



Financial Results Q1 FY3/2027

August 2026

NexTone Inc.

TSE Growth Market: 7094

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Executive Summary

Highlights of Financial Results Q1 FY3/2027

- ✓ Net sales increased year-on-year due to growth in each business, and operating profit increased significantly by 72.0% year-on-year.
- ✓ The number of songs under copyright management and the number of master recordings handled increased, and the base for growth steadily expanded.

Transaction volume

121.7

(¥100 million)

YoY **+20.2%**

Net sales

58.4

(¥100 million)

YoY **+9.0%**

Operating profit

5.5

(¥100 million)

YoY **+72.0%**

Number of songs under copyright management

85.2

YoY **+12.4**

QoQ increase or decrease **+2.9**
(10,000 songs)

Number of master recordings handled

170.0

YoY **+17.9**

QoQ increase or decrease **+4.3**
(10,000 master recordings)

Summary of Financial Results

Q1 FY3/2027

Summary of Financial Results Q1 FY3/2027

- ✓ Each business performed well and business performance expanded. Operating margin improved significantly to 9.6% due to successful cost control measures.

(¥100 million, unless otherwise stated)

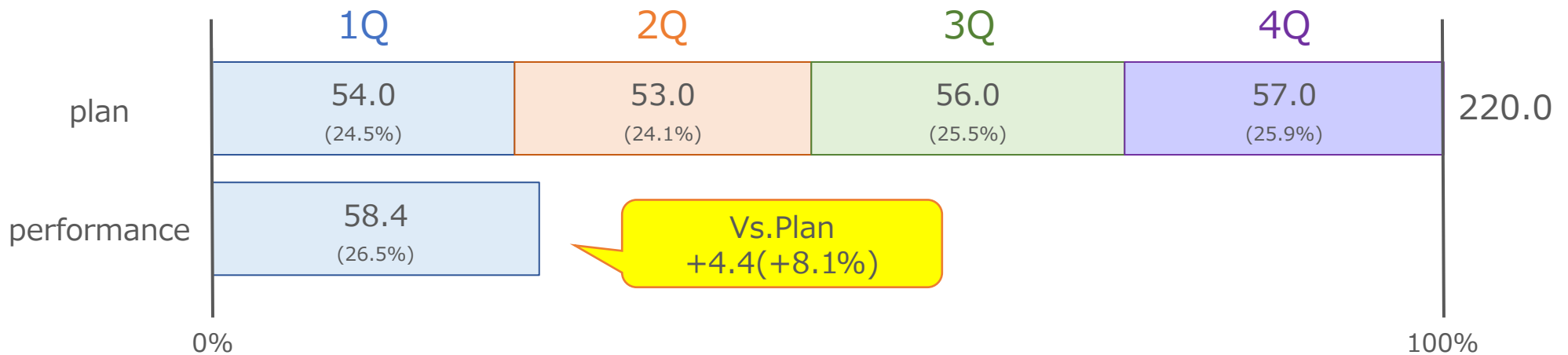
	FY3/2026	FY3/2027	YoY		FY3/2026	FY3/2027
	1Q	1Q	increase or decrease	percentage change	full fiscal year	full-year Plan
Net sales	53.6	58.4	+4.8	+9.0%	207.7	220.0
SG & A	10.0	10.2	+0.2	+1.9%	40.1	42.0
Operating profit	3.2	5.5	+2.3	+72.0%	13.0	16.0
Ordinary profit	3.2	5.7	+2.5	+76.2%	13.3	16.0
Profit attributable to owners of parent	2.1	3.3	+1.2	+58.8%	7.9	10.0
Operating profit margin	6.1%	9.6%	+3.5pt	-	6.3%	7.3%
Number of songs under copyright management (10,000 songs)	72.7	85.2	+12.4	+17.2%	82.3	97.0
Number of master recordings handled (10,000 master recordings)	152.1	170.0	+17.9	+11.8%	165.7	176.0

Quarterly Financial Results 1

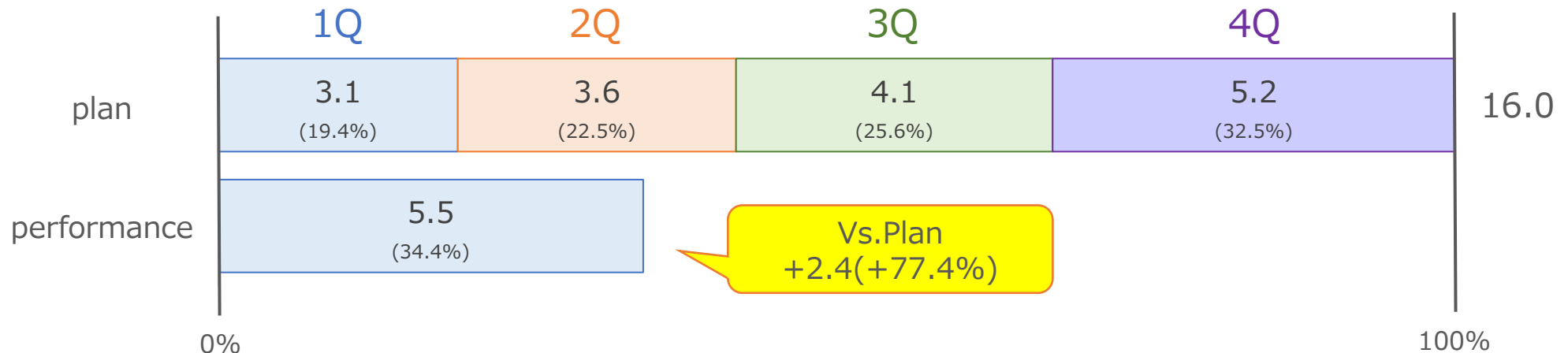
- ✓ Net sales and operating income both exceeded the plan, and we have made a good start toward achieving the full-year plan.

Net sales

(¥100 million)



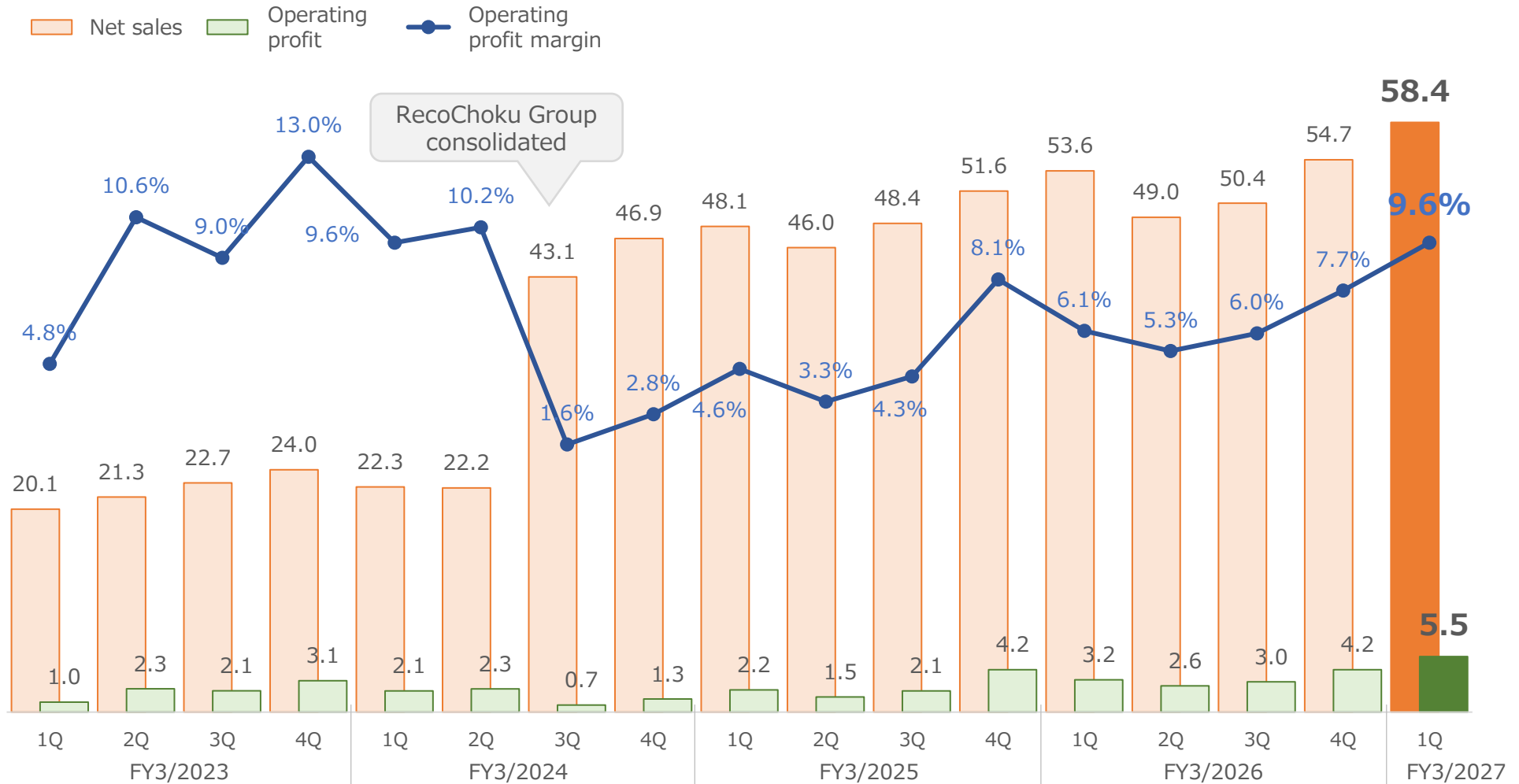
Operating profit



Quarterly Financial Results 2

- ✓ Quarterly revenue levels steadily increased. As the music-related market expands, the steady accumulation of "stock assets"—specifically the number of songs under copyright management and master recordings handled—has further solidified the trend of rising revenue and profits over the medium to long term.

(¥100 million)



Results by Segment (1/4) ■ Copyright Management Business

- ✓ Both net sales and operating profit increased year-on-year due to an increase in the amount collected from the mainstay management segments of "Interactive transmissions," "Mechanical rights, etc.," and "Broadcasting, etc." against the backdrop of the expansion of the music-related market.

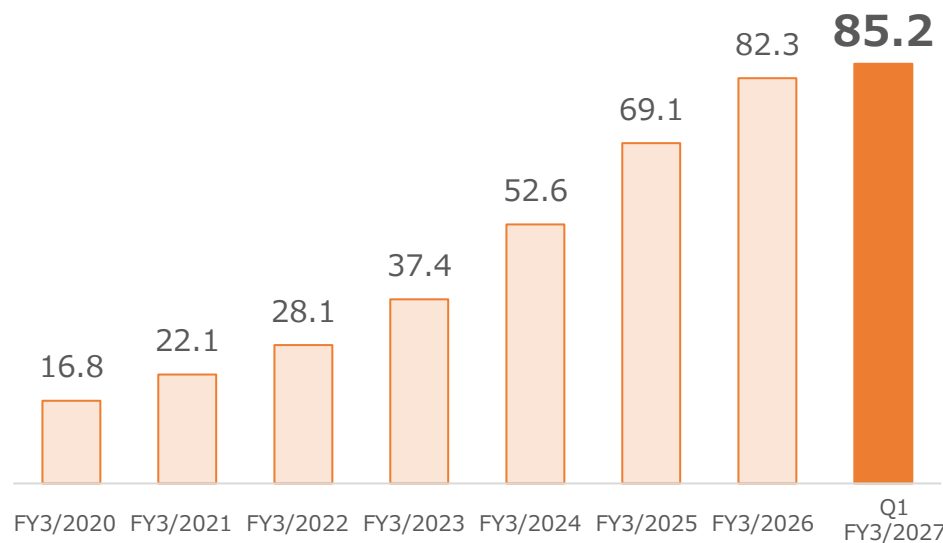
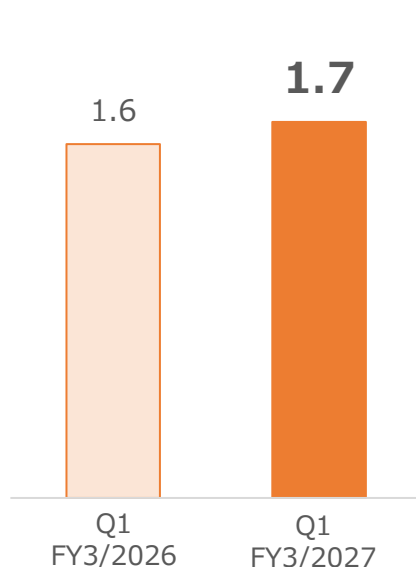
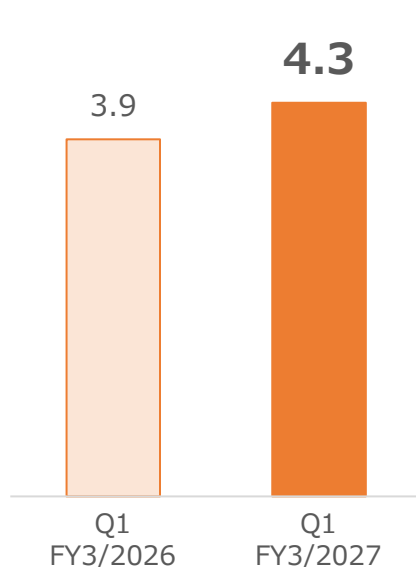
(¥100 million, unless otherwise stated)

	FY3/2026	FY3/2027	YoY		FY3/2026	FY3/2027
	1Q	1Q	increase or decrease	percentage change	full fiscal year	full-year Plan
Net sales	3.9	4.3	+0.4	+10.2%	16.0	17.0
Operating profit	1.6	1.7	+0.1	+9.0%	7.0	7.0

Net sales
(¥100 million)

Operating profit
(¥100 million)

Number of songs under copyright management
(10,000 songs)

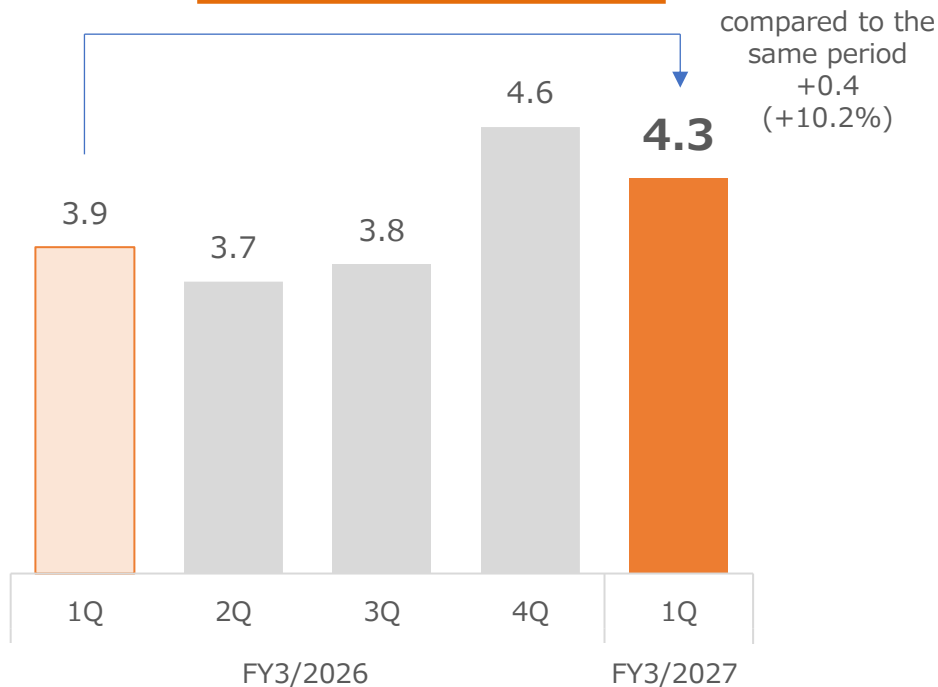


Quarterly Financial Results ■ Copyright Management Business

(¥100 million)

	FY3/2026				FY3/2027
	1Q	2Q	3Q	4Q	1Q
Net sales	3.9	3.7	3.8	4.6	4.3
Operating profit	1.6	1.6	1.5	2.3	1.7

Quarterly Net sales
(¥100 million)

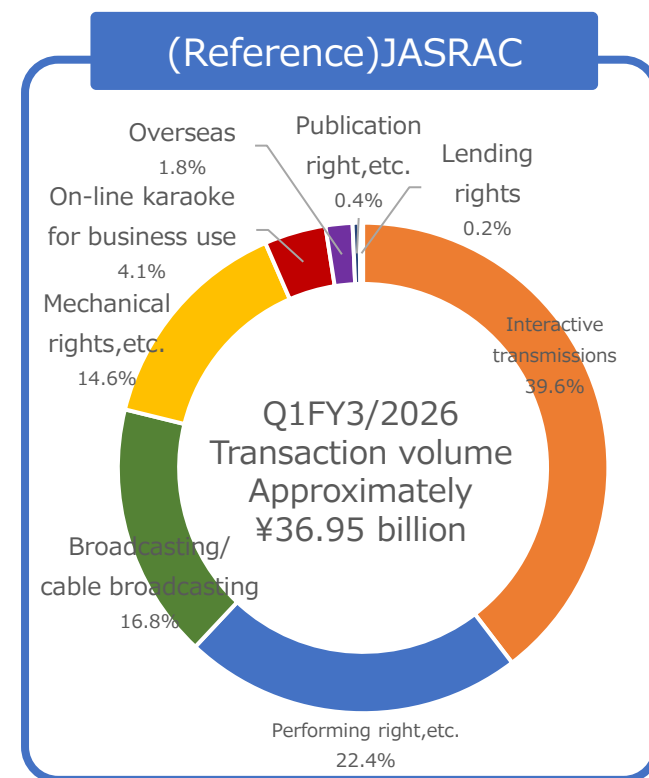
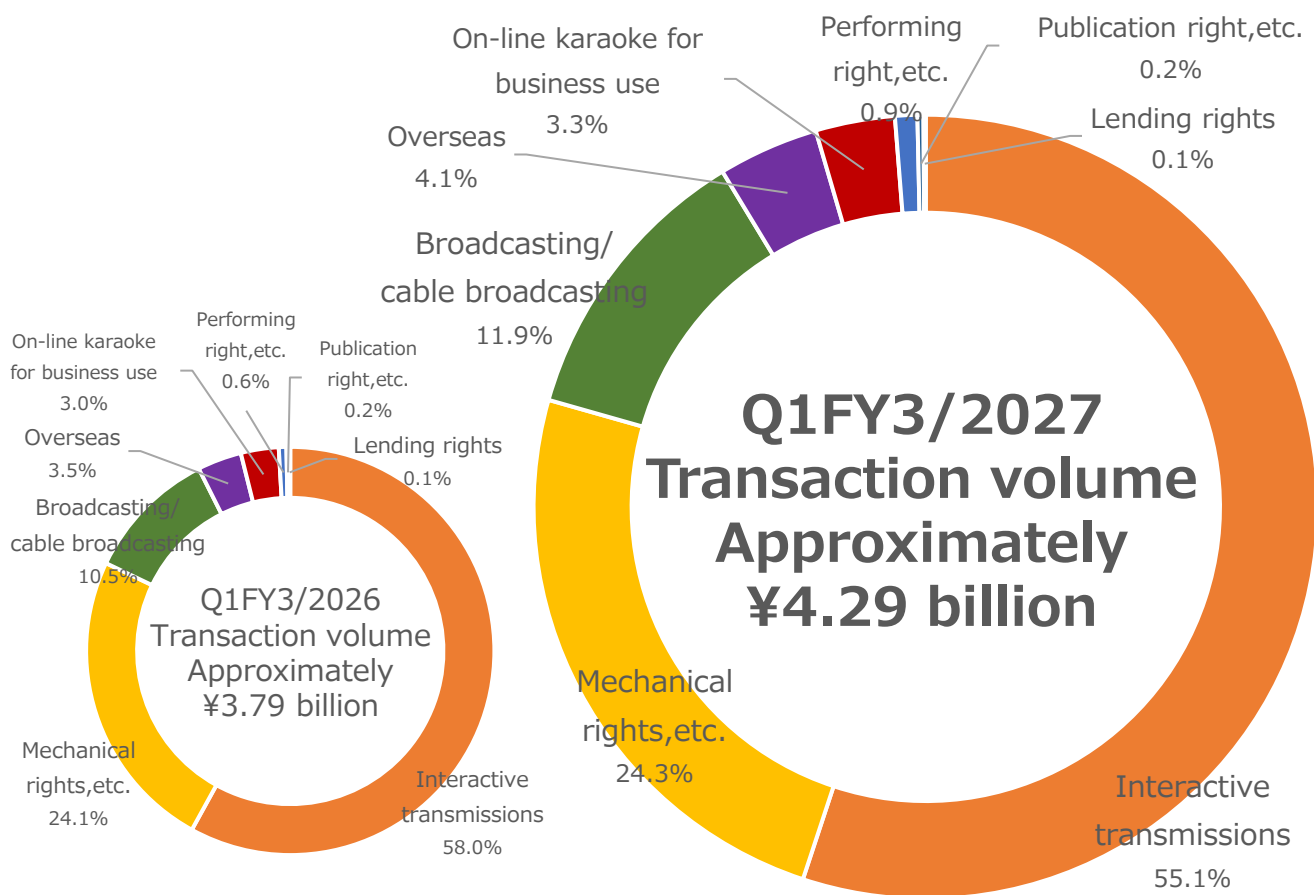


Quarterly Operating profit
(¥100 million)



Breakdown of Transaction volume

- ✓ Transaction volume revenue from copyrights management services grew to 4.29 billion yen (+13.2% YoY).
- ✓ In the Interactive transmissions segment, revenue in transaction volume was 2.36 billion yen (+7.6% YoY), remaining steady against the backdrop of the expansion of the music distribution market.



Reference: The Japanese Society for Rights of Authors, Composers and Publishers website

Results by Segment (2/4)

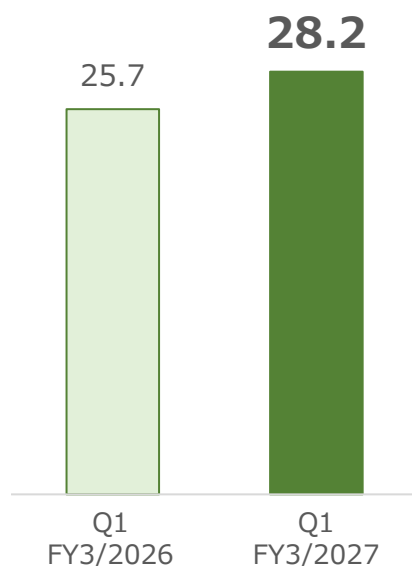
■ DD(Digital Content Distribution) Business

- ✓ Net sales and profit increased year-on-year due to growth in the music distribution market, service price revisions in the global DSP, and a steady increase in the number of master recordings handled.

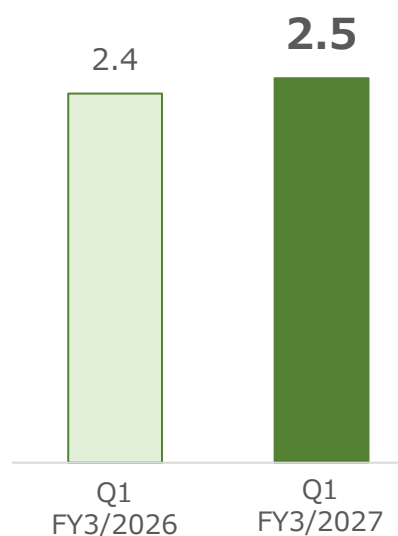
(¥100 million, unless otherwise stated)

	FY3/2026	FY3/2027	YoY		FY3/2026	FY3/2027
	1Q	1Q	increase or decrease	percentage change	full fiscal year	full-year Plan
Net sales	25.7	28.2	+2.5	+9.8%	103.4	114.0
Operating profit	2.4	2.5	+0.1	+4.4%	10.4	11.0

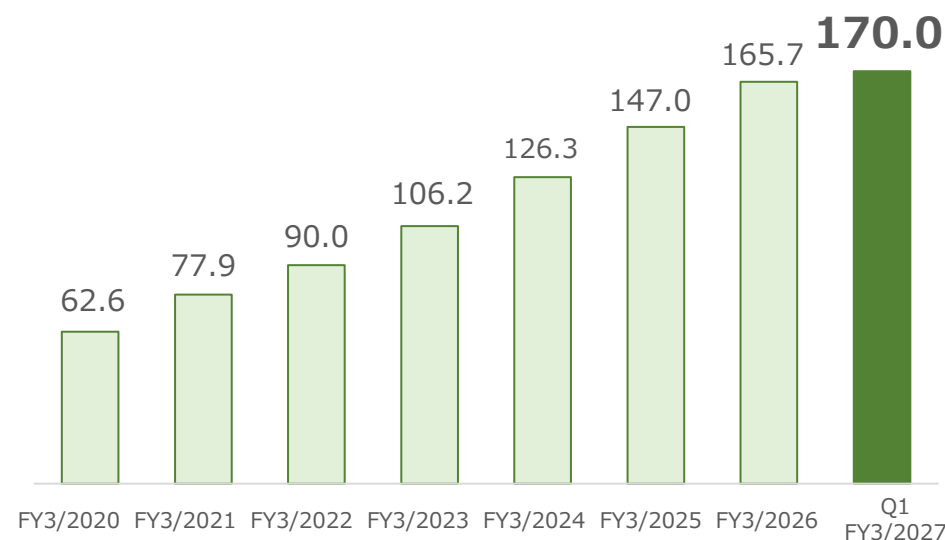
Net sales
(¥100 million)



Operating profit
(¥100 million)



Number of master recordings handled
(10,000 master recordings)



* The number of master recordings handled for RecoChoku has been added from the FY3/2024.

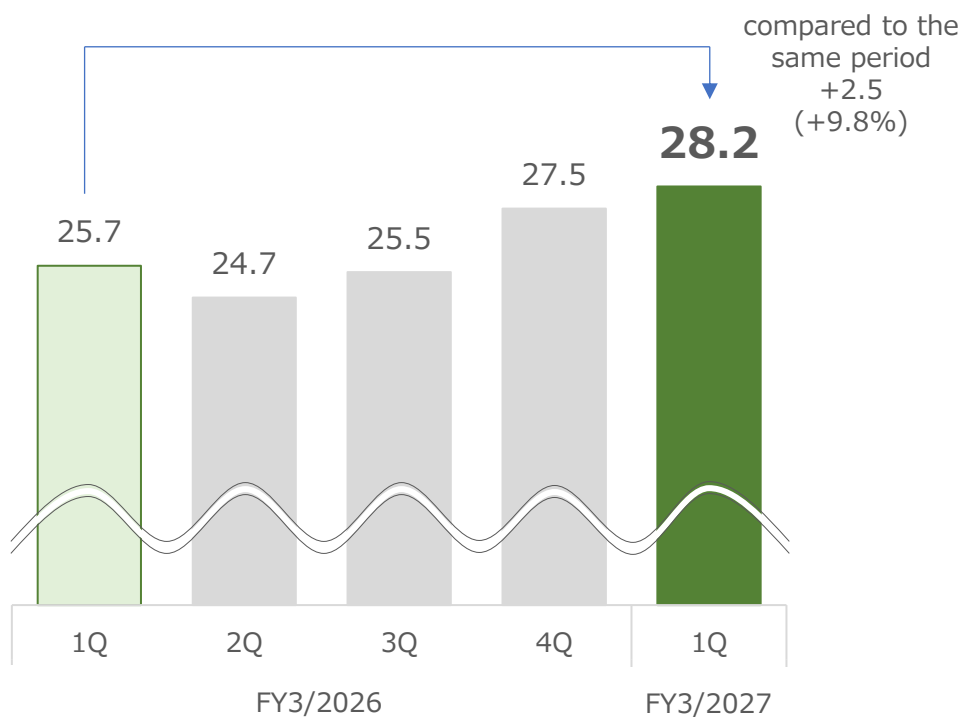
Quarterly Financial Results

■ DD (Digital Content Distribution) Business

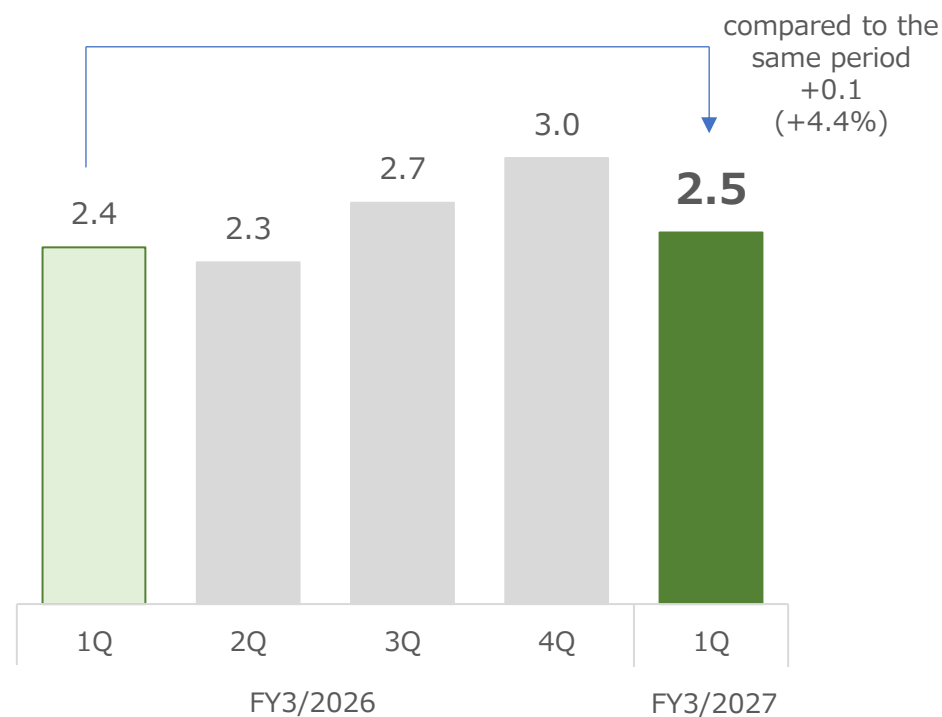
(¥100 million)

	FY3/2026				FY3/2027
	1Q	2Q	3Q	4Q	1Q
Net sales	25.7	24.7	25.5	27.5	28.2
Operating profit	2.4	2.3	2.7	3.0	2.5

Quarterly Net sales
(¥100 million)



Quarterly Operating profit
(¥100 million)

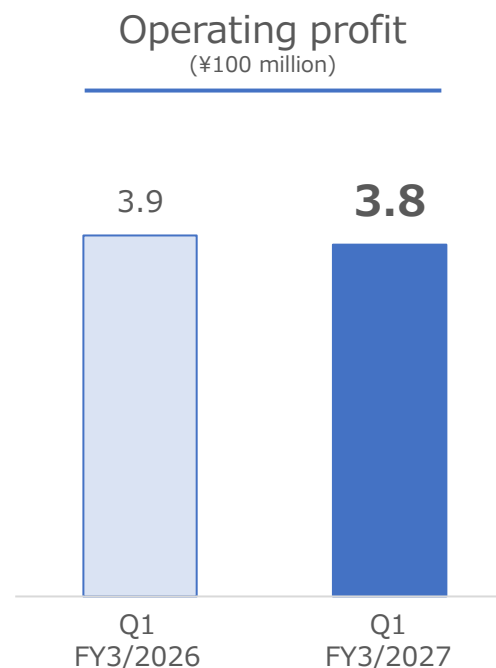
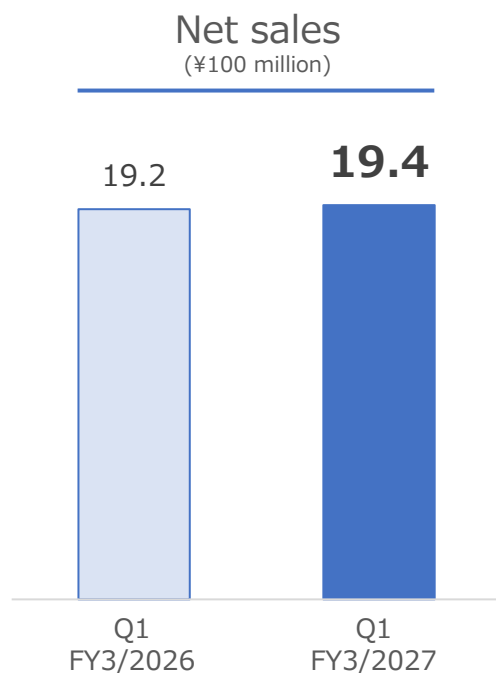


Results by Segment (3/4) ■ Digital Music Provider

- ✓ Revenue remained at the same level as the previous fiscal year, and services for companies expanded, resulting in a steady performance overall.

(¥100 million, unless otherwise stated)

	FY3/2026	FY3/2027	YoY		FY3/2026	FY3/2027
	1Q	1Q	increase or decrease	percentage change	full fiscal year	full-year Plan
Net sales	19.2	19.4	+0.2	+0.8%	77.2	73.0
Operating profit	3.9	3.8	-0.1	-2.5%	15.6	13.0

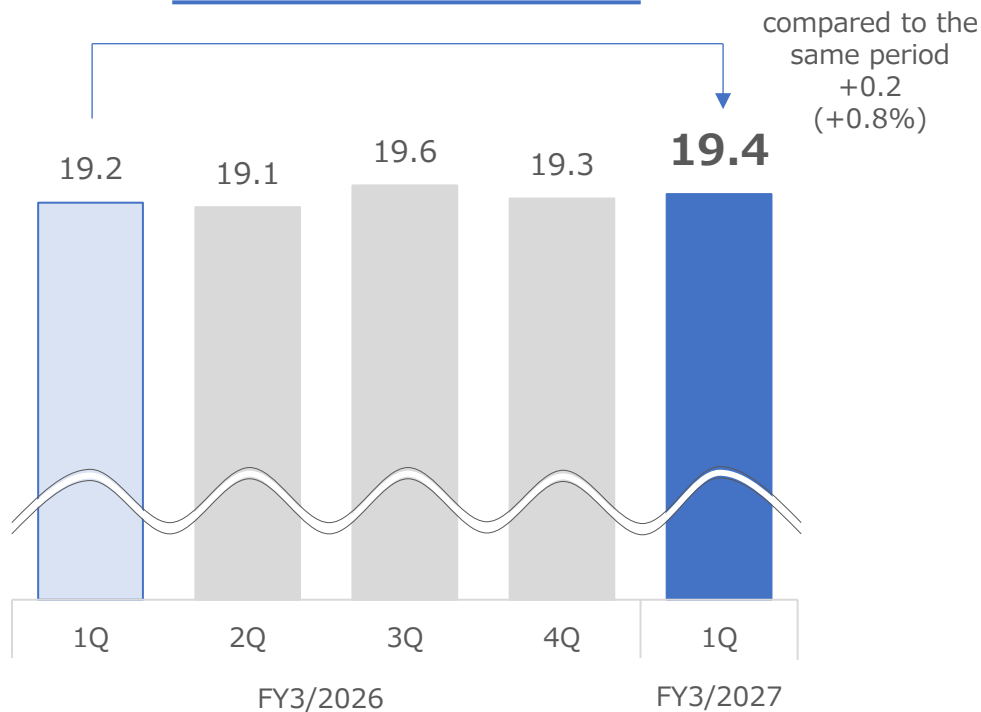


Quarterly Financial Results ■ Digital Music Provider

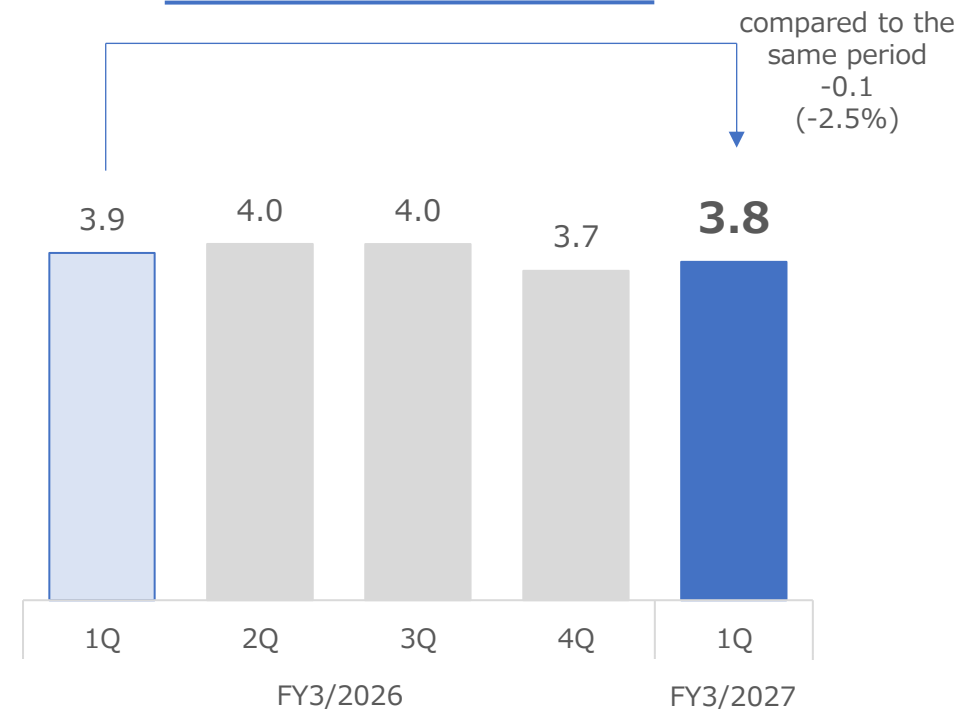
(¥100 million)

	FY3/2026				FY3/2027
	1Q	2Q	3Q	4Q	1Q
Net sales	19.2	19.1	19.6	19.3	19.4
Operating profit	3.9	4.0	4.0	3.7	3.8

Quarterly Net sales
(¥100 million)



Quarterly Operating profit
(¥100 million)

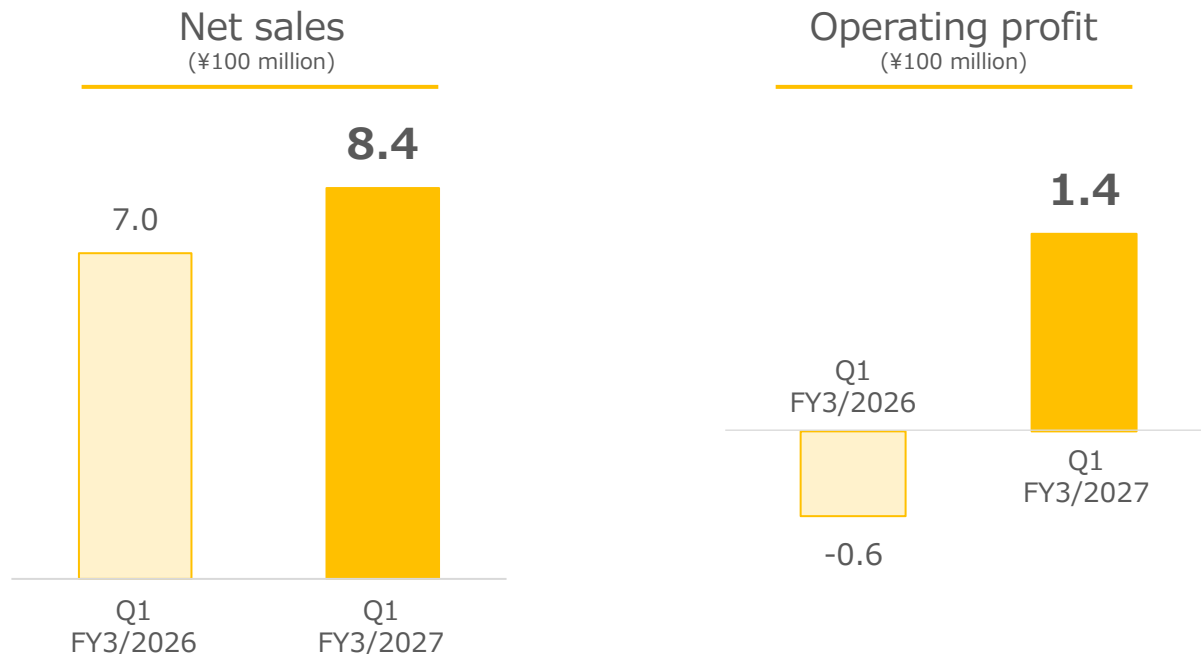


Results by Segment (4/4) ■ Business Support

- ✓ The company returned to profitability with improved profitability due to the transfer of some of the businesses of Eggs, a consolidated subsidiary, to third parties on March 31, 2026.
- ✓ The direct e-commerce site “murket” of consolidated subsidiary RecoChoku performed well.

(¥100 million, unless otherwise stated)

	FY3/2026	FY3/2027	YoY		FY3/2026	FY3/2027
	1Q	1Q	increase or decrease	percentage change	full fiscal year	full-year Plan
Net sales	7.0	8.4	+1.4	+19.4%	19.7	24.0
Operating profit	-0.6	1.4	+2.0	—	-3.2	1.0



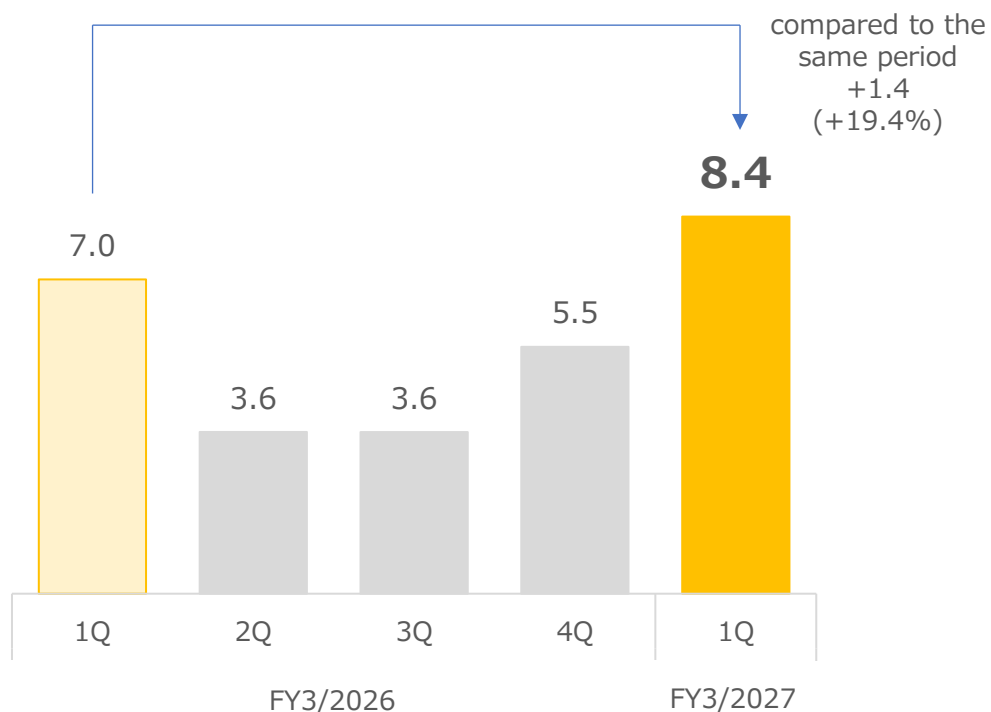
Quarterly Financial Results ■ Business Support

(¥100 million)

	FY3/2026				FY3/2027
	1Q	2Q	3Q	4Q	1Q
Net sales	7.0	3.6	3.6	5.5	8.4
Operating profit	-0.6	-1.0	-1.3	-0.3	1.4

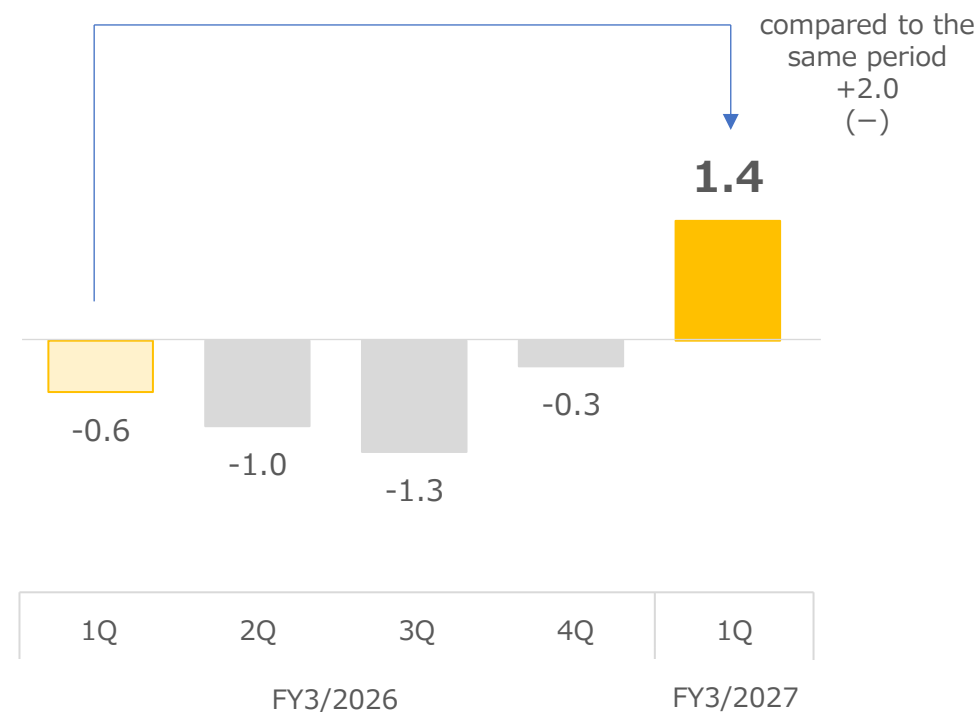
Quarterly Net sales

(¥100 million)



Quarterly Operating profit

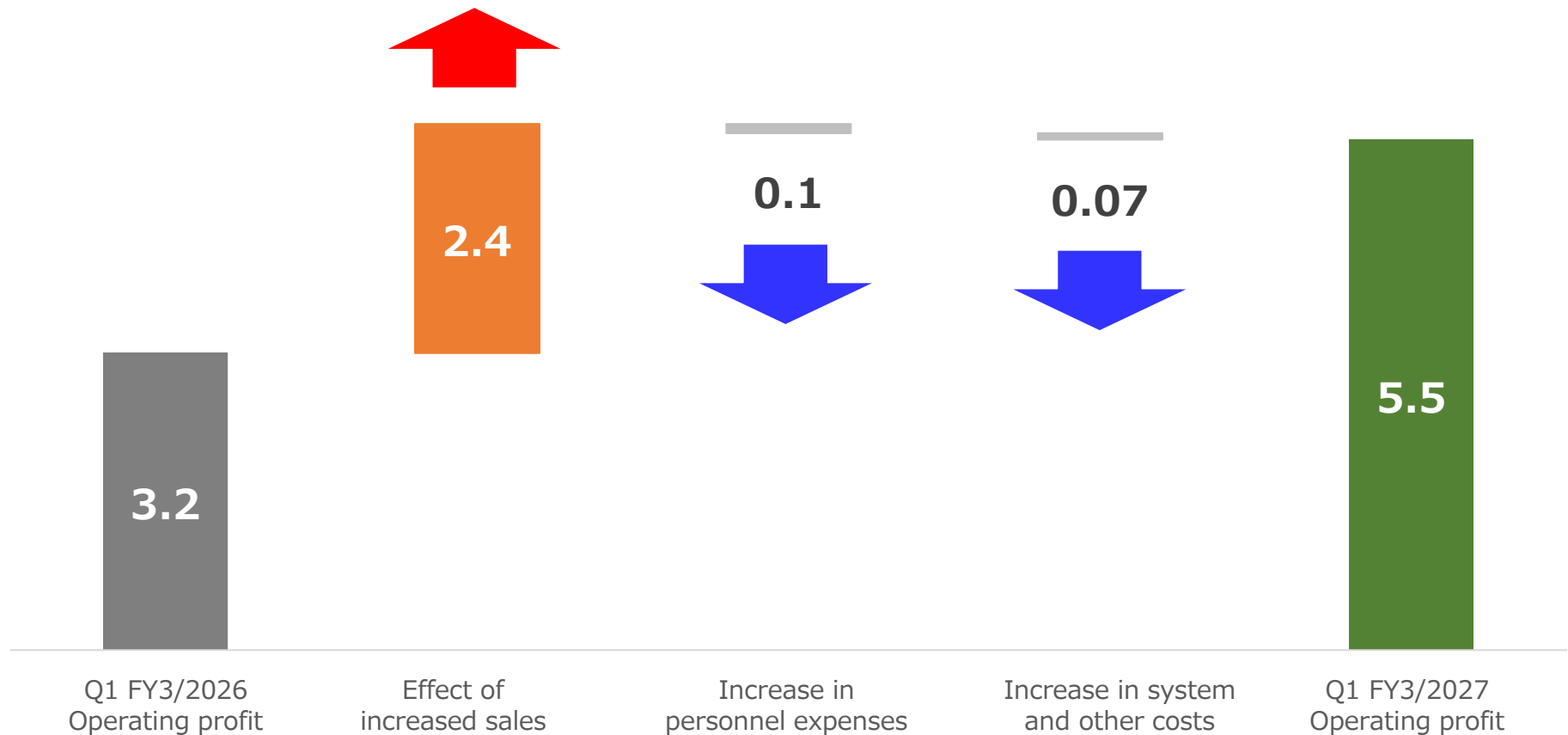
(¥100 million)



Factors for Changes in Operating profit

- ✓ Operating profit increased as the effect of increased sales absorbed the increase in personnel expenses, system expenses, and other costs.

Factors for Changes in Operating profit (¥100 million)



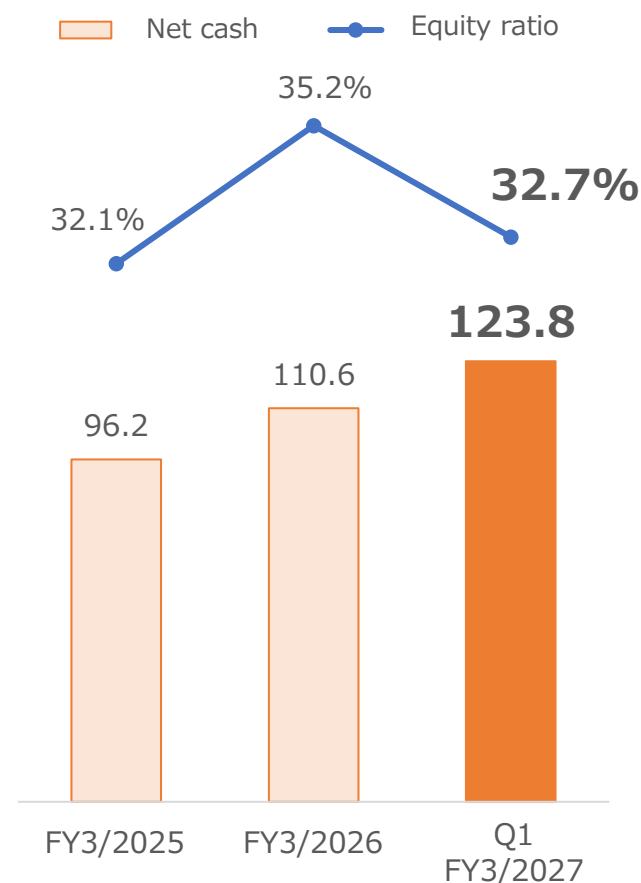
Status of balance sheet

- ✓ Net assets are approximately 6.7 billion yen. Meet TSE Prime Market listing standards for net assets of ¥5 billion or more.
- ✓ Continue to manage our business without debt. Net cash was approximately ¥12.38 billion. We will continue to consider investments in personnel and systems for growth, investments that will lead to future business expansion and revitalization of the music industry, including M&A, and shareholder returns.

(¥100 million)

	FY3/2025	FY3/2026	1Q FY3/2027	YOY
Current assets	122.7	135.0	151.5	+16.5
Cash and deposits	96.2	110.6	123.8	+13.2
Accounts receivable	17.4	17.2	23.3	+6.1
Non-current assets	25.5	23.1	22.9	-0.2
Intangible assets	17.8	16.4	16.2	-0.2
total assets	148.3	158.2	174.4	+16.2
Liabilities	91.1	93.6	107.1	+13.5
Trade payables	34.3	32.5	45.0	+12.5
Accounts payable	43.3	51.0	53.8	+2.8
Net assets	57.1	64.6	67.2	+2.6
Total liabilities and net assets	148.3	158.2	174.4	+16.2

Changes in Financial Position (¥100 million)



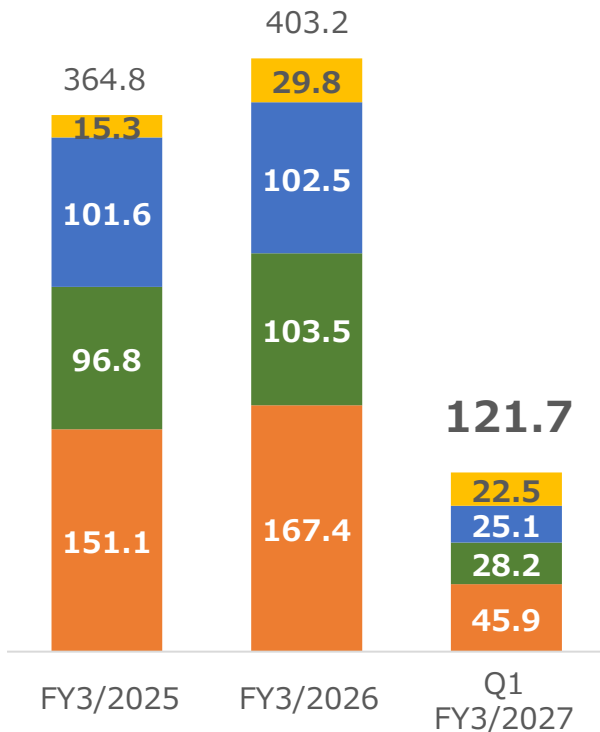
Medium-term Business Results

- ✓ Transaction volume, net sales and ordinary profit increased due to the expansion of the music-related market and the increase in the number of songs under copyright management and master recordings handled.

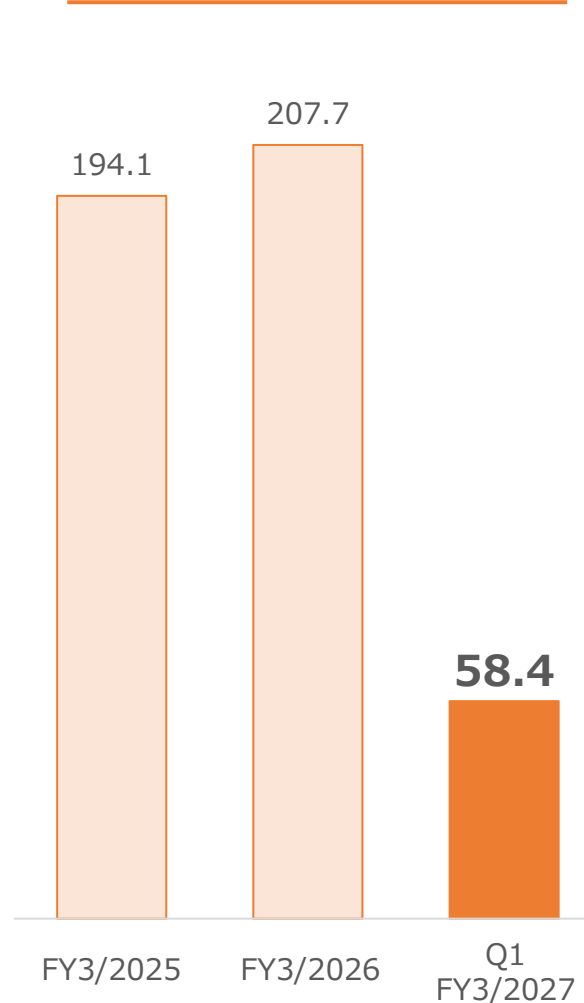
Transaction volume (¥100 million)

Copyright management ; Transaction volume
= Amount collected
(Only the Company's commission is included in sales.)

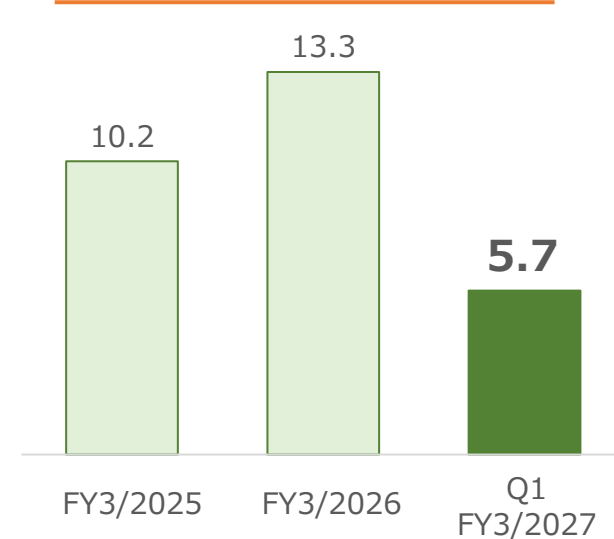
- Copyright Management
- Digital Content Distribution
- Digital Music Provider
- Business Support・Adjustment



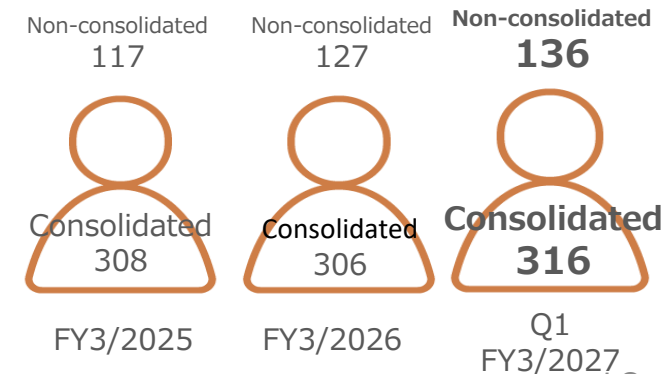
Net sales (¥100 million)



Ordinary profit (¥100 million)



Number of employees (persons)



Cash allocation

Cash in

Cash and
Deposits

Operating CF



Cash out

**Strengthening our
management
base**

Invest in human resources and systems that are the source of corporate value

**Business
investment**

Strategic investment in new businesses

M&A

Consider acquisitions that emphasize business synergies

**Shareholder
returns**

Stable and continuous payment of dividends to shareholders (progressive dividends)

**Share
repurchase**

The Company Based on share price levels, market conditions, cost of capital, and financial capacity, etc. Flexible examination

Dividend Forecast for FY3/2027

Dividend policy

We recognize that returning profits to shareholders is an important management issue, and our basic policy is to pay dividends commensurate with our business growth on a stable and continuous basis, while securing internal reserves to strengthen our corporate structure and develop our business in the future. The Company's basic policy is to maintain or increase dividends based on the expansion of business performance, in principle, without reducing dividends.

Dividend per share

Base date	Dividend per share		
	Interim period	end of year	Total
FY3/2027 (Forecast)	¥11.00	¥11.00	¥22.00
FY3/2026	¥0.00	¥20.00	¥20.00

(Note) The above dividend forecast is based on information available to the Company as of the announcement date and certain assumptions that the Company deems reasonable. Actual dividends may differ from the forecast due to various factors in the future.

Topics (1) NexTone Award 2026

- ✓ The NexTone Award celebrates the 10th anniversary of its establishment. An award ceremony event was held at EX THEATER ROPPONGI.



NexTone 10th Award 2026 Anniversary



Gold Medal

はいよろこんで / こっちのけんと

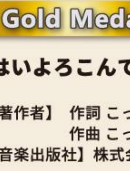
【著作者】 作詞 こっちのけんと
作曲 こっちのけんと、GRP
【音楽出版社】 株式会社 blowout



Silver Medal

かわいいだけじゃだめですか? / CUTIE STREET

【著作者】 作詞 早川博隆
作曲 早川博隆、渡邊俊彦
【音楽出版社】 株式会社 テレビ朝日ミュージック



Bronze Medal

Bunny Girl / AKASAKI

【著作者】 作詞・作曲 AKASAKI
【音楽出版社】 ae music japan 株式会社



特別賞

カラフルビーチ

【著作者】 作曲 Snail's House
【音楽出版社】 株式会社 studiosnail



国際賞

hot milk / Snail's House

【著作者】 作詞 終マグネタイト
作曲 TRADITIONAL / 編曲 終マグネタイト
【音楽出版社】 株式会社 ドワンゴ



YouTube 賞

テトリス / 終マグネタイト

【著作者】 作詞 終マグネタイト
作曲 TRADITIONAL / 編曲 終マグネタイト
【音楽出版社】 株式会社 ドワンゴ



10周年特別賞

小さな恋のうた / MONGOL800

【著作者】 作詞 上江洲 清作 / 作曲 MONGOL800
【音楽出版社】 株式会社 ハイウェーブ



ニコニコ創作文化功績賞

Giga

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NexTone Award 2026 Official Website

<https://www.nex-tone.co.jp/award2026/>

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Topics (2) Acquired Ryuichi Sakamoto's music catalog

- ✓ MCJP Inc., a wholly-owned subsidiary of the Company, and Exceleration Music Partners, LLC, a US corporation specializing in catalog ownership and investment in the music domain, have entered into an agreement to acquire a music catalog (copyrights and master recordings) that includes the representative songs of world-class musician Ryuichi Sakamoto.



Photo by Neo Sora ©2020 KAB Inc.

Number of works

Approx. 1,500 works
"Merry Christmas Mr.Lawrence"
"The Last Emperor"
"energy flow" "Rain" "Aqua"
etc.

Purpose of acquisition

Accelerate global
expansion of acquired
catalogs to maximize value.

Future Policy

Promoting investment in
and management of high-
quality music catalogs.

Topics (3) Specialty online shop for merchandise featuring album cover art “#onpuk”

- ✓ On July 27, we opened “#onpuk,” an e-commerce shop specializing in goods using music jackets photos.
- ✓ By selling products that utilize jacket photos, which have not been monetized before, we will develop a service that generates new revenue and returns it to each Rights holders.

#onpuk

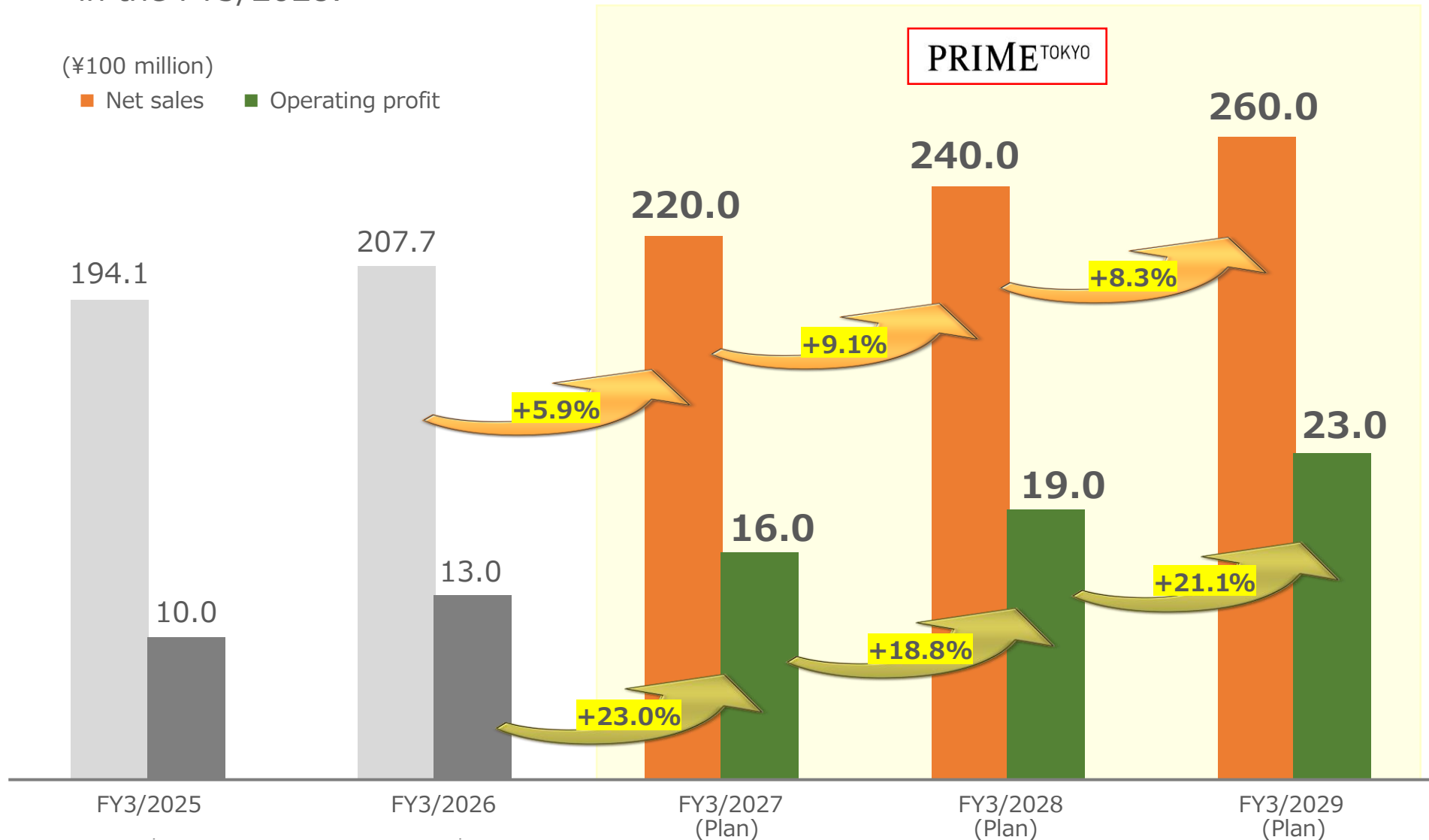


Official website <https://www.onpuk.com/>

Medium-term Business Plan (FY3/2027 - FY3/2029)

Medium-term Business Plan (Consolidated) (FY3/2027 - FY3/2029)

- ✓ Focus on further expansion of existing businesses, aiming to list in TSE Prime Market in the FY3/2028.



Medium-term Business Plan (By Segment)

(¥100 million, unless otherwise stated)		FY3/2026	FY3/2027		FY3/2028		FY3/2029	
			Plan	YoY	Plan	YoY	Plan	YoY
Net sales		207.7	220.0	+5.9%	240.0	+9.1%	260.0	+8.3%
	Copyright Management Business	16.0	17.0	+6.3%	19.0	+11.8%	21.0	+10.5%
	DD business	103.4	114.0	+10.3%	130.0	+14.0%	143.0	+10.0%
	Digital Music Provider	77.2	73.0	-5.4%	69.0	-5.5%	64.0	-7.2%
	Business Support	19.7	24.0	+21.8%	30.0	+25.0%	40.0	+33.3%
	Reconciling items	-8.6	-8.0	—	-8.0	±0	-8.0	±0
SG & A		40.1	42.0	+4.7%	45.0	+7.1%	47.0	+4.4%
	Personnel expenses	24.0	26.0	+8.3%	27.0	+3.8%	28.0	+3.7%
	System and others	16.1	16.0	-0.6%	18.0	+12.5%	19.0	+5.6%
Operating profit		13.0	16.0	+23.0%	19.0	+18.8%	23.0	+21.1%
	Copyright Management Business	7.0	7.0	±0	8.0	+14.3%	9.0	+12.5%
	DD business	10.4	11.0	+5.8%	13.0	+18.2%	15.0	+15.4%
	Digital Music Provider	15.6	13.0	-16.7%	12.0	-7.7%	11.0	-8.3%
	Business Support	-3.2	1.0	—	3.0	+200.0%	5.0	+66.7%
	Reconciling items	-16.9	-16.0	—	-17.0	+6.3%	-17.0	±0
operating margin		6.3%	7.3%	+1.0pt	7.9%	+0.6pt	8.8%	+0.9pt
Number of songs under copyright management (10,000 songs)		82.3	97.0	+17.9%	113.0	+16.5%	129.0	+14.2%
Number of master recordings handled (10,000 master recordings)		165.7	176.0	+6.2%	191.0	+8.5%	206.0	+7.9%

APPENDIX NexTone Company Overview

Company overview

Company name	NexTone Inc.	
representative	President & CEO Masahiro Anan	
Date of incorporation	September 2000 (Changed corporate name to NexTone in February 2016 after merger of eLicense and Japan Rights Clearance)	
head office location	Yebisu Garden Place Tower 10F, 4-20-3 Ebisu, Shibuya-ku, Tokyo, JAPAN	
Capital stock	¥1,218 million (As of March 31, 2026)	
Composition of Directors	President & CEO Masahiro Anan President & COO Yuji Arakawa Managing Director Fumihiro Watanabe Director Daisuke Adachi Outside Director Yuko Abe * Outside Director Junki Kosaka * Outside Director Atsuko Ogi * Outside Director Yu Tamura * Full-time Auditor Kazutoshi Watanabe Outside Auditor Nobuyuki Kobayashi * Outside Auditor Toshifumi Oshima * * The Company has designated Ms. Yuko Abe, Mr. Junki Kosaka, Ms. Atsuko Ogi, Mr. Yu Tamura, Mr. Nobuyuki Kobayashi, and Mr. Toshifumi Oshima as Independent Officers as set forth by Tokyo Stock Exchange, Inc.	
Description of business	Copyright Management Business / DD Business / Digital Music Provider / Business Support	
Sales	Consolidated: 20,774 million yen (FY3/2026)	
Number of employees	Consolidated: 306, Non-consolidated: 127 (As of March 31, 2026) * Excluding part-time workers	
total assets	¥15,827 million (As of March 31, 2026)	
Group companies	MCJP Inc. NexTone Systems Inc. RecoChoku Co., Ltd.	

Description of business

- ✓ In addition to the core business of Copyright Management Business, the Group has also developed the DD Business, Digital Music Provider, and Business Support, providing broad support for both Rights holders and Users in the music industry.



Licensing of music works commissioned by copyright holders and collection and distribution of usage fees

Proxy services for Music publishers operations



Provision of music and video content to Music distribution platforms, both in Japan and overseas

Content management service for YouTube



A service that distributes music via the Internet
Digital Music Provider(for individuals) Download and streaming
Digital Music Provider(for companies) Video and BGM for stores



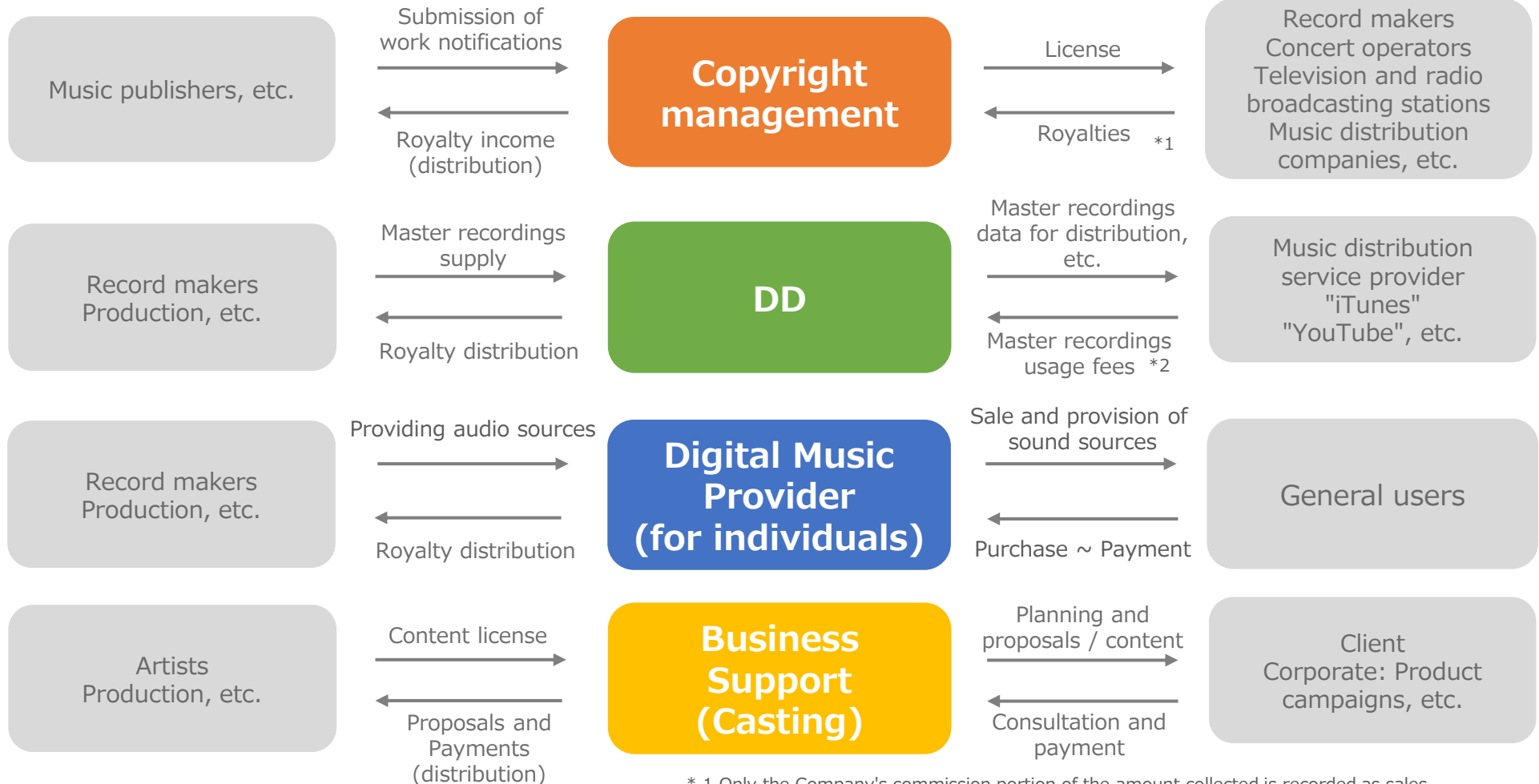
Casting Business, Reuse Product Business, System Development, Maintenance and Operation Business, Solution Business, etc

Business Flow

- ✓ The Company functions as an intermediary agent between right holders and users.
- ✓ We are developing a stock-type business that basically collects usage fees from users and distributes them to content holders and others.

Rights holders

Users



* 1 Only the Company's commission portion of the amount collected is recorded as sales.

* 2 The amount collected is recorded as sales.

iTunes is a trademark of Apple Inc. / YouTube is a trademark of Google LLC

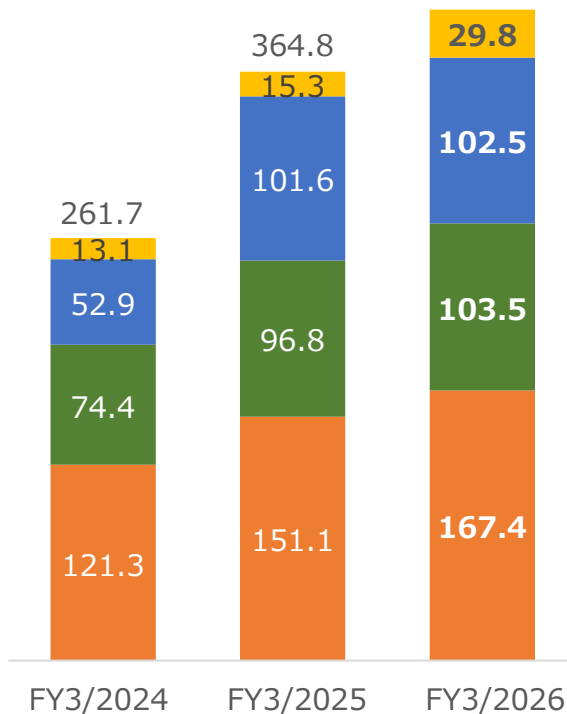
Trends in Business Results

- ✓ Continued to expand, driven by expansion of the music distribution market and an increase in the number of songs under copyright management and master recordings handled.

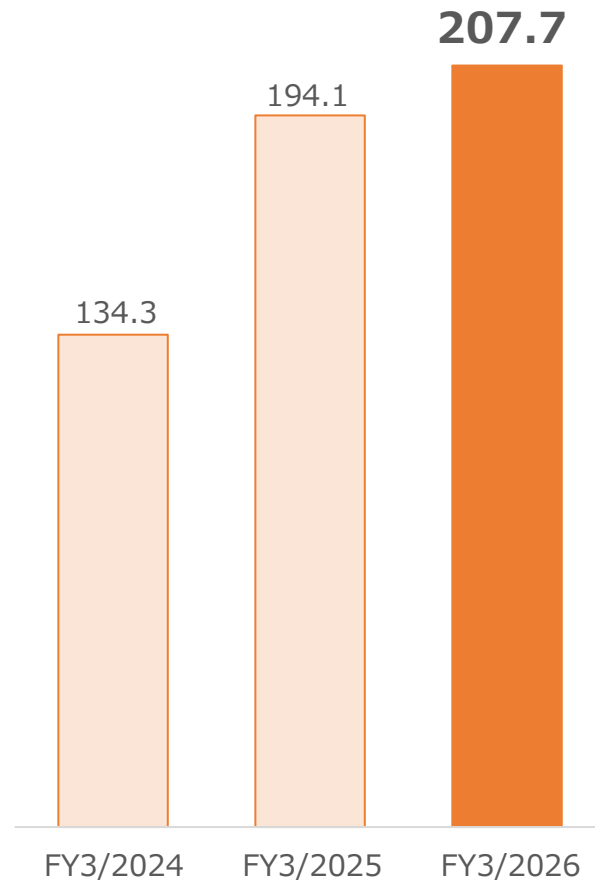
Transaction volume (¥100 million)

Copyright management: Transaction volume
= Amount collected
(Only the Company's commission is included in sales.)

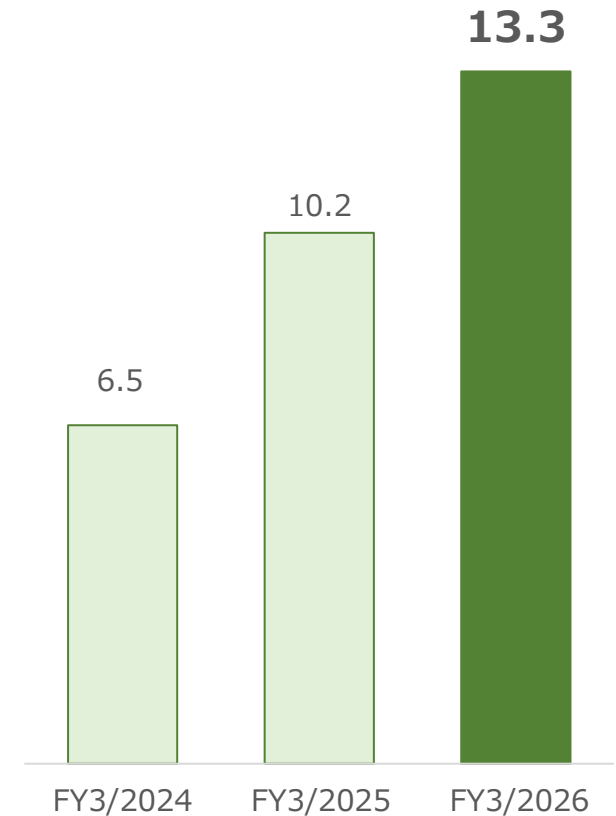
■ Copyright Management
■ Digital Content Distribution
■ Digital Music Provider
■ Business Support/Adjustment



Net sales (¥100 million)



Ordinary profit (¥100 million)



Scope of Copyright Management Business and DD Business

Copyright Management Business

[Managed assets]

Songs

By author
Produced
Music works

"Lyrics" and "Melody"



management



Users
"Record maker"
"Concert operator"
"Television and Radio Stations"
"Music distribution business"
To "karaoke operators"
For the use of music works
License, and collect and distribute usage fees

DD Business

[Managed assets]

Master recordings

Depending on the artist
Recorded demonstration
Original content

Sound and Video Data



management



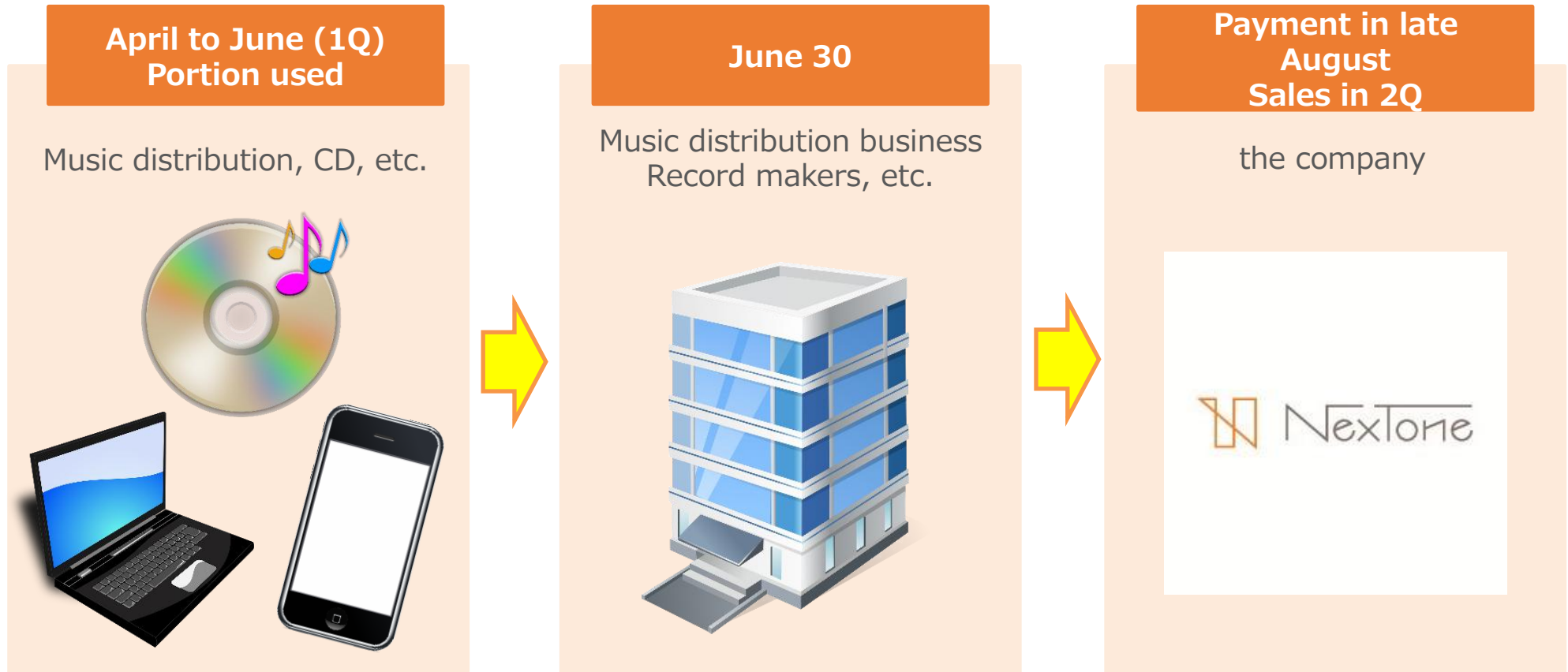
Original content
Domestic and overseas
Music distribution service
"iTunes"
"YouTube"
"amazon music" and
"Spotify"
Royalty
Collection and distribution

iTunes is a trademark of Apple Inc. / YouTube is a trademark of Google LLC

Amazon music is a trademark of Amazon.com, Inc. or its affiliates. / Spotify is a registered trademark of Spotify Group.

Copyright management Business: Time lag between use and sales

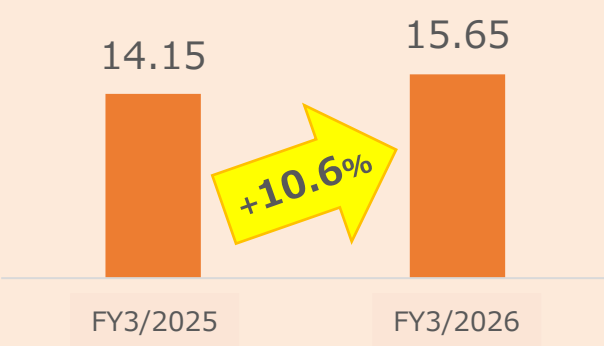
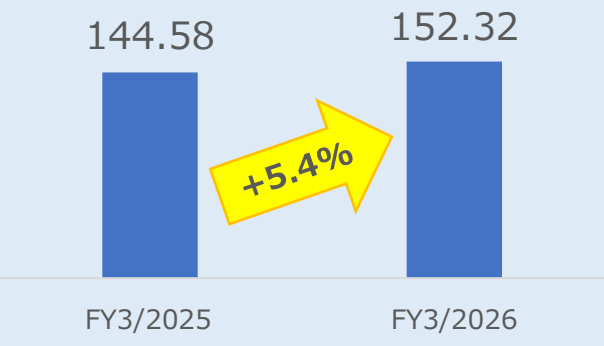
- ✓ As shown in the diagram below, there is a time lag of 1Q between the timing of Interactive transmission, Mechanical rights, Publication rights, Lending rights, etc. and the timing of sales recognition.
- ✓ There is a 2Q time lag between Broadcasting and On-line karaoke for business use.



Comparison with JASRAC

[Characteristics of the Company's Copyright Management]

- ✓ Flexible management that takes into account the wishes of right holders to the greatest extent possible.
- ✓ In addition to providing highly transparent distribution details that show the detailed usage status of managed songs, we provide a distribution analytics tool.

	The Company	JASRAC
Royalty collection (Actual for FY3/2026)	¥15.65 billion	¥152.32 billion
Royalty collection Changes	 14.15 15.65 FY3/2025 FY3/2026 +10.6%	 144.58 152.32 FY3/2025 FY3/2026 +5.4%
Management method	Mainly digital management	Mixed analog / digital management
Scope of Management of Copyrights, etc.	Other than "Places of entertainment, karaoke performances, etc."	All domains
settlor Type of contract with	Consignment contract <Delegation / Brokerage>	Trust agreement <Copyrights transferred to JASRAC>
Reflecting the Will of Rights holders	At the discretion of the rights holders Flexible rate changes	It is difficult to reflect the intent of rights holders

(Source) JASRAC collection is JASRAC, Press conference materials for each fiscal year

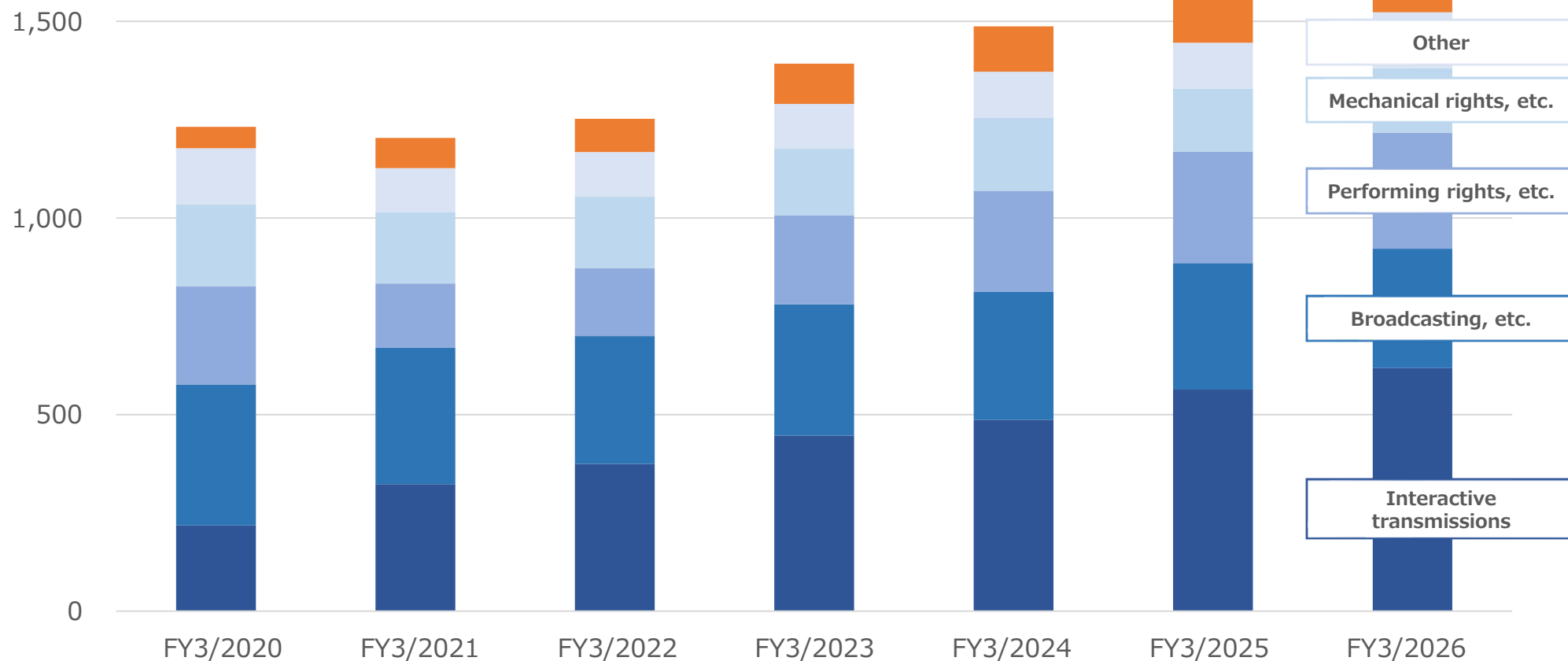
Trends in Music Copyright Management Market

- ✓ Since the COVID-19 pandemic, sales have been on a gradual increasing trend against the backdrop of the expansion of streaming distribution services.

Amount collected by the Company: ■

Amount collected by JASRAC: ■ Interactive transmissions, ■ broadcasting, etc.,
■ Performing rights, etc., ■ Mechanical rights, etc. ■ Other

(¥100 million)



Characteristics and Strengths 1

The one and only Challenger

- ✓ In 2000, the law was revised and some 20 companies announced they would enter the market.
- ✓ However, all new entrants other than the Company have effectively scaled back their businesses. Currently, the Company has a two company structure consisting of the JASRAC and the Company.
- ✓ System management of data and information related to the daily use of a large amount of copyrights, collection of specific fees, and distribution payment operations are quite burdensome. Barriers to entry are high.

Barriers to entry into the copyright management business

- ① Copyright management is a low-profit business with commission fees of 5.0% to 9.8%.
- ② Requires system management capabilities for the enormous and complex data and information related to daily copyright use.
- ③ Stable and continuous music from leading copyright holders. Management outsourcing is required.



With the revision of the law in 2000, more than 20 companies have registered.
Currently in a virtual withdrawal state



We are the only private company in the music copyright management business.
Transition to a two company structure consisting of the JASRAC and the Company

Characteristics and Strengths 2

Promoters of usage promotion

- ✓ Music usage data will also be used as an important asset to promote usage.
- ✓ Accelerate the speed of music penetration through content provision (DD) and Business support for music distributors using data.

The one and only agent that not only manages music copyrights but also promotes their use



Copyright Management

Characteristics and Strengths 2

Promoters of usage promotion (case study)

Examples of initiatives with the VTuber Group "hololive"



**Copyright
management**

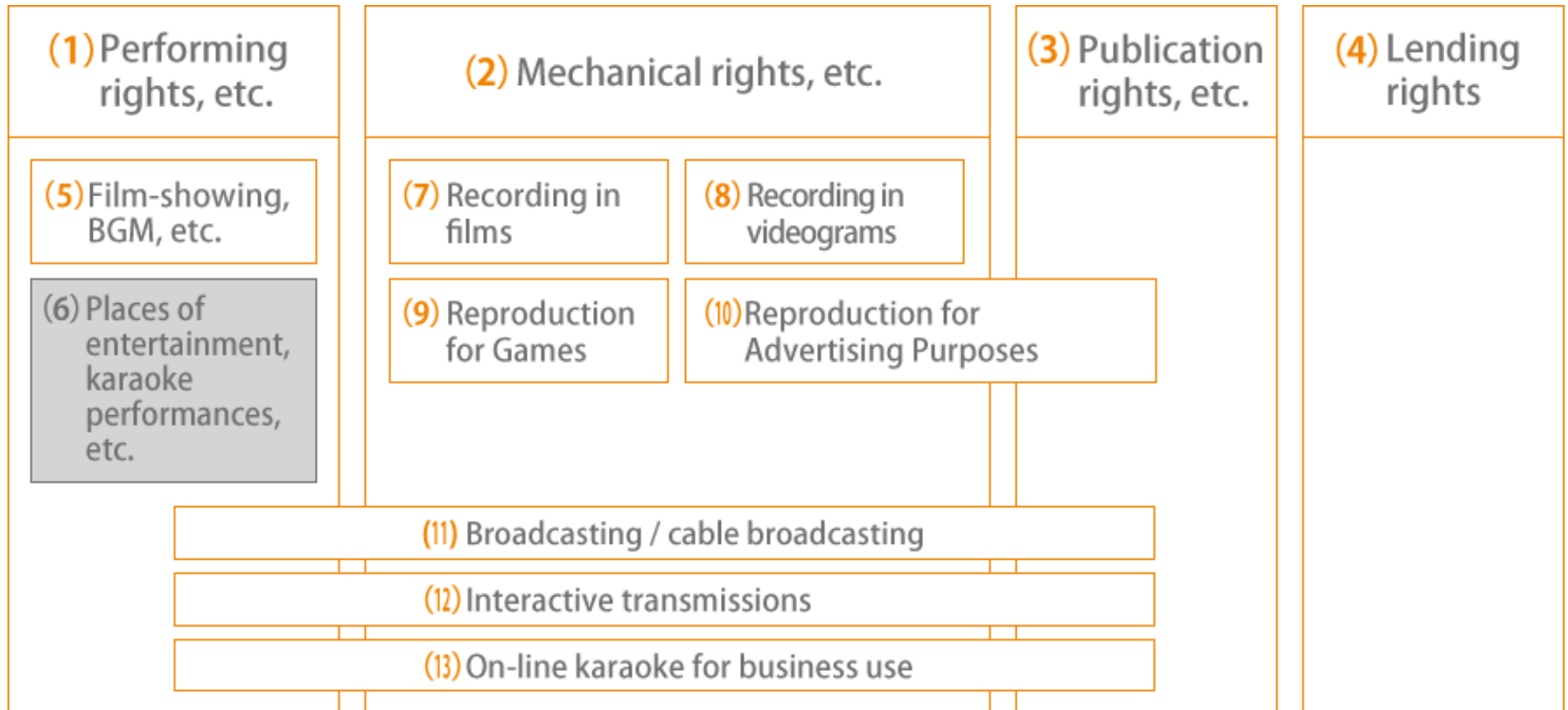
**Music Publishing
Company
Business execution**

DD

CRIP
Music on YouTube
**Measures to improve
earnings from cover videos**

Classification of Company management

- ✓ Music copyrights are formed by the four sub-rights <(1) ~ (4)> and the nine usage <(5) ~ (13)>. *
- ✓ As of April 2022, the Company manages all domains except "(6) Places of entertainment, karaoke performances, etc."



* In April 2022, "(5) Film-showing, BGM, etc." and "(6) Places of entertainment, Karaoke performances, etc." were added to the "(1) Performing rights, etc." category.

Management indicators that are important to management

Business KPIs

- ◆ Transaction volume of Copyright Management Business (%)

Target: Growth rate of 10% or more

FY3/2026: 10.8% increase

- ◆ Share of royalty revenue (%)

Target: 10% in the medium term, 50% in the long term

FY3/2025: 8.9%

- ◆ Number of songs under copyright management

Target: Increase by 100,000 songs or more every fiscal year

FY3/2026: 132,000 songs added, 823,000 songs

- ◆ Number of master recordings handled (NexTone + RecoChoku)

Target: Increase by 160,000 master recordings or more each fiscal year

FY3/2026: Increase of 187,000 master recordings, 1,657,000 master recordings

Financial KPIs

- ◆ Net sales (Amount)

Target (FY3/2029): ¥26 billion or more

FY3/2026: ¥20.77 billion

- ◆ Net sales to the previous fiscal year (%)

Target (FY3/2029): Growth rate of 10%

FY3/2026: 7.0%

- ◆ operating margin (%)

Target (FY3/2029): 9% or higher

FY3/2026: 6.3%

- ◆ Increase in ordinary profit (Amount)

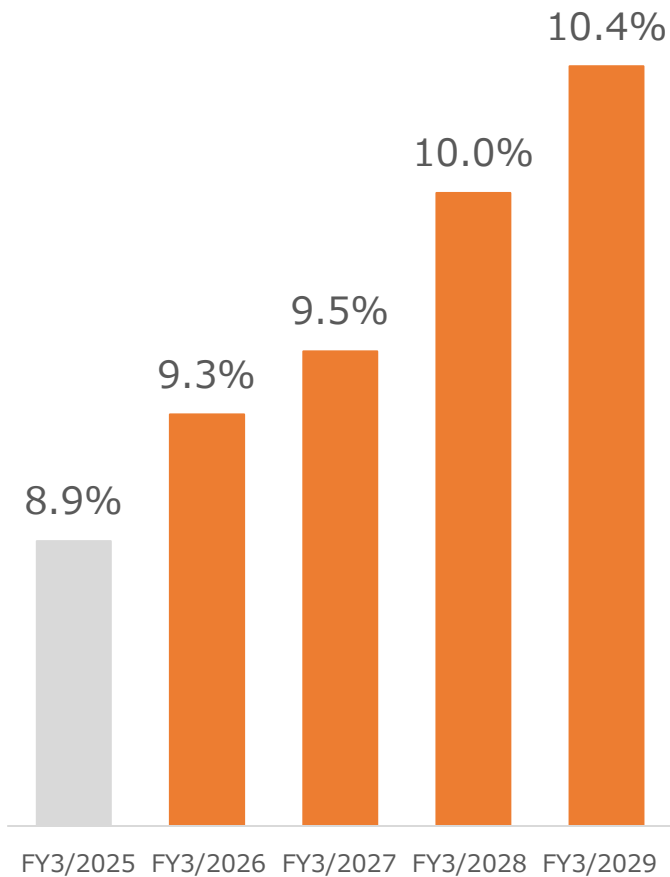
Target (by the FY3/2027): Satisfy the TSE Prime Market standard

(Total of ¥2.5 billion over two years)

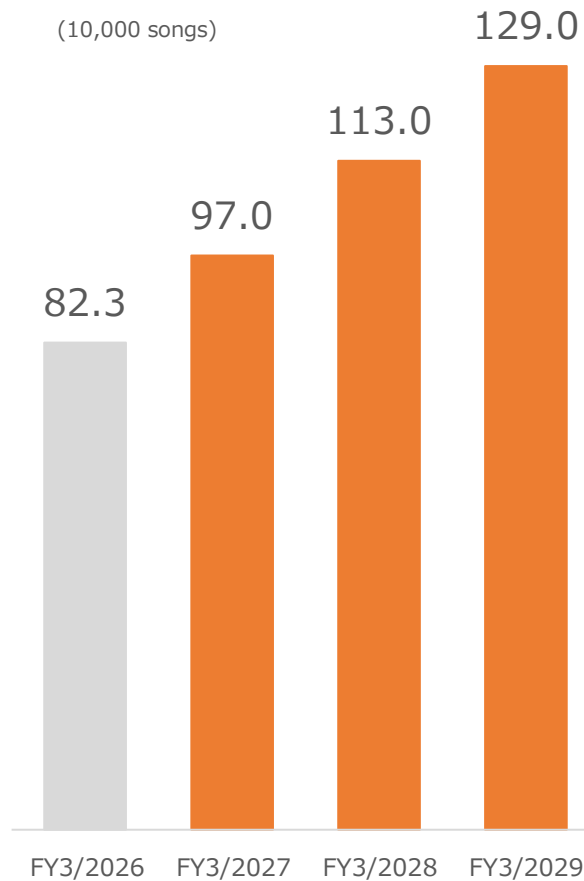
FY3/2026: ¥1.33 billion

Expansion plan for business KPIs

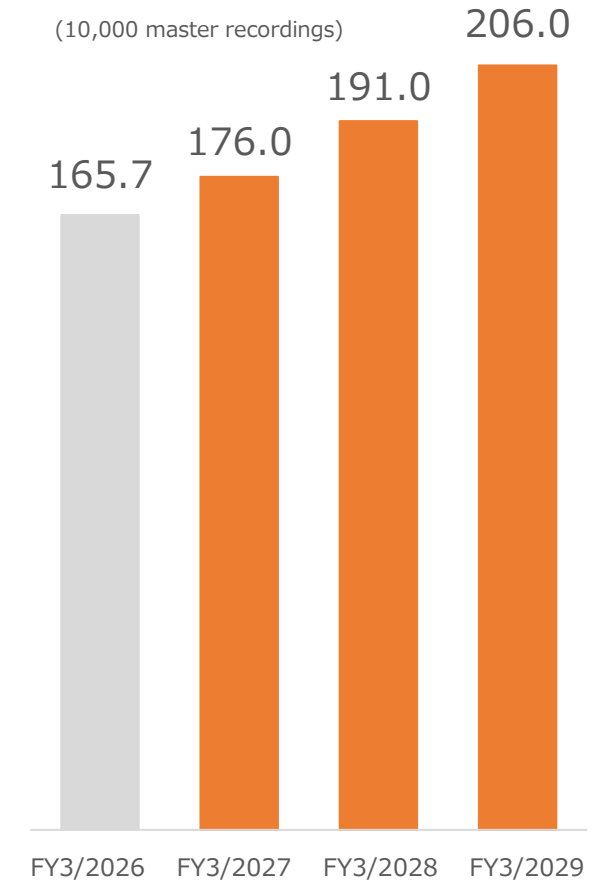
◆ Share of royalty revenue (%)
Target: 10% in the medium term,
50% in the long term



◆ Number of songs under
copyright management
Target: Increase by 100,000
songs or more every fiscal year



◆ Number of master recordings
handled
Target: Increase by 160,000
master recordings or more each
fiscal year



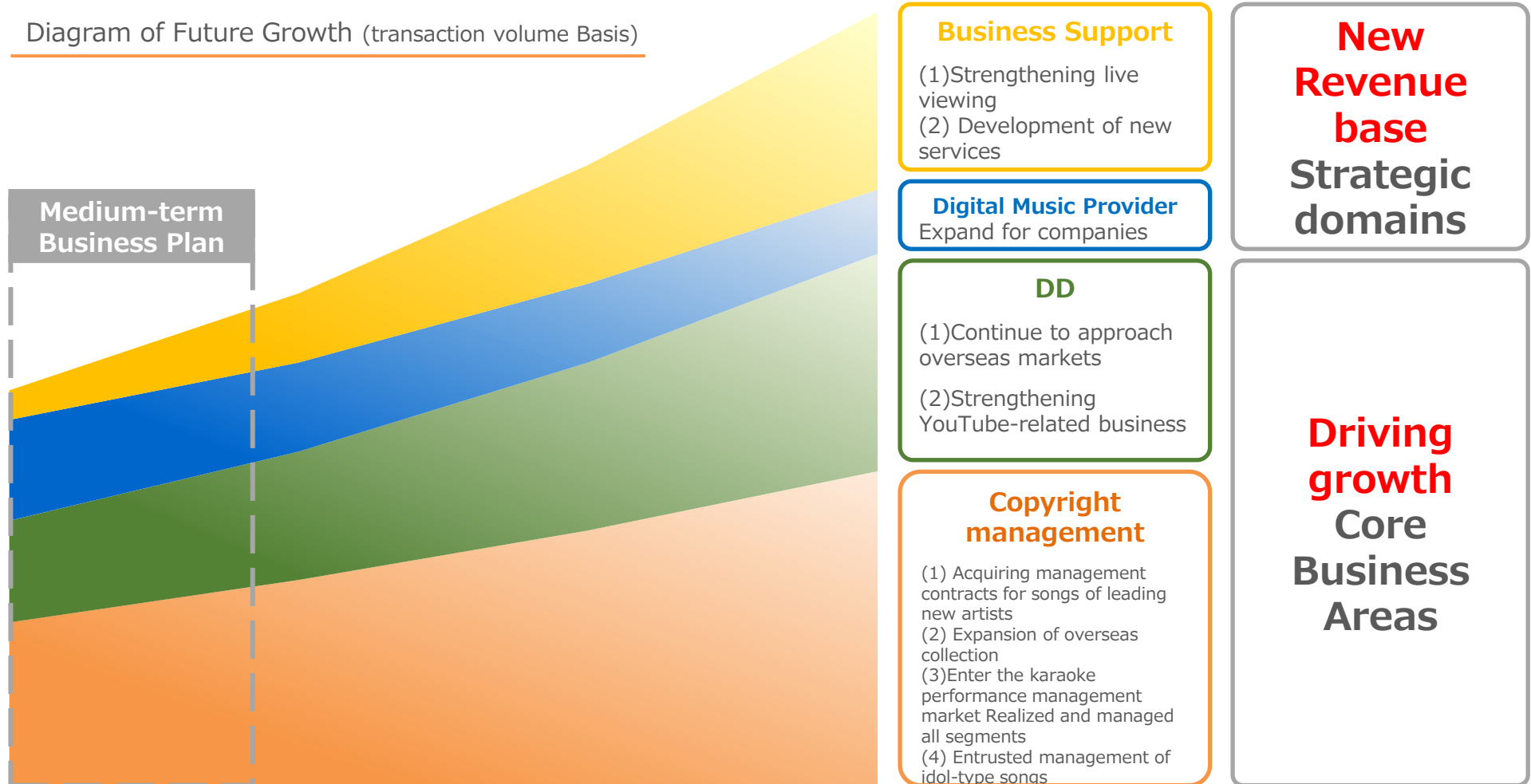
* Market share from FY3/2026 onward is the share of JASRAC royalties.
Calculated on the assumption that the amount collected will increase
by 6% year-on-year

Future Growth Strategy

Core domains driving growth × Strategic domains creating the future

Aim to maximize medium - to long-term corporate value by "accelerating growth in core businesses" and "creating a new revenue base."

Diagram of Future Growth (transaction volume Basis)



Sustainability Initiatives / Human Capital Policy

Sustainability Policy

As the one and only agent playing the sound of the next generation, the NexTone Group continually expands the business of managing and promoting the use of music copyrights and the business of supporting rights holders and creators to ensure the appropriate collection and distribution of music copyright licensing fees and support, thereby contributing to the creation of a rich society, further development of the music culture and industry, and realization of a sustainable and better society.

Environment

Social

Governance

Materiality		
Promotion of DX	Sustainable development of music culture and the music industry	Highly reliable system
	Development and utilization of human resources	Strengthening governance

Indicators related to human capital (as of March 31, 2026)			
Indicators	Non-consolidated	Consolidated	Targets
Ratio of women in managerial positions	26.2%	24.4%	FY2026:30% or more
Gender pay gap (Note)1	73.3%	74.3%	FY2026:75% or more
Male employees taking childcare leave	100%	71.4% (Note)2	75% or more
Paid leave utilization rate (Note)3	50.2%	41.8%	FY2026:60% or more

- (Notes)
1. In calculating the gender wage gap, employees on leave of absence and temporary employees (employees working less than 20 hours per week) are excluded from the calculation of average salary, etc.
 2. Some group companies have adopted flexible working systems, such as flextime systems and telecommuting, to enable each company to balance childcare and work.
We encourage employees to work in a comfortable and comfortable environment.
 3. The number of paid leave days taken includes the number of paid leave days carried over from the previous fiscal year. The ratio of paid leave use excluding carried-over is 78.8% on a non-consolidated basis and 70.4% on a consolidated basis (as of March 31, 2026).

APPENDIX RecoChoku Company Overview

RecoChoku Company Overview

Company name	RecoChoku Co., Ltd.
Mission	Maximize the revitalization of the music market
vision	Design a new relationship between people and music.
Incorporation date	July 2001
Capital stock	¥100 million
Major Shareholder	•NexTone Inc. •AVEX ENTERTAINMENT CO., LTD. •Sony Music Entertainment (Japan) Inc. •Victor Entertainment Co.
representative	President & Representative Director Toru Itabashi
Transaction volume / Net sales	Transaction volume: ¥14,045 million / Net sales: ¥8,891 million (FY3/2026) * Consolidated with Eggs Co.,Ltd.
Number of employees	179 people (As of March 31, 2026)
Description of business	•Digital Music Provider (for individuals, for companies) •Content distribution Business •BPO Business

RecoChoku's Business

Digital Music Provider

A la carte



Streaming



Content distribution Business



Distribution for businesses



Distribution for DIY



New product



BPO Business

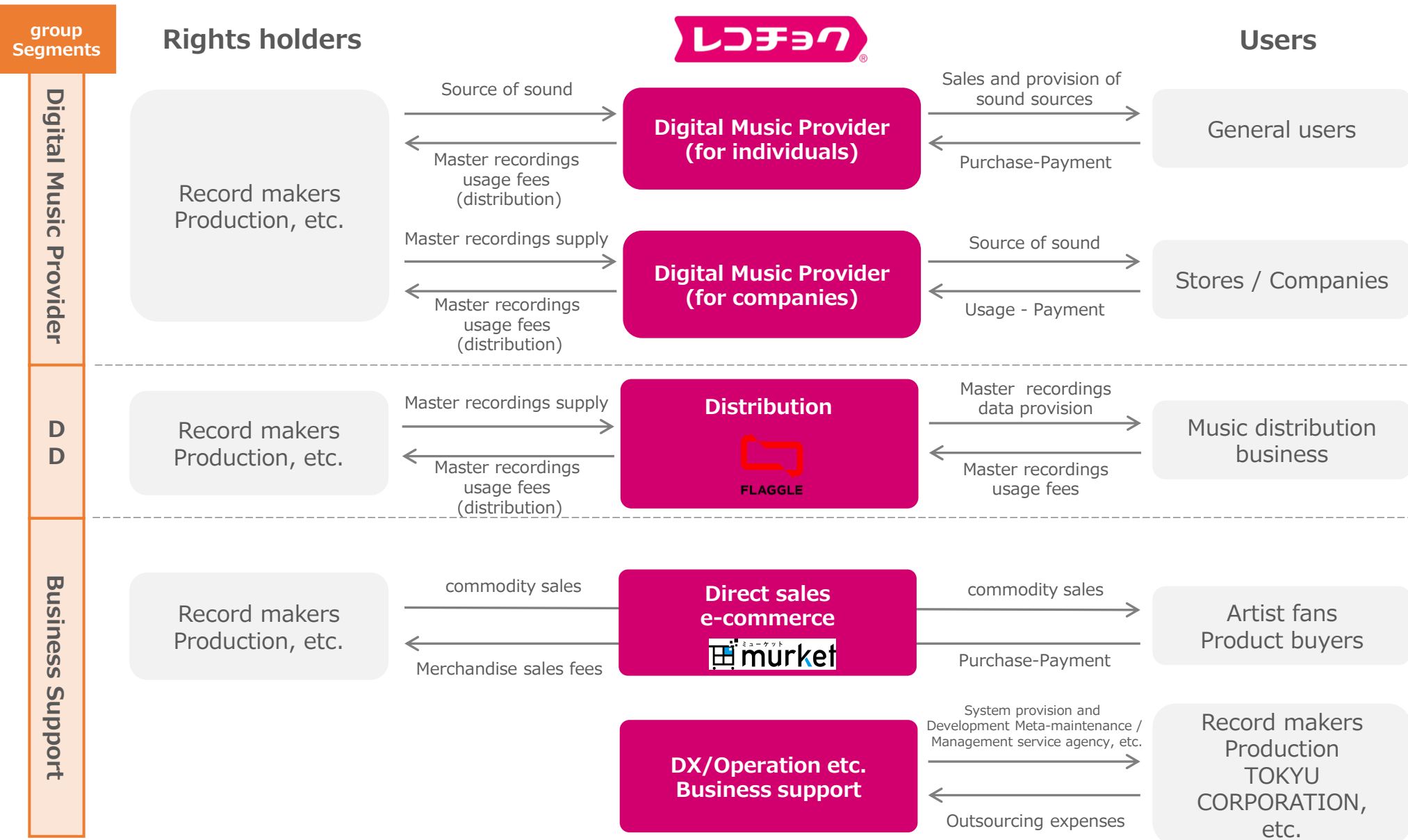
Direct sales e-commerce



DX/Operation etc. Business support

Eggs Business outsourcing

Business Flow



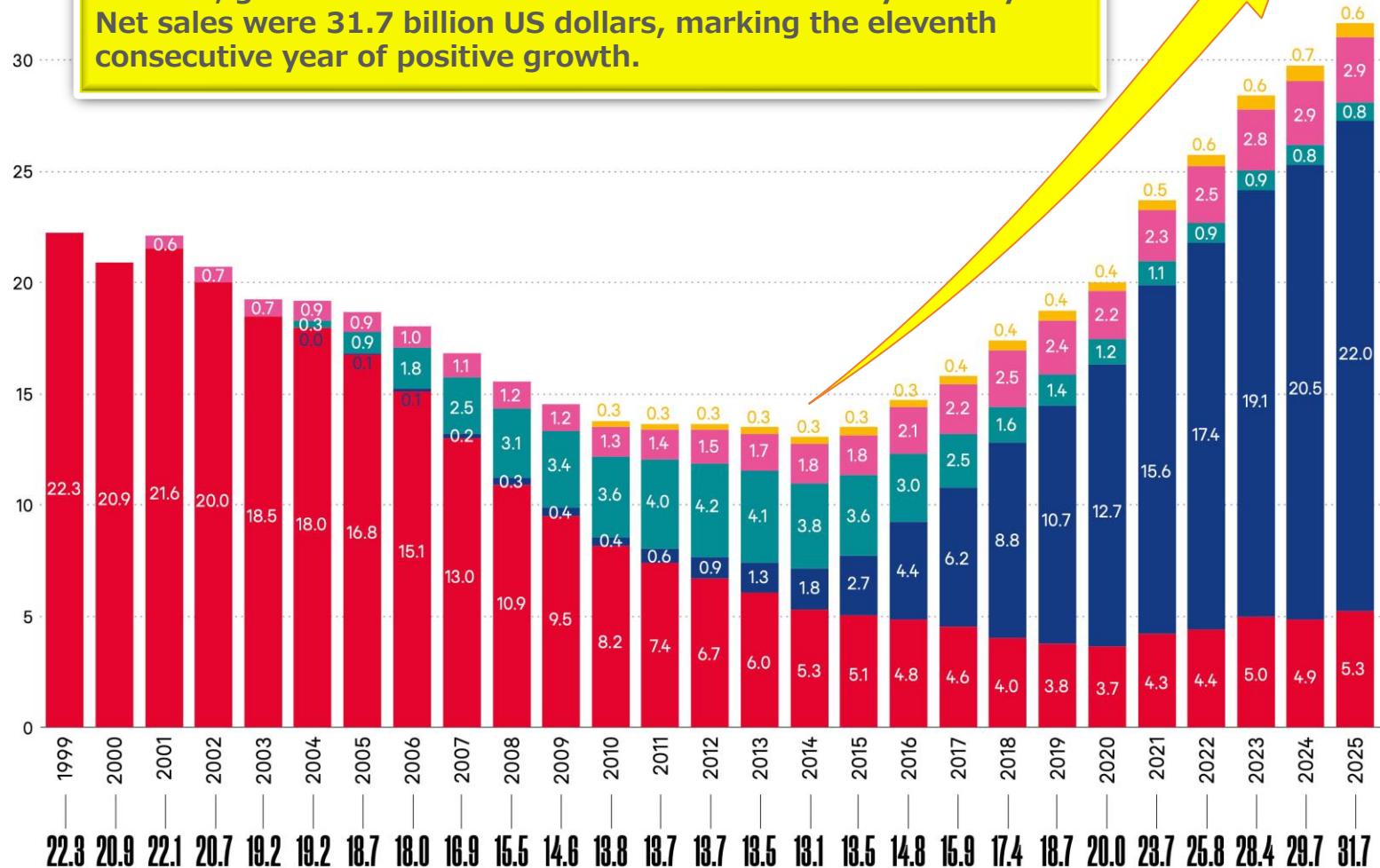
APPENDIX Related Market Data

Global Music Market Sales

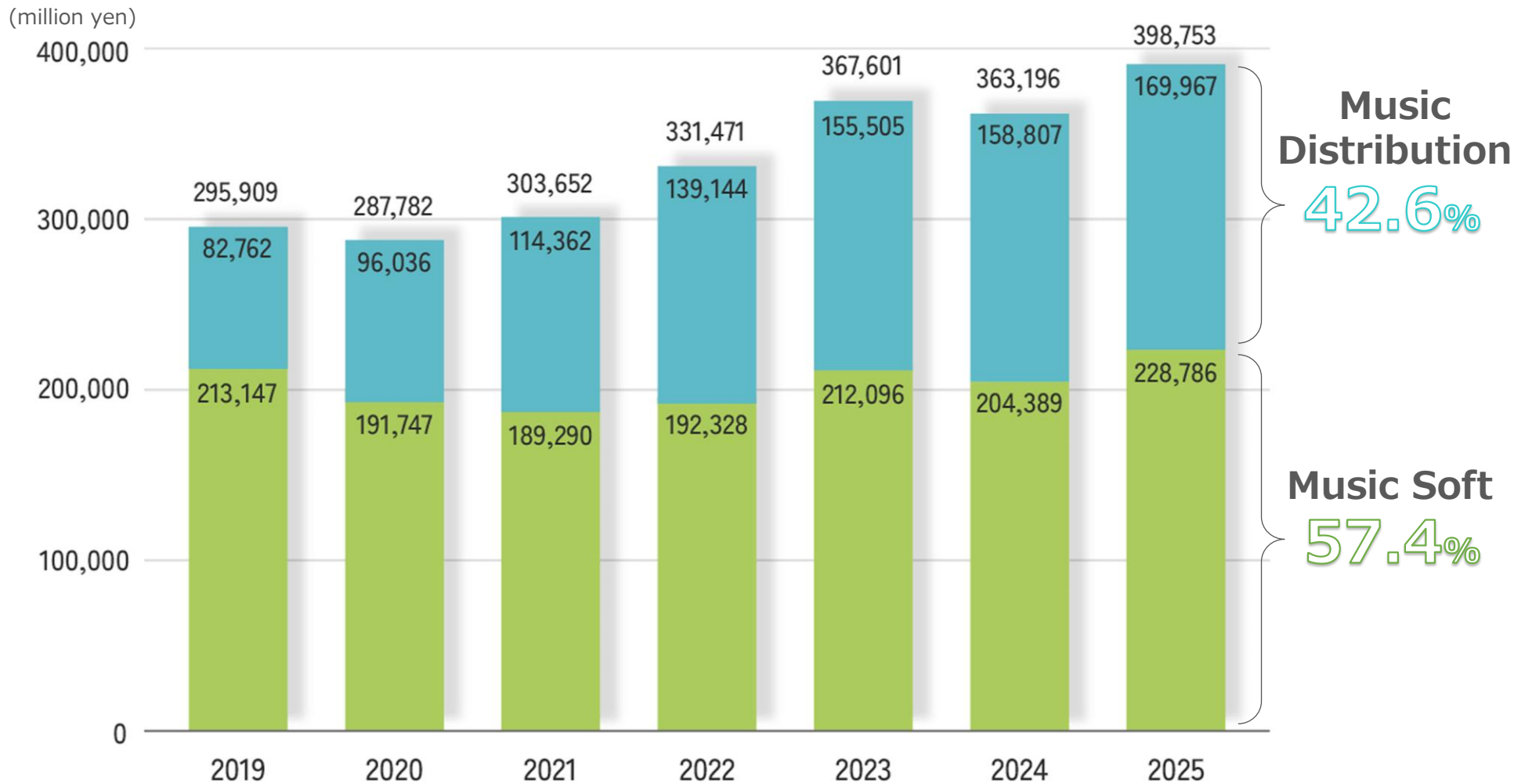
GLOBAL RECORDED MUSIC INDUSTRY REVENUES 1999-2025 (US\$ BILLIONS)

● Physical ● Streaming ● Downloads ● Performance Rights ● Synchronisation

In 2025, global music market sales increased 6.4% year on year. Net sales were 31.7 billion US dollars, marking the eleventh consecutive year of positive growth.



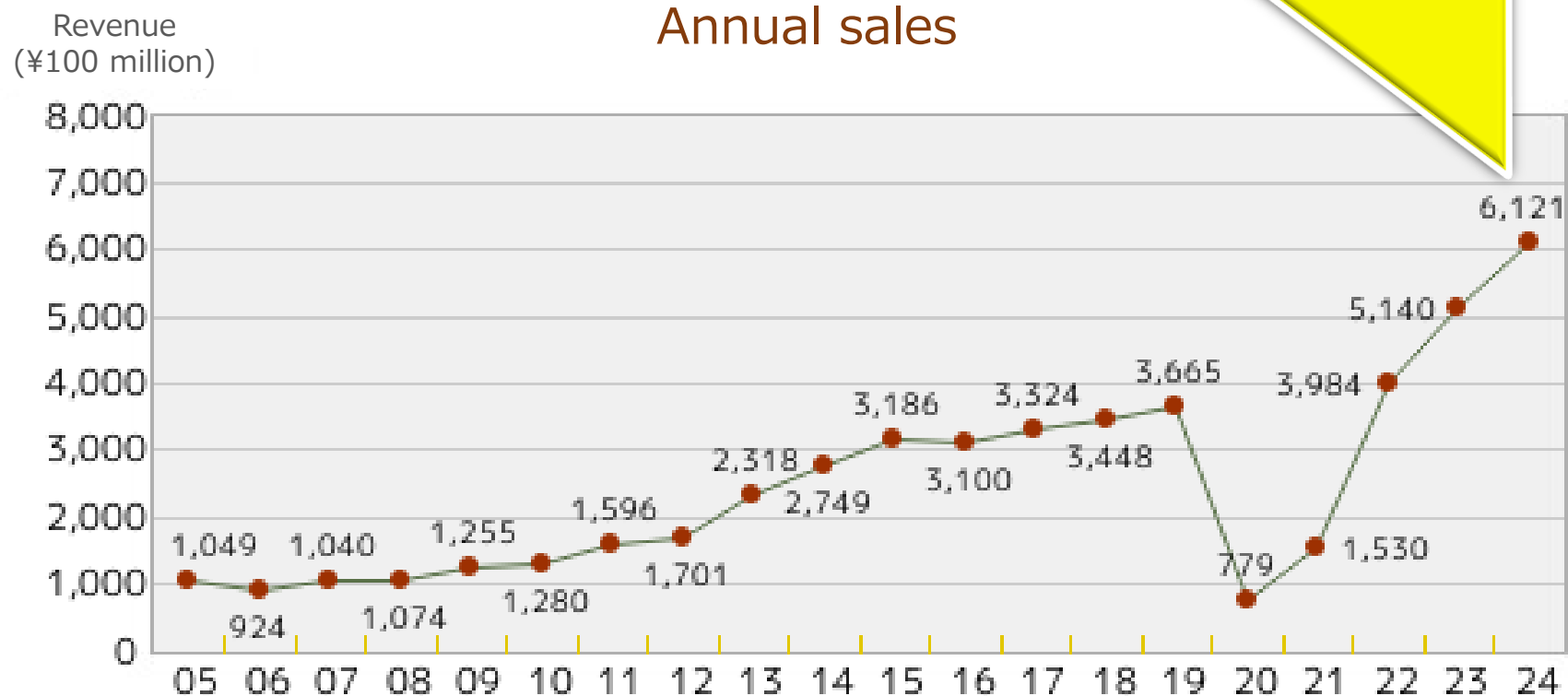
Changes in Music Soft Production and Music Distribution Sales in Japan



Information published by The Recording Industry Association of Japan

Annual sales of live music concerts in Japan

The number of performances and the number of people mobilized increased due to the operation of the new arena and the holding of large-scale performances by overseas artists. Against this backdrop, the number of performances and the number of people mobilized increased significantly.



Information published by ALL JAPAN CONCERT & LIVE ENTERTAINMENT PROMOTERS CONFERENCE

Notes to Plan

The forward-looking statements in this document, including earnings forecasts, are based on information currently available to the Group and on certain assumptions deemed reasonable. They are not guarantees by the Company of future performance. Actual results may differ materially from those expressed in forward-looking statements due to a variety of factors.

< We are sharing information about music copyright and our company's business. >



official note

For IR-related Q&A,
please click here.

