Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 3968

FY2026

Third Quarter

Financial Results Supplementary Explanation Materials

November 12, 2026

Segue Group

Segue Group Co., Ltd.

FY 2026

Q3

THIRD QUARTER REPORT

Contents

Contents

01 Upward Revision of Earnings Forecast and Increase in Dividend Forecast

02 Financial Highlights

03 Business Performance

04 Financial Detail

05 Business Topics

06 Shareholder Returns

07 Appendix

01

Upward Revision of Earnings Forecast and Increase in Dividend Forecast

Upward Revision of Earnings Forecast and Increase in Dividend Forecast

Further Upward Revision of Profits at All Levels

Sales of the Company's proprietary product, RevoWorks, and recurring revenue continued to exceed the assumptions underlying the previous forecast, and selling, general and administrative expenses also remained lower than expected, resulting in an upward revision of profits at all levels

The year-end dividend forecast has been increased by 10.00 yen per share, from 9.00 yen to 19.00 yen per share, bringing the annual dividend to 28.00 yen per share (target dividend payout ratio: approximately 50%)

Unit: JPY million

	Initial forecast (Announced Feb 13, 2026)	Previous Forecast(A) (Announced Aug 13, 2026)	Revised Forecast(B)	Change (B-A)	(Reference) Previous Period Actual (FY2025.12)
Sales	30,000	30,000	30,000	0	25,074
Operating Profit	2,300	2,600	3,050	+450	1,854
Ordinary Profit	2,299	2,600	3,050	+450	2,001
Profit attributable to owners of parent	1,403	1,600	1,950	+350	1,191
EPS (Yen)	38.60	45.44	54.74	+9.30	37.58
Annual Dividend (Yen)	18	18	28	+10	13

02

Financial Highlights

Cumulative Q3 results again reached record highs in sales and all profit measures!

Sales 1.2x, Gross Profit 1.4x, Operating Profit 2.0x, Ordinary Profit 1.9x (YoY)

Sales
22.24 JPY billion
+24.6% YoY Change

Gross Profit
6.05 JPY billion
+42.5% YoY Change

Operating Profit
2.91 JPY billion
+103.3% YoY Change

Ordinary Profit
2.95 JPY billion
+93.6% YoY Change

Sales
Cumulative sales increased significantly, driven by GSS projects recorded in H1 and growth in security software sales

Gross Profit
The In-house Development Business (RevoWorks and SOC*) and recurring revenue from support services grew, contributing to higher gross profit

*SOC (Security Operation Center) :
Threat monitoring and analysis service supporting security countermeasures

Operating Profit / Ordinary Profit
Gross profit increased significantly, while the increase in SG&A expenses remained modest, resulting in higher profits

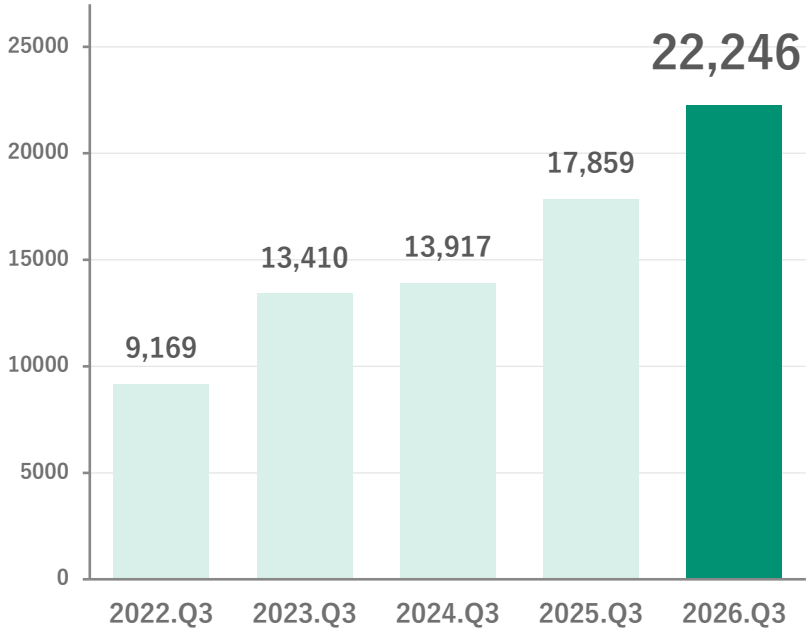
Order Intake / Order Backlog
Order intake and order backlog remained at a high level
Order backlog for recurring services increased steadily

Cumulative Q3 Results Trend

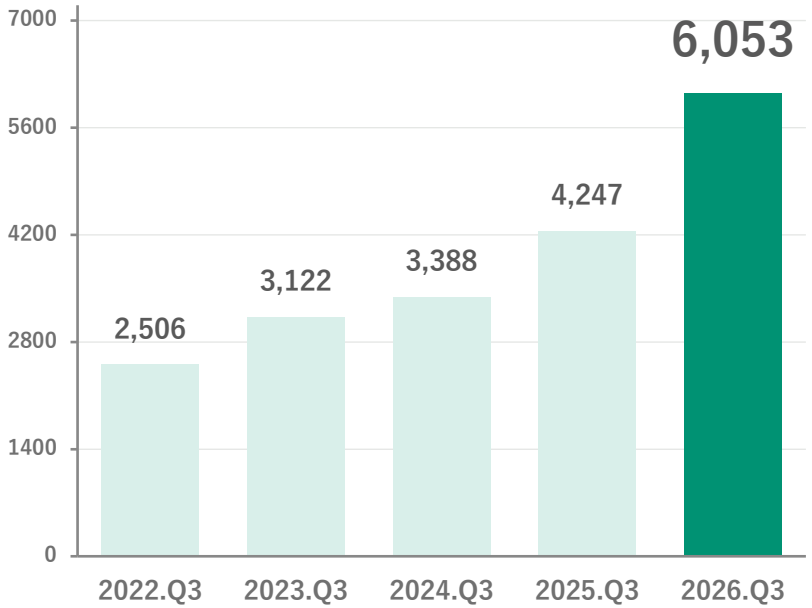
In addition to expanded sales of GSS projects and security software, the In-house Development Business and recurring revenue from support services and other sources also grew, resulting in significant increases in sales and profit
Solid sales and gross profit are also expected in Q4 on a standalone basis

Unit: JPY million

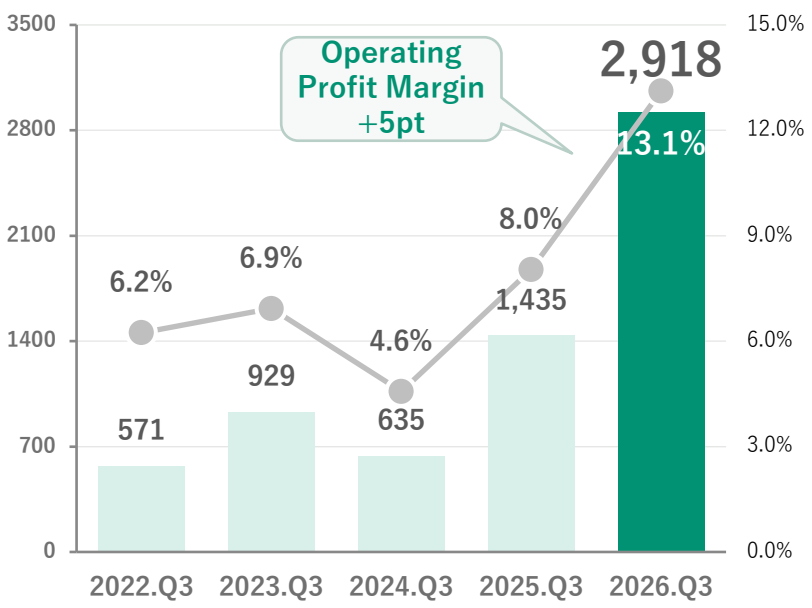
Sales



Gross Profit



Operating Profit / Margin

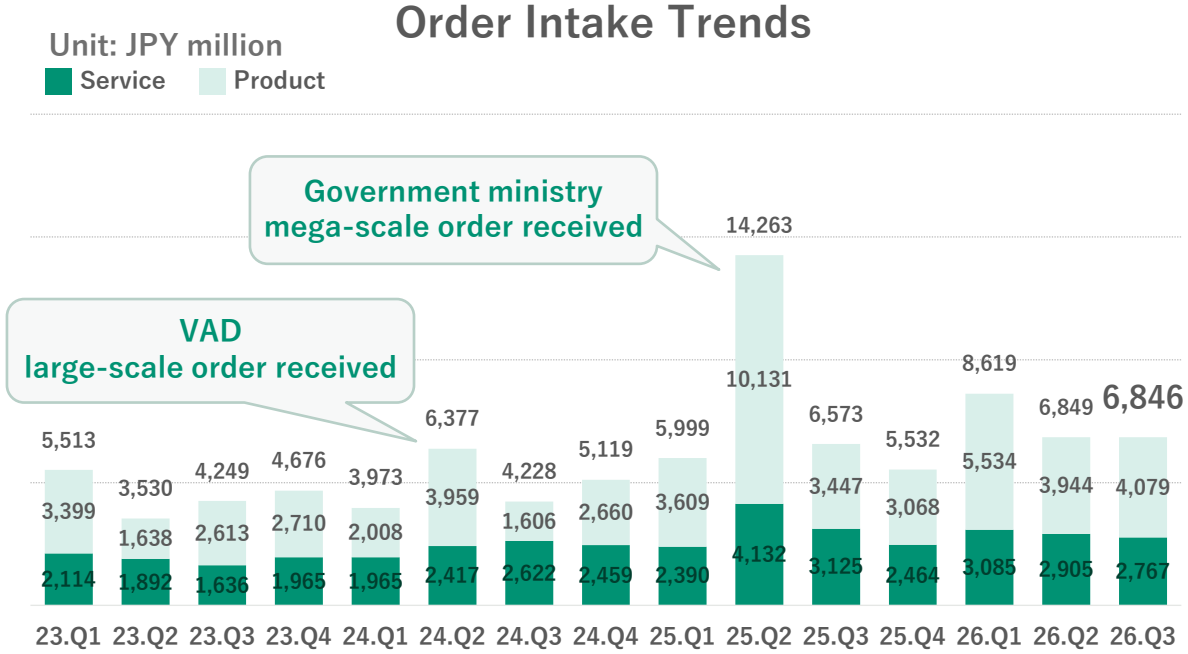


Sales 1.2x / Gross Profit 1.4x / Operating Profit 2.0x (YoY)

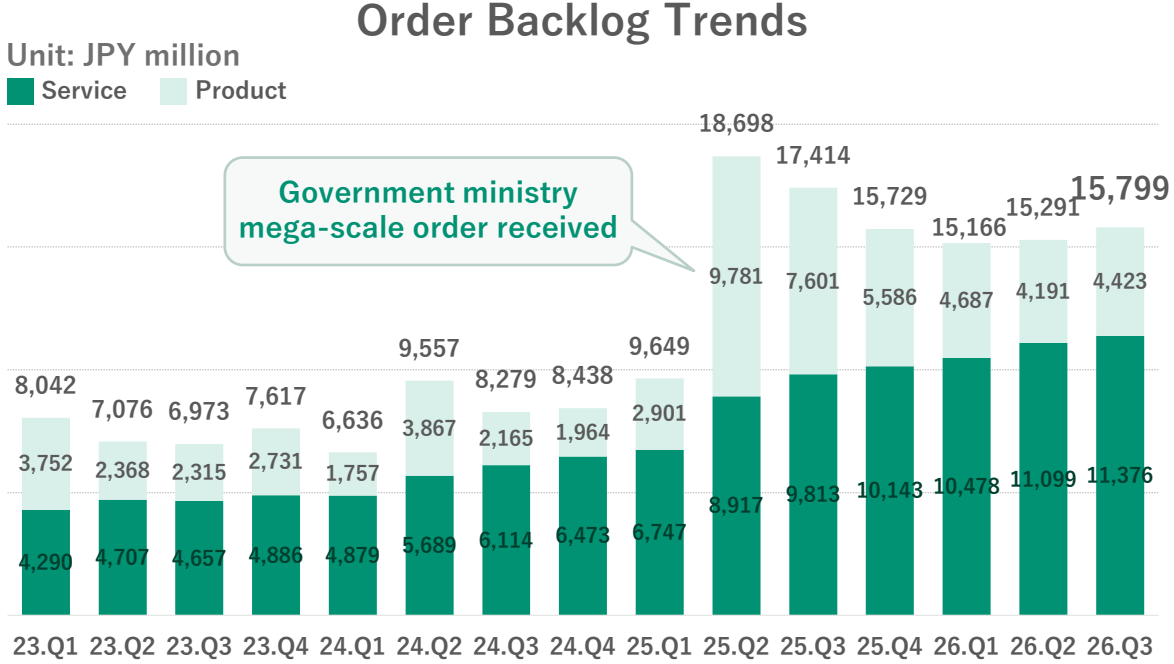
Order Intake and Order Backlog Trends

Q3 order intake increased YoY, while order backlog rose from the previous quarter and remained at a high level
Looking ahead to the next fiscal year, we will focus on securing new GSS and other large-scale projects to increase order intake and order backlog

Order Intake Trends



Order Backlog Trends



26.Q3 Order Intake

6,846 JPY million

Product **4,079** JPY million

Service **2,767** JPY million

Order backlog for recurring services has increased for 10 consecutive quarters, trending steadily

26.Q3 Order Backlog

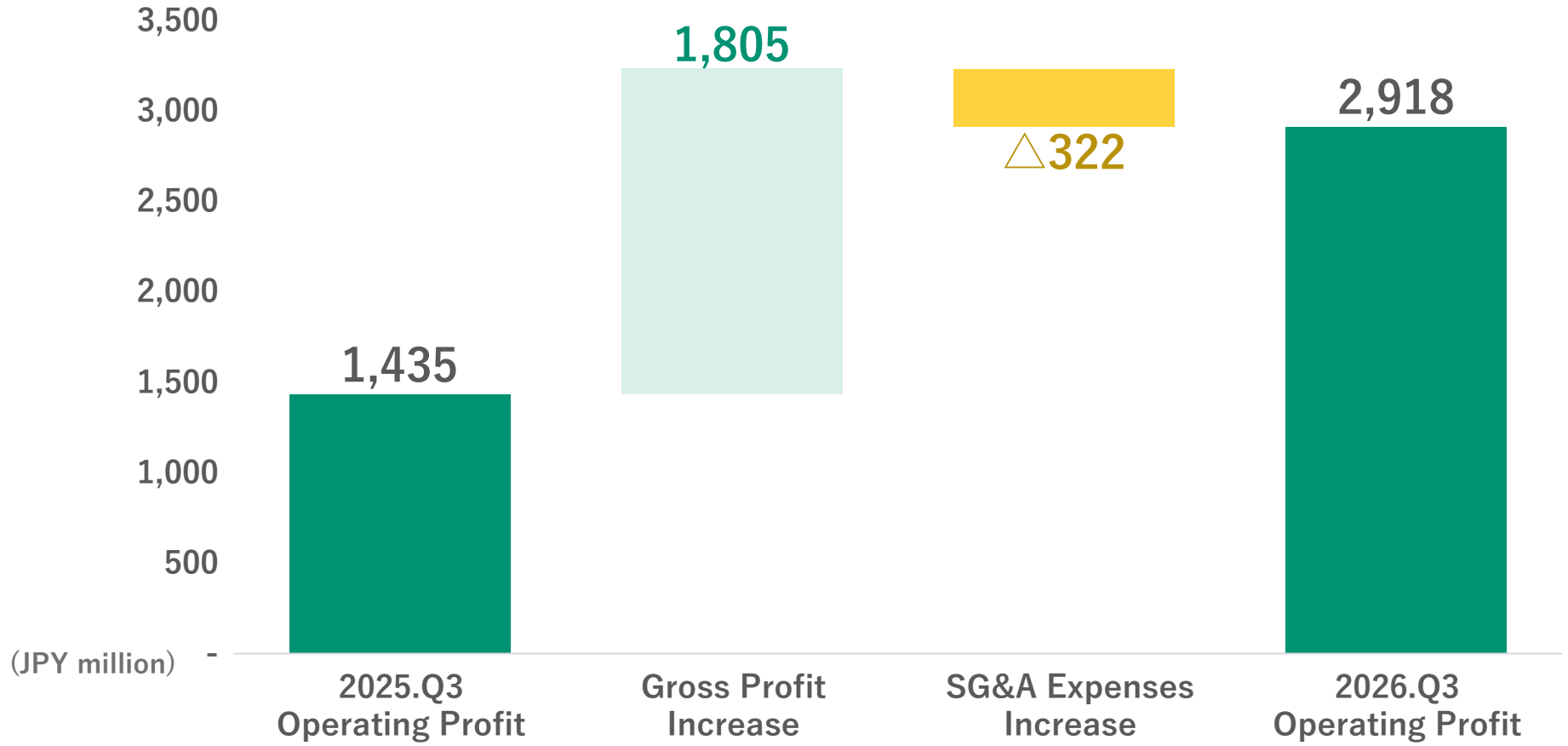
15,799 JPY million

Product **4,423** JPY million

Service **11,376** JPY million

Operating Profit Variance Analysis

Gross profit increased significantly, led by the VAD Business and the In-house Development Business
SG&A expenses increased only modestly, and operating profit approximately doubled
In Q4, gross profit is expected to increase, while SG&A expenses are also expected to rise as growth investments are implemented

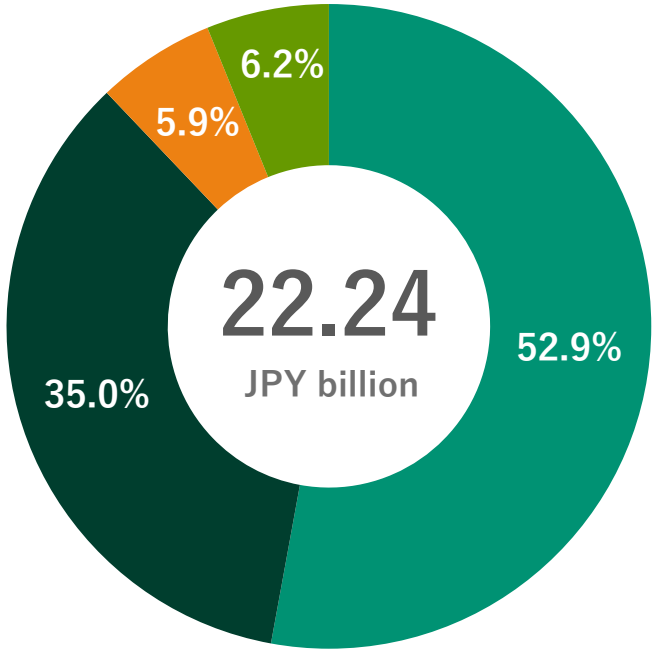


03

Business Performance

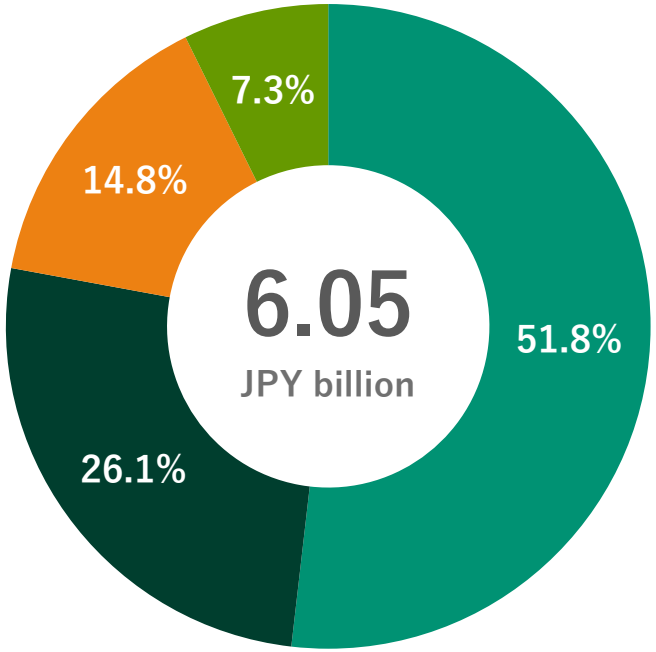
Sales and Gross Profit by Business Segment (Cumulative Q3)

Sales



VAD	11.76 JPY billion		SI	7.79 JPY billion	
YoYChange	+31.1% ↑		YoYChange	+12.1% ↑	
In-house Development	1.32 JPY billion		Overseas	1.36 JPY billion	
YoYChange	+56.0% ↑		YoYChange	+25.4% ↑	

Gross Profit



VAD	3.13 JPY billion		SI	1.57 JPY billion	
YoYChange	+39.5% ↑		YoYChange	+32.1% ↑	
In-house Development	0.89 JPY billion		Overseas	0.44 JPY billion	
YoYChange	+100.4% ↑		YoYChange	+23.8% ↑	

VAD Business

In addition to large-scale projects and security software, support services grew

Sales

11.76 JPY billion

+31.1% YoY Change

Gross Profit

3.13 JPY billion

+39.5% YoY Change

Gross Profit Margin

26.7 %

+1.6pt YoY Change

Highlights

1. An increase in large-scale projects and growth in security software sales drove significant increases in sales and profit
2. Q3 standalone: lower sales, higher profit YoY
   Sales declined vs. the prior year, which had a large-scale GSS project
   Profit rose on higher recurring revenue and other factors
3. Delivery delays by manufacturers affected certain projects, potentially shifting the associated revenue recognition to the next fiscal year
4. We will advance initiatives to secure new GSS projects and also expect to expand security software and other offerings

System Integration (SI) Business

Increased sales and profit driven by multiple large-scale projects and margin improvement

Sales

7.79 JPY billion

+12.1% YoY Change

Gross Profit

1.57 JPY billion

+32.1% YoY Change

Gross Profit Margin

20.3 %

+3.1pt YoY Change

Highlights

1. Recognized revenue from a large-scale nationwide regional-site project for a major services-industry client
2. Q3 standalone sales and profit decreased due to the absence of a prior-year large-scale security software project for a government ministry; gross profit margin improved
3. Growth in technical service sales driven by new customer acquisition and expanded business with existing customers

In-house Development Business

Achieved strong profit growth through the expansion of projects for government ministries and municipalities

Sales

1.32 JPY billion

+56.0% YoY Change

Gross Profit

0.89 JPY billion

+100.4% YoY Change

Gross Profit Margin

67.7 %

+15.0pt YoY Change

Highlights

1. While accounting for approximately 6% of total sales, the business represents approximately 15% of gross profit, contributing to overall gross profit growth
2. RevoWorks secured multiple projects for local municipalities;
   Q3 standalone results rose approximately 3x, with significant increases in sales and profit
3. Segue Security received an order for SOC services for government ministries and began recognizing revenue
   Recurring revenue is increasing steadily
4. We are promoting replacement proposals related to municipal information system resilience enhancement initiatives

Overseas Business

Overseas business (Thailand) posted increased sales and profit

Sales

1.36 JPY billion

+25.4% YoY Change

Gross Profit

0.44 JPY billion

+23.8% YoY Change

Gross Profit Margin

32.3 %

-0.4pt YoY Change

Highlights

1. First One Systems recorded government-related and university projects; sales rose to 1.2 times and operating profit to more than 1.4 times the prior-year level
2. First One Systems has begun exploring opportunities to expand its service offerings through collaboration with the In-house Development Business
3. ISS Resolution is working to secure support service projects, rebuild sales and improve profitability

04

Financial Detail

Consolidated Income Statement

Sales progressed broadly in line with plan, reaching 74.2% of the full-year forecast
Profits at all levels for the nine-month period exceeded the previously announced full-year forecasts, leading to a second upward revision
Q4 results are also expected to be solid, although SG&A expenses are expected to increase significantly due to growth investments

Unit: JPY million

	2025.12 Cumulative Q3	2026.12 Cumulative Q3	Change	Change (%)	Previously announced outlook (Announced August 13, 2026)		Current revised outlook	
					Full-year Forecast	Rate of Progress	Full-year Forecast	Rate of Progress
Sales	17,859	22,246	+4,387	+24.6%	30,000	74.2%	30,000	74.2%
Gross Profit	4,247	6,053	+1,805	+42.5%	—	—	—	—
(Profit Margin)	23.8%	27.2%	+3.4pt	—	—	—	—	—
SG&A	2,812	3,135	+322	+11.5%	—	—	—	—
Operating Profit	1,435	2,918	+1,482	+103.3%	2,600	112.2%	3,050	95.7%
(Profit Margin)	8.0%	13.1%	+5.1pt	—	8.7%	—	10.2%	—
Ordinary Profit	1,527	2,956	+1,429	+93.6%	2,600	113.7%	3,050	96.9%
(Profit Margin)	8.6%	13.3%	+4.7pt	—	8.7%	—	10.2%	—
Net Profit*	947	1,847	+900	+94.9%	1,600	115.5%	1,950	94.8%

*Profit attributable to owners of parent

Q4 Outlook (1): Growth Investment

The Company expects to incur M&A-related expenses and make other growth investments for business expansion and future growth, including strengthened recruitment and partner-oriented sales promotion

Q4 Outlook (2): Profits

Taking into account potential changes in the timing of sales recognition due to semiconductor supply issues and other factors, the full-year profit forecasts have been set conservatively

Consolidated Balance Sheets

**Advances received, which represent future revenue, increased by approximately 2.2 billion yen from the end of the previous fiscal year to over 9.0 billion yen,
a significant increase that strengthens the revenue base for further business growth**

Assets

Unit: JPY million	2025.12 Q3	2025.12 Year-end	2026.12 Q3
Current Assets	17,874	15,579	20,206
Cash and Deposits	4,084	2,382	10,963
Trade Receivables and Others	5,459	5,501	3,182
Inventories	4,809	3,909	2,198
Others	3,519	3,787	3,862
Fixed Assets	3,230	3,067	3,101
Total Assets	21,104	18,647	23,307

Liabilities and Equity

Unit: JPY million	2025.12 Q3	2025.12 Year-end	2026.12 Q3
Current Liabilities	15,253	12,789	14,059
Trade Accounts Payable	5,202	1,368	2,169
Short-term Debt & Others	2,159	3,029	766
Advance Received	6,681	6,759	9,031
Others	1,210	1,631	2,091
Long-term Liabilities	1,708	1,457	1,142
Total Equity	4,141	4,400	8,105
Total Liabilities and Equity	21,104	18,647	23,307

05

Business Topics

RevoWorks ZONE Category Filter Function Launched (October 2026)

* Refer to the disclosure published on September 29, 2026

“RevoWorks ZONE” now features a category filter function that strengthens control over access destinations

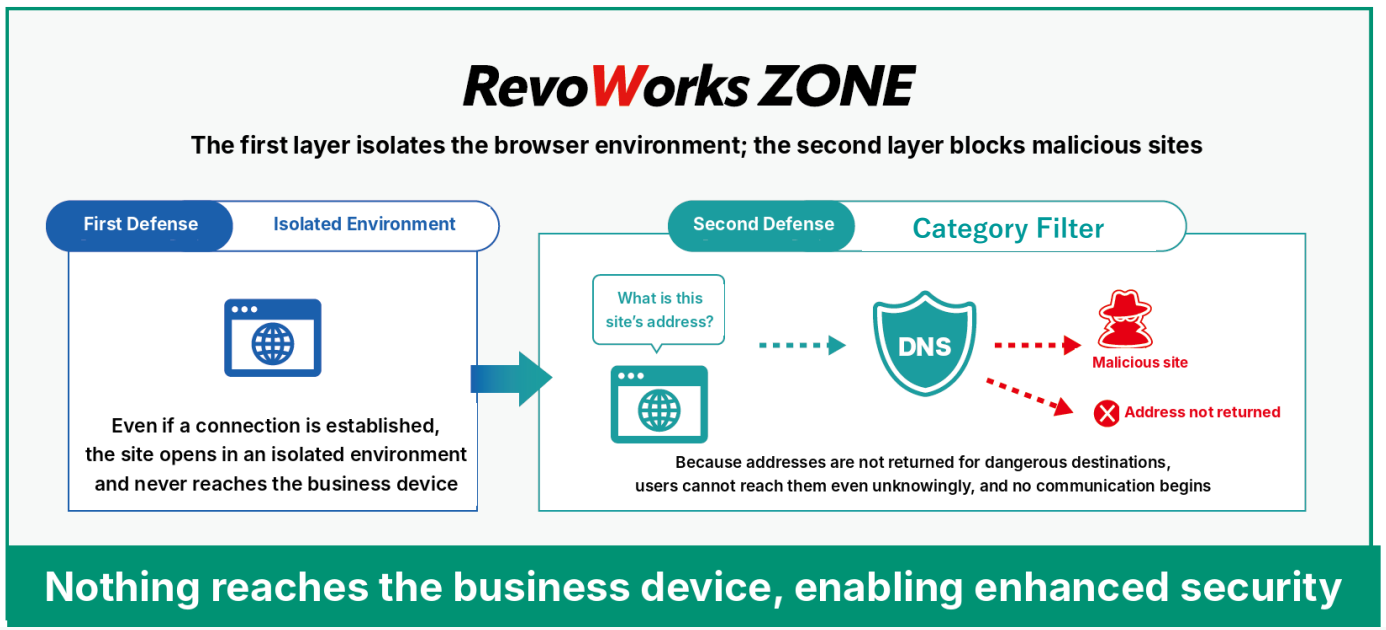
The category filter blocks access to websites not authorized by administrators and to malicious destinations such as command-and-control (C&C) servers

Prevents sensitive customer data stored on PCs from being transmitted externally (existing ZONE)

＋

Blocks access (Category Filter)

Protects data and devices in two stages, delivering two layers of defense in a single product



- Available immediately by adding a license
- Flexible category filtering
- AI-powered real-time protection

06

Shareholder Returns

Shareholder Benefit Program from FY2026.12 Onward

Segue Group Premium Benefit Club
Exchange fees for digital gifts will be free of charge!

Shareholders holding 1,000 shares or more receive benefit points according to the number of shares held

Points are granted in late March of the following year to shareholders of record as of the end of December each fiscal year

Number of Shares Held	Points
1,000 to 1,999 shares	5,000 points
2,000 to 2,999 shares	20,000 points
3,000 to 3,999 shares	30,000 points
4,000 to 4,999 shares	50,000 points
5,000 shares or more	60,000 points



Benefit points can be used on “Segue Group Premium Benefit Club,” a dedicated website exclusively for our shareholders, to choose from more than 5,000 items, including select gourmet foods such as rice and branded beef, sweets and beverages, premium sake, electrical appliances, and experience gifts

*In principle, the shareholder benefit program will not be changed or abolished through FY2029.12.

07

Appendix

Company Profile

Company Name	Segue Group Co., Ltd.
Listed Market	Tokyo Stock Exchange, Prime Market (Securities code: 3968)
Address	Sumitomo Fudosan Kayabacho Building, 1-16-3 Shinkawa, Chuo-ku, Tokyo
Founded	April 14, 1995
Established	December 1, 2014
Stated Capital	1,666.48 million yen
Representative	President and CEO Yasuyuki Aisu
Business Description	Design, development, import and sales, implementation, operation, and maintenance services for security and IT infrastructure products and systems
Group Companies	7 companies *As of the end of September 2026
Number of Employees	709 (consolidated) *As of the end of September 2026

Company Overview

Segue Group's Total Security Solutions deliver optimized security environments by combining advanced security products with IT infrastructure expertise.

— Providing consistent support from proposal and implementation to operation and monitoring (SOC) by our team of engineers —

Group | Core Mission

Providing a safe and comfortable digital network to everyone

Group | Core Philosophy

Creating value through IT technology, continuing to grow together with our customers, and contributing to the realization of an affluent society

Group | Core Promise

Providing security solutions that integrate information security and IT infrastructure



J's Communication
J's Communication
In-house Development | VAD

J's Technology
J's Technology
SI

Segue Security
Segue Security
In-house Development | SI

Techno Creation
Techno Creation
SI

ISS Resolution
ISS Resolution Limited (Thailand)
Overseas

First One Systems
First One Systems Co., Ltd. (Thailand)
Overseas

Main Business

VAD (Value Added Distribution)

We do more than simply source and sell advanced products from overseas and other markets; we add value based on our high level of technical expertise, including "implementation support," "Japanese-language support," and "combination of proprietary development and products."

Revenue Mix: 52.9%

E.g.



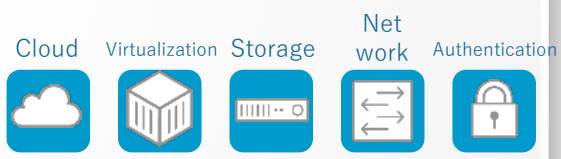
- Discovery of new products/services
- Handling of manufacturers' full product lineups
- Industry-leading number of business partners
- Support for partners' sales negotiations
- Support for partners' up-selling/cross-selling

SI (System Integration)

Leveraging extensive experience, a strong track record, know-how built up over many years, and synergies with Group companies, we provide services that support the enhancement of our partner companies' business value, from proposals to customers through design, implementation, and maintenance.

Revenue Mix: 35.0%

E.g.



- Requirements definition/proposal support
- System design/implementation/operation
- Security countermeasure support
- Group company collaboration solutions

In-house Development

We develop our own products in the security field. The "RevoWorks" series of internet-isolation enterprise browsers, which utilize virtual browser technology, blocks the intrusion of various cyberattacks.

Revenue Mix: 5.9%

Products

RevoWorks

Adopted by 746 organizations nationwide
Cumulative150,000+ licenses across government and public institutions

- Municipalities: 382 organizations
- Medical institutions: 140 institutions
- Financial institutions: 50 etc…

■ RevoWorks series new products

RevoWorks Sanitize Browser
RevoWorks Sanitize Apps

Overseas

Creating synergy effects and expanding J's Communication's proprietary product business, etc., in Thailand. Aiming to expand across ASEAN in the future.

Revenue Mix: 6.2%

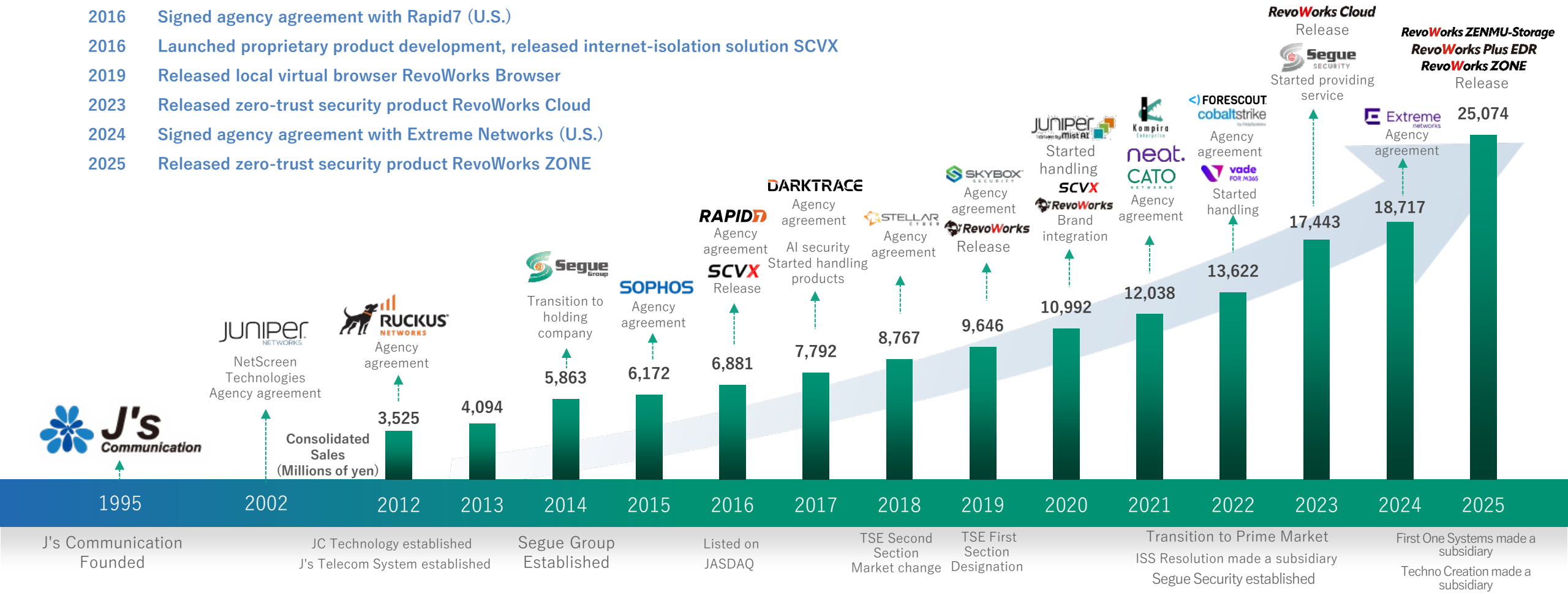
Thailand

ISS Resolution Limited

First One Systems Co., Ltd.

Expansion of Product Portfolio and Sales Trends

- 2002 Signed agency agreement with NetScreen Technologies (U.S.) (later Juniper Networks)
- 2012 Signed agency agreement with Ruckus Wireless (U.S.) (later RUCKUS Networks)
- 2015 Signed agency agreement with Sophos (U.K.)
- 2016 Signed agency agreement with Rapid7 (U.S.)
- 2016 Launched proprietary product development, released internet-isolation solution SCVX
- 2019 Released local virtual browser RevoWorks Browser
- 2023 Released zero-trust security product RevoWorks Cloud
- 2024 Signed agency agreement with Extreme Networks (U.S.)
- 2025 Released zero-trust security product RevoWorks ZONE



1995 J's Communication Founded

2002 JC Technology established; J's Telecom System established

2012 Segue Group Established

2015 Listed on JASDAQ

2018 TSE Second Section Market change

2019 TSE First Section Designation

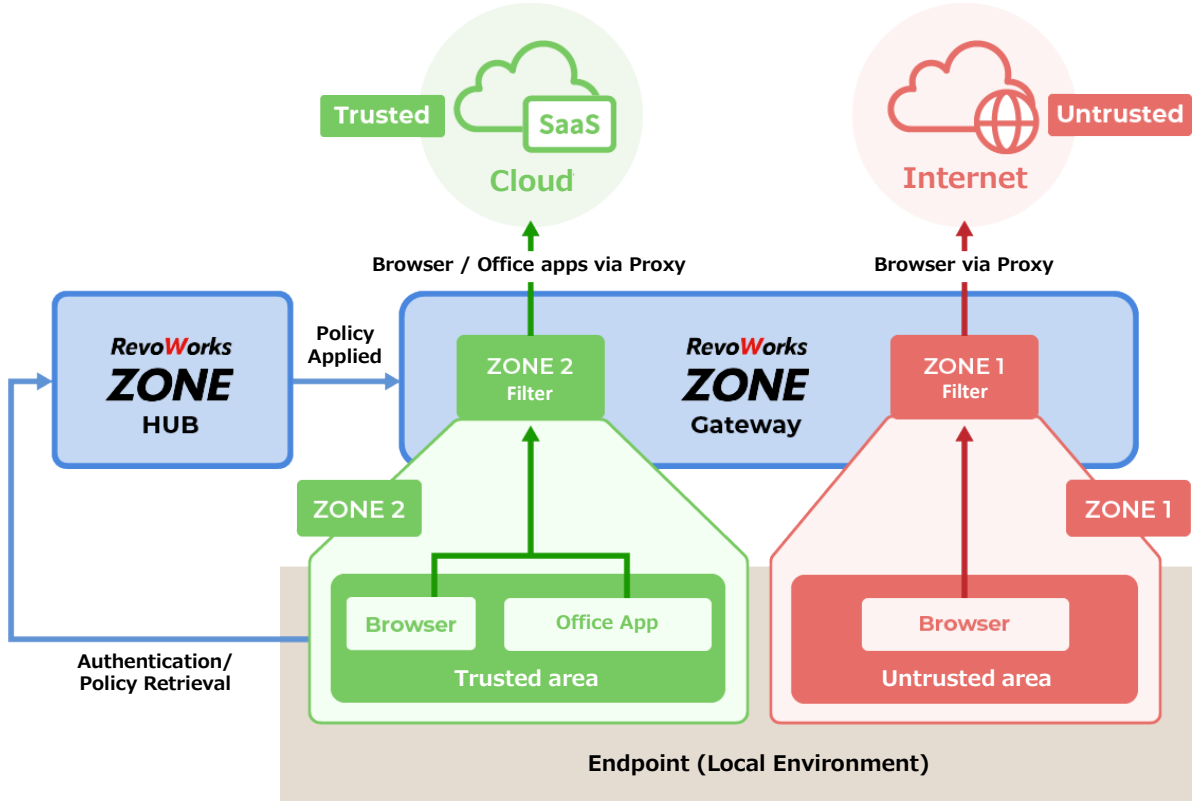
2021 Transition to Prime Market; ISS Resolution made a subsidiary; Segue Security established

2024 First One Systems made a subsidiary; Techno Creation made a subsidiary

In-house Development Business: RevoWorks ZONE

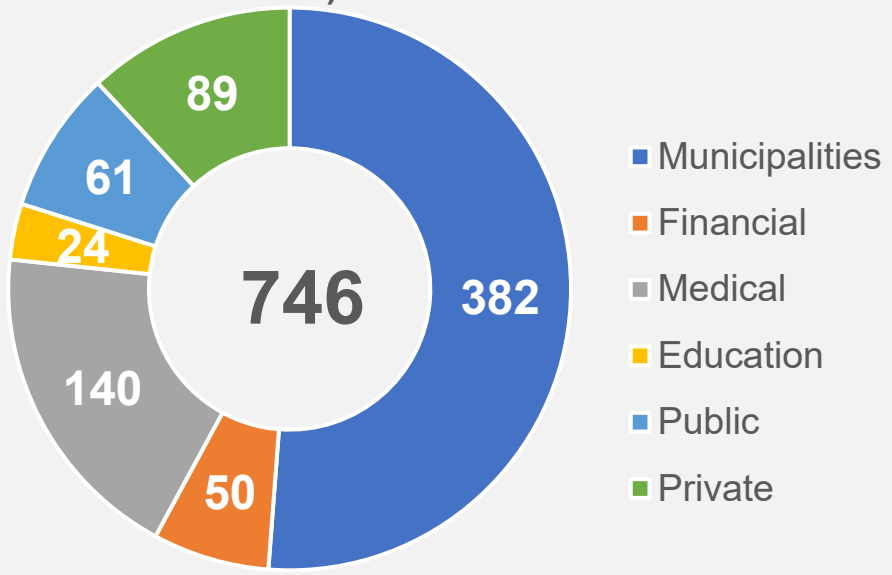
RevoWorks ZONE: A next-generation zero-trust browser enabling a safe browsing environment

"RevoWorks ZONE" reduces the security risks arising from web browsing by using our proprietary sandbox technology to logically separate cloud access used for business from general internet access, providing effective security even against unknown malware.



Reference: RevoWorks Deployment Results

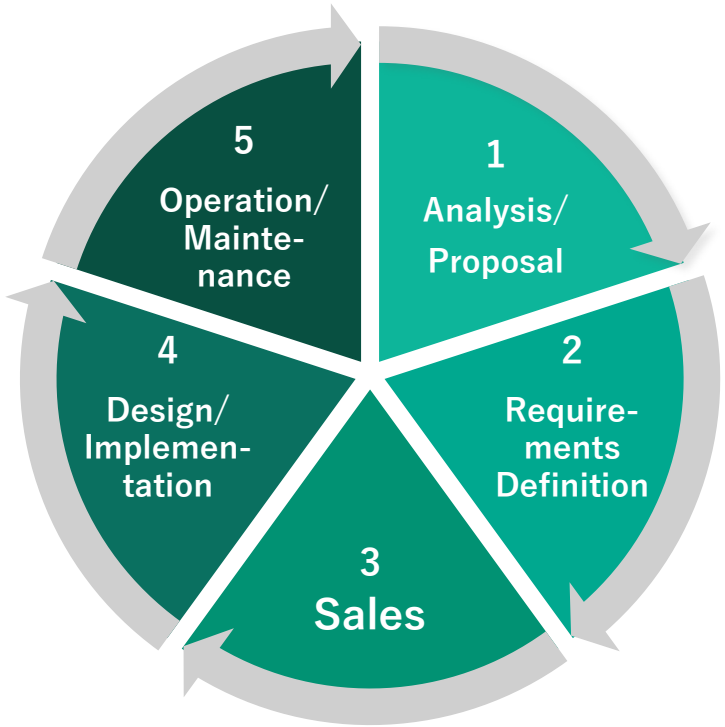
(As of end of June 2026)



*Total across 4 products (RevoWorks SCVX, RevoWorks Browser, RevoWorks Cloud, RevoWorks ZONE)

Provision of One-Stop Solutions

Providing one-stop IT solutions from network and security product sales through implementation and operation



1	Analysis/ Proposal	Current environment survey, security risk analysis, network issue identification, etc.
2	Requirements Definition	Product selection, multi-vendor comparison, PoC (proof of concept),system architecture design, requirements definition, etc.
3	Sales	Selling products through direct purchases from manufacturers, indirect purchases via primary agents, and proprietary development
4	Design/ Implementation	Infrastructure implementation, security product deployment, cloud environment construction, proprietary product integration, and system migration support
5	Operation/ Maintenance	SOC monitoring, MSS operation services, incident response, license renewal, upgrade proposals, and replacement proposals



VAD

Providing IT infrastructure and security products from leading overseas manufacturers with added technical value



In-house Development

Providing proprietary security products (RevoWorks series) and security services (SOC, MSS)



SI

Providing consistent support from proposal and design through operation and maintenance

A Business Poised for Sustainable Growth through Flow and Stock Revenue

Achieving stable revenue and sustainable growth by cycling through sales, implementation, maintenance, and renewal

Projects continue through replacement every 5 years

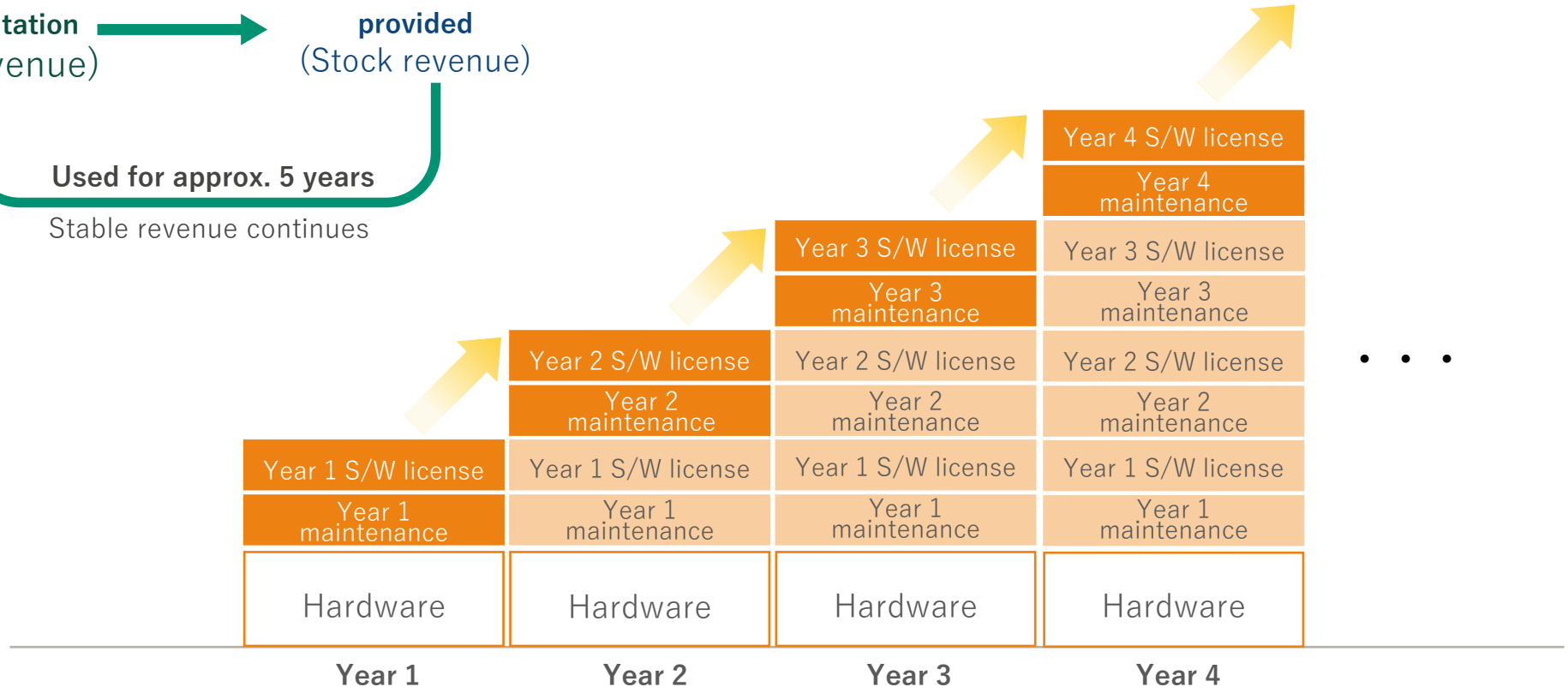
Product sales and implementation (Flow revenue) → **Maintenance service provided** (Stock revenue)

Used for approx. 5 years

Stable revenue continues

Replacement

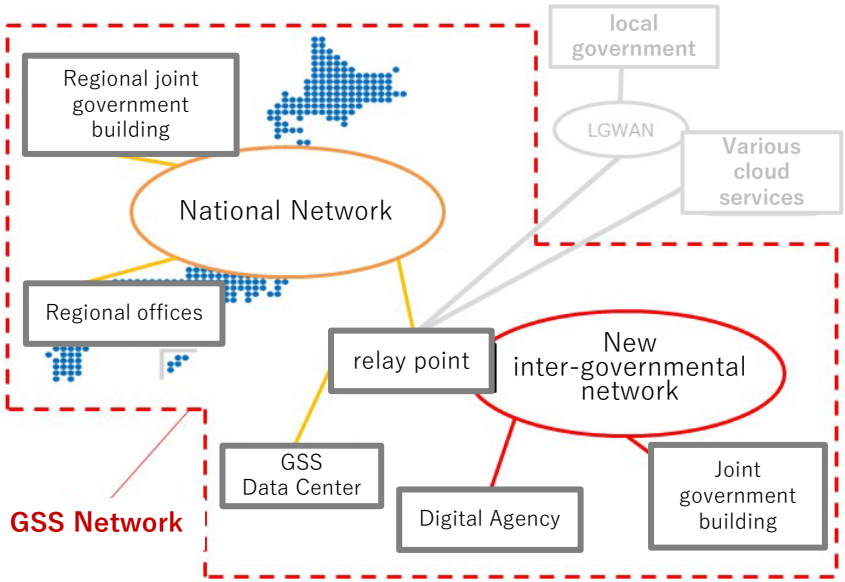
Back to product sales



<Reference> What is Government Solution Service (GSS)?

In order to realize a digital society, it has become necessary to modernize the digital infrastructure used by government agencies. Government Solution Service (GSS) constructs and operates common networks as a shared government infrastructure for government ministries and independent administrative institutions

[GSS Network Configuration Image]



Source: Digital Agency Expert Meeting Materials, 2024/5/29

[Items Stated in the "Priority Plan for Realization of a Digital Society"]

01 [Network]

✓ The currently used "Common Government Network" will be abolished, and a new inter-ministry network will be constructed and operated

✓ To connect the national government with local branch offices, the completed proprietary network（nationwide wide-area network) will begin to be used and operated

02 [Business Environment]

✓ Providing a standard business environment common to the government

✓ Each government ministry will integrate into this common environment upon network renewal

(Reference) FY2026.12 Announcements (1/2)

Date	Title
2026/ 1 /23	Notice Regarding Changes to the Shareholder Benefit Program (Applicable from FY2026.12 Onward)
2026/ 1 /23	Notice Regarding Issuance of New Shares and Secondary Offering
2026/ 1 /23	Notice Regarding the Upward Revision of Consolidated Earnings Forecast for FY2025.12 and Numerical Targets of Medium-Term Management Plan (FY2026.12)
2026/ 2 / 2	Notice Regarding Determination of Issue Price and Offering Price
2026/ 2 / 2	Notice Regarding Determination of Issue Price (Public statement based on Article 15, Paragraph 5 of the Financial Instruments and Exchange Act)
2026/ 2 /13	Notice Regarding Issuance of Stock Compensation-type Stock Options (Stock Acquisition Rights) to Directors
2026/ 2 /20	Notice Regarding Distribution of Surplus
2026/ 2 /27	Notice Regarding Publication of FY2025.12 Financial Results Briefing and logmi Finance Transcript
2026/ 3 / 2	Notice Regarding Confirmation of Details of Stock Acquisition Rights
2026/ 3 / 2	Notice Regarding the Results of the Third-Party Allotment
2026/ 3 /17	Notice Regarding Publication of Sponsored Research Report (FY2025.12 Q4 Financial Results Follow-up)
2026/ 3 /17	J's Communication Begins Providing Special Package “RevoWorks Plus EDR” in Collaboration with FFRI Security
2026/ 3 /24	Strategy Advisors Distributed Company Research Report (FY2025.12 Financial Results Follow-up)
2026/ 3 /27	Segue Security Launched AI-powered Security Regulations Document Diagnostic Service “RiskLoom”

(Reference) FY2026.12 Announcements (2/2)

Date	Title
2026/ 5 /20	J's Communication began offering BlueVoyant's “Cyber Defense Platform”
2026/ 5 /28	J's Communication received Extreme Networks' FY25 “APAC Distributor of the Year” award
2026/ 6 /23	Notice Regarding Publication of Sponsored Research Report (FY2026.12 Q1 Results Follow-up)
2026/ 7 /21	J's Communication began selling new products “RevoWorks Sanitize Browser” and “RevoWorks Sanitize Apps,” usable directly from the browser, Outlook, and Teams
2026/ 8 /28	Notice Regarding Publication of FY2026.12 Q2 Financial Results Briefing Video and logmi Finance Transcript
2026/ 9 /11	Notice Regarding Publication of Sponsored Research Report (FY2026.12 Q2 Results Follow-up)
2026/ 9 /28	FISCO Ltd. Distributed a Company Research Report
2026/ 9 /29	J's Communication began offering the “DNS Protection Option,” an additional function for “RevoWorks ZONE”

Initial Budget vs. Actual Results (Since Listing)

Unit: JPY million

Fiscal Year	Sales			Operating Profit		
	Initial Budget	Actual	Achievement Rate	Initial Budget	Actual	Achievement Rate
2016.12	6,878	6,881	100.0%	191	218	114.1%
2017.12	7,593	7,792	102.6%	303	382	126.1%
2018.12	8,436	8,767	103.9%	458	484	105.7%
2019.12	9,476	9,646	101.8%	566	548	96.8%
2020.12	11,012	10,992	99.8%	581	843	145.1%
2021.12	12,500	12,038	96.3%	919	638	69.4%※1
2022.12	13,300	13,622	102.4%	760	906	119.2%
2023.12	15,700	17,443	111.1%	1,000	1,086	108.6%
2024.12	18,800	18,717	99.6%	960	720	75.0%※2
2025.12	22,500	25,074	111.4%	1,260	1,854	147.1%

*1: A temporary factor from the global semiconductor shortage (delayed product delivery timing) coincided with planned upfront investment in technical talent
*2: Profit decreased due to the initial introduction of the shareholder benefit program and one-time M&A costs related to Techno Creation and First One Systems

Disclaimer

This material is prepared solely for the purpose of providing information and is not intended to solicit, promote, or market any specific products, including purchases of the Company's shares.

The information provided in this material does not constitute disclosure documents required by or based on the Financial Instruments and Exchange Act, Cabinet Office Ordinances, regulations, or the Tokyo Stock Exchange listing rules.

This material contains forward-looking statements regarding financial conditions, business results, operations, and the Company's plans and objectives. Please be aware that such forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause actual results or the Company's performance to differ materially from those expressed or implied.

While every effort has been made to ensure the accuracy of the information provided in this material, the Company does not guarantee the accuracy, certainty, validity, or fairness of such information. The content may be changed or eliminated without notice.

Inquiries for IR

Segue Group Co., Ltd., Corporate Planning Department, IR Section

https://segue-g.jp/ir/contact/