



Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]

August 8, 2025

Company name: WDB Holdings Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 2475
 URL: <https://www.wdbhd.co.jp/eng/>
 Representative: Toshimitsu Nakano, President and CEO
 Inquiries: Miki Otsuka, Senior Managing Director
 Telephone: 079-287-0111
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

(Amounts are rounded down to the nearest million yen)

[Translation for Reference Purposes Only]

This document is a translation of the Japanese original for reference purpose only. In the event of any discrepancy between this translation and the Japanese original, the Japanese original shall prevail.

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results (Cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
Three Months Ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	12,973	0.6	1,320	0.0	1,338	0.7	860	55.9
June 30, 2024	12,895	3.4	1,320	2.5	1,329	1.8	551	-11.9

(NOTE) Comprehensive income For the three months ended June 30, 2025 901 Millions of yen (36.4%) For the three months ended June 30, 2024 660 Millions of yen (-6.0%)

	Net income per share	Diluted net income per share
Three Months Ended	Yen	Yen
June 30, 2025	43.83	-
June 30, 2024	28.11	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	41,765	33,324	76.6
March 31, 2025	41,753	33,241	76.4

(Reference) Shareholders' equity As of June 30, 2025 31,985 Millions of yen As of March 31, 2025 31,893 Millions of yen

2. Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year Ended March 31, 2025	-	24.00	-	38.50	62.50
Fiscal Year Ending March 31, 2026	-				
Fiscal Year Ending March 31, 2026 (Forecast)		25.00	-	37.50	62.50

(NOTE) Revisions to the most recently announced dividend forecasts: None

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	51,140	0.0	4,230	-16.5	4,330	-15.0	2,410	-21.0	122.72

(NOTE) Revisions to the most recently announced earnings forecasts: None

※ Notes

(1) Significant changes in the scope of consolidation during the quarter: None

New: - (Company name:-), Excluded: - (Company name:-)

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: None

(3) Changes in accounting policies and changes or restatement of accounting estimates

(i) Changes in accounting policies due to revision of accounting standards: None

(ii) Changes in accounting policies other than the above: None

(iii) Changes in accounting estimates: None

(iv) Restatement of revisions: None

(4) Number of shares outstanding (common shares)

(i) Number of shares outstanding at the end of the period
(including treasury stock)

(ii) Number of treasury stock at the end of the period

(iii) Average number of shares outstanding during the period
(cumulative from the beginning of the fiscal year)

As of June 30, 2025	20,060,000 Shares	As of March 31, 2025	20,060,000 Shares
As of June 30, 2025	421,034 Shares	As of March 31, 2025	421,034 Shares
Three Months Ended June 30, 2025	19,638,966 Shares	Three Months Ended June 30, 2024	19,639,051 Shares

※ Review of the Japanese-language originals of the attached consolidated quarterly financial statements by a certified public accountant or audit firm: None

※ Explanations and other special notes concerning the appropriate use of business performance forecasts

- Forecasts of future performance in these materials are based on assumptions judged to be valid and information available to the Company's management at the time the materials were prepared. Actual results may differ significantly from these forecasts for a number of reasons. Please refer to "Overview of Operating Results" of the attached material for the assumptions upon which the forecasts are based and the cautionary statements regarding the use of the forecasts.

1. Overview of Operating Results

(1) Overview of Operating Results for the Three Months Ended June 30, 2025

WDB group is a corporate group engaged in the human resources services business centered on staffing in the field of science (chemistry and biotechnology) and CRO business (Contract Drug Development) business.

With regard to the business environment and the status of the human resources services business during the first quarter of the consolidated cumulative period under review (April 2025 to May 2025), the average of the ratio of job offers to applicants (seasonally adjusted) was 1.24 times (unchanged year-on-year) and the average of the unemployment rate (seasonally adjusted) was 2.5% (down 0.1 points year-on-year). As in the previous fiscal year, demand for the temporary staffing services provided by our group remained solid, due to the severe labor shortage, securing an adequate supply of job candidates to meet this demand poses a significant challenge.

To address this issue, our group has continued to improve the treatment of temporary staff since April 2022. In addition, since April 2025, we have strengthened our sales structure and conducted sales activities to offer a wider range of job positions aligned with job seekers' needs. By doing so, we are aiming to enhance our attractiveness to new candidates and improve the employment retention rate of our existing temporary staff when contracts for the temporary staff are terminated. In the area of permanent-time temporary staffing, we are working to strengthen our hiring capabilities by hiring new graduates on a regional basis.

Moreover, in May 2025, we released "DOCO1," a temporary staffing service platform that allows companies and corporations that desire to use temporary staffing services to place orders at the same time to multiple staffing companies and unify the management of attendance, billing, and other matters after the conclusion of contracts. Multiple clients have already decided to introduce DOCO1. We will also pursue a new approach to customer acquisition by using DOCO1 as a foothold to initiate relationships with new client and build partnerships that lead to staffing orders.

In the domestic CRO business, we conducted sales activities to offset the impact of the reduced outsourcing scope and workload at some client accounts. At the same time, we also promoted initiatives to improve the quality of our contracted services. Oy Medfiles Ltd., Finland has completed the divestiture of unprofitable divisions and have put in place a system that enables it to concentrate its management resources on the businesses of regulatory affairs, clinical trials, data management and statistical analyses, and safety assessments.

As a result of the activities described above, net sales for the three months ended June 30, 2025 amounted to ¥12,973 million (up of 0.6% year on year). Operating income was ¥1,320 million (up of 0.0% year on year), ordinary income was ¥1,338 million (up of 0.7% year on year), and net income attributable to owners of parent was ¥860 million (up of 55.9% year on year). The reason for the significant increase in net income attributable to owners of the parent was a decrease in income taxes from the previous fiscal year due to a decrease in the taxation of retained earnings.

In addition, the ratio of the operating income to net sales, an indicator we emphasize, was 10.2% (10.2% in the same period of the previous fiscal year) and the ratio of ordinary income to net sales was 10.3% (10.3% in the same period of the previous fiscal year).

Operating results by segment are as follows.

※ Segment income is before elimination of inter-segment transactions.

(i) Human Resources Services Business

In this segment, net sales were ¥11,105 million (up of 1.8% year-on-year), and segment income was ¥1,184 million (up of 15.1% year-on-year). Both sales and profits increased due to the fact that the increased remuneration of temporary staff was offset by raising temporary staffing fees and that the number of business days was 1 day greater than in the previous fiscal year.

(ii) CRO Business

In this segment, net sales were ¥1,868 million (down of 6.1% year-on-year), and segment income was ¥262 million (down of 37.2% year-on-year). Sales and profit declined due to a decrease in the volume of orders from a major client in the domestic market and the divestiture of unprofitable businesses overseas while we retained our workforce responsible for contract operations in anticipation of future orders.

(2) Overview of Financial Position for the Three Months Ended June 30, 2025

As of June 30, 2025, total assets amounted to ¥41,765 million (up of ¥12 million from March 31, 2025). Liabilities amounted to ¥8,441 million (down of ¥70 million from March 31, 2025). Net assets were ¥33,324 million (up of ¥83 million from March 31, 2025).

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements

The consolidated earnings forecasts and dividends for the year ending March 31, 2026 are unchanged from those announced on May 14, 2025. We expect to incur higher costs in the current fiscal year due to investments for the future, but the timing of these costs is expected to be from the third quarter onward.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	20,574,579	19,213,845
Accounts receivable and contract assets	6,446,076	6,725,356
Inventories	64,791	4,005
Others	320,654	406,363
Allowance for doubtful accounts	-	-137
Total current assets	27,406,101	26,349,434
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	1,218,977	1,196,605
Land	6,739,821	6,739,821
Other, net	4,109,675	5,372,957
Total property, plant and equipment	12,068,474	13,309,384
Intangible assets		
Others	149,085	103,147
Total intangible assets	149,085	103,147
Investments and other assets		
Investment securities	127,731	126,441
Lease deposits	797,393	796,339
Deferred tax assets	893,008	766,262
Others	311,430	314,673
Total investments and other assets	2,129,564	2,003,717
Total noncurrent assets	14,347,124	15,416,249
Total assets	41,753,226	41,765,683
Liabilities		
Current liabilities		
Accounts payable	2,337,858	2,849,858
Accounts payable-other	345,729	190,978
Income taxes payable	1,029,138	365,238
Consumption tax payable	949,795	1,199,921
Provision for bonuses	839,991	735,994
Others	1,433,748	1,612,836
Total current liabilities	6,936,261	6,954,828
Long-term liabilities		
Provision for directors' retirement benefits	555,825	562,412
Obligations for retirement pay	394,648	390,998
Asset retirement obligations	277,395	257,785
Others	348,047	275,511
Total noncurrent liabilities	1,575,916	1,486,708
Total liabilities	8,512,177	8,441,536

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Net assets		
Shareholders' equity		
Common stock	1,000,000	1,000,000
Capital surplus	709,077	709,077
Retained earnings	31,144,590	31,249,233
Treasury stock	-1,277,349	-1,277,349
Total shareholders' equity	31,576,318	31,680,961
Other accumulated comprehensive income		
Valuation difference on securities	40,428	39,544
Foreign currency translation adjustments	206,733	191,159
Remeasurements of defined benefit plans	70,448	74,073
Total other accumulated comprehensive income	317,611	304,778
Non-controlling shareholders' equity	1,347,118	1,338,408
Total net assets	33,241,048	33,324,147
Total liabilities and net assets	41,753,226	41,765,683

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)

(Thousands of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	12,895,309	12,973,908
Cost of sales	9,894,920	9,940,696
Gross profit	3,000,389	3,033,212
Selling, general and administrative expenses	1,680,155	1,712,547
Operating income	1,320,233	1,320,664
Non-operating income		
Subsidy income	-	10,912
Surrender value of insurance	5,375	-
Others	4,913	7,653
Total non-operating income	10,289	18,566
Non-operating expenses		
Others	826	320
Total non-operating expenses	826	320
Ordinary income	1,329,696	1,338,910
Extraordinary income		
Gain on sales of noncurrent assets	7	5
Gain on sales of businesses	-	22,252
Total extraordinary income	7	22,257
Extraordinary losses		
Loss on retirement of noncurrent assets	13,649	-
Total extraordinary loss	13,649	-
Income before income taxes	1,316,054	1,361,168
Income taxes	588,715	322,535
Income taxes-deferred	96,780	124,609
Total income taxes	685,495	447,145
Net income	630,559	914,022
Net income attributable to non-controlling interests	78,577	53,279
Net income attributable to owners of parent	551,981	860,742

(Quarterly Consolidated Statements of Comprehensive Income)

(Thousands of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net income	630,559	914,022
Other comprehensive income		
Valuation difference on securities	-1,064	-884
Foreign currency translation adjustments	29,898	-15,574
Adjustments for retirement benefits	1,401	3,847
Total other comprehensive income	30,236	-12,610
Comprehensive income	660,795	901,411
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	582,326	847,909
Comprehensive income attributable to non-controlling interests	78,469	53,501

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on Segment Information)

I. For the three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)

1. Information on net sales and profits or losses by reportable segment

(Thousands of yen)

	Reportable Segments			Total
	Human resource services business	CRO business	Total	
Net sales				
Sales to customers	10,905,414	1,989,895	12,895,309	12,895,309
Intersegment sales	11,325	-	11,325	11,325
Total	10,916,739	1,989,895	12,906,634	12,906,634
Segment profit	1,029,077	417,481	1,446,559	1,446,559

2. Difference between the total amount of income (loss) of reportable segments and the amount recorded in the quarterly consolidated statements of income, as well as the main details of said difference (matters related to difference adjustment)

(Thousands of yen)

Profit	Amount
Reportable segments total	1,446,559
Corporate expenses (Note)	-126,326
Operating income in the quarterly consolidated statements of income	1,320,233

(NOTE) Corporate expenses are mainly expenses related to holding companies that are not attributable to reportable segments.

3. Information on impairment loss on noncurrent assets and goodwill by reportable segment

Not applicable.

4. Information that breaks down the revenue generated by contracts with customers

(Thousands of yen)

		Revenue from contracts with customers	Total
Human resources services business	Temporary staffing	10,660,954	10,905,414
	Placement/Recruiting	244,459	
CRO business	Domestic companies	1,361,930	1,989,895
	Overseas companies	627,964	
Reportable segments total			12,895,309
Total			12,895,309

II For the three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

1. Information on net sales and profits or losses by reportable segment

(Thousands of yen)

	Reportable Segments			Total
	Human resource services business	CRO business	Total	
Net sales				
Sales to customers	11,105,686	1,868,222	12,973,908	12,973,908
Intersegment sales	8,973	231	9,205	9,205
Total	11,114,660	1,868,453	12,983,113	12,983,113
Segment profit	1,184,926	262,355	1,447,281	1,447,281

2. Difference between the total amount of income (loss) of reportable segments and the amount recorded in the quarterly consolidated statements of income, as well as the main details of said difference (matters related to difference adjustment)

(Thousands of yen)

Profit	Amount
Reportable segments total	1,447,281
Corporate expenses (Note)	-126,617
Operating income in the quarterly consolidated statements of income	1,320,664

(NOTE) Corporate expenses are mainly expenses related to holding companies that are not attributable to reportable segments.

3. Information on impairment loss on noncurrent assets and goodwill by reportable segment

Not applicable.

4. Information that breaks down the revenue generated by contracts with customers

(Thousands of yen)

		Revenue from contracts with customers	Total
Human resources services business	Temporary staffing	10,838,481	11,105,686
	Placement/Recruiting	267,204	
CRO business	Domestic companies	1,321,558	1,868,222
	Overseas companies	546,663	
Reportable segments total			12,973,908
Total			12,973,908

(Notes on Substantial Changes in the Amount of Shareholders' Equity)

Not applicable.

(Notes on the Going Concern Assumption)

Not applicable.

(Notes to Quarterly Consolidated Statements of Cash Flows)

The quarterly consolidated statements of cash flows for the three months ended June 30, 2025 have not been prepared. Depreciation for the three months ended June 30, 2025 (including amortization related to intangible assets) is as follows:

	(Thousands of yen)	
	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Depreciation and amortization	70,823	61,394