

Respond, Exceed



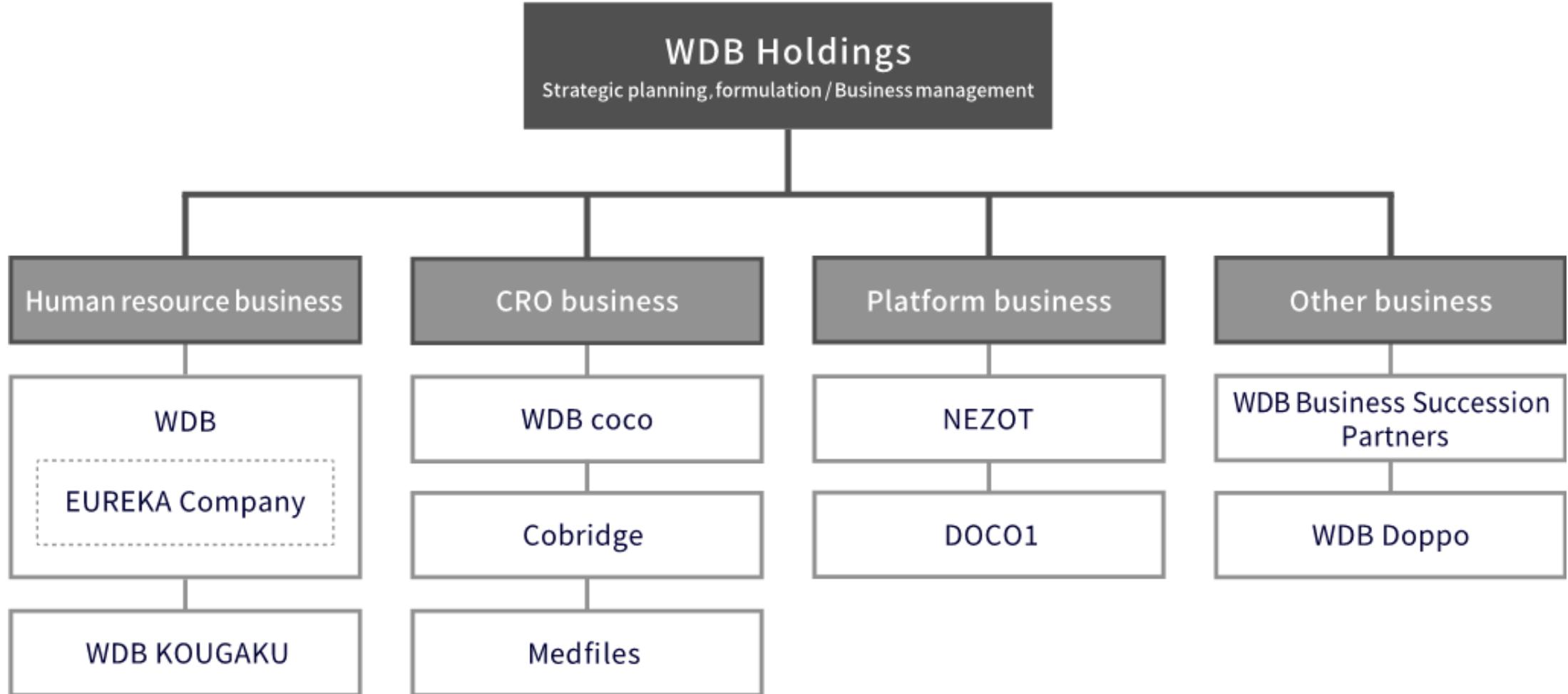
WDB Holdings Co., Ltd.

Business Presentation – June 26, 2025

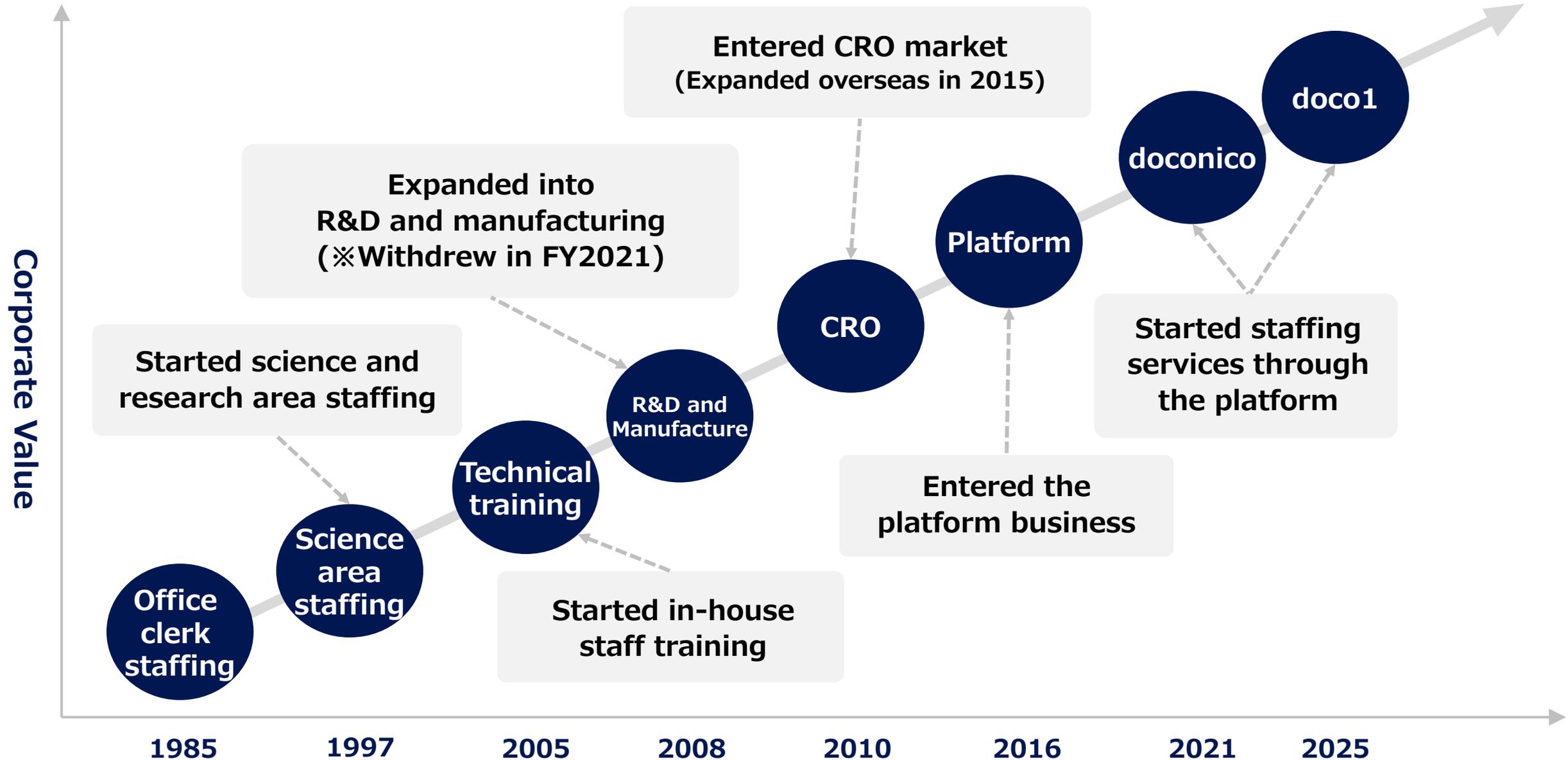
~New Business Strategy~

Company Overview (June, 2025)

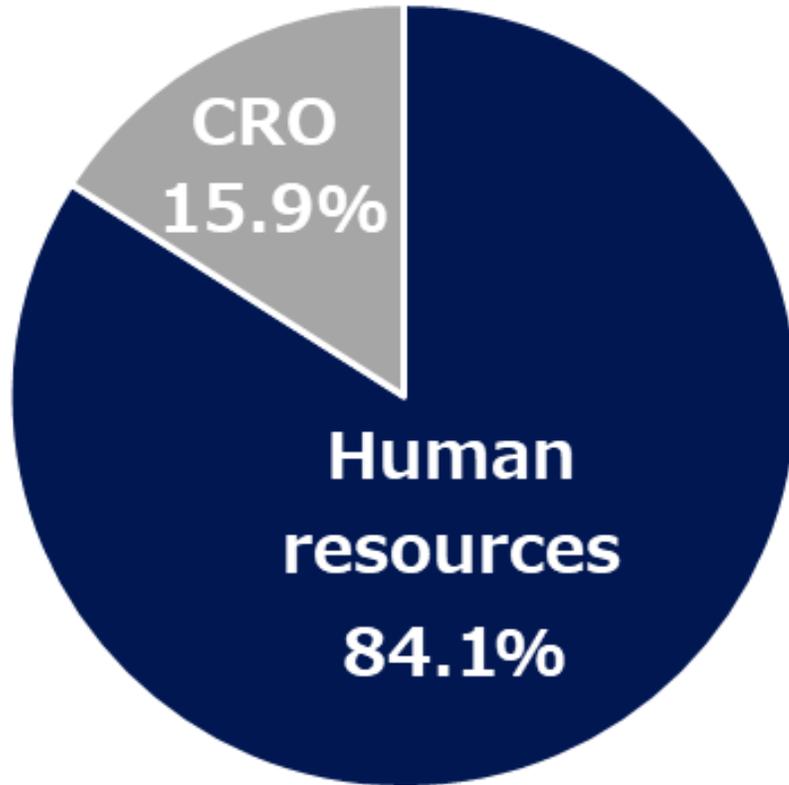
Company Name	WDB Holdings Co., Ltd.
Incorporation	July 6,1985
Capital	¥1 billion
Stock Listing	Prime Market of Tokyo Stock Exchange (Code 2475)
President and CEO	Toshimitsu Nakano
Head Office	79 Toyozawa-cho,Himeji-shi,Hyogo
Number of Employees	972(temporary staff and others / 10,237) <small>※The number 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



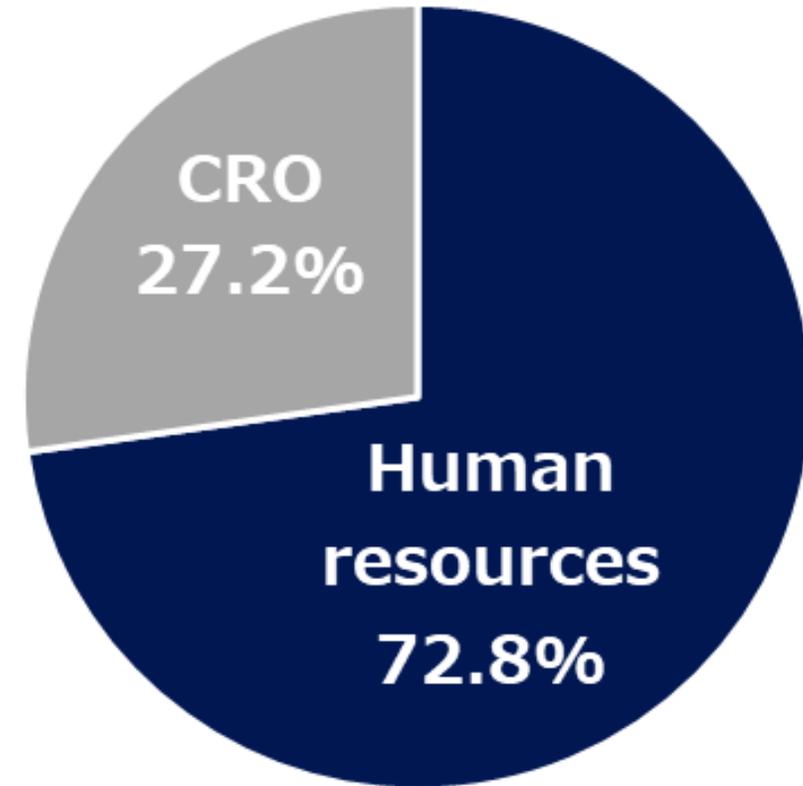
History and Business Expansion



Sales composition



Profit composition

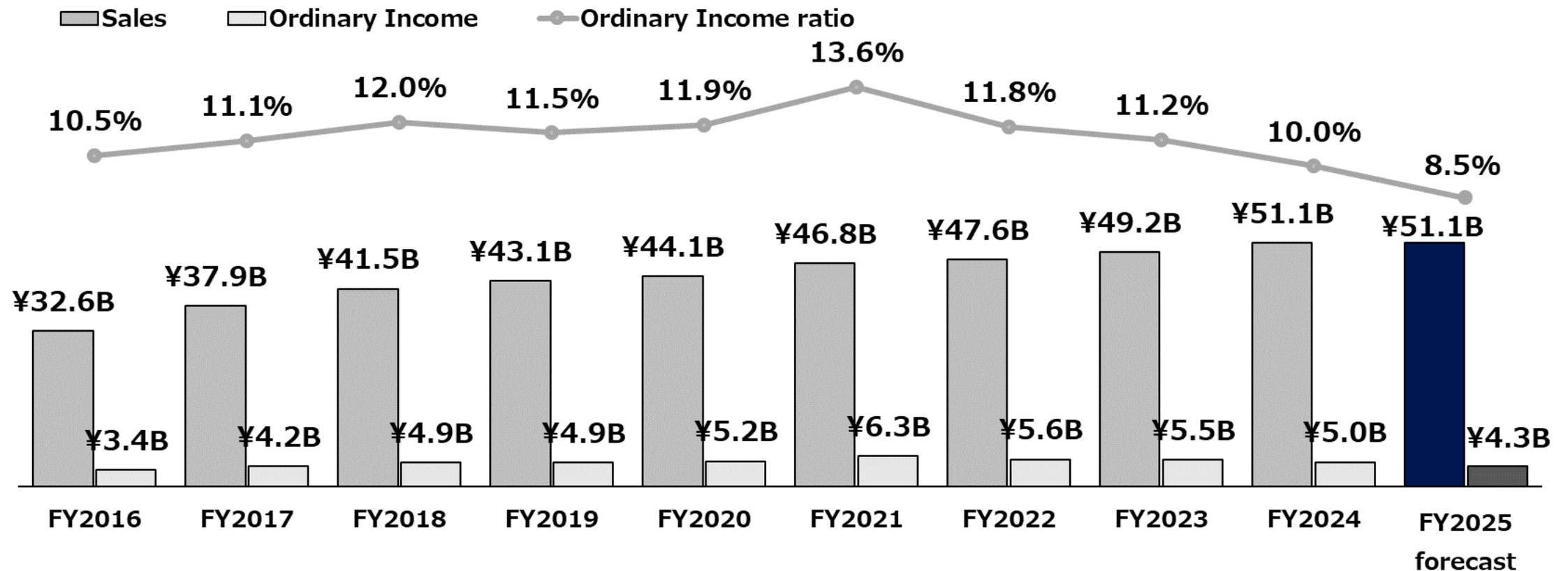


Financial Results & Forecast (Consolidated)



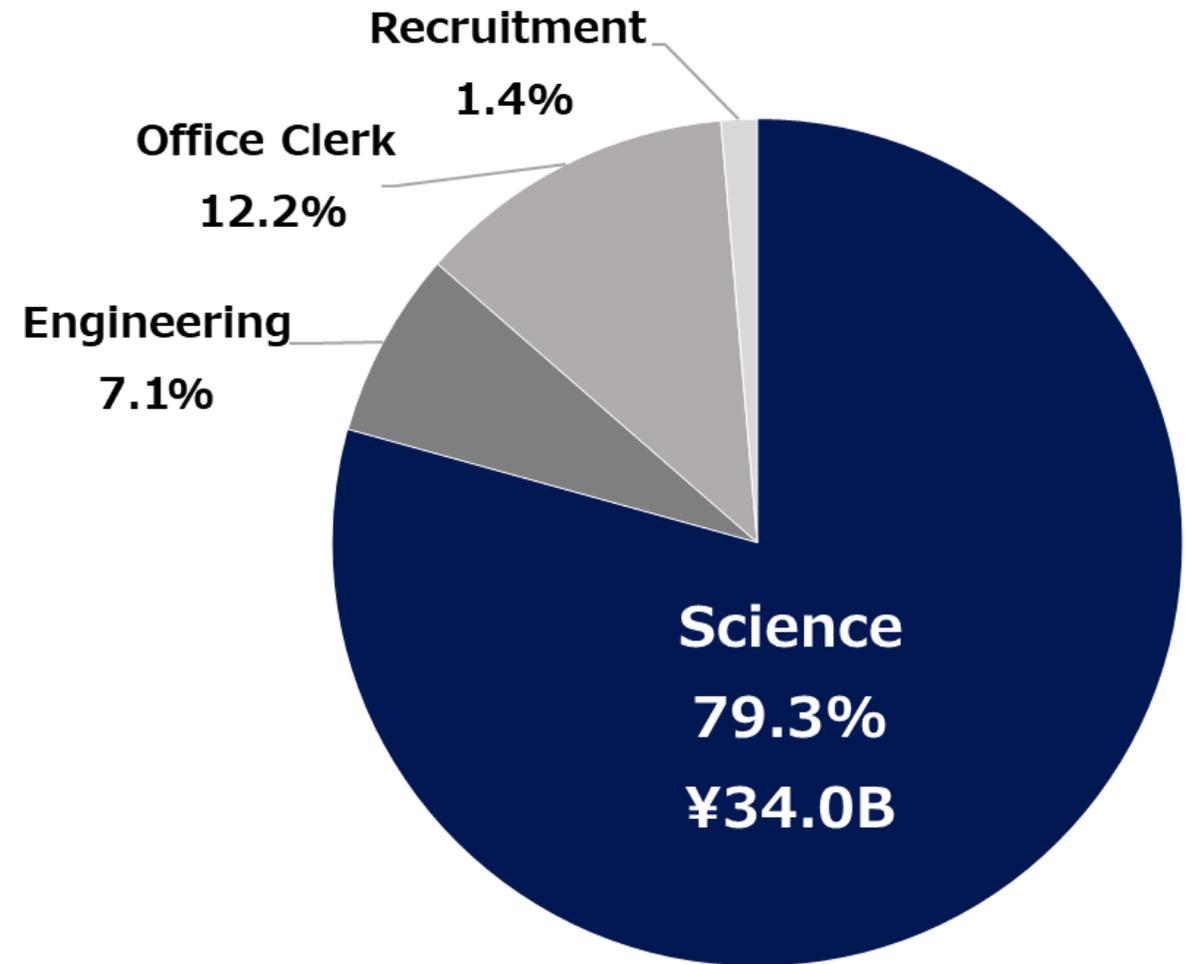
Sales and profits are steadily growing for the past 10 years.

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.



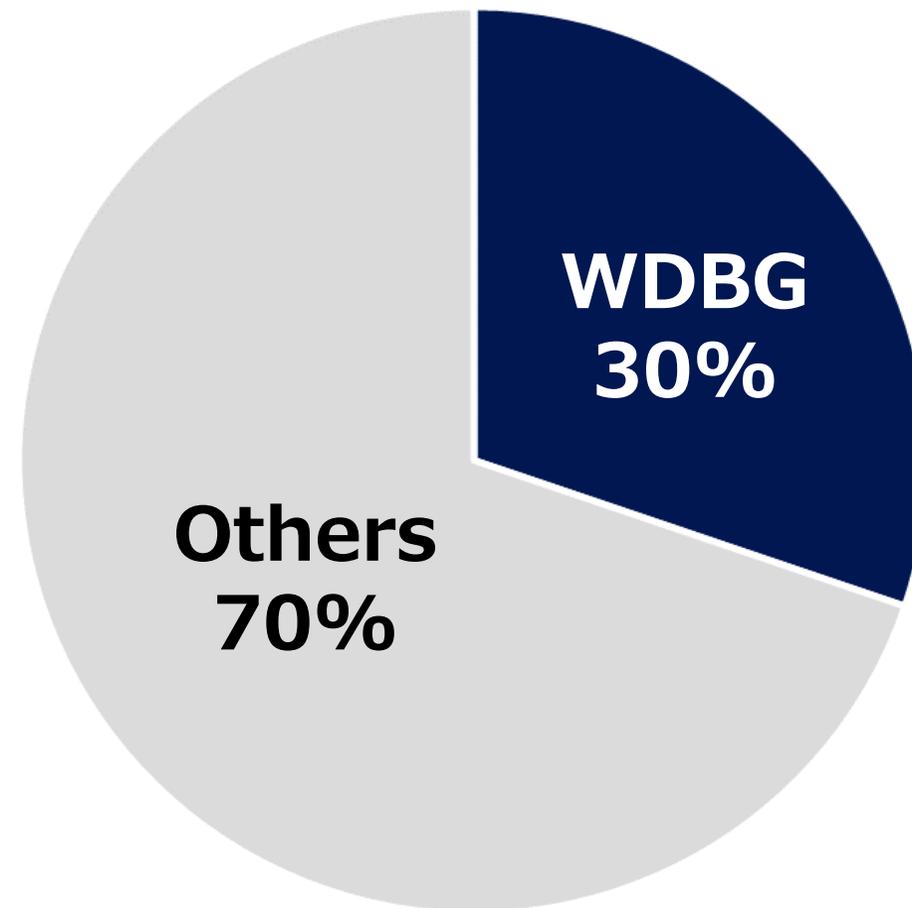
Human Resources Business

Our staffing business is mainly focusing on the science and research field.



**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**

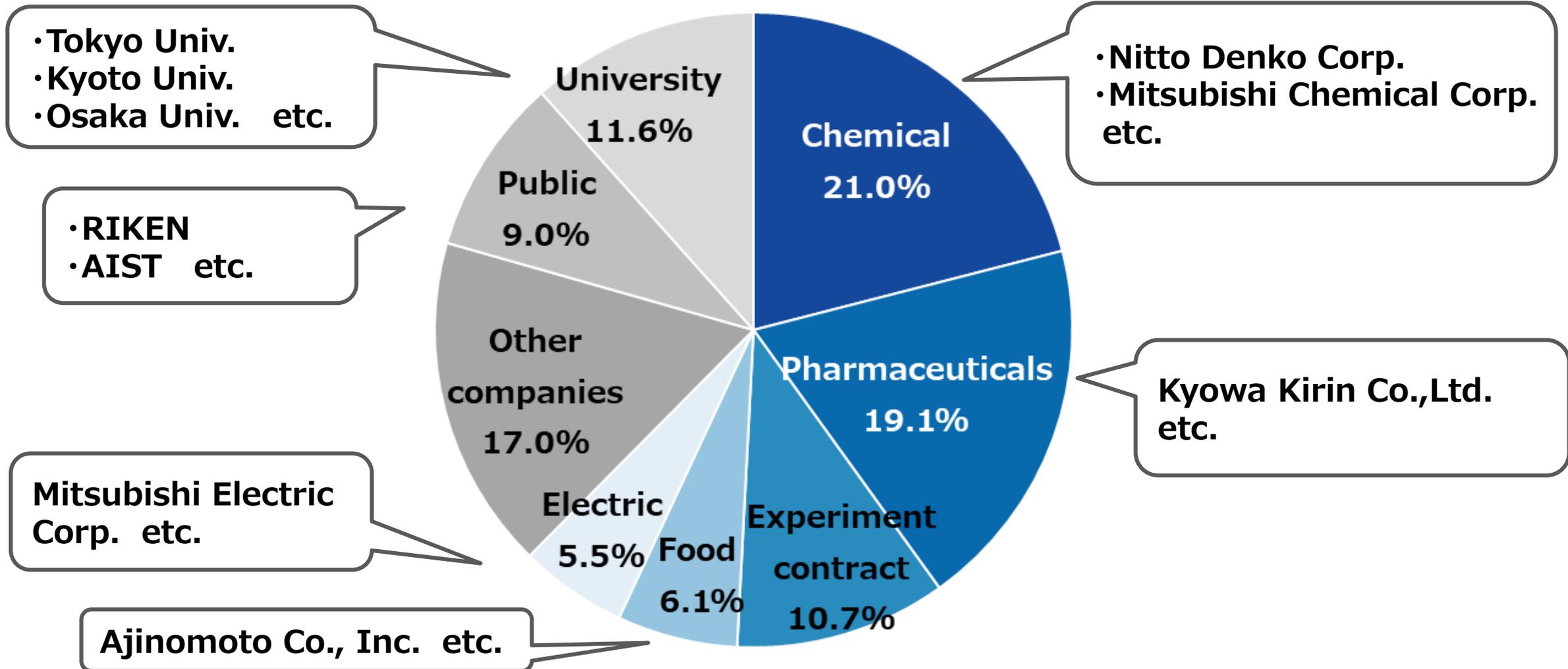


Component analysis by HPLC

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 internally developed systems "doconico" and "doco1".

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

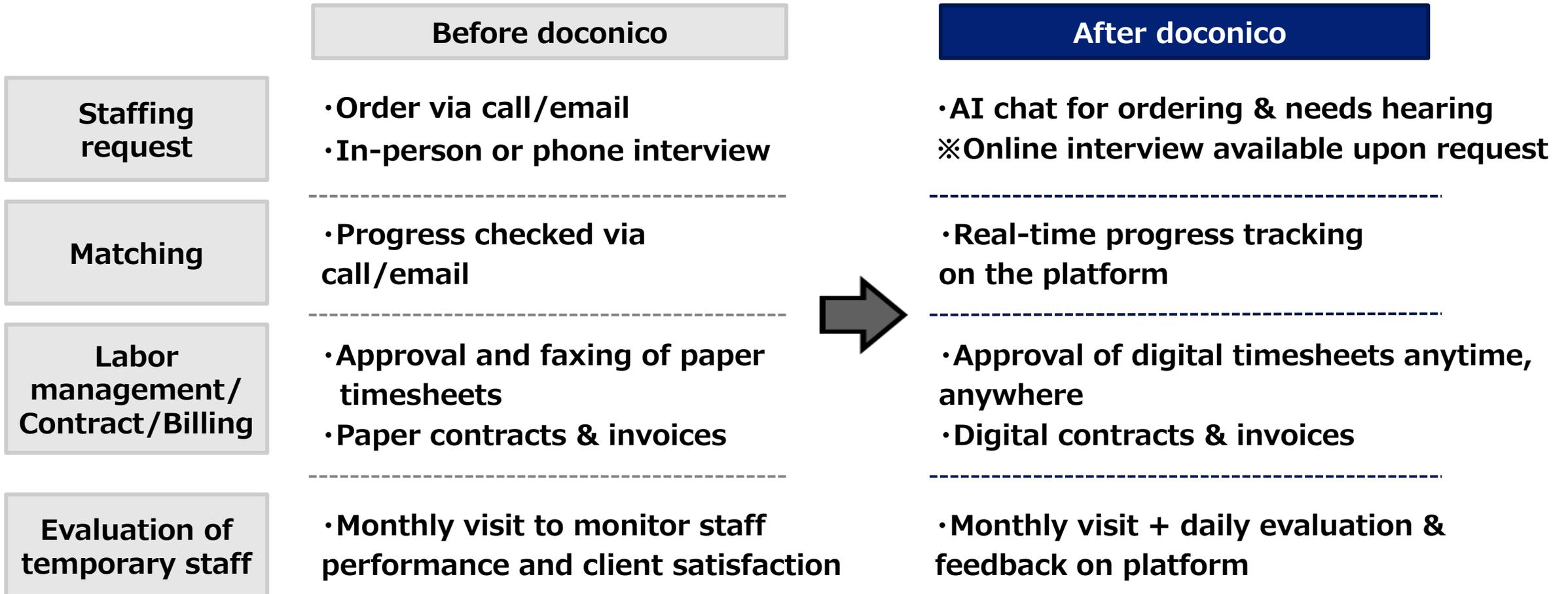
The basic development concept is that “the platform will streamline, automate, and visualize operations, and customers will be able to receive our services 24/7, and will be able to check the progress of services in real time.”

Our human resources service platform “doconico” was released in April 2021, and “doco1” 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.



Staffing Platform “doconico” & “doco1”



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 “doco1” in May 2025, enabling centralized management across multiple staffing vendors.

“doco1” 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.

doconico



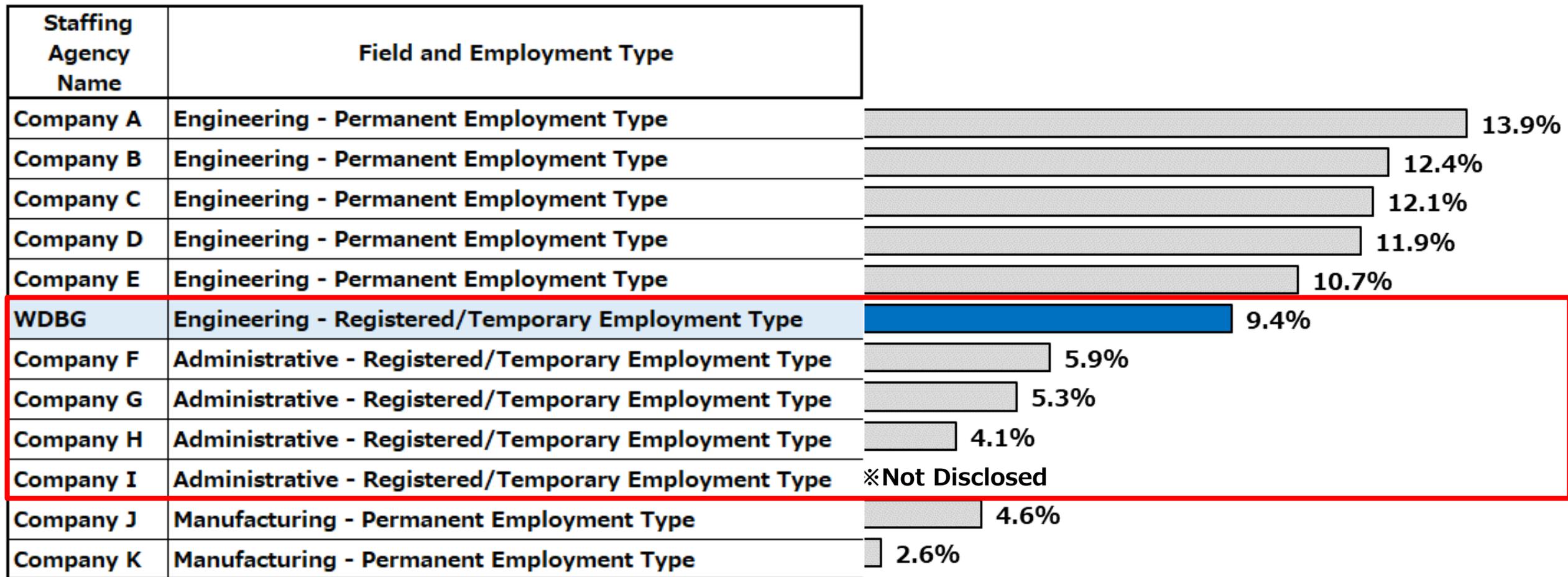
ドコ1



Operating Profit Margin Comparison (Domestic Staffing Business)



Our operating profit margin is at a high level among registered staffing companies.



1. We can set high staffing fees because we mainly deal with technical fields.

- High staffing fees are easily accepted due to the shortage of temporary staff in the technical field.

2. We can set high staffing fees because we offer high value-added services.

- Through comprehensive technical training, we are able to educate job seekers with long career gaps or no practical experience to a level where they can be dispatched as engineers with market-level billing rates.
- By conducting highly accurate assessments through practical skill tests, we ensure that our staff perform in line with client expectations.
- During employment, dedicated support personnel help identify and resolve problems early, enabling stable and long-term job placements.

3. We operate at a low cost.

- By utilizing a platform, we have established a system that allows us to provide services with fewer personnel.
- Staff recruitment costs are low because of using cost-effective recruitment media.

CRO Business

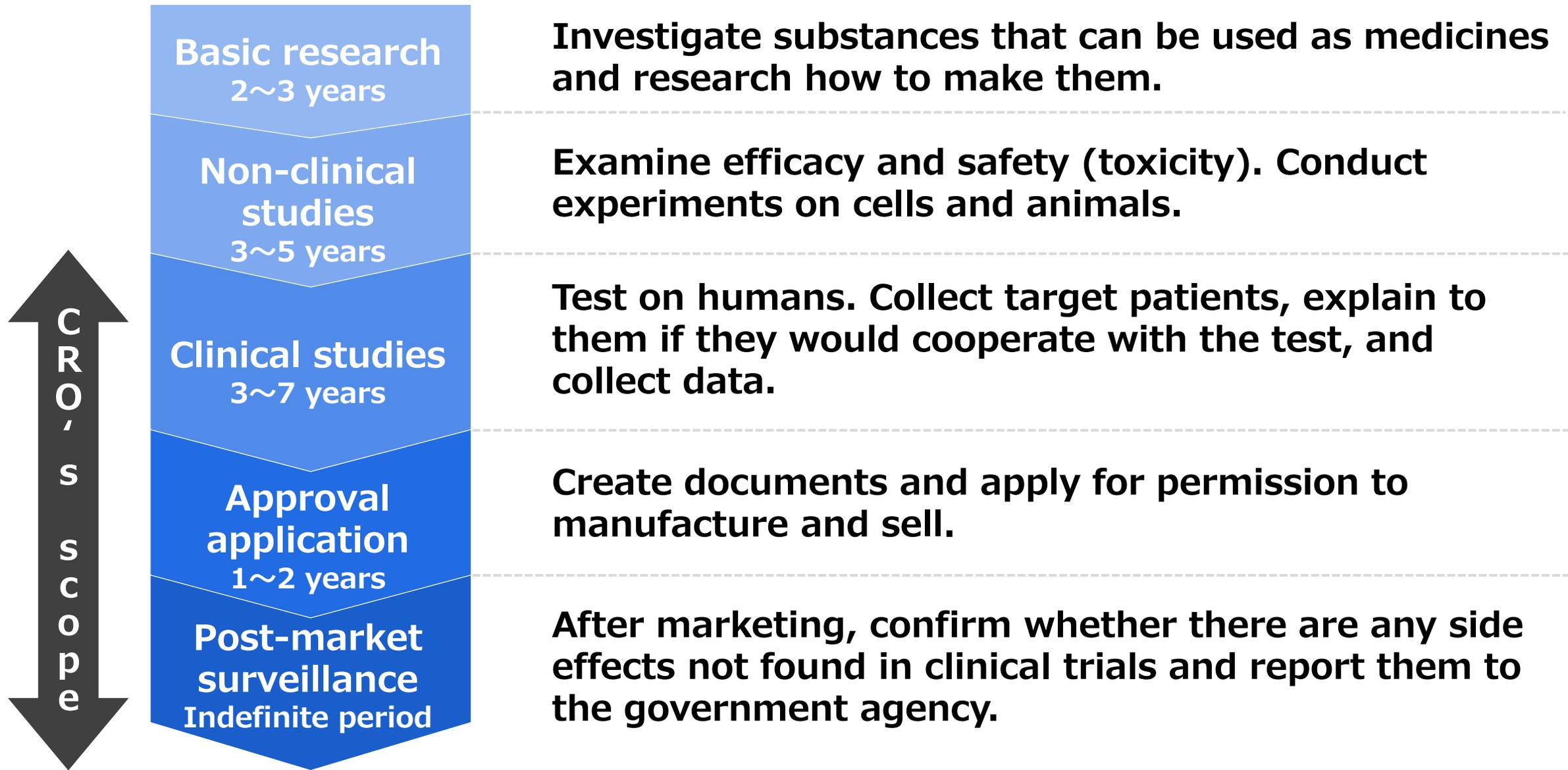
CRO (Contract Research Organization) is a company that supports the drug development of pharmaceutical manufacturers.

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

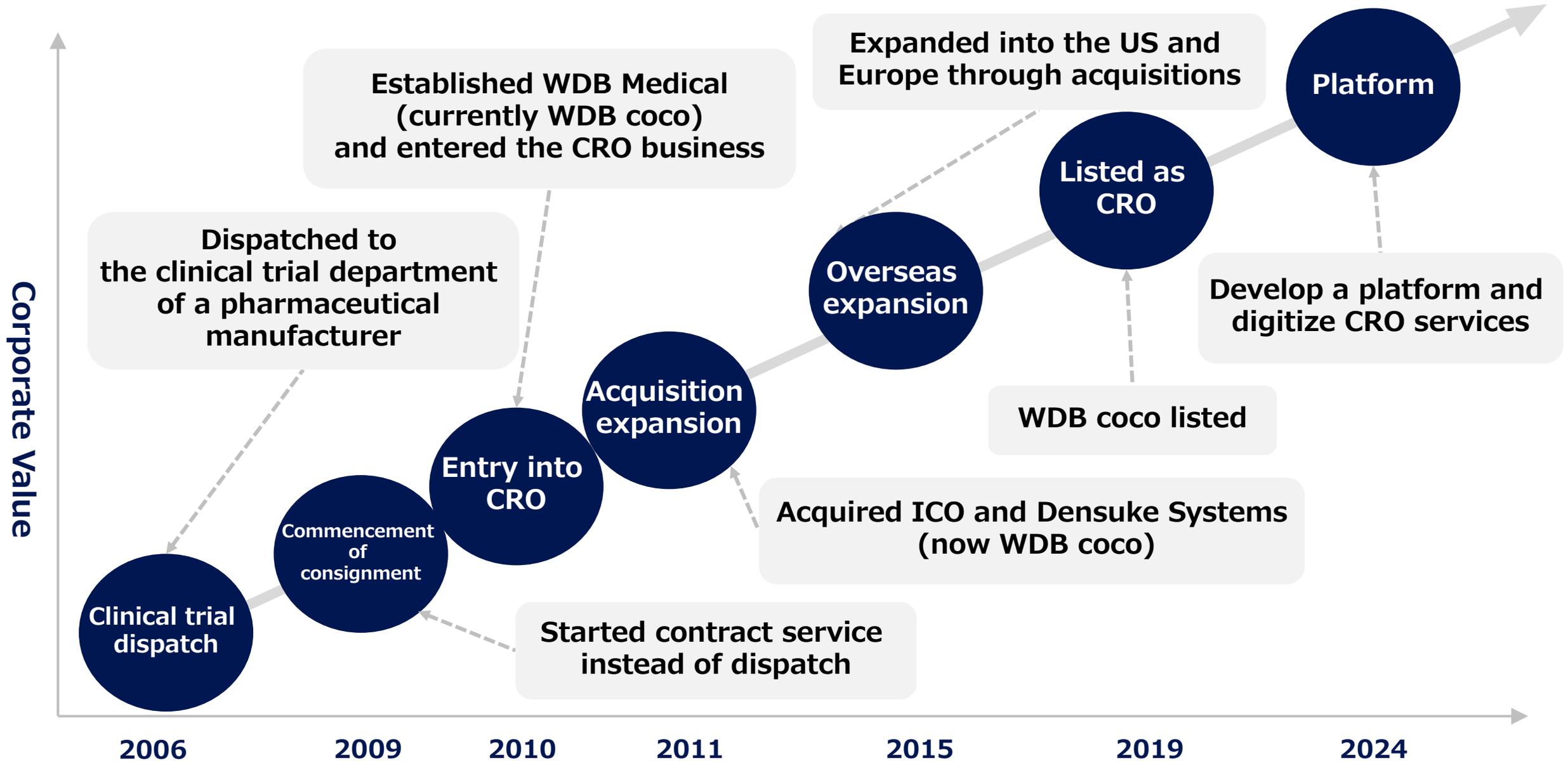
For this reason, pharmaceutical manufacturers place orders for various ancillary tasks related to drug development to CROs so that researchers can concentrate on their research.

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
(Medical Devices)

Europe

MEDFILES

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

Medium-to-Long Term Management Policy 2025

We announced our first medium-to-long term management plan (FY2022-FY2026) in May 2022, followed by a second plan (FY2024-FY2028) in May 2024.

We have been working toward becoming a company with sales of 100 billion yen and ordinary income of 10 billion yen. However, we have determined that it will be difficult to reach these goals by FY2029, and have therefore revised our business strategy.

We will explain the initiatives undertaken since 2022, the results, and our future business policy based on these results.

1. Increase in Temporary Staff Compensation

Since April 2021, we have achieved a cumulative 13% increase, positioning our pay levels among the highest in the industry. As a result, the recruitment of full-time temporary staff has progressed smoothly, and we have also reduced turnover rates.

However, the expected results for registered temporary staff have not been achieved, and challenges remain.

2. Providing Services Through a Platform

We have continuously improved our staffing platform "doconico", which has been highly rated by both clients and staff. However, as its utilization has approached its limit, we released a new platform, "doco1", in May 2025.

3. Business Efficiency

We divided business operations (sales and recruitment) between branches and support desks (SDs) to enhance productivity. As a result, we were able to minimize the increase in labor costs while rising employee salaries.

1. Providing Services Through a Platform (WDB coco)

The CRO platform “CoCoPos” has been introduced to 60% of the target customers, and a certain level of convenience has been achieved. However, the utilization of features that could significantly reduce business processing costs has not progressed, and the costeffectiveness has not been as high as initially expected. Moving forward, the challenge is to expand the range of features available to customers.

2. Profit Improvement of Overseas CRO Business

In order to streamline unprofitable operations, MedFiles divested its contracted experimental business and DZS ceased operations. Going forward, MedFiles will focus on clinical trial operations and manage the business with a focus on profitability.

3. Better Employee Benefits and Increased Productivity and Service Quality (WDB coco)

In FY2024, we implemented a 7% salary increase and introduced a performance-based incentive system, which has had a positive impact on productivity and quality.

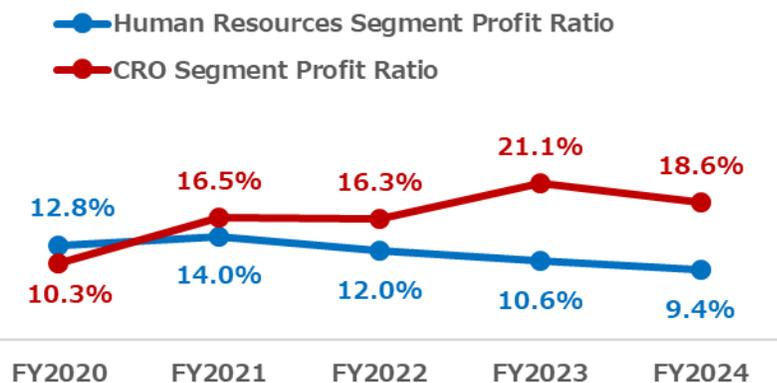
The number of new hires met the target, and the retention rate improved by 2 percentage points compared to the previous year.

Operating Margin Target

We target operating margin of the human resources business at 10%, and CRO and other businesses at 20% and keep it. We aim for long-term sustainable profit growth, not short-term high profits.



Due to increased compensation for both temporary staff and employees, operating margin for FY2024 was 9.4% for the human resources business and 18.6% for the CRO business— slightly below the targets, but generally in line with expectations.



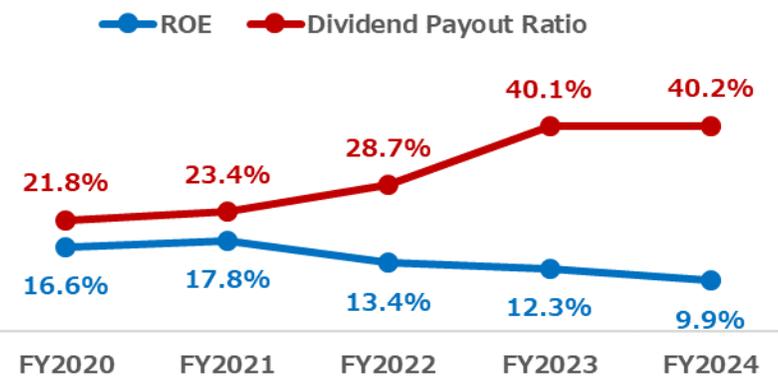
ROE and Dividend Payout Ratio

We target ROE should be 15%, and dividend payout ratio to be 40% and maintain it. We continue to pay stable dividends while continuing to invest in the platform as well.



ROE for FY2024 was 9.9%, falling short of the 15% target, but the company aims to achieve the target level by returning to a profit growth trajectory in the future.

The dividend payout ratio was maintained at 40%.



Management policy in the previous mid-to-long term Management plan

Result

Human Resources Business

- As a result of the overall decline in Japan's labor force and the intensifying competition for recruitment, wage levels continue to rise, and securing human resources is becoming increasingly challenging each year.
 - The average hourly wage of temporary workers is rising almost every month, and each temporary staffing agency needs to continue raising wages to secure job seekers.
 - Recruitment costs have also risen sharply, resulting in severe pressure on the profit margins of recruitment agencies and a downward trend in the profit margins of major agencies.
- In the future, we believe that the traditional Japanese-style temporary staffing model may become unsustainable. Other companies have also anticipated this and are trying to find new opportunities in areas other than temporary staffing, such as recruitment placement, business outsourcing, and job advertising.

CRO Business

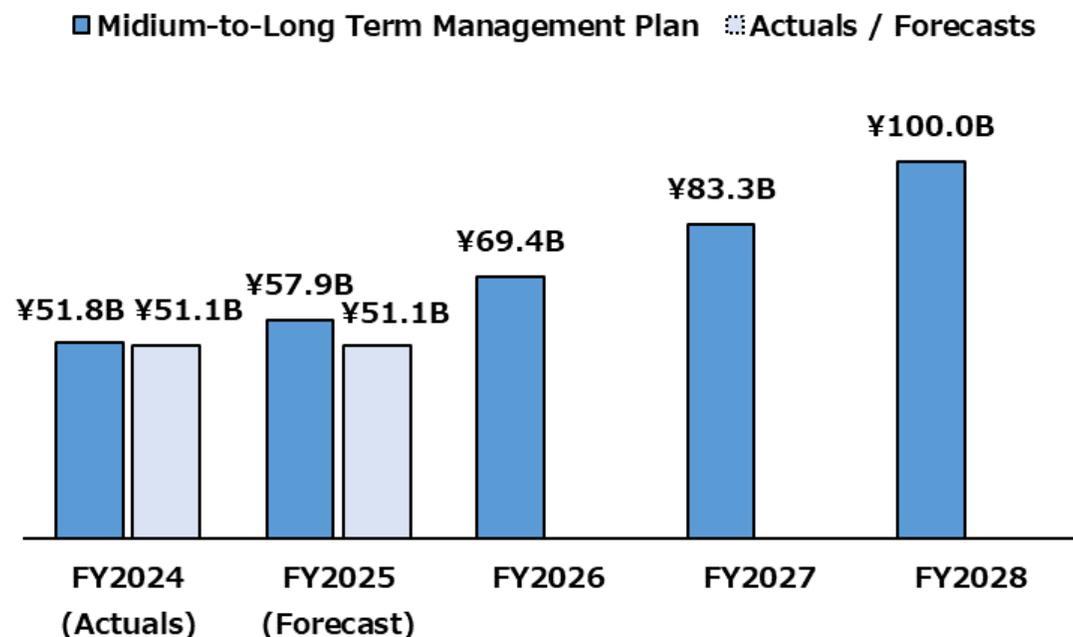
- As with the temporary staffing business, rising wage levels is a factor that puts pressure on profit margins.
 - With technological advances such as generative AI, routine tasks are likely to be automated, and we can expect to see a shift to business operations that do not rely on outsourcing.
- the industry as a whole is also required to redefine the value it provides and transform its business structure.

Performance Plan, Results, and Outlook

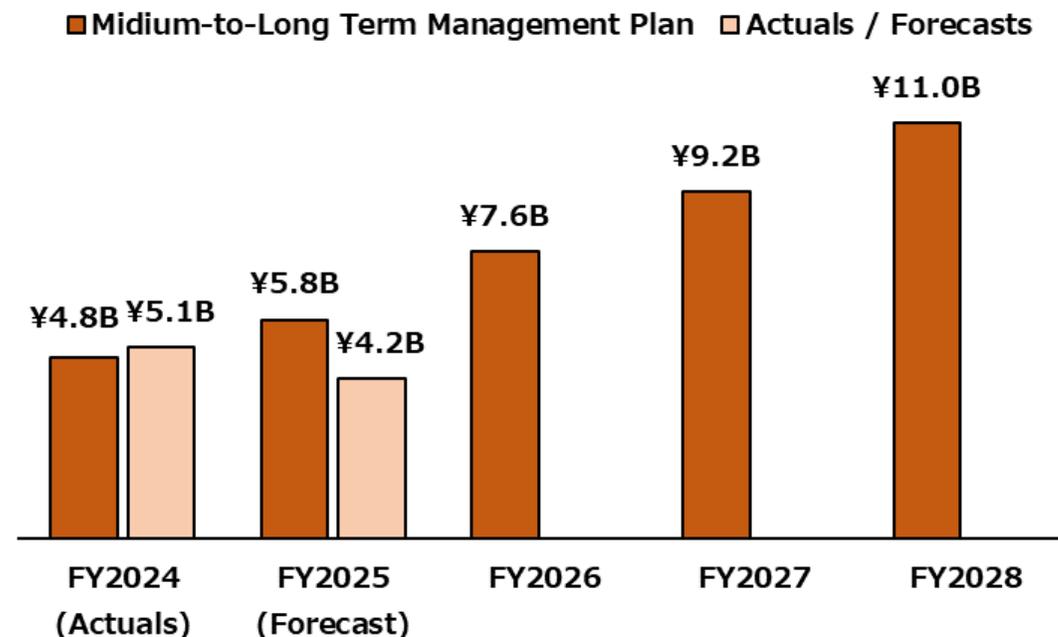


Although various initiatives have been undertaken to achieve our medium-to-long term management plan, a significant gap has emerged between the plan and actual performance as outlined below, and uncertainty regarding future market conditions has increased. As a result, we have decided to withdraw the previously announced sales and operating income forecasts in the medium-to-long term management plan disclosed in May 2024.

Consolidated Sales



Consolidated Operating Income



- 1. Pursue Value as a Staffing Agency**
- 2. Transformation into a Platform-Based Business**
- 3. Establish a CRO Business Model that Coexists with AI**

1. Pursue Value as a Staffing Agency

■ Our Vision

- In the medium term, we will continue our efforts to gain the support of job seekers.
- In the long term, we will maximize the two core values of temporary staffing agencies: serving as an “intermediary between job seekers and employers” and providing “support throughout the employment period.
- After the market environment became even more severe and many of our competitors withdrew from the staffing business, we will build a business model that can adapt to a new environment with less competition and ensure high profit margins.

■ Our Strategy

- In the medium term, we will continue to improve working conditions for temporary staff while also implementing region-specific recruitment for full-time employment type temporary staff. In addition, by strengthening our sales structure and using “doco1” in our sales activities, we aim to expand our offerings of job opportunities that match job seekers’ needs, thereby increasing the chances of being selected by them.
- In the long term, we aim to further evolve our platform and automate the “mediation between job seekers and employers” to the greatest extent possible, further increasing compensation for temporary workers, while also refining and enhancing our strength in “support during employment,” to become a temporary staffing company that receives overwhelming support from both temporary staff and client companies.

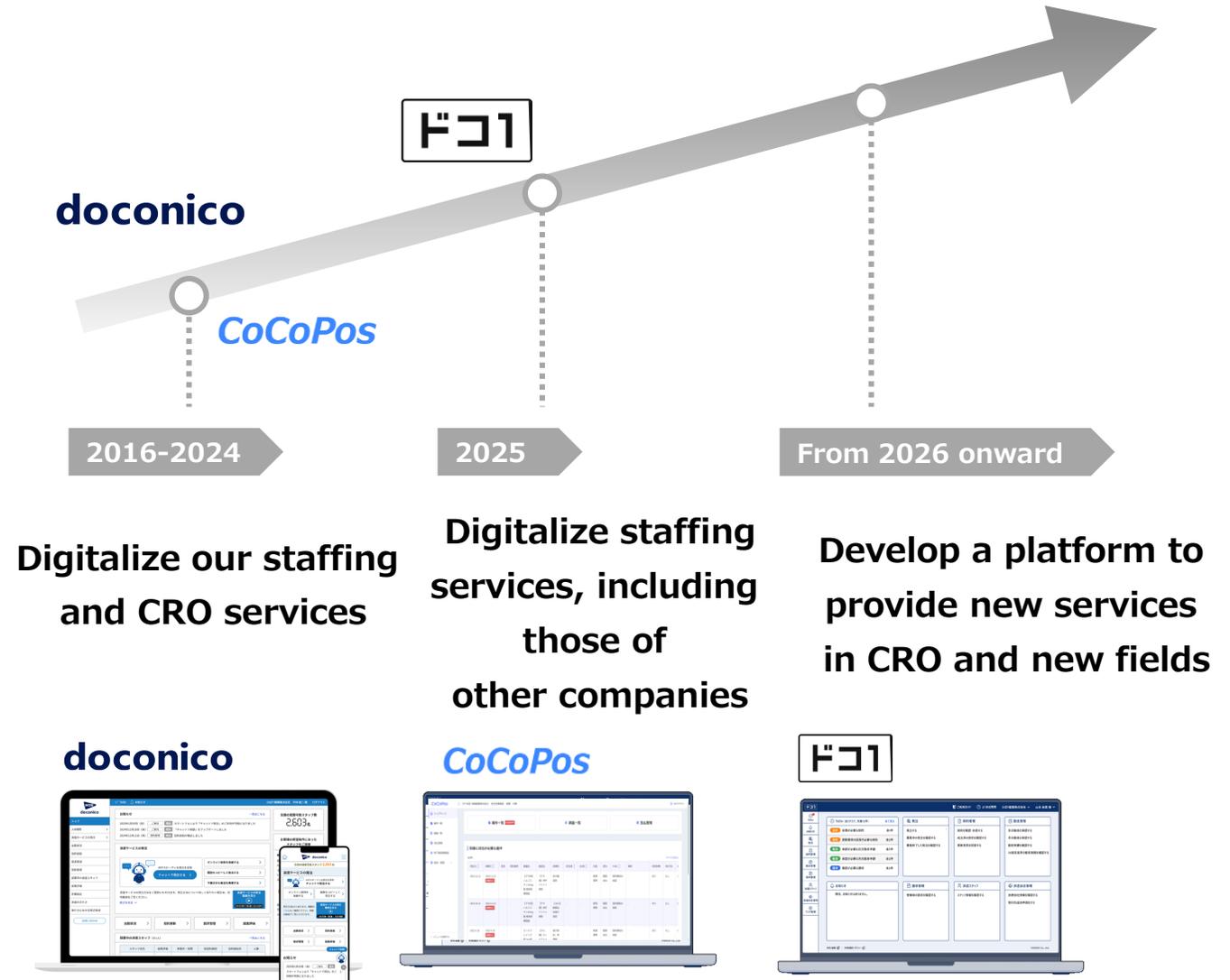
2. Transformation into a Platform-Based Business

■ Our Vision

We will leverage the expertise accumulated through the development and operation of “doconico” and “doco1” to drive our transformation into a platform-based business.

■ Our Platform Development Record

- The human resources service platform : [doconico](#)
- CRO contract management platform : [CoCoPos](#)
- Centralized staffing management platform : [doco1](#)



3. Establish a CRO Business Model that Coexists with AI



■ Our Vision

- We will face head-on the change in which routine manual work is being replaced by advances in generative AI and automation technology, and in addition to automating and standardizing processes, we will steadily strengthen center operations to achieve both operational stability and efficiency.
- On that basis, we will focus our resources on practical value areas that should be handled by people, such as judgment, customer service, quality assurance, and multitasking, and establish a new CRO business model that coexists with AI.
- In the medium to long term, we will also work to create new businesses in the medical and pharmaceutical fields. To address the fragmented practical issues that existing services are unable to address, we will build a support model that is tailored to the actual situation on the ground by combining digital technology, and provide new value that combines high expertise and profitability in specific fields.

■ Our Strategy

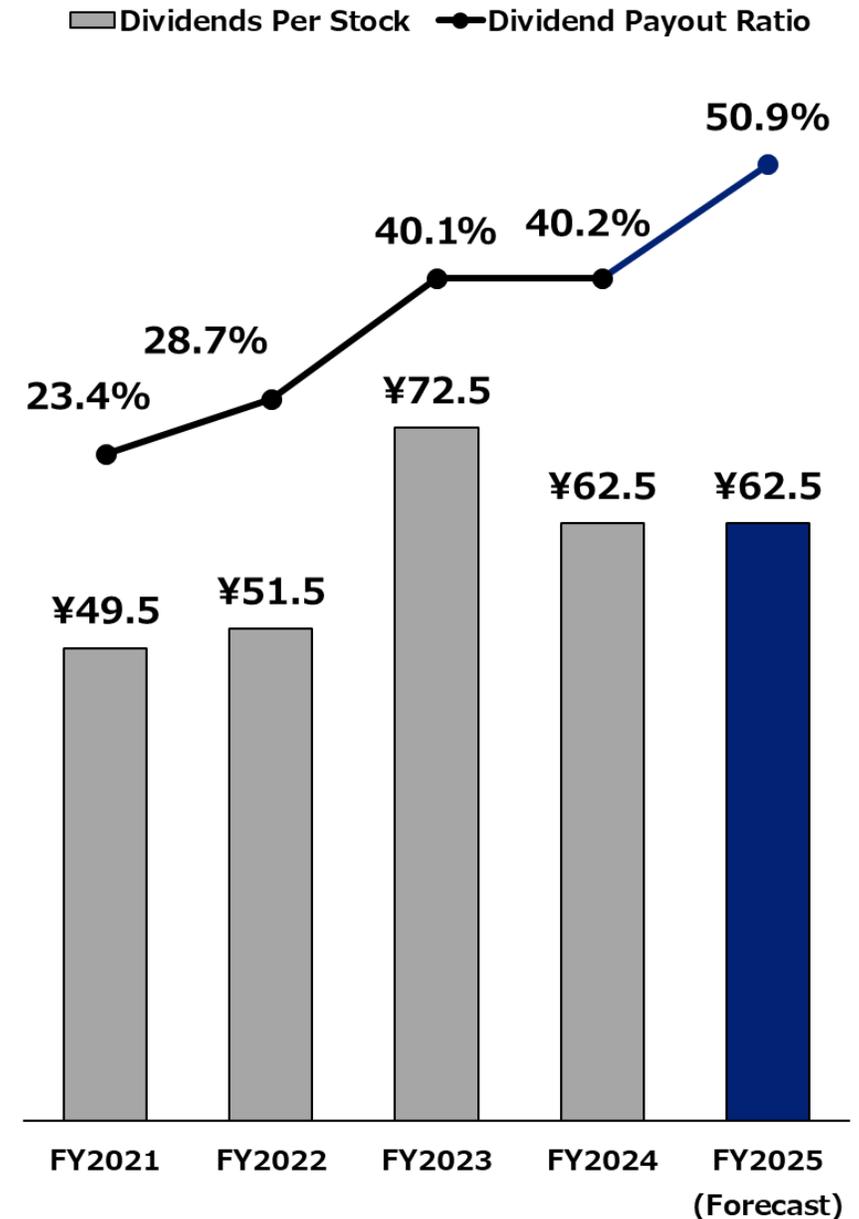
- In the areas of document support, PMS, and clinical research support, we will standardize operations, develop tools, and digitize processes to improve reproducibility and productivity.
- In the field of advanced medical devices, where domestic demand is expected to grow in the future, we aim to evolve into a system capable of providing comprehensive support for business expansion both in Japan and overseas. This will be achieved through an integrated support system that spans from development to regulatory registration and post-marketing activities, leveraging digital technologies and data, and in collaboration with overseas group companies.

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 free float ratio standards set by the Tokyo Stock Exchange.



Conclusion

Over the three years since May 2022, We have pursued initiatives based on our Medium-to-Long-Term Management Plan.

However, the changes in the business environment have been far more drastic than we had anticipated.

Facing the reality that continuing our business model in its current form may no longer be viable, we are now committed to undertaking the transformation necessary to ensure our long-term growth and sustainability.

There may be periods of uncertainty in the short term, but we sincerely ask for your continued support as we move forward.

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

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