MEDLEY

# Presentation Material for FY2026 Q3 Financial Results

Medley, Inc.
November 12, 2026

# Disclaimer

## Disclaimer

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# Financial Highlights

**FY2026 Q3 Results**

- **Sales rose 17% YoY, falling short of our initial earnings forecast**
  - HR PF: Sales growth was +19% YoY. Applications fell short of plan due to a temporary decline in advertising efficiency of JobMedley (see p. 17)
  - Medical PF: Sales growth was modest at +16% YoY, reflecting the scale-back of on-premise product sales
- **EBITDA margin was 6% (-4%pt YoY), in line with our initial forecast**
  - HR PF: 29% (-7%pt YoY), reflecting the sales shortfall and the impact of M&A consolidation (-2%pt)
  - Medical PF: 1% (-4%pt YoY), impacted by the planned scale-back of on-premise product sales
- **Q3 profit was JPY 280 million, exceeding our initial forecast**

**FY2026 Forecast**

- **Full-year forecast remains unchanged from our initial forecast**
  - Sales: Expected to fall short of our initial forecast
  - EBITDA and operating profit: Expected to land near our initial forecast (factoring in costs for security enhancements and incident response)
  - Ordinary profit and profit: Expected to exceed the initial forecast

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1. FY2026 Q3 Results

2. FY2026 Full-year Forecasts

3. Investment Highlights

# Summary of Consolidated FY2026 Q3 Results

| (JPY mm) | FY25 Q3 | FY26 Q3 | YoY |
|---|---|---|---|
| **Sales** | **9,071** | **10,657** | +17% |
| **Gross Profit** | **5,897** | **6,263** | +6% |
| **EBITDA** | **881** | **684** | -197[(1)] |
| Operating Profit | **150** | **-64** | -214 |
| Ordinary Profit | **103** | **294** | +191[(2)] |
| Profit Attributable to Owners of Parent | **467** | **282** | -185[(3)] |

(1) See slide 8 for breakdown of changes
(2) Receipt of settlement fee (non-operating income) increased from JPY 41 million in Q3 FY25 to JPY 426 million in Q3 FY26 (up JPY 384 million YoY)
(3) JPY 574 million was recorded in Q3 FY25 due to the accounting treatment for the merger of Pacific Medical and AxisRoot

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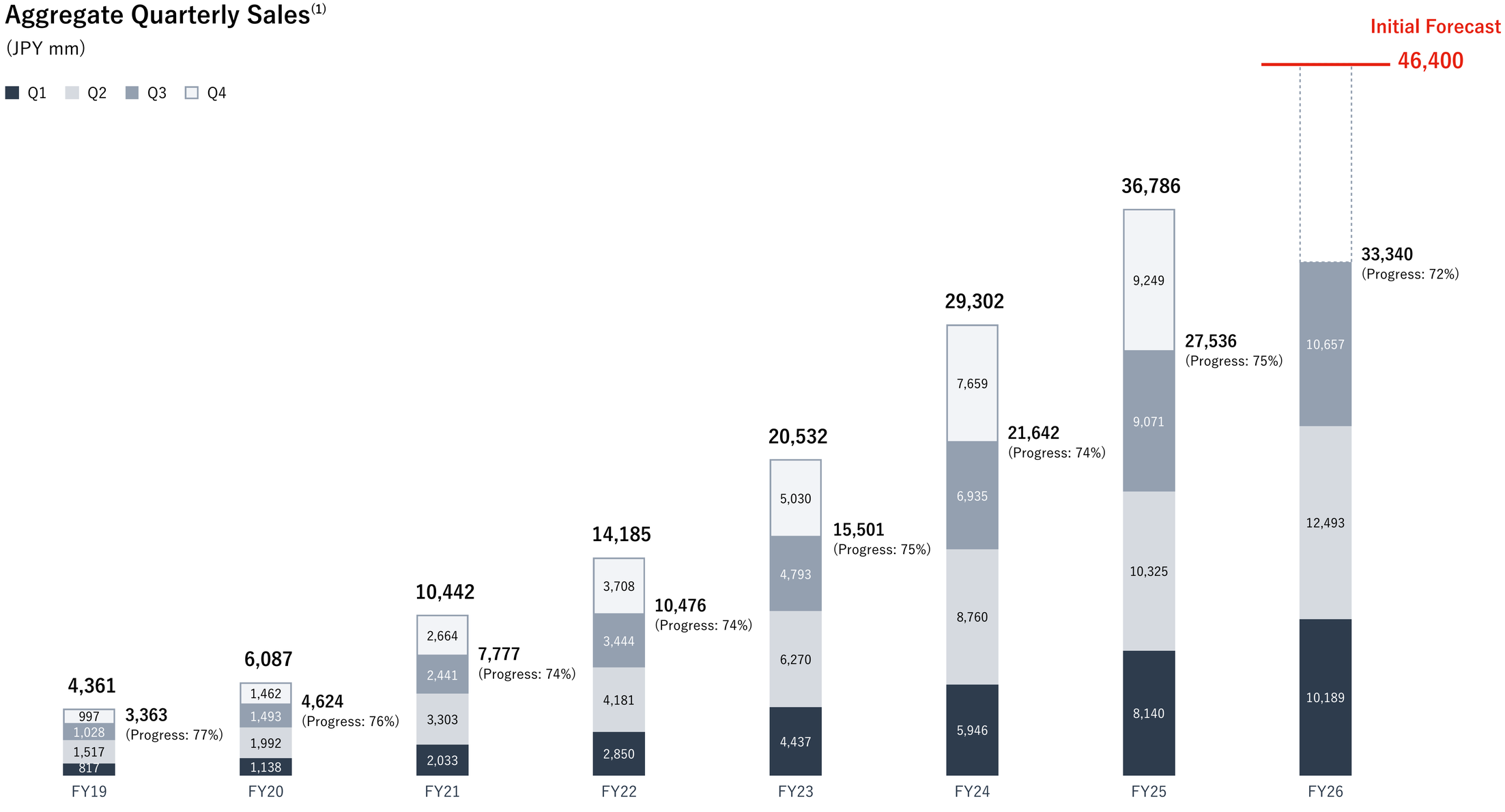
# Full-year Sales Slightly Behind Initial Forecast

Cumulative sales through Q3 2026 are trending approximately 2-3%pt behind our initial forecast.

## Aggregate Quarterly Sales(1)

(JPY mm)




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

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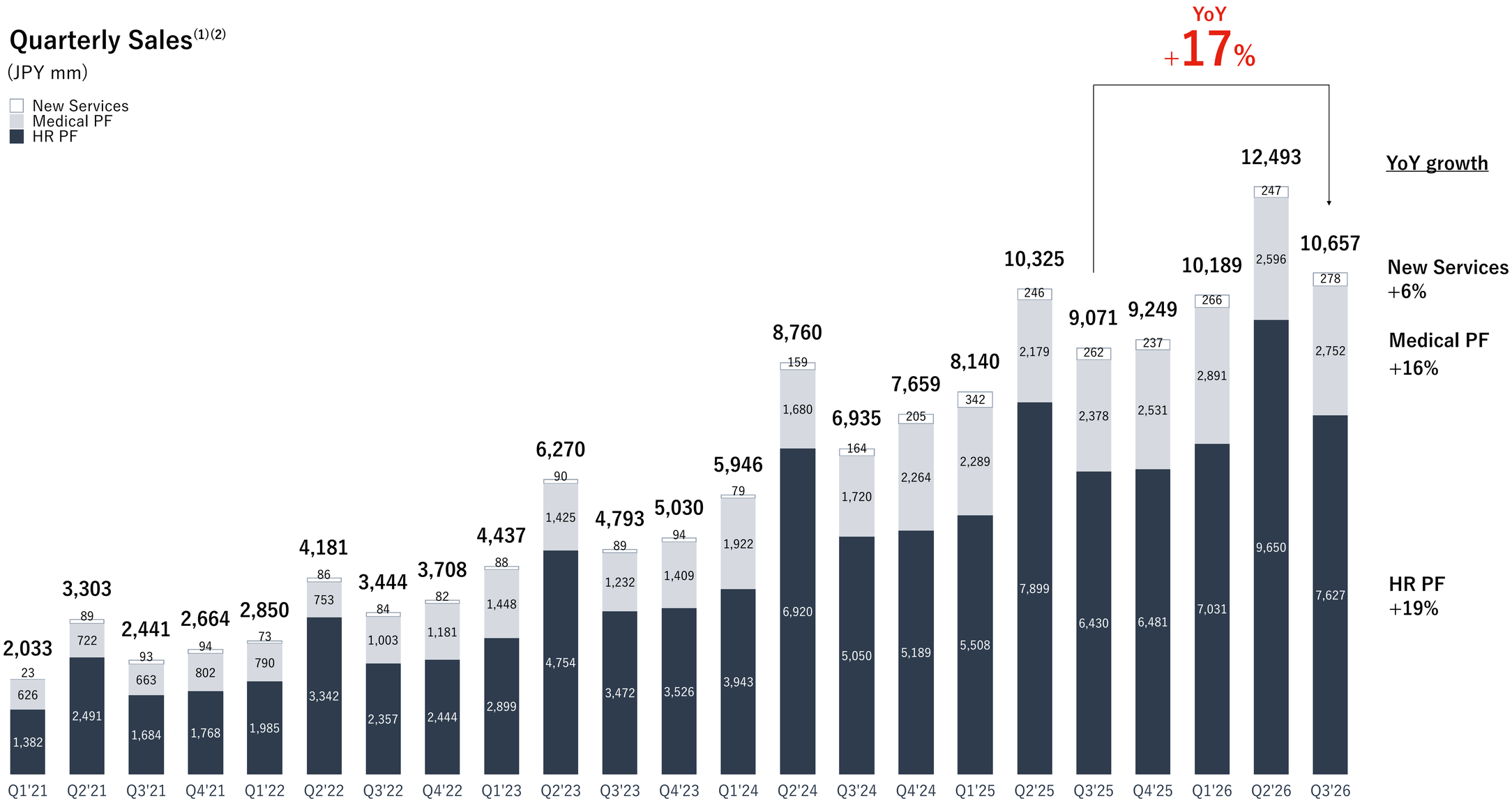
# Strong Sales Growth Continued

Q3 sales grew 17% YoY, impacted by the number of applications falling short of plan in HR PF and the scale-back of on-premise product sales in Medical PF.

## Quarterly Sales[1][2]

(JPY mm)




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

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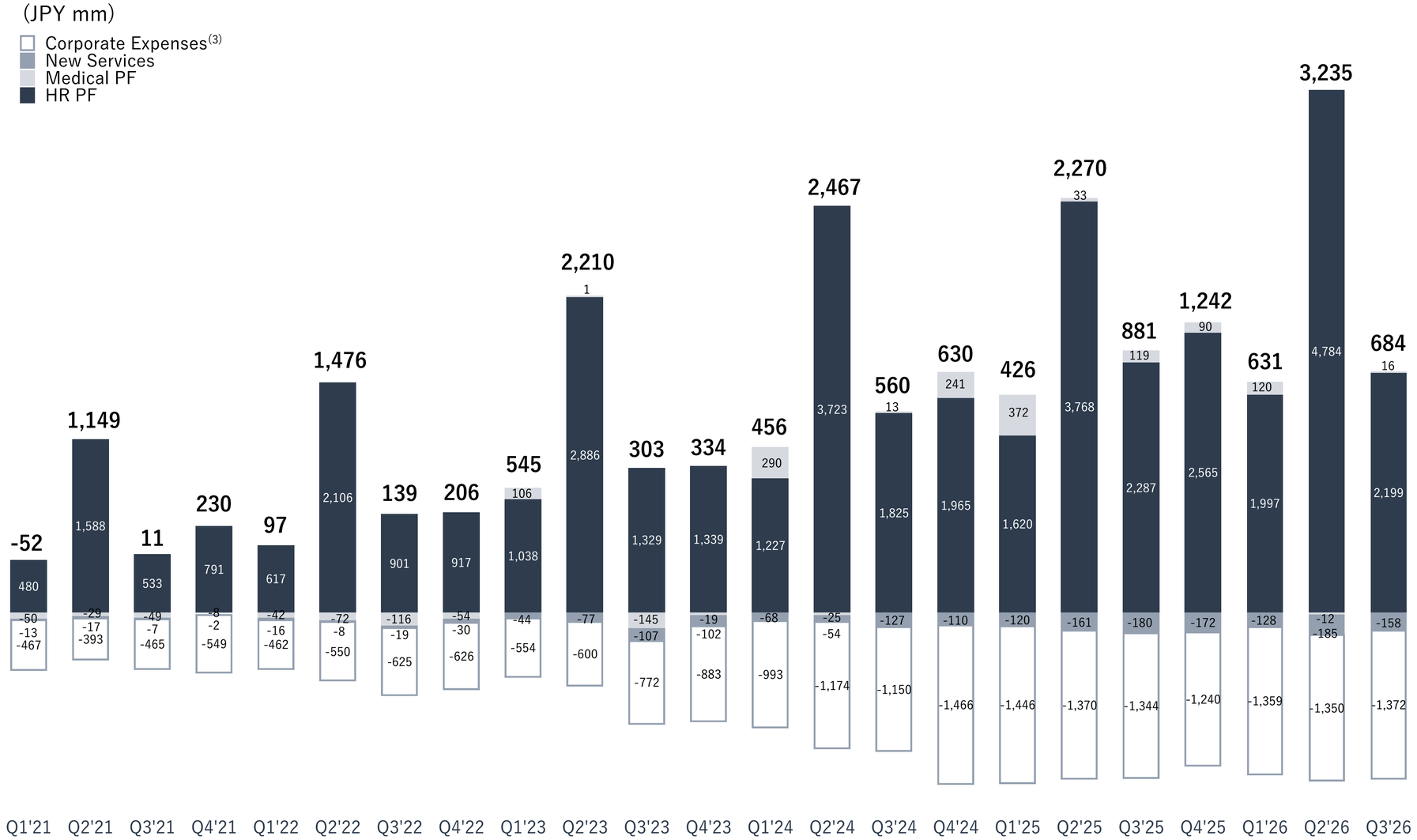
# Continued Proactive Investment in Growth, etc Funded by Profitable Businesses

Promoted operational efficiency while continuing growth investments, resulting in a Q3 FY2026 EBITDA margin of 6%.

## Quarterly EBITDA[1][2]

(JPY mm)




**EBITDA margin (YoY)**

**Companywide**
**6% (-4%pt)**

**Medical PF**
**1% (-4%pt)**

- Decrease in personnel cost ratio (+5%pt)
- Increase in CoGS (-7%pt)
- Increase in advertising and outsourcing cost ratio (-3%pt)

**HR PF**
**29% (-7%pt)**

- Lower-than-expected sales
- Consolidation of RM CAREER (-2%pt)

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

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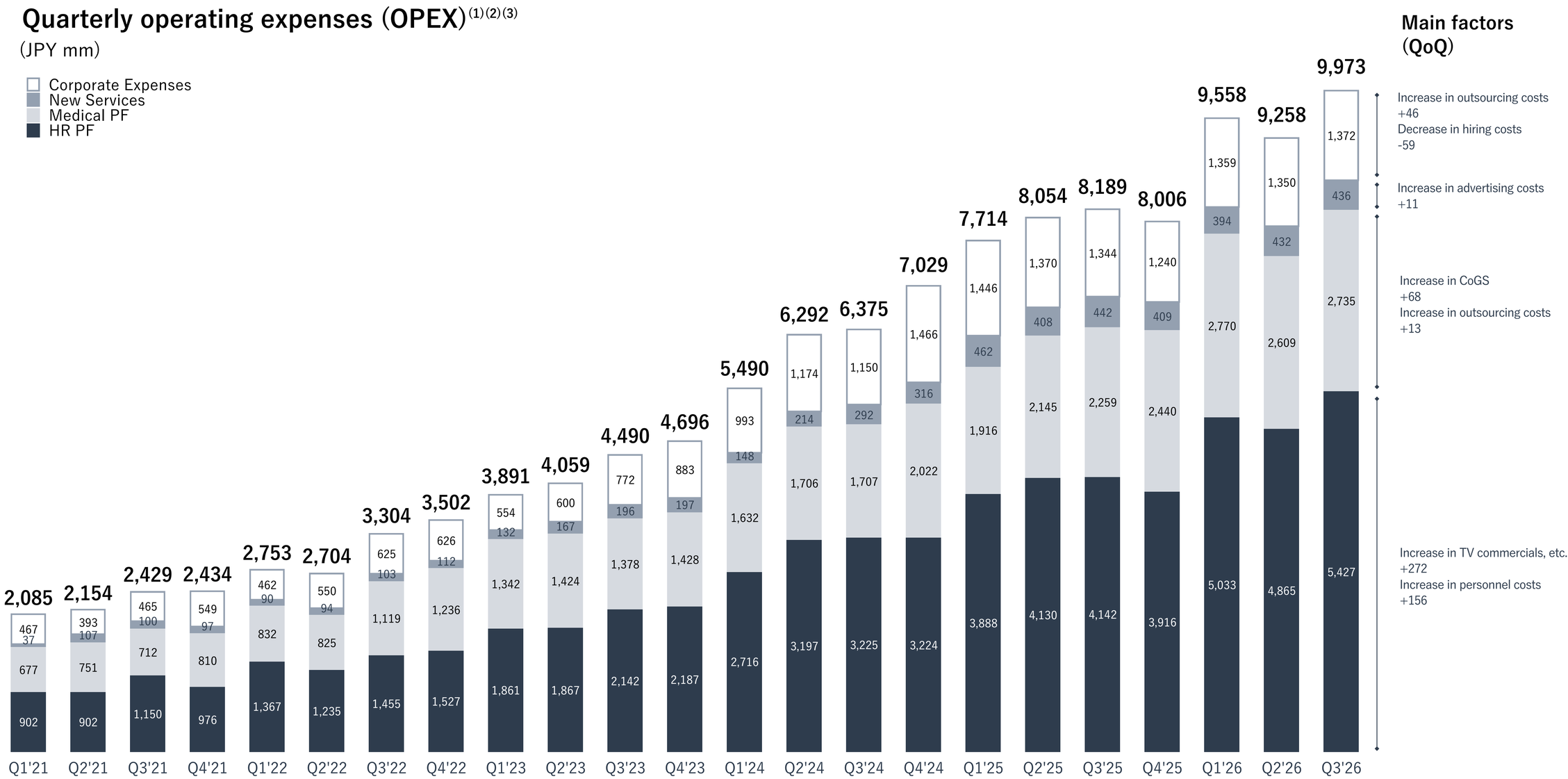
# Investment in Growth and Costs Related to Business Expansion

In Q3 2026, expenses increased QoQ, primarily due to TV commercial campaigns, etc. in the HR PF segment. From September onward, we have been optimizing our advertising allocation based on the investment efficiency of each media channel.

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

(JPY mm)




(1) Figures for FY21 are reference values based on the application of the new revenue recognition standards.
(2) Operating expenses = Cost of sales + Selling, general and administrative expenses - Depreciation, amortization of goodwill and stock-based compensation expense.
(3) Segment OPEX figures from Q3 2023 onward have been retrospectively revised to reflect the reclassification of the factoring business from the New Services segment to the Medical PF segment

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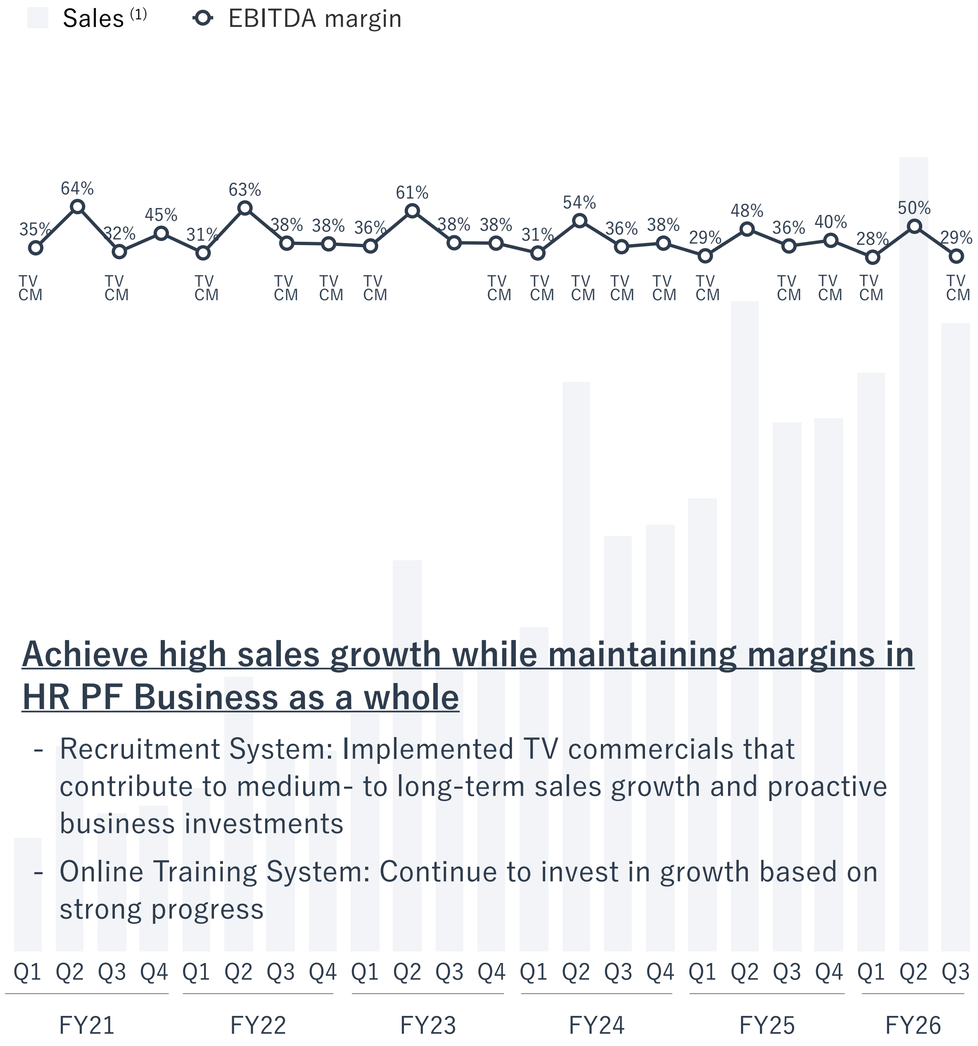
# (Ref.) EBITDA Margins: Status by Segment

For the HR PF Business, our basic policy is to achieve high revenue growth while maintaining our EBITDA margin. For the Medical PF Business, though we will continue to invest in growth initiatives, we plan to enable high sales growth while maintaining EBITDA profitability. The companywide EBITDA margin in Q3 was 6%, down 4%pt YoY.

## EBITDA margin policies in HR PF

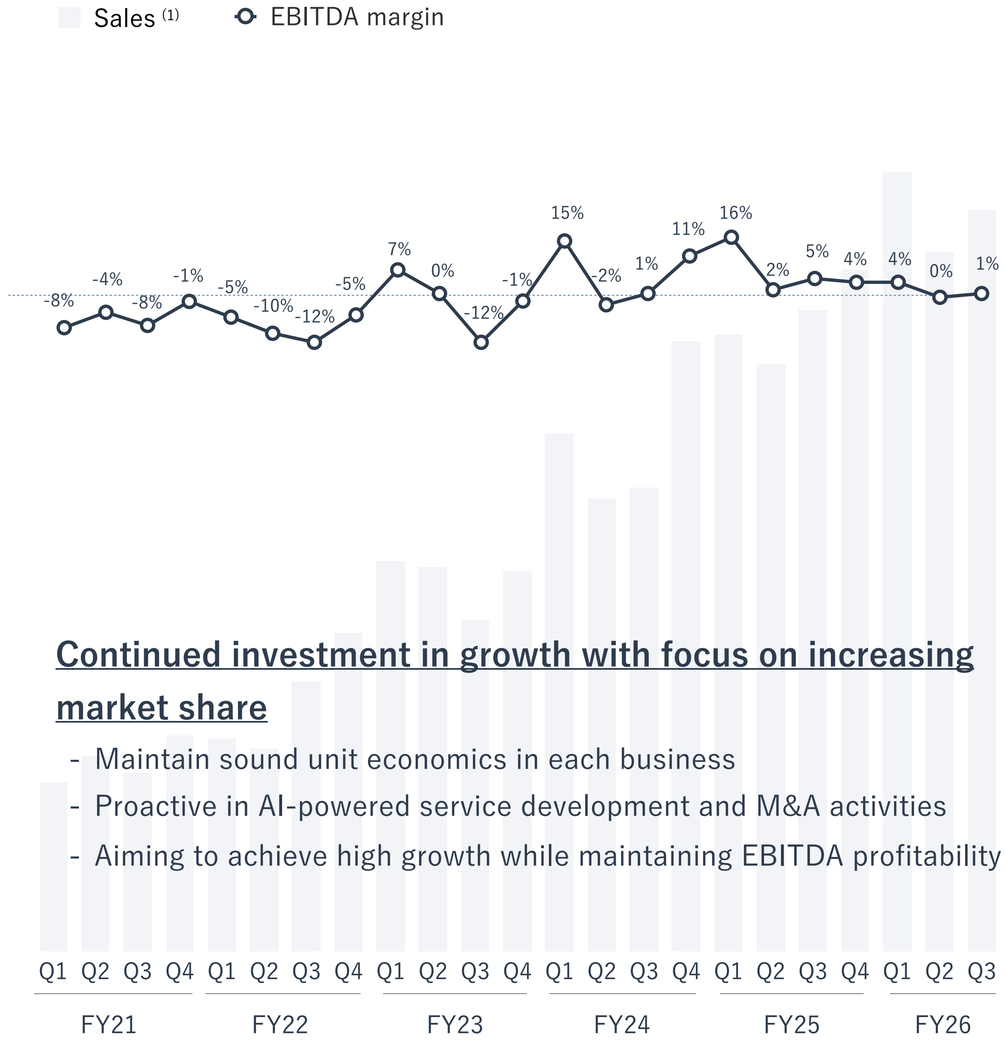



See p. 8 for variable factors.

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

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

## EBITDA margin policies in Medical PF(2)




See p. 8 for variable factors.

### Continued investment in growth with focus on increasing market share

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

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

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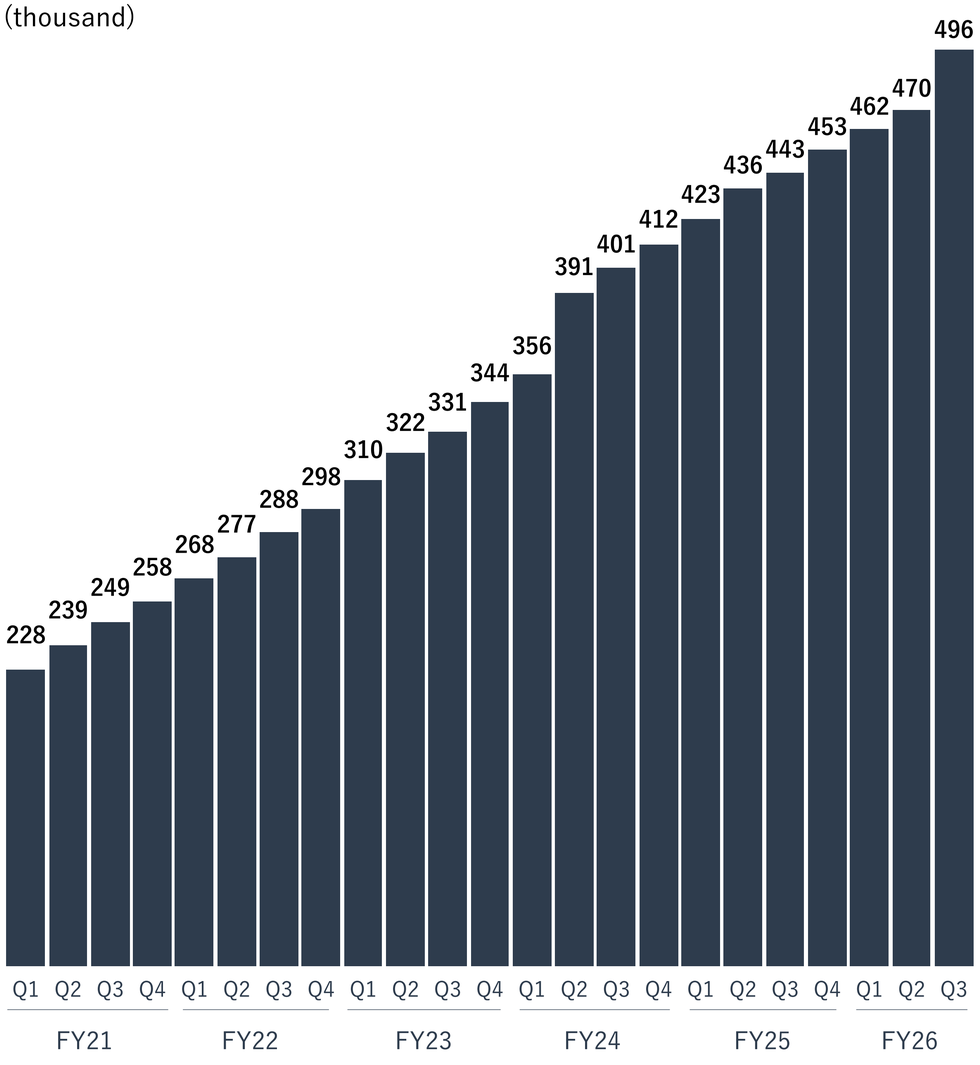
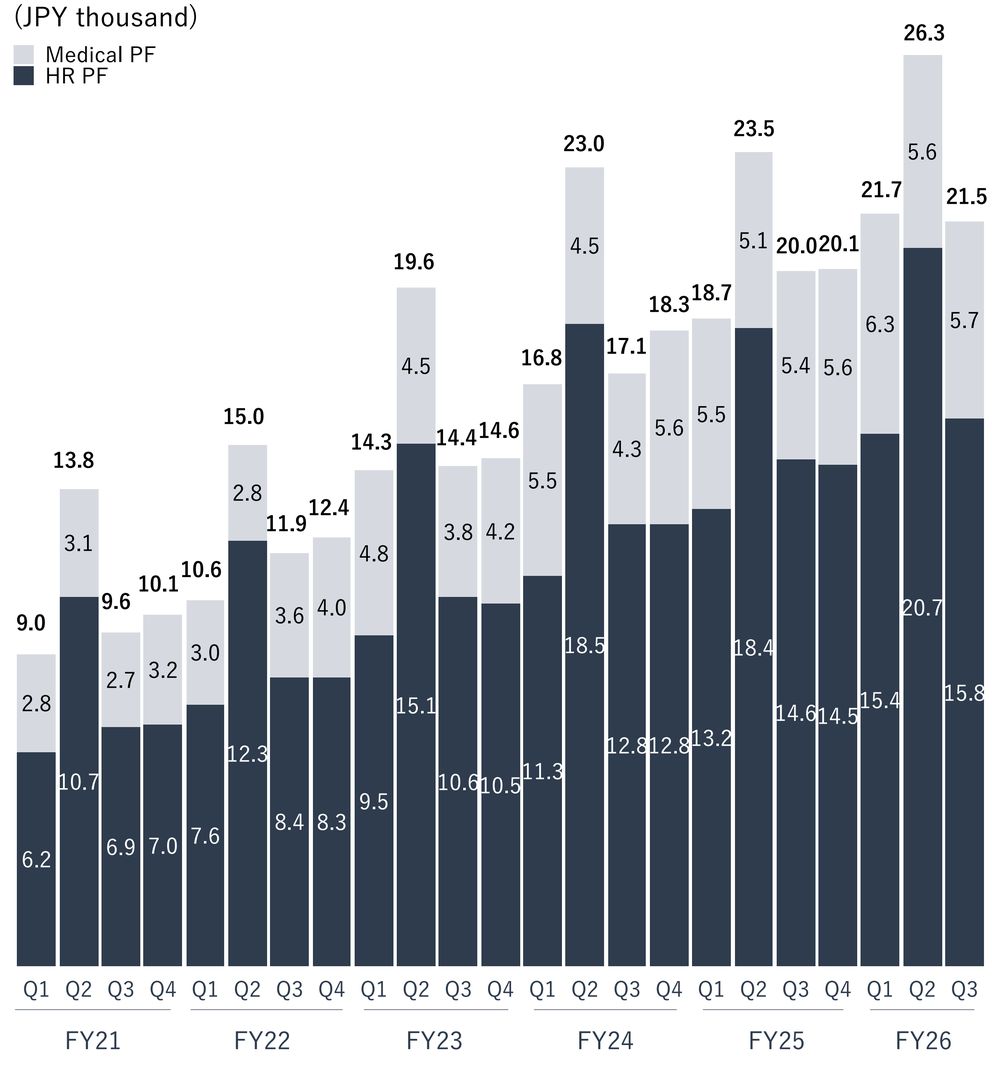
# Steady Growth in Number of Customers and ARPU

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

## Number of Customer Offices[1]




## ARPU[2][3]




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

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# Financial Position Remains Strong, Operating Cash Flow Steady

The goodwill-to-equity ratio increased to 1.51x due to the acquisition of RM CAREER, while the D/E ratio decreased to 1.16x. We expect them to improve through goodwill amortization and future profit accumulation.

## Quarterly B/S

| (JPY mm) | FY23 Q1 | FY23 Q2 | FY23 Q3 | FY23 Q4 | FY24 Q1 | FY24 Q2 | FY24 Q3 | FY24 Q4 | FY25 Q1 | FY25 Q2 | FY25 Q3 | FY25 Q4 | FY26 Q1 | FY26 Q2 | FY26 Q3 | QoQ |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total assets | 21,811 | 24,501 | 25,186 | 25,430 | 30,904 | 42,165 | 41,125 | 45,201 | 48,966 | 47,422 | 43,099 | 41,252 | 43,683 | 45,384 | 44,578 | -806 |
| **Cash and deposits** | **13,952** | **16,005** | **15,462** | **15,354** | **16,556** | **20,855** | **18,760** | **18,996** | **14,151** | **13,524** | **10,528** | **8,575** | **10,994** | **12,042** | **10,320** | **-1,722** |
| **Goodwill, etc.** | **2,485** | **2,406** | **2,700** | **2,854** | **3,233** | **13,923** | **13,583** | **16,638** | **23,571** | **23,792** | **23,212** | **22,785** | **22,663** | **22,163** | **22,949** | **+786** |
| Other assets | 5,373 | 6,089 | 7,023 | 7,221 | 11,114 | 7,386 | 8,780 | 9,566 | 11,243 | 10,105 | 9,358 | 9,891 | 10,025 | 11,178 | 11,308 | +130 |
| Total liabilities | 6,242 | 7,270 | 7,669 | 7,792 | 12,740 | 22,631 | 21,329 | 24,981 | 30,468 | 29,356 | 26,796 | 26,453 | 30,626 | 30,423 | 29,330 | -1,093 |
| **Debt** | **2,145** | **1,941** | **1,919** | **1,660** | **7,377** | **13,022** | **12,717** | **15,304** | **19,965** | **18,363** | **17,221** | **16,168** | **20,162** | **18,893** | **17,687** | **-1,206** |
| Other liabilities | 4,097 | 5,328 | 5,749 | 6,132 | 5,362 | 9,609 | 8,612 | 9,676 | 10,503 | 10,993 | 9,575 | 10,285 | 10,464 | 11,530 | 11,643 | +113 |
| **Net assets** | **15,568** | **17,231** | **17,517** | **17,637** | **18,164** | **19,534** | **19,795** | **20,219** | **18,498** | **18,065** | **16,302** | **14,799** | **13,057** | **14,961** | **15,247** | **+286** |
| Untapped LOC | 2,700 | 2,700 | 2,700 | 2,700 | 2,700 | 2,970 | 2,970 | 2,970 | 2,970 | 2,920 | 2,900 | 2,900 | 2,900 | 2,900 | 2,900 | ±0 |
| Capital ratio | 70.9% | 69.9% | 69.2% | 69.0% | 58.4% | 46.1% | 48.0% | 44.7% | 37.8% | 38.1% | 37.8% | 35.9% | 29.9% | 33.0% | 34.2% | +1.2%pt |
| **Goodwill-to-equity ratio** | **0.16x** | **0.14x** | **0.15x** | **0.16x** | **0.18x** | **0.71x** | **0.69x** | **0.82x** | **1.27x** | **1.32x** | **1.42x** | **1.54x** | **1.74x** | **1.48x** | **1.51x** | **+0.02x** |
| **D/E ratio** | **0.14x** | **0.11x** | **0.11x** | **0.09x** | **0.41x** | **0.67x** | **0.64x** | **0.76x** | **1.08x** | **1.02x** | **1.06x** | **1.09x** | **1.54x** | **1.26x** | **1.16x** | **-0.10x** |

## Quarterly C/F

| | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Cash flow | -470 | 2,037 | -533 | -42 | 1,202 | 4,279 | -2,075 | 221 | -4,844 | -612 | -3,010 | -1,951 | 2,418 | 1,043 | -1,716 | Main factors in Q3 |
| **Operating CF** | **-47** | **2,806** | **617** | **495** | **-818** | **3,328** | **-665** | **601** | **-202** | **2,131** | **568** | **989** | **382** | **2,943** | **868** | |
| Investing CF | -214 | -591 | -617 | -239 | -3,717 | -4,438 | -380 | -2,183 | -6,094 | -236 | -556 | -241 | -145 | -617 | -1,344 | Acquisition of RM CAREER -1,000 |
| Financing CF | -208 | -177 | -534 | -298 | 5,737 | 5,389 | -1,030 | 1,802 | 1,452 | -2,508 | -3,022 | -2,699 | 2,181 | -1,283 | -1,240 | Repayment of bank loans -1,200 |

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# Ref. Quarterly P/L

## Quarterly P/L

| (JPY mm) | FY23 Q1 | FY23 Q2 | FY23 Q3 | FY23 Q4 | FY24 Q1 | FY24 Q2 | FY24 Q3 | FY24 Q4 | FY25 Q1 | FY25 Q2 | FY25 Q3 | FY25 Q4 | FY26 Q1 | FY26 Q2 | FY26 Q3 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Sales** | **4,437** | **6,270** | **4,793** | **5,030** | **5,946** | **8,760** | **6,935** | **7,659** | **8,140** | **10,325** | **9,071** | **9,249** | **10,189** | **12,493** | **10,657** |
| **Cost of sales** | **1,629** | **1,765** | **1,730** | **1,820** | **2,429** | **2,599** | **2,620** | **2,734** | **3,321** | **3,648** | **3,173** | **3,456** | **4,584** | **4,279** | **4,394** |
| Advertising costs | 984 | 1,050 | 1,130 | 1,219 | 1,590 | 1,735 | 1,795 | 1,721 | 2,359 | 2,740 | 2,439 | 2,471 | 3,270 | 3,314 | 3,379 |
| Other | 644 | 715 | 599 | 600 | 838 | 863 | 824 | 1,012 | 961 | 907 | 734 | 985 | 1,314 | 964 | 1,015 |
| **SG&A** | **2,427** | **2,464** | **2,943** | **3,092** | **3,270** | **4,145** | **4,218** | **4,957** | **4,940** | **5,094** | **5,746** | **5,254** | **5,672** | **5,701** | **6,328** |
| Personnel costs | 1,368 | 1,444 | 1,560 | 1,631 | 1,695 | 2,020 | 2,136 | 2,238 | 2,411 | 2,654 | 2,976 | 2,656 | 2,884 | 3,009 | 3,196 |
| Advertising costs | 211 | 55 | 242 | 159 | 247 | 221 | 255 | 268 | 447 | 180 | 414 | 276 | 428 | 217 | 501 |
| Outsourcing fee | 196 | 202 | 289 | 364 | 366 | 305 | 341 | 501 | 450 | 395 | 465 | 527 | 553 | 555 | 661 |
| Other | 651 | 761 | 850 | 936 | 961 | 1,598 | 1,485 | 1,948 | 1,629 | 1,864 | 1,891 | 1,793 | 1,805 | 1,918 | 1,969 |
| **Operating profit** | **380** | **2,040** | **120** | **117** | **246** | **2,015** | **96** | **-31** | **-121** | **1,582** | **150** | **538** | **-67** | **2,513** | **-64** |
| **Ordinary profit** | **503** | **2,277** | **445** | **525** | **723** | **2,444** | **563** | **347** | **5** | **1,572** | **103** | **520** | **61** | **2,741** | **294** |
| **Profit attributable to owners of parent** | **358** | **1,525** | **290** | **389** | **466** | **1,541** | **314** | **475** | **-75** | **723** | **467** | **-139** | **-62** | **1,560** | **282** |

## EBITDA Breakdown

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Operating Profit** | **380** | **2,040** | **120** | **117** | **246** | **2,015** | **96** | **-31** | **-121** | **1,582** | **150** | **538** | **-67** | **2,513** | **-64** |
| + Amortization of goodwill[1] | 79 | 78 | 86 | 103 | 112 | 339 | 339 | 498 | 433 | 537 | 579 | 539 | 541 | 541 | 565 |
| + Depreciation | 71 | 72 | 76 | 94 | 78 | 80 | 92 | 135 | 90 | 81 | 84 | 89 | 79 | 81 | 85 |
| + Stock compensation | 14 | 19 | 19 | 19 | 19 | 31 | 31 | 28 | 24 | 69 | 68 | 74 | 77 | 98 | 98 |
| **EBITDA** | **545** | **2,210** | **303** | **334** | **456** | **2,467** | **560** | **630** | **426** | **2,270** | **881** | **1,242** | **631** | **3,235** | **684** |

## M&A[2]

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Acquisition** | MEDLEY Financial Service (Sep) | Lalune (Feb) | GUPPY's (Apr) | Offshore (Oct) | ATN (Jan) | AxisRoot (Apr) | Hedgehog MedTech (Mar) | RM CAREER (Aug) | | |
| **Divestment** | | | | MEDiPASS (Dec) | GUPPY Healthcare (Mar) | | | | | |

(1) Amortization of goodwill in the broad sense, including customer-related assets.
(2) Acquisition indicates the month in which consolidation began; divestment indicates the month in which consolidation ended; see p. 49 for details of each company

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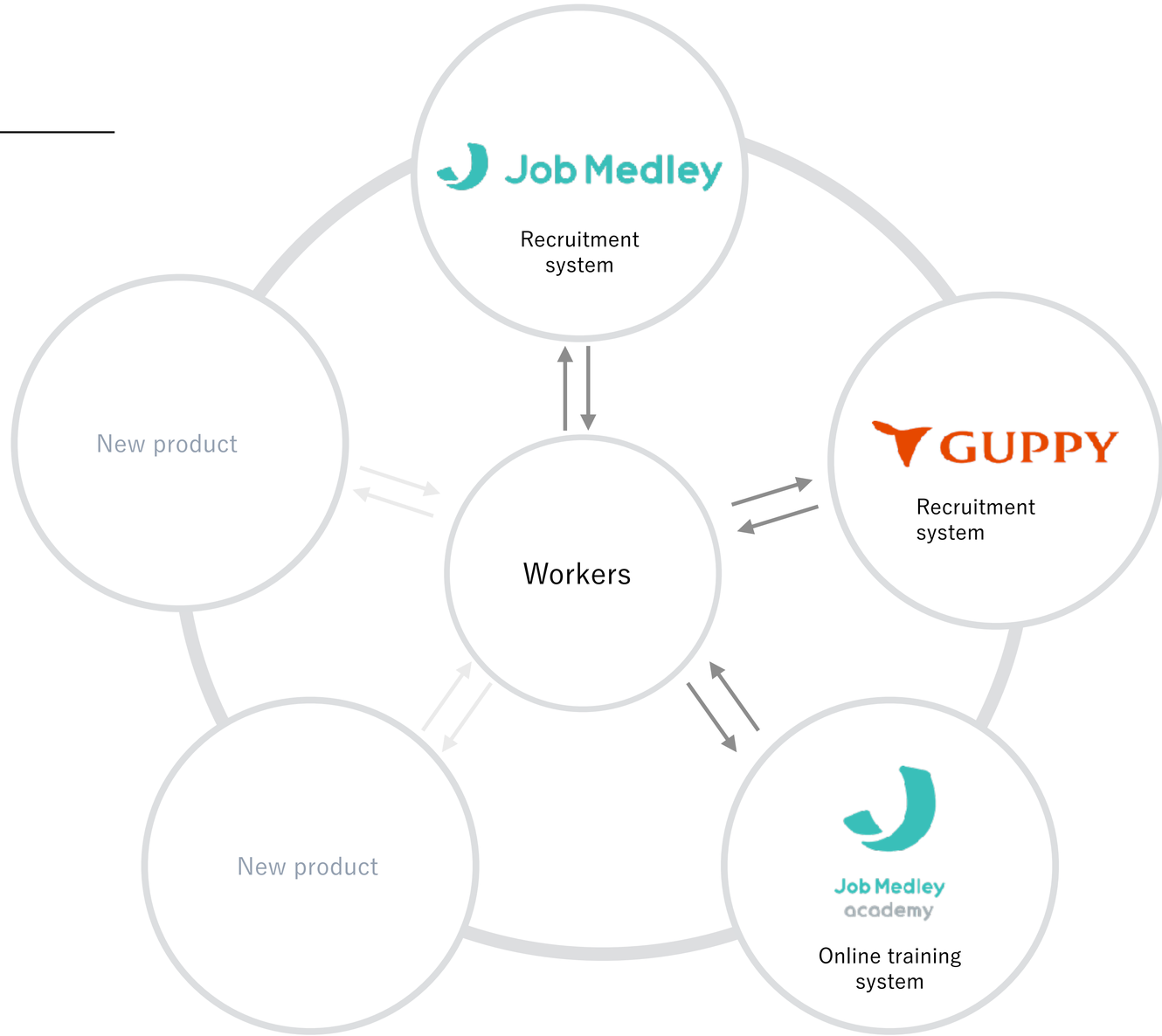
# H R　P F

## Recruitment system

- JobMedley
- GUPPY

## Online training system

- JobMedley academy

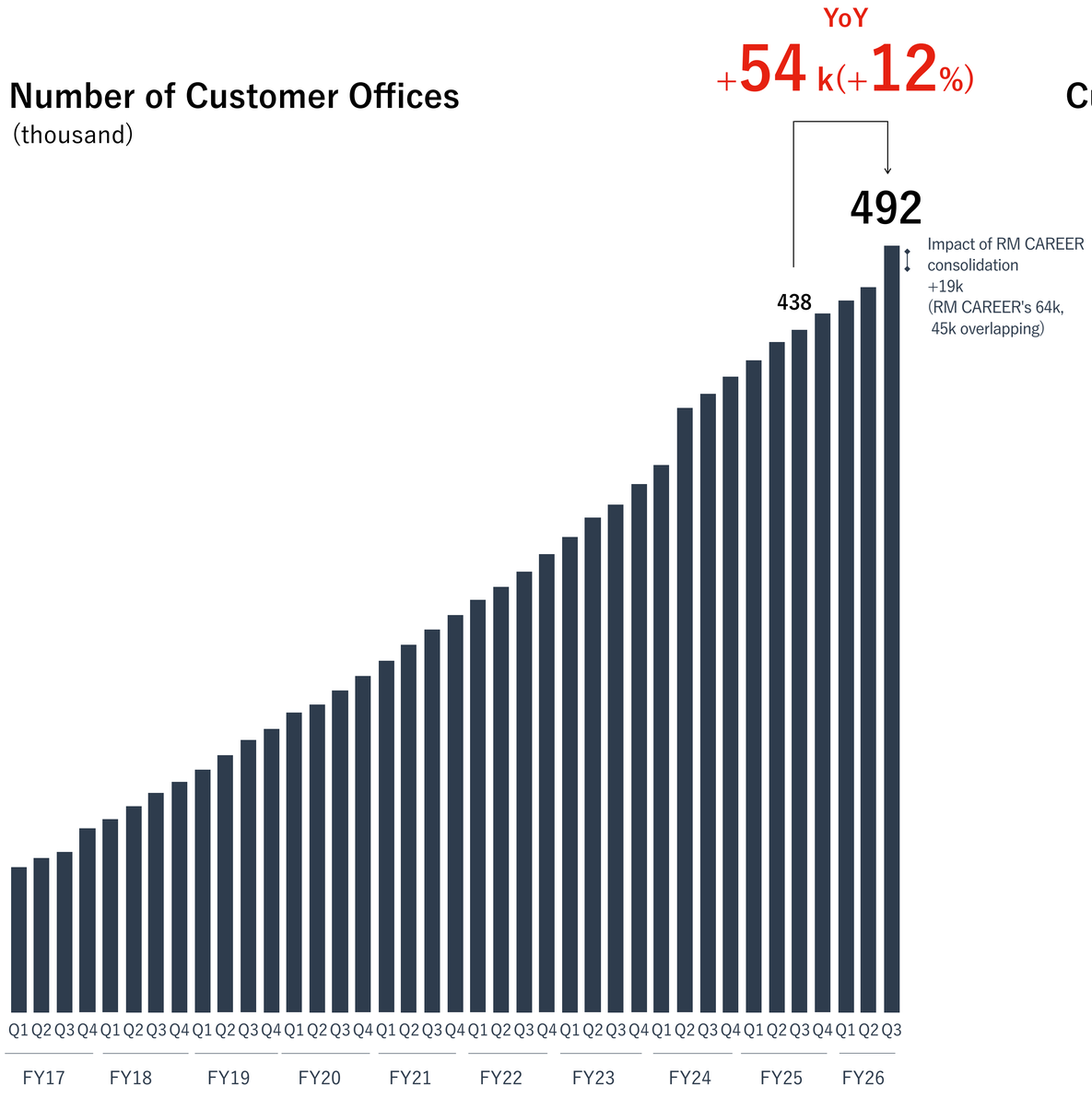


# Continued Growth in Number of Customers on Schedule

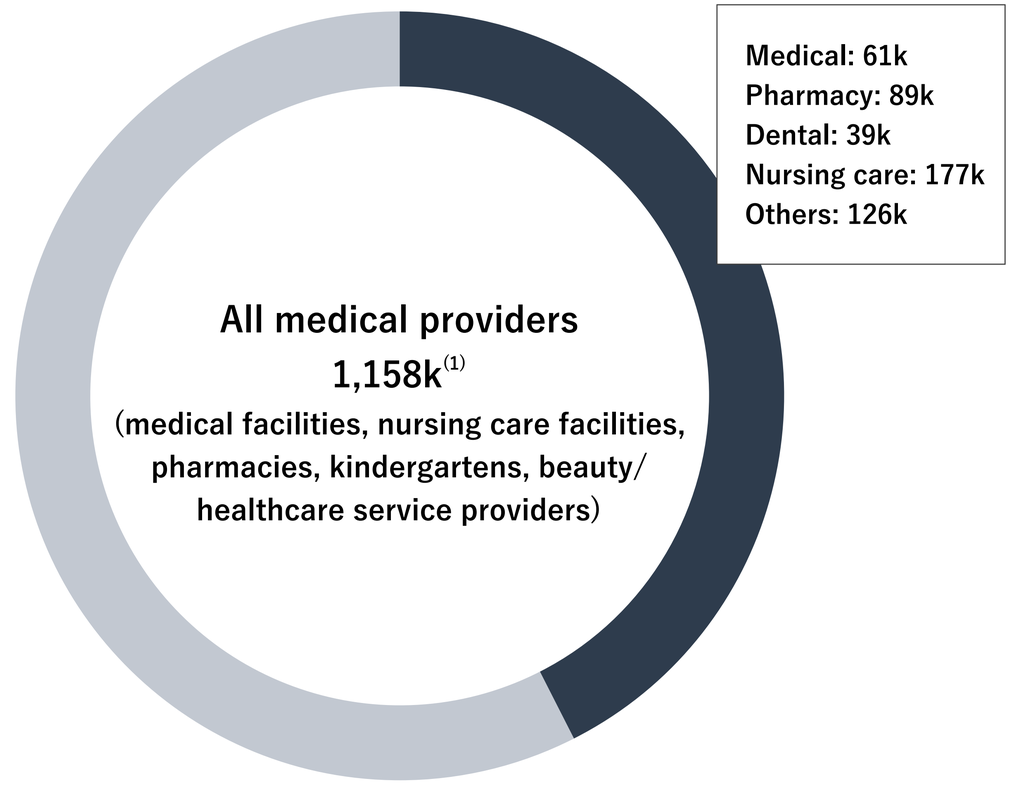
The number of customer offices has reached 492 thousand due to continued steady new customer office acquisitions in Q3.

## Number of Customer Offices

(thousand)




## Customer Coverage Ratio




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

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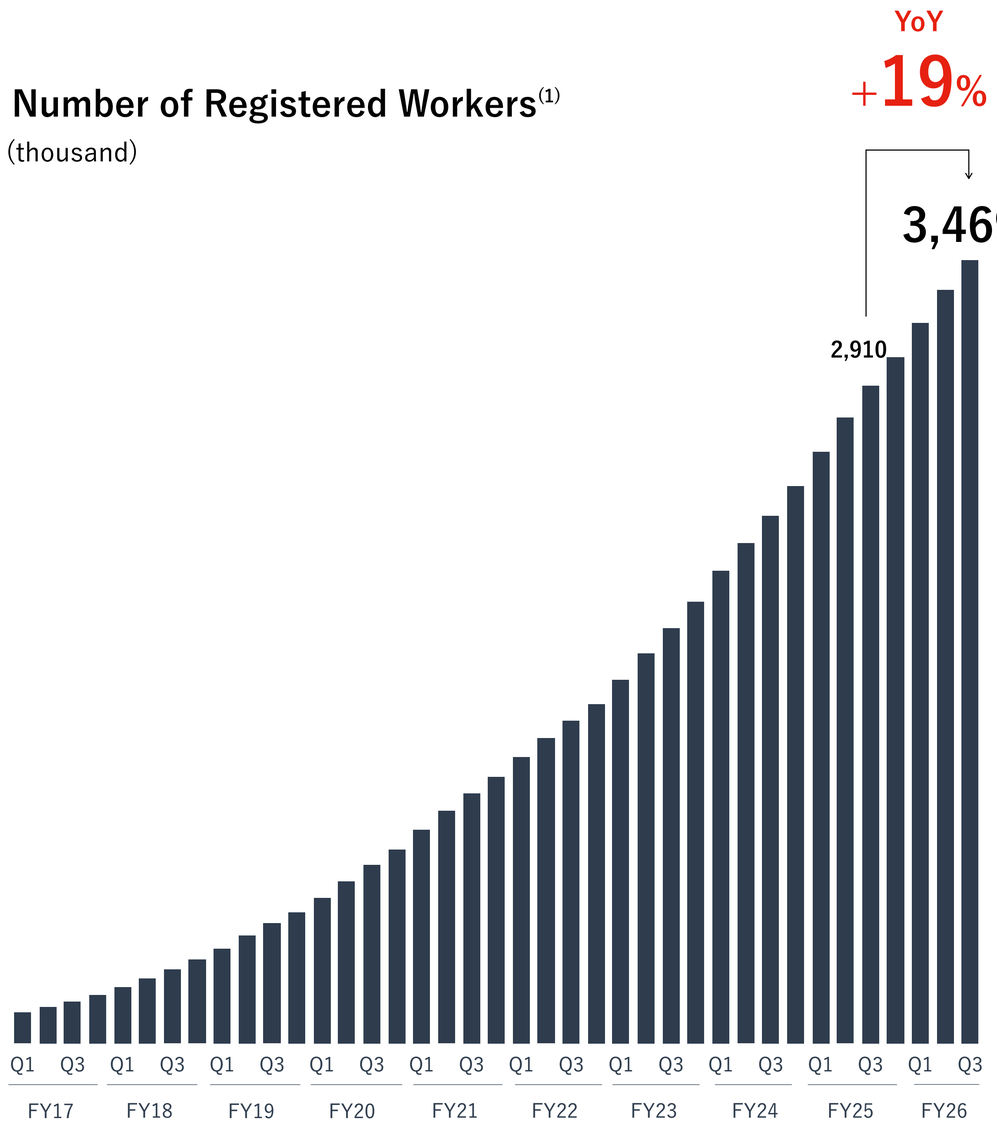
# Recruitment System: Accelerate Direct Recruiting with Expansion of the Pool of Registered Workers

Proactive recruitment methods are effective for hiring medical and healthcare professionals. In FY2026 Q3, our customers increased usage of our scouting functions as we expanded our pool of registered workers.

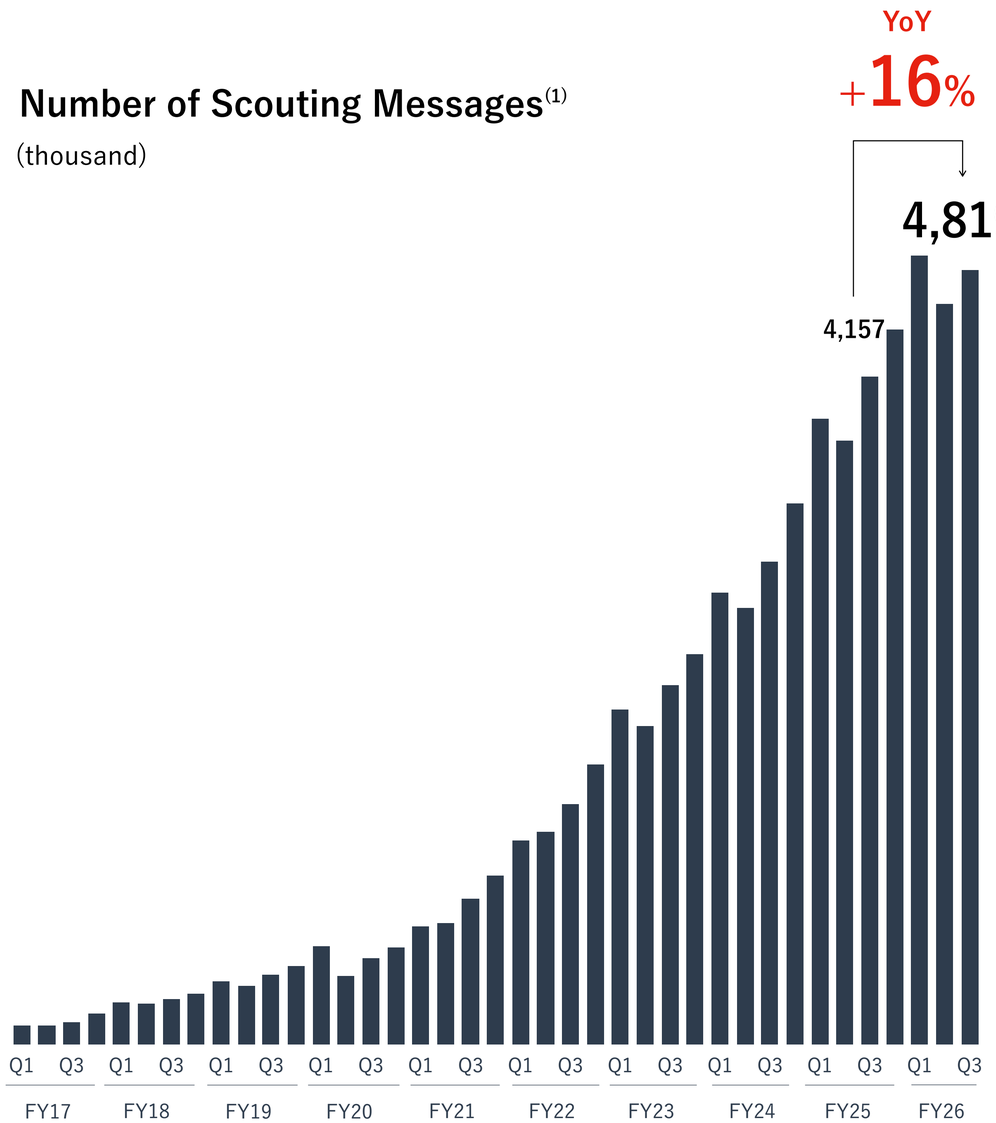
## Number of Registered Workers[1]

(thousand)




## Number of Scouting Messages[1]

(thousand)




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

(2) In addition, GUPPY has 608 thousand registered workers, and JobMedley Agent for Physicians and JobMedley Agent for Pharmacists have a combined 139 thousand registered workers. (No duplicate verifications)

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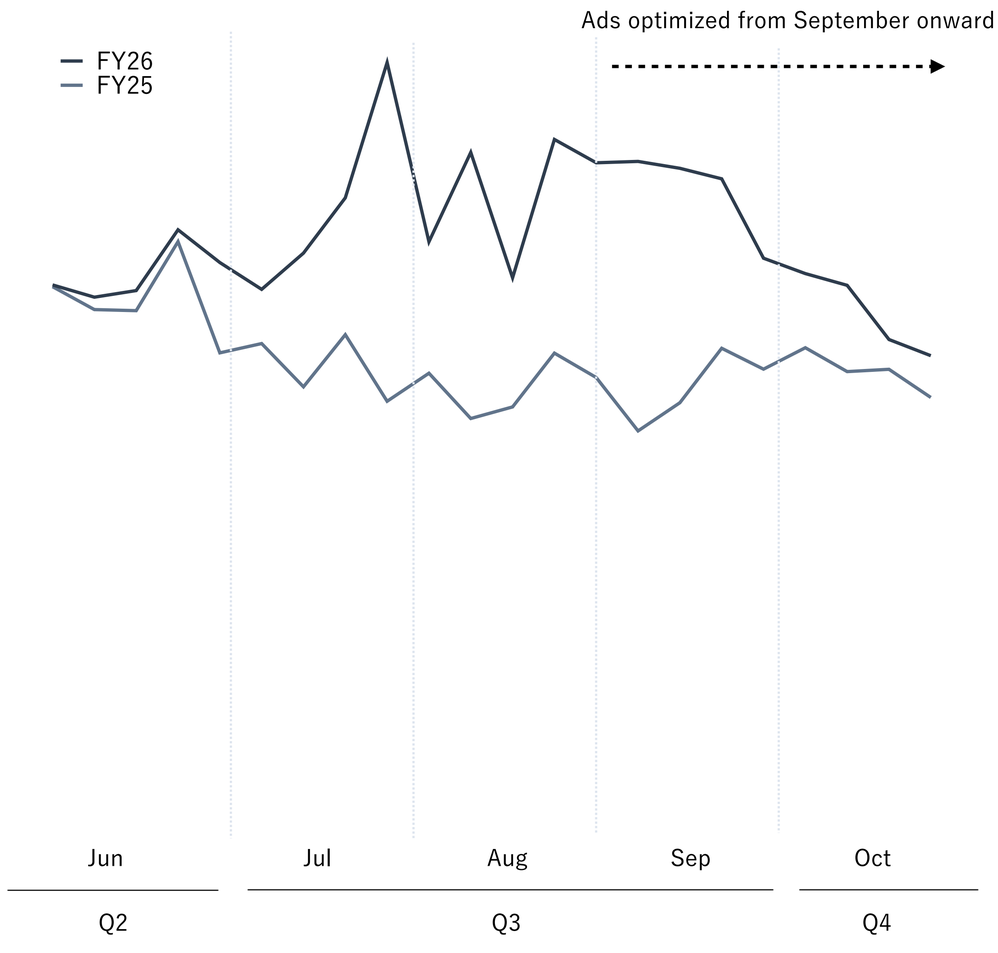
# Recruitment System: Ad Efficiency Temporarily Worsened in Q3; Improving After Optimization from September

In Q3, application acquisition efficiency in some channels fell below our expectations, and the number of applications and sales fell short of plan. We have revised our media mix and other elements since September, and acquisition efficiency has recently improved. As the number of applications, a leading indicator of sales, fell short of plan, Q4 sales are also expected to be slightly below forecast; however, Q4 profit is expected to be in line with forecast.

## JobMedley Cost per Application (Weekly)(1)




(1) Weekly delivery costs for major advertising media, out of the advertising expenses recorded in JobMedley's cost of sales, divided by the number of applications. FY25 figures are for the same week of the previous year.

## Status by Major Items

| | Situation in FY26 |
|---|---|
| Number of job postings | Medical providers continue to be highly motivated to hire, and <u>there is no impact of price revision</u> on the number of customers or job postings. |
| **Applications** | In Q3, cost per application rose in some channels. Ads were optimized from September, leading to improvement in October and a narrower gap vs. the previous year |
| Hiring decisions | The hiring decision rate remained largely in line with our expectations |
| Join (Posting of sales) | Generally in line with previous years<br>(Approx. JPY 100mm of joinings shifted from Q3 to Q4) |
| × | |
| Average unit price | The impact of the price revision implemented in August has materialized in line with our expectations |

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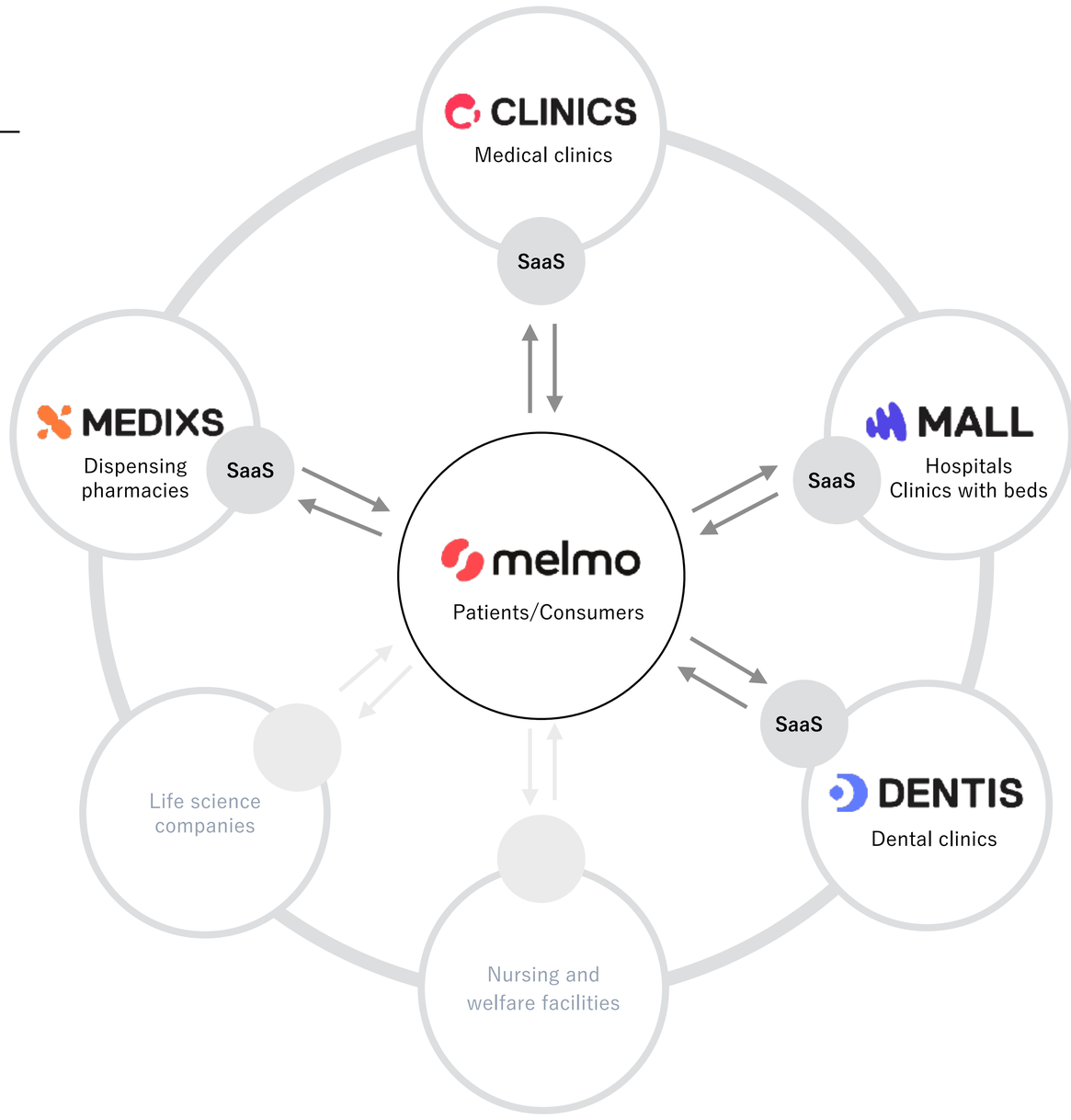
# Medical PF

## System for medical providers

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

## App for patients/consumer

- melmo
- Others | Healthcare app

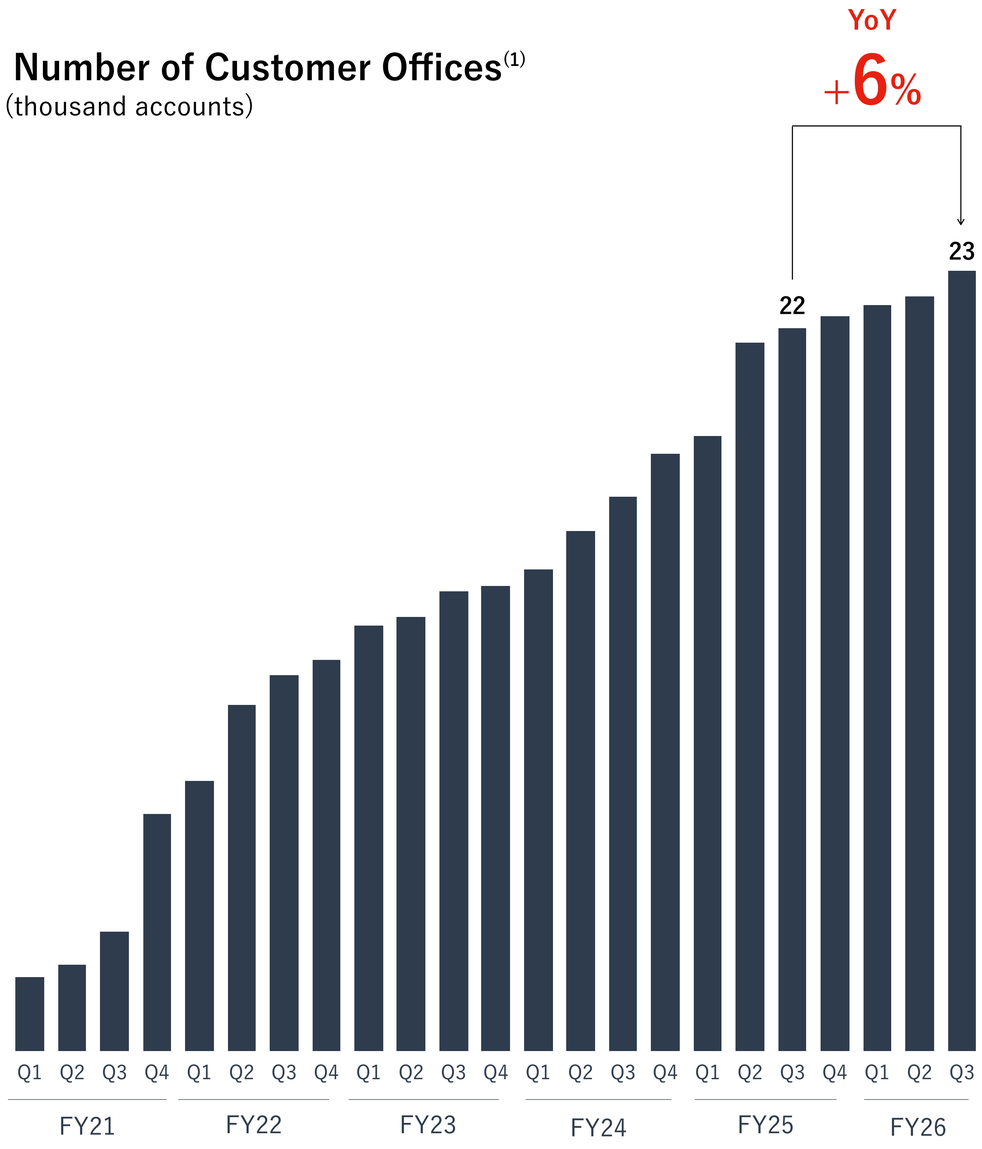


# Both number of installations and sales increased YoY

Sales growth in Q3 FY2026 was +16% YoY, and the number of medical institutions using the service was +6% YoY. Sales remained solid across each industry, while in the hospitals and clinics with beds area we have scaled back sales of on-premise products, as we have adopted a policy of launching sales of the AI-native version at an early stage.

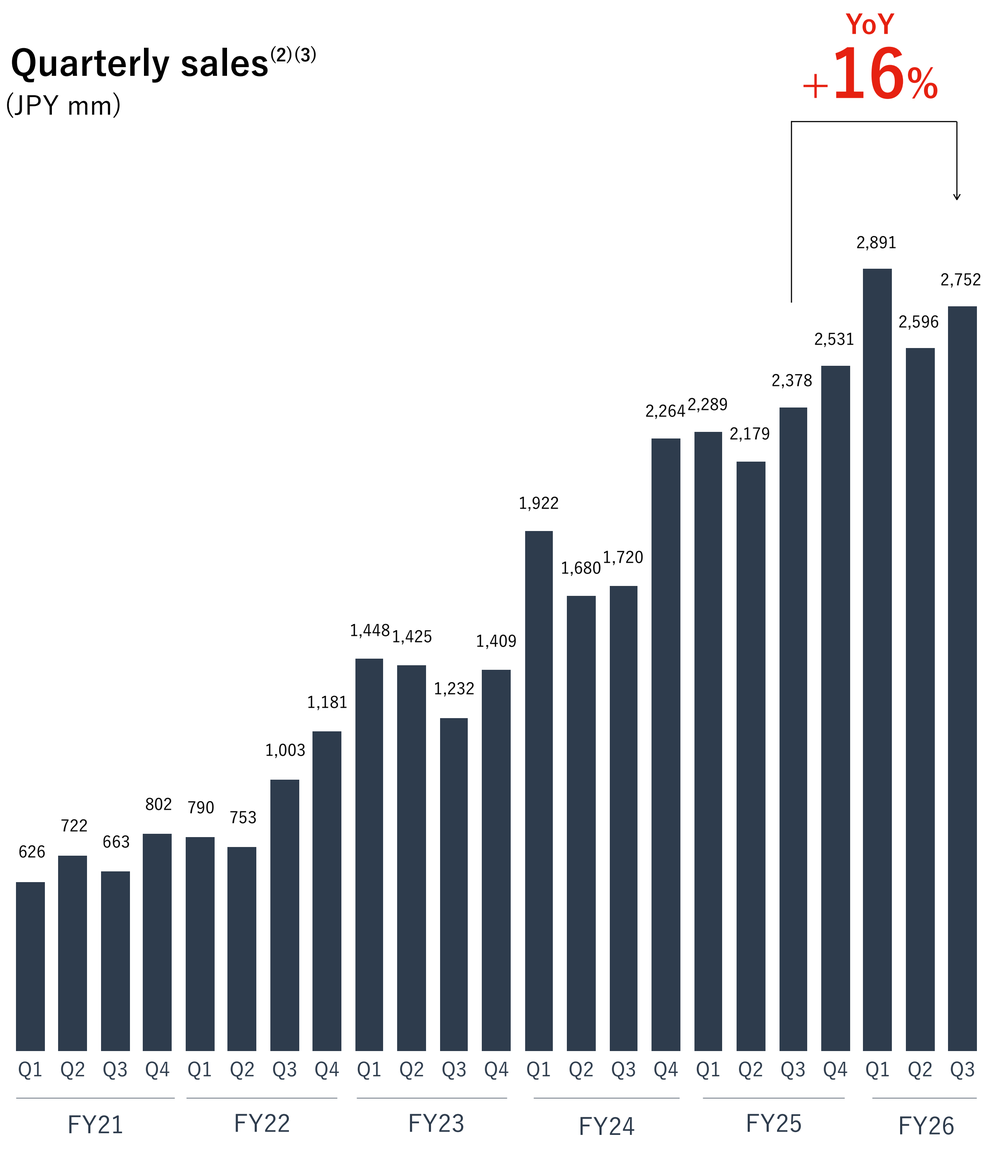
## Number of Customer Offices[1]

(thousand accounts)




## Quarterly sales[2][3]

(JPY mm)




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

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# Developing around “MEDLEY AI CLOUD” and “melmo”

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

## Improving Operational Efficiency for Medical Providers

MEDLEY AI CLOUD

Promote AI functions to improve ARPU

**Convert to subscription + transaction-centric**

CLINICS
(Medical clinics without beds)

MALL
(Hospitals and medical clinics with beds)

MEDIXS
(Dispensing pharmacies)

DENTIS
(Dental clinics)

## Improve patients’ medical care experiences

melmo

CLINICS app was rebranded in November 2025.

**Strengthening network effects** by enhancing the in-person consultation domain.

(The integration of @link in FY26 covering 35% of all pregnant women and newborns in Japan.)



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# Evaluating Progress Based on Growth Strategy

As in p. 20, our Medical PF strategy is to enhance performance and long-term competitiveness by promoting a "Subscription + Transaction model" and strengthening network effects. To illustrate our progress, we will share the following indicators for the time being.

**Medical institution side**

**Conversion to Subscription + Transaction**

**Progress in achieving increasing revenue over the short to medium term**

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

**Medical institution and patient users**

**Strengthening network effects**

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

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

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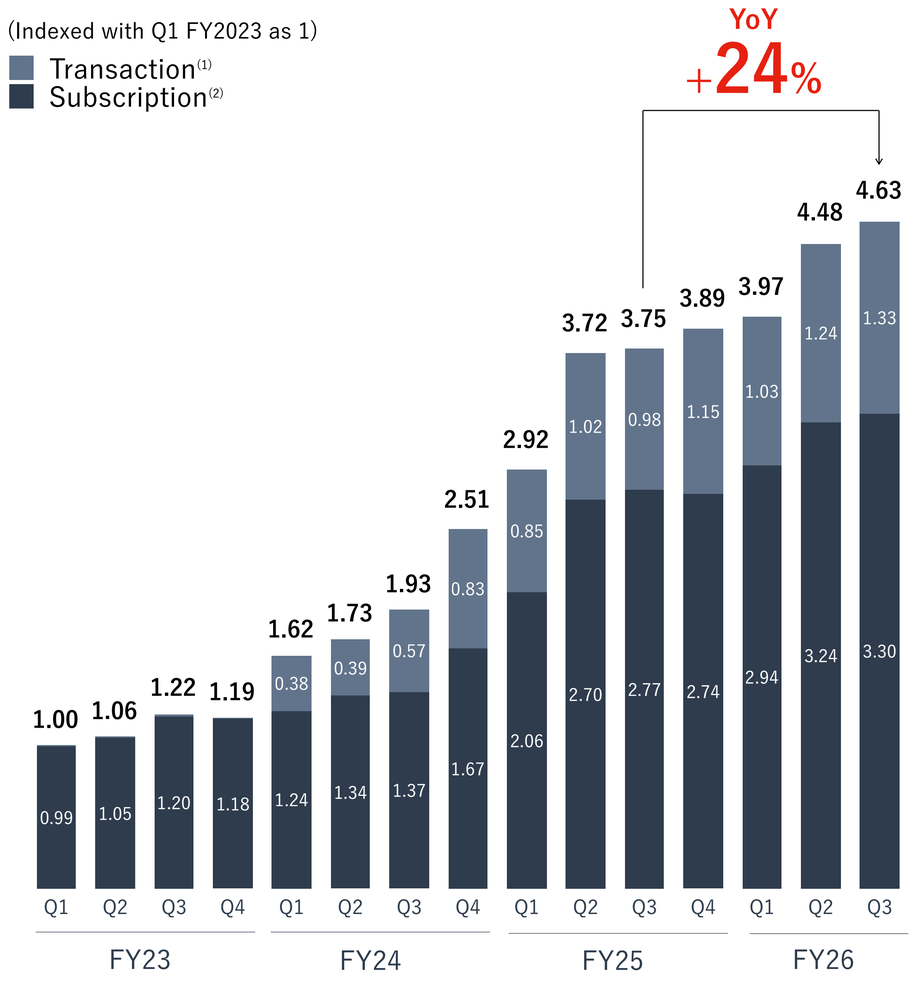
# Both subscription and transaction sales increased YoY

As disclosed in the FY2025 full-year financial results, we are intentionally growing subscription and transaction sales in the Medical PF. This indicator represents our progress toward that goal. In Q3 FY2026, subscription and transaction sales grew by 24% YoY, and adoption of AI usage-based billing services also progressed among innovators.

## Subscription and transaction sales (Index)

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




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

## Contract Status of AI usage-based Billing

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

| | Development and Rollout Status | Contract Status(3) (End of Oct. 2026) |
|---|---|---|
| Hospitals / Clinics with beds | ・Launched pilot provision of “AI Document Creation Assist” in December 2025.<br>・AI-native development of “MALL Cloud” | - |
| Clinics without beds | ・“AI Assist Function” became available from November 2025.<br>・Expansion of available functions from August 2026 | 6.4 |
| Dispensing pharmacies | ・“AI Assist Function” became available in September 2025.<br>・Expanding the functions offered from Q3 FY2026 | 1.2 |
| Dental clinics | ・Under development | - |

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

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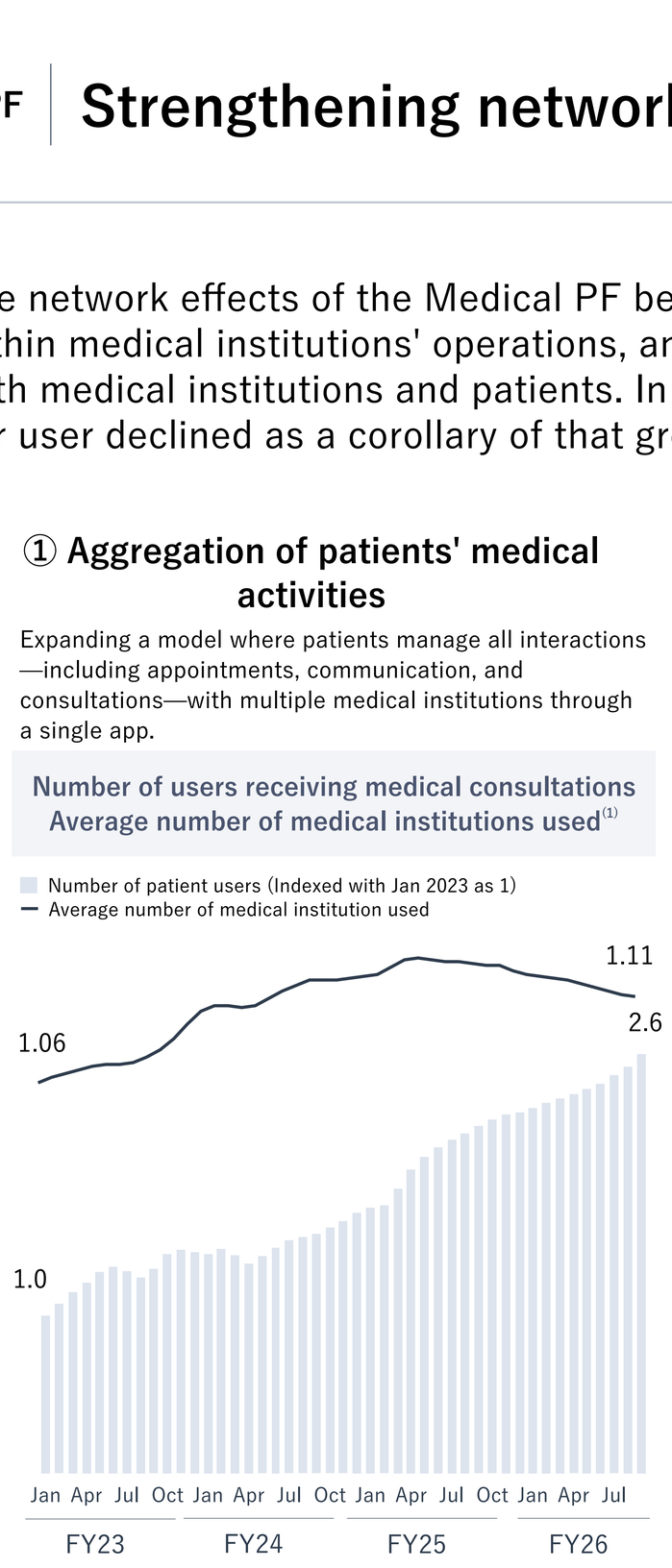
# Strengthening network effects through patient touchpoints

The network effects of the Medical PF begin with the aggregation of patient medical activities, then establish themselves within medical institutions' operations, and ultimately expand market-wide. This cycle continuously enhances productivity for both medical institutions and patients. In Q3 FY2026, the number of patient users grew steadily, while the consultation index per user declined as a corollary of that growth.

## ① Aggregation of patients' medical activities

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

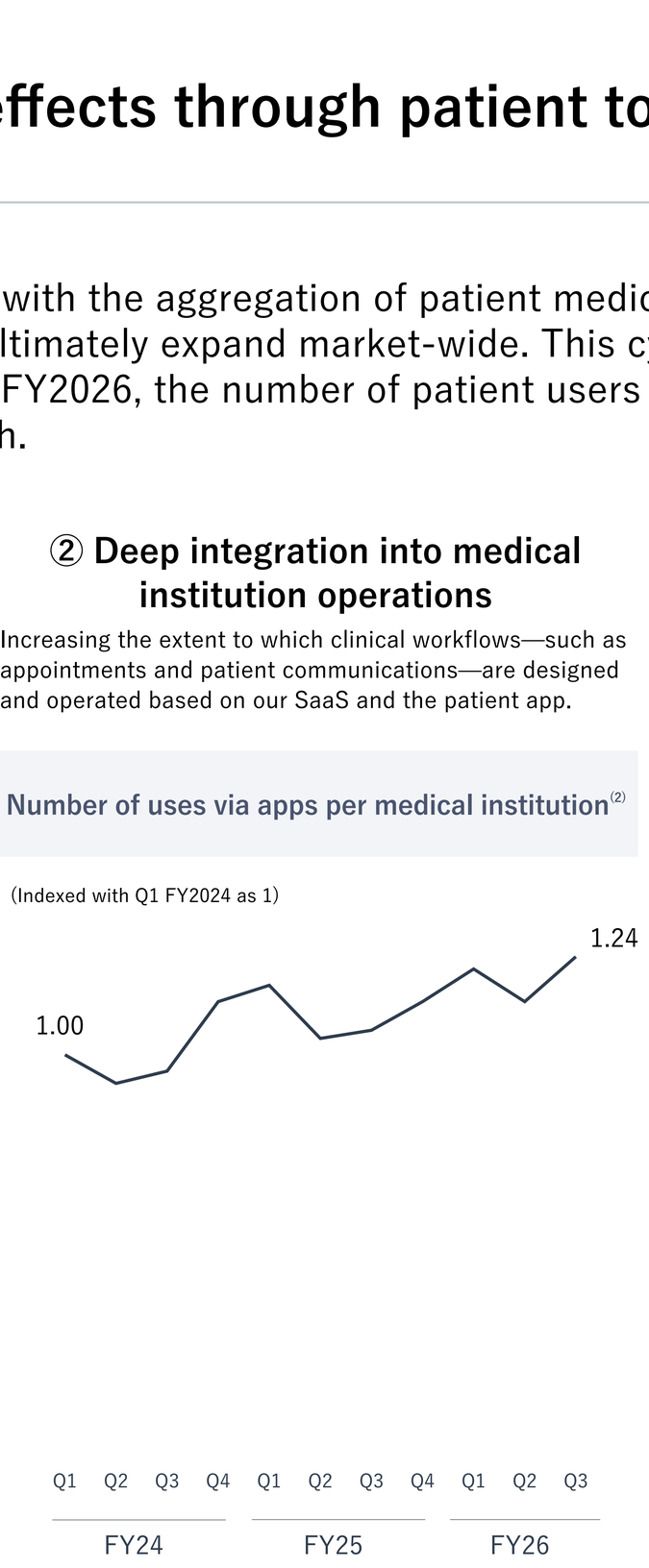
**Number of users receiving medical consultations**
**Average number of medical institutions used[1]**




## ② Deep integration into medical institution operations

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

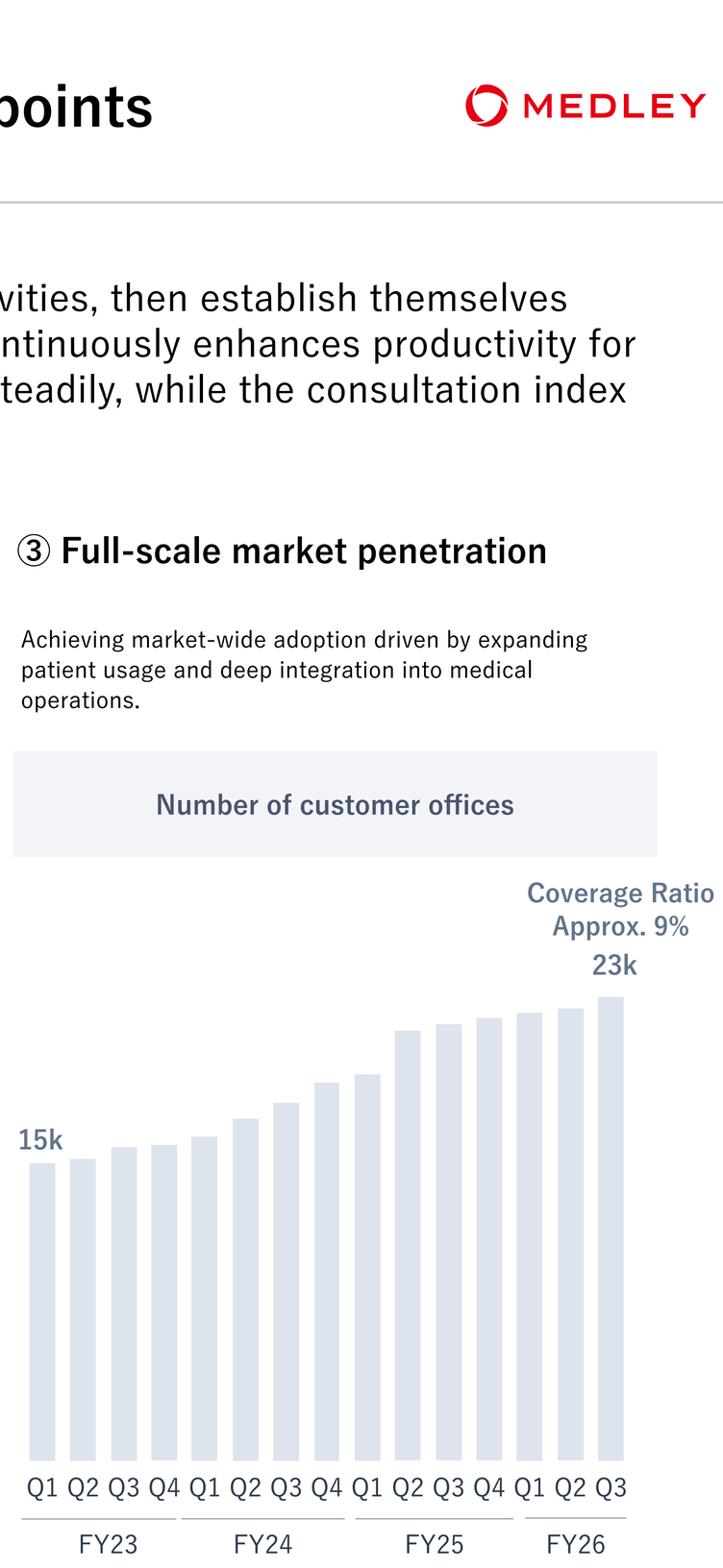
**Number of uses via apps per medical institution[2]**




## ③ Full-scale market penetration

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

**Number of customer offices**




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

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

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1. FY2026 Q3 Results

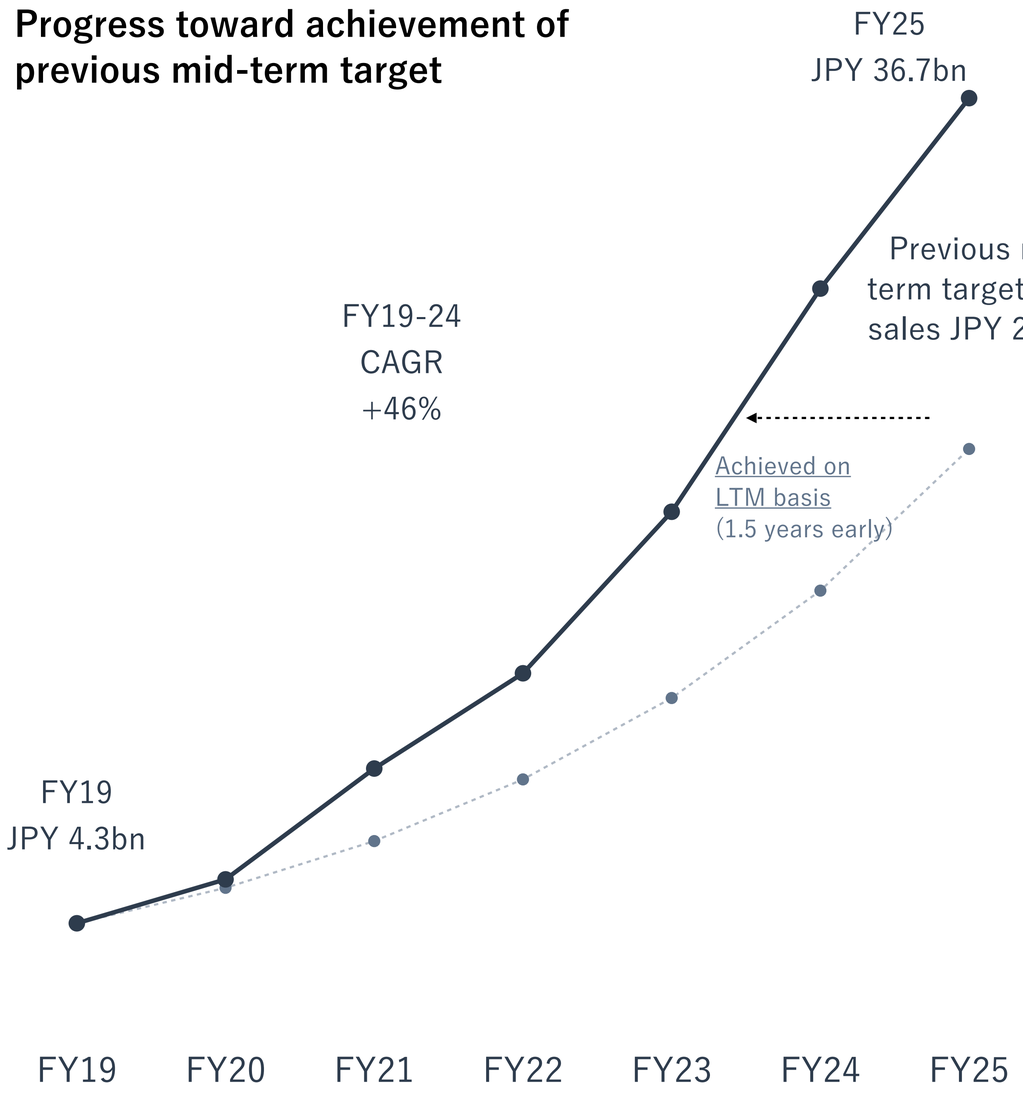
# 2. FY2026 Full-year Forecasts

3. Investment Highlights

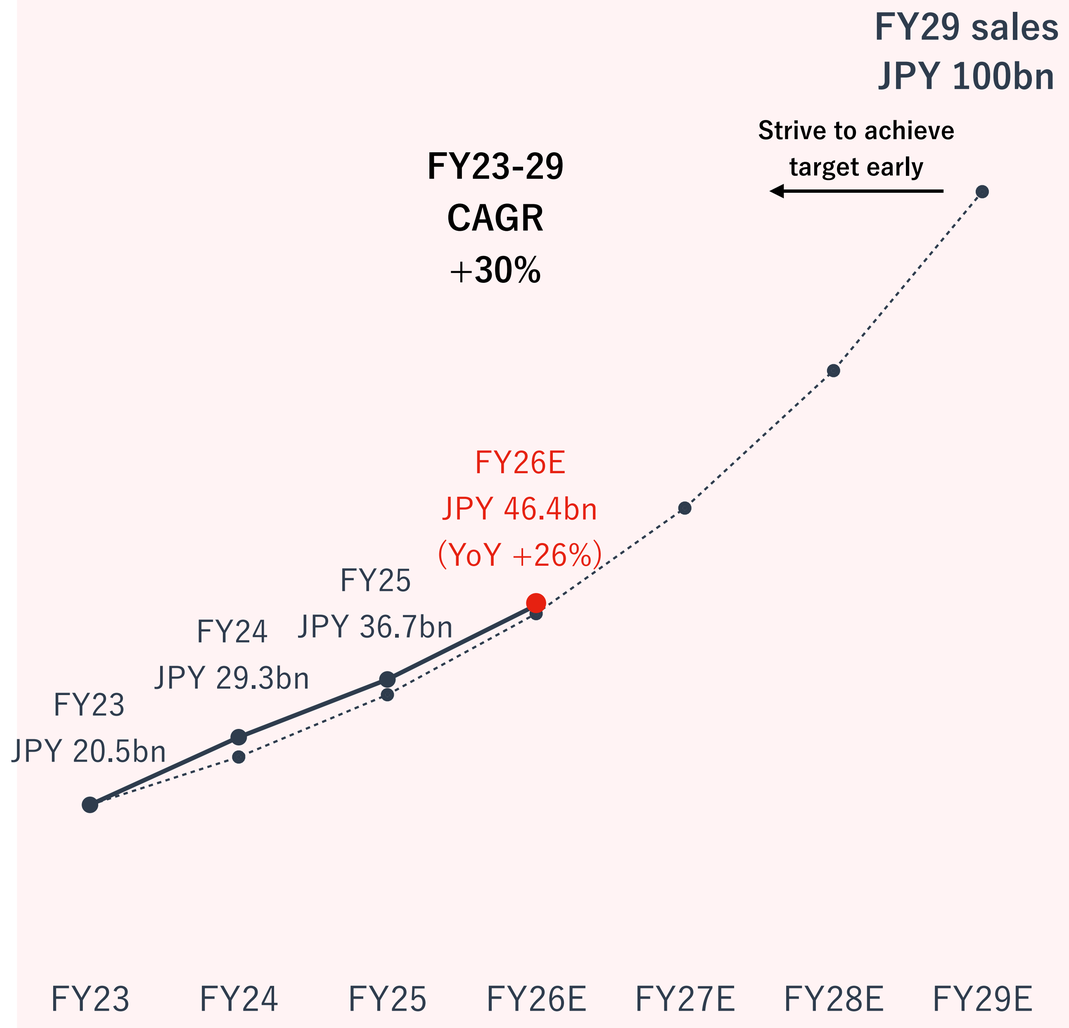
# (Ref.) Progress Toward New Mid-term Target (Sales)

We made steady progress toward the new mid-term targets established in February 2024 (FY2029 sales: JPY 100 billion, EBITDA: JPY 20 billion). While in principle, we target growth in sales and profit during the period covered by the mid-term business plan, we will prioritize adapting to changes in the business environment and taking advantage of investment opportunities and, as with our previous medium-term targets, aim to achieve them ahead of schedule.

**Progress toward achievement of previous mid-term target**




**New Mid-term Target**

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# Progress to FY2026 full-year forecast

We expect full-year sales and gross profit to land below our initial forecast. However, through cost control including more efficient advertising investment, we expect EBITDA and operating profit to land near our initial forecast, and ordinary profit and profit to exceed it. Note that the progress rates for the same period last year are shown relative to the actual full-year results of that year.

*Underlines show updates

| (JPY mm) | Q1-Q3 FY26 actual | FY26 forecast | Progress | Progress (Q1-Q3 FY25) | Outlook for full-year |
|---|---|---|---|---|---|
| **Sales** | **33,340** | **46,400** | **72%** | 75% | Expected to land below initial forecast. |
| **Gross Profit** | **20,082** | **29,000** | **69%** | 75% | |
| **EBITDA** | **4,551** | **5,800** | **78%** | 74% | Expected to land near initial forecast. |
| Operating Profit | 2,381 | 2,950 (1) | **81%** | 75% | |
| Ordinary Profit | 3,097 | 3,250 (2) | **95%** | 76% | Expected to exceed initial forecast. |
| Profit Attributable to Owners of Parent | 1,779 | 1,800 (3) | **99%** | 114% | |

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

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# (Ref.) FY26 Forecast: Assumptions and Progress

*Underlines show updates from the previous quarter

| | Forecast (FY26) | Major approaches in FY26 | Progress |
|---|---|---|---|
| **HR PF** | • **Sales: Approx. JPY 32.0bn** (Approx. YoY +22%)<br>• **EBITDA margin: Approx. 37%** | • Wage-reflective price revisions (August)<br>• Strengthening synergies between products<br>• High growth of online training system<br>• Rollout of AI-ATS | • **Sales fell short of forecast; profits were in line with forecast (p. 17)**<br>• Launched JobMedley ATS (April)<br>• Acquisition of RM CAREER (Consolidated in August) |
| **Medical PF** | • **Sales: Approx. JPY 11.0bn** (Approx. YoY +17%)<br>• **EBITDA margin: Approx. 0-1%**<br>- Impact of dissolution of capital alliance with NTT DOCOMO: JPY -0.2bn | • Launched charging for AI-related functions<br>• Strengthening network effects<br>• Further strengthening monthly sales capacity (including major accounts)<br>• AI-driven modernization of legacy systems from acquisitions | • **Progressing behind our forecast**<br>- Phasing down sales of the on-premise products (Pre-launch sales of “MALL Cloud” on track)<br>- Q4 incident response and security-related costs factored in |
| **New Services** | • **Sales: Approx. JPY 1.1bn**<br>• **EBITDA: Approx. JPY -700mm**<br>- Spend JPY 500mm on US business, JPY 200mm on new business | • Continuing expansion of US business<br>• Renewal of Spot work business | • **Progressing largely in line with forecast** |
| **Corporate Expenses** | • **Ratio vs. companywide sales: Approx. 12%** | • Streamlining corporate functions through AI integration<br>• Continuing aggressive hiring for mid-term growth<br>- Increasing investments in human capital related areas | • Promoting the utilization of AI to enhance efficiency in corporate functions |

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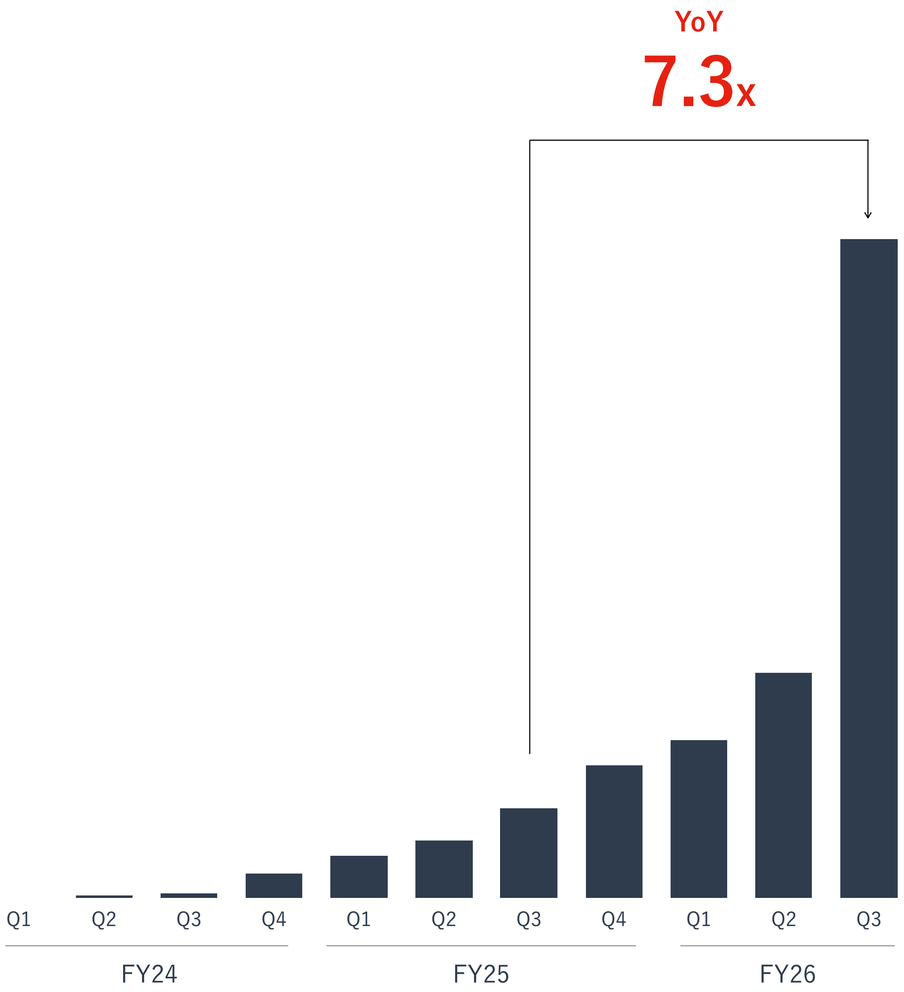
# (Ref.) Progress of US Business Expansion

Driven by the continued acquisition of customers, job postings and job seekers, as well as accelerating growth in the number of applications, performance-based success fees grew approximately 7x YoY. The business is scaling at a faster pace than JobMedley did in its early days, and we have begun considering a rollout into job categories other than dental.

**Trend of performance-based success fees**




| | |
|---|---|
| **History and Outlook** | • Feb. 2023: Launched test service<br>• Apr. 2024: Opened an office in the Philippines<br>• Aug. 2024: Began expanding service area across the US<br>• Oct. 2026: Began considering a launch in job categories other than dental |
| **Customer Offices / Job postings** | • The number of customer offices grew to approx. 7,500 (as of Oct. 2026), making us one of the largest dental-focused job sites by number of job postings |
| **Job seekers** | • The number of job seekers is also growing steadily<br>• Along with the accumulation of job postings, applications increased due to expanded traffic from job board advertising and organic search |

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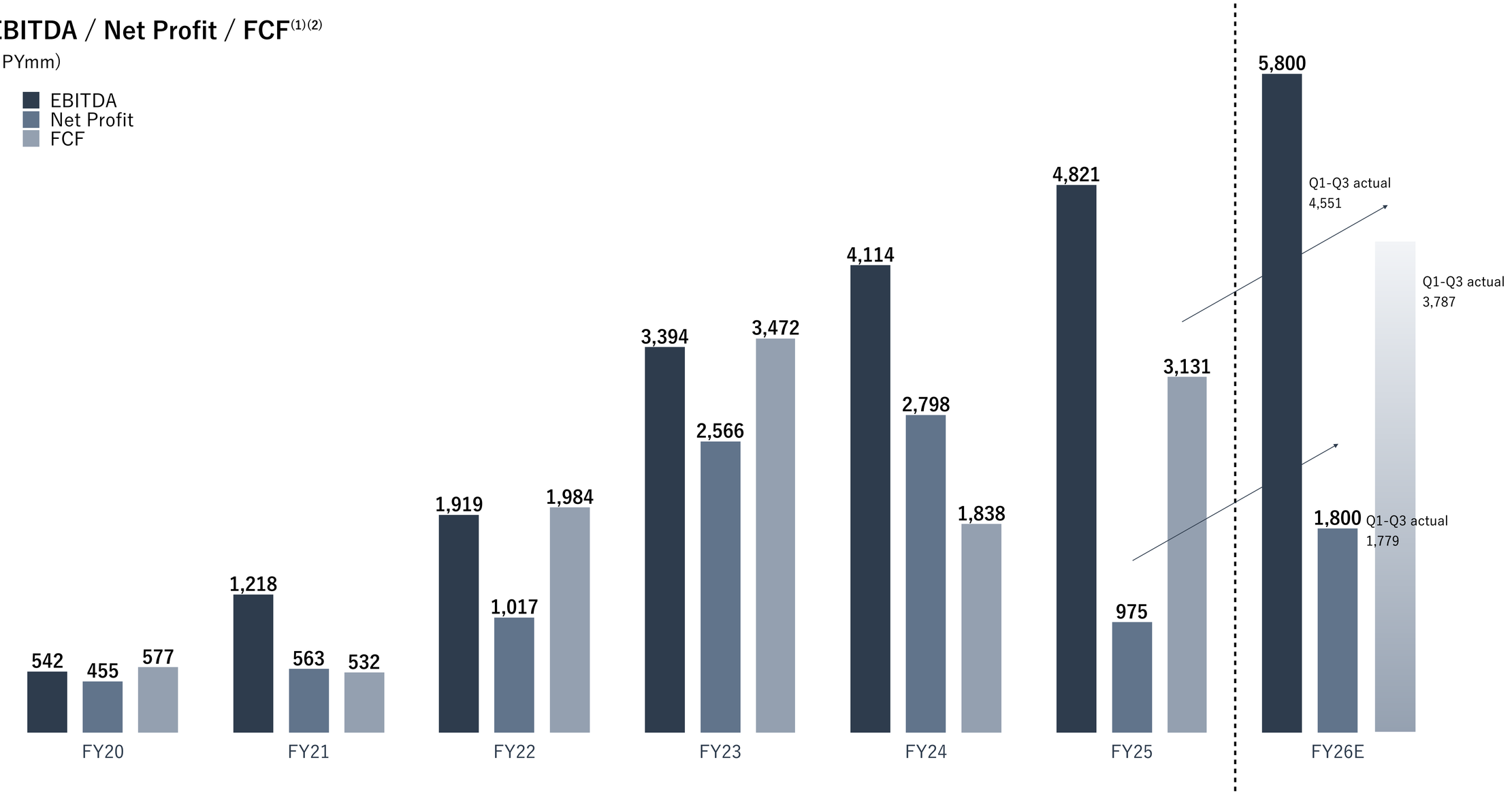
# (Ref.) Entering a Phase of FCF and Profit Expansion

By the time of the FY26 full-year results, we will have passed the halfway point of the mid-term target period and will enter a phase of further growth in FCF, EBITDA, and net profit. In FY27 and beyond, we will continue to aim for further expansion of FCF, EBITDA, and net profit.

**EBITDA / Net Profit / FCF**[(1)(2)]

(JPYmm)




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

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1. FY2026 Q3 Results

2. FY2026 Full-year Forecasts

# 3. Investment Highlights

1. Vast opportunities in the medical and healthcare field

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

3. Disciplined investment in growth

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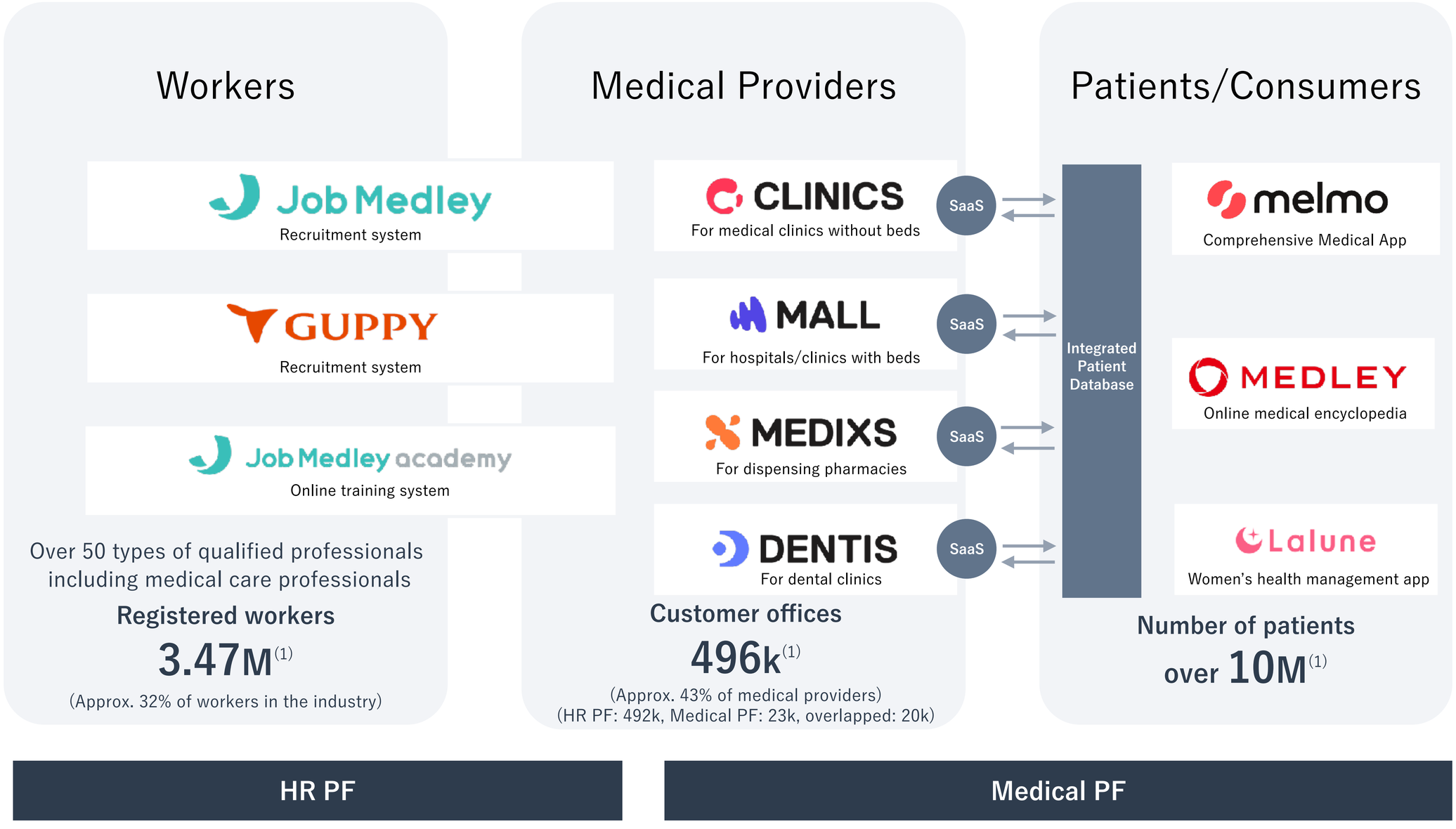
# Overview of Our Business

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




(1) As of end of September 2026

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# Digitalization Essential to Medical and Healthcare Industry

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

## Key Challenges Surrounding the Medical and Healthcare Industry

**Medical Providers**

**Heavy burden on-site**

Labor shortage and declining profitability
Complex medical technologies

**Patients**

**Increasingly complex medical care**

Difficulty of appropriate medical use
Long waiting/traveling time

**Government**

**Financial stringency**

Shrinking workforce
Massive social welfare spending

### Technological Progress

- Highly functional mobile device
- Sensing technology
- Security

### Changes in Industry Environment

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

**Promote Digitalization**

## Medley's Vision for Future

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

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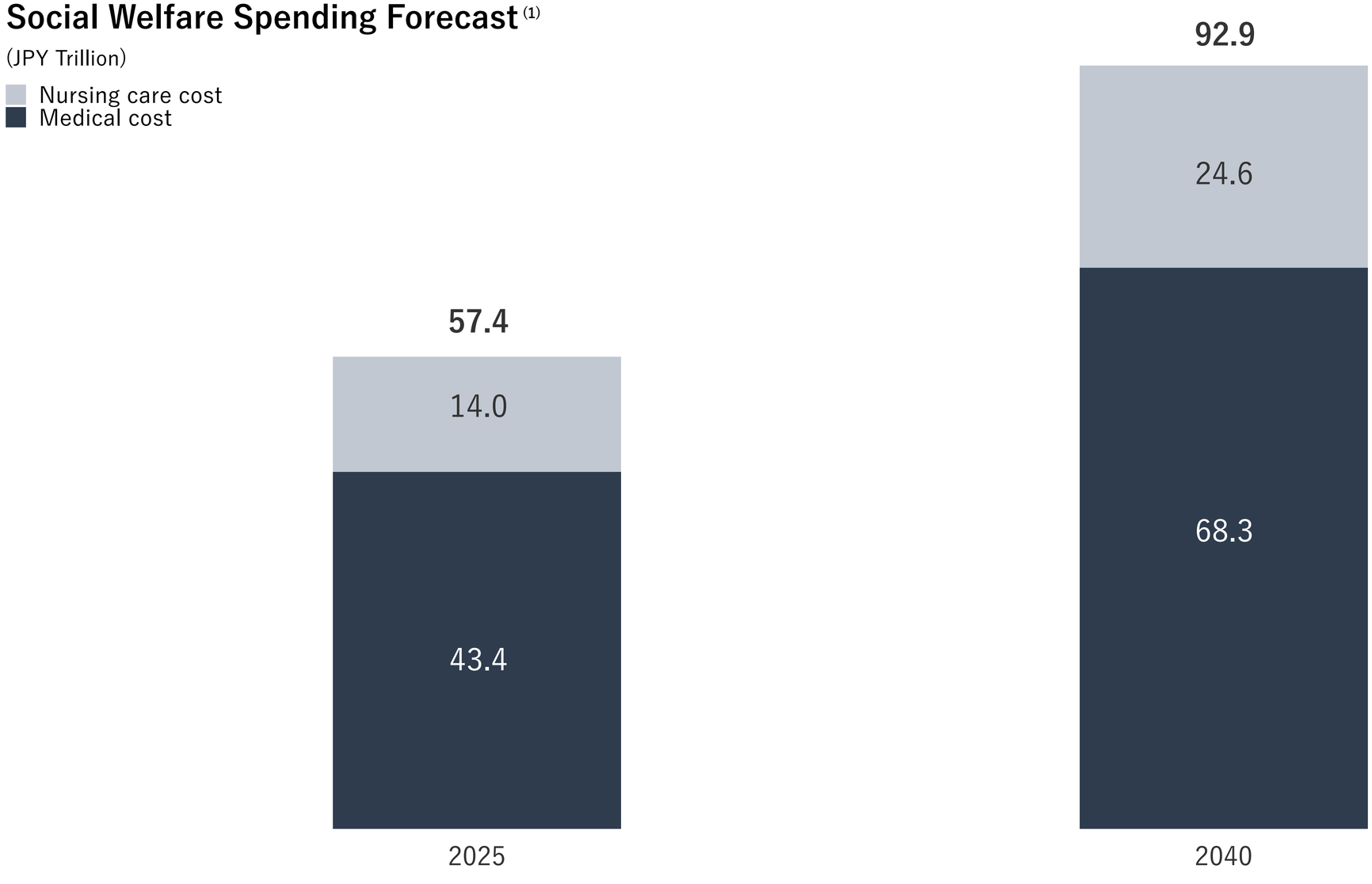
# Defensive Growth Industry: Social Welfare Spending Not Impacted by Economic Trends

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

## Social Welfare Spending Forecast (1)




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

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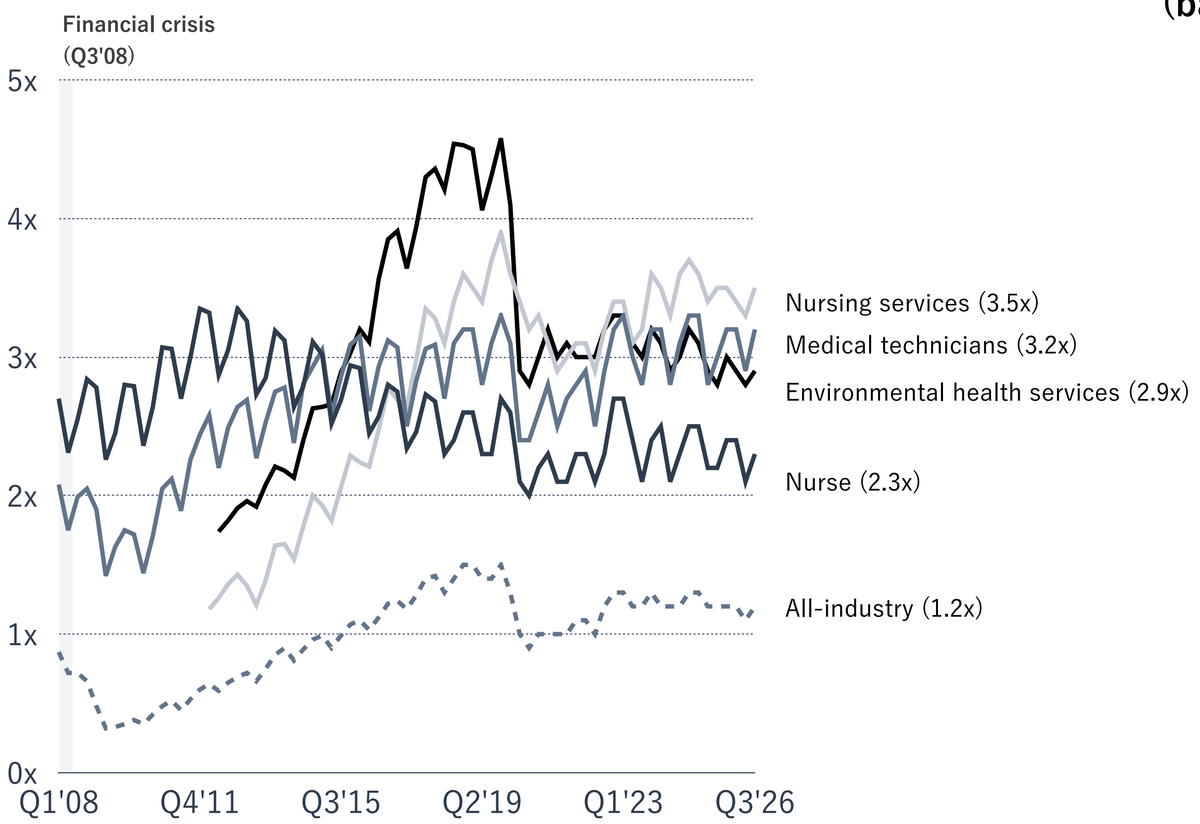
# Stable, High Demand in the Medical / Healthcare Industry

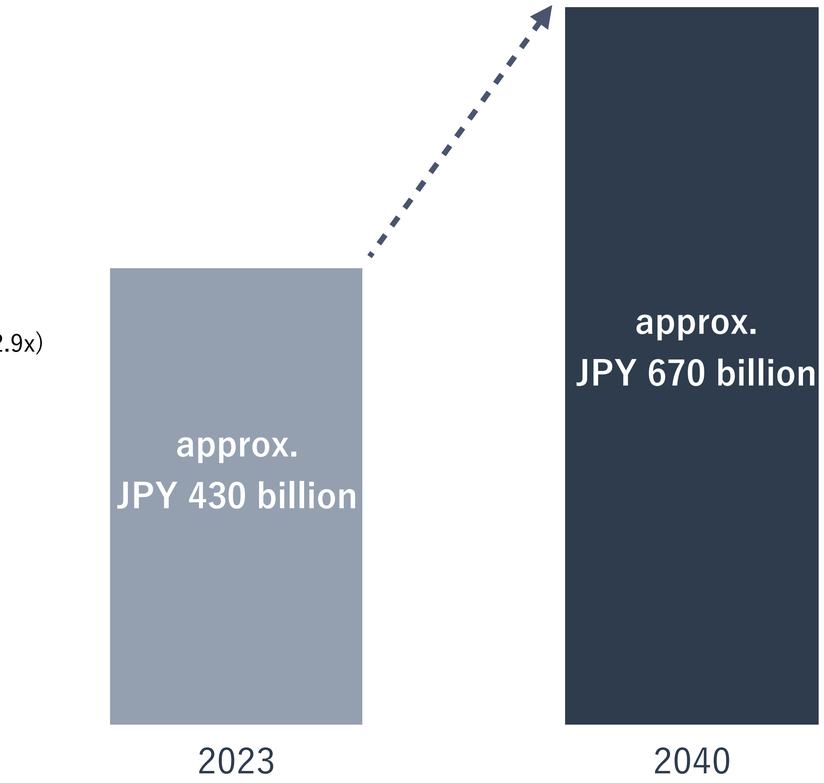
The Japanese medical industry suffers from a chronic shortage of workers, with a jobs-to-applicant ratio that remains much higher than the average for all industries regardless of economic conditions. We estimate the current market size to be approximately JPY 430 billion, and expect expansion to JPY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

## Ratios of Job Openings to Job Applicants(1)




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

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




(2) Estimates by Medley, Inc.

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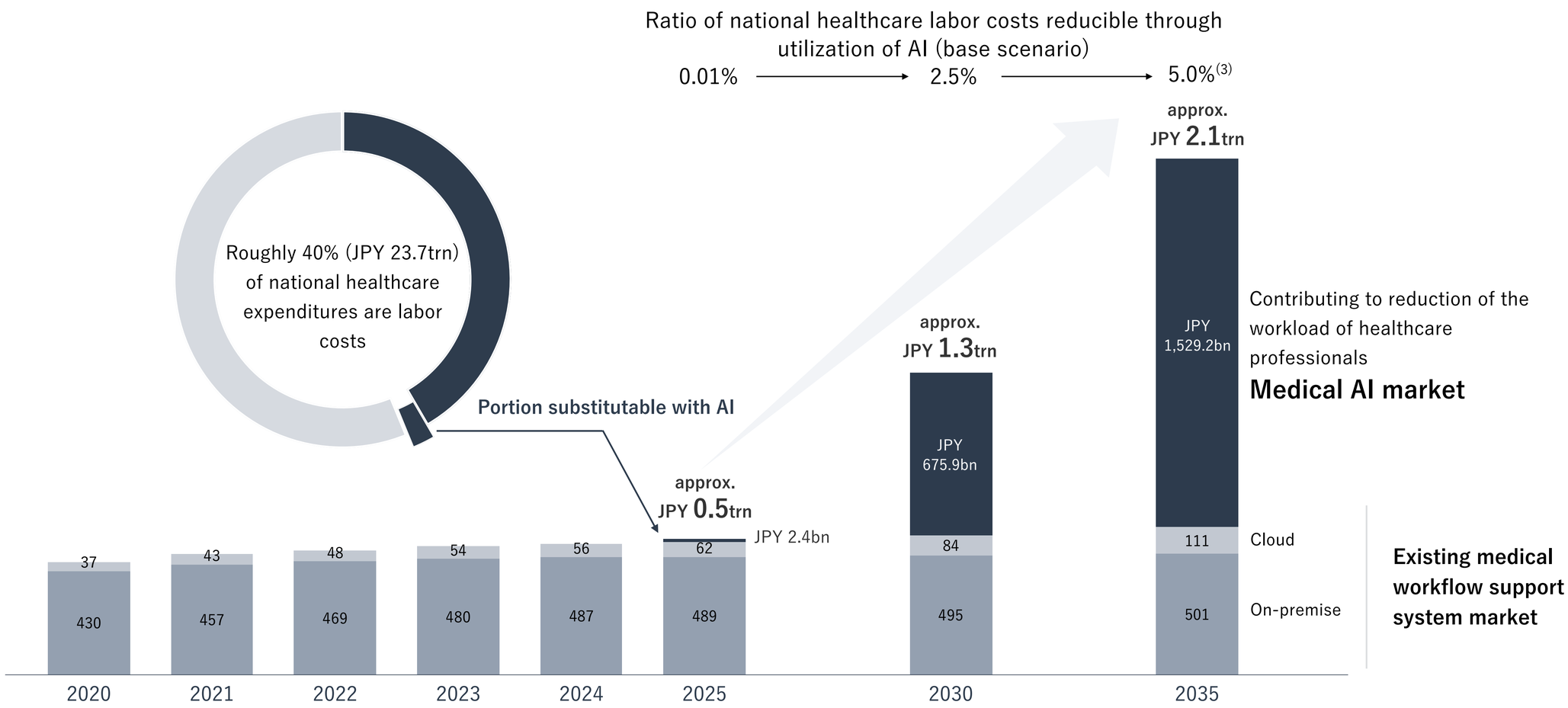
# Hypothesis: Generative AI Innovation will Drive Growth in the Medical IT Market

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

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

(JPY bn)




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

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# Deregulation and Policies to Accelerate Use of Digital Technologies

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

| Institution/Policy | Overview | Major medical implications |
|---|---|---|
| **Medical DX Roadmap** | • Presented on June 2, 2023 by the Headquarters for Medical DX Promotion, which was established under the Basic Policy 2022 | • Creation of a nationwide medical data platform<br>• Development of a standardized EMR<br>• Targeting adoption of EMR system by almost all medical institutions by 2030 |
| **Grand Design and Action Plan for New Capitalism, 2025 Revised Edition** | • June 13, 2025: Cabinet decision | • Promote migration of hospital information systems from on-premise to cloud-native<br>• New medical fee incentives established for promoting AI/ICT utilization |
| **Japan's Second AI Basic Plan** | • July 14, 2026: Cabinet decision | • Interim summary of sector-specific Vertical AI strategies<br>  • Promote development and social implementation of sector-specific AI in medical, long-term care and other fields<br>  • Development of AI to reduce frontline workload, such as preparing nursing records and other documents and consultation services |
| **Basic Policy 2026/ Japan's Growth Strategy 2026** | • July 21, 2026: Cabinet decision | • "Cloud-native medical DX infrastructure" designated as a strategic field<br>• Target approximately 100% EMR adoption by 2030<br>• Assumes JPY 5.2 trillion in combined public and private investment through FY2040 |
| **FY2027 Budget Request / EMR Adoption Plan / Medical Informatization Promotion Policy** | • September 9, 2026: EMR Adoption Plan presented by the MHLW Headquarters for Healthcare AX/DX Promotion<br>• October 1, 2026: Medical Informatization Promotion Policy took effect | • Budget request of JPY 93.4 billion plus unquantified item requests for promoting medical DX (incl. approx. JPY 60.4 billion for establishing a certification system and supporting adoption of certified products)<br>• Subsidies covering 1/2 of the cost of introducing certified products and migrating data from on-premise systems (subject to caps)<br>• Applications for the "certification system for EMR standard specifications" to open in November 2026, with certified products targeted for availability from April 2027 |

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# Maintain High Sales Growth by Maximizing Number of Customers and ARPU

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

**Long-term Policy**

**Maximize Long-term Free Cash Flow**

**Mid-term Policy**

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

**Fundamental Policy**

**Maximize Number of Customers**




×

**Improve ARPU**




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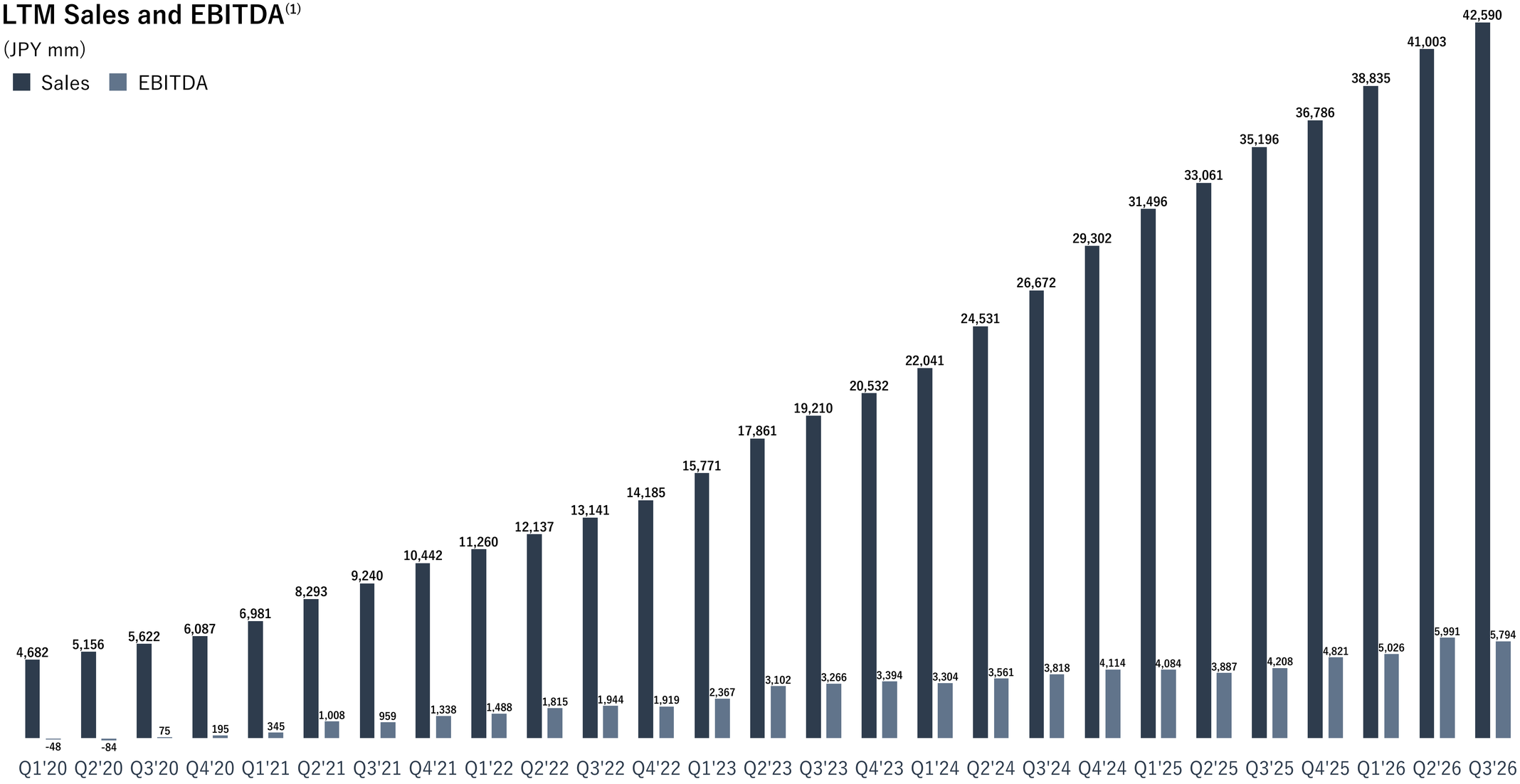
# LTM Sales and EBITDA trend

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

## LTM Sales and EBITDA(1)

(JPY mm)




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

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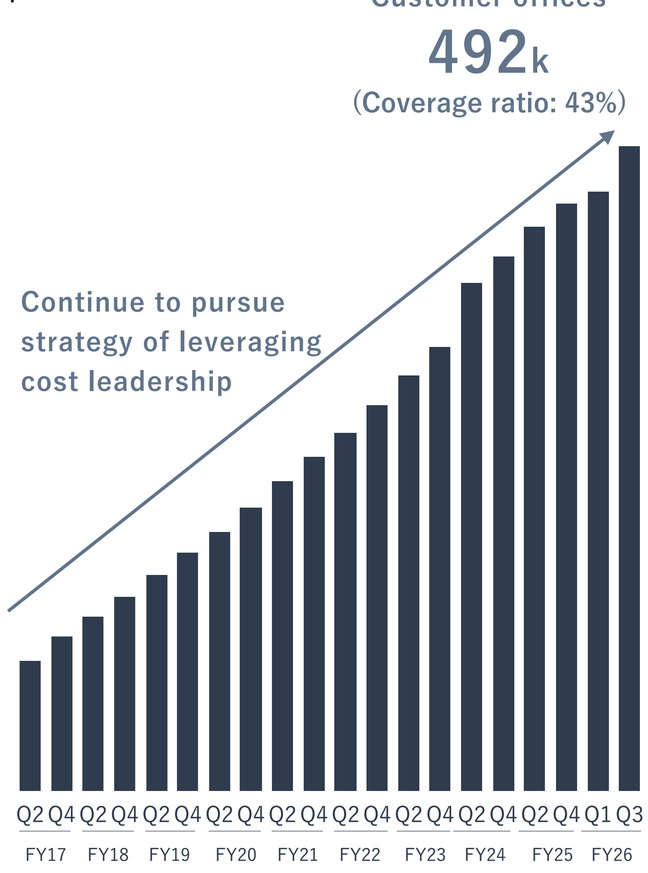
# HR PF: Expanding Customer Base by Cost Leadership

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

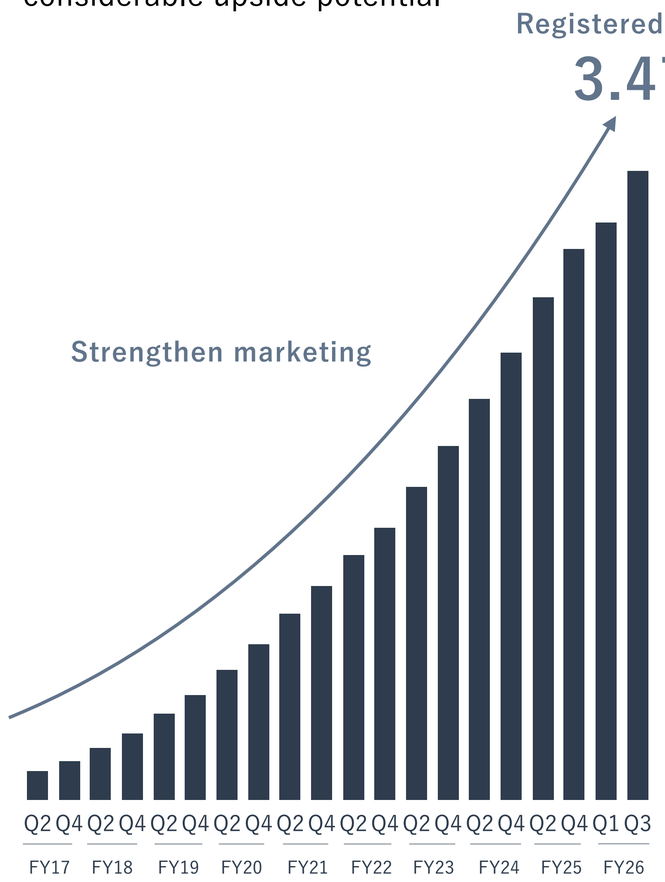
## Maximize Number of Customers

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

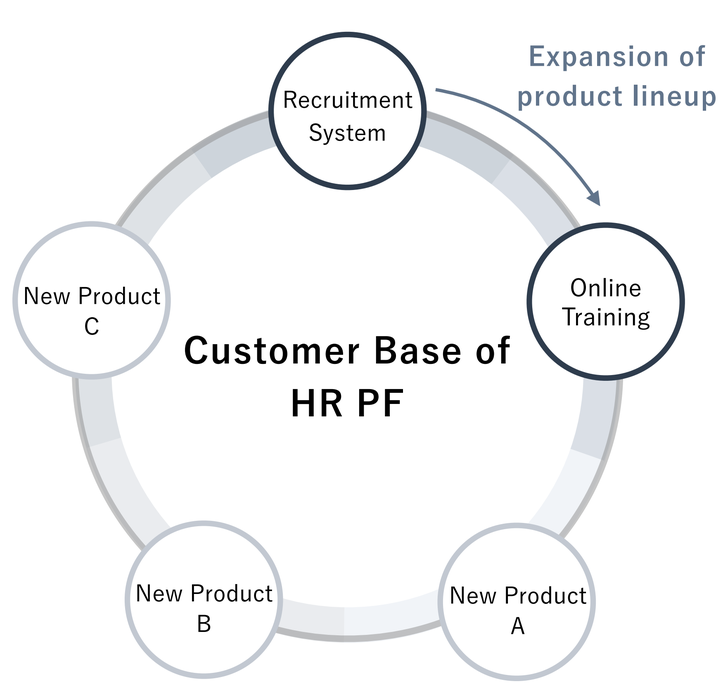



## Improve ARPU

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




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




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

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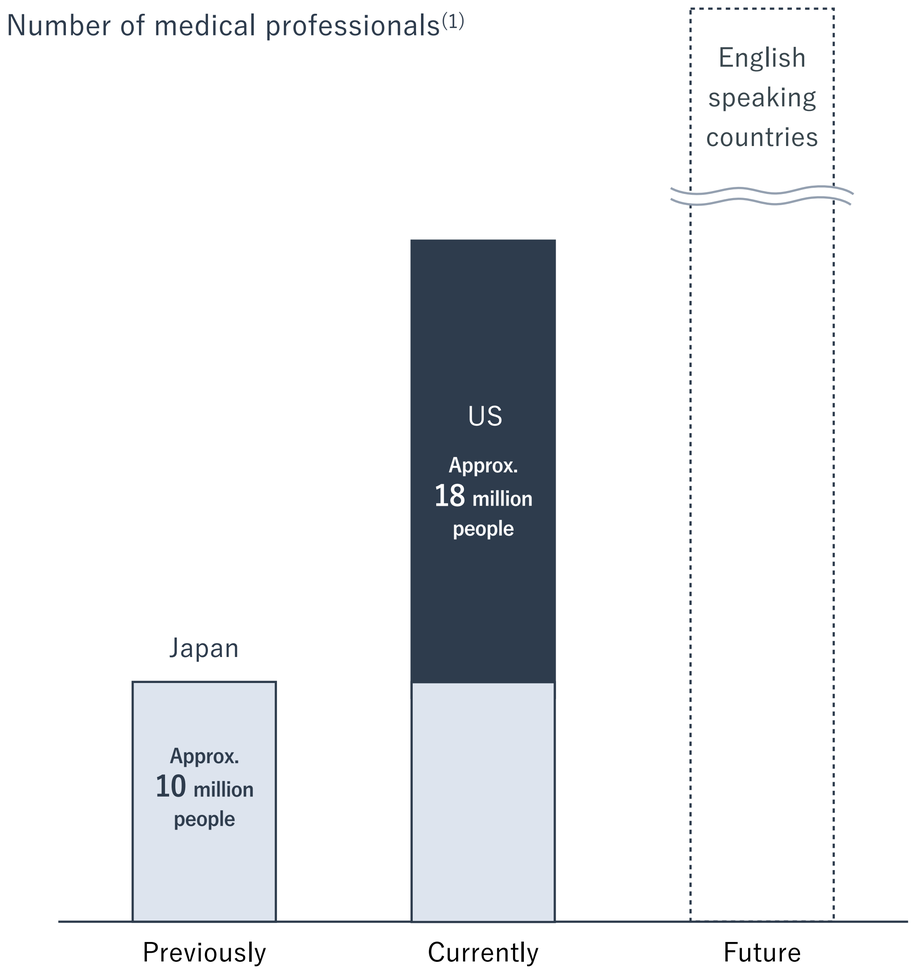
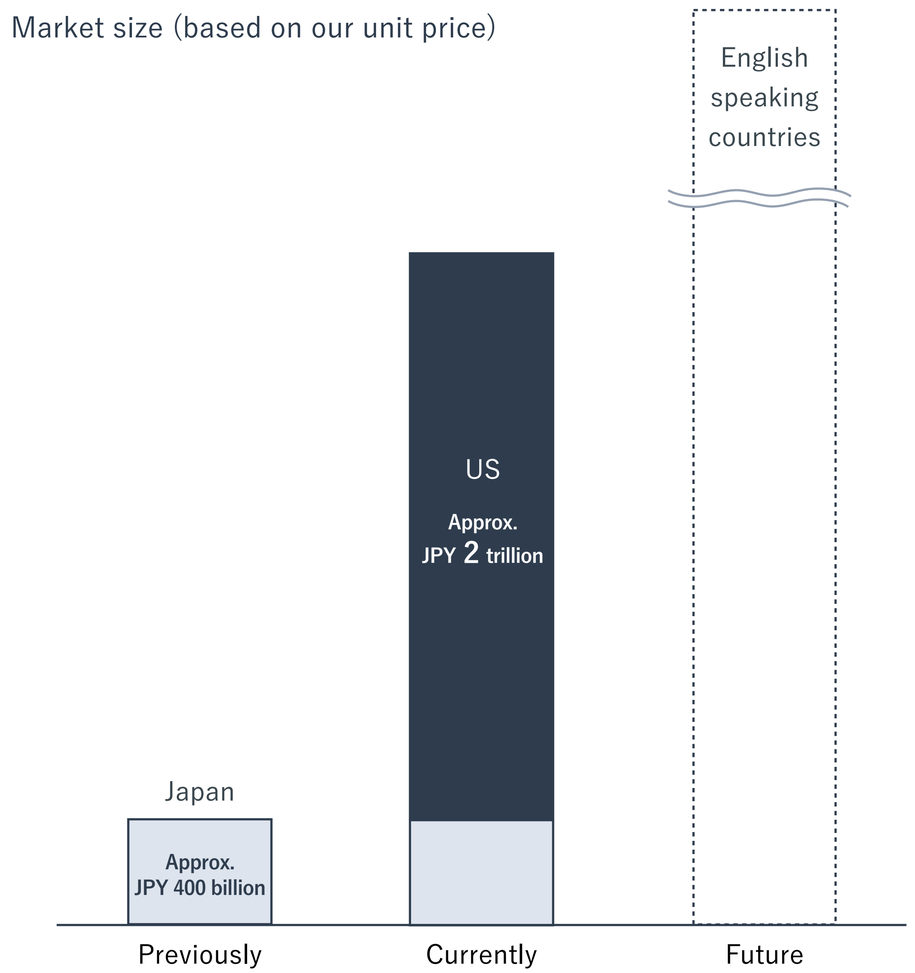
# HR PF: Expansion of TAM in the US market

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

**Expansion of TAM(1)**




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

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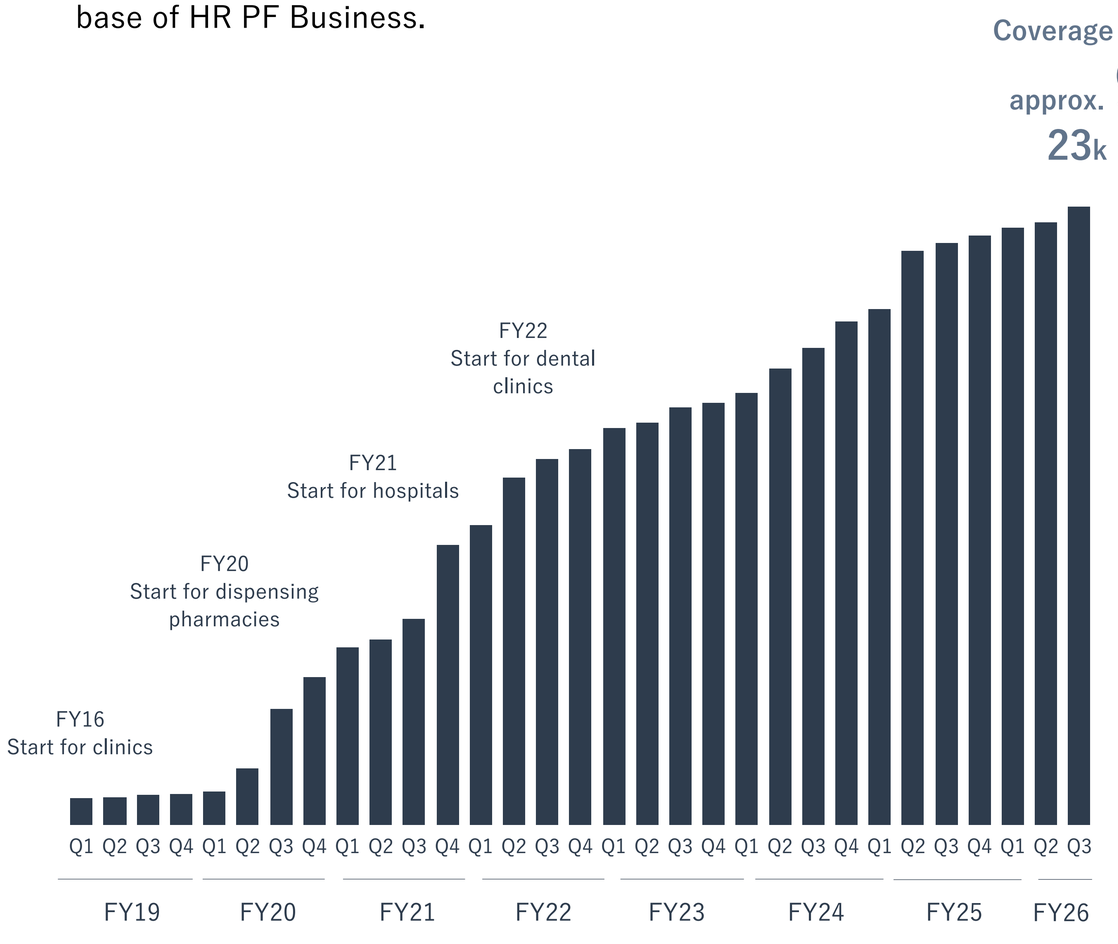
# Medical PF: Improved ARPU via Synergy with HR PF Business Customer Base

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

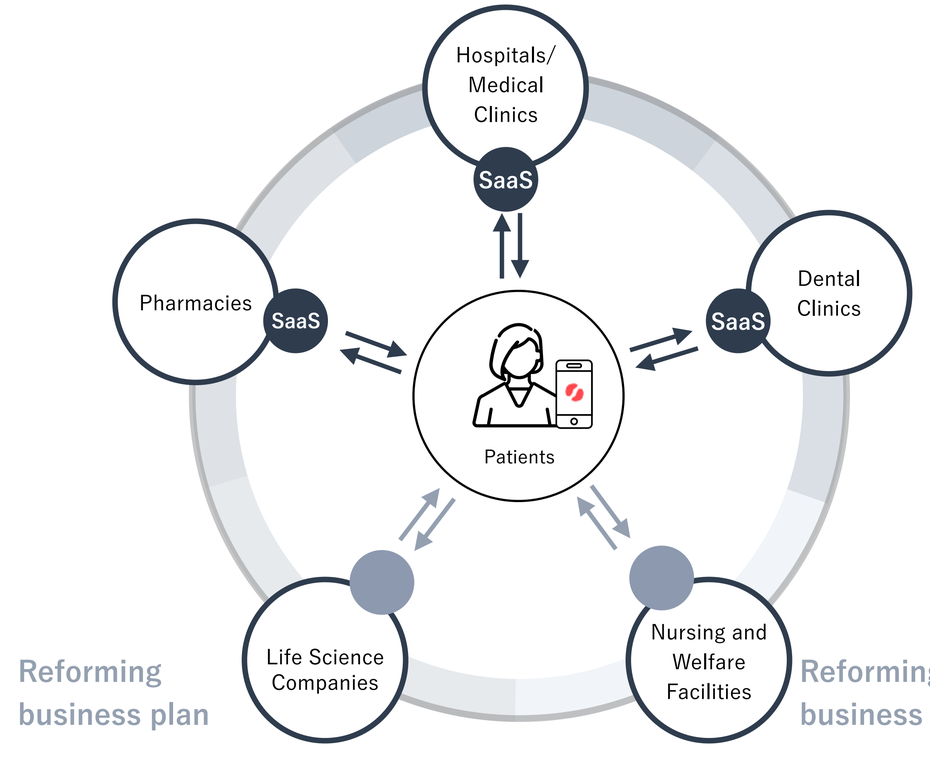
## Maximize Number of Customers

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




## Improve ARPU

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




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

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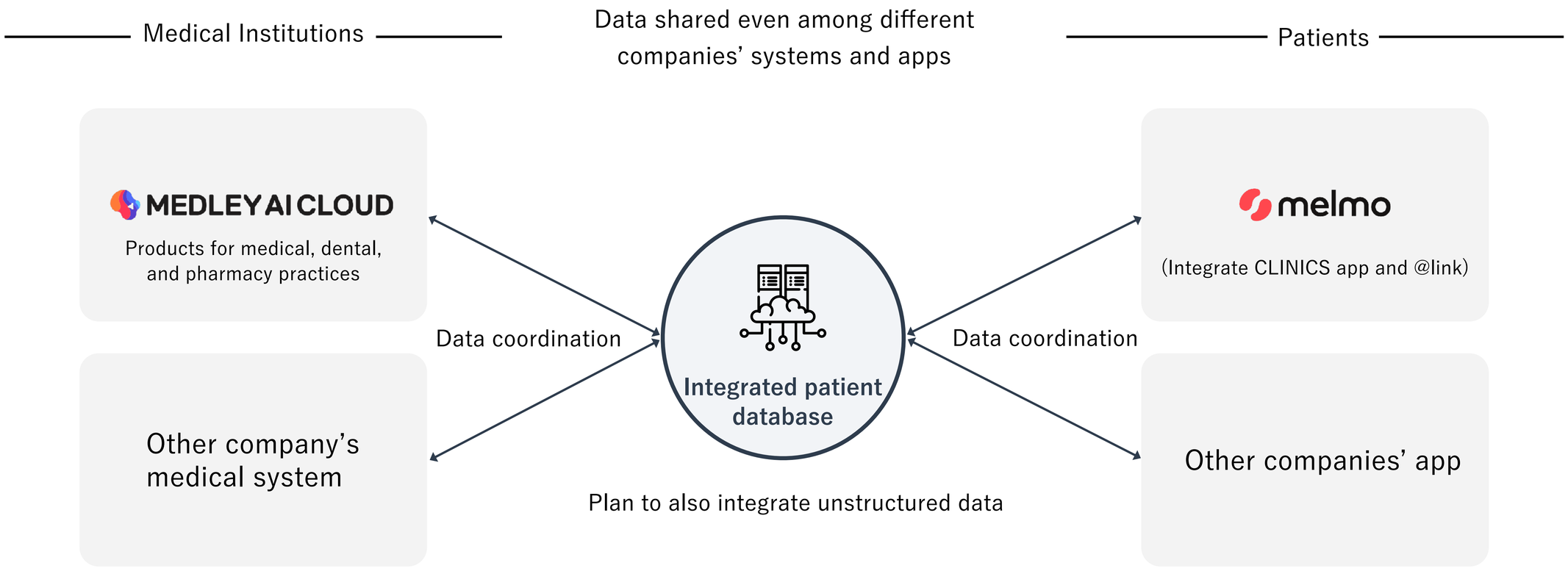
# Medical PF: Product Development Using an Integrated Patient Database as a Core Technology

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

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# Medical PF: Integration of regional medical information (MINET)

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

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

| Improve medical care quality<br>Provide more information | Improve medical care experience<br>Improve health awareness | Efficient communication among different specialists | Disaster mitigation | Effective use of medical resources |
|---|---|---|---|---|
| Information integration<br>Integration of medical information<br>(EMR<br>Medical receipts)<br>Pharmaceutical information<br>(Pharmacy receipts)<br>Nursing care information<br>(Nursing care systems) | PHR applications | e-mail | Management of admission and discharge of evacuees into emergency shelters | Telemedicine/Online drug administration guidance |
| Tracing report production function | Mutual integration<br>(Hata My Carte) | Bulletin boards | | Shared usage of advanced medical equipment |
| | Integration with My Number Card<br>(Information disclosure card) | Online conferencing | | |
| | My Number Card integrated patient ID card | Group chats | | |
| | Sharing of DICOM images with patients | | | |

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# Continued Disciplined Investment in Growth

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

**Priority (in principle)**

## Uses of funds

**A — Investment in businesses**

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

**B — M&A**

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

**Dividend**

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

**Share repurchase**

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

## Sources of funds

**C — Operating cash flows from profitable businesses**

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

**D — Debt**

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

**D — Equity**

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

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

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

## Investment in Businesses

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

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

**Focus on sound unit economics**

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

## Maximization of Customer Numbers

**Strengthen customer base by leveraging JobMedley's cost leadership**

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

## ARPU Improvement

**① Increase customer usage rate**

- Continuous improvement

**② Strengthen product lineup**

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

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

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

| | Hospitals | Medical Clinics | Dispensing Pharmacies / Drug Stores | Dental Clinics | Nursing and Welfare Facilities |
|---|---|---|---|---|---|
| Core Systems | Jan 2021: Acquired<br>MALL<br>EMR | Feb 2016: Launched<br>CLINICS | Jan 2025: Acquired<br>MEDIXS | Jan 2022: Launched<br>DENTIS | Under consideration |
| | Oct 2024: Acquired<br>@link | | Sep 2020: Launched<br>MEDIXS：かかりつけ支援<br>(Rebranded from Pharms) | | Apr 2015, Jan 2025: Acquired<br>みんかい<br>(Integrated Kaigo-no-Honne to Minkai) |
| Related Systems | Feb 2021: Acquired<br>Job Medley academy<br>Online training system | | | | |
| | Leverage customer base | | | | |
| | Job Medley　GUPPY<br>Number of customers: 487k(1) | | | | |

(1) As of end of September 2026

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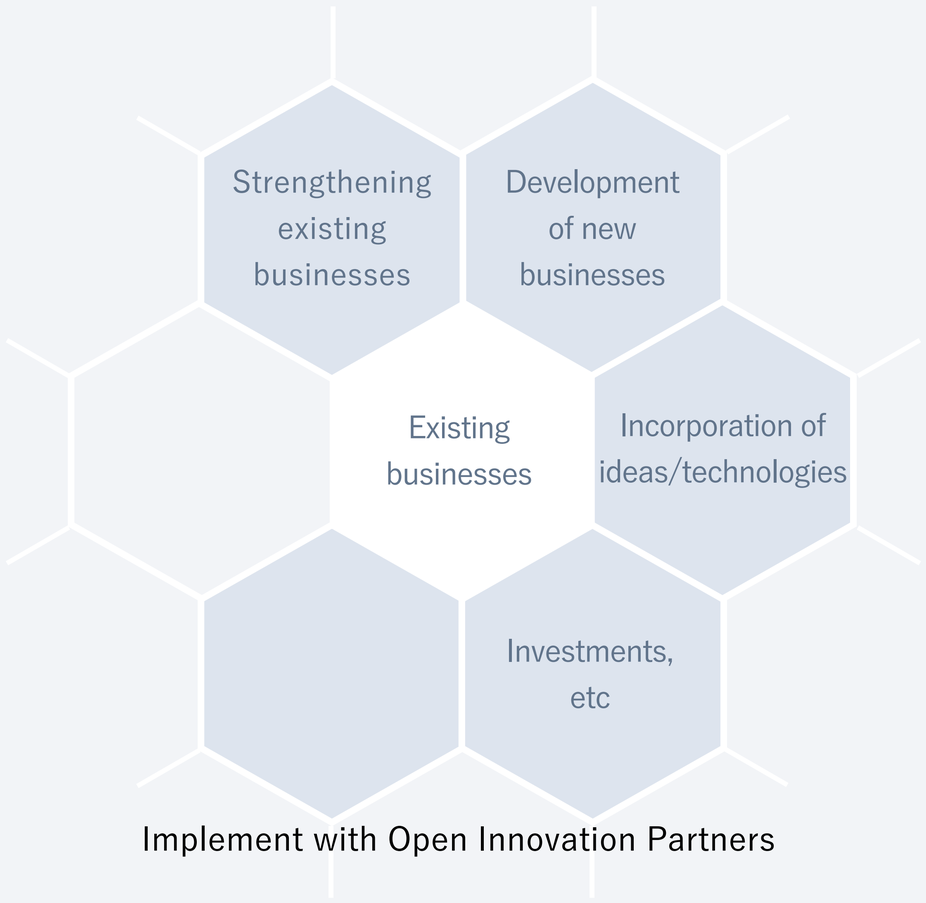
# B: Business Development Leverage from Medley Open Innovation

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




Implement with Open Innovation Partners

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

## Main Goals

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

## Examples of resources that can be used by partners

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

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# B: Overview of Completed M&A and Open Innovation

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

## Open Innovation

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

## M&A

| Name | Impacted segment | Timing | Price | Annual sales | Status |
|---|---|---|---|---|---|
| RM CAREER | HR PF | Aug. 2026 | JPY 1.1bn | JPY 2.6bn | ・Expand market share of the HR PF business in the areas of physicians, pharmacists, and hospitals. Develop BPO business using AI |
| AxisRoot | Medical PF | Jan. 2025 | JPY 7.9bn | JPY 1.7bn | ・Integration with Pharms will streamline operations and greatly strengthen our connection with patients |
| ATN | New Services | Jan. 2025 | JPY 1.3bn | JPY 0.9bn | ・Accelerate DX in the industry with Minkai (referral services for prospective residents to nursing care facilities) and Renkei san (discharge coordination support system) |
| Offshore | Medical PF | Oct. 2024 | JPY 2.6bn | JPY 1.0bn | ・Taking measures to create synergies with projects undertaken by the Medical PF Business |
| GUPPY’s | HR PF/New Services | Apr. 2024 | JPY 11.8bn | JPY 2.4bn | ・Working to create synergies with JobMedley. Sold healthcare business in April 2025 |
| Lalune | Medical PF | Feb. 2024 | JPY 0.5bn | JPY 0.3bn | ・Creation of synergies with our business to improve patients’ medical access |
| MEDLEY Financial Service | Medical PF | Sep. 2023 | JPY 0.5bn | JPY 0.1bn | ・Launched special plan for existing customers under the “Medley Funding Support” program |
| Tenxia | HR PF | Sep. 2022 | JPY 0.1bn | JPY 0.1bn | ・Implementing initiatives to generate long-term synergies with recruitment system |
| MEDiPASS | HR PF/Medical PF/ New Services | Feb. 2021 | JPY 1.5bn | JPY 1.2bn | ・Integrated online training system with Medley in Jan 2022, improved core functions, and developed multilingual support<br>・Sold other businesses in January 2025 |
| Pacific Medical | Medical PF | Jan. 2021 | JPY 0.8bn (80%) | JPY 0.6bn | ・Strengthened MALL EMR system for hospitals and clinics with beds and MINET regional medical cooperation system<br>・Developing the Cloud-Native EMR “MALL Cloud” as an AI-Native System |
| Proof-of-concept testing | Medical PF | Dec. 2020 | - | - | ・Contributed considerably to development of Pharms. As facilities where proof-of-concept testing is conducted serve as models for the future, we are considering retaining ownership of other facility formats |
| Source code of dental billing system | Medical PF | Aug. 2019 | JPY 0.1bn | - | ・Leveraged knowhow to completely rebuild system assets acquired in 2019 and released new system Dentis in January 2022 |
| NaCl MEDICAL | Medical PF | Mar. 2019 | JPY 0.5bn | - | ・Made progress in development of new cloud-based medical billing system software and merged the company with Medley |

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

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

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

| | Profitable in FY2025 | In the red in FY2025 | |
|---|---|---|---|
| | Cash generation phase | Profitability phase | Commercialization phase |
| HR PF | Job Medley<br>Job Medley academy<br>GUPPY | | |
| Medical PF | CLINICS<br>MALL<br>MEDIXS<br>MINET<br>MEDLEY 早期資金サポート<br>Factoring business<br>Expected to turn profitable in FY27 | DENTIS | MEDLEY<br>• Preparation for next phase<br>• No expansion of losses |
| New Services | Expected to turn profitable in FY26 | みんかい<br>Nursing facility search service | Recruitment System in the US<br>EMR for Acute Care Hospitals |

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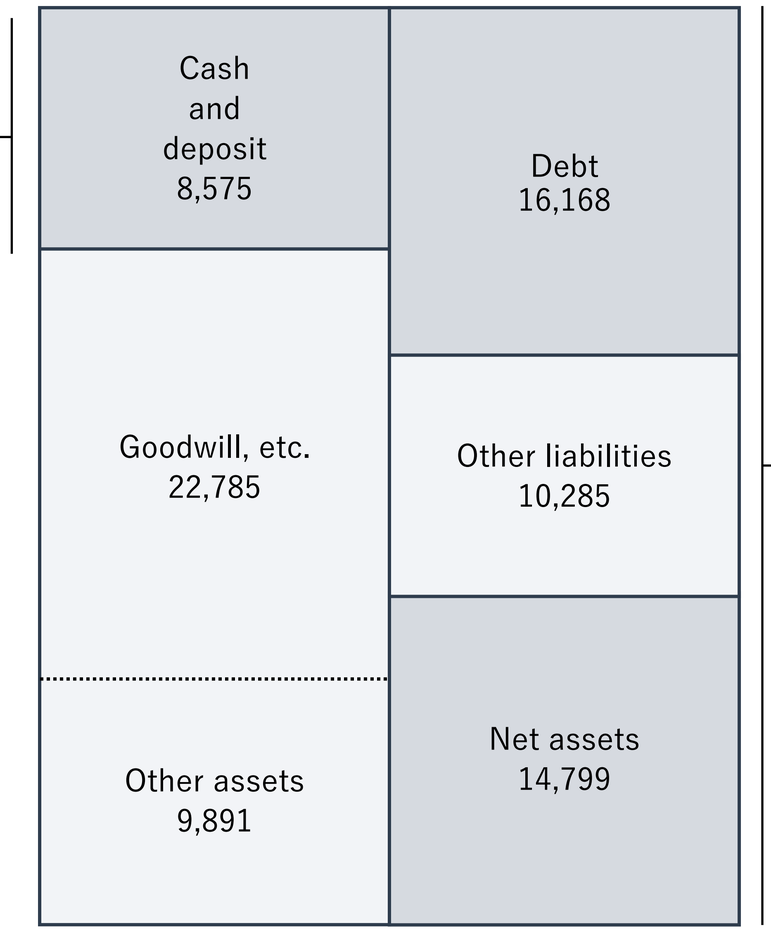
# D: Financial base for flexible investment

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

## Current financial position and outlook for investment capacity

Consolidated balance sheet as of December 2025 (JPY mm)

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




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

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

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

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

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




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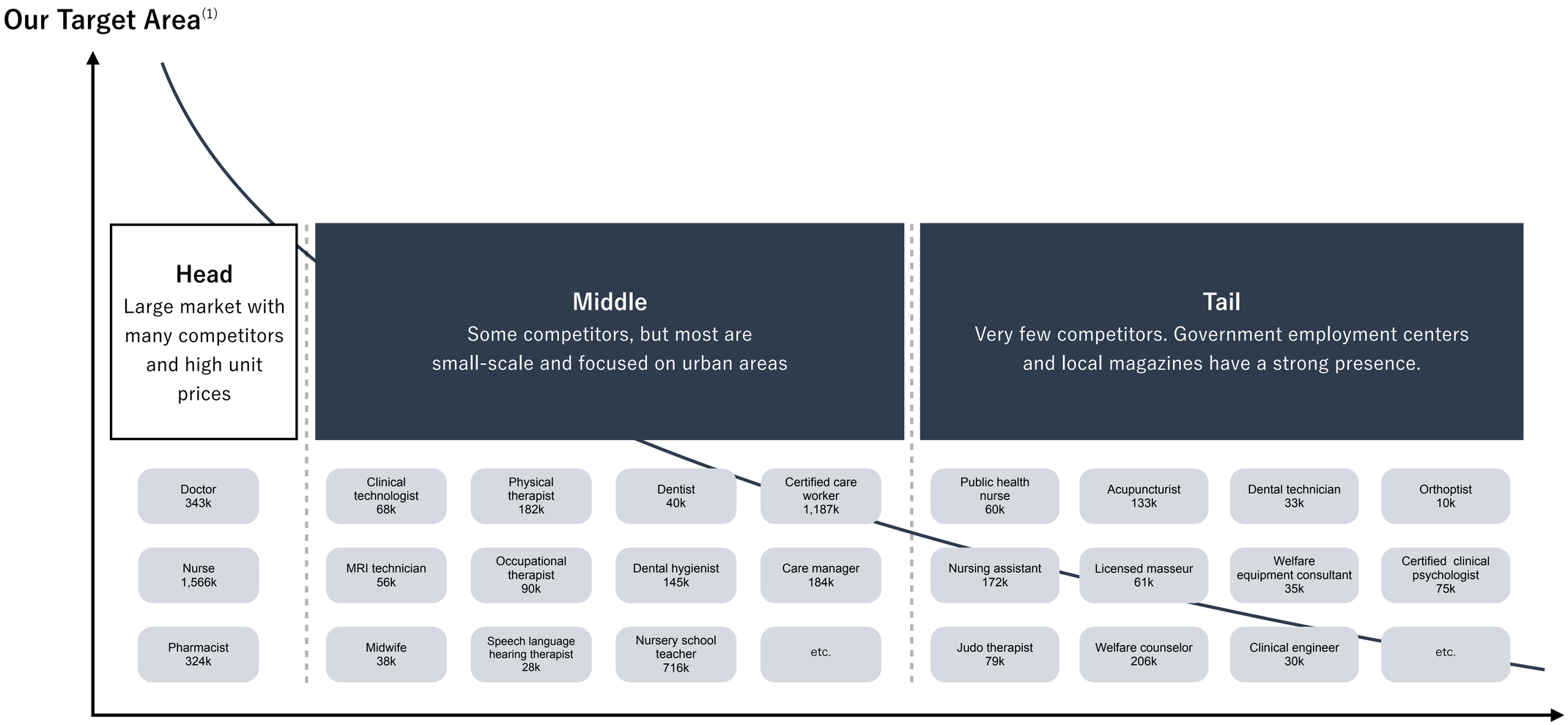
# HR PF:
# Industry Has a Long-tail Structure:
# Our Strengths Are in the Middle and Tail Segments

Out of the 10 million workers in the medical/beauty healthcare industry, 21% are doctors, nurses, and pharmacists, a segment where many competing services operate. On the other hand, there are few competitors for occupations representing the remaining 79% of workers - the middle and tail segments - where we have captured a leading market share. We currently have over 3.47 million users in more than 50 occupations registered in our platform and we have seen expansion in the Head segment in recent years.




(1) Ministry of Health, Labour and Welfare statistics

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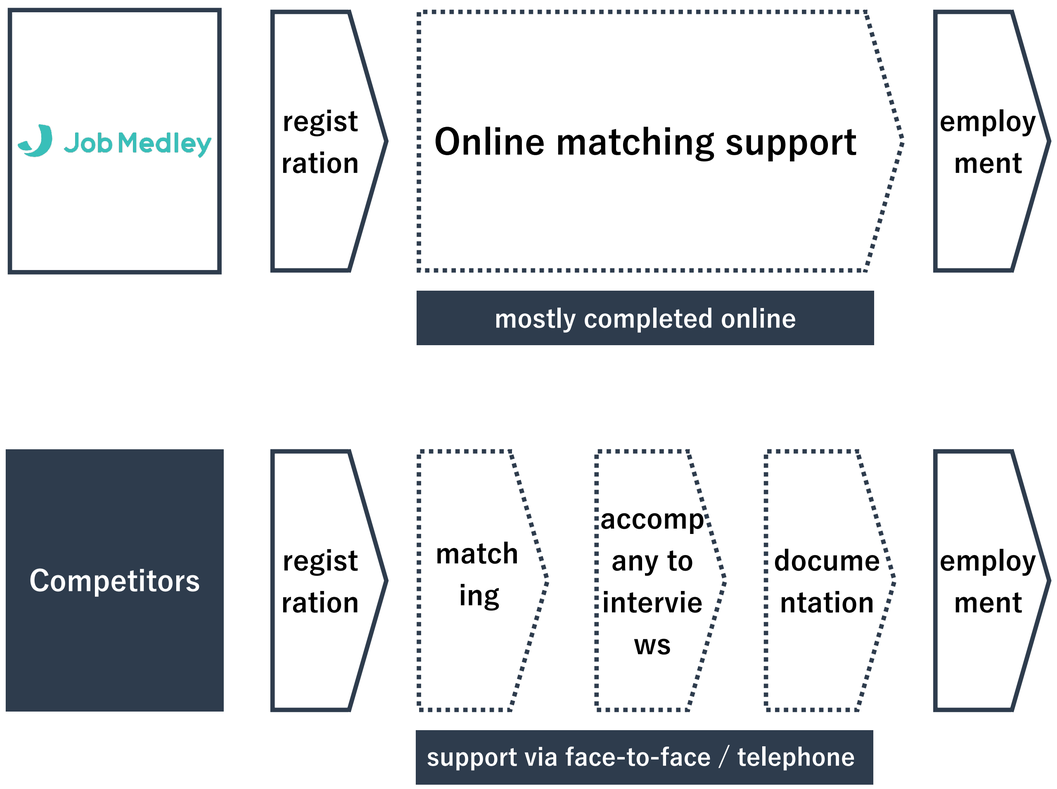
# HR PF:
# Low-cost Structure Gives Advantages in Terms of Pricing

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

## Improved Efficiency by Leveraging Online Support




## Price Advantages

Job Medley

Success Fee (of annual income; back calculation)

**3~12%** (1)

Major Recruitment Agencies

Success Fee (of annual income)

**20~35%** (2)

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

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

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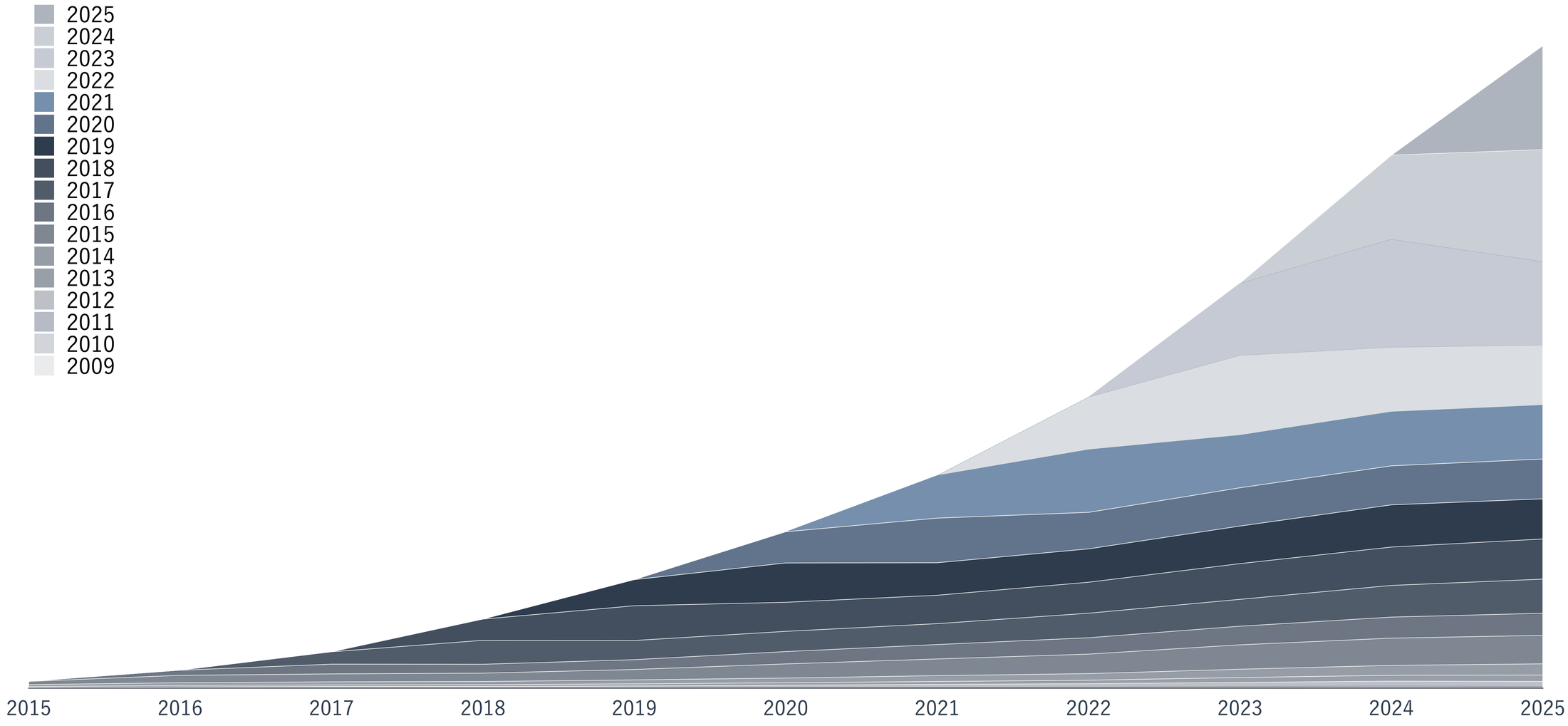
# HR PF:
# Building a Stable Customer Base with Repeat Customers

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

**Sales by Customer Acquisition Year** (1)




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

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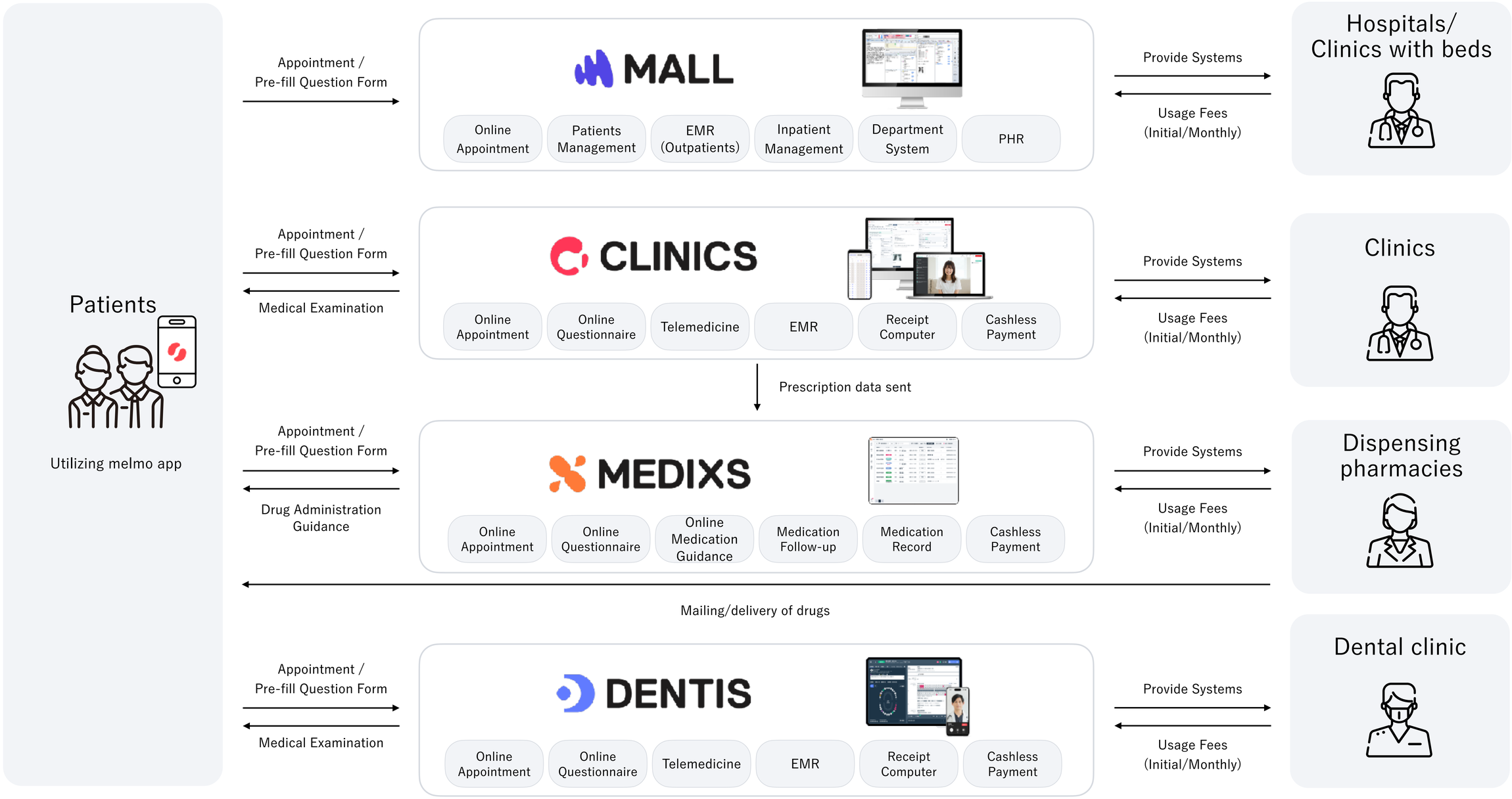
# Medical PF:
# Earnings Model: Platform Fee From Medical Institutions

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

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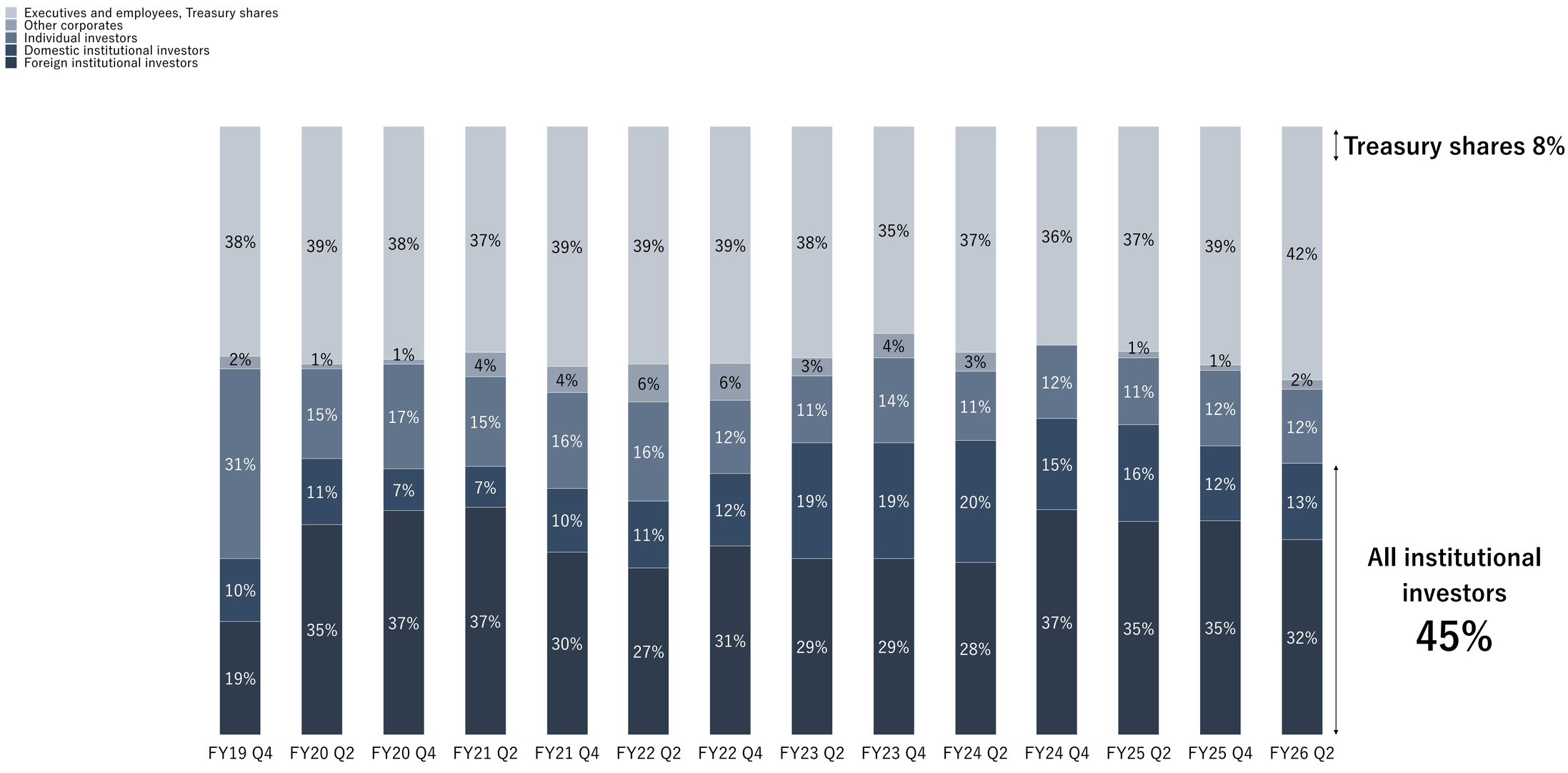
# Change in Ratio of Ownership

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

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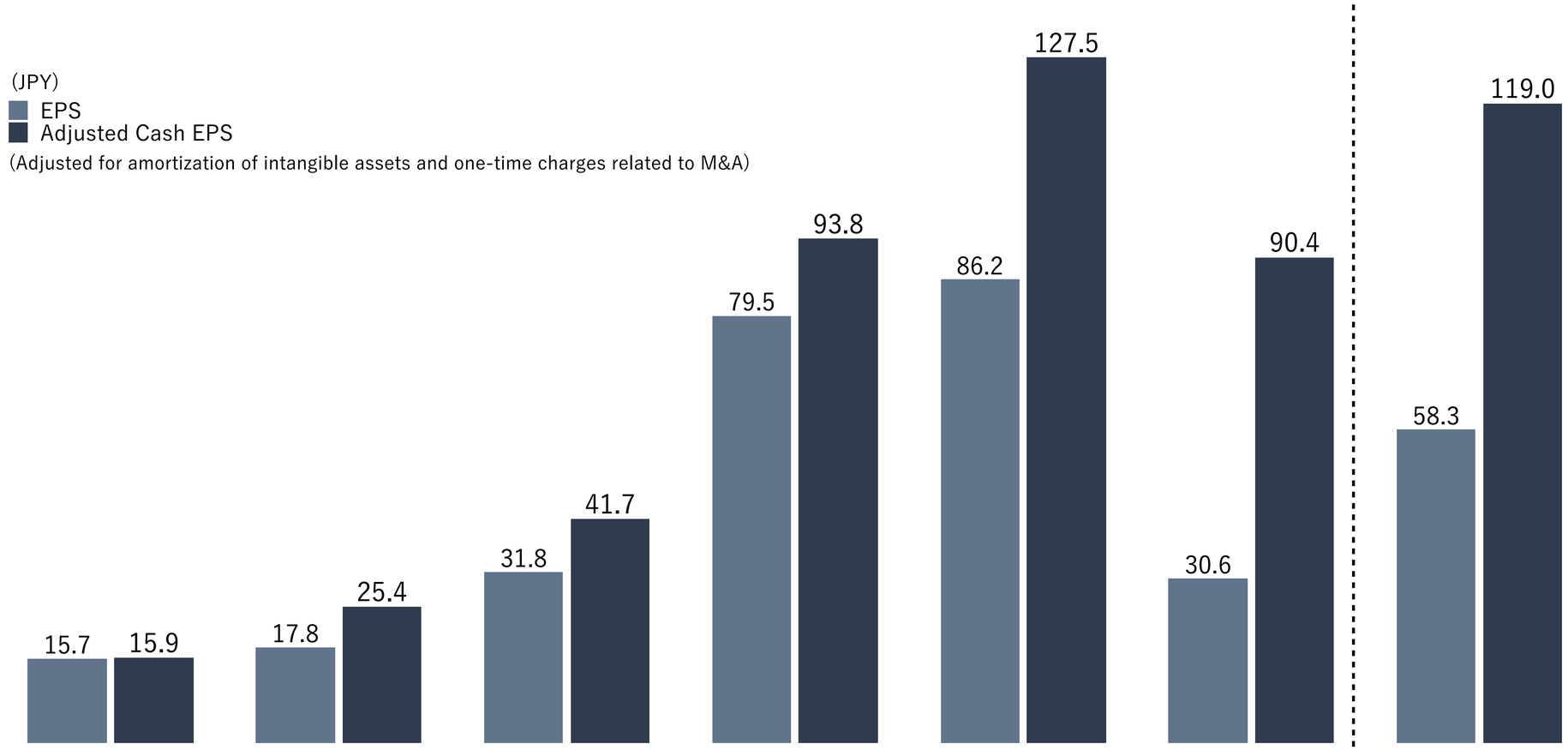
# (Ref.) Cash EPS / EPS Trends and Forecast

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




(JPY mm)

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

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

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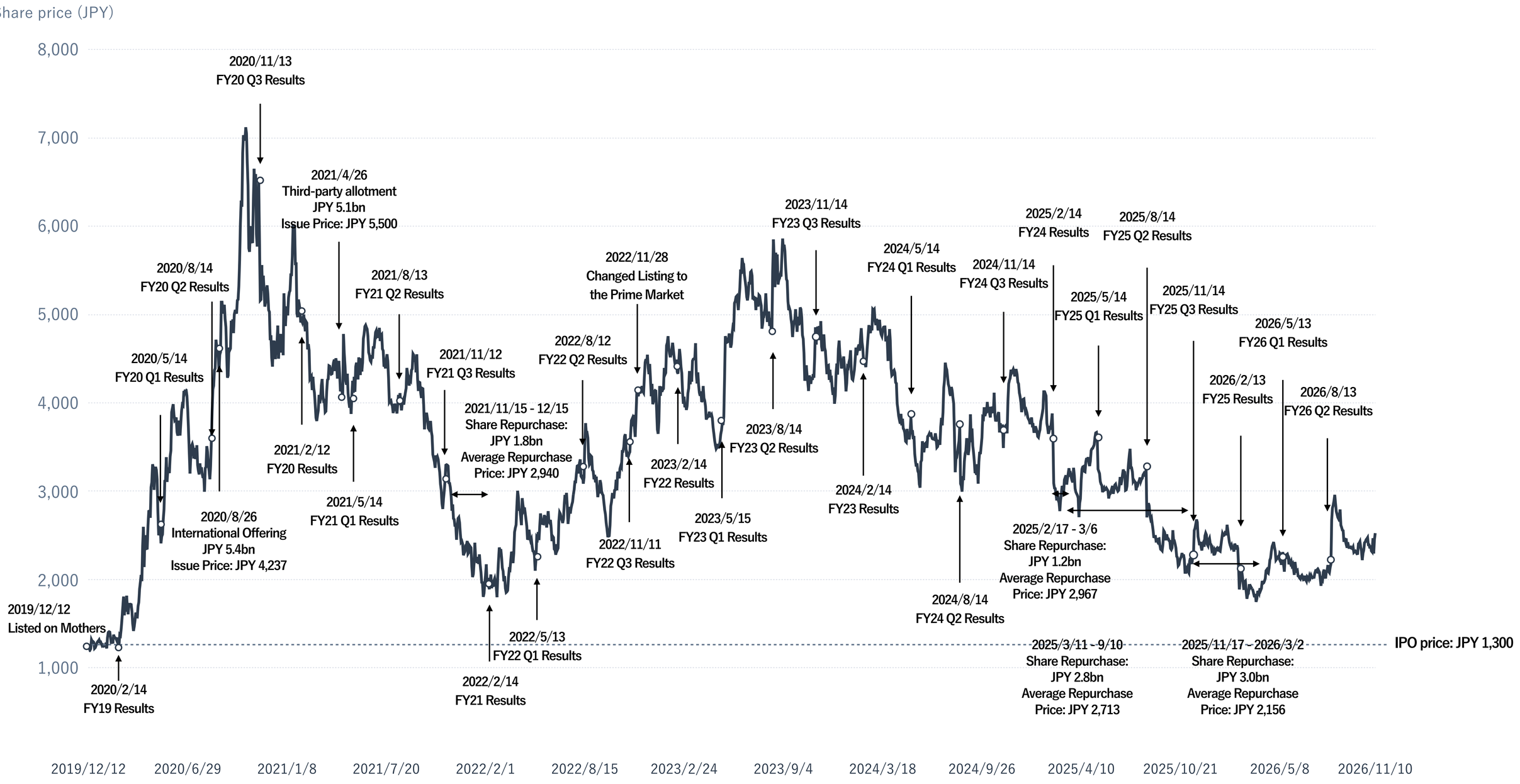
# Historical Share Price

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# Identification of Materiality

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

## Creating the Future of Medical and Healthcare

### Solutions for social challenges through our businesses

**Promotion of digitalization in medical and healthcare industry**

**For medical providers**

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

**For patient users**

- Provision of medical information
- Supports in utilizing medical services

**For government & communities**

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

### Fundamentals backing our businesses

**Ensuring information security and privacy protection**

- Ensuring information security
- Privacy protection of users

**Promotion of diversity & inclusion**

- Promotion of hiring and active participation of diverse human resources

**Strengthening of governance**

- Strengthening of corporate governance

For more information, access our corporate website.

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MEDLEY

Creating the Future of Medical and Healthcare