Fiscal Year Ending December 31, 2024, First Quarter Explanatory Materials for Financial Results

eWeLL Inc. (TSE Growth Market: 5038)

May 14, 2024

Technology that cares

◆ <u>**Net sales of 574 million yen（up 23.4% YoY）and operating profit margin of 40.7%（down 7.1 %pts YoY）**</u>

- **Net sales grew steadily and operating profit margin also exceeded initial expectations**
  The Company plans to hire aggressively in the first half of the current fiscal year to strengthen its organizational structure, and the **operating profit margin in the first half of the year is expected to be lower than in the second half**, resulting in an operating profit margin down 7.1 points year on year.

    * FY2024 1H operating profit margin (plan)---41.7%
      FY2024 2H operating profit margin (plan)---44.9%

- Progress against the forecast was 22.5% for net sales (22.5% in the same period of the previous year) and 21.1% for operating profit (24.5% in the same period of the previous year). Although progress in operating profit has declined year on year due to the above factors, both net sales and operating profit are progressing better than initially expected.

◆ <u>**The number of new contracts signed in 1Q reached an all-time high of 160.**</u>
- The number of contracted stations at the end of 1Q was 2,698 (up 17.9% YoY)
- The average monthly churn rate (Revenue Churn Rate) for the period under review was 0.15%, a low level as usual.

◆ <u>**Hiring progressed ahead of schedule, with 77 employees at the end of 1Q （up 10 from the end of the previous fiscal year）.**</u>
- The number of employees is expected to increase by 22 to 89 at the end of the current fiscal year from 67 at the end of the previous fiscal year (up 10 in 1Q is about halfway).
- Strengthened Sales, BPO, and Development personnel structure Further strengthening of Sales, BPO, and Support, etc. is planned towards the end of the fiscal year

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◆ <u>**The contents of the 2024 revision of medical and nursing care fees are largely finalized. Positive revision for home-visit nursing**</u>

- Diverse responses, 24-hour system reinforcement, BCP measures, abuse prevention, etc. are required and subject to evaluation.

- To accommodate this demand, **promotion of DX is required**, and the macro environment is a **tailwind for the Company**.

◆ <u>**AI home-visit nursing plan was released on schedule in April, and has received positive customer reviews.**</u>

- Released on April 17, and, as of May 10, **used over 10,000 times!**

- It received positive feedback in customer interviews and has the potential to contribute greatly to improving nurses' work efficiency.

◆ <u>**Started cooperation with NTT East, NTT West, Ricoh Japan, and KOHNAN SHOJI respectively**</u>

- Started cooperation with Ricoh Japan, NTT East and NTT West on online qualification verification and online billing and with KOHNAN SHOJI on iBow e-store

- We will continue to increase the number of our collaborators in order to solve various issues in the field as a home healthcare platform.

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① Overview of the FY2024 revision of medical and nursing care fees

While the main focus of the revisions is to promote DX and diversity, they are positive for home-visit nursing as a whole
Note that there are some negatives for some specialized businesses

	Positives		Negatives
Medical services payment system	● **Home-visit nursing base up evaluation fee (I)** ● **Additional fee for utilizing home-visit nursing medical DX information** ● **Additional fee for infants and toddlers** ● **Function-based home-visit nursing management treatment fee**	780 yen/month plus 5 points/month plus 1,300 - 1,800 yen/day plus Up to 400 yen/month plus (first day of the month)	● **Home-visit nursing management treatment fee for residents of the same building** *500 yen/day minus (from the second day of the month)
Long-term care fees	● **Number of units per time category** ● **Additional fee for specialized management** ● **Additional initial fee** ● **Additional fee for supporting remote death diagnosis** ● **Additional fee for strengthening oral coordination** ● **Additional fee for emergency home-visit nursing**	1 - 7 units plus 250 units/month plus Up to 50 units/month plus 150 units/visit plus 50 units/visit plus Up to 26 units/month plus (For Designated Home-Visit Nursing Stations)	● **Visits by physical therapists, occupational therapists, or speech therapists** *8 - 23 units/visit minus (when rehabilitation staff outnumber nursing staff, etc.)

	Items that will not be negative if addressed		
Long-term care fees	● **Subtraction for not implementing business continuity plan** ● **Subtraction for not implementing measures to prevent elder abuse** ● **Subtraction for not discontinuing use of physical restraints**	Institutional and residential services Other services	(If not implemented, minus amount equivalent to 3% of prescribed number of units) (If not implemented, minus amount equivalent to 1% of prescribed number of units) (If not implemented, minus amount equivalent to 1% of prescribed number of units) (If not implemented, minus amount equivalent to 1% of prescribed number of units)

AI Home-Visit Nursing Plan was released on April 17, 2024 as scheduled and has been used more than 10,000 times in the short period of approximately a month since its release.

AI Home-Visit Nursing Plan...A function that enables the creation of a home-visit nursing plan with a single click using generative AI

*Research by eWeLL, April 2024. As "Home-Visit Nursing Plan Creation Function Using Generative AI" in Japan

Home-visit nursing plan, which takes a long time to create based on primary doctor's orders, care plans, and user requests, can be created with a single click by combining iBow data with publicly available data using Generative AI

Information to consider when formulating a nursing care plan

- Medical and nursing knowledge and other public data
- User information
- Primary doctor's order (home-visit nursing instruction)
- Care Plan (Home Service Plan)
- Preferences of users and their families (first visit records, etc.)

Public data → A

iBow → B

ChatGPT

Data analysis → C Nursing Plan

Nurses confirm

Completed Nursing Plan → D
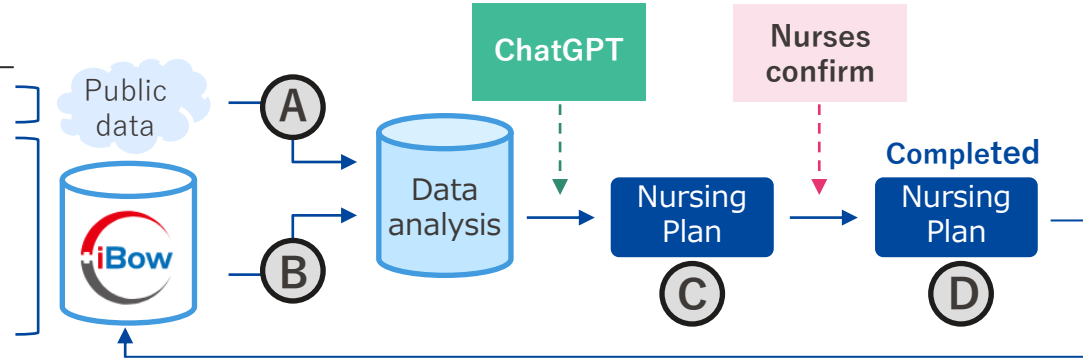
iBow screen for AI home-visit nursing plan

Home-visit nursing plan

3 **Collaboration with several large companies**

Implemented cooperation with Ricoh Japan, NTT East and NTT West on online billing and online qualification verification and with KOHNAN SHOJI on iBow e-store

Online billing and online qualification verification	**Started May 2024**	**Started February 2024**
iBow e-store	**Started May 2024**	**Started October 2023** *Cooperation with Toyota Tsusho started in 4Q of the previous fiscal year

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I FY12/2024 1Q Results

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1 **FY12/2024 1Q Financial Results Summary**

Both net sales and operating profit remained strong, and the operating profit margin exceeded the initial expectation.

Millions of yen	FY12/2023 1Q Results	FY12/2024 1Q Results	Changes	Changes (%)
Net Sales	466	**574**	108	+23.4%
Cloud	419	**511**	92	+22.1%
BPO	42	**54**	11	+27.1%
Other	4	**8**	4	+111.6%
Operating Profit	223	**234**	11	+4.9%
Operating Profit Margin	47.9%	**40.7%**	- 7.1pt*	

* The Company plans to hire aggressively in the first half of the current fiscal year to strengthen its organizational structure, and the operating profit margin in the first half of the year is expected to be lower than in the second half, resulting in a 7.1 point year-on-year decline in the operating profit margin.

FY2024 1H operating profit margin (plan)---41.7%
FY2024 2H operating profit margin (plan)---44.9%

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2 **Progress against forecasts**

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Progress in net sales was in line with the previous fiscal year. Although operating profit was higher than expected, the rate of progress was lower than the previous fiscal year because the operating profit margin in expected to be lower in the first half of the current fiscal year due strengthening of the organizational structure.

Net Sales

Operating Profit

FY12/2024
Plan

2,560 million yen

FY12/2023
Results

2,069 million yen

FY12/2023
Results

908 million yen

FY12/2024
Plan

1,111 million yen

466 million yen **Progress rate 22.5%**

574 million yen **Progress rate 22.5%**

223 million yen **Progress rate 24.5%**

234 million yen **Progress rate 21.1%**

FY12/2023

FY12/2024

FY12/2023

FY12/2024

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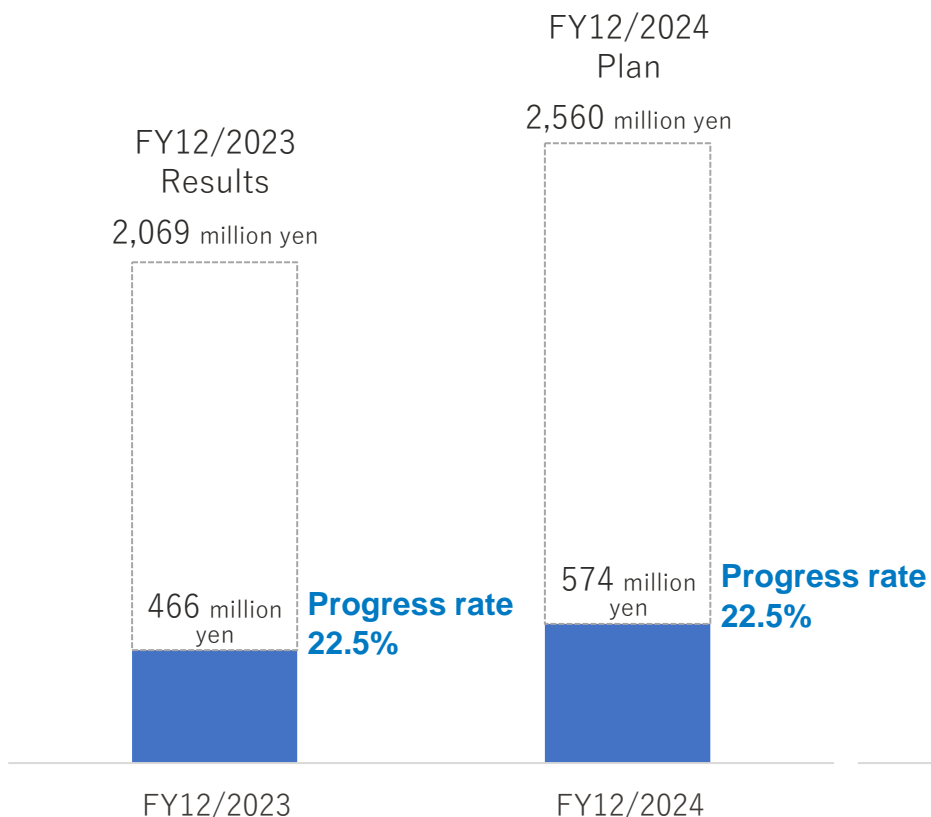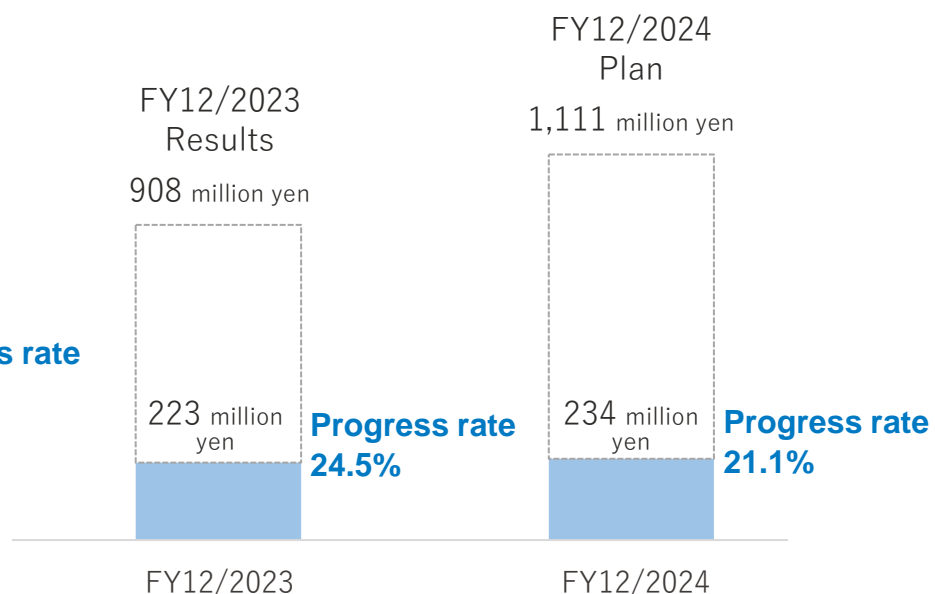
③ Revenues by Service（Changes in Net Sales）

In the cloud business, 18 million yen was recorded for sales of the new statutory training service in the fourth quarter of the previous fiscal year (6 million yen in the first quarter of the current fiscal year). BPO focused on hiring and training in the first quarter of the current fiscal year with orders expected to increase from the second quarter onward.

Historical Quarterly Net Sales of Cloud Services（Millions of yen）

* Due to the seasonality of the first quarter, which includes January and February, the number of visits decreases due to fewer business days, and sales of both the cloud business and BPO tend to be several percent lower than in other quarters.

1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
234	278	302	322	331	362	385	401	419	452	469	510	**511**
	FY12/2021				FY12/2022				FY12/2023			FY12/2024
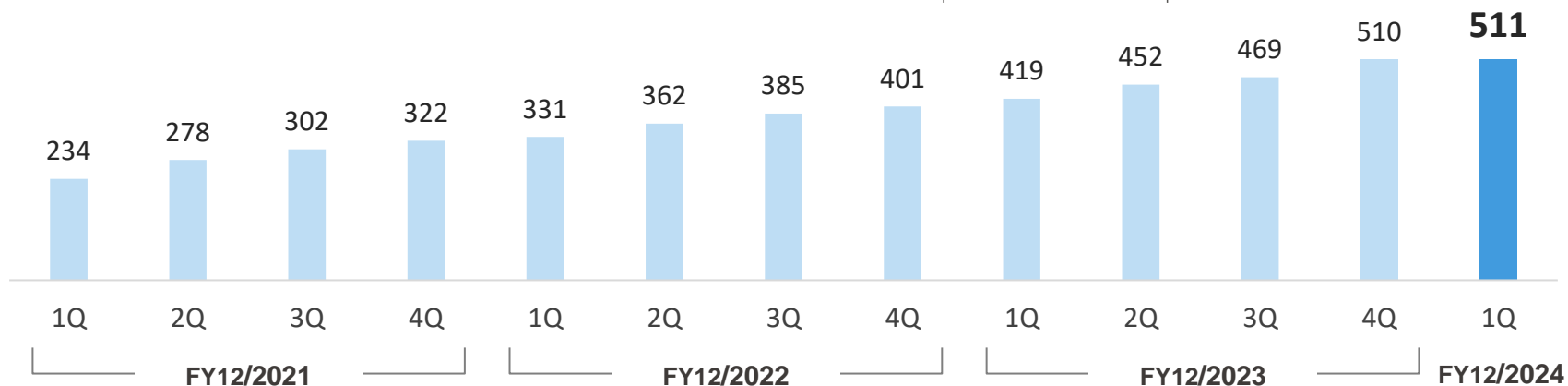
Historical Quarterly Net Sales of BPO Services（Millions of yen）

January 2021 Production release

1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
4	6	11	15	17	21	29	39	42	47	54	55	**54**
	FY12/2021				FY12/2022				FY12/2023			FY12/2024
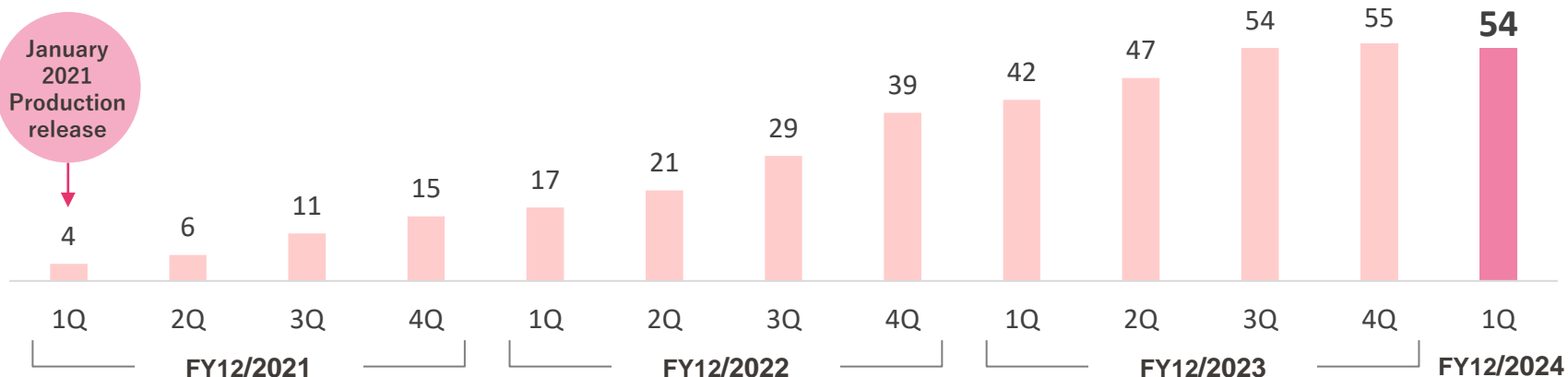
4 Major KPI: Number of Contracted Stations

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New acquisitions reached an all-time high of 160 in the first quarter
There were 36 cancellations (of which 56% were due to site closures), but the impact on the churn rate was negligible.

+17.9%

- ■ Number of STs in operation
- ■ Number of STs with AO done
- ■ Number of AO-opening STs

	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Total	1,522	1,608	1,689	1,777	1,885	1,977	2,067	2,161	2,289	2,377	2,461	2,575	**2,698**
STs in operation	1,369	1,523	1,581	1,669	1,714	1,857	1,945	2,018	2,098	2,246	2,326	2,410	2,490
STs with AO done	81	24	42	18	69	37	32	39	96	32	55	58	91
AO-opening STs	72	61	66	90	102	83	90	104	95	99	80	107	117

FY12/2021 — FY12/2022 — FY12/2023 — FY12/2024

Number of Contracted Stations Change Breakdown

	FY12/2021				FY12/2022				FY12/2023				2024
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
(1) Newly gained	143	107	105	106	132	107	105	117	139	127	111	134	160
(2) Cancelled	-21	-11	-6	-17	-7	-14	-13	-22	-19	-27	-22	-24	-36
(3) Change in number of inactive STs	2	-10	-18	-1	-17	-1	-2	-1	8	-12	-5	4	-1
Quarterly total	124	86	81	88	108	92	90	94	128	88	84	114	123

*1. Number of stations in operation refers to the number of stations that are using the service
*2. Number of STs with AO done refers to the number of stations that have set up an account required to use the service but are yet to begin using the service
*3. Number of AO-opening STs refers to the number of stations that are in the process of opening an account required to use the service
*4. Number of Contracted Stations refers to the combined total of the numbers of STs in operation, STs with AO done, and AO-opening STs
*5. The number of inactive STs are the number of stations that have suspended use of the service for a specified period during a contracted period

Major KPI: Historical Unit Price per Customer **④**

As usual, the unit price for iBow was down from the fourth quarter of the previous fiscal year due to seasonality. For BPO, sales did not rise during the quarter as new hiring and training progressed, but are expected to increase from the second quarter onward.

Average Monthly Unit Price per Customer *1

(Thousands of yen)

*2

Other

iBow Administrative Management Service（BPO）

iBow Receipt

iBow

	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
	59.4	64.1	66.8	68.5	68.5	70.2	71.9	73.6	74.1	75.2	76.0	76.3	**75.5**

FY12/2021	FY12/2022	FY12/2023	FY12/2024
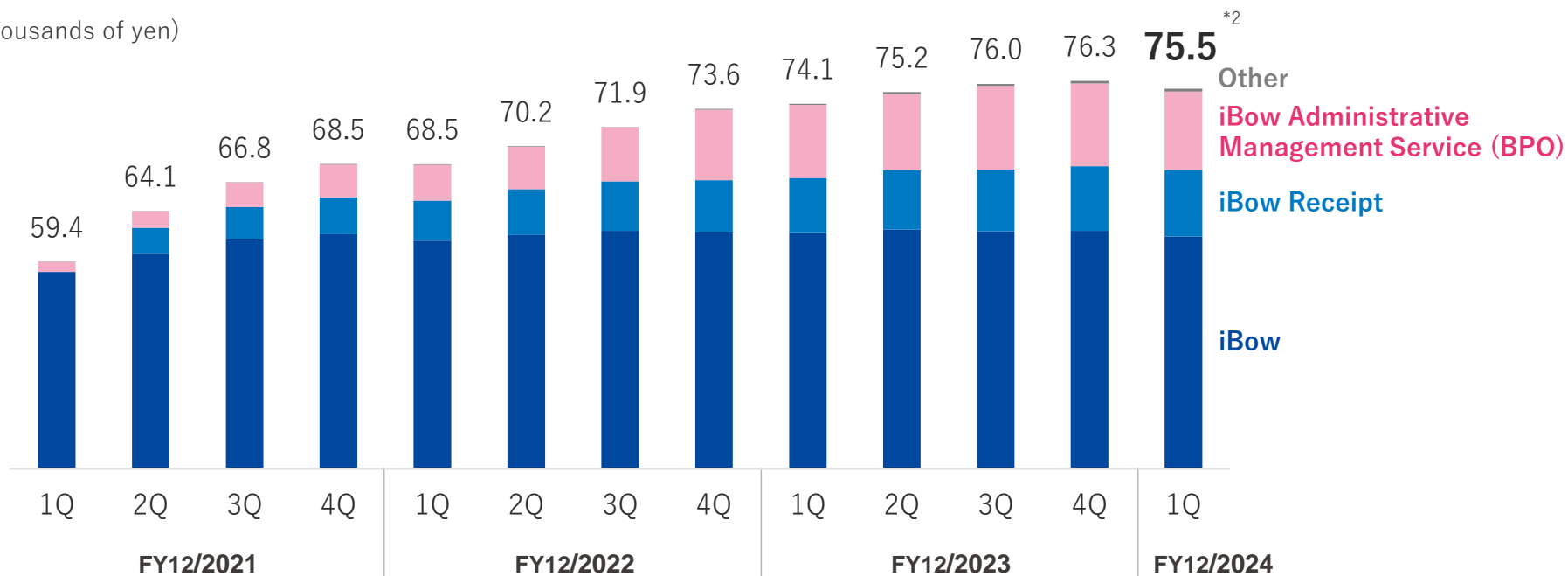
*1: Average monthly unit price per customer is calculated by dividing the average monthly net sales during the quarter (recurring revenue only) by the average number of stations in operation at the end of the month during the same period
Prior to the previous fiscal year, the unit price of sales to customers was calculated including the non-recurring sales. Therefore, the calculation method for the current quarter was used to revise the previous fiscal years
*2: Due to the seasonality of the first quarter, which includes January and February, the number of visits usually decreases due to fewer business days, and sales of both the cloud business and BPO tend to be several percent lower than in other quarters.

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④ Major KPI: Revenue MRR Churn Rate

In the first quarter period under review, the average monthly churn rate （Revenue MRR Churn Rate） was 0. 15%, virtually unchanged from previous years

Continued to see a low and stable churn rate, with the majority of new contracts contributing to sales in subsequent fiscal years and beyond

Revenue churn rate
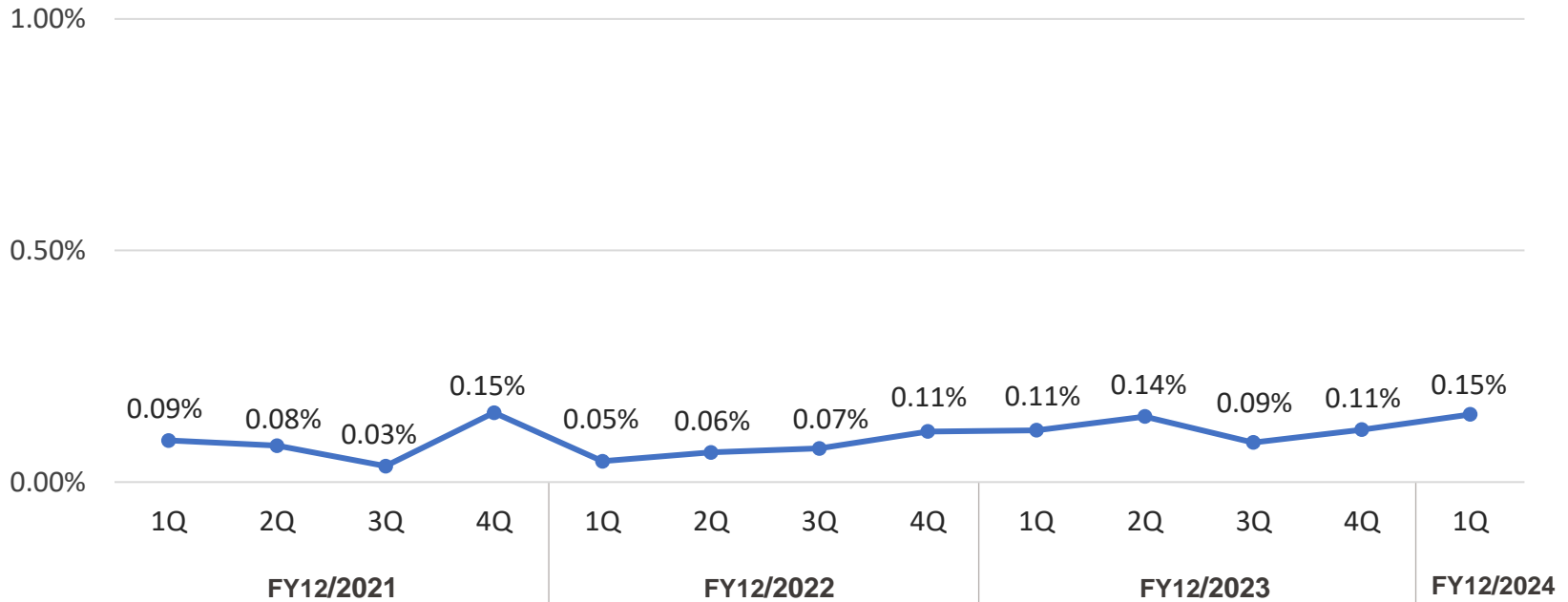
* The average monthly churn rate represents the average of the ratio of monthly usage fees decreased due to churn to the monthly
  usage fees of existing customers, calculated on a quarterly basis.

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⑤ Operating Profit Drivers

Operating profit was higher than expected, but increased slightly year on year due to steady progress in hiring, the increase in non-current costs related to the relocation of the company's headquarters, and higher advertising expenses resulting from participation in trade shows, etc.

Vs. 1Q FY12/2023: **+11M yen**

(Millions of yen)

	Cloud services Gross Profit increase	Profit increase in BPO Service and others *1	Human Capital Investment *2	Advertising Expenses *3	Headquarters relocation-related non-current cost *4	Other *5	
223	+69	+4	-19	-13	-16	-13	234

*1 BPO gross profit

The gross profit margin temporarily declined from the previous fiscal year due to upfront hiring to strengthen the acceptance system.

*2 Human Capital Investment

Total of personnel expenses and hiring expenses. Hiring is progressing faster than planned.

*3 Advertising Expenses

Impact of increased participation in trade shows: 9 million yen

*4 Headquarters relocation-related non-current cost

Non-current costs increased due to the end of the rent-free period of the new Osaka headquarters and rent from the current fiscal year.

*5 Other

Costs related to renewal of corporate sites

Change in Gross Profit ← → **Change in SG&A Expenses**

FY12/2023 1Q Operating Profit

FY12/2024 1Q Operating Profit

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The ratio of cloud services remains high at approximately 90%. In BPO, the gross profit margin temporarily declined from the previous fiscal year due to upfront hiring to strengthen the acceptance system.

(Millions of yen)

Service Name	Net Sales	Gross Profit	Gross Profit Margin	
Cloud	511	403	78.9%	* Full-year of previous fiscal year: 81.1%
BPO	54	27	49.8%	* Full-year of previous fiscal year: 59.0%
Other	8	8	100.0%	
Total	574	439	76.4%	

BPO Service 9.5%　**Other 1.5%**

FY12/2024 1Q Net Sales composition

Cloud Service 89.0%

BPO Service 6.2%　**Other 1.9%**

FY12/2024 1Q Gross Profit Composition

Cloud Service 91.9%

Hiring is progressing ahead of schedule, strengthening the personnel structure with a focus on sales, BPO, and development.
We plan to increase the number of employees by another 12 toward the end of the current fiscal year（sales, BPO, and support, etc.）

Changes in the number of employees by department

(Unit: Persons)
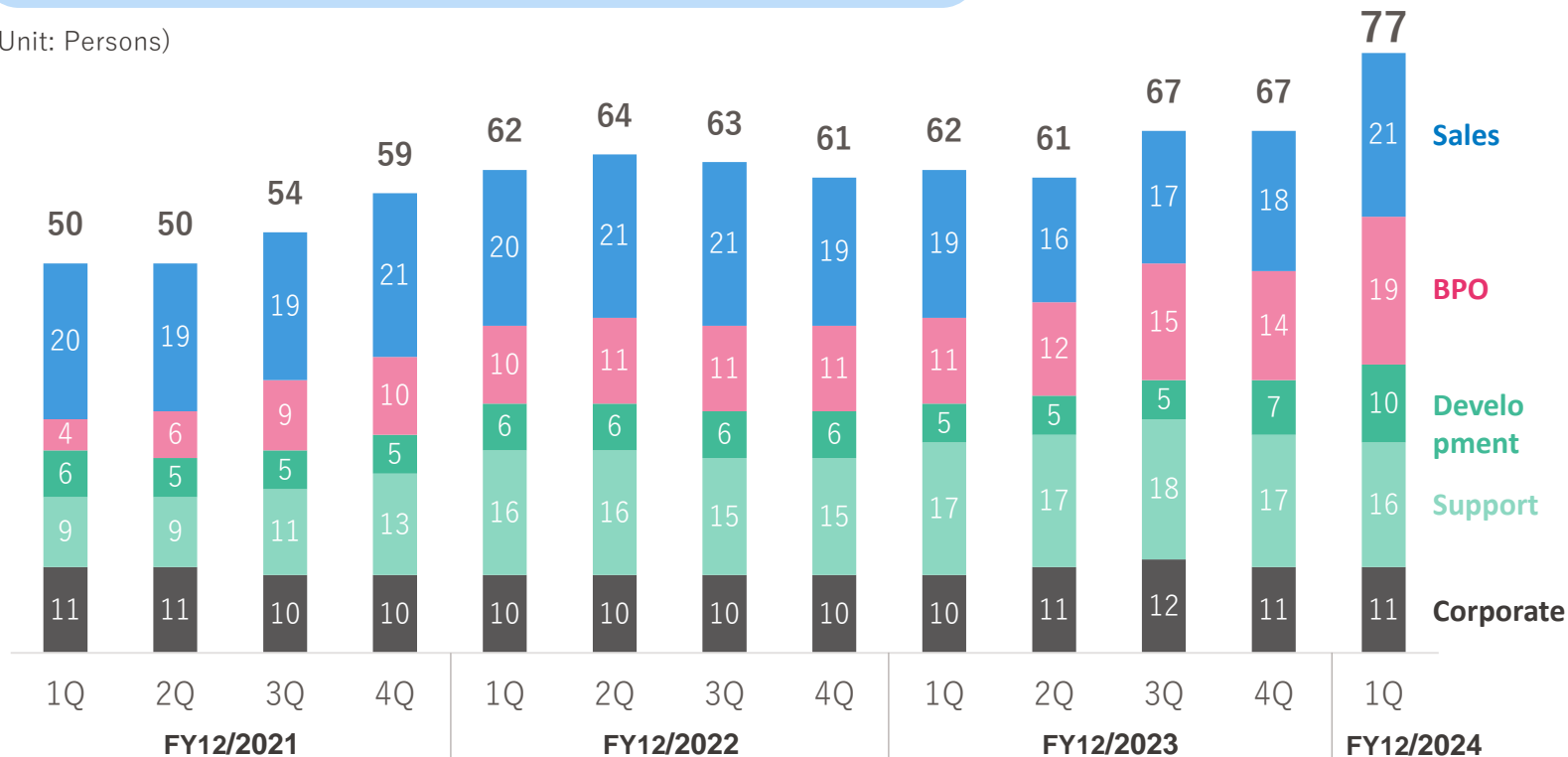
Solid financial position is formed. Equity ratio was 77.2%（up 6.2 points from the end of the previous period）.
Decrease in current assets and liabilities was mainly due to dividend payments.

(Millions of yen)	End-FY12/2023		End-FY12/2024 1Q		Change from end of previous fiscal year	
	Amount	Composition	Amount	Composition	Changes (Amount)	Changes (%)
Current Assets	1,856	78.0%	1,698	77.1%	-157	-8.5%
Non-current assets	523	22.0%	505	22.9%	-18	-3.5%
(Property, Plant and Equipment)	281	11.8%	278	12.6%	-2	-1.0%
Total Assets	**2,380**	**100.0%**	**2,204**	**100.0%**	**-176**	**-7.4%**
Current Liabilities	588	24.7%	400	18.2%	-188	-31.9%
Non-current Liabilities	102	4.3%	102	4.6%	0	+0.1%
Total Liabilities	**690**	**29.0%**	**502**	**22.8%**	**-187**	**-27.2%**
Net Assets	**1,690**	**71.0%**	**1,701**	**77.2%**	**+11**	**+0.7%**
Total Liabilities and Net Assets	**2,380**	**100.0%**	**2,204**	**100.0%**	**-176**	**-7.4%**
Equity ratio（%）	**71.0%**		**77.2%**		**+6.2pt**	

Ⅱ About eWeLL

1 **Company Introdoction**

2 **Business Overview**

3 **Business Environment**

4 **Business Model**

5 **Competitive Advantages**

6 **Business Plan**

① Company Introdoction
Company Profile and History

Company Profile

Trade Name	eWeLL Inc.	
Established	June 11, 2012	
Business Locations	Head Office (4-1-3 Kyutaromachi, Chuo-ku, Osaka) Tokyo Office (2-8-21 Kyobashi, Chuo-ku, Tokyo)	
Main Business Activities	iBow, a business-support SaaS for Home-Visit Nursing stations, and other support services for station operations	
Representative	President & Representative Director	Norito Nakano
Board Member	Managing Director	Asako Kitamura
	Director	Osamu Urayoshi
	Outside Director	Tomoki Matsushita
	Full-time Corporate Auditor	Yoshihiro Masuda
	Corporate Auditor	Haruyuki Matsuyama (certified public accountant)
	Corporate Auditor	Seisaku Hirata
	Corporate Auditor	Toshinobu Shimizu (attorney)
Number of Employees	77 (as of March 31, 2024)	

History

June 2012:	eWeLL Inc. was established in Minami-Semba, Chuo-ku, Osaka City
June 2014:	Released "iBow," an electronic medical record system exclusively for home-visit nursing
January 2017:	Head office (Osaka office) relocated to Bingo-machi, Chuo-ku, Osaka City
January 2018:	Tokyo office established in Chiyoda-ku, Tokyo
October 2020:	Released "iBow KINTAI" attendance system for the home-visit nursing industry
January 2021:	Started providing "iBow Office Management Service"
April 2021:	"iBow Receipt," a receipt system for home-visit nursing stations, was released
April 2022:	Tokyo office relocated to Chuo-ku, Tokyo
September 2022:	Listed on the Growth Market of the Tokyo Stock Exchange
July 2023:	Head office (Osaka) relocated to Kyutaro-machi Chuo-ku, Osaka City
December 2023:	Released e-learning service "iBow e-Campus Home-Visit Nursing Statutory Training Edition"

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Mission

Making people happy

Vision

We will create new value in home-based care to help bring about a society where everyone can live safely at ease

Value

Be a challenger

Always growing through tireless effort and bold aspirations

Be innovative

Constantly creating new value in pursuit of new possibilities

Be sincere

Connecting with people on a sincere, human level to foster trusting relationships and richer lives.

Be positive

Pushing ahead with the mindset that every matter is relevant and every obstacle can be an opportunity

Be professional

Striving to embody professionalism in fostering security and cultivating inspiration with respect for law and order

① Company Introdoction
Board Member Profile

Norito Nakano
President & Representative Director

June 2012
- Established eWeLL
- Appointed president and representative director

Asako Kitamura
Managing Director
General Manager of Customer Division

July 2012
- Joined eWeLL

October 2012
- Appointed managing director of eWeLL

January 2023
- General Manager of Customer Division

Osamu Urayoshi
Director
General Manager of Product Division

March 2019
Joined eWeLL as the director of the Product Development Division

February 2020
- Appointed as director and director of the Customer Division

January 2023
- General Manager of Product Division

Tomoki Matsushita
Outside Director

Following his involvement in corporate management as Executive Vice President at Tobila Systems, Inc., a listed company, he currently serves as Vice President of Singular Perturbations

March 2024
- Appointed as outside director of eWeLL

Yoshihiro Masuda (Full-time auditor)	1991–2020: Worked in the public underwriting department, etc. at Daiwa Securities Co., Ltd. October 2020: Appointed as eWeLL's auditor
Haruyuki Matsuyama (Corporate Auditor)	1978: Registered as a Certified Public Accountant Became independent from Coopers & Lybrand and established his own accounting firm July 2014: Appointed as eWeLL's auditor
Seisaku Hirata (Auditor)	January 2011: Appointed as an auditor and director of N FIELD Co., Ltd. (currently retired from these positions) February 2020: Appointed as eWeLL's auditor
Toshinobu Shimizu (Auditor)	1996: Registered as an attorney at law. Member representative of SUN SOGO Legal Profession Corporation and appointed as an outside director of Colan Totte Co., Ltd. (present). March 2022: Appointed as eWeLL's auditor

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② **Business Overview**
iBow Concept

iBow Concept

DX Home Healthcare

Improve efficiency and productivity of home-visit nursing and resolve labor shortages and management problems

訪問看護専用 電子カルテ
iBow
アイボウ

② Business Overview
Home-Visit Nursing Domain in Home Healthcare

Medical care can be roughly divided into acute care in hospitals and chronic care, which is shifting to home care
Chronic care, which is becoming increasingly important as the number of elderly people increases, becomes our area of business.

Healthy	Unwell	Disease state	Recovery state	Chronic condition	Terminal

Short term / Momentary　　　　　　　　**Long term / Continuous**

Health and prevention　　**Acute medical care**　　**Chronic medical care**　　**Terminal medical care**

Health checkup data
(Japan Health Insurance Association, etc.)

Preventative medicine
(Various apps, etc.)

Treatments primarily led by hospitals

Therapy, Treatments and Observations

Therapy progress information

eWeLL's Business Domain

Increase in the number of seniors
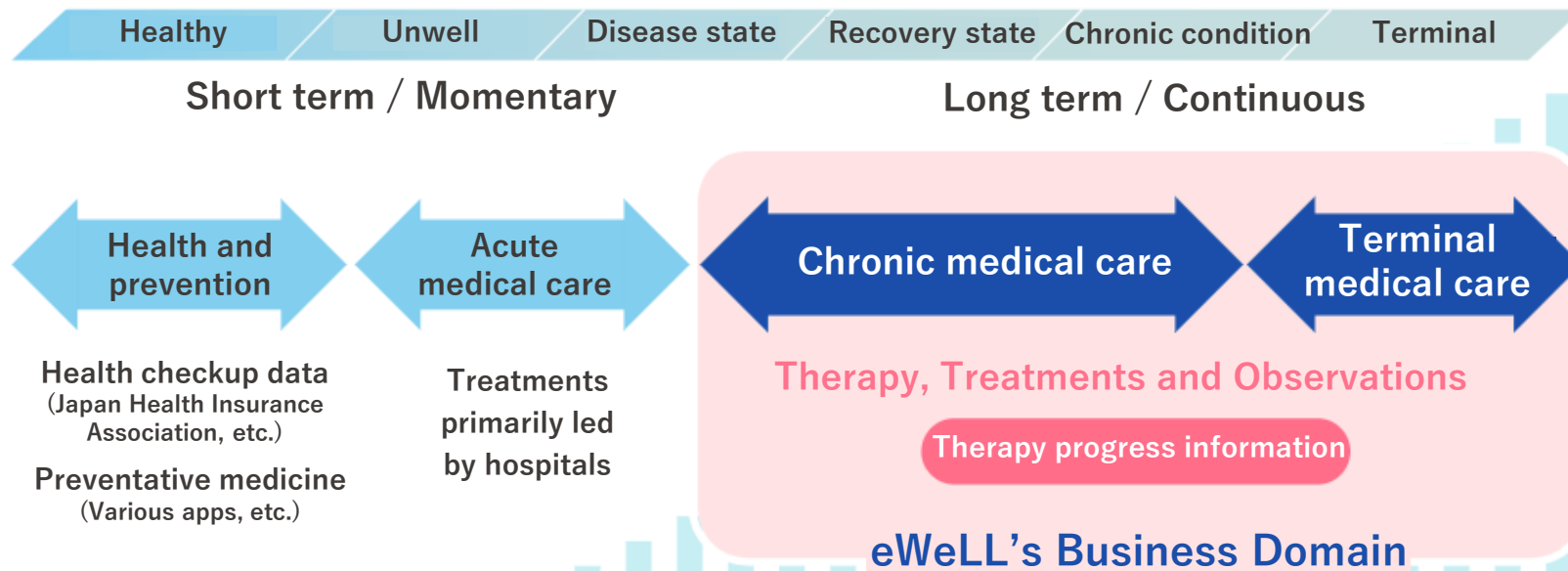
Home-visit nursing exists in all areas of medical care, nursing care, welfare, etc.

Home-visit nursing plays a central role in community-based comprehensive care system
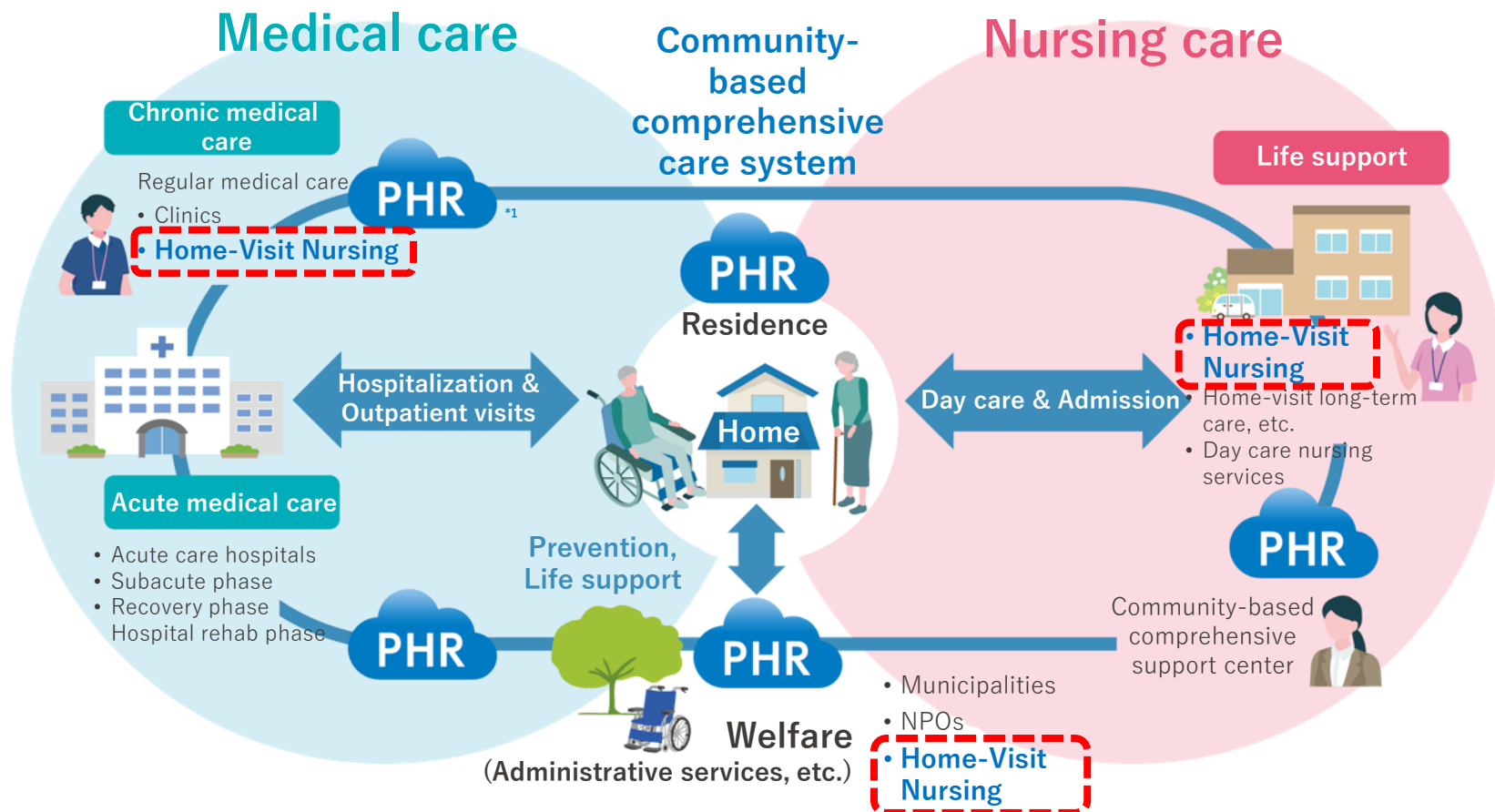
③ Business Environment
Growing Social Need for Home-Visit Nursing

In order to reduce medical expenses by 35% home-visit nursing stations are required at the receiving end
As of April 2023, there were 15,697 offices, and the expansion trend is expected to continue

Number of Home-Visit Nursing Offices in the Long-Term Care Insurance System[*]

CAGR
8.7%

15,697

14,304

13,003

11,931

11,161

10,418

9,735

9,070

8,241

7,473

6,801

6,298

5,922

5,731

5,221

5,434

5,407

5,470

5,309

5,224

5,091

4,991

4,825

4,730

| 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | FY2010 | 2011 | 2012 | 2013 | 2014 | FY2015 | 2016 | 2017 | 2018 | 2019 | FY2020 | 2021 | 2022 | 2023 |

eWeLL founded
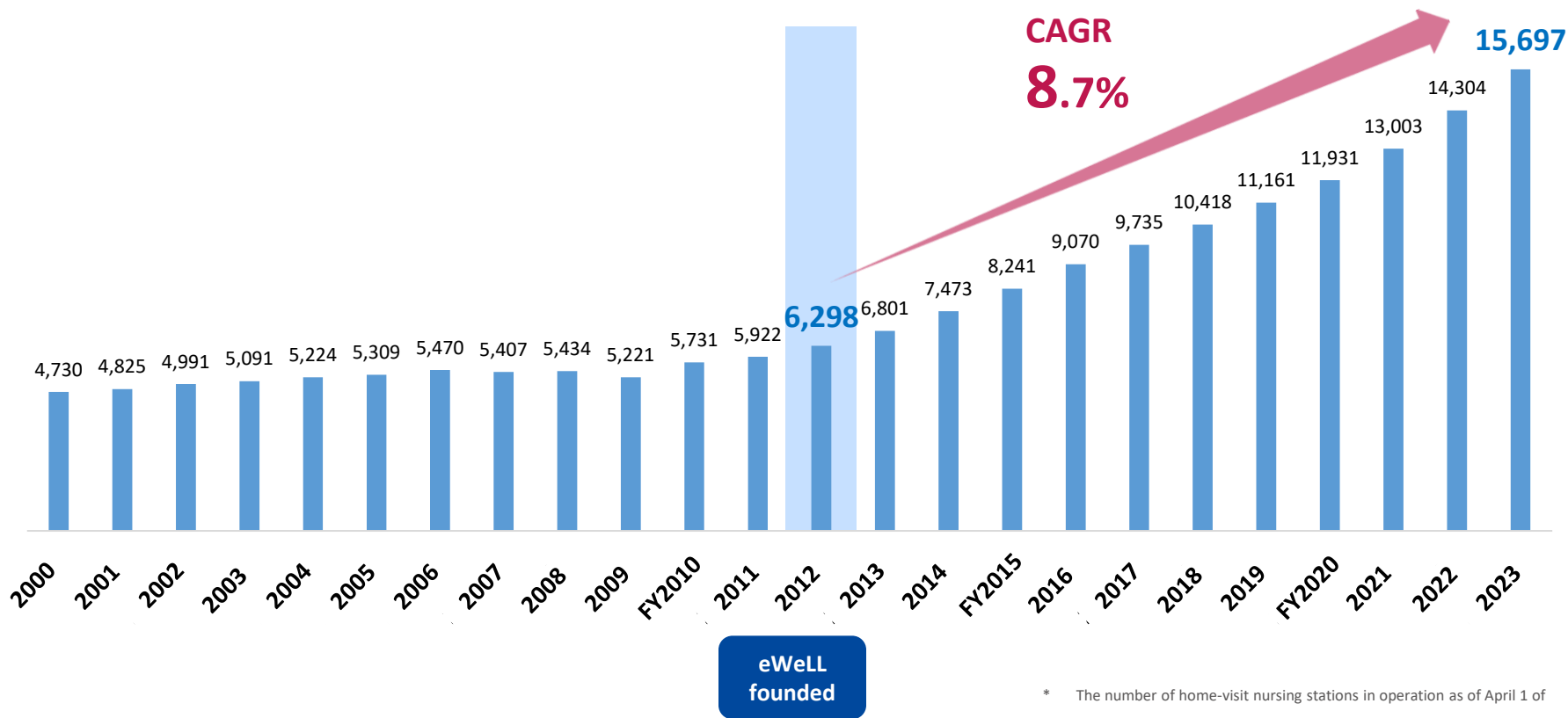
* The number of home-visit nursing stations in operation as of April 1 of each year as reported by the Home-Visit Nursing Associations

4 **Business Model**

By developing, operating, and providing services (SaaS, BPO) for iBow, an electronic medical record system dedicated to home-visit nursing, **contributing to the reduction of paperwork, information-sharing, travel time, etc. for clients (home-visit nursing stations).**

Cloud Service

Designed for Home-Visit Nursing Electronic Medical Record "iBow"

Insurance Billing **"iBow RECEIPT"**
Attendance System **"iBow KINTAI"**
Nursing Care Billing **"iBow Nursing Care Billing Transmission"**
Training Service **"iBow e-Campus"**

BPO Service

iBow Administrative Management service

Equivalent to 5% of insurance bill amount
(Minimum monthly fee: 100,000 yen)

iBow monthly fee

Basic fee: 18,000 yen
100 yen per home-visit

Subscription

About 1.4% of medical (nursing) fees of home-visit nursing

Provide service

Medical data

Vitals, oral medication info, test records, etc.

Provide cloud agency service

Subscription

Home-Visit Nursing Stations

(1) Provide Nursing Service

Patient

(2) Send bills using RECEIPT

(3) Medical / Long-Term Care Fees

About 8,500 yen* per home-visit

National health insurance organizations, etc.

*Calculated from the home-visit nursing treatment fee when medical insurance is applied (Estimated amount of Basic Home-visit Nursing Treatment Fee (I) and the Home-visit Nursing Management Treatment Fee)

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⑤ Competitive Advantages
Differences from Other Companies' Systems

Differences from Receipt System

The iBow electronic medical record system was developed primarily to improve the efficiency of Home-Visit Nursing field operations, and the Receipt System was developed primarily to improve the efficiency of insurance billing operations.

Insurance billing calculations are automatically performed from daily Home-Visit Nursing records entered into iBow, eliminating the time required for billing and increasing the time spent on Home-Visit Nursing visits.

Electronic medical record Handwritten records -> CRM (iBow)

Accounting (General vendor)

At Discharge | Initial Visit | Visit | Visit··· | End of month Processing | Month End | 1st | Billing | 10th

- Conference records
- Nursing records I
- Summary
- Nursing records II
- Close-call monitoring
- Nursing Plan
- Instruction issuance statement
- Handover notes
- Statistical data
- Instruction deadline management
- Service-provision slips
- Monthly reports
- Referral document
- Home-visit logs
- Submission management

Insurance-claim System (Receipt vendor)

Monthly Compensation Calculator

Upsell

iBow KINTAI (Attendance management)

- Time in/Time out
- Break Management
- Table converting hours to full-time hours
- Shift Management

Upsell

iBow Receipt

Nursing care transmission

Cross-sell

iBow Administrative Management Service (BPO)

Upsell

iBow e-Campus Home-Visit Nursing Statutory Training Edition (e-learning service)

Technology that cares

⑤ Competitive Advantages

Specializing in the field of home healthcare, eWeLL has developed a number of products that utilize its unique data.

Station establishment	Patient (user) acquisition	Schedule review	Home-visit nursing plan design	Home-visit nursing	Home-visit nursing report	Send bills using RECEIPT

Blue: Released
Grey: Coming Soon

iBow

| Commencement Perfect Course | CareLog (tentative) *Data utilization* To be released in FY2024 | AI Home-Visit Nursing Schedule *Data utilization* To be released in FY2025 | AI Home-Visit Nursing Plan *Data utilization* | | AI Home-Visit Nursing Report *Data utilization* To be released in FY2024 | iBow Receipt *Data utilization* iBow Administrative Management service |

Support for recruiting nurses
(Under review)

Attendance management
iBowKINTAI

Equipment purchasing
iBow e-Campus e-Store

Statutory training
iBow e-Campus Home-Visit Nursing Statutory Training Edition

Competitive Advantages

1. Roll out of one-stop service for core operations in the home healthcare field
2. Development of electronic medical records to support operations, specializing in improving the efficiency of home-visit nursing operations as mainstay
3. Products leveraging our chronic medical care data, which is guaranteed both in terms of quality and quantity

Technology that cares

Medium- to Long-Term Vision

Continue to Evolve as a Platform Provider for Home Healthcare

- Contribute to home healthcare through a high-growth, high-profit model with the aim of solving the 2025 problem*

We aim to realize our vision by promoting our unique growth strategy in the home healthcare market, which is expected to grow rapidly!

Business Environment → **The massive 28-trillion-yen home healthcare market is rapidly rising, and we are in a no-wait situation.**

Growth Strategies → **Update the "Medium-Term Business Plan" to build a business foundation that can respond to the 2025 problem**

* The "2025 problem" is a general term for a social issue where the so-called "baby boomers" born during the first postwar baby boom will reach the age of 75 in 2025, and there are concerns about a sharp increase in social security costs such as medical care and long-term care.

Technology that cares

6 **Business Plan**
Positioning of FY2024

The period up to FY12/2025 has been designated as the "Foundation Strengthening Period" in order to accurately grasp the impending "2025 Problem" and other changes in the business environment, and to promote medium- to long-term growth strategies

Contribution to achieving the SDGs
— Three key points in eWeLL

3 すべての人に健康と福祉を
9 産業と技術革新の基盤をつくろう
17 パートナーシップで目標を達成しよう

Today

2025 Problem

Medium-Term Business Plan

2023	2024	2025	2026	2027	2028	2029	2030

Foundation Strengthening Period
FY12/2023 to FY12/2025

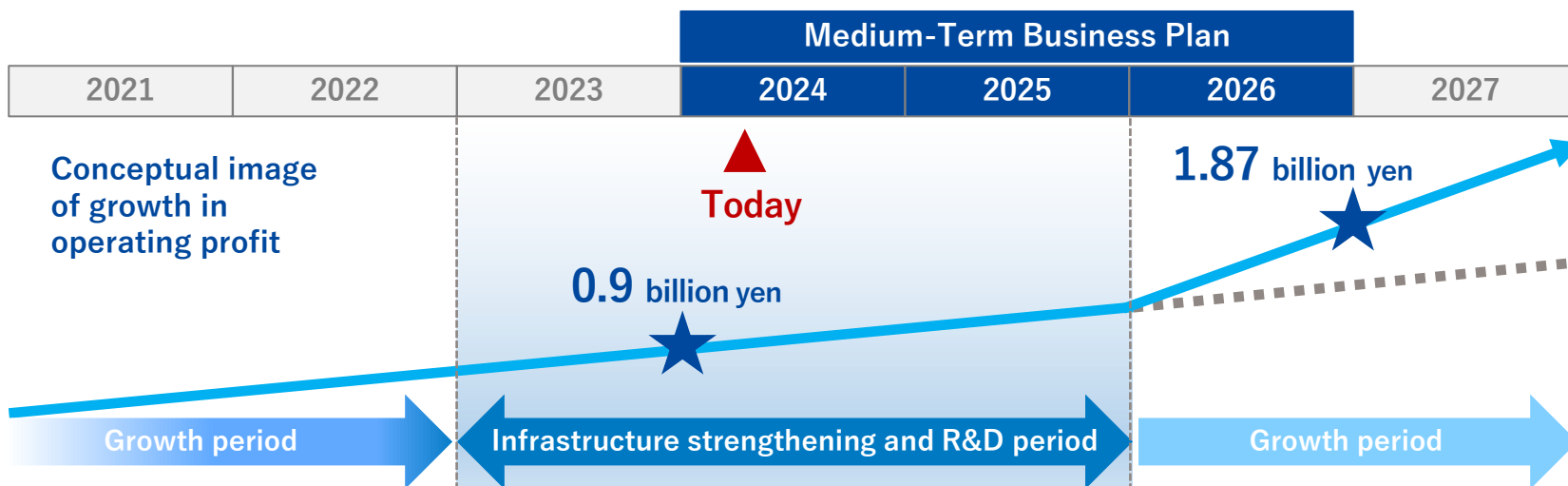**Leading the industry as a "Platform Provider for Home Healthcare" with full growth**

Up to 2025 is a preparation period for the establishment of the next critical foundation
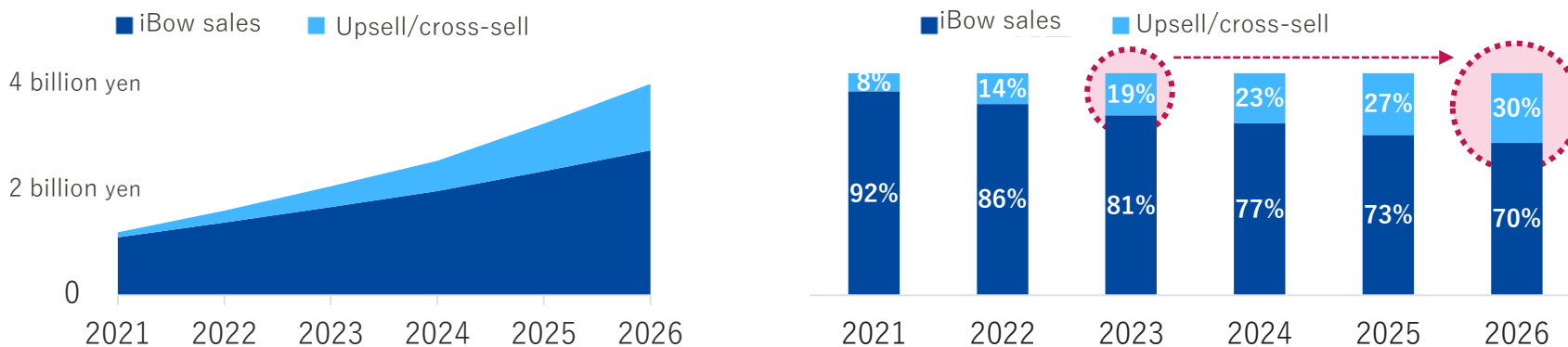(i.e., the medium- to long-term growth foundation）

- Building a business management system that can respond to the "2025 problem"
- Development of a management foundation to evolve into a "Platform Provider for Home Healthcare"

**6 Business Plan
Overall Growth Strategy**

Based **on our multi-product strategy combining data and technology,** we will grow further **by continuously releasing new products at a faster pace than before**

Medium-Term Business Plan

| 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |

Conceptual image of growth in operating profit

Today

1.87 billion yen

0.9 billion yen

Growth period — **Infrastructure strengthening and R&D period** — **Growth period**

While increasing iBow sales, we will increase the ratio of upsell and other net sales, which is currently less than 20%, to at least 30% by FY2026

■iBow sales ■Upsell/cross-sell

4 billion yen

2 billion yen

0

2021 2022 2023 2024 2025 2026

■iBow sales ■Upsell/cross-sell

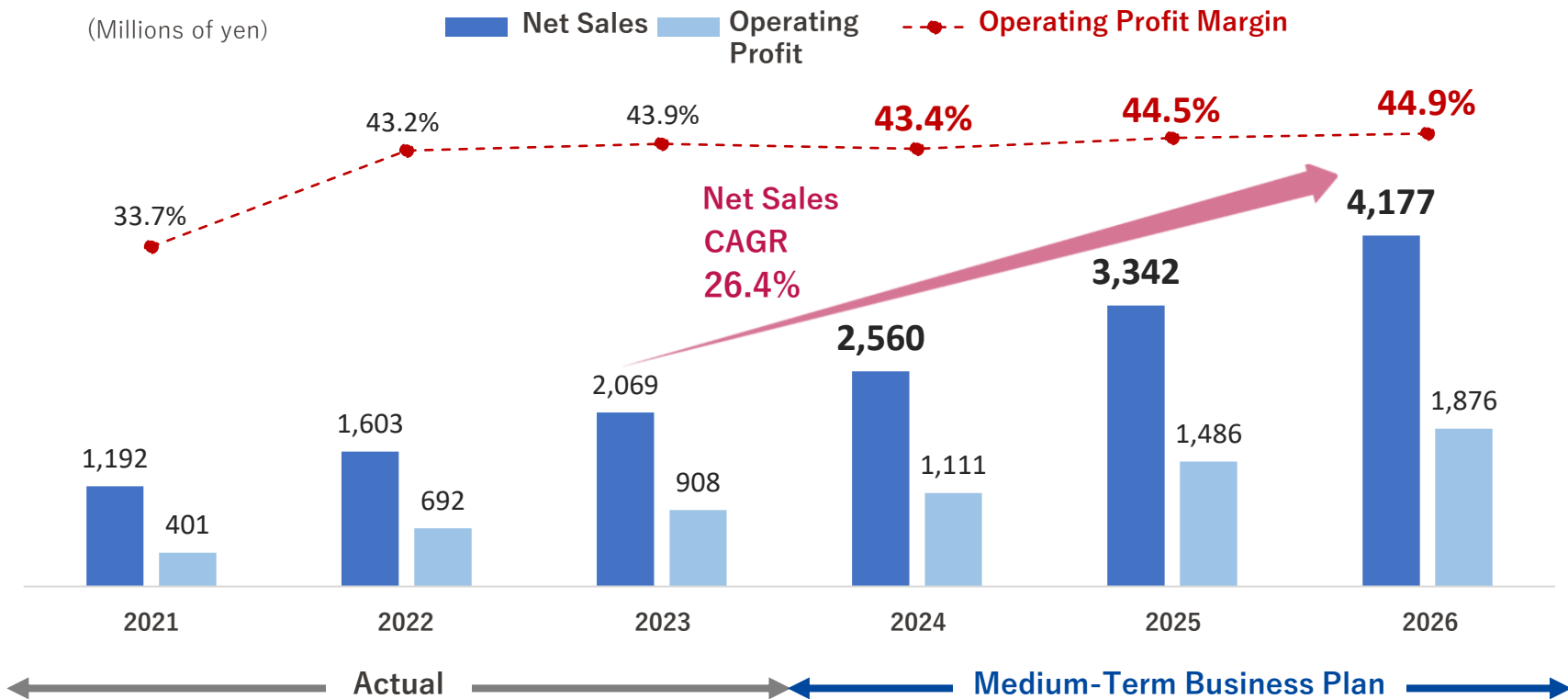|	2021	2022	2023	2024	2025	2026
Upsell/cross-sell	8%	14%	19%	23%	27%	30%
iBow sales	92%	86%	81%	77%	73%	70%

6 Business Plan Product Strategy

We will continue to focus our product development efforts on key areas of home care, and **plan to release products that leverage the data we have accumulated in iBow, Generative AI, and other areas** during the current medium-term business plan period

Home care area	Product	Positioning	Release (Including plans)	Tech	Data utilization
Home-visit nursing operations in general	iBow	Main System	Done in 2014	SaaS	—
Attendance management	iBowKINTAI	iBow add-on	Done in 2020	SaaS	—
Insurance claims	iBow Receipt	iBow add-on	Done in 2021	SaaS BPO	●
Statutory training	e-Campus Statutory training	iBow add-on	Done in December 2023	e-learning	—
2024 To be released — Preparation of home-visit nursing plan and report	AI Nursing Plan AI Nursing Report	iBow add-on	To be released in April 2024 October 2024: Begin charging	Generative AI	●
*AI Home-Visit Nursing Plan released on schedule in April of the current fiscal year (see 1Q Topics)					
2024 To be released — Patient referral	CareLog	Link with iBow	July 2024	Portal	●
Nurse Visit Scheduling	AI visit schedule	iBow add-on	January 2025: Release and begin charging	AI	●
Support for recruiting nurses	Under review		Around 2025	—	—
Community-based Comprehensive Care PHR,etc.	R&D ongoing: Medical Big Data Business				●

Business Plan
③ 3-year Medium-Term Business Plan Targets

Plan to **accelerate net sales growth while maintaining strong operating profit margins**
Therefore, we plan to **increase investments, particularly in sales and development**

Net Sales and Operating Profit Plan

(Millions of yen) | ■ Net Sales | ■ Operating Profit | ● ● ● Operating Profit Margin

Net Sales CAGR 26.4%

	2021	2022	2023	2024	2025	2026
Net Sales	1,192	1,603	2,069	2,560	3,342	4,177
Operating Profit	401	692	908	1,111	1,486	1,876
Operating Profit Margin	33.7%	43.2%	43.9%	43.4%	44.5%	44.9%

Actual ← → | Medium-Term Business Plan

6 **Business Plan**
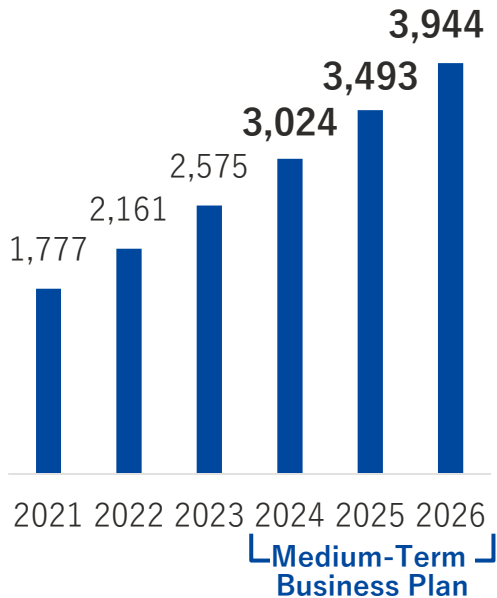**Assumptions for the Medium-Term Business Plan (Major KPI)**

Plan to steadily increase the number of contracts and maintain a low churn rate

The unit price per customer is expected to grow by an average of +9.2% per fiscal year due to a growth plan in BPO as well as the **growth in iBow unit price by upselling of new service groups**
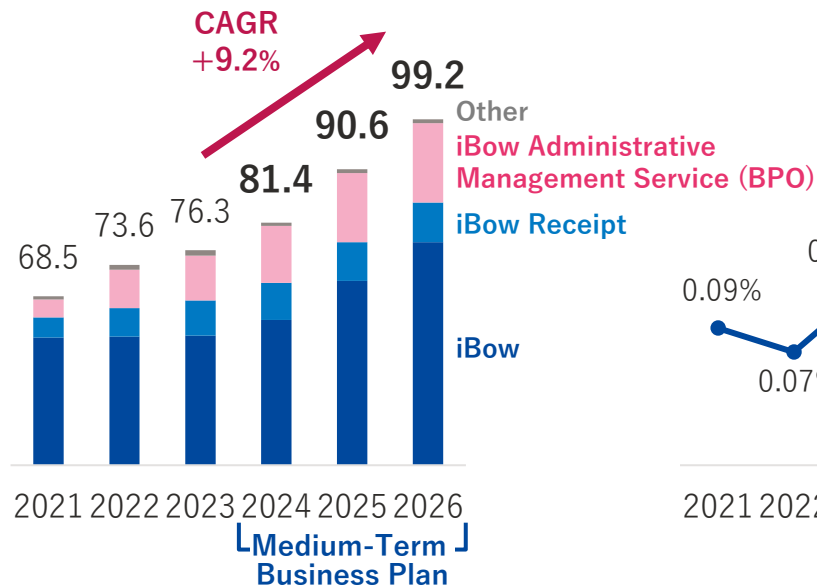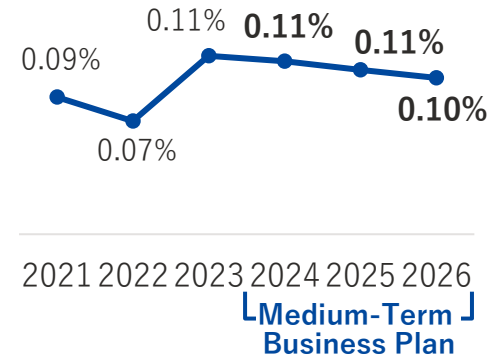
Number of Contracts *2

(Unit: Cases)

- 2021: 1,777
- 2022: 2,161
- 2023: 2,575
- 2024: 3,024
- 2025: 3,493
- 2026: 3,944

Medium-Term Business Plan

ASP *3

(Thousands of yen)

CAGR +9.2%

- 2021: 68.5
- 2022: 73.6
- 2023: 76.3
- 2024: 81.4
- 2025: 90.6
- 2026: 99.2

Other
iBow Administrative Management Service (BPO)
iBow Receipt
iBow

Medium-Term Business Plan

Churn Rate *4

- 2021: 0.09%
- 2022: 0.07%
- 2023: 0.11%
- 2024: 0.11%
- 2025: 0.11%
- 2026: 0.10%

Medium-Term Business Plan

*1: Planned figures for FY2025 and beyond will be reviewed during the period under review.
*2: Actual result or plan based on the number of our contracted stations as of the end of December each year.
*3: Calculated by dividing the average monthly net sales for the fourth quarter of each period (excluding the statutory training) by the average number of stations in operation at the end of the month during the same period (actual or planned).
*4: Simple average of monthly churn rate per quarter (actual or planned).

III APPENDIX

Supplementary Materials

1 **Founding Background**

2 **Home-Visit Nursing**

3 **Business Environment**

4 **Services**

5 **Business Plan**

6 **Future Vision**

7 **Shareholder Returns and Capital Policy**

Technology that cares

When I was a jet ski racer, I had an accident that left me in a life-or-death situation. I wanted to return the favor to the nurse who saved me at that time.

Norito
Nakano

1999−2011

Active as a professional jet ski rider
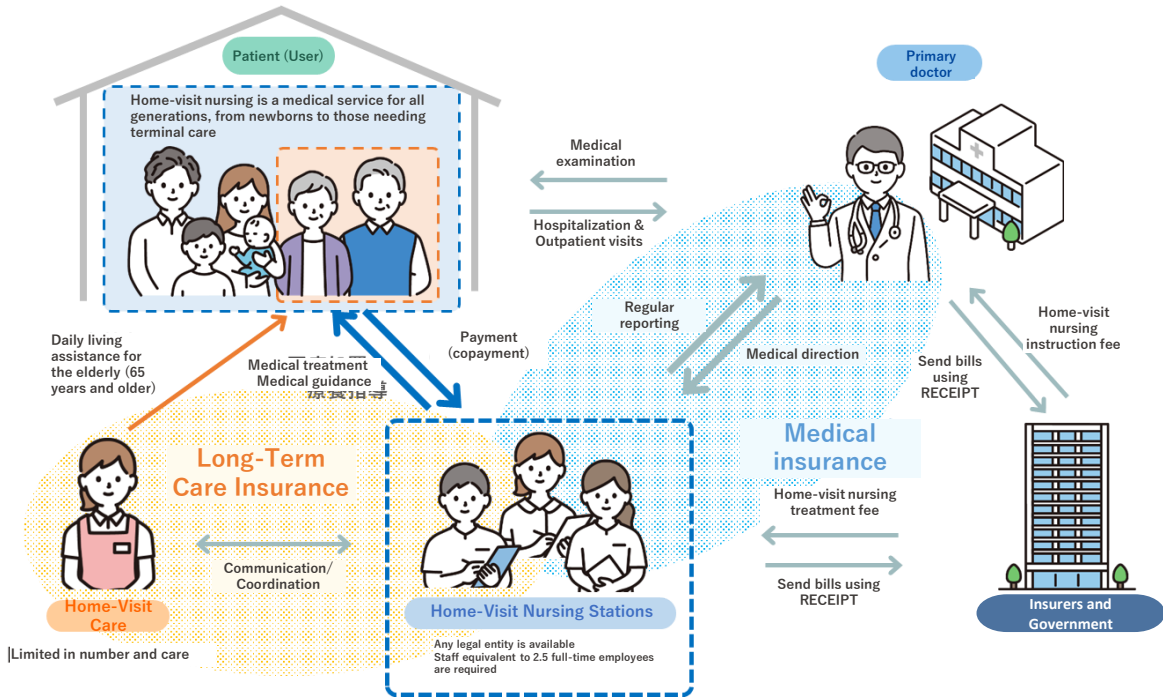
2005, 2006

World No. 2

2006, 2007

1st in Japan

（**Champion of the Year**）

Home-visit care is primarily **a daily support service for the elderly** who have long-term care insurance, while **home-visit nursing** is primarily a **medical service for all generations**, from newborns to those needing terminal care

Patient (User)

Home-visit nursing is a medical service for all generations, from newborns to those needing terminal care

Primary doctor

Medical examination

Hospitalization & Outpatient visits

Daily living assistance for the elderly (65 years and older)

Medical treatment
Medical guidance

Payment (copayment)

Regular reporting

Medical direction

Home-visit nursing instruction fee

Send bills using RECEIPT

Long-Term Care Insurance

Medical insurance

Home-visit nursing treatment fee

Communication/ Coordination

Home-Visit Care

| Limited in number and care

Home-Visit Nursing Stations

Any legal entity is available
Staff equivalent to 2.5 full-time employees are required

Send bills using RECEIPT

Insurers and Government

Differences in Service Content

Home-visit nursing

- ✓ Intravenous injection （by doctor's order）
- ✓ Catheter management, suctioning
- ✓ Glycemic control
- ✓ Dementia care
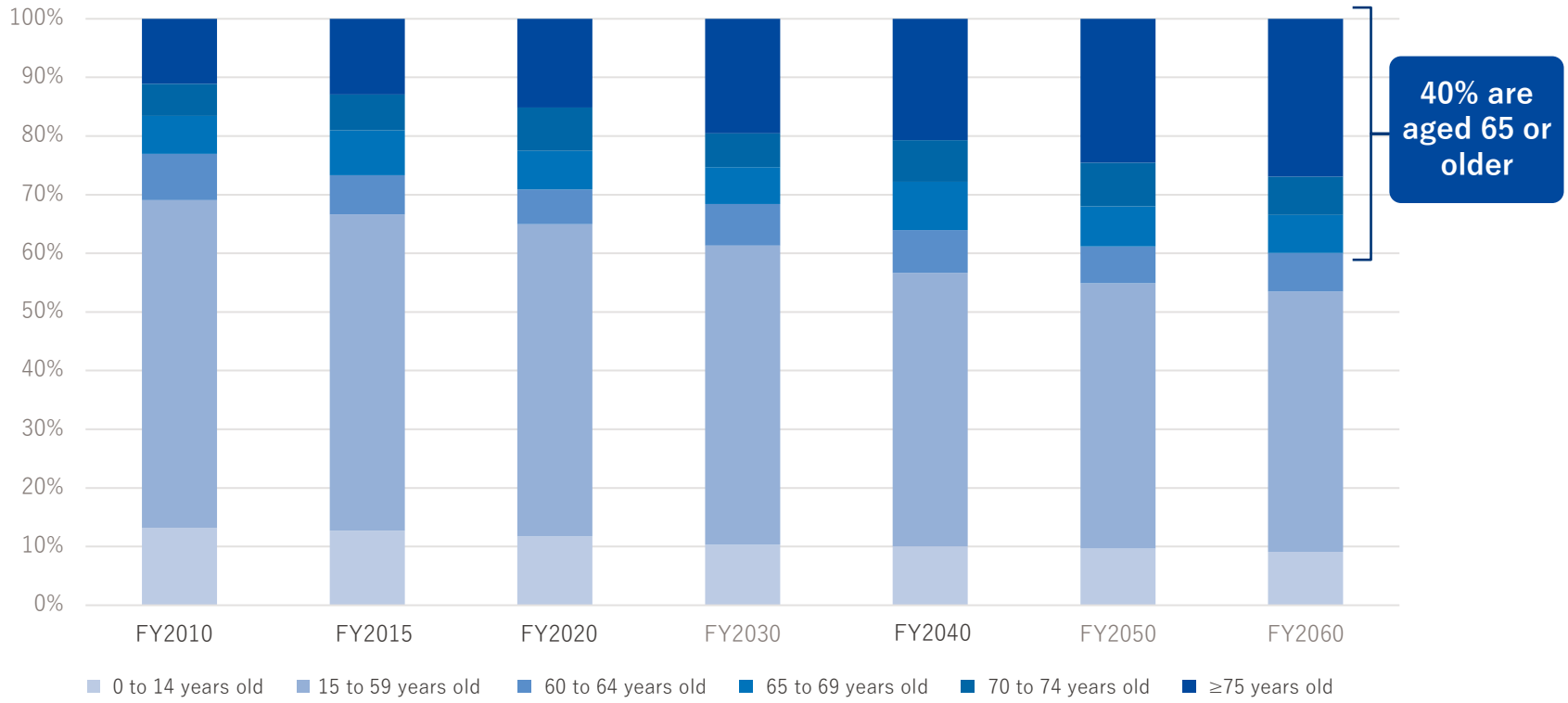- ✓ Nursing for psychiatric symptoms, and others

Home-Visit Care

- ✓ Physical care Assistance with getting up, dressing, moving, etc.
- ✓ Life support Cooking, cleaning, laundry, shopping, etc.
- ✓ Assistance getting in and out of the car for hospital visits, and others

Technology that cares

3 **Business Environment**
Declining Birthrate and Aging Population

The declining birthrate and aging population in Japan will accelerate and the percentage of seniors will reach 40% by 2060. Shifting hospital and facility-centered medical and long-term care services to the community is essential.
In order to achieve this, demand for Home-Visit Nursing Stations, a key component of community health care and long-term care, will expand.

40% are aged 65 or older

Legend: 0 to 14 years old · 15 to 59 years old · 60 to 64 years old · 65 to 69 years old · 70 to 74 years old · ≥75 years old
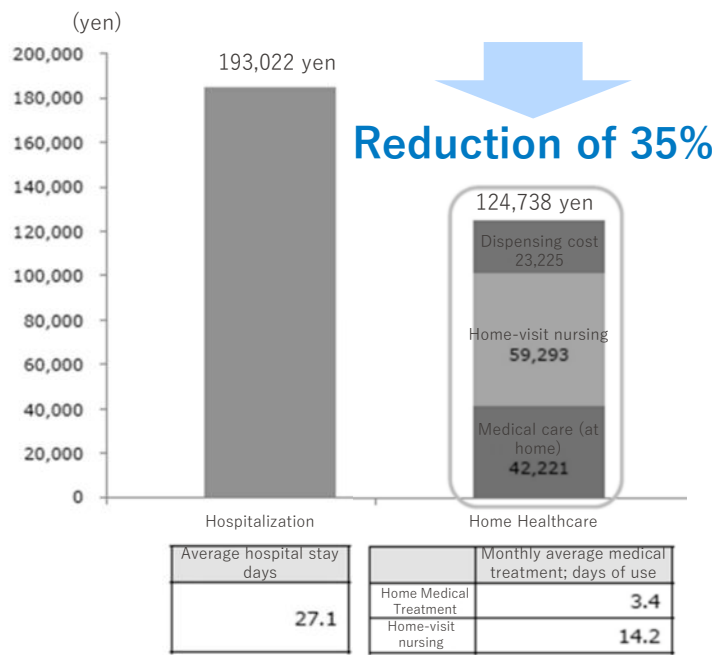
Source: For 2010, the census of the Ministry of Internal Affairs and Communications. For 2015, the population estimates by the Ministry of Internal Affairs and Communications (using the confirmed values as of October 1, 2015, based on the population estimated from the 2015 preliminary population census). For 2020 and onward, the projections based on the assumption of a medium level of births and deaths according to the population projection for Japan (as of January 2012) published by the National Institute of Population and Social Security Research.
Note: Total number in 2010 includes persons of unspecified age.

Technology that cares

3 Business Environment
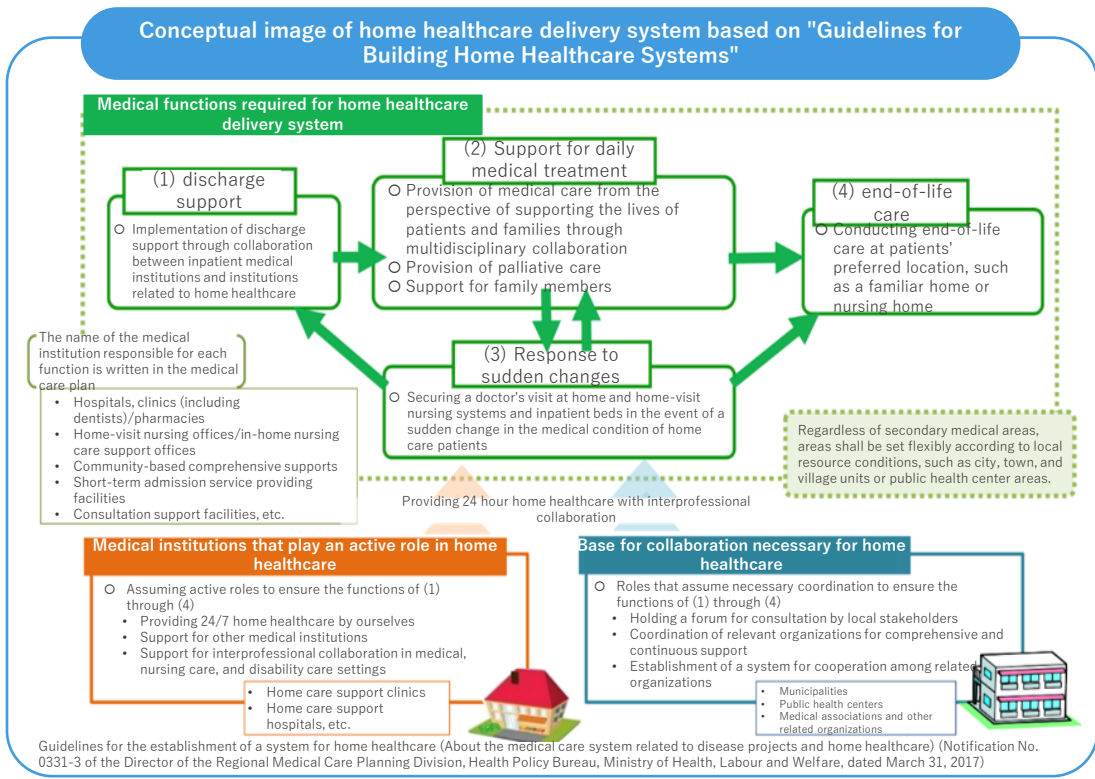Shift to Home Healthcare

For the declining birthrate and aging population issue, a shift to home healthcare is urgently needed to keep the nation's tight finances from collapsing from increased medical costs due to the aging population.

Hospitalized patients were compared with patients treated at home. In the case of inpatients, the medical cost per month was 193,022 yen, while in the case of home patients, it was 124,738 yen. The medical cost of home healthcare can be **reduced by about 35%**.

Shifting from hospitalization to home healthcare

(yen)

193,022 yen

Reduction of 35%

124,738 yen

Dispensing cost
23,225

Home-visit nursing
59,293

Medical care (at home)
42,221

Hospitalization | Home Healthcare

Average hospital stay days		Monthly average medical treatment; days of use
27.1	Home Medical Treatment	3.4
	Home-visit nursing	14.2

*It is assumed that the prescription is for 30 days.

Conceptual image of home healthcare delivery system based on "Guidelines for Building Home Healthcare Systems"

Medical functions required for home healthcare delivery system

(1) discharge support
○ Implementation of discharge support through collaboration between inpatient medical institutions and institutions related to home healthcare

(2) Support for daily medical treatment
○ Provision of medical care from the perspective of supporting the lives of patients and families through multidisciplinary collaboration
○ Provision of palliative care
○ Support for family members

(4) end-of-life care
○ Conducting end-of-life care at patients' preferred location, such as a familiar home or nursing home

The name of the medical institution responsible for each function is written in the medical care plan.
- Hospitals, clinics (including dentists)/pharmacies
- Home-visit nursing offices/in-home nursing care support offices
- Community-based comprehensive supports
- Short-term admission service providing facilities
- Consultation support facilities, etc.

(3) Response to sudden changes
○ Securing a doctor's visit at home and home-visit nursing systems and inpatient beds in the event of a sudden change in the medical condition of home care patients

Regardless of secondary medical areas, areas shall be set flexibly according to local resource conditions, such as city, town, and village units or public health center areas.

Providing 24 hour home healthcare with interprofessional collaboration

Medical institutions that play an active role in home healthcare
○ Assuming active roles to ensure the functions of (1) through (4)
- Providing 24/7 home healthcare by ourselves
- Support for other medical institutions
- Support for interprofessional collaboration in medical, nursing care, and disability care settings
- Home care support clinics
- Home care support hospitals, etc.

Base for collaboration necessary for home healthcare
○ Roles that assume necessary coordination to ensure the functions of (1) through (4)
- Holding a forum for consultation by local stakeholders
- Coordination of relevant organizations for comprehensive and continuous support
- Establishment of a system for cooperation among related organizations
- Municipalities
- Public health centers
- Medical associations and other related organizations

Guidelines for the establishment of a system for home healthcare (About the medical care system related to disease projects and home healthcare) (Notification No. 0331-3 of the Director of the Regional Medical Care Planning Division, Health Policy Bureau, Ministry of Health, Labour and Welfare, dated March 31, 2017)
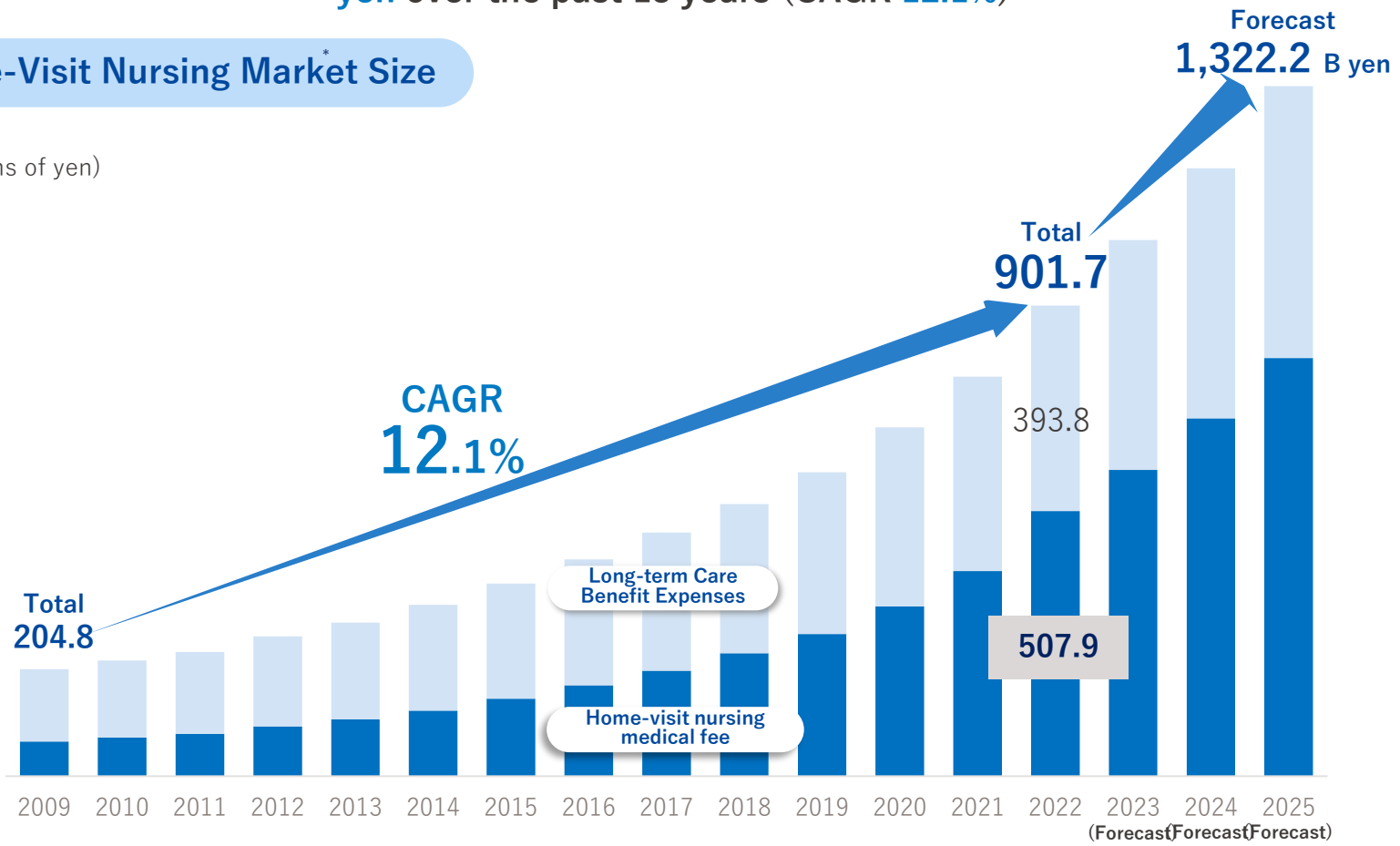
Source: Yu Sato, Satoshi Inaba, and Yuko Kamimura (2019) "Analysis of Changes in Medical Expenditures Related to the Transition to Home Healthcare" Japan Health Insurance Association. (*https://www.kyoukaikenpo.or.jp/~/media/Files/honbu/cat740/houkokusho/R1/08yamagata2_2019.pdf*) (Web, reference date: January 27, 2023)

Technology that cares

③ Business Environment
Growing Social Need for Home-Visit Nursing

The Home-Visit Nursing market has expanded approximately 4.4 times to 901.7 billion yen over the past 13 years（CAGR 12.1%）

Home-Visit Nursing Market Size*

(Billions of yen)

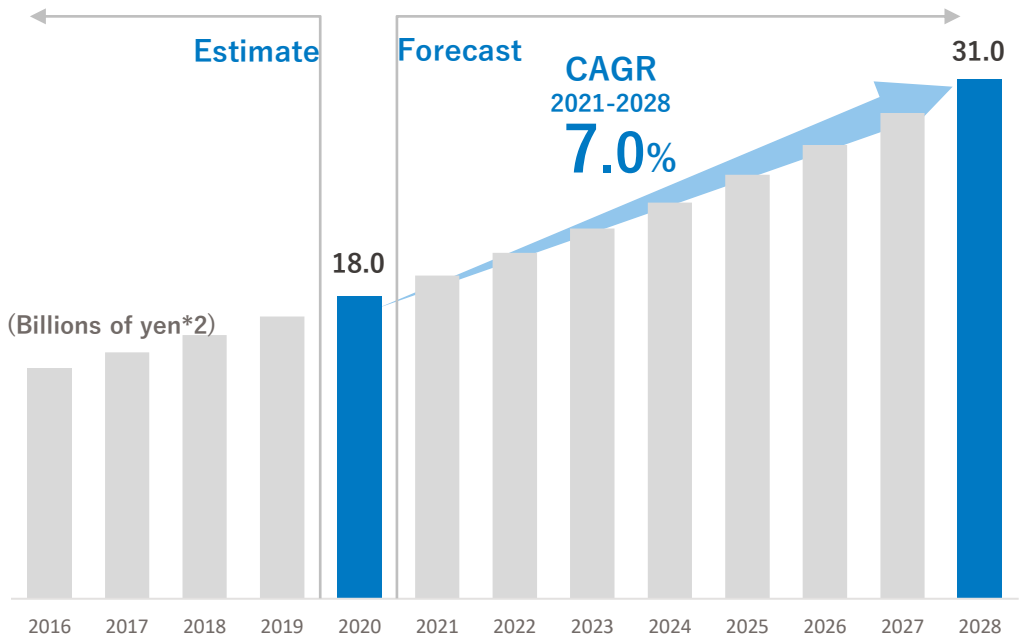Forecast
1,322.2 B yen

Total
901.7

393.8

Total
204.8

CAGR 12.1%

Long-term Care
Benefit Expenses

507.9

Home-visit nursing
medical fee

2009　2010　2011　2012　2013　2014　2015　2016　2017　2018　2019　2020　2021　2022　2023　2024　2025
（Forecast）（Forecast）（Forecast）

*The total of home-visit nursing medical fees and long-term care benefit expenses. The figures for long-term care benefit expenses include preventive long-term care benefit expenses in addition to long-term care benefit expenses.
Source:
Home-visit nursing medical fees are based on the Ministry of Health, Labour and Welfare's "Summary of National Medical Expenditure Results" (https://www.mhlw.go.jp/toukei/list/37-21c.html) for 2009-2021 and the Ministry of Health, Labour and Welfare's "Summary of Results of Survey on Trends in Medical Expenditure" (https://www.mhlw go.jp/bunya/iryouhoken/database/zenpan/iryou_doukou_b.html) for 2022. For long-term care benefit expenses and preventive long-term care benefit expenses, the graph is prepared from the MHLW's "Statistics on the Actual Long-term Care Benefit Expenses" (https://www.mhlw.go.jp/toukei/list/45-1b.html)

Technology that cares

3 **Business Environment
In-Home Clinical Trial**

In-Home Clinical Trial (Virtual Clinical Trial) is already being conducted in the Global Market. In-Home Clinical Trial market in Japan is also expected to expand in the future.

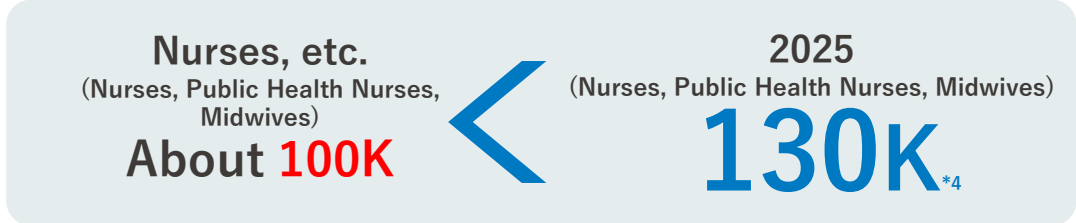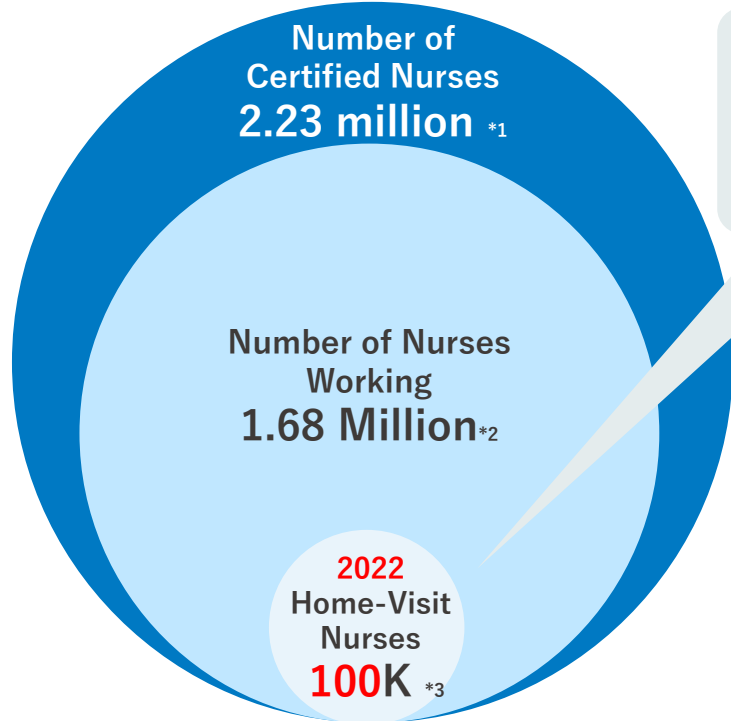**Size of the market for In-Home Clinical Trial (Virtual Clinical Trial)**

Japan

Estimate   Forecast   **CAGR**
2021-2028
7.0%

31.0

18.0

(Billions of yen*2)

2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028

Global (Reference)

Estimate   Forecast   **CAGR**
2021-2028
5.7%

1,270.5

815.4

(Billions of yen)

2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028
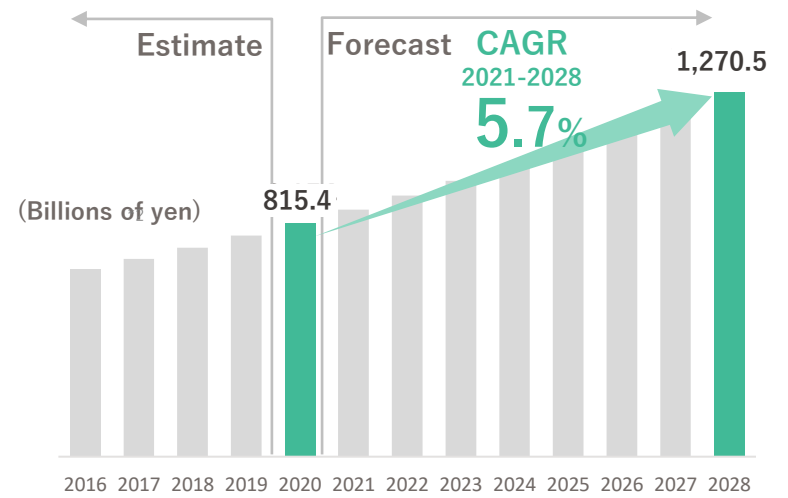
*1: Estimated by Grand View Research based on interviews, online surveys, corporate IR materials, WHO statistical data, and other such information (2020 has been set as the base year for estimates from 2016 to 2019 and forecasts from 2021 to 2028).
*2: The exchange rate is calculated at 110 JPY per USD
Source: Grand View Research "*Virtual Clinical Trials Market Size, Share & Trends Analysis Report By Study Design (Interventional, Observational, Expanded Access), By Indication (Oncology, Cardiovascular), By Region, And Segment Forecasts, 2021–2028*" (March 2021)

Technology that cares

In 2012, the Ministry of Health, Labour and Welfare switched its policy to provide chronic medical care at home to curb rising social security costs. As a result, demand for home care will increase, and the number of home-visiting nurses needed will go up to 130,000 by 2025.
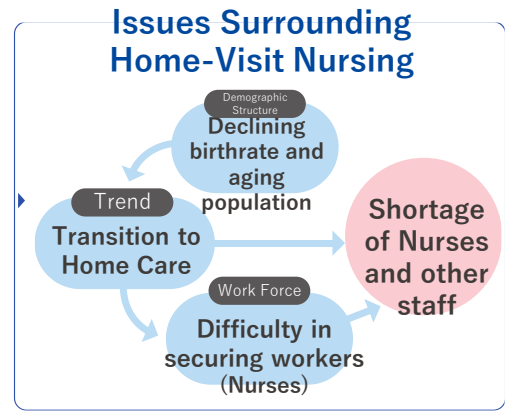
With the declining birthrate and aging population, the number of workers is expected to decrease. We are not optimistic that we will be able to secure nurses and other staff as we have estimated. On the other hand, demand is growing. The following will solve this supply-demand problem: creating a situation where each home-visiting nurse can work efficiently, thereby compensating for the lack of increase in the number of home-visiting nurses by increasing the number of visits per nurse.

Number of Certified Nurses 2.23 million *1

Number of Nurses Working 1.68 Million *2

2022 Home-Visit Nurses 100K *3

Nurses, etc.
(Nurses, Public Health Nurses, Midwives)
About 100K

2025
(Nurses, Public Health Nurses, Midwives)
130K *4

*4: Source: The Ministry of Health, Labour and Welfare's "Intermediate Summary of the Subcommittee on Supply and Demand for Nursing Staff, Study Group on Supply and Demand for Medical Workers (summary version)" (2019) Scenario 3 (with no overtime)

Resolve worker shortage by using iBow to streamline operations

By providing systems to improve labor productivity and solve problems

Issues Surrounding Home-Visit Nursing

Demographic Structure
Declining birthrate and aging population

Trend
Transition to Home Care

Work Force
Difficulty in securing workers (Nurses)
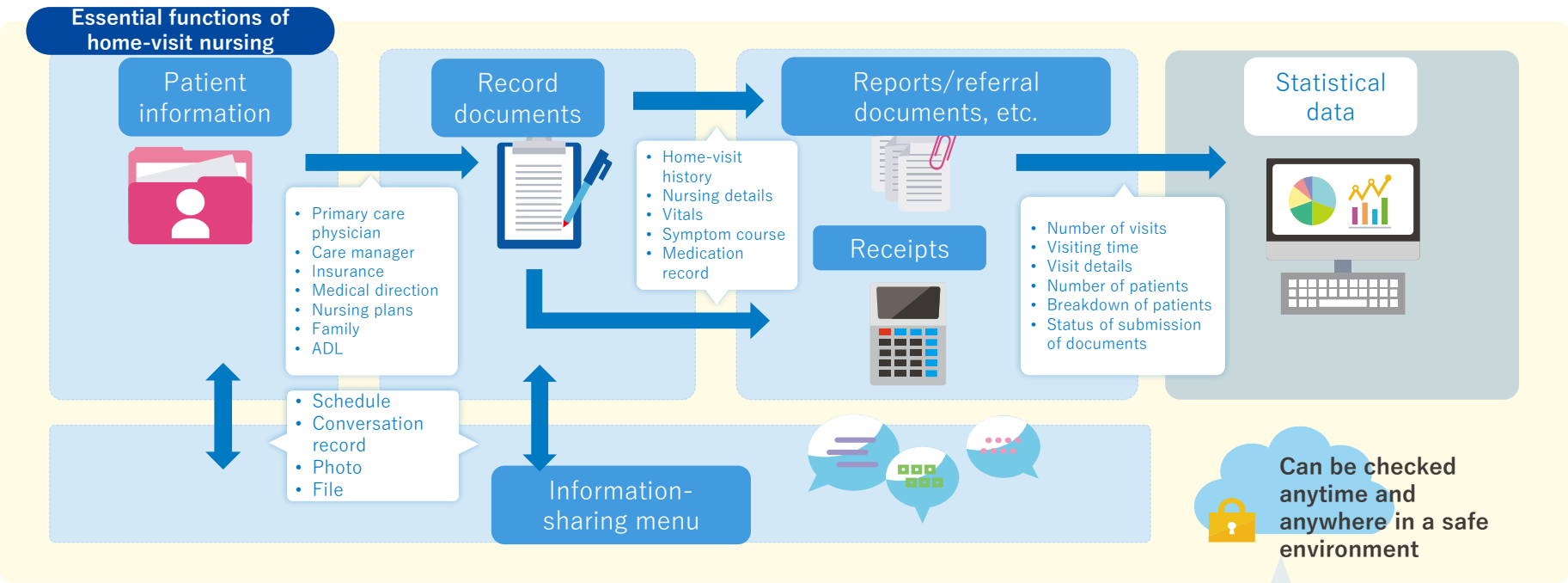
Shortage of Nurses and other staff

*1: Study Group on the Sixth Supply-Demand Outlook for Nursing Staff, 2004, Nursing Division, Medical Policy Bureau, Ministry of Health, Labour and Welfare.
*2: Source: "2020: Statistical Materials on Nursing," edited by Japan Nurses Association Publications, Inc.
*3: The Ministry of Health, Labour and Welfare's "Overview of the 2022 Survey of Long-term Care Service Facilities and Establishments"

iBow functions

Electronic medical record dedicated to home-visit nursing. It covers all operations.
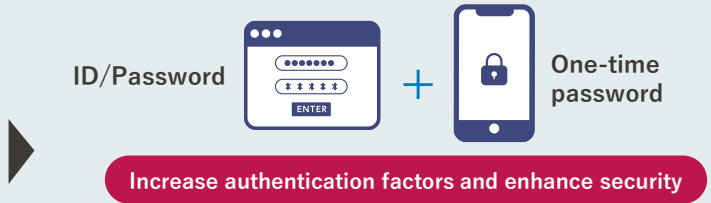**Comply with requirements for the operation of home-visit nursing stations as stipulated by laws and regulations.**

Essential functions of home-visit nursing

Patient information	Record documents	Reports/referral documents, etc.	Statistical data

- Primary care physician
- Care manager
- Insurance
- Medical direction
- Nursing plans
- Family
- ADL

- Home-visit history
- Nursing details
- Vitals
- Symptom course
- Medication record

Receipts

- Number of visits
- Visiting time
- Visit details
- Number of patients
- Breakdown of patients
- Status of submission of documents

- Schedule
- Conversation record
- Photo
- File

Information-sharing menu

Can be checked anytime and anywhere in a safe environment

Security

Compliance with the three ministries' two guidelines established by the government*

As part of the security improvements, iBow implements multi-factor authentication (MFA).

*The three ministries' two guidelines are standards established by the Ministry of Health, Labour and Welfare, the Ministry of Economy, Trade and Industry, and the Ministry of Internal Affairs and Communications that many medical institutions and businesses related to medical information must follow.

ID/Password + One-time password

Increase authentication factors and enhance security

Technology that cares

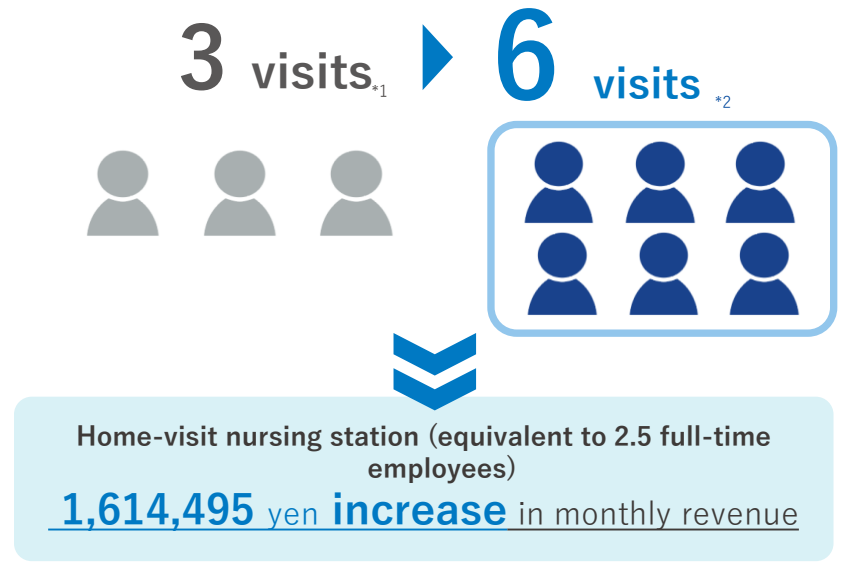**iBow** **Effects of iBow Introduction** (Models to aim for with iBow)

Minimize time spent on peripheral tasks related to home-visit nursing to give clients more time to make visits.

Examples of improvements in a day

Before implementation	After implementation
Administrative work 1h	Prepare for visit 1h
Debriefing 2 times 1h	Relocate 6 times 1h
Record info 1h	
Relocate 6 times 1h	
Prepare for visit 1h	
Make 3 visits 3h	**Make 6 visits 6h**
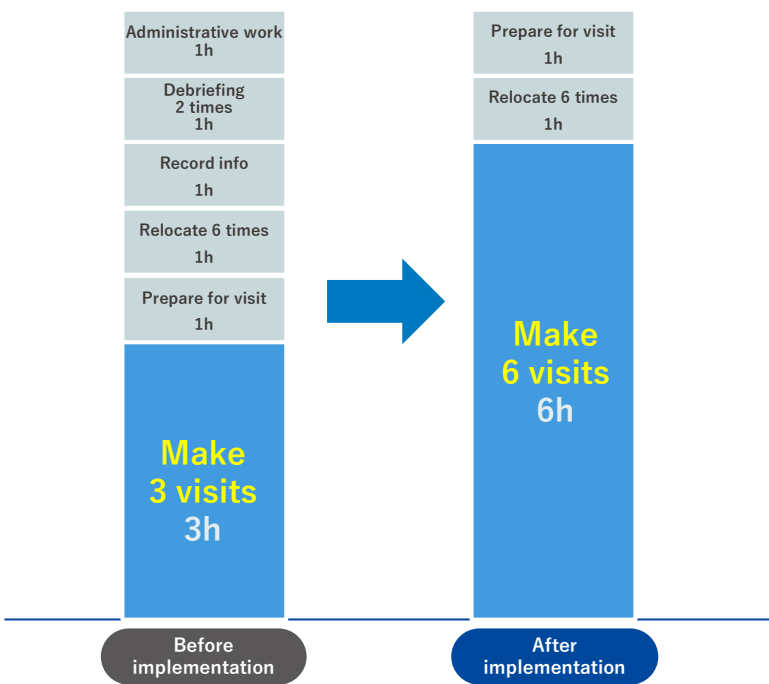
iBow reduces the administrative workload (i.e., recording information) and the need to debrief others several times a day.

Maximum possible home-visit nursing visits per day

3 visits[*1] ▶ 6 visits [*2]

Home-visit nursing station (equivalent to 2.5 full-time employees)

1,614,495 yen **increase** in monthly revenue

645,798 yen increase in monthly revenue for each nurse [*3]

*1: Our estimates based on the Ministry of Health, Labour and Welfare's "Overview of the 2017 Survey of Long-term Care Service Facilities and Establishments." Home-Visit Nursing Stations average 21.3 visits/day (491 visits/month ÷ 23 business days) ÷ 7.1 full-time equivalents = 3.0 visits/day. Figures are as of September 2017.

*2: eWeLL estimates: 8.0 working hours per day ÷ 78 minutes per home-visit nursing visit ≈ 6.1 visits/day.

*3: The amount obtained by multiplying the long-term care benefit payment unit (821 units) for a registered nurse who provides home-visit nursing for 30 minutes or more but less than 60 minutes by 11.4 yen per unit (Tokyo) as determined by the Minister of Health, Labour and Welfare, in accordance with the standards for calculating the amount of expenses for designated in-home services set forth in Articles 41 and 53 of the Long-Term Care Insurance Law.

iBow レセプト

A system that is fully linked with the electronic medical record "iBow" can automatically create receipts *
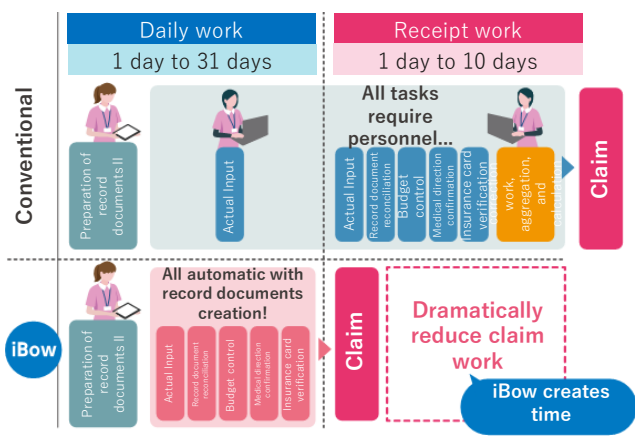
Claims are automatically generated from home-visit nursing records that form the basis for the receipt claims. This can reduce fraudulent or erroneous claims. It can also contribute to strengthening the governance of home-visit nursing stations.

In addition, home-visit nursing stations are managed and operated by nurses and other healthcare professionals. As a result, many managers are not confident in their administrative ability to prepare receipts. Even such managers can easily request receipts by properly registering information in iBow. The electronic medical records "iBow" and "iBow Receipt" are fully linked. As a result, nurses and other staff who used to spend a lot of time on receipt claim administration can now perform receipt operations efficiently. It enables clients to create new time to concentrate on nursing.

*The iBow Receipt costs between 6,000 yen and 99,000 yen per month, depending on the number of visits.
　(In addition, the certificate cost is 1,000 yen per month.)

iBow KINTAI

訪問看護専用 勤怠管理

Cloud-based attendance management system for efficient staff management and shift management *

This is an attendance management system that solves unique work management problems by specializing in home-visit nursing.

- Entry on a timecard even when going straight to stations and back home
- Manage working multiple times a day
- Handle complex shifts
- Flexible staff management
- Create on-call schedules
- List the attendance status
- Automatic creation of table converting hours to full-time hours*

*List of working arrangements and working patterns of employees

The work environment for nurses and other staff at home-visit nursing stations differs from that of typical companies. During working hours, they may be required to take breaks and work on shifts. There are also special things such as on-call duty, a standby status to receive emergency calls from patients, patient residences, and primary care physicians during the night and on holidays. In addition, in order to operate home-visit nursing stations, it is necessary to comply with the system's requirement of staff equivalent to 2.5 or more full-time employees, and attendance management is essential.

The iBow KINTAI is characterized by its ability to manage the full-time conversions formulated by these complex work systems and rules, automatically calculate working hours, and prepare documents in the required formats.

Workers can enter their timecards from anywhere with various devices, and the system can also obtain GPS location data. iBow KINTAI allows workers to go straight to home-visit nursing stations and back home. iBow KINTAI provides an environment where workers can streamline their work and focus on nursing.

*iBow KINTAI is provided free of charge in principle

**4 Service Related
iBow Features Differences from Receipt System**

Differences from Receipt System

	Insurance Billing Calculation (Receipts)	Electronic Medical Record (eWeLL iBow)
Requirements	Realize accurate insurance billing	Provide safe and secure care to patients in home
Expected users	Administrative work	Nurses and other staff
Expected use locations	Within the business locations (fixed)	Home (mobile)
Primary functions	• Preparation of invoices of long-term care benefit expenses • Preparation of statements of long-term care benefit expenses • Preparation of data for nursing care transmission • Preparation of statements of medical long-term care fees • Preparation of invoices of medical long-term care fees	• Preparation of nursing records (Record 1, Record 2) • Management of medical direction from physicians (disease and patient condition) • Preparation of communication/coordination documents with medical institutions, such as referral documents and home-visit nursing reports • Preparation of claim data (source data)
Expected use terminals	Personal computers	Mainly iPad and iPhone tablets
Benefits	• Able to make insurance billing for all long-term care services • When multiple long-term care services are provided, bills for a user can be added together even for multiple long-term care services • The system primarily deals with insurance billing calculations, so it is possible to bill without referring to the records of the work handled, such as nursing records	• It is possible to accurately prepare records of the work handled, such as nursing records • The user interface/user experience (UI/UX) is provided in line with the operations of home-visit nursing so that on-site nurses can easily use the system • Home-visit nursing operations are complex. Insurance coverage switches depending on the patient's condition and disease, and the system changes each time. The iBow algorithm switches settings automatically to prevent nurses from making mistakes • Insurance billing is performed based on the records of the work handled; it is possible to prevent fraudulent claims

Technology that cares

48

User Voice (The full story is available on our company's product website: https://ewellibow.jp/voice/#interview)

Home-Visit Nursing Station Minori

General Manager
Ms. Susumu

Everyone's Primary Home-Visit Nursing Stations

Representative Director, Nurse
Mr. Fujino

Akichiku Medical Association Home-Visit Nursing Station

Director
Ms. Kaneyuki

Turnover rate reduced by half

It may have decreased more than that. Customizing and using iBow can also help educate nurses. We were also able to reduce overtime, which resulted in a reduction in turnover by half.

Overtime decreased by 20%

Time is saved because recording is completed on-site, and information is shared.

30–40% increase in the total number of hires

The use of electronic medical records for nursing care, like in hospital wards, has led to improvements in quality and has helped to promote the recruitment of nurses in their 20s and 30s.

eWeLL is a professional group that supports home-visit nursing with a high level of expertise

The home-visit nursing system is complicated. There is medical care, and there is nursing care. We can concentrate on our work only if we use the help of professionals. I can't do my job without iBow.

Technology that cares

④ Service Related
iBow Features Competitive Status

Electronic medical records dedicated to home-visit nursing have excellent UI/UX and can operate in a secure environment

Our company provides **a support system dedicated for home-visit nursing**. Other companies have established their own positions in providing receipt systems, mainly for the nursing care industry.

Company name	Company A	Company B	Company C	eWeLL
Number of installations (out of 1,689) From our company questionnaire*	355 (out of 1,689)	176 (out of 1,689)	88 (out of 1,689)	**269 (out of 1,689)**
System	Nursing care software	Nursing care billing Home visit nursing system	Nursing care office service For social welfare offices	**Electronic medical records dedicated for home-visit nursing**
Contract years/fee	No contract years 25,000 yen per month	Three-year contract Initial cost ID Billing (year) Maintenance cost	Five-year contract/lease (main) System license cost Initial, etc., cost ID Billing (year) Maintenance cost	**Two-year contract– 18,000 yen per month 100 yen per visit Receipt 6,000 yen–**
Three ministries' two guidelines (Security standards)	Information not disclosed	Information not disclosed	Information not disclosed	**Compliance**
Tablet function restrictions	Some (None in browser)	Some	Some	**None**
Customer base	Strong at new stations	Strong in medical corporations	Strong in nursing care in general and social welfare in particular	**Strong in medical and large corporations**

* In April 2021, in collaboration with Prof. Yamada of the field of Home Care Nursing, Graduate School of Nursing Science, St. Luke's International University, we conducted a questionnaire survey on "Research on the state of computerization of nursing work" on home-visit nursing stations nationwide. Based on the results, we can describe the competitive situation.
The three companies listed above are public companies, so a certain amount of information is available. However, since the scope of services offered by the three companies is general nursing care, it is difficult to compare them with our company, which specializes in home-visit nursing. Also, since there are private companies, we can only collect information from their brochures and websites, making it difficult to collect further information.

Technology that cares

Contribute to further operational efficiency through highly specialized and value-added BPO* services related to the utilization of medical insurance, long-term care insurance, and social welfare security systems
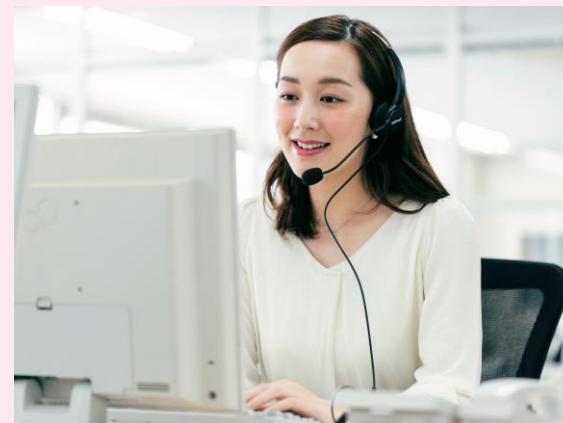
iBow 事務管理代行サービス

Dedicated staff can improve billing accuracy and significantly reduce administrative workload.

Reduce costs associated with hiring administrative staff and personnel expenses.
With a sales-linked fee structure, administrative costs change from fixed to variable.
Allows you to focus on nursing work and stabilize sales.

- Register user information on behalf of clients
- Check daily records, various deadlines, etc.
- Prepare receipts
- Response to the results of the review
- Prepare patient invoice/receipt data
- Effective for internal training in billing

The iBow Administrative Management service is one where our company handles insurance billing operations (receipts) on behalf of the home-visit nursing stations. Insurance billing operations are unavoidable parts of their business operations. Our company performs accurate registration on behalf of clients by registering medical and long-term care insurance, which is necessary for the correct receipt, and registering information on a medical direction from primary care physicians. Home-visit nursing stations realize remote BPO services by accurately preparing nursing records in iBow, an electronic medical record system. Nurses and other staff at the home-visit nursing stations can focus on nursing care and help clients earn revenue.

*The price of iBow Administrative Management service is a certain percentage of the client's total sales (insurance, copayments, and private expenses) (minimum usage fee: 100,000 yen; usage fee: a certain percentage of the client's total sales).

*BPO refers to the outsourcing of parts of business processes in corporate activities to specialists.

Technology that cares

New service released in 2023!

Delivering *statutory home-visit nursing training through cloud services, which will be mandatory from 2024

訪問看護専用 電子カルテ

iBow e-Campus *
アイボウ

Training to improve the quality and safety of home-visit nursing
This service will be delivered in the cloud, so you can complete your statutory training anytime, anywhere

[Statutory Home-visit Nursing Training Service Content]

- **Business Continuity Plan (BCP) formulation**
- **Prevention of infectious diseases and their spread**
- **Prevention of abuse of the elderly and disabled**
- **Harassment training**
- **Improving the quality of dementia care**
- **Hospitality training**
- **Privacy protection**
- **Final test for each case of training**
- **Annual training plan**
- **Certificate of attendance for each person**

[Advantages of Statutory Home-visit Nursing Training (e-Learning Services)]

(1) The course can be taken on one's own time, so it does not interfere with visiting hours
Online courses can be taken on the employee's own time, allowing them to complete the necessary training without burden

(2) No additional fees for mid-career employees
The fee system is per office, so mid-career hires can also receive the necessary training they need at no additional cost

(3) Reliable training schedules and certificates of attendance for an on-the-job training measure
Templates for training schedules (for offices and individuals) are provided so they can be customized for use in any office! In addition, certificates of attendance can be automatically issued for on-the-job training

*Based on the provisions of the Health Insurance Act and the Health and Medical Service Act for the Aged, standards are set for the staffing and operation of the designated home-visit nursing service and the designated home-visit nursing service for the elderly.
*iBow e-Campus service is priced at 180,000 yen/year per site

Technology that cares

Create new business for Home-Visit Nursing Stations outside of insurance billing and expand the unit cost of clients and our company.

Released "iBow Clinical Trial System" in October 2021 as In-Home Clinical Trial Coordination Support Business for CROs (Contract Research Organizations).

Framework of In-Home Clinical Trial coordination business with Japanese CROs

- Home-Visit Nursing ST. Referral / Management
- Clinical trial service agreement
- Pharmaceutical company, etc.
- Clinical Trial Companies (CRO)
- Worksheet
- Clinical trial Referral / Management
- iBow
- Clinical trial service agreement
- Home-Visit Nursing ST.
- Clinical trial
- Participants
- Hospital visits
- Medical institution
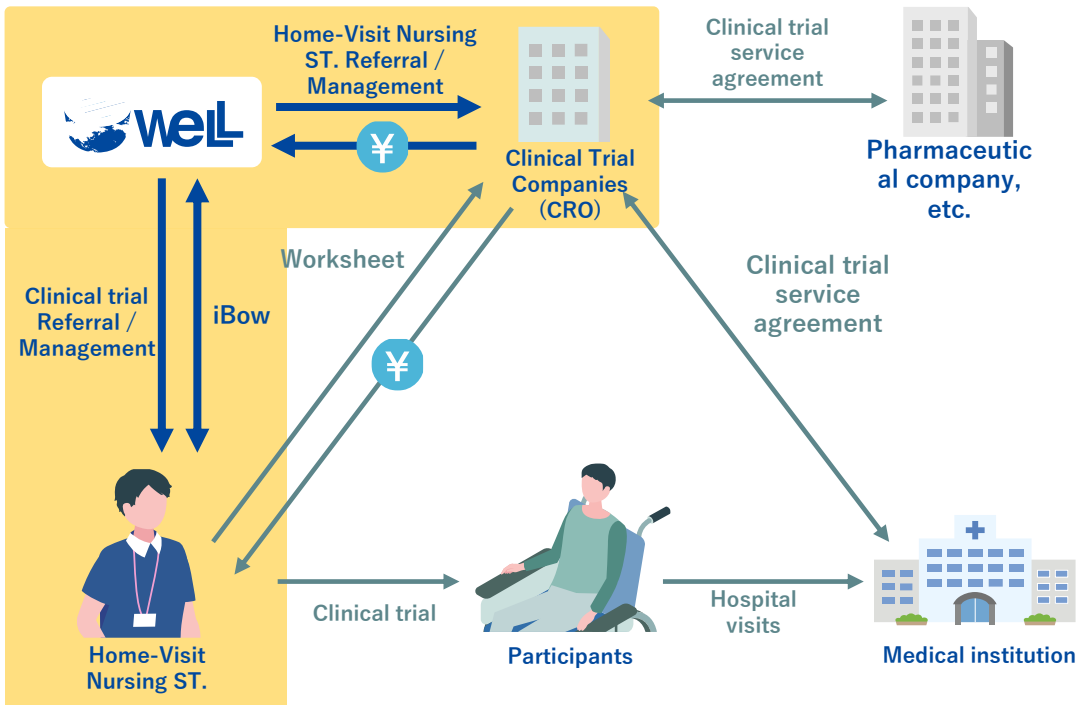
Business Profile
(test phase)

- ‣ **Client:** Japanese CROs
- ‣ **Scope: Clinical trials for designated intractable disease**
  (in-home monitoring services)
- ‣ **eWeLL:** Referral and management of home-visit nursing stations
- ‣ **36 visits in nine months**
- ‣ **Recording sales (management fee) per visit**

Technology that cares

4 Service Related
eWeLL's Strengths (Virtuous Cycle Business Model)

Expand combined services, increase market share, and improve satisfaction **(stabilize low churn)**
The cycle of increasing the unit price per customer is the foundation of our sustainable growth

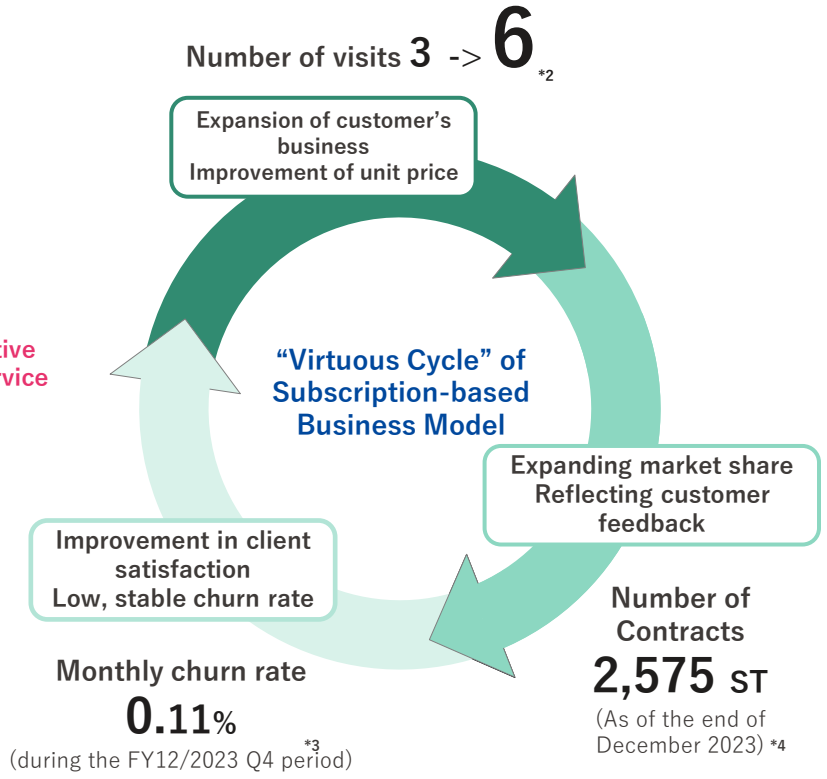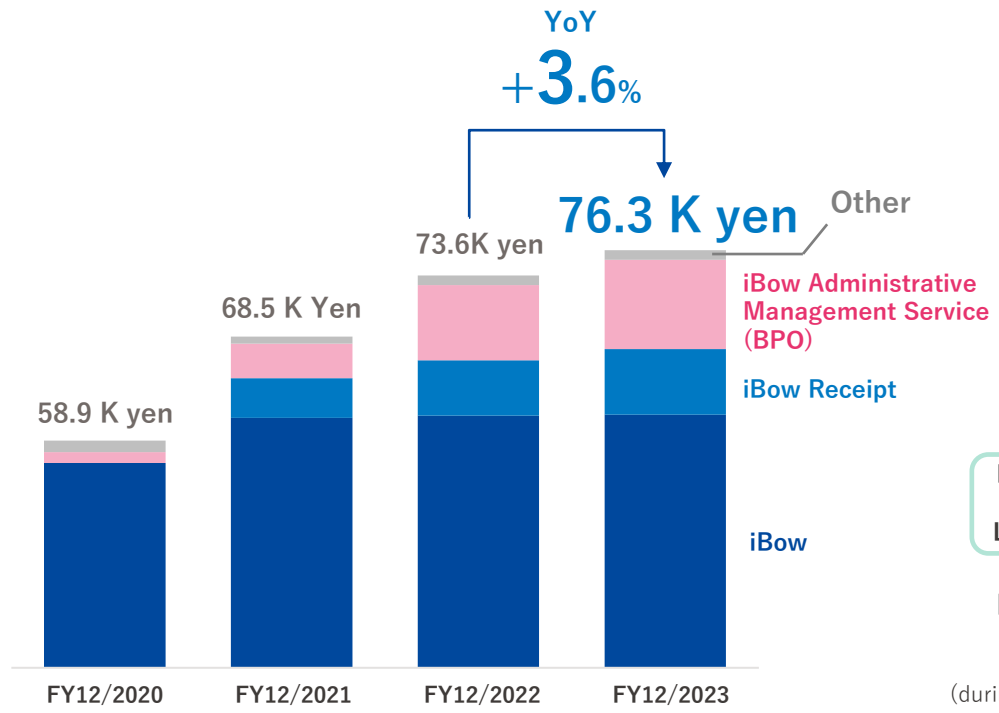**Average monthly unit price per station** *1

YoY
+3.6%

76.3 K yen
73.6K yen
68.5 K Yen
58.9 K yen

Other

iBow Administrative Management Service (BPO)

iBow Receipt

iBow

FY12/2020 · FY12/2021 · FY12/2022 · FY12/2023

Number of visits 3 -> **6** *2

Expansion of customer's business
Improvement of unit price

"Virtuous Cycle" of Subscription-based Business Model

Expanding market share
Reflecting customer feedback

Improvement in client satisfaction
Low, stable churn rate

Number of Contracts
2,575 ST
(As of the end of December 2023) *4

Monthly churn rate
0.11% *3
(during the FY12/2023 Q4 period)

*1: Average monthly unit price is calculated by dividing the average monthly net sales (recurring revenue only) for the fourth quarter (October to December) by the average number of stations in operation at the end of the month during the same period.
Prior to the previous fiscal year, the unit price of sales to customers was calculated including the non-recurring sales. Therefore, the calculation method for the current quarter has been used to restate the previous fiscal years
*2: eWeLL estimate.
*3: Usage fee based.
*4: Calculated by dividing the number of contracted Home-Visit Nursing Stations as of December 31, 2023, by the number of active Home-Visit Nursing Stations as of April 1, 2023, as announced by the National Association of Home-Visit Nursing Associations.

Technology that cares

Why are we a Home Healthcare Platform Provider?

●We specialize in the fields of chronic and terminal medical care. We are the best company to understand the patient's need for PHRs

●We have collected long-term and continuous data accumulated through 48 million home nursing visits. We can obtain consent from individual patients by deploying PHRs, and the speed for future big data utilization is fast

●Because a single home-visit nursing station is involved with many medical institutions, we believe that the rate of spread of EMR accumulation will also be fast
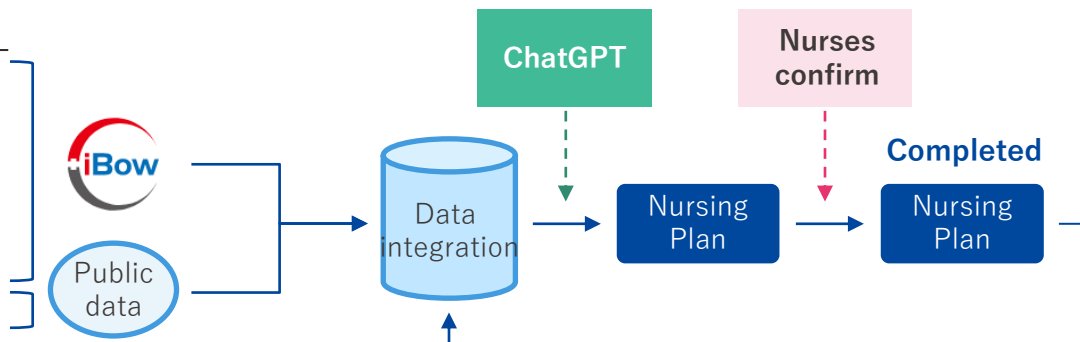
We will provide necessary and useful information to all people involved in home healthcare through the platform we build. As a result, with a sense of mission and responsibility, we will realize a society where each person can make the most appropriate choice for their life or receive treatment

Technology that cares

5 **Business Plan**
New Product 1: AI Home-Visit Nursing Plan + Nursing Report

Home-visit nursing plan, which takes a long time to create based on primary doctor's orders, care plans, and user requests, can be created in a short time by combining iBow data with publicly available data using Generative AI

Information to consider when formulating a nursing care plan

- User information
- Primary doctor's order (home-visit nursing instruction)
- Care Plan (Home Service Plan)
- Preferences of users and their families (first visit records, etc.)
- Medical and nursing knowledge and other public data

iBow

Public data

ChatGPT

Nurses confirm

Data integration

Nursing Plan

Completed

Nursing Plan

Overview and Background	Formulating a nursing care plan takes time because it needs to be prepared by taking into account medical and nursing expertise and knowledge, as well as the preferences of doctors, care planners, users and their families. In response to this problem, we have made it possible to create with Generative AI in one click and in a short time.
Positioning	Generative AI feature added to iBow
Main Features	The accuracy of the plan is enhanced by the fact that the care plan is created by integrating the public and iBow data and then applying ChatGPT, and the completed care plan, which is then reviewed by the nurse, is also included in the integrated data. It also ensures that the information is not leaked to the outside world.
Release	After the release in April this year and the free period (trial, feedback, etc.), the fee charging will start in October 2024 with the release of AI nursing reports
Fee System	Number of visits × 20 yen
Numerical targets	Set a numerical target of 25% of iBow users in FY2026

Technology that cares

⑤ Business Plan
New Product 2: Community-based Comprehensive Platform CareLog

Aiming to play a central role in the Community-based Comprehensive Care System by providing a free portal service that matches patients (users) referred by healthcare professionals with home-visit nursing stations

Doctor (hospital)

Care Manager
(Long-term care facilities)

Nurses, etc.
(station)

Sign up as a member and find a station for user referrals

CareLog

Home-visit nursing
Referrals and Requests
Portal service

Can automatically post vacancies and other information from iBow

iBow users
(Home-Visit Nursing Stations)

Overview	A membership-based matching portal service that allows healthcare professionals (care managers, physicians, etc.) to search for home-visit nursing stations to which they can refer or request patients
Positioning	Portal service linked to iBow
Background	In the operation of home-visit nursing stations, the lack of users (patients) sometimes worsens their business situation, making it difficult for them to find time to sell, or they do not know how to do so. Healthcare professionals, on the other hand, are often looking for a station that can best accommodate the patients under their care and currently rely on existing relationships or word of mouth. This portal service, which provides matching services by disclosing information on the station side, aims to solve this problem
Main Features	In the past, healthcare professionals had to call stations to check their availability and the types of patients they accept in order to find facilities for admission. This service will disclose the availability and characteristics of each station (automatically posted from the iBow information) so that healthcare professionals can always view the information and easily search for stations that would accept patients
Release	To be released in July 2024
Fee System	**There is no charge for using this portal service only.** Assumes that iBow users (stations) will have more users (patients) and that the number of station visits will increase, resulting in increased sales for our company.
Numerical targets	Set a numerical target of 50% of iBow users in FY2026

Technology that cares

⑤ Business Plan
New Product 2: Community-based Comprehensive Platform CareLog
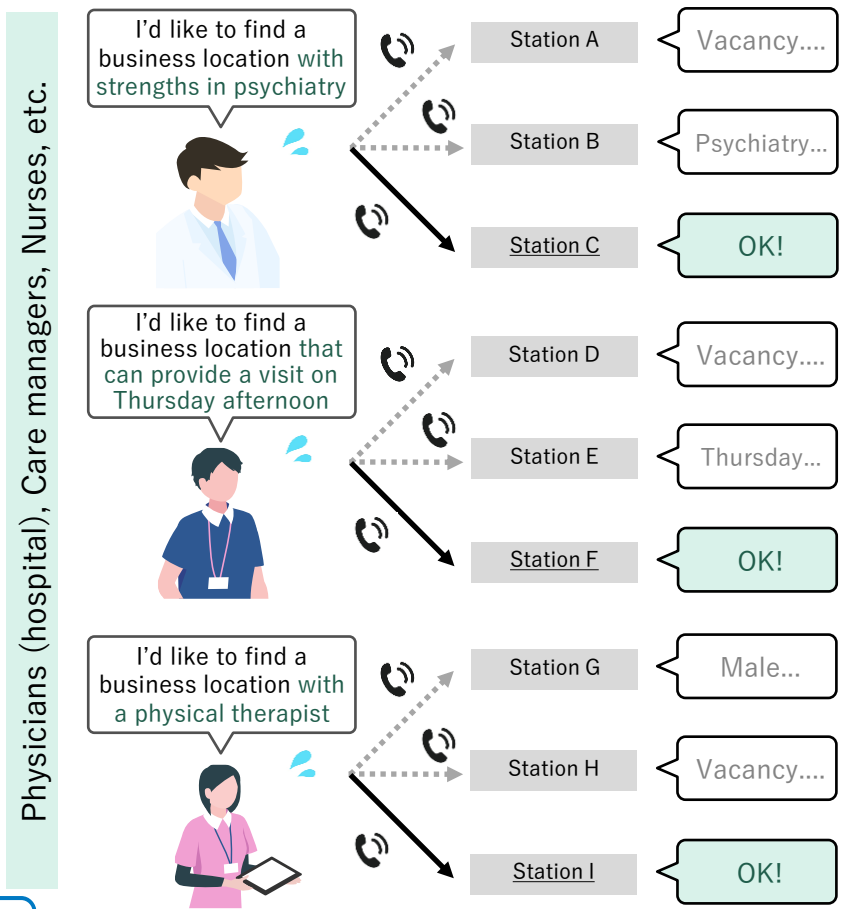
eWeLL

Aiming to play a central role in the Community-based Comprehensive Care System by providing a free portal service that matches patients (users) referred by healthcare professionals with home-visit nursing stations
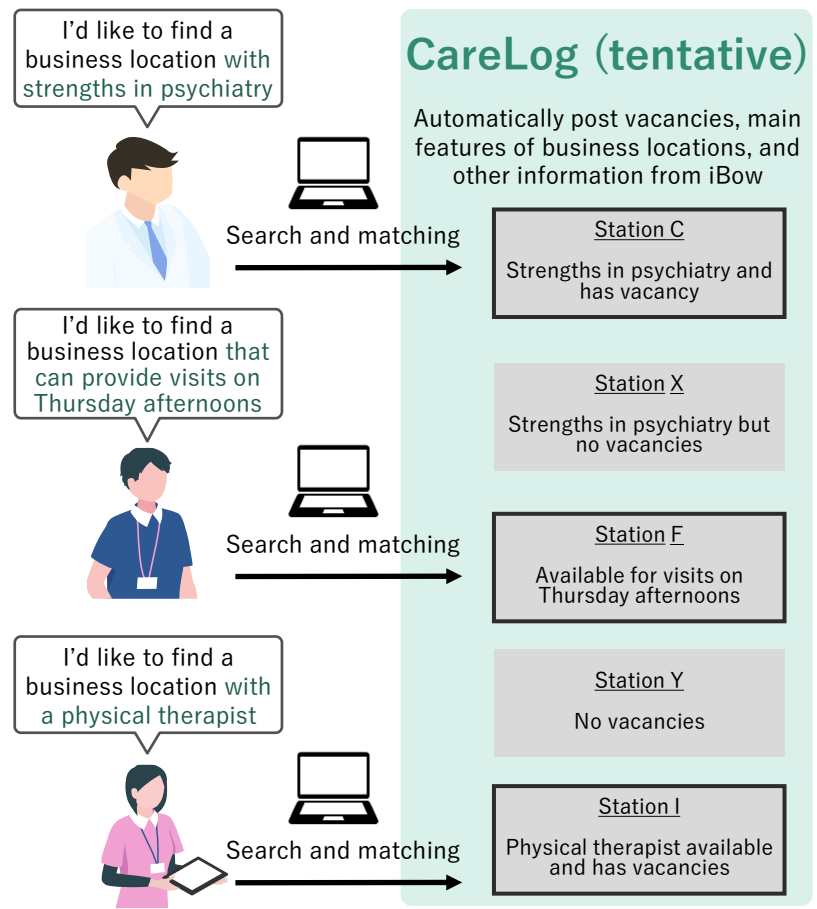
[Past]

[Future with CareLog (tentative)]

Physicians (hospital), Care managers, Nurses, etc.

[Past]

I'd like to find a business location with strengths in psychiatry

Station A — Vacancy....
Station B — Psychiatry...
Station C — OK!

I'd like to find a business location that can provide a visit on Thursday afternoon

Station D — Vacancy....
Station E — Thursday...
Station F — OK!

I'd like to find a business location with a physical therapist

Station G — Male...
Station H — Vacancy....
Station I — OK!

[Future with CareLog (tentative)]

I'd like to find a business location with strengths in psychiatry

Search and matching

I'd like to find a business location that can provide visits on Thursday afternoons

Search and matching

I'd like to find a business location with a physical therapist

Search and matching

CareLog (tentative)

Automatically post vacancies, main features of business locations, and other information from iBow

Station C
Strengths in psychiatry and has vacancy

Station X
Strengths in psychiatry but no vacancies

Station F
Available for visits on Thursday afternoons

Station Y
No vacancies

Station I
Physical therapist available and has vacancies

Technology that cares
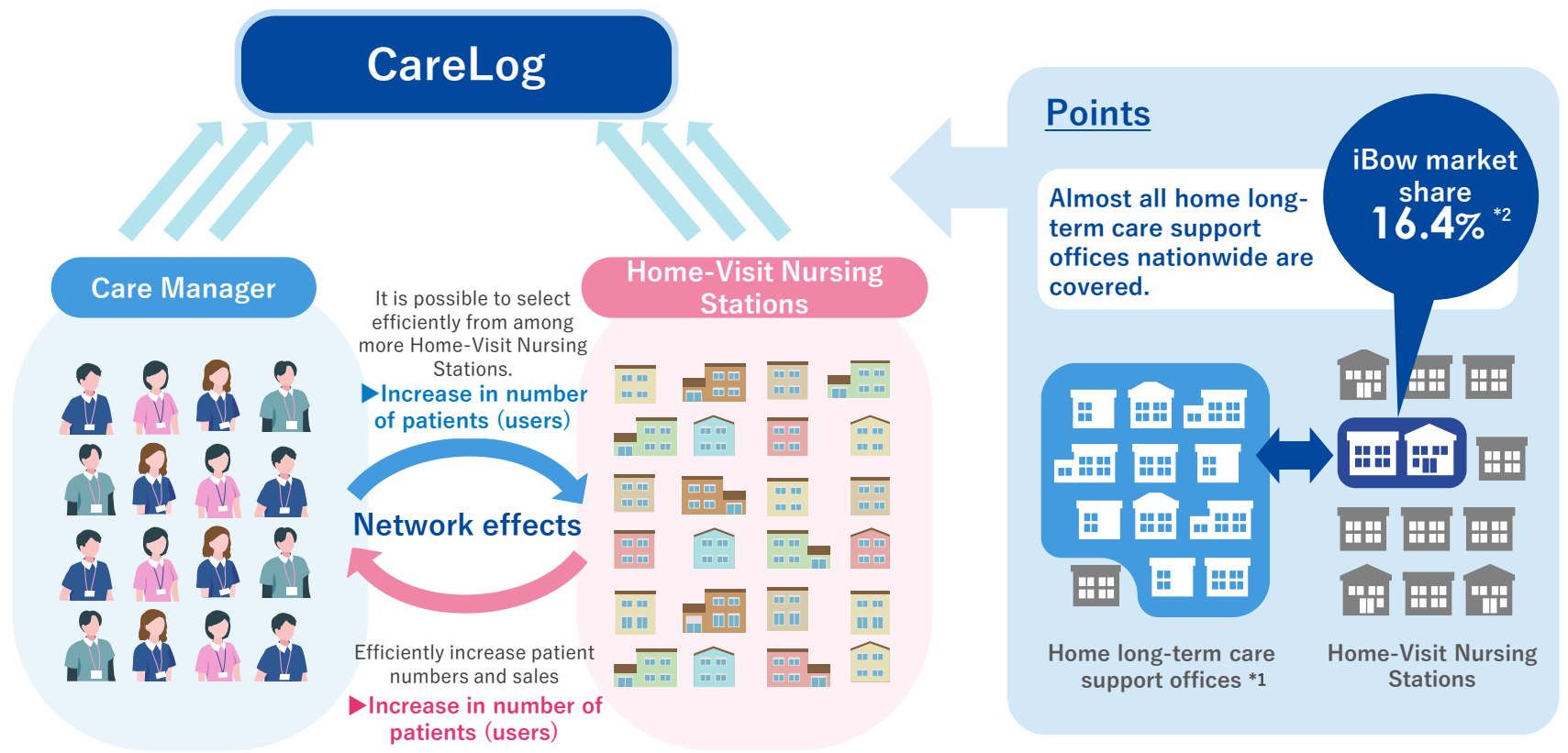
CareLog is connected to almost all home long-term care support offices nationwide through iBow's contracted Home-Visit Nursing Stations, making it easy to take advantage of network effects from an early stage

CareLog

Care Manager

Home-Visit Nursing Stations

It is possible to select efficiently from among more Home-Visit Nursing Stations.
▶Increase in number of patients（users）

Network effects

Efficiently increase patient numbers and sales
▶Increase in number of patients（users）

Points

Almost all home long-term care support offices nationwide are covered.

iBow market share
16.4% *2

Home long-term care support offices *1

Home-Visit Nursing Stations

*1: Based on the tabulation of institutions and establishments active as of October 1, 2022 in Survey of Institutions and Establishments for Long-term Care, 2022, Ministry of Health, Labour and Welfare, there were a total of 43,869 home long-term care support offices and community-based comprehensive support centers.

*2: Calculated by dividing the number of contracted Home-Visit Nursing Stations as of December 31, 2023, by the number of active Home-Visit Nursing Stations as of April 1, 2023, as announced by the National Association of Home-Visit Nursing Associations.

⑤ Business Plan
Growth Investment Policy

The main pillars of our investment policy are to **strengthen our development structure and investment** to ensure the continuous release of new products, and to **strengthen our sales structure, advertising investment, and customer success** based on the premise of multiple products

Corporate Strategies

Multi-product strategy（continuous release of new products）

Specific Investment Policy

Development division	R&D Investment	Accelerate R&D investment for new product development and future vision of PHR
	Enhance development environment and strengthen development structure	Improve the development environment and strengthen the development structure to ensure that the speed of new product development does not slow down, maintenance costs do not increase, operations are not delayed, and safety is maintained even as the number of products in operation increases
Sales division	Advertising investment	Accelerate investment in web advertising to increase the presence of multiple products
	Strengthen the sales structure	Strengthen sales structure based on multiple products rather than a single product
	Customer Success Enhancements	Improve customer engagement and upsell and cross-sell capabilities (Establishment of Customer Success Department)

Technology that cares

5 Business Plan
Assumptions for the Medium-Term Business Plan (Net Sales by Service)

Cloud net sales are expected to upsell new service groups

BPO plans to continue strong sales growth rate while increasing own agency workforce

Cloud Service (Millions of yen)

3,618
2,920
2,268
1,851
1,480
1,137

CAGR +25.0%

FY12/2021 FY12/2022 FY12/2023 FY12/2024 FY12/2025 FY12/2026

Medium-Term Business Plan

BPO Service (Millions of yen)

548
411
282
199
107
37

CAGR +40.2%

FY12/2021 FY12/2022 FY12/2023 FY12/2024 FY12/2025 FY12/2026

Medium-Term Business Plan
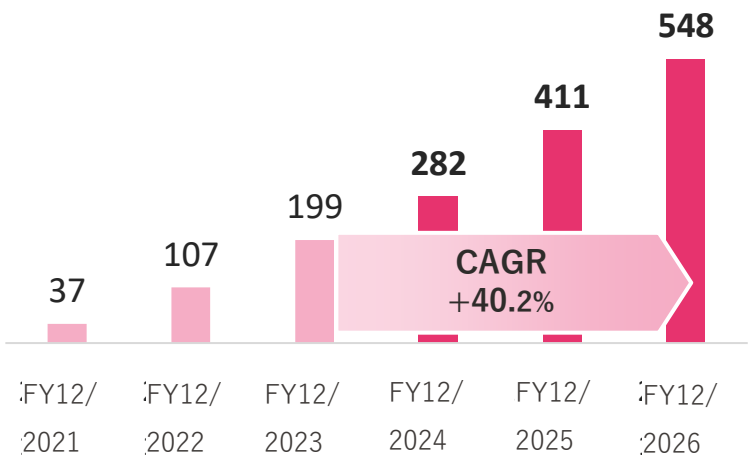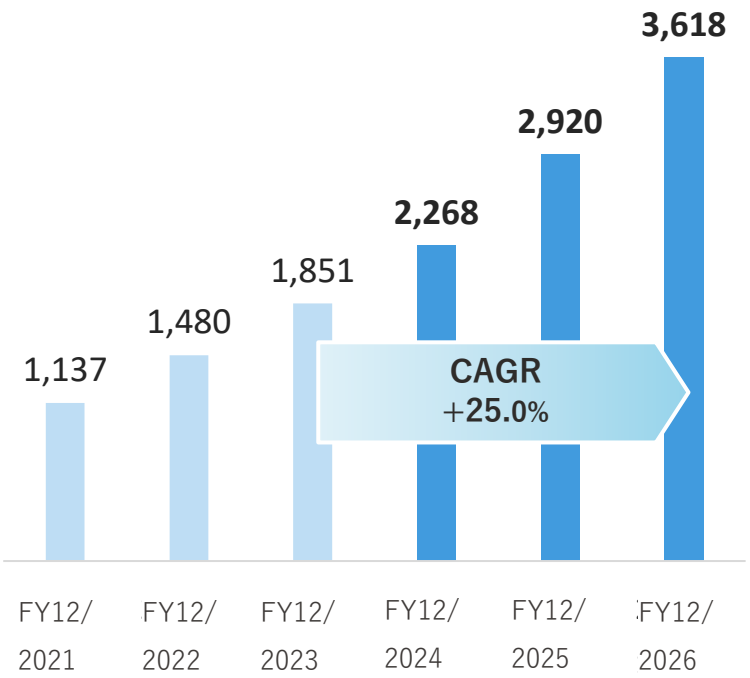
Business Plan
⑤ Correlation between FY2024 Investment and Operating Profit Plan

While gross profit is expected to grow by a total of 330 million yen due to stronger sales, SG&A expenses are expected to rise by 127 million yen due to an increase in rent due to the relocation of the Company's headquarters and an increase in R&D expenses

Vs. FY12/2023: **+202** M yen

(Millions of yen)

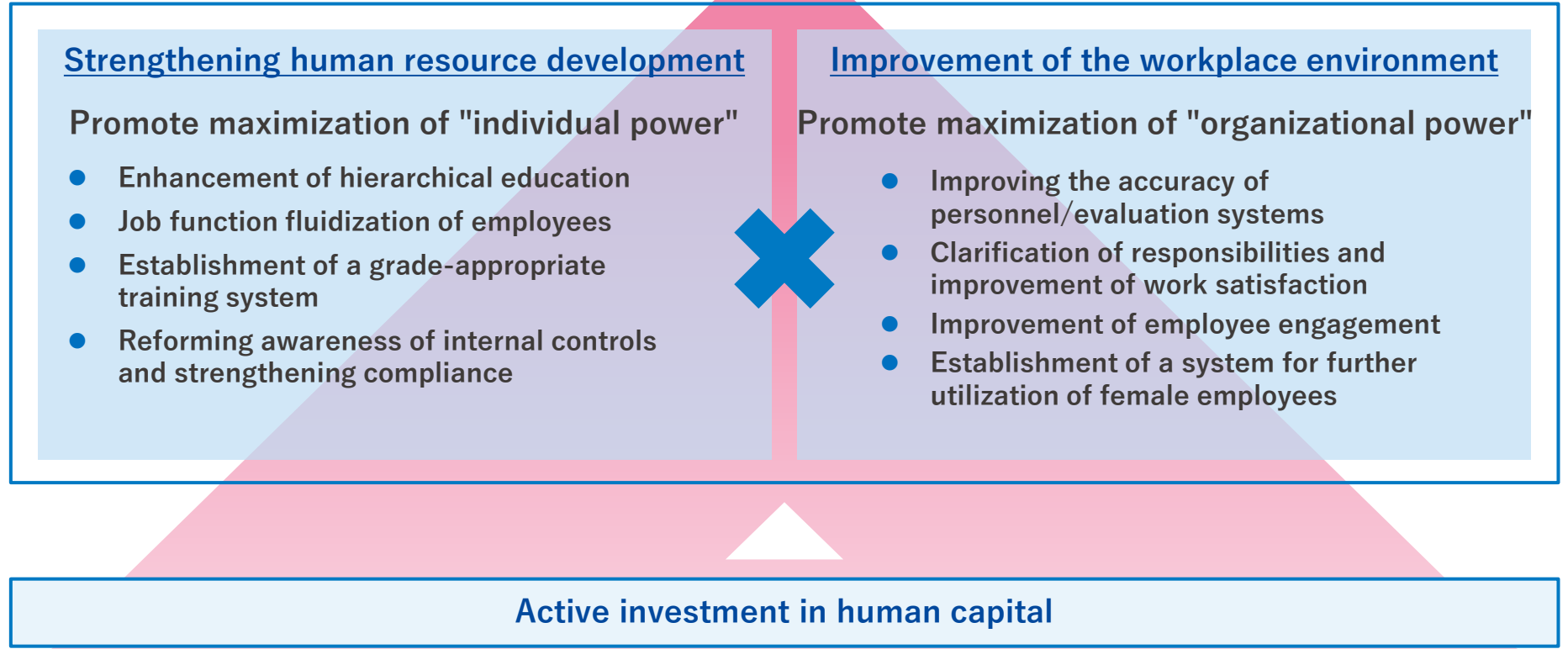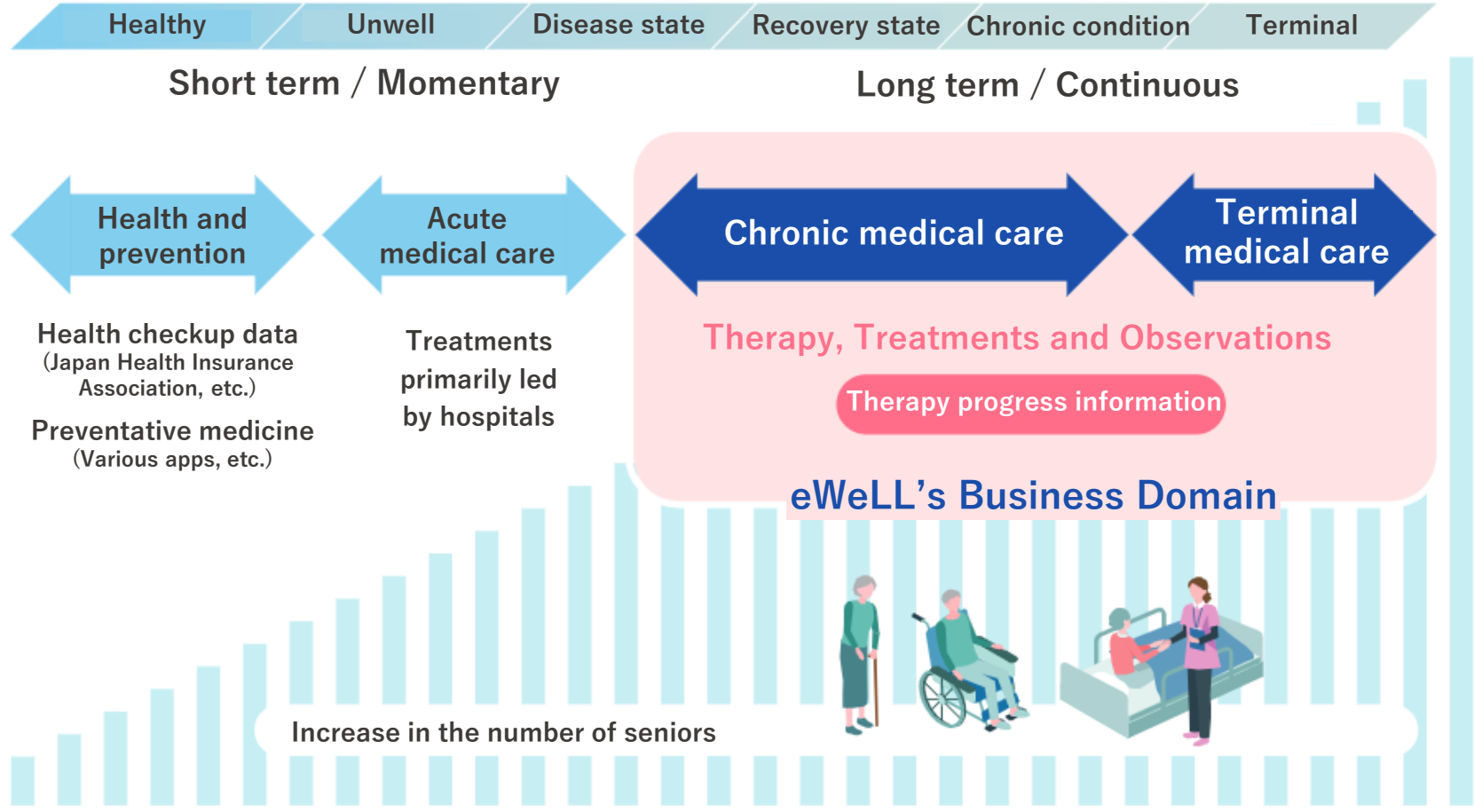**Cloud services Gross Profit increase** *1

Profit increase in BPO Service and others +47

Human Capital Investment *2 -15

Advertising Expenses -14

Headquarters relocation-related non-current cost *3 -49

R&D expenses -31

Other -17

1,111

+283

908

Change in Gross Profit

Change in SG&A Expenses

FY12/2023 Operating Profit Results

FY12/2024 Operating Profit Plan

*1 Cloud gross profit

In FY12/2024, we plan to increase development personnel, server costs, and maintenance costs for new services to strengthen our development structure, resulting in a slight decrease in gross profit margin for the cloud business

*2 Human Capital Investment

Total personnel and hiring expenses expected to increase SG&A expenses by a total of 15 million yen (mainly due to increase in Sales and Customer Success) Including development and BPO personnel expenses in cost of sales, human capital investment is expected to increase by 77 million yen from December 2023

*3 Increase in non-current headquarters relocation-related cost

The Company relocated its Osaka headquarters in FY12/2023, but since FY12/2023 was a rent-free period, rent has been recorded from FY12/2024, increasing the non-current cost in the plan

Technology that cares

Strengthen human resource development and improve the work environment to achieve sustainable upgrading of human capital

Sustainable upgrading of human capital

Strengthening human resource development

Promote maximization of "individual power"

- Enhancement of hierarchical education
- Job function fluidization of employees
- Establishment of a grade-appropriate training system
- Reforming awareness of internal controls and strengthening compliance

Improvement of the workplace environment

Promote maximization of "organizational power"

- Improving the accuracy of personnel/evaluation systems
- Clarification of responsibilities and improvement of work satisfaction
- Improvement of employee engagement
- Establishment of a system for further utilization of female employees

Active investment in human capital

Technology that cares

[**Re-posted**]

weLL

Medical care can be roughly divided into acute care in hospitals and chronic care, which is shifting to home care
Chronic care, which is becoming increasingly important as the number of elderly people increases, becomes our area of business.

| Healthy | Unwell | Disease state | Recovery state | Chronic condition | Terminal |

Short term / Momentary　　　　　**Long term / Continuous**

Health and prevention　　**Acute medical care**　　**Chronic medical care**　　**Terminal medical care**

Health checkup data
(Japan Health Insurance Association, etc.)

Preventative medicine
(Various apps, etc.)

Treatments primarily led by hospitals

Therapy, Treatments and Observations

Therapy progress information

eWeLL's Business Domain

Increase in the number of seniors

6 **Future Vision**
Medical Big Data Business

Among the home care occupations, home-visit nursing plays an important role in chronic care (home care) because home-visit nursing is a medical practice and has the highest number of visits (i.e., abundant pieces of medical data)
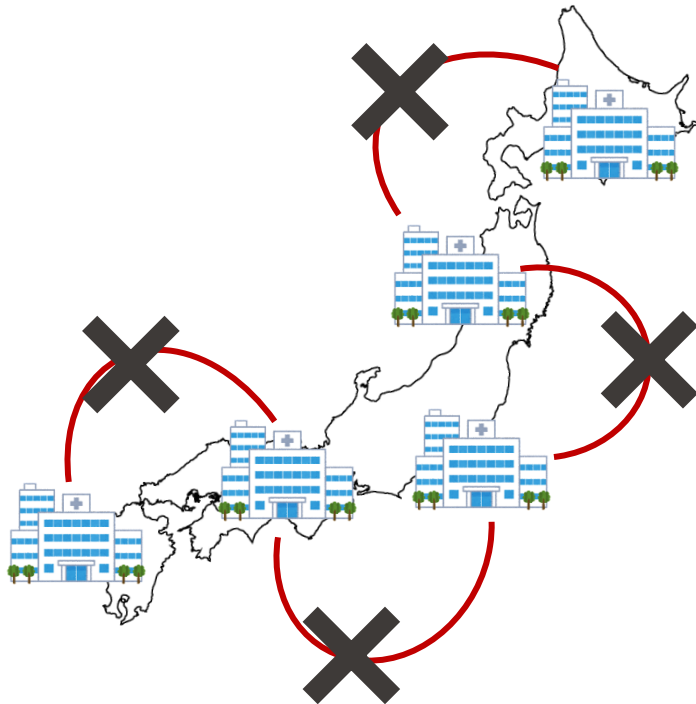
Home care occupations	Practice	Number of visits per month	Source
Home-visiting medical treatment (hospital)	Medical care	1 to 2 (70%)[*]	Central Social Insurance Medical Council The 430th session of the General Assembly materials
Home-visiting medical treatment (clinic)	Medical care	1 to 2 (47%)[*]	Ditto
Home-visit nursing	**Medical care**	**8 times**	Japan Visiting Nursing Foundation "The Mechanism of Home-visit Nursing"
House call dentist	Medical care	1 to 2 times (73%)[*]	Central Social Insurance Medical Council The 369th session of the General Assembly materials
Medication for home visits	Medical care	2.6 times	Japan Pharmaceutical Association "Survey Report on the Effectiveness of Drug Management Guidance and Home Medical Care Management Guidance"
Home-Visit Care	~~Medical care~~	Medical data cannot be collected as this is not a medical practice	

*Percentage of respondents in brackets

Previously, it was difficult to collect nationwide chronic care data because it was kept within each hospital. iBow, an electronic medical record for home-visit nursing, has collected nationwide chronic care data totaling more than 48 million records
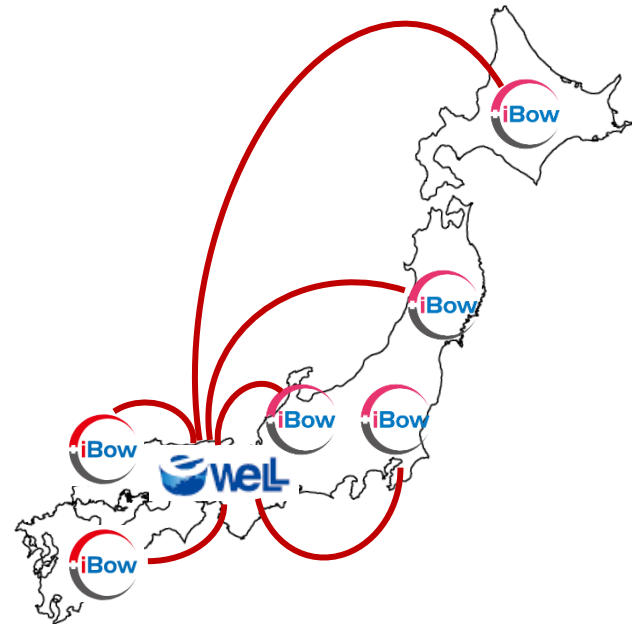
Past	Today
Medical records are fragmented across hospitals	**Medical data is consolidated into electronic medical records**

6 Future Vision
Medical Big Data Business

Because we have accumulated the largest amount of data in home-visit nursing, which has the largest amount of medical data of any chronic care provider, we can create new value by leveraging big data in home healthcare

Home Healthcare Platform

EMR (medical records)

iBow

Hospital systems

Dentist systems

Pharmacy systems

Long-term Care System

INPUT

eWeLL

Platform

Open API *1

Business leveraging home healthcare big data

Information provision portal

EHR *2
PHR *3

Home clinical trial

OUTPUT

OUTPUT

OUTPUT

Provision of new value to all home healthcare stakeholders

eWeLL deployment service (example)

Community-based Comprehensive Care
● Home-Visit Nursing STs
● Doctors and pharmacists
● Regional Long-term Care-related

Community-based Comprehensive Care System

PHR
● For individuals

PHR Service

Clinical trial, post-dose observation, etc.
● Pharmaceutical companies
● Labs
● CRO *4

iBow clinical trial

*1: Open API refers to connection specifications/systems for calling up and using functions, etc. of a company's application programs from application programs of a tie-up partner.
*2: EHR stands for electric health record.
*3: PHR stands for personal health record, information regarding health, health care and nursing care of individuals.
*4 CRO (Contract Research Organization)

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6

Future Vision
Medical Big Data Business

In 2023, we organized what can be done now about the overall mechanism for PHR use, and identified problems
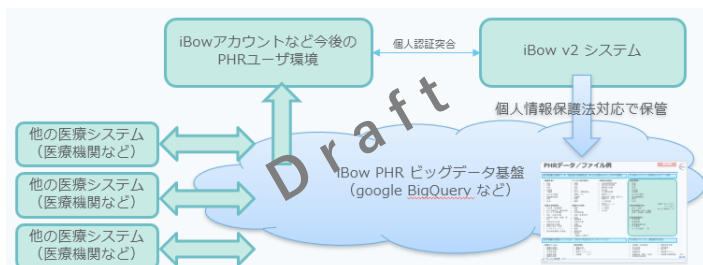**In 2024, we plan to study the problems and research how to provide information to users**

Implementation in 2023

■ Organization of future plans and concepts

  Axis is **"Relieving Individual Concerns"**

■ Explore overall system configuration for PHR use

■ Organize current status and identify issues

- ID linkage method
- Method of linking systems and others

Implementation plan in 2024

■ Consideration of issues

- ID linkage method
- Method of linking systems
- Technical solutions for security and other big data linkage issues
- Where to use PHR and others

■ Consideration of specific PHRs

- What information should be provided and how?

■ Collaborative demonstration experiments with national and local governments, universities, etc.

- Under review

We aim to establish an innovative PHR service by utilizing our home healthcare data, mainly in collaboration with our partner, Sumitomo Mitsui Trust Bank, and by utilizing our own home healthcare data
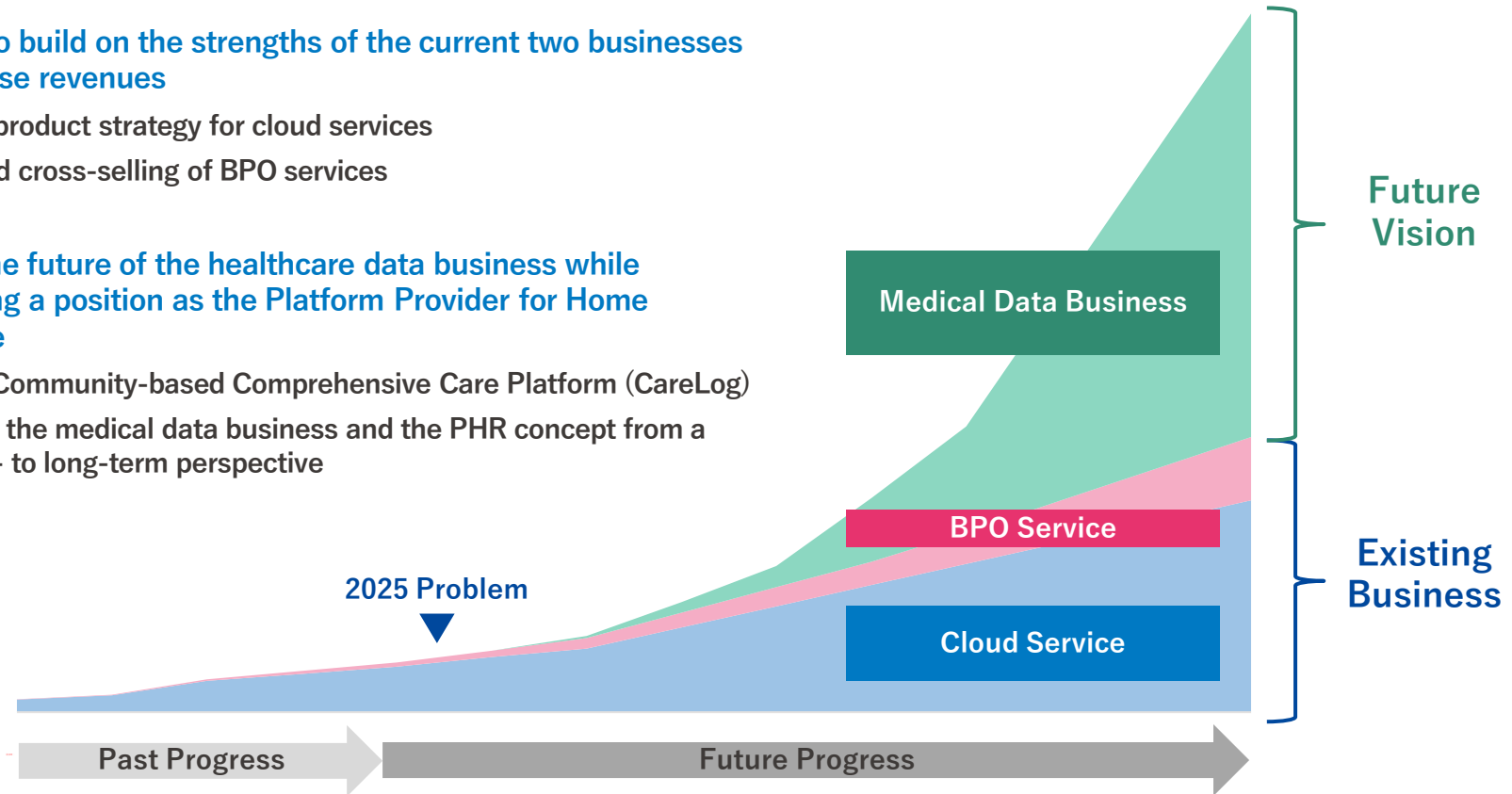
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Drive the future vision for the medical data business, while establishing a position as a platform provider for home healthcare through a multi-product strategy and the growth of the Community-based Comprehensive Care Platform (CareLog)

✓ **Continue to build on the strengths of the current two businesses and increase revenues**

- Multi-product strategy for cloud services
- Expand cross-selling of BPO services

✓ **Envision the future of the healthcare data business while establishing a position as the Platform Provider for Home Healthcare**

- Growth Community-based Comprehensive Care Platform (CareLog)
- Advance the medical data business and the PHR concept from a medium- to long-term perspective

Future Vision

Medical Data Business

Existing Business

BPO Service

2025 Problem

Cloud Service

Past Progress | Future Progress

**7** **Shareholder Returns and Capital Policy**

weLL

Balance and promote stable shareholder returns, taking into account growth strategies, financial conditions, etc., with a focus on contributing to shareholders through sustainable growth by investing in growth and long-term enhancement of corporate value

Changes in dividends per share

Dividends have been paid since our listing and we plan to increase the dividend to 11.0 yen for the next FY12/2024

11.0 yen

10.0 yen

7.5 yen

| FY12/2022 | FY12/2023 | FY12/2024 (Forecast) |
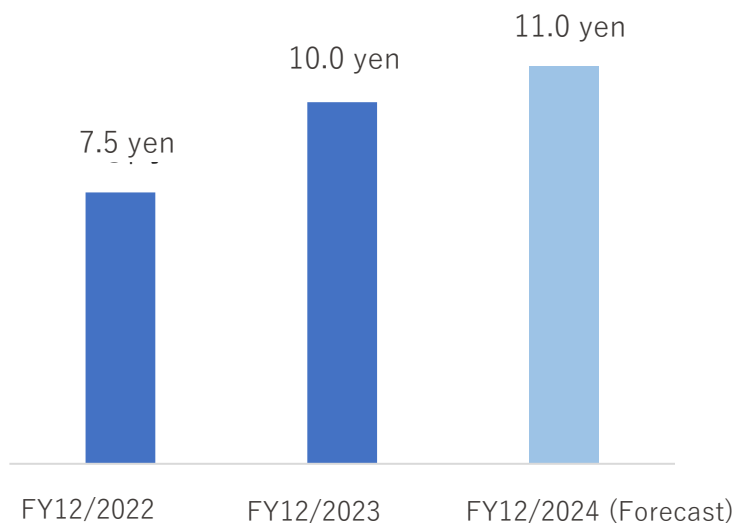
* Dividends per share for prior years also include dividends per
share after the stock split effective January 1, 2024

Stock Split

Create an environment that makes it easier for investors to invest, improve the liquidity of our stocks and further broaden our investor base

*Split on January 1, 2024

Split ratio	2-for-1 stock split
Record date	December 31, 2023
Effective date	January 1, 2024

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Disclaimer

These materials include forward-looking statements. These statements, which are based on generally recognized economic, social, and other circumstances and certain assumptions deemed reasonable by the Company as of the writing of this document, include risks and uncertainties. The statements do not guarantee the Company's future results or business performance.

Actual business performance may vary significantly from the forward-looking statements herein due to a wide variety of future factors, including competition with other companies and changes in economic conditions, customer needs, customer preferences, and laws and regulations.
 Information on matters outside of the Company relies on publicly available information, and the Company has not verified and does not guarantee the accuracy or appropriateness of such publicly available information.

This material has been prepared for informational purposes only. This material is not intended as an offer to sell or a solicitation of an offer to buy securities in any jurisdiction other than Japan.

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To All Stakeholders

To all of our iBow users and to all of those who have supported our company, we would like to take this opportunity to thank you again.

Since its release in 2014, iBow has worked with many nurses and Home-Visit Nursing Stations to develop many functions and new services.

We will continue to "make people happy" by providing new value for home care and aiming to be a company that can contribute to a better society.