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To whom it may concern,

Notice of the Rolling of the Medium-term Management Plan

JP-HOLDINGS, INC. announced our Medium-term Management Plan in “Notice of the Rolling of the Medium-term Management Plan” on May 13, 2025, to respond quickly and flexibly to changes in the business environment. However, due to various measures by “building nursery schools and facilities that would continue to be selected by customers” to increase the number of children (infants) and maximize subsidies and other factors, our company reached the targets for operating income for the fiscal year ending March 31, 2028 ahead of schedule in the fiscal year ended March 31, 2026.

In light of these circumstances and the changes in the business environment, we have revised and formulated our Three-year Medium-term Management Plan starting in the fiscal year ending March 31, 2027, with a rolling method, as described below.

1. Background of the Rolling of the Medium-term Management Plan

Birth rates are declining at an accelerated pace, while the Japanese government is making efforts to create a supportive environment in which families can raise their children with a sense of safety and security as a measure against the decline in birth rates. Considering such changes in the external environment, our corporate group drew up the Medium-term Management Plan (for the period between the fiscal year ended March 31, 2026 and the fiscal year ending March 31, 2028) on May 13, 2025 with a rolling method. It set priority targets of “Achieve growth and establish a competitive advantage,” “Reform our profit structure,” and “Reform our management base.” We have been striving to grow sustainably and further enhance corporate value.

Specifically, we have been working to develop new businesses in collaboration with local governments and to strengthen and promote the overseas business. Additionally, as part of our new English-focused business, we have been preparing to roll out our ALT (Assistant Language Teacher) business and international schools (unlicensed nursery schools) in April 2026.

Furthermore, with the intention of establishing a comprehensive childcare support system that covers infants, toddlers, and school-age children, we have pursued dominant strategies in cooperation with nursery schools, school clubs, and children’s houses. Through this effort, with the aim of doubling the number of the existing school clubs and children’s houses which we are operating to 200, we have been proactively undertaking the operation of new facilities and promoting the establishment of “Tokyo-certified school clubs,” which are scheduled to begin operations in April 2026. Through these initiatives, we are working to solve social issues surrounding childcare support by expanding our existing businesses and business domains, as

well as actively pursuing M&A, enriching learning programs and establishing new business styles to ensure our competitive advantage, and promoting various differentiation strategies to solve concerns of parents.

Regarding the rolling of the Medium-term Management Plan (fiscal year ended March 31, 2026 to fiscal year ending March 31, 2028), due to the success of various measures, the establishment of an efficient management structure, and the maximization of subsidies, we achieved both increased revenue and profit in the fiscal year ended March 31, 2026, reaching a record high in profit. Furthermore, we have achieved the operating income target for the fiscal year ending March 31 2028, the final year of the Medium-term Management Plan, ahead of schedule. In light of this, we have decided to review and revise the consolidated numerical targets using a rolling method along with the announcement of the consolidated earnings forecast for the fiscal year ended March 31, 2027.

We have broken down the policies in the existing policy targets of “Achieve growth and establish a competitive advantage,” “Reform our profit structure,” and “Reform our management base” set in the Medium-term Management Plan, and added a new target of “Expand human resource development and training.” As part of our business strategy, we will focus on “Business diversity × expertise” and “Stable financial structure” to create sustainable and innovative services through new business challenges and growth.

We will formulate a Three-year Medium-term Management Plan with a rolling method, which we will revise every term, in principle, to flexibly respond to future changes in the management environment.

2. Priority Targets, Measures, and Forecasts of the Medium-term Management Plan (Consolidated)

(1) Three-year Consolidated Numerical Plan

The childcare support industry is facing increasingly harsh conditions with the relentless decline in the birth rate. For “building nursery schools and facilities that would continue to be selected by customers” amid the harsh competitive environment, the Medium-term Management Plan drawn up as a rolling plan, with a focus on the childcare support business, one of our existing businesses, is aimed at further boosting earnings and reforms through optimization of business processes using systems and promotion of human resources strategy aligned with the business strategy, as well as opening new facilities, undertaking the operation of facilities, enriching highly specialized and high-quality learning programs offered according to each child’s level, the development of new businesses based overseas, propelling forward new education and childcare support businesses in collaboration with the nation’s local governments.

Specifically, to achieve the targets for the fiscal year ending March 31, 2029, the final year of the Medium-term Management Plan, we have positioned this period as a preparation phase to embark on new business development including our global business and collaborations with the nation’s local governments, and will proactively pursue our investments toward expanding future revenues and M&As including those involving competitors. Especially in our overseas business, we will collaborate with local educational organizations and local governments both in Japan and abroad, to proactively roll out our ALT (Assistant Language Teacher) business, as well as local language schools and childcare support facilities, and in coordination with these businesses to utilize outstanding overseas human resources.

In the childcare support business, one of our existing businesses, we will develop new businesses, such as the development and expansion of new business styles at licensed nursery schools, expansion of unlicensed international schools, and implementation of our unique education programs at school clubs (including inquiry-based learning and English programs taught by native-speaking instructors) while also using systems to further optimizing business processes, shore up the management structure, and enhance management and expanding our personnel education to accelerate business operations.

[Initial consolidated numerical plan] Announced on May 13, 2025

(Unit: million yen)

	FY3/25		FY3/26		FY3/27		FY3/28	
	Previous results	Change from the previous term	Initial forecast	Change from the previous term	Target	Change from the previous term	Target	Change from the previous term
Net sales	41,147	8.7%	41,904	1.8%	44,017	5.0%	45,408	3.2%
Operating income	5,809	26.7%	5,653	-2.7%	5,892	4.2%	6,327	7.4%

Note: The initial forecast for the fiscal year ended March 31, 2026 in the Medium-term Management Plan was as published on May 13, 2025.

We revised the initial forecast for the fiscal year ended March 31, 2026 and published the revised forecast on November 12, 2025.



[Consolidated numerical plan with a rolling method]

(Unit: million yen)

	FY3/26		FY3/27		FY3/28		FY3/29	
	Previous results	Change from the previous term	Initial forecast	Change from the previous term	Target	Change from the previous term	Target	Change from the previous term
Net sales	43,325	5.3%	44,017	1.6%	45,408	3.2%	46,363	2.1%
Operating income	6,533	12.5%	6,600	1.0%	6,750	2.3%	6,900	2.2%

Note: This Medium-term Management Plan is based on the current business environment. Please note that actual business results may differ significantly from the forecast, and that it is subject to change without notice depending on changes in the business environment in the future.

(2) Priority Targets of the Medium-term Management Plan

By developing new businesses for growth, promoting M&As, developing infrastructure through such efforts as systemization, building solid business foundations, and developing “human resources” that support them, through structural reforms and business reforms, we will create new services and value, establish a competitive advantage, and solve social issues through our businesses, and thereby, aim for sustainable growth.

1) Achieve growth and establish a competitive advantage

For medium- to long-term growth, we will enhance the ALT business in collaboration with local governments as well as our business globally without being limited to Japan, proactively promote M&As to expand our existing business and new business domains, enrich learning programs, establish new business styles and new facilities, and undertake their operation to ensure our competitive advantage, and promote various differentiation strategies to solve concerns of parents.

(i) Early establishment and monetization of global businesses

- We will scale up our operations by establishing organizations for dispatching workers and operating facilities overseas (mainly in Southeast Asia) in collaboration with outstanding local communities.
- We will utilize various Japanese education programs and childcare support expertise acquired in Japan to roll out multifaceted businesses in the Southeast Asia region.
- We will coordinate with local educational organizations (such as universities) and secure outstanding human resources to further expand the ALT (Assistance Language Teacher) business and develop surrounding businesses such as language schools and online learning.

(ii) Expansion of the scale and revenues of the employment placement business and the temporary staffing business for Japanese and foreign workers with expertise

- We will strive to boost revenues by strengthening the structure of sales activities while cooperating with organizations for dispatching talented workers of foreign nationality.
 - Taking advantage of the know-how of childcare support services that our corporate group has gained, we will endeavor to build the foundation and expand revenues of the employment placement business and the temporary staffing business for nursery teachers and nurses, who are specialists working in Japan.
- (iii) Building of nursery schools and facilities that would continue to be selected by customers to expand existing businesses**
- We will enhance high-quality learning programs, improve distinct nursery schools such as bilingual nursery schools, Montessori-method education nursery schools, sports nursery schools, and international schools (unlicensed nursery schools), and implement various measures that will expand the future possibilities of children.
 - We will promote the “My Nursery School System” (support for those who are about to give birth and raise children) by strengthening cooperation with local communities to develop the childcaring environment and establish Asc-kko Club at all nursery schools to foster ongoing connections with graduates.
 - We will introduce inquiry-based learning as a new learning program in nursery schools and school clubs.
- (iv) Doubling the number of school clubs and children’s houses based on the dominant strategies and strengthening our measures to resolve the problem of children waitlisted for school clubs**
- We will strive to double the number of school clubs and children’s houses we operate to 200 as swiftly as possible in order to establish a comprehensive childcare support system that covers infants, toddlers, and school-age children.
 - We will proactively open “Tokyo-certified school clubs” to resolve the problem of children waitlisted for school clubs.
- (v) New business development to solve the concerns of parents and social issues**
- We will endeavor to commercialize the childcare support business as swiftly as possible in cooperation with DUSKIN CO., LTD., one of our business partners.
 - We will expand the lesson business utilizing extracurricular time (English, gymnastics, music classes, etc.).
 - We will create unique learning programs and inquiry-based learning programs in collaboration with companies and local governments for the future of children, as well as new childcare support businesses.
- (vi) Proactive promotion of M&As**
- While the environment in the childcare support industry is undergoing changes, we will proactively promote M&As for companies in the same industry, surrounding companies relating to childcare for business expansion, and companies for which we can obtain synergistic effects, considering the future restructuring of the industry.

2) Reform our profit structure

We will improve profitability by reviewing the business structure, eliminating wasteful operations, and improving management efficiency through the use of AI. We will also further streamline operations by reforming business processes and introducing systems.

(i) Optimization of management and cost reductions

- We will reduce indirect costs through systemization, use of AI, optimization of staffing,

strengthening of income and expenditure management, thorough cost controls, operation management through the utilization of data, and streamlining of operations by eliminating wasteful operations.

(ii) Strengthening of the revenue base

- We will put into practice various measures to respond to deregulation and changes in the subsidy system.
- As a dominant strategy, we will establish a comprehensive childcare support structure for parents taking care of infants, toddlers, and school-age children, thereby optimizing staffing, streamlining operations, and strengthening assistance for childcare support.

3) Reform our management base

To build a robust and sustainable corporate structure that is not swayed by changes in market conditions or social circumstances, we will go beyond mere cost-cutting and pursue fundamental structural reforms. Through these reforms, we will strive to maximize corporate value by accelerating decision-making, optimizing the allocation of management resources, and strengthening governance.

(i) Sophistication of business management

- We will strive to overhaul our business processes through the integration of core systems, enabling rapid, data-driven management decisions.
- We will strengthen our comprehensive management base by implementing company-wide management even more efficiently and effectively. To this end, we will establish and strengthen a governance structure from a global perspective, establish a self-contained business and operational management structure, implement thorough risk management, and improve awareness of compliance.

(ii) Optimization of the business portfolio

- We will optimize the business portfolio by evaluating the profitability and growth potential of our businesses and prioritizing the allocation of management resources to promising growth areas.

(iii) Strengthening of initiatives for attaining SDGs and environmental improvement

- We will engage in social contribution activities originating from childcare support and environmentally-friendly business operations.
- Our corporate group will strengthen our mutual cooperation with the local governments and effectively utilize both parties' resources to develop and expand an environment conducive to childrearing.

4) Expand human resource development and training

The key to our business is people. Therefore, we will enhance our personnel education and training structure. At the same time, we will retain and develop outstanding human resources and improve employee engagement to lead to a change in awareness. Moreover, we will accelerate the pace of management by aligning with the business strategy.

(i) Human resource development and corporate culture reform

- We will enhance training to build the foundation of human resources and reform our corporate culture by changing awareness. We will then aim to improve employee motivation and lower the turnover rate.

(ii) Reforming of human resource development through AI transformation

- By utilizing AI-driven, individually optimized education and operational support data, we will maximize the productivity and skills of each employee and enhance strategic decision-making across the entire organization.