

* Notes

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

Newly included: None

Excluded: None

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: None

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

1. Changes in accounting policies resulting from revisions to accounting standards: None

2. Changes in accounting policies other than those in 1 above: None

3. Changes in accounting estimates: None

4. Restatements: None

(4) Number of outstanding shares (Common stock)

1. Number of shares outstanding at end of period (including treasury shares)	FY'26/2 Q3	60,140,000 shares	FY'25/2	60,140,000 shares
2. Number of treasury shares at end of period	FY'26/2 Q3	7,775,399 shares	FY'25/2	7,823,092 shares
3. Average number of shares during the period	Nine months ended Nov. 30, 2025	52,325,390 shares	Nine months ended Nov. 30, 2024	53,421,218 shares

Treasury shares include the number of Company shares owned by the ESOP trust account (2,010,670 shares at the end of FY'25/2; 1,903,515 shares at the end of FY'26/2 Q3) and the number of Company shares owned by the BIP trust account (73,817 shares at the end of FY'25/2; 73,817 shares at the end of FY'26/2 Q3).

* Review of the attached quarterly consolidated financial statements by a certified public accountant or audit firm:

None

* Notes on the appropriate use of earnings forecasts and other special items

(Caution regarding forward-looking statements)

The forward-looking statements contained herein are based on information currently available to the Company and certain assumptions the Company deems reasonable. They do not guarantee future performance. Actual results may differ significantly from the forecasts due to various factors. For assumptions regarding earnings forecasts and important notes regarding the use of the forecasts, see the section "1. Qualitative Information (3) Earnings Forecast" on page 6.

(Supplementary materials for financial results)

Supplementary materials for the financial results will be posted on the Company's website on Tuesday, January 13, 2026.

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1. Qualitative Information

(1) Operating Results

Since its establishment in 1997, dip Corporation (the “Company”) has assisted its client companies with the recruiting and deployment of human resources by providing online job information sites, as well as creating an environment where each job seeker can work with enthusiasm and energy, based on its corporate philosophy of ‘Here at dip, we want to tap into dreams, ideas and passion to create a better society’.

Since FY’20/2, under the corporate vision of becoming a ‘Labor force solution company’, the Company has been striving to solve diverse labor-related issues and realize a society in which everyone can experience the joy and happiness of work through the offering of personnel recruiting services and DX (digital transformation) services.

During the nine months ended November 30, 2025, the Company transitioned to a solutions organization to strengthen its sales capabilities. Due to the resulting increase in the handover of assigned companies, sales ended at 42,378 million yen (down 0.6% year on year).

In addition to initial investments in Spot BAITORU, the Company made investments such as the expansion of the head office in conjunction with the transition to the new organization and the recruitment of new graduate employees who graduated in 2025.

As a result, operating income for the nine months ended November 30, 2025, came to 8,085 million yen (down 25.7% year on year), while ordinary income and net income attributable to owners of parent stood at 8,098 million yen (down 24.9% year on year) and 5,598 million yen (down 23.9% year on year), respectively.

An overview of the results by segment is detailed below.

(i) Personnel Recruiting Services Business

The personnel recruiting services business operates the following platforms: Baitoru, a job information site for part-time workers; Spot Baitoru, an information site for spot part-time jobs; Baitoru NEXT, a job information site for regular employees and contract employees; Hatarako.net, a comprehensive job information site; Baitoru PRO, a comprehensive job information site for specialized jobs; Nurse de Hatarako, a job agency service for medical professionals, and Nursing Care de Hatarako, a job agency service for nursing jobs. The Company aims to expand the user and customer bases for these services through the vigorous efforts of its sales force and its service development and promotional capabilities.

During the nine months ended November 30, 2025, sales of the personnel recruiting services business remained sluggish due to a slowdown in contracts with new clients and clients with whom we have had business in the past, as handover work regarding assigned companies increased. As a result, segment sales and segment profit came to 37,356 million yen (down 0.7% year on year) and 12,584 million yen (down 15.2% year on year), respectively.

(ii) DX Business

Since September 2019, the DX business has been supporting the digital transformation (DX) of small and medium-sized enterprises (SMEs) through the offering of the KOBOT series. This SaaS DX product series is priced for SMEs, features simple functions, and is easy to introduce as it is designed for SMEs.

During the nine months ended November 30, 2025, MEO KOBOT, which supports client companies’ sales promotion activities by improving the order in which they are displayed in map searches, saw steady growth in sales. However, sales decreased for Interview Scheduling KOBOT, which automatically schedules interviews with job applicants, Temp Agency KOBOT, which supports dispatch companies’ sales activities with automated sales list creation services, and Corporate Recruiting Page KOBOT, which creates client recruiting pages featuring Baitoru’s unique functions, such as workplace introduction video, due to a decrease in the number of subscriber companies of media services. As a result, segment sales and segment profit ended at 5,021 million yen (down 0.3% year on year) and 2,857 million yen (up 15.3% year on year), respectively.

(2) Financial Position

(i) Analysis of Financial Position

Total assets recorded at the end of the third quarter of FY'26/2 were 49,390 million yen, a decrease of 1,116 million yen from the end of the previous fiscal year. The main factors were a decrease of 2,282 million yen in cash and deposits and an increase of 866 million yen in intangible assets.

Total liabilities stood at 12,535 million yen, a decrease of 1,734 million yen from the end of the previous fiscal year. This mainly reflected a decrease of 2,168 million yen in income taxes payable, an increase of 1,105 million yen in other current liabilities, and a decrease of 255 million yen in other non-current liabilities.

Net assets were 36,854 million yen, an increase of 618 million yen from the end of the previous fiscal year. The main factor was an increase of 432 million yen in retained earnings.

(ii) Status of Cash Flows

Cash and cash equivalents ("cash") amounted to 7,873 million yen during the nine months ended November 30, 2025.

The breakdown of cash flows is as follows:

(Cash flows from operating activities)

Net cash provided by operating activities was 6,854 million yen (a decrease of 5,820 million yen year on year). This was mainly due to net income before income taxes of 8,124 million yen, and depreciation of 3,117 million yen, offsetting income taxes paid totaling 4,760 million yen.

(Cash flows from investing activities)

Net cash used in investing activities totaled 9,140 million yen (a decrease of 5,016 million yen year on year). This was mainly due to payments into time deposits of 12,000 million yen and the purchase of intangible assets totaling 3,586 million yen, offsetting proceeds from the withdrawal of time deposits of 7,000 million yen.

(Cash flows from financing activities)

Net cash used in financing activities stood at 5,013 million yen (a decrease of 7,158 million yen year on year). This was mainly due to dividends paid totaling 5,137 million yen.

(3) Earnings Forecast

Our consolidated earnings forecast for FY'26/2 is based on the assumption that the part-time job advertising market will continue to recover gradually, as it did last year. We are forecasting sales to show further growth from last year due to Spot Baitoru, dip AI AGENT, and the transition to a solutions sales organization. For operating income, we anticipate a decline from last year due to initial investments in Spot Baitoru.

As both sales and profits developed according to the plan set at the beginning of the period during the nine months ended November 30, 2025, we have not made any changes to the forecast announced in the financial results report on April 14, 2025.

The details are as follows.

Consolidated earnings forecast for FY'26/2 (the period from March 2025 to February 2026)

	FY'25/2 (Actual)	FY'26/2 (Forecast)	Change (in amount)	Change (in percentage)
	¥ million	¥ million	¥ million	%
Sales	56,386	60,000	3,614	6.4
Operating Income	13,405	12,000	(1,405)	(10.5)
Ordinary Income	13,257	11,900	(1,357)	(10.2)
Net Income Attributable to Owners of Parent	8,951	8,000	(951)	(10.6)

2. Quarterly Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

(Thousands of yen)

	FY'25/2 As of February 28, 2025	FY'26/2 Q3 As of November 30, 2025
Assets		
Current assets		
Cash and deposits	18,156,176	15,873,657
Notes and accounts receivable - trade	5,562,822	5,370,221
Supplies	12,003	10,904
Other	2,670,010	3,418,507
Allowance for doubtful accounts	(136,874)	(166,854)
Total current assets	26,264,138	24,506,435
Non-current assets		
Property, plant and equipment	2,667,477	2,901,256
Intangible assets		
Software	10,528,317	9,578,319
Other	667,519	2,483,852
Total intangible assets	11,195,836	12,062,171
Investments and other assets		
Investment securities	5,110,230	5,026,383
Other	5,313,429	4,937,653
Allowance for doubtful accounts	(44,499)	(43,772)
Total investments and other assets	10,379,159	9,920,264
Total non-current assets	24,242,474	24,883,692
Total assets	50,506,612	49,390,128
Liabilities		
Current liabilities		
Accounts payable - trade	427,602	352,947
Income taxes payable	3,302,730	1,134,625
Provision for bonuses	1,092,240	486,459
Asset retirement obligations	155,793	37,998
Other	6,068,280	7,173,476
Total current liabilities	11,046,647	9,185,507
Non-current liabilities		
Provision for share-based remuneration	651,152	904,209
Provision for share-based remuneration for directors	163,136	183,674
Asset retirement obligations	797,844	906,101
Other	1,611,851	1,356,195
Total non-current liabilities	3,223,985	3,350,179
Total liabilities	14,270,633	12,535,686
Net assets		
Shareholders' equity		
Share capital	1,085,000	1,085,000
Capital surplus	7,479,351	7,485,571
Retained earnings	41,067,774	41,499,953
Treasury shares	(13,968,770)	(13,810,931)
Total shareholders' equity	35,663,356	36,259,593
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	173,305	222,494
Total accumulated other comprehensive income	173,305	222,494
Share acquisition rights	385,940	359,793
Non-controlling interests	13,377	12,560
Total net assets	36,235,979	36,854,441
Total liabilities and net assets	50,506,612	49,390,128

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statement of Income

(Thousands of yen)

	Nine months ended November 30, 2024	Nine months ended November 30, 2025
Sales	42,652,321	42,378,230
Cost of sales	4,358,248	4,789,944
Gross profit	38,294,072	37,588,286
Selling, general and administrative expenses	27,412,149	29,502,678
Operating income	10,881,922	8,085,608
Non-operating income		
Interest income	5,057	37,505
Dividend income of insurance	27,802	22,552
Other	18,330	42,138
Total non-operating income	51,191	102,195
Non-operating expenses		
Share of loss of entities accounted for using equity method	5,246	5,609
Amortization of restricted stock remuneration	128,806	76,962
Other	15,336	6,872
Total non-operating expenses	149,389	89,444
Ordinary income	10,783,724	8,098,359
Extraordinary income		
Gain on reversal of share acquisition rights	27,121	24,592
Gain on sale of investment securities	100,645	102,652
Gain on receipt of donated non-current assets	72,915	—
Total extraordinary income	200,682	127,244
Extraordinary losses		
Loss on sale of investment securities	47,962	—
Loss on valuation of investment securities	205,667	101,049
Total extraordinary losses	253,630	101,049
Profit before income taxes	10,730,776	8,124,554
Income taxes – current	3,896,957	2,713,354
Income taxes – deferred	(528,022)	(186,445)
Total income taxes	3,368,935	2,526,908
Net income	7,361,841	5,597,645
Net (loss) income attributable to non-controlling interests	371	(817)
Net income attributable to owners of parent	7,361,469	5,598,463

Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Nine months ended November 30, 2024	Nine months ended November 30, 2025
Net income	7,361,841	5,597,645
Other comprehensive income		
Valuation difference on available-for-sale securities	(190,529)	49,188
Total other comprehensive income	(190,529)	49,188
Comprehensive income	7,171,311	5,646,834
(Breakdown)		
Comprehensive income attributable to owners of parent	7,170,940	5,647,652
Comprehensive income attributable to non-controlling interests	371	(817)

(3) Consolidated Statement of Cash Flows

(Thousands of yen)

	Nine months ended November 30, 2024	Nine months ended November 30, 2025
Cash flows from operating activities		
Net income before income taxes	10,730,776	8,124,554
Depreciation	2,630,364	3,117,801
Share-based remuneration expenses	383,387	338,643
Interest and dividend income	(5,057)	(37,505)
Commission expenses	6,873	6,852
Share of loss (profit) of entities accounted for using equity method	5,246	5,609
Loss (gain) on sale of investment securities	(52,682)	(102,652)
Loss (gain) on valuation of investment securities	205,667	101,049
Gain on reversal of share acquisition rights	(27,121)	(24,592)
Gain on receipt of donated non-current assets	(72,915)	—
Decrease (increase) in trade receivables	38,655	193,328
Increase (decrease) in trade payables	(26,362)	(74,655)
Increase (decrease) in accounts payable - other	(773,250)	(359,108)
Increase (decrease) in contract liabilities	(127,085)	(137,112)
Increase (decrease) in allowance for doubtful accounts	(30,426)	29,252
Increase (decrease) in provision for bonuses	(353,587)	(605,780)
Increase (decrease) in provision for loss on contracts	(61,875)	—
Decrease (increase) in other assets	1,283,917	(332,639)
Increase (decrease) in other liabilities	1,514,640	946,646
Other, net	257,340	389,944
Subtotal	15,526,504	11,579,636
Interest and dividends received	13,689	35,339
Income taxes paid	(2,864,483)	(4,760,046)
Net cash provided by (used in) operating activities	12,675,710	6,854,928
Cash flows from investing activities		
Payments into time deposits	(6,000,000)	(12,000,000)
Proceeds from withdrawal of time deposits	6,000,000	7,000,000
Short-term loan advances	—	(40,000)
Proceeds from collection of long-term loans receivable	150,000	75,000
Purchase of property, plant and equipment	(317,913)	(393,913)
Purchase of intangible assets	(3,769,143)	(3,586,756)
Payments of leasehold and guarantee deposits	(228,445)	(394,446)
Proceeds from refund of leasehold and guarantee deposits	69,786	163,453
Payments associated with fulfillment of asset retirement obligations	(12,481)	(114,327)
Purchase of investment securities	(191,722)	—
Proceeds from sale of investment securities	175,708	150,716
Purchase of shares of subsidiaries and associates	—	(0)
Net cash provided by (used in) investing activities	(4,124,210)	(9,140,273)
Cash flows from financing activities		
Purchase of treasury shares	(7,049,898)	(85)
Proceeds from sale of treasury shares	111,634	129,889
Proceeds from exercise of employee share options	48,527	3,794
Dividends paid	(5,271,498)	(5,137,569)
Repayments to non-controlling shareholders	(2,423)	(1,047)
Other payments	(9,000)	(8,975)
Net cash provided by (used in) financing activities	(12,172,659)	(5,013,993)
Effect of exchange rate change on cash and cash equivalents	13,009	16,818
Increase (decrease) in cash and cash equivalents	(3,608,150)	(7,282,519)
Cash and cash equivalents at beginning of period	16,116,841	15,156,176
Cash and cash equivalents at end of period	12,508,691	7,873,657

(4) Notes to Quarterly Consolidated Financial Statements
(Notes to Going Concern Assumption)

Not applicable

(Additional Information)

Stock Ownership Plan for Company Directors

(Board Incentive Plan (BIP) Trust Scheme)

Pursuant to a resolution adopted at the board meeting on April 13, 2016, the Company introduced a Board Incentive Plan (BIP) trust scheme ("BIP Trust Scheme") for its directors (excluding outside directors and overseas residents. The same shall apply hereinafter.) in August 2016 to increase their motivation to contribute to improving corporate value in the medium-to-long term and to share a common sense of interest with the shareholders. At the board meeting held on the same day, a resolution was adopted to submit a proposal for introducing the BIP Trust Scheme to the 19th annual shareholders meeting held on May 28, 2016. The proposal was approved at the shareholders meeting. Following the introduction of the BIP Trust Scheme, new stock acquisition rights will no longer be granted to directors in the future for stock options.

The Board of Directors resolved at its meeting on June 22, 2021, to extend the BIP Trust Scheme until August 2026.

Furthermore, at the 26th annual shareholders meeting held on May 24, 2023, it was approved to extend the BIP Trust Scheme upon abolishing the previous compensation framework related to the BIP Trust Scheme for directors, in accordance with the transition to a company with an Audit & Supervisory Committee, and re-establishing a performance-linked stock-based compensation framework for directors (excluding directors who are Audit & Supervisory Committee members and outside directors; the "Eligible Directors").

(1) Summary of the scheme

A BIP trust is an incentive plan for directors based on performance shares and restricted stock schemes of the United States. Company shares acquired by the BIP Trust and cash equivalent to the value of the Company shares are distributed to the Eligible Directors according to the degree of achievement of performance targets.

By contributing funds to acquire Company shares, the Company has established a trust (BIP trust account) with Eligible Directors who meet certain requirements as the beneficiaries. The trust acquires the number of Company shares expected to be provided to the Company's Eligible Directors in accordance with pre-established stock-based compensation regulations through third-party allotment from the Company. Pursuant to the stock-based compensation regulations, the trust distributes Company shares and the cash equivalent of the proceeds from the sale of such shares on the date of determination of beneficiary right due to retirement, etc. to Eligible Directors who meet certain beneficiary requirements. The number of Company shares delivered is determined by the degree to which performance targets are achieved each fiscal year.

(2) Company shares remaining in trust

Company shares held in the BIP trust account are recorded as treasury shares under net assets at book value to the trust (excluding ancillary expenses). The book value and number of said treasury shares were 228,440 thousand yen and 73,817 shares in FY'25/2, and 228,440 thousand yen and 73,817 shares in FY'26/2 Q3.

(Restricted Stock-Based Compensation Plan for Directors)

Pursuant to a resolution adopted at the board meeting on April 7, 2021, the Company introduced a directors compensation plan utilizing restricted stock (with performance-based conditions) (“Director RS Compensation Plan”) to encourage the Company’s directors (excluding outside directors) to further promote value sharing with shareholders and maximize social and economic values, thereby contributing toward the realization of the Company’s corporate vision of becoming a ‘Labor force solution company’. At the board meeting held on the same day, a resolution was adopted to submit a proposal for introducing the Director RS Compensation Plan to the 24th annual shareholders meeting held on May 26, 2021. The proposal was approved at the shareholders meeting.

Pursuant to a resolution adopted at the board meeting on April 14, 2023, the Company passed a resolution to submit the following proposal to the 26th annual shareholders meeting held on May 24, 2023: (i) To implement changes following the transition to a company with an Audit & Supervisory Committee and (ii) to extend the transfer restriction period by two years. The proposal was approved at the shareholders meeting.

Of the three directors who were granted restricted stock based on the proposal that was approved at the 24th Annual General Meeting of Shareholders, one retired due to the expiry of his term of office at the 26th Annual General Meeting of Shareholders. This director has continued to hold the restricted stock as a person equivalent to a director (corporate officer) until he was elected director and Audit & Supervisory Committee member at the 27th Annual General Meeting of Shareholders held on May 23, 2024, and as a director since his appointment as a director and Audit & Supervisory Committee member.

(1) Summary of the plan

The Company’s directors (excluding directors who are Audit & Supervisory Committee members and outside directors; the “Eligible Directors”) will pay all monetary claims granted by the Company as payment in kind in accordance with the resolution of the Company’s Board of Directors and, in return, be subject to the issuance or disposition of common stock of Company shares.

The amount to be paid per share of restricted stock will be determined by the Board of Directors based on the closing price of common stock of Company shares on the Tokyo Stock Exchange on the business day immediately preceding the date of resolution by the Board of Directors on the issuance or disposal of such restricted stock (if there is no closing price on such date, the amount will be based on the closing price on the most recent trading day) to the extent that such amount will not be an amount particularly favorable to the Eligible Directors who subscribe for such restricted stock.

In addition, when issuing or disposing of the Company’s common stock under the Director RS Compensation Plan, a restricted share allotment agreement (the “Allotment Agreement”) will be executed between the Company and the Eligible Directors. The agreement shall include, among other matters, (i) a provision preventing the Eligible Directors from transferring, creating a security interest, or otherwise disposing of the Company’s common stock that has been allotted to the Eligible Directors under the Allotment Agreement for a certain period, and (ii) a provision that, if certain events should arise, the Company will acquire such common stock for no consideration.

(2) Provisions of Allotment Agreement

The restricted share allotment agreement to be executed between the Company and the Eligible Directors pursuant to the Company’s board resolution upon allotment of restricted stock shall include the following provisions.

(3) Provisions of transfer restrictions

The Eligible Directors may not transfer, create a pledge, create a transfer security interest, make an inter vivos gift, make a bequest, or otherwise dispose in any way (the “Transfer Restrictions”) of the Restricted Shares allotted to the relevant directors (the “Allotted Shares”) to a third party for a period of up to six years as determined by the Company’s Board of Directors (the “Transfer Restriction Period”). The Transfer Restriction Period is scheduled from August 27, 2021, through April 15, 2027.

(4) Acquisition of restricted stock without consideration

In the event that an Eligible Director retires or resigns from any position as a director of the Company, a director of a subsidiary of the Company, or any other equivalent position before the expiry of the Transfer Restriction Period, the Company will automatically acquire the Allotted Shares without consideration, unless there is a reason that the Board of Directors of the Company deems justifiable. In addition, if there are any of the Allotted Shares for which transfer restrictions have not been lifted in accordance with the provisions of the reasons for the lifting of Transfer Restrictions below upon the expiry of the Transfer Restriction Period in above, the Company will automatically acquire such Allotted Shares without consideration.

(5) Conditions for releasing Transfer Restrictions based on performance conditions, etc.

The Transfer Restrictions will be released at the expiry of the Transfer Restriction Period (or on the date the summary report on financial results for the year ending February 2027 is released, if such report is released prior to the expiry of the Transfer

Restriction Period) for all or part of the Allotted Shares, subject to the enrollment conditions, which require Eligible Directors to remain in a position of director of the Company, a director of a subsidiary of the Company or equivalent throughout the Transfer Restriction Period, and based on the position conditions and the performance conditions. The Company will automatically acquire the Allotted Shares for which Transfer Restrictions are unreleased for no consideration.

However, if an Eligible Director retires or resigns from the position of director of the Company, a director of a subsidiary of the Company or equivalent prior to the expiry of the Transfer Restriction Period for reasons deemed justifiable by the Board of Directors, the number of Allotted Shares for which Transfer Restrictions will be released and the timing of releasing the Transfer Restrictions shall be adjusted reasonably as needed.

(6) Total number of shares held by Eligible Directors

FY'25/2: 160,000 shares; FY'26/2 Q3: 160,000 shares

Stock Ownership Plan for Company Employees

(Employee Stock Ownership Plan (ESOP) Trust Scheme)

Pursuant to a resolution adopted at the board meeting on April 12, 2012, the Company introduced an Employee Stock Ownership Plan (ESOP) trust scheme (“ESOP Trust Scheme”) for its employees in May 2012 to improve the Company’s corporate value in the medium-to-long term. A resolution was adopted at a board meeting held on March 10, 2023, to extend the ESOP Trust Scheme, and a resolution was passed at a board meeting held on August 1, 2023, to dispose of treasury shares on August 22.

(1) Summary of the scheme

An ESOP trust is a trust-type incentive plan for employees based on the employee stock ownership plan (ESOP) of the United States. It has a purpose of enhancing the compensation system for employees by utilizing Company shares.

By contributing funds to acquire Company shares, the Company establishes a trust (ESOP trust account) with employees who meet certain requirements as the beneficiaries. Over a predetermined acquisition period, the trust acquires from the stock market Company shares in the number expected to be distributed to Company employees in accordance with pre-established stock granting regulations. Pursuant to the stock granting regulations, the trust distributes Company shares and cash equivalent to the proceeds from the sale of such shares according to the rank and years of service of the employee during the trust period to employees at no cost on their retirement. As the Company contributes all funds for acquiring Company shares to be acquired by the trust, there will be no financial burden on the employees.

(2) Company shares remaining in the trust

Company shares held in the ESOP trust account are recorded as treasury shares under net assets at book value to the trust (excluding ancillary expenses). The book value and number of said treasury shares were 2,462,554 thousand yen and 2,010,670 shares in FY’25/2, and 2,331,281 thousand yen and 1,903,515 shares in FY’26/2 Q3.

(Restricted Stock-Based Compensation Plan for Employees)

Pursuant to a resolution adopted at the board meeting on May 27, 2020, the Company introduced an incentive plan for employees in August 2020 utilizing restricted stock (“Employee RS Compensation Plan”) to enhance employee motivation and encourage each employee to further promote value sharing with shareholders and maximize the social and economic value of the Company, thereby contributing toward the realization of the Company’s corporate vision of becoming a ‘Labor force solution company’. In addition, at the board meeting held on June 22, 2021, the Company resolved to allot shares to employees who were hired between April 2, 2020, and May 31, 2021, and who were promoted between May 1, 2020, and May 31, 2021, and at the board of directors meeting held on July 13, 2022, to allot shares to employees who were hired or promoted between June 1, 2021, and June 1, 2022. At the Board of Directors meeting held on August 1, 2023, it also resolved to allot shares to employees hired or promoted between June 2, 2022, and June 1, 2023.

In the Employee RS Compensation Plan, the Company had set performance targets five years in advance, the achievement of which was the condition for releasing transfer restrictions. However, due to revisions to the medium-term management plan, the Board of Directors adopted a resolution to extend the transfer restriction period by two years and to revise the performance conditions for those allottees who are Company employees belonging to the DX Business Group, which had been sales and operating income of the DX business, to the same conditions as those applied to Company employees belonging to departments other than the DX Business Group, which are consolidated sales and consolidated operating income (or non-consolidated sales and non-consolidated operating income if non-consolidated), based on a resolution adopted at the board meeting on April 14, 2023.

(1) Summary of the plan

The eligible employees will pay all monetary claims granted by the Company under the Employee RS Compensation Plan as payment in kind and, in return, be subject to the issuance or disposition of common stock of Company shares. The amount to be paid per common stock that will be issued or disposed of to the eligible employees by the Company under the Employee RS Compensation Plan will be determined by the Board of Directors based on the closing price of common stock of Company shares on the Tokyo Stock Exchange on the business day immediately preceding the date of resolution by the Board of Directors (if there is no closing price on such date, the amount will be based on the closing price on the most recent trading day) to the extent that such amount will not be an amount particularly favorable to the eligible employees who subscribe for such common stock.

In addition, when issuing or disposing of the Company’s common stock under the eligible employees, a restricted stock allotment agreement (the “Allotment Agreement”) will be executed between the Company and the eligible employees. The agreement shall include, among other matters, (i) a provision preventing the eligible employees from transferring, creating a security interest, or otherwise disposing of the Company’s common stock that has been allotted to the eligible employees under the Allotment Agreement for a certain period, and (ii) a provision that, if certain events should arise, the Company will acquire such common stock for no consideration.

(2) Summary of the Allotment Agreement

A. Transfer restriction period

From August 27, 2020, through April 15, 2027

B. Conditions for releasing transfer restrictions based on performance conditions, etc.

The transfer restrictions will be released at the expiry of the transfer restriction period (or on the date the summary report on financial results for the year ending February 2027 is released, if such report is released prior to the expiry of the transfer restriction period) for all or part of the allotted shares, subject to the enrollment conditions, which require the eligible employees to remain in a position of director, corporate officer (who does not hold a position as director), employee or equivalent throughout the transfer restriction period, and the position conditions, which require the transfer restrictions to be released for the number of the allotted shares determined according to the employee’s rank immediate prior to the expiry of the transfer restriction period, and based on the performance conditions. The Company will automatically acquire the allotted shares for which the transfer restrictions are unreleased for no consideration.

However, if an eligible employee retires or resigns from the position of director, corporate officer (who does not hold a position as director), employee, or equivalent prior to the expiry of the transfer restriction period in question for reasons deemed justifiable by the Board of Directors, the number of allotted shares for which the transfer restriction will be released and the timing of releasing the transfer restriction shall be adjusted reasonably as needed.

C. Total number of shares held by eligible employees

FY’25/2: 880,563 shares; FY’26/2 Q3: 818,085 shares

(Notes to Material Changes in Shareholders' Equity)

Not applicable

(Segment Information etc.)

[Segment information]

I. Nine months ended November 30, 2024

1. Information on amounts of sales and profit or loss by reported segment and breakdown information of revenue

(Thousands of yen)

	Reported segment			Adjustment (Note 1)	Amount recorded in consolidated statement of income (Note 2)
	Personnel Recruiting Services Business	DX Business	Total		
Sales					
Media (job advertising)	35,870,783	—	35,870,783	—	35,870,783
Services					
Permanent Placement	1,685,209	—	1,685,209	—	1,685,209
Services					
DX Services	—	5,037,314	5,037,314	—	5,037,314
Other services	59,013	—	59,013	—	59,013
Revenue generated from contracts with customers	37,615,006	5,037,314	42,652,321	—	42,652,321
Other revenue	—	—	—	—	—
Sales — outside customers	37,615,006	5,037,314	42,652,321	—	42,652,321
Sales and transfers — inter-segment	—	—	—	—	—
Total	37,615,006	5,037,314	42,652,321	—	42,652,321
Segment profit	14,838,837	2,479,265	17,318,102	(6,436,180)	10,881,922

(Notes) 1. Adjustment of segment profit of (6,436,180) thousand yen is corporate expenses not allocated to any reported segment.

Corporate expenses are mainly selling, general, and administrative expenses that are not attributable to a reported segment.

2. Segment profit has been reconciled with operating income on the consolidated statement of income.

2. Information on impairment loss on non-current assets and goodwill, etc., by reported segment

Not applicable

II. Nine months ended November 30, 2025

1. Information on amounts of sales and profit or loss by reported segment and breakdown information of revenue

(Thousands of yen)

	Reported segment			Adjustment (Note 1)	Amount recorded in consolidated statement of income (Note 2)
	Personnel Recruiting Services Business	DX Business	Total		
Sales					
Media (job advertising) services	35,628,590	—	35,628,590	—	35,628,590
Permanent Placement Services	1,514,561	—	1,514,561	—	1,514,561
DX Services	—	5,021,670	5,021,670	—	5,021,670
Other services	213,408	—	213,408	—	213,408
Revenue generated from contracts with customers	37,356,560	5,021,670	42,378,230	—	42,378,230
Other revenue	—	—	—	—	—
Sales — outside customers	37,356,560	5,021,670	42,378,230	—	42,378,230
Sales and transfers — inter-segment	—	—	—	—	—
Total	37,356,560	5,021,670	42,378,230	—	42,378,230
Segment profit	12,584,403	2,857,538	15,441,941	(7,356,333)	8,085,608

(Notes) 1. Adjustment of segment profit of (7,356,333) thousand yen is corporate expenses not allocated to any reported segment.

Corporate expenses are mainly selling, general, and administrative expenses that are not attributable to a reported segment.

2. Segment profit has been reconciled with operating income on the consolidated statement of income.

2. Information on impairment loss of non-current assets and goodwill, etc., by reported segment

Not applicable

(Significant Subsequent Events)

Not applicable

(Note) English documents are prepared as a courtesy to our stakeholders. In the event of any inconsistency between English-language documents and Japanese-language documents, the Japanese-language documents will prevail.