functionality.

4

- Personnel costs increased due to higher salaries and allowances resulting from pay rises and changes in the workforce composition, as well as higher commuting expenses due to more staff coming into the office.
- We plan to continue investing in human resources.

5

- Commission payments declined as almost no commissions were generated from sales of the generative AI online video course.

6

- Consumables costs and property rent up ¥16mn due to expansion in office space.
- Gross tax payable up ¥15mn owing to the necessity to treat factor-based taxation under CoGS and SG&A as a listed company.

※No change from the forecasts issued on June 12, 2026.

Unit: ¥mn	Net sales	Operating profit	Ordinary profit	Net profit
FY4/2027 forecast (A)	4,630	1,190	1,190	1,011
FY4/2026 result (B)	4,068	1,461	1,444	1,008
Change (A-B)	+561	-271	-254	+2
Percentage change	+13.8%	-18.6%	-17.6%	+0.3%

* Figures rounded down to the nearest ¥mn; slight discrepancies may arise due to the treatment of fractions of ¥mn in the figures.

Comments

- We expect YoY declines in operating profit and ordinary profit due to plans to step up growth investments including system investments for cybersecurity and marketing initiatives.
- Achievement against the full-year operating profit target was more than 25% in Q1 due to unused investment budgets resulting from development delays for some products.
- We intend to strengthen investment in growth from Q2 onward, including marketing strategies for newly established overseas base and offshore development activities.

② Progress on Medium-Term Management Plan

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Aiming to maximize longer-term corporate value for the realization of our vision “Commerce OS for the Agent Era”.

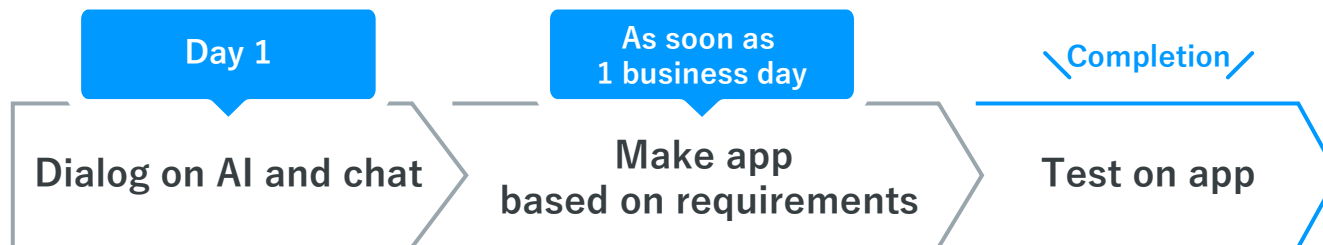
Growth Strategies		FY4/2027	FY4/2028	FY4/2029
① Establishment of the platform infrastructure	Milestones	• Use of AI, API • Establish NE STUDIO/NE LINKS	Serve as a connection gateway for AI and external services by compatibility with OpenAPI, llms.txt	Evolution into a Commerce OS
	Progress	May: API manual update June: Launch of NE LINKS β June: Installation of MCP server August: Launch of NE STUDIO		
② Global development	Milestones	Aggregate Japan commerce data	• Establish South Korean subsidiary • Connect with local platforms • Step up cross-border support	• Expand to major Asian countries • Establish GMV model • Achieve overseas sales weighting of 15%
	Progress	June: Business alliance with Cafe24 August: Establishment of South Korean subsidiary		
③ Transformation of the revenue model	Milestones	• Establish NE STUDIO/NE LINKS • Develop GMV-linked revenue model	• Establish payment-by-results model • Expand use of cross-border support	• Achieve GMV-linked revenue weighting of 18.0% • Achieve payment-by-results revenue weighting of 8.0%
	Progress	June: Launch of NE LINKS β June: Business alliance with Cafe24 August: Launch of NE STUDIO		

NE STUDIO

A service that allows e-commerce operators using the SaaS-based e-commerce backend system Next Engine to input their daily business improvements and automation needs in natural language and develop custom apps tailored to their specific business needs.

Customize Next Engine to your business using AI

NE STUDIO development flow



✓ Input what you want in daily conversational language

✓ No need for quotations or requirements definitions

✓ Development waiting times can be dramatically reduced

* NE STUDIO officially launched on August 3, 2026 (Next Engine contract needed to use it) <https://base.next-engine.org/apps/7849/detail/>

NE LINKS β

SaaS-based e-commerce back-end system Next Engine provides a PWA dashboard to monitor e-commerce operations on smartphones based on order and sales data.

Monitor your e-commerce operations on your smartphone



Key features provided by NE LINKS β

1. Check order volume and total sales
2. Check order status by store
3. View a list of top-selling products
4. Early access via PWA



Launch Date and Supply Format

Launch Date	June 3, 2026
Supply Format	β version
Target User	A selection of existing Next Engine contracted clients
Usage	PWA (accessible via smartphone browsers)

With our mission to “Build the Invisible Engine”, NE LINKS beta takes the first step towards creating an environment in which e-commerce operators can monitor their daily operations more naturally and with less effort.

We will continue to study and develop a native app based on the usage of the beta version and customer feedback.

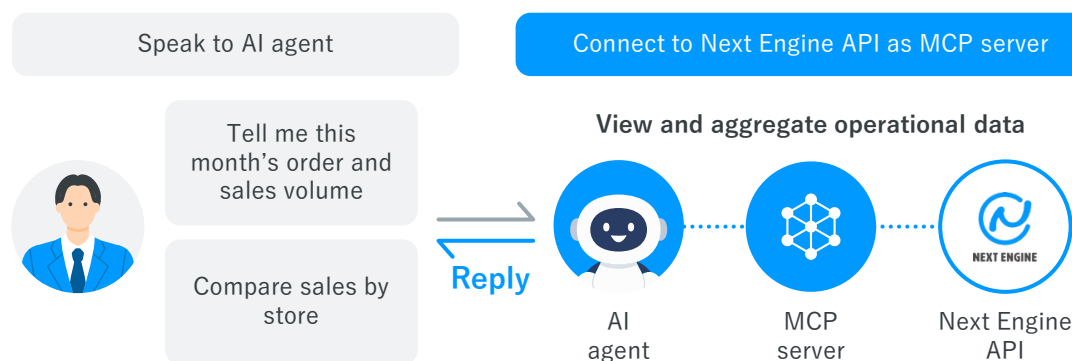
About NE LINKS β (Japanese only) <https://next-engine.net/lp/ne-links/>

MCP server

Our MCP server leverages the existing API of Next Engine. It provides a connectivity platform that allows the viewing and aggregation of operational data such as orders, sales, inventory, and products simply by speaking to an AI agent.

Example of MCP server usage

From manual operation to **vocal confirmation**



- Get the required numbers by voice without opening the admin screen
- View and aggregate data such as orders, sales, inventory, and products
- Easily create an immediately accessible report

Launch date and supply format

Launch date June 30 2026

Supply Format *β* version

Future development

We will gradually expand the scope of data that AI agents can aggregate and are also exploring ways to apply this to the NE LINKS smartphone app. We will continue to evolve Next Engine into the Commerce OS for the agent era.

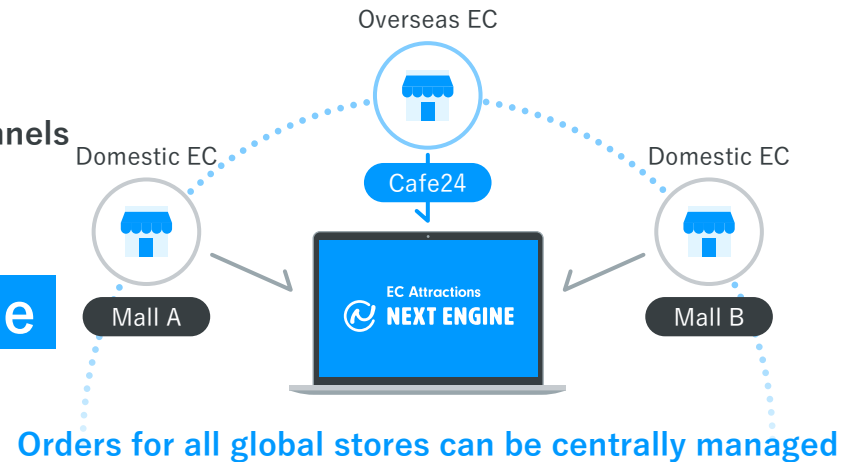
About Next Engine MCP (Japanese only):
<https://next-engine.net/lp/next-engine-mcp/>

* MCP(Model Context Protocol) is one of the standard mechanisms for AI agents to connect to external systems and data sources.

Cafe24 is a global EC platform company originating in South Korea with a base of more than 2mn stores. The alliance is based on a memorandum of understanding announced on April 17, 2026 and is set to move into the implementation phase.

The fastest growing EC platform for overseas channels

Cafe24 PRO and other malls can
be centrally managed via **Next Engine**



Details of the business alliance

- Develop and launch a tie-up app that links Cafe24 PRO and Next Engine (developed by NE with information provision and development cooperation from Cafe24)
- Introduce Cafe24 PRO to Next Engine clients
- Work together on product dispatch and operational support
- Business alliance contract date: June 30, 2026
- Tie-up app launch date: August 5, 2026

Overview of partner company

Name	Cafe24 Corp.
Address	15 Boramae-ro 5gil, Dongjak-gu, Seoul, South Korea
Representative	CEO Jaesuk Lee
Business Activities	E-commerce solutions, global marketing, global logistics
Capital	KRW 12.1 billion



NE Korea Inc.

Reasons for establishing South Korean subsidiary

With an eye toward the globalization of commerce driven by AI agents, our growth strategy focuses on expanding into cross-border e-commerce and Asian markets by leveraging the strengths we have cultivated in Japan in e-commerce back-office operations. Based on this, we have partnered with South Korea's Cafe24 to support cross-border e-commerce between Japan and South Korea, using this as a stepping stone to expand Next Engine's GMV-linked revenue model.

Schedule

Resolution date	July 17, 2026
Establishment date	August 3, 2026
Business start date	October 1, 2026 (expected)

Details of new subsidiary

Name	NE Korea Inc.
Location	Seoul Metropolitan City, Republic of Korea
Representative	Representative Director Noriyoshi Higo Representative Director Sanghyun Lee
Business Activities	Development, supply, and management of EC operational systems
Capital	KRW 200 million
Stakeholdings	NE Inc. (100.0%)

③ Other Initiatives

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A shareholder-exclusive website has been established for the shareholder benefits scheme, which started from FY4/2027. The site enables shareholders who hold the required number of shares during the required period to buy products from Next Engine users at discounted prices using the benefit coupons they have received.



Examples of products available on the shareholder-exclusive website under the shareholder benefits scheme

Number of shares held	Holding period less than 3 years	Holding period 3 years or more
100 or more but less than 300 shares	¥ 500 discount voucher	¥ 1,000 discount voucher
300 or more but less than 1,000 shares	¥ 1,000 discount voucher	¥ 2,000 discount voucher
1,000 shares or more	¥ 3,000 discount voucher	¥ 4,000 discount voucher



Record Date

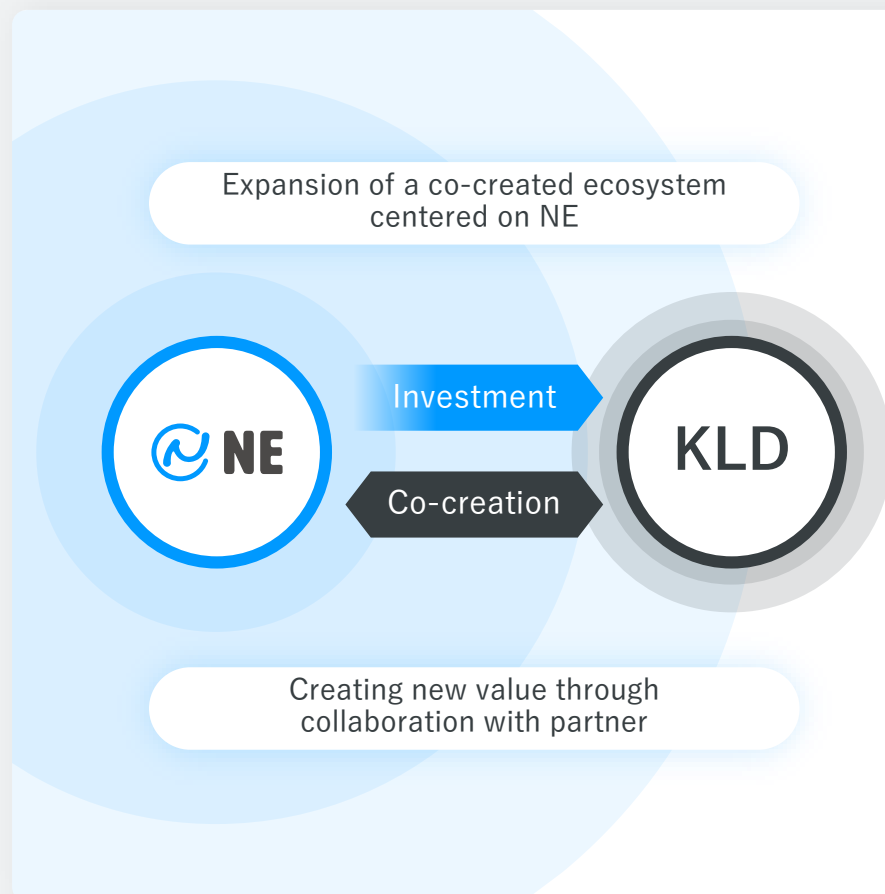
The initial record date is April 30 2026, and thereafter the record date will be April 30 each year.



Eligible Shareholders

This offer is available to shareholders listed or recorded in the Company's shareholder register as at April 30 each year who hold 100 shares (one unit) or more of the Company's shares. Furthermore, we plan to offer enhanced benefits to shareholders who have held shares continuously for three years or more.

The Company has made an investment in KLD Co., Ltd. (hereinafter “KLD”) as the first investment under its Corporate Venture Capital (hereinafter “CVC”) business initiative, which aims to strengthen the competitiveness of its existing businesses and create value in the future commerce market.



Reasons for investing in KLD

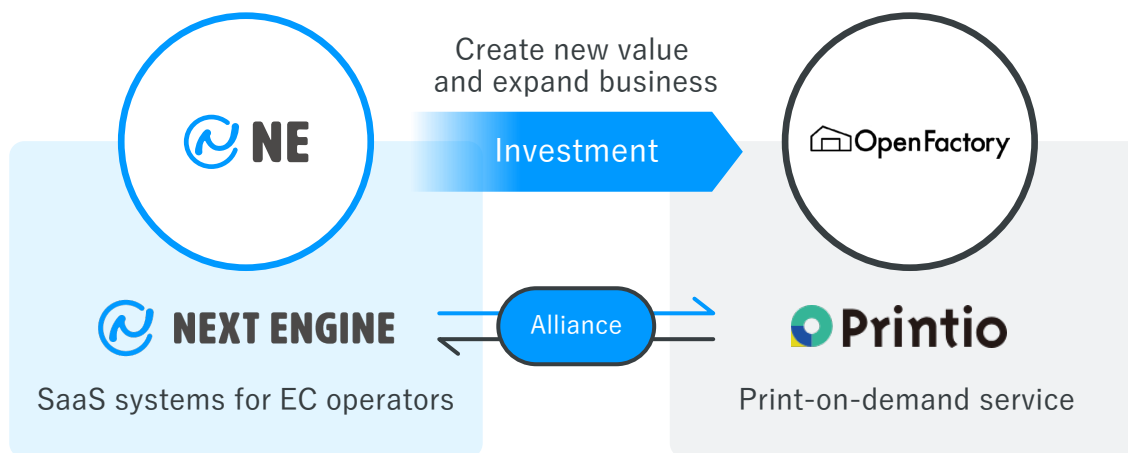
KLD is a client of Next Engine and is advancing digitalization in the reuse sector and the roll-out of reuse as a service (RaaS). We decided to invest as we anticipate synergies through future co-creation and enhancement of the added value of our platform.

Overview of the investment

Underwriting by NE of a third-party allotment of new shares

Investment Date	May 29, 2026
Investment Amount	Class A Preference Shares/Total Underwriting Amount: ¥ 19,999,000
Funding Round	Pre-Series A

The Company has invested in OpenFactory, Inc. (hereafter “OpenFactory”) as the second investment under its CVC business initiative.



Reasons for investing in OpenFactory

OpenFactory is a key partner that aligns with our platform’s value enhancement and the objectives of our CVC business. Through this investment, we will help e-commerce businesses establish an environment where they can “make and sell” without inventory risk, thereby supporting the expansion of their commerce infrastructure and the creation of value.

About OpenFactory

Name	OpenFactory, Inc.
Representative	Representative Director Kenji Horie
Business Activities	Provision of print-on-demand system services using digital printing and IT technologies

Overview of the investment

Underwriting by NE of a third-party allotment of new shares	
Investment Date	June 24, 2026
Investment Amount	Class B Preference Share／Total Underwriting Amount ￥20,000,000
Funding Round	Series A

As a company located in Shin-Yokohama, we have concluded an official sponsorship agreement with the professional soccer club Yokohama F. Marinos, aiming to enhance our brand recognition in the Yokohama area, strengthen our recruitment, and foster collaboration with the local community.

Deepening ties with the local community

Creating new passion with the local community



Aims of this initiative

- To contribute to the Yokohama local community by enhancing brand recognition, strengthening recruitment, and deepening collaboration with the region.
- To harness the enthusiasm of Yokohama F. Marinos and the passion inherent in sports as a driving force for management and organizational development

Background & Purpose of the Sponsorship Agreement

With “Love Commerce.” as our guiding philosophy, NE has built an infrastructure that allows e-commerce businesses to experience the thrill of making sales. As a company based in Shin-Yokohama, we aim to walk hand in hand with the local community and the team’s fans and supporters to contribute to the revitalization of the local economy and the city through the passion of sports.

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Unit: ¥ mn	FY4/2026				FY4/2027
	Q1	Q2	Q3	Q4	Q1
Net sales	993	994	1,126	953	966
Next Engine Business	794	747	809	793	834
Consulting Business	136	100	200	110	81
Commerce Tech Business	62	146	117	49	51
EBITDA	399	399	446	365	342
Operating profit	356	366	417	320	310
Next Engine Business	512	473	538	535	557
Consulting Business	22	12	22	23	4
Commerce Tech Business	-28	37	14	-40	-29
Ordinary profit	356	357	406	323	311
Net profit	238	251	288	230	211

* Figures rounded down to the nearest ¥mn; slight discrepancies may arise due to the treatment of fractions of ¥mn in the figures.

* Commerce Tech Business reorganized from Localco Business in May 2027.

	FY4/2026					FY4/2027
	Q1	Q2	Q3	Q4	Full year	Q1
Number of contracted companies	6,640	6,700	6,737	6,764	6,764	6,770
Number of stores	54,436	55,505	56,074	56,891	56,891	57,715
GMV ^{*1} (¥ bn)	317.6	304.5	372.1	357.3	1,351.5	375.2
ARPU (¥)	39,878	37,202	40,043	39,122	39,061	41,069
Monthly churn rate ^{*2}	1.08%	0.98%	0.93%	0.82%	0.95%	0.92%
Number of orders processed ^{*1} (mn)	39.86	36.25	42.20	40.10	158.41	43.07
LTV ^{*3} (¥ mn)	3.69	3.79	4.30	4.75	4.13	4.46

*1: GMV and order processing figures represent the sum totals for the end of each quarter, excluding amounts subject to cancellation processing.

*2: Monthly churn rate: calculated by dividing the average number of cancellations over the quarter by the total number of contracted companies.

*3: Lifetime Value: ARPU divided by the monthly churn rate.

Unit: ¥ mn	End-FY4/2026	End-Q1 4/2027	Change
Total current assets	4,589	4,709	+120
Cash and deposits	3,632	3,530	-102
Total fixed assets	600	604	+3
Intangible fixed assets	185	162	-22
Total assets	5,190	5,313	+123
Total current liabilities	553	462	-90
Total non-current liabilities	38	38	0
Total liabilities	592	501	-90
Total net assets	4,598	4,812	+214
Equity	4,598	4,812	+214
Total liabilities and net assets	5,190	5,313	+123

* Figures rounded down to the nearest ¥ mn; slight discrepancies may arise due to the treatment of fractions of ¥ mn in the figures.

Love Commerce.

Creating a 'new wave of excitement'
with everyone involved in commerce

コマースに熱狂を。

Bringing Passion to Commerce

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Thus, we have no intention to solicit or encourage investment for securities or financial products mentioned in this document.

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