Financial Results Q2 FY3/2027

November 2026

NexTone Inc.

TSE Growth Market: 7094

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Executive Summary

Highlights of Financial Results Q2 FY3/2027

- ✓ Net sales +10.6% YoY,**operating profit +80.9%** YoY. Record high for a second quarter.
- ✓ The number of songs under copyright management and the number of master recordings handled increased, and the base for growth steadily expanded.

Transaction volume
232.8
(¥100 million)
YoY **+21.2%**

Net sales
113.5
(¥100 million)
YoY **+10.6%**

Operating profit
10.6
(¥100 million)
YoY **+80.9%**

Number of songs under copyright management
88.8
YoY **+13.0**
Vs. Prior Fy-end **+6.5**
(10,000 songs)

Number of master recordings handled
173.5
YoY **+13.7**
Vs. Prior Fy-end **+7.8**
(10,000 master recordings)

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Summary of Financial Results
Q2 FY3/2027

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Summary of Financial Results Q2 FY3/2027

- ✓ Net sales expanded as a result of steady performance in each businesses.
- ✓ Operating profit increased significantly YoY due to cost reductions and the reorganization and transfer of some businesses of consolidated subsidiaries at the end of the previous fiscal year.

(¥100 million, unless otherwise stated)

	FY3/2026	**FY3/2027**	YoY		FY3/2026	FY3/2027
	2Q	**2Q**	increase or decrease	percentage change	full fiscal year	full-year Plan
Net sales	102.6	**113.5**	+10.9	+10.6%	207.7	220.0
SG & A	19.9	**20.4**	+0.5	+2.5%	40.1	42.0
Operating profit	5.8	**10.6**	+4.8	+80.9%	13.0	16.0
Ordinary profit	5.9	**10.9**	+5.0	+83.3%	13.3	16.0
Profit attributable to owners of parent	3.7	**6.2**	+2.5	+66.7%	7.9	10.0
Operating profit margin	5.7%	**9.4%**	+3.7pt	–	6.3%	7.3%
Number of songs under copyright management (10,000 songs)	75.8	**88.8**	+13.0	+17.2%	82.3	97.0
Number of master recordings handled (10,000 master recordings)	159.8	**173.5**	+13.7	+8.6%	165.7	176.0

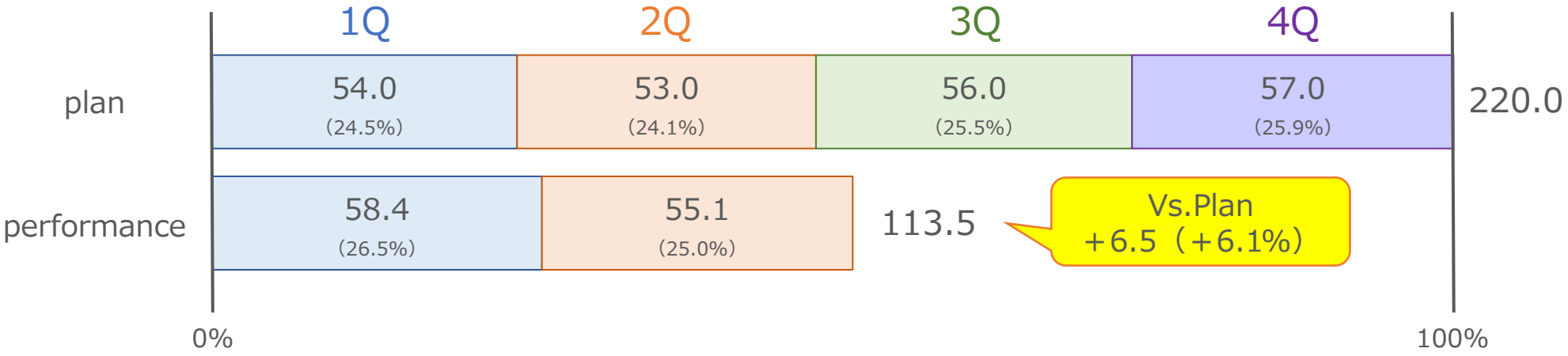
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Quarterly Financial Results 1

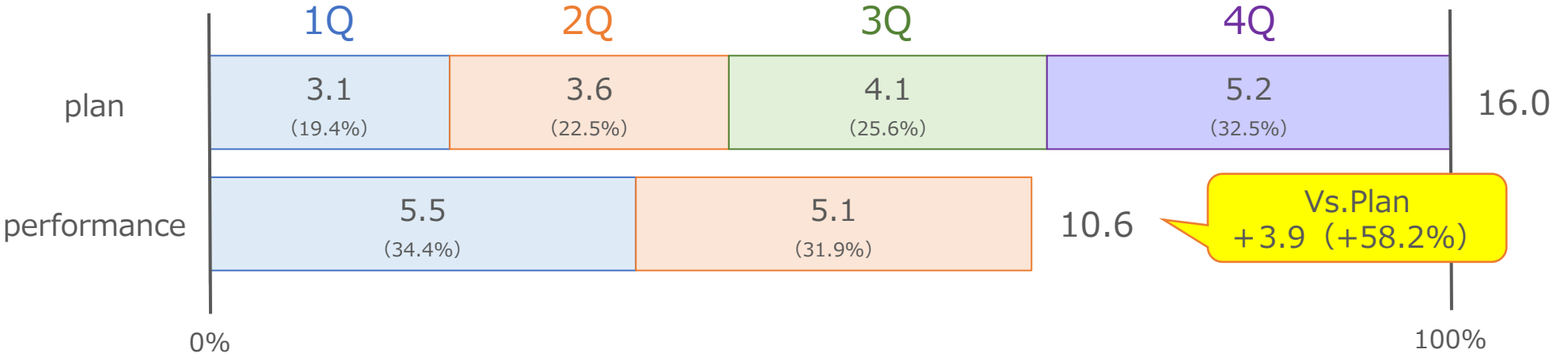
✓ Both net sales and operating profit exceeded the plan.
We expect steady growth in the second half of the year.

Net sales

(¥100 million)



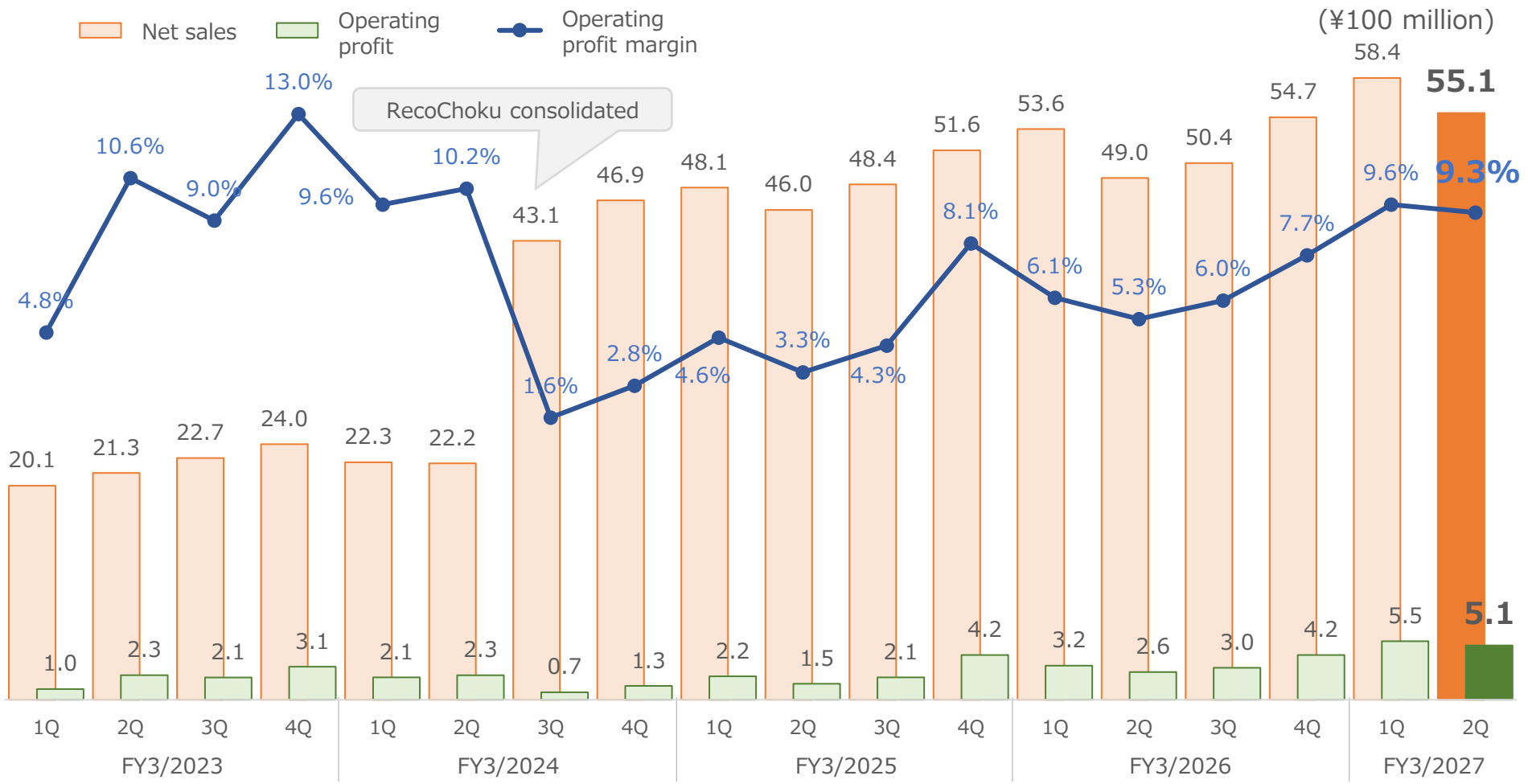
Operating profit



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Quarterly Financial Results 2

✓ Quarterly results for both net sales and operating profit were the second highest on record, and sales and profits continued to increase. We will further solidify our path to continuous growth in the medium to long term by accumulating the number of songs under management and master recordings handled.



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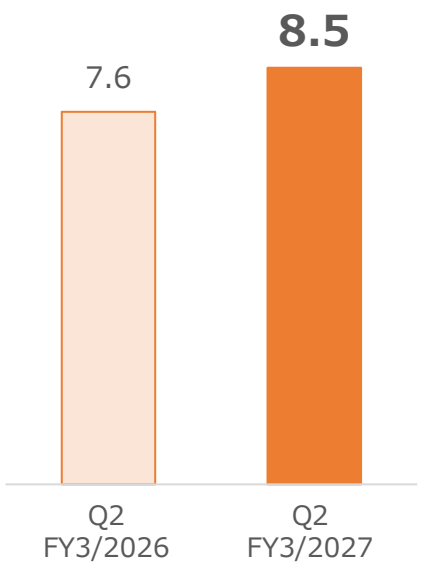
Results by Segment (1/4) ■Copyright Management Business

✓ Royalty collections in major categories—such as "Interactive transmissions," "Mechanical rights, etc.," and "Broadcasting, etc."—grew steadily. Collections in overseas regions also increased significantly, driving YoY growth in both net sales and operating profit.

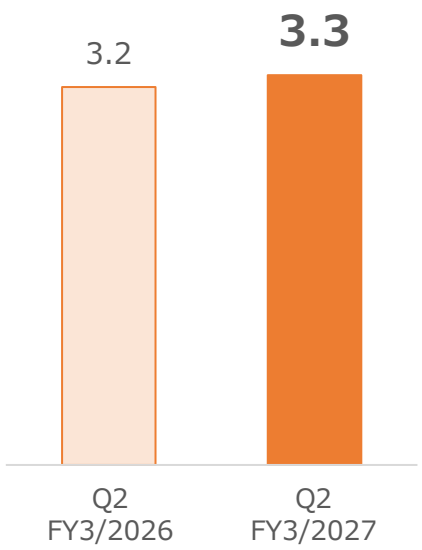
(¥100 million, unless otherwise stated)

	FY3/2026	**FY3/2027**	YoY		FY3/2026	FY3/2027
	2Q	**2Q**	increase or decrease	percentage change	full fiscal year	full-year Plan
Net sales	7.6	**8.5**	+0.9	+11.8%	16.0	17.0
Operating profit	3.2	**3.3**	+0.1	+2.8%	7.0	7.0

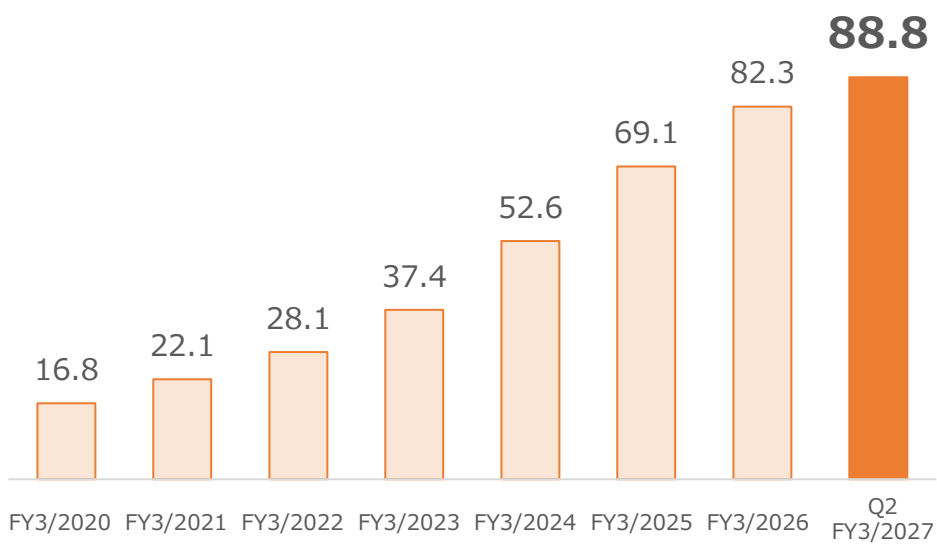
Net sales
(¥100 million)



Operating profit
(¥100 million)



Number of songs under copyright management
(10,000 songs)



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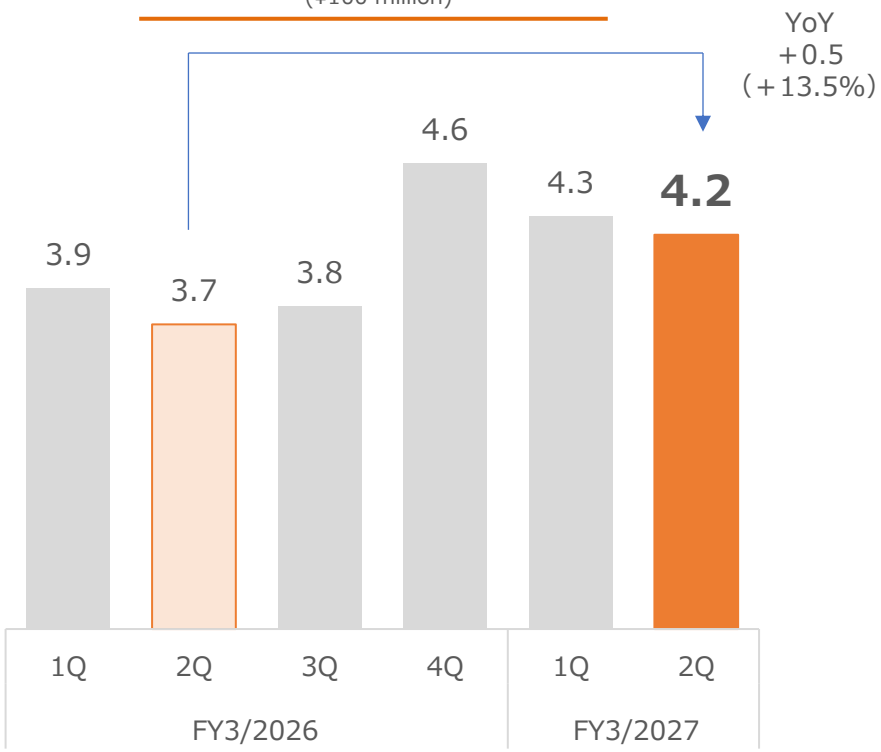
Quarterly Financial Results ■ Copyright Management Business

(¥100 million)

	FY3/2026				FY3/2027	
	1Q	2Q	3Q	4Q	1Q	**2Q**
Net sales	3.9	3.7	3.8	4.6	4.3	**4.2**
Operating profit	1.6	1.6	1.5	2.3	1.7	**1.6**

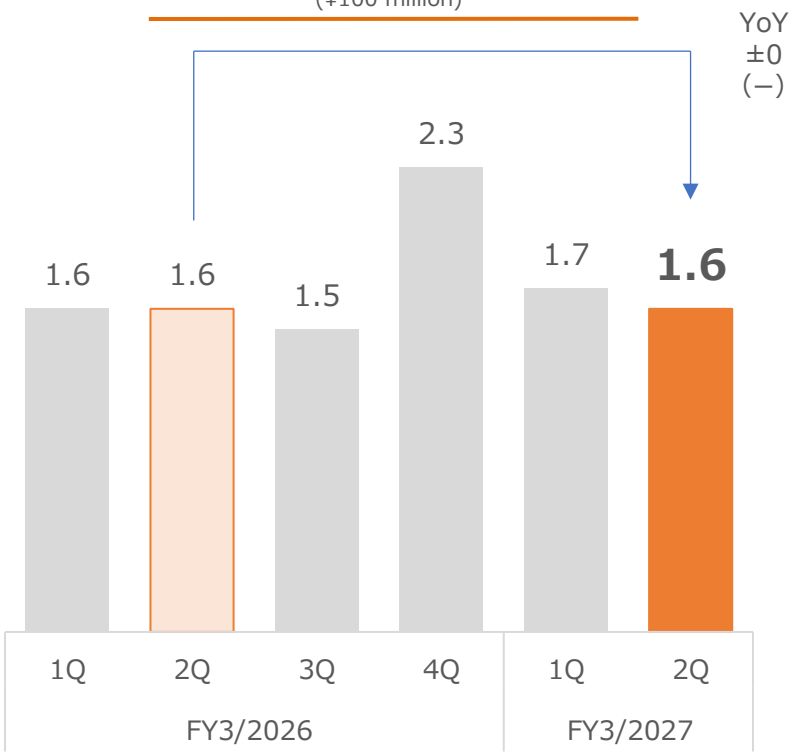
Quarterly Net sales

(¥100 million)



Quarterly Operating profit

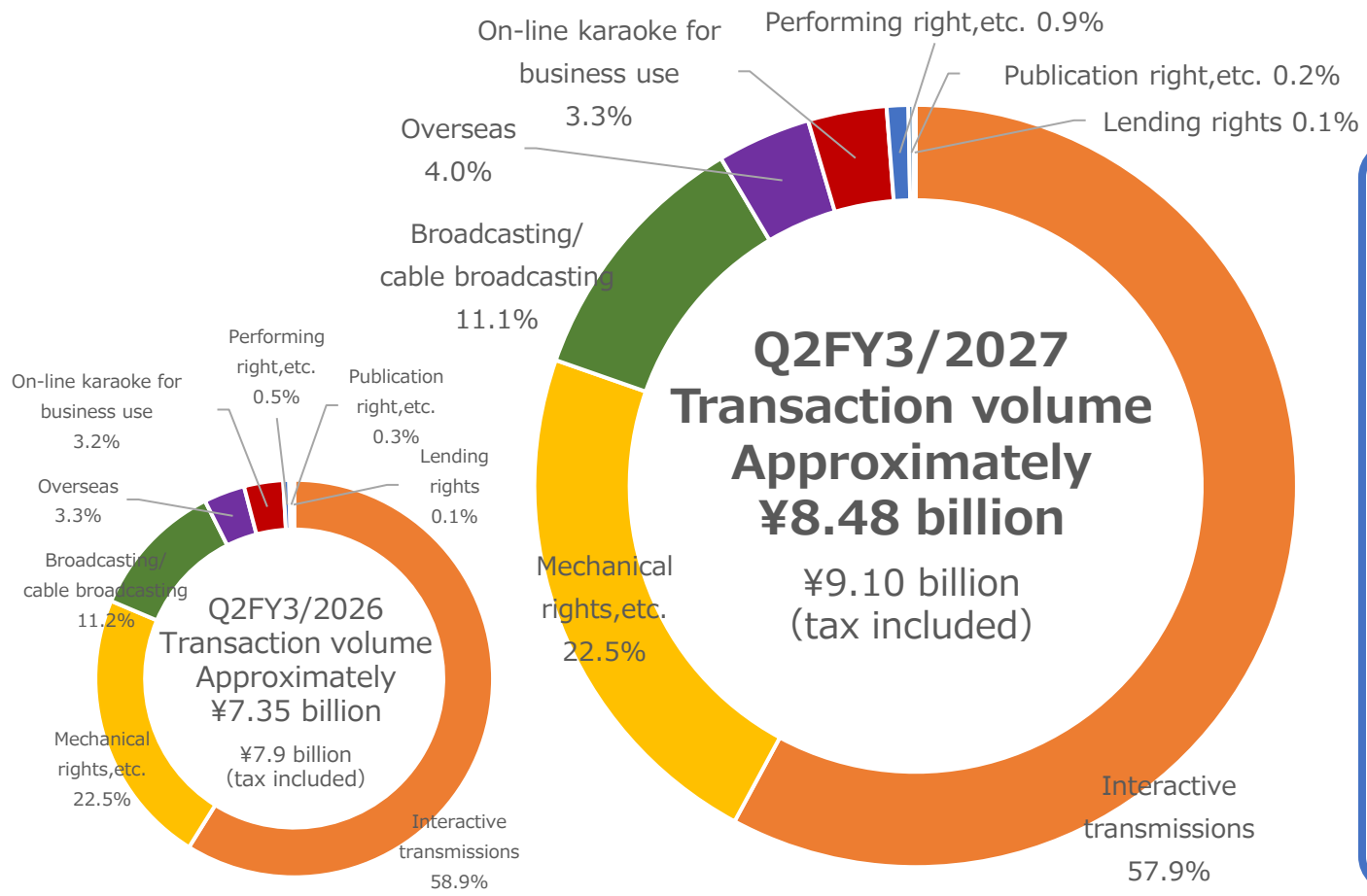
(¥100 million)

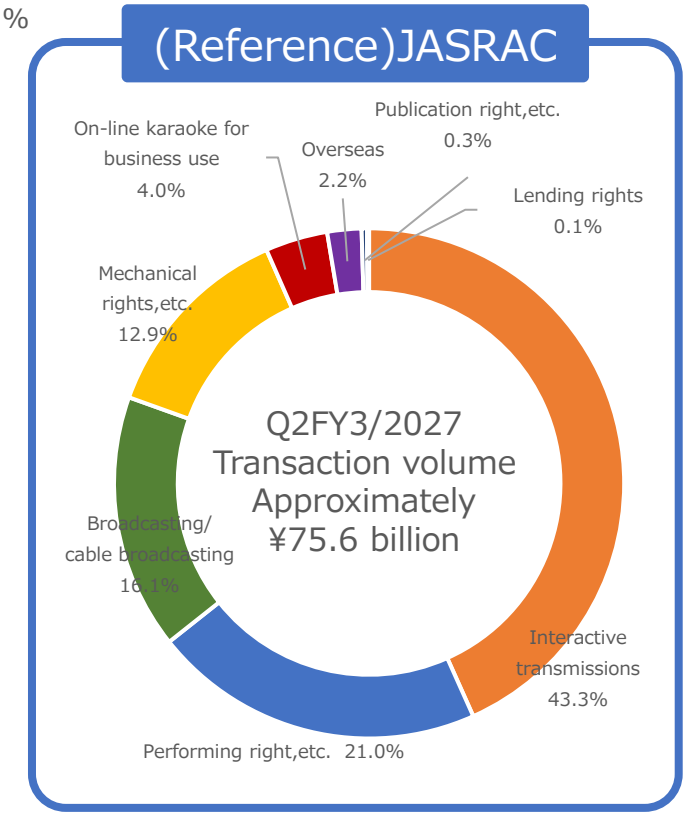


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Breakdown of Transaction volume

- ✓ Transaction volume revenue from copyrights management services grew to 8.48 billion yen (+15.4% YoY).
- ✓ Focus categories such as "Overseas" and "Performing rights, etc." increased steadily.





Reference: The Japanese Society for Rights of Authors, Composers and Publishers website

The Company's share of the domestic music copyrights management market is approximately 10.7%.
(Tax included, Amount collected basis, the Company calculation)

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Top songs distributed for the first half of the fiscal year
(Japanese syllabary order)



「Kaiju」
sakanaction



「KAKUMEIDOUCHUU - On The Way」
AiNA THE END
©2025 avex music publishing Inc.



「Sukisugite METSU!」
M!LK
©2025 by SDR Inc.



「Sparkle」
RADWIMPS
©2016 by voque ting co., ltd.



「TEGAMI HAIKEI JUUGONO KIMIE」
Angela Aki
©2008 HOKULANIM



「BAIBAI FIGHT!」
CANDY TUNE
©2024 by TV ASAHI MUSIC CO., LTD.
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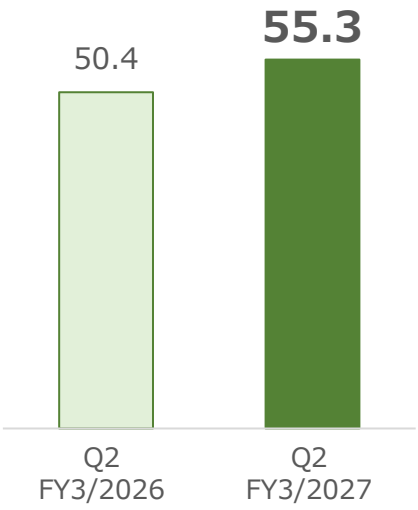
Results by Segment (2/4)
■ DD(Digital Content Distribution) Business

- ✓ Both sales and profit increased YoY due to growth in the streaming music distribution market and the video distribution service market.
- ✓ The services “FLAGGLE” and “Eggs Pass,” operated by the consolidated subsidiary RecoChoku Co., Ltd., will be discontinued this fiscal year. (plan) Focus on DD services in the Company to further improve profitability.

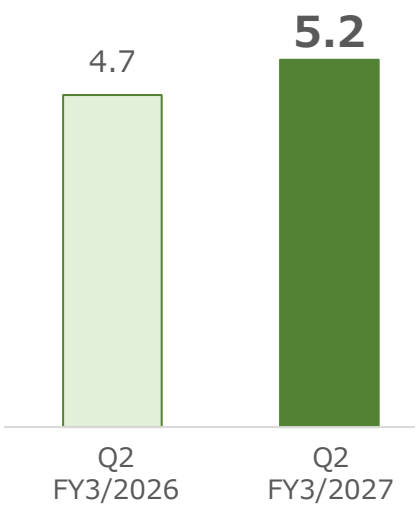
(¥100 million, unless otherwise stated)

	FY3/2026	**FY3/2027**	YoY		FY3/2026	FY3/2027
	2Q	**2Q**	increase or decrease	percentage change	full fiscal year	full-year Plan
Net sales	50.4	**55.3**	+4.9	+9.7%	103.4	114.0
Operating profit	4.7	**5.2**	+0.5	+10.2%	10.4	11.0

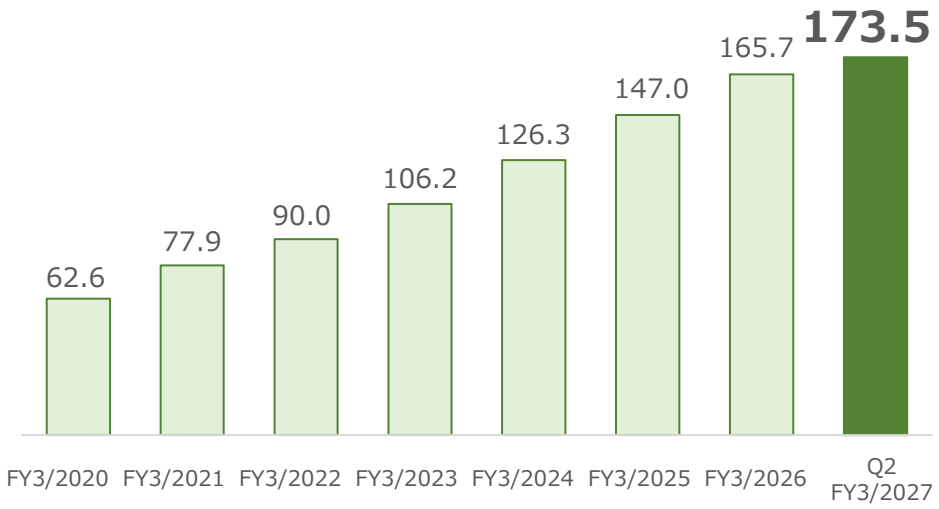
Net sales
(¥100 million)



Operating profit
(¥100 million)



Number of master recordings handled
(10,000 master recordings)



* The number of master recordings handled for RecoChoku has been added from the FY3/2024.

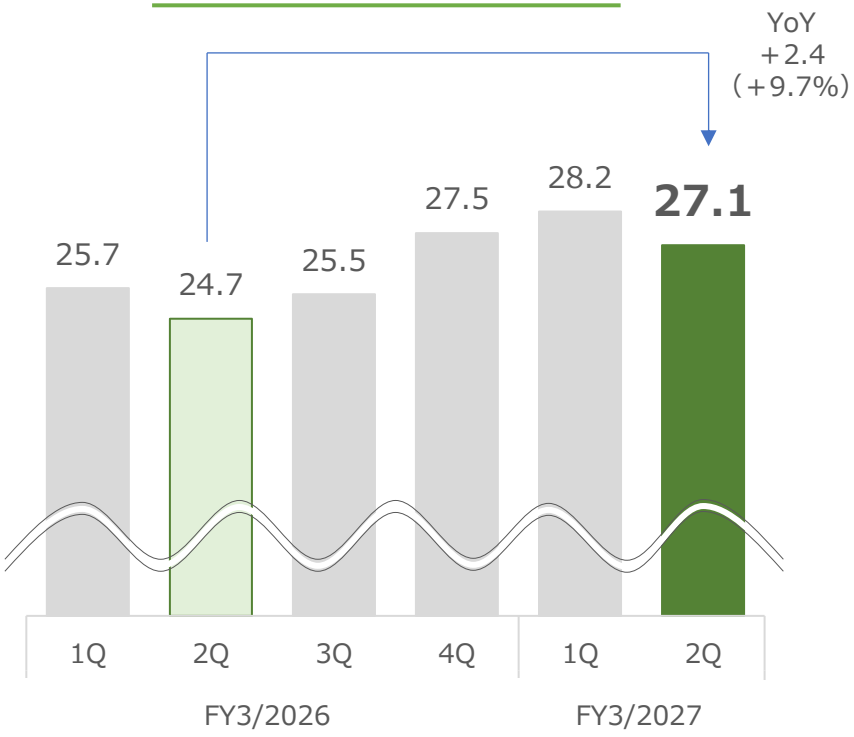
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Quarterly Financial Results
DD (Digital Content Distribution) Business

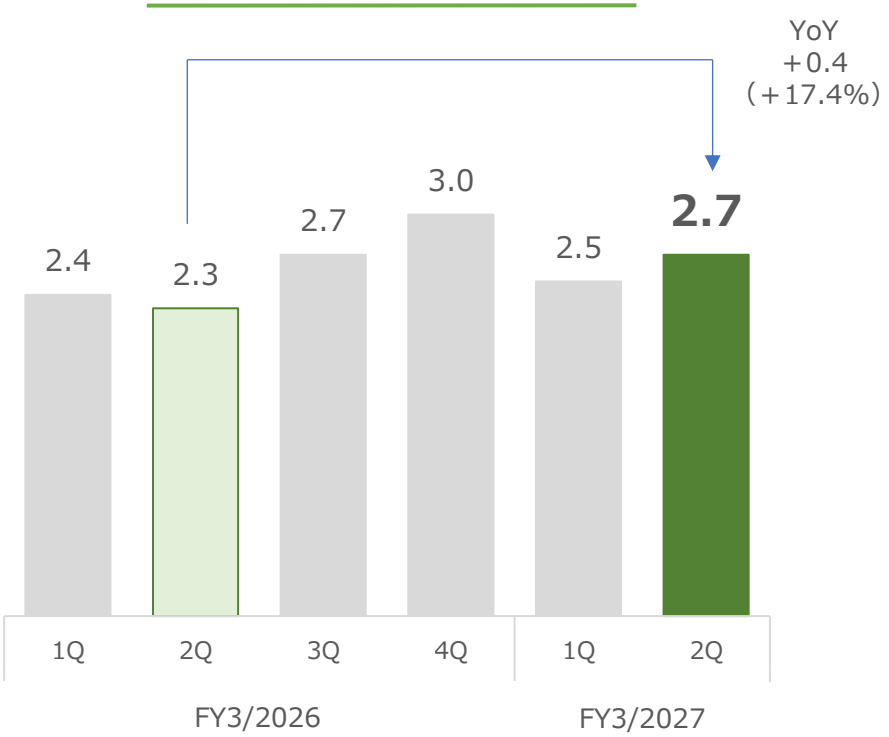
(¥100 million)

	FY3/2026				FY3/2027	
	1Q	2Q	3Q	4Q	1Q	**2Q**
Net sales	25.7	24.7	25.5	27.5	28.2	**27.1**
Operating profit	2.4	2.3	2.7	3.0	2.5	**2.7**

Quarterly Net sales
(¥100 million)



Quarterly Operating profit
(¥100 million)



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Topics ■ DD (Digital Content Distribution) Business

✓ We are currently distributing Miki Matsubara's music, which has become a major hit worldwide. Her signature song, "Mayonaka no Door / Stay With Me," surpassed 500 million cumulative streams on the music streaming service Spotify, making it the tenth Japanese song to achieve this milestone.





Overseas initiatives against the backdrop of the global city-pop boom

DSP Playlist

Pitching to playlists on major distribution platforms・ Increase exposure

Domestic and overseas promotions

Press release for domestic and overseas media Awareness creation

Advertising

Promote streams through targeted advertising on major distribution platforms

Since August 2026, the Company has supported the digital distribution of a total of six titles, including seven songs that had not been available through streaming or download services.

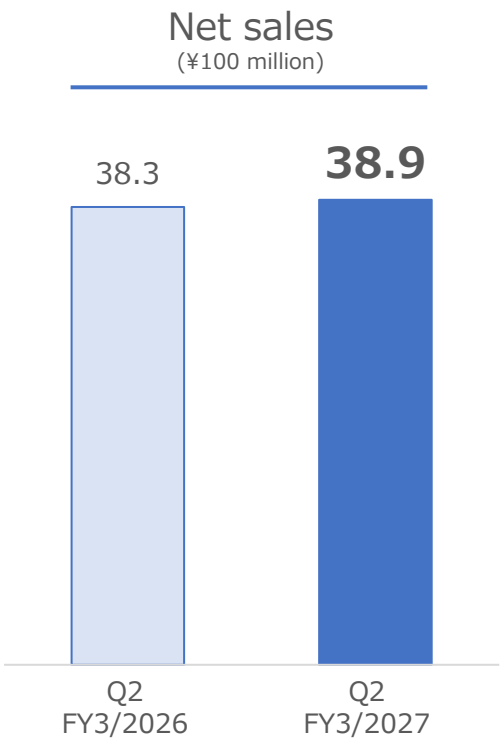
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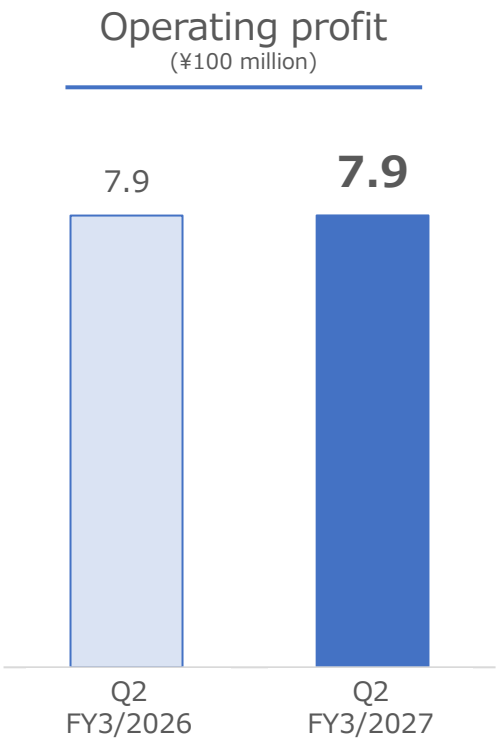
Results by Segment (3/4) ■Digital Music Provider

✓ Steady growth driven by expansion of corporate services such as music distribution to stores, karaoke boxes, and wedding halls.

(¥100 million, unless otherwise stated)

	FY3/2026	**FY3/2027**	YoY		FY3/2026	FY3/2027
	2Q	**2Q**	increase or decrease	percentage change	full fiscal year	full-year Plan
Net sales	38.3	**38.9**	+0.6	+1.5%	77.2	73.0
Operating profit	7.9	**7.9**	±0	-0.1%	15.6	13.0





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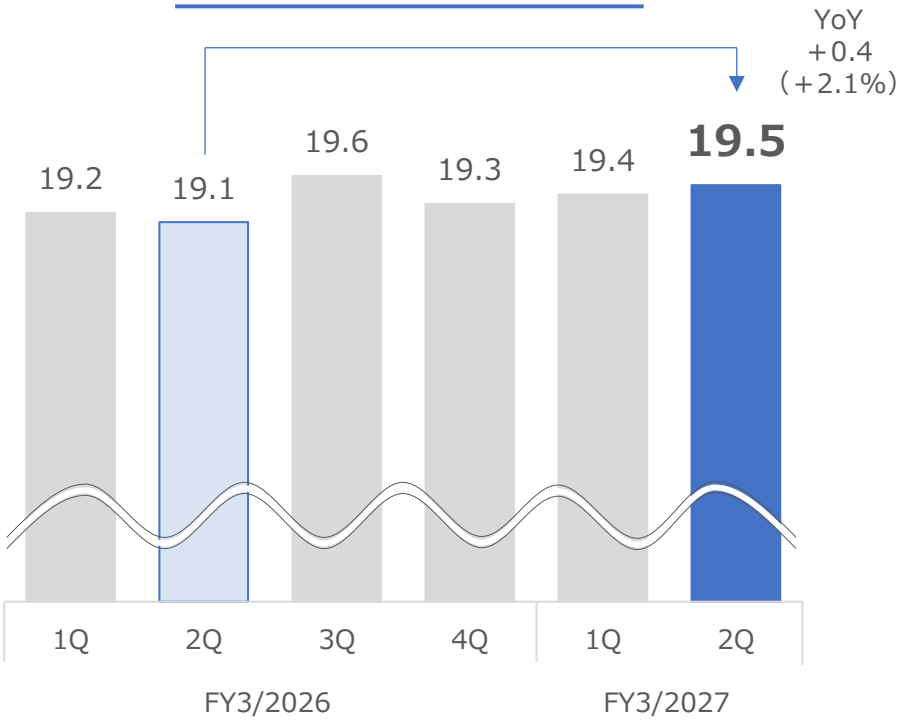
Quarterly Financial Results ■Digital Music Provider

(¥100 million)

	FY3/2026				FY3/2027	
	1Q	2Q	3Q	4Q	1Q	**2Q**
Net sales	19.2	19.1	19.6	19.3	19.4	**19.5**
Operating profit	3.9	4.0	4.0	3.7	3.8	**4.1**

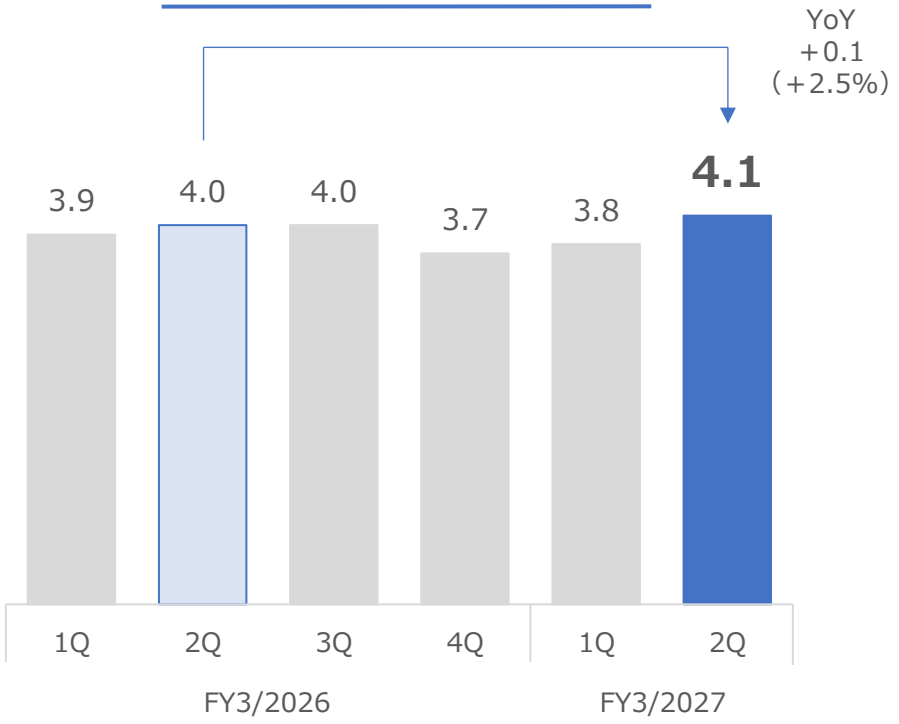
Quarterly Net sales

(¥100 million)



Quarterly Operating profit

(¥100 million)



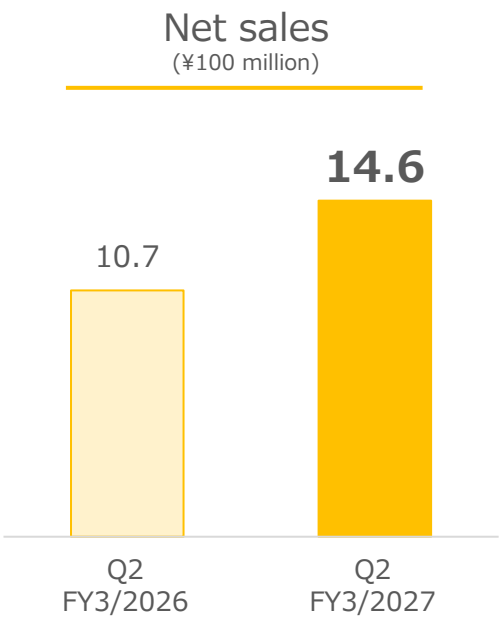
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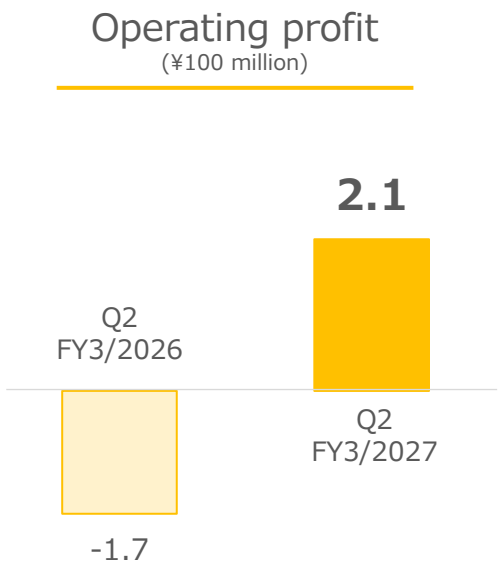
Results by Segment (4/4) ■Business Support

- ✓ Operating profit turned positive with improved profitability, mainly due to the reorganization and transfer of some businesses of Eggs Co., Ltd., a former consolidated subsidiary, as of March 31, 2026.
- ✓ Direct sales and eCommerce in RecoChoku Co., Ltd. Sales and profit increased in YoY due to strong performance in " murket ".

(¥100 million, unless otherwise stated)

	FY3/2026	**FY3/2027**	YoY		FY3/2026	FY3/2027
	2Q	**2Q**	increase or decrease	percentage change	full fiscal year	full-year Plan
Net sales	10.7	**14.6**	+3.9	+36.6%	19.7	24.0
Operating profit	-1.7	**2.1**	+3.8	–	-3.2	1.0





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* Business Support is classified as "Others" in statutory disclosure documents.

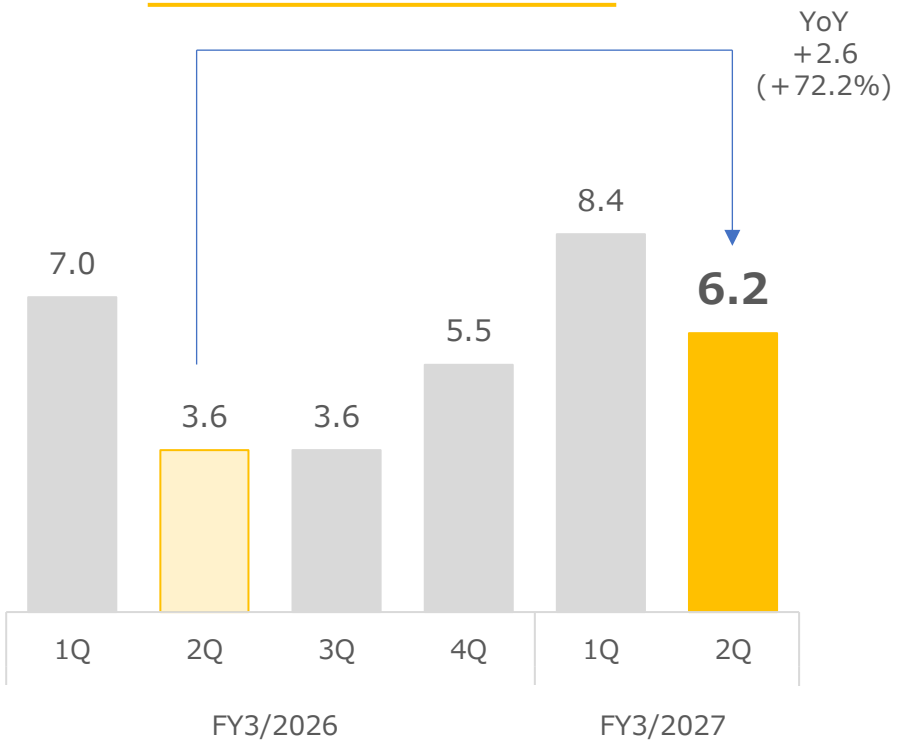
Quarterly Financial Results ■ Business Support

(¥100 million)

	FY3/2026				FY3/2027	
	1Q	2Q	3Q	4Q	1Q	**2Q**
Net sales	7.0	3.6	3.6	5.5	8.4	**6.2**
Operating profit	-0.6	-1.0	-1.3	-0.3	1.4	**0.7**

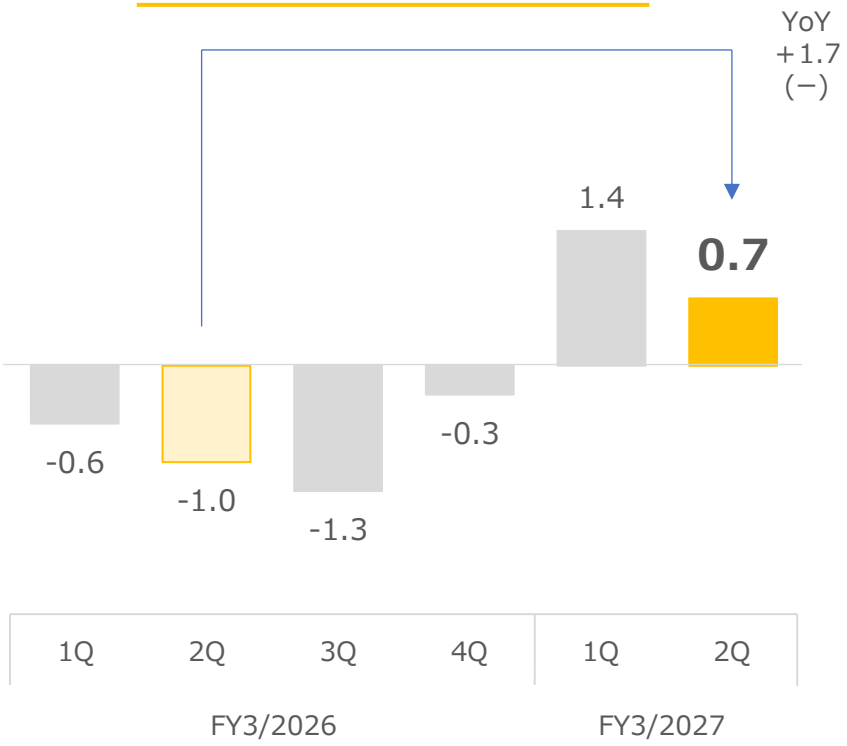
Quarterly Net sales

(¥100 million)



Quarterly Operating profit

(¥100 million)

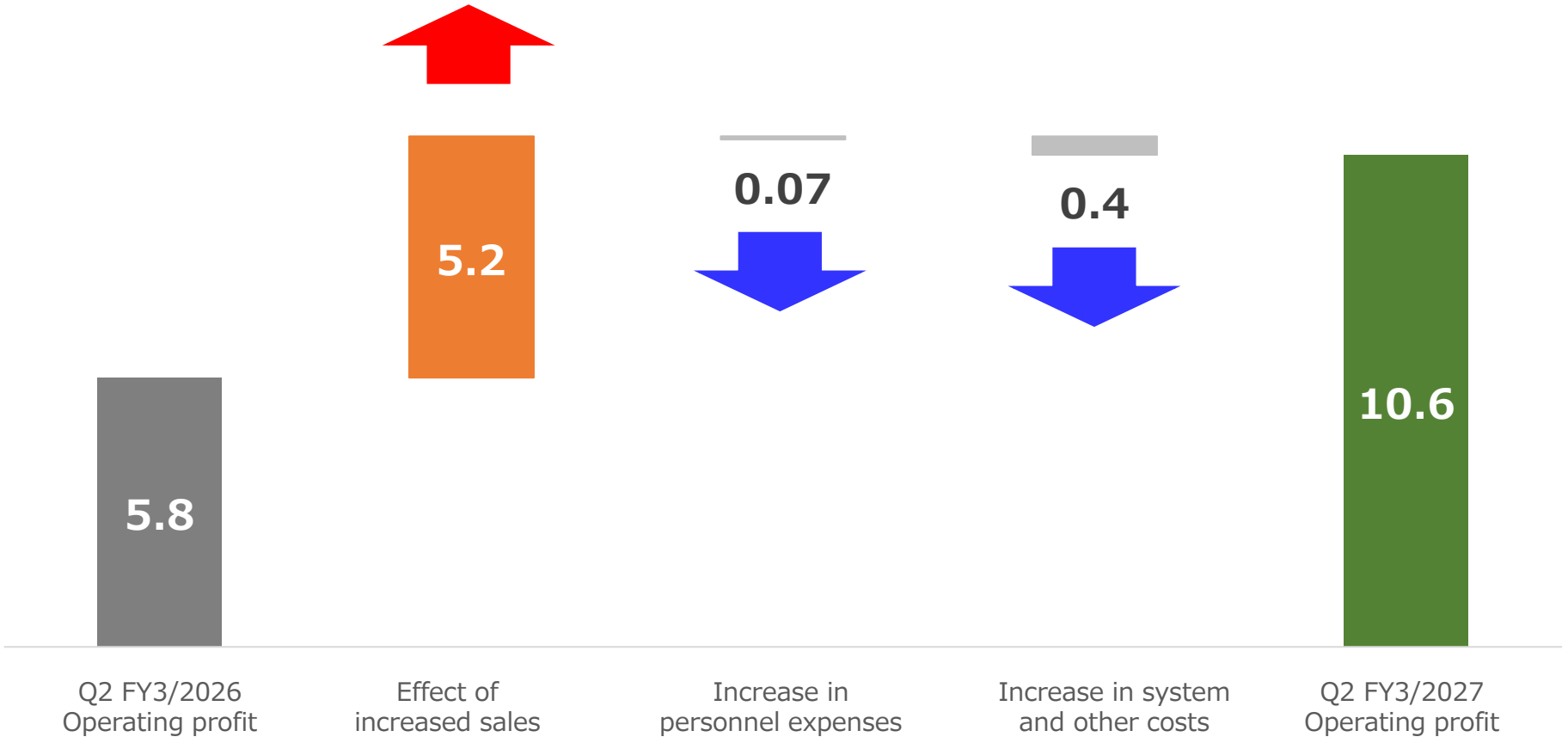


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Factors for Changes in Operating profit

- ✓ Operating profit increased significantly as the effect of increased sales absorbed increases in personnel, system, and other costs.

Factors for Changes in Operating profit (¥100 million)



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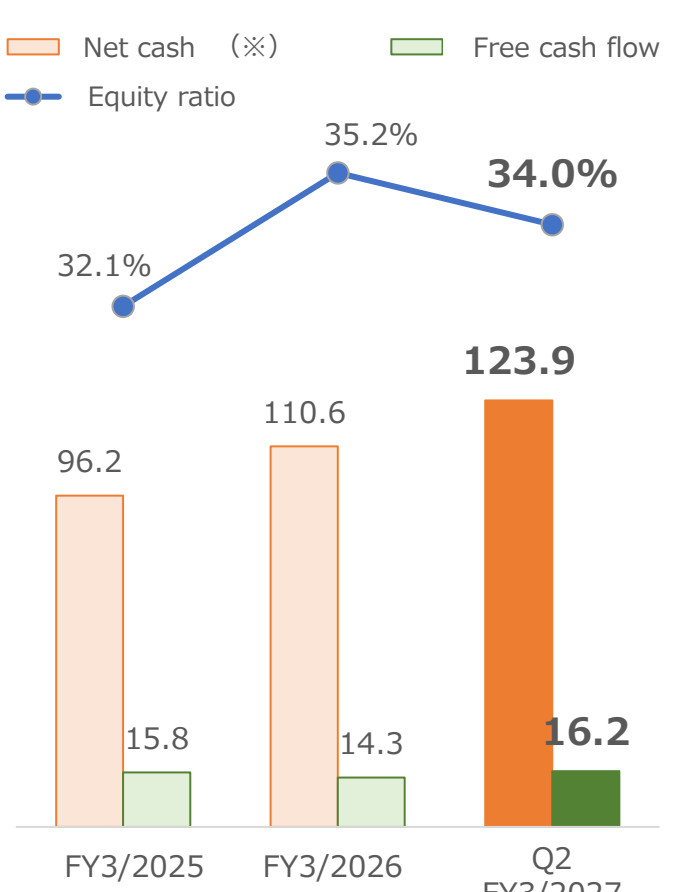
Status of balance sheet

- ✓ Net assets are approximately 7.1 billion yen. Meet TSE Prime Market listing standards for net assets of ¥5 billion or more.
- ✓ Maintained a debt-free balance sheet. Net cash, including funds distributed to rights holders, is approximately ¥12.3 billion. We will continue to consider investments in personnel and systems for growth, investments that will lead to future business expansion and revitalization of the music industry, including M&A, and shareholder returns.

(¥100 million)

	FY3/2025	FY3/2026	2Q FY3/2027	Vs.Prior FY-end
Current assets	122.7	135.0	**148.9**	+13.9
Cash and deposits	96.2	110.6	**123.9**	+13.3
Accounts receivable	17.4	17.2	**19.7**	+2.5
Non-current assets	25.5	23.1	**28.4**	+5.3
Intangible assets	17.8	16.4	**20.6**	+4.2
total assets	148.3	158.2	**177.3**	+19.1
Liabilities	91.1	93.6	**105.8**	+12.2
Trade payables	34.3	32.5	**40.6**	+8.1
Accounts payable	43.3	51.0	**55.0**	+4.0
Net assets	57.1	64.6	**71.4**	+6.8
Total liabilities and net assets	148.3	158.2	**177.3**	+19.1

Changes in Financial Position (¥100 million)



(＊) Including funds distributed to rights holders

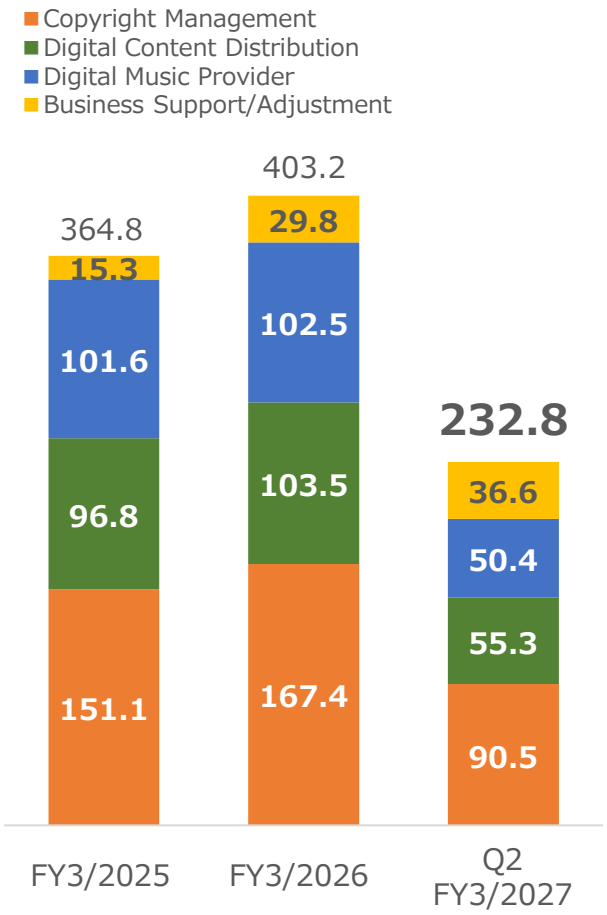
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Medium-term Business Results

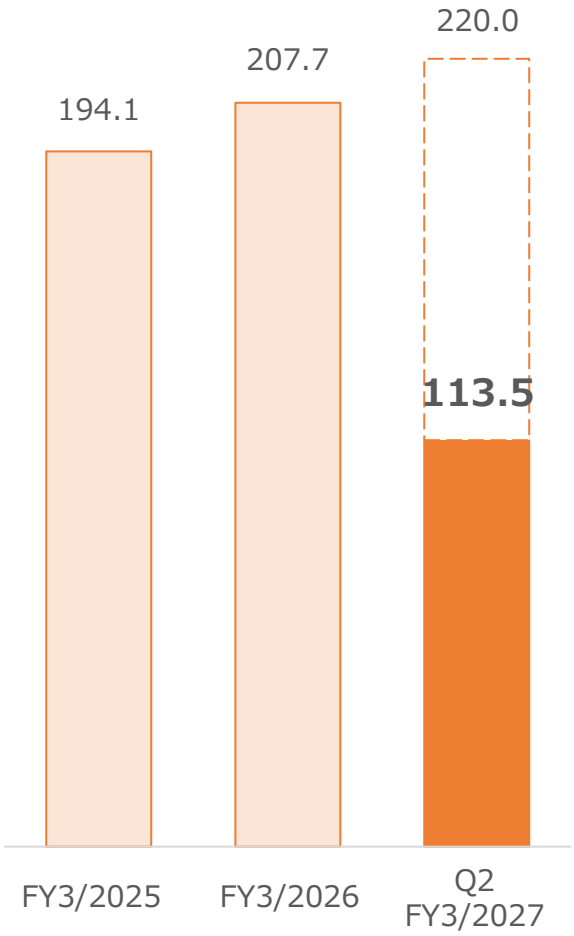
✓ Each businesses continued to grow steadily in transaction volume, reflecting the expansion of music-related market.

Transaction volume (¥100 million)

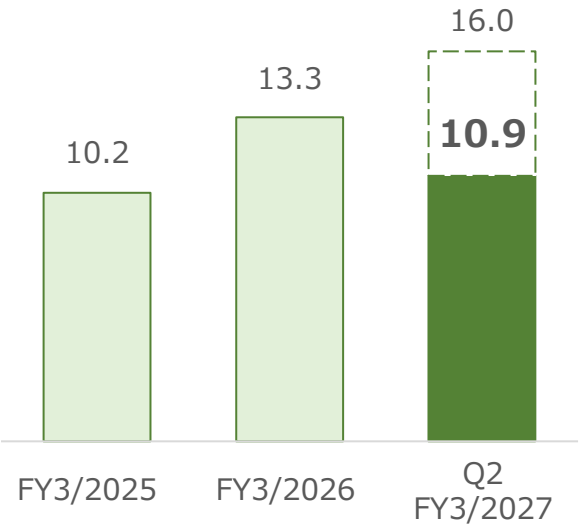
Copyright management: Transaction volume = Amount collected (Only the Company's commission is included in sales.)



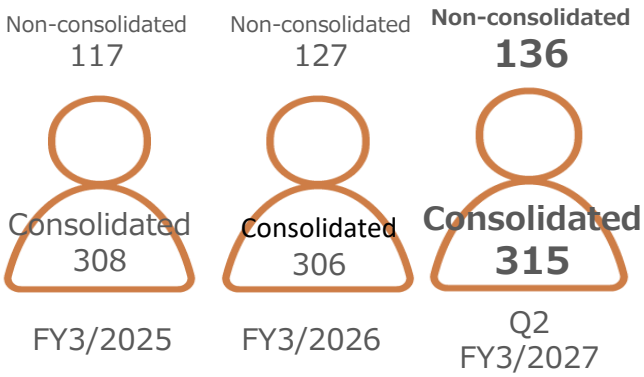
Net sales (¥100 million)



Ordinary profit (¥100 million)



Number of employees (persons)



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Cash allocation

Cash in

Cash and Deposits

Operating CF

Cash out

Strengthening our management base	Invest in human resources and systems that are the source of corporate value
Business investment	Strategic investment in new businesses
M&A	Consider acquisitions that emphasize business synergies
Shareholder returns	Stable and continuous payment of dividends to shareholders (progressive dividends)
Share repurchase	Flexibly consider share buybacks taking into account share price levels, market conditions, cost of capital, and financial capacity.

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Dividend Forecast for FY3/2027

Dividend policy

We recognize that returning profits to shareholders is an important management issue, and our basic policy is to pay dividends commensurate with our business growth on a stable and continuous basis, while securing internal reserves to strengthen our corporate structure and develop our business in the future.

The Company's basic policy is to maintain or increase dividends based on the expansion of business performance, in principle, without reducing dividends.

Dividend per share

Base date	Dividend per share		
	Interim period	end of year	Total
FY3/2027	**¥11.00**	**¥11.00** (Forecast)	**¥22.00** (Forecast)
FY3/2026	¥0.00	¥20.00	¥20.00

(Note) The above dividend forecast is based on information available to the Company as of the announcement date and certain assumptions that the Company deems reasonable.Actual dividends may differ from the forecast due to various factors in the future.

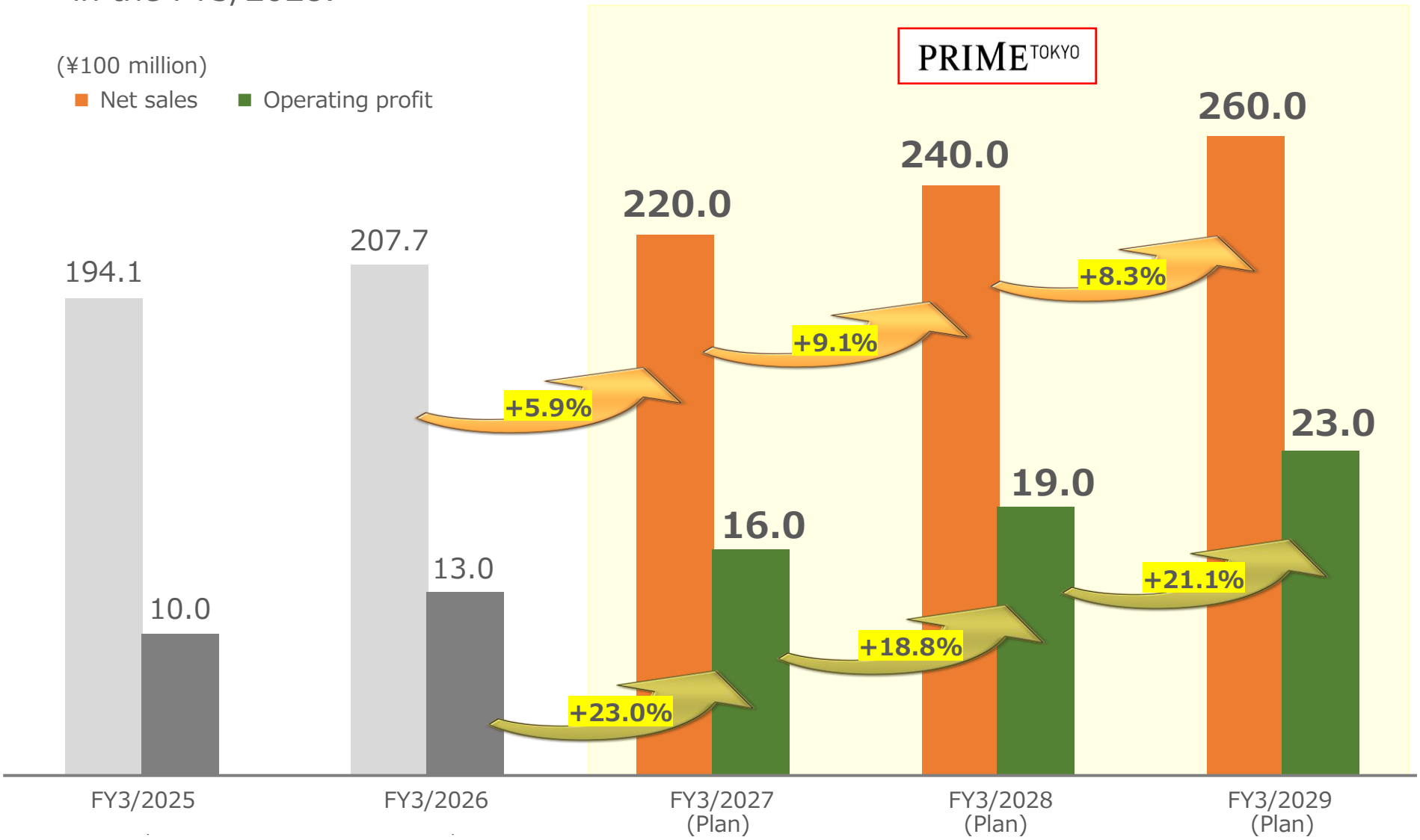
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Medium-term Business Plan (FY3/2027 - FY3/2029)

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Medium-term Business Plan (Consolidated) (FY3/2027 - FY3/2029)

✓ Focus on further expansion of existing businesses, aiming to list in TSE Prime Market in the FY3/2028.



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*The forecast is formulated and announced on a rolling basis every year, taking into consideration the financial results at the end of the fiscal year, changes in the external environment, and other factors.

Medium-term Business Plan (By Segment)

(¥100 million, unless otherwise stated)	FY3/2026	FY3/2027		FY3/2028		FY3/2029	
		Plan	YoY	Plan	YoY	Plan	YoY
Net sales	207.7	220.0	+5.9%	240.0	+9.1%	260.0	+8.3%
Copyright Management Business	16.0	17.0	+6.3%	19.0	+11.8%	21.0	+10.5%
DD Business	103.4	114.0	+10.3%	130.0	+14.0%	143.0	+10.0%
Digital Music Provider	77.2	73.0	-5.4%	69.0	-5.5%	64.0	-7.2%
Business Support	19.7	24.0	+21.8%	30.0	+25.0%	40.0	+33.3%
Reconciling items	-8.6	-8.0	–	-8.0	±0	-8.0	±0
SG & A	40.1	42.0	+4.7%	45.0	+7.1%	47.0	+4.4%
Personnel expenses	24.0	26.0	+8.3%	27.0	+3.8%	28.0	+3.7%
System and others	16.1	16.0	-0.6%	18.0	+12.5%	19.0	+5.6%
Operating profit	13.0	16.0	+23.0%	19.0	+18.8%	23.0	+21.1%
Copyright Management Business	7.0	7.0	±0	8.0	+14.3%	9.0	+12.5%
DD Business	10.4	11.0	+5.8%	13.0	+18.2%	15.0	+15.4%
Digital Music Provider	15.6	13.0	-16.7%	12.0	-7.7%	11.0	-8.3%
Business Support	-3.2	1.0	–	3.0	+200.0%	5.0	+66.7%
Reconciling items	-16.9	-16.0	–	-17.0	+6.3%	-17.0	±0
Operating margin	6.3%	7.3%	+1.0pt	7.9%	+0.6pt	8.8%	+0.9pt
Number of songs under copyright management (10,000 songs)	82.3	97.0	+17.9%	113.0	+16.5%	129.0	+14.2%
Number of master recordings handled (10,000 master recordings)	165.7	176.0	+6.2%	191.0	+8.5%	206.0	+7.9%

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APPENDIX NexTone Company Overview

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Company overview

Company name	NexTone Inc.
Representative	President & CEO Masahiro Anan
Date of incorporation	September 2000 (Changed corporate name to NexTone in February 2016 after merger of eLicense Inc. and Japan Rights Clearance Inc.)
Head office location	Yebisu Garden Place Tower 10F, 4-20-3 Ebisu, Shibuya-ku, Tokyo, JAPAN
Share capital	¥1,218 million (As of March 31, 2026)
Composition of Directors	President & CEO Masahiro Anan President & COO Yuji Arakawa Managing Director Fumihiro Watanabe Director Daisuke Adachi Outside Director Yuko Abe * Outside Director Junki Kosaka * Outside Director Atsuko Ogi * Outside Director Yu Tamura * Full-time Auditor Kazutoshi Watanabe Outside Auditor Nobuyuki Kobayashi * Outside Auditor Toshifumi Oshima * * The Company has designated Ms. Yuko Abe, Mr. Junki Kosaka, Ms. Atsuko Ogi, Mr. Yu Tamura, Mr. Nobuyuki Kobayashi, and Mr. Toshifumi Oshima as Independent Officers as set forth by Tokyo Stock Exchange, Inc.
Description of business	Copyright Management Business / DD Business / Digital Music Provider / Business Support
Net sale	Consolidated: 20,774 million yen (FY3/2026)
Number of employees	Consolidated: 306, Non-consolidated: 127 (As of March 31, 2026) * Excluding part-time workers
Total assets	¥15,827 million (As of March 31, 2026)
Group companies	MCJP Inc. NexTone Systems Inc. RecoChoku Co., Ltd.

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Description of business

- ✓ In addition to the core business of Copyright Management Business, the Group has also developed the DD Business, Digital Music Provider, and Business Support, providing broad support for both Rights holders and Users in the music industry.



Licensing of music works commissioned by copyright holders and collection and distribution of usage fees

Proxy services for Music publishers operations



Provision of music and video content to Music distribution platforms, both in Japan and overseas

Content management service for YouTube



A service that distributes music via the Internet
Digital Music Provider(for individuals)　Download and streaming
Digital Music Provider(for companies)　Video and BGM for stores

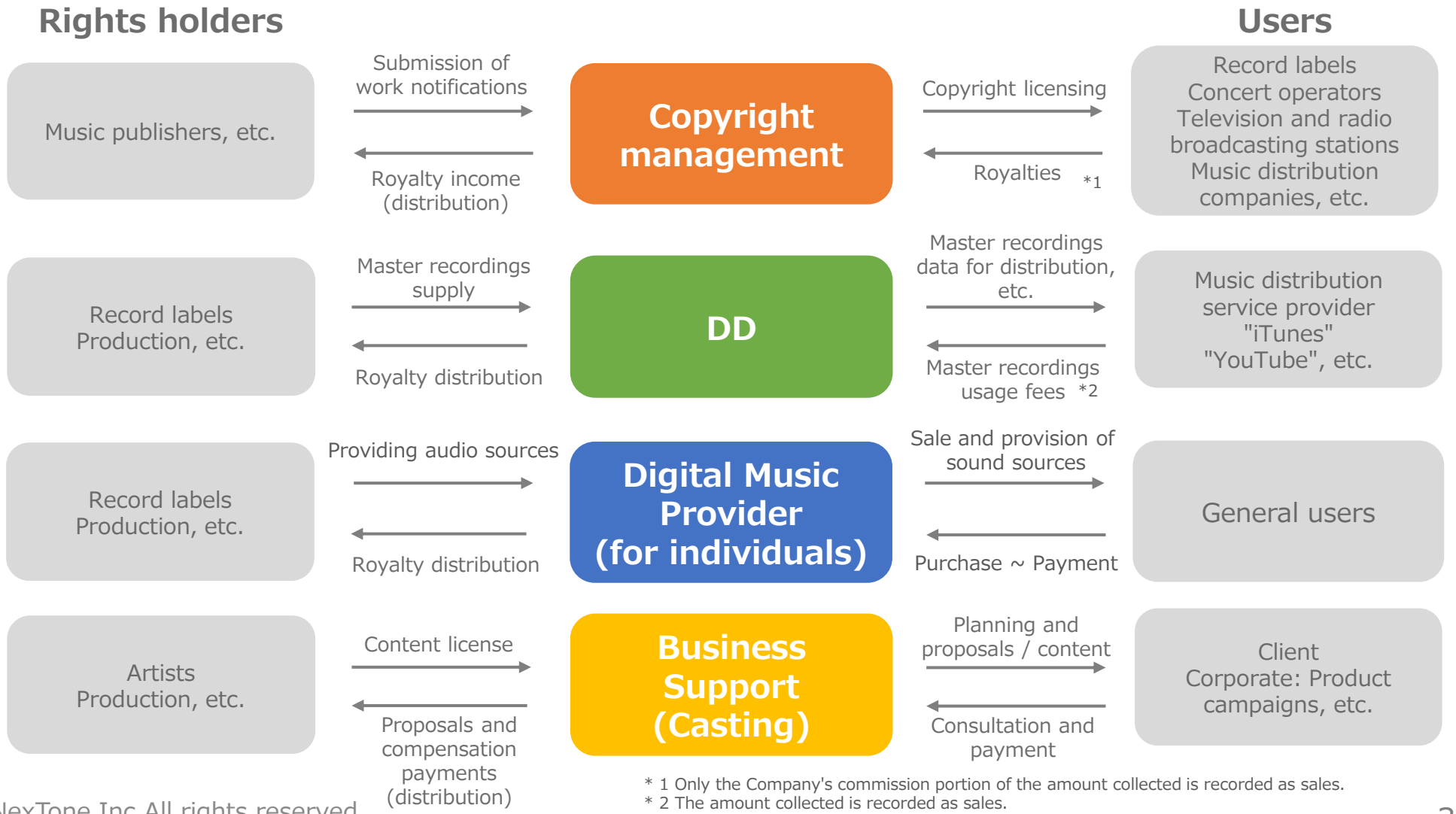


Casting & Promotion Service Business, Reuse Product Business, System Development, Maintenance and Operation Business, Solutions Business, etc

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Business Flow

- ✓ The Company functions as an intermediary agent between right holders and users.
- ✓ We are developing a stock-type business that basically collects usage fees from users and distributes them to content holders and others.



* 1 Only the Company's commission portion of the amount collected is recorded as sales.
* 2 The amount collected is recorded as sales.

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Scope of Copyright Management Business and DD Business

Copyright Management Business

[Managed assets]
Songs
By author
Produced
Music works
"Lyrics" and "Melody"



management

NexTone



Users
"Record labels"
"Concert operator"
"Television and Radio Stations"
"Music distribution business"
To "karaoke operators"
For the use of music works
License, and collect and distribute usage fees

DD Business

[Managed assets]
Master recordings
Depending on the artist
Recorded demonstration
Original content
Sound and Video Data



management

NexTone



Original content
Domestic and overseas
Music distribution service
"iTunes"
"YouTube"
"amazon music" and
"Spotify"
Royalty
Collection and distribution

iTunes is a trademark of Apple Inc. / YouTube is a trademark of Google LLC
Amazon music is a trademark of Amazon.com, Inc. or its affiliates. / Spotify is a registered trademark of Spotify Group.

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Copyright management Business:Time lag between use and sales

- ✓ As shown in the diagram below, there is a time lag of 1Q between the timing of Interactive transmission,Mechanical rights,Publication rights,Lending rights,etc. and the timing of sales recognition.
- ✓ There is a 2Q time lag between Broadcasting and On-line karaoke for business use.

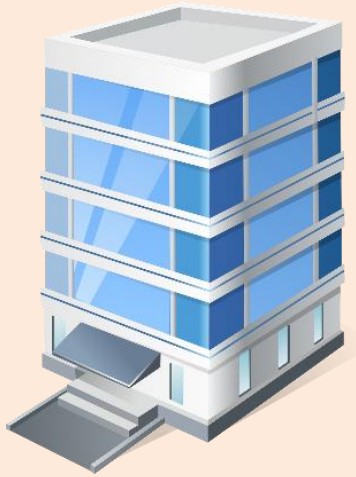
April to June (1Q)
Portion used

Music distribution, CD, etc.



June 30

Music distribution business
Record labels, etc.



Payment in late August
Sales in 2Q

the company

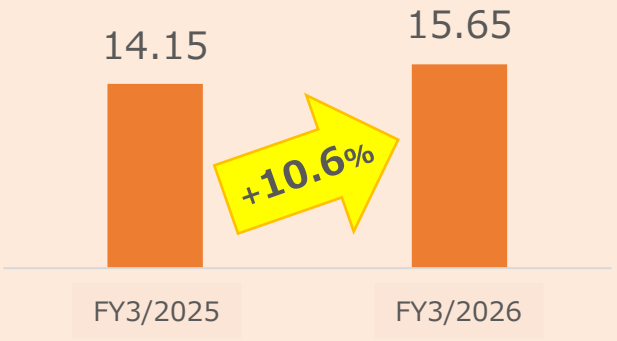
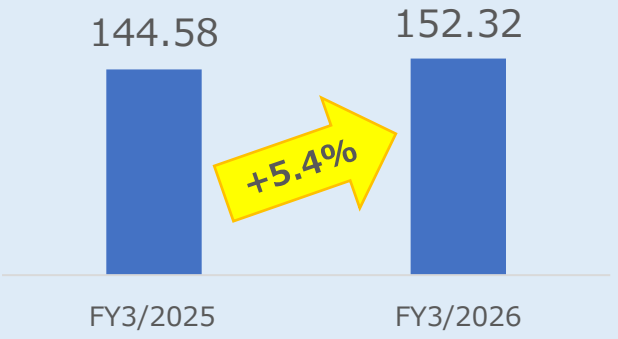
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Comparison with JASRAC

[Characteristics of the Company's Copyright Management]

- ✓ Flexible management that takes into account the wishes of right holders to the greatest extent possible.
- ✓ In addition to providing highly transparent distribution details that show the detailed usage status of managed songs, we provide a distribution analytics tool.

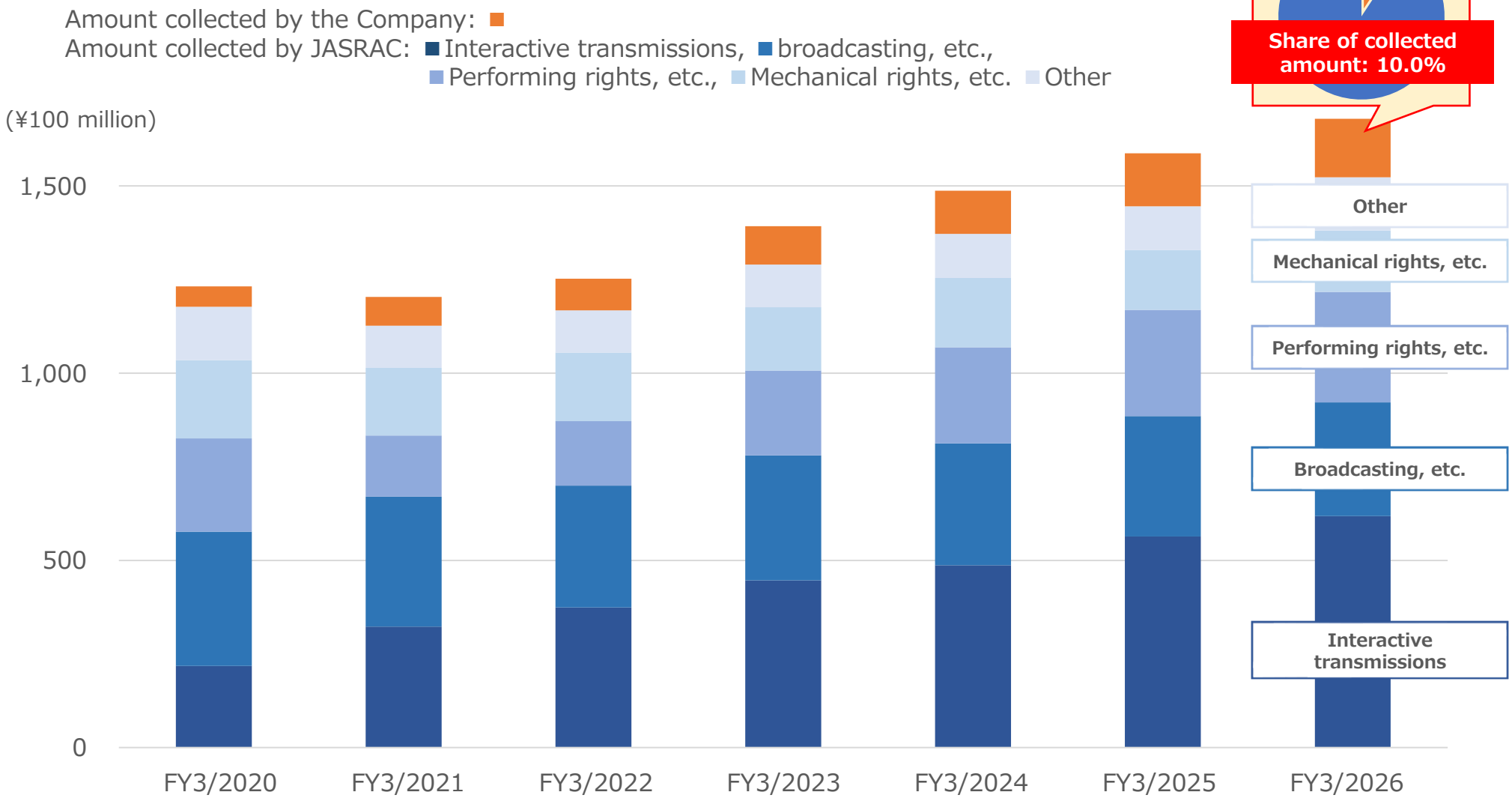
	The Company	JASRAC
Royalty collection (Actual for FY3/2026)	¥15.65 billion ¥16.84 billion (tax included)	¥152.32 billion
Royalty collection changes		
Management method	Mainly digital management	Mixed analog / digital management
Scope of Management of Copyrights, etc.	Other than "Places of entertainment, karaoke performances, etc."	All domains
Settlor type of contract with	Consignment contract <Delegation / Brokerage>	Trust agreement <Copyrights transferred to JASRAC>
Reflecting the will of rights holders	At the discretion of the rights holders Flexible rate changes	It is difficult to reflect the intent of rights holders

(Source) JASRAC collection is JASRAC, Press conference materials for each fiscal year

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Trends in Music Copyright Management Market

✓ Since the COVID-19 pandemic, sales have been on a gradual increasing trend against the backdrop of the expansion of streaming distribution services.



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* The Company share is replaced with a ratio calculated based on a comparison including tax.
(Source) JASRAC collection is JASRAC, Press conference materials for each fiscal year

Characteristics and Strengths 1
The one and only Challenger

- ✓ In 2000, the law was revised and some 20 companies announced they would enter the market.
- ✓ However, all new entrants other than the Company have effectively scaled back their businesses. Currently, the market effectively operates as a duopoly consisting of JASRAC and the Company. System management of data and information related to the daily use of a large amount of copyrights, collection of specific fees, and distribution payment operations are quite burdensome. Barriers to entry are high.

Barriers to entry into the copyright management business

① Copyright management is a low-profit business with commission fees of 5.0% to 9.8%.

② Requires system management capabilities for the enormous and complex data and information related to daily copyright use.

③ Stable and continuous music from leading copyright holders Management outsourcing is required.

With the revision of the law in 2000, more than 20 companies have registered. **Have effectively withdrawn from the market**

We are the only private company in the music copyright management business.
Transition to a two company structure consisting of the JASRAC and the Company

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Characteristics and Strengths 2
Promoters of usage promotion

- ✓ Music usage data will also be used as an important asset to promote usage.
- ✓ Accelerate the speed of music penetration through content provision (DD) and Business support for music distributors using data.

The one and only agent that not only manages music copyrights but also promotes their use



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Characteristics and Strengths 2
Promoters of usage promotion (case study)

Examples of initiatives with the VTuber Group "hololive"

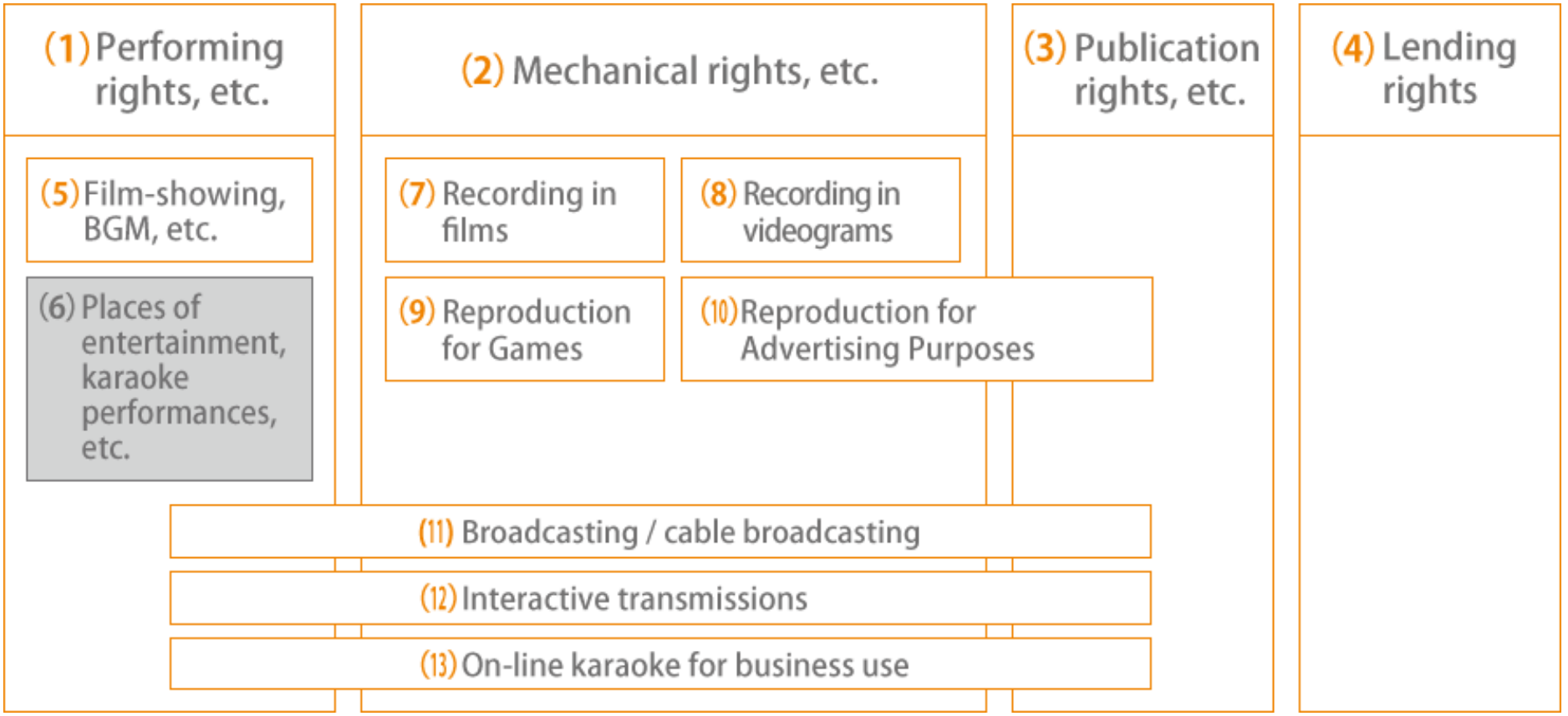


- Copyright management
- Music Publishing Company Business execution
- DD
- Cover Revenue Improvement Project

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Classification of Company management

- ✓ Music copyrights are formed by the four sub-rights <(1) ~ (4)> and the nine usage <(5) ~ (13)>. *
- ✓ As of April 2022, the Company manages all domains except "(6) Places of entertainment, karaoke performances, etc."



* In April 2022, "(5) Film-showing, BGM, etc." and "(6) Places of entertainment, Karaoke performances, etc." were added to the "(1) Performing rights, etc." category.

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Management indicators that are important to management

Business KPIs

◆ Transaction volume of Copyright Management Business (%)
Target: Growth rate of 10% or more
FY3/2026:10.8% increase

◆ Share of royalty revenue (%)
Target: 10% in the medium term, 50% in the long term
FY3/2026:10.0% (share including tax)

◆ Number of songs under copyright management
Target: Increase by 100,000 songs or more every fiscal year
FY3/2026:132,000 songs added, 823,000 songs

◆ Number of master recordings handled (NexTone + RecoChoku)
Target: Increase by 160,000 master recordings or more each fiscal year
FY3/2026: Increase of 187,000 master recordings, 1,657,000 master recordings

Financial KPIs

◆ Net sales (Amount)
Target (FY3/2029): ¥26 billion or more
FY3/2026: ¥20.77 billion

◆ Net sales to the previous fiscal year (%)
Target (FY3/2029): Growth rate of 10%
FY3/2026:7.0%

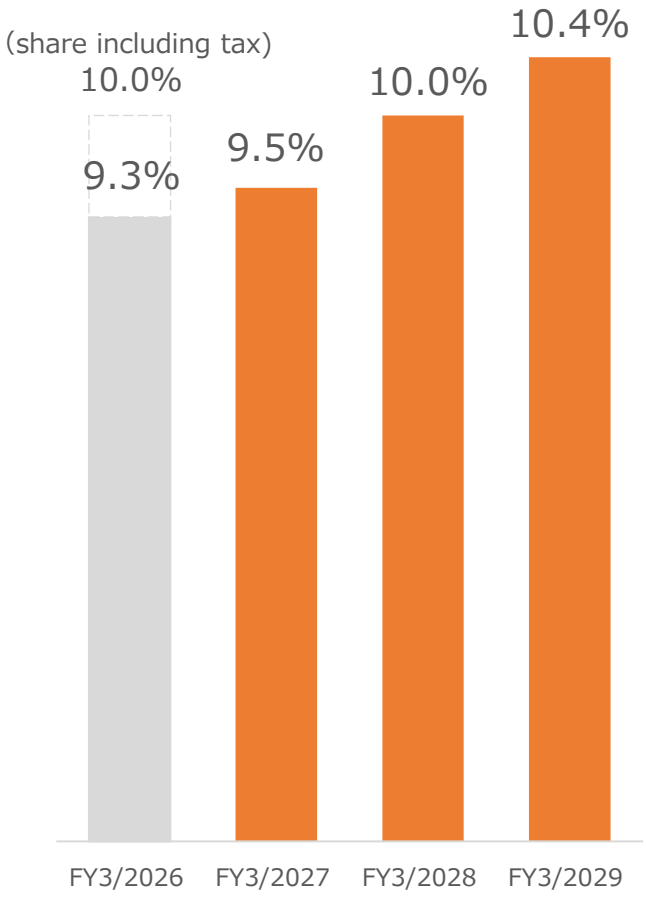
◆ Operating margin (%)
Target (FY3/2029): 9% or higher
FY3/2026:6.3%

◆ Increase in ordinary profit (Amount)
Target (by FY3/2027): Satisfy the TSE Prime Market standard
(Total of ¥2.5 billion over two years)
FY3/2026: ¥1.33 billion

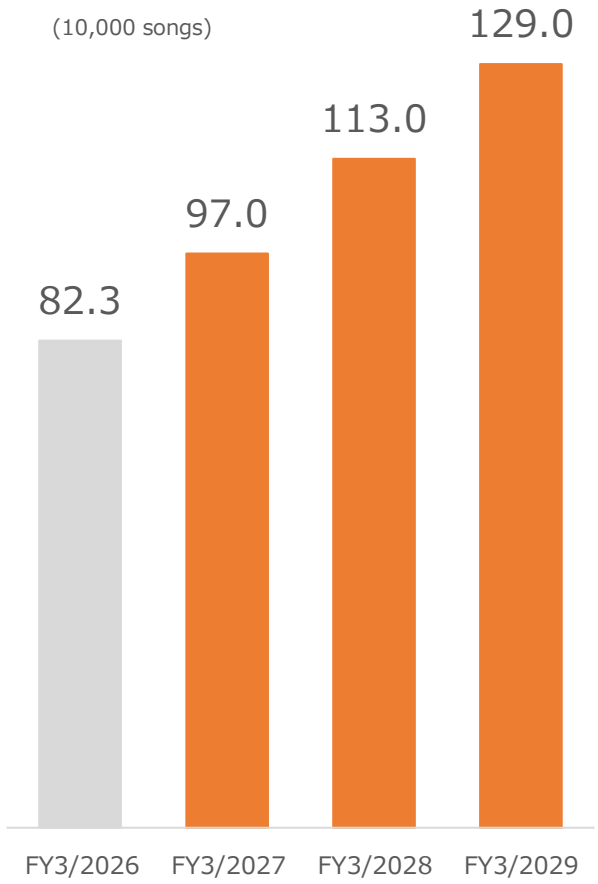
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* In line with the changes to the Medium-term Business Plan, the Company has reviewed its KPIs.

Expansion plan for business KPIs

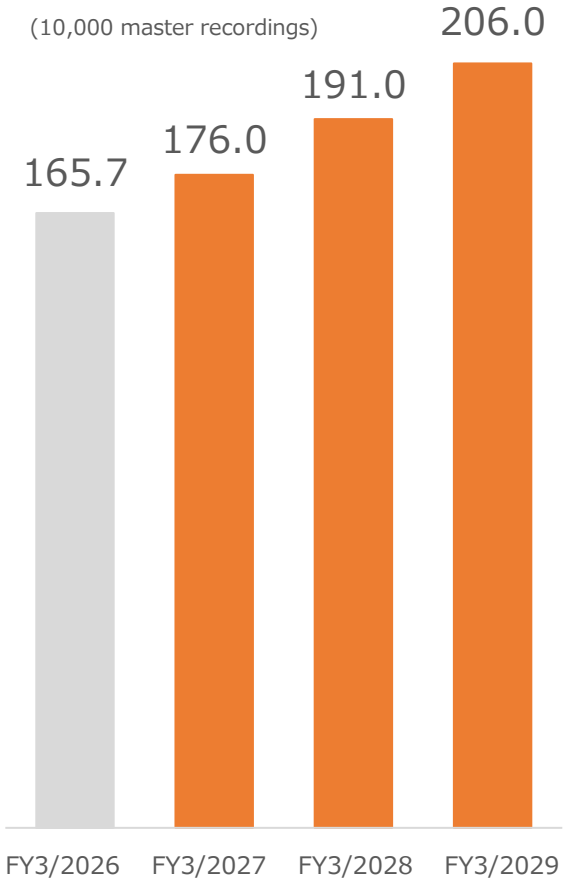
◆ Share of royalty revenue (%)
Target: 10% in the medium term, 50% in the long term



◆ Number of songs under copyright management
Target: Increase by 100,000 songs or more every fiscal year



◆ Number of master recordings handled
Target: Increase by 160,000 master recordings or more each fiscal year



* Market share from FY3/2027 onward is the share of JASRAC royalties. Calculated on the assumption that the amount collected will increase by 6% year-on-year. Since the Transaction volume of the Company was calculated at the amount excluding tax when this plan was formulated, the amount will be calculated and announced at the amount including tax when the next plan is formulated.

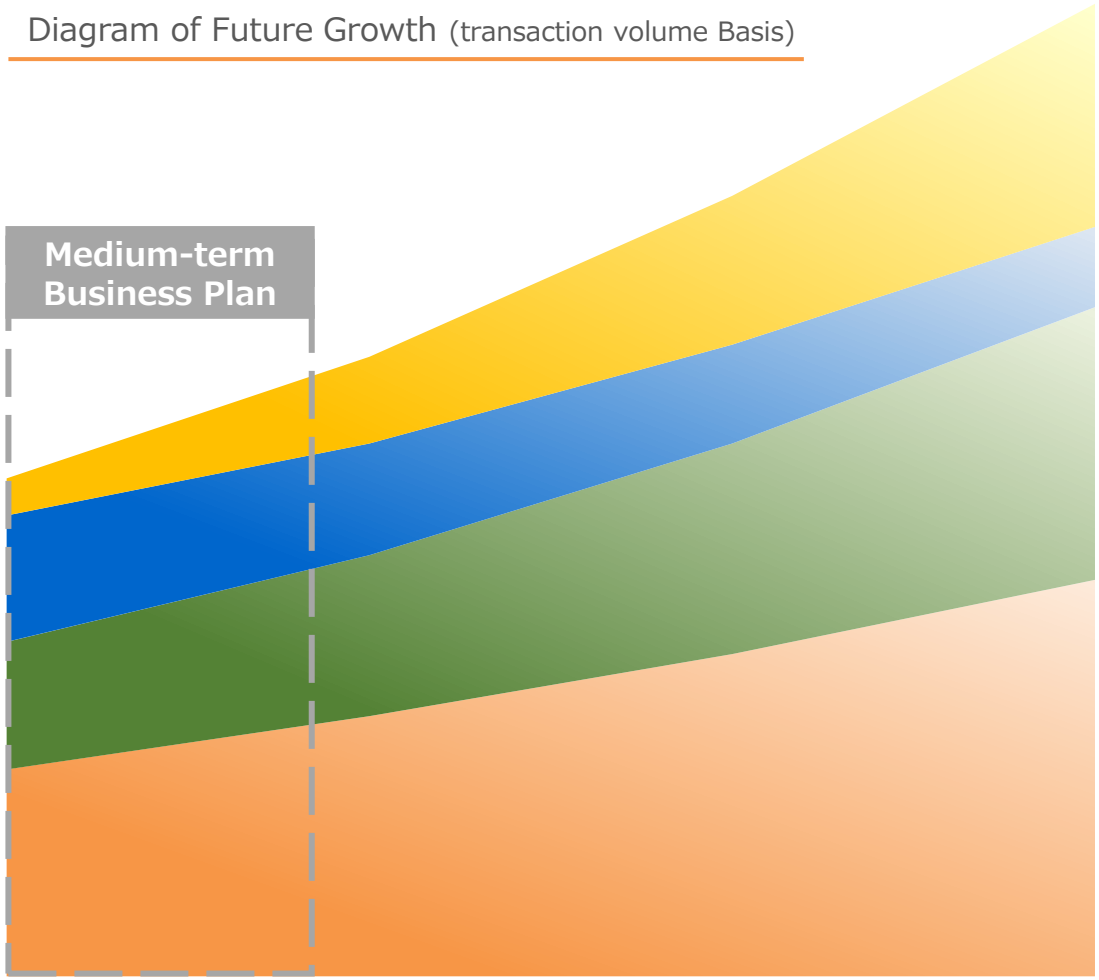
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Future Growth Strategy

Core domains driving growth × Strategic domains creating the future

Aim to maximize medium - to long-term corporate value by "accelerating growth in core businesses" and "creating a new revenue base."

Diagram of Future Growth (transaction volume Basis)



Business Support

(1)Strengthening live viewing
(2) Development of new services

Digital Music Provider

Expand for companies

DD

(1)Continue to approach overseas markets

(2)Strengthening YouTube-related business

Copyright management

(1) Acquiring management contracts for songs of leading new artists
(2) Expansion of overseas collection
(3)Enter the karaoke performance management market Realized and managed all segments
(4) Entrusted management of idol-type songs

New Revenue base
Strategic domains

Driving growth
Core Business Areas

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Sustainability Initiatives / Human Capital Policy

Sustainability Policy

As the one and only agent playing the sound of the next generation, the NexTone Group continually expands the business of managing and promoting the use of music copyrights and the business of supporting rights holders and creators to ensure the appropriate collection and distribution of music copyright licensing fees and support, thereby contributing to the creation of a rich society, further development of the music culture and industry, and realization of a sustainable and better society.

Environment **Social** **Governance**

Materiality		
Promotion of DX	Sustainable development of music culture and the music industry	Highly reliable system
	Development and utilization of human resources	Strengthening governance

Indicators related to human capital (as of March 31, 2026)			
Indicators	**Non-consolidated**	**Consolidated**	**Targets**
Ratio of women in managerial positions	26.2%	24.4%	FY2026:30% or more
Gender pay gap (Note)1	73.3%	74.3%	FY2026:75% or more
Male employees taking childcare leave	100%	71.4% (Note)2	75% or more
Paid leave utilization rate (Note)3	50.2%	41.8%	FY2026:60% or more

(Notes)
1. In calculating the gender wage gap, employees on leave of absence and temporary employees (employees working less than 20 hours per week) are excluded from the calculation of average salary, etc.
2. Some group companies have adopted flexible working systems, such as flextime systems and telecommuting, to enable each company to balance childcare and work. We encourage employees to work in a comfortable and comfortable environment.
3. The number of paid leave days taken includes the number of paid leave days carried over from the previous fiscal year. The ratio of paid leave use excluding carried-over days is 78.8% on a non-consolidated basis and 70.4% on a consolidated basis (as of March 31, 2026).

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APPENDIX RecoChoku Company Overview

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RecoChoku Company Overview

Company name	RecoChoku Co., Ltd.
Mission	Maximize the revitalization of the music market
Vision	Design a new relationship between people and music.
Incorporation date	July 2001
Share capital	¥100 million
Major Shareholder	•NexTone Inc. •AVEX ENTERTAINMENT CO., LTD. •Sony Music Entertainment (Japan) Inc. •Victor Entertainment Co.
Representative	President & Representative Director Toru Itabashi
Transaction volume / Net sales	Transaction volume: ¥14,045 million / Net sales: ¥8,891 million (FY3/2026) * Consolidated with Eggs Co.,Ltd.
Number of employees	179 people (As of March 31, 2026)
Description of business	•Digital Music Provider (for individuals, for companies) •Content distribution Business •BPO Business

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RecoChoku's Business

Digital Music Provider

A la carte



Streaming



Content distribution Business

音×楽 OTORAKU

RecTV for Biz

WEDDING MUSIC BOX

レコチョク play

Distribution for businesses

FLAGGLE

Distribution for DIY

EggsPass

New product

PlayPASS PAK　PITNE

BPO Business

Direct sales e-commerce

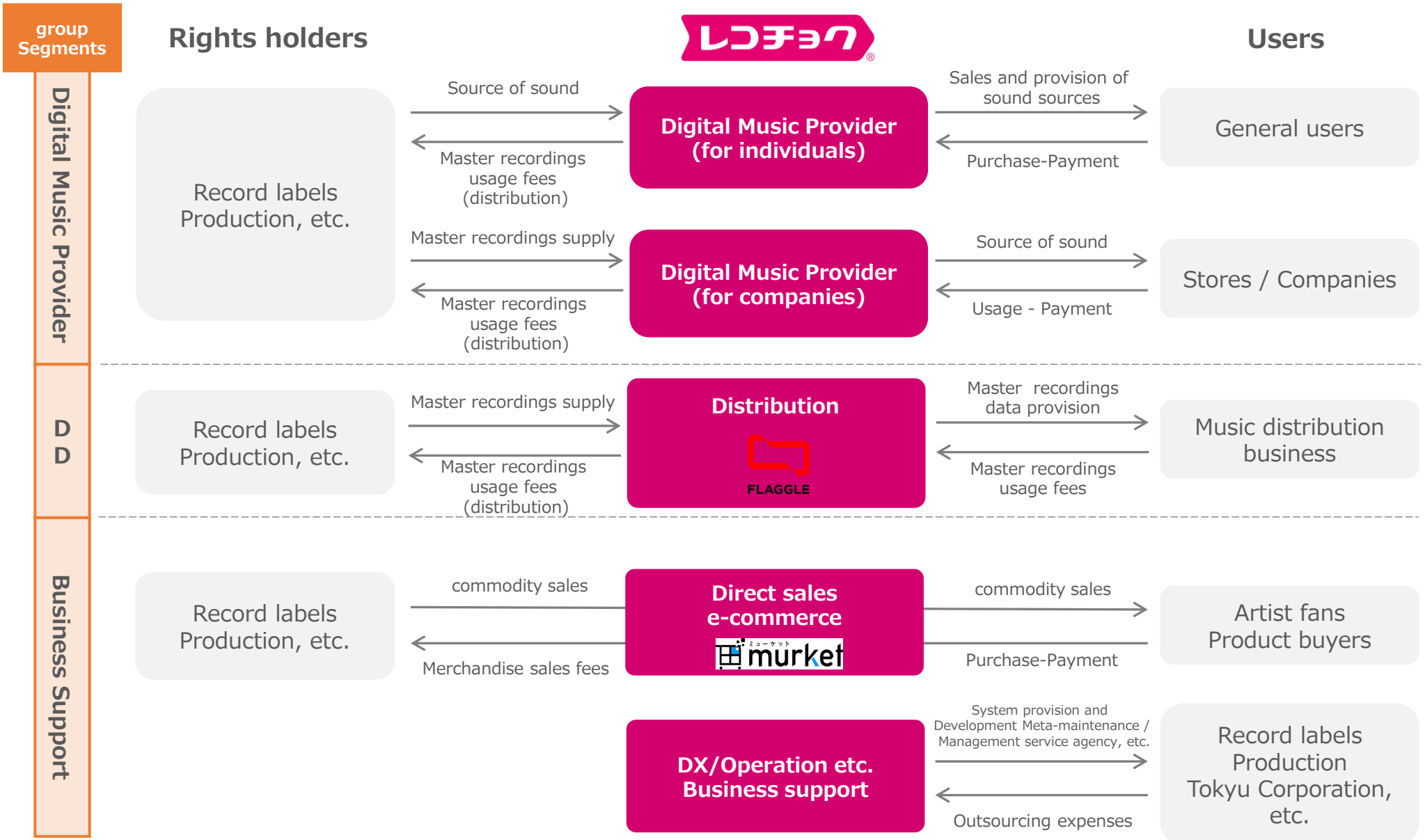
murket

DX/Operation etc.
Business support

Eggs
Business outsourcing

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Business Flow

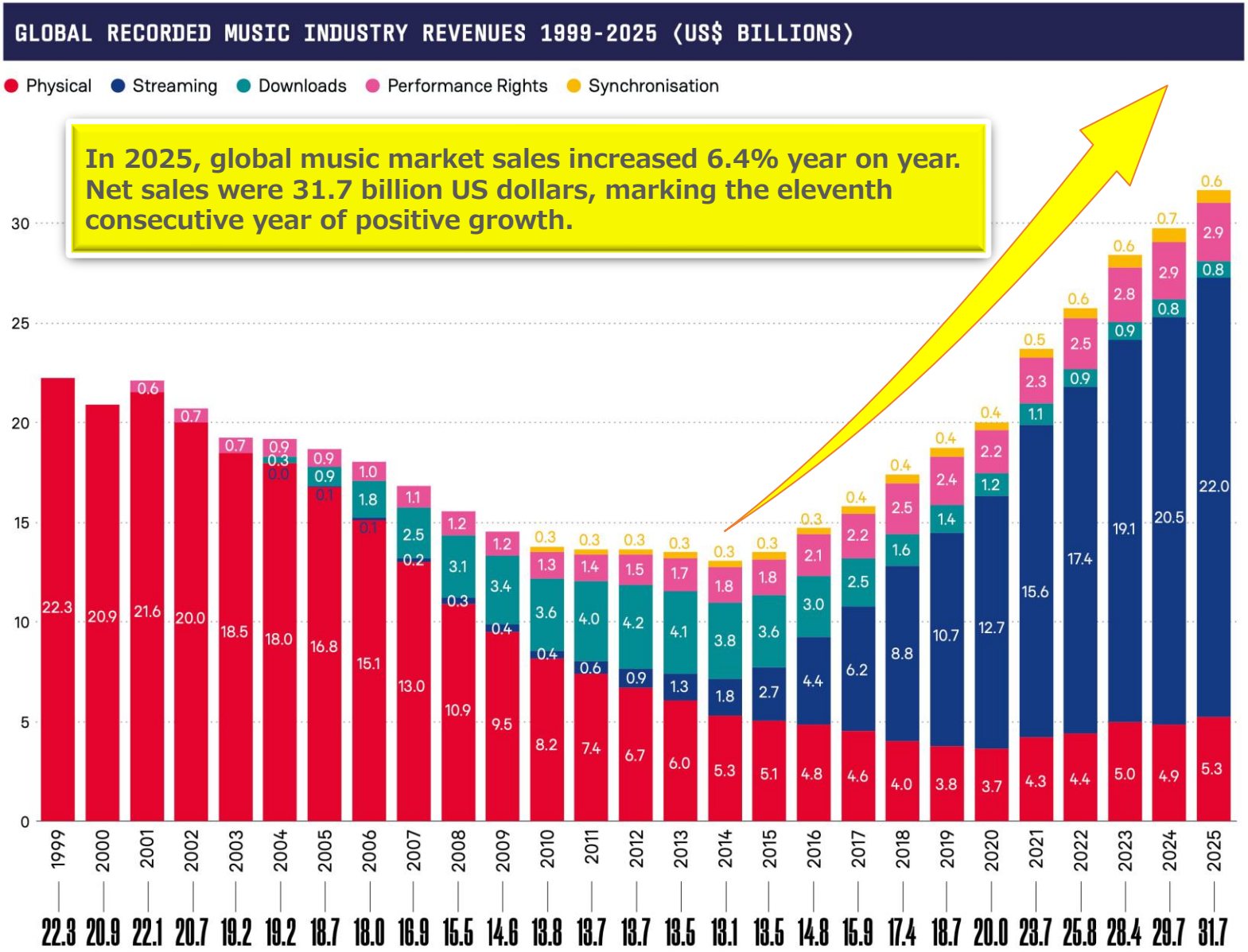


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APPENDIX Related Market Data

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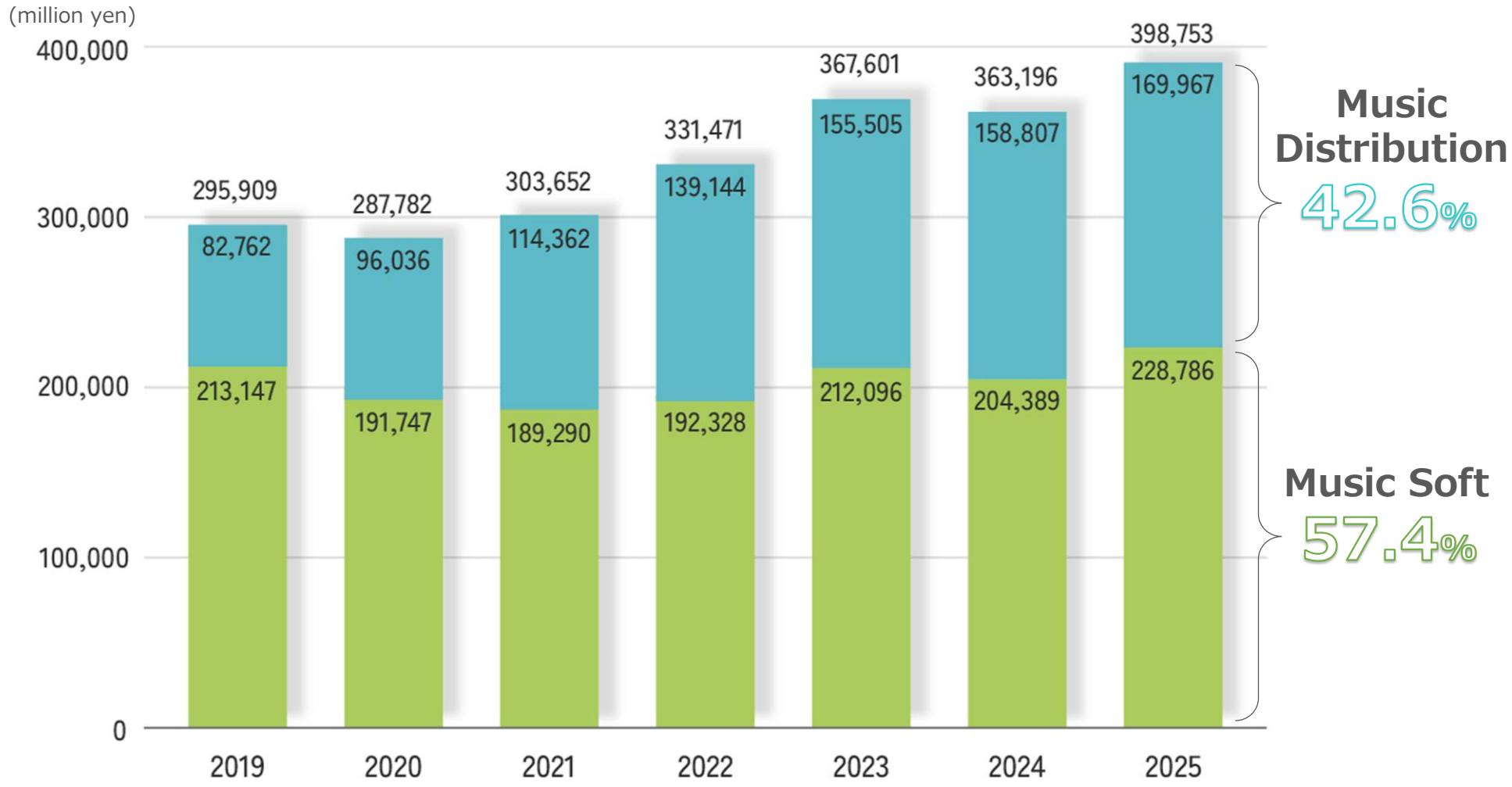
Global Music Market Sales



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Changes in Music Soft Production and Music Distribution Sales in Japan

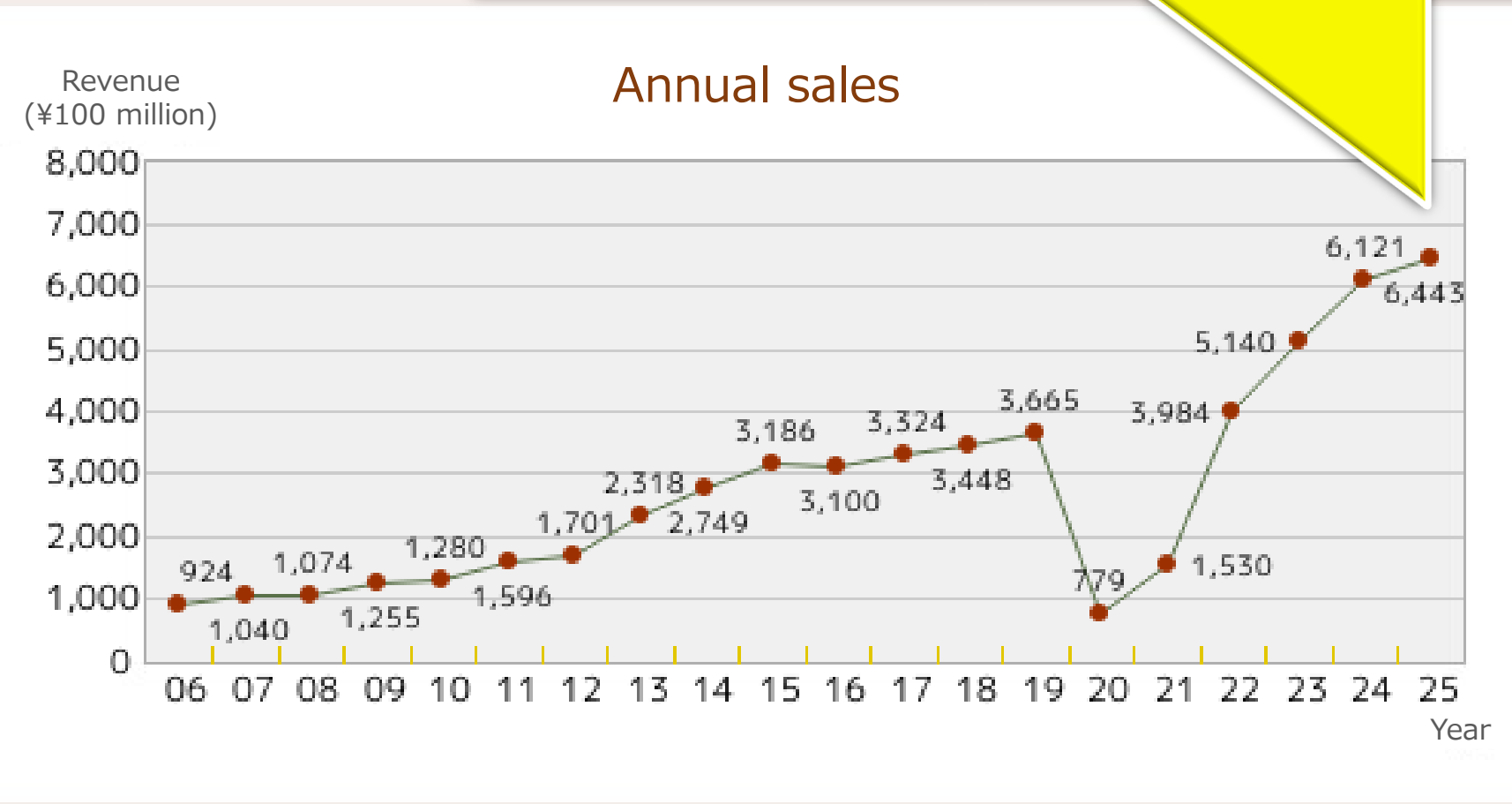


Information published by The Recording Industry Association of Japan

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Annual sales of live music concerts in Japan

The market trended upward driven by an increase in the number of performances and attendance, supported by the launch of new arenas and large-scale concerts by international artists.



Information published by ALL JAPAN CONCERT & LIVE ENTERTAINMENT PROMOTERS CONFERENCE

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Notes to Plan

The forward-looking statements in this document, including earnings forecasts, are based on information currently available to the Group and on certain assumptions deemed reasonable. They are not guarantees by the Company of future performance. Actual results may differ materially from those expressed in forward-looking statements due to a variety of factors.

< We are sharing information about music copyright and our company's business. >

NexTone official note

For IR-related Q&A, please click here.

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