



Results Presentation

Fiscal year Ended March 2022

Win-Partners Co., Ltd. (3183)

Results for fiscal year ended March 2022

Highlights

- **Sales and profits increased YoY and both sales and profits exceeded forecast**
- **Focus on sales expansion for existing customers and ordinary medical treatment getting back to normal enabled the number of cases in major segments to increase from the previous year**
- **Higher sales volume helped rebate programs and price negotiations with suppliers to proceed smoothly, enabling GPM to rise from a year earlier**

Market environment in fiscal year ended March 2022

- **Utilization rate of critical care unit peaked out and ordinary medical treatments gradually got back to normal**
- **Cases postponed due to the COVID-19 pandemic were executed**
- **The ablation and structural heart disease (SHD) markets expanded**

WIN's initiatives and results

Tasks

- Focus on sales expansion for existing customers and gaining medical equipment orders
- Customer support to increase number of patients
- Promotion of higher operational efficiency

Results

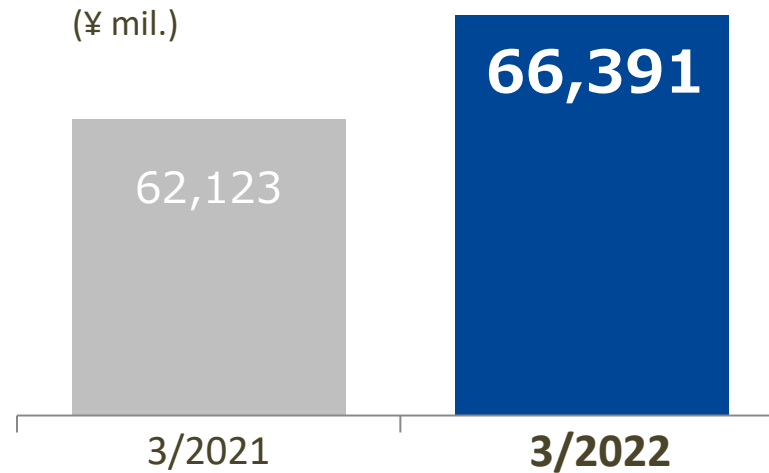
- Sales for existing customers and medical equipment increased
- Number of cases in major segments increased YoY
- Sales volume increased, resulting in smooth rebate programs and price negotiations with suppliers
- Administrative costs were controlled

Consolidated results summary

(¥ mil.)	Mar 2021	Mar 2022	YoY (%)	OE	
Sales	62,123	66,391	+6.9	64,500	+2.9
Operating profit	2,255	2,762	+22.5	2,500	+10.5
Recurring profit	2,265	2,765	+22.0	2,500	+10.6
Net profit	1,540	1,831	+18.9	1,700	+7.8
EPS (yen)	53.66	63.88	—	—	—
BPS (yen)	736.32	764.32	—	—	—

Highlights (sales)

YoY **+6.9%** [vs. forecast]
+2.9%



- Sales increased YoY in all segments
- Sales exceeded forecast

Sales breakdown by segment (YoY)

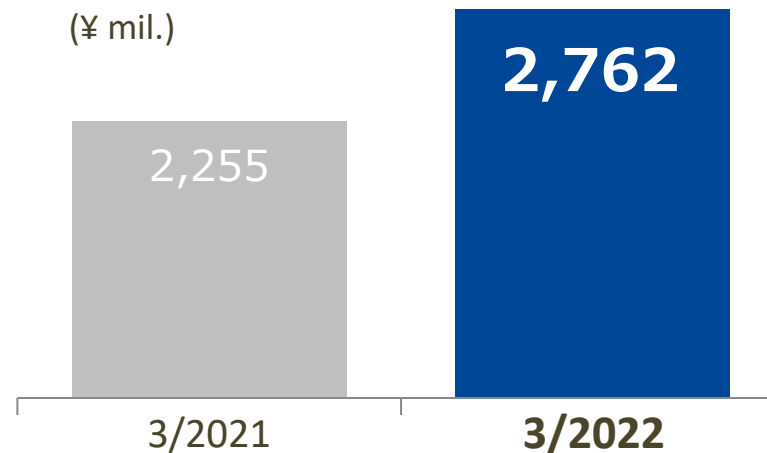
Segment	Sales (¥ mil.)	YoY growth (%)		% of sales (%)
		Volume	Value	
Percutaneous coronary intervention (PCI)	17,167	+4.1	+7.4	25.9
Cardiac rhythm segment (CRS)	16,961	+2.4	+3.7	25.5
Cardiac vascular segment (CVS)	9,816	+10.2	+13.2	14.8
Percutaneous peripheral intervention (PPI)	3,808	+7.9	+9.8	5.7
Neurovascular	2,816	+3.6	+3.6	4.2
Diabetes mellitus segment (DMS)	2,848	-	+14.4	4.3
Medical equipment	7,537	-	+3.2	11.4
Others	5,436	-	+5.7	8.2
Total	66,391	-	+6.9	100.0

Sales breakdown by segment (vs forecast)

Segment (¥ mil.)	Sales	Forecast	Difference	Rate of change (%)
Percutaneous coronary intervention (PCI)	17,167	17,590	-422	-2.4
Cardiac rhythm segment (CRS)	16,961	17,420	-458	-2.6
Cardiac vascular segment (CVS)	9,816	9,270	+546	+5.9
Percutaneous peripheral intervention (PPI)	3,808	3,650	+158	+4.3
Neurovascular	2,816	2,970	-153	-5.2
Diabetes mellitus segment (DMS)	2,848	2,650	+198	+7.5
Medical equipment	7,537	5,600	+1,937	+34.6
Others	5,436	5,350	+86	+1.6
Total	66,391	64,500	+1,891	+2.9

Highlights (operating profit)

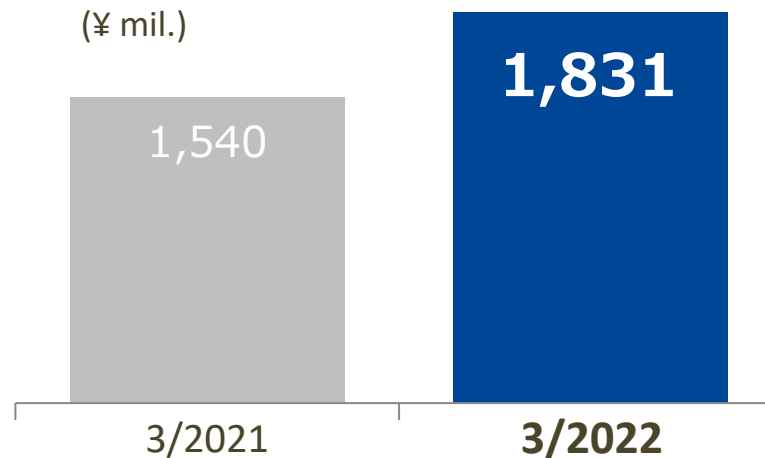
YoY **+22.5%** [vs. forecast
+10.5%]



- **Gross profit margin 12.8% (+0.4 pp YoY)**
 - Concentration on limited number of offered devices and device procurement without goods return enabled smooth rebate programs and price negotiations with suppliers
- **SGA +4.9% YoY**
 - Labor cost +4.5% YoY
 - Number of employees: 547 (Mar 2021) → 548 (Mar 2022)

Highlights (net profit)

YoY **+18.9%** [vs. forecast
+7.8%]



- **Extraordinary loss: ¥110 mil.**
- Scrap loss related to the development of new system
- **CapEx** **¥1.9 bn.** vs. ¥1.2 bn. for 3/2021
- **Depreciation** **¥160 mil.** vs. ¥190 mil. for 3/2021

Consolidated income statement

	Mar 2021		Mar 2022	
	(¥ mil.)	(%)	(¥ mil.)	(%)
Sales	62,123	100.0	66,391	100.0
Cost of sales	54,380	87.5	57,871	87.2
Gross profit	7,743	12.5	8,520	12.8
SG&A expenses	5,488	8.8	5,757	8.7
Operating profit	2,255	3.6	2,762	4.2
Non-operating profit	12	0.0	7	0.0
Non-operating expenses	1	0.0	4	0.0
Recurring profit	2,265	3.6	2,765	4.2
Extraordinary profit	0	0.0	0	0.0
Extraordinary loss	19	0.0	110	0.2
Pretax profit	2,245	3.6	2,654	4.0
Taxes	705	1.1	822	1.2
Net profit	1,540	2.5	1,831	2.8

Consolidated balance sheet

	Mar 2021		Mar 2022		Change (¥ mil.)
	(¥ mil.)	(%)	(¥ mil.)	(%)	
Current assets	35,994	89.6	34,745	83.6	-1,249
Cash and deposits	17,122	42.6	15,572	37.5	-1,550
Accounts receivable	15,966	39.7	16,361	39.4	+395
Inventories	2,334	5.8	2,066	5.0	-268
Other current assets	571	1.4	745	1.8	+174
Fixed assets	4,193	10.4	6,819	16.4	+2,626
Total assets	40,187	100.0	41,564	100.0	+1,377
Current liabilities	17,960	44.7	18,698	45.0	+738
Accounts payable	16,756	41.7	16,975	40.8	+219
Taxes payable	277	0.7	595	1.4	+318
Other current liabilities	926	2.3	1,127	2.7	+201
Fixed liabilities	1,088	2.7	1,144	2.8	+56
Total liabilities	19,049	47.4	19,843	47.7	+794
Net assets	21,138	52.6	21,721	52.3	+583
Total liabilities, net assets	40,187	100.0	41,564	100.0	+1,377

Consolidated cashflow statement

(¥ mil.)	Mar 2021	Mar 2022
Cash flows from operating activities	1,850	2,622
Net profit before taxes	2,245	2,654
Depreciation	194	160
Notes and accounts receivable	-1,300	-394
Inventories	291	269
Notes and accounts payable	856	219
Tax paid	-763	-592
Other	326	304
Cash flows from investing activities	-1,276	-2,894
Purchase of tangible assets	-1,176	-2,758
Other	-100	-135
Cash flows from financing activities	-947	-1,276
Cash dividends paid	-947	-976
Other	0	-300
Net increase in cash and cash equivalents	-373	-1,549
Cash and cash equivalents at the beginning of FY	12,495	12,122
Cash and cash equivalents at the end of FY	12,122	10,572

Outlook for fiscal year ending March 2023

Business environment

- **Revision of reimbursement prices**
- **The ablation and SHD markets are expected to continue expanding**
- **Impact on the number of cases from the Covid-19 pandemic is expected to alleviate further**

WIN's main initiatives

● Customer support

- to increase number of patients
- to reduce costs by switching to alternative devices

● Investment of management resources in growing market

- Expand education course for “ablation specialists”
- Increase CDRs (target 150)

● Proposals to improve customers' operational efficiency

- Increase penetration of WIN's unique medical device management system

● Business territory expansion

- Continue gathering information and investigating & considering opportunities for M&As, etc.

● Prepare for logistics revolution

- Complete construction of WIN Heart Gate building
- Proceed with development of new core systems and sales & inventory control systems

Consolidated earnings forecasts for FY ending March 2023

	(¥ mil.)	YoY (%)	(%)
Sales	68,800	+3.6	100.0
Operating profit	2,820	+2.1	4.1
Recurring profit	2,820	+2.0	4.1
Net profit	1,930	+5.4	2.8
EPS (yen)	67.91		
DPS (yen)	36.00		

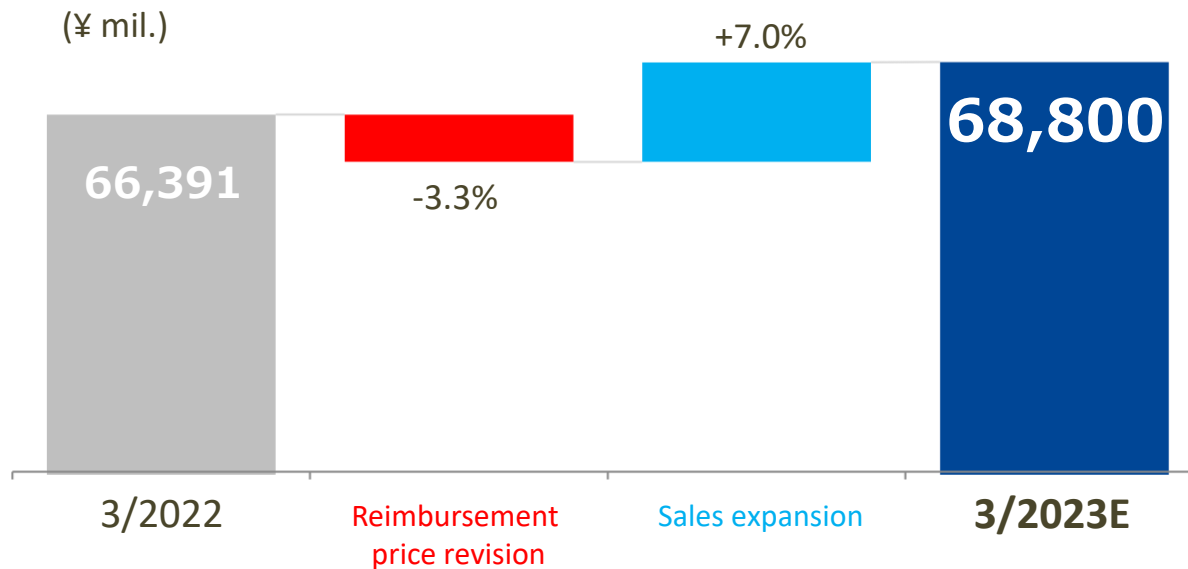
Sales impact by the reimbursement price revision in April

Segment	Assumed impact (%)
Percutaneous Coronary Intervention (PCI)	-7.0
Cardiac Rhythm Segment (CRS)	-4.4
Cardiac Vascular Segment (CVS)	-0.3
Percutaneous Peripheral Intervension (PPI)	-3.9
Brain Surgery	-0.7
Others	-0.3
Total	-3.3

Calculated based on the actual sales volume and product mix for FY ended March 2022

Highlights (sales)

YoY +**3.6%**



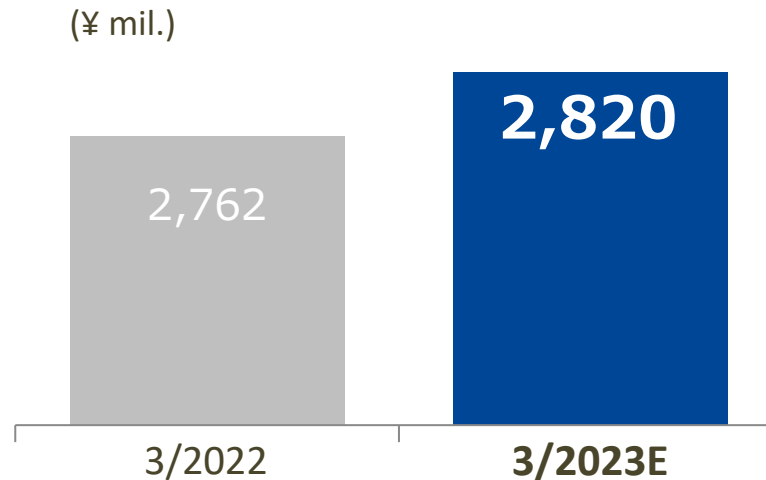
- **Negative impact from the reimbursement price revision is expected to be more than offset by sales expansion as a result of aggressive sales activities**

Sales forecast by segment

	(¥ mil.)	YoY (%)	% of sales
Percutaneous coronary intervention (PCI)	17,660	+2.9	25.7%
Cardiac rhythm segment (CRS)	17,830	+5.1	25.9%
Cardiac vascular segment (CVS)	10,860	+10.6	15.8%
Percutaneous peripheral intervention (PPI)	3,910	+2.7	5.7%
Neurovascular	3,110	+10.4	4.5%
Diabetes mellitus segment (DMS)	3,120	+9.5	4.5%
Medical equipment	6,540	-13.2	9.5%
Other	5,770	+6.1	8.4%
Total	68,800	+3.6	100.0%

Highlights (operating profit)

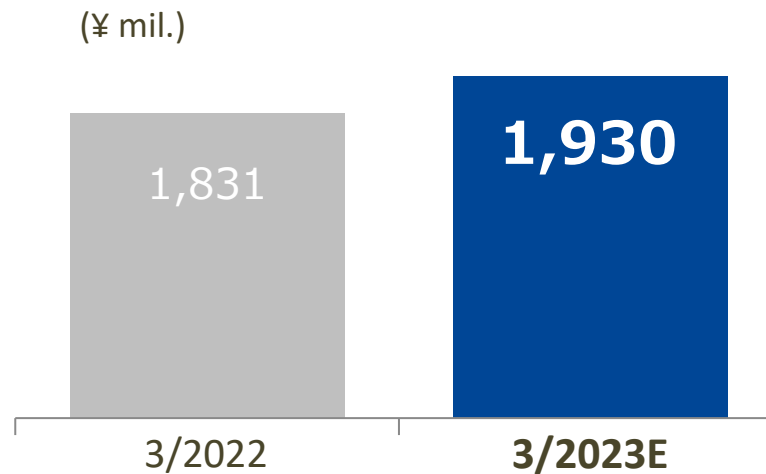
YoY **+2.1%**



- **Forecast of gross profit margin: 12.9% (+0.1 pp YoY)**
 - Continue intensifying rebate programs and price negotiations with suppliers
- **SG&A ¥6.09 bn. (+5.8% YoY)**
 - Increase in sales expenses
 - Forecast of the number of group employees: 548 (Mar 2021) → 604 (Mar 2022)

Highlights (net profit)

YoY **+5.4%**



- **CapEx** **¥1.9 bn.** vs. ¥1.9 bn. for 3/2022
- **Depreciation** **¥170 mil.** vs. ¥160 mil. for 3/2022

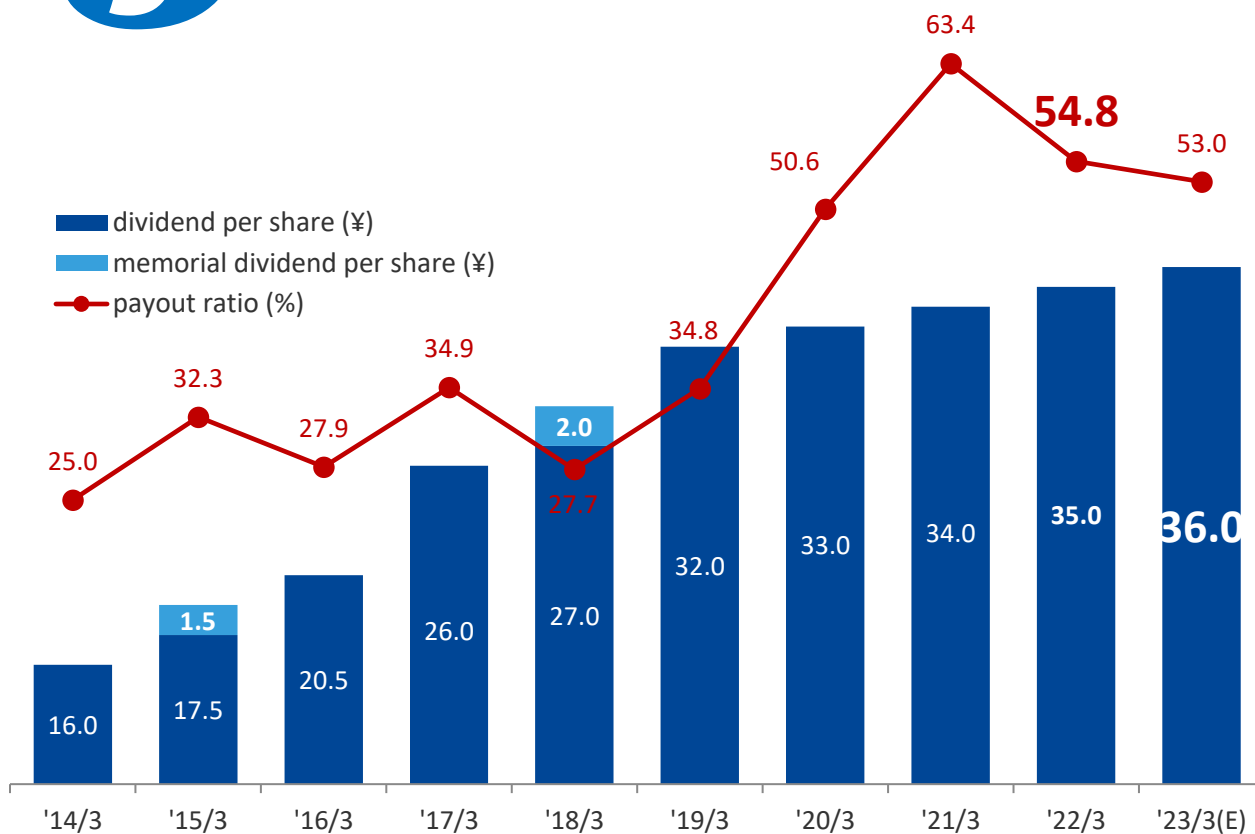
Dividends & payout ratio

+1 yen from FY ended March 2022

36 yen

Prospective payout ratio

53%



Transformation of TSE & Sustainability

- **Transition to the TSE Prime market**
- **Expression of support for the recommendations of TCFD and participation in TCFD Consortium**



References

Reimbursement prices of major products

Segment	Items	Reimbursement prices (¥000)		Change (%)
		2020	2022	
PCI	PTCA balloon catheter	35	32	- 9.9
	Drug eluting stent (DES)	161	136	- 15.5
	Intravascular ultrasound (IVUS) catheter	80	72	- 9.7
CRS	Pacemaker	720	593	- 17.6
	Implantable cardioverter defibrillator (ICD)	2,950	2,820	- 4.4
	Cardiac resynchronization therapy defibrillator (CRTD)	3,990	3,260	- 18.3
	Subcutaneous implantable defibrillator (S-ICD)	3,120	3,120	0.0
	Ablation catheter	124	117	- 5.6
	Cardiac cryoablation catheter	649	649	0.0
CVS	Stent graft (abdomen)	1,320	1,320	0.0
	Open stent graft	1,110	1,110	0.0
	Heart valve for transcatheter aortic valve implantation (TAVI) (balloon-expandable)	4,510	4,510	0.0
	Heart valve for TAVI (self-expandable)	3,740	3,740	0.0
PPI	PTA balloon catheter	55	50	- 7.8
	Peripheral vascular stent	174	※ 171	- 1.7
	Peripheral drug eluting stent (DES)	233	233	0.0
Neuro-vascular	Emboloc coil (electric type)	118	117	- 0.8
	Thrombectomy catheter (self-expandable)	386	386	0.0

※ Transitional period (1/4/2022~31/12/2022 : ¥171,000、1/1/2023~31/3/2023 : ¥166,000、1/4/2023~ : ¥160,000)

About WIN-Partners

Company profile

Code:	3183 (TSE Prime Market)
Headquarters:	21F, KYOBASHI EDOGRAND 2-2-1, Kyobashi, Chuo-ku, Tokyo 104-0031
Capital:	550 million yen
Business:	Distribution of medical devices (consolidated basis)
Board of management:	Hideumi Akizawa, CEO, and 8 directors, including 4 outside directors
Subsidiaries:	Win International, TESCO, MCI (100% owned)
No of employees:	548 (consolidated basis) as of Mar 2022
No. of shares:	30,503,310, including 2,083,573 treasury shares

Our philosophy and vision

Our philosophy

The WIN-Partners group offers a better quality of life to all and contributes to creating an affluent society.

Our mission is to contribute to a better healthy life expectancy for all so that people can live healthy and fulfilling lives.

Our vision

We aim to be a leading company of the next-generation medical business, creating new demand and new markets.

As medical and information technologies progress, we aim to improve the earnings of both existing and new customers and to expand our market shares, beyond existing medical services and business models. We welcome companies that share our corporate philosophy and take a leadership position to achieve sustainable growth and industry consolidation, which will lead to higher operational efficiency in the medical industry.

Independent medical device distributor group

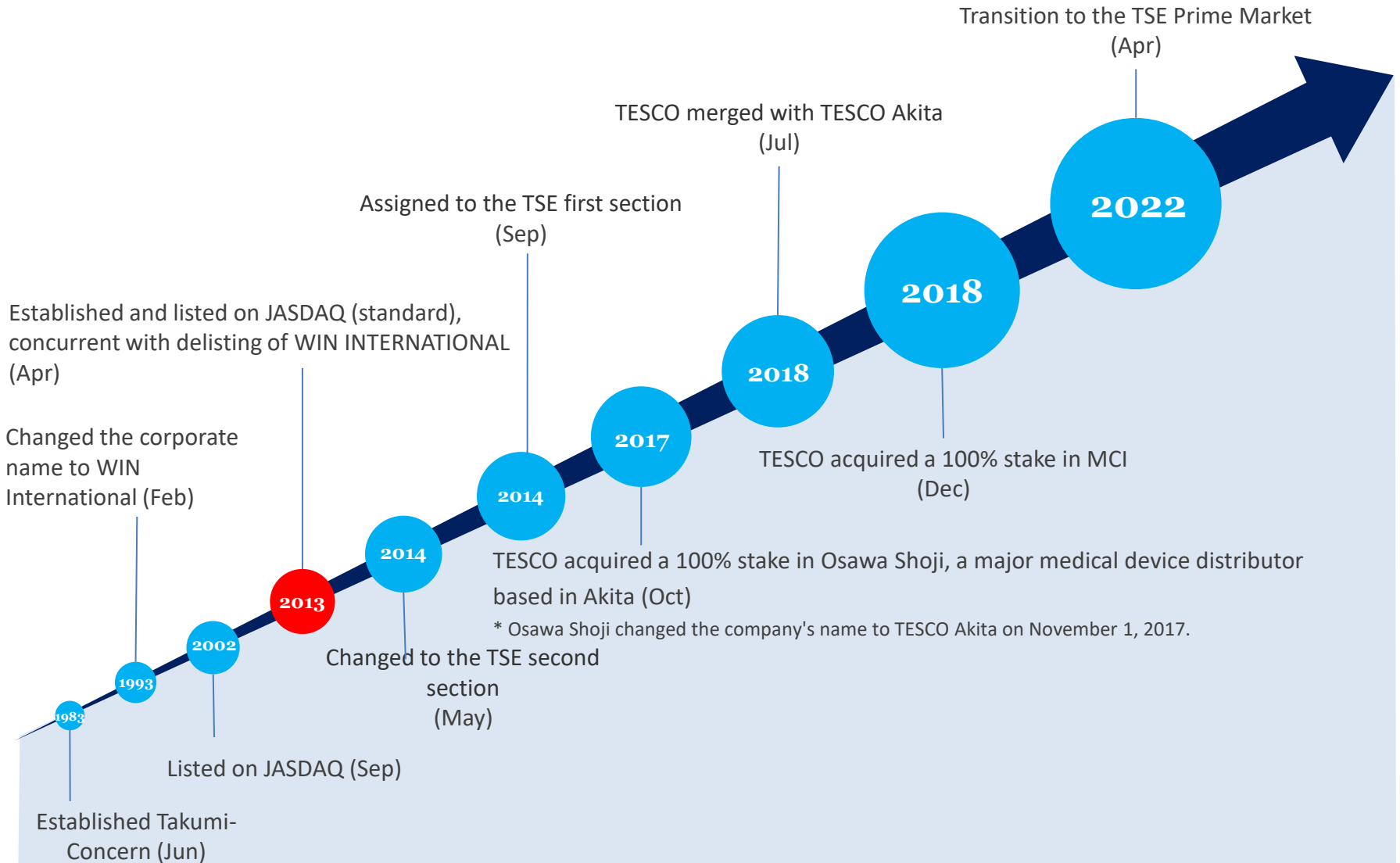


87
suppliers

465
facilities

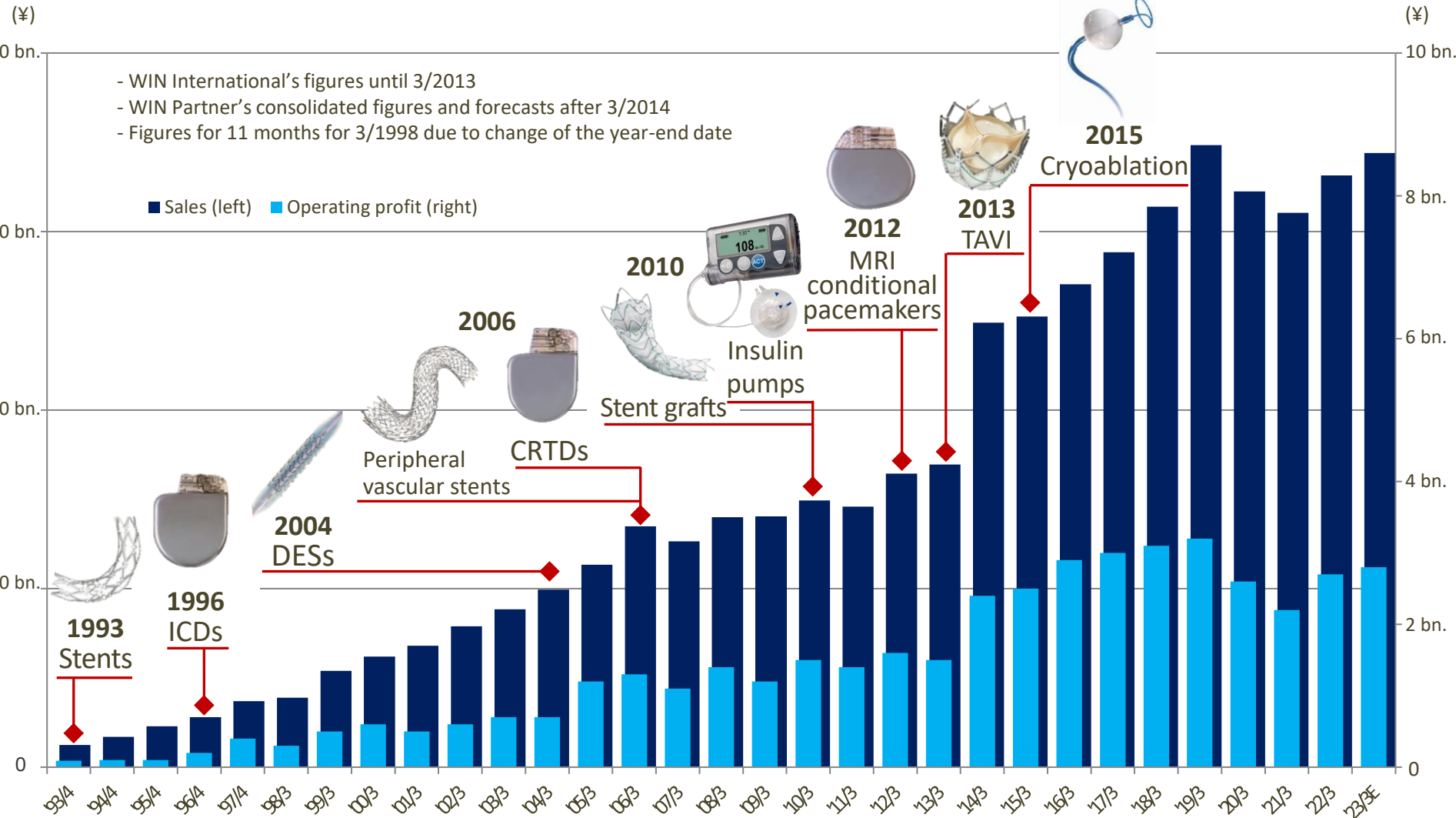
(as of March 2022)

History



Growing with the expansion of minimally invasive treatment

Trends in sales and OP



Major products

Segment

Major diseases

Major products

PCI

- Myocardial infarction
- Angina

PTCA balloon catheter



Drug-eluting stent (DES)



Intravascular ultrasound (IVUS) catheter



CRS

- Abnormal cardiac rhythm

Pacemaker



Implantable cardioverter defibrillator (ICD)



Cardiac resynchronization therapy defibrillator (CRTD)



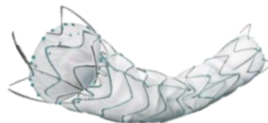
Ablation catheter



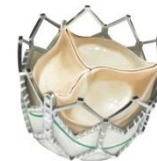
CVS

- Aortic aneurysm
- Aortic stenosis

Stent graft



Transcatheter aortic valve (TAVI)



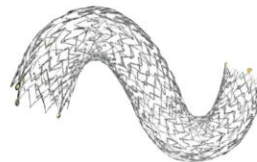
Mechanical heart valve



PPI/ Neurovascular

- Arteriosclerosis obliterans

Peripheral vascular stent



Drug-coated balloon (DCB)



Neurovascular occlusion coil



DMS/ Medical equipment

- Diabetes
- Diagnosis

Insulin pump



Continuous glucose monitoring (CGM)

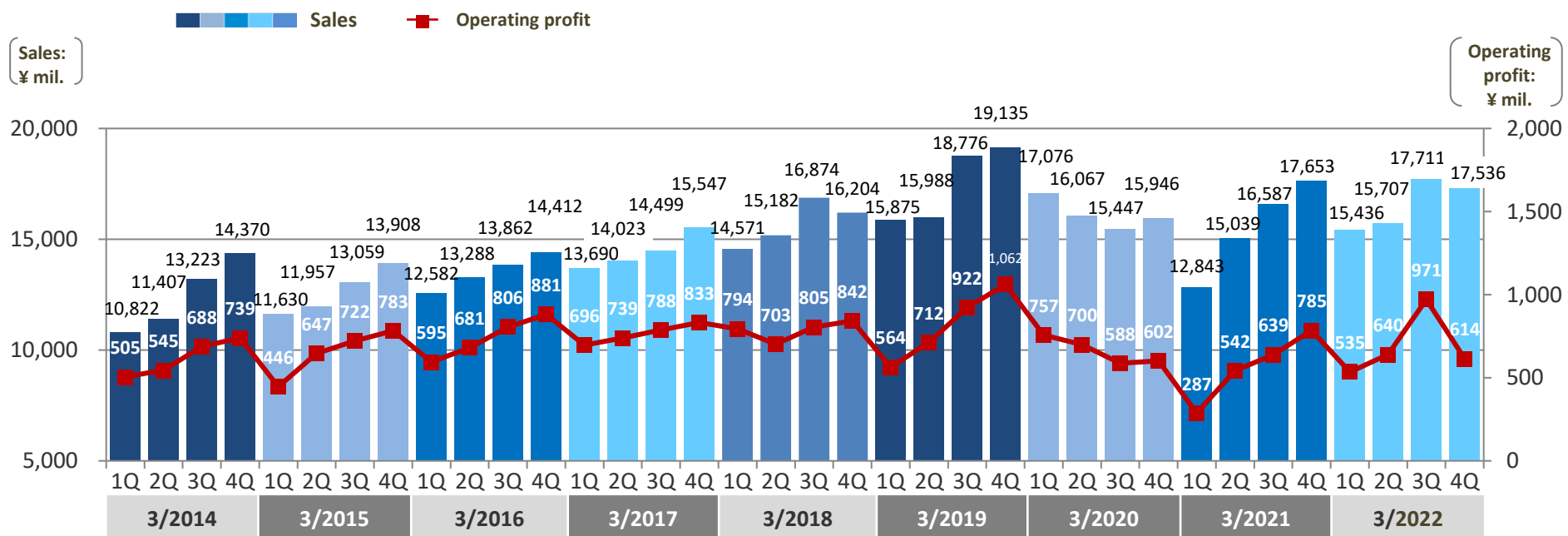


Magnetic resonance imaging (MRI)



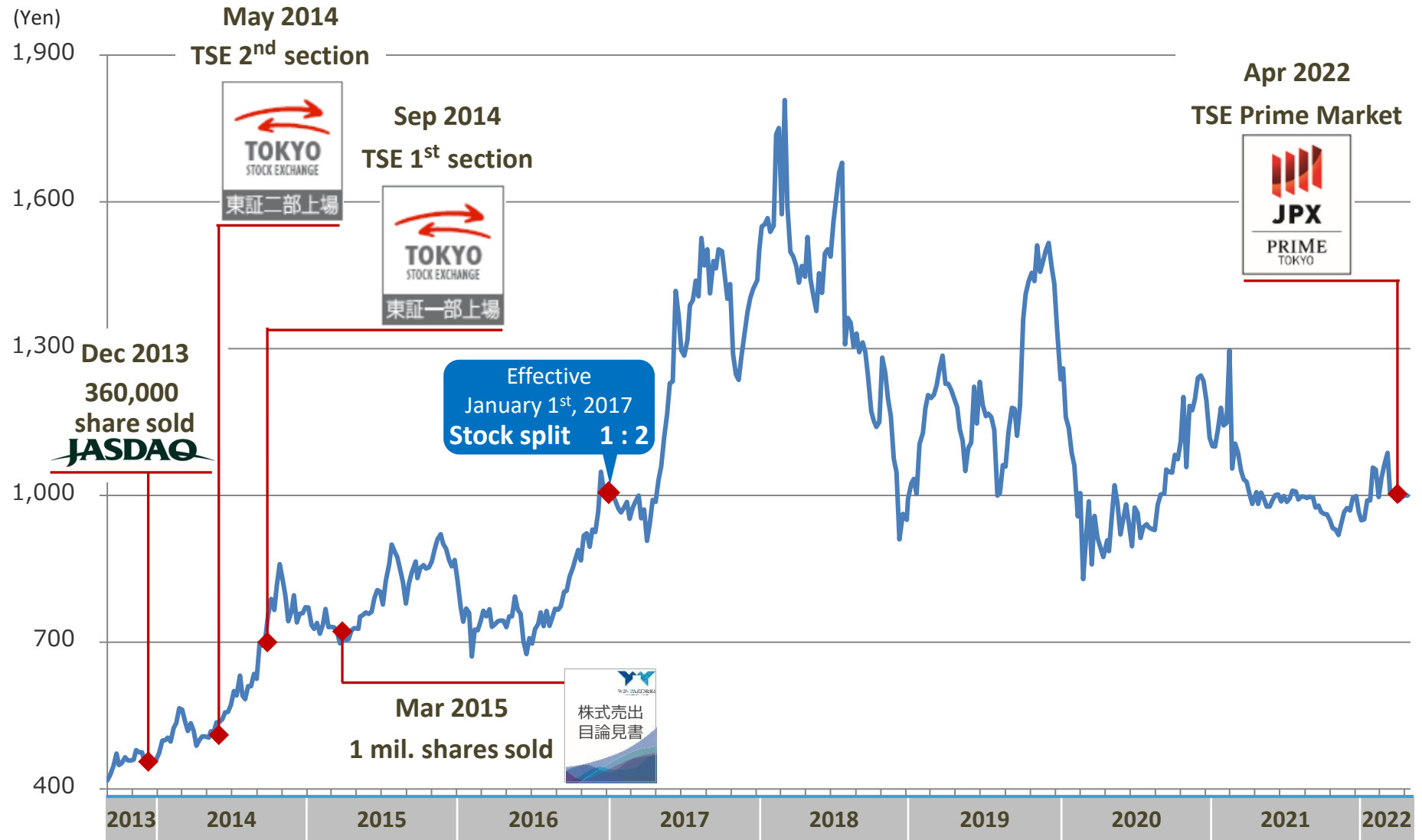
Track record of quarterly results

Trends in sales/operating profit (quarterly)



■ = Year of reimbursement price revisions

Share price





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