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March 12, 2026

Dear shareholders and investors,

Company name Tobila Systems Inc.
Representative Atsushi Akita, Representative Director and President
(Securities code: 4441 Tokyo Stock Exchange Standard)
Contact Norimasa Kanemachi, Director and CFO
(E-mail: ir@tobila.com)

**[Delayed] Transcript of Financial Results Briefing
for the First Quarter of the Fiscal Year Ending October 31, 2026**

| | |
|---------|---|
| Date | : March 10, 2026 |
| Contact | : Investor Relations, Tobila Systems Inc. |
| E-mail | : ir@tobila.com |
| HP | : https://tobila.com/forinvestors/inquiry/ |

Reference

- Financial Results Briefing Video (Japanese only, available on the Tobila Systems YouTube channel)
<https://youtu.be/TvMIVwTEqZQ>
- Non-consolidated Financial Results for the First Three Months of the Fiscal Year Ending October 31, 2026
<https://contents.xj-storage.jp/xcontents/AS05546/51a454d9/c3d7/42ca/bca5/8eea0f31930b/140120260310578827.pdf>
- Results of Operations for the 1Q of the Fiscal Year Ending October 31, 2026
<https://contents.xj-storage.jp/xcontents/AS05546/eb5b98ed/04e4/4e58/a2bb/f9a4bf096e93/140120260309578536.pdf>

Transcript of Financial Results Briefing for the First Quarter of the Fiscal Year Ending October 31, 2026

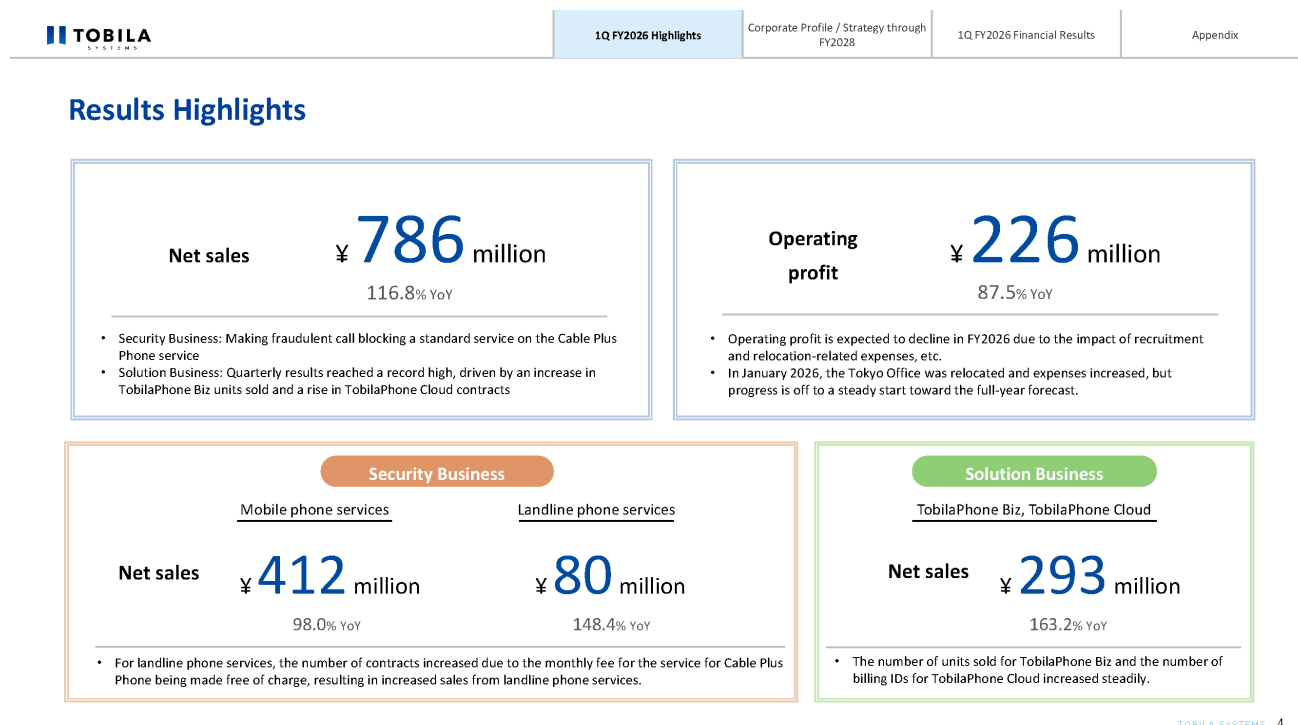
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1. Executive Summary

Hello, everyone. I am Atsushi Akita, President and CEO of Tobila Systems Inc.

I would like to walk you through FY2026 1Q financial results.

Let me explain FY2026 1Q highlights first.



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This slide shows 1Q results.

Net sales totaled JPY786 million, a record high. A YoY increase of 116.8%. Operating profit was JPY226 million, 87.5% YoY. Although operating profit declined YoY, we position this fiscal year as a phase of investment, and we believe it was in line with our expectations.

Results by segment.

In the Security Business, net sales of mobile phone services were JPY412 million, 98% YoY and those of landline phone services were JPY80 million, 148.4% YoY. Net sales of the Solutions Business were JPY293 million, 163.2%

YoY. Solution Business growth was the driver of overall revenue growth.

I would like to walk you through the sales results by segment later.

I would like to introduce four major topics for 1Q and to date.

Topics: Fraudulent Call Countermeasures Have Become a Standard Service on the Cable Plus Phone*¹ Service

- On the landline telephone service “Cable Plus Phone” provided by JCOM Co., Ltd., the monthly usage fee for “automatic fraudulent call blocking,” which uses the Company’s fraudulent call/message database, was made free of charge in January 2026.*²
- By reducing the financial burden at the start of use, the number of contracts for the service increased YoY.



| | Before the revision (- Dec. 2025) | After the revision (Jan. 2026 -) |
|------------------------------------|--------------------------------------|-------------------------------------|
| Automatic fraudulent call blocking | ¥330 | Free of charge |

- Users who wish to use the service can do so free of charge by completing the prescribed application procedures.
- Users already using the service before the revision were automatically migrated without any procedures.

*1: “Cable Plus Phone” is a landline telephone service that uses the networks of cable TV companies and KDDI.
*2: JCOM Co., Ltd. [Important Notice Regarding Revisions to Cable Plus Phone Service Charges and Service Details] (Japanese only)

The first topic is related to the Security Business. On the Cable Plus Phone provided by JCOM Co., Ltd., the monthly usage fee for automatic fraudulent call blocking, which uses our fraudulent call/message database, became zero in January 2026. This is intended to enhance fraudulent call countermeasures. The optional service, of which monthly fee was JPY330, is now free. This revision allows new subscribers to automatically enjoy this service.

Also, this revision has reduced the burden at the start of use, and the number of users increased. We will continue to work with other telecommunication carriers to enhance scam call countermeasures so that such initiatives can be implemented with other carriers as well.

Topics: The Company's Fraudulent Call/Message Database Has Been Adopted for a National Police Agency-Recommended and Certified App^{*1*2}

- The Company is providing its fraudulent call/message database to the National Police Agency-recommended and certified app "Fraud Countermeasures by NTT TownPage," which NTT TownPage Corporation began offering free of charge on March 5, 2026.
- In a policy speech^{*3}, Prime Minister Takaichi reiterated the policy of steadily promoting the "Comprehensive Measures 2.0 to Protect the Public from Fraud," and also referred on the official X account^{*4} to the free provision of a National Police Agency-recommended special fraud countermeasure app, making this an initiative of high public interest.



Illustrative images during an incoming call



^{*1}: [Tobila Systems Developed a Fraud Countermeasure App in Collaboration with NTT TownPage That Has Been Certified under the National Police Agency's Recommendation Program] (Japanese only) (Company press release dated March 4, 2026)
^{*2}: The phone numbers provided from Tobila Systems' fraudulent call/message database to the "Fraud Countermeasures by NTT TownPage" app include only numbers that are fraud or are inferred to be fraud, and do not include any other nuisance phone numbers.
^{*3}: Prime Minister's Office of Japan, "Policy Speech by Prime Minister Takaichi Sanae to the 2024 Session of the Diet"
^{*4}: X of Ms. Sanae Takaichi https://x.com/takaichi_sanae/status/2028570774098245807 https://x.com/takaichi_sanae/status/203052835205698686

The second topic is related to the Security Business.

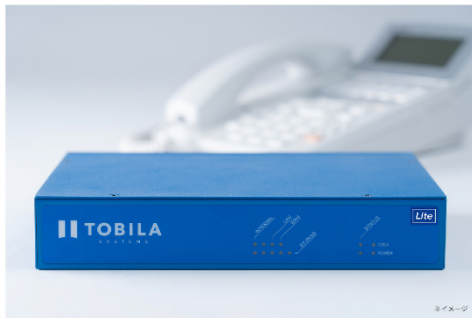
Our fraudulent call/message database has been adopted for a National Police Agency-recommended and certified app. We jointly applied with NTT TownPage to the National Police Agency's recommendation system for special fraud countermeasure apps. This app received the National Police Agency's recommendation certification in recognition of the fraud countermeasures and operational system.

NTT TownPage started providing this app for free on March 5, 2026. Through our fraud-related number data, the app warns the user and block calls. Also, the name is displayed on incoming and outgoing calls by utilizing NTT TownPage's database of businesses.

Demand for countermeasures remains strong, as systems to tackle special frauds have been enhanced. As a database provider in the fraud countermeasure field, we will continue to promote this initiative in cooperation with NTT TownPage and the National Police Agency.

Topics: Expansion of the TobilaPhone Biz Product Lineup*

- We developed the entry model “TobilaPhone Biz Lite” for small business operators and started providing it in February 2026.
- This is part of this fiscal year’s initiative to expand the TobilaPhone Biz customer base, and we aim to reach small business operators and sole proprietors going forward.



| Product model | TobilaPhone Biz | TobilaPhone Biz Lite |
|---|-----------------|----------------------|
| Available sites | Up to 20 sites | 1 site |
| Number of channels | 1ch to 48ch | 1ch to 2ch |
| Call history (number of storable records) | 10,000 records | 3,500 records |
| Call recording (storable time) | 1,250 hours | 350 hours |
| Custom setting of My Page URL | Available | Not available |

*: [“TobilaPhone Biz Lite,” an Entry Model for Small Business Operators, Has Been Newly Added to the “TobilaPhone Biz” Series of Business Call Management Solutions] (Japanese only) (Company press release dated February 2, 2026)

The third topic is related to the Solutions Business. In the product lineup of TobilaPhone Biz, call management solutions for business phones, the entry model TobilaPhone Biz Lite was launched in February 2026 for small business operators. TobilaPhone Biz has been used mainly by medium-sized and large companies with multiple locations and local governments. To increase our customers, we carefully selected functions and added TobilaPhone Biz Lite to the product lineup, which is priced and designed for use at a single location.

Against the backdrop of mandatory customer harassment countermeasures, we believe that demand for TobilaPhone Biz with its call recording and other management features will remain strong. With this lineup expansion, we aim to expand our customer base and increase the number of companies using our services.

Company-wide

Topics: Strengthening of Investment in Human Capital

- We will create an environment in which employees can more easily take ownership, and aim for sustainable growth and long-term value creation through investment in human capital.

| | Total proceeds from the disposal |
|---|----------------------------------|
| 3 directors *Excluding outside directors | ¥28,237,500 |
| 4 executive officers and 89 employees | ¥175,574,500 |
| Total | ¥203,812,000 |

| | Planned recipients of shares |
|---|--|
| 3 directors *Excluding outside directors | 22,500 shares |
| 4 executive officers and 89 employees | Executive officers: 24,000 shares Employees: 115,900 shares |
| Total | 162,400 shares |

| Type of plan | Before the change |
|----------------------|------------------------|
| Incentive grant rate | 10% |
| Incentive amount | ¥100 per unit (¥1,000) |

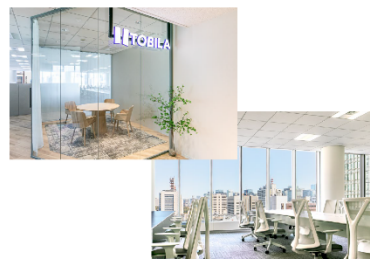


| Type of plan | February 2026 - |
|----------------------|--|
| Incentive grant rate | <ul style="list-style-type: none"> • 50% up to ¥20,000 • 10% for the portion exceeding ¥20,000 |
| Incentive amount | <ul style="list-style-type: none"> • ¥500 per unit (¥1,000) up to 20 units • ¥100 per unit (¥1,000) for units exceeding 20 |

Office Relocation

◆ Tokyo Office

- New office: Toranomon Kotohira Tower
- Relocation date: Jan. 31, 2026 (Start of operations: Feb. 2, 2026 -)



◆ Nagoya Office

- Planned relocation to Meiji Yasuda Seimei Nagoya Building in Sep. 2026

*1: [Notice Regarding the Disposal of Treasury Stocks as Restricted Stock for Directors, etc.] (Japanese only) (Company disclosure material dated January 28, 2026)

*2: [Notice Regarding Completion of Allotment for the Disposal of Treasury Stocks as Restricted Stock to Directors, etc. and Partial Forfeiture of Rights] (Japanese only) (Company disclosure material dated February 27, 2026)

*3: [Notice Regarding Increase in the Incentive Grant Rate for the Employee Stock Ownership Plan] (Company disclosure material dated January 26, 2026)

The last topic is about investment in human capital. One of our key initiatives to achieve our Medium-Term Management Plan 2028 is expansion and growth of personnel. We have positioned the strengthening of our organizational capabilities as an important theme.

In 1Q, own share disposal was made. Restricted Stock units were distributed to directors, executive officers and employees. We introduced a restricted stock compensation plan for our employees in 2019. This time, from the perspective of strengthening our commitment to achieving our mid-term plan, we increased the number of shares granted and distributed RS of approximately JPY200 million in total.

The transfer restriction period is three years, with a termination date of March 2029. At the same time, the incentive grant rate for the employee stock ownership plan increased from 10% to 50%. We will continue to develop a system that allows our employees to have a greater sense of ownership and to share in the medium- to long-term improvement of corporate value.

In addition, office relocation is underway to accommodate the expansion of our employees. In the current fiscal year, we plan to increase the number of employees by approximately 41 from the end of the previous fiscal year. We are actively hiring. Our Tokyo office moved to a new office in the Toranomon Kotohira Tower in January. We will relocate our Nagoya office in September. The costs associated with these relocations have been factored into our earnings forecast, and no additional impact is expected at this time.

2. Corporate Profile / Strategy through FY2028

From here, I would like to touch on our corporate profile and strategy through FY2028.

Corporate Data

Though special fraud and phishing scams

We are a company that aims to solve social issues
using technologies.

| | |
|-----------------------|--|
| Company name | Tobila Systems Inc. |
| Securities code | Tokyo Stock Exchange Standard 4441 |
| Date of establishment | December 1, 2006 (Founded April 1, 2004) |
| Representative | Atsushi Akita, President and Representative Director |
| Number of employees | 136 (including 67 engineers) *As of January 31, 2026 |
| Bases | Tokyo Office, Nagoya Office |



Tobila Systems is a company that aims to solve social issues such as special fraud and phishing scams using technologies. We have offices in Tokyo and Nagoya, and this fiscal year marks the 20th anniversary. As of the end of January, the number of employees is 136, including part-timers, half of whom are engineers.

Our Vision for a Better Future [Corporate Philosophy / Code of Conduct]

We open the door to a better future for our lives and the world

We are constantly changing without fear of failure and challenging conventional thinking to realize a better future for which we dream.

We will be a source of products that help solve social issues and benefit people. We will also pursue appropriate earnings for sustainable steady growth as we expand and upgrade our operations.

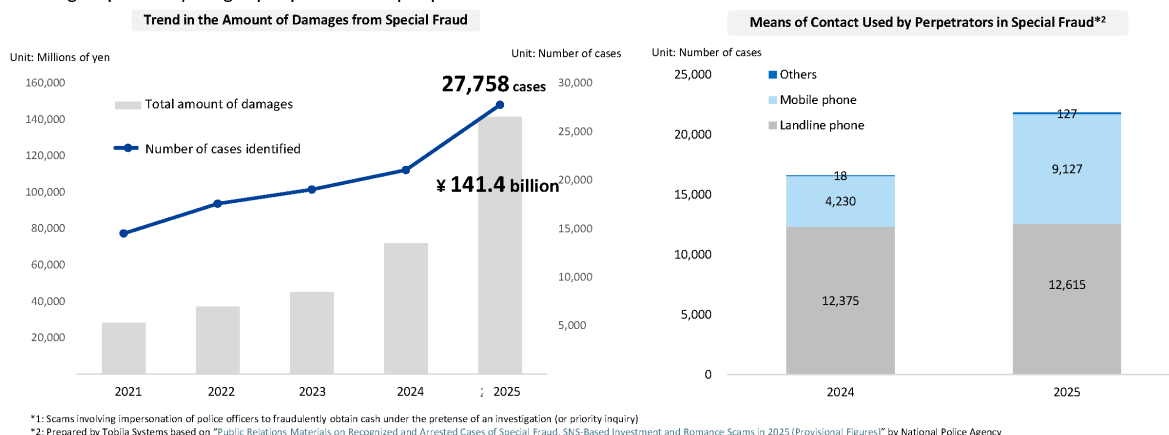
We believe that maintaining an environment where we can live in peace with our loved ones will directly lead to our growth and a better life for people worldwide.

Our corporate philosophy is "We open the door to a better future for our lives and the world." The focus of our business policy is to use innovative technologies to solve social issues that someone has to do but no one has done.

Currently, we are promoting our business from the perspective of protecting people. Our challenge is to realize a society where everyone can live in peace by reducing the number of victims of scams and gray area crimes. Our challenge is to tackle special fraud, phishing fraud, and gray area crimes.

Social Issues of Special Fraud and Phishing Scams

- In 2025, the total amount of damages and the number of cases identified for special fraud reached the worst level on record, making countermeasures urgently necessary.
- The main cause is the expansion of damage from fake police officer scams*¹, which account for approx. 70% of total special fraud damage.
- As a means of contact from perpetrators, mobile phones are increasingly used, and damage is increasing across a wide range of age groups from younger people to older people.

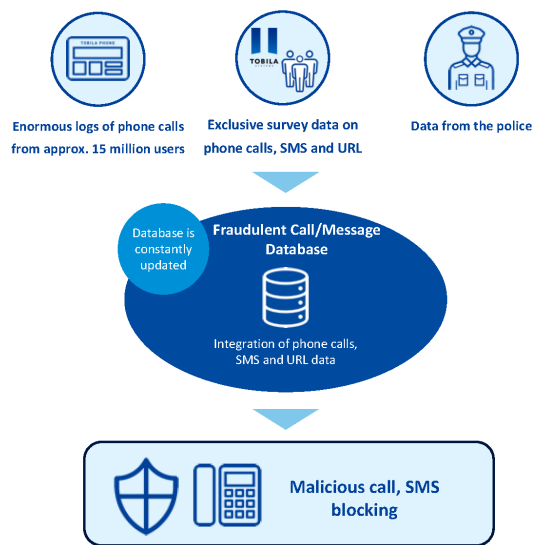


*1: Scams involving impersonation of police officers to fraudulently obtain cash under the pretense of an investigation (or priority inquiry)
 *2: Prepared by Tobila Systems based on "Public Relations Materials on Recognized and Arrested Cases of Special Fraud, SNS-Based Investment and Romance Scams in 2025 (Provisional Figures)" by National Police Agency

In 2025, the total amount of damage for special fraud was JPY141.1 billion, the worst level on record. The number of cases identified for special fraud also reached the worst level on record. Particularly noticeable cases are fake police officer scams. The percentage of calls made to mobile phones as a means of contact from perpetrators was doubled from 2024. They pretend to be a police officer or a civil servant to swindle money under the pretext of an investigation. Victims are not only older people but also younger people in their 20s and 30s. The number of victims is increasing.

In response to this situation, the government is promoting the strengthening of fraudulent call and SMS countermeasures under the Comprehensive Measures to Protect Citizens from Fraud 2.0. In particular, the government asks telecommunication carriers to consider measures to improve the effectiveness of their fraudulent call and SMS countermeasures, including making them free of charge. Widespread of reception blocking and warning functions across society is required.

Approach to Social Issues: The Fraudulent Call/Message Database



- Losing money due to a scam starts by answering dangerous phone calls, responding to malicious SMSs or visiting dangerous websites.
- Everyday, Tobil Systems updates its fraudulent call/message database that contains dangerous phone numbers, SMSs, and URL information to protect users of Tobil Systems services by blocking incoming calls and messages from these sources.

Strengths of Our Fraudulent Call/Message Database

- Tobil Systems receives information from the police on telephone numbers and URLs that were used for crimes and other malicious activities.
- The database has a system for incorporating feedback from users concerning phone numbers and SMS.
- The database is updated every day by using information from the Tobil Systems survey team.

The volume of data increases along with the number of users, resulting in a cyclical system for the constant improvement of phone call and SMS blocking accuracy.

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To help solve these social issues, we offer services that use our strength, fraudulent call/message database, to block dangerous phone calls and SMS.

Our database has three main features.

The first is the size of the user base. The data accuracy is improved by statistically reflecting information gathered from approximately 15 million monthly users. It is not easy to acquire a new user base of this size, which gives us the first mover advantage. In addition, major telecommunication carriers have adopted our service, which contributes to increasing the number of users and strengthening barriers to entry.

The second is our exclusive survey data. We sort more than 5 billion phone calls, SMSs, and URLs annually, and our survey team maintains a consistently high level of accuracy by actually making calls and accessing the URL in SMSs for verification.

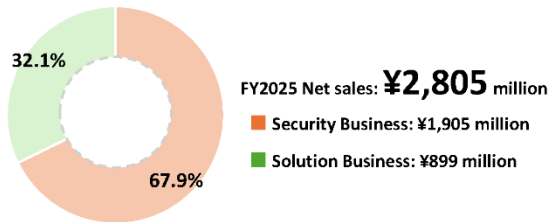
The third is information from the police. We receive data from the police on telephone numbers and URLs that were used for crimes and other malicious activities, enabling us to quickly update our database with highly reliable information.

The fraudulent call/message database with these three features is our business foundation and strength.

We will continue to utilize this database to promote our business, aiming for a future in which our services are an essential part of the social infrastructure.

Business Activities

- Beginning with the fiscal year ended October 31, 2025, we have been promoting business in two segments: [Security Business] and [Solution Business].



| | | | |
|------------------------|-------|--------------|-----------------------|
| Ordinary profit margin | ROE | Equity ratio | Market capitalization |
| 32.3% | 24.8% | 48.2% | ¥12.9 billion |

*: Ordinary profit margin, equity ratio, and ROE are as of October 31, 2025. Market capitalization is as of the close of trading on January 31, 2026.

Security Business

- Provision of special fraud and phishing prevention services to telecommunication carriers, financial institutions, and other organizations

Solution Business

- Services for business phone to promote DX for corporations

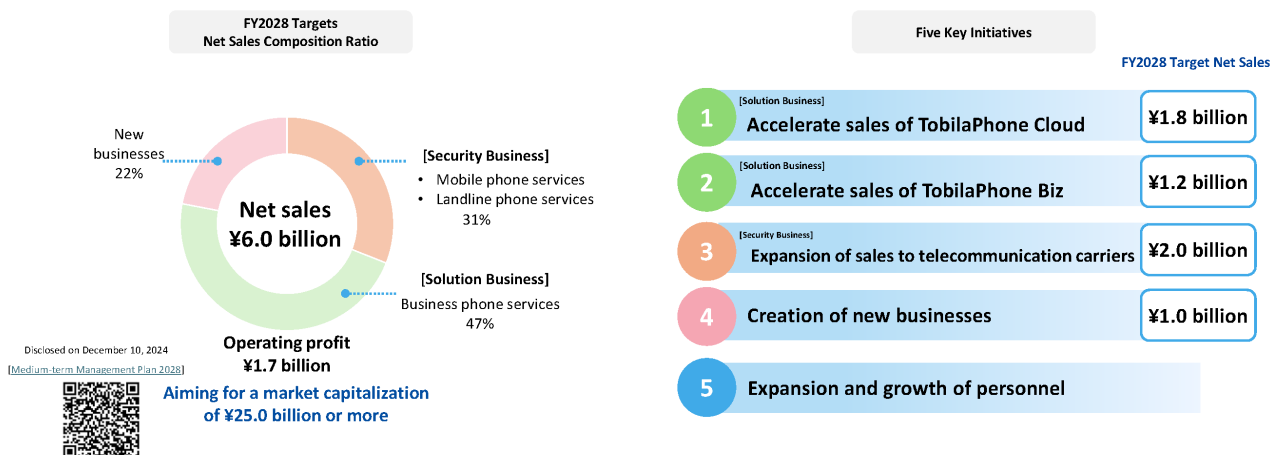
We have been promoting business in two segments: Security Business and Solution Business.

The Security Business, which provides special fraud and phishing prevention services to telecommunication carriers, financial institutions, and other organizations, is our stable revenue base, accounting for approximately three-quarters of sales in FY2025. Currently, based on revenues from this stable business, we are aggressively investing in the growth of Solutions Business, which facilitates DX for corporate clients.

Reproduced from the "FY2025 Results of Operations" presentation materials

Growth Strategy for Medium-Term Management Plan 2028 (FY2025 - FY2028)

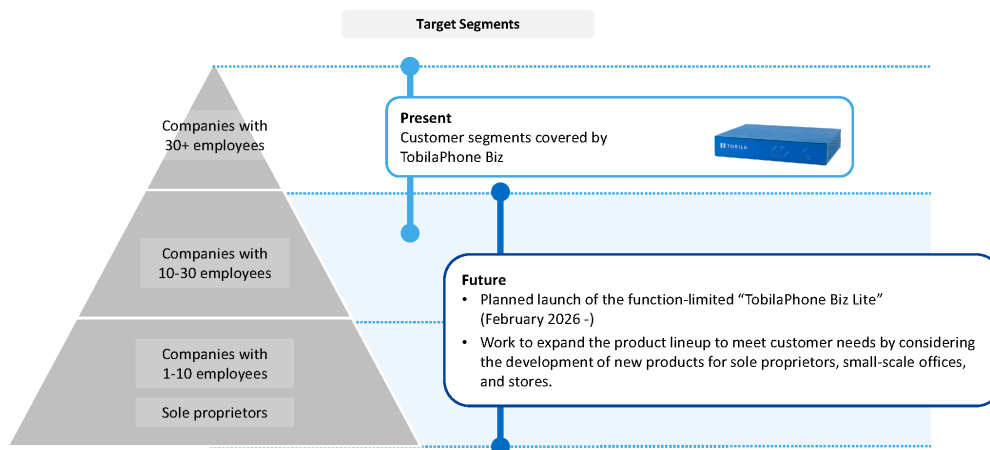
- We will invest management resources in five key initiatives as part of our strategy to enhance the Solution Business.



In our already announced Medium-Term Management Plan 2028, the top priority is to achieve net sales of JPY6 billion and operating profit of JPY1.7 billion in the final year FY2028. To achieve the target, we have set five key initiatives: 1. Accelerate sales of TobilaPhone Cloud, 2. Accelerate sales of TobilaPhone Biz, 3. Expansion of sales to telecommunication carriers, 4. Creation of new businesses, and 5. Expansion and growth of personnel. During the period of the medium-term management plan, we will invest our management resources mainly in these five initiatives.

TobilaPhone Biz Business Policy

- Considering that efforts to strengthen sales through agents have been effective, continue to recruit sales personnel and other employees.
- Aim to meet the needs of customers who we were unable to acquire with existing TobilaPhone Biz by expanding the product lineup.



Among the key initiatives, we expect TobilaPhone Biz and TobilaPhone Cloud in the Solution Business to drive sales. I would like to inform you of FY2026 business policy for these two services.

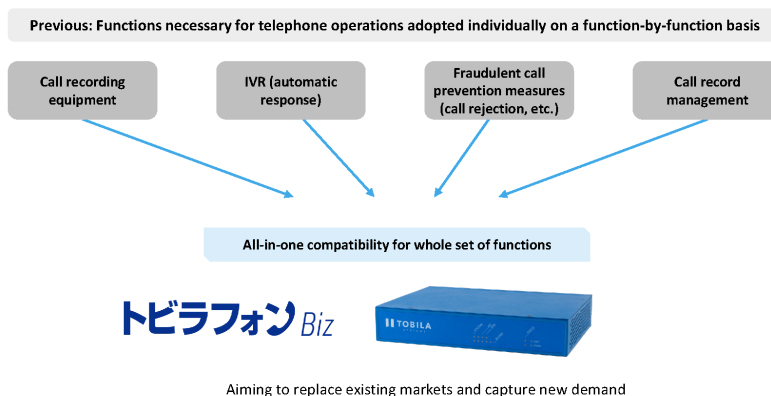
First, TobilaPhone Biz business policy.

TobilaPhone Biz has developed a business model centered on sales agents. In the previous fiscal year, we increased sales personnel to strengthen cooperation with our agents. We believe that these efforts have led to positive results and we will continue to strengthen relationships with our agents in Japan to expand sales in the current fiscal year.

In addition, we will expand the product lineup. The main target for TobilaPhone Biz is currently companies with 30 or more employees and local governments. We launched TobilaPhone Biz Lite in February 2026, which I mentioned earlier as a topic, to cater to customers that we were unable acquire with existing TobilaPhone Biz.

TobilaPhone Biz Market

- Conventional business phones required the individual adoption of separate systems and additional investment to utilize add-on functions such as call recording, IVR, fraudulent call prevention measures, and call record management. TobilaPhone Biz offers all-in-one compatibility for these essential business phone functions, providing an integrated operational platform that supports telephone security measures and operational efficiency.
- Considering social context such as the mandatory introduction of countermeasures against customer harassment being included in the Revised Act on Comprehensively Advancing Labor Measures, demand is expected to continue growing.



TobilaPhone Biz is a business call management solution which provides all-in-one functionality for telephone operations. Conventional business phones require the individual adoption of separate systems and additional investment to utilize add-on functions such as call recording, IVR, fraudulent call prevention measures, and call record management.

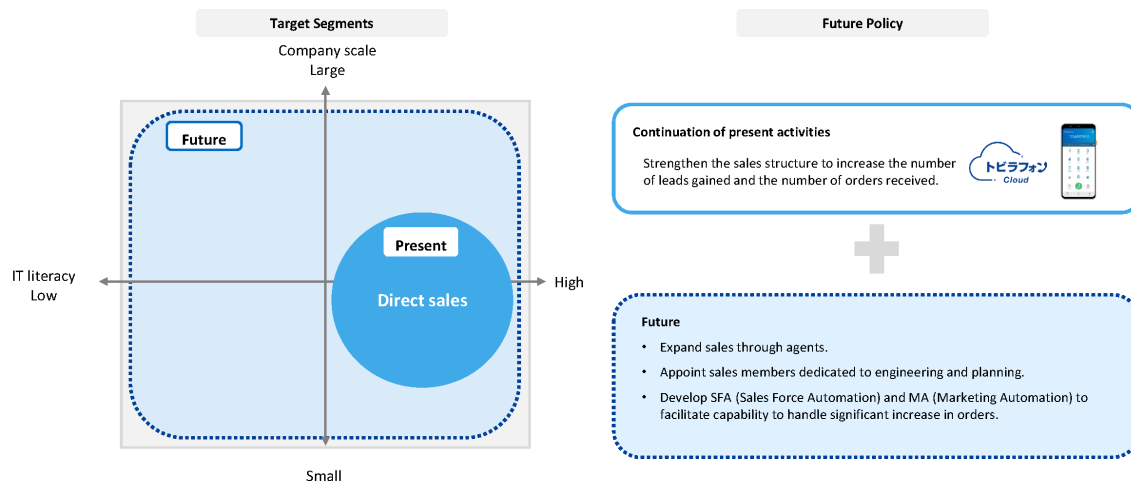
TobilaPhone Biz solves these problems, and by providing all the necessary functions in one package, TobilaPhone Biz improves the efficiency of call handling, which has tended to be a black box or dependent on an individual employee and implements telephone security measures.

Also, concerning TobilaPhone Biz potential market, we expect to capture new demand arising from customer harassment measures, in addition to replacing the existing function-specific markets. In line with the need for customer harassment countermeasures, the desire to introduce such solutions is increasing, and we believe that the need for telephone security measures will continue to grow with this tailwind.

Solution Business Reproduced from the "FY2025 Results of Operations" presentation materials

TobilaPhone Cloud Business Policy

- Enhance promotions targeting customers that cannot be reached with the current direct sales structure; enhance development of new functions (AI-related functions, etc.) and the efficiency of sales and marketing operations to increase the number of orders received.



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Next, TobilaPhone Cloud business policy. We have the direct sales structure for TobilaPhone Cloud and are considering three major initiatives to expand sales in the future.

The first one is to enhance promotions targeting customer segments with a large number of employees. The current direct sales structure focusing on customers coming from comparison sites cannot reach such customer segments. Therefore, we will create new touch points by expanding sales through agents for customer acquisition. We have already appointed sales members dedicated to engineering and planning and established a dedicated team for agent sales. We will continue to strengthen the structure, including conclusion of a sales contract with new agents.

The second point is to serve a smaller customer segment. While many customers contact us about TobilaPhone Cloud at the time of launching a new business, relocating to a new office, or reviewing their telephone environment, and often end up signing a contract, the current direct sales structure is too small to provide adequate follow-up in some cases.

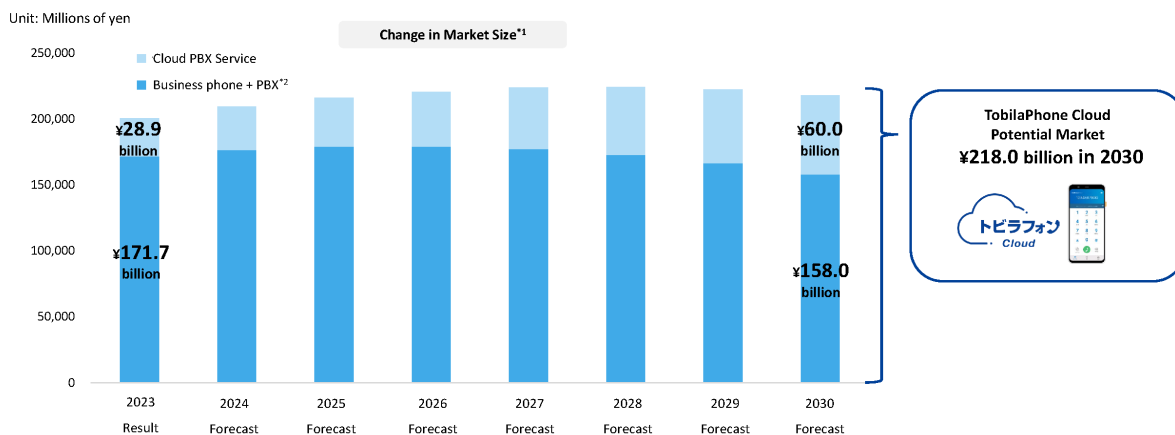
Therefore, we are considering automation of the order process and other procedures to establish a system that will enable us to make a contract with smaller companies.

The third point is to strengthen the direct sales structure itself. The increase in the number of sales members has led to an increase in the number of leads gained and the number of orders received. We will continue to strengthen our sales structure and expand marketing measures in parallel to further increase the number of billing IDs, including up-selling.

Solution Business Reproduced from the "FY2025 Results of Operations" presentation materials

TobilaPhone Cloud Market Size

- The cloud PBX market is expected to grow in the medium to long term as landline phone infrastructure transitions to IP and cloud and hybrid work takes hold. We recognize that the market has high growth potential.



^{*1}: Prepared by Tobila Systems based on "2024 Communications Marketing Survey" by Fuji Chimera Research Institute
^{*2}: Call control systems represented as business phone + PBX

Since TobilaPhone Cloud is a cloud PBX product, we consider the potential market to include the cloud PBX market as well as demand for replacement of landline business phones and PBX.

The graph of this slide shows the projected market size. It is expected to be a total of JPY218 billion in 2030. At present, we believe that no product has a dominant share in the cloud PBX market and we will continue to develop and provide support functions to build a solid position in this market and work to expand our market share.

3. 1Q FY2026 Financial Result

I am Kanemachi, Director CFO of Tobila Systems.

Now, I would like to talk about FY2026 1Q financial results.

1Q FY2026 Financial Summary

- Driven by growth in the Solution Business, in addition to a stable earnings base in the Security Business, net sales increased QoQ.
- Meanwhile, because we plan to make proactive investments based on the growth strategy under the Medium-Term Management Plan 2028, we expect profit to decline in this fiscal year. However, progress in 1Q was generally in line with projections.

| | FY2025 1Q (Previous year) | FY2025 4Q (Previous quarter) | FY2026 1Q Results | YoY | QoQ |
|-----------------------|------------------------------|---------------------------------|----------------------|--------|--------|
| Unit: Millions of yen | | | | | |
| Net sales | 672 | 730 | 786 | 116.8% | 107.6% |
| EBITDA* | 302 | 189 | 270 | 89.3% | 142.8% |
| Operating profit | 259 | 139 | 226 | 87.5% | 162.9% |
| Ordinary profit | 257 | 143 | 233 | 90.6% | 163.0% |
| Profit | 172 | 109 | 156 | 91.5% | 144.1% |

*: EBITDA= Operating profit + Depreciation + Goodwill amortization

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Let me talk about the financial summary. 1Q net sales were JPY786 million, 116.8% YoY. We achieved record high quarterly sales. Operating profit was JPY226 million, 87.5% YoY. Profit was JPY156 million, 91.5% YoY.

In the current fiscal year, operating profit, ordinary profit and profit are expected to decrease YoY due to an increase in labor cost and recruiting cost associated with expansion of personnel, in addition to the relocation of two offices in Tokyo and Nagoya and an increase in costs for information security assessments.

1Q FY2026 Net Sales by Segment

- [Security Business] Sales for mobile phone services remained generally flat and stable. Sales for landline phone services increased due to the impact of an increase in the number of users after the service for "Cable Plus Phone" was made free of charge. We will continue to promote collaboration with telecommunication carriers to strengthen countermeasures against social issues.
- [Solution Business] Against the backdrop of an expanded sales structure, sales of TobilaPhone Biz / Cloud grew steadily.

| | FY2025 1Q (Previous year) | FY2026 4Q (Previous quarter) | FY2026 1Q Results | YoY | QoQ |
|--------------------------|------------------------------|---------------------------------|----------------------|--------|--------|
| Unit: Millions of yen | | | | | |
| Security Business | 493 | 466 | 492 | 99.9% | 105.6% |
| Mobile phone services | 420 | 412 | 412 | 98.0% | 99.8% |
| Landline phone services | 54 | 53 | 80 | 148.4% | 149.5% |
| Other | 18 | 0 | 0 | 1.0% | 100.0% |
| Solution Business | 179 | 263 | 293 | 163.2% | 111.2% |
| TobilaPhone Biz | 134 | 185 | 200 | 149.4% | 108.2% |
| TobilaPhone Cloud | 45 | 78 | 92 | 204.4% | 118.2% |

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I would like to explain 1Q FY2026 net sales by segment. First, the Security Business. Net sales were JPY492 million, 99.9% YoY. Net sales of mobile phone services were JPY412 million, 98% YoY, those of landline phone services were JPY80 million, 148.4% YoY, and other sales were less than JPY1 million, 1% YoY.

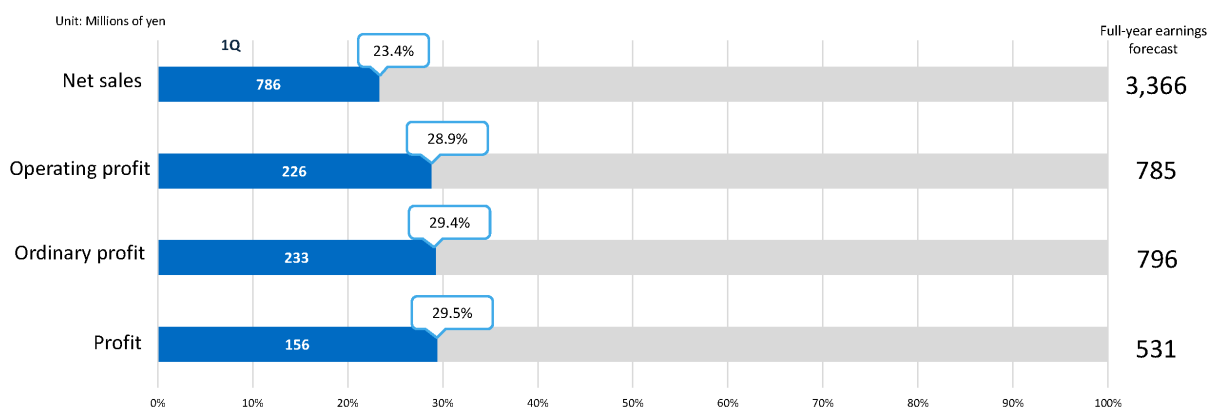
The Security Business maintained a stable revenue base. In 1Q, sales of landline phone services increased significantly. The increase was owing to the impact of an increase in the number of users of landline telephone service Cable Plus Phone provided by JCOM Co., Ltd., after the service has been free. The expansion of the user base has led to an increase in sales.

Next, the Solution Business. Net sales were JPY293 million, 163.2% YoY. The Solution Business is positioned as our growth business and continues to grow steadily. Quarterly sales of TobilaPhone Biz and TobilaPhone Cloud are disclosed in this slide.

TobilaPhone Biz sales were JPY200 million, 149.4% YoY. TobilaPhone Cloud sales were JPY92 million, 204.4% YoY. Sales went strong for both products. Growth in the Solution Business was our revenue driver.

1Q vs. FY2026 Forecast

- Although the earnings forecast assumes a plan weighted toward the second half, net sales and profit at each stage all progressed steadily.
- The progress rate of profit at each stage exceeds 25%. However, we plan to make investments for future growth, including recruitment, and expect full-year results to come in line with the earnings forecast at this time.



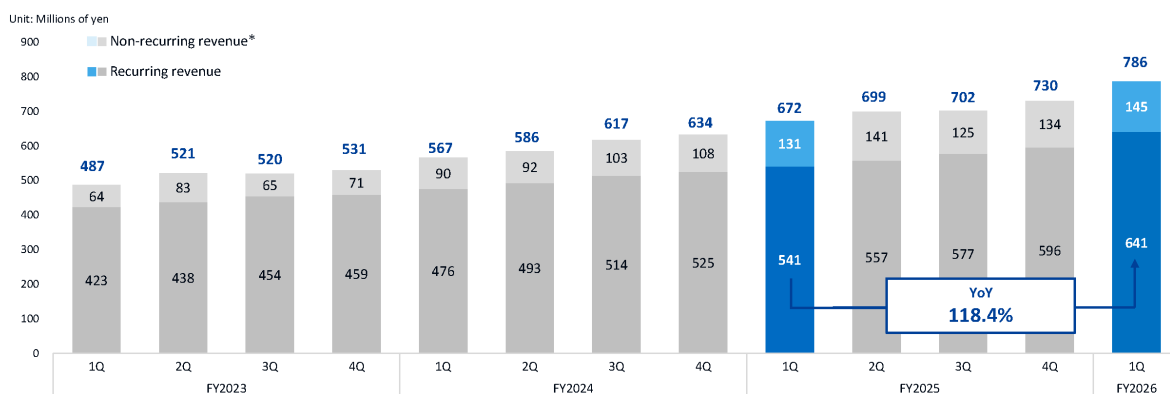
Next, I would like to explain progress versus FY2026 forecast. Sales progress made in 1Q is 23.4%. The progress rate of profit at each stage exceeds 25%. Overall, we believe that the results are generally in line with our expectations.

The slightly higher profit progress rate is mainly because part of recruitment was postponed from 1Q to 2Q or later, and some expenses, such as advertising and outsourcing costs, were not incurred in 1Q and will be incurred later. We

expect a decrease in profit for the full year, and we have factored in increased expenses in 2Q, 3Q and 4Q for personnel expansion and the relocation of the Nagoya office. We do not plan to revise our earnings forecast at this time.

Quarterly Sales (Recurring Revenue and Non-recurring Revenue)

- Steady growth in recurring revenue, which is our earnings base, due to the Security Business remaining stable and expanded sales in the Solution Business.
- Non-recurring revenue increased mainly due to a QoQ increase in the number of units sold of TobilaPhone Biz.



*: Non-recurring revenue includes sales of [280blocker], hardware for [TobilaPhone] and [TobilaPhone Biz]

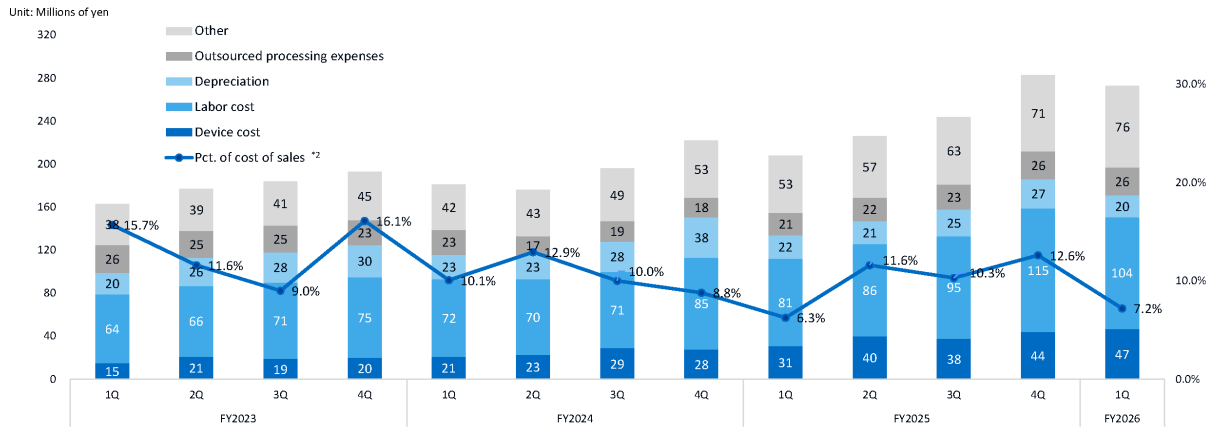
This slide shows quarterly sales. You can see recurring revenue, which is our earnings base and non-recurring revenue, separately.

First, recurring revenue. Recurring revenue steadily increased, 118.4% YoY. In addition to stable revenues from mobile phone services in the Security Business, an increase in product sales in the Solution Business contributed to the revenue increase.

Let's look at non-recurring revenue. Non-recurring revenue included sales of 280blocker one-time purchase plan, as well as hardware for TobilaPhone and TobilaPhone Biz. The increase in non-recurring revenue in 1Q was owing to an increase in the number of TobilaPhone Biz units sold.

Cost of Sales*1

- Overall, cost of sales was largely in line with projections.
- The main factors behind the increase were higher device costs due to expanded shipments of TobilaPhone Biz and higher communication costs due to expanded sales of TobilaPhone Cloud.

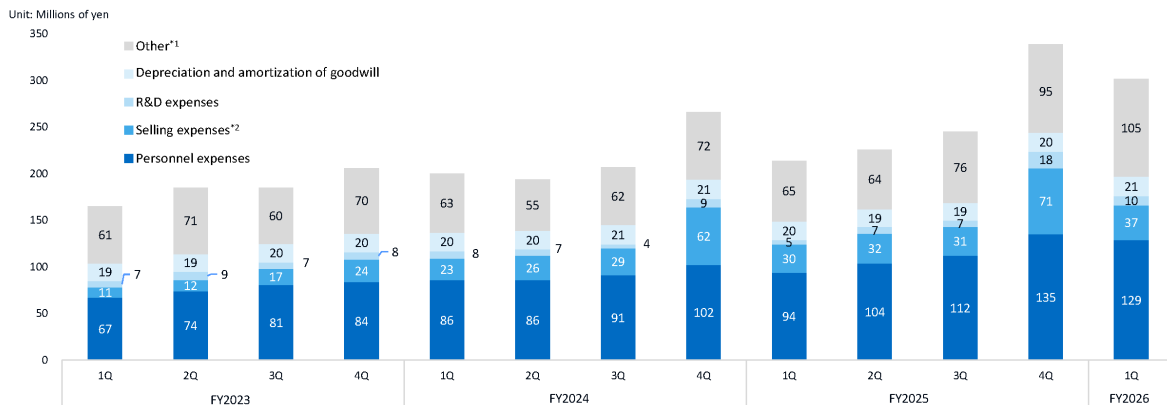


*1: The sum of device cost, labor cost, depreciation, outsourced processing cost and others does not match the total cost of sales on the income statement because these figures are before adjustments for reclassified expenses and work in process transfers
 *2: Pct. reclassified as other expense categories is the percentage of the cost of sales included in R&D expenses and assets due mainly to the characteristics of work performed by employees

Let's move on to cost of sales. Overall, cost of sales was largely in line with projections. We added device cost to the chart this time. Since the device cost includes TobilaPhone Biz hardware, you can see that the cost has increased along with business growth. "Other" also increased due to higher communication costs in TobilaPhone Cloud.

SG&A Expenses

- Overall, SG&A expenses were largely in line with projections.
- The main changes were an increase in other expenses associated with the relocation of the Tokyo Office and a decrease in advertising expenses due to a rebound from product announcements, etc. for Sagitore carried out in 4Q of the previous fiscal year.



*1: Others include collection fees, outsourcing expenses, rent expenses on land and buildings.
 *2: Selling expenses is the sum of sales commissions, advertising expenses, and sales promotion expenses.

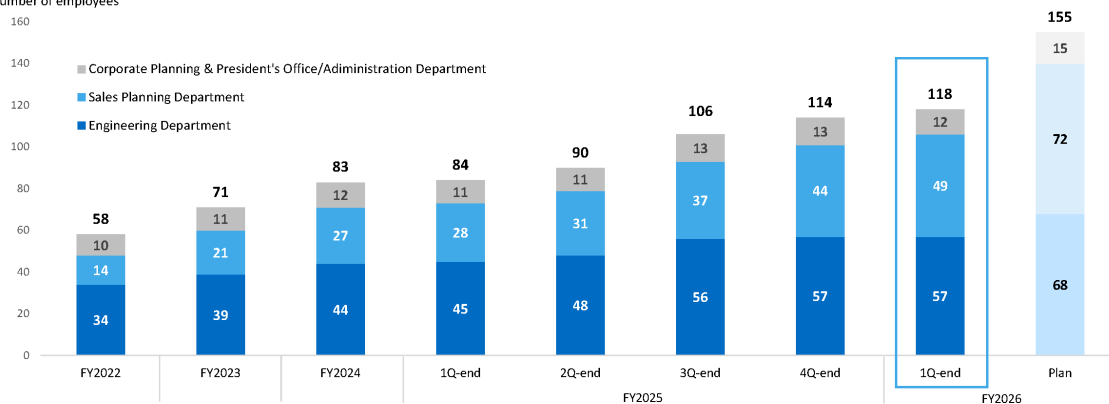
Next, let's look at SG&A expenses. Overall, SG&A expenses were largely in line with projections. The main changes

were an increase in other expenses associated with the relocation of the Tokyo Office and a decrease in selling expenses from the previous quarter. This decrease is due to a rebound from product announcements, etc. for Sagitore and tested advertising measures and sales promotion campaigns to increase sales which were carried out in 4Q FY2025.

Number of Full-Time Employees

- We have been promoting recruitment activities with a target of an increase of 41 employees compared with the end of the previous fiscal year, mainly focusing on sales and engineering personnel to engage in sales in the Solution Business and personnel to oversee new product project planning and execution.
- As of the end of 1Q, the number of employees increased by 4. However, some new hires are scheduled to start in the following quarter, and the situation is in line with expectations.

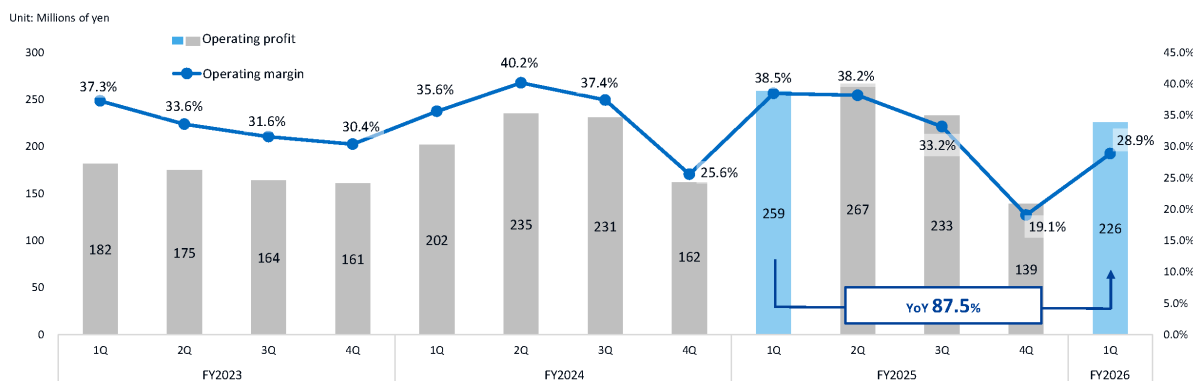
Unit: Number of employees



This slide is for the number of full-time employees. In accordance with the growth strategy of the Medium-Term Management Plan 2028, we are strengthening our recruitment of sales and engineering personnel. We have a recruitment plan to increase our employees by 41 from FY2025. The number of full-time employees increased by four in 1Q. New hires are usually fewer in 1Q, and the situation is in line with expectations. We will continue proactive recruitment activities in the following quarters.

Operating Profit

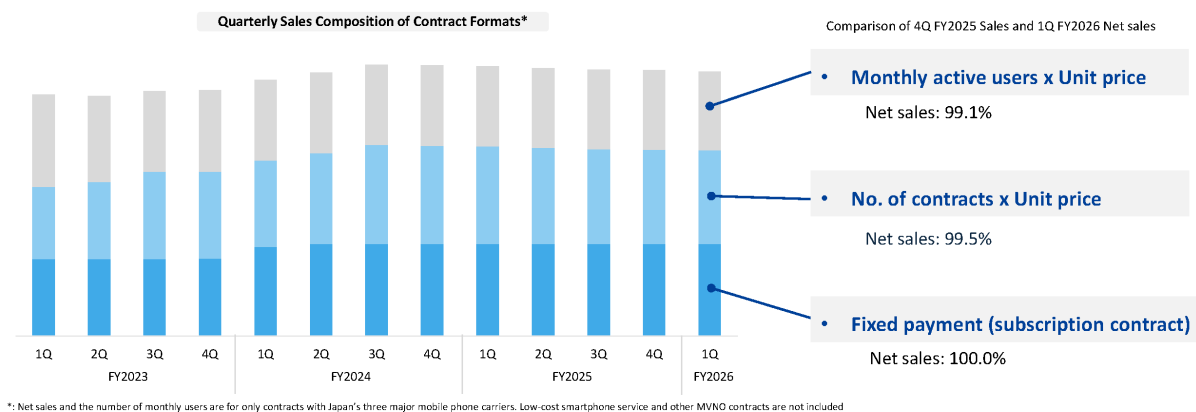
- In this fiscal year, we plan a full-year decline in profit due to the execution of growth investments, and also expect operating profit to decline YoY in each quarter.
- In 1Q, results generally progressed in line with projections. Operating profit came in lower YoY as anticipated in the earnings guidance.
- From 2Q onward, we will continue to proactively recruit personnel and expect higher expenses associated with the relocation of the Nagoya Office scheduled for September.



Let's look at operating profit. 1Q operating profit was JPY226 million, 87.5% YoY. Operating margin was 28.9%. We are systematically investing in human capital and strengthening our organizational infrastructure to achieve the goals of our medium-term management plan. Therefore, we expect a decrease in profit for the full year and also expect operating profit to decline YoY in each quarter. The results were generally in line with projections. There is no change in our forecast at this time.

Mobile Phone Services: Quarterly Net Sales by Contract Format

- Net sales to major telecommunications carriers' main brands continued to show a slight QoQ decline, but were generally flat.
- Meanwhile, the number of damages of special fraud is still on the rise, and each telecommunications carrier is making progress in considering stronger countermeasures. The Company's policy is to continue discussions with each carrier on measures to increase users.



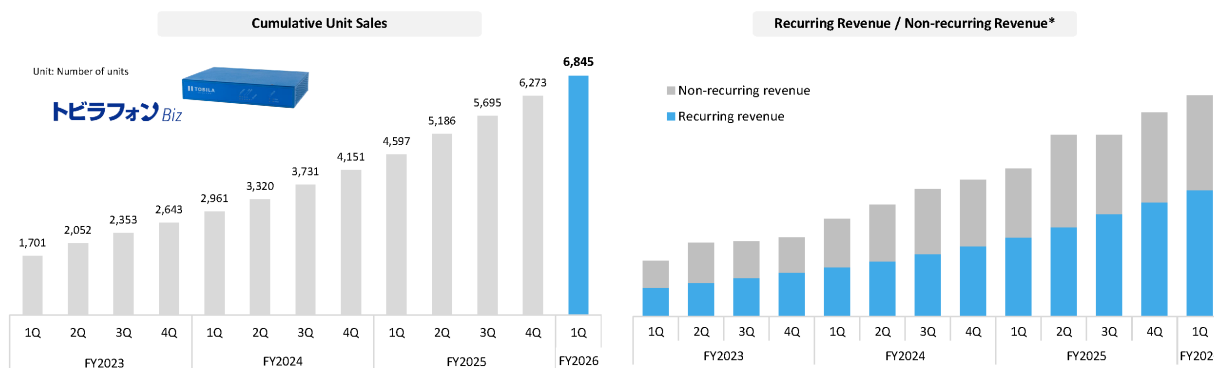
I would like to explain quarterly net sales by contract format in the Security Business. The slide shows a bar chart for quarterly sales composition of three contract formats. On the right-hand side, you can find comparison of 4Q FY2025 sales and 1Q FY2026 sales. This data covers major telecommunications carriers' main brands only and does not include sub-brands or MVNO contracts.

Although each format showed a slight QoQ decrease, there were no major structural changes and sales remained stable. As the number of damages of special fraud is still on the rise, the Ministry of Internal Affairs and Communications and telecommunications carriers continue to enhance their countermeasures. In cooperation with telecommunications carriers, we will steadily promote prevention efforts.

Solution Business

TobilaPhone Biz Sales

- Against the backdrop of growing demand for customer harassment prevention measures, the cumulative number of units sold continued to increase and reached 6,845, an increase by 572 QoQ and an increase by 148.9% YoY.
- We expect the earnings contribution of TobilaPhone Biz Lite from 2Q onward, and continue to aim to expand sales for the TobilaPhone Biz series as a whole.



*: Most sales are made through sales agents using a package of the cost of the device and a five-to seven-year usage fee. Sales of hardware are recorded when the product is sold to agents. License fees are recorded as a liability under contract agreements. Monthly sales are calculated by dividing the cost of sales according to the length of the contract.

Let's look at TobilaPhone Biz sales. We add a chart for cumulative unit sales in the slide.

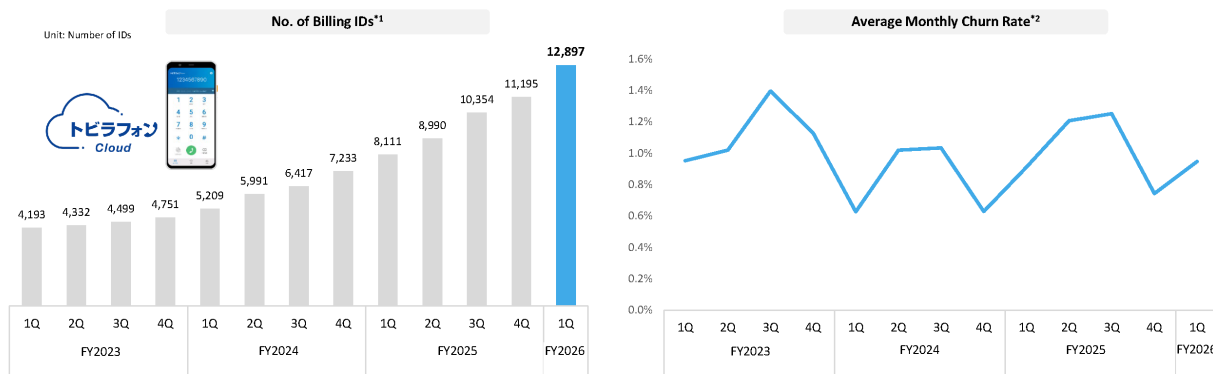
Sales continued to grow steadily, and the cumulative number of units sold reached 6,845 in 1Q. We could achieve this because the sales structure has been strengthened. We can work more closely with agents, and our sales channels become more stable.

In addition, as customer harassment prevention gains more attention, we receive more inquiries and orders from local governments as well as businesses. Recurring revenue steadily increases. Non-recurring revenue also increased in line with the recent increase in hardware sales.

Solution Business

TobilaPhone Cloud Sales

- In addition to lead generation through the direct sales channel, an increase in the number of leads through agent sales contributed, and the number of billing IDs steadily increased by 1,702 QoQ.
- The churn rate continued to remain at a low level, less than 1%.



¹: The total number of IDs included in the contract in the billing period. Synonym for the number of users. There was a definition error in the calculation that included past years, and revised figures, including those for prior periods, have been disclosed.
²: Monthly churn rate is the quarterly average of the monthly churn rate calculated by using the ratio of monthly churn to the number of contracts at the beginning of the month.

Let's see TobilaPhone Cloud sales. We added a chart for the number of billing IDs this time. The number of billing IDs was 12,897 in 1Q.

The number of billing IDs steadily increased through cooperation with sales agents such as Crops, SKI, and No.1 Co.,Ltd. as well as direct sales. The average monthly churn rate remains low at 1%.

Balance Sheet

- The major factor contributing to an increase in liabilities is an increase in contract liabilities* due to growth of sales of TobilaPhone Biz (TobilaPhone Biz service revenue is recognized based on contract periods).

| Unit: Millions of yen | FY2025 (Previous fiscal year) | FY2026 1Q | Change |
|---------------------------------------|----------------------------------|-----------|--------|
| Current assets | 4,427 | 4,534 | 107 |
| Cash and deposits | 3,736 | 3,798 | 61 |
| Trade receivables and contract assets | 351 | 389 | 37 |
| Other | 338 | 345 | 7 |
| Non-current assets | 954 | 1,111 | 157 |
| Property, plant and equipment | 98 | 165 | 66 |
| Intangible assets | 209 | 193 | -15 |
| Investments and other assets | 645 | 751 | 106 |
| Total assets | 5,381 | 5,645 | 264 |
| Liabilities | 2,786 | 3,119 | 333 |
| Current liabilities | 2,690 | 3,036 | 345 |
| Non-current liabilities | 95 | 83 | -12 |
| Net assets | 2,595 | 2,526 | -69 |
| Equity-to-asset ratio | 48.2% | 44.7% | -3.5pt |

*: Contract liabilities mainly consist of advance payments received from customers related to service usage fees, which are recognized as revenue over the contract period and are reversed as revenue is recognized.

This slide shows our balance sheet. Please check this slide later for your reference.

4. Message from CEO

For FY2026, the second year of our medium-term management plan, we plan to increase sales and decrease profits as we have positioned it as the year for investments for future growth. In 1Q, as a leading company in special fraud countermeasures, we made steady progress in our initiatives which utilize our fraudulent call/message database. 1Q results were in line with our full year forecast owing to an increase in product sales in the Solution Business.

We will continue to carry out our plan in the following quarters for recruitment activity and organizational foundation enhancement. We would like to thank our investors for their continued support.

We would like to conclude our financial results presentation.

Thank you very much for listening.