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May 14, 2026

Consolidated Financial Results for the Year Ended March 31, 2026 (Japanese GAAP)



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 Scheduled date of annual general meeting of shareholders: June 26, 2026
 Scheduled date to commence dividend payments: June 12, 2026
 Scheduled date to file annual securities report: June 25, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

(Amounts of less than one million yen are rounded down.)

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	290,772	10.2	24,624	12.8	14,811	10.0	14,879	7.6	7,408	43.5
March 31, 2025	263,972	46.6	21,827	60.9	13,465	61.8	13,831	49.4	5,164	5.8

(Notes)

1. Comprehensive income: For the fiscal year ended March 31, 2026: ¥ 8,485 million [13.4%]
 For the fiscal year ended March 31, 2025: ¥ 7,483 million [52.9%]

2. EBITDA (Operating profit + Depreciation + Amortization of goodwill)

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	197.35	-	12.9	9.4	5.1
March 31, 2025	137.97	-	9.4	10.0	5.1

(Note)

Net income before Amortization of goodwill (Profit attributable to owners of parent + Amortization of goodwill)	As of March 31, 2026:	¥ 11,629 million
	As of March 31, 2025:	¥ 9,494 million
EPS before Amortization of goodwill (Profit before Amortization of goodwill / Average number of shares during the period)	As of March 31, 2026:	¥ 309.78
	As of March 31, 2025:	¥ 253.64

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	158,116	59,840	36.3	1,528.91
March 31, 2025	159,669	62,138	35.8	1,521.14

(Reference) Equity:	As of March 31, 2026:	¥	57,452	million
	As of March 31, 2025:	¥	57,123	million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	18,665	(9,088)	(14,966)	20,988
March 31, 2025	12,593	(20,360)	7,201	26,378

2.Dividends

	Annual dividends					Total cash dividends	Payout ratio (Consolidated)	Dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	17.00	-	17.00	34.00	1,281	24.6	2.3
Fiscal year ended March 31, 2026	-	23.00	-	27.00	50.00	1,878	25.3	3.3
Fiscal year ending March 31, 2027 (Forecast)	-	27.00	-	27.00	54.00		26.0	

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	
Six months ending September 30, 2026	149,500	5.1	13,700	15.0	8,400	16.9	8,400	15.7	4,100	15.6	109.21
Full year	315,000	8.3	28,700	16.5	16,500	11.4	16,500	10.9	7,800	5.3	207.76

(Note)

Net income before Amortization of goodwill (Profit attributable to owners of parent + Amortization of goodwill)	¥ 12,000 million
EPS before Amortization of goodwill (Profit before Amortization of goodwill /Average number of shares during the period)	¥ 319.63

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: No
- Newly included: -
- Excluded: -
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (1) Changes in accounting policies due to revisions to accounting standards and other regulations: No
- (2) Changes in accounting policies due to other reasons: No
- (3) Changes in accounting estimates: No
- (4) Restatement: No

(3) Number of issued shares (common shares)

(1) Total number of issued shares at the end of the period (including treasury shares)

March 31, 2026	38,902,785 shares
March 31, 2025	38,902,785 shares

(2) Number of treasury shares at the end of the period

March 31, 2026	1,325,219 shares
March 31, 2025	1,349,819 shares

(3) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	37,542,974 shares
Fiscal Year ended March 31, 2025	37,433,134 shares

(Note) Treasury stock includes shares owned by the exclusive trust account of the Company's Employee Stock Ownership Association. The Employee Ownership Trust was ended on March 27, 2026.

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1. OVERVIEW OF OPERATING RESULTS

(1) Overview of Operating Results for the Fiscal Year Ended March 31, 2026

During the consolidated fiscal year under review (April 1, 2025–March 31, 2026), the Japanese economy showed a moderate recovery due to the improvement in the employment and income environment. However, the future of the economy remains uncertain due to factors such as the impact of ongoing price increases on private consumption, trade policies in the United States, and the Middle East situation.

In November 2025, the Company announced an outline of its medium-term management plan that included the Group vision for 2030, “Deliver Peace of Mind in Healthcare to Everyone.” With basic policies of Deepening and Evolution, the Company will work to achieve the development and growth of its Pharmacy Business, BPO Contracting Businesses and Pharmaceutical Manufacturing Business.

The Group’s consolidated financial results for the fiscal year ended March 31, 2026 showed record-high net sales, operating profit, ordinary profit and profit attributable to owners of parent.

In the Pharmacy Business, the technical fee unit price has increased due to the rising proportion of generic drug usage and the progress in acquiring the Medical DX Premium, which was created with the dispensing fee revision implemented in the previous fiscal year, and the rising proportion of generic drug usage. On the other hand, prescription periods have become longer. In addition, the cost of labor has increased, reflecting the increase of salaries in response to recent price increases.

In the BPO Contracting Businesses, the number of companies utilizing MR dispatches from APO PLUS STATION Co., Ltd., which operates the CSO business, has increased. As a result of it appropriately responding to this increasing demand from companies, the number of dispatches has grown. Meanwhile Medical QoL Co., Ltd., which conducts the Publishing-Related Business, achieved an increase in net sales due mainly to expansion in the number of business partners and a higher profit margin due to efforts to improve operating efficiency, including shifting to internal operations.

In the Pharmaceutical Manufacturing Business, the Company acquired an additional 29% of the shares of DAIICHI SANKYO ESPHA CO., LTD., increasing its share ownership ratio to 80% in April 2025. At DAIICHI SANKYO ESPHA CO., LTD., the seven products with three ingredients launched in December 2024 have made a significant contribution to performance, as have the five products with two ingredients launched in the fiscal year ended March 31, 2026.

In the consolidated fiscal year under review, the QoL Group posted net sales of ¥290,772 million (up 10.2% year on year), operating profit of ¥14,811 million (up 10.0%), ordinary profit of ¥14,879 million (up 7.6%) and profit attributable to owners of parent of ¥7,408 million (up 43.5%). EBITDA was ¥24,624 million (up 12.8%).

Performance by business segment is as follows.

a. Pharmacy Business

In the Pharmacy Business, we worked to enhance specialization through the functional differentiation of pharmacies, improve convenience for patients, expand scale through M&A, new store openings, and the promotion of the Home and Facility Dispensing Business, as well as improve productivity through DX and other means.

In the consolidated fiscal year under review, the Group added 10 new stores, acquired eight stores through a business transfer, and acquired one store through conversion to a subsidiary for a total addition of 19 stores, while closing 15 stores and divesting three stores through a business transfer for a total decrease of 18 stores, amounting to 949 stores. Going forward, the Group will continue to expand its scale through strategic M&A and store openings to develop high added-value pharmacies. In October 2025, the Group acquired the shares of YOKOHAMA YAKUGYO SERVICE Co., Ltd., which is actively involved in the Home and Facility Dispensing Business, and in January 2026, the Group were transferred eight dispensing pharmacies operated by HIKARI Co., Ltd. in Yokohama Prefecture, including in front of Yokohama Station. Going forward, we will continue to work to provide medical care that addresses patients' needs.

Regarding pharmacy operations, in April 2026, partner stores that we are expanding in collaboration with Lawson, Inc. reached the milestone of 50 stores. The Group will continue to create new value by combining “Convenience Stores as Life Infrastructure” with “Pharmacies Supporting Regional Medical Care,” while also implementing arrangements that support community living.

Additionally, in February 2026, Qol Co., Ltd. signed a athletic performance enhancement partnership agreement with NPO Japan Blind Football Association. Pharmacists and registered dietitians will use their expertise to provide health support to athletes with disabilities, with a view to improving pharmacy function. The aim is to realize an inclusive society where everyone feels comfortable asking for advice and can access medical care services.

Regarding performance, the technical fee unit price increased due to progress in acquiring the Medical DX Premium and the rising proportion of generic drug usage. On the other hand, prescription periods have become longer. In addition, the cost of labor has increased, reflecting the increase of salaries in response to recent price increases.

As a result, net sales in this segment amounted to ¥177,461 million (up 3.4% year on year) and operating profit was ¥9,730 million (down 3.0%).

b. BPO Contracting Businesses

In the BPO Contracting Businesses, we continue to expand the scale of the core CSO Business, CRO Business, Professional Referral Dispatch Business, and Publishing-Related Business.

In the CSO Business, APO PLUS STATION Co., Ltd. has increased the number of companies utilizing its MR dispatches. As a result of it appropriately responding to this increasing demand from companies, the number of dispatches has grown. APO PLUS STATION Co., Ltd. also improved the profit margin by reviewing dispatch rates, helping build a structure that will allow investment in the recruitment and development of MR human resources. Going forward, we will

strengthen our recruitment capabilities through enhanced collaboration with dispatch agencies and expand orders received for sales in various areas in line with medical developments. Meanwhile, in the CRO Business, which is engaged in contracted development services for pharmaceuticals and foods, ClinCloud Ltd. joined the Group in November 2025. It is engaged in providing EDC, which is used in clinical trials and research for drug development. In addition to the expansion of clinical trials and research for drug development, ClinCloud will support food tests by introducing EDC and taking other initiatives, capitalizing on the synergy generated by joining the Group to continue to expand the business.

In the Professional Referral Dispatch Business, at APO PLUS CAREER Co., Ltd., the number of contracts concluded increased. This was due to strengthened recruitment efforts in the previous fiscal year, particularly in pharmacist referral dispatches. On the other hand, fixed costs such as personnel expenses and advertising costs also increased. We will continue to focus on human resource development and improving productivity in response to major changes in the external environment, specifically a shortage of labor.

In the Publishing-Related Business, Medical Qol Co., Ltd. achieved an increase in net sales due mainly to expansion in the number of business partners in the convention business and the compliance services business, which are growing businesses. It also achieved a higher profit margin due to efforts to improve operating efficiency in core businesses such as the materials production business, including shifting to internal operations. Additionally, in February 2026, Medical Qol Co., Ltd. ran the Go Red for Women Japan 2026 health seminar 2026 organized by the Japanese Circulation Association on the theme “Wear Red and Think About Women’s Heart Disease.”

As a result, net sales in this segment were ¥14,300 million (up 5.1% year on year) and operating profit was ¥1,898 million (up 11.3%).

c. Pharmaceutical Manufacturing Business

In the Pharmaceutical Manufacturing Business, we aim to achieve further growth by utilizing Group synergies in research and development and in sales activities.

At DAIICHI SANKYO ESPHA CO., LTD. the seven products with three ingredients launched in December 2024 have made a significant contribution to performance, as have the abiraterone acetate tablets (brand name: Zytiga®) for the treatment of prostate cancer launched in December 2025, and the prasugrel tablets (brand name: Efient®) and prasugrel OD tablets (brand name: Efient OD®) launched as antiplatelet agents in March 2026.

In addition, DAIICHI SANKYO ESPHA CO., LTD. obtained manufacturing and marketing approval for bilastine tablets (brand name: Bilanoa®) and bilastine OD tablets (brand name: Bilanoa OD®) as Allergy medicines, and for the selective SGLT2 inhibitors dapagliflozin (brand name: Forxiga®) in February 2026.

Fujinaga Pharm Co., Ltd. is still preparing to increase the number of pharmaceutical products with an eye toward collaborating with DAIICHI SANKYO ESPHA CO., LTD.

As a result, net sales in this segment were ¥99,010 million (up 25.8% year on year) and

operating profit was ¥6,960 million (up 32.0%).

* EBITDA = Operating profit + Depreciation + Amortization of goodwill

* CSO: Contract Sales Organization

* CRO: Contract Research Organization

* MR: Medical Representative

* EDC: Electronic Data Capture

Reference: Reporting Segments

		Years ended March 31		Change (%)
		2025 (Millions of yen)	2026 (Millions of yen)	
Pharmacy Business	Net sales	171,641	177,461	3.4
	Segment profit	10,028	9,730	(3.0)
BPO Contracting Businesses	Net sales	13,603	14,300	5.1
	Segment profit	1,706	1,898	11.3
Pharmaceutical Manufacturing Business	Net sales	78,726	99,010	25.8
	Segment profit	5,272	6,960	32.0
Total	Net sales	263,972	290,772	10.2
	Segment profit	17,006	18,589	9.3

Notes: Sales in each segment do not include internal sales between segments.

(2) Overview of Financial Position at March 31, 2026

a. Assets

As of March 31, 2026, total assets amounted to ¥158,116 million, down ¥1,552 million from March 31, 2025.

This was primarily due to decreases of ¥5,326 million in cash and deposits and ¥2,971 million in goodwill, partially offset by increases of ¥4,449 million in notes and accounts receivable - trade, and contract assets, ¥1,616 million in business rights, and ¥1,102 million in software.

b. Liabilities

As of March 31, 2026, total liabilities amounted to ¥98,276 million, up ¥745 million from March 31, 2025.

This was largely due to increases of ¥1,897 million in accounts payable - trade and ¥1,267 million in other current liabilities, partially offset by a decrease of 2,500 million in Short-term borrowings.

c. Net assets

As of March 31, 2026, total net assets amounted to ¥59,840 million, down ¥2,298 million from March 31, 2025.

This was mainly due to the additional acquisition of shares of DAIICHI SANKYO ESPHA CO., LTD., a consolidated subsidiary of the Company, resulting in decreases of ¥5,569 million in capital surplus and ¥2,627 million in non-controlling interests, while retained earnings increased by ¥5,896 million.

(3) Overview of Cash Flows for the Fiscal Year Ended March 31, 2026

Cash flows from operating activities amounted to an inflow of ¥18,665 million, cash flows from investing activities amounted to an outflow of ¥9,088 million, and financing activities amounted to an outflow of ¥14,966 million. As a result, the balance of cash and cash equivalents at the end of the consolidated fiscal year under review decreased ¥5,389 million from the end of the previous consolidated fiscal year, to ¥20,988 million.

The cash flow conditions and underlying factors during the consolidated fiscal year under review are as described below.

Cash flows from operating activities

Net cash provided by operating activities was ¥18,665 million (compared with an inflow of ¥12,593 million in the same period of the previous fiscal year), resulting from profit before income taxes of ¥14,380 million, depreciation and amortization of ¥5,592 million, and income taxes paid of ¥4,741 million.

Cash flows from investing activities

Net cash used in investing activities was ¥9,088 million (compared with an outflow of ¥20,360 million in the same period of the previous fiscal year), with outflows of ¥6,375 million from the purchase of intangible assets, ¥1,679 million from the purchase of property, plant and equipment, and ¥1,082 million from payments for acquisition of businesses.

Cash flows from financing activities

Net cash used in financing activities was ¥14,966 million (compared with an inflow of ¥7,201 million in the same period of the previous fiscal year), with ¥9,529 million used for expenditure for repayment of long-term borrowings and ¥7,250 million used for purchase of shares of subsidiaries not resulting in change in scope of consolidation.

Trends in Cash Flow Indices

	Years ended March 31				
	2022	2023	2024	2025	2026
Equity ratio (%)	45.7	47.9	44.8	35.8	36.3
Equity ratio, based on market value (%)	44.8	42.3	56.0	42.5	44.3
Interest-bearing debt to cash flows ratio (%)	230.3	197.1	235.6	327.8	201.9
Interest coverage ratio (times)	100.1	130.7	124.0	56.4	50.9

Equity ratio: total shareholders' equity/total assets

Equity ratio, based on market value: total market value of stocks/total assets

Interest-bearing debt to cash flows ratio: interest-bearing debt/cash flows

Interest coverage ratio: cash flows/interest payments

Notes:

1. All indices are calculated based on consolidated financial results.
2. The total market value of stocks is calculated by multiplying the closing price at the period-end by the number of shares issued at the period-end (excluding treasury stock).
3. "Cash flows" and "Interest payments" refer to net cash provided by (used in) operating activities and interest expenses paid as shown in the consolidated cash flow statements.
4. "Interest-bearing debt" refers to all debts listed in the consolidated balance sheets on which the Company pays interest.

(4) Outlook

Operating Performance and Future Outlook

	Year ended March 31, 2026 (Actual) (Millions of yen)	Year ending March 31, 2027 (Forecast) (Millions of yen)	Change (%)
Net Sales	290,772	315,000	8.3
EBITDA	24,624	28,700	16.5
Operating profit	14,811	16,500	11.4
Ordinary Profit	14,879	16,500	10.9
Profit attributable to owners of parent	7,408	7,800	5.3
	(Yen)	(Yen)	Change (%)
Basic earnings per share	197.35	207.76	5.3

The Group has adopted "Deliver Peace of Mind in Healthcare to Everyone" as its vision for 2030, and has set targets for the fiscal year ending March 31, 2031 of ¥500.0 billion in consolidated net sales and ¥35.0 billion in operating profit. With basic policies of Deepening and Evolution, the Company will work towards achievement of these targets through the development and growth of its Pharmacy Business, BPO Contracting Businesses and Pharmaceutical Manufacturing Business.

We will also strive to reduce our impact on the environment and promote a Company-wide understanding of the SDGs in order to achieve sustainability. We are discussing ways to enhance social and economic value for our stakeholders through Group business activities, and will work to visualize specific values and progress.

Business strategies are as follows.

a. Pharmacy Business

In the Pharmacy Business, we will continue to pursue the ideal pharmacy for patients, aiming to provide even greater convenience and peace of mind. We will also aim for a one-of-a-kind Pharmacy Business by drawing on Group synergies to provide information that will lead to advancements in medical care. Furthermore, we will promote healthcare continuity and consistent quality as we continue to create systems able to contribute to regional healthcare. We will also focus efforts on providing medical care that meets patients' needs by enhancing coordination and support between facilities and individual stores, with a focus on stores specializing in home-based dispensing and by strategically engaging in the Home and Facility Dispensing Business.

Additionally, to comply with government requests for the differentiation of pharmacy functions, we will strive to obtain certification as a Community Medical Coordination Pharmacy and a Pharmacy in Cooperation with Specialized Medical Institutions and also strengthen the education system to respond flexibly to diversifying medical care needs, with a view to delivering even higher quality medical care.

To improve pharmacy convenience, we will work on DX initiatives, such as providing patients with a wide range of information through the use of a cloud-based electronic medicine record system, and engage in collaborations that ensure pharmacies and pharmacists become increasingly accessible to even more patients.

Furthermore, to sustainably provide higher quality medical care to more patients, we will conduct a zero-based review of costs and proactively promote the use of DX to increase productivity.

b. BPO Contracting Businesses

In BPO Contracting Businesses, we will aim for expansion of scale by conducting integrated sales activities for customers.

In the CSO Business, to respond to the increasing demand for MR dispatches, APO PLUS STATION Co., LTD use various methods to strengthen MR human resources recruitment capabilities and expand sales to growth areas where demand for MR dispatches is high, thereby increasing the number of MR dispatches and focusing efforts on further business expansion. Meanwhile, in the CRO Business, which is engaged in contracted development services for pharmaceuticals and foods, we will develop new customers and contracted service domains, and ClinCloud Ltd. will promote the use of EDC, which is used in clinical trials and research for drug development.

In the Professional Referral Dispatch Business, APO PLUS CAREER Co., LTD. will utilize various tools such as AI to expand our customer base, strengthen our human resource development system to improve productivity in an aim to further increase the number of contracts. We will also expand the pharmacist spot work business and new business related to industrial physicians and health professionals that will lead to further business expansion.

In the Publishing-Related Business, Medical QoL Co., Ltd. will further expand the convention business and the compliance service business and leverage these two businesses to secure orders in the existing materials production business, with the aim of expanding its share of customer business and improving the profit margin.

c. Pharmaceutical Manufacturing Business

In the Pharmaceutical Manufacturing Business, we aim to achieve further growth by utilizing Group synergies in research and development and in sales activities.

We will expand our product lineup into areas beyond generic drugs as well, and also strengthen our development efforts from the perspectives of patients and healthcare professionals. We will also leverage our knowledge in the Pharmacy Business to provide information and expand our market share.

In the fiscal year ended March 31, 2026, DAIICHI SANKYO ESPHA CO., LTD. launched five products with two ingredients and obtained manufacturing and marketing approval for four products with two ingredients. They are expected to contribute to results.

Additionally, we will implement cost reductions and other structural reforms to establish a foundation for stable growth.

As a result of these efforts, in the fiscal year ending March 31, 2027, the Company forecasts net sales of ¥315,000 million (up 8.3% year on year), operating profit of ¥16,500 million (up 11.4%), ordinary profit of ¥16,500 million (up 10.9%) and profit attributable to owners of parent of ¥7,800 million (up 5.3%). We also forecast EBITDA of ¥28,700 million yen (up 16.5% (year on year).

Please note that the above outlook may change due to various factors. In the event that conditions change drastically in the near future and revisions to this outlook become necessary, we will promptly disclose the details.

(5) Fundamental Policy on the Distribution of Profits and Dividend Payment for Current Term and Next Term

With respect to dividends, in consideration of securing internal reserves necessary for future business development and management foundation enhancement, the Group's basic policy is to continue providing shareholders with the stable return of profits.

Based on this policy, for the consolidated fiscal year under review, the Group distributed an interim dividend of ¥23 per share of common stock. As a result of the steady progress of our business performance and financial condition for the fiscal year ended March 31, 2026, the Company increases its year-end dividend by 4 yen per share to 27 yen per share.

Further, the Full-year dividends per share in the fiscal year ending March 31, 2027, will be ¥54 per share, an increase of ¥4 per share from the prior fiscal year.

2. BASIC STANCE ON SELECTION OF ACCOUNTING STANDARDS

The QoI Group's policy is to prepare consolidated financial statements based on Japanese standards for the time being considering comparability of consolidated financial statements among periods and among companies.

Regarding the application of the International Financial Reporting Standards (IFRS), the policy is to respond appropriately considering the various conditions inside and outside Japan.

3. CONSOLIDATED FINANCIAL STATEMENTS

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	26,727	21,401
Notes and accounts receivable - trade, and contract assets	21,377	25,826
Merchandise and finished goods	4,505	4,600
Work in process	211	290
Raw materials and supplies	4,162	5,076
Other	3,366	2,136
Allowance for doubtful accounts	(3)	(54)
Total current assets	60,348	59,277
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,749	8,583
Tools, furniture and fixtures, net	1,693	1,748
Land	6,943	6,766
Other, net	754	701
Total property, plant and equipment	18,141	17,801
Intangible assets		
Goodwill	39,395	36,423
Business right	29,366	30,983
Software	1,027	2,130
Other	549	425
Total intangible assets	70,338	69,962
Investments and other assets		
Investment securities	143	162
Leasehold and guarantee deposits	4,174	4,401
Deferred tax assets	2,418	2,543
Retirement benefit asset	2,136	2,303
Other	1,990	1,685
Allowance for doubtful accounts	(21)	(21)
Total investments and other assets	10,841	11,074
Total non-current assets	99,321	98,838
Total assets	159,669	158,116

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	30,715	32,612
Short-term borrowings	13,500	11,000
Current portion of long-term borrowings	8,369	8,255
Accounts payable - other	5,149	5,264
Income taxes payable	2,761	3,649
Provision for bonuses	2,436	2,880
RefundLiabilities	7,082	7,015
Other	4,187	5,455
Total current liabilities	74,202	76,134
Non-current liabilities		
Long-term borrowings	19,202	18,226
Deferred tax liabilities	302	440
Provision for retirement benefits for directors (and other officers)	156	119
Retirement benefit liability	885	964
Asset retirement obligations	1,175	1,186
Other	1,605	1,203
Total non-current liabilities	23,328	22,141
Total liabilities	97,531	98,276
Net assets		
Shareholders' equity		
Share capital	5,786	5,786
Capital surplus	11,301	5,732
Retained earnings	41,988	47,884
Treasury shares	(1,959)	(1,969)
Total shareholders' equity	57,116	57,433
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6	18
Total accumulated other comprehensive income	6	18
Non-controlling interests	5,014	2,387
Total net assets	62,138	59,840
Total liabilities and net assets	159,669	158,116

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	263,972	290,772
Cost of sales	224,916	249,870
Gross profit	39,056	40,902
Selling, general and administrative expenses	25,591	26,090
Operating profit	13,465	14,811
Non-operating income		
Rental income from buildings	148	302
Commission income	67	74
Surrender value of insurance policies	29	-
Subsidy income	11	7
Guarantee commission income	59	49
Subsidy income (other)	317	155
Other	150	165
Total non-operating income	784	754
Non-operating expenses		
Interest expenses	223	366
Commission expenses	52	86
Rental expenses	71	72
Depreciation	27	59
Other	43	102
Total non-operating expenses	418	687
Ordinary profit	13,831	14,879
Extraordinary income		
Gain on sale of non-current assets	10	70
Gain on revision of retirement benefit plan	372	-
Other	0	6
Total extraordinary income	383	76
Extraordinary losses		
Loss on retirement of non-current assets	64	77
Loss on sale of non-current assets	4	42
Retirement benefits for directors (and other officers)	964	-
Impairment losses	112	393
Loss on step acquisitions	214	-
Loss on liquidation of business	-	59
Other	13	1
Total extraordinary losses	1,374	575
Profit before income taxes	12,840	14,380
Income taxes - current	4,565	5,604
Income taxes - deferred	798	302
Total income taxes	5,363	5,907
Profit	7,476	8,473
Profit attributable to non-controlling interests	2,312	1,064
Profit attributable to owners of parent	5,164	7,408

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	7,476	8,473
Other comprehensive income		
Valuation difference on available-for-sale securities	7	12
Total other comprehensive income	7	12
Comprehensive income	7,483	8,485
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,171	7,421
Comprehensive income attributable to non-controlling interests	2,312	1,064

(3) Consolidated Statement of Changes in Net Assets

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income		Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	5,786	11,276	38,030	(2,303)	52,790	(0)	(0)	48	52,837
Changes during period									
Dividends of surplus			(1,206)		(1,206)		-		(1,206)
Profit attributable to owners of parent			5,164		5,164		-		5,164
Purchase of treasury shares				(0)	(0)		-		(0)
Disposal of treasury shares				343	343		-		343
Change in ownership interest of parent due to transactions with non-controlling interests		25			25		-		25
Other					-		-		-
Net changes in items other than shareholders' equity					-	7	7	4,966	4,973
Total changes during period	-	25	3,958	343	4,326	7	7	4,966	9,300
Balance at end of period	5,786	11,301	41,988	(1,959)	57,116	6	6	5,014	62,138

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income		Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	5,786	11,301	41,988	(1,959)	57,116	6	6	5,014	62,138
Changes during period									
Dividends of surplus			(1,505)		(1,505)		-		(1,505)
Profit attributable to owners of parent			7,408		7,408		-		7,408
Purchase of treasury shares				(232)	(232)		-		(232)
Disposal of treasury shares				222	222		-		222
Change in ownership interest of parent due to transactions with non-controlling interests		(5,569)			(5,569)		-		(5,569)
Other			(7)		(7)		-		(7)

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income		Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Net changes in items other than shareholders' equity					-	12	12	(2,627)	(2,614)
Total changes during period	-	(5,569)	5,896	(10)	316	12	12	(2,627)	(2,298)
Balance at end of period	5,786	5,732	47,884	(1,969)	57,433	18	18	2,387	59,840

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	12,840	14,380
Depreciation	4,031	5,592
Amortization of goodwill	4,329	4,220
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(0)	(36)
Increase (decrease) in retirement benefit liability	11	66
Increase (decrease) in provision for bonuses	(3)	433
Increase (decrease) in allowance for doubtful accounts	(1)	50
Increase (decrease) in refund liabilities	(794)	(67)
Loss (gain) on sale and retirement of non-current assets	59	50
Impairment losses	112	393
Loss (gain) on step acquisitions	214	-
Gain on sales of investment securities	0	-
Surrender value of insurance policies	(29)	-
Interest and dividend income	(15)	(65)
Interest expenses	223	366
Decrease (increase) in inventories	(1,268)	(909)
Decrease (increase) in trade receivables	(1,356)	(4,379)
Decrease (increase) in accounts receivable - other	(798)	1,215
Increase (decrease) in trade payables	537	1,854
Increase (decrease) in accounts payable - other	(581)	102
Increase (decrease) in accrued expenses	(899)	(166)
Increase (decrease) in long-term accounts payable - other	(316)	(321)
Other, net	(417)	927
Subtotal	15,876	23,708
Interest and dividends received	15	64
Interest paid	(223)	(366)
Income taxes paid	(3,075)	(4,741)
Net cash provided by (used in) operating activities	12,593	18,665
Cash flows from investing activities		
Payments into time deposits	(10)	(107)
Proceeds from withdrawal of time deposits	34	44
Purchase of property, plant and equipment	(3,224)	(1,679)
Proceeds from sale of property, plant and equipment	58	262
Purchase of intangible assets	(18,702)	(6,375)
Proceeds from redemption of investment securities	-	10
Proceeds from collection of loans receivable	26	25
Payments of leasehold and guarantee deposits	(164)	(174)
Proceeds from refund of leasehold and guarantee deposits	133	99
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(2,368)	(64)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	3,972	-
Payments for acquisition of businesses	-	(1,082)
Proceeds from sale of businesses	6	41
Other, net	(122)	(87)
Net cash provided by (used in) investing activities	(20,360)	(9,088)

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	13,408	(2,500)
Proceeds from long-term borrowings	5,000	7,800
Repayments of long-term borrowings	(9,479)	(9,529)
Purchase of treasury shares	(0)	(232)
Proceeds from disposal of treasury shares	343	307
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(24)	(7,250)
Dividends paid	(1,206)	(1,504)
Dividends paid to non-controlling interests	(793)	(2,010)
Other, net	(46)	(45)
Net cash provided by (used in) financing activities	7,201	(14,966)
Net increase (decrease) in cash and cash equivalents	(565)	(5,389)
Cash and cash equivalents at beginning of period	26,944	26,378
Cash and cash equivalents at end of period	26,378	20,988

(5) Notes concerning Consolidated Financial Statements

Note on Assumptions for Going Concern

Not applicable.

Change in Presentation Method

Consolidated Balance Sheets

Depreciation and amortization, which was included in other in non-operating expenses in the previous fiscal year, is stated as a separate item in the fiscal year under review due to an increase in their importance in terms of value. To reflect this change in presentation, the consolidated financial statements for the previous consolidated fiscal year have been reclassified.

As a result, “other” of ¥70 million under “non-operating expenses” in the consolidated statements of income for the previous fiscal year has been restated as “depreciation and amortization” of ¥27 million and “other” of ¥43 million.

Supplementary Information

Transactions Delivering Company Stock to Employees, Etc., through Trusts

The Company conducts transactions transferring Company stock to the Employee Stock Ownership Association through trusts with the intention of providing employees with the incentive to enhance corporate value over the medium- to long-term.

(1) Transaction Overview

Based on a resolution by the Board of Directors on February 3, 2021, Qol Holdings Co., Ltd., introduced the Trust-type Employee Shareholding Incentive Plan (E-Ship[®]) (hereinafter, “Plan”).

This Plan is an incentive scheme applicable to all employees belonging to the Employee Stock Ownership Association (hereinafter, “Stock Ownership Association”). Under this Plan, the Company established the Qol Group Employee Stock Ownership Exclusive Trust (hereinafter, “Employee Ownership Trust”) to acquire in advance Company stock corresponding to stock expected to be acquired by the Stock Ownership Association during a five-year period commencing after the establishment of the Employee Ownership Trust. After that, the Employee Ownership Trust will sell Company stock to the Stock Ownership Association on an ongoing basis, and in the event of an accumulated gain on the sales of stock in the Employee Ownership Trust when the Trust is ended, an amount equivalent to the gain on sale of the stock will be distributed as residual assets to individuals who satisfy the beneficiary eligibility requirements. Moreover, because the Company guarantees borrowings used by the Employee Ownership Trust to acquire Company stock, in the event the Company stock price declines resulting in the accumulation of an amount corresponding to the loss on the sale of stock in the Employee Ownership Trust and there are remaining loans payable corresponding to the loss on the sale of stock in the Employee Ownership Trust when the Trust is ended, the Company will repay the corresponding amount of remaining debt based on the guarantee agreement. The Employee Ownership Trust was ended on March 27, 2026.

3. Matters Related to the Acquisition of Additional Shares in Subsidiary

Cost of acquisition and breakdown by type of consideration

<u>Consideration for acquisition</u>	Cash	¥7,250 million
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Cost of acquisition		¥7,250 million
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4. Matters Related to a Change in Equity of the Company Related to Transaction with Non-Controlling Shareholders

(1) Main factor for change in capital surplus

Acquisition of additional shares in subsidiary

(2) Amount of decrease in capital surplus due to the transaction with non-controlling shareholders

¥5,569 million

Note on Segment Information

Segment Information

1. Outline of Reporting Segments

(1) Method of Determination for Reporting Segment

The Group's reporting segments are company units for which separate financial information can be obtained, which the Board of Directors regularly examines to decide the allocation of management resources and to evaluate performance.

The Company drafts comprehensive strategies based on similarities in markets and sales methods, and develops business activities in three reporting segments: Pharmacy Business, BPO Contracting Businesses, and Pharmaceutical Manufacturing Business.

(2) Product and Service Categories in Each Reporting Segment

The Pharmacy Business manages pharmacies, the BPO Contracting Businesses conducts medical care-related business, and the Pharmaceutical Manufacturing Business manufactures and sells pharmaceuticals.

2. Calculation methods for the amounts of each reporting segment's sales, profits or losses, assets, liabilities and other items

Accounting methods used for reporting business segments are generally consistent with those used in the preparation of consolidated financial statements.

Profit figures for reporting segments are on an operating profit basis. Intra-group net sales and transfers between segments are based on prevailing market prices.

3. Information regarding the amount of each reporting segment's sales, profits or losses, assets, liabilities and other items and breakdown of revenue

Year ended March 31, 2025

Millions of yen

	Reporting segment				Adjustment (Note 1)	Consolidated statements of income (Note 2)
	Pharmacy Business	BPO Contracting Businesses	Pharmaceutical Manufacturing Business	Total		
Net sales (Note 3)						
Net sales from prescription demand	159,434	—	—	159,434	—	159,434
Net sales from the pharmaceutical manufacturing	—	—	78,726	78,726	—	78,726
Other	12,207	13,603	—	25,810	—	25,810
Revenue from contracts with customers	171,641	13,603	78,726	263,972	—	263,972
Net sales to third parties	171,641	13,603	78,726	263,972	—	263,972
Intra-group net sales and transfers	93	1,271	—	1,365	(1,365)	—
Total sales	171,735	14,875	78,726	265,338	(1,365)	263,972
Segment profit	10,028	1,706	5,272	17,006	(3,540)	13,465
Segment assets	94,837	8,568	66,193	169,598	(9,929)	159,669
Other:						
Depreciation and amortization	1,490	87	2,189	3,767	66	3,834
Amortization of goodwill	3,062	269	998	4,329	—	4,329
Impairment loss	112	—	—	112	—	112
Increase in property, plant and equipment and intangible assets	5,955	108	35,512	41,577	86	41,663

Year ended March 31, 2026

Millions of yen

	Reporting segment				Adjustment (Note 1)	Consolidated statements of income (Note 2)
	Pharmacy Business	BPO Contracting Businesses	Pharmaceutical Manufacturing Business	Total		
Net sales (Note 3)						
Net sales from prescription demand	164,200	—	—	164,200	—	164,200
Net sales from the pharmaceutical manufacturing	—	—	99,010	99,010	—	99,010
Other	13,260	14,300	—	27,561	—	27,561
Revenue from contracts with customers	177,461	14,300	99,010	290,772	—	290,772
Net sales to third parties	177,461	14,300	99,010	290,772	—	290,772
Intra-group net sales and transfers	124	1,438	—	1,563	(1,563)	—
Total sales	177,586	15,739	99,010	292,335	(1,563)	290,772
Segment profit	9,730	1,898	6,960	18,589	(3,777)	14,811
Segment assets	93,940	8,302	65,387	167,630	(9,514)	158,116
Other:						
Depreciation and amortization	1,582	85	3,597	5,265	75	5,341
Amortization of goodwill	2,917	305	998	4,220	—	4,220
Impairment loss	393	—	—	393	—	393
Increase in property, plant and equipment and intangible assets	2,191	581	6,158	8,931	56	8,987

Note 1. The contents of the adjustments are as follows.

Millions of yen

Segment profit adjustments	Year ended March 31, 2025	Year ended March 31, 2026
Eliminations of inter-segment business	2,438	2,837
Company-wide expenses*	(5,979)	(6,615)
Total	(3,540)	(3,777)

* Company-wide expenses mainly comprise general administrative expenses not included in reportable segments.

Millions of yen

Segment assets adjustments	Year ended March 31, 2025	Year ended March 31, 2026
Eliminations of inter-segment business	(133,362)	(132,830)
Company-wide expenses*	123,433	123,315
Total	(9,929)	(9,514)

* Mainly assets not attributable to reportable segments

Millions of yen

Other adjustments	Year ended March 31, 2025	Year ended March 31, 2026
Depreciation and amortization* ¹	66	75
Increase in property and equipment and intangible assets* ²	86	56

*1 Mainly depreciation and amortization expenses not attributable to reportable segments

*2 Mainly plant and equipment investment not attributable to reportable segments

Note 2. Segment profit is adjusted from the operating income on the consolidated income statement.

Note 3. Net sales comprise revenue recognized mainly from contracts with customers; the amount of revenue recognized from other sources is not significant.

Related Information

Year ended March 31, 2025

(a) Information for each product and service

Information for each product and service is omitted because the same information is reported under Segment Information.

(b) Geographic information

i. Net sales

Not applicable as there are no sales to external customers outside of Japan.

ii. Property, plant and equipment

Not applicable as there are no consolidated subsidiaries or important overseas branches in countries and regions outside of Japan.

(c) Information on principal customers

Millions of yen

Principal customers	Net sales	Related segments
DAIICHI SANKYO COMPANY, LIMITED	75,904	Pharmaceutical Manufacturing Business

Year ended March 31, 2026

(a) Information for each product and service

Information for each product and service is omitted because the same information is reported under Segment Information.

(b) Geographic information

i. Net sales

Not applicable as there are no sales to external customers outside of Japan.

ii. Property, plant and equipment

Not applicable as there are no consolidated subsidiaries or important overseas branches in countries and regions outside of Japan.

(c) Information on principal customers

Millions of yen

Principal customers	Net sales	Related segments
DAIICHI SANKYO COMPANY, LIMITED	96,949	Pharmaceutical Manufacturing Business

Information on Impairment Loss on Noncurrent Assets for Each Reporting Segment

Year ended March 31, 2025

Information on impairment loss on noncurrent assets is omitted because the same information is reported under Segment Information.

Year ended March 31, 2026

Information on impairment loss on noncurrent assets is omitted because the same information is reported under Segment Information.

Information on Goodwill Amortization and the Unamortized Balance of Goodwill for Each Reporting Segment

Year ended March 31, 2025

Millions of yen

	Pharmacy Business	BPO Contracting Businesses	Pharmaceutical Manufacturing Business	Corporate and elimination	Total
Amortization	3,062	269	998	—	4,329
Balance at the end of current period	29,649	1,155	8,590	—	39,395

Year ended March 31, 2026

Millions of yen

	Pharmacy Business	BPO Contracting Businesses	Pharmaceutical Manufacturing Business	Corporate and elimination	Total
Amortization	2,917	305	998	—	4,220
Balance at the end of current period	27,504	1,326	7,592	—	36,423

Information on Per Share Data

Yen

	Year ended March 31, 2025	Year ended March 31, 2026
Net assets per share	1,521.14	1,528.91
Basic earnings per share	137.97	197.35

Notes

1. The diluted earnings per share for the consolidated fiscal year under review is not stated as there were no dilutive shares.
2. The basis for calculating basic earnings per share is as follows.

	Year ended March 31, 2025	Year ended March 31, 2026
Basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	5,164	7,408
Amount not attributable to ordinary shareholders (Millions of yen)	—	—
Profit attributable to owners of parent applicable to common stocks (Millions of yen)	5,164	7,408
Average number of shares outstanding for each period (Shares)	37,433,134	37,542,974

Material Subsequent Events

Not applicable.

4. OTHER

(1) Changes in Executives

a. Change in representative

Not applicable.

b. Change in other directors (scheduled as of June 26, 2026)

1. New candidates for Director

Jun Kawaguchi (currently: Chief of General Affairs and Disaster Countermeasures Headquarters, General Manager of General and Legal Affairs Dept. and General Manager of Disaster Countermeasures Dept. and Director of QoL Co., Ltd.)

2. Director to retire

Yuji Suzuki (currently: Director and Deputy Chief of Pharmacy Business Headquarters)

* On April 4, 2026, Yuji Suzuki was appointed Executive Director of QoL Co., Ltd. in addition to current role as Deputy Chief of Pharmacy Business Headquarters of QoL Holdings Co., Ltd.

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