SBC Medical Group Holdings, Inc.

Investor Presentation

September 2024

Disclaimer

This document contains forward-looking statements. In addition, from time to time, we or our representatives may make forward-looking statements orally or in writing. We base these forward-looking statements on our expectations and projections about future events, which we derive from the information currently available to us. Such forward-looking statements relate to future events or our future performance, including: our financial performance and projections; our growth in revenue and earnings; and our business prospects and opportunities. You can identify forward-looking statements by those that are not historical in nature, particularly those that use terminology such as “may,” “should,” “expects,” “anticipates,” “contemplates,” “estimates,” “believes,” “plans,” “projected,” “predicts,” “potential,” or “hopes” or the negative of these or similar terms. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed under the heading “Risk Factors” and elsewhere in the proxy statement and other materials filed with the U.S. Securities and Exchange Commission. Forward-looking statements are only predictions. The forward-looking events discussed in this document and other statements made from time to time by us or our representatives, may not occur, and actual events and results may differ materially and are subject to risks, uncertainties and assumptions about us. We are not obligated to publicly update or revise any forward-looking statement, whether as a result of uncertainties and assumptions, the forward-looking events discussed in this document and other statements made from time to time by us or our representatives might not occur. Past performance is not indicative of future results. There is no guarantee that any specific outcome will be achieved. Investments may be speculative, illiquid and there is a total risk of loss.


SBC Medical Group Holdings, Inc.

Table of Contents

I. At a Glance

Company Overview

SBC Medical Group Holdings, Inc.

- SBC Medical Group Holdings (SBC) provides comprehensive consulting and management services to the medical corporations and their clinics
- We have the largest network of franchised clinics in Japan and a leading position in the aesthetic medical industry

Company Overview and Key Figures (FY2023)

Name	SBC Medical Group Holdings, Inc.
CEO	Dr. Yoshiyuki Aikawa
Founded	2023 (Roots tracing back to 2000)
Headquarters	Irvine, California, USA (SBC Medical Group located in Tokyo)
Our Services	Comprehensive consulting and management services to the medical corporations and their clinics
Number of Related Clinics	**Japan**: 164 clinics **Global**: 2 clinics Irvine, California Ho Chi Minh City, Vietnam

Revenue

US$193mn

EBITDA

US$82mn

Net Income
Attributable to the Company

US$39mn

ROE

32%

Key Statistics of Franchisees*

166
Number of Clinics

15%
5Y CAGR
# of Clinics

474
Number of Doctors

3.9mn
Annual Customers

$361
Revenue per Customer**

71%
Repeat rate***

As of December 31, 2023. Excluding the impact of the franchising of Rise Clinic and Gorilla Clinic
*** Calculated at 140JPY/1USD*
**** The percentage of customers who visited our franchisee's clinics more than twice*

Group Structure and Business Model

SBC Medical Group Holdings, Inc.

- SBC provides comprehensive consulting and management services to the medical corporations and their clinics through a franchise model

US

SBC Medical Group Holdings, Inc.

Total Revenue:* US$193mn *in FY2023

100%

Japan

SBC Medical Group Co., Ltd.

- Consulting and Marketing Solutions
- Administrative Services
- Procurement Services
- Medical Equipment Leasing

Our Major Services

Franchise fee

Management/ operational services

Franchise Clinics in Japan (164* in total)

Total Revenue:* US$1.1bn* *in FY2023

- Dermatology
- Aesthetic Surgery
- Dentistry
- Hair Removal
- Orthopedic
- Hair Loss Treatment (AGA)
- Fertility Treatment
- LASIK (Ophthalmology), and Others

** As of December 31, 2023. Excluding the impact of the franchising of Rise Clinic and Gorilla Clinic*

Diverse Range of Our Franchisee Clinics

SBC Medical Group Holdings, Inc.

- Our franchise network is diverse and covers various medical specialties beyond aesthetics
- The addition of Rize Clinic and Gorilla Clinic in 2023 significantly expanded our network from 166 to **220 clinics* in total**, and we aim for further growth through our multi-brand strategy

SBC 湘南美容クリニック
Aesthetic Surgery & Dermatology (130 clinics, Incl. 2 overseas)

SBC 湘南美容皮フ科
Aesthetic Dermatology (8 clinics)

SBC イデウォンビューティークリニック
Aesthetic Surgery (5 clinics)

SBC 湘南歯科クリニック
Dentistry (9 clinics)

SBC Shonan Beauty Clinic 湘南AGAクリニック
Hair Loss Treatment (AGA) (9 clinics)

roppongi ladies clinic
KLC JUKEIKAI MEDICAL CORPOLATION KANAGAWA LADIES CLINIC
神奈川ウィメンズクリニック Kanagawa Women's Clinic
Fertility Treatment & Women's Health (3 clinics)

med. Powered by Rakuten
Online Clinic

SBC 御茶ノ水こどもレーザークリニック
新宿近視クリニック
SBC 湘南メディカル記念病院 Shonan Medical Memorial Hospital
湘南内科皮フ科クリニック
Nishi-Shinjuku BONE CLINIC 西新宿整形外科クリニック
Other Medical Specialties (7 clinics)

+

*Newly Joined in 2023**

リゼ
Hair-Removal (26 clinics)

GORILLA CLINIC
Men's Hair-Removal (22 clinics)

* Numbers of Clinics as of August 2024. Clinic-related figures in this presentation, excluding this page, do not include the impact of the franchising of Rize Clinic and Gorilla Clinic

II. Investment Highlights

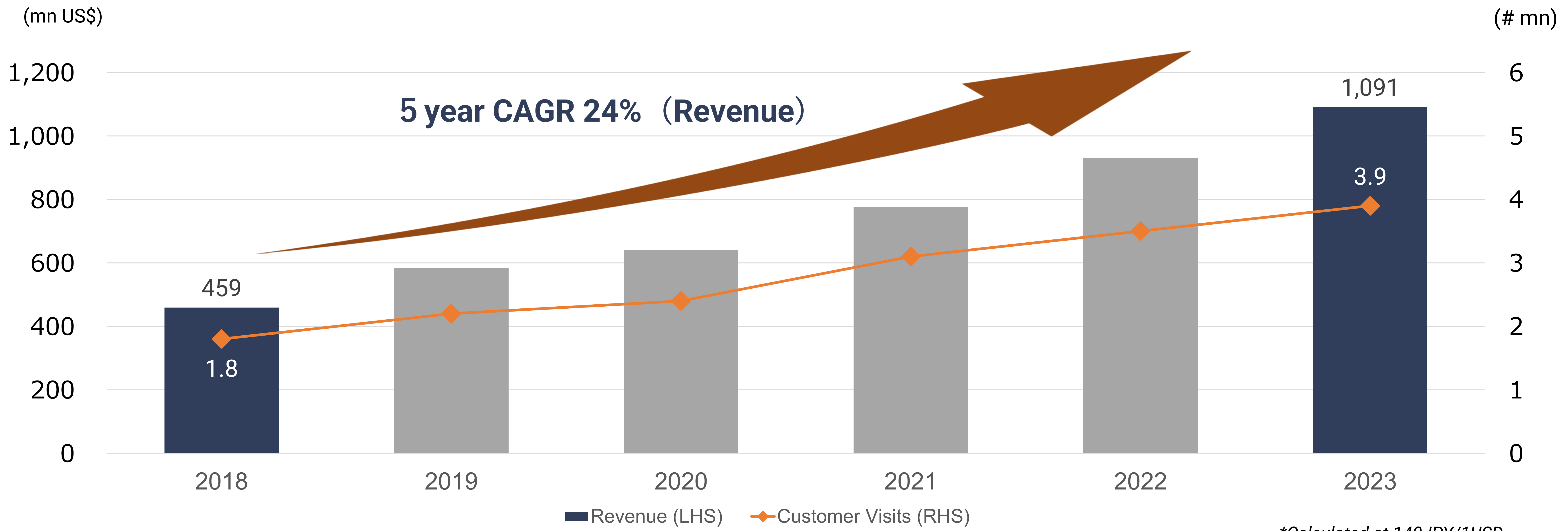
Investment Highlights

1. Leading Position in Japan's Growing Aesthetic Medical Market with the Largest Clinic Network
2. Proven Profitability and High Margins Based on Recuring Fee Income
3. Additional High Growth Potential in Japan through Franchising Clinics and Related Fields, and in the Growing Global Aesthetic Medical Market
4. Strong Balance Sheet with Ample Leverage Capacity for Growth
5. Visionary Leadership and Experienced Management Team with Long-Term Commitments

Leading Position in Japan's Growing Aesthetic Medical Market

- Our Franchisees have been steadily expanding their sales and customer base
- They have been driving the expansion of the aesthetic medical market in Japan

Revenue* and Customer Growth of Franchisees

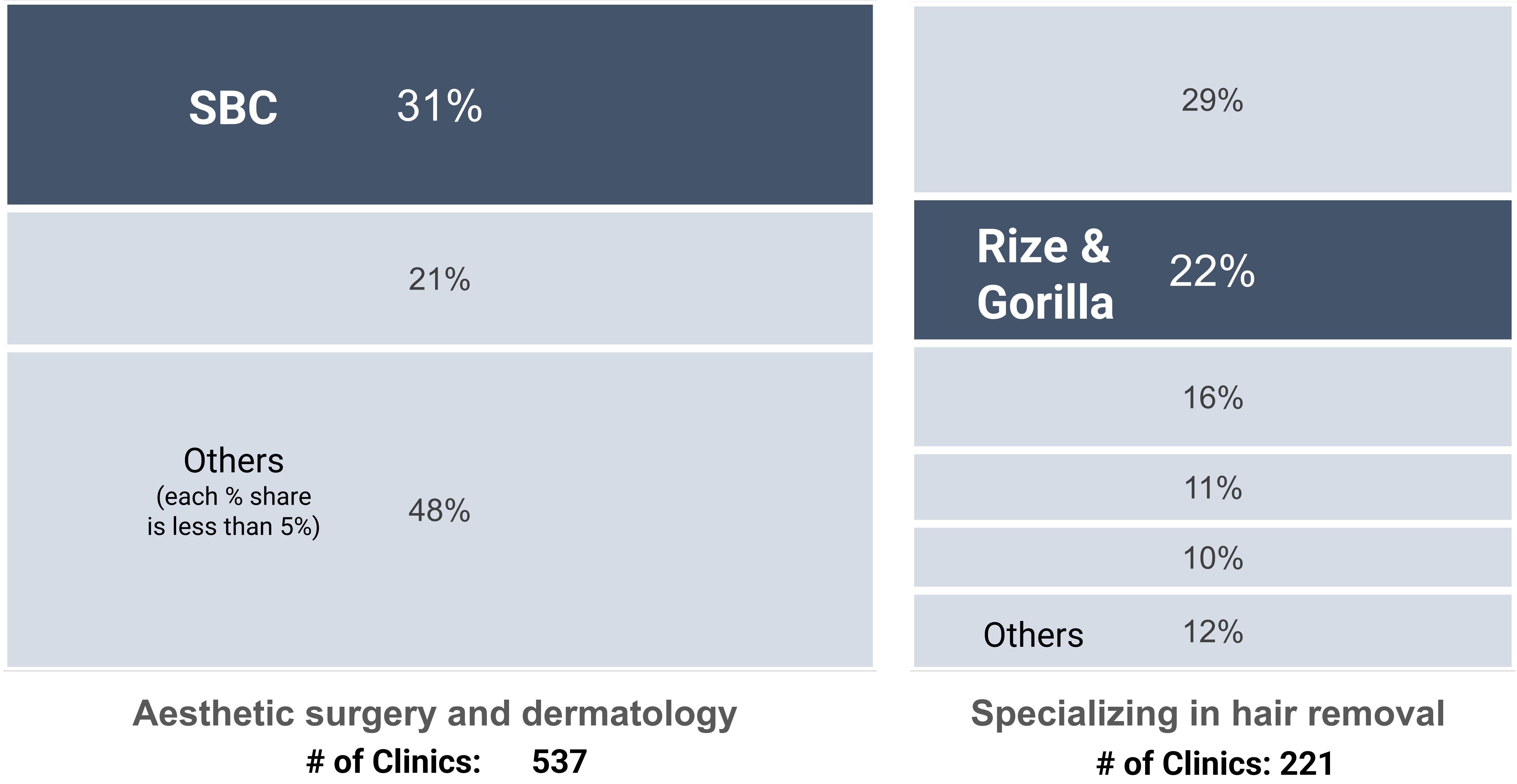


**Calculated at 140JPY/1USD*

1 Market Share in Japanese Aesthetic Medical Market

SBC Medical Group Holdings, Inc.

Estimated % market share among medium to large clinic groups*, based on number of clinic locations



** Clinic groups with more than 5 locations*
Source: Yano Research Institute (2024)

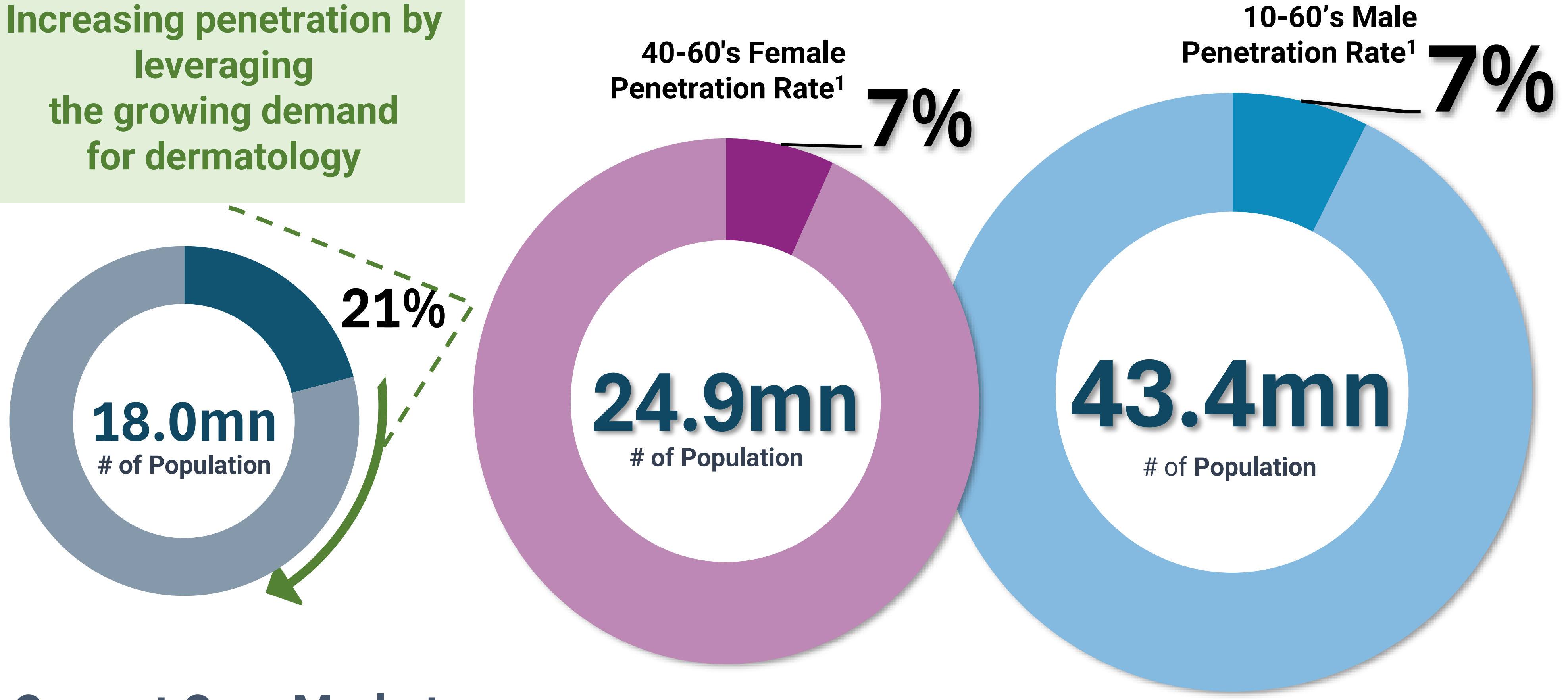
1 Untapped Potential in Japan's Aesthetic Medical Market

SBC Medical Group Holdings, Inc.

- Aesthetic medicine penetration among core customers (women 10-30's) is rising, driven by growing demand for dermatological treatments. While overall market penetration is still low (10%), significant growth is expected by tapping into middle-aged female and male markets

Total Addressable Market in Japan

Increasing penetration by leveraging the growing demand for dermatology



Current Core Market 10-30's Females (Penetration Rate%[1])

Middle-aged (40-60's) Female Market

Male Market

Our Strategic Initiatives to Expand Market Reach

To Middle-aged Female Market

- Targeted marketing to reach middle-aged women

To Male Market

- Specialized clinics for hair loss treatment (AGA) — SBC 湘南美容クリニック AGA/植毛/薄毛治療 (9 clinics[2])
- Gorilla Clinics for male laser hair removal — GORILLA CLINIC (22 clinics[2])

To Capture Dermatology Market Growth

- Expand laser hair removal to dermatology services via Rise Clinics — リゼ RIZE 美容皮膚科のリゼ (26 clinics[2])
- Develops dermatology-focused clinics under the SBC brand — SBC 湘南美容皮フ科 (8 clinics[2])

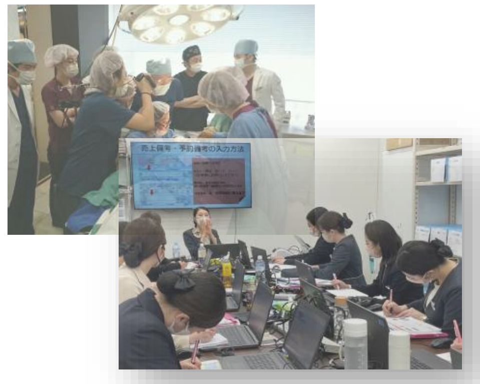
Source: SBC created based on data from MIC and Recruit Co.
(1) Based on number of people who experienced treatment in the last three years (2) As of 12/2023

1 SBC's Key Differentiators

SBC
Medical Group Holdings, Inc.

- Our targeted solutions for mitigating doctors' major pain points give us a distinct competitive advantage in the clinic franchise market

Doctors' Pain Points	Our Solutions	
Clinic Operation	**Fully Digitized Integrated System**	- Our comprehensive clinic operating system empowers Franchisees with efficient tools for managing customer flow, procurement, HR, and financials, driving operational excellence.
Service Quality	**Structured Educational System**	- Doctors and nurses can take advantage of numerous professional development opportunities at our dedicated training center. - Our educational program based on our long-term experience for staff drives quality customer experience at our Franchisees.
Talent Acquisition	**Hiring Advantages**	- Our strong brand reputation as a leading aesthetic clinic in Japan attracts top-tier talent in hiring. - Our extensive network of franchise clinics enable doctors to rapidly develop their skills in diverse medical treatments.



1 Business Flow and Our One-Stop Service

SBC Medical Group Holdings, Inc.

- SBC provides a one-stop solution for all doctors' clinic operation needs. Whether they're planning to open a clinic or looking for help in managing day-to-day administrative tasks, SBC provides comprehensive and reliable services to ensure their clinics runs smoothly

Joining Open a clinic → **Procurement** → **Customer Acquisition** → **Treatment** → **Administration**

Joining Open a clinic
- Property search
- Interior design
- System design
- Doctor and staff hiring
- Training

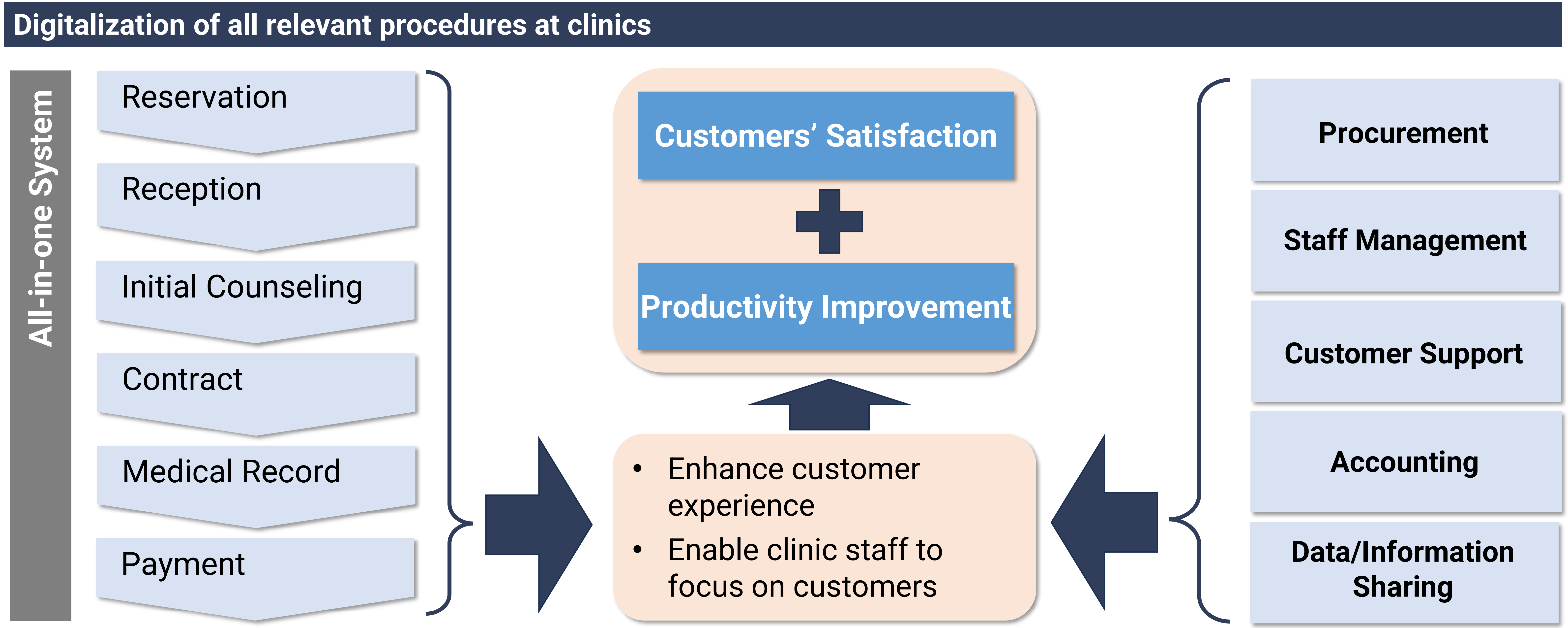
Procurement
- Latest facilities & medication with competitive price
- Original products and exclusive usage of newly developed treatment

Customer Acquisition
- Brand license
- Marketing (Treatment & Doctors)
- Mobile app
- Customer rewards program

Administration
- Payment services
- Accounting & tax
- Intellectual property

Doctors' Voice
- Very strong training system is highly appreciated
- Quality of clinic staff is very competitive

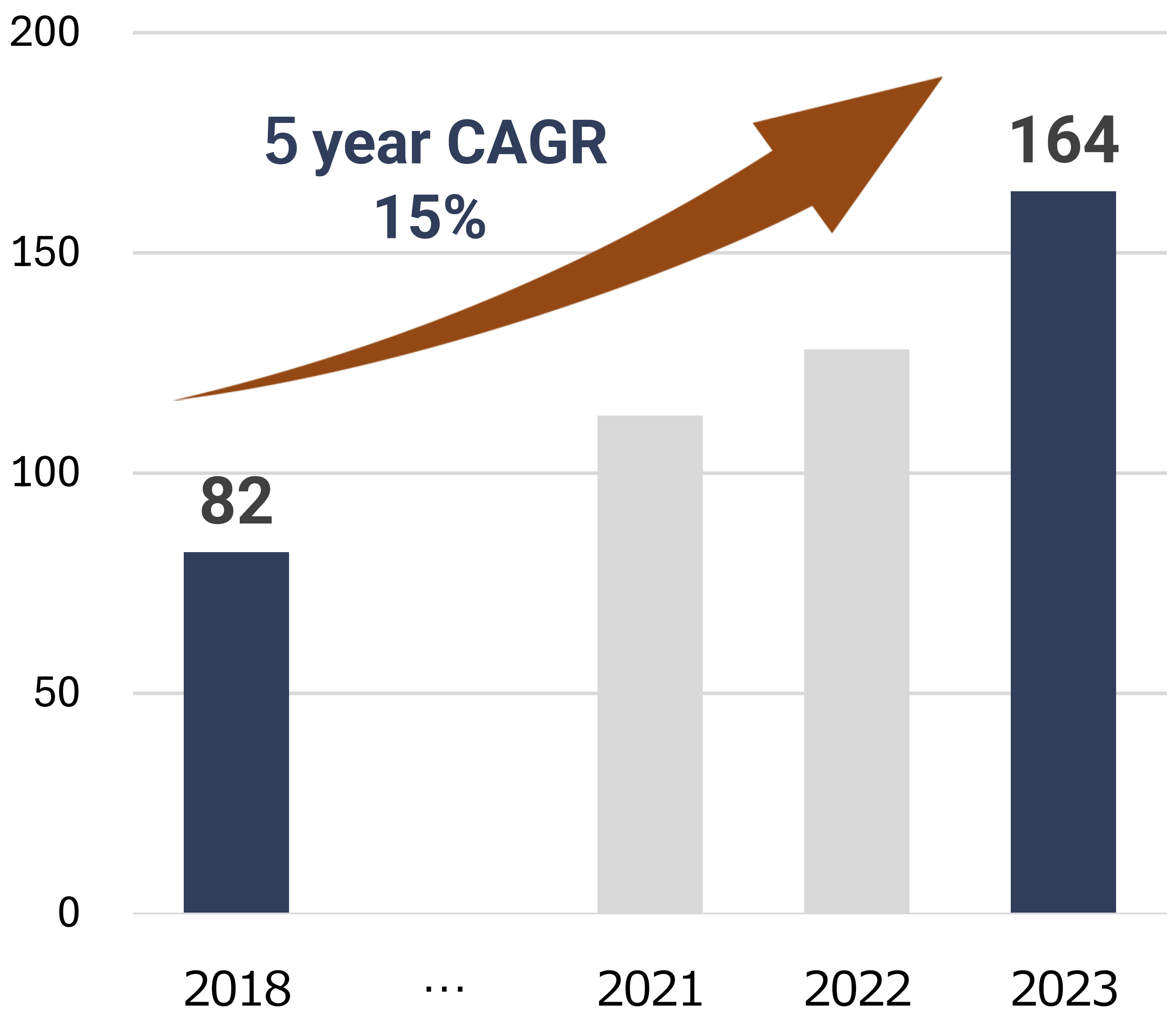
1 Advanced Digitized Integrated System



② Revenue Growth Driven by Predictable and Recurring Fees

SBC Medical Group Holdings, Inc.

Growing Number of Franchise Clinics in Japan



** The figures exclude the impact of Rize Clinic and Gorilla Clinic joining the franchise*

Franchise fee

Management service

Our Revenue Stream (FY2023)

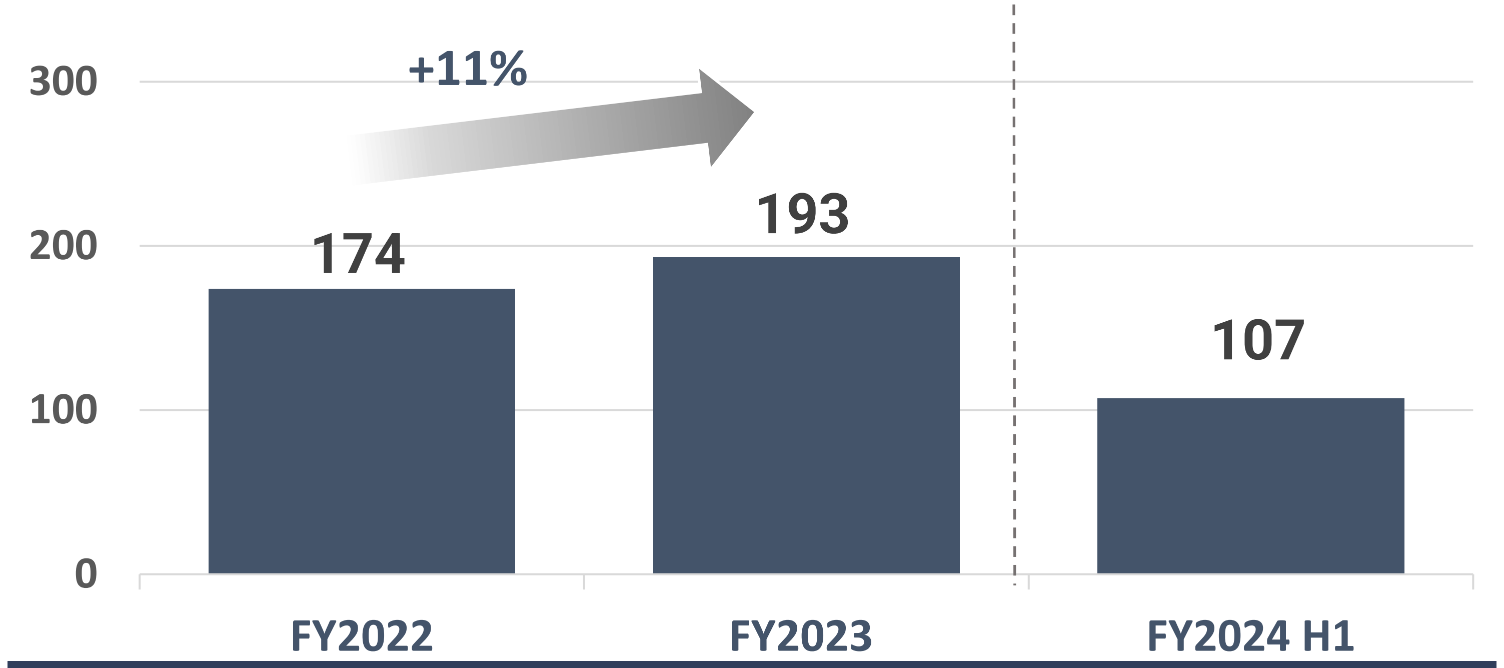
Management Services	US$72mn	● Marketing solution ● Administrative services (accounting, HR, IT, facility, clinic operation)
Procurement Services	US$53mn	● Purchasing advertising services ● Purchasing medical materials
Royalty Income	US$42mn	● Company's brand name ● Trade name ● Trademark
Rental Services	US$7mn	● Medical equipment leasing

(Others: US$18mn)

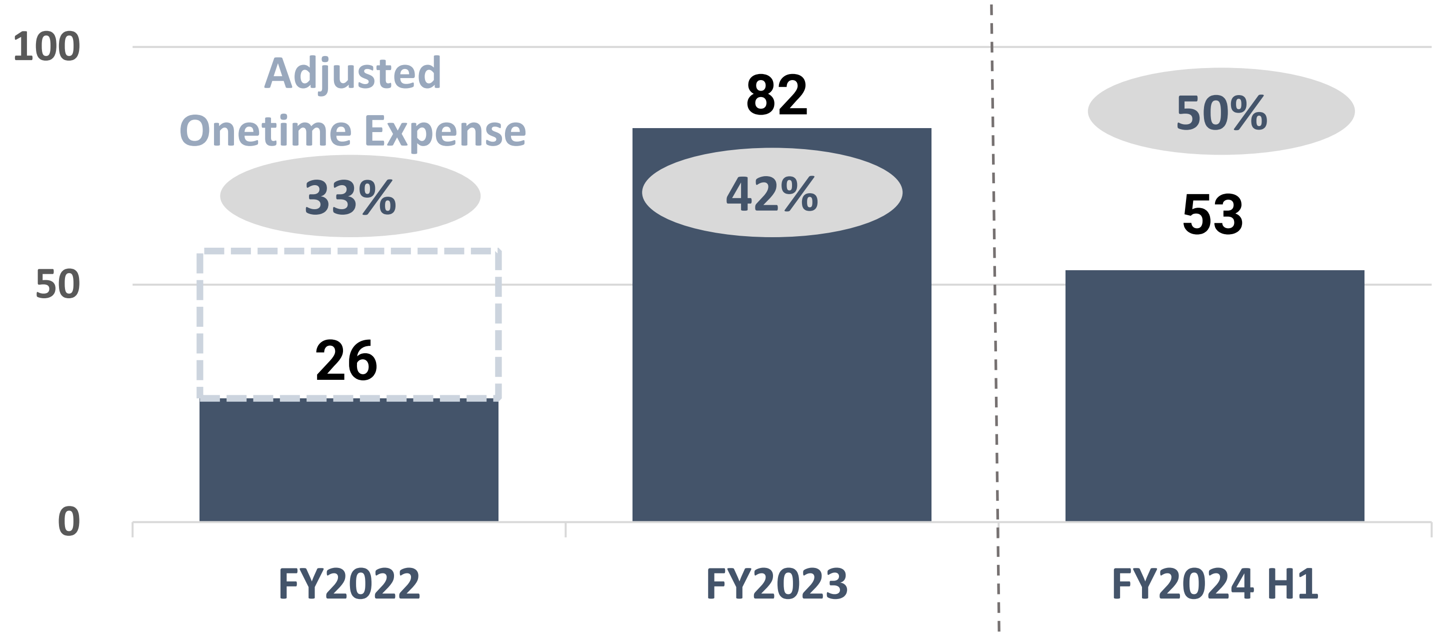
Total Revenue: US$193mn

2 Strong Revenue Growth and Hight profitability

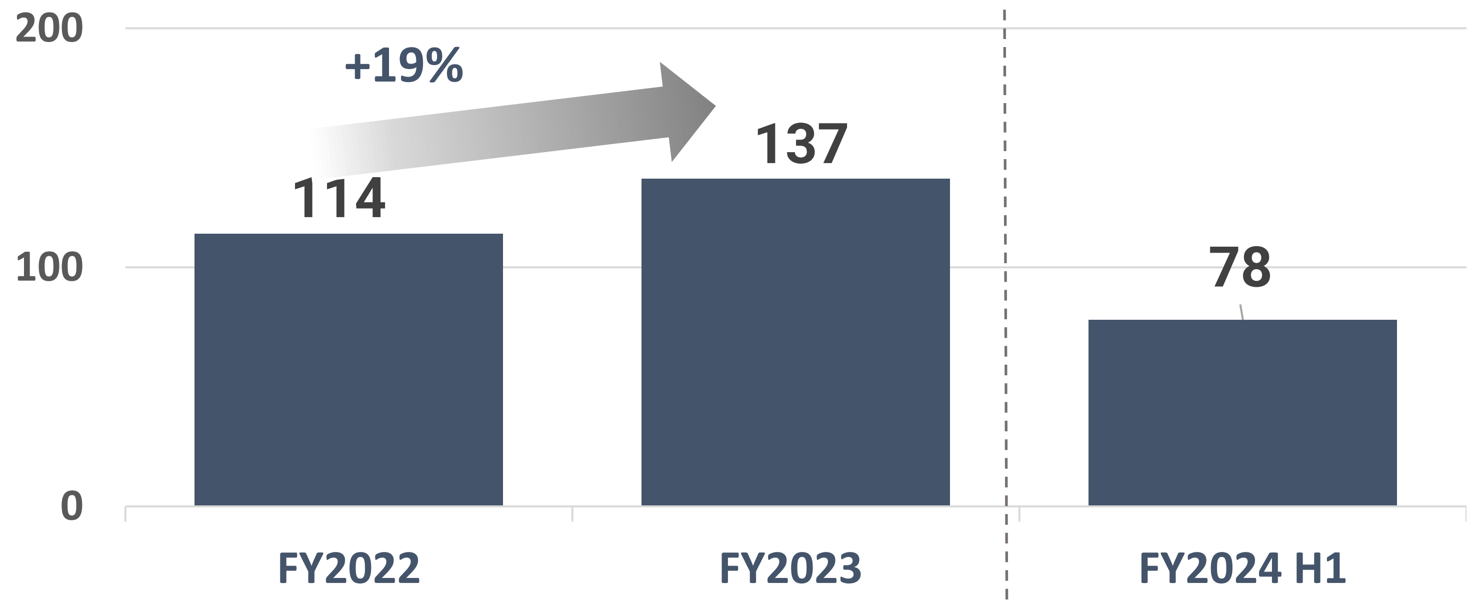
Revenue (mn US$, % of Growth YoY)



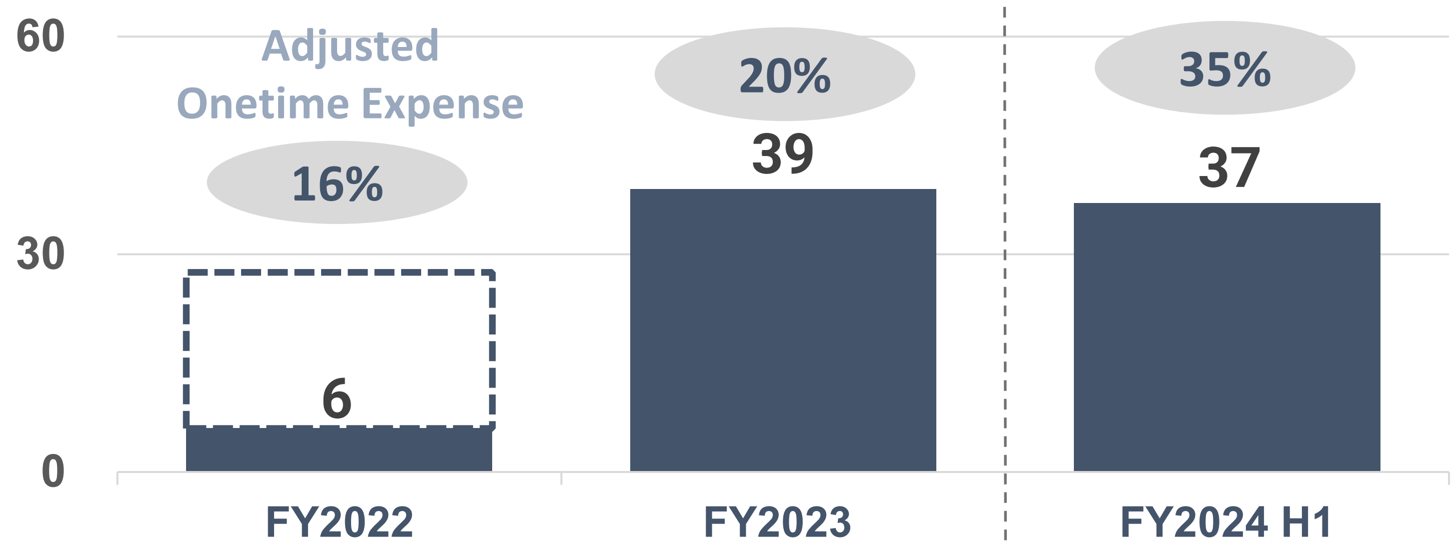
EBITDA (mn US$, % of Margin)



Gross Profit (mn US$, % of Growth YoY)



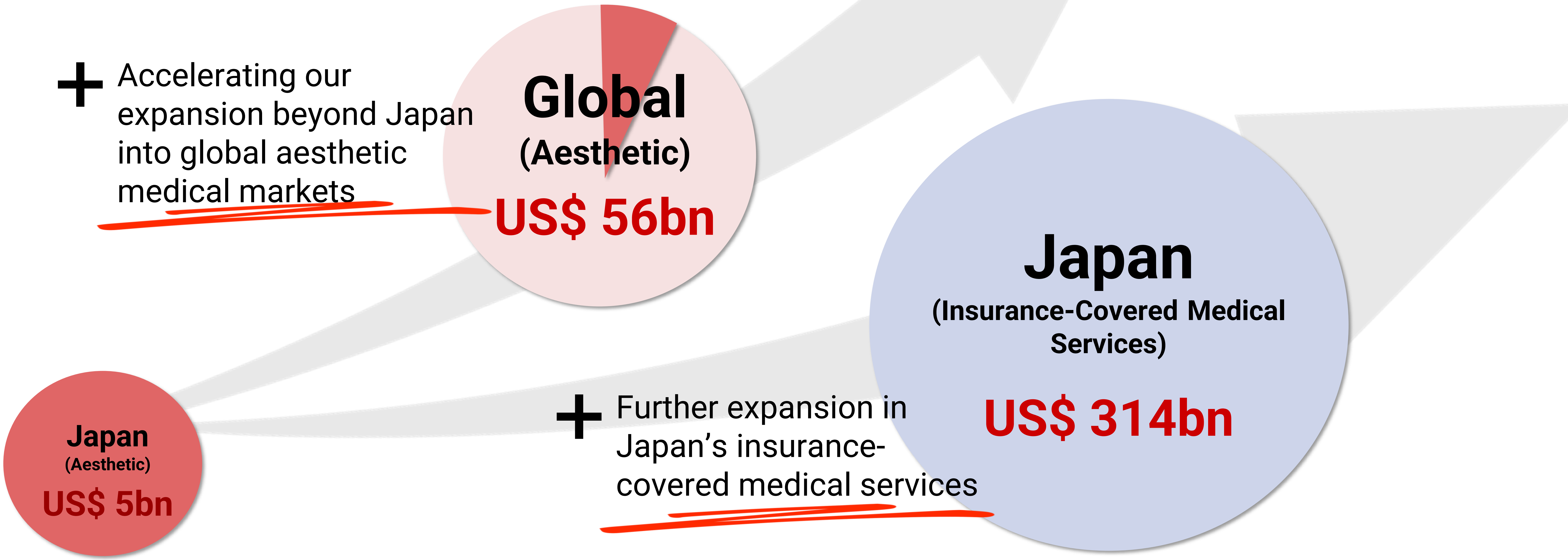
Net Income attributable to the company (mn US$, % of Margin)



** Retirement compensation expense, insurance fees*

3 Bigger Markets Awaits SBC

- SBC has the potential to global aesthetic medical markets. Also has the potential to expand its franchise network and related fields including insurance-covered medical services in Japan



Source: Fortune Business Insight, Yano Research Institute Ltd., WHO Global Health Expenditure Database, Ministry of Health, Labor and Welfare of Japan

3 Expansion into Adjacent Fields and B2B Partnerships

SBC Medical Group Holdings, Inc.

- SBC aims to leverage its expertise, expanding into adjacent fields such as fertility treatment, hair loss treatment, and online clinic services
- SBC integrated back-office platform is a market leader, with significant potential for B2B partnerships

Strong Growth & High Profitability:

- Revenue YoY Growth: 40%+
- Gross Profit Margin: 71%+
- Operating Profit Margin: 26%+

(FY2023)

roppongi ladies clinic

SBC 湘南美容クリニック AGA／植毛／薄毛治療

med.

Cell Pro Japan

Fertility Treatment

Hair Loss Treatment

Online Clinic

Regenerative Medicine

SBC Shonan Beauty Clinic

Comprehensive Aesthetic Treatment

TWE

(Clinic Management Vertical SaaS)

Potential for B2B Partnership

4 Strong Balance Sheet with Ample Leverage Capacity for Growth

SBC Medical Group Holdings, Inc.

- SBC currently maintains potential debt financing capacity for potential growth investment opportunity

Key Balance Sheet Figures (as of June 2024)

US$103mn
Cash

0.04x
D/E Ratio

226%
Current ratio

63%
Capital Ratio

Capital Management Policy

Reserve adequate liquidity and robust capital base

- Maintain an adequate liquidity position to support stable execution of SBC's business operation
- Reserve robust capital base to maintain leverage capacity for potential growth investment opportunity

Leverage management

- Managing leverage levels in accordance with business risk
- Debt financing is considered with business risks, interest rate risks, and capital market risks
- Currently, debt financing capacity is reserved for potential growth investment

Sustainable capital policy and shareholder returns

- Considering timely and flexible shareholder returns based on our corporate strategy and potential growth investment opportunities

4 Listing on NASDAQ Transform SBC into Global Company

SBC
Medical Group Holdings, Inc.

Expand SBC's brand recognition as a global brand	• Improve both SBC's corporate brand value and perceptions in aesthetic medical industry • Expand SBC's brand value from Japan local one to Global one
Access to the global capital market	• Gain access to global capital markets in both debt and equity • Enable access to global investors to raise fund to invest in clinic acquisition, launching vertical SaaS to aesthetic clinics globally
Enhance SBC's corporate governance	• Adopt US capital market standard on corporate governance , which is the strictest standard from a global perspective • Ensure sustainable growth through strong corporate governance

5 Visionary Leadership and Experienced Management Team

SBC Medical Group Holdings, Inc.

Board of Directors

Director (Chairman), CEO

Dr. Yoshiyuki Aikawa

SBCMGH Inc.
Director / CEO

SBCMG Co., Ltd
Director

Director, COO

Yuya Yoshida

External Directors

Fumitoshi Fujiwara

MEDIROM Healthcare Technologies Inc.
Director, CFO

Ken Edahiro

BizReach, Inc.
Executive Officer
CSMO

Mike Sayama Ph.D.

US — **SBC Medical Group Holdings, Inc.**

100%

Japan — **SBC Medical Group Co., Ltd.**

Experienced Management Team in Japan

Appendix

Financial Summary

Income Statement

(mn US$)	FY22	FY23	% YoY	FY24 H1	% YoY
Total revenue	174	193	*111%*	107	*129%*
Royalty income	24	42	*171%*	29	*177%*
Procurement services	54	53	*98%*	26	*104%*
Management services	67	72	*108%*	32	*105%*
Rental services	20	7	*35%*	7	*211%*
Cost of Revenue	59	56	*95%*	28	*123%*
Gross Profit	114	137	*120%*	78	*131%*
Operating cost	94	66	*70%*	27	*80%*
Income from operations	20	70	*351%*	51	*194%*
Net income attributable to the Company	6	39	*623%*	37	*223%*

Balance Sheet

(mn US$)	FYE22	FYE23	vs. FYE22	FYE24 H1	vs. FYE23
Total assets	**225**	**258**	***+33***	**255**	***▲3***
Total current asset	112	165	*+53*	169	*+3*
Cash and cash equiv.	51	103	*+52*	103	*+0*
Property and equipment, net	15	13	*▲2*	11	*▲1*
Intangible assets, net	7	19	*+12*	14	*▲4*
Long-term payments – related parties	21	19	*▲2*	17	*▲2*
Total liabilities	**117**	**114**	***▲3***	**94**	***▲20***
Current liabilities	101	92	*▲9*	75	*▲17*
Shareholder's equity	**105**	**142**	***+36***	**160**	***+18***

Our Philosophy

- Our purpose is to improve the well-being of people around the world with the latest medical innovations and achieve the ultimate win-win for all

Dr. Yoshiyuki Aikawa

Founder, Director (Chairman) & Chief Executive

Our Vision

- To achieve further growth in Japan and overseas, we will expand our clinic network
- By continuing to focus on the research and development of new medical technologies, medical devices, and cosmetics, we aim to increase our global presence with the listing on NASDAQ and establish ourselves as a leader in the healthcare industry

2025

Be the aesthetic medical group with the most customers in Japan

2035

Be the medical group with the most customers **in Japan**

2050

Be the medical group with the most customers **in the world**

Directors

Director (Chairman), CEO

Yoshiyuki Aikawa

SBCMGH Inc.
-Director (Chairman)
-CEO

SBCMG Co., Ltd
-Director

- From 2014 to 2015, the president and a director of the Japanese Society of Aesthetic Plastic Surgery. From 2008, Harvard Medical School, PGA.
- A member of the Japanese Society of Aesthetic Plastic Surgery, Japan Laser Therapy Association, Japan Liposuction Society, Chemical Peeling Society, Japanese Society of Anesthesiologists, and Post Graduate Assembly of Anesthesiology at Harvard Medical School.
- Holds a medical license from Nihon University Medical School where he graduated in 1997.

Director, COO

Yuya Yoshida

SBCMGH Inc.
-Director
-COO

SBCMG Co., Ltd
-CFO

- From January 2016 to June 2023, worked in Corporate Development (Global Head and Director of Corporate Development in 2018) at Rakuten Group Co., Ltd.
- From January 2003 to 2016, worked in Sales & Trading, Securitization, M&A, ALM・Treasury at Mitsubishi UFJ Financial Group.
- Graduated with a Master of Law degree from Keio University in 2003 and graduated with a Master of Business Administration degree from UCLA Anderson Business School in 2014

Independent Directors

Chairman of Corporate Governance and Nominating Com., Compensation Com., Audit Com.

Fumitoshi Fujiwara

MEDIROM Healthcare Technologies Inc.
-Director
-CFO

- Has had a career in buyout investments, venture investments, real estate development, and IPOs in both Japan and the US. Starting at Shuwa Corporation (1989-1993) as a manager, he led M&A activities.
- At KOEI Co., Ltd. (1993-2000), was instrumental in their IPO and served as CFO
- Co-founded Spiral & Star Co., Ltd. (2000-2001).
- As CEO of AC Capital Co., Ltd. (2001-2009), he managed buyout funds.
- Currently, at Eaglestone Capital Management Inc. (2009-), leads significant real estate and distressed debt investments. Also played a key role in the NASDAQ listing of MEDIROM Healthcare Technologies Inc. and now supports Japanese companies in US listings through Linden Capital Partners LLC.
- Holds a law degree from Meiji Gakuin University.

Member of Corporate Governance and Nominating Com., Compensation Com. and Audit Com.

Ken Edahiro

BizReach, Inc.
-Executive Officer
-CSMO

- After graduating from Hitotsubashi University, Faculty of Economics, he joined Dentsu Inc. in 2004.
- In 2012, joined gloops Inc. and served as General Manager of Marketing Division and CMO.
- In 2014, became Representative Director of King Japan Inc. and oversaw product development and marketing for puzzle game “Candy Crush” and others.
- In 2019, joined BizReach, Inc. and was appointed as CSO in February 2020.

Independent Directors

Member of Corporate Governance and Nominating Com., Compensation Com. and Audit Com.

Mike Sayama,Ph.D.

Pono
-Independent Director

- Dr. Mike Sayama is an independent director of Pono. He currently serves as Abbot of Chozen-ji International Zen Temple in Hawaii.
- In his professional career, Dr. Sayama was the founding Executive Director of Community First from July 2016 to January 2021, responsible for operations, strategic planning, community relations, and fundraising. From 2013 to 2018, Dr. Sayama was Vice President at Pono Health, managing the East Hawaii Independent Physicians Association and developing a data integration platform. He was Vice President at Hawaii Medical Service Association from 1997 to 2013 in charge of managing health benefits and customer relations. He also held directorships at City Bank and Central Pacific Bank.
- Dr. Sayama holds a BA in Psychology from Yale and a PhD in Clinical Psychology from the University of Michigan. He is an author of books on psychotherapy and Zen Buddhism.

Key Features of Japan's Medical Care Act

Notable Points of Medical Care Act in Japan

The law aims to protect patients' interests and ensure safe, high-quality medical care by guiding patient choice, managing healthcare facilities, and promoting inter-facility coordination for national health maintenance

- ✓ **Only medical corporations can manage clinics** (and they can not be listed) (Article 39)
- ✓ **A medical corporation is not expected to be profit-oriented** (Article 7)
- ✓ **To establish a new medical corporation or open a hospital or clinic, approval from the governor of the prefecture is needed** (Article 7, 44)
- ✓ - **Profits cannot be diverted outside the corporation** (Article 54)

Thank you

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SBC Medical Group Holdings, Inc.