

Respond, Exceed



WDB Holdings Co., Ltd.

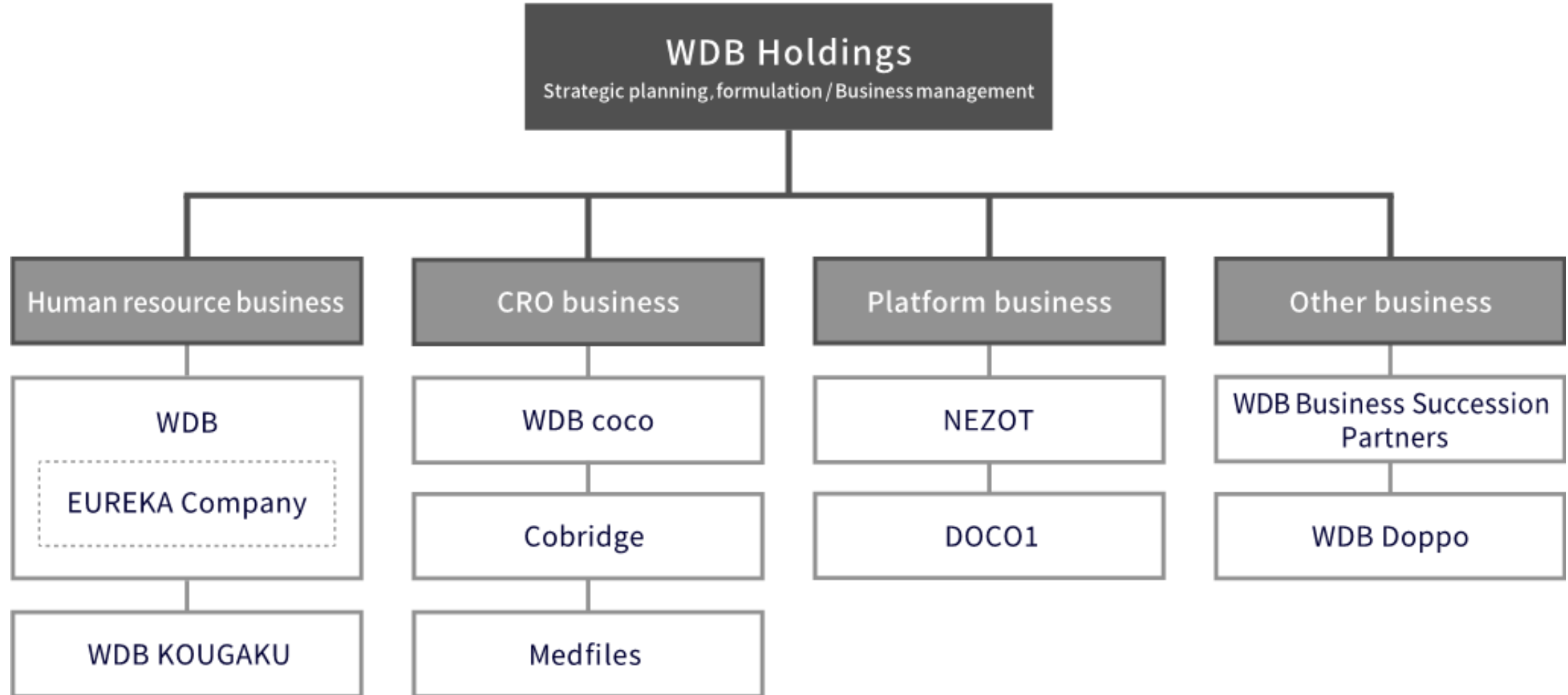
FY2025 1Q Financial Report

~~New Business Strategy~~

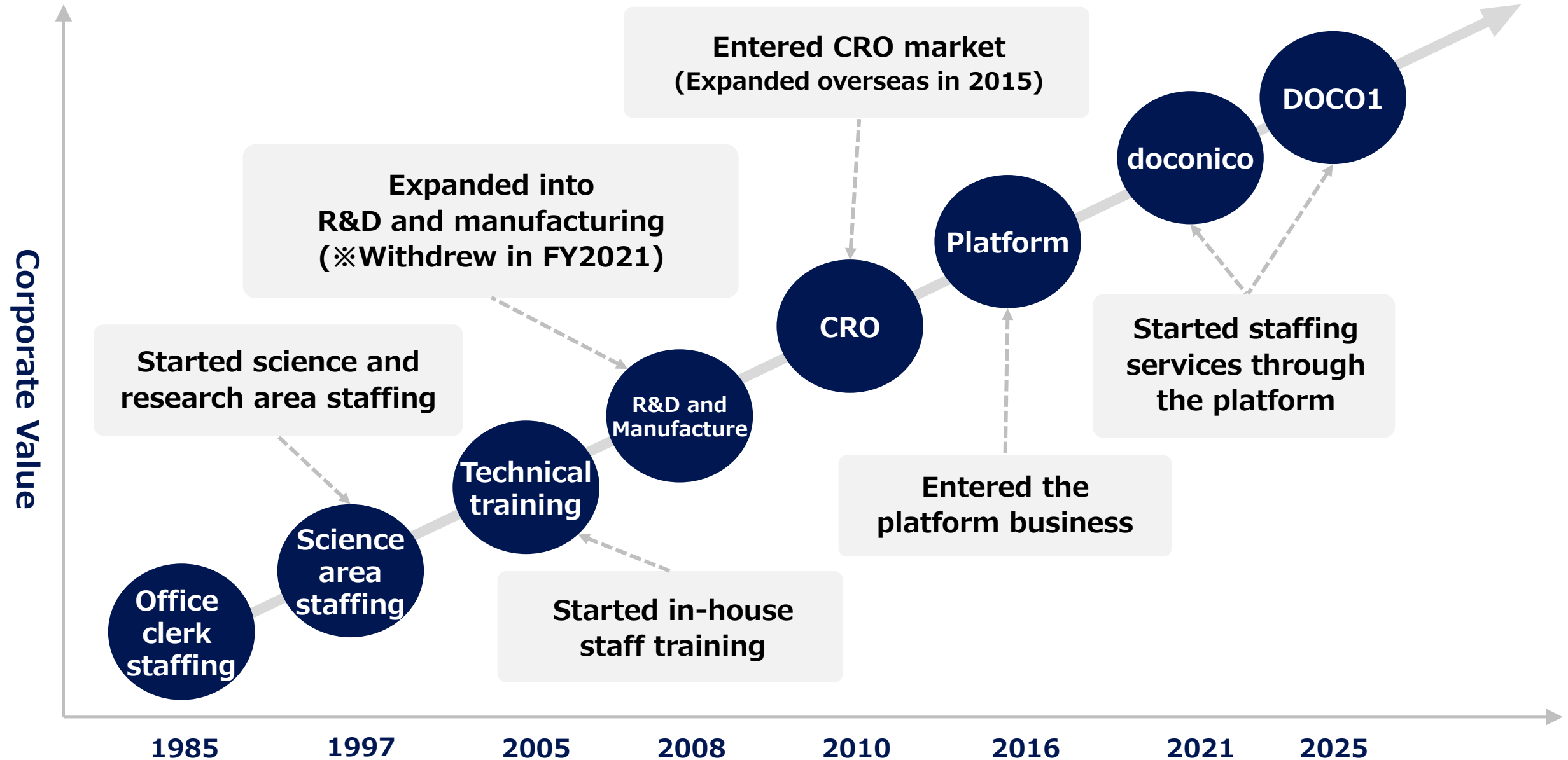
Company Overview (Aug, 2025)



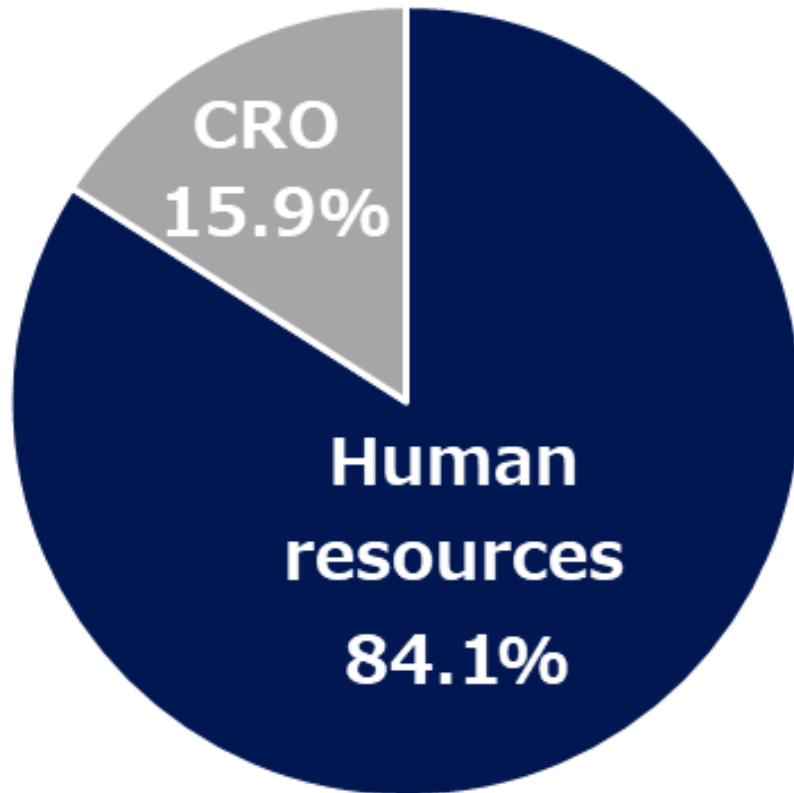
Company Name	WDB Holdings Co., Ltd.
Incorporation	July 6,1985
Capital	¥1 billion
Stock Listing	Prime Market of Tokyo Stock Exchange (Code 2475)
President and CEO	Toshimitsu Nakano
Head Office	79 Toyozawa-cho,Himeji-shi,Hyogo
Number of Employees	993(temporary staff and others / 10,246) <small>※The number of employees is calculated on a different base from that in the financial report.</small>
Sales	¥51.1 billion (FY2024)
Ordinary Income	¥5.0 billion (FY2024)
Business Domain	<ul style="list-style-type: none">• Human Resources Business• CRO business• Platform and Other Business



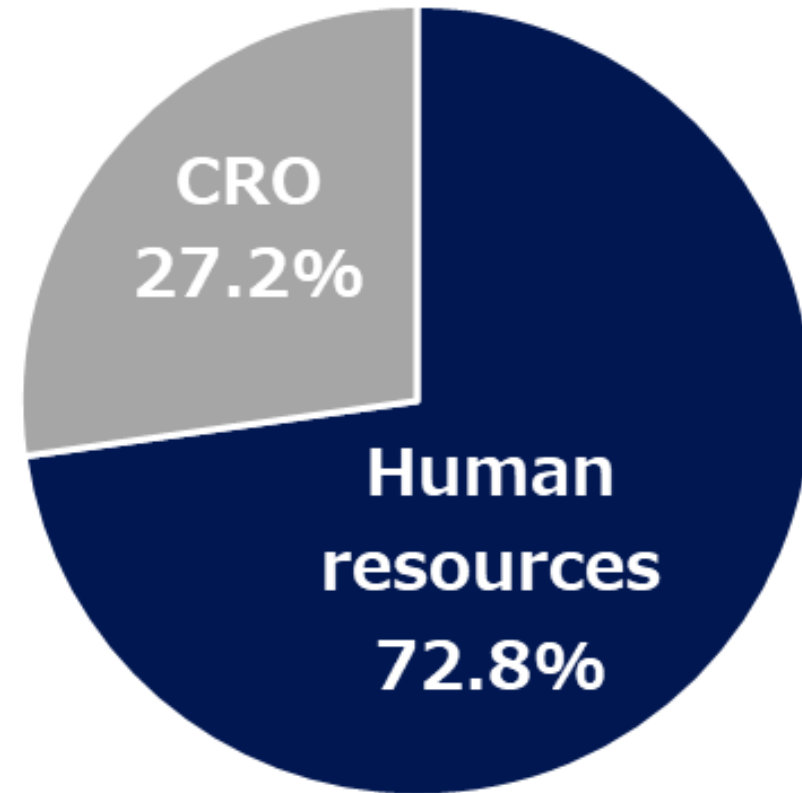
History and Business Expansion



Sales composition



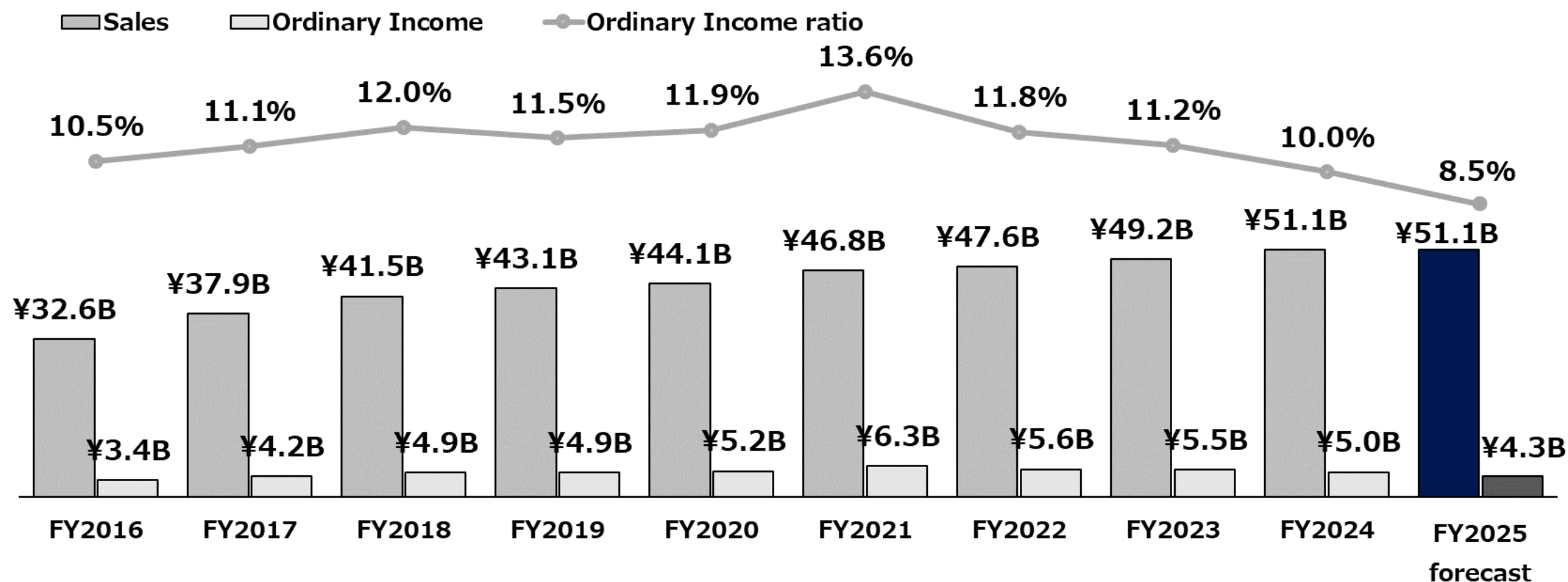
Profit composition



Financial Results & Forecast (Consolidated)

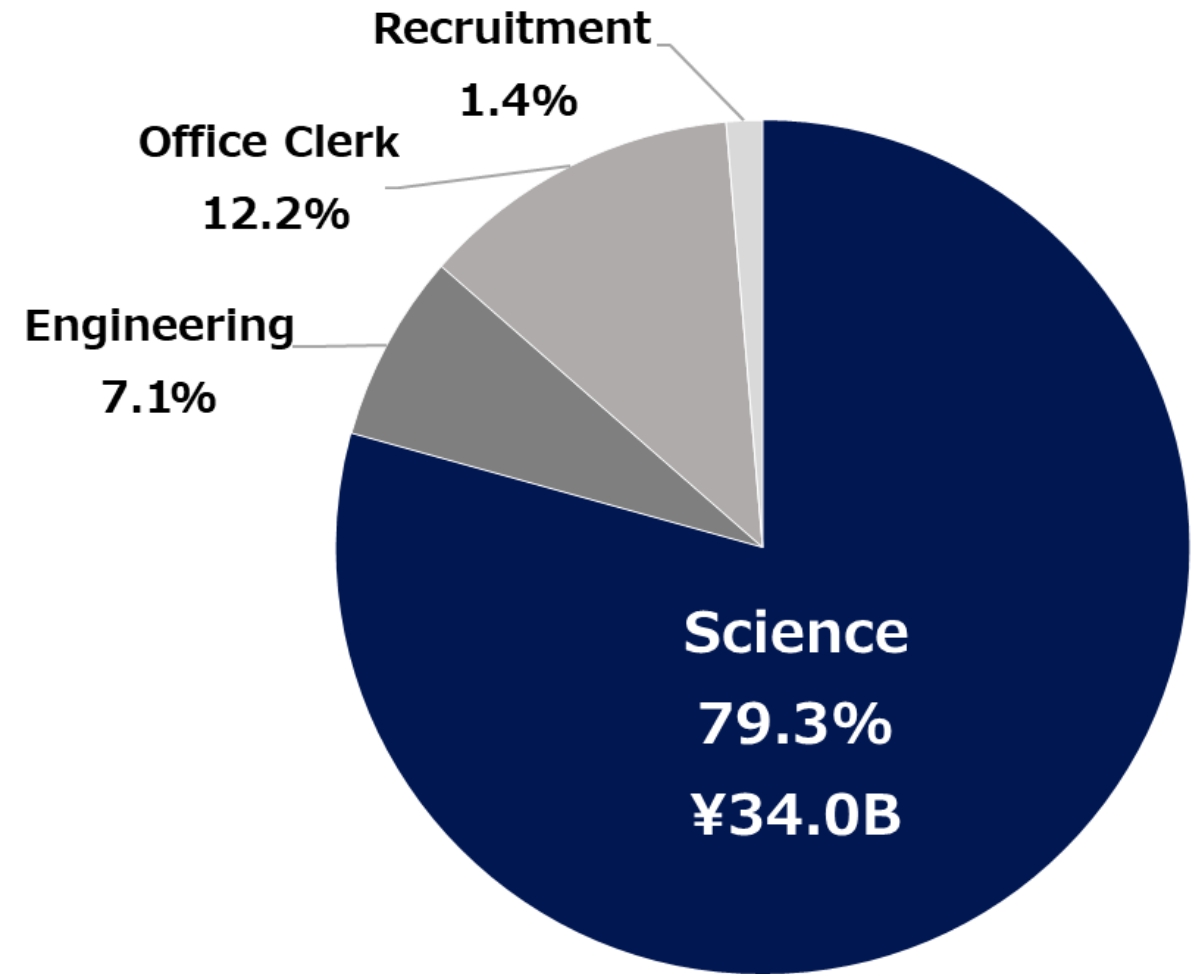
Sales and profits are steadily growing for the past 10 years.

In addition, although ordinary income has not shown significant growth since the FY 2022, this is primarily due to our ongoing investments in areas such as increased compensation for temporary staff and the development of our platform, aimed at ensuring continued growth over the long term.



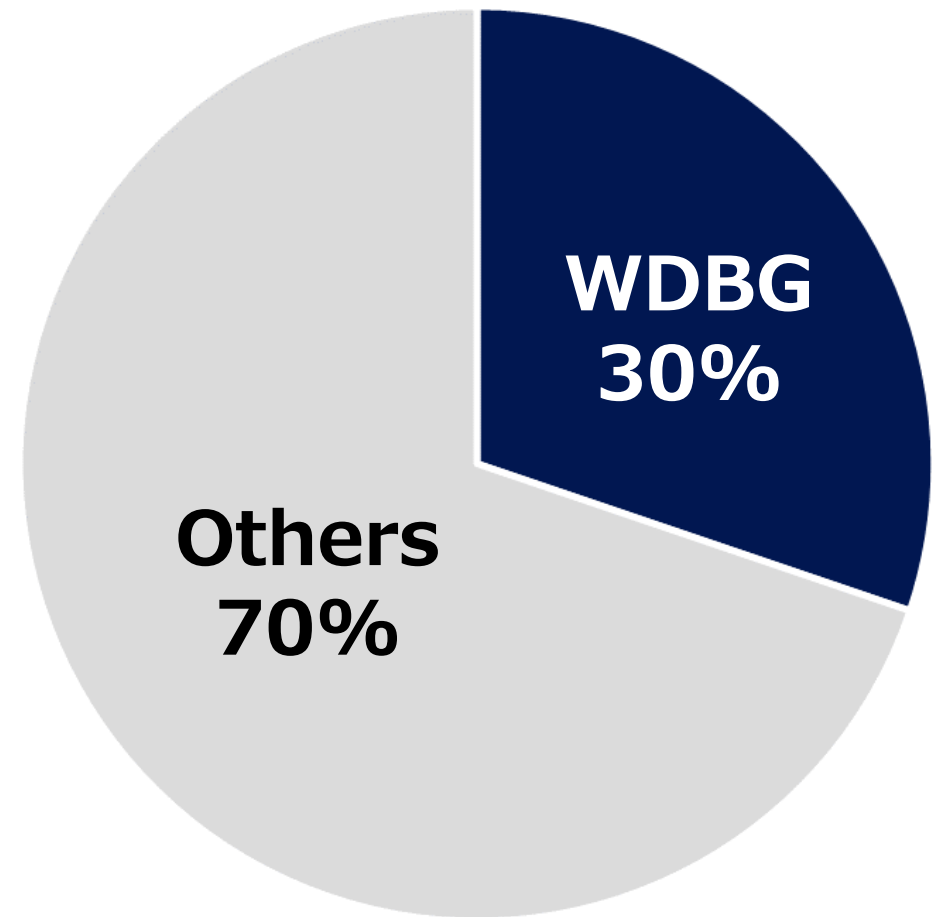
Human Resources Business

Our staffing business is mainly focusing on the science and research field. This field accounts for approx. 80% of the revenue of our staffing business.



**Our company accounts for approx.
1/3 of the science-related
temporary staffing market
(110 billion yen) . This makes us the
Market leader.**

※market size by our estimate



We dispatch scientific researchers, research assistants, and technicians in the science and research related fields.

Staff and talent

- **Knowledge/skills in genetics**
- **Knowledge/skills in animal anatomy**
- **PCR testing capabilities**
- **Experience in chemical analysis, etc.**

Staffing requests

- **Research assistance in laboratories**
(Universities, research institution as well as private sector)
- **Quality control work for factory**



Observation with a microscope



Reagent injection by pipette



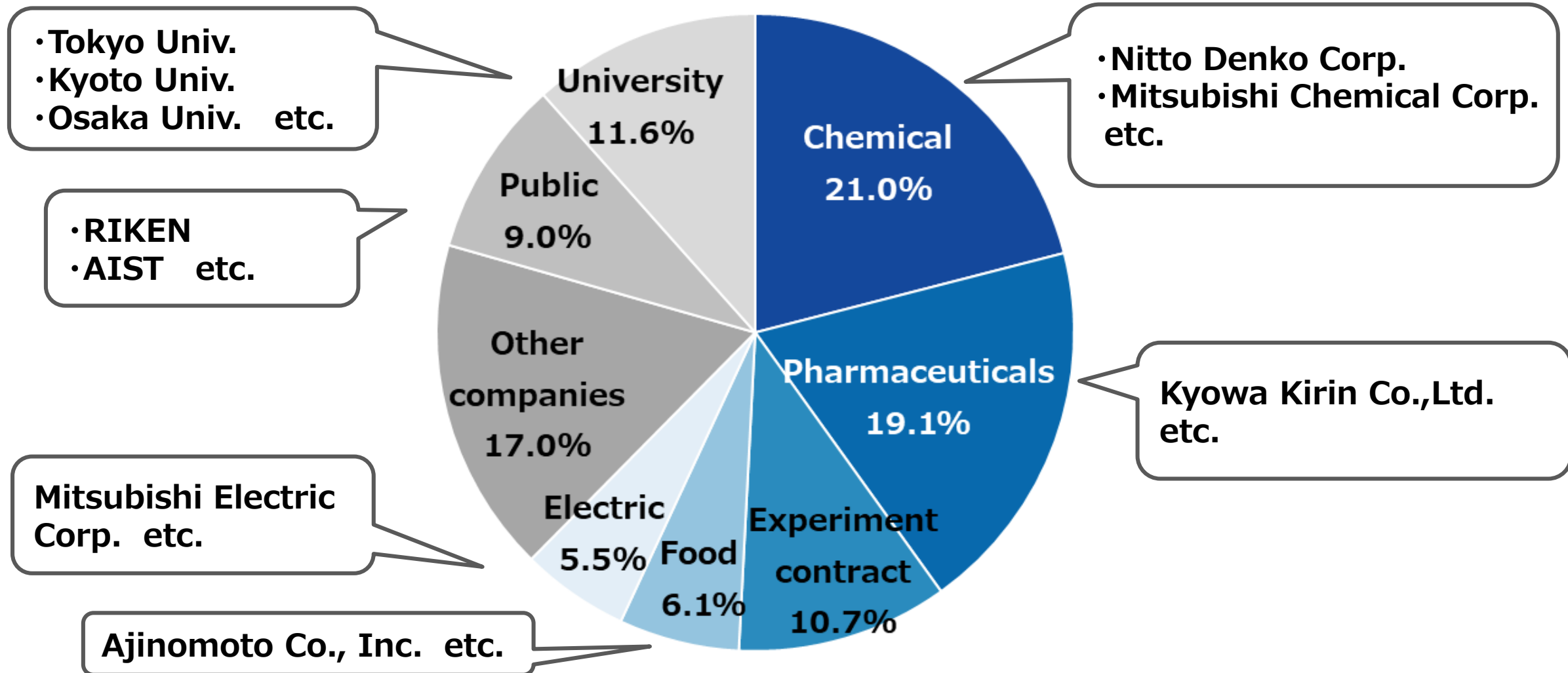
**Reagent concentration
by evaporator**



Component analysis by HPLC

Sales Composition Ratio by Industry Segment (FY2024)

We have business with most major chemicals manufacturers, pharmaceuticals, food manufacturers, public laboratories, and universities.



Three elements to source high-quality staff

- 1. We provide necessary skills and techniques for our staff at our in-house training centers nationwide.**
- 2. We attract good staff because of our name value in the science field.**
- 3. We deal with both registration type and full-time employee type. This is advantageous compared to one type only staffing companies.**

How we keep high level of satisfaction for customer and staff both

1. Best Matching

With many years of experience in the sciences field, we understand our clients' work requirements well. For candidates, we conduct a one-day skills test to understand their abilities accurately. Using this information and our own methods, we match candidates with the best possible jobs.

2. Maintaining Satisfaction During Employment

We have regular meetings with clients and temporary staff, and we have a system to discuss any issues anytime. This lets us solve problems quickly during employment. We also pay high-performing temporary staff well according to their work quality, keeping them satisfied.

3. Providing Services Through the Platform

We provide temporary staffing services through our proprietary system (details below).

We call the mechanism which enhances the convenience and visualization of services that used to be done manually as a "platform".

The basic development concept is that “the platform will streamline, automate, and visualize operations, and customers will be able to receive our services 24/7, and will be able to check the progress of services in real time.”

Our human resources service platform “doconico” was released in April 2021, and “DOC01” followed in May 2025. Both platforms are currently in active operation and have been continuously improved since their release.

We also released a platform for CRO services and started operation during FY2023.

Staffing Service Using “doconico”

Most of the staffing services procedures that were previously provided through our staff, can now be provided online.

	Before doconico	After doconico
Staffing request	<ul style="list-style-type: none">• Order via call/email• In-person or phone interview	<ul style="list-style-type: none">• AI chat for ordering & needs hearing※ Online interview available upon request
Matching	<ul style="list-style-type: none">• Progress checked via call/email	<ul style="list-style-type: none">• Real-time progress tracking on the platform
Labor management/ Contract/Billing	<ul style="list-style-type: none">• Approval and faxing of paper timesheets• Paper contracts & invoices	<ul style="list-style-type: none">• Approval of digital timesheets anytime, anywhere• Digital contracts & invoices
Evaluation of temporary staff	<ul style="list-style-type: none">• Monthly visit to monitor staff performance and client satisfaction	<ul style="list-style-type: none">• Monthly visit + daily evaluation & feedback on platform

Staffing Platform “doconico” & “DOC01”

Enabling to complete requests, procedures, and management of staffing personnel on the Web. Various labor procedures and documents can be made paperless and efficient, as well as dispatched staff information can be centrally managed. Information sharing between related parties will be smoother, and improve business efficiency.

“doconico” is our staffing management system designed for clients using our staffing services. To address client needs to also manage staff dispatched from other agencies, we launched “DOC01” in May 2025, enabling centralized management across multiple staffing vendors.

“DOC01” allows users to manage all communication with different staffing agencies online. It also enables simultaneous job order dispatch to multiple agencies, while centralized visibility into each worker’s contract, time records, and billing status.



CRO Business

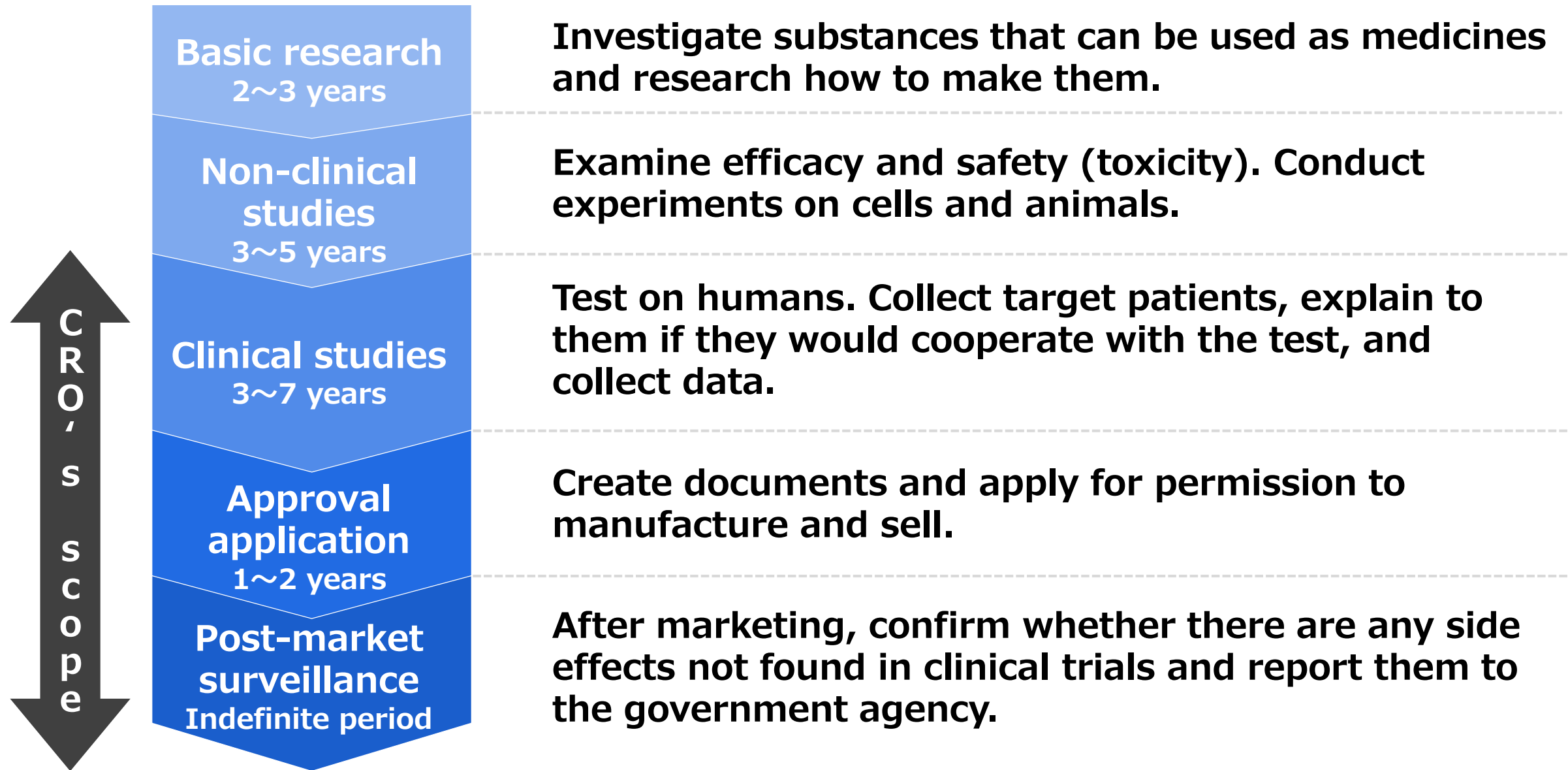
CRO (Contract Research Organization) is a company that supports the drug development of pharmaceutical manufacturers.

It takes 10 to 20 years and 100 billion yen for a pharmaceutical manufacturer to develop a new drug.

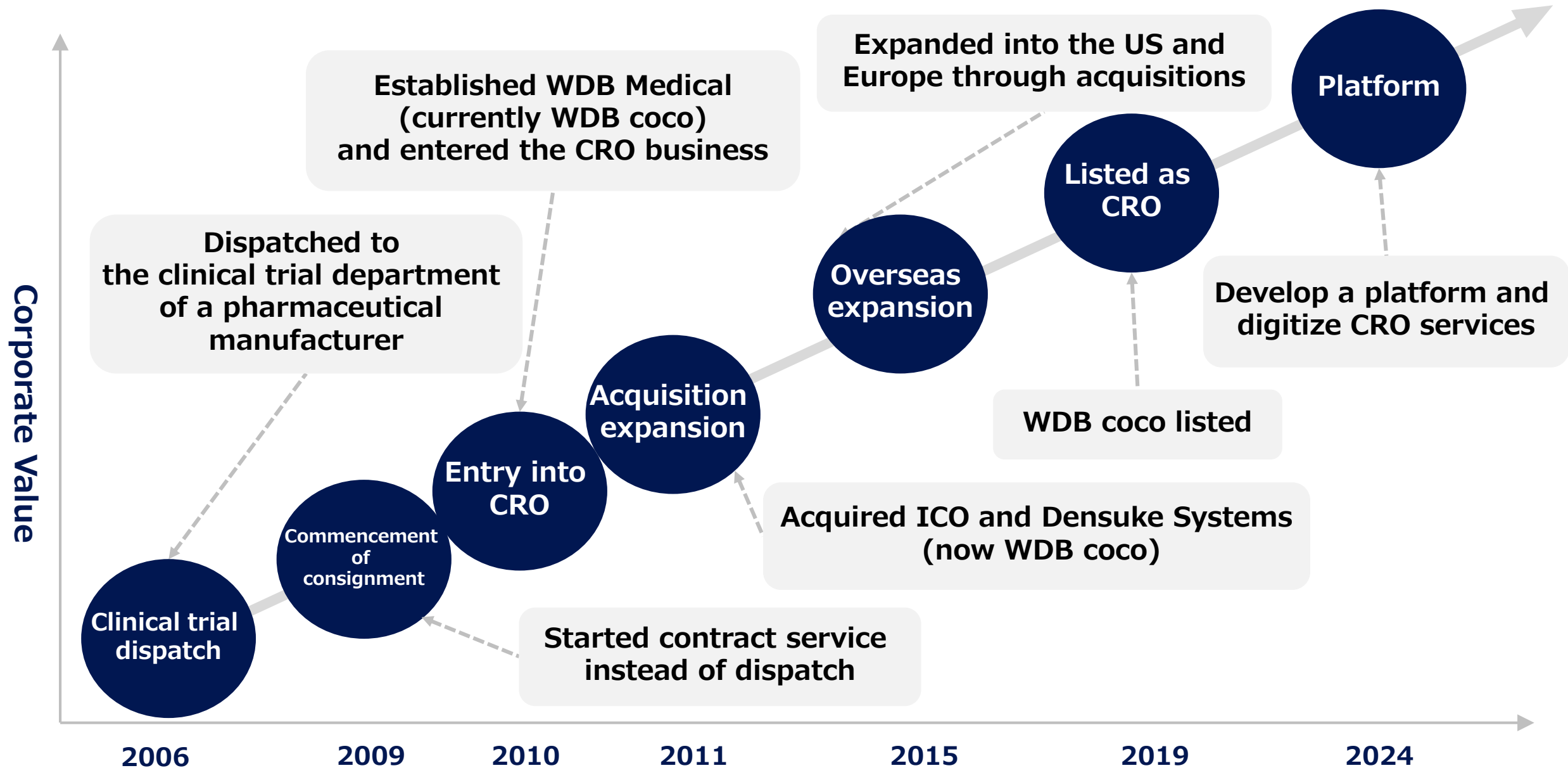
For this reason, pharmaceutical manufacturers place orders for various ancillary tasks related to drug development to CROs so that researchers can concentrate on their research.

We will explain specifically what kind of work the CRO will undertake on the next page.

Flow of New Drug Development



History of WDBG CRO Business



Japan

WDB COCO

- Pharmacovigilance
- Document support
- Data management
- Statistical analysis
- Clinical research support

COBRIDGE

- Regulatory affairs

Europe

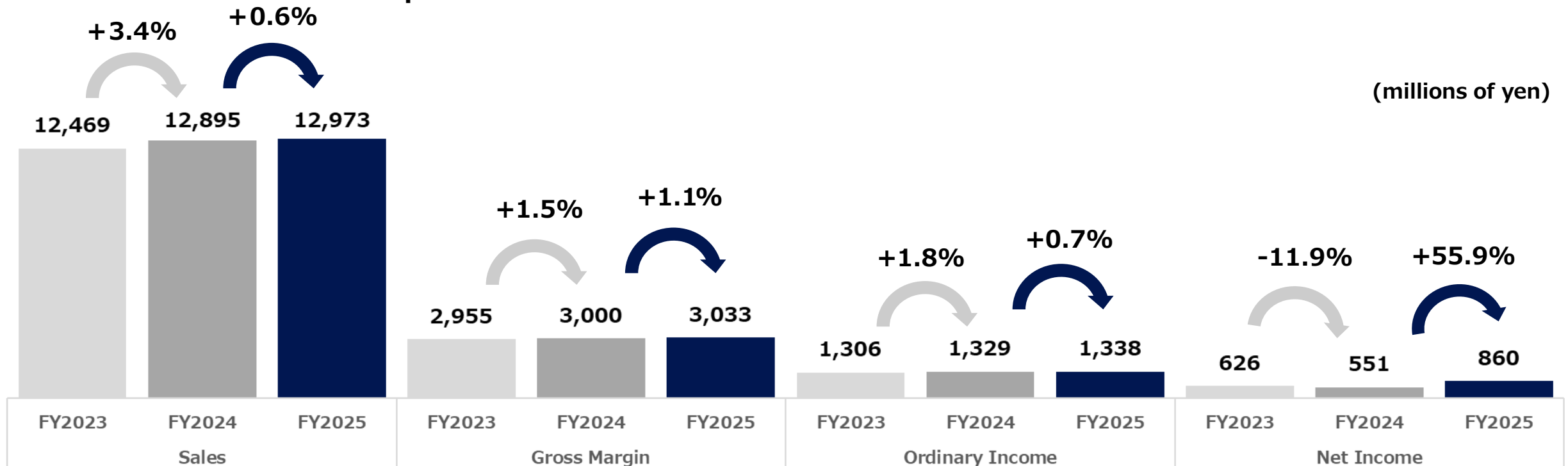
MEDFILES

- Regulatory affairs
- Clinical trial
- Data management
- Statistical analysis
- Pharmacovigilance

FY2025 1Q Result

Summary (Consolidated)

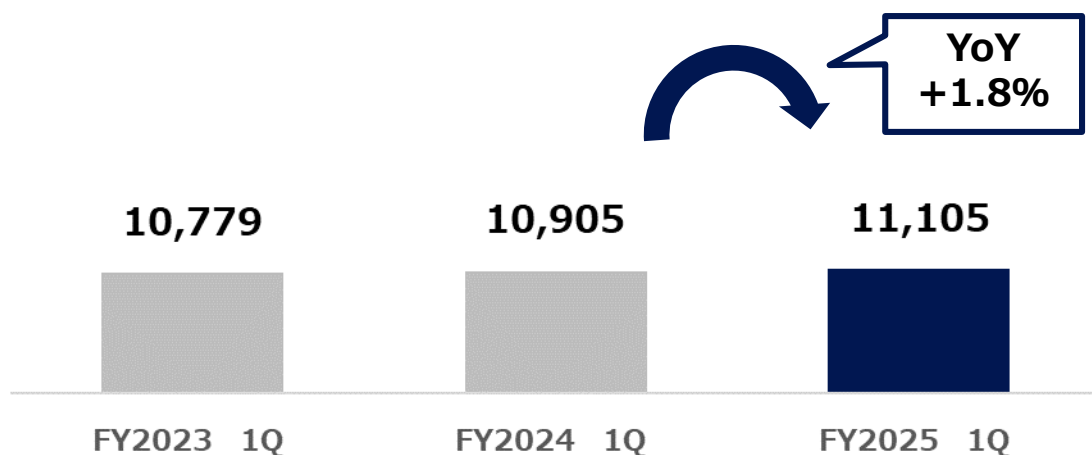
- Sales** : Sales increased by 0.6% YoY due to higher sales in the staffing business.
- Gross Margin** : Gross margin increased by 1.1% YoY due to higher profitability in the staffing business.
- Ordinary Income** : Ordinary income increased by 0.7% YoY as the rise in gross margin offset the increase in SG&A expenses.
- Net Income** : Net income increased by 55.9% YoY due to a decrease in income taxes and other expenses.



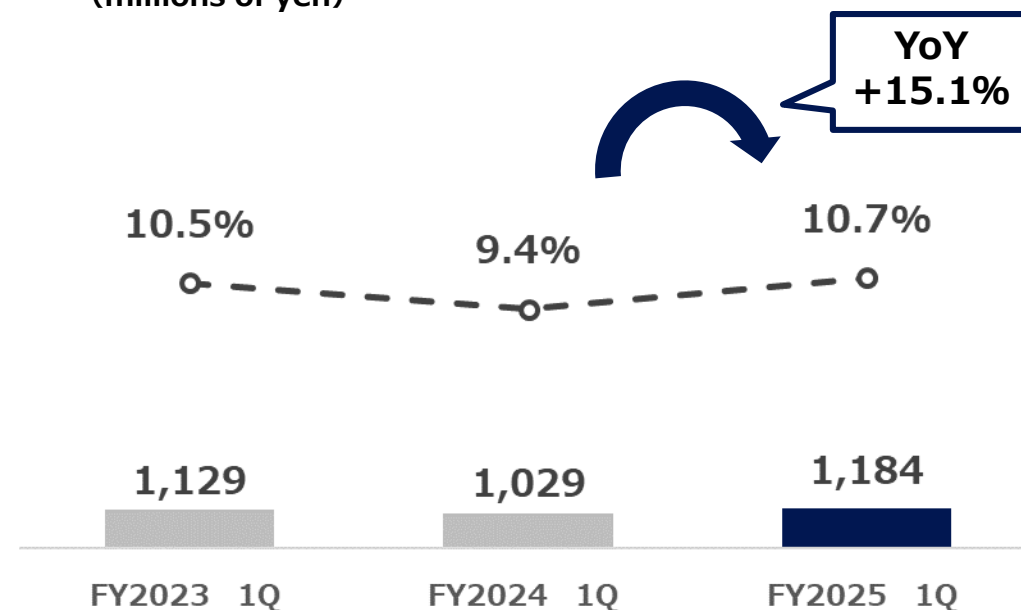
Segment Performance (Human Resources Business)

- Sales** : Sales increased by 1.8% YoY due to an increase in temporary staffing fees, an increase in working rate of permanent-type temporary employees and one additional business day.
- Operating Income** : Gross margin ratio improved while increasing compensation for temporary staff. Operating income increased by 15.1% YoY as the rise in gross margin offset the increase in SG&A expenses.

■ Sales (millions of yen)



■ Operating Income / Operating Income ratio (millions of yen)

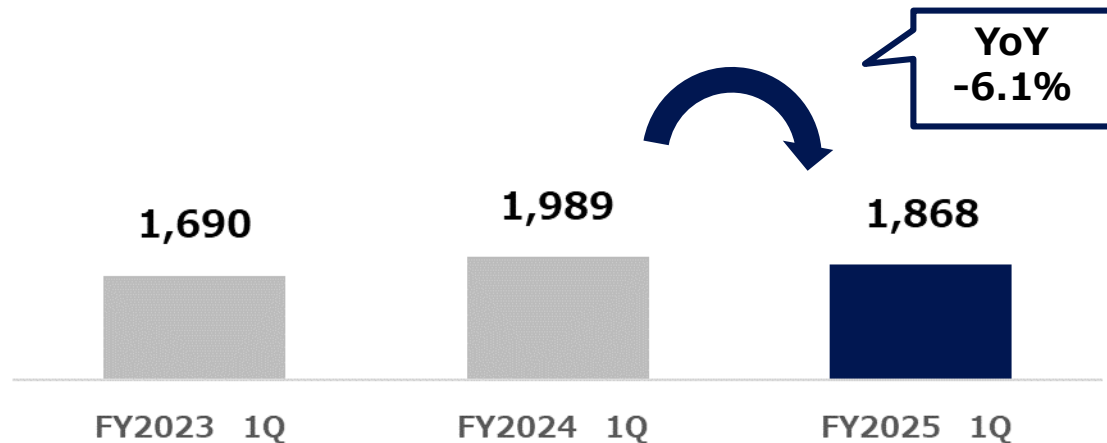


Segment Performance (CRO Business)

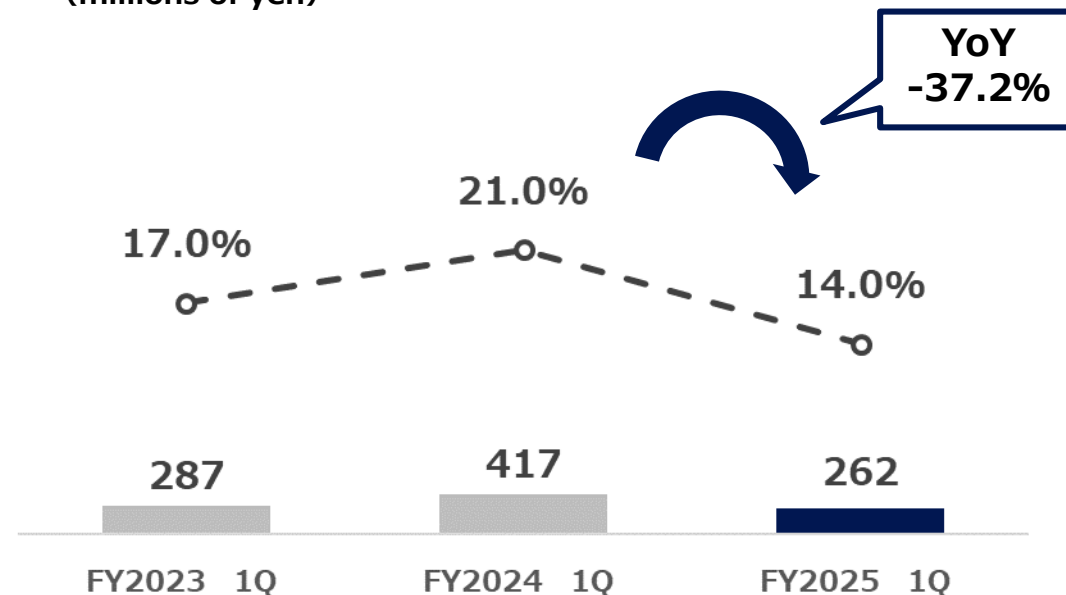
Sales : Sales decreased by 6.1% YoY due to the impact of the internalization of operations previously outsourced to our company by a major client and the divestment of unprofitable overseas business.

Operating Income : Operating income decreased by 37.2% YoY because we retained the workforce responsible for contract operations in anticipation of future orders, despite a decrease in sales.

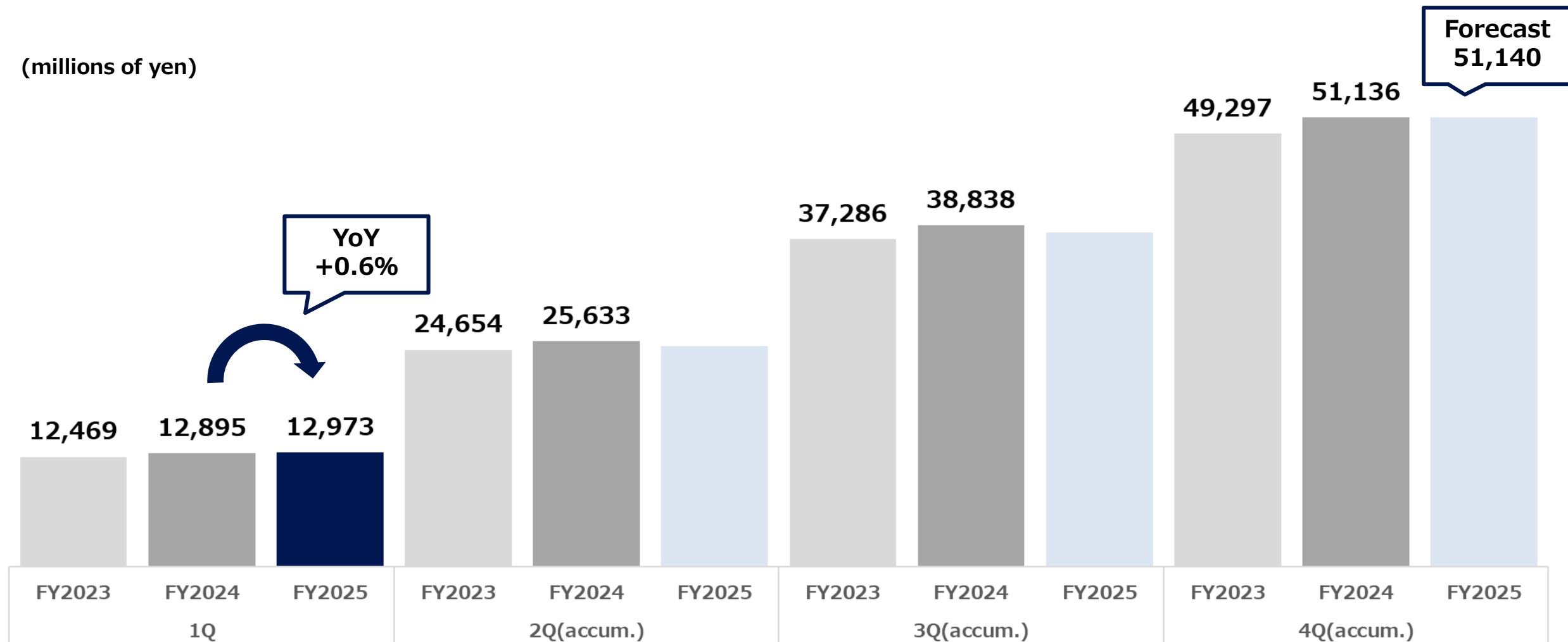
■ Sales (millions of yen)



■ Operating Income / Operating Income ratio (millions of yen)



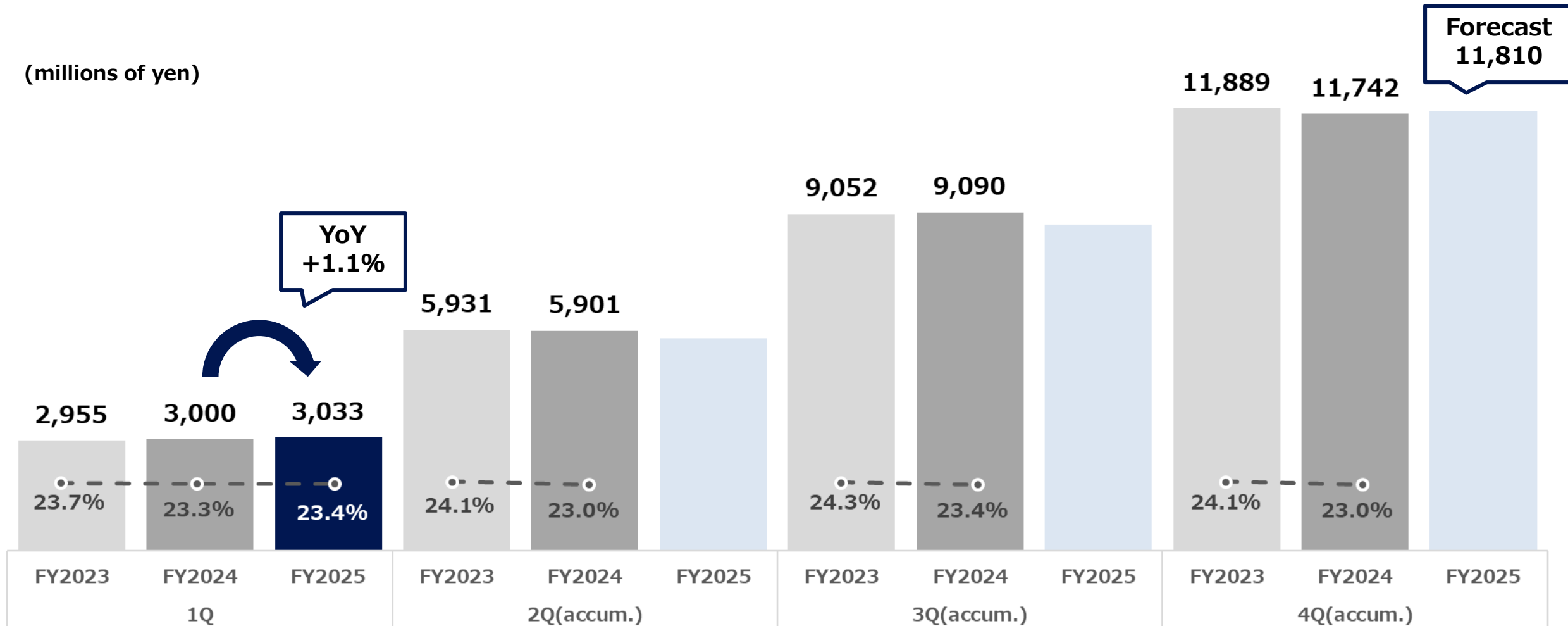
(millions of yen)



✓ Sales increased by 78 million yen YoY to 12,973 million yen (+0.6%).

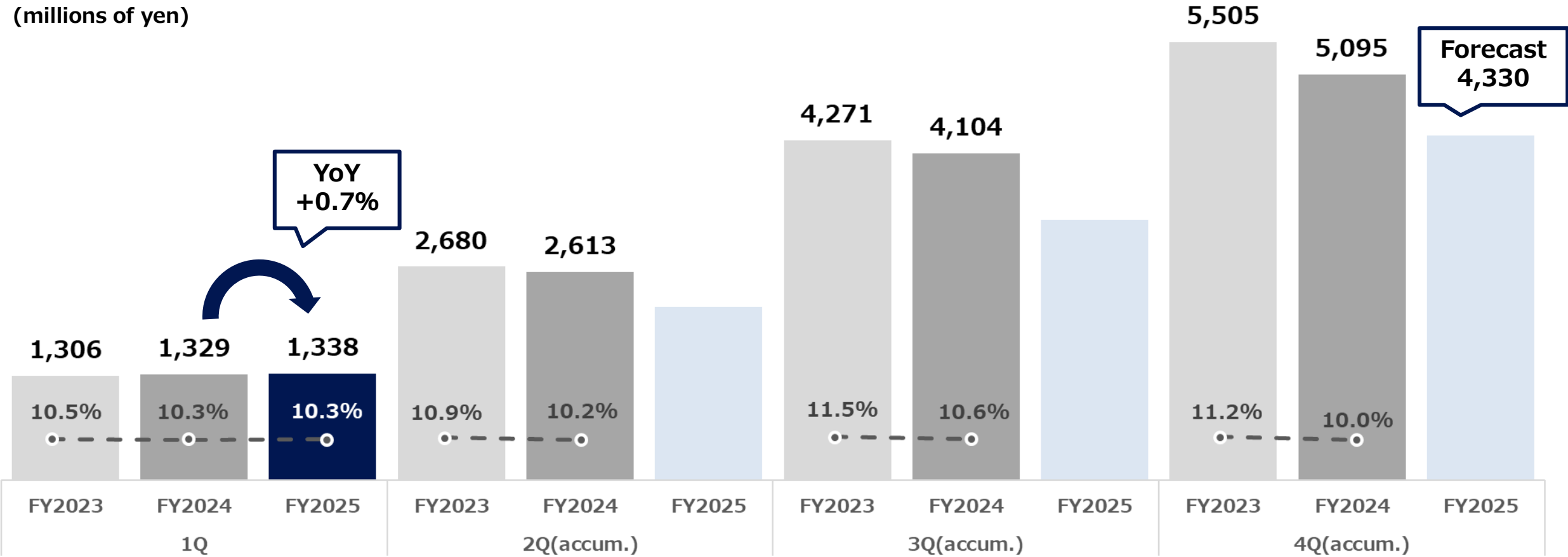
Consolidated Financial Statements (Gross Margin / Gross Margin Ratio)

(millions of yen)



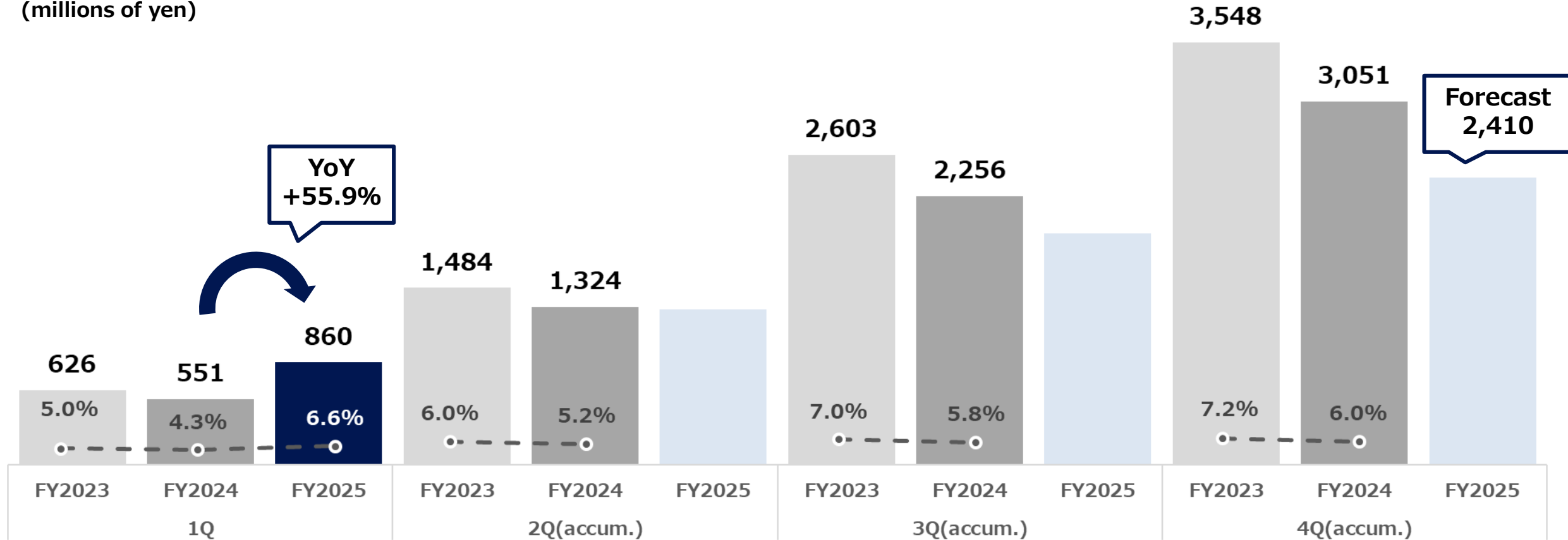
- ✓ Gross margin increased by 32 million yen YoY to 3,033 million yen (+1.1%).
- ✓ Gross margin ratio increased by 0.1 point YoY to 23.4%.

(millions of yen)



- ✓ Ordinary income increased 9 million yen YoY to 1,338 million yen (+0.7%).
- ✓ Ordinary income ratio remained unchanged YoY at 10.3%.

(millions of yen)



- ✓ Net income increased by 308 million yen YoY to 860 million yen (+55.9%).
- ✓ Net income ratio increased by 2.4 point YoY to 6.6%.

Human resources

- In April 2025, we raised compensation for temporary staff.
- By strengthening our sales structure and offering a wider range of job positions aligned with job seekers' needs, we aimed to enhance our attractiveness to new candidates and improve the employment retention rate of our existing temporary staff.
- In the area of permanent-type temporary staff, we worked to strengthen our recruitment capabilities by localized recruitment of new graduates.
- In May 2025, we released "DOC01," a temporary staffing service platform that allows for centralized management of multiple staffing companies, and several customers have already decided to implement it (See pages 16-17).

CRO

- We conducted sales activities to offset the impact of the reduced outsourcing scope and workload at some client accounts.
- We also made efforts to improve the quality of our contracted services.
- Medfiles in Finland has completed the sale of unprofitable divisions and has put in place a system that enables it to concentrate management resources on high-profit businesses.

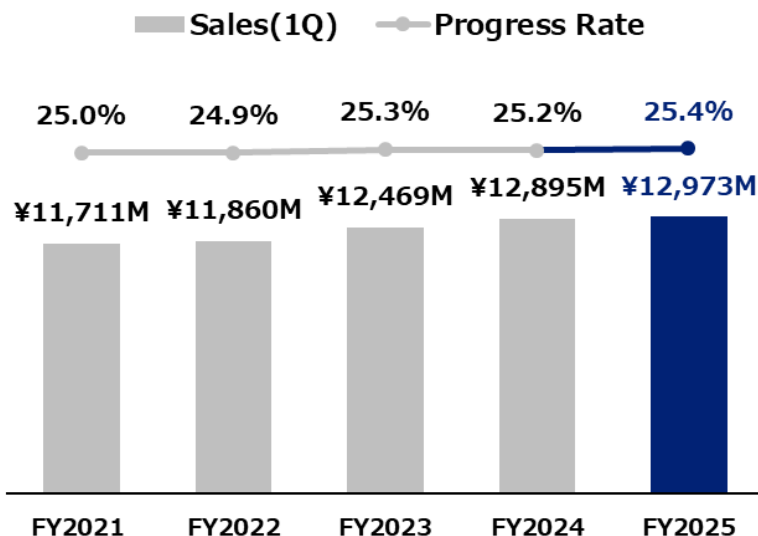
(millions of yen)

	FY2023			FY2024			FY2025 (Forecast)		
	Amount	Sales ratio	Growth rate	Amount	Sales ratio	Growth rate	Amount	Sales ratio	Growth rate
Net Sales	49,297	100.0%	3.6%	51,136	100.0%	3.7%	51,140	100.0%	0.0%
Gross Margin	11,889	24.1%	-0.4%	11,742	23.0%	-1.2%	11,810	23.1%	0.6%
SG(&)A	6,420	13.0%	-0.1%	6,673	13.1%	3.9%	7,580	14.8%	13.6%
Operating Income	5,468	11.1%	-0.7%	5,068	9.9%	-7.3%	4,230	8.3%	-16.5%
Ordinary Income	5,505	11.2%	-1.9%	5,095	10.0%	-7.5%	4,330	8.5%	-15.0%
Net Income	3,548	7.2%	0.2%	3,051	6.0%	-14.0%	2,410	4.7%	-21.0%

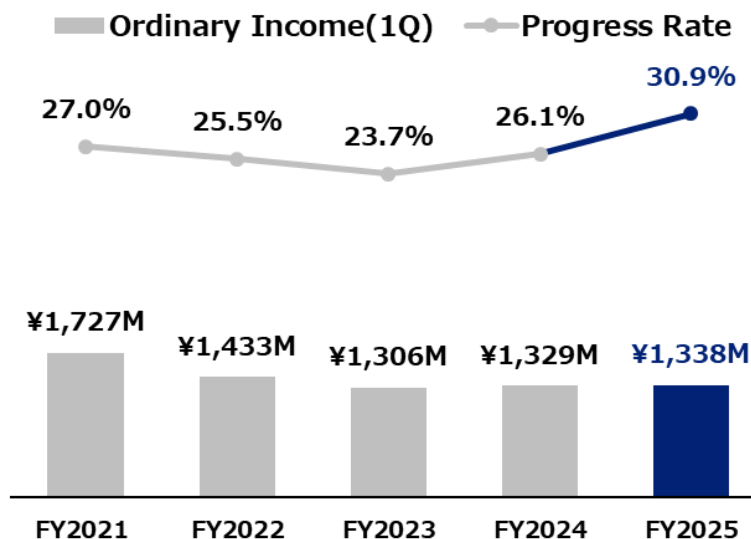
- There is no change in the full-year forecast announced in May 2025.

Progress Rate Against the Full-Year Forecast for FY2025

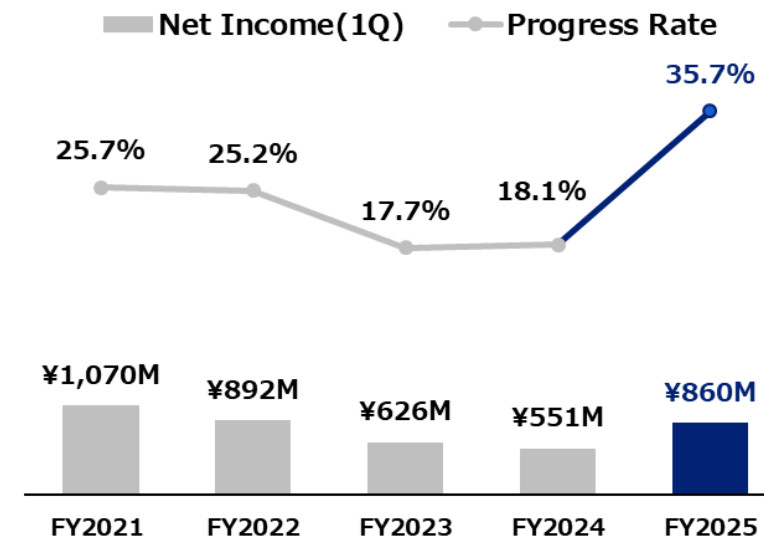
Sales Progress Rate



Ordinary Income Progress Rate



Net Income Progress Rate



- Sales progress rate is in line with previous years.
- Ordinary income is progressing at a higher rate than in previous years.
This is due to costs associated with future investments occurring in the 3rd and 4th quarters.
- Net income is progressing at a higher rate than in previous years.
This is due to a decrease in corporate tax and other taxes compared to the previous fiscal year. This decline is mainly attributable to lower taxes on retained earnings, and the impact is reflected in the full-year forecast.

We are currently operating our business based on our "Medium-to-Long Term Management Policy 2025."

Please refer to the following link for more details.

<https://www.wdbhd.co.jp/assets/pdf/eng/ir/about/management-policy250514.pdf>

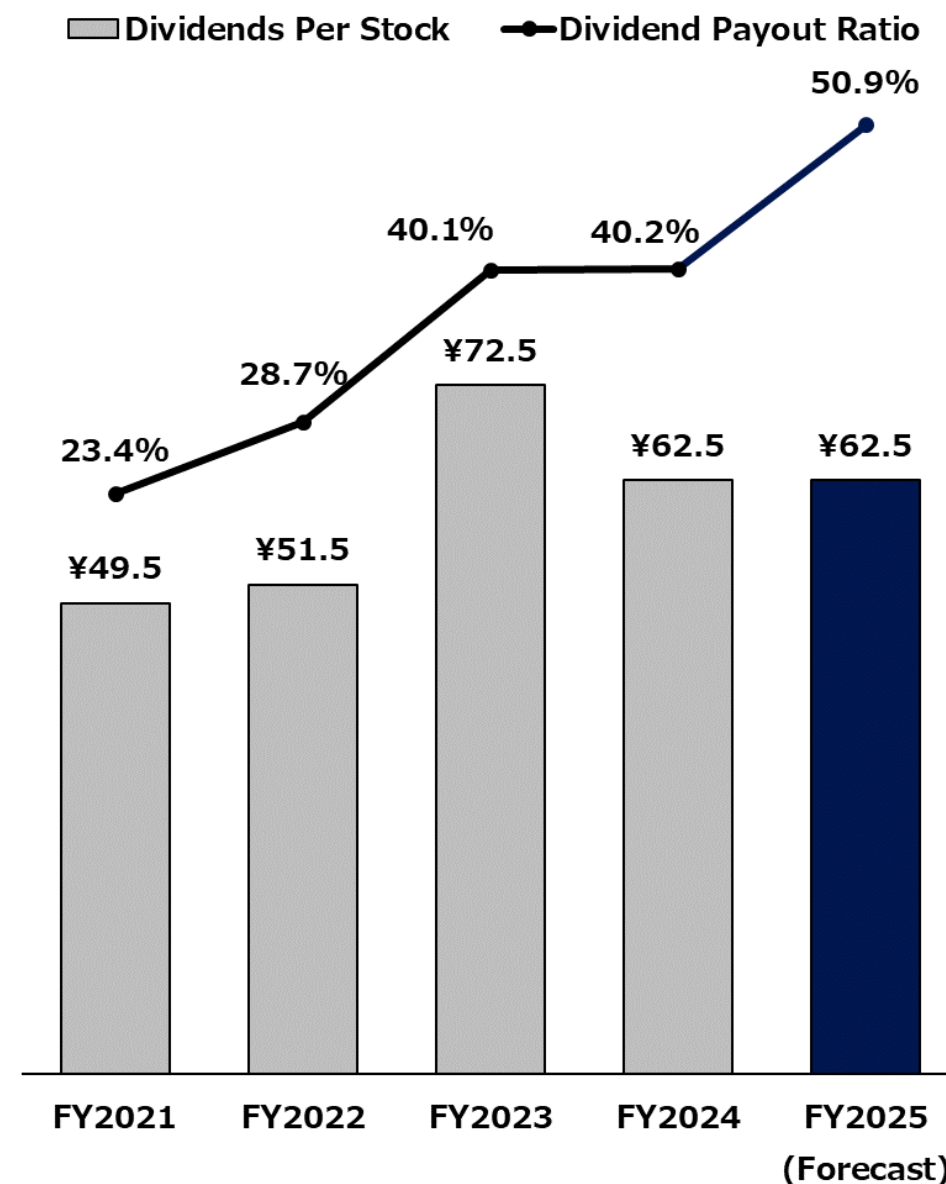
Dividend Status and Future Policy

Our goal is to increase profits by increasing our corporate value and achieve continuous increases in dividends.

Rather than pursuing short-term profits or temporary shareholder returns, we aim to maximize long-term shareholder returns by developing the company with an eye to the future.

To achieve this, we will make business investments and maintain a dividend payout ratio of 40%, allowing us to continue to pay stable dividends even in unforeseen circumstances.

As for share repurchases, our basic policy is not to conduct them, primarily due to the liquidity ratio standards set by the Tokyo Stock Exchange.



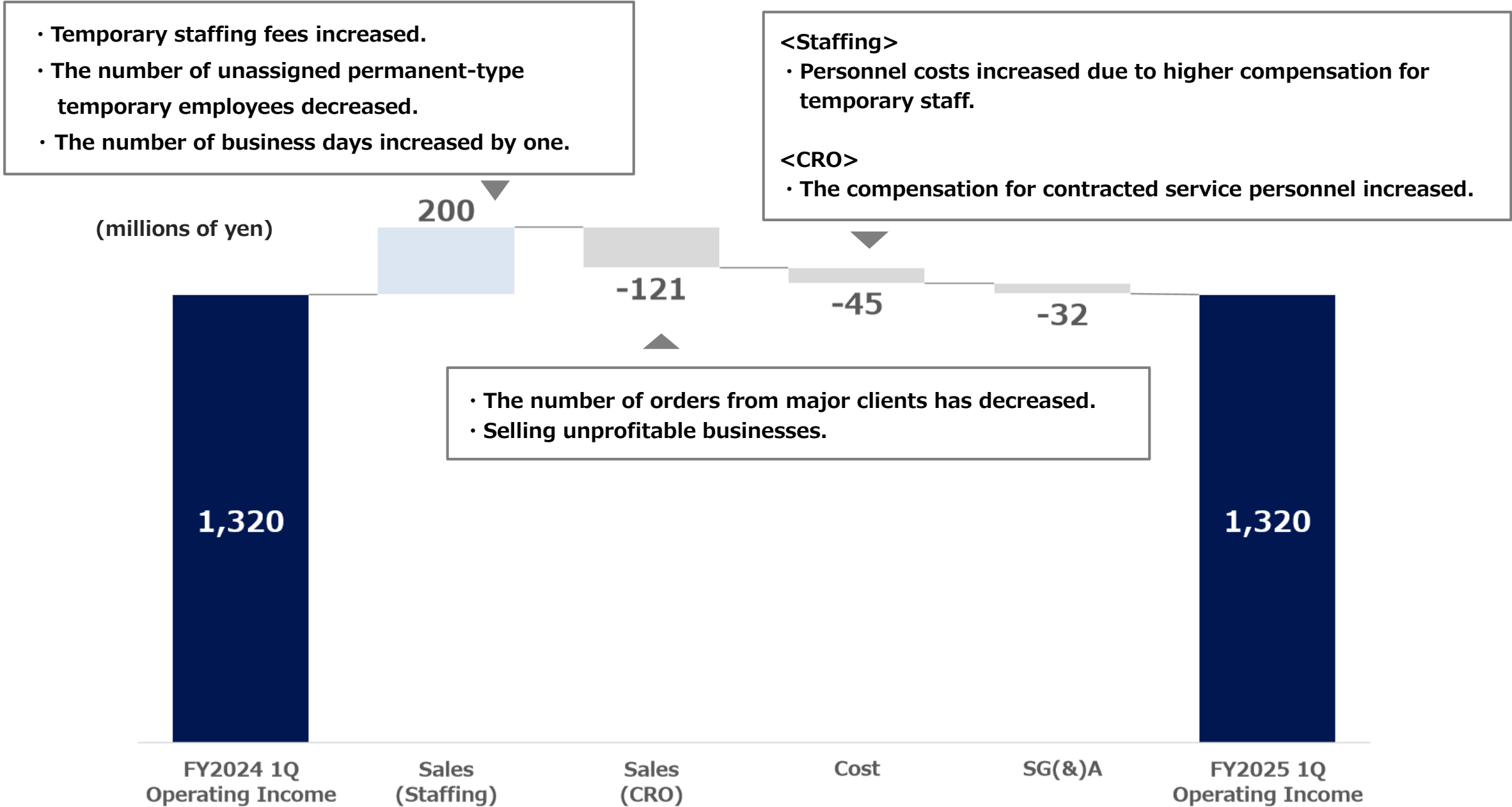
Appendix: Business Performance (Consolidated)



(millions of yen)

1Q(accum.)	FY2023		FY2024		FY2025		
	Amount	Sales ratio	Amount	Sales ratio	Amount	Sales ratio	Increase ratio
Sales	12,469	100.0%	12,895	100.0%	12,973	100.0%	0.6%
Cost	9,513	76.3%	9,894	76.7%	9,940	76.6%	0.5%
Gross Margin	2,955	23.7%	3,000	23.3%	3,033	23.4%	1.1%
SG(&)A	1,667	13.4%	1,680	13.0%	1,712	13.2%	1.9%
Operating Income	1,288	10.3%	1,320	10.2%	1,320	10.2%	0.0%
Ordinary Income	1,306	10.5%	1,329	10.3%	1,338	10.3%	0.7%
Net Income	626	5.0%	551	4.3%	860	6.6%	55.9%

Appendix: Analysis of Operating Income Changes (Year-on-Year Comparison)



Appendix: Business Performance (Consolidated, Quarterly)

Unit: Million yen () indicates YoY comparison.	FY2024				FY2025
	1Q	2Q	3Q	4Q	1Q
Sales	12,895 (3.4%)	12,738 (4.5%)	13,204 (4.5%)	12,297 (2.4%)	12,973 (0.6%)
Cost	9,894 (4.0%)	9,837 (6.8%)	10,016 (5.3%)	9,645 (5.1%)	9,940 (0.5%)
Gross Margin	3,000 (1.5%)	2,901 (-2.5%)	3,188 (2.2%)	2,652 (-6.5%)	3,033 (1.1%)
SG(&)A	1,680 (0.8%)	1,618 (0.8%)	1,710 (11.6%)	1,665 (3.1%)	1,712 (1.9%)
Operating Income	1,320 (2.5%)	1,282 (-6.3%)	1,478 (-6.9%)	986 (-19.2%)	1,320 (0.0%)
Ordinary Income	1,329 (1.8%)	1,284 (-6.6%)	1,490 (-6.3%)	990 (-19.7%)	1,338 (0.7%)
Net Income	551 (-11.9%)	772 (-9.9%)	932 (-16.8%)	794 (-15.9%)	860 (55.9%)

Appendix: Business Performance (By Segment)



(millions of yen)

1Q(accum.)		FY2023		FY2024		FY2025		
		Amount	Sales ratio	Amount	Sales ratio	Amount	Sales ratio	Increase ratio
Human resources	Sales	10,779	—	10,905	—	11,105	—	1.8%
	Segment profit	1,129	10.5%	1,029	9.4%	1,184	10.7%	15.1%
CRO	Sales	1,690	—	1,989	—	1,868	—	-6.1%
	Segment profit	287	17.0%	417	21.0%	262	14.0%	-37.2%

Appendix: Business Performance (By Segment , Quarterly)

Unit: Million yen () indicates YoY comparison.		FY2024				FY2025
		1Q	2Q	3Q	4Q	1Q
Human resources	Sales	10,905 (1.2%)	10,683 (2.2%)	11,177 (3.4%)	10,219 (1.4%)	11,105 (1.8%)
	Segment profit	1,029 (-8.9%)	990 (-15.1%)	1,187 (-3.8%)	834 (-11.0%)	1,184 (15.1%)
CRO	Sales	1,989 (17.7%)	2,055 (18.4%)	2,027 (11.2%)	2,078 (7.6%)	1,868 (-6.1%)
	Segment profit	417 (45.0%)	399 (25.0%)	414 (-13.2%)	280 (-34.8%)	262 (-37.2%)

The purpose of this material is to provide information about business performance. It is not intended to solicit investment in our stock.

The predictions given in this material are judgments at the time the material was created. Forecasts are subject to change without notice.

<Contact information>

Corporate Planning Department

WDB Holdings Co., Ltd.

<https://www.wdb-g.com/system/wdbhd/eng/contact/index.html>