



Summary of Full-Year Financial Results
for the Fiscal Year Ended December 31, 2022

February 10, 2023

YMIRLINK, Inc.

Security identifier code: 4372

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1. Full-year results for the fiscal year
ended December 31, 2022

Earnings summary - Sales and operating profit both continued to grow, reaching record highs

Y M I R L I N K

Net sales

2,181 million yen **13.1% increase YoY**

Eighth consecutive fiscal year of sales growth and record sales

Operating profit

520 million yen **25.7% increase YoY**

Fourth consecutive fiscal year of profit growth and record profits

Mail

1,817 million yen **9.7% increase YoY**

End-of-year MRR: 154 million yen/strong orders for enterprise plans and plan upgrades

SMS・Auth

306 million yen **40.8% increase YoY**

End-of-year MRR: 27 million yen/increase in contracts also saw a slight reduction due to one-time deliveries from large clients in the previous quarter

Survey and other services

57 million yen **4.0% increase YoY**

End-of-year MRR: 5 million yen/increase due to increase in contracts

(*) MRR (Monthly Recurring Revenue):

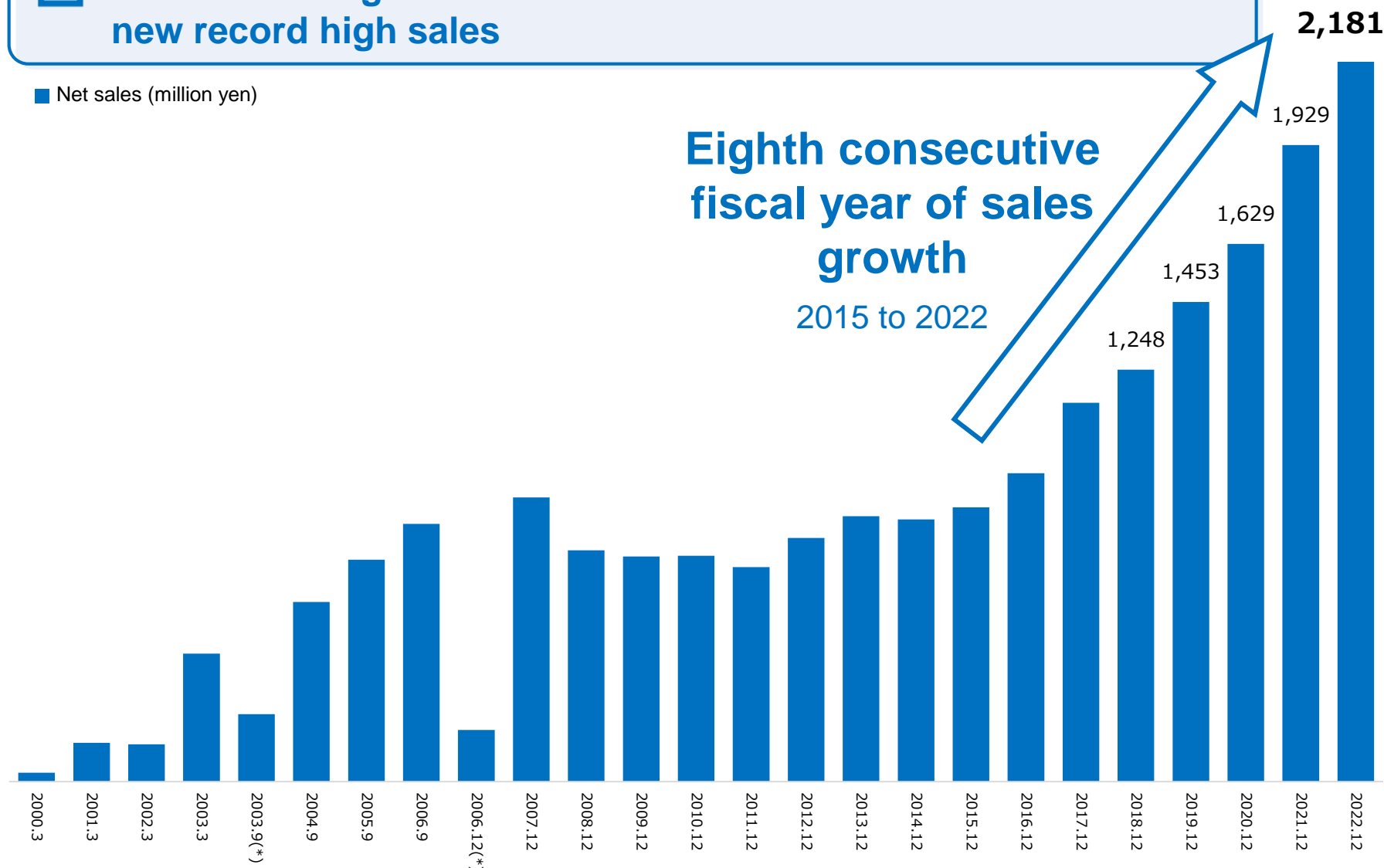
Revenue from contracts that stipulate services or use for a certain period of time, such as sales from SaaS service usage and maintenance service for purchase type software

Full-year sales history



Mail and SMS growth led to a 13.1% increase in sales and a new record high sales

■ Net sales (million yen)



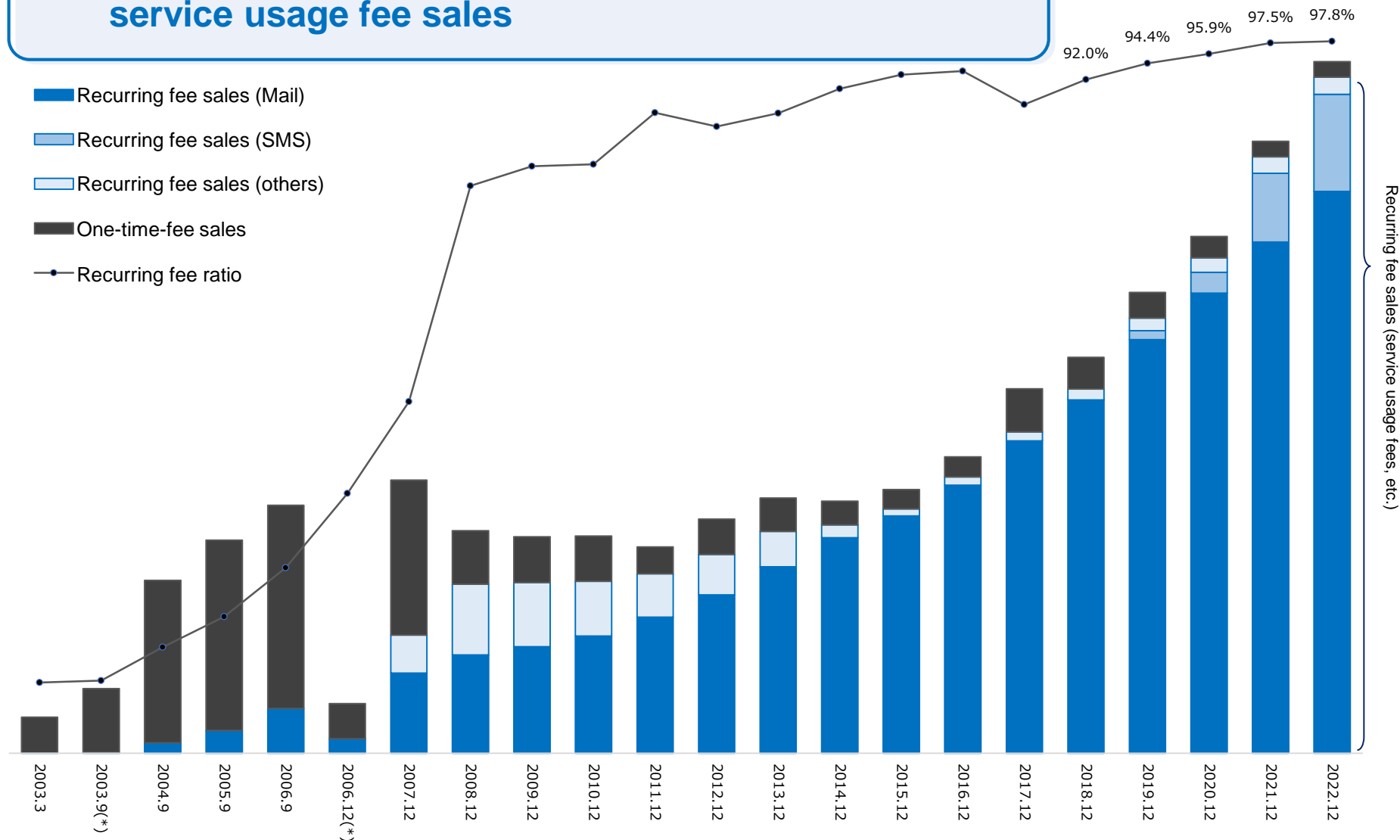
Note: Figures prior to the fiscal year ended December 31, 2018 are unaudited figures

(*) There is irregular accounting for the fiscal year ended September 30, 2003 (6 months) and the fiscal year ended December 31, 2006 (3 months)

Full-year sales history (by recurring fee and one-time fee type)



Recurring fee ratio is 97.8% due to the growth of service usage fee sales



Note: Figures prior to the fiscal year ended December 31, 2018 are unaudited figures

(*) There is irregular accounting for the fiscal year ended September 30, 2003 (6 months) and the fiscal year ended December 31, 2006 (3 months)

Full-year operating profit history



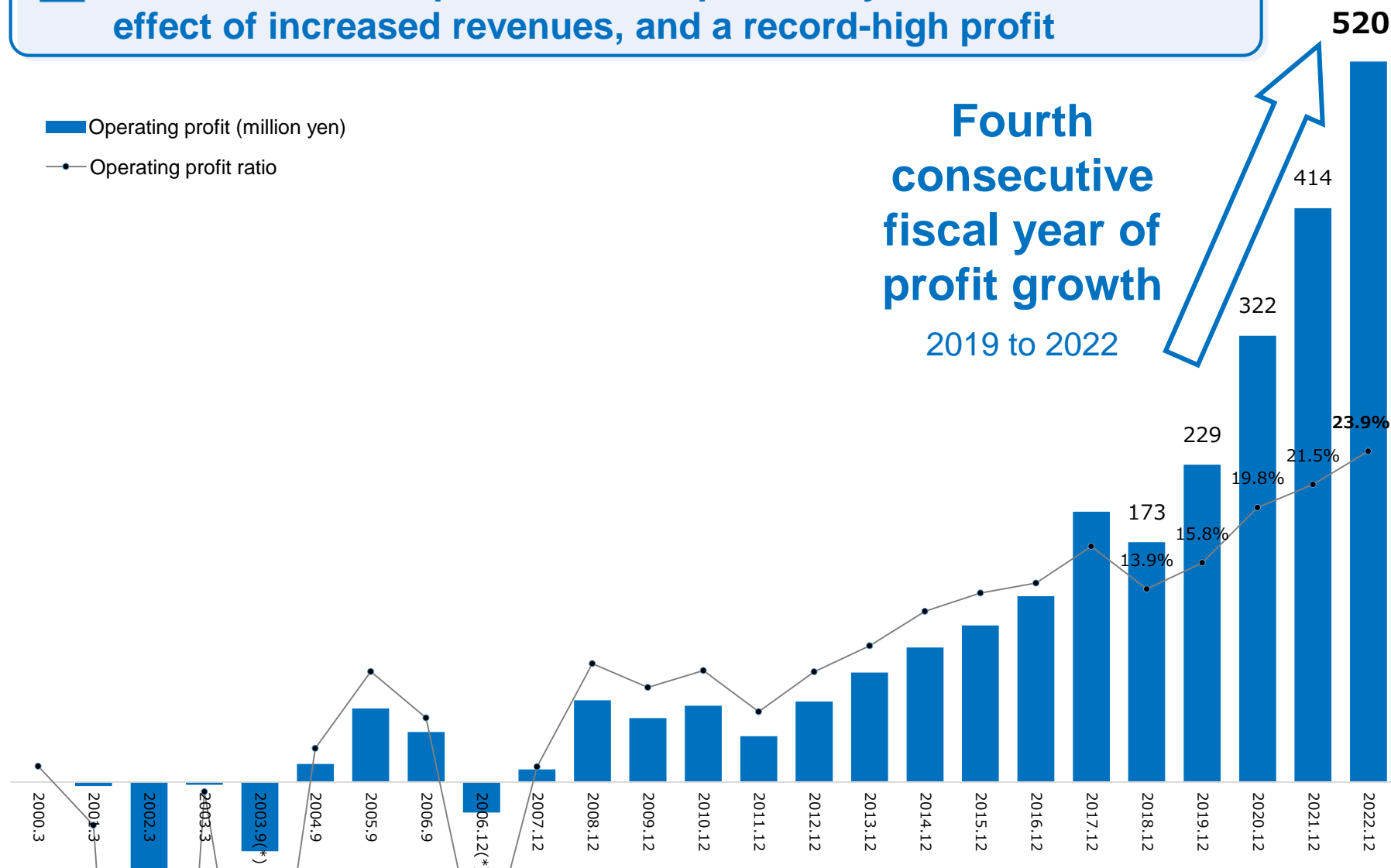
25.7% increase in profit from the previous year due to the effect of increased revenues, and a record-high profit

■ Operating profit (million yen)

● Operating profit ratio

Fourth consecutive fiscal year of profit growth

2019 to 2022



Note: Figures prior to the fiscal year ended December 31, 2018 are unaudited figures

(*) There is irregular accounting for the fiscal year ended September 30, 2003 (6 months) and the fiscal year ended December 31, 2006 (3 months)

Service performance values

ARR*₁
(Annual recurring revenue)

2.24 billion yen

As of December 2022

Cuenote Series contracts
Over

2,000 contracts

As of December 2022

Recurring fee sales ratio

97.8%

Cumulative total for January to December 2022

Churn rate
(*₂)

0.48%

Churn rate across all series *₃
January 2022 to December 2022 monthly average

NRR*₄
(Net retention rate)

Mail: **100.3%**
SMS: **88.0%**

December 2021 → December 2022

Engineer ratio

50.9%

As of December 2022

*₁ ARR: An abbreviation of Annual Recurring Revenue.

This is calculated by multiplying Monthly Recurring Revenue in December 2022 (MRR: highly continuous revenue such as monthly subscription revenue, etc.) by 12.

*₂ Churn rate: Revenue churn rate

This is the average value of the monthly churn rate in the total amount basis for January to December 2022 and calculated by the following formula. Monthly churn rate (%) = Amount of churn in current month ÷ Amount recorded at beginning of month × 100

*₃ The full-series churn rate is the monthly churn rate for the total of all series in the Cuenote series (FC, SRS, SMS, Auth, Survey, Safety Confirmation, etc.).

*₄ NRR: An abbreviation of Net Revenue Retention.

This is the net revenue retention at the end of December 2022 for clients with contracts at the end of December 2021, calculated by means of the following formula.

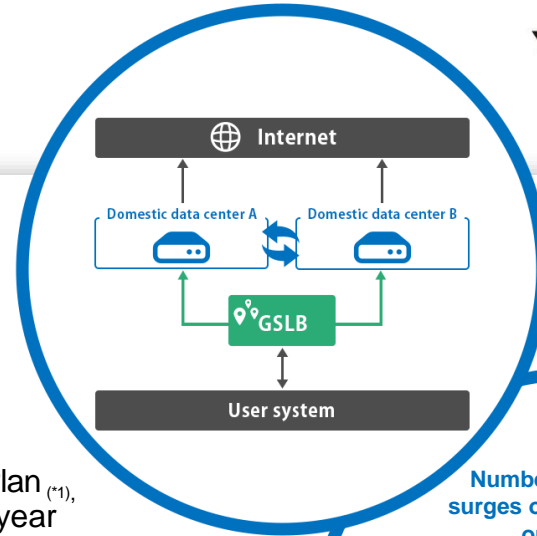
$$[(MRR \text{ at end of December 2021}) + [\text{Increase/decrease of MRR due to plan changes during applicable period}] - [\text{Amount of MRR decrease due to churn during applicable period}]] \div [MRR \text{ at end of December 2021}] \times 100$$

The above-mentioned applicable period refers to the period from the end of December 2021 until the end of December 2022. The amount of increase of MRR from new clients during the applicable period is not included.

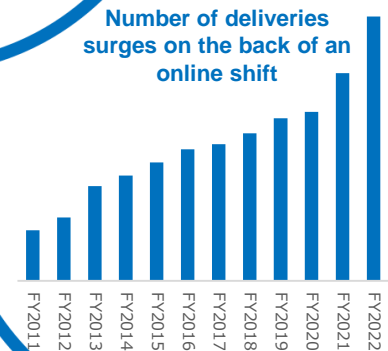
Main service highlights

Mail

- ✓ Message delivery numbers continued to increase against a post-coronavirus backdrop
More than 75 billion messages per year
- ✓ In addition to strong orders in the enterprise area, which is one of the Company's strengths, including Disaster Recovery Plan^(*), orders for low-cost plans grew in 4Q, resulting in an end-of-year MRR of 154 million yen
- ✓ The monthly churn rate for the current year continued to remain low at the average of 0.37%



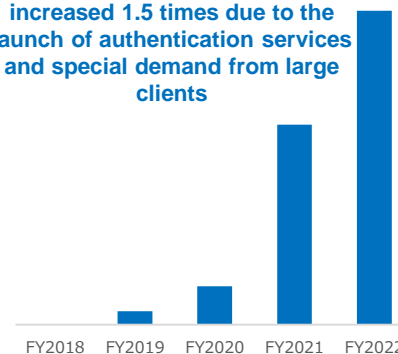
Number of deliveries surges on the back of an online shift



SMS

- ✓ 1.5x increase in deliveries due to the following factors:
 - Increase due to launch of new service Cuenote Auth
 - Increase in the base number of deliveries to clients in the transportation industry and e-commerce site operators
 - Large-scale deliveries to specific clients in 2Q
- ✓ Monthly churn rate for the current year averaged 1.06%

Number of SMS deliveries increased 1.5 times due to the launch of authentication services and special demand from large clients



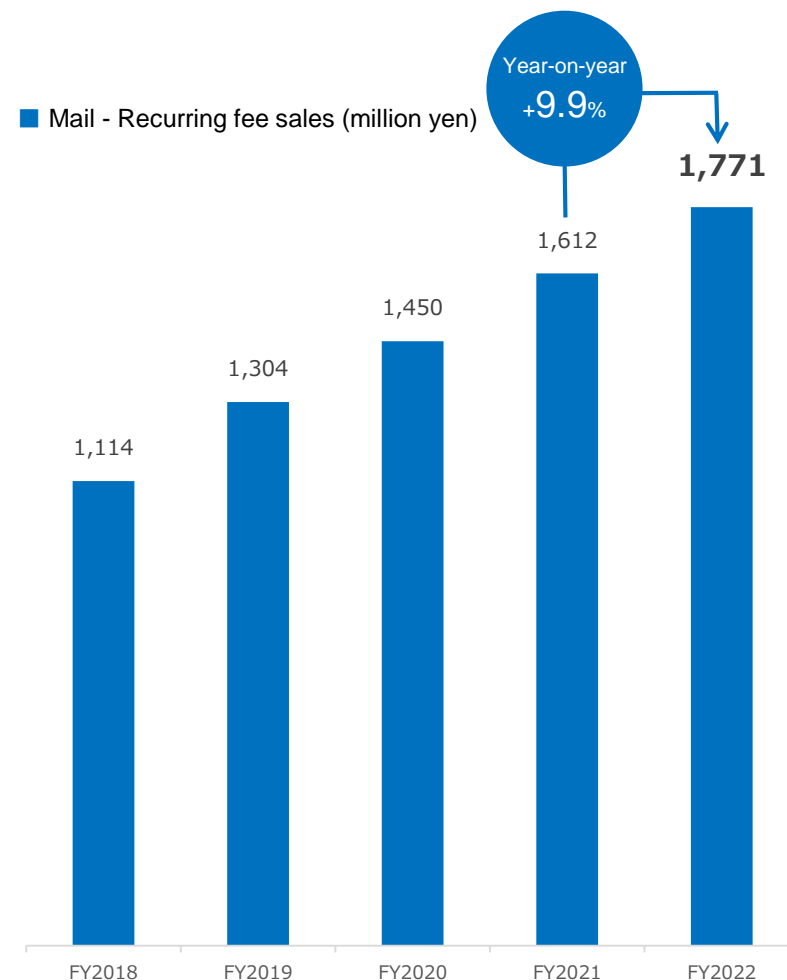
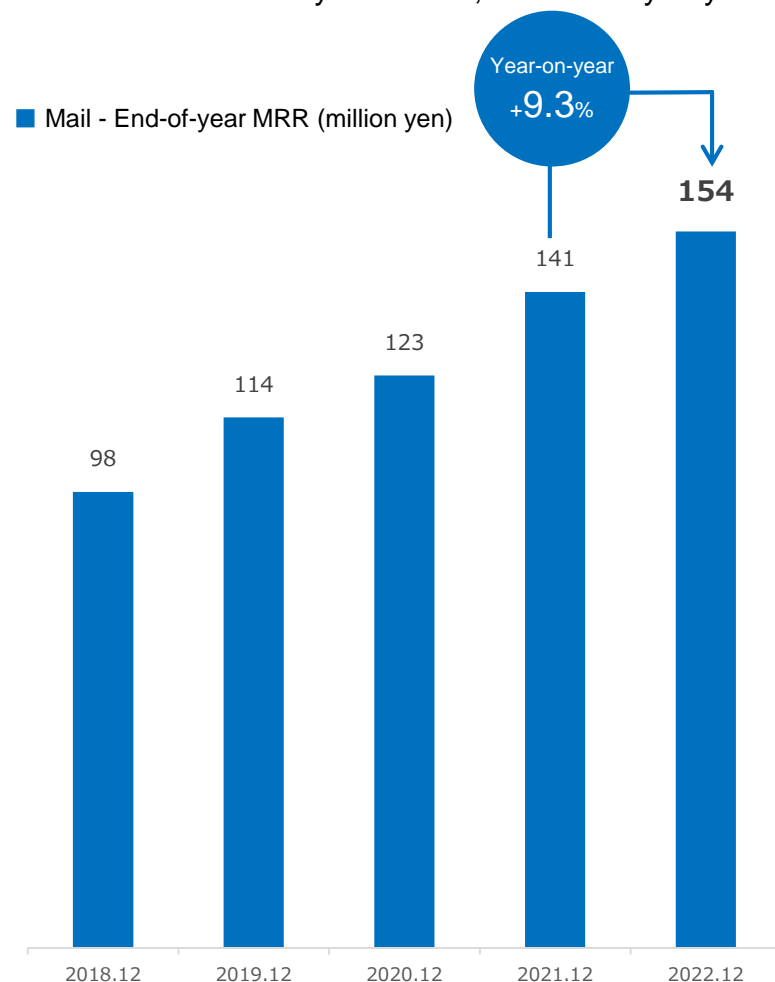
(*) Disaster Recovery Plan: Service plan in which systems deployed at multiple locations can be used in times of large-scale disaster and other emergencies

There is a choice between a global server load balance system that switches domain information when an abnormality is detected, and a global IP routing system that assigns the same IP address to a system at another location

Mail End-of-year MRR (*1)/Full-year recurring fee sales

« Quarterly units are listed in the appendix
(from page 47)»

Due to factors including an increase in the number of contracts, end-of-year MRR increased by 9.3% and full-year recurring fee sales increased by 9.9% to 1,771 million yen year-on-year.



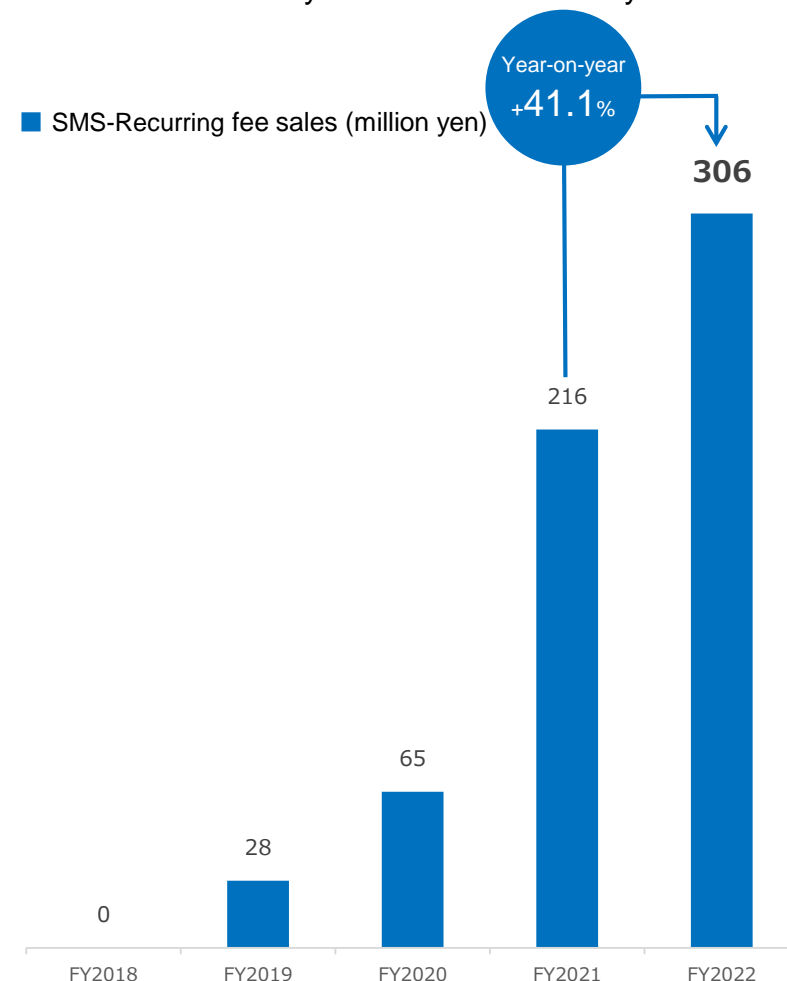
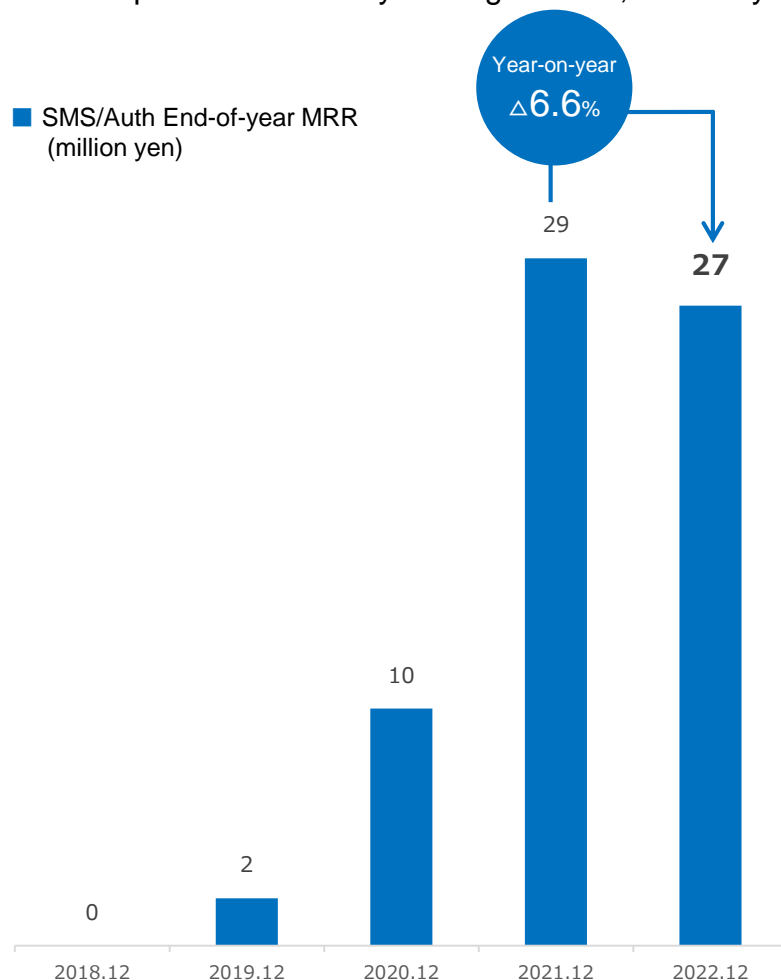
(*1) MRR(Monthly Recurring Revenue):

Revenue from contracts that stipulate services or use for a certain period of time, such as sales from SaaS service usage and maintenance service for purchase type software

SMS/Auth End-of-year MRR/Full-year recurring fee sales

« Quarterly units are listed in the appendix
(from page 47)»

Despite an increase in the number of contracts, end-of-year MRR declined slightly from the previous year due to a decrease in sales promotion delivery for large clients, and full-year recurring fee sales increased by 41.1% to 306 million yen



Note: Pay-per-use sales based on the number of delivery account for 74.4% of SMS service usage sales (results for January to December 2022)

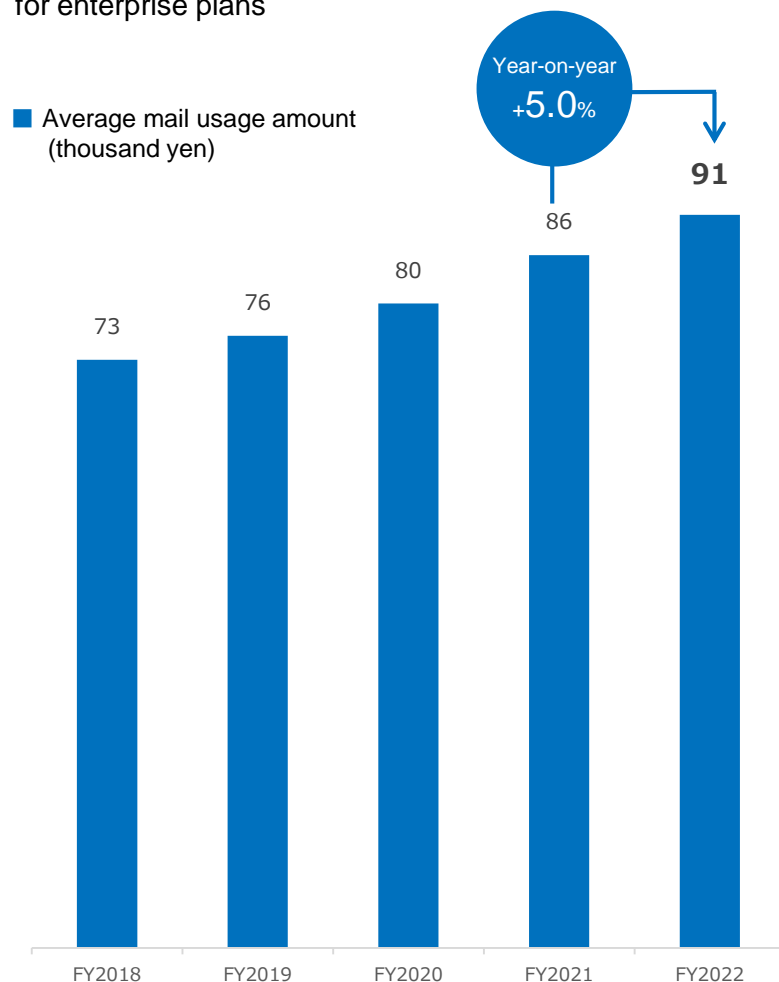
The number of monthly delivery may increase or decrease due to seasonal factors such as peak season and off-peak season or environmental factors such as climate and disasters

Average usage amount per contract (*1)

« Quarterly units are listed in the appendix
(from page 47) »

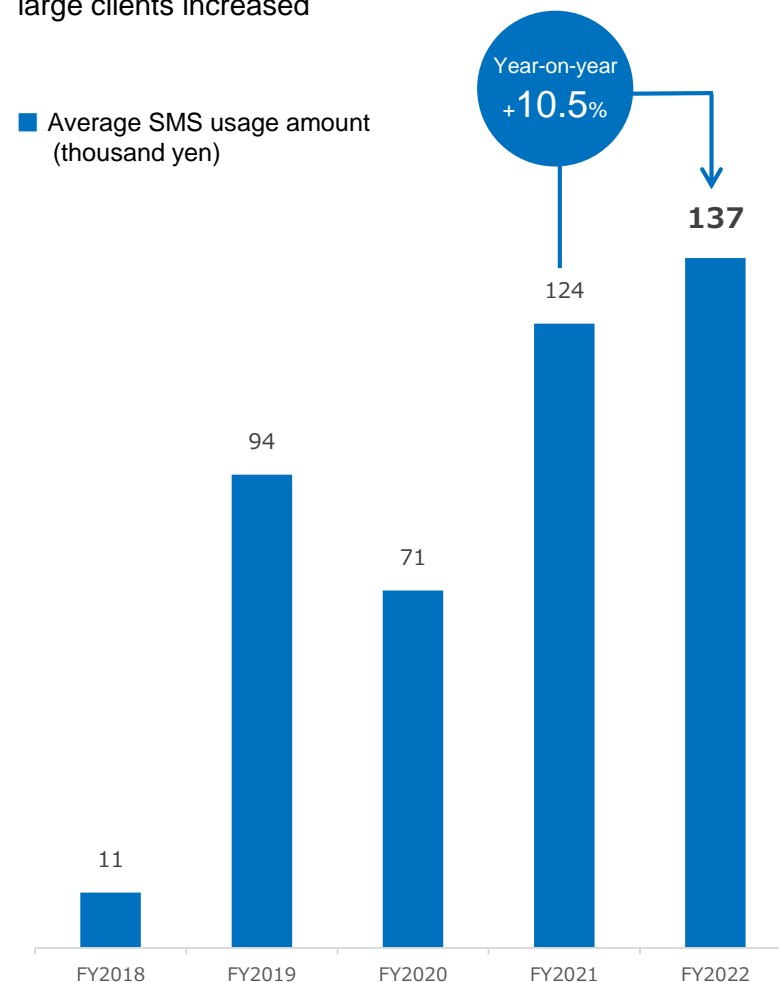
Mail

Average usage amount increased due to orders and upgrades for enterprise plans



SMS

Average usage amount increased as the number of deliveries by large clients increased

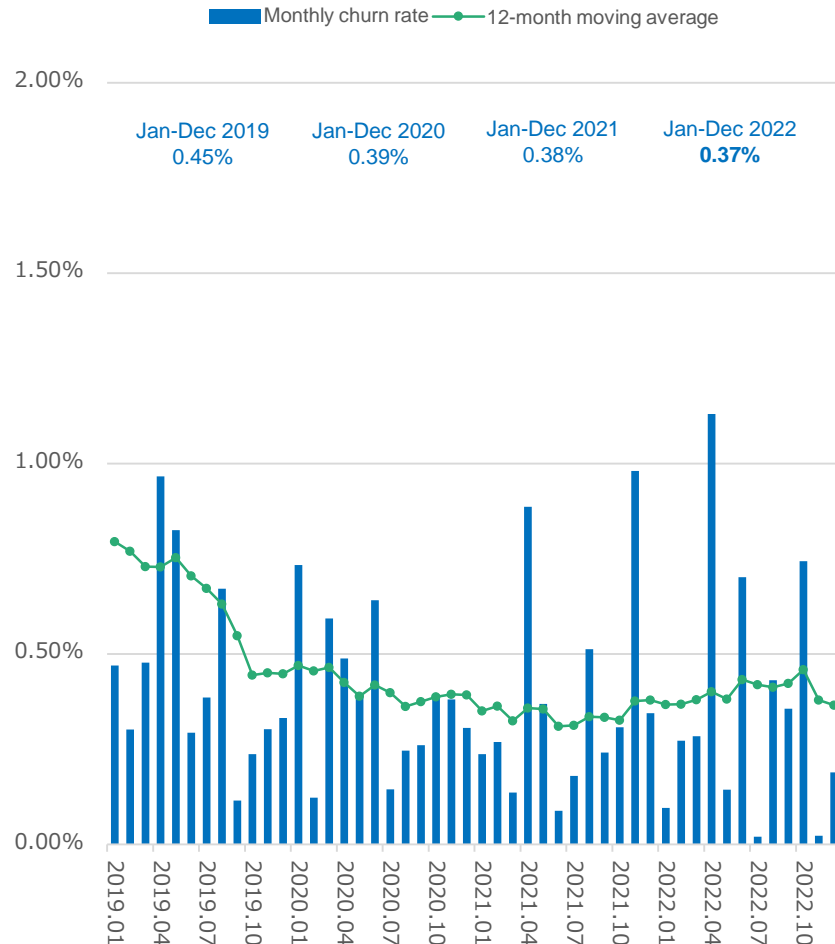


(*1) One-off sales (one-time-fee sales) such as initial setting and customization are not included in the average usage amount per contract
This is calculated by the formula: <Total full-year recurring fee sales / Total number of full-year contracts>

Monthly churn rate

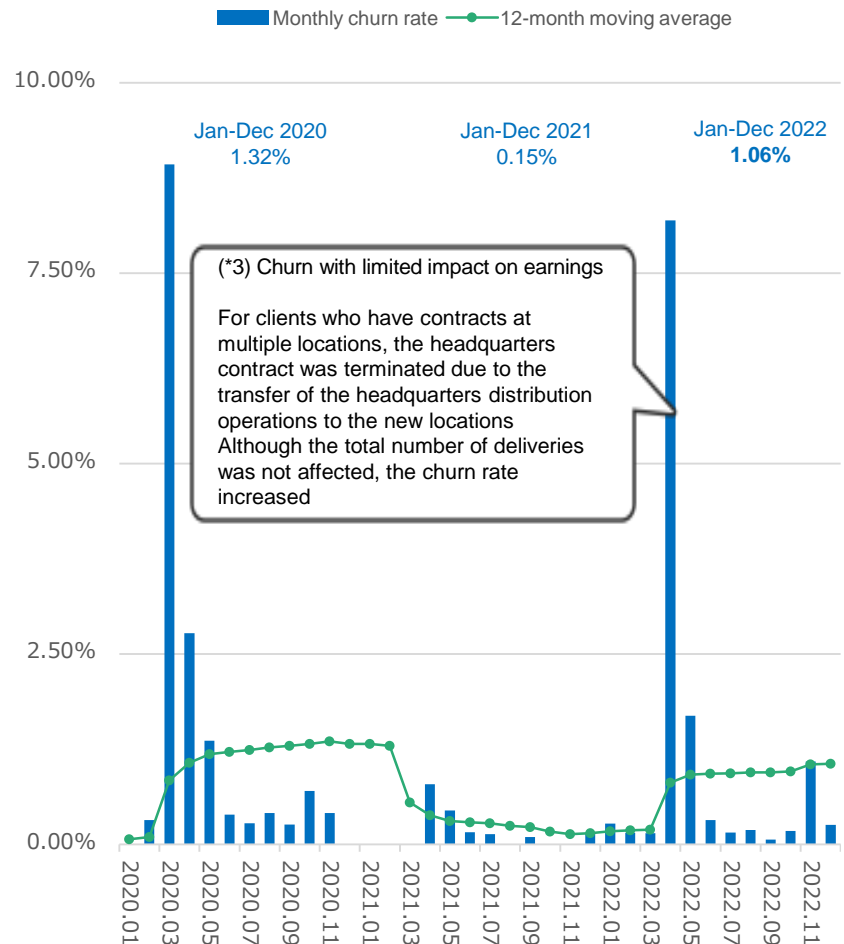
Mail (*1)

The churn rate for 2022 continued to remain low at a monthly average of 0.37%



SMS (*1)(*2)

Churn rate increased due to churn with limited impact on earnings (*3) in 2Q, and the churn rate for the current year averaged 1.06% per month



(*1) The churn rate is based on the revenue churn (amount based), and it is calculated by the formula: <Cancellation amount incurred in the month / Contract amount at the beginning of the month x 100>

(*2) Since SMS is mostly pay-per-use based on the number of deliveries and monthly usage amounts vary, the churn rate is calculated after determining the average usage amount before the clients left the service

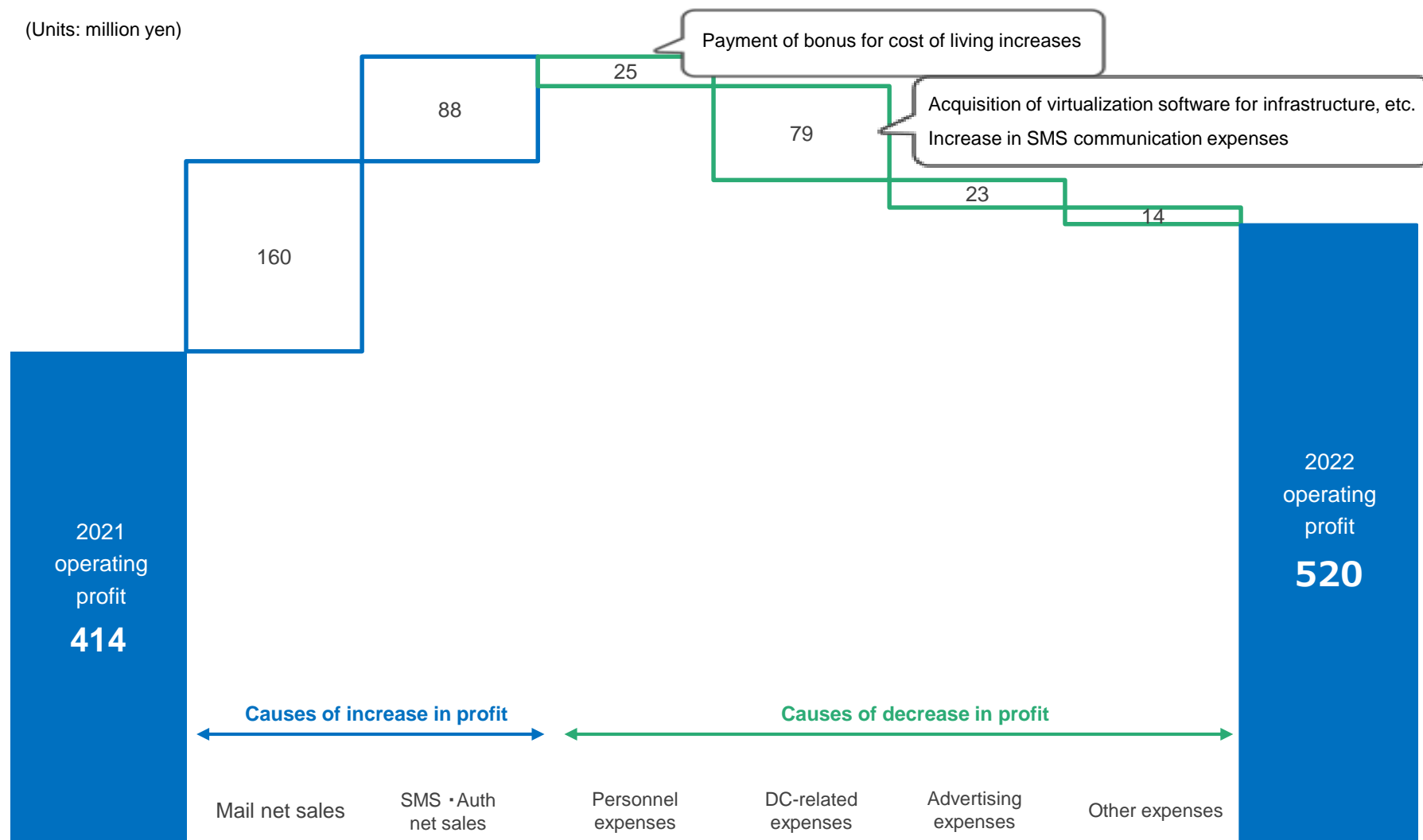
(*3) For clients who have contracts at multiple locations, the headquarters contract was terminated due to the transfer of the headquarters operations to the new locations. While this did not affect the total number of deliveries, it did increase the churn rate

Income statement

	Fiscal year ended December 31, 2021	Fiscal year ended December 31, 2022	Rate of increase/decrease	Increase/ decrease
Net sales	1,929 million yen	2,181 million yen	13.1 %	251 million yen
Cost of goods sold	622 million yen	726 million yen	16.6 %	103 million yen
Gross profit	1,306 million yen	1,455 million yen	11.4 %	148 million yen
Gross profit ratio	67.7 %	66.7 %	△ 1.0 pts.	—
Sales, general and administrative expenses	892 million yen	934 million yen	4.7 %	42 million yen
Operating profit	414 million yen	520 million yen	25.7 %	106 million yen
Operating profit ratio	21.5 %	23.9 %	2.4 pts.	—
Ordinary profit	398 million yen	520 million yen	30.6 %	121 million yen
Current net profit	286 million yen	359 million yen	25.3 %	72 million yen
Current net profit ratio	14.9 %	16.5 %	1.6 pts.	—

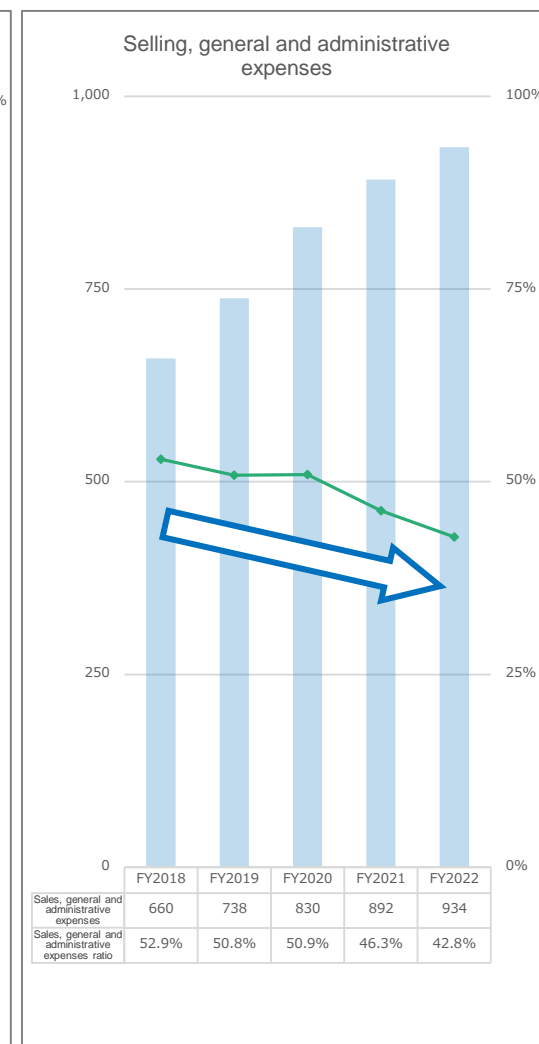
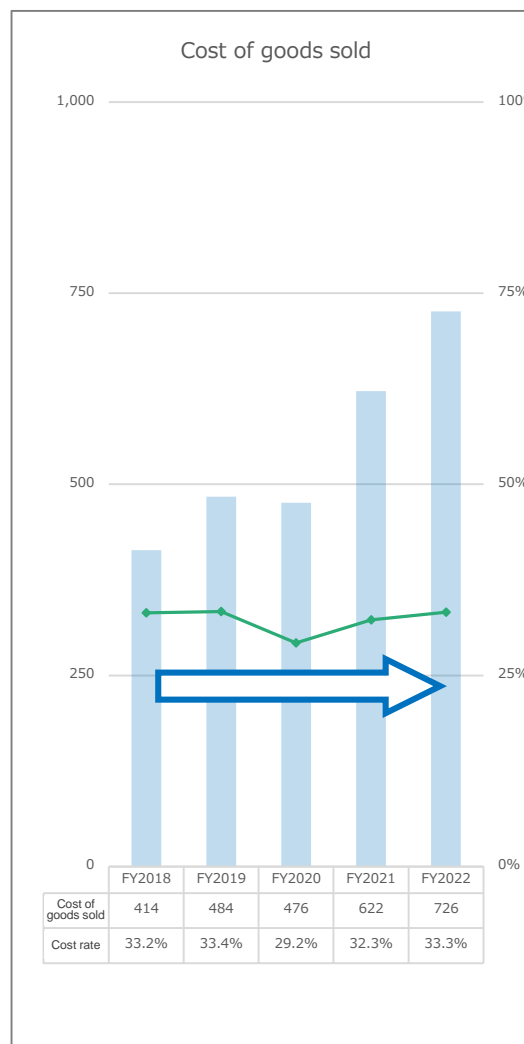
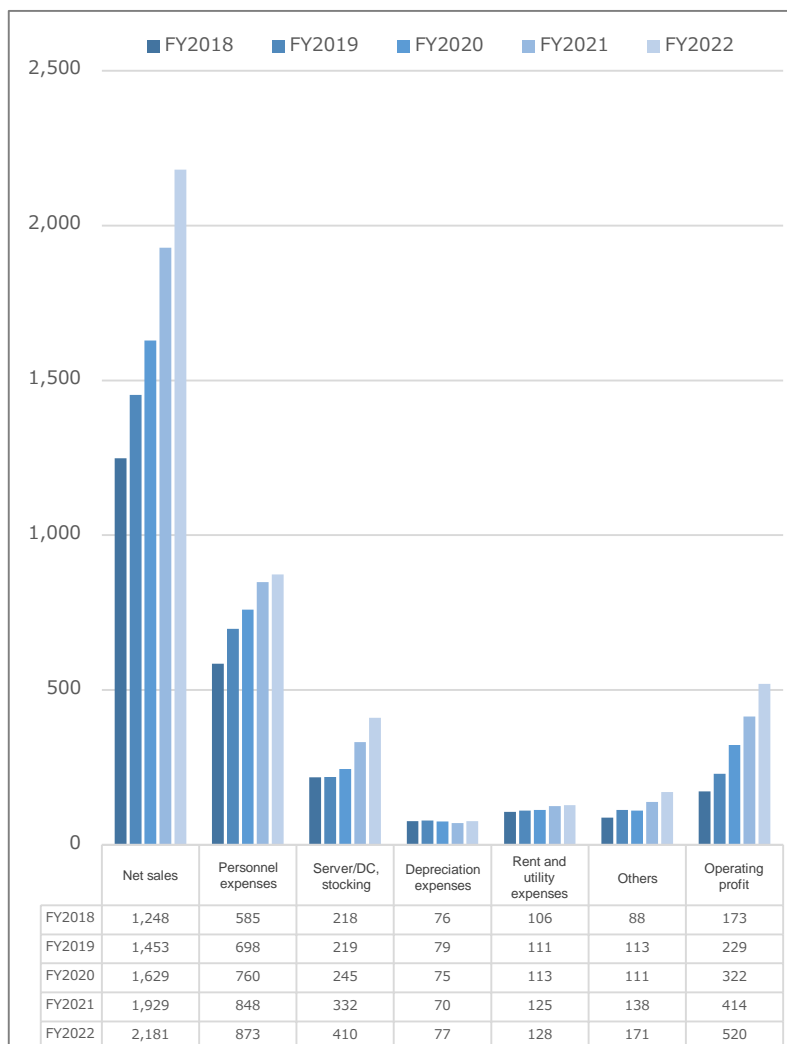
Causes of increase/decrease of operating profit

(Units: million yen)



Our cost structure

- The majority of expenses are labor costs due to in-house production, while other expenses such as data center, depreciation, and rent are easily foreseeable
- Variable costs (cost of servers, DC, etc.) have increased recently due to SMS sales growth, but this is within expectations

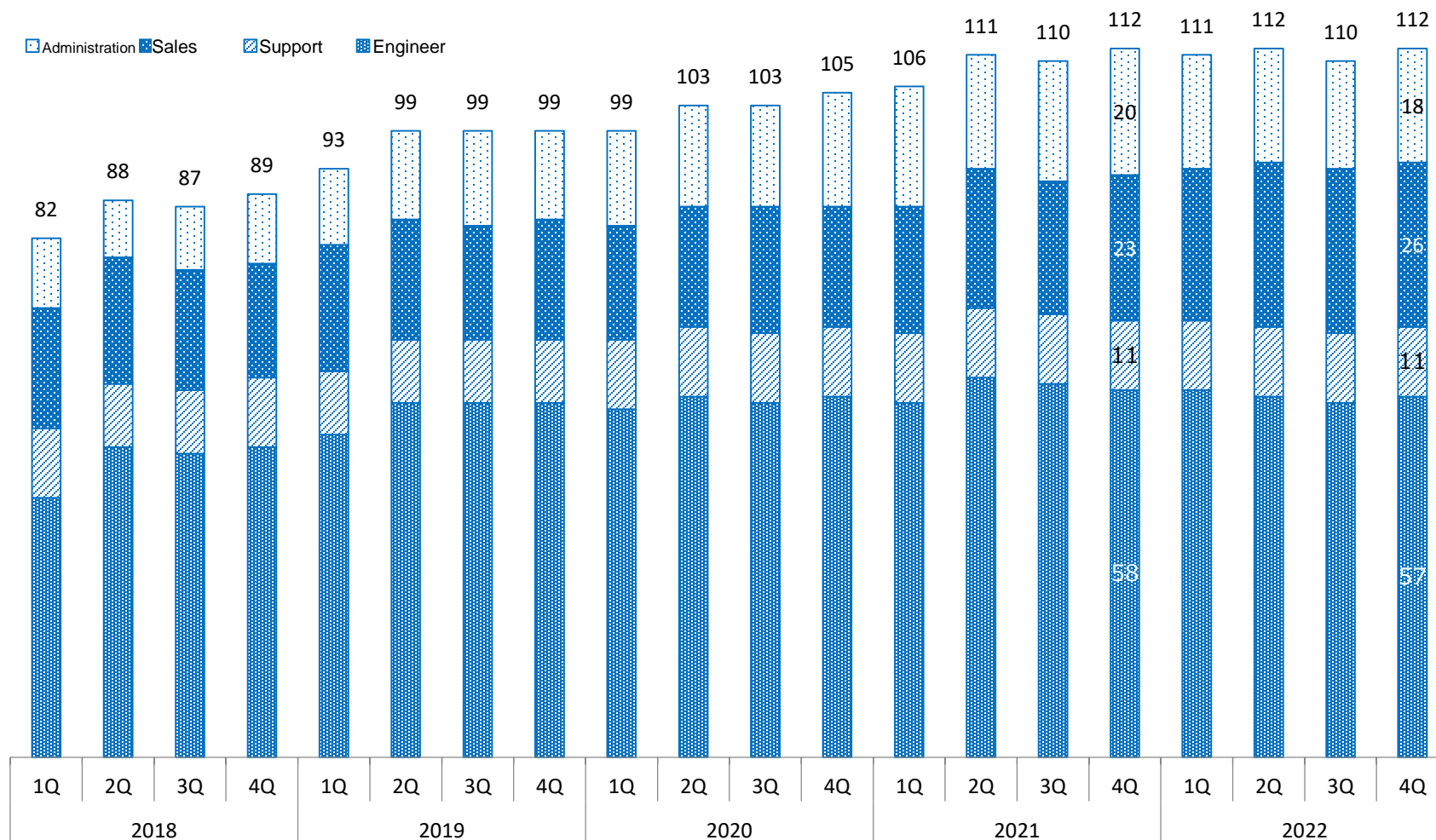


(Note) Figures for the fiscal year ended December 31, 2018 are unaudited figures

Number of employees



Number of employees remained unchanged from the end of the previous fiscal year, while the ratio of sales staff increased



Balance sheet

	Fiscal year ended December 31, 2021	Fiscal year ended December 31, 2022	Increase/ decrease
Current assets	1,820 million yen	2,070 million yen	249 million yen
Fixed assets	276 million yen	306 million yen	29 million yen
Total assets	2,097 million yen	2,376 million yen	278 million yen
Current liabilities	402 million yen	440 million yen	37 million yen
Fixed liabilities	- million yen	- million yen	- million yen
Total liabilities	402 million yen	440 million yen	37 million yen
Total net assets	1,695 million yen	1,936 million yen	240 million yen
Equity ratio	80.8 %	81.5 %	0.7 pts.
Book value per share	435.48 yen	508.45 yen (*1)	72.97 yen

- CF due to sales activities
Profit before tax
+520 million yen
- CF due to investment activities
Acquisition of equipment, etc.
-128 million yen
- CF due to financial activities
Share buyback
-118 million yen

- Increase in income
taxes payable, etc.
+45 million yen

(*1) The Company owns 84,637 shares of treasury stock, and treasury stock is excluded from the calculation of net assets per share.

2. Financial forecast for the fiscal year ending December 31, 2023

Financial forecast for the fiscal year ending December 31, 2023

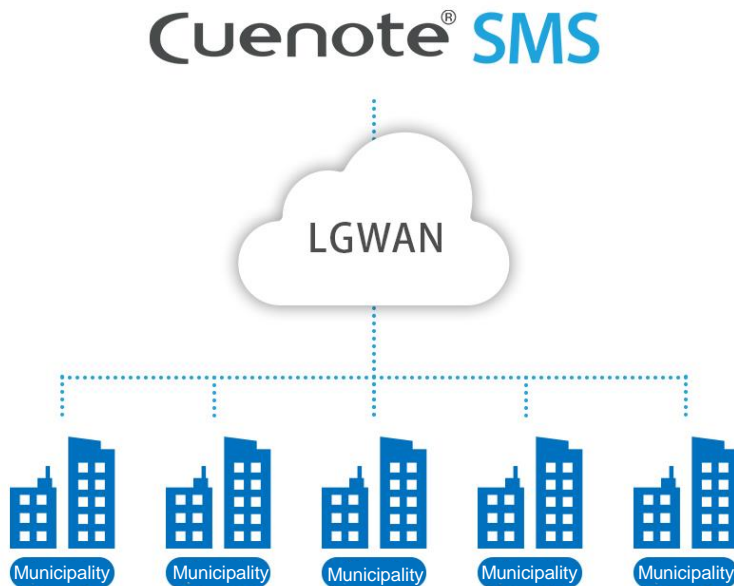
	Fiscal year ended December 31, 2022	Fiscal year ended December 31, 2023	Rate of increase/ decrease
Net sales	2,181 million yen	2,400 million yen	+ 10.1 %
Of which, recurring fee sales	2,132 million yen	2,351 million yen	+ 10.3 %
Of which, one-time- fee sales	48 million yen	48 million yen	+0.2 %
Operating profit	520 million yen	575 million yen	+ 10.4 %
Operating profit ratio	23.9 %	24.0 %	+ 0.1 pts.
Ordinary profit	520 million yen	575 million yen	+ 10.5 %
Current net profit	359 million yen	396 million yen	+ 10.3 %
Current net profit ratio	16.5 %	16.5 %	+ 0.0 pts.

Index of main services

	Fiscal year ended December 31, 2022	Fiscal year ending December 31, 2023	Rate of increase/ decrease
Mail			
Full-year recurring fee sales	1,771 million yen	1,939 million yen	9.5 %
End-of-year MRR	154 million yen	168 million yen	9.1 %
Monthly churn rate	0.37 %	0.40 %	0.03 Pts.
SMS			
Full-year recurring fee sales	306 million yen	357 million yen	16.8 %
End-of-year MRR	27 million yen	31 million yen	14.1 %
Monthly churn rate	1.06 %	0.80 %	-0.26 pts

Scheduled releases for this fiscal year

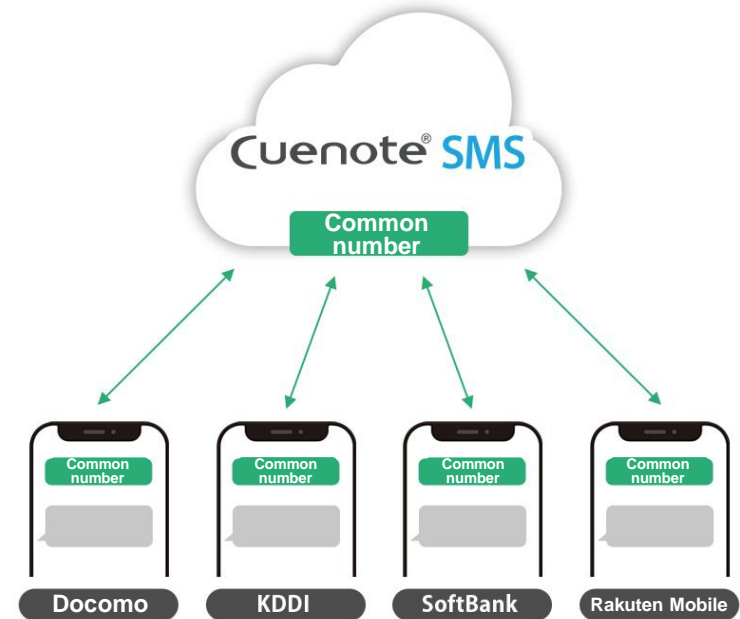
Cuenote SMS service compatible with LGWAN to be released



Cuenote SMS is scheduled to launch a new service this fiscal year which will enable the sending of SMS (short message service) from the LGWAN, a comprehensive administrative network.

The service allows SMS to be sent through a dedicated administrative network that maintains a high level of security, and can be used to inform residents of taxes, events, etc., and to notify and communicate with residents about matters such as applications.

Cuenote SMS to support a common number for four mobile phone companies



Cuenote SMS will support a common source number (common short code) that allows the same number to be used by four mobile phone companies when sending SMS.

By supporting a common number, identity theft can be prevented. It also makes it easier for recipients to recognize a company's number, leading to improved convenience and reliability.

3. Growth plan

By further promoting “messaging technology” and
“commercialization of software service,” and through
expansion of the SaaS business area,
we will improve our corporate value and shareholder value



Vision for future growth

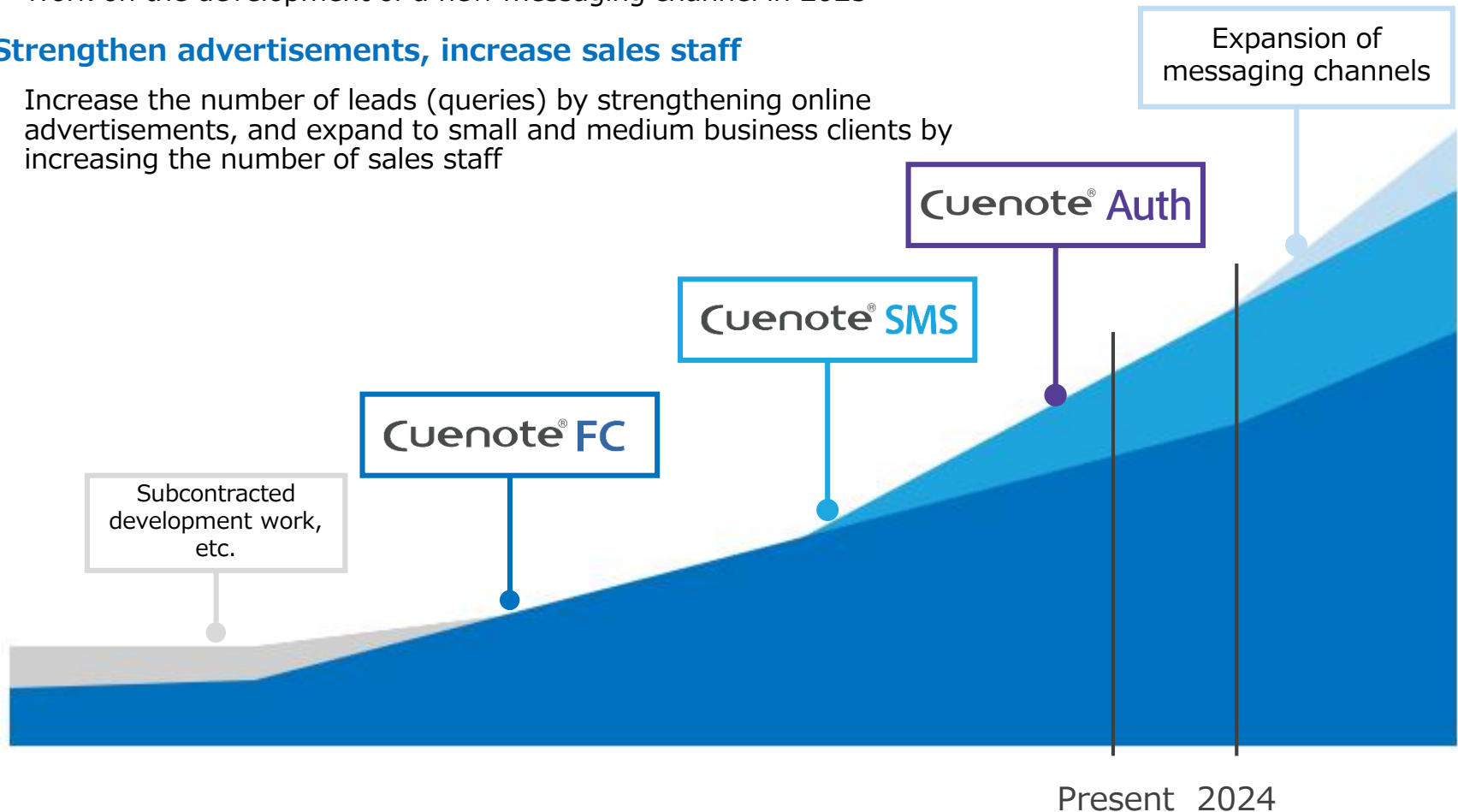
Continue to demonstrate excellent growth by expanding messaging channels (LINE, Web push, etc.) while continuing to strengthen growing email service

Increase of engineers

Strengthen by increasing the number of engineers in 2022-2023
Work on the development of a new messaging channel in 2023

Strengthen advertisements, increase sales staff

Increase the number of leads (queries) by strengthening online advertisements, and expand to small and medium business clients by increasing the number of sales staff



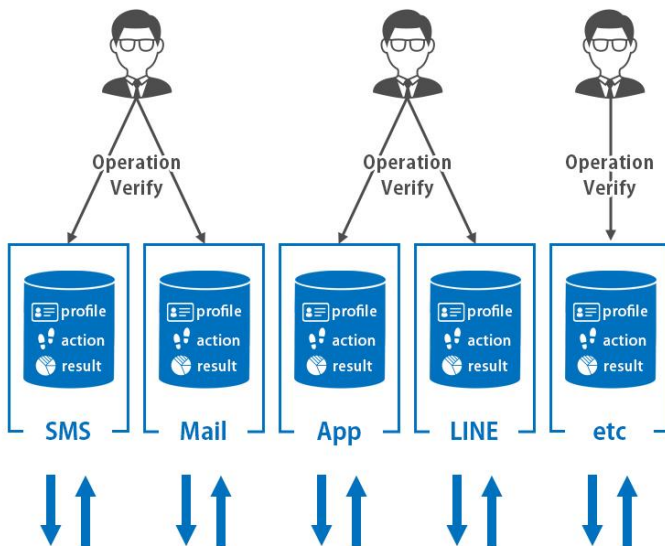
Role of a messaging platform

Background

Diversification of communication methods as a result of the evolution of consumers' lifestyles, and IT tools and technologies

Company

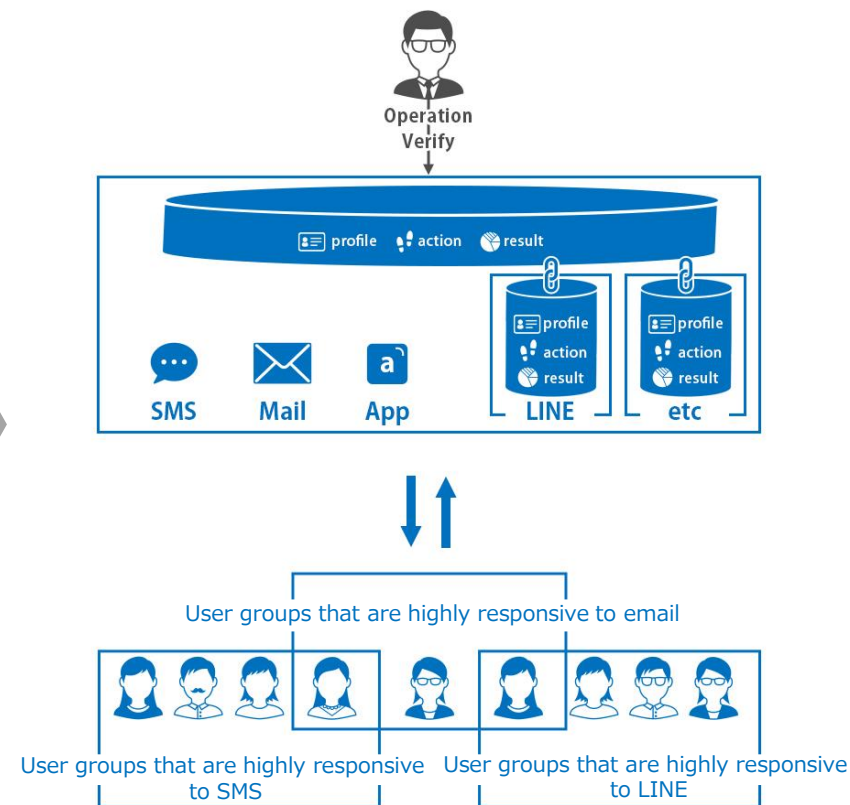
Marketing measures for each communication channel
More complex marketing activities, increased costs



Consumer

Increase in frequency and similarity of received information
Decline in loyalty, departure of customers

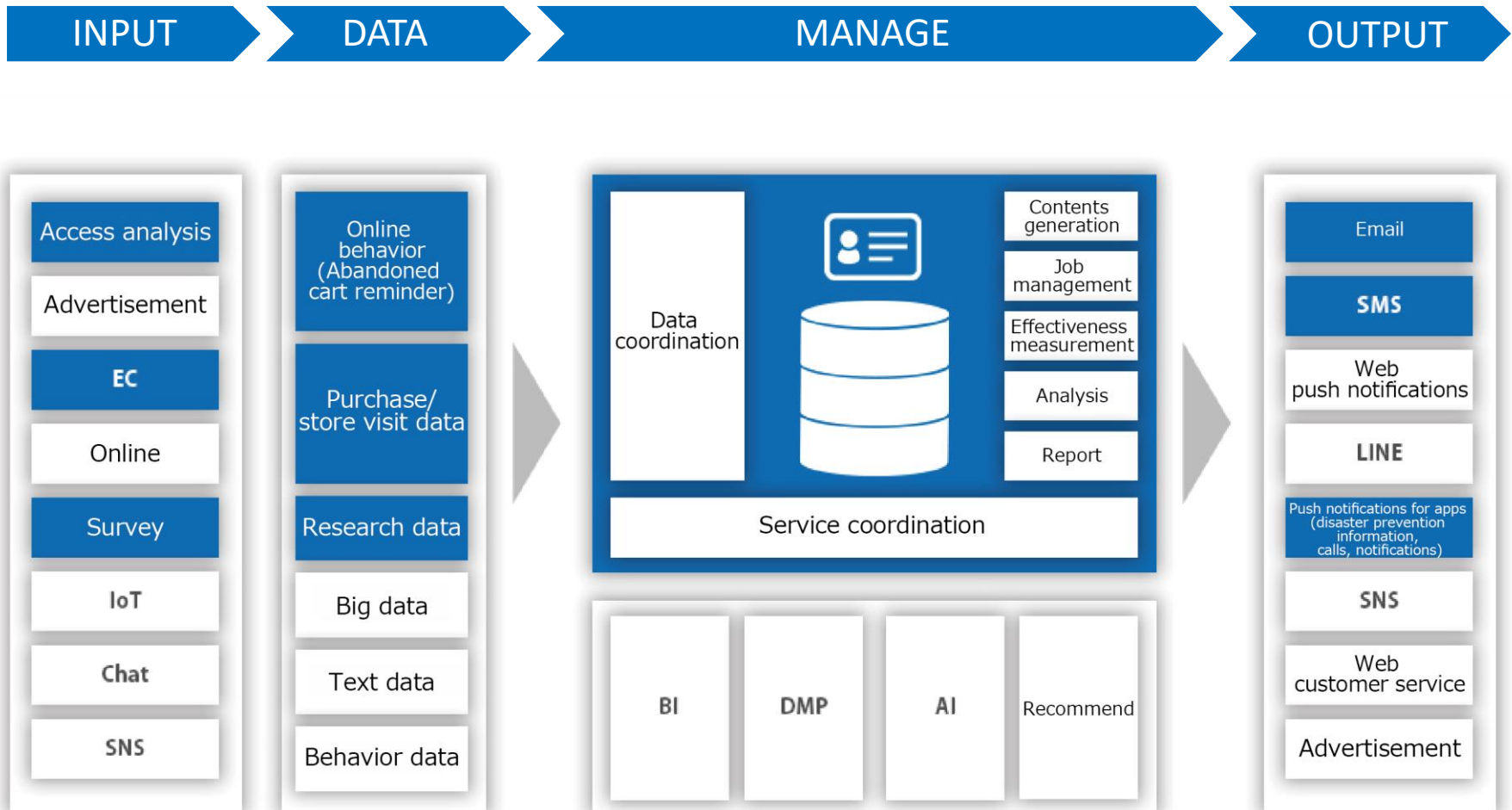
Improvement of the efficiency and sophistication of marketing activities
Realization of consistent or seamless communication
Improvement of effectiveness through user profile and behavior analysis



Receiving information with optimized frequency,
amount and timing

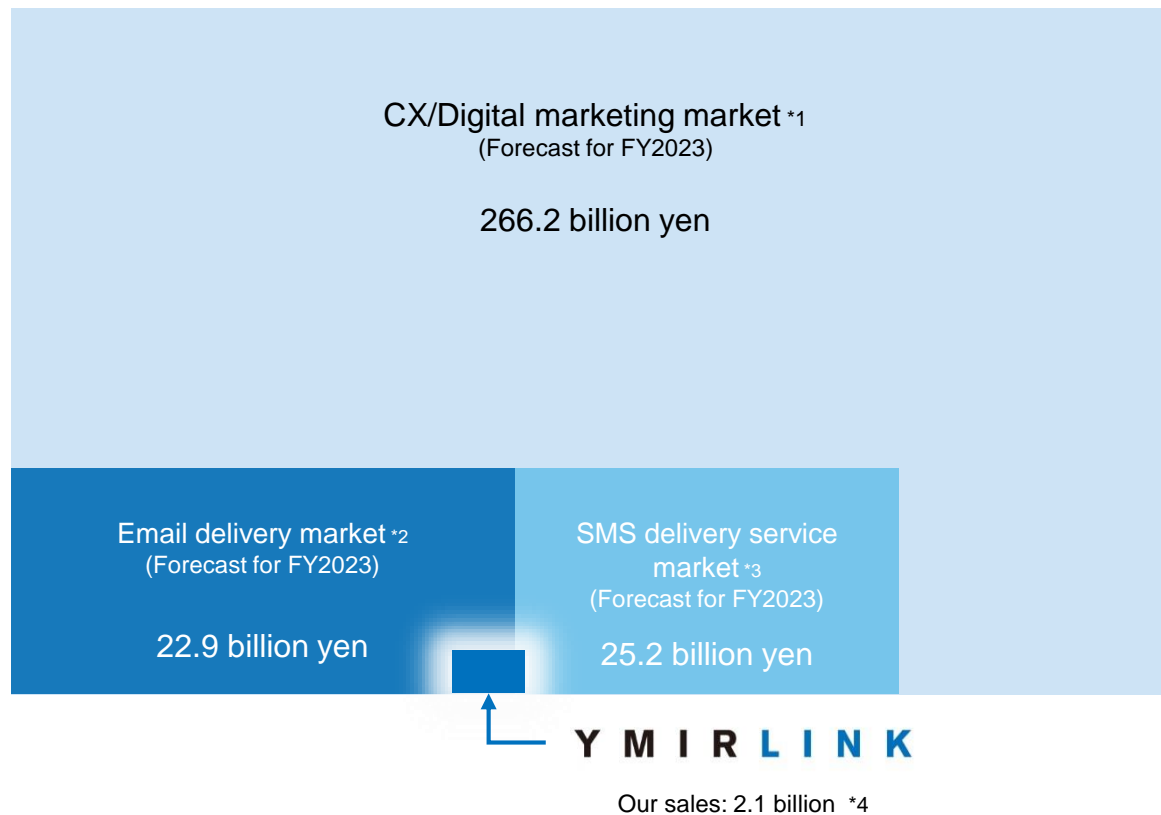
Messaging platform conceptual diagram

Expand the areas to be covered through selection and concentration



Messaging platform

We believe that shifting of communication with consumers from physical to digital will further progress, and the market that we belong to has a lot of room for growth



*1 Source: Fuji Chimera Research Institute "Software Business New Market 2022 Edition" Digital marketing market (Forecast for FY2023)

*2 Source: ITR Corporation "ITR Market View: Email/Web marketing markets 2023" Email delivery market (Forecast for FY2023)

*3 Source: ITR Corporation "ITR Market View: EC site construction/CMS/SMS delivery service/CLM/E-contract service markets 2022" SMS delivery service market (Forecast for FY2023)

*4 Net sales for fiscal year ended December 31, 2022

4. ESG initiatives

About YMIRLINK

The diagram consists of two white circles on a light gray background. The left circle is titled 'Corporate philosophy' and contains text about contributing to society. The right circle is titled 'Corporate guidelines' and contains two paragraphs about services and employee growth. Several blue paper airplane icons are scattered around the circles, pointing in various directions.

Corporate philosophy

We aim to contribute to society through the creation and provision of high-value information services, and to be a company that can always be relied on.

Corporate guidelines

We create services that provide enjoyment and satisfaction to clients with technology and passion.

We respect the individuality of each employee and support employee growth.

Contributing to society through our business

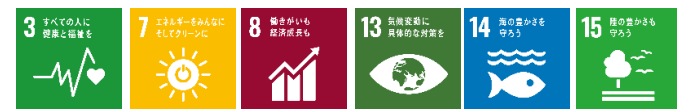
1. Reducing consumption of paper resources, fossil fuels, etc.

The messaging platform Cuenote will help reduce consumption of forest resources and energy by replacing the conventional communication with consumers by mail such as paper and postcards with email and SMS.



2. Contributing to client companies' work style reforms

Notification and communication to consumers and employees, which used to be done by telephone, can now be carried out regardless of time and location by using the cloud service Cuenote, thereby contributing to business efficiency and realization of diverse work styles.



E: ENVIRONMENT

Action

Server virtualization

Virtualization consolidates servers and helps reduce power usage at data centers. In addition, we give priority in selecting data centers to facilities with high energy efficiency.

Adoption of paperless systems

We are working to computerize our operations by introducing an electronic approval system and electronic invoicing. By reducing the use of paper, envelopes, and other materials, we are helping to conserve forest resources and reduce the environmental impact of transportation.

Use of facilities with low environmental impact

The air conditioning of the building in which we are located is operated with hot and chilled water from a district heating and cooling operator. This contributes to the reduction of environmental impact.

Implementing telework

By reducing employee travel for commuting, we are working to reduce CO₂ emissions associated with the use of public transportation and traffic congestion.



Topics

Establishment of web conference space

We are working to reduce our environmental impact by conserving electricity through more efficient use of offices and by reducing travel for business meetings.



S: SOCIETY

Action

Work style reforms

We are working to create a diverse work environment and work styles for all executives and employees (childcare, nursing care, telecommuting, etc.).

Providing a smooth means of providing information in the event of a disaster or emergency, etc.

In light of recent extreme weather conditions and tense international situations, we are working to help minimize damage by providing a smooth means of communicating information during emergencies.

Regional reinvigoration by establishing development bases

We have established development bases in rural areas and are working to contribute to the revitalization of these regions and the creation of jobs.

Initiatives to maintain a clean email environment

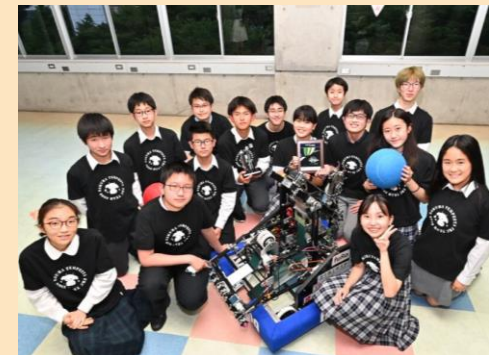
We are working to maintain a safe and secure communication environment through means such as confirming the usage of e-mail and SMS in advance and providing education on compliance with related legislation.



Topics

Robocon Team support

Through sponsorship of SAKURA Tempesta, a robot contest team that mainly consists of junior high and high school students and participates in one of the world's largest robot contests, we support young people's robot creation and programming activities.



G: GOVERNANCE

Action

Governance initiatives

In addition to appropriate disclosure of corporate governance information, we are committed to the following:

- Compliance with relevant laws and regulations
- Management structure and operations based on the basic policy of establishing an internal control system
- Strengthening the supervisory function of the Board of Directors (three independent outside directors, one of whom is a female lawyer to ensure diversity and expertise)
- Conducting compliance training for executives and employees to raise awareness of compliance and publishing a compliance newsletter

Healthy relationships with business partners

In order to build sound partnerships with our business partners, we will continue to comply with relevant laws and regulations.

Dialogue with investors through IR activities

In addition to prompt and timely disclosure in accordance with the TSE listing rules, the President and CEO takes the initiative in promoting dialogue with investors by holding financial results briefings for individual and institutional investors for the second quarter and full year. The Company holds face-to-face IR meetings with institutional investors upon request, and discloses and disseminates IR information on its website.

Initiatives to improve safety and reliability

We are working to obtain ISMS, Privacy Mark, and ASP/SaaS information disclosure certification.



Topics

Financial results briefings

Each quarter, the President and CEO takes the initiative in holding financial results briefings to engage in dialogue with investors. For those who were unable to attend the briefings in real time, we distribute videos and disclose English versions of financial results presentation materials.



Initiatives for the next fiscal year



Promoting paperless systems

By reducing printed materials by 30% from the previous year and promoting paperless offices, we will work to curb deforestation and contribute to the prevention of global warming and air and water pollution.



Increasing the ratio of female employees

By increasing the ratio of female employees to 30%, we will ensure women's participation and equal leadership opportunities, thereby contributing to the achievement of the SDGs. We will continue to provide opportunities for our female employees to play an active role in the company, while creating an environment in which they can work with peace of mind for a long time. This includes providing enhanced support for returning to work after maternity or childcare leave and for child rearing, and this will strengthen our organization and lead to further development of our company.



Dialogue with stakeholders

We aim to continuously improve our corporate value and achieve appropriate market valuations through timely and appropriate information disclosure, maintaining management transparency and accountability, and two-way communication with shareholders and investors.

5. Company Overview

The origin of our name

“Ymir” is the first giant in Norse mythology and a symbol of creation.

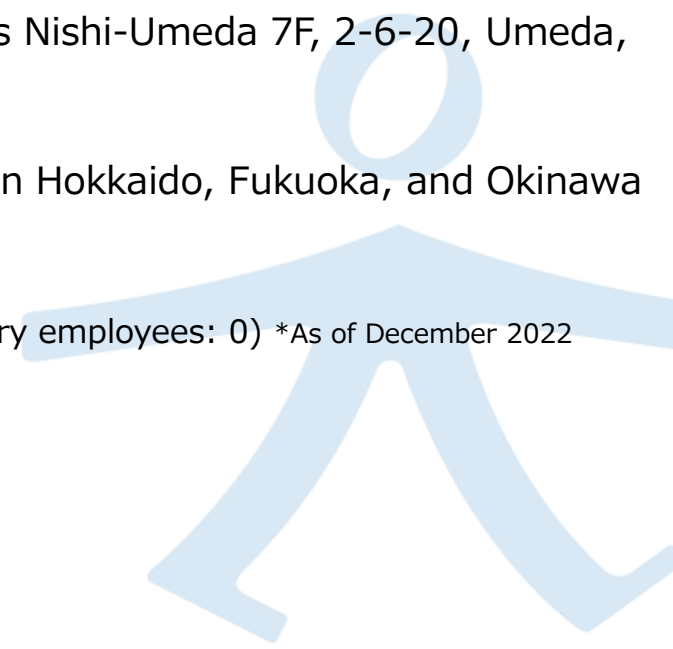
“Link” represents connection.

As the origin of the company name suggests,
YMIRLINK is a company that **creates connections.**

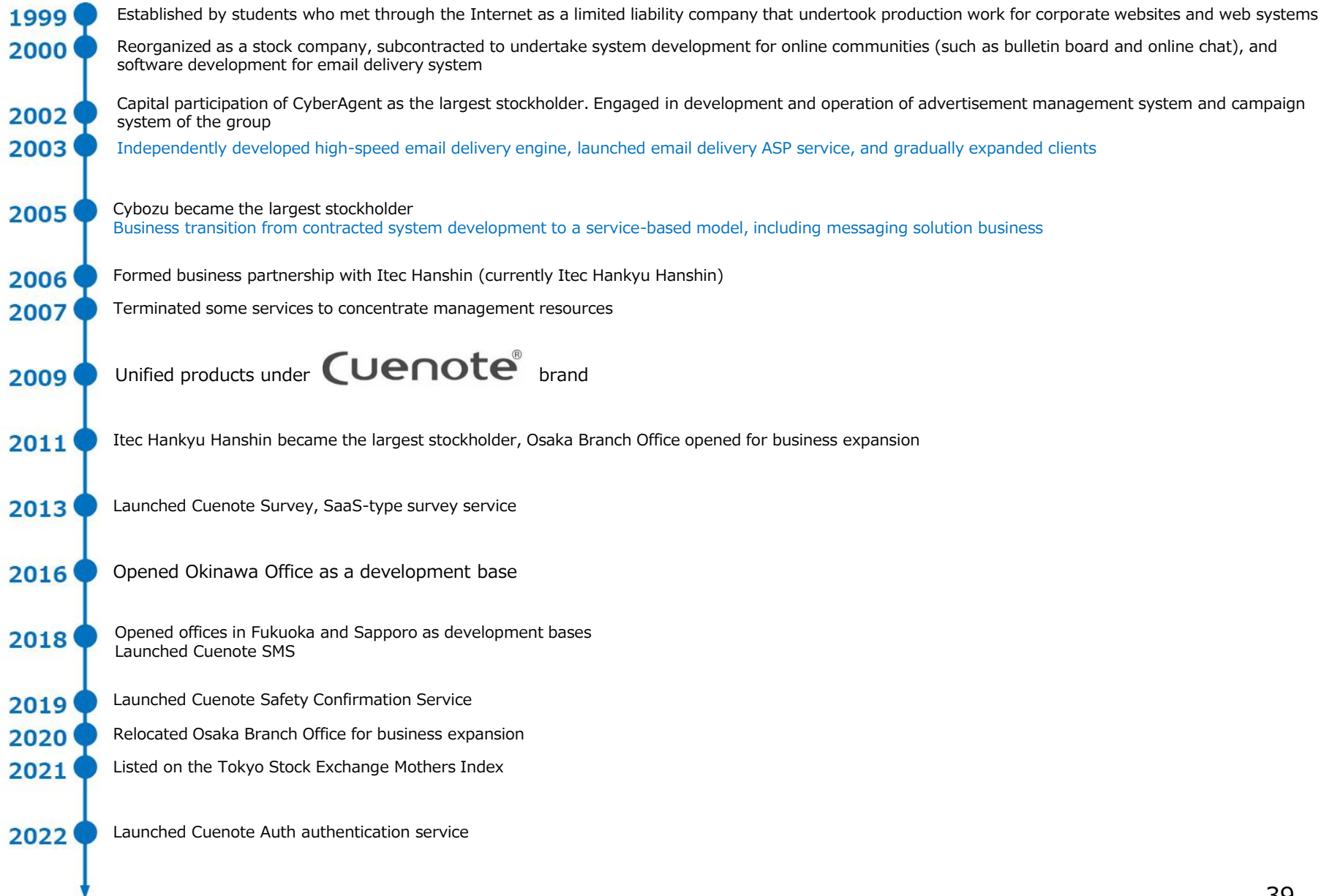


Provider of a SaaS format messaging solution “Cuenote”

Company name	YMIRLINK, Inc.
Security identifier code	4372 (Tokyo Stock Exchange Growth)
Date of establishment	July 1999
Representative	Wataru Shimizu, President and CEO
Address	Tokyo (Head Office): Odakyu Southern Tower 12F, 2-2-1, Yoyogi, Shibuya-ku, Tokyo Osaka (Branch Office): Pacific Marks Nishi-Umeda 7F, 2-6-20, Umeda, Kita-ku, Osaka-shi, Osaka Other offices (development bases) in Hokkaido, Fukuoka, and Okinawa
Capital	273 million yen
Number of employees	112 (Full-time employees: 112, temporary employees: 0) *As of December 2022
Business	Messaging solution business

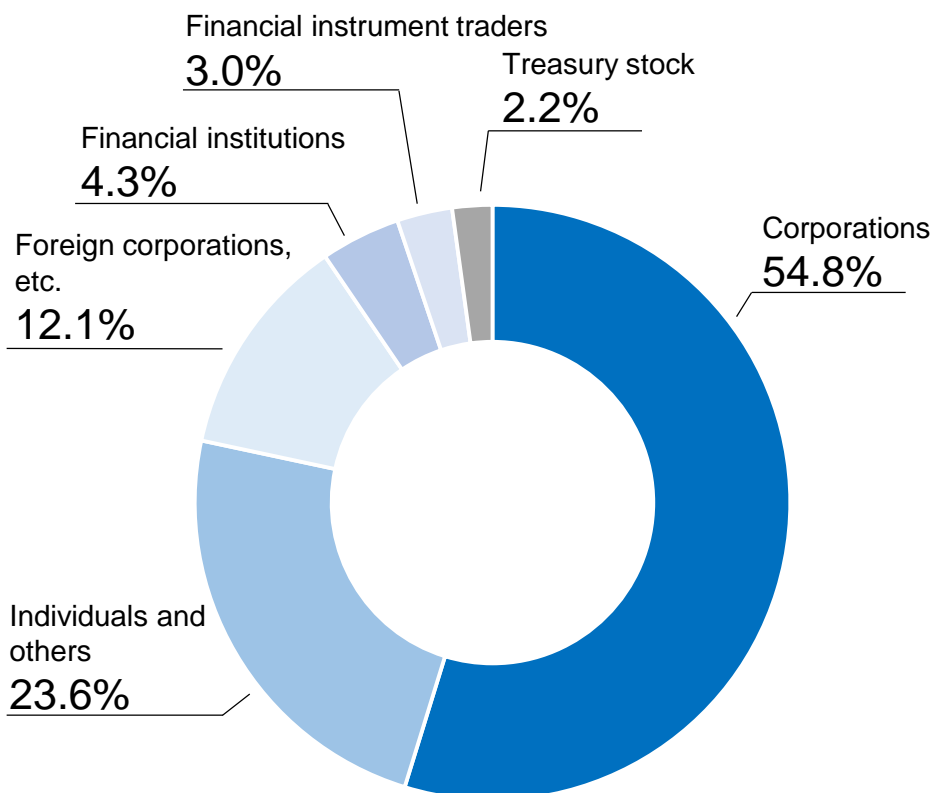


Corporate history



Stockholder organization (current as of end of December 2022)

Owned equity ratio



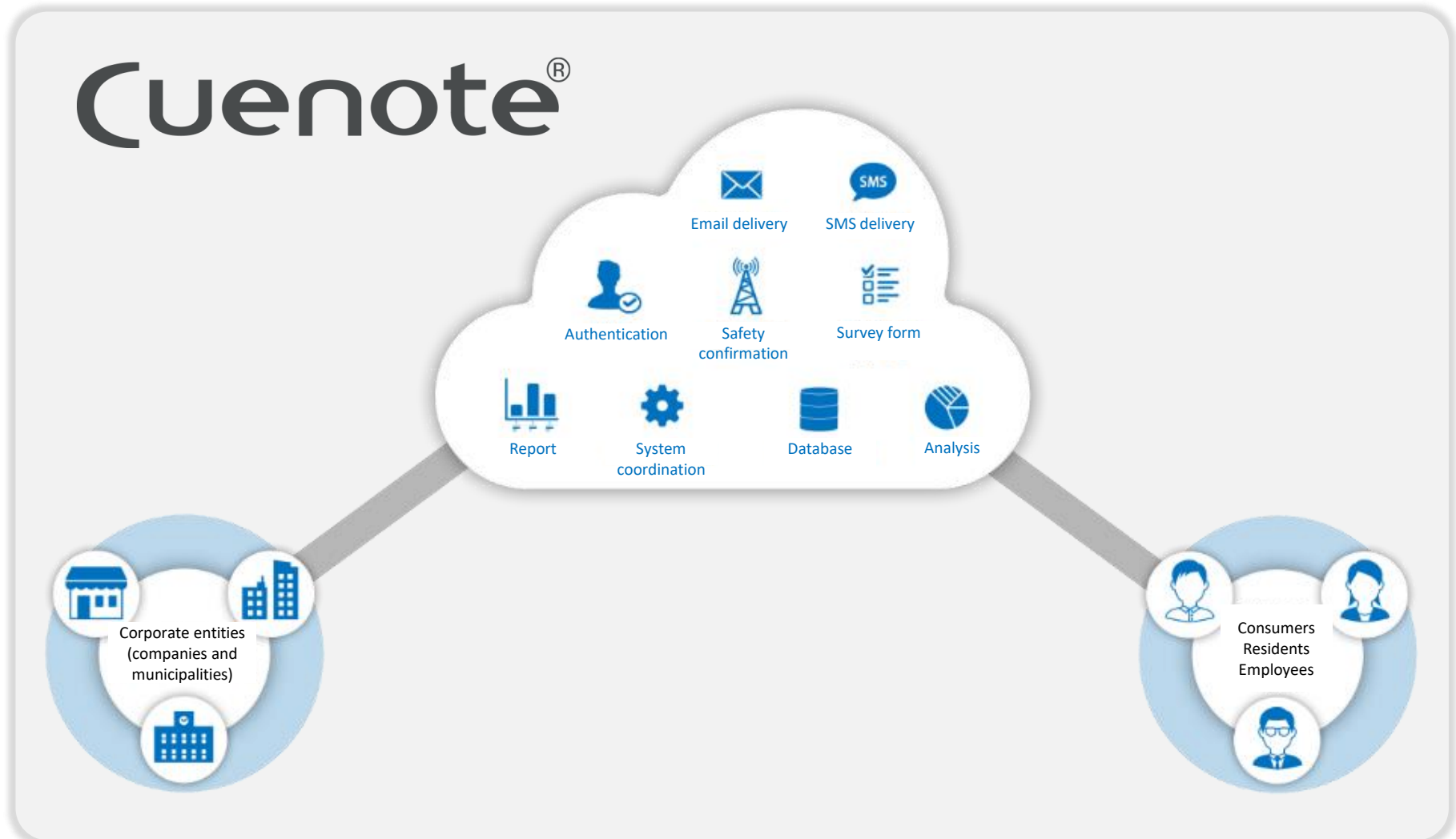
Major stockholders

Name of stockholder	Percentage of stock owned
Itec Hankyu Hanshin Co., Ltd.	52.13%
BNYM AS AGT/CLTS NON TREATY JASDEC	9.71%
Wataru Shimizu	6.84%
Custody Bank of Japan, Ltd. (Trust Account)	4.35%
Hikari Tsushin, Inc.	3.01%
Hideo Oikawa	2.22%
JPMorgan Securities Japan Co., Ltd.	0.93%
BBH LUX/BROWN BROTHERS HARRIMAN(LUXEMBOURG) SCA CUSTODIAN FOR SMD-AM FUNDS-DSBI JAPAN EQUITY SMALL CAP ABSOLUTE VALUE	0.78%
National Mutual Aid Association of Fisheries	0.60%
SBI Neotrade Securities Co., Ltd.	0.54%

Note: The Company owns 84,637 shares of treasury stock, which are excluded from the above list.
Shareholding ratio is calculated by deducting treasury stock from the number of shares issued

Messaging solution (Cuenote) business

Provides cloud services to support marketing and communication such as transmission, collection and analysis of information utilizing the Internet (web, email, applications, etc.)



Email delivery system

Cuenote® FC



Includes large-scale, high-speed delivery performance and extensive marketing functions

Sales ratio 65%

Online survey and form system

Cuenote® Survey



Creates advanced surveys and secure forms using a web browser
Supports flexible design and multiple languages

Email relay server

Cuenote® SR-S



Relays SMTP through DNS settings
Solves email delivery delay and non-delivery
Includes delivery error reason analysis function

Sales ratio 18%

Safety confirmation service

安否確認サービス Cuenote®



Linked with weather information, in the event of disaster it automatically confirms safety status of the employees in the affected area

SMS delivery service

Cuenote® SMS



Direct carrier access-type SMS delivery Service
Supports IVR and two-way communication for sending from API and screen

Sales ratio 14%

Authentication service

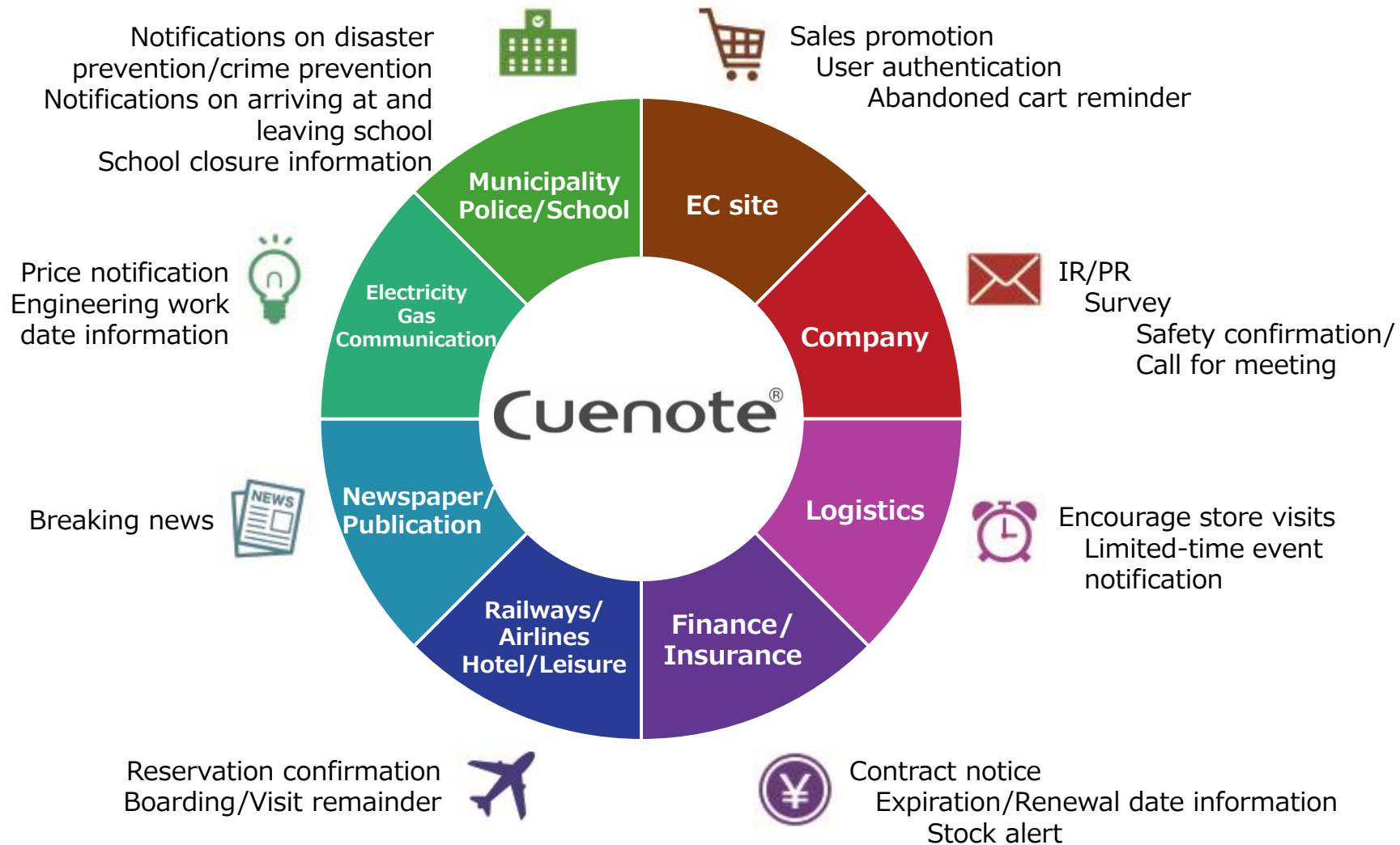
Cuenote® Auth



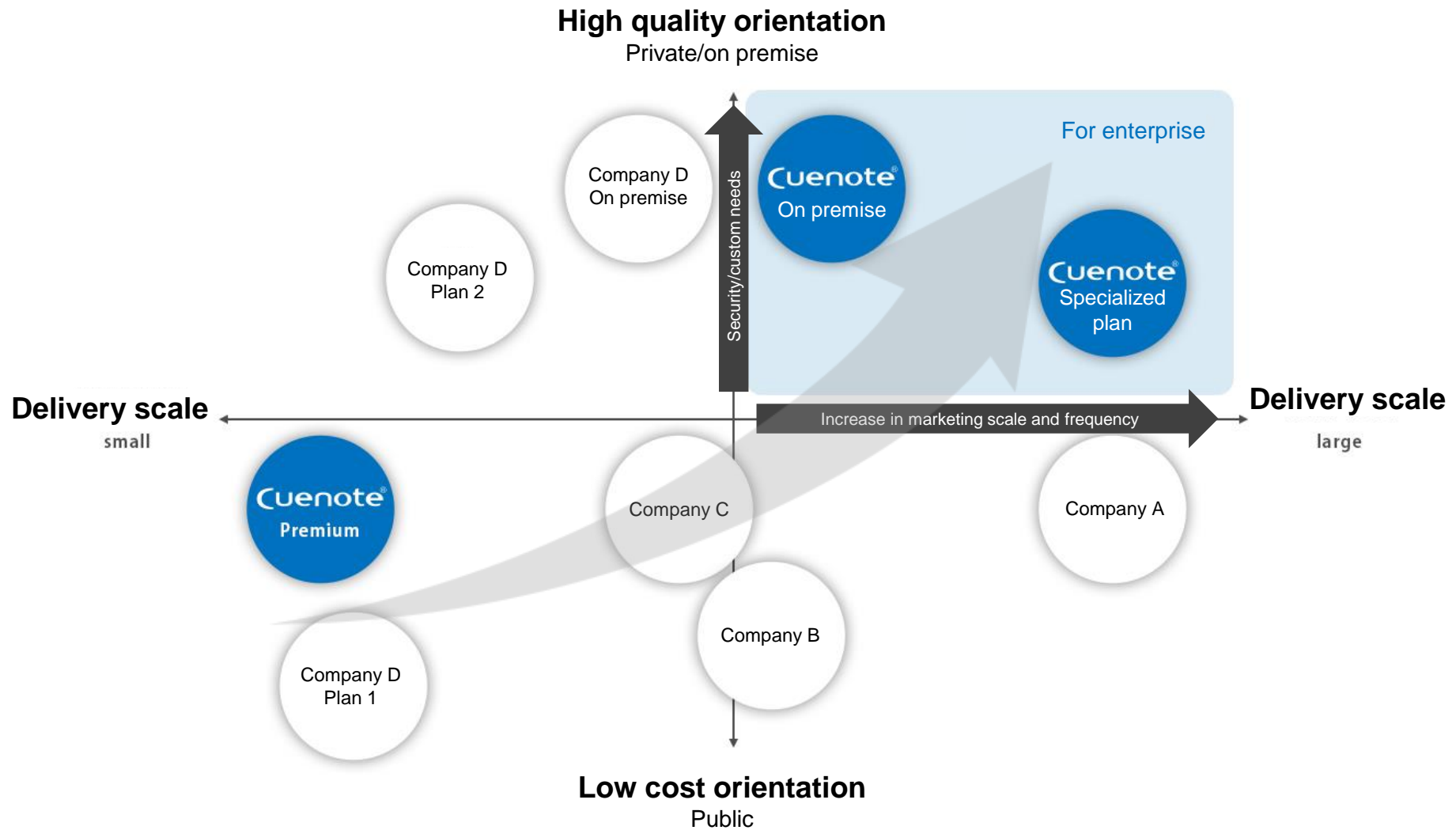
A service easily implementable with API coordination that utilizes SMS and IVR for secure multi-step authentication

Where is Cuenote used?

In addition to promotional use, it is used for a variety of purposes and industries

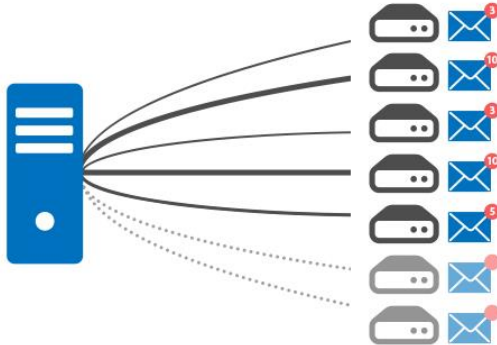


Our product/service position



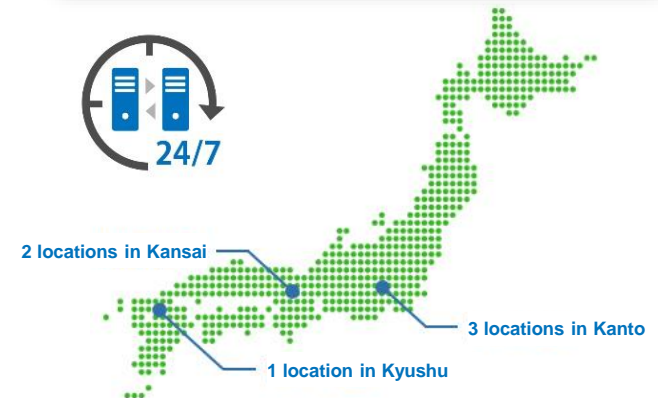
Strengths and features of Cuenote

Technical capabilities to achieve high speed and reliable communications



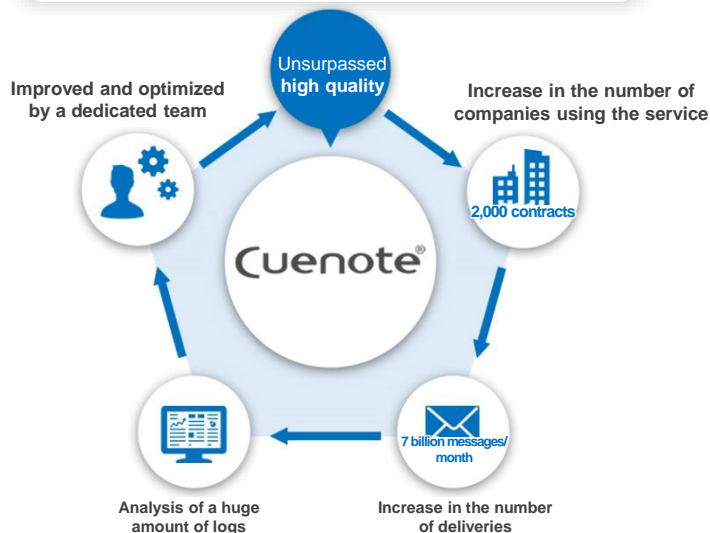
Through dedicated design and the use of a parallel processing oriented language for improved processing performance and efficiency, fast and reliable messaging is achieved.

Distributed service infrastructure, high availability



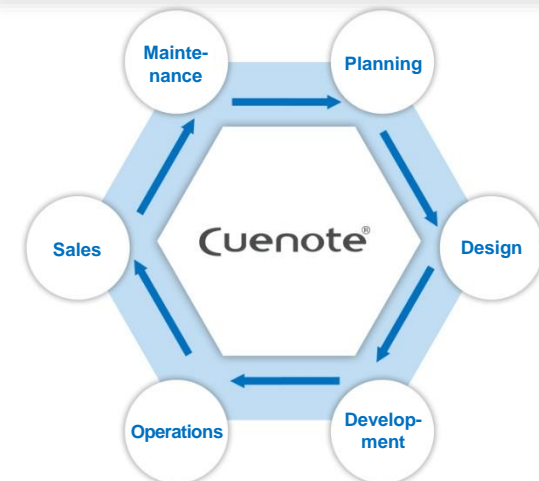
We provide DR (disaster recovery) Plan for natural and man-made disasters by installing infrastructure facilities for services in 6 data centers in 3 areas in Japan.

Highly specialized operation system



To improve reachability and delivery efficiency, a team of experts analyzes more than 7 billion communication records per month and automatically distributes the optimal values as parameters.

Comprehensive strength deployed in a vertically integrated manner



By vertically integrating planning, design, development, sales, and operation, we respond quickly to client requests for service and support.

Clients of Cuenote

Since its launch, Cuenote has gained popularity with many clients.
Over 2,000 contracts

Listed companies
that use Cuenote

261 companies*

Listed companies



Unlisted companies



Government offices



5. appendix

Topics for 2022

March

- Start of contributions to employee share ownership plan
- Number of emails delivered per month exceeded 6.3 billion

April

- The latest version of the Cuenote safety confirmation service is released, SMS-based safety confirmation is now supported

May

- Released Cuenote Auth authentication service
- Case study of introduction by Japan Airlines Co., Ltd. released

July

- Released the latest version of Cuenote Survey with support for Google Analytics 4 (GA4) integration

August

- Released joint research report in collaboration with Writeup Co., Ltd. on the view status of e-newsletters.

September

- Cuenote FC received IT Trend Good Product award

December

- Released new version of Cuenote SMS with multi-factor authentication
- Released case study of introduction by AIN HOLDINGS INC., CyberAgent, Inc., PEANUTS CLUB Co., Ltd., and Future Shop Co., Ltd.
- Number of Cuenote contracts exceeded 2,000
- Number of emails delivered per month exceeded 7 billion

Released Cuenote Auth

Cuenote® Auth



Case study of introduction by Japan Airlines Co., Ltd.



Case study of introduction by CyberAgent, Inc.



Topics: Release related

Released latest version of the Cuenote safety confirmation service

安否確認サービス
Cuenote®

April 2022



The Cuenote safety confirmation service has been extended to enable the use of SMS (short message service) in addition to conventional email as a means of confirming the safety of employees and staff of client companies.

SMS sent to mobile phone numbers have a high open rate and are characterized by their ability to reliably deliver notifications to recipients, which along with the ability to use multiple means of notification (email and SMS), makes safety confirmation more reliable.

Released Cuenote Auth authentication service

Cuenote® Auth

May 2022



Cuenote Auth can execute a series of processes such as authentication code generation, authentication code notification via SMS/IVR, display of the authentication screen and authentication processing, and acquisition of authentication results, simply by making a request to the API.

While this release supports SMS/IVR authentication, other authentication methods, such as email, will be gradually provided to expand the number of supported channels.

Topics: Release related

Released latest version of Cuenote Survey

Cuenote® Survey

July 2022



The web survey form system Cuenote Survey has been extended to enable data acquisition and cross-domain aggregation using GA4, a new property of the web analysis tool Google Analytics.

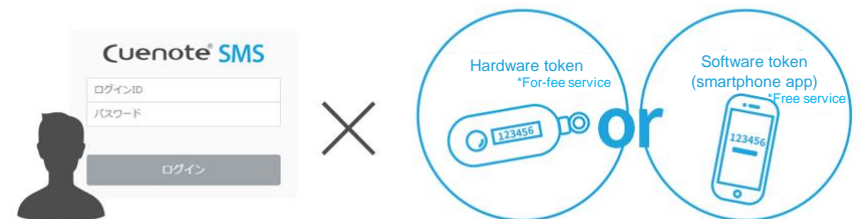
Access to web pages and forms created with Cuenote Survey can be obtained and analyzed with Google Analytics simply by entering an GA4 measurement ID starting with 'G-' on the Cuenote Survey management screen.

Released new version of Cuenote SMS with multi-factor authentication

Cuenote® SMS

December 2022

Compatible with multi-factor authentication that uses IDs and passwords in addition to one-time passwords



Cuenote SMS now supports multi-factor authentication with one-time passwords (*1) as part of stricter security measures, enhancing security functions.

The display of one-time passwords is compatible with both hardware and software tokens (*2), and this function is provided as a standard feature of Cuenote SMS.

(*1) One-time passwords are disposable passwords that are valid only once.

(*2) A token is a device that displays a one-time password.

Hardware tokens, which display the password on a dedicated device such as a keyring type, and software tokens, which display the password by downloading a dedicated app on a smartphone, are commonly used.

Topics: Case studies



JAPAN AIRLINES

Japan Airlines Co., Ltd.

Relay server

Abundant experience and fast, reliable delivery performance trusted by JAL



CyberAgent, Inc.

SMS

Stable operation of SMS authentication infrastructure for 25 million members



PEANUTS CLUB Co., Ltd.

SMS

Six-fold increase in the number of operations and a three-fold increase in the payment arrival rate were achieved from the first delivery after an instant decision to introduce the service

cake⁺JP

Cake.jp Co., Ltd.

Email delivery

Delivery costs reduced by 70%. Strengths of simplicity and speed chosen by 600,000 newsletters



Future Shop Co., Ltd.

Email delivery

Promotional mailings that helped achieve 150% sales over the previous year

TRIBECK CX Consulting Partner

Tribeck Inc.

Email delivery

Trust by our partner to support the distribution of 2.8 million emails, three times per day

About products

Email delivery system

Cuenote[®] FC



SaaS

Software

This is an email delivery system that is equipped with large-scale, high-speed delivery performance and extensive marketing functions thanks to a unique delivery engine (MTA) developed by us.

This system aims to improve the arrival rate by analyzing more than 7.0 billion communications per month, thanks to which it can fast and reliable delivery even for large-scale email delivery in which the number of recipients is in excess of tens or hundreds of millions.

Email delivery system

Cuenote[®] SR-S



SaaS

Software

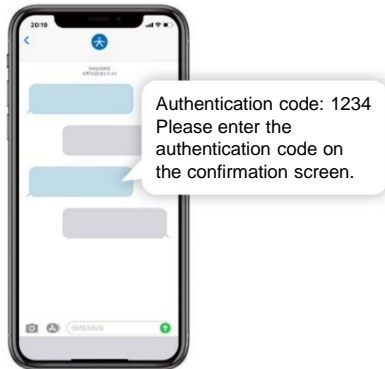
It is an email relay server that relays SMTP through DNS settings to eliminate email delivery delay and non-delivery.

It includes a delivery error reason analysis function and supports API-based document creation and delivery.

About products

SMS delivery service

Cuenote[®] SMS



SaaS

This is a direct carrier access-type SMS delivery service.

It supports IVR and two-way communication for sending from API and screen.

It can be used for purposes such as identity verification, important notifications and guidance, demands, promotions, the optimization of call business, etc.

Authentication service

Cuenote[®] Auth



SaaS

A secure authentication service utilizing SMS and IVR through phone numbers.

The authentication process can be easily implemented just by making a request to the API, after which an authentication code will be created and sent.

It can be used for purposes such as identity verification, measures against resale for EC websites, unauthorized access prevention, etc.

About products

Online survey and form system

Cuenote® Survey



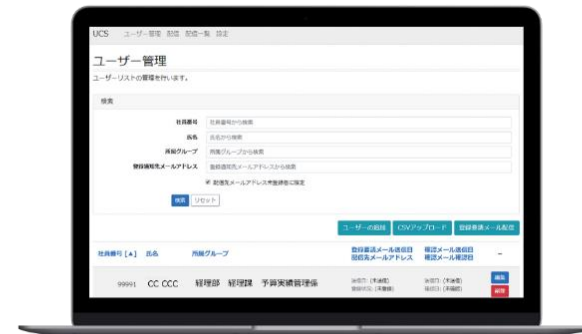
SaaS

This is a web survey form system provided in SaaS that enables the creation of advanced surveys and secure forms using a web browser (without code).

It supports responsive design, multiple languages, and integrated landing page (LP) forms for use in various situations.

Safety confirmation service

安否確認サービス Cuenote®



SaaS

This is a safety confirmation service that is linked with weather information, and in the event of disaster, it can automatically confirm the safety status of the employees in the affected area.

The Cuenote safety confirmation service provides disaster and emergency support through excellent operability that enables quick notification creation with fast and reliable delivery performance even in times of emergency, allowing you to quickly confirm the safety of members and summon an emergency meeting.

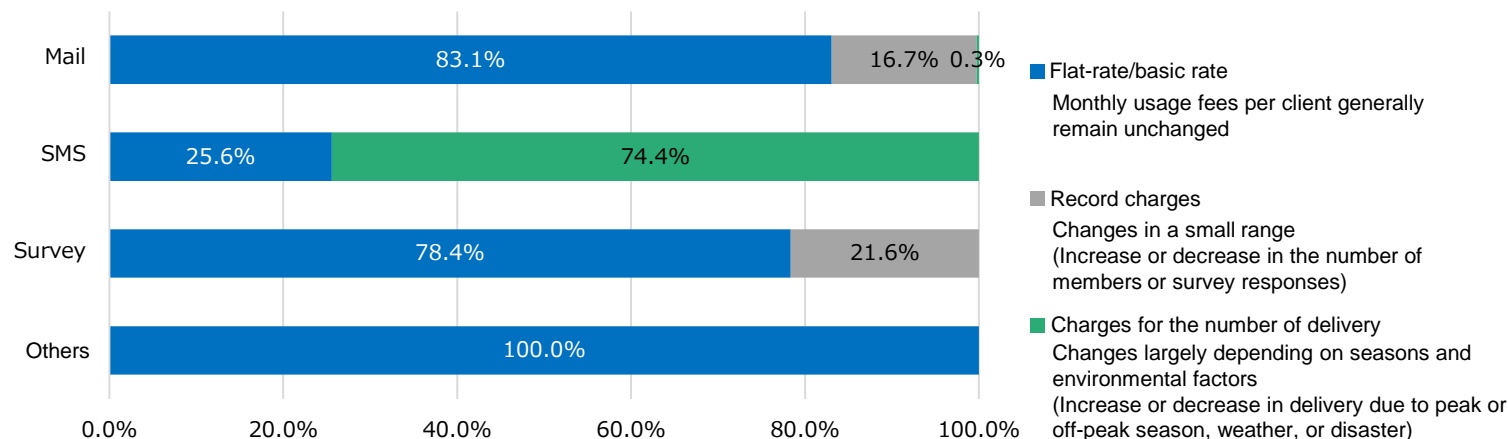
Sales classification

One-time-fee sales

One-time revenue such as initial setup sales and license sales at the time of service launch, and customization sales

Recurring fee sales

Revenue that is expected to continue, such as sales from SaaS service usage and software maintenance service
Different services and plans have different price determination factors



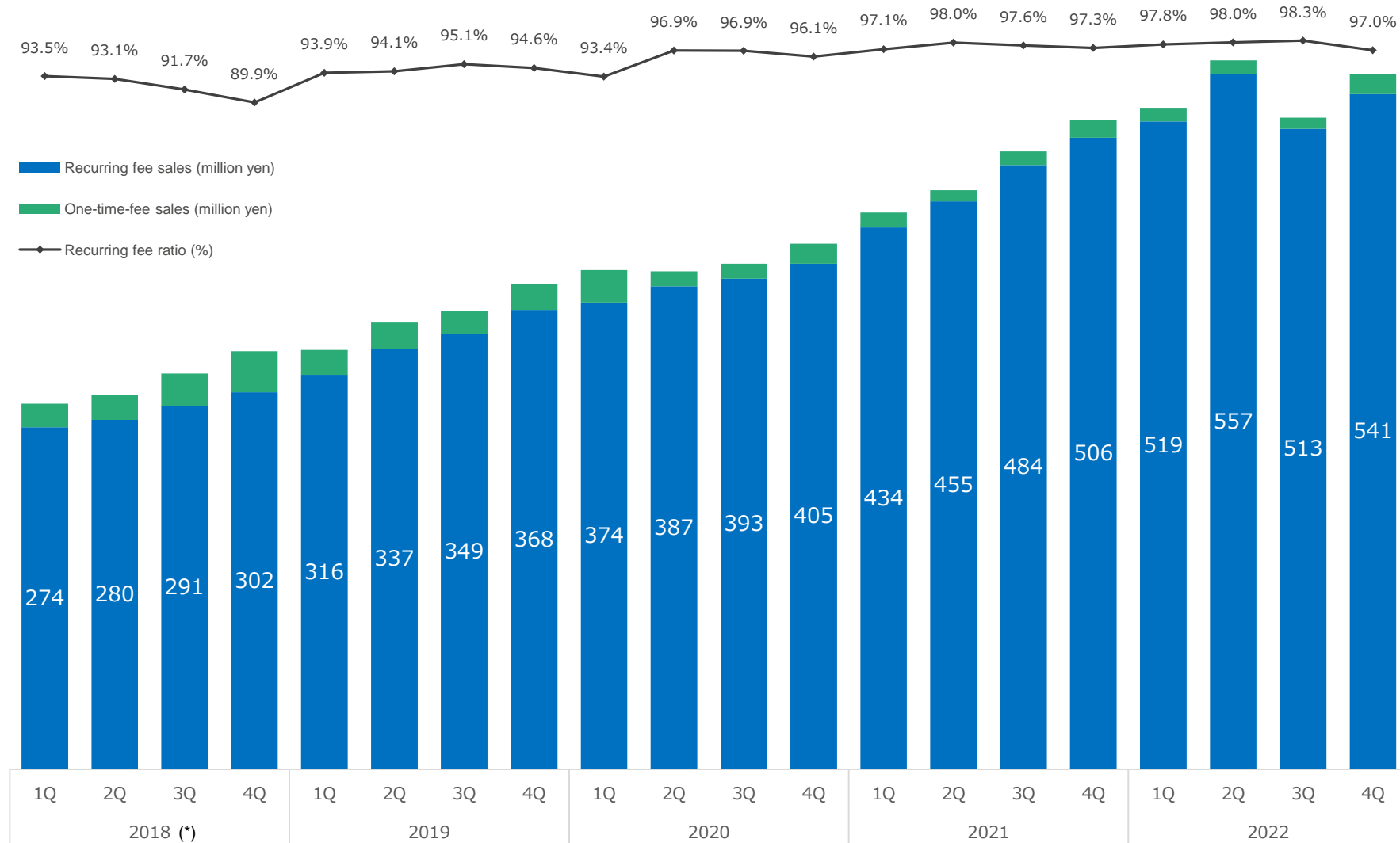
Recurring fee sales ratio

(Note) The above recurring fee sales composition graph shows the actual results for the period from January to December 2022

Quarterly sales development by accounting items (recurring/one-time-fee)



High recurring fee sales ratio

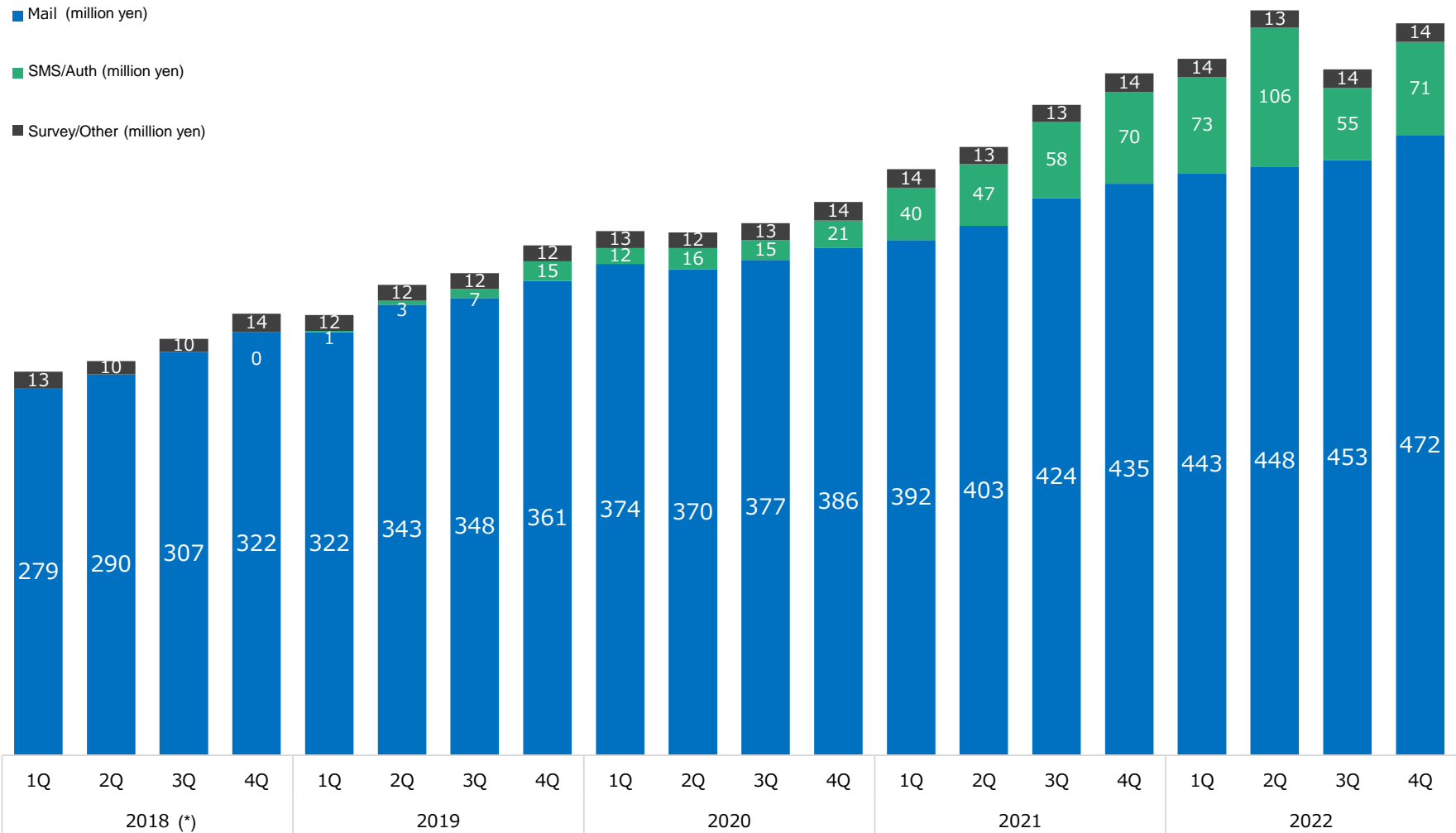


(*) Figures for the fiscal year ended December 31, 2018 are unaudited figures

Quarterly sales development - Ratio of net sales (Mail, SMS, Survey and other services)



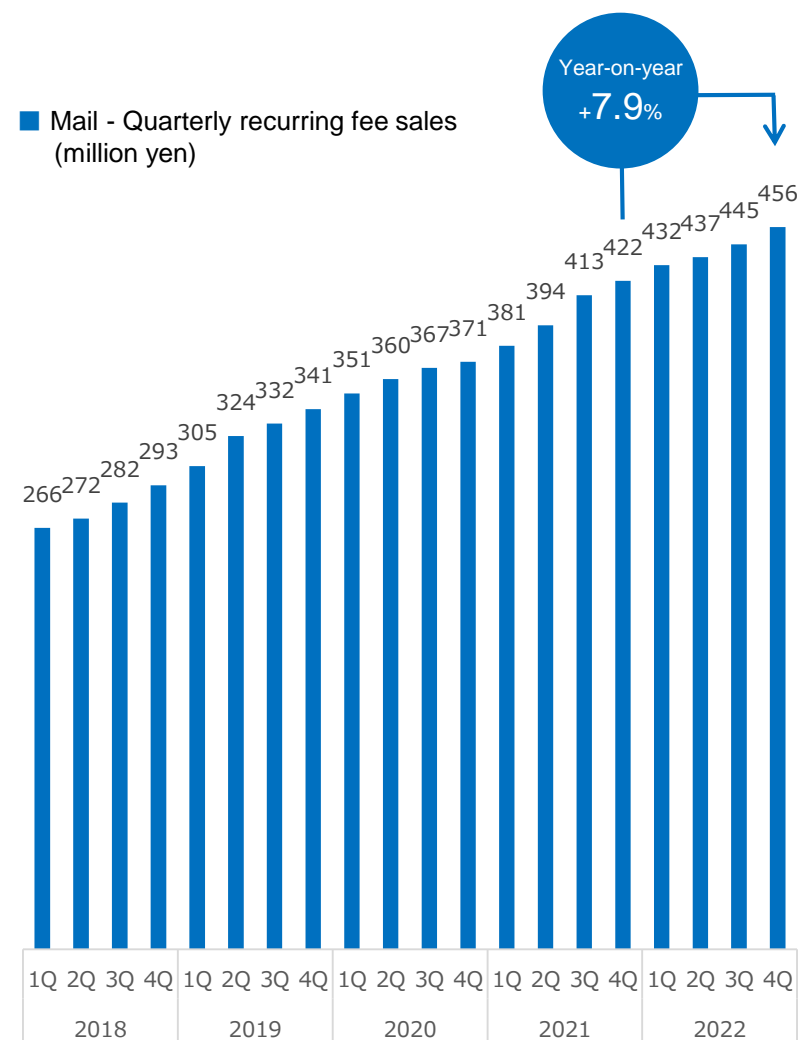
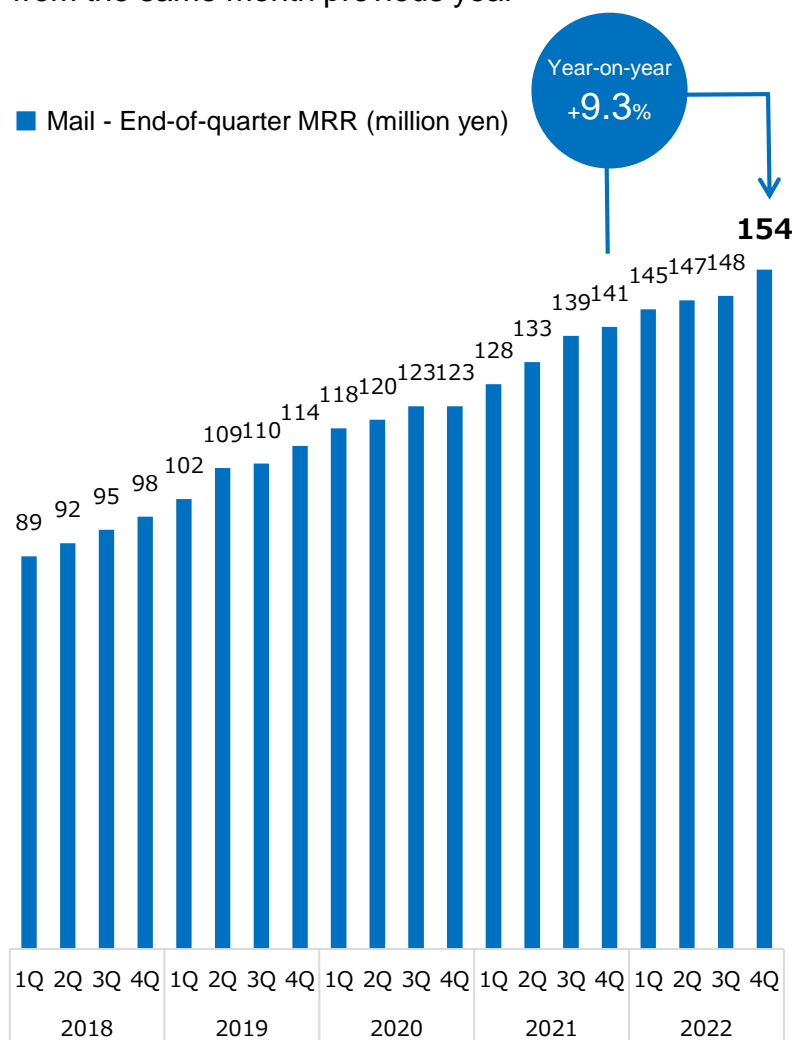
Mail steady, SMS also up, although with large fluctuations



(*) Figures for the fiscal year ended December 31, 2018 are unaudited figures

Mail End-of-quarter MRR (*1)/Quarterly recurring fee sales

End-of-quarter MRR increased by 13 million yen (9.3%) and Q4 recurring fee sales increased by 7.9% to 456 million yen from the same month previous year

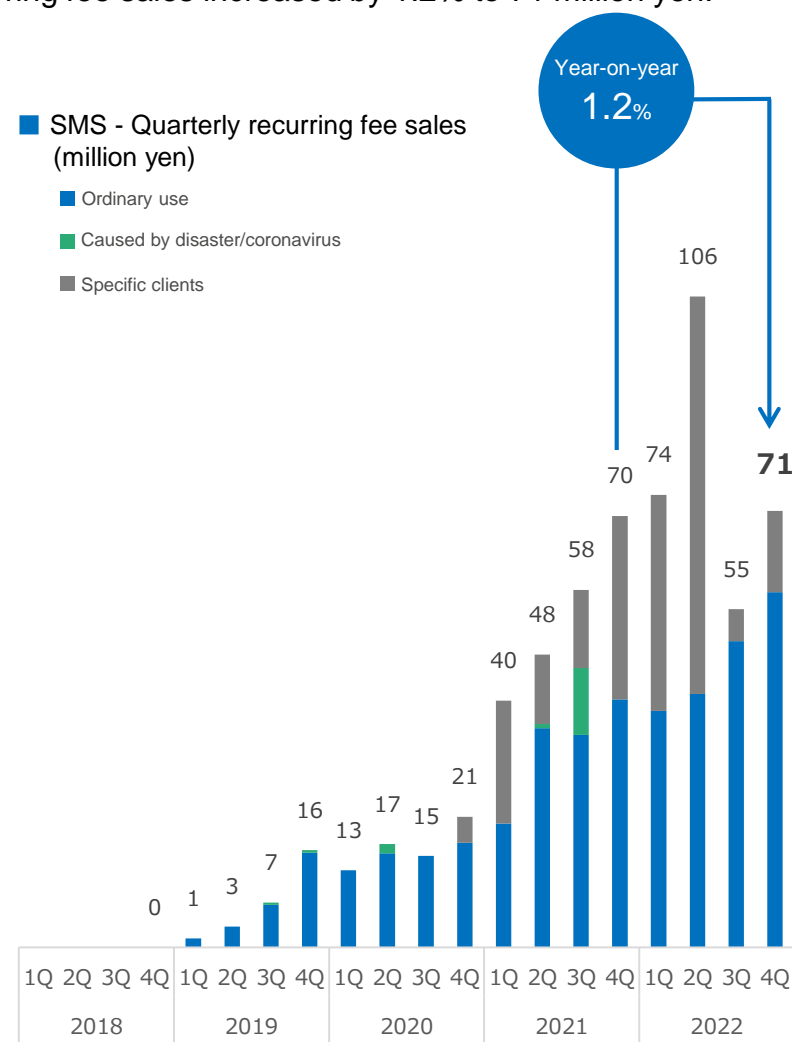
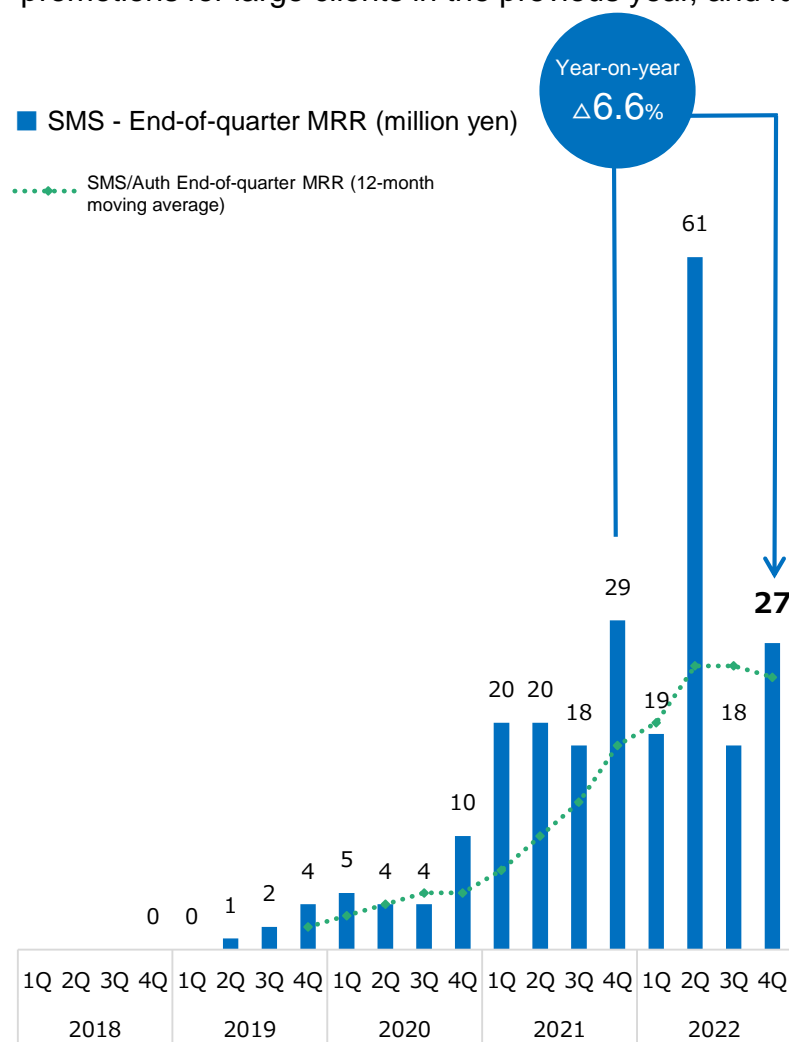


(*1) MRR(Monthly Recurring Revenue):

Revenue from contracts that stipulate services or use for a certain period of time, such as sales from SaaS service usage and maintenance service for purchase type software

SMS/Auth End-of-quarter MRR/Quarterly recurring fee sales

Despite an increase in the number of contracts, end-of-year MRR declined slightly due to usage of one-time sales promotions for large clients in the previous year, and full-year recurring fee sales increased by 1.2% to 71 million yen.



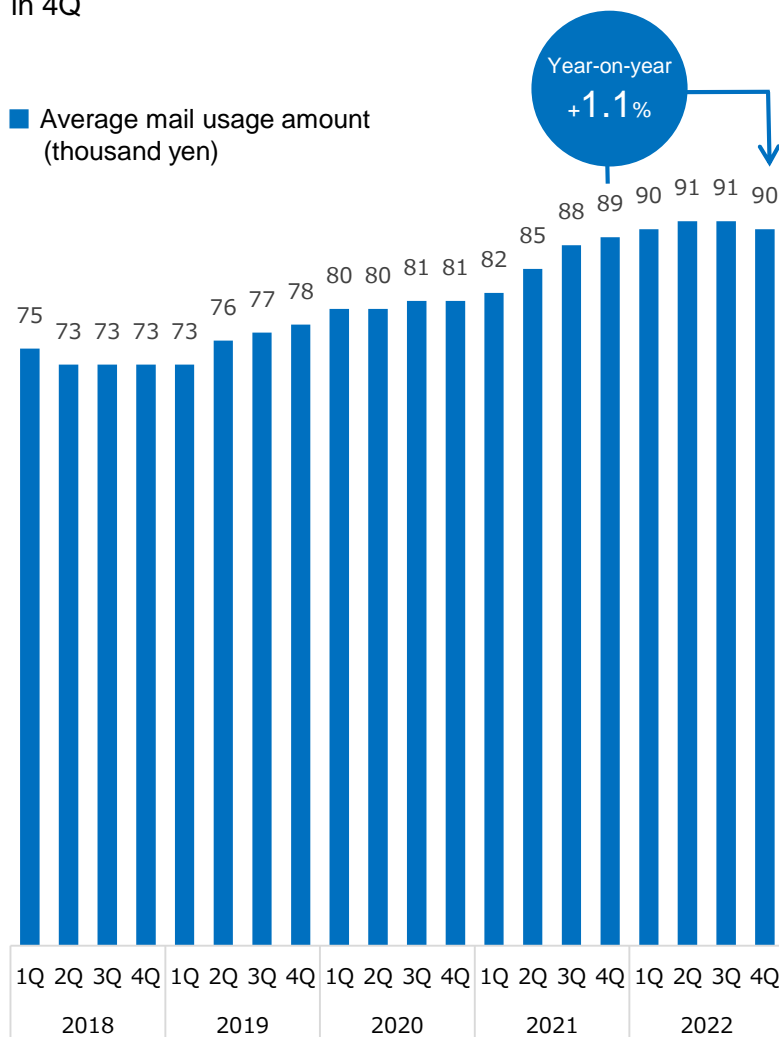
Note: Pay-per-use sales based on the number of delivery account for 74.4% of SMS service usage sales (results for January to December 2022)

The number of monthly delivery may increase or decrease due to seasonal factors such as peak season and off-peak season or environmental factors such as climate and disasters

Average usage amount per contract - quarterly (*1)

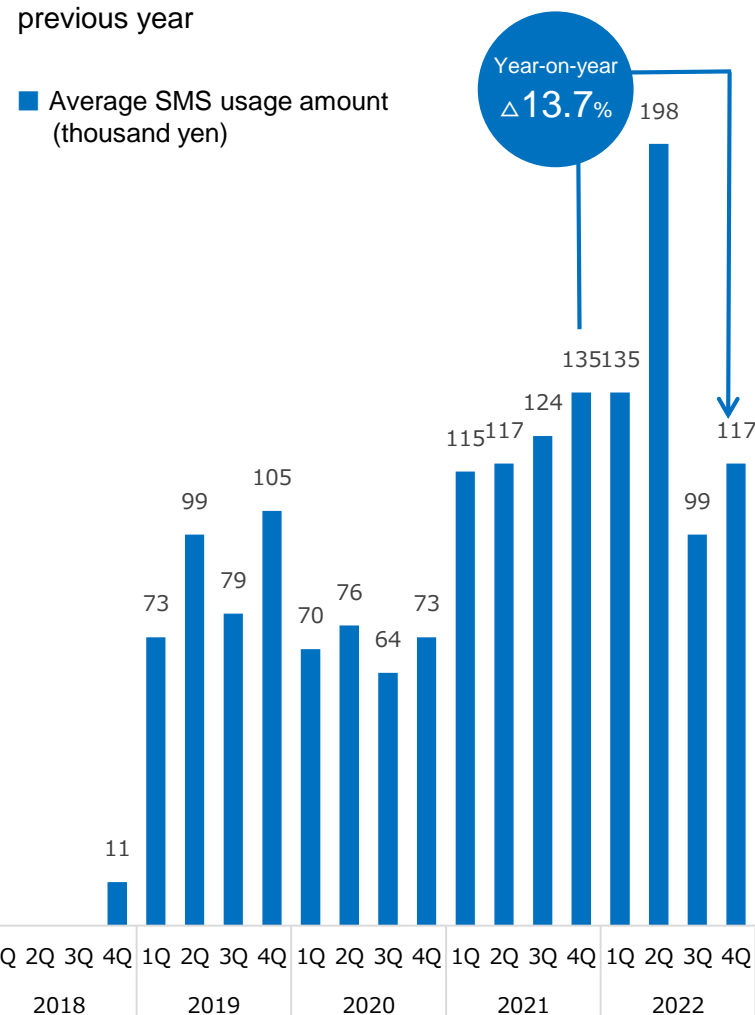
Mail

Slight increase YoY due to increase in orders for low-cost plans in 4Q



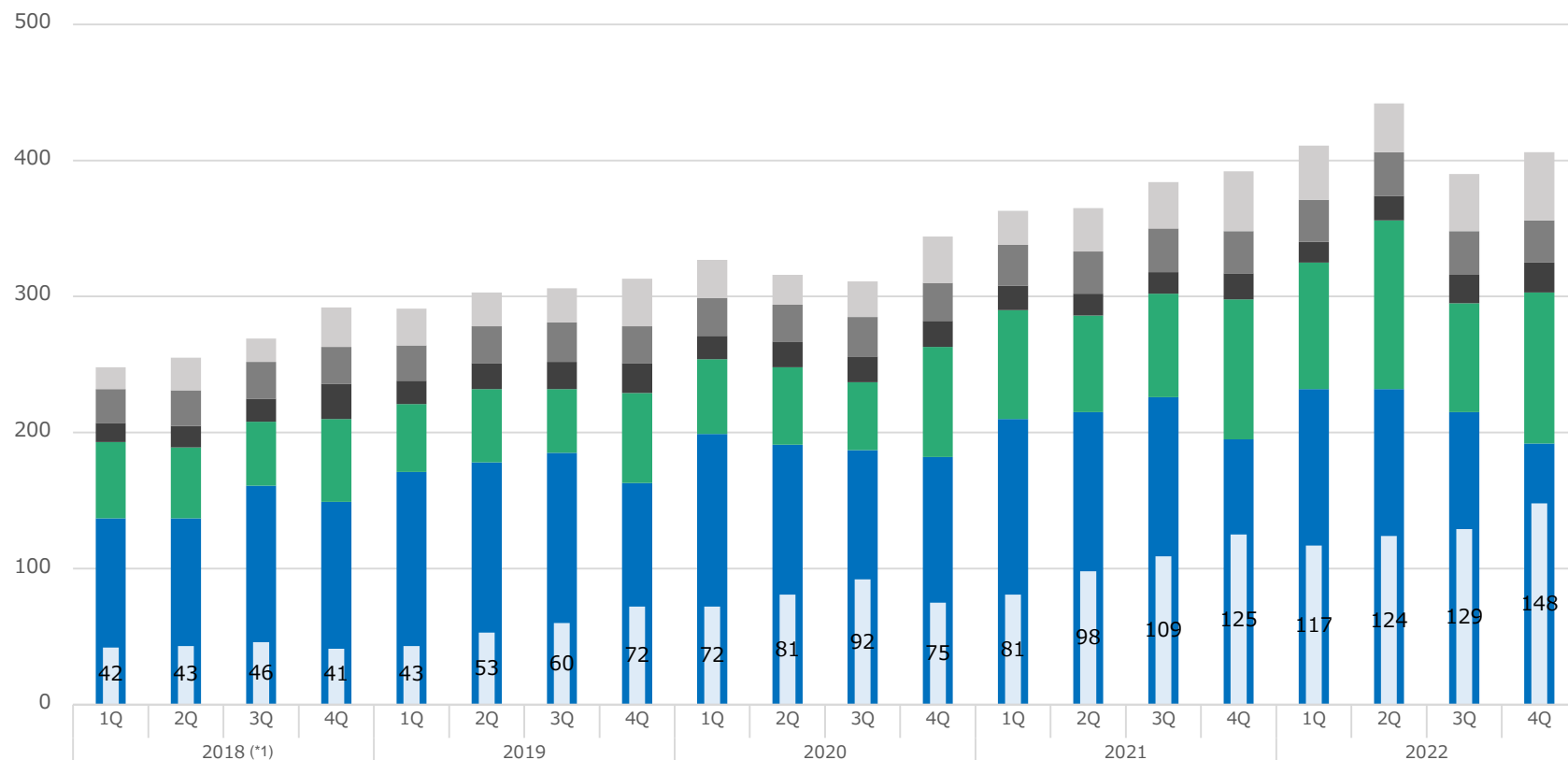
SMS

Decrease in average usage amount due to a reduction in use for one-time sales promotions by large clients compared to the previous year



(*1) One-off sales (one-time-fee sales) such as initial setting and customization are not included in the average usage amount per contract
This is calculated by the formula: <Total quarterly recurring fee sales / Total number of quarterly contracts>

Growth of quarterly operating expenses and operating profit



	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Others	16	24	17	29	27	25	25	35	28	22	26	34	25	32	34	44	40	36	42	50
Rent and utility expenses	25	26	27	27	26	27	29	27	28	27	29	28	30	31	32	31	31	32	32	31
Depreciation expenses	14	16	17	26	17	19	20	22	17	19	19	19	18	16	16	19	15	18	21	22
Server/DC, stocking, etc.	56	52	47	61	50	54	47	66	55	57	50	81	80	71	76	103 (*2)	93	124	80	111
Personnel expenses	137	137	161	149	171	178	185	163	199	191	187	182	210	215	226	195	232	232	215	192
Operating profit	42	43	46	41	43	53	60	72	72	81	92	75	81	98	109	125	117	124	129	148
Operating profit ratio	14.4%	14.6%	14.5%	12.4%	12.9%	15.0%	16.3%	18.6%	18.1%	20.4%	22.8%	17.9%	18.1%	21.1%	22.1%	24.1%	22.2%	21.8%	24.8%	26.6%

(*1) Figures for the fiscal year ended December 31, 2018 are unaudited figures

(*2) Q4 of the fiscal year ended December 31, 2020 saw a temporary increase in expenses for server/DC and stocking, etc., due to demands for remote working environments (acquisition of PCs and security software, etc.)

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