

Company name: SHIP HEALTHCARE HOLDINGS, INC.
Representative: Futoshi Ohashi, President
(Securities Code: 3360 (Prime Market, Tokyo Stock Exchange))
Contact: Hiroshi Yokoyama, Executive Director
Tel.: +81-6-6369-0130

Notice regarding Difference between Consolidated Financial Results Forecast and Actual Results for
the Second Quarter of Fiscal Year Ending March 31, 2024
and Revision to Forecast for Consolidated Financial Results for the Full Fiscal Year

Based on recent trends in business performance, SHIP HEALTHCARE HOLDINGS, INC. announces difference between consolidated financial results forecast and actual results for the second quarter of fiscal year ending march 31, 2024, previously announced on May 12, 2023. In addition, the Company has revised forecasts for consolidated financial results for the full fiscal year, as outlined below.

Details

1. Difference between Consolidated Financial Results Forecast and Actual Results for Second Quarter of Fiscal Year Ending March 31, 2024.

(April 1, 2023 – September 30, 2023)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of the parent	Net income per share
Previously announced forecast (A)	(Million yen) 270,000	(Million yen) 8,000	(Million yen) 7,800	(Million yen) 4,200	(Yen) 44.51
Actual results (B)	296,771	9,238	10,116	3,686	39.07
Change (B-A)	26,771	1,238	2,316	(513)	—
Percent change (%)	9.9	15.5	29.7	(12.2)	—
(Ref.) Results for second quarter of previous fiscal year (2Q, FY ended March 31 2023)	263,520	7,971	7,498	4,143	43.92

2. Revised forecast of business performance for Fiscal Year Ending March 31, 2024.

(April 1, 2023 – March 31, 2024)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of the parent	Net income per share
Previously announced forecast (A)	(Million yen) 600,000	(Million yen) 24,000	(Million yen) 23,500	(Million yen) 13,500	(Yen) 143.08
Revised forecast (B)	600,000	23,500	23,500	12,500	132.49
Change (B-A)	—	(500)	—	(1,000)	—
Percent change (%)	—	(2.1)	—	(7.4)	—
(Ref.) Results of previous fiscal year (FY ended March 31 2023)	572,285	21,114	20,607	12,063	127.85

3. Reason for difference and revisions

(1) Reason for difference between Consolidated Financial Results Forecast and Actual Results for Second Quarter of Fiscal Year Ending March 31, 2024.

In the Total Pack Produce business, the performance has been progressing well due to successful project execution. Additionally, the inclusion of Kingrun group, which joined the Group in July last year, has contributed significantly to the performance. Moreover, in the manufacturing sector, the introduction of new products has led to a recovery in performance. As a result, the net sales, operating profit, and ordinary profit have exceeded the previously announced expectations.

Furthermore, the Medical Supply business has been performing well, and in the Life Care Business, despite ongoing inflation in care services, the Company has been reviewing service fees and prices. Additionally, we have made progress in business improvements for meal services. In the pharmacy business, the performance has also been strong.

However, 2 consolidated subsidiaries in the Republic of the Union of Myanmar have been affected by the impact of Western financial sanctions and forced currency conversion resulting from the military coup that occurred previously. Furthermore, with the recent strengthening of additional financial sanctions, it has become increasingly difficult to recover foreign currency or make purchases. Given the prospect of such circumstances continuing in the future, it has been determined that the originally anticipated excess earning power cannot be expected. As a result, the full amount of goodwill, total of 2,635 million yen, has been recognized as an extraordinary loss through impairment.

(2) Reason for the revision of forecast of business performance for Fiscal Year Ending March 31, 2024.

For the full-year consolidated performance forecast for the fiscal year ending in March 2024, the Company has revised the Operating profit and Profit attributable to owners of the parent since the previous forecast announced on May 12, 2023, due to the impact of Myanmar business mentioned in (1) above.

Note: The performance forecast is based on information available as of the date of this document and actual performance may differ from the forecasted figures due to various factors in the future.