

SBC Medical Group Holdings Incorporated

Second Quarter Fiscal Year 2026 Earnings Presentation

Minutes of the Earnings Call

Date: Thursday, August 13, 2026

Time: 8:30 a.m. Eastern Time / 9:30 p.m. Japan Standard Time

Format: Live webcast, with simultaneous interpretation into English

Speakers:

Yoshiyuki Aikawa — Representative Director, Chairman and Chief Executive Officer

Yuya Yoshida — Director, Executive Vice President, Chief Financial Officer and Chief Operating Officer

Hikaru Fukui — Head of IR and CHRO, SBC Medical Group Co., Ltd. (Moderator)

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1. Opening Remarks

[Hikaru Fukui,] Thank you very much for joining the SBC Medical Group Holdings second quarter fiscal

year 2026 earnings presentation.

[Hikaru Fukui] Today's session will be conducted by Yoshiyuki Aikawa, our Chief Executive Officer; Yuya Yoshida, our Chief Financial Officer, Chief Operating Officer and AI Evangelist; and myself, Hikaru Fukui, Head of the IR Department, serving as moderator.

[Hikaru Fukui] Today's presentation materials are available on our IR website, and these minutes will also be posted once they are ready. Please note that today's remarks include forward-looking statements. These are not guarantees of future performance, and actual results may differ due to a variety of factors. For details, please refer to our filings with the SEC. We will also refer to non-GAAP measures; reconciliations to GAAP are provided in today's disclosure materials.

[Hikaru Fukui] Let me outline today's program. First, you will view an AI-narrated presentation of approximately eleven minutes. The content has of course been reviewed in advance. Following that, Mr. Aikawa will deliver a message, and we will then move to the question-and-answer session. To submit a question, please click the "Q&A" icon at the bottom of your screen, enter your question, and send it.

[Hikaru Fukui] We will now begin the presentation.

2. Earnings Presentation (AI-Narrated)

The following section reproduces the narration of the AI-presented section of the meeting. Slide references correspond to the "2Q 2026 Investor Presentation" posted on the Company's IR website.

Thank you for taking the time to join the second quarter 2026 conference call of SBC Medical Group Holdings Incorporated. I will now walk you through our results for the second quarter of 2026, an update on our business strategies, and our capital and IR strategy.

If I had to sum up this quarter in a single sentence, it is the quarter in which we completed the structural reforms we undertook in 2025 and SBC's growth entered a phase of reacceleration. On the back of an expanding business base and more sophisticated support functions, including AI, we delivered profit growth that outpaced revenue growth.

Slide 5 — 2Q 2026 Clinic Highlights

Let me begin with the clinic highlights. As of the end of June 2026, our number of locations reached 287, up 34 year-over-year, and the annual number of customer visits over the trailing twelve months was 6.92 million, up 10%. Year-to-date clinic revenue rose 11%, same-clinic revenue was up 6%, and average spend per visit in the quarter increased 9%. With both customer volume and unit price rising together, our clinic business is showing renewed strength.

Slide 7 — 2Q 2026 Financial Performance Highlights

Next, our financial highlights. Second-quarter revenue was \$49 million, up 13% year-over-year; Adjusted EBITDA was \$20 million, up 32%; and our Adjusted EBITDA margin was 41%. Profit growth outpaced revenue growth, with profitability improving.

Slide 8 — Change and Contributing Factors

In the second quarter, we grew both revenue and profit despite a weaker yen. Because most of our business is conducted in yen, a weaker yen is a headwind for our reported results; even so, we absorbed it and still delivered strong revenue and operating income. The main driver was higher management services revenue, reflecting the expansion of the points business following the change in our operating policy in June 2025. A revision of certain service fees also contributed.

Slide 10 — Growth Strategy Overview

Now to our strategy update. Our strategy is unchanged. We aim to be a healthcare platform that supports Longevity — people living young and vigorous lives — from two sides: aesthetic medicine, an appearance-based approach, and non-aesthetic, or general, medicine, a function-based approach. Our goal is to become the name that comes to mind when people in Japan think of Longevity. We believe four growth strategies will get us there: accelerating our multi-brand strategy in aesthetic dermatology; expanding our non-aesthetic business; expanding globally; and strengthening our competitiveness and reforming our cost structure through AI. I will briefly comment on each of these four growth strategies. We believe that AI is developing into a source of SBC's next competitive advantage.

Slide 11 — Multi-Brand Optimization (1)

In aesthetic dermatology, we are accelerating our multi-brand strategy to capture increasingly diverse needs and raise lifetime value. First-half transaction value grew a strong 19% year-over-year. To reach the customer segment that prefers basic dermatological treatments, which is driving market expansion, we are renaming Shonan Aesthetic Dermatology to SBC Skin Clinic. The "Skin Clinic" name lowers the barrier to aesthetic medicine and broadens our appeal, and we will open two additional clinics.

Slide 12 — Multi-Brand Optimization (2)

Next are our high-value brands, for beauty-conscious customers who choose based on the expertise of doctors and equipment. We will add three NEO Skin Clinic locations, for a total of four, and one JUN CLINIC, for a total of seven. And to meet solid demand in men's aesthetics and hair removal, we are launching two new formats: THE LASER, a large-scale hair-removal clinic, and SBC MEN'S FLASH, which specializes in men's beard removal with high-speed operations.

Slide 13 — Multi-Brand Optimization (3): Gorilla Clinic

Gorilla Clinic's first-half transaction value was \$62 million, up 19% year-over-year. Using hair removal and oral AGA treatments as entry points, we guide customers step by step toward dermatological and higher-value treatments, and this deeper penetration of our existing customer base drove the growth.

Slide 14 — Expansion of Non-Aesthetic Healthcare Business

Aiming for a Japan where Longevity means SBC, we position non-aesthetic healthcare as our second growth engine. Our transaction value mix is still roughly 84% aesthetic and 16% non-aesthetic, which means the potential upside is significant. To drive this, we established a dedicated team in June 2026, led by Naoya Fujimoto, formerly an executive officer at a major healthcare and IT talent-platform company. We will strengthen both customer acquisition and medical management: first sharpening the acquisition and operations of existing clinics to raise utilization and revenue per clinic, and in parallel using M&A to expand the number of locations.

Slide 15 — U.S. Strategy: Building a Foothold with OrangeTwist

The premise of our global expansion is a stable earnings base in Japan; on that foundation, we grow overseas with discipline. In the United States, we are advancing our collaboration with OrangeTwist, in which we took a minority stake in December 2025. OrangeTwist has 24 locations across six states and a membership base where recurring revenue exceeds 40% of sales. We are currently sharing operating know-how and expanding the service menu, and over the medium to long term we aim to export the model we establish in the United States to Japan and Asia.

Slide 16 — Southeast Asia Strategy

In Southeast Asia, we are exporting, asset-light, the operating system honed in Japan: affordable, reliable, and standardized. We are proving this out at our first Thai clinic, BLEZ CLINIC. Under our "Powered by SBC" model, the local partner provides capital and operations, while SBC supplies procurement,

standardization, training, and patient acquisition, earning recurring fees linked to revenue in return. This expands our footprint at a high return on invested capital, or ROIC, while holding down capital expenditure. Starting from Thailand, we will expand the model across ASEAN.

Slide 17 — AI Strategy: Leveraging 26 Years of Data

AI is a foundational strategy supporting both growth and efficiency. We are leveraging more than 26 years of accumulated management data to support AI development, building a barrier that is hard to replicate. Strengthening our MSO platform through AI lifts growth in three directions at once: the number of locations, the fee per clinic, and the range of service menus. A more attractive platform draws in new clinics, more active transactions raise service-fee levels, and the service menu expands — a virtuous cycle that we believe drives recurring consolidated revenue and EPS growth.

Slide 18 — AI that Empowers Clinic Management (1)

We are progressively deploying AI that directly supports clinic management. Our AI Chatbot for around-the-clock inquiries and our AI interpreter TalkBridge, which gives on-the-spot English and Chinese interpretation to capture inbound demand, are already released. Our marketing AI is rolling out in phases, and a call-center AI to raise answer rates and prevent missed calls is scheduled for release during 2026. Together, these enhance the customer experience and our marketing, contributing to higher clinic revenue.

Slide 19 — AI that Empowers Clinic Management (2)

We are also deploying AI that supports network expansion itself: a site-candidate recommendation AI that gathers population, foot-traffic, and competitor data to speed up site selection, and a knowledge-sharing AI that turns 26 years of on-the-ground know-how into a company-wide asset, improving the repeatability of new openings and helping staff ramp up quickly. This lets us expand the network with both precision and speed while maintaining high quality, and strengthens our appeal as a franchise.

Slide 20 — Service Fee Update

More sophisticated support functions, AI foremost among them, translate directly into greater value for clinics, and we are raising service-fee levels in stages accordingly. Enhanced call-center functions are expected to add approximately \$11 million per year, and stronger support for the Gorilla and Rize clinics approximately \$4 million — together approximately \$15 million per year on a full-year basis. On a win-win basis with the medical corporations, we aim to sustainably raise our Average Fee per Clinic, or AFPC, at limited additional cost, which further supports profitability.

Slide 21 — Our Growth Trajectory

Since our Nasdaq listing, we have reinforced our core platform and laid strategic groundwork overseas and in new domains. From here, we enter a phase of multi-faceted acceleration: expanding and rebranding domestic aesthetic dermatology, launching new formats, strengthening non-aesthetic healthcare, moving the United States into Phase 2, expanding B2B and joint ventures in Southeast Asia, applying AI, and planning a Longevity center for 2027. Through disciplined investment, we will pursue differentiated earnings and sustained EPS growth.

Slide 23 — Capital and IR Strategies

Finally, our capital and IR strategy. Our basic policy is to pursue EPS growth and a normalization of our valuation in parallel, enhancing shareholder value over the medium to long term. Backed by ample cash, we are investing in both organic growth and disciplined M&A. At the same time, we recognize that SBC's recognition in the capital markets, particularly in the United States, is still limited. That said, our investor base is broadening rapidly: our beneficial shareholder base has grown roughly 4.7 times year-over-year as of July 2026. Building on this momentum, in 2026 we have participated, and will continue to participate, in IR conferences in New York, Hong Kong, and elsewhere, and we are stepping up our year-round

investor engagement, including NDRs, one-on-ones, and outreach to retail investors. We will also keep working to expand analyst coverage.

Through all of this, with continuous EPS growth and the pursuit of an appropriate valuation in the capital markets as our two wheels, we expect to deliver even greater value to all our stakeholders, beginning with you, our shareholders. We hope you will look forward to what lies ahead for SBC. That concludes my remarks. Thank you very much for your attention.

3. Message from the Chief Executive Officer

[Hikaru Fukui] Thank you. Next, Mr. Aikawa will deliver a message. Mr. Aikawa, over to you.

The following remarks were delivered in Japanese and have been translated into English.

[Yoshiyuki Aikawa] Good evening, everyone. I am Aikawa, Chairman and Chief Executive Officer of SBC Medical Group Holdings. Thank you for joining us today.

As you heard in the presentation, we believe the numbers we delivered in this second quarter are genuinely meaningful.

To begin with, 2024 and 2025 were years in which competition in Japan's aesthetic medicine market intensified significantly. Against that backdrop — and we are now in our 26th year since founding — our historical growth had plateaued somewhat. Over these past two years, in this changed environment, we explored a great many ways to return to growth. We comprehensively renewed our marketing approach, our pricing, and our treatment offerings. As a result, I am now confident that we have transformed ourselves into an organization able to grow strongly even in this environment. I therefore believe we can continue to deliver strong growth, not only in this second quarter but going forward as well.

We have also set ourselves the goal of becoming the most AI-enabled organization among healthcare providers in Japan, an initiative led by Mr. Yoshida. To give a few examples: an AI system that responds automatically to patient inquiries via chat and, going forward, AI-assisted voice and telephone handling, reservation systems, and recommendation functions. By applying AI across these various functions, I am confident we can increase customer convenience, elevate the customer experience, and at the same time improve operational efficiency. That should allow us to run the business more efficiently and contribute to our margins as well.

We have also set a company-wide goal of becoming a true Longevity company. To date, most of our growth has come from aesthetics, but going forward we have set targets to grow categories such as orthopedics, ophthalmology and fertility treatment. So while aesthetics is very much our core today, the future we envision — and the goal we have set — is that ten years from now aesthetics will account for a smaller share of the whole, with revenue and profit from other categories becoming substantially larger.

As for the number of clinics, we stand at just under 300 today, and we have a company-wide goal of reaching 1,000 clinics by 2035. To achieve that goal as early as possible, we intend to grow categories beyond aesthetics as well.

Overseas, we currently operate clinics in Thailand, Singapore and Vietnam. Performance there is improving — gradually, but steadily — and once we establish a winning formula, I expect we will be able to roll out SBC clinics across Asia.

I believe this second quarter has delivered results that go at least some way toward meeting your expectations, and we will continue to work hard so that the third and fourth quarters meet your expectations

even more fully. Thank you for your continued support.

4. Question and Answer Session

[Hikaru Fukui] Thank you, Mr. Aikawa. We will now move to the question-and-answer session. Please click the “Q&A” icon at the bottom of your screen, enter your question, and send it.

Questions submitted by participants were read aloud by the moderator, Hikaru Fukui. Answers were provided by Mr. Aikawa or Mr. Yoshida as indicated. This session was conducted in Japanese and has been translated into English.

Q1. [Hikaru Fukui] You describe this quarter as a “reacceleration” of growth. Your domestic aesthetic clinic business is turning up. Versus the first halves of 2024 and 2025, what has structurally changed, and can we expect this momentum to continue?

A. [Yoshiyuki Aikawa] Let me take that. First, as the competitive environment intensified, what I did was fundamentally to look closely at the results of our customer satisfaction surveys and analyze where our competitive advantages lay and where we were competitively weak. We then reviewed everything we communicate through every medium, starting with our website — the photography, the pricing, the wording. The change of our Chief Marketing Officer was also a very significant factor. We overhauled our marketing entirely, from social media marketing through to television advertising, reshaping it into a form suited to the current era and capable of winning in this competitive environment. That is producing very good results today, and I believe this trend will continue for some time. So I do expect strong growth to continue from here.

A. [Yuya Yoshida] May I add to that? It is exactly as Mr. Aikawa described. What is now coming through in the results is that both customer volume and unit price are rising together, and that is the major difference versus the past two years. Moreover, in aesthetic dermatology specifically, we are growing faster than the market. So this is not simply a reflection of overall market movement; rather, the strengthening of the SBC platform — including the fundamental marketing reforms just described — is what is translating into results. That gives us considerable confidence.

Q2. [Hikaru Fukui] How do you currently view the competitive landscape of Japan’s aesthetic medicine market?

A. [Yoshiyuki Aikawa] I believe competitive intensity peaked somewhere around last year through the first half of this year — perhaps around now. Previously, aesthetic clinics were proliferating rapidly, springing up one after another. More recently, that momentum has slowed, and we expect the number of players to decline going forward. That said, Japan’s aesthetic medicine market itself will continue to expand — that much is certain. So my expectation is a market that grows while the number of players gradually declines, which should create an environment in which our strengths are increasingly brought to bear.

A. [Yuya Yoshida] If I may add. As Mr. Aikawa said, I think it is fair to say the tide has turned completely. To put the conclusion first, SBC’s position has in fact become considerably stronger, and conditions are favorable to us. The reason is that SBC holds an overwhelming number one position in both the number of locations and the number of customers. That overwhelming brand strength, customer base and business scale allow us to design the balance between the value we deliver and the price we charge for each individual brand. As a result, we can avoid being drawn into simple price competition, and instead leverage our scale advantages to strengthen competitiveness while securing profitability. That is something competitors operating a single channel cannot do. Frankly, we are also seeing signs that other clinic operators are finding conditions increasingly difficult. So, as Mr. Aikawa said, while the market itself will keep growing — including through the Longevity trend — we believe SBC can actually grow its share

within it. To be more concrete: in aesthetic dermatology, our financial capacity allows us to introduce the latest medical equipment earlier and at greater scale than anyone else. On top of that there is the AI-driven optimization of operations, which is my own area of focus. Undertaking this kind of capital investment, including advertising strategy, is difficult for competitors to follow. And the build-out of the data infrastructure that underpins the entire business is also progressing, which is significant. The marketing reforms Mr. Aikawa described are all data-driven — we formulate and execute strategy after analyzing a great deal of granular data. All of this reinforces our confidence that SBC's position is becoming stronger.

Q3. [Hikaru Fukui] This looks like a very good quarter. However, SG&A expenses appear to have come in somewhat higher than expected. Could you explain the drivers?

A. [Yuya Yoshida] Thank you for the words “great quarter” — we are very pleased to hear that. On SG&A, the important point is that the increase was only slight. There are several drivers, but the largest was one-off costs associated with the secondary offering we conducted. So please understand that this does not represent a meaningful upward shift in the SG&A trend.

Q4. [Hikaru Fukui] In this quarter's results you outlined a service-fee upside of approximately \$15 million. Could you tell us about the timing of that increase, how much is already reflected in the second quarter, and the incremental impact on profit?

A. [Yuya Yoshida] The timing depends on the individual item. Of the two specific initiatives we have outlined, the call-center revision takes effect from July, and the Gorilla and Rize Clinic revisions from June. So essentially very little of this is reflected in the quarter we have just reported — since the Gorilla and Rize revisions began in June, only a marginal portion is included. The full effect will therefore come from next year, but for the remainder of this year — that is, the third and fourth quarters — you can expect a little under half of the annualized amount. The two initiatives we have described today are those that are firmly decided, but beyond these we are continually examining further unit-price improvements through higher value-added services, so we plan to keep raising revenue per clinic. In terms of profit contribution, these are services delivered on an essentially fixed-cost basis, so you can assume that almost all of it flows straight through to profit. That is why we are confident that the \$15 million annual upside currently confirmed is a strong one.

Q5. [Hikaru Fukui] Could you give us an update on OrangeTwist? What have you learned since making the investment, and what key milestones do you envisage over the next twelve months?

A. [Yuya Yoshida] As I oversee our overseas business, let me take this one. The biggest learning is this: over the past six months we revised the management structure, and Clint Carnell, one of the co-founders, became Chief Executive Officer. What we are learning from him is substantial — we are seeing first-hand how U.S.-style med spa management is executed under his leadership. Concretely, this includes initiatives to reduce procurement costs, which leverage SBC's purchasing power; a comprehensive review of marketing strategy; a rethink of how proposals are made to customers in the clinics, including the protocols; and the running of large-scale customer-acquisition events that build the brand. He is executing initiatives we ourselves have never attempted, one after another, in a very short space of time. In a word, it is the speed. The pace of execution has clearly accelerated since he took the role. Beyond that, we are working with OrangeTwist to expand Longevity products, a growth area. Looking to the next twelve months, we also intend to take on the challenge of rolling out SBC's own brands into the U.S. market in cooperation with OrangeTwist. That is challenging, but in terms of synergy with OrangeTwist it is something we look forward to.

A. [Yoshiyuki Aikawa] Let me add a supplement. As Mr. Yoshida said, the change of leader has driven

rapid reform at OrangeTwist, and this is already being reflected in performance. There is a great deal we can learn from his leadership. He also visited Japan and toured our clinics here, so we were able to share information from our side as well, and there is a great deal we can learn from the U.S. side in return. It will take some time, but we intend to make good use of opportunities like these, learn from them, and build a strong business model in the United States.

Q6. [Hikaru Fukui] Also on the United States. As you expand your U.S. business from here, what are you contemplating — increasing the number of OrangeTwist clinics, acquiring other companies, or raising your ownership stake in OrangeTwist?

A. [Yoshiyuki Aikawa] Increasing the number of OrangeTwist locations is, of course, something we will do. Raising our ownership stake in OrangeTwist is also under consideration. In addition, with the cooperation of the OrangeTwist team, we are considering launching our own model designed to win in the U.S. market, and then rolling it out and expanding locations together.

A. [Yuya Yoshida] If I may add. As Mr. Aikawa said, it will fundamentally be a mix of several approaches, and in particular we will pursue SBC's own store expansion in parallel. But the baseline is OrangeTwist's roll-up strategy — growing the number of locations while also making use of M&A. We completed one such transaction at the end of last year, taking us to 24 locations today. Beyond that, further M&A opportunities are being brought to OrangeTwist, and we are evaluating each of these growth opportunities one by one.

Q7. [Hikaru Fukui] Next, Southeast Asia. What traction have you seen from your Southeast Asia strategy so far, and what are the next steps?

A. [Yoshiyuki Aikawa] We currently operate clinics in Vietnam, Thailand and Singapore. In Singapore, we hope to expand the AHH clinics we acquired last year. In Vietnam, we have been operating clinics for ten years now, and the number of Vietnamese patients has finally begun to increase steadily, so the business is starting to grow strongly. If we can establish one strong model there as a core, then given that Vietnam alone has a population of more than 100 million, I believe we can open clinics steadily. I would also add that countries with an affinity for Japanese culture — such as Thailand and Hong Kong — should be relatively straightforward for us to expand into.

A. [Yuya Yoshida] One point to add, related to overseas in the sense of inbound demand. On a single-month basis, over the past several months we have been posting roughly double the previous trend, and we are welcoming a particularly large number of customers from Taiwan. This is true across the board: the one to two years of effort and improvement we have put in are translating into results one by one. That applies to Asia, and in the inbound sense it is also translating into welcoming more customers from across Asia.

Q8. [Hikaru Fukui] On a related note, looking across Japan and overseas over the time horizon of the second half of 2026 and into 2027, where do you see the greatest growth opportunity?

A. [Yoshiyuki Aikawa] As I mentioned earlier, I think Vietnam has real potential. Inbound demand is also growing very reliably, so I expect that to grow as well. And our U.S. business is growing rapidly following the change of leadership. I believe these three areas are ones we can grow with confidence.

Q9. [Hikaru Fukui] Next, on AI. This quarter you were able to raise service fees partly as a result of AI development. Beyond that, do you anticipate other developments that will impact earnings, and if so, over what timescale?

A. [Yuya Yoshida] Let me take that. First, individual products will continue to be released in rapid succession. As Mr. Aikawa mentioned, we already released the chatbot in August, and within this year we will roll out the AI call center, as well as tools such as an AI preceptor that supports the training of nurses and concierges. So over the coming six to twelve months we will advance both individual products and the renewal of our core systems, making extensive use of AI. What we are fundamentally aiming for is this: even if we reach the 1,000-clinic scale Mr. Aikawa mentioned for 2035, we want to build a group in which, at the very least, the back-office functions support that 1,000-clinic scale at roughly the same volume, size and headcount — without increasing fixed costs. Efforts to raise operational efficiency have come first, but going forward we will also work on enhancing the customer experience. For example, an app version of the AI chatbot we released on the web, delivering a personalized user experience that allows customers to view their treatment history or run simulations using their own photographs. Through initiatives like these we can improve customer convenience and raise revenue — so this becomes a story not only about efficiency but about growing the top line as well. That is what we expect, and what we are planning.

Q10. [Hikaru Fukui] Next, a question on Longevity. How does SBC view the Longevity opportunity, and how do you plan to build it into a business?

A. [Yoshiyuki Aikawa] First, on Longevity: Japan is among the longest-lived nations in the world, its population is ageing rapidly, and the number of elderly people is large. We see Japan as being, in a sense, ahead of other countries in this respect, and we intend to make this a solid pillar of the Company's earnings. Put simply, we see Longevity as helping people to live long, healthy, vigorous and fulfilling lives, and to do so through medical technology. In that sense, aesthetic medicine also plays a role: even as people age, improving how they look can help them continue to work with energy and vitality. Likewise, in fields such as regenerative medicine and orthopedics, if someone's knees or joints hurt, they cannot enjoy sport or travel — so in that sense we can help remove limitations on what people are able to do. In dentistry, being able to eat properly with one's own teeth is, we believe, extremely important to human activity, so that is another area we intend to grow. In addition, as is being done in the United States, we are considering a model based on genetic testing to assess the biological age of each organ, and then proposing a full range of treatments accordingly — peptides, hormones, supplements and so on. In a sense this becomes a subscription model, in which we periodically assess cellular age, conduct health screening, and continuously provide the supplements and other support each individual needs.

A. [Yuya Yoshida] Let me add briefly. I see two main points. The first is SBC's positioning. As Mr. Aikawa described, because we are a medical organization we can hold the intervention layer. We do not simply quantify and present numbers and stop there — we can actually deliver the medical treatment that improves the condition. That is a significant differentiator. The second point is that as people live longer, healthier and more active lives, this should drive substantial growth in the aesthetic medicine market itself. That is clearly beneficial for SBC, since the market grows and we are positioned to grow our share significantly within it. We believe this Longevity trend, growing over the medium to long term, will be a very strong tailwind. Concretely, we plan to establish a Longevity center as early as next year, and to build an online platform alongside it, so that in Japan "Longevity means SBC" becomes the association people make.

Q11. [Hikaru Fukui] Finally, a question on capital. Your net cash has now risen to roughly 45% of your market capitalization. With such ample funds, how do you intend to enhance equity value from here? And what is your message on why investors should focus on SBC now?

A. [Yoshiyuki Aikawa] First, before we listed, when we acquired the clinics now in our group — Rize Clinic and Gorilla Clinic — their combined revenue at the time of the M&A was around ¥25 billion. Over the following three to four years we grew that to more than ¥30 billion. Going forward, by executing M&A

properly in areas such as orthopedics and dentistry — and aesthetic medicine is included as well — we intend to turn our 2035 target of 1,000 clinics from pie in the sky into an achievable number. To that end, we plan to pursue M&A actively and on a scale commensurate with that goal.

[Hikaru Fukui] Are there any further questions? If not, that concludes our question-and-answer session. To close, Mr. Yoshida, our Chief Financial Officer, will deliver some final remarks.

5. Closing Remarks

[Yuya Yoshida] Thank you very much for taking the time to join our earnings presentation today. As Chief Financial Officer, I am delighted to have been able to deliver such an extremely strong set of quarterly results.

We have extremely strong confidence in the reacceleration of our growth. As we have described, the management efforts we have undertaken over the past several years are delivering strong results, and we are proud to have strengthened SBC's positioning further. As a consequence, we have been able to raise the unit price of the services we provide to clinics, and through the development of new clinic formats we also expect to expand the clinic network itself.

Furthermore, we are confident that the AI and Longevity trends that will support our medium- to long-term growth will strengthen SBC's position further still. We hope you will look forward to SBC's strong growth from here. Thank you very much for your time today.

End of Minutes

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