



Supplementary Material on Financial Results for Q2 FY12/25

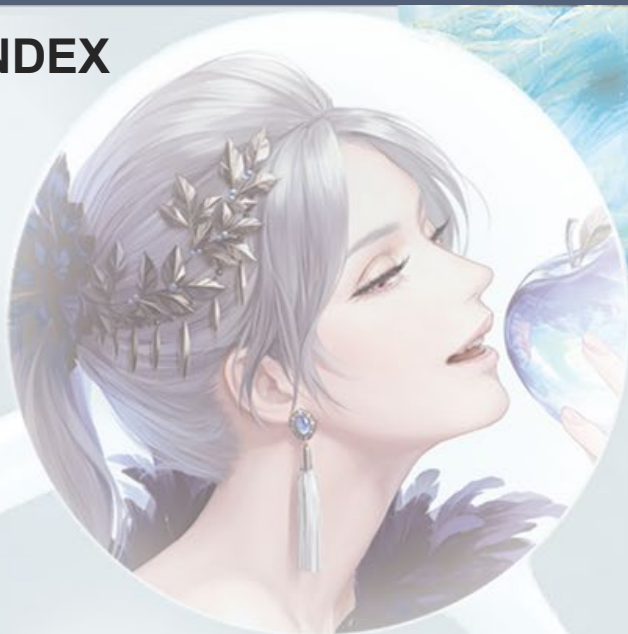
CELSYS, Inc.

Securities Code: 3663

August 8, 2025



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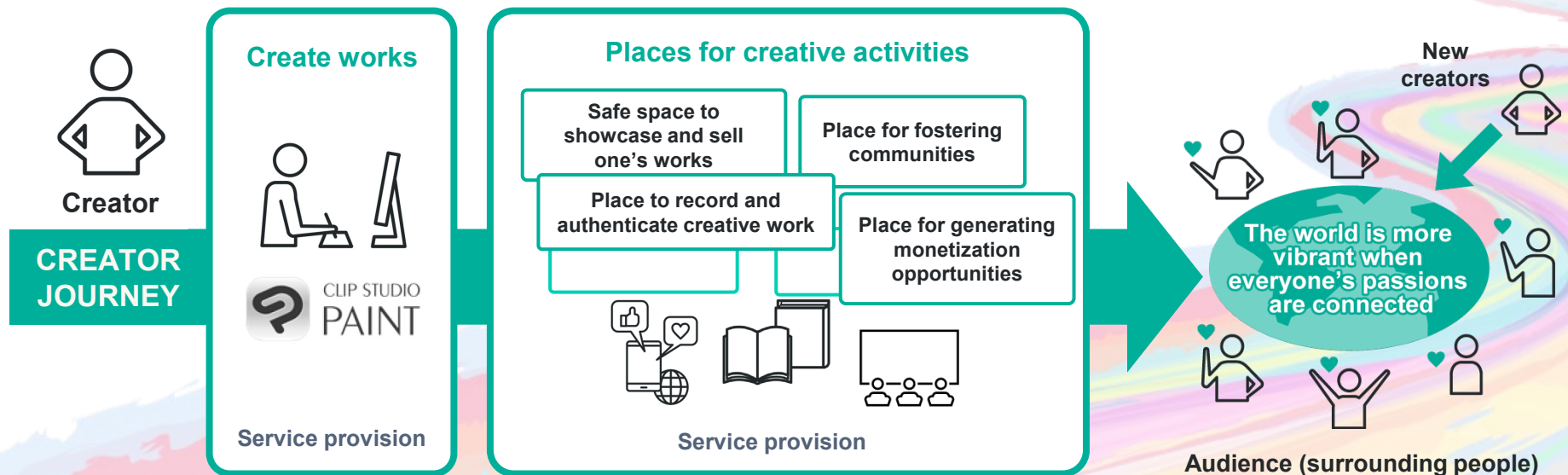
Mission

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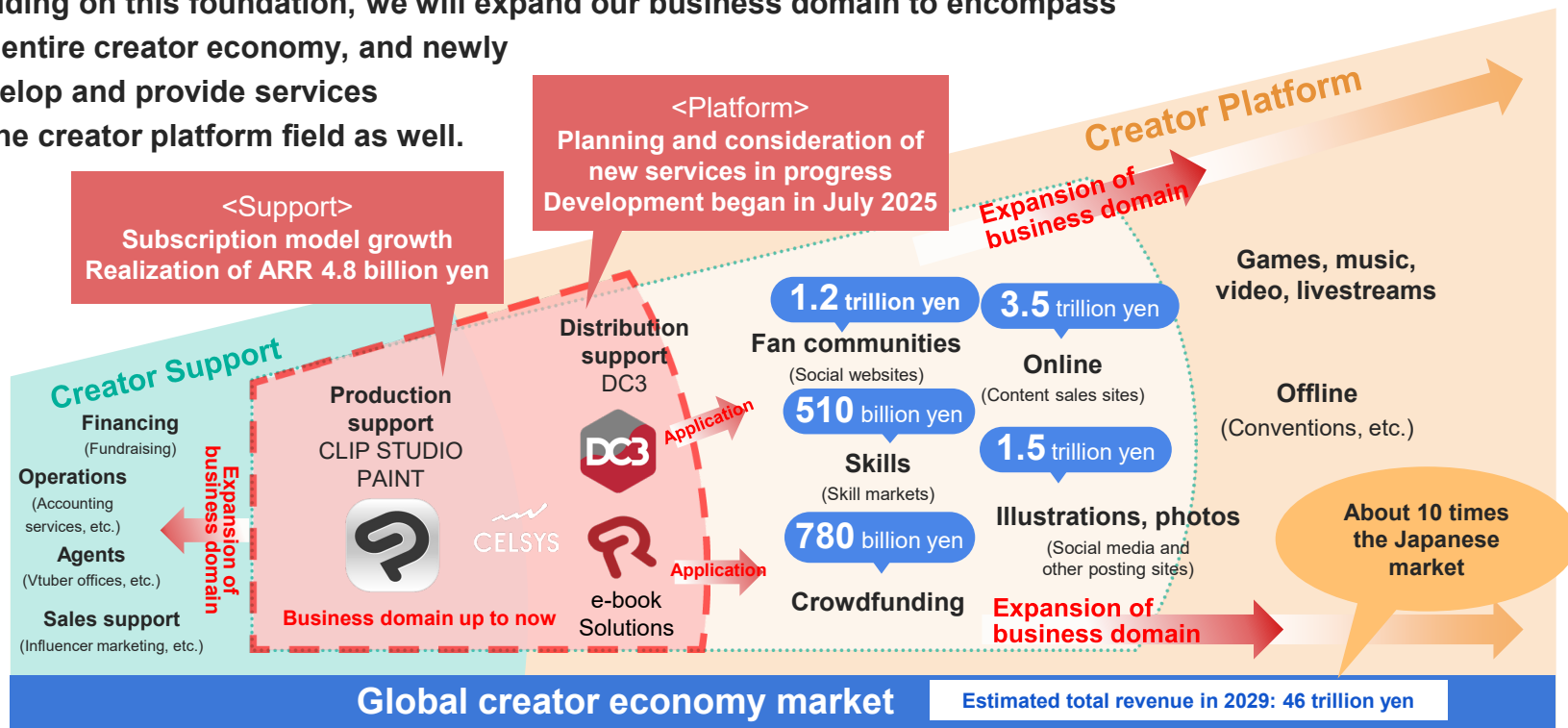
Celsys's Mission

Celsys provides tools such as Clip Studio Paint to support creators in the creator economy that is expanding through the creation and use of digital content. We are also providing new service platforms that act as a new avenue for creators' activities. We look toward a more vibrant world where everyone's passions are connected, by offering total support to creators around the world through each part of their “**CREATOR JOURNEY**”.



Celsys's Business Domain

Celsys will leverage its strengths cultivated through providing supports for content production and solutions that support content distribution in the creator economy market. Building on this foundation, we will expand our business domain to encompass the entire creator economy, and newly develop and provide services in the creator platform field as well.



Referenced source: Celsys' estimate based on the sales scale of each service referencing Creator Economy Market (2024) and Survey Results on Domestic Creator Economy (2024). The overseas market is estimated to be 10 times the domestic market (based on the survey results of the domestic creator economy market).



1. Financial Results

1-1. Summary for Q2 FY12/25

Upward revision for Q2. Net sales and operating profit for 1H reached new record highs.

Financial results for 1H

Unit: millions of yen

Net sales	4,738	YoY	+16.7%
		vs. initial plan	+5.2%

Operating profit	1,533	YoY	+38.8%
		vs. initial plan	+38.4%

Key management indicators

Unit: millions of yen

ARR*	4,834	YoY	+30.2%
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Key topics

● Growth of high profitability model

Ongoing efforts to increase subscription contracts have been successful, contributing to increased net sales. ARR reached a new record high due to subscription model growth.

● Major update and price revision effect

A major upgrade for the core service CLIP STUDIO PAINT, a price revision for the one-time purchase version, and campaigns aimed at acquiring new users contributed to increased net sales.

● Focus on optimal cost balance

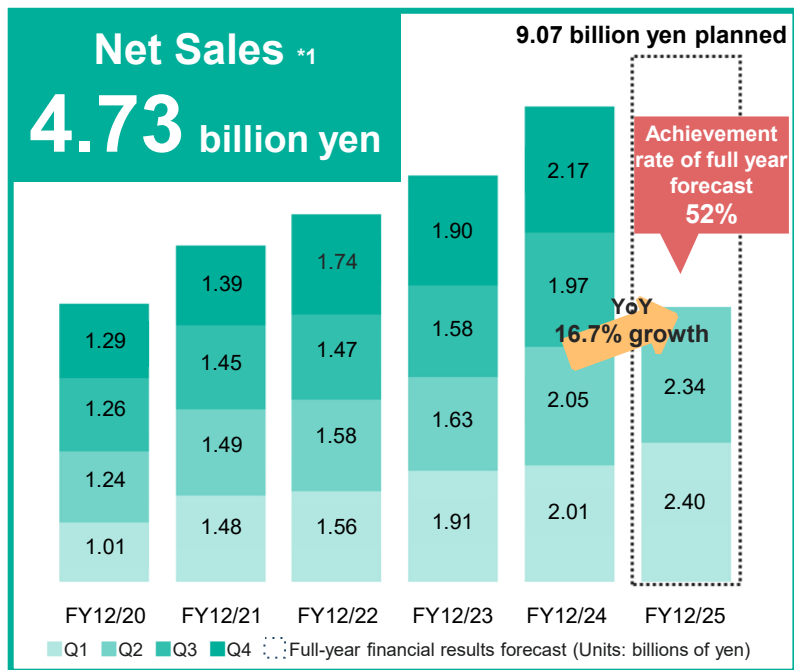
Costs, particularly development labor costs, outsourcing expenses, and advertising expenses remained in line with the plan, boosting operating profit.

Plan to acquire additional treasury shares worth 500 million yen (from August 2025)

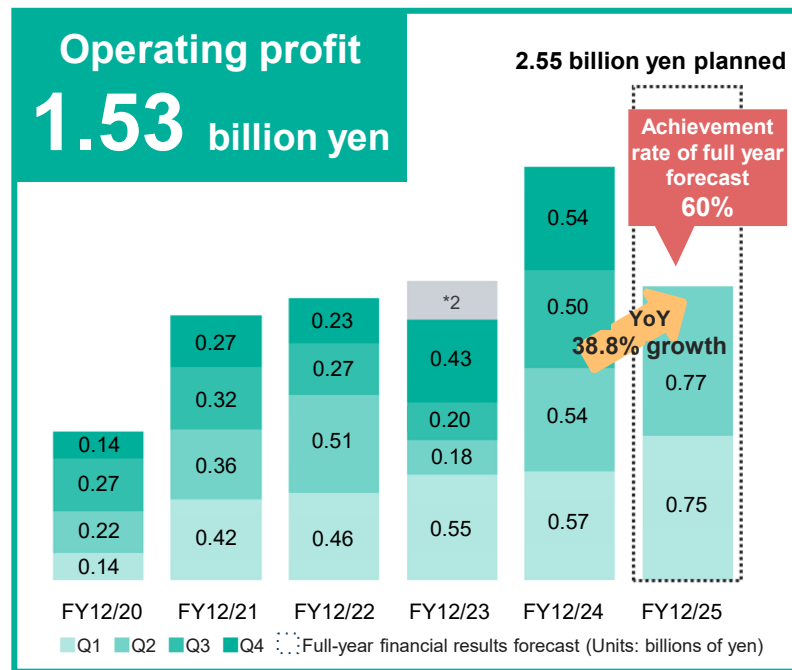
*ARR (Annual Recurring Revenue): expected net sales for one year assuming that all contracts are renewed at the time of renewal

1-2. Financial results summary for Q2 FY12/25 and year-on-year trend

Net sales and operating profit for 1H reached new record highs.



*1 Excluding sales from the UI/UX business sold in 2023

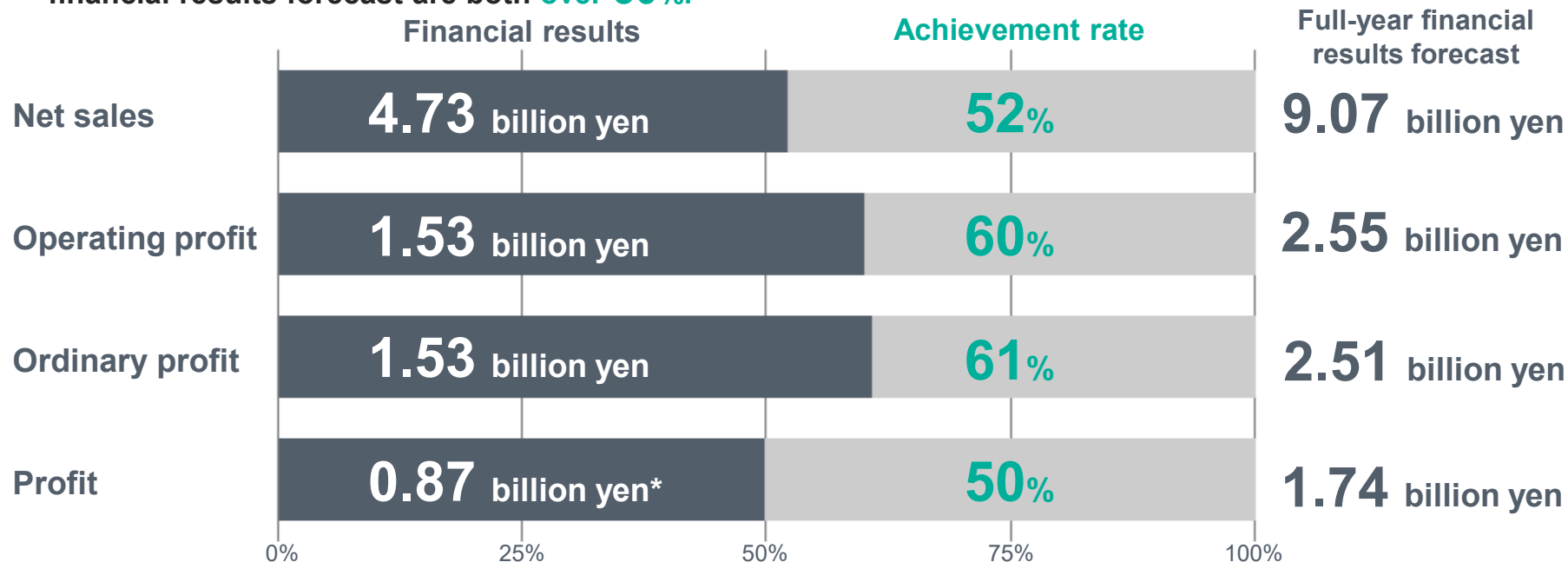


*2 Approx. 0.2 billion yen of one-time losses due to enhanced security measures

The full-year financial results forecast remains unchanged from the forecast announced on February 14, 2025. The performance of CLIP STUDIO PAINT is expected to remain stable in 2H, mainly due to sales from the subscription model. The Company will promptly disclose any revision to the financial results forecast if an upswing in earnings is anticipated, while closely monitoring sales trends in the one-time purchase version campaign that is typically conducted in 2H.

1-3. Achievement rate of full-year financial results

For 1H FY12/25, the achievement rates of net sales and profit in relation to the full-year financial results forecast are both **over 50%**.



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* Loss on valuation of investment securities (480 million yen) recorded as extraordinary losses.

1-4. Statement of income

Unit: millions of yen

	Period comparison (from January to June)					
	Q2 FY12/24 results	Q2 FY12/25		Profit ratio	YoY	vs initial plan
		Initial plan	Results			
Net sales	4,060	4,504	4,738	—	+16.7%	+5.2%
Operating profit	1,105	1,108	1,533	32.4%	+38.8%	+38.4%
Ordinary profit	1,228	1,081	1,531	32.3%	+24.6%	+41.6%
Profit	943	809	870	18.4%	-7.7%	+7.6%

Topics

- Net sales increased compared to the plan and the same period of the previous year due to the success of the major update of CLIP STUDIO PAINT (Ver. 4.0), the one-time purchase version campaign, and ongoing efforts to increase and retain highly profitable subscription model contracts.
- In terms of profit, both operating profit and ordinary profit increased compared to the plan and the same period of the previous year due to net sales exceeding the initial plan and costs remaining in line with the plan.
- Gain on sale of investment securities (37 million yen) and gain on extinguishment of tie-in shares (153 million yen) recorded as extraordinary income.
- Loss on valuation of investment securities (480 million yen) recorded as extraordinary losses.

*Figures for the previous fiscal year are on a consolidated basis, while those for the current fiscal year are on a non-consolidated basis.

1-5. Balance sheet

Unit: millions of yen

	End of previous fiscal year (December 31, 2024)		End of the non-consolidated six months under review (June 30, 2025)		
	Amount	Ratio	Amount	Ratio	Change from end of previous fiscal year
Current assets	6,360	75.4%	6,455	76.9%	94
Non-current assets	2,070	24.6%	1,938	23.1%	-132
Total assets	8,431	100.0%	8,393	100.0%	-37
Current liabilities	2,488	29.5%	2,286	27.2%	-202
Non-current liabilities	523	6.2%	553	6.6%	29
Total liabilities	3,012	35.7%	2,839	33.8%	-173
Total net assets	5,418	64.3%	5,554	66.2%	135
Total liabilities and net assets	8,431	100.0%	8,393	100.0%	-37

Topics

- Decrease in non-current assets: Investment securities -217 million yen Investment securities under investments and other assets were assessed
- Decrease in current liabilities: Income taxes payable -356 million yen Income taxes payable decreased
- Decrease in net assets: Treasury shares -483 million yen Treasury share were acquired

 Continue to implement initiatives with a focus on improving ROE

*Figures for the previous fiscal year are on a consolidated basis, while those for the current fiscal year are on a non-consolidated basis.

Unit: millions of yen

	Period comparison (from January to June)		
	Q2 FY12/24	Q2 FY12/25	YoY
Creator Support	3,369	4,044	+20.0%
^L [Subscription]	[1,788]	[2,366]	+32.3%
Creator Platform	690	694	+0.5%

Topics

- For CLIP STUDIO PAINT, the core service in the Creator Support field, the number of subscription model contracts, which is an ongoing focus area, increased, significantly contributing to sales expansion.
- ▶ CLIP STUDIO PAINT (Ver. 4.0), released in March 2025 with a major version update, received highly positive feedback from users. The price of one-time purchase version of CLIP STUDIO PAINT was revised (increased).
- ▶ Domestic and overseas sales campaigns for the one-time purchase version of CLIP STUDIO PAINT—conducted regularly to acquire new users—performed well.

1-7. Key Management Indicators

	As of June 30, 2024	As of June 30, 2025	YoY
CLIP STUDIO PAINT Cumulative shipments	41.61 million units	52.59 million units	+27.3 %
CLIP STUDIO PAINT Overseas ratio	80.5%	81.3%	+0.8 Pt
Subscription ARR*	3.71 billion yen	4.83 billion yen	+30.2 %
Subscription churn rate	5.3%	5.0%	-0.3 Pt
Number of platform users	8.92 million	10.49 million	+17.6 %

Continue to implement measures to expand user base, focusing on mobile

Aim for growth in emerging countries, a focus area, other than Europe and the U.S.

Continue to focus on measures to increase subscription contracts

Improve user satisfaction to retain subscription contracts

Improve and expand functions to stimulate the community

*ARR (Annual Recurring Revenue): expected net sales for one year assuming that all contracts are renewed at the time of renewal



2. Medium-Term Management Plan and Progress

2-1. Business approach under Medium-Term Management Plan

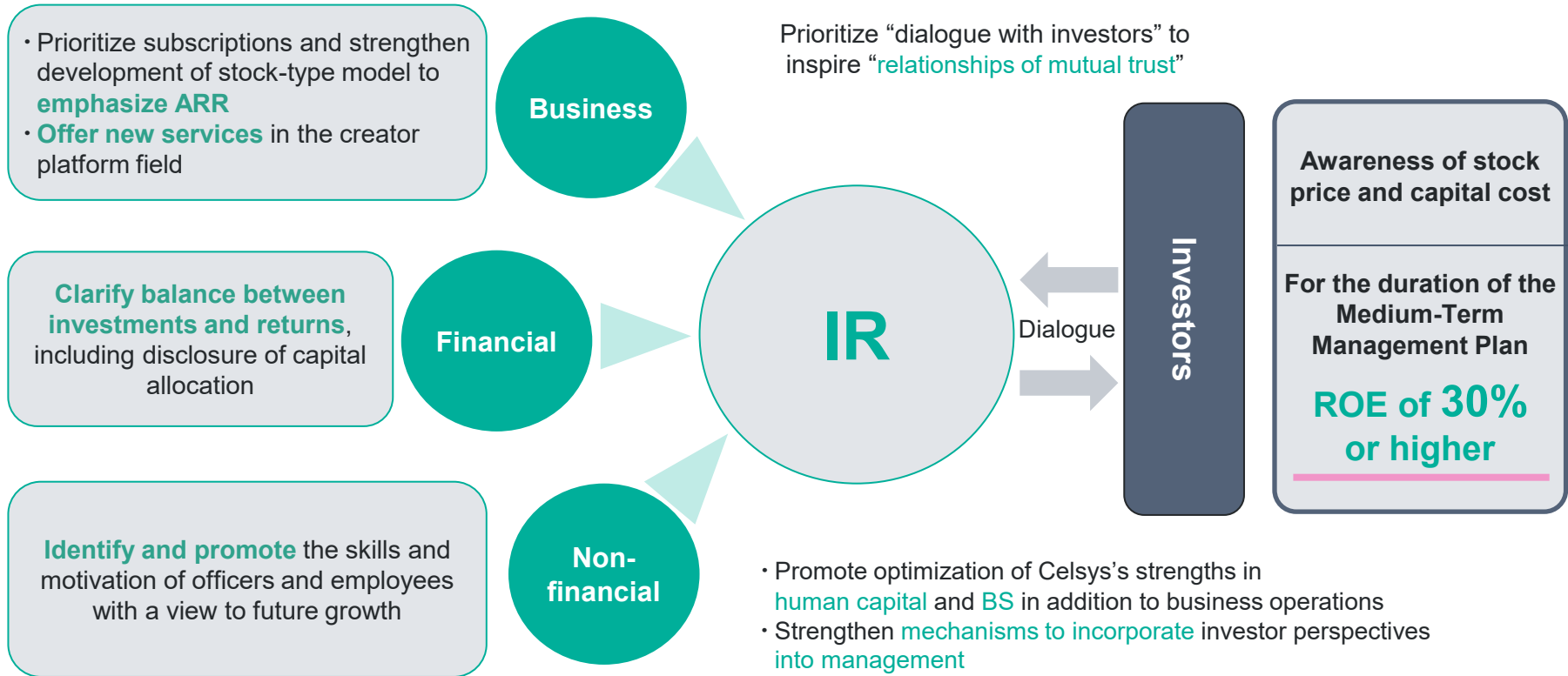
Business approach under the Medium-Term Management Plan

To become a company that maintains various touchpoints with the creation process of users and audiences, grows together with the creator economy market, and generates revenue through a service platform

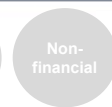
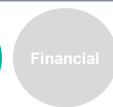
For details on the Medium-Term Management Plan 2025-2027:

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

2-2. Essential activities of the Medium-Term Management Plan

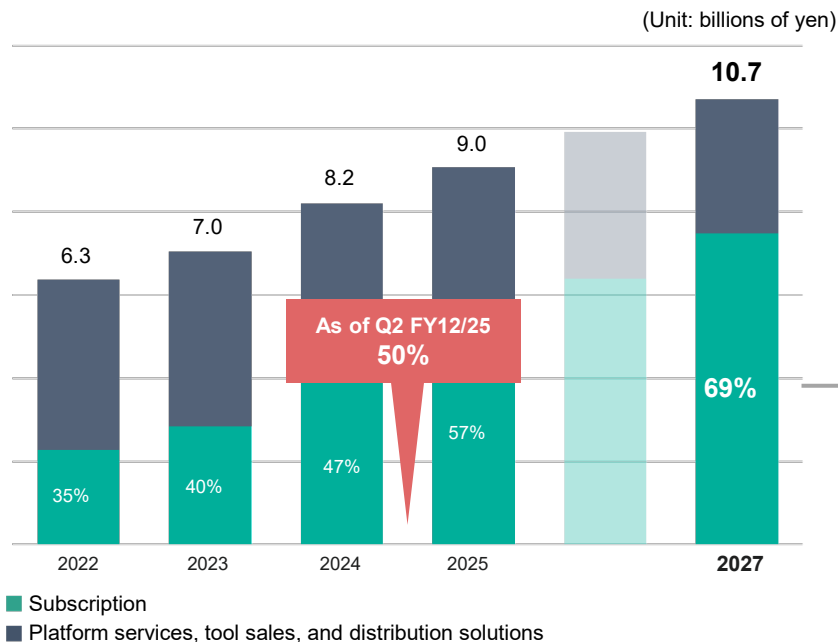


2-3. Subscription sales composition and trends

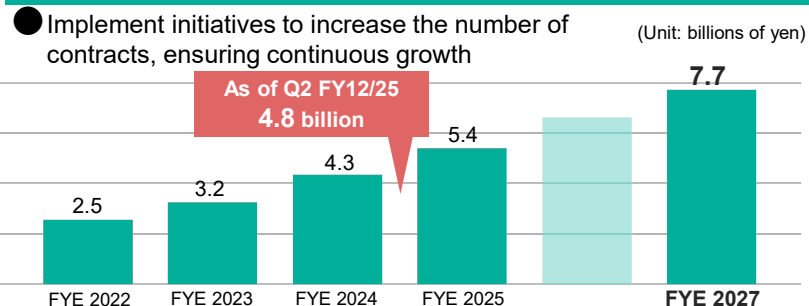


Subscriptions are driving sales, and total sales is planned to increase by about 2.5 billion yen by 2027. We aim to achieve a stable revenue structure with subscription sales accounting for about 2/3 of total sales.

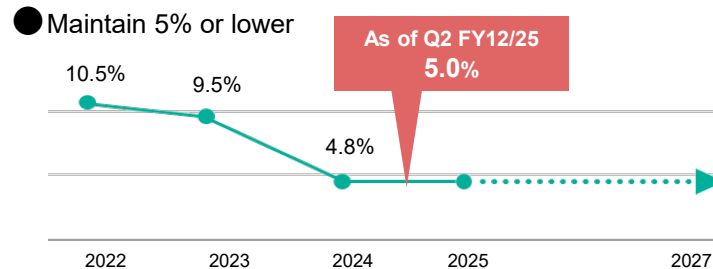
Sales segments (excluding UI/UX business) and trends



ARR trends



Churn rate trends



2-4. Financial results plan for 2025 - 2027

(Unit: millions of yen)

	Results			Plan
	2022	2023	2024	2025
Net sales	7,543	8,091	8,204	9,079
Net sales (excl. UI/UX business)	6,355	7,020	8,204	9,079
Growth rate (%) (excl. UI/UX business)	9.4%	10.5%	16.9%	10.7%
Operating profit	1,465	1,352	2,146	2,555
Operating profit (excl. UI/UX business)	1,965	1,432	2,146	2,555
Operating margin (%) (excl. UI/UX business)	30.9%	20.4%	26.2%	28.1%
ROE*	14.3%	8.5%	23.6%	30.0%

ROE* = Profit / ((Equity at the end of the previous period + Equity at the end of the period) / 2)

Net sales	Profit
<ul style="list-style-type: none"> Subscription sales driving revenue growth Sales (one-time purchase) gradually declining New platform services still in the early development stage 	<ul style="list-style-type: none"> Profit improved in 2024 due to effects of structural reform Stable profit growth from 2025 onwards
Advertising	Investment
<ul style="list-style-type: none"> Managed based on 14%-16% of net sales as a guideline 	<ul style="list-style-type: none"> Investment conducted at a stable and consistent scale



2027 plan
Net sales 10.7 billion yen
Operating profit 3.3 billion yen
ROE 30% or higher

<p><Advertising expenses as a percentage of net sales> As of Q2 FY12/25 12%</p>
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Maintain the planned guideline on a full year basis

2-5. Capital policy: Strengthening shareholder returns and dividends



The Company recognizes that shareholder returns to the shareholders is an important management issue. With regard to our dividend policy, we are taking into consideration our important KPI of achieving ROE of 30% or higher, and we will strive to increase dividends over the medium to long term.

Dividends for FY12/25

Interim dividend

12 yen

+

commemorative
dividend

10 yen

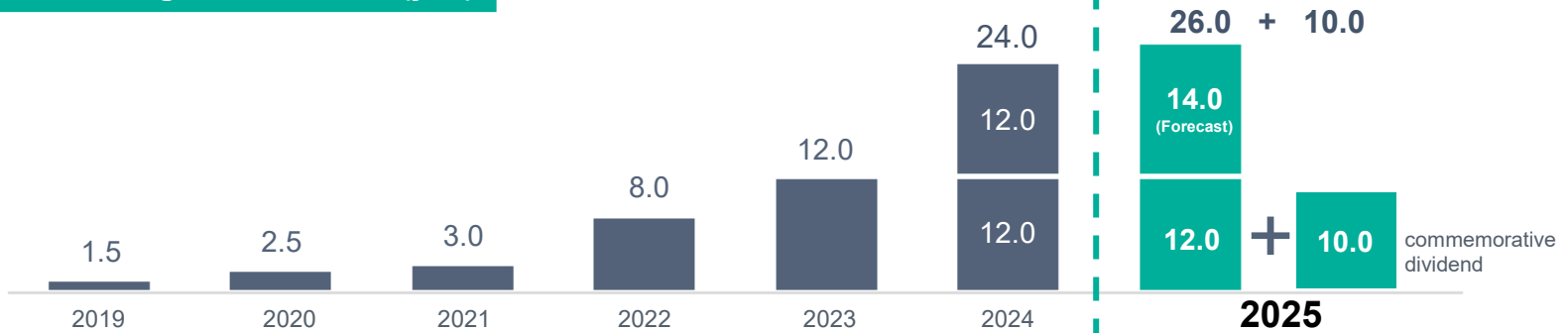


Total: 36 yen (Forecast)

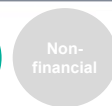
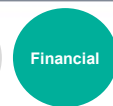
Year-end dividend

14 yen (Forecast)

Dividend change and forecast (yen)



2-6. Capital policy: Strengthening shareholder returns and acquisition of treasury shares



Acquisition of treasury shares

We plan to acquire additional treasury shares of approximately 500 million yen in total from August 12, 2025 to enhance capital efficiency, execute flexible capital policy in accordance with the business environment, and further fulfill shareholder returns.

Plan for additional acquisition starting in
August 2025

*From timely disclosure announced on August 8, 2025

500 million yen



Acquisition amount from FY12/22 to Q1 FY12/25

5.0 billion yen in total

Utilization of treasury shares

Use as compensation for M&As

- Reduce financial burden at time of acquisitions for corporate growth

Business strategies such as capital alliances, etc.

- Strengthen strategic partnerships

Stock-based compensation

- Aim to enhance corporate value by sharing value with shareholders

Implemented
in 2024

2-7. Non-financial policy: Initiatives to maximize human capital

Business

Financial

Non-financial

CELSYS

To strengthen our human capital, we aim to build an organizational structure that supports sustainable growth, focusing on optimal personnel placement, placement of talents with global competence, and recruitment of talented individuals.

Implementation of measures to address 3 key areas for improvement identified through the employee engagement survey conducted in 2024

Improvement

2025 initiatives

Career

Implement career training and workshops

Career

MVVs workshops conducted to share organization direction (scheduled in Q4)

Acquisition and retention of talented individuals

Collaboration

In-person workshops and other activities to foster organizational unity

Collaboration

Department information sessions held to create a sense of unity with other departments (held in Q2)

Productivity enhancement through employee experience improvement

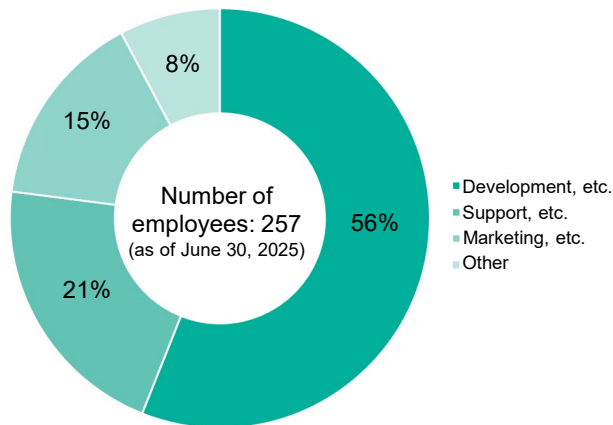
Systems and Policies

Enhance understanding and utilization through improvements to the internal portal site

Systems and Policies

Operation rules for the evaluation system reviewed for the first time since 2008. Briefing sessions also held

(Reference) Main composition of employees



Other figures on CELSYS' human resources

Global talents

16%



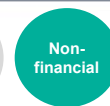
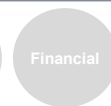
Ratio of women in managerial positions*

36%



*For the ratio of women in managerial positions, see "Ratio of female employees in managerial positions" in the Annual Securities Report for the 13th Fiscal Period.

2-8. Non-financial policy: Initiatives toward business innovation



As part of strengthening our corporate governance system, we are promoting business innovation to achieve sustainable growth and increase corporate value.

We are currently reviewing our existing systems to aim for business innovation with our commitment to achieving the Medium-Term Management Plan, further expanding business, and improving earnings.

Review internal systems to increase corporate value from an investor perspective

Review officer remuneration system

- A remuneration system that takes investors' perspectives into consideration

Rejuvenate management structure

- Systemic successor development
- Strategic shift to next-generation talent

Strengthen internal organization

- Review of employee evaluation system
- Strengthening of collaboration between internal departments

Build a governance system that meets market demands through constructive dialogue with institutional investors and others

2-9. Our Response to the Review of TOPIX Constituents

■ Focus on maintaining inclusion in TOPIX

The Company's shares have been a constituent in TOPIX, selected by the Tokyo Stock Exchange, since October 2024.

The selection criteria for TOPIX are scheduled to be revised starting in October 2026. As of June 2025, our shares meet the revised criteria as outlined below.

	Selection criteria	Compliance status
Annual traded value ratio	0.14 or more	Compliant
Percentage of cumulative free-float adjusted market capitalization	In the top 97%	

We continue to focus on maintaining inclusion in TOPIX, expecting demand primarily from passive funds, and are committed to increasing our free-float ratio and ensuring sufficient liquidity.

■ The Company's shares included in an ETF that recorded the highest domestic return in FY2024

The Company's shares were newly included in the Global X Japan Games & Animation ETF in March 2025, an ETF that recorded the highest return^{*1} among Japan equity ETFs in FY2024.^{*2}

^{*1} FY2024 return ranking of Japan equity ETFs, "Games & Animation" category ranked No.1; Source: Nikkei, April 16, 2025 (<https://www.nikkei.com/article/DGXZQOUB1451F0U5A410C2000000/>)

^{*2} Inclusion announcement dated March 27, 2025, by GLOBAL X (https://globalxetfs.co.jp/funds/2640/2640_IndexNews.pdf)



3. **Creator Support field**

3-1. Business overview

■ Core service CLIP STUDIO PAINT



CLIP STUDIO
PAINT



Paint application for creating illustration, comic, Webtoon and animation

- An all-in-one paint application that meets the needs of a wide range of creators, allowing them to create high-quality works with professional-grade features
- Supports all types of devices including tablets, smartphones, and PCs, regardless of the user's device environment

3-2. Business overview: Stable earnings from subscription sales

CLIP STUDIO PAINT focuses on providing licenses through a SaaS-based subscription model, with the aim of securing stable earnings over the medium to long term. The company is working to increase the number of subscription contracts by strengthening this approach.

	One-time purchase model	Subscription model
Initial investment required by users (ease of getting started)	High (difficult to start)	Low (easy to start)
Timing of recognition of sales effectiveness for the Company	Short term	Medium to long term

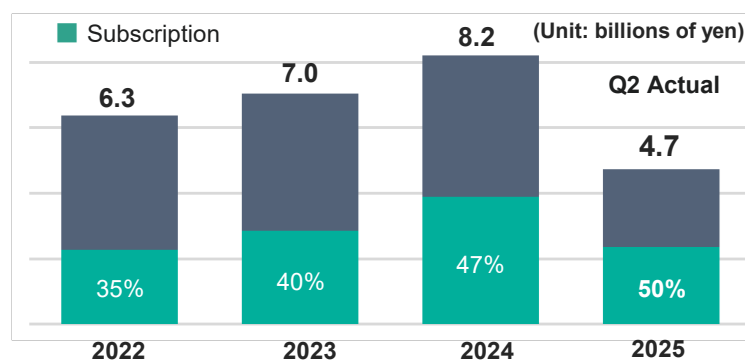
Focus on increasing subscription contracts

Examples of CLIP STUDIO PAINT licensing models

	Monthly usage plan (subscription model)	Download version (one-time purchase model)
For illustrations CLIP STUDIO PAINT PRO	480 yen per month	6,400 yen
For producing manga or animation CLIP STUDIO PAINT EX	980 yen per month	26,900 yen

*monthly contract fee for one device

Trend in the ratio of subscription sales to total company sales



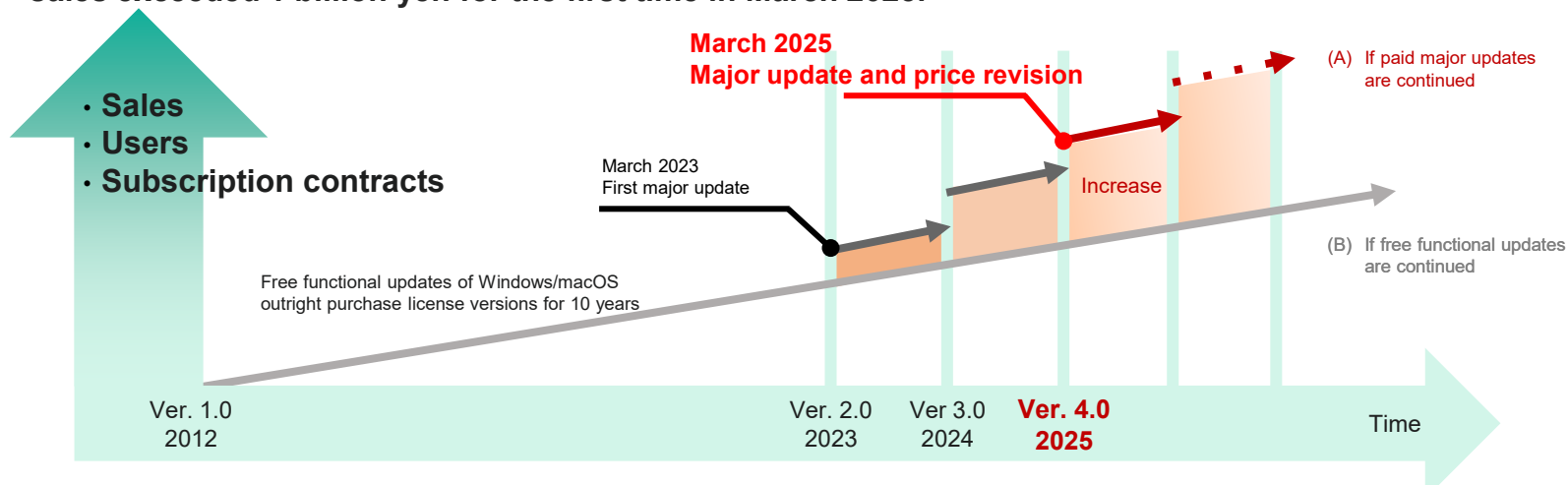
In parallel with the subscription model, we continue to offer a one-time purchase version. This version contributes to earnings through new user acquisition campaigns and addresses the needs of users who are reluctant to enter into subscription contracts. By complementing the subscription model, it helps maximize overall earnings. The one-time purchase version allows access to new features by purchasing an additional subscription or paying a version update fee.

3-3. Business overview: Major update

Major update and price revision for CLIP STUDIO PAINT

CLIP STUDIO PAINT conducts a major version update annually with the aim of boosting both sales and the number of users and subscription contracts. In March 2025, Version 4.0 was released with the major updates of CLIP STUDIO PAINT. At the same time, the price of the one-time purchase version was revised, with an increase of up to 8%.

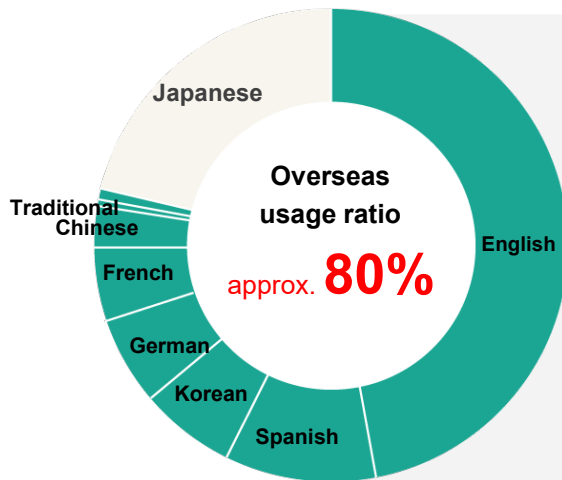
Version 4.0 received a strong response, and the accompanying promotional campaign achieved results exceeding the initial plan. As a result of increased sales and subscription contracts, CELSYS's monthly sales exceeded 1 billion yen for the first time in March 2025.



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

3-4. Business overview: Position of CLIP STUDIO PAINT

Strengthening global expansion



Used by **52 million** creators worldwide

Japanese, English, Korean, Chinese (Traditional/Simplified),
French, Spanish, German, Portuguese, Thai, Indonesian

Support for 11 languages

Aiming to acquire more new users globally, we are concentrating our efforts on language support, expanding functionality, and sponsoring overseas events.

3-5. Business overview: Proprietary paint application “CLIP STUDIO PAINT”

CLIP STUDIO PAINT's market share/position and target



CLIP STUDIO
PAINT

Paint application

#1 sales/market share^{*1}

Usage ratio on pixiv, one of the world's largest social media for illustration^{*2}

63%

Usage ratio among manga artists in Japan^{*3}

95%

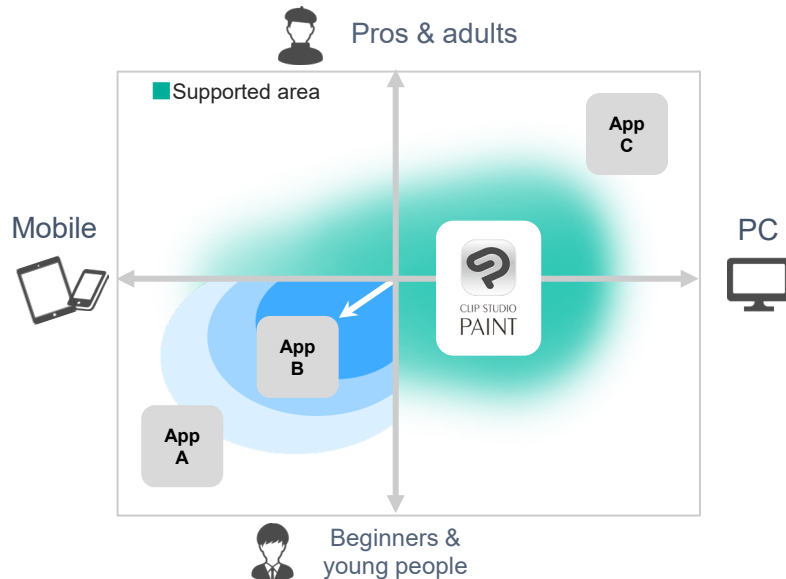
Usage ratio in animation productions in Japan^{*4}

72%



Position of CLIP STUDIO PAINT

Strengthening measures and developments aimed at beginners and young people



^{*1} Ranked #1 in the BCN Award for graphics software for FY2015/2016/2017/2019

^{*2} The most used app for submitting works on pixiv (Dec. 2015 - Dec. 2024 as determined by Celsys based on figures provided by pixiv)

^{*3} Fact-finding survey on manga artists (2021) conducted by ManNavi, Manga Award / Mochikomi portal site

^{*4} Survey on the usage of commercial animation production software (2023) conducted by the Secretariat of the Animation Creative Technology Forum (ACTF)

**Increase number of CLIP STUDIO PAINT subscription contracts,
continue growth of ARR**

▼ **Priority measures**

- (1) Increase new user acquisition by strengthening global expansion
- (2) Expand the user base by engaging with young and light users
- (3) Increase the retention rate by strengthening user communities

→ Promote as activities in the Creator Platform field (p.34)

3-7. Business overview: Strengthening global expansion

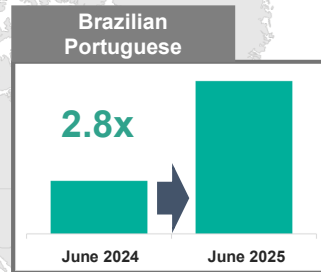
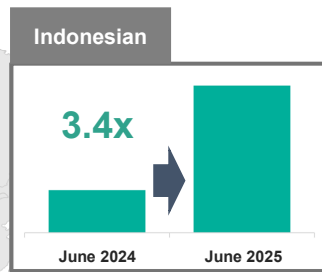
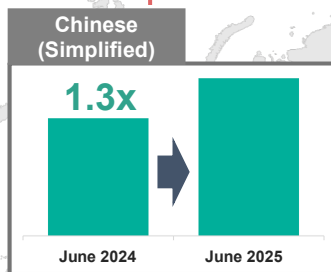
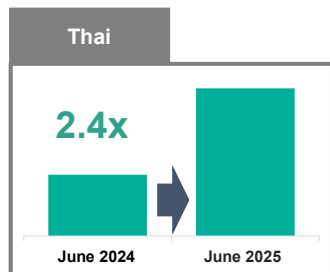
(1) Increase new user acquisition by strengthening global expansion



Major update and price revision for CLIP STUDIO PAINT

Continue our efforts to increase users around the world. This year, initiatives to acquire new users, particularly in emerging countries, were strengthened, resulting in year-on-year growth in the number of users. Remain focused on global expansion going forward.

Trend in subscription contracts*



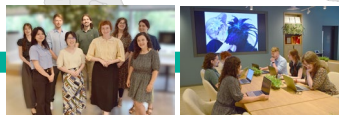
Released PC version in July 2025
(announcement on July 29, 2025)

Ratio of global talent at CELSYS

16%
of total employees



Approx. 40 employees from the U.S., Germany, France, Spain, China, Korea, Taiwan, Thailand, Indonesia, and Brazil



Staff members with deep knowledge of local markets are also actively involved

Planned initiatives for 2025 and onwards

- ▶ Improve localization quality targeting emerging countries
- ▶ Strengthen sales and marketing optimized for the characteristics of each local market
- ▶ Scheduled to establish a subsidiary to expand payment options (announcement on August 6, 2025)

*Comparison of cumulative subscription contracts in June 2024 and June 2025

3-8. Business overview: Strengthening global expansion

(1) Increase new user acquisition by strengthening global expansion



Strengthen global expansion: full-scale launch of simplified Chinese version of CLIP STUDIO PAINT

Launched the simplified Chinese version license for PC

Approach users who use simplified Chinese



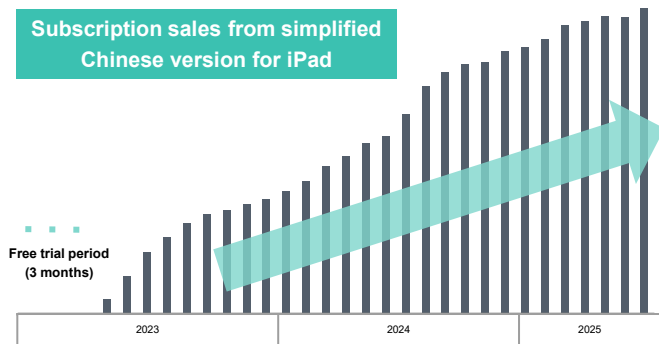
Simplified Chinese is a language that is said to be used by **1.3 billion people** around the world, mainly in mainland China, Singapore, and Malaysia.

Accelerating global expansion >>>
Expecting an increase in global users

The price of the simplified Chinese version for iPad, which had been released earlier, was revised (price increase of up to 16%)

With price revision, we aim to improve earnings and increase and retain subscription contracts

Subscription sales from simplified Chinese version for iPad



Earnings potential

Acquisition of new users / Price increase through price revision / Increase and retention of subscription contracts

3-9. Business overview: Attract young and light users

(2) Expand the user base by engaging with young and light users



■ Step up measures aimed at mobile device users

Strengthen appeal to young and light users to further expand user base and improve earnings

Expand users who use CLIP STUDIO PAINT on tablets and smartphones

- ▶ UI/UX improvements for tablets and smartphones
- ▶ Bundling for various tablets



Continuously develop and improve functions for tablets and smartphones, which are widely used by young people

Continuous updates for tablets and smartphones have led to improved user ratings

Google Play store rating

	Before June 2025	Effects of May 2025 measures	After June 2025	After July 2025
Whole	approx. 3.6		approx. 4.2	approx. 4.6
Japan	approx. 3.4		approx. 4.2	approx. 4.7
U.S.	approx. 3.3		approx. 3.7	approx. 4.3

- ▶ Expect an increase in users on mobile devices
- ▶ Expect an increase in and retention of subscription contracts

3-10. Business overview: Main activity topics

Other activities

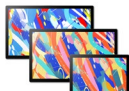
■ ■ ■ = Expected impact of the activities

June/July 2025

CLIP STUDIO PAINT began to be provided globally as a **bundled offering** with Wacom's new **Wacom Cintiq** and **Wacom MovinkPad 11**.



CLIP STUDIO
PAINT



WACOM Cintiq



WACOM MovinkPad

Increased overseas users

Increased subscription contracts

Strengthened promotion for
smartphones and tablets

April 2025

CLIP STUDIO PAINT was made available globally as a **pre-installed** app on Samsung's **Galaxy Tab S10 FE+** and **Galaxy Tab S10 FE**.



CLIP STUDIO
PAINT



Galaxy
Tab S10 FE | Tab S10 FE+

Increased overseas users

Increased subscription contracts

Strengthened promotion for
smartphones and tablets

July 2025

CLIP STUDIO PAINT was exhibited at **Japan Expo 2025 in France**, the **largest Japanese culture festival in Europe**. CELSYS sponsored the booth of **Mangas.io**, a manga platform for French-speaking countries, and organized collaboration with artists active in France.



CLIP STUDIO
PAINT



Japan Expo

Increased overseas users

Increased subscription contracts

June 2025

CELSYS **sponsored WEBTOON CONCOURS 2025** hosted by WEBTOON® to provide global support to creators who are dedicated to creating vertical scrolling manga.



CLIP STUDIO
PAINT

Increased overseas users

Increased subscription contracts



4. Creator Platform field

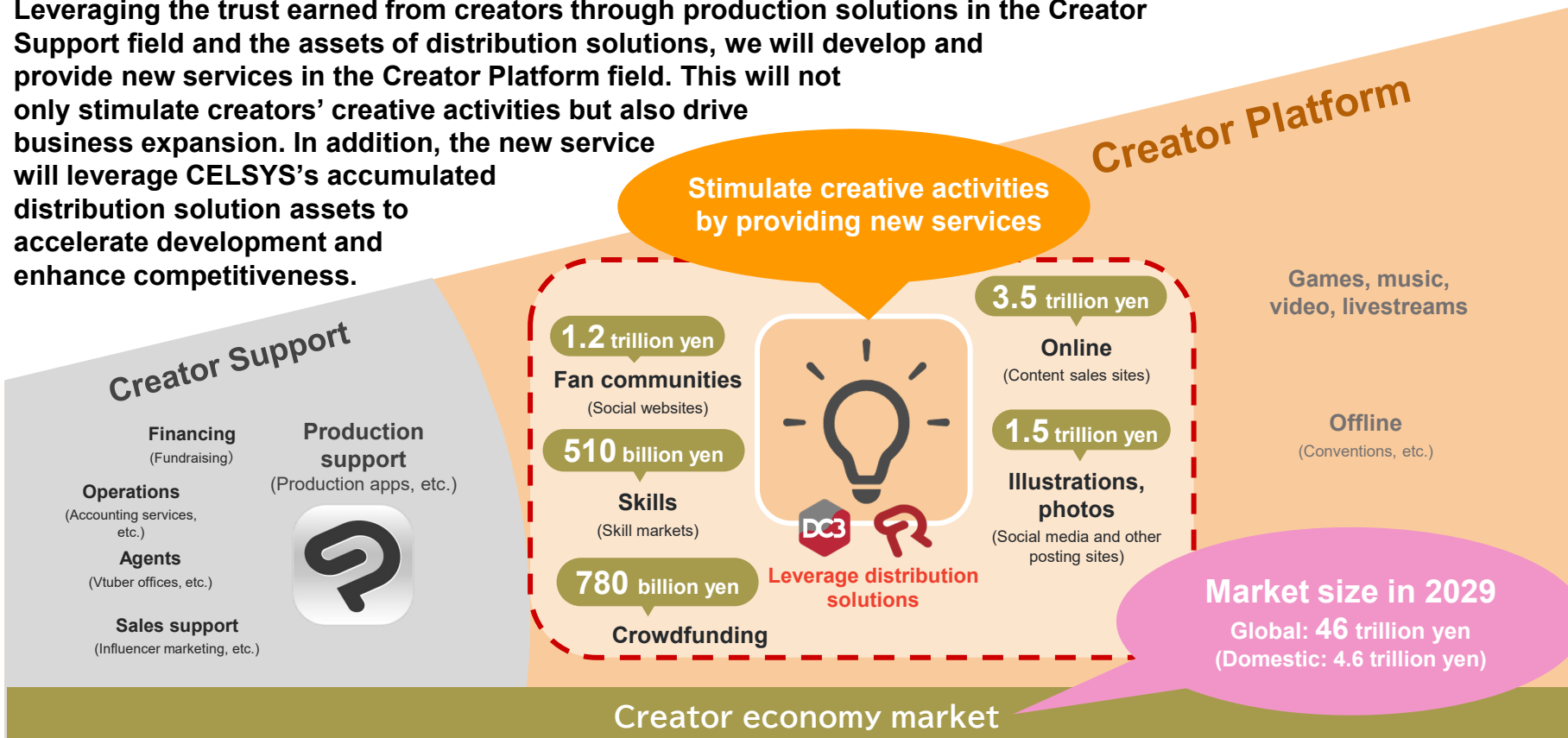
4-1. Business overview: Vision for Creator Platform field

In the “CREATOR JOURNEY,” which refers to the path connecting creators who produce works and the audiences who enjoy them, we aim to provide additional value behind the phase of creating works by expanding platform services and establishing a new core pillar of our business.



4-2. Business overview: Provide new services in the Creator Platform field

Leveraging the trust earned from creators through production solutions in the Creator Support field and the assets of distribution solutions, we will develop and provide new services in the Creator Platform field. This will not only stimulate creators' creative activities but also drive business expansion. In addition, the new service will leverage CELSYS's accumulated distribution solution assets to accelerate development and enhance competitiveness.



4-3. Creator Platform field: Activity topic (1)

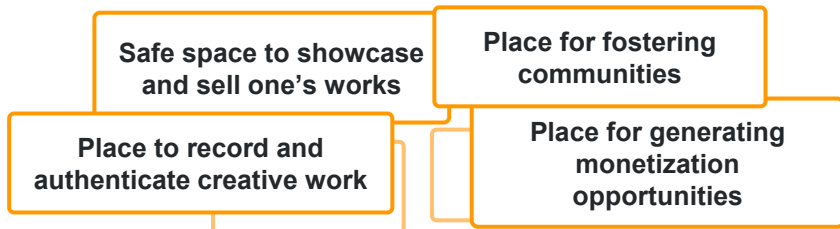
■ Planning and development of new platform services

While conducting research on the ecosystem and key existing services in the creator economy market, the Company has been considering the concept of a new platform service for creators, with the aim of launching the official service in 2026. At the same time, efforts have been made to strengthen the organizational structure, including securing personnel, to support the development of new services.

Service planning & development

Create new opportunities for profit generation by providing creators with various places for activities and stimulating creative activities

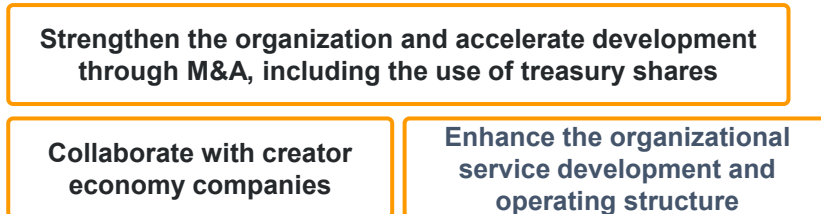
— Concept of new services —



Organizational expansion & alliances

Secure necessary personnel and strengthen partnerships with other companies to enter the creator economy market

— Initiatives to accelerate business expansion —



Start concrete service planning in 2025 and aim for an official release in 2026

Set the number of platform users* as a KPI

*Including users of "CLIP STUDIO ASSETS" and other surrounding services related to CLIP STUDIO PAINT

4-4. Creator Platform field: Activity topic (2)

Progress status of planning and development of new platform services

Looking ahead, in the creator economy, we anticipate that a creator's "personal identity" will become more important than their content. With this in mind, we are moving forward with the planning of our "First Step" services, while keeping the "Next Step" in sight.

First Step through 2026

Develop and provide services to help creators establish their identity

- Research on the creator economy ecosystem, including global industry trends and service models
- Explore new services and concepts for creators
- Strengthen the organizational structure to support business development

Laying the groundwork for entry into the creator economy market

Creator Support

Financing
Operations
Agents
Sales support

Production support
CLIP STUDIO
PAINT



Identity establishment support service



First Step

New services are being planned and considered.
Development began in July 2025.

Fan communities
(Social websites)

Skills
(Skill markets)

Crowdfunding

Online
(Content sales sites)

Illustrations, photos
(Social media and other posting sites)

Next Step

Next Step starting in 2026

Expand services to meet the diverse needs across the CREATOR JOURNEY

Creator Platform

Games, music, video, livestreams

Offline
(Conventions, etc.)

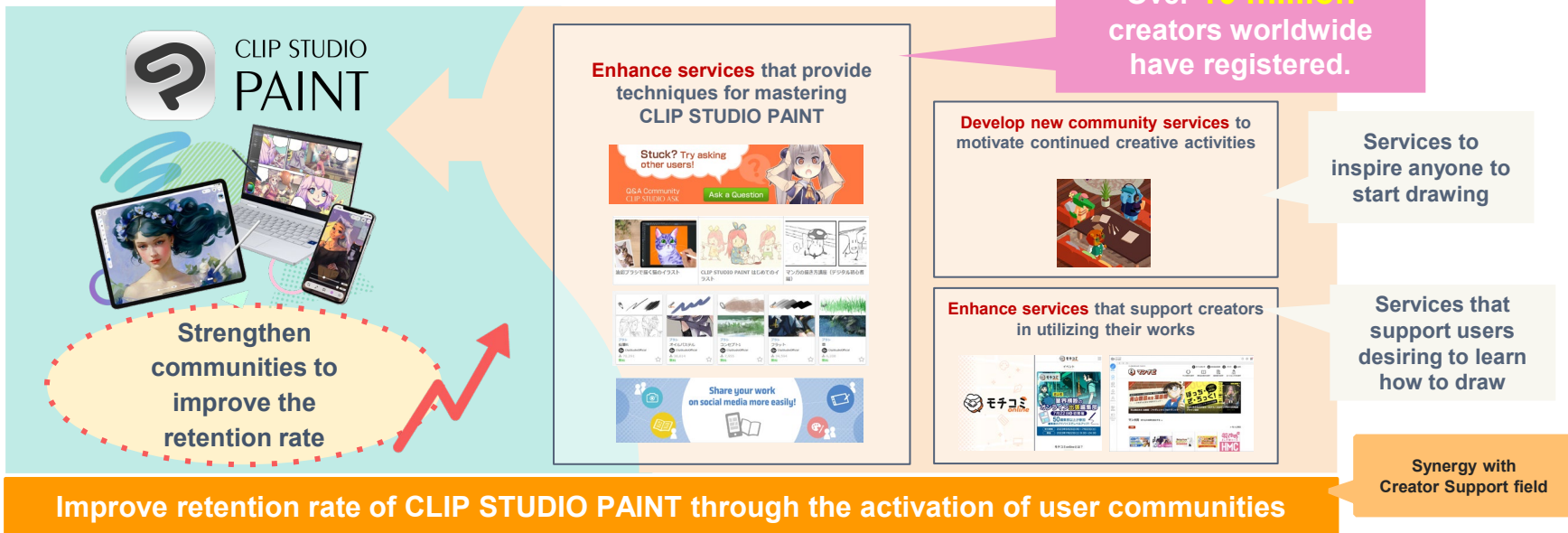
4-5. Creator Platform field: Activity topic (3)

■ Operate and revitalize existing platform services

■ ■ = Expected impact of the activities

Implemented initiatives to increase the number of platform users by providing creators with places (services) for their activities and improving services.

- The 7th session of online outreach editorial “Mochikomi Online,” from which a manga artist who achieved commercial serialization has emerged, was held in June. Distribution and creator support
- The 44th International Illustration Contest, themed “Flowers & Plants,” was held in June. Distribution and creator support Increased overseas users
- Motion materials from Sony Corporation’s integrated application for motion production XYN Motion Studio were globally distributed as materials on CLIP STUDIO ASSETS. Distribution and creator support Increased overseas users



4-6. Creator Platform field: Activity topic (4)

■ Utilization and improvement of distribution solutions (DC3 and e-book)

● Promoted the utilization of DC3 Solutions in new platform services

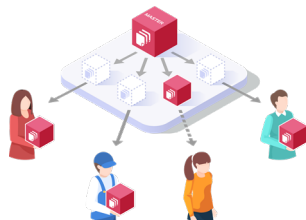
TWO VIRGINS Co., Ltd. launched a new service, TWO VIRGINS DIGITAL, which handles DC3 content, and began offering the art book series “THE VISUAL”, created by popular illustrators, as DC3 content

● Conducted optimization of DC3 solution performance, reduction of operational costs, and improvement of UI/UX

● Continued provision and development of e-book Solutions

■ Celsys's distribution solutions that support Creator Platform

Digital Content distribution platform solution DC3



A content distribution platform solution that treats all digital content as unique “things.” Content distributed via DC3, though digital, can be handled as they were real “things” owned in the real world.

For details(Japanese only): <https://www.dc3solution.net/>

E-book solution Clip Studio Reader



CLIP STUDIO
READER

Performance
Track Record Over 1,200 services



Capable of distributing e-books across a wide range of genres, including manga, Webtoon, novels, light novels, photo books, and specialized publications.

For details(Japanese only): <https://www.dc3solution.net/e-booksolution/>



Shareholder Information

To the Shareholders

■ Monthly progress report

Main indicators are reported monthly on the Creator Support field and Creator Platform.

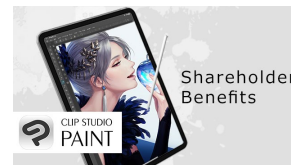
Report: https://www.celsys.com/en/irinfo_news/contents_type=47



■ Shareholder benefit system

A shareholder benefit system (Eligible shareholders: 200 shares or more) has been established so many people will hold the Company's shares in the medium to long term and to deepen understanding of the Company's business. Shareholders can continuously use CLIP STUDIO PAINT EX.

Shareholder benefit (Japanese only): https://www.celsys.com/irinfo_returns/



■ IR questionnaire

A questionnaire on IR is posted on the Company's website. Your opinions will be used as a reference for future IR activities, such as improving the Monthly progress report.

Questionnaire (Japanese only): https://www.celsys.com/irinfo_questionnaire/



■ IR online magazine

The latest IR information will be sent to registered shareholders via e-mail.

Online magazine (Japanese only): https://www.celsys.com/irinfo_magazine/



Appendix

Creating a more passionate world

Our vision of “creation” goes beyond just “creative activities.”

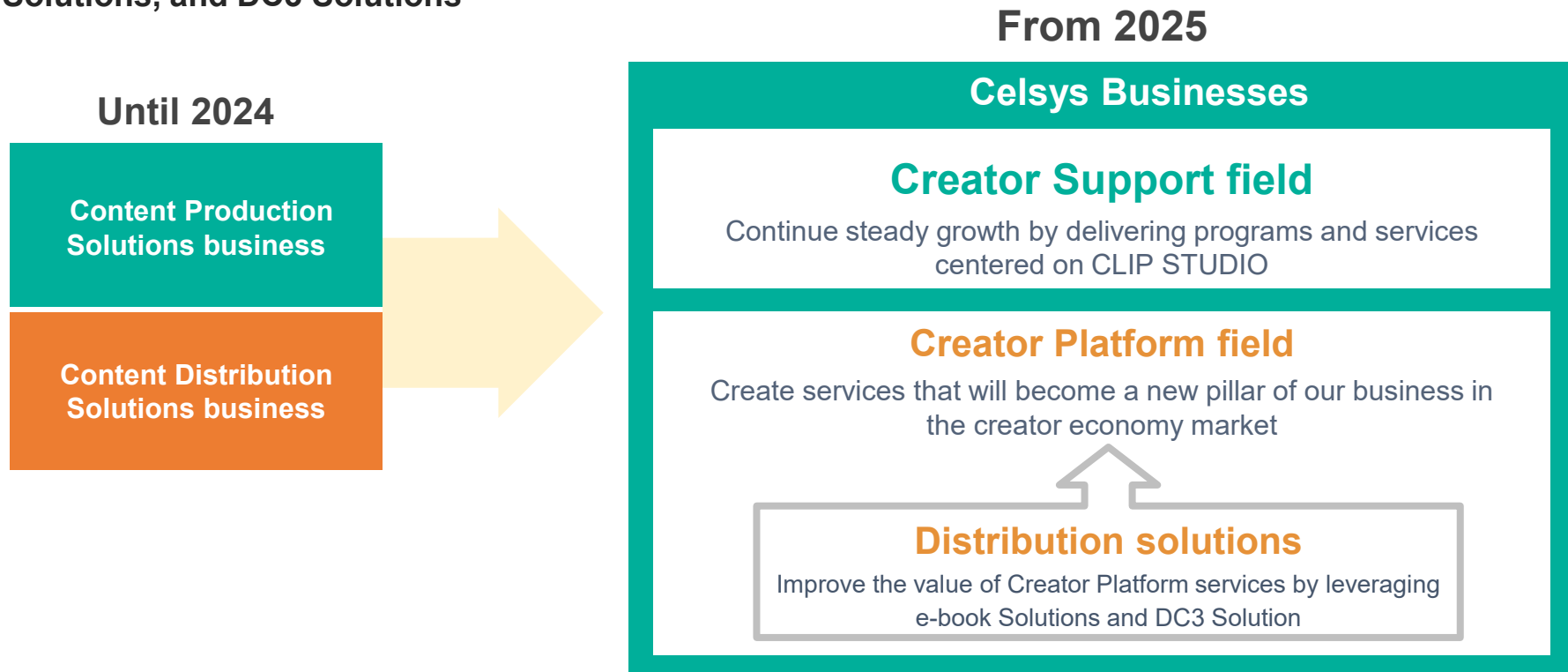
It is not only about supporting creators but also about spreading the passion and engagement around the world through the content they create.

From this, new communities emerge, fostering connections that transcend generations, borders, and cultures.

We will continue to embrace “Creation,” expanding new realms of passion yet to be discovered.

Reference material: Change to sales fields

In 2025, existing businesses and fields were reorganized to expand our business domain in the creator economy market, leveraging our strengths in CLIP STUDIO PAINT, e-book Solutions, and DC3 Solutions



Reference material: Change to sales fields

In light of the reorganization of businesses and fields from 2025, sales segments changed. The business/field that includes sales from Services was changed from the previous Content Production Solutions business to the Creator Platform field.

Until 2024

Unit: millions of yen

Business	Sales segment	2024 sales
Content Production Solutions	Tool sales	2,917
	Subscriptions	3,893
	Services	331
Content Distribution Solutions	e-books	1,061

From 2025

Field	Sales segment
Creator Support	Tool sales
	Subscriptions
Creator Platform	Platform services
	Distribution solutions

<Change of field>

New business

Reference material: Business impact from external factors such as tariff measures and foreign exchange fluctuation

■ Impact on business performance from U.S. tariff measures

The majority of the Company's business consists of digital services that do not involve the import or export of physical products and are therefore not subject to tariffs. We have not been directly affected, and there is no expected impact on the financial results forecast.

■ Impact on business performance from foreign exchange fluctuations

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. As a result, the impact of foreign exchange rate fluctuations on profit is limited, and there is no significant effect on our overall business performance. 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 have minimal impact on our business performance.

Overseas sales

Sales and subscription fees for CLIP STUDIO PAINT settled in currencies other than Japanese yen

- CLIP STUDIO PAINT subscription fees
- CLIP STUDIO PAINT one-time purchase version sales

Overseas expenses

Server usage fees invoiced in currencies other than Japanese yen

- AWS (Amazon Web Services), etc., server usage fees

Advertising expenses invoiced in currencies other than Japanese yen

- Google, Facebook/Instagram, etc., ad placement unit prices

■ Continue and strengthen investment in AI development

Promote utilization of AI technology in fields where we can support creators in their creative activities

Policies

Support creators through technology

Maintain the utmost respect for ethics and rights at all times

- Continue development investment in AI
- Promote utilization of AI technology
- Postpone implementation of functions using image generation AI

Reference material: Common topics across businesses – capital investment and R&D activities

Continue and strengthen development investment

Introduction of a server equipped with 10 of the latest high-end GPUs:

Capital investment to significantly accelerate R&D in the graphics field and R&D in creative application



New server system
with 10 NVIDIA RTX 6000 Ada
high-end GPUs

Specific illustration of introduced server's performance

One computational process on a standard PC:

Before introduction
30 days



After
introduction
3 days

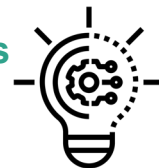
Large
reduction

Accelerate development of unique elemental technologies

Expected result (1)

Enhance market competitiveness

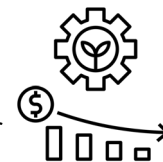
First to realize innovative features for the services we provide



Expected result (2)

Reduce development cost, etc.

Significantly reduce the time required for R&D, which involves repeated trial and error

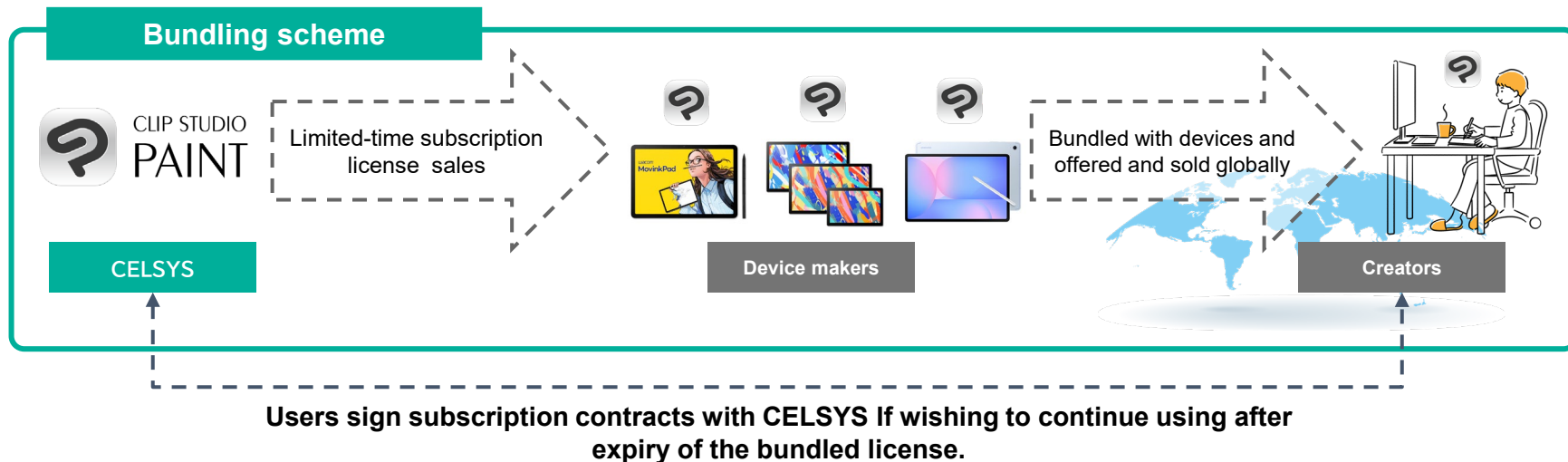


■ Promotion of CLIP STUDIO PAINT through product bundling with device makers

We are proactively collaborating with global device makers such as Wacom and Samsung to bundle CLIP STUDIO PAINT.

Expected benefits
of bundling

- Expand brand recognition globally
- Increase users and subscribers
- Enhance reach to young people through bundling with tablets and smartphones

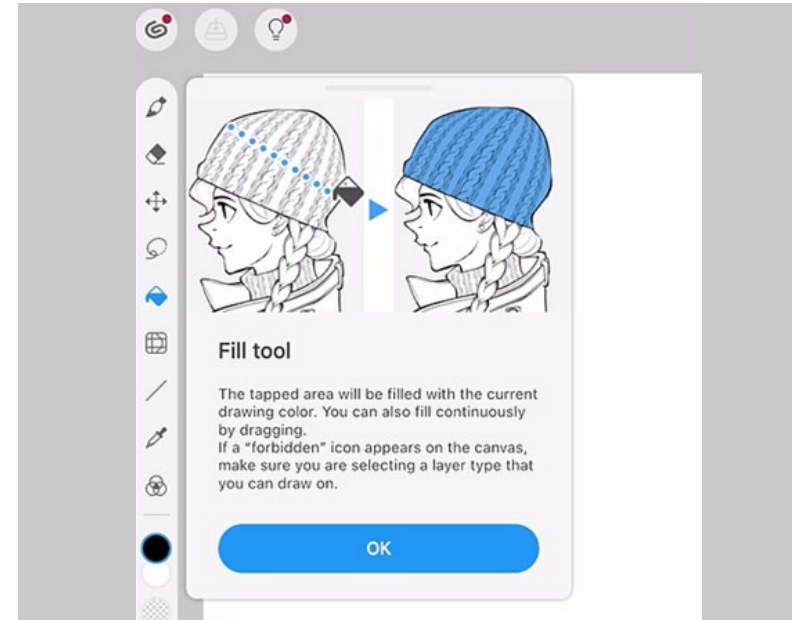
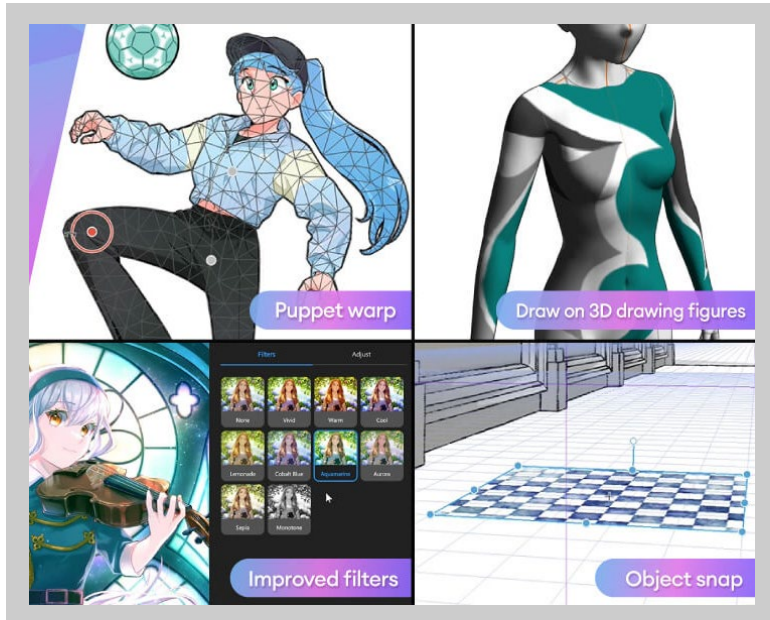


Reference material: Creator Support field

Key details of major update (Ver 4.0) of CLIP STUDIO PAINT

Many new features, including finishing and processing of works, 3D-related functions, and animation production function

Tutorial features that are easy to use for young and entry-level users



Reference material: Reasons why people choose CLIP STUDIO PAINT

Over 30 years of experience in developing graphic tools
New features designed to meet user feedback and evolving industry needs are provided through regular updates



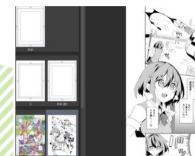
Affordable pricing for students
Professional-grade application accessible to everyone



Extensive user communities
Users can share drawing tips and ask questions, with opportunities to communicate globally

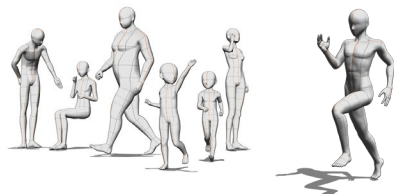


Beginner-friendly
Equipped with a simple user interface



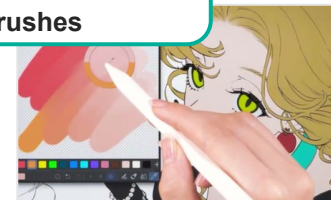
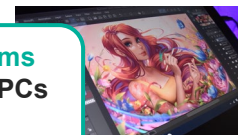
Create all kinds of artwork
All-in-one app for illustration, manga, Webtoon, and animation

3D drawing support features
Use poseable models and 3D materials to efficiently create high-quality artwork



Compatible with a wide range of devices and platforms
Full features available on tablets, smartphones, and PCs
iPad / iPhone / Android / Windows / macOS

Enjoy a beautiful, smooth drawing experience
Unlimited access to over 40,000 brushes



Reference material: Hear from Clip Studio Paint Users by Industry

< Comic Artist >

The story editor in Clip Studio Paint is so convenient that I moved to a completely digital workflow. I usually have to adjust the size and position of the dialogue, so it is very helpful. I now use Clip Studio Paint for color and monochrome comics. My line art assistants are also making full use of the vector layers in Clip Studio Paint to improve efficiency.

(From a Clip Studio Paint User Testimonial)

Tomoko Ninomiya

(Works: Nanatsuya Shinobu no Housekibako, Nodame Cantabile)

< Animation Studio >

I also love the wide range of brushes, from those that mimic traditional media, to the sharp and clean brushes typical of digital art. With the new animation update, I think Clip Studio Paint has the possibility of becoming really popular for animation.

(From an animation studio case study)

Nippon Animation Co., Ltd.

(Work: Chibi Maruko-chan)

< Freelance Creator (Japan) >

Clip Studio Paint is my favorite software, and I have used it for many years for my hobby and work. I will do my best to give back and let everyone know how good it is!

(From Comments on becoming Clip Studio Paint's Official Ambassador)

Ui Shigure

Approx. 1.33 million social media followers (as of July 2025)

< Freelance Creator (Italy) >

I always have to maintain good quality even when there is no time. Clip Studio Paint is perfect for my purposes: intuitive and simple, the brushes (even the basic ones) are the best I've ever used in a digital drawing app.

(From a CLIP STUDIO TIPS feature article)

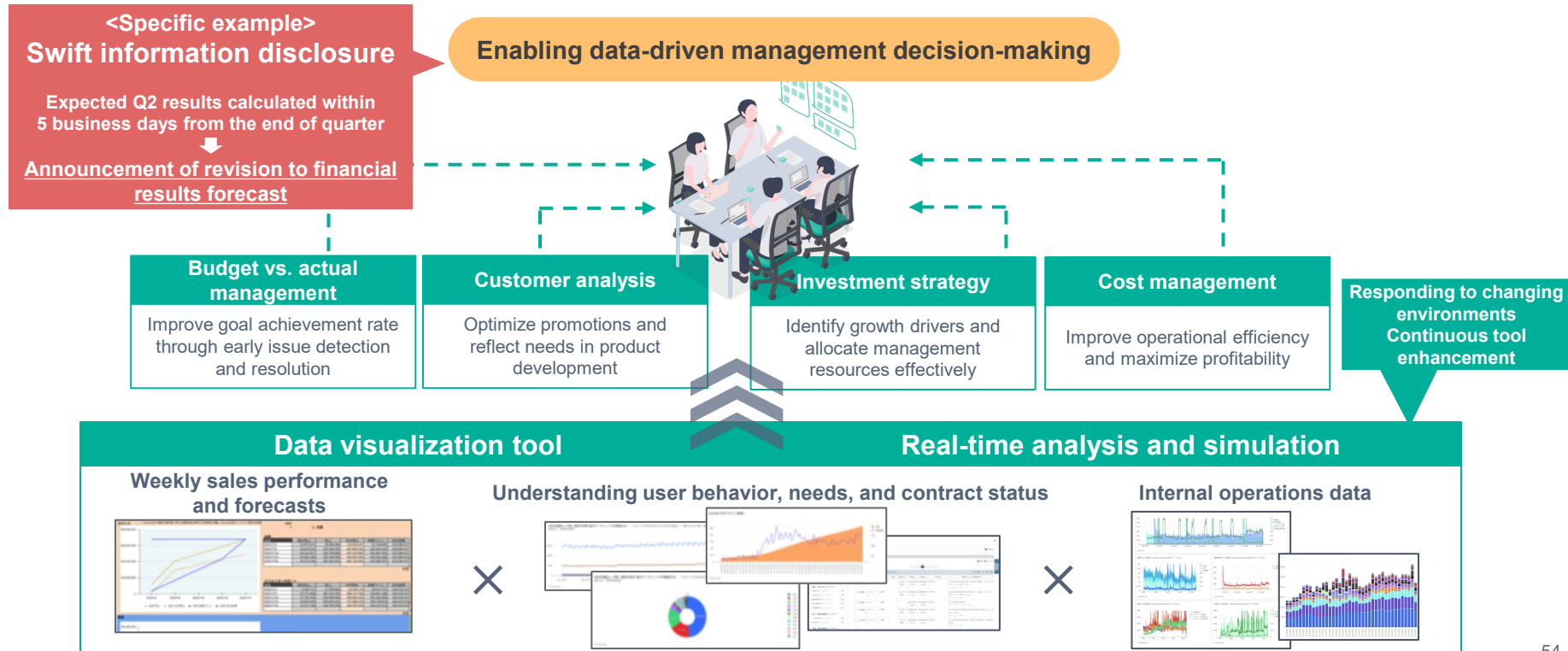
Mirka Andolfo (Creator based in Italy)

Approx. 300,000 social media followers (as of July 2025)



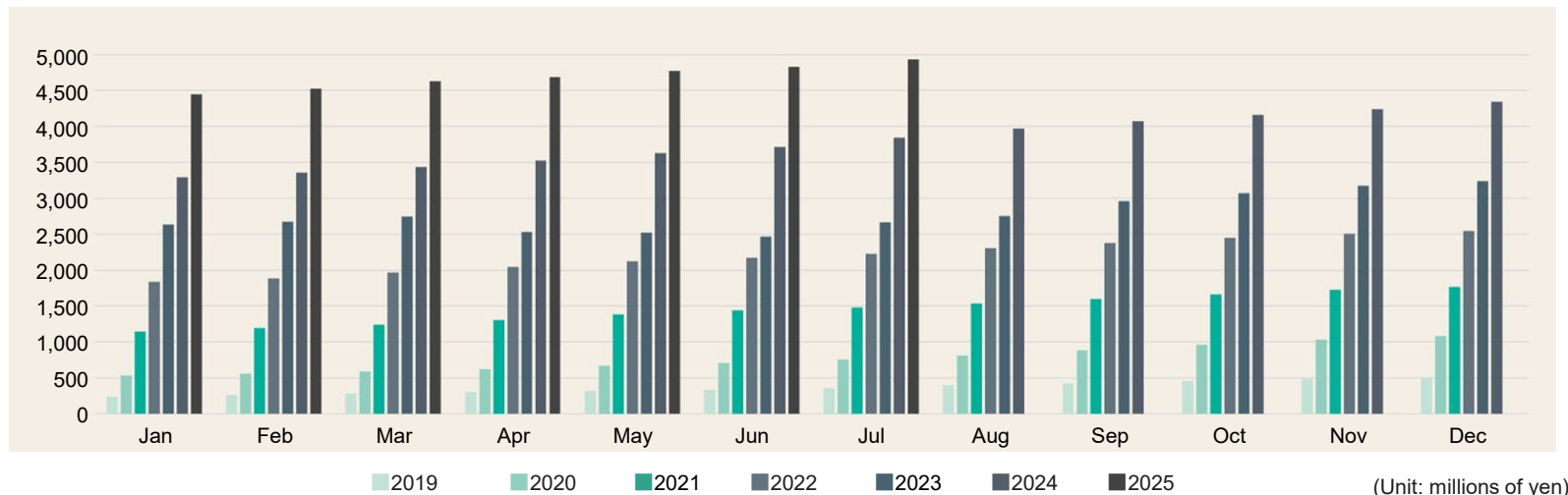
Reference material: Accelerating and enhancing management decision-making

The Company has developed and operate an in-house data visualization tool for business and management data. This enables real-time analysis of the current situation, supporting faster and more accurate management decision-making, as well as agile formulation of growth strategies.



Reference material: Monthly progress of the Creator Support field

■ Rolling three-month average ARR of CLIP STUDIO PAINT subscription sales



		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
2019		240	259	280	299	318	334	356	393	424	453	481	503
2020		530	556	585	620	668	710	752	811	882	959	1,032	1,084
2021		1,144	1,191	1,242	1,306	1,380	1,436	1,480	1,538	1,595	1,660	1,725	1,768
2022		1,834	1,884	1,966	2,046	2,124	2,173	2,225	2,309	2,375	2,450	2,506	2,545
2023		2,633	2,676	2,746	2,531	2,523	2,462	2,668	2,755	2,956	3,074	3,178	3,236
2024		3,293	3,358	3,439	3,527	3,631	3,713	3,840	3,972	4,075	4,158	4,240	4,347
2025		4,451	4,524	4,631	4,683	4,776	4,834	4,935					

Note: A rolling three-month average is used for ARR (abbreviation for Annual Recurring Revenue, expected net sales for one year assuming that all contracts are renewed at the time of renewal) as the amount fluctuates due to the fact that the number of business days per month every three months depends on the settlement method (usually 28 business days, but there are special cases of 35 business days), and because adjustments are made at the end of each quarter, when results are calculated.

Reference material: Monthly progress of the Creator Support field

CLIP STUDIO PAINT churn rate (paid contracts)



(Unit: %)

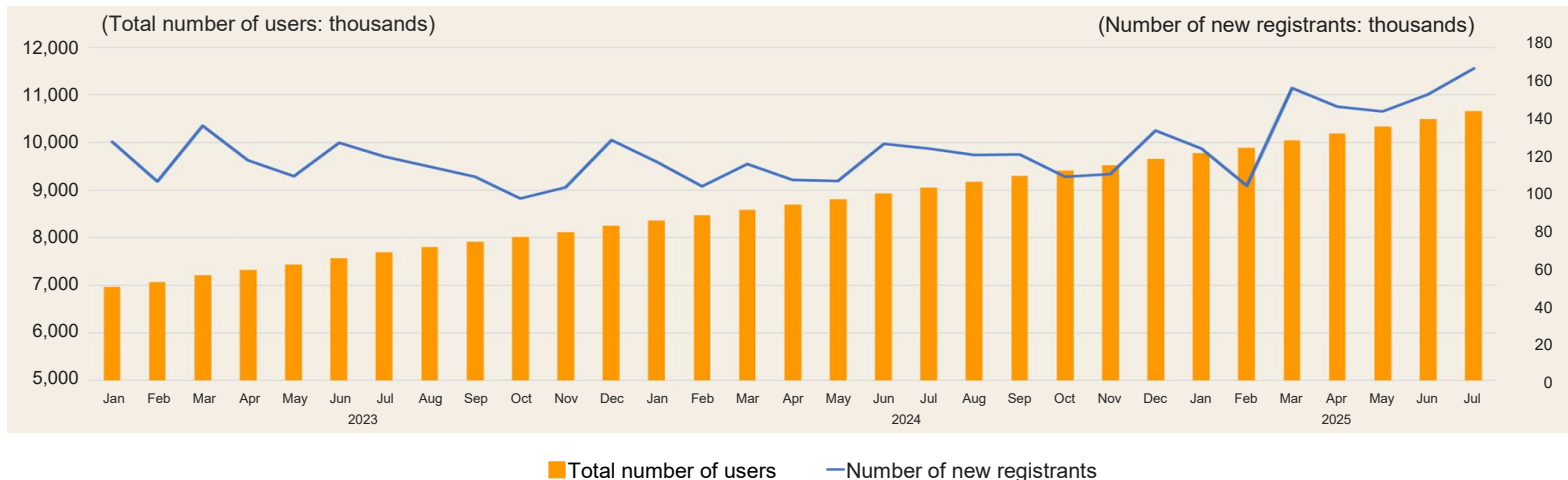
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2023	9.6	8.7	10.3	7.9	17.3	16.5	10.3	10.1	10.0	9.4	8.9	9.5
2024	6.1	5.8	7.8	6.5	4.5	5.3	4.8	4.6	5.0	4.6	4.8	4.8
2025	4.5	4.4	5.1	4.7	4.4	5.0	4.5					

Note: This indicator is the customer churn rate based on the number of customers with paid subscription contracts for the SaaS version of CLIP STUDIO PAINT. The rate is calculated based on the number of cancellations during the month relative to the number of contracts as of the end of the previous month. In cases where one customer has multiple contracts, each contract is calculated separately. Due to the nature of the product, which offers monthly contracts that allow customers to use the product as needed, in addition to annual contracts, the same customer may repeatedly sign and cancel contracts, but the calculation includes all such cases.

Note: The payment system used for subscription fees for Windows and macOS was changed in May 2023 in order to strengthen security to prevent authorized payments not going through due to unknown attacks. Although the churn rate temporarily increased significantly due to contracts lapsing at the end of the reregistration period at the end of May with some subscribers not reregistering, the number of new contracts continued to steadily increase, and from July 2023, remained steady.

Reference material: Monthly progress of the Creator Platform field

■ Number of platform users



(Unit: persons)

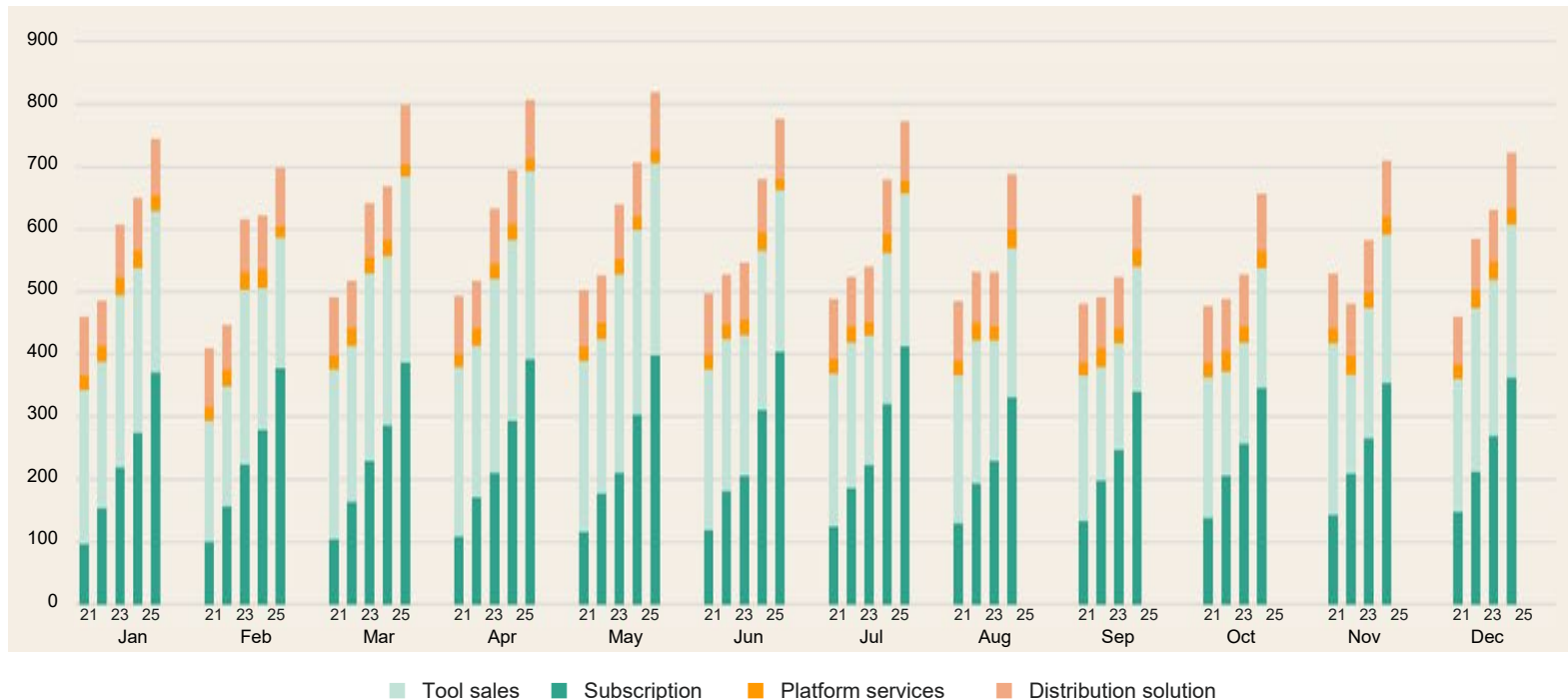
	Number of users	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2023	Total	6,964,077	7,071,497	7,209,000	7,327,920	7,438,347	7,566,684	7,687,597	7,803,133	7,913,206	8,011,379	8,115,678	8,245,392
	New	129,075	107,420	137,503	118,920	110,427	128,337	120,913	115,536	110,073	98,173	104,299	129,714
2024	Total	8,363,385	8,468,239	8,585,307	8,693,667	8,801,454	8,929,352	9,054,656	9,176,596	9,298,658	9,408,838	9,520,267	9,655,270
	New	117,993	104,854	117,068	108,360	107,787	127,898	125,304	121,940	122,062	110,180	111,429	135,003
2025	Total	9,780,600	9,885,832	10,043,654	10,191,550	10,336,833	10,491,221	10,659,889					
	New	125,330	105,232	157,822	147,896	145,283	154,388	168,668					

Note: Figures include users of services offered in the Creator Platform field and users of incidental services of CLIP STUDIO PAINT, such as CLIP STUDIO ASSETS.

Reference material: Monthly progress of sales by field

Breakdown of rolling three-month average sales of Creator Support field and Creator Platform field- Graph

(Unit: millions of yen)



Note: A three-month moving average is used as Tubers the amount fluctuates due to the fact that the number of business days per month every three months depends on the settlement method (usually 28 business days, but there are special cases of 35 business days), and because adjustments are made at the end of each quarter, when results are calculated. The figures may display differences from consolidated financial results, or other indicators, as a product of the inclusion of group-internal sales and the practice of rounding down to the nearest million yen.

Subscriptions are CLIP STUDIO PAINT subscription sales.

Tool sales include downloads through the one-time payment model and licenses for corporations.

Platform services include sales of CLIP STUDIO WEB services. Distribution solution include sales related to e-books and DC3.

Reference material: Monthly progress of sales by field

Breakdown of rolling three-month average sales of Creator Support field and Creator Platform field- Details

(Unit: millions of yen)

			Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
2021	e-books		94	95	93	92	92	96	95	95	94	92	88	77
	Services		22	23	22	21	22	24	24	24	22	22	23	23
	Tool sales		248	193	272	271	274	257	245	237	232	225	274	213
	Subscriptions		95	99	103	108	115	119	123	128	132	138	143	147
2022	e-books		72	71	76	76	76	79	80	81	82	83	84	82
	Services		26	27	28	27	26	25	25	27	31	32	30	28
	Tool sales		236	191	250	244	246	242	234	230	181	168	159	262
	Subscriptions		152	157	163	170	177	181	185	192	197	204	208	212
2023	Distribution solution		83	85	86	88	88	91	88	86	83	83	84	84
	Services		28	27	26	24	24	24	23	24	25	26	26	29
	Tool sales		276	280	300	310	317	226	206	192	170	162	209	249
	Subscriptions		219	223	228	210	210	205	222	229	246	256	264	269
2024	Distribution solution		85	86	87	87	86	86	86	87	89	91	92	90
	Services		28	32	26	26	22	30	30	32	27	28	27	26
	Tool sales		263	225	270	289	296	256	242	237	200	191	238	244
	Subscriptions		274	279	286	293	302	309	320	331	339	346	353	362
2025	Distribution solution		91	93	95	95	94	96	95					
	Platform services		24	20	19	19	20	19	20					
	Tool sales		259	208	299	303	307	259	246					
	Subscriptions		370	377	385	390	398	402	411					

Note: A three-month moving average is used as Tubers the amount fluctuates due to the fact that the number of business days per month every three months depends on the settlement method (usually 28 business days, but there are special cases of 35 business days), and because adjustments are made at the end of each quarter, when results are calculated. The figures may display differences from consolidated financial results, or other indicators, as a product of the inclusion of group-internal sales and the practice of rounding down to the nearest million yen.

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This material is to provide information on the Company's business, management strategy, and financial results, and is not intended to solicit investment in securities issued by the Company. In addition, financial data and company data in this material are produced based on data as of August 8, 2025. The opinions, forecasts, etc. stated in this material are based on judgments of the Company at the time of producing the material, and the accuracy and completeness of the information cannot be guaranteed nor promised, and is subject to change without prior notice in the future.