FY12/2025 3Q Financial Results and Explanatory Materials

eWeLL Co., Ltd. (TSE Growth Market: 5038)

November 14, 2025

Decided our intention to increase dividends by JPY1 based on eWeLL's business performance.
More than 1,000 free trial applications for our AI Home-visit Scheduling & Routes service!

◆ **As both net sales and operating profit exceeded eWeLL's earnings forecast, we decided to increase our dividend payments by JPY1 based on these results.**

— Steady sales growth led by AI Home-visit Nursing Plans & Reports, legal training services, and BPaaS.

— Operating profit was steady, but in 4Q, we plan to significantly revise our sales promotion products and R&D costs for next fiscal year. Our final forecasts are expected to be at the same level as planned at the beginning of this fiscal year

— The end result after considering eWeLL's shareholder return policy is to increase our planned dividend of JPY15 by JPY1 to JPY16, based on eWeLL's good results and stable cash-generating ability. (eWeLL's policy about dividends has resulted in an increase of JPY4 since 12/2024, when the dividend was JPY12.)

◆ **1,130 free trial applications for eWeLL's AI Home-visit Scheduling and Routes service, representing 34% of customers; ongoing early use.**

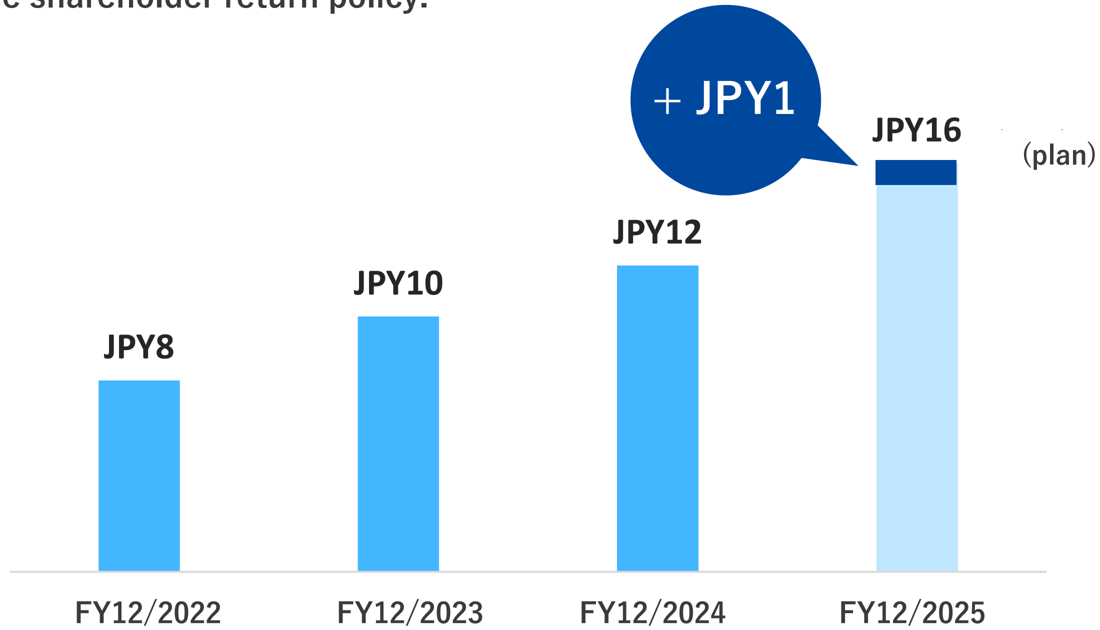
— As of October 2025, the number of free trial applications was 1,130, and approximately 30% of stations have started using this new service.

— eWeLL's company-wide customer response is implemented top-down based on the customers' needs collected by our Sales Team and our Development Team's feedback. Accordingly, we are able to grasp many of our customers' needs quickly and respond appropriately, including promptly developing solutions. We are aiming to have the highest number possible of customers signing up for our paid service.

Considering its strong performance and sound financial position, eWeLL's latest policy is to promote growth through business investment and employee returns, while enhancing shareholder returns. It creates a virtuous cycle with increased corporate value and shareholder returns.

Dividend per Share

- eWeLL planned to increase our dividend payment to JPY15 for FY12/2025, but we decided to further increase the fiscal year-end dividend by another JPY1 to JPY16.
- eWeLL's 20% dividend payout ratio is one of our guidelines, and we will implement this decision after considering our entire shareholder return policy.



* The dividend per share prior to 12/2023 was retroactively revised after considering the share split effective on January 1, 2024.

2 AI Home-visit Scheduling & Routes

The number of free trial applications steadily increased since 2Q, and as of the end of October, 34% of customers (1,130 applications) have signed up. Going forward, we will continue to promote using our AI Home-visit Scheduling & Routes service. We aim to have the highest number of users for our paid service by implementing improvements for nursing stations' work.

Free Trial Applications

(% of stations using this service as of October)

(July) 8% → 34%

% by market segment

Segment	Strategy	(July)	(October)
Operators with multiple stations (at least 2)	Separate strategy	5%	23%
Large Operators (independent location, number of visits >800)	Main target	16%	62%
Medium-sized Operators (400-799 visits)	Main target	11%	56%
Small Operators (Number of visits <400)	Plan to target gradually	7%	24%

Growth

Growth

Targets' Characteristics and eWeLL's Strategy

Support including operational consulting is necessary for operators with multiple locations, as they have a tendency for long sales lead time. eWeLL provides individual support to these operators for customer acquisition. as the number of targeted operators is limited.

Medium-to-large operators have started to increase their users and nursing staff, and they are beginning to experience growing pains since their initial establishment. They tend to need flexibility and efficient solutions in line with their team operations. The majority of home-visit nursing operators fall into this market segment, and it represents eWeLL's main target because each operator's goal is to expand their business, as recommended by the Japanese government that is encouraging growth.

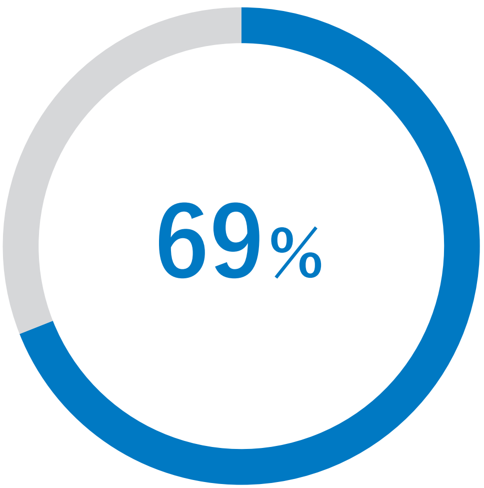
There are relatively many small operators who do not require this service because of their other more-pressing concerns unrelated to adjusting schedules.

2 AI Home-visit Scheduling & Routes

We conducted a market survey about our customers' work related to adjusting their schedules for home-visit nursing care. Many customers showed great interest in our AI Home-visit Scheduling & Routes service due to the complexity of adjusting schedules, and we were able to reconfirm our customers' high expectations for this service.

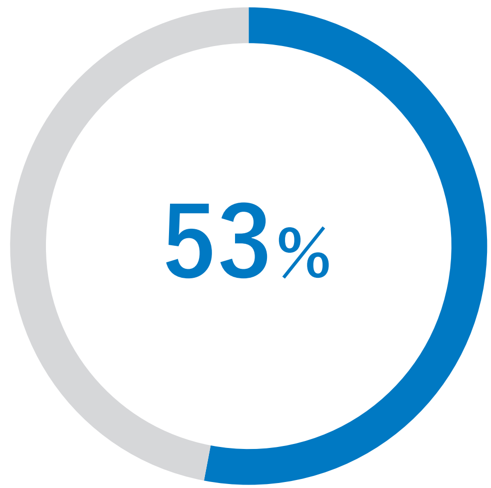
Interest in eWeLL's AI Home-visit Scheduling & Routes

Very interested or interested



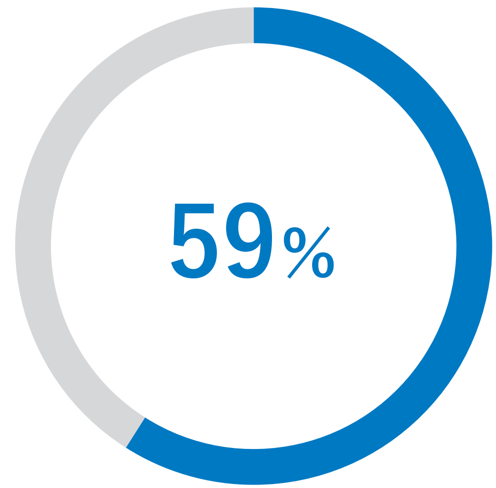
Reasons for difficulty with adjusting schedules

Complexity of adjustments*



AI Home-visit Scheduling & Routes desirable solution

Removal of dependency on personnel*



- Schedule adjustment tends to depend on particular individuals due to its complexity.
- Although not an explicit survey finding, schedule adjustment is performed mainly by administrators or veteran nurses.
- For regional collaboration and high-quality care, improving productivity is essential.

AI Home-visit Scheduling & Routes improves the entire industry's productivity and establishes a framework to provide sustainable medical care.

Survey outline: "2025/11 eWeLL's First Customer Survey about AI Home-visit Scheduling and Routes" (n=570)
* mark = questions allowing multiple answers

3 Sustainability Information Disclosure

We disclosed more information s part of our efforts to increase eWeLL's sustainability initiatives. Our policy comprises two areas: future activities and information disclosure. Our activities work toward our two goals of realizing a society where anyone can live comfortably, as they would like; and establishing a framework for sustainable medical care.

TOP MESSAGE

President Nakano's thoughts regarding eWeLL's business and sustainability as well as his hope to bring about a sustainable society were posted.

MATERIALITY

eWeLL's thoughts about "Materiality (important issues)" comprising the focus of our sustainability management policy and our materiality matrix were posted.

ESG Initiatives

We posted information about specific initiatives regarding eWeLL's ESG, external assessments, corporate governance, and other topics.

ESG DATA New

Information mainly about eWeLL's social issues and governance was posted. Information not previously disclosed was posted in an easy-to-use Excel file.

Number of disclosed items:

Social: 22 Governance: 13

SASB Standards Index New

SASB include many standards used globally under the IFRS. eWeLL's SASB Standards Index was first posted after its organization due to investors' requests. In the future, we plan to expand the information to include other comparison tables, including for GRI.

eWeLL's Sustainability Webpage

https://ewell.co.jp/sustainability

By selecting and focusing on the home-care nursing care industry, eWeLL was awarded the Porter Prize this fiscal year for our highly valued unique competitive strategy, that is a top niche strategy in our industry and is based on our unique business model creating win-win situations for our customers.

What is the Porter Prize?

The Porter Prize was established to bestow recognition on Japanese companies that have achieved and maintained superior profitability in a particular industry by implementing unique strategies based on innovations in products, processes, and ways of managing.

The name of the award is derived from Professor Michael E. Porter of Harvard University, a leading authority on strategy with a longstanding interest in Japan.

Reasons eWeLL Was Selected

1. **Deep understanding of home-visit care industry and thorough frontline approach**
2. **"Win-win" business model encouraging customers' growth**
3. **Revolutionary value creation utilizing AI and data**
4. **Strong customer relations and generous support system**
5. **Consistent management strategy based on clear "trade-offs"**

FY2025 Porter Prize Winners List

https://www.porterprize.org/english/news/2025/10/24000000.html

The article in the link explains not only the reasons eWeLL was selected, but introduces all the winning companies and comments about their selection.

FY12/2025 3Q Financial Results

1 FY12/2025 3Q Financial Summary

Sales are progressing smoothly. Operating profit is expected to be as planned, along with our forecasts for the entire fiscal year due to, in particular, our expectations for increased expenditure in 4Q for recruitment, R&D, and other sales-related expenses.

(Unit: million yen)	FY12/2024 3Q Accumulated Results	FY12/2025 3Q Accumulated Results	YoY (Amount)	YoY (%)
Net Sales	1,860	**2,473**	+613	33.0%
Cloud	1,650	**2,137**	+487	29.5%
BPaaS *	187	**317**	+130	69.4%
Cloud	22	**18**	△3	△16.9%
Operating Profit	823	**1,195**	+372	45.2%
Operating Profit Margin	44.3%	**48.3%**	+4.1pt	

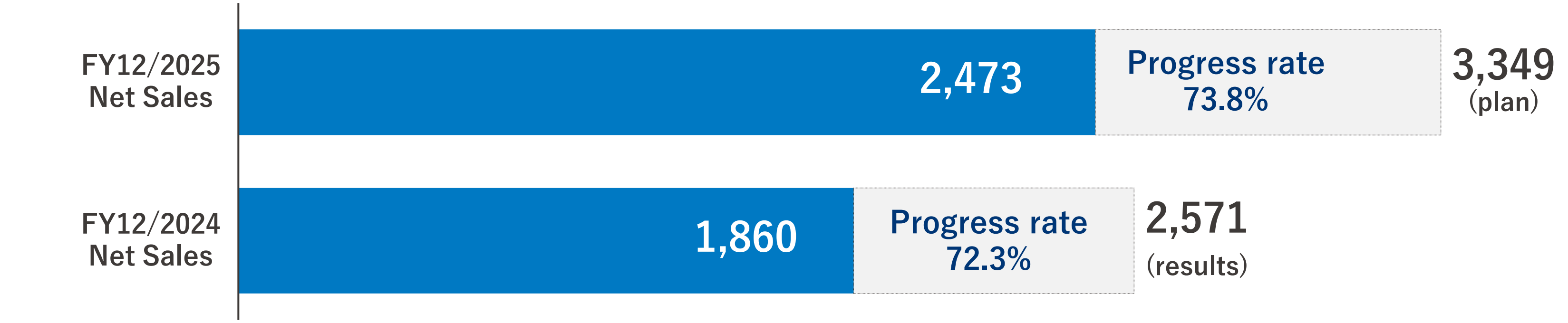
* Our BPO services were renamed “BPaaS (Business Process as a Service)” since we announced our financial results for FY12/2024.
The name was changed because high profitability was realized compared to common BPO services. eWeLL’s BPO services were added to iBow Receipt services and supported our overall business, by integration with our proprietary SaaS.
Please note the change was only for the name of the services, and there were no changes to the revenue composition between services or the content of our different businesses.

2 Progress Against Forecasts

The progress rates for our Cloud services and BPaaS sales are stable and good. For operating profit, the previous term (1H) had many costs, while the plan for this term (2H) will have more costs arising in 4Q, and so, the progress rate as of 3Q is much higher as expected.

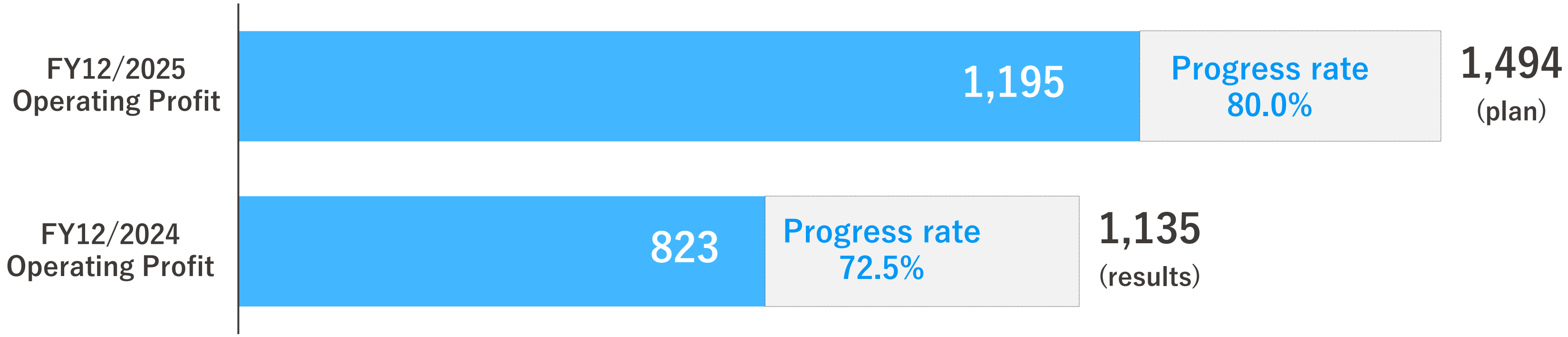
Net Sales

(Unit: million yen)



Operating Profit

(Unit: million yen)

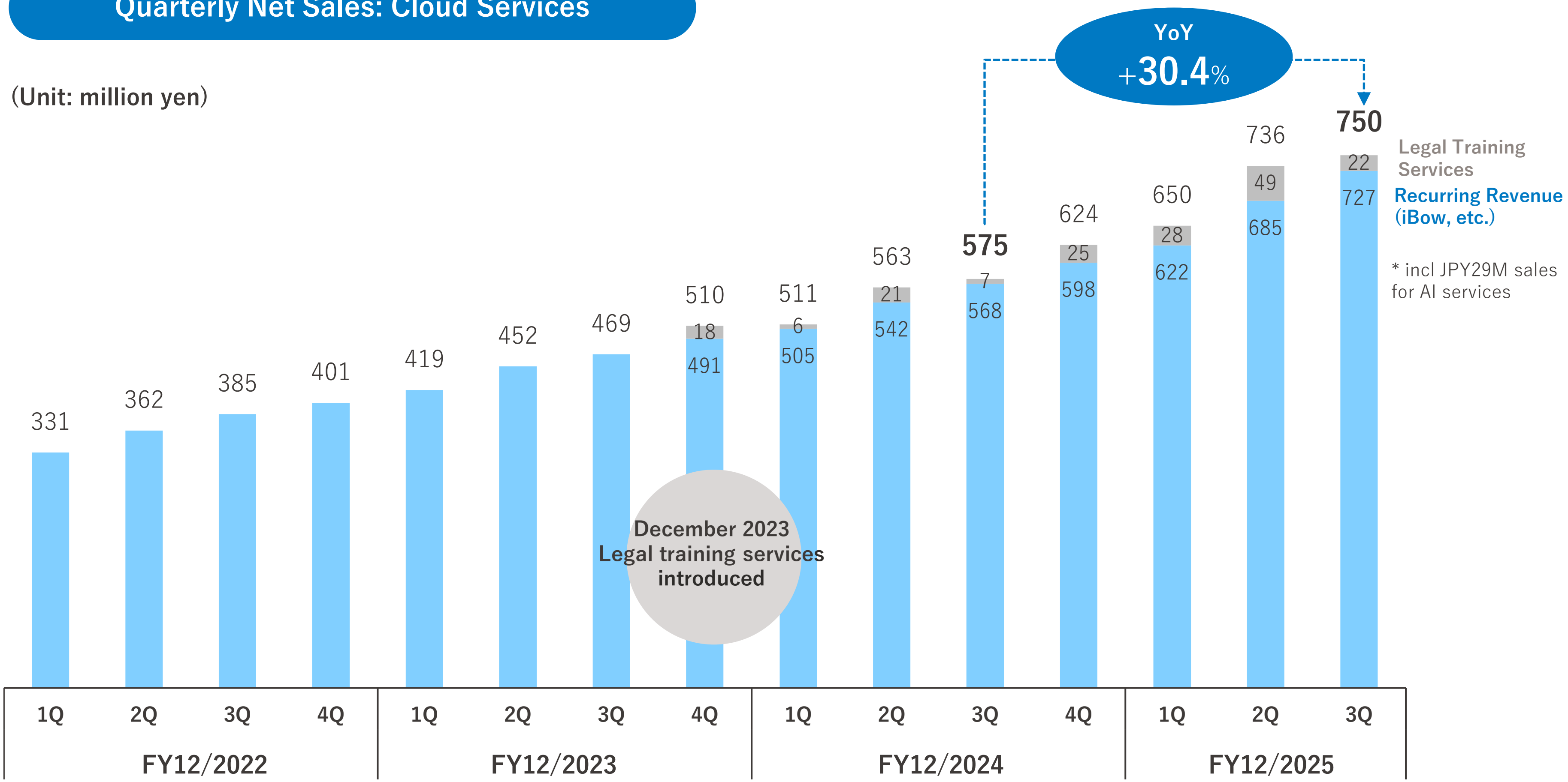


3 Net Sales by Service (Cloud Services)

Recurring revenue showed a significant increase due to the growth in our leading AI services, iBow, and others. Moreover, our legal training services continued to grow steadily notwithstanding its seasonal nature.

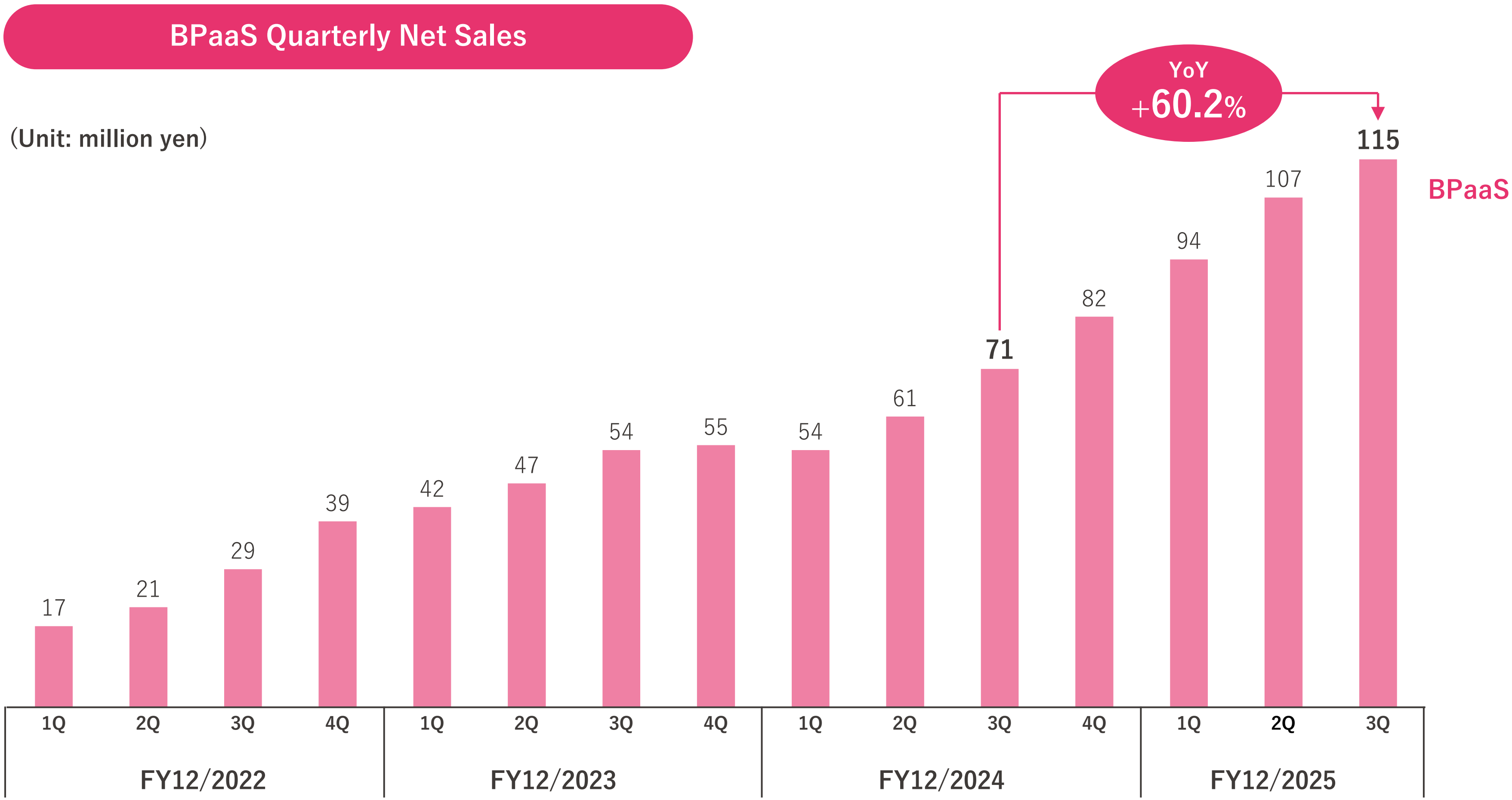
Quarterly Net Sales: Cloud Services

(Unit: million yen)



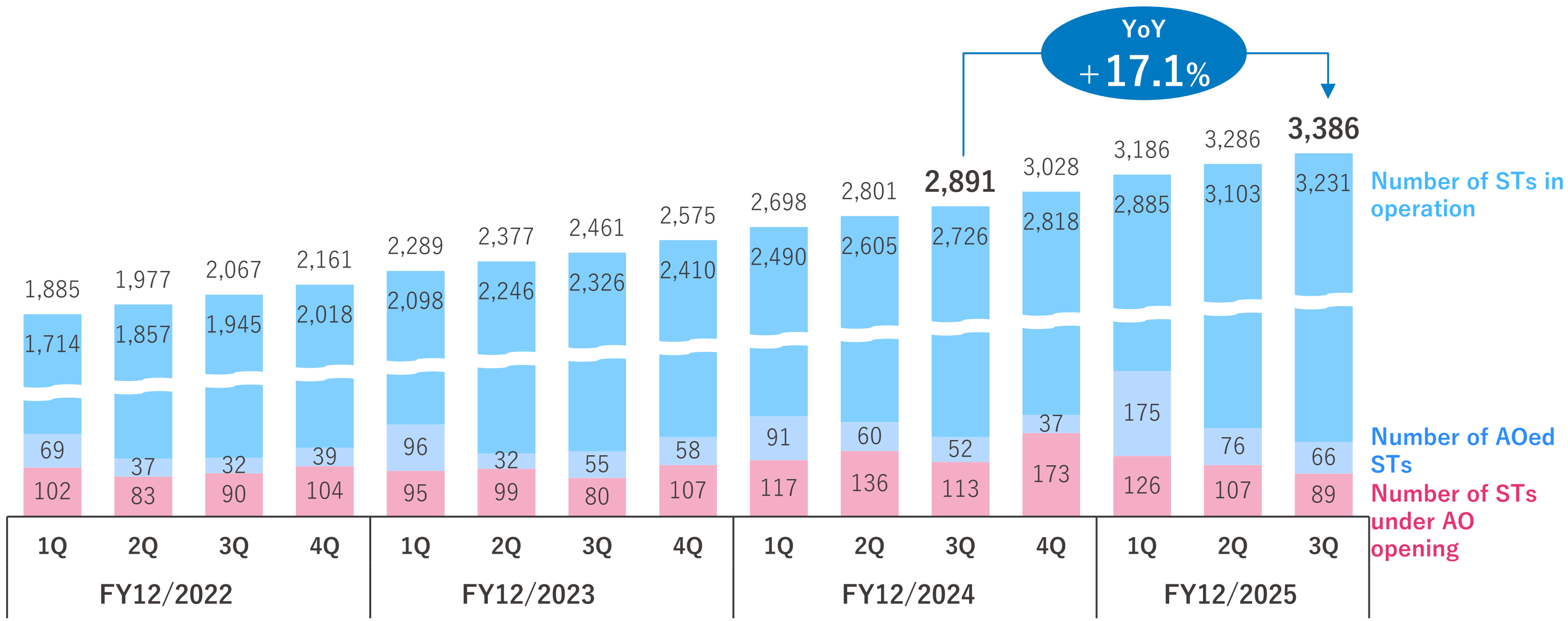
3 Net Sales by Service (BPaaS)

Growth for both the number of contracts and unit price per customer has continued to be stable since last quarter.



4 KPI Changes - Number of Contracted Stations

3Q is the usual period for the number of new contracts to fall, but we acquired 150 new contracts in this 3Q—the highest ever. Moreover, the number of terminated contracts was lower than expected due to eWeLL's customer satisfaction improvement measures, contributing to an increase in the total number of contracts.



Breakdown of changes in number of contracted stations

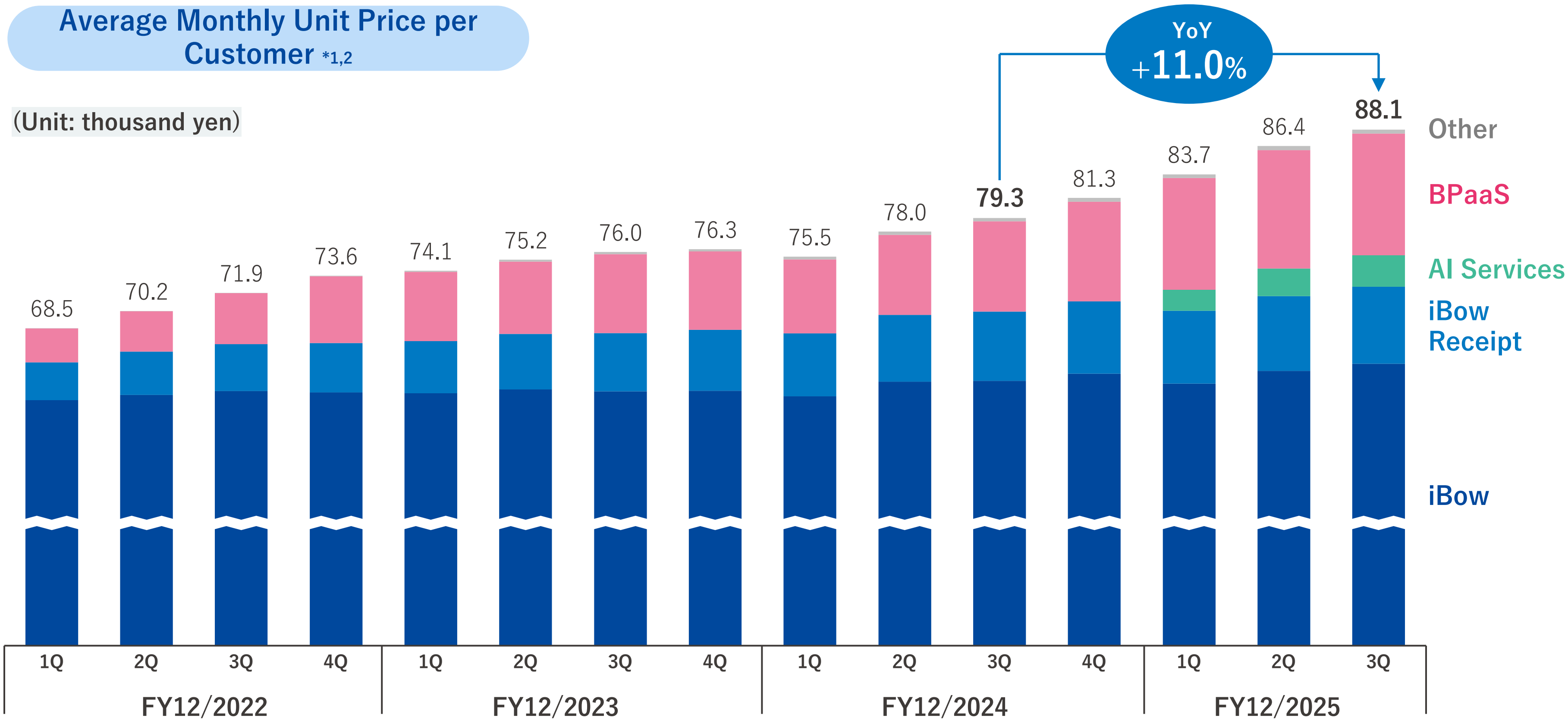
	FY12/2022				FY12/2023				FY12/2024				FY12/2025		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
(1) New acquisitions	132	107	105	117	139	127	111	134	160	162	133	178	196	165	150
(2) Terminations	-7	-14	-13	-22	-19	-27	-22	-24	-36	-56	-48	-37	-34	-59	-51
(3) Change in number of dormant STs	-17	-1	-2	-1	8	-12	-5	4	-1	-3	5	-4	-4	-6	1
Quarterly total	108	92	90	94	128	88	84	114	123	103	90	137	158	100	100

The number of STs in operation is the number of stations in service.
The number of AOed STs is the number of stations for which the establishment of an account to use the service has been completed, but before the service is used.
The number of AO stations in operation is the number of stations that have an account established for use of the service.
The number of contracted stations is the sum of the number of STs in operation, the number of STs that have completed AO, and the number of STs that are in the process of opening AO.
The number of inactive stations is the number of stations that have suspended service for a certain period of time during the contract period, and the increase or decrease in the number of inactive stations is subtracted from the number of stations that have resumed service.

4 KPI Changes - Unit Price per Customer

The unit price per customer rose for all eWeLL's services, and we were able to see again more than 10% yoy growth for our unit price per customer. This growth was, in particular, led by the growth in our AI Home-visit Scheduling & Reports and BPaaS services.

Average Monthly Unit Price per Customer *1,2



1. Average Monthly Unit Price Per Customer is calculated by dividing the average monthly net sales during the quarter (recurring revenue only) by the average number of stations in operation at the end of the month during the same period. Since Unit Price Per Customer had been calculated including non-recurring sales until FY12/2023, it has been retroactively adjusted to reflect this updated calculation method.

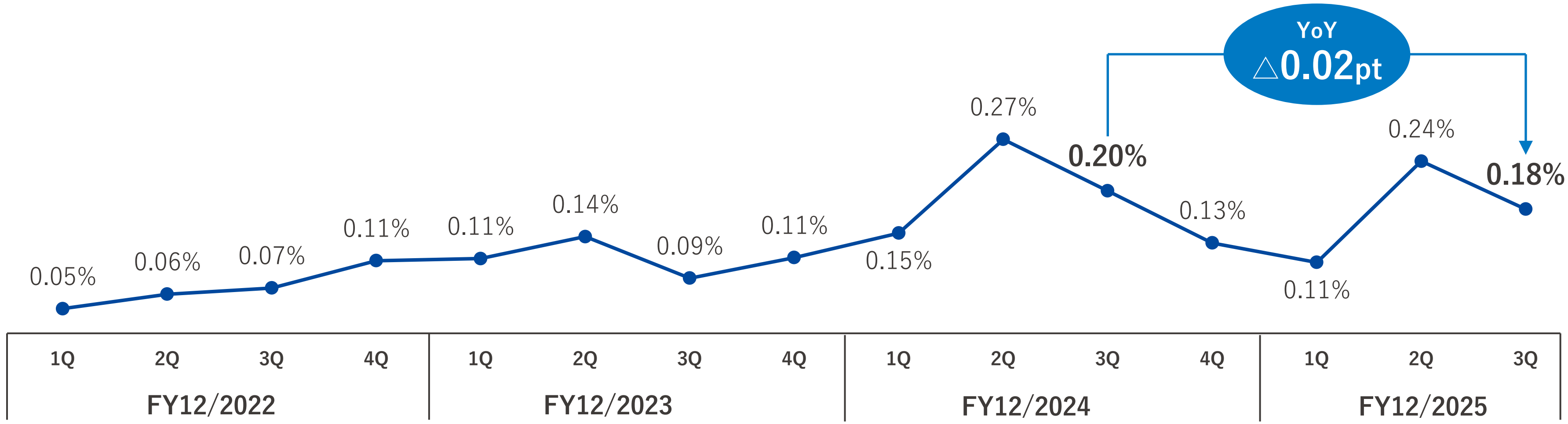
2. Due to the seasonal nature of 2Q, which includes January and February and has fewer business days, resulting in fewer visits, Unit Price Per Customer for both cloud and BPaaS tends to be a few percentage points lower than in other quarters.

4 KPI Changes - Revenue Churn Rate

The revenue churn rate fell since 2Q, as expected, because there were comparatively fewer contract renewals in 3Q. YoY results also decreased, and the effect of our activities to decrease contract terminations started to appear.

Revenue Churn Rate

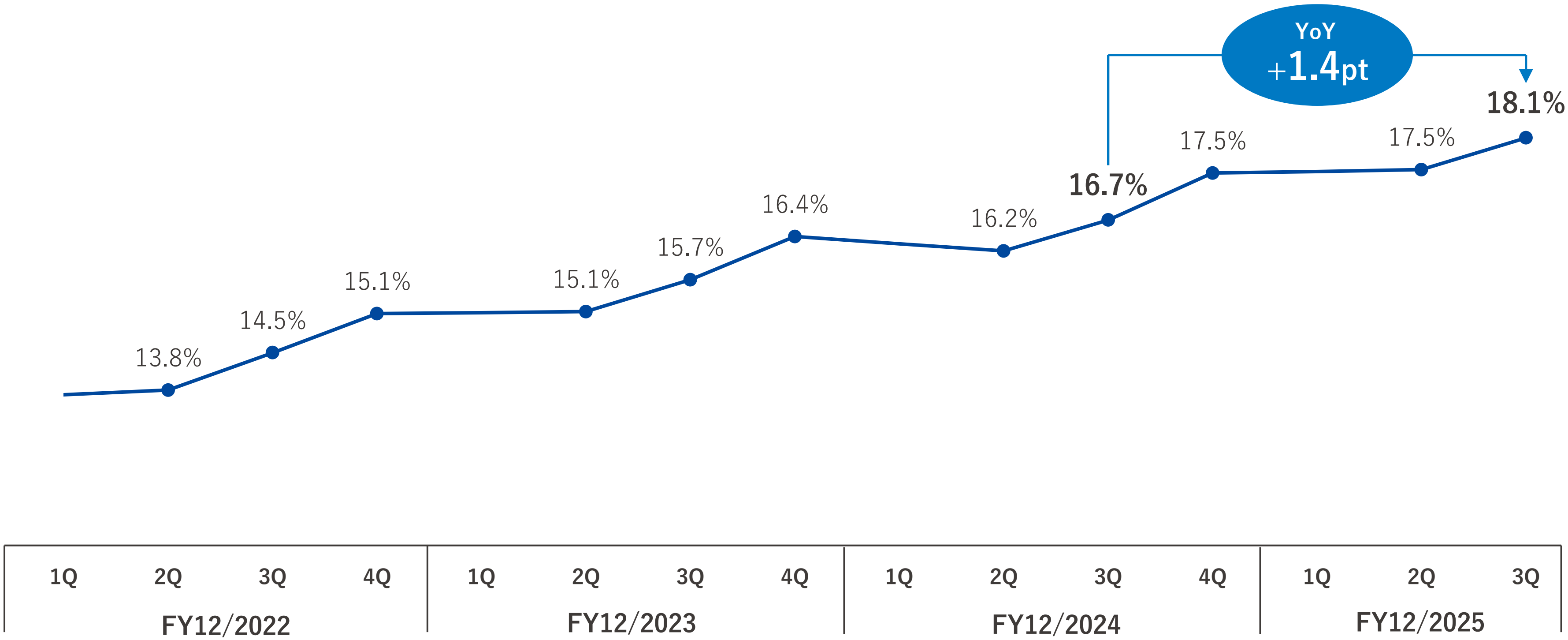
The average monthly churn rate is the quarterly average of the percentage of the reduction in monthly subscription fees for existing customers due to cancellations.



4 KPI Changes – Market Share (Penetration Rate)

Our market share (penetration rate) steadily increased. The denominator for calculating market share remains unchanged from 4Q to the following year's 2Q due to when it will be updated.

Market Share (Penetration Rate)



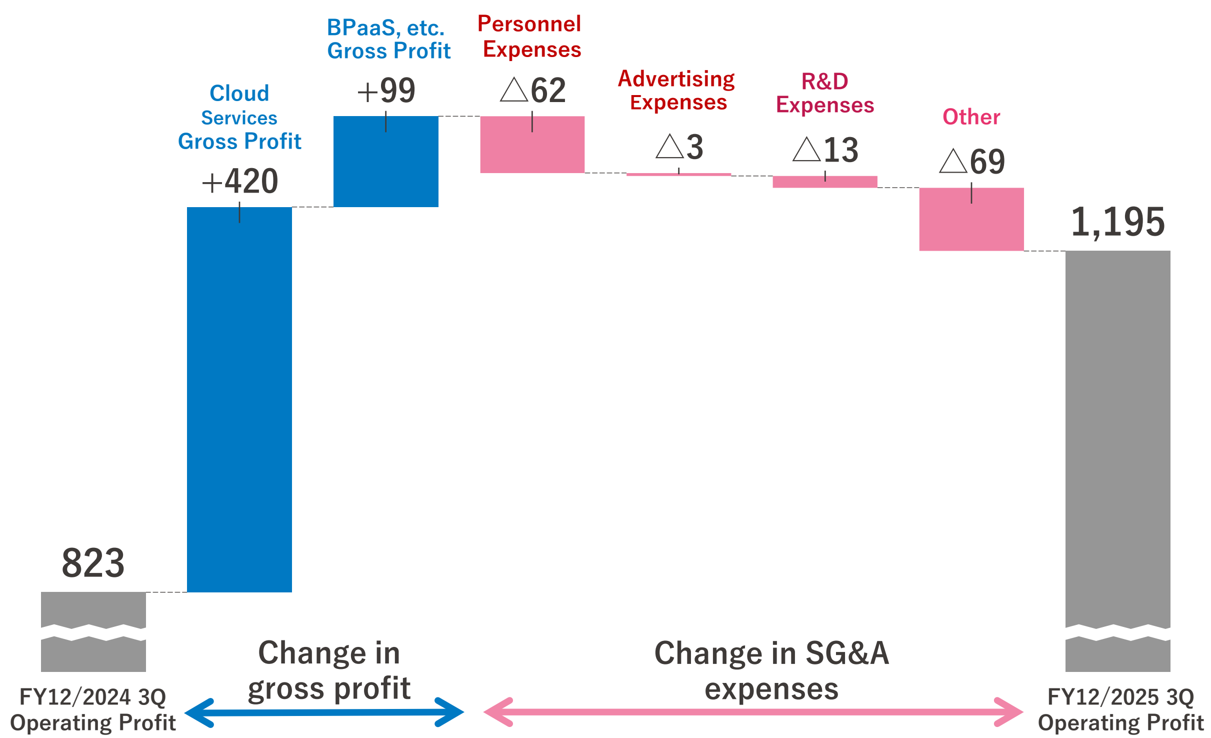
*: Calculated by dividing the number of contracted stations at the end of each quarter by the number of active home-visit nursing stations as of April 1 of each year, as announced by the Japan Home-visit Nursing Association. The number of home-visit nursing stations in operation as of April 1 of each year is not disclosed at the end of 2Q, as there is a several-month delay in announcing the number of stations.

5 Analysis of Operating Profit

eWeLL's investment was accelerated in 2H, and as of 3Q, our performance resulted in a significant increase compared to last year. In 4Q, we expect to increase our expenditure in recruitment, R&D, and sales-related expenses, and thus, we predict our results will reach our forecasted level.

YoY **+372 million yen**

(Unit: million yen)



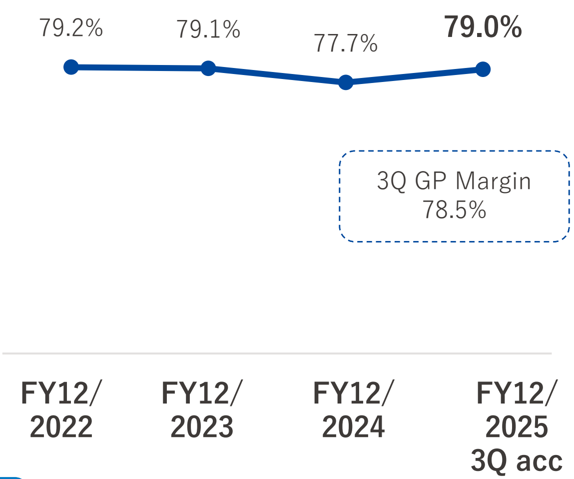
Personnel Expenses	**Overall, we have made progress in our recruitment activities as planned for 2H. Moreover, we increased basic salaries by 4% as well as bonuses in line with our good results.** Consequently, personnel expenses increased by JPY 118 million yoy including the labor costs for development, BPaaS, and support, included in our cost of sales.
Advertising Expenses	**While eWeLL's advertising activities, including participating in exhibitions, increased, we reexamined our return on investment and made changes, accordingly. We also focused on organizing seminars that attracted customers, resulting in our company-wide advertising spending being the same level as last year.**
Other Expenses	**The costs related to relocating the Tokyo Office were +JPY21 million, while the outsourcing costs for the work to improve our customer satisfaction and for final accounting/IR were +JPY17 million. Other expenses also included systems usage costs +JPY10M, sales promotion costs for eWeLL's AI Home-visit Scheduling & Routes +JPY9M, and recruitment costs +JPY8M.**

6 Gross Profit Margin by Service

The development costs for eWeLL's Cloud services were higher, as planned; we expect the results for the whole FY will be in line with our forecasts. We have also successfully strengthened our human resources for our BPaaS during 2H, and our gross profit margin was higher than expected due to eWeLL's stable growth.

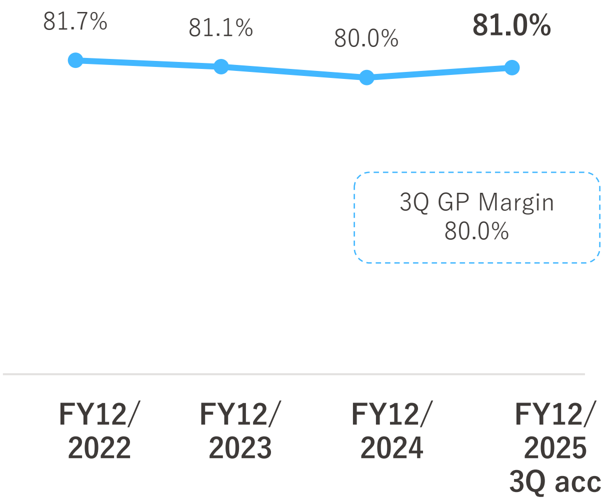
Overall Gross Profit Margin

- The gross profit margins for Cloud services and BPaaS were good.
- It is expected the final result will be approximately as our forecasts.



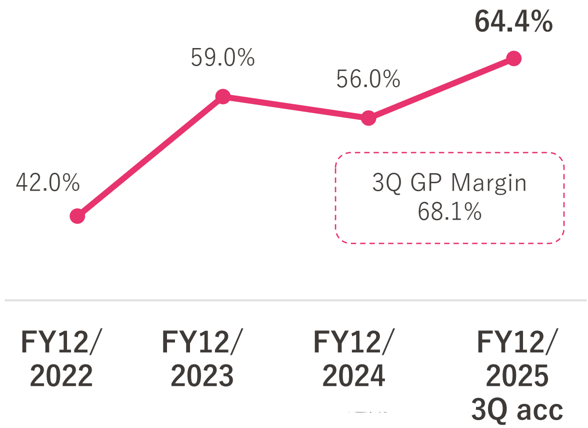
Cloud Services Gross Profit Margin

- Maintenance costs and outsourcing costs have been increasing from 2H, and the gross profit margin slightly increased compared to last FY.
- We expect the gross profit margin within our forecasts for the whole 2H.



BPaaS Gross Profit Margin

- The gross profit margin significantly rose because our recruiting activities were behind schedule with respect to our increasing sales.
- We expect the gross profit margin for the whole FY will fall from the 3Q accumulated results because our recruitment will continue to progress steadily throughout 2H.

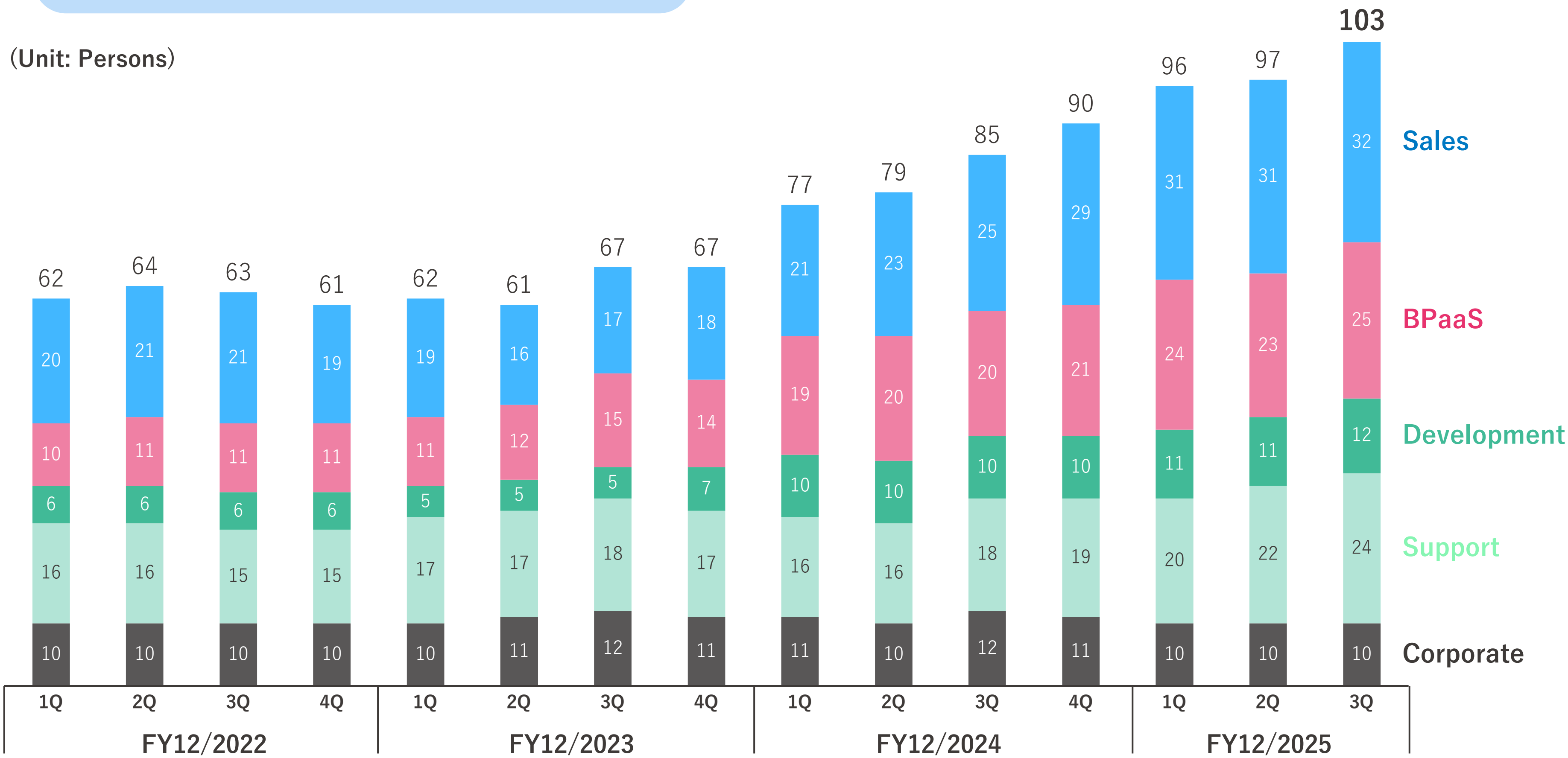


7 Number of Employees

In 3Q, eWeLL's recruitment activities were on track to achieve our target of 15 new hires in total for 2H. We increased our human resources in the areas of Sales, BPaaS, Development, and Support. During 4Q, we plan to continue adding to our teams in Sales, BPaaS, and Corporate.

Number of Employees by Department

(Unit: Persons)



8 Balance Sheet Summary

There was no noteworthy change in our balance sheet in 3Q. We will continue our efforts to accumulate net assets and focus on a sound financial foundation to build a financial structure capable of flexible investment (such as, M&A).

(Unit: million yen)	FY12/2024 4Q Amount	FY12/2024 4Q %	FY12/2025 3Q Amount	FY12/2025 3Q %	FY12/2025 3Q v FY12/2024 4Q Amount	FY12/2025 3Q v FY12/2024 4Q %
Current Assets	2,526	82.3%	3,111	84.0%	584	23.1%
(Cash and Deposits)	1,965	64.0%	2,411	65.1%	445	22.6%
Non-current Assets	543	17.7%	592	16.0%	48	9.0%
(Tangible Fixed Assets)	248	8.1%	236	6.4%	△11	△4.8%
Total Assets	**3,070**	**100.0%**	**3,703**	**100.0%**	**633**	**20.6%**
Current Liabilities	559	18.2%	494	13.3%	△65	△11.6%
Non-current Liabilities	102	3.3%	102	2.8%	0	0.2%
Total Liabilities	**661**	**21.5%**	**596**	**16.1%**	**△64**	**△9.8%**
Net Assets	**2,409**	**78.5%**	**3,107**	**83.9%**	**698**	**29.0%**
Total Liabilities and Equity	**3,070**	**100.0%**	**3,703**	**100.0%**	**633**	**20.6%**
Equity Capital Ratio (%)	*78.5%*		*83.9%*		*+5.4pt*	

Reference Materials for Financial Results

1 (Reference) P/L Statement Summary

(Unit: million yen)	FY12/2024 3Q Accumulated Results	Net Sales %	FY12/2025 3Q Accumulated Results	Net Sales %	YoY
Net Sales	1,860	100%	**2,473**	100%	33.0%
Cost of Sales	425	22.9%	**519**	21.0%	22.0%
Labor Costs	208	11.2%	**264**	10.7%	27.0%
Outsourcing Costs	176	9.5%	**191**	7.8%	8.9%
Manufacturing Costs	41	2.2%	**63**	2.6%	52.5%
Gross Profit	1,434	77.1%	**1,954**	79.0%	36.3%
SG&A Expenses	610	32.8%	**758**	30.7%	24.1%
Personnel Expenses	266	14.3%	329	13.3%	23.3%
Advertising Expenses	71	3.9%	75	3.0%	4.7%
R&D Expenses	9	0.5%	23	0.9%	137.6%
Other Expenses	262	14.1%	331	13.4%	26.1%
Operating Profit	823		**1,195**		45.2%
Operating Profit Margin	*44.3%*		*48.3%*		

2 (Reference) Gross Profit by Service

(Unit: million yen)	FY12/2024 3Q Accumulated Results	Net Sales %	FY12/2025 3Q Accumulated Results	Net Sales %	YoY
Net Sales	1,860	100%	**2,473**	100%	33.0%
Cloud	1,650	88.7%	2,137	86.4%	29.5%
BPaaS	187	10.1%	317	12.8%	69.4%
Other	22	1.2%	18	0.7%	△16.9%
Cost of Sales	425		519		22.0%
Cloud	339		406		19.7%
BPaaS	86		113		31.1%
Other	0		0		0.0%
Gross Profit	1,434		1,954		36.3%
Cloud	1,310		1,731		32.1%
BPaaS	101		204		102.1%
Other	22		18		△16.9%
Gross Profit Margin	77.1%		**79.0%**		
Cloud	79.4%		81.0%		
BPaaS	54.0%		64.4%		
Other	100%		**100%**		

3 (Reference) KPI Changes

	FY2022 1Q	FY2022 2Q	FY2022 3Q	FY2022 4Q	FY2023 1Q	FY2023 2Q	FY2023 3Q	FY2024 4Q	FY2024 1Q	FY2024 2Q	FY2024 3Q	FY2024 4Q	FY2025 1Q	FY2025 2Q	FY2025 3Q
No of contract stations	**1,885**	**1,977**	**2,067**	**2,161**	**2,289**	**2,377**	**2,461**	**2,575**	**2,698**	**2,801**	**2,891**	**3,028**	**3,186**	**3,286**	**3,386**
No of new contracts	132	107	105	117	139	127	111	134	160	162	133	178	196	165	150
No of terminated contracts	7	14	13	22	19	27	22	24	36	56	48	37	34	59	51
(contracts switched to other companies)	1	4	7	16	7	7	5	7	15	23	23	18	15	34	25
Changes in suspended contracts	-17	-1	-2	-1	8	-12	-5	4	-1	-3	5	-4	-4	-6	1
No of iBow stations in operation	**1,714**	**1,857**	**1,945**	**2,018**	**2,098**	**2,246**	**2,326**	**2,410**	**2,490**	**2,605**	**2,726**	**2,818**	**2,885**	**3,103**	**3,231**
No of iBow Receipt Users	1,345	1,485	1,573	1,642	1,722	1,864	1,949	2,039	2,136	2,248	2,377	2,486	2,536	2,675	2,776
% of iBow stations in operation	78.5%	80.0%	80.9%	81.4%	82.1%	83.0%	83.8%	84.6%	85.8%	86.3%	87.2%	88.2%	87.9%	86.2%	85.9%
No of BPaaS Users	42	55	71	84	90	102	114	124	124	137	155	179	197	221	236
% of iBow stations in operation	2.5%	3.0%	3.7%	4.2%	4.3%	4.5%	4.9%	5.1%	5.0%	5.3%	5.7%	6.4%	6.8%	7.1%	7.3%
No of Users of AI Home-visit Nursing Plans & Reports													659	890	1,056
% of iBow stations in operation													22.8%	28.7%	32.7%
Unit Price per Customer (1000yen)	68.5	70.2	71.9	73.6	74.1	75.2	76	76.3	75.5	78	79.3	81.3	83.7	86.4	88.1
MRR Churn Rate (%)	0.05%	0.06%	0.07%	0.11%	0.11%	0.14%	0.09%	0.11%	0.15%	0.27%	0.20%	0.13%	0.11%	0.24%	0.18%

Disclaimer

These materials include forward-looking statements. These statements, which are based on generally recognized economic, social, and other circumstances and certain assumptions deemed reasonable by the Company as of the writing of this document, include risks and uncertainties. The statements do not guarantee the Company’s future results or business performance.

Actual business performance may vary significantly from the forward-looking statements herein due to a wide variety of future factors, including competition with other companies and changes in economic conditions, customer needs, customer preferences, and laws and regulations.
Information on matters outside of the Company relies on publicly available information, and the Company has not verified and does not guarantee the accuracy or appropriateness of such publicly available information.

This material has been prepared for informational purposes only. This material is not intended as an offer to sell or a solicitation of an offer to buy securities in any jurisdiction other than Japan.

To all of our iBow users and to all of those who have supported our company,
we would like to take this opportunity to thank you again.

Since its release in 2014, iBow has worked with many nurses and Home-visit Nursing Stations to develop many functions and new services.

We will continue to "make people happy" by providing new value for home care and aiming to be a company that can contribute to a better society.