COMPANY RESEARCH AND ANALYSIS REPORT

OPTiM Corporation

3694

Tokyo Stock Exchange Prime Market

15-Jul.-2026

FISCO Ltd. Analyst
Hideo Kakuta

FISCO

FISCO Ltd.

https://www.fisco.co.jp

Contents

Summary

Closed FY3/26 with 26th consecutive fiscal year of sales growth and record-high operating profit; smart agriculture field driving growth

OPTiM Corporation <3694> (hereafter, also "the Company") is a venture company specializing in AI and IoT technologies. It is aiming to be a leading company in the Fourth Industrial Revolution by making its mainstay OPTiM Biz and OPTiM AIR (formerly OPTiM Cloud IoT OS) the de facto standards. From the start, it has been developing technologies with a focus on creating never-before-seen services, and owns a number of patents related to these technologies (606 patents granted, as of March 2026). The Company has major companies from a wide range of industries among its partners, and its technological capabilities and potential have been highly evaluated both internally and externally. In 2014, it was listed on the Tokyo Stock Exchange (TSE) Mothers Market, and upgraded to the TSE First Section in 2015. The Company transferred to the Prime Market in conjunction with the reorganization of TSE markets in April 2022.

1. Business description

The Company had previously operated as a single segment, the Optimal Business. However, due to the substantial growth and rising importance of the agritech field, it changed its reportable segments from FY3/26 to two segments: the AX (AI Transformation) Business and the Agritech Business. In the AX Business, the Company offers IT Management AX Services, and also leverages its OPTiM AIR DX/AX service platform to deploy AX services in various industries other than the agricultural field (construction/civil engineering, healthcare, office, communications, and others). IT Management AX Services include OPTiM Biz and OPTiM Biz Premium, which are Mobile Management Services that manage a variety of devices in the cloud and handle operations management, asset management, security policy configuration, and so forth within organizations. These have held the No. 1 market share for 15 consecutive years. The AX Business accounts for 77.5% of the Company's net sales (FY3/26) and 110.1% of its operating profit (FY3/26). The Agritech Business offers a wide range of innovative Smart Agriculture Services (e.g., Agri Buddy) that leverage drones and AI, with the Pinpoint Time Spraying service being an example. The business is growing rapidly and accounts for 22.5% of net sales (FY3/26). As the Company is in an upfront investment phase, it posted an operating loss of ¥460mn (operating margin of -17.4%). However, its margins are trending towards improvement. Since its founding, the Company has used technology and intellectual property strategies as a platform for innovative market entry, and several of its services have the No. 1 share of the Japanese market. It has built a business model based on license income, and in the AI/IoT field, it is strengthening collaboration with prominent companies in each industry.

2. Results trends

In its FY3/26 consolidated results, the Company recorded ¥11,731mn in net sales (up 10.9% year on year (YoY)), ¥1,969mn in operating profit (up 0.8%), ¥1,950mn in ordinary profit (up 4.7%), and ¥1,114mn in profit attributable to owners of parent (down 5.4%). This marks its 26th consecutive fiscal year of sales growth since its founding as well as record-high operating profit. The growth in net sales was driven by the Agritech Business (up ¥0.90bn) and AX services in the AX Business (excluding Other Services, up ¥0.42bn). In the Agritech Business, Smart Agriculture Services, particularly the Drone Pesticide Spraying AX Service, have grown on the back of an increase in pests and diseases due to climate change and a shift from helicopters to drones, with the Company's AX service becoming Japan's largest drone pesticide spraying service. In the AX Business, steady growth in IT Management AX Services centered on OPTiM Biz was complemented by contributions from the OPTiM Document Management Series Office AX Services, the new OPTiM Support & Growth Portal Communication AX Services, and the OPTiM Geo Scan Construction & Civil Engineering Services, among others.

3. Growth strategies and topics

The Company's Agritech Business has seen expanded adoption mainly through its drone-based precision pesticide spraying service. However, it has entered its next phase in the form of its Smart Agriculture Service Platform "Agri Buddy." Agri Buddy aims to provide Smart Agriculture Services that support every process from crop cultivation to sales. It is intended to facilitate a shift from the vertically integrated cultivation model, in which a single producer handles all processes—a model characteristic of Japanese agriculture—to a horizontal division-of-labor cultivation model that leverages Smart Agriculture Services. The Company's service offerings have been significantly expanded beyond drone-related operations to include the likes of tasks using autonomous tractors for land leveling, plowing, and harvesting, as well as field ridge weeding using mowing robots. Actual service offerings along these lines have already commenced. The Company states that its rollout of drone-related services for crops other than rice (citrus fruits, etc.) is also accelerating. There are growing expectations that these services will help address the slow progress in farmland consolidation, one of the barriers faced by agriculture in Japan.

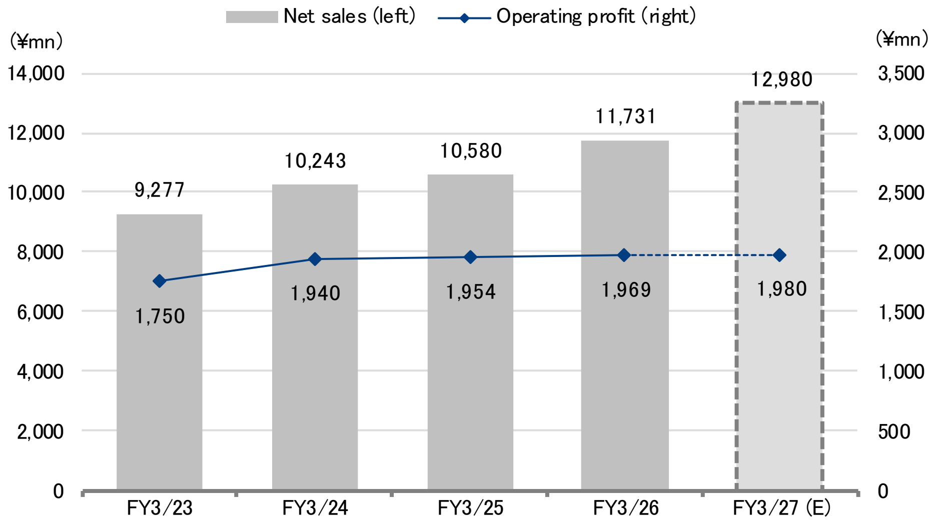
4. Outlook

In its FY3/27 consolidated results forecast, the Company is predicting net sales to increase 10.6% YoY to ¥12,980mn and operating profit to increase 0.5% to ¥1,980mn, indicating continuous growth in both sales and operating profit. However, it plans to continue aggressive growth investments targeting development of the total addressable market worth ¥160tn, with the goal of continuing to be a leading company in the Fourth Industrial Revolution. The Company is striving to establish a new record high for net sales for the 27th consecutive year since its founding by maintaining the steady YoY growth rate of 10% it has achieved in previous fiscal years. On the profit front, the Company expects moderate growth assuming proactive investment centered on human resources. By segment, it is forecasting segment profit in the AX Business of ¥4.98bn (down ¥0.01bn), in line with the previous fiscal year. In the Agritech Business, where growth is accelerating, the Company is predicting a segment loss of ¥0.35bn (¥0.46bn loss in the previous fiscal year), indicating that it has moved past the peak of upfront investment. With AI utilization becoming more widespread across various industries, competing technologies and services are also emerging in some areas. This is an important time for the Company to secure its competitive advantage. FISCO believes making proactive investments in FY3/27 is a prudent decision.

Key Points

- Closed FY3/26 with 26th consecutive fiscal year of sales growth since founding and record-high operating profit; agritech field driving growth
- Smart Agriculture Services will grow in FY3/27, driving double-digit sales growth. Aiming for record-high operating profit while continuing growth investment
- Launched the Smart Agriculture Service Platform “Agri Buddy.” Promoting expansion of OPTiM Biz Premium sales
- Launched a shareholder return policy through shareholder benefits. Accelerating efforts aimed at complying with listing maintenance criteria

Results trends



Source: Prepared by FISCO from the Company’s financial results

Company profile

Aiming to achieve industry innovation with proprietary AI, IoT, and robotics technologies

1. Company profile and history

The Company is a venture company specializing in AI and IoT technologies that was established by the current President and Representative Director Shunji Sugaya and his friends in 2000 when he was a student at Saga University. With “We make the Internet as simple as breathing” as its mission statement, it is aiming to be a leading company in the Fourth Industrial Revolution by making its OPTiM AIR the de facto standard. The Company considers its sole reason for existence to be the creation and realization of innovation, and is distinguished by making a large number of inventions since its foundation, including achieving 606 patents granted as of March 2026. The total number of employees is 444 (as of April 1, 2025), and the majority of these are involved in development.

Although the Company's main business was initially Internet video advertising services, it concluded a technology-license agreement with Nippon Telegraph and Telephone East Corporation (hereafter, "NTT East") in 2006, and used this opportunity of providing automated Internet connection tools that utilize AI to convert to an optimal business (its coined term for a business that aims to make the Internet as simple as breathing and optimize the world of tomorrow). In 2009, it started to provide the Optimal Biz (now OPTiM Biz) management platform for PCs. While the Company has been offering a variety of products and services up until now, its value of "smartly operating remote devices" has remained consistent even as its fields covered and technologies change.

From around 2011, to respond to the trend to shift from PCs to mobile devices throughout the world, the Company developed a management platform compatible with multiple devices, including smartphones and other devices. It is currently promoting OPTiM AIR, which expands and evolves this platform, to make it the de facto standard. From 2013, it entered into the area of unlimited-usage services for software and content, and broadened the scope of its business model.

In 2015, the Company made fully fledged its "oo x IT" initiative to use IT to bring about reforms in industry. It started projects with its partner companies and organizations in fields including construction and agriculture. In the construction industry, four companies, including Komatsu Ltd. <6301>, jointly started LANDLOG, a new platform for the construction production process in 2017. The Company started provision of OPTiM Land Scan (now, OPTiM Geo Scan), a straightforward high-precision 3D surveying app that can be used by anyone with an iPad Pro and is the first of its kind in the world, in 2020. Currently, the cumulative number of license agreements has exceeded 2,000. In the agriculture, forestry and fisheries industries, in 2016 the Company succeeded with a demonstration experiment for pest control using drones in the agriculture field. Moreover, in 2018, the Smart Agriculture Alliance, which is led by the Company, grew to a nationwide scale and carried out full-scale harvesting of crops, including rice and soybeans. The Company has also made remarkable headway in the healthcare field, where its AI/IoT platform OPTiM AIR is being used in the network support system of the "hinotori™ Surgical Robot System," Japan's first surgical assistant robot system that was developed by Medicaroid.

The Company has major companies from a wide range of industries among its partners, and its technological capabilities and potential have been highly evaluated both internally and externally. In 2020, the Company established OPTiM Bank Technologies Corporation, a joint venture with THE BANK OF SAGA LTD. <8395> aimed at planning and selling solutions that utilize AI and IoT. In 2021, the Company participated in the establishment of NTT e-Drone Technology Corporation with NTT East and others to promote use of domestic drone services, and established DXGoGo Corporation, a joint venture with KDDI CORPORATION <9433> to assist Corporate DX with product planning that uses AI and IoT. These are examples of how the Company is accelerating efforts to expand business through collaboration with major companies.

In 2014, the Company was listed on the TSE Mothers Market, rising quickly to the TSE First Section in 2015. The Company transferred to the Prime Market in conjunction with the reorganization of TSE markets in April 2022.

2. Business description

The Company had previously operated as a single segment, the Optimal Business. However, due to the substantial growth and rising importance of the agritech field, it changed its reportable segments from FY3/26 to two segments: the AX Business and the Agritech Business. In the AX Business, the Company offers IT Management AX Services, and also leverages its OPTiM AIR DX/AX service platform to deploy initiatives and services to achieve DX in various industries other than the agricultural field (Construction & Civil Engineering Services, Healthcare AX Services, Office AX Services, Communications AX Services, and Other Services). IT Management AX Services include OPTiM Biz and OPTiM Biz Premium, which are Mobile Management Services that manage smartphones, tablets, and various other devices in the cloud and handle operations management, asset management, security policy configuration, and so forth within organizations. These have held the No. 1 market share for 15 consecutive years. The AX Business accounts for 77.5% of the Company's net sales (FY3/26) and 110.1% of its operating profit (FY3/26). The Agritech Business offers a wide range of innovative Smart Agriculture Services (e.g., Agri Buddy) that leverage drones and AI, with the Pinpoint Time Spraying service being an example. The business is growing rapidly and accounts for 22.5% of net sales (FY3/26). As the Company is in an upfront investment phase, it posted an operating loss of ¥460mn (operating margin of -17.4%). However, its margins are trending towards improvement.

Business description and performance by segment

Segment	Business and service description	FY3/26	
		Sales breakdown	Operating margin
AX Business	• IT Management AX services (OPTiM Biz, OPTiM Biz Premium, OPTiM AIRES, OPTiM Collaboration Portal, etc.) • Construction & Civil Engineering AX Services (OPTiM Geo Scan, etc.) • Healthcare AX Services (OPTiM AI Hospital, etc.) • Office AX Services (OPTiM Document Management, OPTiM Contract, OPTiM Electronic Bookkeeping, etc.) • Communication AX Services (Official Municipal Super App, OPTiM Support & Growth Portal, etc.) • Other Services (services for general consumers, single fiscal-year one-time projects, etc.)	77.5%	110.1%
Agritech Business	• Smart Agriculture Services (Agri Buddy, etc.)	22.5%	-17.4%

Source: Prepared by FISCO from the Company's results briefing materials

The net sales composition of the AX Business consists of stock-based revenue and flow-based revenue, with these breaking down into roughly 80:20. The Company's basic strategy is to maximize stock-based revenue (license income), which offer stable revenues, so it is prioritizing the establishment of its own products and services. Therefore, although it is engaging in customized development (flow-based revenue) that will lead to stock-based revenue in the future, it is lowering the priority given to other types of customized development. A factor that can be cited as one that enables the Company to sustain its record-setting 26 consecutive fiscal years of sales growth is its business model that builds stock-based revenue.

Business overview

OPTiM Biz, one of the Company's Mobile Management Services is the pillar of its stock-based revenue

1. Market trends

The Company's growth is supported by the development of the Fourth Industrial Revolution*1. In recent years, the Internet of Things (IoT), including network cameras, sensors, and wearable devices, has spread rapidly beyond PCs and mobile devices. The accelerating increase in Big Data will drive the use of AI to guide users to the useful information within. It can be said that one of the Company's strengths is its provision of solutions that hold the key to advancing the Fourth Industrial Revolution. These include OPTiM Biz that manages IoT devices and the OPTiM AIR platform to use IoT and AI. The market that the Company targets is a massive market that is growing, with an estimated potential of ¥160tn (45.0 billion devices x ¥300/month*2).

*1 The major changes to the industrial structure and the creation of new economic value through the development of information and communication technologies, including IoT, AI, and Big Data.

*2 "45.0 billion devices" is the estimated number of IoT devices shipped according to the "2019 White Paper on Information and Communications in Japan," Ministry of Internal Affairs and Communications. ¥300/month is the average monthly unit price of OPTiM Biz.

2. The Company's business areas: AX Business

(1) IT Management AX Services: OPTiM Biz and OPTiM Biz Premium Mobile Management Services

OPTiM Biz is the Company's mainstay service that was launched in 2009. It is classified as a corporate MDM tool and is capable of easily managing devices, such as smartphones, tablets, PCs, and IT equipment, and implementing security measures, from a browser. In February 2025, the Company carried out a large-scale upgrade of the service, including the integration of an AI agent, and changed its brand name from Optimal Biz to OPTiM Biz. The Company provides this service through numerous sales partners, including KDDI; NTT East; FUJIFILM Business Innovation Corp., which is a Group company of FUJIFILM Holdings Corporation <4901>; Panasonic Solution Technologies Co., Ltd., which is a Group company of Panasonic Holdings Corporation <6752>; RICOH JAPAN Corp., which is a sales subsidiary of RICOH COMPANY, LTD. <7752>; and OTSUKA CORPORATION <4768>. It also provides Optimal Biz on an OEM basis as a service of sales partners and receives license fees based on the number of devices (¥300/month as the standard price per single-device end user). The domestic MDM market is growing at a steady rate of over 10% annually and was worth a total of ¥18.7bn as of 2024*. The Company has solidified a position as the de facto standard with a No. 1 share (52.3%) secured in the market for 15 consecutive years and deployments at more than 180,000 companies. In addition, the average churn rate was significantly lower than the industry average for subscription services at approximately 0.5%, highlighting the high level of customer satisfaction. Since the start of the COVID-19 pandemic, telework has been increasingly utilized regardless of company sector or size, and the number of licenses has been steadily increasing with heightened needs for management and security measures for computers and smartphones used for work. In September 2025, the Company enhanced its standard features of OPTiM Biz by integrating OPTiM AIRES, an AI chat agent for IT support, and incorporating peripheral functions. Furthermore, in October 2025, the Company launched Japan's first next-generation IT Management AX Service (according to the Company's research as of October 2025), OPTiM Biz Premium, which integrates the various IT operations support services the Company has provided to date, based on OPTiM Biz, at a monthly fee of ¥980 per ID.

* Source: "Market Outlook for Collaboration and Mobile Management Software – Fiscal Year 2024 Edition," Deloitte Tohmatsu MIC Research Institute Co., Ltd.

(2) Construction & Civil Engineering AX Services

The Company was the first in the world to develop OPTiM Geo Scan, an application that has sparked industrywide interest. High-precision 3D data can be acquired simply by scanning earth structures or other survey objects with a smartphone or tablet device equipped with a LiDAR sensor. Even at small-scale worksites where drones or laser scanners cannot be used, the app demonstrates its superiority, and, compared to conventional electro-optical surveying, the time required can be reduced by up to 60%. No specialized knowledge is required, and surveying can be easily performed by one person, so it can also help address shortages in engineers and other personnel. The app was launched in 2021, and since then, the Company has developed various options and peripheral devices such as the terrestrial laser scanner OPTiM Geo Scan Advance, to further improve its convenience. Recently, the Company has been evolving the app into an everyday operational app that not only fulfills measuring needs, but also covers other tasks required at construction sites (design, piling, positioning, and material calculations). Also, OPTiM Geo Scan Corporate License is a one-stop service providing all the equipment necessary for using Geo Scan, offering functions from asset management to full-assistance technical support. It has been adopted by Shimizu Corporation <1803> and many other major construction companies. In July 2025, the Company launched Geo Scan Supreme, which enables surveying with millimeter-level accuracy, making it possible to handle construction tasks that require high surveying precision, such as paving and structural work. The Company estimates the total addressable market for the digital construction field to be ¥360.0bn.

(3) Healthcare AX Services

Rising medical costs due to the declining birthrate and aging population and labor shortages in hospitals are becoming serious issues. The Company combines IoT and AI technologies in the healthcare field as well and strives to resolve various issues in medicine. One example is “Pocket Doctor,” a remote healthcare consultation service, announced in 2016. The Company started OEM supply of the “Online Healthcare Platform,” which facilitates straightforward and quick development of online healthcare systems, in 2020. It also jointly developed the Medicaroid Intelligent Network System (MINS) jointly with Medicaroid Corporation in the same year. MINS is a network support system platform designed to assist the surgical assistance robot system for Japan’s first surgical assistance robot “hinotori™ Surgical Robot System” developed by Medicaroid, assist safe and efficient utilization of surgical rooms, and assist in transfer and inheritance of surgical techniques. It is an open platform on which information, including the various sensors installed in hinotori™ Surgical Robot System, endoscopic videos, and videos of the entire operating room, is collected, analyzed, and provided in real time. It was developed based on the Company’s OPTiM Cloud IoT OS. The “hinotori™ Surgical Robot System” and “MINS” are already being installed at several hospitals, where they are used in surgeries in the fields of urology, digestive system surgery, and gynecology. In November 2024, the Company started providing OPTiM AI Hospital, an on-premise LLM model to help doctors and nurses carry out document creation tasks using generative AI, and its adoption is progressing smoothly. It ensures high levels of security through an on-premise operating environment which is not connected to the Internet, and by enabling the safe use of generative AI, it is capable of reducing the time spent on document creation by approximately 50%. In May 2025, the Company concluded a business and capital alliance with Central Medience, a medical group operating three hospitals, including Hamada Hospital, in which it agreed to advance joint development of DX and AI services for the healthcare industry. The Company estimates the total addressable market for the digital health field to be ¥150.0bn.

(4) Office AX Services

In office environments facing the challenges of eliminating labor shortages and workstyle reforms, the Company provides services that can efficiently and accurately process various document management-related operations using its strengths in AI. Its representative service is OPTiM Contract, an AI contract management service that uses AI technology to facilitate tasks such as document searches and the management of expiration dates. OPTiM Electronic Bookkeeping is an AI transaction information (records) management service that uses AI to make the keeping of transaction information, such as invoices, receipts, and purchase orders, more efficient. The storage of this information is a requirement of the Electronic Bookkeeping Law, for which the grace period ended in December 2023. Recently, the Company has been accelerating the deployment of AI services utilizing generative AI, with new offerings that include the AI agent-type chatbot OPTiM AIRES, which can be created in just five minutes, and OPTiM Collaboration Portal, which enables automatic management of all internal business manuals using AI, being launched one after another. The office DX field includes demand from large companies to small and medium enterprises, regardless of industry or type of business. The Company estimates the total addressable market for this field to be ¥422.2bn.

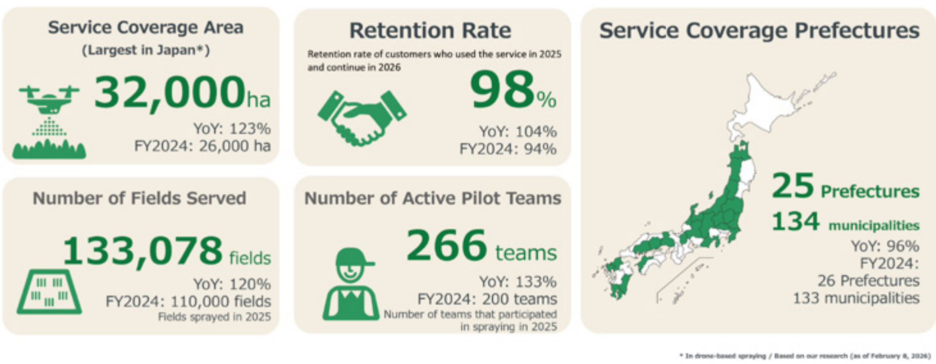
(5) Communication AX Services

Due to the penetration of smartphones and the outbreak of the COVID-19 pandemic, the digitalization of customer service has accelerated. The Company develops cloud services and smartphone apps that digitalize customer service at companies and organizations and make marketing activities better and more efficient. In this field, the Company's development is based on the CRM tools of YURASCORE Corp., a subsidiary acquired through M&A in 2020. Examples include tools for the restaurant industry aimed at boosting customer orders and carrying out sales activities when customers are not present, tools for communication between local governments and citizens, and user tools for large-scale stadiums. In particular, it is developing the Official Municipal Super App, a comprehensive portal app for residents that consolidates all apps provided by local governments. The first super app was launched in Saga City, and they have since been adopted by a succession of local governments, including Tagawa City and Munakata City in Fukuoka Prefecture and Takeo City in Saga Prefecture. The Company estimates the total addressable market for the marketing DX field to be ¥360.0bn.

3. The Company's business areas: Agritech Business

With aging producers and a decreasing labor force, the agriculture field is experiencing labor shortages. The situation is serious with issues such as an increase in abandoned farmland and a falling domestic self-sufficiency rate. The Company has comprehensively developed an AI, IoT, and Robotics technology platform (agriculture DX service), including the world's first "pinpoint pesticide spraying and fertilization technology," and supports labor savings and higher income in agricultural operations. Currently, the Company is expanding its Drone Pesticide Spraying AX Service (Pinpoint Time Spraying service) on a nationwide scale. This service aims to offer the maximum pest-control effect at the optimal times with the minimum amount of pesticides used by combining the growth forecasting technology and pest outbreak prediction technology the Company has developed over the years with its drone-based pest control expertise. It has grown into a drone-based spraying service whose market share ranks among Japan's highest in terms of area covered. Its pace of growth is also evident from each relevant indicator: a service coverage area of 32,000 ha (up 23% YoY; equivalent to roughly half the area of Tokyo's 23 wards), a number of serviced fields of 133,000 (up 20%), and a number of active pilot teams of 266 (up 33%). Moreover, the service's retention rate is as high as 98%, and it has become an indispensable form of social infrastructure that is directly linked to solving producers' labor shortages and reducing costs. Other services developed by the Company (besides pinpoint agricultural chemical spraying) include a Drone Seeding AX Service (Drone Direct Sowing service) as well as "Agri Field Manager," a service for conducting image analysis of fields and crops using AI. These technologies support cutting-edge smart farming. The Company estimates the total addressable market for the agritech field to be ¥388.5bn.

Track record of providing the Drone Pesticide Spraying AX Service



Source: The Company's results briefing materials

4. The Company's strengths

The Company has constantly provided innovative services and developed new markets with support from abundant technological capabilities founded on an intellectual property strategy and business creation capabilities. It has services with No. 1 shares in the domestic market and has built a business model with extensive license income. Additionally, it has been promoting powerful business development with top players in various industries in recent years as a market leader in AI, IoT, and Big Data. The Company's strengths can be summarized in six points: 1) robust technology innovation capabilities, 2) advanced technological capabilities, 3) service planning, development, and operation capabilities, 4) strong stock-based revenue (license income), 5) plentiful customer base, and 6) business creation capabilities.

The Company's strengths

	Characteristics (strengths)	Content
1	Robust technology innovation capabilities	Inventiveness to create from 0 to 1. Regarding technological ideas, the Company proactively secures intellectual property rights
2	Advanced technological capabilities	Realizes new concepts with advanced technological capabilities in AI, IoT, Cloud, Security, and Robotics
3	Service planning, development, and operation capabilities	Possesses planning capability to take products realizing new ideas and generalizing them as package services. Has the ability to plan, design, develop and operate with functions, price and service models that match customers' needs
4	Strong stock-based revenue	Robust stock-based revenue based on SaaS/subscription model (a model that allows customers to receive a service for a certain period of time by paying a fee). Services include Optimal Biz, a mobile management SaaS service that has held the No. 1 share of the domestic market for 15 consecutive years. The average cancellation rate is approximately 0.5%
5	Plentiful customer base	A cumulative customer base of more than 180,000 companies that it has acquired over the years through direct sales as well as large partners
6	Business creation capabilities	Commercializes new products or services with many partners, including industry leading companies, telecommunications carriers, and printer manufacturers, or vastly expands business through business creation capabilities

Source: Prepared by FISCO from the Company's results briefing materials

5. Intellectual property strategy

Since its establishment, the Company has developed technologies while keeping in mind creating services never seen in the world before, and it has adopted a strategy of acquiring and holding intellectual properties. One example of this is its outstanding device identification technology called Tiger, which it patented in Japan and the United States in 2011, that dramatically improves the accuracy of identifying devices. Also, the patent for pinpoint pesticide spraying and fertilization technology obtained in 2018 received the Minister of Education, Culture, Sports, Science and Technology Award at the FY2019 Kyushu Regional Invention Awards, and the patent for AI analysis and management system for contracts obtained in 2018 received the Minister of Education, Culture, Sports, Science and Technology Award at the FY2021 Kyushu Regional Invention Awards. Additionally, the Company holds the intellectual property for each of its killer services. For example, the basis for OPTiM Cloud IoT OS is a program for the automatic selection of optimal AI or API based on predefined conditions (registration number: JP6404529), the basis for OPTiM Geo Scan, which streamlines surveying in construction, is a program that simply realizes high-precision 3D surveys through automatic coupling of positional information and 3D point cloud data (registration number: JP6928217), and the basis for OPTiM Digital Marketing is a program that analyzes camera images using AI and provides coupons with discount rates based on seat vacancy rates (registration number: JP6246446). As of March 2026, the Company had 606 patents granted. These intellectual properties not only create walls preventing others from entering new business fields, but also allow major companies to feel secure in establishing partnerships and alliances with the Company.

6. Sales channel strategy

The Company has a solid base in terms of its sales channels. Its cumulative base of 180,000 service user companies has been developed primarily by partner companies. These include companies such as major telecommunications carriers, multifunction printer manufacturers, ISPs, system integrators, and mobile phone sales companies, all of which have large numbers of corporate customers, forming a nationwide sales network.

Results trends

Closed FY3/26 with 26th consecutive fiscal year of sales growth and record-high operating profit

1. Overview of FY3/26 results

In its FY3/26 consolidated results, the Company recorded ¥11,731mn in net sales (up 10.9% YoY), ¥1,969mn in operating profit (up 0.8%), ¥1,950mn in ordinary profit (up 4.7%), and ¥1,114mn in profit attributable to owners of parent (down 5.4%). This marks its 26th consecutive fiscal year of sales growth as well as record-high operating profit.

FY3/26 consolidated results

(¥mn)

	FY3/25		FY3/26		
	Results	vs. net sales	Results	vs. net sales	YoY
Net sales	10,580	-	11,731	-	10.9%
Cost of sales	5,358	50.6%	6,343	54.1%	18.4%
Gross profit	5,222	49.4%	5,388	45.9%	3.2%
SG&A expenses	3,268	30.9%	3,418	29.1%	4.6%
Operating profit	1,954	18.5%	1,969	16.8%	0.8%
Ordinary profit	1,862	17.6%	1,950	16.6%	4.7%
Profit attributable to owners of parent	1,178	11.1%	1,114	9.5%	-5.4%

Source: Prepared by FISCO from the Company's financial results

The growth in net sales was driven by the Agritech Business (up ¥0.90bn YoY) and AX services in the AX Business (excluding other services, up ¥0.42bn). In the Agritech Business, Smart Agriculture Services, particularly the Drone Pesticide Spraying AX Service, have grown on the back of an increase in pests and diseases due to climate change and a shift from helicopters to drones, with the Company's AX service becoming Japan's largest drone pesticide spraying service. In the AX Business, steady growth in IT Management AX Services centered on OPTiM Biz was complemented by contributions from the OPTiM Document Management Series Office AX Services, the new OPTiM Support & Growth Portal Communication AX Services, and the OPTiM Geo Scan Construction & Civil Engineering AX Services, among others. Stock-based revenue accounted for 81.5%, maintaining its high level. This is indicative of a buildup of stable revenue streams.

On the profit front, the increase in gross profit driven by higher sales exceeded the rise in SG&A expenses, resulting in higher operating profit. Gross profit increased ¥166mn YoY, but the gross margin declined 3.5 percentage points (pp) to 45.9%. SG&A expenses increased ¥150mn due to continued proactive investment in development personnel. However, the SG&A expense ratio declined 1.8pp. The operating margin was 16.8%, down 1.7pp from the previous fiscal year.

2. Financial position and management indicators

Total assets at the end of FY3/26 increased ¥1,337mn from the end of the previous fiscal year to ¥12,431mn. Current assets increased ¥1,585mn to ¥7,062mn. This was mainly due to increases of ¥1,741mn in inventories and ¥1,270mn in cash and deposits, despite a decrease of ¥1,533mn in notes and accounts receivable - trade, and contract assets. Non-current assets decreased ¥248mn to ¥5,369mn, mainly due to a ¥482mn decrease in investment securities, despite an increase of ¥247mn in software. The balance of cash and deposits at the end of FY3/26 was ¥3,005mn.

Total liabilities increased ¥478mn from the end of the previous fiscal year to ¥3,053mn. This was mainly due to the recording of short-term borrowings of ¥1,250mn, which resulted in current liabilities rising ¥477mn. Non-current liabilities were largely unchanged. Total net assets increased ¥858mn to ¥9,378mn due to factors such as an increase in retained earnings from recording profit attributable to owners of parent. Interest-bearing debt was ¥1,250mn as of the end of FY3/26, which is low compared to cash and deposits.

Regarding management indicators for stability, the current ratio was 242.5%, while the equity ratio was 74.7%. Therefore, the Company's financial stability is extremely high. The Company continues to make development investment at or above a certain level. However, it has also maintained high profitability and efficiency with an ROE of 12.6% and an ROS of 16.8%. Given characteristics such as an abundance of cash and deposits and strong borrowing capacity, the Company's financial structure will allow it to actively pursue acquisitions in cases where M&A deals and other opportunities arise.

Consolidated balance sheets and management indicators

(¥mn)

	End-FY3/25	End-FY3/26	Change
Current assets	5,476	7,062	1,585
Cash and deposits	1,734	3,005	1,270
Notes and accounts receivable - trade, and contract assets	3,485	1,952	-1,533
Inventories	76	1,818	1,741
Non-current assets	5,617	5,369	-248
Software	3,351	3,599	247
Investment securities	647	164	-482
Total assets	11,094	12,431	1,337
Current liabilities	2,434	2,912	477
Notes and accounts payable - trade	823	280	-542
Short-term borrowings	-	1,250	1,250
Non-current liabilities	140	140	0
Total liabilities	2,574	3,053	478
Total net assets	8,519	9,378	858
Total liabilities and net assets	11,094	12,431	1,337
<Stability>			
Current ratio (current assets ÷ current liabilities)	224.9%	242.5%	-
Equity ratio (shareholders' equity ÷ total assets)	76.0%	74.7%	-
<Profitability>			
ROE (profit attributable to owners of parent ÷ shareholders' equity)	15.0%	12.6%	-
ROA (ordinary profit ÷ total assets)	18.0%	16.6%	-
ROS (operating profit ÷ net sales)	18.5%	16.8%	-

Source: Prepared by FISCO from the Company's financial results

Growth strategies and topics

Aiming to provide Smart Agriculture Services that accommodate everything from crop cultivation to sales

1. Commenced provision of the Smart Agriculture Service Platform "Agri Buddy"

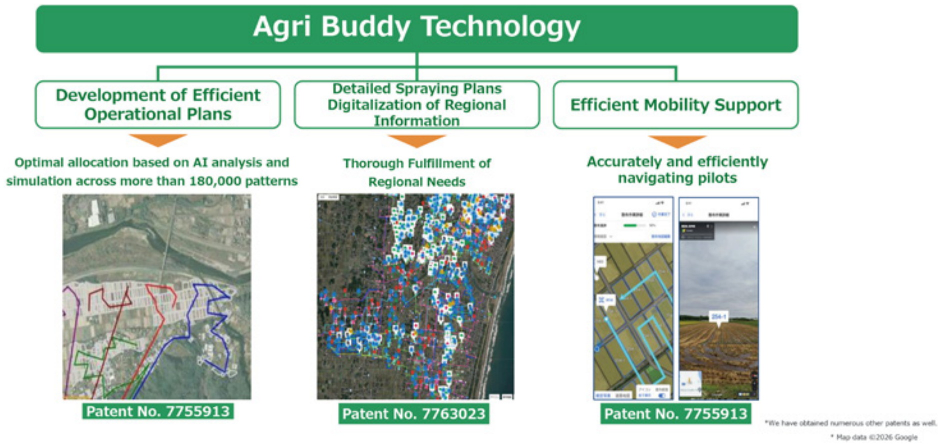
The Company's Agritech Business has seen expanded adoption mainly through its drone-based precision pesticide spraying service. However, it has recently entered its next phase in the form of its Smart Agriculture Service Platform "Agri Buddy." Agri Buddy aims to provide Smart Agriculture Services that support every process from crop cultivation to sales. It is intended to facilitate a shift from the vertically integrated cultivation model, in which a single producer handles all processes—a model characteristic of Japanese agriculture—to a horizontal division-of-labor cultivation model that leverages Smart Agriculture Services. This advanced platform virtualizes a "Super Farm (virtual large-scale farm)" spanning more than 30,000 hectares of the Company's existing service coverage area. By scaling up through virtual land consolidation, it provides all kinds of producers with cost competitiveness equal to or greater than that of large corporate operators while curbing individual capital expenditure. The Company's service offerings have been significantly expanded beyond drone-related operations to include the likes of tasks using autonomous tractors for land leveling, plowing, and harvesting, as well as field ridge weeding using mowing robots. Actual service offerings along these lines have commenced. The Company states that its rollout of drone-related services for crops other than rice (citrus fruits, etc.) is also accelerating. As a solution aimed at realizing the "fun, cool, and profitable agriculture" advocated by the Company, it is expected to play a role in addressing the slow progress in farmland consolidation, one of the barriers faced by agriculture in Japan.

Agri Buddy's horizontal division-of-labor cultivation model

Source: The Company's results briefing materials

Agri Buddy's core technology uses AI to manage robots/drones and operators, providing highly productive services tailored to on-site operations. This core includes optimal allocation and operations planning based on AI analysis and simulations across more than 180,000 patterns, detailed spraying plans, the thorough materialization of local needs through the digitization of regional information, and capabilities that provide accurate, efficient navigation for pilots. All of these are conducted through high-precision processes that take advantage of patented technologies. Producers (the ordering side) can complete the entire process digitally, from application and confirmation of digital maps and AI plans to remote, real-time management and payment for work. The result is services that offer truly "Uber"-like usability in agriculture.

Agri Buddy's core technology



Source: The Company's results briefing materials

2. Promoting sales expansion through both collaboration with sales partners and direct sales with the aim of making OPTiM Biz Premium a new pillar

OPTiM Biz Premium, an integrated service that streamlines and automates all tasks of information systems departments, was launched in October 2025, and has been steadily increasing its customer base. OPTiM Biz Premium, which is based on the existing OPTiM Biz that specializes in traditional smartphone and PC management (MDM), is Japan's first next-generation DX service for information systems departments (according to the Company's research as of October 2025) that integrates the various IT operations support services the Company has provided to date. About 80% of all tasks handled by the information systems departments consist of routine and repetitive work. These tasks are becoming increasingly broad and complex. This all-in-one service streamlines and automates all tasks of information systems departments, including the core tasks handled by corporate IT departments. Examples of these are in-house IT support, smartphone and PC management, ID management, and SaaS management. According to the Company's estimates, the information systems departments' cost per employee, including license fees, will be reduced by approximately 53% compared to the costs incurred prior to implementation. Furthermore, while OPTiM Biz Premium has a monthly fee of ¥980 per ID, it is estimated to be approximately 42% lower than the market average when compared to the cost of similar services from other companies that offer equivalent functionality. With over 180,000 companies having adopted OPTiM Biz (at a monthly fee of ¥300 per ID), should upgrading by existing customers progress to a certain extent, growth and revenue based on average revenue per user (ARPU) can be expected. To position OPTiM Biz Premium as a new pillar, the Company is working to expand sales through both collaboration with sales partners and direct sales.

3. Releasing new AI services

The Company is actively pursuing R&D and service development, the results of which are becoming evident in its new services as well. Examples of these services include Civil ReSnap (a service that supports close visual inspections of bridges and other structures), OPTiM Collaboration Portal (a service for building portal sites where AI can automatically generate, update, and manage all types of operations manuals), OPTiM Support & Growth Portal (a service in which AI automatically creates and operates portal sites for customers), and Poishot (a customer acquisition service in which simply taking a photo enables AI to generate text and automate posting on social media).

Outlook

Smart Agriculture Services will grow in FY3/27, driving double-digit sales growth

In its FY3/27 consolidated results forecast, the Company is predicting net sales to increase 10.6% YoY to ¥12,980mn and operating profit to increase 0.5% to ¥1,980mn, indicating continuous growth in both sales and operating profit. It will continue to make aggressive growth investments in order to become a leading company in the Fourth Industrial Revolution. Note that the Company has a policy of not disclosing specific figures for ordinary profit and profit attributable to owners of parent due to the difficulty in rationally estimating profit and loss from affiliates over which the Company does not have control.

FY3/27 consolidated results forecast

(¥mn)

	FY3/26		FY3/27		
	Results	vs. net sales	Forecast	vs. net sales	YoY
Net sales	11,731	-	12,980	-	10.6%
Operating profit	1,969	16.8%	1,980	15.3%	0.5%
Ordinary profit	1,950	16.6%	-	-	-
Profit attributable to owners of parent	1,114	9.5%	-	-	-

Source: Prepared by FISCO from the Company's financial results

The Company is striving for record-high net sales for the 27th consecutive year since its founding by maintaining the steady YoY growth rate of 10% it has achieved in previous fiscal years. The Company's basic strategy is to make proactive investments and give rise to innovation in the rapidly expanding DX/AX markets based on ample cash flow from its stable, highly predictable stock-based business model. In its AX Business, the Company will bolster its stable revenue base with OPTiM Biz, one of the Company's Mobile Management Services, boasting high profitability and high retention rates that forms the centerpiece of IT Management AX Services, as the core. Regarding OPTiM Biz Premium, which was designed to streamline and automate all types of operations handled by information systems personnel, the Company will promote sales expansion through collaboration with sales partners in addition to direct sales. It is forecasting net sales in the AX Business of ¥9.18bn (up ¥0.08bn YoY; excluding other services, up ¥0.28bn). In its Agritech Business, the Company aims to realize the Agri Buddy concept of providing Smart Agriculture Services that accommodate all processes from crop cultivation to sales. Alongside steadily expanding its drone pesticide spraying service centered on rice cultivation, the Company will expand its Smart Agriculture Services to other crops and processes. It is forecasting net sales in the Agritech Business of ¥3.80bn (up ¥1.17bn). After continuously increasing sales over the past 26 fiscal years, the Company clearly has a business model capable of delivering stable growth centered on its stock-based revenue base. Based on this, its sales forecasts for FY3/27 can be trusted.

On the profit front, the Company forecasts moderate growth in profit as it plans to invest heavily in developing AI services and building service structure. As for the nature of those investments, the main focus will be on investment in human resources. Amid intense competition for talent, the Company intends to secure and retain high-caliber human resources, which constitute the most important factor in business growth. It has implemented an AI coding assistant for all of its engineers. Improved productivity can be expected in FY3/27 as well. By segment, the Company is forecasting segment profit in the AX Business of ¥4.98bn (down ¥0.01bn YoY), in line with the previous fiscal year. In the Agritech Business, where growth is accelerating, the Company is predicting a segment loss of ¥0.35bn (¥0.46bn loss in the previous fiscal year), indicating that it has moved past the peak of upfront investment. As the use of AI becomes more prevalent in every industry, some competing technologies and services are emerging. This is therefore an important time for the Company in regard to securing an advantage. As such, FISCO believes that making proactive investments in FY3/27 is a prudent decision.

Shareholder return policy

Launched a shareholder return policy through shareholder benefits. Accelerating efforts aimed at complying with listing maintenance criteria

The Company prioritizes investment for growth and currently does not pay dividends. As a venture company in Japan with rare technological capabilities and imagination, a medium- to long-term perspective will be necessary for investment.

The Company has introduced a shareholder benefit program to promote understanding of its business and to enhance the appeal of investing in its stock. Shareholders holding 100 shares or more as of the end of FY3/26 received a shareholder benefit gift certificate that provides a ¥1,600 discount on Smart Rice produced in FY2025.

The Company also recognizes the improvement of capital efficiency as an important management priority, acquiring 600,000 treasury shares in February 2026 and retiring all of the acquired shares in March 2026. This measure aimed to reliably increase the free-float ratio while minimizing the impact on market supply, thereby raising the per-share equity value to enhance shareholder returns.

As of March 31, 2026, the market capitalization of the Company's tradable shares fell below the listing maintenance criteria for the Prime Market of the Tokyo Stock Exchange. The improvement period runs until March 31, 2027. The Company will submit and disclose a specific action plan aimed at achieving compliance with such listing maintenance criteria to the Tokyo Stock Exchange (TSE) by June 30, 2026.

Disclaimer

FISCO Ltd. (“FISCO”) offers stock price and index information for use under the approval of the Tokyo Stock Exchange, the Osaka Exchange, and Nikkei Inc.

This report is provided solely for the purpose of offering information and is not a solicitation of investment nor any other act or action.

FISCO has prepared and published this report based on information it deems reliable. However, FISCO does not warrant the accuracy, completeness, certainty, nor reliability of the contents of this report or the said information.

The issuers’ securities, currencies, commodities, and other financial instruments mentioned in this report may increase or decrease in value or lose their value due to influence from corporate activities, economic policies, world affairs, and other factors. This report does not make any promises regarding any future outcomes. If you use this report or any information mentioned herein, regardless of the purpose therefor, such use shall be based on your judgment and responsibility, and FISCO shall not be liable for any damage incurred by you as a result of such use, irrespective of the reason.

This report was prepared at the request of the subject company, with information provided by the company through telephone interviews and other means, and with compensation from the company. Hypotheses, conclusions and all other content contained in this report are based on FISCO’s analysis. The contents of this report are current as of the date of preparation and are subject to change without notice. FISCO is not obligated to update this report.

FISCO and its affiliated companies, as well as the directors, officers, and employees thereof, may currently or in the future trade or hold the financial instruments or the securities of issuers that are mentioned in this report.

Please use the information in this report with an understanding and acceptance of the above points.

■ For inquiries, please contact: ■
FISCO Ltd.
5-13-3 Minami Aoyama, Minato-ku, Tokyo, Japan 107-0062
Phone: 03-5774-2443 (IR Consulting Business Division)
Email: support@fisco.co.jp