



Third Quarter of the Fiscal Year Ending September 30, 2021

Financial Highlights

Amvis Holdings, Inc.

August 12, 2021

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Upwardly Revised Full-Year Forecasts Given Utilization Rate Hovers Near-Record High



Upward Revisions to FY21 Performance Forecasts

Q3 YTD Operating Profit (Actual)

JPY 2.5bn

(Progress toward full-year forecast:
75.0%)

Q3 YTD Net Profit (Actual)

JPY 1.8bn

(Progress toward full-year forecast:
75.5%)

Full-Year Operating Profit (Forecast)

JPY 3.3bn

(vs. previous forecast: +JPY 0.7bn)

Full-Year Net Profit (Forecast)

JPY 2.3bn

(vs. previous forecast: +JPY 0.5bn)

Note :
FY21 refers to the fiscal year ending September 30, 2021.

- The utilization rate at existing facilities was at near-record high levels (87.8%), surpassing our target for stable operations (80-85%). Utilization rate at new facilities was also favorable. As a result, Q3 YTD performance progressing greatly against previous forecasts.
 - ✓ Net sales: JPY 10.7bn (progress toward previous forecast: 74.4%)
 - ✓ Operating profit: JPY 2.5bn (progress toward previous forecast: 96.0%)
 - ✓ Net profit: JPY 1.8bn (progress toward previous forecast: 97.3%)
- Full-year performance forecasts for FY21 upwardly revised given Q3 YTD results above previous forecasts announced on February 1, 2021.
 - ✓ Favorable start-up of new facilities opened in FY21 and an appropriate personnel structure depending on utilization rates largely contributed to Q3 YTD performance.
- In the first 3 quarters, we opened 12 new facilities and expanded 1, as planned. As a result, we had 41 facilities (1,925 beds) as of June 30, 2021.
 - ✓ FY21: We opened 1 facility in Fukushima in July, and the number of facilities is 42 (1,977 beds). In Q4, we are focusing on reinforcing our operating structures by opening just 1 facility.
 - ✓ FY22: We have already announced plans to open 11 facilities, which achieved our target of opening around 10 new facilities each year according to our three-year plan “Amvis 2023”. We plan to steadily release further information once launch plans have been clarified.
- Despite COVID-19, we have managed to minimize the number of infections and create a robust healthcare system centered on nurses. Consequently, we are contributing toward the realization of community-based medical care by accepting patients with high medical dependency.
 - ✓ Successfully opened facilities in all prefectures in the Tohoku region by aggressively opening facilities in regions where it should be difficult to open new facilities for others.

Note :

From FY21, we have changed the accounting policy for non-deductible consumption tax. In the following pages, financial figures for FY20 have been retrospectively adjusted to reflect this change.

For details, please refer to the FY21 Q3 Financial Summary (Kessan Tanshin) Appendix, “2. Quarterly Consolidated Financial Statements and Principal Notes, (3) Notes to Quarterly Consolidated Financial Statements (Changes in Accounting Policies)”

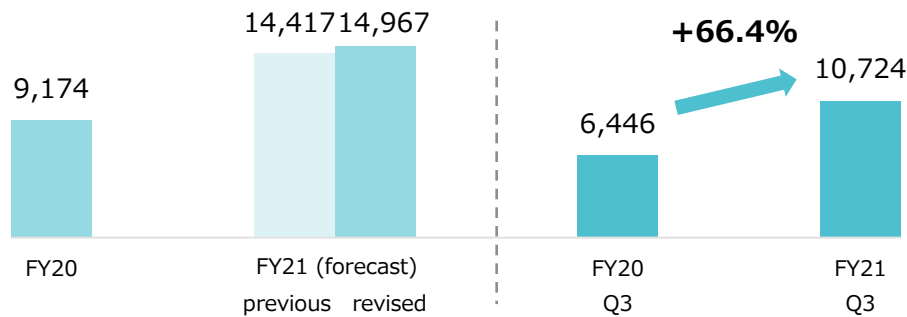
Q3 YTD Performance and Progress Toward FY21 Forecasts Amvis

- Net sales increased significantly compared to Q3 YTD of FY20 as the number of bed capacity increased by 73%.
- Despite the increase of personnel numbers to fight COVID-19, operating profit and net profit doubled from Q3 YTD of FY20 as a result of an appropriate personnel structure depending on utilization rates.

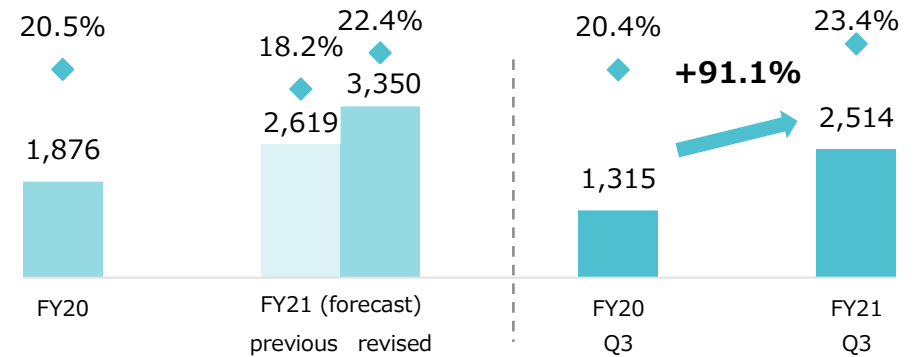
Progress Toward FY21 Forecasts

Net Sales

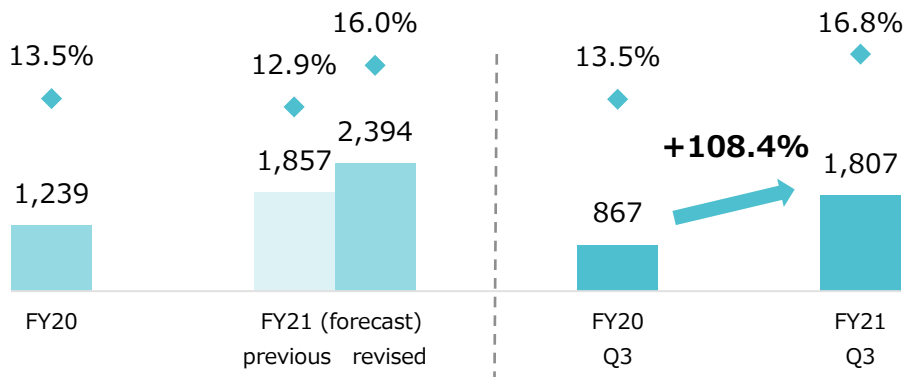
(JPY MM / %)



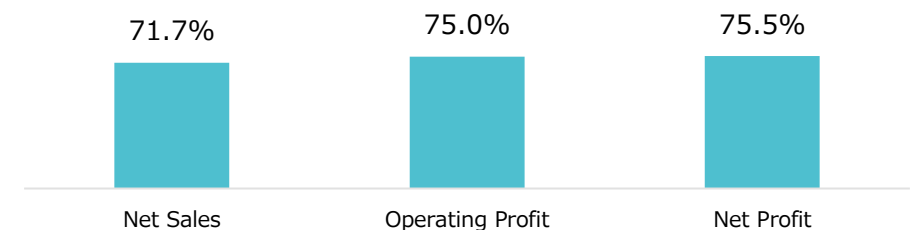
Operating Profit



Net Profit



Progress Toward Revised Forecasts



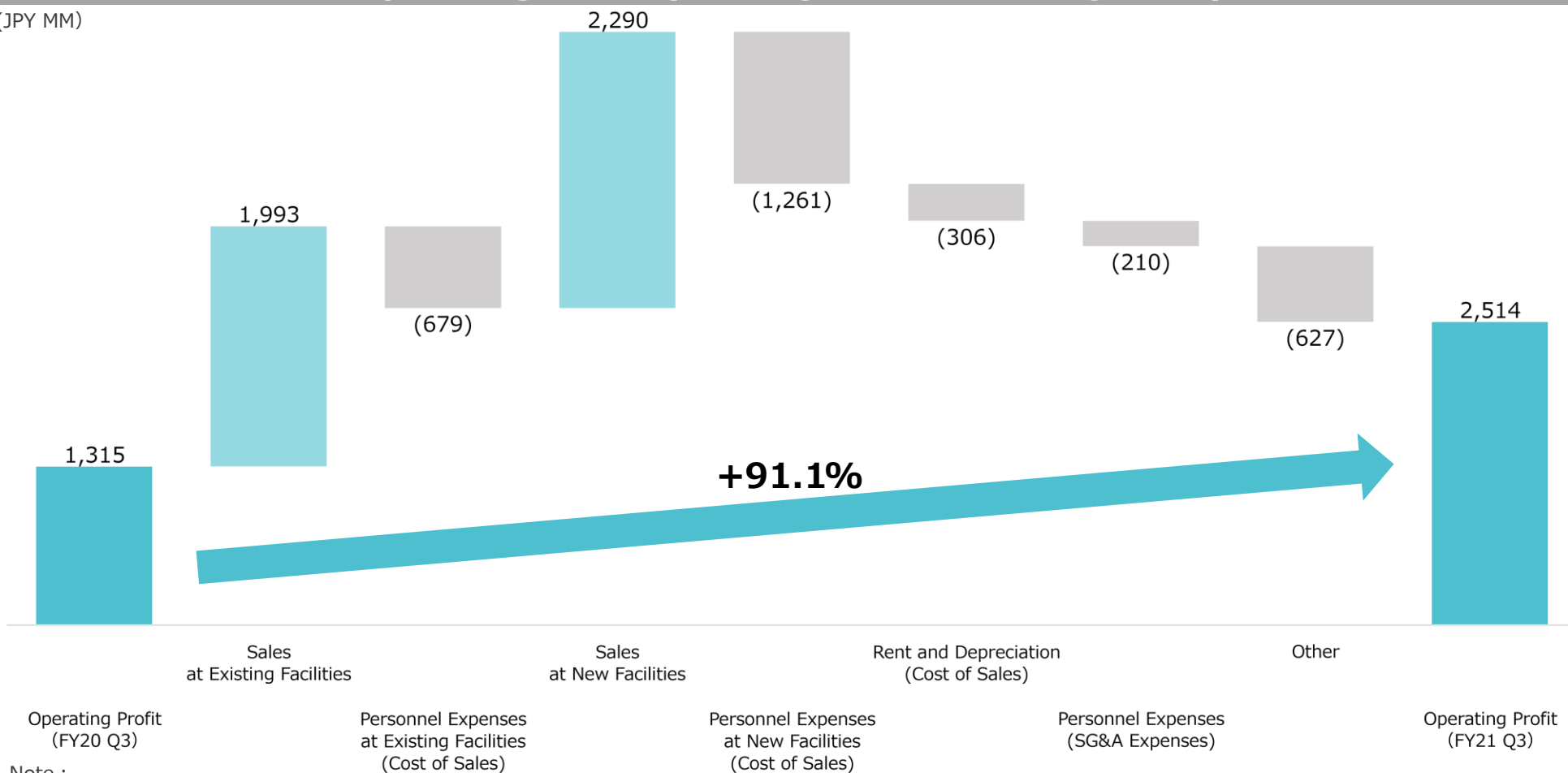
◆ : Percentage of Net Sales

Q3 YTD Operating Performance: Operating Profit

- Utilization rate at existing facilities exceeded our target for stable operations (80–85%), and utilization rate at new facilities continued to be favorable (50–55%) ⁽¹⁾.
- Operating profit rose in proportion to increases in the number of facilities and bed capacity (26 facilities as of June 30, 2020; 41 facilities as of June 30, 2021).

Operating Profit (FY20 Q3 YTD – FY21 Q3 YTD)

(JPY MM)



Note :

1. New Facilities : Opened after Q3 of FY20 (same applies on the following pages) / Utilization Rate : median (as of June 30, 2021)

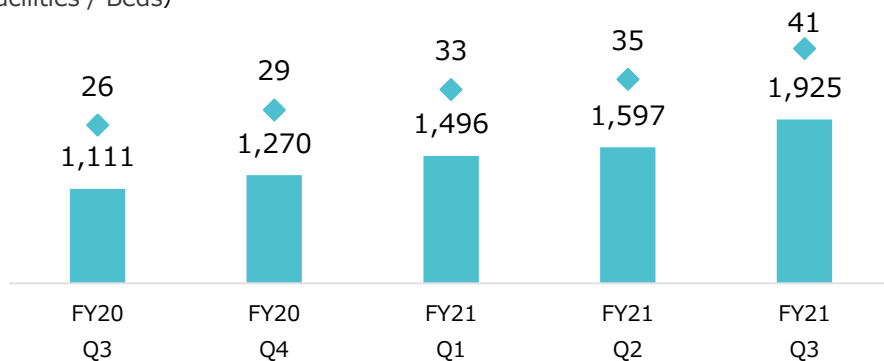
Quarterly Performance: Key Financial Indicators

- Net sales have been steady due to the increased number of facilities and bed capacity, and quarterly operating profit reached JPY 1.0bn for the first time.
- Although COVID-19 measures remained in force, we achieved a high level of profitability by strengthening operations, including an appropriate personnel structure.

Quarterly Performance

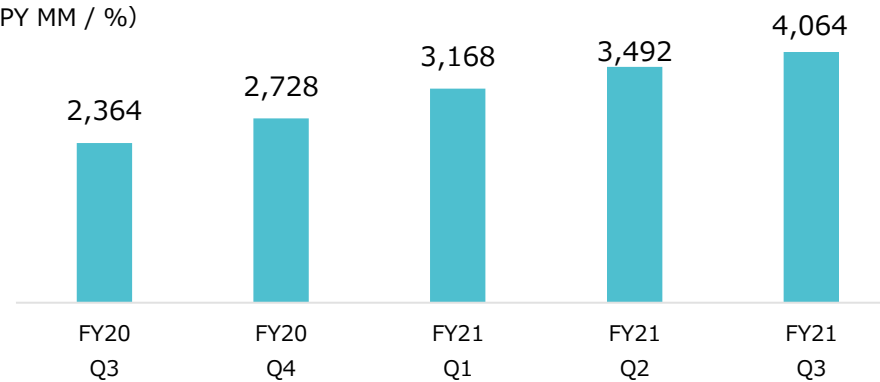
Number of Facilities / Bed Capacity

(Facilities / Beds)

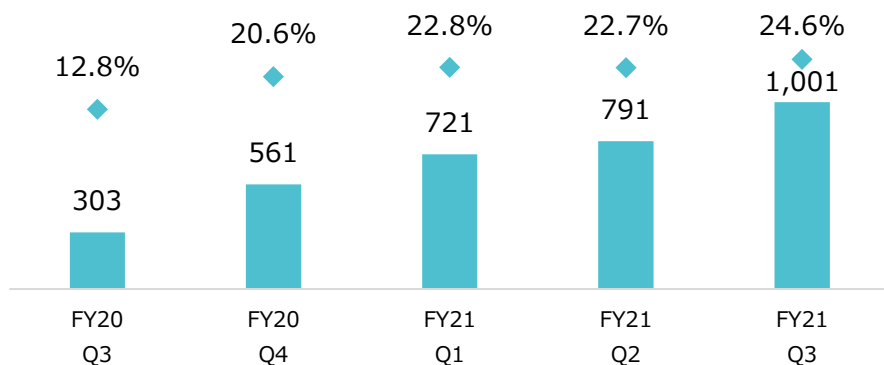


Net Sales

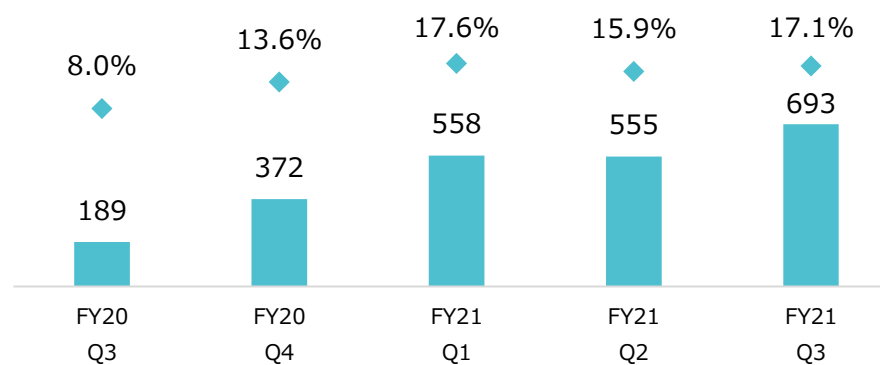
(JPY MM / %)



Operating Profit



Net Profit



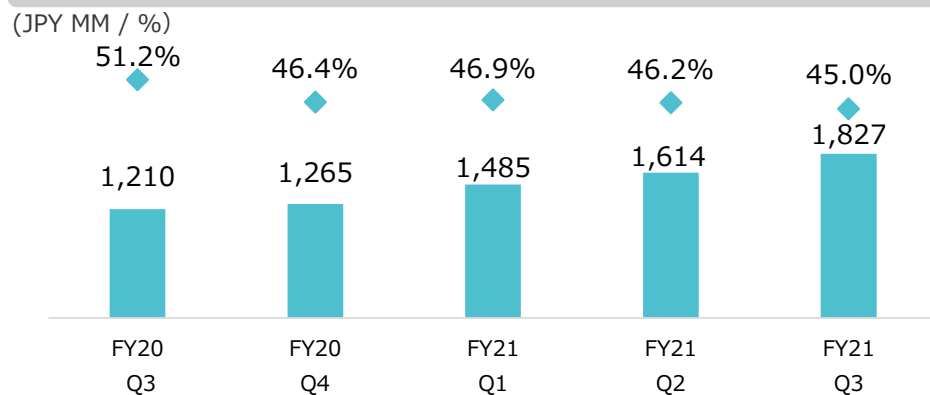
◆ : Percentage of Net Sales

Quarterly Performance: Major Costs of Sales, SG&A Expenses

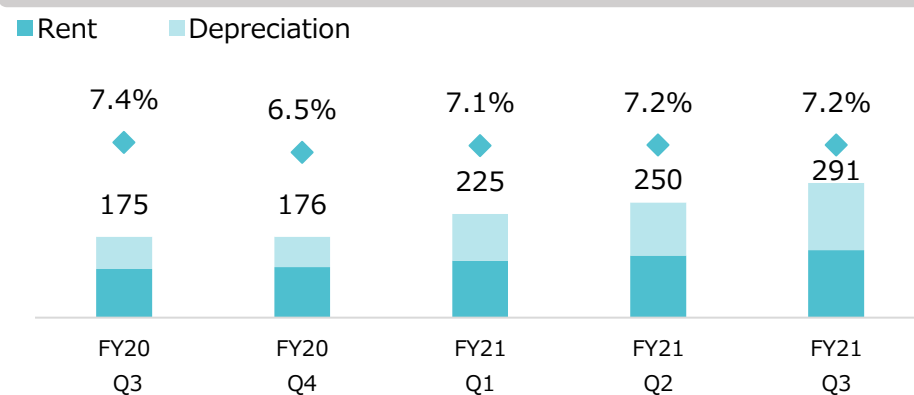
- The percentage of personnel expenses for nurses and caregivers (cost of sales) has remained at late 40%.
- Personnel expenses and recruiting expenses have risen as the number of facilities increases, but have remained stable relative to net sales.

Quarterly Performance

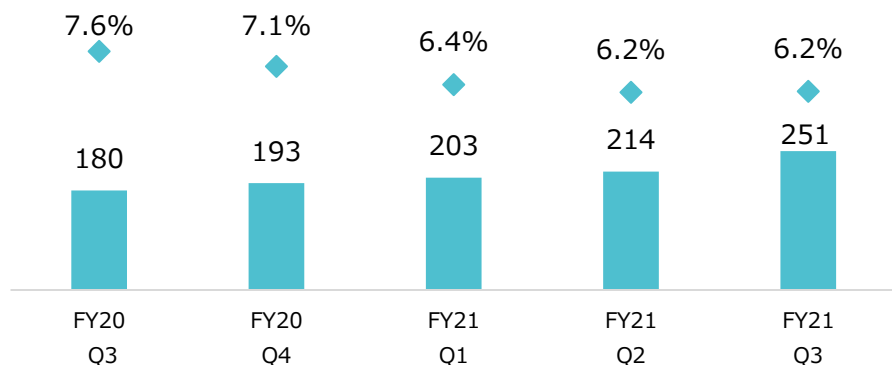
Personnel Expenses (Cost of Sales)



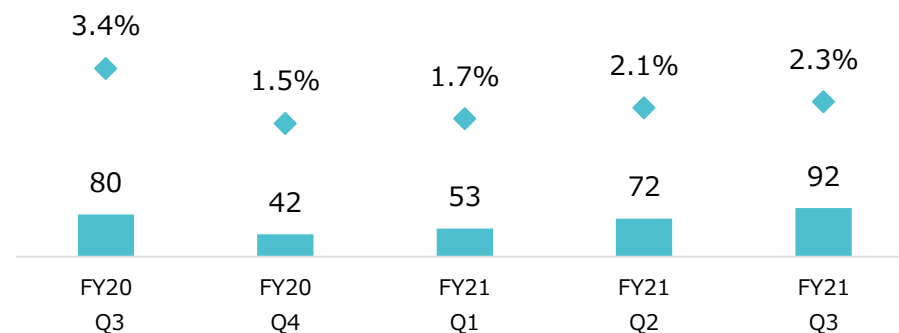
Rent & Depreciation (Cost of Sales)



Personnel Expenses (SG&A Expenses)



Recruiting Expenses (SG&A Expenses)



◆ : Percentage of Net Sales

Summary of Balance Sheet

- Due to the new share issuance in March 2021, the equity ratio has improved to over 50%, and cash and deposits have increased.
- Building and structures, net continued to increase largely, while the increase in borrowings is relatively small given the use of cash on hand.

Summary of Balance Sheet

(JPY MM / %)	FY19	FY20	FY21 Q3	vs. FY20
Assets	6,997	16,519	29,377	+77.8%
Cash and Deposits	452	3,335	10,418	+212.3%
Buildings and Structures, Net	753	3,548	7,976	+124.8%
Liabilities	5,926	11,264	13,862	+23.1%
Borrowings	2,080	6,250	7,913	+26.6%
Net Assets	1,070	5,255	15,515	+195.2%
Equity Ratio	15.3%	31.8%	52.8%	+21.0pt

Ishinkan Opening Plan

- Hongo (joint operation opened in April) and Kanazawabunko (our second-largest facility opened in May), are progressing steadily.
- In FY22, we will increase the percentage of facilities in the Tokyo metro area, accelerating our formation of dominant areas.

Recent Topics

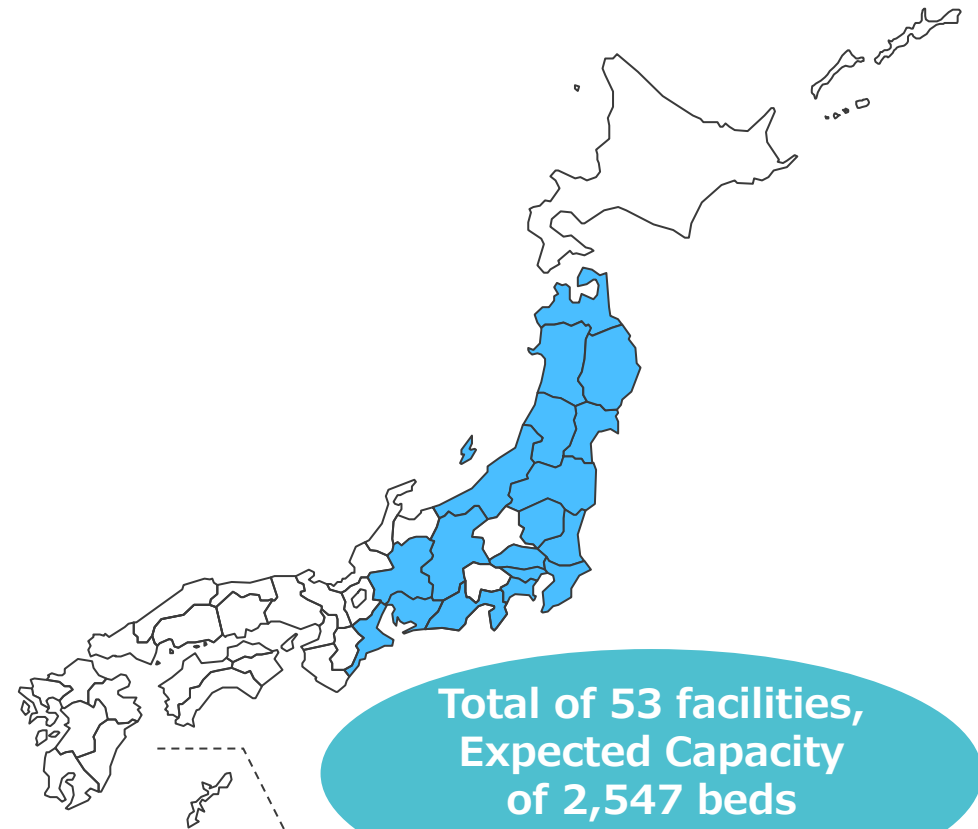
Hamamatsu, Fukushima	First facilities in the prefecture
Hongo	First joint operation with a care provider
Kanazawabunko	Large, 80-bed facility (our second-largest)

Opening Plans from April 2021

Opening Date	Location	Total Beds
Early Apr. 2021	Honatsugi, Yamagata II	103
Mid-Apr. 2021	Kanazawabunko, Hongo (joint operation)	122 ⁽¹⁾
Early May 2021	Soga, Hamamatsu	103
Early Jul. 2021	Fukushima	52
Early Oct. 2021	Mizue, Koshigaya, Kashiwa	158
Early Nov. 2021	Ageo, Aomori, Higashi Omiya	154
Early Feb. 2022	Yamato, Heiwadai	101
Early Apr. 2022	Tsukuba, Joetsu, Minami-Nagareyama	157

Note :
 1. Hongo is scheduled to have capacity of 42 beds, but the facility will operate with 28 beds for the first 6 months after opening

Ishinkan Nationwide



**Total of 53 facilities,
 Expected Capacity
 of 2,547 beds
 (As of April 2022)**



Appendix

Amvis 2023 Targets

Number of facilities / Bed capacity

60 facilities / 2,892 beds

(Medium- to long-term target:
100 facilities / 5,000 beds)

FYE21 (forecast): 42 facilities / 1,977 beds
FYE20 (actual): 29 facilities / 1,270 beds

Net sales

JPY 24.4bn

(Medium- to long-term target: JPY 45.0bn)

FY21 (forecast): JPY 14.9bn
FY20 (actual): JPY 9.1bn

Operating profit

JPY 5.1bn

(Medium- to long-term target: JPY 10.0bn)

FY21 (forecast): JPY 3.3bn
FY20 (actual): JPY 1.8bn

Net profit (CAGR)

35–39%

(Medium- to long-term target: 20–29%)

FY18–FY21 (forecast): More than 100%

Note:

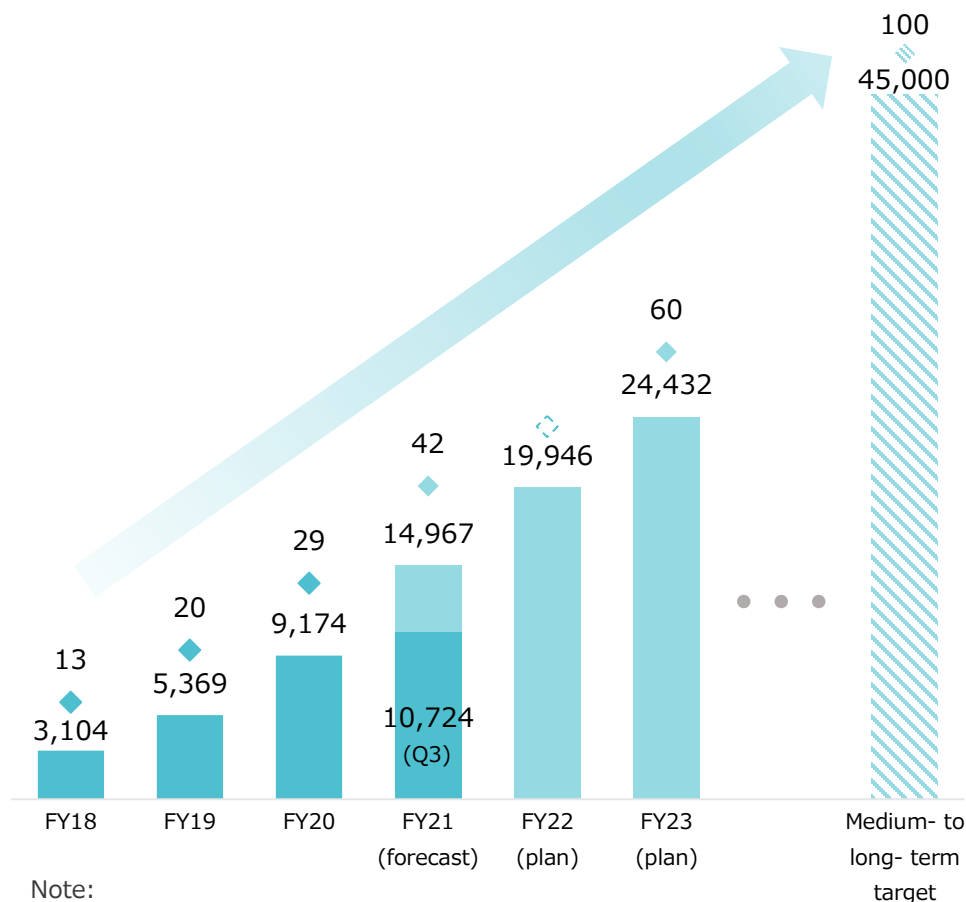
1. Amvis 2023 targets remain unchanged from the figures announced in November 2020.

Amvis 2023: Net Sales / Operating Profit

- Net sales and operating profit continue steady trend from previous fiscal years; expected to maintain and accelerate high growth until FY23.
- For medium- to long-term targets, with the spread of COVID-19, we are focusing on strengthening and enhancing operations.

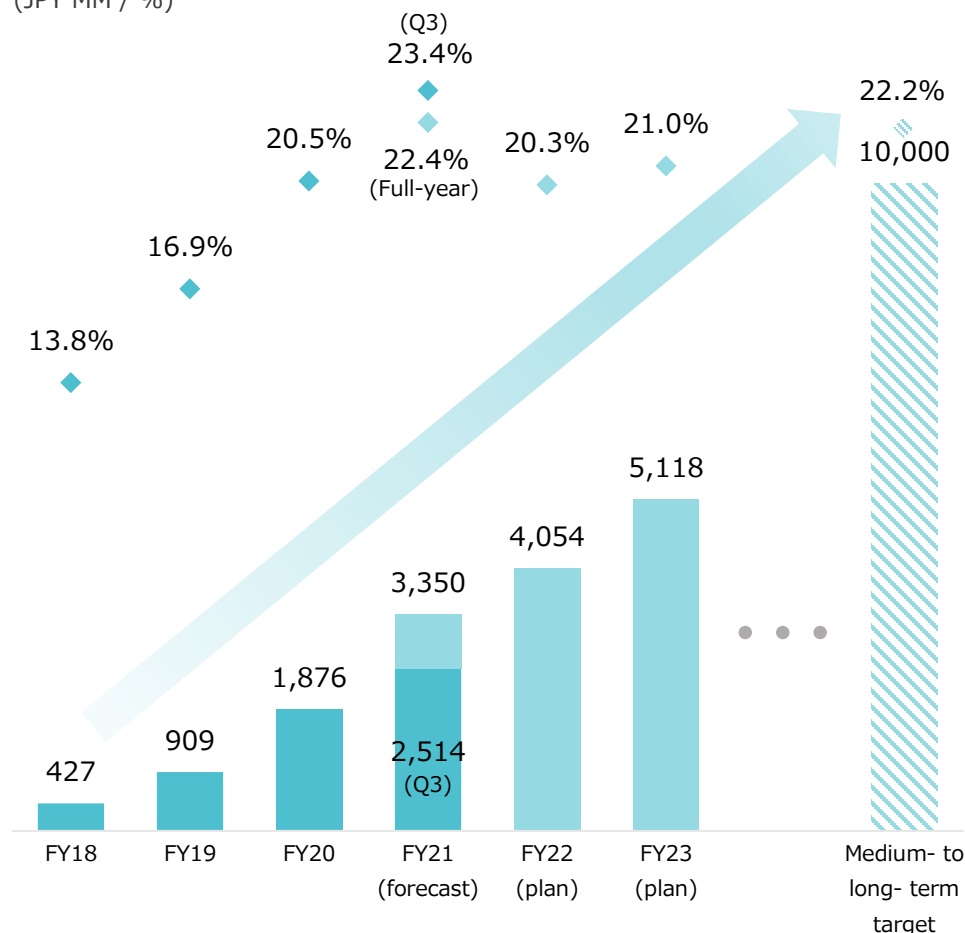
Net Sales / Number of Facilities

(JPY MM / Facilities)



Operating Profit / Operating Margin

(JPY MM / %)



Note:
1. The figures for FY22 (plan) and FY23 (plan) remain unchanged from the figures announced in November 2020.

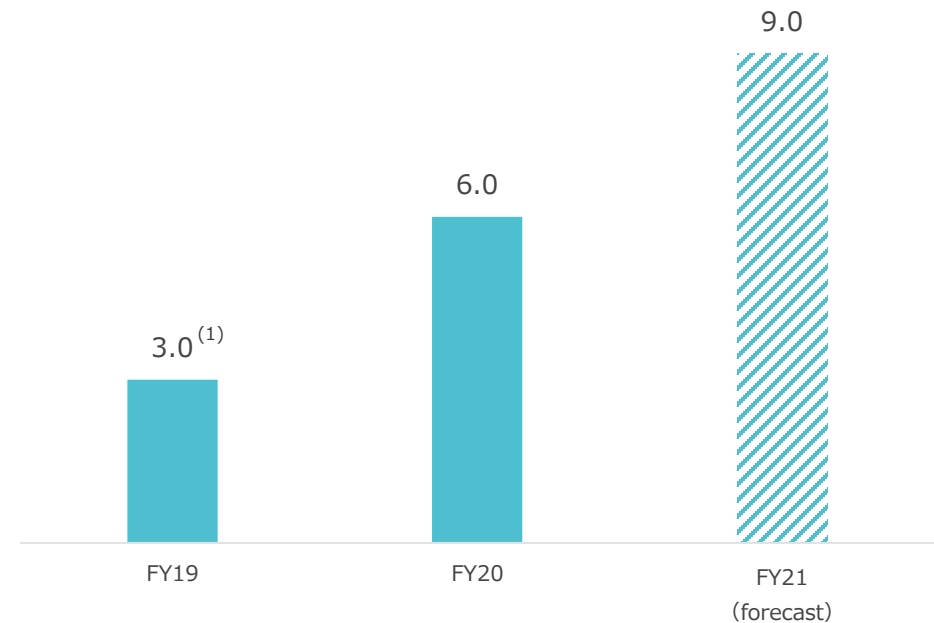
- In FY21, we plan to raise the dividend per share by JPY 3.0 compared with FY20.
- We will continue to enhance corporate value by considering the balance between the acceleration of growth and shareholder returns.

Basic Policy on Shareholder Return

- We consider the distribution of profits to shareholders to be a priority management issue. We aim to enhance our corporate value by returning profits to shareholders while securing internal reserves to expand the Ishinkan business as well as related businesses and to strengthen our management base.
 - Our basic policy is to distribute profits to shareholders through the stable payment of dividends paid once a year, by taking into account factors including the market environment, regulatory changes, and financial soundness.

Dividend History and Forecast

(JPY)



Note:

1. As a result of the two-for-one stock split implemented on April 1, 2020, the dividend to be paid without the split would be JPY6.0

This document contains forward-looking statements about Amvis Holdings, Inc. (“Amvis”) such as forecasts, outlooks, targets, and plans. These statements are based on forecasts made at the time of the preparation of this document using information currently available to Amvis.

In addition, certain assumptions are used for such statements. These statements or assumptions are subjective and may prove inaccurate in the future or may not be realized. There are many uncertainties and risks that could cause such a situation to arise.

As stated above, the forward-looking information contained in this document is current as of the date of this document, and Amvis is under no obligation or policy to update such information from time to time.

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