

Provides senior home referrals and other services to elderly people and their families

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For inquiries concerning the report, please contact info@stock-r.org

[9237 Emimen Sector : Services]

| Fiscal Year | Net sales (mn yen) | YoY (%) | Operating profit (mn yen) | YoY (%) | Ordinary profit (mn yen) | YoY (%) | Profit (mn yen) | YoY (%) | EPS (yen) | BPS (yen) | DPS (yen) |
|--------------|-----------------------|------------|---------------------------------|------------|--------------------------------|------------|--------------------|------------|--------------|--------------|--------------|
| Oct. 2022 | 609 | 41.8 | 24 | - | 23 | - | 35 | - | 21.1 | 23.5 | 0.0 |
| Oct. 2023 | 814 | 33.6 | 114 | 4.6x | 97 | 4.2x | 105 | 3.0x | 63.7 | 239.4 | 0.0 |
| Oct. 2024 CE | 1,311 | 61.1 | 187 | 63.2 | 175 | 79.5 | 188 | 77.8 | 94.0 | - | 0.0 |
| Oct. 2024 E | 1,275 | 56.6 | 199 | 73.6 | 196 | 100.2 | 202 | 90.8 | 99.8 | 367.0 | 0.0 |
| Oct. 2025 E | 1,874 | 47.0 | 298 | 49.7 | 296 | 51.0 | 246 | 21.7 | 121.5 | 488.5 | 0.0 |
| Oct. 2026 E | 2,589 | 38.2 | 416 | 39.6 | 414 | 39.9 | 283 | 15.0 | 139.8 | 628.3 | 0.0 |

Note: CE(company expectations),E(Stock Research Center expectations)
Source: Stock Research Center

1. Corporate Overview

Emimen is engaged in the senior life support business through which it introduces senior homes, such as elderly housing with supportive service and group homes, to the elderly and their families, and the care prime business, which aims to offer consulting and information to operators of senior homes.

In fiscal year ended October 2023, the senior life support business accounted for 84.0% of operating revenue and the care prime business for 16.0%.

2. Financial Analysis

With an increase in referrals and contracted unit prices in line with an increase in the number of affiliated senior homes, as well as the contribution of the care prime business launched in July 2021, operating revenue increased at an annual rate of 22.3% from fiscal year ended October 2018 to fiscal year ended October 2023. The Company had been recording ordinary losses until fiscal year ended October 2021 attributable to the strengthening of systems for operations, including the senior life support business. However, it returned to profitability in fiscal year ended October 2022 on an increase in operating revenue.

3. Non-Financial Analysis

The source of the Company's intellectual capital is its practice of business management through impact investment, an investment approach with the objectives of resolving social issues and earning financial returns.

4. Corporate Strategy Analysis

The Company's growth strategy for its senior life support business is to broaden its share in the senior home referral service market by reinforcing relationships with organizations such as hospitals. For its care prime business, the strategy entails the expansion of the number of registered users on the platform, through which it shares information with senior home operators and the upgrading of its solutions.

5. Analyst Evaluation

For fiscal year ending October 2024, having taken into account factors including the measures the Company has taken, as well as cumulative performance for the first three quarters of the fiscal year, we forecast a 56.6% increase in revenue and a 73.6% increase in operating profit. Moreover, in anticipation of the expansion of its senior life support business, we forecast increases of 47.0% in revenue and 49.7% in operating profit for fiscal year ending October 2025, followed by increases of 38.2% and 39.6%, respectively, for fiscal year ending October 2026.

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