Financial Results Briefing for the Fiscal Year Ending March 2025 (FYE 3/2025)

May 22, 2025

Securities code: 7817

Paramount Bed Holdings Co., Ltd.

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Executive Summary

PARAMOUNT BED HOLDINGS

FYE3/2025: Higher sales and lower profits
Although bed sales to domestic medical and nursing homes were sluggish, the recurring business continued to grow, and net sales reached a record high

Partial revision to Medium-term Management Plan targets in response to changes in the business environment, etc.

Implemented a revision to our dividend policy, raising DOE from 4.0% to 5.0%. As a result of this change, we expect to have a significant dividend increase for FYE3/2026

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Table of contents

PARAMOUNT BED HOLDINGS

1. Overview of Results for the Fiscal Year Ending March 31, 2025

Overview of Financial Results

PARAMOUNT BED HOLDINGS

Net sales increased and profits decreased, coming in mostly in line with the revised forecast

(Unit：millions of yen)	FYE 3/2024 Results	FYE 3/2025 Revised forecast *3	FYE 3/2025 Results	% to revised forecast	YoY change
Net sales	106,016	108,000	108,583	+0.5%	+2.4%
Operating profit (margin)	13,818 (13.0%)	13,000 (12.0%)	12,977 (12.0%)	-0.2%	-6.1%
Ordinary profit (margin)	15,920 (15.0%)	12,500 (11.6%)	12,846 (11.8%)	+2.8%	-19.3%
Profit attributable to owners of Parent (margin)	10,622 (10.0%)	8,500 (7.9%)	9,083 (8.4%)	+6.9%	-14.5%
Recurring transaction volume *1	34,056	38,200	38,480	+0.7%	+13.0%
EBITDA *2	23,583	24,031	24,116	+0.4%	+2.3%

*1 The total amount of cash obtained from the recurring revenue business. *2 Calculated as the sum of operating profit and depreciation expense (including goodwill).
*3 Announcement date: Oct 30, 2024

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Factors Causing Changes in Operating Profit

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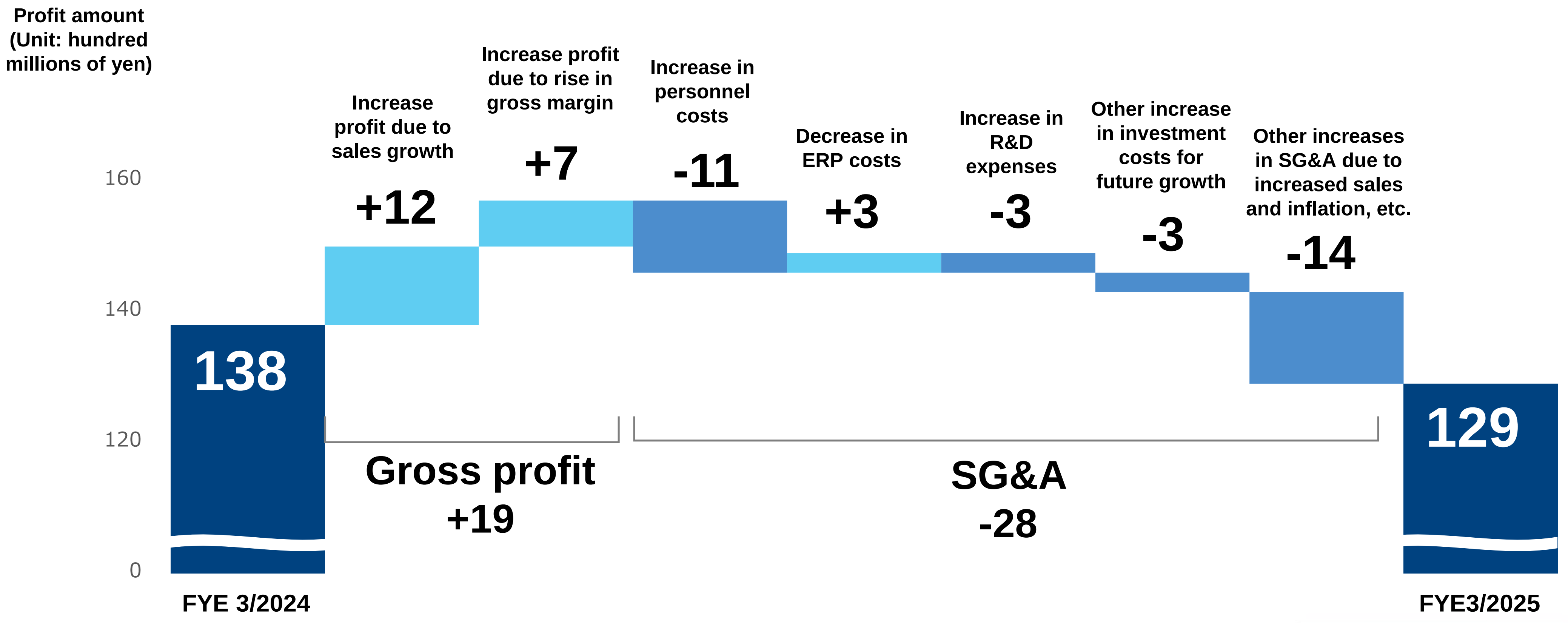
Although gross profit margin improved through efforts to improve profitability, profits decreased due to the effects of decreased product sales volume and inflation, etc.



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Financial Status

Net assets increased by 1,268 million yen

Unit: millions of yen

	FYE 3/2024	FYE 3/2025	Change	YoY Change
Current assets	95,496	94,531	-965	-1.0%
Non-current assets	84,523	88,495	+3,972	+4.7%
Total assets	180,020	183,027	+3,007	+1.7%
Current liabilities	24,897	25,759	+862	+3.5%
Non-current liabilities	19,106	19,983	+877	+4.6%
Total liabilities	44,004	45,742	+1,738	+3.9%
Net assets	136,016	137,284	+1,268	+0.9%
Total liabilities and net assets	180,020	183,027	+3,007	+1.7%

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2. Overview by Business

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Medical Care Business (Japan)

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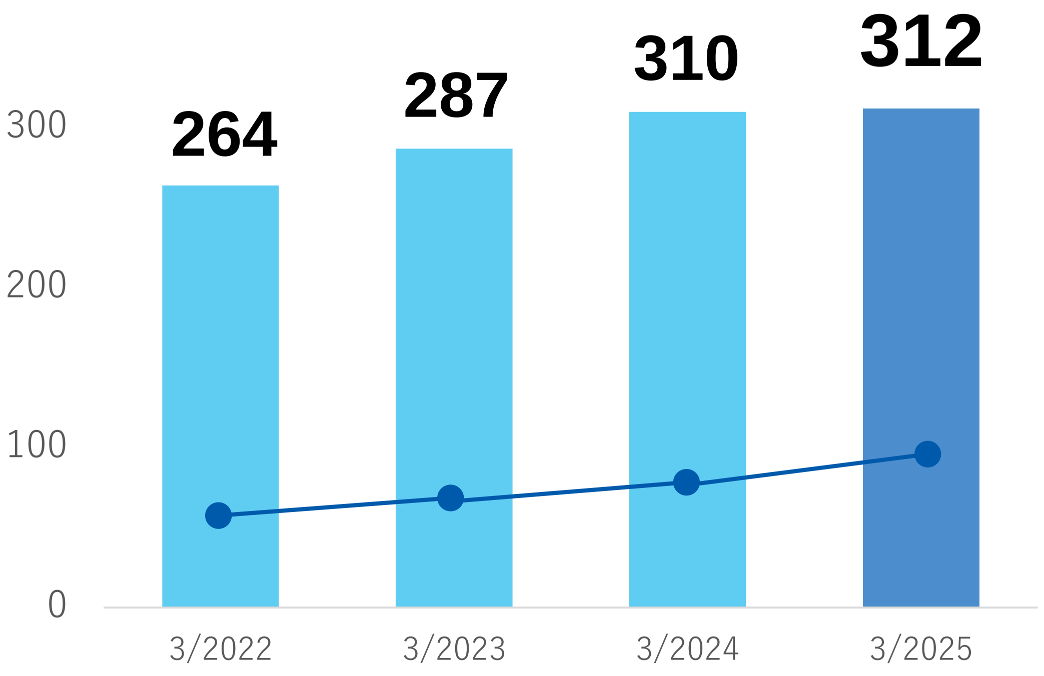
Although investment appetite at medical facilities was sluggish, product and services which contribute to the streamlining and digitalization of hospital operations drove our recurring business, as in the previous year

Medical care business sales in Japan (hundred millions of yen)

*Line chart describes recurring transaction volume



No. of hospitals with on-site staffing service contracts

*Stock index

113 hospitals (3/2024) › **124** hospitals (3/2025) **+10%**

No. of hospitals with Smart Bed System installations

*Stock index

46 hospitals (3/2024) › **68** hospitals (3/2025) **+48%**

Recurring transaction volume (medical care)

7.4 billion yen (3/2024) › **9.1** billion yen (3/2025) **+23%**

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Medical Care Business (Overseas)

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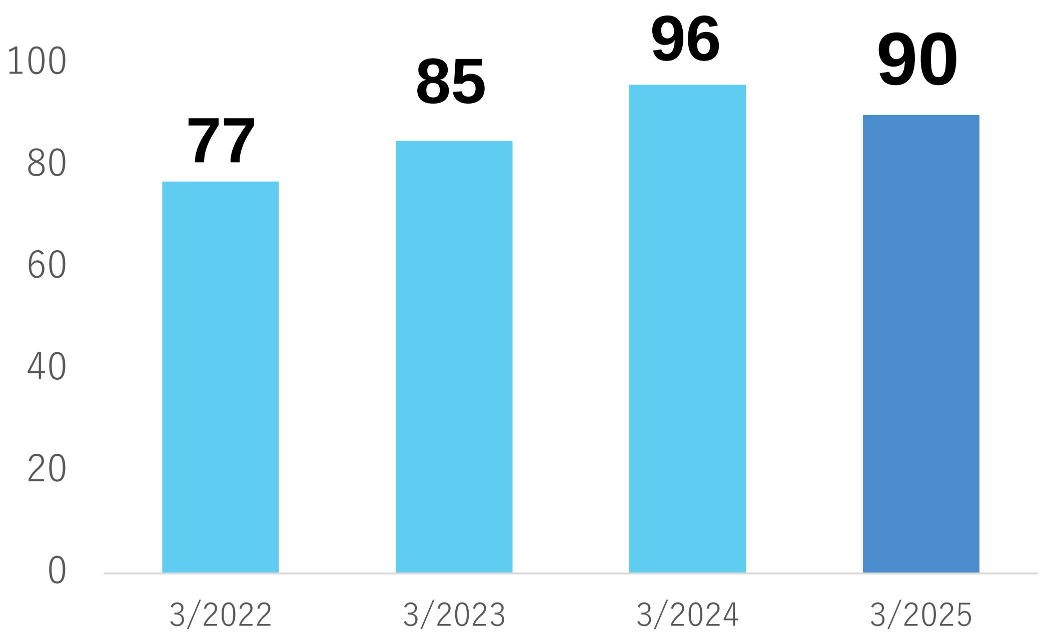
Despite our success in developing sales for private hospitals in Indonesia, the impact of the anti-corruption campaign in China was prolonged, resulting in a decline in revenue

Medical care business sales in overseas (hundred millions of yen)



No. of beds sold for overseas markets

40 thousand (3/2024) ❯ **40** thousand (3/2025) **- 0%**

Sales for India including non-consolidated

1.7 billion yen (3/2024) ❯ **1.9** billion yen (3/2025) **+11%**

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Nursing Care Business (for nursing homes)

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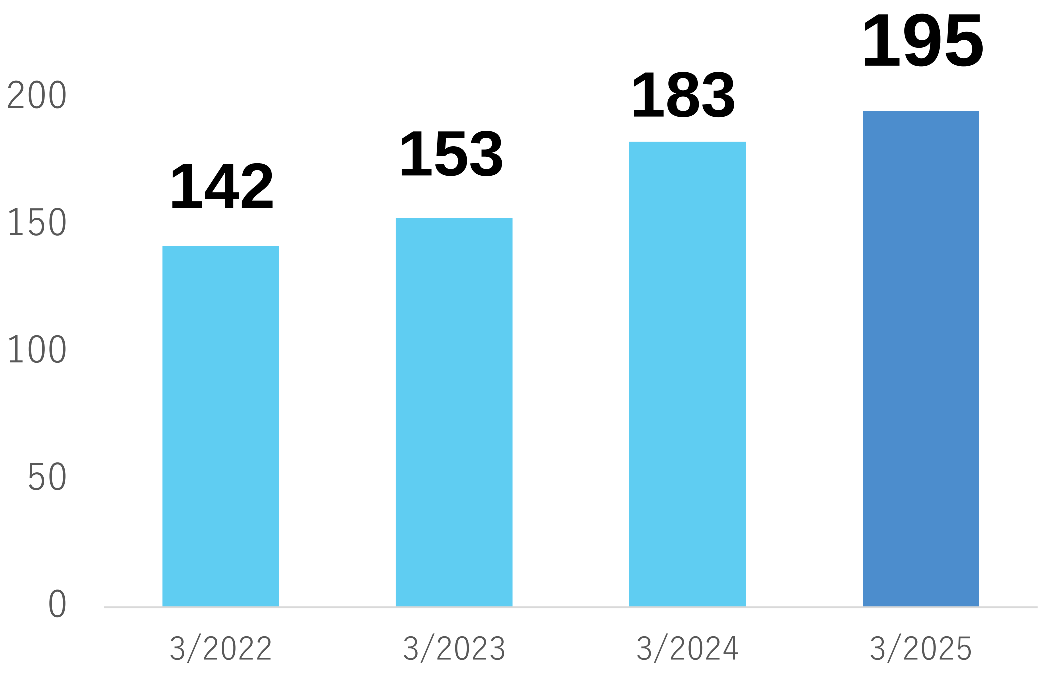
The spread of Nemuri SCAN and Nemuri CONNECT accelerated

Nursing Care Business facilities
(hundred millions of yen)



Nemuri SCAN annual sales volume (nursing care)

43 thousand (3/2024) → 50 thousand (3/2025) +16%

Nemuri SCAN cumulative sales volume (nursing care)

187 thousand (3/2024) → 238 thousand (3/2025) +27%

No. of facilities with Nemuri CONNECT contracts

*Stock index

177 thousand (3/2024) → 621 Facilities (3/2025) +251%

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Nursing Care Business (for home care)

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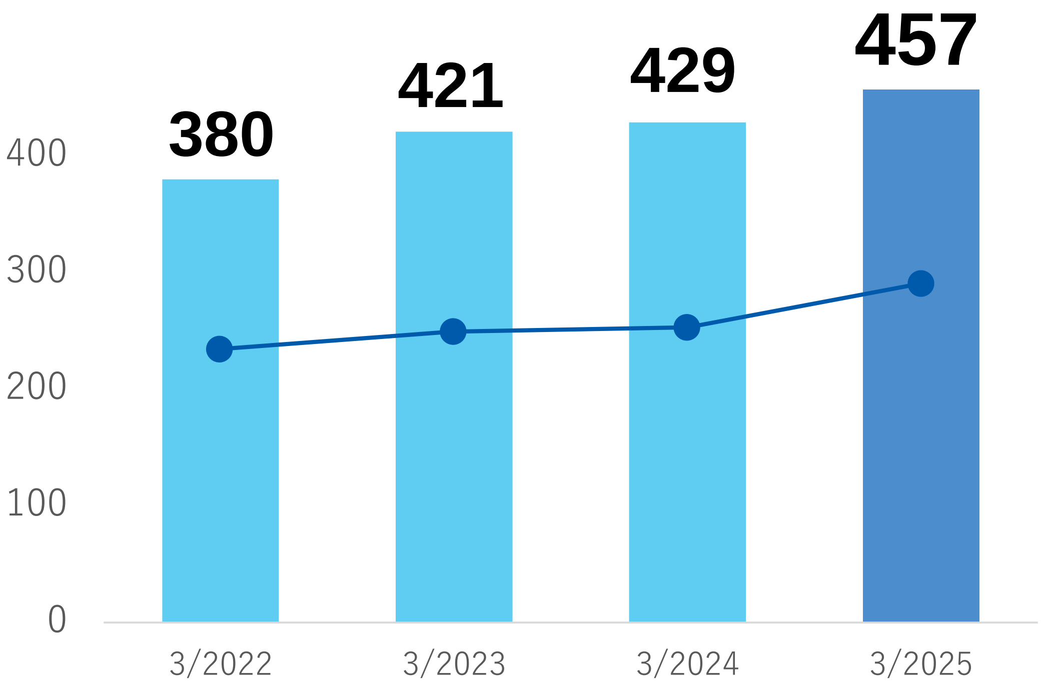
Sales increased due to the expansion of original products and the consolidation of PCS Tokyo

Nursing Care Business (home care)
(hundred millions of yen)
*Line chart describes recurring transaction volume



Recurring transaction volume (nursing care)

26.5 billion yen (3/2024) ❯ **29.1** billion yen (3/2025) **+10%**

No. of rental wholesale users

*Stock index

553 thousand (3/2024) ❯ **627** thousand (3/2025) **+13%**

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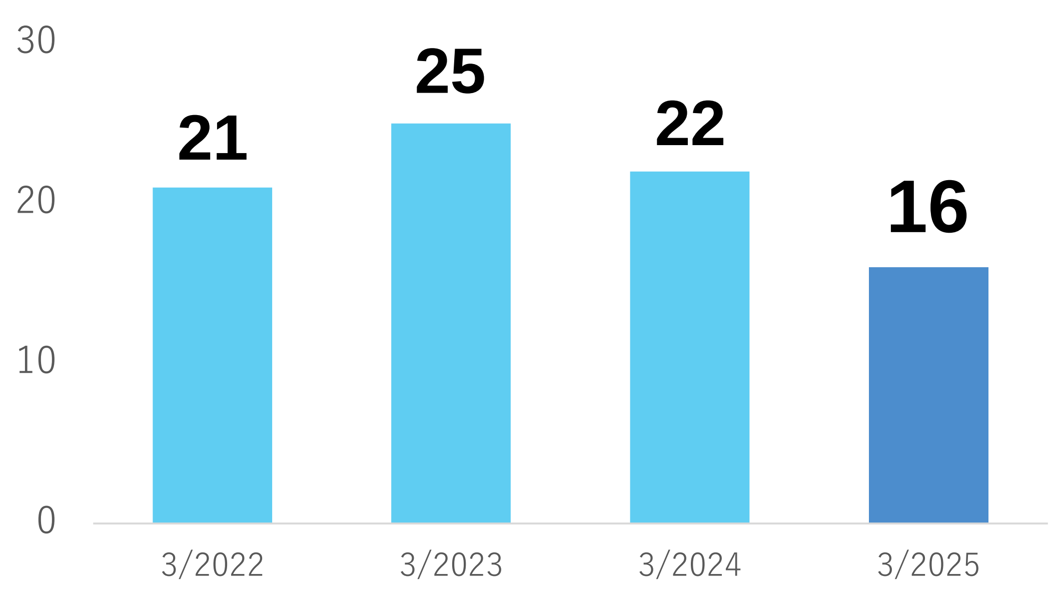
Health Promotion Business

PARAMOUNT BED HOLDINGS

The number of customers visiting our store has continued to stagnate

Health Promotion Business (hundred millions of yen)



No. of bed sales (health promotion)

8.4 thousand (3/2024)	›	6.2 thousand (3/2025)	-26%

Overseas Sales by Region

PARAMOUNT BED HOLDINGS

The recoil from the post–Zero-COVID special demand and the impact of the anti-corruption campaign, both happened in China, has had a significant effect

Unit: millions of yen

	FYE3/2024	FYE3/2025	YoY Change
Asia	9,271	9,110	-1.7%
Indonesia	2,833	3,223	+13.7%
China	3,506	2,821	-19.5%
Other Asia	2,931	3,066	+4.6%
Outside Asia	1,333	943	-29.3%
Consolidated overseas net sales	10,605	10,053	-5.2%
Overseas sales ratio	10.0%	9.3%	

*The figures for “Indonesia,” “China,” and “Other Asia” are included in “Asia.”

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3. Outlook for the Fiscal Year Ending March 31, 2026

Outlook for FYE 3/2026

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While a decline in net sales and operating profits is expected in the first half, we are planning for increased sales and profits for the full year

(Unit : millions of yen)	FYE 3/2025 Full year Results	Outlook for FYE 3/2026 First half	Second half	Full year	YoY change
Net sales	108,583	48,200	64,800	113,000	+4.1%
Operating profit (margin)	12,977 (12.0%)	3,400 (7.1%)	10,400 (16.0%)	13,800 (12.2%)	+6.3%
Ordinary profit (margin)	12,846 (11.8%)	3,600 (7.5%)	10,600 (16.4%)	14,200 (12.6%)	+10.5%
Profit attributable to owners of Parent (margin)	9,083 (8.4%)	2,700 (5.6%)	7,300 (11.3%)	10,000 (8.8%)	+10.1%
Recurring transaction volume *1	38,480	20,693	21,726	42,419	+10.2%
EBITDA *2	24,116	9,105	16,844	25,950	+7.6%

*1 The total amount of cash obtained from the recurring revenue business. *2 Calculated as the sum of operating profit and depreciation expense (including goodwill).

Factors Causing Changes in Operating Profit

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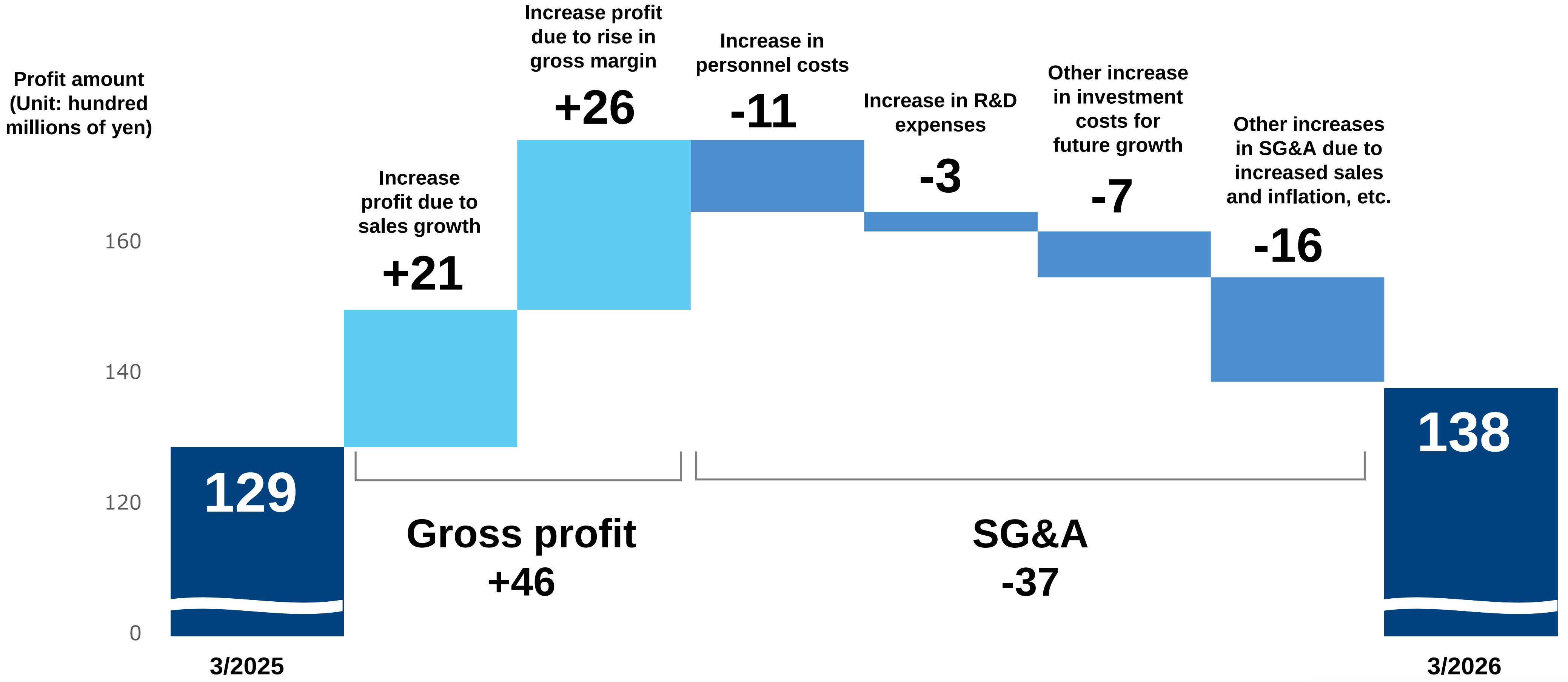
We aim to increase operating profits through business growth and improvement in gross profit margin



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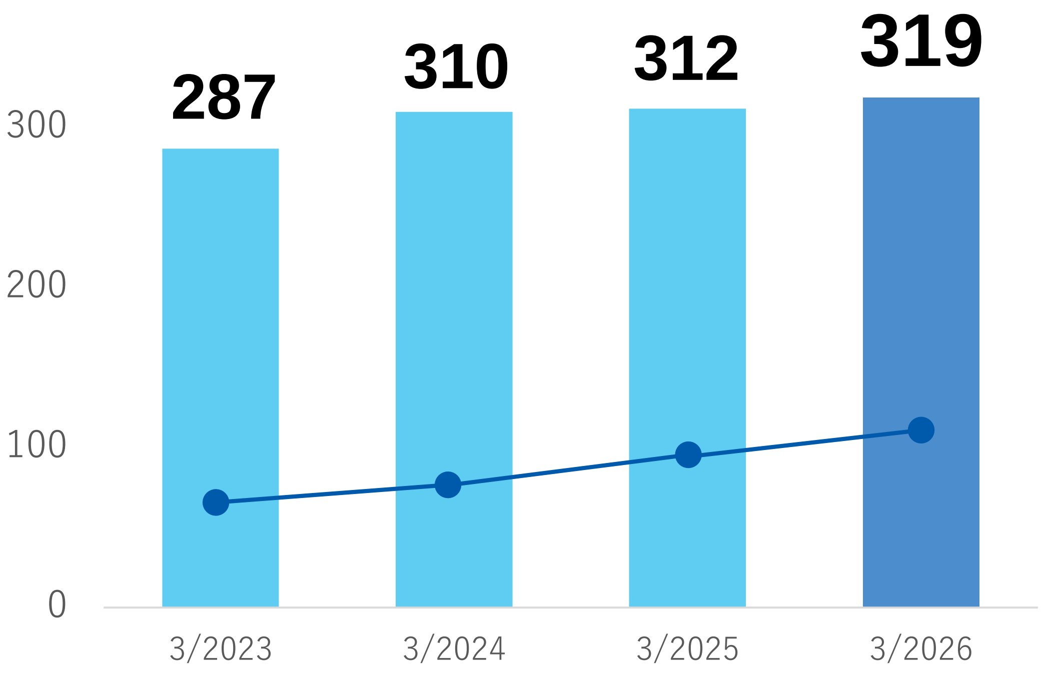
Medical Care Business (Japan)

PARAMOUNT BED HOLDINGS

We will continue to promote the expansion of recurring revenue business

Medical care business sales in Japan (hundred millions of yen)

*Line chart describes recurring transaction volume



No. of hospitals with on-site staffing service contracts

*Stock index

124 hospitals (3/2025) ❯ **140 hospitals** (3/2026) **+13%**

No. of hospitals with Smart Bed System installations

*Stock index

68 hospitals (3/2025) ❯ **113 hospitals** (3/2026) **+66%**

Recurring transaction volume (medical care)

9.1 billion yen (3/2025) ❯ **10.6 billion yen** (3/2026) **+16%**

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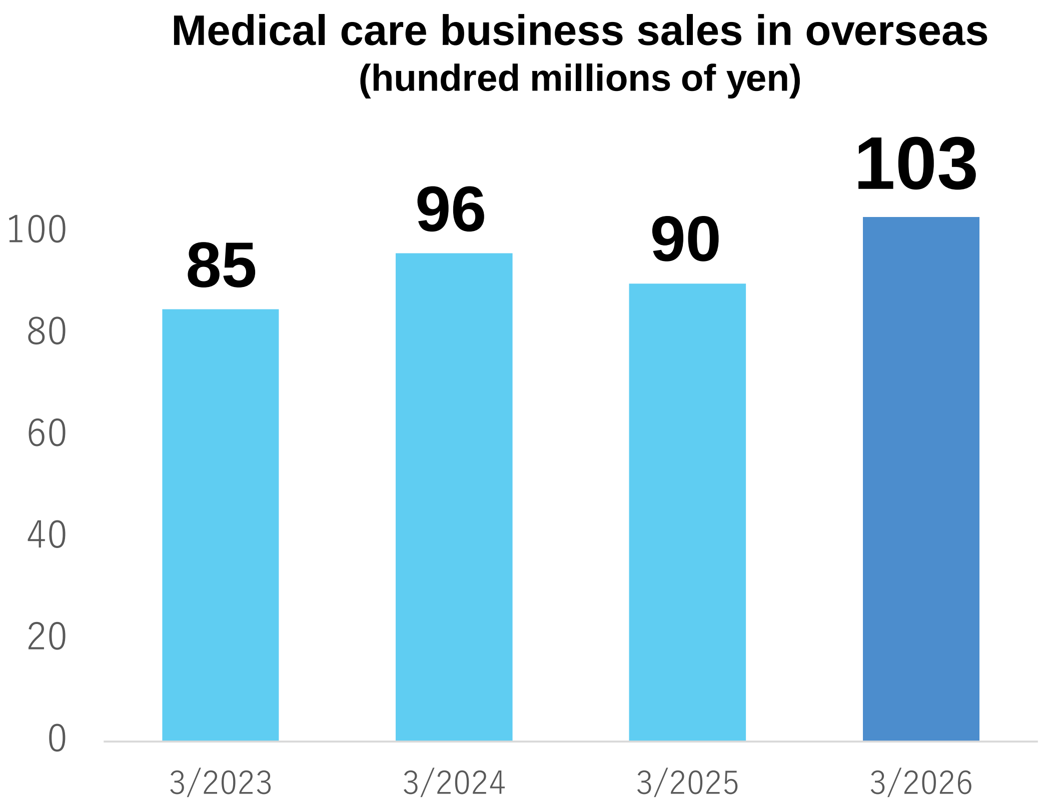
Medical Care Business (Overseas)

We will also promote the acquisition of new customers and an expansion of our lineup



No. of beds sold for overseas markets

40 thousand (3/2025) › **48 thousand** (3/2026) **+19%**

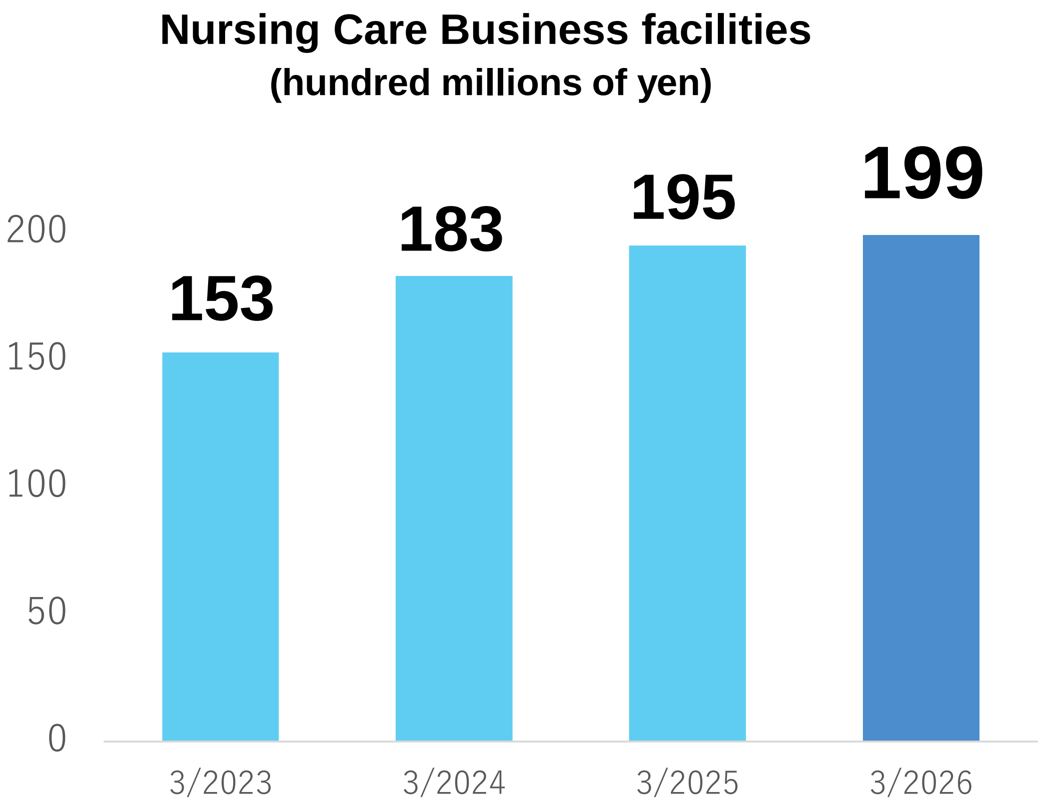
Sales for India including non-consolidated

1.9 billion yen (3/2025) › **2.3 billion yen** (3/2026) **+24%**

Nursing Care Business (for nursing homes)

PARAMOUNT BED HOLDINGS

In addition to the toilet sensor business acquired last year, we have also launched a new diaper sensor. We will continue to enhance the functions of Nemuri CONNECT and will focus on promoting its widespread use.



Nemuri SCAN annual sales volume (nursing care)

50 thousand (3/2025) ❯ 55 thousand (3/2026) +9%

Nemuri SCAN cumulative sales volume (nursing care)

238 thousand (3/2025) ❯ 292 thousand (3/2026) +23%

No. of facilities with Nemuri CONNECT contracts

*Stock index

621 thousand (3/2025) ❯ 1,321 Facilities (3/2026) +113%

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Nursing Care Business (for home care)

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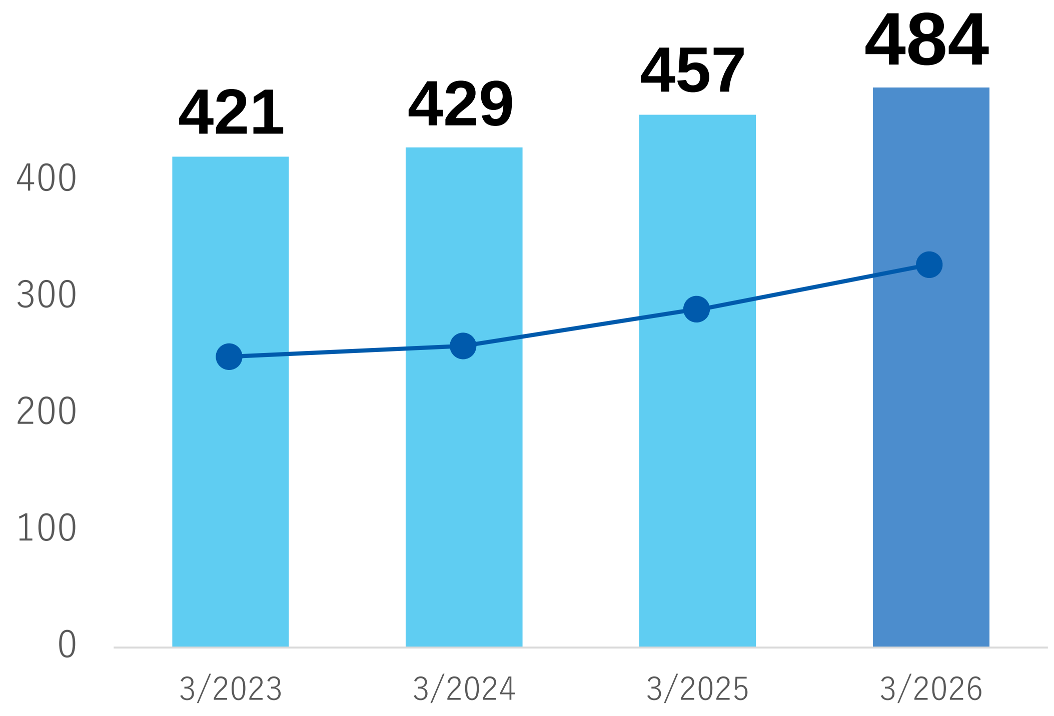
We will review and strengthen our lineup to steadily expand our market share

Nursing Care Business (home care)
(hundred millions of yen)
*Line chart describes recurring transaction volume



Recurring transaction volume (nursing care)

29.1 billion yen (3/2025) → **31.4** billion yen (3/2026) **+8%**

No. of rental wholesale users

*Stock index

627 thousand (3/2025) → **660** thousand (3/2026) **+5%**

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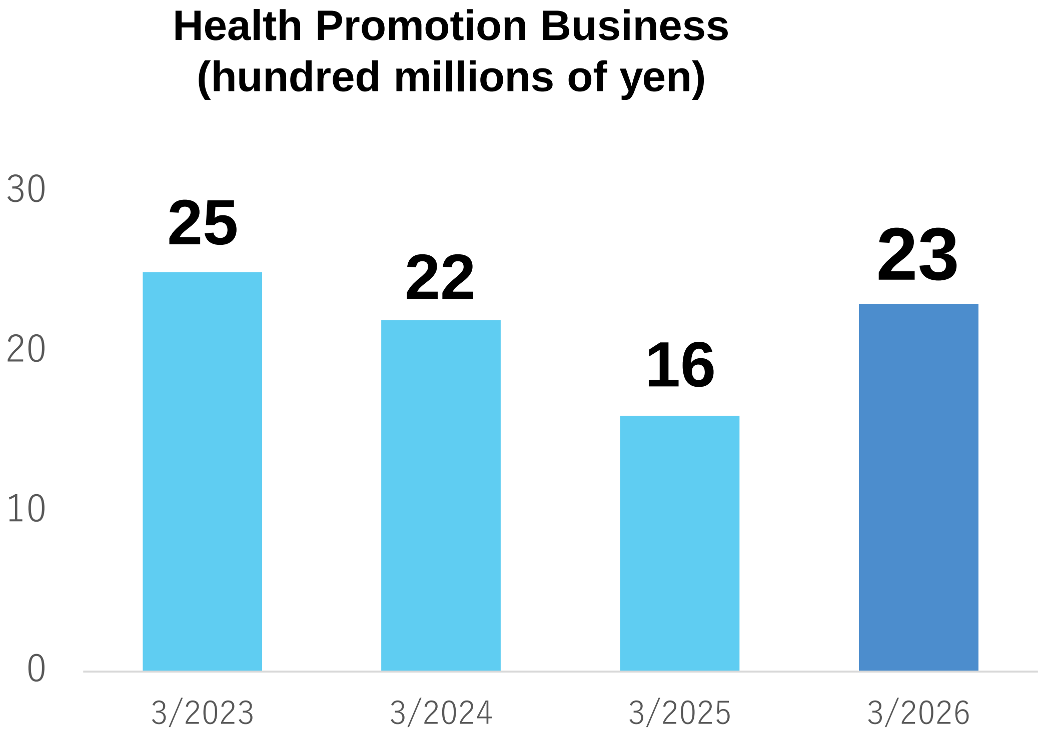
Health Promotion Business

We aim to return to a growth path by readdressing various initiatives



No. of bed sales (health promotion)

3/2025		3/2026	
6.2 thousand	›	8.8 thousand	+42%

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Overseas Sales by Region

PARAMOUNT BED HOLDINGS

We will promote the acquisition of new customers and the expansion of our lineup in key focus areas

Unit: millions of yen	FYE3/2025	FYE3/2026	YoY Change
Asia	9,110	10,507	+15.3%
Indonesia	3,223	3,948	+22.9%
China	2,821	3,471	+23.1%
Other Asia	3,066	3,087	+0.7%
Outside Asia	943	1,008	+6.9%
Consolidated overseas net sales	10,053	11,515	+14.5%
Overseas sales ratio	9.3%	10.2%	

*The figures for "Indonesia," "China," and "Other Asia" are included in "Asia."

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Capital expenditures, depreciation costs, and R&D expenses

PARAMOUNT BED HOLDINGS

Capital expenditures is expected to increase, particularly for IT-related equipment

(Unit: millions of yen)

	FYE3/2023	FYE3/2024	FYE3/2025	FYE3/2026
Capital expenditures	1,822	3,643	3,736	4,750
Depreciation costs	7,898	9,765	11,098	11,999
R&D expenses	1,697	1,868	2,173	2,453
Number of employees	3,682	4,126	4,360	-

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4． Update on the Medium-term Management Plan

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Positioning of Medium-Term Management Plan (No change)

Corporate Principles

We will create comfortable healthcare environments through cutting-edge technology with a human touch

Vision

Paramount Vision 2030

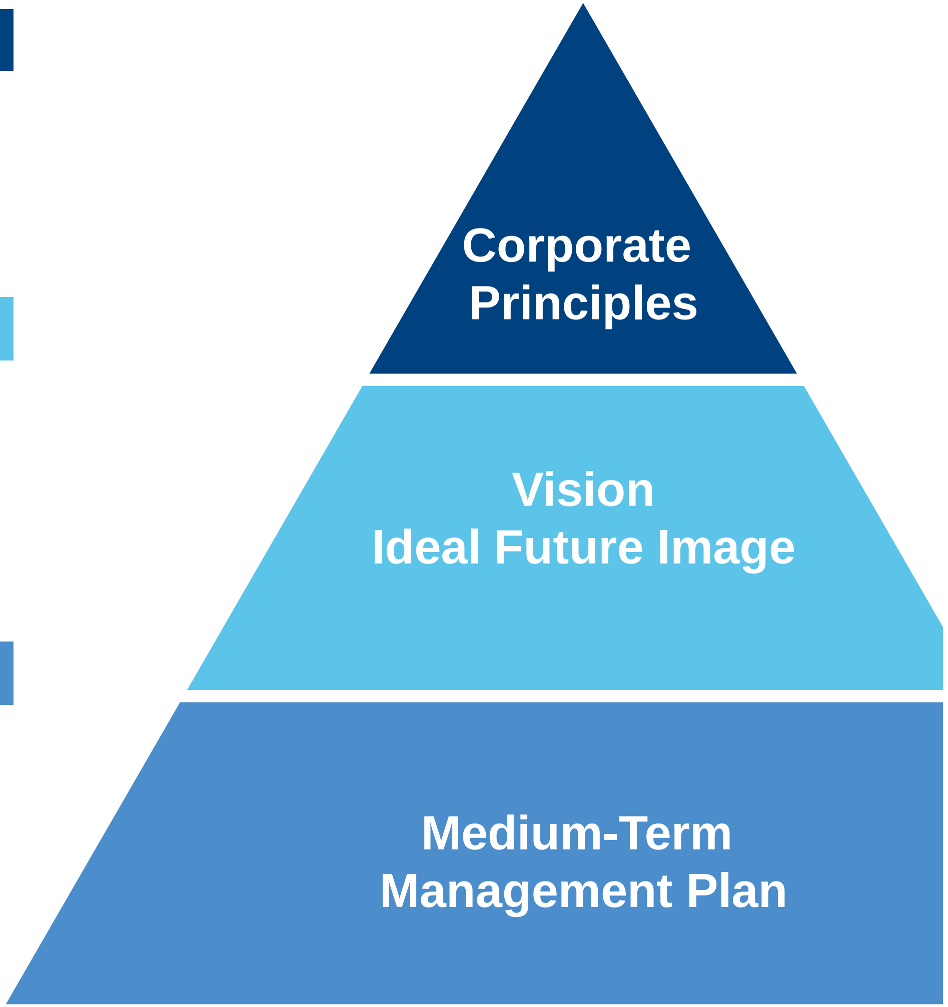
Smiles for everyone from medical and nursing care to health field

Medium-Term Management Plan

Phase I: April 2020–March 2024

Phase II: April 2024–March 2027

Phase III: April 2027–March 2030



Priority Measures (No change)

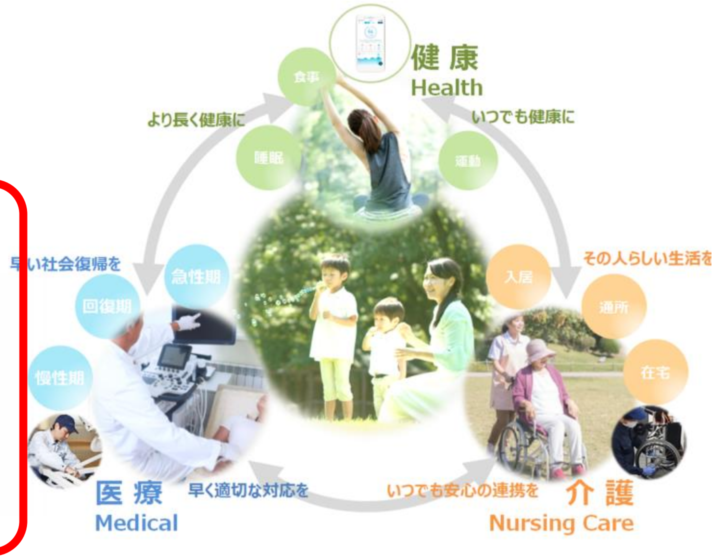
March 2024 — **March 2027** — **March 2030**

Phase I Priority Measures

Expansion of current businesses
Fully engaging in Health Promotion Business
Establishing the foundation for change

Phase II Priority Measures

Expansion of recurring revenue businesses
Advancement of Health Promotion Business
Leap forward in key areas of Asia



Becoming an indispensable presence as
a partner to our customers

Initiatives to address SDGs and make social contributions, strengthening of human resource foundations, and renewal of system infrastructure

Management Indicators (changed)

PARAMOUNT BED HOLDINGS

(Unit: hundred millions of yen)	3/2025 Results	3/2026 Forecast	3/2027 New Target	% change versus 2025.3
Net sales	1,085	1,130	1,200	＋11 %
Recurring transaction volume *1	384	424	470	＋22 %
Operating profit	129	138	150	＋16 %
EBITDA *2	241	259	284	＋18 %

*1. The total amount of cash obtained from the recurring revenue business.
*2. Calculated as the sum of operating profit and depreciation expenses(including goodwill). Adopted as an indicator to promote further growth investment based on changes in our group's business style.

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Sales Targets for the Businesses (Changed)

(Unit: hundred millions of yen)	3/2025 Results	3/2026 Forecast	3/2027 New Target	% change versus 2025.3
Medical Care Business	402	422	446	＋11 %
Nursing Care Business	652	684	724	＋11 %
for nursing homes	195	199	210	＋8 %
for home care	457	484	514	＋12 %
Health Promotion Business	16	23	30	＋78 %

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Sales Targets for Overseas Key Areas (Changed)

PARAMOUNT BED HOLDINGS

(Unit: hundred millions of yen)	3/2025 Results	3/2026 Forecast	3/2027 Target	% change versus 2025.3
Indonesia	32	39	40	+24 %
China	28	34	35	+24 %
India *	19	23	25	+31 %
Consolidated overseas sales	100	115	140	+39 %

*The sales figures for India include sales to the domestic market, including non-consolidated local subsidiaries. Its number differs from consolidated overseas sales.

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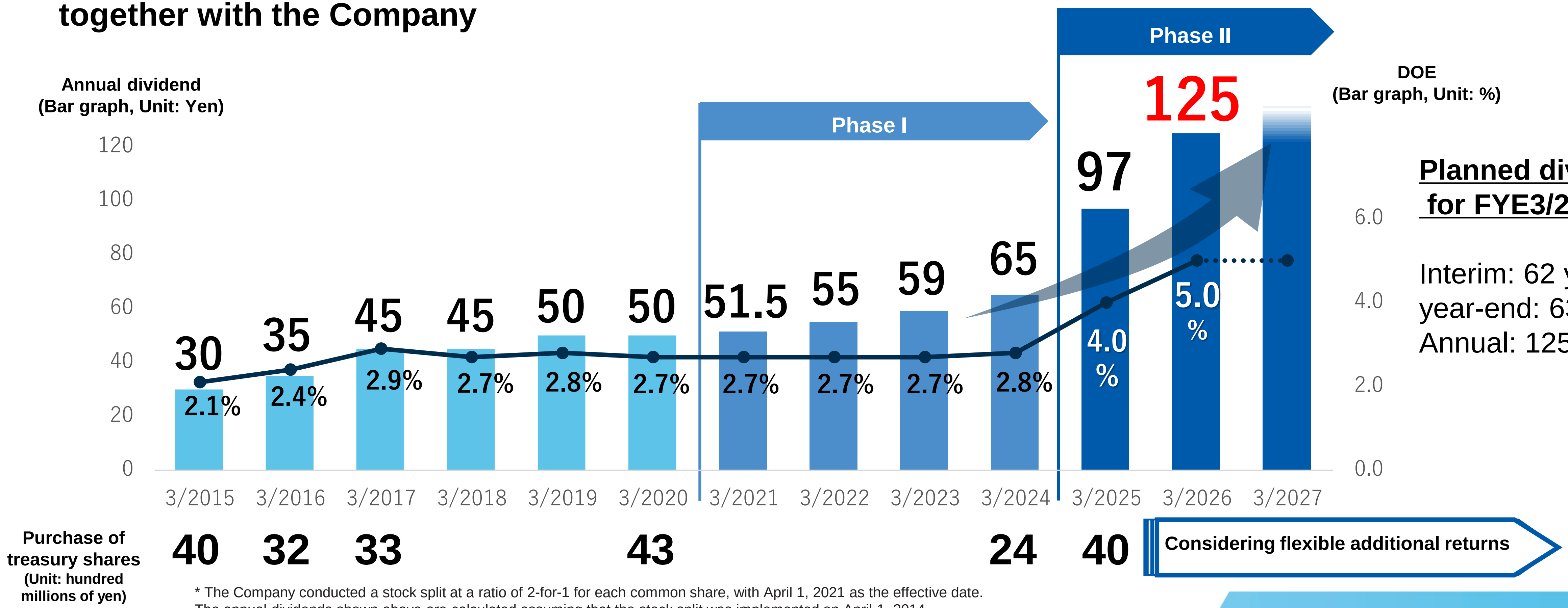
Shareholder Return (Changed)

New dividend policy | **DOE ratio of 5.0% as a guide**

Promoting a shareholder return policy that allows our shareholders to experience growth together with the Company



Planned dividends for FYE3/2026

Interim: 62 yen
year-end: 63 yen
Annual: 125 yen

* The Company conducted a stock split at a ratio of 2-for-1 for each common share, with April 1, 2021 as the effective date.
The annual dividends shown above are calculated assuming that the stock split was implemented on April 1, 2014.

Cash Allocation (Changed)

PARAMOUNT BED HOLDINGS

Phase II period: Cumulative total

Cash In	Cash Out
EBITDA 78.5 billion yen	Shareholder return 22 billion yen～
	Corporate tax 13.5 billion yen
	Growth investment 53 billion yen～
Allocation of cash on hand 10 billion yen～	

Shareholder return

Dividend on equity (DOE) ratio of 5.0% as a guide

Flexible additional return considering market environment, etc.

Growth investment

Assets for recurring revenue business to strengthen ongoing relationships with customers

Enhancement of production facilities and maintenance equipment for rental assistive products/Push introduction of system infrastructure

Active development of partnerships with other companies, including establishment of CVC for business development

Stance on level of cash on hand

Approx. 3 months of working capital

＋ Maintain business operation system capable of continuously providing products and services that contribute to medical and nursing care even in the event of a disaster

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5． Topics

Topics (M&A Transactions)

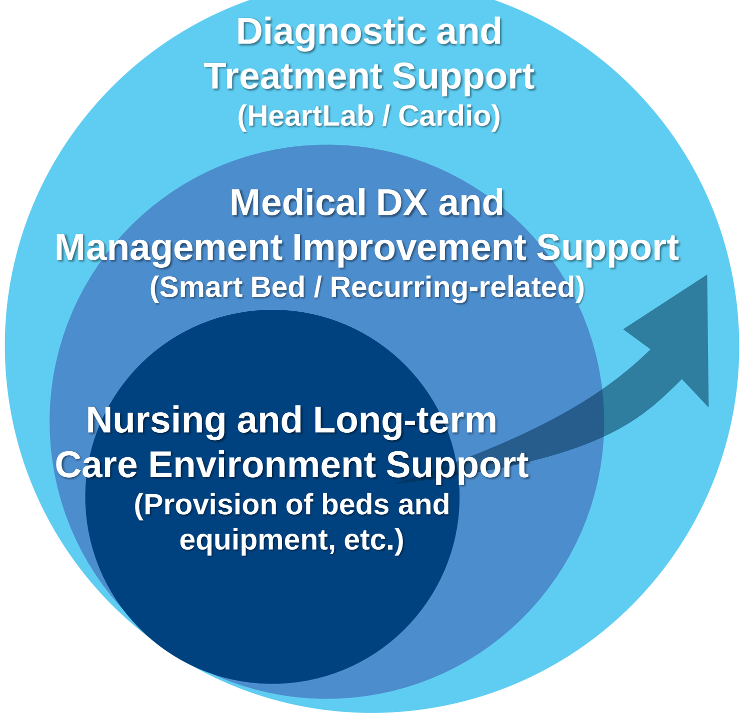
We acquired a majority stake in Cardio Incorporated and decided to make them a subsidiary, thereby expanding the scope of our medical business

cardio
株式会社カルディオ

Company Overview

- Name: Cardio Incorporated
- Established: 2001
- Business: Development, import and sales, and clinical support of advanced technologies and devices, mainly for the treatment of cardiovascular diseases
- Products: EXCOR® Pediatric, an external ventricular assist device for pediatric use (manufactured by Berlin Heart, Germany)

Image of Medical Business Expansion



Topics (New Products)

PARAMOUNT BED HOLDINGS

New Bed for the Chinese Market "A3 Type E Series"

*Photo shows only a part of the lineup.

Basic specifications

Diaper Sensor "*Omutsu* COLOR"

Price: Open

Function: Stool detection for diapers

Operation: Dedicated app

Integration: Nemuri CONNECT

Promoting the enhancement of Nemuri CONNECT functions aiming to become as a nursing care DX platform

Topics (New Factory / New Store)

PARAMOUNT BED HOLDINGS

New Factory in India Begins Full Operations

Full Operations:
From February 2025

Location:
Bawal Industrial Area, Rewari District, Haryana State

Site Area:
21,600m^2

Production Capacity:
20,000 beds annually

Main Facilities:
Painting and assembly lines, distribution center, etc.

"Nemuri Gallery KITTE Osaka Store" Now Open

Opened: April 2025

Location: 3F, KITTE Osaka
2-3-3 Umeda, Kita-ku, Osaka City

Hours: 11:00-20:00

Closed: Irregular holidays
(in accordance with KITTE Osaka)

Main Products:
"Active Sleep BED", "INTIME", etc.

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Notice
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