

FY2024 Full-Year Financial Results Presentation (Year Ended December 31, 2024)

EUCALIA Inc.

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1 EUCALIA Group Overview

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► EUCALIA's "Sanpo-Yoshi" Worldview

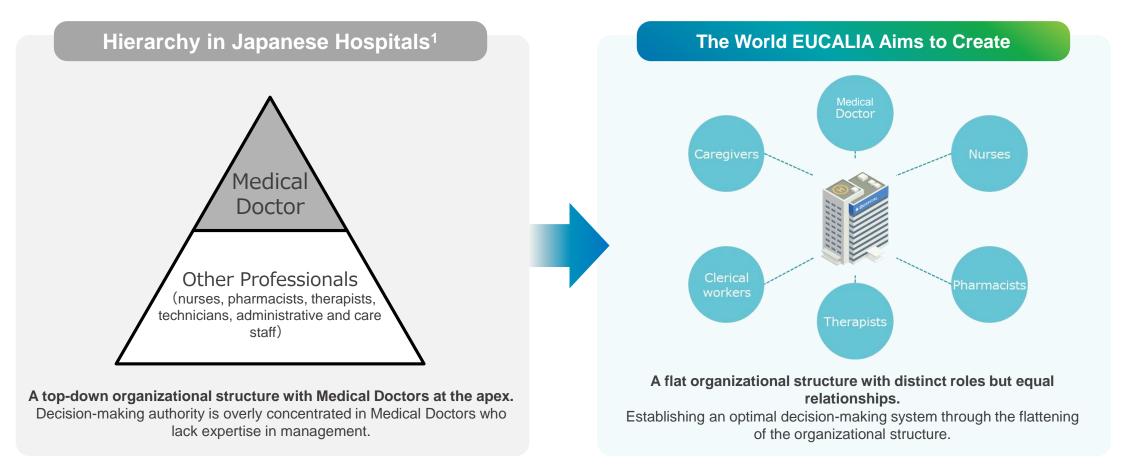
EUCALIA Group aims to create a "good for all three sides (Sanpō Yoshi)" ecosystem in healthcare.

By excelling in each of these areas, the Company seeks to benefit all parties – medical providers, facilities, and patients – thereby building a sustainable healthcare ecosystem in local communities.



▶ Addressing Root Causes — Transforming Hospitals' Culture

Transforming the fundamental challenge of the hospital and healthcare industry—the "physician-centered culture"—by introducing a "flat structure" to drive innovation in the healthcare sector.



► Five Key Issues in Japan's Healthcare Industry

The starting point is that hospitals are not managed properly, which undermines their function as a social infrastructure for patients, the medical professionals who work there, and ultimately, society.

Inefficient operations and a culture that resists change

Department is getting individualized and personalized as specialization progress. Together with a culture to check complexion of doctors. Inward-looking culture is rampant.

Product-out thinking and overemphasis on profit

Value chain is not built upon patients' perspective. Profits in the value stream is concentrated in the hands of upstream players such as pharma companies.



Over 70% of hospitals operate at a deficit in Japan.

Unable to operate at a profit without subsidies from government.
Building an organizational culture for continuing improvement is a key.



Delay in developing a comprehensive and cooperative community care system.

The functional reorganization of hospital beds has not progressed and insufficient. Medical resources are far from being optimally allocated.

Lack of medical and long-term care digital solutions that meet on-the-ground needs

In addition to a lack of IT literacy in the field, there is also a shortage of companies that can develop systems and services needed in the field.

▶ Five Key Themes for Change

To realize innovation, we have established five themes of transformation. We are developing our business in each area in accordance with the transformation themes.

Optimization of hospitalFIVE operations

Standardize and optimize operations. Foster a culture of continuous improvement.

Build an environment in which healthcare professionals can work with vigor and enthusiasm.



Pursuit of patient-driven THEMES VBHC¹

Improve the quality of healthcare by pursuing added value for patients. Become an industry where hospitals that strive to improve the quality of healthcare are duly recognized.



1 Separation of medical care and management.

Build evolutional, developmental and sustainable hospital/medical corporation management.



Community Comprehensive THEMES Model

Build a collaborative model that seamlessly links medical care to long-term care. Create an environment where the elderly can be supported in the community until the end of their lives.



5 Digital Transformation Suitable for the Field

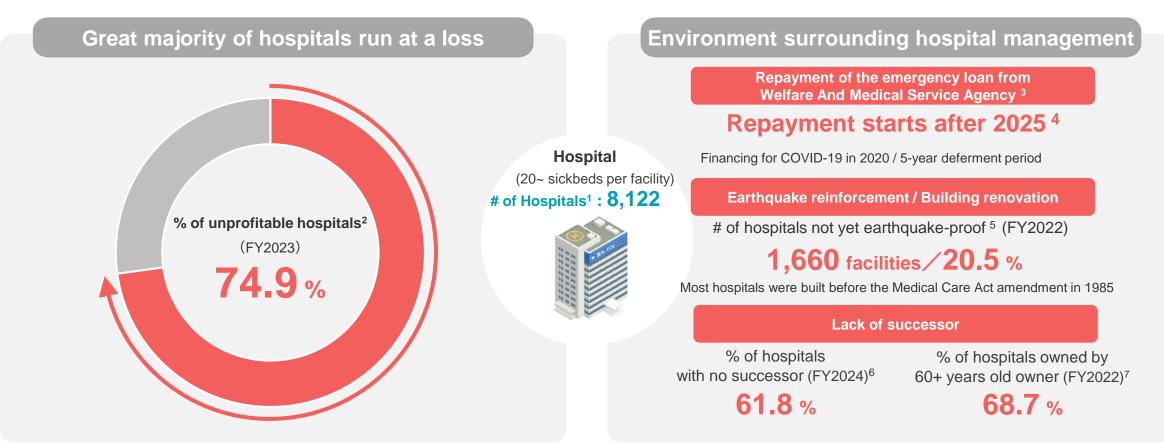
Facilitates the digitalization of the medical and nursing care industry. Realize improvement of the working experience for healthcare professionals and the patient visit experience.



(Notes) 1. An abbreviation for Value-Based Healthcare. This concept shifts the evaluation criteria of medical practices from the traditional healthcare provider perspective—focused on safety, cost, and effectiveness—to prioritizing value from the patient's standpoint.

▶ Market Opportunities | Macro Trend

Increasing number of hospitals in serious cash-flow difficulties due to repayment of the emergency loan from Welfare And Medical Service Agency (WAM) and renovation of aging buildings



(Notes)

- As of first of Oct. 2023. MHLW "Summary of Static/Dynamic Surveys of Medical Institutions and Hospital Report in FY2024"
- 2. Hospitals with a loss in medical profit excluding COVID-19 related subsidies. (n=967) Source: JHA/AJHA/AJHC "FY2024 Hospital Management Periodic Survey"
- 3. Emergency loans provided by Welfare And Medical Service Agency (WAM) during the COVID-19 expansion in 2020
- 4. Source:WAM

- 5. Total of "Number of hospitals where some buildings are not earthquake-resistant", "Number of hospitals where all buildings are not earthquake-resistant" and "Number of hospitals whose buildings' earthquake-resistance is unknown" in the "Survey on the Status of Seismic Retrofitting of Hospitals" by MHLW 2023.
- 6. Source: Teikoku Databank "Survey on the Trend of Ratio of the Successor Absence in Japan"
- 7. Source:MHLW "FY2022 Summary of Statistics on Physicians, Dentists, and Pharmacists"

Business Model | Support System

Unique business model supports restructuring and sustainable growth of hospitals with cash-flow difficulties

Services Recurring revenue **Operations** Business guidance fee Outsourcing fee improvement support Sale and leaseback Real estate rent of real estate **Business** model Working capital **EUCALIA** Affiliated hospital DX and Hospitals that have entered into a partnership agreement Monthly fee or a similar type of agreement data utilization Providing packages of various services, including management consulting and working capital etc... Transformation of the work environment Transformation in management awareness Transformation for growth Creation of a business plan and Optimization of human Planning to increase sickbeds business management system resources/procurement systems (M&A of other hospitals) Financing through DX of hospital operations Utilization of medical data Support sale and leaseback of land line-up Working capital support HR recruiting support Service expansion etc. Strategy formulation support **Business optimization** Know-how to support the turnaround etc. (market-in based analysis) (task shifting, etc.)

▶ Business Model | Wide-Range of Management Support Lineup

Strong cash-flow generation capacity through i) flexibility to provide solutions to various management issues faced by hospitals, and ii) continuing commitment to improving client performance over the ultra-long term (10

years or more) **EUCALIA Consulting Company**¹ **BPO Company**¹ Fund¹ **Business plan Business** management system **Working capital** support Support **Procurement** optimization line-up **HR** optimization Support for commnitybased integrated care **Extension / Reconstruction** / Relocation **Fixed Remuneration** Revenue model Long-term **EXIT** type Spot type type **CF** generation Over 10 years² Less than 1 year Several years 1 year

⁽Notos)

^{1.} Our Views on the general Consulting company, BPO company and Fund

^{2.} Some support exists for less than 10 years

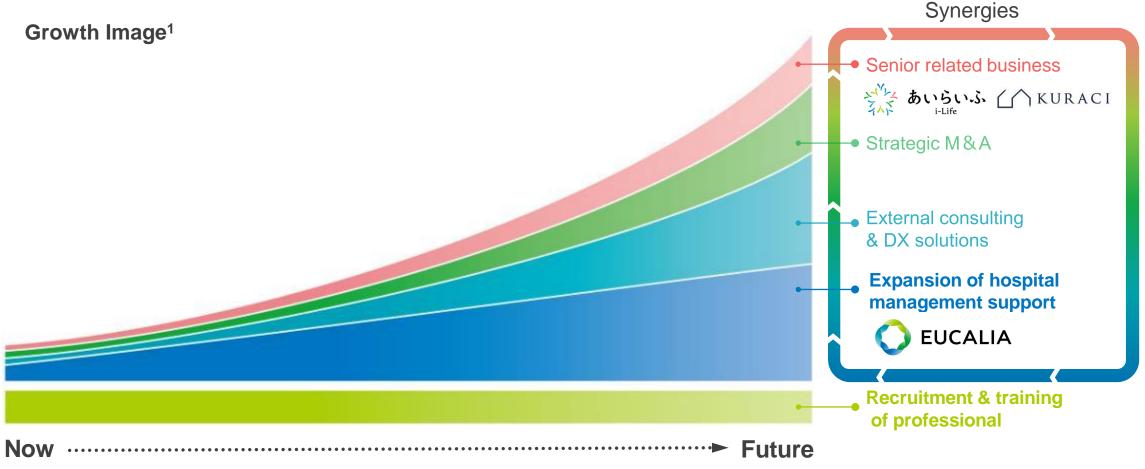
EUCALIA's Business Domains

Developing businesses broadly and deeply along the healthcare value chain, with hospital management support as the core business



▶ Unique Growth Strategy Based on "Medical and Nursing Front Lines"

Aiming to grow the asset-light business and realize the M&A continuously through leveraging the medical and nursing front lines asset having Total medical management support and senior related business



² FY2024 Full-Year Financial Results

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Executive Summary

- High Growth Achieved: We realized strong growth in both netsales and net profit for FY2024 and largely achieved our forecast targets.
- NetSales +9.9% YoY, Operating Profit +20.7% YoY, Net Profit +92.7% YoY
- Actual NetSales and net profit were within ±1% of the forecast, essentially on target

Core Business as Growth Driver: Total medical management support business drove overall results

- The number of Affiliated hospitals increased by 3 (from 23 to 26)
- Revenue per partner improved as we enhanced the "value-up" of affiliated hospitals
- In addition, consulting services to non-partner hospitals grew significantly we closed 70 external consulting deals, a +191% increase (up from 24 deals in the prior year)

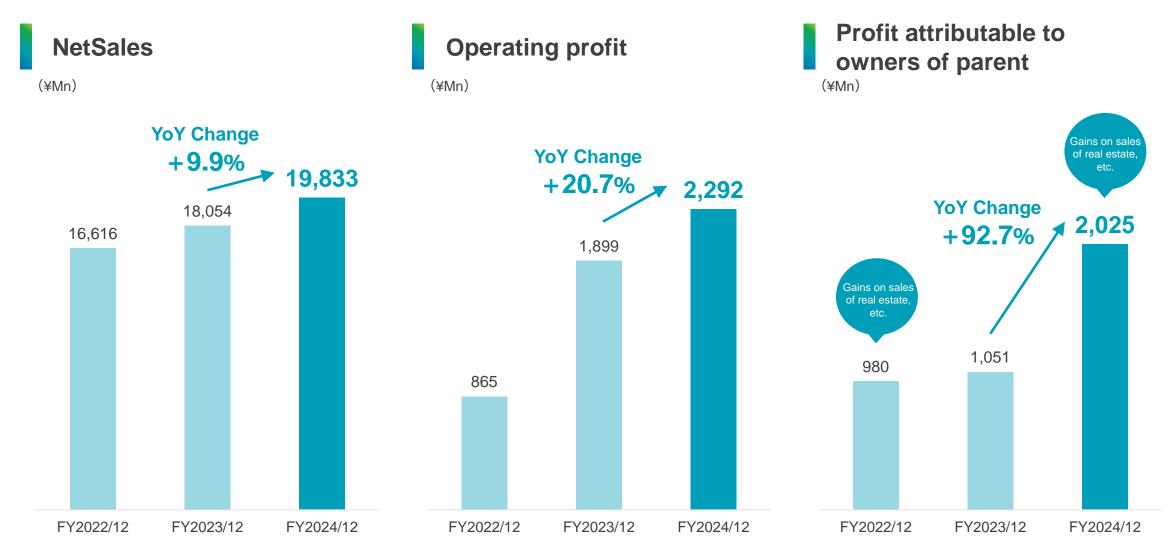
Progress in Growth Initiatives: Preparations for future growth beyond 2025 are on track

- We maintained topline and profit growth while making upfront investments in talent (primarily hiring) to support future expansion.
- Furthermore, we accelerated activities in M&A and capital/business alliances to pursue non-organic growth, in addition to organic growth of existing businesses

▶ Consolidated Operating Results (FY2024)

	-			FY2024	/12			
(¥Mn)	FY2023/12	Forecast	Actual	YoY Change	YoY Change (vs 2023) Vs. I		. Forecast	
NetSales	18,054	19,863	19,833	+1,778	+9.9%	-29	-0.2%	
Gross profit	7,106	8,580	8,691	+1,585	+22.3%	+111	+1.3%	
Margin	39.4%	43.2%	43.8%	-	-	-	-	
Operating profit	1,899	2,018	2,292	+393	+20.7%	+274	+13.6%	
Margin	10.5%	10.2%	11.6%	-	-	-	-	
EBITDA ¹	3,061	3,313	3,599	+538	+17.6%	+286	+8.6%	
Margin	17.0%	16.7%	18.1%	-	-	-	-	
Profit attributable to owners of parent	1,051	2,015	2,025	+974	+92.7%	+10	+0.5%	
Margin	5.8%	10.1%	10.2%	-	-	-	-	

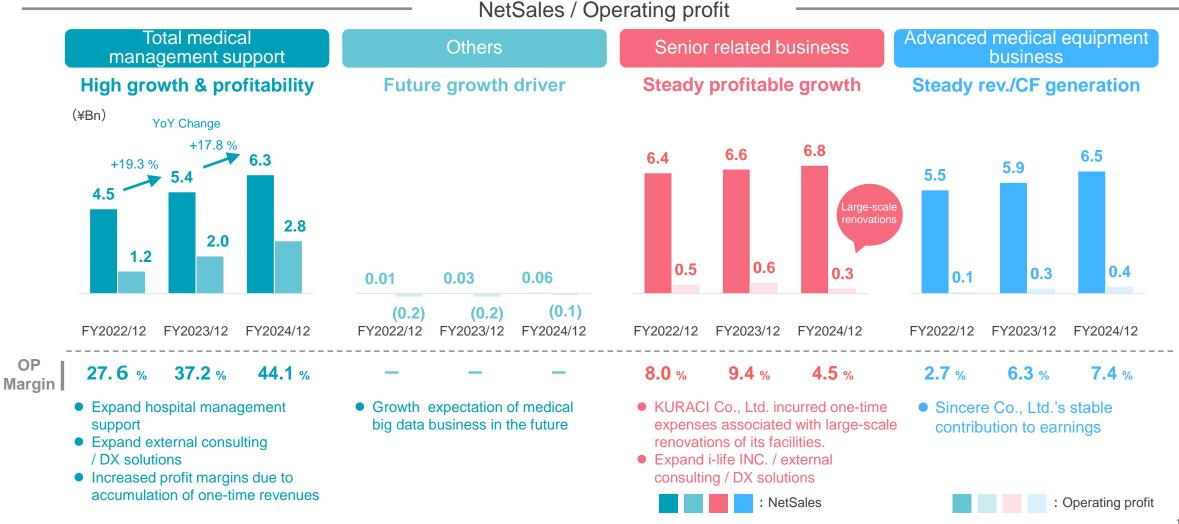
▶ Trends in Full-year Consolidated Operating Performance



(Notes) 1. Due to the termination of partnership with our company and improvements in the financial condition of affiliated hospitals, real estate assets such as land and buildings owned by us were sold (including repurchases by affiliated hospitals), resulting in the recording of extraordinary income.

Segment Performance Highlights (FY2022–FY2024)

Growing profit in each segment from FY2022/12 to FY2024/12, particularly in total medical management support

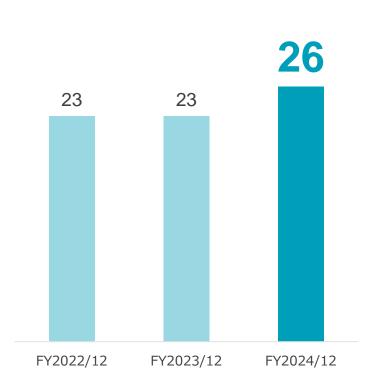


► Key Segment Highlights - Total medical management support business -

KPI | Number of Affiliated Hospitals

Key Topics

(Number)



New Partnerships in FY2024

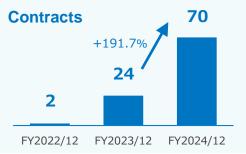
We added 3 new affiliated medical corporations (3 hospitals) during FY2024. One of these was originally a client of our external consulting services, which led to a deeper partnership contract



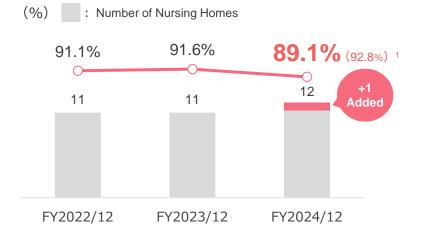
External Consulting Growth

In FY2024, we closed 70 consulting service deals with external (non-affiliated) medical institutions, a >+190% increase (FY2023 had 24 deals; FY2022 had 2)

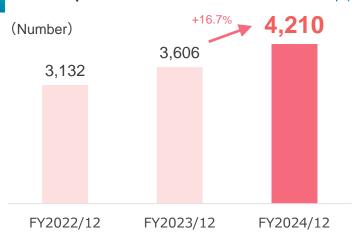
We bolstered our consulting team by hiring 8 additional consultants during the year, building a structure capable of handling diverse client needs from management analysis to DX diagnostics



Key Segment Highlights - Senior related business -



KPI | Number of Referrals があいらいふ



Key Topics





Commenced operation of KURACI Familia Nishi-Shinjuku.

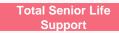
In April 2024, we took over operations of a new nursing home in Nishi-Shinjuku, Tokyo (This brought our total operated homes to 12.)







Residential Nursing Home with Care Services (98 rooms)1-chome Yayoicho, Nakano-ku, Tokyo





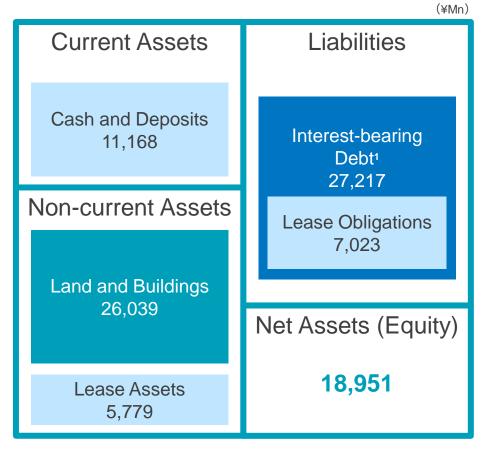
Number of Referrals continued to grow by over 16%.

Our senior living referral service continued robust growth, with placements exceeding 4,200 cases in 2024.

From FY2024, i-Life launched a real estate support service helping seniors (or their families) sell or dispose of homes when moving into care facilities. This addresses a common concern, complements our placement service, and is steadily gaining traction. We plan to develop this as a second pillar of our senior business.

Consolidated Balance Sheet Highlights

Our financial position remains sound. Following the capital raised at our stock exchange listing (IPO), the equity ratio improved by ~8 percentage points, reaching 29.9% as of end-2024.



Based on stable, long-term cash flow generated by the Total Medical Management Support Business, we appropriately control our leverage level.

Key Investment Areas

- 1 Expansion of the Total Medical Management Support Business
- 2 Investment in new businesses for mid- to long-term growth

Total Assets **60,148** Equity Ratio² **29.9**%

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> FY2025 Financial Forecast

	E) (000 4 (4 0	FY2025/12				
(¥Mn)	FY2024/12	Forecast	YoY Change			
NetSales	19,833	23,721	+3,888	+19.6%		
Gross profit	8,691	10,571	+1,879	+21.6%		
Margin	43.8%	44.6%	-	-		
Operating profit	2,292	2,925	+632	+27.6%		
Margin	11.6%	12.3%	-	-		
EBITDA ¹	3,599	4,443	+844	+23.5%		
Margin	18.1%	18.7%	-	-		
Profit attributable to owners of parent	2,025	2,608	+582	+28.7%		
Margin	10.2%	11.0%	-	-		

Business Policy for 2025

Continue Organic Growth

We will continue business growth focused on expanding the number of affiliated hospitals in our Total Medical Management Support Business. In the senior-related segment, i-life Inc. will fully launch its real estate-related services.

Accelerate Proactive Investment in Professional Talent

While maintaining our operating profit margin, we will proactively invest in recruiting and developing high-caliber professional talent—a key strength of our group—to support future growth.

Initiate M&A for Non-Linear Growth

To achieve non-linear growth, we will initiate M&A and capital/business alliances to expand our business portfolio.

Supplementary Notes on Forecast

- The FY2025 forecast reflects the tax-loss carryforward effect arising from the consolidation of SmartScan Inc. from FY2025 onward.
- The forecast does not include any potential extraordinary gains from real estate transactions with affiliated hospitals or the impact of future M&A and capital/business alliances (including the four alliances already announced).

> FY2025 Forecast – Segment Breakdown

		- \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\		FY2025/12		
	(¥Mn)	FY2024/12	Forecast	YoY Cha	YoY Change	
	■ Total medical management support	6,364	8,479	+2,115	+33.2%	
NetSales	Senior related business	6,867	8,131	+1,264	+18.4%	
àles	Advanced medical equipment business	6,539	6,652	+113	+1.7%	
	Others	63	459	+396	+624.5%	
10	■ Total medical management support	2,803	3,263	+459	+16.4%	
Segmei	Senior related business	308	619	+311	+100.6%	
Segment Profit	Advanced medical equipment business	484	268	-217	-44.7%	
+	Others	-139	86	+226	-	

Expansion Centered on Affiliated Hospitals

Accelerate growth by increasing the number of affiliated hospitals and expanding external consulting services.

- Expecting approximately 5–8 new affiliated hospitals.
- External consulting services expected to grow approximately 100%.

Growth of i-life Inc. and Contribution from New Nursing Home

- Anticipating continued growth in the core senior living referral service, as well as new real estate-related services.
- Expecting full-year revenue contribution and occupancy rate improvement from the newly acquired nursing home (KURACI Familia Nishi-Shinjuku), acquired in FY2024.

Consolidation of SmartScan Inc.

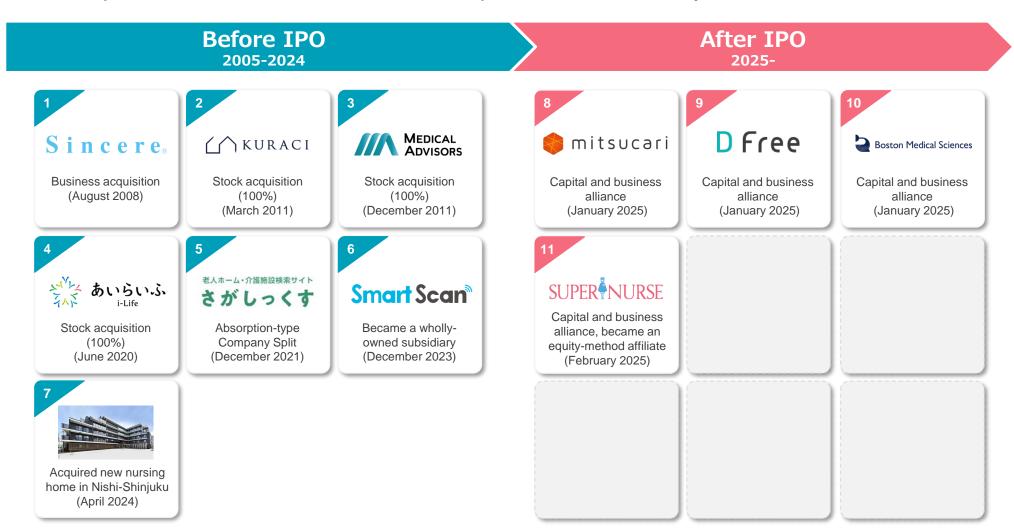
SmartScan Inc., previously a non-consolidated subsidiary, will become consolidated from FY2025.

Absence of One-time Expenses

The impact from large-scale renovation expenses incurred in FY2024 at a facility operated by Kuraci will disappear.

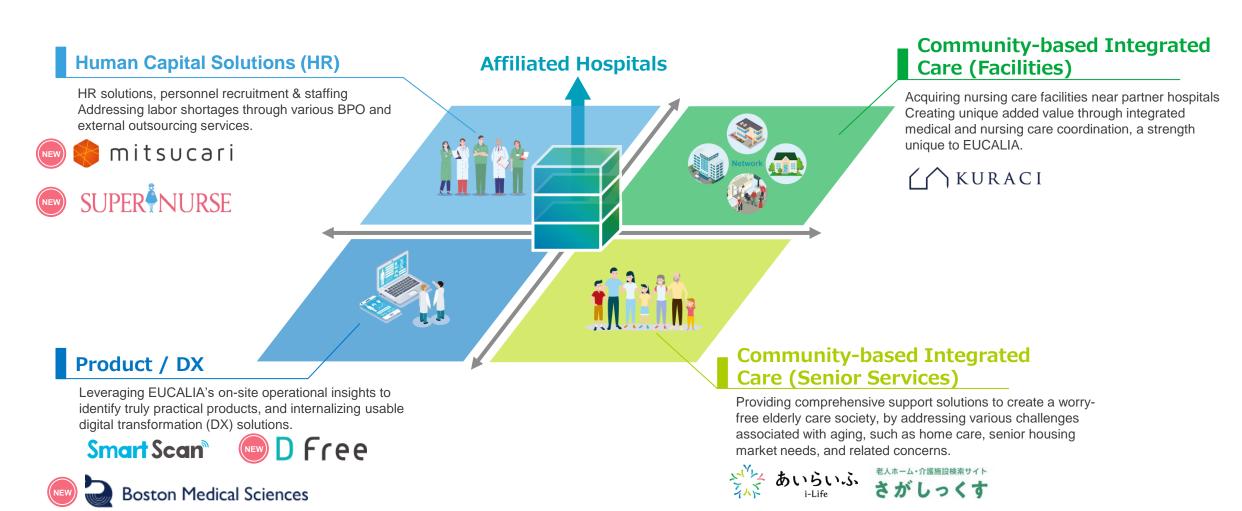
► M&A and Capital/Business Alliance Activities

Announced Capital/Business Alliances with 4 Companies since January 2025



Direction of M&A/Alliances in Growth Strategy

Our M&A and partnership strategy is guided by the goal of enhancing our service lineup around our core of affiliated hospitals, thereby pursuing unique added value that only EUCALIA can provide.



▶ Synergy with Existing Business – New M&A/Alliances (2025)

Company Name	Business Description	Status	Synergy Area	Objectives
mitsucari	Operates and develops "mitsucari," an HRTech solution that maximizes individual and organizational potential by analyzing personality and compatibility.	Capital and Business Alliance (Announced 2025/1/8) Acquired approx. 9.2% of issued shares	 Total medical management support Senior related business 	Enhance medical and nursing facility environments and service quality using our HR solutions (aptitude assessment services).
D Free	Plans, develops, and sells "DFree," a solution that reduces the burden associated with incontinence care.	Capital and Business Alliance (Announced 2025/1/8) Acquired approx. 4.1% of issued shares	 Total medical management support Senior related business 	Improve operational efficiency and service quality at medical and nursing facilities using DFree, a urinary prediction device.
Boston Medical Sciences	Develops and deploys a non- invasive colorectal cancer screening Al system.	Capital and Business Alliance (Announced 2025/1/31) Acquired approx. 1.1% of issued shares	 Total medical management support Others 	Improve efficiency of physicians and nurses, offer easy screening for colorectal cancer enabling early detection and early treatment.
SUPERÎNURSE	Provides nursing staff placement & dispatch services, home-visit nursing (home care support), health management & disease management support, foreign patient acceptance services.	Capital and Business Alliance (Announced 2025/2/14) Became an equity-method affiliate Acquired approx. 28.4% of issued shares	 Total medical management support Senior related business 	Create new mechanisms addressing medical/nursing workforce issues by combining specialized nurse staffing services with EUCALIA's hospital management expertise.

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► Introduction | Misawa Hideo



Representative Director, President, Member of the Board of Directors
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April 1998	Joined Goldman Sachs Japan Co.	April 2018	Visiting Professor, University of Tsukuba (current position)
June 2007	Managing Director, Morgan Stanley Japan Securities Co.	April 2020	Joined EUCALIA, General Manager, President's Office
August 2008	Merrill Lynch Japan Securities Co. Managing Director, Head of Fixed Income Sales Division	May 2020	Executive Officer, General Manager of President's Office
February 2014	Executive Officer, Dome Co. ¹	June 2020	Executive Officer, General Manager of Corporate Planning Division
February 2016	Director, CFO, Dome Co.	March 2021	Director, General Manager of Corporate Planning Division
January 2017	General Manager, The University of Tokyo American Football Club (current position)	March 2024	Representative Director, President
March 2018	Director, Managing Executive Officer, CSO, Dome Corporation		

In April 2020, he joined EUCALIA Inc.(previously known as Capital Medica), where he became a director in March 2021, and was appointed representative director in March 2024.

In pursuit of the "Ideal State of Medical and Nursing Care," he is working to solve social issues through business activities such as hospital management support, operation of nursing care homes, nursing home referrals, promotion of DX solutions, and Utilization of medical data. Under the vision of "Industrialization of Health Care," he is striving to bring about further innovation in the industry and create social impact.

Born on August 30, 1973. Born in Sagamihara City, Kanagawa Prefecture. He was a member of the tennis team at Seiko Gakuin High School, and upon entering the University of Tokyo in 1992, he joined the university of Tokyo american football team WARRIORS and contributed to the team's first top-four finish in the Kanto region. After completing his graduate studies at the University of Tokyo, he worked at Goldman Sachs, Morgan Stanley as Managing Director, Merrill Lynch Japan as Head of Fixed Income Sales.

In 2013, he joined Dome Co. While promoting the industrialization of sports as Managing Director, he became general manager of WARRIORS in 2017 and Visiting Professor at University of Tsukuba in 2018, and continues to make proposals as an expert at various meetings of central ministries, LDP and Diet members.

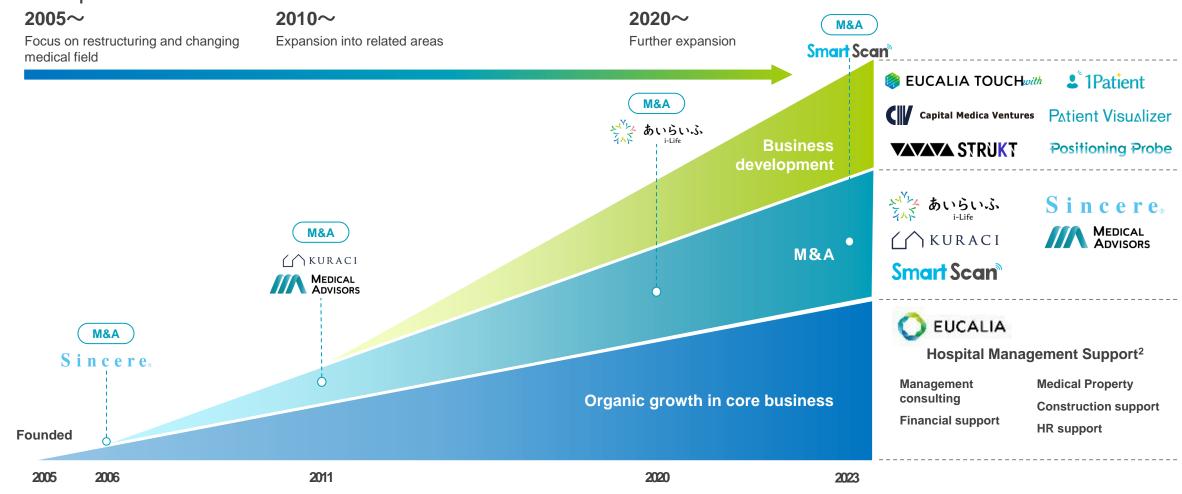
Company Profile

Company Name	EUCALIA Inc.
Established	February, 2005
Address	Kasumigaseki Bldg. 19F, 3-2-5 Kasumigaseki, Chiyoda-ku, Tokyo 100-6019, Japan
Share Capital	8,534 Million Yen (As of February, 2025)
Stock Code	286A
Stock Listings	Growth Market of the Tokyo Stock Exchange
Certification & Accreditation	WSA-IS-137 WSA-IS-137 Work with Pride D&I AWARD BEST WORK PLACE For diversity & lectures Work with Pride D&I AWARD BEST WORK PLACE For diversity & lectures 2024 2024 2024



► History of EUCALIA Group¹

Continuous growth based on hospital management support business combined with new business development and M&A



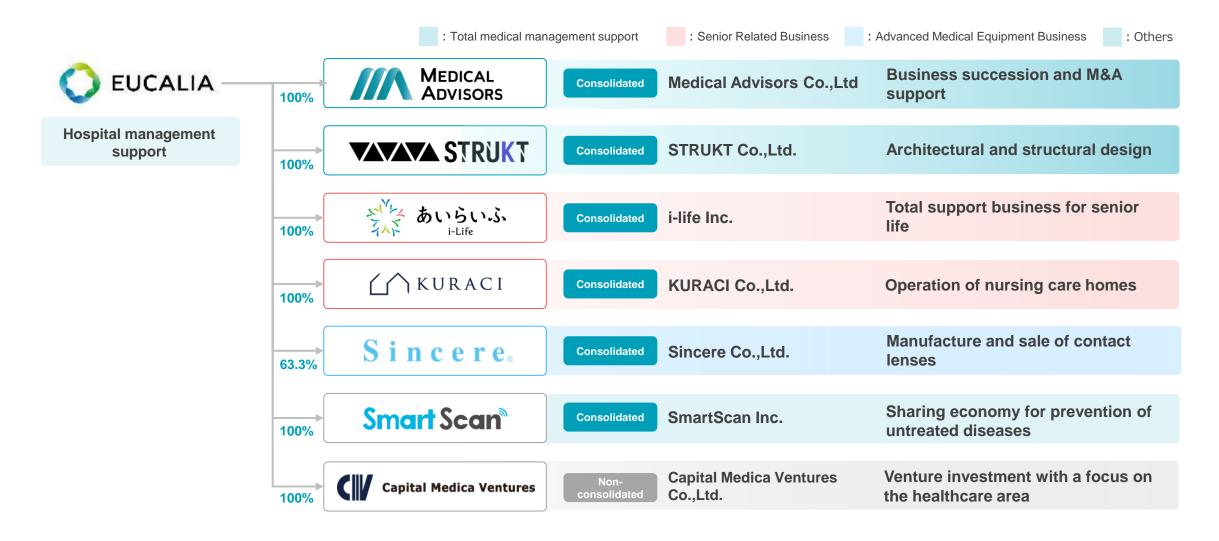
(Notes) 1. Some services are omitted to make the history easier to visualize

^{2.} Hospital Management Support is a generic term for services provided to affiliated hospital (excluding Medical Advisors, STRUKT)

^{3.} This slide is for illustrative purposes only and is not a guarantee of revenue increase as described

▶ List of Group Companies ^{1,2}

(Notes)



^{1.} Only major affiliated companies are listed. In addition to those listed, the Company has 5 consolidated subsidiaries, 3 non-consolidated subsidiaries (including 1 investment limited partnership), and 6 affiliates not accounted for by the equity method (3 affiliates and 2 investment limited partnerships)

2. As of end of Feb. 2025. SmartScan Inc. to be consolidated from FY2025/12.

Management Team



Chairman and Representative Director FURUKAWA Jun

- · The founder of EUCALIA Inc.
- Certified Public Accountant
- Joined Chuo Audit Corporation in 1997
- Established EUCALIA Inc. in 2005



President and Representative Director

MISAWA Hideo

- Joined Goldman Sachs Japan Co. in 1998
- Joined EUCALIA Inc. in 2020 after served as Managing Director of Dome Corporation
- General manager of the university of Tokyo's American football team



Director
NISHIMURA Yoshikazu

- Acute care doctor
- Attending doctor of anesthesiology Member of Japan DMAT
- Joined EUCALIA Inc. after working as Physician at Chiba University Hospital and Assistant Professor at Yokohama City University Hospital



Outside Director / Audit and Supervisory Committee Member

- SUTO Shuji
- Certified Public Accountant
- Served as Senior Partner of ShinNihon LLC (changed as Ernst & Young ShinNihon LLC)



Outside Director / Audit and Supervisory Committee Member

NANYE Kyoichi

 Served as Managing Director of Sanwa Bank (changed as MUFG Bank)



Outside Director / Audit and Supervisory Committee Member

SUGIYAMA Fumino

 Representative Director of NPO Tokyo Rainbow Pride



Executive officer
YAMADA Kazuhiro

 Joined EUCALIA Inc. after served as Managing Executive Officer, CX Business Management, General Manager of DX Promotion Division and Deputy General Manager of Digital Customer Communication of Transcosmos



Executive officer **ABE Katsumi**

- Certified Public Accountant
- Joined Chuo Audit Corporation in 1997
- Joined EUCALIA Inc. after served as Director of Diamond Dining and Kyoei Security Service



Executive officer
YAMANE Naoki

- · Joined Tokai Bank in 1988
- Joined EUCALIA Inc. in 2006
- Served as Representative Director of the subsidiary, General Manager of the Capital Management Division, and General Manager of the Platform Business Division of EUCALIA



Executive officer
TAKAHASHI Norihisa

 Joined EUCALIA Inc. after served International Securities (changed as Mitsubishi UFJ Morgan Stanley Securities), as Director of Merrill Lynch Japan Securities and Head of Strategy in president's office of Dome corporation

▶ List of Affiliated Hospitals¹

Kinki/Chugoku regions

[Hyogo]

Maikodai Hospital

[Okayama]

- Tsuyama Daiichi Hospital
- Taira Hospital

[Yamaguchi]

· Hikari Central Hospital

Kyushu/Okinawa Region

[Oita]

Oita Advanced Diagnostic Imaging Center ※

[Fukuoka]

· Shin Nakama Hospital

[Okinawa]

- Kuda Hospital
- · Kanna Hospital

※···Non-hospital facilities (clinics, etc.)

Hokkaido/Tohoku Region

[Hokkaido]

- Sapporo Central Hospital
- Atsuta Central Clinic ※
- Ishibashi Hospital
- Asahiyama Hospital
- Miki mental Clinic ※
- Sapporo Doto Hospital
- · Higashi Sapporo Hospital
- · Shin Sapporo Howakai Hospital
- Ashiribetsu Hospital

[Miyagi]

Munakata Yasuhiko Clinic ※

Kanto region

[Gunma]

Zenshu-kai Hospital

[Tochigi]

Haga Central Hospital

[Saitama]

- · Kawaguchi Kogyo General Hospital
- Kawaguchi Kogyo Breast Clinic ※
- Musashino General Hospital
- · Honkawagoe Hospital
- Shin-Shiraoka Hospital
- Ando Hospital

[Chiba]

Sakura Central Hospital

[Tokyo]

- Kanamachi Central Hospital
- Kokoro no Hospital Machida
- Medical Check Studio Tokyo Ginza Clinic ※

[Kanagawa]

- · Sagami-Rinkan Hospital
- Suzuki Hospital

1. as of December 31 2024 (Notes)

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