CUC

Financial results for the six months ended September 2026

CUC Inc.
October 29, 2026

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Consolidated Financial Results

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Consolidated Financial Results

Expansion of domestic client medical institutions drove overall results. New-facility occupancy in Hospice and In-home Nursing user growth progressed steadily vs. Q1.
While revenue fell short of the plan due to lower revenue per resident in Hospice following the medical fee revision, profit was largely in line with the plan through strict cost control.

(Million yen)	26/3 Q2 (YTD)	27/3 Q2 (YTD)	YoY	27/3 (Forecast)	Progress
Revenue	26,291	28,735	+9.3%	64,600	44.5%
EBITDA(1)	3,713	3,121	(15.9%)	9,700	32.2%
Operating profit	1,711	947	(44.7%)	3,800	24.9%
Net income attributable to CUC shareholders	612	(101)	-	1,100	-

1. EBITDA = Operating profit + depreciation and amortization expenses ± other income and expenses (the same applies hereinafter).

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First Half Results and Second Half Outlook

Operating profit is expected to improve in H2 FY3/27. Medical Institution (Japan) leads, well above plan due to the expansion of client medical institutions; Hospice is narrowing the gap to plan as occupancy gains and cost control offset lower revenue per resident. Medical Institution (Overseas) will open OBLs in H2 FY3/27.

Profit outlook for the second half

Segment	First half results	Second half outlook		
	vs. Forecast	vs. H1	vs. Forecast	
Medical Institution (Japan)				Monthly fees to keep rising in H2 FY3/27 with growth in client medical institutions
Medical Institution (Overseas)				Lower podiatry patient volume and upfront OBL costs; full contribution expected from FY3/28
Hospice				Higher new-facility occupancy and disciplined cost control expected
In-home Nursing				More users following increased staffing in Q1
Medical Care Residence				Early occupancy improvement driven by a rebuilt sales team and hiring

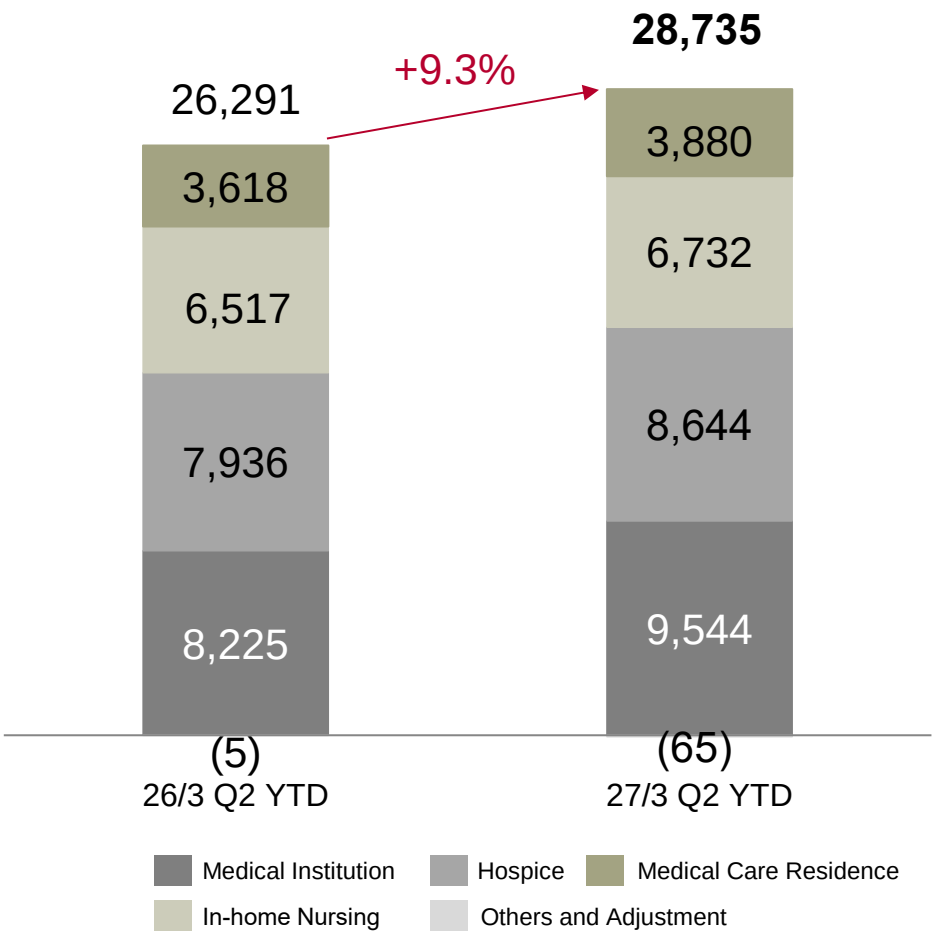
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Consolidated Financial Results

Revenue grew steadily across all segments, while EBITDA and EBITDA margin declined due to lower revenue per resident in Hospice and upfront investments in US OBLs and In-home Nursing incurred in Q1.

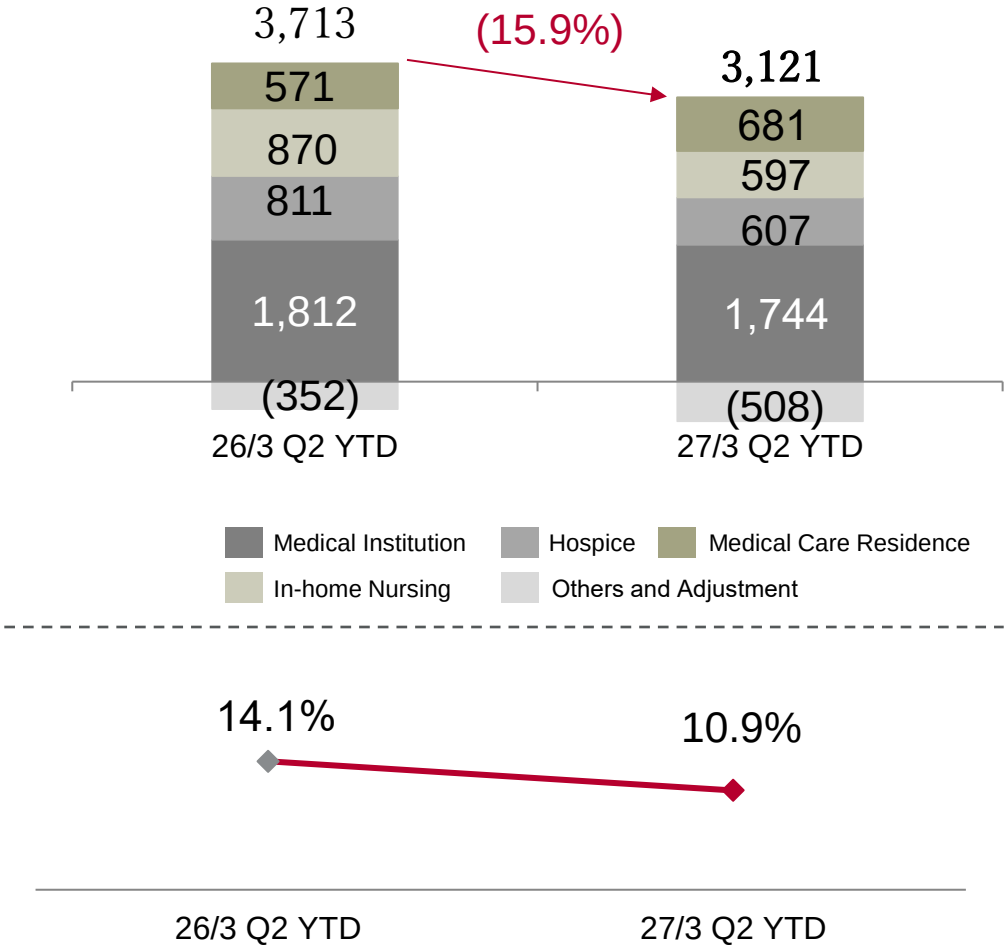
Revenue

(Million yen)



EBITDA and EBITDA margin

(Million yen)



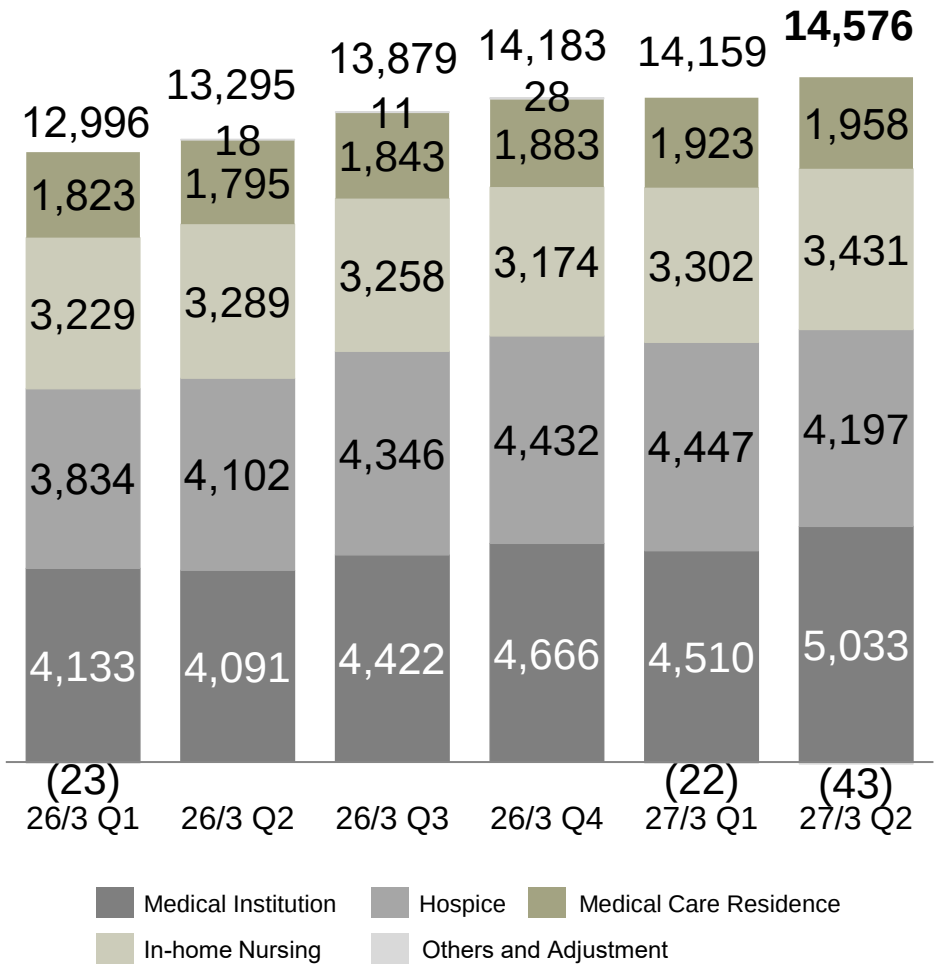
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Consolidated Financial Results (Quarterly)

Quarterly revenue reached a record high. EBITDA and EBITDA margin improved QoQ, driven mainly by higher monthly fees from client base expansion in domestic medical institutions and user growth in In-home Nursing.

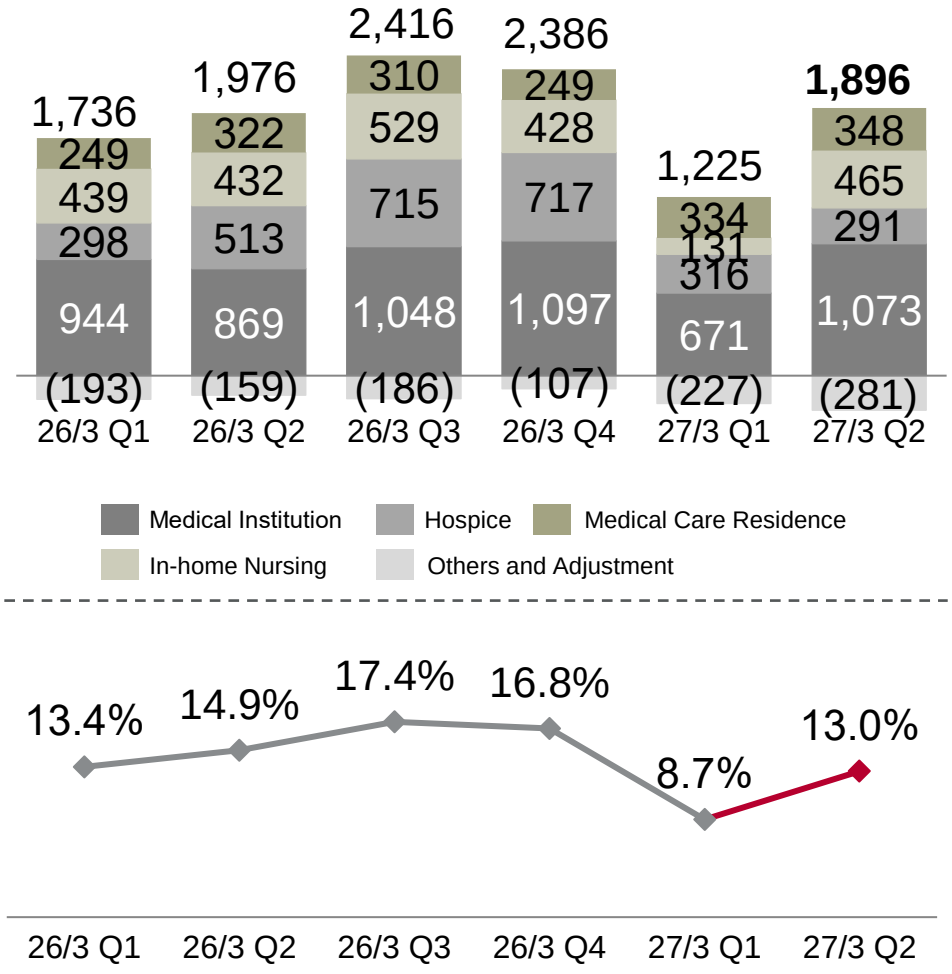
Revenue

(Million yen)



EBITDA and EBITDA margin

(Million yen)



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Summary of Consolidated Statement of Financial Position

(Million yen)	26/3	26/6	26/9
Current assets	**30,132**	**32,333**	**30,022**
Cash and cash equivalents	15,835	18,327 (1)	16,120
Trade and other receivables	13,090	12,774	12,458
Non-current assets	**67,816**	**68,811**	**70,816**
Property, plant and equipment	23,704	23,643	24,161
Right-of-use assets	19,329	18,905	18,840
Goodwill	14,727	15,660 (2)	16,144
Intangible assets	4,171	4,605	4,715
Total assets	**97,949**	**101,144**	**100,838**

	26/3	26/6	26/9
Current liabilities	**14,840**	**14,639**	**15,321**
Trade and other payables	3,629	3,508	3,278
Borrowings	3,689	4,482	4,527
Lease liabilities	3,139	3,174	3,280
Non-current liabilities	**49,071**	**52,673**	**51,425**
Borrowings	28,578	32,322	31,146
Lease liabilities	17,127	16,689	16,549
Total liabilities	**63,911**	**67,319**	**66,747**
Total equity	**34,037**	**33,825**	**34,092**
Equity attributable to CUC shareholders	33,400	33,426	33,763
Non-controlling interests	638	399	328
Total liabilities and equity	**97,949**	**101,144**	**100,838**

(1) Decrease due to repayment of borrowings and overseas clinic acquisitions

(2) Increase due to overseas clinic acquisitions

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Financial Results by Segment

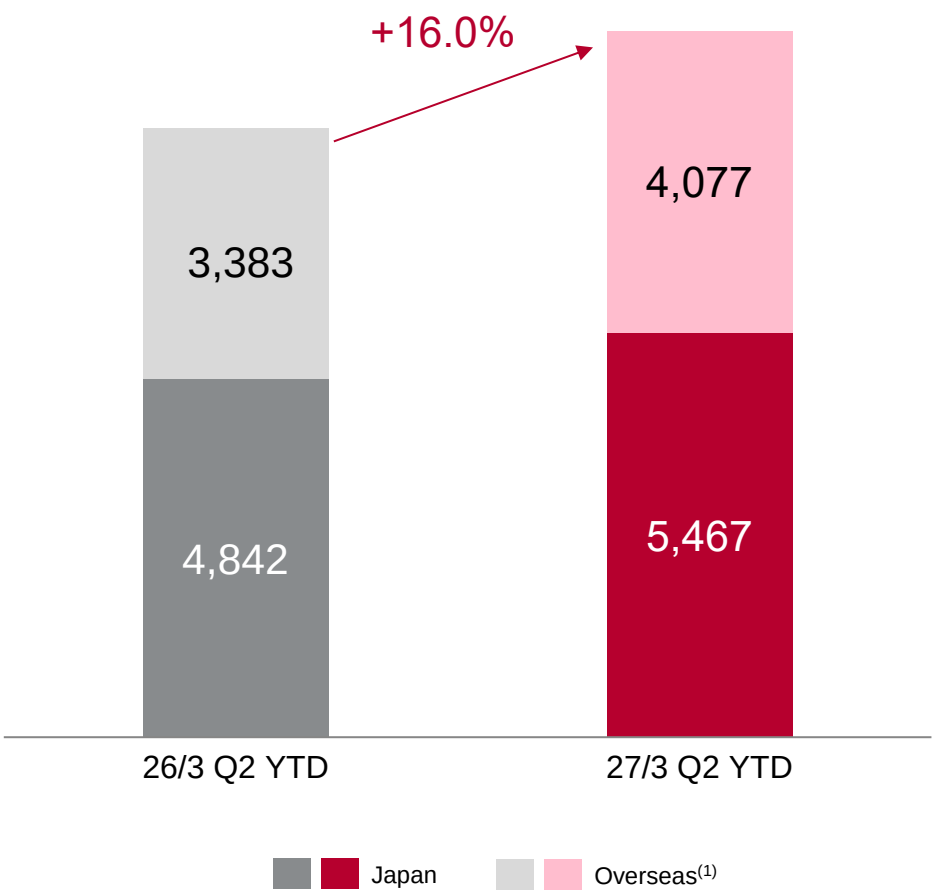
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Financial Results of Medical Institution Segment

Medical Institution (Japan) performed steadily, driven by higher monthly fees from the expansion of client medical institutions. Medical Institution (Overseas) revenue grew, driven by more US locations, while EBITDA turned negative due to upfront investments, mainly in opening new OBL locations.

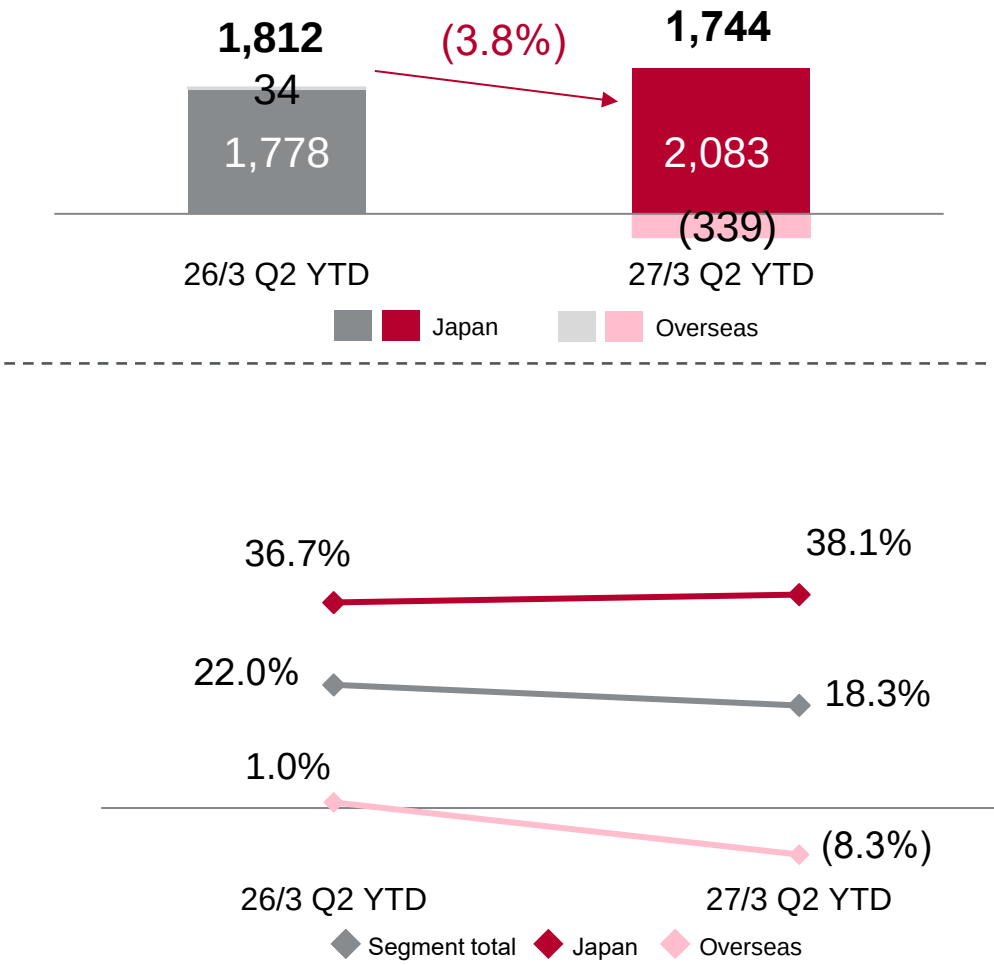
Revenue

(Million yen)



EBITDA and EBITDA margin(2)

(Million yen)



1. Comprise the US and Southeast Asia. 2. Average exchange rate for Q2 FY3/2027 is about 159 yen/USD (the same applies hereinafter).

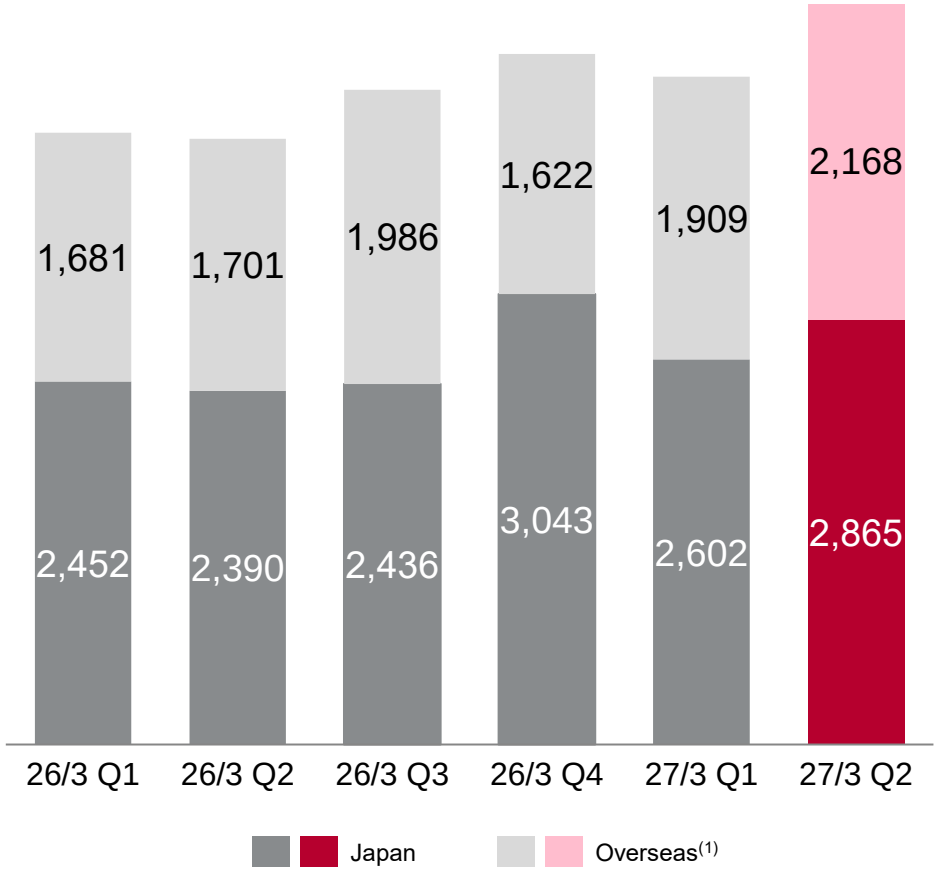
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Financial Results of Medical Institution Segment (Quarterly)

Medical Institution (Japan) revenue and EBITDA grew QoQ, driven by higher monthly fees from a growing client base and M&A advisory projects. Medical Institution (Overseas) EBITDA and margin improved QoQ on more locations and patients at high-revenue vein clinics.

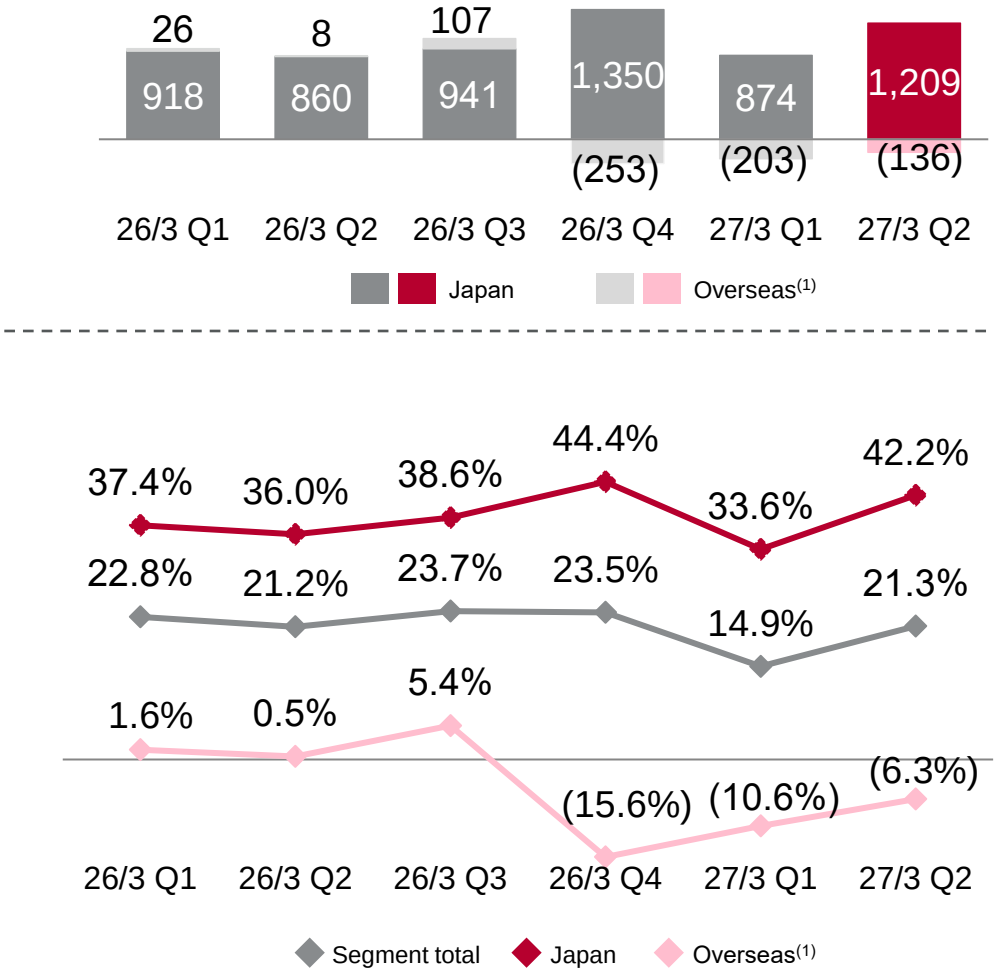
Revenue

(Million yen)



EBITDA and EBITDA margin

(Million yen)



1. Comprise the US and Southeast Asia.

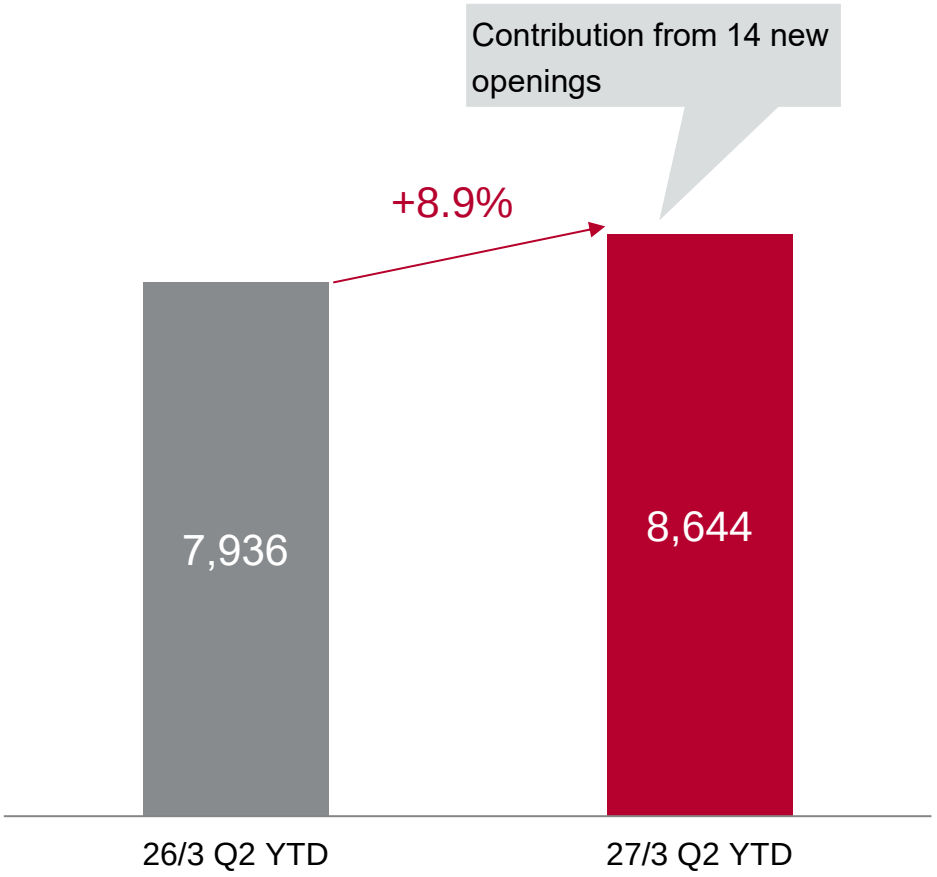
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Financial Results of Hospice Segment

Revenue grew steadily, driven by more facilities, while EBITDA declined YoY due to lower revenue per resident following the June 2026 medical fee revision.

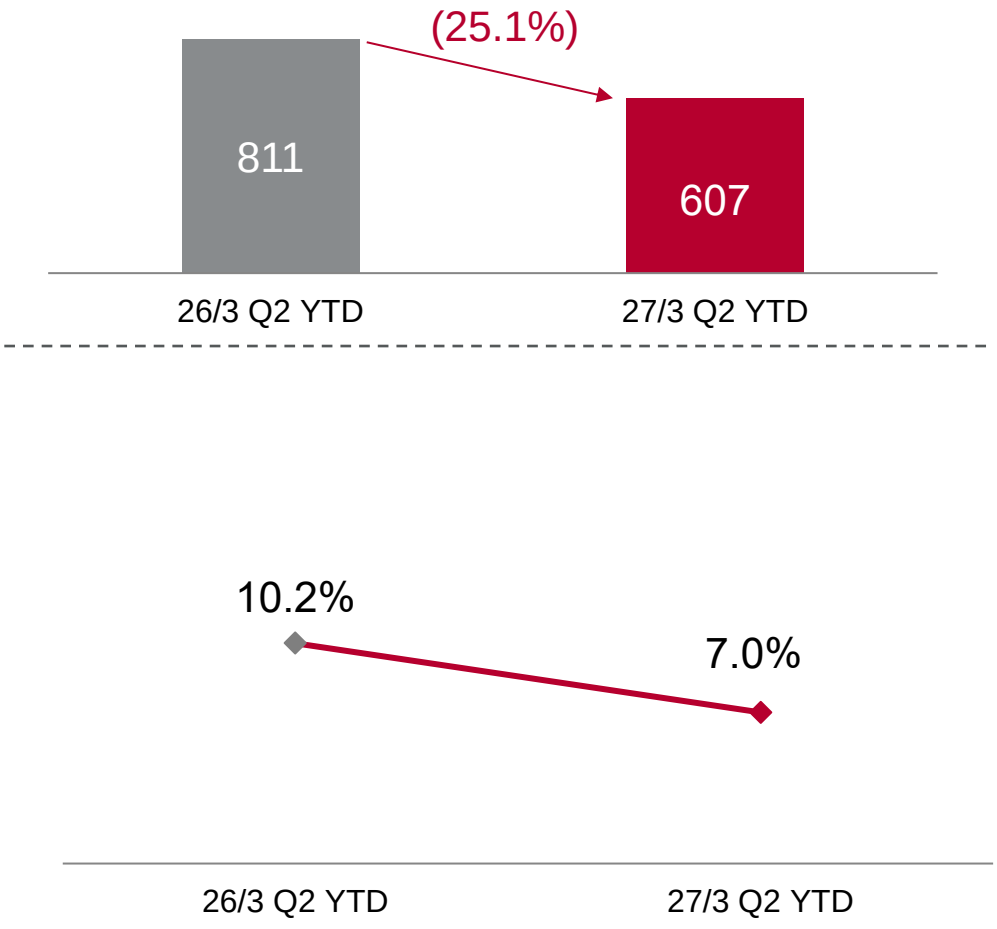
Revenue

(Million yen)



EBITDA and EBITDA margin

(Million yen)



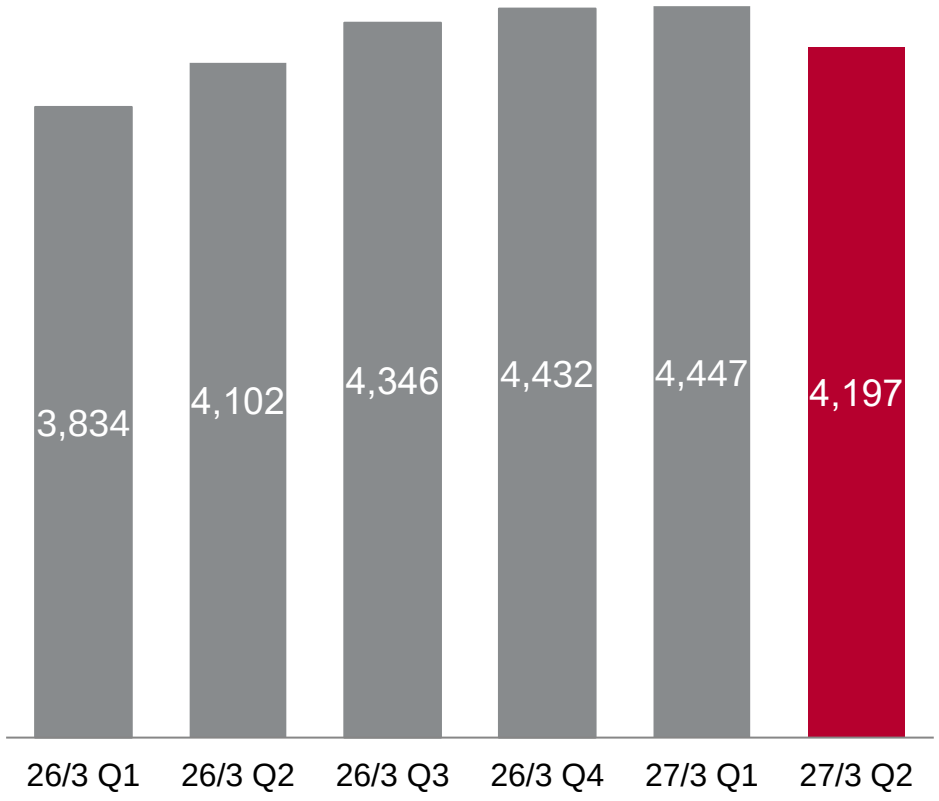
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Financial Results of Hospice Segment (Quarterly)

Revenue and EBITDA are expected to bottom out, supported by higher new-facility occupancy and cost control from optimized operations mitigating the impact of lower revenue per resident.

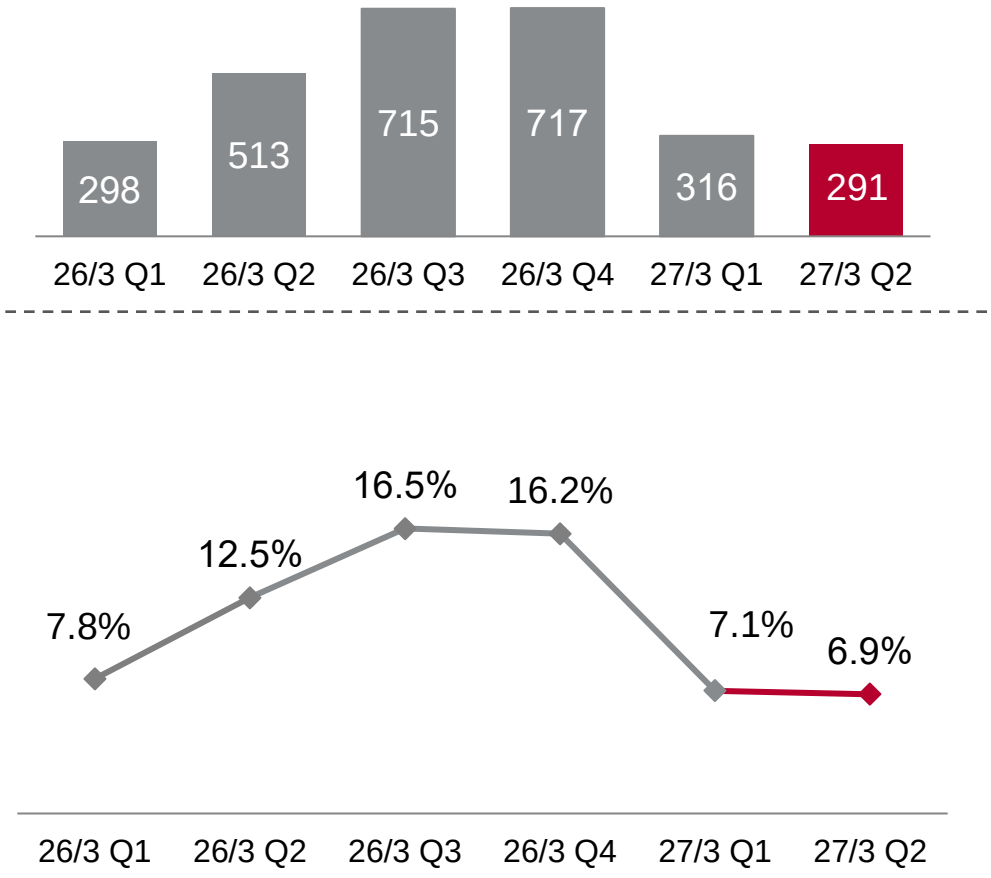
Revenue

(Million yen)



EBITDA and EBITDA margin

(Million yen)



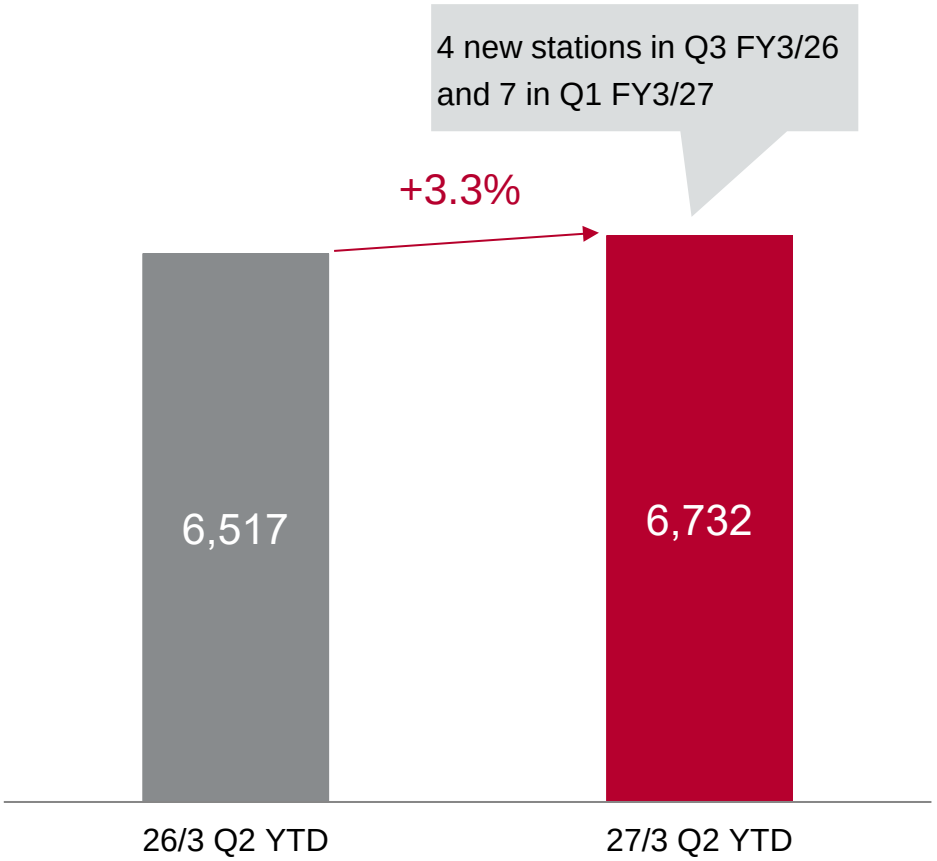
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Financial Results of In-home Nursing Segment

Revenue grew steadily, driven mainly by new stations, while EBITDA and EBITDA margin declined YoY due to upfront hiring for business expansion in Q1 and startup losses from 7 new openings.

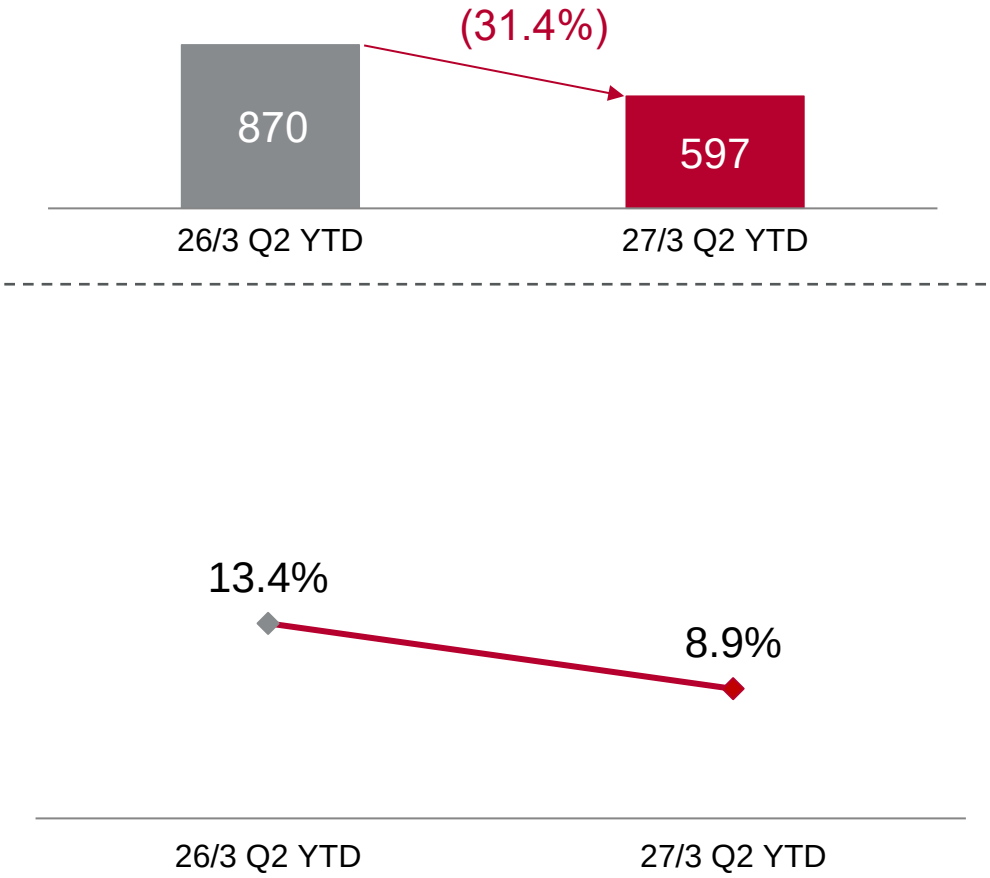
Revenue

(Million yen)



EBITDA and EBITDA margin

(Million yen)



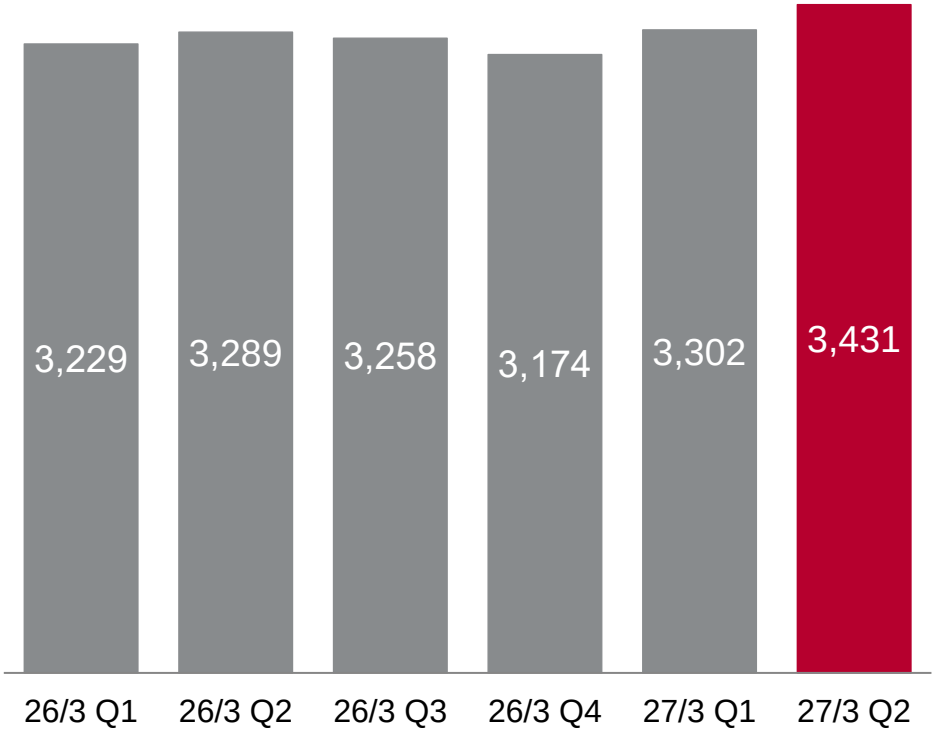
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Financial Results of In-home Nursing Segment (Quarterly)

Quarterly revenue reached a record high. EBITDA and EBITDA margin recovered to normal levels, driven by user growth as staff hired early in Q1 reached higher utilization.

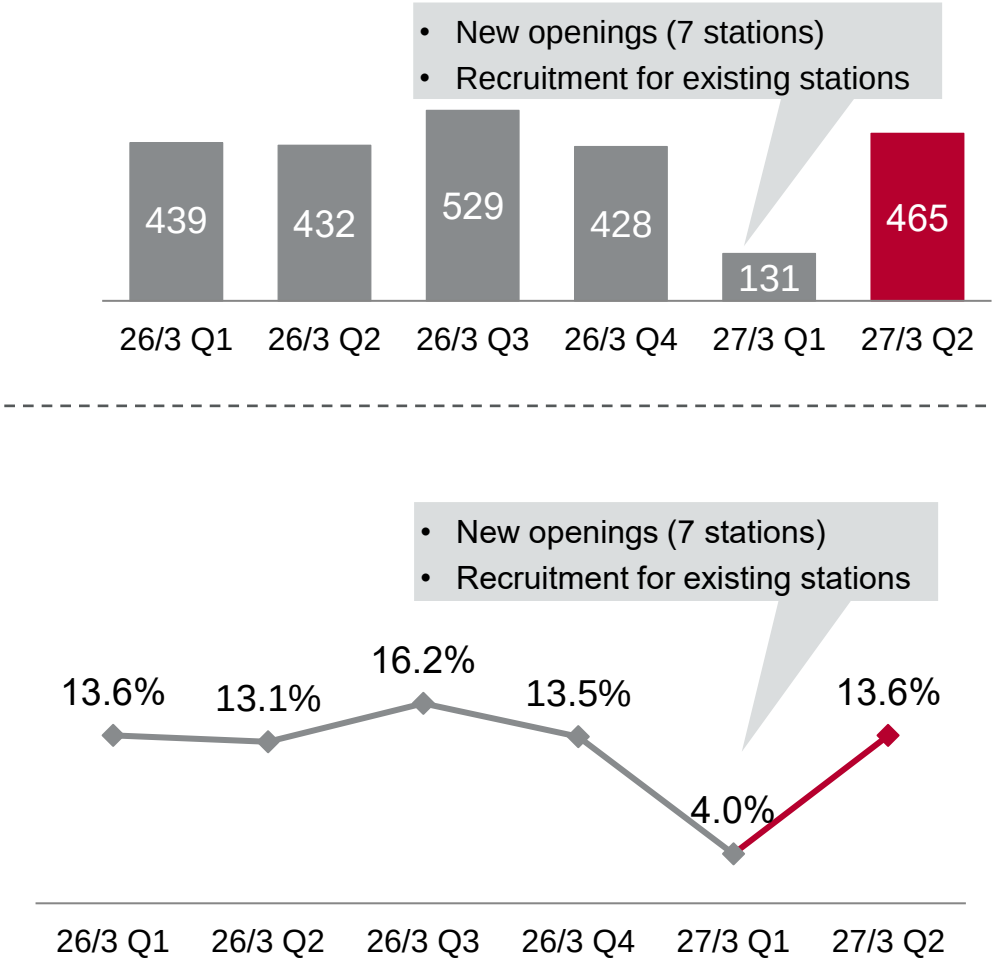
Revenue

(Million yen)



EBITDA and EBITDA margin

(Million yen)



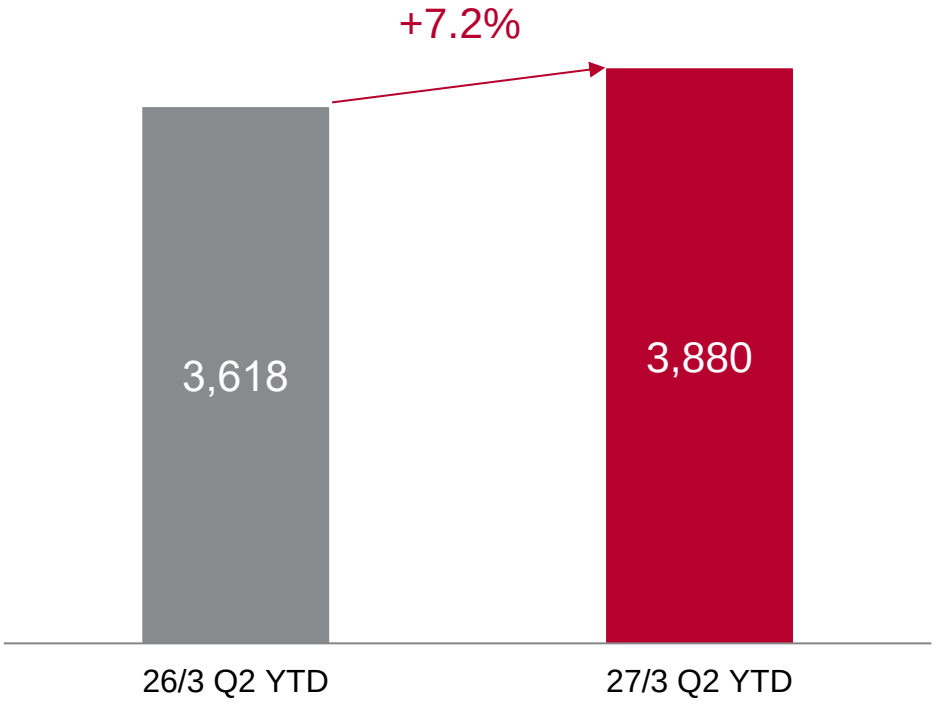
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Financial Results of Medical Care Residence Segment

Revenue and EBITDA grew YoY, driven by price increases (rent, common service fees, etc.) at Noah Konzer facilities and steady monetization of Amulife Nijigaoka Field.

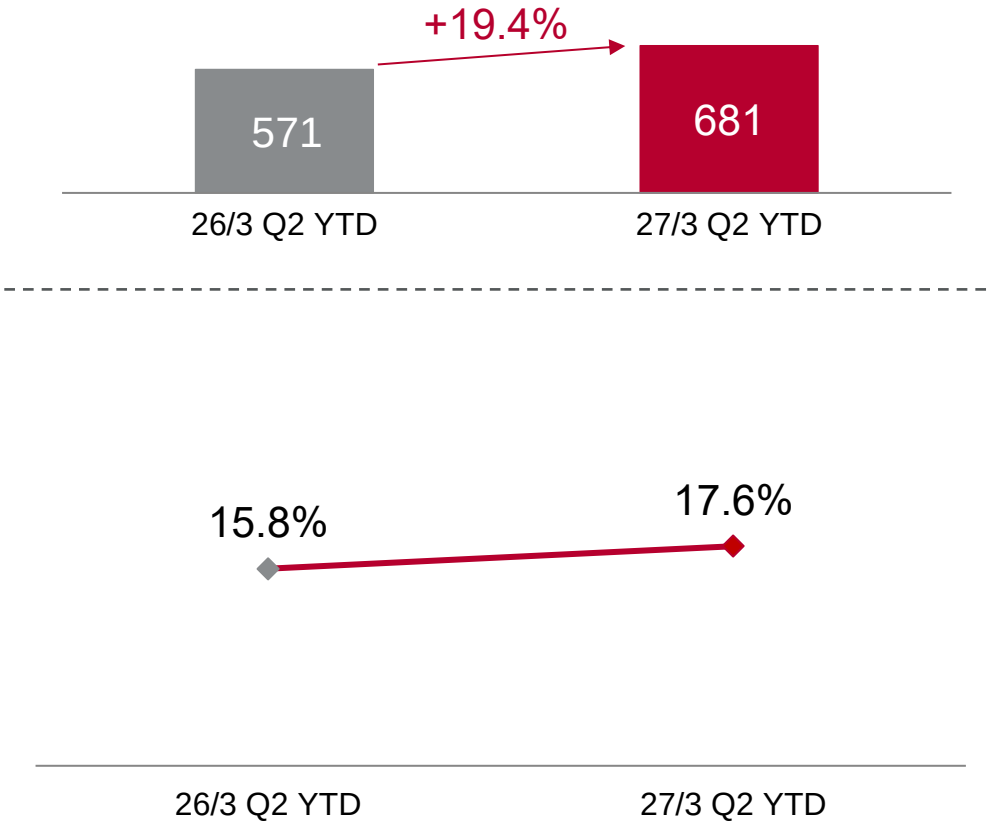
Revenue (1)

(Million yen)



EBITDA and EBITDA margin (1)

(Million yen)



1. Fukuyakkun, a medication support system previously in the Medical Care Residence segment, was reclassified to the Others segment from FY3/2027 (applied retroactively to FY3/2026). No impact on consolidated results.

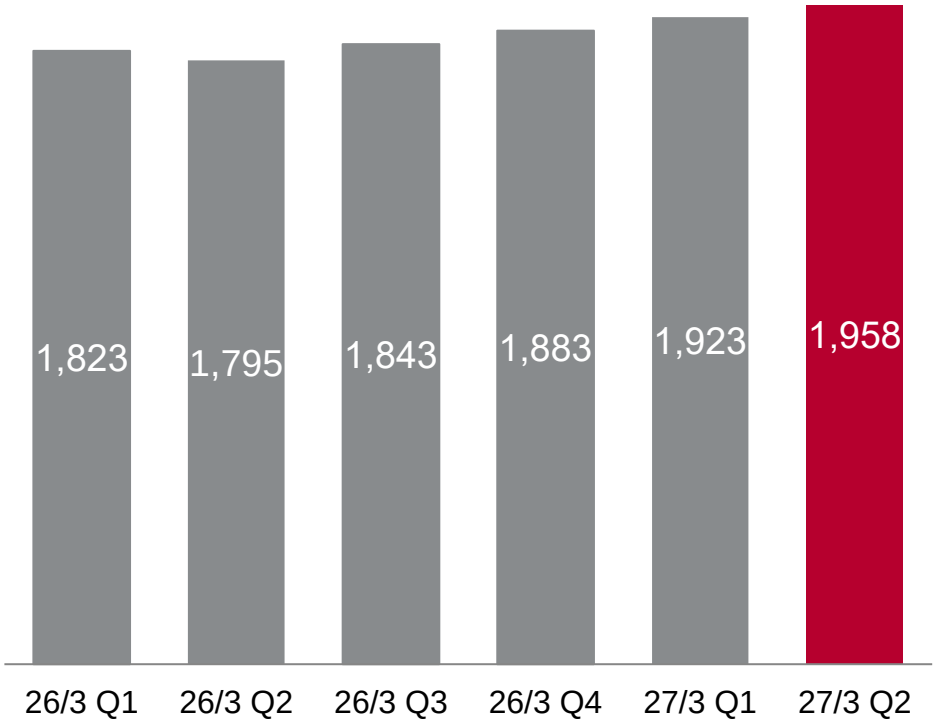
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Financial Results of Medical Care Residence Segment (Quarterly)

Quarterly revenue and EBITDA both reached record highs, driven by price increases at Noah Konzer facilities, monetization of Amulife Nijigaoka Field, and more day-care users.

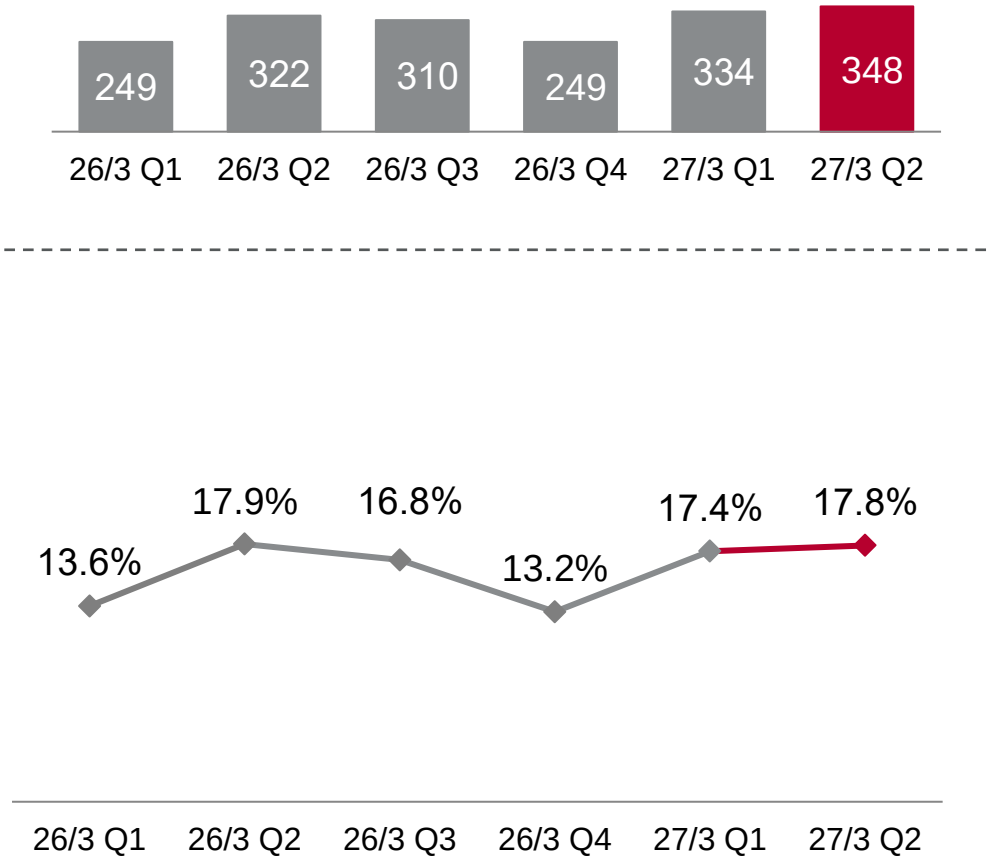
Revenue

(Million yen)



EBITDA and EBITDA margin

(Million yen)



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Quarterly Trends in Key Operating Drivers (1/2)

	26/3 Q1	26/3 Q2	26/3 Q3	26/3 Q4	27/3 Q1	27/3 Q2
Medical Institution segment (Japan)						
Clients' major medical facilities(1)	158	162	163	163	165	171
Annualized revenue per clients‘ major medical facility(2) (¥ mm)	62	59	60	75	63	67
Medical Institution segment (US)						
# of locations	34	34	36	36	37	42
# of patients(3)	67,316	69,695	66,924	61,402	67,025	65,326
Revenue per patient(4) (yen)	23,922	23,266	28,653	25,221	27,383	31,715
Hospice segment						
# of facilities(5)	53	54	59	63	67	68
Occupancy rate(6)(7) (New, %)	41.7	56.7	61.6	38.1	39.9	41.8
Occupancy rate(6)(7) (Existing, %)	85.2	86.0	85.9	84.3	83.7	83.4
Annualized revenue per resident(8) (¥ mm)	8.6	8.6	8.6	8.5	8.1	7.3

1. Number of hospitals, long-term care health facilities, in-home care clinics, dialysis clinics, and outpatient clinics to which CUC provides management support in Japan; calculated as the average of the beginning and end of each period.
2. Calculated by dividing annualized revenue in Japan by the average number of clients' major medical facilities during the same period.
3. Total patients in each period based on claims data as of October 2026. From Q2 FY3/27, the aggregation method was changed and past figures were revised to better reflect actual conditions.
4. Calculated by dividing quarterly revenue in the US by the number of patients during each period.
5. Number of hospices served by CUC group at the end of each period. Existing facilities: open for more than 12 months or acquired through M&A at period-end; all others: new.
 (Capacity includes 188 beds from partial hospice-floor conversion at four Noah Konzer facilities.)
6. Percentage of total number of residents to the total number of capacity through each period. Existing and new facilities are defined as in note 5.
7. New facilities become existing in the quarter or cumulative period including the date one year after opening; thus, the cumulative occupancy rate differs from the weighted average of each period.
8. Annualized Hospice segment revenue for each period divided by the average number of residents during the period.

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Quarterly Trends in Key Operating Drivers (2/2)

	26/3 Q1	26/3 Q2	26/3 Q3	26/3 Q4	27/3 Q1	27/3 Q2
In-home Nursing segment						
# of stations	91	91	95	95	102	102
# of users(1)	14,878	15,012	15,123	15,216	15,445	15,866
Total care hours(2) (Thousand hours)	317	324	320	313	330	342
Full-time equivalent of nurses / therapists	1,193	1,204	1,212	1,209	1,313	1,313
Care hours per nurse / therapist(3) (hours/month)	89	90	88	86	84	87
Medical Care Residence segment						
Occupancy rate(4) (%)	79.3	77.3	77.6	77.0	76.8	76.1
Annualized revenue per resident(5) (¥ mm)	4.5	4.5	4.7	4.7	4.9	5.0

1. Average number of users with visits as of the end of each month in each period.
2. Total hours of services provided to users by nurses and therapists.
3. Total care hours divided by full-time equivalent.
4. Percentage of total number of residents to the total number of capacity through each period (capacity includes 188 beds from partial hospice-floor conversion at four Noah Konzer facilities).
5. Annualized Medical Care Residence segment revenue for each period divided by the average number of residents during the period.

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Q2 FY3/27 Topics

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Q2 FY3/27 Topics

1 Strengthening public-private ophthalmology partnership in Indonesia

- Strategic partnership with Dr. Cipto Mangunkusumo National General Hospital (RSCM), Indonesia's largest hospital, in the ophthalmology field focusing on refractive correction
- Introducing the latest refractive equipment and transferring knowledge to build integrated care, education and research.

2 Launched “Mirucoms,” AI management support for in-home nursing

- Reduces administrative workload at nursing stations and resolves operational issues through AI-powered billing support and operational manuals based on Sophiamedi’s expertise.
- Management dashboard, statutory training and other services to follow.

3 Agreement regarding shareholdings in HYUGA PRIMARY CARE

- Agreed to tender a portion of CUC-held shares in HYUGA's tender offer for its own shares; CUC will maintain an indirect investment through a share exchange.
- No impact on consolidated results for FY3/27.

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Progress Towards Guidance

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Progress Towards Guidance (1/2)

(Million yen)	27/3 (Plan)	27/3 Q2 (Actual)	Progress
Revenue	**64,600**	**28,735**	**44.5%**
Medical Institution	20,800	9,544	45.9%
- Japan	10,650	5,467	51.3%
- Overseas(1)	10,150	4,077	40.2%
Hospice	20,550	8,644	42.1%
In-home Nursing	13,900	6,732	48.4%
Medical Care Residence	8,350	3,880	46.5%
Others and Adjustment	1,000	(65)	-
EBITDA	**9,700**	**3,121**	**32.2%**
Medical Institution	4,050	1,744	43.1%
- Japan	3,650	2,083	57.1%
- Overseas(1)	400	(339)	-
Hospice	2,450	607	24.8%
In-home Nursing	1,550	597	38.5%
Medical Care Residence	2,150	681	31.7%
Others and Adjustment	(500)	(508)	-

1. The exchange rate (period average) assumed for FY3/2027 forecast is about 155 yen/USD.

Summary of progress

Consolidated

- Upfront costs in line with the plan; revenue fell short of expectations, profit largely in line.

Medical Institution

- Japan: Revenue and profit exceeded the plan, driven by client expansion.
- Overseas: Revenue and profit fell short of expectations due to fewer patients; web marketing underway.

Hospice

- Revenue fell short due to lower revenue per resident; profit was in line with the plan, driven by operational cost optimization.
- Revenue and profit expected to improve quarterly as new-facility occupancy rises.

In-home Nursing

- New stations ramped up smoothly; revenue and profit largely in line with the plan.

Medical Care Residence

- H1 FY3/27 fell short of expectations (lower occupancy); stronger sales in H2 to improve occupancy for early recovery.

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Progress Towards Guidance (2/2)

(Million yen)	27/3 (Plan)	27/3 Q2 (Actual)	Progress
Operating profit (loss)	**3,800**	**947**	**24.9%**
Medical Institution	2,450	1,353	55.2%
- Japan	3,050	1,778	58.3%
- Overseas	(600)	(425)	-
Hospice	450	(227)	-
In-home Nursing	1,000	422	42.2%
Medical Care Residence	450	(73)	-
Others and Adjustment	(550)	(528)	-
Net income (loss) attributable to CUC shareholders	**1,100**	**(101)**	-

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Appendix

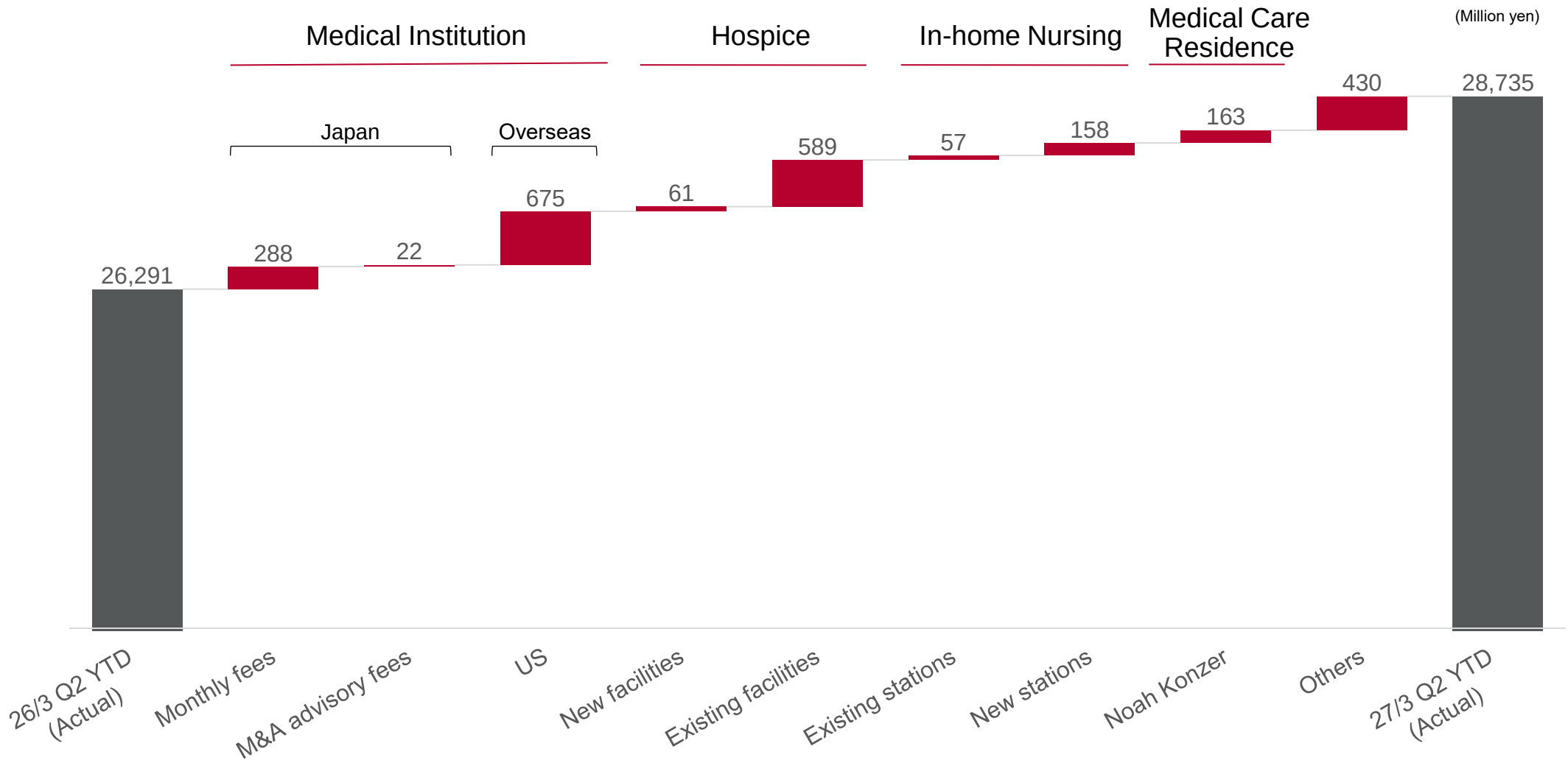
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Analysis of Increase/Decrease

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(For Reference) Analysis of Revenue Increase/Decrease (YoY)

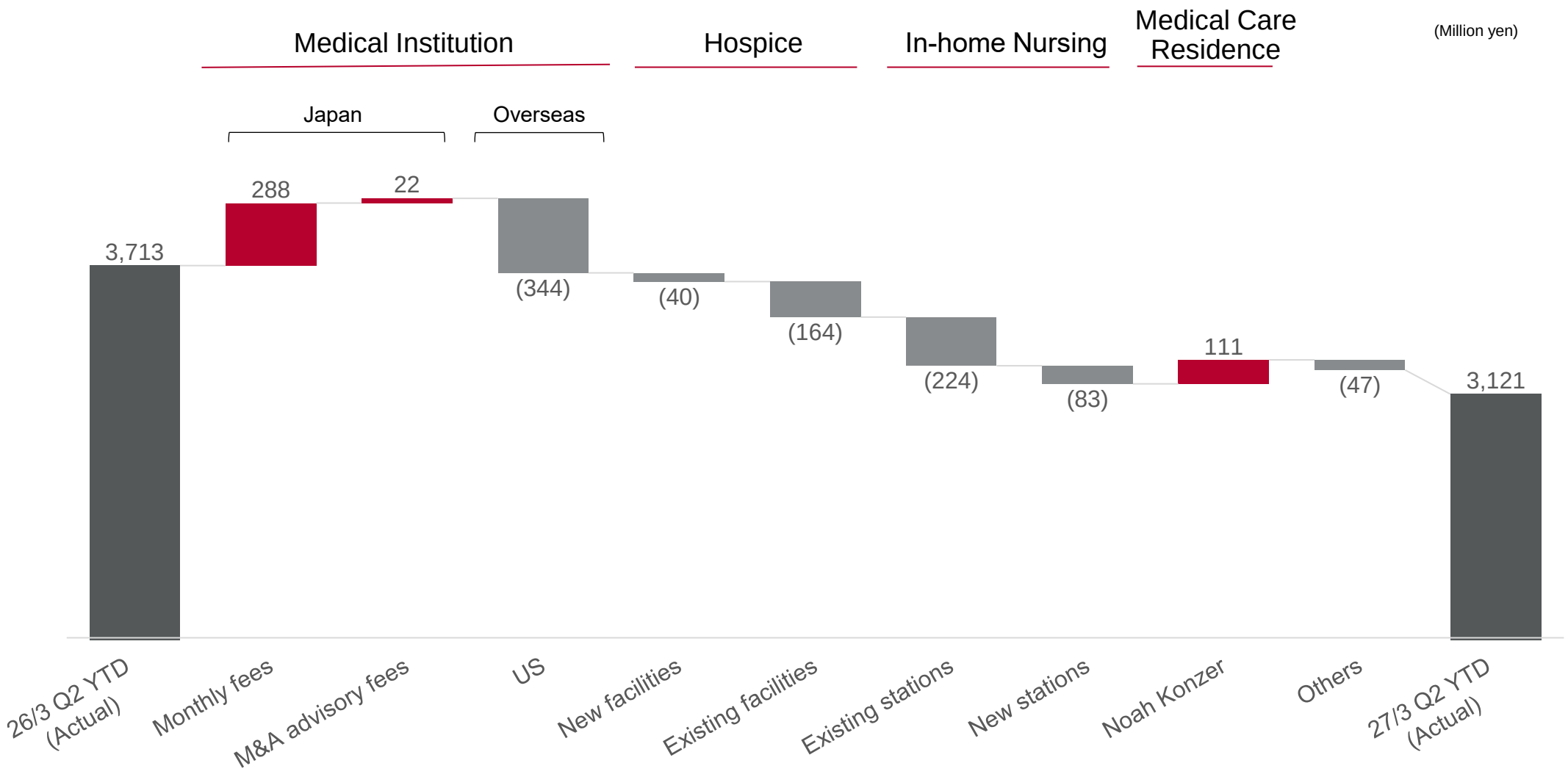
Revenue grew steadily across all segments.



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(For Reference) Analysis of EBITDA Increase/Decrease (YoY)

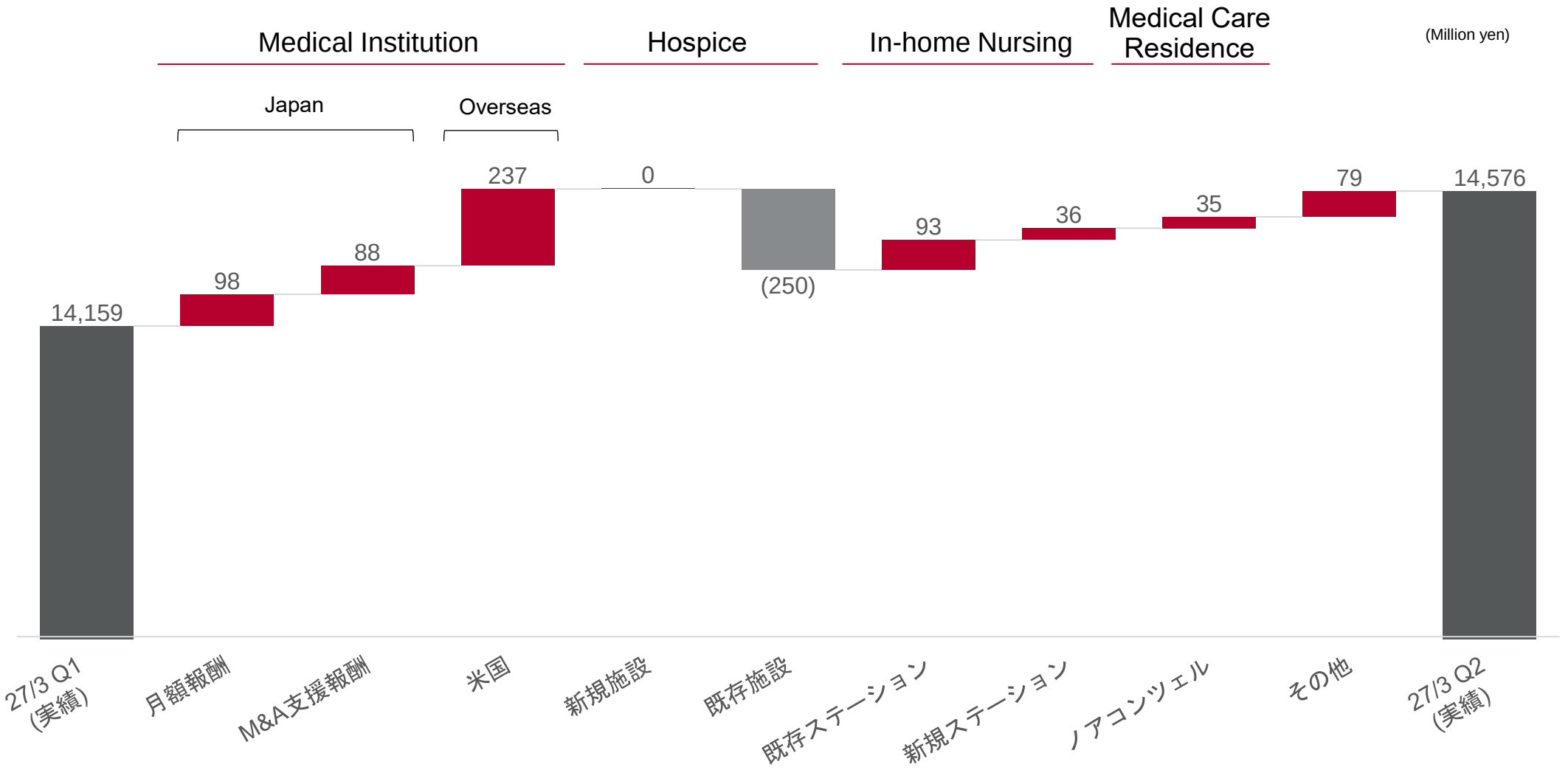
EBITDA declined due to US OBL upfront investments, lower Hospice revenue per resident, upfront hiring and 7 new station startups in In-home Nursing.



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(For Reference) Analysis of Revenue Increase/Decrease (Quarterly)

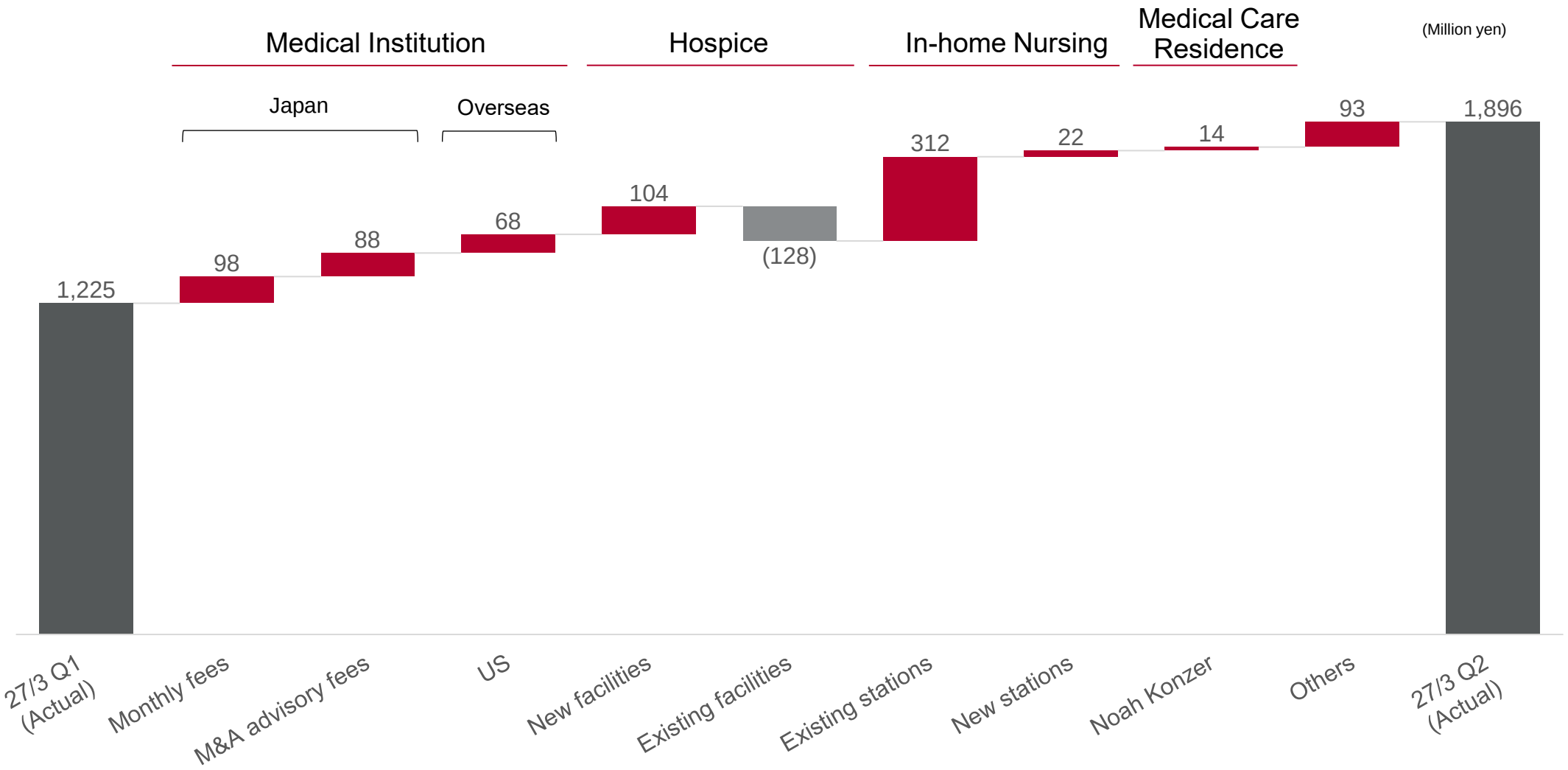
More varicose vein clinic locations in the US offset the shortfall in podiatry clinic patients.
Hospice declined QoQ due to lower revenue per resident but is expected to bottom out.



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(For Reference) Analysis of EBITDA Increase/Decrease (Quarterly)

Upfront hiring in In-home Nursing grew users, improving EBITDA and margin.
Existing Hospice declined QoQ due to lower revenue per resident but is expected to bottom out.



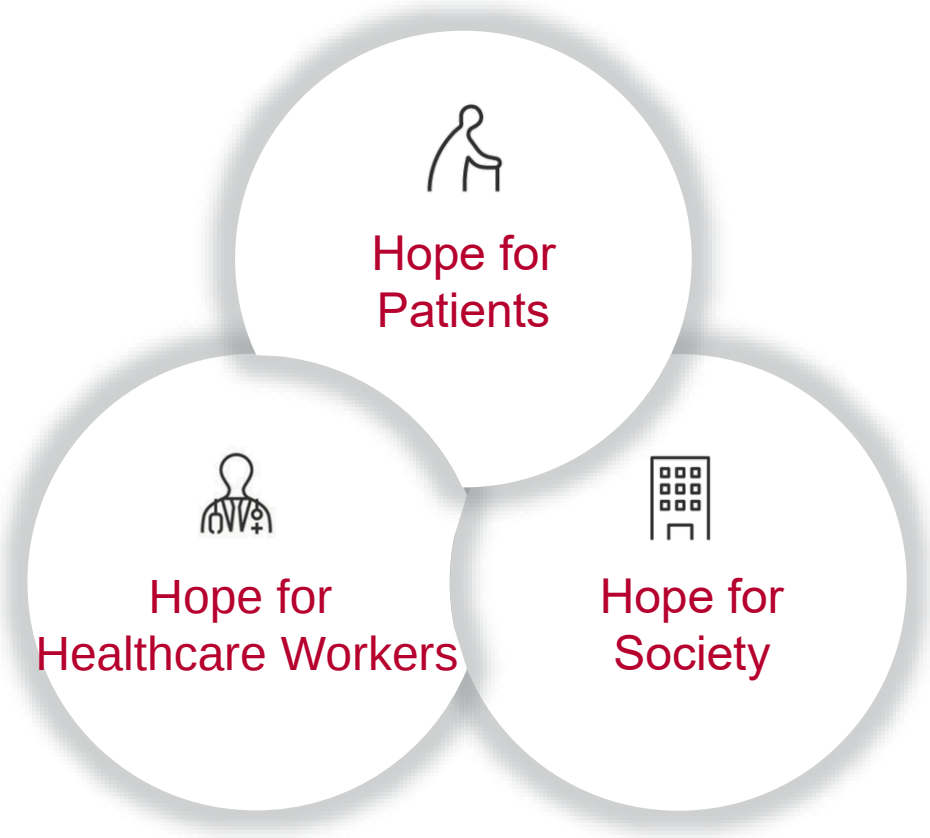
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Company Overview

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Mission

Creating Hope through Healthcare.

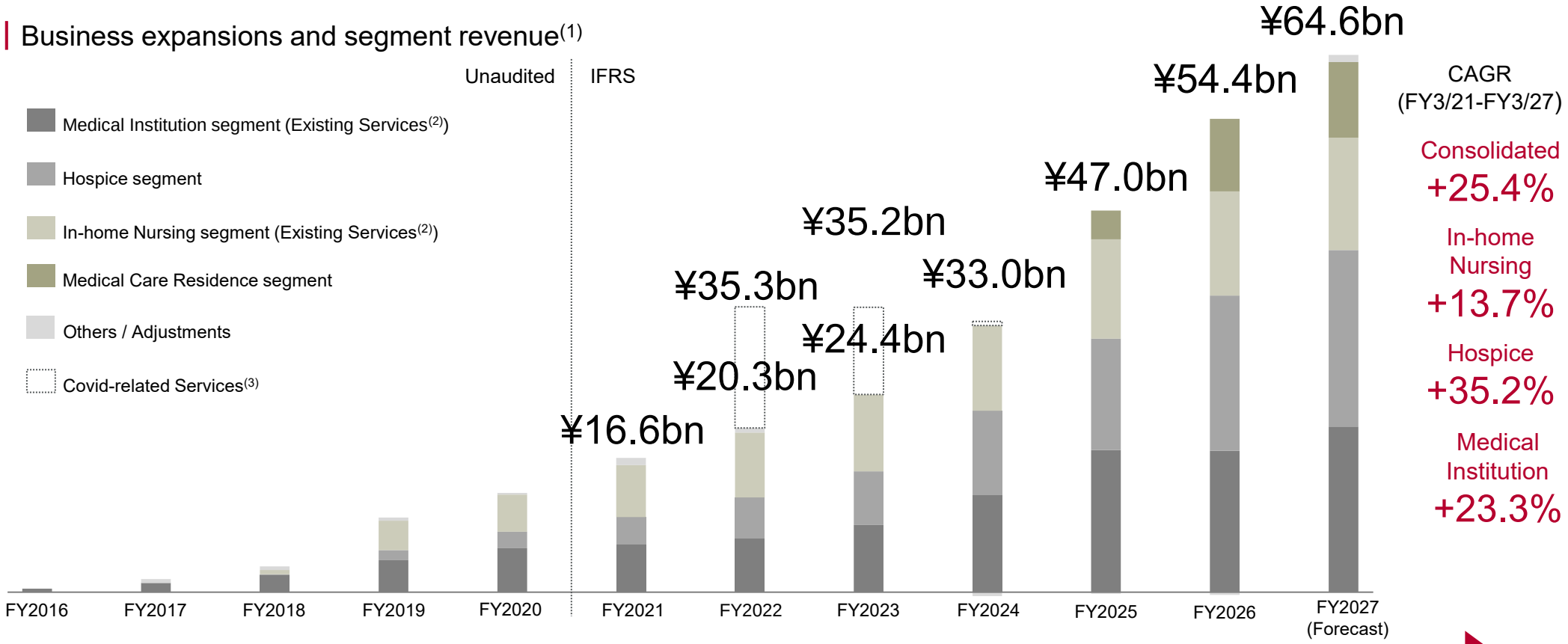


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Successful High Growth Track Record

CUC has achieved rapid and continuous growth with its business area expansions.

Business expansions and segment revenue(1)



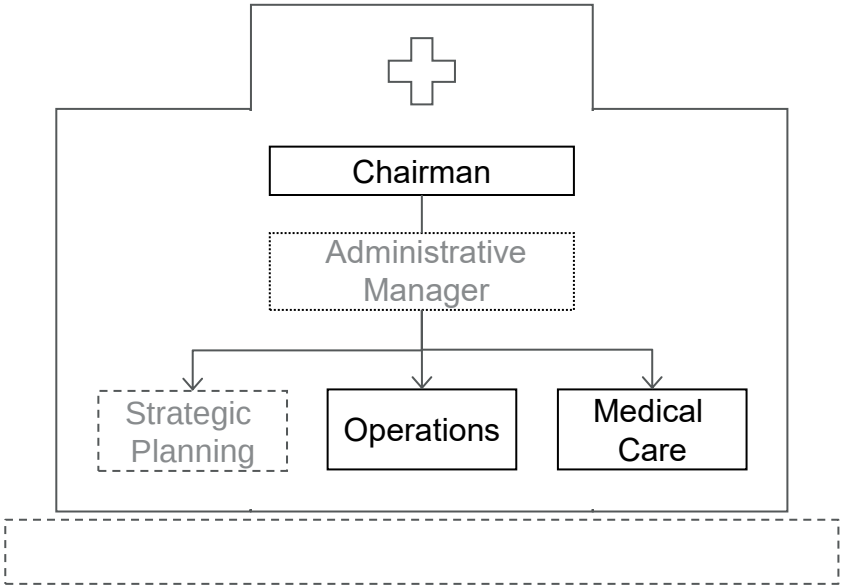
1. Fiscal years ending March 31. Financials for FY2021 through FY2027 are based on IFRS. Financials for FY2020 and before are unaudited and do not include consolidation adjustments. ¥ 35.3 bn for FY2022, ¥ 35.2 bn for FY2023 and ¥ 33.0 bn for FY2024 and ¥ 47.0 bn for FY2025 and ¥ 54.4 bn for FY2026 are consolidated figures. ¥ 20.3 bn for FY2022 and ¥ 24.4 bn for FY2023 are consolidated figures (Existing Services). 2. CUC group's services except for the Covid-related Services etc. (the same applies hereinafter).
3. Covid-19 Vaccination Support Services, In-home Clinical Trials and In-home Monitoring Services (the same applies hereinafter).

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Medical Institution Segment Overview (Japan) (1/2)

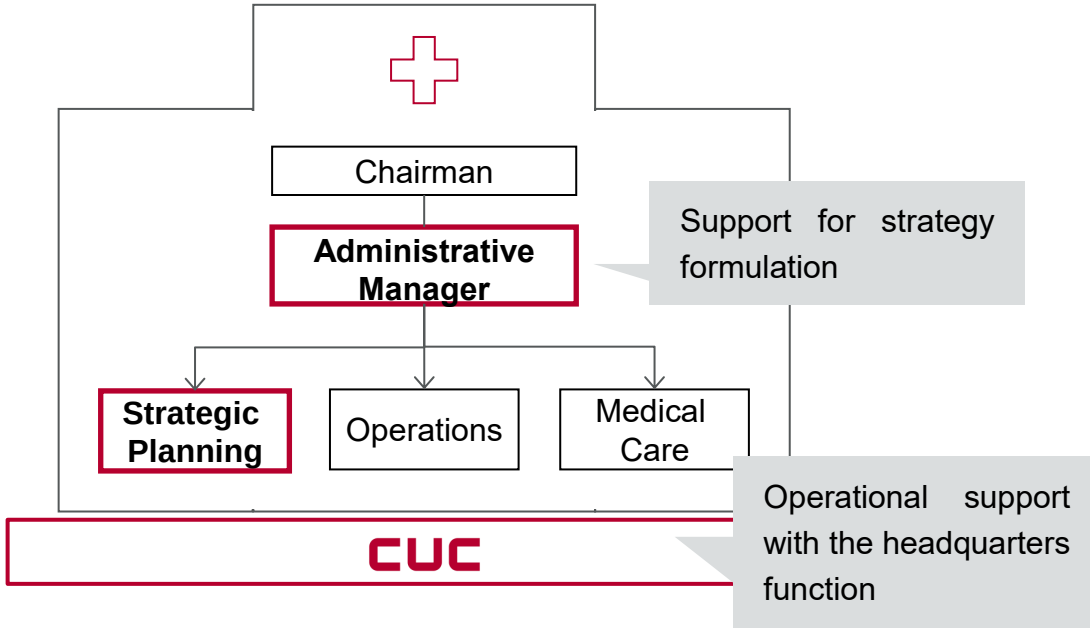
Sending indispensable management support personnel for expansion and efficient operation.

General medical institutions



- Huge burden on doctors
- Limited know-how for revenue growth (M&A/bed conversion etc.)
- Inefficient daily operation
- Lack of management strategy functions such as marketing

Client medical institutions



- Dispatching management support personnel who support operational growth and strategic formulation of medical institutions (→ongoing client relationships)
- Stable operations that leverage CUC's know-how contributing to efficiency improvement (→efficient operation of medical institutions)
- CUC's support towards medical institutions allows doctors to further focus on patient care (→higher quality of medical care)

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Medical Institution Segment Overview (Japan) (2/2)

Achieving continuous high growth through medical institutions operations support with high retention rate, as well as revenue growth assistance which expands CUC client base.

	Fee structure	Service offerings	CUC's support	Advantage for CUC's clients
Medical Institution Operations Support	All-in-one monthly fee (varies depending on the size of the medical institution)	Management Support Staffing (COO/CAO Role) (administrative manager and department head) Strategic and administrative support Marketing support HR/recruiting support Support for IT, accounting, general affairs, etc. Procurement support	Dispatching onsite management support personnel Efficient support through centralization at headquarters	• Secure management support personnel necessary for decision-making • Strengthen strategy formulation capabilities ↓ • Optimize decision-making • Achieve efficient hospital operations
Medical Institution Revenue Growth Assistance	One-time fee	M&A PMI[1] Hospital bed conversion Clinic launches	Support for clinic launches and M&A execution	↓ • Achieve revenue growth and scale expansion • Achieve stable operation through scale expansion

Additional Management support following scale expansion

1. "Post Merger Integration": Business integration process after acquisition.

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Medical Institution Segment Overview (US / Podiatry) (1/3)

Operates our “Lower Limb Healthcare Platform” through podiatry and varicose vein clinics, serving as the patient acquisition base for the highly profitable OBL business.

◆ Business overview

- ✓In the US, podiatrists specialize in conditions below the knee (covered by orthopedics, dermatology, etc. in Japan)
- ✓Provides comprehensive treatment for podiatric conditions below the knee and vascular conditions such as varicose veins

◆ Examples of conditions

- ✓Achilles tendon injuries, traffic accident trauma
- ✓Arthritis
- ✓Diabetic foot ulcers
- ✓Varicose veins, etc.

◆ Treatment examples

- ✓Lifestyle counseling
- ✓Use of orthotics and assistive devices
- ✓Diagnosis and treatment of venous insufficiency, etc.









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Medical Institution Segment Overview (US / OBL) (2/3)

Leveraging our podiatry service platform to enter the low-cost, highly profitable vascular surgery field. Expanding the business base with convenient same-day surgery.

◆ Business overview

- ✓Provides cutting-edge, minimally invasive catheter-based treatment across a wide range of medical fields at specialized outpatient clinics, without hospitalization
- ✓“Same-day surgery” with shorter waits and easier scheduling than hospitals

◆ Examples of conditions

- ✓Uterine fibroids
- ✓Benign prostatic hyperplasia
- ✓Varicose veins
- ✓Peripheral artery disease, etc.

◆ Treatment examples

- ✓Angioplasty and embolization
- ✓Thrombectomy, etc.



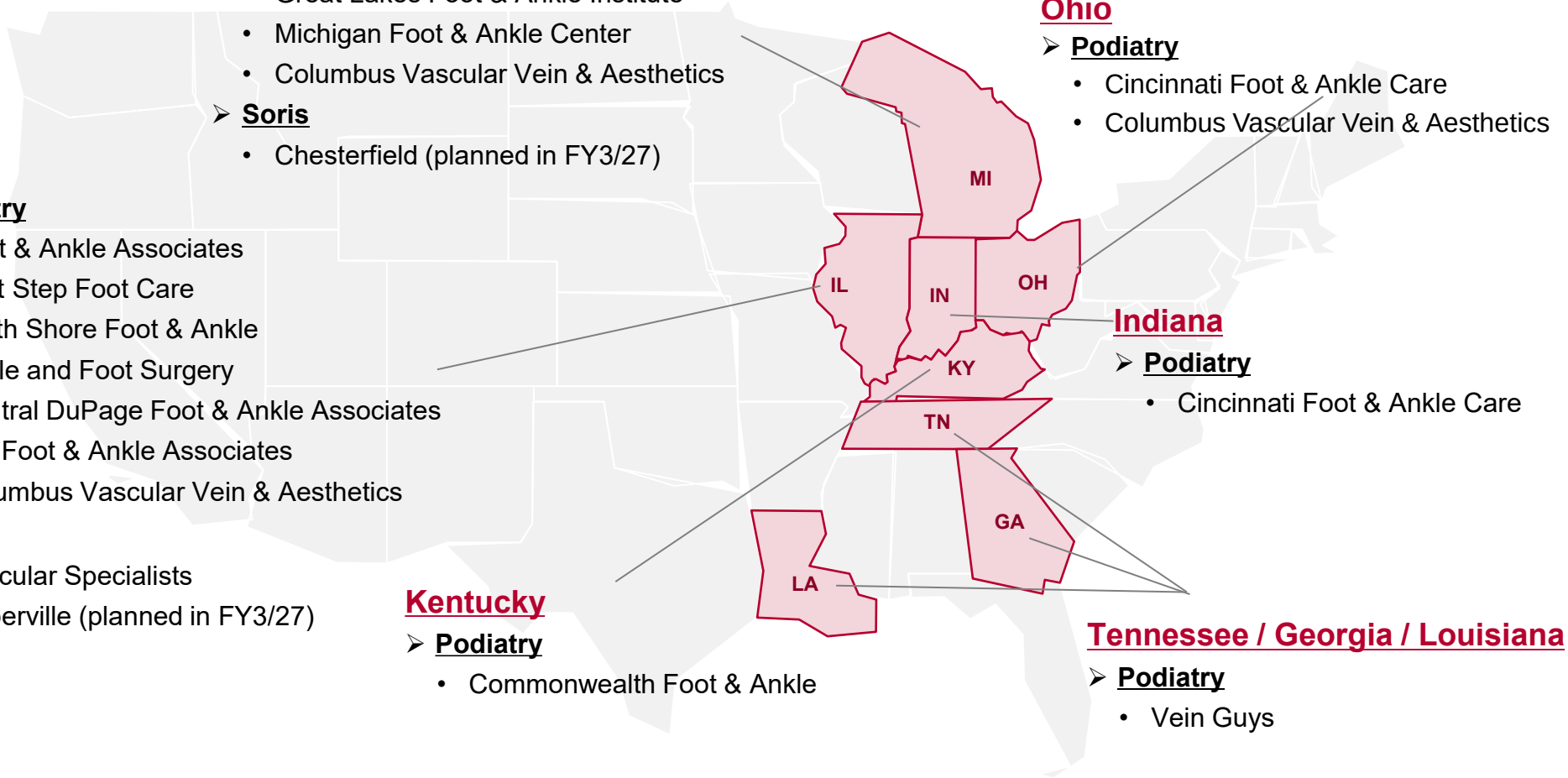




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Medical Institution Segment Overview (US) (3/3)

Operates “Beyond Podiatry,” a multi-brand podiatry platform in the US Midwest, and plans to open “Soris” OBLs mainly in states where it is already established.



Michigan

- **Podiatry**
  - Great Lakes Foot & Ankle Institute
  - Michigan Foot & Ankle Center
  - Columbus Vascular Vein & Aesthetics
- **Soris**
  - Chesterfield (planned in FY3/27)

Ohio

- **Podiatry**
  - Cincinnati Foot & Ankle Care
  - Columbus Vascular Vein & Aesthetics

Illinois

- **Podiatry**
  - Foot & Ankle Associates
  - First Step Foot Care
  - North Shore Foot & Ankle
  - Ankle and Foot Surgery
  - Central DuPage Foot & Ankle Associates
  - DM Foot & Ankle Associates
  - Columbus Vascular Vein & Aesthetics
- **Soris**
  - Vascular Specialists
  - Naperville (planned in FY3/27)

Indiana

- **Podiatry**
  - Cincinnati Foot & Ankle Care

Kentucky

- **Podiatry**
  - Commonwealth Foot & Ankle

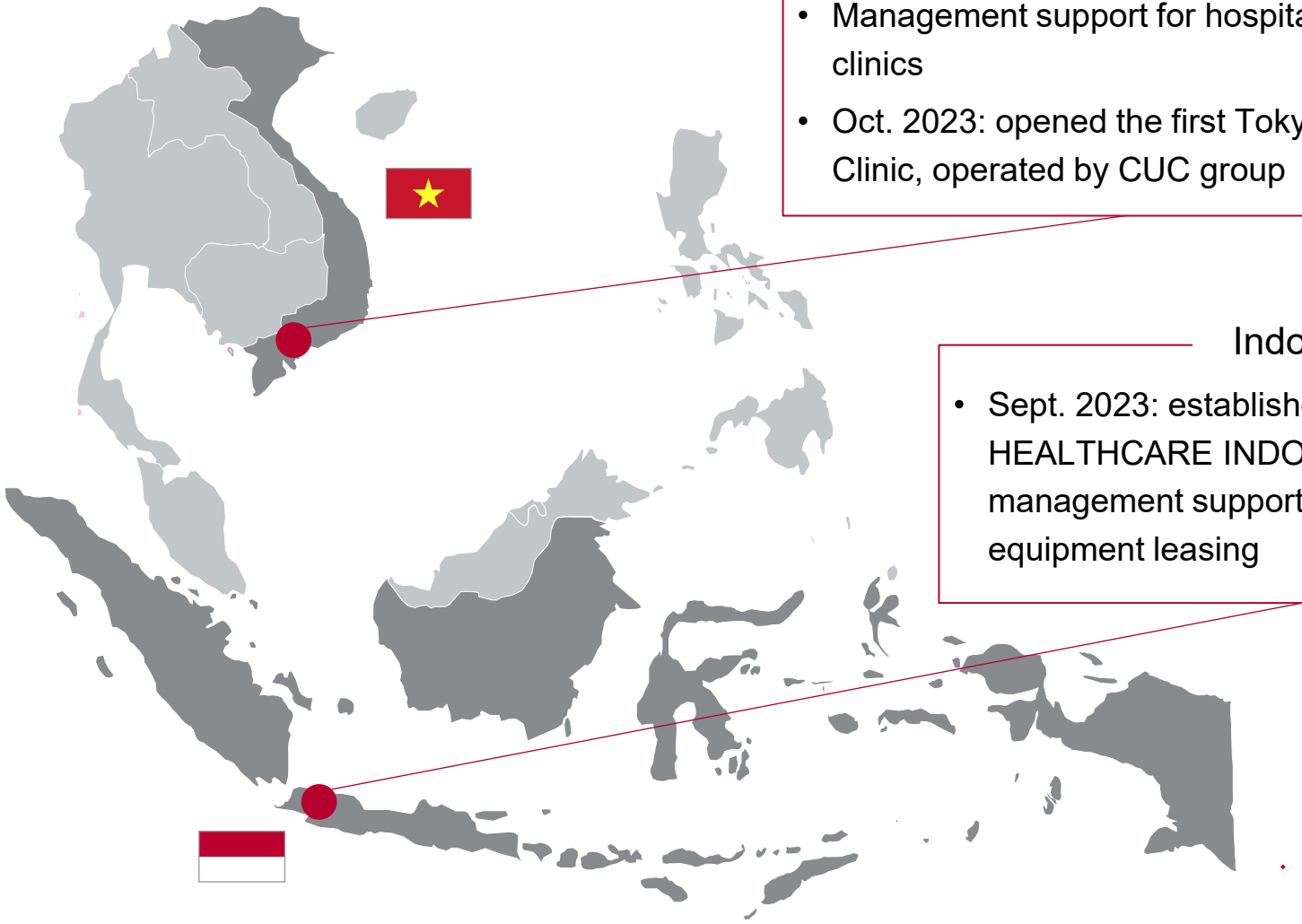
Tennessee / Georgia / Louisiana

- **Podiatry**
  - Vein Guys

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Medical Institution Segment Overview (ASEAN)

Providing management support and related services tailored to local healthcare needs in Vietnam and Indonesia.



Vietnam

- Management support for hospitals and clinics
- Oct. 2023: opened the first Tokyo Family Clinic, operated by CUC group

Indonesia

- Sept. 2023: established PT CUC HEALTHCARE INDONESIA for medical management support; started medical equipment leasing

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Hospice Segment Overview

Operating hospices, which are residences for patients in the terminal stages, and provide round-the-clock nursing and care services for patients.

Business overview

CUC HOSPICE

- Operating hospices
- Providing nursing and care services

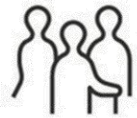
Patients

Cancer, Parkinson's disease, Amyotrophic Lateral Sclerosis(ALS),etc.

KPI (as of September 30, 2026)(1)



Hospices
68



Capacity
3,106 beds



Nurses /Caregivers
1,808



Existing hospices occupancy rate(2)
83.4%

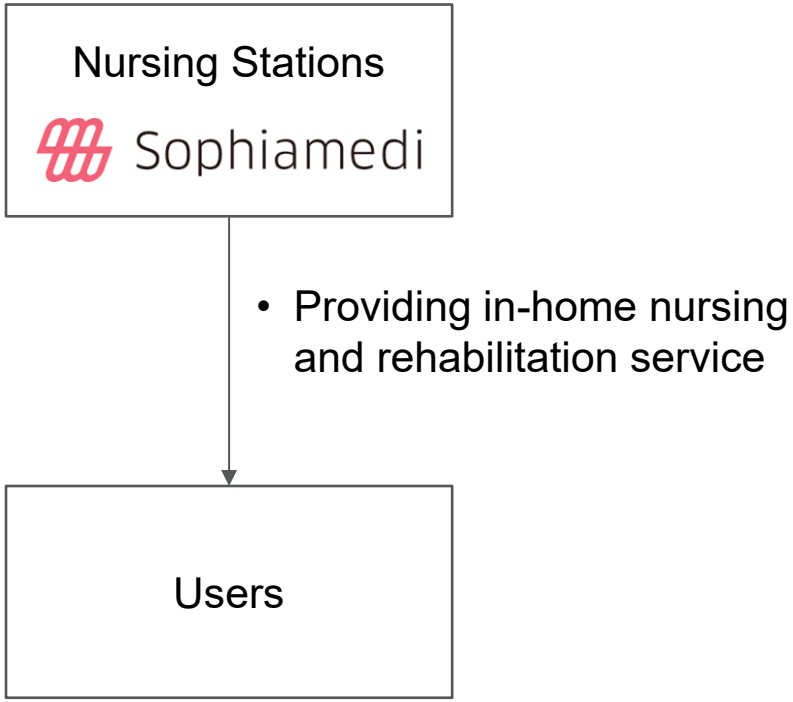
1. Key performance / indicators of hospices which CUC group provides services.
2. Percentage of total residents to the total number of capacity in existing hospices (Past 12+ months after the opening or acquired through M&A) for Q2 FY3/2027.

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In-home Nursing Segment Overview

Nurses and therapists visit users' home and provide in-home nursing and rehabilitation service.

Business overview



KPI (as of September 30, 2026)

Users[1]
15,974

Total care hours[2]
1,305k hours
(2026/9 LTM)

Nurses/Therapists[3]
1,397

Nursing Stations[4]
102

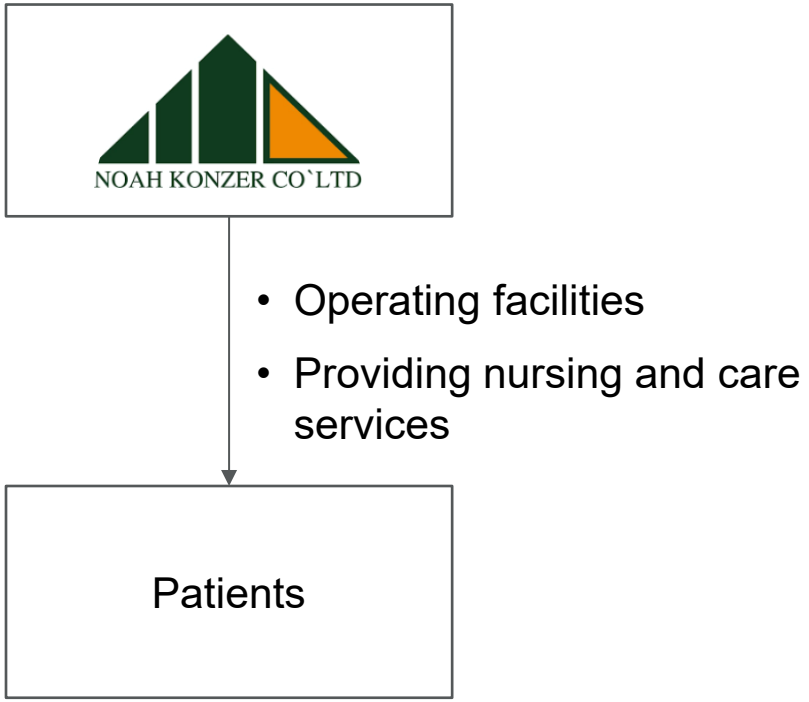
1. The number of users with actual visits.
2. Total number of hours nurses and therapists provided services to users.
3. Therapists include physical therapists, occupational therapists, and speech therapists.
4. Total number of nursing stations which CUC group provides services.

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Medical Care Residence Segment Overview

Providing regular on-demand in-home care and in-home nursing care for residents at facilities, and day care services.

Business overview



KPI (as of September 30, 2026)

Facilities
27

Capacity
2,052 beds

Nurses /Caregivers
638

Occupancy rate[1]
76.1%

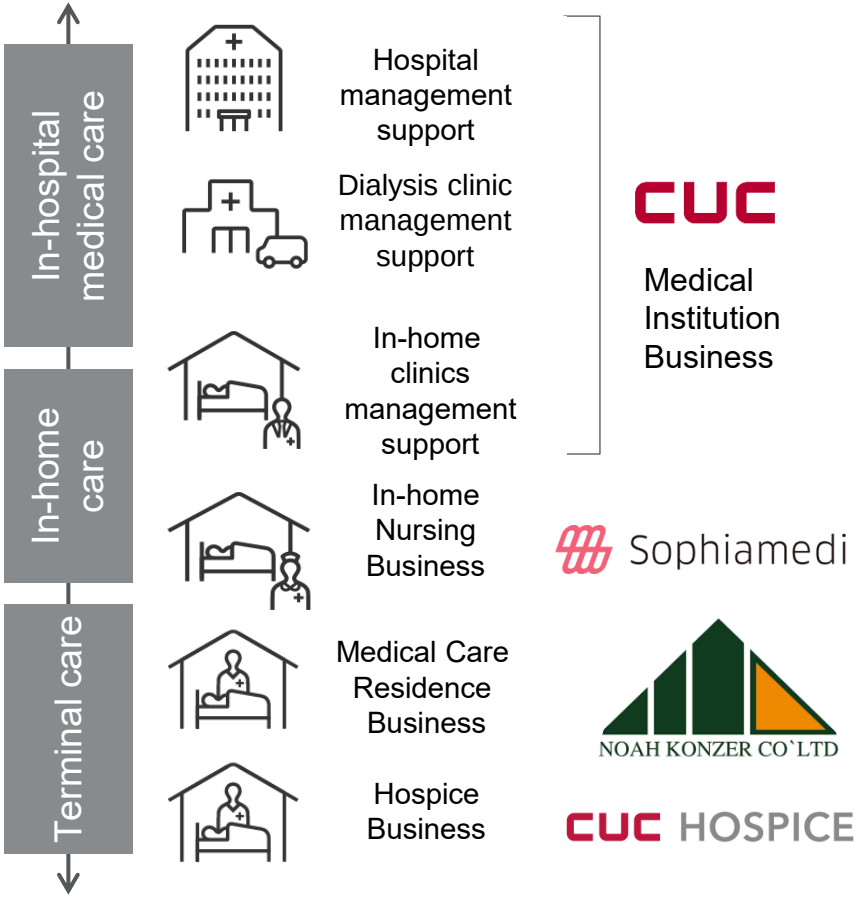
1. Percentage of total patients to the total number of capacity in Noah Konzer's facilities for Q2 FY3/2027.

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Vertically Integrated Platform (1/2)

CUC has established a vertically-integrated platform across 4 segments to provide significant value to patients, healthcare workers, and society. As a result, CUC can address a broad TAM(1) that is not limited to a single business.

Vertically integrated key businesses



Benefits of vertically integrated platform

Network

Extensive network with highly acute hospitals (access to patients and KOL(2))

Patient Referrals

Increased patient referrals within CUC group and the client medical institutions

Recruitment & Retention

Enhanced recruitment and internal transfer in CUC group
Diverse career opportunities for employees

Capital Allocation

Cash flow generated from Medical Institution segment is available to allocate to capex for growth investments for domestic and overseas businesses

1. “Total Addressable Market”: A total market demand for a product and service.
2. “Key Opinion Leader”: A person with great influence in many areas within the medical industry.

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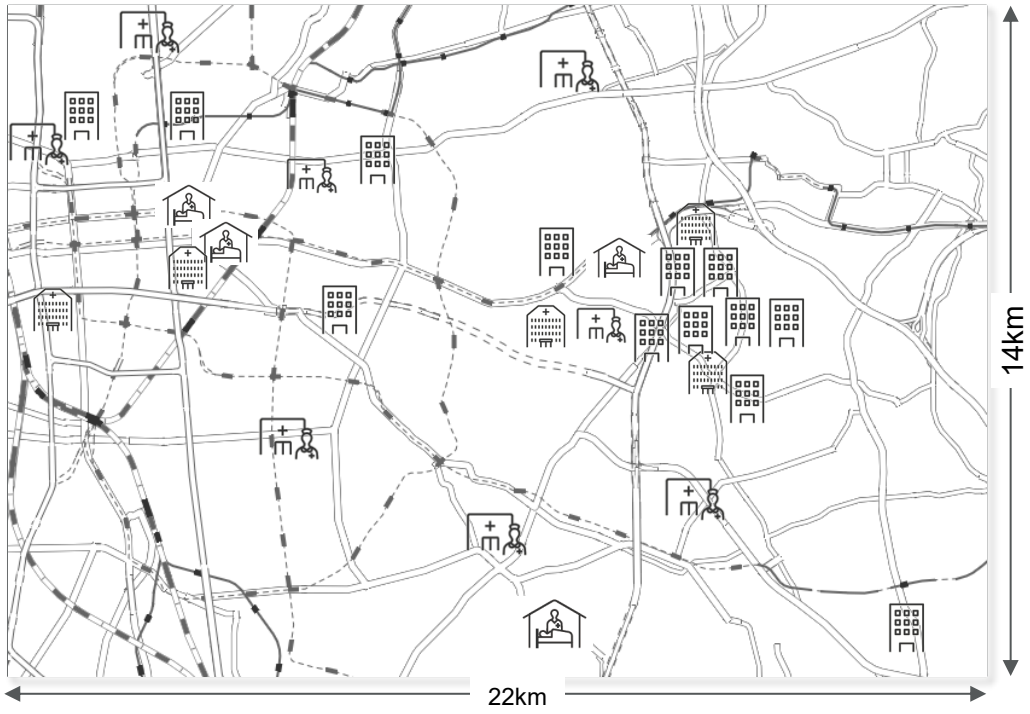
Vertically Integrated Platform (2/2)

CUC group has built a unique platform that covers regional medical and caregiving needs through the strong relationship of 4 segments.

Coordination within CUC group and client medical institutions



Case study: area dominance(1)



1. Plots the actual presence at each location in a major city where CUC group operates.

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Recruitment Record and Turnover Rate

CUC's strong recruitment and measures for improving turnover rate sustain rapid growth of all businesses.

| Track record (FY3/26)[1]

Medical Institution segment

Supported doctor hiring	286
Supported healthcare professional (excl. doctors)[2] hiring for CUC's Client Medical Institutions	1,076

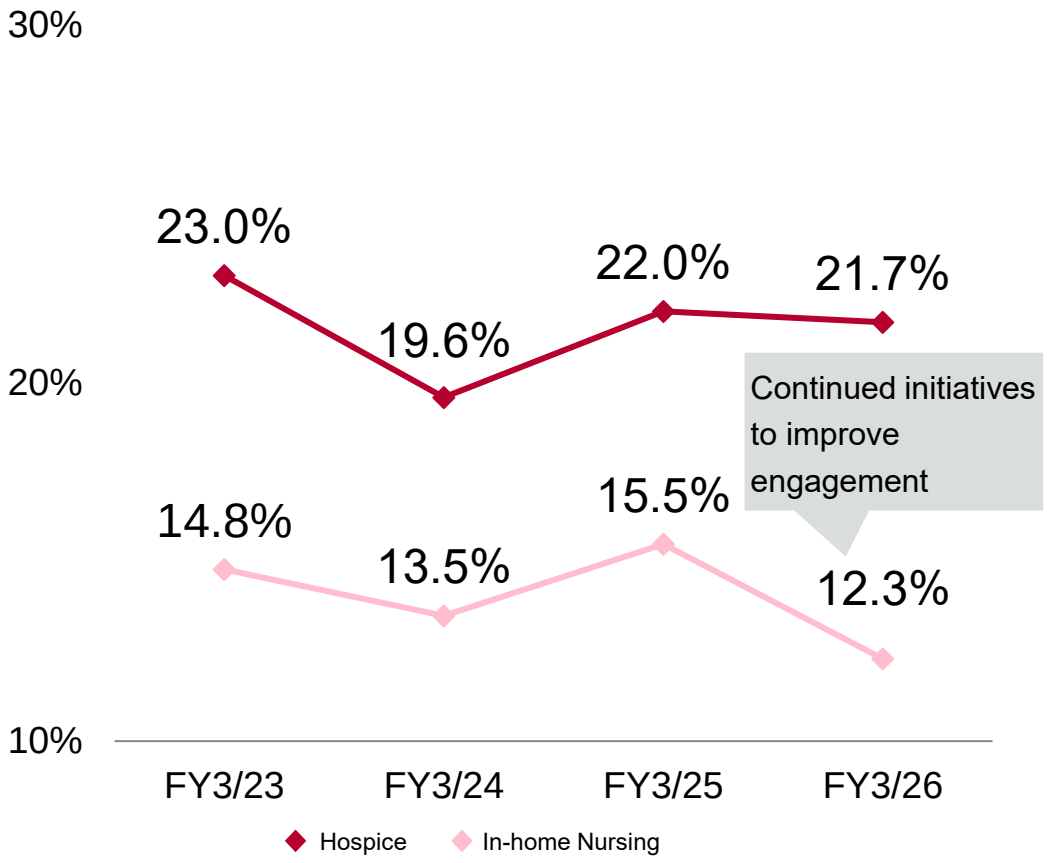
Hospice segment

Hired Nurses / Caregivers	702

In-home Nursing segment

Hired Nurses / Therapists	302

| Turnover rate (FY3/26)



1. Includes part-time employees.
2. Healthcare professionals excluding doctors (nurses, pharmacists, physical therapists, occupational therapists, speech therapists, clinical laboratory technicians, clinical engineering technicians, radiology technicians, dietitians, etc.).

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Differentiated Platform that Facilitates Recruiting

Healthcare professionals are not looking for compensation alone. They are devoted to their mission of providing healthcare. CUC secures human capital by providing the work environment they are looking for.

| CUC's unique platform

Environment that healthcare workers look for	CUC's platform
Sense of achievement and satisfaction	• Mission-oriented corporate culture • Focus on patient care, minimizing administrative burden
Skill enhancement	• Continued investment in human capital, including an established training system • Sharing best practices in a flat and cooperative work environment
Flexible career opportunities	• Various career opportunities through CUC's unique integrated platform • Flexible employment patterns and support systems for childbearing and childrearing • Support for marriage, childrearing, and employment of LGBTQ employees

| Major awards related to the work environment

就活クチコミアワード 2023

WORK STORY AWARD 056 テーマ部門賞

WORK STORY AWARD 100

GOOD ACTION

受賞 Value Prize 2018 Certificate 企業価値認定 2018 2014 / 2017

女性が活躍しています！

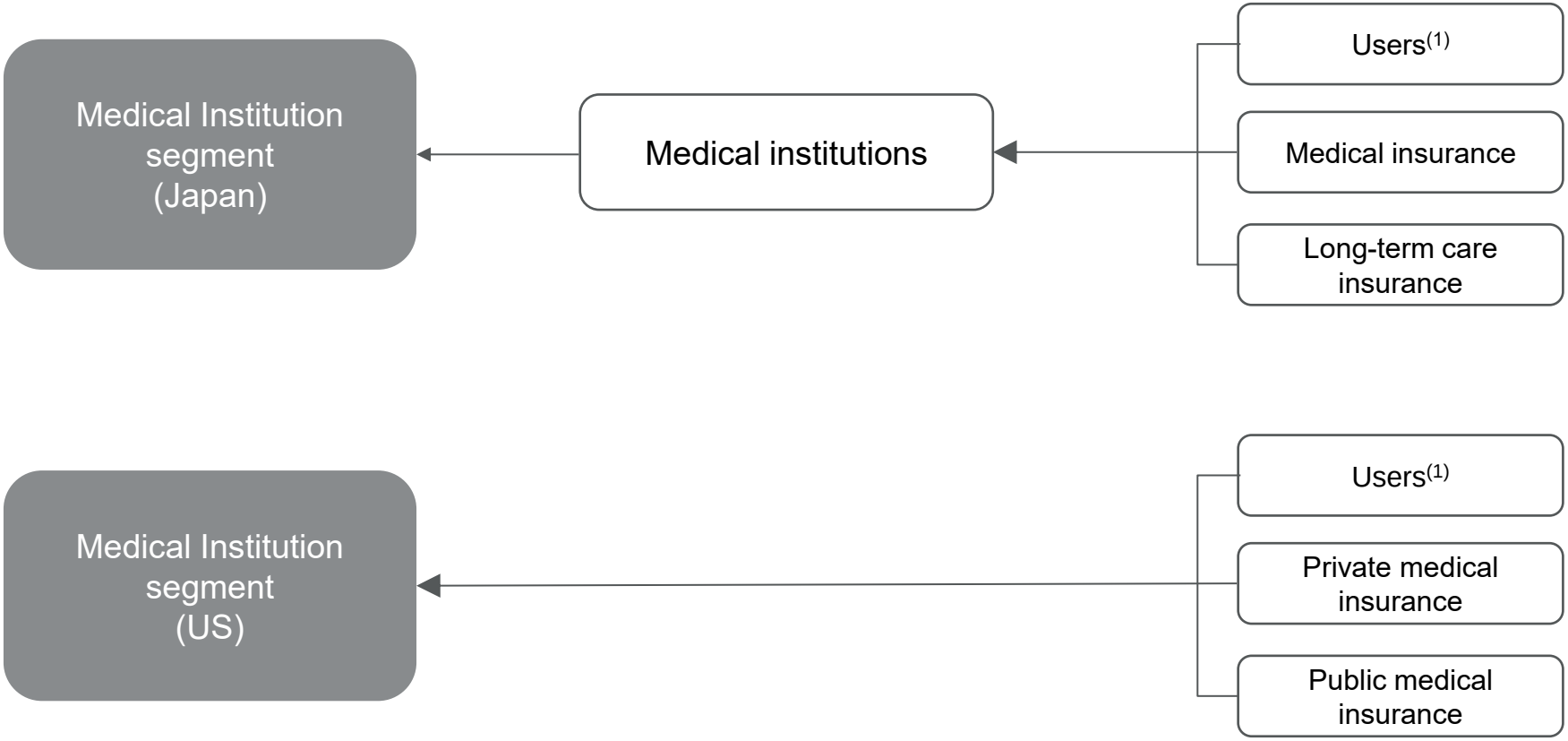
YOU'RE A WINNER! GLOBAL GOOD AWARDS 2020

work with Pride

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Diversified Revenue Sources of CUC group (1/2)

Medical Institution segment receives fees from medical institutions in Japan and has revenue sources from users, private and public medical insurance in the US.

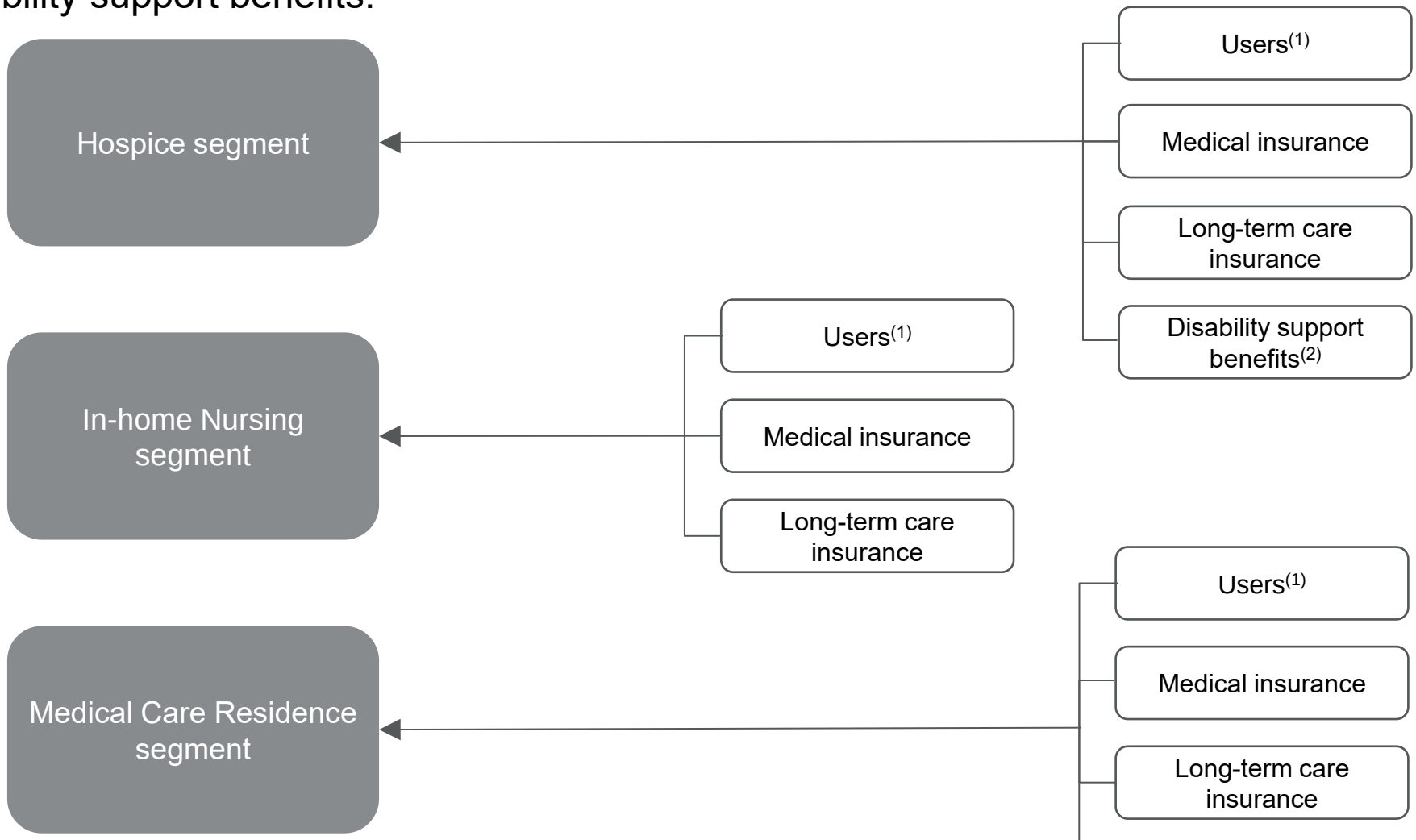


1. User's copayment varies depending on their income and age in Japan and on their insurance, income and age in the US.

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Diversified Revenue Sources of CUC group (2/2)

Hospice, In-home Nursing and Medical Care Residence segments generate revenue from users, medical insurance, and long-term care insurance. Hospice segment also generates revenue from disability support benefits.



1. User's copayment varies depending on their income and age.
2. Benefits under Services and Supports for Persons with Disabilities Act. 3. Includes medication support system "Fukuyakkun".

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Market Environment
／Growth Strategy

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Operating Environment and Necessity for Structural Reform

Transforming market challenges into growth opportunities: Strategic shift toward a resilient business portfolio.

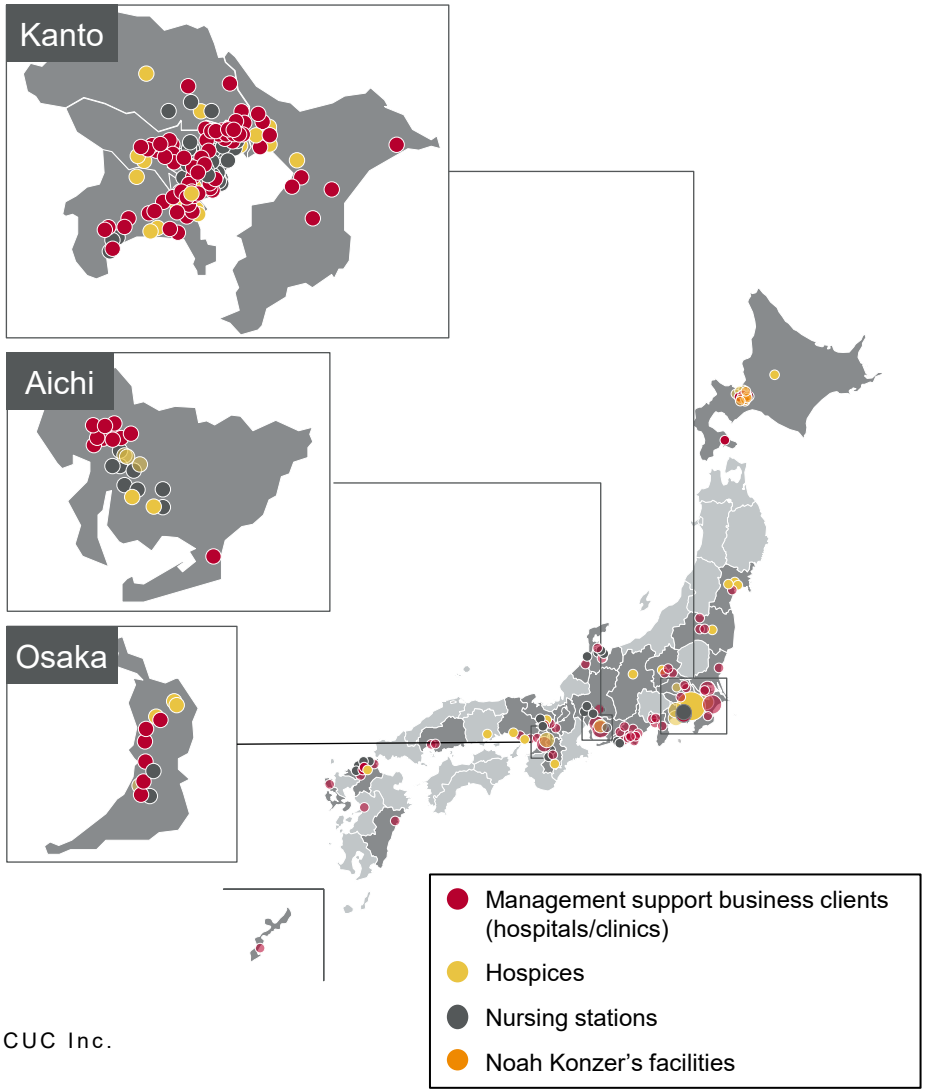
Political (Regulatory Environment)	✓ The reduction in medical/nursing fees and tightening of facility standards have become permanent due to declining national finances	✓ Creation of new businesses not dependent on medical and nursing care fees
Economic	✓ Inflation concerns and persistently high construction costs ✓ Soaring labor costs for medical and nursing care staff	✓ Drastic productivity improvement through Medical DX and AI utilization is essential to absorb cost increases and secure profitability
Social	✓ Aging population in Japan is reaching a peak around 2040. The domestic healthcare market is entering a mature stage	✓ Business expansion into overseas markets is indispensable for achieving sustainable growth
Technology	✓ The use of Medical DX (Digital Transformation) and AI for productivity improvement is limited in the medical and nursing care fields in Japan	✓ Exploring strategic collaboration with startups to leverage advanced Medical DX and AI technologies

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Growth Strategy by Vertically Integrated Platform

CUC has expanded its footprint nationwide and will continue to accelerate growth with area dominance strategy and group synergy.

Current footprint (as of September 30, 2026)



Facility launch strategy of the 4 segments

A Strengthening area dominance in operating areas

- Provide support for medical institutions regarding clinic launches and M&A in order to strengthen connection between client hospitals and client in-home care clinics in Medical Institution segment
- Launch multiple locations in the following areas to achieve synergies in acquiring customers, strengthening recruiting effort, and complementary support between locations as well as to stabilize operations at high capacity utilization rates
  - Hospice: within 10～15 km radius
  - Nursing stations: within 2～5 km radius

B Creating group synergy

- Launch nursing stations and hospice facilities close to client in-home care clinics. CUC group can secure in-home care doctors at launch. Realize faster launches through synergies such as securing medical professionals and patient referrals among CUC group businesses
- Aim to increase the number of client medical institutions close to hospices, nursing stations and Noah Konzer's facilities

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Market Environment of Medical Institution Segment (Japan)

Due to rapidly aging population, growth in medical spending, shrinking labor force, increasingly complicated revision of medical fee and lack of successors in medical institutions, demand for management support service is expected to grow steadily.

Number of medical institutions in Japan[1]

Hospitals	Clinics
Approx. 8,000	Approx. 105,000

External environment around medical institutions

- Rapidly aging population (ratio of the 65 years old or older in population is expected to increase from 29% in 2020 to 35% in 2040(2))
- Growth in medical spending (expected to increase from 47 trillion yen in 2022 to 78 trillion yen in 2040[3])
- Shrinking labor force (expected to decrease from 69.0 million to 65.4 million in 2040[4])
- Revision of medical fee once every 2 years
- 68.4% of hospitals have no successors[5] and 70.6% of hospitals are managed by 60-years-old-or-older owners[6]

Business opportunities in management support

- Management strategy development in consideration of revision of medical fee
- Hospital bed conversion to accommodate the aging society (from acute care to recovery rehabilitation care)
- Launch of a new in-home clinic
- M&A execution support for medical institutions lacking successors
- Improvement of recruitment and retention rate of the medical professionals

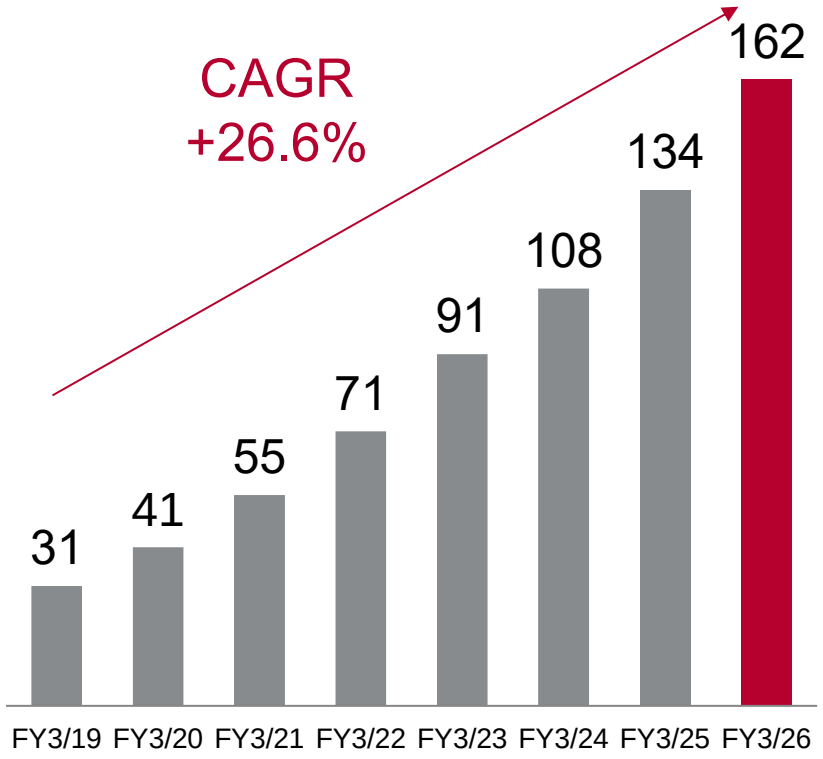
1. As of October 1, 2024. “Medical Facility Survey” (Ministry of Health, Labour and Welfare). 2. “Japan’s Future Estimated Population” (National Institute of Population and Social Security Research).
3. “Overview of National Medical Spending” (Ministry of Health, Labour and Welfare), “Future Estimate of Social Security towards 2040” (Cabinet, MOF, Ministry of Health, Labour and Welfare).
4. “Annual Report on Health, Labor and Welfare – Materials 2023” (Ministry of Health, Labour and Welfare, 2024). 5. As of 2017. “Current Situation and Challenges of Medical Business Succession” (The Japan Medical Association Research Institute, 2019). 6. As of 2024. “Statistics Overview for Doctors, Dentists and Pharmacists, 2024 ” (Ministry of Health, Labor and Welfare, 2025).

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Growth Strategy of Medical Institution Segment (Japan)

of clients' major medical institutions has been growing by retaining existing clients and steadily acquiring new clients. CUC aims to improve efficiencies through standardization of operation know-how and to increase # of clients.

Clients' major medical facilities(1)



Growth strategy

A Increase the clients' major medical facilities

- CUC supports its clients undertaking M&A transactions in executing the deal and PMI. After PMI, CUC starts providing continuous support for target medical institutions. CUC is working on enhancing relation with financial institutions, M&A brokers, and tax accountants etc. to obtain an opportunity of M&A
- CUC provides support for new clinic establishment to its clients including location selection and recruiting. Once a new clinic opens, CUC provides continuous support

B Standardization of operation know-how

- Medical institutions have difficulties in accumulating and sharing operation know-how. CUC creates manuals describing detailed procedures to cover wide range of operations
- CUC supports establishment of an environment that enables business growth that is not reliant on specific individuals enhancing productivity. As a result, CUC maintains high client retention rate

1. Number of hospitals, long-term care health facilities, in-home care clinics, dialysis clinics, and outpatient clinics that CUC provides management support in Japan. The average of the number at the beginning of the period and the number at the end of the period.

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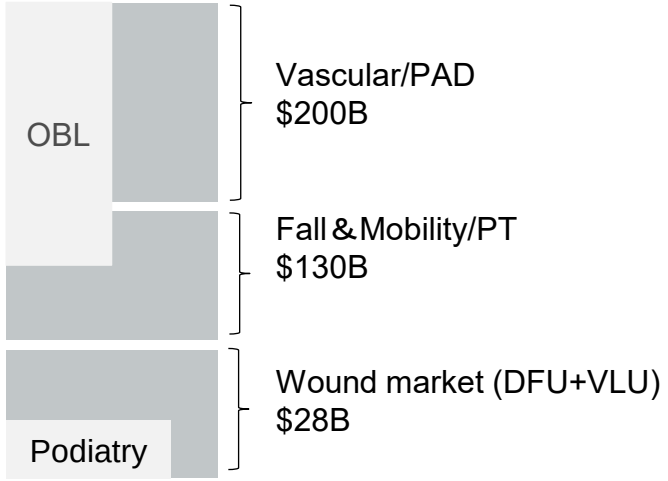
Market Environment of Medical Institution Segment (US)

Evolving beyond traditional podiatry into a comprehensive healthcare platform. Monetizing a >$300B massive market opportunity within the US healthcare system.

TAM

US Lower Limb Care Market

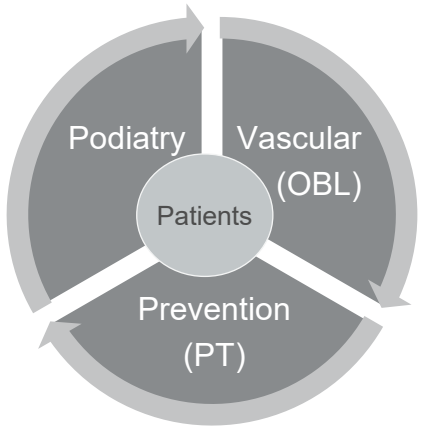
$300B (1)



- Integrating and redefining these three traditionally fragmented markets into a single, unified 'Lower Limb Care Market'

SAM

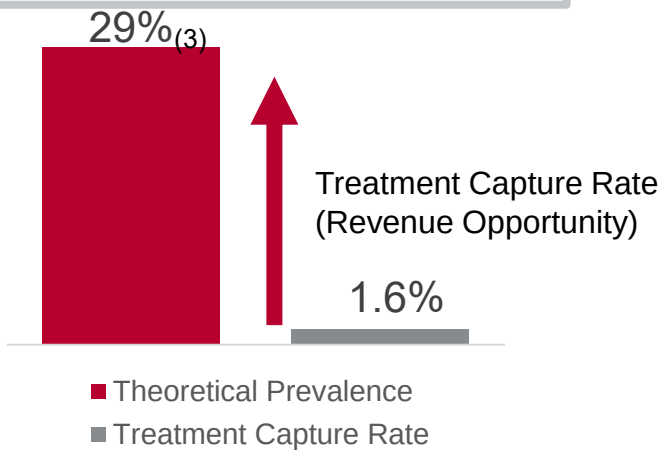
High-Acuity Patient Base with Complex Risks



- Target high-acuity patients needing vascular & rehab intervention
- Diabetes prevalence within the CUC patient base (~20%) is 2x the market avg(2)
- Prevent referral leakage via unified "Podiatry × Vascular × Prevention" platform
  - ✓ Internalize high-margin OBL treatments to maximize profitability
  - ✓ Boost LTV and enable earlier access via preventive care

SOM

Maximizing Value of Existing Patients



- Despite a high-risk patient base (diabetes/elderly), treatment capture rate is constrained at 1.57%
- This significant deviation from the theoretical prevalence of 29% highlights massive referral leakage and missed revenue
- Bridge the gap by expanding the clinical procedure menu and integrating AI detection, unlocking significant revenue with zero acquisition cost

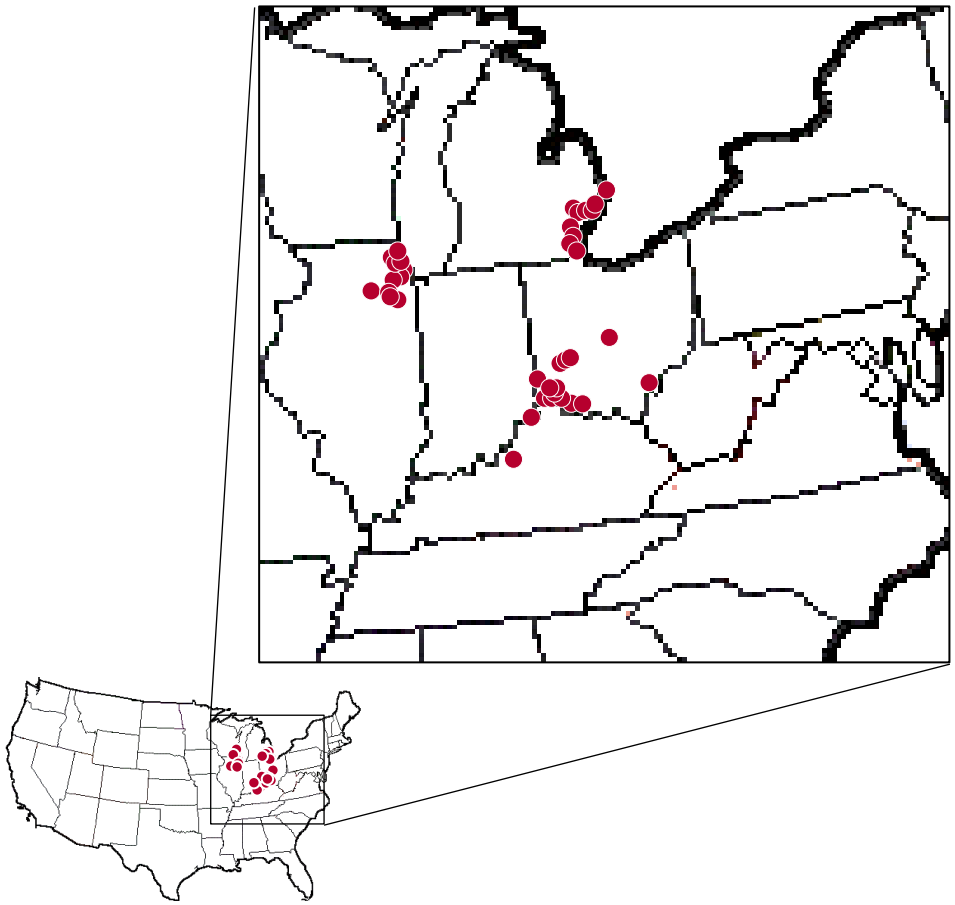
1. American Heart Association (AHA) The Sage Group, CDC, Grand View Research, Rice JB et al. "Burden of diabetic foot ulcers" (Diabetes Care 2014) & "Burden of venous leg ulcers" (J Med Econ 2014)
2. CDC National Diabetes Statistics Report
3. American Heart Association (AHA); Journal of Vascular Surgery

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Growth Strategy of Medical Institution Segment (US / Podiatry)

Aiming for further expansion in the US, especially Michigan, Ohio and Illinois through increase in revenue of existing clinics and acquisition of small clinics.

Current footprint



Growth strategy

A Increase in revenue per doctor

- Increase in revenue per physician by expanding patient encounters through initiatives such as digital marketing and improvement in operational efficiencies
- Providing suitable medical services to accommodate patients' needs

B Roll-up acquisition of small podiatry clinics

- Podiatry service is expected to continue steady growth in demand while market size in the US was about 7 billion USD. There is room for improving efficiencies through integration as the market is fragmented
- Increase in # of doctors through roll-up acquisition of small clinics in the US, especially Michigan, Ohio and Illinois
- Aiming to optimize back-office and operation by strengthening platform in these areas

C Providing care for related disease such as varicose veins

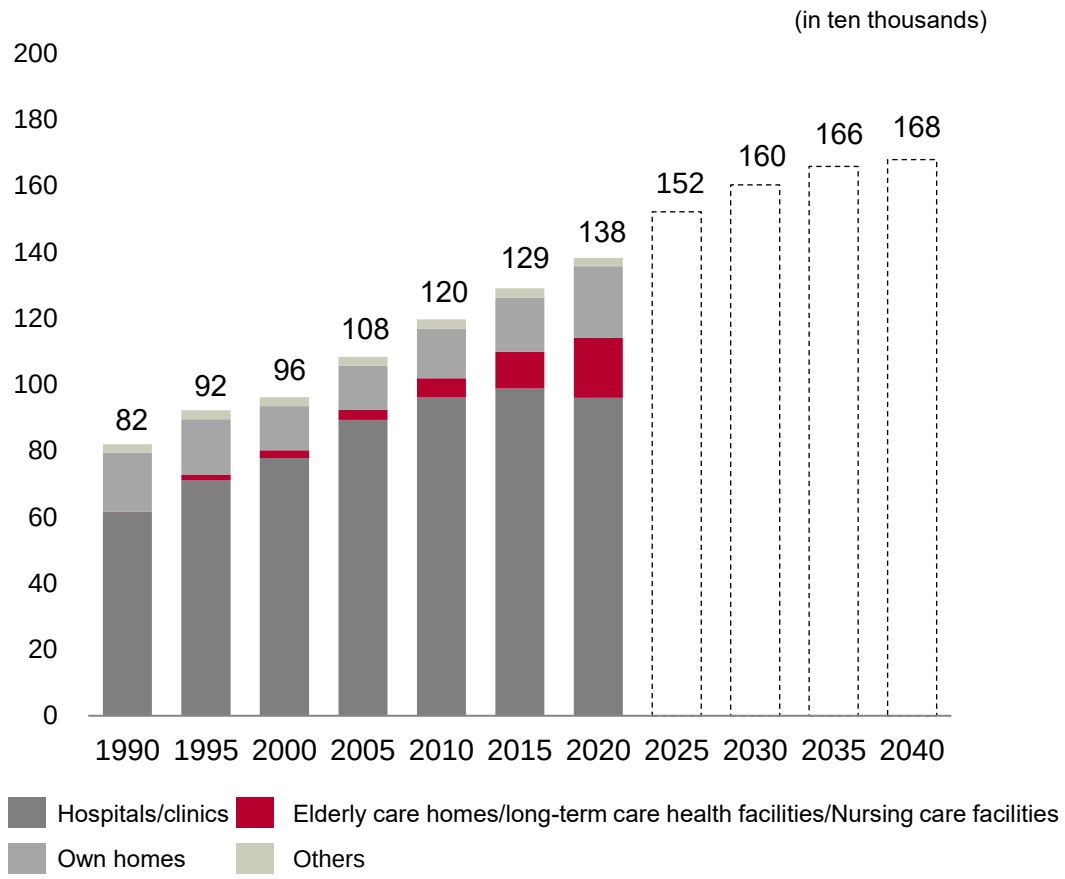
- Reinforce capabilities to deal with disease related to podiatry such as care for varicose veins which was recently launched

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Market Environment of Hospice Segment

It is expected that individuals lacking appropriate terminal care will reach 490,000 in 2040 while capacity of hospice facilities that provide deliberate care to patients with cancer and intractable diseases is limited at the moment.

Trends in mortality and locations of death in Japan(1)



Demands for hospice facilities

- The number of increase in deaths in medical institutions is on the decline while mortality in elderly care homes and similar facilities have been increasing recently.
- Mortality continues to increase annually, with an estimated 1.68 million deaths(1) and approximately 490,000 individuals lacking appropriate terminal care estimated for 2040(2). However, capacity of hospice facilities that provide deliberate care to patients with terminal cancer and intractable diseases is currently at the shortage.
- Patients with designated intractable diseases such as Parkinson's disease, Amyotrophic Lateral Sclerosis (ALS) reached around 1.12 million in 2023(3). Deaths by cancer reached approximately 400,000 per year(4).

1. "Demographic Survey, 2023" , "Annual Report on Health, Labor and Welfare – Materials, 2023" (Ministry of Health, Labour and Welfare).
2. "Basic Information regarding Japanese Health and Medical Services" (Ministry of Health, Labour and Welfare, 2011).
3. "Examples of Health Administrative Reports 2024" (Ministry of Health, Labour and Welfare). 4. "Demographic Survey 2023" (Ministry of Health, Labour and Welfare).

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Growth Strategy of Hospice Segment

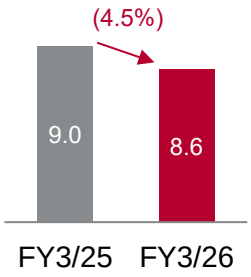
Improve profitability through optimized operations and cost control, along with higher occupancy driven by strengthened resident acquisition activities.

Overview of FY3/26

Optimized operations and cost control

- Opened a record-high 13 new facilities in a single year
- Annualized revenue per resident decreased from 9.0 million yen to 8.6 million yen due to a per resident revenue decline at certain existing facilities and its remaining at low levels in the early stage at new facilities

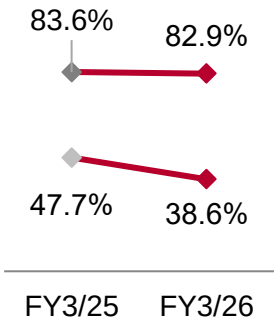
Annualized revenue per resident (¥ mm)



Strengthen patient acquisition activities

- Maintained occupancy at existing facilities largely flat YoY, driven by improved occupancy opened in the previous fiscal year
- Occupancy rate of new facilities decreased 9.1pt due to an increase in new openings

Occupancy rate (Existing / New)



Initiatives for FY3/27 onwards

- Reduce recruitment costs through web channel utilization and higher referral rates
- Transition to an efficient operating structure through the optimization of both facility and headquarters personnel

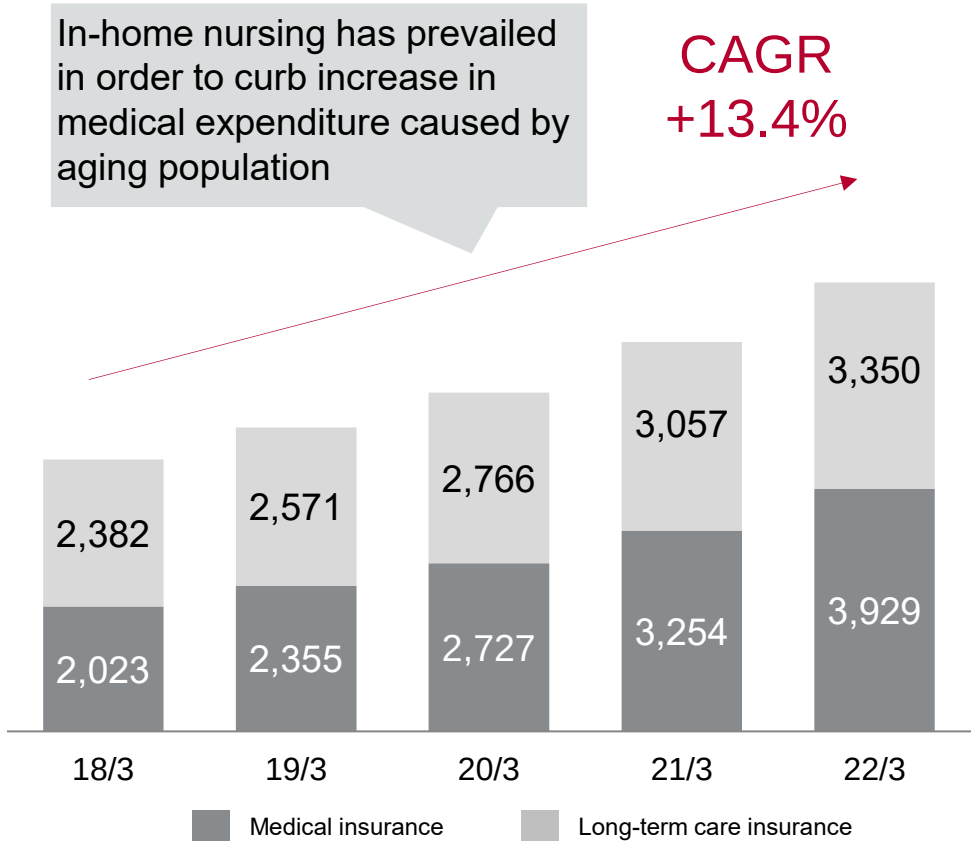
- Strengthen relationship with medical institutions and nurses contributing to patient acquisition
- Embed standardized roles between headquarters and each facility in patient acquisition activities

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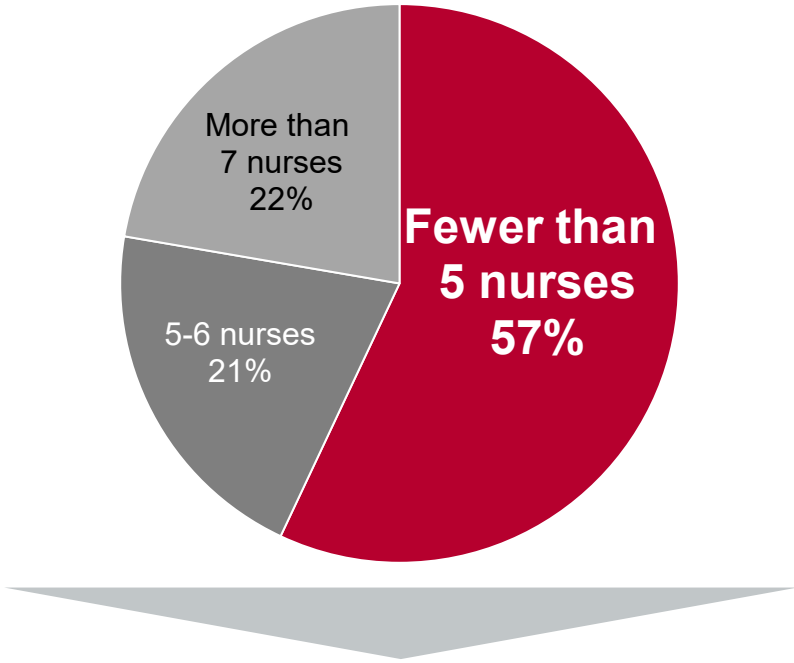
Market Environment of In-home Nursing Segment

In-home nursing expenditure is increasing at CAGR 13.4% due to aging population and increasing medical expenditure. Small-scale nursing stations operated by fewer than 5 nurses account for 57%, highlighting a growing demand for nursing stations capable of continuous operation.

Trends in in-home nursing expenditure[1] (in hundred millions)



Ratio of nursing stations by number of nurses[2]



Growing demand for large-scale nursing stations capable of providing round-of-clock services continuously

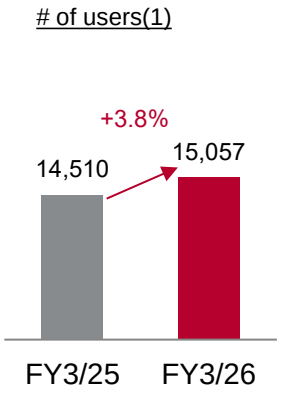
1. “Overview of National Medical Spending”, “Survey on Nursing Care Benefits” (Ministry of Health, Labour and Welfare).
2. “Materials for the 220th Social Security Council Nursing Care Benefit Subcommittee Meeting (online conference) Reference 3” (Ministry of Health, Labour and Welfare).

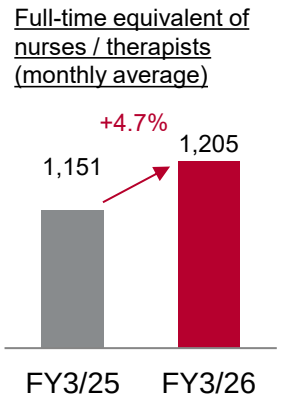
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Growth Strategy of In-home Nursing Segment

Continue new openings resumed in FY3/26. Secure human capital for sustainable growth, building a business foundation through early acquisition and development of manager candidates.

	Overview of FY3/26	Initiatives for FY3/27 onwards
Expand new station	• Opened 6 new stations in FY3/26, with steady progress in recruitment and patient acquisition • Users increased 3.8% from 14,510 to 15,057, driven by business expansion at existing stations and new openings	• Increase the number of stations through area dominance in existing operating areas. Specifically planned 10 new openings in FY3/27 • Build a business foundation through early acquisition and development of manager candidates for new openings, leveraging accumulated expertise
Secure human capital	• Full-time equivalent of nurses and therapists increased 4.7% from 1,151 to 1,205 largely in line with the plan, driven by focused recruitment at both existing and new stations	• Secure human capital through increased direct applications led by web channel, and lower turnover rates driven by employee reward programs





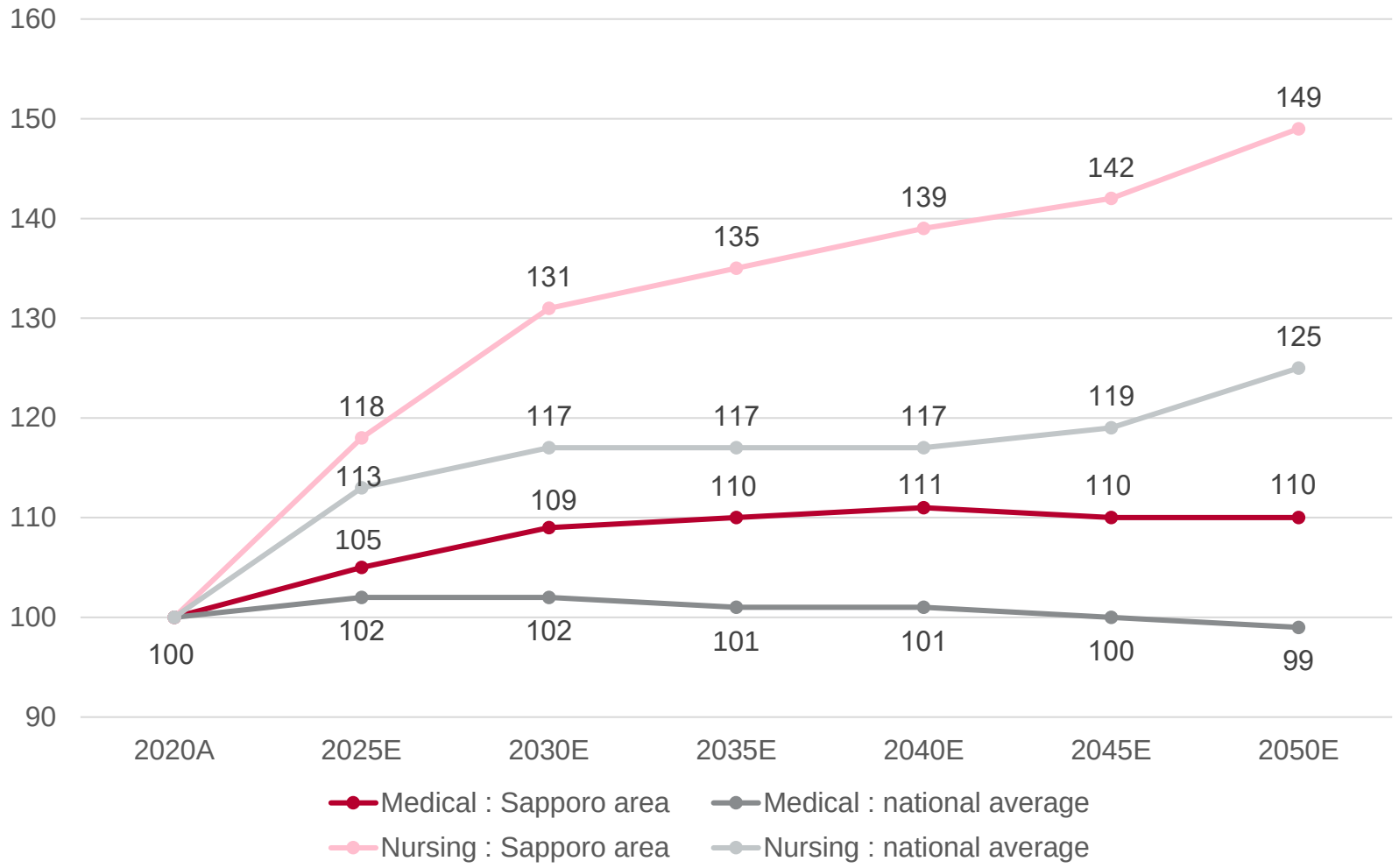
1. Average number of users with actual visits at the end of each month of the period.

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Market Environment of Medical Care Residence Segment

Sapporo medical area, where Noah Konzer operates its facilities, is expected to see growing demand for medical and long-term care services toward 2050. This demand is anticipated to be higher than the national average.

Medical and nursing care demand forecast for the Sapporo medical area



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Growth Strategy of Medical Care Residence Segment

Strengthen patient acquisition and accelerate acceptance of patients with high medical and care dependencies.

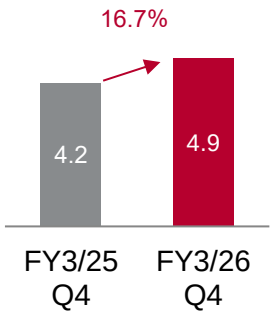
Overview of FY3/26

Initiatives for FY3/27 onwards

Improve profitability

- Annualized revenue per resident increased 0.7 million yen YoY, driven by higher rent, common area, and food fees

Annualized revenue per resident(1) (¥ mm)

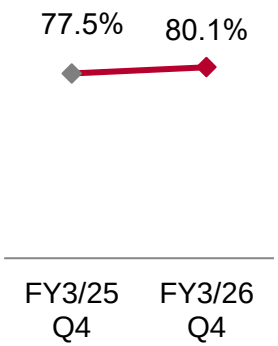


- Accelerate acceptance of patients with high medical and care dependencies through staff development
- Increase average care requirement levels through appropriate reassessments reflecting changes in patients' conditions

Strengthen patient acquisition activities

- Occupancy rate increased 2.6% YoY, driven by expanded patient acceptance at lower-occupancy facilities
- Occupancy rate progressed below the plan due to limited new admissions at certain Noah Konzer facilities in preparation for their conversion to hospice floors

Occupancy rate(2)



- Identify focus facilities with potential for higher occupancy. Subsequently, strengthen patient acquisition by prioritizing these selected facilities
- Expand channels for patient growth through nursing care facility referral sites

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Capital Policy / Governance

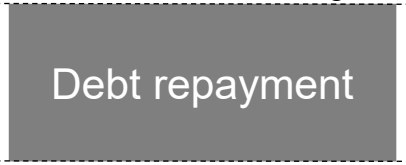
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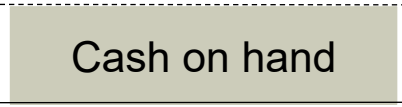
Capital Allocation

Supporting current earnings by maximizing profitability in existing businesses and optimizing costs, while carefully rolling out and validating the US OBL model to enhance shareholder value through phased growth.









1 OPEX｜Fixed cost control and higher productivity

- Hospice upfront opening costs to run their course; staff optimization and retention will curb hiring and personnel expenses

2 CAPEX｜Phase transition and selectivity

- Hospice: Investment cycle ends with 3 openings in H2 FY3/27; focus on occupancy (cash cow)
- In-home Nursing: About 10 low-CAPEX openings per year
- OBL: 20 locations planned by the end of FY3/29

3 M&A｜Stricter investment hurdles

- Selective M&A execution meeting strict criteria such as IRR and EBITDA multiple, primarily focused on areas adjacent to existing businesses

4 Capital Policy｜Financial soundness and disciplined allocation

- Strictly maintain Net Debt/EBITDA ≤5x and equity ratio ≥30%
- Consider implementing shareholder returns as the financial foundation strengthens

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Substantive Independence and Minority Shareholder Protection

Maximizing all shareholders' value through autonomy and effective governance.

Oversight by independent outside directors and the Audit and Supervisory Committee

Board oversight

- Audit and Supervisory Committee, led by outside directors incl. two lawyers, strictly and objectively oversees management

Verification of transactions

- Independent outside directors strictly verify the fairness and appropriateness of material transactions with the parent group

Oversight of executives

- Monitors management's business judgments and whether decisions serve all shareholders independently of the parent

CUC's autonomous management

Organization / Human resources

- CUC's management makes independent decisions based on its corporate philosophy
- Independent hiring and organization building ensure independent operations

Business / Operations

- Maintains its own business base and customer network
- Strictly applies arm's-length terms to intra-group transactions with the parent company

Finance / Capital allocation

- Terminated fund-sharing arrangements with the parent company at IPO and maintains financial independence
- FCF is allocated to CUC's growth investments, such as US OBL expansion

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