Financial Results Briefing Materials

for the Fiscal Year Ended December 31, 2025

February 10, 2026

KINJIRO CO., LTD.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

1. **Financial Results**
   for the Fiscal Year Ended December 31, 2025 (FY2025)

2. **Plan**
   for the Fiscal Year Ending December 31, 2026 (FY2026)

3. **Growth Strategy**

4. **Topics**

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Highlights (Summary)

Executive summary of FY2025 full-year financial results

Accelerated growth of cloud HRM and established a foundation for our medium- to long-term growth

Net sales	Number of licenses	Number of corporate clients	Recurring revenue
5,370 million yen	**803,000** licenses	**2,599** companies	**70.4** %
Full-year results: ↑ YoY +23%	YoY change: +169,000 licenses: ↑ YoY +27%	YoY change: +244 companies: ↑ YoY +10%	↑ YoY +1.7%

Key points (factors) for the fiscal year under review

- **Cloud license sales accelerated**
  Strong performance in core cloud license sales drove robust company-wide sales growth (+31%).
  Both new customer acquisition and customer migration from on-premises exceeded projections.
- **Revenue structure improved further**
  Operating profit margin improved significantly, driven by increased composition ratio of high-margin Cloud Business.
  Transitioned to a stable, highly profitable company, with our recurring revenue ratio reaching 70.4%.

Outlook and investment policy for the next fiscal year

- **Ongoing increases in sales and profits along with growth investments**
  Continue expanding cloud license volumes while maintaining balanced investment in cloud infrastructure.
  Aiming to deliver profit growth while prioritizing sales growth.
- **Focus investment on product competitiveness and sales capabilities**
  Concentrate resources on two pillars: Product Competitiveness Enhancement through functional expansion and Sales Capability Expansion through collaboration with certified partners.

Summary of Consolidated Financial Results for FY2025

■ Consolidated statement of income

- Growth in cloud license sales accelerated, strongly driving growth.
  Thanks to the strong Cloud Business, net sales for the full year reached a record high of 5,370 million yen.
- Cloud Business also made a contribution in terms of profit, increasing operating profit to another record high of 1,521 million yen.

(Unit: Million yen)

	FY2025 full-year forecast (announced November 12, 2025)	FY2025 full-year results	Achievement rate (%)	FY2024 full-year results	YoY change (%)
Net sales	5,320	5,370	101%	4,376	+23%
Operating profit	1,370	1,521	111%	729	+108%
Ordinary profit	1,353	1,525	113%	733	+108%
Profit	887	1,013	114%	461	+119%

YoY Changes in Net Sales by Business Segment

Net sales

・**Supported by strong cloud license sales, Cloud Business as a whole also expanded, up 31% YoY.**

(Unit: Million yen)

Business segment		Sales segment	FY2024 full-year results	FY2025 full-year results	YoY changes (%)
HRM Business	Cloud Business	Cloud License	2,301	3,118	+35%
		Cloud Consultation Support (introduction support)	540	596	+10%
		Others (mainly employment information devices)	167	228	+36%
		Subtotal	3,009	3,943	+31%
	On-Premises Business	Premium Support (maintenance)	572	531	-7%
		Software Products	389	507	+30%
		Software Consultation Support (introduction support)	149	140	-6%
		Employment Information Device	94	93	-1%
		Subtotal	1,205	1,272	+6%
	Total		4,215	5,216	+24%
	*Recurring Revenue		2,897	3,673	+27%
Real Estate Rental Business			161	154	-4%
Total			4,376	5,370	+23%

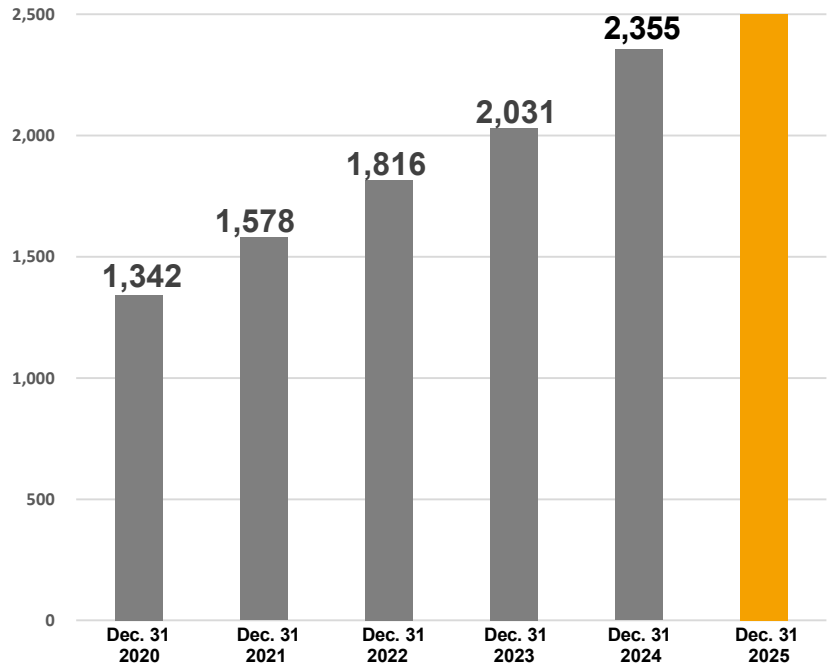
* Recurring revenue includes revenue from cloud licensing, premium support, and other services.

Number of Corporate Clients on Contract and Number of Licenses

■ Growth in the number of licenses remains strong, with an average annual growth rate (AAGR) of 20.1%.

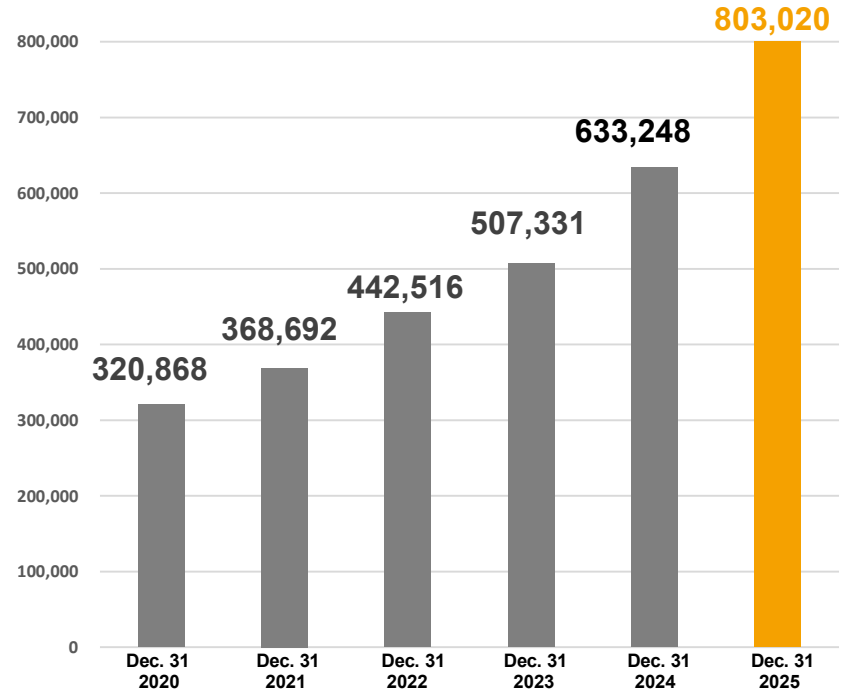
14.1%
AAGR for the last 5 years*

Number of corporate clients on cloud-based contracts (companies)



20.1%
AAGR for the last 5 years*

Number of cloud-based licenses* (persons)



*The number of licenses for each employee at a corporate client is counted as one, even where the employee uses multiple services (Recruitment, HR, Salary, Health & Productivity Management).

ARPU trend

ARPU	March 2024	June 2024	September 2024	December 2024	March 2025	June 2025	September 2025	December 2025
Enterprise	351 yen	370 yen	379 yen	389 yen	395 yen	398 yen	398 yen	400 yen

* AAGR for the last 5 years is calculated for the period from January 2021 to December 2025.

Cloud-Based Contract Cancellation Rate

■ **The average rate of cloud-based contracts cancelled per month remains low at 0.21%.**

Cloud-based contract cancellation rate*



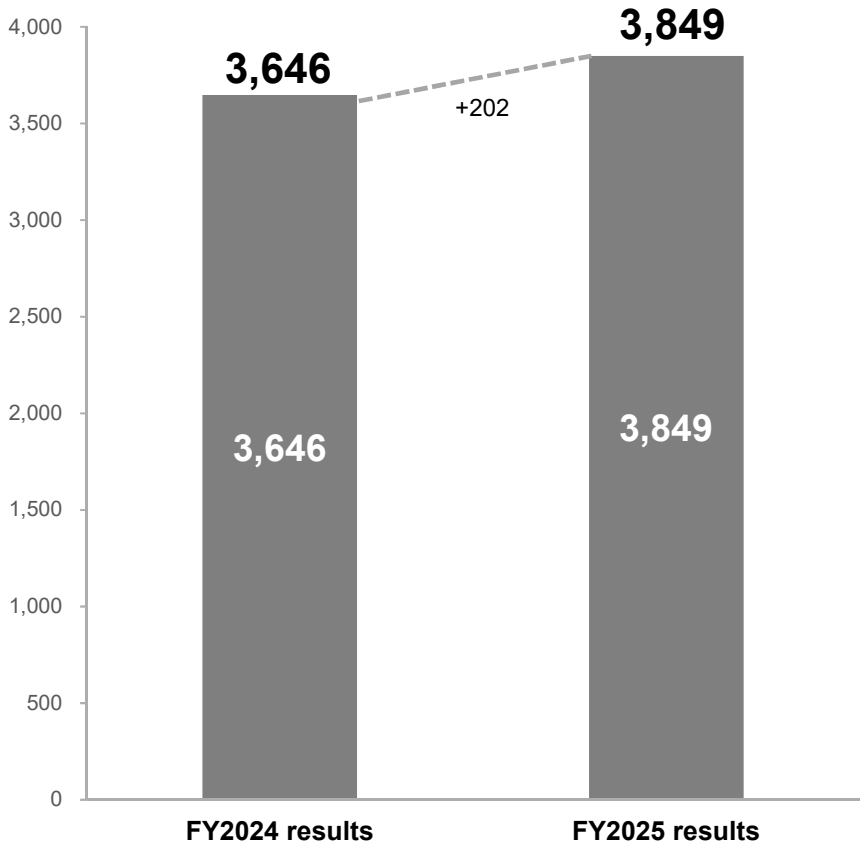
*The monthly average cancellation rate is calculated by dividing revenue from customers who cancelled their contracts in the current month by revenue from total customers in the previous month.

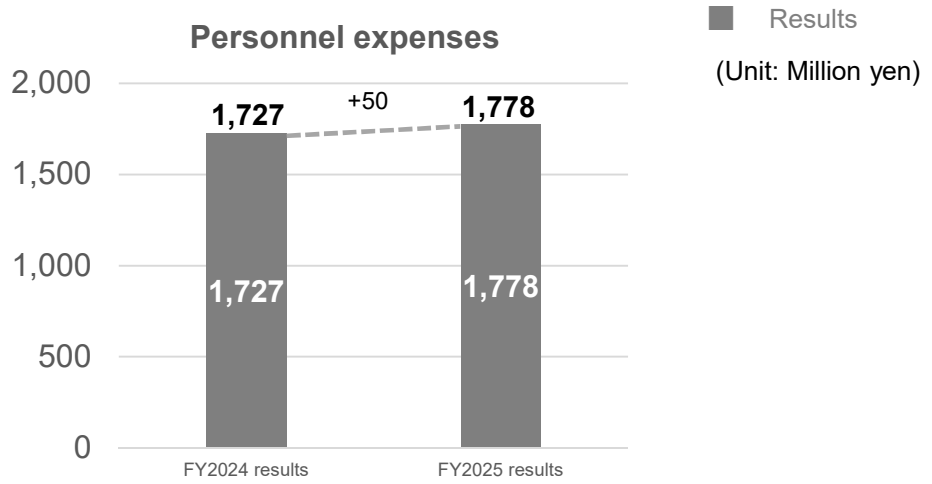
Cost Structure

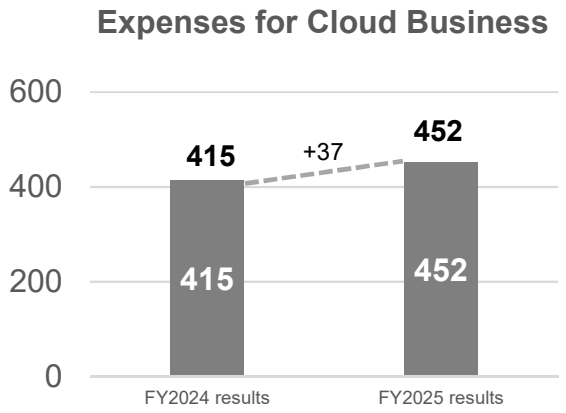
Cost structure for FY2025

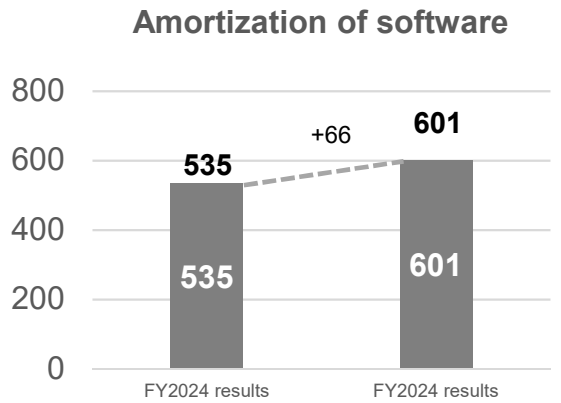
- The YoY cost rose by +202 million yen due to an increase in amortization of software, upfront investments for Cloud Business expansion (expenses for Cloud Business), and increases in personnel expenses and other expenses.

Expenses trend (consolidated)









Shareholder Returns

■ Basic policy

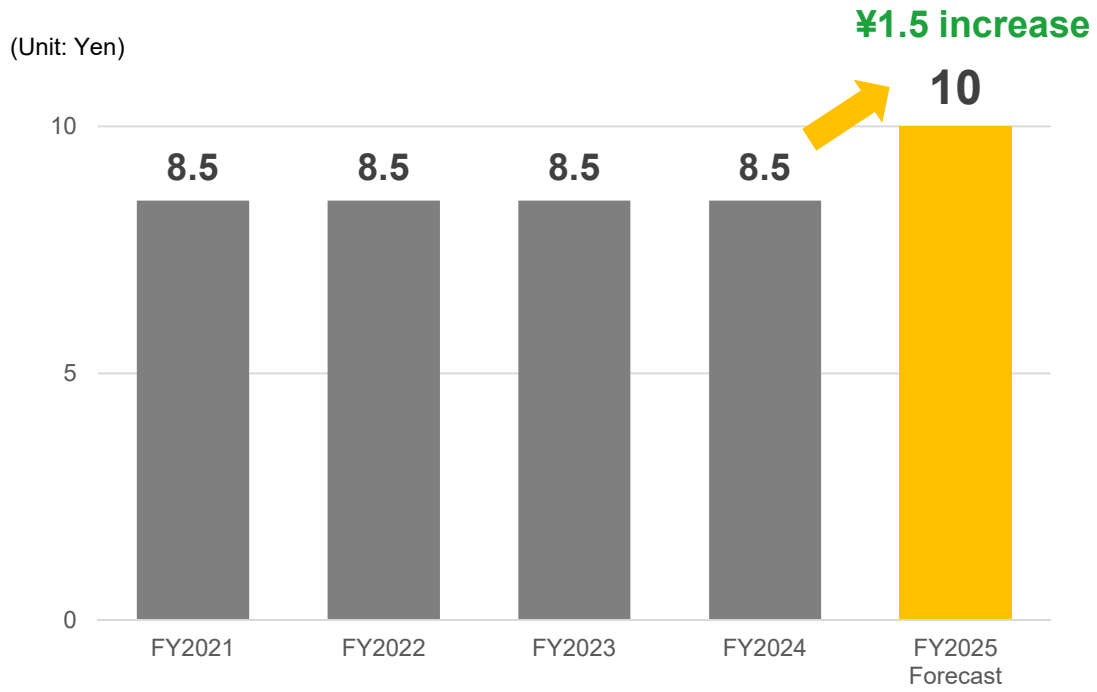
We recognize shareholder returns as a key management priority and distribute dividends while taking into consideration internal reserves necessary for future business development and financial reinforcement.

We effectively utilize internal reserves to invest in internal systems, recruit talent that will contribute to future growth, fund advertising spending, and M&A to ultimately increase competitiveness and profitability while working to enhance financial stability to strengthen our corporate structure.

Stock-related measures we took in the past:

Time	Description
October 2020	Was listed on the Mothers Market of the Tokyo Stock Exchange
July–October 2021	Conducted share buybacks (517,500 shares)
September 2021	Chose to be listed on the Growth Market of the Tokyo Stock Exchange
February 2022	Introduced a restricted stock program for directors
July 2024	Conducted a 2-for-1 stock split

■ **Dividend Trends**



* The dividend for the fiscal year ended December 31, 2025 shall be proposed at the 45th Annual General Meeting of Shareholders to be held on March 27, 2026.

* The figures in the graph reflect the stock split conducted in July 2024.

Progress on Our Mid-Term Management Plan

■ Operating results grew significantly higher than initially projected in the three-year plan

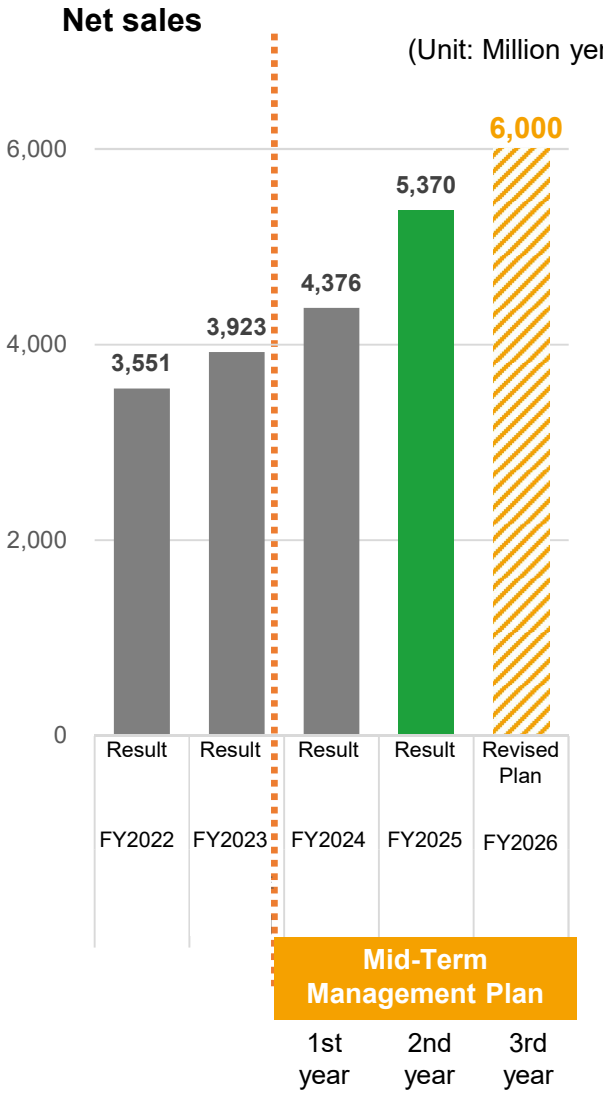
- We plan to increase upfront investments with a primary focus on product development to accelerate the growth of the Cloud Business.
- Investments and expenses for cloud facility are projected to rise in stages from FY2025 onward in conjunction with efforts to achieve target of 1 million cloud licenses in FY2027 or later.

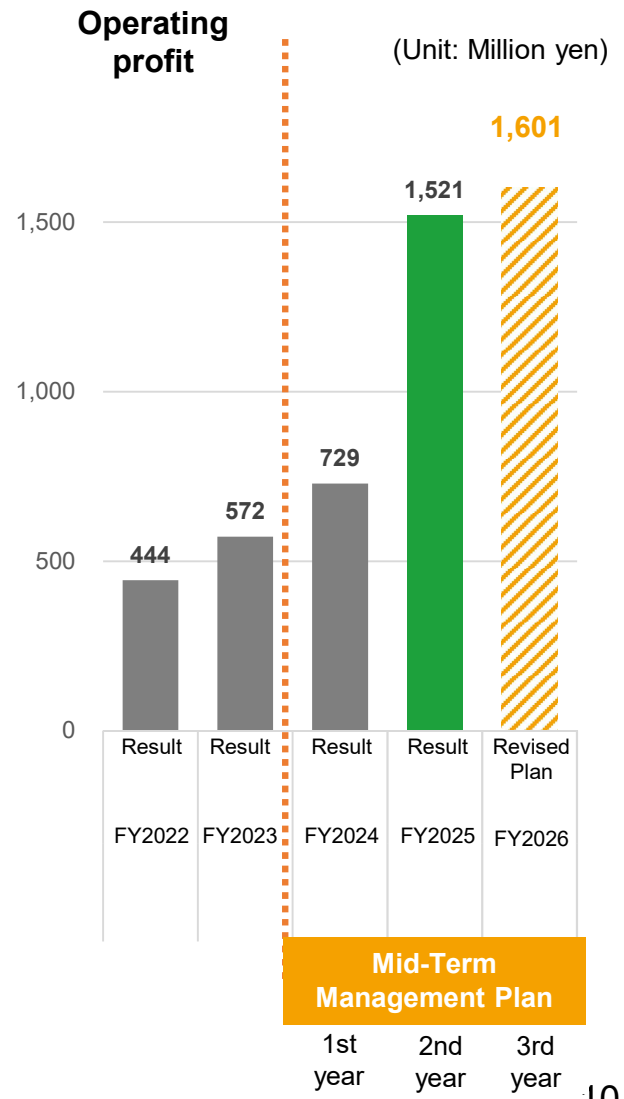
[Progress on three-year plan] (Unit: Million yen)

	FY2024 Results	FY2025 Results	FY2026 Revised Plan
Net sales	4,376	5,370	6,000
Operating profit	729	1,521	1,601
Operating profit margin	16.7%	28.3%	26.7%

[Reference: Initial projections in three-year plan] (Unit: Million yen)

	FY2024	FY2025	FY2026
Net sales	4,300	4,950	5,700
Operating profit	573	953	1,215
Operating profit margin	13.3%	19.3%	21.3%





Progress on Our Mid-Term Management Plan

■ Business strategy: Increase recurring revenue with the Cloud Business as a growth driver

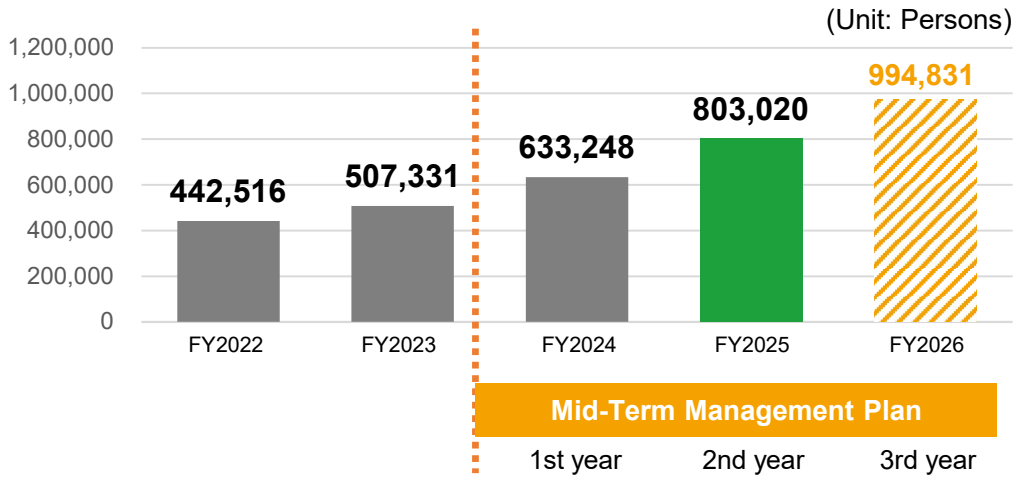
	Strategy to grow business laid out in the Mid-Term Management Plan	Key measures taken in FY2025
1	Accelerate the product feature development aimed at HRM all-in-one solutions*	✓ Universal Kinjiro: Bolstered our HRM platform through release of talent management and salary management features ✓ Continue developing new features from FY2026 onward to further enhance HRM capabilities
2	Shift on-premises users of Kinjiro Enterprise, which is our previous product, to cloud-based services through Universal Kinjiro	✓ The shift to cloud-based services advanced steadily and the number of licenses increased at a faster pace than initially projected
3	Pricing strategy	✓ While the impact of price revisions normalized, we made progress in acquiring unexpectedly large-scale customers, leading to a higher volume of bulk purchase discounts. As a result, ARPU was below our initial projections despite the license growth
4	Enhance services for employees (BtoE) and roll out services for consumers (BtoC)	✓ Improved Health x Life app to enhance usability and service quality ✓ Prepared to roll out services for consumers

*Our HRM solutions provide employment, attendance, HR, salary, and human capital data to facilitate health & productivity management.

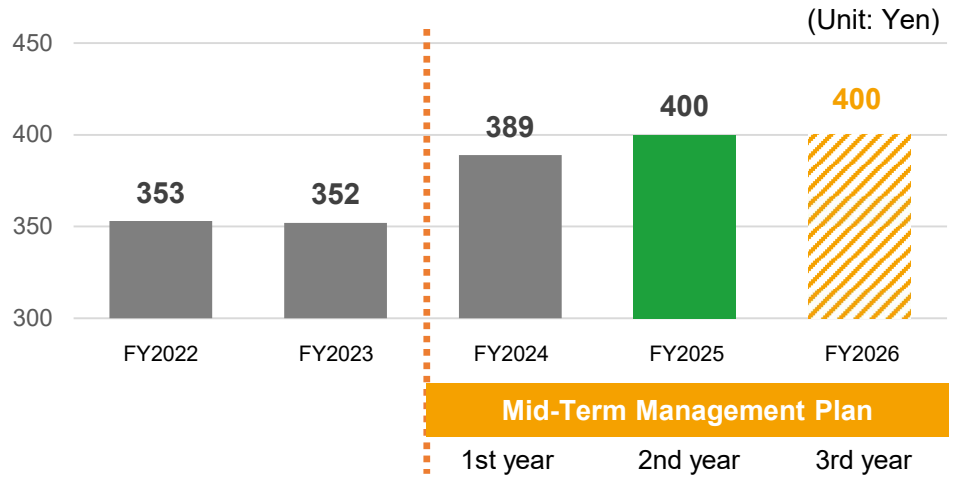
Progress on Our Mid-Term Management Plan

Our mid-term growth strategy progressed steadily

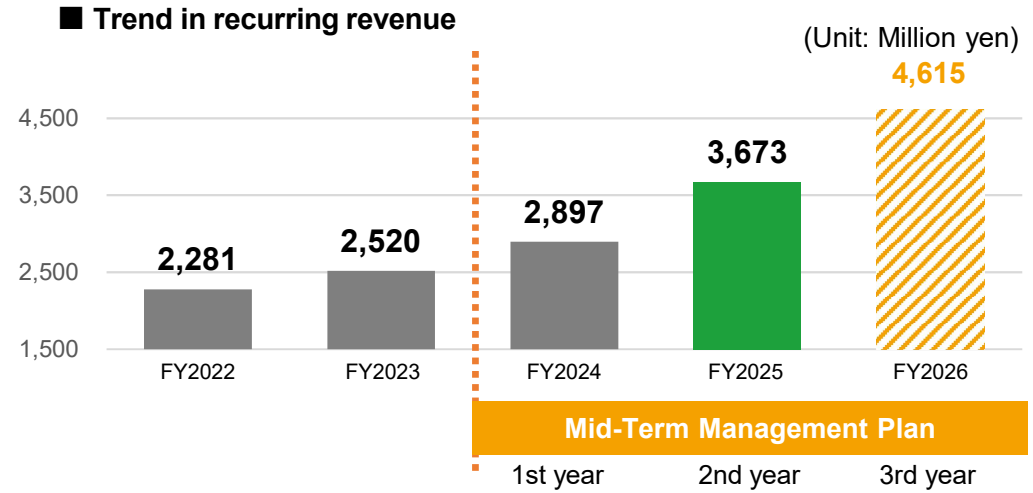
Number of cloud-based licenses



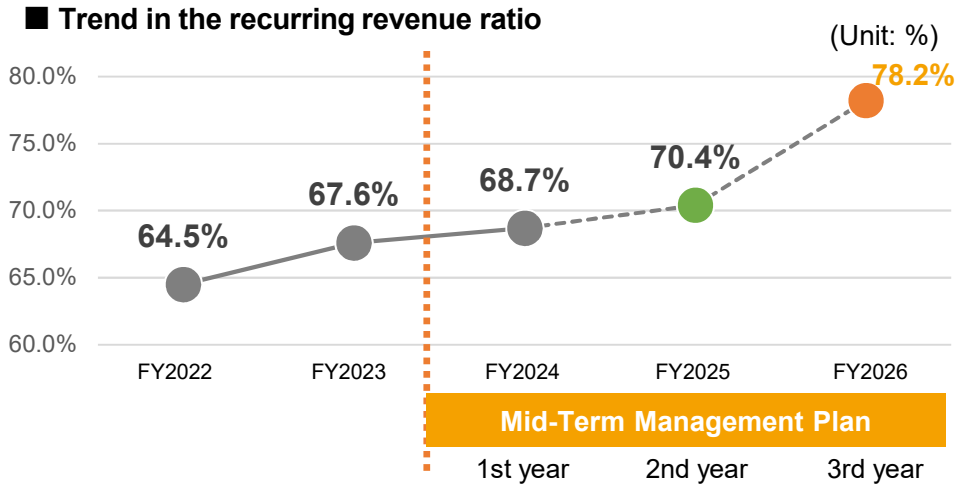
Trend in the ARPU



Trend in recurring revenue



Trend in the recurring revenue ratio



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for the Fiscal Year Ended December 31, 2025 (FY2025)

2. Plan
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4. Topics

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Summary of Plan for FY2026

■ We will continue to expand our business with the Cloud Business as a growth driver.

・We plan to grow net sales by 12%, operating profit by 5%, and profit by 3% year on year.

(Unit: Million yen)

	FY2025 Results	FY2026 Plans	YoY change (%)
Net sales	5,370	6,000	+12%
Operating profit	1,521	1,601	+5%
Ordinary profit	1,525	1,609	+5%
Profit	1,013	1,050	+3%

FY2026 Plan (Net Sales)

■ We will continue to accelerate the growth of the Cloud Business.

- Cloud Business performed well, buoyed primarily by increased cloud license sales, and revenue is projected to rise by 26% to 1,020 million yen YoY.
- On the other hand, revenues in On-Premises Business are forecasted to decrease as existing customers continue to migrate smoothly to the cloud.

(Unit: Million yen)

Business segment	Sales segment		FY2025 Results	FY2026 Plans	YoY changes (%)
HRM Business	Cloud Business	Cloud License	3,118	4,098	+31%
		Cloud Consultation Support (introduction support)	596	635	+7%
		Others (mainly employment information devices)	228	230	+1%
		Subtotal	3,943	4,963	+26%
	On-Premises Business	Premium Support (maintenance)	531	495	-7%
		Software Products	507	232	-54%
		Software Consultation Support (introduction support)	140	120	-14%
		Employment Information Device	93	91	-2%
		Subtotal	1,272	939	-26%
	Total		5,216	5,903	+13%
	*Recurring Revenue		3,673	4,615	+26%
Real Estate Rental Business			154	96	-38%
Total			5,370	6,000	+12%

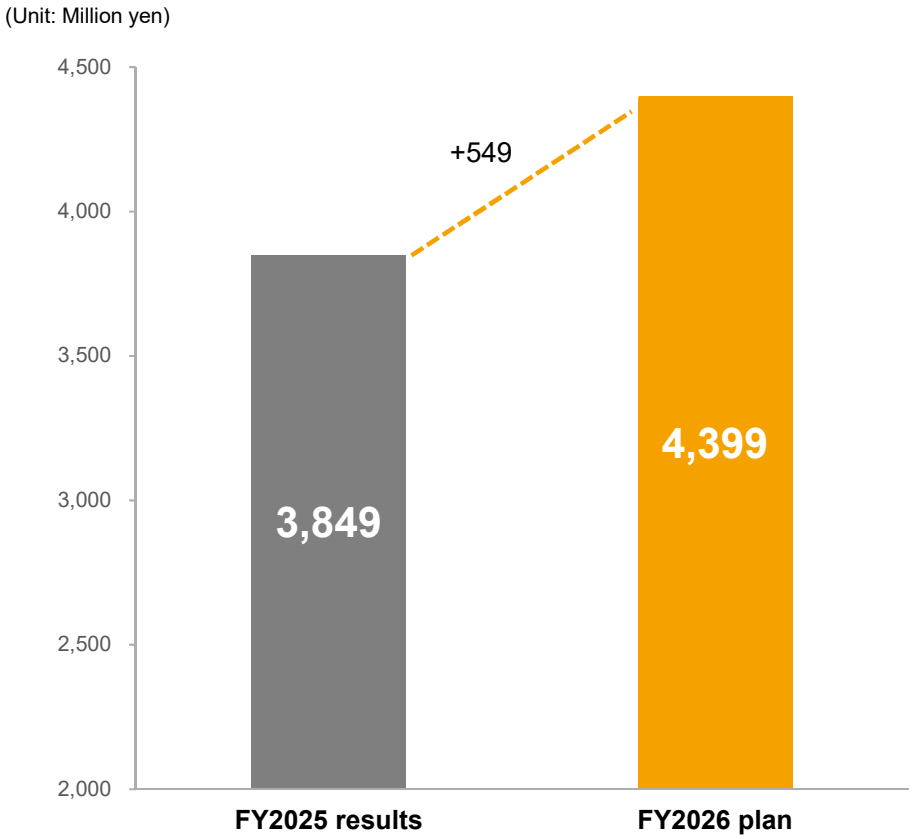
* Recurring revenue includes revenue from cloud licensing, premium support, and other services.

FY2026 Plan (Cost)

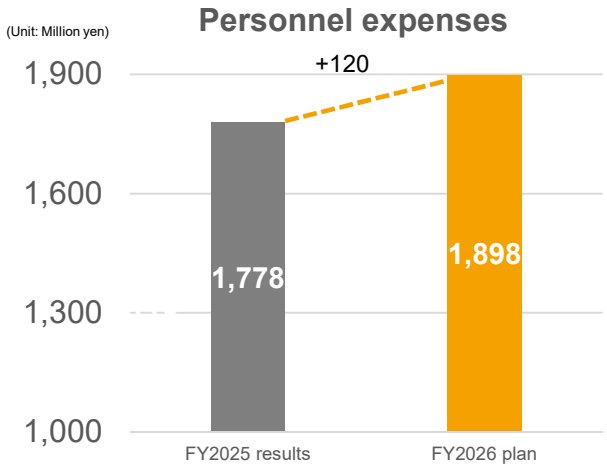
Cost structure for FY2026

- **Amortization is projected to increase by 233 million yen YoY due to commencement of amortization for software assets following the release of new features in FY2025. In addition, we expect a 120 million yen increase in personnel expenses primarily due to strengthening workforce to support business expansion and increases in salaries as well as a 75 million yen increase in expenses for Cloud Business driven by the growth in cloud licenses.**

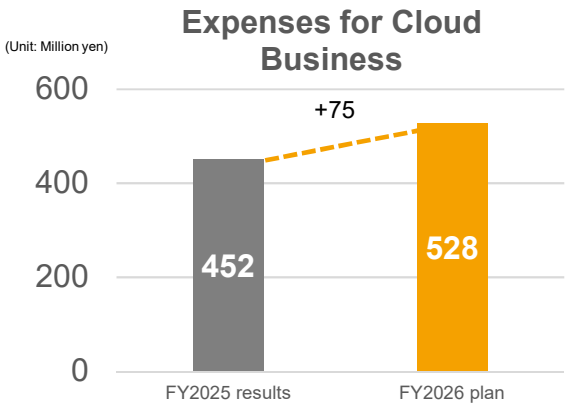
Expenses trend (consolidated)



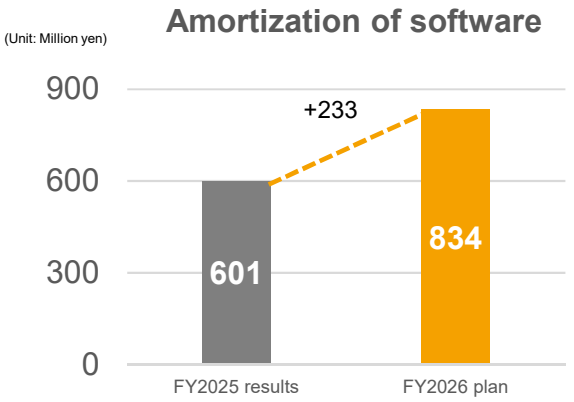
Personnel expenses



Expenses for Cloud Business



Amortization of software



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Summary of Strategies

■ Expand HRM solutions to drive our growth through dual approaches of improving ARPU and increasing the number of licenses

Establish cloud HRM as a sustainable medium- to long-term growth model through two pillars: Product Competitiveness Enhancement and Sales Capability Expansion

Product Competitiveness Enhancement

Enhance value of Universal Kinjiro

- **Enhance value of features that directly address customer challenges**
  (Increase the unit price by delivering higher functional value)
- **Improve ease of implementation and operation**
  (Lower the barriers to integration and expansion)
- **Product design that facilitates expansion**
  (Create natural paths for upsell and cross-sell)

Improve ARPU by enhancing the value we provide

Facilitate usage expansion within the existing customer base

Develop sales models

Scaling through certified partners

- **Establish a partner certification program**
  (Clarify roles, quality, and collaboration rules)
- **Offer “frameworks” from proposal to implementation**
  (Generate opportunities and improve order growth through partner-led initiatives)
- **Expand supply capabilities (proposal and implementation)**
  (Establish a sales model independent of direct sales resources)

Accelerate acquisition and implementation

Balance scalable customer acquisition with expansion support

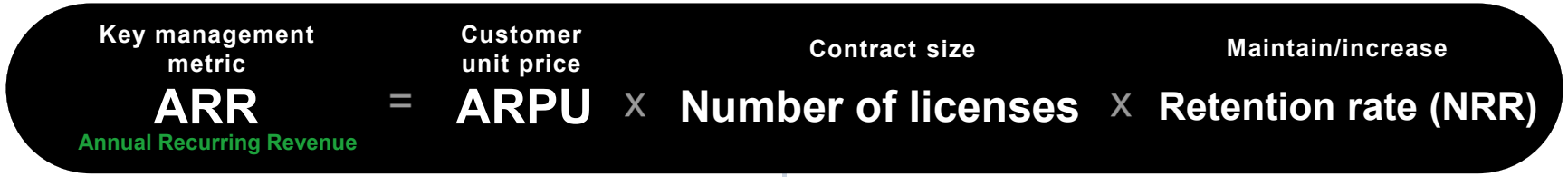
Performance metrics (growth drivers)

Improvement in ARPU	Increase in the number of licenses	Retention rate maintenance/improvement
(Increase in unit price and order quantity)	(New acquisition + usage expansion)	(Cancellation reduction/workflow integration)

With our focus on the above-stated two pillars, we will achieve medium- to long-term growth by constantly improving the three performance metrics.

Business Growth Model

Drive incremental ARR (ARPU x number of licenses [x retention rate])



Strategic pillar 1: Product Competitiveness Enhancement

ARPU improvement

Key growth drivers/measures

- Value enhancement: Increase the unit price by adding features
- Ease of implementation: Shorten integration period and drive early usage expansion
- Expansion path: UI/UX design that creates paths for cross-sell

Strategic pillar 2: Sales Model Development

Number of licenses

Key growth drivers/measures

- New acquisition: Improve customer interactions primarily through certified partners
- Usage expansion: Company- and group-wide expansion within the installed base
- Standardization: Improve order growth by offering proposal/implementation “frameworks”

Growth Support

Retention rate (NRR)

Key maintenance/improvement measures

- Implementation quality: Streamline implementation through standard operating procedures
- Operational adoption: Onboarding support and usage promotion
- Cancellation reduction: Reduce cancellation rate by enhancing customer satisfaction

Build a framework where product and sales strategies impact KPIs directly, accelerating incremental ARR growth

HRM Platform Vision

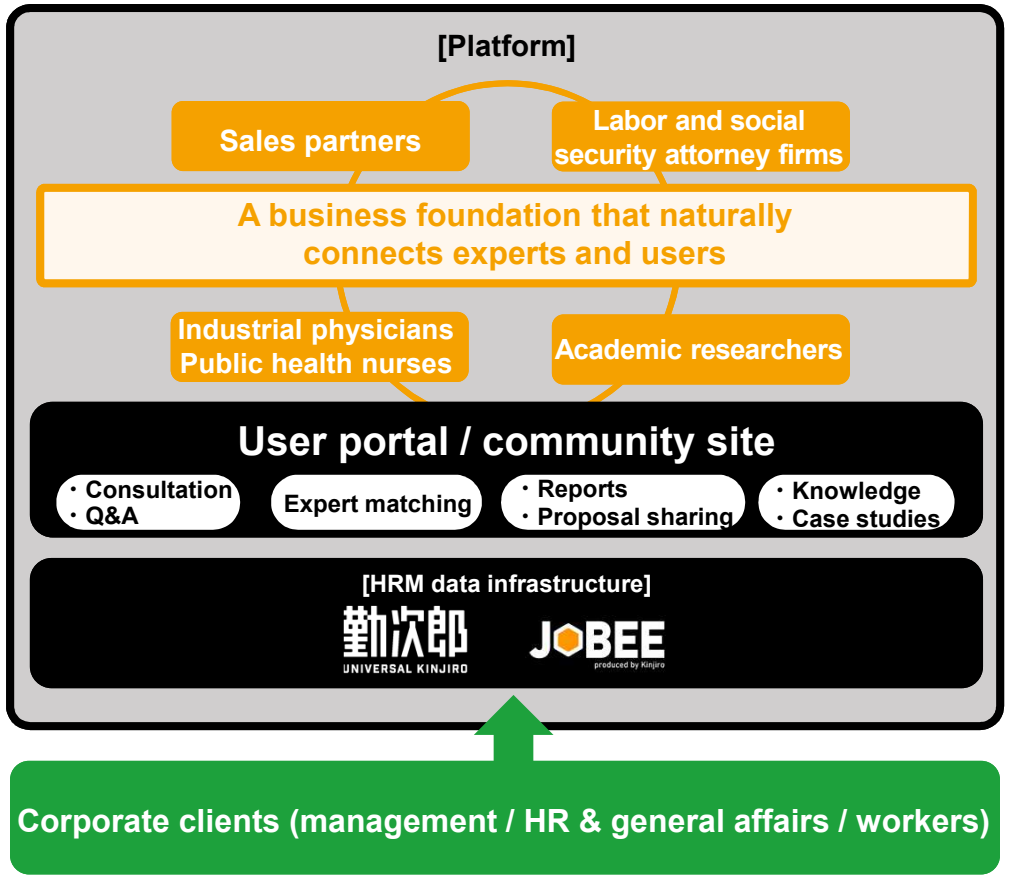
Platform for expanding value from HRM data

User challenges

Have tools but unsure how to utilize them

Unsure whom to consult

Unsure how to connect with trusted experts



Value provided

Premium support

Compliance with labor standard law and regulatory changes

Support for health & productivity management and human capital management

Data-driven analysis and proposals

Corporate clients: Comprehensively solve HRM challenges

Comprehensive resolution of HRM challenges

Co-creation partners: Expand business by utilizing their expertise

Opportunities to expand business by leveraging their expertise

Kinjiro: Grow as a hub of HRM services

Sustainable growth as a hub of HRM services

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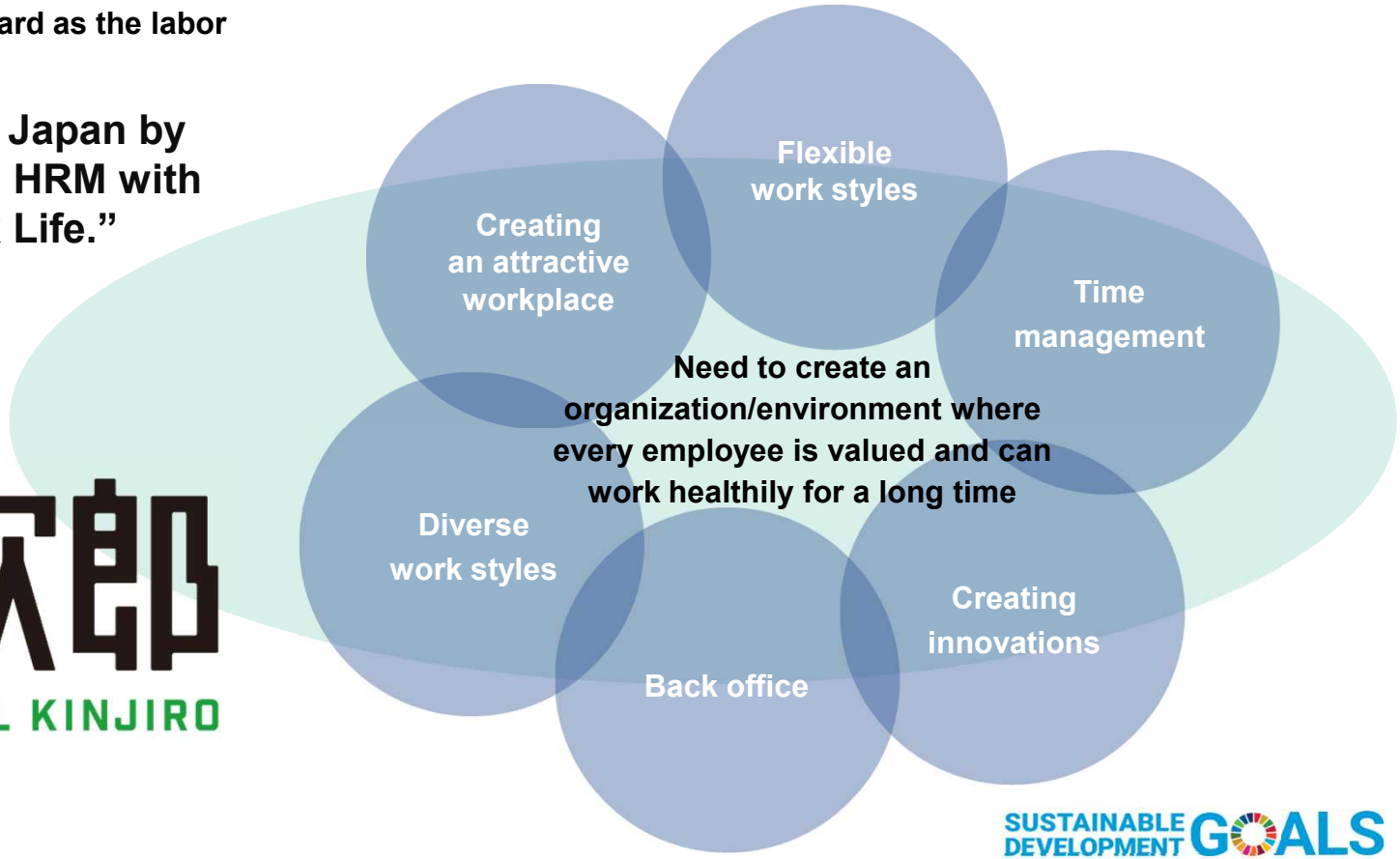
Kinjiro's Mission and Strength

■ Offer products and services that solve social challenges faced by modern Japan

Performance delivered by each and every worker will become increasingly important going forward as the labor force is expected to decline significantly.

Solve social challenges faced by Japan by contributing to corporate clients' HRM with "Universal Kinjiro" and "Health x Life."

勤次郎
UNIVERSAL KINJIRO



SUSTAINABLE DEVELOPMENT GOALS

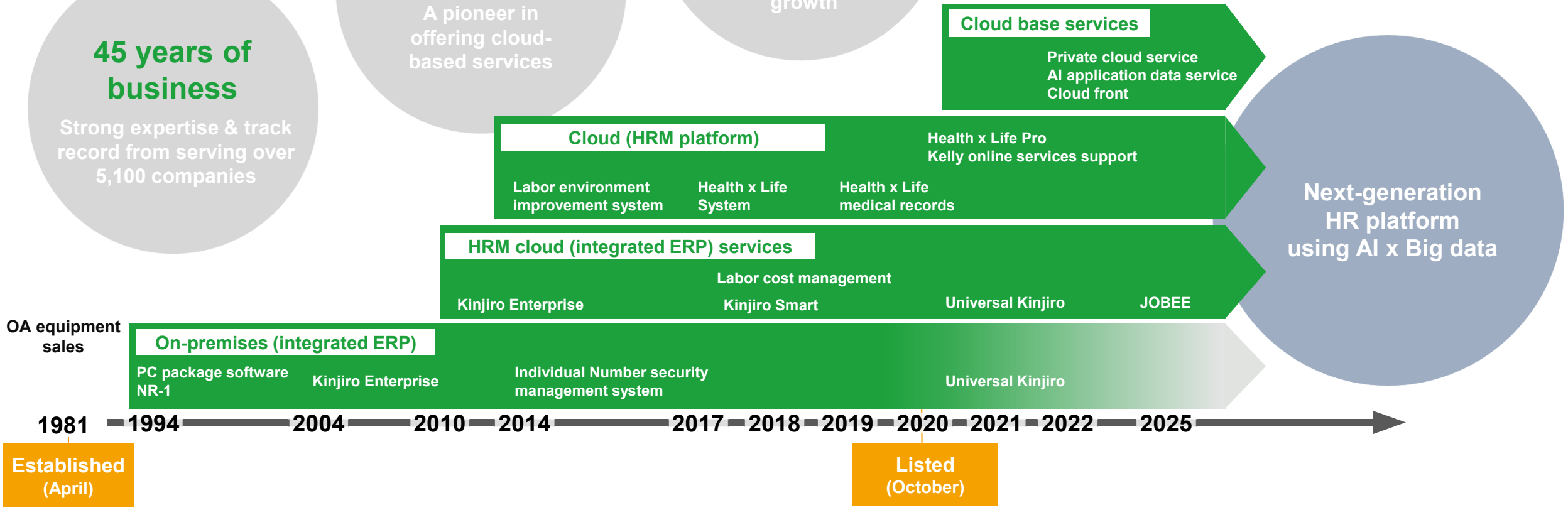
Our History

Providing services that accurately anticipate the changing times

45 years of business
Strong expertise & track record from serving over 5,100 companies

Moving into cloud-based services
A pioneer in offering cloud-based services

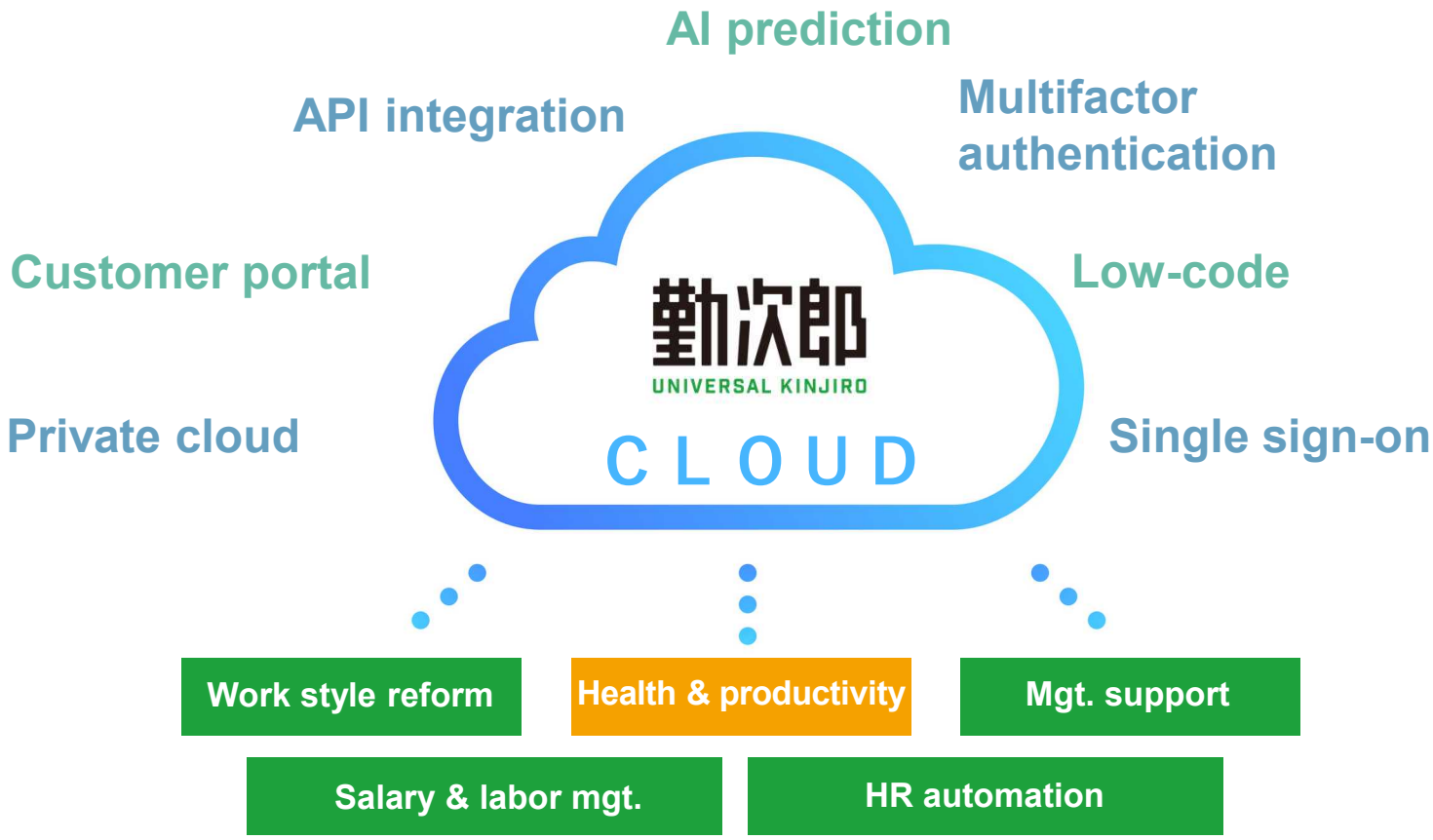
Focusing on human capital management
Supporting worker happiness and corporate growth



Business Scope

Simultaneously manage work and health to achieve work style reform and health & productivity management, and help enhance corporate value by improving labor productivity

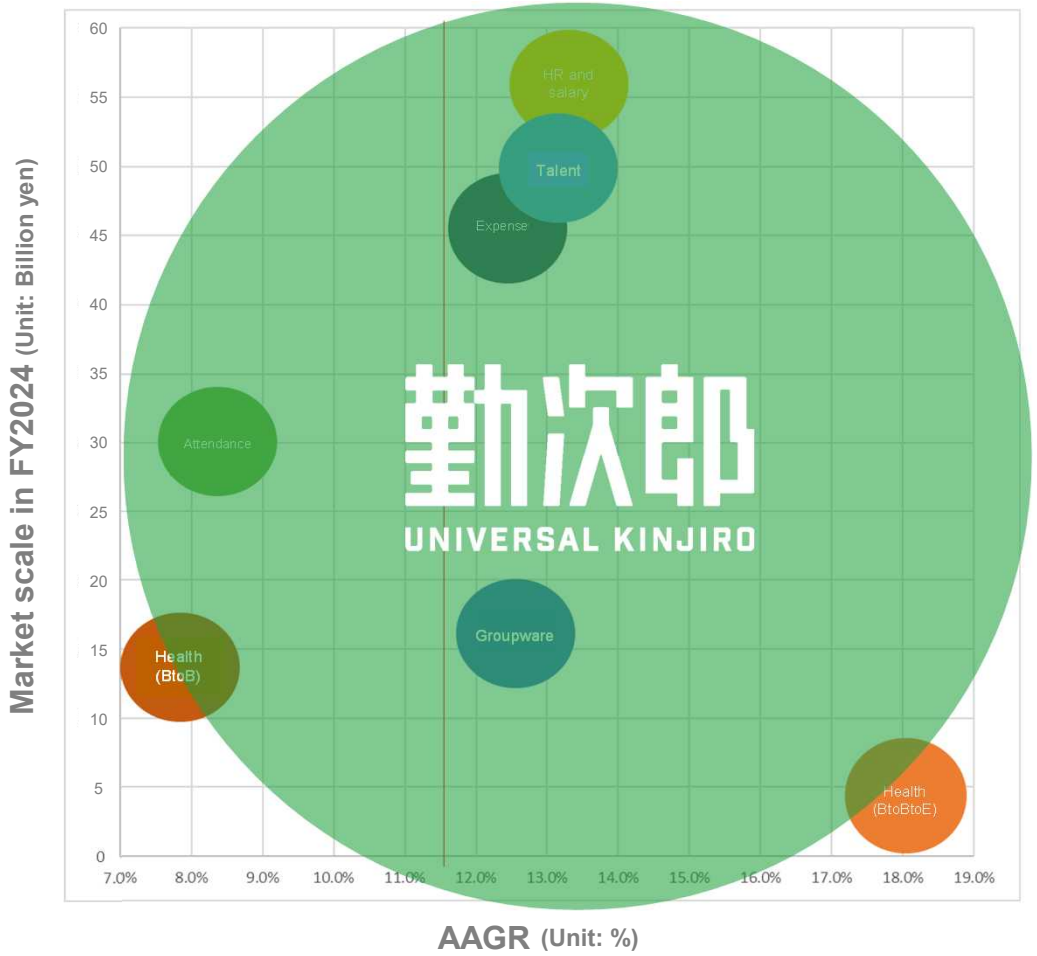
The health and happiness of employees builds the company's future



Human Capital Management

■ Market scale in FY2024 (billion yen) and AAGR (’29/’24)

● Attendance mgt. ● HR and salary ● Talent ● Health mgt. (BtoB)
● Health mgt. (BtoBtoE) ● Groupware ● Expense settlement



Aiming to be No. 1 in HRM services
within the growing HR services market

		AAGR	Market scale
Attendance management		8.5%	30.3 billion yen
HR and salary management		13.4%	56.3 billion yen
Talent management*1		13.1%	49.8 billion yen
Labor management*2		25.6%	31.0 billion yen
Health management	BtoB*3	7.6%	13.9 billion yen
	BtoBtoE*4	18.1%	2.9 billion yen
Groupware		12.5%	16.4 billion yen
Expense settlement		12.5%	45.6 billion yen

*1 Services that manage and support the full cycle of talent utilization, including recruitment, allocation, training, and evaluation.
*2 Services that streamline corporate labor operations such as salary, working hours, benefits, and social insurance procedures, focusing specifically on labor management.
*3 Services that comprehensively provide features such as health information management and recordkeeping, health examination scheduling and results management, and stress checks.
*4 Services that use wearables or other devices to collect employees’ vital data and manage health and safety during working hours.

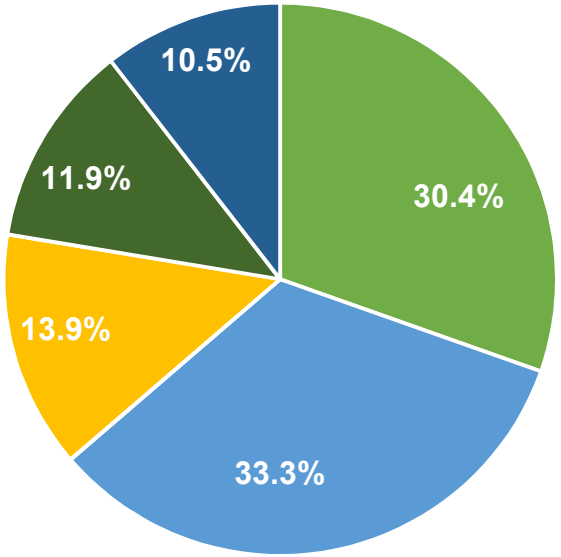
Reference: Software Business New Market 2025 Edition (by Fuji Chimera Research Institute)
Comprehensive Wearables/Healthcare Business Survey 2024 (by Fuji Chimera Research Institute)

Kinjiro Enterprise Installations Breakdown by Scale and Industry

■ Meet the needs of diverse enterprises in different sizes, ranging from SMEs to large enterprises, in different industries

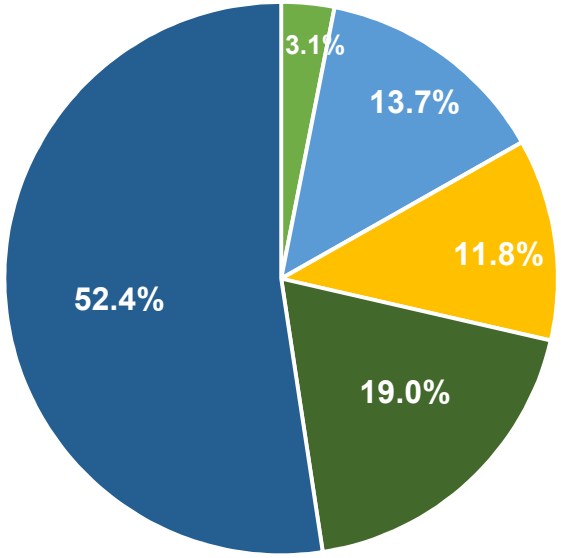
1. Breakdown of implementation by number of employees

Breakdown of clients by corporate scale



2. Breakdown of implementation by number of licenses

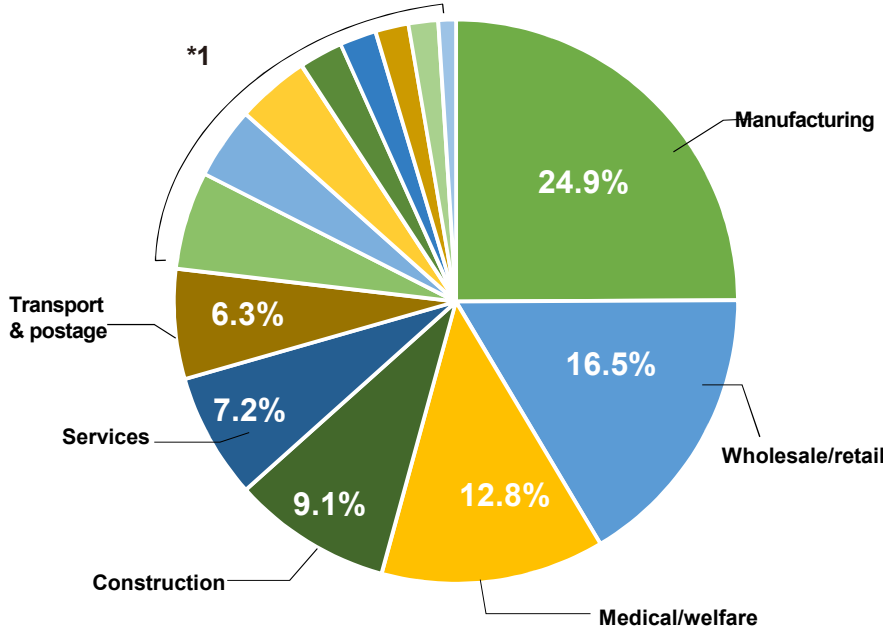
Breakdown of licenses by corporate scale





3. Breakdown of client numbers by industry

*Implementation at a diverse range of different enterprises



*1

- Academic & specialist / technical services: 5.6%
- Information & communications: 4.2%
- Real estate & rental: 4.1%
- Accommodation & food: 2.5%
- Lifestyle services & entertainment: 2.1%
- Finance & insurance: 1.9%
- Education & learning support: 1.7%
- Others: 1.0%

* Implementation results in cloud business and on-premises business as of December 31, 2025

Enhancing the Reliability Foundation in Support of Cloud Growth

Cloud infrastructure supporting stable operations

As we shift from an on-premises-centered model to a cloud-centered business structure, we position security as a core management foundation and have established an operational framework designed for 24/7/365 operation based on our in-house cloud infrastructure. While continuing to enhance multilayered cloud security measures, we refined our framework from both governance and operational perspectives, including the acquisition of ISMS Cloud Security certification in 2025. As a result, we maintain stable service delivery and a low contract cancellation rate even during the Cloud Business expansion phase.

Advancing our reliability foundation for cloud growth

Building on our current cloud infrastructure, we are promoting initiatives that go beyond domestic standards to meet globally recognized security and operational requirements. While advancing toward a next-generation cloud infrastructure capable of addressing increasingly sophisticated and diverse customer needs, we continue to enhance our cloud security framework, including the acquisition of ISMS certification. Through these efforts, we are enhancing our competitiveness by reinforcing our reliability foundation in support of acquisition of new customers and large-scale projects.

Number of major incidents

0

cases

(FY2025)

Stable service delivery maintained even during the Cloud Business expansion phase

Support the sustainable growth of the Cloud Business by providing a safe and secure user environment

Sustainability: Health & Productivity Management Initiatives

■ Recognized as a “Certified Health & Productivity Management Outstanding Organization” for the Eighth Consecutive Year

Kinjiro was ranked in the top 300 among 3,869 organizations, which were recognized by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi as “Certified Health & Productivity Management Organizations (White 500).”

2025
健康経営優良法人
KENKO Investment for Health
大規模法人部門
ホワイト500

■ Using HRM platforms at our office

Kinjiro was recognized as a Certified Health & Productivity Management Outstanding Organization for the eighth consecutive year through the use of Universal Kinjiro (HRM platform) at our office.

■ Awarded the “Award for Outstanding Business Facilities under the Nagoya Health Declaration”

Kinjiro received the “Healthy Declaration Excellent Office” award from Nagoya City and Japan Health Insurance Association (JHIA) two years in a row.


表彰状

勤次郎株式会社様

貴社は令和三年度なごや健康宣言優良事業所として従業員の健康維持に取り組みその活動は他の模範となります
よってここに表彰します

令和五年二月二十日

名古屋市長 河村たかし
全国健康保険協会愛知支部
支部長 芦田 豊

Health & Productivity Management Survey Feedback Sheet

確定版　CODE: A04013

令和6年度 健康経営度調査フィードバックシート

法人名：勤次郎株式会社

英文名：Kinjiro Co.,Ltd

■加入保険者：全国健康保険協会 愛知支部　　上場

■所属業種：情報・通信業

①健康経営度評価結果

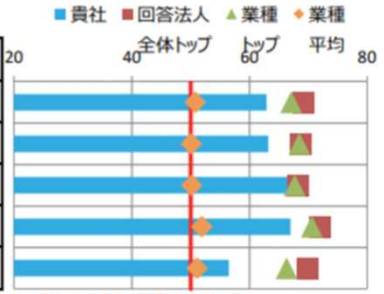
■総合順位： 251～300位 ／ 3869 社中

■総合評価： 62.9 ↓1.3 （前回偏差値 64.2 ）

※「ホワイト500」に該当するかについては、回答法人全体ではなく申請法人に絞った順位で判定するため、フィードバックシートの順位から繰り上がり認定される場合があります。

②評価の内訳

側面	重み	貴社	回答法人全体トップ	業種トップ	業種平均
総合評価	-	62.9	69.2	67.1	50.8
経営理念・方針	3	63.2	68.7	68.5	50.1
組織体制	2	67.7	68.3	67.7	50.2
制度・施策実行	2	67.0	71.9	70.6	51.9
評価・改善	3	56.5	69.9	66.3	51.1



※各側面の数値は、回答法人全体の平均に基づく偏差値です。各側面の数値に重みを掛けた値を合算して、得点・順位を算出しています。

※トップの数値は項目毎の最高値です。なお、所属業種の有効回答が5社未満の場合、業種トップには「－」を表示しています。

FY2025 Kinjiro Genki Project Activities

■ Further enhanced our health & productivity management initiatives through the "Kinjiro Genki Project" led by young employees

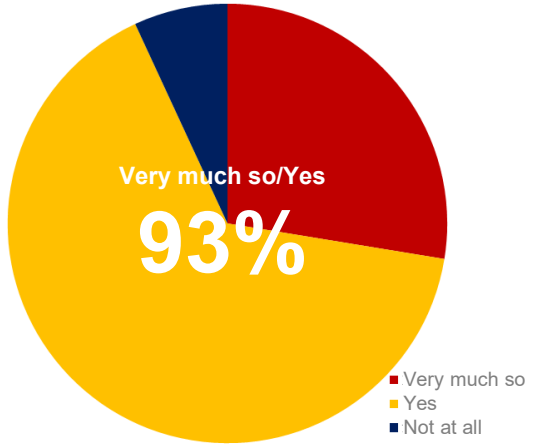
Throughout the year, we performed eight activities in 33 events centering on two themes: mind and body.
The internal survey conducted last December revealed that many participants felt positive changes in their exercise frequency, daily routines, and awareness of exercise.
Now in its third year, the project has introduced five new activities to maintain employee engagement.

New activities

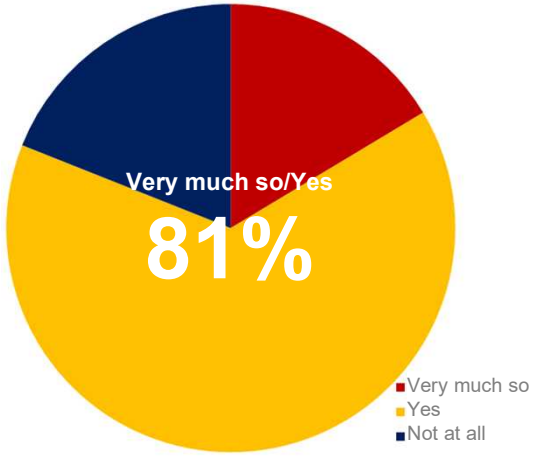


Participant survey

Do you think about your health more often now?



Do you feel you have the opportunity to grow and thrive in your workplace?



Disclaimer

To the extent that statements in this presentation do not relate to historical or current facts, they constitute forward-looking statements. These statements represent the judgment of our senior management, based on the information currently available, and involve risks and uncertainties. Actual results may differ significantly from the outlook for performance and other matters presented here, due to various factors including economic conditions, the status of competition within the industry, and the success or failure of new services.

The health and happiness of employees builds the company’s future

勤次郎
UNIVERSAL KINJIRO