



FY03/2026 Full-year FINANCIAL RESULTS

Apr.2025 — Mar.2026 TSE:Growth 7089

Executive summary

FY03/26 full-year earnings

Net sales	Operating income	Orders
5,268 million yen	1,120 million yen	5,621 million yen
YoY +42.6%	YoY +147.3%	YoY +34.3%

Overview

- Results hit new records with significant increases in both revenue and profit. Productivity improvements across the entire company led to better margins
- KPIs in the Human Capital Business improved significantly year on year, driving higher profitability for the Group as a whole. Maintained number of placement/unit price trend in 4Q, with sales and operating income coming in above revised forecasts
- Recruitment continued to be strong. Progress made in rejuvenating the Company is driving transition to a leaner organization

Agenda

01 | FY03/26 full-year results

02 | Performance by segment

03 | FY03/27 earnings forecasts

04 | Medium-term management policy

05 | Appendix

- FAQ

- Supplementary materials

01 | FY03/26 full-year results

Summary of consolidated results

Results achieved new records

Operating income for 4Q alone outstripped that for whole of FY03/25, although seasonality played a part

Unit: Million yen	FY03/26	FY03/25	YoY	Revised forecast	As % of forecast	FY03/26 4Q	FY03/25 4Q	YoY
Net sales	5,268	3,693	+ 42.6 %	5,100	103.3 %	1,674	1,018	+ 64.4 %
Gross profit	4,202	3,086	+ 36.2 %	—	—	1,354	861	+ 57.3 %
Selling, general and administrative expenses	3,082	2,633	+ 17.0 %	—	—	859	610	+ 40.8 %
Operating income	1,120	452	+ 147.3 %	1,000	112.0 %	495	250	+ 97.5 %
Ordinary profit	1,053	449	+ 134.6 %	920	114.6 %	462	249	+ 84.9 %
Profit attributable to owners of parent	817	353	+ 131.0 %	700	116.7 %	364	209	+ 73.6 %

Summary of consolidated results | by segment

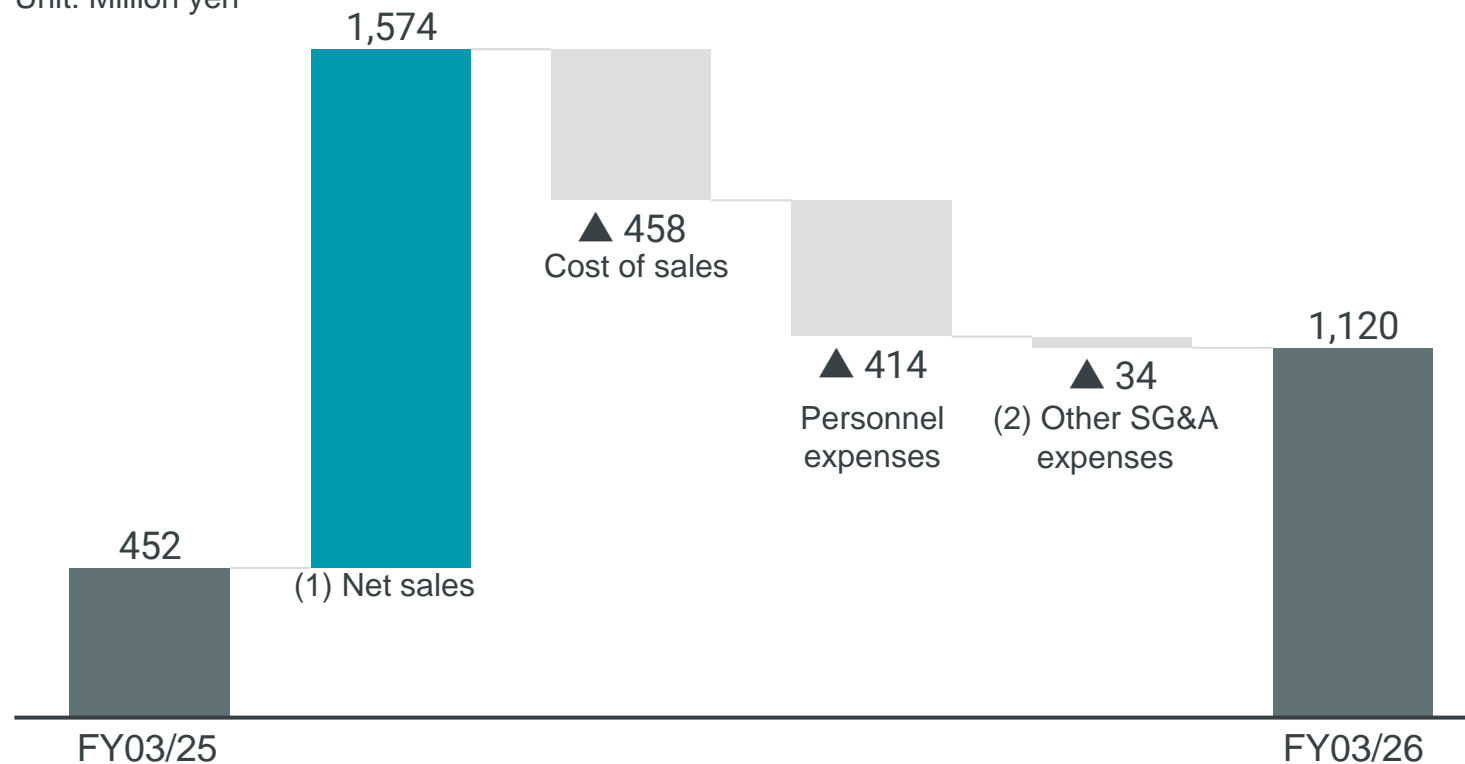
Despite valuation loss recorded in Venture Capital Business, initiatives to improve productivity in all businesses led to higher profitability

Unit: Million yen		FY03/26	FY03/25	YoY	FY03/26 4Q	FY03/25 4Q	YoY
Human Capital Business	Net sales	4,476	3,122	+ 43.3%	1,321	777	+ 69.9%
	Segment profit/loss	2,013	1,308	+ 53.9%	617	318	+ 94.1%
Open Innovation Business	Net sales	792	570	+ 38.9%	352	240	+ 46.7%
	Segment profit/loss	237	94	+ 152.3%	180	134	+ 34.4%
Venture Capital Business	Net sales	—	—	—	—	—	—
	Segment profit/loss	-101	-8	—	-1	- 2	—
Corporate expenses (adjustments)		-1,029	-941	—	-300	-199	—
Total	Net sales	5,268	3,693	+ 42.6%	1,674	1,018	+ 64.4%
	Operating income	1,120	452	+ 147.3%	495	250	+ 97.5%

Analysis of change in operating income

Productivity improvements led to rapid growth in net sales continuing throughout the year, and to significant expansion in operating income

Unit: Million yen



Causes of change

(1) Net sales

Productivity improvements in the main Human Capital Business led to noticeable increases in net sales that contributed to profit growth

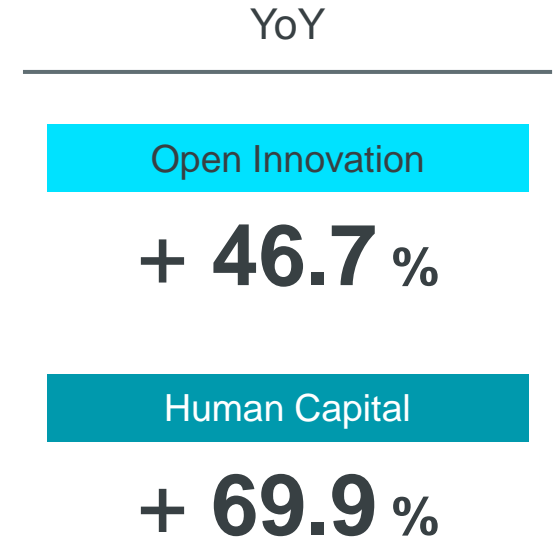
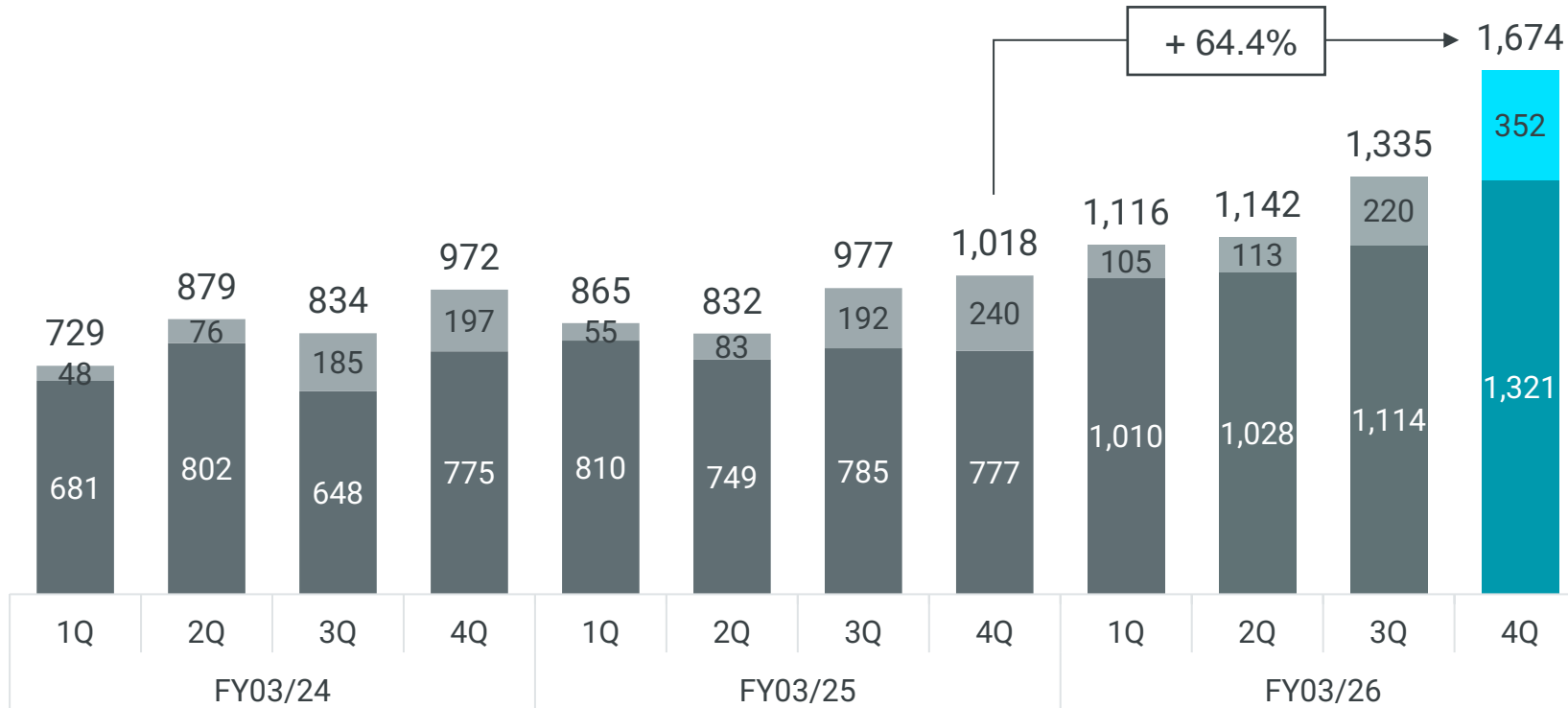
(2) Other SG&A expenses

One-off expenses of 137 million yen associated with relocation of head office were recorded in FY03/25. Steady-state expenses are rising in line with the increase in scale, but rose only slightly year on year for reasons given above

Consolidated net sales | Quarterly change

Human Capital Business was the growth driver that pushed quarterly net sales well past the previous record

Unit: Million yen



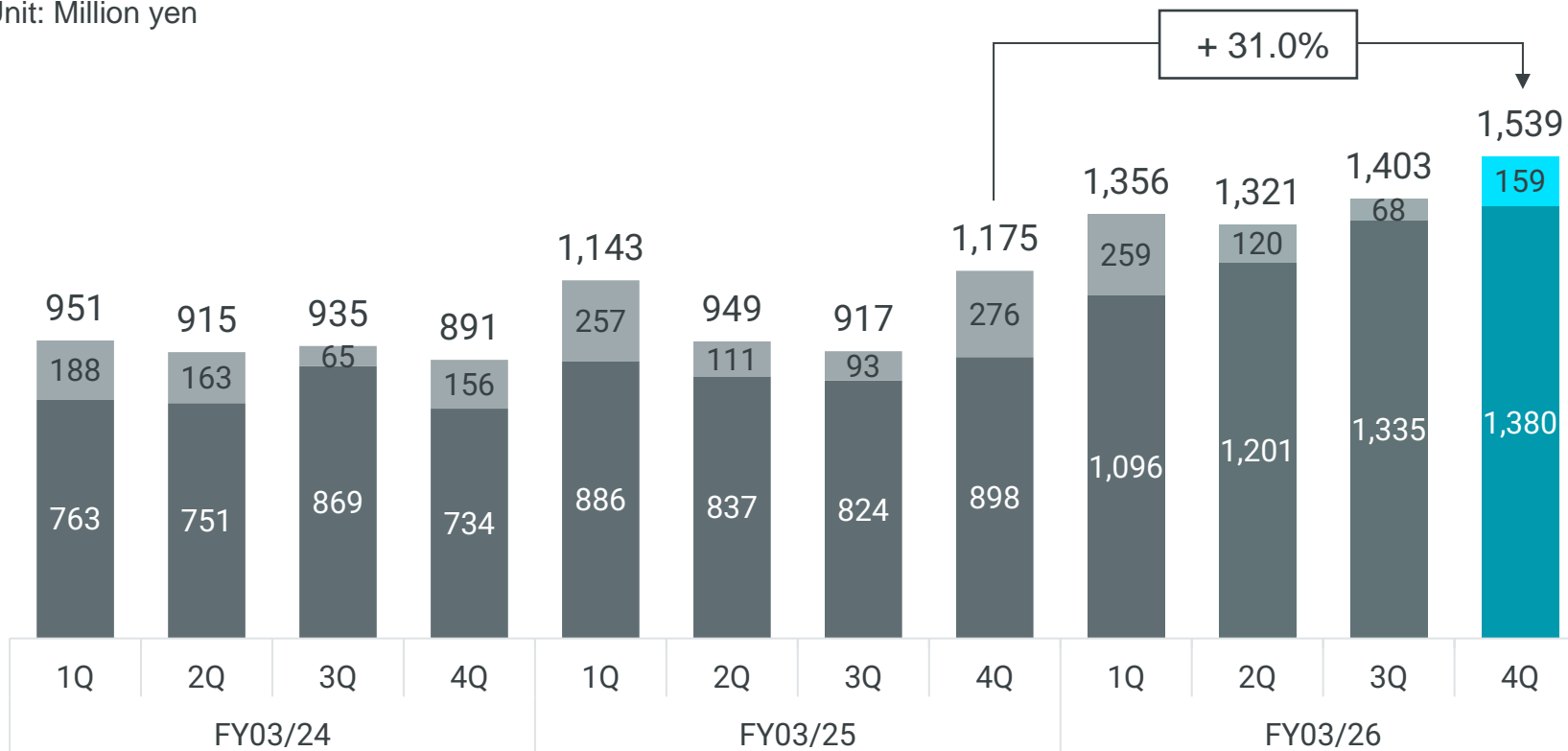
■ Human Capital ■ Open Innovation

Consolidated orders received | Quarterly change

Human Capital Business recorded an increase in orders for employee placements. Unit price was also maintained at a high level

Open Innovation Business recorded a decline in Acceleration following the ending of large projects that had come to completion over the course of several fiscal years

Unit: Million yen



YoY

Open Innovation

- 42.5 %

Human Capital

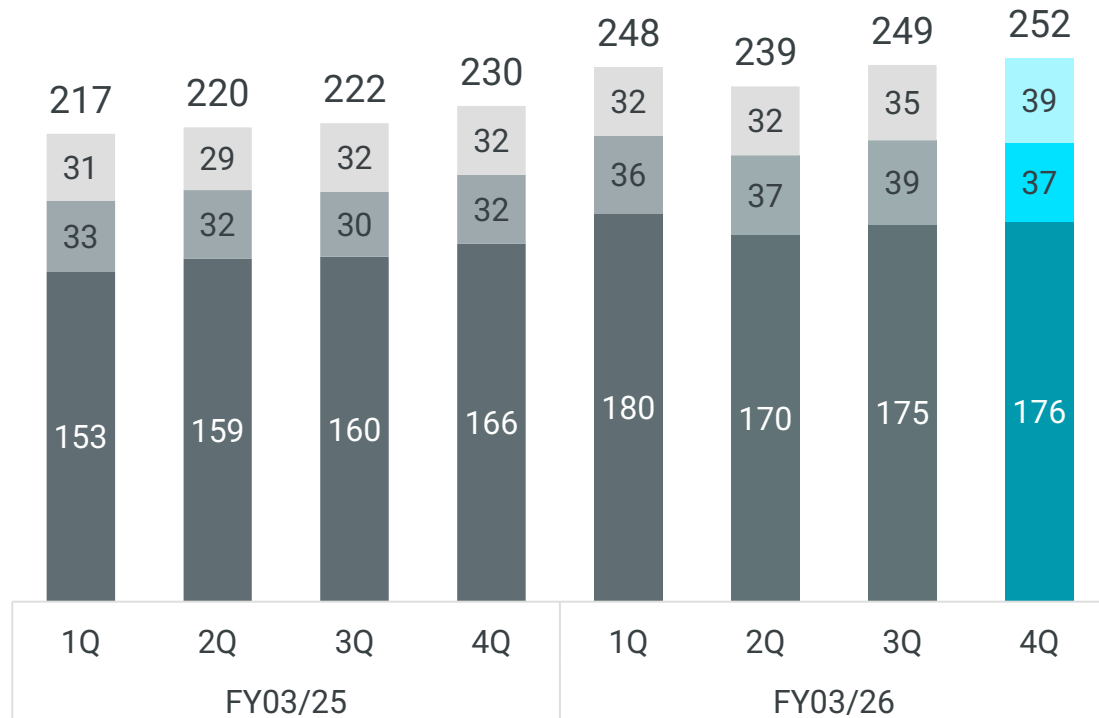
+ 53.6 %

Number of regular employees | Quarterly change

Shift in sales strategy led to progress in rejuvenating the organization, resulting in a leaner structure and improved productivity

To realize a policy of strengthening cross-selling for the entire company and develop careers, we actively shifted headcount away from the Human Capital Business

Unit: Persons



■ Human Capital ■ Open Innovation ■ Company as a whole (corporate, etc.)

Overview of full year

- Human Capital Business added no more than 10 people from end of previous fiscal year
- On the other hand, the business achieved new records for recruitment activity, which led to the progressive rejuvenation of the organization, leaner structures, and considerable improvements in productivity
- We planned for optional allocation of headcount with the aim of strengthening diverse career choices, retention, and cross-selling, proactively transferring personnel out of the Human Capital Business to other divisions

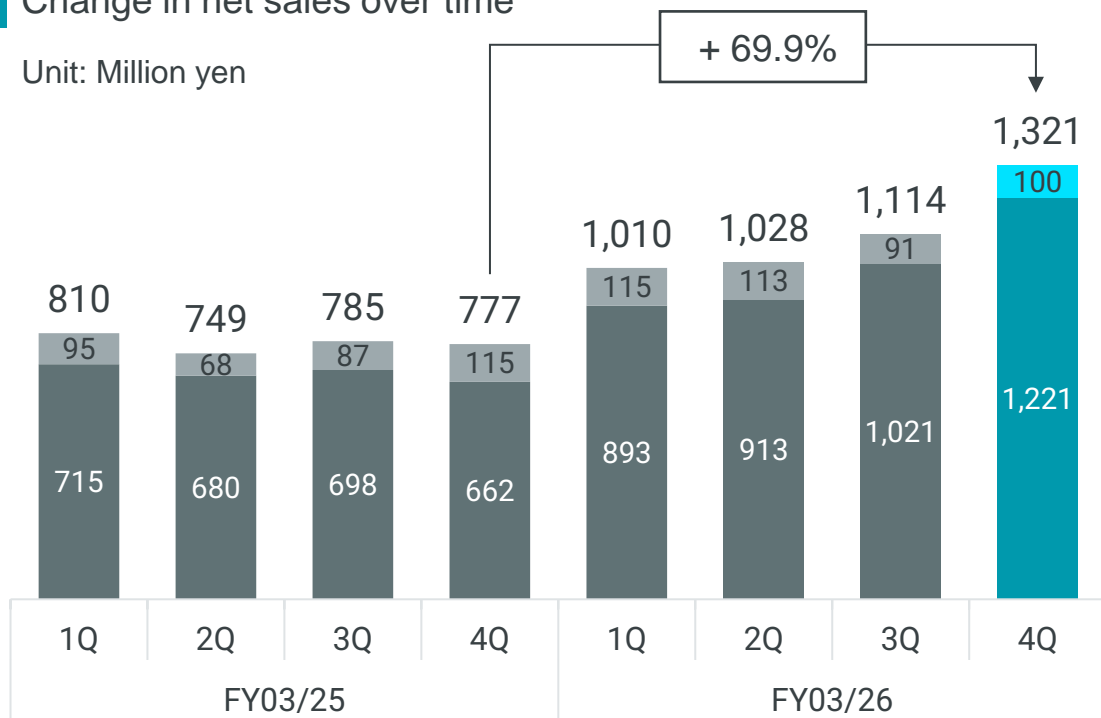
02 | Performance by segment

Human Capital Business | Quarterly change in net sales and orders received

Net sales and orders both posted new records. It was a year of building a platform for sustainable growth

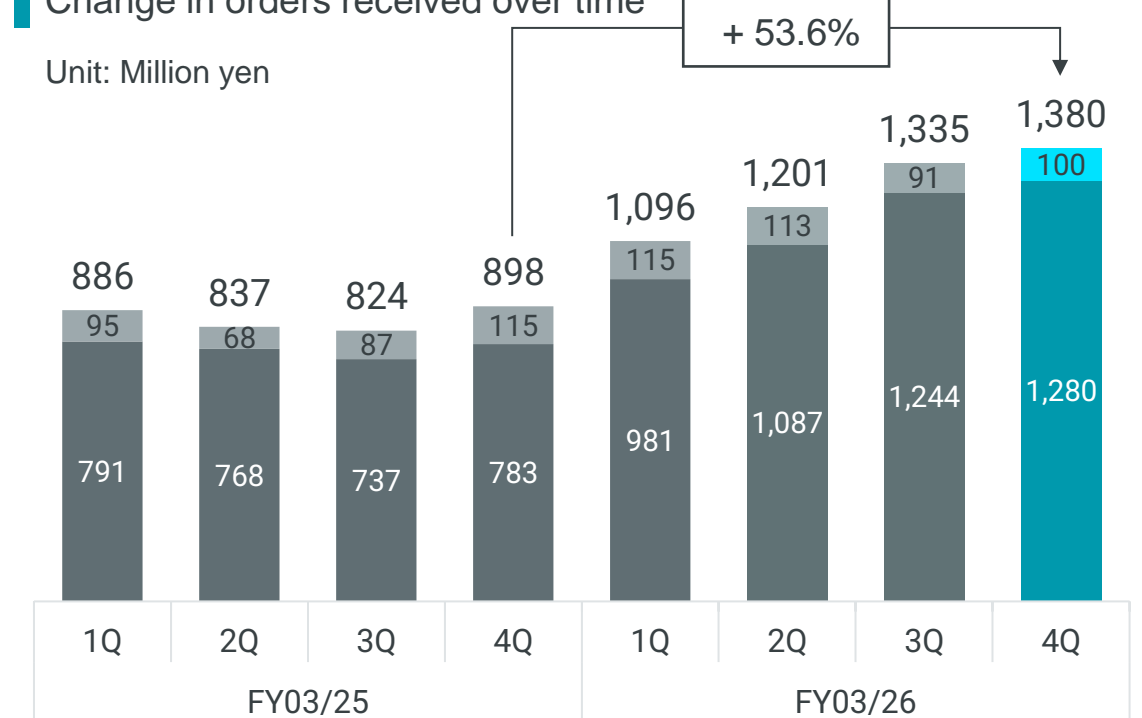
Change in net sales over time

Unit: Million yen



Change in orders received over time

Unit: Million yen



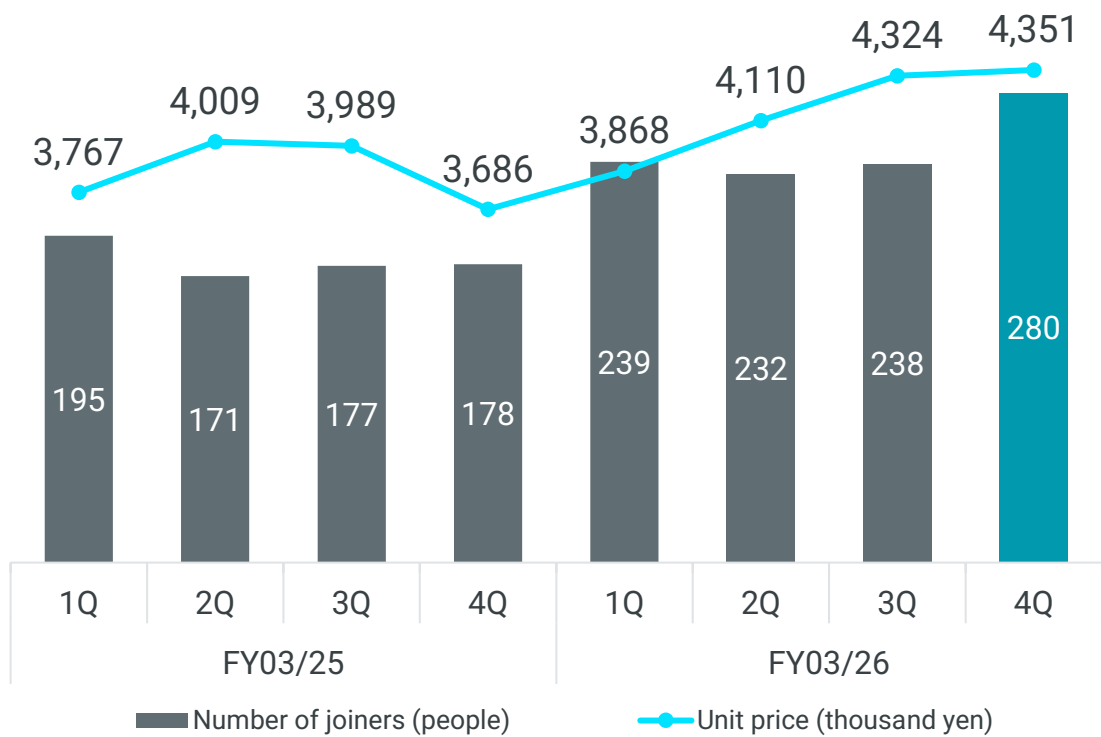
■ Employee placements ■ Recruitment consulting*

* Due to the nature of services provided, orders received are effectively equivalent to net sales

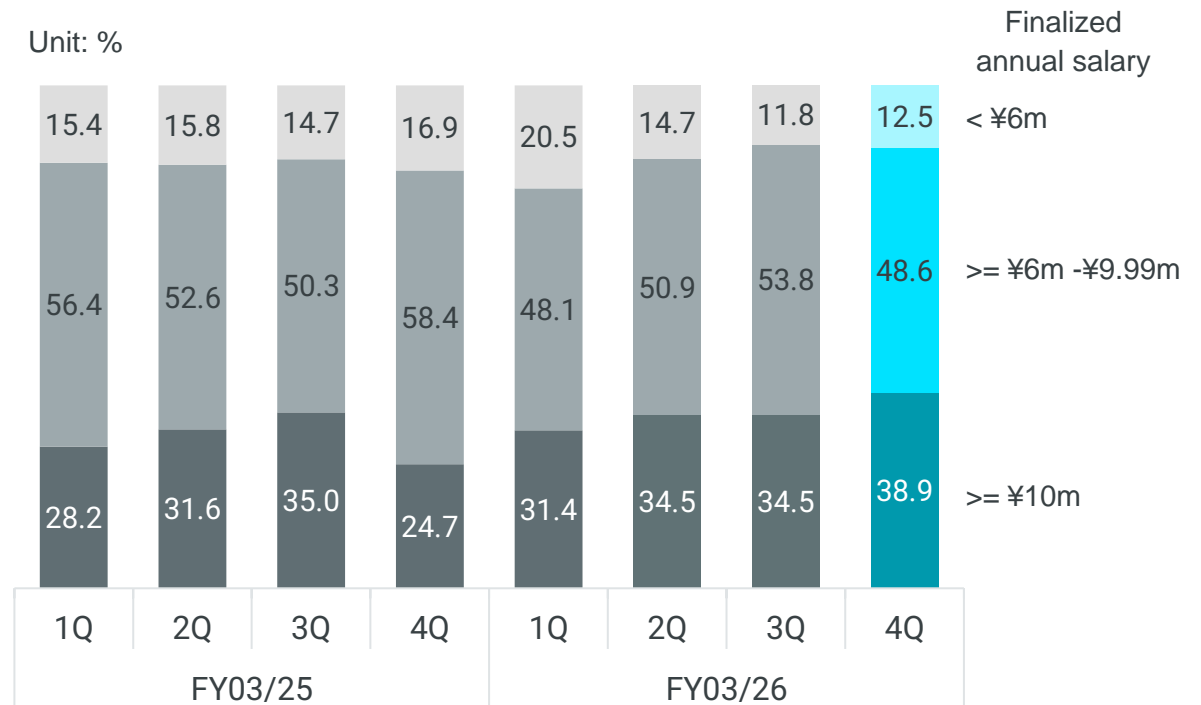
Human Capital Business | Breakdown of net sales for employee placement service

Productivity improvements throughout the fiscal year led to significant increases in the number of joiners
 Unit price grew slightly as a result of an increase in the base level of finalized annual salaries overall

Number of placements/unit price over time



Breakdown of annual salary over time

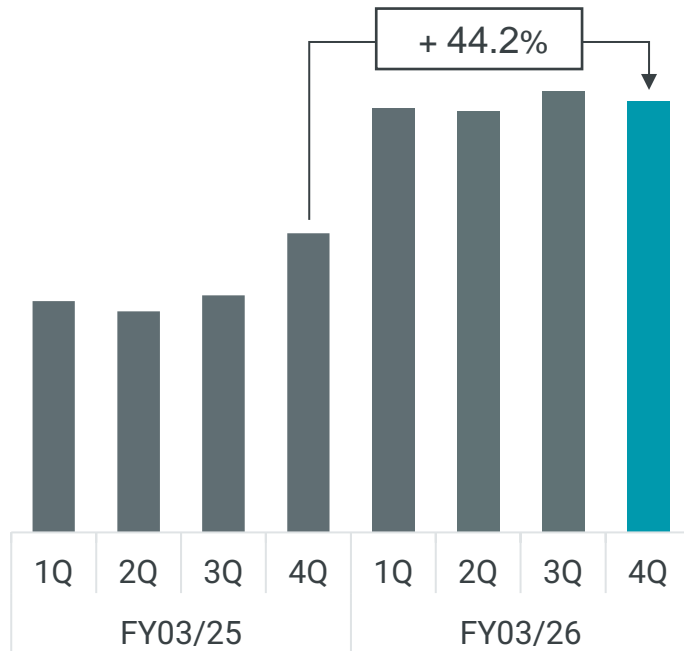


Human Capital Business | Change in KPIs over time (parent)

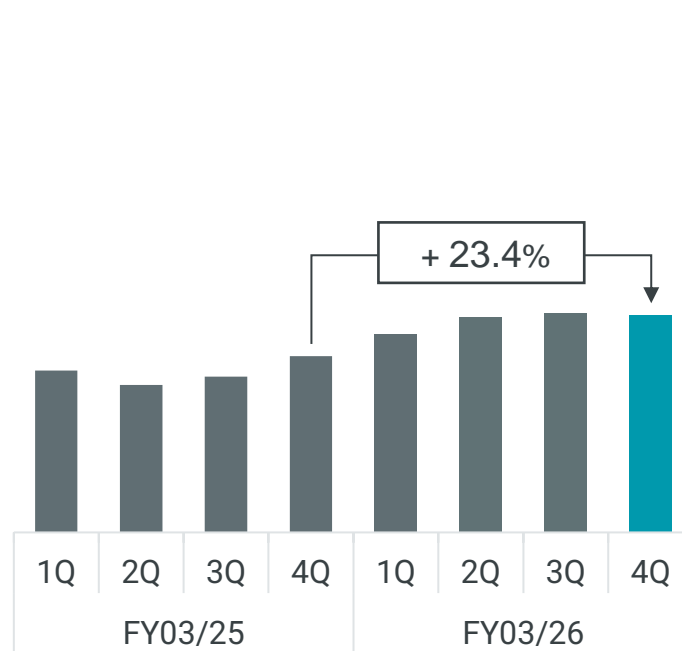
All indicators fell slightly QoQ due to a reduction in the number of business days

Despite quarterly fluctuations in the number of converted placements per person, these were within an acceptable range and the upward trend remained unbroken

Number of interviews with new job applicants

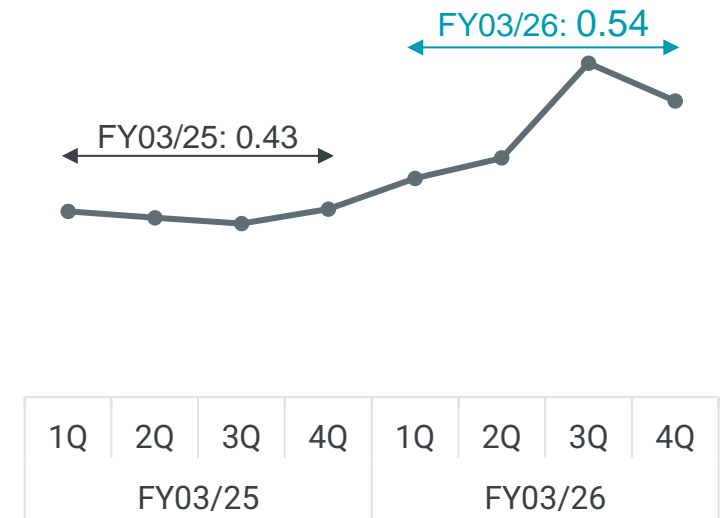


Number of unique users for which interviews arranged



Number of converted placements per person

Unit: Number of placements/person
 Calculation method: Annual number of orders (completed) / Annual total of end-of-month headcount for business
 *Number of placements: Placements by regular employees only, excludes placements made by outsourced operations
 *Headcount: those belonging to the division, excluding engineers



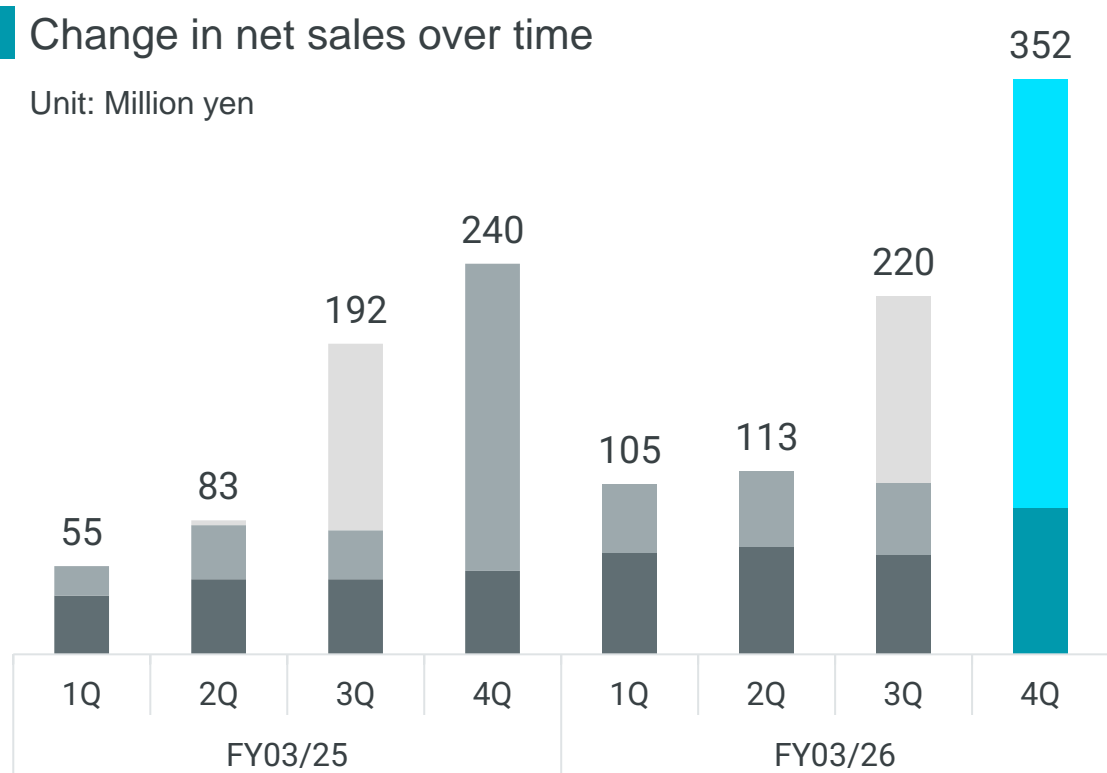
Open Innovation Business | Quarterly change in net sales and orders received

Both net sales and orders increased steadily for STARTUP DB

Acceleration declined in 4Q following the ending of large projects that had come to completion over the course of several fiscal years

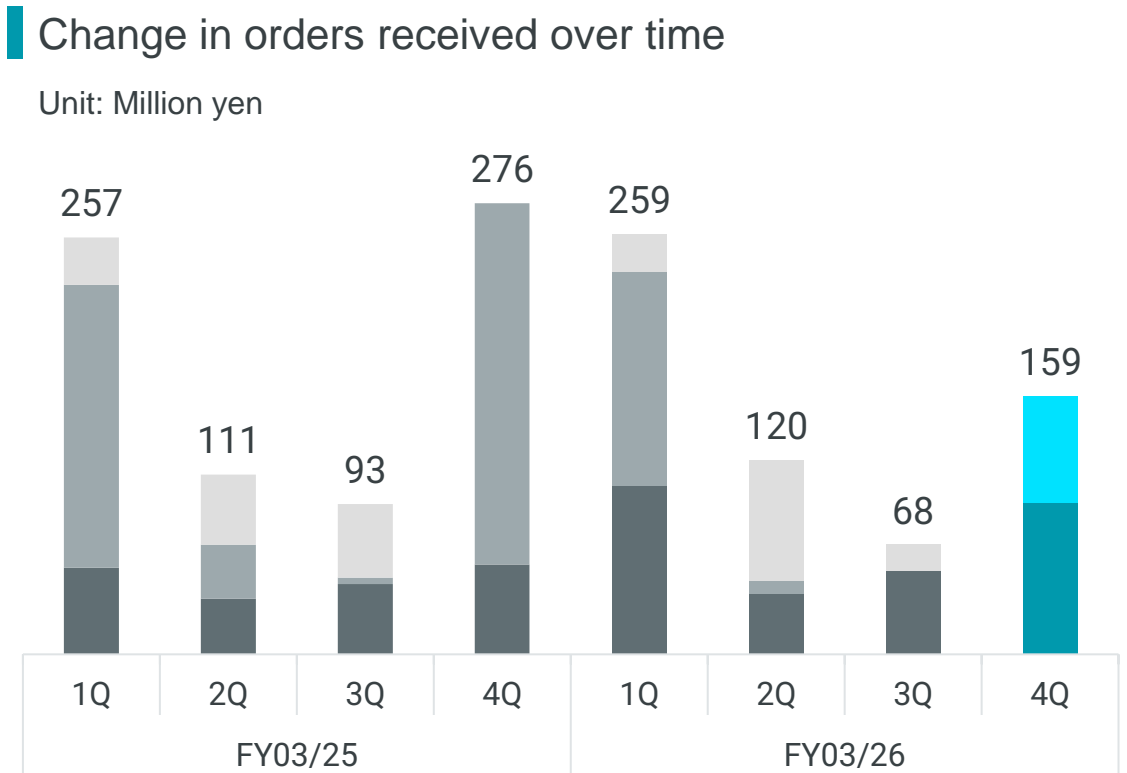
Change in net sales over time

Unit: Million yen



Change in orders received over time

Unit: Million yen



■ STARTUP DB ■ Acceleration ■ Conference

03 | FY03/27 earnings forecasts

FY03/27 earnings forecasts

Base is expected expansion in net sales of 20%, with Human Capital Business continuing to be the pillar of growth

We project operating margin of around 22%, assuming the commencement of operations in the highly profitable M&A intermediary business

Unit: Million yen	FY03/27 Forecasts	FY03/26 Results	YoY
Net sales	6,400	5,268	+ 21.5 %
Operating income	1,400	1,120	+ 25.0 %
Ordinary profit	1,300	1,053	+ 23.3 %
Profit attributable to owners of parent	940	817	+ 15.0 %

Overview

- Net sales forecast by segment
 - Human Capital: 5,500 million yen
 - Open Innovation: 900 million yen
- In Open Innovation, we expect changes in the breakdown of sales by service. We aim to finalize our first deal in the highly lucrative M&A intermediation business and to see a profit contribution
- Equity-method affiliate GO Job Inc. is still in the investment phase, and we expect to record a loss on equity method investments

Earnings forecast assumptions | External environment

2025 has been described as a turning point for startups, with the expansion and concentration of funding in AI and changes in the exit environment

With growth in startups, greater emphasis is being placed on ability to adapt to changes in the environment and on flexible exit strategies

Structural changes in funding environment

- **Shift to Japanese themes**
Interest shifting away from overemphasis on software and toward areas in which Japan is traditionally strong (hardware, manufacturing), and R&D themes directly linked to economic security. U.S. is short of human resources in hardware, so Japan has a relative advantage
- **Link to national policies**
Commercialization of research through the use of grants is accelerating. In addition, there is the perspective of driving growth in cutting-edge areas while guaranteeing security, and the Ministry of Defense is making progress with plans for a fast-pass procurement system

[“Utilizing Startups,” Acquisition, Technology and Logistics Agency, April 2026](#)

Adapting to changes in exit environment

- **From “Whether or not to list” to growth strategy-based decision-making**
Exit approaches other than IPOs that were previously considered negative (M&A, secondary offering) are now becoming established as methods with positive implications for growth strategy
- **Early consideration of M&A strategy**
Passive decisions such as only opting for M&A because an IPO is not feasible put startups behind the curve, so it is essential to look at both IPO and M&A scenarios at an early stage
- **Adapting to the market environment**
It is important to regard stagnation of growth markets as the norm, and shift to management that balances capital efficiency with robust fundamentals

Earnings forecast assumptions | Situation at each business

Even in the era of AI, there has been no change in recruitment demand for high-level personnel at growth companies

Aim for discontinuous growth in Open Innovation Business through support for startup exits (as M&A intermediary)

Human Capital

- Very tight supply of talent, competition for recruitment among companies is intensifying. There is deep-rooted demand for high-level personnel regardless of the expansion of AI, and the trend is one of more and more companies raising contingency fees to strengthen recruitment
- We continue to aim to achieve productivity of 1.0 deals converted per person, but are strengthening recruitment to allow for short-term fluctuations in productivity. Increasing the number of employees is important because the quantitative rate of growth in KPIs decreases gradually
- There is some correlation between companies at which job applicants progress to screening and the rate of progress thereafter. Internally, we also put importance on the number of companies for which interviews are arranged per UU. For disclosure purposes, we plan to continue sharing the number of unique users for which interviews have been arranged
- Although we expect an increase in cost of sales of around 3 points from 2Q onward following price increases for the main external databases, we will absorb this through productivity improvements

Open Innovation

- Revenue growth is projected to continue at STARTUP DB, while Acceleration will decrease
 - decline caused by the ending of large projects that had come to completion over the course of several fiscal years
 - Having taken profitability into account, we are switching from a sales growth-driven approach to careful selection of projects
- Having considered changes in the exit environment, M&A intermediary business (in-house completion type) will be commercialized in FY03/27 onward. We aim to leverage the customer base we have cultivated to achieve our first finalized deal at an early stage

Venture Capital

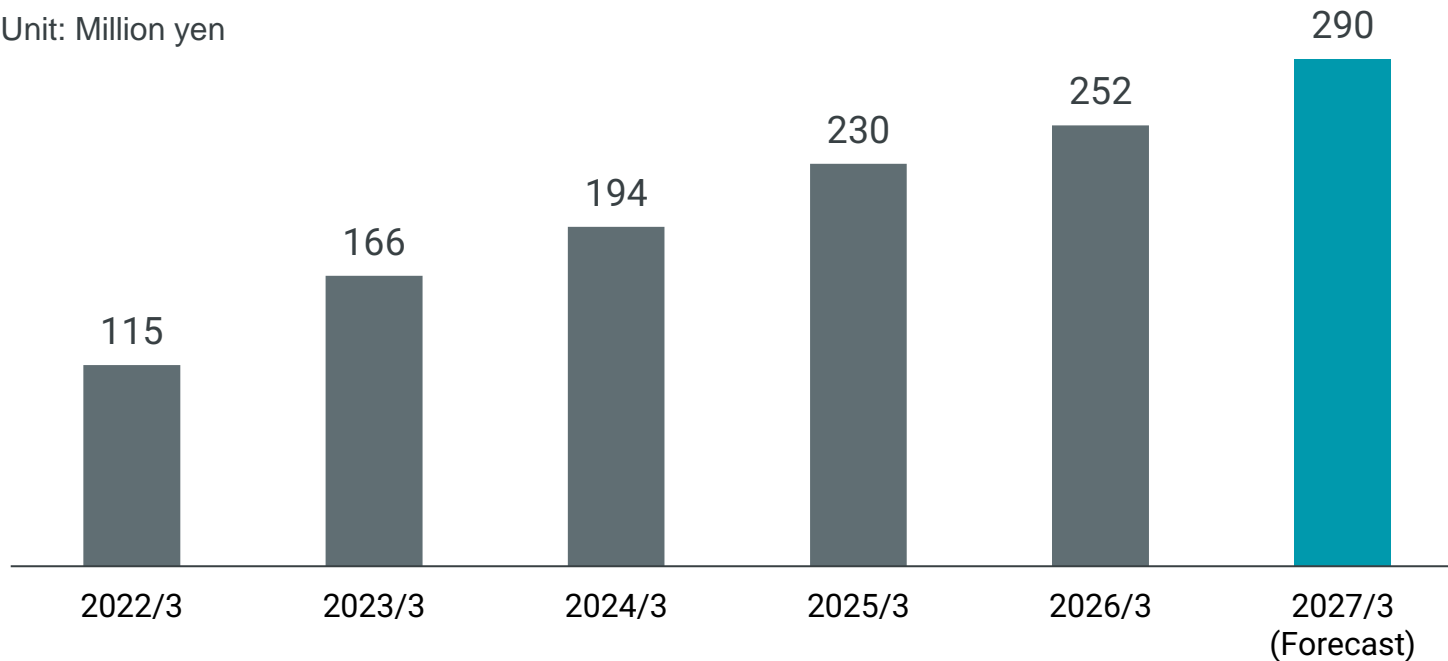
- This is outside the control of the Company and is therefore not included in earnings forecasts
- At this point in time we do not expect valuation losses to occur
- We will not form new funds, but instead transition to investment schemes conducted on our own account

Headcount plans

Based on the productivity improvement situation, we plan to invest aggressively in recruitment with the aim of achieving sustainable growth in the Human Capital Business

Assuming resignations will remain at FY03/26 levels, we plan to reach around 290 people to the number of employees at the end of FY03/27

Unit: Million yen



Overview

- We plan to increase the number of employees mainly in the Human Capital Business. Aim is to enhance organizational capabilities by continuing with active program of internal transfers
- In the Human Capital Business we will continue to pursue the medium-term productivity target of number of 1.0 deals converted per person, but have judged it important to increase the number of employees to allow for short-term fluctuations in productivity
- By assigning an officer dedicated to personnel, we seek to speed up and strengthen the recruitment process

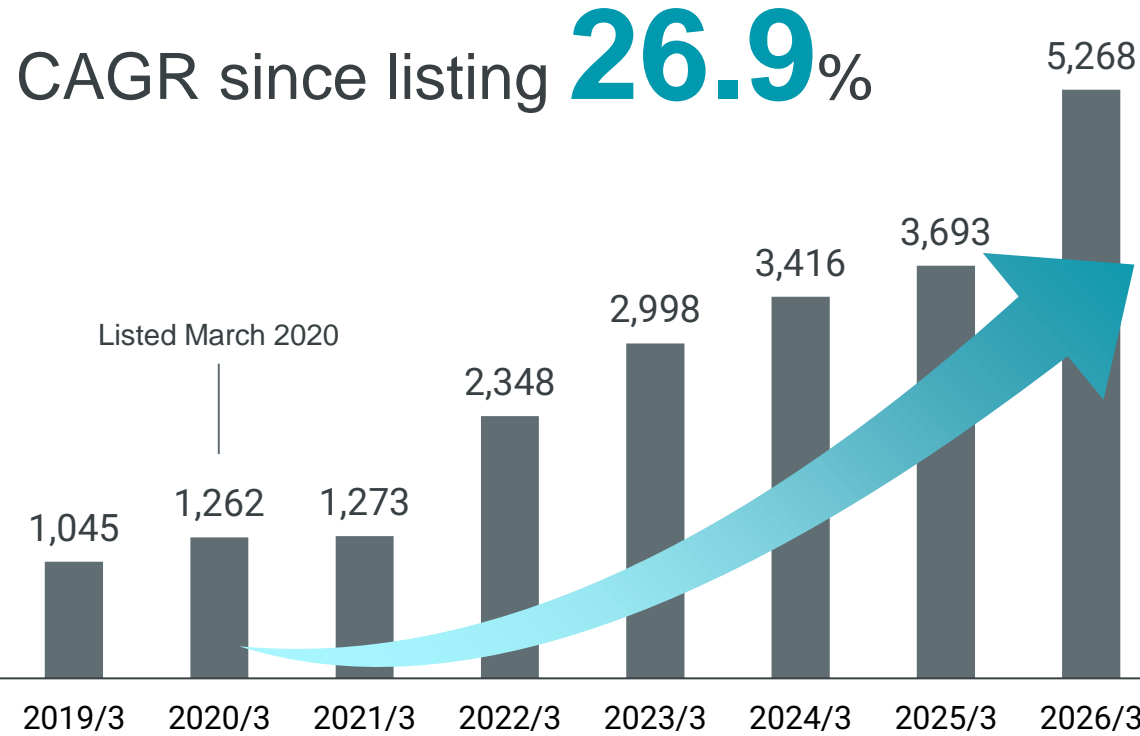
04 | Medium-term management policy

Recap | Progress in business performance

Having overcome periods of stagnant growth, including external environmental factors such as the COVID-19 pandemic, and the impact of a correction to the financial results of the preceding fiscal year, etc., the post-listing CAGR stands at 26.9%

We restored growth potential to the point of achieving the medium target of net sales of 5,000 million yen in consolidated net sales for FY03/26 that we announced in 2023

Unit: Million yen



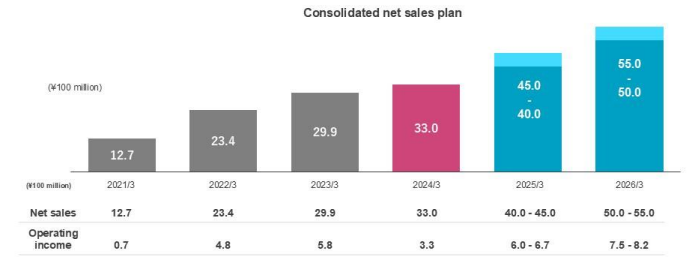
Achieved

Revised medium-term target announced May 2023
5,000 million yen in net sales by FY03/26

[Company as a whole] Medium-term performance targets



We have revised our targets based on recent changes in the environment in which the Company operates. We are now targeting over ¥5,000 million in consolidated net sales by FY03/26. From FY03/25 onward, we will aim for an operating margin of around 15% in principle, and reinvest with a focus on raising the CAGR for the Company as a whole.

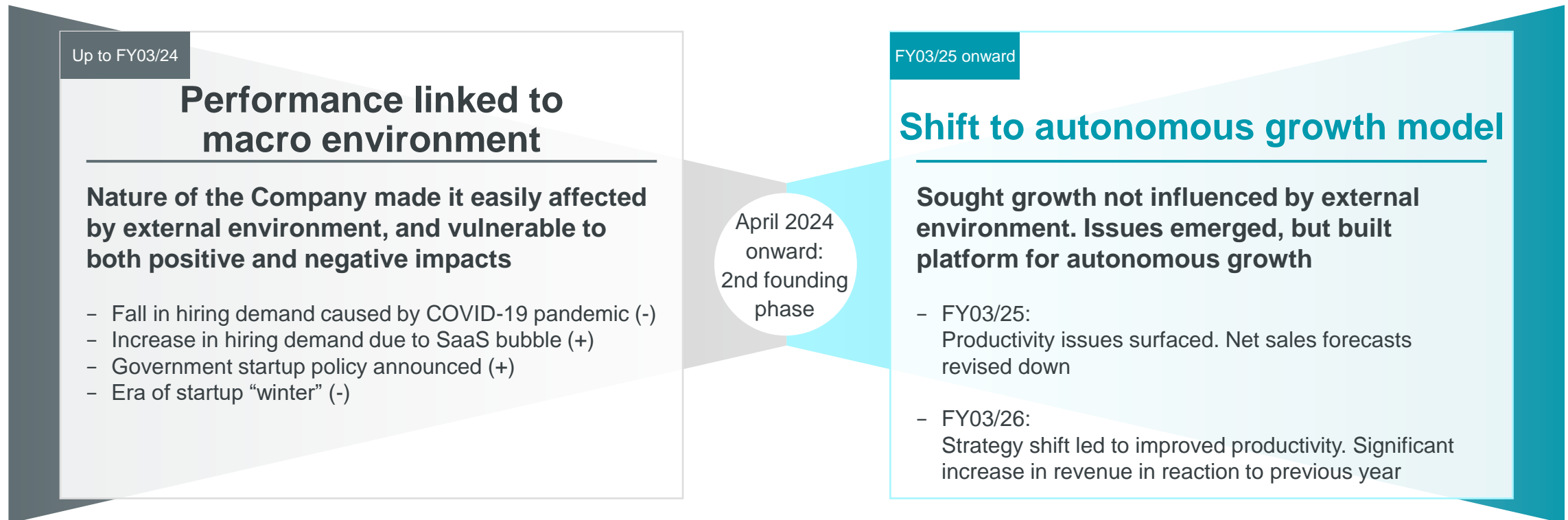


FY03/23 Financial Results Materials

Breakup | Two improvements

Because the nature of the Company made it easily affected by the macro environment, the impact of negative factors was greater than that of positive factors

We moved forward with shift to autonomous growth model, experienced some issues in FY03/25, but resolved these the next fiscal year to build a platform capable of achieving high growth



Update to medium-term management policy

Revised up earnings forecasts up to FY03/28. We expect continued growth in the Human Capital Business and contribution to results from M&A intermediary business, aiming for net sales growth of 20-25% while maintaining or increasing operating margin

Previous plan

(Million yen)	FY03/26	FY03/27	FY03/28
Net sales	4,300	4,945-5,160	5,687-6,192
Operating income	650	742-1,032	853-1,238

Revised plan

(Million yen)	FY03/26 (Results)	FY03/27	FY03/28
Net sales	5,268	6,400	7,680-8,000
Operating income	1,120	1,400	1,536-2,000

Initial forecasts for FY03/27 reached one year ahead of schedule

Growth industry support platform

Becoming a platform for services (originating in HR support) that support Japanese companies and industries as they focus on their 'challenges'

“Growth industry support platform” concept

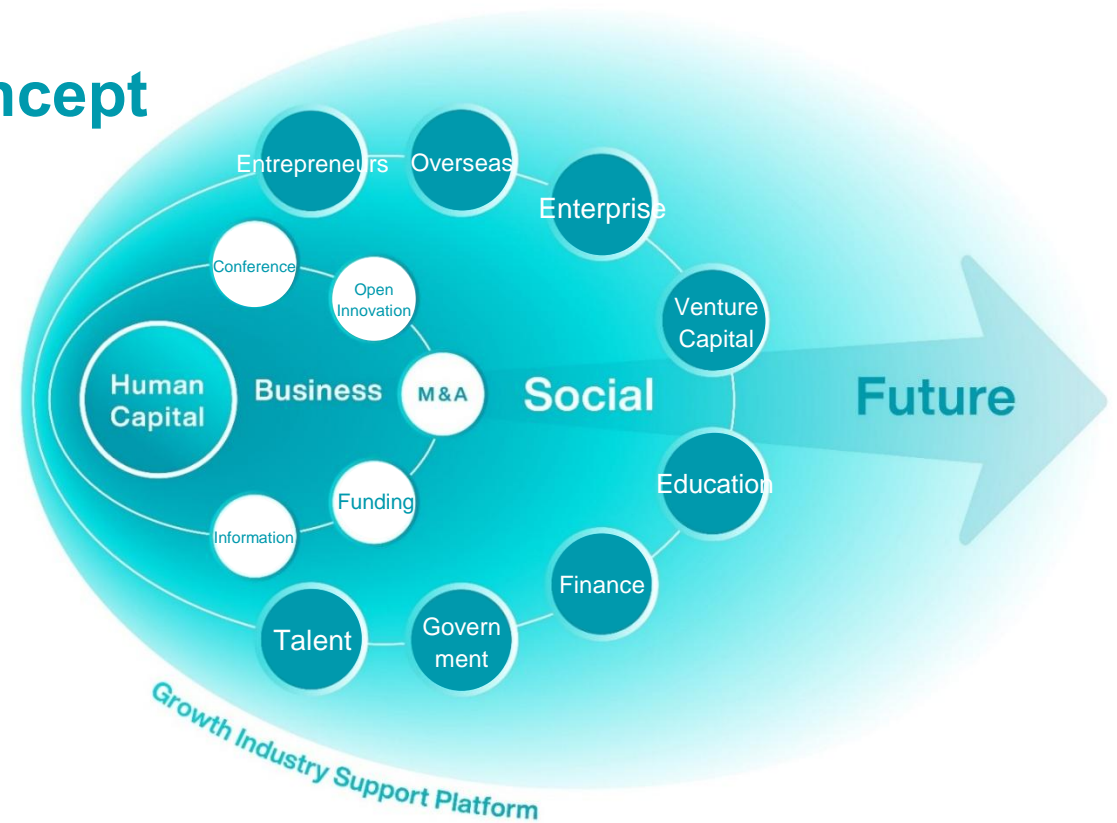
Today, a system that allows challengers to focus solely on their 'challenges,' along with the development of a society that supports such challenges, is essential.

Our company is committed to evolving into a platform that supports the challengers gathered in growing industries.

At the core is Human Capital and HR support.

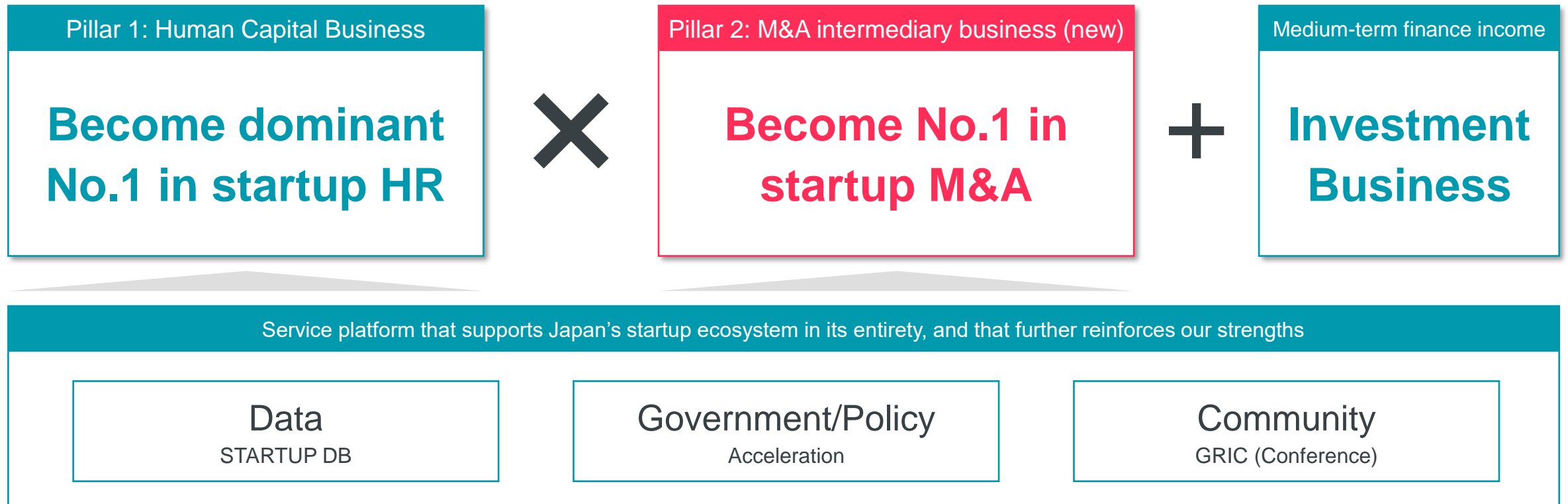
In every era, what generates innovation is “challengers.”

We raise the probability of success for the challenges they take on, and support activities to open up the future through businesses that maximize growth.



Business portfolio for the growth industry support platform

Growth drivers will be high-margin, high-added value Human Capital and M&A intermediary businesses
By combining these with an investment business that leverages the strengths of the Company, we aim to achieve high profitability over the medium term



Specific initiatives for evolving into platform

Prioritizing the Human Capital Business, where there is still significant room for growth, monetizing the M&A intermediary business, and building a foundation for growth

1

Startup HR No.1

Become dominant No.1 in terms of agent market share among main growth companies

- Increase number of placements supported through enhanced productivity
- Recruit outstanding human resources and maintain high organizational motivation
- Expand into recruiting companies and projects that are a good match for our areas of strength
- Continue HR support after listing and M&A exit

2

Expand lineup of support options

Expand and extend lineup of support options that leverage our strengths

- Turn new exit support M&A intermediary business into a second pillar of earnings
- Investment in/formation of No.1 fund completed
Transition to investment schemes conducted on our own account
- Continue to consider inorganic growth through M&A, but take very selective approach to deals

Room for growth in Human Capital Business

We perceive that, in an era of intensifying hiring competition, AI expansion and changes in exit environment are positive for the areas in which we operate

Group policy is to continue to raise productivity in this highly demanding support segment, and increase our presence

Assumptions: our view

The expansion of AI and changes in the exit environment will lead to the evolution of funding and flows of human resources in the startup market

Going forward, demand for high-level personnel involved in decision-making is expected to continue to increase

Recruiting companies

Expansion in number of job openings

While maintaining strategy of concentrating on leading companies, it should be possible to increase the number of projects 2-3x by opening up new companies

Operations

Leverage AI to achieve reproducibility

Leverage AI and develop human resources to achieve reproducibility and enhance matching efficiency

Job applicants

Increase points of contact created and turn them into assets

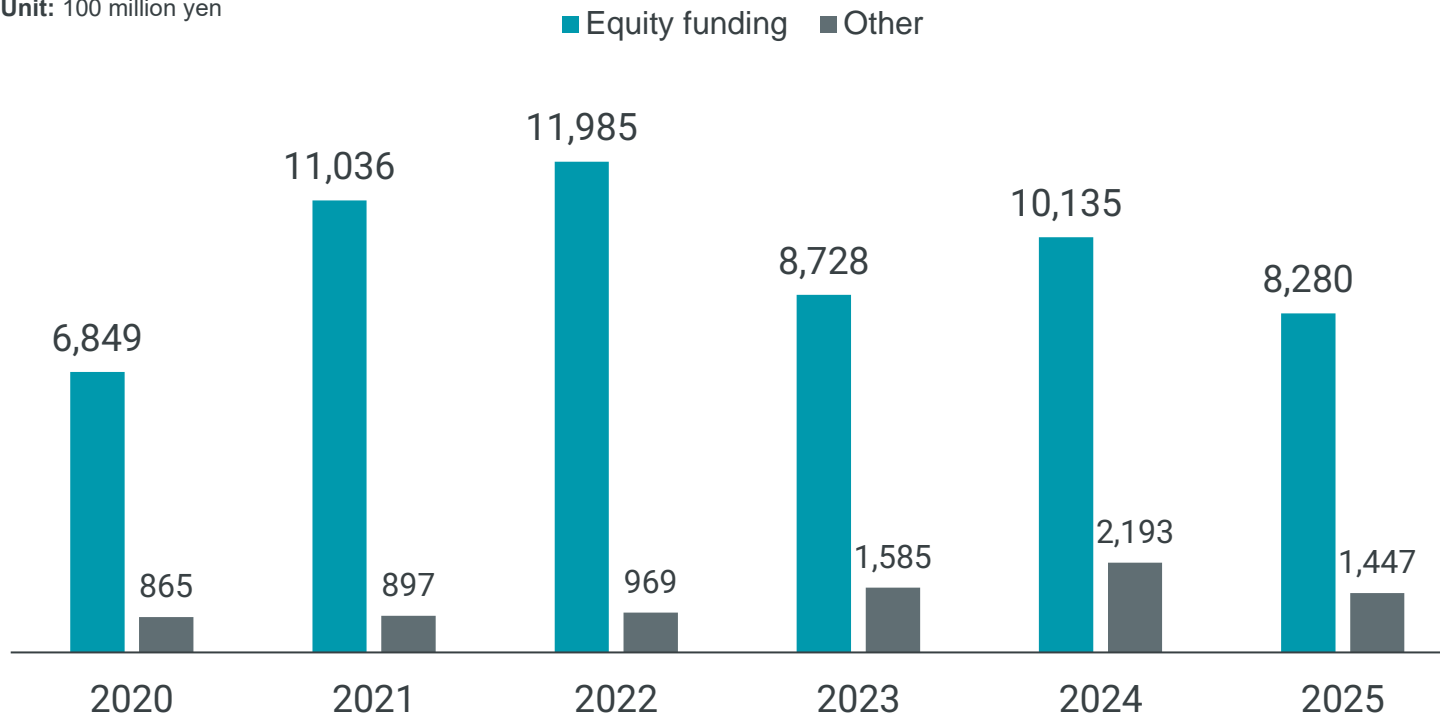
Fully utilize external databases and strengthen CRM
Increase employees to increase number of job applicants we can handle

Become the best HR partner for startup and growth companies

Growth Potential of Startup M&A Intermediation from the Perspective of the Funding Market

Equity funding for startups in 2025 was approximately 800 billion yen. Assuming that 30-40% of this transitions to IPOs, it can be interpreted that the total addressable market (TAM) for startup M&A exits is expanding by approximately 500 billion yen every year.

Unit: 100 million yen



Current Perception

- The Five-Year Startup Development Plan remains ongoing.
- We perceive that equity funding will maintain its current level for the time being.

Potential for M&A Exits

As the difficulty of IPOs increases, if 60–70% of equity funding flows into M&A exits based on the current IPO ratio (P.30), it can be interpreted as a market expansion of approximately 500 billion yen annually.

*While downrounds (funding at a lower equity value than the previous round) and bankruptcies do occur in reality, the aforementioned market expansion can be recognized if growth strategies through M&A exits can be supported before those happen.

Annual Japanese Startup Investment Trend Report | STARTUP DB

Note 1: As of January 7, 2026

Note 2: Based on the announcement date if the investment execution date is unknown

Note 3: Total funding amounts and number of companies may fluctuate as companies update their registration information

Note 4: "Other funding amount" and "Other number of companies" include funding through loans and corporate bonds.

Source: STARTUP DB

M&A Intermediary | Becoming No.1 in startup M&A intermediary

The Company will provide optimal exit support as a growth strategy for startups, by leveraging both primary information obtained from providing support to growth industries, and the track record in HR support it has built using its deep familiarity with startup growth strategy

Strengths

Positioning within the ecosystem

Potential sellers flow in via the ecosystem network built through HR support

Knowledge of growth strategy

It is exactly this deep familiarity with startup growth strategy that leads to the accumulation of HR support track record and knowledge

Post-M&A pacemaker support for HR

Has track record in providing support to talent responsible for both M&A and PMI, can provide HR support required for post-M&A growth strategy

High-precision strategy matching

Deep knowledge of strategy rooted in firsthand information from both STARTUP DB and ecosystem, enabling optimized proposals

Companies to which businesses are transferred

- Introductions from VCs, CVCs, and financial institutions, natural inflows through the Company's existing business
- [Needs and characteristics]
- Few companies look only at M&A, many companies consider growth strategy in the context of both M&A and IPO

Companies accepting business transfers

- Inflows from leading startup companies, operating companies using STARTUP DB, and the community, network of officers and employees, etc., that the Company has accumulated
- [Needs and characteristics]
- Deep-rooted need for support from companies in which investments have already been made



Multiple matching projects currently in progress

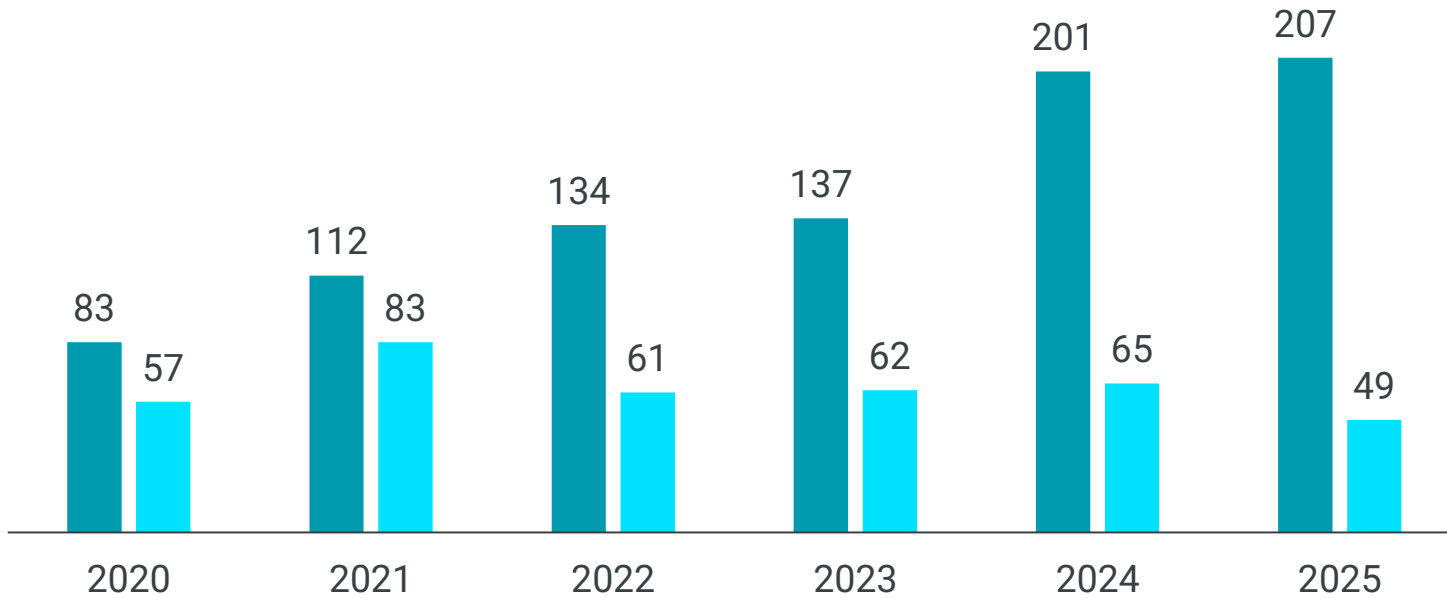
M&A Intermediary | Number of startup exits

Number of M&A exits already significantly exceeds the number of IPOs

Rise in difficulty of IPOs following increase in stringency of listing criteria expected to lead to further growth in demand for M&A exits

Units: Exits

■ Acquisitions ■ IPO



Examples of major exits

- UPSIDER (Mizuho Bank)
- Thinkings (BizReach)
- AxisRoot Holdings (MEDLEY)
- Tabisul (Royal Holdings)
- YUMEMI (Accenture)

2025 Annual Japanese Startup Investment Trend Report | STARTUP DB

Note 1: Applicable companies are based on STARTUP DB criteria

Note 2: Calculated based on information on official websites, press releases, and news, etc. available as of January 7, 2026

Note 3: Number of exits may fluctuate going forward depending on surveys by the various companies

Note 4: Excludes deals consisting solely of mergers/business transfers

Note 5: Includes companies listed on TOKYO PRO Market and regional stock exchanges

Source: STARTUP DB

Change in policy for Venture Capital Business

Investment into/formation of No.1 fund completed. We will not form funds going forward, but instead transition to investment schemes conducted on our own account

While considering LP investments in external VCs, we will move to a framework that allows more robust collaboration with the Human Capital Business than previous schemes

Until now

Fund investments

Overview of No.1 fund

- Established: August 2021
- Number of investee companies: 10 (investment quota fulfilled)
- Exits: 0
- Investors: Sumitomo Mitsui Banking Corporation
SMBC Strategic Equity Stake No.4
Investment Project Partnership etc.

Issues and lessons learned from fund operation

- Due to relationships with investors, maintaining close collaboration with existing businesses of the Company is difficult
- In terms of remaining capacity for investment, there will be no lead/major investments

Going forward

Investments on own account

In order to leverage our strengths to the maximum, we will switch to investing on our own account

Will also consider LP investments in VCs with close relationships with existing businesses

CVC investments

- Every year, secure investment quota for minority investments
- Target investee companies: can be extended down to seed level
- Total investment quota of 300 million yen planned for FY03/27

LP investments (consideration stage)

- Strengthen collaboration and networking through LP investments in external VCs

Capital and business alliance with SPARX Group

Acquisition of shares has been completed on the terms disclosed at the time the capital and business alliance was announced. At regular monthly meetings there will be mutual introductions of customers for Human Capital and M&A intermediary, and status reports on value enhancement support. Going forward we will continue to search for similar capital and business alliances



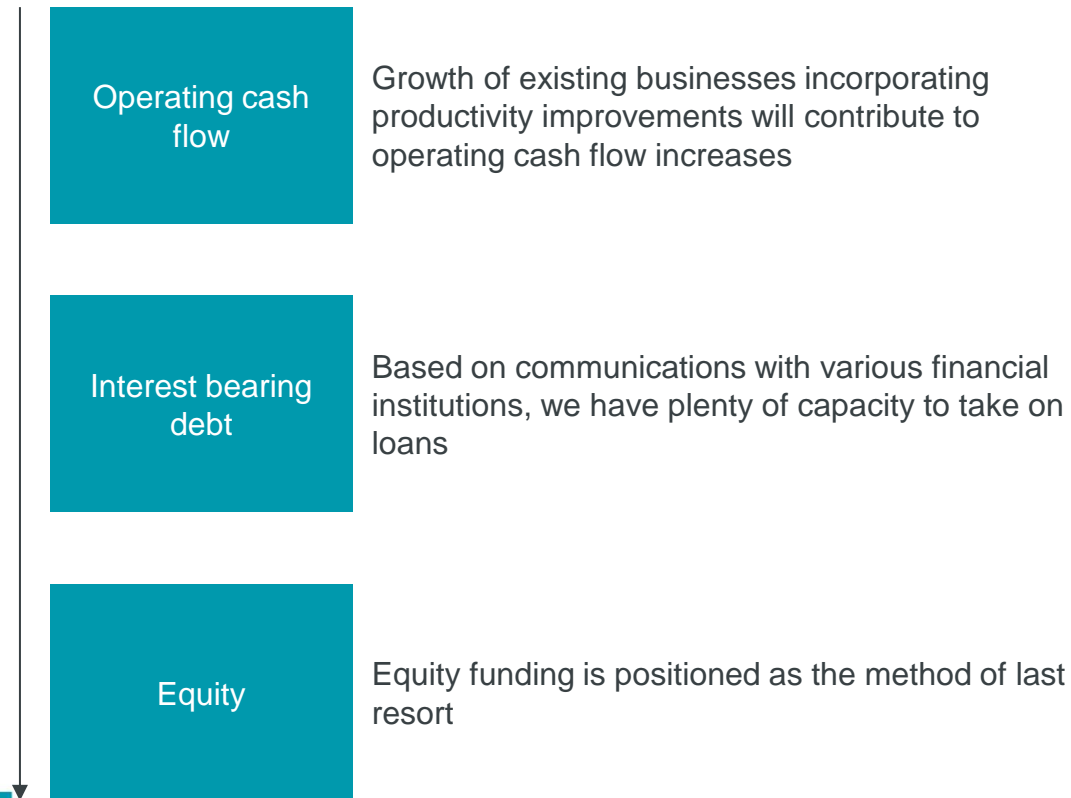
Overview of capital and business alliance

- Acquire up to a maximum of 300 million yen or 3% of the total number of issued shares of the Company (received a report after acquisition has been completed)
- Strengthen cooperation in relation to the provision of value enhancement support through employee placements centered on management personnel, and exit support at companies in which SPARX Group has invested via its Mirai Creation Fund and other funds
- Create points of contact between SPARX Group and companies with funding needs to which for Startups has provided HR support
- Hold regular monthly meetings to exchange information on support by the Human Capital Business, and introductions to customers at the M&A intermediary business, etc.

Approach to capital allocation

While establishing a new quota for investments on our own account and securing funds for M&A, we will also consider a dynamic approach to shareholder returns

Cash resources



Allocation policy



for Startups value creation process

Mission: onwards the center of evolution (together) / Vision: for Startups

Initiatives to reinforce our strengths / issues

Our strengths / sources of growth

Business model (Growth industry support platform)

Positive outcomes from the business

Vision

Human capital
Create organizations in which people with aspirations come together and stimulate each other, and establish environments in which individuals can nurture such aspirations

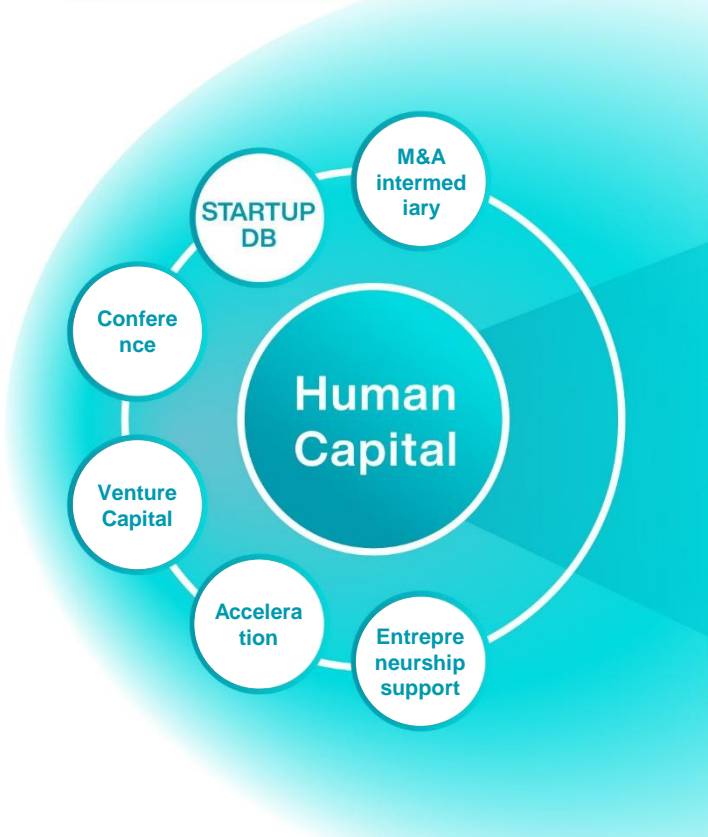
Human capital
An organization full of passion and aspirations for the challenging goal of supporting growth industries

Social and relationship capital
Expand personal networks
Systemize creation of opportunities

Social and relationship capital
Robust relations with entrepreneurs, VCs, governments, and large corporations. Community that functions as a barrier to entry

Intellectual capital
Maximize individual productivity by fully utilizing accumulated data

Intellectual capital
Accumulated quantitative and qualitative data, and know-how derived from providing pacemaker support to startups



Societal value
Energize labor market
Facilitate flow of human resources
Create next generation of industries

Economic value
Maximize corporate value
Enhance brand power

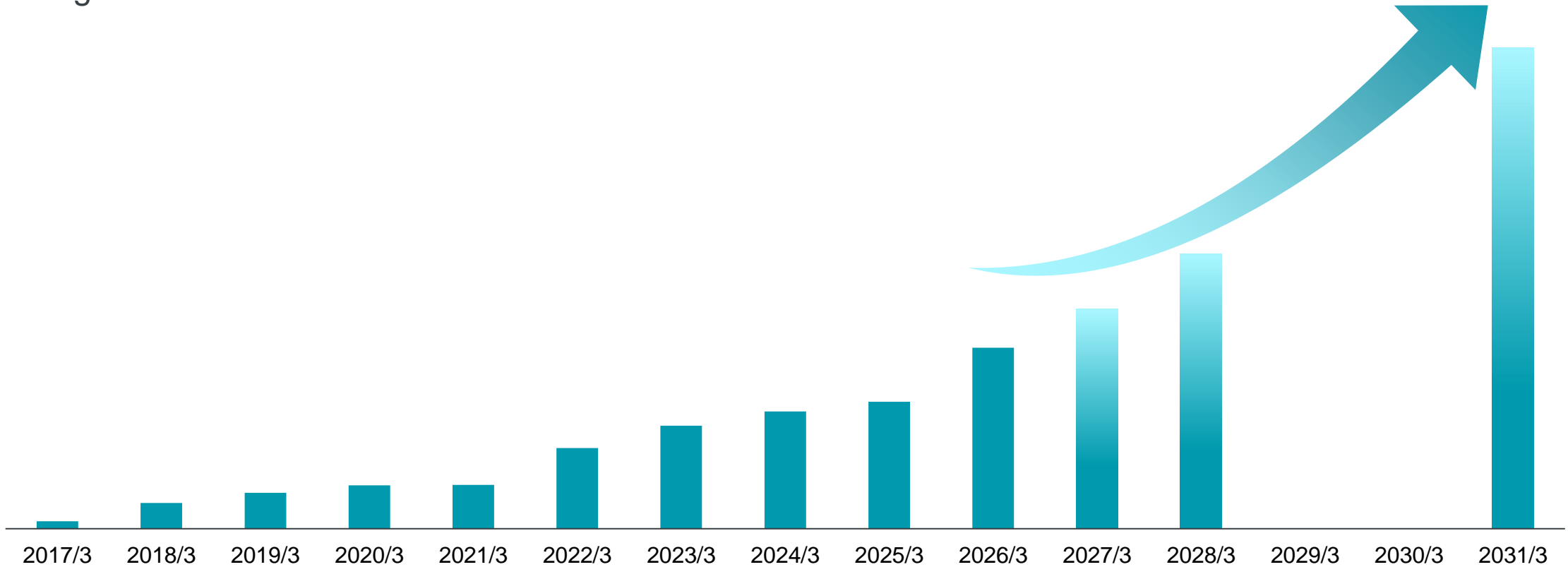
Becoming a company essential for the creation of new industries

Outcomes return as strengths

Improvements in corporate value

Achieved 5,000 million yen in net sales within ten years of founding. Have increased net sales by more than 4x since listing

Over the next five years (to FY03/31), will achieve the business growth necessary to fulfill current criteria for shifting to TSE Prime Market



05 | Appendix—FAQ

Q&A on matters thought to be of considerable interest to investors

Q1 How much of a time lag is there in the Human Capital Business between receipt of orders and sales? Also, are all orders received converted into net sales?

The time lag between an order being received and sales being recorded is the period between the job applicant accepting an offer from the destination company, and the point at which they actually join. It does depend on the individual, but generally speaking the applicant ends up joining the destination company 2-3 months after accepting the offer.

As for the relationship between orders received and net sales, in principle you should assume that all orders announced by the Company will initially be converted into net sales. Conversely, in cases where the joiner resigns from the destination company of their own accord within six months of joining, this constitutes “early retirement,” and we must refund the money. This refund did not become a negative figure during the process of converting orders to sales but is instead processed after sales have been recorded, so it is treated as a negative to net sales. The refund arising from an early retirement is the difference between orders received and net sales.

In cases where the acceptance of an offer is withdrawn before the individual joins the Company, a negative figure is recorded in orders in the month in which the withdrawal occurred.

Q2 The increase in unit price in the Human Capital Business is remarkable. Please comment on the reasons for this and the outlook going forward.

In terms of external factors, we have inflation and increases in offered annual salaries caused by intensifying competition in recruitment, while the internal factors included a high proportion of completed placements involving important positions for recruiting companies that hiked placement fee rates. Together these pushed up the unit price.

As for the outlook going forward, because the unit price is influenced by the annual salary on which the applicant joins the company and the contract fee rate, our perception is that it is an indicator that is difficult for us to control. On the other hand, there has been no change in our policy of focusing on high-level talent, so we do not expect any dramatic declines in the unit price.

Q&A on matters thought to be of considerable interest to investors

Q3 Roughly how much upside to productivity do you think there is in the Human Capital Business?

There are fluctuations every quarter, but our view is that we are making steady progress with productivity improvements in the Human Capital Business.

In the short-term, our policy is to strengthen recruitment. Although there will be changes in the sales headcount situation, which will include the month of April when new graduates join, and volatility in monthly orders, as explained in these materials, we aim to achieve productivity of 1.0 deals converted per person per month over the medium to long term. Our perception is that there is plenty of room to improve productivity by moving ahead with the winning of attractive job openings, improving matching precision, and strengthening CRM initiatives to utilize data for job applicants with whom we have previously been in contact, and other initiatives.

Q4 Even if you strengthen recruitment, if people subsequently leave then I think this will act as a brake on growth. What is your analysis of such resignations?

In FY03/26 we lost a certain number of people due to the shift in our sales strategy. Because the basic assumption is merit-based evaluation, we expect this to lead to the rejuvenation of the organization. Also, we perceive the significant increase in sales and profits to be one of the results of transforming ourselves into a leaner organization. We will continue to improve productivity based on a policy of maintaining a lean organizational structure.

The recruitment pipeline is performing well, so we will move forward with the tightening of criteria to hire outstanding talent, creating opportunities for personnel transfers and special promotions with the objective of facilitating career development, and other initiatives.

05 | Appendix—Supplementary materials

Company overview

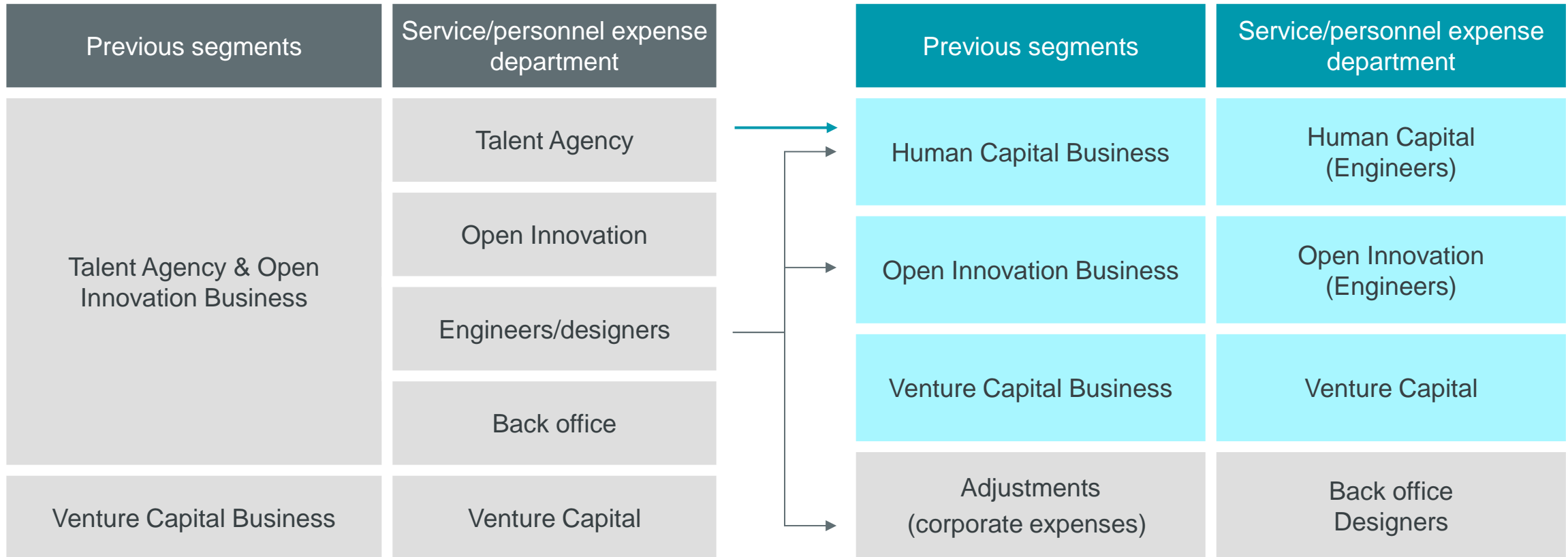
Company name	for Startups, Inc.
Established	September 2016
Location of head office	31F Azabudai Hills Mori JP Tower, 1-3-1 Azabudai, Minato-ku, Tokyo
Number of regular employees	252 (as of March 31, 2026)
Capital	239 million yen (as of March 31, 2026)
Listed market	Tokyo Stock Exchange Growth market (securities code: 7089)
Group companies	for Startups Capital Inc. Syngress, Inc. Arikata Inc. GO Job Inc. (equity-method affiliate)



Employee group photo from January 2026

Changes in reportable segments

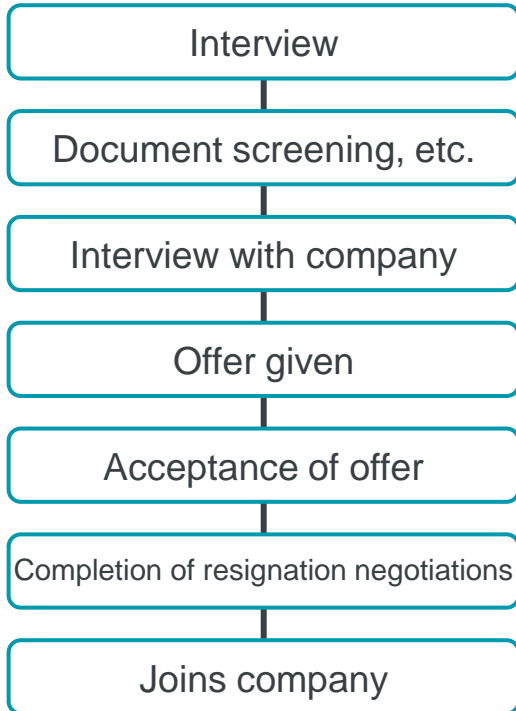
Beginning in FY03/26, reportable segments were changed to the three segments



Human Capital Business | KPI tree

KPIs: we seek to maximize the indicator targets that we can control (number of interviews with new job applicants / number of unique users for which interviews arranged)

Career change activity flow for job applicants



Our KPIs and flow for recognizing sales

Number of interviews with new job applicants

During interviews, we draw out the intentions of the job applicant, based on which we introduce job openings and companies. This is seen as an indicator for our ability to consistently attract candidates looking to change career

Number of unique users for which interviews arranged

A certain number of job applicants are there to gather information and others may not get as far as screening, so we monitor the number of job applicants proceeding to interview screening

Order recorded

When the decision to join the company has been finalized, the order is recorded (annual salary × contract placement fee rate)

Sales recorded

Actual joining of the company confirmed, and sales recorded (annual salary × contract placement fee rate)

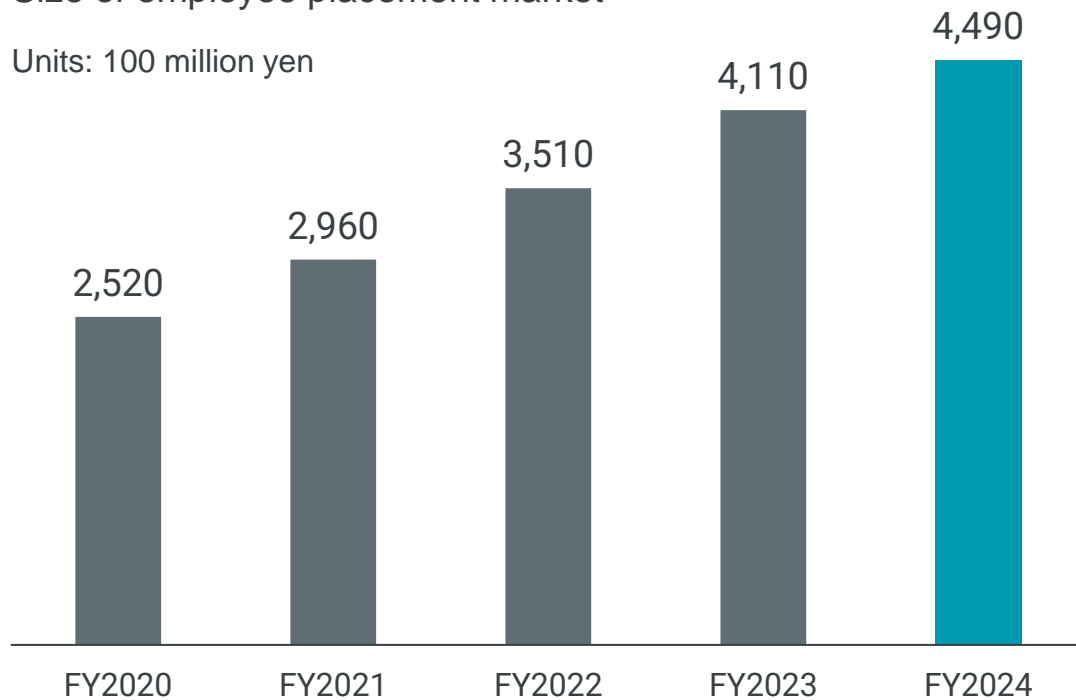
Size of the employee placement market and our positioning

With the employment environment in Japan changing and career changes becoming common, the white-collar employee placement market is growing in size

Within this, our strength is providing high-level HR support to companies, including startups, for which only a few years have passed since founding

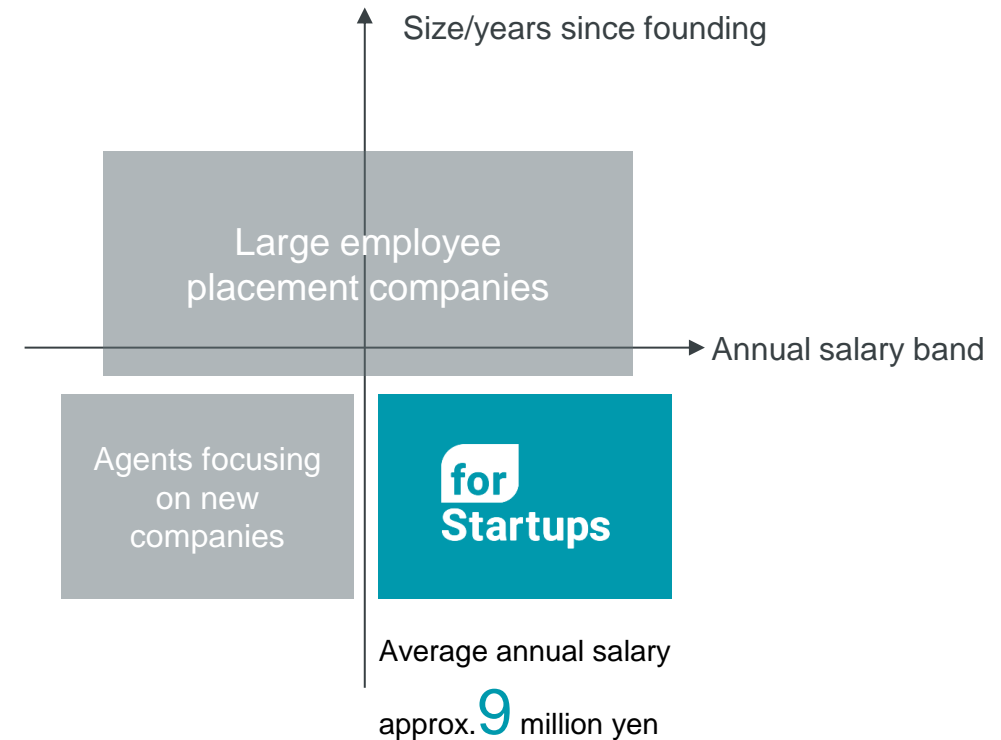
Size of employee placement market

Units: 100 million yen



Prepared by the Company based on Yano Research Institute Ltd. "Human Resources Market Survey (2025)," "Human Resources Market Survey (2024)," "Human Resources Market Survey (2023)," "Human Resources Market Survey (2022)," "Human Resources Market Survey (2021)." Figures are for the employee placement market for white-collar work

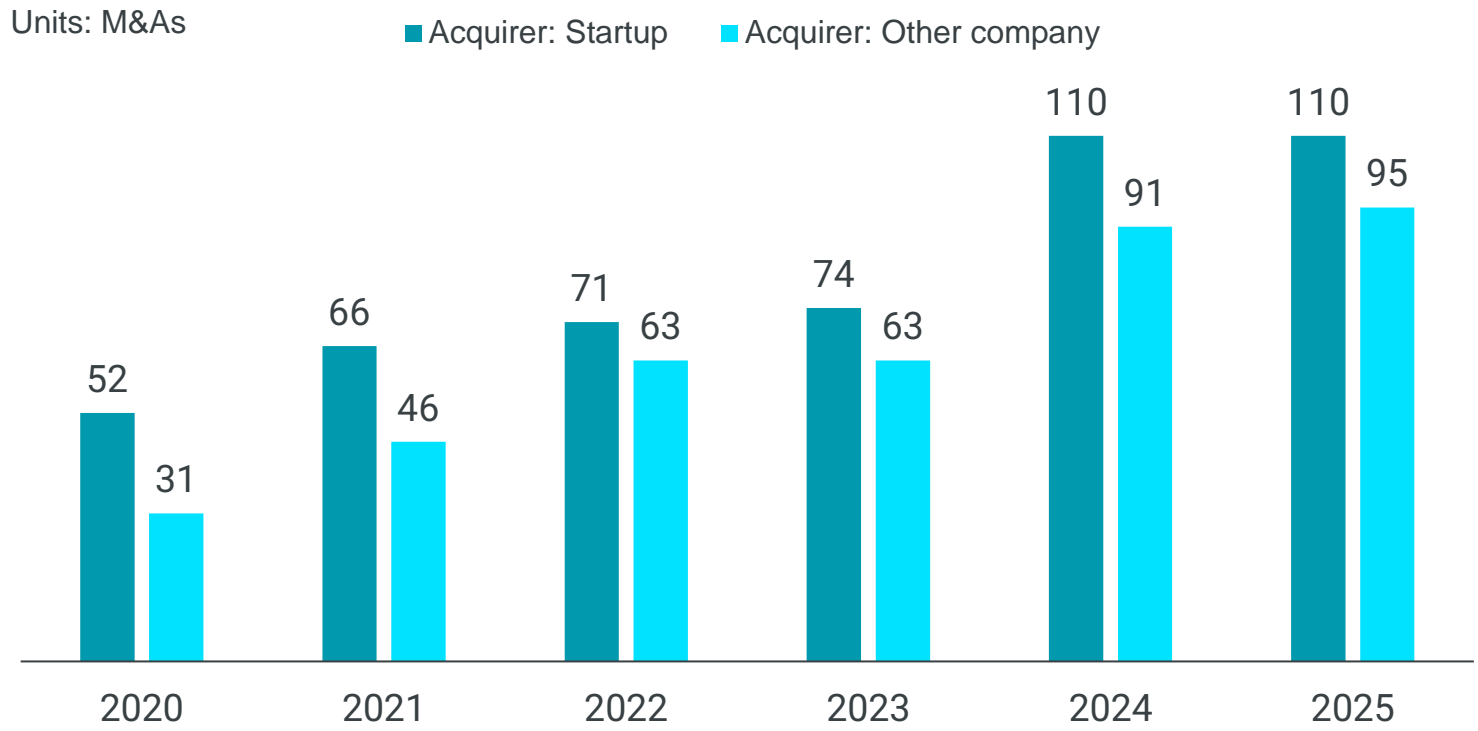
Strengths/positioning



M&A Intermediary | Startup M&A as a growth strategy

Number of acquisitions being made by startups as defined by STARTUP DB (which includes listed companies), is also on a rising trend

The number of organizations opting for a growth strategy of executing M&A before listing is also on the increase among the unlisted companies which are the Company’s clients for employee placements



Main examples of recent M&A among unlisted startups

- SmartHR (CloudBrains, KICK ZA ISSUE, SUNITED)
- Knowledge Work (Poetics)
- ASUENE (exroad)
- KAKEHASHI (ZOO)
- Canly (Recovery, accepted transfer of two other businesses)

2025 Annual Japanese Startup Investment Trend Report | STARTUP DB

- Note 1: Applicable companies are based on STARTUP DB criteria
- Note 2: Calculated based on information on official websites, press releases, and news, etc. available as of January 7, 2026
- Note 3: Number of acquisitions may fluctuate going forward depending on surveys by the various companies
- Note 4: Excludes deals consisting solely of mergers/business transfers
- Note 5: Because the acquirer has not been disclosed in some cases, the total number of acquirers by affiliation may not add up to the total number of startup exits

Source: STARTUP DB

Quarterly performance by segment

Unit: Million yen		FY03/25				FY03/26			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Human Capital	Net sales	810	749	785	777	1,010	1,028	1,114	1,321
	Segment profit	367	312	311	318	451	443	501	617
Open Innovation	Net sales	55	83	192	240	105	113	220	352
	Segment profit	-44	-17	21	134	-4	11	49	180
Venture Capital	Net sales	—	—	—	—	—	—	—	—
	Segment loss	-2	-1	-2	-2	-2	-94	-2	-1
Corporate expenses (adjustments)		-242	-216	-283	-199	-232	-243	-252	-300
Company as a whole	Net sales	865	832	977	1,018	1,116	1,142	1,335	1,674
	Operating income	78	77	45	250	212	116	296	495

Change in SG&A expenses

Past two fiscal years have been volatile due to increases in costs caused by office relocation, returns of SG&A expenses, and other factors

Personnel expenses increased in FY03/26 due to the inclusion of provisions for bonus and incentive payments following results significantly overshooting forecasts

Unit: Million yen	FY03/24				FY03/25				FY03/26			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Personnel expenses	376	386	379	427	426	419	457	411	502	498	520	609
Rent expenses on land and buildings	32	32	32	32	54	95	64	64	65	66	66	66
System usage fees	20	18	20	21	24	24	26	26	25	26	26	28
Commissions paid	12	12	51	12	15	12	66	13	13	7	51	12
Advertising expenses	9	12	39	21	7	8	17	10	18	21	35	5
Recruitment expenses	11	17	14	27	22	15	25	24	20	26	25	47
Depreciation	3	3	20	29	28	28	8	11	10	10	10	10
Other	51	44	57	67	62	3	106	47	53	56	60	77
Total	517	527	615	639	641	608	772	610	711	714	797	859

*System usage fees are shown in the annual securities report under "Commissions paid."

Consolidated balance sheet

Unit: Million yen	FY03/24	FY03/25	FY03/26
Cash and deposits	1,655	1,895	2,162
Accounts receivable – trade, and contract assets	512	484	910
Operational investment securities	378	378	488
Other current assets	35	53	54
Current assets	2,582	2,812	3,615
Property, plant and equipment	67	348	306
Investments and other assets	591	505	1,038
Non-current assets	659	853	1,345
Total assets	3,241	3,666	4,961

Unit: Million yen	FY03/24	FY03/25	FY03/26
Current liabilities	696	788	1,524
Non-current liabilities	—	399	285
Total liabilities	696	788	1,809
Retained earnings	1,697	2,051	2,472
Treasury shares	-0	-364	-200
Total shareholders' equity	2,174	2,164	2,751
Non-controlling interests	338	313	399
Total net assets	2,545	2,479	3,151
Total liabilities and net assets	3,241	3,666	4,961

Consolidated statement of cash flows

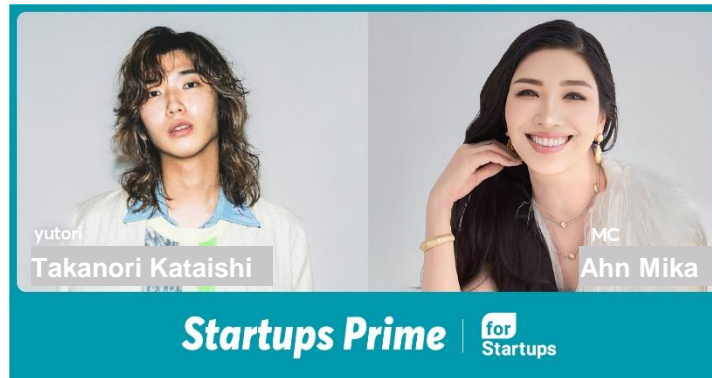
(Million yen)	FY03/24	FY03/25	FY03/26
Profit before income taxes	397	440	1,054
Decrease (increase) in trade receivables	-181	28	-425
Decrease (increase) in operational investment securities	85	—	-110
Net cash (used in) provided by operating activities	179	355	965
Net cash (used in) provided by investing activities	-293	-252	-552
Change in long-term borrowings	-66	513	-114
Proceeds from share issuance to non-controlling shareholders	68	—	187
Purchase of treasury shares	—	-363	-233
Net cash (used in) provided by financing activities	24	149	-158
Net (decrease) increase in cash and cash equivalents	-89	252	254
Cash and cash equivalents at the end of period	1,655	1,908	2,162

Details of investing CF

- FY03/25: Capital investments associated with office relocation
- FY03/26: Investment in equity-method affiliate

“Startups Prime” program to support those who take on new challenges

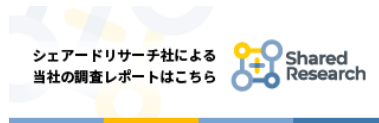
This program, which supports the startup industry by exploring the appeal of entrepreneurs and others who take on new challenges, was broadcast on the TOKYO PRIME taxi media platform operated by IRIS Inc. It is currently archived for broadcast on the YouTube channel. We plan to create new content going forward



IR initiatives

Shared Research

As part of our efforts to eliminate the information gap with investors and disclose information fairly, we publish company analysis reports by Shared Research. These provide objective analysis that is not influenced by the wishes of the issuer, and are a useful reference for gaining an in-depth understanding of the structure of our business and our growth strategy.



Activities on behalf of individual investors

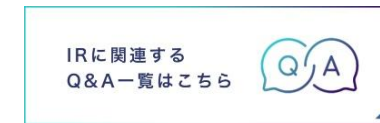
We are strengthening the provision of information aimed at deepening the understanding of the Company by individual investors, which includes appearances at IR seminars held for individual investors, and participation in the “IR note” magazine.



Consolidation of QA information

A list of questions and answers received from investors in the past has been uploaded to the QA Station platform operated by Mutual Inc.

This can also be used as a FAQ.



Distribution of IR emails

for Startups, Inc. distributes IR information such as timely disclosure and statutory disclosure items by email. Please use the following URL or 2D code to register.

<https://www.magicalir.net/7089/irmail/index.php>



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Factors that could affect the actual results mentioned above include but are not limited to economic conditions both in Japan and overseas, and trends in the industries in which the Company is involved.

Going forward, in the event that new information emerges or future developments, etc. arise, the Company accepts no responsibility for updating or revising any forward looking information whatsoever contained in these materials.

In addition, information contained in these materials on subjects unrelated to the Company is quoted from published information and other sources. The Company has not verified the accuracy or appropriateness, etc., of this information and offers no guarantees in that regard.