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February 13, 2026

Summary of Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 286A
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 Scheduled date of annual general meeting of shareholders: March 26, 2026
 Scheduled date to commence dividend payments: —
 Scheduled date to file annual securities report: March 27, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	24,734	24.7	2,365	3.2	2,138	(23.7)	2,776	37.1
December 31, 2024	19,833	9.9	2,292	20.7	2,801	51.2	2,025	92.7

(Note) Comprehensive income: For the fiscal year ended December 31, 2025: ¥2,801 million [26.4%]
 For the fiscal year ended December 31, 2024: ¥2,217 million [74.8%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
December 31, 2025	78.07	76.75	14.4	3.4	9.6
December 31, 2024	64.40	63.12	14.1	5.0	11.6

(Note) The Company conducted a 400-for-1 stock split of common stock on September 1, 2024. Accordingly, basic earnings per share and diluted earnings per share are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
December 31, 2025	65,125	21,779	31.5	574.26
December 31, 2024	60,148	18,951	29.9	507.67

(Reference) Equity: As of December 31, 2025: ¥20,517 million
 As of December 31, 2024: ¥17,959 million

(Note) The Company conducted a 400-for-1 stock split of common stock on September 1, 2024. Accordingly, net assets per share are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2025	(1,878)	(2,225)	1,779	9,052
December 31, 2024	1,300	(406)	3,547	11,139

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended Dec. 31, 2024	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ended Dec. 31, 2025	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ending Dec. 31, 2026 (Forecast)	—	0.00	—	0.00	0.00		—	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

(Percentages indicate year-on-year changes compared to the same period of the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	33,035	33.6	2,864	21.1	2,648	23.9	1,658	(40.3)	46.41

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 8 companies
(SmartScan Inc., DIC Co., Ltd., hello scout inc., Gplus Co., Ltd., ReMedica Inc., ZEROMEDICAL, INC., Medistep Inc., Epigno Corporation)

Excluded: 1 company
(SmartScan Inc.)

(Note) SmartScan Inc., DIC Co., Ltd., and hello scout inc. have been included in the scope of consolidation during the period due to a review of their business operations. In addition, Gplus Co., Ltd., ZEROMEDICAL, INC., Medistep Inc., and Epigno Corporation, which were acquired during the period, as well as ReMedica Inc., which was newly established, have been included in the scope of consolidation. As SmartScan Inc. was dissolved as a result of an absorption-type merger, effective August 1, 2025, with the Company as the surviving entity, it has been excluded from the scope of consolidation.

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2025	37,982,900 shares
As of December 31, 2024	37,982,900 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2025	2,254,000 shares
As of December 31, 2024	2,606,000 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended December 31, 2025	35,563,744 shares
Fiscal year ended December 31, 2024	31,456,951 shares

(Note) The Company conducted a 400-for-1 stock split of common stock on September 1, 2024. Accordingly, total number of issued shares (including treasury shares) are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(Reference) Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2025	6,243	10.6	1,363	(4.0)	1,428	(31.0)	2,271	23.3
December 31, 2024	5,645	3.7	1,420	32.9	2,070	86.0	1,842	159.9

	Basic earnings per share		Diluted earnings per share	
	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2025	63.87	62.79		
December 31, 2024	58.56	57.40		

(Note) The Company conducted a 400-for-1 stock split of common stock on September 1, 2024. Accordingly, basic earnings per share and diluted earnings per share are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2025	40,698	19,350	47.5	541.59
December 31, 2024	36,047	16,884	46.8	477.26

(Reference) Equity: As of December 31, 2025: ¥19,350 million

As of December 31, 2024: ¥16,884 million

(Note) The Company conducted a 400-for-1 stock split of common stock on September 1, 2024. Accordingly, net assets per share are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

* These consolidated financial results are outside the scope of audit by certified public accountants and audit corporations.

* Explanation for the appropriate use of performance forecasts and other special notes:

The statements regarding forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management, and they are not meant to be a commitment by the Company. Therefore, there might be cases in which actual results differ materially from forecast values due to various factors.

I Overview of Operating Results

(1) Overview of Operating Results for the Fiscal Year

The Group operates under the vision of “**Industrialization of Healthcare**” and, in collaboration with a broad range of stakeholders, strives to protect the social infrastructure of medical and nursing care within local communities while maintaining sustainable corporate growth and enhancing corporate value.

During the fiscal year ended December 31, 2025, the Japanese economy continued on a moderate recovery trend. While personal consumption showed signs of improvement and capital investment gradually recovered, the improvement in real wages remained limited due to rising prices, resulting in some weakness in the pace of consumption recovery. Looking ahead, uncertainty persisted, including the direction of the 2026 medical and nursing care reimbursement revisions, downside risks in overseas economies, inflation trends, and volatility in financial and capital markets.

In the medical and nursing care industry in which the Group operates, rising prices due to fluctuations in resource prices and foreign exchange rates, escalating labor costs caused by chronic labor shortages, and the burden of responding to work style reforms for physicians have prolonged a severe business environment. In addition, expanding wage increases have further heightened cost burdens across the industry, and close monitoring of future developments remains necessary.

Under these economic conditions, the Group promoted the following initiatives, positioning “building partnerships” as one of its core pillars, with a view toward strengthening its business foundation and creating value to achieve sustainable revenue growth while keeping earnings per share in focus.

1. Strengthening the Total Medical Management Support Business

During the fiscal year ended December 31, 2025, the Group newly commenced partnerships with five hospitals. Although temporary changes in the external environment occurred, such as the expansion of lending frameworks by the Welfare and Medical Service Agency (WAM), progress was generally in line with the initial plan, and the number of affiliated hospitals reached 31 as of the end of the fiscal year. In addition, the Group flexibly responded to changes in the external environment by strengthening orders for external consulting services (Note), thereby promoting diversification of revenue opportunities.

To address personnel challenges faced by medical institutions, including recruitment difficulties, appropriate staff allocation, and work style reforms, the Group made Epigno Corporation, which operates HR technology services for the medical and nursing care industry, a consolidated subsidiary in the third quarter, thereby expanding its service lineup contributing to improved operational efficiency at medical sites.

Furthermore, at ZEROMEDICAL, INC., which became a consolidated subsidiary in the second quarter, the Group combined its strengths in finance to launch factoring services for medical institutions and nursing and welfare facilities. As a result, synergies with existing businesses have steadily materialized, expanding the Group’s overall customer base. The Group will continue to focus on generating synergies across its businesses.

(Note) In external consulting, the Group provides selected services offered under hospital management support—such as business plan formulation, management analysis, hospital rebuilding support, and personnel system design—to non-affiliated medical corporations.

2. Expansion of Service Domains in the Senior-Related Business

The Group acquired shares of Medistep Inc., which provides home medical services (including home-visit nursing), and made it a consolidated subsidiary in the second quarter.

i-life Inc., a consolidated subsidiary of the Group, collaborates with Gplus Co., Ltd., which became a consolidated subsidiary at the end of the first quarter, to provide one-stop support services covering housing and facility selection, nursing care consultation, and asset sale and management for those seeking facility admission.

In the Sakura City area of Chiba Prefecture, where affiliated hospitals are located, Medistep Inc. collaborates with the Group’s neighboring nursing care facilities to provide home medical services (including home-visit nursing), thereby establishing and strengthening a system to comprehensively support the living environment of elderly individuals in the region.

3. Promotion of Growth Investments and Strategic M&A

To establish a foundation for sustainable growth centered on “building partnerships” at an early stage, the Group has actively promoted upfront investments in human resources and new businesses.

As a result, selling, general and administrative expenses increased year on year due to these investments. While such cost increases may exert short-term pressure on profitability, the Group recognizes them as strategic expenditures that enhance the sophistication of its value proposition, strengthen its ability to acquire projects, and improve productivity across its businesses and services, thereby contributing to the expansion of its medium- to long-term earnings base.

In addition, with respect to M&A, the Group has been considering a balanced mix of transactions with high affinity to existing businesses and those that expand into adjacent domains, with the objective of maximizing corporate value. Following the execution of M&A transactions, the Group promotes post-merger integration (PMI) initiatives aimed at early realization of synergies and steadily enhancing the competitiveness of the entire Group.

4. Business Alliances

In the first quarter, the Group commenced collaboration with OPEN Inc., a subsidiary of Open Group Inc., with the aim of improving operational efficiency, service quality, and profitability in medical operations through remote support and automation using RPA combined with generative AI.

In the third quarter, through partnerships with Japan Airlines Co., Ltd. and JALUX Inc., the Group began offering its brain screening service “Smart Brain Dock” to JAL Mileage Bank members as a new service starting July 15.

In the same quarter, the Group entered into a strategic business alliance agreement with TSUNAGU GROUP HOLDINGS Inc. to address personnel-related social challenges faced by the medical and nursing care industry, including labor shortages and recruitment difficulties. Through this collaboration, the Group seeks to create synergies by expanding solutions and establishing new services to address mounting HR challenges faced by medical institutions and nursing care facilities, such as rising recruitment costs, declining competitiveness in hiring, and early employee turnover.

In the fourth quarter, the Group entered into a memorandum of understanding with Fujitsu Limited to explore collaboration in transforming medical operations, including the use of AI agents to improve operational efficiency. This collaboration leverages Fujitsu’s expertise, technology, and assets developed through its leading electronic medical record system business in Japan, together with the Group’s capabilities in management improvement and DX support cultivated at medical sites.

In addition, effective August 1, 2025, the Group absorbed and merged its consolidated subsidiary SmartScan Inc..

As a result of the above, consolidated net sales for the fiscal year amounted to 24,734,767 thousand yen (up 24.7% year on year), operating profit was 2,365,010 thousand yen (up 3.2% year on year), ordinary profit was 2,138,316 thousand yen (down 23.7% year on year), and profit attributable to owners of parent was 2,776,461 thousand yen (up 37.1% year on year).

Operating results by segment were as follows.

① Total Medical Management Support Business

In the Total Medical Management Support Business, the Group newly commenced partnerships with five hospitals during the consolidated fiscal year, bringing the total number of affiliated hospitals to 31.

Although temporary changes in the external environment—such as postponement of management improvement considerations following the expansion of lending frameworks by the Welfare and Medical Service Agency (WAM)—continued, the Group remains in discussions with multiple medical corporations and is actively promoting initiatives aimed at expanding its earnings base.

Of the five hospitals newly affiliated during the fiscal year, three hospitals that entered into partnerships in the third quarter began contributing to revenue steadily from the fourth quarter. The five hospitals affiliated during the current fiscal year are expected to continue contributing recurring revenue from the next fiscal year onward, thereby strengthening the Group’s business foundation.

In response to changes in the external environment, the Group strategically allocated a portion of its business resources to external consulting services. As a result, beginning in the second quarter, the Group secured orders for multiple large-scale hospital projects, including TORANOMON HOSPITAL of the Federation of National Public Service Personnel Mutual Aid Associations, and revenue contributions from these projects commenced during the fiscal year. Going forward, as each project progresses, contributions to earnings are expected to increase in stages. The Group is also expanding into new domains, including university hospitals and municipal hospitals.

The other hand, ZEROMEDICAL Inc., which became a consolidated subsidiary in the second quarter, is currently in the process of post-merger integration (PMI). As a result, operating losses and amortization of goodwill associated with the acquisition negatively impacted segment profit.

During the fiscal year, the Group also promoted proactive recruitment to further strengthen its management support and external consulting capabilities. In addition, in collaboration with Hippocratic AI, Inc., a U.S.-based company developing and providing generative AI healthcare agents globally, the Group commenced development of a Japanese-language interactive generative AI healthcare agent for the healthcare sector.

Furthermore, the Group launched a hospital-oriented BPO (Business Process Outsourcing) business to address chronic labor shortages in medical institutions, actively making upfront investments aimed at expanding business domains.

Expenses related to the joint development with Hippocratic AI, Inc. are positioned as a company-wide new business initiative at this stage, given the potential for service provision across a broad range of fields. Accordingly, such expenses are included in adjustment amounts to segment profit, as disclosed in “2. Quarterly Consolidated Financial Statements and Major Notes (Segment Information).”

As a result, segment sales amounted to 7,728,235 thousand yen (up 21.4% year on year), and segment profit was 2,448,645 thousand yen (down 12.7% year on year).

② Senior-Related Business

In the Senior-Related Business, sales remained steady in both the nursing facility placement consultation and referral business and the facility operation business.

In the facility operation business, although rising personnel and material costs increased operating costs across all facilities, the Group simultaneously pursued cost optimization and investment in occupancy promotion initiatives in order to absorb structural cost increases and enhance profitability.

As a result, occupancy rates at 11 existing facilities—excluding two newly acquired facilities in 2024 and 2025 (KURACI Familia Nishi-Shinjuku and Solcias Sakura)—improved to 93.9% and continued to maintain a high level.

The two newly acquired facilities have also approached break-even occupancy levels and are steadily building the foundation for achieving profitability from the next fiscal year onward. As of the end of the fiscal year, both the number of residents and occupancy rates have steadily increased.

In the placement consultation and referral business, the number of successful placements increased by 3.7% year on year, falling short of the initial plan (10–15% growth). This was primarily due to enhanced training of newly hired personnel, who are expected to become key contributors going forward.

Regarding real estate-related services, properties acquired through the second quarter began sales activities, with revenue contributions beginning gradually in the third quarter and becoming more substantial in the fourth quarter.

Medistep Inc., which became a consolidated subsidiary beginning in the second quarter, contributed to expanding the Group’s service lineup in the home medical domain. This strengthened the Group’s foundation for comprehensive regional care in the Sakura City area of Chiba Prefecture, integrating hospitals, nursing facilities, home medical services (home-visit nursing and home care support), and placement consultation services into a mutually connected structure that supports the living environment of elderly individuals.

As a result, segment sales amounted to 8,894,022 thousand yen (up 29.5% year on year), and segment profit was 529,822 thousand yen (up 71.6% year on year).

③ Advanced Medical Equipment Business

In the Advanced Medical Equipment Business, in addition to strong sales of flagship clear contact lenses within the core contact lens business, the Group expanded its business scale by acquiring a color contact lens business.

However, one-time acquisition-related costs and increased advertising expenses for online stores had a temporary impact.

As a result, segment sales amounted to 7,456,078 thousand yen (up 14.0% year on year), and segment profit was 524,522 thousand yen (up 8.2% year on year).

④ Other Business

In the Other Business segment, the Group conducted proactive sales activities aimed at expanding orders from pharmaceutical companies in treatment progress data analysis services and pharmaceutical sales support services.

A large-scale project secured in the second quarter was recognized as revenue during the current fiscal year, resulting in significant revenue growth.

In the preventive healthcare domain centered on Smart Brain Dock, the Group promoted initiatives to increase the utilization rate of advanced medical equipment such as MRI systems that had unused capacity, while also advancing efforts to contribute to the prediction and prevention of brain diseases through analysis of accumulated examination data. These initiatives have progressed steadily.

In addition, the Group launched a new service providing AI-based analysis of MRI images for Smart Brain Dock examinees and offering brain health assessment reports. By expanding service offerings aligned with user needs, average revenue per examination increased.

As a result, segment sales amounted to 656,431 thousand yen (up 935.3% year on year), and segment profit was 239,195 thousand yen (compared with a segment loss of ¥139,748 thousand in the previous fiscal year).

(2) Overview of Financial Position

Assets

Current assets increased by 3,071,174 thousand yen compared with the end of the previous consolidated fiscal year, to 27,210,103 thousand yen. This was primarily attributable to an increase of 1,612,882 thousand yen in real estate

for sale, an increase of 646,574 thousand yen in operating loans to affiliated medical corporations and others, and an increase of 708,305 thousand yen in other current assets, including accounts receivable.

Non-current assets increased by 1,906,244 thousand yen compared with the end of the previous consolidated fiscal year, to 37,915,684 thousand yen. This was mainly due to an increase of 1,504,950 thousand yen in goodwill and 680,737 thousand yen in investment securities associated with M&A executed during the fiscal year, partially offset by a decrease of 285,019 thousand yen in construction in progress.

As a result, total assets as of the end of the fiscal year increased by 4,977,419 thousand yen compared with the end of the previous consolidated fiscal year, to 65,125,788 thousand yen.

Liabilities

Current liabilities increased by 732,318 thousand yen compared with the end of the previous consolidated fiscal year, to 12,559,315 thousand yen. This was primarily due to an increase of 2,547,202 thousand yen in short-term borrowings, partially offset by a decrease of 1,905,938 thousand yen in the current portion of long-term borrowings and a decrease of 646,667 thousand yen in income taxes payable.

Non-current liabilities increased by 1,416,689 thousand yen compared with the end of the previous consolidated fiscal year, to 30,786,849 thousand yen. This was mainly due to an increase of 1,671,373 thousand yen in long-term borrowings, partially offset by a decrease of 221,247 thousand yen in lease obligations.

As a result, total liabilities as of the end of the fiscal year increased by 2,149,007 thousand yen compared with the end of the previous consolidated fiscal year, to 43,346,165 thousand yen.

Net Assets

Total net assets as of the end of the fiscal year increased by 2,828,411 thousand yen compared with the end of the previous consolidated fiscal year, to 21,779,623 thousand yen.

This was mainly due to an increase of 2,491,997 thousand yen in retained earnings and an increase of 1,955,670 thousand yen in capital surplus, partially offset by a decrease of 1,922,558 thousand yen in share capital resulting from a capital reduction.

(3) Overview of Cash Flows

Cash and cash equivalents as of the end of the fiscal year decreased by 2,086,882 thousand yen compared with the end of the previous consolidated fiscal year, to 9,052,916 thousand yen.

Cash flows for each activity during the fiscal year were as follows:

Cash Flows from Operating Activities

Net cash used in operating activities amounted to 1,878,129 thousand yen (compared with net cash provided of 1,300,626 thousand yen in the previous fiscal year). This was primarily due to:

- An increase in trade receivables of 1,631,947 thousand yen (an increase of 1,395,600 thousand yen year on year),
- An increase in inventories of 1,415,578 thousand yen associated with the launch of real estate renovation services (an increase of 1,619,760 thousand yen year on year), partially offset by:
- A decrease in trade payables of 319,096 thousand yen (a decrease of 816,892 thousand yen year on year), and
- An increase in accounts payable of 96,047 thousand yen (a decrease of 289,158 thousand yen year on year compared with the previous period movement).

Cash Flows from Investing Activities

Net cash used in investing activities amounted to 2,225,422 thousand yen (compared with 406,469 thousand yen used in the previous fiscal year). This was primarily attributable to:

- 1,078,209 thousand yen used for the acquisition of shares of subsidiaries resulting in changes in the scope of consolidation (an increase of 1,078,209 thousand yen year on year), and
- 700,441 thousand yen used for the acquisition of investment securities (an increase of 696,341 thousand yen year on year).

Cash Flows from Financing Activities

Net cash provided by financing activities amounted to 1,779,934 thousand yen (compared with 3,547,797 thousand yen provided in the previous fiscal year). This was mainly due to:

- A net increase in short-term borrowings of 2,559,095 thousand yen (an increase of 2,390,511 thousand yen year on year),
- Partially offset by net repayments of long-term borrowings of 461,193 thousand yen (an increase of 979,795 thousand yen in repayments year on year), and
- Proceeds of 185,856 thousand yen from the disposal of treasury shares (a decrease of 1,025,819 thousand

yen year on year).

(4) Outlook

The Group will continue to uphold its vision of “Industrialization of Healthcare” and, in collaboration with a broad range of stakeholders, strive to protect the social infrastructure of medical and nursing care in local communities while pursuing sustainable growth and enhancing corporate value.

For the fiscal year ending December 31, 2026, the Group intends to continue expanding the scale of its core businesses while actively investing in strengthening its professional human resources — including licensed healthcare professionals, hospital management consultants, and DX specialists — which represent a key competitive advantage of the Group.

Specifically, in addition to promoting hospital management support in the Total Medical Management Support Business, the Group will allocate management resources toward expanding BPO services that contribute to reducing medical costs and toward strengthening home medical services (including home-visit nursing), which play an important role in regional comprehensive care systems.

Although the Group will continue to actively consider M&A aimed at achieving non-linear growth, such transactions have not been incorporated into the current earnings forecast.

Based on these policies, for the fiscal year ending December 31, 2026, the Group forecasts consolidated net sales of 33,035 million yen (up 33.6% year on year), operating profit of 2,864 million yen (up 21.1% year on year), ordinary profit of 2,648 million yen (up 23.9% year on year), and profit attributable to owners of parent of 1,658 million yen (down 40.3% year on year).

Segment-Specific Policies as follows,

① Total Medical Management Support Business

1. Business Outlook

The Group will focus on expanding the number of affiliated hospitals by continuing to provide comprehensive, hands-on, and on-site-oriented management support services to medical institutions nationwide, primarily hospitals that require management support. In addition, the Group will provide full-scale support for hospital consolidations and integrations.

Beyond comprehensive support for affiliated medical corporations, the Group will leverage the capabilities and network it has cultivated through years of management support to provide external consulting services — such as management analysis, personnel system design support, and construction management — to non-affiliated medical corporations.

Furthermore, by positioning both comprehensive support services and external consulting as a platform, the Group will expand medical DX support aimed at improving operational efficiency and productivity in medical institution management. Through these initiatives, the Group seeks to unlock the inherent potential of supported medical institutions and contribute to improving the quality of life (QOL) of people within regional healthcare communities.

In DX support, in addition to offering and implementing “EUCALIA TOUCH,” developed and provided by the Group, the Group will continue to propose and introduce services from alliance partners. Given that many external companies seek alliances with the Group due to its extensive relationships with medical institutions, the Group intends to actively pursue alliances to further expand its service lineup and revenue opportunities.

In particular, the business environment for BPO services in the medical industry reflects strong latent demand for labor-saving and workforce optimization driven by medical DX reforms. ReMedica Inc., a consolidated subsidiary of the Group, will fully enter this market by providing DX-based medical administrative support services.

2. Expansion of Home Medical Services (Home-visit nursing, etc.)

Medistep Inc., consolidated in the second quarter, provides home-visit nursing and home care support services by conceptualizing the home visit area as a “virtual hospital with patients’ homes as hospital rooms.” The company contributes to the establishment and implementation of regional comprehensive care systems within its operating areas.

During the current fiscal year, the Group will further strengthen and expand home medical services centered on home-visit nursing, while deepening collaboration with regional medical institutions and with nursing facilities and placement consultation businesses within the Senior-Related Business.

3. Change in Segment Classification

Medistep Inc.’s home medical services (home-visit nursing and home care support services) had been classified under the Senior-Related Business segment in the third quarter in anticipation of synergies with the Group’s senior-related operations.

However, the home-visit nursing business is positioned as playing an increasingly important role in Japan’s future healthcare delivery system, particularly through collaboration with affiliated medical corporations and as a key component of regional comprehensive care systems. Accordingly, the Group will revise its business management

classification and, beginning in the first quarter of fiscal 2026, reclassify this business under the Total Medical Management Support Business segment.

② Senior-Related Business

1. Operation of Nursing Care Facilities for the Elderly

As Japan's population continues to age and demand for such services increases, KURACI Co., Ltd., a consolidated subsidiary operating nursing care facilities for the elderly, will proactively identify emerging needs in a super-aging society from the perspectives of both facility operators and surrounding service providers. By reflecting these insights in service quality improvements and expansion of service offerings, the Group will contribute to addressing social challenges.

2. Placement Consultation and Facility Referral

i-life Inc., a consolidated subsidiary, has partnerships with more than 9,000 nursing care facilities nationwide, including those operated by the Group. This enables the Group to meet diverse needs even in cases where its own facilities are not suitable.

The Group will continue to focus on expanding placement consultation and referral services by increasing the number of placement consultants, entering underserved regions, and expanding its service lineup.

Through strengthened collaboration with KURACI Co., Ltd., the Group will enhance synergies in providing "Senior Life Total Support," offering one-stop solutions from facility referral to nursing care and daily life support to address concerns and challenges faced by residents and their families.

3. Collaboration with Home Medical Services

During the current fiscal year, the Group will further strengthen collaboration between Medistep Inc.'s home medical services under the Total Medical Management Support Business and the Senior-Related Business, including nursing facilities and placement consultation services, to promote further penetration and expansion of service lines.

By leveraging a structure in which placement consultation, home medical services, and facility operations are interconnected, the Group will further strengthen its foundation to support senior life in an integrated manner and maximize group synergies.

③ Advanced Medical Equipment Business

Through its consolidated subsidiary Sincere Co., Ltd., the Group conducts business centered on the manufacture and sale of contact lenses, classified as advanced controlled medical devices.

Centered on its flagship silicone hydrogel lenses, the "Sincere S Series," the Group will continue to develop and market products that respond to evolving consumer needs.

In addition, the Group will promote integration between the color contact lens business acquired in the second quarter and its existing business operations, focusing on product development and market introduction that meet customer needs and enhancing brand value across distribution channels.

④ Other Business

The Group will increase points of contact with affiliated medical corporations and medical corporations receiving consulting services in the Total Medical Management Support Business to further identify data utilization needs and enhance the value of its proprietary data lake. At the same time, the Group will promote proposals for utilizing treatment progress data to pharmaceutical companies and other clients, aiming to expand revenue opportunities.

In the Smart Dock business, centered on "Smart Brain Dock," the Group will promote business development as a leading provider of safety and peace of mind in the preventive healthcare domain. By promoting partnerships with facilities that own advanced medical equipment such as MRI systems with unused capacity, the Group will expand the number of participating facilities and enhance convenience for examinees.

In addition, the Group will continue developing and expanding examination menu offerings tailored to user needs, including new services that provide AI-based analysis of MRI images for Smart Dock users.

The forward-looking statements described above are based on information currently available to the Company and certain assumptions deemed reasonable. These statements involve risks and uncertainties. Actual results may differ materially due to various uncertain factors, including future economic conditions.

II Basic Policy on the Selection of Accounting Standards

The Group has adopted Japanese GAAP, taking into consideration comparability of consolidated financial statements over time and comparability with other companies.

Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Thousands of yen)

	As of December 31, 2024	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	11,168,782	9,085,921
Notes receivable - trade	18,704	34,864
Accounts receivable - trade	3,364,034	5,337,806
Securities	—	200,000
Merchandise	983,633	1,096,836
Work in process	15,091	41,843
Raw materials and supplies	348,147	318,163
Real estate for sale	—	1,612,882
Operating loans	2,902,994	3,549,568
Investments in leases	4,168,384	4,125,172
Other	1,177,713	1,886,018
Allowance for doubtful accounts	(8,556)	(78,975)
Total current assets	24,138,928	27,210,103
Non-current assets		
Property, plant and equipment		
Buildings and structures	18,188,261	18,525,964
Accumulated depreciation	(7,512,571)	(7,981,448)
Buildings and structures, net	10,675,690	10,544,516
Machinery, equipment and vehicles	301,833	302,142
Accumulated depreciation	(256,255)	(263,675)
Machinery, equipment and vehicles, net	45,577	38,466
Land	15,363,932	15,484,210
Leased assets	7,405,879	7,405,879
Accumulated depreciation	(1,626,763)	(1,884,199)
Leased assets, net	5,779,116	5,521,679
Construction in progress	318,699	33,680
Other	639,483	775,809
Accumulated depreciation	(544,430)	(666,917)
Other, net	95,052	108,892
Total property, plant and equipment	32,278,067	31,731,445
Intangible assets		
Goodwill	841,646	2,346,596
Other	513,509	563,305
Total intangible assets	1,355,155	2,909,901
Investments and other assets		
Investment securities	434,163	1,114,901
Long-term loans receivable	372,486	364,260
Deferred tax assets	250,139	448,123
Other	1,326,020	1,354,452
Allowance for doubtful accounts	(6,591)	(7,399)
Total investments and other assets	2,376,218	3,274,337
Total non-current assets	36,009,440	37,915,684
Total assets	60,148,369	65,125,788

(Thousands of yen)

	As of December 31, 2024	As of December 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	2,397,988	2,093,378
Short-term borrowings	1,664,583	4,211,785
Current portion of long-term borrowings	3,728,484	1,822,546
Lease liabilities	293,187	285,628
Income taxes payable	886,792	240,125
Advances received	300,828	542,084
Provision for bonuses	346,424	576,266
Provision for shareholder benefit program	4,540	5,946
Other	2,204,168	2,781,554
Total current liabilities	11,826,997	12,559,315
Non-current liabilities		
Bonds payable	—	20,000
Long-term borrowings	14,800,486	16,471,859
Provision for repairs	27,371	51,299
Lease liabilities	6,730,275	6,509,028
Deferred tax liabilities	101,027	46,188
Asset retirement obligations	700,146	756,255
Guarantee deposits received	7,002,532	6,932,174
Other	8,319	44
Total non-current liabilities	29,370,160	30,786,849
Total liabilities	41,197,157	43,346,165
Net assets		
Shareholders' equity		
Share capital	2,022,558	100,000
Capital surplus	6,905,374	8,861,044
Retained earnings	9,527,939	12,019,936
Treasury shares	(589,066)	(509,514)
Total shareholders' equity	17,866,805	20,471,467
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(2,660)	(3,009)
Deferred gains or losses on hedges	109,645	64,950
Foreign currency translation adjustment	(13,848)	(15,760)
Total accumulated other comprehensive income	93,136	46,179
Non-controlling interests	991,270	1,261,976
Total net assets	18,951,212	21,779,623
Total liabilities and net assets	60,148,369	65,125,788

(2) Consolidated statement of income and Consolidated statement of comprehensive income**Consolidated statement of income**

(Thousands of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Net sales	19,833,896	24,734,767
Cost of sales	11,141,913	14,197,511
Gross profit	8,691,982	10,537,256
Selling, general and administrative expenses	6,399,394	8,172,245
Operating profit	2,292,588	2,365,010
Non-operating income		
Interest income	22,278	46,475
Gain on sale of investment securities	1,632	—
Commission income	108,000	—
Subsidy income	55,369	46,247
Reversal of allowance for doubtful accounts	532,097	2,633
Other	124,223	42,665
Total non-operating income	843,600	138,022
Non-operating expenses		
Interest expenses	286,259	337,261
Share of loss of entities accounted for using equity method	—	7,322
Listing expenses	40,494	—
Other	7,767	20,132
Total non-operating expenses	334,520	364,716
Ordinary profit	2,801,668	2,138,316
Extraordinary income		
Gain on sale of non-current assets	289,961	845,424
Gain on sale of shares of subsidiaries and associates	55,557	—
Gain on forgiveness of debts	—	138,172
Other	—	49,977
Total extraordinary income	345,519	1,033,574
Extraordinary losses		
Loss on sale of non-current assets	—	13,608
Product warranty expense	31,493	2,131
Loss on retirement of non-current assets	1,181	193
Provision of allowance for doubtful accounts	—	65,000
Total extraordinary losses	32,674	80,932
Profit before income taxes	3,114,512	3,090,958
Income taxes - current	1,161,677	394,561
Income taxes - deferred	(190,791)	(183,187)
Total income taxes	970,886	211,373
Profit	2,143,626	2,879,584
Profit attributable to non-controlling interests	117,778	103,122
Profit attributable to owners of parent	2,025,848	2,776,461

Consolidated statement of comprehensive income

(Thousands of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Profit	2,143,626	2,879,584
Other comprehensive income		
Valuation difference on available-for-sale securities	(6,256)	(349)
Deferred gains or losses on hedges	84,895	(73,972)
Foreign currency translation adjustment	(4,989)	(3,530)
Total other comprehensive income	73,648	(77,851)
Comprehensive income	2,217,275	2,801,732
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,080,861	2,729,504
Comprehensive income attributable to non-controlling interests	136,413	72,227

(3) Consolidated statement of changes in equity

Fiscal year ended December 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	100,000	4,118,867	7,502,091	(938,880)	10,782,077
Changes during period					
Issuance of new shares	1,922,558	1,922,558	—	—	3,845,116
Dividends of surplus	—	—	—	—	—
Profit attributable to owners of parent	—	—	2,025,848	—	2,025,848
Change in ownership interest of parent due to transactions with non-controlling interests	—	2,088	—	—	2,088
Disposal of treasury shares	—	861,860	—	349,814	1,211,675
Net changes in items other than shareholders' equity	—	—	—	—	—
Total changes during period	1,922,558	2,786,507	2,025,848	349,814	7,084,727
Balance at end of period	2,022,558	6,905,374	9,527,939	(589,066)	17,866,805

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	3,596	45,320	(10,793)	38,123	944,687	11,764,888
Changes during period						
Issuance of new shares	—	—	—	—	—	3,845,116
Dividends of surplus	—	—	—	—	(32,099)	(32,099)
Profit attributable to owners of parent	—	—	—	—	—	2,025,848
Change in ownership interest of parent due to transactions with non-controlling interests	—	—	—	—	—	2,088
Disposal of treasury shares	—	—	—	—	—	1,211,675
Net changes in items other than shareholders' equity	(6,256)	64,324	(3,054)	55,013	78,682	133,695
Total changes during period	(6,256)	64,324	(3,054)	55,013	46,583	7,186,323
Balance at end of period	(2,660)	109,645	(13,848)	93,136	991,270	18,951,212

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,022,558	6,905,374	9,527,939	(589,066)	17,866,805
Changes during period					
Capital reduction	(1,922,558)	1,922,558	—	—	—
Dividends of surplus	—	—	—	—	—
Profit attributable to owners of parent	—	—	2,776,461	—	2,776,461
Change in ownership interest of parent due to transactions with non-controlling interests	—	(72,267)	—	—	(72,267)
Disposal of treasury shares	—	106,304	—	79,552	185,856
Change in scope of consolidation	—	(923)	(284,464)	—	(285,388)
Net changes in items other than shareholders' equity	—	—	—	—	—
Total changes during period	(1,922,558)	1,955,670	2,491,997	79,552	2,604,661
Balance at end of period	100,000	8,861,044	12,019,936	(509,514)	20,471,467

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	(2,660)	109,645	(13,848)	93,136	991,270	18,951,212
Changes during period						
Capital reduction	—	—	—	—	—	—
Dividends of surplus	—	—	—	—	(44,704)	(44,704)
Profit attributable to owners of parent	—	—	—	—	—	2,776,461
Change in ownership interest of parent due to transactions with non-controlling interests	—	—	—	—	—	(72,267)
Disposal of treasury shares	—	—	—	—	—	185,856
Change in scope of consolidation	—	—	—	—	185,707	(99,680)
Net changes in items other than shareholders' equity	(349)	(44,694)	(1,912)	(46,956)	129,703	82,746
Total changes during period	(349)	(44,694)	(1,912)	(46,956)	270,706	2,828,411
Balance at end of period	(3,009)	64,950	(15,760)	46,179	1,261,976	21,779,623

(4) Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Cash flows from operating activities		
Profit before income taxes	3,114,512	3,090,958
Depreciation	926,617	964,701
Amortization of goodwill	124,096	204,087
Increase (decrease) in allowance for doubtful accounts	(497,712)	62,947
Increase (decrease) in provision for bonuses	137,315	—
Increase (decrease) in provision for product warranties	(85,279)	—
Interest and dividend income	(22,278)	(46,475)
Interest expenses	507,803	615,183
Foreign exchange losses (gains)	(25,116)	(6,421)
Loss (gain) on valuation of derivatives	(2,815)	1,465
Listing expenses	40,494	—
Commission income	(108,000)	—
Loss (gain) on sale of investment securities	(1,632)	—
Loss (gain) on investments in investment partnerships	(6,161)	4,003
Loss (gain) on sale of shares of subsidiaries and associates	(55,557)	—
Loss (gain) on sale of non-current assets	(289,961)	(831,328)
Decrease (increase) in trade receivables	(236,347)	(1,631,947)
Decrease (increase) in inventories	204,181	(780,624)
Decrease (increase) in operating loans receivable	(2,200,760)	(1,027,596)
Decrease (increase) in investments in leases	(221,942)	43,212
Increase (decrease) in trade payables	497,795	(319,096)
Increase (decrease) in accounts payable - other	385,206	96,047
Increase (decrease) in long-term guarantee deposits received	514,487	(73,411)
Gain on forgiveness of debts	—	(138,172)
Other	(47,766)	(516,414)
Subtotal	2,651,178	(288,882)
Interest and dividends received	14,833	42,874
Interest paid	(510,017)	(597,242)
Income taxes paid	(855,367)	(1,034,879)
Net cash provided by (used in) operating activities	1,300,626	(1,878,129)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,353,217)	(920,926)
Proceeds from sale of property, plant and equipment	964,114	1,214,637
Payments for acquisition of businesses	—	(199,220)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(1,078,209)
Purchase of investment securities	(4,099)	(700,441)
Proceeds from sale of investment securities	6,600	6,600
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	3,452	—
Proceeds from derivative transactions	26,970	—
Purchase of shares of subsidiaries	(367,010)	—
Proceeds from collection of long-term loans receivable	492,410	1,220
Payments of leasehold and guarantee deposits	(149,883)	(34,946)
Other	(25,806)	(514,134)
Net cash provided by (used in) investing activities	(406,469)	(2,225,422)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	168,583	2,559,095
Proceeds from long-term borrowings	705,700	2,293,000
Repayments of long-term borrowings	(2,146,687)	(2,754,193)
Redemption of bonds	—	(150,000)
Repayments of lease liabilities	(204,490)	(228,806)
Proceeds from issuance of shares	3,845,116	—
Dividends paid to non-controlling interests	(32,099)	(44,704)
Proceeds from sale of treasury shares	1,211,675	185,856
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	(80,312)
Net cash provided by (used in) financing activities	3,547,797	1,779,934
Effect of exchange rate change on cash and cash equivalents	(624)	(7,491)
Net increase (decrease) in cash and cash equivalents	4,441,330	(2,331,109)
Cash and cash equivalents at beginning of period	6,698,468	11,139,798
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	—	244,227
Cash and cash equivalents at end of period	11,139,798	9,052,916