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May 15, 2025

Consolidated Financial Results for the First Three Months of the Fiscal Year Ending December 31, 2025 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 4372
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 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: No

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

1. Consolidated financial results for the first three months of the fiscal year ending December 31, 2025 (January 1, 2025 to March 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Quarterly net profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	724	—	142	—	142	—	95	—
March 31, 2024	—	—	—	—	—	—	—	—

Note: Comprehensive income

As of March 31, 2025: ¥95 million

As of March 31, 2024: ¥ - million

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
March 31, 2025	24.85	—
March 31, 2024	—	—

- (Note) 1. Because the financial statements have been prepared on a consolidated basis starting from the fourth quarter of the fiscal year ended December 31, 2024, the figures and year-on-year rate of change for the first three months of the fiscal year ended December 31, 2024, as well as the year-on-year rate of change for the first three months of the fiscal year ending December 31, 2025, are not included in this statement.
2. The diluted earnings per share are not listed, as there are no dilutive shares.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
March 31, 2025	3,135	2,731	87.1
December 31, 2024	3,435	2,846	82.9

Reference: Equity

As of March 31, 2025: ¥2,731 million

As of December 31, 2024: ¥2,846 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	—	0.00	—	55.00	55.00
Fiscal year ending December 31, 2025	—				
Fiscal year ending December 31, 2025 (Forecast)		0.00	—	19.00	19.00

Note: 1. Revisions to recently announced dividend forecasts: None

2. End-of-year dividend breakdown for fiscal year ended December 31, 2024: normal dividend at 18.00 yen, commemorative dividend at 37.00 yen

3. Consolidated earnings forecasts 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		Basic earnings		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending December 31, 2025	3,156	—	700	—	701	—	480	—	125.37

Note: 1. Revisions to the forecast of cash dividends most recently announced: None

2. Since it is only from the fiscal year ended December 31, 2024 that YMIRLINK has created consolidated financial statements, no year-on-year change ratios are included in this statement.

*** Notes**

- (1) Important changes to the scope of consolidation in the period under review: None
- (2) Adoption of accounting treatment specific to the preparation of the quarterly consolidated financial statements: None
- (3) 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 other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

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

As of March 31, 2025	3,892,600 shares
As of December 31, 2024	3,892,600 shares

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

As of March 31, 2025	62,037 shares
As of December 31, 2024	60,837 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2025	3,831,750 shares
Three months ended March 31, 2024	3,829,763 shares

- * Review conducted by certified public accountants or an audit corporation for attached quarterly consolidated financial statements: None

- * Proper use of earnings forecasts, and other special matters

(Note regarding projections, etc.)

This communication contains financial forecasts and other projections. These projections are forward-looking statements that are based on the information that is currently available and on the assumptions that the company seems to be reasonable. Accordingly, there can be no assurance that the prospective results are indicative of the future performance of the company. Actual results are subject to a variety of factors and may vary greatly. For information on the assumptions on which result forecasts are based and precautions when using the results forecasts, refer to page 2 of the attached material “1. Financial Overview, (3) Explanation Concerning Results Forecast and Other Future Forecast Information.”

○ Attached Material Contents

1. Financial overview	2
(1) Quarterly operating results summary	2
(2) Quarterly financial position summary	2
(3) Explanation concerning consolidated results forecast and other future forecast information	2
2. Quarterly consolidated financial statements and main notes	4
(1) Quarterly consolidated balance sheet	4
(2) Quarterly consolidated income statement and quarterly consolidated statement of comprehensive income	5
Quarterly consolidated income statement	
for the first three months of the fiscal year	5
Quarterly consolidated statement of comprehensive income	
for the first three months of the fiscal year	6
(3) Notes concerning the quarterly consolidated financial statements	7
(Notes on segment information, etc.)	7
(Notes on remarkable changes in shareholder equity amounts if there are any)	7
(Notes on being a going concern)	7
(Notes on quarterly consolidated cash flow statement)	7

1. Financial overview

Because the Group began providing quarterly consolidated financial statements starting from the fourth quarter of the previous fiscal year, we have not conducted a comparative analysis between the period under review and the corresponding period of the previous year.

(1) Quarterly operating results summary

During the first three months of the current fiscal year, although the Japanese economy continued to show signs of a modest ongoing recovery, the surge in resource prices due to the impact of the international situation persisted, and the outlook remained uncertain.

In such circumstances, the Group continued to proactively undertake initiatives to grow its SaaS business and increase perceived value for customers.

During the first three months of the current fiscal year, through our messaging solutions business, the Group has supported corporate digital communications and marketing activities with technology and services.

In addition, in the previous fiscal year, we made ROC inc., which engages in a social media solution business (social media operation outsourcing, internalization support, etc.), a consolidated subsidiary, thereby achieving further expansion of the customer base and aiming to grow the Group's business.

The following is a summary of net sales by service type.

- Cuenote SaaS subscriptions (service usage) sales and software maintenance sales: recurring revenue

In the first three months of the current fiscal year, net sales were 676,621,000 yen due to continued implementation at more enterprise companies in addition to an increase in the number of deliveries, while the amount from fixed-term contracts at the end of the first quarter was 230,479,000 yen.

- Cuenote SaaS sales for newly contracted customers (that include the fees for initial use registration, customization, and proxy acquisition of security certificates, etc.) and software license sales (on-premise): one-time revenue

Given robust growth in new SaaS sales, net sales in the first three months of the current fiscal year were 9,929,000 yen.

- Social media operation outsourcing revenue, initial design fees for social media accounts, social media spot advertising, in-house development support training, and lectures: recurring and one-time revenue

Consolidated net sales in the first three months of the current fiscal year were 38,313,000 yen.

In light of the above, consolidated business performance in the first three months of the current fiscal year resulted in net sales of 724,864,000 yen, operating profit of 142,213,000 yen, ordinary profit of 142,777,000 yen, and quarterly net profit of 95,206,000 yen.

Please note that we have omitted segment breakdown information as the Group's messaging solution business is in a single segment.

(2) Quarterly financial position summary

The following is the financial situation by assets, liabilities, and net assets.

(Assets)

Compared to the end of the previous fiscal year, total consolidated assets at the end of the first quarter of this accounting period decreased by 299,756,000 to 3,135,466,000 yen. This was mainly due to an increase of 53,587,000 yen in tools, furniture, and fixtures related to the acquisition of servers for data centers, offset by a decrease of 345,115,000 yen in cash and deposits due to dividend payments and repayment of loans.

(Liabilities)

Compared to the end of the previous fiscal year, total consolidated liabilities at the end of the first quarter of this accounting period decreased by 184,215,000 to 404,163,000 yen. This is mainly due to an increase in bonus reserves of 29,108,000 yen, a decrease in accrued expenses of 94,517,000 yen for bonuses, a decrease of 35,642,000 yen in income taxes payable, a decrease of 50,040,000 yen in long-term borrowings, and a decrease of 18,879,000 yen in advances received.

(Net assets)

Compared to the end of the previous fiscal year, consolidated net assets at the end of the first quarter of this accounting period decreased by 115,540,000 to 2,731,302,000 yen. This was due to an increase of 95,206,000 yen in retained earnings from the recording of quarterly net income attributable to parent company shareholders, offset by a decrease of 210,746,000 yen in retained earnings due to the payment of dividends.

(3) Explanation concerning consolidated results forecast and other future forecast information

There is no change in the results forecast for the year ending December 2025 from that published in the “Summary of financial results for the year ended December 2024” dated February 14, 2025.

2. Quarterly consolidated financial statements and main notes

(1) Quarterly consolidated balance sheet

(Unit: 1,000 yen)

	Previous consolidated fiscal year (December 31, 2024)	First three months of the fiscal year under review (March 31, 2025)
Assets		
Current assets		
Cash and deposits	2,540,460	2,195,345
Accounts receivable - trade	357,581	355,654
Raw materials	1,863	1,809
Prepaid expenses	66,706	61,016
Other	4,117	132
Allowance for doubtful accounts	△1,696	△1,646
Total current assets	2,969,032	2,612,312
Non-current assets		
Property, plant and equipment		
Buildings	26,356	32,332
Tools, furniture and fixtures	127,577	181,165
Construction in progress	4,200	-
Total tangible fixed assets	158,133	213,497
Intangible assets		
Goodwill	108,163	102,755
Software	15,170	19,183
Software in progress	24,150	24,150
Other	93	93
Total intangible assets	147,577	146,182
Investments and other assets		
Leasehold and guarantee deposits	89,576	89,576
Long-term prepaid expenses	29,989	31,601
Deferred tax	40,812	42,296
Other	100	-
Total investments and other assets	160,478	163,473
Total non-current assets	466,190	523,154
Total assets	3,435,222	3,135,466
Liabilities		
Current liabilities		
Accounts payable - trade	48,201	54,213
Long term borrowings to be repaid within a year	9,040	-
Accounts payable - other	68,758	65,375
Accrued expenses	189,446	94,929
Advances received	75,088	56,209
Income taxes payable	89,430	53,788
Accrued consumption taxes	43,950	38,895
Bonus reserve	-	29,108
Other	14,421	11,644
Total current liabilities	538,339	404,163
Fixed liabilities		
Long term borrowings	50,040	-
Total fixed liabilities	50,040	-
Total liabilities	588,379	404,163
Net assets		
Shareholders' equity		
Share capital	273,853	273,853
Capital surplus	191,351	191,351
Retained earnings	2,466,188	2,350,647
Treasury shares	△84,551	△84,551
Total shareholders' equity	2,846,843	2,731,302
Total net assets	2,846,843	2,731,302
Total liabilities and net assets	3,435,222	3,135,466

(2) Quarterly consolidated income statement and quarterly consolidated statement of comprehensive income
(Quarterly consolidated income statement)
(First three months of the fiscal year)

(Unit: 1,000 yen)

	First three months of the fiscal year under review (from January 1, 2025 to March 31, 2025)
Net sales	724,864
Cost of sales	253,236
Gross profit	471,628
Selling, general and administrative expenses	329,414
Operating profit	142,213
Non-operating income	
Interest income	1,189
Other	2
Total non-operating income	1,192
Non-operating expenses	
Commission expenses	60
Loss on extinguishment of stock based compensation expenses	567
Total non-operating expenses	627
Ordinary profit	142,777
Quarterly net profit before tax	142,777
Income taxes - current	49,055
Income taxes - deferred	△1,483
Total income taxes	47,571
Quarterly net profit	95,206
Quarterly net profit attributable to owners of parent	95,206

(Quarterly consolidated statement of comprehensive income)
(First three months of the fiscal year)

(Unit: 1,000 yen)

	First three months of the fiscal year under review (from January 1, 2025 to March 31, 2025)
Quarterly net profit	95,206
Quarterly comprehensive income	95,206
(Breakdown)	
Quarterly comprehensive income pertaining to owners of parent	95,206

(3) Notes concerning the quarterly consolidated financial statements

(Notes on segment information, etc.)

[Segment information]

We have omitted this section as the Group's messaging solution business is in a single segment.

(Notes on remarkable changes in shareholder equity amounts if there are any)

N/A

(Notes on being a going concern)

N/A

(Notes on quarterly consolidated cash flow statement)

We did not prepare a quarterly consolidated cash flow statement for the first three months of the fiscal year under review.

Depreciation expenses (including expenses related to intangible assets other than goodwill) and goodwill amortization expenses in the first three months of the fiscal year are as shown below.

	First three months of the fiscal year under review (from January 1, 2025 to March 31, 2025)
Depreciation expenses	20,506,000 yen
Goodwill amortization expenses	5,408,000