Financial Results Briefing Materials

for the Third Quarter of the Fiscal Year Ending December 31, 2026

November 11, 2026

KINJIRO CO., LTD.

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

1. **Consolidated Financial Results**
   for the Third Quarter of the Fiscal Year Ending December 31, 2026 (FY2026)
2. **Progress on Our Mid-Term Management Plan**
3. **Growth Strategy**
4. **Topics**

1. **Consolidated Financial Results**
   for the Third Quarter of the Fiscal Year Ending December 31, 2026 (FY2026)

2. Progress on Our Mid-Term Management Plan

3. Growth Strategy

4. Topics

Highlights (Summary)

Executive summary of FY2026 3Q financial results

Sales grew steadily with the expansion of cloud HRM

Net sales

4,084 million yen

3Q results ↑ YoY +3%

Number of licenses

914,000 licenses

YoY change: +143,000 licenses ↑ YoY +19%

Number of corporate clients

2,790 companies

YoY change: +231 companies ↑ YoY +9%

Recurring revenue

79.3 %

↑ YoY +9.7 pts

Key points (factors) for FY2026 3Q

Cloud license sales and recurring revenue grew by 25% and 19%, respectively

Cloud license sales continued to grow strongly, resulting in 2,825 million yen (+25% YoY). Although sales in the On-Premises Business decreased by 31% due to the shift to the cloud, net sales increased by 3%, driven by growth in the Cloud Business.
In addition, recurring revenue increased by 19%, improving revenue stability.

Made upfront investments for growth in the next fiscal year and beyond

Amortization of software following new feature releases and personnel expenses to secure talent increased (+385 million yen YoY). Operating profit was 910 million yen (-22%).

Future outlook and investment policy

Expand the cloud customer base and increase unit price

Continue driving cloud migration of existing on-premises customers and acquiring new customers. Aim to improve profitability by improving ARPU through enhancement of features such as talent, salary, and health & productivity management as well as by implementing price revisions starting in July 2027.

Implement initiatives to achieve the full-year target

Continue investing in the cloud infrastructure and product development to achieve medium- to long-term growth and revenue base enhancement.

Summary of Consolidated Financial Results for the Third Quarter of FY2026

■ Consolidated statement of income

- The number of cloud-based licenses, a major KPI, increased to 914,000 licenses (+19% YoY), driving strong YoY growth of 25% in cloud license sales. On the other hand, sales in the On-Premises Business decreased by 31% YoY as more customers migrated to cloud. Total net sales increased by 3% YoY.
- Profit decreased YoY primarily due to upfront investments including increased amortization of software following new feature releases and personnel expenses to secure talent (+385 million yen YoY).

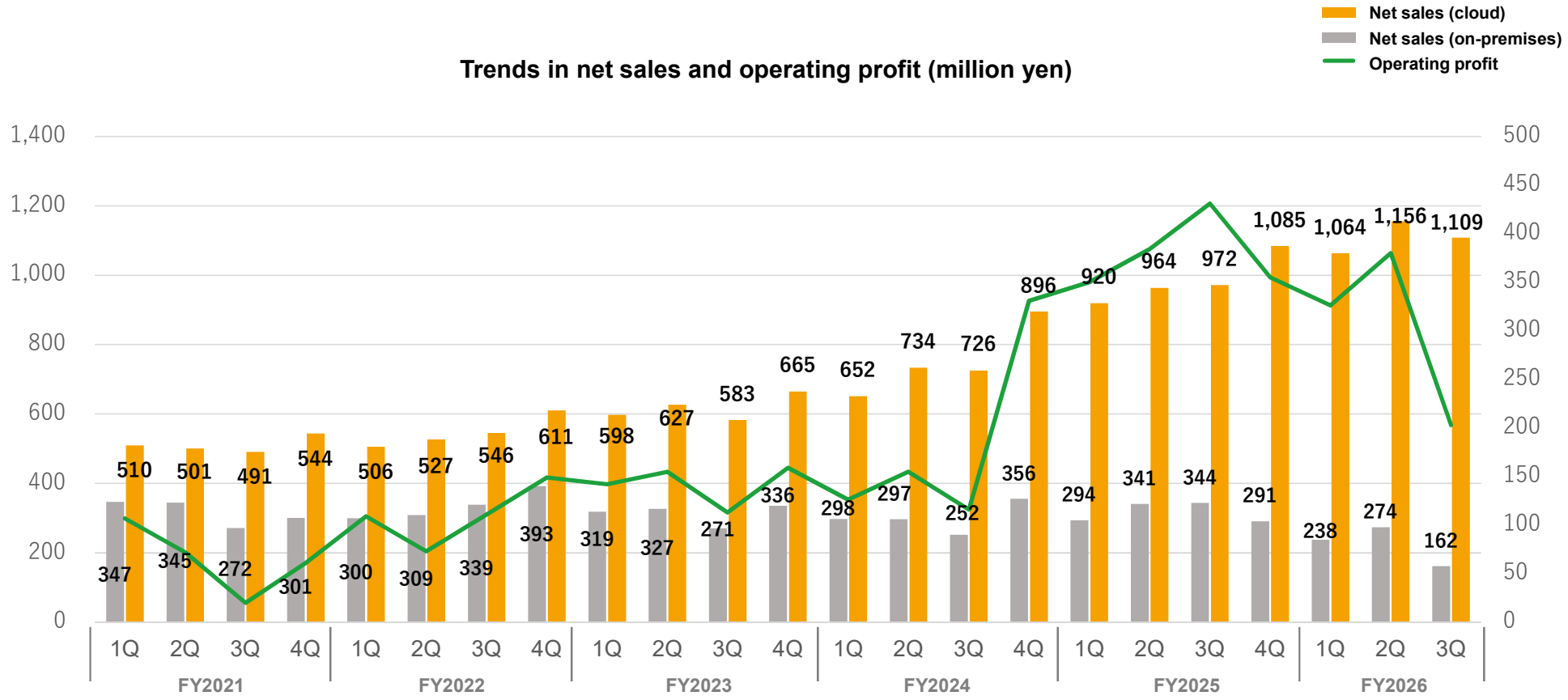
(Unit: Million yen)

	FY2025 3Q Results	FY2026 3Q Results	YoY change (%)	FY2026 full-year forecast	Progress rate (%)
Net sales	3,955	4,084	+3%	6,000	68%
Operating profit	1,166	910	-22%	1,601	57%
Ordinary profit	1,164	911	-22%	1,609	57%
Profit	766	593	-23%	1,050	56%

Trends in FY2026 Net Sales and Operating Profit

■ The Cloud Business sales continued to grow, accelerating the business model shift.

・**Although On-Premises Business sales decreased due to the shift to the cloud, Cloud Business sales grew 17% YoY for the nine months ended September 30, 2026, and our transition to a recurring revenue model that steadily accumulates each quarter is progressing.**



YoY Changes in Net Sales by Business Segment

■ **Cloud Business grew by 17% YoY, accelerating the business model shift.**

- **Growth in cloud license sales drove the overall increase in sales, offsetting the decrease in on-premises sales and resulting in revenue growth.**

(Unit: Million yen)

Business segment		Sales segment		FY2025 3Q results	FY2026 3Q results	YoY change (%)
Net sales	HRM Business	Cloud Business	Cloud License	2,256	2,825	+25%
			Cloud Consultation Support (introduction support)	429	374	-13%
			Others (mainly employment information devices)	172	130	-24%
			Subtotal	2,858	3,331	+17%
		On-Premises Business	Operation and Maintenance Support	403	343	-15%
			Software Products	415	214	-48%
			Software Consultation Support (introduction support)	94	72	-24%
			Employment Information Device	67	45	-33%
			Subtotal	981	675	-31%
		Total		3,839	4,006	+4%
		*Recurring Revenue		2,672	3,179	+19%
	Real Estate Rental Business			115	77	-33%
	Total			3,955	4,084	+3%

* Includes revenue from cloud licensing, Operation and Maintenance Support, and other services.

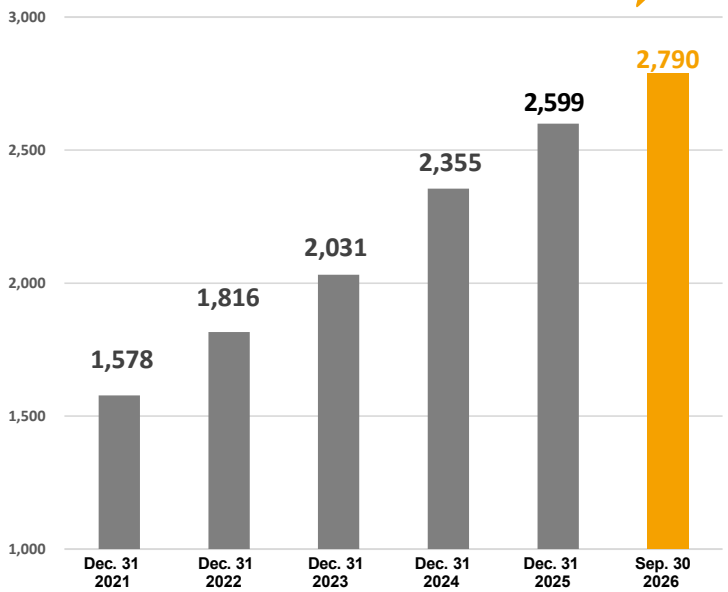
Number of Corporate Clients on Contract and Number of Licenses

■ Both the number of corporate clients and the number of licenses increased, showing steady expansion of the cloud customer base.

- **Both the number of cloud-based licenses and the number of corporate clients increased; growth in the number of licenses remains strong, maintaining a 19.9% average annual growth rate (AAGR) over the last 5 years.**

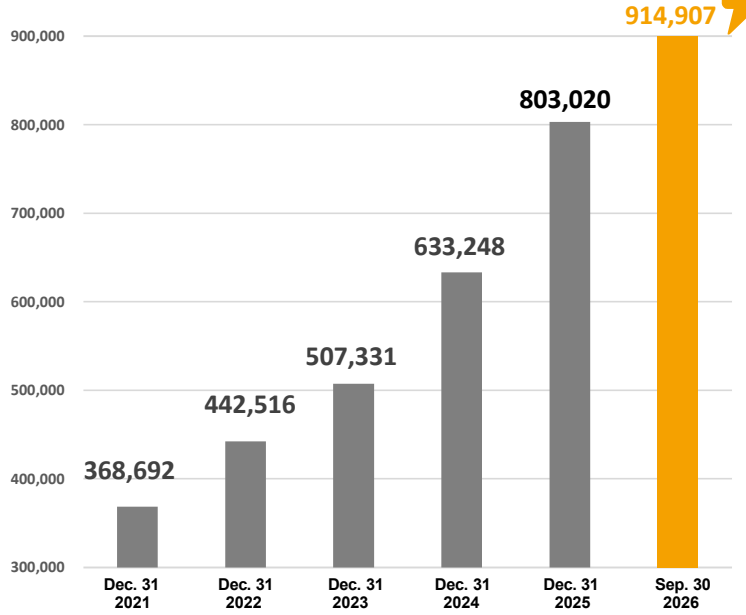
Number of corporate clients on cloud-based contracts (companies)

12.8%
AAGR for the last 5 years*



Number of cloud-based licenses* (persons)

19.9%
AAGR for the last 5 years*



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

ARPU trend

ARPU	December 2024	March 2025	June 2025	September 2025	December 2025	March 2026	June 2026	September 2026
Enterprise	389 yen	395 yen	398 yen	398 yen	400 yen	397 yen	391 yen	391 yen

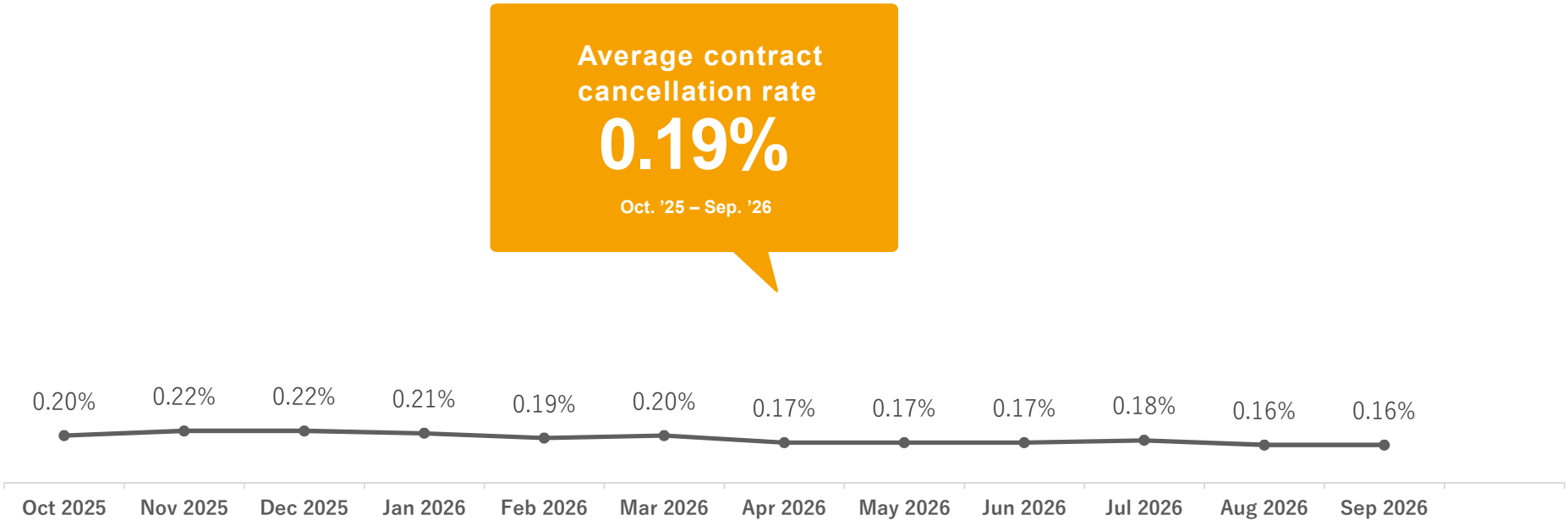
* AAGR for the last 5 years is calculated for the period from October 2021 to September 2026.

Cloud-Based Contract Cancellation Rate

■ The cloud-based contract cancellation rate remains low, reflecting strong customer retention.

- **The monthly average cancellation rate for the last 12 months remained low at 0.19%, reflecting the stable recurring revenue base.**

Cloud-based contract cancellation rate* (%)



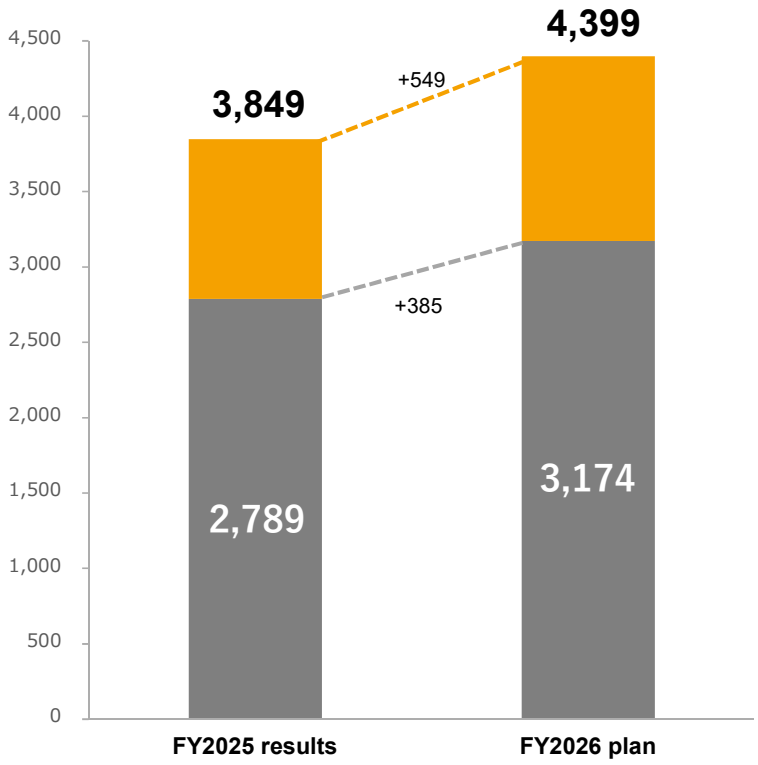
*The monthly average cancellation rate is calculated by dividing revenue from customers who cancelled their contracts in the current month by revenue from total customers in the previous month.

Cost Structure

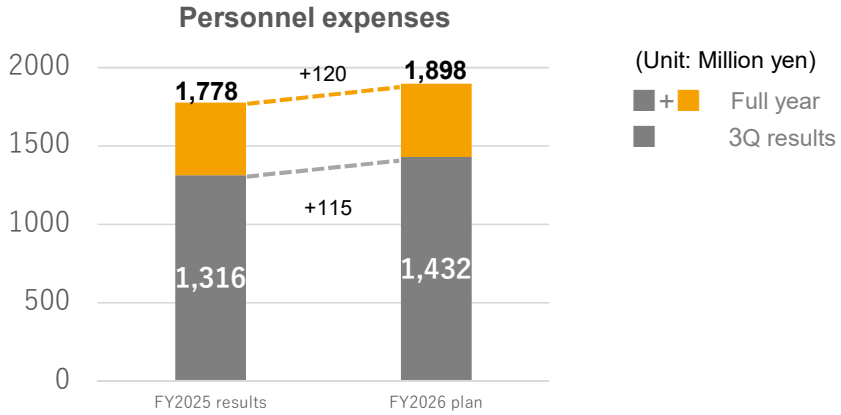
Cost structure for the third quarter of the fiscal year ending December 31, 2026

- The YoY cost rose by 385 million yen due to an increase in amortization of software following new feature releases and an increase in personnel expenses to secure talent. Both are essential upfront investments for future growth, expected to contribute to growth in the next fiscal year and beyond.

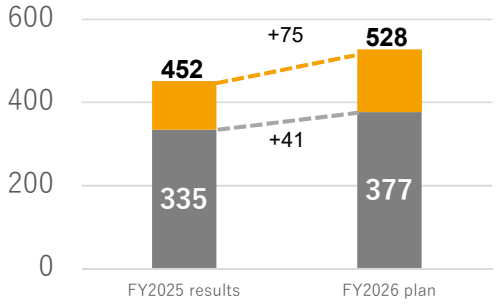
Expenses trend (consolidated)



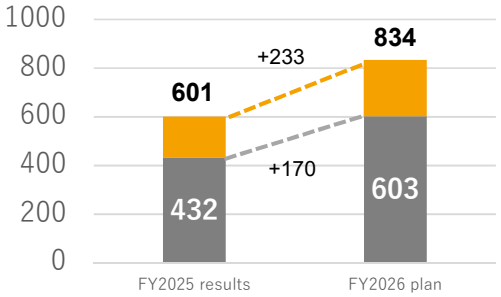
Personnel expenses



Expenses for Cloud Business



Amortization of software



1. Consolidated Financial Results
   for the Third Quarter of the Fiscal Year Ending December 31, 2026 (FY2026)

2. **Progress on Our Mid-Term Management Plan**

3. Growth Strategy

4. Topics

Progress on Our Mid-Term Management Plan

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

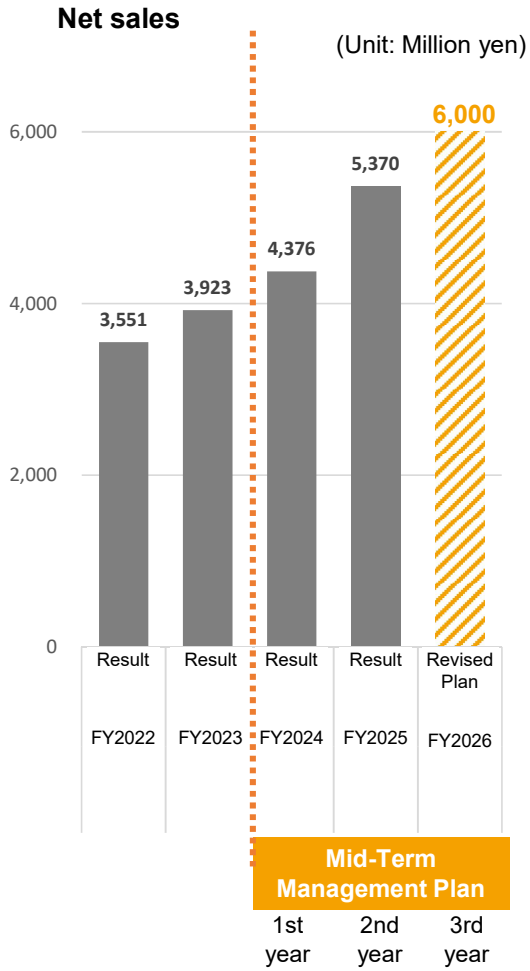
- We plan to increase upfront investments with a primary focus on product development to accelerate the growth of the Cloud Business.
- Investments and expenses for cloud facility are projected to rise in stages from FY2025 onward in conjunction with efforts to achieve target of 1 million cloud licenses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

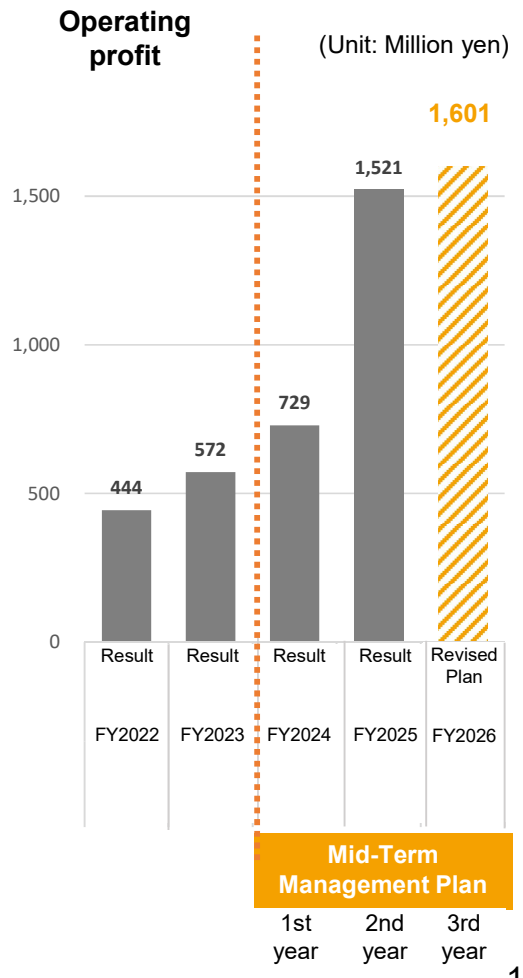
[Progress on three-year plan] (Unit: Million yen)

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

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

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





Mid-Term Management Plan

Business strategy

・Increase recurring revenue with the Cloud Business as a growth driver.

	Strategy to grow business laid out in the Mid-Term Management Plan	Key measures taken through FY2026 3Q
1	Accelerate the product feature development aimed at HRM all-in-one solutions*	✓ Launched new time recorder “NRL-3.” The device even supports on-site operations, including support work clocking and labor-hour aggregation
2	Shift on-premises users of Kinjiro Enterprise, which is our previous product, to cloud-based services through Universal Kinjiro	✓ Accelerated the migration of existing on-premises customers to Universal Kinjiro
3	Pricing strategy	✓ Strengthened the product platform with the aim of ARPU improvement by enhancing features ✓ Announced price revisions for our cloud services (to take effect starting in July 2027)
4	Enhance services for employees (BtoE) and roll out services for consumers (BtoC)	✓ Inducted into the Hall of Fame for the Japan Health Insurance Association’s “Healthy Declaration Excellent Office” program for the fifth consecutive year in recognition of our health & productivity management initiatives ✓ Leveraged our in-house experience and know-how in using Universal Kinjiro to enhance our products and develop proposals for clients

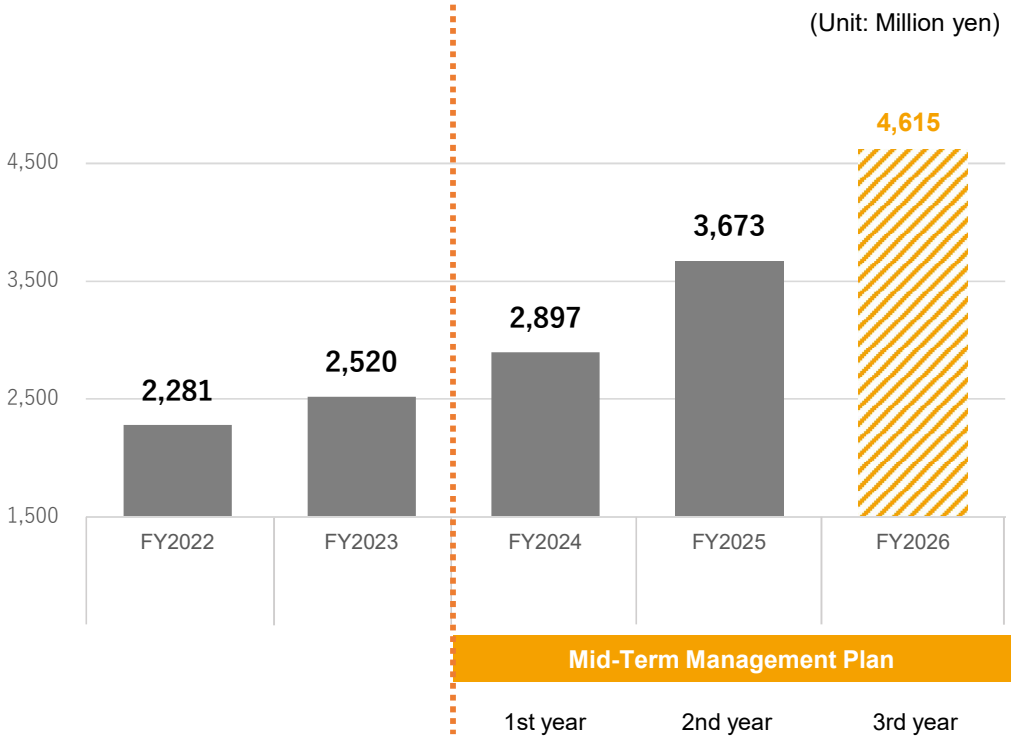
*Our HRM solutions provide employment, attendance, HR, salary, and human capital data to facilitate health & productivity management.

Key Management Metric Trends (5 Years)

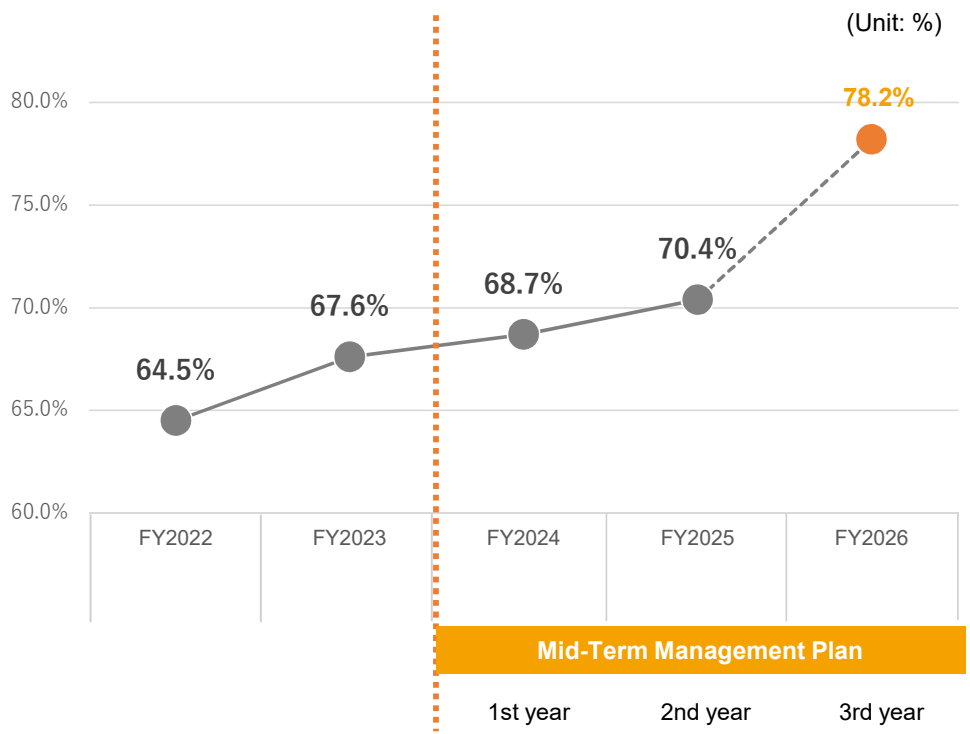
Recurring revenue continued to grow, improving revenue stability

- Driven by an increase in cloud license sales, recurring revenue is projected to reach 4,615 million yen, bringing its ratio to 78.2% and accelerating the shift to a revenue structure of recurring charge system.

■ Trend in recurring revenue



■ Trend in the recurring revenue ratio

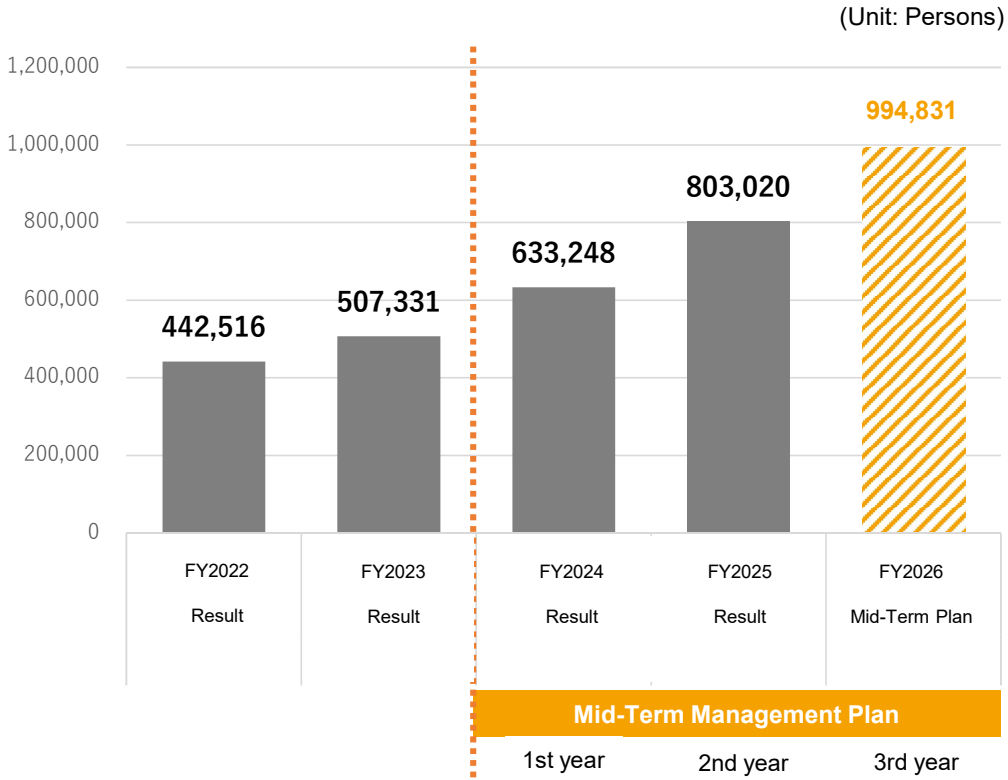


Key Management Metric Trends (5 Years)

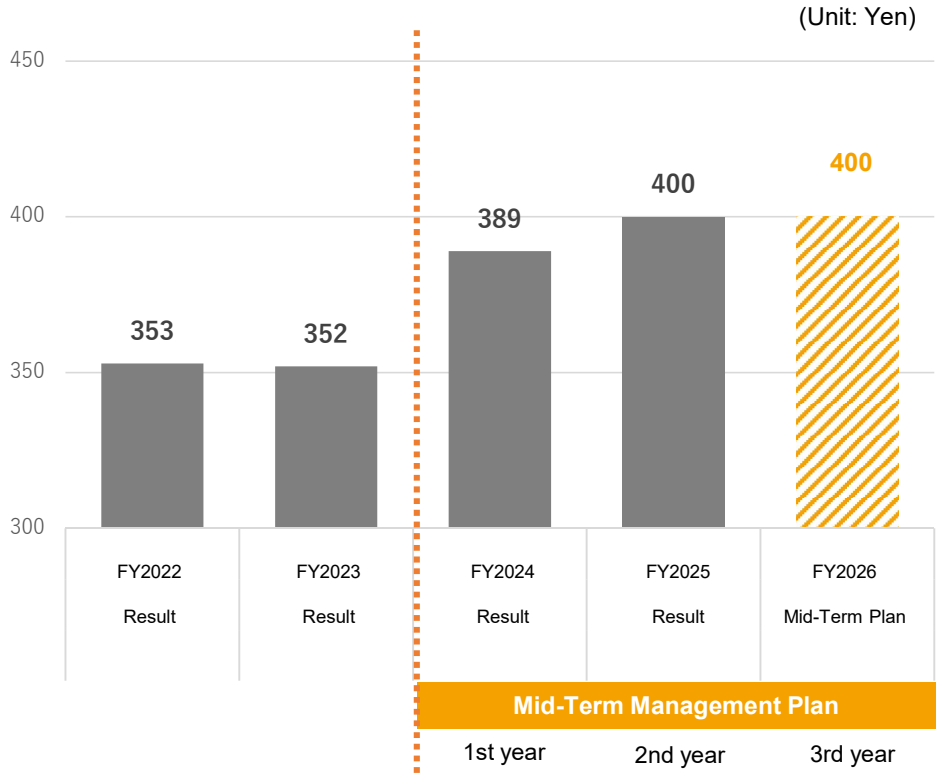
■ Growth in the number of cloud licenses remained strong, and the product platform was strengthened to improve ARPU

- The number of cloud-based licenses grew steadily toward achieving the goal of the Mid-Term Management Plan, and the platform was further strengthened with the aim of ARPU improvement by enhancing features such as talent, salary, and health management.

■ Number of cloud-based licenses



■ Trend in the ARPU



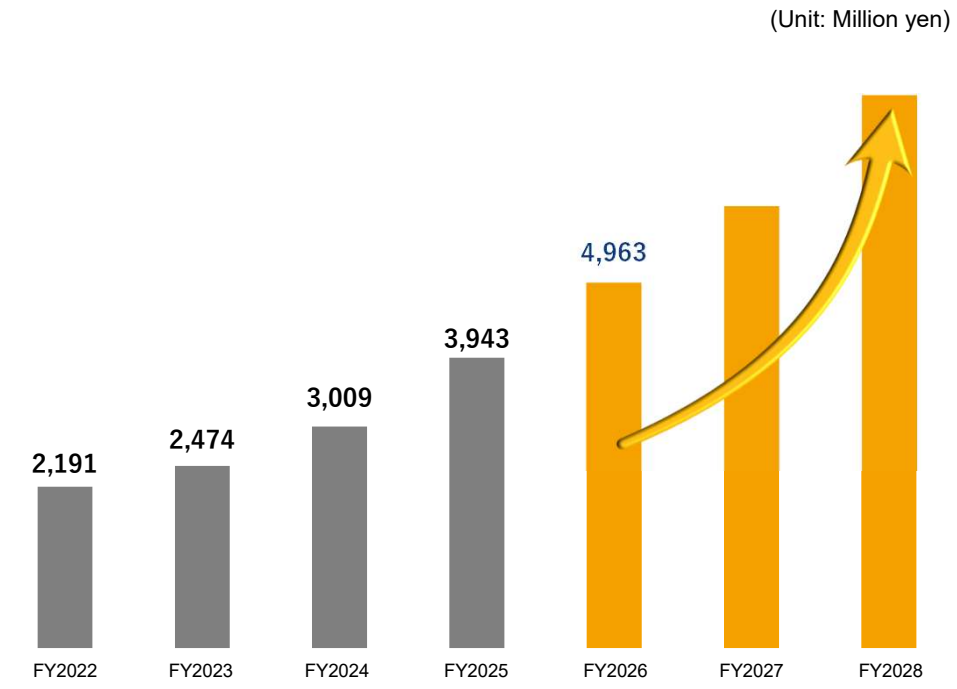
1. Consolidated Financial Results
   for the Third Quarter of the Fiscal Year Ending December 31, 2026 (FY2026)
2. Progress on Our Mid-Term Management Plan
3. **Growth Strategy**
4. Topics

Cloud Business Drives Medium- to Long-Term Growth

■ Cloud Business will be the primary driver of growth in both the number of licenses and ARPU

・We aim for growth in the Cloud Business sales toward 2028 by increasing the number of licenses through cloud migration of existing on-premises customers and new customer acquisition as well as by improving ARPU through expansion of HRM service functionality.

Cloud Business sales trend



Key point: Growth of cloud business sales will drive the medium- to long- term growth

Cloud Business sales have continued to grow at a high rate

Cloud Business sales are expected to grow further in future

ARPU improvement will support further growth acceleration

Kinjiro's Growth Strategy

Changing market environment: the HRM market shifts toward the 3rd generation

With the development of human capital disclosures, HRM evolves from a back-office administration tool into a platform to be utilized for business development

1st Generation On-premises ERP
1990s – around 2010
Labor management
To improve back-office efficiency
Mainly for routine administration (procedures/statistics)

2nd Generation Cloud ERP
2010 – around 2025
Cloud-based HR/labor
Centralized information management
Data organization (standardize/centralize)

3rd Generation HRM platform
2026 onwards
Human capital management / Utilization of AI
Use for business decision making / Drive health & productivity management
Assist in visualization / projection / decision making

Conventional market: function-specific solutions

- HR management
- Attendance management
- Salary management
- Employee health management
- Talent management
- Hiring management

Data are separated by function
Difficult to gain a comprehensive understanding necessary for business decisions

Kinjiro: Integrated HRM platform

HR / Health / Attendance / Labor cost data
↓
Data integration / Visualization / Utilization platform
↓
Decision support x Human capital value enhancement
Administration tool evolves into a business development platform

Growth Strategy Overview

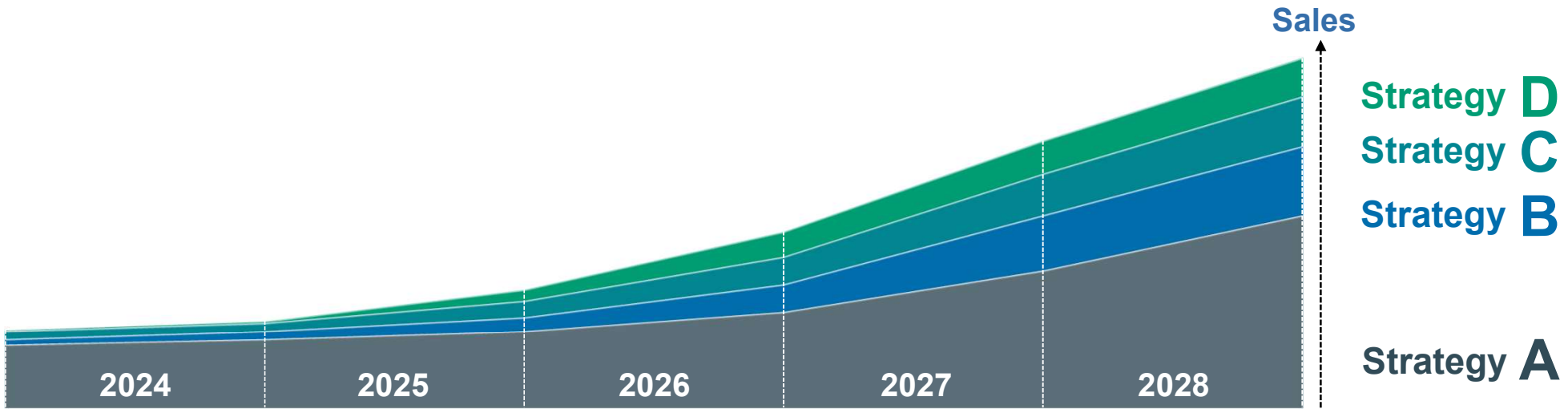
Overview of the growth strategy toward 2028

Strategy A Cloud strategy: Central core of sales growth through cloud user expansion

Strategy B Farm existing customers: Improve ARPU through adoption of HRM by existing customers

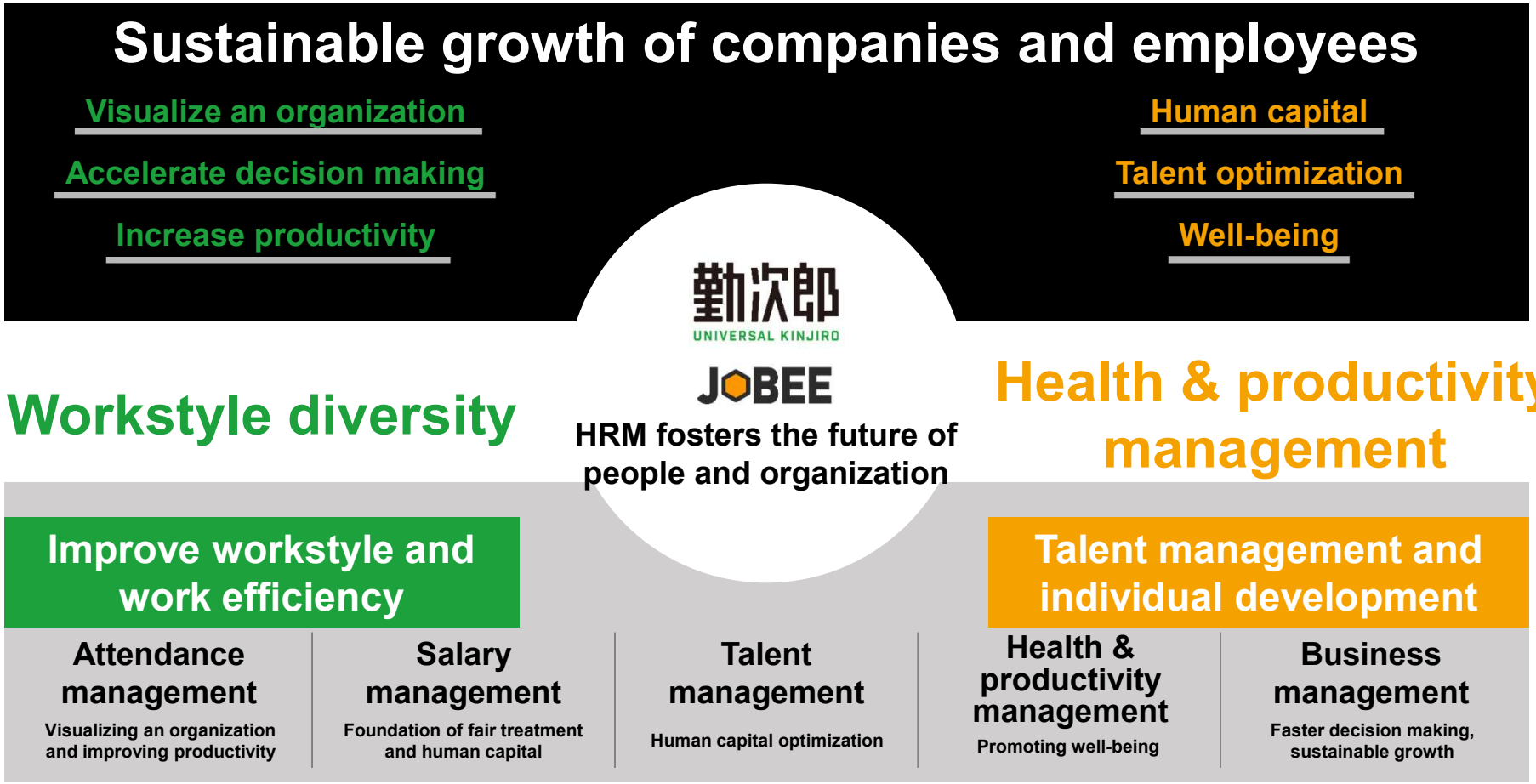
Strategy C Strengthen the cloud infrastructure: boost development efficiency, scalability and competitiveness of offerings

Strategy D Roll out HRM platform: create new value that supports human capital management



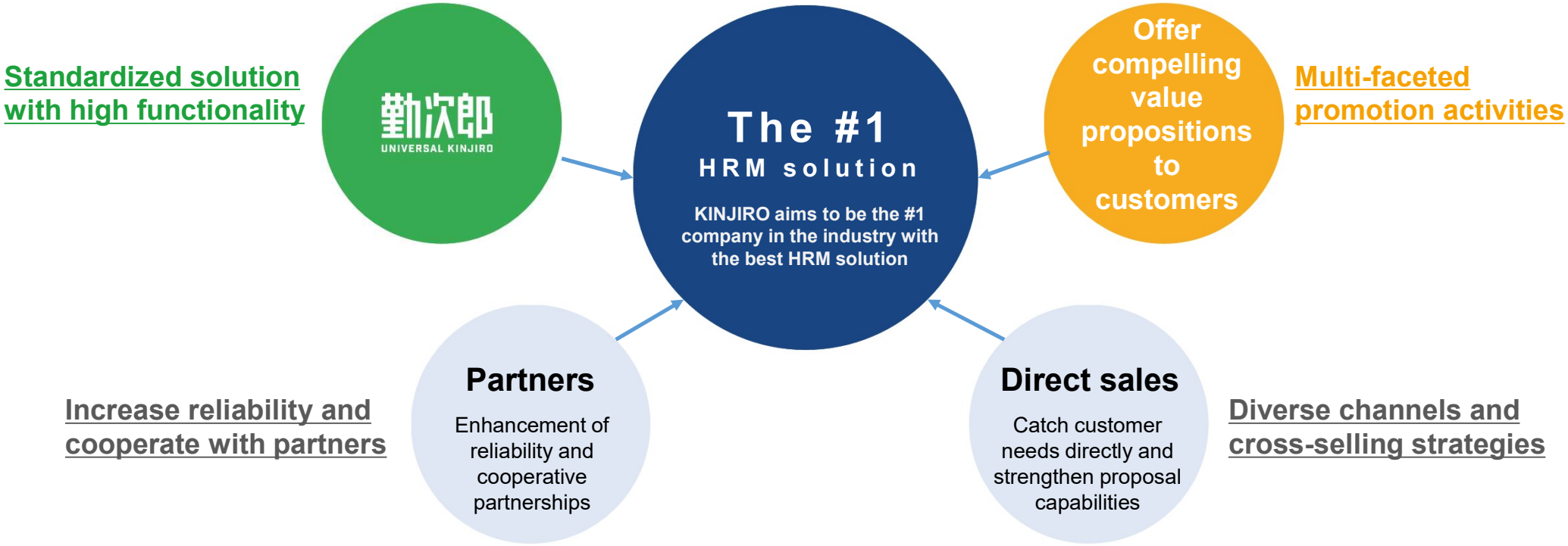
Growth Strategy Overview

Strategy A | Strategy B | Business and product concept



Growth Strategy Overview

Strategy A **Growth measures to accelerate new customer acquisition**



Growth Strategy Overview

Strategy B

Increase ARR through adoption of HRM by existing customers

Through adoption of HRM, expand the areas of use and promote workflow integration to increase ARPU and retention rate, to increase ARR

Key management metric		Customer unit price		Contract size		Maintain/increase
ARR Annual Recurring Revenue	=	ARPU	X	Number of licenses	X	Retention rate (NRR)

ARPU improvement

400 yen

Enlarge the areas of use within existing customers through enhancing the value offered, to improve ARPU

Number of licenses

About 1 million Licenses

Promote to our customer base the enlargement of the areas of use and workflow integration through adoption of HRM

Retention rate (NRR)

99.79%

Reduce cancellation through adoption in operations and expansion of use to improve retention rate

The figures are the year-end targets for the current fiscal year.

Growth Strategy Overview

Strategy C Strengthen the cloud infrastructure

■ Build the infrastructure to connect all processes integrally from data organization through decision support

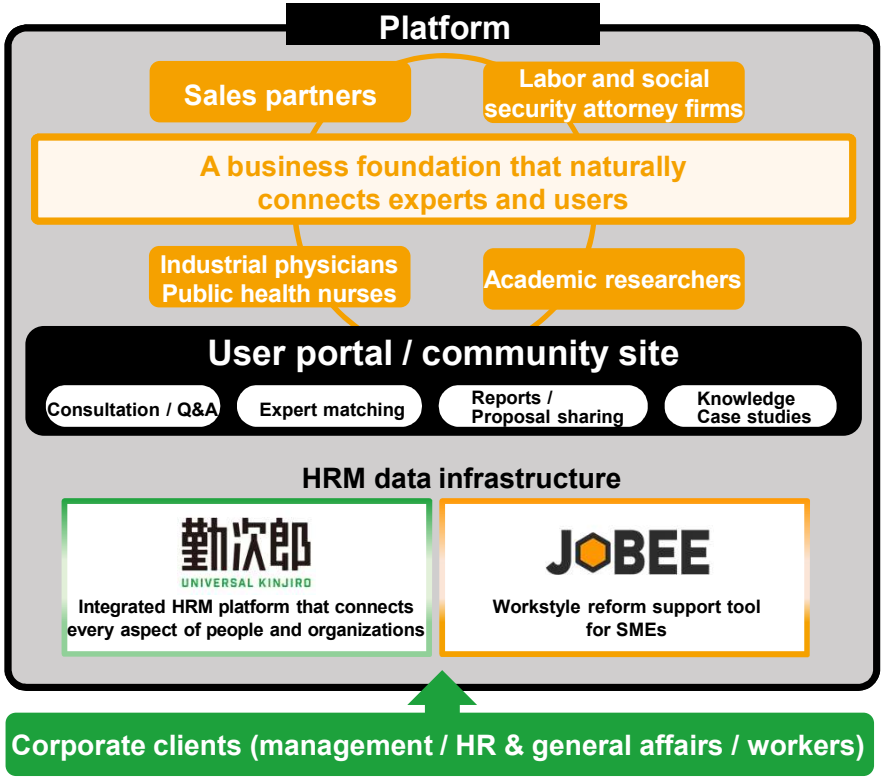
To support the acquisition of new customers, the adoption of HRM by existing customers, and future platform plans, we will accelerate the shift from on-premises to cloud-based solutions and systematically strengthen our infrastructures for data integration, authentication and authorization, and visualization and projection.

① Strengthen infrastructure for shift from on-premises to cloud	② Data integration and authentication-and-authorization infrastructure	③ Visualization, projection and decision making
Kinjiro Private Cloud	Kinjiro **AuthLink**	**Kinjiro EX-workbench (tentative)** **<Enhancement of API and MCP>**

We will enhance cloud infrastructures as a strategic infrastructure investment to connect processes from data organization through visualization, projection to decision support

Growth Strategy Overview

Strategy D HRM Platform Vision



Corporate clients: Comprehensively solve HRM challenges	Co-creation partners: Expand business by utilizing their expertise	Kinjiro: Grow as a hub of HRM services
Comprehensive resolution of HRM challenges	Opportunities to expand business by leveraging their expertise	Sustainable growth as a hub of HRM services

1. Consolidated Financial Results
   for the Third Quarter of the Fiscal Year Ending December 31, 2026 (FY2026)
2. Progress on Our Mid-Term Management Plan
3. Growth Strategy
4. **Topics**

Kinjiro's Mission and Strength

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

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

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

勤次郎
UNIVERSAL KINJIRO



SUSTAINABLE DEVELOPMENT GOALS

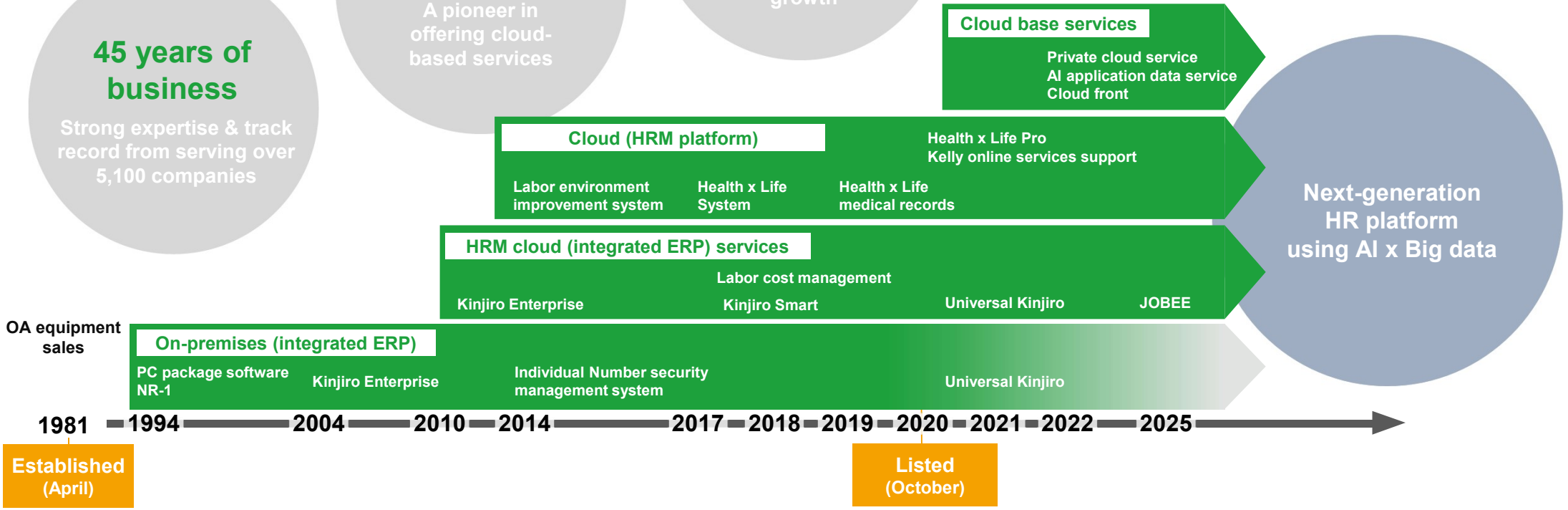
Our History

Providing services that accurately anticipate the changing times

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

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

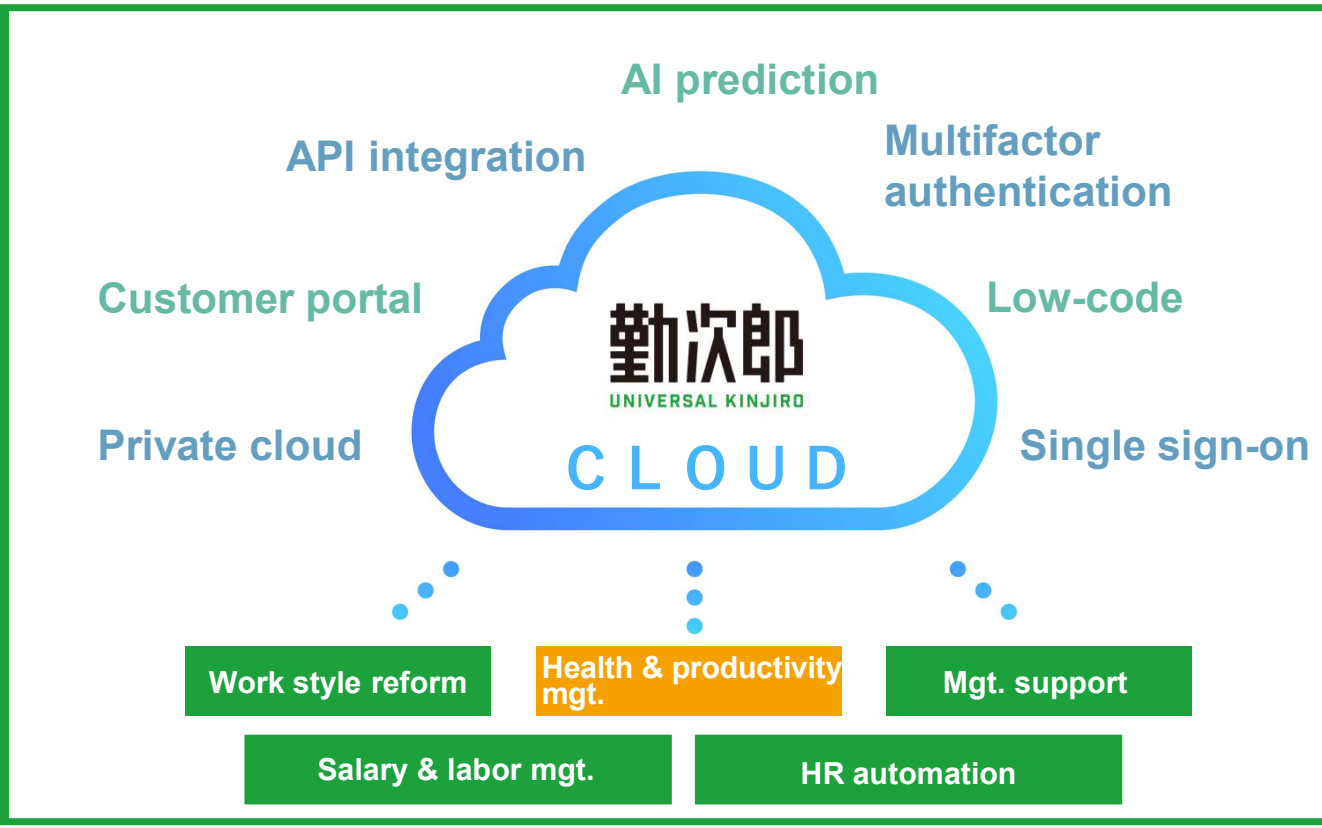
Focusing on human capital management
Supporting worker happiness and corporate growth



Business Scope

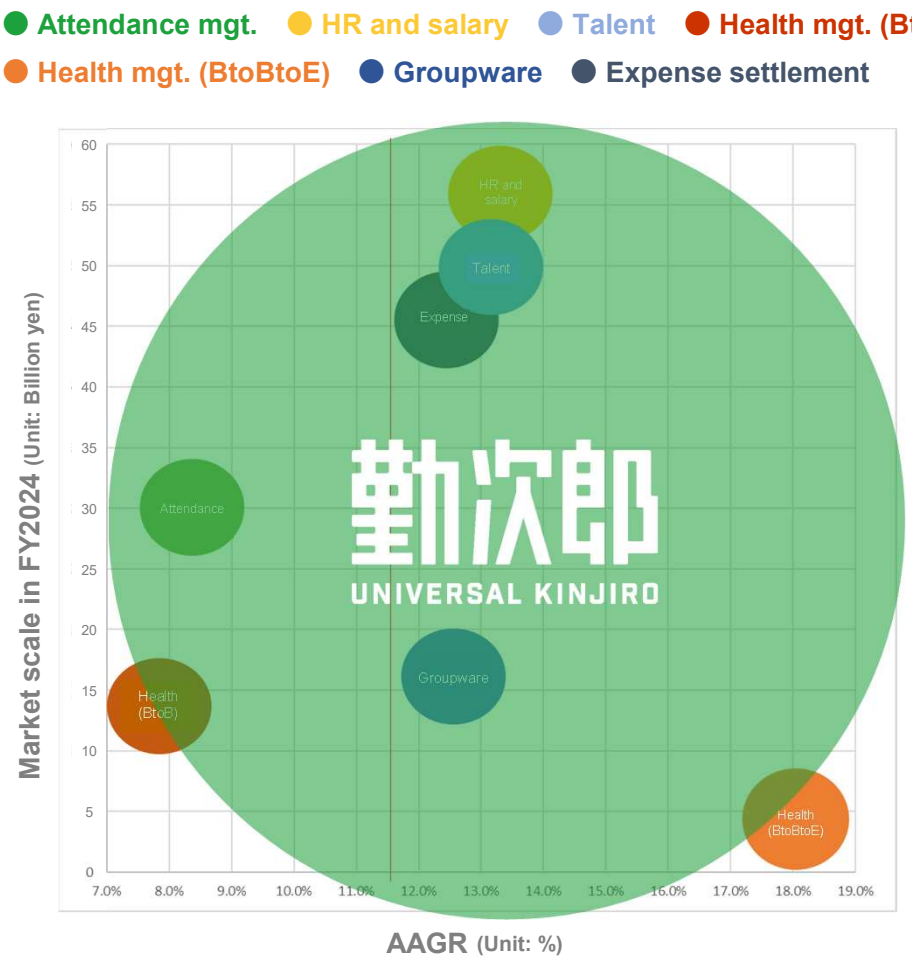
Simultaneously manage work and health to achieve work style reform and health & productivity management, and help enhance corporate value by improving labor productivity

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



Human Capital Management

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



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

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

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

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

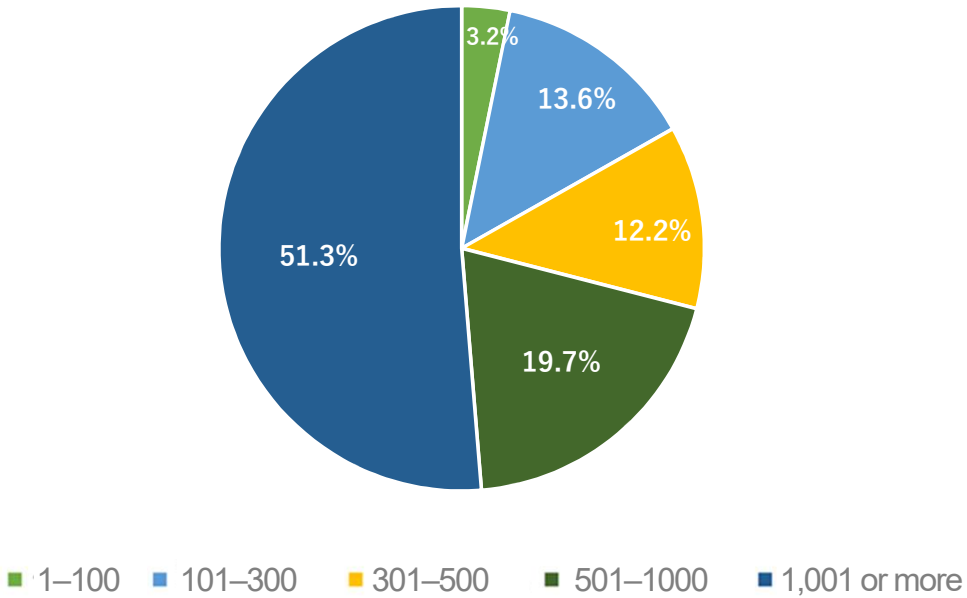
Kinjiro Installations Breakdown by Scale and Industry

A diverse customer base across industries and company sizes, from SMEs to large enterprises

- **Our solutions are used across a wide range of industries, including manufacturing, retail, and construction, and meet diverse customer needs, from large-enterprise solutions to cloud HRM for SMEs.**

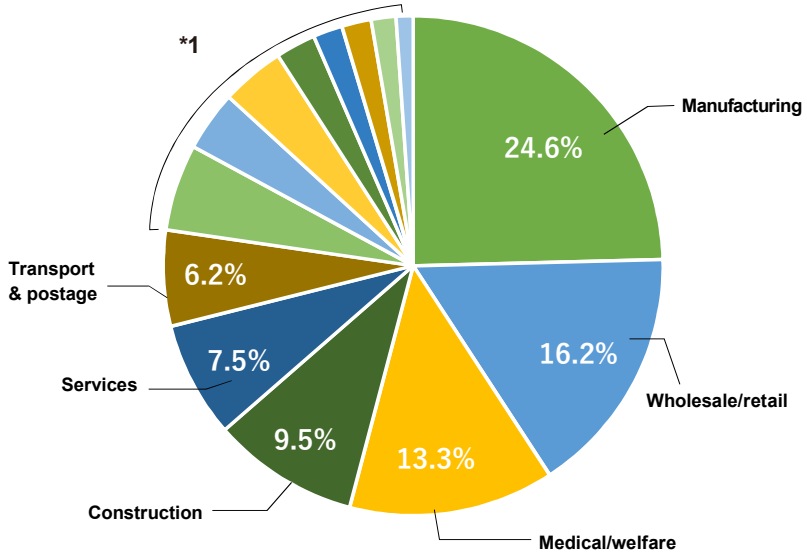
1. Breakdown of implementation by number of licenses

Breakdown of licenses by corporate scale



2. Breakdown of client numbers by industry

*Implementation at a diverse range of different enterprises



*1
- Academic & specialist / technical services: 5.6%
- Information & communications: 4.1%
- Real estate & rental: 3.9%
- Accommodation & food: 2.6%
- Lifestyle services & entertainment: 1.9%
- Finance & insurance: 1.9%
- Education & learning support: 1.6%
- Others: 1.1%

* Implementation results in cloud business and on-premises business as of June 30, 2026

Launched New Time Recorder “NRL-3”

■ The new “NRL-3” time recorder, designed to meet the needs of diverse work environments, went on sale on September 14, 2026.

In addition to secure facial recognition-based clocking, a single device can support on-site operations, including support work clocking and labor-hour management.



Sales Launch	Shipping Started
September 14, 2026	**October 1, 2026**

Background to development

As labor shortages intensify and work styles diversify, there is growing demand for efficient visibility into on-site operations, including support work across locations and labor hours by task.

Key features of “NRL-3”

1. **Multiple clocking methods, usable in combination**
   Supports facial recognition (anti-spoofing), contactless IC cards (MIFARE and FeliCa), Osaifu-Keitai, and ID entry.
2. **Flexible installation with PoE and wireless LAN support**
   In addition to wired LAN, the device supports wireless LAN and PoE, making it easier to install in locations where access to an AC power outlet is limited.
3. **A single device can support on-site operations**
   Collects time punches for the start, end, and transfer of support work; aggregates labor hours by task; and supports irregular shifts, unscheduled punches, and lunch orders.
4. **Reliable data retention even during network failures**
   Stores approximately 10,000 time punch records on the device and synchronizes data once the network connection is restored.
5. **Voice guidance to prevent time punch errors**
   Provides voice guidance for punching in, punching out, going out, and returning.

A single device can support diverse work styles and on-site needs, enabling attendance management tailored to each workplace

Inducted into the Hall of Fame for the Japan Health Insurance Association’s “Healthy Declaration Excellent Office” Program

■ **[Five consecutive years of recognition earn Hall of Fame status] Recognized as a Hall of Fame company under the Japan Health Insurance Association’s “Healthy Declaration Excellent Office” program**

Our health & productivity management initiatives, supported by our proprietary HRM solution "Universal Kinjiro," received recognition from the Aichi Branch of the Japan Health Insurance Association in September 2026.

5 consecutive years of recognition

Recognized as a Hall of Fame company



表彰状

令和七年度健康宣言優良事業所

勤次郎　株式会社　殿

貴社は「健康宣言チャレンジ事業所」として職場の健康づくりに積極的に取り組まれており その取り組みは他社の模範となるものであります よってここに表彰します

令和八年九月二日

全国健康保険協会愛知支部
支部長　松下　敏幸

Key results of our initiatives

Follow-up examination rate	Uterine cancer screening rate	Health examination and specific health guidance
94%	**83.7%**	**100%**
Improved from less than 50%	Improved from 21.4%	Maintained participation and utilization rates

Company-wide support programs newly introduced this fiscal year

Smoking cessation challenge support program

Full allowance to cover smoking cessation clinic expenses

Subsidy program for promotion of regular exercise

Subsidies for monthly gym memberships and similar expenses (pilot program)

We practice health & productivity management ourselves by centrally managing and analyzing health data using our own product, “Universal Kinjiro”

FY2026 Kinjiro Genki Project Activities

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

Concept for activities in FY2026

Work and life in order

◆ Morning cleanup project: Outdoor cleanup

・Clean-up events are held regularly in areas around the Nagoya headquarters building.



◆ Health event: "Refresh day for mind and body"

・Public health nurses from the Japan Health Insurance Association conducted seminars on improving dietary habits, along with self-care seminars featuring techniques employees can practice during the workday.



Disclaimer

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

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

勤次郎
UNIVERSAL KINJIRO