



First Quarter of the Fiscal Year Ending September 30, 2024

Financial Highlights

Amvis Holdings, Inc.

February 8, 2024

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Social Problem-Solving Business



Under the government's policy of shortening of hospital stays and returning home, Ishinkan has been actively accepting patients who are unsure of where to go after being discharged from medical 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.

In order to satisfy our duty to support regional healthcare, we aim to further expand the Ishinkan business. Also, we plan to focus more on strengthening and revitalizing regional healthcare by providing various support for exhausted medical institutions and care providers, utilizing the know-how and human resources acquired through the Ishinkan business.

We hope our business will help to solve the medical problems of revitalizing regional healthcare, reducing the exhaustion of medical workers, and alleviating regional disparities in healthcare and to enhance the medical and care system, which is the goal of the government.

FY24 Q1 Operating Performance

Q1 Net Sales (Actual)

JPY 9.5bn

Q1 EBITDA⁽¹⁾ (Actual)

JPY 3.0bn
(Operating margin: 31.7%)

Full-Year Net Sales (Forecast)

JPY 42.6bn
(Progress toward full-year
forecast: 22.4%)

Full-Year EBITDA (Forecast)

JPY 12.3bn
(Progress toward full-year
forecast: 24.5%)

Note :

1. EBITDA = operating profit + depreciation + amortization of goodwill + share-based compensation expenses (same applies on the following pages)

- The utilization rate at existing facilities was 86.4%, close to our target for stable operations (82-85%). The start of new facilities was also solid. As a result, Q1 performance progressing steadily against full-year forecasts.
 - ✓ Net sales: JPY 9.5bn (Progress toward full-year forecast: 22.4%)
 - ✓ EBITDA: JPY 3.0bn (Progress toward full-year forecast: 24.5%)
 - ✓ Net profit: JPY 1.8bn (Progress toward full-year forecast : 25.1%)
- In Q1, we opened 6 new facilities as planned. As a result, we had 82 facilities (4,098 beds) as of December 31, 2023. In Q2, we plan to open 5 new facilities including 3 facilities in Tokyo.
 - ✓ FY24: We plan to open 28 facilities and expand 1 facility including 5 facilities in Western Japan.
 - ✓ FY25: We have already announced plans to open 9 facilities. We plan to steadily release further information once launch plans have been clarified to achieve the targets of 28 facilities per year and 131 facilities (6,621 beds) by the end of FY25 set in the three-year plan.
- We plan to release the impact of the care and medical fee revisions in 2024 on our financial performance once the details of the revisions are announced.
 - ✓ The revised care fee will be reflected from April 2024 or later, and the medical fee will be reflected from June 2024.
 - ✓ Additional incentives for improving treatment system will be recorded as net sales and personnel expenses, so they will not affect profit.

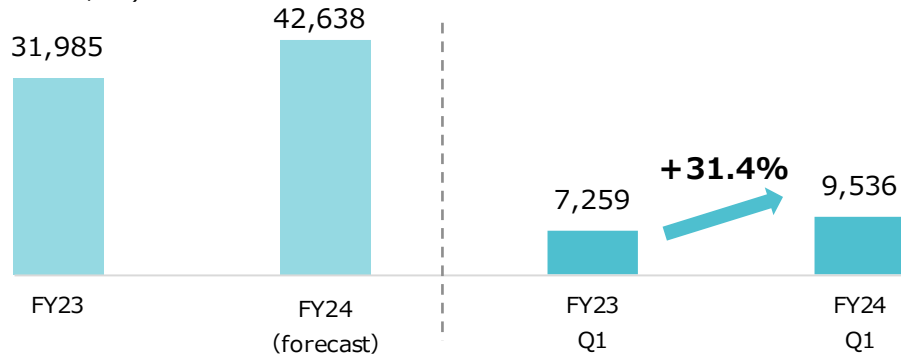
Net Sales and Profit Rose Steadily as the Number of Facilities and Bed Capacity Increase

- Net sales increased compared to Q1 of FY23 as the number of facilities increased by 17 and the number of bed capacity increased by 29%.
- Progress toward full-year forecast was favorable on net sales (22.4%), EBITDA (24.5%), and net profit (25.1%).

Q1 Performance and Progress Toward FY24 Forecasts

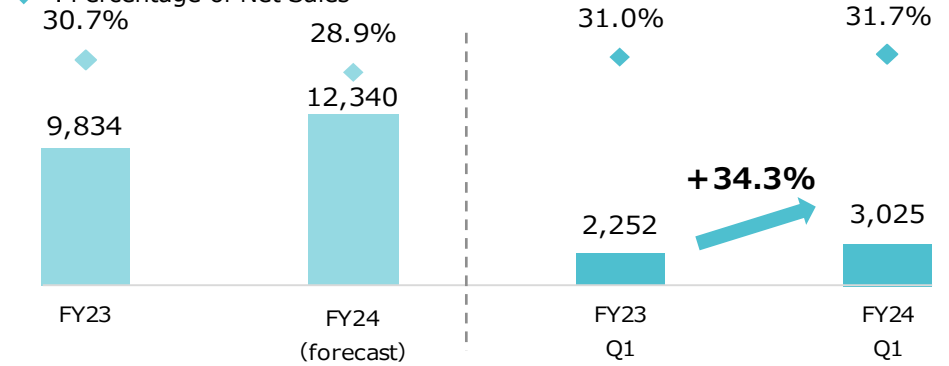
Net Sales

(JPY MM / %)

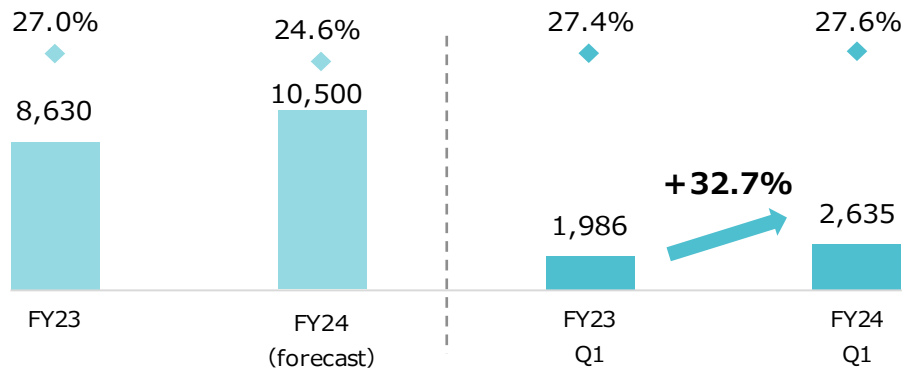


EBITDA

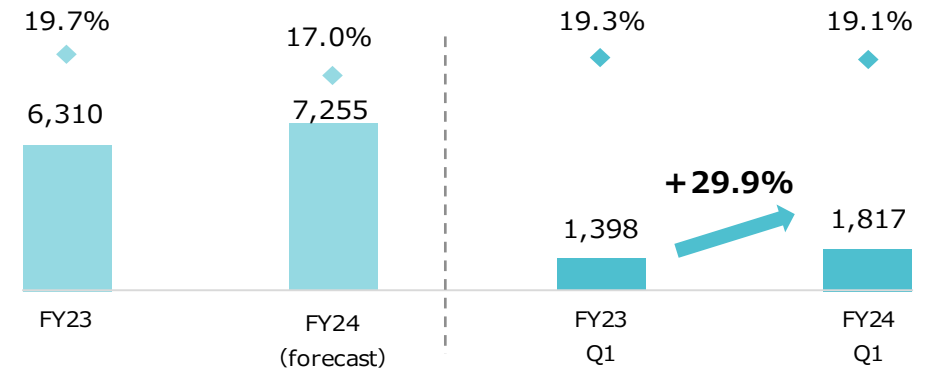
◆ : Percentage of Net Sales



Operating Profit

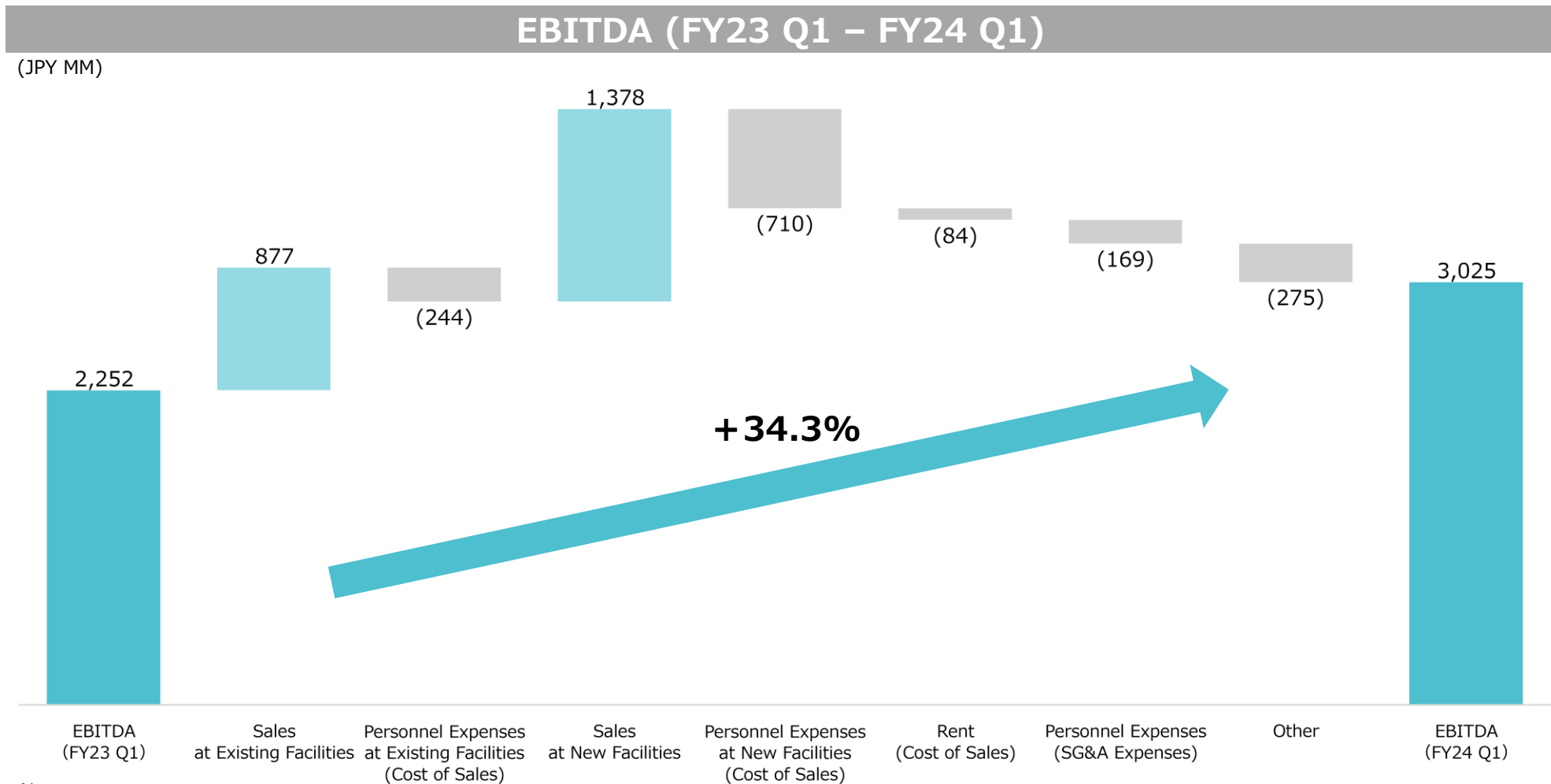


Net Profit



Maintained Stable Utilization Rates at Both Existing Facilities and New Facilities

- We maintained stable utilization rates at existing facilities (86.4%) and new facilities (50~55%).⁽¹⁾



Note:

- New Facilities: Opened after Q1 of FY23 / Utilization Rate: median

Decided to Open in Each Region of Western Japan

- In addition to moving into the Kansai and Chugoku areas in FY24, we have decided to open new facilities in the Kyushu and Shikoku areas in FY25.
- We aim to function as a platform of home healthcare in response to high demand nationwide.

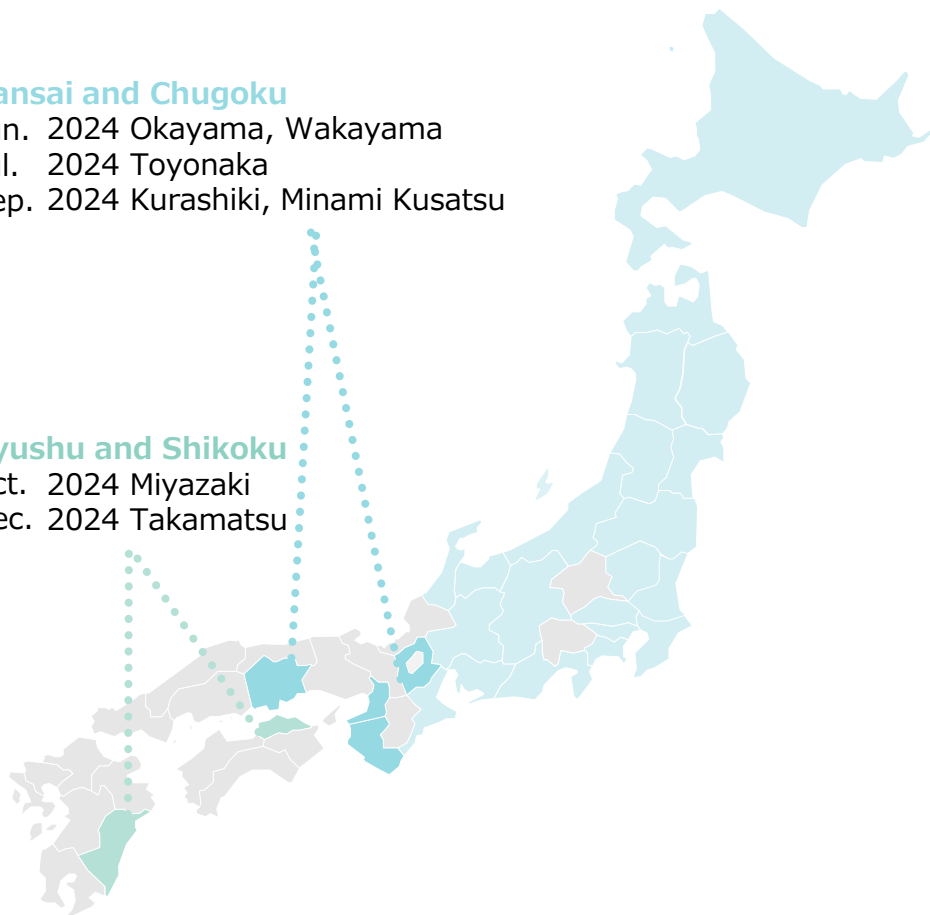
Expansion in Western Japan

Kansai and Chugoku

- Jun. 2024 Okayama, Wakayama
- Jul. 2024 Toyonaka
- Sep. 2024 Kurashiki, Minami Kusatsu

Kyushu and Shikoku

- Oct. 2024 Miyazaki
- Dec. 2024 Takamatsu



FY24 : Expansion into Kansai and Chugoku areas

- Following the formation of dominant areas in the Tokyo Metro area and Chukyo area, decided to open in the Kansai and Chugoku area as a foothold for expansion in Western Japan
- Opening 5 new facilities during FY24: Wakayama, Toyonaka and Minami Kusatsu in Kansai, and Okayama and Kurashiki in Chugoku

FY25 : Expansion into Kyushu and Shikoku areas

- Decided to open Ishinkan Miyazaki in Kyushu, and Ishinkan Takamatsu in Shikoku, expanding outside of Honshu
- Planning to expand both in metropolitan areas and in regional cities throughout Japan, not only in Eastern Japan.

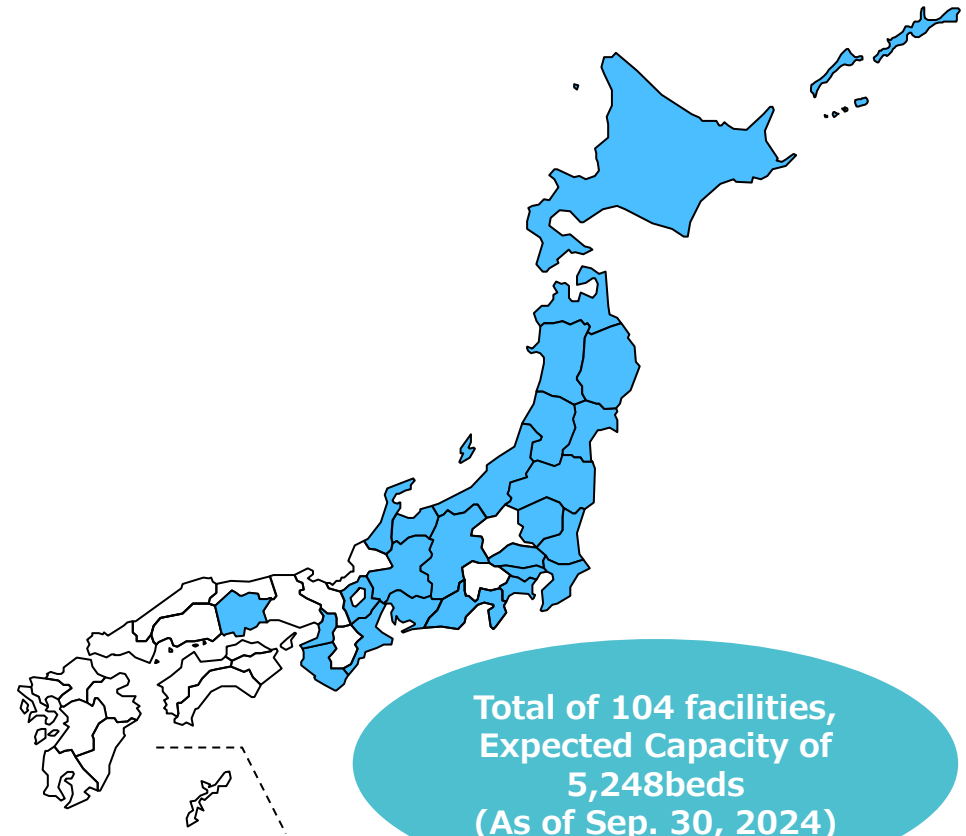
Ishinkan Opening Plan

- We plan to open 28 facilities and expand 1 facility (1,453 beds) in FY24.
- Going forward, we will accelerate the openings nationwide, including in Western Japan, focusing on the formation of dominant area in the Tokyo metro area.

Opening Plans of FY24

Opening Date	Location	Total Beds ⁽¹⁾
Oct. 2023	Oimachi	59
Nov. 2023	Ozone, Kanazawa, Toyota	143
Dec. 2023	Kotoni, Tajimi	101
Feb. 2024	Nishi Eifuku, Nishi Ogikubo, Minami Koshigaya, Mito (Expansion)	188
Mar. 2024	Sakura, Mejiro	93
Apr. 2024	Kumagaya, Kotesashi, Fujieda	151
May 2024	Ichihara, Ogaki	92
Jun. 2024	Ichinomiya, Okayama, Wakayama	148
Jul. 2024	Ebina, Toyonaka, Ryogoku	174
Aug. 2024	Takaoka, Chikusa, Hiyoshi	140
Sep. 2024	Kameido, Kurashiki, Minami Kusatsu	164

Ishinkan Nationwide



Note :

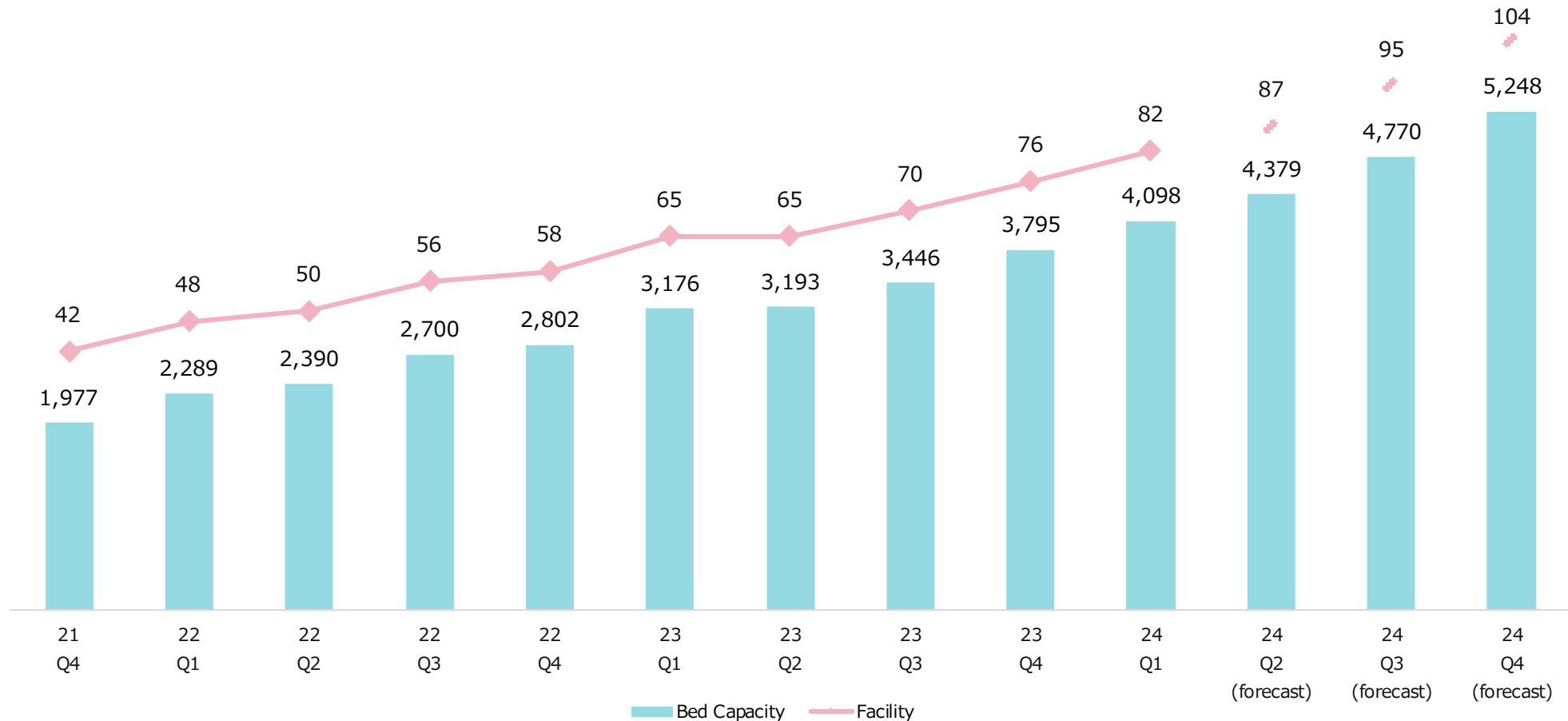
1. Total beds is the sum of the capacities of multiple facilities.

Quarterly Performance: Number of Facilities / Bed Capacity



Number of Facilities / Bed Capacity

(Facilities / Beds)

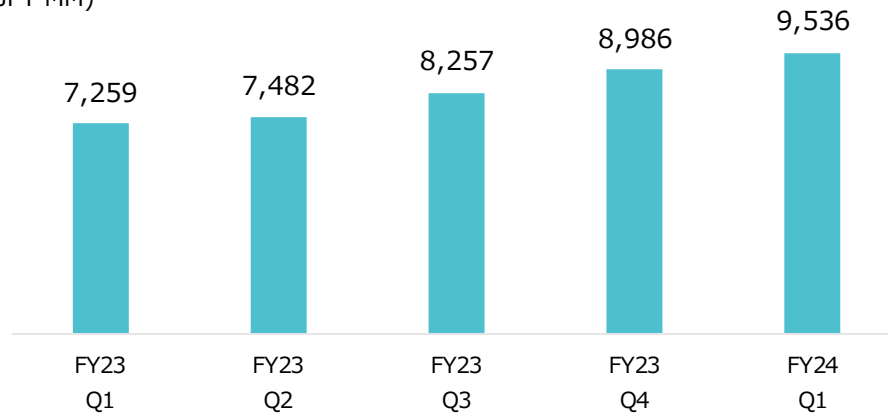


Quarterly Performance: Key Financial Indicators

Quarterly Performance

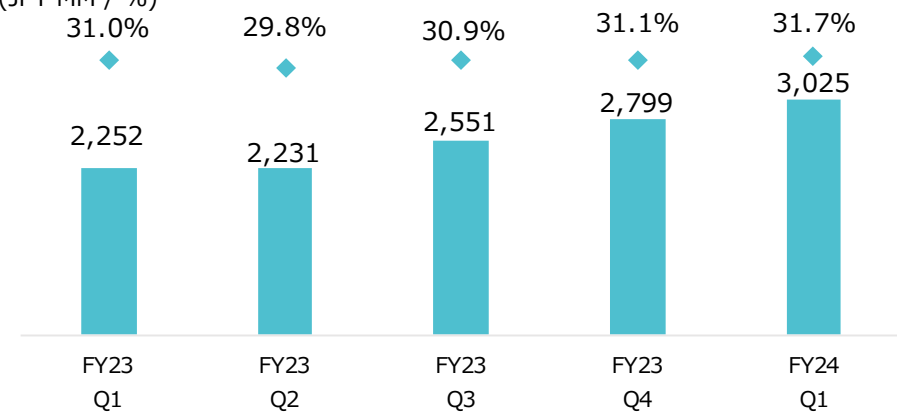
Net Sales

(JPY MM)

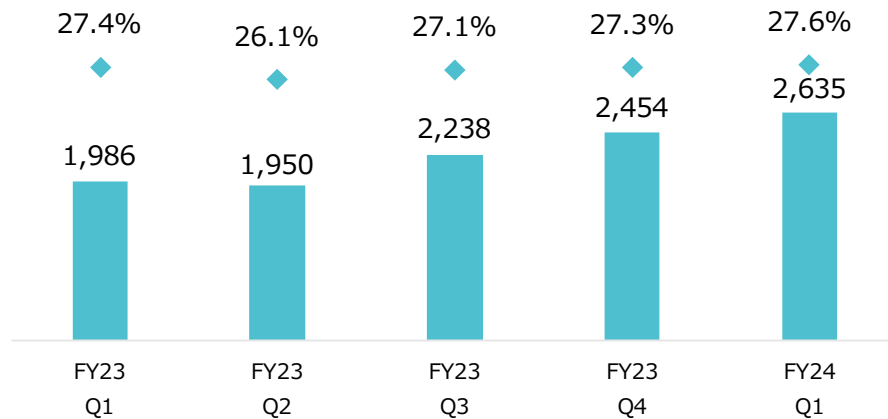


EBITDA

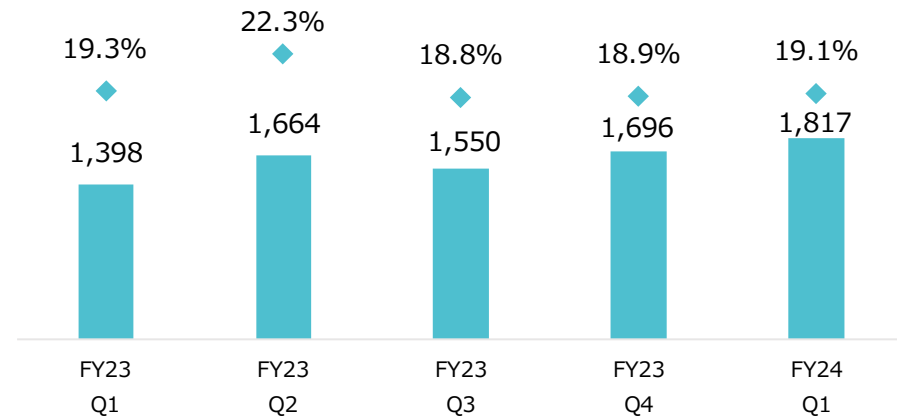
(JPY MM / %)



Operating Profit



Net Profit

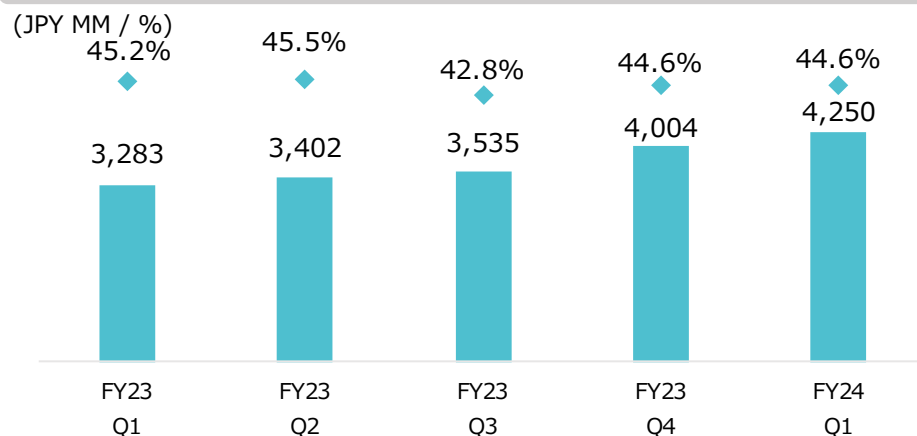


◆ : Percentage of Net Sales

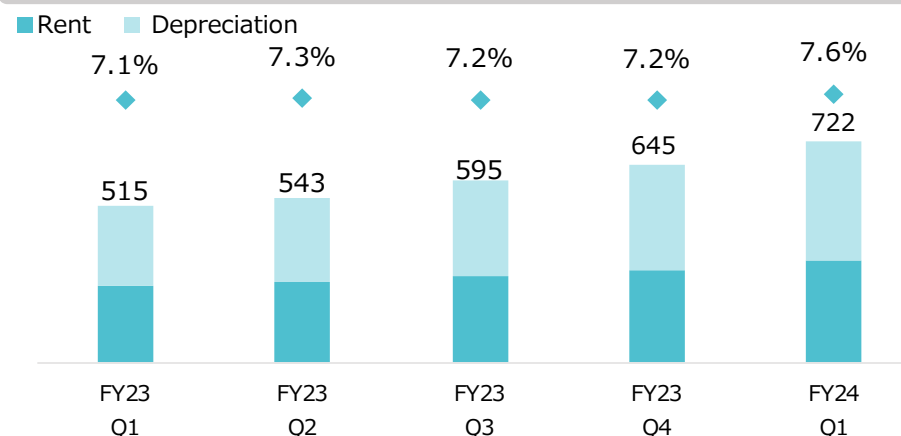
Quarterly Performance: Major Costs of Sales, SG&A Expenses

Quarterly Performance

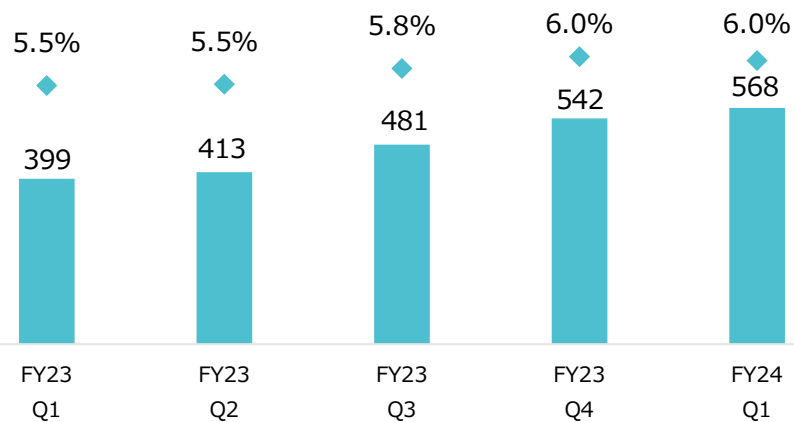
Personnel Expenses (Cost of Sales)



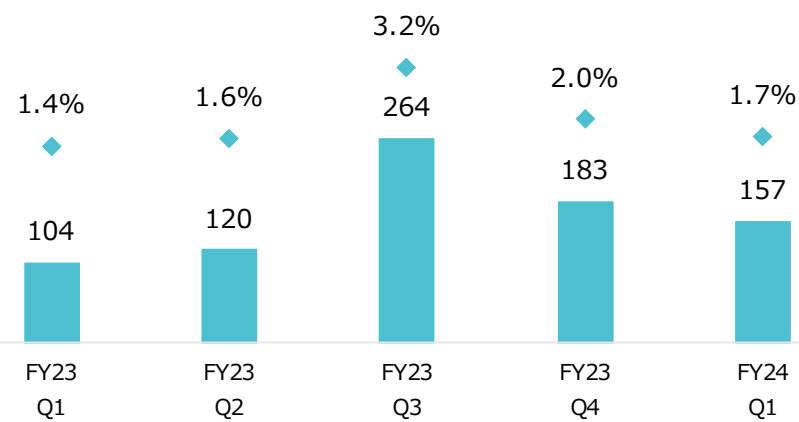
Rent & Depreciation (Cost of Sales)



Personnel Expenses (SG&A Expenses)



Recruiting Expenses (SG&A Expenses)



◆ : Percentage of Net Sales

Summary of Balance Sheet

(JPY MM / %)	FY22	FY23	FY24 Q1	vs. FY23
Assets	41,767	55,559	58,197	+4.7%
Cash and Deposits	11,342	12,128	9,502	(21.7%)
Buildings and Structures, Net	14,322	21,151	23,184	+9.6%
Liabilities	21,308	29,036	30,147	+3.8%
Borrowings	12,711	17,394	19,052	+9.5%
Net Assets	20,458	26,523	28,049	+5.8%
Equity Ratio	49.0%	47.7%	48.2%	+0.5pt



3. Appendix

Amvis 2025 Targets

(FY25) Number of facilities /
Bed capacity

131 facilities / 6,621 beds

FY24 (forecast): 104 facilities / 5,248 beds
FY23 (actual): 76 facilities / 3,795 beds
FY22 (actual): 58 facilities / 2,802 beds

(FY25) Net sales

JPY 56.5bn

FY24 (forecast): JPY 42.6bn
FY23 (actual): JPY 31.9bn
FY22 (actual): JPY 23.0bn

(FY25) EBITDA

JPY 16.6bn

FY24 (forecast): JPY 12.3bn
FY23 (actual): JPY 9.8bn
FY22 (actual): JPY 6.9bn

(FY22-25) Net profit (CAGR)

25% or more

FY20-FY23 (actual): 72%

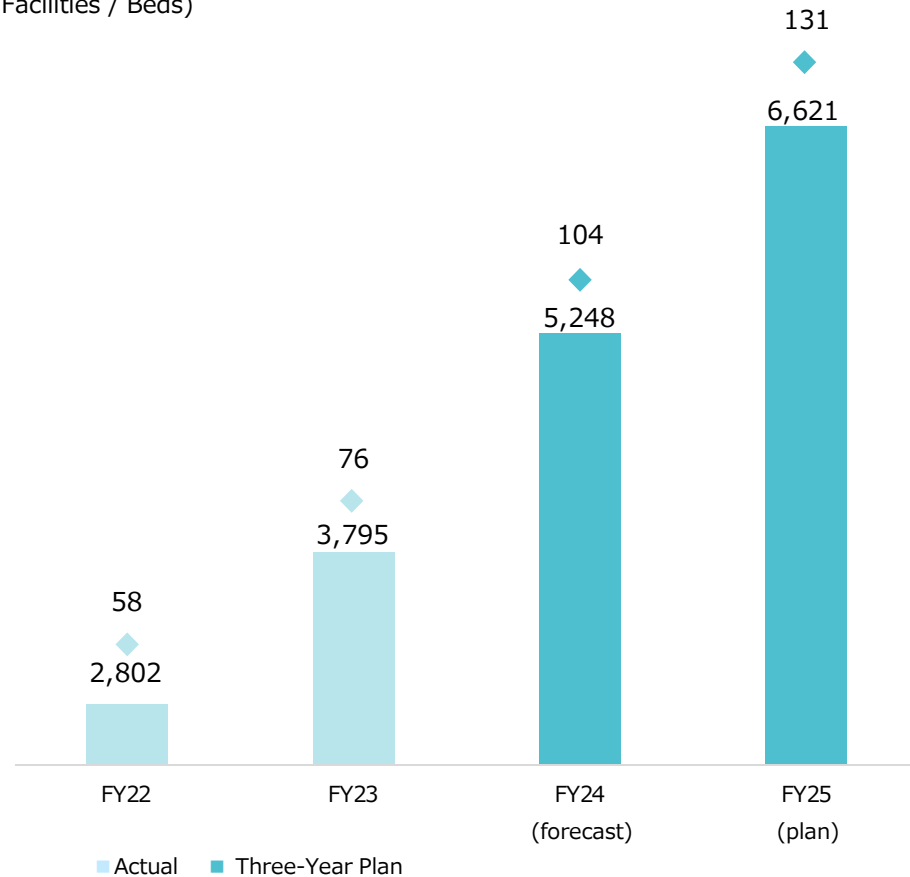
Note :

1. For details on the number of facilities / bed capacity of FY24 (forecast), please refer to page 8.

Amvis 2025 Targets

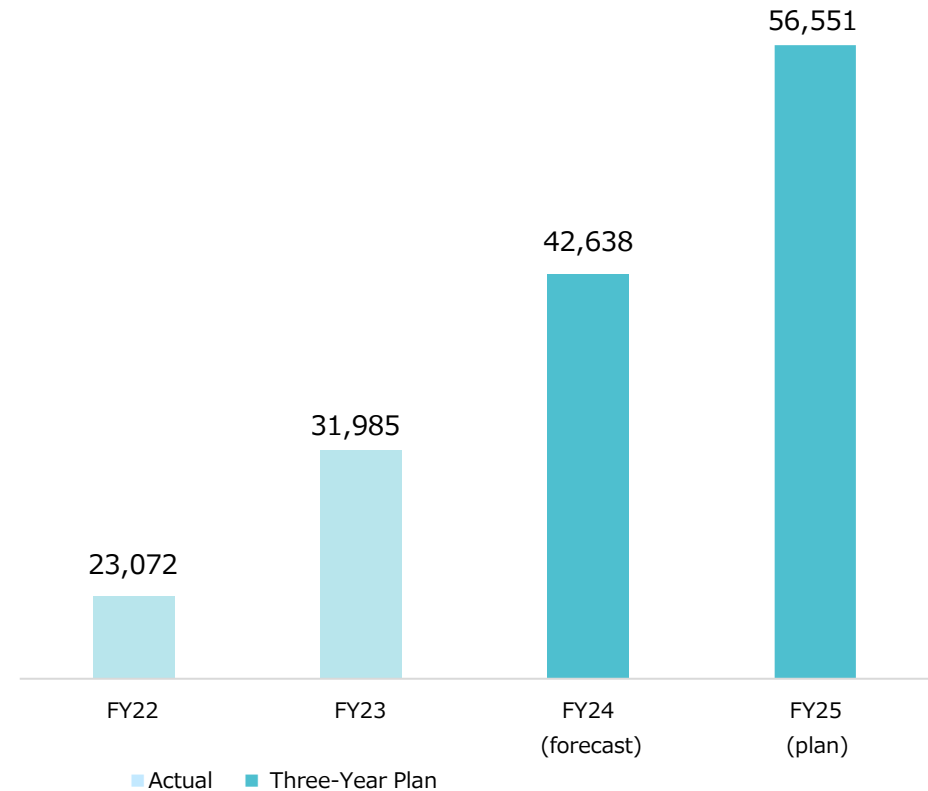
Number of facilities / Beds

(Facilities / Beds)



Net Sales

(JPY MM)



Note :

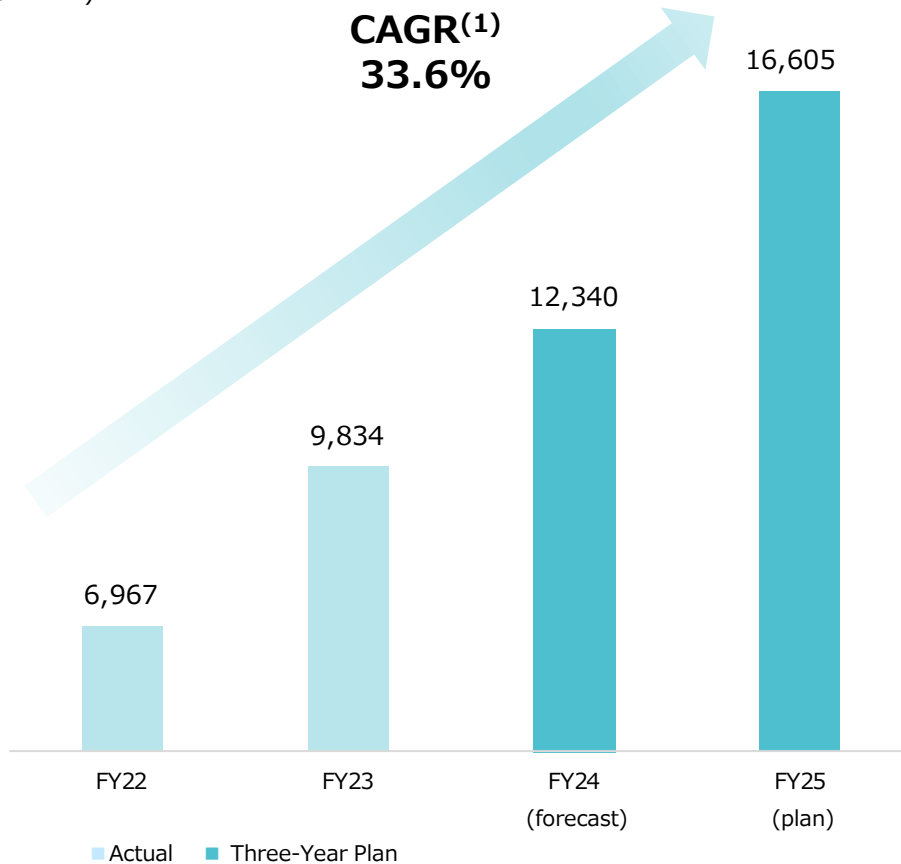
1. For details on the number of facilities / bed capacity of FY24 (forecast), please refer to page 8.

Amvis 2025 Targets

EBITDA

(JPY MM)

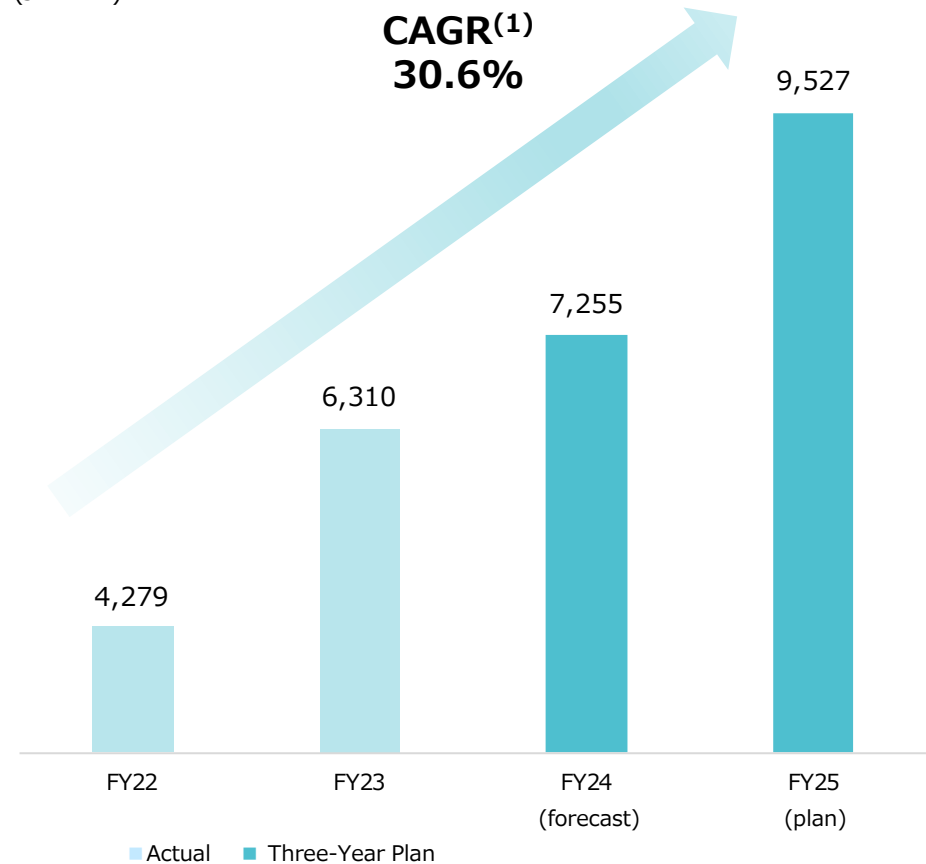
**CAGR⁽¹⁾
33.6%**



Net profit

(JPY MM)

**CAGR⁽¹⁾
30.6%**



Note :

1. CAGR is for the three-year period from FY22 to FY25 (plan)



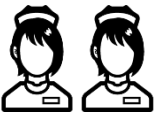









Three-Year Plan "Amvis 2025"

(JPY Bn)	FY21	FY22	FY23	FY24	FY25
	Full-Year	Full-Year	Full-Year	Forecast	Plan
Net Sales	15.3	23.0	31.9	42.6	56.5
(Y/Y(%))	+67.1%	+50.5%	+38.6%	+33.3%	+32.6%
EBITDA	4.3	6.9	9.8	12.3	16.6
(Y/Y(%))	+100.7%	+60.8%	+41.1%	+25.5%	+34.6%
Operating Profit	3.7	6.1	8.6	10.5	13.9
(Y/Y(%))	+101.7%	+62.0%	+40.7%	+21.7%	+32.9%
Net Profit	2.6	4.2	6.3	7.2	9.5
(Y/Y(%))	+112.0%	+62.9%	+47.5%	+15.0%	+31.3%

Note :

1. Excluding extraordinary income (profit from the transfer of Ishinkan Yokkaichi), the Y/Y of net profit is +40.8% (FY23) and +20.4% (FY24)

Facility Opening Strategy: Characteristics in Tokyo, Metropolitan Area and Regional Cities

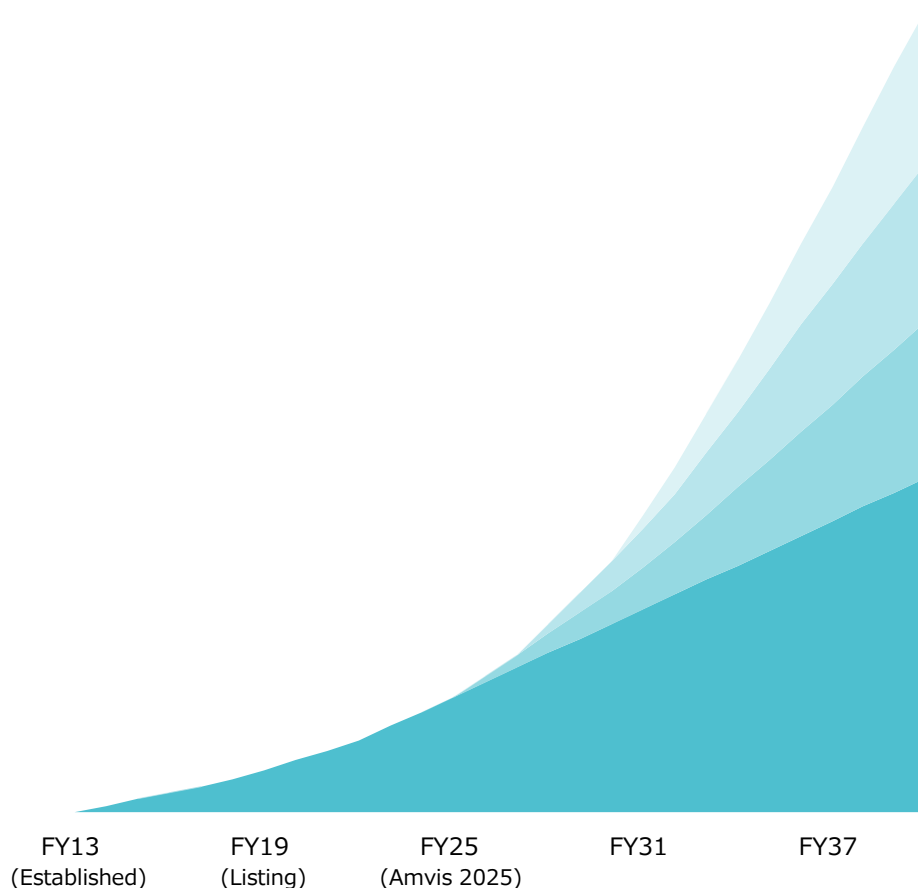
Reference Indicators	Market Size The average annual number of cancer deaths per prefecture ⁽²⁾	Development Costs / Rent Rent fee for our facilities per room ⁽³⁾	Nurse Recruitment The average number of employed nurses per prefecture ⁽⁴⁾	Number of Ishinkan Facilities As of September 30, 2022⇒ As of September 30, 2024 ⁽⁵⁾	Amvis 2025 (FY23-FY25)
Tokyo	 34,341 people	 JPY 123,261	 106,911 people	 5 facilities⇒14 facilities (+9 facilities)	Accelerate the pace of openings by prioritizing market share expansion (+~15 facilities / 3 years)
Metropolitan Area ⁽¹⁾	 19,208 people	 JPY 83,222	 55,436 people	 26 facilities⇒48 facilities (+22 facilities)	Continue to open at the same pace as before (+~60 facilities / 3 years)
Regional Cities ⁽¹⁾	 5,454 people	 JPY 54,991	 21,039 people	 27 facilities⇒42 facilities (+15 facilities)	Continue to open at the same pace as before (+~60 facilities / 3 years)

Note:

1. Metropolitan Area: Saitama, Chiba, Kanagawa, Aichi, Kyoto, Osaka, Hyogo / Regional Cities: Prefectures excluding Tokyo and Metropolitan Area
2. The sum of the number of cancer deaths in each area (Ministry of Health, Labour and Welfare “Vital Statistics (2021)”) / The number of prefectures in each area
3. Average rent fee per room in each area disclosed on our website (as of January 1, 2024)
4. The total number of registered nurses and assistant nurses in each area (The Japanese Nursing Association “Nursing Statistics (2021)”) / The number of prefectures in each area
5. The number of facilities as of September 30, 2024 is the number of facilities already announced to open as of February 8, 2024.

- We aim to expand into related businesses, including comprehensive support for medical institutions in remote areas that are structurally difficult to manage, by utilizing the know-how acquired through the operation of Ishinkan.

Medium- to Long-Term Growth Strategy



**Building a Business
Not Dependent on Insurance Fees**

**Development of the Regional Healthcare
Revitalization Project**

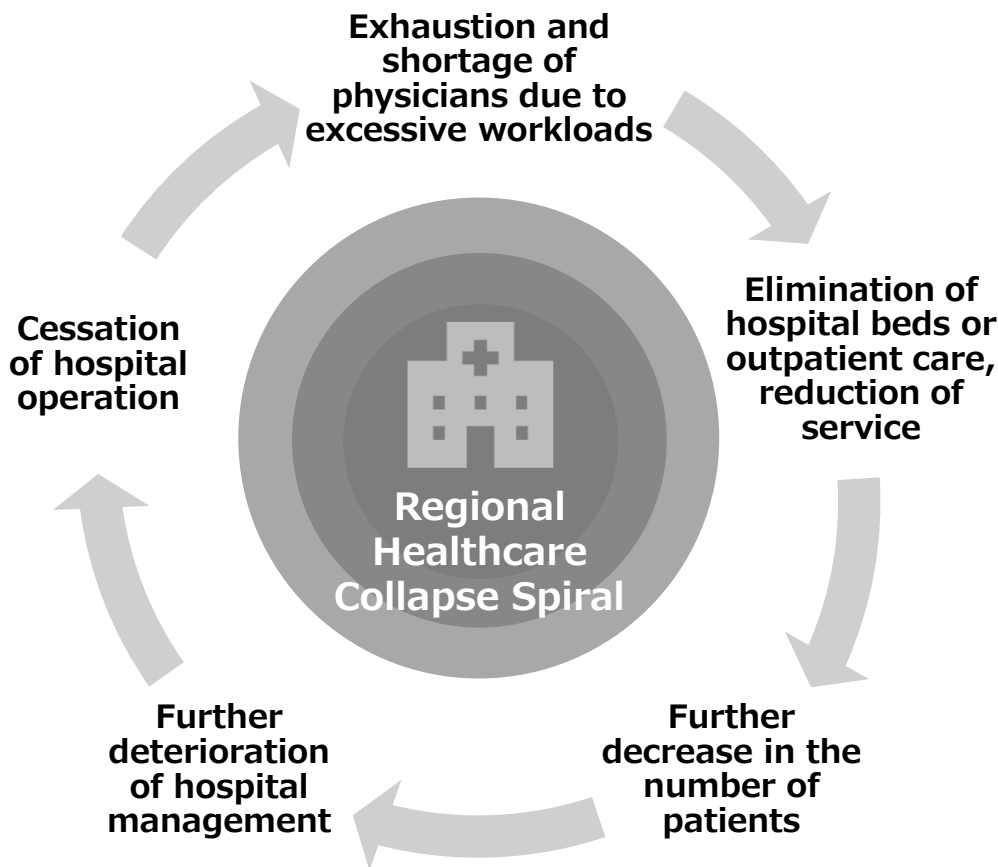
**Expansion Deployment Region
and the Base of Patients (Including M&A)**

Expansion of Existing Ishinkan Business

Ishinkan Approach to Avoid Exhaustion and Breakdown of Regional Healthcare

- In remote areas where hospital management is considered difficult, we plan to revitalize hospitals and make them profitable by utilizing the Ishinkan scheme.

Negative Spiral in Medical Remote Areas



Utilization of the Ishinkan Scheme

A chronic shortage of physicians, an uneven distribution of physicians and other medical resources, and other factors are causing many hospitals to fall into financial difficulty that could lead to the breakdown of regional healthcare.

The core hospitals will provide acute care. Some of the beds in other hospitals will be converted to hospices that focus on terminal nursing care by outsourcing physician's functions, and focus on home healthcare business at the same time.

We aim to support hospital management and revitalize regional healthcare by utilizing the know-how acquired through the operation of Ishinkan, such as attracting patients, collaborating with different professions, and cost management.

Main Support Offerings

Such as Hospital Bed Conversion and Hospice Opening

- We provide tailor-made management support for each medical institution, utilizing know-how acquired through the operation of Ishinkan.
- We provide financial support, but basically we provide super hands-on operational support by dispatching physicians and nurses.

Main Support Offerings



**Conversion of
Hospital Beds**



**Opening of
Hospices**



**Attracting
Patients**



**Dispatching
Human Resources**



Cost Management



FP&A



Mezzanine Loans



Factoring

Shareholder Return Policy

Emphasizing Total Shareholder Return

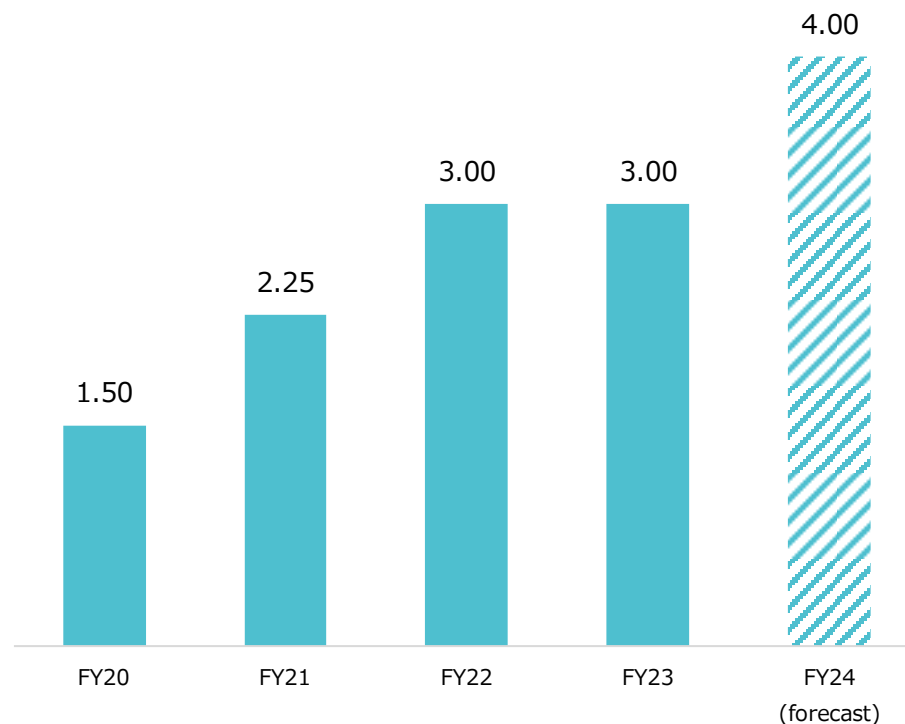
- In FY24, we expect to raise the dividend per share by JPY 1.00 from FY23 to JPY 4.00.
- Over the medium to long term, we will focus on total shareholder return and plan to provide a stable yield, regardless of changes in growth stage.

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.

Dividends History and Forecast⁽¹⁾

(JPY)



Note :

1. Figures of dividends per share take into account stock splits implemented on April 1, 2020, January 1, 2022, and October 1, 2022.

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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