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Consolidated Financial Results for the Fiscal Year Ended July 31, 2026 [Japanese GAAP]

September 10, 2026

Company name: Visional, Inc.
Stock exchange listing: Tokyo Stock Exchange
Code number: 4194
URL: https://www.visional.inc/
Representative: Soichiro Minami, Representative Director and CEO
Contact: Risako Suefuji, Director and CFO
Phone: +81-3-4540-6200
Scheduled date of Annual General Meeting of Shareholders: October 22, 2026
Scheduled date of commencing dividend payments: –
Scheduled date of filing annual securities report: October 21, 2026
Availability of supplementary explanatory materials on financial results: Available
Schedule of financial results briefing session: Scheduled (for institutional investors and securities analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended July 31, 2026 (August 1, 2025 – July 31, 2026)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
July 31, 2026	99,300	23.9	24,563	14.6	26,700	17.5	18,566	16.4
July 31, 2025	80,161	21.2	21,442	20.2	22,715	22.9	15,950	22.8

(Note) Comprehensive income: Fiscal year ended July 31, 2026: ¥18,732 million [16.8%]
Fiscal year ended July 31, 2025: ¥16,040 million [24.5%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets	Operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
July 31, 2026	461.44	449.03	24.2	24.5	24.7
July 31, 2025	400.76	385.86	26.7	26.5	26.7

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended July 31, 2026: ¥294 million
Fiscal year ended July 31, 2025: ¥319 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of July 31, 2026	122,396	86,823	70.3	2,125.29
As of July 31, 2025	95,405	67,759	70.5	1,676.22

(Reference) Equity: As of July 31, 2026: ¥86,046 million
As of July 31, 2025: ¥67,213 million

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
As of July 31, 2026	23,441	(13,206)	(192)	82,849
As of July 31, 2025	19,587	(3,658)	(1,247)	72,779

2. Dividends

	Annual Dividend					Total dividends	Dividend payment ratio (consolidated)	Dividend / Net assets (consolidated)
	1Q	2Q	3Q	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	millions of yen	%	%
Fiscal year ended July 31, 2025	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ended July 31, 2026	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ending July 31, 2027 (Forecast)	—	0.00	—	0.00	0.00		—	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending July 31, 2027 (August 1, 2026 - July 31, 2027)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	119,850	20.7	26,600	8.3	27,945	4.7	18,569	0.0	458.64

(Note) For details, please refer to “1. Overview of Operating Results (4) Future Outlook” on page 4 of the Attachments.

*** Notes:**

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 company (Thinkings, Inc.)

Note: For details, please refer to “3. Consolidated Financial Statements and Principal Notes, (5) Notes to Consolidated Financial Statements, (Business combination)” on page 12 of the Attachments.

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: None
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting estimates: None
4) Retrospective restatement: None

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

July 31, 2026:	40,487,100 shares
July 31, 2025:	40,097,400 shares

2) Total number of treasury shares at the end of the period:

July 31, 2026:	375 shares
July 31, 2025:	351 shares

3) Average number of shares during the period:

Fiscal year ended July 31, 2026:	40,236,046 shares
Fiscal year ended July 31, 2025:	39,800,060 shares

Reference: Summary of Non-consolidated Financial Results
Non-consolidated Financial Results for the Fiscal Year Ended July 31, 2026 (August 1, 2025 - July 31, 2026)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
July 31, 2026	20,814	0.5	13,550	(4.1)	13,367	(4.8)	13,738	(3.6)
July 31, 2025	20,704	34.1	14,132	39.9	14,039	39.5	14,251	31.1

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
July 31, 2026	341.45	332.26
July 31, 2025	358.08	344.77

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of July 31, 2026	103,563	70,293	67.6	1,728.65
As of July 31, 2025	91,858	56,270	61.0	1,397.39

(Reference) Equity: As of July 31, 2026: ¥69,987 million
As of July 31, 2025: ¥56,033 million

* These consolidated financial results are outside the scope of audit by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes
The statements regarding the forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management. Therefore, there might be cases in which actual results differ materially from forecast values due to various factors.

Table of Contents - Attachments

1. Overview of Operating Results

(1) Overview of Operating Results for the Fiscal Year under Review

Statements in this document about the future reflect the Group's judgments as of the end of the fiscal year under review.

In the fiscal year under review, the Japanese economy recovered gradually, while the outlook remains uncertain due to factors such as fluctuations in the financial capital market and rising geopolitical risks including the situation in the Middle East.

Under these circumstances, the BizReach business continued to boost performance of the entire Group for the fiscal year under review, backed by a continued willingness of companies to recruit human resources.

As a result, in the fiscal year under review, the Group recorded net sales of ¥99,300 million (up 23.9% year on year), operating profit of ¥24,563 million (up 14.6% year on year), ordinary profit of ¥26,700 million (up 17.5% year on year), and profit attributable to owners of parent of ¥18,566 million (up 16.4% year on year).

Performance by segment was as follows. (Net sales represent net sales to external customers.)

(i) HR Tech

The HR Tech segment consists of BizReach, HRMOS, and other HR Tech services.

In the BizReach business, as of the end of the fiscal year under review, the cumulative number of registered direct employers (Note 1) increased to more than 45,800 (compared to more than 38,100 as of the end of the previous fiscal year), the number of active headhunters (Note 2) rose to more than 9,500 (compared to more than 9,000 as of the end of the previous fiscal year), and the number of scoutable job seekers (Note 3) increased to more than 3.53 million (compared to more than 3.07 million as of the end of the previous fiscal year), as a result of the continued solid demand for human resources in the professional human resources domain and aggressive advertising activities. All of its growth indices have grown in comparison to the end of the previous fiscal year, and the BizReach business recorded net sales of ¥80,126 million (up 16.8% year on year), and adjusted operating profit before corporate expense allocation (Note 4) of ¥33,093 million (up 16.5% year on year).

In the HRMOS business, we are conducting marketing and advertising activities to expand the number of customers while continuing product investments. We are working to expand its use by continuing various campaigns, including TV commercials for "HRMOS Workforce" released in April 2026. As for KPI of HRMOS (Note 5), ARR (Note 6) rose 177.0% to ¥10,337 million, the number of unique paying customers (Note 7) increased 341.9% to 10,699, and ARPU (Note 8) decreased 37.3% to ¥80,520 from the end of the same period of the previous fiscal year. The churn rate (Note 9), which is a 12-month average, was 0.48%.

The HRMOS business recorded net sales of ¥9,289 million (up 78.2% year on year), and an adjusted operating loss before corporate expense allocation (Note 4) of ¥485 million (operating loss before corporate expense allocation of ¥769 million for the same period of the previous fiscal year).

As a result, in the fiscal year under review, the HR Tech segment recorded net sales of ¥93,807 million (up 21.9% year on year) and segment profit of ¥28,673 million (up 15.9% year on year).

(Notes) 1. The total number of direct employers that have subscribed to BizReach, excluding headhunters
2. The number of headhunters that have been screened by BizReach, Inc.
3. The number of registered BizReach users who have configured their employment history to be disclosed to direct employers or who have configured their employment history to be disclosed to headhunters
4. This is the operating profit or loss of the business before bearing the personnel expenses and ancillary outsourcing and other general administrative expenses associated with accounting, legal,

human resources, and other business administration, and also personnel costs and ancillary outsourcing and other costs of the information systems and design divisions that cannot be charged directly to specific products and services

5. Includes all HRMOS-related services. For the comparisons with the end of the same period of the previous year, the combined KPI of HRMOS ATS, HRMOS Talent Management, and Internal BizReach by HRMOS services, which were previously disclosed, was used
6. Annual Recurring Revenue. This is calculated by multiplying the MRR (Monthly Recurring Revenue) in the final month of the quarter by 12. The MRR is the total monthly revenue from customers subject to recurring billing as of the end of the target period (excluding one-time revenue)
7. The number of unique paying users
8. Average Revenue per User. MRR as of the end of the month ÷ number of unique paying customers
9. Reduction in MRR due to the cancellation in the current month divided by MRR at the end of the previous month is defined as the single-month churn rate, and the churn rate is the average of the last 12 months

(ii) Incubation

The Incubation segment includes Trabox, M&A Succeed, yamory, and Assured, etc.

Each business in the Incubation segment conducted activities within the limits of profits generated from the HR Tech segment, including human resource investment, new-product development and advertising activities. In the fiscal year under review, the segment recorded net sales of ¥5,488 million (up 74.9% year on year) and segment loss of ¥2,434 million (segment loss of ¥1,691 million for the same period of the previous fiscal year).

As noted above, profits at each stage increased year on year, supported by stable profits generated by the BizReach business. The year on year increase in profit includes the impact of the tax incentives for wage increases.

(2) Overview of Financial Position for the Fiscal Year under Review

As of the end of the fiscal year under review, total assets amounted to ¥122,396 million, a ¥26,990 million increase since the end of the previous fiscal year. This was primarily due to a ¥10,069 million increase in cash and deposits to ¥82,849 million, a ¥1,069 million increase in notes and accounts receivable - trade, and contract assets to ¥8,281 million due to the growth in net sales, an ¥8,295 million increase in goodwill to ¥12,036 million due to purchase of shares of subsidiaries, and a ¥2,768 million increase in customer relationship to ¥3,646 million.

As of the end of the fiscal year under review, total liabilities amounted to ¥35,572 million, a ¥7,925 million increase since the end of the previous fiscal year. This was primarily due to a ¥4,534 million increase in unearned contract liabilities to ¥16,660 million due to an increase in the number of direct employers using the BizReach business and a ¥1,341 million increase in income tax payable to ¥5,370 million.

As of the end of the fiscal year under review, net assets amounted to ¥86,823 million, a ¥19,064 million increase since the end of the previous fiscal year. This was mainly due to a ¥18,566 million increase in retained earnings due to the recording of profit attributable to owners of parent.

(3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents at the end of the fiscal year under review amounted to ¥82,849 million.

The status of cash flows in the fiscal year under review and the factors responsible for those results are as follows:

Cash flows from operating activities resulted in a net inflow of ¥23,441 million primarily due to the recording of profit before income taxes of ¥26,203 million, a ¥3,446 million increase in contract liabilities, a ¥1,033 million increase in trade receivables, and income taxes paid of ¥7,253 million.

Cash flows from investing activities resulted in a net outflow of ¥13,206 million primarily due to purchase of property, plant and equipment of ¥1,184 million and purchase of shares of subsidiaries resulting in change in scope of consolidation of ¥10,563 million.

Cash flows from financing activities resulted in a net outflow of ¥192 million primarily due to proceeds from issuance of shares resulting from exercise of share acquisition rights of ¥251 million, repayments of long-term borrowings of ¥341 million, and purchase of shares of subsidiaries resulting in change in scope of consolidation of ¥121 million.

(4) Future Outlook

For the fiscal year ending July 31, 2027, the Group expects net sales of ¥119,850 million (up 20.7% year on year), and operating profit of ¥26,600 million (up 8.3% year on year).

The Group expects net sales of ¥92,940 million (up 16.0% year on year) for the BizReach business, based on continued strength of hiring demand for professional human resources.

The Group expects net sales of ¥12,600 million (up 35.6% year on year) for the HRMOS business, based on growth of each service, continuing product investments and conducting marketing and advertising activities.

The Group expects ordinary profit of ¥27,945 million (up 4.7% year on year). The Group does not expect any extraordinary income or losses, and expects profit attributable to owners of parent of ¥18,569 million (up 0.0% year on year) based on the calculation of income taxes, etc. in accordance with its profit plan.

2. Basic Policy on Selecting Accounting Standards

The Group prepares its consolidated financial statements in accordance with Japanese GAAP, taking into account the comparability of the consolidated financial statements with other periods.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(in millions of yen)

	As of July 31, 2025	As of July 31, 2026
Assets		
Current assets		
Cash and deposits	72,779	82,849
Notes and accounts receivable - trade, and contract assets	7,212	8,281
Other	3,152	6,140
Allowance for doubtful accounts	(61)	(151)
Total current assets	83,083	97,120
Non-current assets		
Property, plant and equipment		
Buildings	1,438	1,654
Accumulated depreciation	(333)	(425)
Buildings, net	1,104	1,228
Construction in progress	36	115
Other	2,203	3,002
Accumulated depreciation	(1,209)	(1,778)
Other, net	993	1,224
Total property, plant and equipment	2,135	2,568
Intangible assets		
Software	127	102
Goodwill	3,741	12,036
Customer relationship	877	3,646
Other	577	2
Total intangible assets	5,324	15,788
Investments and other assets		
Investment securities	791	1,118
Leasehold deposits	1,684	2,460
Deferred tax assets	2,174	2,720
Other	216	633
Allowance for doubtful accounts	(4)	(14)
Total investments and other assets	4,862	6,919
Total non-current assets	12,322	25,275
Total assets	95,405	122,396

(in millions of yen)

	As of July 31, 2025	As of July 31, 2026
Liabilities		
Current liabilities		
Current portion of long-term borrowings	39	2
Accounts payable – other	6,228	7,017
Income tax payable	4,028	5,370
Contract liabilities	12,125	16,660
Provision for bonuses	1,339	1,753
Other	2,051	2,742
Total current liabilities	25,814	33,547
Non-current liabilities		
Liabilities from application of equity method	1,493	1,173
Long-term borrowings	80	154
Deferred tax liabilities	240	669
Other	17	27
Total non-current liabilities	1,832	2,024
Total liabilities	27,646	35,572
Net assets		
Shareholders' equity		
Share capital	6,631	6,764
Deposits for subscriptions of shares	2	0
Capital surplus	9,466	9,598
Retained earnings	51,164	69,730
Treasury shares	(3)	(3)
Total shareholders' equity	67,261	86,091
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	25	(21)
Foreign currency translation adjustment	(73)	(23)
Total accumulated other comprehensive income	(47)	(44)
Share acquisition rights	236	305
Non-controlling interests	308	471
Total net assets	67,759	86,823
Total liabilities and net assets	95,405	122,396

(2) Consolidated Statement of Income and Comprehensive Income

Consolidated Statement of Income

(in millions of yen)

	For the fiscal year ended July 31, 2025	For the fiscal year ended July 31, 2026
Net sales	80,161	99,300
Cost of sales	7,262	10,741
Gross profit	72,899	88,558
Selling, general and administrative expenses	51,456	63,995
Operating profit	21,442	24,563
Non-operating income		
Interest income	6	25
Share of profit of entities accounted for using equity method	319	294
Penalty income	903	1,809
Other	82	65
Total non-operating income	1,311	2,195
Non-operating expenses		
Interest expenses	1	5
Loss on investments in investment partnerships	18	22
Foreign exchange losses	—	15
Provision of allowance for doubtful accounts	5	—
Commitment fees	5	5
Other	7	9
Total non-operating expenses	38	58
Ordinary profit	22,715	26,700
Extraordinary income		
Gain on receipt of donated non-current assets	20	—
Total extraordinary income	20	—
Extraordinary losses		
Impairment losses	—	496
Loss on valuation of investment securities	36	—
Total extraordinary losses	36	496
Profit before income taxes	22,700	26,203
Income taxes – current	6,870	8,489
Income taxes – deferred	(231)	(1,015)
Total income taxes	6,638	7,474
Profit	16,061	18,729
Profit attributable to non-controlling interests	110	163
Profit attributable to owners of parent	15,950	18,566

Consolidated Statement of Comprehensive Income

(in millions of yen)

	For the fiscal year ended July 31, 2025	For the fiscal year ended July 31, 2026
Profit	16,061	18,729
Other comprehensive income		
Valuation difference on available-for-sale securities	52	(47)
Foreign currency translation adjustment	(73)	50
Total other comprehensive income	(21)	3
Comprehensive income	16,040	18,732
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	15,929	18,582
Comprehensive income attributable to non-controlling interests	110	163

(3) Consolidated Statements of Changes in Equity

For the fiscal year ended July 31, 2025 (From August 1, 2024 to July 31, 2025)

(in millions of yen)

	Shareholders' equity					
	Share capital	Deposits for subscriptions of shares	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,503	2	10,467	35,213	(1)	52,185
Changes during period						
Issuance of new shares - exercise of share acquisition rights	128	(0)	128			257
Profit attributable to owners of parent				15,950		15,950
Purchase of treasury shares					(1)	(1)
Issuance of share acquisition rights						–
Change in ownership interest of parent due to transactions with non-controlling interests			(1,130)			(1,130)
Net changes in items other than shareholders' equity						
Total changes during period	128	(0)	(1,001)	15,950	(1)	15,076
Balance at end of period	6,631	2	9,466	51,164	(3)	67,261

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	(26)	–	(26)	170	58	52,388
Changes during period						
Issuance of new shares - exercise of share acquisition rights						257
Profit attributable to owners of parent						15,950
Purchase of treasury shares						(1)
Issuance of share acquisition rights						–
Change in ownership interest of parent due to transactions with non-controlling interests						(1,130)
Net changes in items other than shareholders' equity	52	(73)	(21)	65	249	294
Total changes during period	52	(73)	(21)	65	249	15,370
Balance at end of period	25	(73)	(47)	236	308	67,759

For the fiscal year ended July 31, 2026 (From August 1, 2025 to July 31, 2026)

(in millions of yen)

	Shareholders' equity					
	Share capital	Deposits for subscriptions of shares	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,631	2	9,466	51,164	(3)	67,261
Changes during period						
Issuance of new shares - exercise of share acquisition rights	132	(1)	132			263
Profit attributable to owners of parent				18,566		18,566
Purchase of treasury shares					(0)	(0)
Issuance of share acquisition rights						–
Change in ownership interest of parent due to transactions with non-controlling interests						–
Net changes in items other than shareholders' equity						
Total changes during period	132	(1)	132	18,566	(0)	18,829
Balance at end of period	6,764	0	9,598	69,730	(3)	86,091

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	25	(73)	(47)	236	308	67,759
Changes during period						
Issuance of new shares - exercise of share acquisition rights				(11)		251
Profit attributable to owners of parent						18,566
Purchase of treasury shares						(0)
Issuance of share acquisition rights				32		32
Change in ownership interest of parent due to transactions with non-controlling interests						–
Net changes in items other than shareholders' equity	(47)	50	2	47	163	213
Total changes during period	(47)	50	2	68	163	19,064
Balance at end of period	(21)	(23)	(44)	305	471	86,823

(4) Consolidated Statements of Cash Flows

(in millions of yen)

	For the fiscal year ended July 31, 2025	For the fiscal year ended July 31, 2026
Cash flows from operating activities		
Profit before income taxes	22,700	26,203
Depreciation	950	1,288
Impairment losses	—	496
Amortization of goodwill	804	1,639
Share-based payment expenses	65	47
Penalty income	(903)	(1,809)
Share of loss (profit) of entities accounted for using equity method	(319)	(294)
Decrease (increase) in trade receivables	(1,266)	(1,033)
Increase (decrease) in provision for bonuses	253	402
Increase (decrease) in contract liabilities	3,510	3,446
Increase (decrease) in accounts payable - other	729	275
Increase (decrease) in accrued consumption taxes	182	409
Other, net	(811)	(1,841)
Subtotal	25,894	29,231
Interest and dividends received	6	25
Interest paid	(1)	(5)
Penalty received	901	1,443
Income taxes paid	(7,212)	(7,253)
Net cash provided by (used in) operating activities	19,587	23,441
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,962)	(1,184)
Purchase of investment securities	(93)	(425)
Payments of leasehold deposits	(55)	(767)
Proceeds from refund of leasehold and guarantee deposits	500	4
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(2,046)	(10,563)
Other, net	(1)	(270)
Net cash provided by (used in) investing activities	(3,658)	(13,206)
Cash flows from financing activities		
Proceeds from issuance of share acquisition rights	—	29
Proceeds from issuance of shares resulting from exercise of share acquisition rights	257	251
Repayments of long-term borrowings	(51)	(341)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(1,448)	(121)
Other, net	(5)	(10)
Net cash provided by (used in) financing activities	(1,247)	(192)
Effect of exchange rate change on cash and cash equivalents	(8)	26
Net increase (decrease) in cash and cash equivalents	14,672	10,069
Cash and cash equivalents at beginning of period	58,107	72,779
Cash and cash equivalents at end of period	72,779	82,849

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Business combination)

(Business combination through acquisition)

At the Board of Directors meeting held on July 23, 2025, the Company resolved that BizReach, Inc., a consolidated subsidiary of the Company, would acquire all shares of Thinkings, Inc. and make it a consolidated subsidiary. On the same day, the Company entered into a share transfer agreement. These shares have been acquired on October 1, 2025.

(1) Overview of business combination

(i) Name and business description of company acquired

a. Name of company acquired: Thinkings, Inc.

b. Business description: HR Tech (sonar ATS, sonar store)

(ii) Main reason for business combination

By welcoming Thinkings, Inc., the Company aims to solidify the Group's position in the Applicant Tracking System cloud market and deliver increased value to customers. Furthermore, the Company decided to acquire the shares as it believes that the acquisition will contribute to improving the medium- to long-term enterprise value of the Group, expanding business through functional integration and cross-selling between the services provided by BizReach, Inc., a consolidated subsidiary of the Company, and sonar ATS provided by Thinkings, Inc., as well as accelerating the development of the Human Capital Management ecosystem leveraging the product development capabilities of both companies.

(iii) Date of business combination

October 1, 2025

(iv) Legal form of business combination

Acquisition of shares for cash consideration

(v) Company name after business combination

The company name remains unchanged.

(vi) Percentage of voting rights acquired

100.0%

(vii) Main basis for determining the acquiring company

Conclusion of a basic agreement where BizReach, Inc., a consolidated subsidiary of the Company, acquires the shares for cash consideration.

(2) Period of the acquired company's results included in the consolidated financial statements

From October 1, 2025 to July 31, 2026

(3) Breakdown of acquisition cost and consideration by type for company acquired

Consideration for acquisition	Cash and deposits	11,913 million yen
	Contingent consideration	2,086 million yen (Note)
Acquisition cost		13,999 million yen

(Note) As contingent consideration, 2,086 million yen has been retained from the payment to the sellers to cover potential indemnification claims. This amount will be paid to the sellers if no indemnification events occur.

(4) Description and amount of main acquisition-related expense

Advisory fees, etc.	6 million yen

(5) Amount of goodwill generated, reason for generation, amortization method and period

(i) Amount of goodwill generated

9,228 million yen

(ii) Reason for generation

Due to the excess earnings power expected from the future business development

(iii) Amortization method and amortization period

Amortized over 10 years by straight-line method

(6) Amount and breakdown of assets acquired and liabilities assumed on the date of business combination

Current assets	1,958 million yen
Non-current assets	3,327 million yen
Total assets	5,286 million yen
Current liabilities	1,269 million yen
Non-current liabilities	1,331 million yen
Total liabilities	2,601 million yen

(7) Amount allocated to intangible assets other than goodwill, breakdown by major types, and amortization period by major type

Breakdown by major type	Amount	Amortization period
Customer relationship	3,198 million yen	14 years

(8) Estimated amount of impact on the consolidated statement of income for the fiscal year under review and calculation method thereof on the assumption that the business combination was completed on the first day of the fiscal year under review

The description is omitted since the said estimated amount of impact is insignificant.

(9) Details of contingent acquisition consideration stipulated in the business combination agreement and the future accounting policy

The acquisition consideration may change based on the share transfer agreement. In the case where a change in the acquisition consideration occurs, the acquisition cost will be adjusted assuming that the change occurred at the time of the acquisition and the amount of goodwill and the amount of amortization of goodwill will be adjusted accordingly.

(Segment information, etc.)

(Segment information)

1. Overview of reportable segments

(1) Method of determining reportable segments

The reportable segments are components of the Group for which separate financial information is available, and whose operating results are reviewed periodically by the Board of Directors to determine allocation of operating resources and evaluate their performance.

The Group consists of segments organized by business based on companies, and classifies its businesses into two reportable segments, namely, “HR Tech” and “Incubation.”

(2) Type of products and services belonging to each reportable segment

HR Tech segment provides services including BizReach, HR matching platform for professionals, the HRMOS series, an HCM (Human Capital Management) platform, and BizReach Campus, a network service for alumni visits, etc.

Incubation segment provides services including Trabox, a logistics DX (digital transformation) platform, M&A Succeed, an M&A platform for corporations, yamory, a vulnerability management cloud, Assured cloud security and reliability assessment, a security assessment for cloud services, and Assured third-party security and reliability assessment, a security assessment for third parties.

2. Method of calculating net sales, profit (loss), assets, liabilities and other items by reportable segment

Reportable segment profit figures are based on operating profit. Intersegment sales and transfers are based on market prices.

The Group does not allocate assets to business segments for internal management purposes, but allocates depreciation and amortization of goodwill.

3. Information on sales, profit (loss) and other items by reportable segment

For the fiscal year ended July 31, 2025 (from August 1, 2024 to July 31, 2025)

Information on net sales and profit (loss) by reportable segment

(in millions of yen)

	Reportable segment			Reconciliations (Note 1)	Amounts in the consolidated financial statements (Note 2)
	HR Tech	Incubation	Total		
Net sales					
Net sales to external customers	76,962	3,139	80,101	60	80,161
Intersegment sales or transfers	134	0	135	(135)	—
Total	77,097	3,139	80,236	(74)	80,161
Segment profit (loss)	24,739	(1,691)	23,048	(1,605)	21,442
Other items					
Depreciation	211	171	383	567	950
Amortization of goodwill	549	254	804	—	804

(Notes) 1. Reconciliations of segment profit (loss) and depreciation are all general and administrative expenses that are not allocable to the reportable segments.

2. Segment profit (loss) is adjusted based on operating profit.

For the fiscal year ended July 31, 2026 (from August 1, 2025 to July 31, 2026)

Information on net sales and profit (loss) by reportable segment

(in millions of yen)

	Reportable segment			Reconciliations (Note 1)	Amounts in the consolidated financial statements (Note 2)
	HR Tech	Incubation	Total		
Net sales					
Net sales to external customers	93,807	5,488	99,296	4	99,300
Intersegment sales or transfers	286	31	318	(318)	—
Total	94,094	5,520	99,614	(313)	99,300
Segment profit (loss)	28,673	(2,434)	26,239	(1,676)	24,563
Other items					
Depreciation	432	221	653	634	1,288
Amortization of goodwill	1,218	421	1,639	—	1,639

(Notes) 1. Reconciliations of segment profit (loss) and depreciation are all general and administrative expenses that are not allocable to the reportable segments.

2. Segment profit (loss) is adjusted based on operating profit.

[Related information]

For the fiscal year ended July 31, 2025 (from August 1, 2024 to July 31, 2025)

1. Information by product and service

This information is omitted as similar information is disclosed in segment information.

2. Information by geographical area

(1) Net sales

This information is omitted as net sales to external customers in Japan account for over 90% of net sales in the consolidated statement of income.

(2) Property, plant and equipment

This information is omitted as the amount of property, plant and equipment located in Japan accounts for over 90% of the amount of property, plant and equipment in the consolidated balance sheets.

3. Information by major customers

This information is omitted as there are no external customers for whom net sales account for 10% or more of net sales in the consolidated statement of income.

For the fiscal year ended July 31, 2026 (from August 1, 2025 to July 31, 2026)

1. Information by product and service

This information is omitted as similar information is disclosed in segment information.

2. Information by geographical area

(1) Net sales

This information is omitted as net sales to external customers in Japan account for over 90% of net sales in the consolidated statement of income.

(2) Property, plant and equipment

This information is omitted as the amount of property, plant and equipment located in Japan accounts for over 90% of the amount of property, plant and equipment in the consolidated balance sheets.

3. Information by major customers

This information is omitted as there are no external customers for whom net sales account for 10% or more of net sales in the consolidated statement of income.

[Information regarding impairment losses on non-current assets by reportable segment]

For the fiscal year ended July 31, 2025 (from August 1, 2024 to July 31, 2025)

Not applicable.

For the fiscal year ended July 31, 2026 (from August 1, 2025 to July 31, 2026)

(in millions of yen)

	Reportable segment			Reconciliations	Amounts in the consolidated financial statements
	HR Tech	Incubation	Total		
Impairment losses	—	496	496	—	496

[Information regarding amortization and unamortized balance of goodwill by reportable segment]

For the fiscal year ended July 31, 2025 (from August 1, 2024 to July 31, 2025)

(in millions of yen)

	Reportable segment			Reconciliations	Amounts in the consolidated financial statements
	HR Tech	Incubation	Total		
Balance at end of period	1,550	2,191	3,741	－	3,741

(Note) Information on amortization of goodwill is omitted as similar information is disclosed in segment information.

For the fiscal year ended July 31, 2026 (from August 1, 2025 to July 31, 2026)

(in millions of yen)

	Reportable segment			Reconciliations	Amounts in the consolidated financial statements
	HR Tech	Incubation	Total		
Balance at end of period	10,124	1,912	12,036	－	12,036

(Note) Information on amortization of goodwill is omitted as similar information is disclosed in segment information.

[Information regarding gain on bargain purchase by reportable segment]

Not applicable.

(Per share information)

	For the fiscal year ended July 31, 2025 (from August 1, 2024 to July 31, 2025)	For the fiscal year ended July 31, 2026 (from August 1, 2025 to July 31, 2026)
Net assets per share	1,676.22 yen	2,125.29 yen
Basic earnings per share	400.76 yen	461.44 yen
Diluted earnings per share	385.86 yen	449.03 yen

(Note) The bases for calculating basic earnings per share and diluted earnings per share are as follows:

Item	For the fiscal year ended July 31, 2025 (from August 1, 2024 to July 31, 2025)	For the fiscal year ended July 31, 2026 (from August 1, 2025 to July 31, 2026)
Basic earnings per share		
Profit attributable to owners of parent (in millions of yen)	15,950	18,566
Amount not attributable to common shareholders (in millions of yen)	—	—
Profit attributable to owners of parent related to common stock (in millions of yen)	15,950	18,566
Average number of shares of common stock during the period (shares)	39,800,060	40,236,046
Diluted earnings per share		
Increase in common stock (shares)	1,536,811	1,112,152
(Of which, share acquisition rights (shares))	(1,536,811)	(1,112,152)
Overview of potential shares not included in the calculation of diluted earnings per share as they have no dilutive effect		

2. The bases for calculating net assets per share are as follows:

Item	As of July 31, 2025	As of July 31, 2026
Total net assets (in millions of yen)	67,759	86,823
Amount deducted from total net assets (in millions of yen)	547	777
(Of which, deposits for subscriptions of shares (in millions of yen))	(2)	(0)
(Of which, share acquisition rights (in millions of yen))	(236)	(305)
(Of which, non-controlling interests (in millions of yen))	(308)	(471)
Net assets at the end of the period related to common stock (in millions of yen)	67,211	86,046
Number of shares of common stock at the end of the period used to calculate net assets per share (shares)	40,097,049	40,486,725

(Significant subsequent events)

Not applicable.