

# Visional, Inc. FY2026/7 2Q Financial Results FAQ

March 17, 2026

## Consolidated Financial Results

### Q1 What is the summary of FY2026/7 2Q financial performance and progress to FY financial forecast?

2Q YTD consolidated net sales recorded JPY 46.61Bn (26.2% YoY growth) and 2Q recorded JPY 23.27Bn (27.6% YoY growth). Progress to FY financial forecast is 47.0% (2Q YTD progress of the previous fiscal year to FY actual results of the previous fiscal year was 46.1%). Each business progressing on plan.

2Q YTD consolidated EBITDA was JPY 14.02Bn (28.6% YoY growth, 30.1% margin) and 2Q was JPY 6.42Bn (25.8% YoY growth, 27.6% margin). 2Q YTD consolidated operating profit was JPY 12.76Bn (24.9% YoY growth, 27.4% margin), and 2Q was JPY 5.69Bn (19.4% YoY growth, 24.5% margin). Profits on plan, as quarterly investments are planned to gradually expand toward the fiscal-year end.

The Company consists of the HR Tech Segment and the Incubation Segment.

#### HR Tech Segment:

BizReach: 2Q YTD net sales recorded JPY 38.30Bn (19.2% YoY growth) and 2Q recorded JPY 18.65Bn (18.2% YoY growth). Direct employers' hiring demand for professionals and job seekers' behavior continue to remain favorable. The total number of registered direct employers reached more than 41,800 companies as of the end of January 2026. This is an increase of more than 1,800 companies compared to 1Q. Progress on plan.

2Q YTD operating profit (before corporate expense allocation) recorded JPY 16.36Bn (23.7% YoY growth, 42.7% margin) and 2Q was JPY 7.52Bn (19.7% YoY growth, 40.4% margin). As investments are planned to expand toward the fiscal-year end, and marketing investments were executed steadily, 2Q profit levels on plan.

HRMOS: 2Q YTD net sales recorded JPY 4.14Bn (73.9% YoY growth) and 2Q recorded JPY 2.35Bn (91.9% YoY growth). In addition to net sales growth in each service, sonar ATS by HRMOS, a service by Thinkings Inc., which we acquired 100% of the shares in October 2025, was consolidated for the full 3 months in 2Q (only 1 month in 1Q).

2Q YTD operating profit (before corporate expense allocation) recorded JPY 0.03Bn (operating loss of JPY 0.12Bn for the same period of the previous fiscal year) and 2Q recorded JPY 0.11Bn (operating loss of JPY 0.04Bn for the same quarter of the previous fiscal year). Achieved profitability both for the quarter and YTD.

HRMOS (\*1) ARR was JPY 8.95Bn.

HR Tech Other: This includes other recruitment related businesses.

#### Incubation Segment:

To increase mid to long term enterprise value, we are creating businesses in growth areas other than HR Tech.

2Q YTD segment net sales recorded JPY 2.46Bn (121.1% YoY growth) and 2Q recorded JPY 1.34Bn (144.0% YoY growth). 2Q YTD segment operating loss recorded JPY 0.93Bn (operating loss of JPY 0.77Bn for the same period of the previous fiscal year) and 2Q was JPY 0.46Bn (operating loss of JPY 0.41Bn for the same quarter of the previous fiscal year). We are building

businesses whilst controlling investments.

(\*1) FY2026/7 HRMOS KPIs include HRMOS ATS, HRMOS Talent Management, Internal BizReach by HRMOS, HRMOS Attendance Management, HRMOS Expense Management, HRMOS Payroll, and sonar ATS by HRMOS.

Please refer to Q16 of this document for a comparison between FY2025/7 and FY2026/7.

## Q2 What is the summary of the financial forecast for FY2026/7?

There is no change to our FY2026/7 consolidated forecasts disclosed on September 11, 2025, and performance is progressing on plan; consolidated net sales forecast for FY2026/7 is JPY 99.20Bn (23.7% YoY growth), consolidated EBITDA forecast is JPY 26.00Bn (12.1% YoY growth, 26.2% margin) and consolidated operating profit forecast is JPY 23.10Bn (7.7% YoY growth, 23.3% margin). In order to increase Visional Group's enterprise value in the mid-term, we will continue with disciplined execution. Leveraging on the stable profits BizReach delivers through its continuing growth, we plan to execute growth investments and M&A to capture the significant business expansion potential.

FY consolidated forecast includes financial figures of Thinkings, Inc. and estimated goodwill amortization, post the acquisition on October 1, 2025.

(JPY MM)	6 months ended Jan 31, 2026	FY2026/7 Forecast	Progress
<b>Consolidated Net Sales</b>	<b>46,610</b>	<b>99,200</b>	<b>47.0%</b>
<b>HR Tech Segment</b>	<b>44,140</b>	<b>93,600</b>	<b>47.2%</b>
BizReach	38,306	80,300	47.7%
HRMOS	4,144	9,000	46.1%
<b>Incubation Segment</b>	<b>2,467</b>	<b>5,600</b>	<b>44.1%</b>
<b>EBITDA</b>	<b>14,020</b>	<b>26,000</b>	<b>53.9%</b>
<b>Operating Profit</b>	<b>12,768</b>	<b>23,100</b>	<b>55.3%</b>
<b>Ordinary Profit</b>	<b>14,092</b>	<b>23,530</b>	<b>59.9%</b>
<b>Profit Attributable to Owners of Parent</b>	<b>9,396</b>	<b>16,081</b>	<b>58.4%</b>

### HR Tech Segment:

BizReach: There is no change to FY2026/7 net sales forecast of JPY 80.30Bn (17.0% YoY growth, +JPY 11.68Bn YoY), reflecting favorable trends in direct employers' hiring demand for professionals and job seekers' behavior despite uncertainties in the economy. Net sales growth amount is forecasted to expand compared to FY2025/7. There is no change to operating profit margin (before corporate expense allocation) at 40%.

HRMOS: There is no change to FY2026/7 net sales forecast of JPY 9.00Bn (72.6% YoY growth, +JPY 3.78Bn YoY), based on expansion of each service, growth of the integrated HRMOS series, and 10 months consolidation of sonar ATS by HRMOS (Thinkings, Inc.).

As HRMOS achieved profitability for both 2Q and 2Q YTD, we will expand growth investments based on the business environment. FY2026/7 FY operating loss (before corporate expense allocation) forecast is changed from the initial plan of around JPY 0.20Bn to around JPY 0.60Bn (expanding by JPY 0.40Bn in investment from the initial forecast).

### Incubation segment:

We continue to create businesses to enhance enterprise value over the mid to long term,

balancing investment for future growth and cost discipline. There is no change to segment net sales forecast for FY2026/7 of JPY 5.60Bn (78.4% YoY growth, +JPY 2.46Bn YoY). Quarterly net sales may fluctuate as we are building new businesses. While continuing growth investments, FY2026/7 FY segment operating loss forecast is changed from the initial plan of around JPY 2.80Bn to around JPY 2.40Bn (improving by JPY 0.40Bn from the initial forecast).

Should our financial forecast change based on changes in the economic assumptions etc., we will disclose as soon as appropriate.

**Q3 What is penalty income recorded in the non-operating income?**

When there is a violation of our BizReach terms of service, we charge a penalty that is defined in our terms of service agreement. This penalty income is recorded in non-operating income. For FY2026/7 2Q YTD, JPY 1.15Bn was recorded as penalty income (1Q: JPY 0.99Bn, 2Q: JPY 0.15Bn). 1Q includes a temporary impact due to a change in accounting treatment to better reflect the actual status.

**Q4 What is the background of acquiring shares of Thinkings, Inc.?**

On October 1, 2025, Visional Group completed the acquisition of 100% of the shares of Thinkings, Inc., which is a leader in the Applicant Tracking System (ATS) cloud market especially in the new graduate enterprise customer domain.

The ATS domain is strategically important as a linkage point between BizReach and HRMOS as we aspire to build the integrated HCM ecosystem. Thinkings, Inc. launched its flagship cloud service, sonar ATS, in 2012. The service has been a long-standing leader in the ATS cloud market establishing a firm position and a robust customer base especially in the new graduate hiring domain in the enterprise customer segment through its product development capabilities, serving the needs of customers in a market that is continuously evolving. By welcoming Thinkings, Inc., we will solidify our position as the market leader in the ATS cloud market ranging from new graduate and mid-career hiring of SME/mid-sized companies to enterprise customers (\*2).

We also believe that the acquisition will contribute to improving the mid to long term enterprise value of Visional Group, expanding our business through functional integration and cross-selling between BizReach, BizReach Campus, HRMOS series and sonar ATS, as well as accelerating the development of the HCM ecosystem with the product development capabilities of both companies.

Since our acquisition on October 1, 2025, we have announced the rebranding of its service to sonar ATS by HRMOS in December 2025. Collaboration with HRMOS started. Further integration strategy will be determined as we drive the business forward.

For details, please refer to the disclosure dated July 23, 2025.

(\*2) Calculated by BizReach, Inc. based on Deloitte Tohmatsu MIC Research Institute Co., Ltd. "HR Tech Cloud Market: Current Status and Future Prospects, 2024 Edition".

**Q5 What is the financial impact of acquiring shares of Thinkings, Inc.?**

Acquisition of shares of Thinkings, Inc. was completed on October 1, 2025. Our financial results for FY2026/7 1Q include 1 month consolidation impact, followed by full 3 months consolidation impact in 2Q. sonar ATS by HRMOS is reported as part of HRMOS financial figures.

M&A impact is included in our financial forecast for FY2026/7. FY consolidated forecast includes an estimated goodwill amortization of around JPY 1.1Bn related to the acquisition.

**Q6 What is the impact of stock options to total shares outstanding?**

We grant stock options (tax qualified stock options and stock options with charge) to directors and selected employees to increase their motivation and morale for improving business performance, and to hire talent for Visional Group, leading to further enhancement in the corporate value of Visional Group. These stock options can be exercised in phases through FY2030/7.

Total shares outstanding as of January 31, 2026, is 40,219,800 shares (increase of 83,300 shares from October 31, 2025). As of January 31, 2026, the total shares outstanding on a fully diluted basis is 41,487,500 shares.

**Q7 What is Operating Profit before Corporate Expense Allocation? (or shown as operating profit (before corporate expense allocation))**

This is the operating profit or loss of the business before bearing the personnel expenses and ancillary outsourcing and other general and administrative expenses associated with business administration, information systems that cannot be charged directly to specific products and services. In principle, the costs directly tied to products and services are recorded.

**Q8 What are Liabilities from application of Equity Method?**

This is an account that arose when 60% of Stanby, Inc. was divested to LY Corporation (formerly, Z Holdings Corporation). Stanby, Inc. is currently our equity method affiliate.

**Q9 What is the impact of advancement of AI technology to your business?**

We believe the advancement of AI technology has increased the value of data utilization, making it a primary source of competitiveness. With 16+ years of accumulated data in the professional talent segment, BizReach views this as an ideal opportunity to enhance its business value through the proactive application of AI. We will further strengthen our competitive edge by integrating technology with insights gained through human support and direct customer interactions.

Please refer to the FY2026/7 2Q presentation material regarding how we consider AI impact to our businesses.

**BizReach**

**Q10 How do you evaluate BizReach 2Q net sales growth of 18.2%?**

BizReach net sales in 2Q recorded 18.2% YoY growth, +JPY 2.87Bn YoY. BizReach FY net sales is forecasted to be 17.0% YoY growth, an increase in net sales of +JPY 11.68Bn YoY, which is larger than the previous year. We are progressing on plan towards the FY forecast.

More than 1,800 direct employers started to use BizReach in 2Q compared to 1Q, leading to the number of registered direct employers to reach more than 41,800 companies. Although hiring demand varies, direct recruiting has further expanded amongst Japanese companies.

Regarding 3Q BizReach net sales growth rate, although the business condition is favorable, we forecast the YoY growth rate to decelerate due to the YoY high growth rate hurdle for 3Q compared to the previous 3Q that trended significantly higher than trend at 22.2% YoY growth. This has been factored into our forecast from the start of the fiscal year.

Regarding the mid-term growth, there is no change to our expected growth forecast of around 15% YoY growth.

**Q11 What is your cost structure?**

Our major costs consist of marketing expenses and personnel expenses. As BizReach is still in its growth stage, we will strategically continue to invest in hiring to expand our sales organization, invest in generative AI driven product development, and conduct marketing

activities including online, offline ads, and TV commercials whilst carefully monitoring the return on our investments.

**Q12 What is the future vision of BizReach?**

We believe the importance of direct recruiting (direct sourcing) will increase as war for talent intensifies and liquidity in the labor market accelerates, driven by factors such as mismatch of corporation and worker life spans, shift to performance-based workstyle with clear job descriptions, and the social dynamic changes caused by the pandemic. As a fact, prospective job changers have been on the rise and exceeded 10MM individuals for the first time in 2023(\*3). In addition, the number of planned mid-career hires has increased significantly in recent years.

There are various perspectives about the impact of AI technology advancements on hiring demand. We believe it is highly likely that it will redefine required talents. Some jobs may be lost, while new jobs may emerge and liquidity in the Japanese labor market may accelerate. In the overseas market, which is ahead of the trend, there are various opinions about headcount reduction. Some reports indicate that laid-off headcounts may be reemployed next year, and others point out that the reduction of headcounts is part of cost reduction, not because AI is replacing jobs.

Demand for hiring is favorable in the professional talent segment in Japan. Labor shortages in Japanese companies remain unresolved, and there are high expectations for hiring as means of acquiring new skill sets and expertise. Despite the uncertainties in the economy and the impact of AI, hiring demand in the professional talent segment is forecasted to remain resilient.

By leveraging over 3.29 million resumes specifically from professional talent and our career matching data accumulated over 16+ years as our sources of competitiveness, we will continue to encourage increased use of our platform through further acquisition of job seekers and direct employers, reactivation of existing job seekers, investments in matching capabilities and the proactive application of AI.

(\*3) Based on "Labor Force Survey" by the Ministry of Internal Affairs and Communications. Employed individuals are defined as the working population aged 15 and over, excluding the unemployed and non-labor force population. Prospective job changers refer to individuals who are currently employed and would like to change jobs or those who would like to engage in other jobs in addition to their current jobs.

**Q13 Will BizReach be affected by stricter regulations on so-called "congratulatory gifts"?**

From April 1, 2025, some of the ministerial guidelines based on the Employment Security Act have been revised. As a result, providers of recruitment information, etc. are prohibited, in principle, from providing job seekers with money, gift certificates, etc. (Please refer to Japanese FAQ for the official Japanese provision title).

Providing a fair level of monetary provision played a role in preventing fraud in recruitment support services, and we had also been implementing such measures, but we are now taking measures to prevent fraud in other means that is aligned with the amendment.

**Q14 What is the financial impact from the price revision for headhunters?**

Pricing revision for headhunters is proceeding as scheduled, starting from February 2026 in phases. The impact is factored in our FY guidance, yet the impact is limited, as the revision applies to the performance fee rate and will take effect at the time of each contract renewal timing.

Since its launch in 2009, we have invested in the development of different functionalities etc. We

will continue to invest proactively in product development to strengthen our service platform.

## HRMOS

### Q15 What is the service lineup of HRMOS?

HRMOS currently consists of HRMOS ATS, HRMOS Talent Management, Internal BizReach by HRMOS, HRMOS Attendance Management, HRMOS Expense Management, HRMOS Payroll and the newly added sonar ATS by HRMOS.

sonar ATS by HRMOS joins HRMOS series through the acquisition of 100% of the shares of Thinkings, Inc. completed on October 1, 2025. We have announced the rebranding of its service in December 2025 and have started business collaboration with HRMOS.

HRMOS ARR as of 2Q end was JPY 8.95Bn.

### Q16 Why did HRMOS KPI for FY2026/7 fluctuate significantly?

We have redefined the services included in the HRMOS KPI disclosure and therefore, what was included up until FY2025/7 and what is included in FY2026/7 are different.

HRMOS has expanded its services by acquiring subsidiaries through M&A as part of its strategy to develop a series of integrated human capital management ecosystem. This includes acquiring IEYASU, Inc., (offering IEYASU, currently HRMOS Attendance Management), and ezSoft Co., Ltd. (offering eKeihi, currently HRMOS Expense Management). We conducted PMI for both services and integrated IEYASU Inc. into BizReach, Inc. on November 1, 2024, and ezSoft Co., Ltd. on August 1, 2025. Furthermore, we completed the acquisition of 100% of the shares of Thinkings, Inc. on October 1, 2025.

As such, the disclosure is changed as follows.

	Accounting Figures		KPI	
	FY2025/7	FY2026/7	FY2025/7	FY2026/7
HRMOS ATS	●	●	●	●
HRMOS Talent Management	●	●	●	●
Internal BizReach by HRMOS	●	●	●	●
HRMOS Attendance Management	●	●		●
HRMOS Expense Management	●	●		●
HRMOS Payroll	●	●		●
sonar ATS by HRMOS (from Oct. 2025)		●		●

The reason for changes in the trend of the number of unique paying customers and ARPU compared to the prior disclosure is the impact of HRMOS Attendance Management, which has a broad range of customers.

### Q17 What kind of service is Internal BizReach by HRMOS?

In recent years, changing jobs has become a positive option for career development, and employees who have left the company have increased in many companies. Internal BizReach by HRMOS is a new service aiming at creating a company at which employees will want to continue working by promoting "Internal Scouting" activities that provide employees with career options to address the new challenge of the outflow of employees. We believe we are uniquely positioned to offer this service at Visional Group, which is furnished with generative AI trained on data accumulated through BizReach, and realizes optimal matching of internal talent to internal positions through automatic generation of internal resumes and internal position specifications in addition to highly accurate talent searches and recommendations.

**Q18 How is the progress of Internal BizReach by HRMOS?**

Internal BizReach by HRMOS is managed together with HRMOS Talent Management and is included in HRMOS financial figures. As the interests are coming from large enterprises, the implementation period including pilot use (establishing operational rules and building systems) takes a long time. While net sales impact for FY2026/7 is limited, interest from customers are strong and leads are building up, with about 50 companies, mainly large enterprises, in the operational stage towards full-scale implementation.

**Q19 Why does FY2026/7 HRMOS net sales growth rate forecast appear to be accelerating compared to FY2025/7?**

HRMOS net sales forecast for FY2026/7 is 72.6% YoY growth (+JPY 3.78Bn YoY) based on expansion of each service, growth of the integrated HRMOS series, and with the addition of Thinkings, Inc. (sonar ATS by HRMOS), which was consolidated on October 1, 2025.

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