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August 8, 2025

Non-consolidated Financial Results for the Six Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: CELSYS, Inc.
Listing: Tokyo Stock Exchange
Securities code: 3663
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Scheduled date of filing semi-annual securities report: August 13, 2025
Scheduled date of commencing dividend payments: September 29, 2025
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, 2025 (from January 1, 2025 to June 30, 2025)

(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, 2025	4,738		1,533		1,531		870	
June 30, 2024	—	—	—	—	—	—	—	—

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2025	28.43	28.39
June 30, 2024	—	—

(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, operating results (cumulative) for the six months ended June 30, 2024 and the year-on-year percentage changes 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, 2025	8,393	5,554	65.3
December 31, 2024	8,156	5,264	63.7

Reference: Equity

As of June 30, 2025: ¥5,484 million
As of December 31, 2024: ¥5,195 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, 2024	—	12.00	—	12.00	24.00
Fiscal year ending December 31, 2025	—	22.00			
Fiscal year ending December 31, 2025 (Forecast)			—	14.00	36.00

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

3. Non-consolidated financial results forecast for the fiscal year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

(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	9,079	10.7	2,555	19.0	2,514	10.3	1,744	24.6	56.46

- Notes: 1. Revision to the financial results forecast announced most recently: None
2. Due to the absorption-type merger of &DC3, Inc., a consolidated subsidiary, on January 1, 2025, the Group shifted from consolidated to non-consolidated financial results beginning with the fiscal year ending December 31, 2025. Accordingly, the percentage changes for the full year are calculated based on comparisons with the consolidated financial results for the fiscal year ended December 31, 2024.

*** 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, 2025	36,271,180 shares
As of December 31, 2024	36,271,180 shares

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

As of June 30, 2025	5,767,724 shares
As of December 31, 2024	5,385,381 shares

(iii) Average number of shares outstanding during the period

Six months ended June 30, 2025	30,624,798 shares
Six months ended June 30, 2024	32,059,197 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 5 of the attached materials for conditions forming the basis for financial results forecasts, notes regarding the use of financial results forecasts, and other information.

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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 are working to strengthen our revenue base and management structure.

Following structural reforms including the sale of the UI/UX business in 2023, the listing on the Prime Market of the Tokyo Stock Exchange in 2024, and the absorption-type merger with our subsidiary, &DC3, Inc., in January 2025, the Company has completed the development of its management structure to advance toward the next stage of growth. In light of this, we have formulated a new “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. (Medium-Term Management Plan 2025–2027:

https://www.celsys.com/files/user/pdf/ir/info/2025/info_2025-0214a_en.pdf)

In line with the formulation of the Medium-Term Management Plan, we reviewed our previous business segments and consolidated them into a single segment. Previously, our operations were divided into two segments: the “Content Production Solutions business,” which focused on development and sales of CLIP STUDIO PAINT, a software product for producing illustrations, manga, Webtoon, and animation; and the “Content Distribution Solutions business,” which included DC3 Solution and e-book Solution. As a result of the integration, the former has been redefined as the “Creator Support field” and the latter as the “Creator Platform field” from the fiscal year under review.

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

In the fiscal year under review, focused on efforts to enhance corporate value, management focused on its software IP and strategic investment continued to be prioritized.

As a result, for the six months under review, the Company’s net sales amounted to ¥4,738,790 thousand (up 16.7% year-on-year), and operating profit amounted to ¥1,533,845 thousand (up 38.8% year-on-year).

Ordinary profit amounted to ¥1,531,173 thousand (up 24.6% year-on-year) due to factors such as recording of ¥21,283 thousand in dividend income and ¥2,598 thousand in interest income as non-operating income, while ¥8,505 thousand in commission expenses for purchase of treasury shares and ¥18,750 thousand in foreign exchange losses were recorded as non-operating expenses. Profit amounted to ¥870,713 thousand (down 7.7% year-on-year) due to the recording of ¥480,307 thousand in loss on valuation of investment securities as extraordinary losses because some of the investment securities held by the Company have fallen significantly below their acquisition cost largely due to falling market value, and the recording of ¥371,488 thousand in income taxes, despite the recording of ¥153,875 thousand in gain on extinguishment of tie-in shares as extraordinary income resulting from the simplified absorption-type merger of &DC3, Inc. The progress rates on the full-year financial results forecast announced on February 14, 2025 are 52.2% for net sales and 60.0% for operating profit.

It should be noted that the financial results for the six months ended June 30, 2024 were on a consolidated basis, reflecting the performance of CELSYS, Inc. and its subsidiary, &DC3, Inc.

The Company emphasizes shareholder returns, and with regard to the acquisition of treasury shares, a cumulative total of ¥5,000,000 thousand was executed, including ¥1,000,000 thousand in the fiscal year ended December 31, 2022, ¥2,000,000 thousand in the fiscal year ended December 31, 2023, ¥1,500,000 thousand in the fiscal year ended December 31, 2024, and ¥500,000 thousand in the six months ended June 30, 2025. Furthermore, as disclosed in “Notice Regarding Determination of Matters Concerning Acquisition of Treasury Shares” released today, the Company plans to acquire additional treasury shares worth ¥500,000 thousand starting from August 2025. In addition, for the fiscal year ending December 31, 2025, the Company plans to pay an annual dividend of ¥36 per share (an increase of ¥12 from the previous year), comprising an interim dividend of ¥22, which includes a commemorative dividend of ¥10 per share for the listing on the Prime Market of the Tokyo Stock Exchange, and a year-end dividend of ¥14.

Net sales by field are as follows.

	(Consolidated) Six months ended June 30, 2024 Amount (thousands of yen)	(Non-consolidated) Six months ended June 30, 2025 Amount (thousands of yen)	Year-on- year change (%)
Creator Support	3,369,726	4,044,163	20.0
Creator Platform	690,890	694,627	0.5
Total	4,060,617	4,738,790	16.7

<Creator Support field>

The Creator Support field provides services related to content production worldwide through CLIP STUDIO PAINT, the illustration, manga, 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 52.59 million units by June 2025 (up 27.3% year-on-year). In addition, the Annual Recurring Revenue (ARR) for SaaS provided under a subscription model of the same application was ¥4.83 billion in June 2025 (up 30.2% year-on-year), marking a record 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 software by offering the software 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 5.0% at the end of June 2025.

CLIP STUDIO PAINT is offered in 11 languages and has reached approximately 80% for overseas shipments of non-Japanese versions. To further increase sales and the number of users, the Company will continue to strengthen localization efforts, including marketing for the languages, not only for widely used languages such as English, Spanish, German, and Korean, but also for languages with high growth potential, such as simplified Chinese, Thai, Indonesian, and Brazilian Portuguese, as well as enhancing payment options.

In the six months ended June 30, 2025, we made a major update of CLIP STUDIO PAINT in March 2025, with the aim of boosting both sales and the number of users of CLIP STUDIO PAINT, and Version 4.0 was released. Version 4.0, which was released globally, received a strong response and achieved sales results that exceeded the initial plan.

The Company has implemented an offering model under which customers who have purchased outright 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 4.0 or later. This offering model has led to an increase in subscription contracts and improved sales from existing outright purchase users purchasing the new version.

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 a price increase of up to 8%. The price will be revised to match the increased value of services with the regular release of major updates in the future.

As part of efforts to step up global expansion, the Company released the simplified Chinese version license of CLIP STUDIO PAINT for PC in July 2025, supporting the creative activities of many creators around the world who use simplified Chinese. In addition, the price of the simplified Chinese version of CLIP STUDIO PAINT for iPad, which was released earlier, has been revised, further bolstering global expansion.

Also, as disclosed in "Notice Regarding Establishment of Subsidiary" released on August 6, 2025, the Company has decided to establish a subsidiary overseas to enhance payment options for CLIP STUDIO PAINT worldwide. The initiative will enable more users to make payments smoothly, further bolstering the global expansion of CLIP STUDIO PAINT.

In January 2025, the Company began offering a paid add-on subscription service to expand cloud storage capacity, with the aim of enhancing user convenience and increasing revenue opportunities within the subscription model.

In February 2025, CLIP STUDIO PAINT began to be provided globally as a bundled offering with Wacom's new product, the "Wacom Intuos Pro." The bundled version of CLIP STUDIO PAINT adopts a model in which, after a certain period of use, users transition to a subscription contract. This initiative is expected to contribute to an increase in new contracts and the acquisition of users in overseas markets.

In March 2025, the CLIP STUDIO PAINT Volume License for enterprises and educational institutions was adopted in the curriculum of ZEN University, an online university newly established by the Educational Institute of The Nippon Foundation and DWANGO. This initiative contributes to increased recognition and a broader user base among younger generations. CLIP STUDIO PAINT has already been introduced at N High School, S High School, and N Middle School, which are affiliated schools of ZEN University and operated by KADOKAWA DWANGO Educational Institute.

In April 2025, CLIP STUDIO PAINT was made available globally as a pre-installed app on Samsung's new Galaxy Tab S10 FE+ and Galaxy Tab S10 FE. The pre-installed version of CLIP STUDIO PAINT adopts a model in which, after a certain period of use, users transition to a subscription contract. With a simple user interface, even beginners can start getting creative right away. The pre-installation is hoped to expand reach to young people and light users globally.

In June 2025, CLIP STUDIO PAINT began to be provided globally as a bundled offering with Wacom's new Wacom Cintiq. The Company also sponsored WEBTOON CONCOURS 2025, a webcomic contest for French-speaking creators hosted by WEBTOON®, and DoKomi 2025, Germany's largest Japanese pop culture event, accelerating its global expansion with a prospect to increase the number of new users, especially overseas users, and boost subscription contracts.

<Creator Platform field>

In the Creator Platform field, the Company aims to expand its business and stimulate creative activities by developing, providing and operating new services that leverage the trust and strengths cultivated through its content production solution in the Creator Support field, as well as the assets accumulated through its distribution solutions.

In the six months ended June 30, 2025, the Company promoted the planning and consideration of new platform services, while conducting research on the ecosystem, global industry trends, and service models in the creator economy market. Development began in July 2025, with the aim of launching the official service in 2026. At the same time, efforts have been made to strengthen the organizational structure to support the development of new services, by optimizing human resources through internal reassignments.

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.

In the area of distribution solutions, the Company has been optimizing the performance and improving the UI/UX of its DC3 Solution and e-book Solution, while also exploring potential applications for these solutions in new platform services.

As of March 2025, the number of users worldwide of the Company's creator platform services exceeded 10 million (up 17.6% year-on-year).

In May 2025, TWO VIRGINS DIGITAL, a digital bookstore of a publishing company TWO VIRGINS Co., Ltd., adopted the digital content distribution platform solution DC3 and released the art book series "THE VISUAL," created by popular illustrators, as DC3 content.

In June 2025, the Company's proofreading tool for digital book data was adopted by Freedonia Comics, a digital comics label of TOHAN CORPORATION, a major publication distributor.

Furthermore, the Company cooperated with Sony Corporation to offer motion materials from XYN Motion Studio, Sony's integrated application for motion production, on CLIP STUDIO ASSETS, the material library operated by the Company, providing a better creative environment for creators. This has not only helped to attract new users for CLIP STUDIO PAINT and improve the satisfaction of existing users, but has also revitalized CLIP STUDIO ASSETS.

(2) Explanation of financial position

Total assets for the six months under review amounted to ¥8,393,398 thousand, up ¥236,740 thousand from the end of the previous fiscal year. The main factors include decreases of ¥217,469 thousand in investment securities, ¥88,736 thousand in software, and ¥44,915 thousand in shares of subsidiaries and associates, and increases of ¥312,712 thousand in cash and deposits, ¥163,105 thousand in accounts receivable - trade, and ¥188,365 thousand in software in progress mainly due to higher operating revenue.

Liabilities for the six months under review amounted to ¥2,839,314 thousand, down ¥52,424 thousand from the end of the previous fiscal year. The main factors include increases of ¥69,996 thousand in accounts payable - trade, ¥144,429 thousand in advances received, and ¥137,757 thousand in provision for bonuses, and decreases of ¥49,468 thousand in accounts payable - other and ¥355,523 thousand in income taxes payable.

Total net assets for the six months under review amounted to ¥5,554,084 thousand, up ¥289,165 thousand from the end of the previous fiscal year. The main factors include an increase of ¥483,007 thousand in treasury shares due to share buybacks, an increase of ¥500,083 thousand in retained earnings, and an increase of ¥265,792 thousand in valuation difference on available-for-sale securities. The equity-to-asset ratio was 65.3%.

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

The full-year financial results forecast for the fiscal year ending December 31, 2025 remains unchanged from the forecast announced on February 14, 2025. The performance of the Company's core service, CLIP STUDIO PAINT, is expected to remain stable in the second half of the year, mainly due to sales from the subscription model. The Company will promptly disclose any revisions to the financial results forecast as necessary, while closely monitoring sales trends in the one-time purchase version campaign that is typically conducted in the second half of the year.

Regarding the recent U.S. tariff measures, the Company is not directly affected, as the majority of its business consists of digital services that do not involve the import or export of physical products and are therefore not subject to tariffs. Accordingly, the Company expects no impact on the full-year financial results forecast.

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 non-consolidated fiscal year (December 31, 2024)	Six months under review (June 30, 2025)
Assets		
Current assets		
Cash and deposits	5,188,846	5,501,558
Accounts receivable - trade	220,827	383,933
Finished goods	18,837	22,321
Raw materials and supplies	142,483	125,287
Prepaid expenses	111,979	162,335
Accounts receivable - other	323,374	347,822
Other	45,704	-
Allowance for doubtful accounts	(154)	(88,096)
Total current assets	6,051,898	6,455,162
Non-current assets		
Property, plant and equipment		
Buildings	185,650	185,544
Accumulated depreciation	(88,556)	(95,338)
Buildings (net)	97,094	90,206
Tools, furniture and fixtures	268,004	269,518
Accumulated depreciation	(219,441)	(222,035)
Tools, furniture and fixtures (net)	48,563	47,483
Other (net)	-	1,590
Total property, plant and equipment	145,657	139,279
Intangible assets		
Patent right	24,273	24,088
Trademark right	33,632	31,418
Software	905,316	816,579
Software in progress	46,552	234,917
Other	31,796	36,832
Total intangible assets	1,041,571	1,143,836
Investments and other assets		
Investment securities	663,486	446,016
Shares of subsidiaries and associates	44,915	-
Leasehold and guarantee deposits	131,364	131,364
Deferred tax assets	77,763	77,738
Total investments and other assets	917,529	655,119
Total non-current assets	2,104,759	1,938,236
Total assets	8,156,658	8,393,398

(Unit: thousands of yen)

	Previous non-consolidated fiscal year (December 31, 2024)	Six months under review (June 30, 2025)
Liabilities		
Current liabilities		
Accounts payable - trade	67,966	137,963
Accounts payable - other	162,976	113,507
Advances received	1,091,638	1,236,068
Accrued expenses	74,199	59,403
Income taxes payable	723,354	367,830
Provision for bonuses	64,064	201,821
Other	196,201	169,716
Total current liabilities	2,380,401	2,286,311
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	192,642	203,902
Provision for retirement benefits	297,741	317,402
Other	20,953	31,698
Total non-current liabilities	511,336	553,002
Total liabilities	2,891,738	2,839,314
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus		
Legal capital surplus	2,500	2,500
Other capital surplus	6,386,067	6,392,828
Total capital surplus	6,388,567	6,395,328
Retained earnings		
Other retained earnings		
Retained earnings brought forward	3,741,289	4,241,373
Total retained earnings	3,741,289	4,241,373
Treasury shares	(4,678,793)	(5,161,801)
Total shareholders' equity	5,461,063	5,484,900
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(265,744)	48
Total valuation and translation adjustments	(265,744)	48
Share acquisition rights	69,600	69,136
Total net assets	5,264,919	5,554,084
Total liabilities and net assets	8,156,658	8,393,398

(2) Semi-annual non-consolidated statements of income

	(Unit: thousands of yen)
	Six months under review (From January 1, 2025 to June 30, 2025)
Net sales	4,738,790
Cost of sales	1,890,715
Gross profit	2,848,075
Selling, general and administrative expenses	1,314,230
Operating profit	1,533,845
Non-operating income	
Interest income	2,598
Dividend income	21,283
Other	998
Total non-operating income	24,880
Non-operating expenses	
Commission expenses	8,505
Foreign exchange losses	18,750
Other	296
Total non-operating expenses	27,551
Ordinary profit	1,531,173
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
Total extraordinary losses	480,307
Pre-tax net profit	1,242,201
Income taxes - current	371,488
Profit	870,713

(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)

The Company acquired 401,300 shares of treasury shares upon the resolution of the Board of Directors meeting held on December 20, 2024. In addition, the Company disposed of 18,000 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 28, 2025.

As a result, treasury shares increased by ¥483,007 thousand to ¥5,161,801 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.

(Segment information)

[Segment information]

Six months ended June 30, 2024 (from January 1, 2024 to June 30, 2024)

This is as stated in “Six months ended June 30, 2025 (Information on changes in reportable segments).”

Six months ended June 30, 2025 (from January 1, 2025 to June 30, 2025)

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

(Information on changes in reportable segments)

The Company has previously reported two businesses as reportable segments: the “Content Production Solutions business” and the “Content Distribution Solutions business.” However, beginning with the second quarter of the current fiscal year, these have been consolidated into a single reportable segment. The “Content Production Solutions business” is redefined as the “Creator Support field” and the “Content Distribution Solutions business” is redefined as the “Creator Platform field.” As a result of the change, the Company now operates a single segment, and therefore, segment information for both the six months ended June 30, 2024 and the six months ended June 30, 2025 has been omitted.

(Significant subsequent events)

(Establishment of a subsidiary)

On August 8, the Company decided to establish a subsidiary as described below.

1. Purpose of establishing a subsidiary

The main purpose is to provide a wider range of payment options tailored to the characteristics of each country and region with the aim to acquire new users through bolstering global expansion.

2. Overview of the subsidiary

(1) Name	CELSYS UK Ltd. (provisional name)	
(2) Location	London, United Kingdom	
(3) Name of representative	Kei Narushima (President of the Company)	
(4) Description of business	Sales of software	
(5) Share capital	50,000 pounds sterling	
(6) Date of establishment	August 2025 (scheduled)	
(7) Major shareholders and ownership ratios	CELSYS, Inc. 100%	
(8) Relationship between the Company and said company	Capital relationship	A wholly-owned subsidiary of the Company.
	Personnel relationship	An officer of the Company will concurrently serve as the representative of the said company.
	Business relationship	Not applicable as the said company will be newly established.

(Acquisition of treasury shares)

The Company resolved, at a meeting of the Board of Directors held on August 8, 2025, the matters concerning the acquisition of treasury shares pursuant to the provisions of Article 156 of the Companies Act, as applied by replacing the relevant terms pursuant to the provisions of Article 165, Paragraph 3 of the same Act. The details are described below.

1. Reason for acquisition of treasury shares

The Company decided to acquire treasury shares with the aim of further improving capital efficiency and implementing a flexible capital policy in response to the business environment.

2. Details of matters related to acquisition

(1) Class of shares to be acquired

Common shares

(2) Total number of shares to be acquired

Up to 500,000 shares

(1.64% of total number of issued shares (excluding treasury shares))

(3) Total amount of share acquisition costs

Up to ¥500,000 thousand

(4) Acquisition period

From August 12, 2025 to October 31, 2025

(5) Acquisition method

Purchase at the Tokyo Stock Exchange (through discretionary investment by a securities company)