

Financial Results

Interim period - FY Ending February 28, 2025

Supplementary Information

Securities ID Code: 7649, TSE PRIME , NSE PREMIER

SUGI Holdings

September 24, 2024

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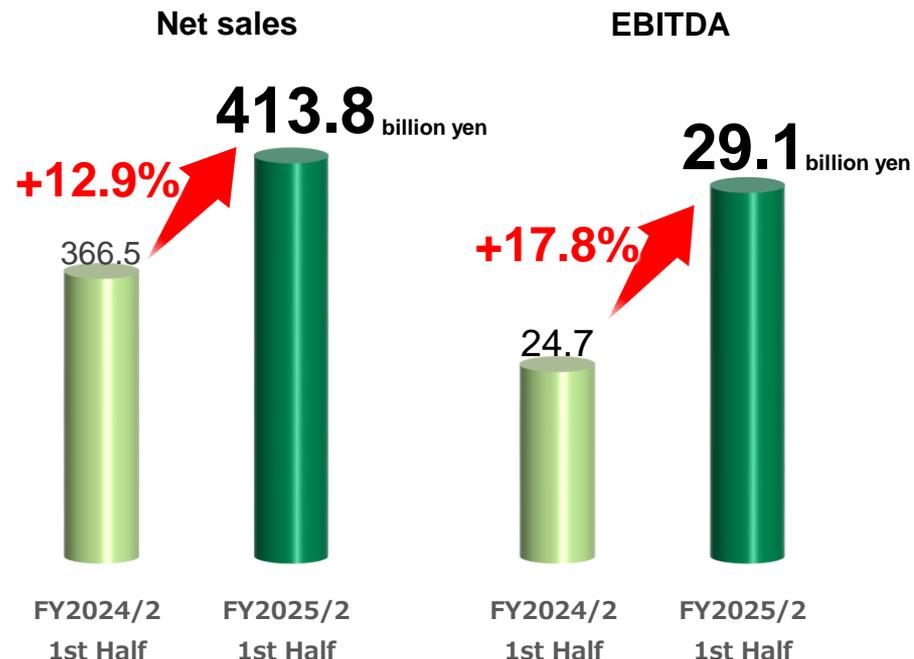
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Interim financial results summary

- FY Ending February 28, 2025 -

Financial results highlight

Both product sales and dispensing sales remained strong, and the trend of increasing sales and profits continued.



Summary of businesses

(product sales)

- Sales were strong due to segment sales promotion using apps and capturing inbound demand.

(dispensing)

- Although the environment continues to be difficult due to drug price and remuneration revisions, unit prices are rising due to increased demand for high-priced prescriptions.

(Note)

EBITDA: Ordinary income + Depreciation and amortization + Amortization of goodwill + Interest expense - Interest income

Summary of financial results (interim period)

	FY Ending 2024/2 1H (March to August)		FY Ending 2025/2 1H (March to August)				
	Results (in million yen)	Ratio to Sales(%)	Results (in million yen)	Ratio to Sales(%)	vs. Budget (in %)	vs. Budget (in million yen)	Y o Y (%)
Net Sales	366,564	100.0	413,809	100.0	103.5	13,809	112.9
Prescription	77,809	21.2	85,934	20.8	102.2	1,834	110.4
Product Sales	286,362	78.1	324,304	78.4	104.1	12,646	113.2
Others	2,392	0.7	3,569	0.9	84.2	▲673	149.2
Gross Profit	109,860	30.0	125,730	30.4	104.8	5,730	114.4
Prescription	29,137	37.4	31,634	36.8	102.1	636	108.6
Product Sales	79,489	27.8	92,400	28.5	106.3	5,499	116.2
Others	1,232	51.5	1,695	47.5	80.7	▲406	137.5
SG&A Expenses	92,573	25.3	105,444	25.5	104.4	4,444	113.9
Operating Income	17,287	4.7	20,286	4.9	106.8	1,286	117.3
Non-Operating Income	1,962	0.5	2,534	0.6	126.7	534	129.2
Non-Operating Expenses	1,124	0.3	1,352	0.3	90.2	▲148	120.2
Ordinary Income	18,124	4.9	21,468	5.2	110.1	1,968	118.4
Extraordinary Income	0	0.0	305	0.1	—	305	—
Extraordinary Losses	2,864	0.8	2,186	0.5	145.8	686	76.3
Net Income before Income Taxes	15,260	4.2	19,587	4.7	108.8	1,587	128.4
Income Taxes	4,995	1.4	6,527	1.6	108.8	527	130.7
Net Income	10,265	2.8	13,059	3.2	108.8	1,059	127.2
EBITDA	24,733	6.7	29,131	7.0	110.9	2,867	117.8

Summary of financial results (2nd quarter)

	FY Ending 2024/2 2Q (June to August)		FY Ending 2025/2 2Q (June to August)				
	Results (in million yen)	Ratio to Sales(%)	Results (in million yen)	Ratio to Sales(%)	vs. Budget (in %)	vs. Budget (in million yen)	Y o Y (%)
Net Sales	188,712	100.0	212,849	100.0	103.8	7,849	112.8
Prescription	38,907	20.6	42,889	20.1	101.6	677	110.2
Product Sales	148,901	78.9	168,267	79.1	103.4	5,581	113.0
Others	902	0.5	1,693	0.8	1659.8	1,591	187.6
Gross Profit	56,867	30.1	65,743	30.9	106.9	4,243	115.6
Prescription	14,523	37.3	15,910	37.1	101.9	294	109.5
Product Sales	42,149	28.3	49,135	29.2	108.7	3,912	116.6
Others	194	21.5	697	41.2	105.5	36	358.6
SG&A Expenses	47,358	25.1	54,063	25.4	106.0	3,063	114.2
Operating Income	9,508	5.0	11,680	5.5	111.2	1,180	122.8
Non-Operating Income	881	0.5	1,336	0.6	148.5	436	151.6
Non-Operating Expenses	569	0.3	713	0.3	89.2	▲87	125.3
Ordinary Income	9,821	5.2	12,303	5.8	116.1	1,703	125.3
Extraordinary Income	0	0.0	23	0.0	—	23	—
Extraordinary Losses	2,734	1.4	1,989	0.9	132.6	489	72.8
Net Income before Income Taxes	7,086	3.8	10,336	4.9	113.6	1,236	145.9
Income Taxes	2,385	1.3	3,400	1.6	112.2	370	142.6
Net Income	4,701	2.5	6,936	3.3	114.3	866	147.5
EBITDA	13,198	7.0	16,221	7.6	115.5	2,173	122.9

New store openings



	Store openings	Store closings	Number of stores	Rate of dispensing facilities
Hokkaido T o h o k u	0	0	3	—
K a n t o	28	4	507	79.6
C h u b u	19	5	596	78.7
K a n s a i	21	6	582	83.0
Hokuriku S h i n s h u	1	1	83	78.3
T o t a l	69	16	1,771	80.2

※The ratio of dispensing facilities is only for the Sugi Pharmacy Business.

The Group's Existing store sales trends

※Sugi Pharmacy only

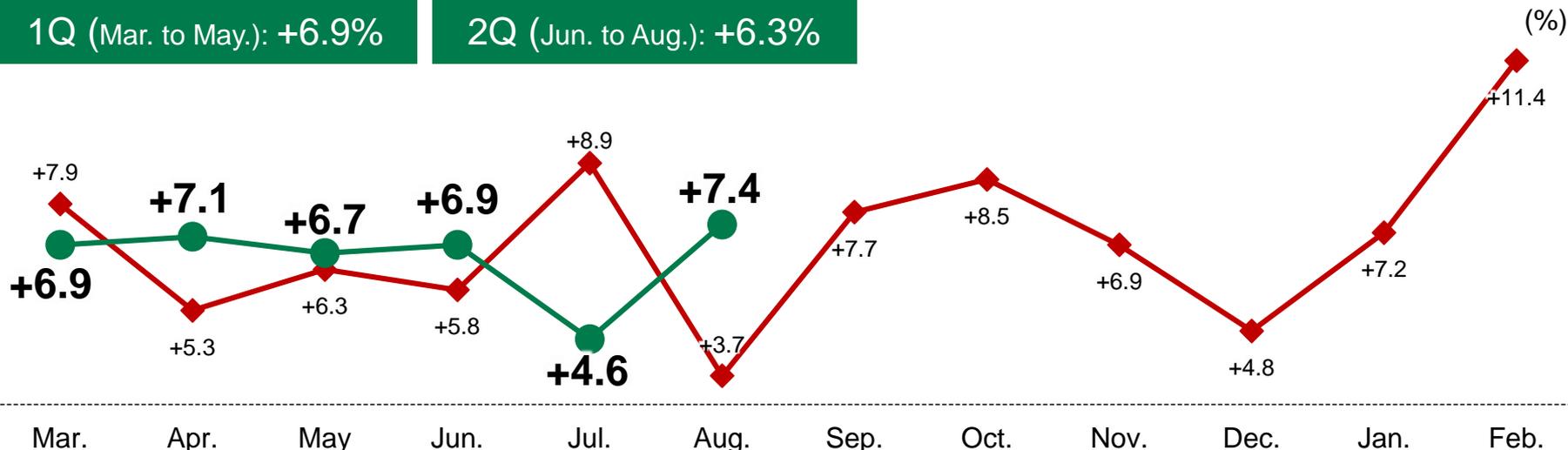
1H (Mar. to Aug.): +6.6%

1Q (Mar. to May.): +6.9%

2Q (Jun. to Aug.): +6.3%

◆ FY ended Feb. 2024

● FY ended Feb. 2025



breakdown

Number of customers

(Mar. to Aug.) : +1.6%

Price per customer

(Mar. to Aug.) : +4.9%

- Due to the effects of various measures, both the number of customers and the average spend per customer exceeded the previous year, and sales at existing stores grew.

(Product sales)

Existing store sales trends

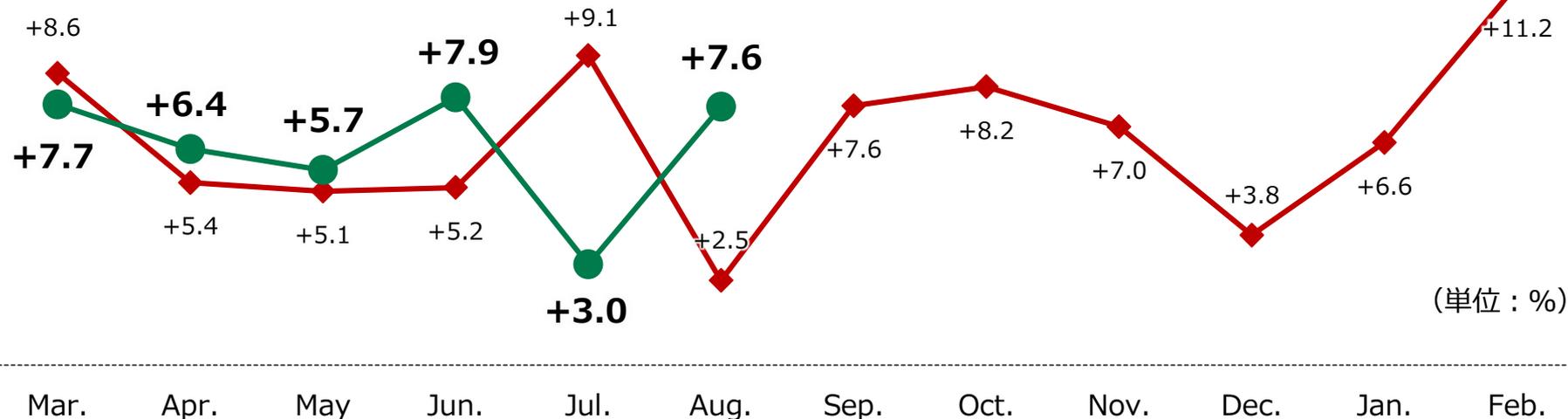
※Sugi Pharmacy only

1H (Mar. to Aug.): +6.3%

◆ FY ended Feb. 2024 ● FY ended Feb. 2025

1Q (Mar. to May.): +6.6%

2Q (Jun. to Aug.): +6.0%

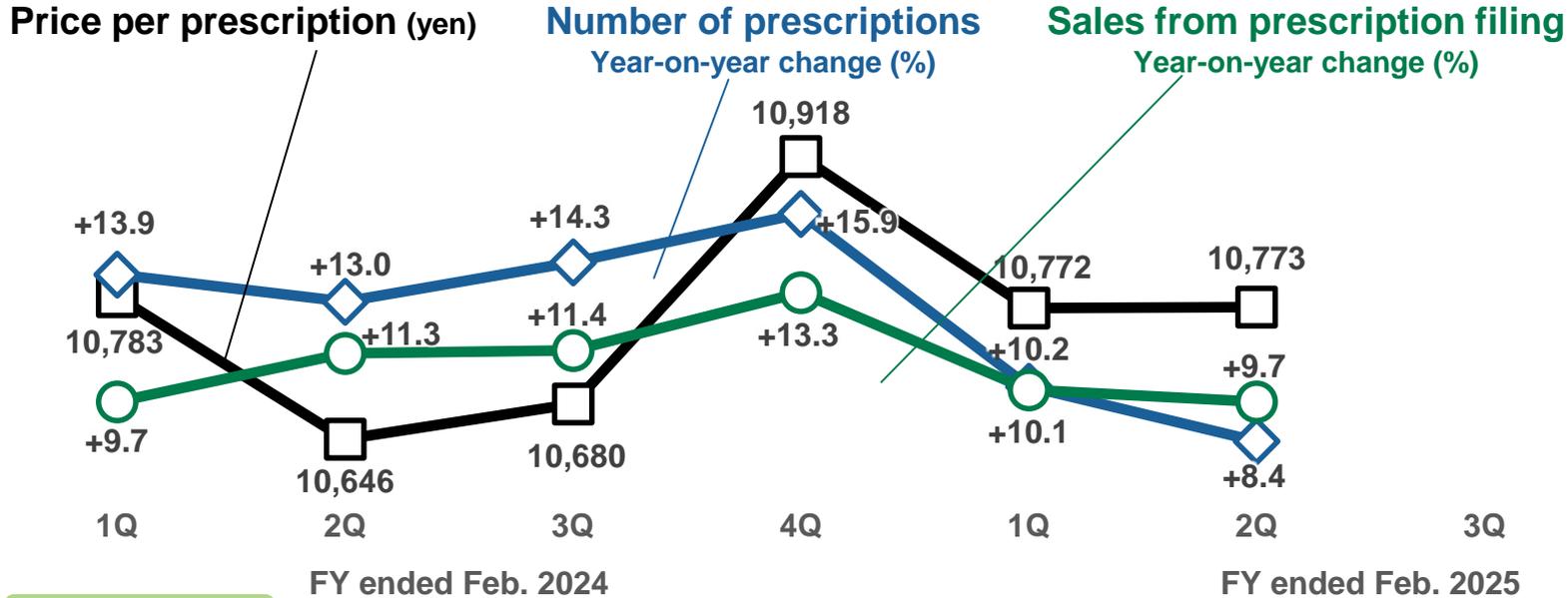


Overview

- Renovations such as expansion of food sales areas to meet local needs
- In order to capture inbound demand, we have strengthened the lineup of products with high demand and extended the business hours of stores with high demand.

(Dispensing)

Trends in the number of prescriptions and prescription unit price

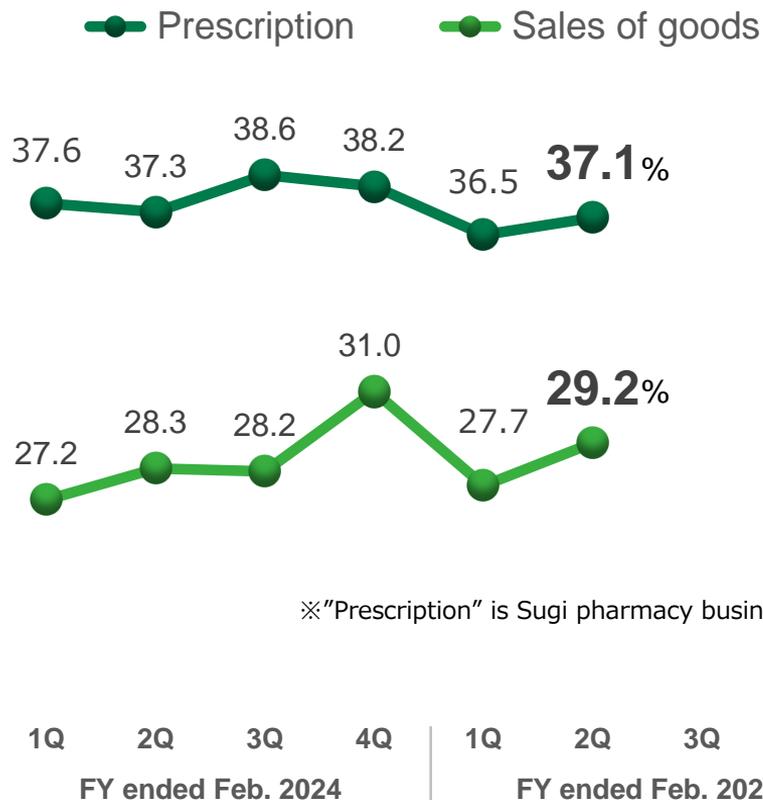


Summary

※Sugi pharmacy business only

- Number of prescriptions:
By expanding and renovating the dispensing waiting room, we have responded to the growing demand for prescriptions.
- Unit price:
We have strengthened the acquisition of high-priced prescriptions and the calculation of various premiums by enhancing specialized training for pharmacists and improving equipment.

Trends in gross profit margin



※“Prescription” is Sugi pharmacy business only

**Due to the increase in 2Q,
the interim period ended up exceeding the plan.**

Prescription

- The purchase price, which was a provisional price, was agreed upon at the end of August.
- Strengthen the acquisition of bonuses centered on regional support system bonuses
- As a result, although there was an impact from drug price revisions, the interim period was down 0.6% from the previous year, and progress was roughly in line with plan.

Sales of goods

- Strengthen purchasing in line with sales growth.
- Promoted selling price control and manufacturer collaboration measures through segment sales promotion using apps.
- As a result, all categories, mainly healthcare, exceeded the previous year.

Interim period results by product segment (Sales composition ratio / Gross profit margin)

(%)	Composition Ratio			Sales vs. Budget	Sales Y o Y	Gross Profit Margin			Gross Profit vs. Budget	Gross Profit vs. Y o Y
	FY 2024/2 1H	FY 2025/2 1H				FY 2024/2 1H	FY 2025/2 1H			
	Results	Budget	Results			Results	Budget	Results		
Prescription	21.4	21.3	20.9	102.2	110.4	37.4	36.9	36.8	▲0.1	▲0.6
Product sales	78.6	78.7	79.1	104.1	113.2	27.8	27.9	28.5	+0.6	+0.7
Healthcare	19.1	19.0	18.4	100.3	108.5	39.5	39.7	41.0	+1.3	+1.5
Beauty	17.9	17.8	18.1	105.4	114.4	32.2	32.4	33.1	+0.7	+0.9
Household wares	18.8	18.7	18.8	104.3	112.9	24.4	24.6	24.9	+0.3	+0.5
Foods	22.7	23.0	23.5	105.9	116.5	17.2	17.3	18.0	+0.7	+0.8
Other	0.2	0.1	0.2	115.6	119.7	19.1	20.1	19.6	▲0.5	+0.5

2nd quarter results by product segment (Sales composition ratio / Gross profit margin)

(%)	Composition Ratio			Sales vs. Budget	Sales Y o Y	Gross Profit Margin			Gross Profit vs. Budget	Gross Profit vs. Y o Y
	FY 2024/2 Q	FY 2025/2 Q				FY 2024/2 Q	FY 2025/2 Q			
	Results	Budget	Results			Results	Budget	Results		
Prescription	20.7	20.6	20.3	101.6	110.2	37.3	37.0	37.1	+0.1	▲0.2
Product sales	79.3	79.4	79.7	103.4	113.0	28.3	27.8	29.2	+1.4	+0.9
Healthcare	18.8	18.9	18.1	98.9	108.2	39.8	39.2	41.5	+2.3	+1.7
Beauty	18.4	18.2	18.6	105.3	113.7	32.9	32.4	33.6	+1.2	+0.7
Household wares	19.1	19.1	19.2	103.9	113.0	25.3	24.9	26.0	+1.1	+0.7
Foods	22.8	23.1	23.6	105.3	116.3	17.7	17.4	18.9	+1.5	+1.2
Other	0.1	0.2	0.2	103.9	124.1	19.4	11.8	20.6	+8.8	+1.2

Status of selling, general and administrative expenses

Labor costs, which were an issue in 1Q, significantly improved the labor share in 2Q

(in million yen, %)	FY ended Feb. 2024				FY ended Feb. 2025							
	1 H		distribution rate		1 H				distribution rate			
	Results	Sales ratio	1Q	2Q	Results	Sales ratio	budget ratio	Compared to previous period	1Q	Difference in previous term	2Q	Difference in previous term
Net sales	366,564	100.0	–	–	413,809	100.0	103.5	112.9	–	–	–	–
gross profit	109,860	30.0	–	–	125,730	30.4	104.8	114.4	–	–	–	–
Total selling expenses	2,140	0.6	1.8	2.1	1,823	0.4	91.2	85.2	1.5	▲ 0.4	1.4	▲ 0.6
Personnel expenses	44,930	12.3	41.6	40.3	51,718	12.5	105.5	115.1	42.3	0.7	40.1	▲ 0.2
General administrative expense	45,501	12.4	41.9	41.0	51,902	12.5	103.8	114.1	41.9	0.0	40.7	▲ 0.2
Selling and administrative expenses	92,573	25.3	85.3	83.3	105,444	25.5	104.4	113.9	85.7	0.3	82.2	▲ 1.0

Appendix

Store Openings and Closings

Nos. of stores by region	FY2024/2 Full Year	FY2024/2 1st Half			Forecast after September 2024		FY 2025/2 Full Year forecast			
	As of the Term-End	Store Openings	Store Closings	As of the Term-End	Store Openings	Store Closings	Store Openings	Store Closings	Change	As of the Term-End
Kanto Region	483	28	4	507	19	1	47	5	+42	525
Chubu Region	582	19	5	596	9	2	28	7	+21	603
Hokuriku/Shinshu Region	83	1	1	83	5	0	6	1	+5	88
Kansai Region	567	21	6	582	18	1	39	7	+32	599
Hokkaido/Tohoku Region	3	0	0	3	0	0	0	0	0	3
Total	1,718	69	16	1,771	51	4	120	20	+100	1,818

Nos. of stores by company	FY2024/2 Full Year	FY2024/2 1st Half			Forecast after September 2024		FY 2025/2 Full Year forecast			
	As of the Term-End	Store Openings	Store Closings	As of the Term-End	Store Openings	Store Closings	Store Openings	Store Closings	Change	As of the Term-End
Sugi Pharmacy	1,569	68	15	1,622	51	4	120	20	+100	1,669
Japan	104	0	0	104	0	0	0	0	0	104
Visit Nursing Care ST	45	1	1	45	0	0	0	0	0	45
Total	1,718	69	16	1,771	51	4	120	20	+100	1,818

Summary of financial results

	FY Ending 2024/2 1H (March to August)		FY Ending 2025/2 1H (March to August)				
	Results (in million yen)	Ratio to Sales(%)	Results (in million yen)	Ratio to Sales(%)	vs. Budget (in %)	vs. Budget (in million yen)	Y o Y (%)
Net Sales	366,564	100.0	413,809	100.0	103.5	13,809	112.9
Sugi Pharmacy business	338,568	92.4	383,567	92.7	103.8	14,167	113.3
Japan business	25,603	7.0	26,243	6.3	101.2	304	102.5
Others	2,393	0.6	3,999	1.0	85.8	▲ 662	167.1
Gross Profit	109,860	30.0	125,730	30.4	104.8	5,730	114.4
Sugi Pharmacy business	103,134	30.5	117,949	30.8	105.4	6,010	114.4
Japan business	5,493	21.5	5,894	22.5	102.1	121	107.3
Others	1,233	51.5	1,887	47.2	82.4	▲403	153.0
SG&A Expenses	92,573	25.3	105,444	25.5	104.4	4,444	113.9
Operating Income	17,287	4.7	20,286	4.9	106.8	1,286	117.3
Non-Operating Income	1,962	0.5	2,534	0.6	126.7	534	129.2
Non-Operating Expenses	1,124	0.3	1,352	0.3	90.2	▲ 148	120.2
Ordinary Income	18,124	4.9	21,468	5.2	110.1	1,968	118.4
Extraordinary Income	0	0.0	305	0.1	—	305	—
Extraordinary Losses	2,864	0.8	2,186	0.5	145.8	686	76.3
Net Income before Income Taxes	15,260	4.2	19,587	4.7	108.8	1,587	128.4
Income Taxes	4,995	1.4	6,527	1.6	108.8	527	130.7
Net Income	10,265	2.8	13,059	3.2	108.8	1,059	127.2
EBITDA	24,733	6.7	29,131	7.0	110.9	2,867	117.8

Status of selling, general and administrative expenses-

	FY Ending 2024/2 1H (March to August)		FY Ending 2025/2 1H (March to August)			
	Results (in million yen)	Ratio to Sales (%)	Results (in million yen)	Ratio to Sales (%)	Y o Y (%)	Results (in million yen)
Net Sales	366,564	100.0	413,809	100.0	103.5	112.9
Total Selling Expenses	2,140	0.6	1,823	0.4	91.2	85.2
Advertising Expenses	2,065	0.6	1,678	0.4	88.3	81.3
Premium Expenses	75	0.0	145	0.0	145.1	192.3
Personnel Expenses	44,930	12.3	51,718	12.5	105.5	115.1
Total Administrative Expenses	45,501	12.4	51,902	12.5	103.8	114.1
Rent Expenses	18,370	5.0	20,660	5.0	102.3	112.5
Depreciation Expenses	6,616	1.8	7,779	1.9	112.8	117.6
Utilities Expenses	4,014	1.1	4,415	1.1	102.7	110.0
Supplies Expenses	2,481	0.7	2,784	0.7	103.1	112.2
Tax and Public Charges	3,280	0.9	3,727	0.9	103.5	113.6
Commission Paid	4,895	1.3	5,796	1.4	107.3	118.4
Others	5,842	1.6	6,737	1.6	97.6	115.3
Total SG&A Expenses	92,573	25.3	105,444	25.5	104.4	113.9

Sugi Pharmacy Business Results by Product Segment (Sales Composition Ratio / Gross Profit Margin)

(%)	Composition Ratio			Sales vs. Budget	Sales Y o Y	Gross Profit Margin			Gross Profit vs. Budget	Gross Profit vs. Y o Y
	FY 2024/2 1H	FY 2025/2 1H				FY 2024/2 1H	FY 2025/2 1H			
	Results	Budget	Results			Results	Budget	Results		
Prescription	23.0	22.7	22.3	102.2	109.9	37.4	36.8	36.8	±0.0	▲0.6
Healthcare	19.8	19.7	19.0	100.3	108.8	39.5	39.7	41.0	+1.3	+1.5
Beauty	18.6	18.6	18.8	105.5	114.8	32.2	32.4	33.1	+0.7	+0.9
Household wares	18.7	18.7	18.8	104.4	113.8	24.3	24.5	24.8	+0.3	+0.5
Foods	19.8	20.3	21.0	107.0	119.8	17.5	17.5	18.3	+0.8	+0.8
Other	0.1	0.1	0.1	111.9	110.8	27.9	20.9	30.4	+9.5	+2.5
Total	100.0	100.0	100.0	103.8	113.3	30.5	30.9	30.8	▲0.1	+0.3

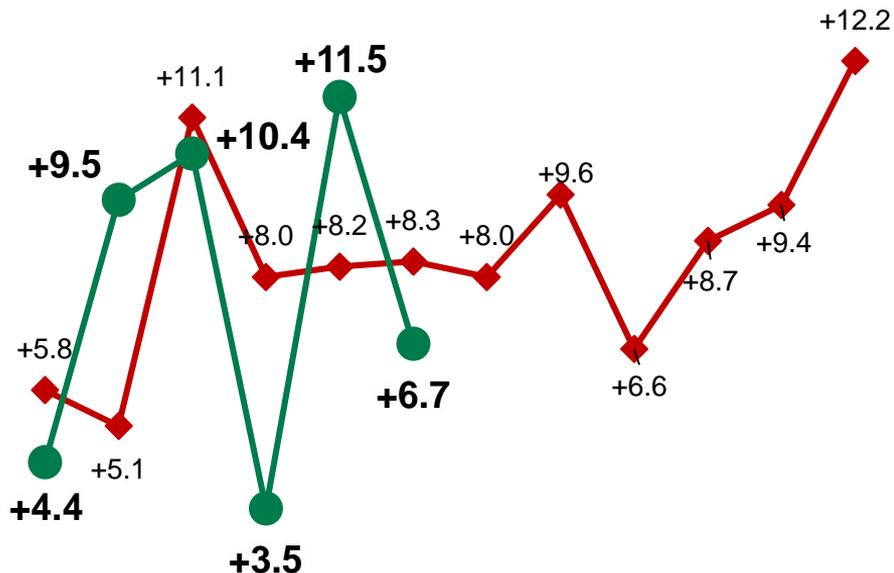
Japan business results by product segment (sales composition ratio / gross profit margin)

(%)	Composition Ratio			Sales vs. Budget	Sales Y o Y	Gross Profit Margin			Gross Profit vs. Budget	Gross Profit vs. Y o Y
	FY 2024/2 1H	FY 2025/2 1H				FY 2024/2 1H	FY 2025/2 1H			
	Results	Budget	Results			Results	Budget	Results		
Healthcare	10.0	9.9	9.7	99.1	99.8	40.7	40.6	42.9	+2.3	+2.2
Beauty	7.9	8.0	8.1	103.2	104.7	32.2	32.2	34.1	+1.9	+1.9
Household wares	19.8	19.3	19.6	102.4	101.4	25.5	26.1	25.9	▲0.2	+0.4
Foods	61.1	61.5	61.1	100.5	102.6	15.8	16.8	16.8	±0.0	+1.0
Other	1.2	1.3	1.5	118.4	127.0	12.0	19.6	12.1	▲7.5	+0.1
Total	100.0	100.0	100.0	101.2	102.5	21.5	22.2	22.5	+0.3	+1.0

Existing store sales trends

■ Prescription

◆ FY ended Feb. 2024
● FY ended Feb. 2025



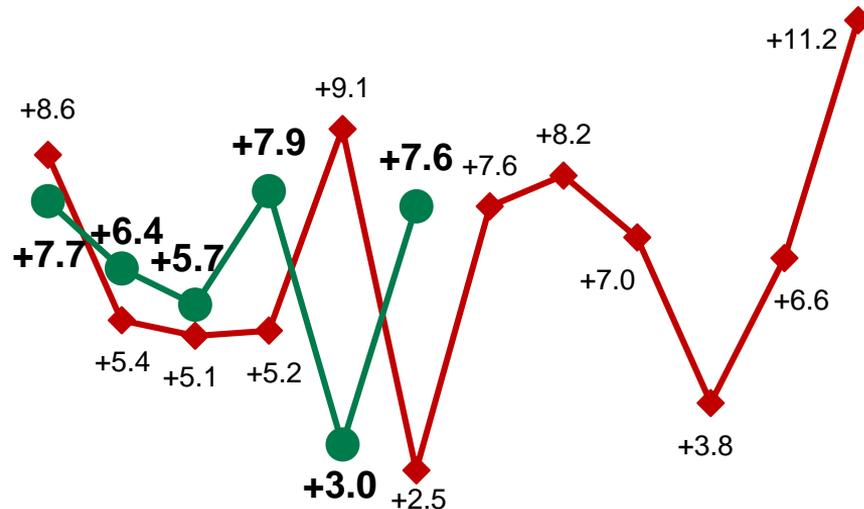
Mar. Apr. May Jun. Jul. Aug. Sep. Oct. Nov. Dec. Jan. Feb.

1H (Mar. to Aug.): +7.6%

2Q (Jun. to Aug.): +7.2%

■ Product Sales

◆ FY ended Feb. 2024
● FY ended Feb. 2025

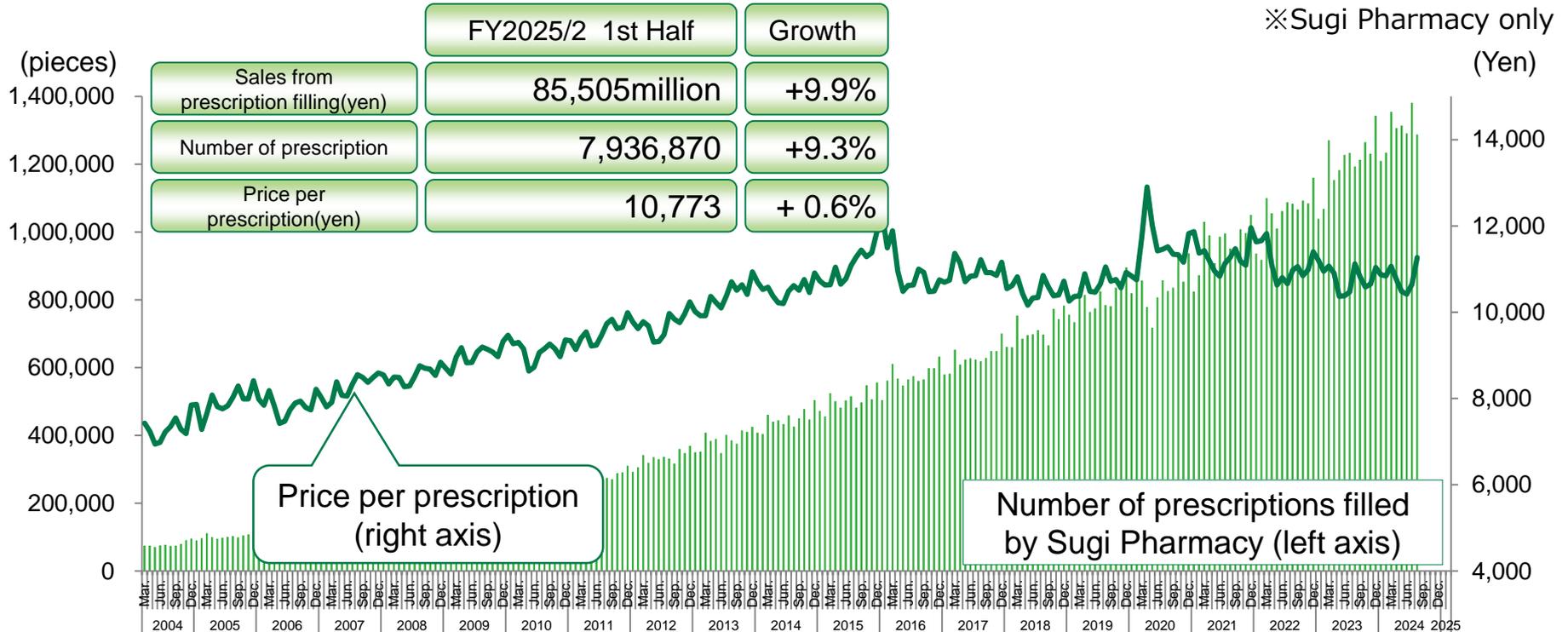


Mar. Apr. May Jun. Jul. Aug. Sep. Oct. Nov. Dec. Jan. Feb.

1H (Mar. to Aug.): +6.6%

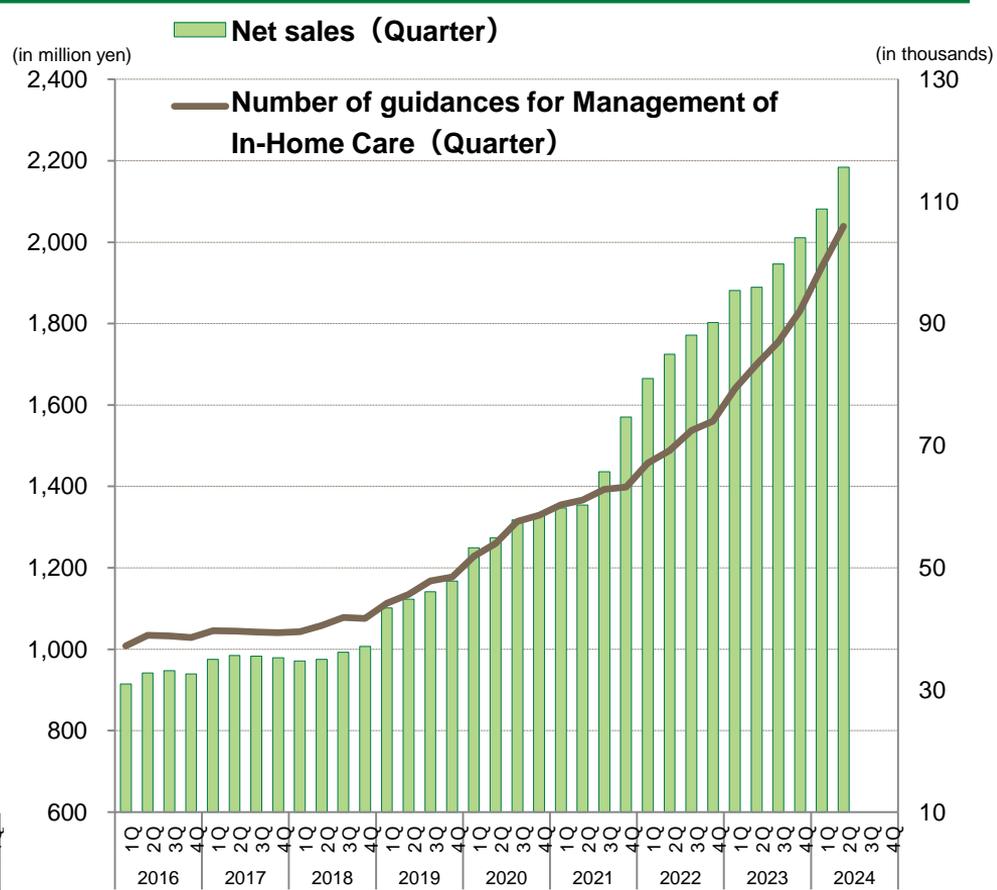
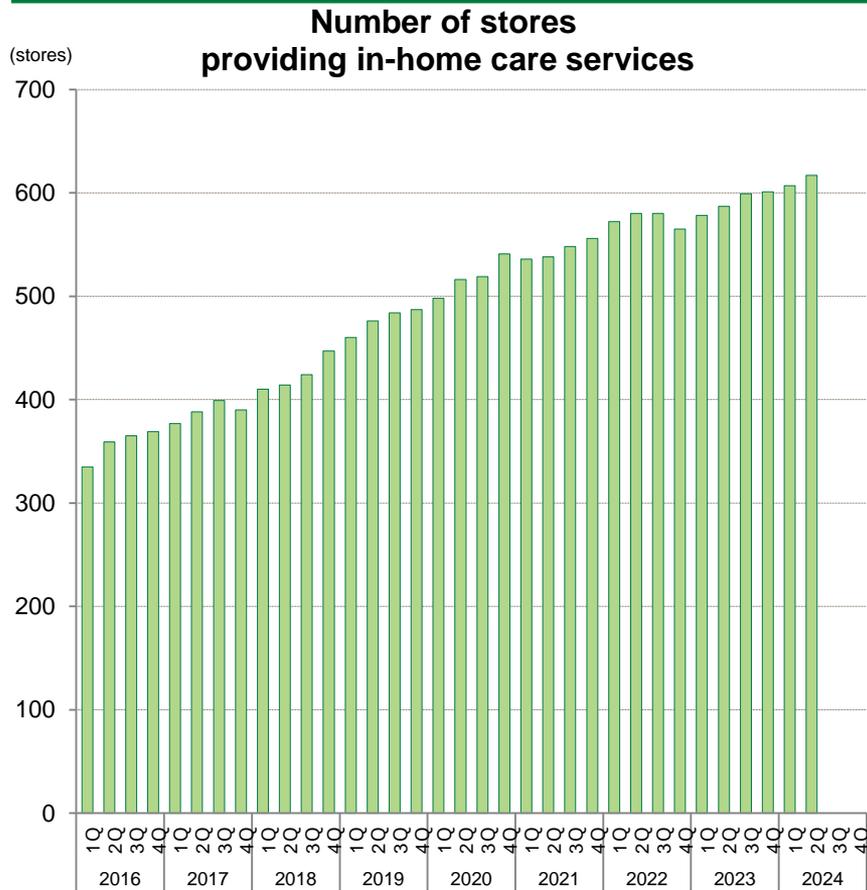
2Q (Jun. to Aug.): +6.3%

Trends in the Number of Prescriptions and Price per Prescription



	FY 2014/2	FY 2015/2	FY 2016/2	FY 2017/2	FY 2018/2	FY 2019/2	FY 2020/2	FY 2021/2	FY 2022/2	FY 2023/2	FY 2024/2
Number of prescriptions	4,782,507	5,473,832	6,181,431	6,982,700	7,704,463	8,698,045	9,833,178	10,101,138	11,729,823	12,912,512	14,759,448
Avg. price / prescription(yen)	10,450	10,548	11,270	10,810	10,917	10,471	10,707	11,642	11,317	11,033	10,758

Initiatives for home medical care



SUGI PHARMACY Group

The forward-looking statements regarding business and other forecasts are Sugi Holdings management's decisions based on information currently available at the time the report was created, and contain risks and uncertainties.

We recommend that readers do not make their decisions solely relying on these forecasts, and readers are reminded that actual results may differ materially from these forecasts due to various circumstances beyond management's control.