

Tokyo Stock Exchange (TSE) Prime Market
Securities code: 6099

Bringing smiles to your
hospital/elderly facility stay



ELAN Corporation

Operating Results for the First Quarter of Fiscal 2025 Ended March 31, 2025

ELAN Corporation

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1. Operating Results for the First quarter of Fiscal 2025

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1. Increase in Net sales and Operating profit

- Net sales: +16.9% YoY. Due to the increase in the number of users following the acquisition of new CS set contracts in the previous quarter and this quarter.

2. Collaboration with M3 Group

- Implemented joint proposals to medical institutions and confirmed early results.
- Cost reduction effects by taking advantage of the Group's purchasing power began to emerge.
- Developed differentiated product for CS set. Demonstration trial scheduled soon.

3. Overseas Expansion

- Acquired 51% of TMC (laundry service provider in Hanoi, Vietnam) as a subsidiary in January 2025.
- With GREEN (laundry service provider in Ho Chi Minh City, Vietnam), aiming to expand market share and develop new business in the laundry service industry in Vietnam.

Summary of Consolidated Financial Results for the First Quarter of 2025

- The increase in net sales was mainly due to an increase in the number of users following the acquisition of new CS sets contracts in the previous quarter and this quarter (2024Q4: 101 facilities contracted / 34 facilities cancelled; 2025Q1: 57 facilities contracted / 38 facilities cancelled).
- The decrease in gross profit margin was mainly due to the cost of lifte(original patient gown) introduced at 41 facilities.

(Millions of yen)

	FY 2024 Q1 ①	FY 2025 Q1 ②	YoY Change ②-①	Main factors
Net sales	11,486	13,433	+1,946	● New CS set contract
Gross profit	2,820	2,993	+173	
Gross profit to net sales(%)	24.6	22.3	(2.3)	● Promotion of original patient gowns (lifte) (costing approximately ¥310 million)
SG&A	1,761	1,806	+44	
SG&A to net sales(%)	15.3	13.4	(1.9)	● Last year, we recorded approximately ¥150 million in Vietnam M&A expenses, which was higher than in previous years
Operating profit	1,059	1,187	+128	
Operating profit to net sales(%)	9.2	8.8	(0.4)	
Ordinary profit	1,065	1,180	+114	
Ordinary profit to net sales(%)	9.3	8.8	(0.5)	
Profit Attributable to Owners of Parent	726	800	+73	
Profit to net sales(%)	6.3	6.0	(0.3)	

Sales and Profit by Segment (Domestic/Overseas)

- Started PL consolidation of GREEN (a wholly owned subsidiary in Vietnam) from Q4,2024.
- Started PL consolidation of TMC (51% subsidiary in Vietnam) from Q1,2025.

(Millions of yen)

	2022	2023	2024	2025 1Q
Net sales	36,264	41,425	47,513	13,433
Domestic	36,264	41,425	47,243	13,050
Overseas				
Vietnam	0	0	269	383
India	0	0	0	0
Gross profit	9,027	9,751	10,716	2,993
Domestic	9,027	9,751	10,545	2,840
Overseas				
Vietnam	0	0	171	153
India	0	0	0	0
Operating profit	3,391	3,665	3,577	1,187
Domestic	3,391	3,665	3,480	1,134
Overseas				
Vietnam	0	0	96 ^{※1}	53 ^{※1}
India	0	0	0	0

※1 Operating profit in Vietnam includes goodwill amortization.

Status of overseas expansion

- Started consolidation of TMC in Vietnam from 1Q2025.

Country	Company	Business type	Investment ratio	Consolidated balance sheet	Companies accounted for using the equity method
India	 Boston Ivy Healthcare Solution Pvt. Ltd. (BIHS)	Sales of medical materials, etc.	5% or less	×	×
India	 Quick Smart Wash Pvt. Ltd. (QSW)	Laundry service for hospitals	42.18%	×	×
India	 AKAL	Temporary staffing	5% or less	×	×
Vietnam	GREEN LAUNDRY JOINT STOCK COMPANY (GREEN)	Laundry service for hospitals	100%	BS : From 3Q2024 PL : From 4Q2024	-
Vietnam	TMC VIET NAM TRADING AND SERVICE JOINT STOCK COMPANY (TMC)	Laundry service for hospitals	51%	BS : From 1Q2025 PL : From 1Q2025	-

Summary of Consolidated Financial Results for the Year Ended December 31, 2025

- Additional goodwill was recorded due to the consolidation of TMC (51% subsidiary in Vietnam) from 1Q2025.

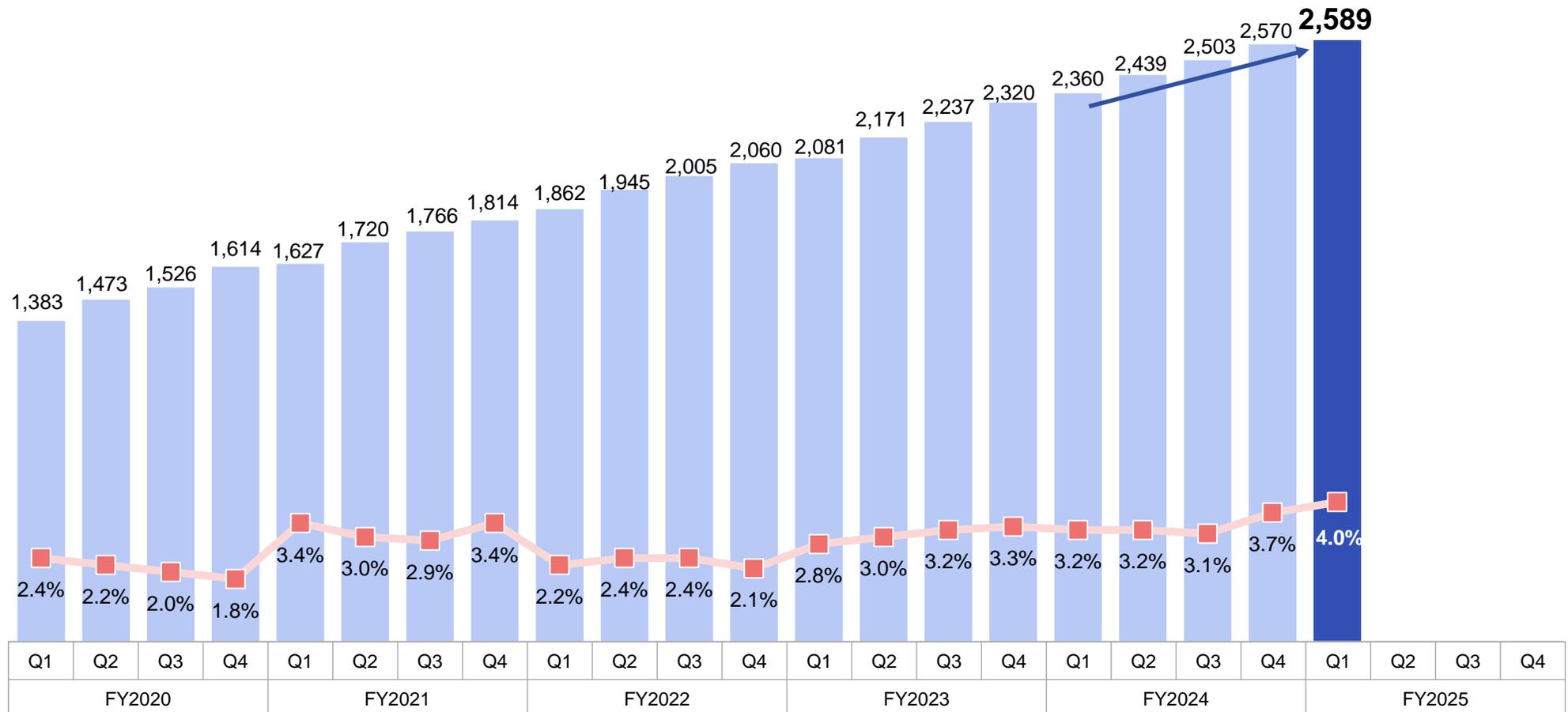
(Millions of yen)

	FY 2024 ①	FY 2025 Q1 ②	YoY Change ②-①	Main factors
Total assets	21,605	22,447	+841	
Cash and deposits	6,849	5,221	(1,627)	● Dividends of approx. 780 million yen, TMC acquisition costs of approx. 1.11billion yen
Supplies	741	754	+12	● Inventory of original patient clothes (Lifte)
Total Property, plant and equipment	575	1,409	+833	● TMC's plants, facilities, etc.
Goodwill	813	1,623	+809	● Consolidation of TMC
Total liabilities	9,104	9,894	+790	
Short-term borrowings	0	232	+232	● Consolidation of TMC
Long-term borrowings	76	547	+470	● Consolidation of TMC
Total net assets	12,501	12,552	+50	

Contracted facilities and Cancellation rate (at last month of quarter)

Contracted facilities (at last month of quarter) increased **9.7%** YoY.

Contracted facilities and Cancellation rate (at last month of quarter)

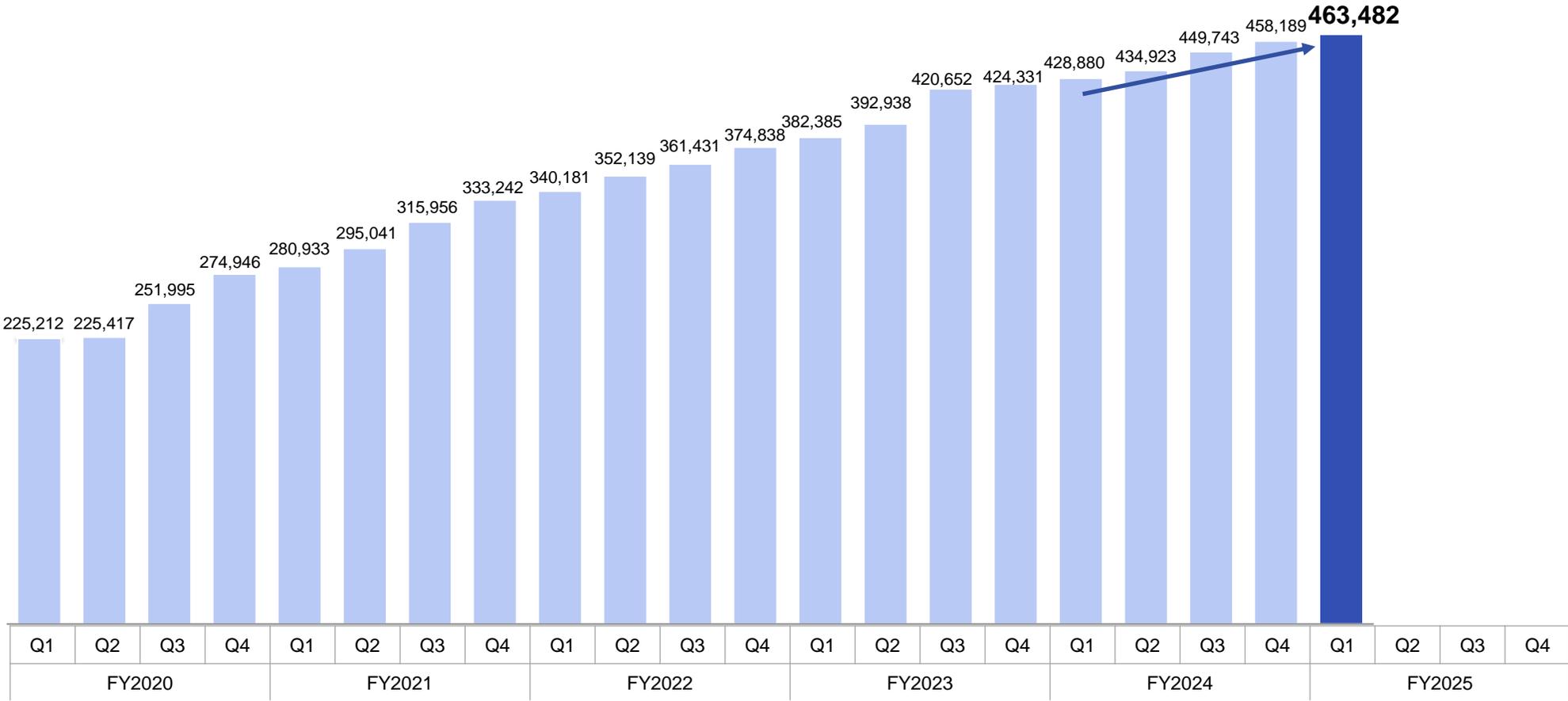


Note: Cancellation rate for the year = Number of cancellations in current year / (Contracts at end of previous year + New contracts in current year)

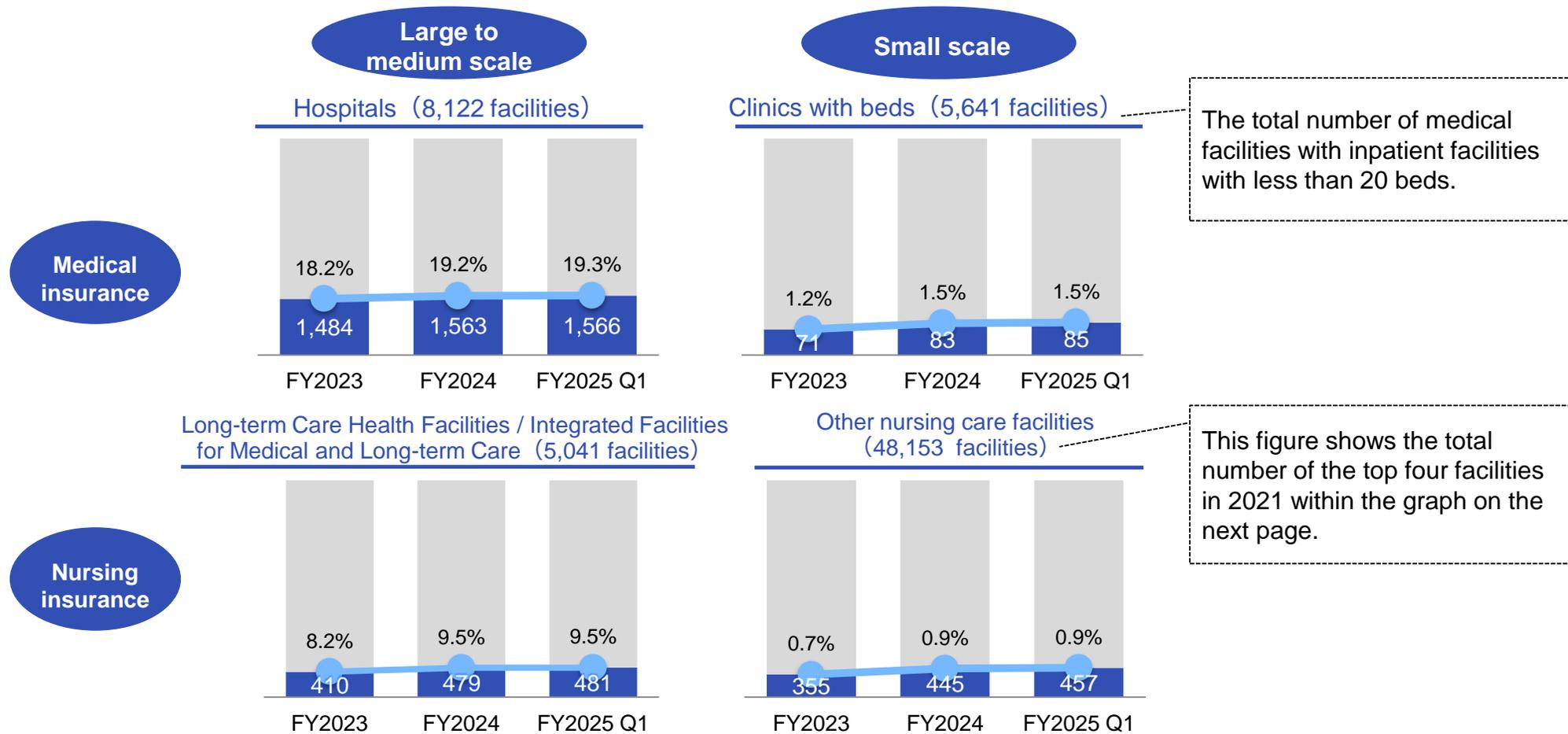
Monthly Users (Average during the quarter)

■ Monthly Users (Average during the period) increased **8.1%** YoY.

Monthly Users (Average during the period)



- Continue to focus on large- to medium-sized “Hospitals, Long-term Care Health Facilities, Integrated Facilities for Medical and Long-term Care”.



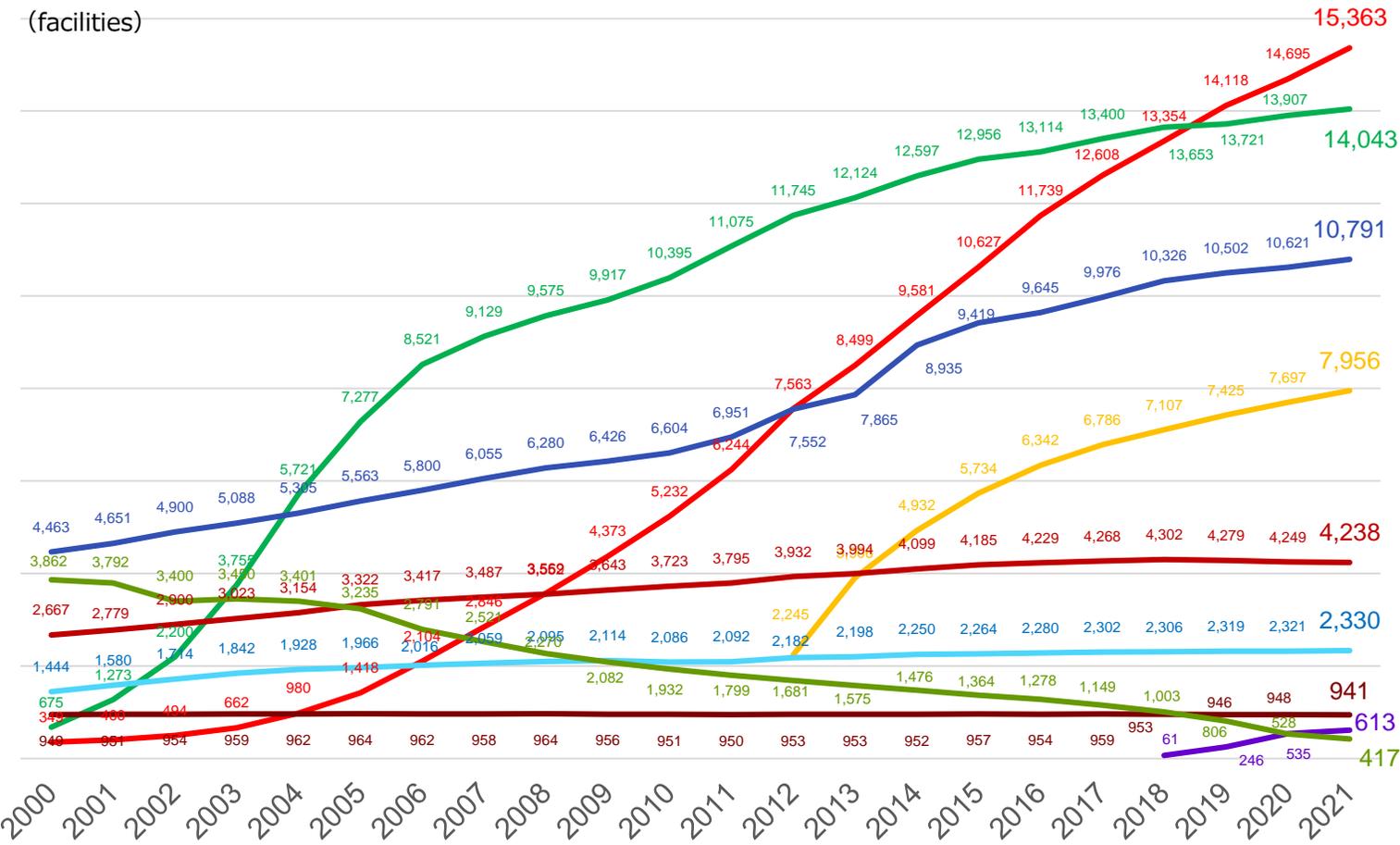
Notes: Prepared by ELAN with reference to the Survey of Medical Facilities 2023 and the Survey of Institutions and Establishments for Long-term Care 2023 by the Ministry of Health, Labor and Welfare.

Number of facilities and housings for the elderly

- The facilities tabulated in the “Other nursing care facilities” graph on the previous page are the top four facilities in the graph below.
- These are facilities that provide care in an environment similar to a typical home.
- We consider that facility types, which are growing in number, can be promising targets.

Number of facilities and housing for the elderly

(facilities)



Nursing home (Relatively expensive)

Group home for the elderly with dementia

Nursing home

Residences for the Elderly with Services

Long-term Care Health Facilities

Light nursing home

Integrated Facilities for Medical and Long-term Care

Long-term care medical facilities

Notes: Prepared by Elan based on page 10 of the document linked here ([Ministry of Health, Labor and Welfare meeting materials](#)).

Annual trends in New services and New products

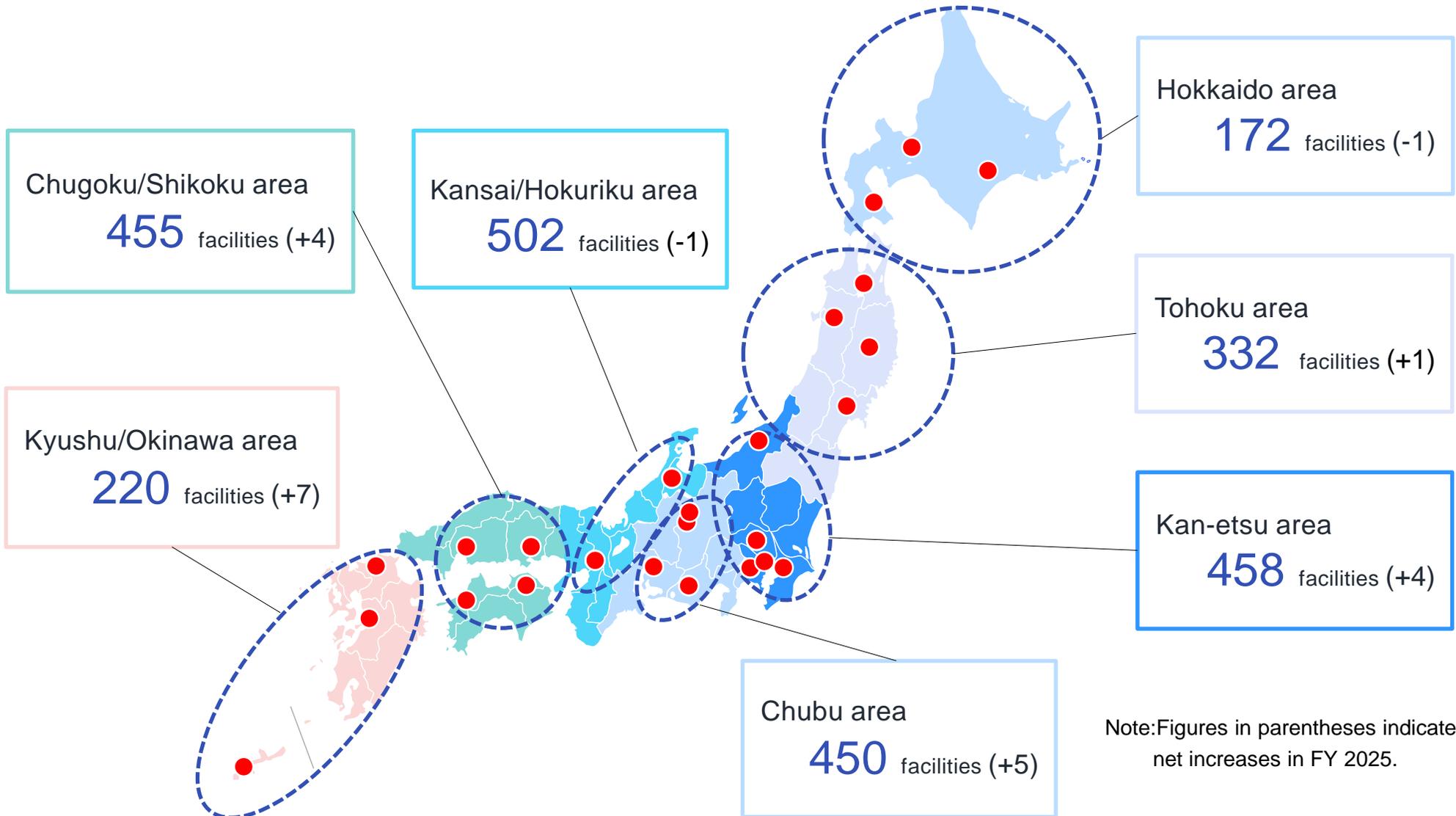
- CS Set R introduced in **28** facilities in 1Q alone.
- CS Set LC introduced in **6** facilities in 1Q alone.
- Original patient gowns (lifte) introduced at **41** facilities in 1Q alone.

Annual trends in New services and New products

		2021	2022	2023	2024	2025 Q1	Most Recent Initiatives
Number of facilities with CS Set R	Facility	101	149	230	278	306	◆ 16 facilities were added to existing facilities in 1Q
Adoption rate of CS Set R	%	5.6%	7.2%	9.9%	10.8%	11.8%	
Number of facilities with CS Set LC	Facility	83	123	192	230	236	◆ Working to add about the same number as in 2024
Adoption rate of CS Set LC	%	4.6%	6.0%	8.3%	8.9%	9.1%	
Number of facilities with Lifte	Facility	1	8	52	252	293	
Adoption rate of Lifte	%	0.1%	0.4%	2.2%	9.8%	11.3%	
(New service/product under development)		-	-	-	-	-	
(New service/product under development)		-	-	-	-	-	
(New service/product under development)		-	-	-	-	-	

ELAN's Operating Bases and Number of Contracted Facilities Throughout Japan (as of March 31, 2025)

■ Decreased in Hokkaido area and Kansai/Hokuriku area due to the impact of cancellations at the end of the fiscal year (March).



1

Promoting new business development and enhancing the added value of CS Sets through collaboration with M3's existing services

- CS Set: **Developed differentiated product for CS set. Demonstration trial scheduled soon**
- In addition to receiving assistance in developing discharge and home care packages, ELAN will also contribute to improving the quality of life of patients and improving the management of medical institutions through support that leads to early discharge by M3
- By acquiring patient contacts through ELAN, M3 will expand the to-C platform for which they provide services

2

Cross-selling to business partners of both parties

- **Implemented joint proposals to medical institutions and confirmed early results**

3

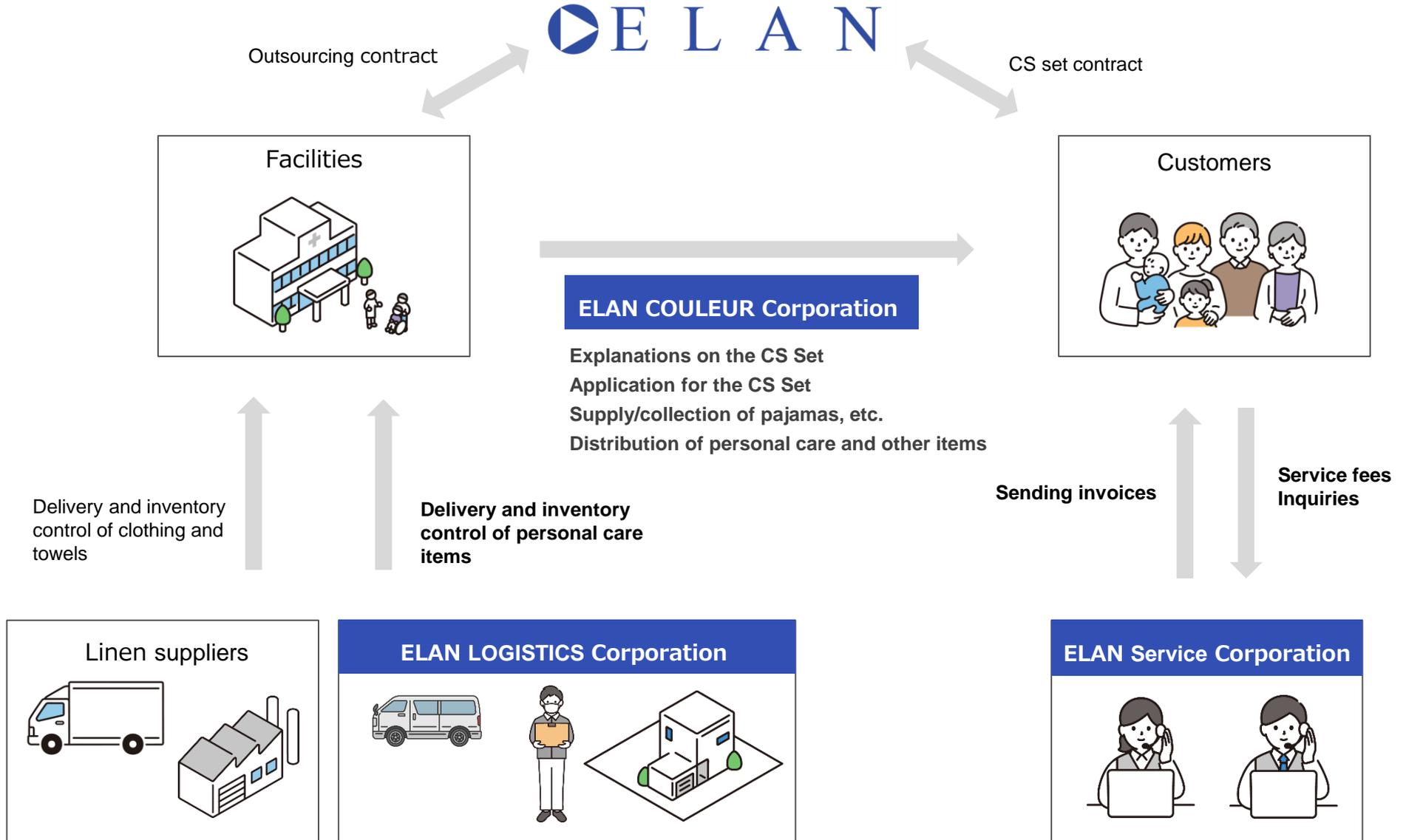
Enhancing the competitiveness by leveraging M3's resources

- **Cost reduction effects by taking advantage of the Group's purchasing power began to emerge**

4

Support for overseas expansion

- Assumes information gathering and sales cooperation for expanding ELAN's overseas development. Also possible to get assistance entry into markets that have not yet been developed



		2021	2022	2023	2024	2025 Q1
ELAN Service Corporation						
Number of contracted companies (hospitalization set)	Companies	4	5	9	13	14
Number of Facilities (hospitalization set)	Facilities	22	30	36	65	72
Number of contracted companies (other)	Companies	0	0	2	4	5
Number of Facilities (other)	Facilities	0	0	2	11	17
ELAN LOGISTICS Corporation						
Number of Facilities for delivery	Facilities	73	110	242	376	386
ELAN COULEUR Corporation						
Number of contracted facilities	Facilities	0	0	45 ^{※2}	51 ^{※2}	50
Number of employees with disabilities ^{※1}	People	0	0	13	25	24

※1 ELAN COULEUR Corporation aims to create employment opportunities for people with disabilities and to support hospitals in hiring people with disabilities.

※2 Due to a review of the definition of the aggregation method, the figures have been changed from the previous financial supplement.

2. Earnings forecast of Fiscal 2025

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Forecast of Operating Results for Fiscal 2025

- Aim for 24.2% sales growth in FY 2025 through acquisition of new CS set facilities, synergies with M3, new businesses, and overseas operations.

(Millions of yen)

	Fiscal 2024 First Half Results	Fiscal 2025 First Half Results	YoY Change	Fiscal 2024 Results	Fiscal 2025 Forecast	YoY Change
Net sales	22,844	27,100	18.6%	47,513	59,000	24.2%
Operating profit	1,930	2,160	11.9%	3,577	4,720	31.9%
Ordinary profit	1,948	2,170	11.4%	3,545	4,740	33.7%
Profit Attributable to Owners of Parent	1,325	1,390	4.9%	2,354	3,090	31.2%
EPS	21.92yen	22.94yen		38.94yen	50.99yen	

■ The Medium-Term Management Vision has been changed from the figures announced on February 26, 2024 as follows.

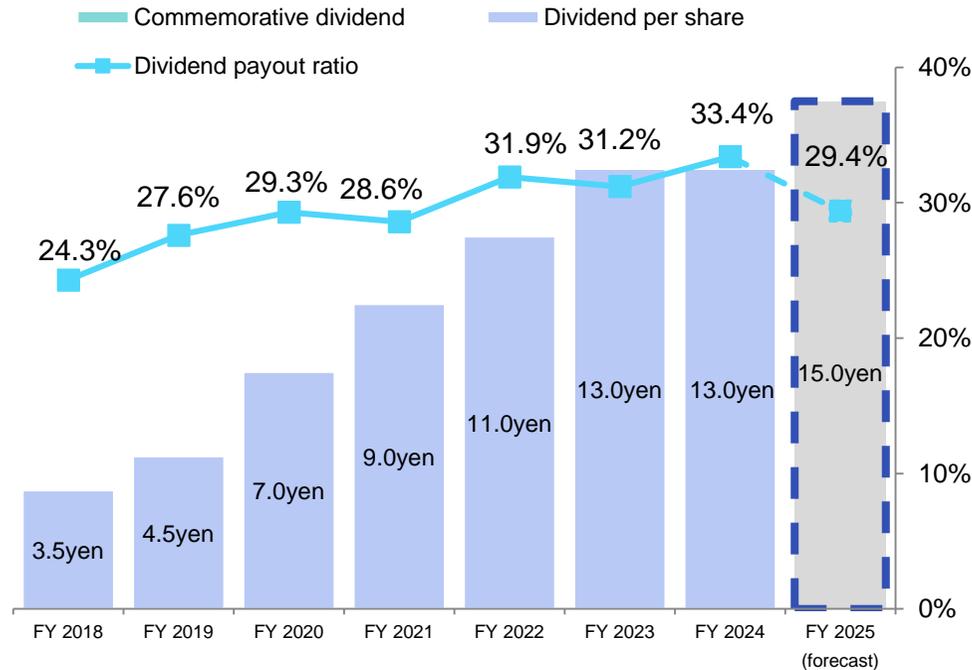
(Millions of yen)

	2022 (Results)	2023 (Results)	2024 (Results)	2025 (Forecast)
Net sales	36,264	41,425	47,513	59,000
Domestic	36,264	41,425	47,244	56,600
Overseas	0	0	269	2,400
Operating profit	3,391	3,665	3,577	4,720
Operating profit to net sales	9.4%	8.8%	7.5%	8.0%
ROE	25.3%	25.4%	20.2%	22.3%
Dividend payout ratio	31.9%	31.2%	33.4%	30.0%

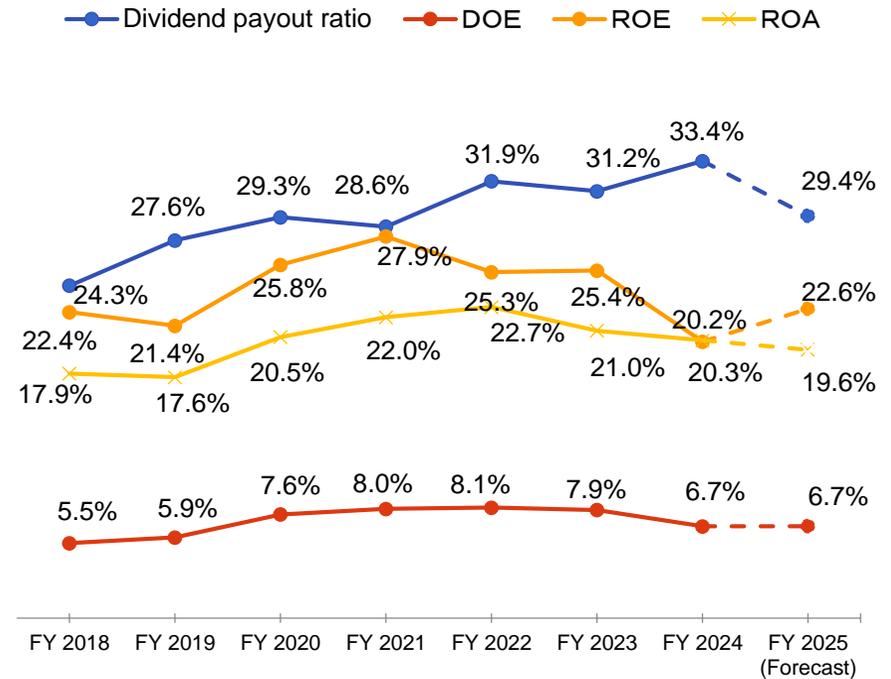
2023 to 2025 Medium-Term Management Vision

- The year-end dividend forecast for fiscal 2025 is 15.0 yen per share.
- The consolidated payout ratio for fiscal 2025 is projected to be 29.4%.

Dividend per Share and Dividend Payout Ratio



Financial Indicators



Note 1: Dividend per share in the above graph has been retroactively adjusted to reflect the 2-for-1 stock split on January 1, 2021.

3. Reference Materials

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 E L A N



Matsumoto Head Office in Nagano Prefecture



We seek to provide the best products and services that satisfy our customers, and we focus our passion on contributing to the realization of a society in which people live fulfilling lives

Tomohiro Minezaki,
COO



Company name	ELAN Corporation
Business	Medical and nursing care-related business (CS Set)
Established	February 6, 1995
Capital	573 million yen
Net sales	47,513 million yen (fiscal 2024)
Ordinary profit	3,544 million yen (fiscal 2024)
Headquarters	Matsumoto, Nagano Prefecture
Representative	COO: Tomohiro Minezaki
Number of employees	1,150 (as of December 31, 2024)
Business locations	Headquarters in Matsumoto Tokyo office (business strategy and marketing) Location in Matsumoto Murai (customer response) Sales bases Hokkaido area Sapporo/Hakodate/Kushiro Tohoku area Aomori/Morioka/Sendai/Akita Kan-etsu area Saitama/Chiba/Tokyo/Sagamihara/Niigata Chubu area Matsumoto/Shizuoka/Nagoya Kansai/Hokuriku area Kanazawa/Osaka Chugoku/Shikoku area Okayama/Hiroshima/Takamatsu/Matsuyama Kyushu/Okinawa area Fukuoka/Minami- Kyushu/Okinawa Logistics Center Kanagawa/Matsumoto/Kansai
Subsidiaries	ELAN Service Corporation (invoicing), Ryukyu ELAN Corporation, ELAN COULEUR Corporation, ELAN LOGISTICS Corporation, GREEN
Listing	Tokyo Stock Exchange (TSE) Prime Market (Securities code: 6099)
Certifications	Privacy mark system, Eruboshi certification, Kurumin certification

The CS Set allows people to start hospitalization and end a hospital stay as well as hospital visitations without the need to bring anything. There is no need for patients to assemble hospitalization supplies on their own.

CS Set users can rent clothing and towels, and receive disposable diaper pads, personal care items and other supplies needed during a hospital stay. Required items are available at the time they are needed on a daily basis at a fixed rate.



Example of the CS Set Standard Plan

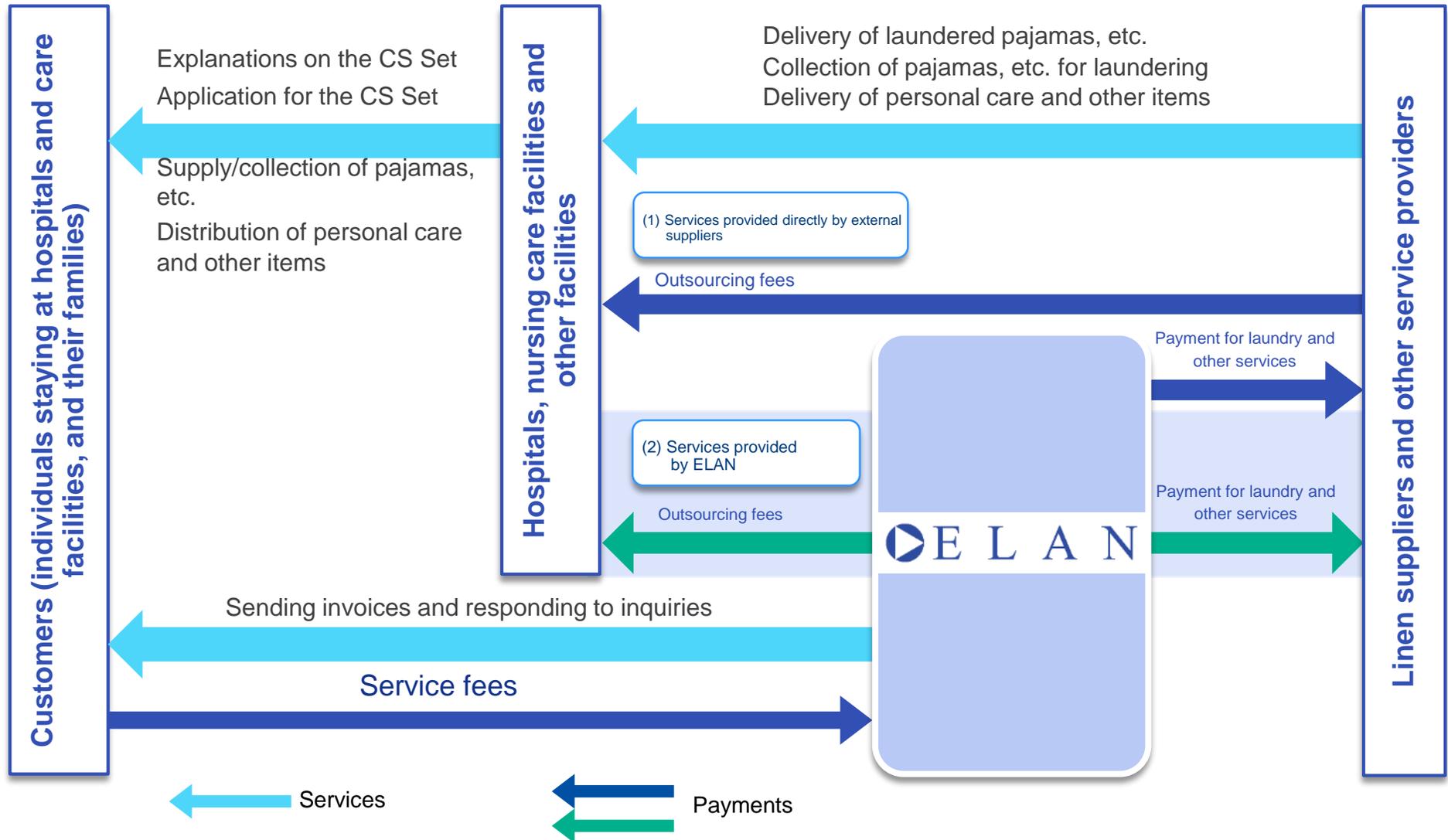
Note: The daily fees shown below are for reference.

	Plan A Daily fee: 700 yen	Plan B Daily fee: 500 yen	Plan C Daily fee: 300 yen
Towels	Bath towel, face towel, hand towel		
Personal care items	Drinking cups, tissues, shampoo, slippers, etc.		
	Oral care product set		
Clothing	Hospital gown or training wear (top and bottom)		
	Underwear and socks		
	Nursing care pajamas, mealtime apron		

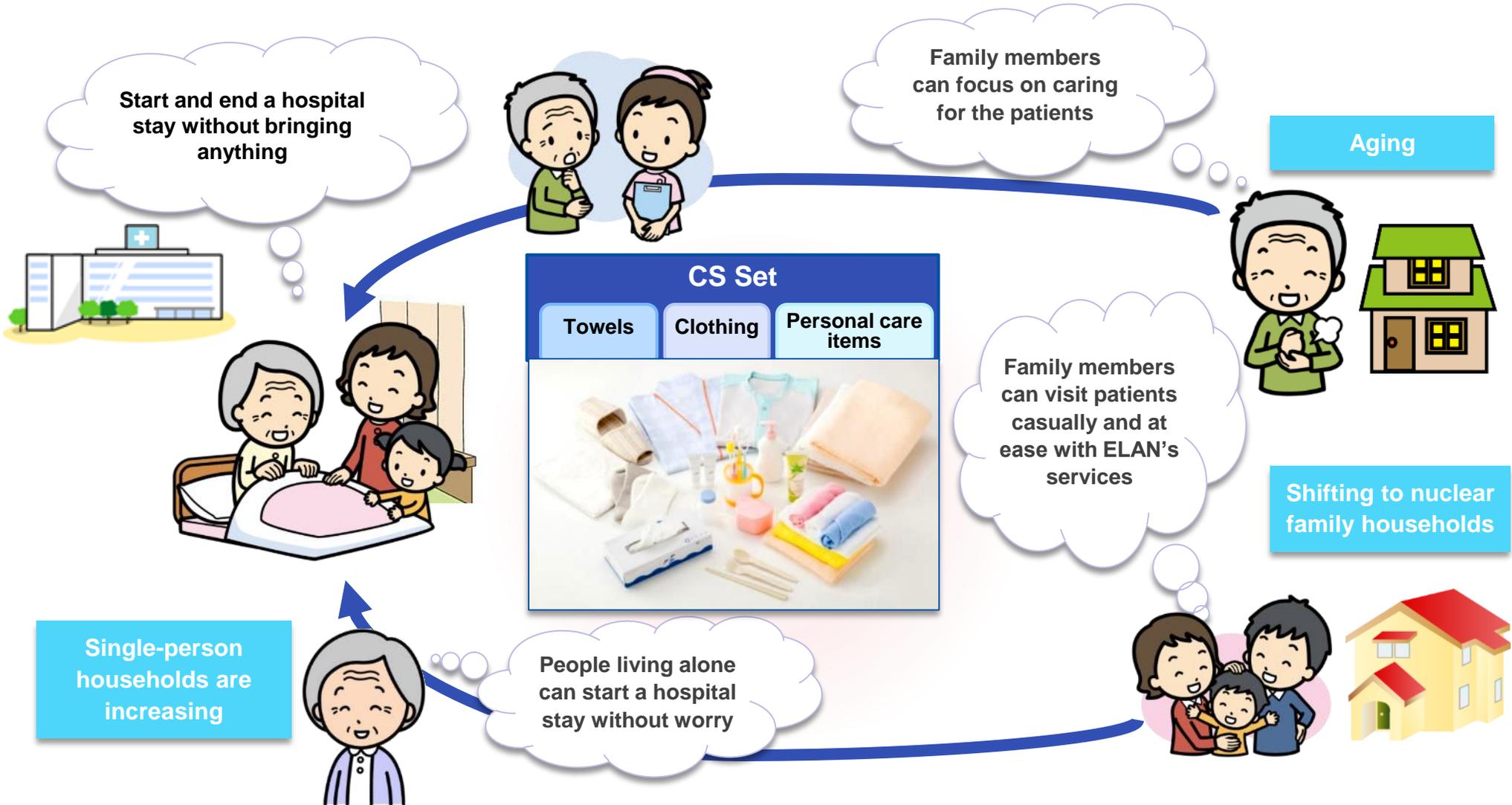
(Example) Seven-day hospital stay under Plan B
 $500 \text{ yen} \times 7 \text{ days} = 3,500 \text{ yen}$



For (1) services provided directly by external suppliers and (2) services provided by ELAN, the roles of all parties involved are the same; only the contract format is different.

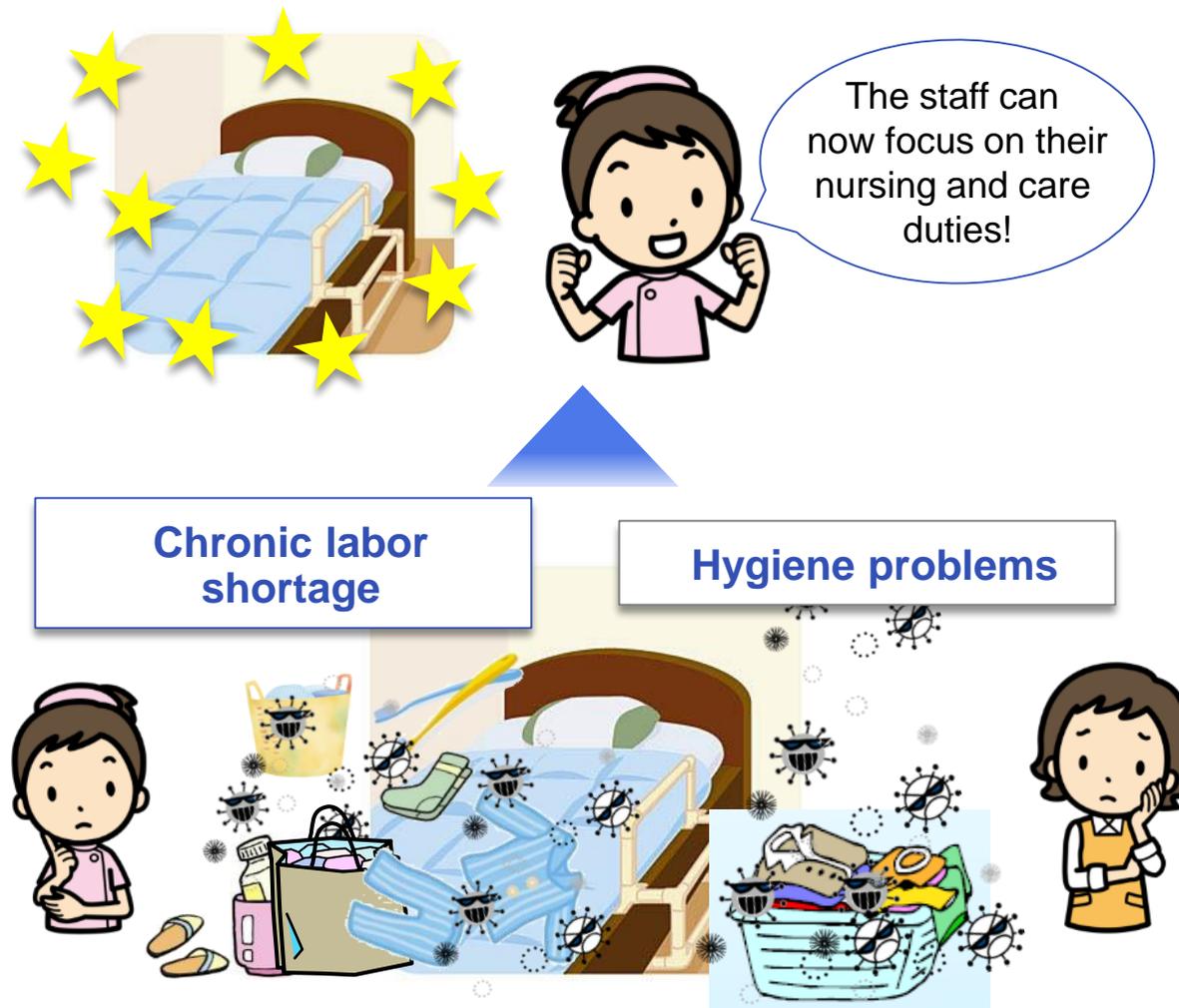


The CS Set provides patients and their family members with ease and comfort



Many advantages for the nursing and care frontlines

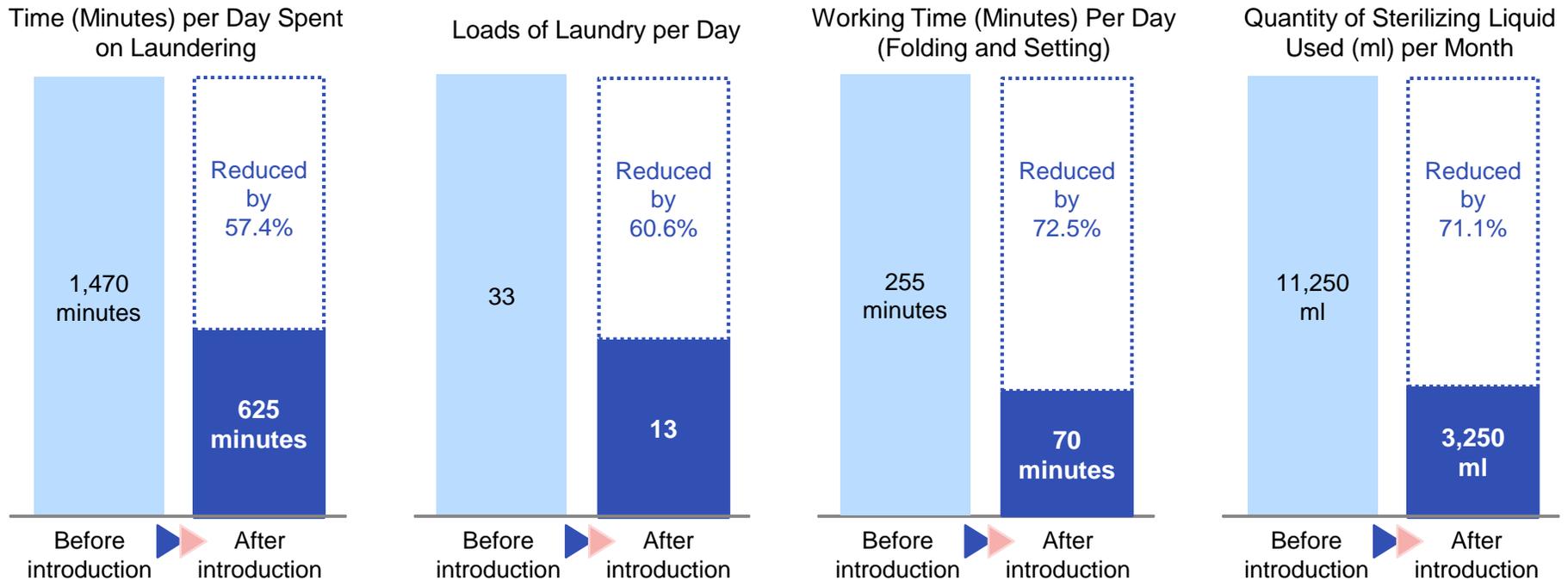
Solves problems for hospitals and nursing care facilities



Significant saving of time and labor Staff can focus on their nursing and care duties

Effects of Introducing the CS Set: A Case Example

For using towels and mealtime aprons at a hospital with 250 beds



Note: Figures represent total values for six hospital wards.

Generating an economic impact for the entire hospital/nursing care industry.



Management issues for hospitals and nursing care facilities

- Difficult operating environment for hospitals
- Risks involving government guidance for revenues not based on the national health insurance system



- Secure new revenue resources
- Reduce risks involving government guidance



Management issues for operators related to hospitals and nursing care facilities



- Existing hospital-related businesses are saturated
- Cost reductions are strongly requested
- New opportunities for earning profits are needed



- Increase sales and profits



New R/LC services can be added to CS Sets

CS Sets	New services	Merits
	<p>Compensation for unpaid hospitalization expense</p>  	<p>Users and their families</p> <ul style="list-style-type: none"> • No need for co-guarantors or lump sum hospital payments • Peace of mind even during emergency hospitalizations <p>Hospitals and nursing care facilities</p> <ul style="list-style-type: none"> • Avoids risk of unpaid hospitalization expenses • Reduces payment demand and collection efforts when bills are unpaid
	<p>Compensation for damages or accidents during hospitalization</p>  	<p>Users and their families</p> <ul style="list-style-type: none"> • Compensation for expenses incurred as a result of damage to facility equipment or injuries to staff <p>Hospitals and nursing care facilities</p> <ul style="list-style-type: none"> • Helps reduce administrative costs and psychological stress related to property damage claim procedures

1. The CS Set has a solid history in the hospitalization support set business
2. Growth potential and earnings-generating capabilities of the subscription-based business model
3. Barriers to new entrants are growing

ELAN has pioneered the hospitalization support set business in an organized fashion.

Three main factors have enabled ELAN, the pioneer, to gain a lead over market latecomers.

1

Know-how

- Ability to determine break-even points
- Explanations to nursing and care staff and operational skills
- Provision of services in a manner consistent with government guidance
- Efficient invoicing and payment receipt operations

2

Business Model

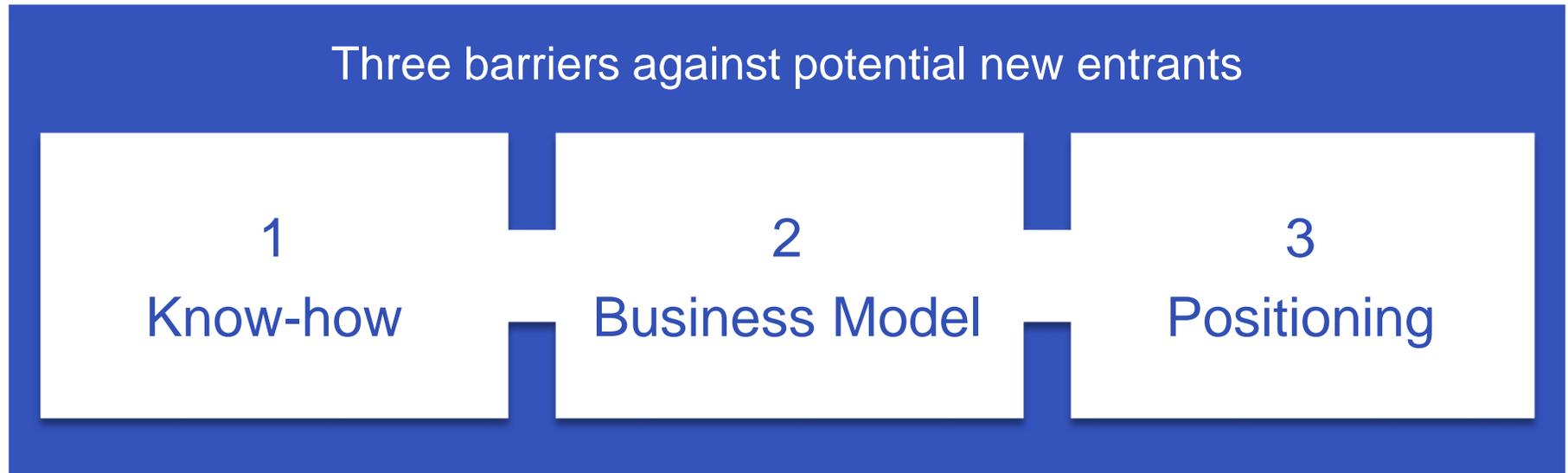
- A business model built on ongoing business relationships with partners to achieve mutual success

3

Positioning

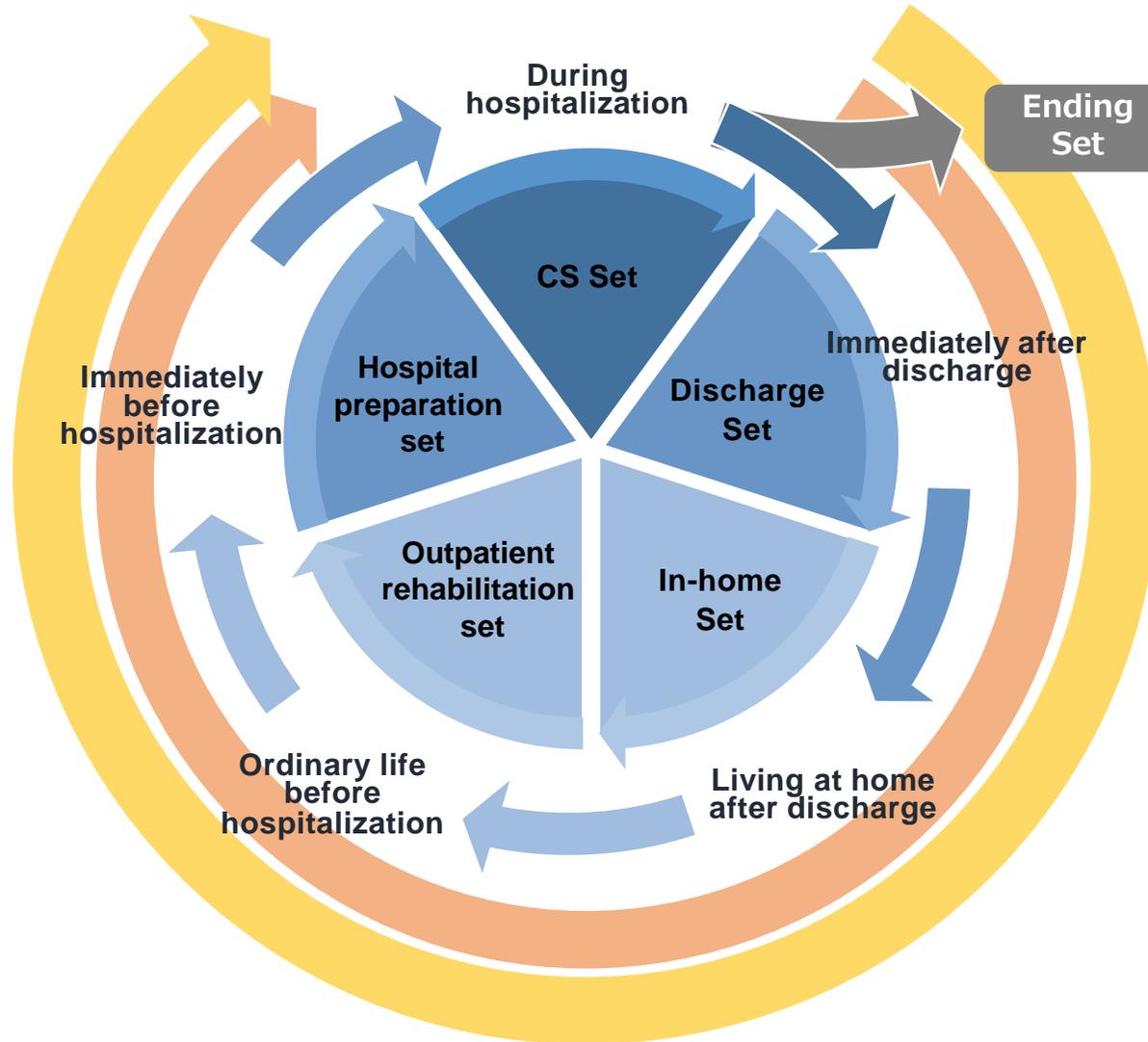
- ELAN is independent and open, being unaffiliated with any other corporate group

Barriers to entry appear to be low but are actually high.

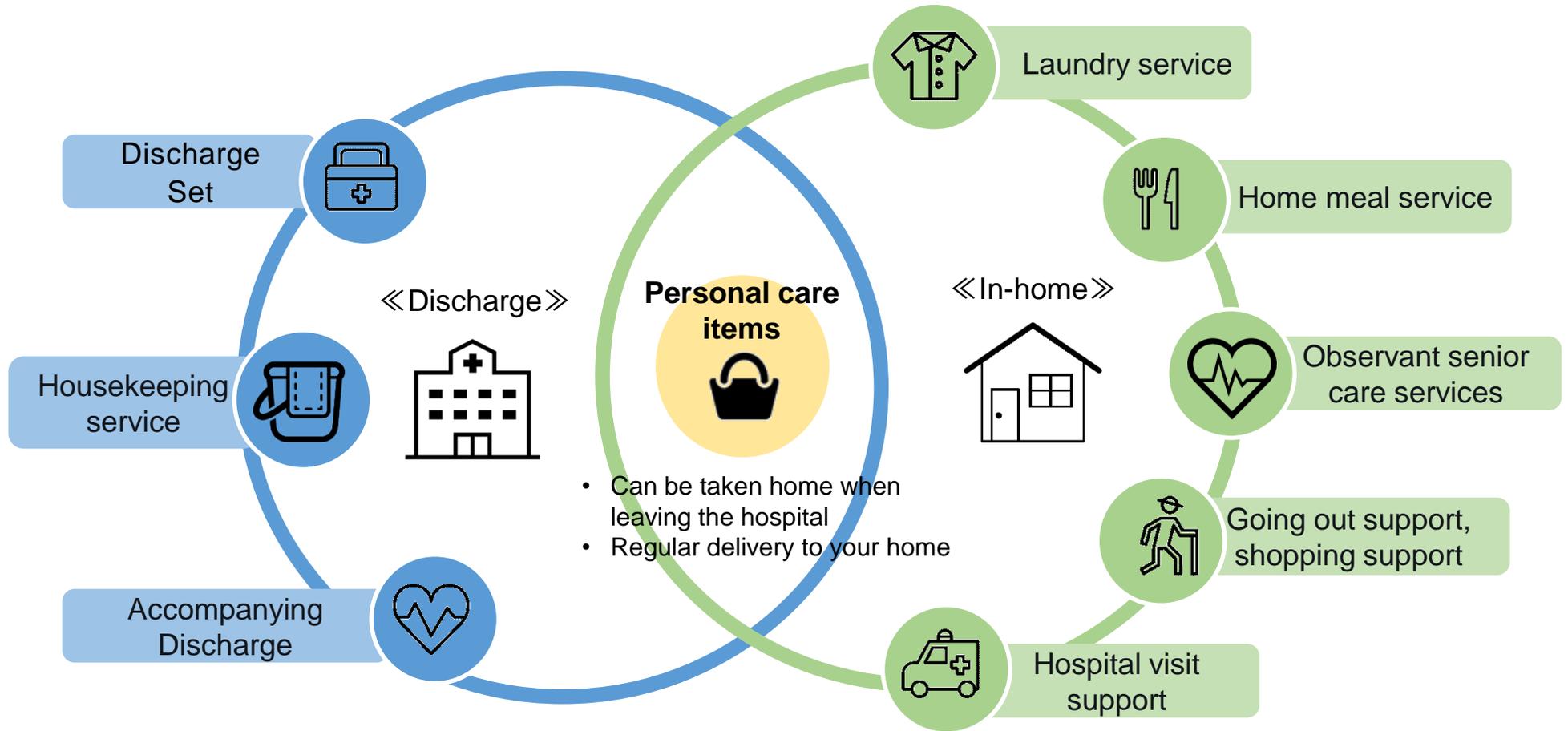


We are building even higher barriers to entry by accumulating know-how and firmly establishing our position in the industry.

- Develop a business that solves problems all the way from discharge to readmission to the hospital, utilizing customer contacts with CS set users and their families.

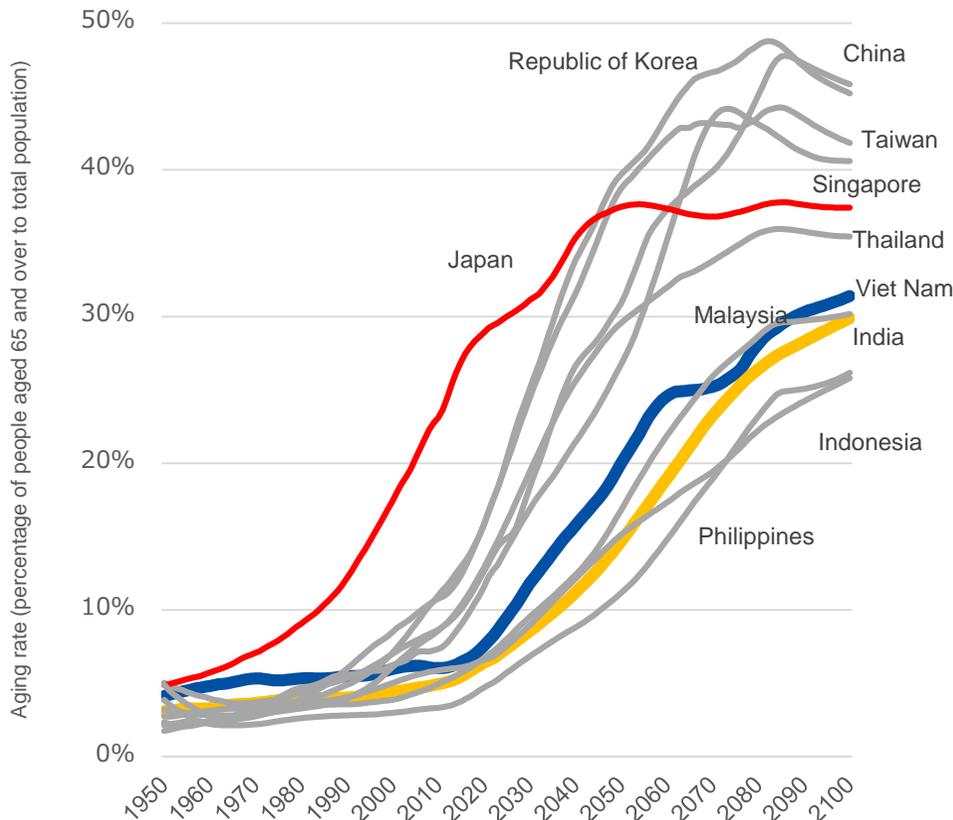


- While you are hospitalized, you can receive a variety of support from the hospital, but the treatment environment changes dramatically for about four weeks immediately after discharge, placing a heavy physical and mental burden on you and your family.
- We provide comprehensive support services for problems that occur sequentially as people adjust to life at home.



- In Asia, the speed of aging varies greatly depending on the country, so it is important to adjust the content of services accordingly.
- In countries where the aging of the population is not progressing, we will first provide basic laundry services and aim to expand our business in the future by collaborating with hospitals.
- By providing related services such as CS sets based on laundry services, we will increase the unit price for each customer (facility) and improve profit margins.

Trend in the aging rate of Asian countries(1950-2100, medium variant)

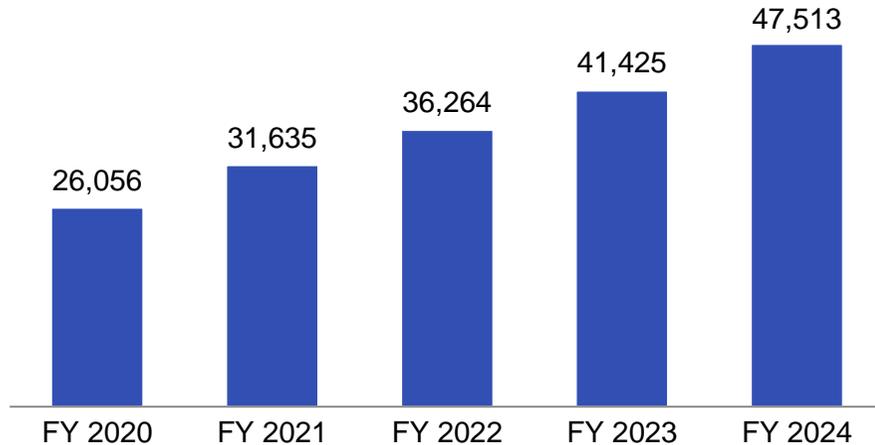


	Phase1	Phase2	Phase3	Phase4
Aging rate (medium variant in 2025)	10% Less than	10-20%	20-30%	30% Or more
Countries	Viet Nam India Philippines Indonesia Malaysia	China Thailand Singapore	Taiwan Republic of Korea	Japan
Issue	The expansion of medical facilities has outpaced the development of supporting services.		The increasing aging population and the prevalence of nuclear families have led to a heavier burden on families who provide care for hospitalized patients and nursing home residents.	

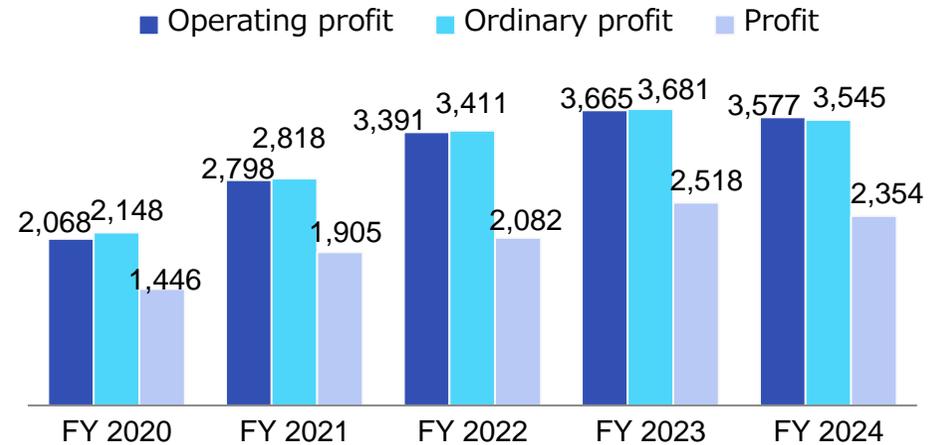
- Policy to enhance ESG response and information disclosure to improve shareholder value over the medium to long term.
- Disclosed GHG emissions Scope 1 to 3 in the integrated report “[ELAN REPORT 2023](#)” released in December 2023.
- In the securities report for the fiscal year ending December 2023, we have completed the disclosure of information regarding human capital management and climate change.

Materiality		2022	2023	2024	2025	2030
Whole			<ul style="list-style-type: none"> ● Identifying materiality and setting goals ● Establishment of Sustainability Committee 			
Environment	Provide stable services, reduce environmental burdens		<ul style="list-style-type: none"> ● Build own warehouse and logistics 		<ul style="list-style-type: none"> ● Climate change-related information disclosure based on TCFD recommendations 	
Social	Support the promotion of health and wellbeing of all people / Realize a society full of smiles			<ul style="list-style-type: none"> ● Establishment ELAN COULEUR Corporation (with the aim of creating employment opportunities for people with disabilities) 		<ul style="list-style-type: none"> ● Enhancing information disclosure regarding human capital management
Governance	Establish and maintain a sound, sustainable business foundation		<ul style="list-style-type: none"> ● Strengthening corporate governance ● Enforce safe driving ● Strengthening compliance education 			

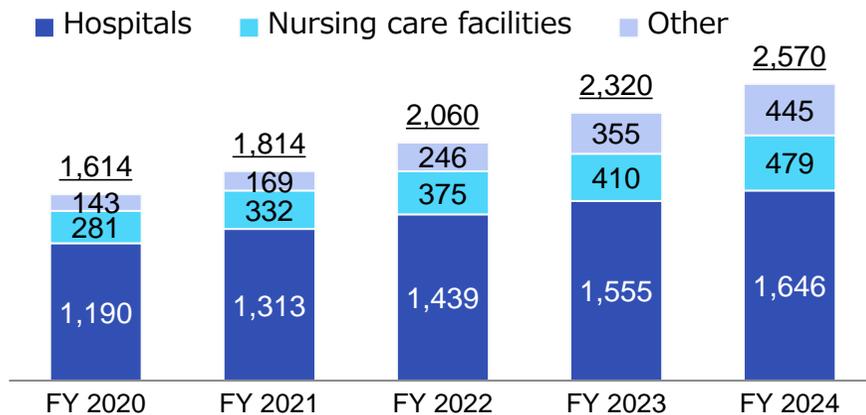
Net Sales (Millions of Yen)



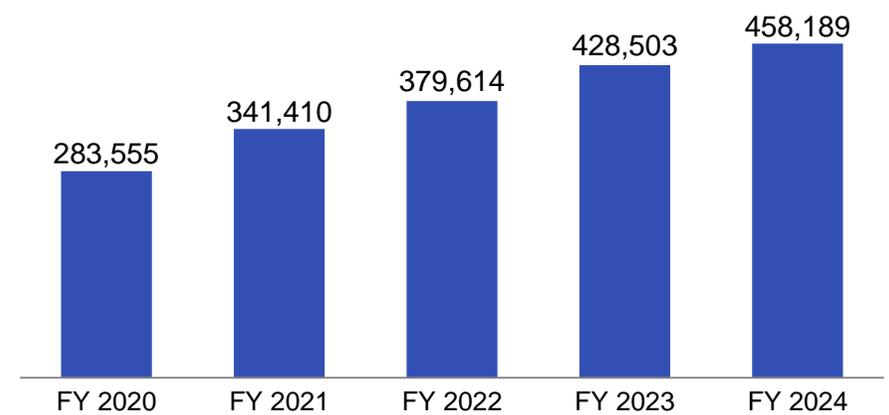
Profits (Millions of Yen)



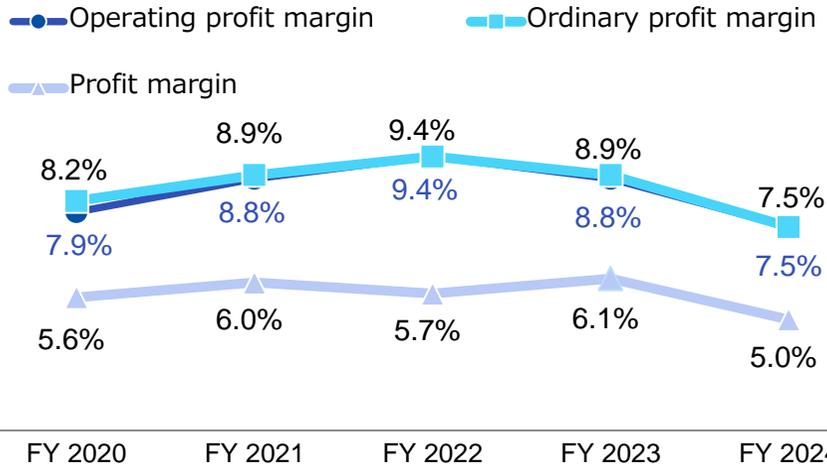
Number of Contracted Facilities



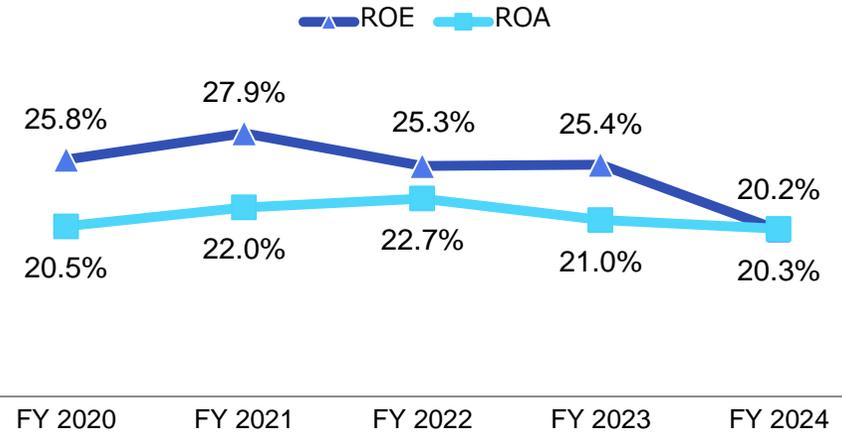
Number of Monthly Users (People)



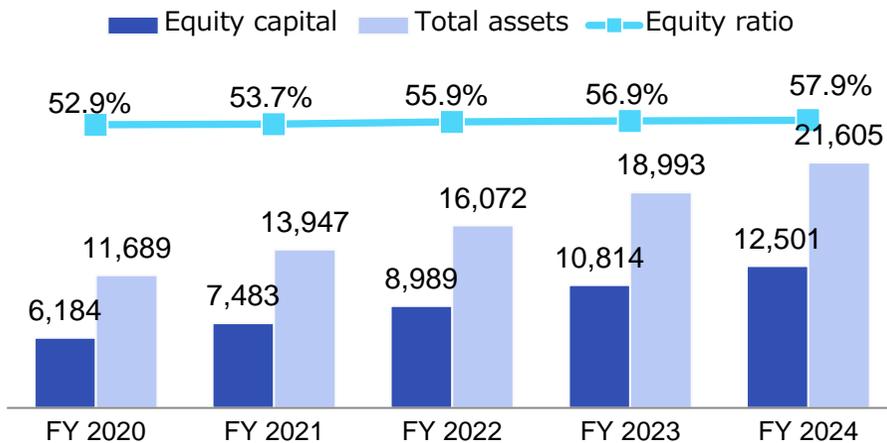
Profit Margins



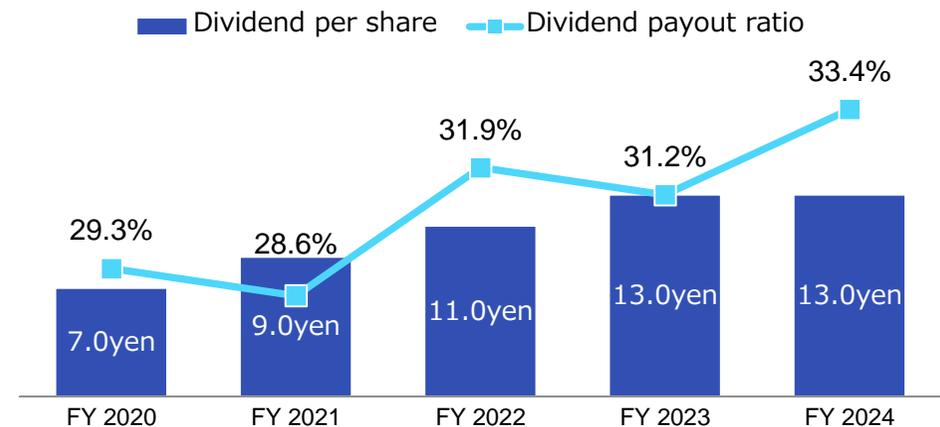
ROE and ROA



Total Assets, Equity Capital and Equity Ratio (Millions of Yen)



Dividend per Share and Dividend Payout Ratio



Note: Dividend per share has been retroactively adjusted to reflect the 2-for-1 stock split on January 1, 2021.

Disclaimer

This material has been prepared by ELAN Corporation.

This material includes forward-looking statements such as strategies and outlooks.

These statements are based on the judgments of ELAN at the time this material was prepared (May 2, 2025) and include risk factors and uncertainties.

Such statements may be changed due to a variety of reasons including changes in the business environment.

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