Visional, Inc. FY2026/7 Full Year Financial Results FAQ

September 10, 2026

Consolidated Financial Results

Q1 What is the summary of FY2026/7 4Q and FY financial performance?

Consolidated net sales for FY2026/7 recorded JPY 99.30Bn (23.9% YoY growth) and 4Q recorded JPY 26.14Bn (22.7% YoY growth). Consolidated results for FY2026/7 came in line with our financial forecast announced in September 2025, and we steadily executed our plan whilst pursuing ambitious growth targets in each segment.

Difference to FY2026/7 Financial Forecasts

(JPY MM)	Forecast announced Sep. '25	FY26/7 Actuals	Difference (amount)	Difference (%)
Net Sales	**99,200**	**99,300**	**+100**	**+0.1%**
YoY Growth	**23.7%**	**23.9%**	**--**	**--**
HR Tech Segment	**93,600**	**93,807**	**+207**	**+0.2%**
YoY Growth	**21.6%**	**21.9%**	**--**	**--**
BizReach	80,300	80,126	(173)	(0.2)%
YoY Growth	17.0%	16.8%	--	--
HRMOS	9,000	9,289	+289	+3.2%
YoY Growth	72.6%	78.2%	--	--
HR Tech Other	4,300	4,391	+91	+2.1%
YoY Growth	37.0%	39.9%	--	--
Incubation Segment	**5,600**	**5,488**	**(111)**	**(2.0)%**
YoY Growth	**78.4%**	**74.9%**	**--**	**--**
Others	0	4	+4	--

EBITDA for FY2026/7 was JPY 27.49Bn (27.7% margin, 18.5% YoY growth) and 4Q was JPY 5.82Bn (22.3% margin, 30.5% YoY growth). Consolidated operating profit for FY2026/7 was JPY 24.56Bn (24.7% margin, 14.6% YoY growth), and 4Q was JPY 4.95Bn (19.0% margin, 25.1% YoY growth). Profit slightly exceeded the amount announced in September 2025 as a result of efficient management of outsourcing expenses etc. and office expansion from M&A-driven headcount growth being pushed to FY2027/7.

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

<u>HR Tech Segment:</u>

BizReach: Net sales for FY2026/7 recorded JPY 80.12Bn (16.8% YoY growth) and 4Q recorded JPY 20.41Bn (16.1% YoY growth). Although future economic climate remains uncertain, direct employers' hiring demand for professionals and job seekers' behavior continue to be solid. The total number of registered direct employers reached more than 45,800 companies as of the end of July 2026. This is an increase of more than 1,900 companies compared to 3Q.

Operating profit (before corporate expense allocation) for FY2026/7 recorded JPY 33.09Bn (41.3% margin, 16.5% YoY growth) and 4Q was JPY 7.61Bn (37.3% margin, 25.1% YoY growth).

Marketing investments also continued in 4Q based on market conditions.

HRMOS: Net sales for FY2026/7 recorded JPY 9.28Bn (78.2% YoY growth) and 4Q recorded JPY 2.63Bn (79.5% YoY growth). In addition to steady net sales growth in each service whilst we continue with product development, sonar ATS by HRMOS, a service by Thinkings, Inc., which we acquired 100% of the shares in October 2025, has been consolidated for 10 months. Operating loss (before corporate expense allocation) for FY2026/7 recorded JPY 0.48Bn (operating loss of JPY 0.76Bn for the same period of the previous FY) and 4Q recorded JPY 0.44Bn (operating loss of JPY 0.57Bn for the same quarter of the previous FY). After achieving profitability in 2Q, we expanded growth investments. Since April 2026, we have launched various marketing initiatives, including TV commercials and online marketing.
HRMOS (*1) ARR was JPY 10.33Bn.

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.
Segment net sales for FY2026/7 recorded JPY 5.48Bn (74.9% YoY growth) and 4Q recorded JPY 1.52Bn (32.8% YoY growth). Each business set ambitious targets and landed slightly below its target. Segment operating loss for FY2026/7 recorded JPY 2.43Bn (operating loss of JPY 1.69Bn for the same period of the previous FY) and 4Q was JPY 0.87Bn (operating loss of JPY 0.52Bn for the same quarter of the previous FY). We are building businesses whilst controlling investments.

(*1) 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

Q2 What is the summary of the financial forecast for FY2027/7?

Consolidated net sales forecast for FY2027/7 is JPY 119.85Bn (20.7% YoY growth), EBITDA forecast is JPY 30.17Bn (25.2% margin, 9.8% YoY growth) and consolidated operating profit forecast is JPY 26.60Bn (22.2% margin, 8.3% YoY growth). 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 proactively execute growth investments and M&A to capture the significant business expansion potential.
Consolidated ordinary profit forecast for FY2027/7 is JPY 27.94Bn (23.3% margin, 4.7% YoY growth), which includes the impact of penalty income (please refer to Q3) recorded in non-operating income, estimated based on trends in past results.
Please note that the growth rate of profit attributable to owners of parent is forecasted to be smaller than that of other profit lines, as the forecast incorporates the elimination of the corporate tax deduction under the tax incentives for wage increases, which was applied in FY2026/7, and the additional impact of the special defense corporate tax.

HR Tech Segment:
BizReach: Net sales forecast for FY2027/7 is JPY 92.94Bn (16.0% YoY growth, +JPY 12.81Bn YoY), assuming that hiring demand for professional talent remains solid, while the economic climate remains uncertain.
Operating profit margin (before corporate expense allocation) is forecasted at 41% for FY2027/7,

given the stable business growth and the impact of various initiatives.

HRMOS: Net sales forecast for FY2027/7 is JPY 12.60Bn (35.6% YoY growth, +JPY 3.31Bn YoY), based on the strong expansion of each service.
Operating loss (before corporate expense allocation) forecast for FY2027/7 is around JPY 1.50Bn, as we accelerate growth investments in light of net sales progress and the business environment.

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. Driven by the growth of new businesses, segment net sales forecast for FY2027/7 is JPY 9.00Bn (64.0% YoY growth, +JPY 3.51Bn YoY). Quarterly net sales may fluctuate as we are building new businesses. Segment operating loss is forecasted to be around JPY 2.70Bn, reflecting expanded investments in talent etc. for new business creation.

(JPY MM)	FY2027/7 Forecast	FY2026/7 Actuals	Difference (amount)	Growth Rate
Consolidated Net Sales	119,850	99,300	+20,549	20.7%
HR Tech Segment	110,850	93,807	+17,042	18.2%
BizReach	92,940	80,126	+12,813	16.0%
HRMOS	12,600	9,289	+3,310	35.6%
Incubation Segment	9,000	5,488	+3,511	64.0%
EBITDA	30,173	27,491	+2,681	9.8%
Operating Profit	26,600	24,563	+2,036	8.3%
Ordinary Profit	27,945	26,700	+1,244	4.7%
Profit Attributable to Owners of Parent	18,569	18,566	+2	0.0%

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, JPY 1.80Bn was recorded as penalty income (1Q: JPY 0.99Bn, 2Q: JPY 0.15Bn, 3Q: JPY 0.40Bn, 4Q: JPY 0.25Bn). 1Q includes a temporary impact due to a change in accounting treatment to better reflect the actual status.

Q4 What is the financial impact 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. 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).
For details, please refer to the disclosure dated July 23, 2025.
Acquisition of shares of Thinkings, Inc. was completed on October 1, 2025. Our financial results for FY2026/7 include 10 months of consolidation impact. sonar ATS by HRMOS is reported as part of HRMOS financial figures.

Please note that we had applied provisional accounting treatment from 1Q to 3Q of FY2026/7 following the acquisition of shares. As of 4Q of FY2026/7, we have confirmed the provisional accounting treatment concerning the business combination. Accordingly, the accounting treatment is applied retrospectively as if the confirmation had been made in the quarterly consolidated accounting period in which the business combination date falls. As a result, the figures for 1Q to 3Q of FY2026/7 in the earnings presentation material are presented at the amounts after reflecting the contents of the confirmation, as follows.

Before reflection

(JPY MM)	FY26/7 1Q	FY26/7 2Q	FY26/7 3Q
Selling, General & Administrative Expenses	14,007	14,989	16,877
Operating Profit	7,069	5,698	6,844
Ordinary Profit	8,165	5,927	7,346
Pre-tax Profit	8,165	5,927	7,346
Income Tax Expense	2,652	1,965	2,481
Profit Attributable to Owners of Parent	5,478	3,918	4,817

After reflection

(JPY MM)	FY26/7 1Q	FY26/7 2Q	FY26/7 3Q
Selling, General & Administrative Expenses	14,008	14,991	16,880
Operating Profit	7,068	5,696	6,841
Ordinary Profit	8,164	5,925	7,343
Pre-tax Profit	8,164	5,925	7,343
Income Tax Expense	2,646	1,947	2,463
Profit Attributable to Owners of Parent	5,483	3,933	4,833

(*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 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 FY2036/7.

Total shares outstanding as of July 31, 2026, is 40,487,100 shares (increase of 264,600 shares from April 30, 2026). As of July 31, 2026, the total shares outstanding on a fully diluted basis is 41,587,500 shares.

Q6 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.

Q7 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.

Q8 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 17+ 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 also position investment in technology as a source of competitiveness and have been proactively acquiring intellectual property rights. We will protect our proprietary technologies that underpin our competitive advantage through patents, and will further strengthen our competitive edge by integrating technology with insights gained through human support and direct customer interactions. Please refer to our FY2026/7 3Q presentation material regarding how we consider the impact of AI to our businesses.

By Business

Q9 How do you evaluate BizReach 4Q net sales growth of 16.1%?

BizReach net sales in 4Q recorded 16.1% YoY growth, +JPY 2.83Bn YoY, landing slightly below plan. This was due to May 2026 Golden Week calendar effects on hiring activities.

The business condition is solid with more than 1,900 direct employers started to use BizReach in 4Q compared to 3Q, leading to the number of registered direct employers reaching more than 45,800 companies. Although future economic climate remains uncertain and may require close monitoring of future market trends, the companies' demand for hiring professionals remains solid.

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

Q10 What is the background to BizReach FY net sales forecast for FY2027/7?

For BizReach, FY net sales forecast for FY2027/7 is JPY 92.94Bn (16.0% YoY growth, +JPY 12.81Bn YoY). While hiring demand remains solid in the professional areas served by BizReach, there are factors that could introduce uncertainty regarding future economic trends, such as the situation in the Middle East and fluctuations in interest rates and foreign exchange rates.

If the risks associated with these factors materialize, or if the situation persists over the long term, it could impact companies' business conditions and, in turn, affect their willingness to hire.

Although the growth rate is expected to slow compared to fiscal year 2026/7, we continue to expect net sales growth amount to increase.

Q11 Why did HRMOS KPIs for FY2026/7 fluctuate significantly compared to FY2025/7?

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 actively utilized M&A to expand its services. Accordingly, the figures fluctuate significantly due to the change in the services included in the KPIs. The HRMOS KPI currently includes all HRMOS-related services.

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.

Q12 Why does FY2027/7 HRMOS FY operating loss forecast to widen?

HRMOS achieved profitability for both 2Q and 2Q YTD of FY2026/7. This was driven by the enhanced competitiveness of each HRMOS service as well as favorable market conditions. Accordingly, taking into account market conditions etc., we decided to make additional

investments in 2H of FY2026/7 with a view to expanding future business value, and implemented various initiatives including TV commercials and online marketing from April 2026.
As a result, the number of business leads increased across each HRMOS service, and the effects began to be seen in the growth of various KPIs in 4Q of FY2026/7.
Based on the results of these campaign investments and market conditions, we plan to continue proactive investments for three years starting FY2027/7. Specifically, we envisage continuing product development that leverages our unique strengths, including the utilization of BizReach AI, strengthening sales activities involving hiring and expanding marketing activities in order to expand our customer base.
On the premise that current market conditions will persist, the operating loss may narrow as net sales increase; however, we project that operating losses will continue for at least the next two years.