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.

November 12, 2026

Consolidated Financial Results for the Nine Months Ended September 30, 2026 (Under Japanese GAAP)

Company name: MEDLEY, INC.
Listing: Tokyo Stock Exchange
Securities code: 4480
URL: https://www.medley.jp
Representative: Kohei Takiguchi President and Chief Executive Officer
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

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

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

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

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	33,340	21.1	4,551	27.2	2,381	47.8	3,097	84.2	1,779	59.7
September 30, 2025	27,536	27.2	3,578	2.7	1,611	(31.7)	1,681	(54.9)	1,114	(52.0)

Note: Comprehensive income For the nine months ended September 30, 2026: ¥ 1,775 million [61.1%]
For the nine months ended September 30, 2025: ¥ 1,101 million [(53.0) %]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
September 30, 2026	58.81	58.60
September 30, 2025	34.72	34.55

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

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	44,578	15,247	34.2
December 31, 2025	41,252	14,799	35.9

Reference: Equity
As of September 30, 2026: ¥ 15,247 million
As of December 31, 2025: ¥ 14,799 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2025	-	0.00	-	0.00	0.00
Fiscal year ending December 31, 2026	-	0.00	-		
Fiscal year ending December 31, 2026 (Forecast)				18.00	18.00

Note: Revisions to the forecast of cash dividends most recently announced: None

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

(Percentages indicate year-on-year changes.)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	46,400	26.1	5,800	20.3	2,950	37.2	3,250	47.6	1,800	84.5	58.25

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

*** Notes**

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

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

(Note) For details, please refer to "2. Quarterly Consolidated Financial Statements and Primary Notes (3) Notes to Quarterly Consolidated Financial Statements (Application of special accounting methods in preparation of quarterly consolidated financial statements)" on page 10 of the attachments.

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

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

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

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of September 30, 2026	31,808,600 shares
As of December 31, 2025	32,738,600 shares

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

As of September 30, 2026	1,585,057 shares
As of December 31, 2025	1,838,986 shares

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

Nine months ended September 30, 2026	30,263,450 shares
Nine months ended September 30, 2025	32,108,707 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

(Cautionary statement regarding forward-looking statements)

This preliminary earnings report contains forward-looking statements such as earnings forecasts which are based on information currently available to the Group and certain assumptions deemed to be reasonable. The Group makes no guarantee regarding the accuracy of the forecasts contained herein. Because of variable factors, actual results may differ from the forecast figures. For information regarding assumptions upon which the Group's results forecasts are based and notes regarding the use of results forecasts,

please refer to (3) Explanation regarding consolidated forecasts and forward-looking statements under 1. Outline of Business Performance on page 5.

1. Outline of Business Performance

(1) Explanation regarding operating results

During the nine months ended September 30, 2026 (consolidated Q3 FY2026), the Japanese medical and nursing care industry continued to face labor shortages and fiscal constraints, affecting both the HR PF Business and the Medical PF Business.

Amid this business environment, in consolidated Q3 FY2026, sales in the HR PF Business increased due to a steady increase in the number of customer offices and in our pool of registered workers for our recruitment system JobMedley as well as growth in the number of customer offices for online training system JobMedley Academy.

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

As a result of the above, in consolidated Q3 FY2026, the Group posted net sales of ¥33,340 million (up 21.1% YoY), EBITDA of ¥4,551 million (up 27.2% YoY), operating profit of ¥2,381 million (up 47.8% YoY), ordinary profit of ¥3,097 million (up 84.2% YoY), and net profit attributable to owners of the parent company of ¥1,779 million (up 59.7% YoY).

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

Earnings by business segment are as follows.

1) HR PF Business

During consolidated Q3 FY2026, the Group continuously improved the functionality of its websites in order to improve user convenience. As a result, the number of customer offices in the HR PF Business as a whole grew 9.8% compared with the end of consolidated FY2025, to 492 thousand. The number of applications on JobMedley continued to increase, and listed job postings rose by 5.3% over the same period, to 496 thousand. In addition, following the acquisition of RM Career Co., Ltd. as a consolidated subsidiary, "JobMedley Agent for Physicians" and "JobMedley Agent for Pharmacists" have been added to our portfolio.

As a result of the above, consolidated Q3 FY2026 segment net sales were ¥24,309 million (up 22.5% YoY), and segment profit before allocation of group-wide shared costs (operating profit) was ¥8,120 million (up 19.3% YoY).

2) Medical PF Business

During consolidated Q3 FY2026, the number of medical institution users in the Medical PF Business continued to grow, rising 4.7% compared with the end of consolidated FY2025, to 23 thousand institutions. In addition, we expanded the range of AI features available on MEDLEY AI CLOUD to improve operational efficiency and enhance the patient experience in healthcare settings.

As a result of the above, consolidated Q3 FY2026 segment net sales were ¥8,240 million (up 20.3% YoY) and segment loss before allocation of group-wide shared costs (operating loss) was ¥776 million (¥259 million loss in Q3 FY2025).

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

3) New Services Segment

During consolidated Q3 FY2026, the Group made investments in business expansion for the recruitment system in the U.S. In addition, nursing facility search website, Minkai, continued proactive sales efforts to expand its content, as well as the number of listed facilities. In addition, as of January 2026, "Kaigo-no-Honne" was integrated into "Minkai".

As a result, consolidated Q3 FY2026 segment net sales were ¥791 million (down 7.0% YoY) and segment loss before allocation of group-wide shared costs (operating loss) was ¥578 million (¥563 million loss in Q3 FY2025).

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

In addition, adjustments not attributable to any segment (intersegment eliminations and companywide expenses not allocated to any segment) totaled ¥4,384 million (up 0.2% YoY).

(2) Outline of financial position

Assets

Current assets as of the end of the consolidated Q3 FY2026 totaled ¥17,397 million, an increase of ¥2,576 million from the end of the previous consolidated fiscal year. This was mainly attributable to an increase of ¥1,745 million in cash and deposits and an increase of ¥639 million in accounts receivable - other, etc. Non-current assets totaled ¥27,181 million, an increase of ¥748 million from the end of the previous consolidated fiscal year. This was mainly attributable to an increase of ¥602 million in investments and other assets.

As a result of the above, total assets as of end-consolidated Q3 FY2026 totaled ¥44,578 million, an increase of ¥3,325 million compared with the end of the previous consolidated fiscal year.

Liabilities

Current liabilities as of the end of the consolidated Q3 FY2026 amounted to ¥13,808 million, an increase of ¥2,291 million from the end of the previous consolidated fiscal year. This was mainly attributable to an increase of ¥990 million in current portion of long-term borrowings, an increase of ¥744 million in income taxes payable and an increase of ¥497 million in accounts payable - other, etc. Non-current liabilities totaled ¥15,522 million, an increase of ¥585 million from the end of the previous consolidated fiscal year. This was mainly attributable to a ¥558 million increase in long-term borrowings.

As a result of the above, total liabilities as of end-consolidated Q3 FY2026 totaled ¥29,330 million, an increase of ¥2,877 million compared with the end of the previous consolidated fiscal year.

Net assets

Net assets as of the end of the consolidated Q3 FY2026 totaled ¥15,247 million, an increase of ¥448 million from the end of the previous consolidated fiscal year. This was mainly attributable to an increase of ¥1,779 million in retained earnings and decreases of ¥1,020 million in treasury shares (a deduction from net assets) and ¥2,346 million in capital surplus, etc.

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

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

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of December 31, 2025	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	8,575	10,320
Accounts receivable - trade	3,042	3,535
Merchandise and finished goods	455	301
Work in process	149	7
Accounts receivable - other	1,881	2,520
Prepaid expenses	533	689
Other	235	86
Allowance for doubtful accounts	(53)	(64)
Total current assets	14,820	17,397
Non-current assets		
Property, plant and equipment	609	568
Intangible assets		
Software	374	368
Goodwill	12,861	13,288
Customer relationship	9,312	9,076
Technical assets	365	321
Other	340	389
Total intangible assets	23,254	23,443
Investments and other assets	2,567	3,169
Total non-current assets	26,432	27,181
Total assets	41,252	44,578

(Millions of yen)

	As of December 31, 2025	As of September 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	443	385
Current portion of long-term borrowings	3,786	4,777
Accounts payable - other	2,570	3,068
Accrued expenses	414	354
Contract liabilities	2,306	2,148
Deposits received	937	1,222
Income taxes payable	244	989
Other provisions	114	188
Other	697	672
Total current liabilities	11,516	13,808
Non-current liabilities		
Long-term borrowings	12,299	12,857
Deferred tax liabilities	2,563	2,614
Other	74	50
Total non-current liabilities	14,937	15,522
Total liabilities	26,453	29,330
Net assets		
Shareholders' equity		
Share capital	47	47
Capital surplus	12,217	9,870
Retained earnings	7,576	9,356
Treasury shares	(4,843)	(3,823)
Total shareholders' equity	14,998	15,451
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(224)	(224)
Foreign currency translation adjustment	26	21
Total accumulated other comprehensive income	(198)	(203)
Total net assets	14,799	15,247
Total liabilities and net assets	41,252	44,578

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the Nine-Month Period

(Millions of yen)

	For the nine months ended September 30, 2025	For the nine months ended September 30, 2026
Net sales	27,536	33,340
Cost of sales	10,143	13,258
Gross profit	17,393	20,082
Selling, general and administrative expenses	15,781	17,701
Operating profit	1,611	2,381
Non-operating income		
Interest income	22	27
Settlement received	311	859
Other	52	99
Total non-operating income	385	986
Non-operating expenses		
Interest expenses	132	163
Outsourcing expenses	84	40
Loss on extinguishment of share-based compensation expenses	45	19
Other	53	46
Total non-operating expenses	315	270
Ordinary profit	1,681	3,097
Extraordinary income		
Gain on sale of shares of subsidiaries and associates	155	-
Gain on sale of businesses	48	-
Gain on sale of non-current assets	1	0
Total extraordinary income	205	0
Extraordinary losses		
Loss on sale of non-current assets	1	0
Loss on abandonment of non-current assets	0	2
Loss on termination of retirement benefit plan	24	-
Loss on step acquisitions	-	47
Total extraordinary losses	26	50
Profit before income taxes	1,860	3,047
Income taxes	745	1,267
Profit	1,114	1,779
Profit attributable to owners of parent	1,114	1,779

Quarterly Consolidated Statement of Comprehensive Income

For the Nine-Month Period

(Millions of yen)

	For the nine months ended September 30, 2025	For the nine months ended September 30, 2026
Profit	1,114	1,779
Other comprehensive income		
Foreign currency translation adjustment	(13)	(4)
Total other comprehensive income	(13)	(4)
Comprehensive income	1,101	1,775
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,101	1,775
Comprehensive income attributable to non-controlling interests	-	-

(3) Notes to Quarterly Consolidated Financial Statements

(Notes related to going concern assumptions)

Not applicable

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

Consolidated financial results for consolidated Q3 FY2025 (January 01, 2025, to September 30, 2025)

During consolidated Q3 FY2025, based on the resolutions of the Board of Directors meetings held on February 14, 2025, March 10, 2025 and August 15, 2025, the Company repurchased 1,450,000 treasury shares, resulting in an increase of ¥4,035 million in treasury shares.

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

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

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

As a result of these, as of end-consolidated Q3 FY2025, capital surplus was ¥12,322 million and treasury shares were ¥3,755 million.

Consolidated financial results for consolidated Q3 FY2026 (January 01, 2026, to September 30, 2026)

During consolidated Q3 FY2026, based on the resolution of the Board of Directors meeting held on November 14, 2025, the Company repurchased 862,200 treasury shares, resulting in an increase of ¥1,709 million in treasury shares.

In addition, capital surplus decreased by ¥90 million and treasury shares decreased by ¥472 million due to disposal of treasury shares associated with restricted stock compensation, effective January 20, 2026, April 13, 2026 and July 1, 2026, in accordance with the resolutions of the Board of Directors meetings held on November 20, 2025, February 24, 2026, March 27, 2026 and May 26, 2026.

Furthermore, pursuant to a resolution adopted at the Board of Directors meeting held on August 13, 2026, 930,000 treasury shares were canceled as of August 31, 2026, resulting in a decrease of ¥2,249 million in capital surplus and a decrease of ¥2,249 million in treasury shares.

As a result of these, as of end-consolidated Q3 FY2026, capital surplus was ¥9,870 million and treasury shares were ¥3,823 million.

(Application of special accounting methods in preparation of quarterly consolidated financial statements)

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

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

(Segment information, etc.)

[Segment information]

Consolidated financial results for consolidated Q3 FY2025 (January 01, 2025, to September 30, 2025)

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

(Million yen)

	Reportable segment				Adjustment (Note)	Amount in the consolidated financial statement
	HR PF Business	Medical PF Business	New Services	Total		
Net sales						
Revenue from contracts with customers	19,838	6,582	851	27,272	—	27,272
Other revenue	—	264	—	264	—	264
Sales to external customers	19,838	6,847	851	27,536	—	27,536
Inter-segment sales and transfers	1	—	—	1	(1)	—
Total	19,839	6,847	851	27,538	(1)	27,536
Segment profit (loss)	6,809	(259)	(563)	5,986	(4,375)	1,611

Notes: 1. Segment profit (loss) adjustments of (¥4,375 million) include intersegment eliminations and corporate expenses unallocated to reportable segments.

2. Segment profit (loss) is adjusted under operating profit on the Quarterly Consolidated Statements of Income.

2. Information on assets by reportable segment
(Significant increases in assets)
In consolidated Q1 FY2025, AxisRoot Holdings, Inc. was included in the scope of consolidation. In the Medical PF Business Segment, goodwill and identified intangible fixed assets arising from the acquisition of shares in AxisRoot Holdings, Inc. have increased.

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

(Significant changes in goodwill values)
During consolidated Q1 FY2025, we converted ASFON TRUST NETWORK, Inc. into a subsidiary. As a result, goodwill in the New Services Segment increased by ¥1,070 million.
We also converted AxisRoot Holdings, Inc. into a subsidiary. As a result, goodwill in the Medical PF Business Segment increased by ¥5,187 million.

(Significant gains in negative goodwill)
Not applicable

Consolidated financial results for consolidated Q3 FY2026 (January 01, 2026, to September 30, 2026)
1. Information on net sales and operating profit (loss) by reportable segment and revenue analysis information

(Million yen)

	Reportable segment				Adjustment (Note)	Amount in the consolidated financial statement
	HR PF Business	Medical PF Business	New Services	Total		
Net sales						
Revenue from contracts with customers	24,308	7,880	791	32,980	—	32,980
Other revenue	—	359	—	359	—	359
Sales to external customers	24,308	8,240	791	33,340	—	33,340
Inter-segment sales and transfers	1	—	—	1	(1)	—
Total	24,309	8,240	791	33,341	(1)	33,340
Segment profit (loss)	8,120	(776)	(578)	6,765	(4,384)	2,381

Notes: 1. Segment profit (loss) adjustments of (¥4,384 million) include intersegment eliminations and corporate expenses unallocated to reportable segments.
2. Segment profit (loss) is adjusted under operating profit on the Quarterly Consolidated Statements of Income.

2. Information on assets by reportable segment
(Significant increases in assets)
During consolidated Q3 FY2026, RM Career Co., Ltd. was included in the scope of consolidation. In the HR PF Business Segment, goodwill and identified intangible fixed assets arising from the acquisition of shares in RM Career Co., Ltd. have increased.

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

(Significant changes in goodwill values)
During consolidated Q3 FY2026, we converted RM Career Co., Ltd. into a subsidiary. As a result, goodwill in the HR PF Business Segment increased by ¥963 million.

(Significant gains in negative goodwill)
Not applicable

(Cash Flow Statement)

A quarterly cash flow statement for the first three quarters of the consolidated fiscal year has not been prepared. Depreciation costs (including amortization of intangible assets other than goodwill) and amortization of goodwill for the first three quarters of the consolidated fiscal year are as follows.

	For the nine months ended September 30, 2025	For the nine months ended September 30, 2026
Depreciation	820 million yen	835 million yen
Amortization of goodwill	1,000 million yen	1,085 million yen

(Business Combinations, etc.)

(Business combination through acquisition)

(1) Summary of business combination

1) Name and description of business of acquired corporation

Name of acquired corporation: RM Career Co., Ltd. (newly established company)

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

*RM Career Co., Ltd. is a company newly established by Recruit Medical Career Co., Ltd. that succeeded to all of the latter's businesses through an absorption-type company split.

2) Main purpose of business combination

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

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

3) Business combination date

August 3, 2026

4) Legal form of business combination

Acquisition of shares in exchange for cash.

5) Name of acquired company after acquisition

RM Career Co., Ltd.

6) Percentage of voting rights acquired

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

7) Main basis for determining the acquiring company

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

(2) Period of the acquired company's results included in the quarterly consolidated statement of income for the cumulative quarterly period

August 3, 2026, through September 30, 2026

(3) Acquisition cost and breakdown by type of considerations

Consideration	cash	1,127 million yen
Acquisition cost		1,127 million yen

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

Remuneration, etc., for advisory services: 32 million yen

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

1) Amount of goodwill recognized

963 million yen

2) Reason for recognition

This is primarily attributable to the excess earning power expected from our future business expansion.

3) Amortization method and period of goodwill

Goodwill is amortized on a straight-line basis over the estimated period during which the benefits will be realized (within 20 years).

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

Current assets	159 million yen
Non-current assets	249 million yen
Total assets	408 million yen
Current liabilities	156 million yen
Non-current liabilities	88 million yen
Total liabilities	244 million yen

(Additional Information)

(Business combination through acquisition)

At a meeting of the Board of Directors held on September 17, 2026, the Company resolved to succeed to the "Ucare" business—a spot-work service for care workers and nurses operated by USEN WORKING Co., Ltd.—from that company through an absorption-type company split (simplified absorption-type company split), effective December 1, 2026.

(1) Summary of business combination

1) Name and description of business of acquired corporation

Name of acquired corporation: USEN WORKING Co., Ltd.

Description of business activities: The "Ucare" spot-work business for care workers and nurses

2) Main purpose of business combination

Since we anticipate strong demand for spot-work services among our customer offices and registered workers as well, we aim to significantly increase matching opportunities by promoting the "Ucare" service—which connects facilities struggling with labor shortages with care and nursing workers. Ultimately, we aim to provide services that meet a wide range of employment needs, from spot work to long-term employment. Given the synergistic benefits we expect from these efforts, we have decided to proceed with this absorption-type company split.

3) Business combination date

December 1, 2026

4) Legal form of business combination

Absorption-type company split, with the Company as the successor company and USEN WORKING Co., Ltd. as the splitting company.

5) Name of acquired company after acquisition

MEDLEY, INC.

6) Main basis for determining the acquiring company

This is because the Company will succeed to the "Ucare" business in exchange for cash.

(2) Acquisition cost and breakdown by type of considerations

Consideration	cash	330 million yen
Acquisition cost		330 million yen

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

It has not been finalized at this time.

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

It has not been finalized at this time.

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

It has not been finalized at this time.

(Regarding Unauthorized Access to the Company's Services)

The Company confirmed unauthorized access by a third party to "@link," the business support system for medical institutions, and related services, and temporarily suspended the provision of these services on October 14, 2026, in order to prevent further damage and to conduct an investigation. The Company made a timely disclosure of this matter on October 15, 2026, and on October 23, 2026, announced that it had confirmed the leakage of personal information of patients and others.

The Company is continuing to investigate the scope of impact in cooperation with an external specialist organization, and provides updates on the progress of the investigation and the status of the services on the @link website as needed. The impact of this matter on the consolidated financial results of the Group for the fiscal year ending December 31, 2026, is currently expected to be minor.

In addition, the Company has confirmed a leakage of registered user information due to unauthorized access to another of its services, unauthorized logins to user accounts, and a leakage of information at an external service used by the Company, and is responding to each of these incidents. The Company is making multi-factor authentication mandatory and is taking measures against newly identified vulnerabilities according to their urgency. The Company will promptly disclose any matter requiring disclosure that arises in the future.

(Significant Subsequent Events)

Not applicable