Q2 Financial Results Summary

Ended September 30, 2026

TSE-Prime Market
Ticker Symbol:6539
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(IR website: https://ir.jmsc.co.jp/en/index.html)

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① Information & Inquiries

For further information or to arrange an interview, please contact us via the application form below.
English interviews are available without an interpreter.
https://cloud.swcms.net/ms-japanPublic/en/Inquiry.html

Additionally, please refer to the following for more details about our business.
https://ir.jmsc.co.jp/en/outline.html

② Financial Result Highlights

-Record-High First-Half Consolidated Revenue and EBITDA.

Consolidated revenue for the first half reached 4,045 million yen (up 3.3% YoY) and EBITDA reached 1,176 million yen (up 3.4% YoY), both marking record highs. Profit at all levels progressed smoothly against the budget, and net income attributable to the parent achieved a 57.8% progress rate against the full-year plan, securing our targeted trajectory toward achieving our full-year objectives.

-Enhanced Efficiency in Candidate Acquisition.

For the first half, newly registered candidates in the recruitment agency service increased to 9,870 (up 15.8% YoY), while marketing expenditures decreased (down 18.7% YoY). Our proprietary candidate acquisition strategy, which does not rely on one-off marketing spending, continues to realize highly efficient management.

-Strong Momentum in Overseas Recruitment Service.

For the first half, on a local currency (AUD) basis, permanent recruitment revenue surged by 29.8% YoY, operating profit jumped by 71.2% YoY, and net income grew by 78.4% YoY, underscoring resilient organic growth. Bolstered

by a depreciating Japanese yen, JPY-based permanent recruitment revenue outperformed with a 53.4% YoY growth, alongside exceptional operating profit (up 102.4% YoY) and net income (up 110.8% YoY) gains, heavily contributing to consolidated earnings. In addition, on September 30, 2026, we acquired the remaining 25% of the shares of the Australian subsidiary, making it a wholly owned subsidiary.

③ Q2 Financial Performance Overview (Unit: million Yen)

	Six Months Ended September 30		
	FY26	FY27	Growth %
Total Revenue	3,918	4,045	3.3%
MS Agent revenue	2,242	2,142	(4.5%)
Manegy revenue	119	100	(15.8%)
MS Jobs revenue	53	46	(13.1%)
Overseas revenue	1,502	1,756	16.9%
Cost of sales	868	916	5.6%
EBITDA	1,138	1,176	3.4%
Operating profit	912	908	(0.4%)
Ordinary profit	963	1,061	10.1%
Net income	609	669	9.7%
Net income attributable to the parent	589	625	6.2%

-Recruitment Agency Service "MS Agent" overview

Segment revenue for the first half landed at 2,142 million yen (down 4.5% YoY). Q2 revenue was 1,092 million yen (down 3.6% YoY); however, the business demonstrated a resilient recovery with a 4.0% QoQ growth, marking the third consecutive quarter of sequential top-line growth since bottoming out in Q3 of the previous fiscal year.

In response to a decline in junior-level job openings impacted by AI automation trends among large enterprises and startups, we executed a strategic pivot toward acquiring middle and high-layer positions, successfully returning revenue to an upward trajectory. In Q2, new job openings with a minimum annual salary of 6 million yen or more increased to 1,608 (up 243 YoY), more than offsetting the decline in junior-level job openings (down 162 YoY).

By shifting our marketing focus to target and appeal to experienced professionals, we achieved a 21.0% YoY increase in focus-segment candidates (1,849 individuals) and a 21.7% YoY surge in candidates with current annual salaries exceeding 6 million yen (814 individuals) in Q2, acting as a strong leading indicator for future profitability. In addition, the average order value (based on accepted offers) exceeded 2.05 million yen (up 2.2% YoY), reflecting the increased share of middle and high-layer placements.

-Business Media Service "Manegy" overview

Revenue for the Media Service was 100 million yen for the first half (down 15.8% YoY). Q2 revenue was 52 million yen, up 10.5% QoQ. Note that in Q2 of the previous fiscal year, an event for accounting firms generated revenue of approximately 20 million yen; this event was not held in the current fiscal year as such activities have been consolidated online. Recruitment business revenue from Manegy members (identifiable portion only) remained at a high level of 344 million yen for the first half.

The organic candidate acquisition ratio for our recruitment business improved to 59%, up from the average of 53% over the previous two fiscal years. This profitability enhancement was driven by synergistic effects with the "Manegy

Clip" mobile app (which exceeded 10,000 downloads within a month of its launch) and advanced AI-optimized SEO/GEO strategies, contributing significantly to a substantial reduction in acquisition costs. Our BtoB communication advertising model, introduced in the previous fiscal year, is already being used by nearly 30 well-known companies, and we aim for a 5.3% full-year revenue growth in this segment.

-Direct Recruitment Service “MS Jobs” overview

Revenue in the DRM Service stood at 46 million yen for the first half (down 13.1% YoY). Q2 revenue was 23 million yen, up 11% YoY and 0.9% QoQ, showing underlying resilience. The number of job listings at the end of the quarter increased again to 8,738, following the completion of the screening of certified agents without placement track records. Furthermore, the number of new registrations for MS Jobs grew by 5.6% YoY to 3,690 in Q2, and our proprietary AI matching module has led to an improvement in application rates.

-Overseas Recruitment Service overview

Total revenue for the Overseas Recruitment Service for the first half reached 1,756 million yen (up 16.9% YoY). On a local currency basis, total revenue was AUD 15.80 million (down 1.1% YoY). However, the highly profitable permanent recruitment segment saw significant expansion, generating AUD 5.28 million (up 29.8% YoY), and its share of total revenue rose from 25% to 33%. As a result of this favorable shift in revenue mix and effective cost-control measures, gross profit increased to AUD 7.61 million (up 12.0% YoY) and operating profit surged by 71.2% YoY on a local currency basis.

The average exchange rate depreciated to 1 AUD = 111.18 JPY during the first half, compared to 94.08 JPY in the previous year's first half.

-Acquisition of Remaining Shares of the Australian Subsidiary

On September 30, 2026, we acquired the remaining 25% of the voting rights of our consolidated subsidiary, FourQuarters Recruitment Pty. Ltd. (Australia), making it a wholly owned subsidiary. As a result, net income attributable to the parent will incorporate 100% of the subsidiary's net income, compared with 75% previously. This change will be reflected in the consolidated statement of income from Q4 of the current fiscal year, and the impact on full-year results is expected to be minor.

As the additional acquisition was made after obtaining control, it is accounted for as a capital transaction; therefore, no additional goodwill is recorded and goodwill amortization remains unchanged. Non-controlling interests related to the subsidiary were eliminated from the balance sheet as of the end of September 2026, and the difference from the acquisition consideration was deducted from capital surplus.

-Cost of Sales and SG&A expenses overview

The cost of sales for the first half was 916 million yen (up 5.6% YoY). Total SG&A expenses were 2,220 million yen (up 3.9% YoY). Ordinary profit increased to 1,061 million yen (up 10.1% YoY), mainly due to the recording of a gain on sale of investment securities.

Driven by the combined impact of Manegy, Manegy Clip and our marketing initiatives, we successfully compressed marketing expenses to 272 million yen (down 18.7% YoY), demonstrating strong cost efficiency through synergies. Personnel expenses remained well-controlled at 643 million yen (up 2.8% YoY). Depreciation increased to 62 million yen (up 25.2% YoY) due to full-scale amortization of software assets related to app development. Other expenses increased to 381 million yen (up 1.9% YoY), mainly due to system maintenance

and security measures. Expenses overseas decreased by 2.4% YoY on an AUD basis but increased to 592 million yen (up 15.3% YoY) on a JPY basis due to the depreciation of the yen. Goodwill amortization stood at 175 million yen (up 18.2% YoY).

(Unit: million Yen)

	Six Months Ended September 30		
	FY26	FY27	Growth %
SG&A Total	**2,137**	**2,220**	**3.9%**
Marketing related expenses	**335**	**272**	**(18.7%)**
Personnel expenses	626	643	2.8%
Depreciation	50	62	25.2%
Office Rent	89	92	3.2%
Other expenses	374	381	1.9%
Expenses overseas	513	592	15.3%
Goodwill amortization	148	175	18.2%

-Balance Sheet overview

The equity ratio continues to be maintained at a high level of 86.3% amid an uncertain economic environment.

	FY 26 (31 Mar 2026)	FY 27 (30 Sep 2026)
Current assets	5,375	4,636
Non-currents assets	5,433	4,848
Total assets	10,809	9,484
Liabilities	1,182	1,283
Net assets	9,626	8,201
Equity ratio	88.1%	86.3%

④ Capital Policy and Shareholder Returns

-Dividend Policy

Unless there are significant changes in our business environment or strategy, we will maintain our policy of a minimum annual dividend of 56 yen per share, ensuring stable and sustainable returns to our shareholders.

Our business model is asset-light, requiring no large-scale capital expenditures, which allows us to maintain a strong cash-generating capability and a solid financial foundation. While the accounting-based dividend payout ratio exceeds 100%, our Adjusted EPS (calculated by adding back non-cash goodwill amortization) is showing steady growth. Accordingly, we have determined that we have ample capacity for shareholder returns on a cash-flow basis.

Dividend per share trend (Unit: Yen)

	FY23	FY24	FY25	FY26	FY27
Dividend per share	49	56	56	**56**	**56**

EPS trend (Unit: Yen)

	FY22	FY23	FY24	FY25	FY26	FY27
EPS	41.34	48.95	45.4	41.53	41.64	43.55

Adjusted EPS	—	—	—	54.24	53.91	56.78

Adjusted EPS is calculated by adding goodwill amortization expenses to EPS (Earnings Per Share).

-Capital Allocation Policy

The company aims to maintain a stable dividend supported by robust operating cash flow (approximately ¥1.6 billion in FY2026), while actively reinvesting for future growth. This includes utilizing cash generated from profit growth and existing cash reserves (approximately ¥7 billion as of the end of FY2026) for strategic growth investments.

These investments will target existing businesses (¥100 million to ¥300 million), as well as M&A and new business opportunities to further enhance long-term corporate value. Given the company's high equity ratio of 86.3%, the current level of retained earnings on the balance sheet is considered sufficient, providing a strong financial foundation. Moving forward, we remain committed to balancing shareholder returns and growth investments, efficiently deploying excess cash to drive sustainable growth while maintaining financial flexibility.

-Cost of Capital and ROE

We estimate our cost of capital to be in the range of 8% to 10% and will continue to focus on efficient growth in existing businesses while pursuing new growth investments to consistently achieve returns above.

ROE trend

	FY22	FY23	FY24	FY25	FY26
ROE	10.9%	12.2%	10.9%	10.4%	10.8%
Adjusted ROE	—	—	—	13.6%	14.0%

Adjusted ROE is calculated by adding goodwill amortization expenses to ROE.

⑤ Forward-Looking Statements

This document includes statements regarding industry trends and the business activities of our company, as well as forward-looking statements based on our current plans, estimates, projections, or forecasts. These forward-looking statements inherently involve various risks and uncertainties. Known and unknown risks, uncertainties, and other factors could cause actual results to differ materially from those expressed or implied in these forward-looking statements.

Actual business activities and financial performance in the future may differ from those described in this document. The forward-looking statements contained herein are based on information available to the company as of the date of this document and do not constitute a commitment to update or revise these statements to reflect future events or circumstances.