

# **Respond, Exceed**



**WDB Holdings Co., Ltd.**

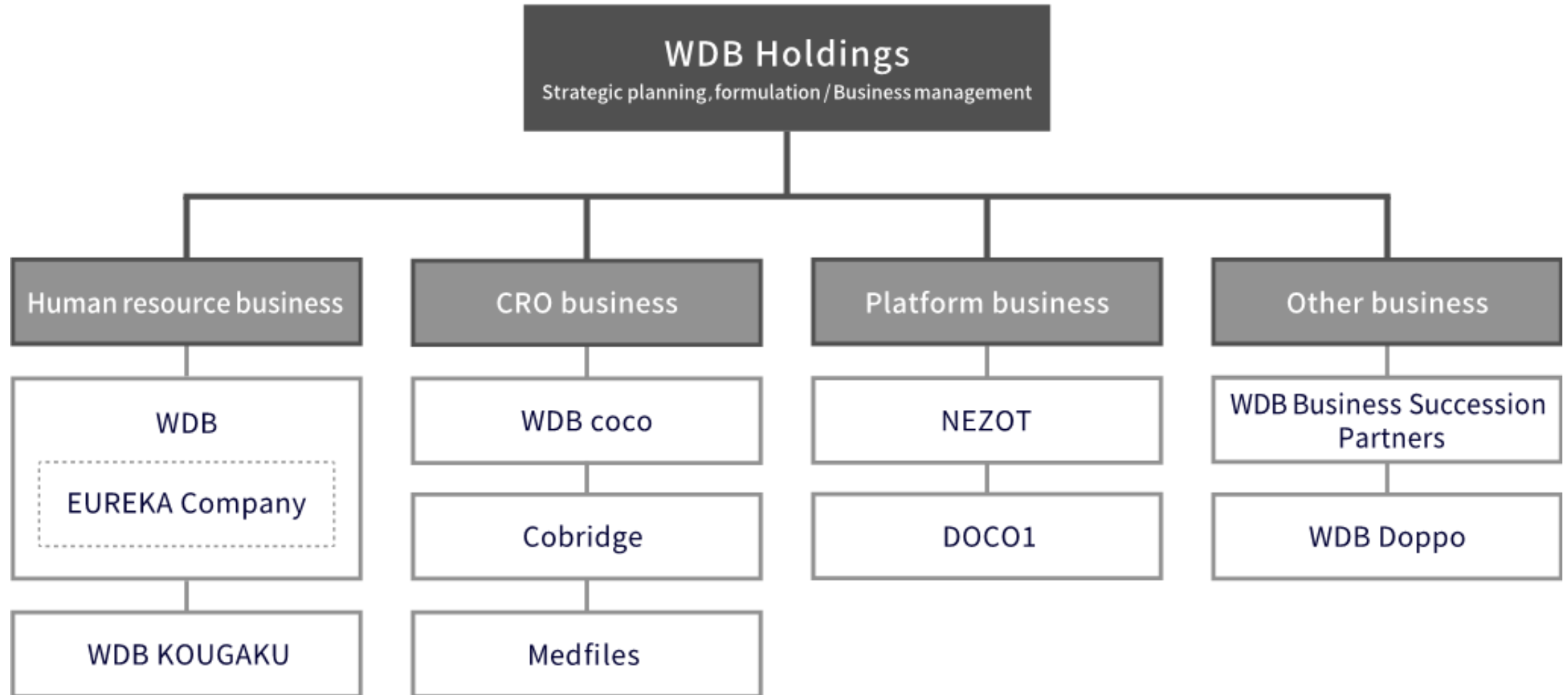
## **FY2024 Financial Report**

**~Transformation into a Platform-Based Business~**

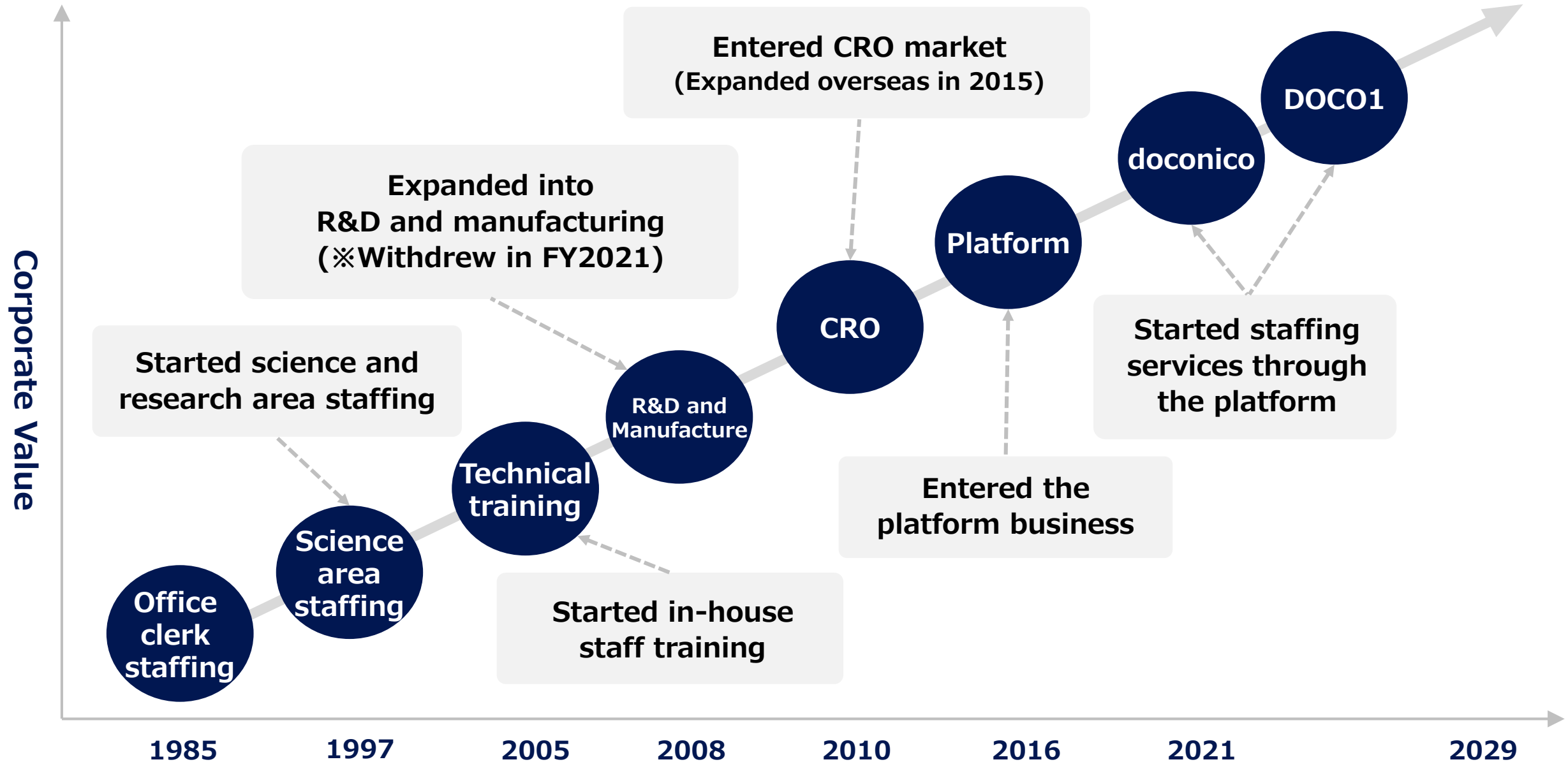
# Company Overview (May, 2025)



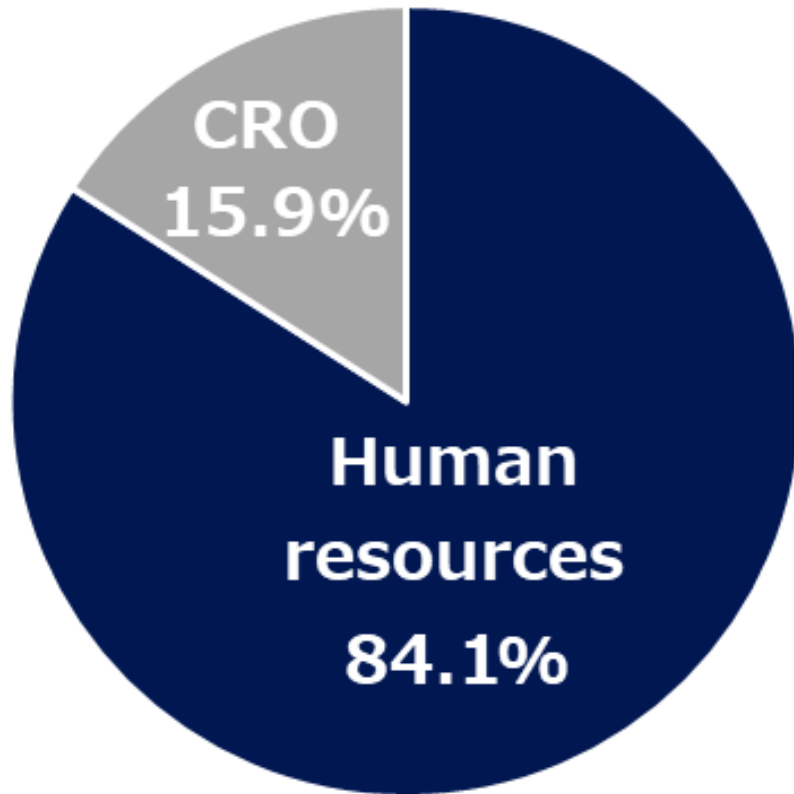
Company Name	WDB Holdings Co., Ltd.
Incorporation	July 6,1985
Capital	¥1 billion
Stock Listing	Prime Market of Tokyo Stock Exchange (Code 2475)
President and CEO	Toshimitsu Nakano
Head Office	79 Toyozawa-cho,Himeji-shi,Hyogo
Number of Employees	967(temporary staff and others / 10,154) <small>※The number of employees is calculated on a different base from that in the financial report.</small>
Sales	¥51.1 billion (FY2024)
Ordinary Income	¥5.0 billion (FY2024)
Business Domain	<ul style="list-style-type: none"><li>• Human Resources Business</li><li>• CRO business</li><li>• Platform and Other Business</li></ul>



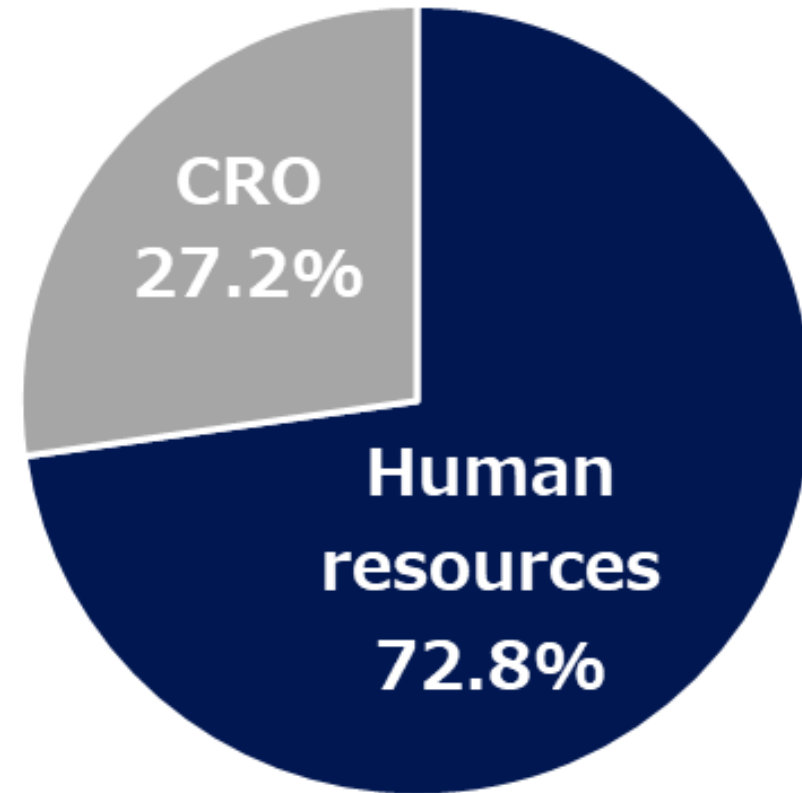
# History and Business Expansion



## Sales composition



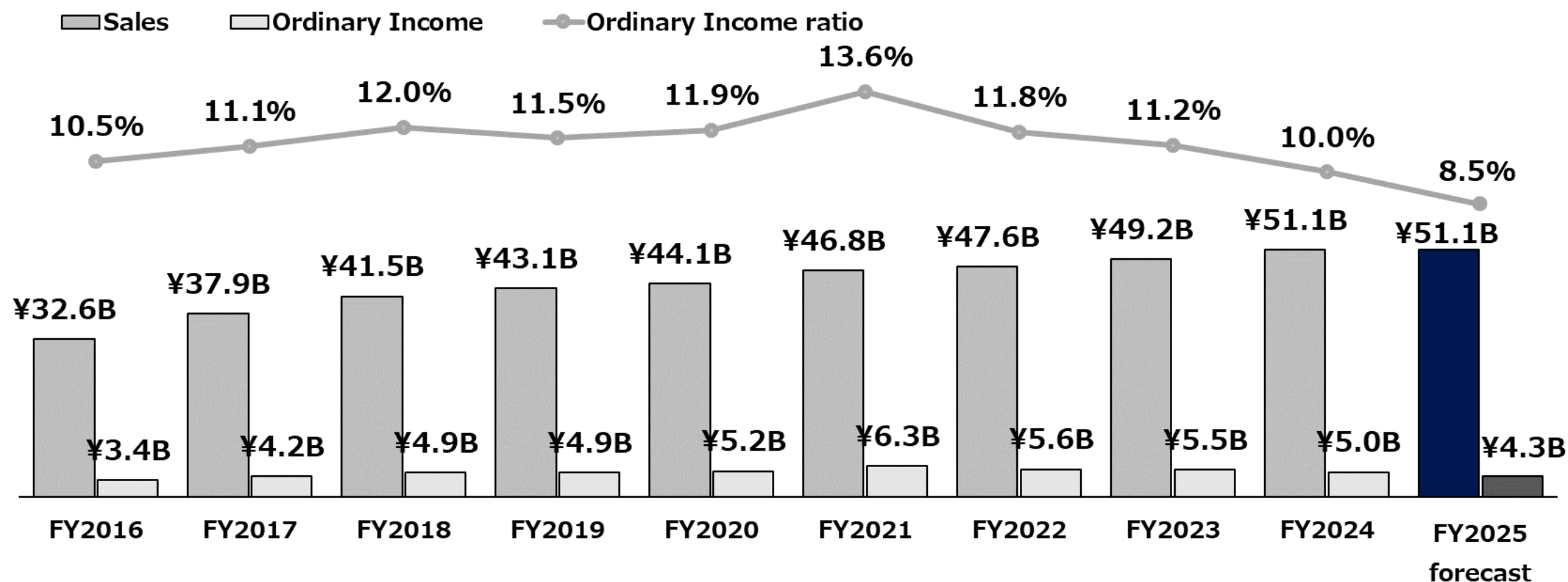
## Profit composition



# Financial Results & Forecast (Consolidated)

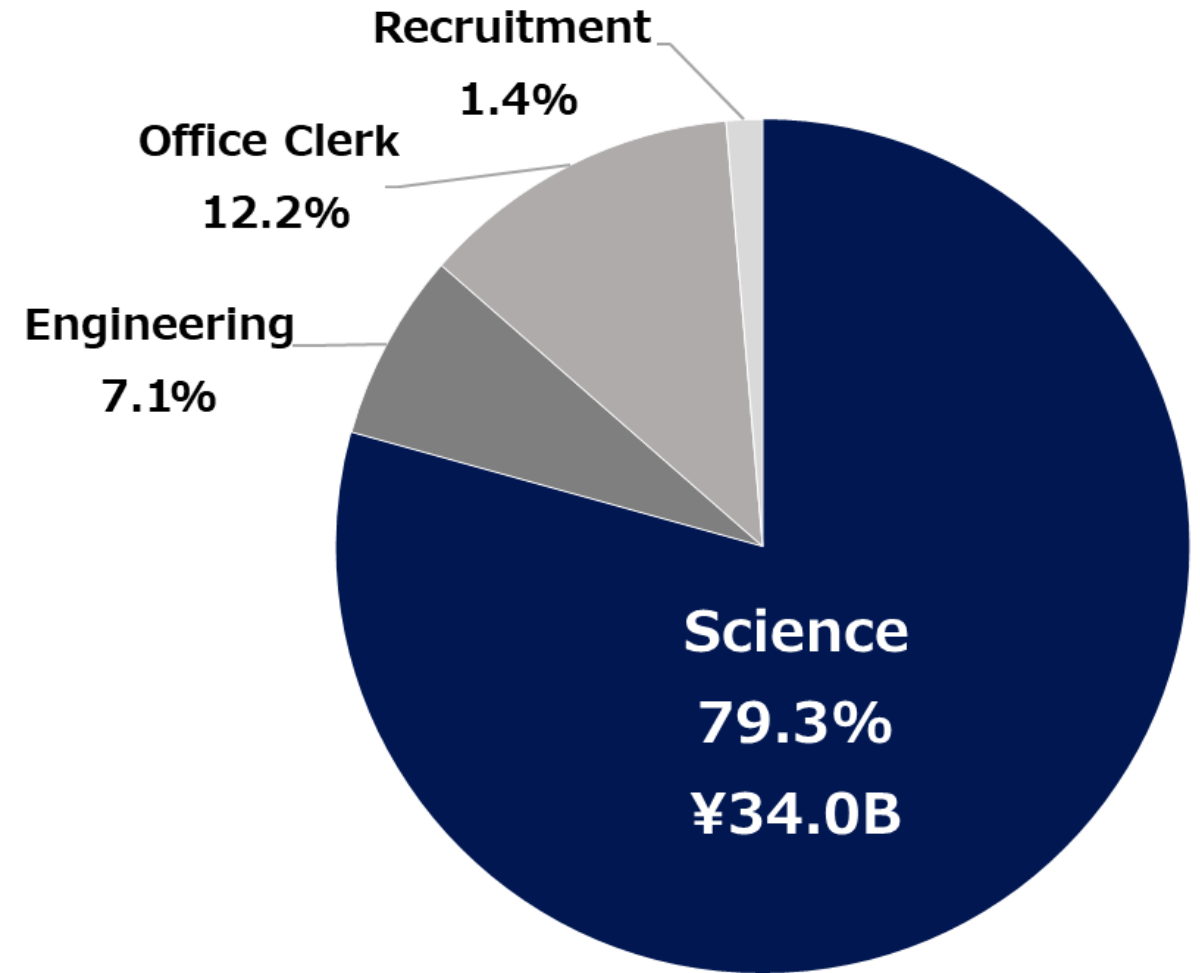
Sales and profits are steadily growing for the past 10 years.

In addition, although ordinary income has not shown significant growth since the FY 2022, this is primarily due to our ongoing investments in areas such as increased compensation for temporary staff and the development of our platform, aimed at ensuring continued growth over the long term.



# Human Resources Business

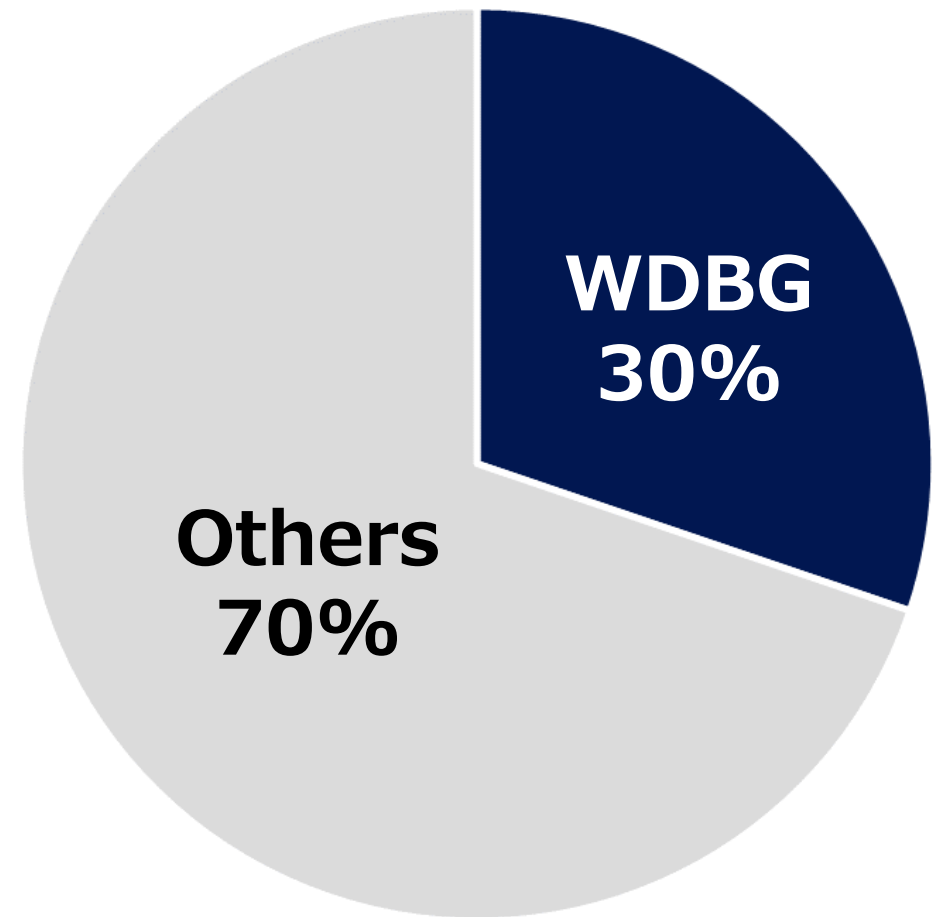
**Our staffing business is mainly focusing on the science and research field. This field accounts for approx. 80% of the revenue of our staffing business.**





**Our company accounts for approx.  
1/3 of the science-related  
temporary staffing market  
(110 billion yen) . This makes us the  
Market leader.**

※market size by our estimate



**We dispatch scientific researchers, research assistants, and technicians in the science and research related fields.**

## **Staff and talent**

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- **Knowledge/skills in genetics**
- **Knowledge/skills in animal anatomy**
- **PCR testing capabilities**
- **Experience in chemical analysis, etc.**

## **Staffing requests**

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- **Research assistance in laboratories**  
**(Universities, research institution as well as private sector)**
- **Quality control work for factory**



**Observation with a microscope**



**Reagent injection by pipette**



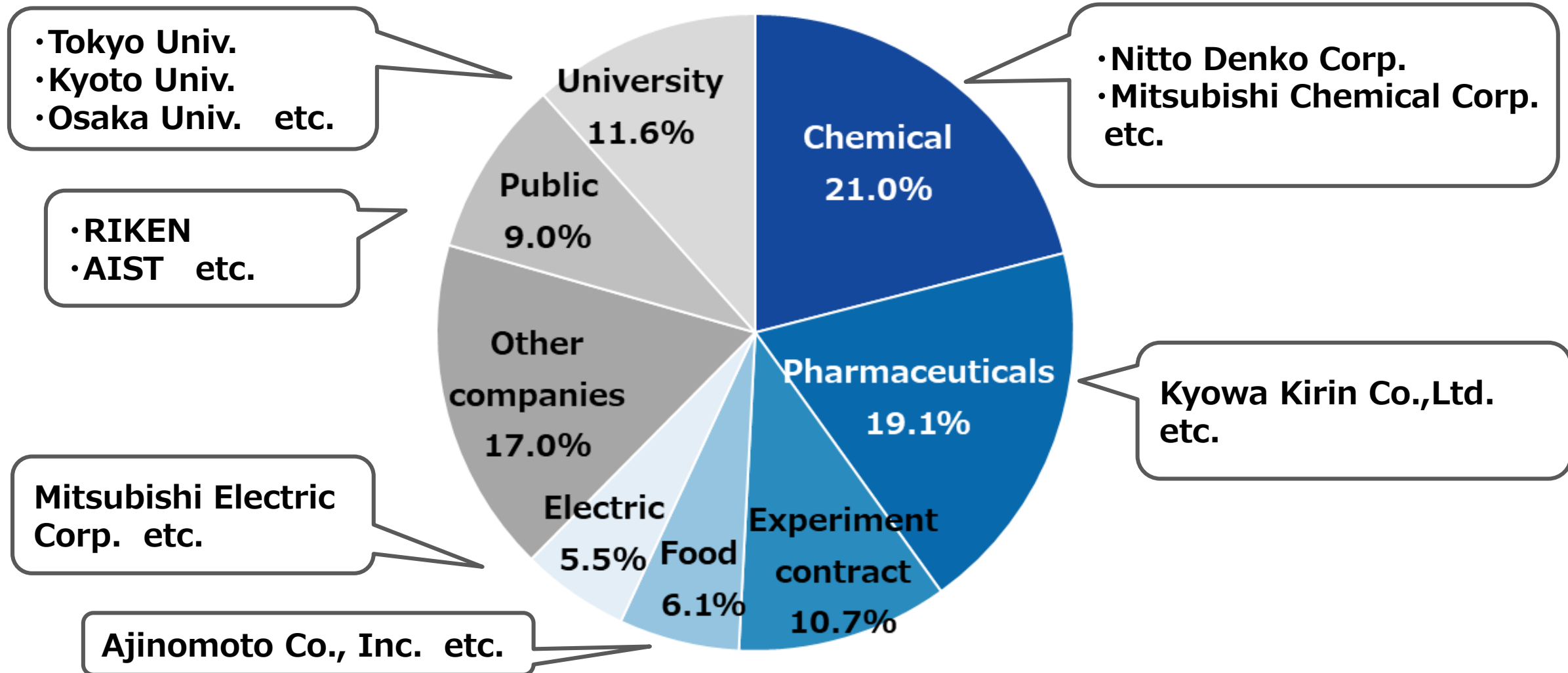
**Reagent concentration  
by evaporator**



**Component analysis by HPLC**

# Sales Composition Ratio by Industry Segment (FY2024)

We have business with most major chemicals manufacturers, pharmaceuticals, food manufacturers, public laboratories, and universities.



## Three elements to source high-quality staff

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- 1. We provide necessary skills and techniques for our staff at our in-house training centers nationwide.**
- 2. We attract good staff because of our name value in the science field.**
- 3. We deal with both registration type and full-time employee type. This is advantageous compared to one type only staffing companies.**

## How we keep high level of satisfaction for customer and staff both

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### 1. Best Matching

**With many years of experience in the sciences field, we understand our clients' work requirements well. For candidates, we conduct a one-day skills test to understand their abilities accurately. Using this information and our own methods, we match candidates with the best possible jobs.**

### 2. Maintaining Satisfaction During Employment

**We have regular meetings with clients and temporary staff, and we have a system to discuss any issues anytime. This lets us solve problems quickly during employment. We also pay high-performing temporary staff well according to their work quality, keeping them satisfied.**

### 3. Providing Services Through the Platform

**We provide temporary staffing services through our proprietary system (details below).**

**We call the mechanism which enhances the convenience and visualization of services that used to be done manually as a "platform".**

**The basic development concept is that “the platform will streamline, automate, and visualize operations, and customers will be able to receive our services 24/7, and will be able to check the progress of services in real time.”**

**Our human resources service platform “doconico” was released in April 2021, and “DOC01” followed in May 2025. Both platforms are currently in active operation and have been continuously improved since their release.**

**We also released a platform for CRO services and started operation during FY2023.**

# Staffing Service Using “doconico”

Most of the staffing services procedures that were previously provided through our staff, can now be provided online.

	Before doconico	After doconico
Staffing request	<ul style="list-style-type: none"><li>• Order via call/email</li><li>• In-person or phone interview</li></ul>	<ul style="list-style-type: none"><li>• AI chat for ordering &amp; needs hearing</li><li>※ Online interview available upon request</li></ul>
Matching	<ul style="list-style-type: none"><li>• Progress checked via call/email</li></ul>	<ul style="list-style-type: none"><li>• Real-time progress tracking on the platform</li></ul>
Labor management/ Contract/Billing	<ul style="list-style-type: none"><li>• Approval and faxing of paper timesheets</li><li>• Paper contracts &amp; invoices</li></ul>	<ul style="list-style-type: none"><li>• Approval of digital timesheets anytime, anywhere</li><li>• Digital contracts &amp; invoices</li></ul>
Evaluation of temporary staff	<ul style="list-style-type: none"><li>• Monthly visit to monitor staff performance and client satisfaction</li></ul>	<ul style="list-style-type: none"><li>• Monthly visit + daily evaluation &amp; feedback on platform</li></ul>



# Staffing Platform “doconico” & “DOC01”

Enabling to complete requests, procedures, and management of staffing personnel on the Web. Various labor procedures and documents can be made paperless and efficient, as well as dispatched staff information can be centrally managed.

Information sharing between related parties will be smoother, and improve business efficiency.

“doconico” is our staffing management system designed for clients using our staffing services. To address client needs to also manage staff dispatched from other agencies, we launched “DOC01” in May 2025, enabling centralized management across multiple staffing vendors.

“DOC01” allows users to manage all communication with different staffing agencies online. It also enables simultaneous job order dispatch to multiple agencies, while centralized visibility into each worker’s contract, time records, and billing status.



# CRO Business

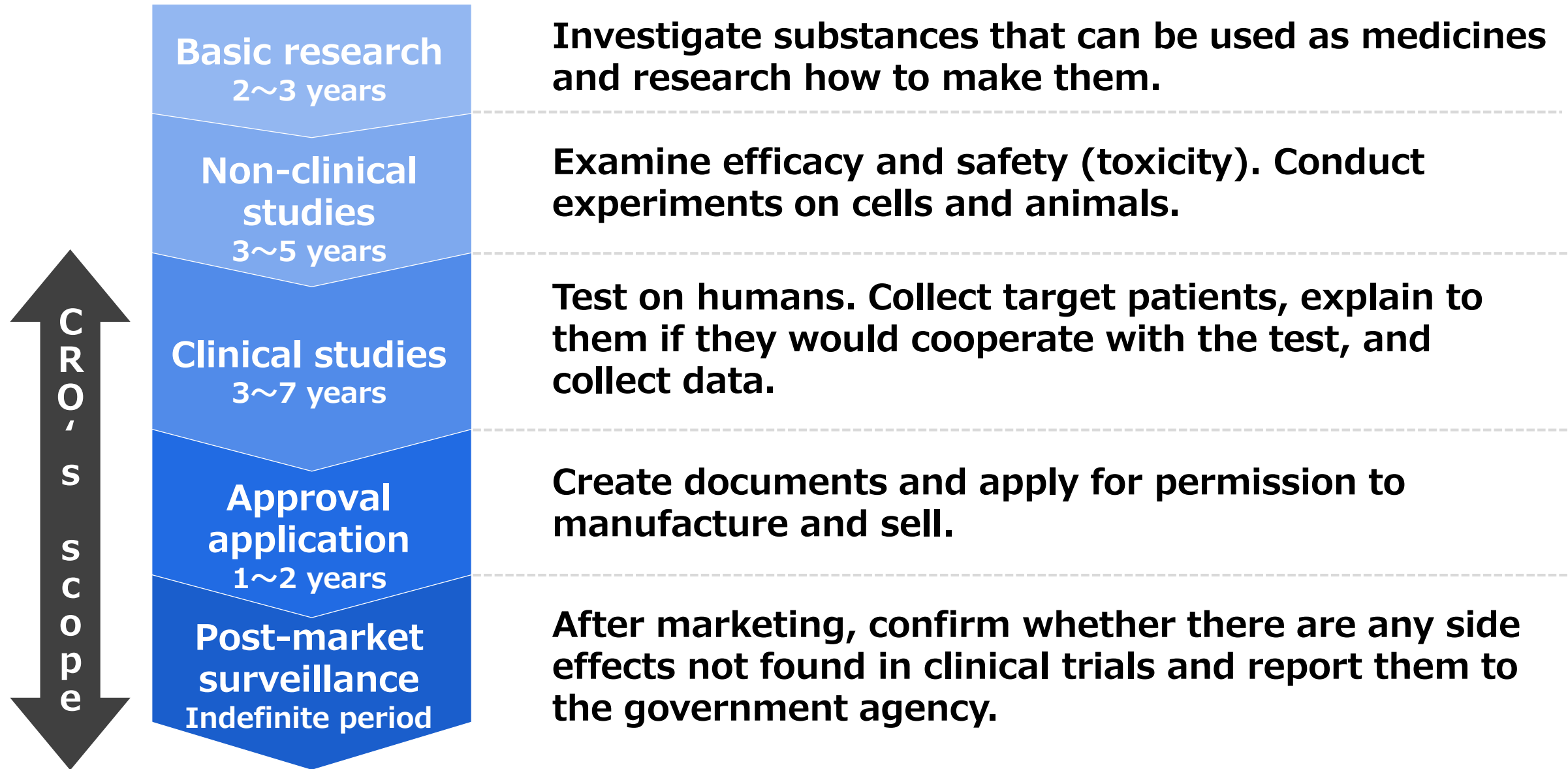
**CRO (Contract Research Organization) is a company that supports the drug development of pharmaceutical manufacturers.**

**It takes 10 to 20 years and 50 billion yen for a pharmaceutical manufacturer to develop a new drug.**

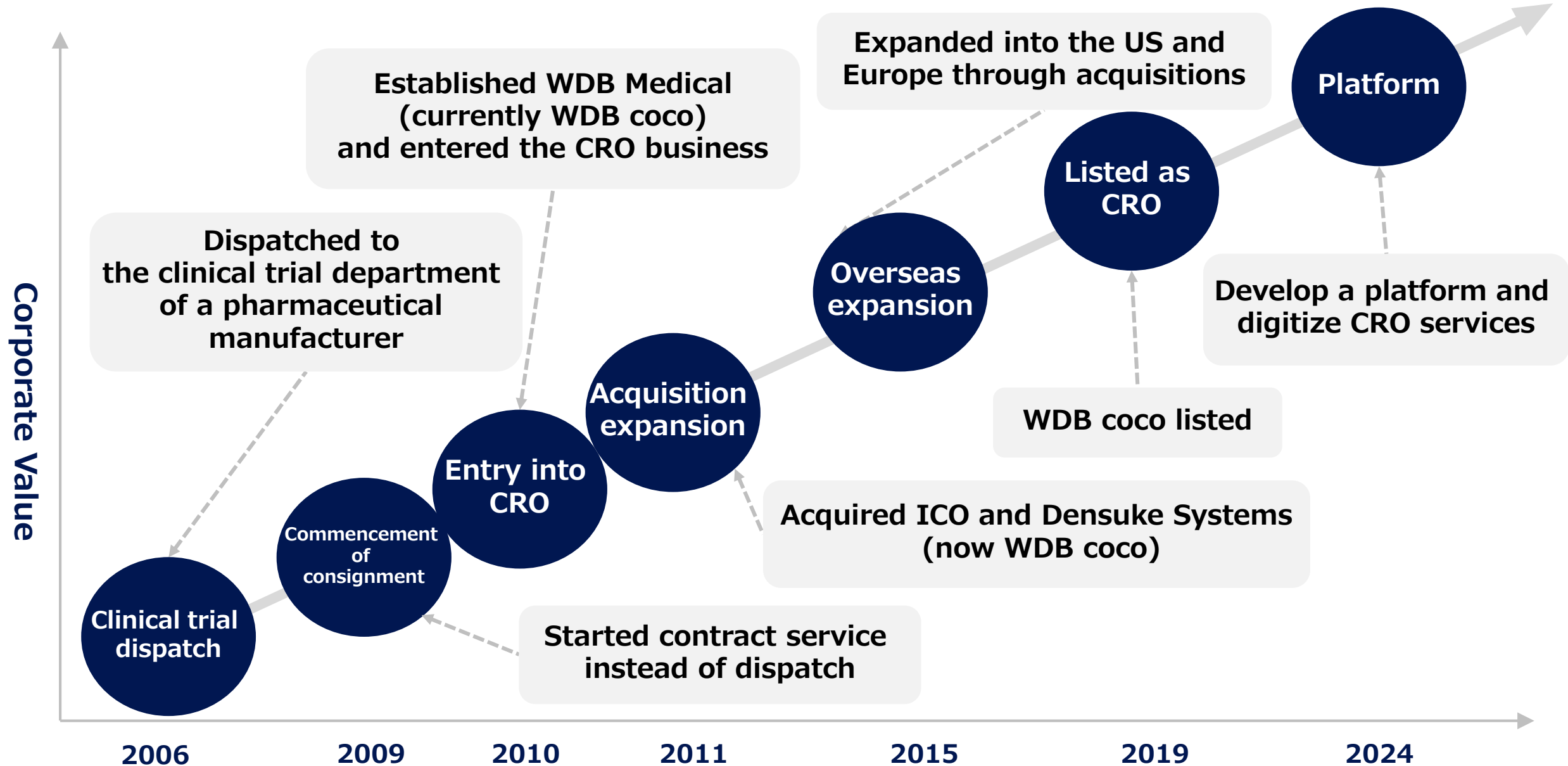
**For this reason, pharmaceutical manufacturers place orders for various ancillary tasks related to drug development to CROs so that researchers can concentrate on their research.**

**We will explain specifically what kind of work the CRO will undertake on the next page.**

# Flow of New Drug Development



# History of WDBG CRO Business



## Japan

### WDB COCO

- Pharmacovigilance
- Document support
- Data management
- Statistical analysis
- Clinical research support

### COBRIDGE

- Regulatory affairs

## Europe

### MEDFILES

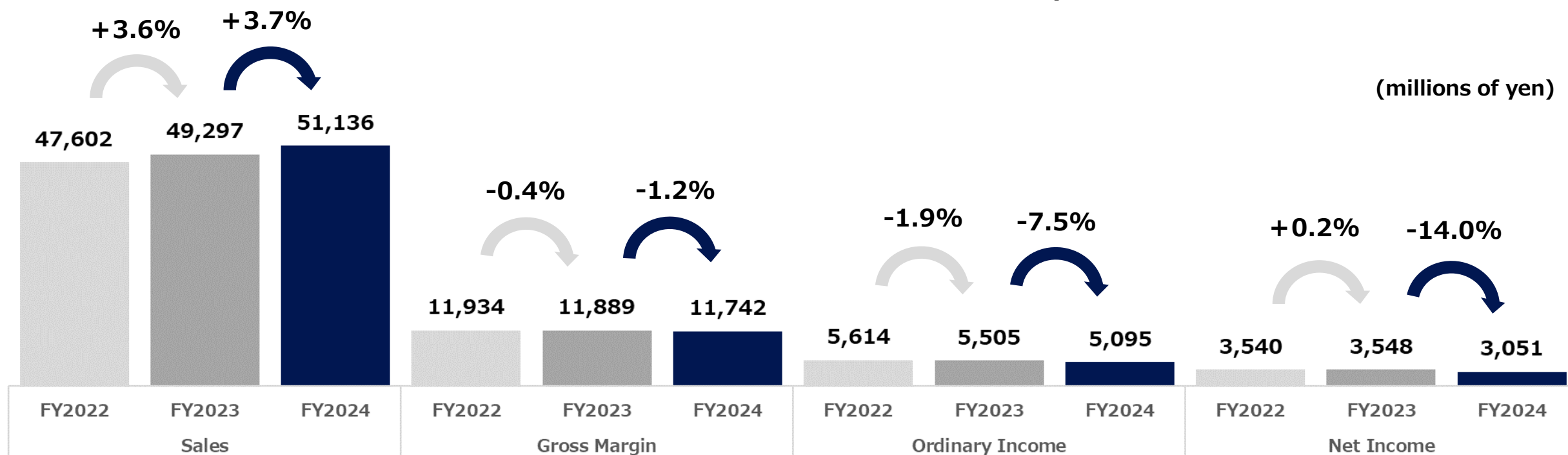
- Pharmacovigilance
- Clinical trial
- Data management
- Statistical analysis
- Regulatory affairs

# FY2024 Result

# Summary (Consolidated)



- Sales** : Sales increased by 3.7% YoY due to higher sales in both the staffing business and the CRO business.
- Gross Margin** : Gross margin decreased 1.2% YoY.
- Ordinary Income** : Ordinary income decreased by 7.5% YoY due to a decrease in gross margin and an increase in the amount of SG&A expenses.
- Net Income** : Net income decreased by 14.0% YoY due to a decrease in ordinary income and an increase in income taxes and other expenses.

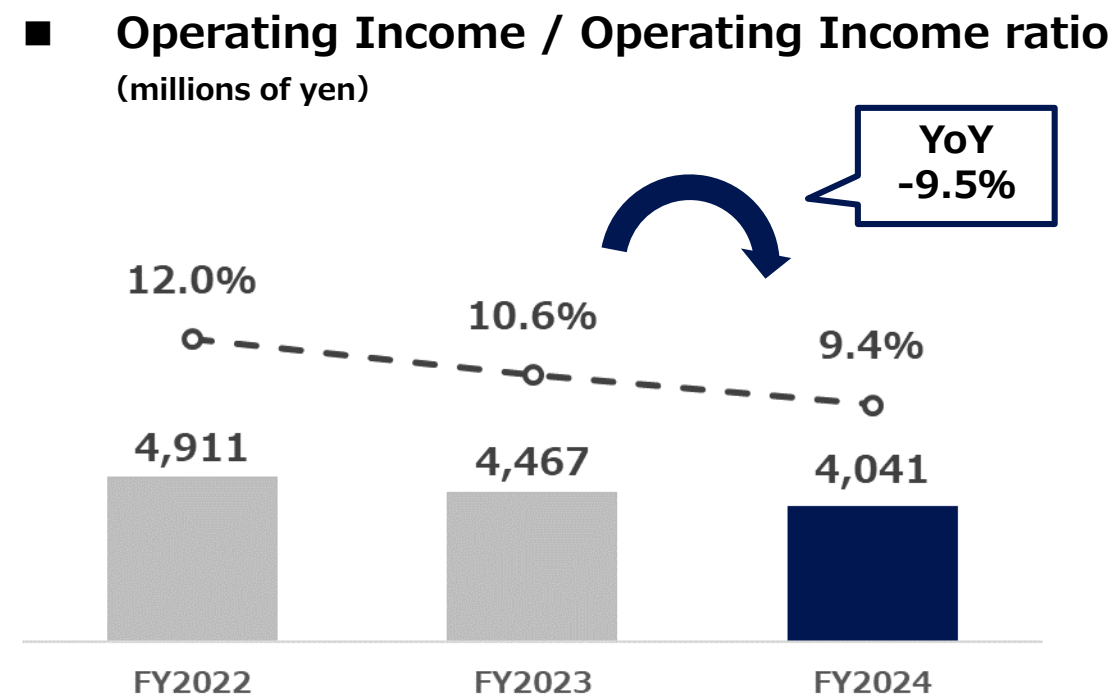
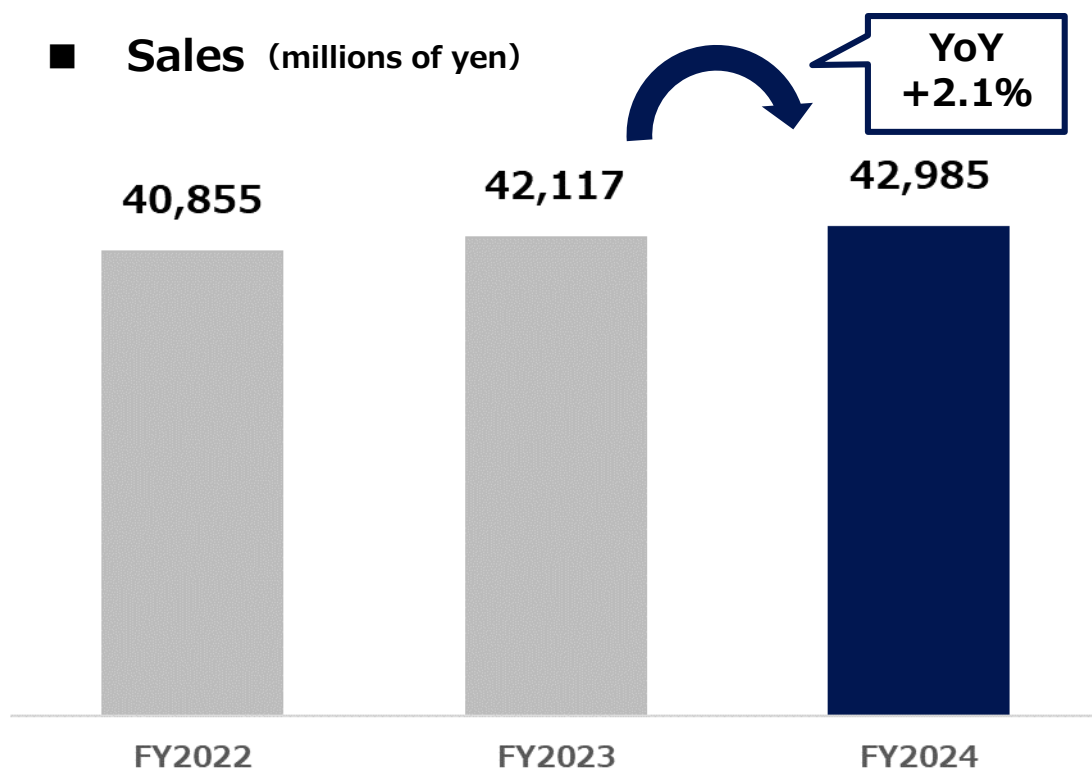




# Segment Performance (Human Resources Business)

**Sales** : Sales increased by 2.1% YoY due to an increase in temporary staffing fees and a decrease in the number of permanent-type temporary employees who could not be dispatched to clients.

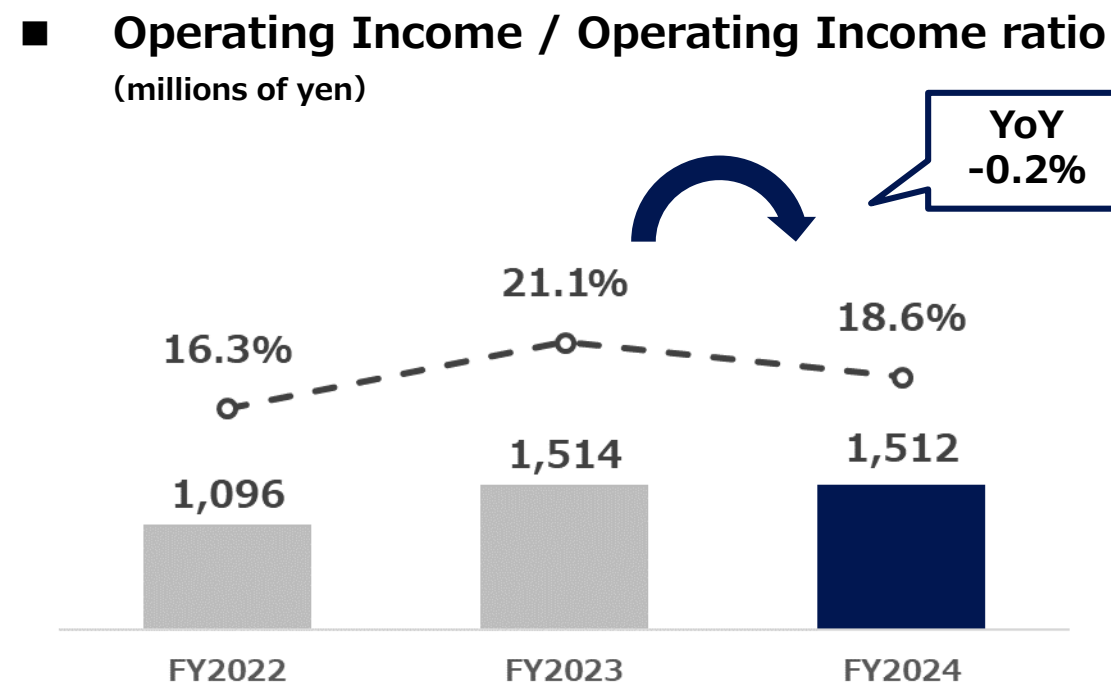
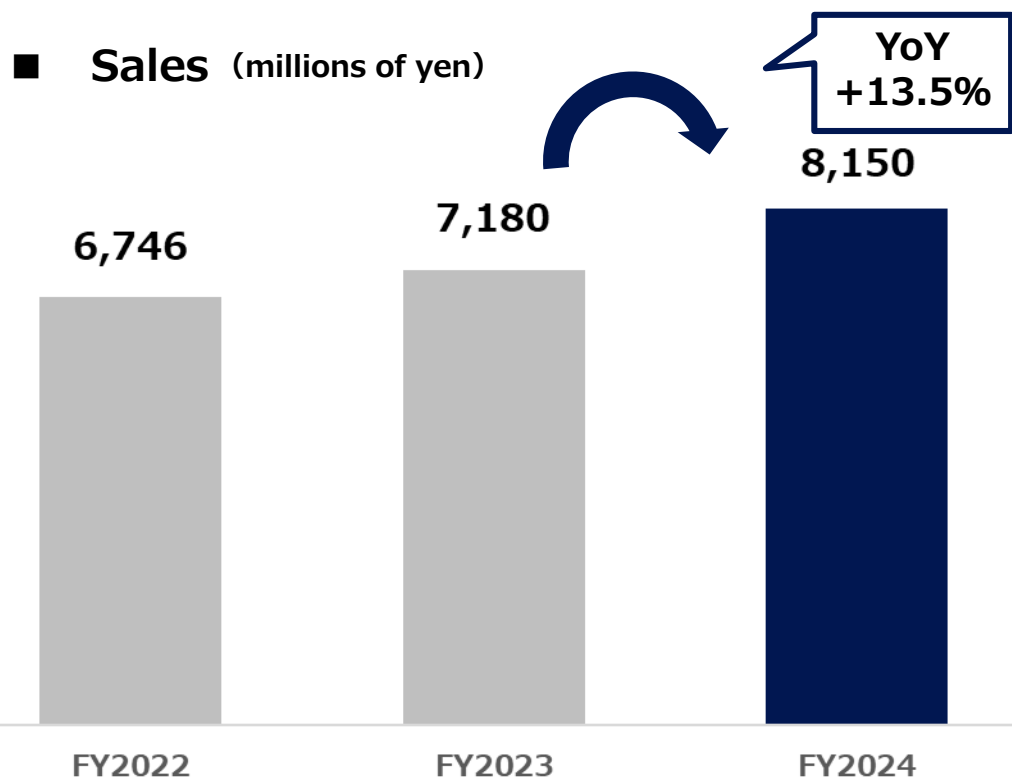
**Operating Income** : Operating income decreased by 9.5% YoY due to an increase in personnel costs resulting from increased compensation for temporary staff.



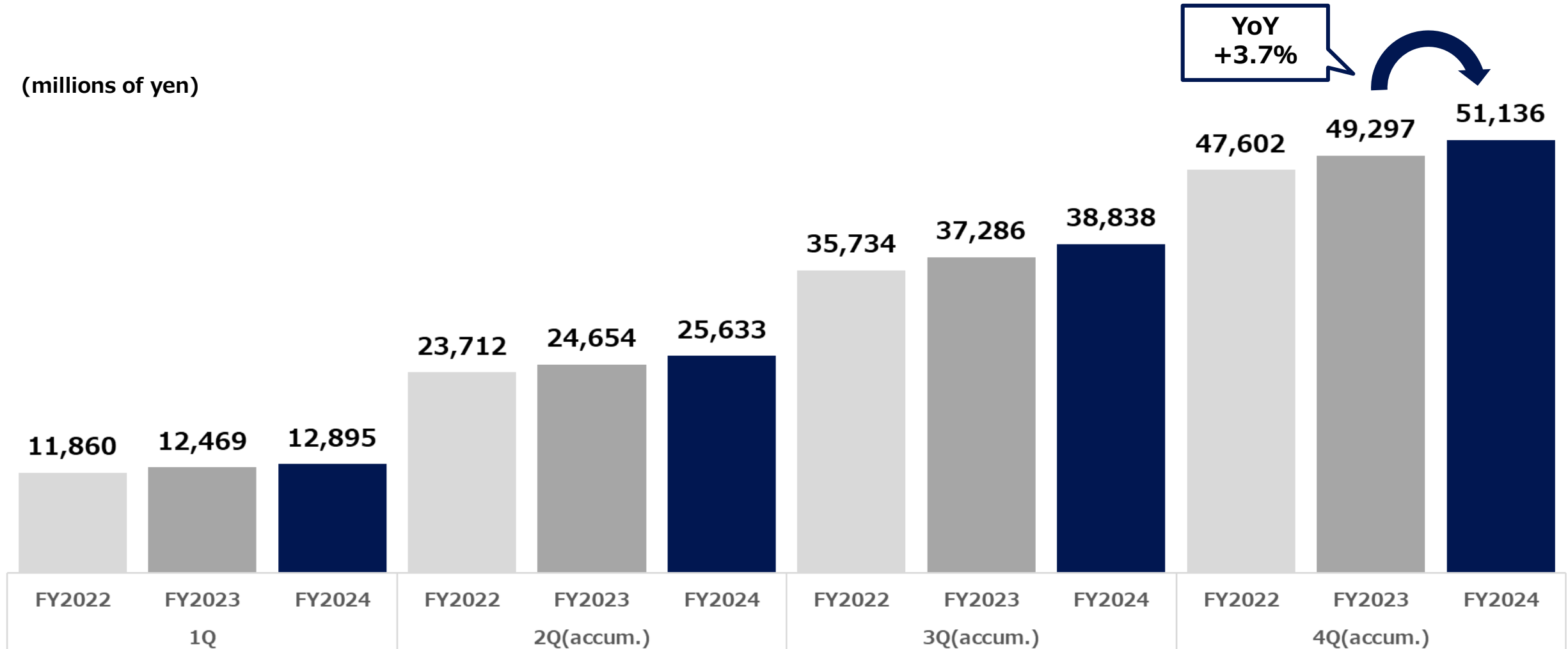
# Segment Performance (CRO Business)

**Sales** : Sales increased by 13.5% YoY, driven by solid orders in both domestic and overseas markets, as well as higher overseas sales resulting from the depreciation of the yen.

**Operating Income** : Operating income decreased by 0.2% YoY due to increased employee compensation and costs associated with the partial divestiture of overseas operations.



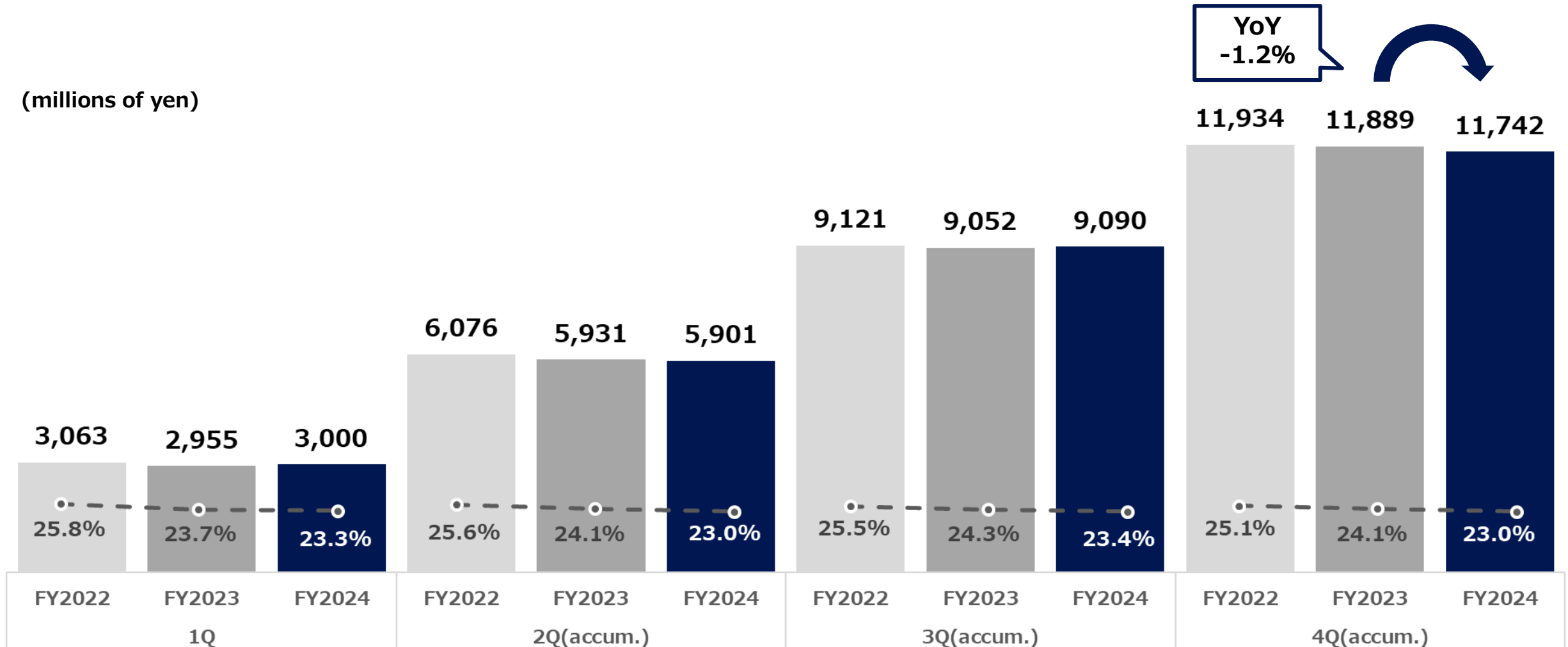
(millions of yen)



✓ Sales increased by 1,838 million yen YoY to 51,136 million yen (+3.7%).

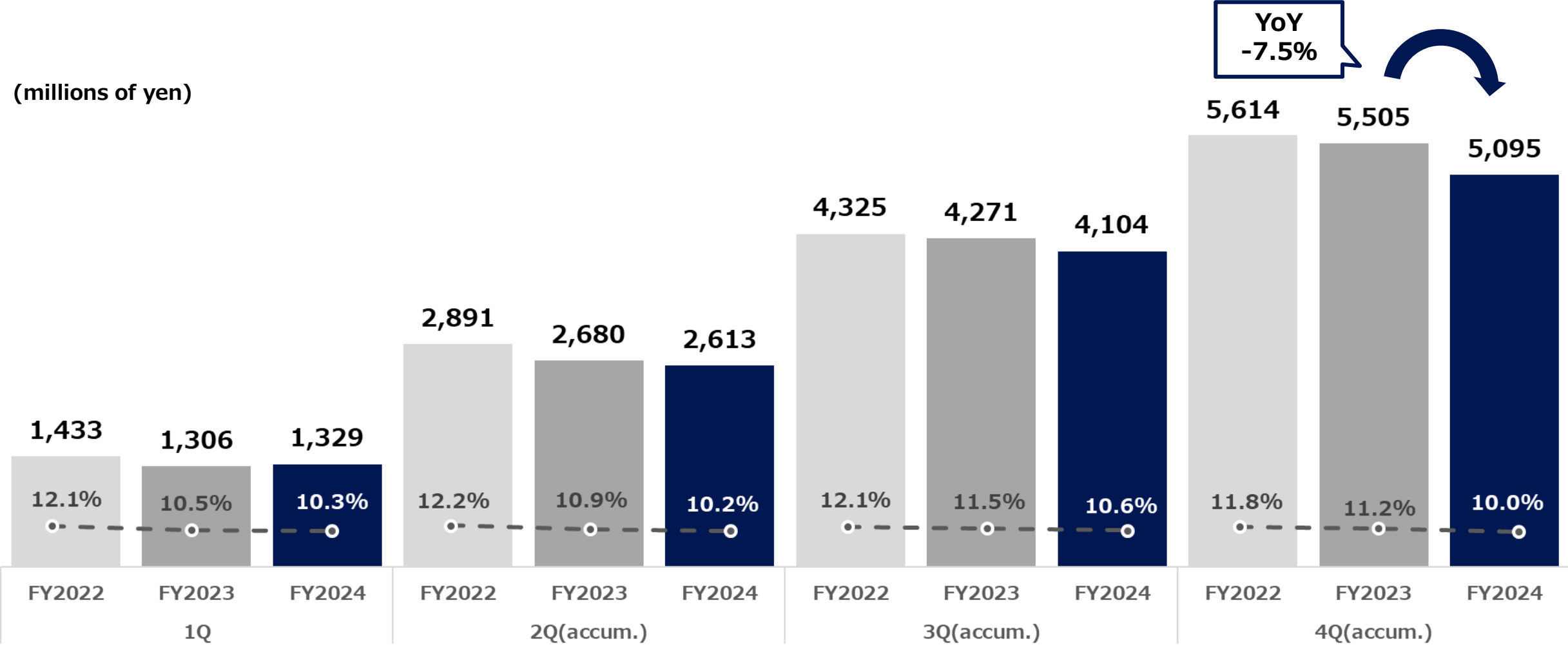
# Consolidated Financial Statements (Gross Margin / Gross Margin Ratio)

(millions of yen)



- ✓ Gross margin decreased by 146 million yen YoY to 11,742 million yen (-1.2%).
- ✓ Gross margin ratio decreased by 1.2 point YoY to 23.0%.

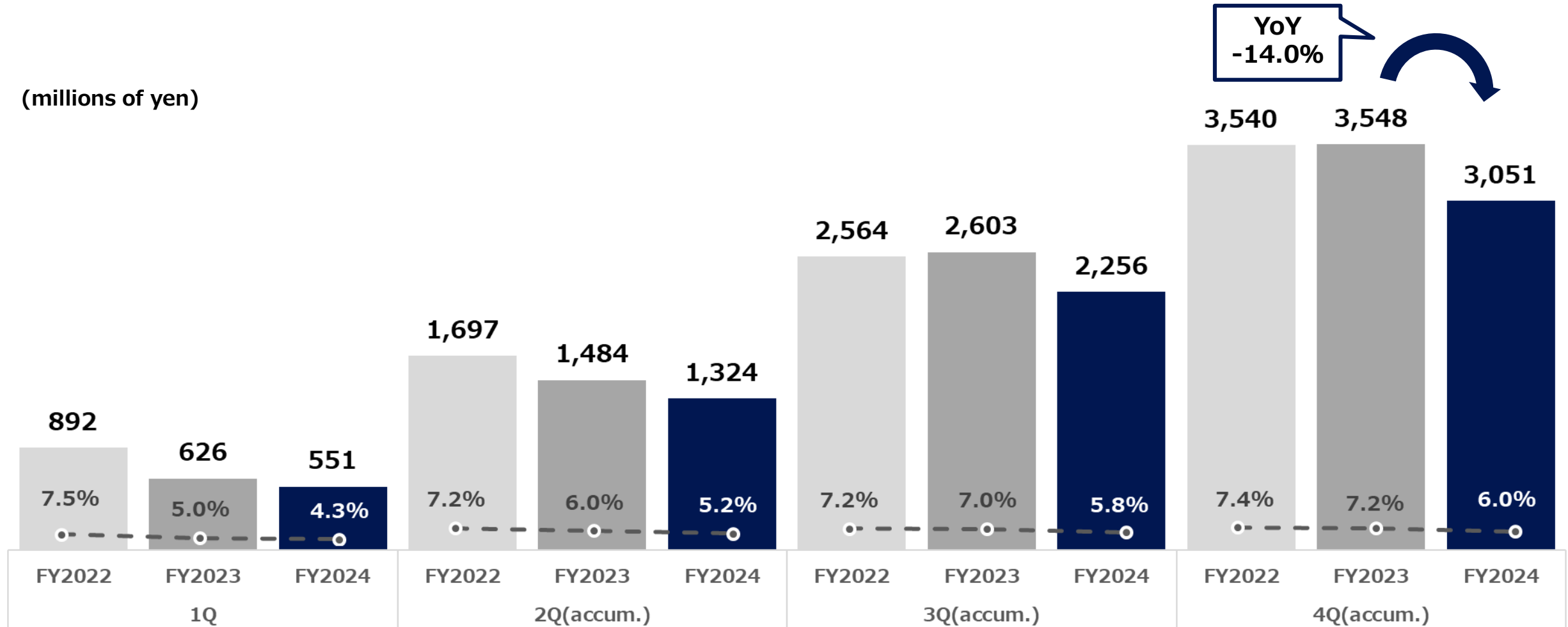
(millions of yen)



- ✓ Ordinary income decreased 410 million yen YoY to 5,095 million yen (-7.5%).
- ✓ Ordinary income ratio decreased by 1.2 point YoY to 10.0%.

# Consolidated Financial Statements (Net Income / Net Income Ratio)

(millions of yen)



- ✓ Net income decreased by 496 million yen YoY to 3,051 million yen (-14.0%).
- ✓ Net income ratio decreased by 1.2 point YoY to 6.0%.

## Human resources

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- In April 2024, we raised compensation for temporary staff by an average of 5.6%.
- We reduced our costs through the digitalization of our sales activities with the temporary staffing service platform “doconico”, consolidation of operations into support desks, and enhancement of productivity gains by leveraging ChatGPT.
- We also negotiated increases in temporary staffing fees to further improve compensation for temporary staff in the future.

## CRO

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- WDB coco has increased compensation to strengthen recruitment efforts.
- Medflies divested certain unprofitable businesses to better focus our management resources.

For FY2025, sales are expected to be roughly the same as for FY2024, while operating income and below are expected to decrease. The reasons for this are as follows:

- Sales : In the CRO segment, a major client partially canceled the outsourcing arrangement due to their internalized part of operations previously outsourced to our group, and Medfiles in Finland divested certain unprofitable businesses.
- Below Operating Income : SG&A expenses increase with investments for the future.

(millions of yen)

	FY2023			FY2024			FY2025 (Forecast)		
	Amount	Sales ratio	Growth rate	Amount	Sales ratio	Growth rate	Amount	Sales ratio	Growth rate
Net Sales	49,297	100.0%	3.6%	51,136	100.0%	3.7%	51,140	100.0%	0.0%
Gross Margin	11,889	24.1%	-0.4%	11,742	23.0%	-1.2%	11,810	23.1%	0.6%
SG(&)A	6,420	13.0%	-0.1%	6,673	13.1%	3.9%	7,580	14.8%	13.6%
Operating Income	5,468	11.1%	-0.7%	5,068	9.9%	-7.3%	4,230	8.3%	-16.5%
Ordinary Income	5,505	11.2%	-1.9%	5,095	10.0%	-7.5%	4,330	8.5%	-15.0%
Net Income	3,548	7.2%	0.2%	3,051	6.0%	-14.0%	2,410	4.7%	-21.0%



# Medium-to-Long Term Management Plan



**We announced our first medium-to-long term management plan (FY2022-FY2026) in May 2022, followed by a second plan (FY2024-FY2028) in May 2024.**

**While we have operated our business in alignment with these plans over the past three years, the business environment has begun to change significantly. In response to this shift, we have determined that a substantial revision of our management policies is necessary.**

**In previous plans, we disclosed quantitative performance targets; however, the current environment has become increasingly uncertain, making it difficult to reasonably forecast medium-to-long term business performance.**

**Given these circumstances, we have decided not to disclose specific numerical targets under the new “Medium-to-Long Term Management Policy 2025”. For further details, please refer to “Medium-to-Long-term Management Policy 2025”, disclosed on May 14, 2025.**

**<https://www.wdbhd.co.jp/assets/pdf/eng/ir/about/management-policy250514.pdf>**

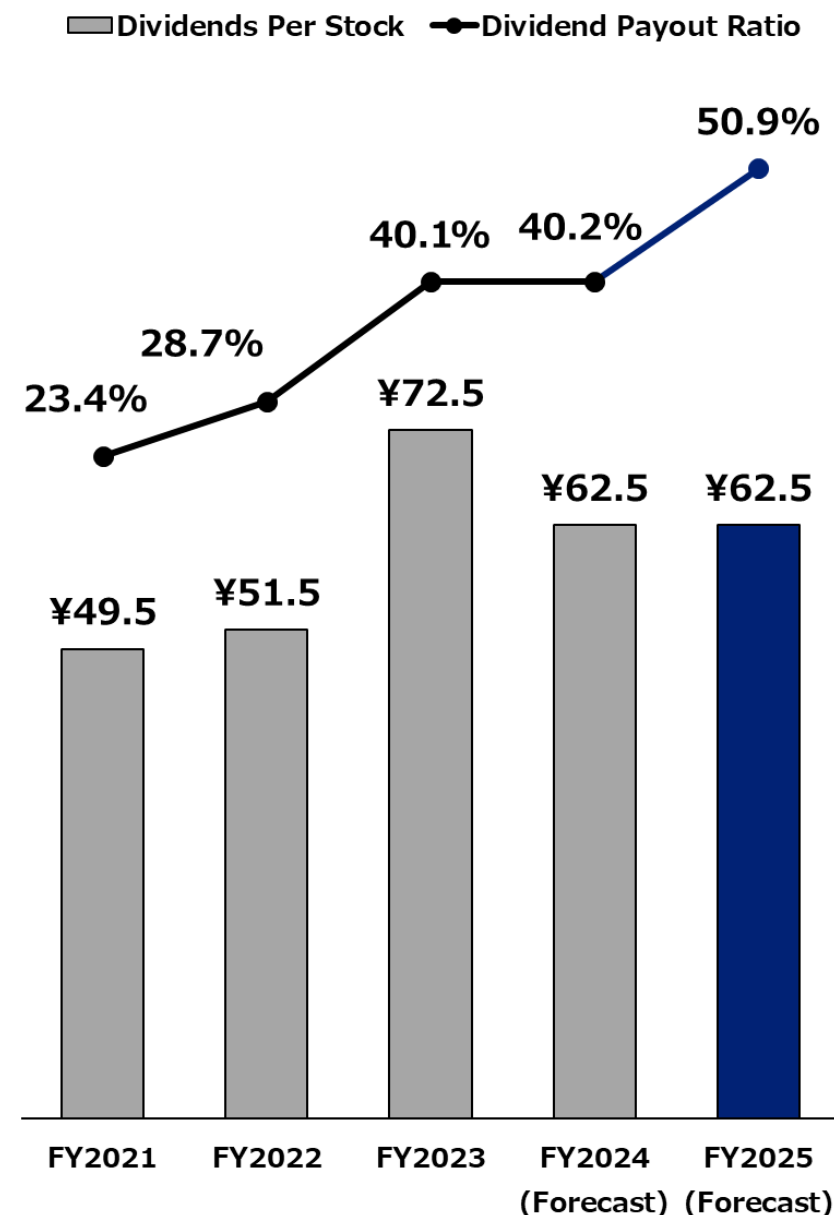
**We appreciate your continued understanding and support of our management direction.**

Our goal is to increase profits by increasing our corporate value and achieve continuous increases in dividends.

Rather than pursuing short-term profits or temporary shareholder returns, we aim to maximize long-term shareholder returns by developing the company with an eye to the future.

To achieve this, we will make business investments and maintain a dividend payout ratio of 40%, allowing us to continue to pay stable dividends even in unforeseen circumstances.

As for share repurchases, our basic policy is not to conduct them, primarily due to the liquidity ratio standards set by the Tokyo Stock Exchange.



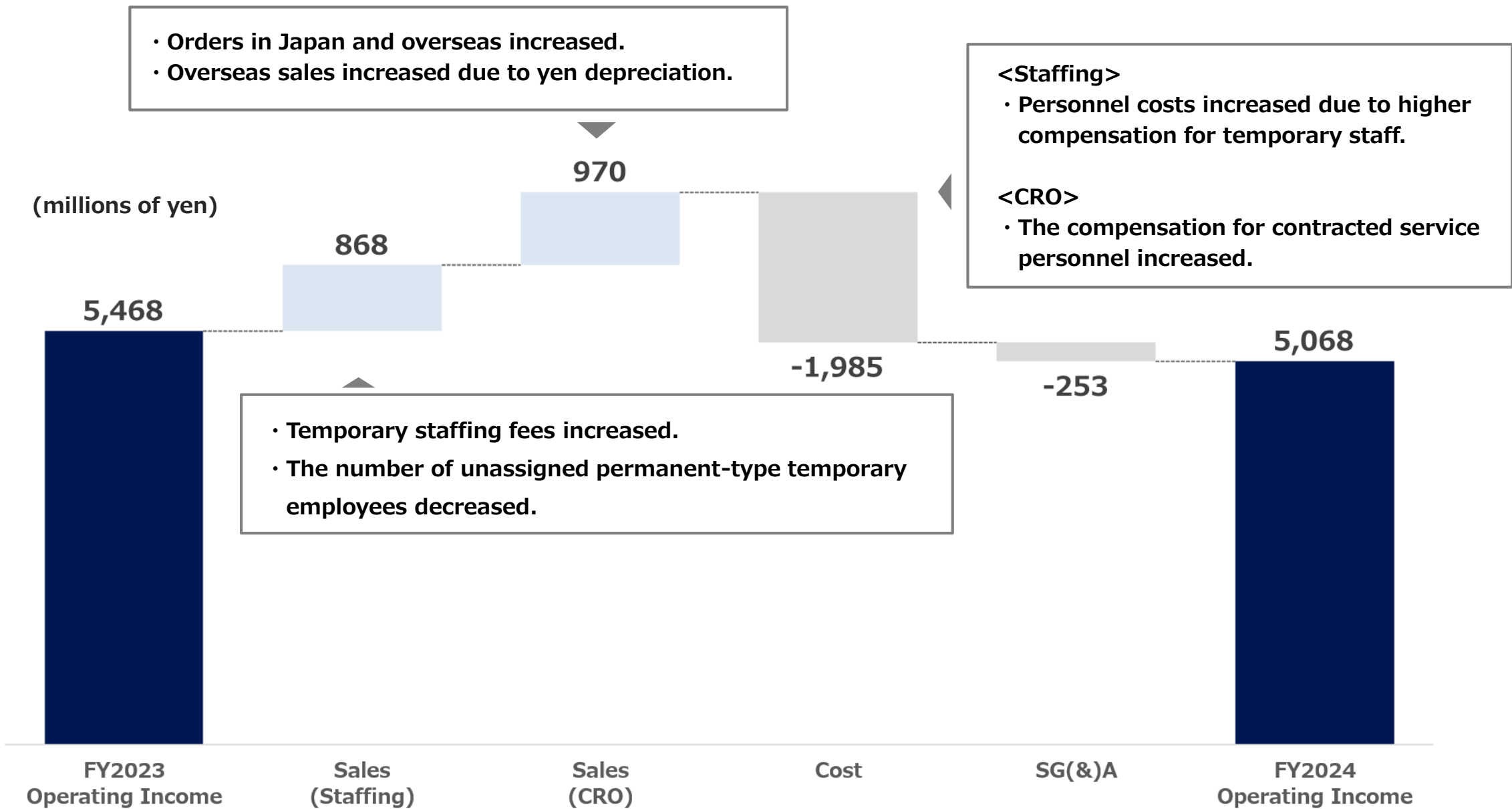
# Appendix: Business Performance (Consolidated)



(millions of yen)

4Q(accum.)	FY2022		FY2023		FY2024		
	Amount	Sales ratio	Amount	Sales ratio	Amount	Sales ratio	Increase ratio
Sales	47,602	100.0%	49,297	100.0%	51,136	100.0%	3.7%
Cost	35,667	74.9%	37,408	75.9%	39,394	77.0%	5.3%
Gross Margin	11,934	25.1%	11,889	24.1%	11,742	23.0%	-1.2%
SG(&)A	6,426	13.5%	6,420	13.0%	6,673	13.1%	3.9%
Operating Income	5,508	11.6%	5,468	11.1%	5,068	9.9%	-7.3%
Ordinary Income	5,614	11.8%	5,505	11.2%	5,095	10.0%	-7.5%
Net Income	3,540	7.4%	3,548	7.2%	3,051	6.0%	-14.0%

# Appendix: Analysis of Operating Income Changes (Year-on-Year Comparison)



# Appendix: Business Performance (Consolidated, Quarterly)

Unit: Million yen ( ) indicates YoY comparison.	FY2023				FY2024			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Sales	12,469 (5.1%)	12,185 (2.8%)	12,631 (5.1%)	12,011 (1.2%)	12,895 (3.4%)	12,738 (4.5%)	13,204 (4.5%)	12,297 (2.4%)
Cost	9,513 (8.1%)	9,209 (4.2%)	9,510 (5.9%)	9,174 (1.3%)	9,894 (4.0%)	9,837 (6.8%)	10,016 (5.3%)	9,645 (5.1%)
Gross Margin	2,955 (-3.5%)	2,975 (-1.2%)	3,120 (2.5%)	2,836 (0.8%)	3,000 (1.5%)	2,901 (-2.5%)	3,188 (2.2%)	2,652 (-6.5%)
SG(&)A	1,667 (2.0%)	1,606 (0.9%)	1,532 (-5.5%)	1,615 (2.4%)	1,680 (0.8%)	1,618 (0.8%)	1,710 (11.6%)	1,665 (3.1%)
Operating Income	1,288 (-9.8%)	1,369 (-3.5%)	1,588 (11.6%)	1,221 (-1.2%)	1,320 (2.5%)	1,282 (-6.3%)	1,478 (-6.9%)	986 (-19.2%)
Ordinary Income	1,306 (-8.9%)	1,374 (-5.7%)	1,591 (11.0%)	1,233 (-4.3%)	1,329 (1.8%)	1,284 (-6.6%)	1,490 (-6.3%)	990 (-19.7%)
Net Income	626 (-29.9%)	857 (6.7%)	1,119 (29.0%)	944 (-3.2%)	551 (-11.9%)	772 (-9.9%)	932 (-16.8%)	794 (-15.9%)

FY2023		FY2024	
4Q(accum.)	Increase ratio	4Q(accum.)	Increase ratio
49,297 (3.6%)	100.0%	51,136 (3.7%)	100.0%
37,408 (4.9%)	75.9%	39,394 (5.3%)	77.0%
11,889 (-0.4%)	24.1%	11,742 (-1.2%)	23.0%
6,420 (-0.1%)	13.0%	6,673 (3.9%)	13.1%
5,468 (-0.7%)	11.1%	5,068 (-7.3%)	9.9%
5,505 (-1.9%)	11.2%	5,095 (-7.5%)	10.0%
3,548 (0.2%)	7.2%	3,051 (-14.0%)	6.0%

# Appendix: Business Performance (By Segment)



(millions of yen)

4Q(accum.)		FY2022		FY2023		FY2024		
		Amount	Sales ratio	Amount	Sales ratio	Amount	Sales ratio	Increase ratio
Human resources	Sales	40,855	—	42,117	—	42,985	—	2.1%
	Segment profit	4,911	12.0%	4,467	10.6%	4,041	9.4%	-9.5%
CRO	Sales	6,746	—	7,180	—	8,150	—	13.5%
	Segment profit	1,096	16.3%	1,514	21.1%	1,512	18.6%	-0.2%

# Appendix: Business Performance (By Segment , Quarterly)

Unit: Million yen ( ) indicates YoY comparison.		FY2023				FY2024			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Human resources	Sales	10,779 (4.9%)	10,449 (3.3%)	10,808 (4.5%)	10,080 (-0.5%)	10,905 (1.2%)	10,683 (2.2%)	11,177 (3.4%)	10,219 (1.4%)
	Segment profit	1,129 (-19.2%)	1,165 (3.1%)	1,233 (0.0%)	938 (-18.3%)	1,029 (-8.9%)	990 (-15.1%)	1,187 (-3.8%)	834 (-11.0%)
CRO	Sales	1,690 (6.6%)	1,735 (-0.1%)	1,823 (8.5%)	1,931 (10.9%)	1,989 (17.7%)	2,055 (18.4%)	2,027 (11.2%)	2,078 (7.6%)
	Segment profit	287 (60.7%)	320 (-19.0%)	477 (52.2%)	429 (105.6%)	417 (45.0%)	399 (25.0%)	414 (-13.2%)	280 (-34.8%)

FY2023		FY2024	
4Q(accum.)	Increase ratio	4Q(accum.)	Increase ratio
42,117 (3.1%)	—	42,985 (2.1%)	—
4,467 (-9.0%)	10.6%	4,041 (-9.5%)	9.4%
7,180 (6.4%)	—	8,150 (13.5%)	—
1,514 (38.1%)	21.1%	1,512 (-0.2%)	18.6%

**The purpose of this material is to provide information about business performance. It is not intended to solicit investment in our stock.**

**The predictions given in this material are judgments at the time the material was created. Forecasts are subject to change without notice.**

**<Contact information>**

**Corporate Planning Department**

**WDB Holdings Co., Ltd.**

**<https://www.wdb-g.com/system/wdbhd/eng/contact/index.html>**