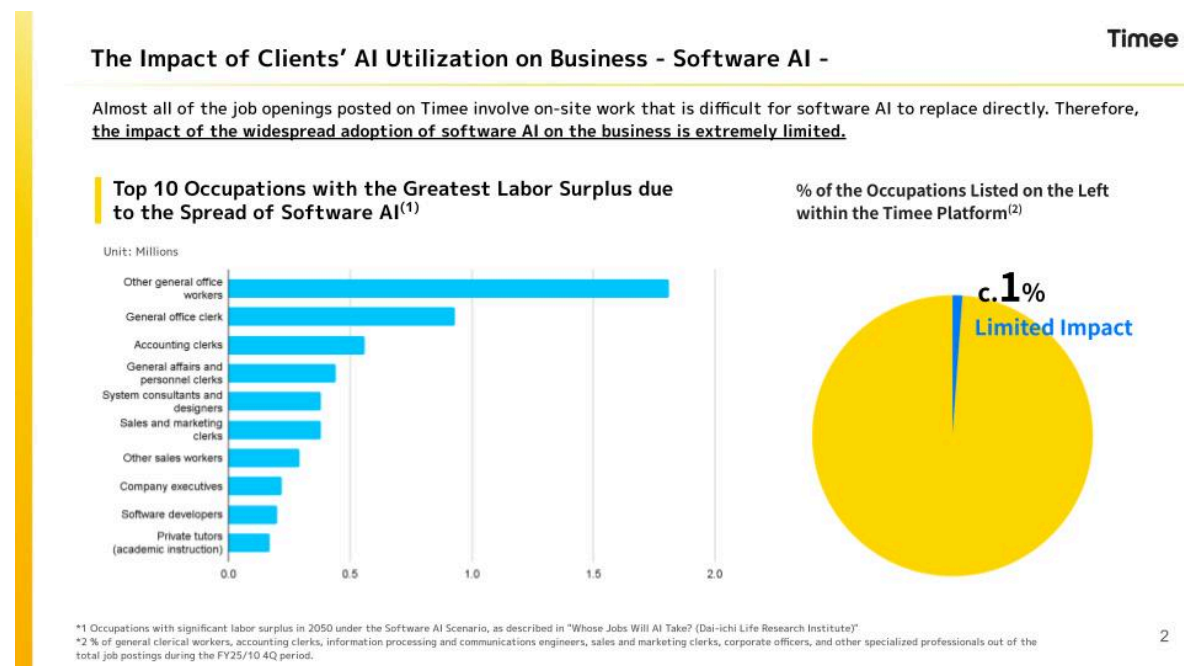


Transcript for FY2026.4 1Q Financial Results

Presentation materials

<https://contents.xj-storage.jp/xcontents/AS05113/38db78c7/978d/4eb7/b466/a5de03af0416/140120260312580481.pdf>



Ogawa: Thank you very much for joining our call today. Let me start the explanation for the financial results. Recently, in our discussions with many investors, I've noticed that AI and robotics have become very prominent topics of interest. I would like to start our presentation with how we view this AI impact.

Software AI, including generative AI, that would be a tailwind or a headwind? Of course, many people have different opinions about that.

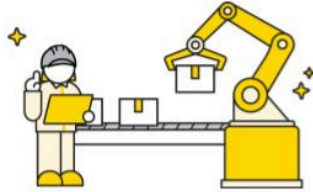
The impact on the Timee platform, what kind of white-collar jobs, such as sales administrator or call center, how much does it constitute in our platform? That's about 1%. That means that most of the jobs posted on our platform are actually blue-collar jobs.

Software AI would impact in a way that would decrease most of the jobs posted on our platform? That is not really the case. Because we implement the automation, the features to create job descriptions, and other algorithms showing different jobs available for the workers, those features are accelerated and further reinforced because of the introduction of the AIs.

The Impact of Clients' AI Utilization on Business - Physical AI -

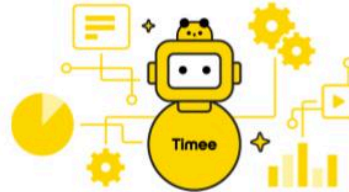
While we should keep a close eye on the future prospects of physical AI, our assets accumulated through spot work will be a significant strength in the era of physical AI.

More than 400K locations facing labor shortages



With over 400K locations (registered client accounts) facing labor shortages, we have implemented Business Process Re-engineering (BPR) at many of these locations, including identifying simple tasks suitable for spot work and creating operational manuals. When introducing physical AI, this knowledge enables us to design hybrid operations - determining WHEN and WHICH tasks should be handled by AI or by human workers.

Vast amounts of on-site data



The vast amounts of on-site data accumulated through BPR serve as crucial input for physical AI. We will accelerate the accumulation of higher-quality field data in anticipation of the full-scale adoption of physical AI.

3

Moving on to the physical AI impact. Robotics, we see a lot of different varieties of robots. They're getting better and better at a faster speed these days. However, the rapid spread of physical AI in the Japanese market might be a little difficult to expect.

Where can spot workers work? Which jobs should be covered by the full-time employee or the spot work or the AI? We provide the manuals to support and identify which is suitable, which jobs should be handled by AI, and which jobs should be handled by human workers.

We possess this know-how, and because of these assets, that's advantageous for us. We also have a vast amount of on-site data, which is crucial for the utilization with the BPR. Also, utilizing this vast amount of on-site data, we would like to actively engage in the research of physical AI in the future.

Some of the hospitality jobs are also posted on our Timee platform. The level of hospitality, which is handled by the human, the workers, is not something that can be covered by the other robots. This is also going to be our strength for our business. We would like to make sure to convert this trend to something beneficial to our business to drive further on.

FY26/4 1Q Operating Results Summary

 Consolidated PL	- Net sales were 10.85 billion yen (+25.6% YoY) and operating profit was 2.10 billion yen (+49.2% YoY, OPM 19.4%), resulting in an increase in both sales and profits. - Net sales for both spot work and non-spot work (Timee Career Plus, SukimaWorks, etc.) have been progressing steadily towards the forecast. - Operating profit has also progressed well ahead of forecast. Despite steady execution of strategic investments as planned, the profit margin improved by 3.0pt YoY due to strong net sales and cost efficiency in existing business areas.
Spot Work	- As a result of successful sales activities leading up to the peak season (1Q), YoY net sales growth rates for both key industries and the company as a whole maintained the same level QoQ. Steady progress has been seen in our focus areas: the onboarding burden reduction project (logistics) and entry into the social care industry. Although the food industry continues to experience negative growth, some companies are showing signs of improvement individually. - Transaction volume increased significantly to 36,172 million yen (+21.0% YoY), primarily driven by an increase in the number of AAs. - The average take rate remained high at 28.8%, with no significant QoQ decline even in the peak season (1Q). The logistics industry, which saw a significant decline in the same period of the previous year due to volume discounts, improved by +0.5pt YoY. - The fill rate improved to 84.9%, up 0.3pt YoY. A high fill rate was maintained even during the first peak season since the onboarding burden reduction project began in full swing. - While the number of AAs remained low in the food industry, the logistics, retail, and social care industries drove overall growth. The YoY growth in transaction volume per AA showed an increase.
Non-Spot Work	- Timee Career Plus has made steady progress in net sales. Strategic investments were also implemented as planned. - SukimaWorks has shown a solid growth in the number of outsourced projects, with its net sales progressing smoothly.
FY26/4 Forecast Progress⁽¹⁾	The progress rates toward the full-year forecasts are favorable, with net sales at 54.3% (upper end) – 56.5% (lower end) and operating profit at 57.2% (upper end) – 67.4% (lower end). Based on the 1Q results and 2Q outlook, the full-year forecasts have been revised upward to net sales of 20.50 – 20.91 billion yen (+24.6% – +27.1% YoY) and operating profit of 3.74 – 4.13 billion yen (+14.7% – +26.7% YoY).

*1 Due to a change in the fiscal year-end, the current period (FY26/4) will be an irregular six-month period from November 2025 to April 2026.

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Yagi: I will cover the financial results summary first, the Q1 results summary as shown here in the slide. This is the consolidated P&L and also talking separately for the spot work.

As we disclosed for the last year, we have provided the guidance for the spot work and the guidance separately for the non-spot work. The details will be covered in the subsequent slides. This is just a summary overall in this slide, and the details will be covered in the slides later on.

Q1 of the fiscal year ended April of 2026, it's showing the change in the fiscal year-end. Basically, this shows that we have completed half of this irregular fiscal year. Consolidated results, net sales are showing JPY10.85 billion and then operating profit at JPY2.10 billion, resulting in increase in both sales and profit.

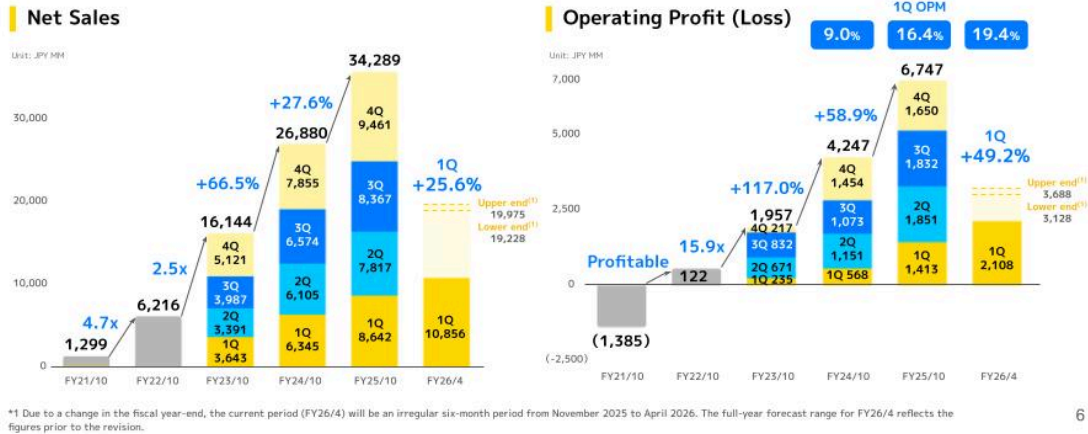
Our performance overall is very positive because it shows an increase in both net sales and profit in comparison with the last year. This applies to both spot work and non-spot work jobs. It's progressing very steadily. That's the latest situation.

The full-year forecast, we have also made a revision to this one, and this will be covered later. Also, the progress rate for this against the forecast is going well. Because of the latest situation, we also have the outlook for the landing. That's why we made a revision to both net sales and the profit. Each slide will be covered accordingly.

Consolidated Net Sales and Operating Profit Trends

Timee

FY26/4 1Q net sales were 10.85 billion yen (+25.6% YoY) and operating profit was 2.10 billion yen (+49.2% YoY, OPM 19.4%), resulting in an increase in both sales and profits. Net sales for both spot work and non-spot work (Timee Career Plus, SukimaWorks, etc.) have been progressing steadily towards the forecast. Operating profit has also progressed well ahead of forecast. Despite steady execution of strategic investments as planned, the profit margin improved by 3.0pt YoY due to strong net sales and cost efficiency in existing business areas.



Net sales, both the spot work and non-spot work, resulted in the increase. 19.4% OPM. This shows an increase by 3pt YoY.

FY26/4 1Q Consolidated Operating Results

Timee

FY26/4 1Q net sales were 10.85 billion yen (+25.6% YoY), gross profit was 10.00 billion yen (+21.8% YoY, gross profit margin 92.1%), operating profit was 2.10 billion yen (+49.2% YoY, OPM 19.4%), and profit attributable to owners of the parent was 1.43 billion yen (+10.0% YoY, profit margin 13.3%). As mentioned earlier, both net sales and operating profit achieved strong YoY growth. The gross profit margin decreased by 2.9pt YoY primarily due to the impact of the consolidation of SukimaWorks, and the profit margin decreased by 1.8pt YoY because it was high in the first quarter of the previous fiscal year due to a transient factor; however, both trended as expected.

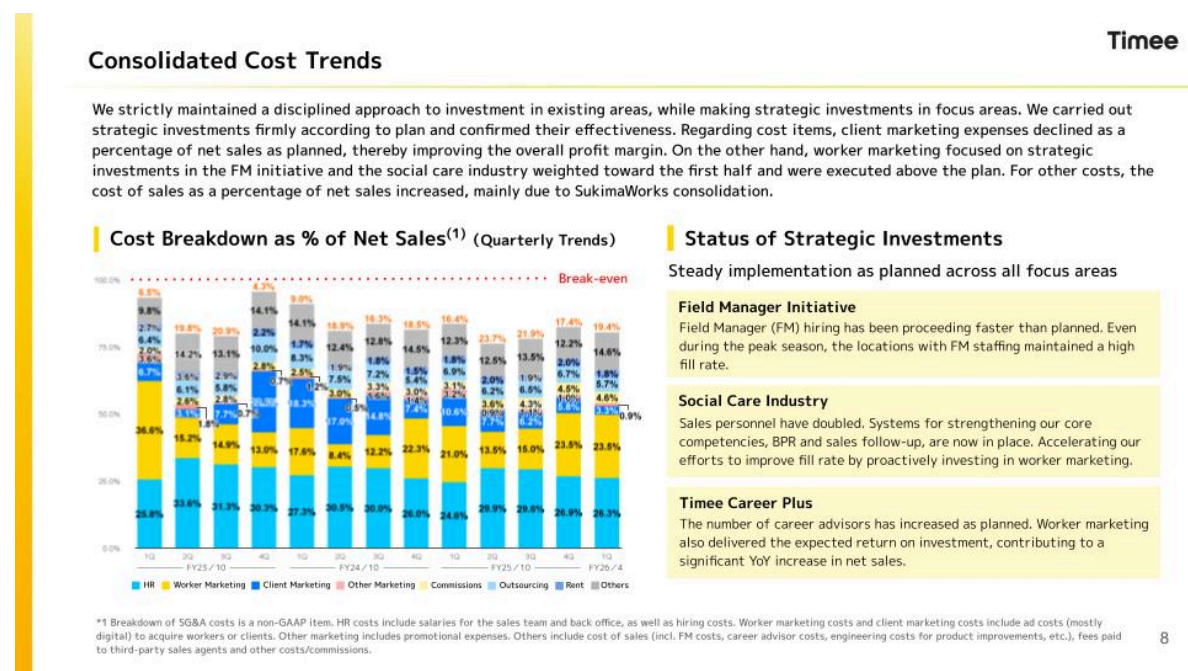
Unit: JPY MM

	FY25/10 1Q	FY26/4 1Q	Difference	YoY
Net Sales	8,642	10,856	2,213	+25.6%
Gross Profit	8,210	10,002	1,791	+21.8%
Gross Profit Margin	95.0%	92.1%	—	▲2.9pt
Operating Profit	1,413	2,108	695	+49.2%
Operating Profit Margin	16.4%	19.4%	—	+3.0pt
Profit Attributable to Owners of the Parent	1,308	1,439	130	+10.0%
Profit Margin	15.1%	13.3%	—	▲1.8pt

Q1 consolidated operating results. We would not cover the details. A few points to specify here.

This is the consolidated result. Because of the consolidation of SukimaWorks, that's what we're saying as the consolidated result. SukimaWorks covers the outsourcing of the projects. Mostly, this is the business model that's slightly different in terms of the gross profit and also the operating profit margin. As a result, the gross profit margin was 92.1% this year, which was 95% last year.

Also, talking about the profit margin, because of the deferred tax assets of the previous fiscal year, the profit margin decreased by 1.8%. Now, we no longer have this factor. This is negative, but this also trended as expected.



Talking about the consolidated cost trends, mainly the same. We started making the strategic investments as shown on the right hand. We talk about the field manager initiative, social care and Timee Career Plus. These are going steadily.

On the other hand, the strategic investments, besides these, we are also carefully monitoring the cost efficiency and the effectiveness and deciding what to invest on or not. This is also progressing pretty effectively. That's why it's showing the improvement in the profit.

FY26/4 1Q Consolidated Operating Results (by Service)

Timee

Unit: JPY MM

	FY25/10 1Q	FY26/4 1Q	Difference	YoY	Progress Rate Towards FY26/4 Forecast ⁽¹⁾	
Net Sales	8,642	10,856	2,213	+25.6%	54.3%	— 56.5%
Spot Work ⁽²⁾	8,622	10,485	1,863	+21.6%	54.3%	— 56.5%
Non-Spot Work	20	401	381	+1,883.4%	58.0%	
(Timee Career Plus)	20	72	52	+256.8%	44.2%	
(SukimaWorks ⁽³⁾)	NA	316	NA	NA	61.3%	
Consolidation Adjustments ⁽⁴⁾		▲31				
Operating Profit	1,413	2,108	695	+49.2%	57.2%	— 67.4%
Spot Work	1,463	2,373	909	+62.2%	55.3%	— 63.6%
Non-Spot Work	▲50	▲252	▲202	—	44.3%	
Consolidation Adjustments ⁽⁴⁾		▲12				

*1 The progress rate for the full-year forecast is based on figures prior to the revision. *2 Including FM dispatch fees and net sales from the long-term part-time hiring support service, etc.
*3 The "Others" category in the segment information of the financial results (kessan tanshin) includes only "SukimaWorks" from the "Non-Spot Work" category mentioned above; all other services are aggregated under the "Timee business." *4 The primary adjustments are SukimaWorks's spot work commission (net sales and cost of sales) and amortization of goodwill (SG&A).

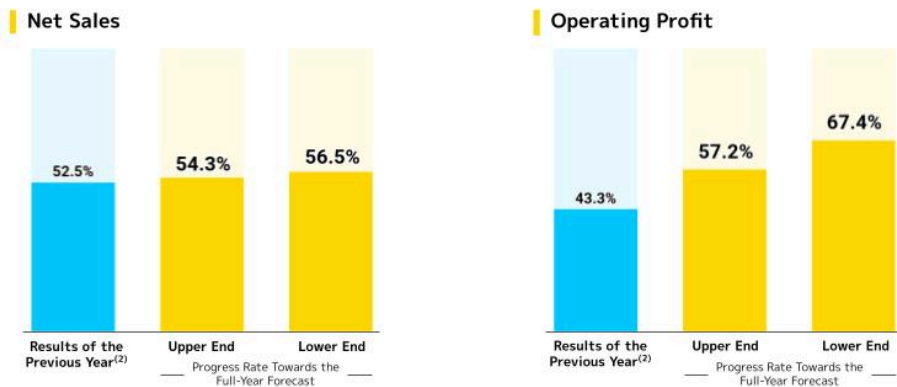
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By the service, consolidated results as shown here in this slide.

FY26/4 Progress Rate Towards the Full-Year Consolidated Forecast⁽¹⁾

Timee

Net sales progressed steadily at a pace exceeding the 1Q progress rates of both the forecast and the same period of the previous year. On the cost side, while strategic investments were steadily implemented as planned, efficiency improvements in HR cost and outsourcing fees for existing areas exceeded our expectations; as a result, operating profit progressed at a pace significantly higher than the 1Q progress rates of both the forecast and the same period of the previous year. The generated surplus profit can be reallocated to additional strategic investments.



*1 Due to a change in the fiscal year-end, the current period (FY26/4) will be an irregular six-month period from November 2025 to April 2026. The progress rate for the full-year forecast is based on figures prior to the revision *2 The ratio of 1Q results in the same period of the previous year (FY25/10 1H).

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The progress rate toward the full-year consolidated forecast, both net sales and operating profit, both of them are going steadily, especially the profit because the cost efficiency has been working out very well. The progress rate toward the upper end and the lower end, both of them are pretty favorable.

The net sales growth is what we are chasing after the most. This is the area that we would further make the additional strategic investments.

FY26/4 Upward Revision of the Full-Year Consolidated Forecast

Timee

Based on strong 1Q results and 2Q outlook, we have revised our FY26/4 full-year forecast upward for both net sales and profits. Net sales are projected at 20.50 to 20.91 billion yen (+24.6% to +27.1% YoY), and operating profit at 3.74 to 4.13 billion yen (+14.7% to +26.7% YoY). Regarding profitability, although the OPM in 1Q showed a significant YoY improvement, the full-year OPM is expected to be approximately the same as the previous year, as the excess profit generated in 1Q will be allocated to additional investment in 2Q to drive further growth in net sales.

Unit: JPY MM

	Same Period Last Year (Nov 2024 - Apr 2025)	FY26/4 (Previous Forecast)	FY26/4 (Revised Forecast)	Difference	Difference(%)
Net Sales	16,460	19,228 — 19,975	20,503 — 20,913	1,274 — 937	6.6% — 4.7%
% Growth	+32.2%	+16.8% — +21.4%	+24.6% — +27.1%		
Operating Profit	3,264	3,128 — 3,688	3,746 — 4,137	617 — 448	19.7% — 12.2%
Operating Profit Margin	19.8%	16.3% — 18.5%	18.3% — 19.8%		
Ordinary Profit	3,222	3,078 — 3,638	3,706 — 4,097	627 — 458	20.4% — 12.6%
Ordinary Profit Margin	19.6%	16.0% — 18.2%	18.1% — 19.6%		
Profit Attributable to Owners of the Parent	2,564	2,102 — 2,662	2,754 — 3,021	651 — 359	31.0% — 13.5%
Profit Margin	15.6%	10.9% — 13.3%	13.4% — 14.4%		

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Considering these, that's why we made the upward revision, and the figures and the details are shown here. Net sales and the profit, both of them, we have made upward revisions.

One thing we talked about is the operating profit going above the plan. Talking about Q2, the surplus of the profit we made in Q1 will be reallocated for the additional investment in the Q2. Even though this is revised, the full-year OPM will be landing at a similar level as the previous year.

FY26/4 Upward Revision of the Full-Year Consolidated Forecast (by Service)

Timee

Unit: JPY MM

	FY26/4 (Previous Forecast)	FY26/4 (Revised Forecast)	Difference	Difference(%)
Net Sales	19,228 — 19,975	20,503 — 20,913	1,274 — 937	6.6% — 4.7%
Spot Work	18,559 — 19,306	19,725 — 20,135	1,165 — 828	6.3% — 4.3%
Non-Spot Work	692	831	138	19.9%
(Timee Career Plus)	163	185	22	13.5%
(SukimaWorks)	516	587	71	13.8%
Consolidation Adjustments	▲23	▲53	▲29	—
Operating Profit	3,128 — 3,688	3,746 — 4,137	617 — 448	19.7% — 12.2%
Spot Work	3,732 — 4,292	4,264 — 4,655	532 — 363	14.3% — 8.5%
Non-Spot Work	▲570	▲493	76	—
Consolidation Adjustments	▲33	▲24	8	—

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We also provide by service the split of the upward revision, as shown here in the slide.

Logistics 	• The logistics industry successfully navigated its first peak season since the onboarding burden reduction project began in full swing. The recruitment of field managers (FMs) has been proceeding faster than planned. Furthermore, we have observed an industry trend of tightening outsourcing labor costs more than ever during off-peak periods while aggressively investing in them during the peak season. YoY net sales growth rate for medium and small-sized clients saw a QoQ reversal. • Our new outsourcing solution, SukimaWorks, has also been progressing well against the plan.
Food/Retail 	• While the food industry as a whole continues to experience negative growth, some companies have started showing signs of improvement individually through solution proposals to management and corporate headquarters. Contract services, such as school lunches and cafeteria operations, continued to perform strongly. • In the retail industry, some major groups that had been practicing cost containment since around the third quarter of the previous fiscal year have been gradually recovering. As for sub-industries, drug stores, which is one of our focus areas, has entered an expansion phase. • Refinement of the long-term part-time hiring support service has been progressing smoothly toward its official release (for both the food & retail industries).
Social Care 	• In the social care industry, which is our focus area, strategic investments in both marketing and sales personnel were implemented as planned. We also accelerated efforts to explore ways to improve fill rate, while establishing a system to strengthen our core competencies in BPR and sales follow-up.

I would like to talk about the spot work trend by industry. Talking about the logistics industry, it's going very steadily. In the last Q4, the market showed signs of a slight slowdown due to changes in the industry environment and the business custom. Q4 was the off-peak season. That's why they were containing some of the costs. In comparison, they are now shifting more toward the peak season. Q1 was the peak season. We were able to see the demands coming into Q1, which was pressed in the Q4.

SukimaWorks is also showing very good progress against the plan.

On food, I will talk further later, but still continues to experience a negative growth. However, some companies have started showing signs of improvement individually through the solution proposal made to the management and corporate headquarters. Contract services, such as school lunches and cafeteria operations, continue to perform strongly.

In the retail industry, some major groups have been experiencing practicing cost containment last year, but those have been gradually recovering. As for the subindustries, drugstores, which is our focus area, it has entered an expansion phase.

The refinement, in order to help the industry recover from the negative growth, we're talking about long-term part-time hiring support to allow them to use more of our services.

Talking about social care, our new area. We have spent on marketing, sales, and the product development as an investment, trying to allocate more resources to accelerate this business.

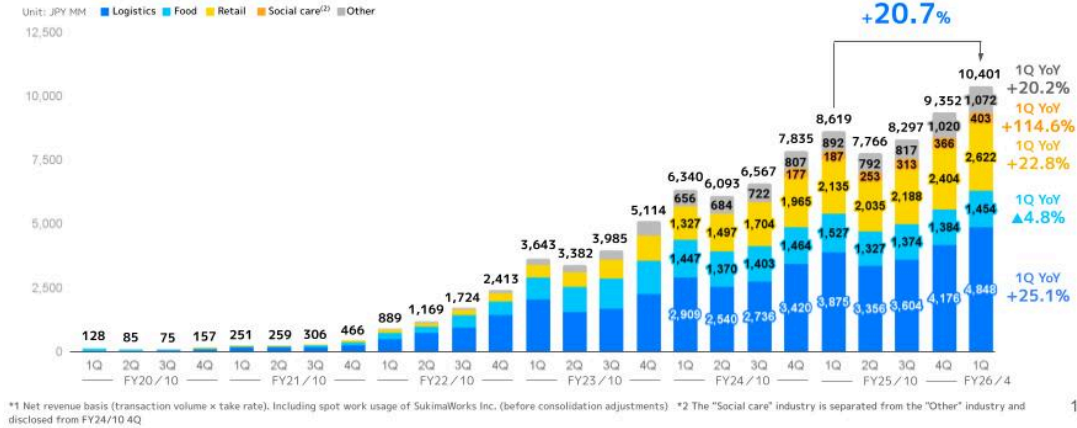
Spot Work

Steady Expansion of Net Sales Due to Serious Labor Shortage

Timee

As a result of successful sales activities leading up to the peak season (1Q), YoY net sales growth rates for both key industries and the company as a whole maintained the same level QoQ. Steady progress has been seen in our focus areas: the onboarding burden reduction project (logistics) and entry into the social care industry. Although the food industry continues to experience negative growth, some companies are showing signs of improvement individually.

Net Sales (Spot work fee⁽¹⁾, Quarterly)

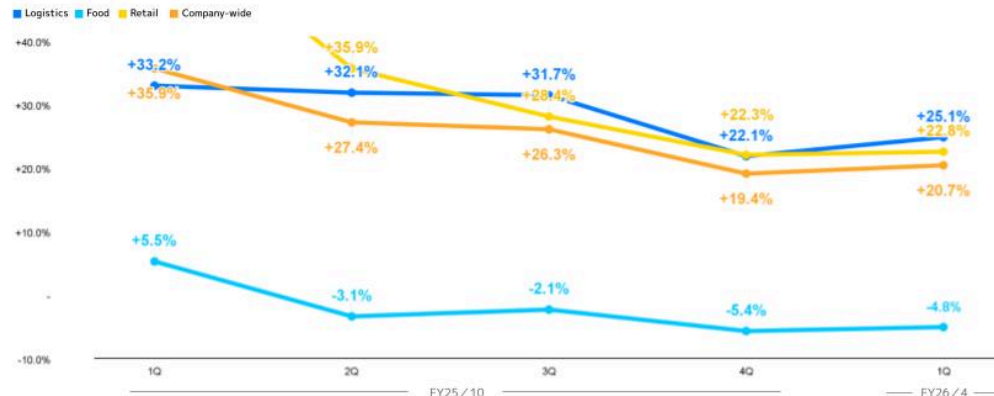


The YoY growth is shown here in the slide on the right hand. The food industry is still showing a negative growth, but the other sectors are showing high growth.

(For reference) YoY Growth Rates for the Three Major Industries Remained at the Same Level QoQ

Timee

Net Sales YoY Growth Rate (Spot work fee, Quarterly)



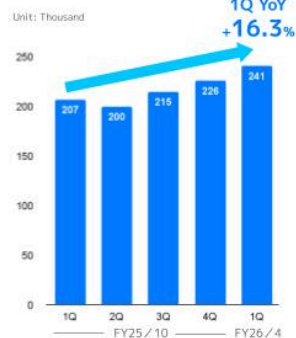
Just for reference, this is YoY growth rates of net sales by quarter. In Q4, as I mentioned before, compared to Q3, it had a significant decline. However, in Q1, we are seeing a positive growth rate, or it will be maintained at the same level.

Transaction volume increased significantly, primarily driven by an increase in the number of AAs. The average take rate remained high at 28.8%, with no significant QoQ decline even in the peak season (1Q). While the number of AAs remained low in the food industry, the logistics, retail, and social care industries drove overall growth. The YoY growth in transaction volume per AA showed an increase.

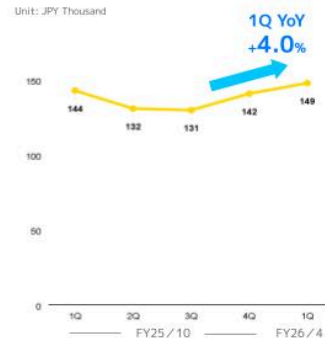
Transaction Volume⁽²⁾/ Average Take Rate⁽³⁾



of Active Client Accounts⁽⁴⁾



Transaction Volume per AA



*1 Including spot work usage of SukimaWorks Inc. (before consolidation adjustments) *2 Wages + transportation costs paid to workers (unless otherwise indicated, "workers" refers to "spot workers") by employers *3 The take rate refers to the commission rate charged to clients. The average take rate is calculated by dividing total net sales from Timee platform by total transaction volume *4 # of registered client accounts that posted at least one job opening in a given month. Quarterly figures correspond to the sum of active client accounts for each of the three months in the quarter, which may result in the figures being higher than the # of unique registered client accounts that posted at least one job opening on our platform during the quarter

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Then, when we look at the corporate-wide KPI, detailed numbers will not be mentioned. However, the active account number is the driver.

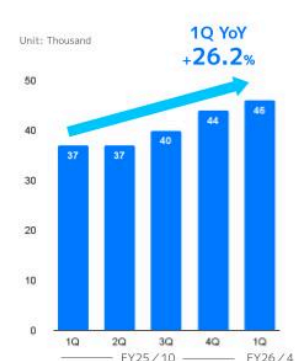
Then, transaction volume per AA used to be negative, but now it is turning into a positive, and I think this is now going to be continuing on a positive trend that we have been able to maintain. Predominantly, this is from the logistics area, where the transaction volume per AA tends to be higher. Also BPR and others in the retail area have been contributing to a positive turn.

We successfully navigated the first peak season since the onboarding burden reduction project began in full swing through meticulous measures to manage fill rate. The YoY growth rate of transaction volume per AA significantly improved QoQ to -2.6%. We aim to further expand market share while striving for an even higher fill rate. The average take rate, which saw a significant decline in the same period last year due to volume discounts, improved by +0.5pt YoY and remained in the 28% range.

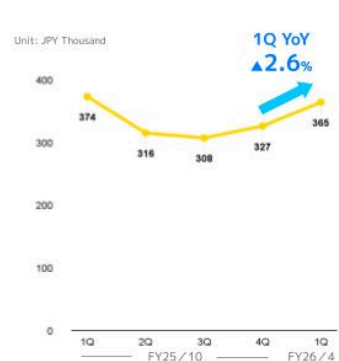
Transaction Volume/ Average Take Rate



of Active Client Accounts



Transaction Volume per AA

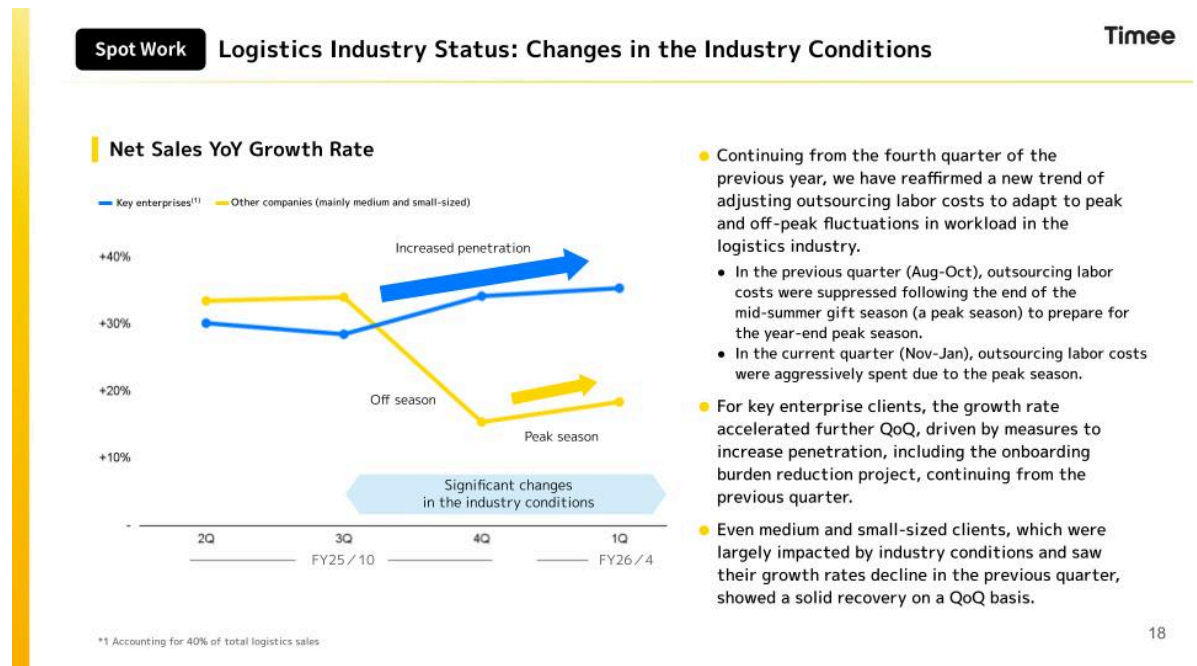


*1 Including spot work usage of SukimaWorks Inc. (Before consolidation adjustments)

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Now, moving on to the logistics industry. As we said, the active account has been on the rise. For transaction volume per AA, that's also increasing with field managers at the core. Therefore, for

major customers, we have been able to really tap in. Therefore, we are seeing very good sales progress.



Then, this will be the overall industry trend that we have put together as a summary, but it will be redundant, so I will skip this page.

Spot Work

Logistics Industry Status: Onboarding Burden Reduction Project

Timee

Onboarding Burden Reduction Project (Field Manager Initiative)

Successfully made it through the year-end peak season

Despite a significant jump in recruitment targets during the peak year-end period, we meticulously implemented area-based digital advertising (worker marketing) and location-specific countermeasures led by customer success (such as job posting methods). As a result, we maintained a high fill rate and aim for further improvement.

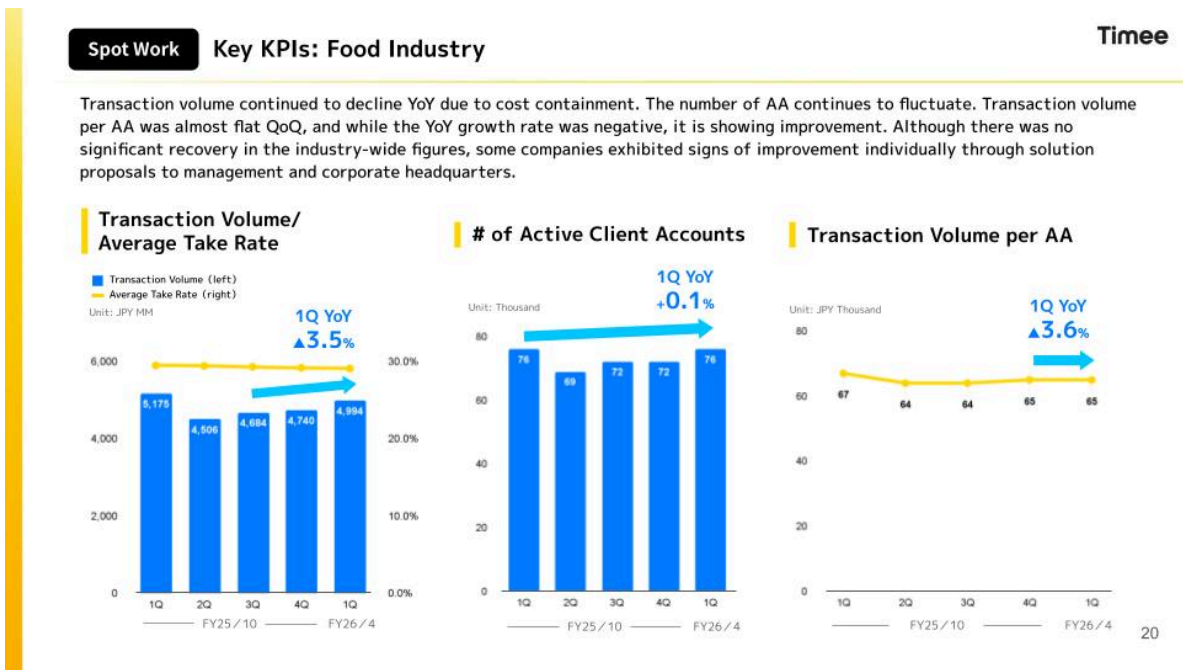
FM recruitment has also been progressing smoothly

Client demand for FM remains strong. To meet this demand, we have been successfully hiring FMs at a pace exceeding the original plan.

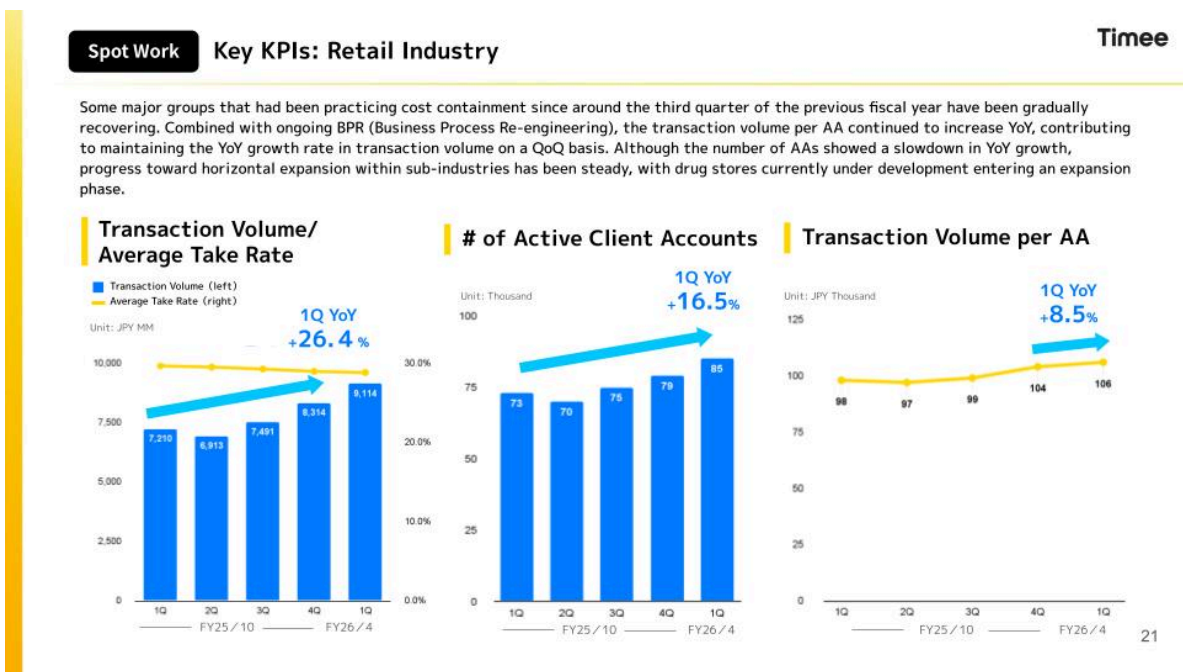
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Moving on to the field manager project. In Q1, which is a very busy peak season, we have been making preparations in the six months, and we have been negotiating with the customers very

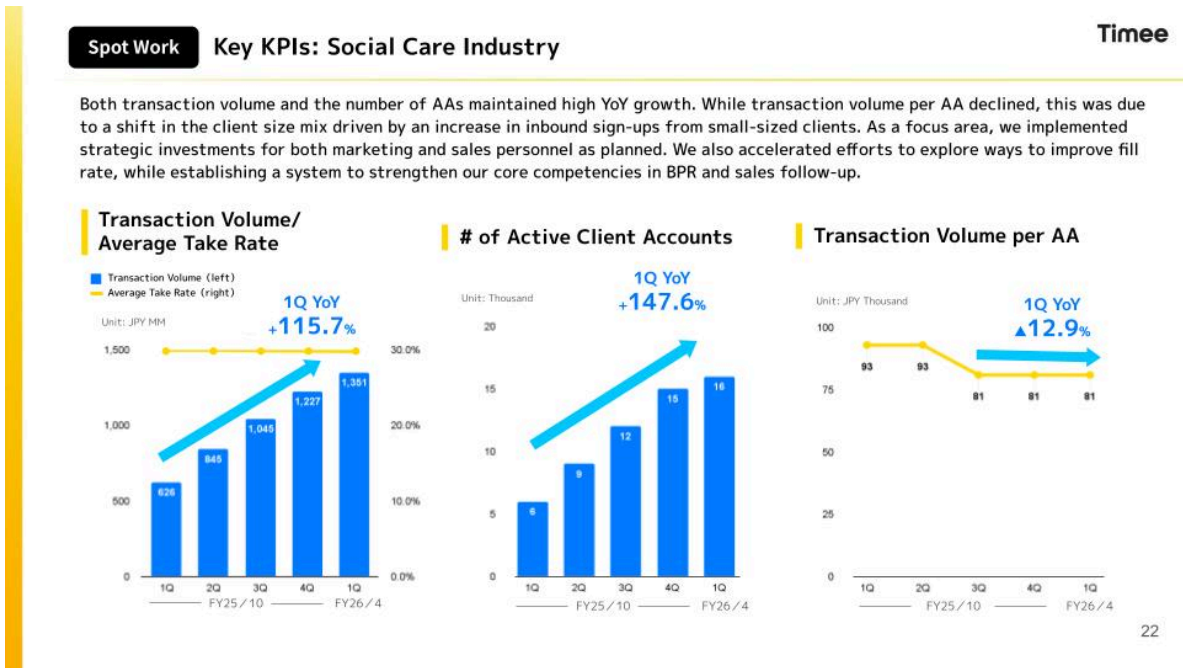
solidly. Therefore, in the peak season, when labor shortage is very prominent, we have been able to make sure that we actually capture that. The FM recruitment also has been progressing smoothly.



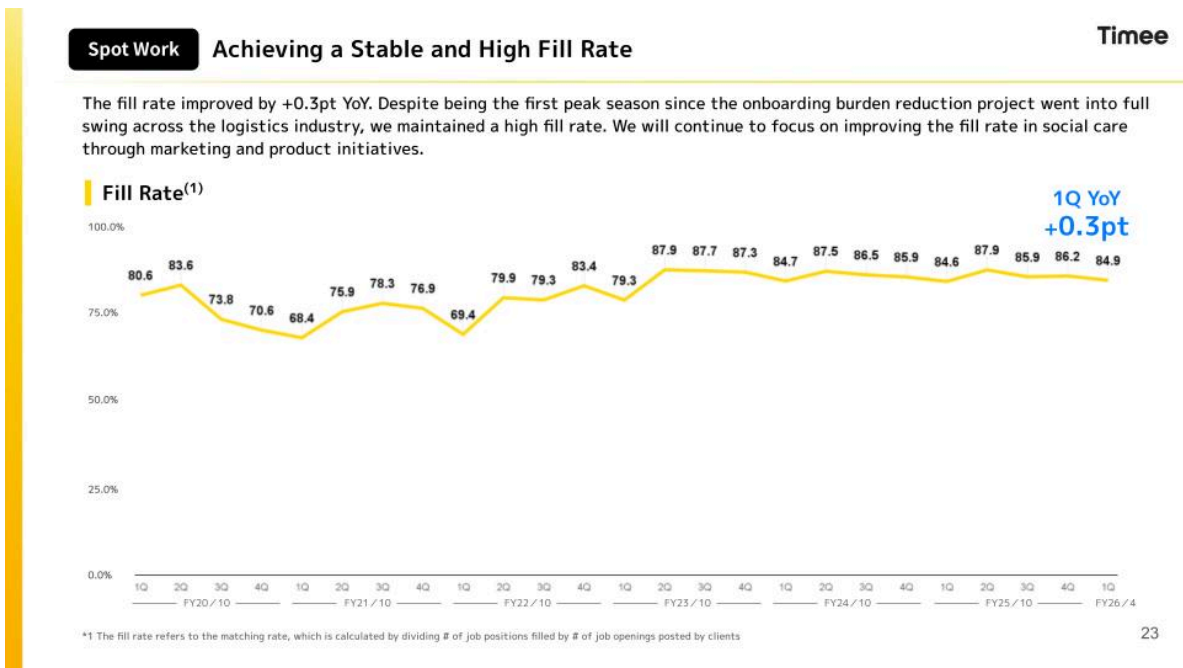
When it comes to food and beverages, it is a negative growth that we have been seeing. However, the decline in transaction volume per AA has been steadily narrowing, we are seeing some signs of a bottoming out and reversal.



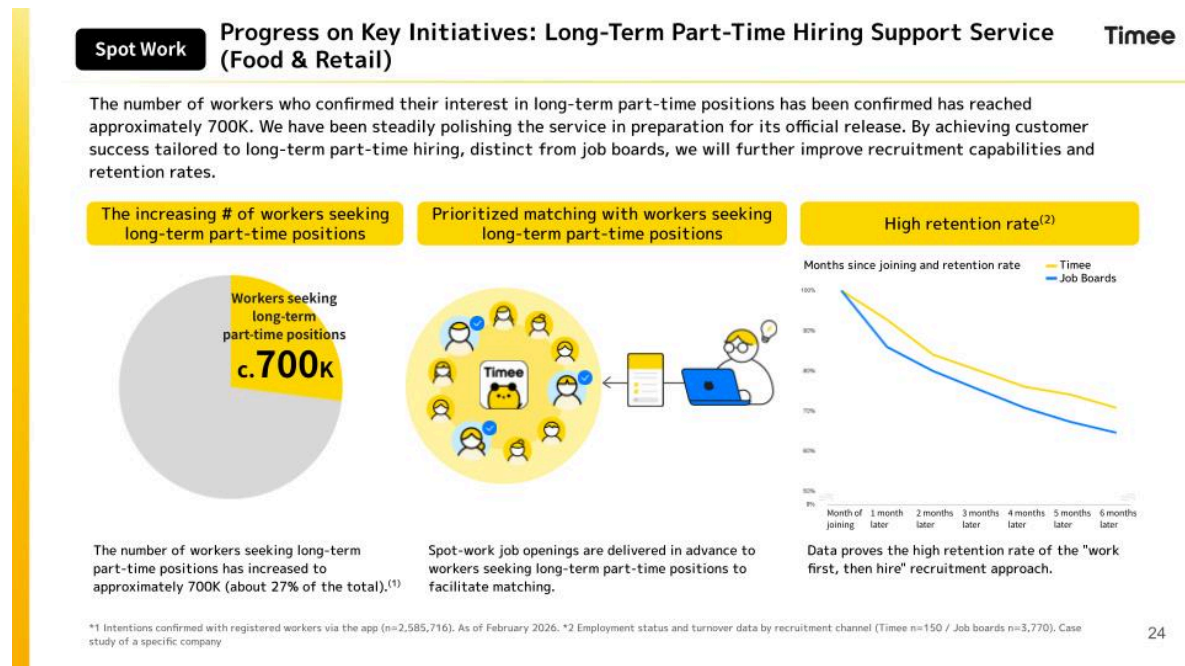
For the retail area, when we look at the transaction volume per AA, with the BPR impact as well, we are seeing a significant positive turn.



Lastly, when it comes to the transaction volume for AA for the social care industry, there is a negative because of the client size mix. However, the active account is very much on the rise. Overall, the growth is being contributed from the sector.



Now, moving on to the fill rate. For Q1, it was a peak season. Therefore, QoQ, we do see a negative. This time, we are seeing a negative as well. However, when we look at YoY, it is a 0.3 point improvement. In the most peak season, we are able to maintain a very high fill rate as a quarter.



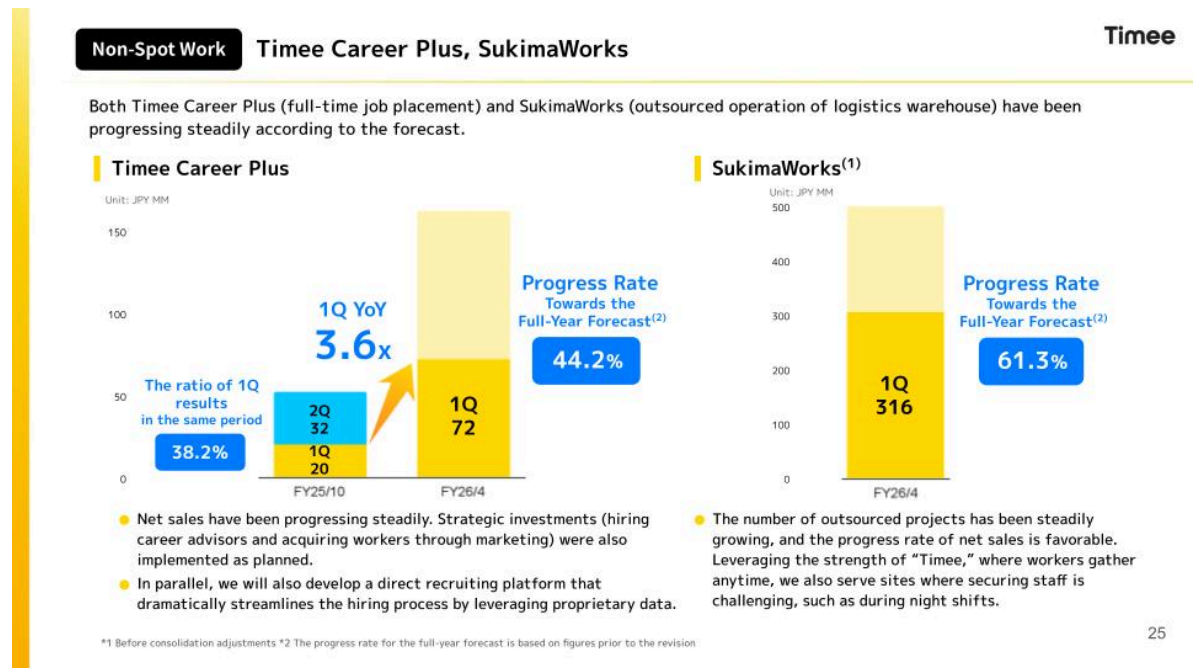
Ogawa: We are moving on to new plans. We have been sharing this in our earnings call in the past as well. When it comes to the food and beverages area, we want to really try to turn the YoY growth rate. We have more than 13 million registered workers, 15% of the working population in Japan. The service is mainly used by housewives, students, and seniors, who mainly take on spot jobs. There is also demand from full-time employees who want to use Timee as a side job during their spare time. There are people who are looking for a job. Until they can find a job, they want to do spot work, and they want to make money. There are some that use us as a bridge as well.

In that context, according to a Timee survey, approximately 700,000 users—about 27% of respondents—indicated they would be interested in long-term employment if they found the right workplace.

For these workers, realistically speaking, there is a longer term worker that clients are looking for, and we want to try to match that in a prioritized manner. By doing that, we want to try to really target longer-term workers so that rather than trying to have job boards, it would be a higher probability to actually match with the people that they are looking for. I think this is an advantage that we can offer.

When we have repeated some of these experiments, the result of that with a certain company, we have been able to go for a PoC. We had compared the retention rate of people recruited from PoC and people recruited through job boards. As a result of that, we confirmed people tend to stay longer when they go through Timee. The reason is that Timee gives you an opportunity to work on the job. They would be able to understand what they do, what the environment is, and what the ambience of the job place is. Then, they would be able to join.

However, when it comes to job boards, there would be a mismatch because they would be joining the company without having an opportunity to actually try the environment and others. Therefore, with Timee, you would have a minimum of people leaving after they join.



Moving on to Timee Career Plus, as well as SukimaWorks. As for our new businesses, we are seeing very solid progress. When it comes to Timee Career Plus, this will be a full-time job placement. It is 3.6x YoY growth that we are seeing. For SukimaWorks, it is after M&A, we are seeing very good progress. Therefore, PMI is proving to be quite successful. When it comes to food and beverages YoY, we really do want to improve. We are engaging in this with a lot of attention, and we are seeing some promising signs. Therefore, we want to make sure that we address that.

When it comes to new businesses that we have mentioned here on this slide, Timee will be able to maintain a higher growth rate once again, and we will be able to become an even larger scale company.

Key Points Regarding the Change in Fiscal Year-End

Timee



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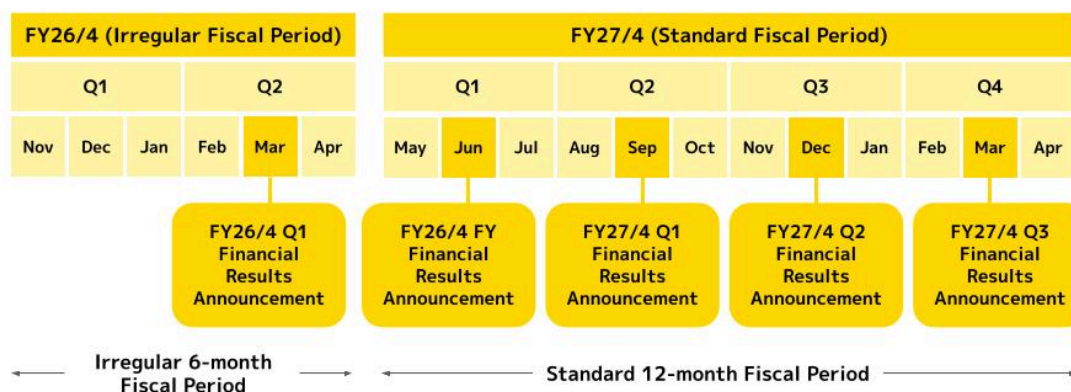
Yagi: Lastly, these will be the key points regarding the change in our fiscal year-end. Previously, it was an October-end fiscal year. However, now it's going to be an April-end fiscal year. With that, for this fiscal year, it is not going to be a 12-month earnings, it will be six-month earnings.

The backdrop to this is that it is a very busy peak season. Regardless of just the logistics area, including food and beverages and retail, this is a time when it is very busy.

When it comes to an October earnings fiscal year-end, then internally, at the beginning of the year, when it comes to really trying to address things, as well as administrative work and others, it tends to be quite cumbersome and quite busy. This is when we need to market most. Yet, we have not been able to maximize our efforts, and that was a challenge that we were facing.

That's the reason why we decided to move this by six months so that we would be able to really address the customers at the peak season. To do so, we decided to change our fiscal year.

Change of Fiscal Year-End from October to April



It is going to be irregular fiscal earnings. It will be six months for this fiscal year. In the next quarter, it will be the end of the fiscal year.

For the new fiscal year, it will start from May. The next earnings will be full-year earnings. But for fiscal year 2027, an April-end guidance is something that we hope to announce. That will be it for the briefing.

Question & Answer

Gibson [Q]*: On retail, you were previously making proposals for a new business model and pricing. I was wondering what happened with that PoC, and are we seeing a wider deployment of that offering?

Ogawa [A]: As for the long-term part-time hiring, Timee's actual clients, the amount they spend on the job board to hire long-term part-timers, trying to convince them to shift this cost to Timee, this is related to the new pricing plan. This is not something we can disclose now. But we have been offering this service as a trial to some of our clients.

Some of the feedback we received is that they have been successfully hiring long-term part-timers by using Timee, and people are staying longer under the Timee scheme. We have been able to create this new scheme that functions very well. Now, we have to discuss the pricing and the other details towards the launch.

Gibson [Q]*: Just to clarify, how far away are we before launch? That's one. And two, what proportion of the active accounts do you think are interested in this long-term, part-time hiring support service?

Ogawa [A]: Maybe the launch timing, something that's a little difficult to confirm at this moment, but not like the year-end. Hopefully, a little earlier than that, maybe middle of the year or the summer is what we are eyeing on now.

The active accounts, right now, we are currently planning two plans, one for enterprise, the other one for a smaller size, including individual business owners, those clients currently using Timee. This is by providing two options, we would like to cover as many clients as possible.

Gibson [Q]*: Final question, sorry. You mentioned changing your fiscal year-end, and that it impacts your sales. I just state for Q1, did you feel that your sales growth was below what you hoped because of this issue?

Yagi [A]: The year-end change, from this fiscal year, we changed that to April. The last year-end was the peak season. That's what we applied in October last year. The impact of this fiscal year-end will be from this year.

Gibson [Q]*: Sure. But the period you're trying to avoid a problem is Q1, right? I was just wondering whether, as a result, did you feel like the Q1 performance could have done better because of having to deal with the fiscal year-end previously?

Yagi [A]: The previous situation, because it used to be October, the financial result, and because we were not able to allocate the resources we wanted to do. Those resources are now fully implemented for the sales.

Maybe this year's year-end, because it's no longer October ending, this year-end, we can utilize the resources we wanted to do toward the year-end, which is the peak season. Maybe the year-end could have been even better if we were able to allocate the resources we wanted to do as much as possible.

Noguchi [Q]: There are two things. First, when it comes to the longer-term employment project, I think you can't release the details yet. However, I think you are conducting a PoC, it appears, and this is a product that you are currently experimenting with. What is the fine-tuning that you have remaining until you could actually launch this as an official product? Is there a system issue? Or is it a service itself in terms of how you offer the services, there is some room for improvement. What do you need to change until you actually officially launch?

Ogawa [A]: First, when it comes to the algorithm, their algorithm is already there. However, when people actually come to work, once they start to work, the store managers may be too busy, and then, they can't really call on people to come to them because they're too busy. Therefore, the conversion rate tends to be a bit lower. That's what happened as a reality.

Therefore, we try to understand exactly what type of a structure will make it possible for people to actually call on spot workers that come to work, and we created a manual. For the top clients, a better performance has been experienced than people who came through job boards.

When the number of companies increase, we want to make sure that this is a sustainable service, and we want to make sure that it's not going to be a highly concentrated type of work, where it will be too intense.

When people are actually recruited, then how much should we sell the service? We need to really think about the pricing. We're making adjustments to the pricing and operation.

Noguchi [Q]: The second thing is in the logistics area. In Q1, when we look at your numbers, it is very much flat in terms of the growth rate of transaction volume. As for Q2 and on, what is your expectation? Q1, there was a field manager initiative. Therefore, I do believe that it was doing quite well. But after the peak season, when you look at the top line, what is the sustainable transaction volume?

Yagi [A]: When it comes to the logistics area in Q2, it was a very favorable development. It was not a one-off. It's not as if there was anything new that happened. As we explained, when it comes to spot work, it really fits the logistics area needs. Rather than actually using dispatch, I think clients are switching over to Timee, using spot workers within the context of a labor shortage that is very serious.

Timee can really showcase a very high fill rate even when there is a volume. Although Q2 is off-peak season, there is a moving demand, and it's the change of the fiscal year. We want to make sure that we will be well prepared to capture that. We would be able to see a very good and favorable development just as Q1.

Arai [Q]: It seems like Q1 was positive and above the forecast. The top line, what were the factors for this upside, the growth in comparison with the forecast? Is it coming from the logistics or the retail?

Yagi [A]: Yes. As you said, the logistics and the retail, they have been pretty stable. That was the factor for this upside. As the overall guidance, it wasn't necessarily too optimistic, but maybe rather it was a little conservative. For Q4, the new trend of the industry custom was a little bit uncertain. Of course, the retail was also a little uncertain as well. That's the reason why.

Of course, the labor shortage is still here in this market. That's the reason why we were not too pessimistic about it. The logistics and the retail showed pretty favorably, and that was the biggest

factor. The elderly care, the social care, and this is the area that we have allocated a lot of resources. That was in line with our expectations.

Arai [Q]: About the logistics, maybe taking account of the new trend of industry custom, some of the risks were coming from fluctuation in workload. That's why you created this guidance. At this moment, maybe a lot of the impacts came from the concerns related to the custom in this area, especially coming from SME, that was not really the case, as you previously were concerned a little.

Yagi [A]: Yes, we might face a little bit of the volatility because of this change. If you look at the full-year situation, it wasn't really a big change. That's basically our new finding.

The Q4 timing, it looks like the demand for Timee decreased. We were a little bit concerned that it would go further overall in this industry. That was our concern at that time, and that's why the guidance was a little bit conservative.

Arai [Q]: The retail has been pretty good. I would like to do a deep dive into this aspect. The KPI split and the active account grew by 16% YoY. It's growing steadily. The transaction volume per active account is also growing by 8.5%. Would you mind explaining further why the retail has been pretty positive?

Yagi [A]: Yes, the number of the active accounts, including the supermarket that constitutes a large portion of the active accounts. As we previously explained, within the retail, the drugstore, besides these previously mentioned, a lot of subsectors are here in this industry.

We're further trying to expand within this retail industry to cover many sub-industries as much as possible. The transaction volume per active account, how many works are dedicated through to our platform in one location, that's been diversified compared to other industries. While it is difficult to achieve deeper engagement or higher revenue per account without implementing BPR, we have been able to create new job openings that can be entrusted to spot workers though BPR. That's why each location is putting more jobs available in Timee. That's probably the factor of this growth.

Arai [Q]: As a last question, in the last quarter or the result, you mentioned that maybe this year is the preparation period and next year will be the growth period. Due to the change of the fiscal year-end, this fiscal year will be half year and the next year will be starting from May.

The growth from next year, do you mean about the new fiscal year? Or do you mean about H2 of the new fiscal year? You are expecting which timing of the growth will be happening? Next fiscal year, meaning from this May, can we expect a rapid reacceleration of the growth?

Yagi [A]: That might be a little too early. Maybe Q1 and Q2 of this fiscal year is the timing that we are accelerating our investments. So rather than starting from May, November will be the timing.

Arai [Q]: That would mean that next fiscal year, under the new fiscal year change, H2 of that will be the timing?

Yagi [A]: We will review the contribution of the investment to the net sales on quarterly basis. So there may be some fluctuation in timing, but the investments will continuously be made in the Q1, Q2, and 1H of the next fiscal year as well.

Okumura [Q]: This is surrounding your strategic investments that I would like to once again confirm. It seems like your profitability saw an uptick in Q1, so you're going to make additional investments. Where would you be allocating that investment? What would be the scale of the investment?

Furthermore, in this fiscal year, you only have one month remaining. When it comes to strategic investments into the next fiscal year, I would like to better understand your thinking. What are you going to continue from this fiscal year? What are the additional investments that you will be making in the next fiscal year? When it comes to your operating profitability, what is the outlook that we should be expecting based on the revision that you are making?

Yagi [A]: First and foremost, when it comes to our strategic investments, as you can see on this slide, it will be the field manager initiative in logistics and social care, as well as Timee Career Plus. These are the predominant areas where we will be making strategic investments.

As for the Q2 investments, it's not something that would be totally different. I think we will continue to invest in areas where we would be able to really see an acceleration in our growth, as well as expanding our sales revenue. We do want to try to increase the volume on these two fronts.

What would be the line item, especially in the marketing area, I think that will be the predominant area of our investments. Within marketing, it will be worker marketing that will be the main area of investments.

From the next fiscal year and beyond, it will be way into the future. In the next earnings, including guidance, we will be making disclosures in detail. It's not going to be a totally different area that we are going to be investing in from the next fiscal year. That's not what we're assuming. It will continue to be in areas that are mentioned here, and we will be doing a deeper dive in these areas.

When it comes to profitability, we will be sharing our thoughts in the next quarter, but since the fiscal year-end has changed to April and next year's plan will be based on comparing the full year result to the previous year after adjusting the April fiscal year cycle. So reviewing the profit level of the one-year period from May of 2025 to April of 2026 against from May of 2026 to April of 2027 shows exactly how that is going to be improved.

We are going to be making strategic investments. Therefore, the profitability improvement, that level is still not clear yet because we are currently in the midst of developing the plan.

Okumura [Q]: One thing to add, when it comes to the food and beverage, in order to launch the long-term part-time hiring service, is there going to be a significant amount of investment that you need to make?

Ogawa [A]: I think it is going to be something that we offer to our existing customers, first and foremost. It's not as if we need a significant promotional spend. However, Timee has an image of people using their spot time to work. They don't really understand that they could actually look for a long-term part-time position through Timee. We need to change that image as a brand because people see us as a spot work platform.

Towards the end of the year, there's going to be a peak season. We actually have TV commercials and others at the end of the year. We do want to use some creative and marketing tools in order to change that image. There are some branding investments that we may need to make.

Oiwa [Q]: It seems like this is a very positive performance result. SBI PTS is also showing a 7% increase. Congratulations. I have maybe three questions.

First one, the field manager initiative. How about the result of that, the growth in the net sales shows 25% coming from the logistics, and the last Q4 was 24%. How much is this initiative contributing to these figures? How many field managers have you hired so far?

Yagi [A]: We're not disclosing the concrete figures, but the field managers are mainly, as shown in this slide, in the blue part, we have been proposing that to the large accounts.

Maybe the contribution to the overall result, it's still not a big portion coming from the field manager initiative because the scale of the sales is still limited under the scope. We are sincerely trying to communicate with the clients and then trying to allow them to shift to other costs that are spending on the dispatch to us under this initiative.

It's a little bit hard to completely separate the effects of the initiative and the one that's not coming from our initiative. This is trending as we expected. Unfortunately, we're not disclosing the concrete figures or numbers. What we can say is that it's growing pretty steadily.

Oiwa [Q]: Mainly the small to medium companies, is this the sector we're dispatching?

Yagi [A]: The field manager is targeted for the bigger sized companies, as showing this blue. Trying to deep dive further into the enterprise, the big-sized companies.

Oiwa [Q]: The second question, in the long-term part-time hiring, and how would that contribute to your performance, whether it's going to be the recovery into the food restaurant industry or the other net sales or the others, which would impact?

Yagi [A]: We would like to further decide on a better disclosure policy. But this is not just used for this particular sector, but we are also seeing the clients also using that for the retail sectors. If the client is using job boards to hire workers, then that's the area that we can provide this initiative.

Oiwa [Q]: The last question for me is at the last Q4, the share buyback, you mentioned that you might do it. I was expecting a little, but a little bit disappointed that we didn't see that. It seems like you have accumulated an amount of the cash, maybe half of the quarterly GMV. How much working capital is needed?

Yagi [A]: As we explained in the last briefing, we would like to prioritize the growth investment. If we cannot utilize the budget, taking into account cash liquidity and other factors, we would consider some of the shareholder returns.

We are considering doing that, but we're not confirming whether we would do it in the next quarter or which quarter. But the liquidity of the on-hand cash, we would consider that, and also, the stock price and try to prepare for that.

At this moment, it's a little difficult to confirm when exactly we would do it.

Oiwa [Q]: The working capital, how much do you need for that?

Yagi [A]: The logic or the calculation for that, let me go into the slide. The transaction volume in the current month going on, we need to have that on hand. At this moment, March timing right now and the cash equivalent to total transaction volume in March can be expected at the end of

February, so that is the amount we need to have. Maybe we're not really disclosing the transaction volume each month, but we would need more than JPY 10 billion.

[END]

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