HYUGA PRIMARY CARE

Financial Results for the Fiscal Year Ended March 2026

HYUGA PRIMARY CARE Co., Ltd.
7133 TSE Growth Market
May 14, 2026

Contents

FY2026/3 Summary

Financial Highlights

Net sales increased 20% year-on-year, while operating income declined.
Compared with the previous forecast, revenue from the Region Prime project (approximately ¥200 million) was not recognized.

Business Highlights

Home-Visit pharmacies Business

- Revenue increased year-on-year, while profit declined. Operating profit declined due to upfront costs associated with accelerated store openings and recruitment.
- A cumulative total of 10 new stores were opened, and the number of home patients increased by 2,501 year-on-year
- Segment profit generated in 4Q reached a record high as the contribution of new stores to business performance progressed

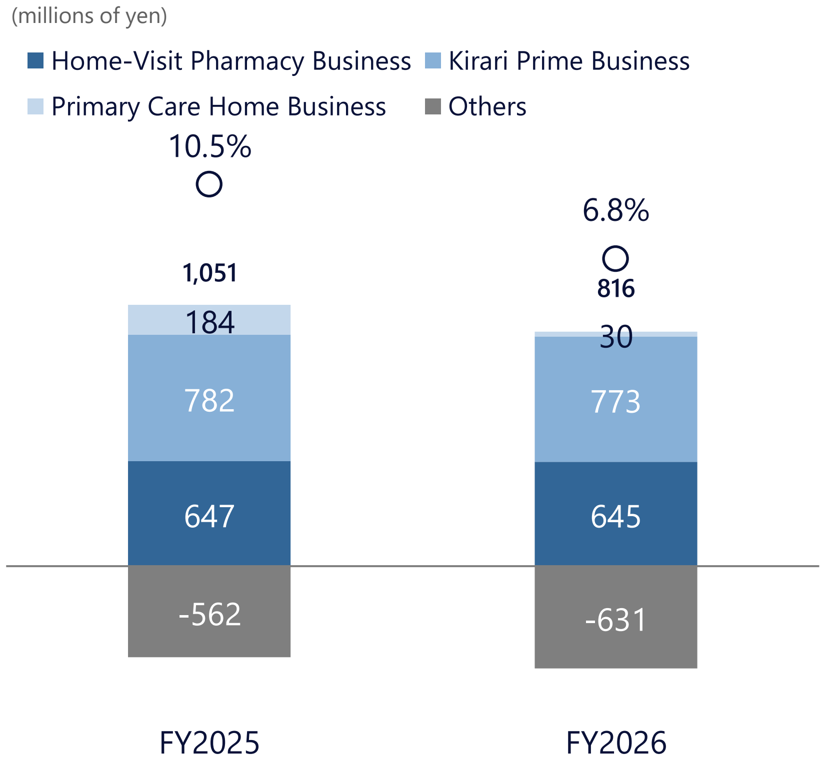
Kirari Prime Business

- Sales and profit decreased year-on-year. Both sales and profit remained at the same level as the previous year due to the rebound from large-scale projects in the previous year and the failure to record sales of Region Prime projects. However, the base profitability improved.
- The number of affiliated stores increased to 2,879. The number of member pharmacies exceeded the annual target.

Primary Care Home Business

- Revenue increased year-on-year, while profit declined. Sales generated in 4Q reached a new record high due to the full-scale contribution of new facilities and high utilization.
- Occupancy rate of the two existing facilities is around 90%.

YoY Comparison of Operating Income



Impact of the 2026 medical fee revision

As a major trend, home-based pharmacy services received greater reimbursement recognition. However, the revision of dispensing management fees made it more difficult for home pharmacies as well as outpatient pharmacies.

Positive factors

- Highly demanding home care operations are receiving greater reimbursement recognition., such as handling individual homes and accompanying home physicians
- Advanced initiatives are also being increasingly recognized, such as contributing to drug residue management and suggesting prescription changes from pharmacists to prescribing physicians

Negative factors

- For patients at home, the dispensing management fee for 2 prescriptions a month was 28 points, but this negatively impacted gross profit margins by approximately 1–2%.

Response of our company and franchisees

Aim for growth in both quality and quantity

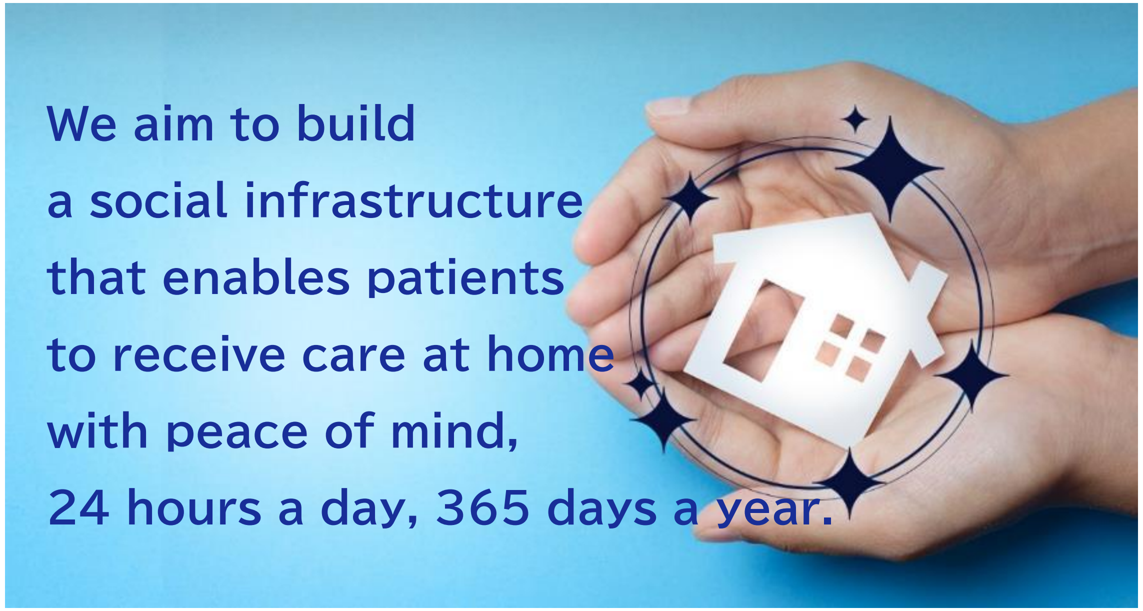
Although there are negative factors, there are also positive points.
Improve operational efficiency through DX and reallocate time saved through efficiency improvements to training and education to acquire additional benefits and increase the number of patients at home (private homes)

Company Profile/Vision

COMPANY
Company Profile

Company Name	HYUGA PRIMARY CARE Co., Ltd. (HYUGA PRIMARY CARE Co.,Ltd.)
Representative	President/Pharmacist Tetsuji Kurogi
Establishment	November 2007
Head Office	2-2-1 Kasugabaru Kitamachi, Kasuga-city, Fukuoka
Board of Directors and Auditors	President and Representative Director — Tetsuji Kurogi Director CFO — Tomoaki Onishi Director — Kohei Shiroo Director (outside) — Shinjirou Ogawa Director (outside) — Kyoko Saeki Full-time Outside Audit & Supervisory Board Member — Hirotaka Minamitani Outside Audit & Supervisory Board Member — Nobuharu Kumamoto Outside Audit & Supervisory Board Member — Takashi Iizuka
Business Profile *	• Home-Visit Pharmacy Business (Kirari Pharmacy) • Kirari Prime Business • Primary Care Home Business (Primary Care Home Operation/Care Plan Service/Welfare Equipment Lending Service) • Other Business (ICT)
Number of Employees	882 (as of March 31 2026, not including temporary employees)

VISION
Vision



As a platform company in the era of home-based medical care,
we aim to build indispensable social infrastructure
that integrates medical and nursing care in local communities.

Summary of Financial Results

- Net sales increased 20% year-on-year. This was due to an increase in the number of patients at home driven by an increase in home care patients following new store openings in the Home-Visit Pharmacy Business. On the other hand, operating income decreased year-on-year. In the Primary Care Home Business , the cost of establishing the fourth facility weighed heavily, and the impact was due to a decrease in the average monthly revenue per resident at the third home, Kumamoto Hamasen, etc.
- Compared with the previous forecast, both sales and profit were not achieved due to the final decision not to record sales of approximately ¥200 million for the Region Prime project, for which there had been differences in accounting interpretation between the Company and the audit firm.

(millions of yen)	FY 2025/3	FY 2026/3		Year-on-Year		Previous Assumption Difference
	Actual	Previous Assumption *	Actual	Change	Percentage change	
Net sales	9,984	12,194	11,983	+1,998	+20.0%	- 211
Home-Visit Pharmacy Business	7,117	8,357	8,395	+1,278	+18.0%	+38
Kirari Prime Business	1,279	1,480	1,266	- 12	- 1.0%	- 214
Primary Care Home Business	1,586	2,355	2,320	+733	+46.3%	- 35
Other Business	1	0	0	- 1	- 62.9%	0
Operating Income	1,051	1,000	816	- 234	- 22.3%	- 183
Home-Visit Pharmacy Business	647	645	645	- 2	- 0.3%	- 0
Kirari Prime Business	782	899	773	- 9	- 1.2%	- 125
Primary Care Home Business	184	76	30	- 153	- 83.6%	- 46
Other Business	- 13	- 27	- 41	- 27	-	- 13
Adjustments	- 548	- 593	- 590	- 42	-	+2
Ordinary profit	1,022	964	776	- 246	- 24.1%	- 187
Net income attributable to owners of parent	719	664	501	- 217	- 30.2%	- 162

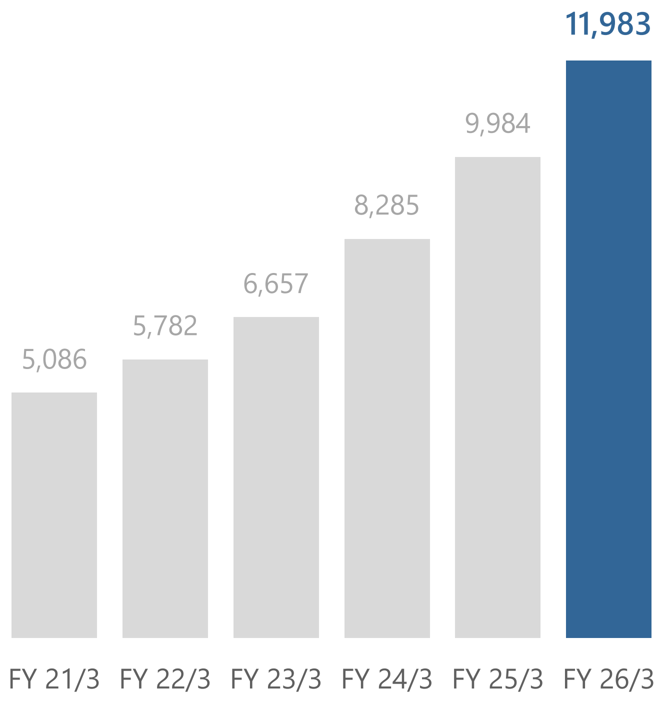
*Forecast announced on February 13, 2026

Business Results/Net Sales Composition

- Sales expanded steadily. In terms of sales composition, the weight of the Primary Care Home Business increased by 3.5 points year-on-year.
- Ordinary profit decreased year-on-year, and the profit margin decreased by 3.7 points to 6.5%. The impact was due to the cost of establishing the fourth facility in the Primary Care Home Business and a decrease in the average monthly revenue per resident for Kumamoto Hamasen and other facilities.

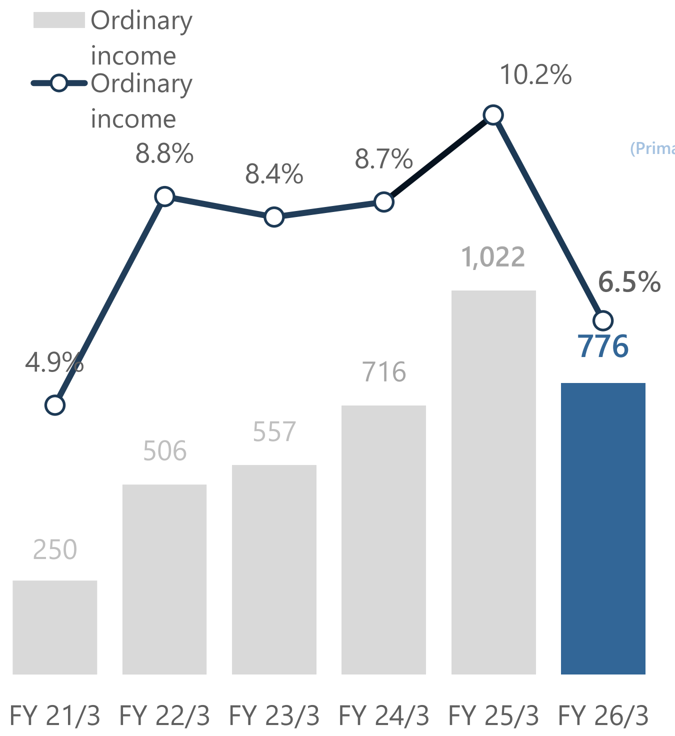
Net Sales

(millions of yen)



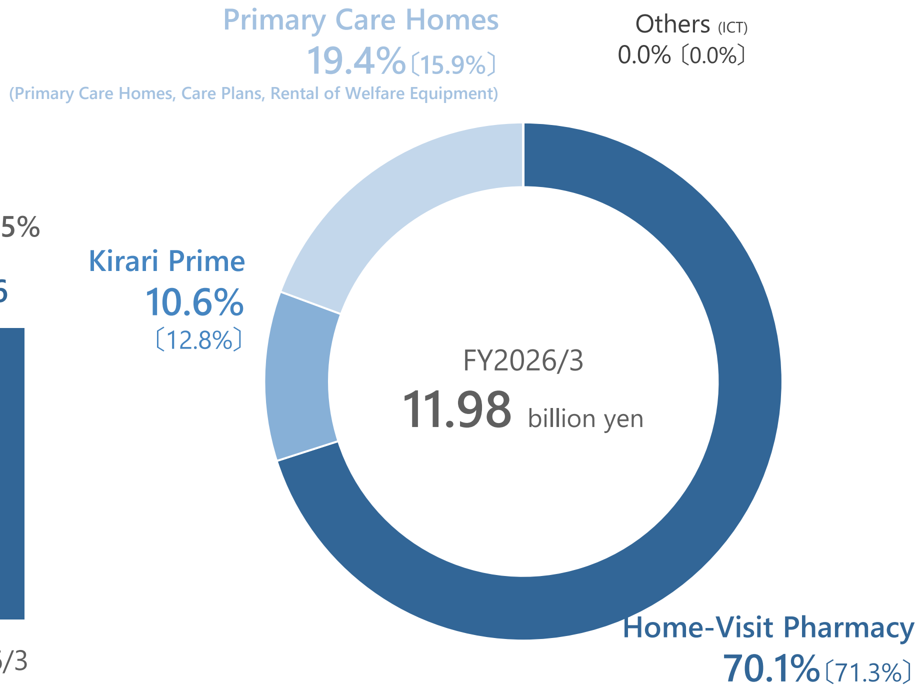
Ordinary profit/Ordinary profit ratio

(millions of yen) (%)



Percentage of net sales

(%) 〔〕 is compared to previous fiscal year

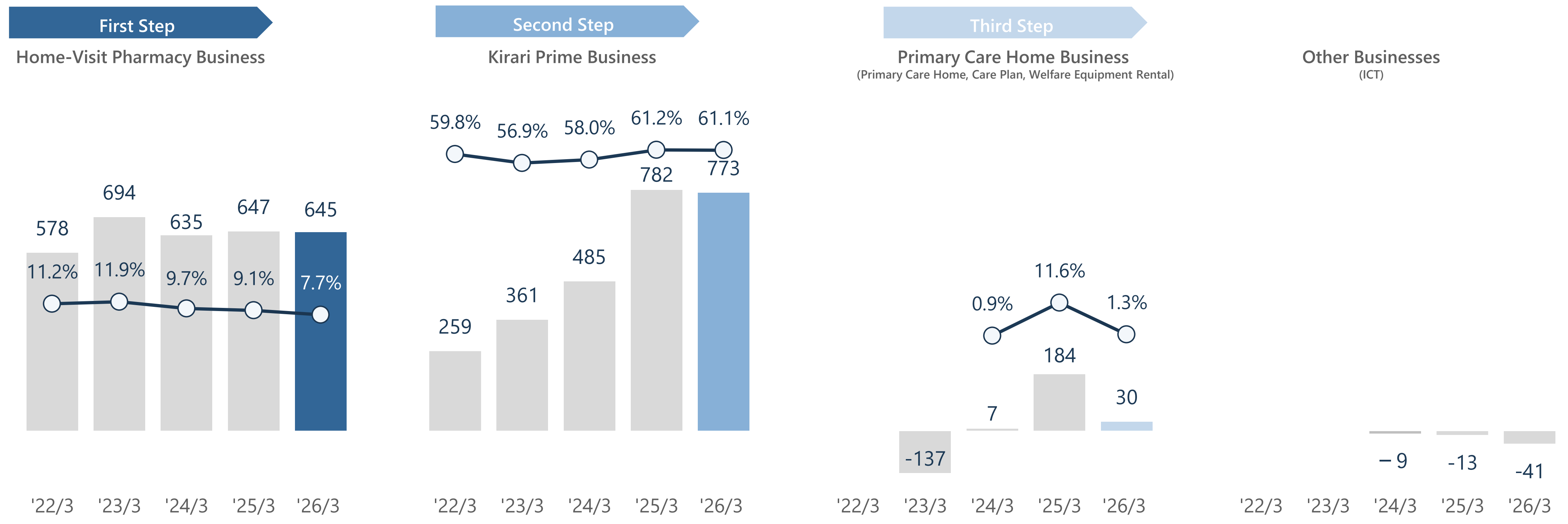


Operating profit by Segment

- Profit in the Home-Visit Pharmacy Business, which is the first step of growth, was flat year-on-year. Full-year profit margin declined year-on-year due to costs associated with opening new stores and hiring costs.
- Operating income and profit margin in the Kirari Prime Business, which is the second step, were flat year-on-year. Sales of approximately ¥200 million for the Region Prime project were postponed, but profitability remained solid.
- Profit in the Primary Care Home Business , which is the third step, declined due to costs associated with opening new facilities and lower average revenue per resident. Profit margin also declined

Segment profit and segment profit margin

(millions of yen) (%)

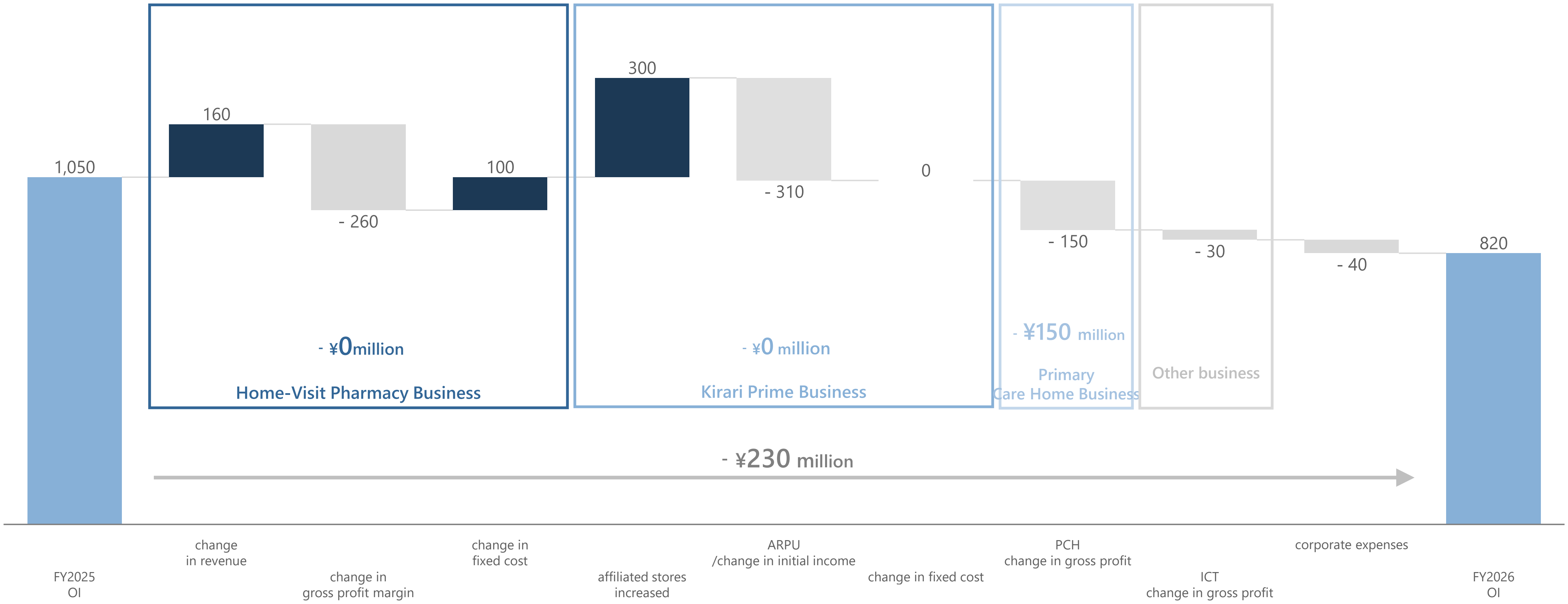


Operating Income Analysis

- The main reason for the year-on-year decrease in operating income was costs related to new facility openings and a decline in unit prices in the Primary Care Home Business .
- On the other hand, in the Home-Visit Pharmacy Business, although increased store opening costs and other factors weighed on earnings, they were absorbed by the effects of increased sales and fixed cost control. In the Kirari Prime Business, a pullback from large-scale projects in the previous fiscal year, partially offset by increased contributions from affiliated stores from a growing number of affiliated stores in the number of affiliated stores.

Operating income factors

(millions of yen)



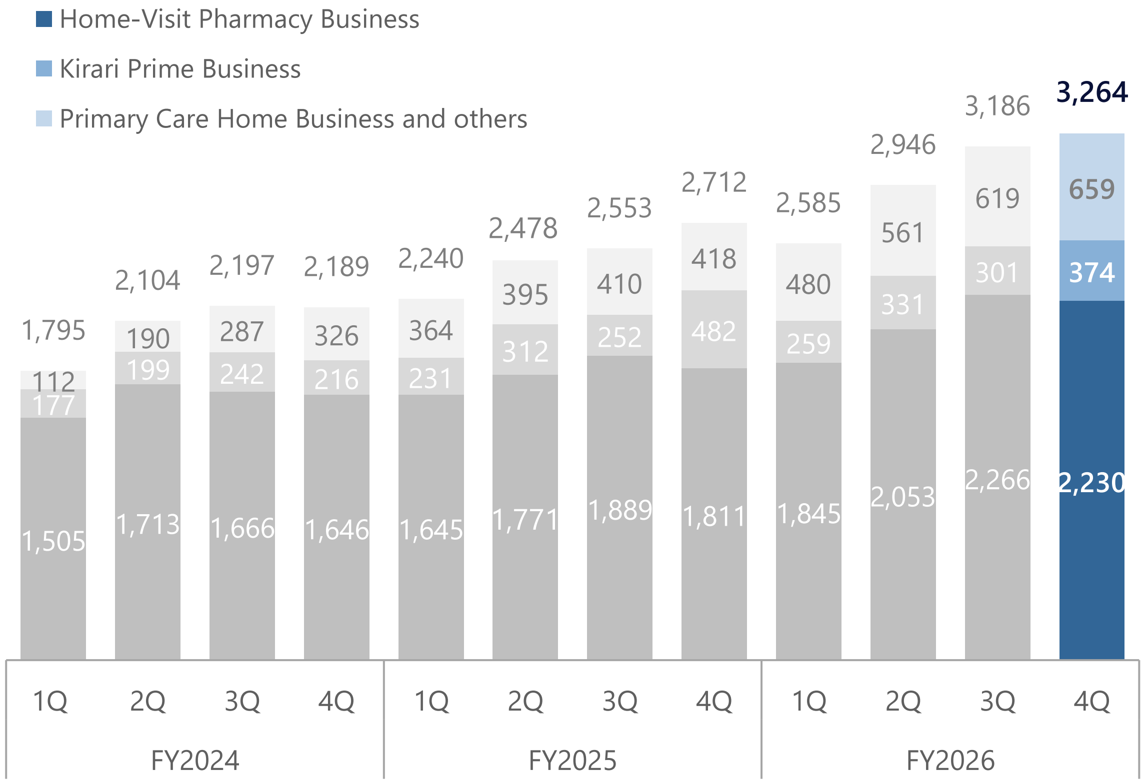
・PCH (Primary Care Homes)

Quarterly Financial Results (1)

- Net sales in the fourth quarter increased compared to the third quarter, reaching a record high on a quarterly basis. Sales in the Home-Visit Pharmacy Business decreased slightly due to seasonal factors, but sales in the Kirari Prime Business and the Primary Care Home Business remained strong.
- Gross profit and operating income recovered from bottoms in the first quarter, reaching an all-time quarterly high in the fourth quarter. Profit margin also recovered to record highs, absorbing the impact of increased costs associated with accelerated store opening.

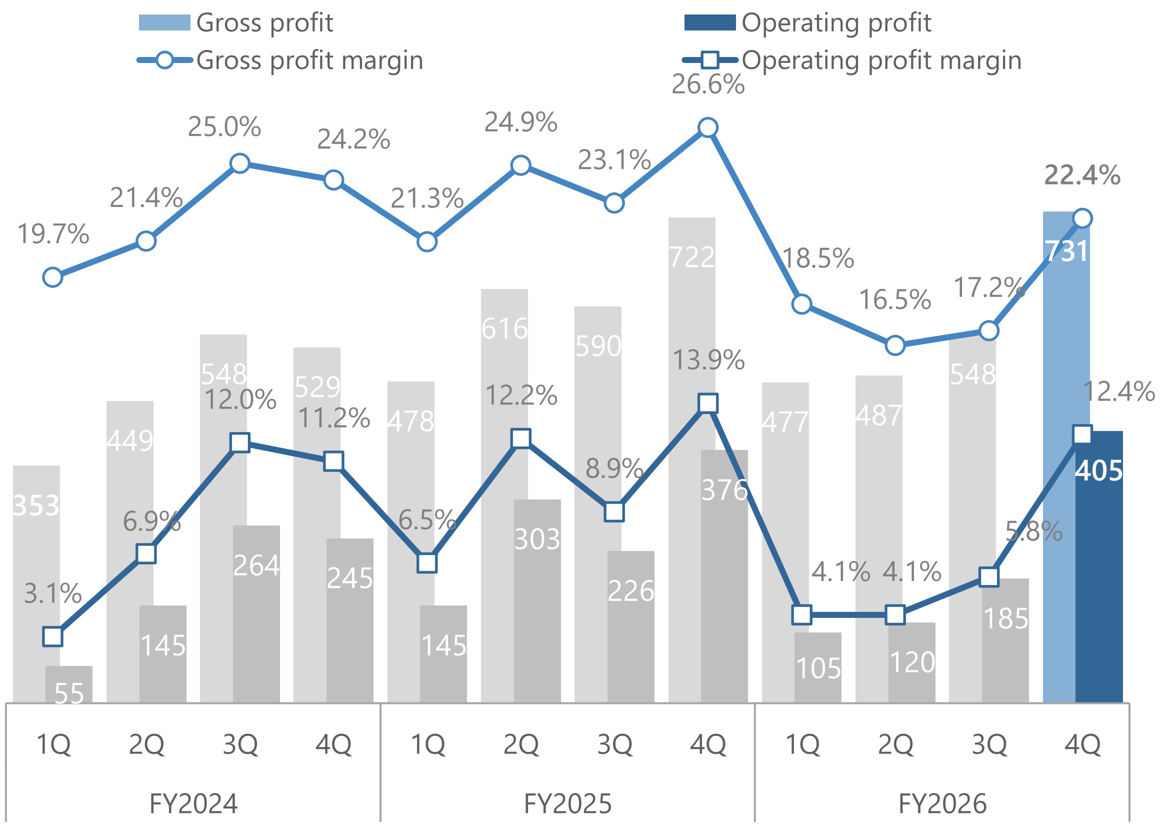
Net sales

(millions of yen)



Gross profit and operating profit

(millions of yen) (%)



Quarterly Financial Results (2) Segment

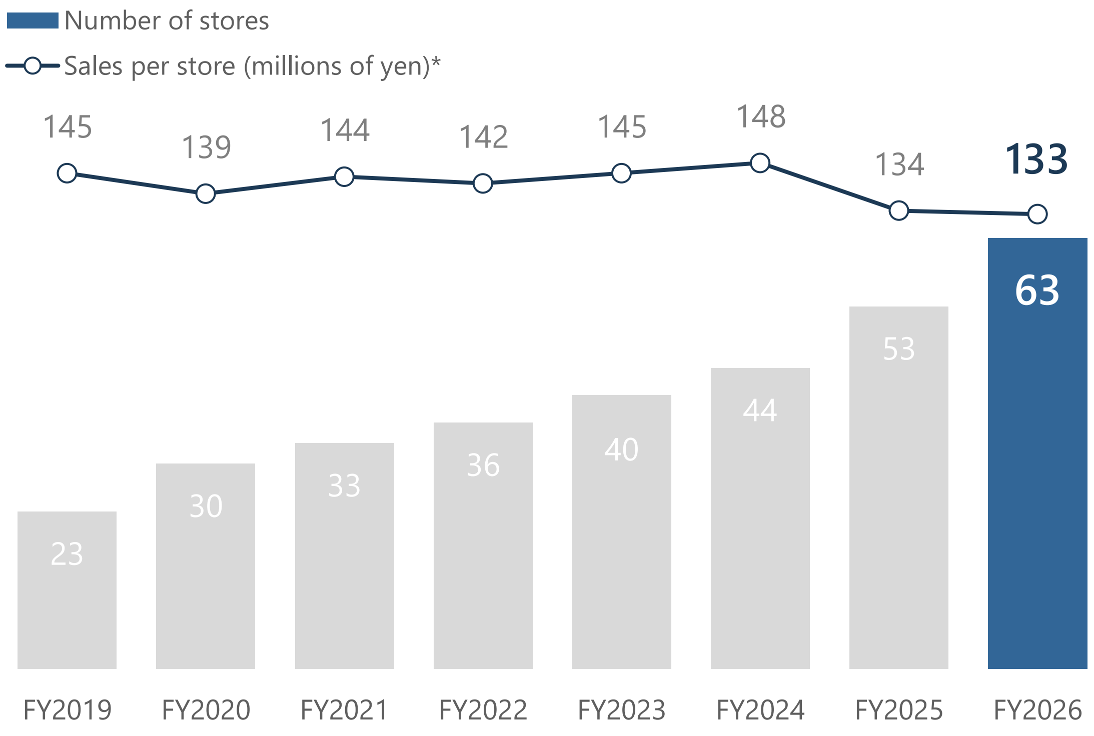
- Sales in the Home-Visit Pharmacy Business decreased compared to 3Q due to seasonal factors. However, segment profit reached a record high due to the end of initial start-up costs for newly opened stores and the subsequent contribution to business performance.
- Sales and profit in the Kirari Prime Business increased significantly compared to 3Q due to the successful closing of a large-scale M&A consulting project.
- In the Primary Care Home Business , Kurume St. Mary's Hospital Station, the fourth building, contributed to business performance. Sales and profit increased compared to 3Q due to improved occupancy rates. Quarterly sales reached a record high.

(millions of yen)	FY 2025/3				FY 2026/3			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales	2,240	2,478	2,553	2,712	2,585	2,946	3,186	3,264
Home-Visit Pharmacy Business	1,645	1,771	1,889	1,811	1,845	2,053	2,266	2,230
Kirari Prime Business	231	312	252	482	259	331	301	374
Primary Care Home Business	364	394	410	417	480	561	618	659
Other Business	0	0	0	1	0	0	0	0
Operating income	145	303	226	376	105	120	185	405
Home-Visit Pharmacy Business	94	182	212	157	158	69	158	258
Kirari Prime Business	132	205	128	316	132	209	177	253
Primary Care Home Business	67	66	55	- 5	- 25	- 2	13	44
Other Business	- 2	- 1	- 3	- 6	- 9	- 9	- 8	- 14
adjustment amount	- 146	- 149	- 167	- 84	- 150	- 147	- 155	- 137
Ordinary profit	141	293	204	383	96	109	174	395
Net income attributable to owners of parent	94	196	103	324	63	72	110	255

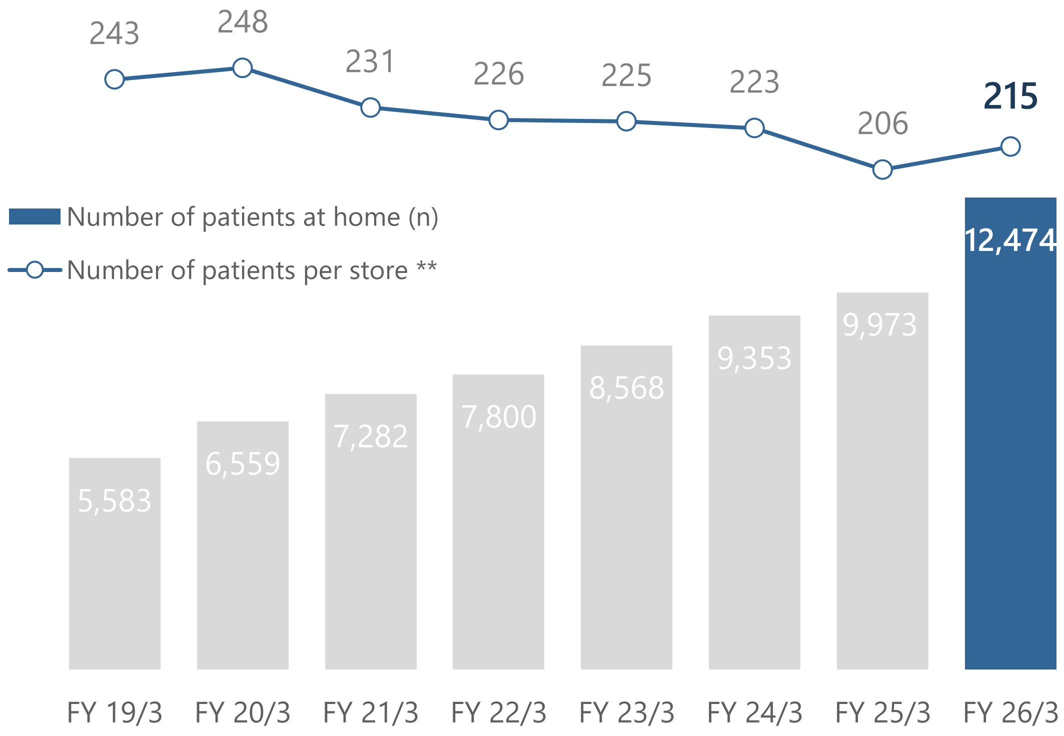
Home-Visit Pharmacy Business KPI

- The number of stores increased by 10 year-on-year to 63. This was the highest pace of store opening ever, but sales per store remained unchanged year-on-year. However, due to the accelerated pace of store opening, operating costs temporarily increased.
- The number of Home-Visit patients increased by 2,501 year-on-year to 12,474 driven by new store openings. This exceeded the full-year target of 12,000 patients. The number of patients per store increased to 215.

Sales and number of stores



Number of Home-visit patients

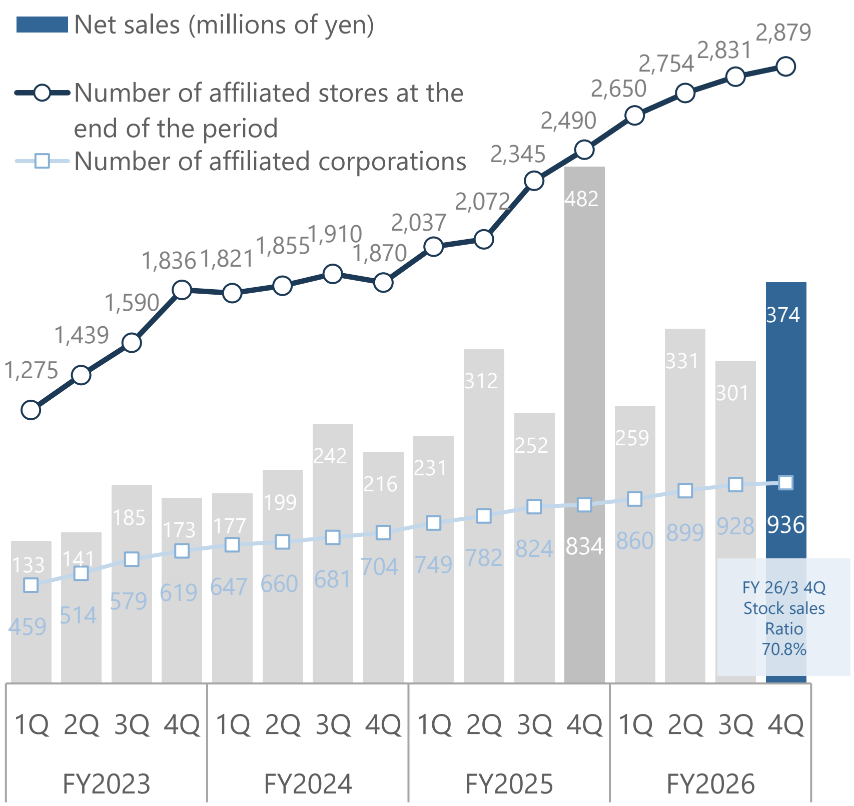


*Sales per store (million yen) = Sales ÷ Number of stores at the end of the period/** Number of patients per store (patients) = Number of Home-Visit patients at the end of the period ÷ Average number of stores at the beginning and end of the period

Kirari Prime Business KPI

- Net sales in 4Q increased significantly compared to 3Q due to the acquisition of large-scale consulting projects.
- The number of member stores increased by 389 from the end of the previous fiscal year to 2,879, exceeding the annual target of 2,800. The number of member stores continued to increase due to strengthened consulting services.
- ARPU decreased by 121,000 yen year-on-year to 463,000 yen. However, this was largely due to the impact of large-scale projects in the previous fiscal year. Excluding the impact, the level rose steadily with the increase in the number of member stores.

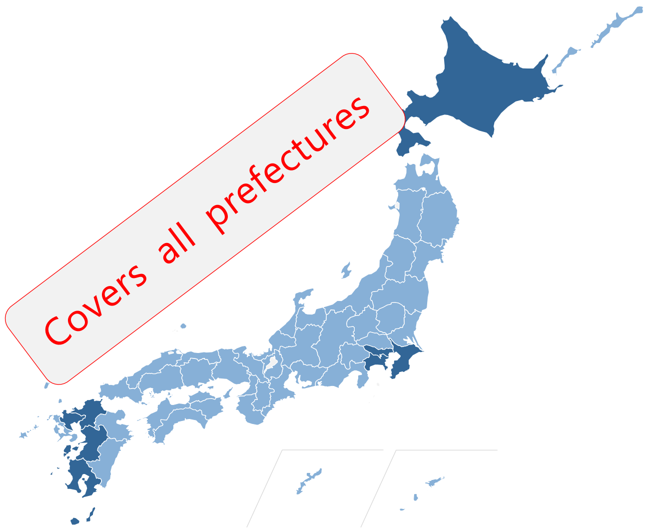
Net Sales, Number of Affiliated Stores, Number of Corporations



Developments

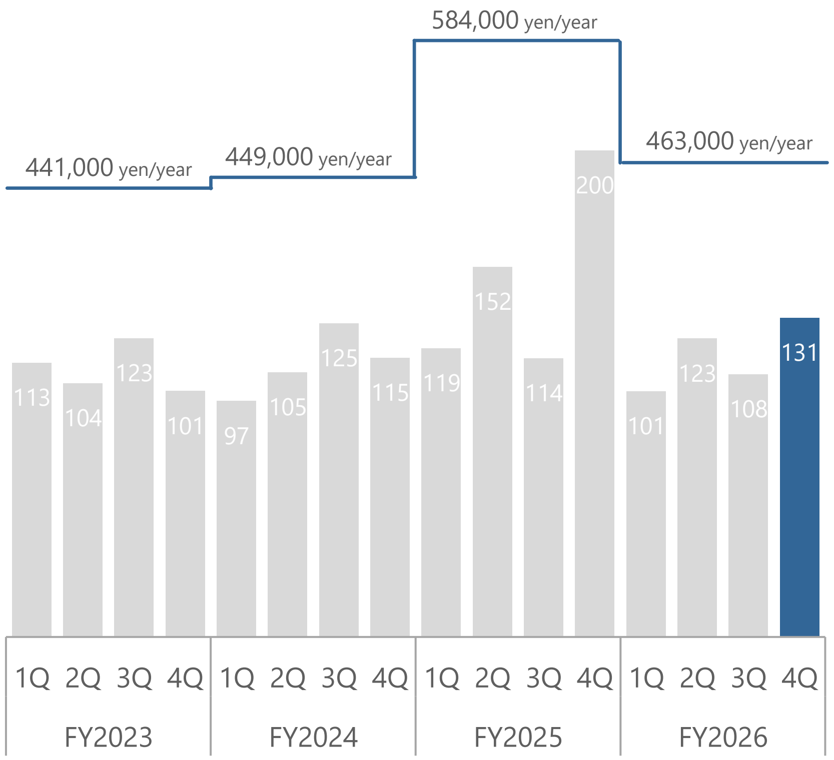
Kirari Pharmacy	8 prefectures	63 stores
Member pharmacies	47 prefectures	2,879 stores

(as of the end of March 2026)



Kirari Prime ARPU**

(thousand of yen/quarter)



**ARPU= Kirari Prime Business net sales (including initial revenue) ÷ average number of stores at the beginning and end of the period

Primary Care Home Business KPI

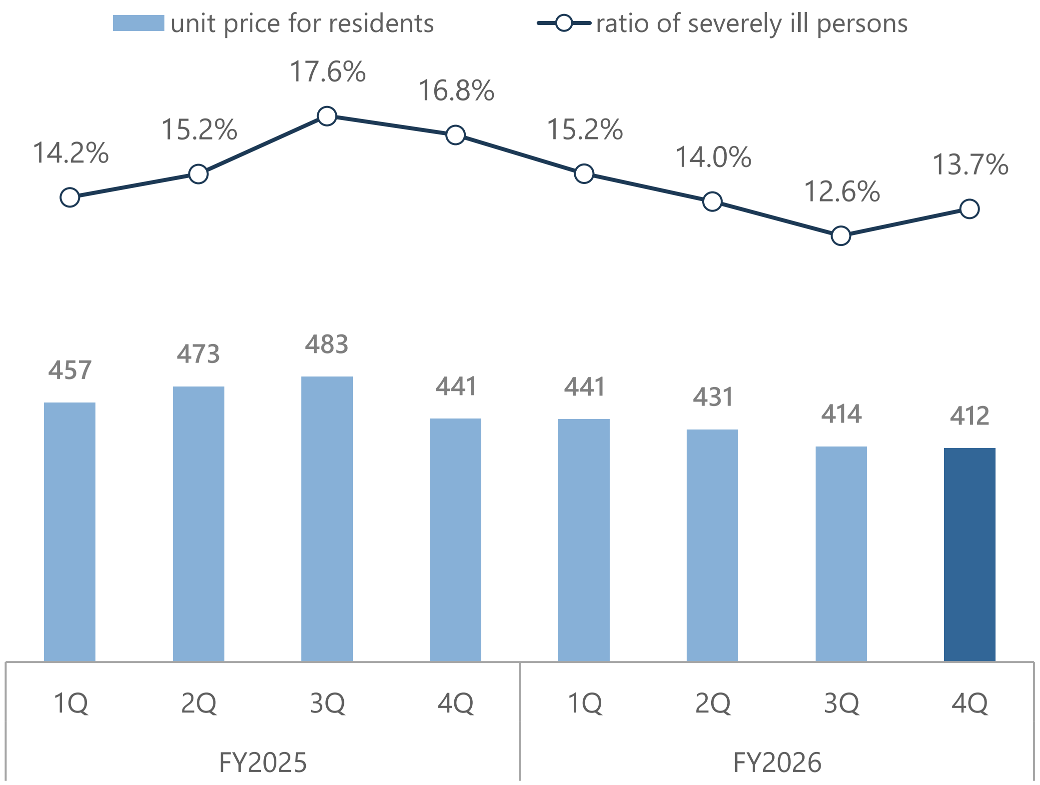
- As of the end of March 2026, the occupancy rate of existing facilities *[1] was unchanged compared to 3Q. New facilities in Kumamoto and Kurume steadily ramped up.
- The average monthly revenue per resident in 4Q was unchanged at 410,000 yen. However, compared to 4Q of the previous year, the average nursing care level of Kumamoto Hamasen was 3.3, which was lower than other facilities, and the average monthly revenue per resident remained in the mid-¥300,000 range, which led to a decrease of about 30,000 yen.

Capacity/Number of residents

Facility name	Occupancy Capacity		FY 2025/3				FY 2026/3			
			1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Existing facilities *[1]										
Kasuga Chikushidai	102	Number of Residents	100	97	92	96	92	97	94	90
Hakata Mugino	162		147	154	155	150	146	154	155	154
Kumamoto Hamasen	168		–	–	47	64	78	131	137	138
	432		247	251	294	310	316	382	386	382
New facility *[1]										
Kurume St. Mary's Hospital Station'	144		–	–	–	–	40	106	121	**137*[3]**
	144		–	–	–	–	40	106	121	137*[3]

Ratio of severely ill persons /average monthly revenue per resident*[2]

(thousands of yen/month)



*1 Existing facilities are defined as facilities that have been in operation for more than 1 year, and new facilities are defined as facilities that have been in operation for less than 1 year.
*2 Quarterly average monthly unit price
*3 Including reservations as of the end of April

Progress of Action Plan for Fiscal Year Ended March 2026

Home-Visit Pharmacy Business

Efforts to Secure Human Resources
Personnel specializing in retention are assigned to the human resources department. The turnover rate continued to decline in the previous fiscal year.
We are continuing to reduce the turnover rate.

In-home specialty stores
Establish in-home specialty stores to enable more precise dominant development. This directly improves delivery efficiency. Plan to open 6–10 stores during the fiscal year
Open 10 stores by December 2025.

Central Pharmacy Concept
To lift the ban on outsourcing of dispensing, The company plans to formulate an investment plan once the details of the legal revisions become clear.
Although the revision of the Pharmaceutical and Medical Device Act (PMD Act) has been decided, the company will respond as soon as detailed conditions are revealed.
We will take action once the regulatory direction becomes clear.

Expansion into new areas
The company plans to open stores in Hokkaido and Aichi prefectures.
The company plans to establish a system to acquire patients from home over a wide area.
The company will simultaneously open three stores in Hokkaido. Expansion into new areas
The company will prioritize stable operation of the three stores in Hokkaido.

Kirari Prime Business

Dispatch of home-based pharmacists
Develop direct consulting services (dispatch of home-based pharmacists) in preparation for the expansion of home healthcare. Increase the number of available pharmacists nationwide.

Aid Prime

Automatic linkage with electronic drug history system
Deploy automatic linkage between other companies' electronic drug history systems and our company's home support system (FamCare) and AI-based RPA reports to franchisees.
The number of stores introducing Aid Prime is increasing.

M & A support for business succession pharmacies
As the number of small and medium-sized pharmacies with no successors and financial difficulties increases, Our company will provide consulting services to increase M & A support.

Region Prime

Support services for construction and operation of facilities for the elderly
Provide consulting services to pharmacy operators regarding construction and operation of facilities for the elderly. Develop a set of pharmacies and facilities for the elderly nationwide in addition to directly managed ones
Several projects are in progress.

Primary Care Home Business

System to expand facilities
Development of a system capable of developing 2 or more buildings per year
Primary care home scheduled to open in the fiscal year ending March 2027
Following the planned Hyuga Notame project (tentative), construction is underway in Nishi Ward, Fukuoka City.
The project of Primary Care Home Hyuga Yanaga (tentative) has taken the lead, but development in Nodame is also ongoing.

Profitability of Buildings 3 and 4
Buildings were opened in Kumamoto Prefecture in December 2024 and in Kurume City, Fukuoka Prefecture in April 2025. Similar to existing facilities, steady start-up and high occupancy rates are maintained.
- Preparations for Opening Buildings 5 and Subsequent Buildings

The fifth building will open in Minami-ku, Fukuoka City in January 2027.
The third and fourth buildings are expected to achieve monthly profitability.

Stronger Positioning as a Platform Company for Primary Care

Balance Sheet

- Total assets expanded 17.6% YoY. In addition to increased receivables due to increased sales, property, plant and equipment increased due to the opening of Primary Care Home Business assets and Home-Visit pharmacies. Cash reserves were increased in preparation for the opening of Home-Visit pharmacies in the first quarter of FY 2027/3.
- Equity ratio decreased 0.7 points YoY to 32.9% at the end of FY 2026/3. The increase in working capital was offset by an increase in Interest-bearing debt.

(millions of yen)	End of 2024/3	End of 2025/3	End of 2026/3	Change from the end of the previous fiscal year	
Current assets	2,444	2,703	3,864	+1,160	
Cash and deposits	688	565	1,021	+455	Increase due to borrowing
Accounts receivable	1,498	1,873	2,471	+598	Impact of business expansion
Fixed assets	3,910	4,348	4,425	+77	
Property, plant and equipment	2,997	3,308	3,624	+315	Effect of opening new stores
Intangible assets	364	393	338	- 55	
Total assets	6,354	7,051	8,290	+1,238	
Liabilities	4,711	4,679	5,558	+879	
Accounts Payable	751	756	939	+183	Impact of business expansion
Interest-bearing debt *	2,629	2,259	2,769	+510	Increase in borrowings in preparation for business expansion
Lease obligations (short-term and long-term)	168	385	451	+65	
Net assets	1,643	2,371	2,731	+359	
Liabilities and Net Assets	6,354	7,051	8,290	+1,238	
Equity Ratio	25.9%	33.6%	32.9%	- 0.7pt	
ROE	26.8%	35.8%	19.7%	- 16.1pt	
ROA	11.3%	10.7%	6.5%	- 4.2pt	
Total asset turnover	1.3 times	1.5 times	1.6 times	+0.1 times	

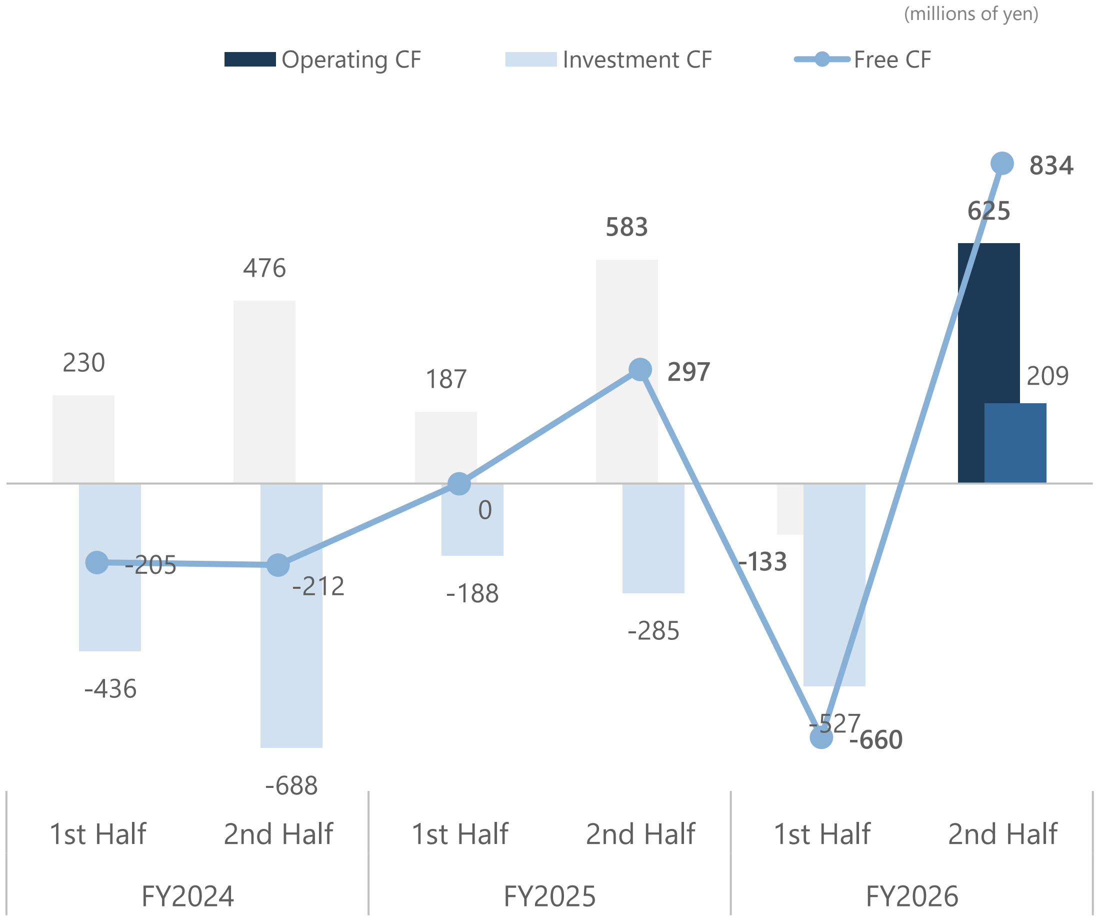
*Interest-bearing debt = Short-term borrowings + Long-term borrowings + Long-term borrowings + Corporate bonds * Excluding lease obligations

Cash Flows

- FCF for the second half of FY 2026/3 was 800 million yen in the black. In addition to the increase in operating cash flow on the back of increased profits, investment cash flows turned positive due to the collection of long-term loans.
- We will continue to invest for growth. We will maintain financial discipline while continuing growth investments, so that we can flexibly respond to funds.

Cash Flow

(millions of yen)	FY 2025/3		FY 2026/3		Year-on-Year
	1st Half	2nd Half	1st Half	2nd Half	
Operating CF	187	583	- 133	625	+41
Profit before taxes	435	534	205	475	- 59
Depreciation and amortization	128	146	164	187	+40
Amortization of goodwill	4	4	6	8	+4
Change in receivables and payables	- 66	- 305	- 227	- 182	+122
Investment CF	- 188	- 285	- 527	209	+494
Capital investment, etc.	- 133	- 244	- 458	- 49	+195
Free CF	- 0	297	- 660	834	+536
Financial CF	201	- 620	849	- 567	+53
Change in borrowings	217	- 588	1,030	- 520	+67
Issuance of new shares	0	9	0	0	- 9
cash at end of period	888	565	754	1,021	+455



Forecast (Consolidated)

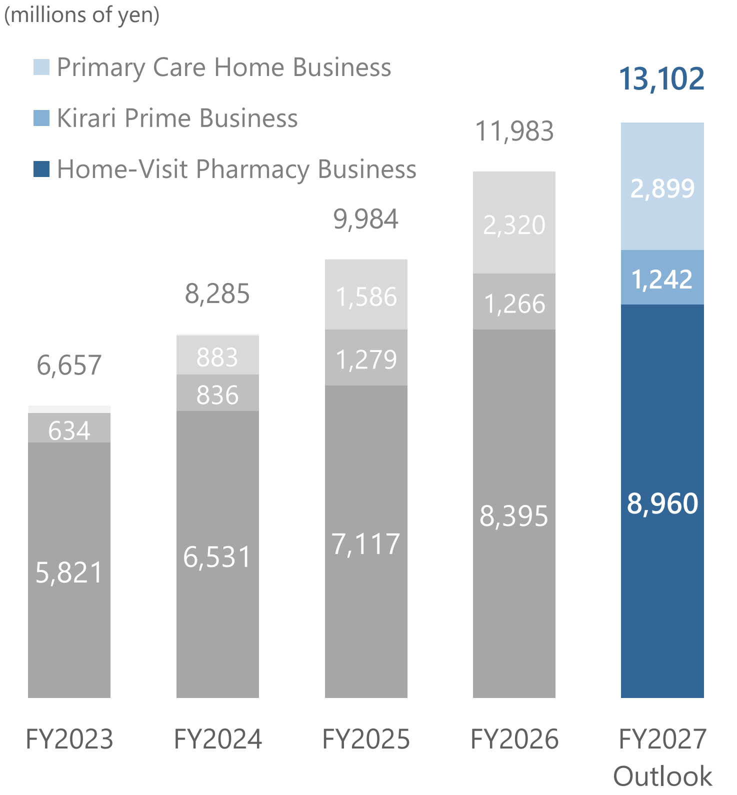
- For FY 2027/3, we forecast a 9% increase in sales and a 10% increase in operating profit. The operating profit growth trajectory that has continued since the company's listing was temporarily slowed in the previous fiscal year, but is expected to return to growth.
- By segment, profit in the Home-Visit Pharmacy Business increased due to the completion of cost increases associated with the large-scale opening of stores and improved operations. In the Primary Care Home Business , we expect sales and profit to increase due to the full contribution of the effects of new facilities. On the other hand, we expect a decrease in profit in the Kirari Prime Business under conservative assumptions that large-scale consulting and region prime projects are not included.
- The business remains weighted toward the second half.

(millions of yen)	FY 2026/3 Results			FY 2027/3 Outlook			Year-on-Year Difference			Full year
	1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year	Percentage change
Net Sales	5,532	6,451	11,983	6,301	6,801	13,102	+769	+350	+1,119	+9.3%
Home-Visit Pharmacy Business	3,899	4,496	8,395	4,338	4,622	8,960	+438	+126	+565	+6.7%
Kirari Prime Business	590	675	1,266	572	670	1,242	- 18	- 5	- 24	- 1.9%
Primary Care Home Business	1,041	1,278	2,320	1,390	1,508	2,899	+348	+230	+579	+25.0%
Other businesses	0	0	0	0	0	0	0	0	0	-
Operating income	225	591	816	332	571	904	+106	- 19	+87	+10.7%
Home-Visit Pharmacy Business	228	417	645	272	427	699	+44	+10	+54	+8.5%
Kirari Prime Business	342	431	773	315	409	724	- 26	- 21	- 48	- 6.3%
Primary Care Home Business	- 28	58	30	86	61	148	+114	+3	+118	4.9 times
Other Business	- 18	- 22	- 41	- 39	- 36	- 75	- 20	- 13	- 34	-
adjustment amount	- 297	- 293	- 590	- 302	- 291	- 593	- 4	+2	- 2	-
Ordinary profit	206	570	776	303	539	843	+97	- 30	+67	+8.7%
Net Income	136	365	501	286	344	631	+150	- 21	+129	+25.8%

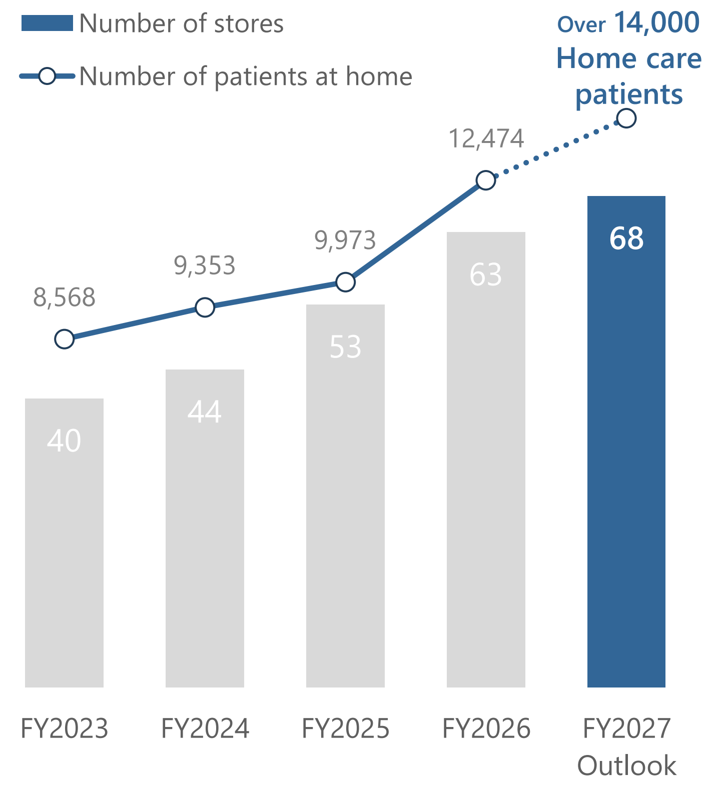
KPI assumptions

- In terms of net sales, the sales ratio of Primary Care Home Business is expected to increase to 22% due to the full contribution of the 3rd and 4th buildings (Kumamoto and Kurume).
- In the Home-Visit Pharmacy Business, 5 stores are planned to be opened, and the number of home patients is expected to exceed 14000.
- In the Kirari Prime Business, the number of affiliated stores is expected to continue increasing. On the other hand, ARPU is expected to decrease year-on-year on the assumption that large-scale consulting projects and region prime projects are not included. Although ARPU is assumed to be at the lowest level in the last 5 fiscal years, excluding one-off projects, ARPU is expected to remain on a gradual upward trend.

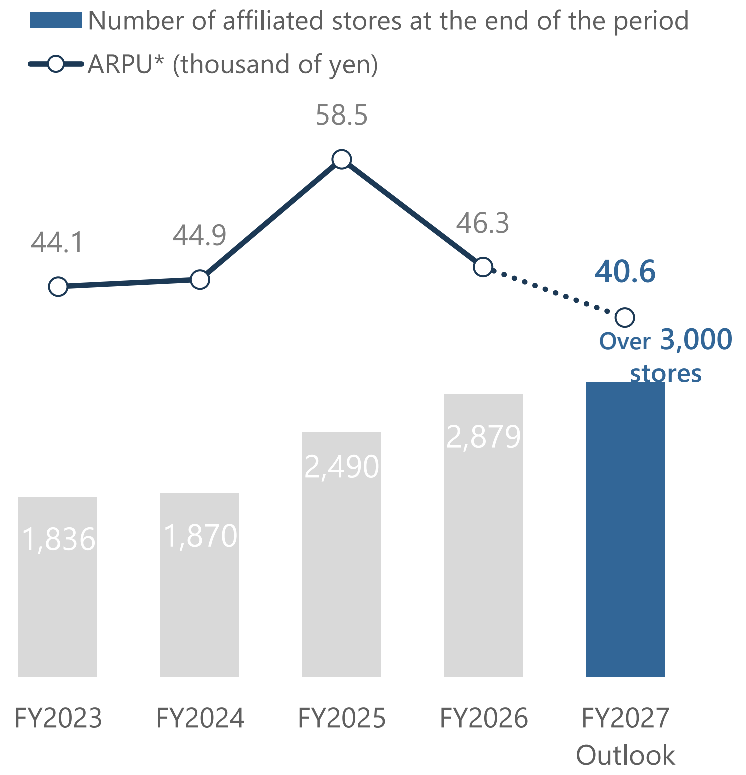
Net Sales Forecast



Home-Visit Pharmacy Business KPI assumptions



Kirari Prime Business KPI Assumptions



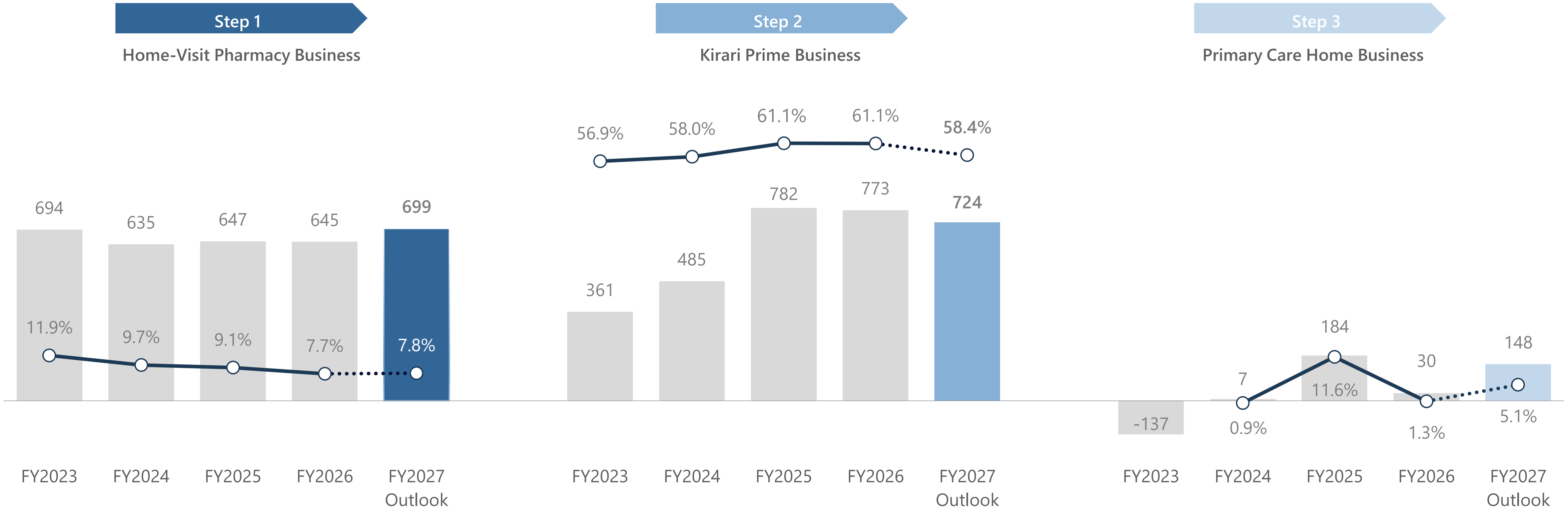
*ARPU= Kirari Prime Business Sales (including initial revenue) ÷ Average number of affiliated stores at beginning and end of the fiscal year

Forecast by Segment

- Profit is expected to increase in the Home-Visit Pharmacy Business. Although additional store opening expenses incurred in the previous fiscal year will be eliminated, the profit margin is expected to be roughly the same as the previous fiscal year in light of the impact of the revision of dispensing fees.
- In the Kirari Prime Business, although the number of affiliated stores is expected to increase, profit is expected to decrease on the assumption that large-scale consulting and region prime projects are not included.
- Profit is expected to increase in the Primary Care Home Business . Improvements in occupancy rates at buildings 3 and 4 will contribute. However, there remains room for further profitability improvement due to costs associated with the opening of new facilities.

Segment profit and segment profit margin

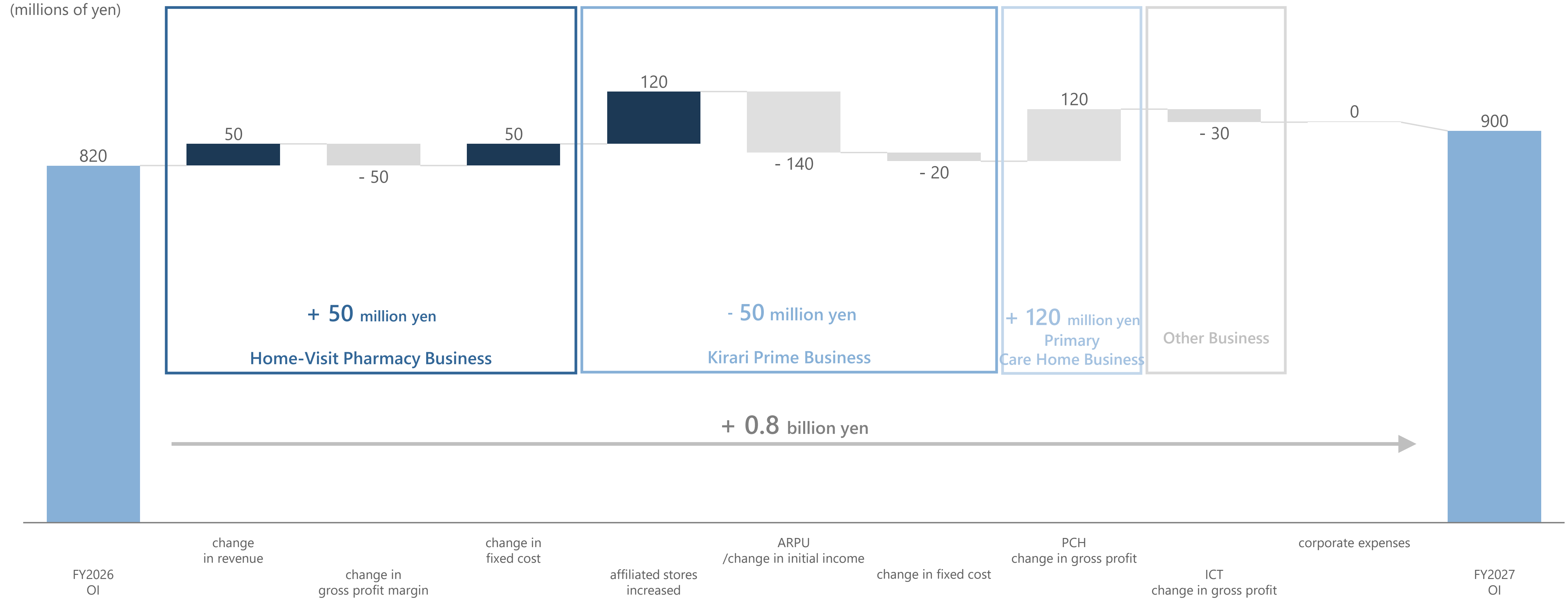
(millions of yen) (%)



Analysis of expected changes in operating income

- In the Home-Visit Pharmacy Business, temporary cost increases associated with opening new stores were eliminated, operational improvements were made, and the number of patients at home increased due to an increase in the number of stores. Although gross margins are expected to decrease due to the impact of the revision of dispensing fees, profit is expected to increase by absorbing such negative factors.
- In the Kirari Prime Business, although the number of affiliated stores is expected to increase, profit is expected to decrease due to lower ARPU and higher costs.
- In the Primary Care Home Business , although costs for opening new facilities are expected to occur, profit is expected to increase by absorbing them through improved occupancy rates at the third and fourth buildings.

Operating income factors



・PCH (primary care home)

Dividend policy

・Dividend plan	Year-end dividend 20 yen
・Shareholder return policy	Return profits in line with profit growth while maintaining financial soundness
・Aim of starting dividends	Maintain management with a strong awareness of ROE
・Funding for growth	Various measures considering WACC

Action Plan for FY March 2027

Home-Visit Pharmacy Business	Kirari Prime Business	Primary Care Home Business
Operational efficiency Introduction of a system to semi-automate and reduce clerical work for collecting personal fees unique to home pharmacies	**Strengthen consulting** Due to the headwind caused by the revision of dispensing fees, many pharmacies will suffer, so we will respond by increasing the number of pharmacist consultants.	**Kumamoto Hamasen** Maintain average nursing care level of 3.5 or higher to improve average revenue per resident
Uneven distribution of pharmacists As there is a large gap between areas facing pharmacist shortages, online medication guidance will be used to support pharmacies in areas facing pharmacist shortages.	**Dispatch of pharmacists** Provide support not only to franchised stores but also to company-wide stores to optimize resource allocation.	**Launch of 5th building** Scheduled to open in Minami-ku, Fukuoka in January 2027. Maintain the concept of the facility and target nursing care level of 3-5 and severe illness rate of over 20%
Central Pharmacy Concept Although the revision of the Pharmaceutical and Medical Devices Act has been decided, detailed conditions will be announced as soon as they become available.		
Store opening policy Key strategic areas have been established and store opening areas have been identified. Increase success rate by concentrating resources. In FY 20 Plan to open stores in the Tokyo and Chiba-Kita areas in the first half		

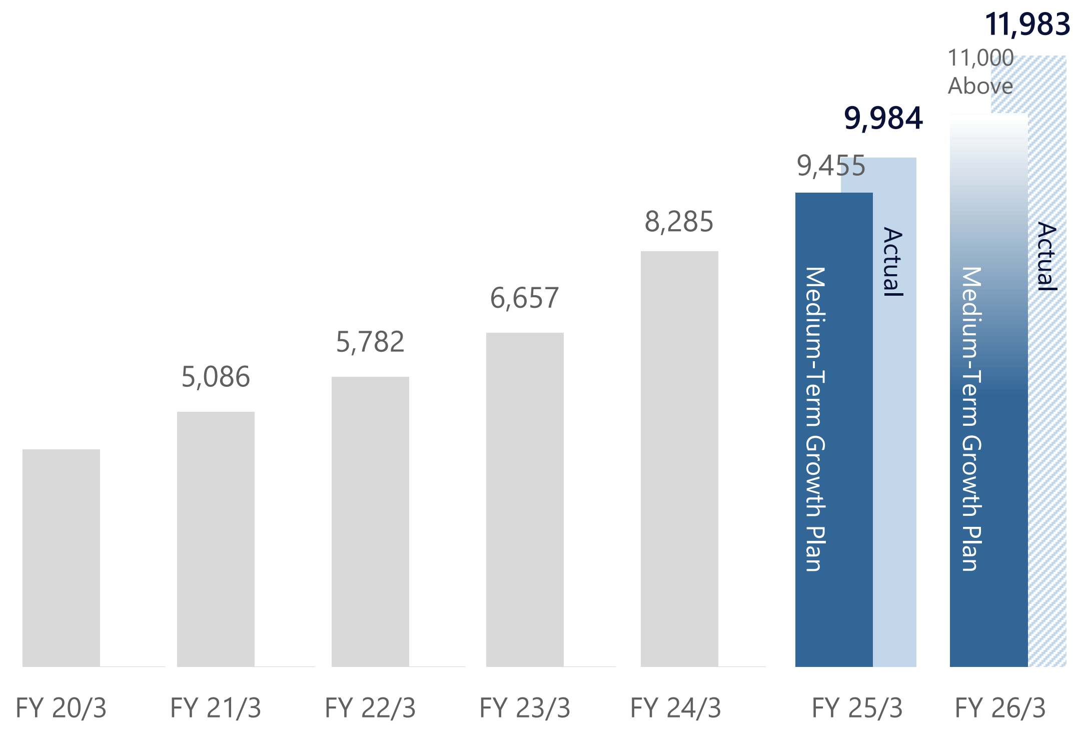
Strengthen our positioning as a platform company for primary care

Review of Medium-Term Growth Plan

- Net sales exceeded the Medium-Term Growth Plan in FY 2026, but ordinary profit fell short of the plan.
- Although FY 2026 will be the final year of the announced plan, priority will be placed on building a "growth driver" structure for the time being. The Medium-Term Growth Plan will be formulated later.

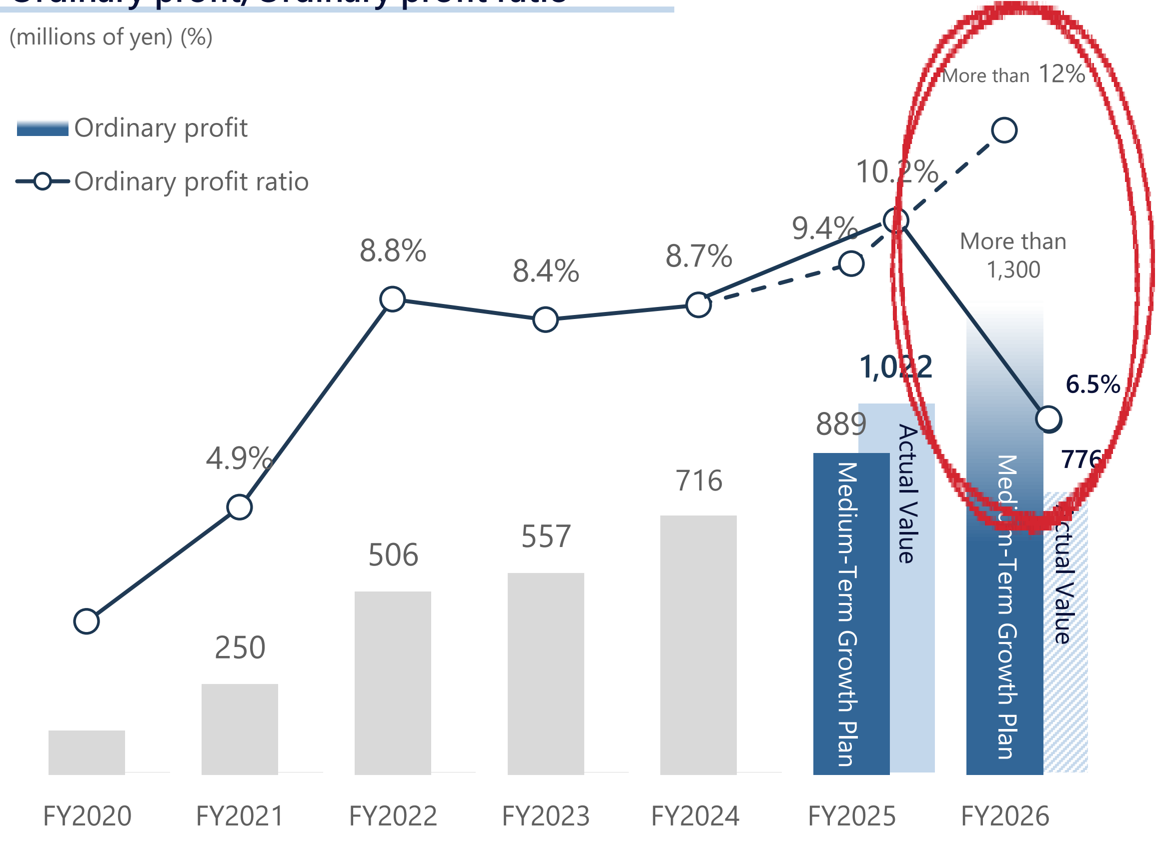
Net sales

(millions of yen)



Ordinary profit/Ordinary profit ratio

(millions of yen) (%)



Concept of the Medium-Term Growth Plan

- There is no change to our policy of expanding in pursuit of economies of scale and increasing our presence in the market.
- However, there are significant changes in the market environment, such as revisions to dispensing fees.
  Our own human resource development system and investment in operational efficiency have not kept pace with the pace of growth.
- Therefore, **for the time being, we place emphasis on internal capabilities and position this as a period to build up our sustainable growth potential**.
- We plan to announce the **next medium-term growth plan after FY 2028**.

Changes in the market environment

- Consolidation and reorganization of pharmacies
- Delay in outsourcing of dispensing services
- Rising personnel costs
- Penetration of home health care
- Progress in comprehensive community care

Future Business Policies

First Step

Home-Visit Pharmacy Business

Current status

- Market growth and sales capabilities will increase inquiries for store openings, and we will continue opening stores steadily above the original plan.
- Optimize the number of home patients per store
- Consider the central pharmacy concept

Issues

- The ratio of new employees rose due to an increase in store openings.

  Labor efficiency declined due to an increased training load at the site.
- The increase in the ratio of new stores increased opening costs.
  In addition, a start-up period of about six months was required, which temporarily weighed on profits.
- The realization of the central pharmacy concept is pending discussion within the government.

Policy

- Thoroughly open stores in a planned manner.

  Recruit personnel in advance and set a sufficient training period.
- Set priority strategic areas. Carefully assess the location of new stores.
  In the medium term, focus on opening stores in the Kanagawa East area, Tokyo, and Chiba North area.
- Shift to the central pharmacy concept is temporarily pending.

Future Business Policies

Second step

Kirari Prime Business

Current status

- Increased earnings volatility due to success or failure of large-scale projects
- Continued increase in franchisees

Issues

- Region Prime Service had a disagreement with an audit firm. Significant impact on performance trends
- Continued to maintain increased franchisees

Policy

- Developed a more conservative outlook for business performance. Continued sales activities for Region Prime Service, but will not include them in forecasts until realization is confirmed, with a focus on building a more stable earnings base
- Region Prime Service will change its monetization model and consider a contract form that will continuously contribute to earnings
- Increased pharmacist consultants to enhance support for franchisees

Future business policy

Third step **Primary Care Home Business**

Current status

- Poor response in cases where the number of residents has not been reached, and recovery has taken longer than expected
- Diversified sales resources and delayed response in cases where the number of residents has not been reached

Issues

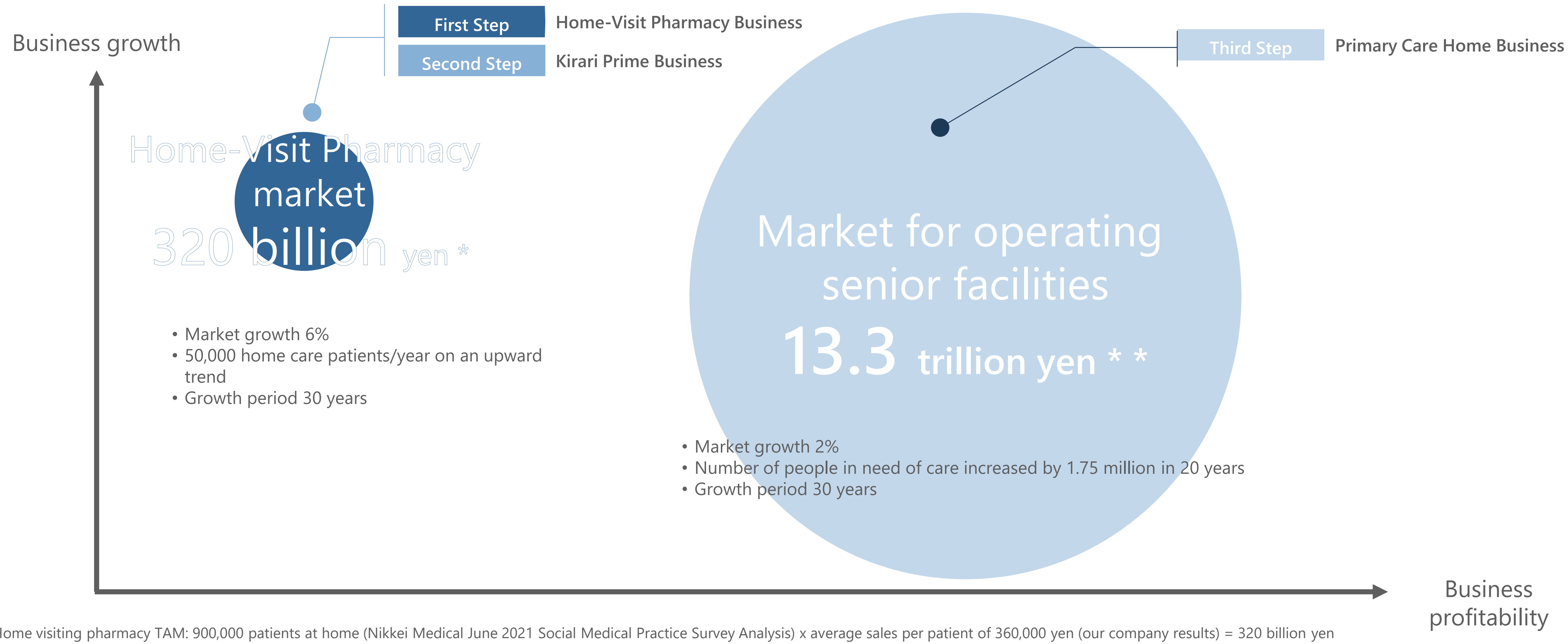
- When the occupancy rate is delayed, we temporarily broaden the resident mix to maintain occupancy (low-care residents) to improve the occupancy rate. As a result, the average monthly revenue per resident falls.
- Once operational discipline weakens, profitability takes considerable time to recover.

Policy

- Compliance with and thorough implementation of our company's facility concept
  Returning to the basics of our policy of actively accepting home patients with high levels of nursing care and high levels of medical dependency
- We will avoid short-term measures and instead strengthen sales capabilities to address delays in achieving target occupancy rates.
- Developing multi-sales employees for home pharmacy and nursing care sales

market analysis (repost)

- Recognizing that both the home-visiting pharmacy market and the senior citizens' facility operations market will expand over the long term due to an aging population and an increase in the number of home care patients
- Developing a strategy that combines the large-scale Primary Care Home Business (the third step of growth) with the high-growth home-visiting pharmacy business and the Kirari Prime Business (the first and second steps of growth)



*Home visiting pharmacy TAM: 900,000 patients at home (Nikkei Medical June 2021 Social Medical Practice Survey Analysis) x average sales per patient of 360,000 yen (our company results) = 320 billion yen
** Primary Care Home Business TAM : 6.89 million people requiring long-term care (the Ministry of Health, Labour and Welfare Report on the Status of Long-Term Care Insurance Business, February 2022) x rate of utilization of in-home services (calculated from the 2021 Survey on Long-term Care Benefit Expenses, etc.) 38.6% x average sales per patient of 5 million yen (actual results in our company) = 13.3 trillion yen

Sustainability Management

Our company's approach to sustainability management

https://www.hyuga-primary.care/ja/ir/library/sustainabilityreport.html

HYUGA PRIMARY CARE Co., Ltd.

"Creating a social infrastructure that allows patients and users to receive care at home with peace of mind 24 hours a day, 365 days a year"

is our business philosophy.

In order to realize this business philosophy, our company

I. Contributing to the enhancement and development of community health care

II. Providing safe and secure medicines

III. Environmental Protection and Load Reduction

IV.Supporting the Development and Active Performance of Human Resources and the Revitalization of Medical and Nursing Care Situations

V.Strengthening Governance

We will move forward on the above.

Sustainability Report

Organizing Materiality

Our company organizes matters considered important in five areas

	Key Issues Group	Materiality
I	Contributing to the enhancement and development of community health care as a platform company for integrated community care	1. Contribution to community health care as a family pharmacy and pharmacist 2. Strengthen pharmacy functions by enhancing community medical care, including cancer alleviation 3. Promotion of online medicine using DX and IT tools 4. Providing health education, medical and nursing care information to local communities 5. Contributing to social security by promoting proper use of pharmaceuticals 6. Promotion of seamless medical and nursing care coordination in both the medical and nursing care fields through the spread of home health care 7. Contributing to the enhancement of community health care using the network established by the Kirari Prime Business
II	Safe and secure pharmaceutical supply as social infrastructure	8. Ensuring the quality and safety of the pharmaceutical products to be provided and appropriate management 9. Enhancing resilience to disasters and pandemics to ensure stable and sustainable pharmacy operations 10. Ensuring procurement stability by strengthening supply chain management
III	Measures to protect the environment and reduce environmental impact	11. Reducing waste, including pharmaceuticals, and improving the efficiency of resource use 12. Reducing CO2 Emissions by Making Energy Use More Efficient and Using Renewable Energy
IV	Supporting the development and performance of diverse human resources and the revitalization of medical and nursing care sites	13. Promote work-life balance through the realization of diverse work styles 14. Providing opportunities and managing working hours tailored to diverse work styles 15. Establishing a work environment that promotes employee health and job satisfaction 16. Respect for Human Rights and Promote Diversity (Promote Elderly Employment/Promote Women's Participation/Support LGBTQ Understanding) 17. Securing human resources to support company growth 18. Establishing a personnel system to promote growth 19. Effective utilization of human resources through promotion of DX
V	Strengthening governance	20. Sustained Strengthening of Corporate Governance 21. Highly transparent disclosure 22. Enhancing Information Security 23. Compliance

01 Company Profile, Business Profile, Summary

02 Financial Results (FY 2026)

03 Forecast (FY2027)

04 Medium-Term Outlook

05 Sustainability Management/Appendix

Business Environment Summary

01

In addition to an increase in the Population aged 75 and over and elderly single households, Number of persons certified as requiring long-term care is expected to maintain high levels

- There is an urgent need to establish a new social system and medical infrastructure: integrated community care system and regular measures to control social security costs by revising medical fees and drug prices

02

Demand for home medical care is expected to increase significantly due to Aging population and Functional differentiation and collaboration of hospital beds due to regional medical care plans.

- In response to the expected increase in the number of patients at home, Urgent need to create functions that seamlessly link nursing care and medical care and networks capable of providing dispensing
- In order to provide safe, secure, high-quality, effective, and efficient medical and nursing care services, continuous and appropriate pharmacotherapy support is becoming increasingly important. There is a growing need to ensure continuous access to safe pharmacotherapy.

Increase in the number of people aged 75 and over and elderly single households

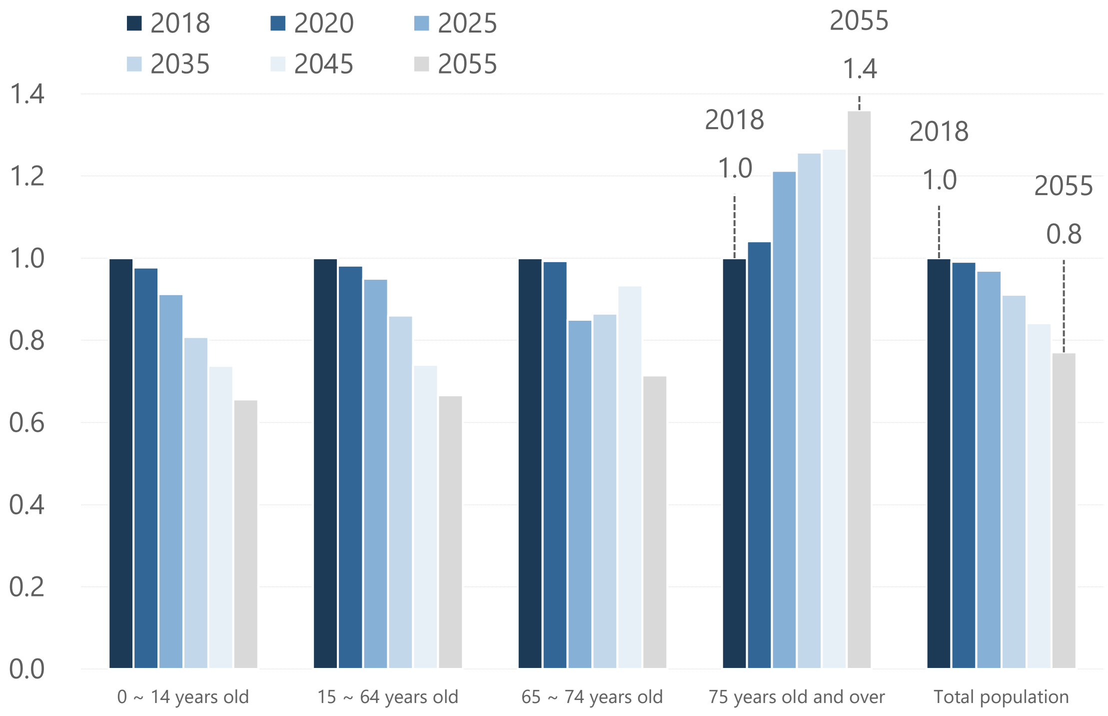
- While the total population of Japan is decreasing, the number of people aged 75 and over is increasing, and in 2055, the number was 1.4 times that of 2018 (the total population was 0.8 times in the same period). The number of single households aged 65 and over is expected to increase, with a 1.5 foldincrease in 2040 compared to 2015.
- Who will care for the elderly, and where such care will be provided, are expected to become increasingly important social issues in the future.

Changes in population by age group

(2018 years = 1)

Population aged 75 and over

17.98 million (2018) → 24.46 million (2055)

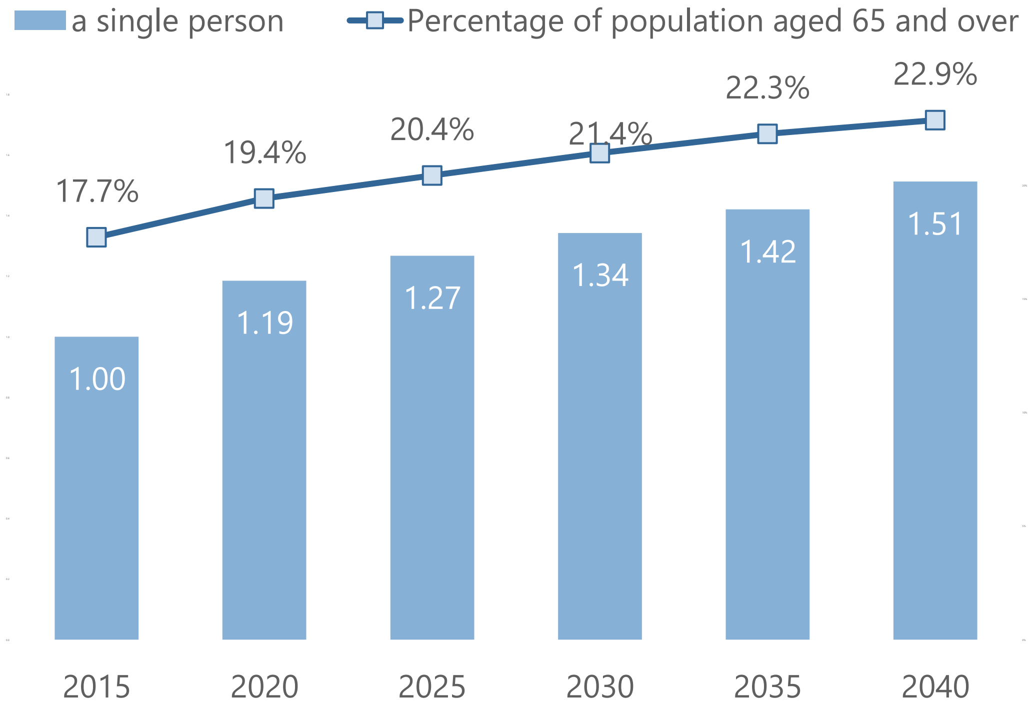


Number of single elderly households *

Families aged 65 and older living alone (2015 = 1)

elderly single household

5.93 million households (2015) → 8.96 million households (2040)



Source: Cabinet Office's "White Paper on Aging Society in Reiwa 2"

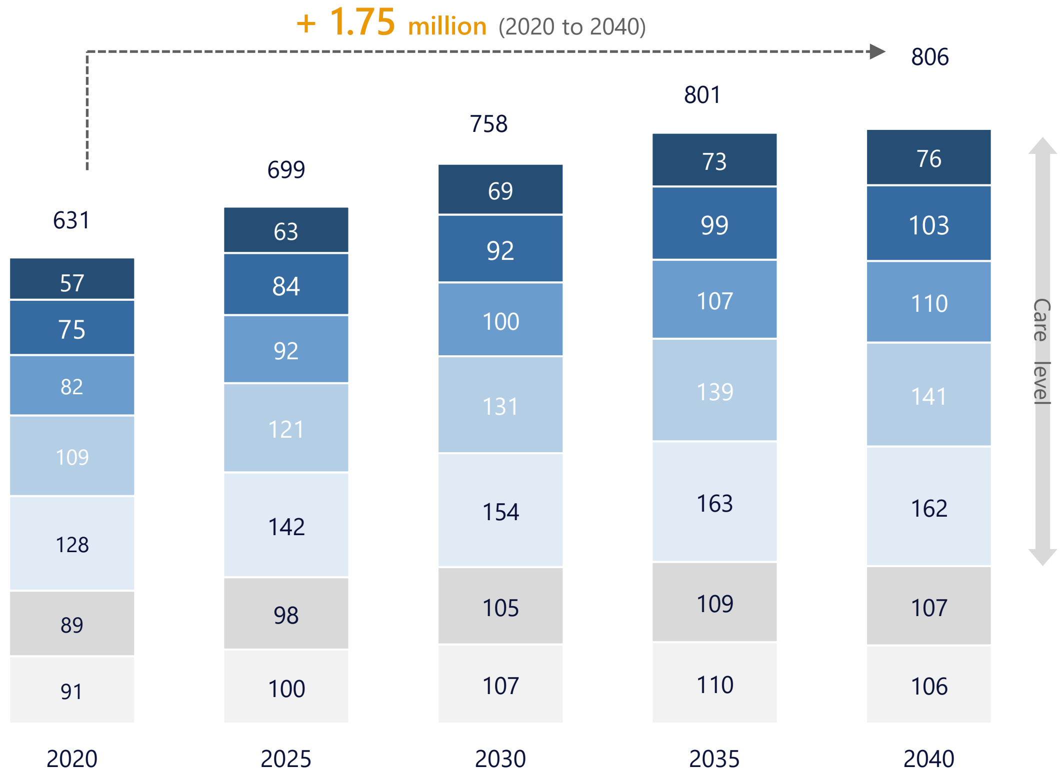
HYUGA PRIMARY CARE Co.,Ltd.

Business environment Number of people certified as needing long-term care

- The number of persons certified as requiring long-term care support or care is expected to exceed 8 million in 2035 and reach 8.06 million in 2040, an increase of 28% (compared to 2020)
- In particular, the number of people who are certified as requiring care levels 3–5 has increased by more than 30%, making it even more important to develop a nursing care support system.

Prospects for the number of persons certified as requiring long-term

(10k persons)



Rate of increase and number of increase by certified category

(from 2020 to 2040)

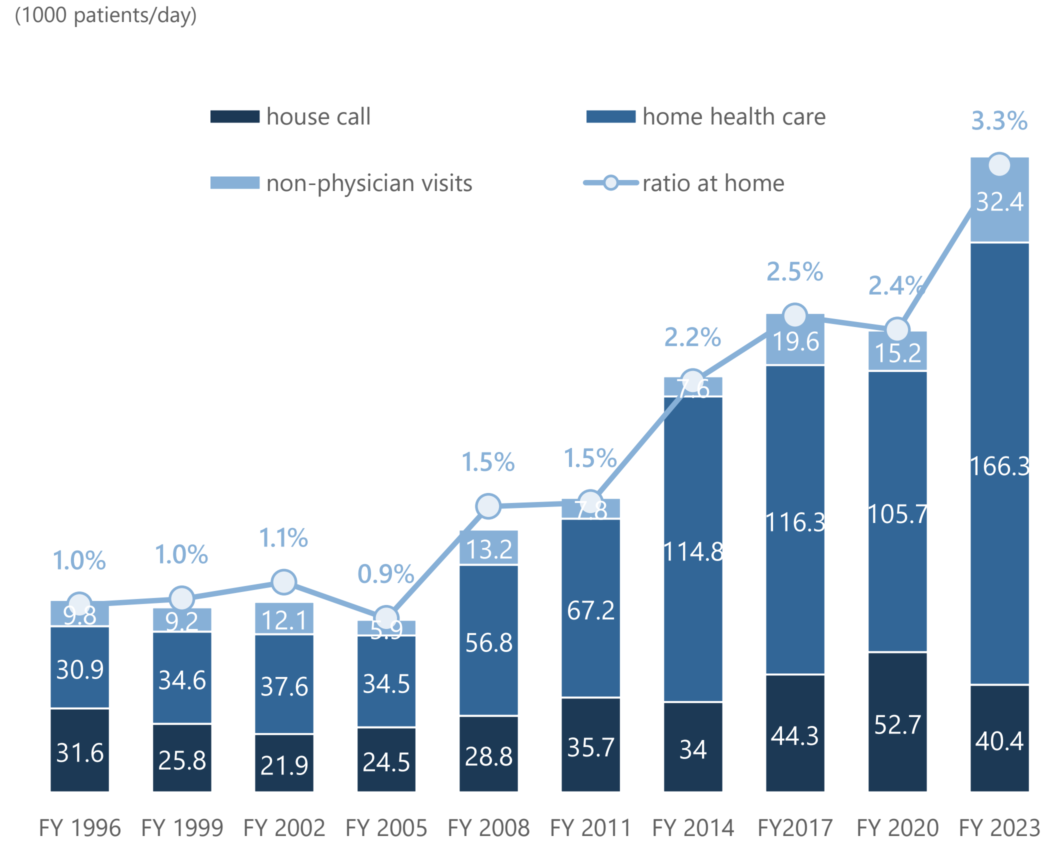
	rate of increase	number of increase
Care-Needed 5	33 %	190,000 people
Care-Needed 4	37 %	280,000 people
Care-Needed 3	34 %	280,000 people
Care Needed 2	29 %	320,000 people
Care Needed 1	27 %	340,000 people
Needed Support 2	20 %	180,000 people
Needed Support 1	16 %	150,000 people
Total	28 %	1.75 million people

Sources: "Population Estimates (October 30)" (the Ministry of Internal Affairs and Communications), "Long-Term Care Insurance Business Status Report (October 30)" (the Ministry of Health, Labour and Welfare), "Japan's Future Population Estimates (April 29) (Mid-Birth (Mid-Death) Estimates)" (the National Institute of Population and Social Security Research)

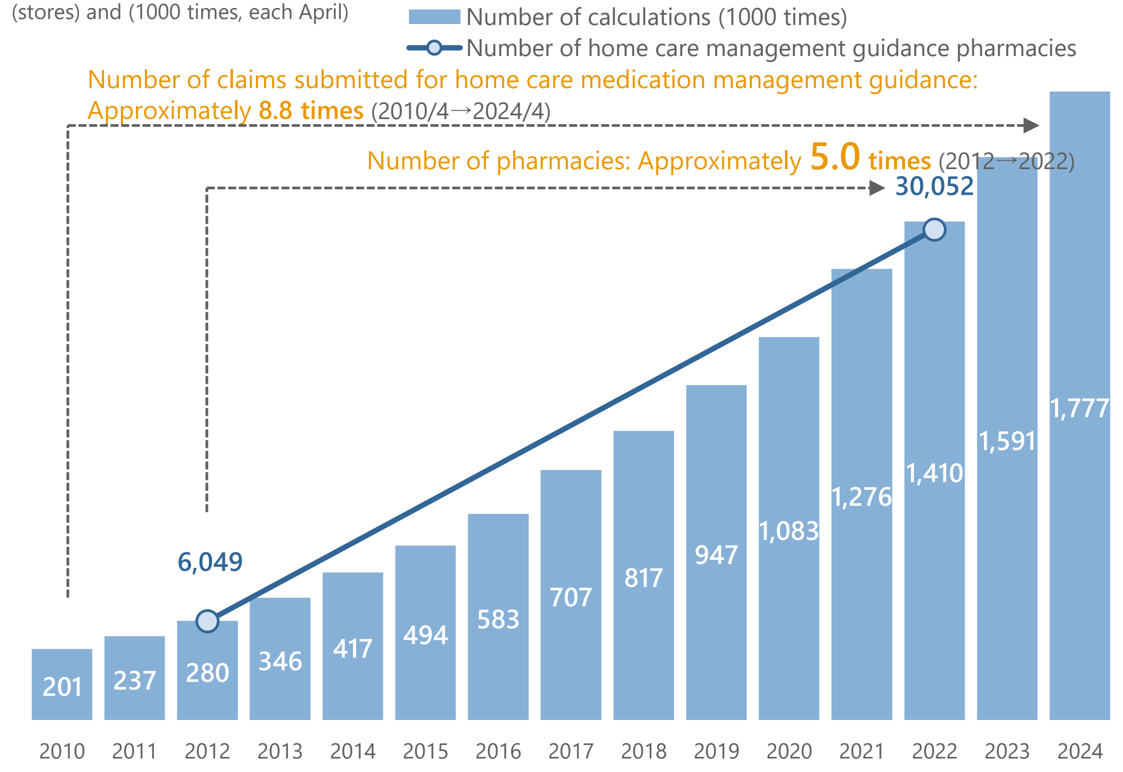
Business Environment home care patients and Home Pharmacies

- The number of home-visit medical care patients has been on the rise. With the increase in the elderly population, the number increased rapidly from around 2008, reaching 239000 per day in 2023.
- The ratio of home care patients to total patients has also accelerated in tandem with the promotion of comprehensive care systems. The ratio rose to 3.3% in 2023.

Number of home care patients
Ratio of home care patients to total patients



Number of pharmacies providing home care management guidance (personal pharmacy contract with patients)
Number of pharmacies calculated for in-home medical care management guidance expenses



Source: the Ministry of Health, Labour and Welfare, "Patient Survey" and "Monthly Statistics on Long-Term Care Benefit Expense, etc.," for April each year.

HYUGA PRIMARY CARE　Company Profile

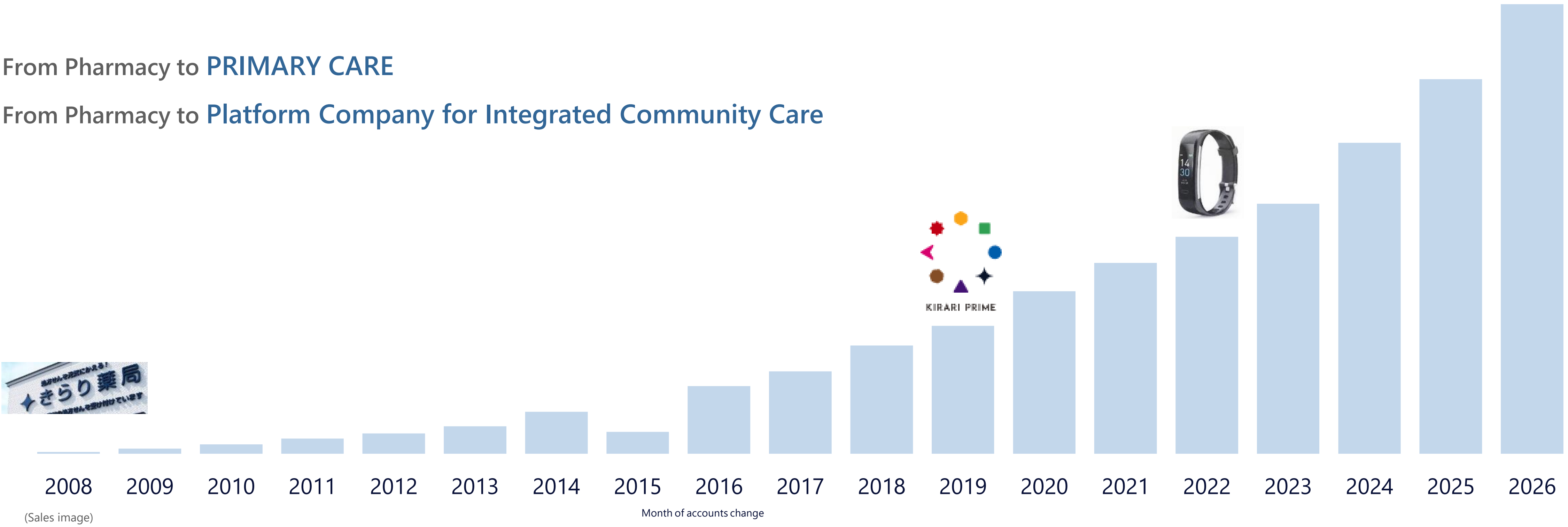
History

Medical Nursing & Care
PRIMARY CARE HOME

History and business development

From Pharmacy to PRIMARY CARE

From Pharmacy to Platform Company for Integrated Community Care



Home-Visit Pharmacy Business — Care plan business — Kirari Prime Taisapo business — ICT business — Primary Care Home Business

Hyuga Pharmacy Co., Ltd. established — Capital and business alliance with M3 Group — Name change

Implementation of online medication guidance within the first-in-the-nation health insurance system

Financial Highlights *

Year and year		13th term March 2020	14th term March 2021	15th term March 2022	16th term March 2023	17th term March 2024	18th term March 2025	19th term March 2026
Sales	(thousands of yen)	4,331,638	5,086,031	5,782,604	6,657,448	8,285,853	9,984,799	11,983,152
Ordinary profit	(thousands of yen)	122,368	250,720	506,182	557,751	716,880	1,022,789	776,166
Net income attributable to owners of the parent	(thousands of yen)	32,903	97,140	328,454	382,876	441,027	719,030	501,884
Capital	(thousands of yen)	100,000	104,742	171,915	185,912	195,382	200,216	200,457
Total number of shares outstanding	(share)	11,074	11,369	3,499,100	3,572,000*	7,246,000	7,277,200	7,279,000
Net assets	(thousands of yen)	502,838	609,463	1,072,264	1,483,134	1,643,125	2,371,782	2,731,546
Total assets	(thousands of yen)	1,771,859	2,015,029	2,531,605	2,914,911	6,354,996	7,051,212	8,290,096
Net assets per share	(Yen)	151.36	178.69	153.22	207.61**	231.46	332.65	383.01
Net income per share	(Yen)	9.9	28.99	47.90	53.92**	62.05	101.12	70.38
Capital ratio	(%)	28.4	30.2	42.4	50.9	25.9	33.6	32.9
return on equity	(%)	6.8	17.5	39.1	30.0	26.8	35.8	19.7
Operating cash flows	(thousands of yen)	34,733	351,821	484,597	342,252	706,642	771,322	492,943
Invested cash flows	(thousands of yen)	- 165,236	- 77,591	- 320,255	- 383,393	- 1,125,097	- 473,978	- 319,130
Financial cash flows	(thousands of yen)	- 6,259	36,641	16,927	- 110,728	538,778	- 419,427	281,880
Cash and cash equivalents at end of year	(thousands of yen)	227,416	538,288	719,557	567,688	688,010	565,926	1,021,619
Number of employees (Average number of other temporary employees)	(persons)	283 (93)	312 (96)	329 (102)	442 (100)	544(113)	708(137)	882(139)

* Our company conducted a 2 for 1 stock split of its common stock on April 1, 2023. The total number of shares issued after the split is 7,144,000.
** our company conducted a 2 for 1 stock split of its common stock on April 1, 2023. Assuming that the stock split was conducted at the beginning of the 16 th fiscal year, net assets per share and net income per share are calculated.
*Financial highlights are based on the calculation method used in the Annual Securities Report.

Strengthening the Third Step to Growth

The Growth Step

Expanding the Platform for Community Comprehensive Care Systems

To Growth
The Third Step

Integration of nursing homes and IoT

2021 - Home health care and nursing care sector platform provided
2023 - Primary care home opened

Primary Care Home Business

To Growth
Second Step

Use of home pharmacy know-how

2019: Home pharmacy platform provided

Multi-faceted support for patients at home

2010 - Provision of care plan
2019 - Discharge support

Kirari Prime Business

Toward Growth
First Step

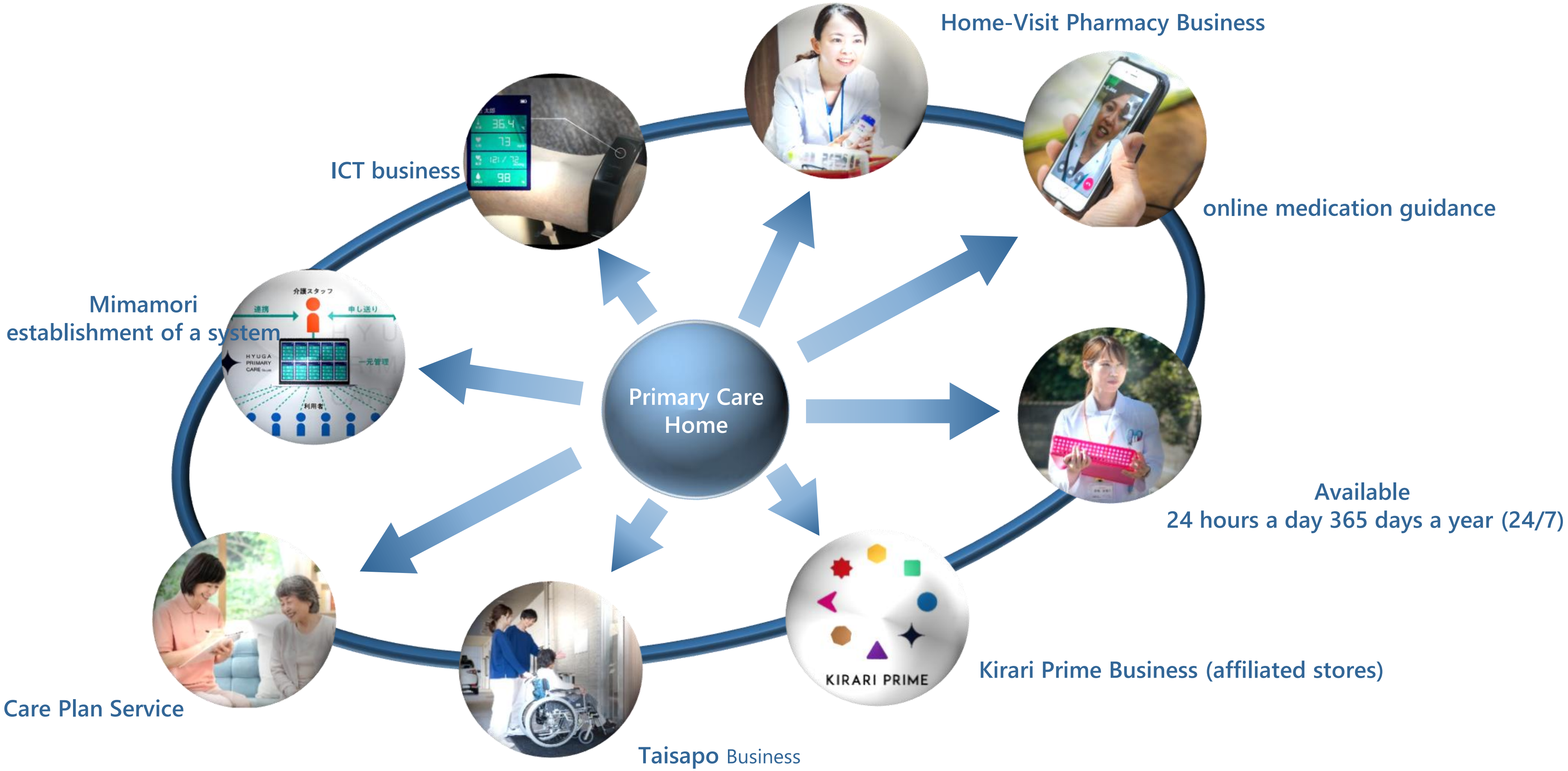
Accumulating Home Pharmacy Know-how

2008 - Provision of drugs Provision of home-visit medication guidance

Home-Visit Pharmacy Business
Kirari Pharmacy

Strengthening the third step for growth
Establishing a cross-cell structure centered on facility management

- The facilities for the elderly operated in the Third step will be the starting point of cross-selling with the Home-Visit Pharmacy Business, Kirari Prime Business, Taisapo Business, and Care Plan Business.
- Maximize business opportunities in our company by generating synergies among businesses
- At the same time, improve the QOL of users and patients by improving services through cooperation between businesses.



First step

Home-Visit Pharmacy Business

Home-Visit Pharmacy Business

About the Home-Visit Pharmacy Business

One of the social infrastructures that enable people to receive medical care with peace of mind at home, 24 hours a day, 365 days a year (24/7).

Main business

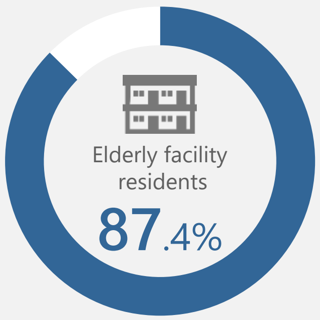
① Pharmacists regularly visit patients at home

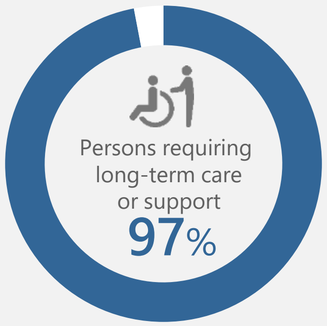
② The pharmacist reports the results of the visit to the prescribing physician/care manager.

③ New medication proposals were made to prescribing physicians according to the patient's condition

patient attributes

(as of the end of March 2022)





high entry barriers

Conventional pharmacies entering the home pharmacy business

New entrant (pharmacy)

Operating barrier	Store barrier	talent barrier
high human productivity	Ensuring a large dispensing room･high capacityutilization	Recruitment and training of highly skilled pharmacists

Know-how accumulated through extensive experience in home-visit pharmacies

24 hours a day, 365 days a year System capable of responding	ability to acquire patients at home	high communication ability (Patient/care manager/physician)
On an efficient visitation route setting force		Wide range of insurance knowledge from medical care to nursing care
		Of the duty to report to the physician know-how

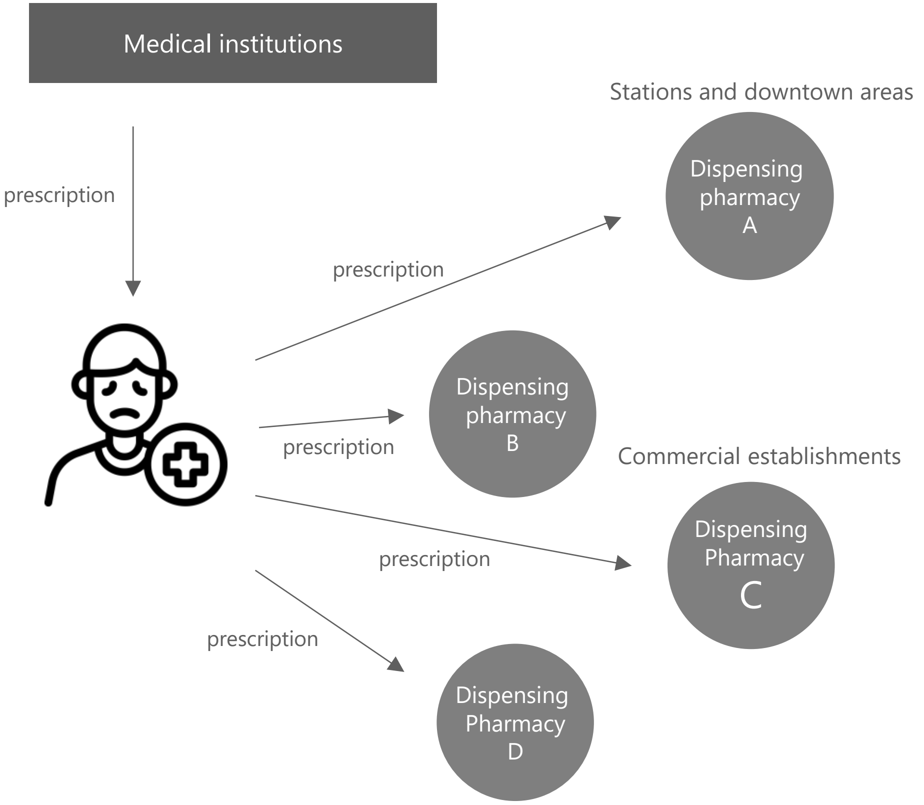
These are likely to be time-consuming and costly to overcome.

Home-Visit Pharmacy Business (2) Aim and location of new stores

Pharmacies near medical institutions

"Outpatients themselves visit pharmacies"

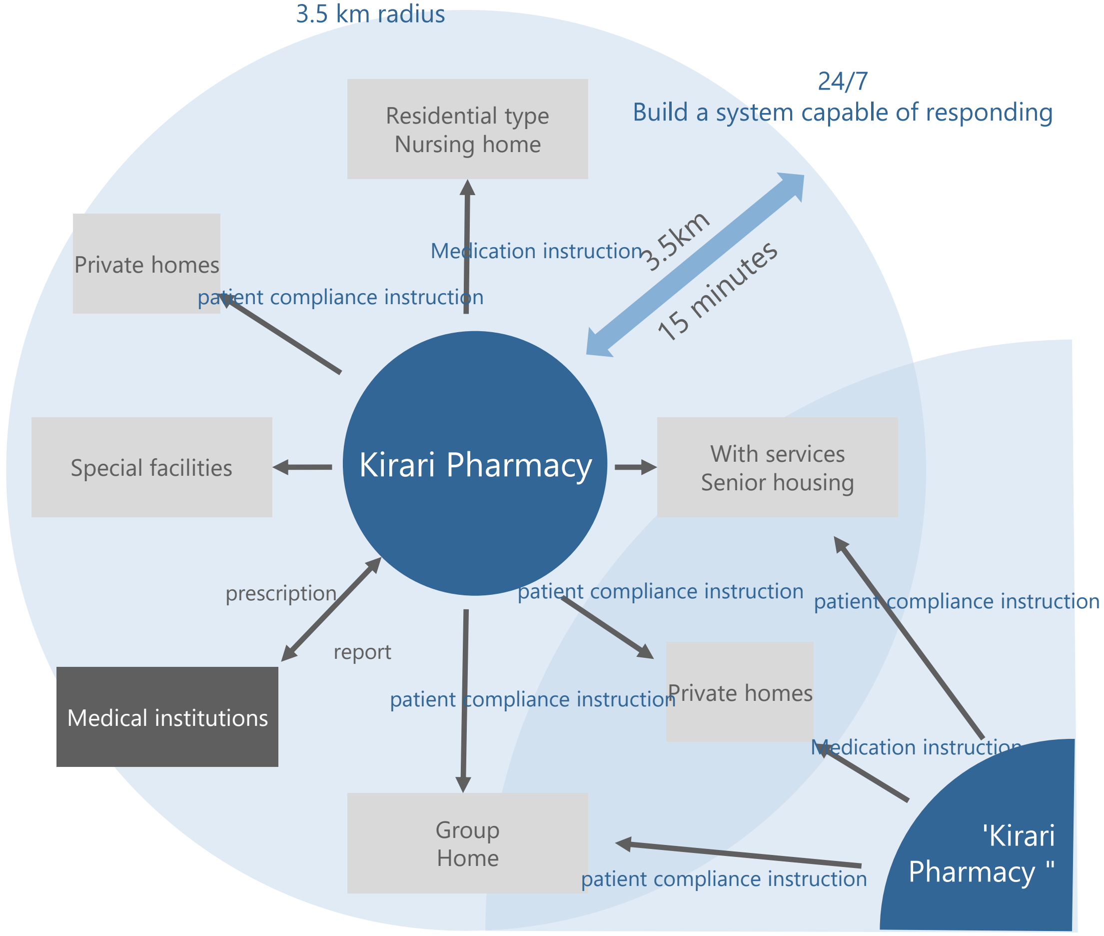
- Open stores near medical institutions where outpatient visits are expected
- Therefore, there are many cases where the store is located close to competing pharmacies
- The cost of opening a store tends to be higher because location is important



Home visit Pharmacy

"Pharmacist visits after signing contract with patient"

- No specific requirements for opening stores
- **Ability to form long-term partnerships with residents of senior living facilities who have difficulty visiting hospitals**
- Improve visiting efficiency by pursuing a dominant approach with a 3.5 km radius



Home-Visit Pharmacy Business (3) Number of dispensing fees

Comparison of dispensing fee points

Home-based dispensing has about double the number of reward points compared to conventional dispensing methods. That means more work, but more business opportunities
On the other hand, the human connection with the patient is stronger, and the possibility of signing a long-term contract is higher.
Collaborating with doctors, etc. can also contribute to improving the QOL of patients

Pharmacies near medical institutions

(dispensing fee points)

Dispensing technical fee and pharmacy management fee
310 points

Medication fee
(cost of goods purchased + profit)
700 points

Home visit Pharmacy

(dispensing fee points)

Caregiving fees
Home care management guidance fees
342 units

Two-storey

dition of community support system and integrated home pharmacy system
Dispensing technical fees and pharmacy management fees
414 points

Medication fee *
(cost of goods purchased + profit)
700 points

*There are more types of medications to be prescribed than for outpatients,
and drug prices per prescription tend to be higher.

Comparative example per prescription for 14 days of oral medication

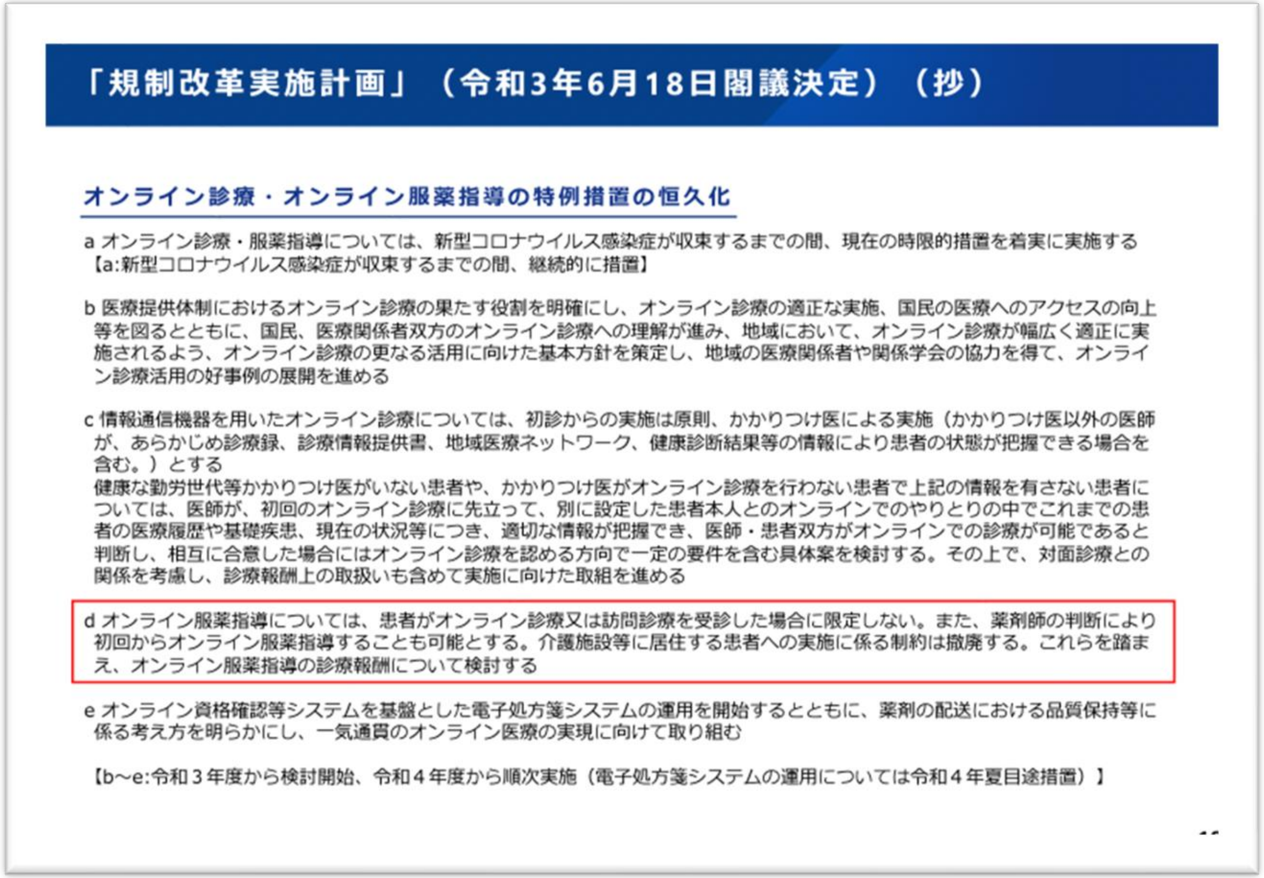
additional incurred business

- Visiting nursing homes and homes
- Report to the doctor
- More detailed response tailored to the patient's physical condition and condition
- 24/7

Contributing to improving patients' QOL

Home-Visit Pharmacy Business “Online medication instruction for nursing homes”

- Online medication instruction for nursing homes was deregulated in April 2022.
- After the online medication instruction, the office staff provides door-to-door delivery of medications. By separating the “guidance” and “door-to-door delivery” that pharmacists used to do, and entrusting the latter to the office staff, we can improve operational efficiency.



「規制改革実施計画」（令和3年6月18日閣議決定）（抄）

オンライン診療・オンライン服薬指導の特例措置の恒久化

a オンライン診療・服薬指導については、新型コロナウイルス感染症が収束するまでの間、現在の時限的措置を着実に実施する
【a:新型コロナウイルス感染症が収束するまでの間、継続的に措置】

b 医療提供体制におけるオンライン診療の果たす役割を明確にし、オンライン診療の適正な実施、国民の医療へのアクセスの向上等を図るとともに、国民、医療関係者双方のオンライン診療への理解が進み、地域において、オンライン診療が幅広く適正に実施されるよう、オンライン診療の更なる活用に向けた基本方針を策定し、地域の医療関係者や関係学会の協力を得て、オンライン診療活用の好事例の展開を進める

c 情報通信機器を用いたオンライン診療については、初診からの実施は原則、かかりつけ医による実施（かかりつけ医以外の医師が、あらかじめ診療録、診療情報提供書、地域医療ネットワーク、健康診断結果等の情報により患者の状態が把握できる場合を含む。）とする
健康な勤労世代等かかりつけ医がいない患者や、かかりつけ医がオンライン診療を行わない患者で上記の情報を有さない患者については、医師が、初回のオンライン診療に先立って、別に設定した患者本人とのオンラインでのやりとりの中でこれまでの患者の医療履歴や基礎疾患、現在の状況等につき、適切な情報が把握でき、医師・患者双方がオンラインでの診療が可能であると判断し、相互に合意した場合にはオンライン診療を認める方向で一定の要件を含む具体案を検討する。その上で、対面診療との関係を考慮し、診療報酬上の取扱いも含めて実施に向けた取組を進める

d オンライン服薬指導については、患者がオンライン診療又は訪問診療を受診した場合に限定しない。また、薬剤師の判断により初回からオンライン服薬指導することも可能とする。介護施設等に居住する患者への実施に係る制約は撤廃する。これらを踏まえ、オンライン服薬指導の診療報酬について検討する

e オンライン資格確認等システムを基盤とした電子処方箋システムの運用を開始するとともに、薬剤の配送における品質保持等に係る考え方を明らかにし、一気通貫のオンライン医療の実現に向けて取り組む

【b～e:令和３年度から検討開始、令和４年度から順次実施（電子処方箋システムの運用については令和４年夏目途措置）】

High barrier to entry in the Home-Visit Pharmacy Business
"A pharmacy that can efficiently handle a large volume of dispensing operations"

Kirari Pharmacy Onojo

- The size of the dispensary is 65㎡, and there are approximately 5 full-time equivalent pharmacists.
- More than 3 times the size of the standard 18.9㎡ dispensary facility for 5 pharmacists.
- Responsible for dispensing approximately 720 * visiting patients

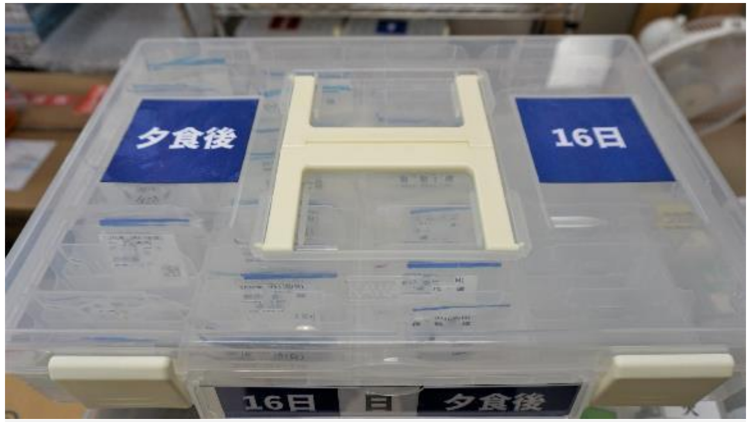
Compared to ambulatory pharmacies, home pharmacies require sufficient space to do the work due to the large number of dispensing processes

*As of the end of September 2022

High barrier to entry in the Home-Visit Pharmacy Business "personalized treatment tailored to patients and facilities and ingenuity to eliminate erroneous drugs"

Same patient's medicine set for one week

Change the color of the line every time you take it to make it easier to understand



A set of medicines taken by patients on the same floor of the facility at the time of taking them.

The facility staff gave it the best reviews. (It also takes the most time and effort)

Many calendar sets for patients in private homes

Reading QR code reveals drug information inside

After the patient's medicine is packed in one package by the packer, color line drawing and stapling of the medicine that can not be packed is done manually.

Setting work scene. Outpatient pharmacy type dispensaries are difficult to work in because they do not have such space.

Name, date, time of administration, name of prescribing hospital, etc. are printed on the medicine package.
Many are prescribed by multiple hospitals, including internal medicine, psychiatry, and orthopedics, and pharmacists make final confirmation of the combination.

High barrier to entry in the Home-Visit Pharmacy Business
“Pharmacists in home-visit pharmacies that don't just deliver drugs”

Check your physical condition and side effects from casual conversations and facial expressions with patients.

Depending on the type of nursing home, staffing and residents' dependence on medical care also vary. Understand it and communicate with it

Sharing information with facility staff about medications is mandatory
Not only verbally, but also through the company's at-home medication support system

Consultation with doctors to suggest changes to the most appropriate medication according to the patient's situation. Also involved in prescription design

Communicate drug side effects to other care providers through a care manager and suggest medication assistance

Discussions with care providers occur as needed, such as when starting new business. Negotiation and sales skills are required while listening to other parties' requests.

Second step

Kirari Prime Business

Kirari Prime Business

Business model and pricing system

Share of Kirari Prime Business Sales

Subscription Recurring Sales Ratio 70%

(As of FY2026)

Base rate — (1 corporation) 18,000 yen/month

Participation in study meetings
access to know-how materials
Respond to inquiries about home health care

Drug Purchase Negotiation Agent — 1 % of the proceeds

Support for pharmaceutical purchases from pharmaceutical wholesalers

Report system loan — 7,500 yen/month ~

Report preparation support for physicians and care managers

Consulting services — Annual package

Support for acquiring at-home care patients
Palliative care, technical fee calculation support, etc.

Other services — Additional fees

by our company Pharmacists
Responding to temporary prescriptions and night/holiday calls

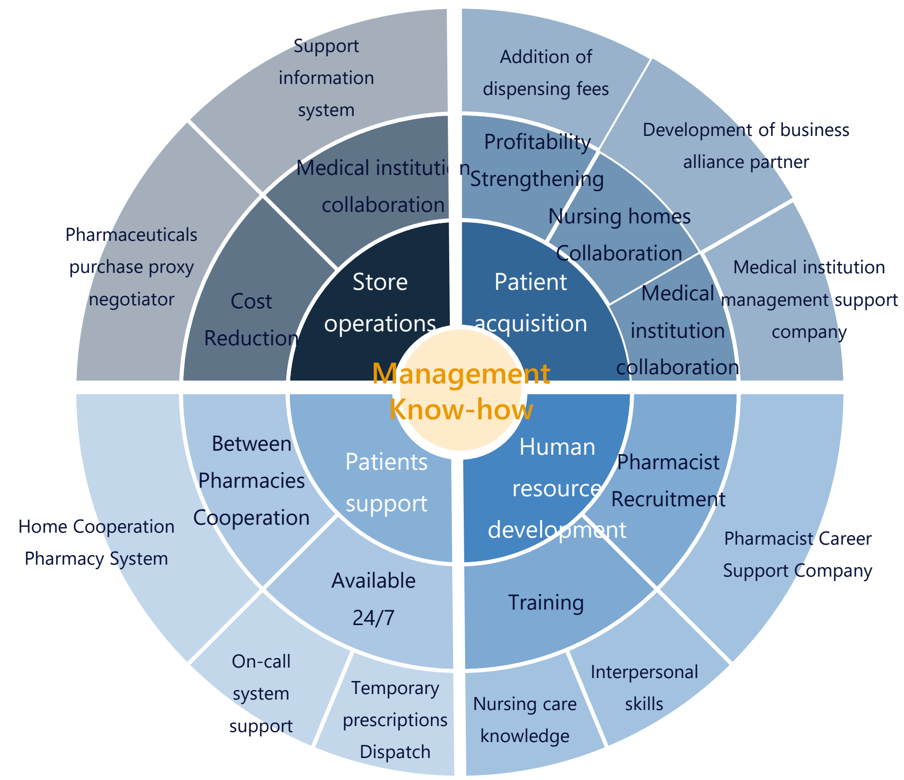
Subscription Model

Metered recurring Model

Competitiveness, Policy and Environment

the Ministry of Health, Labour and Welfare's Pharmacy Vision for Patients

Pharmacies near medical institutions → Home-Visit Pharmacy/
Expansion of comp…ve community care



Impact of drug price lowering/Expansion of major dispensing pharmacy stores

Survival as a dispensing pharmacy by small and medium sized pharmacy store

Third step

Primary Care Home Business

Facility Overview & Positioning of Elderly care facilities operated by our company

Facility concept and features

- Our company leases large elderly facilities
- Our company provides "Home Care - Regular and On-demand" for facility residents
- 24 hours a day, 365 days a year medical, nursing and nursing care can be provided in cooperation with cooperating medical institutions
- Contributing to improving the quality of life of users and patients by improving services through inter-business cooperation in our company's Home-Visit Pharmacy Business, care plan service, ICT, Taisapo Business and Kirari Prime Business
- Setting a cost system that is friendly to residents so that they can live to the end of their lives in a familiar facility even if their nursing care level increases
- Installing solar power and electric vehicle charging facilities, aiming for local production and local consumption of meals in the facility, and considering ESG

[Operated by our company]
"Primary Care Home Hyuga"
(Long-Term Care Services and Life Support Services)

- facility operation
- nursing care service

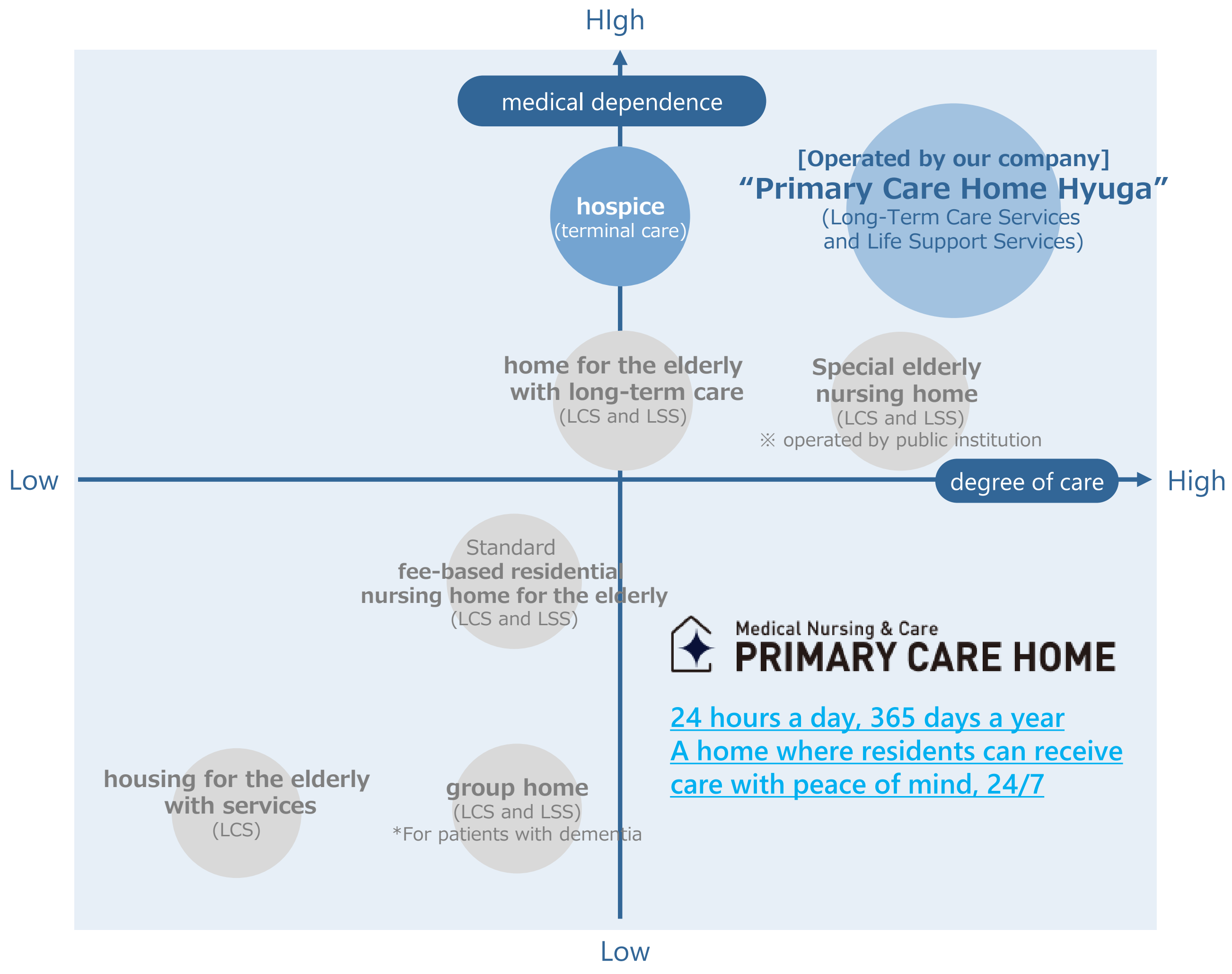
services that support the lives of the elderly

■ LSS：Life Support Services (not covered by long-term care insurance)
Services that can be used by people requiring support and people aged 65 and over, such as safety confirmation, life counseling, housework assistance, support for going out, and promotion of social participation

■ LCS：Long-Term Care Service (Long-Term Care Insurance System)
A physical care service (Mainly provided as home, facility, and community-based services) that can be used by people who need nursing care for the elderly and the disabled who have been certified as requiring long-term care

POSITIONING MAP

Developed as **critical infrastructure** for home medical care and community comprehensive care



Realize solution of trilemma structures

- Our facility management style can improve the problems faced by residents, facility management, and facility employees at the same time. We aim to establish a sustainable social infrastructure in an aging society by utilizing economies of scale, our company ICT business, and the Home-Visit Pharmacy Business.
- These can be the core hub functions of the community comprehensive care system. In the future, we may use this facility operation as a starting point for its business.

Trilemma structure of facility management

Occupant Challenges
- ✓ Heavy Economic Burden
- ✓ Concerns about collaboration with physicians

HYUGA PRIMARY CARE Co.,Ltd.

- ✓ Pursuing economies of scale through scale-up
- ✓ Benefits for tenants based on low rent
- ✓ Operational efficiency through ICT
- ✓ Know-how for dealing with regional comprehensive care

Facility Issues
- ✓ Securing Residents
- ✓ High Operation/ Construction Costs

Challenges for facility employees
- ✓ Heavy labor burden
- ✓ Long working hours and low salary

Differences from existing nursing homes

Benefits of moving in

Even if the level of nursing care increases, people can live until their last moments

- As their level of nursing care increases, their cost burden increases accordingly.
- However, by reducing the cost (hotel cost) burden associated with moving in, the total cost does not change significantly.

Degree of nursing care	Monthly amount
Care Level 1	154,000 yen
Care Level 2	144,000 yen
Care Level 3	102,000 yen
Care Level 4	96,000 yen
Care Level 5	89,000 yen

Expenses associated with moving in: Monthly image of personal burden
*There is a separate medical and long-term care cost burden

Cooperating with cooperating medical institutions: 24 hours a day, 365 days a year Medical and nursing care is available.

- We've worked with many medical institutions for many years.
  We can treat any diseases and symptoms. We can also refer you to a specialist.
- We can provide total support by collaborating with our pharmacists and care managers.

Responding to medical needs

- Dementia (moderate to severe)
- Gastrostomy
- tube feeding
- decubitus
- insulin administration
- phlegm aspiration

Medical insurance home nursing

- Total parenteral nutrition (IVH)
- Colostomy
- Home oxygen
- tracheostomy
- ventilator
- balloon catheter
- dialysis
- End-stage malignancy
- Amyotrophic lateral sclerosis (ALS)
- Parkinson's disease
- spinocerebellar degeneration
- myasthenia gravis
- multiple sclerosis
- terminal care

etc.

- 24/7 support "Home Care - Regular and On-demand"
- Improving operational efficiency through ICT

Although it was difficult for conventional fee-based nursing homes

We have made it possible to respond to all medical needs.

Visiting services provided: Home Care - Regular and On-demand

- Frequent visits are made possible to provide residents with enhanced services when they need them, within the classified payment limits of long-term care insurance.
- Users can continue their lives without changing their location even if their level of nursing care changes because the amount of burden is reduced.
- As a community-based service, we provide services not only to facility residents but home residents

"Comparative example of services provided to persons requiring long-term care 5"

Conventional	Primary Care Home
Use of Nursing Care & Home Nursing	Use of Home Care - Regular and On-demand

Payment limit: 36,217 units (about 370,000 yen)

Conventional:

- Welfare equipment rental, etc.
- Home nursing care: Meal Assistance
- Home nursing care: Bathing Assistance
- Home nursing care: Body maintenance
- **Home nursing**
- Home nursing care: Postural change
- Home nursing care: walking assistance
- Home nursing care: Assistance with daily activities
- **Home nursing**

Primary Care Home:

- Welfare equipment rental, etc.

Home Care - Regular and On-demand 28,298 units * with addition and subtraction

- Meal assistance
- Bathing assistance
- Body maintenance
- Postural change
- Excretion assistance
- Walking assistance
- Visiting nursing, etc.

By One Plan Freely Customize

Use exceeding the limit is borne by the actual cost

Provide substantial services within the limit

Home NursingCare

- Performance fee (pay-as-you-go)
- Service is mainly provided during the day
- Emergency response (as needed): Not possible
- Not frequent users ⇒ cheap
- Frequent users ⇒ If the payment limit is exceeded, the handling cost will be incurred.

[Home Care - Regular and On-demand]

- **comprehensive payment (subscription service)**
- 24/7 system
- Emergency response available : No additional charge
- flat rate system with no time constraints
- Even if you use it frequently, you can be assured about the cost.

Financial Results for the Fiscal Year Ended March 2026

HYUGA PRIMARY CARE Co., Ltd.

May 2026