

THE BEST QUALITY IN THE WORLD, TO THE WORLD

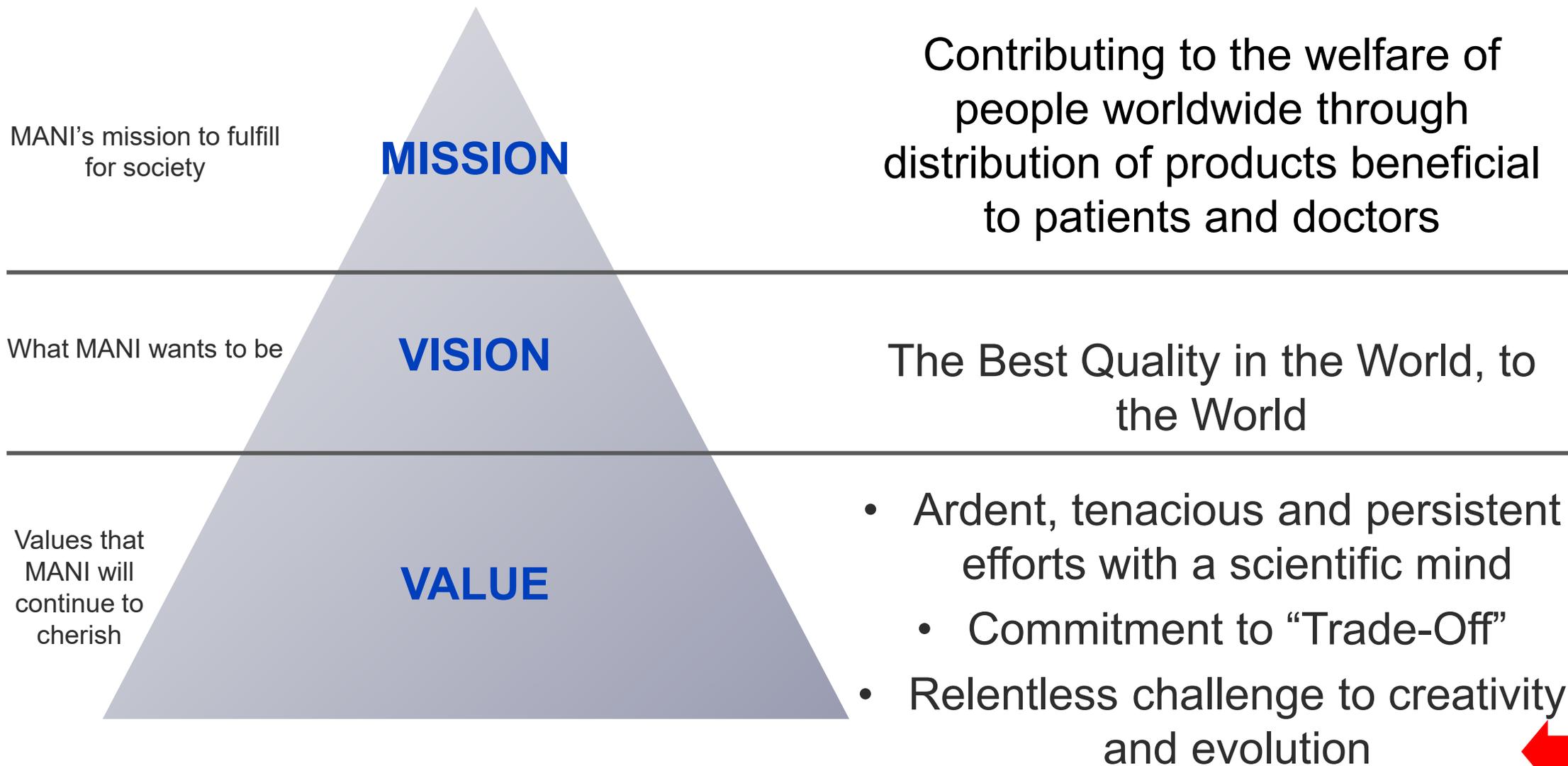
**Progress of the Medium-Term Management
Plan and Future Management Policies
~ Focusing on New Growth~**

January 9, 2025

MANI, INC.

**Director, President and Representative Executive Officer
Masaya Watanabe**

MANI's Identity



Introduction of the New Management Team



Chairperson of Board of
Executive Officers
Masahiko Saito



President and Representative
Executive Officer
Masaya Watanabe



Executive Vice President
Kazuo Takahashi



Senior Managing
Executive Officer
Hideshi Fukumoto



Senior Managing
Executive Officer
Shuichi Kurita



Managing
Executive Officer
Tomomi Kosaka



Managing
Executive Officer
Naohisa Hashimoto



Administrative
Officer
Kentaro Inatomi

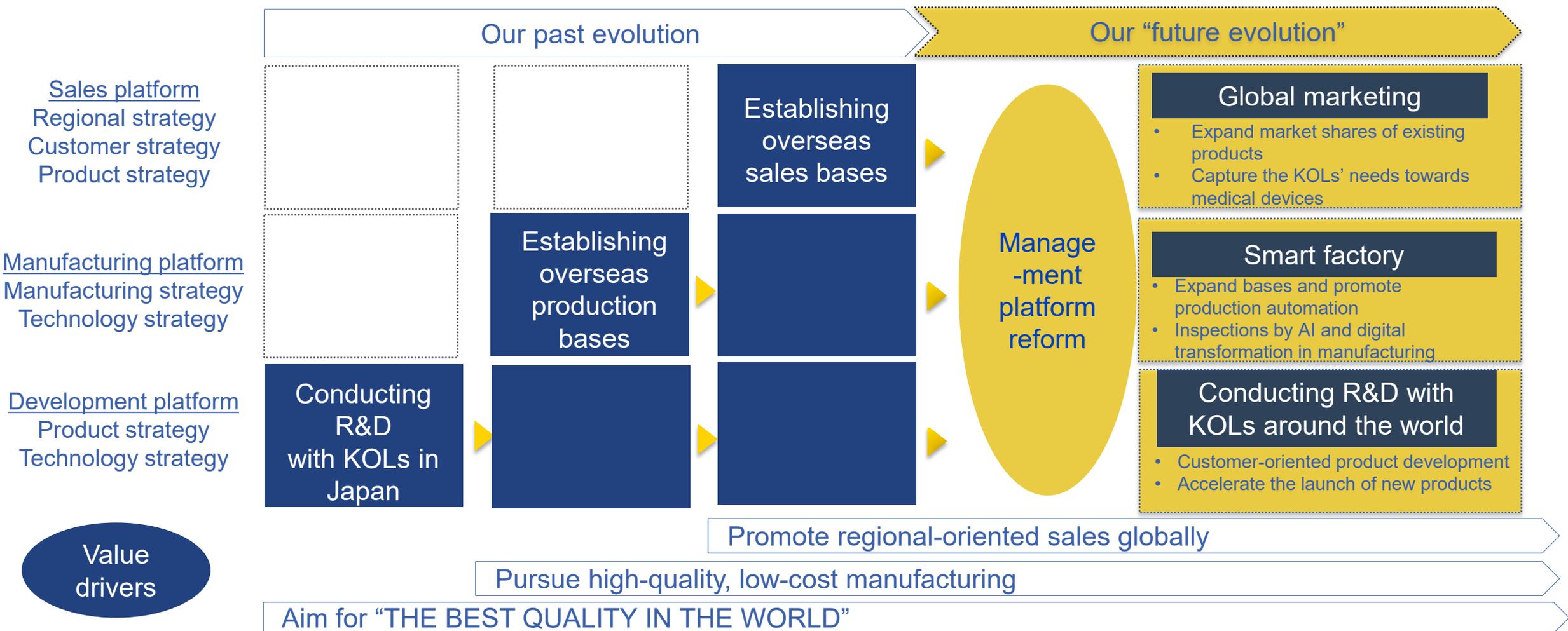


Administrative
Officer
Kaoru Ogane

Progress of Medium-Term Management Plan

Medium-term Management Plan

- Deliver the world’s best quality throughout the world → Realization of our philosophy
- From “an aggregate of development-based niche companies” to “a true global company”



Business Performance

Note: FY25 refers to fiscal year ending August 31, 2025
(Unit: 100 million yen)

	5-year Medium-Term Management Plan					
	FY21	FY22	FY23	FY24	FY25	FY26
	Actual	Actual	Actual	Actual	Forecast	Target
Net sales	171	204	244	285	302	300
Operating income	53	61	72	83	89	100
ROE	11.3%	12.5%	12.5%	12.3%	12.0%	12.0%
Exchange rate (USD/JPY)	¥107.1	¥121.7	¥138.6	¥150.8	¥136.0	

Development of New Products

JIZAI NiTi Rotary File



- Launched in February 2020 (Japan)
- Added new file to the lineup in September 2024
⇒ Complete treatment sequences with MANI products
- Expand into major markets (China is in the process of regulatory filing)
- Excellent root canal centering ability, flexibility, and durability
- Launch product in China
- Improve product, such as improving cutting ability
- Begin mass production at Smart Factory from 2026

Progress

Advantages

Future plans

Vitreous Forceps



- Launched in April 2023 (27G, Japan)
- Acquired MDR certification in Europe
- Gathering feedbacks from KOL dentists
- Tip of the forceps have excellent gripping strength
- Launch product mainly in Japan, Europe and China
- Add 25G to the product lineup, improve doctor's usability
- Develop production technology at Smart Factory

Develop JIZAI and vitreous forceps into MANI's mainstay products

Sales target for new products for FY2029 is 3 billion yen (including other new products)

Dental Restoration Material Business (MMG)

Progress

- 2015: Acquired Schütz Dental
- 2018: Sold sales subsidiary and began specializing in development and manufacturing
- 2023: Changed company name to MMG and began operation at the new factory
- Focusing on OEM business for PB
- Develop and expand products as MANI brands in Japan, China, Vietnam

Advantages

- Compatible with customization, easy to create color tones and shapes
- High aesthetics
- Small lot production

Future plans

- Acquire new PB customers
- Launch products in China
- Strengthen business structure and improve profitability



MMG's New Head Office Factory (Germany)

Note: PB refers to Private Brand

MMG Sales: From 1.9 billion yen (FY24) to 4.0 billion yen (FY29)

Global Production System

Begin production at our 2 main production bases from 2025



Smart factory
Production technology development and new product launch

High-efficiency automated equipment

Automatic inspection

Mass production line for new products

Rollout



Vietnam factory
(Main production base)
High-quality and low-cost manufacturing

Reduce costs

Reduce workers for inspections



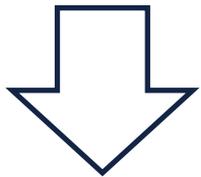
Future Management Policies

Revision of the Medium-Term Management Plan

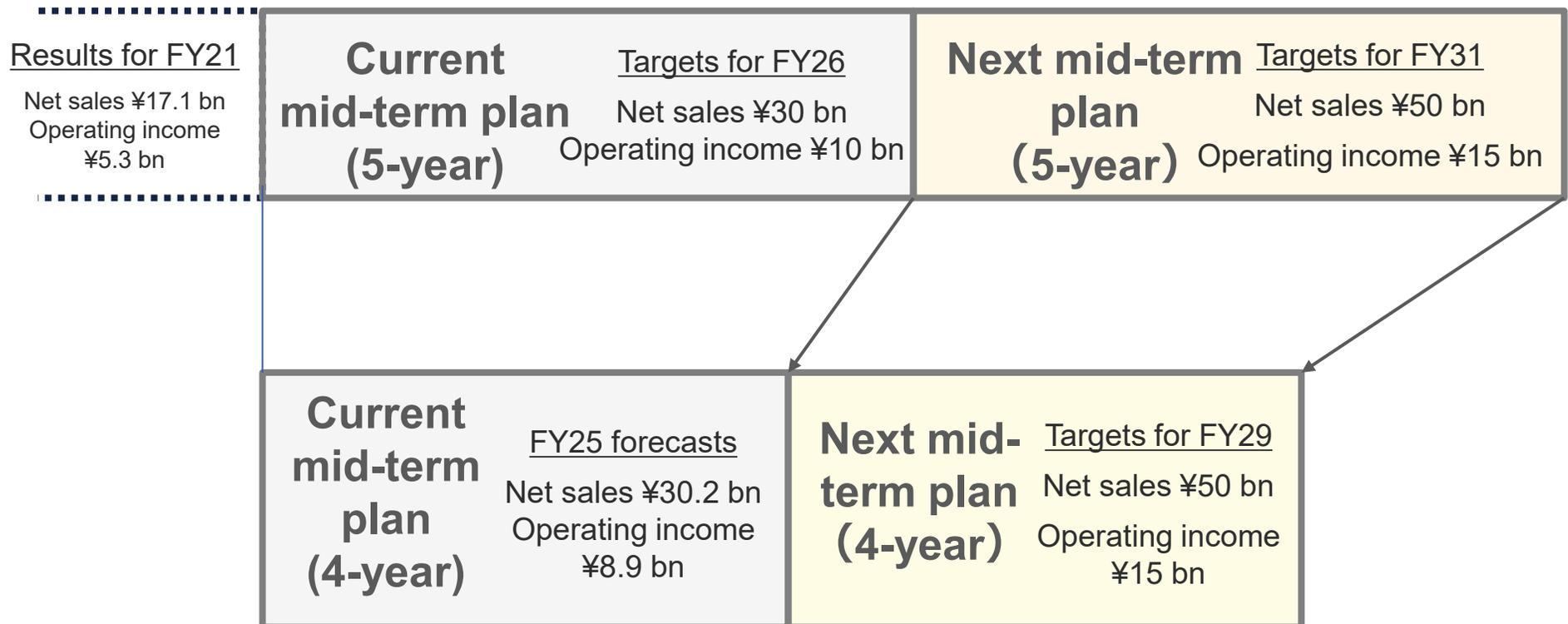
- Sales growth at CAGR 12% → medium-term management plan targets are expected to be achieved 1 year ahead of schedule
- Medium-term management plan is set for 4 years for both the current and the next, and target sales of ¥50 billion will be achieved 2 years ahead of schedule

FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
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**Initial plan
Announced
Apr. 2021**



Revised plan



Recognition of the Business Environment Surrounding MANI

Business opportunities

- Medical equipment market is growing worldwide (CAGR approx. 6%)
- Treatments will be more minimally invasive and and robotized
- Continuous progress in technological innovation

Evolve into a true global company

Current strength

Global niche top products
Proprietary microfabrication technology

Risks

- Preferential policies for domestic production (China, India, Indonesia, etc.)
- Intensifying cost competition among competitors in emerging countries
- Retention by global major companies
- Stricter standards and regulations

Key Policies

1

Further expand global market share by leveraging product advantages
Strengthen 'monozukuri' capabilities (development and production) that are
"unique to MANI" as an R&D-oriented company

2

Strengthen the management base commensurate with the expansion of the company's size
Develop and Secure human capital to implement growth strategies

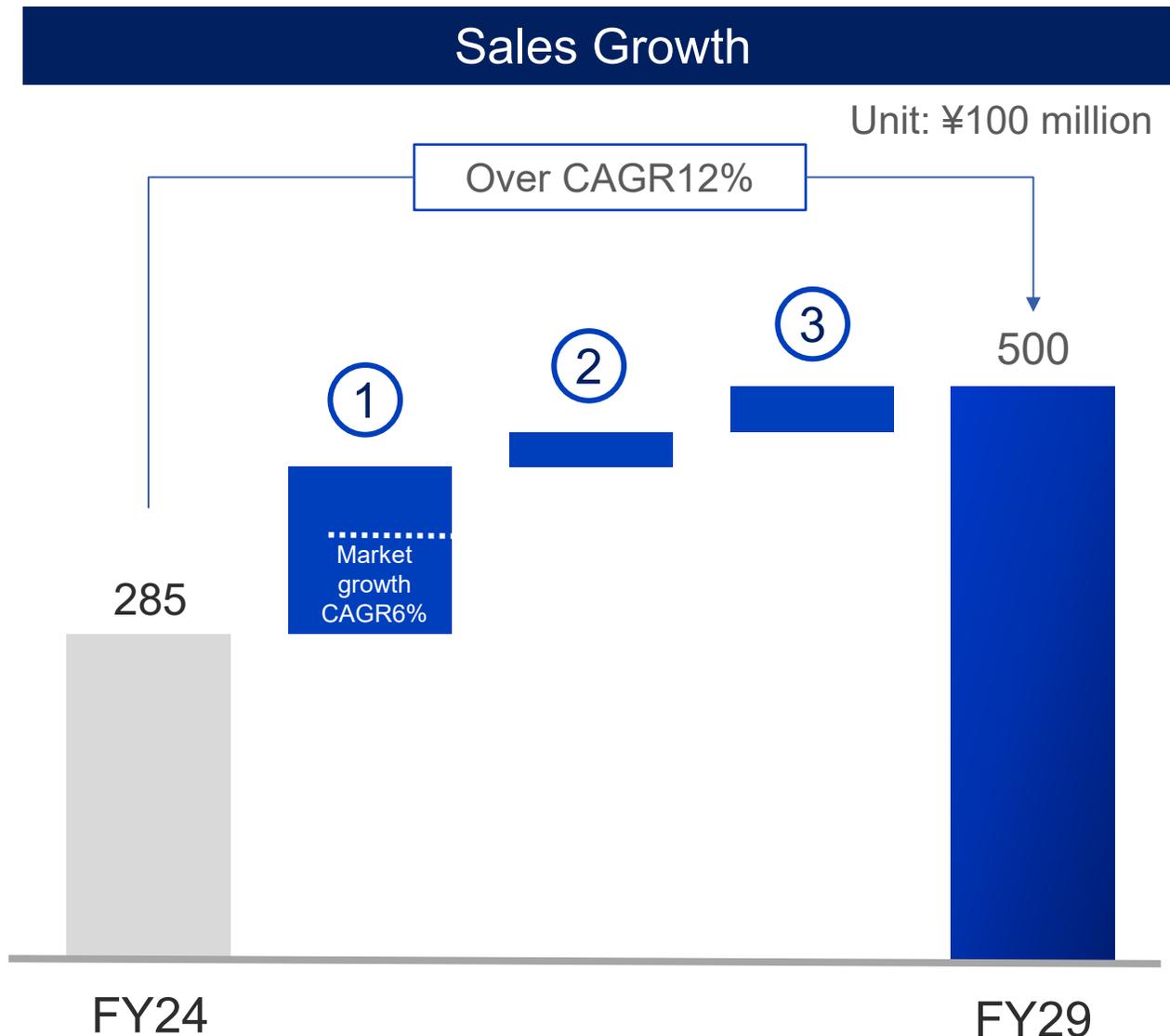
3

Expanding business into adjacent areas by leveraging core technologies
Planting the seeds for Beyond 2029

4

Strategic business development, including the utilization of alliances and M&A

Approach to Sales Growth



Approach based on MANI's business characteristics

- Maximize market potential of the best products
- Product development cycle
- Strategic investments utilizing cash on hand

① Sales expansion centered on existing products

- Maintain growth in China, India and Asia
- Enter into the European and North American markets, and expand market share
- Collaboration with customers and partners
- Continuous enhancement development

② Launch of new products

- Key products: JIZAI, vitreous forceps
- Eyeless needles for robotic surgery,

③ Launch of new businesses

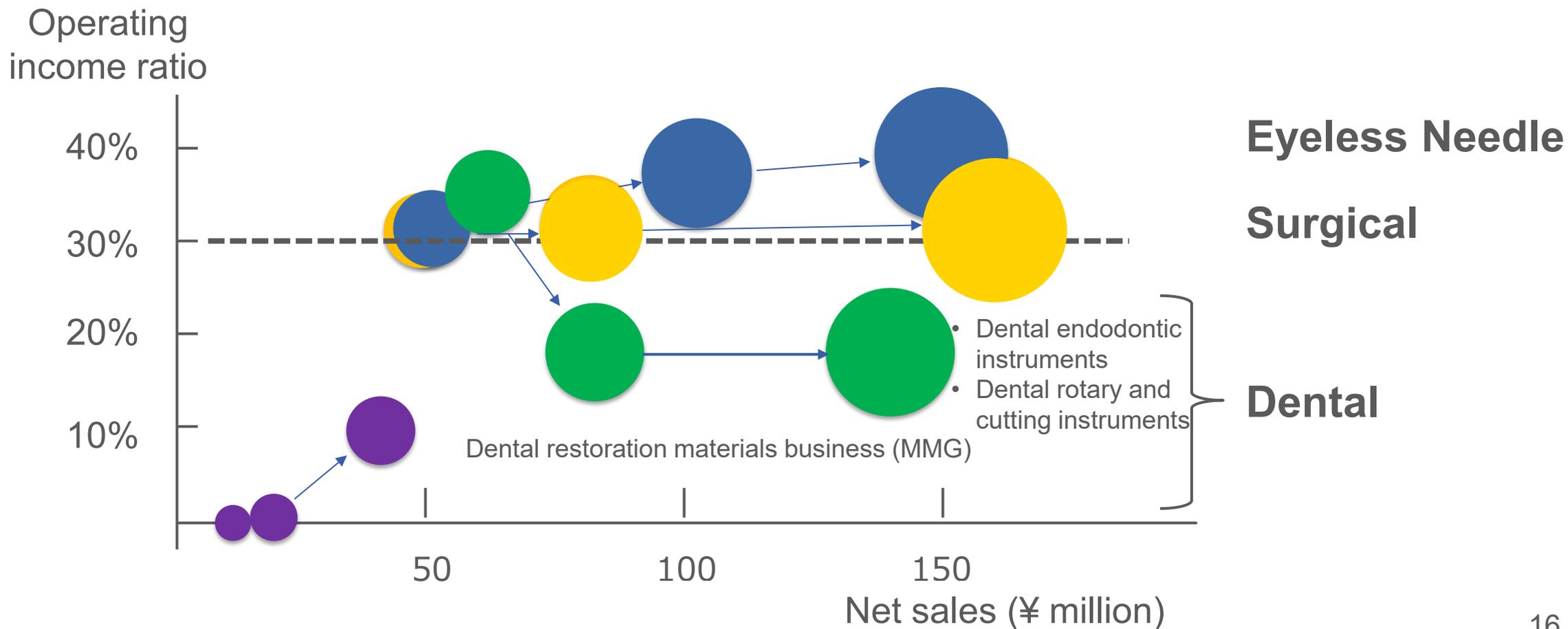
- Expand sales of MMG's dental restoration materials
- M&A and venture investment

Segment Strategies

Business Portfolio

Aim for growth with profitability in all business segments

Explanatory note:
 FY21 FY24 FY29



Surgical Business

Expand market share for ophthalmic knives
(Global share 30%→50%)

- Key countries/regions for market share expansion: India, Asia, the U.S. and Europe
- Application to refractive surgery (ICL)



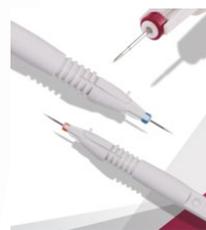
Ophthalmic knives

Create products for glaucoma and vitreous surgery
Expand product lineup

- Glaucoma and vitreous surgery:
 - Vitreous forceps, trocar
 - Trabeculotomy hook
- Based on the development pipeline R&D for the future



Vitreous forceps



Trocar



Trabeculotomy hook

Collaborative innovation with pharmaceutical companies

- Joint development with Santen Pharmaceutical
- Provision of advanced devices to DDS (*)



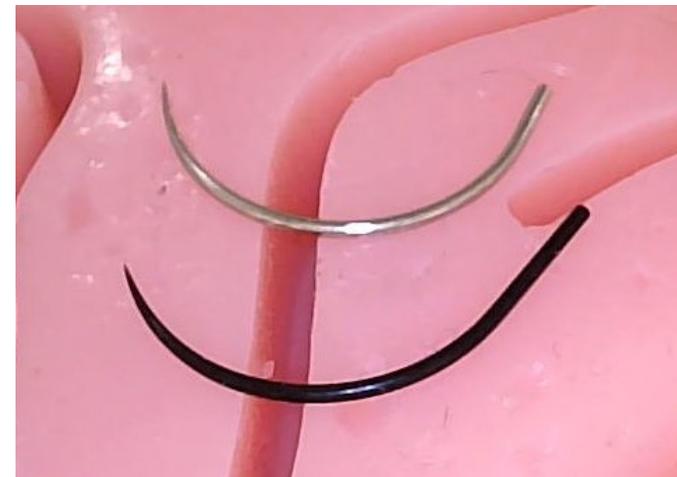
Double step knife
(joint development product)

(*) DDS refers to “Drug Delivery System”

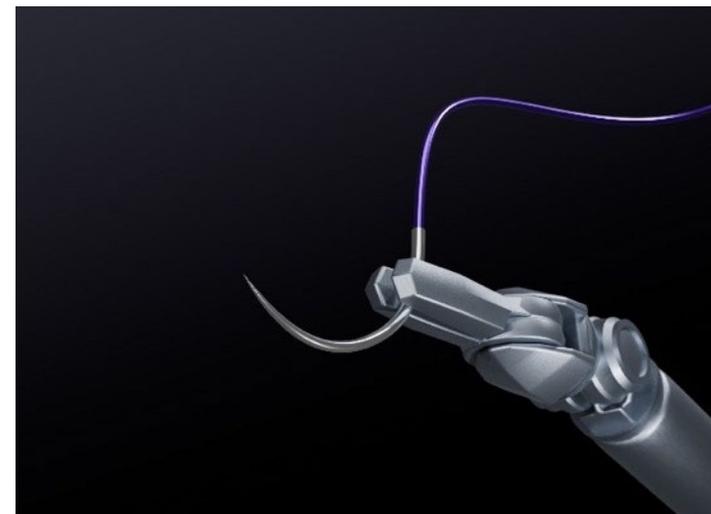
Eyeless Needle Business

Maintain and strengthen global No. 2 position

- Intensify connections with existing customers
 - Provide support services for customers' production engineering
 - Add new product numbers to meet the needs of the medical field
 - Strengthening our position as a 2nd tier supplier to major global customers
- Cultivate new customers
 - Cultivate customers in the Middle East, Africa, and Central and South America
- Initiatives in minimally invasive and robotic fields
- Competing with competitors in emerging countries



Silver needle/black needle



Eyeless needle for robotic surgery

Dental Business

Root canal treatment

Market size: ¥50 billion
CAGR 4~5%

Rotary cutting equipment (consumables)

Market size: ¥67 billion
CAGR 6%

Vision for FY29

NiTi rotary file

Enter the market with JIZAI

Carbide bur

Sales expansion to capture market share by enhancing product competitiveness and cost reduction

Expand business areas with new products

+

Strengthen current core business

- Deepen cultivation of Japan, China, India, and Thailand
- Full-scale entry into the European and North American markets
- Strengthen digital marketing

Hand file

MANI's share 30%

Dia-bur

MANI's share 16%

Note: Market size and market share as of 2023, based on our research

Key Initiatives for Growth

Sales Strategy by Region

	Sales structure as of FY23	Market share(*)			
		E	S	D	Note
Japan	15%	■	■	■	
China	30%	■	■	■	
Asia	22%	■	■	■	India
		■	■	■	Vietnam
		■	■	■	Others
Americas	10%	■	■	■	
EMEA	23%	■	■	■	Key countries
		■	■	■	Others

Strategy for FY29

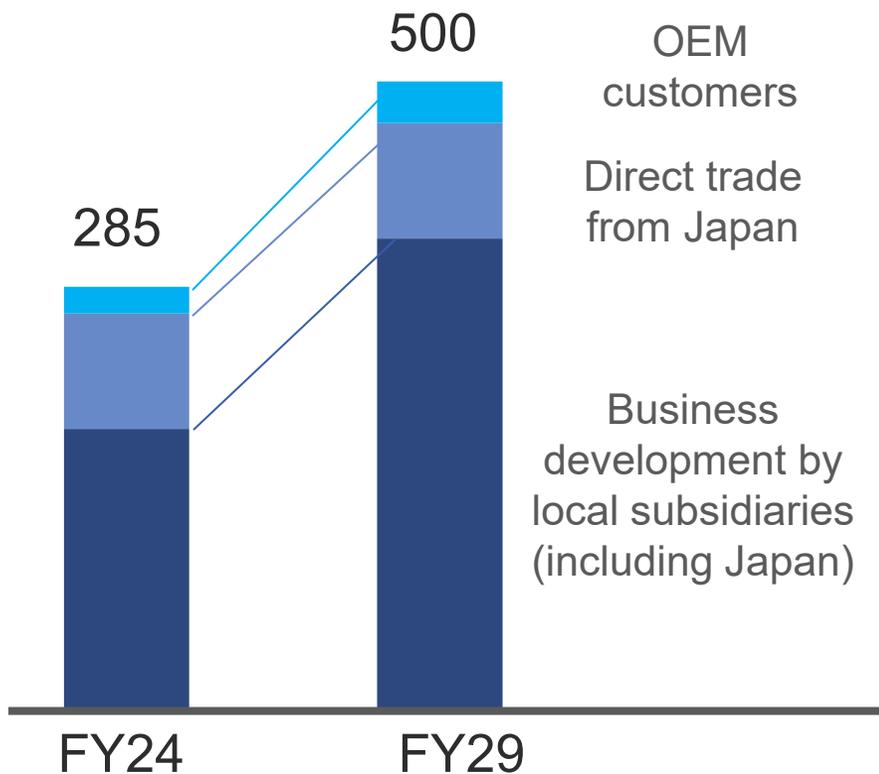
<ul style="list-style-type: none"> ● Drive a new product development based on a strong customer base and brand 	<p>Global ONE MANI Sales Structure</p> <ul style="list-style-type: none"> ● Global marketing <ul style="list-style-type: none"> • Digital marketing • Improve brand power ● Enhance relationships with KOL doctors ● Horizontal development of successful models ● Human Resource Exchange
<ul style="list-style-type: none"> ● Strategic alliances with local partners ● Deal with preferential policies for domestic products 	
<ul style="list-style-type: none"> ● Regional expansion through establishment of regional HQ ● Focus investment in India ● Focus on Indonesia, Thailand, and the Philippines 	
<ul style="list-style-type: none"> ● Established MMA in September 2024 ● Go-To-Market strategy based on market conventions 	
<ul style="list-style-type: none"> ● Regional expansion through establishment of regional HQ ● Focus on France and Spain 	

(*) E: Eyeless needle, S: Surgical, D: Dental ■ means shares are over 20%

Business Development Based on a 5-Region Global System

Sales Channel Configuration

(¥ 100 million)



Direct trade from Japan

Strengthened our sales structure by establishing local subsidiaries

2010

2012

2017

2023

2024

Vietnam China India Malaysia the U.S.

Sales to more than 120 countries worldwide

Future business development centered on a 5-region global system (Japan, China, Asia, Americas, EMEA) --- Regional-oriented business ---

- Regional HQ function for regional control
 - Regulatory affairs, brand management, development, finance, etc.
- Value-added creation by local subsidiaries
- Acceleration of system building through strategic partnering and M&A

Drastic Enhancement in Product Development Capabilities

R&D Expenses

Ratio to Consolidated sales

8%

10%

¥2.4 bn

¥5.0 bn

FY24

FY29

Improve development speed (halving the development period)

- First, this was done in the development of a vitreous forceps.

Innovation of R&D process

- Product development with KOL doctors worldwide
- Product champion-type development
→ Shift to concurrent development by teams

Open innovation

- Explore opportunities through CVC (from 2024)

Strengthen medium-to long-term research

- Next-generation materials, processing technology, AI and digital technology
- Joint research with the National Research and Development Agency from 2023

Note: KOL refers to “Key Opinion Leader”

CVC refers to “Corporate Venture Capital”

Manufacturing Capabilities (Development and Production) that “Only MANI Can Provide”



Problem-solving ability

- Analyze unmet needs in the market and establish specific development concepts
- Clarify quantifiable goals with emphasis on usability and operability for doctors



Verification by mechanical testing



Verification by human senses

"The Best in the World or not " Conference

Technical capabilities that support the best quality in the world

- Diverse studies and simulations of materials, shapes, processing, and heat treatment
- Pursue quality based on technical data through repeated prototyping and evaluation
- Create creative technologies that break through common sense and realize “The Best Quality in World.”

Ability to persevere and never give up

- Continue improvements based on feedbacks from doctors
- Thoroughly improve the product until the target value is achieved based on trial data
- Promote continuous improvement activities after product launch

Enhancement of Business Infrastructure

Operational Excellence

S&OP(Sales & Operation) reform

- Improve demand forecast accuracy and shorter lead time
→ Improve satisfaction of sales partners
- Improve CCC

Strengthen global regulatory processes

Initiatives for DX

- Establish Global IT Governance
- Key projects: 7 themes

Ongoing cost reduction activities

Human Capital Management

Develop and acquire human resources to implement growth strategies

Company-wide movement “Transform M”

- Improvement of the new personnel system (introduced in 2021)
- foster a culture of taking on challenges
- Respond to employee survey results

D&I (Diversity & Inclusion)

- Ratio of female managers: 15% or more (non-consolidated)
- Development of global human resources

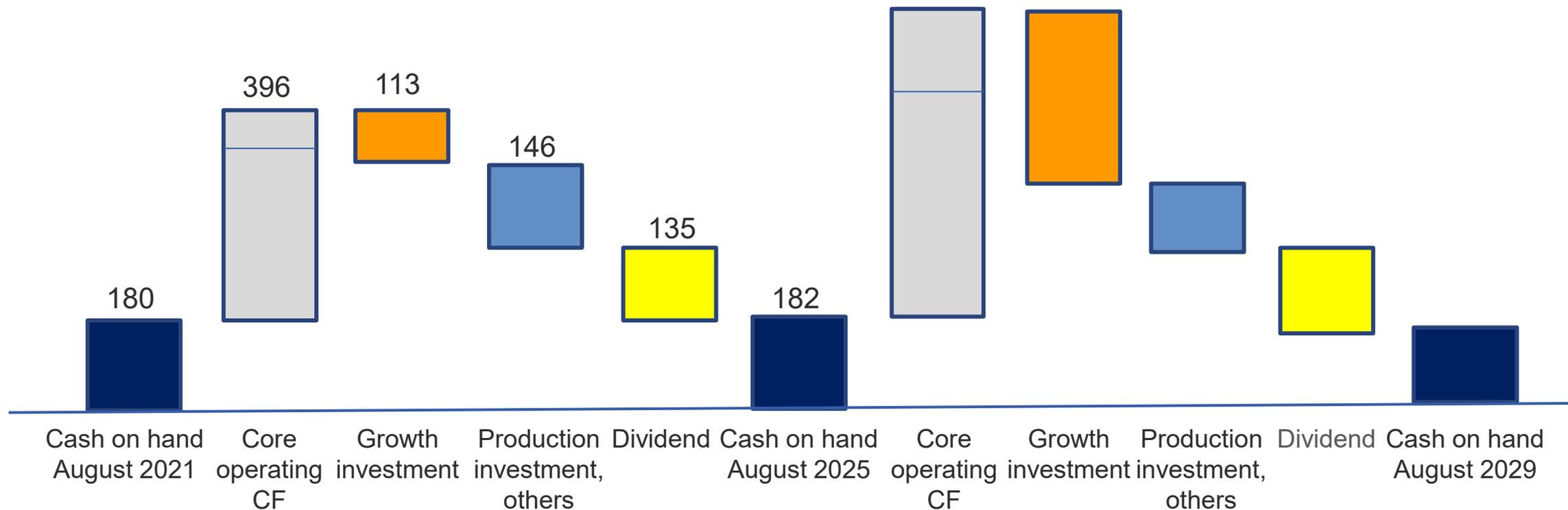
Capital Allocation

- Shift investment focus from production investments (e.g., Smart Factory) to growth investments
- Stable dividend increases for shareholder returns

← Current 4-year mid-term plan (FY22~FY25) → ← Next 4-year mid-term plan (FY26~FY29) →

Core operating CF = Operating CF + strategic spending among SG&A

Growth investment = R&D expenses + operating investment + business investment (including M&A)

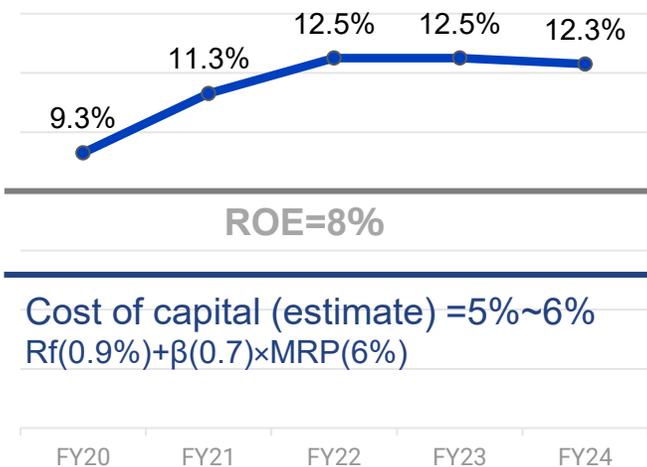


Management Conscious of Cost of Capital and Stock Price

Valuation of MANI's Shares

ROE (%)

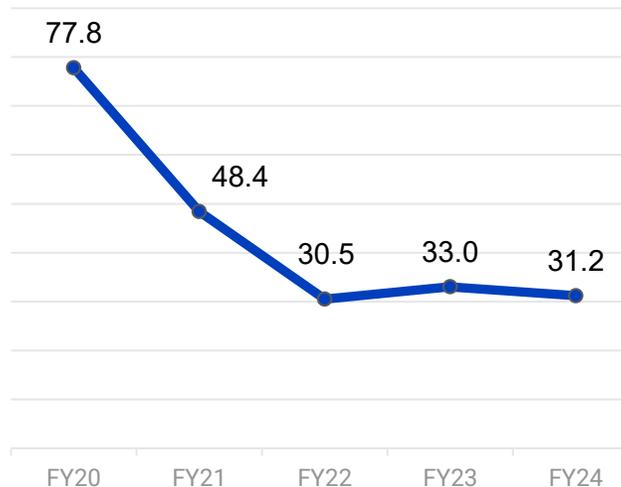
Efficiency from capital to profit



Cost of capital (estimate) = 5%~6%
 $R_f(0.9\%) + \beta(0.7) \times MRP(6\%)$

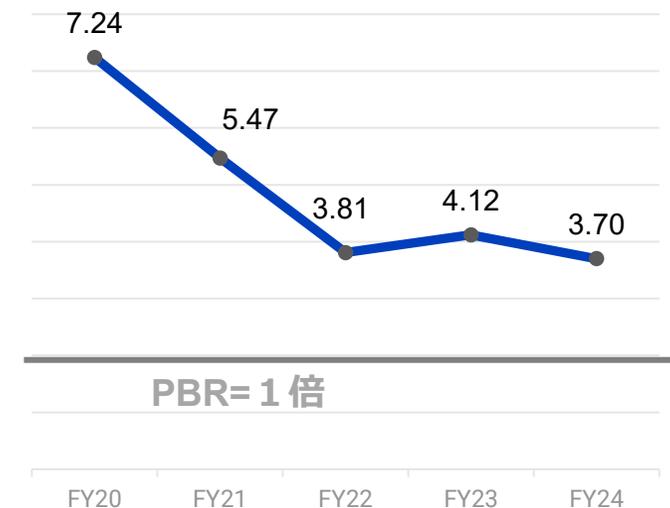
Price-to-Earnings (P/E) Ratio

Future growth expectations and risks



Price-to-Book (P/B) Ratio

MANI's measure of value



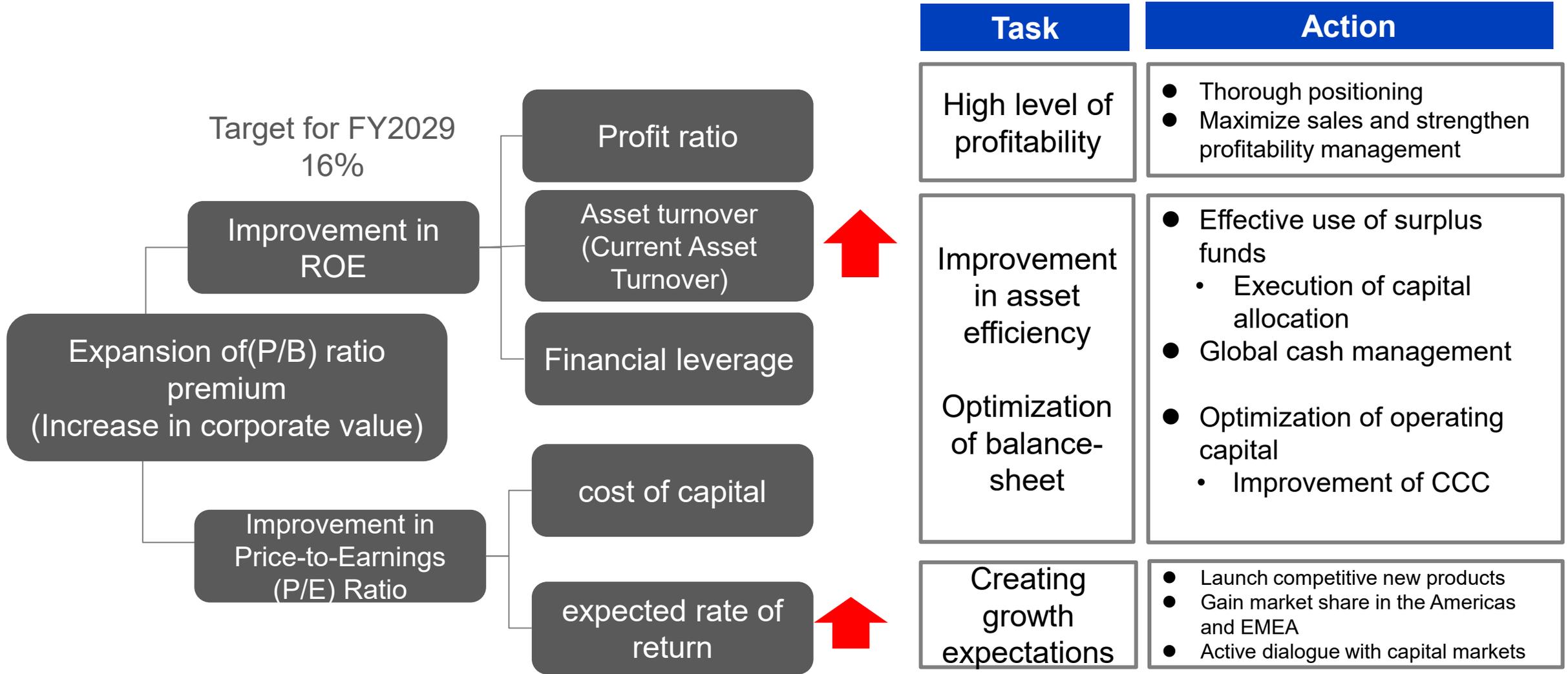
Data as of FY24

Net profit to sales	22.0%
×	
Total asset turnover	0.51
×	
Financial Leverage	1.10

Market value	¥193.6 bn
÷	
Net income	¥6.2 bn

Market value	¥193.6 bn
÷	
Net assets	¥52.3 bn

Challenges and Actions for Enhancing Corporate Value



Financial Targets

Forecasts for FY25

Targets for FY29

Business

**Net sales: ¥30.2 bn
Operating income: ¥8.9 bn**

**Net sales: ¥50 bn
Operating income: ¥15 bn**

ROE

12%

16%

Dividend

**Stable dividend
increases**

**Stable dividend
increases**

Summary

- Accelerate growth by setting the medium-term management plan as a 4-year plan for both the current and the next. Through this plan, we aim to achieve the target of ¥50 billion in sales two years ahead of schedule, in FY29.
- Respect the values that have built MANI's strengths to date and maximize the potential of products, development, production, and sales, while implementing growth strategies such as strengthening the management foundation, launching new businesses, and making strategic investments by utilizing cash on hand.
- The next 10 years will be a period of great progress as MANI aims to become a ¥50 billion company and then a ¥100 billion company, and we will discuss a bold growth strategy for the future.
- The next medium-term management plan will be announced around July to September 2025. (Tentative)



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