Consolidated Financial Statements for the Year Ended December 31, 2025 (IFRS)
These financial statements have been prepared for reference only.

February 12, 2026

Link and Motivation Inc. | Stock exchange listing: Tokyo, Prime Market
http://www.lmi.ne.jp/english | Code number: 2170
Representative: Ozasa Yoshihisa, Chairman and Representative Director
Contact: Yokoyama Hiroaki, Managing Executive Officer and Manager of Group Design Office | Phone: +81-3-6853-8111
Ordinary General Meeting of Shareholders (scheduled): March 25, 2026
Start of distribution of dividends (scheduled): March 25, 2026
Filing of Securities Report (*Yuka Shoken Hokokusho*) (scheduled): March 24, 2026
Financial results briefing presentation materials: Yes
Financial results briefing (institutional investors and analysts): Yes

(Amounts are rounded down to the nearest million.)

1. Consolidated Results for the Year Ended December 31, 2025 (January 1, 2025 – December 31, 2025)

(1) Revenues and Income (Percentages represent change compared with the previous year.)

	Revenues		Operating income		Income before income taxes		Net income		Net income attributable to owners of the parent	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
Year ended Dec. 31, 2025	41,522	10.9	4,204	(23.4)	4,223	(22.1)	2,020	(50.2)	1,621	(56.1)
Year ended Dec. 31, 2024	37,458	10.3	5,485	18.6	5,420	18.7	4,053	29.2	3,691	29.9

	Comprehensive income		Basic earnings per share	Diluted earnings per share	Return on equity	Return on assets	Operating margin
	(¥ million)	(%)	(¥)	(¥)	(%)	(%)	(%)
Year ended Dec. 31, 2025	2,211	(49.3)	14.97	14.94	13.0	11.4	10.1
Year ended Dec. 31, 2024	4,361	19.0	34.38	34.37	34.4	16.9	14.6

(Reference) Equity method gains and losses: As of December 31, 2025: ¥147 million; As of December 31, 2024: ¥15 million

(2) Financial Position

	Total assets (¥ million)	Total equity (¥ million)	Equity attributable to owners of the parent (¥ million)	Ratio of equity attributable to owners of the parent to total assets (%)	Equity per share attributable to owners of the parent (¥)
As of Dec. 31, 2025	40,999	16,817	13,590	33.1	122.51
As of Dec. 31, 2024	33,178	14,384	11,285	34.0	105.99

(3) Cash Flow

	Cash flow from operating activities (¥ million)	Cash flow from investing activities (¥ million)	Cash flow from financing activities (¥ million)	Cash and cash equivalents at end of period (¥ million)
Year ended Dec. 31, 2025	5,246	(2,248)	(194)	11,374
Year ended Dec. 31, 2024	5,638	(1,938)	(2,486)	8,607

2. Dividends

	Dividends per share					Total dividends paid (full year) (¥ million)	Payout ratio (%)	Dividends/ Net assets (Consolidated) (%)
	1st Qtr.	2nd Qtr.	3rd Qtr.	Year-end	Full year			
2024	2.90	3.00	3.00	3.30	12.20	1,306	35.5	12.3
2025	3.90	3.90	4.10	4.10	16.00	1,740	106.9	14.0
2026 (est.)	4.10	4.10	4.10	4.10	16.40		51.2	

3. Forecast of Consolidated Results for 2026 (January 1, 2026 – December 31, 2026)

(Percentages represent change compared with the previous fiscal year.)

	Revenues		Operating income		Net income		Net income attributable to owners of the parent		Basic earnings per share
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥)
Full-year	46,700	12.5	6,310	50.1	3,930	94.5	3,470	114.0	32.03

Notes

(1) Significant Changes in Scope of Consolidation during the Period: Yes
Added: 1 company (Unipos)
Removed: −

(2) Changes in Accounting Policies and Changes in Accounting Estimates
(a) Changes in accounting policies required by IFRS: No
(b) Changes in accounting policies other than (a) above: No
(c) Changes in accounting estimates: No

(3) Number of Shares Issued and Outstanding (Common Stock)
(a) Number of shares at the end of the period (including treasury stock)
Year ended December 31, 2025: 110,937,011; Year ended December 31, 2024: 109,000,000
(b) Number of treasury shares at the end of the period:
Year ended December 31, 2025: 259; Year ended December 31, 2024: 2,521,017
(c) Average number of shares outstanding:
Year ended December 31, 2025: 108,345,432; Year ended December 31, 2024: 107,379,040

(Reference) Summary of Non-consolidated Results

1. Non-consolidated Results for 2025 (January 1, 2025 – December 31, 2025)

(1) Revenues and Income (Percentages represent change compared with the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
Year ended December 31, 2025	12,733	10.0	1,724	(25.2)	2,342	(63.9)	769	(87.9)
Year ended December 31, 2024	11,579	18.9	2,304	46.2	6,482	181.1	6,365	159.7

	Basic earnings per share	Diluted earnings per share
	(¥)	(¥)
Year ended December 31, 2025	7.11	—
Year ended December 31, 2024	59.28	—

(2) Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Net assets/ Total assets (%)	Net assets per share (¥)
As of December 31, 2025	30,272	11,512	38.0	103.78
As of December 31, 2024	25,553	10,070	39.4	94.58

(Reference) Net worth: As of December 31, 2025: ¥11,512 million; As of December 31, 2024: ¥10,070 million

Note: Figures for non-consolidated results are based on Japanese standards.

Reasons for Differences from the Previous Fiscal Year's Results (Non-consolidated)

Net sales increased as demand for the Consulting & Cloud business expanded. However, ordinary income declined due to a decrease in dividends from subsidiaries compared with the previous fiscal year, and net income decreased due to the absence of gain on sale of investment securities recorded in the previous fiscal year.

*** These Financial Statement Are Not Subject to Review by a Certified Public Accountant or Auditing Firm**

*** Explanation of the Proper Use of Performance Forecasts and Other Special Instructions**

Note regarding forward-looking statements:

Consolidated forecasts and other statements regarding the future contained in this document are based on information currently available to the Company and certain reasonable assumptions. Actual performance may differ substantially due to numerous factors.

How to obtain supplementary financial information:
Supplementary financial information is disclosed on the same day in Japanese on TDnet and the Company website. For information in English, please see the Company website.

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1. Overview of Results of Operations and Other Information

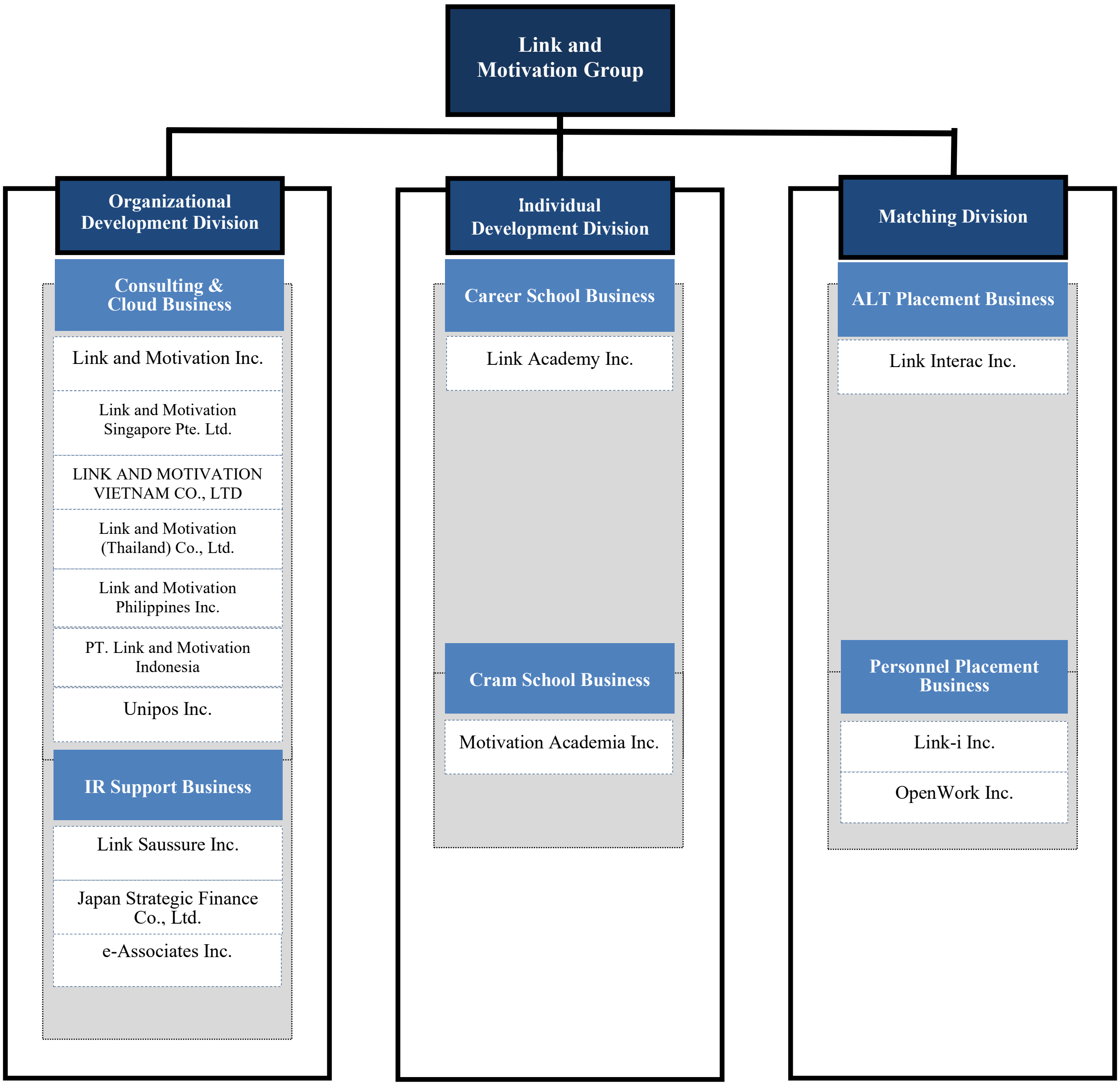
Forward-looking statements in the following text are based on judgments as of December 31, 2025, the last day of the consolidated accounting period under review.

(1) Overview of Results of Operations for 2025

The Group supports the transformation of numerous organizations and individuals using “Motivation Engineering” (the Group’s core technology), incorporating academic results in business administration, social systems theory, behavioral economics, psychology and other disciplines, under its mission: “Through Motivation Engineering, we provide opportunities to transform organizations and individuals and create a more meaningful society.” During the fiscal year ended December 31, 2025, the Japanese economy gradually recovered with the improvement of the employment and income environment. However, the economic outlook remains unclear due to rapid exchange rate fluctuations, inflation, and geopolitical risks stemming from ongoing international instability. In these economic conditions, the Group perceives a growing need for companies to promote human capital management in order to deal with change, and more specifically, a need to improve employee engagement (the degree of mutual understanding and affinity between a company and its employees), and to secure and develop human resources.

In this economic environment, the Group’s revenues for 2025 were ¥41,522 million, (a 10.9% increase compared with the previous year), gross profit was ¥22,605 million (a 13.7% increase), operating income was ¥4,204 million (a 23.4% decrease) and net income attributable to owners of the parent was ¥1,621 million (a 56.1% decrease).
The forecast for 2025 was revenues of ¥41,200 million (a 10.0% increase compared with the previous year), gross profit of ¥22,100 million (an 11.1% increase), operating income of ¥6,220 million (a 13.4% increase), and net income attributable to owners of the parent of ¥3,879 million (a 5.1% increase). Revenues exceeded the forecast and increased substantially year on year, as every business grew except the Career School business. As a result, the Group achieved record revenues. The gross profit margin exceeded the forecast and increased substantially, as the high-margin Consulting & Cloud business and the Personnel Placement business, which includes OpenWork Inc., grew in line with expectations. Operating income and net income attributable to owners of the parent declined from the previous year because the Group recognized a full impairment loss on goodwill to further accelerate restructuring in the Career School business.

The segment and business classifications of the Group are as shown below, and an overview of 2025 by segment and business follows. Japan Strategic Finance Co., Ltd. is included in the scope of consolidation starting from the first half of 2025, and Unipos Inc. and e-Associates Inc. are included in the scope of consolidation starting from the third quarter of 2025. (Chorus Call Asia Co., Ltd. and its subsidiary e-Associates Inc., which became subsidiaries of the Company in the third quarter of 2025, underwent a merger by absorption on December 1, 2025 in which Chorus Call Asia was the absorbing company. On the same date, Chorus Call Asia changed its company name to e-Associates Inc.). From 2025, the business activities of the Consulting & Cloud business and the IR Support business have been revised. Year-on-year comparisons are based on figures for the previous year that have been reclassified to conform to the new classification.


Link and Motivation Group
Organizational Development Division
Consulting & Cloud Business
Link and Motivation Inc.
Link and Motivation Singapore Pte. Ltd.
LINK AND MOTIVATION VIETNAM CO., LTD
Link and Motivation (Thailand) Co., Ltd.
Link and Motivation Philippines Inc.
PT. Link and Motivation Indonesia
Unipos Inc.
IR Support Business
Link Saussure Inc.
Japan Strategic Finance Co., Ltd.
e-Associates Inc.
Individual Development Division
Career School Business
Link Academy Inc.
Cram School Business
Motivation Academia Inc.
Matching Division
ALT Placement Business
Link Interac Inc.
Personnel Placement Business
Link-i Inc.
OpenWork Inc.

Organizational Development Division

The Organizational Development Division provides support for the creation of companies that are chosen by individuals (“Motivation Companies”). In concrete terms, it offers services that provide support for increasing engagement with a company’s stakeholders (employees, job applicants, customers, shareholders) by applying “Motivation Engineering,” which is the core technology of the Group.

In this segment, segment revenues for 2025 were ¥16,845 million (a 13.4% increase), and segment income (gross profit) was ¥11,757 million (a 14.7% increase). An overview of operating results by business for 2025 is as follows.

Consulting & Cloud Business

The Consulting & Cloud business supports the practice of human capital management through diagnosis and transformation by providing consulting and cloud services to corporate clients. Specifically, it provides one-stop services that include diagnosing organizations using its original diagnostic framework, as well as transformation solutions for organizational and personnel issues in the areas of recruiting, training, systems and corporate culture. In cloud-based services, it provides HR Tech (human resources combined with technology) called Motivation Cloud that supports organizational human resources issues such as improving human resource capabilities and engagement.

In this business, revenues for 2025 were ¥13,293 million (a 14.8% increase) and gross profit was ¥9,941 million (a 13.9% increase). Results by product in the Consulting & Cloud business were as follows.

Table 1. Revenues by Product

Product (¥ million) (Figures in brackets are gross profit)	2024	2025	YoY change (%)
Consulting & Cloud Business	11,579 [8,730]	13,293 [9,941]	14.8% 13.9%
Consulting	5,623	6,117	8.8%
Cloud	5,955	7,175	20.5%

In 2025, both revenues and gross profit increased substantially compared with the previous year as a result of growth driven by Motivation Cloud.

In consulting, revenues increased compared with the previous year due to a focus on existing customers in providing comprehensive support for human capital management. The business will continue to focus on expanding consulting service capacity by improving productivity, in addition to improving revenues per customer.

Monthly fee revenue increased substantially compared with the previous year for Motivation Cloud, which is a cloud product and priority service. The number of deliveries and monthly fee revenue were as follows.

Table 2. Number of Deliveries and Monthly Fee Revenue for Motivation Cloud at End of Each Quarter

	2024				2025			
	March	June	September	December	March	June	September	December
Number of deliveries	883	915	962	1,017	1,012	1,057	1,366	1,370
Monthly fee revenue (¥ thousand)	424,550	458,130	493,684	515,823	520,827	536,566	625,338	627,382

Since its founding in 2000, the Group has not only diagnosed the engagement status of companies and employees but has also supported their transformation. Motivation Cloud is a cloud-based service in the field of HR Tech (human resources combined with technology) that supports solving organizational and personnel issues such as improving human resource capabilities and engagement through diagnosis and transformation of organizations. In March 2025, the Group integrated all of its cloud services into Motivation Cloud. Currently, we provide Motivation Cloud Engagement, which enables improvement of employee engagement, Motivation Cloud Basic for small and medium-sized enterprises, Motivation Cloud Sharing for revitalizing organizational culture, and Motivation Cloud Role Development for improving human resource capabilities. In August 2024, the Group added services for supporting digital transformation (DX), including RPA Robo-Pat DX and FCE Prompt Gate, which are provided by equity-method affiliate FCE. In addition, Peer Bonus® Unipos, which is provided by wholly owned subsidiary Unipos Inc., was added in August 2025.

Among these services, Motivation Cloud Engagement is currently ranked No. 1 in share of sales by vendor in the employee engagement market (the ninth consecutive year: fiscal 2017 to fiscal 2025 forecast) in *ITR Market View: Workplace Optimization Market 2025*, a market research report published by ITR Corporation.

Monthly fee revenue from Motivation Cloud at the end of December 2025 was ¥627,382 thousand (a 21.6% increase), achieving significant growth. In the fiscal year under review, direct traffic to the service website declined and the number of sales negotiations temporarily decreased in the first half due to changes in customer search behavior associated with the rise of generative AI. As a result, monthly fee revenue from Motivation Cloud at the end of December 2025 fell short of the forecast level of ¥650,000 thousand. However, the Group is implementing countermeasures such as optimizing marketing and increasing the marketing budget, and the number of sales negotiations is recovering as a result. The level of sales negotiations necessary to achieve growth is already secured, and monthly fee revenue at the end of December 2026 is projected to be ¥700,000 thousand, an 11.6% increase year on year. Please refer to (4) Forecast for information on future strategies.

IR Support Business

The IR Support business mainly supports disclosure of human capital management initiatives by providing planning and production services for printed, web-based and visual media and events to corporate clients. Specifically, this business produces voluntary disclosure materials such as integrated reports and shareholder reports for shareholders and investors, creates video content for financial results briefings and other events, including attracting guests and live streaming, and supports internal branding through events and media.

In this business, revenues for 2025 were ¥3,902 million (a 6.2% increase) and gross profit was ¥2,030 million (a 16.1% increase). In addition to the production of integrated reports, the streaming video service grew, resulting in an increase in revenues and a substantial increase in gross profit year on year.

This business is currently expanding its customer base and its streaming video service and other recurring revenue services. In 2025, it acquired Japan Strategic Finance Co., Ltd. in April, and e-Associates Inc. in August, making them wholly owned subsidiaries.. While Japan Strategic Finance has established a solid market share among small and medium-sized listed companies in Japan, e-Associates has a high market share among large, listed companies in Japan that are included in the JPX400. Both of these companies have recurring revenue services such as video streaming and financial results briefings, and will create new cross-selling opportunities and synergy, expediting the shift to a recurring revenue model.

<u>Individual Development Division</u>

The Individual Development Division supports the creation of individuals who are chosen by organizations (“i-Companies”). Specifically, it applies “Motivation Engineering,” which is the core technology of the Group, to businesses in areas including career schools and cram schools, to provide one-stop services to customers from elementary school students to working adults. These services range from helping to set goals to understanding individual issues and formulating and implementing study plans.

In this segment, segment revenues for 2025 were ¥6,083 million (a 5.3% decrease) and segment income was ¥2,875 million (a 5.2% decrease). An overview of operating results by business for 2025 is as follows.

Career School Business

The Career School business supports career advancement by providing development courses for IT and language skills as well as qualifications programs for university students and working adults. It provides five services: “Aviva” personal computer schools, “Daiei” qualification schools, “Rosetta Stone Learning Center,” “Rosetta Stone Premium Club” and “Hummingbird” foreign language schools.

In this business, revenues for 2025 were ¥5,121 million (a 7.5% decrease) and gross profit was ¥2,398 million (an 8.3% decrease).

In 2025, attendance at existing schools declined due to a decrease in new in-person enrollments. On the other hand, online courses grew significantly in line with expectations, and restructuring is making steady progress. As a result, revenues and gross profit decreased compared with the previous year. In addition, the Group decided to recognize a full impairment loss on goodwill to further accelerate restructuring. Going forward, the business will use its strength in providing support that helps people stay engaged as a base for promoting franchise agreements with co-working space operators and others, enabling learning in various locations as it continues to focus on expanding its online services. It will also expand highly recurring services, such as support for ongoing learning.

Cram School Business

The Cram School business provides educational opportunities in the form of cram schools for elementary, junior high and high school students to support them in acquiring skills to improve their academic performance and play an active role in society. The business operates two cram schools in both in-person and online formats–“SS-1,” an individualized instruction school for students preparing for junior high school entrance exams, and “Motivation Academia” cram schools for junior high and high school students.

In this business, revenues for 2025 were ¥962 million (an 8.7% increase) and gross profit was ¥476 million (a 14.3% increase).

In 2025, revenues increased and gross profit increased substantially compared with the same period of the previous year as enrollment and revenues per enrollee each increased in line with expectations.

Currently, this business is promoting the use of the “MotiAca Method,” an original instructional method based on Motivation Engineering. Specifically, it will work to enhance learning motivation and establish continuous learning habits by diagnosing the personality traits of enrollees and classifying them into 16 types. It will then tailor the instruction to their characteristics.

In addition to promoting the "MotiAca Method," this business will continue to grow by providing learning opportunities through online courses to a wide range of students, not just those in areas where they can attend physical schools.

Matching Division

The Matching Division operates the ALT (assistant language teacher) Placement business and the Personnel Placement business in order to provide opportunities to connect organizations and individuals. It creates matches with a high retention rate by applying "Motivation Engineering," the core technology of the Group, to go beyond the skill requirements of companies and local governments and provide support for matching organizations and individuals based on the characteristics of each individual and other relevant data.

In this segment, segment revenues for 2025 were ¥19,300 million (a 14.7% increase) and segment income was ¥8,576 million (a 19.7% increase). An overview of operating results by business for 2025 is as follows.

ALT Placement Business

The ALT Placement business supports high-quality English language education by providing high-engagement matching opportunities between local governments and talented individuals from overseas seeking to work in Japan.

Specifically, it dispatches non-Japanese assistant language teachers (ALTs) to elementary, junior high and high schools throughout Japan and provides English-language instruction services on contract. In this business, barriers to entry are extremely high due to the importance placed on relationships of trust with customers and a company's track record, and the Group has established the predominant No. 1 share among private companies.

In this business, revenues for 2025 were ¥14,284 million (an 11.0% increase) and gross profit was ¥3,654 million (an 11.9% increase).

In 2025, the number of ALTs dispatched increased as expected, resulting in a significant increase in revenues and gross profit compared with the previous year. The Group will continue working to further expand market share by shifting some services online and utilizing ICT, while leveraging its strength in dispatching high-quality ALTs.

Personnel Placement Business

The Personnel Placement business helps to find the right fit between job applicants and companies by providing an information platform and matching opportunities with high engagement for people looking to find or change jobs. Specifically, it provides a wide range of matching opportunities, including OpenWork, one of Japan's largest employee review platforms, as well as employment referrals for university students.

In this business, revenues for 2025 were ¥5,056 million (a 27.4% increase) and gross profit was ¥4,962 million (a 26.7% increase).

In 2025, OpenWork, which has a particularly high growth rate, continued to steadily accumulate registered users as well as employee online reviews and evaluation scores. In the direct recruiting service (OpenWork Recruiting), proactive investment in marketing led to an increase in new online resume registrations, and the cumulative number of online resume registrations (working adults and students) increased to approximately 1,650,000. As a result of efforts to stimulate recruiting activity among existing customers and increase employment opportunities, recruiting by employers and applications from job seekers expanded, and revenues from this service were ¥3,247 million (a 34.2% increase).

This business will continue to expand synergy with the Organizational Development Division, and will ramp up its matching services.

Venture Incubation

In addition to its divisions, the Group conducts venture incubation. In venture incubation, the Group provides its know-how in organizational and personnel consulting in addition to funding, as well as support on an organizational level for growing venture companies that aim to list their stock. The two main criteria for selection of investees are sympathy with the idea of "creation of Motivation Companies" and aim to list stock. Gains on sales and other results generated from venture incubation are recorded in retained earnings on the condensed consolidated statements of financial position, or under other income or other expenses on the condensed consolidated statements of operations.

To date, the Group has helped 12 companies successfully list their stock. We will continue to support investees to create "Motivation Companies" and accelerate the promotion of human capital management.

(2) Overview of Financial Position for 2025

Total assets as of December 31, 2025 were ¥40,999 million, an increase of ¥7,821 million from the end of the previous year. This was mainly due to factors including a ¥2,767 million increase in cash and cash equivalents and a ¥2,636 million increase in goodwill.

Total liabilities as of December 31, 2025 were ¥24,181 million, an increase of ¥5,388 million from the end of the previous year. This was mainly due to factors including a ¥3,736 million increase in interest-bearing and other financial liabilities.

Total equity as of December 31, 2025 was ¥16,817 million, an increase of ¥2,432 million from the end of the previous year. This was mainly because, while there was a decrease due to dividends from surplus, the Group recorded increases resulting from the disposal of treasury shares, net income and other factors.

(3) Overview of Cash Flow for 2025

Cash and cash equivalents (“cash”) as of December 31, 2025 were ¥11,374 million, an increase of ¥2,767 million during the period.

Cash flow during 2025 was as follows.

Cash Flow from Operating Activities

Net cash provided by operating activities was ¥5,246 million, a decrease of ¥391 million compared with the previous year. The principal factors decreasing cash included a ¥1,335 million increase in impairment losses, a ¥1,197 million decrease in income before income taxes, and a ¥468 million decrease in income tax refund.

Cash Flow from Investing Activities

Net cash used in investing activities was ¥2,248 million, an increase of ¥309 million compared with the previous year. The principal factors increasing cash included the absence of a ¥1,992 million payment for investments accounted for by the equity method in the previous year. The principal factors decreasing cash included payment for purchase of subsidiary shares resulting in change in the scope of consolidation totaling ¥1,020 million, and a ¥1,235 million decrease in proceeds from sale of investment securities.

Cash Flow from Financing Activities

Net cash used in financing activities was ¥194 million, a decrease of ¥2,291 million from the previous year. The principal factors decreasing cash were a ¥3,950 million net decrease in proceeds from long-term financial liabilities, while the principal factors increasing cash included a ¥6,100 million net increase in short-term financial liabilities.

(4) Forecast

For the fiscal year ending December 31, 2026, the Company has forecast revenues of ¥46,700 million (a 12.5% increase), operating income of ¥6,310 million (a 50.1% increase), and net income attributable to owners of the parent of ¥3,470 million (a 114.0% increase). ROE is expected to remain at a high level of over 30%.

For companies, the importance and difficulty of continuing to be chosen by employees and applicants has been rapidly increasing amid the declining working-age population, the shift toward knowledge- and service-based businesses, and the diversification of work motivation in recent years. In addition, as the technological advancement of AI progresses, it is expected that competition to acquire top talent will intensify further. In these conditions, companies need to improve employee engagement in order to retain and attract talent, and enhance their human resource capabilities so that current employees can perform at their full potential. These changes in the business environment represent a major opportunity for the Group. At the same time, amid growing momentum for human capital management, which views human resources as a form of capital and aims to enhance medium- to long-term corporate value by bringing out the full value of that capital, the Group’s near-term focus will be on the Consulting & Cloud business of the Organizational Development Division, which has high growth potential. We have a unique competitive advantage in our ability to provide comprehensive support for human capital management, and will expand this support to drive growth.

To enhance medium-term corporate value, the Group is promoting a recurring revenue business model centered on the Consulting & Cloud business, and has set the goal of achieving operating income of ¥10.0 billion in 2028 and ¥15.0 billion in 2030. As the key indicator for that, we aim to achieve annual recurring revenue (ARR) of ¥15.0 billion in 2028 and ¥24.0 billion in 2030, centered on Motivation Cloud.

In the Consulting & Cloud business, the Group has steadily promoted the shift of consulting services to the cloud, and as a result, it has the unique advantage of being able to provide one-stop support through Motivation Cloud, from diagnosis of the organization to transformation based on the issues identified. To expand ARR, we will focus on expansion of existing services and expansion of new services. For expansion of existing services, we will expand the services we already provide to target domestic small and medium-sized enterprises in addition to major domestic companies. For expansion of new services, we are promoting the shift to the cloud in new areas of our transformation services. As a first step, we will release cloud services in the areas of recruiting support and management support in 2026. In April 2026, we plan to release Motivation Cloud Entry Management, a cloud service for support in recruiting. This service will offer one-stop support for successful recruiting based on the concept of “achieving recruiting that emphasizes continuous improvements in quality, not just quantity.” Specifically, it will support visualization of applicant characteristics utilizing our database, and leveraging our consulting know-how, the simultaneous improvement of the quantity and quality of recruiting throughout the process, from candidate sourcing to interviews. Moreover, we will combine our services with the recruiting DX service “harutaka” under a capital and business alliance with ZENKIGEN Inc. The service (harutaka) enables the optimization of the recruiting process by centrally managing data related to recruiting and combining it with AI. It has been introduced at more than 1,000 companies, mainly major domestic companies. We aim to expand ARR in the area of recruiting through collaboration with ZENKIGEN Inc.

Furthermore, to achieve long-term growth, we will also expand in overseas markets as well as the domestic market. Currently, we are doing business in five countries in Asia, and monthly fee revenue of Motivation Cloud in overseas markets at the end of December 2025 was growing at a pace of about 350% year on year, faster than our original plan. In the future, we will further expand business in the five countries in Asia, and speed up overseas expansion by deploying our service development expertise in other regions as well. Through these efforts, the Group will boost its presence as a worldwide human capital management partner and achieve sustainable growth and improvement of corporate value.

In addition to the consulting activities discussed above, and alongside significant growth in revenues in the Personnel Placement business, including OpenWork, we will accelerate growth throughout the Group by expanding the IR Support business and increasing market share in the ALT Placement business.

2. Basic Policy Regarding Selection of Accounting Standards

The Group has applied International Financial Reporting Standards (IFRS), in place of Japanese GAAP, since the first quarter of the fiscal year ended December 31, 2017 to improve the international comparability of its financial information in capital markets.

3. Consolidated Financial Statements and Main Notes

(1) Consolidated Statements of Financial Position

(Millions of yen, rounded down to the nearest million)

	As of December 31, 2024	As of December 31, 2025
ASSETS		
Current assets		
Cash and cash equivalents	8,607	11,374
Trade and other receivables	4,100	4,801
Inventories	297	238
Other current financial assets	17	15
Other current assets	918	1,123
Total current assets	13,940	17,553
Non-current assets		
Property, plant and equipment	653	667
Right-of-use assets	3,065	3,243
Goodwill	9,346	11,983
Intangible assets	2,066	2,667
Investments accounted for using the equity method	1,981	2,095
Other non-current financial assets	1,339	2,258
Deferred tax assets	721	468
Other non-current assets	63	62
Total non-current assets	19,237	23,445
Total assets	33,178	40,999

(Millions of yen, rounded down to the nearest million)

	As of December 31, 2024	As of December 31, 2025
LIABILITIES AND EQUITY		
LIABILITIES		
Current liabilities		
Trade and other payables	2,111	2,560
Contract liabilities	1,188	1,770
Interest-bearing and other financial liabilities	2,776	5,286
Lease liabilities	887	1,028
Income tax payable	1,214	1,097
Provisions	2	23
Other current liabilities	1,936	2,293
Total current liabilities	10,115	14,061
Non-current liabilities		
Interest-bearing and other financial liabilities	5,778	7,005
Lease liabilities	2,188	2,221
Provisions	370	388
Deferred tax liabilities	223	398
Other non-current liabilities	116	106
Total non-current liabilities	8,677	10,120
Total liabilities	18,793	24,181
EQUITY		
Equity attributable to owners of the parent		
Share capital	1,380	1,380
Capital surplus	2,680	3,658
Treasury shares	(1,182)	(0)
Retained earnings	9,447	9,424
Other components of equity	(1,040)	(872)
Total equity attributable to owners of the parent	11,285	13,590
Non-controlling interests	3,099	3,226
Total equity	14,384	16,817
Total liabilities and equity	33,178	40,999

(2) Consolidated Statements of Operations and Comprehensive Income

Consolidated Statements of Operations

(Millions of yen, rounded down to the nearest million)

	Year ended December 31, 2024	Year ended December 31, 2025
Revenues	37,458	41,522
Cost of sales	17,574	18,917
Gross profit	19,884	22,605
Selling, general and administrative expenses	14,196	16,925
Other income	206	138
Other expenses	409	1,614
Operating income	5,485	4,204
Financial revenues	12	20
Financial expenses	91	149
Equity gains (losses) of affiliates	15	147
Income before income taxes	5,420	4,223
Income taxes	1,366	2,202
Net income	4,053	2,020
(Attributable to)		
Owners of the parent	3,691	1,621
Non-controlling interests	362	398
Total	4,053	2,020
		(Yen)
Earnings per share attributable to owners of the parent		
Basic earnings per share		
Basic earnings per share	34.38	14.97
Diluted earnings per share	34.37	14.94

Consolidated Statements of Comprehensive Income

(Millions of yen, rounded down to the nearest million)

	Year ended December 31, 2024	Year ended December 31, 2025
Net income	4,053	2,020
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	305	227
Total of items that will not be reclassified to profit or loss	305	227
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	2	(36)
Total of items that may be reclassified to profit or loss	2	(36)
Total other comprehensive income	307	190
Total comprehensive income	4,361	2,211
(Attributable to)		
Owners of the parent	3,999	1,812
Non-controlling interests	362	398
Comprehensive income	4,361	2,211

(3) Consolidated Statements of Changes in Equity

Year ended December 31, 2024

(Millions of yen, rounded down to the nearest million)

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity	Total equity attributable to owners of the parent		
January 1, 2024	1,380	4,619	(1,539)	7,396	(1,690)	10,165	2,774	12,940
Net income	—	—	—	3,691	—	3,691	362	4,053
Other comprehensive income	—	—	—	—	307	307	—	307
Total comprehensive income	—	—	—	3,691	307	3,999	362	4,361
Acquisition of treasury shares	—	(24)	(1,561)	—	—	(1,585)	—	(1,585)
Disposal of treasury shares	—	(1,908)	1,908	—	—	—	—	—
Change in ownership interest in subsidiaries	—	(11)	—	(19)	—	(30)	(38)	(69)
Dividends from surplus	—	—	—	(1,272)	—	(1,272)	—	(1,272)
Exercise of stock options	—	5	—	—	(5)	—	—	—
Share-based payment transactions	—	0	10	—	(1)	9	—	9
Transfer from other components of equity to retained earnings	—	—	—	(348)	348	—	—	—
Total transactions with the owners	—	(1,938)	357	(1,640)	342	(2,879)	(38)	(2,917)
December 31, 2024	1,380	2,680	(1,182)	9,447	(1,040)	11,285	3,099	14,384

Year ended December 31, 2025

(Millions of yen, rounded down to the nearest million)

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity	Total equity attributable to owners of the parent		
January 1, 2025	1,380	2,680	(1,182)	9,447	(1,040)	11,285	3,099	14,384
Net income	—	—	—	1,621	—	1,621	398	2,020
Other comprehensive income	—	—	—	—	190	190	—	190
Total comprehensive income	—	—	—	1,621	190	1,812	398	2,211
Acquisition of treasury shares	—	—	(0)	—	—	(0)	—	(0)
Disposal of treasury shares	—	—	1,287	—	—	1,287	—	1,287
Changes due to business combinations	—	126	(126)	(31)		(31)	—	(31)
Change in ownership interest in subsidiaries	—	(179)	—	19		(159)	(271)	(430)
Dividends from surplus	—	—	—	(1,636)	—	(1,636)	—	(1,636)
Exercise of stock options	—	11	—	—	(11)	—	—	—
Issuance of new shares	—	997	—	—	—	997	—	997
Share-based payment transactions	—	21	21	—	(8)	35	—	35
Transfer from other components of equity to retained earnings	—	—	—	3	(3)	—	—	—
Total transactions with the owners	—	978	1,182	(1,645)	(22)	492	(271)	221
December 31, 2025	1,380	3,658	(0)	9,424	(872)	13,590	3,226	16,817

(4) Consolidated Statements of Cash Flow

(Millions of yen, rounded down to the nearest million)

	Year ended December 31, 2024	Year ended December 31, 2025
Cash flow from operating activities		
Income before income taxes	5,420	4,223
Depreciation and amortization	1,714	1,818
Loss on impairment	245	1,581
Loss (gain) on sales of fixed assets	(0)	—
Loss (gain) on valuation of investment securities	64	(77)
Loss (gain) on sale of investment securities	(182)	—
Financial revenues and financial expenses	79	128
Equity in (earnings) losses of affiliates	(15)	(147)
Decrease (increase) in trade and other receivables	(474)	(573)
Decrease (increase) in inventories	(71)	62
Increase (decrease) in trade and other payables	285	167
Other	(77)	316
Subtotal	6,989	7,501
Interest and dividends received	32	48
Interest paid	(86)	(153)
Income tax refund	485	17
Income taxes paid	(1,782)	(2,166)
Net cash provided by operating activities	5,638	5,246
Cash flow from investing activities		
Payments for acquisition of property, plant and equipment	(173)	(87)
Proceeds from sale of property, plant and equipment	0	—
Payments for acquisition of intangible assets	(635)	(569)
Payment for purchase of subsidiary shares resulting in change in the scope of consolidation	—	(1,020)
Payments for acquisition of investment securities	(300)	(601)
Proceeds from sale of investment securities	1,242	7
Payments for investments accounted for using the equity method	(1,992)	—
Payments for security deposits and guarantees	(41)	(26)
Proceeds from recovery of security deposits and guarantees	73	57
Payments for fulfillment of asset retirement obligations	(107)	(19)
Other	(4)	12
Net cash provided by (used in) investing activities	(1,938)	(2,248))
Cash flow from financing activities		
Net increase (decrease) in short-term financial liabilities	(4,100)	2,000
Proceeds from long-term financial liabilities	7,180	3,230
Repayment of long-term financial liabilities	(1,948)	(2,272)
Proceeds from exercise of stock options	10	—
Payments of cash dividends	(1,274)	(1,634)
Repayment of lease liabilities	(1,048)	(1,085)
Proceeds from payments from non-controlling interests	—	24
Payments for acquisition of interests in subsidiaries from non-controlling interests	—	(455)
Payments for acquisition of treasury shares	(1,489)	(0)
Net (increase) decrease in deposit	185	—
Net cash used in financing activities	(2,486)	(194)
Cash and cash equivalents translation adjustment	3	(36)
Net increase (decrease) in cash and cash equivalents	1,217	2,767
Cash and cash equivalents at beginning of year	7,389	8,607
Cash and cash equivalents at end of year	8,607	11,374

(5) Notes to Consolidated Financial Statements

(Notes Regarding Assumption of Going Concern)
None applicable

(Change in Accounting Policies)
None applicable

(Notes Regarding Significant Accounting Estimates and Judgements)

In preparing the consolidated financial statements, management makes judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The results of accounting estimates may differ from actual results.

The estimates and their underlying assumptions are reviewed on an ongoing basis. The effects of a review of accounting estimates are recognized in the accounting period in which the estimates are reviewed as well as in future periods.

Estimates and estimate-related judgments that have a significant impact on these condensed consolidated financial statements are the same as those in the condensed consolidated financial statements for the same period of the previous fiscal year.

(Changes in the Scope of Consolidation)

During 2025, the Company acquired shares in Unipos Inc., making it a subsidiary and therefore including the company in the scope of consolidation.

(Segment Information)

1. Overview of Reportable Segments

The reportable segments of the Group are based on available financial information divided among the constituent units of the Group and are subject to periodic analysis by the Board of Directors to determine allocation of management resources and to evaluate operating results.

The Group draws up comprehensive strategies and conducts business activities for the services it handles.

The Group is composed of divisional segments based on the form in which services are provided, with three reportable segments: the “Organizational Development Division,” the “Individual Development Division,” and the “Matching Division.”

2. Revenues, Income or Loss, and Other Items in Reportable Segments

The accounting policies for reportable segments are the same as the Group’s accounting policies.

Income of reportable segments is based on gross profit on the consolidated statement of operations.

Values of intersegment transactions are decided using the same method as for sales to outside customers.

Revenues, income or loss, and other items for each reportable segment of the Group are as follows.

Year ended December 31, 2024

(Millions of yen)

	Reportable Segment				Other (Note 1)	Adjustment (Note 2)	Consolidated
	Organizational Development Division	Individual Development Division	Matching Division	Total			
Segment revenues							
Revenue to outside customers	14,539	6,332	16,580	37,452	6	—	37,458
Intersegment revenues and transfers	315	89	241	645	49	(695)	—
Total	14,854	6,421	16,821	38,098	55	(695)	37,458
Segment income (loss)	10,254	3,033	7,163	20,451	(18)	(548)	19,884
Selling, general and administrative expenses							14,196
Other revenue/expenses (net)							(202)
Financial revenue/expenses (net)							(79)
Equity in earnings of affiliates							15
Income before income taxes							5,420
Other items							
Depreciation and amortization	947	636	130	1,714	0	—	1,714
Impairment loss	91	152	0	245	—	—	245

Notes: 1. The Other segment consists of the restaurant business and other operations not included in the other reportable segments.

2. Adjustment is the elimination of intersegment transactions.

Year ended December 31, 2025

(Millions of yen)

	Reportable Segment				Other (Note 1)	Adjustment (Note 2)	Consolidated
	Organizational Development Division	Individual Development Division	Matching Division	Total			
Segment revenues							
Revenue to outside customers	16,539	5,951	19,022	41,513	9	—	41,522
Intersegment revenues and transfers	306	131	277	715	65	(780)	—
Total	16,845	6,083	19,300	42,229	74	(780)	41,522
Segment income (loss)	11,757	2,875	8,576	23,209	(6)	(597)	22,605
Selling, general and administrative expenses							16,925
Other revenue/expenses (net)							(1,475)
Financial revenue/expenses (net)							(128)
Equity in earnings of affiliates							147
Income before income taxes							4,223
Other items							
Depreciation and amortization	1,082	604	131	1,818	0	—	1,818
Impairment loss	20	1,528	—	1,548	32	—	1,581

Notes: 1. The Other segment consists of the restaurant business and other operations not included in the other reportable segments.

2. Adjustment is the elimination of intersegment transactions.

(Business Combination)

Unipos Inc. became a wholly owned subsidiary as of August 1, 2025 through a simplified share exchange. The transaction was based on a share exchange agreement entered into with Unipos on May 22, 2025, under which Link and Motivation Inc. became the parent company and Unipos became a wholly owned subsidiary.

Prior to the effective date of the share exchange, we executed a share transfer on July 1, 2025, acquiring 3,800 Class A preferred shares and 366,200 common shares of Unipos from Sansan Inc.

In addition, Unipos was delisted from the Tokyo Stock Exchange Growth Market as of July 30, 2025 (with the final trading date being July 29, 2025). The share exchange was approved at both the Unipos Annual General Meeting of Shareholders and the Class Shareholders Meeting. On our side, the share exchange was carried out as a simplified share exchange that did not require shareholder approval, in accordance with Article 796, Paragraph 2 of the Companies Act.

1. Overview of Business Combination

(1) Name and business description of the acquired company

Name of acquired company: Unipos Inc.

Business: Developing and sale of HR software Peer Bonus® Unipos
Consulting on organizational culture reform

(2) Purpose of the business combination

Link and Motivation acquired Unipos and made it a wholly owned subsidiary for the purpose of further enhancing corporate value over the medium- to long-term by utilizing the expertise, networks and other business resources that Link and Motivation and Unipos have developed.

(3) Date of business combination

August 1, 2025

(4) Legal form of business combination

Share acquisition for cash consideration and share exchange

(5) Allocation of shares related to this share exchange

	LMI (Wholly owning parent company)	Unipos (Wholly owned subsidiary)
Share allocation ratio in this share exchange	1	0.35
Number of shares delivered in this share exchange	LMI stock: 4,437,028 shares	

(6) Calculation method of share exchange ratio

To ensure the fairness and validity of the share allocation ratio of this share exchange (the "Share Allocation Ratio"), Link and Motivation selected Yamada Consulting Group Co., Ltd. as a financial advisor and third-party appraiser, and TMI Associates as a legal advisor, while Unipos selected AGS Consulting Co., Ltd. as a financial advisor and third-party appraiser, and Anderson Mori & Tomotsune as a legal advisor.

Link and Motivation and Unipos determined that this share exchange was appropriate as a result of careful deliberation and extensive negotiations between the two companies regarding the Share Allocation Ratio. This decision was made after considering the results of mutual due diligence and a wide range of factors, including each company's financial condition, assets, and future prospects, with reference to the valuation results provided by independent third-party appraisers and advice from their respective legal advisors.

(7) Percentage of voting rights acquired

100.0%

2. Breakdown of Consideration for Acquisition and Fair Value of Acquired Assets and Assumed Liabilities

(Millions of yen)

Consideration for acquisition	4,313
Cash	2,028
Link and Motivation stock (4,437,028 shares)	2,285
Assets	
Cash and cash equivalents	1,344
Intangible assets	505
Other assets	136
Liabilities	
Contract liabilities	472
Interest-bearing debt and other financial liabilities	516
Other liabilities	255
Acquired assets and assumed liabilities (net value)	742
Goodwill	3,570
Total	4,313

Goodwill arose mainly from a reasonable estimate of expected future excess earnings. None of the amount of this goodwill is expected to be a deductible expense for tax purposes.

In addition, during the third quarter of 2025, provisional accounting was applied as the amounts of assets acquired and liabilities assumed and the allocation of the acquisition consideration to goodwill had not yet been finalized. Following the finalization of the allocation during the fourth quarter of 2025, the amount of goodwill at the acquisition date was revised. As a result of allocating ¥489 million mainly to intangible assets and ¥149 million to deferred tax liabilities, goodwill decreased by ¥339 million from ¥3,910 million to ¥3,570 million.

3. Details and Amounts of Significant Acquisition-Related Expenses

Acquisition-related expenses related to the business combination are ¥127 million, including compensation and commissions for advisory services and due diligence, and are recorded in selling, general and administrative expenses on the consolidated statements of operations.

4. Impact on Consolidated Financial Results

Information on profit and loss since the acquisition date related to the business combination, as well as pro forma information assuming the business combination had been completed at the beginning of 2025, has been omitted because the impact on the consolidated statement of operations is not significant.

In addition, the pro forma information assuming the business combination had been completed at the beginning of 2025 has not been audited by an independent auditor.

(Per Share Information)

1. Basic earnings per share and diluted earnings per share

	Year ended December 31, 2024	Year ended December 31, 2025
Basic earnings per share (Yen)	34.38	14.97
Diluted earnings per share (Yen)	34.37	14.94

2. Basis for calculating basic earnings per share and diluted earnings per share

	Year ended December 31, 2024	Year ended December 31, 2025
Profit used to calculate basic and diluted earnings per share		
Net income attributable to owners of the parent (Millions of yen)	3,691	1,621
Amount not attributable to ordinary shareholders of the parent (Millions of yen)	—	—
Profit (loss) used to calculate basic earnings per share (Millions of yen)	3,691	1,621
Profit adjustment amount		
Adjustment for share options to be issued by associates (Millions of yen)	(0)	(2)
Profit (loss) used to calculate diluted earnings per share (Millions of yen)	3,691	1,619
Weighted average number of ordinary shares used to calculate basic and diluted earnings per share (Shares)		
Weighted average number of ordinary shares used to calculate basic earnings per share (Shares)	107,379,040	108,345,432
Effect of dilutive shares: stock options	—	—
Weighted average number of ordinary shares used to calculate diluted earnings per share (Shares)	107,379,040	108,345,432

(Significant Subsequent Events)

(Repurchase of Shares)

At the Board of Directors meeting held on February 12, 2026, the Company resolved to implement a repurchase of shares based on Article 43 of the Company's Articles of Incorporation and Article 459-1 of the Companies Act.

1. Reason for Making the Share Repurchase

The Company adopts a flexible capital policy to enhance capital efficiency and shareholder returns, taking into account its financial condition, cash outlook, stock price and market conditions. Based on the progress of the medium-term growth strategy disclosed in the announcement of financial results for 2025, which is expected to strengthen the Company's medium-term earnings base, the Company comprehensively considered a range of factors, including its financial condition and stock price. As a result, the Company determined that a share repurchase would enhance return on equity and other measures of capital efficiency, and has therefore decided to conduct a share repurchase. For details of the medium-term growth strategy, see the news release, "Medium-Term Growth Strategy: Targeting Operating Income of ¥15 Billion in 2030," released on February 12, 2026

2. Details of Share Repurchase

(1) Type of shares to be repurchased	Common stock
(2) Number of shares to be repurchased	12,000,000 shares (maximum) (Percentage of total outstanding shares: 10.82%)
(3) Total amount of share repurchase	¥6,000 million (maximum)
(4) Repurchase period	February 13, 2026 – August 31, 2026
(5) Repurchase method	Open market purchase on the Tokyo Stock Exchange

(Syndicated Loan Agreement)

At the Board of Directors meeting held on February 12, 2026, the Company resolved to sign a syndicated loan agreement subject to financial covenants.

1. Purpose of Signing the Syndicated Loan Agreement

The funds from the syndicated loan will be allocated to the repurchase of shares as outlined in the "Notice Concerning Decision on Details of Share Repurchase" disclosed on February 12, 2026.

2. Outline of Syndicated Loan Agreement

(1) Arranged amount	¥6,000 million
(2) Borrowing form	Line of credit agreement
(3) Agreement signing date	February 27, 2026
(4) Final payment date	September 30, 2032
(5) Commitment period	February 27, 2026 to September 30, 2026
(6) Borrowing interest rate	Base rate and spread
(7) Arranger and agent	Mizuho Bank, Ltd.
(8) Participating financial institutions	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Resona Bank, Limited
(9) Collateral	No collateral

3. Financial Covenant

The borrower shall not record operating losses in its consolidated statements of operations for any two consecutive fiscal years, starting with the fiscal year ending December 31, 2026. The first judgment will be made with respect to financial results for the fiscal year ending December 31, 2027 and the immediately preceding fiscal year.

4. Outlook

The Company has determined that this matter will have no significant impact on its consolidated financial results for the fiscal year ending December 31, 2026. Further notice will promptly be released if any material matters requiring disclosure arise in the future.