Presentation Material for FY2026 Q2 Financial Results

Medley, Inc.
August 13, 2026

Disclaimer

Disclaimer

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Financial Highlights

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FY2026 Q2 Results

- **Sales rose 21% YoY, progressing steadily against our initial earnings forecast**
  - HR PF: Sales growth accelerated to +22% YoY (vs. +14% in the same period last year)
  - Medical PF: Sales grew +19% YoY, in line with our forecast
- **EBITDA margin was 26% (+4%pt YoY), slightly exceeding our initial forecast**
  - HR PF: 50% (+2%pt YoY), up from the same period last year
  - Medical PF: 0% (-2%pt YoY), impacted by a deferral of orders; we expect the segment to be profitable in H2
- **Profit rose 116% YoY to JPY 1,560 million, slightly exceeding our initial forecast**

FY2026 Forecast

- **Progressing steadily against our initial earnings forecast**
  - Sales: JPY 46,400 million (YoY +26%), EBITDA: JPY 5,800 million (EBITDA margin 13%)
- **Update on our capital allocation and shareholder return policy**
  - Reflecting the improvement in profit and FCF and our outlook, dividends will become the primary means of shareholder returns, replacing our previous share-repurchase-only approach (p. 30)
  - We plan to initiate dividends from the end of this fiscal year (JPY 18 per share, targeting a payout ratio of approximately 30%)

1. FY2026 Q2 Results

2. FY2026 Full-year Forecasts

3. Investment Highlights

Summary of Consolidated FY2026 Q2 Results

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JPY mm	FY25 Q2	FY26 Q2	YoY
Sales	10,325	12,493	+21%
Gross Profit	6,677	8,214	+23%
EBITDA	2,270	3,235	+43%(1)
Operating Profit	1,582	2,513	+59%
Ordinary Profit	1,572	2,741	+74%(2)
Profit Attributable to Owners of Parent	723	1,560	+116%

(1) See slide 8 for breakdown of changes
(2) Receipt of settlement fee (non-operating income) increased from JPY 63 million in Q2 FY25 to JPY 275 million in Q2 FY26 (up JPY 212 million YoY)

Steady Progress Toward our Initial Targets

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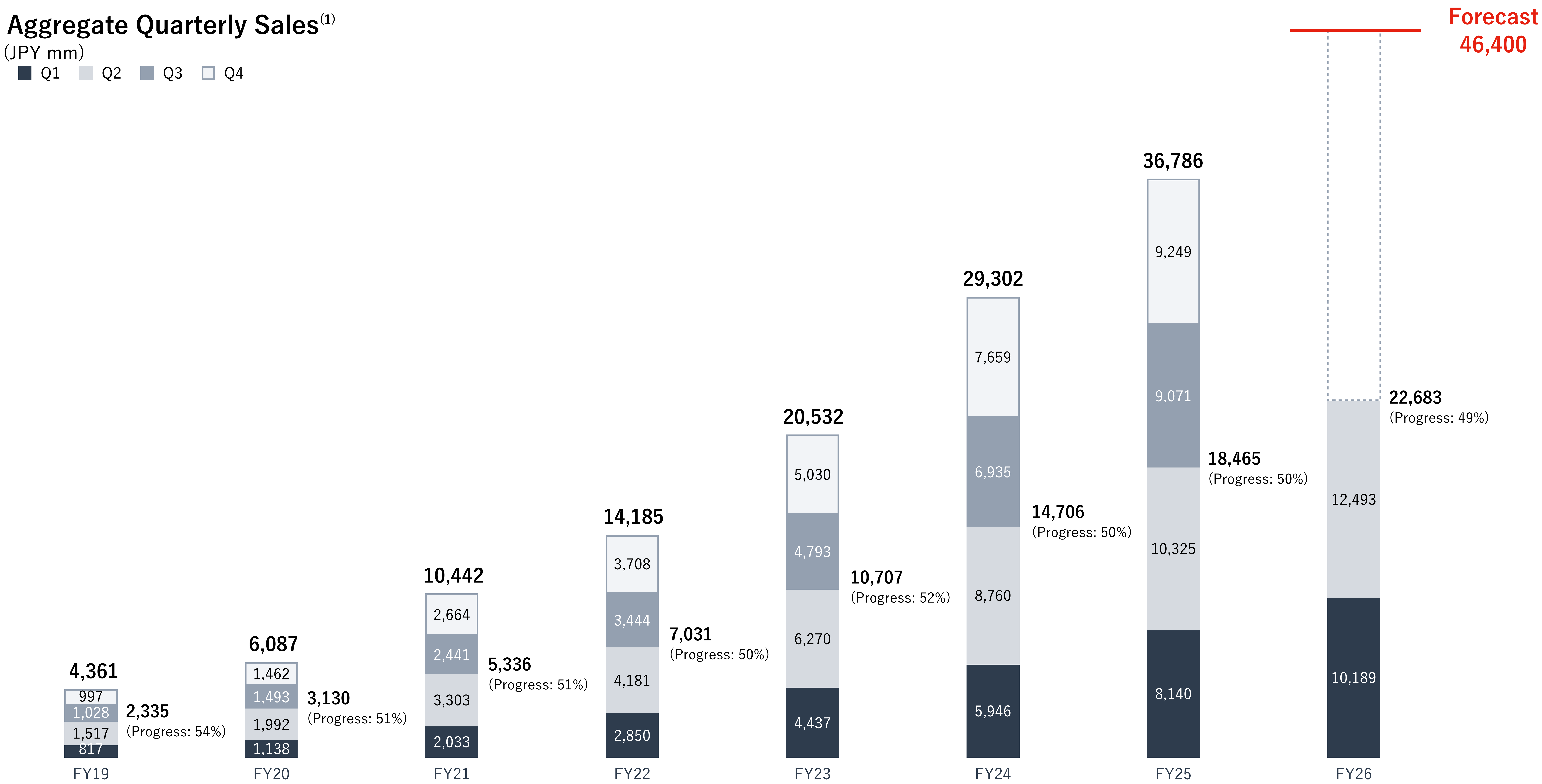
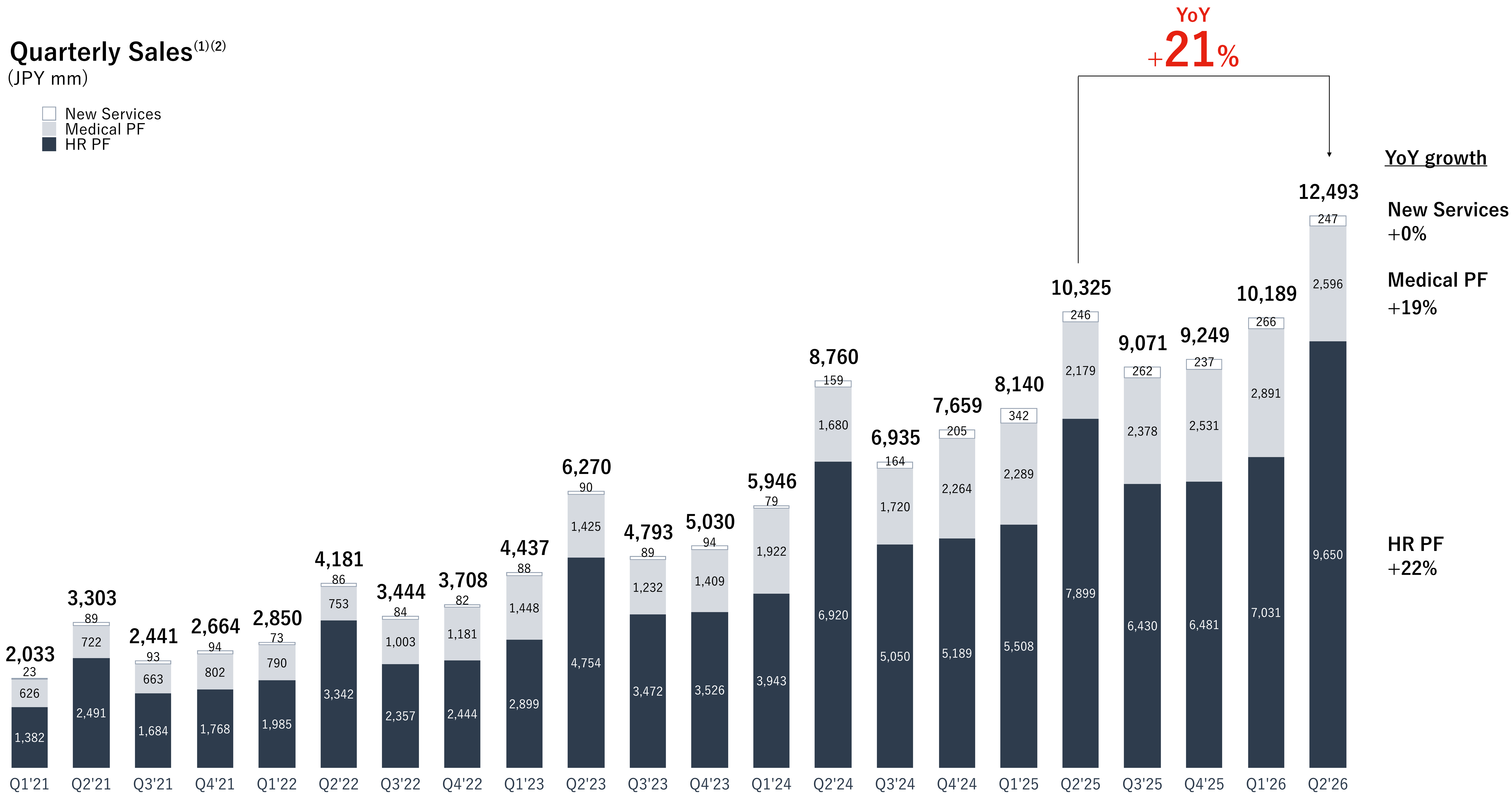
We made steady progress toward our initial forecast targets in Q2. In addition, an impact of approximately JPY 500 million from previously disclosed M&A has been factored into our forecast for the second half of the year.



(1) Figures before FY21 are reference values based on the application of the new revenue recognition standards.

Strong Sales Growth Continued

Q2 revenue grew 21% YoY, driven by steady progress in both HR PF and Medical PF.



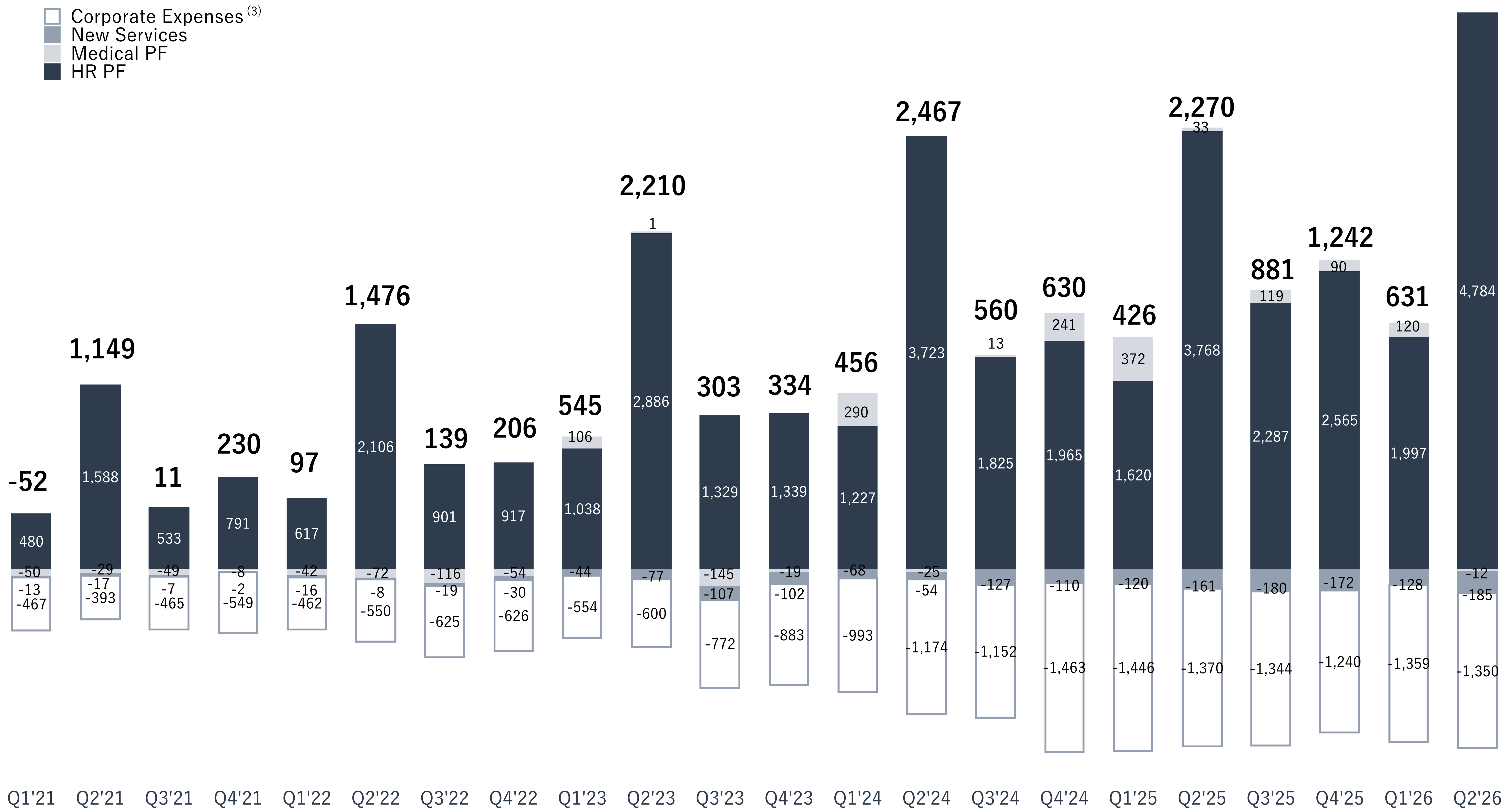
(1) Figures before FY21 are reference values based on the application of the new revenue recognition standards.
(2) Segment revenue figures from Q3 2023 onward have been retrospectively revised to reflect the reclassification of the factoring business from the New Services segment to the Medical PF segment

Continued Proactive Investment in Growth, etc Funded by Profitable Businesses

Promoted operational efficiency while continuing growth investments, resulting in a Q2 FY2026 EBITDA margin of 26%, an improvement of +4%pt YoY.

Quarterly EBITDA[1][2]

(JPY mm)



EBITDA margin (YoY)

Companywide
26% (+4%pt)

HR PF
50% (+2%pt)

- Decrease in advertising cost ratio (+1%pt)
- Decrease in personnel cost ratio (+1%pt)

(Details are in p. 9)

Medical PF
0% (-2%pt)

- Decrease in personnel cost ratio (+4%pt)
- Increase in advertising cost ratio (-3%pt)
- Increase in outsourcing cost ratio (-2%pt)

(1) Figures before FY21 are reference values based on the application of the new revenue recognition standards.
(2) Segment EBITDA figures from Q3 2023 onward have been retrospectively revised to reflect the reclassification of the factoring business from the New Services segment to the Medical PF segment
(3) Total of companywide expenses not allocated to segments and inter-segment eliminations

Investment in Growth and Costs Related to Business Expansion

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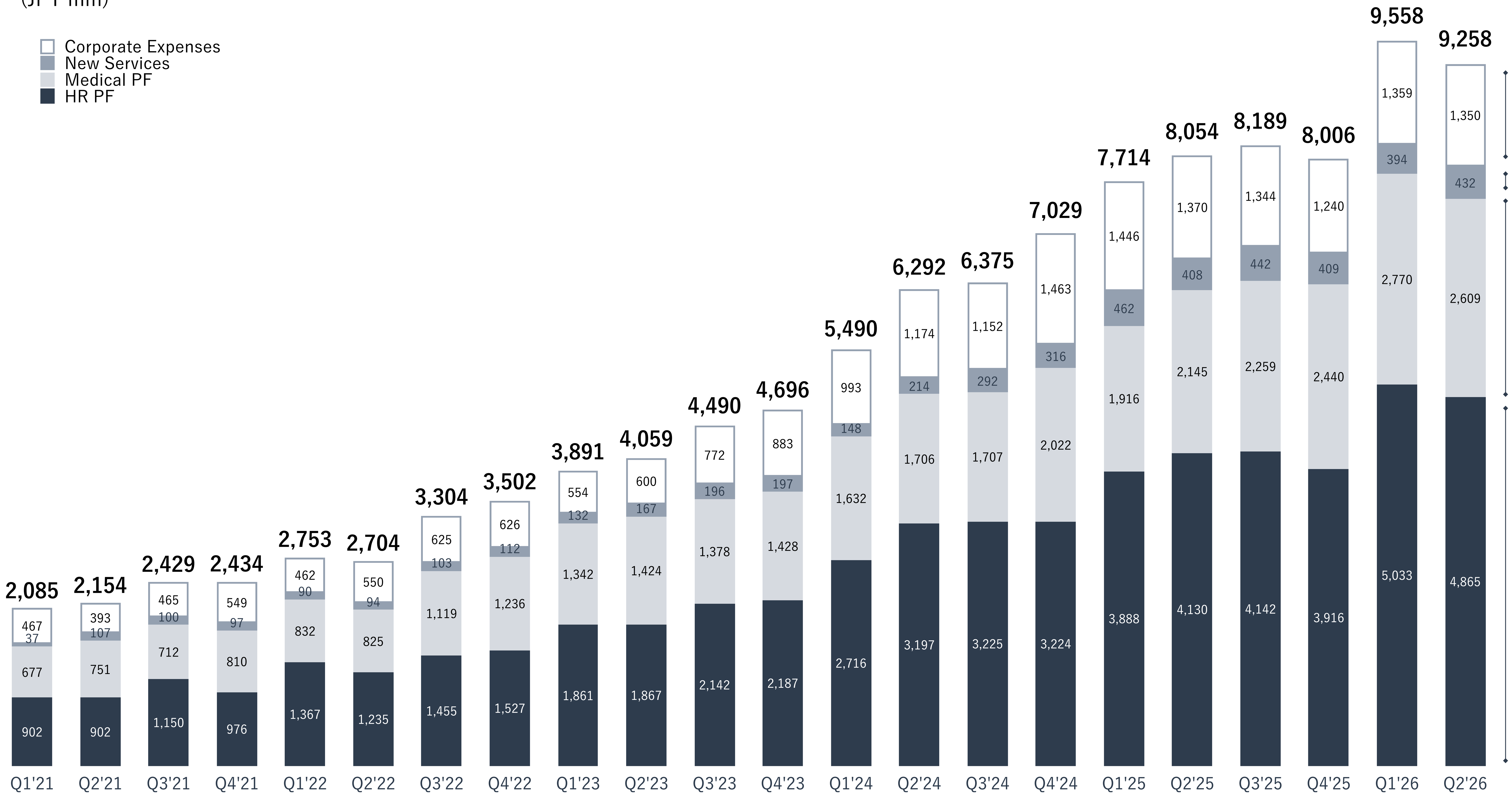
In Q2 2026, expenses decreased QoQ, primarily due to lower advertising costs, etc. in the HR PF segment.

Quarterly operating expenses (OPEX)(1)(2)(3)

(JPY mm)



Main factors in QoQ changes

Increase in hiring costs +57
Decrease in outsourcing costs -55
Decrease in personnel costs -19

Increase in personnel costs +19

Increase in personnel costs +75
Decrease in CoGS -336

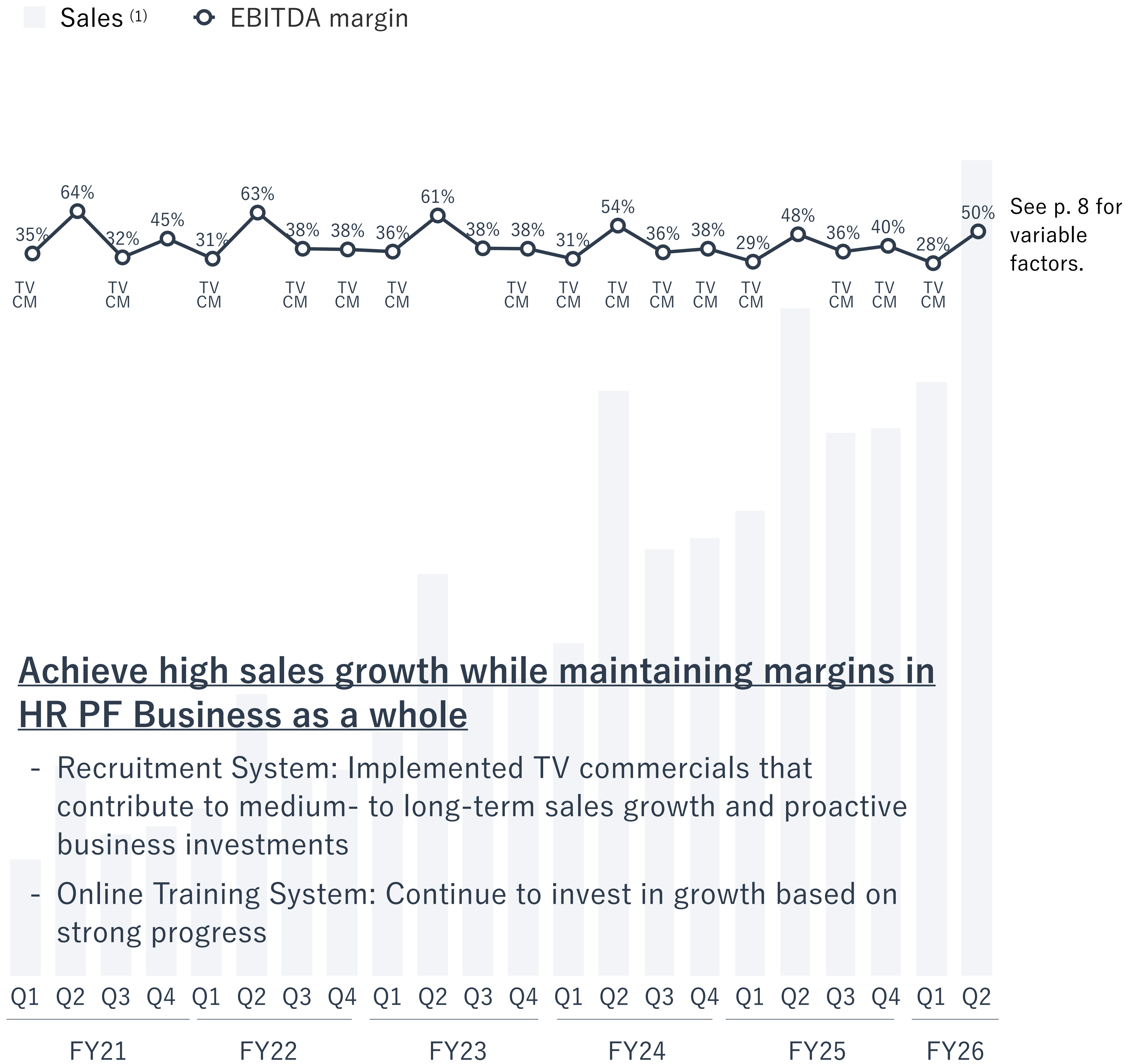
Increase in personnel costs +34
Decrease in advertising costs -222

(1) Figures before FY21 are reference values based on the application of the new revenue recognition standards.
(2) Operating expenses = Cost of sales + Selling, general and administrative expenses - Depreciation, amortization of goodwill and stock-based compensation expense.
(3) Segment OPEX has been retroactively adjusted from FY23 Q3 due to the change in reporting segment of factoring business from New service to Medical PF

(Ref.) EBITDA Margins: Status by Segment

For the HR PF Business, our basic policy is to achieve high revenue growth while maintaining our EBITDA margin. For the Medical PF Business, though we will continue to invest in growth initiatives, we plan to enable high sales growth while maintaining EBITDA profitability. The companywide EBITDA margin in Q2 was 26%, up 4%pt YoY.

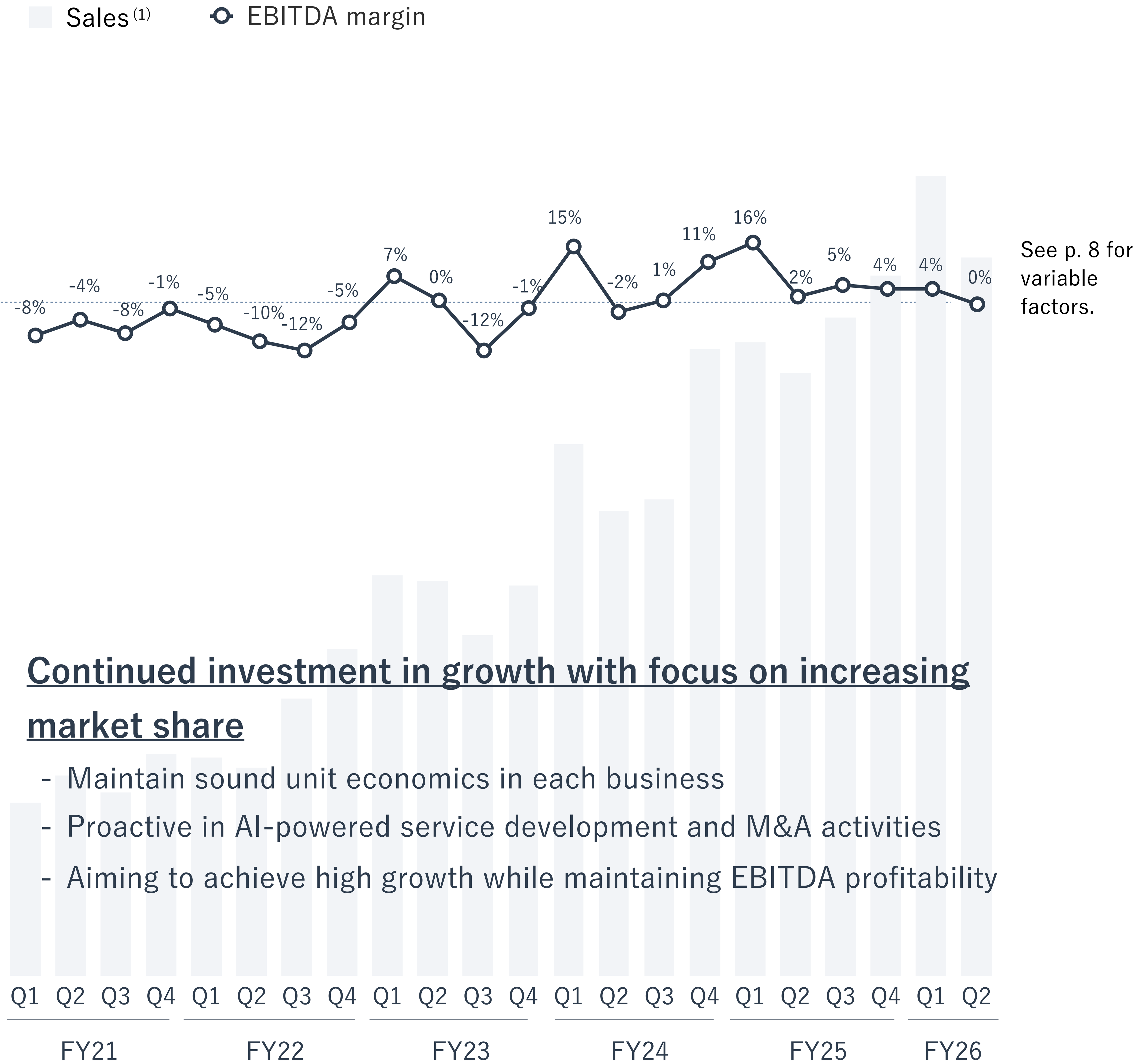
EBITDA margin policies in HR PF



Achieve high sales growth while maintaining margins in HR PF Business as a whole

- Recruitment System: Implemented TV commercials that contribute to medium- to long-term sales growth and proactive business investments
- Online Training System: Continue to invest in growth based on strong progress

EBITDA margin policies in Medical PF(2)



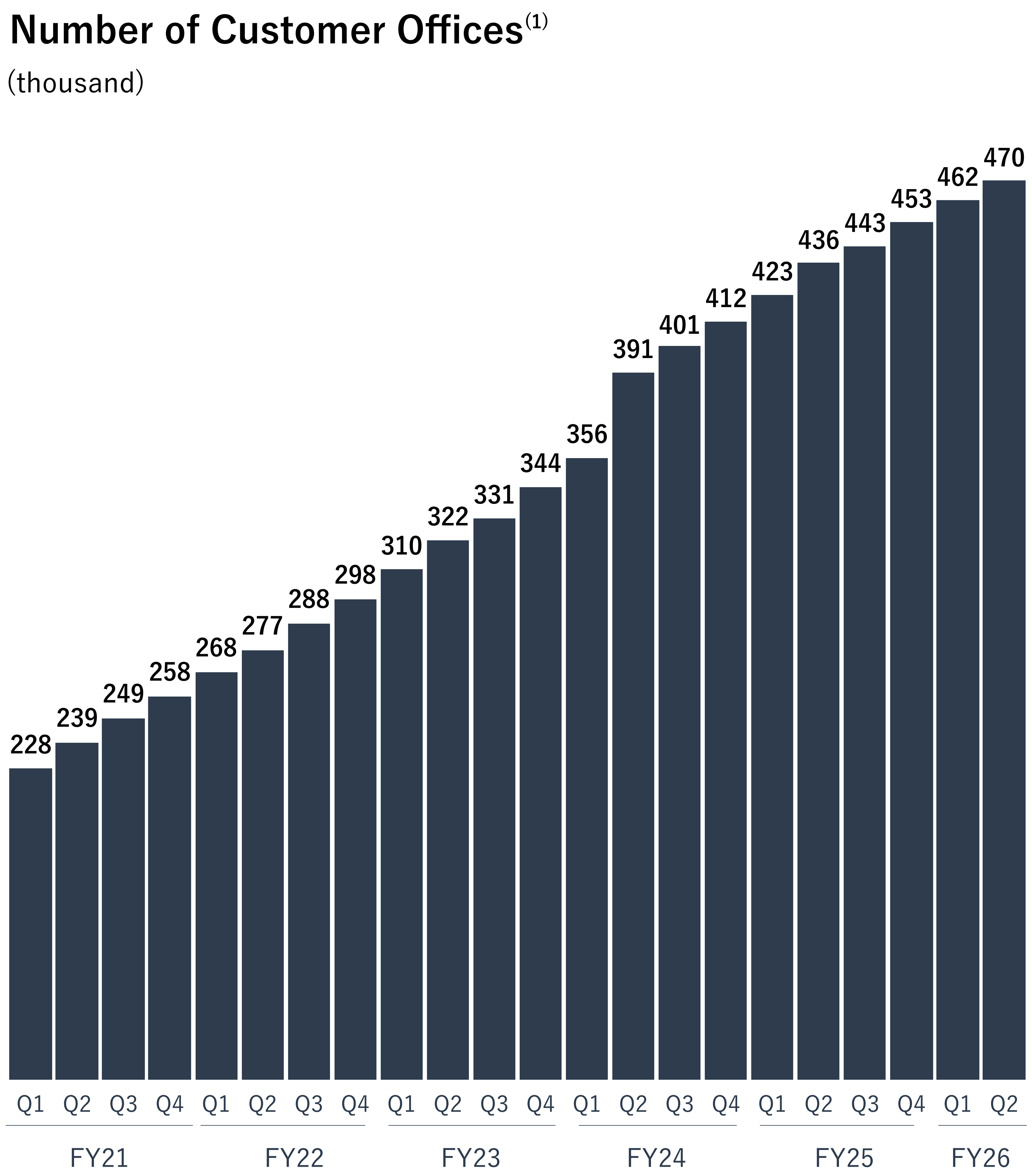
Continued investment in growth with focus on increasing market share

- Maintain sound unit economics in each business
- Proactive in AI-powered service development and M&A activities
- Aiming to achieve high growth while maintaining EBITDA profitability

(1) Figures before FY21 are reference values based on the application of the new revenue recognition standards.
(2) Segment revenue and EBITDA figures from Q3 2023 onward have been retrospectively revised to reflect the reclassification of the factoring business from the New Services segment to the Medical PF segment

Steady Growth in Number of Customers and ARPU

The number of customer offices and ARPU, our main KPIs, have been continuously growing and we plan to keep investing going forward. Generally, HR PF sales are seasonally skewed toward Q2, which also lifts ARPU in that quarter.



(1) Total number of customers in HR PF and Medical PF businesses. Customers using both platforms have been counted as a single customer account.

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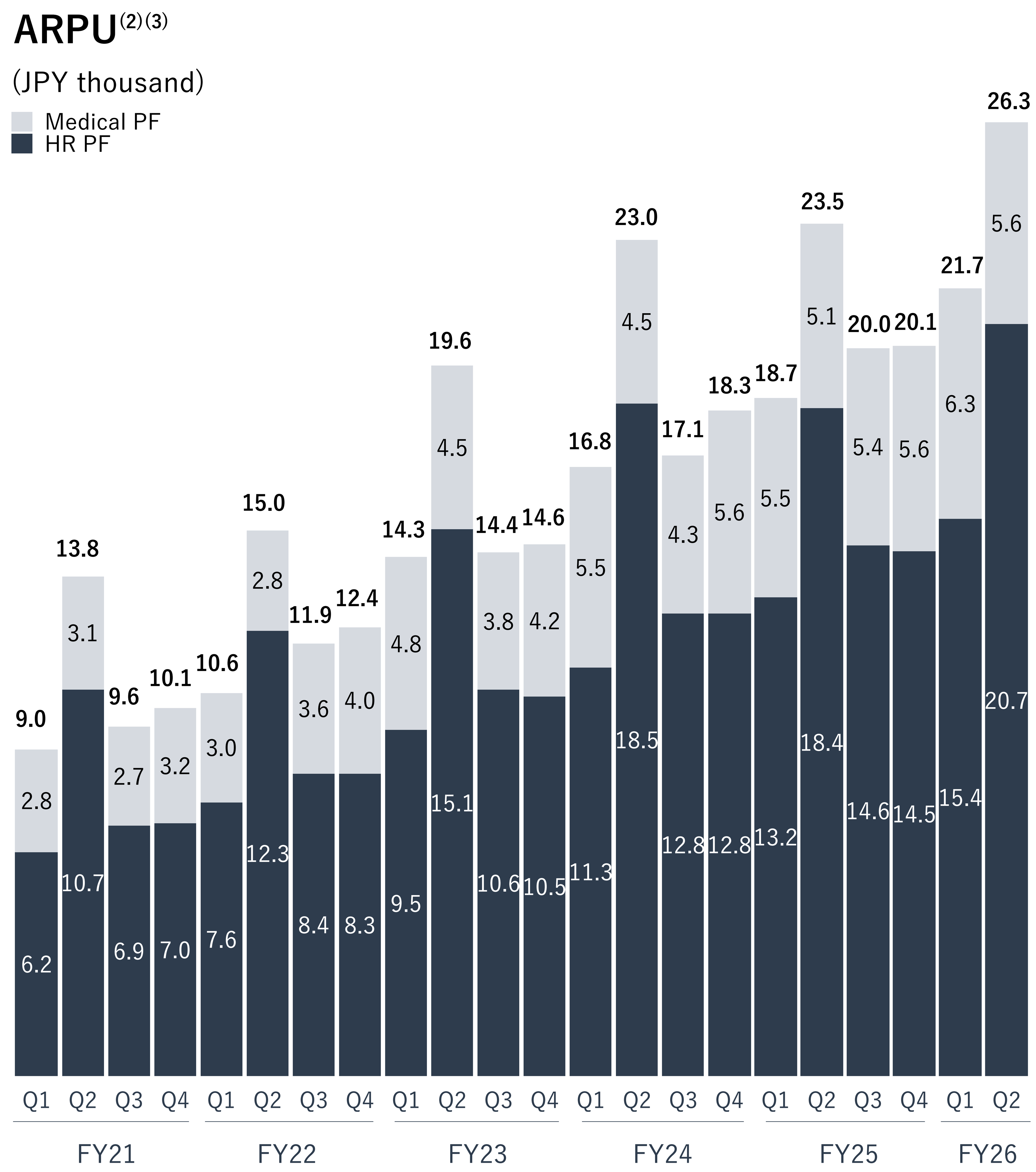

(2) ARPU = Quarterly sales / Average number of customer offices (total for HR PF and Medical PF) ARPU for each platform = Quarterly sales of each platform / Total number of customer offices in HR PF and Medical PF. Customer offices using both platforms have been counted as a single customer account.
(3) Segment ARPU figures from Q3 2023 onward have been retrospectively revised to reflect the reclassification of the factoring business from the New Services segment to the Medical PF segment

Financial Position Remains Strong, Operating Cash Flow Steady

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The goodwill-to-equity ratio declined to 1.48x and the D/E ratio decreased to 1.26x, and we expect them to improve further through goodwill amortization and future profit accumulation.

Quarterly B/S

	FY23				FY24				FY25				FY26		
(JPY mm)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	QoQ
Total assets	21,811	24,501	25,186	25,430	30,904	42,165	41,125	45,201	48,966	47,422	43,099	41,252	43,683	45,384	+1,701
Cash and deposits	**13,952**	**16,005**	**15,462**	**15,354**	**16,556**	**20,855**	**18,760**	**18,996**	**14,151**	**13,524**	**10,528**	**8,575**	**10,994**	**12,042**	**+1,048**
Goodwill, etc.	**2,485**	**2,406**	**2,700**	**2,854**	**3,233**	**13,923**	**13,583**	**16,638**	**23,571**	**23,792**	**23,212**	**22,785**	**22,663**	**22,163**	**-500**
Other assets	5,373	6,089	7,023	7,221	11,114	7,386	8,780	9,566	11,243	10,105	9,358	9,891	10,025	11,178	+1,153
Total liabilities	6,242	7,270	7,669	7,792	12,740	22,631	21,329	24,981	30,468	29,356	26,796	26,453	30,626	30,423	-203
Debt	**2,145**	**1,941**	**1,919**	**1,660**	**7,377**	**13,022**	**12,717**	**15,304**	**19,965**	**18,363**	**17,221**	**16,168**	**20,162**	**18,893**	**-1,269**
Other liabilities	4,097	5,328	5,749	6,132	5,362	9,609	8,612	9,676	10,503	10,993	9,575	10,285	10,464	11,530	+1,066
Net assets	**15,568**	**17,231**	**17,517**	**17,637**	**18,164**	**19,534**	**19,795**	**20,219**	**18,498**	**18,065**	**16,302**	**14,799**	**13,057**	**14,961**	**+1,904**
Untapped LOC	2,700	2,700	2,700	2,700	2,700	2,970	2,970	2,970	2,970	2,920	2,900	2,900	2,900	2,900	±0
Capital ratio	70.9%	69.9%	69.2%	69.0%	58.4%	46.1%	48.0%	44.7%	37.8%	38.1%	37.8%	35.9%	29.9%	33.0%	+3.1%pt
Goodwill-to-equity ratio	**0.16x**	**0.14x**	**0.15x**	**0.16x**	**0.18x**	**0.71x**	**0.69x**	**0.82x**	**1.27x**	**1.32x**	**1.42x**	**1.54x**	**1.74x**	**1.48x**	**-0.25x**
D/E ratio	**0.14x**	**0.11x**	**0.11x**	**0.09x**	**0.41x**	**0.67x**	**0.64x**	**0.76x**	**1.08x**	**1.02x**	**1.06x**	**1.09x**	**1.54x**	**1.26x**	**-0.28x**

Quarterly C/F

	FY23 Q1	FY23 Q2	FY23 Q3	FY23 Q4	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY25 Q1	FY25 Q2	FY25 Q3	FY25 Q4	FY26 Q1	FY26 Q2	Main factors in Q2
Cash flow	-470	2,037	-533	-42	1,202	4,279	-2,075	221	-4,844	-612	-3,010	-1,951	2,418	1,043	
Operating CF	**-47**	**2,806**	**617**	**495**	**-818**	**3,328**	**-665**	**601**	**-202**	**2,131**	**568**	**989**	**382**	**2,943**	
Investing CF	-214	-591	-617	-239	-3,717	-4,438	-380	-2,183	-6,094	-236	-556	-241	-145	-617	Investments, etc -448
Financing CF	-208	-177	-534	-298	5,737	5,389	-1,030	1,802	1,452	-2,508	-3,022	-2,699	2,181	-1,283	Repayment of bank loans -1,200

Ref. Quarterly P/L

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Quarterly P/L

(JPY mm)	FY23 Q1	FY23 Q2	FY23 Q3	FY23 Q4	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY25 Q1	FY25 Q2	FY25 Q3	FY25 Q4	FY26 Q1	FY26 Q2
Sales	**4,437**	**6,270**	**4,793**	**5,030**	**5,946**	**8,760**	**6,935**	**7,659**	**8,140**	**10,325**	**9,071**	**9,249**	**10,189**	**12,493**
Cost of sales	**1,629**	**1,765**	**1,730**	**1,820**	**2,429**	**2,599**	**2,620**	**2,734**	**3,321**	**3,648**	**3,173**	**3,456**	**4,584**	**4,279**
Advertising costs	984	1,050	1,130	1,219	1,590	1,735	1,795	1,721	2,359	2,740	2,439	2,471	3,270	3,314
Other	644	715	599	600	838	863	824	1,012	961	907	734	985	1,314	964
SG&A	**2,427**	**2,464**	**2,943**	**3,092**	**3,270**	**4,145**	**4,218**	**4,957**	**4,940**	**5,094**	**5,746**	**5,254**	**5,672**	**5,701**
Personnel costs	1,368	1,444	1,560	1,631	1,695	2,020	2,136	2,238	2,411	2,654	2,976	2,656	2,884	3,009
Advertising costs	211	55	242	159	247	221	255	268	447	180	414	276	428	217
Outsourcing fee	196	202	289	364	366	305	341	501	450	395	465	527	553	555
Other	651	761	850	936	961	1,598	1,485	1,948	1,629	1,864	1,891	1,793	1,805	1,918
Operating profit	**380**	**2,040**	**120**	**117**	**246**	**2,015**	**96**	**-31**	**-121**	**1,582**	**150**	**538**	**-67**	**2,513**
Ordinary profit	**503**	**2,277**	**445**	**525**	**723**	**2,444**	**563**	**347**	**5**	**1,572**	**103**	**520**	**61**	**2,741**
Profit attributable to owners of parent	**358**	**1,525**	**290**	**389**	**466**	**1,541**	**314**	**475**	**-75**	**723**	**467**	**-139**	**-62**	**1,560**

EBITDA Breakdown

(JPY mm)	FY23 Q1	FY23 Q2	FY23 Q3	FY23 Q4	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY25 Q1	FY25 Q2	FY25 Q3	FY25 Q4	FY26 Q1	FY26 Q2
Operating profit	**380**	**2,040**	**120**	**117**	**246**	**2,015**	**96**	**-31**	**-121**	**1,582**	**150**	**538**	**-67**	**2,513**
+ Amortization of goodwill[1]	79	78	86	103	112	339	339	498	433	537	579	539	541	541
+ Depreciation	71	72	76	94	78	80	92	135	90	81	84	89	79	81
+ Stock compensation	14	19	19	19	19	31	31	28	24	69	68	74	77	98
EBITDA	**545**	**2,210**	**303**	**334**	**456**	**2,467**	**560**	**630**	**426**	**2,270**	**881**	**1,242**	**631**	**3,235**

M&A[2]

	FY23 Q1	FY23 Q2	FY23 Q3	FY23 Q4	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY25 Q1	FY25 Q2	FY25 Q3	FY25 Q4	FY26 Q1	FY26 Q2
Acquisition			MEDLEY Financial Service (Sep)		Lalune (Feb)	GUPPY's (Apr)		Offshore (Oct)	ATN (Jan)	AxisRoot (Apr)			Hedgehog MedTech (Mar)	
Divestment								MEDiPASS (Dec)	GUPPY Healthcare (Mar)					

(1) Amortization of goodwill in the broad sense, including customer-related assets.
(2) Acquisition indicates the month in which consolidation began; divestiture indicates the month in which consolidation ended; see p. 50 for details of each company

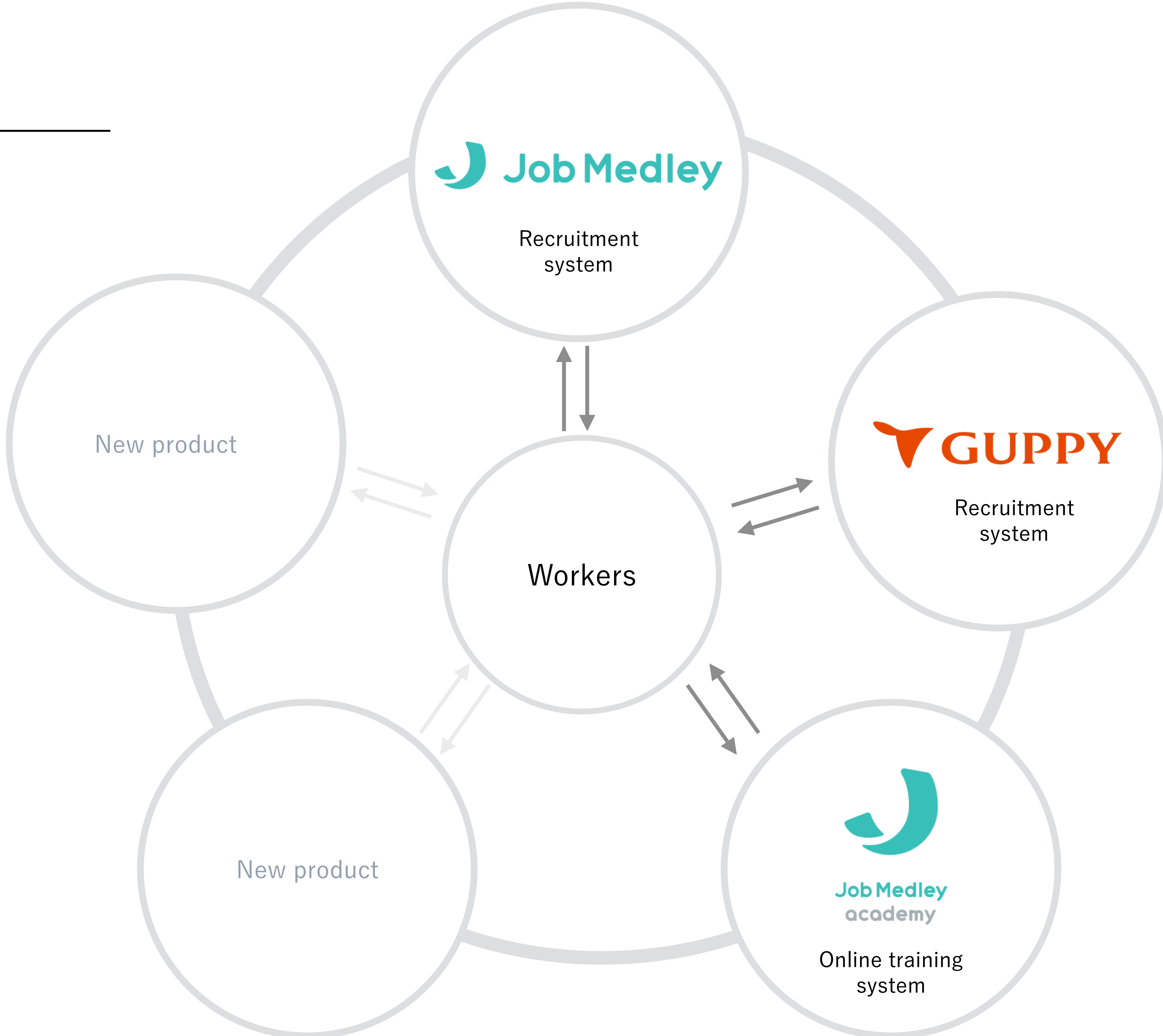
HRPF

Recruitment system

- JobMedley
- GUPPY

Online training system

- JobMedley academy



Continued Growth in Number of Customers on Schedule

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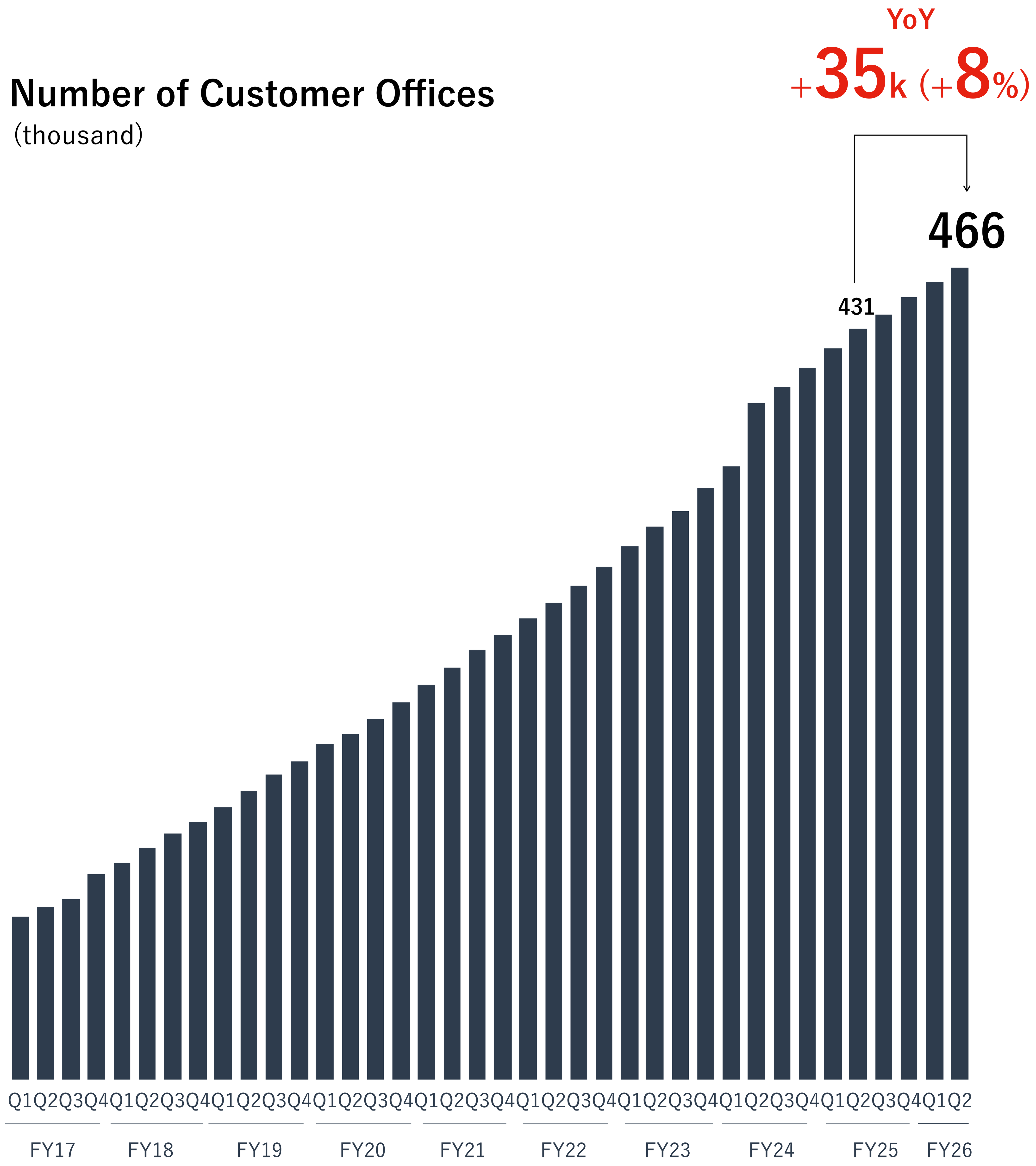
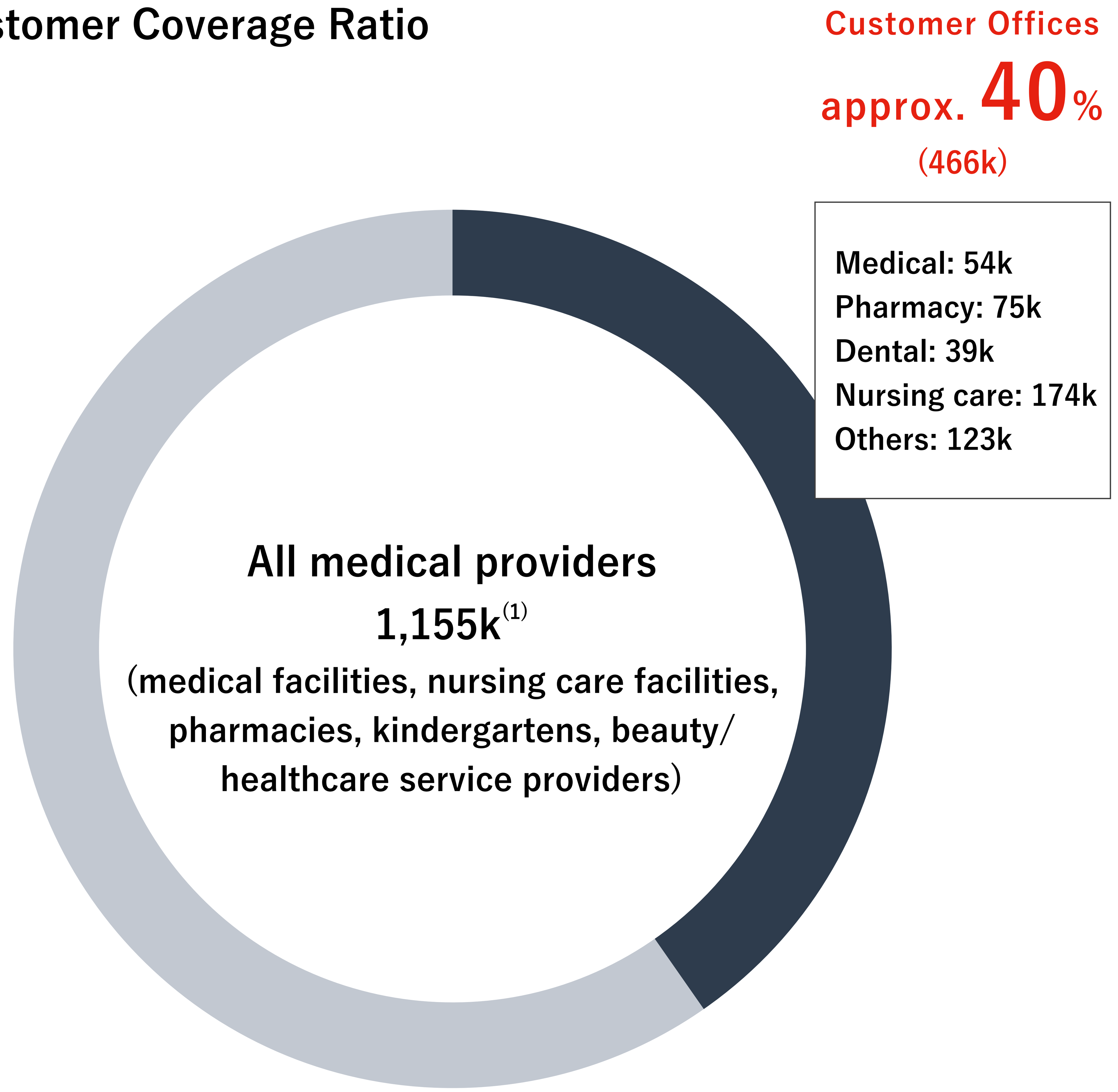
The number of customer offices has reached 466 thousand due to continued steady new customer office acquisitions in Q2.

Number of Customer Offices

(thousand)



Customer Coverage Ratio



(1) Ministry of Health, Labour and Welfare, Ministry of Internal Affairs and Communications

HR PF

Recruitment System:

Accelerate Direct Recruiting with Expansion of the Pool of Registered Workers

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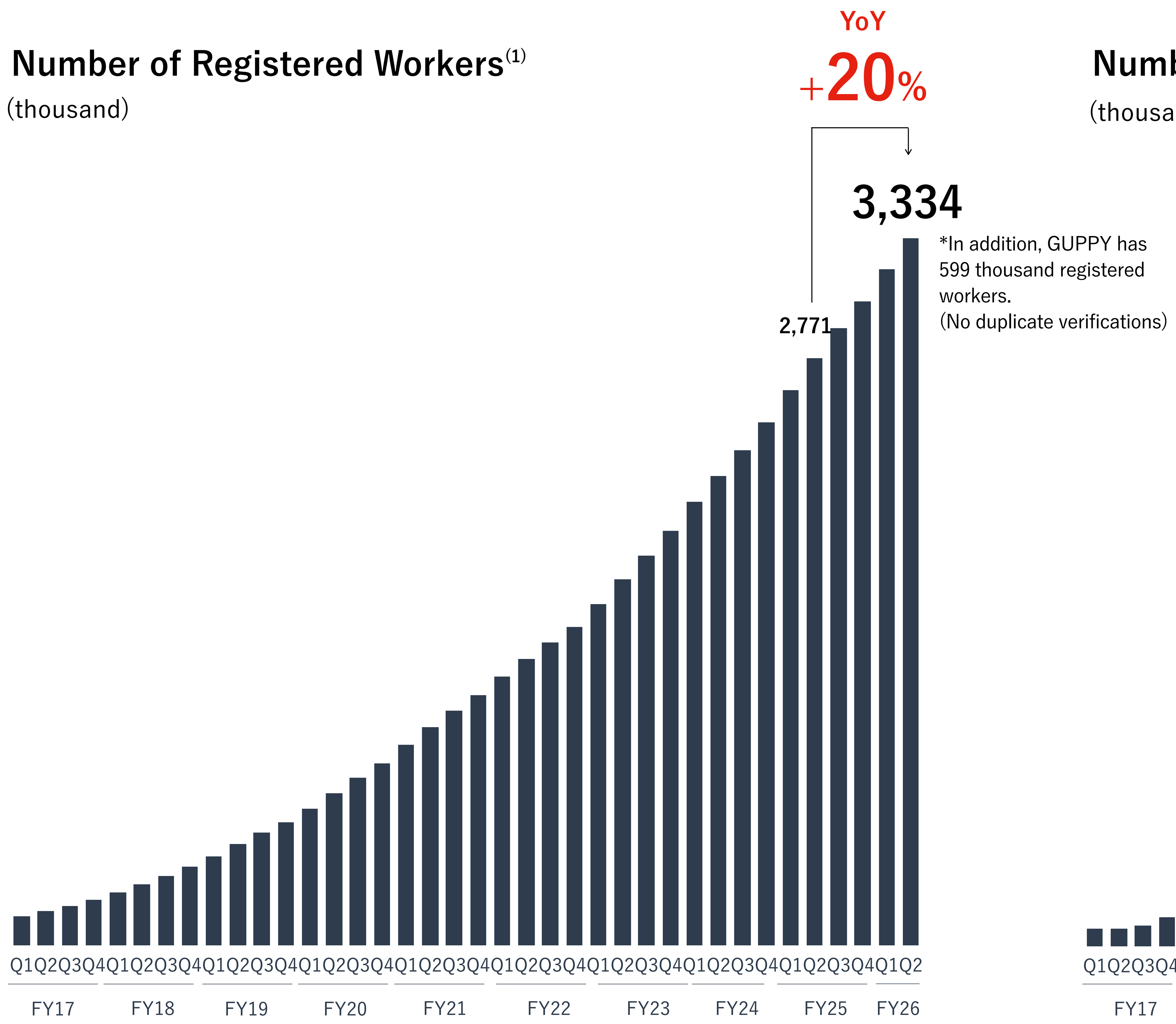
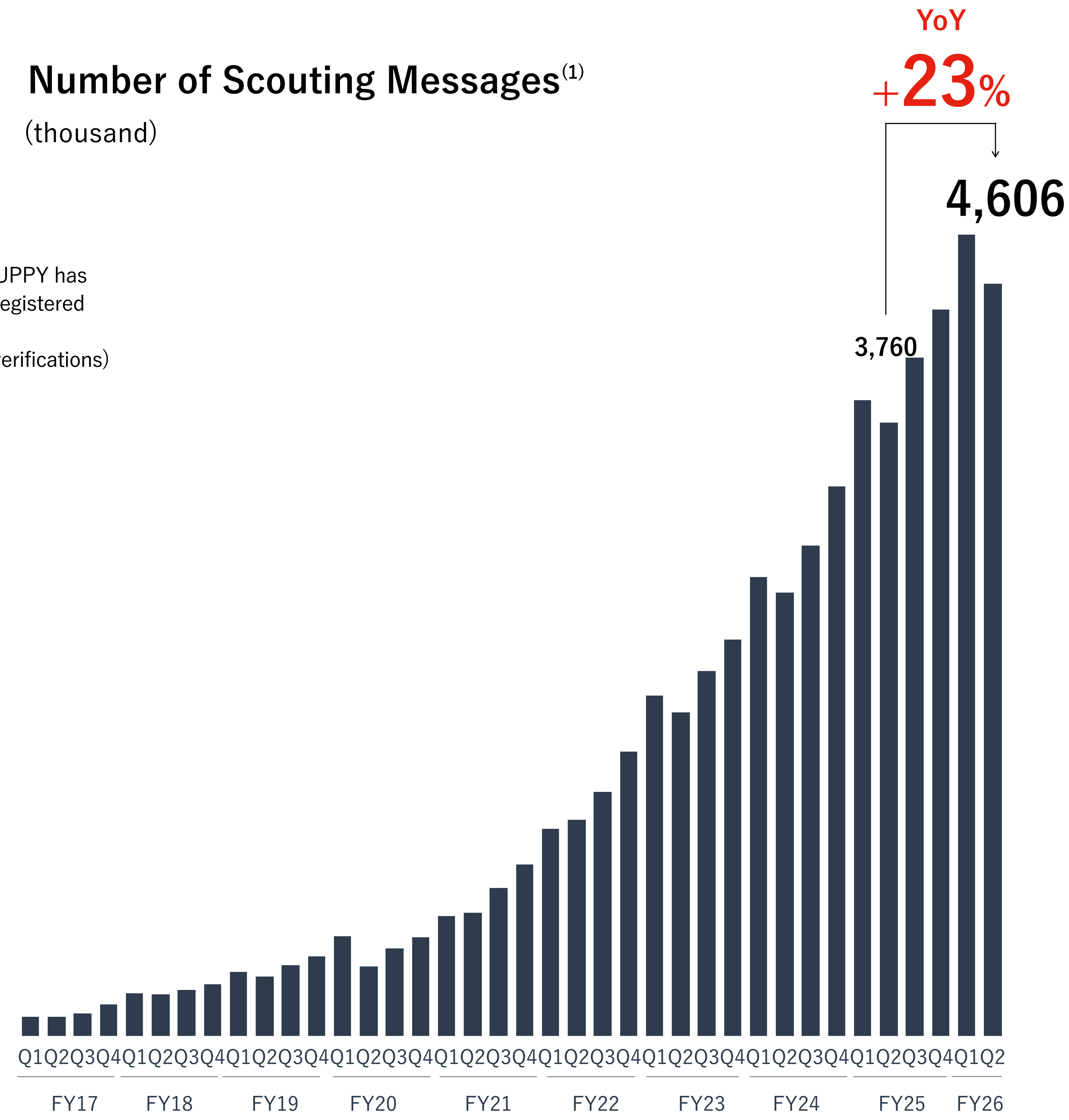
Proactive recruitment methods are effective for hiring medical and healthcare professionals. In FY2026 Q2, our customers increased usage of our scouting functions as we expanded our pool of registered workers.

Number of Registered Workers(1)
(thousand)



Number of Scouting Messages(1)
(thousand)



(1) Number of registered workers and number of scouting messages in JobMedley

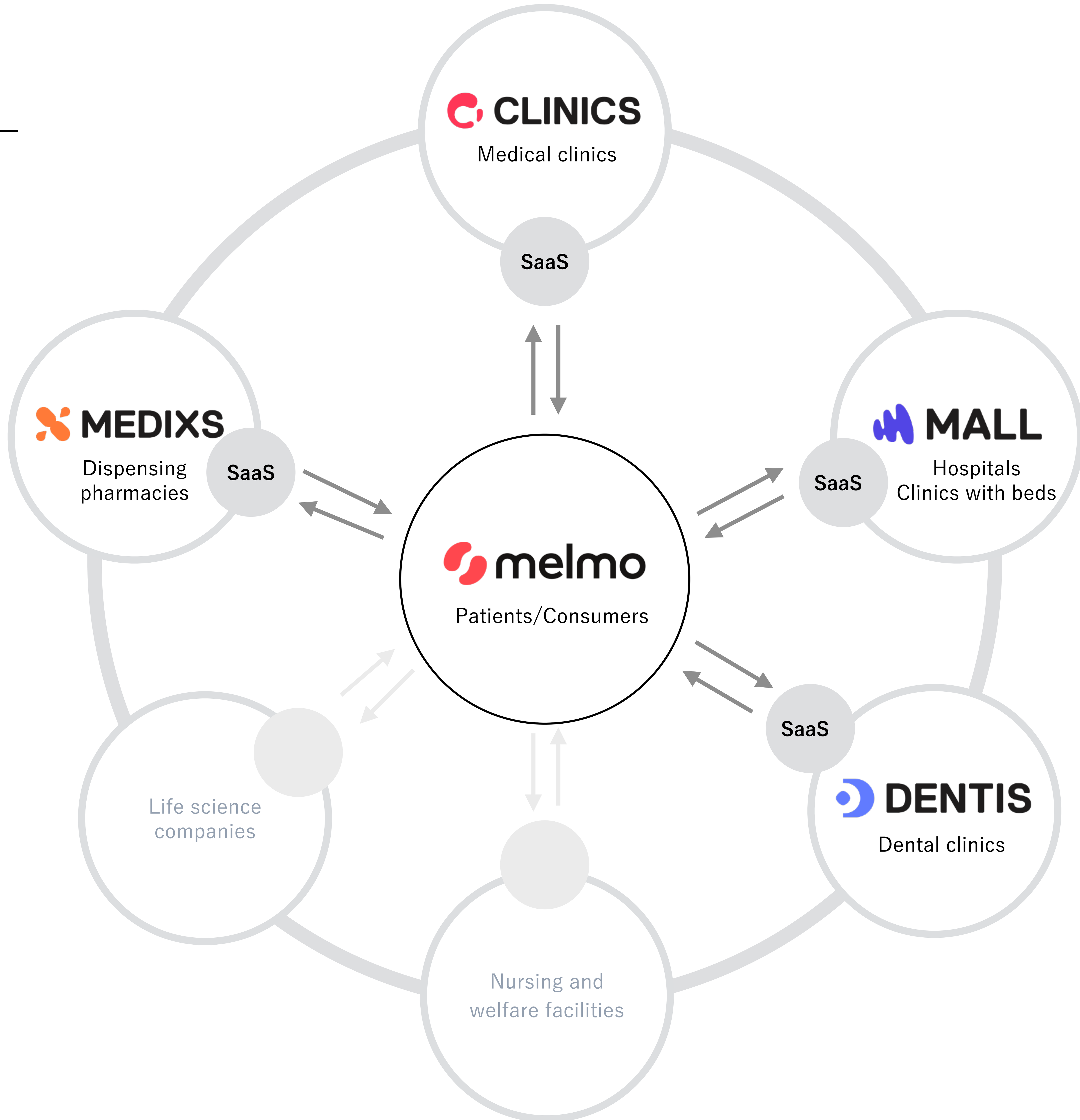
Medical PF

System for medical providers

- Hospitals and Clinics with beds | MALL
- Medical clinics without beds | CLINICS
- Dental clinics | Dentis
- Dispensing pharmacies | MEDIXS

App for patients/consumer

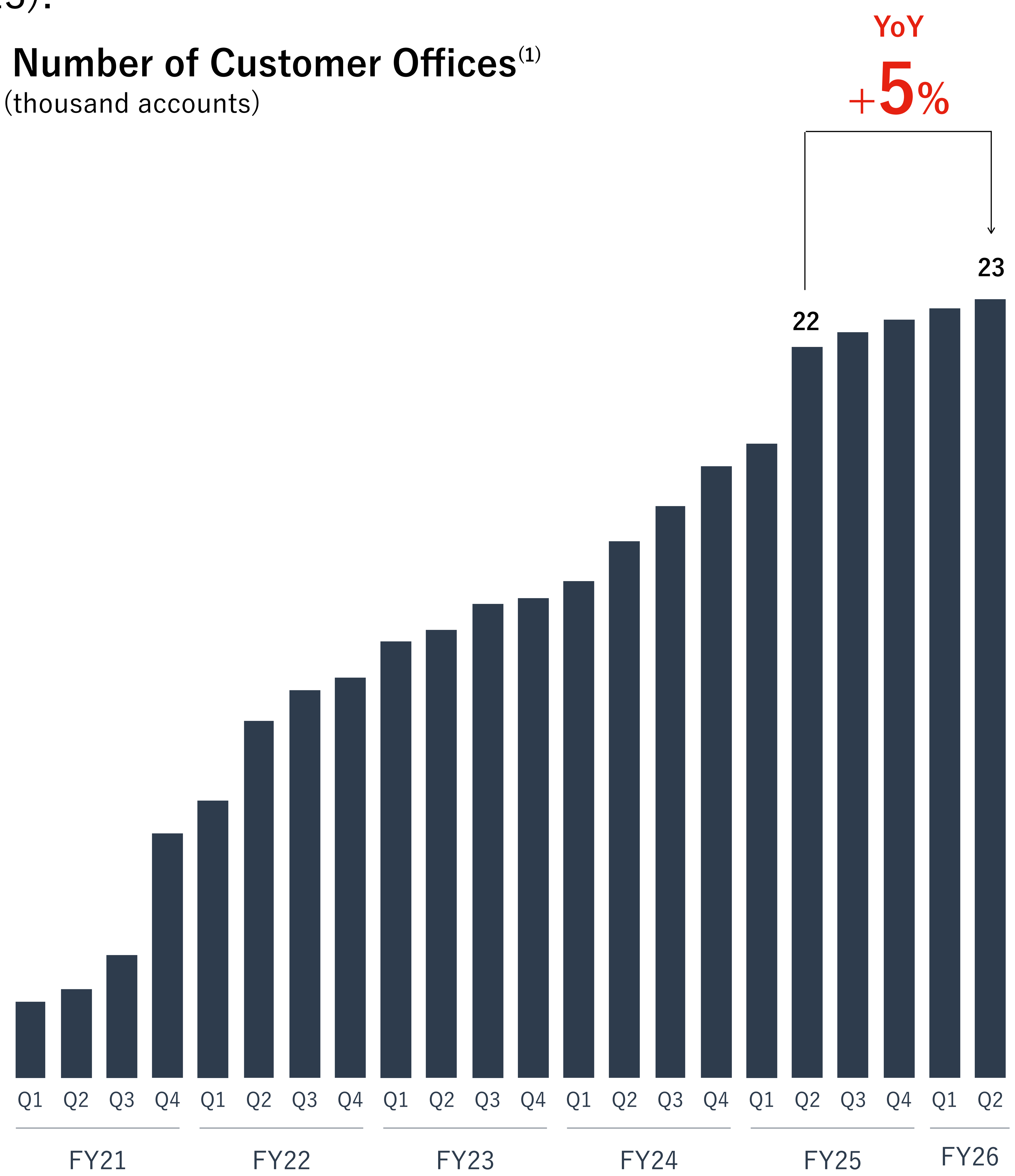
- melmo
- Others | Healthcare app



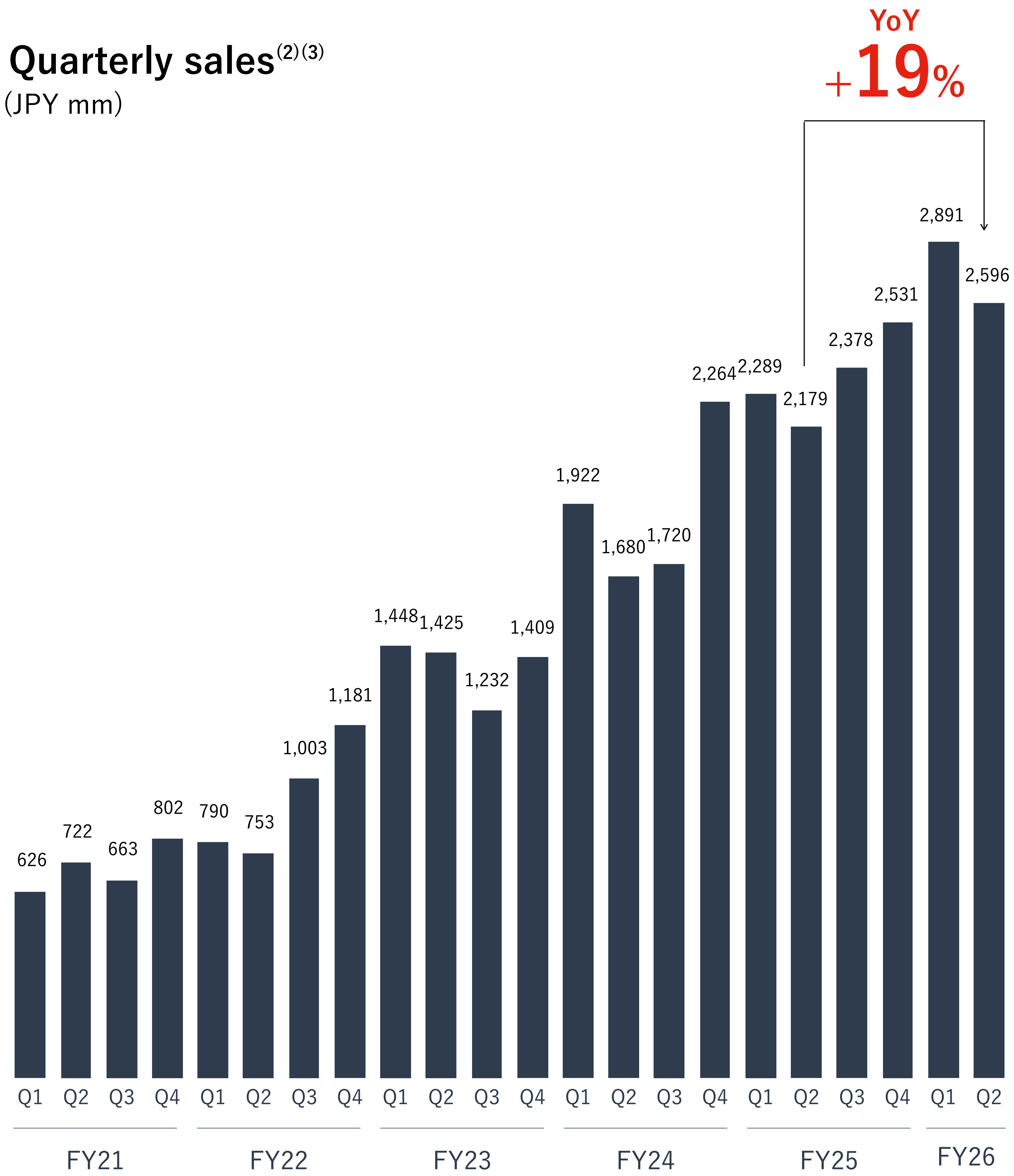
Both number of installations and sales increased YoY

Sales growth in Q2 FY2026 was +19% YoY, and the number of medical institutions using the service was +5% YoY. Sales remained solid across each industry, while in the hospitals and clinics with beds area we have refrained from actively selling the on-premise version, as we have adopted a policy of launching sales of the AI-native version at an early stage (p. 23).

Number of Customer Offices(1)
(thousand accounts)



Quarterly sales(2)(3)
(JPY mm)



(1) Number of customer offices = number of medical institutions that have begun using our systems and have not cancelled or discontinued their contracts; customers using multiple systems counted as a single customer account
(2) Figures before FY21 are reference values based on the application of the new revenue recognition standards.
(3) Segment revenue figures from Q3 2023 onward have been retrospectively revised to reflect the reclassification of the factoring business from the New Services segment to the Medical PF segment

Developing around “MEDLEY AI CLOUD” and “melmo”

For “MEDLEY AI CLOUD” for medical institutions, we will start charging for AI-related functions and shift to a revenue model combining subscription and transaction. For “melmo,” we will also strengthen the network effect by reinforcing the face-to-face medical care area and increasing the number of times the service is used.

Improving Operational Efficiency for Medical Providers

MEDLEY AI CLOUD

Promote AI functions to improve ARPU
Convert to subscription + transaction-centric

CLINICS
(Medical clinics without beds)

MALL
(Hospitals and medical clinics with beds)

MEDIXS
(Dispensing pharmacies)

DENTIS
(Dental clinics)

Improve patients’ medical care experiences

melmo

CLINICS app was rebranded in November 2025.
Strengthening network effects by enhancing the in-person consultation domain.
(The integration of @link in FY26 covering 35% of all pregnant women and newborns in Japan.)

Evaluating Progress Based on Growth Strategy

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As in p. 19, our Medical PF strategy is to enhance performance and long-term competitiveness by promoting a "Subscription + Transaction model" and strengthening network effects. To illustrate our progress, we will share the following indicators for the time being.

Medical institution side

Conversion to Subscription + Transaction

Progress in achieving increasing revenue over the short to medium term

- Subscription + Transaction Revenue Index
- Contract Status of AI usage-based Billing

Medical institution and patient users

Strengthening network effects

Whether the business is moving in the right direction over the long term

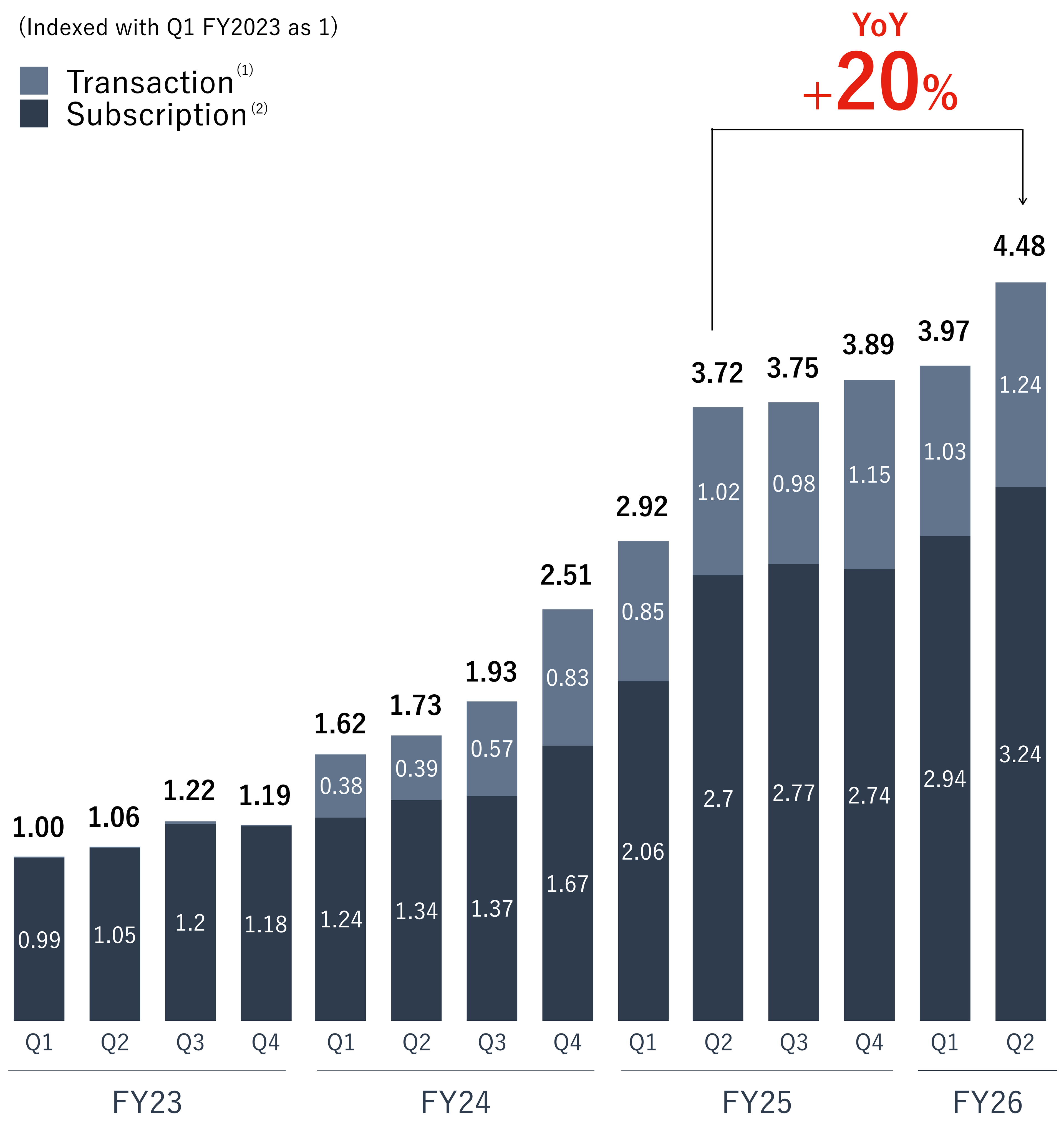
- Platformization of Patient Touchpoints (User Consultation Index)
- Establishment into Medical Institutions' Operations (Usage via App per Medical Institution Index)
- Penetration into the Entire Market (Number of Medical Institutions)

Both subscription and transaction sales increased YoY

As disclosed in the FY2025 full-year financial results, we are intentionally growing subscription and transaction sales in the Medical PF. This indicator represents our progress toward that goal. In Q2 FY2026, subscription and transaction sales grew by 20% YoY, and adoption of AI usage-based billing services also progressed among innovators.

Subscription and transaction sales

We will intentionally grow subscription and transaction sales. This indicator represents our progress.



(1) Usage-based fee for AI functions, etc., settlement fees, communication fees, factoring fees, etc.
(2) Monthly usage fees, maintenance fees, etc.

Contract status of AI usage-based billing

Ongoing development and phased monetization of AI usage-based billing are underway. This index tracks the percentage of usage agreements, normalized to 100 based on the total customer offices per industry. As a key metric for initial service uptake, we intend to replace it with a different indicator once it reaches a certain level.

	Development and Rollout Status	Contract Status (3) (End of Jul. 2026)
Hospitals / Clinics with beds	・Launched pilot provision of "AI Document Creation Assist" in December 2025. ・AI-native development of "MALL Cloud" (p. 23)	-
Clinics without beds	・"AI Assist Function" became available from November 2025. ・Expansion of available functions from August 2026 (p. 24)	3.5
Dispensing pharmacies	・"AI Assist Function" became available in September 2025. ・Expanding the functions offered from Q3 FY2026	0.7
Dental clinics	・Under development	-

(3) Percentage contracted for AI usage-based billing functions, normalized to 100 based on the total customer offices per industry

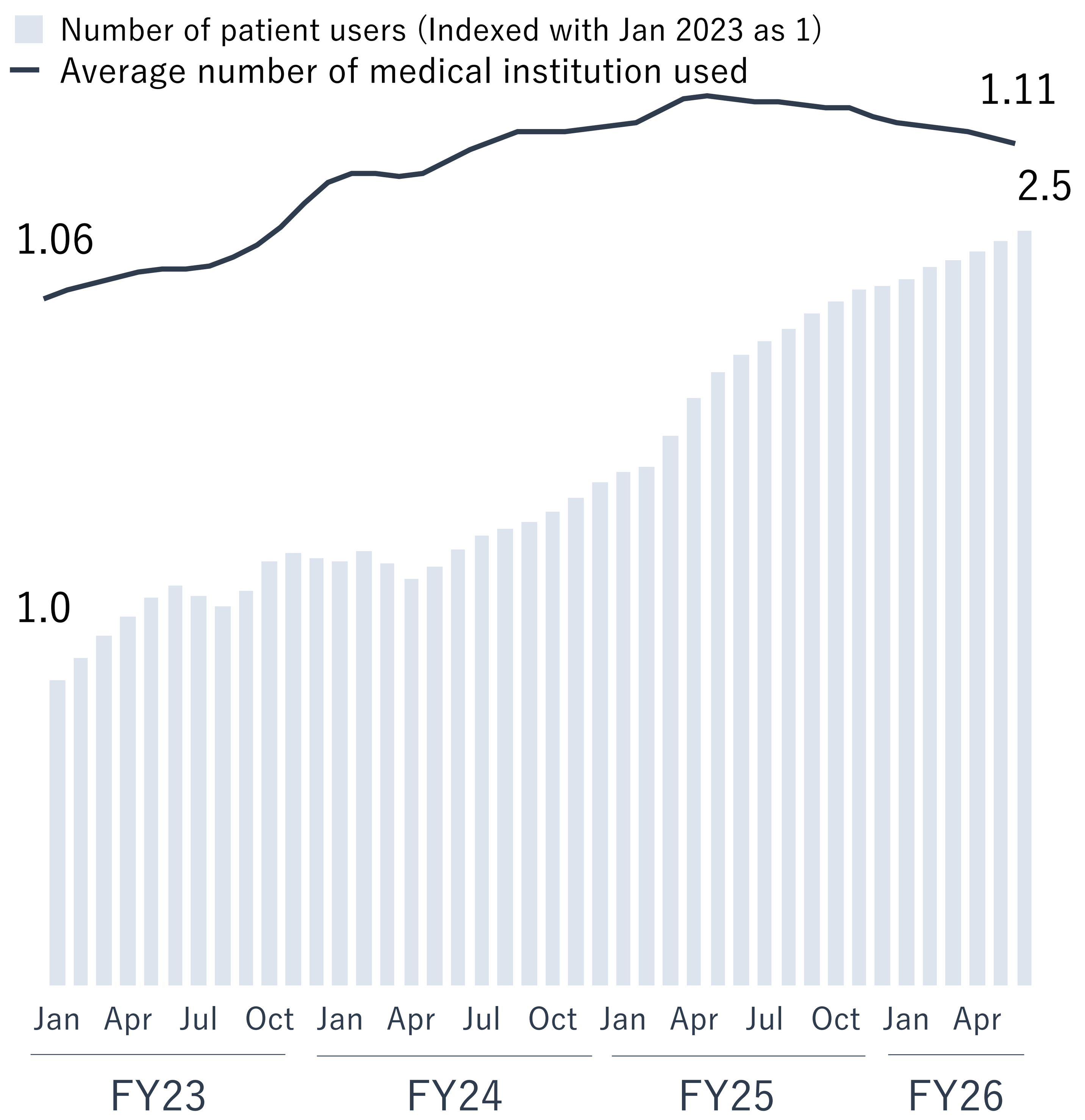
Strengthening network effects through patient touchpoints

The network effects of the Medical PF begin with the aggregation of patient medical activities, then establish themselves within medical institutions' operations, and ultimately expand market-wide. This cycle continuously enhances productivity for both medical institutions and patients. The number of patient users receiving medical consultations continues to grow steadily. In Q2 FY2026, the number of patient users grew steadily, while the consultation index per user declined as a corollary of that growth.

① Aggregation of patients' medical activities

Expanding a model where patients manage all interactions—including appointments, communication, and consultations—with multiple medical institutions through a single app.

Number of users receiving medical consultations
Average number of medical institutions used[1]

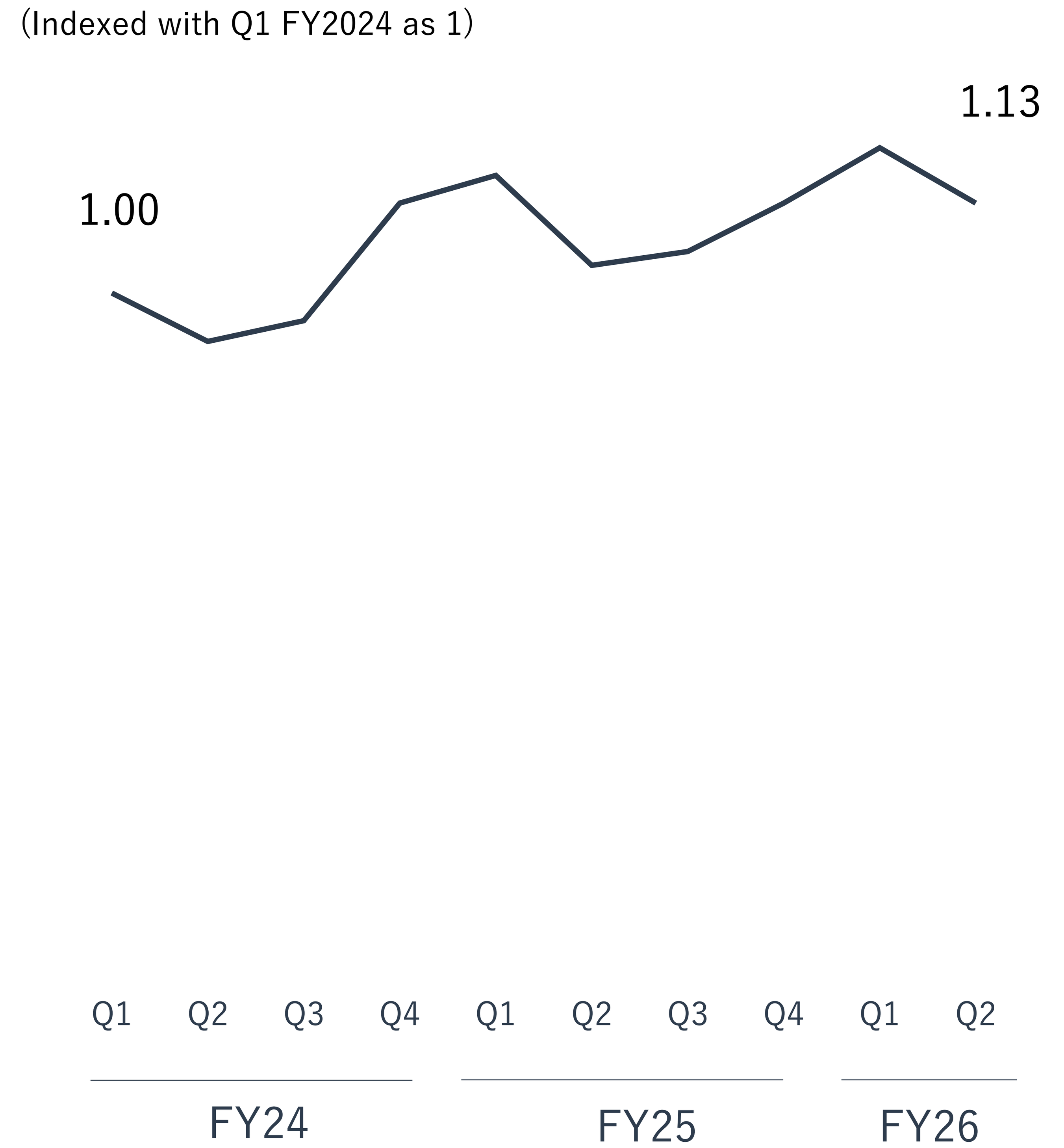


(1) Number of medical institutions visited within one year retroactively from the month in question by the user who received the consultation (by appointment or telemedicine).

② Deep integration into medical institution operations

Increasing the extent to which clinical workflows—such as appointments and patient communications—are designed and operated based on our SaaS and the patient app.

Number of uses via apps per medical institution[2]

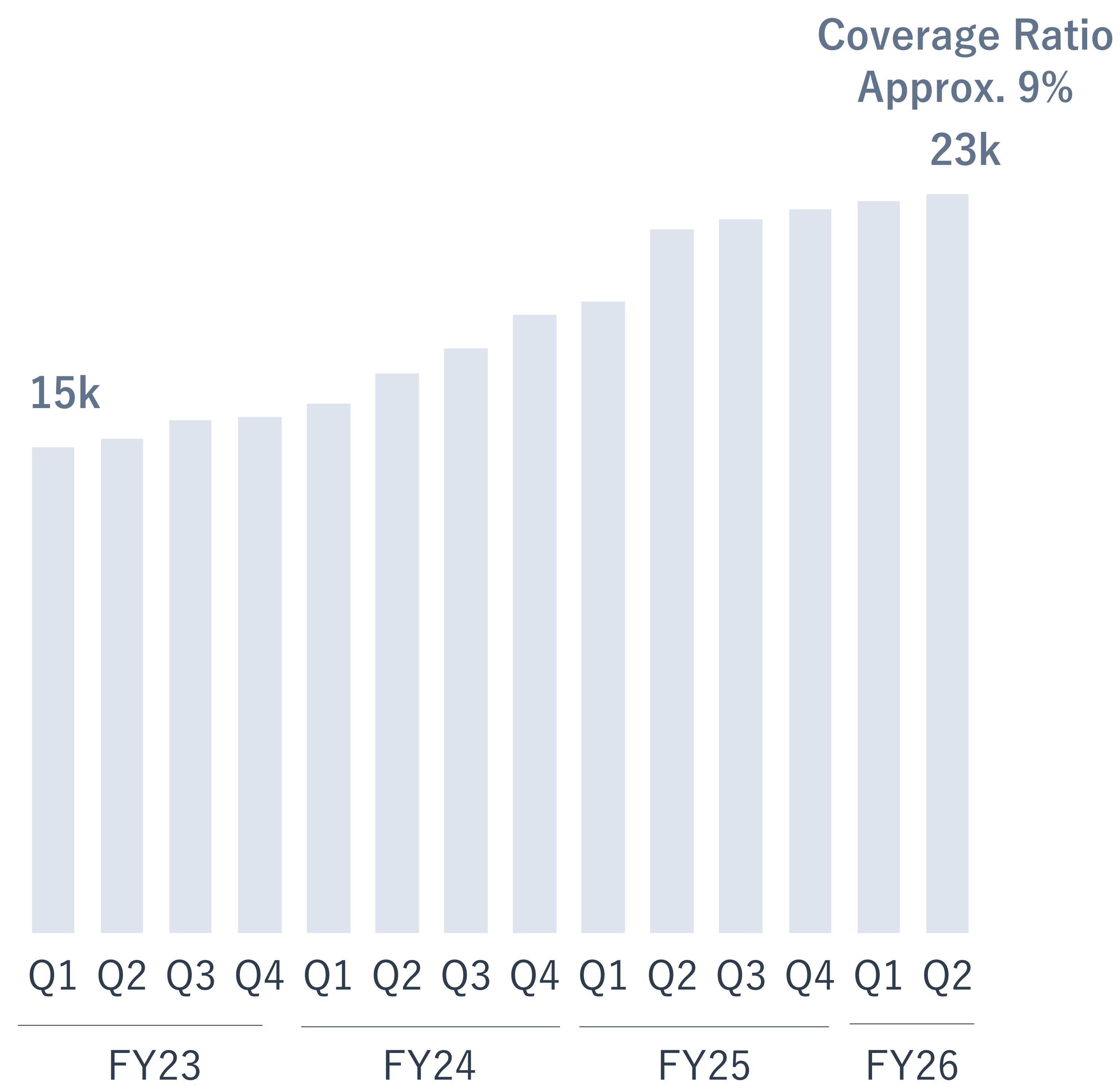


(2) Number of times a patient user has used a medical institution by appointment or telemedicine, etc. (per medical institution)

③ Full-scale market penetration

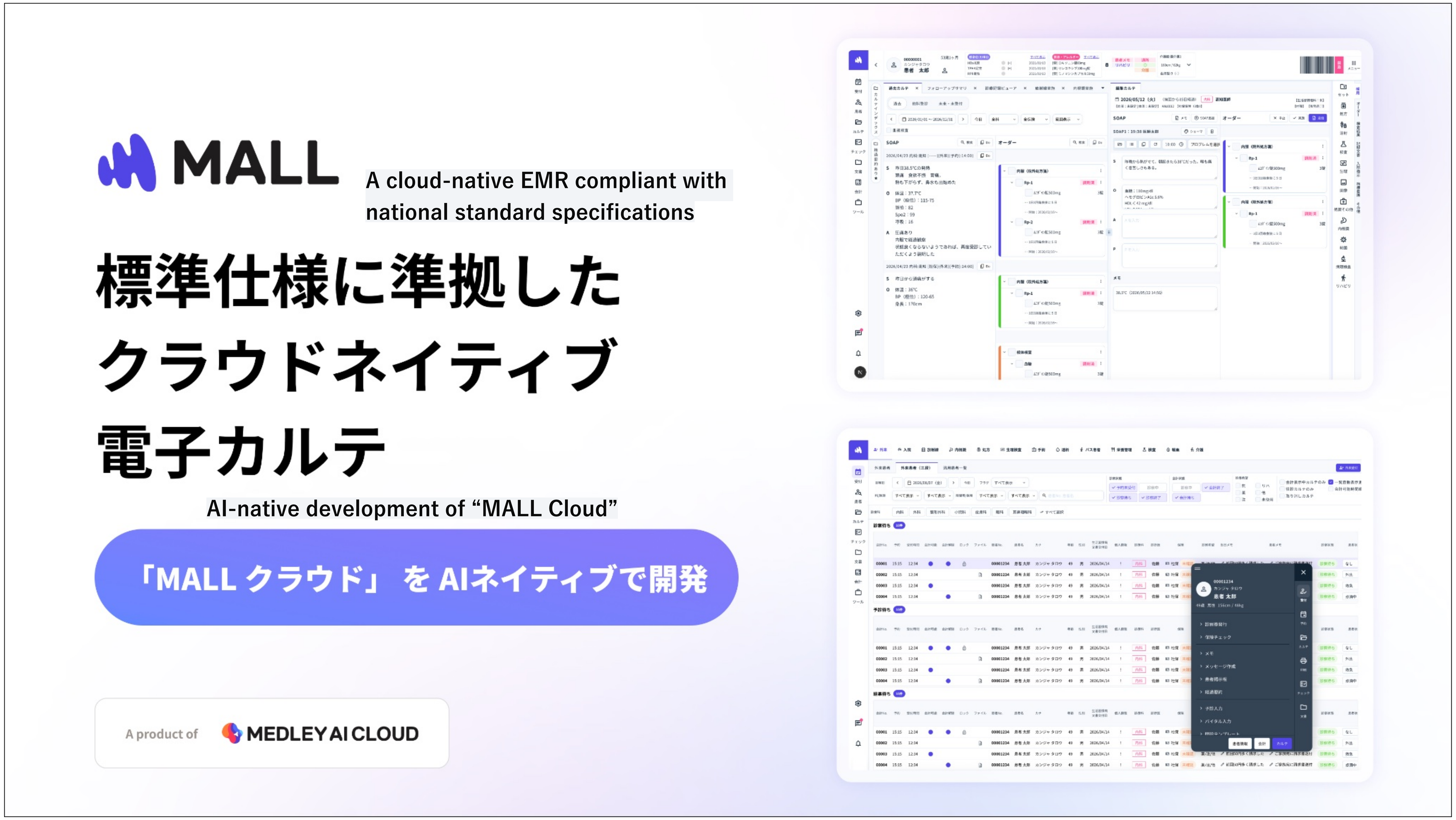
Achieving market-wide adoption driven by expanding patient usage and deep integration into medical operations.

Number of customer offices



Developing "MALL Cloud" as an AI-Native System for Full-Scale Hospital DX

Under the "Medical DX Reiwa Vision 2030," the Japanese government is promoting the creation of a nationwide medical data platform and the standardization and cloud migration of EMRs, and this year the first subsidy for cloud-native EMRs was implemented. Capturing these changes in the market environment, we are accelerating development of an AI-native version of "MALL," our EMR for hospitals. From Q2 onward, we will prioritize development of this product and phase down sales of the existing on-premise version. We will officially begin recruiting pilot users in Q3, with full-scale sales planned from FY2027.



Expansion of AI Functions Offered in CLINICS

MEDLEY

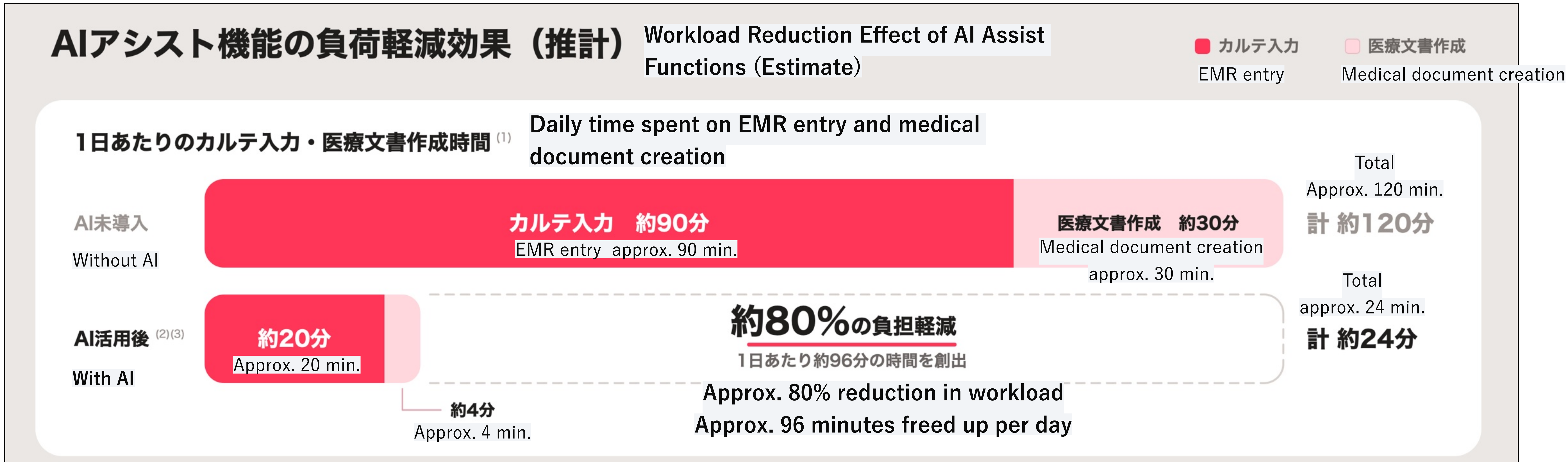
We expanded the AI functions offered in CLINICS and launched "AI Document Assist," which supports the creation of medical documents such as referral letters. Based on our market hypothesis (p. 37), we will continue to develop functions that <u>help reduce the workload of healthcare professionals</u>, aiming to increase both the number of customer offices and the number of uses.

"AI Summary Assist" function (from November 2025)

- AI automatically summarizes conversations during consultations and organizes the information required for the medical record
- Reduces manual transcription and streamlines record-keeping, enabling physicians to focus on patient care

"AI Document Assist" function (from August 2026)

- AI references patient information, test results, past medical records, and other data to automatically generate drafts of the required medical documents
- Substantially reduces the documentation burden on physicians and staff while preventing omissions and rework



(1) AI未導入時の値は、平成28年度厚生労働科学特別研究「医師の勤務実態及び働き方の意向等に関する調査研究」における開設者（開業医）の平均値より抜粋。
医療記録（電子カルテの記載）89.1分、医療事務（診断書等の文書作成、予約業務）30.9分を、それぞれ約90分・約30分として引用。
(2) 外来患者数40人／日、医療文書4件／日を前提とした試算。実際の削減効果は診療科・患者構成・文書発生量・運用により変動する。
(3) AI活用後の時間は、AI生成に要する概算時間（要約20秒／件、文書45秒／件）と、医師による内容確認の時間を合算して推計。

(1) Figures without AI are excerpted from the average values for facility owners (private practitioners) in the FY2016 Health and Labour Sciences Special Research "Survey on Physicians' Working Conditions and Work-Style Preferences," Ministry of Health, Labour and Welfare. Medical records (EMR entry) of 89.1 min. and medical clerical work (creation of documents such as medical certificates, and appointment management) of 30.9 min. are cited as approx. 90 min. and approx. 30 min., respectively.
(2) Trial calculation assuming 40 outpatients per day and 4 medical documents per day. The actual reduction varies depending on the clinical department, patient mix, document volume, and operational practices.
(3) Time with AI is estimated as the sum of the approximate time required for AI generation (20 sec. per summary, 45 sec. per document) and the time for physician review.

MEDLEY

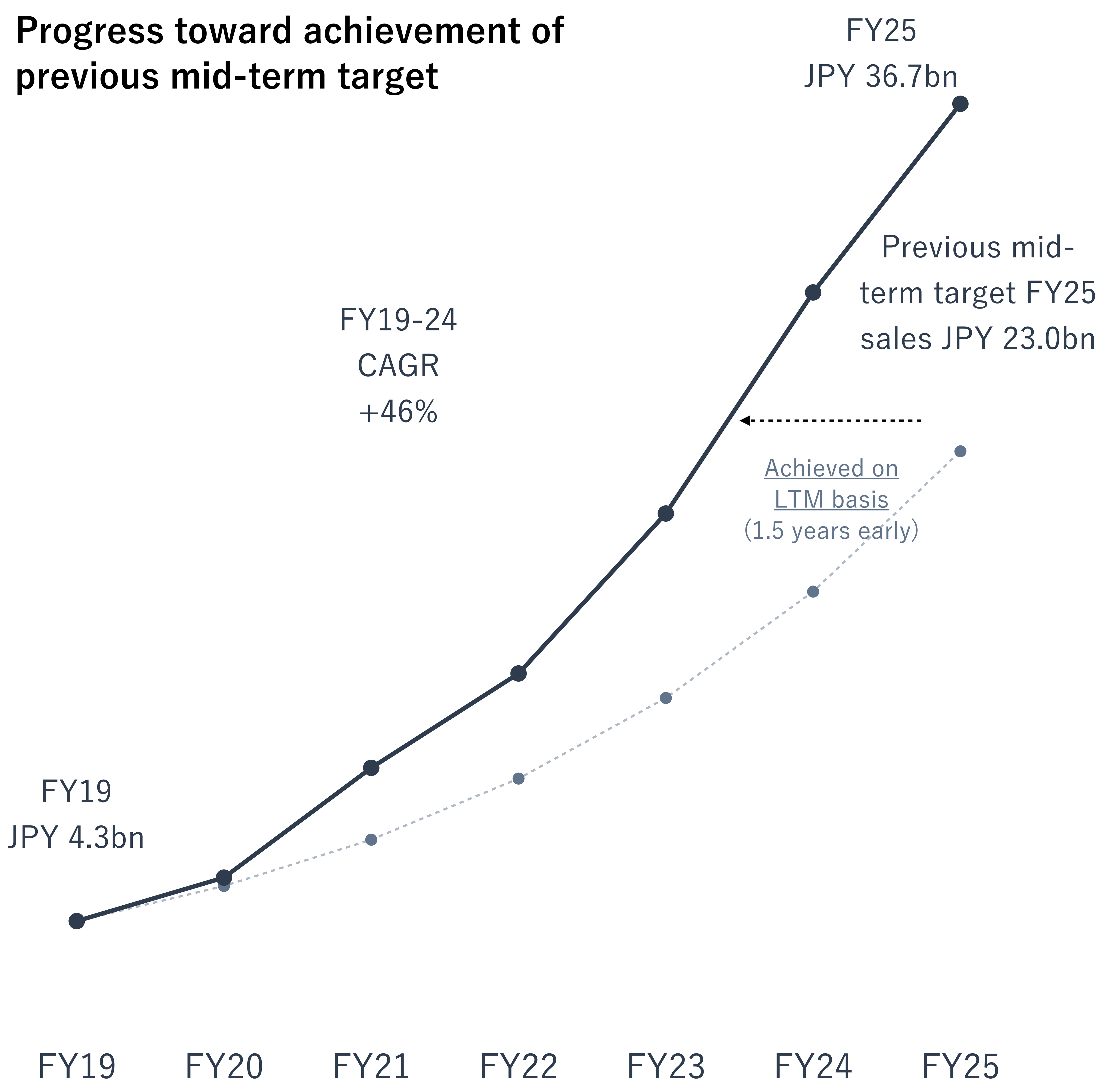
1. FY2026 Q2 Results

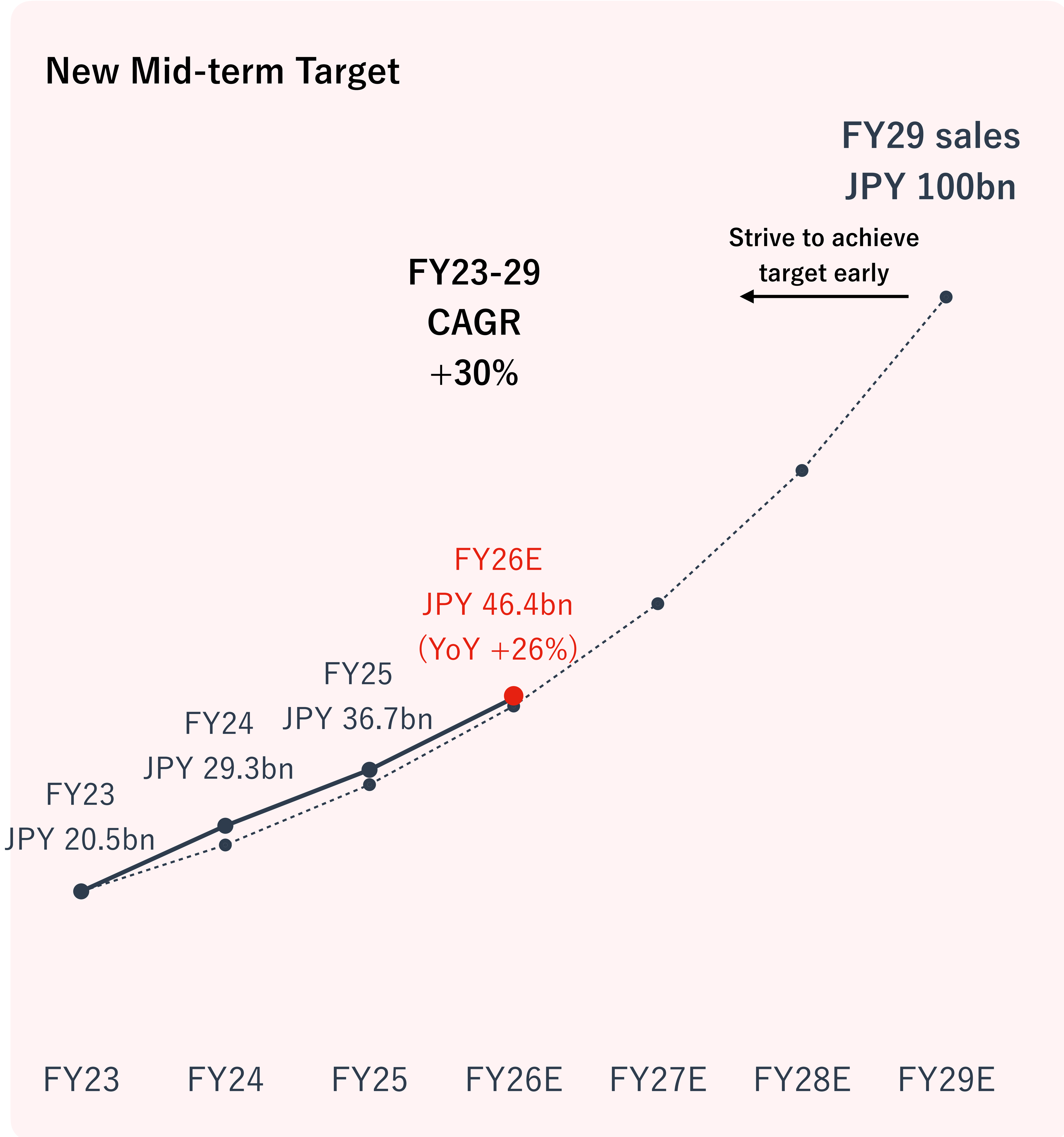
2. FY2026 Full-year Forecasts

3. Investment Highlights

(Ref.) Progress Toward New Mid-term Target (Sales)

We made steady progress toward the new mid-term targets established in February 2024 (FY2029 sales: JPY 100 billion, EBITDA: 20 billion). While in principle, we target growth in sales and profit during the period covered by the mid-term business plan, we will prioritize adapting to changes in the business environment and taking advantage of investment opportunities and, as with our previous medium-term targets, aim to achieve them ahead of schedule. Although the initial FY2026 sales target is +26.1% YoY, we intend to efficiently scale our value proposition through M&A and ongoing strategic measures during the period.





Progress to FY2026 full-year forecast

MEDLEY

Performance has been solid across all line items through H1, and for the profit items from EBITDA downward there is a high likelihood of exceeding our full-year forecast. Note that the progress rates for the same period last year are shown relative to the actual full-year results of that year.

Note: Underlines show updates

(JPY mm)	H1 FY2026 actual	FY2026 forecast	Progress	Progress (H1 2025)	Outlook for full-year
Sales	**22,683**	**46,400**	**49%**	50%	Potential to land in line with initial forecast. Expected quarterly sales growth: - Q3: approx. +25-30% - Q4: approx. +30%
Gross Profit	**13,819**	**29,000**	**48%**	50%	
EBITDA	**3,866**	**5,800**	**67%**	56%	Potential to exceed initial forecast. Expected quarterly EBITDA margin: - Q3: approx. 5-10% - Q4: approx. 10-15%
Operating Profit	2,446	2,950 (1)	**83%**	68%	
Ordinary Profit	2,802	3,250 (2)	**86%**	72%	Potential to exceed initial forecast. Expect non-operating income of approx. JPY 200-300million for each quarter from Q3 to Q4, respectively.
Profit Attributable to Owners of Parent	1,497	1,800 (3)	**83%**	66%	

(1) Assumes amortization of goodwill in the broad sense, including customer-related assets (approx. JPY 2,100 million), other depreciation (approx. JPY 300 million), and stock-based compensation (approx. JPY 400 million)
(2) Assumes non-operating income of approximately JPY 700 million and non-operating expenses of approximately JPY 400 million
(3) Amortization of goodwill in the narrow sense is approximately JPY 1,400 million, which is not deductible for income tax purposes, so it is calculated by adding back such amortization expenses to income before income taxes and taking into account the corporate tax rate.

(Ref.) FY26 Forecast: Assumptions

MEDLEY

We are making steady progress toward our FY2026 earnings forecasts across all segments.

	Forecast (FY26)	Major approaches in FY26	Progress
HR PF	• **Sales: Approx. JPY 33.2bn** (Approx. YoY +26%) • **EBITDA margin: Approx. 36%**	• Wage-reflective price revisions (August) • Strengthening synergies between products • High growth of online training system • Rollout of AI-ATS	• **Progressing slightly ahead of our forecast** • Launched JobMedley ATS (April) • Acquisition of RMC (Consolidated in August)
Medical PF	• **Sales: Approx. JPY 12.0bn** (Approx. YoY +28%) • **EBITDA margin: Approx. 5%** - Impact of dissolution of capital alliance with NTT DOCOMO: JPY -0.2bn	• Launched charging for AI-related functions • Strengthening network effects • Further strengthening monthly sales capacity (including major accounts) • AI-driven modernization of legacy systems from acquisitions	• **Progressing steadily in line with forecast**
New Services	• **Sales: Approx. JPY 1.2bn** • **EBITDA: Approx. JPY -700mm** - Spend JPY 500mm on US business, JPY 200mm on new business	• Continuing expansion of US business • Renewal of Spot work business	• **Progressing steadily in line with forecast**
Corporate Expenses	• **Ratio vs. companywide sales: Approx. 13%**	• Streamlining corporate functions through AI integration • Continuing aggressive hiring for mid-term growth - Increasing investments in human capital related areas	• Promoting the utilization of AI to enhance efficiency in corporate functions

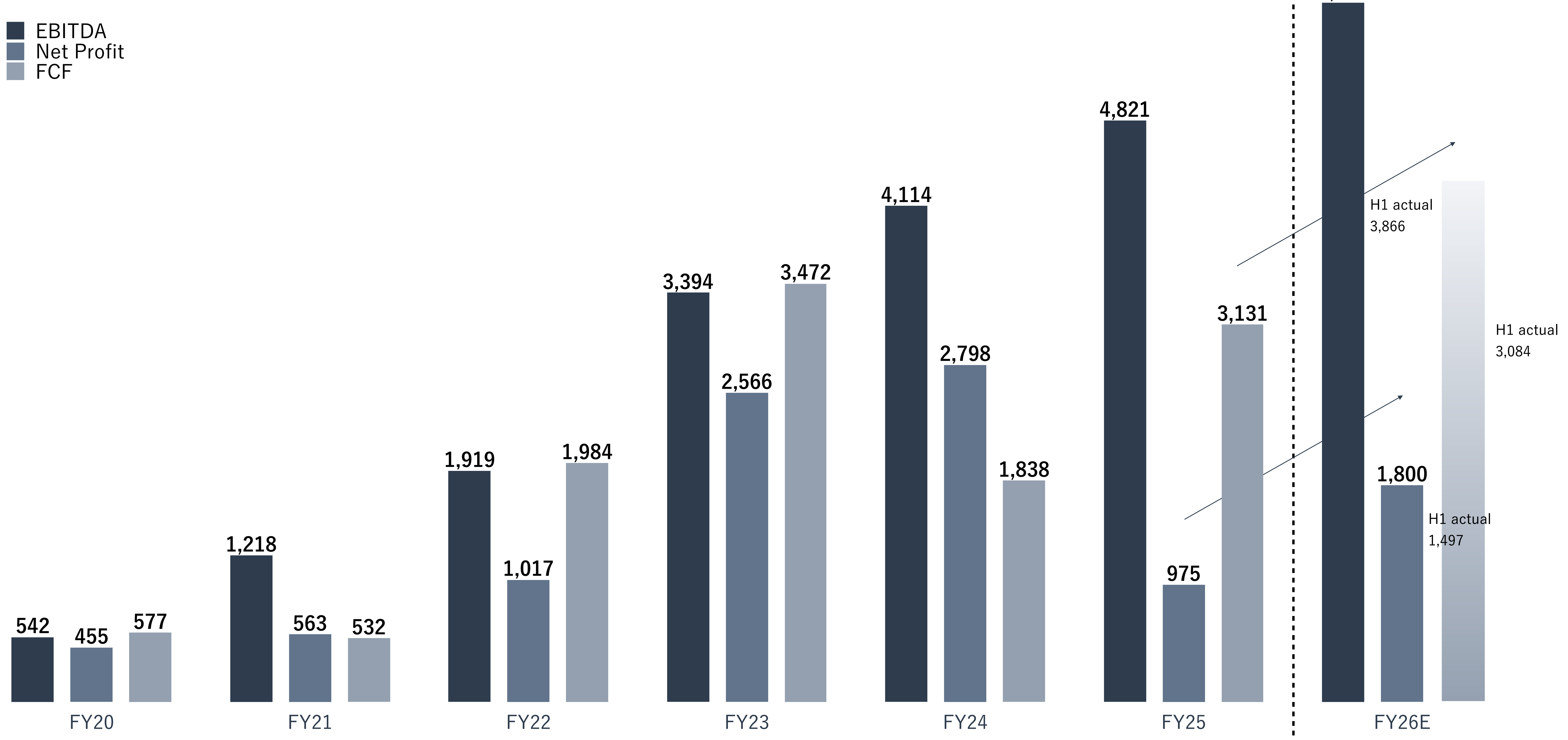
Update to Capital Allocation and Shareholder Return Policy: Entering a Phase of FCF and Profit Expansion

MEDLEY

By the time of the FY26 full-year results, we will have passed the halfway point of the mid-term target period and will enter a phase of further growth in FCF, EBITDA, and net profit. In light of this progress and our outlook, we have confirmed an increased probability of stable profit growth and have updated our capital allocation and shareholder return policy.

EBITDA / Net Profit / FCF(1)(2)

(JPYmm)



(1) FCF = Operating CF + Investing CF (excluding M&A and purchases/sales of securities)
(2) Figures for FY21 and earlier are based on the previous standard

Update to Capital Allocation and Shareholder Return Policy: Details

MEDLEY

Fundraising conditions in Japan's internet market remain challenging. To prevent a slowdown in industry transformation caused by stagnation in the creation of new services and new market entry in the healthcare sector, we will further strengthen our investment in new services and functions. As for shareholder returns, we will establish a policy for the cancellation of treasury shares and revise our returns policy — which to date has centered on ad hoc share repurchases — by initiating a performance-linked dividend, starting with the year-end dividend for the current fiscal year.

Priority (in principle)

Uses of funds (before update)

Investment in businesses	• Prioritize investment opportunities, while maintaining companywide profit growth as our main policy - Make use of cost merits on a pretax investment basis • Maximize number of customers and achieve ARPU growth - Continue to leverage cost leadership of JobMedley - Improve utilization rate and product lineup
M&A	• Focus on synergy - Sizable customer base - Internet product development knowhow - Digital marketing knowhow • PMI based on our Global One initiative
Share repurchase	• Conduct share repurchases flexibly, based on our share price, market conditions, cost of capital and financing capacity → Repurchased a cumulative 10.5% of shares outstanding

Uses of funds (after update)

Investment in businesses	• Prioritize investment opportunities, while maintaining companywide profit growth as our main policy - Make use of cost merits on a pretax investment basis - More aggressive development of new services and functions, and allocation of associated AI-related investment • Maximize number of customers and achieve ARPU growth - Continue to leverage cost leadership of JobMedley - Improve utilization rate and product lineup
M&A	• No change (same as left)
Dividends	• Performance-linked, with a dividend payout ratio of approximately 30% as a guideline
Share repurchase	• Conduct share repurchases flexibly, based on our share price, market conditions, cost of capital and financing capacity • Treasury shares in excess of 5% of total shares issued will be cancelled

3. Investment Highlights

Investment Highlights

1. Vast opportunities in the medical and healthcare field

2. Continuous growth through maximization of customer office numbers and ARPU

3. Disciplined investment in growth

Overview of Our Business

Medley was founded to solve the challenges facing the medical and healthcare field. Our HR PF business connects medical healthcare professionals and businesses, and our Medical PF business provides SaaS products and customer touch points to businesses. Currently, we mainly pursue a business model wherein we receive fees from businesses. We will leverage our strength, which is our connections with businesses, to increase ARPU by increasing usage rate and expanding our product offerings.

Workers

Job Medley
Recruitment system

GUPPY
Recruitment system

Job Medley academy
Online training system

Over 50 types of qualified professionals including medical care professionals

Registered workers
3.33M[1]
(Approx. 31% of workers in the industry)

Medical Providers

CLINICS — SaaS
For medical clinics without beds

MALL — SaaS
For hospitals/clinics with beds

MEDIXS — SaaS
For dispensing pharmacies

DENTIS — SaaS
For dental clinics

Customer offices
470k[1]
(Approx. 41% of medical providers)
(HR PF: 466k, Medical PF: 23k, overlapped: 18k)

Patients/Consumers

Integrated Patient Database

melmo
Comprehensive Medical App

MEDLEY
Online medical encyclopedia

Lalune
Women's health management app

Number of patients
over **10M**[1]

HR PF | **Medical PF**

(1) As of end of June 2026

Digitalization Essential to Medical and Healthcare Industry

MEDLEY

Medical institutions in Japan have been facing a variety of challenges including heavy burden on-site and increased complexity of medical care. The importance of digitalization is increasing owing to macro trends such as the declining birthrate and aging population and advancements in digital technologies.

Key Challenges Surrounding the Medical and Healthcare Industry

Medical Providers	Patients	Government
Heavy burden on-site	**Increasingly complex medical care**	**Financial stringency**
Labor shortage and declining profitability	Difficulty of appropriate medical use	Shrinking workforce
Complex medical technologies	Long waiting/traveling time	Massive social welfare spending

Technological Progress

- Highly functional mobile device
- Sensing technology
- Security

Changes in Industry Environment

- Declining birthrate and aging population
- Rising medical cost
- Deregulation

Promote Digitalization

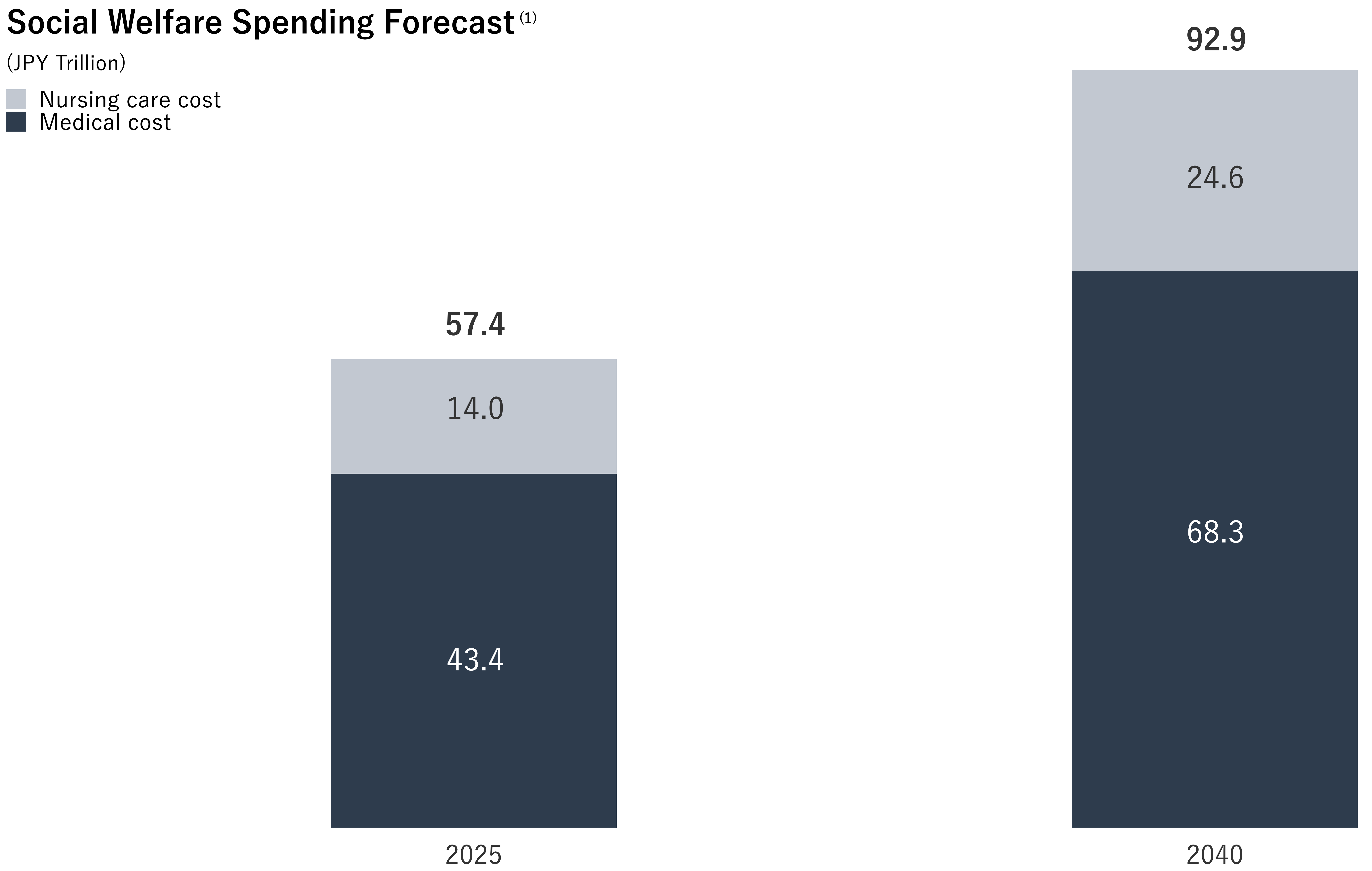
Medley's Vision for Future

- **Efficient Operation by Medical Providers**
- **Full Utilization of Medical Services by Patients**
- **Optimal Allocation of Resources by Government**

Defensive Growth Industry: Social Welfare Spending Not Impacted by Economic Trends

MEDLEY

Spending on social welfare is expected to rise continuously in Japan owing to the aging of the population. This and the declining workforce population are important and well recognized issues in Japan.



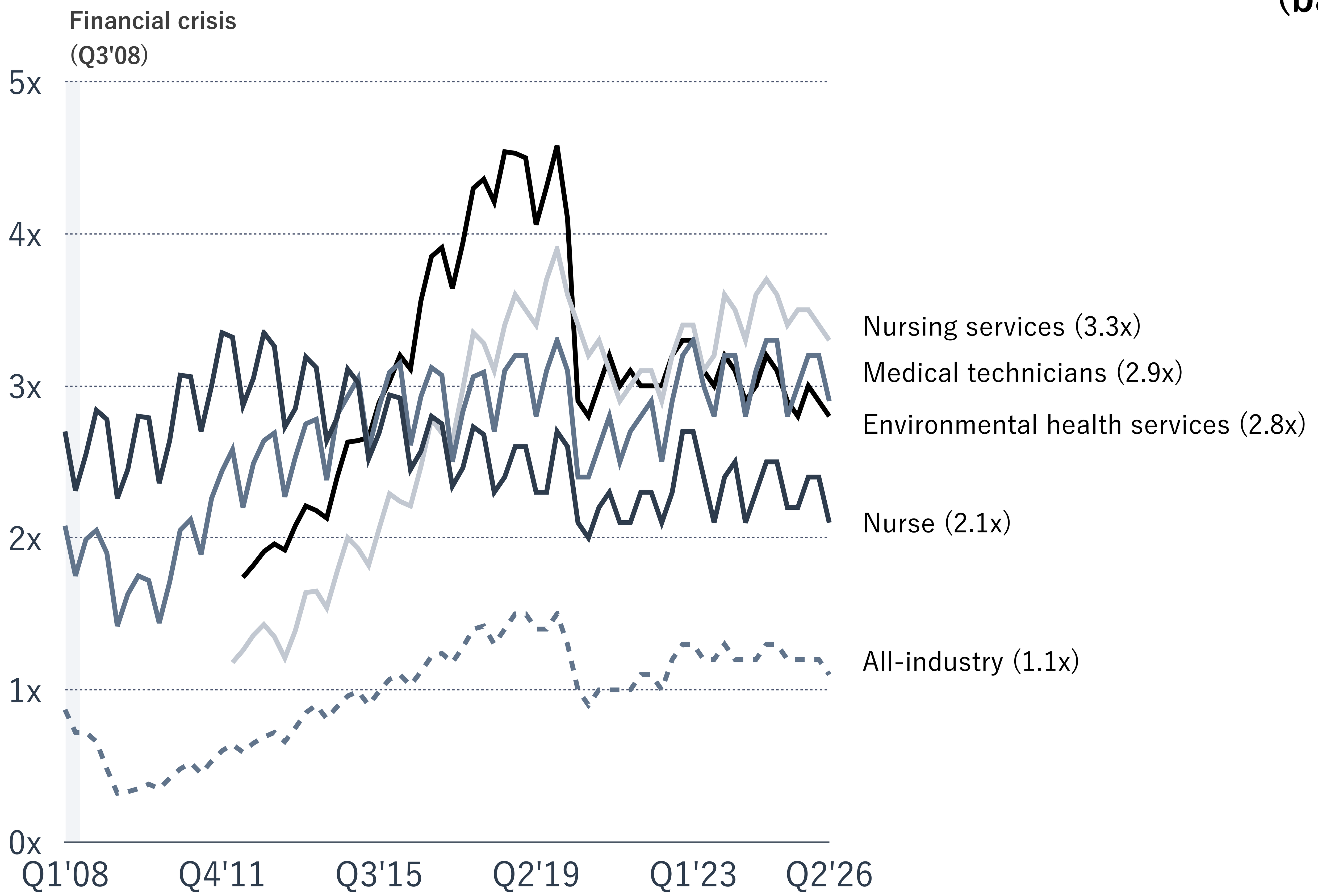
(1) Report from Ministry of Health, Labour and Welfare

Stable, High Demand in the Medical / Healthcare Industry

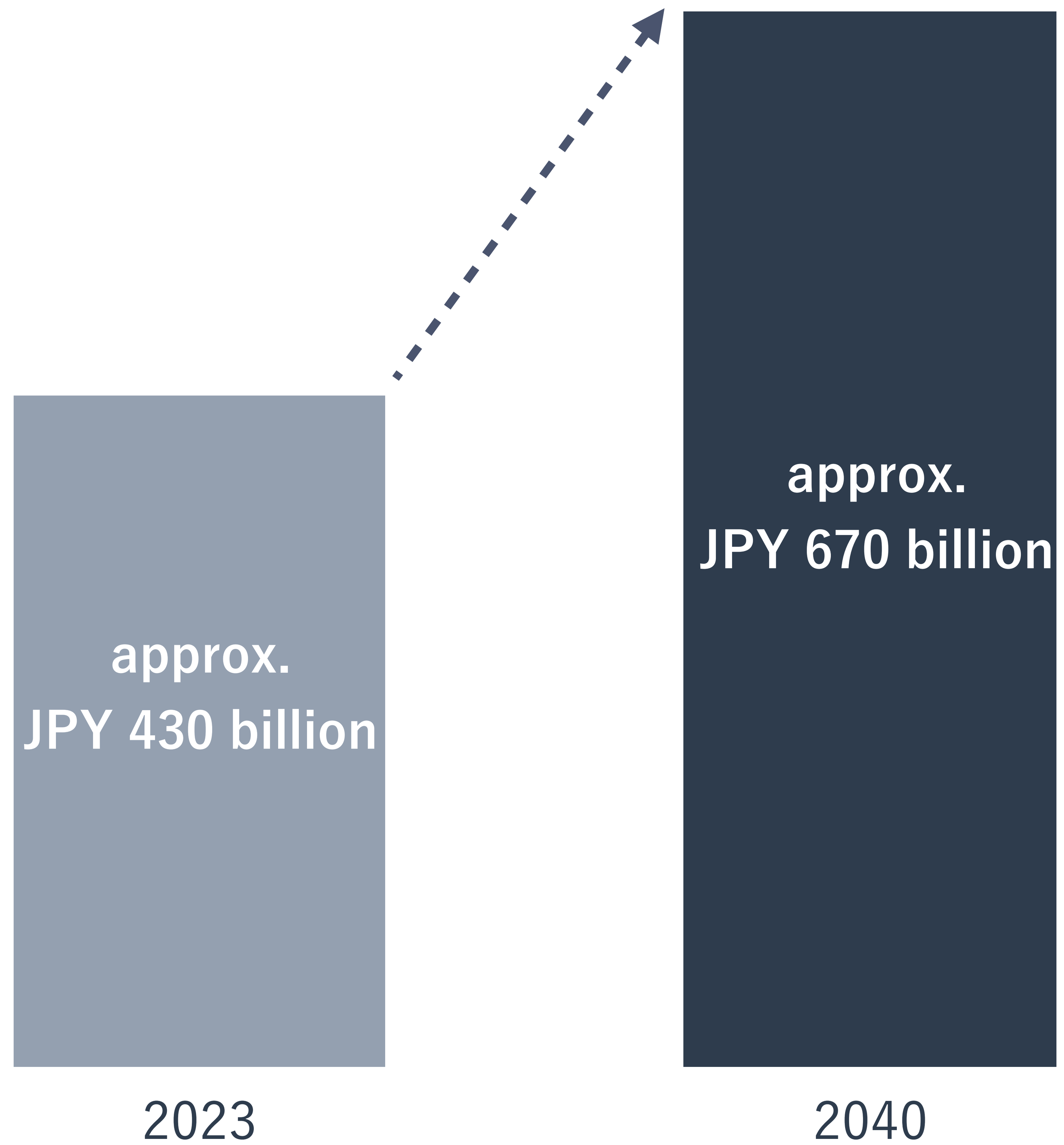
MEDLEY

The Japanese medical industry suffers from a chronic shortage of workers, with a jobs-to-applicant ratio that remains much higher than the average for all industries regardless of economic conditions. We estimate the current market size to be approximately JPY 430 billion, and expect expansion to JPY 670 billion or more in 2040 driven by increasing demand.

Ratios of Job Openings to Job Applicants[1]



Market Size of the Medical/Healthcare Recruitment Industry (based on our unit price)[2]



(1) Ministry of Health, Labour and Welfare statistics, 3-month average

(2) Estimates by Medley, Inc.

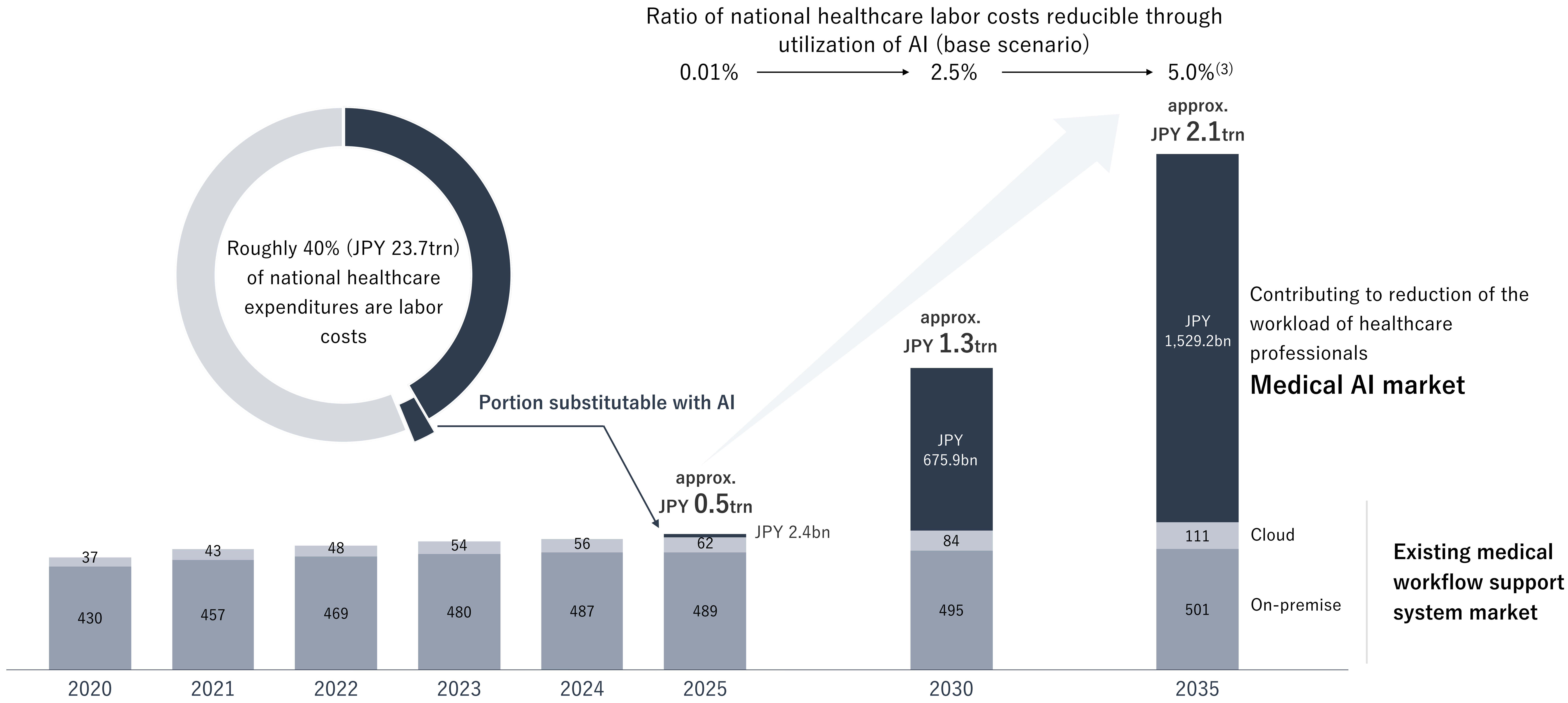
Hypothesis: Generative AI Innovation will Drive Growth in the Medical IT Market

MEDLEY

Innovation in generative AI technology is expected to drive rapid expansion of the medical AI market, particularly in areas that help reduce the workload of healthcare professionals. While forecasting market scale is difficult, we use an AI substitution rate for labor costs of 2.5% over the next five years and 5% over the next ten years as our base scenario. Based on the new hypothesis, we will proceed with prompt plan adjustments, execution, and reorganization of disclosure items, aiming to accelerate the achievement of mid-term targets.

Estimated market size of medical workflow support systems (1)(2)

(JPY bn)



(1) The size of medical AI market is calculated based on our company's estimation of personnel expenses using data from the Ministry of Health, Labour and Welfare's "Future Outlook for Medical Expenses," "Overview of National Medical Expenses for FY2022," and "The 24th Survey on the Actual Conditions of Medical Economics (Survey on Medical Institutions, etc.)," assuming that productivity improvement support of 0.01%, 2.5%, and 5% is possible.
(2) Existing medical workflow support system market reference: Fuji Keizai Co., Ltd., 2022 Current Status and Future Prospects of the Medical Collaboration and Medical Platform-Related Market
(3) We have set the ratio of costs reducible through utilization of AI at 5% based on the fact that data from the MHLW's Monthly Labour Survey shows that overtime pay accounts for 5% of total cash earnings among workers in the medical and welfare sector, and that the MHLW's Reform Plan for Medical and Welfare Services sets a goal of improving service output in this sector by 5% (and 7% for physicians) by 2040.

Deregulation and Policies to Accelerate Use of Digital Technologies

MEDLEY

The Japanese government has announced and implemented deregulation and policies regarding the improvement of management conditions and better compensation for workers at medical institutions and nursing care facilities, as well as the improvement of medical quality and efficiency through digital utilization, including the promotion of EMR adoption.

Institution/Policy	Overview	Major medical implications (Updated: Bold)
Medical DX Roadmap	• Presented on June 2, 2023 by the Headquarters for Medical DX Promotion, which was established under the Basic Policy 2022 - Update of the Basic Policy to promote DX in the medical healthcare field (2024) - Updated to include the consideration of incentives, such as regulatory and fiscal measures, to promote the shift to cloud-based hospital systems (2025) - **Updated in the Basic Policy 2026 to formulate a policy for promoting medical informatization, renew information systems at medical institutions, and advance cybersecurity measures**	• Creation of a nationwide medical data platform - Creation of an EMR data sharing service (planned in 2026) - Data sharing using My Number card - Consideration of DX and standardization of pharmacy data • Promotion of standardization and introduction of EMR data - Utilization of subsidies to launch EMR data sharing service - Considering the details for the full-scale implementation of a standardized EMR - Targeting adoption of EMR system by almost all medical institutions by 2030 - **Build a foundation for sharing and utilizing medical and long-term care information — including secondary use — through measures such as promoting the adoption of EMRs and electronic prescriptions and enabling data sharing**
Grand Design and Action Plan for New Capitalism, 2025 Revised Edition	• June 13, 2025: Cabinet decision - Support and promote the adoption and utilization of technology - New medical fee incentives established for promoting AI/ICT utilization (following the FY2024 creation of similar nursing care fee incentives).	• Presenting labor-saving promotion measures - Support for the introduction, development and implementation of ICT equipment that contributes to improving work efficiency and reducing workload (including IT subsidies) - Promoting the use of AI technology at nursing care facilities • Renewal of hospital information systems - Promote migration to cloud-native systems for EMR and other hospital information systems - Accelerate R&D and social implementation of nursing care technology utilizing AI, ICT, etc. and medical devices using digital technology
Japan's Second AI Basic Plan	• July 14, 2026: Cabinet decision	• **Interim summary of sector-specific Vertical AI strategies** - **Drug discovery (sector-specific strategy for fields with market potential): Development and operation of AI-driven shared autonomous laboratories and related infrastructure needed to accelerate and advance drug discovery, from basic research through clinical research and manufacturing process development** - **Medical, long-term care, and welfare (sector-specific strategy for fields of public significance): Development and dissemination of AI to reduce frontline workload, such as support for preparing nursing records and other documents and for welfare consultation services**
Basic Policy 2026 / Japan's Growth Strategy 2026	• **July 21, 2026: Basic Policy 2026 and Japan Growth Strategy 2026 — a public-private investment roadmap — were both approved by the Cabinet on the same day**	• **Medical DX infrastructure optimized for cloud-native systems** - **Target 100% EMR adoption by FY2028 at hospitals with 200 or more beds that have not yet introduced EMRs** - By 2030, target approximately 100% EMR adoption, 1**00% cybersecurity coverage at regional core hospitals, and the availability of cloud-native products for large hospitals** - **Assumes JPY 5.2 trillion in combined public and private investment in medical DX infrastructure (cloud-native migration) through FY2040** • Targets and expected impact of advanced medical care utilizing innovative devices (AI, robotics, etc.) - **Newly established target for Japanese medical devices to capture a JPY 28 trillion global market by 2040** - **Estimated economic ripple effect of JPY 105.8 trillion from advanced medical devices utilizing innovative devices**

Maintain High Sales Growth by Maximizing Number of Customers and ARPU

MEDLEY

Our management policy is to maximize long-term free cash flow and maintain high sales growth by increasing the value provided to our customers. In order to achieve continuous sales growth, we pursue a basic strategy of maximizing the number of customer offices served and improving ARPU. In order to continuously improve ARPU, we pursue a business model focused on stable, recurring sales.

Long-term Policy

Maximize Long-term Free Cash Flow

Mid-term Policy

Maintain High Sales Growth
(Expand Sources of Free Cash Flow)

Fundamental Policy

Maximize Number of Customers

Cost Leadership Strategy

×

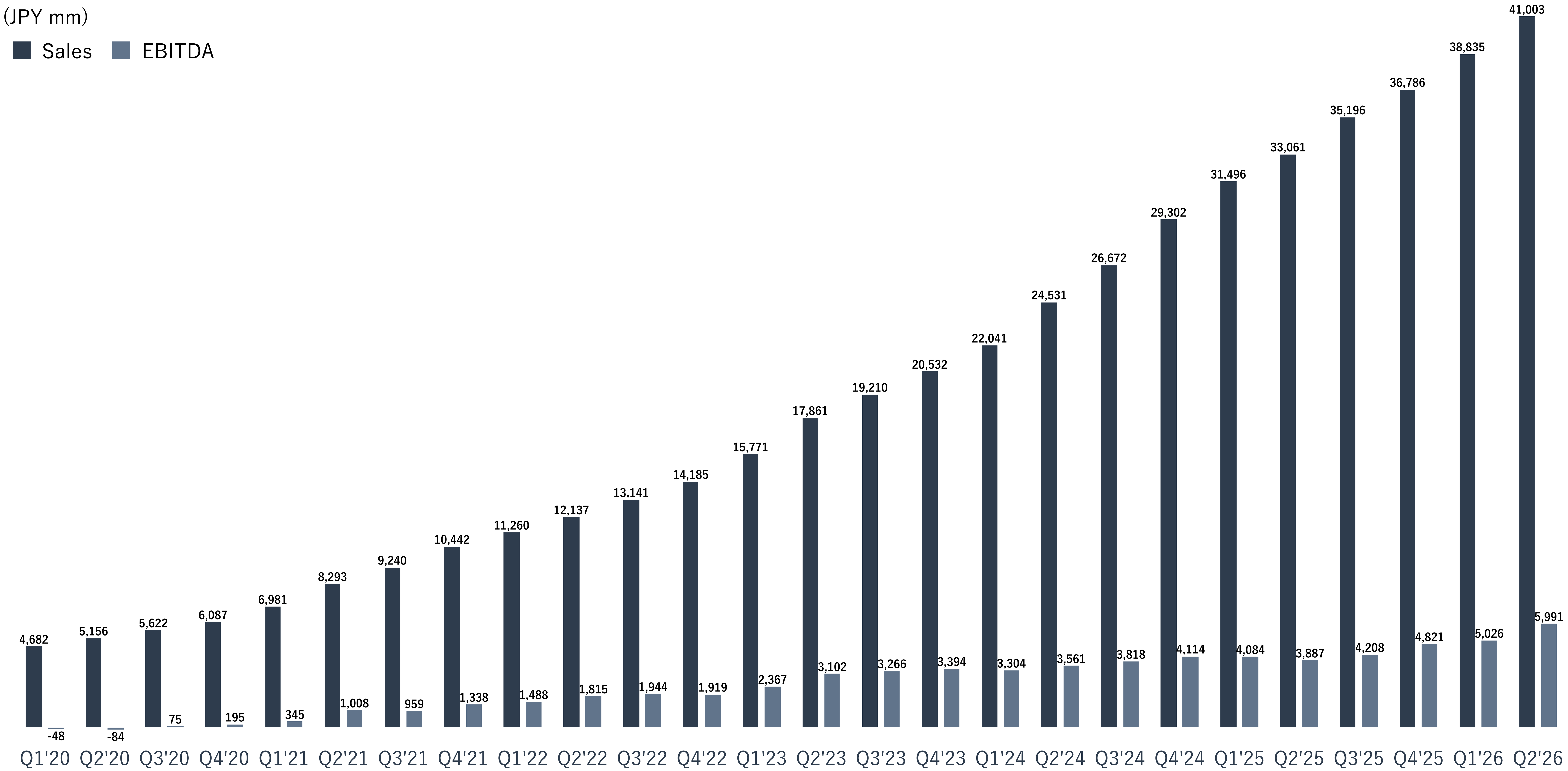
Improve ARPU

Improve Usage Rate
/Strengthening Product Lineup

LTM Sales and EBITDA trend

Although sales in the HR PF tend to seasonally concentrate in Q2 each year, sales and EBITDA for the last 12 months (LTM) have been on a stable increasing trend.

LTM Sales and EBITDA(1)



(1) Sum of sales and EBITDA for the last 12 months from the end of each quarter. Figures for FY2021 and earlier are based on the new revenue recognition standard.

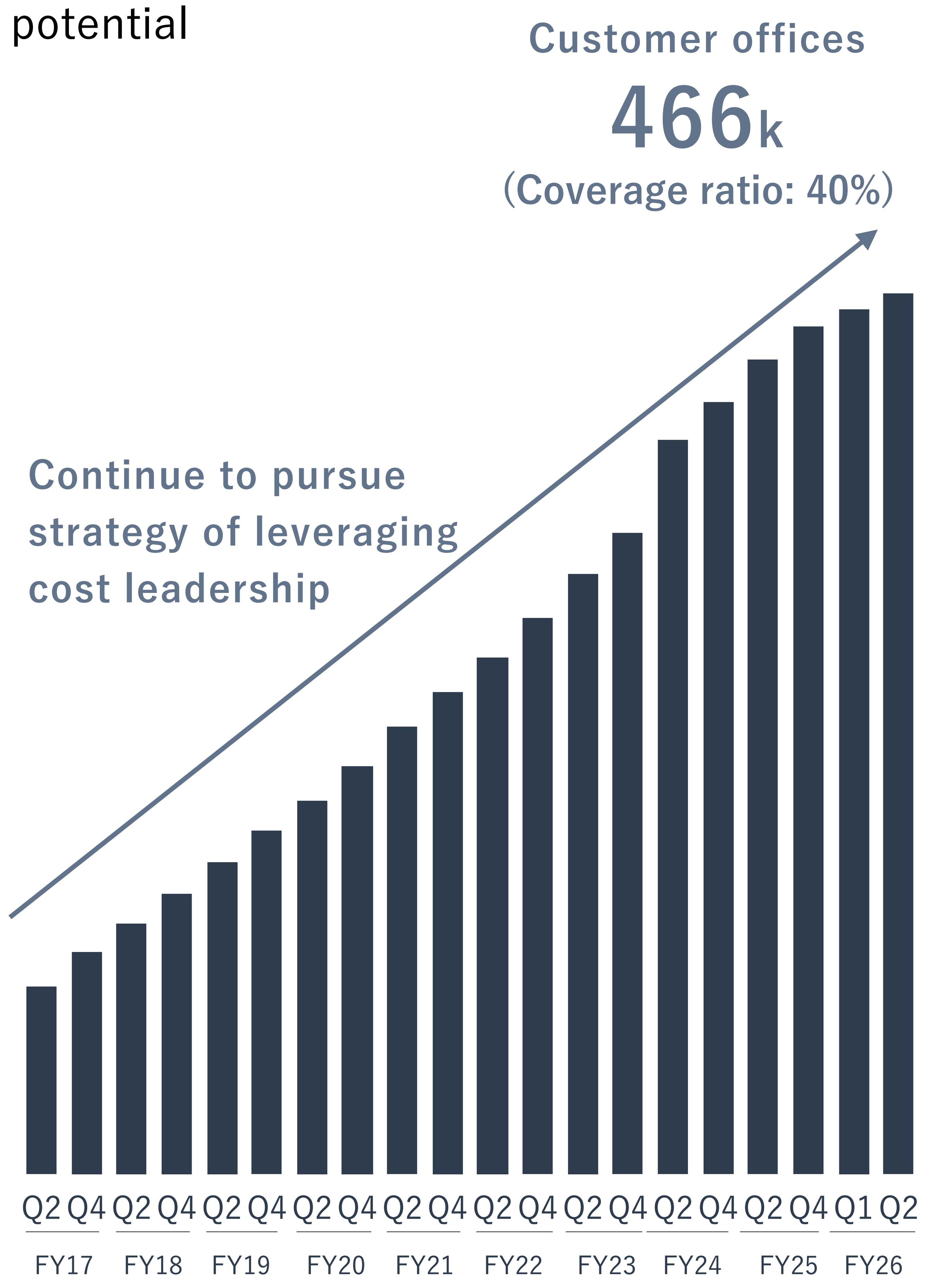
HR PF: Expanding Customer Base by Cost Leadership

MEDLEY

In the HR PF Business, not only will we work towards resolving labor shortage so that patients can receive appropriate medical services, but also we will provide full-scale support to both businesses and workers offering medical and welfare services. Currently, in addition to strengthening our customer base and pool of registered workers, we leverage such customer base to develop and deliver new products.

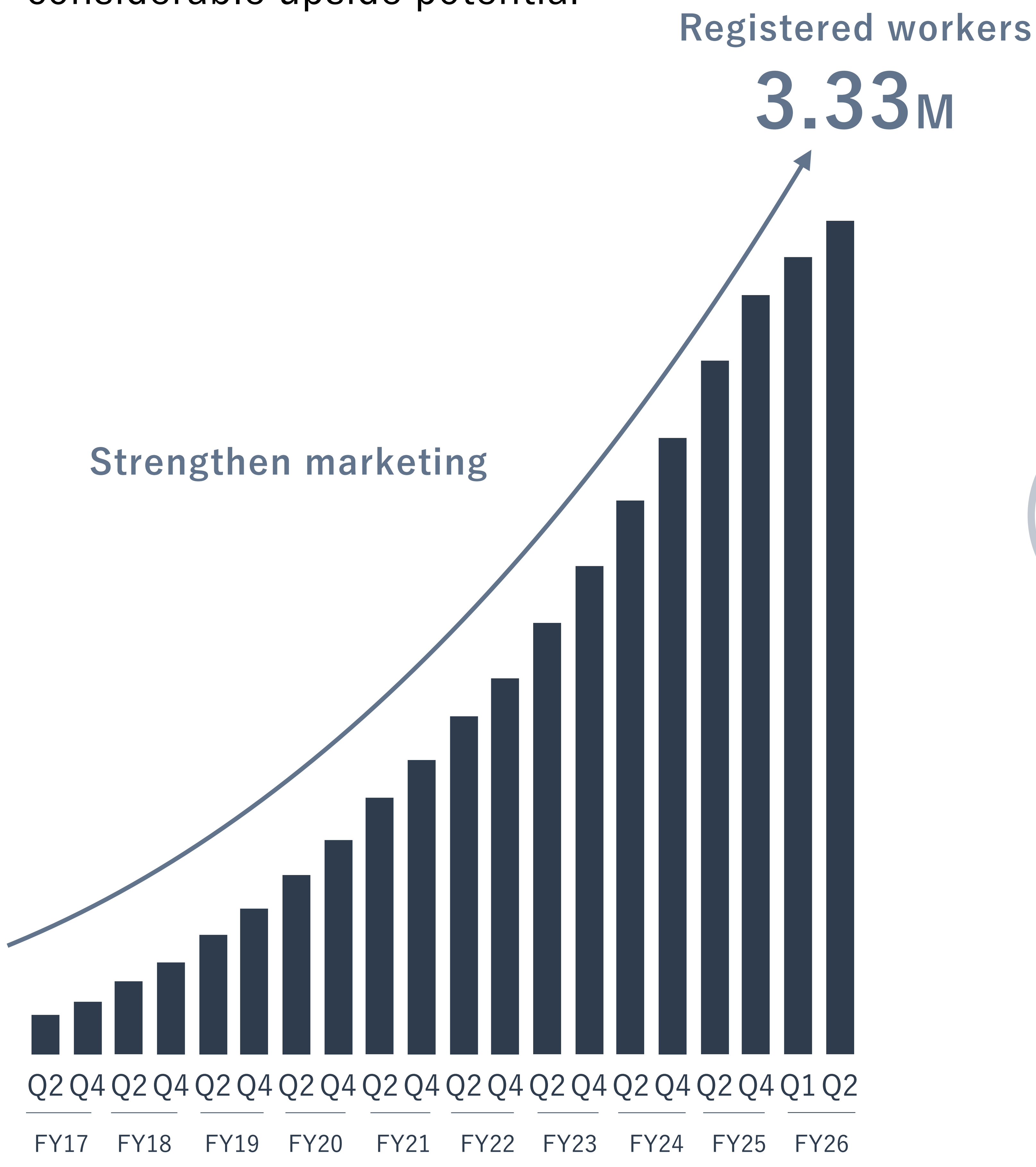
Maximize Number of Customers

- There are 1.15 million(1) target customers in Japan, so we continue to see sizable upside potential

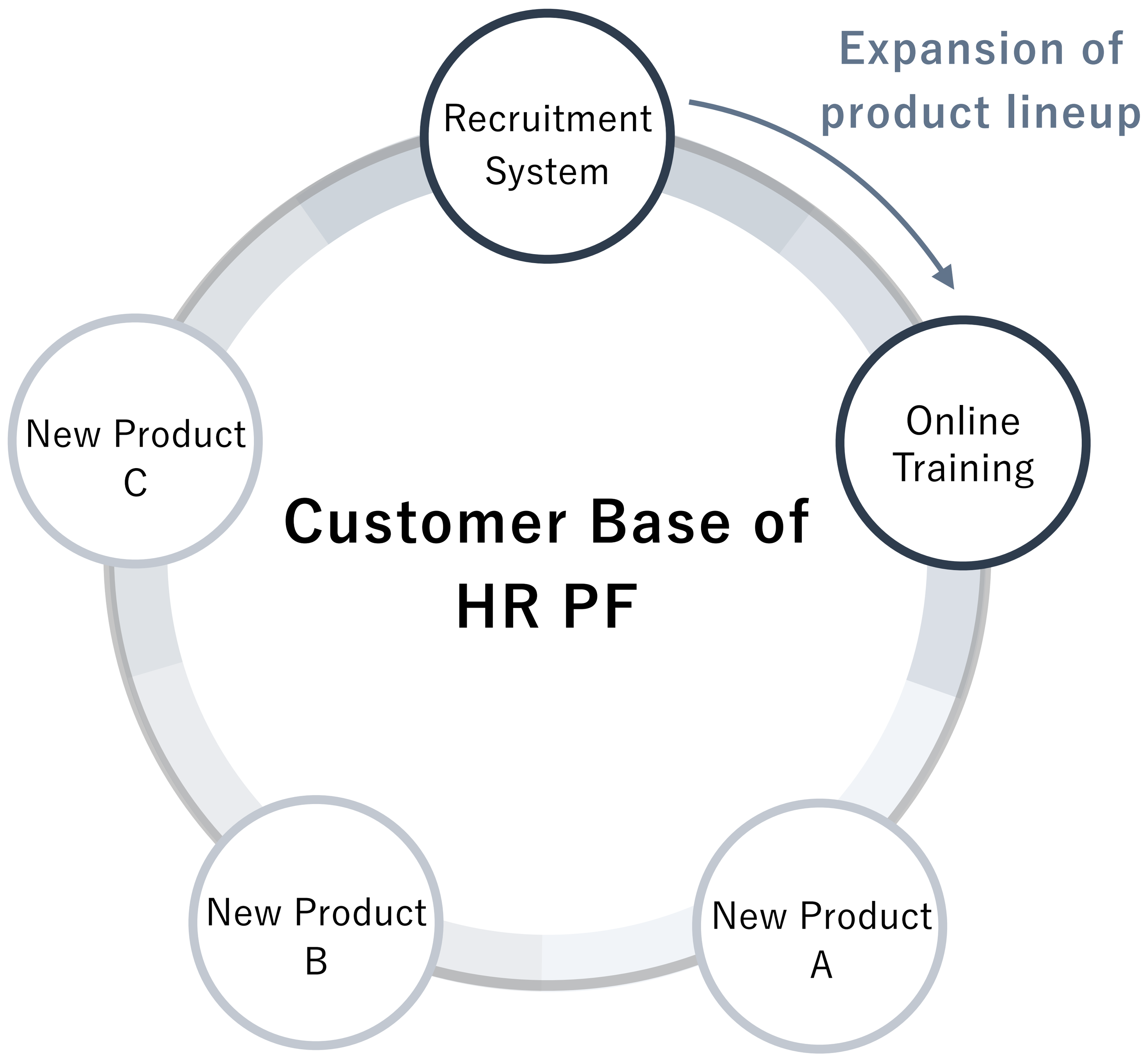


Improve ARPU

- There are over 10 million(1) medical industry workers in Japan, thus continue to see considerable upside potential



- Leverage the customer base for our recruitment systems and promote digitalization of related operations such as online training, etc.

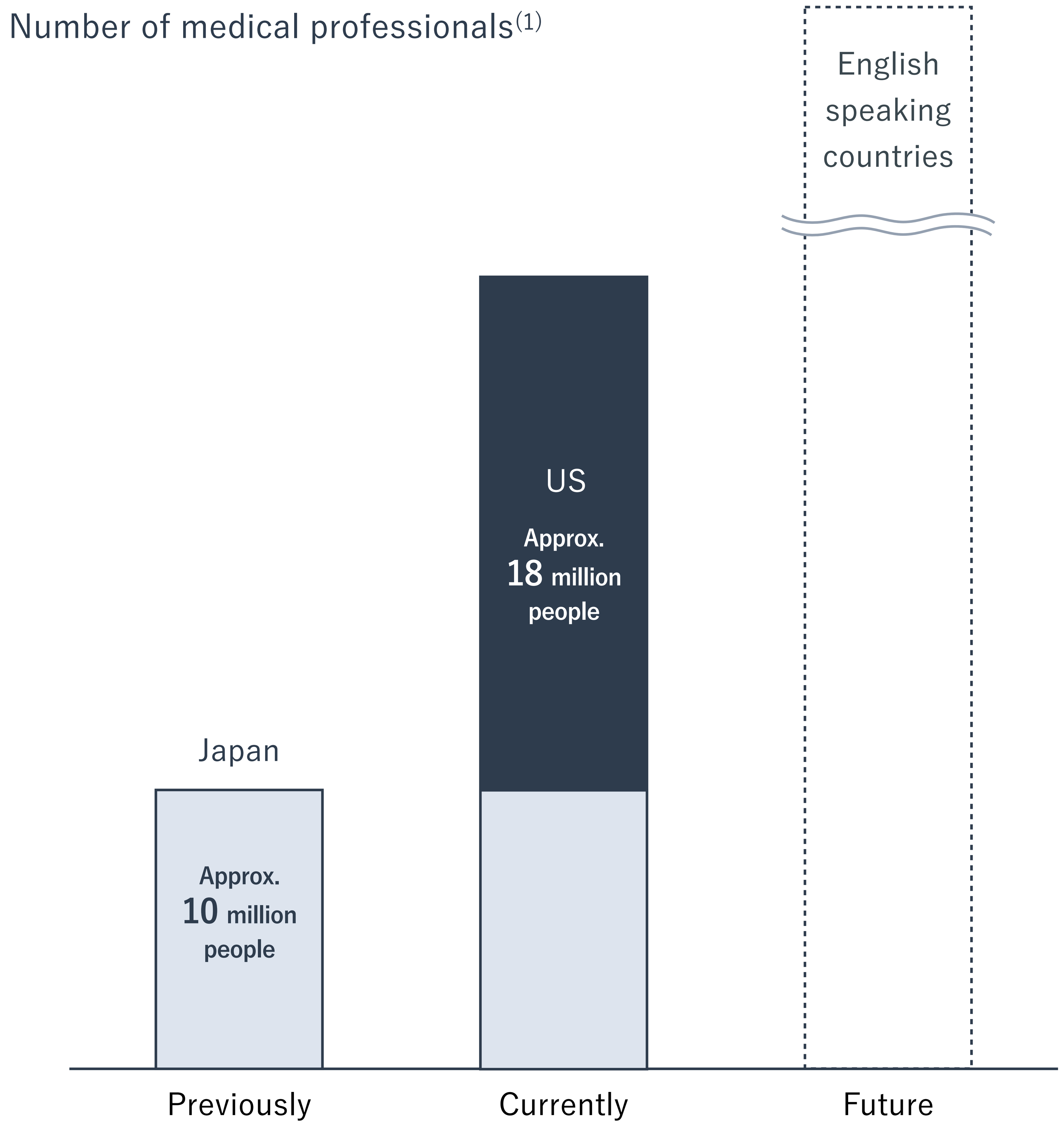


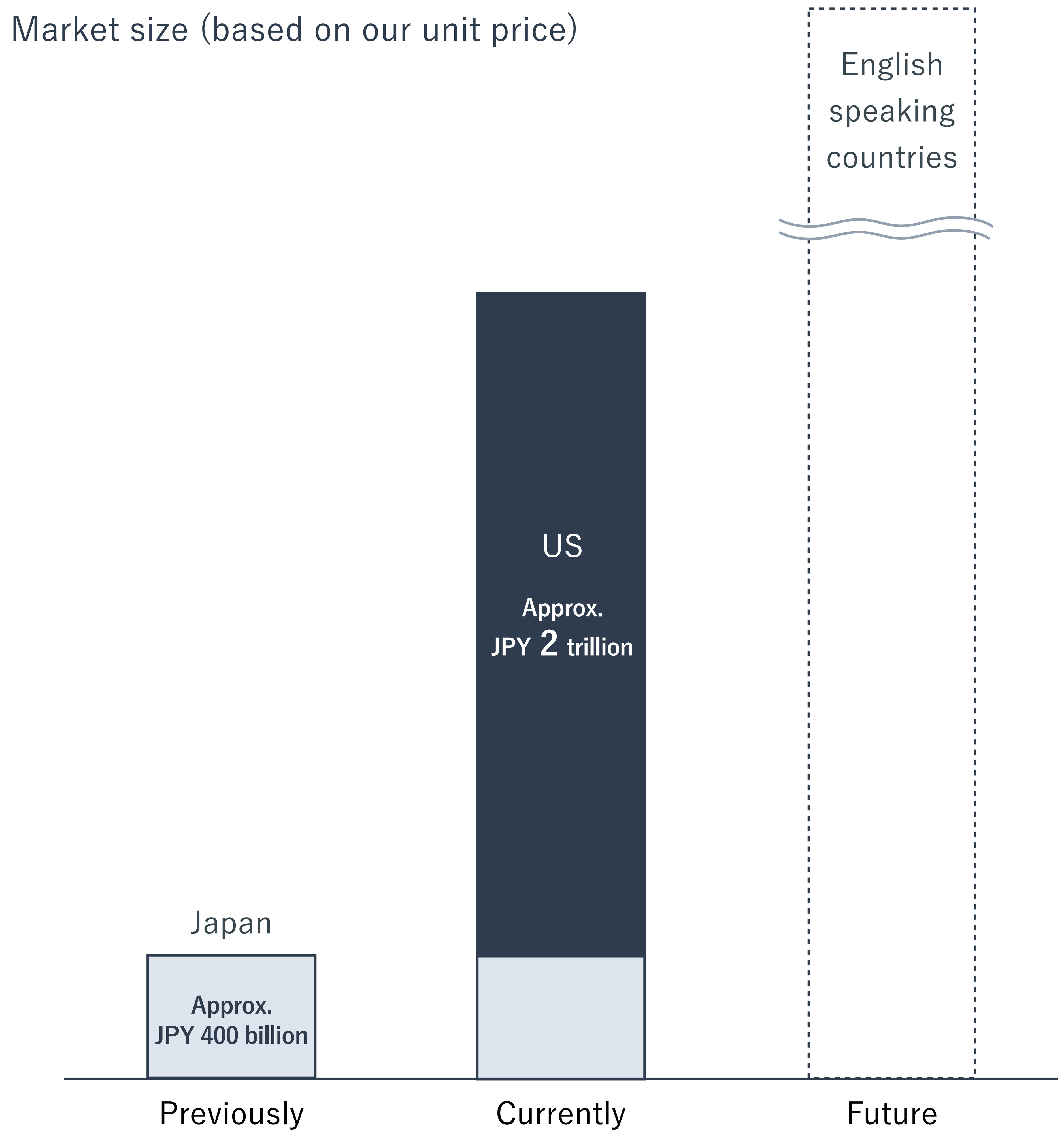
(1) Ministry of Health, Labour and Welfare, Ministry of Internal Affairs and Communications etc. statistics

HR PF: Expansion of TAM in the US market

In the HR PF Business, as part of our first overseas business, we are expanding our TAM in the US market. By combining development and operations in Japan and the Philippines, where labor costs are lower than in the US, we aim to achieve better performance on business investments than that achieved in Japan. Our basic plan is to first make US operations profitable and then expand from English-speaking countries to other markets.

Expansion of TAM[1]





(1) For Japan: Based on the average annual hiring rate for "medical and welfare" and "lifestyle-related services" categories (approximately 14% for medical and welfare and approximately 29% for lifestyle-related services, total of approximately 1.73 million persons) in the FY2019 Survey on Employment Trends and the average unit cost per hire for JobMedley for each job category. For the US: Our estimates are based on publicly available information. (Assuming $1=JPY150)

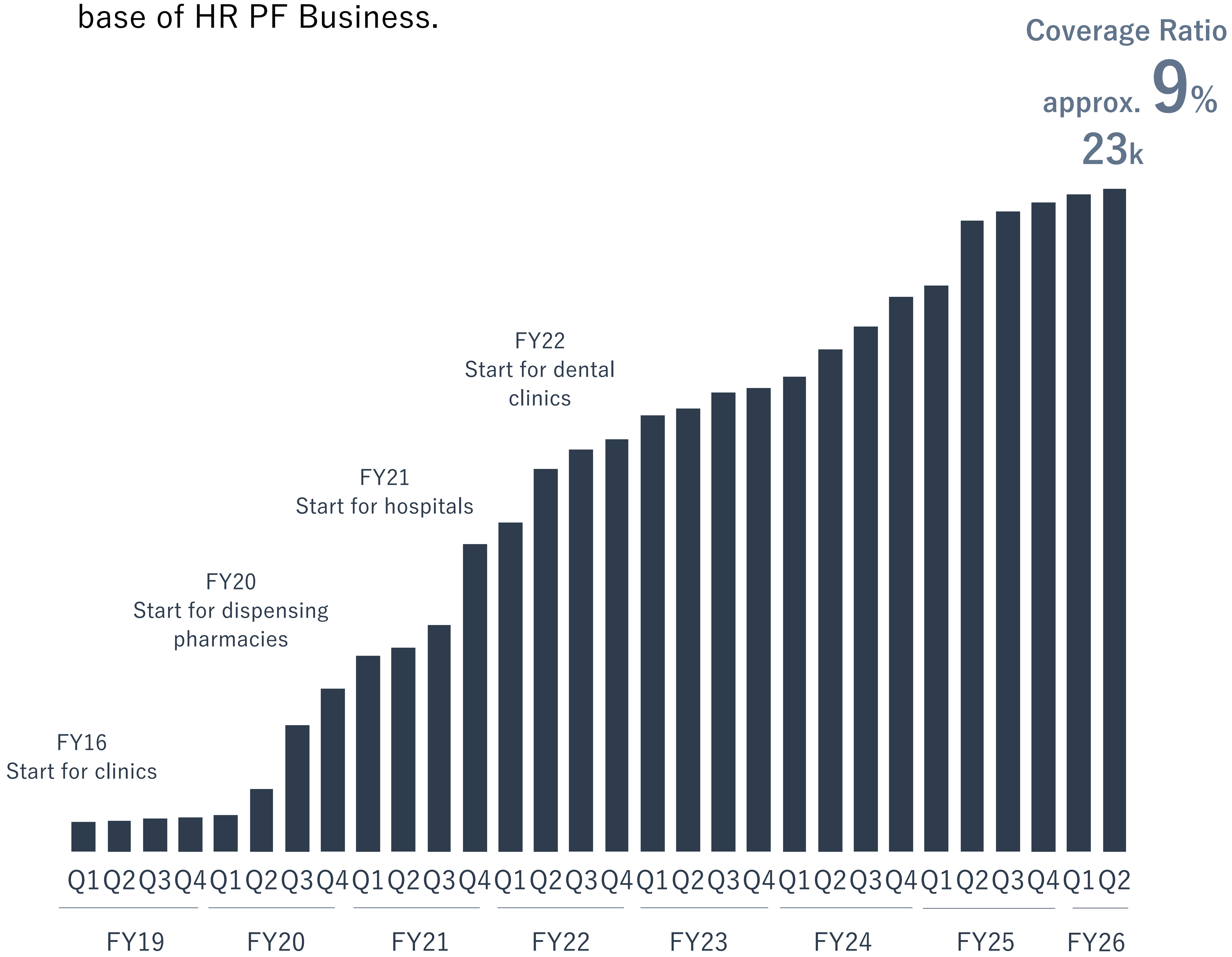
Medical PF: Improved ARPU via Synergy with HR PF Business Customer Base

MEDLEY

In the Medical PF Business, we help our customers improve operational efficiencies, as well as contact with patients by using digital technology. We are currently focused on developing SaaS products and, in addition to leveraging the customer base of our HR PF Business to expand the number of customer offices, we are improving ARPU by strengthening our product lineup.

Maximize Number of Customers

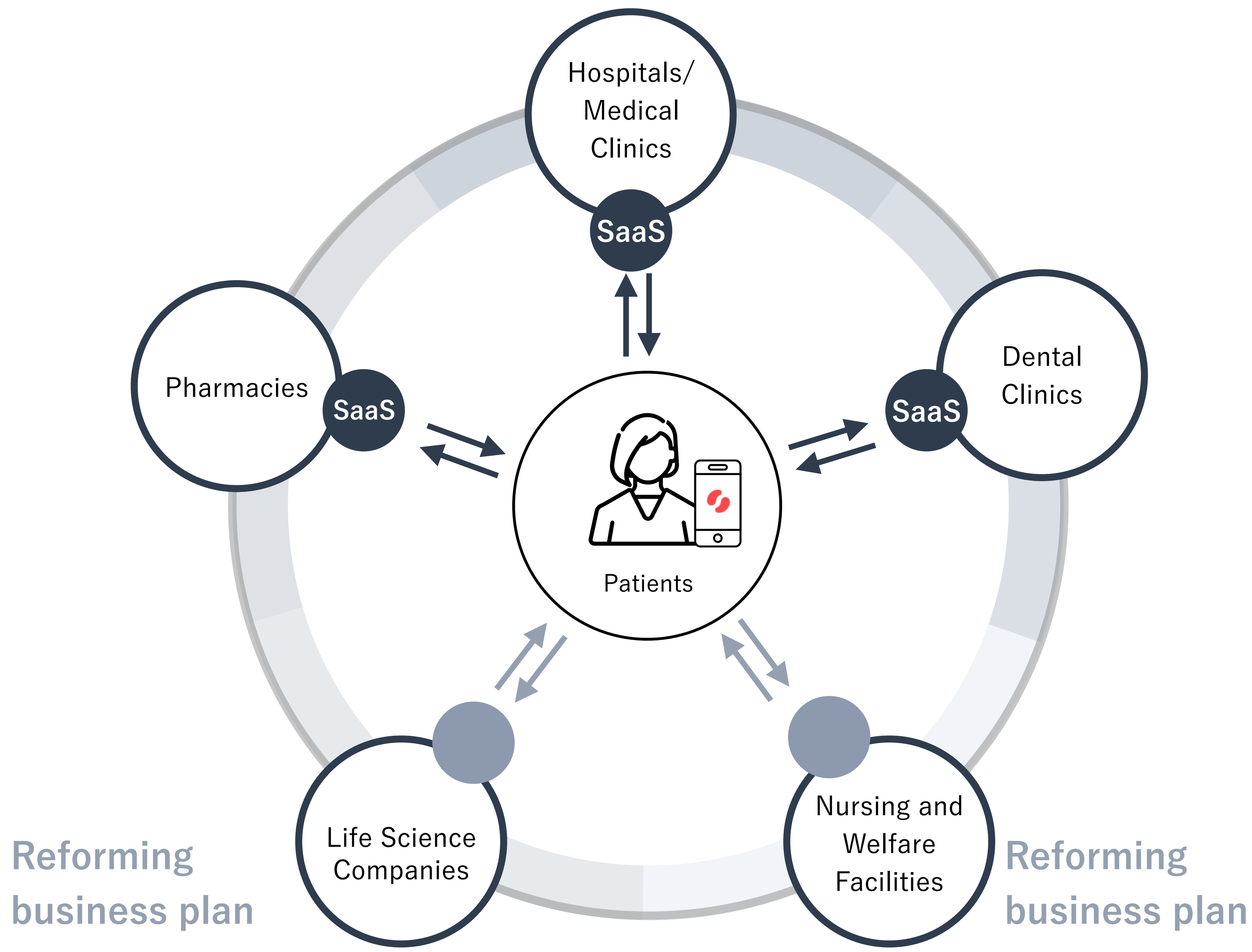
- Target customer base has sizable upside potential with roughly 260k[1] hospitals, medical clinics, pharmacies, and dental clinics.
- Conducted sales promotion that leveraged synergies with the customer base of HR PF Business.



(1) See statistical data from the Ministry of Health, Labor and Welfare.

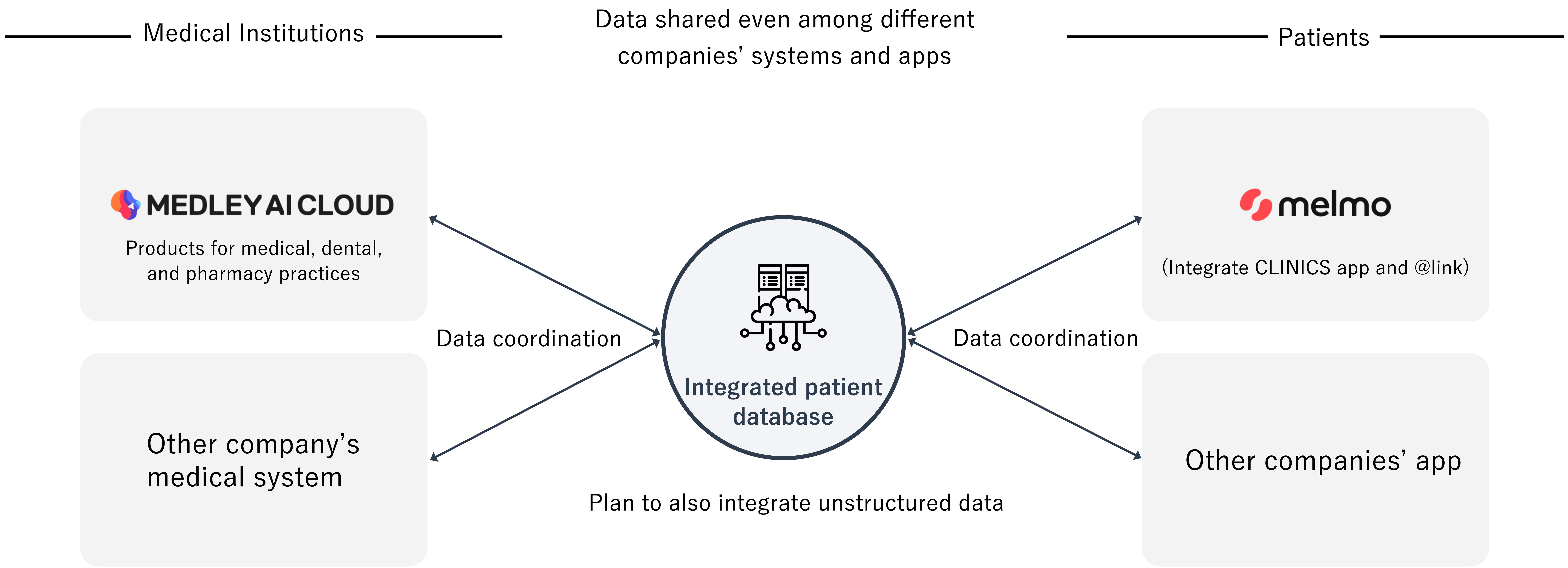
Improve ARPU

- Room for improvement in boosting efficiency of medical institutions' operations and enhancing patients' experiences by strengthening our product lineup, we aim to build a robust platform.



Medical PF: Product Development Using an Integrated Patient Database as a Core Technology

The various products offered via the Medical PF are built using an integrated patient database as a core technology (patent no. 6921177), enabling the exchange of medical data between a wide range of healthcare systems and patient-facing applications. We are constructing the database in alignment with the standardization policies of the Japanese government. As generative AI continues to evolve, we will also work to integrate unstructured data such as voice and images, with a fundamental commitment to safety and security.



Medical PF: Integration of regional medical information (MINET)

One of the unique features of our customer base is that it covers over 40% of medical and welfare offices from a wide range of categories including hospitals, clinics, pharmacies, and nursing care and public welfare facilities. We will leverage our customer base to help increase the efficiency of regional medical coordination.

Example of Hatamarunet, the special medical zone of Hata district (Kochi prefecture)

Improve medical care quality Provide more information

- Information integration
  - Integration of medical information (EMR, Medical receipts)
  - Pharmaceutical information (Pharmacy receipts)
  - Nursing care information (Nursing care systems)
- Tracing report production function

Improve medical care experience Improve health awareness

- PHR applications
- Mutual integration (Hata My Carte)
- Integration with My Number Card (Information disclosure card)
- My Number Card integrated patient ID card
- Sharing of DICOM images with patients

Efficient communication among different specialists

- e-mail
- Bulletin boards
- Online conferencing
- Group chats

Disaster mitigation

- Management of admission and discharge of evacuees into emergency shelters

Effective use of medical resources

- Telemedicine/Online drug administration guidance
- Shared usage of advanced medical equipment

Continued Disciplined Investment in Growth

MEDLEY

In order to reach our mid-term targets ahead of schedule, we will proactively invest capital secured via operating cash flow and interest-bearing debt into our business and acquisitions, while keeping companywide sales and profit growth as our principal policy. That said, if attractive investment opportunities arise, we will prioritize these opportunities over sales and profit growth.

Priority (in principle)

Uses of funds

A Investment in businesses

- **Prioritize investment opportunities, while maintaining companywide profit growth as our main policy**
  - Make use of cost merits on a pretax investment basis
  - More aggressive development of new services and functions, and allocation of associated AI-related investment
- **Maximize number of customers and achieve ARPU growth**
  - Continue to leverage cost leadership of JobMedley
  - Improve utilization rate and product lineup

B M&A

- **Focus on synergy**
  - Sizable customer base
  - Internet product development knowhow
  - Digital marketing knowhow
- **PMI based on our Global One initiative**

Dividend

- **Performance-linked, with a dividend payout ratio of approximately 30% as a guideline**

Share repurchase

- **Conduct share repurchases flexibly, based on our share price, market conditions, cost of capital and financing capacity**
- **Treasury shares in excess of 5% of total shares issued will be cancelled**

Sources of funds

C Operating cash flows from profitable businesses

- **Establish target timetable for bringing loss-making businesses into the black and systematically increase operating cash flow**
  - Focus on sound unit economics

D Debt

- **Take full advantage of financing opportunities presented by very low interest rates in Japan and our business model focused on stable, recurring sales**

D Equity

- **Equity financing will be conducted based on factors such as our share price, market conditions, and whether it is necessary to procure capital in order to reach our mid-term targets**

A: Investment in Growth Targeting Maximization of Customer Numbers and Improvement of ARPU

MEDLEY

We will proactively invest capital secured via operating cash flow and interest-bearing debt, while keeping companywide profit growth as our main policy. That said, if attractive investment opportunities arise, we will prioritize these opportunities over sales and profit growth.

Investment in Businesses

Prioritize investment opportunities, while maintaining companywide profit growth as our main policy

- Focus on achieving cost merits on a pretax investment basis, while also focusing on merits from after-tax capital base strengthening

Focus on sound unit economics

- Confirm investment return periods and LTV/CAC for all businesses
- Determine profitability timing and invest proactively in businesses with sound unit economics

Maximization of Customer Numbers

Strengthen customer base by leveraging JobMedley's cost leadership

- Maintain current customer acquisition pace
- Proactively pursue cross-selling by leveraging group-wide customer management system

ARPU Improvement

① Increase customer usage rate

- Continuous improvement

② Strengthen product lineup

- New services under development
- Proactively pursue business and capital alliances with other companies

B: Promoting Digitalization in the Healthcare Sector Through Synergy-Focused M&A

MEDLEY

We view M&A as an important growth driver. Our group companies will work together to promote digitalization by focusing on creating synergies utilizing our robust customer base in the healthcare sector.

	Hospitals	Medical Clinics	Dispensing Pharmacies / Drug Stores	Dental Clinics	Nursing and Welfare Facilities
Core Systems	Jan 2021: Acquired MALL EMR	Feb 2016: Launched CLINICS	Jan 2025: Acquired MEDIXS	Jan 2022: Launched DENTIS	Under consideration
	Oct 2024: Acquired @link		Sep 2020: Launched MEDIXS：かかりつけ支援 (Rebranded from Pharms)		Apr 2015, Jan 2025: Acquired みんかい (Integrated Kaigo-no-Honne to Minkai)
Related Systems	Feb 2021: Acquired Job Medley academy Online training system				

Leverage customer base

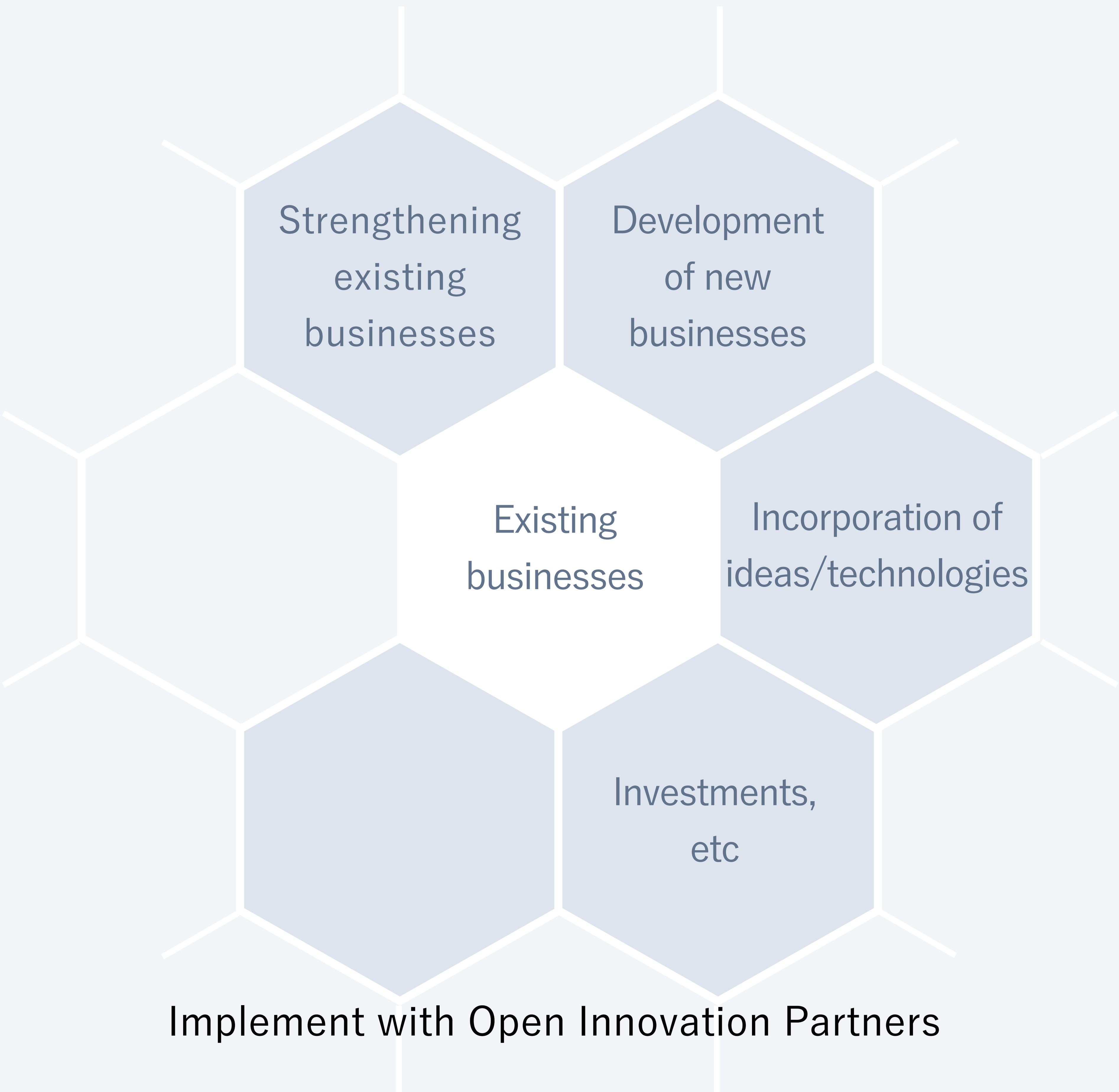
Job Medley GUPPY

Number of customers: 460k(1)

(1) As of end of June 2026

B: Business Development Leverage from Medley Open Innovation

In order to accomplish our mission of “Creating the future of medical healthcare”, we will strengthen our open innovation initiatives. We define open innovation as sparking innovation by leveraging the business/research assets and knowledge of outside companies and individuals such as researchers, entrepreneurs, and experts. <u>During the period covered by our new mid-term target, we will use open innovation to create 10 or more businesses eligible for consolidation</u>.



Implement with Open Innovation Partners

New mid-term target period:
consolidate 10 or more businesses

Main Goals

- Initiatives to strengthen the HR PF and Medical PF segments
  - Adapting and delivering partner companies' non-healthcare-specific products for the medical and healthcare field
  - Consigned development of new products and functions based on our portfolio concept, as well as businesses based on these products and functions
- Development of new business segments that we will manage in the future
- Secure access to other ideas and technologies that we lack
- Make investments related to the above (minority stakes)

Examples of resources that can be used by partners

- Outreach to our customer base in the medical healthcare field
- Access to proof-of-concept sites and requests for cooperation from potential customers
- Technological resources including patient integration infrastructure
- Knowledge sharing related to our corporate design
- Temporary support and recruitment assistance for development and business activities

B: Overview of Completed M&A and Open Innovation

MEDLEY

We will develop a wide range of systems necessary to create the future of medical and healthcare. We plan to develop our business based on three development pillars: in-house development, M&A, and open innovation. See below for a review of the M&A deals and investments we have completed.

Open Innovation

Name	Start of Initiative	Investment	Status
Equitas Medical Co., Ltd.	Jun. 2026	Not disclosed	・ Implemented a linkage with CLINICS
Hedgehog MedTech, Inc.	Oct. 2025	Not disclosed	・ Became a subsidiary of Medley in March 2026.
SAN-EI MEDISYS CO.,LTD.	Aug. 2025	Not disclosed	・ Implemented a linkage with CLINICS
buzzreach Inc.	Aug. 2025	Not disclosed	・ Considering collaboration with medical clinics area
corte Inc.	Aug. 2025	Not disclosed	・ Implemented a linkage with MEDIXS in the area of dispensing
SIND Inc.	Jul. 2025	Not disclosed	・ Considering collaboration with the hospitals area.
mairu tech Inc.	Jul. 2025	Not disclosed	・ Considering creating synergies with the hospitals area
HITOTSU, Inc.	Jul. 2025	Not disclosed	・ Considering creating synergies with Medical PF
Philduct Inc.	Mar. 2025	Not disclosed	・ Implementing initiatives to generate synergies with Dentis
GeCS, Inc.	Feb. 2025	Not disclosed	・ Working to create synergies with “Annyo” platform provided by GeCS
emol inc.	Dec. 2024	Not disclosed	・ Working to achieve synergies with various projects in the Medical PF Business
Medical & Technologies, Inc.	May. 2024	JPY 1.2bn	・ Developing products that contribute to the efficiency of medical providers and regional medical coordination

M&A

Name	Impacted segment	Timing	Price	Annual sales	Status
Recruit Medical Career	HR PF	Aug. 2026	JPY 1.0bn	JPY 2.6bn	・ Expand market share of the HR PF business in the areas of physicians, pharmacists, and hospitals. Develop BPO business using AI ・ Acquisition of 100% issued shares of the newly established RM CAREER Co., Ltd.
AxisRoot	Medical PF	Jan. 2025	JPY 7.9bn	JPY 1.7bn	・ Integration with Pharms will streamline operations and greatly strengthen our connection with patients
ATN	New Services	Jan. 2025	JPY 1.3bn	JPY 0.9bn	・ Accelerate DX in the industry with Minkai (referral services for prospective residents to nursing care facilities) and Renkei san (discharge coordination support system)
Offshore	Medical PF	Oct. 2024	JPY 2.6bn	JPY 1.0bn	・ Taking measures to create synergies with projects undertaken by the Medical PF Business
GUPPY’s	HR PF/New Services	Apr. 2024	JPY 11.8bn	JPY 2.4bn	・ Working to create synergies with JobMedley. Sold healthcare business in April 2025
Lalune	Medical PF	Feb. 2024	JPY 0.5bn	JPY 0.3bn	・ Creation of synergies with our business to improve patients’ medical access
MEDLEY Financial Service	Medical PF	Sep. 2023	JPY 0.5bn	JPY 0.1bn	・ Launched special plan for existing customers under the “Medley Funding Support” program
Tenxia	HR PF	Sep. 2022	JPY 0.1bn	JPY 0.1bn	・ Implementing initiatives to generate long-term synergies with recruitment system
MEDiPASS	HR PF/Medical PF/ New Services	Feb. 2021	JPY 1.5bn	JPY 1.2bn	・ Integrated online training system with Medley in Jan 2022, improved core functions, and developed multilingual support ・ Sold other businesses in January 2025
Pacific Medical	Medical PF	Jan. 2021	JPY 0.8bn (80%)	JPY 0.6bn	・ Strengthened MALL EMR system for hospitals and clinics with beds and MINET regional medical cooperation system ・ In preparation for the launch of MALL’s cloud-native version
Proof-of-concept testing	Medical PF	Dec. 2020	-	-	・ Contributed considerably to development of Pharms. As facilities where proof-of-concept testing is conducted serve as models for the future, we are considering retaining ownership of other facility formats
Source code of dental billing system	Medical PF	Aug. 2019	JPY 0.1bn	-	・ Leveraged knowhow to completely rebuild system assets acquired in 2019 and released new system Dentis in January 2022
NaCl MEDICAL	Medical PF	Mar. 2019	JPY 0.5bn	-	・ Made progress in development of new cloud-based medical billing system software and merged the company with Medley

C: Increase Operating Cash Flow by Making Loss-making Businesses Profitable in Line with Our Plans

MEDLEY

We focus on our companywide sales growth rate. For individual businesses, rather than focusing solely on sales growth rates, we set target years for bringing loss-making businesses into the black and will increase operating cash flow in line with our plans.

Cash generation phase: Positive operating cash flow
Profitability phase: Operating cash flow negative, but unit economics sound (return on investment expected)
Commercialization phase: Creation of business model targeting generation of operating cash flow, unit economics carefully monitored

	Profitable in FY2025	In the red in FY2025	
	Cash generation phase	Profitability phase	Commercialization phase
HR PF	Job Medley Job Medley academy GUPPY		
Medical PF	CLINICS MALL MEDIXS MINET MEDLEY 早期資金サポート Factoring business Expected to turn profitable in FY27	DENTIS	MEDLEY • Preparation for next phase • No expansion of losses
New Services	Expected to turn profitable in FY26	みんかい 一緒に考えて、心から納得できる選択を。 Nursing facility search service	Recruitment System in the US EMR for Acute Care Hospitals

D: Financial base for flexible investment

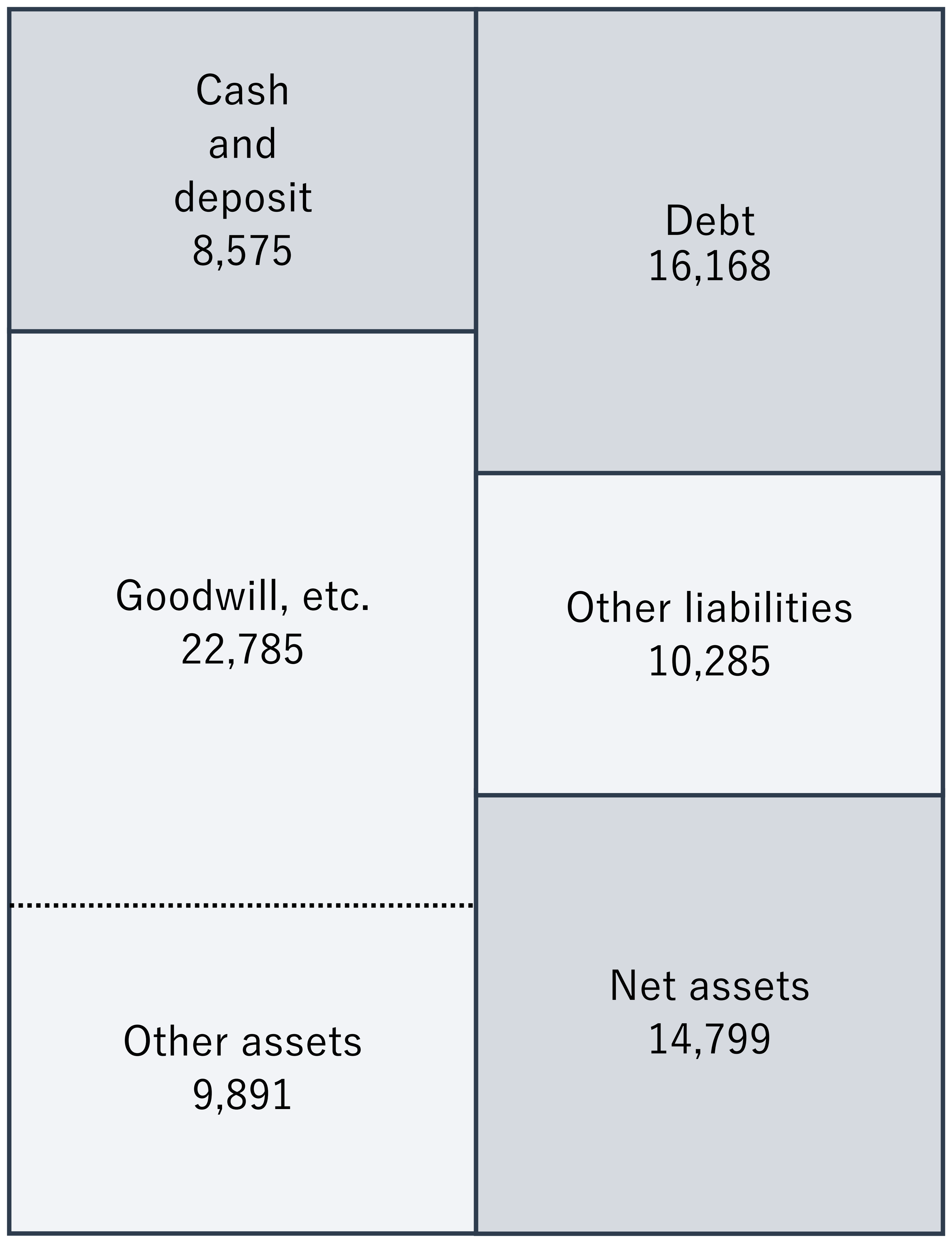
Operating cash flow produced by our businesses is on a rising trend owing to business expansion and margin improvement in our existing businesses. We estimate that our investment capacity (including additional borrowing capacity) will be approximately JPY 90 billion during the period covered by the new mid-term target, and we expect to be able to take advantage of attractive investment opportunities.

Current financial position and outlook for investment capacity

Consolidated balance sheet as of December 2025 (JPY mm)

- Operating cash flow continues to rise and **we expect to generate total operating cash flow of over JPY 40 billion during** the mid-term target period.
  (**FY24 to FY25 actual: JPY 5.9bn**)

- Our investments will include M&A mainly focused on potential synergies
- Funds available for investment during the mid-term target period **total roughly JPY 40 billion assuming no additional capital procurement**
  (**FY24 to FY25 actual: JPY 20.2bn**)



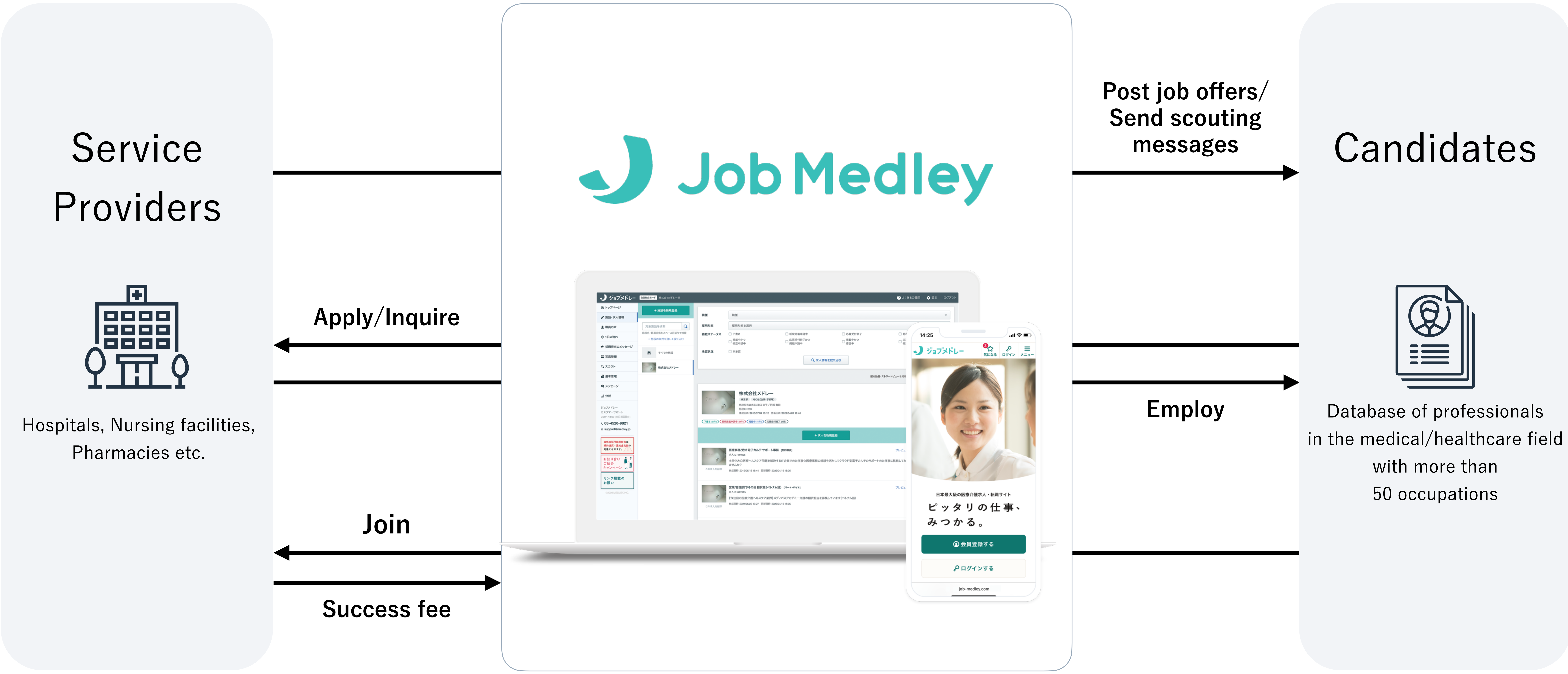
Capital ratio: 35.9%, D/E ratio: 1.09x

- Owing to our focus on cost of capital, we plan to **prioritize debt financing over equity financing**.
- Factoring in accumulation of net assets from profit achieved during the period covered by the mid-term target, and assuming that we maintain a debt-to-equity ratio below 1.0x, we have additional borrowing capacity of **approximately JPY 50 billion**.
  (**FY24 to FY25 actual: JPY 20.7bn**)

HR PF: Success-fee-based Hiring Support System for Medical / Healthcare Industry

MEDLEY

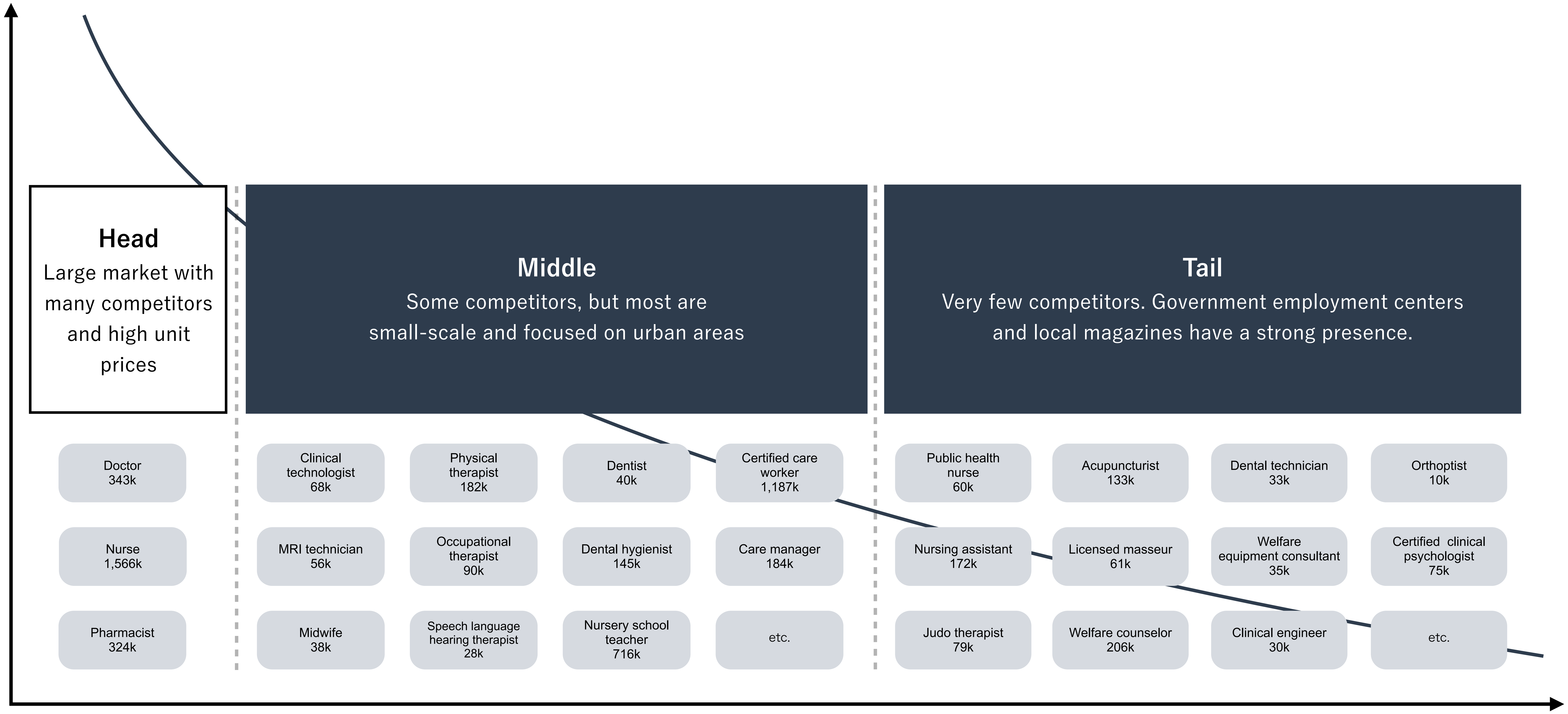
JobMedley is a recruitment system used by businesses (mainly medical institutions) in the nursing, childcare, and healthcare fields. Recruitment information for over 50 types of qualified professionals can be entered into the system and placement fee is charged when a placement is successfully made. The placement fee varies depending on the occupation type and hiring classification.



HR PF:
Industry Has a Long-tail Structure: Our Strengths Are in the Middle and Tail Segments

Out of the 10 million workers in the medical/beauty healthcare industry, 21% are doctors, nurses, and pharmacists, a segment where many competing services operate. On the other hand, there are few competitors for occupations representing the remaining 79% of workers - the middle and tail segments - where we have captured a leading market share. We currently have over 3.3 million users in more than 50 occupations registered in our platform and we have seen expansion in the Head segment in recent years.

Our Target Area[(1)]

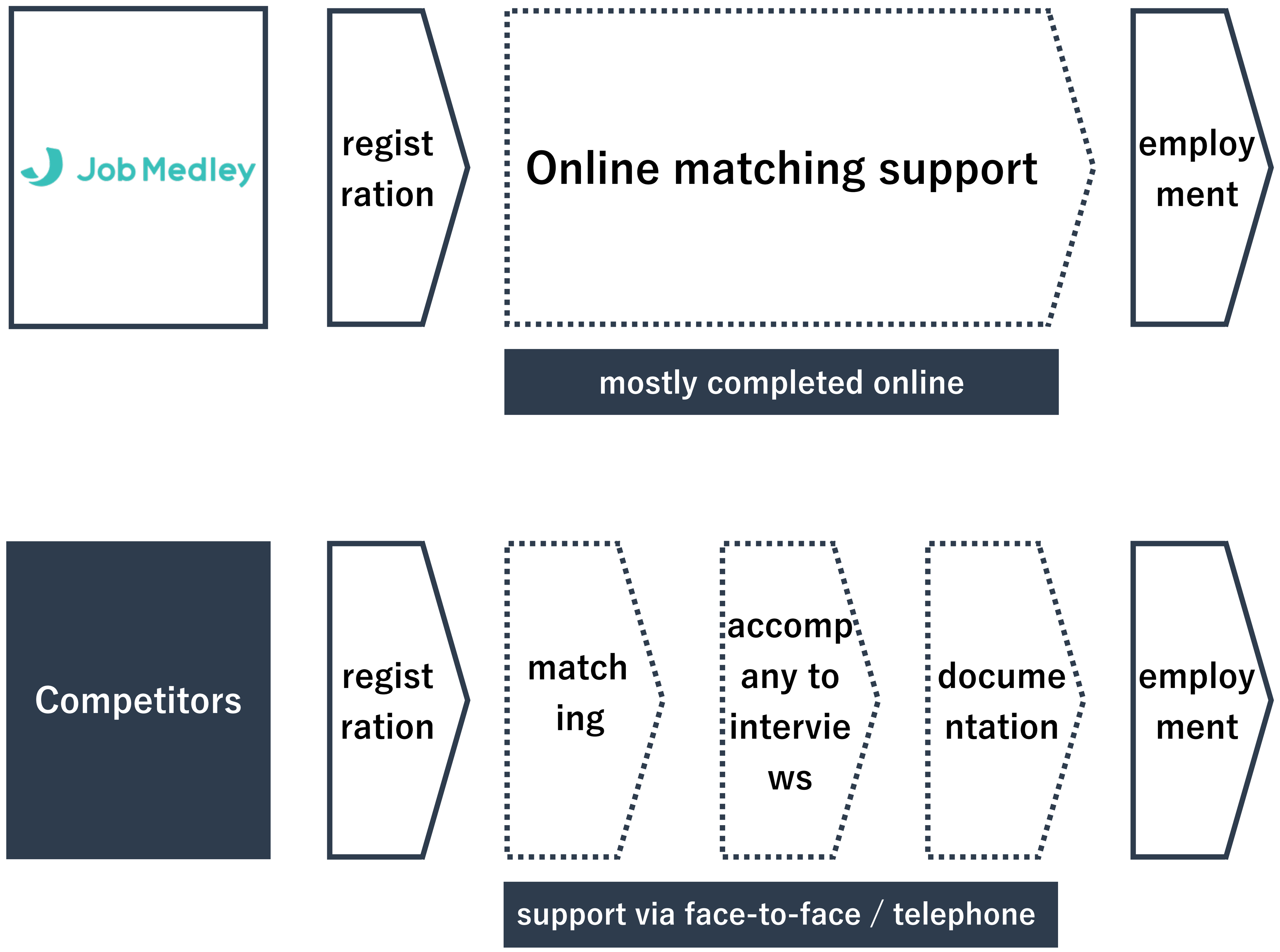


(1) Ministry of Health, Labour and Welfare statistics

HR PF: Low-cost Structure Gives Advantages in Terms of Pricing

JobMedley covers more than 50 different types of medical/healthcare occupations, and recruitment success fee is approximately 50 - 80% lower than the industry average. While many recruitment agencies conduct most of their business in person, JobMedley replaces these with web-based services and online support.

Improved Efficiency by Leveraging Online Support



Price Advantages

Job Medley

Success Fee (of annual income; back calculation)

3～12% (1)

Major Recruitment Agencies

Success Fee (of annual income)

20～35% (2)

(1) Ratio of our recruitment success fee to annual salary (full-time) is calculated based on the 2022 Basic Survey on Wage Structure (range of nurses, childcare professionals, physiotherapists, dentists, and caregivers)

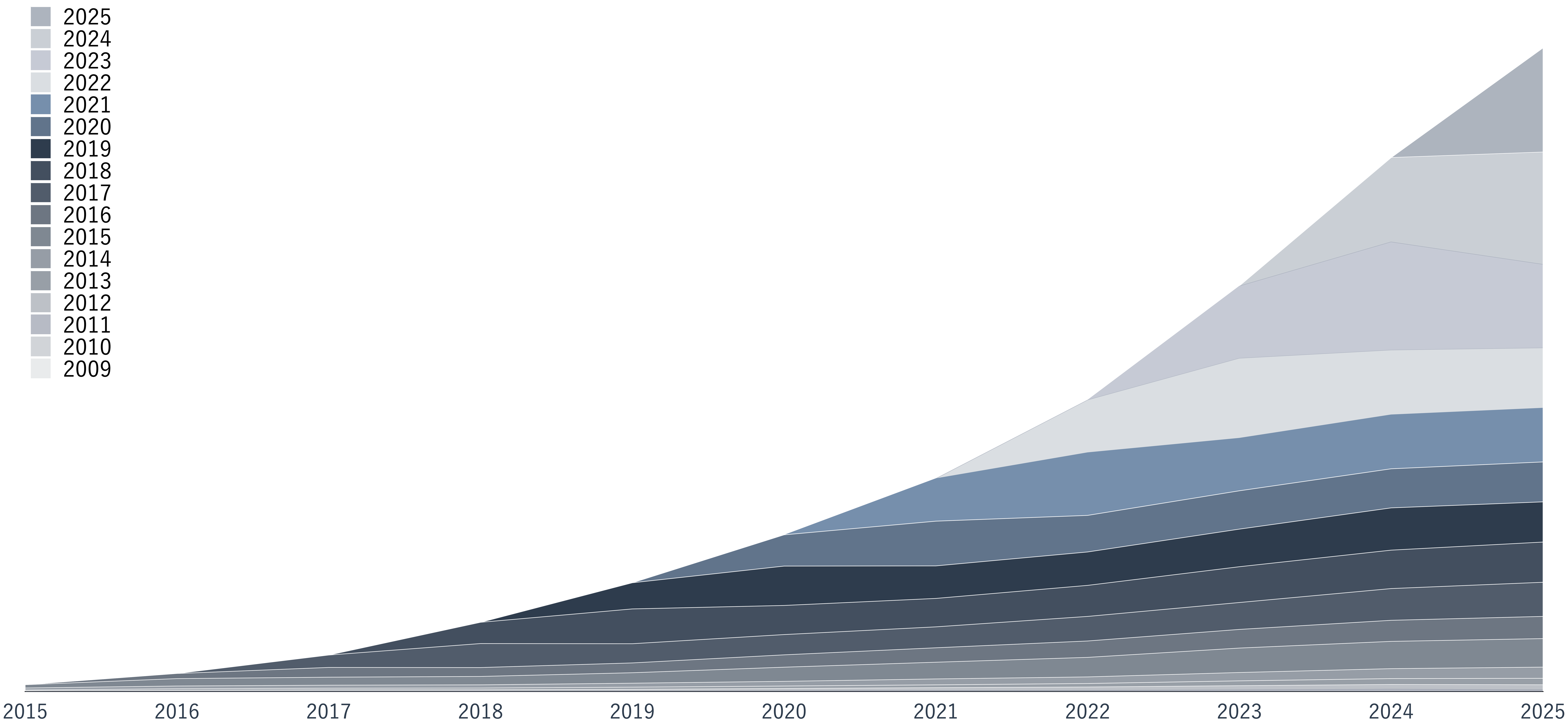
(2) This refers to typical fees for recruitment services for occupations such as doctors, nurses, childcare professionals, physical therapists, dentists, and care workers among the 53 occupations we handle. (Some recruitment services employ different methods for setting success fee amounts that are different from that described above)

HR PF:
Building a Stable Customer Base with Repeat Customers

MEDLEY

We are building a stable customer base by encouraging customers to become repeat users of JobMedley. Recently acquired customers are making extensive use of our scouting functions. This has boosted the ratio of applicants per job offering and contributed to sales growth.

Sales by Customer Acquisition Year (1)

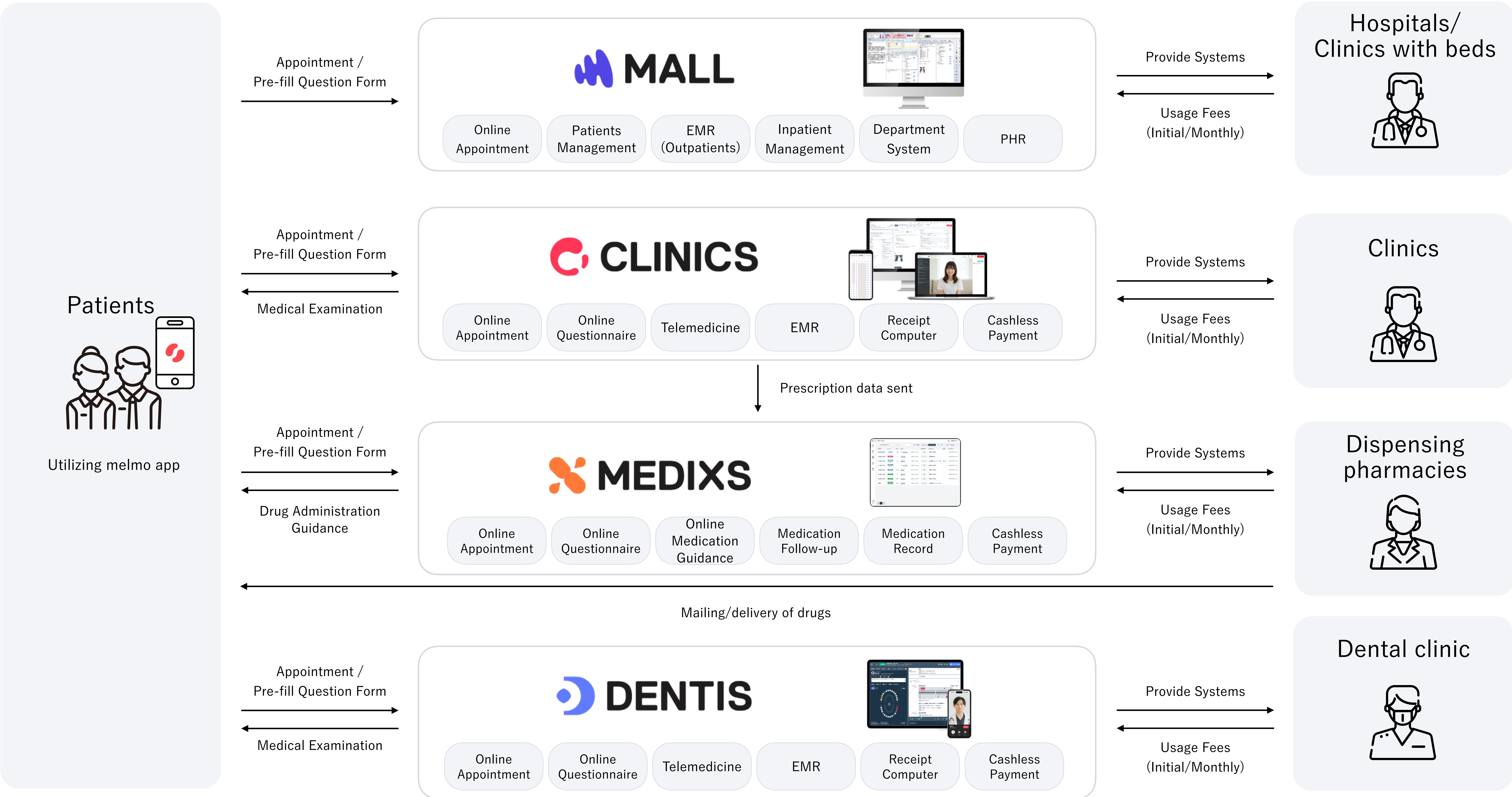


(1) Based on per-customer annual orders/sales value data.

Medical PF: Earnings Model: Platform Fee From Medical Institutions

MEDLEY

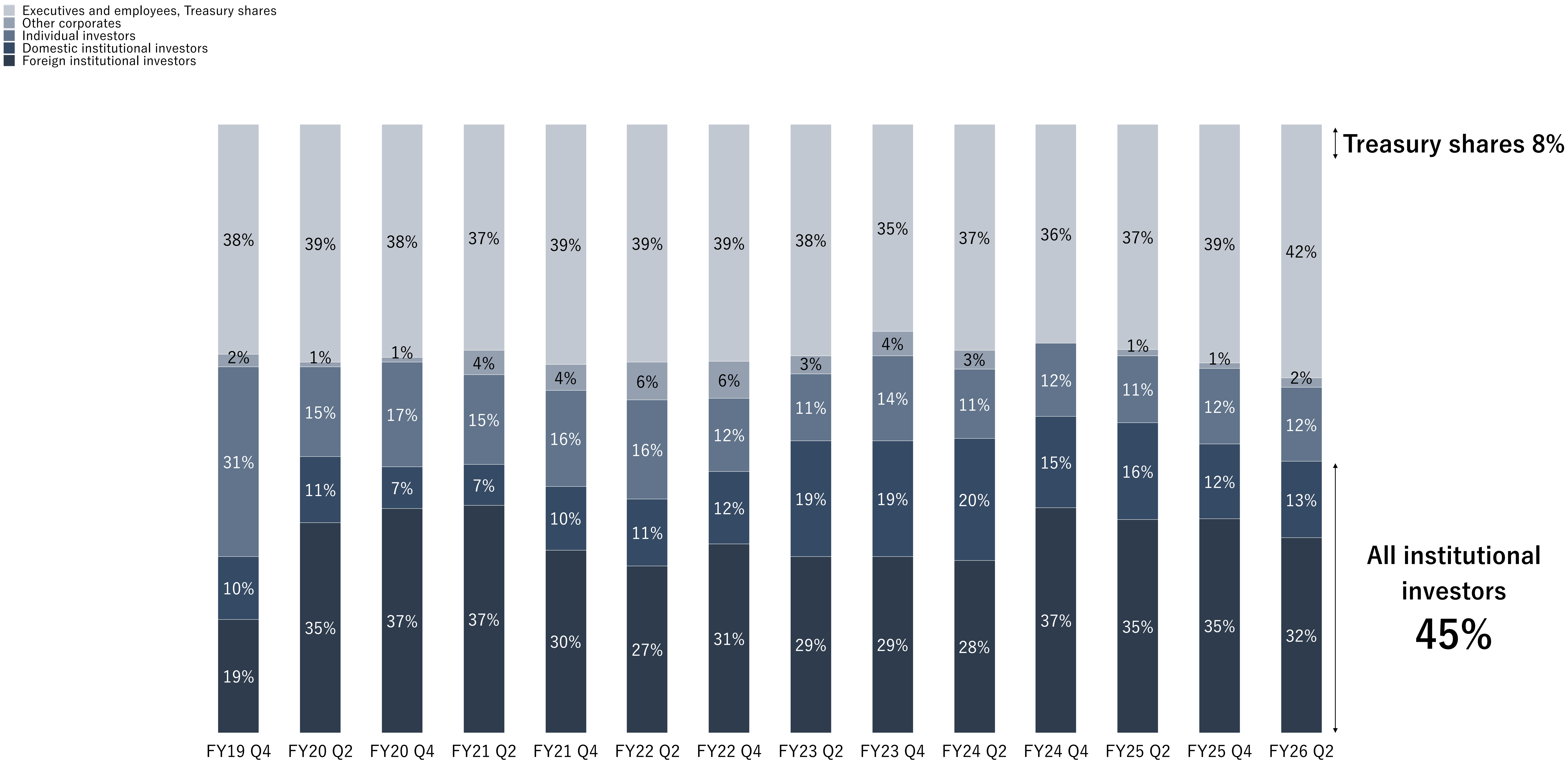
These products employ an earnings model whereby they receive system usage fees from medical clinics, hospitals, dispensing pharmacies, and dental clinics. Usage fees include initial fees for installation and monthly fee payments. These systems and melmo (formerly CLINICS app) offer patients a seamless experience — online and offline — from consultation through to their digital medication record.



Change in Ratio of Ownership

MEDLEY

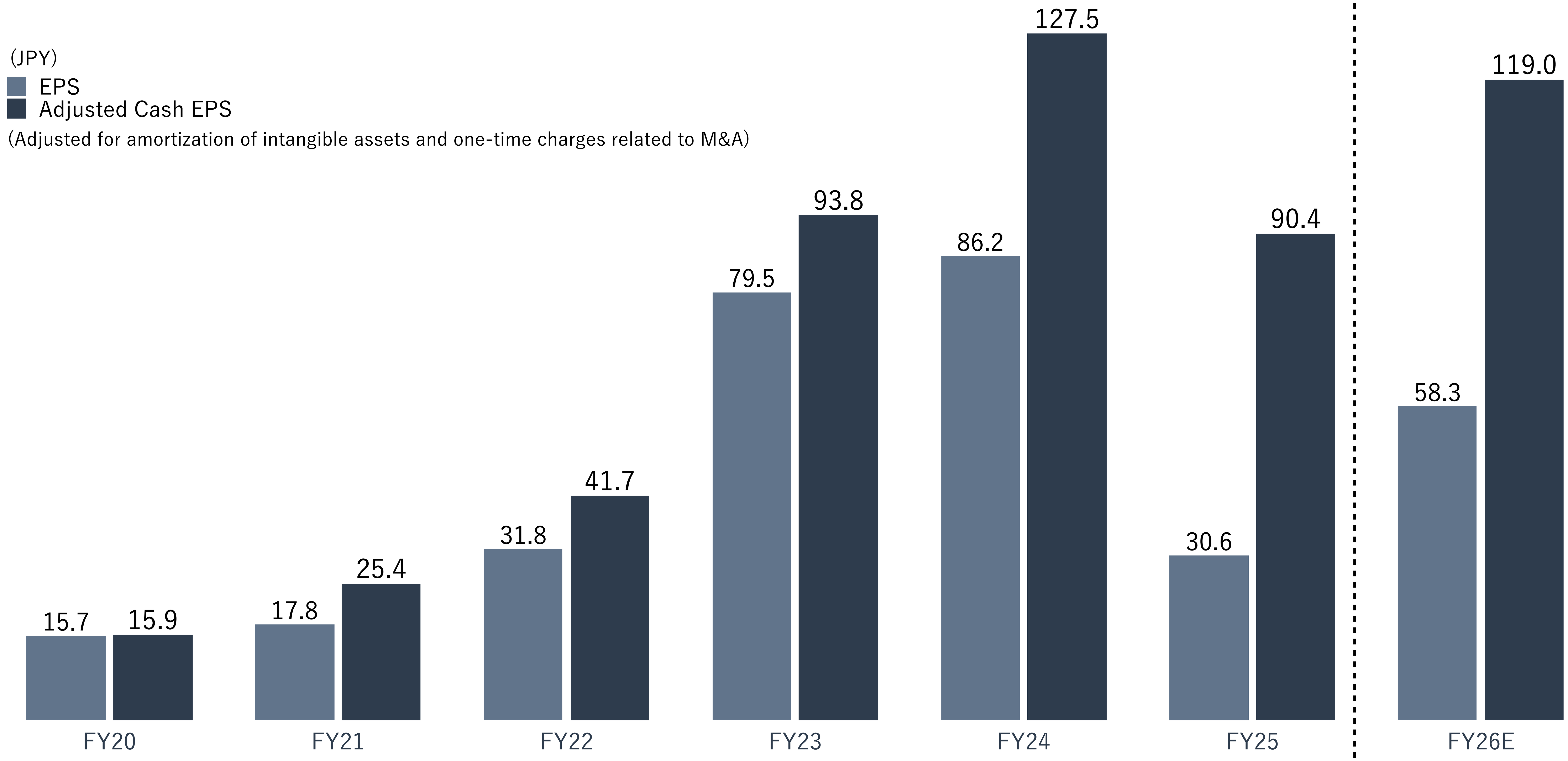
The ratio of institutional investors, mainly overseas institutional investors, accounts for 45% as of end-June 2026. We will continue to endeavor to provide robust disclosure that helps both institutional and individual long-term investors make investment decisions.



Cash EPS / EPS Trends and Forecast

MEDLEY

EPS and Cash EPS adjusted for amortization of M&A-related intangible assets and one-time expenses are expected to increase in FY26 due to profit growth and the share buyback. We will continue to strengthen control of profit, EPS, and Cash EPS to achieve continuous expansion.

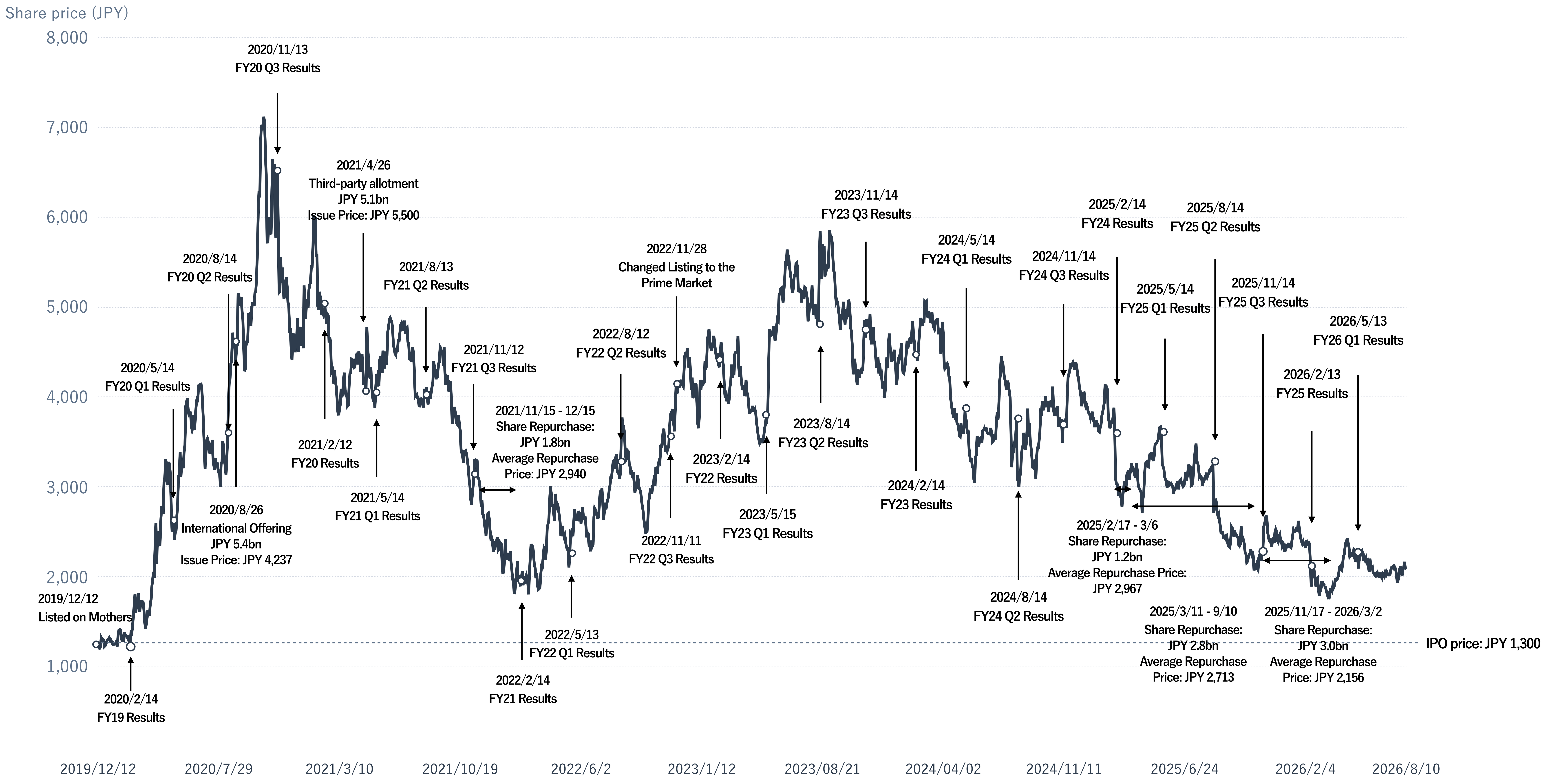


(JPY mm)	FY20	FY21	FY22	FY23	FY24	FY25	FY26E
Net Profit (1)	**455**	**563**	**1,017**	**2,566**	**2,798**	**975**	**1,800**
+) Amortization of Goodwill	-	+113	+154	+222	+773	+1,355	+1,393
+) Amortization of Customer-related Assets, Net of Tax	-	+61	+72	+81	+337	+480	+482
+) One-time M&A-related Expenses	+4	+66	+91	+155	+231	+69	-
= Adjusted Profit	**460**	**805**	**1,336**	**3,026**	**4,141**	**2,881**	**3,676**
Number of Shares Issued (2)(3) **(thousand shares)**	**29,063**	**31,656**	**32,032**	**32,269**	**32,475**	**31,866**	**30,900**

(1) Figures for FY2021 and earlier are based on the previous standard
(2) FY25 and earlier are calculated based on the average number of shares outstanding during each fiscal year, excluding treasury shares.
(3) FY26 is calculated by excluding the number of treasury shares from the total number of shares issued and outstanding at the end of FY25.

Historical Share Price

MEDLEY



Identification of Materiality

We prioritize issues to be addressed (materiality) in order to meet the expectations and demands of our stakeholders. Our materiality is determined based on issues directly related to our mission, “Creating the future of medical and healthcare”. By working to solve these critical issues, we strive to continuously contribute to society while increasing enterprise value.

Creating the Future of Medical and Healthcare

Solutions for social challenges through our businesses

Promotion of digitalization in medical and healthcare industry

For medical providers
- Streamlining operation through internet products
- Solving lack of workforce in medical and healthcare field

For patient users
- Provision of medical information
- Supports in utilizing medical services

For government & communities
- Participation in proof-of-concept testing/information provision
- Supports for disaster areas
- Supports for infection prevention measures

Fundamentals backing our businesses

Ensuring information security and privacy protection
- Ensuring information security
- Privacy protection of users

Promotion of diversity & inclusion
- Promotion of hiring and active participation of diverse human resources

Strengthening of governance
- Strengthening of corporate governance

For more information, access our corporate website.

MEDLEY

Creating the Future of Medical and Healthcare