

Company Report

June 30, 2025

Strategy Advisors, Inc.

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Q1 Results: Operating Profit Bottomed Out. The Stock Price Moved Lower & Then Consolidated

FY12/2025 Q1 results were as follows: revenue US\$47 million (-14% YoY), gross profit US\$38 million (-5% YoY), operating income US\$24 million (-1% YoY) and net income attributable to shareholders US\$22 million (+15% YoY). Management services and others declined significantly due to the termination of the staffing business and the sale of two consolidated subsidiaries; while franchising revenue, procurement services and rental services increased. Despite a double-digit decline in revenue, operating income declined only slightly due to an improvement in gross margin and a reduction in operating expenses.

In FY12/2025Q1, revenues from franchised clinics were US\$265 million, -3% YoY. This was due to strategic price reductions in the cosmetic dermatology field in order to increase the number of customers resulting from and increase in competition due to new entrants, as well as a decline in the price per customer in all fields (this includes the cosmetic surgery field), despite an increase in the number of customers.

In the Q1 financial results announced on May 15, the company confirmed that profits had bottomed out, with operating income down slightly YoY, but +5.1x QoQ. The company also announced plans to repurchase its own shares. Since then, the share price, which had been hovering in the mid-US\$3 range, has been consolidating lower and is now trading in the US\$4-US\$5 range underfoot.

Compared to the nine major listed cosmetology companies in the world, SBC ranks second with US\$89 million in EBITDA, tops with US\$364 million in enterprise value and is the second highest in ROE, making it a leading company in the industry. However, SBC's stock price is relatively undervalued in terms of EV/EBITDA (4x) and P/B (2x). In terms of ROE, SBC is the 4th highest among the 31 companies and the top-ranked company in terms of profitability.

HCA Healthcare (HCA NYSE), which currently has the largest EBITDA of any publicly traded healthcare company in the world, has an enterprise value of US\$141.2 billion, about 400 times SBC's enterprise value. There is still a large gap between the two companies' enterprise values, considering that HCA Healthcare is the only Japanese cosmetic medicine group listed on a stock exchange and has established itself as a leading company in the global cosmetic medical industry.

Despite this gap, SBC has earned the right to challenge their lofty goal, which is "to become the medical group with the most customers in the world with 10,000 clinics and 1,000 hospitals by 2050".

Share Price and Volume (Past 1 Year)



Source: Strategy Advisors

Key Indicators

Stock Price (6/27/25)	4.64
52-Week High (9/27/24)	9.61
52-Week Low (4/2/25)	2.95
All-Time High (9/27/24)	9.61
All-Time Low (2/04/25)	2.95
# of Shares Issued (mn)	103
Market Capitalization	476.8
EV (US\$ mn)	363.8
Equity Ratio (FY12/24, %)	73.3
ROE (FY12/24 Actual, %)	27.6
PER (FY12/24 Actual, x)	9.7
PBR (FY12/24 Actual, x)	2.4
Yield (FY12/25 CoE, %)	-

Source: Strategy Advisors

Consolidated

FY	Revenue	YoY	Operating Income	YoY	PBT	YoY	NP	YoY	EPS	DPS
	(US\$ mn)	(%)	(US\$ mn)	(%)	(US\$ mn)	(%)	(US\$ mn)	(%)	(US\$)	(US\$)
12/24/Q1	55	27.7	24	120.8	27	121.6	19	212.5	0.20	-
12/25Q1	47	-13.6	24	-1.1	31	15.6	22	14.6	0.21	-
12/22	174	-	21	-	24	-	6	-	0.06	-
12/23	194	11.1	71	231.0	74	210.8	39	523.4	0.39	-
12/24	205	6.1	70	-0.5	73	-0.2	47	18.4	0.48	-

Source: Company Data, compiled by Strategy Advisors.

1. FY12/2025Q1 Results

FY12/2025Q1 Results Show Declines in Revenue and Operating Income

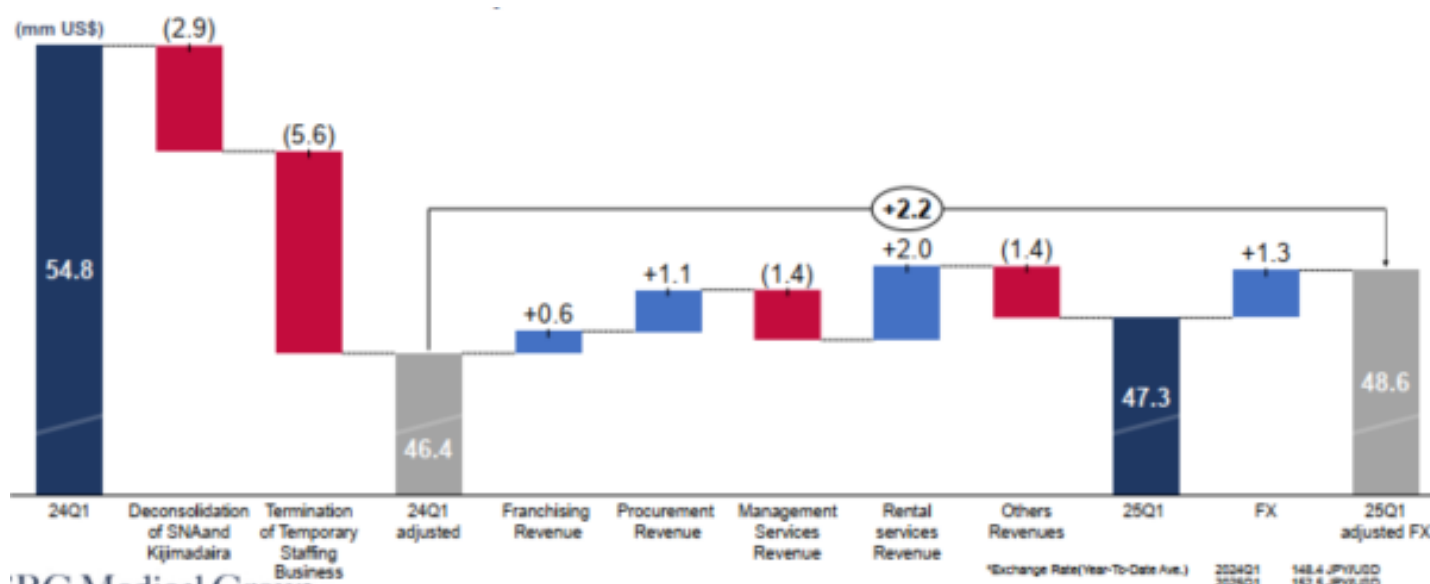
SBC Medical Group Holdings (SBC) announced its FY12/2025Q1 financial results on May 15, 2012, with revenue of US\$47 million (-14% YoY), gross profit of US\$38 million (-5% YoY), operating income of US\$24 million (-1% YoY) and net income attributable to SBC shareholders of US\$22 million. Gross profit was US\$38 million (-5% YoY), operating income US\$24 million (-1% YoY) and net income attributable to J:COM shareholders of US\$22 million (+15% YoY).

Excluding the Impact of the Termination of Staffing Services and the Deconsolidation of a Subsidiary, Revenue Increased by US\$2 Million.

Revenues decreased by \$8M YoY. Excluding the impact of the termination of staffing services (-\$5.6M YoY) and the sale of SBC Kijimadaira Resort K.K. and Skynet Academia M.K. at the end of December 2024 (-\$2.9M YoY), sales were up \$2.2M YoY.

The exchange rate was ¥148.4/USD in FY12/2024Q1 and ¥152.5/USD in FY12/2025Q1. The foreign exchange impact was a factor in results, increasing revenues by US\$1.3 million.

Figure 1. Analysis of Revenue Increase/Decrease



Source: Company Data

3 Businesses Performed Well

In terms of revenue by business, franchising revenue (royalty income) was US\$16 million (+4% YoY) due to an increase in the number of franchised clinics over the past year as of March 31, 2025.

Procurement services was US\$14 million (+9% YoY) due to an increase in the number of franchised clinics, up 36% QoQ, due to increased advertising services that were curtailed in FY12/2024Q4.

Rental services was US\$6 million (+56% YoY) due to strong rental of laser equipment for cosmetic dermatology clinics.

Management Services & Others Posted Lower Revenues

On the other hand, management services posted revenues of US\$9 million (-44% YoY) due to the discontinuation of temporary staffing services for clinic management staff.

Others also posted US\$3 million (-60% YoY) due to the sale of two consolidated subsidiaries. Revenues were down 38% QoQ due to the timing of the sale, which was at the end of December 2024.

Gross Margin Improved Due to the Reduction of Businesses with High Cost of Sales Ratios

Cost of sales was US\$10 million (-37% YoY) due to a significant decrease in personnel and other costs in management services and other businesses with high cost ratios. As a result, gross profit margin increased to 79.7% from 72.1% YoY.

S.G.&A. Expenses Decreased

SG&A expenses were US\$14 million (-10% YoY) due to decreases in depreciation, rent, utilities and other expenses, despite an increase in consulting and other expenses. They were also down 54% QoQ due to the absence of impairment losses on patents of group companies that were recorded in FY12/2024 Q4.

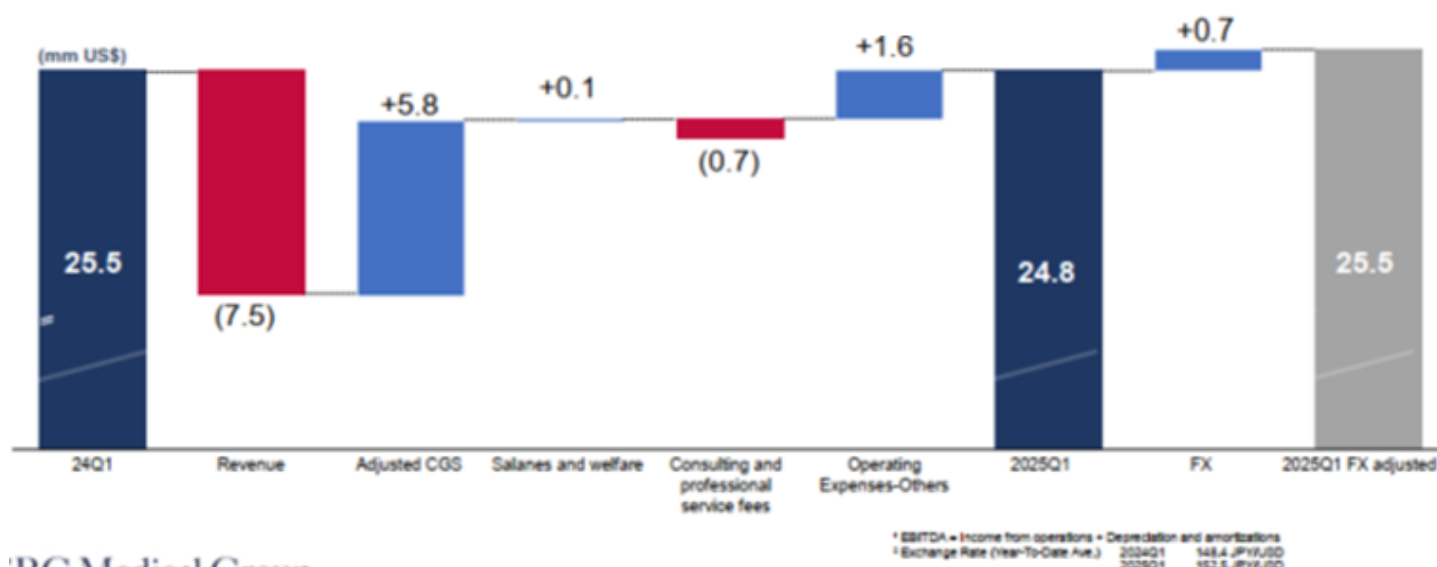
Operating Income Declined Slightly YoY, But Surged QoQ

The impact of lower revenues was offset by improved gross margin and lower SG&A expenses, resulting in operating income of US\$24 million, only -1% YoY. However, compared to FY12/2024Q4, operating income increased by US\$19 million QoQ due to a US\$4 million increase in gross profit from higher Procurement services and Rental services and a US\$15 million decrease in other operating expenses.

EBITDA Remained Flat

Meanwhile, EBITDA, which adds depreciation and impairment losses to operating income, remained flat YoY at US\$25.5 million. The decrease in revenue from the termination of the staffing services business and the sale of two consolidated subsidiaries was offset by lower cost of sales. This was mainly in the staffing services business and due to lower other operating expenses, mainly miscellaneous wages for non-permanent employees at SBC Kijimadaira Resort.

Figure 2. Analysis of Increase/Decrease in EBITDA



Source: Company Data

Insurance Gains of US\$9 Million Recorded in Other Income

Other income saw the absence of a US\$4 million gain on the sale of a subsidiary recorded in the same period of the previous year, while a US\$9 million insurance gain was recorded due to the maturity of a life insurance policy. As a result, other income minus other expenses increased to US\$7 million from US\$3 million in the same period of the previous year.

As a result, while operating income was down 1% YoY, income before income taxes was up 16% YoY and net income attributable to owners' parent was up 15% YoY.

Figure 3. SBC's FY12/2025 Q1 Financial Summary

(US\$ mn)	12/25Q1	QoQ	YoY	12/24Q4	12/24Q1
Total Revenues	47	7%	-14%	44	55
Franchise Revenue	16	1%	4%	16	15
Procurement Services	14	36%	9%	11	13
Management Services	9	1%	-44%	9	16
Rental Services	6	14%	56%	5	4
Other	3	-38%	-60%	5	7
Cost of Revenues	10	-9%	-37%	11	15
Gross Profit	38	11%	-5%	34	40
Gross Profit Margin	79.7%	-	-	76.3%	72.1%
Operating Expenses	14	-54%	-10%	29	15
Salaries and Welfare	6	15%	-1%	6	7
Depreciation and Amortization Expense	0	33%	-52%	0	1
Consulting and Professional Service Fees	3	-23%	25%	4	3
Office, Utility and Other Expenses	2	-3%	-44%	2	3
Other	2	-90%	-20%	17	2
Income from Operations	24	413%	-1%	5	24
Total Other Income /Expenses	7	440%	164%	1	3
Income before Income Taxes	31	419%	16%	6	27
Net income Attributable to Owners of Parent	22	229%	15%	7	19
EBITDA	25	20%	-3%	21	25
EBITDA Margin	52%	-	-	47%	46%
Depreciation and Amortization	1	-33%	-38%	1	1
Impairment Loss	-	-	-	15	-

Note: EBITDA = Operating Income + Depreciation + Impairment Loss

Source: Company Data, compiled by Strategy Advisors.

2. Status of Franchise Clinics

SBC discloses key figures for its franchise clinics, which are the service providers. This includes the number of clinics, repeat rate, revenue, annual number of customers/unique number of customers, revenue per customer and revenue mix.

The total number of clinics at the end of March 2025, including SBC brand, Rize Clinic, Gorilla Clinic & AHH in Singapore, was 251. This is an increase of 36 from the end of the same period last year and remained flat from the end of 2024.

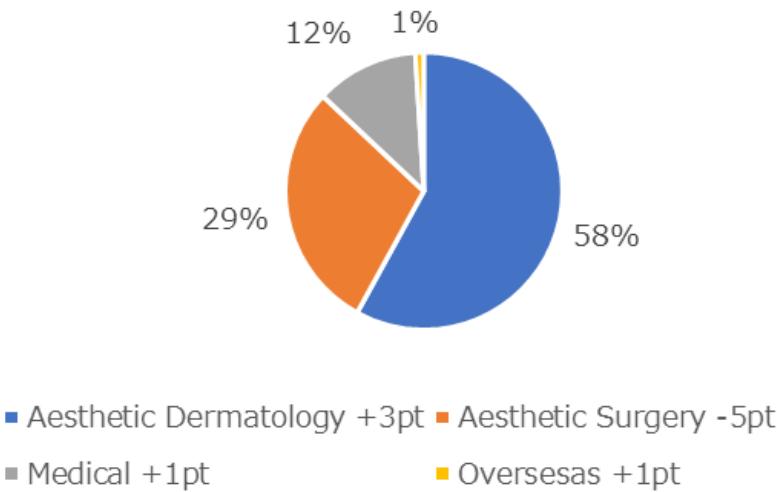
The repeat rate (covering SBC brand clinics, Gorilla Clinic and Rize Clinic), which

The Number of Clinics Increased by 36 YoY

The Repeat Customer Rate

Remained at 71%	represents the percentage of customers who visited more than once to all customers who visited in the past, was 71% in FY12/2025Q1, the same as in full year FY12/2024.
Franchise Clinic Revenue Was Down 3%	FY12/2025Q1 revenue (covering SBC brand clinics, Rize Clinic, Gorilla Clinic and AHH Clinic) was US\$265 million, -3% YoY. The breakdown was US\$258 million for existing clinics (-6% YoY) and US\$7 million for new clinics. Despite an increase in the number of clients, this due to strategic price reductions in the cosmetic dermatology area in an effort to increase the number of clients due to increased competition resulting from new entrants, as well as a decline in the price per client in all areas, including the cosmetic surgery area. The exchange rates were ¥152.5/USD, ¥113.1/SGD and ¥0.006/Vietnamese dong.
Steady Growth in Annual Customer Numbers	From April 2024 to March 2025, the number of annual customers (covering SBC brand clinics, excluding Gorilla Clinic, Rize Clinic and free counseling) was 6.1 million (+14% YoY). Of these, 1.94 million were unique (+10% YoY).
Cos-Per-Customer Declined	On the other hand, from April 2024 to March 2025, the average cost per client (for SBC brand clinics, Gorilla Clinic and Rize Clinic) was US\$181 (-13% YoY). Of these, SBC brand clinics averaged US\$206 (-14% YoY), while Rize Clinic and Gorilla Clinic, which specialize in hair removal, averaged US\$103 (-10% YoY). In addition to the two aforementioned factors, another reason for the decline in overall revenue per client was the increase in the revenue composition of cosmetic dermatology, which has a low revenue per client ratio.
Rise in the Revenue Composition Ratio of Cosmetic Dermatology	The FY12/2025Q1 revenue composition by department and region (SBC brand clinics, Rize Clinic, Gorilla Clinic, and AHH Clinic) and the YoY changes are shown in Figure 4. As a result of strategic price reductions, the revenue component of cosmetic dermatology, which expanded its customer base, was +3% YoY.

Figure 4. Revenue Composition of Franchise Clinics by Department and Region and YoY Increase/Decrease



Source: Company Data, compiled by Strategy Advisors.

Price Increases for Medical Hair Removal Clinics in April

As a result of intensifying price competition in the industry, hair removal salons are being eliminated, including the bankruptcy of major hair removal clinic chain Alicia Click in December 2024. According to Tokyo Shoko Research, the number of hair removal salon bankruptcies increased from 5 in FY2022 to 16 in FY2024. In response to the easing of competition in the hair removal market, the company's franchise clinics raised prices for medical hair removal treatment by approximately 20% in mid-April.

Revised Franchise Fee Structure to Expand and Stabilize the Business Base

As part of its long-term growth strategy, SBC changed its franchise fee structure from a flat-fee system to a pay-as-you-go system based on the scale of use and sales of various consulting services from April. In addition, the company introduced a new fee reduction and exemption system for clinics in their first year of operation. The aim is to further expand and stabilize the business base by creating an environment that makes it easier for franchisees to open new clinics.

SBC estimates that there will be a negative impact of about 10% on revenue if this revision is introduced in April 2024 and it appears that the revision will significantly reduce the burden of franchise fees for smaller clinics. However, the impact on revenue and operating income in FY12/2025 is unclear at this time. SBC's franchising revenue will be affected from Q2, so it is necessary to closely monitor the situation going forward.

3. Stock Price Trend and Valuation

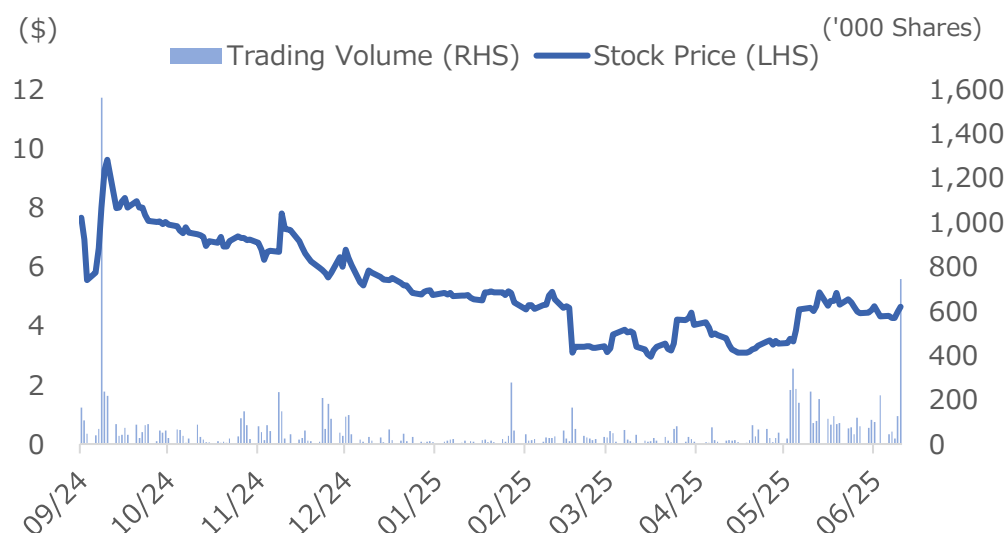
1) Stock Price Trend

SBC was listed on NASDAQ on September 18, 2024. The share price, which rose to US\$9.61 on September 27 immediately after listing, subsequently trended downward, hitting a low of US\$2.95 on April 2, 2025, presumably due to lower operating income YoY in FY12/2024 Q3 results (announced on November 13, 2024) and Q4 results (announced on March 28, 2025).

The FY12/2025 Q1 results, released on May 15, 2025, confirmed the bottoming out of profits, with operating income down 1% YoY but +5.1x QoQ. SBC simultaneously announced that it would begin a share buyback of up to US\$5 million in stock, effective May 20. Subsequently, the share price, which had been hovering in the mid-US\$3.00 range, solidified on the back of the share repurchase and the bottoming out of profits. It is now trading in the US\$4-US\$5 range. If profits return to an upward trend, we can expect a further rise in the share price.

Shifting from a Downtrend to a Firming up of the Price

Figure 5. SBC Stock Price and Trading Volumes



Source: Strategy Advisors.

SBC's Stock Was Included in the Russell 3,000 Index

SBC's stock has been included in the Russell 3000 Index, which consists of the top 3,000 U.S.-listed stocks by market capitalization, since June 30. Going forward, investment by index funds, etc. is also expected.

2) Comparison with Other Companies in the Industry (Cosmetic Medicine Company)

SBC is a Leading Company in the Aesthetic Medicine Industry. It is Undervalued

Compared to the 9 major listed cosmetic medicine companies in the world, SBC ranks 2nd with EBITDA of US\$89 million and tops with enterprise value of US\$353 million, making it a leading company in the industry. However, its EV/EBITDA of 4x is the second lowest among the nine companies, behind EC Healthcare (2138 Hong Kong) at 3x and its PER is also only 9x, the second lowest among all, bar 3 loss making companies.

In terms of ROE, SBC's 28% ROE is the second highest among the nine companies. However, when looking at P/B ratio, SBC's P/B ratio is 2x, the fourth lowest and relatively undervalued.

Two Consecutive Quarters of One-time Charges Have Affected the Level of Valuations

The share price is undervalued because in FY12/2024Q3, the company recorded a stock-based compensation expense (US\$14 million) related to warrants issued to parties who helped the company go public, resulting in operating income of US\$14 million (-31% YoY) and in Q4, the company recorded an impairment loss (US\$15 million), resulting in operating income of US\$5 million (-80% YoY).

However, in FY12/2025Q1, the one-time charges were no longer recorded and operating income recovered to US\$24 million (-1% YoY). Since then, SBC's valuations have risen slightly.

Figure 6. Enterprise Value to EBITDA (EV/EBITDA Multiple), PBR and ROE of Major Listed Cosmetic Medical Companies

Company Name	Ticker	Country	EBITDA-a*	Enterprise Value-b*	b/a	ROE	PBR	PER
			(US\$ mn)	(US\$ mn)	(x)	(%)	(x)	(x)
SBC Medical Group HD	SBC	Japan	89	364	4.1	27.6	2.4	9.7
M1 Kliniken AG	M12	Germany	35	345	9.8	14.6	3.0	19.0
EC Healthcare	02138	Hong Kong	93	279	3.0	-0.6	0.4	-
Klinique Medical Clinic	KLINIQ	Thailand	21	157	7.6	18.5	2.9	15.8
Fameglow Holdings	08603	Hong Kong	12	136	11.5	114.0	17.2	25.5
Master Style PCL	MASTER	Thailand	21	121	5.8	14.2	1.0	7.2
Miricor Enterprises Holdings	01827	Hong Kong	10	56	5.3	-0.1	3.3	-
Aesthetic Connect PCL	TRP	Thailand	5	49	10.8	6.8	1.2	15.4
Dc Healthcare Holdings	0283	Malaysia	0	39	151.5	-25.1	3.2	-

Note: EBITDA and ROE are for the most recent one-year period.

Source: Company Data, compiled by Strategy Advisors.

Figure 7. Sales, # of Clinics, and Major Medical Specialties of Major Listed Cosmetic Medical Companies (US\$ mn)

Company Name	Country	Sales	# of Clinics	Medical Department									
				Face		Dermatology		Body				Cosmetic Dentistry	Fertility
				Eyes	Other	Elect	Insurance	Hair Removal	Fat	Breast	Hair Growth		
SBC Medical Group	Japan	198	251	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
EC Healthcare	Hong Kong	531	182	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
M1 Kliniken AG	Germany	367	63	Y	Y	Y	-	-	Y	Y	-	-	-
Klinique Medical Clinic	Thailand	89	72	Y	Y	Y	-	Y	Y	Y	-	-	-
Master Style PCL	Thailand	61	93	Y	Y	Y	-	-	Y	Y	Y	-	-
Miricor Enterprises Holdings	Hong Kong	59	2	-	Y	Y	-	-	-	-	-	-	-
Fameglow Holdings	Hong Kong	45	9	-	-	Y	-	Y	-	-	-	-	-
Dc Healthcare Holdings	Malaysia	14	19	-	Y	Y	-	Y	-	-	-	-	-
Aesthetic Connect PCL	Thailand	14	1	Y	Y	Y	-	-	-	-	-	-	-

Note: Sales figures are for the most recent one-year period. Y = Yes

Source: Company Data, compiled by Strategy Advisors.

3) Comparison with Other Companies in the Same Industry (General Medical Companies & Cosmetic Medical Companies)

SBC Has a High ROE & Low P/B Ratio, Making it Undervalued

Comparing the 31 major companies that provide comprehensive medical services and cosmetic medical services; comprehensive medical companies are at the top of the list in terms of EBITDA and enterprise value, while cosmetic medicine companies are concentrated at the bottom. Even SBC, the leading

cosmetic medicine company, has a large difference in size compared to the major companies in the comprehensive medical services sector.

However, in terms of ROE, SBC is the fourth highest of the 31 companies and in terms of profitability, it is in the top tier. In terms of P/B ratio, SBC is the 11th lowest of the 28 companies, excluding the 3 companies for which calculations are not possible, making it undervalued.

EV/EBITDA also Shows SBC as Undervalued

Comparing EV/EBITDA, SBC is undervalued by 4x, the second lowest among the 31 companies. In light of the above, SBC's undervaluation is even more pronounced when general healthcare companies are included in the comparison.

SBC Has the Dream of "Creating the World's #1 Medical Group" & Has Earned the Right to Challenge the High 2050 Quantitative Targets

SBC's equity story is based on CEO Aikawa's exciting dream of "creating the world's No. 1 medical group" and his goal "to become the medical group with the most customers in Japan with 1,200 clinics and 30 hospitals by 2030 and by 2050, to become the medical group with the most customers in the world with 10,000 clinics and 1,000 hospitals".

HCA Healthcare (HCA NYSE), which currently has the largest EBITDA of any publicly traded healthcare company in the world, has an enterprise value of US\$141.2 billion, approximately 400 times SBC's enterprise value. While there is still a large disparity between the enterprise values of the two companies, they are entitled to challenge high goals, considering that they are the only Japanese cosmetic medicine group listed on a stock exchange and have established themselves as a leading company in the global cosmetic medicine industry.

Figure 8. Enterprise Value to EBITDA Multiple (EV/EBITDA Multiple), PBR and ROE of Major Listed Medical Peer Companies

Company Name	Ticker	Country	Beauty	EBITDA-a* (US\$ mn)	Enterprise Value-b* (US\$ mn)	b/a (x)	ROE (%)	PBR (x)	PER (x)
HCA Healthcare Inc	HCA	US	-	14,076	141,176	10.0	-	-	17.2
Tenet Healthcare Corp	THC	US	-	4,557	31,044	6.8	38.1	4.0	5.3
Fresenius Medical Care	FME	Germany	-	3,331	28,036	8.4	4.4	1.1	28.5
DaVita Inc	DVA	US	-	2,664	24,652	9.3	159.1	94.2	13.2
Rede d or Sao Luiz SA	RDOR3	Brazil	-	1,272	20,271	15.9	17.0	3.5	19.7
IHH Healthcare Bhd	5225	Malaysia	-	1,358	17,816	13.1	8.0	2.1	24.1
Universal Health Services	UHS	US	-	2,343	16,497	7.0	18.4	1.7	10.6
Max Healthcare Institute Ltd	543220	India	-	215	14,770	68.8	12.1	13.2	114.5
Aier Eye Hospital Group Co Ltd	300015	China	-	810	13,444	16.6	17.9	4.8	32.3
Community Health Systems	CYH	US	-	1,109	13,133	11.8	-	-	-
Bangkok Dusit Medical Services	BDMS	Thailand	-	780	10,392	13.3	15.9	3.4	21.9
Netcare LTD	NWKHY	S. Africa	-	244	10,371	42.4	13.9	15.2	132.9
Surgery Partners Inc	SGRY	US	-	490	8,068	16.5	-10.4	1.6	-
Fortis Healthcare Ltd	532843	India	-	187	7,211	38.7	9.3	6.6	75.4
Hapvida Participacoes Investimento	HAPV3	Brazil	-	550	5,850	10.6	-1.1	0.4	-
Medicover AB	MCOV B	Sweden	-	316	5,254	16.6	6.1	8.3	220.5
Ardent Health Partners Inc	ARDT	US	-	588	4,069	6.9	-	-	8.7
Meinian Onehealth Healthcare	002044	China	-	191	3,061	16.0	3.9	2.6	74.9
Terveystalo PLC	TTALO	Finland	-	240	2,168	9.0	15.1	2.9	21.0
Life Healthcare Group HD	LTGHF	S. Africa	-	226	1,352	6.0	-9.7	1.6	4.6
Pihlajalinna Oyj	PIHLIS	Finland	-	111	596	5.3	18.8	2.3	14.8
MediClin AG	MED	Germany	-	113	539	4.8	12.4	0.7	6.3
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Note: EBITDA and ROE are for the most recent one-year period. Y=Yes
Source: Company Data, compiled by Strategy Advisors.

Figure 9 . Quarterly Financial Performance Trends (Cumulative, US\$ mn)

FY	12/23				12/24				12/25
	Q1	Q2	Q3	Q3	Q1	Q2	Q3	Q3	Q1
Total Revenues	43	84	131	194	55	108	161	205	47
(YoY)	-	-	-	11.1%	27.5%	28.6%	22.7%	6.1%	-13.6%
Franchise Revenue	7	17	25	42	15	30	45	61	16
Procurement Services	13	26	34	53	13	27	44	55	14
Management Services	17	31	53	72	16	32	44	53	9
Rental Services	2	3	4	7	4	7	11	16	6
Other	4	7	12	19	7	12	15	20	3
Cost of Revenues	14	23	37	56	15	29	39	49	10
Gross Profit	29	60	94	137	40	79	122	156	38
Gross Profit Margin	67.4%	72.0%	71.6%	70.9%	72.1%	73.2%	75.9%	76.0%	79.7%
Operating Expenses	17	34	47	67	15	27	57	86	14
Income from Operations	11	27	47	71	24	52	66	70	24
(OP Margin)	25.6%	31.8%	35.6%	36.5%	44.6%	48.0%	40.7%	34.2%	51.1%
Total Other Income	1	2	3	3	3	2	2	3	7
/Expenses									
Income before Income Taxes	12	29	50	74	27	54	67	73	31
Net Income Attributable to Owners of Parent	6	17	25	39	19	37	40	47	22
EBITDA	-	-	56	83	25	53	68	89	25
EBITDA Margin	-	-	43.0	42.8	46.5	49.1	42.5	43.4	52.5
Depreciation and Amortization	-	-	10	12	1	1	3	4	1
Impairment Loss	-	-	-	-	-	-	-	15	-
Ratio of Net Income to Net Sales	14.0%	19.9%	19.1%	20.3%	34.2%	34.5%	24.9%	22.7%	45.4%

Source: Company Data, compiled by Strategy Advisors.

Figure 10. Quarterly Financial Performance Trends (US\$ mn)

FY	12/23				12/24				12/25
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Total Revenues	43	41	47	62	55	53	53	44	47
(YoY)	-	-	-	-	27.7%	29.5%	12.3%	-28.8%	-13.6%
Franchise Revenue	7	10	8	17	15	15	15	16	16
Procurement Services	13	13	8	19	13	14	17	11	14
Management Services	17	13	22	19	16	16	12	9	9
Rental Services	2	1	1	3	4	3	4	5	6
Other	4	3	5	6	7	5	3	5	3
Cost of Revenues	14	9	14	19	15	14	10	11	10
Gross Profit	29	32	33	43	40	39	43	34	38
(Gross Profit Margin)	66.5%	77.9%	70.9%	69.6%	72.1%	74.2%	81.5%	76.3%	79.7%
Operating Expenses	17	16	13	19	15	12	29	29	14
Income from Operations	11	16	20	24	24	27	14	5	24
(OP Margin)	25.8%	38.0%	42.4%	38.5%	44.6%	51.4%	26.1%	10.6%	51.1%
Total Other Income / Expenses	1	1	1	0	3	0	-1	1	7
Income before Income Taxes	12	17	21	24	27	27	13	6	31
Net Income Attributable to Owners of Parent	6	11	8	14	19	18	3	7	22
EBITDA	-	-	23	27	25	28	15	21	25
EBITDA Margin	-	-	49.3	42.6	46.5	52.6	28.0	46.6	52.5
Depreciation and Amortization	-	-	3	3	1	1	1	1	1
Impairment Loss	-	-	-	-	-	-	-	15	-
Ratio of Net Income to Net Sales	14.0%	26.0%	17.7%	23.0%	34.2%	34.8%	5.3%	14.7%	45.4%

Source: Company Data, compiled by Strategy Advisors.

Figure 11 . Consolidated Income Statement (US\$ mn)

FY	12/22	12/23	12/24	12/25 Q1
Total Revenues	174	194	205	47
Franchise Revenue	24	42	61	16
Procurement Services	54	53	55	14
Management Services	67	72	53	9
Rental Services	20	7	16	6
Other	8	19	20	3
Cost of Revenues	59	56	49	10
Gross Profit	114	137	156	38
Gross Profit Margin	-	70.9%	76.0%	79.7%
Operating Expenses	94	66	86	13
Income from Operations	20	71	70	24
(OP Margin)	-	36.5%	34.2%	51.1%
Total Other Income /Expenses	4	3	3	7
Income before Income Taxes	24	74	73	31
Income Taxes	18	35	27	10
Net Income Attributable to Owners of Parent	6	39	47	22
EBITDA	29	83	89	25
EBITDA Margin	16.7	42.8	43.4	52.5
Depreciation and Amortization	8	12	4	1
Impairment Loss	-	-	15	-
Ratio of Net Income to Net Sales	3.6%	20.3%	22.7%	45.4%

Source: Company Data, compiled by Strategy Advisors.

Figure 12 . Consolidated Balance Sheet (US\$ mn)

FY	12/22	12/23	12/24	12/25 Q1
Cash and Cash Equivalents	51	103	125	132
Trade Receivables	-	36	30	32
Inventories	-	3	1	2
Other Current Assets	-	24	28	49
Total Current Assets	112	166	184	215
Tangible fixed assets	15	14	9	9
Intangible Assets	7	20	2	2
Goodwill	-	4	5	5
Other Non-Current Assets	91	55	66	54
Total Non-Current Assets	113	93	82	70
Total Assets	225	259	266	285
Trade Payables	15	30	15	20
Interest-Bearing Debt	8	4	4	4
Other Current Liabilities	78	59	42	24
Total Current Liabilities	101	92	61	48
Interest-Bearing Debt	8	4	8	8
Other Non-Current Liabilities	8	19	2	2
Total Non-Current Liabilities	16	23	10	10
Total Liabilities	117	115	71	58
Capital & Surplus	27	37	63	63
Retained Earnings	103	143	189	211
Other	-25	-38	-57	-47
Total Equity Attributable to Owners of the Parent	105	142	195	226
Non-controlling Interest	3	2	0	0
Total Stockholders' Equity	108	144	195	226
Total Liabilities and Equity	225	259	266	285

Source: Company Data, compiled by Strategy Advisors.

Figure 13 . Consolidated Cash Flow Statement (US\$ mn)

FY	12/22	12/23	12/24	12/25 Q1
Net Income	6	39	47	21
Depreciation and Amortization	6	12	4	1
Impairment Loss	1	0	16	0
Adjustments to Operating Income / Losses	-2	0	-3	0
Deferred Income Taxes	-4	4	-14	7
Other Non-Cash Expenses	3	3	4	-8
Change in Working Capital	-11	-8	-47	-20
Cash Flows from Operating Activities	0	51	21	2
Acquisition and Sale of Tangible Fixed Assets	-23	-1	-3	0
Acquisition and Sale of Intangible Fixed Assets	0	-2	0	0
Acquisition and Sale of Businesses	-6	1	-5	0
Change in investment assets	-3	2	0	-1
Other	-1	2	-1	0
Cash Flows from Investing Activities	-33	2	-10	-1
Increase and Repayment of Debt	-5	4	12	0
Issuance, Redemption and Cancellation of Shares	0	0	0	0
Other Financial Cash Flows	-3	3	11	0
Cash Flows from Financing Activities	-8	6	23	0
Free Cash Flow	-33	52	10	1

Source: Company Data, compiled by Strategy Advisors.

Figure 14 . Stock Price Index, ROE and KPI's

Fiscal Year	12/22	12/23	12/24	12/25 Q1
EPS (US\$)	0.06	0.42	0.48	0.21
BPS (US\$)	1.04	1.51	1.90	2.19
DPS (US\$)	-	-	-	-
Dividend Payout Ratio	-	-	-	-
Closing Price (US\$)	-	-	5.56	3.19
PER (x)	-	-	11.5	15.3
PBR (x)	-	-	2.8	1.5
# of Shares Outstanding at End of Period ('000)	-	-	103,021	103,881
# of Treasury Stocks ('000)	-	-	270	270
# of shares of Outstanding excl. Treasury Stocks ('000)	100,743	100,743	102,751	103,611
Market Cap. (US\$ mn)	-	-	571	331
Shareholders' Equity Ratio	46.7	54.9	73.3	79.6
Interest-Bearing Debt (US\$ mn)	16	23	13	12
Net D/E ratio	-0.34	-0.56	-0.58	-0.53
EV (Enterprise Value)	-	-	460	212
EBITDA (US\$ mn)	29	83	89	25
EV/EBITDA multiple	-	-	5.16	8.56
ROE	-	31.8	27.6	10.2
ROIC (Invested Capital)	-	26.5	25.0	9.6
ROIC (Business Assets)	-	73.4	130.7	58.6
Number of Employees	-	-	863	-

Note: Share prices and valuations are as of the end of the period or quarter.

Source: Company Data, compiled by Strategy Advisors.

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