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August 13, 2026

Consolidated Financial Results for the Six Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: MEDLEY,INC.
Listing: Tokyo Stock Exchange
Securities code: 4480
URL: https://www.medley.jp
Representative: Kohei Takiguchi President and Chief Executive Officer
Inquiries: Ryo Kawahara Director, Senior Vice President and Chief Financial Officer
Telephone: +81-3-6372-1265
Scheduled date to file semi-annual securities report: August 13, 2026
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	22,683	22.8	3,866	43.4	2,446	67.4	2,802	77.6	1,497	131.2
June 30, 2025	18,465	25.6	2,696	(7.8)	1,461	(35.4)	1,577	(50.2)	647	(67.8)

Note: Comprehensive income For the six months ended June 30, 2026: ¥ 1,503 million [138.7%]
For the six months ended June 30, 2025: ¥ 630 million [(69.8) %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2026	49.45	49.28
June 30, 2025	20.05	19.95

Note: EBITDA = Operating profit (loss) + depreciation and amortization + amortization of goodwill + share-based compensation expenses

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	45,384	14,961	33.0
December 31, 2025	41,252	14,799	35.9

Reference: Equity
As of June 30, 2026: ¥ 14,961 million
As of December 31, 2025: ¥ 14,799 million

2. Cash 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 December 31, 2025	-	0.00	-	0.00	0.00
Fiscal year ending December 31, 2026	-	0.00			
Fiscal year ending December 31, 2026 (Forecast)			-	18.00	18.00

Note: Revisions to the forecast of cash dividends most recently announced:Yes

3. Consolidated financial result forecasts for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

(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	%	Yen
Full year	46,400	26.1	5,800	20.3	2,950	37.2	3,250	47.6	1,800	84.5	58.25

Note: Revisions to the financial result forecast most recently announced: None

*** Notes**

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

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

(Note) For details, please refer to "2. Important notes regarding semi-annual consolidated financial statements (Application of special accounting methods in preparation for semi-annual consolidated financial statements)" on page 11 of the attachments.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2026	32,738,600 shares
As of December 31, 2025	32,738,600 shares

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

As of June 30, 2026	2,517,716 shares
As of December 31, 2025	1,838,986 shares

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

Six months ended June 30, 2026	30,282,197 shares
Six months ended June 30, 2025	32,307,903 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.
* Proper use of earnings forecasts, and other special matters

(Cautionary statement regarding forward-looking statements)
This preliminary earnings report contains forward-looking statements such as earnings forecasts which are based on information currently available to the Group and certain assumptions deemed to be reasonable. The Group makes no guarantee regarding the accuracy of the forecasts contained herein. Because of variable factors, actual results may differ from the forecast figures. For information regarding assumptions upon which the Group's results forecasts are based and notes regarding the use of results forecasts, please refer to (3) Explanation regarding consolidated forecasts and forward-looking statements under 1. Outline of Business Performance on page 4.

1. Outline of Business Performance

(1) Explanation regarding operating results

During the six months ended June 30, 2026 (consolidated H1 FY2026), the Japanese medical and nursing care industry continued to face labor shortages and fiscal constraints, affecting both the HR PF Business and the Medical PF Business.

Amid this business environment, in consolidated H1 FY2026, sales in the HR PF Business increased due to a steady increase in the number of customer offices and in our pool of registered workers for our recruitment system JobMedley as well as growth in the number of customer offices for online training system JobMedley Academy.

We also achieved sales growth in the Medical PF Business as installation of our products at customers' facilities progressed steadily, resulting in growth in the number of medical institution users. Amid this solid growth in net sales, we proactively worked to expand our business scale to achieve medium- to long-term growth. We conducted marketing activities and invested in the expansion of our online training system in the HR PF Business in order to increase the scale of our businesses. At the same time, we strengthened the organizational structure of the Medical PF Business and expanded the AI capabilities of MEDLEY AI CLOUD, among other initiatives.

As a result of the above, in consolidated H1 FY2026, the Group posted net sales of ¥22,683 million (up 22.8% YoY), EBITDA of ¥3,866 million (up 43.4% YoY), operating profit of ¥2,446 million (up 67.4% YoY), ordinary profit of ¥2,802 million (up 77.6% YoY), and net profit attributable to owners of the parent company of ¥1,497 million (up 131.2% YoY).

The HR PF Business recognizes sales based on the hiring dates of persons using the Group's services to find employment at companies seeking employees. The sales therefore tend to be concentrated in April, when Japanese companies tend to hire more employees (because this is often the beginning of Japanese companies' fiscal years).

1) HR PF Business

During consolidated H1 FY2026, the Group continuously improved the functionality of its websites in order to improve user convenience. As a result, the number of customer offices in the HR PF Business as a whole grew 3.8% compared with the end of consolidated FY2025, to 466 thousand. The number of applications on JobMedley continued to increase, and listed job postings rose by 1.3% over the same period, to 477 thousand.

As a result of the above, consolidated H1 FY2026 segment net sales were ¥16,682 million (up 24.4% YoY), and segment profit before allocation of group-wide shared costs (operating profit) was ¥6,217 million (up 29.2% YoY).

2) Medical PF Business

During consolidated H1 FY2026, the number of medical institution users in the Medical PF Business continued to grow, rising 2.1% compared with the end of consolidated FY2025, to 23 thousand institutions. In addition, we expanded the range of AI features available on MEDLEY AI CLOUD to improve operational efficiency and enhance the patient experience in healthcare settings.

As a result of the above, consolidated H1 FY2026 segment net sales were ¥5,488 million (up 22.8% YoY) and segment loss before allocation of group-wide shared costs (operating loss) was ¥484 million (¥51 million loss in H1 FY2025).

The segment loss (operating loss) is attributable to the prioritization of initiatives aimed at achieving a high sales growth rate.

3) New Services Segment

During consolidated H1 FY2026, the Group made investments in business expansion for the recruitment system in the U.S. In addition, nursing facility search website, Minkai, continued proactive sales efforts to expand its content, as well as number of listed facilities. In addition, as of January 2026, "Kaigo-no-Honne" was integrated into "Minkai".

As a result, consolidated H1 FY2026 segment net sales were ¥513 million (down 12.9% YoY) and segment loss before allocation of group-wide shared costs (operating loss) was ¥385 million (¥349 million loss in H1 FY2025).

The decline in revenue in this segment was attributable to the sale of the Guppy Healthcare business, while the operating loss was driven by costs related to investments in business expansion and operational development in the U.S.

In addition, adjustments not attributable to any segment (intersegment eliminations and companywide expenses not allocated to any segment) totaled ¥2,902 million (down 1.6% YoY).

(2) Outline of financial position

Assets

Current assets as of the end of the consolidated H1 FY2026 totaled ¥19,047 million, an increase of ¥4,227 million from the end of the previous consolidated fiscal year. This was mainly attributable to an increase of ¥3,467 million in cash and deposits. Fixed assets totaled ¥26,337 million, a decrease of ¥95 million from the end of the previous consolidated fiscal year. This was mainly attributable to a decrease of ¥607 million in intangible assets, partially offset by an increase of ¥528 million in investments and other assets.

As a result of the above, total assets as of end-consolidated H1 FY2026 totaled ¥45,384 million, an increase of ¥4,131 million compared with the end of the previous consolidated fiscal year.

Liabilities

Current liabilities as of the end of the consolidated H1 FY2026 amounted to ¥13,770 million, an increase of ¥2,254 million from the end of the previous consolidated fiscal year. This was mainly attributable to an increase of ¥995 million in current portion of long-term borrowings and an increase of ¥1,183 million in income taxes payable, etc. Non-current liabilities totaled ¥16,653 million, an increase of ¥1,715 million from the end of the previous consolidated fiscal year. This was mainly attributable to a ¥1,750 million increase in long-term borrowings.

As a result of the above, total liabilities as of end-consolidated H1 FY2026 totaled ¥30,423 million, an increase of ¥3,970 million compared with the end of the previous consolidated fiscal year.

Net assets

Net assets as of the end of the consolidated H1 FY2026 totaled ¥14,961 million, an increase of ¥161 million from the end of the previous consolidated fiscal year. This was mainly attributable to an increase of ¥1,497 million in retained earnings, partially offset by an increase of ¥1,249 million in treasury shares (a deduction from net assets).

Cash flows

Cash and cash equivalents (hereinafter, net cash) as of end-consolidated H1 FY2026 totaled ¥12,042 million, an increase of ¥3,467 million compared with the end of the previous consolidated fiscal year. Cash flows during the six months ended June 30, 2026, were as follows.

Cash flows from operating activities

Net cash provided by operating activities during the six months ended June 30, 2026, was ¥3,326 million (compared with ¥1,929 million in H1 FY2025). This was primarily obtained by adjusting ¥2,752 million in profit before income taxes for ¥551 million in depreciation, ¥710 million in amortization of goodwill, and a ¥722 million increase in other receivables.

Cash flows from investing activities

Net cash used in investing activities during the six months ended June 30, 2026, was ¥762 million (compared with ¥6,330 million in consolidated H1 FY2025). This was mainly attributable to ¥410 million in purchase of investment securities and ¥154 million in purchase of intangible fixed assets, among other items.

Cash flows from financing activities

Net cash provided by financing activities during the six months ended June 30, 2026, was ¥898 million (compared with ¥1,055 million used in financing activities in consolidated H1 FY2025). This was mainly attributable to ¥2,373 million in repayments of long-term borrowings, ¥5,000 million in proceeds from long-term borrowings, and ¥1,709 million in purchase of treasury shares.

(3) Explanation regarding consolidated forecasts and forward-looking statements

Figures in the Company’s full-year consolidated FY2026 forecast have not been changed from the forecast provided in the Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (Under Japanese GAAP) published on February 13, 2026.

Semi-annual Consolidated Financial Statements and Primary Notes

Semi-annual Consolidated Balance Sheet

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	8,575	12,042
Accounts receivable - trade	3,042	3,235
Merchandise and finished goods	455	353
Work in process	149	42
Accounts receivable - other	1,881	2,717
Prepaid expenses	533	670
Other	235	47
Allowance for doubtful accounts	(53)	(61)
Total current assets	14,820	19,047
Non-current assets		
Property, plant and equipment	609	593
Intangible assets		
Software	374	363
Goodwill	12,861	12,494
Customer relationship	9,312	9,061
Technical assets	365	335
Other	340	391
Total intangible assets	23,254	22,647
Investments and other assets	2,567	3,096
Total non-current assets	26,432	26,337
Total assets	41,252	45,384

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	443	373
Current portion of long-term borrowings	3,786	4,782
Accounts payable - other	2,570	2,710
Accrued expenses	414	320
Contract liabilities	2,306	2,206
Deposits received	937	1,087
Income taxes payable	244	1,428
Other provisions	114	184
Other	697	675
Total current liabilities	11,516	13,770
Non-current liabilities		
Long-term borrowings	12,299	14,049
Deferred tax liabilities	2,563	2,551
Other	74	51
Total non-current liabilities	14,937	16,653
Total liabilities	26,453	30,423
Net assets		
Shareholders' equity		
Share capital	47	47
Capital surplus	12,217	12,125
Retained earnings	7,576	9,074
Treasury shares	(4,843)	(6,093)
Total shareholders' equity	14,998	15,153
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(224)	(224)
Foreign currency translation adjustment	26	32
Total accumulated other comprehensive income	(198)	(192)
Total net assets	14,799	14,961
Total liabilities and net assets	41,252	45,384

Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Millions of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Net sales	18,465	22,683
Cost of sales	6,969	8,863
Gross profit	11,496	13,819
Selling, general and administrative expenses	10,034	11,373
Operating profit	1,461	2,446
Non-operating income		
Interest income	8	10
Settlement received	270	432
Other	32	81
Total non-operating income	311	525
Non-operating expenses		
Interest expenses	88	106
Outsourcing expenses	62	26
Loss on extinguishment of share-based compensation expenses	12	9
Other	32	27
Total non-operating expenses	195	168
Ordinary profit	1,577	2,802
Extraordinary income		
Gain on sale of shares of subsidiaries and associates	155	-
Gain on sale of businesses	48	-
Gain on sale of non-current assets	-	0
Total extraordinary income	204	0
Extraordinary losses		
Loss on sale of non-current assets	1	0
Loss on abandonment of non-current assets	0	2
Loss on step acquisitions	-	47
Total extraordinary losses	2	50
Profit before income taxes	1,779	2,752
Income taxes	1,131	1,255
Profit	647	1,497
Profit attributable to owners of parent	647	1,497

Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Profit	647	1,497
Other comprehensive income		
Foreign currency translation adjustment	(17)	6
Total other comprehensive income	(17)	6
Comprehensive income	630	1,503
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	630	1,503
Comprehensive income attributable to non-controlling interests	-	-

Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	1,779	2,752
Depreciation	530	551
Amortization of goodwill	618	710
Amortization of security deposit	12	13
Increase (decrease) in allowance for doubtful accounts	1	8
Interest and dividend income	(8)	(10)
Interest expenses	88	106
Settlement income	(270)	(432)
Loss (gain) on sale of property, plant and equipment	1	0
Loss on abandonment of non-current assets	0	2
Gain on sale of shares of subsidiaries and associates	(155)	-
Gain on sale of businesses	(48)	-
Loss (gain) on step acquisitions	-	47
Decrease (increase) in trade receivables	115	(152)
Decrease (increase) in accounts receivable - other	41	(722)
Decrease (increase) in inventories	(52)	210
Increase (decrease) in trade payables	(92)	(69)
Increase (decrease) in accounts payable - other	316	155
Increase (decrease) in accrued expenses	(211)	(137)
Increase (decrease) in contract liabilities	(85)	(109)
Increase (decrease) in deposits received	104	144
Other, net	(193)	139
Subtotal	2,492	3,206
Interest and dividends received	9	10
Interest paid	(126)	(109)
Settlement received	573	346
Income taxes paid	(1,020)	(128)
Net cash provided by (used in) operating activities	1,929	3,326
Cash flows from investing activities		
Purchase of investment securities	(415)	(410)
Purchase of property, plant and equipment	(184)	(47)
Proceeds from sale of property, plant and equipment	7	2
Purchase of intangible assets	(165)	(154)
Payments of leasehold and guarantee deposits	(8)	(15)
Proceeds from refund of leasehold and guarantee deposits	50	25
Proceeds from sale of businesses	50	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(6,513)	(111)
Proceeds from the sale of subsidiary shares with a change in the scope of consolidation	779	-
Other, net	69	(52)
Net cash provided by (used in) investing activities	(6,330)	(762)

(Millions of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Cash flows from financing activities		
Repayments of long-term borrowings	(2,535)	(2,373)
Proceeds from long-term borrowings	5,000	5,000
Proceeds from disposal of treasury shares	3	0
Purchase of treasury shares	(1,779)	(1,709)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(1,719)	-
Other, net	(25)	(18)
Net cash provided by (used in) financing activities	(1,055)	898
Effect of exchange rate change on cash and cash equivalents	(13)	5
Net increase (decrease) in cash and cash equivalents	(5,471)	3,467
Cash and cash equivalents at beginning of period	18,993	8,575
Cash and cash equivalents at end of period	13,521	12,042

2. Important notes regarding semi-annual consolidated financial statements

(Notes related to going concern assumptions)

Not applicable

(Notes in the event of significant changes in the amount of shareholders' equity)

Consolidated financial results for consolidated H1 FY2025 (January 01, 2025, to June 30, 2025)

During consolidated H1 FY2025, based on the resolutions of the Board of Directors meetings held on February 14, 2025 and March 10, 2025, the Company repurchased 602,200 treasury shares, resulting in an increase of ¥1,779 million in treasury shares.

In addition, capital surplus increased by ¥29 million and treasury shares decreased by ¥392 million due to disposal of treasury shares associated with restricted stock compensation effective April 11, 2025 in accordance with the resolutions of the Board of Directors meetings held on February 20, 2025 and March 25, 2025.

Furthermore, capital surplus increased by ¥70 million and treasury shares decreased by ¥459 million as a result of a simplified share exchange in which the Company became the wholly owning parent company and AxisRoot Holdings, Inc. became the wholly owned subsidiary.

In addition, capital surplus decreased by ¥1,950 million due to a change in ownership interest of the parent from transactions with non-controlling interests.

As a result of these, as of end-consolidated H1 FY2025, capital surplus was ¥12,323 million and treasury shares were ¥1,522 million.

Consolidated financial results for consolidated H1 FY2026 (January 01, 2026, to June 30, 2026)

During consolidated H1 FY2026, based on the resolution of the Board of Directors meeting held on November 14, 2025, the Company repurchased 862,200 treasury shares, resulting in an increase of ¥1,709 million in treasury shares.

In addition, capital surplus decreased by ¥89 million and treasury shares decreased by ¥456 million due to disposal of treasury shares associated with restricted stock compensation, effective January 20, 2026 and April 13, 2026, in accordance with the resolutions of the Board of Directors meetings held on November 20, 2025, February 24, 2026 and March 27, 2026.

As a result of these, as of end-consolidated H1 FY2026, capital surplus was ¥12,125 million and treasury shares were ¥6,093 million.

(Application of special accounting methods in preparation for semi-annual consolidated financial statements)

Tax expenses are calculated by multiplying profit before income taxes for the semi-annual period by an effective tax rate, after application of tax effect accounting, reasonably estimated for profit before income taxes for the consolidated fiscal year including this semi-annual consolidated period.

However, if using this estimated effective tax rate results in a significantly unreasonable outcome the statutory effective tax rate is applied instead.

(Segment information, etc.)

Consolidated financial results for consolidated H1 FY2025 (January 01, 2025, to June 30, 2025)

1. Information on net sales and operating profit (loss) by reportable segment and revenue analysis information

(Million yen)

	Reportable segment				Adjustment (Note)	Amount in the consolidated financial statement
	HR PF Business	Medical PF Business	New Services	Total		
Net sales						
Revenue from contracts with customers	13,407	4,299	589	18,296	—	18,296
Other revenue	—	169	—	169	—	169
Sales to external customers	13,407	4,468	589	18,465	—	18,465
Inter-segment sales and transfers	1	—	—	1	(1)	—
Total	13,409	4,468	589	18,467	(1)	18,465
Segment profit (loss)	4,810	(51)	(349)	4,410	(2,949)	1,461

Notes: 1. Segment profit (loss) adjustments of (¥2,949 million) include intersegment eliminations and corporate expenses unallocated to reportable segments.
2. Segment profit (loss) is adjusted under operating profit on the Semi-annual Consolidated Statements of Income.

2. Information on assets by reportable segment

(Significant increases in assets)

In consolidated H1 FY2025, AxisRoot Holdings, Inc. was included in the scope of consolidation. In the Medical PF Business Segment, goodwill and identified intangible fixed assets arising from the acquisition of shares in AxisRoot Holdings, Inc. have increased.

3. Information on impairment losses on non-current assets or amortization of goodwill by reportable segment

(Major impairment losses on non-current assets)

Not applicable

(Significant changes in goodwill values)
During consolidated H1 FY2025, we converted ASFON TRUST NETWORK, Inc. into a subsidiary. As a result, goodwill in the New Services Segment increased by ¥1,070 million.
We also converted AxisRoot Holdings, Inc. into a subsidiary. As a result, goodwill in the Medical PF Segment increased by ¥5,187 million.

(Significant gains in negative goodwill)
Not applicable

Consolidated financial results for consolidated H1 FY2026 (January 01, 2026, to June 30, 2026)
1. Information on net sales and operating profit (loss) by reportable segment and revenue analysis information

(Million yen)

	Reportable segment				Adjustment (Note)	Amount in the consolidated financial statement
	HR PF Business	Medical PF Business	New Services	Total		
Net sales						
Revenue from contracts with customers	16,681	5,263	513	22,458	—	22,458
Other revenue	—	224	—	224	—	224
Sales to external customers	16,681	5,488	513	22,683	—	22,683
Inter-segment sales and transfers	0	—	—	0	(0)	—
Total	16,682	5,488	513	22,683	(0)	22,683
Segment profit (loss)	6,217	(484)	(385)	5,348	(2,902)	2,446

Notes: 1. Segment profit (loss) adjustments of (¥2,902 million) include intersegment eliminations and corporate expenses unallocated to reportable segments.
2. Segment profit (loss) is adjusted under operating profit on the Semi-annual Consolidated Statements of Income.

2. Information on assets by reportable segment
(Significant increases in assets)
Not applicable

3. Information on impairment losses on non-current assets or amortization of goodwill by reportable segment
(Major impairment losses on non-current assets)
Not applicable

(Significant changes in goodwill values)
Not applicable

(Significant gains in negative goodwill)
Not applicable

(Significant Subsequent Events)

(Business combination through the acquisition of shares)

At a meeting of the Board of Directors held on March 27, 2026, the Company resolved to acquire all shares of RM Career Co., Ltd., a company newly established by Recruit Medical Career Co., Ltd. to succeed to its businesses through an absorption-type split, with August 3, 2026 as the effective date.

In addition, on August 3, 2026, the procedures related to the acquisition of shares were completed.

(1) Summary of business combination

1) Name and description of business of acquired corporation

Name of acquired corporation: RM Career Co., Ltd.

Description of business activities: Career Transition Support Services for Physicians and Pharmacists; Recruitment Support Services for Physicians and Pharmacists, etc.

2) Main purpose of business combination

Recruit Medical Career Co., Ltd. provides recruitment support services for physicians and pharmacists to hospitals and other institutions, with a focus on support from advisors, and has a track record that ranks among the best in the industry in this field.

Our company's services and those of Recruit Medical Career Co., Ltd. are highly complementary. By leveraging our company's ability to attract candidates and Recruit Medical Career's expertise in recruitment support services, we will be able to expand our market share in the physician, pharmacist, and hospital sectors, as well as expand our services—such as strengthening online support in our recruitment outsourcing business and expanding into other professional fields. Furthermore, we believe that in the future, using our recruitment outsourcing services as a starting point, we will be able to develop a BPO business that leverages AI and digital transformation (DX) to address the overall HR operations of medical institutions. Given the potential for these synergistic effects, we have proceeded with this share acquisition.

3) Business combination date

August 3, 2026

4) Legal form of business combination

Acquisition of shares in exchange for cash.

5) Name of acquired company after acquisition

RM Career Co., Ltd.

6) Percentage of voting rights to be acquired

Voting rights ratio to be acquired on the date of the business combination 100%

7) Main basis for determining the acquiring company

The Company acquired 100% of RM Career Co., Ltd.'s voting rights through the acquisition of shares in exchange for cash.

(2) Acquisition cost and breakdown by type of considerations

Consideration	cash	1,000 million yen
Acquisition cost		1,000 million yen

(3) Breakdown and amount of main costs related to acquisition

It has not been finalized at this time.

(4) Amount, reason for recognition, amortization method, and period of goodwill

It has not been finalized at this time.

(5) Amount and major breakdown of assets received and liabilities assumed on business combination date

It has not been finalized at this time.

(Cancellation of Treasury Shares)

At a meeting of the Board of Directors held on August 13, 2026, the Company resolved to cancel treasury shares pursuant to the provisions of Article 178 of the Companies Act.

(1) Reason for Canceling Treasury Shares

To relieve concerns regarding future dilution of the Company's share value, the Company will cancel treasury shares.

(2) Details of the Cancellation

1) Class of shares to be canceled: Common Shares of the Company

2) Number of shares to be canceled: 930,000 shares

3) Scheduled date of cancellation: August 31, 2026