



First Half Ended March 31, 2025

Business and Financial Highlights

Amvis Holdings, Inc.

August 14, 2025

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1. Report on the Findings of the Special Investigation Committee

■ **Composition of the Special Investigation Committee**

- The Special Investigation Committee was established, led primarily by an external law firm, comprising two attorneys, one certified public accountant, and 16 assistant attorneys and other personnel.
- The Company fully cooperated with the investigation.

■ **Investigation Process**

- The investigation conducted by the Special Investigation Committee was carried out over a period exceeding four months, from March 27 to August 4.
- Investigation period: 3 years and 6 months, from October 2021 to March 2025 (data available in the current system)
- The scope of the investigation encompassed the minutes of meetings of the Board of Directors, Executive Management Committee, and Audit & Supervisory Board; all visit records during the investigation period stored in the current home-visit nursing record system; emails, Teams chats, attachments; and records related to insurance incomes .
- Furthermore, a comprehensive and multifaceted investigation and verification process was undertaken through interviews and surveys involving a total of 247 individuals, including current and former officials of the Ministry of Health, Labor and Welfare—such as a former bureau chief—amounting to 253 interview instances in total. An information provision contact point was also established to facilitate the collection of relevant information.

■ **Special Investigation Committee's View on Certain Media Reports**

- As a result, the Committee determined that there was no evidence of organizational fraud or fraudulent billing as alleged in some media reports.

■ Assessment of Actual Medical Practices

- The Company recognizes that the Committee acknowledged the substance and integrity of our medical practices based on the fact that the majority of residents at our “Ishinkan” facilities are in the terminal stage of incurable illnesses such as cancer, and that we have sincerely strived to improve medical quality and care as a pioneer in hospice services.

■ Findings on Record Registration Errors and Incomplete Records

- The financial impact identified through this investigation is minor, amounting to approximately ¥63 million (around 0.05% of total revenue during the investigation period). Accordingly, the Company does not plan to revise past Financial statements and intends to record the full amount as allowance in the second quarter results for the fiscal year ending September 2025.
- With regard to the impact amount mentioned above, we understand that the majority of cases in which our actual nursing practices were not recognized stemmed from minor errors such as incorrect data entry and insufficient documentation.
- However, the time required for the investigation and to disclose its findings has caused significant concern among our stakeholders, including investors. We take seriously the findings pointed out in the investigation report regarding deficiencies in our organizational systems, and we are committed to making necessary improvements.

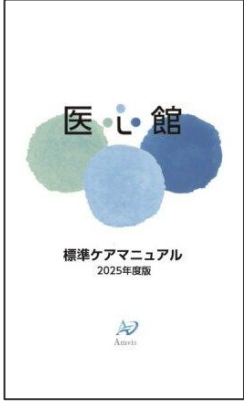
■ Response to Findings

- Prior to the launch of the Committee's investigation, the Company had already voluntarily started reviewing its organizational systems and operations and commenced efforts to standardize, systematize, and document procedures.
- These efforts have also been integrated into training and are currently being implemented. We will strengthen these efforts in light of the Committee's findings. (See Next Page)

Operational Improvement Policy

We take the recommendations of the Special Investigation Committee seriously and are working to establish an operational and organizational structure that enables frontline staff to provide appropriate care and create accurate records, while ensuring multilayered and comprehensive verification and review.

Item	Policy	Implementation Details
1 Promotion of Defining and Standardizing Home-Visit Nursing Services as a Basis for Accurate Record-Keeping	<ul style="list-style-type: none"> ■ Visiting nursing services are highly specialized, which makes it difficult to standardize the scope of work and the understanding of that scope among practitioners. ■ Therefore, departments that play a leading role in onsite operations will define visiting nursing services at Ishinkan and promote the clarification and standardization of their scope of work and what to be recorded. 	<ul style="list-style-type: none"> ✓ Strengthening assessments for the proper formulation of home-visit nursing care plans ✓ Establishing standardized nursing practices through the Standard Care Manual ✓ Ensuring proper record-keeping through standardized care records
2 Enhancement and Strengthening of Recruitment, Staffing, and Operational Systems	<ul style="list-style-type: none"> ■ Strengthen collaboration with each facility to conduct recruitment activities for necessary personnel promptly and smoothly, while eliminating staffing imbalances between facilities and enhancing the operational structure to allocate and support the required personnel where needed. ■ In particular, reinforce the Training Planning Department, the Medical Safety Office, and the ICN to better support onsite operations 	<ul style="list-style-type: none"> ✓ Strengthening the Recruitment Department ✓ Enhancing staffing allocation and adjustment functions
3 Rebuilding Internal Controls and Ensuring Compliance Awareness	<ul style="list-style-type: none"> ■ Clearly define, communicate, and thoroughly enforce the routes and procedures for instructions and reporting. ■ Restructure the compliance department to strengthen its monitoring and guidance functions. ■ Enhance internal audit capabilities and implement internal controls in line with the new policy. 	<ul style="list-style-type: none"> ✓ Change of General Manager of the Business Support Department effective August 1– Introduction of a more systematic and comprehensive record-checking function using IT ✓ Change of Head of the Internal Audit Office effective July 7 ✓ Raising awareness of the purpose and usage of the internal whistleblowing system
4 Improvement of Internal Communication	<ul style="list-style-type: none"> ■ Eliminating siloed mindsets between departments and facilitating smooth information sharing and exchange of opinions on overall operations are essential for better management. ■ To this end, we will introduce new information-sharing tools to foster a culture that actively promotes communication and collaboration. 	<ul style="list-style-type: none"> ✓ Introduction of the new communication tool “TUNAG” effective August 4



2. FY25 Q2 Financial Result Summary

FY25 1H Operating Performance

1H Net Sales (Actual)

JPY 23.8bn

1H EBITDA⁽¹⁾ (Actual)

JPY 5.0bn
(EBITDA margin: 21.1%)

Full-Year Net Sales (Forecast)

JPY 53.6bn
(Progress toward full-year forecast: 44.4%)

Full-Year EBITDA (Forecast)

JPY 11.3bn
(Progress toward full-year forecast: 23.0%)

(1H forecast) Net Sales

JPY 24.0bn
(Progress toward to 1H forecast : 99.1%)

(1H forecast) EBITDA

JPY 4.8bn
(Progress toward to 1H Forecast : 103.8%)

Note:

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

Operating Status



- Operating Rate Maintained at Target Level
 - ✓ Despite the impact of the year-end and New Year calendar and some time required for new facilities to ramp up, existing facilities operated at a stable level of 82–85% (83.8%), which is the benchmark for steady operations.
 - ✓ As a result, profit targets were exceeded compared with the first-half forecast.

Status of New Openings and Operation



- In the first half, we opened 15 facilities as planned, bringing the total number of facilities we operate to 119 (with a capacity of 6,064 people) as of the end of March 2025.
 - ✓ Fiscal year ending September 2025: We have announced the opening of 29 facilities and an increase in the capacity of one facility, and further openings are planned, with the aim of reaching 133 facilities (with a capacity of 6,795 people) by the end of September
 - ✓ We will strive to accelerate its employee recruitment activities and increase in educational training / the number of personnel.
 - ✓ In the future, we will pursue a reduction in the burden on staff and an improvement in customer satisfaction in order to keep and strengthen its solid operation at Ishinkan.

Management Support Business for Medical Institutions



- We will continue to acquire new projects and diversify our solutions in the management support business for medical institutions.
 - ✓ Continued strong performance of healthcare institutions supported in remote areas.
 - ✓ Fully involved from the project formation stage in acquisitions from multiple bankrupt entities; as a result, secured management consulting contracts from the acquiring companies.

Profit exceeded first-half forecast

- First-half results show steady progress toward first-half sales and profit forecasts

Comparison with FY25 1H Results and Forecasts

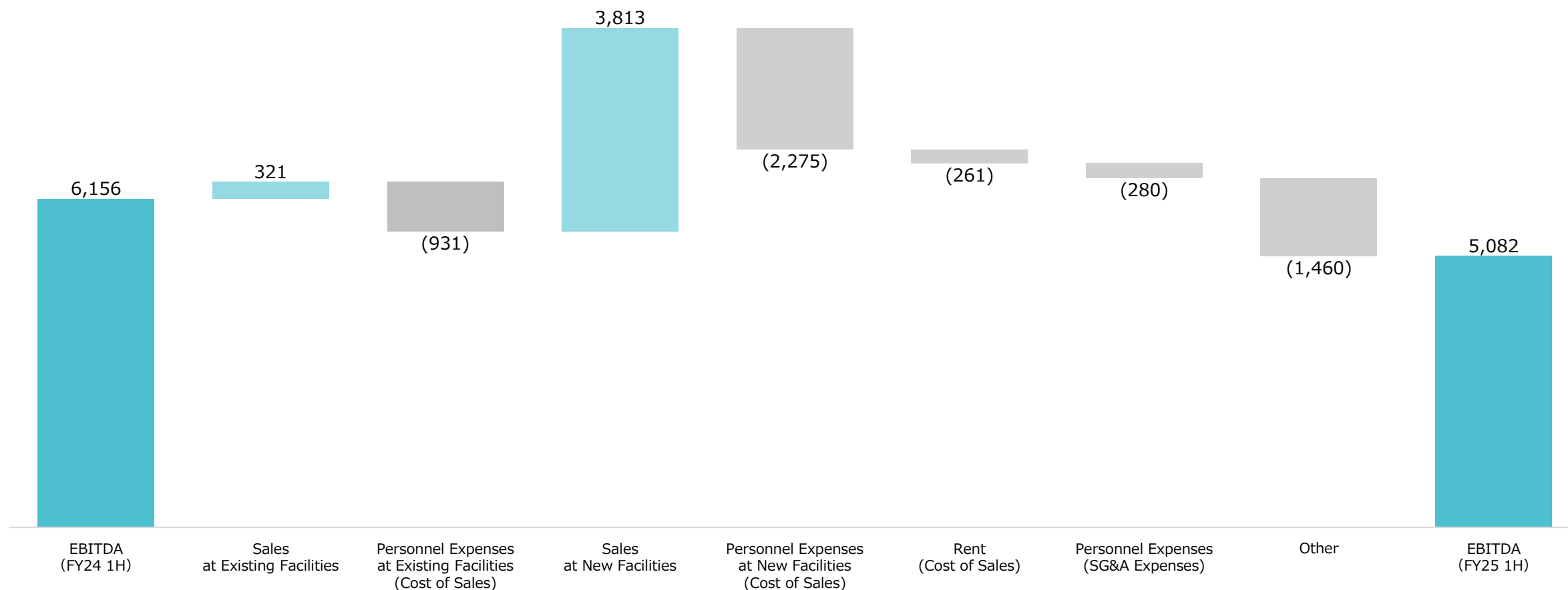
(JPY MM)	FY25	FY25 1H	rate of progress (%)	rate of progress (%)	FY25	rate of progress (%)
	Fisrt Quarter Actual	Forecast	vs. 1H forecast	vs. 1H forecast	Forecast	vs. forecast
Net Sales	23,820	24,037	-217	+99.1%	53,647	+44.1%
EBITDA	5,019	4,835	+184	+103.8%	11,394	+44.1%
EBITDA Margin (%)	21.1%	20.1%	+1.0pt	-	21.2%	-
Operating Profit	3,743	3,544	+199	+105.6%	8,627	+43.4%
Operating Margin (%)	15.7%	14.7%	+1.0pt	-	16.1%	-
Net Profit	2,688	2,330	+358	+115.4%	5,804	+46.3%
Net Margin (%)	11.3%	9.7%	+1.6pt	-	10.8%	-

New Facilities Lead the Growth

- We maintained stable utilization rates at existing facilities (83.8%) and new facilities (44.6%).⁽¹⁾
- However, EBITDA decreased compared to 1H FY9/2024 due to lower profitability at the facility as a result of the shift change

EBITDA (FY24 H1 YTD – FY25 H1 YTD)

(JPY MM)



Note:

1. New Facilities: Opened after Q1 of FY25 (same applies on the following pages) / Utilization Rate: median

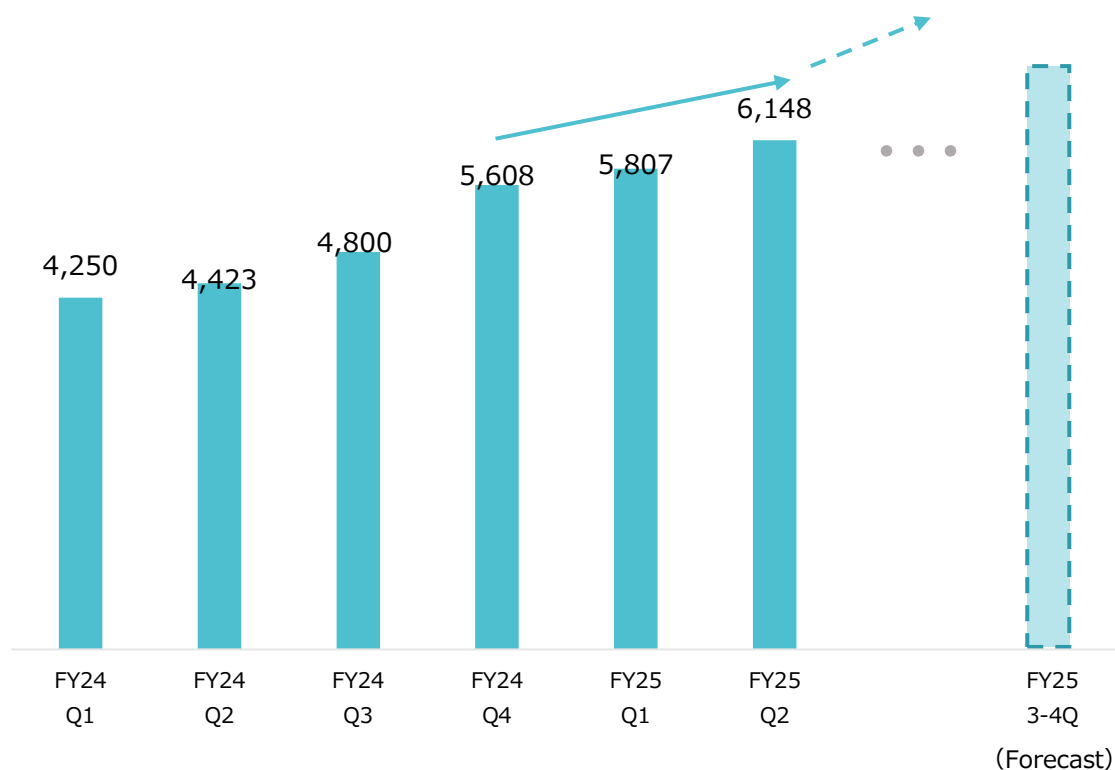
Impact of Shift Change and Outlook

Personnel Expenses (cost of sales) have been increasing as a percentage of sales due to Shift change and are expected to remain high in the future.

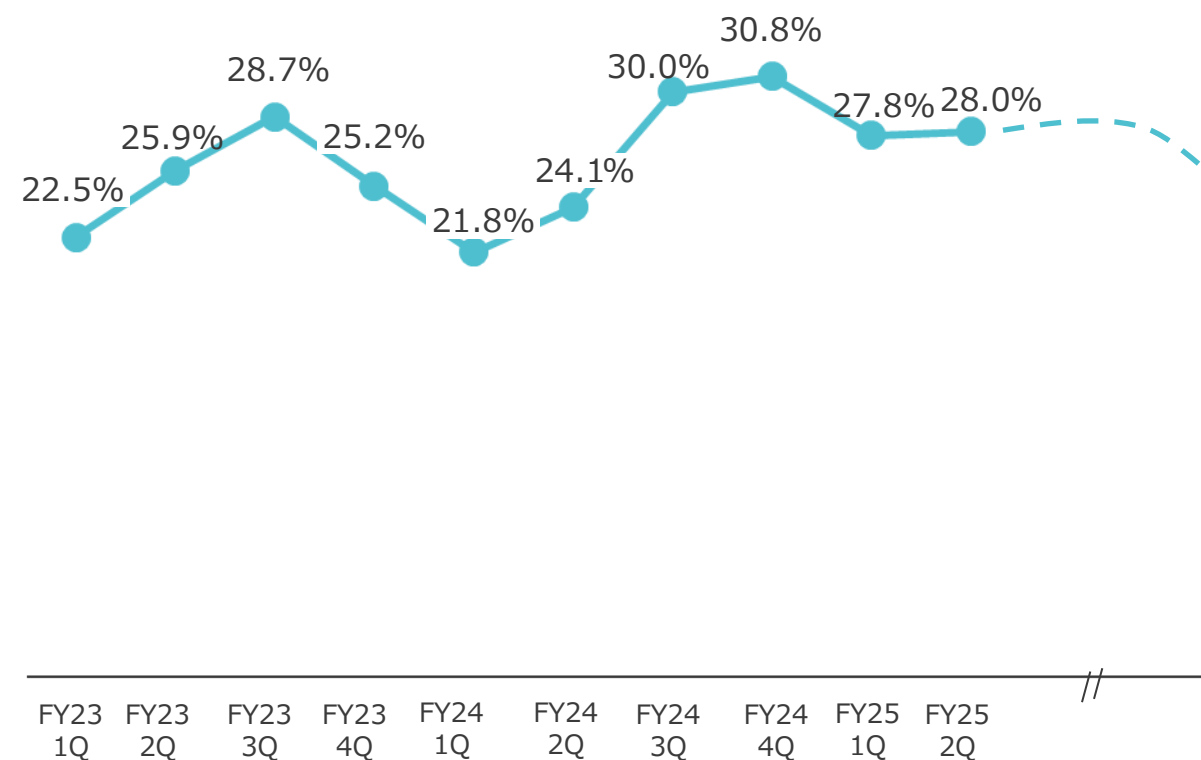
Due to the increased workload and psychological burden on staff, the turnover rate in FY24 Q3-4 is on an upward trend. Aim to reduce turnover rate by 2-3% despite seasonal factors by maintaining and strengthening operational base of Ishinkan.

Change in personnel expenses due to shift change

(JPY MM)



Change in turnover rate due to shift change



- We plan to open 29 facilities and expand 1 facility (1,551 beds) in FY25.
- Going forward, we will plan the opening, including in Western Japan, focusing on the formation of dominant area in the Tokyo metro are.

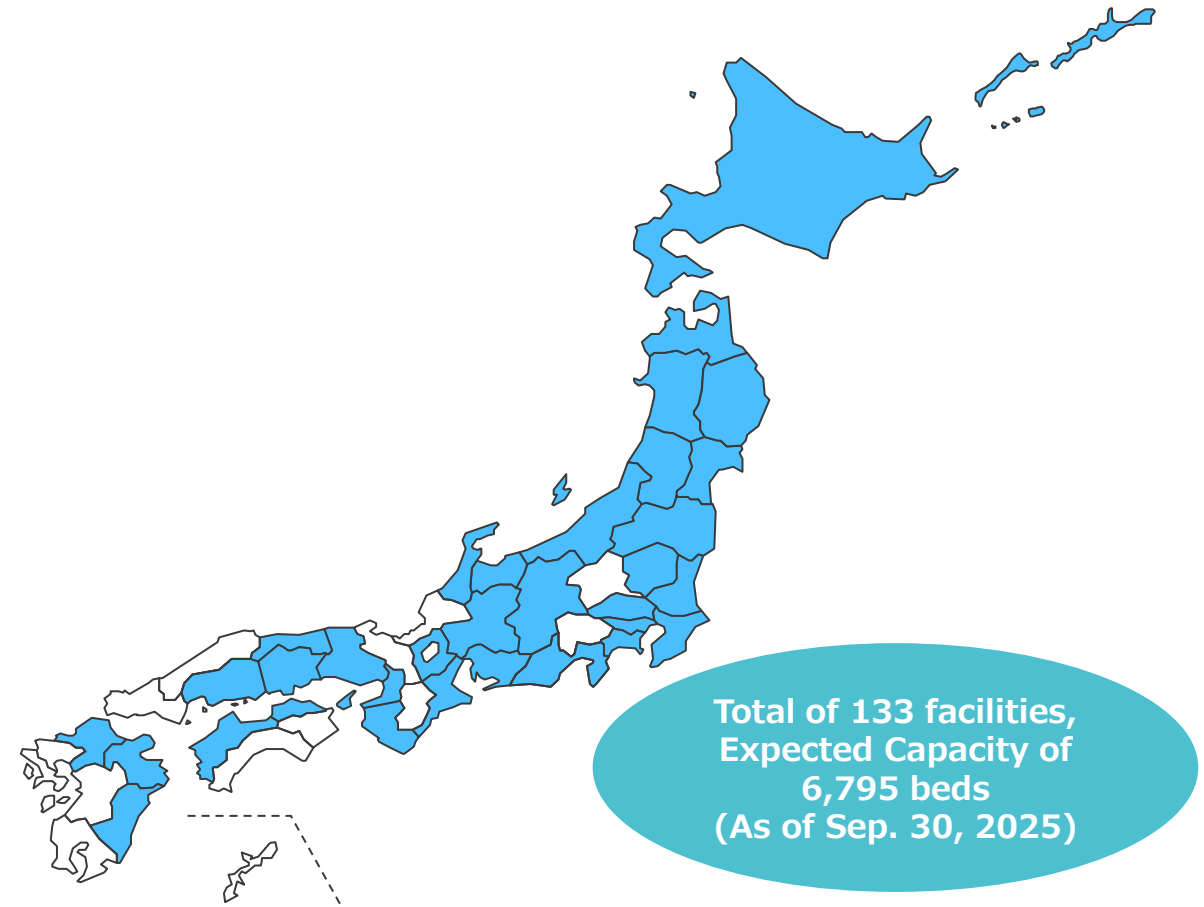
Opening Plans From Oct. 2024 to Sep. 2025

Opening Date	Location	Total Beds ⁽¹⁾
Oct. 2024	Takadanobaba, Toyohashi, Miyazaki, Seki Chuo	192
Nov. 2024	Oita, Soshigaya	108
Dec. 2024	Takamatsu, Tokorozawa, Toyama, Saki I・II	258
Feb. 2025	Kakogawa, Kami Itabashi, Ropponmatsu	161
Mar. 2025	Nakamurabashi, Higashi Koganei	97
Apr. 2025	Kisarazu, Hiroshima Yokogawa, Mishima, Fukunishi, Hamamatsu (Expansion)	241
May-25	Ojikoen, Kanazawa II	101
Jun. 2025	Okazaki, Yonago	90
Jul. 2025	Jyoestu, Hitachinaka	98
Aug. 2025	Konosu, Matsuyama, Hiratsuka, Himeji	205
Sep. 2025		0

Note:

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

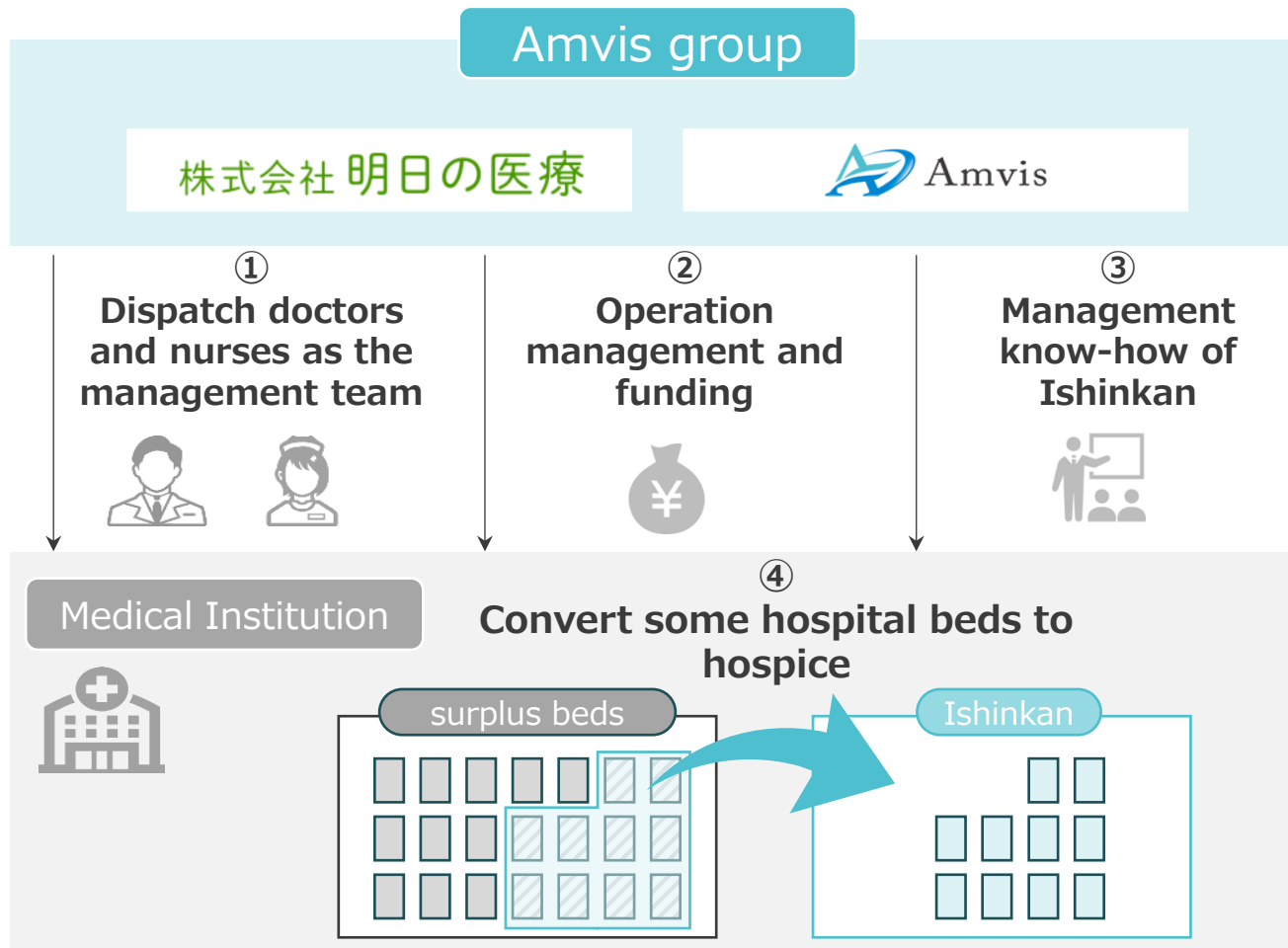
Ishinkan Nationwide



Features of Our Management Support Business for Medical Institutions

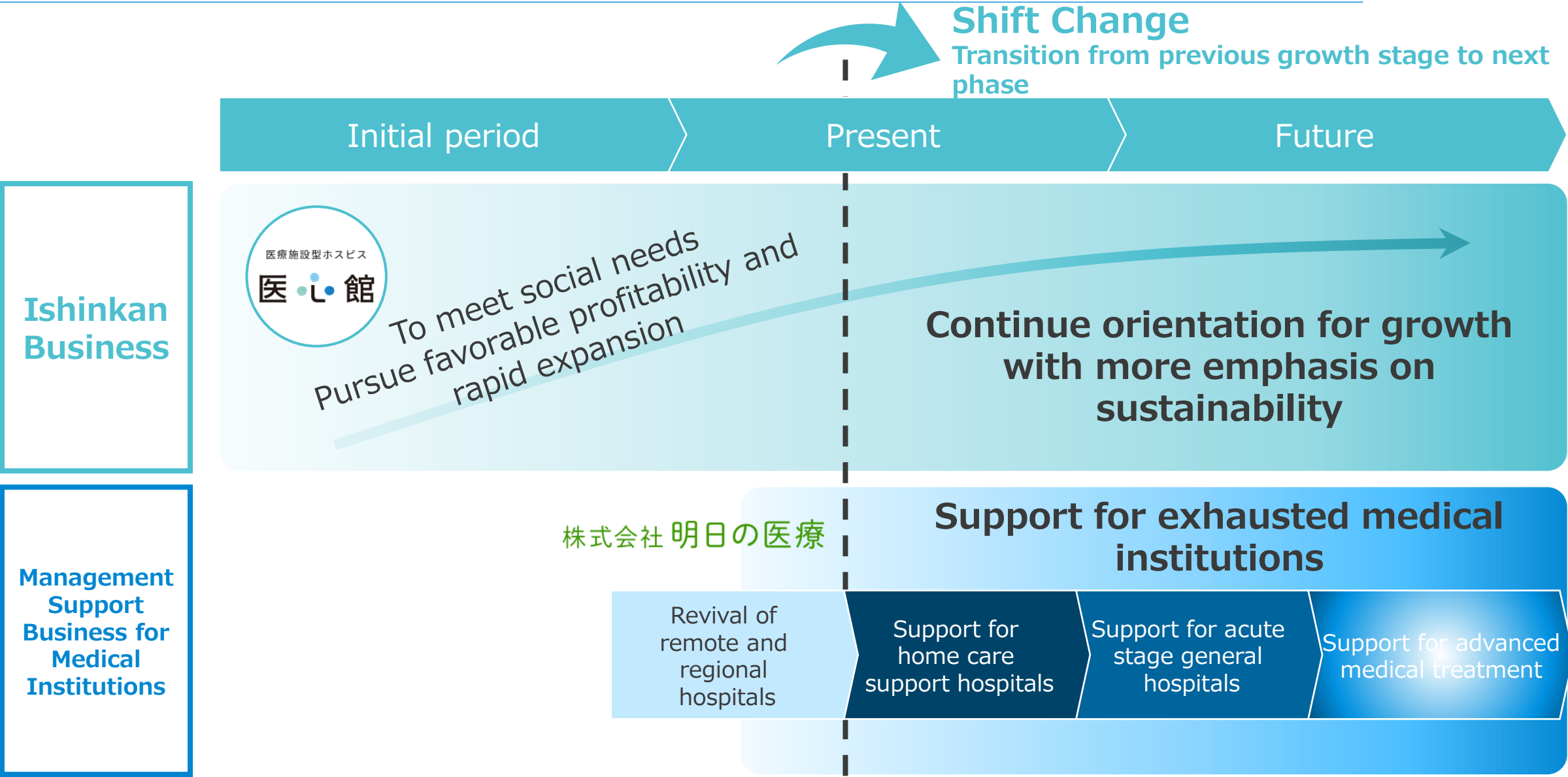
- Provide tailor-made management support for each medical institution by utilizing the know-how and resources obtained through the operation of Ishinkan.
- In addition to financial support, we also provide hands-on support in terms of operations by dispatching doctors and nurses.

Unique Support Scheme of Amvis



Features of the Support Scheme

- 1 Super hands-on support by dispatching doctors and nurses**
 - Doctors and nurses, not just administrative staff, are involved in the field to improve operations
 - Realize essential business improvements that go beyond cost cutting and KPI management
- 2 Operation management and funding**
 - Amvis HD's headquarter supports back-office operations
 - Provide funding through factoring or mezzanine financing if funding needs arise
- 3 Conversion of hospital beds utilizing Ishinkan know-how**
 - Utilizing the know-how of Ishinkan, converting the excess hospital beds of medical institutions into Ishinkan beds
- 4**
 - By enabling smooth discharge coordination, reducing the length of hospital stays, increasing sales per patient in hospital businesses, and reducing the fatigue of medical institutions

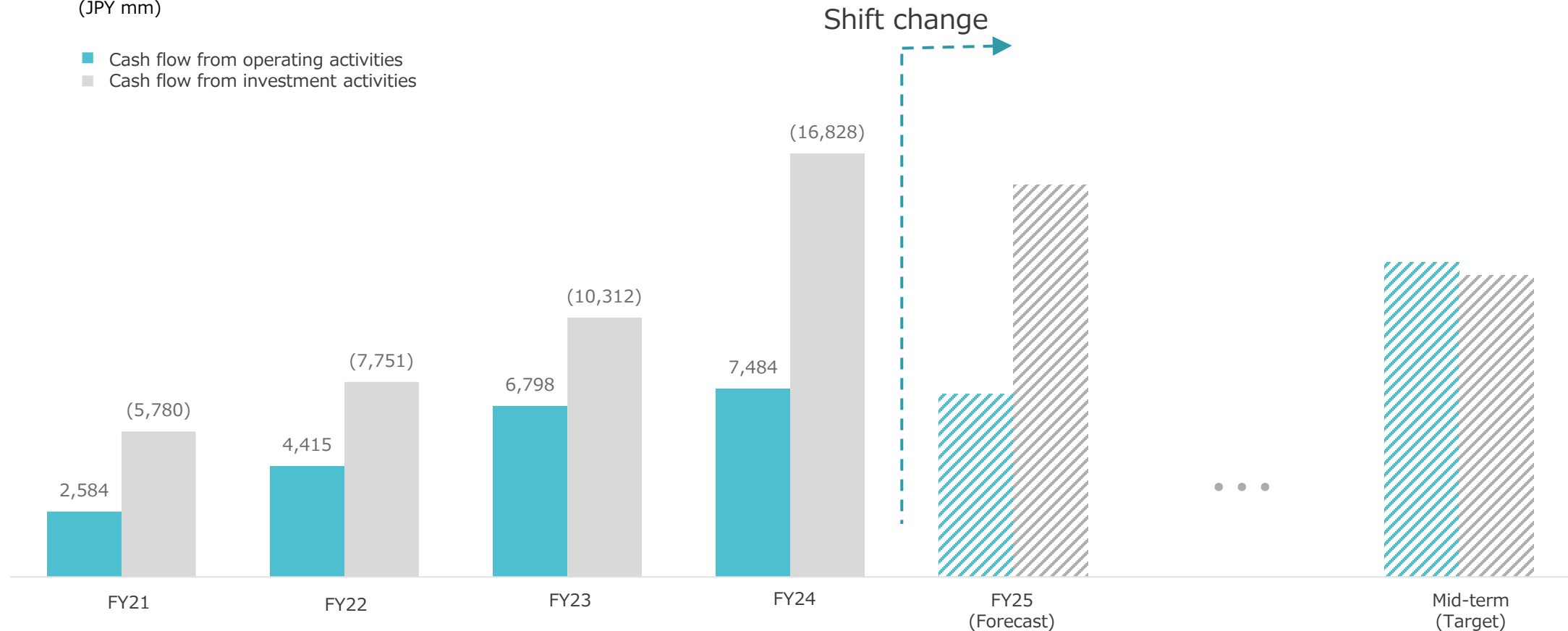


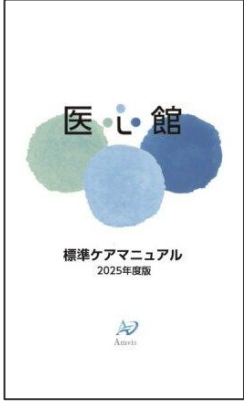
- There is the Shift change in the investment stance to focus on free cash flow (cash flows from operating activities *minus* cash flows from investing activities) due to the delay in the payback period. We expect FCF to be positive in the medium term due to streamlining of investment discipline.

Cash flow from operating activities/ Cash flow from investment activities

(JPY mm)

- Cash flow from operating activities
- Cash flow from investment activities



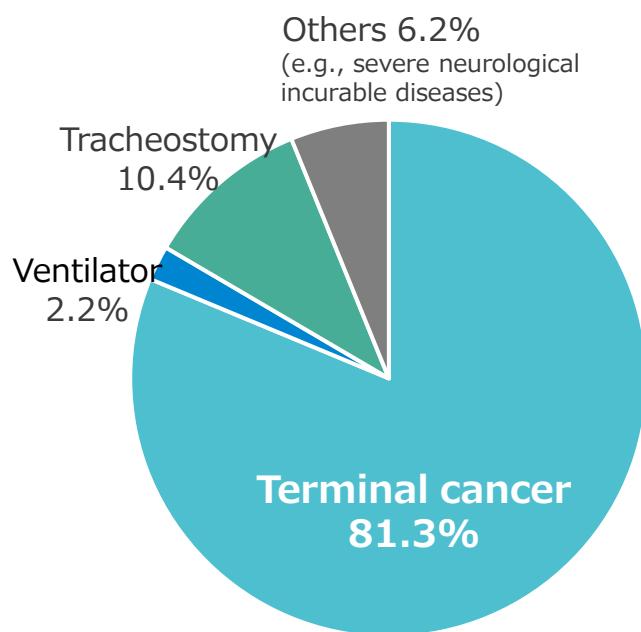


3. Features of Our Business as Social Infrastructure

Accepting the Patients with Terminal Cancer

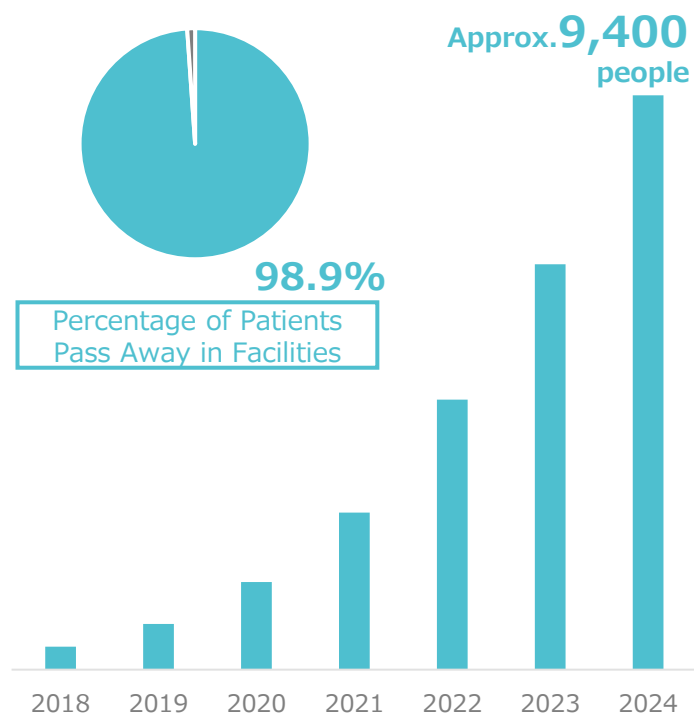
- Ishinkan complements the safety net of end-of-life care for terminally ill patients, especially those with terminal cancer.
- Social significance of this facility is expanded because it meets high-demand terminal stage needs, as the length of stay for terminal cancer patients is shorter than that of a palliative care unit.

Patient attributes



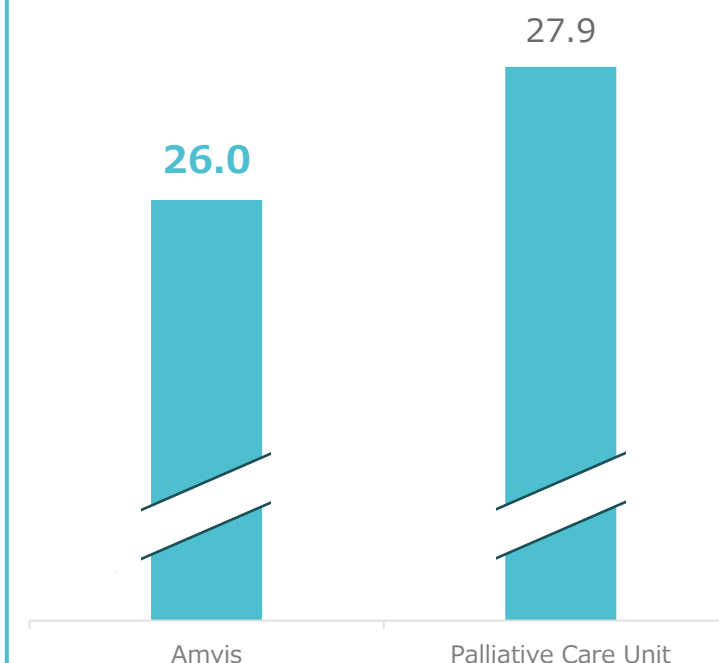
The 7,248 existing and new residents of Ishinkan in the Tokyo Metro Area from April 2023 to May 2024 are categorized by disease. Residents with multiple diseases with terminal cancer, ventilator, and tracheostomy were counted in the more former disease category. Since residents with terminal cancer tend to pass away within a short period of time, the percentage of residents with terminal cancer rises to 80-90% when limited to new residents.

Number of Patients Pass Away in Facilities



The rate of in-facility end-of-life care is calculated by dividing the total number of deaths of residents in the facility by the total number of deaths of residents in the facility, excluding deaths outside the facility, and then dividing that total by the total number of deaths of residents in the facility, excluding deaths outside the facility. The above death rate is the average of the quarterly surveys conducted over the past year.

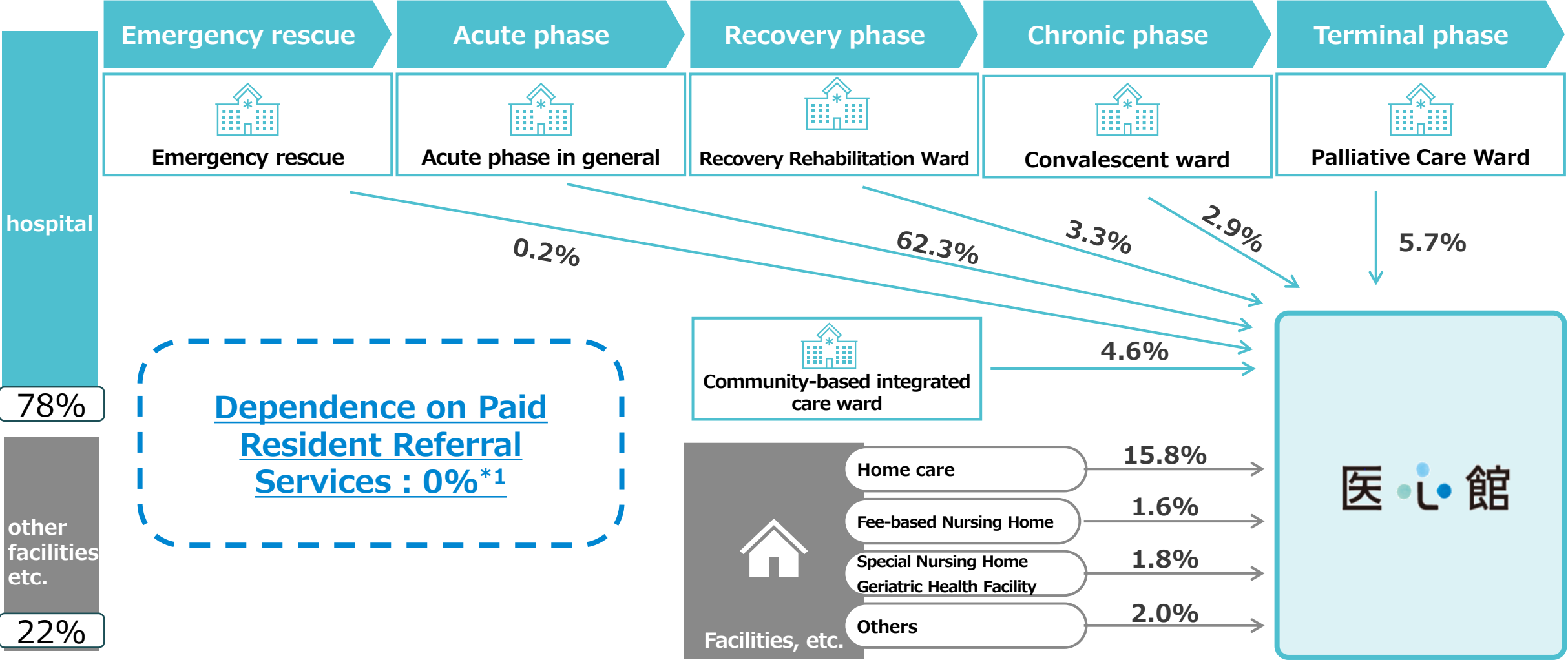
length of stay for terminal cancer patients



Source: Hospice and Palliative Care White Paper 2023
*Length of stay is the median of 764 deceased persons who have moved in since October 2023 in Tokyo.
*Average length of stay for palliative care wards in the Hospice and Palliative Care White Paper.

Cooperation with medical institutions

Ishinkan accepts approximately 1,000 patients per month from various medical institutions, including those with terminal cancer, neurological diseases, and tracheostomies. A large proportion comes from acute general wards (62.3%), and in some regions, Ishinkan serves as a discharge destination for palliative care wards (5.7%).

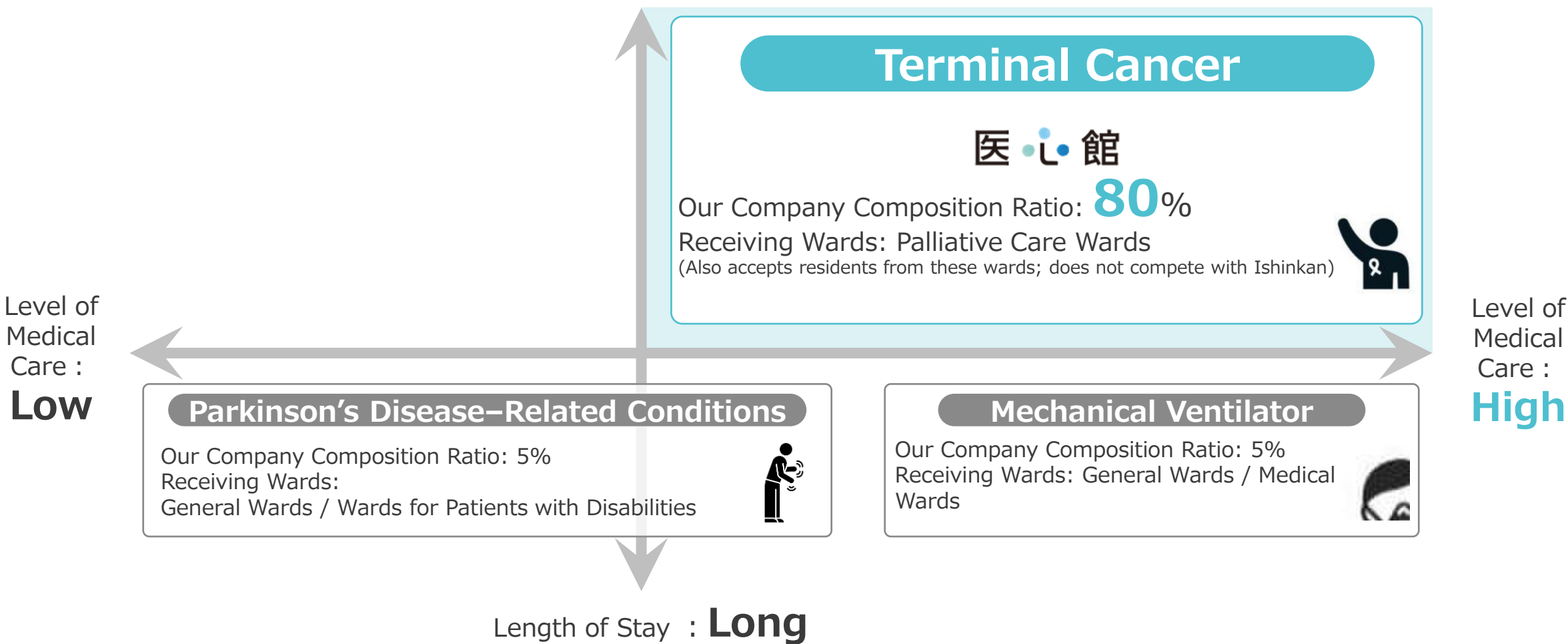


※Survey conducted on residents in December 2024 (1,198 people). None used paid resident referral services; all were referred directly from medical institutions, etc.

Ishinkan focuses on patients with high medical care needs in the terminal stage

Hospitals have palliative care wards for similar cases, but Ishinkan also accepts residents from these wards, ensuring a clear differentiation from hospitals

Length of Stay : **Short**



Note: Composition ratios are approximate values for new residents

Admission of Patients in Need of Intensive Care in Collaboration with Medical Institutions (Not Subject to Appendix 7 and Not Covered by Long-Term Care Insurance)



- We provide intensive medical and nursing care including medical treatment such as drug management, blood transfusions, artificial respiration, and drainage management, as well as outpatient chemotherapy and radiotherapy, symptom management, and decision-making support for cancer patients, in response to the needs of medical institutions, primary care physicians, patients, and their families.

Patients undergoing treatment (examples)		Patients requiring medical treatment (examples)	
Patient A (chemotherapy)	<ol style="list-style-type: none"> 1. Name of disease: Renal cell carcinoma lung metastasis 2. Conditions prior to admission: Administered immune checkpoint inhibitors as an outpatient. 3. Treatment since admission: Continued to receive Opdivo as an outpatient until it became difficult to continue to receive treatment as an outpatient after moving into the facility. 	Patient D (blood transfusions)	<ol style="list-style-type: none"> 1. Name of disease: Multiple myeloma 2. Conditions prior to admission: Blood transfusion treatment 3. Treatment since admission: Continuation of blood transfusions treatment
Patient B (chemotherapy)	<ol style="list-style-type: none"> 1. Name of disease: Pancreatic cancer 2. Name of disease: Pancreatic cancer 3. Treatment since admission: Switched to continuous narcotic drug infusion, using rescue doses for control 	Patient E (artificial respiration)	<ol style="list-style-type: none"> 1. Name of disease: COVID-19/lung cancer 2. Conditions prior to admission: COVID-19 resulted in severe respiratory failure, and tracheotomy and artificial respiration management were started 3. Treatment since admission: Home artificial respiration, suction, and management after tracheotomy
Patient C (radiation)	<ol style="list-style-type: none"> 1. Name of disease: Bone metastasis of prostate cancer 2. Conditions prior to admission: Palliative radiation therapy as an outpatient 3. Treatment since admission: Continued palliative radiation therapy as an outpatient 	Patient F (drainage management)	<ol style="list-style-type: none"> 1. Name of disease: Colorectal cancer/after intestinal perforation treatment 2. Conditions prior to admission: Artificial anus created due to tumor perforation, abscess drainage, antibiotic administration 3. Treatment since admission: Drainage management, pain control through continuous administration of narcotic drugs

Admission of Non-cancer Patients and Severely Ill Young Patients

- We also actively accept non-cancer patients for palliative care (not covered by Appendix 7) and young people with severe care needs after accidents or with congenital illness (those under 40 who are not covered by long-term care insurance), with the aim of becoming a safety net for home healthcare.

Examples of non-cancer palliative care

Patient A (Interstitial pneumonia)	<ol style="list-style-type: none"> 1. Name of disease: Interstitial lung disease (GAP stage III) 2. Conditions prior to admission: Treatment with HOT and anti-fibrotic drugs 3. Treatment since admission: Morphine administered for palliative purposes
Patient B (Cardiac amyloidosis)	<ol style="list-style-type: none"> 1. Name of disease: Heart failure due to cardiac amyloidosis, AMI 2. Conditions prior to admission: Post-AMI, post-cardiopulmonary resuscitation, coronary artery bypass surgery, etc. 3. Treatment since admission: Morphine administered for palliative purposes
Patient C (Asbestos-related lung disease)	<ol style="list-style-type: none"> 1. Name of disease: Asbestos-related lung disease, pulmonary fibrosis 2. Conditions prior to admission: NPPV introduced 3. Treatment since admission: Morphine administered for palliative purposes

Cases of people under 40 years old and not covered by long-term care insurance

Patient A (Cancer of the oropharynx)	<ol style="list-style-type: none"> 1. Name of disease/age: Oropharyngeal cancer in the terminal stage /37 years old 2. Conditions prior to admission: Chemotherapy, radiation therapy, CHP immunotherapy, tracheotomy 3. Treatment since admission: Immunotherapy as an outpatient, narcotic drug management
Patient B (Glioblastoma)	<ol style="list-style-type: none"> 1. Name of disease/age: Glioblastoma/37 years old 2. Conditions prior to admission: Chemotherapy 3. Treatment since admission: Continued chemotherapy as an outpatient
Patient C (Drowning)	<ol style="list-style-type: none"> 1. Name of disease/Age: Drowning at sea/14 years old 2. Conditions prior to admission: Cardiopulmonary arrest, artificial respiration after resuscitation, CV 3. Treatment since admission: Artificial respiration management

- Despite the difficulties in securing places for treatment, we have been actively accepting AIDS patients in collaboration with AIDS core hospitals.

Examples

Patient A

- Referral source/location: Nagoya Medical Center/Minami Urawa
- Name of disease: AIDS, post-CRP encephalopathy, tracheotomy
- Reason for difficulties: The patient is on welfare and wants to move to another prefecture. Administrative and transfer procedures take time, and the primary care physician must also ride in the long-distance care taxi.

Patient C

- Referral source/location: Yokohama Municipal Citizen's Hospital/Shin-Yokohama
- Name of disease: AIDS, progressive multifocal leukoencephalopathy
- Reason for difficulties: The fact that the patient was HIV-positive was not disclosed to his family living on a remote island. It took time to appoint a guardian for the adult.

Patient B

- Referral source/location: Nagoya Medical Center/Honjin
- Name of disease: AIDS, HIV encephalopathy, hepatitis B, syphilis
- Reason for difficulties: Many behavioral problems due to encephalitis

Patient D

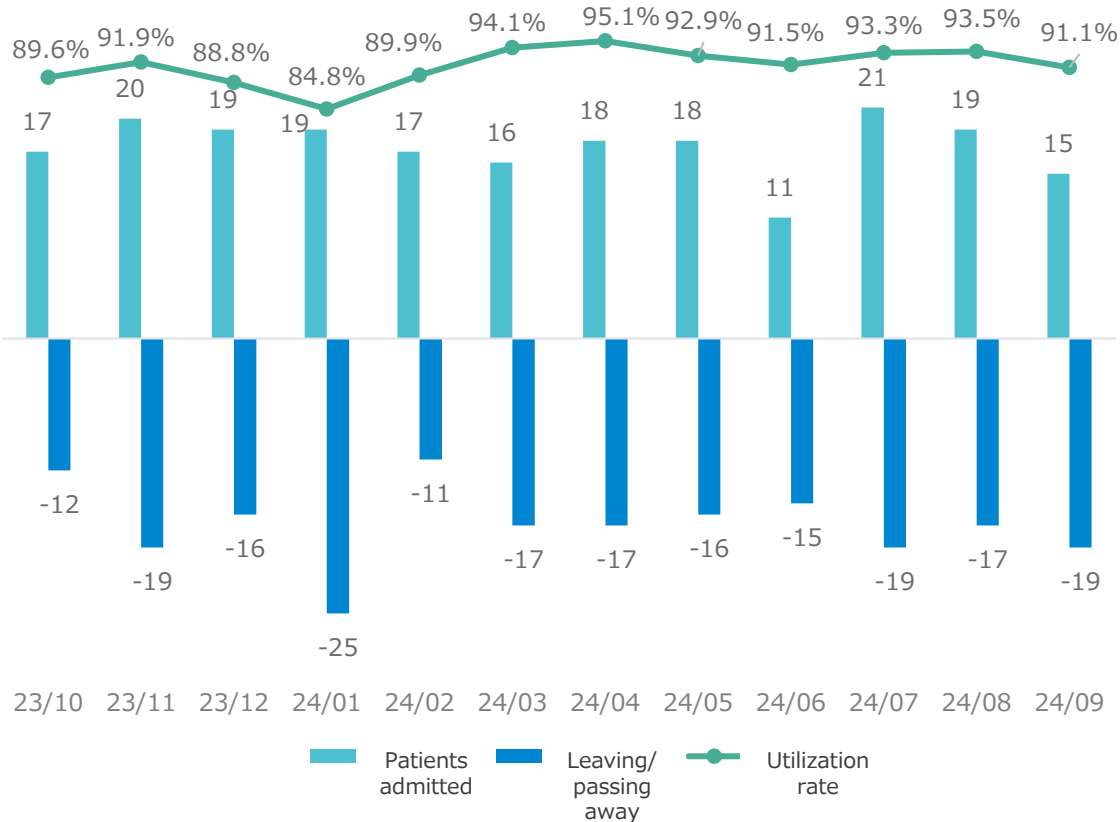
- Referral source/location: AIDS-focused hospital/Tsukuba
- Name of disease: AIDS, hemiplegia
- Reason for difficulties: The home-visiting physician had no experience of treating AIDS patients, so it was difficult to find a primary care physician, and the patient was admitted to the distant Ishinkan.

Developing End-of-life Care in Areas with a Shortage of Doctors



- We are providing responsible end-of-life care in Joetsu, where there are few hospital beds per capita and there is a severe shortage of doctors.
- We have received a certain amount of recognition from medical institutions and medical professionals for changing the face of end-of-life care in the region.

Changes in the number of patients admitted and those who passed away at Ishinkan Joetsu



Key figures (Ishinkan Joetsu)

Number of medical institutions from which referrals were received
Up to 35

Number of external care managers
Up to 55

Number of home-visit clinics
Up to 5

Rate of passing away in the facility
98.5%

Note:
1. The rate of patients who passed away in the facility is since the facility opened. The other figures are the results for January to December 2024.

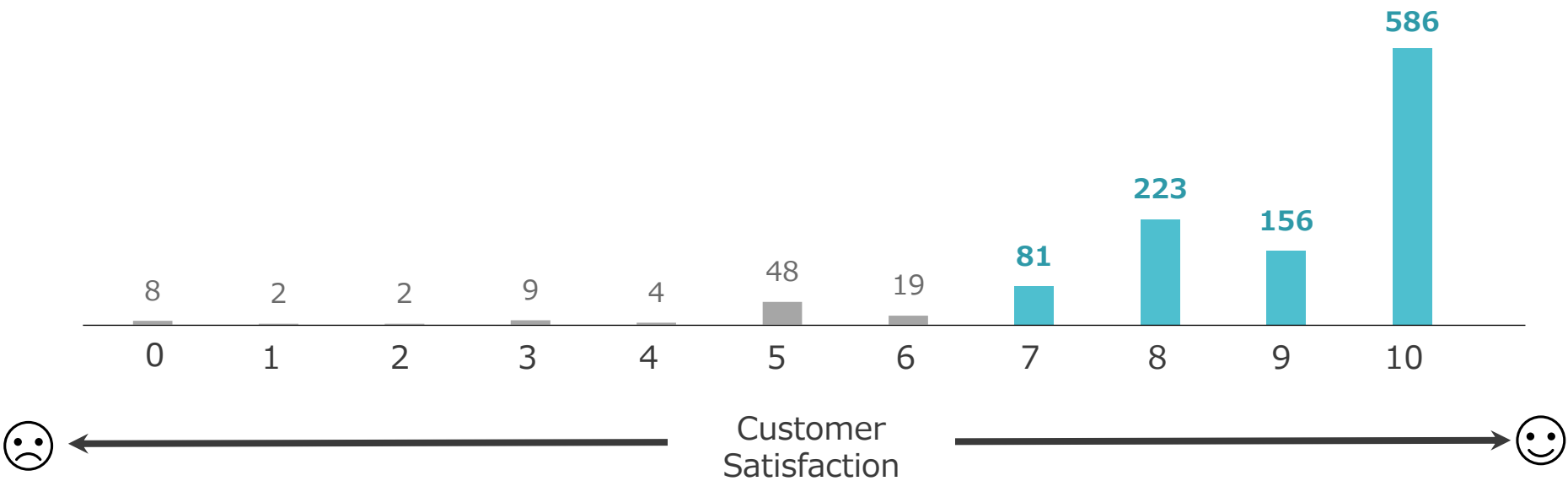
- Survey results show that we have received a very high rating of 8.80 out of 10 for customer satisfaction with our services

High Customer Satisfaction

“Would you recommend Ishinkan to your relatives, friends, or people you trust?” (10-point scale)

NPS : 57.1

Average : 8.80



Source: Total for January to December 2024. A survey was conducted with families after leaving the facility (sample size: 1138)



5. Appendix

September 2013 Amvis, Inc. established in the city of Kuwana, Mie Prefecture to engage in home nursing care, home care, and ancillary businesses

May 2014 Relocated beds from a former hospital to a nursing home as Ishinkan Nabari in the city of Nabari, Mie Prefecture, commencing business under the Ishinkan model as a trial

August 2014 Opened Ishinkan Ama in the city of Ama, Aichi Prefecture. Leased a newly established nursing home, the first facility to open under the Ishinkan model

Steady operating of Ishinkan facilities, centered on the Tokai region

2 facilities 42 beds

October 2016 Amvis Holdings, Inc. established in Yaesu, Chuo-ku, Tokyo through a stock transfer. Transitioned to a holding company structure, with Amvis, Inc. as a wholly owned subsidiary

Steady opening of Ishinkan facilities, centered on the Tokyo metro area and Eastern Japan

8 facilities 214 beds

October 2019 Amvis Holdings, Inc. listed on the JASDAQ (Standard) market of the Tokyo Stock Exchange

Growing into a leading company in home medical and nursing care

20 facilities 841 beds

March 2020 Ashitano Iryo, Inc., whose name means “future medicine”, established as a consolidated subsidiary to offer consulting on the management of medical institutions and care facilities

29 facilities 966 beds

March 2023 Amvis Holdings, Inc. changed its market listing to the Prime market of the Tokyo Stock Exchange

132 facilities 6,753 beds

September 2025 forecast

Management Mission

Create a Vibrant, Happy Society through Medical and Health Care with an Ambitious Vision

Confront Social (Medical) Issues
through Structural Innovation



Business Mission

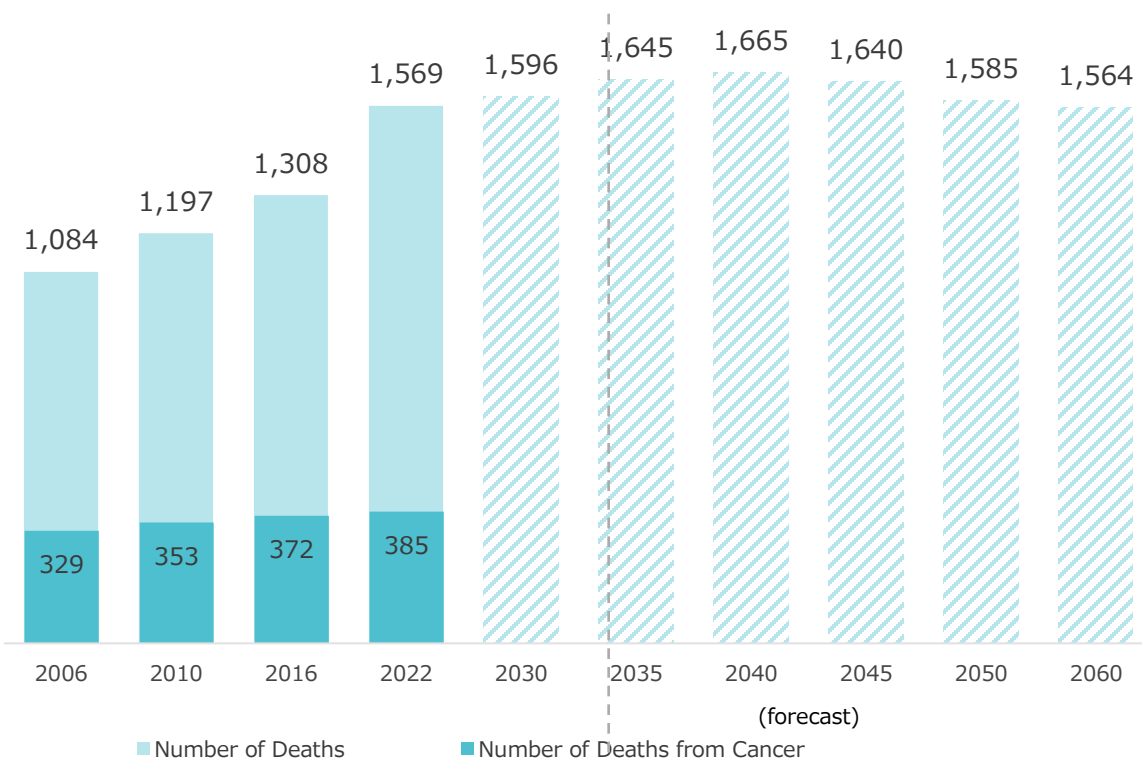
Strengthen and Revitalize Regional Healthcare

Accept Patients with High Medical Dependency by Operating
“Ishinkan” Hospices Specialized in Nursing and Care Services
in Terminal Stages

- As a result of the government's policy shifts from hospital-based to community-based medical care, the number of hospital deaths peaked around 2005 and has been decreasing, with a gradual shift to deaths in nursing homes such as hospices, owing to the arrival of an aging and shrinking population.
- Ishinkan accepts about 8,000 cancer patients per year, ⁽¹⁾ only 2.1% in Japan, so there is room for further acceptance.

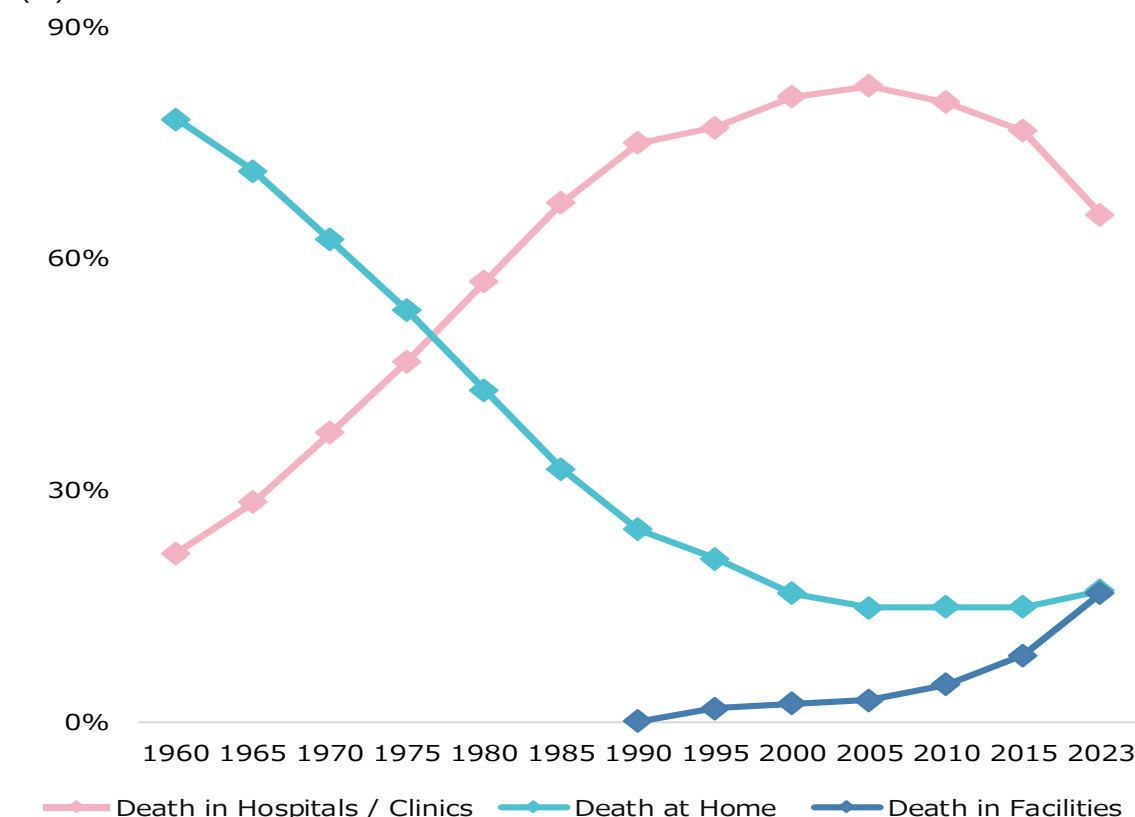
Number of Deaths (Overall, Cancer)

('000)



Place of Deaths (Composition)

(%)



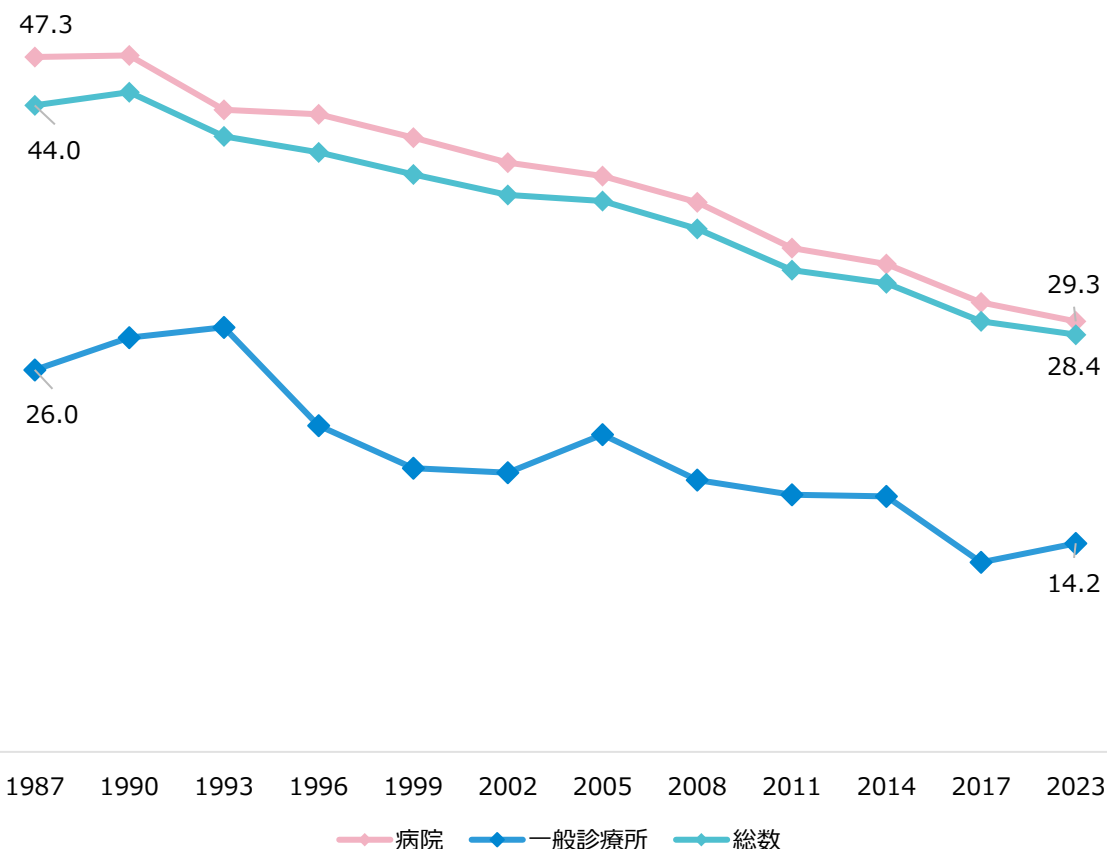
Source: Vital Statistics of the Ministry of Health, Labour and Welfare and projection results based on medium-fertility/medium-mortality assumptions (including overseas nationals in Japan) of "Population Projections for Japan" by the National Institute of Population and Social Security Research

平均在院日数の短縮化

- 最も点数が高い急性期一般入院料1では、平均在院日数の要件が18日以内から16日以内に短縮
- 平均在院日数は、年々減少傾向にあるものの、主要諸外国と比較すると更なる改善の余地あり

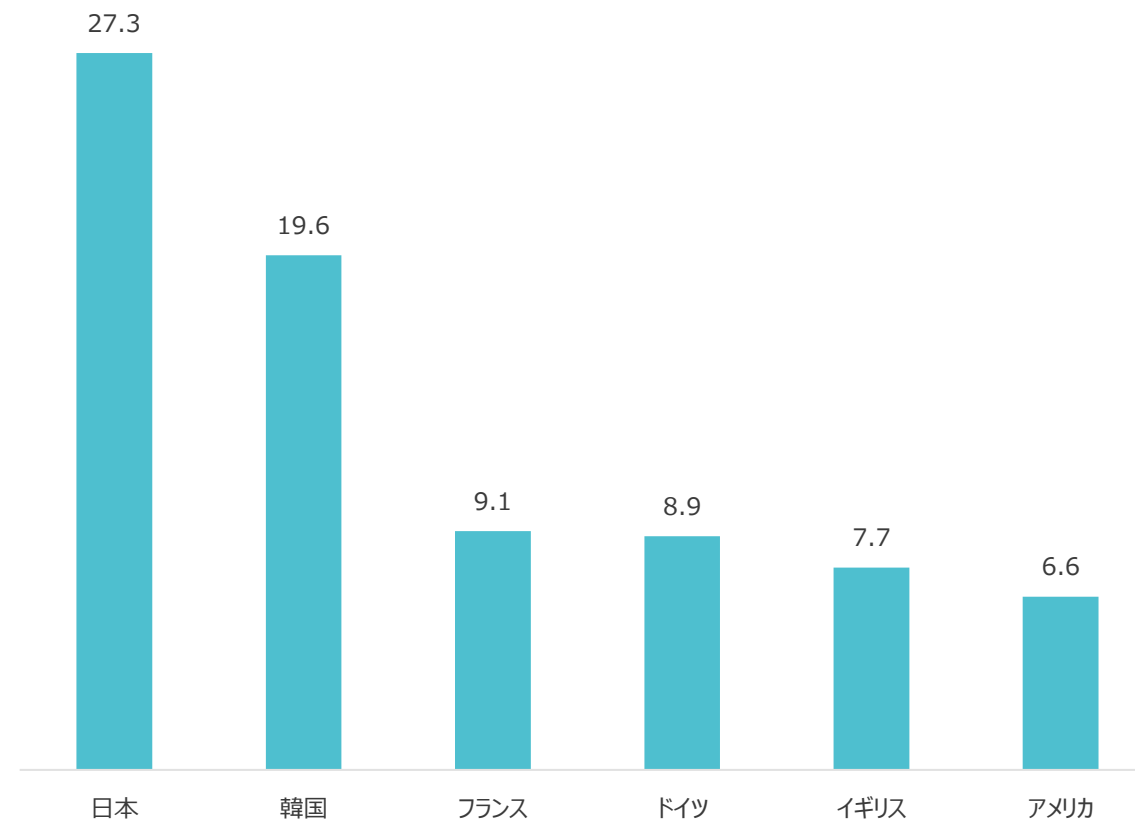
平均在院日数の推移

(日)



主要国の入院日数

(日)



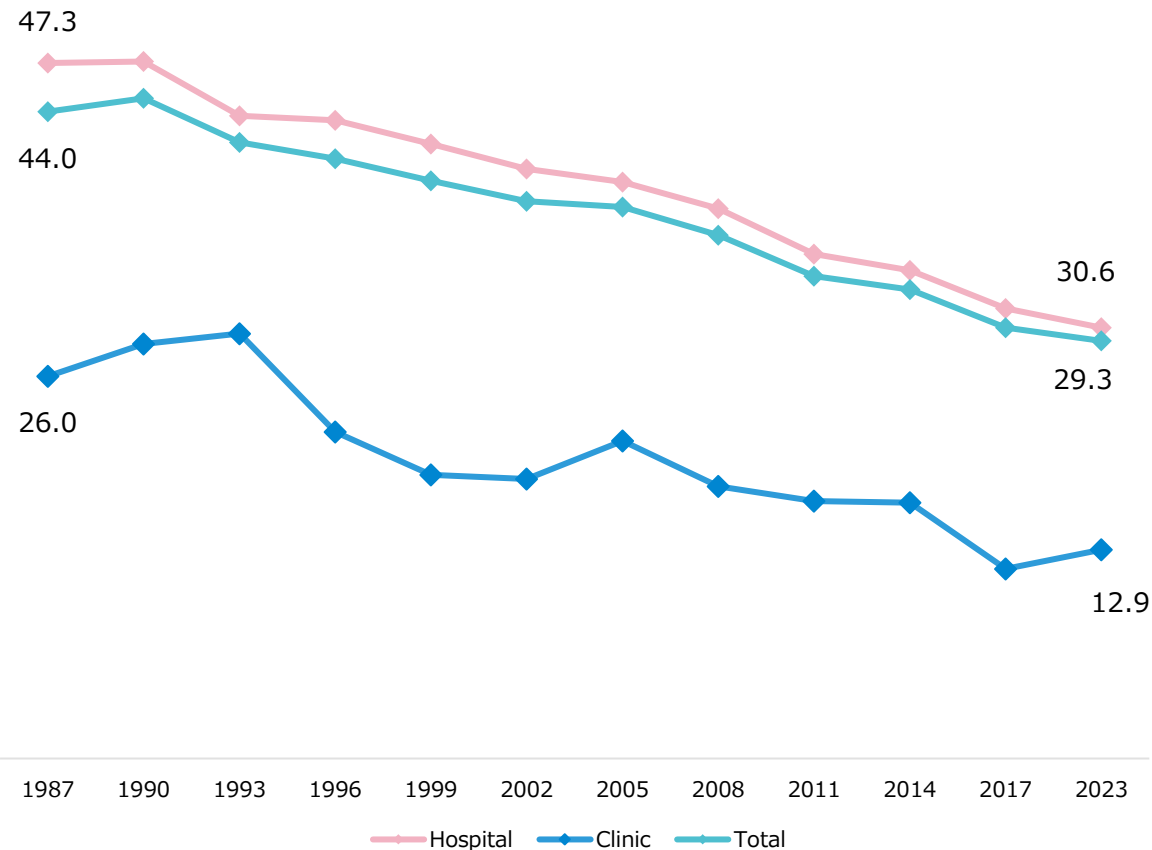
出所：厚生労働省 患者調査、OECD Health Care Utilisation「Inpatient care average length of stay, all hospitals」(2021年)

Shortening Average Length of Hospital Stay

- In acute general hospitalization charge 1, which has the highest score, the average length of hospital stay requirement was reduced from 18 days or less to 16 days or less.
- Although the average length of hospital stay is decreasing year by year, there is room for improvement compared to major other countries.

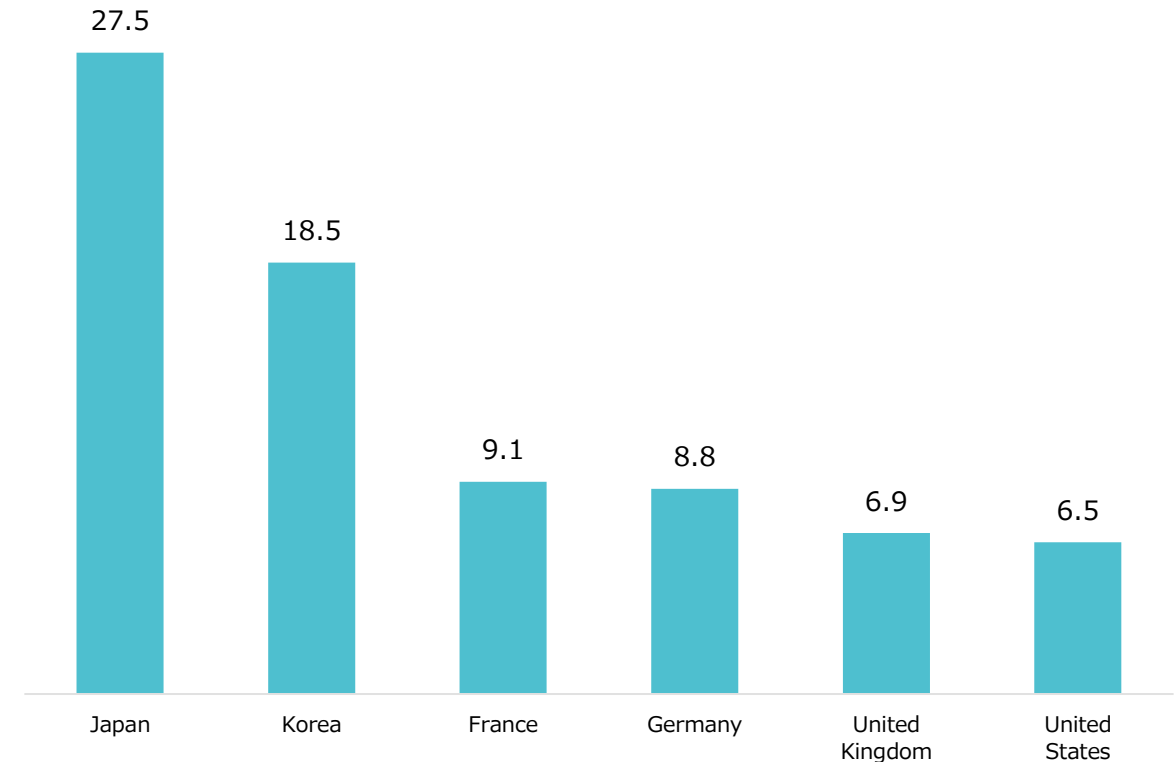
Average Length of Hospital Stay

(Days)



Hospital Stays in Major Countries

(Days)

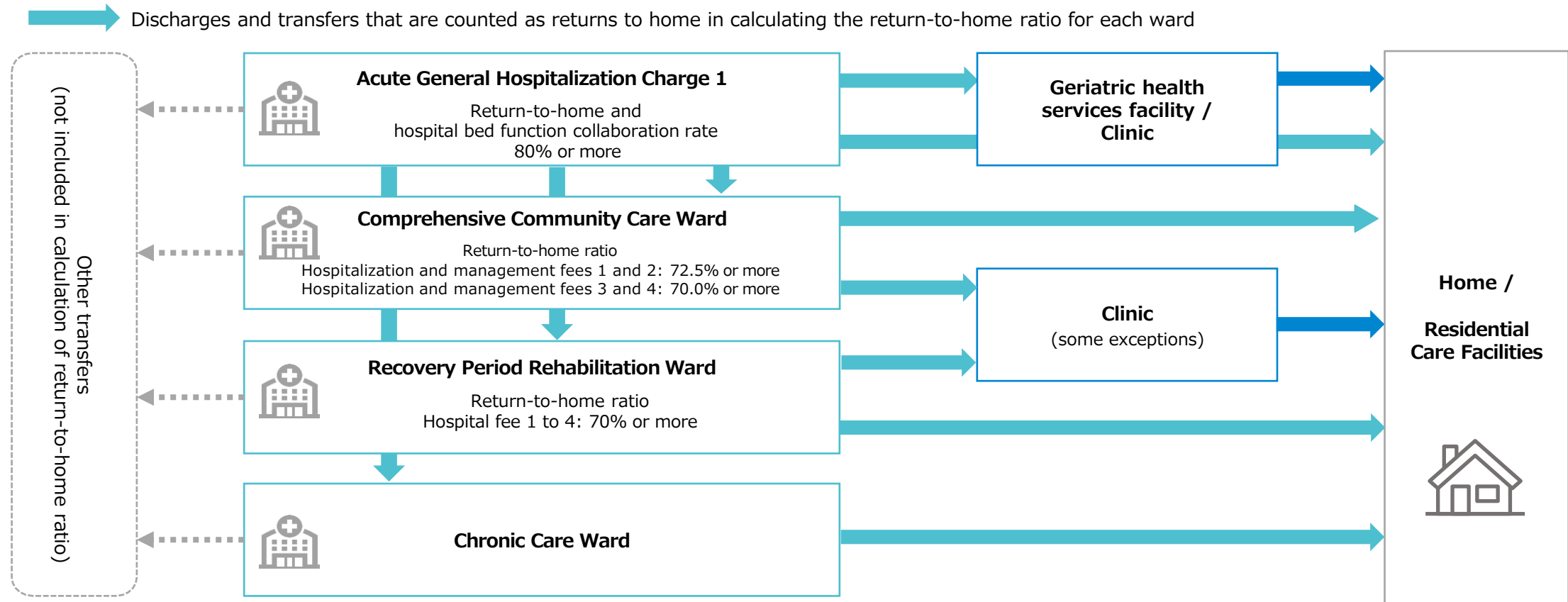


Source: Patient Survey of Ministry of Health, Labour and Welfare and Inpatient care average length of stay, all hospitals of OECD Health Care Utilisation (2021)

Establishment of Return-to-Home Ratio

- Clearly defined return-to-home ratios based on medical institutions have accelerated the flow of patients to their homes or facilities.

Establishment of Return-to-Home Ratio

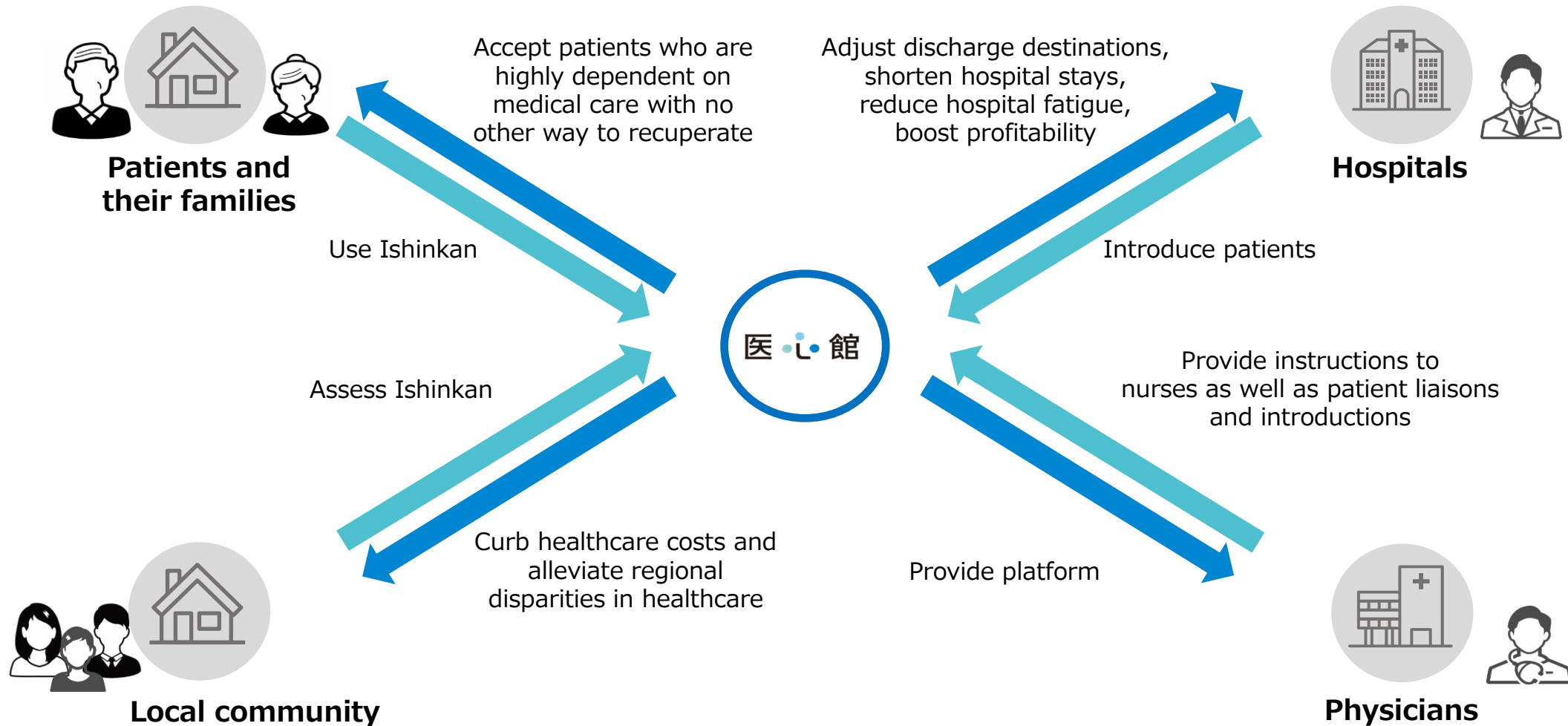


Source: Explanatory Material for FY22 Revision of Medical Service Compensation of Ministry of Health, Labour and Welfare
Note:

- Excluding transfers within own hospital
- The description related to the additional fee for reinforcing functions for return-to-home is omitted

- Ishinkan is a social problem-solving business that benefits all three parties of patients, local communities, and hospitals/clinics.
- We intend to become an indispensable platform that supports regional medical care by meeting the medical needs of each region.

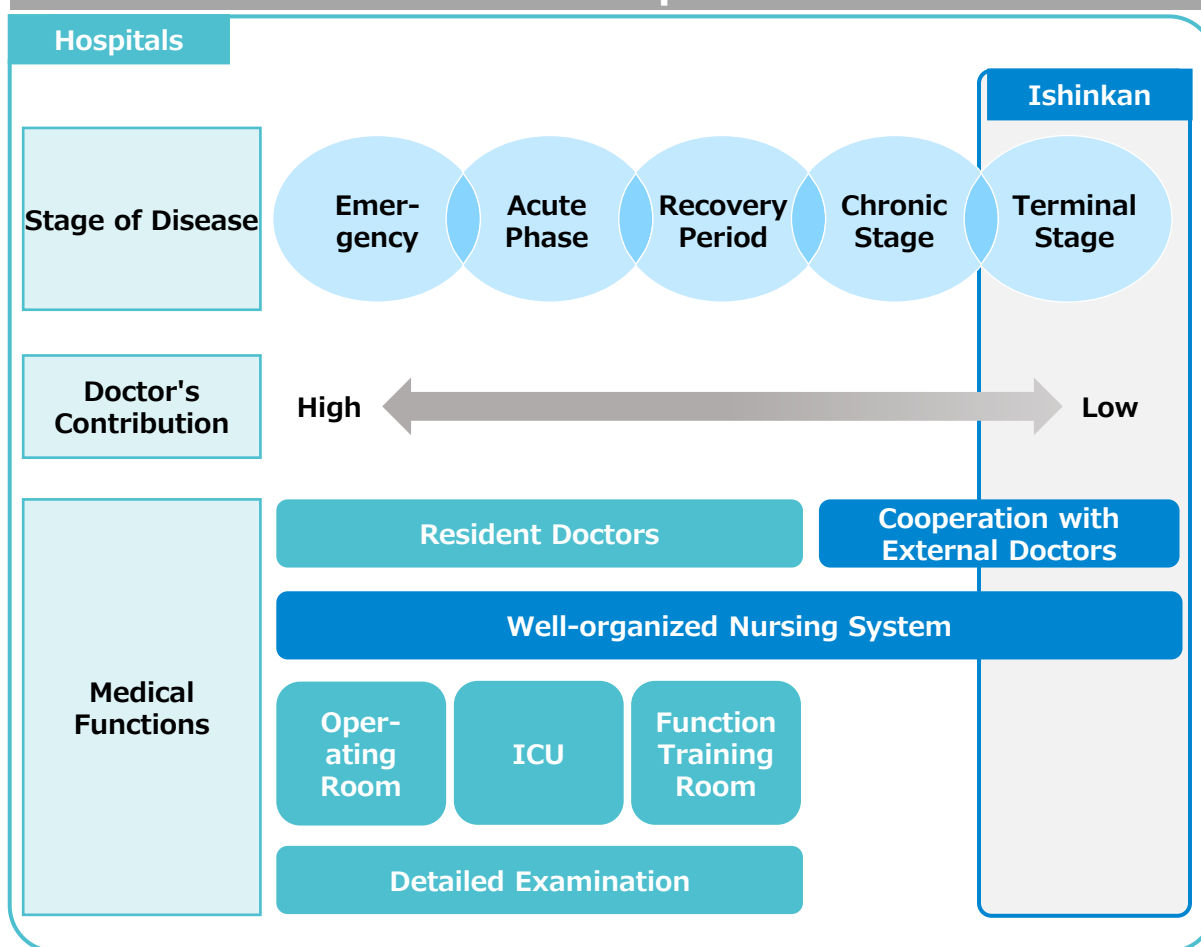
Ishinkan as a Platform Supporting Regional Medical Care



Ishinkan Business Overview: Concept / Characteristics and Profit Structure

- Ishinkan functions as a platform of home healthcare focusing on advanced nursing care, with physician's function outsourcing to outside primary care physicians.
- Ishinkan is a business that uniquely combines existing systems (nursing home business, home medical and nursing care business, in-home care support business).

Concept



Characteristics

Personnel structure	<ul style="list-style-type: none"> Allocates nurses and caregivers commensurate with the number of patients Outsources services provided by doctors
Target patients	<ul style="list-style-type: none"> Patients in the terminal stages, including those who are in the terminal stage of cancer, or on a respirator Patients who have had a tracheostomy, or those with specified diseases
Trust-based and collaborative relationship with medical professionals	<ul style="list-style-type: none"> Earn trust from multiple medical institutions by accepting patients with high medical dependency Build cooperative relationships with physicians, without capital relationships (ensuring the transparency of medical and nursing care)

Profit Structure (Three-Tier Structure)

Sales from medical insurance	<ul style="list-style-type: none"> Home nursing care services provided by medical insurance Copayment rate at 10% to 30% in principle Accounts for around 60% of net sales
Sales from care insurance	<ul style="list-style-type: none"> Units differentiated by degree of care required and regional category Copayment rate at 10% to 30% in principle Accounts for around 30% of net sales Long-term care insurance revenue is relatively low due to the high proportion of terminal cancer patients
Sales from rent, expenses billed at cost	<ul style="list-style-type: none"> No lump-sum payments upon admission 100% out of pocket Items including food expenses and medical consumables

FY25 Targets

(FY25) Number of Facilities /
Bed Capacity

**133 facilities /
6,795 beds**

FY24 (actual): 104 facilities / 5,248 beds

FY23 (actual): 76 facilities / 3,795 beds

FY22 (actual): 58 facilities / 2,802 beds

(FY25) Net Sales

JPY 53.6bn
(Y/Y(%) +26.3%)

FY24 (actual): JPY 42.4bn
(Y/Y(%) +32.8%)

FY23 (actual): JPY 31.9bn
(Y/Y(%) +38.6%)

FY22 (actual): JPY 23.0bn
(Y/Y(%) +50.5%)

(FY25) EBITDA

JPY 11.3bn
(EBITDA Margin 21.2%)

FY24 (actual): JPY 12.4bn
(EBITDA Margin 29.4%)

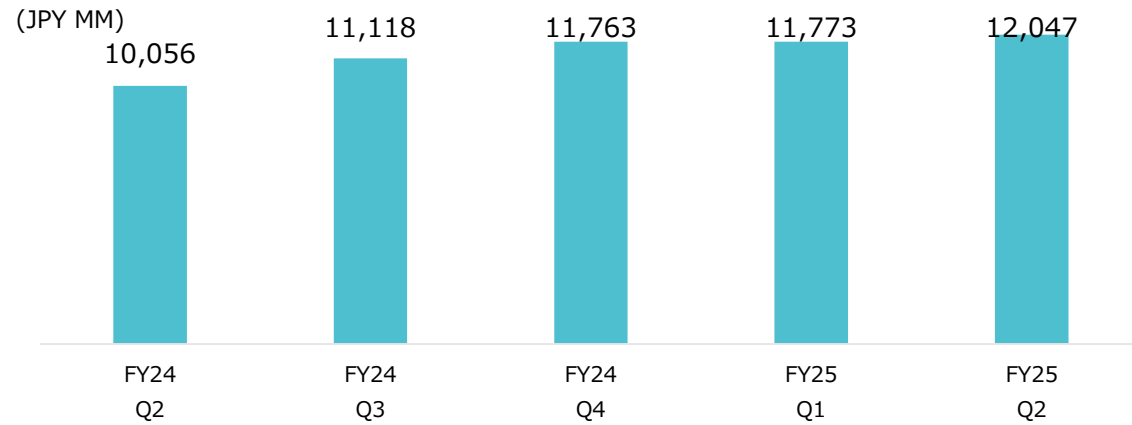
FY23 (actual): JPY 9.8bn
(EBITDA Margin 30.7%)

FY22 (actual): JPY 6.9bn
(EBITDA Margin 30.2%)

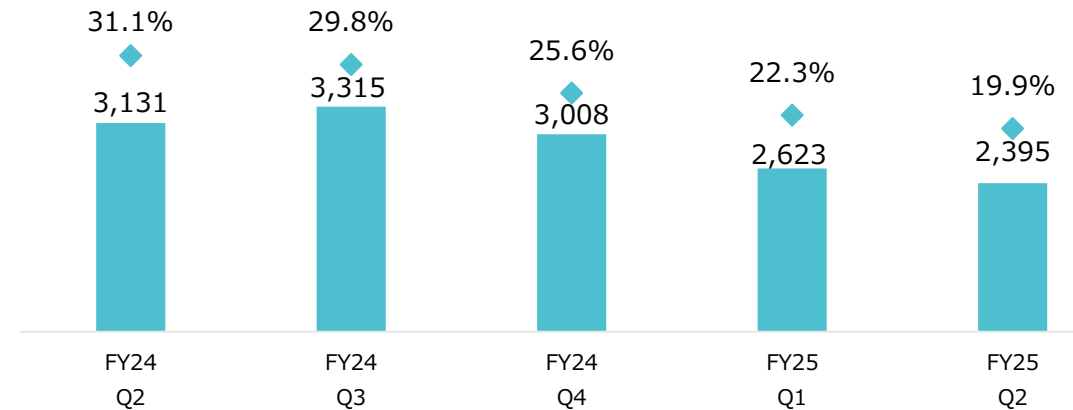
Quarterly Performance: Key Financial Indicators

Quarterly Performance

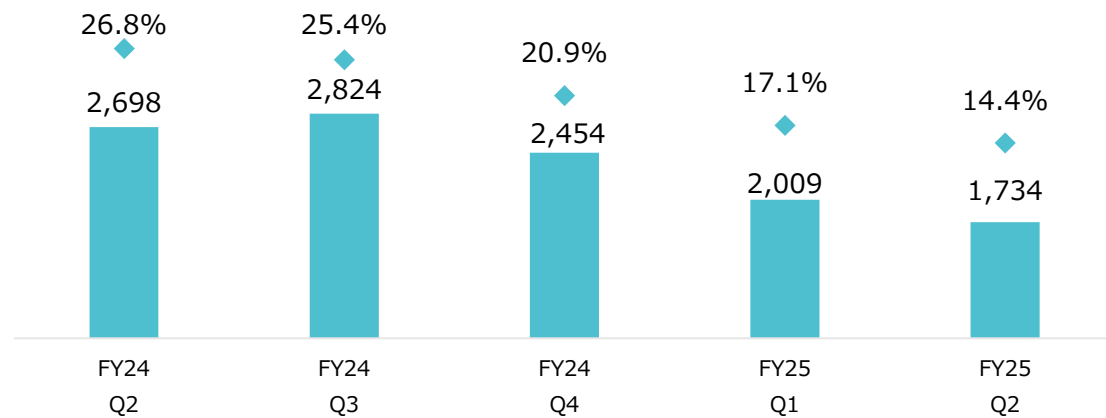
Net Sales



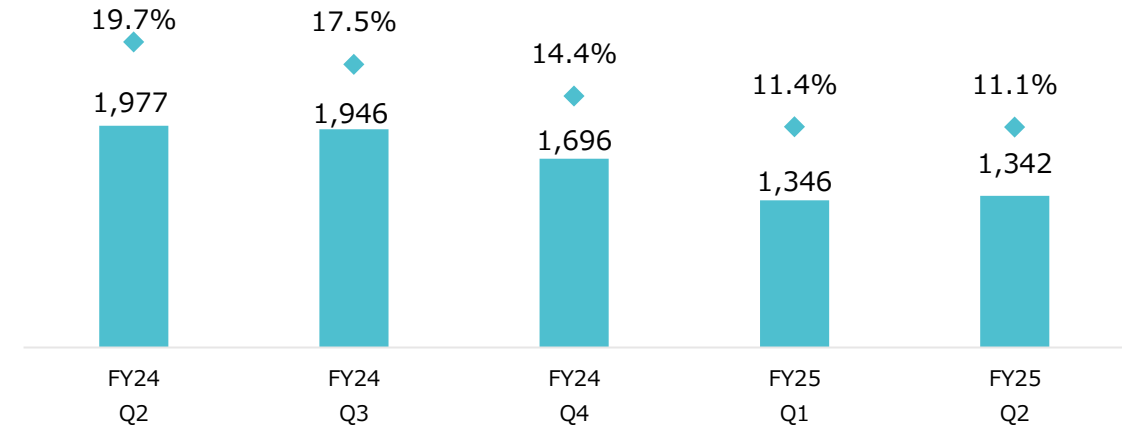
EBITDA



Operating Profit



Net Profit

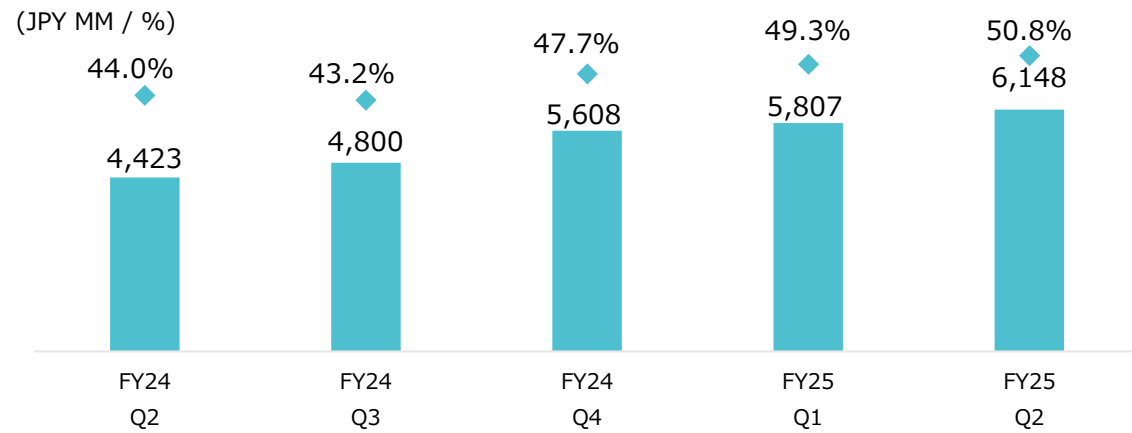


◆ : Percentage of Net Sales

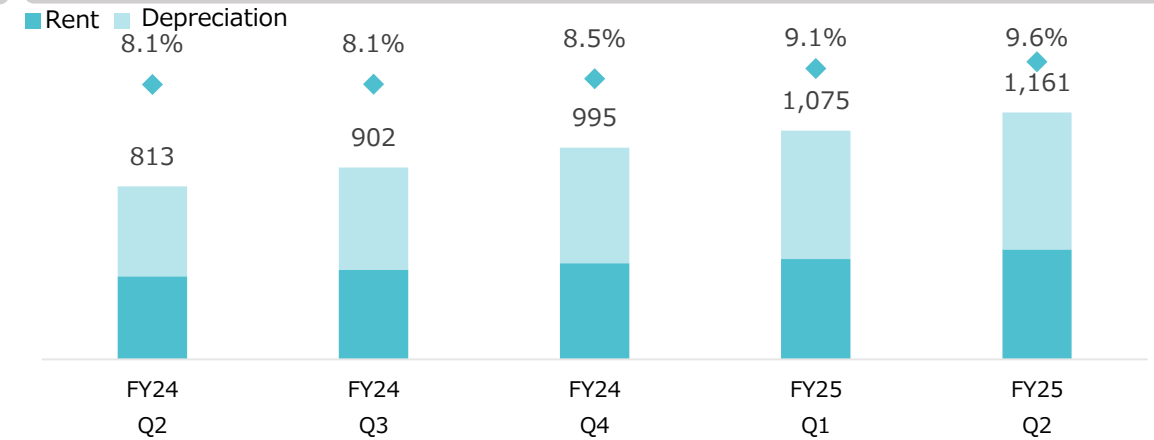
Quarterly Performance: Major Costs of Sales, SG&A Expenses

Quarterly Performance

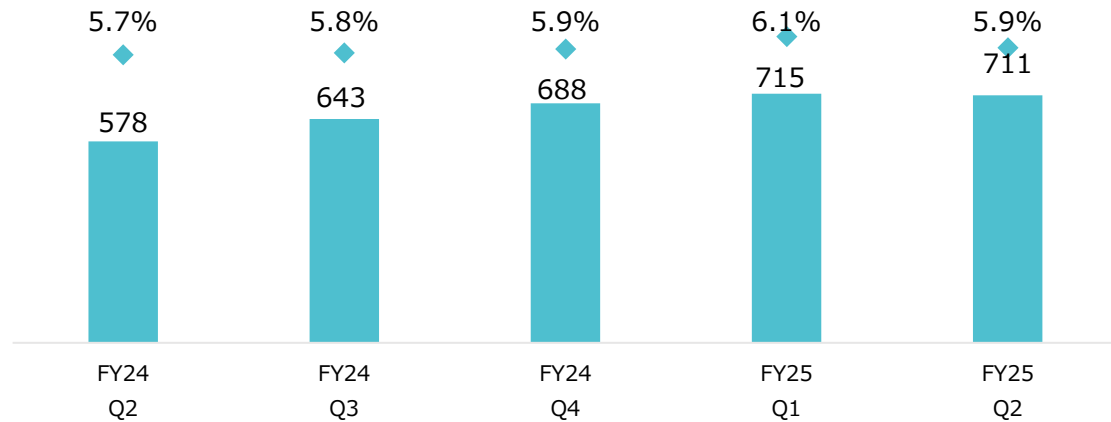
Personnel Expenses (Cost of Sales)



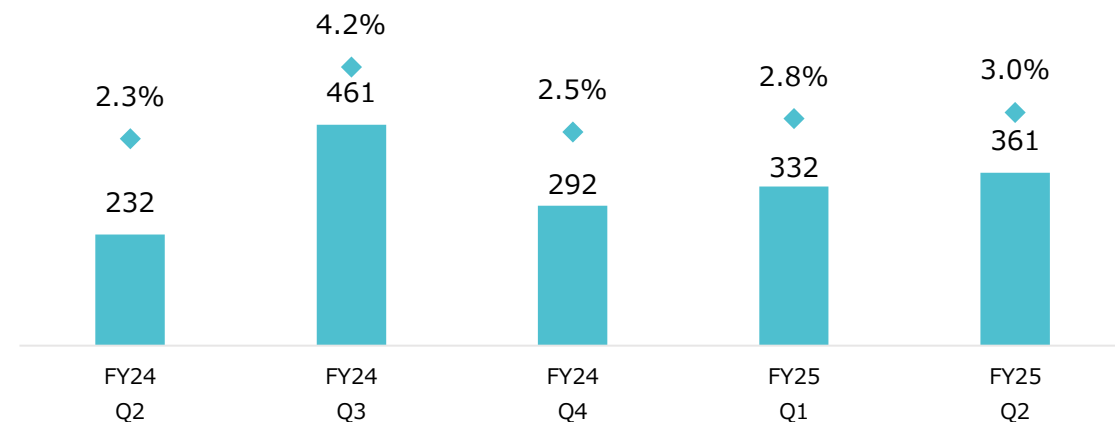
Rent & Depreciation (Cost of Sales)



Personnel Expenses (SG&A Expenses)



Recruiting Expenses (SG&A Expenses)



◆ : Percentage of Net Sales

Summary of Balance Sheet

Summary of Balance Sheet

(JPY MM / %)	FY23/9	FY24/9	FY25/3	vs. FY24/9	(JPY MM)	FY23	FY24	FY25 1H
Assets	55,559	71,799	82,658	+15.1%	Cash flows from operating activities	6,798	7,484	3,281
Cash and Deposits	12,128	8,868	11,814	+33.2%	Cash flows from investing activities	(10,312)	(16,828)	(6,870)
Buildings and Structures, Net	21,151	35,009	40,547	+15.8%	Purchase of Property, Plant and Equipment	(9,837)	(15,982)	(6,415)
Liabilities	29,036	38,586	47,420	+23.0%	Cash flows from financing activities	4,300	6,083	6,534
Borrowings	17,394	24,380	31,810	+30.5%	Net increase (decrease) in Borrowings	4,682	6,985	7,429
Net Assets	26,523	33,212	35,157	+5.9%	Net increase (decrease) in Cash and Cash Equivalents	786	(3,259)	2,945
Equity Ratio	47.7%	46.3%	42.5%	(3.7pt)	Cash and Cash Equivalents at the end of period	12,128	8,868	11,814

Shareholder Return Policy

Emphasizing Total Shareholder Return

- In FY25, dividend per share is expected to be 4 yen, the same as last year.
- Over the medium to long term, dividend policy will be reexamined in line with future re-growth.

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.

- Our ESG initiatives and disclosures have received certain third-party evaluations such as MSCI and FTSE Russell.

MSCI ESG Rating

- MSCI ESG Ratings are regarded as a global benchmark for ESG investment that comprehensively assesses a company's ESG risk and risk management capabilities.
- We received an MSCI ESG Rating of AA, up 1 grade from A in June 2023.



FTSE Blossom Japan Sector Relative Index

- We were selected as a constituent of the FTSE Blossom Japan Sector Relative Index, which reflects the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices in Japan.



FTSE Blossom Japan Sector Relative Index

Note:

1. The use by Amvis Holdings, Inc of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Amvis Holdings, Inc. by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'AS-IS' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.
2. FTSE Russell confirms that Amvis Holdings, Inc. has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Sector Relative Index. The FTSE Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.

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