Medium- to Long-Term Management Policy 2026

Update to Medium- to Long-Term Management Policy

In May 2025, we announced our
"Medium- to Long-Term Management Policy 2025",
outlining the business areas and strategic directions upon which we would focus.

A year has passed since then.

While there have been no major changes in the business environment and we will continue to operate based on our current management policy, the past year's initiatives have led to further evolution in some areas and necessitated revisions in others. Consequently, we have updated the content and are now announcing the
"Medium- to Long-Term Management Policy 2026".

The Evolution of Corporate Messaging

We are a company that continually seeks to discover the value underlying yet untapped and continuously strives to create new value

Creating New Standards, Transforming Society

At WDB Group, we challenge what has long been taken for granted and create new standards.

Business

Human Resources

Pursue value as a staffing agency

CRO

Establish a highly productive CRO business model

Platform

Expand into new business domains as a platform company

Human Resources Business

Human Resources ／Our Business Environment

・Amid Japan's shrinking workforce and intensifying competition for talent, wage levels have risen. The average hourly wage for temporary staff continues to climb month after month, and recruitment costs are soaring, making it increasingly difficult to secure personnel year by year.

・Consequently, the profit margins of staffing agencies are under severe pressure and trending downward. As the Japanese model of temporary staffing may become commercially unviable in the future, companies are seeking new avenues for growth in areas such as permanent placement, business process outsourcing (BPO), and job advertising.

・Furthermore, the automation of administrative tasks via AI is progressing, leading to a decline in the number of job openings for temporary staff. These trends are expected to accelerate, compelling staffing agencies across all sectors to re-evaluate their business strategies.

In light of this situation, we are implementing the following strategies.

Mid-term Strategy

① Platform → ② SG&A cost reduction → ③Higher staff compensation → ④ Market share Growth

By providing services through our platform, we automate the process of connecting job seekers with employers and eliminate as much of the work traditionally performed by people as possible and there by reducing SG&A expenses. By allocating these reduced SG&A expenses to the compensation of our temporary staff to improve their compensation, we aim to become the staffing agency offering the highest compensation in the industry, and secure more workers from the labor market and expand market share.

Human Resources ／Vision and Strategies

Building a Staffing Business Model That Competitors Cannot Replicate

Digital

doconico

・AI-driven client consultation

・Order placement/Contracting/ Time & attendance/Billing

・AI-driven candidate registration

・Job applications/Contracting/ Time & attendance /Payroll

・AI-driven automated matching

DOCO1

・ Agency portal

Other

・ AI-powered internal business support

・ Digitalized operations

&

Hospitality

・Job Support

・Status Reporting

・80 Local Offices

・Human-assisted needs assessment

・Skill-based training

・Human-led Interviews

This system secures highly skilled workers through competitive compensation and comprehensive training, and introduces and dispatches only carefully screened personnel.

CRO Business

CRO／Our Business Environment and Strategy

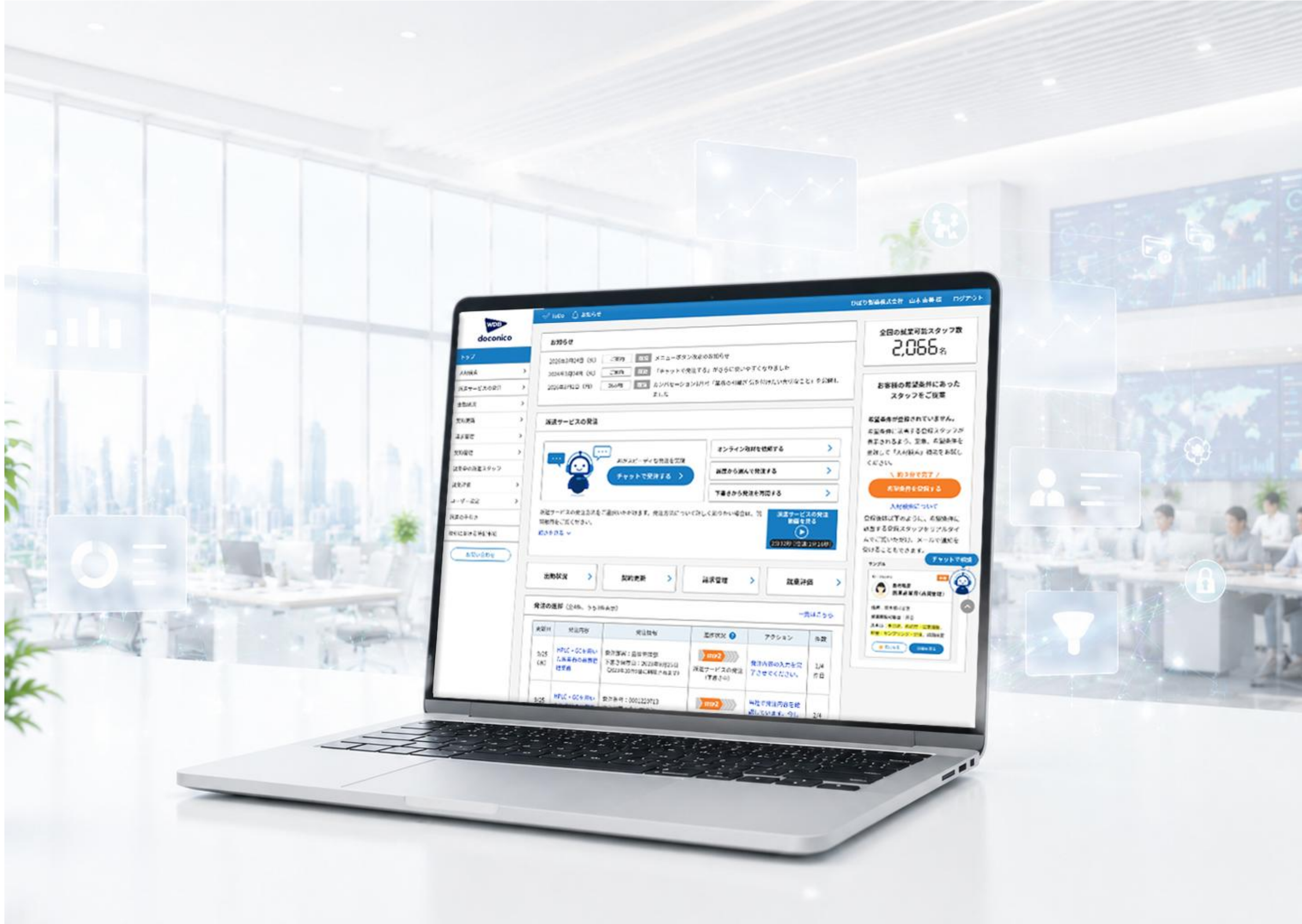
Our business environment

The role expected of CROs is evolving due to factors such as rising wages and the widespread adoption of generative AI.
Consequently, it is necessary to transform the business structure by re-evaluating the value traditionally provided, eliminating reliance on specific individuals, and promoting the structuring of operations.

Strategy

- Strengthen center operations to achieve both stability and efficiency through automation and standardization.
- Redefine outsourced services and deliver value to clients by taking on the fragmented, non-strategic tasks that arise within pharmaceutical companies.
- Establish an end-to-end support system in the medical device sector—spanning development, regulatory submission, and the post-market phase—that integrates digital technologies and data utilization.
- Pursue the creation of new businesses in the medical and pharmaceutical fields.

Platform Business



Platform／ Vision and Mid-term Strategy

WDB Group

Vision

Utilizing the know-how gained from "doconico" and "DOCO1," we will expand into new business domains as a platform company

Agency Portal PF

DOCO1

HR PF

doconico

2025

2021

2016

Digitizing our staffing services.

Digitizing staffing services across the industry.

Building a platform for new services in the emerging fields.

Platform／Our Strengths

We take full responsibility for every stage of platform development. By handling everything from business model design to system development internally, we can quickly adapt to changing circumstances and make adjustments as needed. This speed and flexibility are what sets us apart from other companies.

<table>
<tr><th colspan="2">Process</th><th>WDB Group</th><th>Platform Management Company</th><th>Typical Company</th></tr>
<tr><td>1</td><td>Business Model</td><td rowspan="13">In-House Development</td><td rowspan="4">In-house</td><td>In-house</td></tr>
<tr><td>2</td><td>Planning</td><td rowspan="2">In-house + Outsourced Development</td></tr>
<tr><td>3</td><td>Requirements</td></tr>
<tr><td>4</td><td>Basic Design</td><td>Outsourced Development</td></tr>
<tr><td>5</td><td>Detailed Design</td><td rowspan="9">In-house + Outsourced Development</td><td rowspan="9">Outsourced Development</td></tr>
<tr><td>6</td><td>Development</td></tr>
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<tr><td>11</td><td>Implementation</td></tr>
<tr><td>12</td><td>Training</td></tr>
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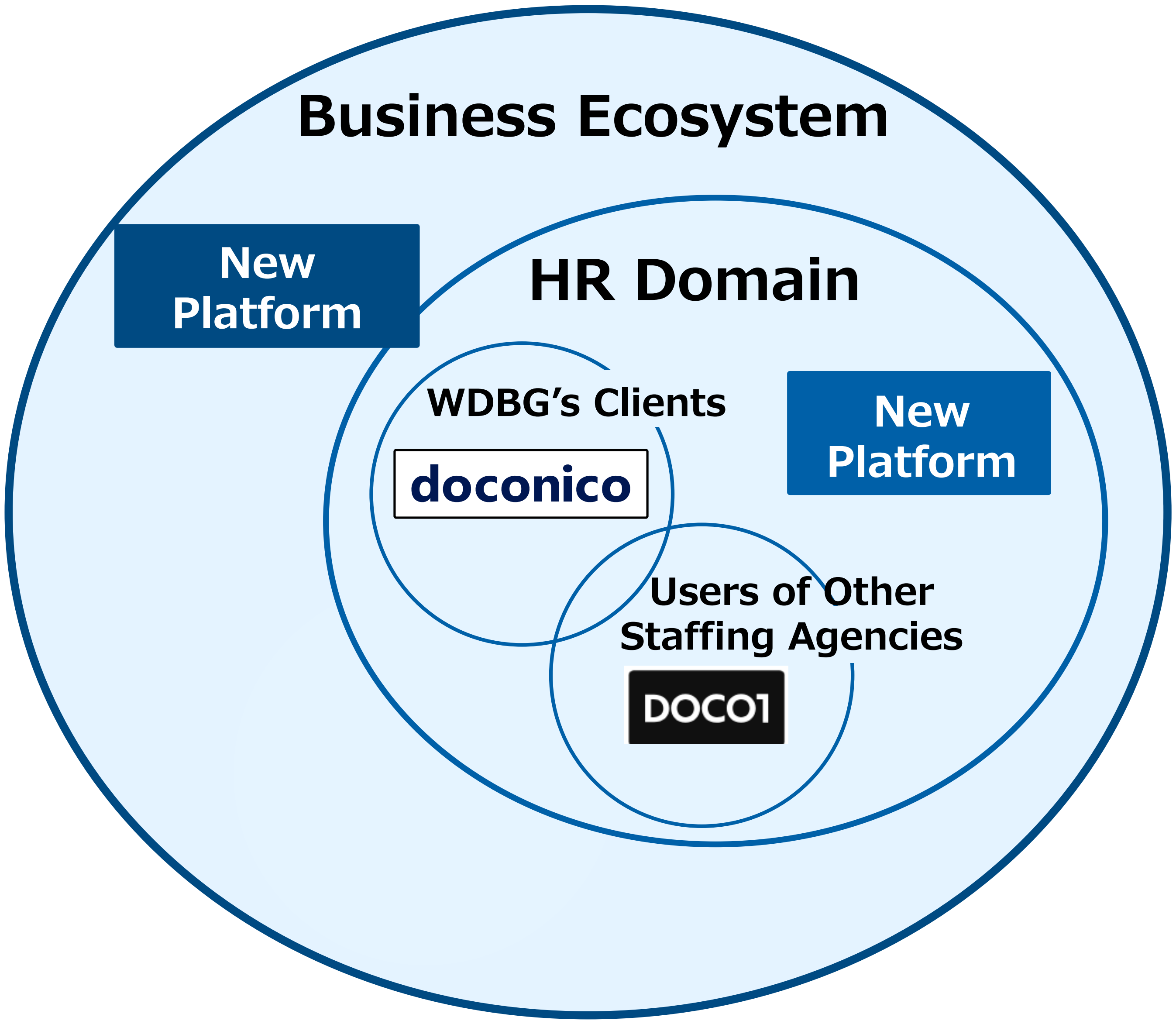
Future Prospects

Creating New Business Domain

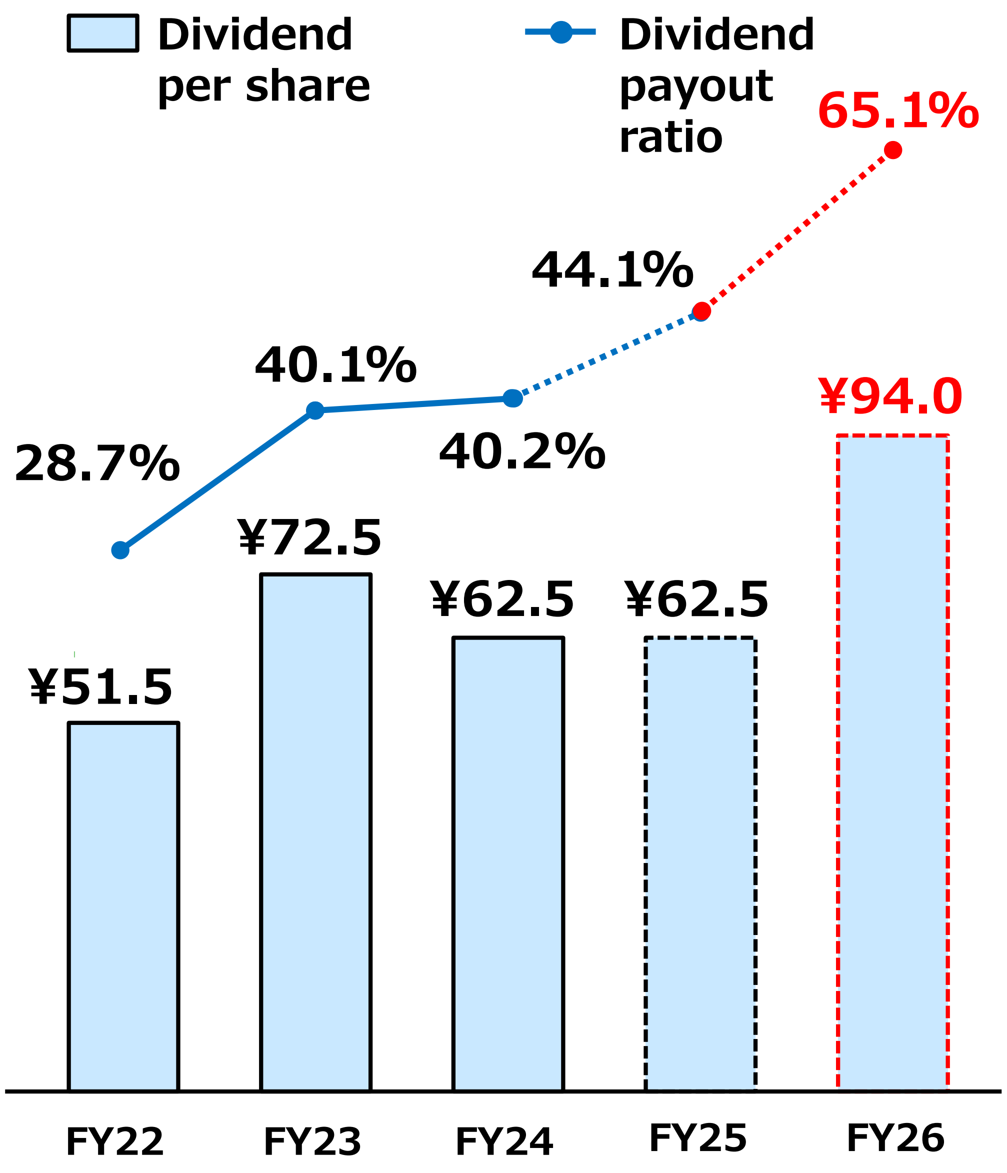
Leveraging the expertise cultivated through the development and operation of "doconico," and "DOCO1," we will create new value as a platform operating company.

We aim to be a corporate group that contributes to the advancement of the entire business ecosystem in the staffing industries through a new platform that leverages our unique strengths.



Dividend Status and Future Policy

Our goal is to increase profits by increasing our corporate value and achieve continuous increases in dividends. To achieve this, we aim to grow our business and achieve continuous revenue and profit growth.
On the other hand, our dividend payout ratio remains relatively low within the temporary staffing industry, and we are unable to fully meet the expectations of our shareholders. Therefore, we have decided to review our dividend payout ratio criteria and strengthen shareholder returns.
Backed by a strong financial foundation, we will balance business investments and dividends, aiming for a dividend payout ratio of 65% and maintaining a stable dividend payment structure.
As for share buybacks, we have a policy of not doing so as this is in line with the float ratio standards set by the Tokyo Stock Exchange.



The business environment surrounding our company continues to become increasingly challenging, Nevertheless, we will continue to pursue a variety of initiatives aimed at enhancing corporate value by executing business strategies that are aligned with these changing circumstances.