



Third Quarter of the Fiscal Year Ending September 30, 2022

Financial Highlights

Amvis Holdings, Inc.

August 10, 2022

©Amvis Holdings, Inc.

Social Problem-Solving Business



Under the government's policy of shortening of hospital stays and returning home, Ishinkan has been actively accepting patients who have commonly been rejected by other hospitals and facilities, including those in the terminal stages of cancer, those who need respiratory care (are on respirators, have had tracheostomies, etc.), and those with neurodegenerative diseases. Meanwhile, we have remained conscious of our role as an organization that supports the successful functioning of regional healthcare and have endeavored to fulfill this role by, in principle, ensuring that patients can continue to be seen by their existing primary physicians and care managers.

We aim to continue operating Ishinkan in an even-handed and honest manner, thereby satisfying our duty to support regional healthcare and ensuring the well-being of people who are unsure of where to go after being discharged from medical facilities.

We are confident that Ishinkan will help to solve medical problems of revitalizing regional healthcare, reducing exhaustion of medical workers during the COVID-19 pandemic, and alleviating regional disparities in healthcare.

Upward Revisions to FY22 Full-Year Forecasts

Q3 YTD Net Sales (Actual)

JPY 16.4bn

(Progress toward full-year forecast:
73.0%)

Q3 YTD Operating Profit (Actual)

JPY 4.3bn

(Progress toward full-year forecast:
75.8%)

Full-Year Net Sales (Forecast)

JPY 22.4bn

(vs. previous forecast: +JPY 0.8bn)

Full-Year Operating Profit (Forecast)

JPY 5.8bn

(vs. previous forecast: +JPY 0.8bn)

- The utilization rate at existing facilities was 84.4%, which is the same level as our target for stable operations (80–85%). The start of new facilities mainly in the Tokyo metro area was favorable. As a result, Q3 YTD performance progressed steadily against previous forecasts.
 - ✓ Net sales: JPY 16.4bn (Progress toward previous forecast: 75.7%)
 - ✓ Operating profit: JPY 4.3bn (Progress toward previous forecast: 88.6%)
 - ✓ Net profit: JPY 3.0bn (Progress toward previous forecast: 92.5%)
- We revised upward our full-year financial results forecasts for FY22, given that Q3 YTD results were above our previous forecasts and due to the impact of opening Ishinkan Kikuna, which was not taken into account in the previous forecasts.
 - ✓ The favorable start of new facilities mainly in the Tokyo metro area and an appropriate personnel structure depending on utilization rates contributed substantially to Q3 YTD performance.
- In the first 3 quarters, we opened 14 new facilities as planned. As a result, we had 56 facilities (2,700 beds) as of June 30, 2022.
 - ✓ FY22: We plan to open 16 new facilities, including 2 facilities plan to open in Q4.
 - ✓ FY23: We have already announced plans to open 17 facilities. As of September 30, 2023, the number of facilities will be 75, exceeding the target of 70 set in Amvis 2023.
- Stock liquidity improved as our major shareholder sold some of his shares, and we met all the criteria for maintaining a Standard market listing (based on our current calculations).
 - ✓ We confirmed that a major shareholder, Keiichi Shibahara, reduced his shareholding ratio by 3.7%. This confirmation was based on a report amending the report on the holding of a large amount of shares submitted on May 19, 2022.
 - ✓ We will implement a stock split, effective on October 1, 2022.

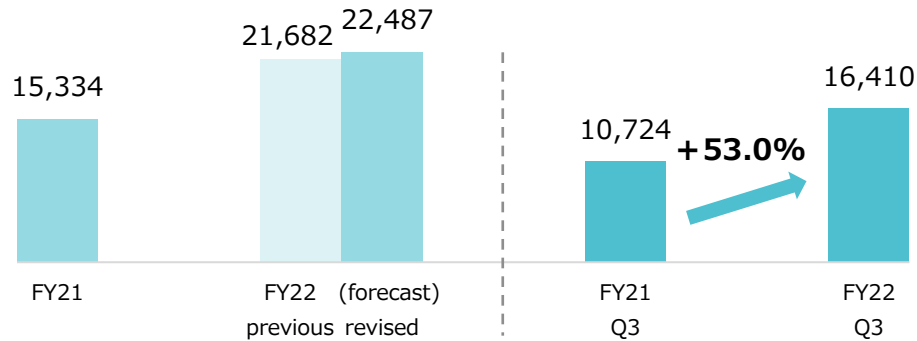
Net Sales and Profit Rose Steadily as the Number of Facilities and Bed Capacity Increase

- Net sales increased significantly compared to Q3 YTD of FY21 as the number of facilities increased by 15 and the number of bed capacity increased by 40%.
- We maintained profitability by operational improvements even while increasing of personnel numbers.

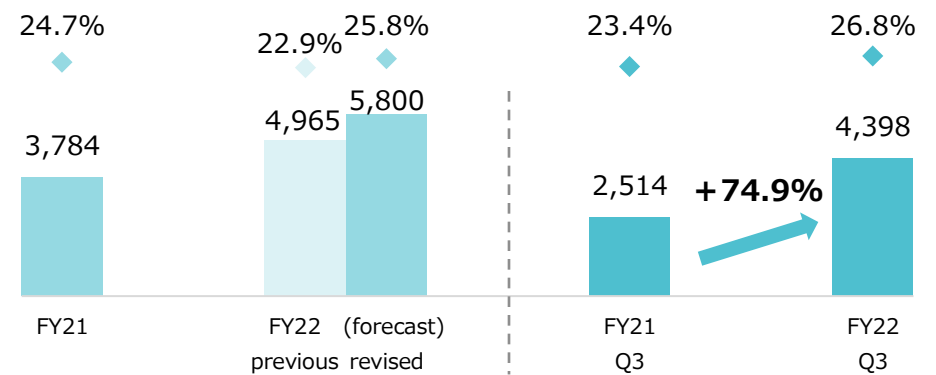
Q3 YTD Performance and Progress Toward FY22 Forecasts

Net Sales

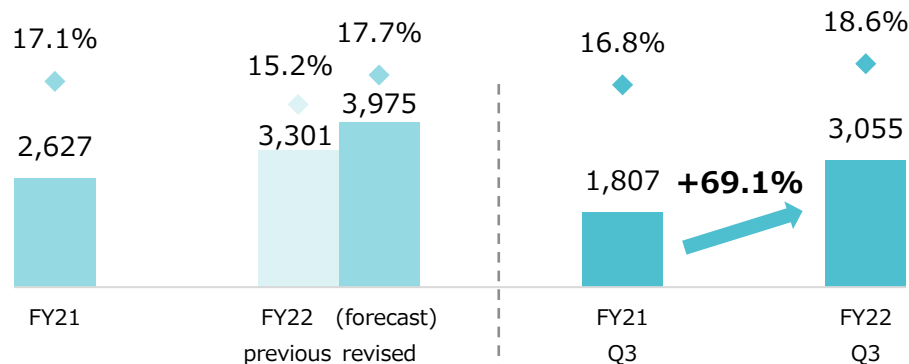
(JPY MM / %)



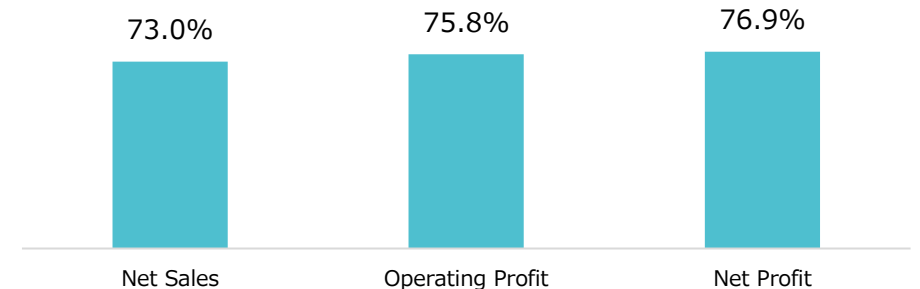
Operating Profit



Net Profit



Progress Toward Revised Forecasts



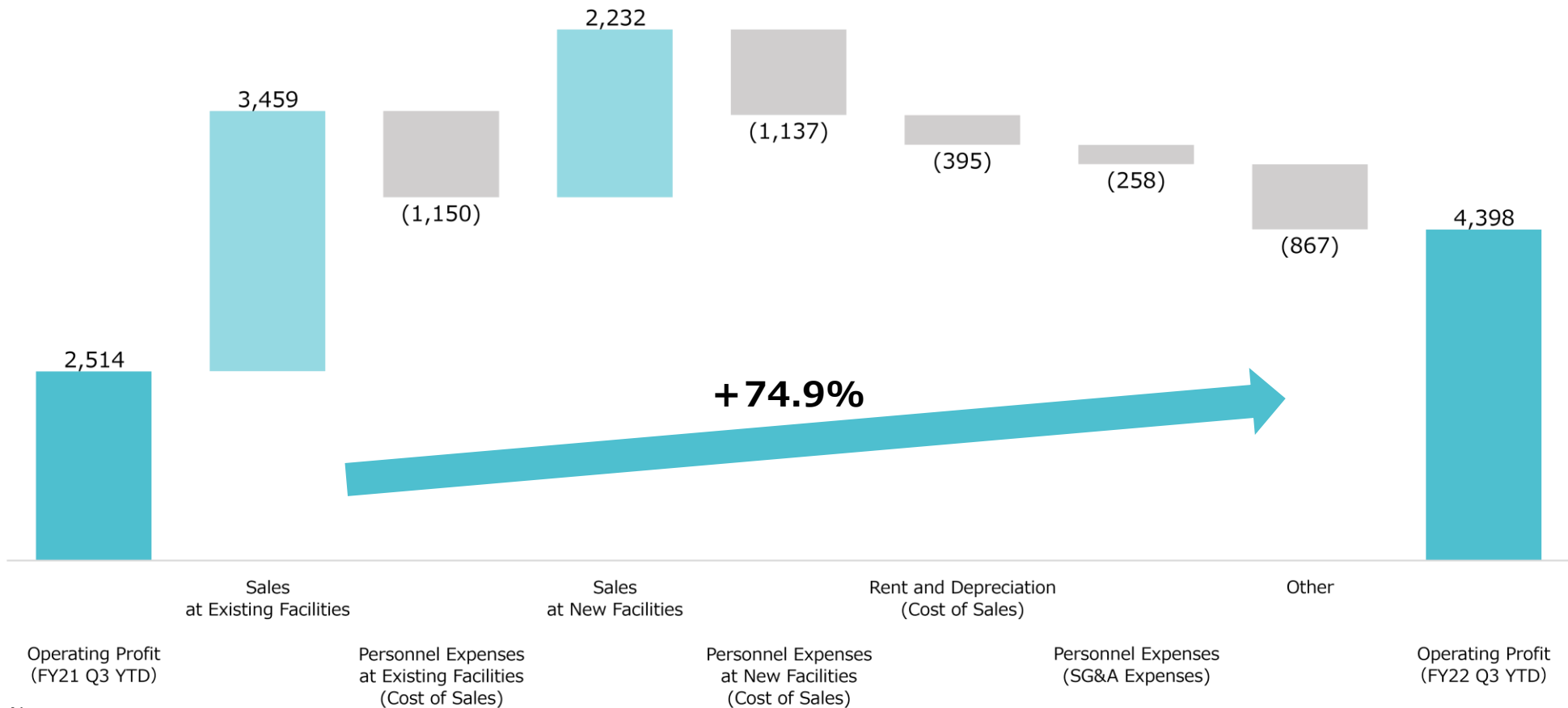
◆ : Percentage of Net Sales

Maintained Stable Utilization Rates at Both Existing Facilities and New Facilities

- We maintained stable utilization rates at existing facilities (84.4%) and new facilities (50-55%).⁽¹⁾
- Operating profit rose as the number of facilities and bed capacity increase (41 facilities as of June 30, 2021; 56 facilities as of June 30, 2022).

Operating Profit (FY21 Q3 YTD – FY22 Q3 YTD)

(JPY MM)



Note :

1. New Facilities : Opened after Q3 of FY21 (same applies on the following pages) / Utilization Rate : median

- We plan to open 16 facilities (825 beds) in FY22, more than initially planned.
- Going forward, we will accelerate the formation of dominant areas in regions where we already have a presence mainly in the Tokyo metro area.

Recent Topics

FY23 Amvis 2023 target (70 facilities) expected to be achieved

Opening Plans from Apr. 2022 to Sep. 2023

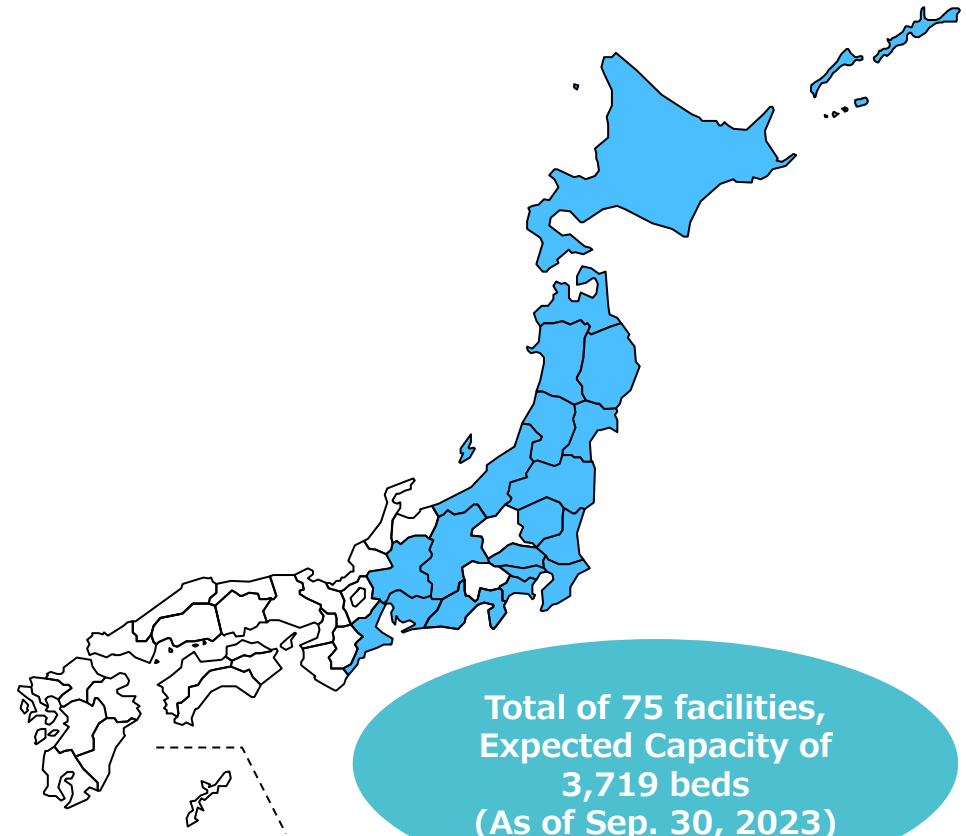
Opening Date	Location	Total Beds ⁽¹⁾
Apr. 2022	Joetsu, Tsukuba, Minami Nagareyama	157
Jun. 2022	Kikuna, Shizuoka, Niigata III	153
Aug. 2022	Inage	50
Sep. 2022	Hirosaki	52
Oct. 2022	Chiba ekimae, Higashi Sapporo, Yokohama Nakayama	171
Nov. 2022	Sengawa, Fuji	99
Dec. 2022	Kasukabe, Numazu	104
Feb. 2023	Sakura, Tsurugashima	97
Apr. 2023	Kuki, Fujisawa, Yagoto Minamiyama	153
Jun. 2023	Sagamihara, Tsukuba II	100
Jul. 2023	Nishi Eifuku	62
Aug. 2023	Omori, Nishi Funabashi ⁽²⁾	131

Note :

1. Total beds is the sum of the capacities of multiple facilities

2. The number of beds of Nishi Funabashi has been changed to 54 from 55 as announced on May 30,2022

Ishinkan Nationwide

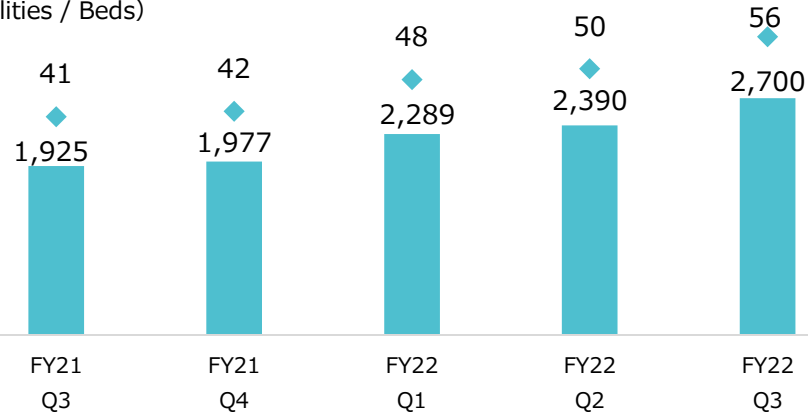


Quarterly Performance: Key Financial Indicators

Quarterly Performance

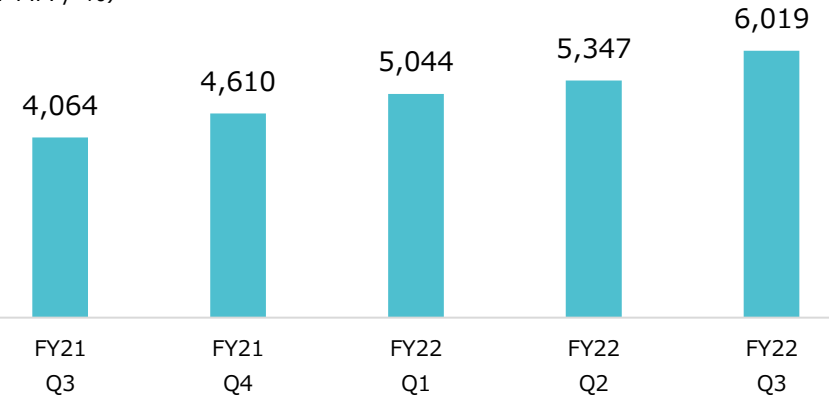
Number of Facilities / Bed Capacity

(Facilities / Beds)

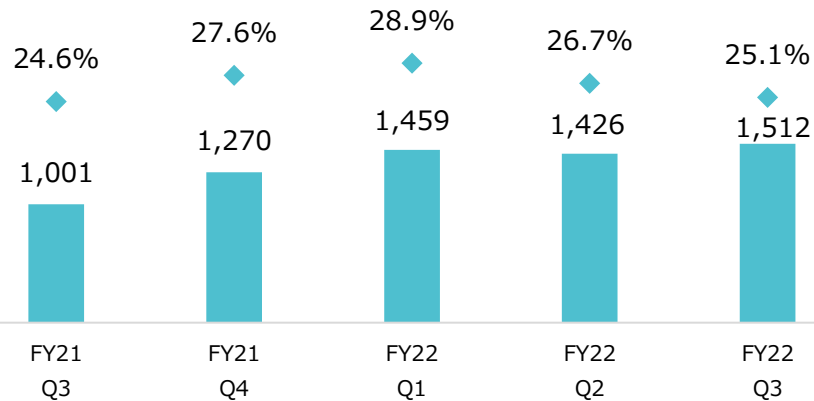


Net Sales

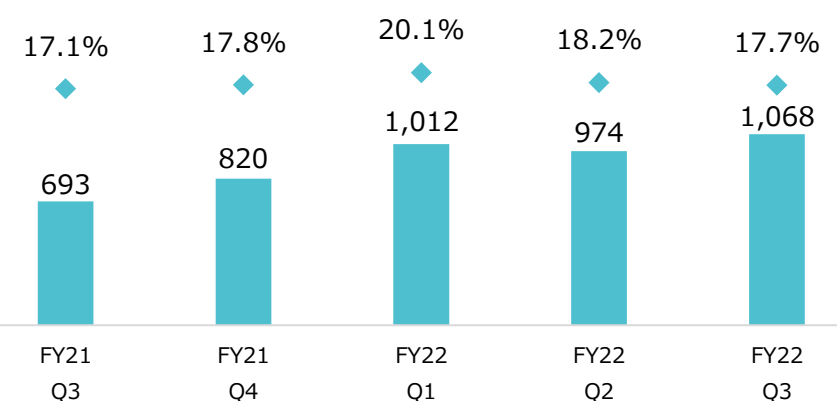
(JPY MM / %)



Operating Profit



Net Profit

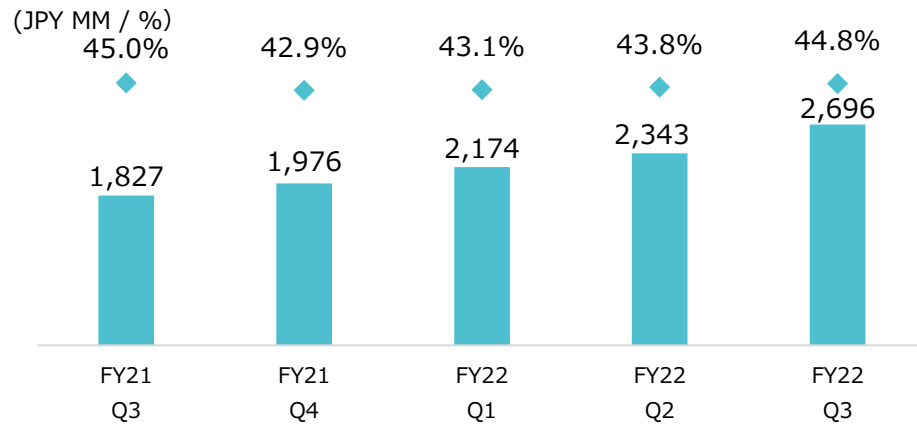


◆ : Percentage of Net Sales

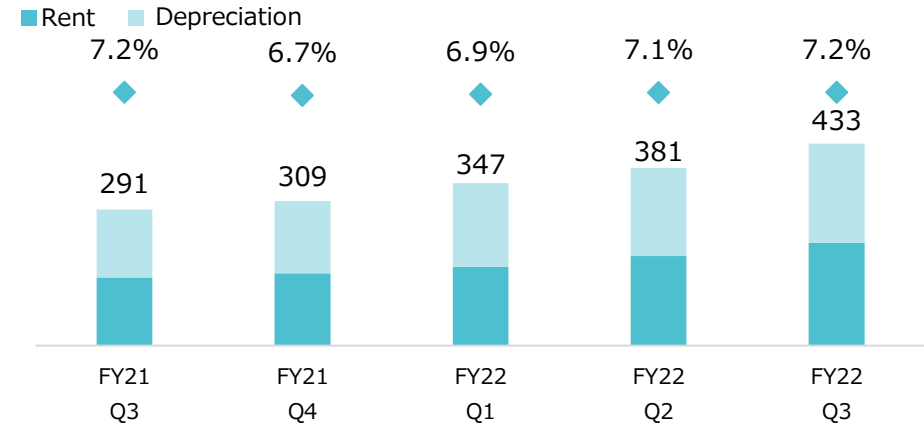
Quarterly Performance: Major Costs of Sales, SG&A Expenses

Quarterly Performance

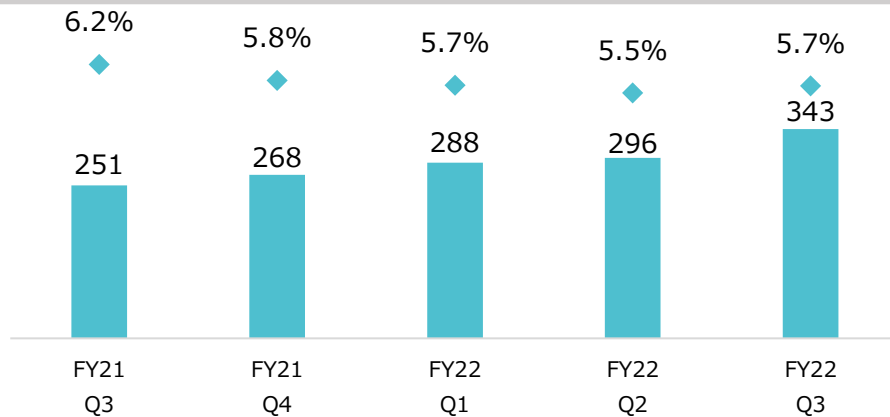
Personnel Expenses (Cost of Sales)



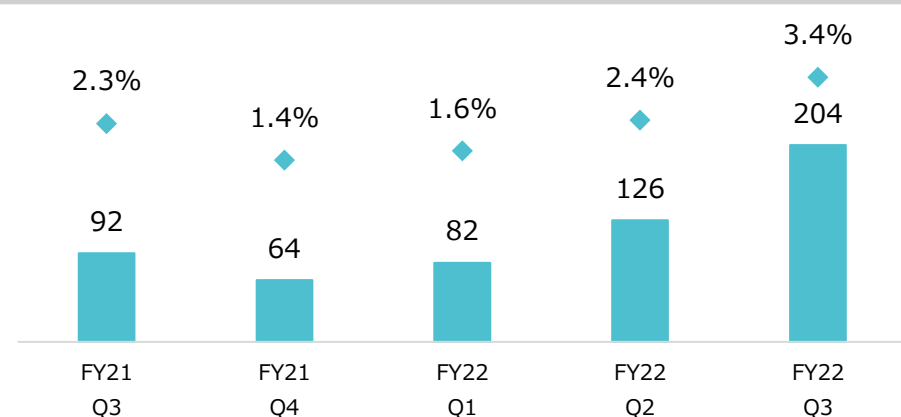
Rent & Depreciation (Cost of Sales)



Personnel Expenses (SG&A Expenses)



Recruiting Expenses (SG&A Expenses)



◆ : Percentage of Net Sales

Summary of Balance Sheet



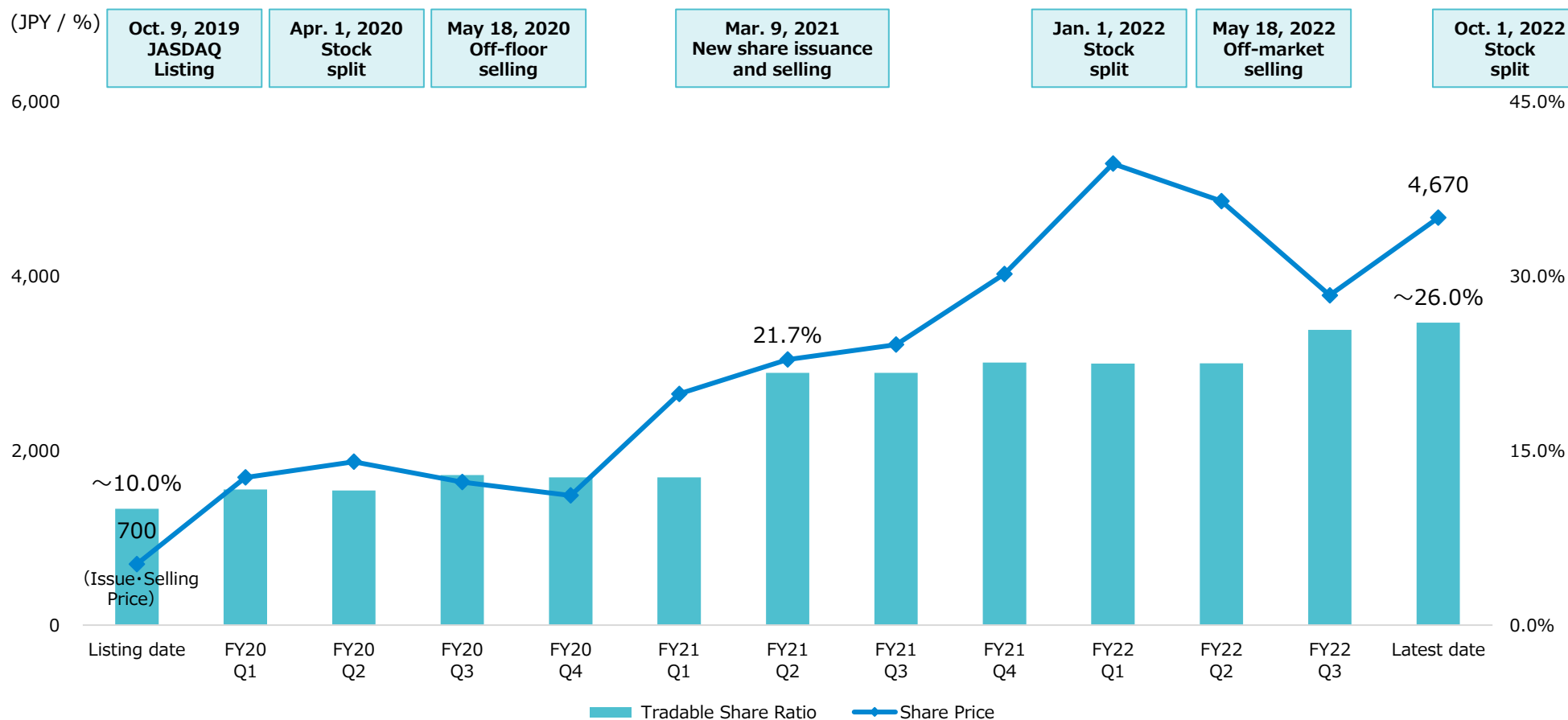
Summary of Balance Sheet

(JPY MM / %)	FY20	FY21	FY22 Q3	vs. FY21
Assets	16,519	31,922	39,118	+22.5%
Cash and Deposits	3,335	11,192	11,393	+1.8%
Buildings and Structures, Net	3,548	8,963	11,666	+30.2%
Liabilities	11,264	15,580	19,940	+28.0%
Borrowings	6,250	8,967	12,254	+36.7%
Net Assets	5,255	16,341	19,177	+17.4%
Equity Ratio	31.8%	51.2%	49.0%	(2.2pt)

Improvement of Stock Liquidity

- Since listing, stock liquidity has improved steadily as a result of major shareholders selling some of their holdings and due to stock splits.
- Based on off-market selling in May 2022, we expect to meet the criteria for maintaining a Standard market listing (25.0%).

Tradable Share Ratio Since Listing (1)(2)



Note :

1. Figures are based on the latest register of shareholders as of the end of each quarter and reflect available information about transactions
2. Figures at the latest date (as of the end of July 2022) take into account changes due to the exercise by employees of stock acquisition rights issued in the past



Appendix

Amvis 2023 Targets

Number of facilities /
Bed capacity



70 facilities / 3,411 beds
(Medium- to long-term target:
100 facilities / 5,000 beds)

FYE22 (forecast): 58 facilities / 2,802 beds
FYE21 (actual): 42 facilities / 1,977 beds
FYE20 (actual): 29 facilities / 1,270 beds

Operating profit



JPY 6.7bn
(Medium- to long-term target: JPY 10.0bn)

FY22 (forecast): JPY 5.8bn
FY21 (actual): JPY 3.7bn
FY20 (actual): JPY 1.8bn

Net sales



JPY 29.2bn
(Medium- to long-term target: JPY 45.0bn)

FY22 (forecast): JPY 22.4bn
FY21 (actual): JPY 15.3bn
FY20 (actual): JPY 9.1bn

Net profit (CAGR)



35-39%
(Medium- to long-term target: 20-29%)

FY20-FY23 (forecast): 53%

Note :

1. Amvis 2023 targets remain unchanged from the figures announced in November 2021
2. As of September 30, 2023, we plan to have 75 facilities / 3,719 beds, exceeding the Amvis 2023 targets

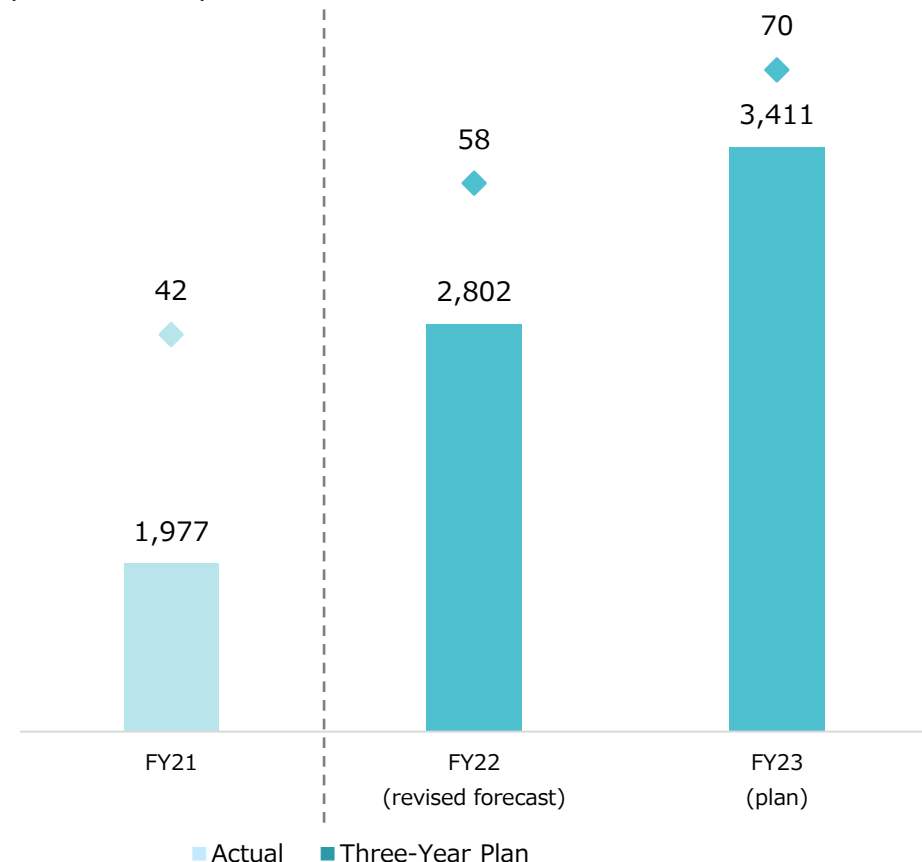
Amvis 2023: Number of Facilities / Bed Capacity and Net Sales



Amvis 2023 Targets

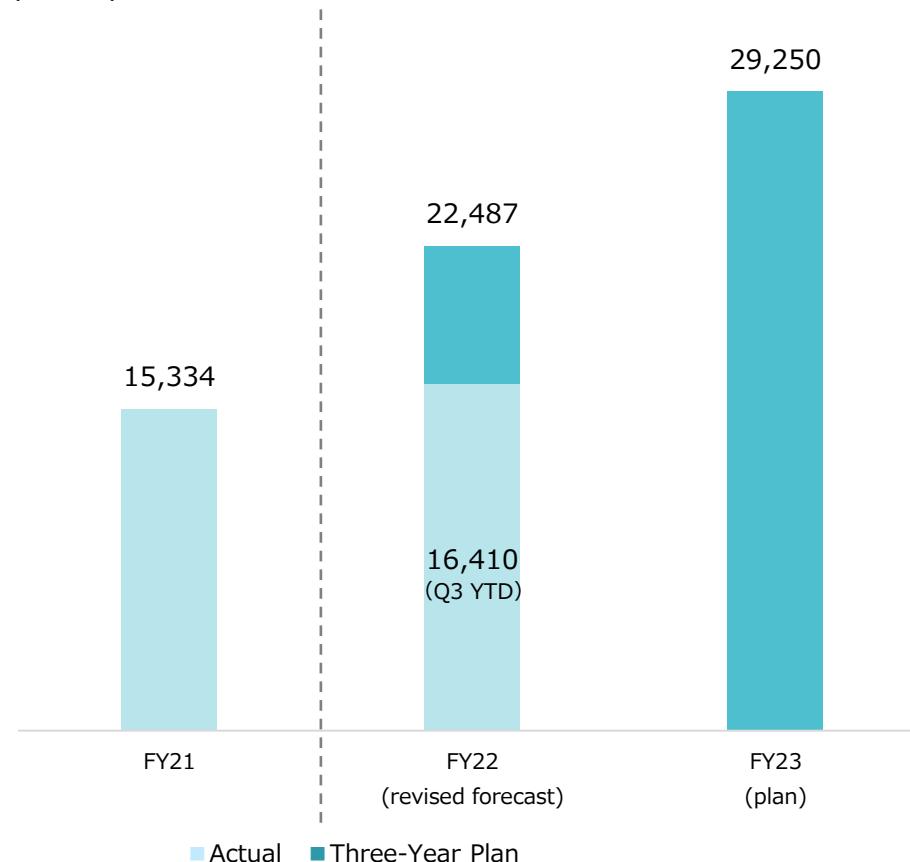
Number of Facilities / Bed Capacity

(Facilities / Beds)



Net Sales

(JPY MM)

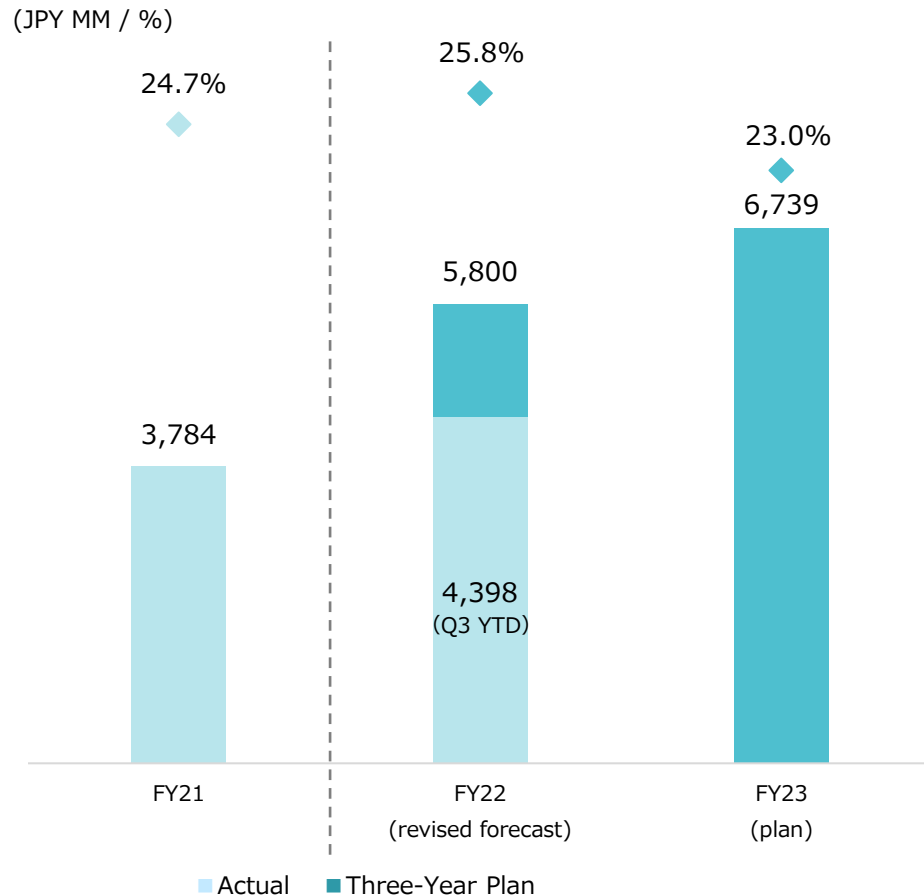


Note :

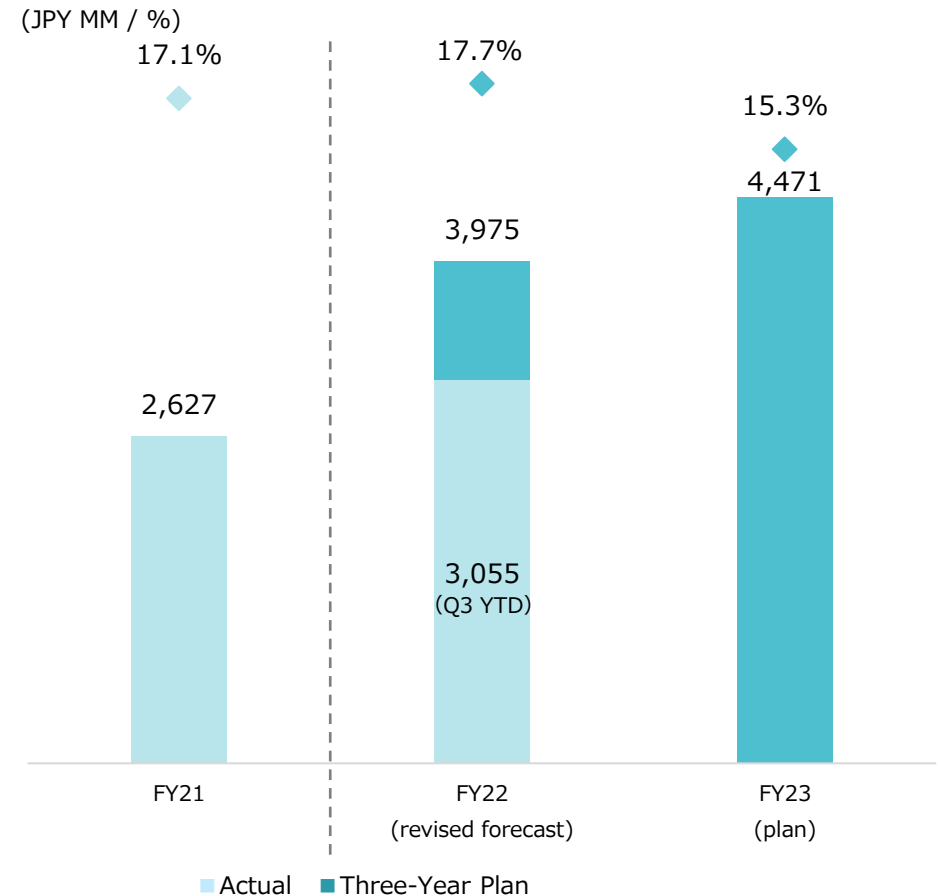
1. The figures for FY23 (plan) remain unchanged from the figures announced in November 2021
2. As of September 30, 2023, we plan to have 75 facilities / 3,719 beds, exceeding the Amvis 2023 targets

Amvis 2023 Targets

Operating Profit / Operating Margin



Net Profit / Net Margin



Note :

1. The figures for FY23 (plan) remain unchanged from the figures announced in November 2021
2. Results for FY22 Q3 YTD: 26.8% (Operating Margin) / 18.6% (Net Margin)

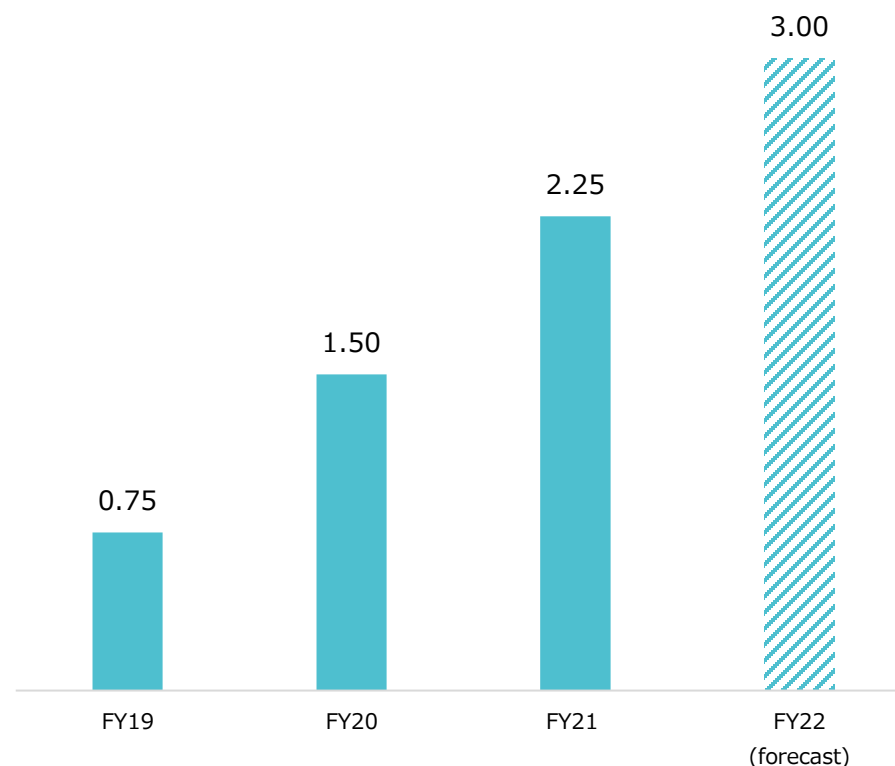
- In FY22, we plan to raise the dividend per share by JPY 0.75 compared with FY21.
- We will continue to enhance corporate value by considering the balance between the acceleration of growth and shareholder returns.

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⁽¹⁾

(JPY)



Note :

1. The Company has implemented a 2-for-1 stock split on April 1, 2020 and a 2-for-1 stock split on January 1, 2022. Also, a 2-for-1 stock split will be implemented on October 1, 2022. Therefore, the dividend per share are calculated on the assumption that the stock splits had taken place at the beginning of FY2019.

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.

Contact:

Finance Department (in charge of IR), Amvis Holdings, Inc.

Tel: +81-3-6262-5085 / E-mail: ir_contact@amvis.co.jp