

# **FY2025 3Q**

# **Financial Results & Forecasts**

**MANI, INC.**

***THE BEST QUALITY IN THE WORLD, TO THE WORLD***

July 9, 2025

# Voluntary Recall of “MANI DIA-BURS” in China

- We have discovered that the product registration information submitted to the Chinese regulatory authorities contained inaccuracies. As a result, **we conducted a voluntary recall in March 2025.**
- **The recall has been progressing smoothly and is expected to be completed by the end of August 2025.**
- Compared to the initial outlook as of April 9, 2025, the volume of recalled burs has increased (from 1.5 million burs to 3.75 million burs).

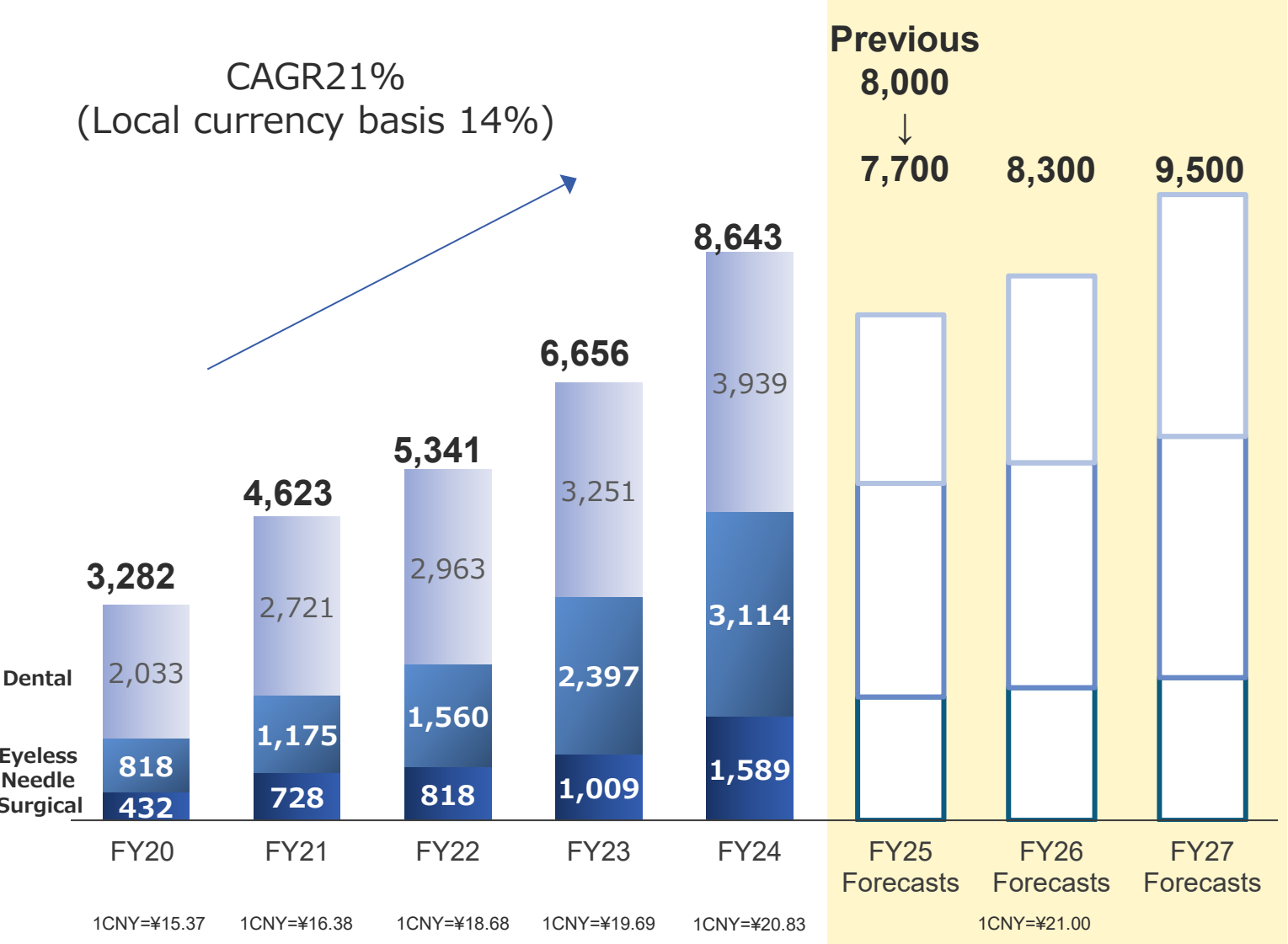
Impact on Business Performance			(¥ million)
Impact amount (YoY)		FY25 3Q	FY25 full year
Sales reduction		(1,330)	(1,520)
		(1,080)	(1,190)
	Returned amount	*(250)	(370)
Impact on profit		(1,040)	(1,200)

\*This includes the impact amount of June 2025, which is ¥80 million.

# Business in China: Outlook

(¥ million)

CAGR21%  
(Local currency basis 14%)



**Expect full recovery in sales growth during the FY26. FY25 will serve as the bottom line.**

- **FY25**
  - Only dia-burs with no registration issues are being sold.
  - Steady sales growth of both surgical and eyeless needle segments.
- Expect approval of the amendment application by the Chinese regulatory authorities by March 2026, and resume sales for the full line up of “MANI DIA-BURS.”

## Revised Full-Year Forecast for FY2025

- Reflecting the impact of the voluntary recall of “MANI DIA-BURS” in China, we have revised downward the consolidated financial forecasts for FY2025.
- The effects of President Trump’s tariff policy in the U.S. is unclear, however, current assumptions have been considered (profit impact of 40 million yen)

	Previous Forecasts (A)	Revised Forecasts (B)	Changes in Amount (C=B-A)	Changes in % (C/A)	(¥ million) (Reference) Results of FY2024
<b>Net sales</b>	30,200	<b>29,600</b>	(600)	(2.0%)	28,513
<b>Cost of sales</b> [%]	10,500 (34.8%)	<b>10,800</b> (36.5%)	+ 300	+2.9%	10,616 (37.2%)
<b>SG&amp;A expenses</b> [%]	10,800 (35.8%)	<b>10,900</b> (36.8%)	+100	+0.9%	9,505 (33.3%)
<b>Operating income</b> [%]	8,900 (29.5%)	<b>7,900</b> (26.7%)	(1,000)	(11.2%)	8,392 (29.4%)
<b>Ordinary income</b>	8,850	<b>7,800</b>	(1,050)	(11.9%)	8,464
<b>Net income</b>	6,350	<b>5,450</b>	(900)	(14.2%)	6,286

# FY2025 3Q Financial Results

\*External disclosure figures are rounded down. However, some of the components in this document are rounded to the nearest whole number, and the sum of each component is adjusted to the total.

# Consolidated Financial Results

(¥ million)

- In FY25 3Q, net sales have increased while each income declined
  - Significant impact from the voluntary recall of dia-burs:  
Sales declined by ¥1.33 billion YoY and operating income declined by ¥1.04 billion YoY.
  - Surgical and Eyeless Needle segments are performing well, while the dental segment saw a decline in both revenue and income.

	FY24 3Q Results (A)	FY25 3Q Results (B)	Changes in Amount (C=B-A)	Changes in % (C/A)	FY25 Revised Forecasts (D)	Forecast Progress Rate (B/D)
Net sales	21,610	22,280	+670	+3.1%	29,600	75.3%
Cost of sales [%]	8,001 (37.0%)	8,031 (36.0%)	+ 29	+0.4%	10,800 (36.5%)	74.4%
SG&A expenses [%]	7,110 (32.9%)	8,113 (36.4%)	+1,003	+14.1%	10,900 (36.8%)	74.4%
Operating income [%]	6,498 (30.1%)	6,135 (27.5%)	△ 363	△ 5.6%	7,900 (26.7%)	77.7%
Ordinary income	7,125	6,028	△ 1,097	△ 15.4%	7,800	77.3%
Net income	5,082	4,254	△ 828	△ 16.3%	5,450	78.1%

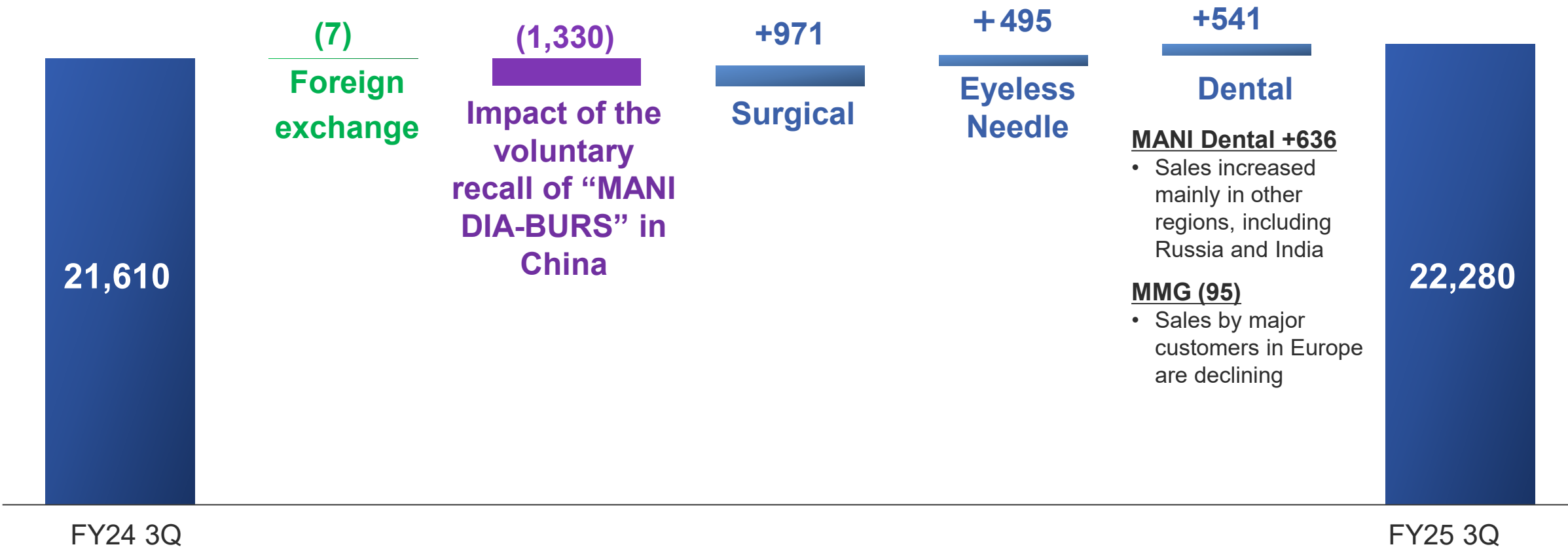
# Operating Income to Profit Before Income Taxes (Details) (¥ million)

	FY24 3Q Results	FY25 3Q Results	YoY	Notes
Operating income	6,498	6,135	(363)	
Non-operating income	658	211	(446)	
Foreign exchange gains	447	—	(447)	Foreign exchange gains decreased due to yen appreciation
Interest income	140	136	(4)	
Non-operating expenses	31	318	+287	
Foreign exchange losses	—	114	+114	
Depreciation	—	126	+126	Increase in depreciation related to Hanaoka Factory (Smart Factory) before operation
Ordinary income	7,125	6,028	(1,097)	
Extraordinary income	3	12	+9	Gain on sale of non-current assets (sale of a subsidiary's production equipment)
Extraordinary losses	4	17	+13	Loss on retirement of non-current assets
Profit before income taxes	7,124	6,023	(1,101)	

# Net Sales Status by Segment

(¥ million)

- Increase in sales YoY +670 million [+3.1%]
  - Excluding the impact of the voluntary recall of dia-burs, net sales in each segment increased.

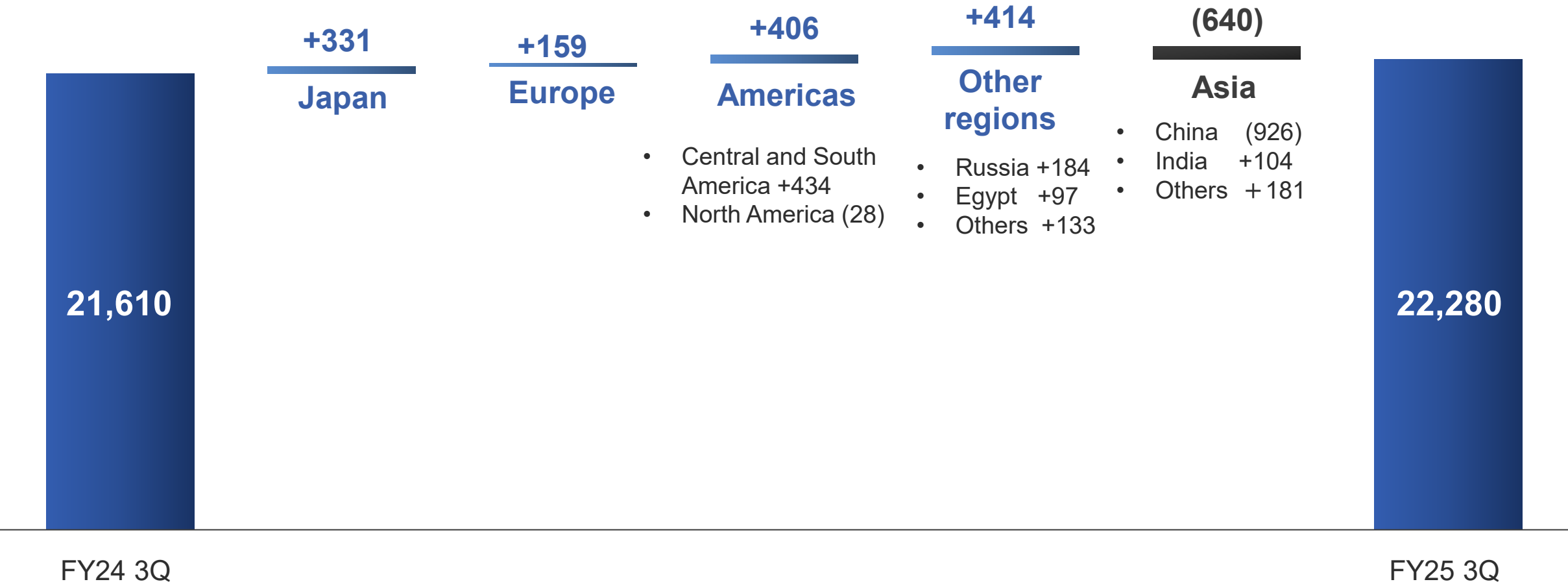




# Net Sales Status by Region

(¥ million)

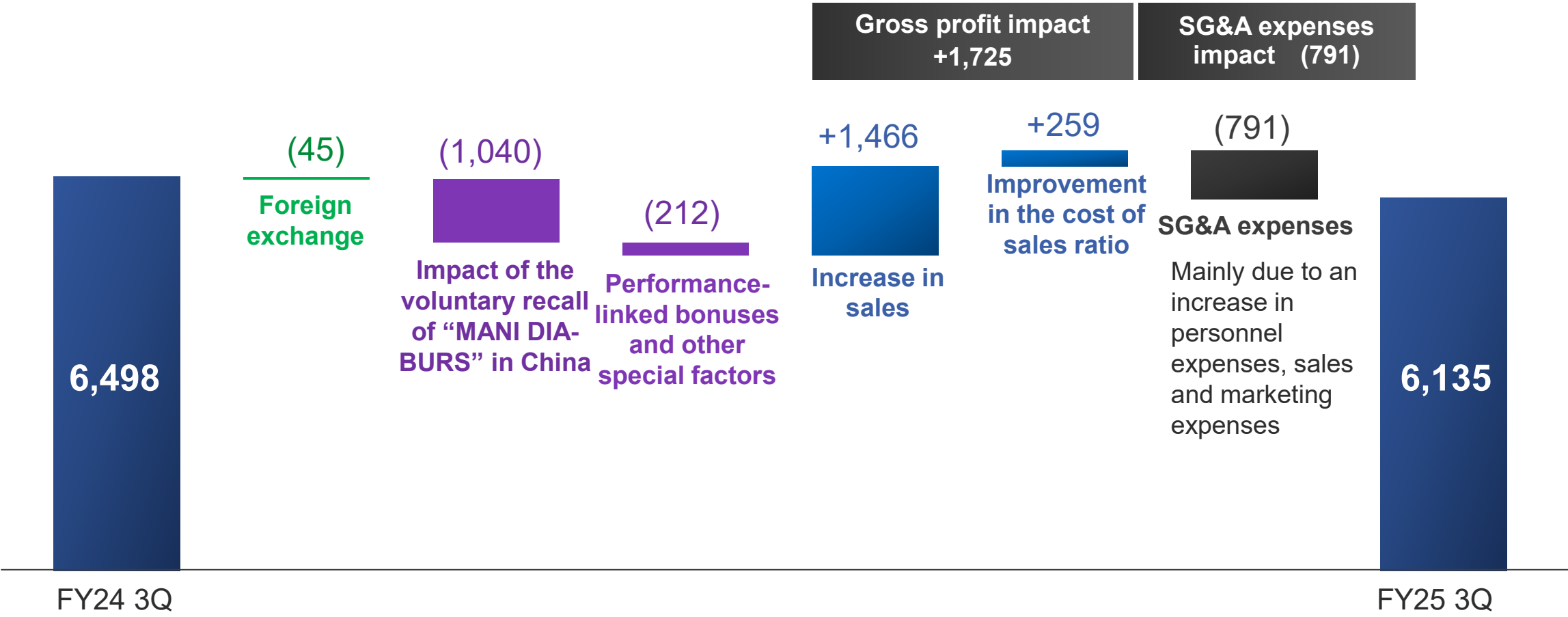
- **Sales grew across all global regions, excluding China**
  - Growth in other regions, including Central and South America, Russia and Egypt (Eyeless Needle and Dental segments)
  - Sales in Japan rose due to enhanced sales and marketing efforts in collaboration with dental distributors.



# Operating Income Status

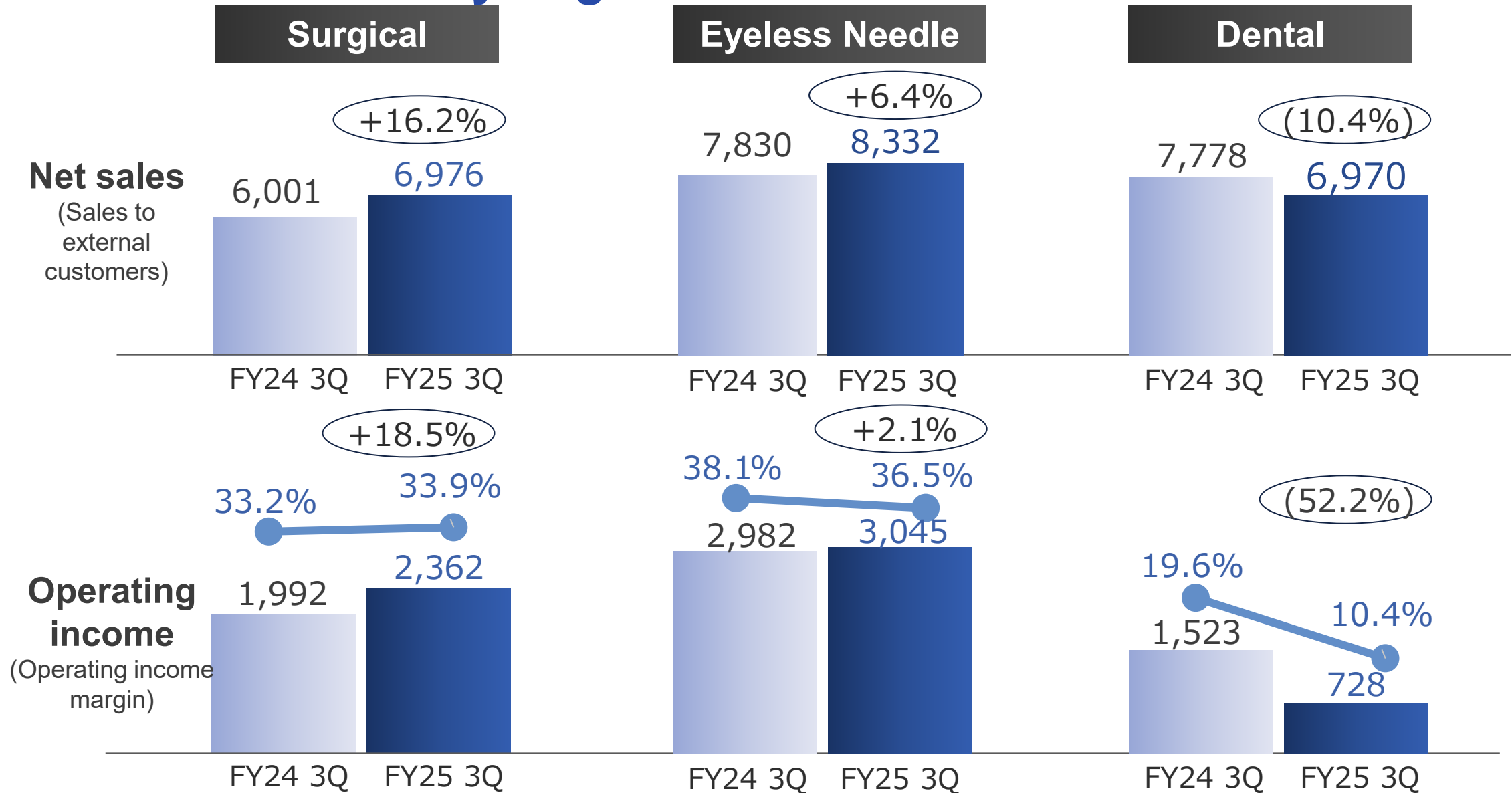
(¥ million)

- **Operating income declined YoY (¥363 million) [(5.6%)]**
  - Temporary factors: Voluntary recall of dia-burs in China, performance-linked bonuses from the previous fiscal year
  - Aside from the temporary factors, business performance remained largely in line with the original plan



# Financial Results by Segment

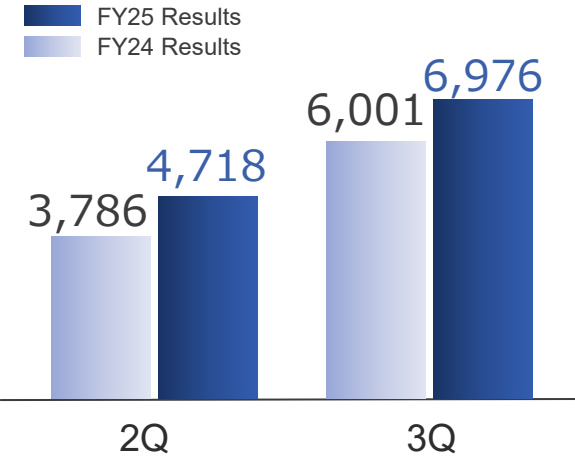
(¥ million)



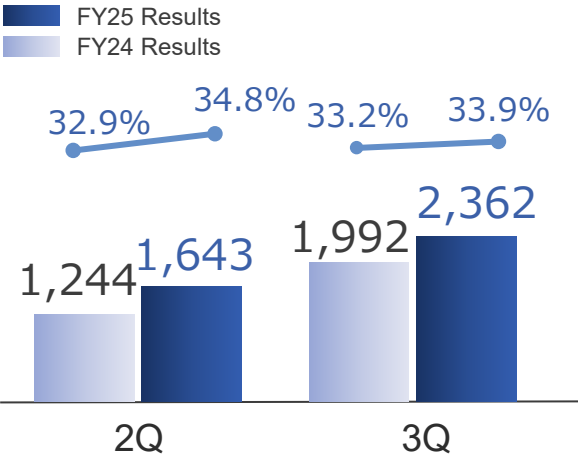
# Surgical Segment – Results Analysis

(¥ million)

## Net sales



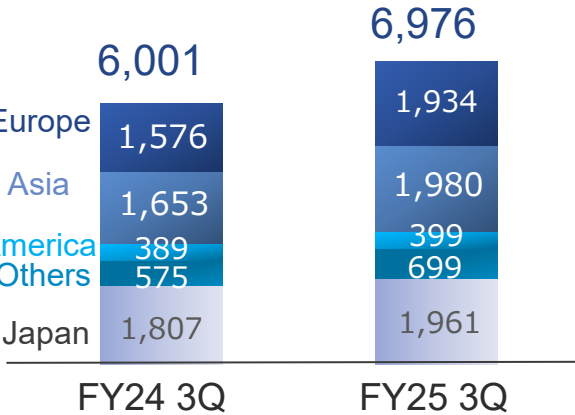
## Operating income / %



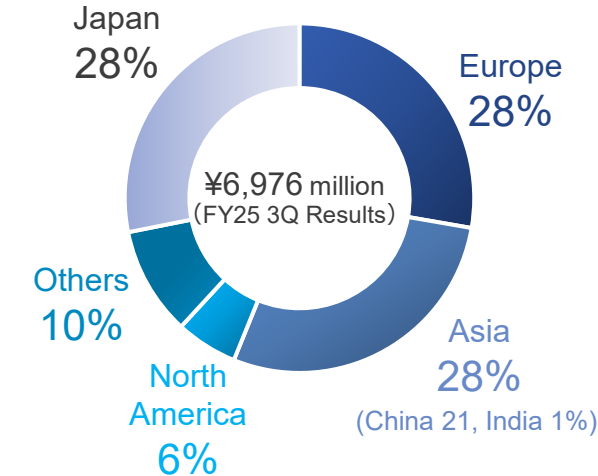
## Overview of Business Results

- Sales growth: +16% YoY.
- Robust performance in ophthalmic knives across global markets, especially in Europe, Asia (mainly China) and Japan.
- Profitability: Profit improved due to price optimization and cost reductions.

## Sales by region



## Sales ratio by region



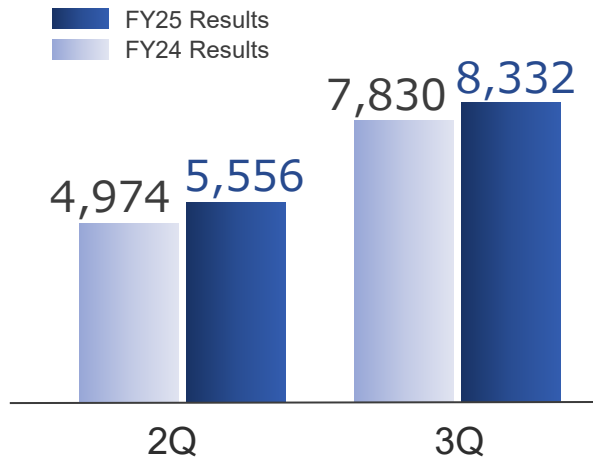
## Future Key Measures

- Continue global sales expansion through strengthened sales and marketing.
- U.S.: Launch a strategic alliance with MST.
- Europe: Expanding success from high-market share regions (Germany, UK etc.) to other areas
- Asia: Achieved high market share in Malaysia; focus shifting to Indonesia

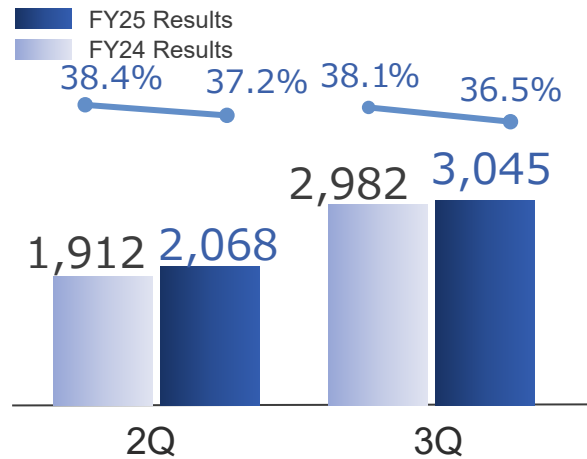
# Eyeless Needle Segment – Results Analysis

(¥ million)

## Net sales



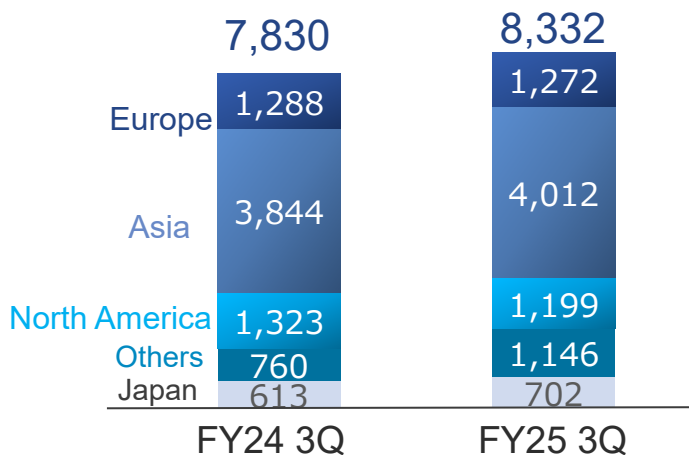
## Operating income / %



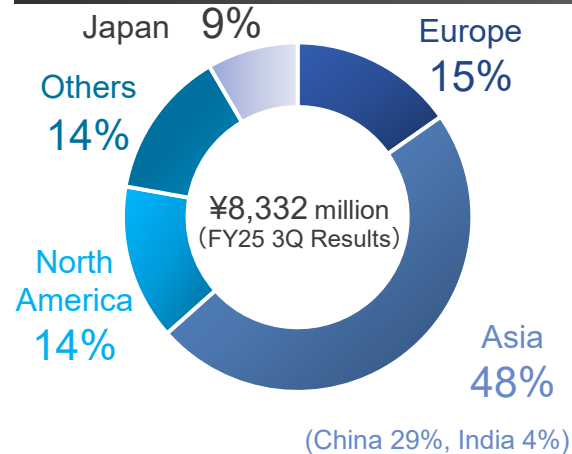
## Overview of Business Results

- Sales Growth: +6% YoY, exceeding overall market growth
- China: Growth driven by strategic partnerships and positive impact from GPO initiatives
- Profitability: Gross profit margin improved, but operating income margin declined due to increased SG&A expenses
- Includes the effect of product price increases

## Sales by region



## Sales ratio by region



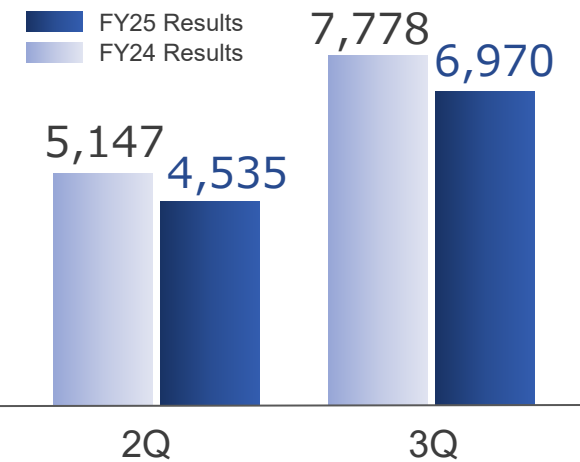
## Future Key Measures

- Expand sales by taking advantage of our special needles' product superiority (e.g. micro-surgery needles, black needles)
- Counter against emerging market competitors
  - Deploy finely tuned account strategies
  - Achieve fundamental reductions in manufacturing costs
- Enhance customer production support through resin tray offerings

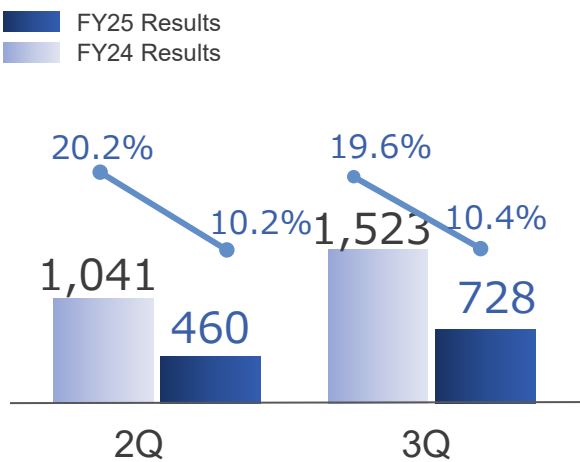
# Dental Segment – Results Analysis

(¥ million)

## Net sales



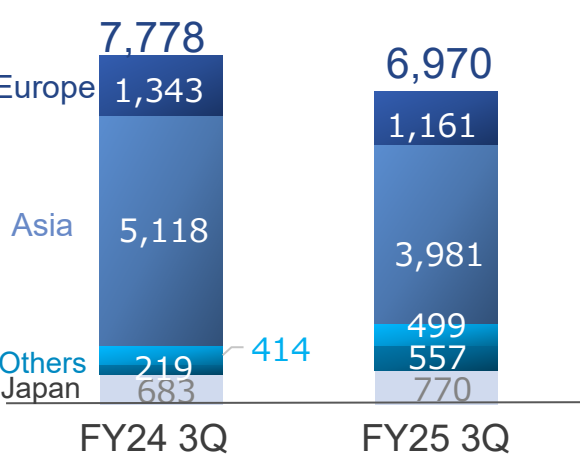
## Operating income / %



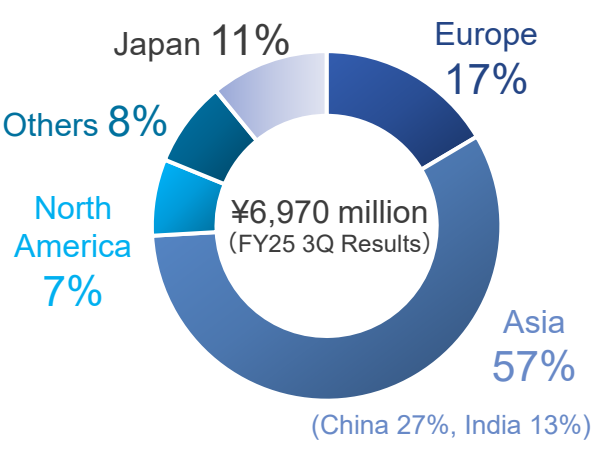
## Overview of Business Results

- Sales and operating profit dropped sharply due to the voluntary recall of dia-burs in China. However, sales increased by +15% YoY in regions outside China (excluding MMG).
- MMG undergoing structural reforms for profitability
  - FY25 3Q: Sales are ¥1.42 billion, Profit is -¥240 million
  - Decline in orders from major customers ⇒ Need to deepen engagement with Tier 2 customers
  - Cost Reform Initiatives
- JIZAI's cumulative shipments reached 280,000 units in FY25/3Q, marking a +66% YoY increase. Sales are progressing nearly as planned.

## Sales by region



## Sales ratio by region



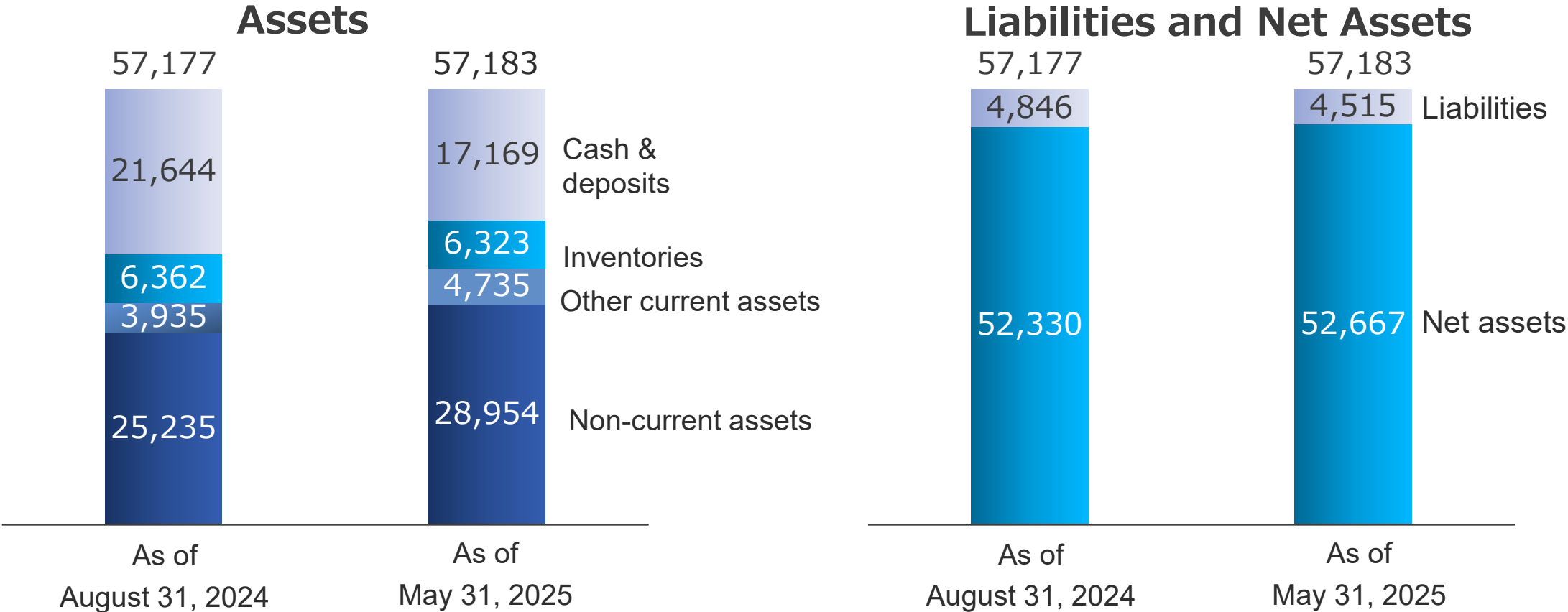
## Future Key Measures

- Recovery from the voluntary recall of dia-burs in China.
- Turnaround for MMG.
- Sales expansion of JIZAI and Development of JIZAI-2.
- Respond to large-scale U.S. inquiries

# Balance Sheet Status

(¥ million)

- Maintained strong equity capital**
  - Cash & deposits decreased due to investments related to the Hanaoka Factory, while non-current assets increased.
  - Inventory efficiency: Inventory turnover improved, with holding days reduced from 81 to 77
  - Liabilities (¥331 million): Current liabilities decreased due to lower accrued corporate taxes..



# Topics



# Topic #1 Business Progress in the North American Market

Sept. 2024  
Established Sales  
Subsidiary (MMA)  
in the U.S

- Entered a strategic partnership with Microsurgical Technology (MST)
- Hired a local manager and are currently strengthening our local sales structure

Sales trend in the North American region  
(¥ million)

Net sales	FY23 Results	FY24 Results	FY25 Forecasts
Surgical	365	566	600
Eyeless Needle	1,140	1,631	1,500
Dental	528	590	700
Total	2,033	2,787	2,800

## Future Key Measures

Through strategic priority investments, we aim to expand sales (increase our ophthalmic knife market share from 10% to 30%) and build a market-in business model that is closely aligned with the medical field’s needs.

- Surgical segment:
  - Enter the U.S. kit business, which is a common commercial practice.
  - Maximize collaboration opportunities through a strategic alliance with MST.
  - Launch new products (vitreous forceps and hooks) to expand into a broader business domain.
- Measures toward President Trump’s tariff policy :
  - Promoting changes in distribution channels:  
Shifting from MHC (factory in Vietnam) → MMA → customer.
  - Engaging in detailed and careful negotiations with B-to-B customers.
- Eyeless Needle segment
  - Creating new opportunities by deepening relationships with existing OEM clients.



“American Society of Cataract and Refractive Surgery (ASCRS)” held in April 2025

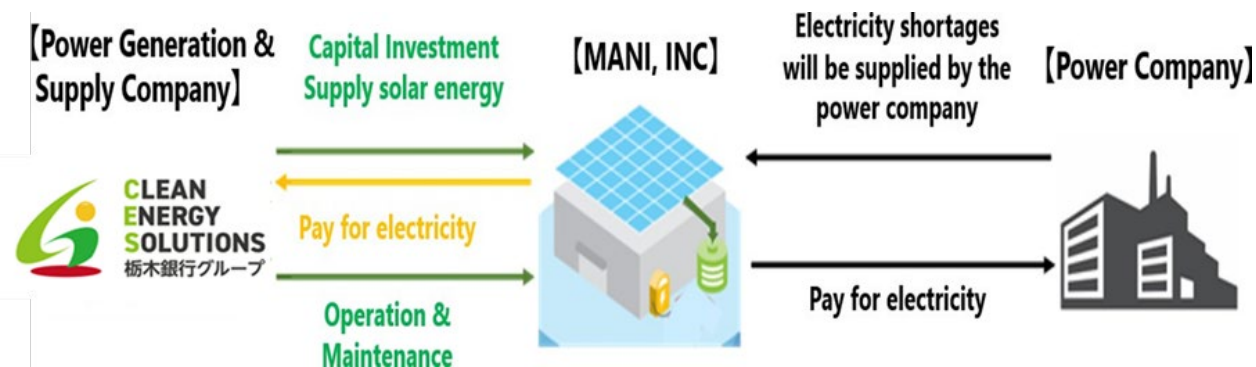
## Topic #2 PPA Services at the Hanaoka Factory

- From April 2025, the Hanaoka Factory has commenced the PPA (Power Purchase Agreement) services.
- MANI will continue to promote activities to reduce environmental impact through solar power generation in cooperation with regional financial institutions(\*) to achieve both sustainable growth and a sustainable society.



The Hanaoka Factory (as of March 2025)

### 【Business Scheme of PPA】



\*PPA: Abbreviation for Power Purchase Agreement. A system whereby a company that owns and manages solar power generation equipment (PPA provider) installs solar power generation.

## Notice

**The next Medium-Term Management Plan will be announced on October 8, 2025 (scheduled date to announce full-year earnings of FY25).**



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This presentation contains forward-looking statements that were prepared based on available information and rational judgements by MANI, Inc. Readers are asked not to rely completely on the performance forecasts and understand that results may differ from such forecasts due to a variety of risks and uncertainties.

《Inquiry》

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# Appendix

## Exchange Rate (Average Rate for the Period)

	FY24				FY25			
	1Q (3M)	2Q (6M)	3Q (9M)	4Q (12M)	1Q (3M)	2Q (6M)	3Q (9M)	4Q (12M)
USD/JPY	149.10	147.92	149.66	150.78	149.03	157.57	149.77	-
EUR/JPY	159.30	159.38	161.40	162.94	161.99	161.25	161.51	-
CNY/JPY	20.47	20.45	20.68	20.84	20.88	21.00	20.71	-
INR/JPY	1.79	1.78	1.80	1.81	1.77	1.78	1.76	-
MYR/JPY	31.95	31.35	31.78	32.28	34.36	34.47	34.11	-

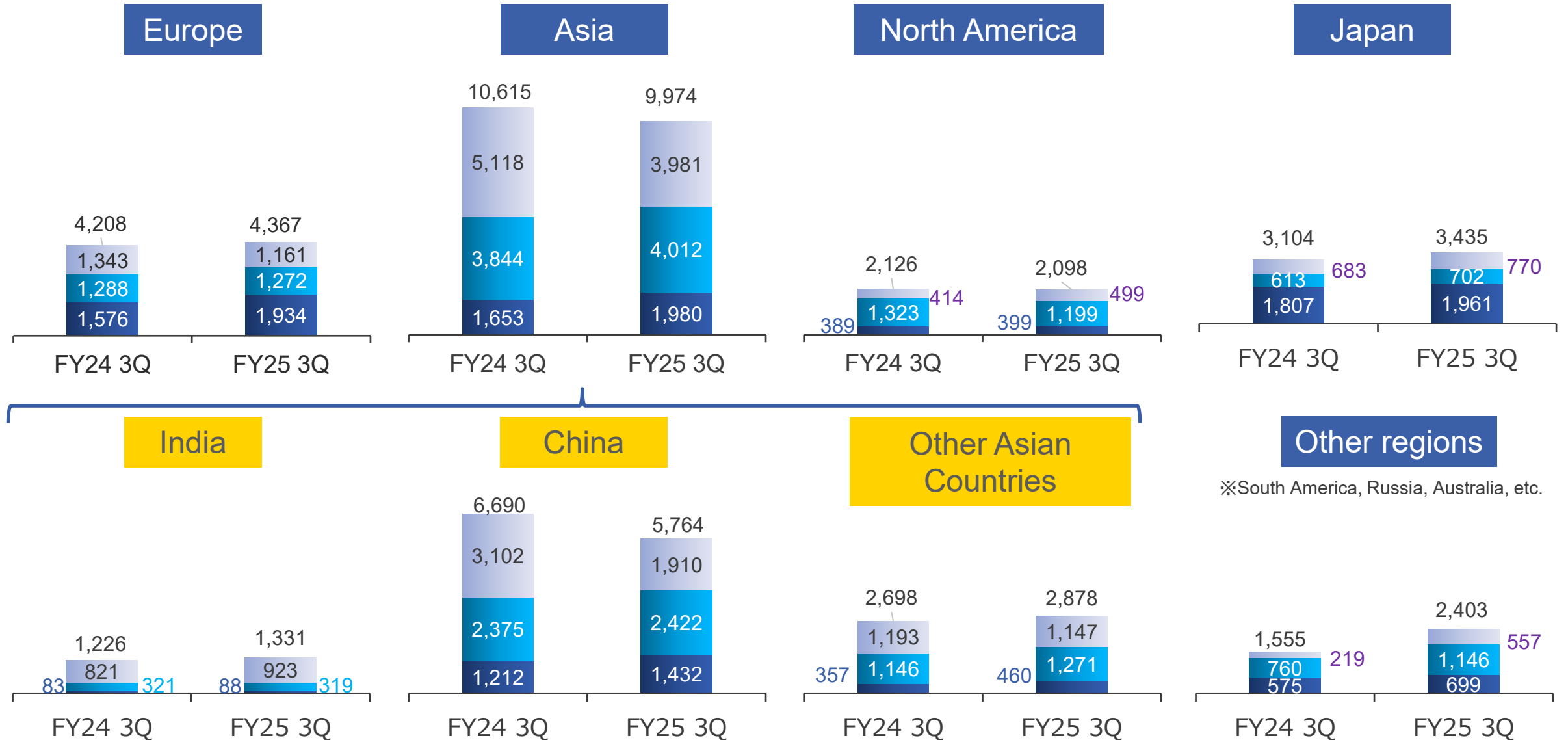
# Segment Results (Details)

(¥ million)

	Item	FY24 3Q Results	FY25 3Q Results	Changes in Amount
Surgical Products	Net sales	6,001	6,976	+974
	Operating income	1,992	2,362	+369
	Operating income margin	33.2%	33.9%	-
	(SG&A expenses)	2,082	2,536	+454
Eyeless Needle Products	Net sales	7,830	8,332	+502
	Operating income	2,982	3,045	+62
	Operating income margin	38.1%	36.5%	-
	(SG&A expenses)	2,015	2,344	+328
Dental Products	Net sales	7,778	6,970	(807)
	Operating income	1,523	728	(795)
	Operating income margin	19.6%	10.4%	-
	(SG&A expenses)	3,012	3,232	+220

# Sales Status by Regions (Details)

(¥ million)





# Product Segments

## Surgical

- Surgical instruments, such as ophthalmic knives and skin staplers
- Competitive advantages:
  - Superior sharpness and microfabrication technology that adapts to surgical miniaturization and precision
  - Contribution to shortening operation time, reducing the burden on the human body, and preventing postoperative complications



Ophthalmic Knives  
(used for cataract surgery)



Skin stapler

## Eyeless Needle

- Surgical suture needles, needles for surgical sutures (OEM production)
- Competitive advantages
  - The accumulation of our microfabrication technology and our original material development
  - High penetrability and resistance to breakage
  - Wide variety of needles to meet customer needs (Diverse lineup of 10,000 types of needles)



Eyeless Needle



Eyed Needle

## Dental

- Dental instruments, dental restoration materials
- Competitive advantages :
  - Dental endodontic instruments' excellent durability and centering ability towards root canal
  - Dental restorative materials that do not contain environmental hormones and are easy for dentists to use
  - Dia-burs and reamers/files have high market shares (Top market share in Asia)



Dental Endodontic Instruments  
(Reamers/Files)



Dental Rotary and Cutting Instruments  
(Dia-burs)

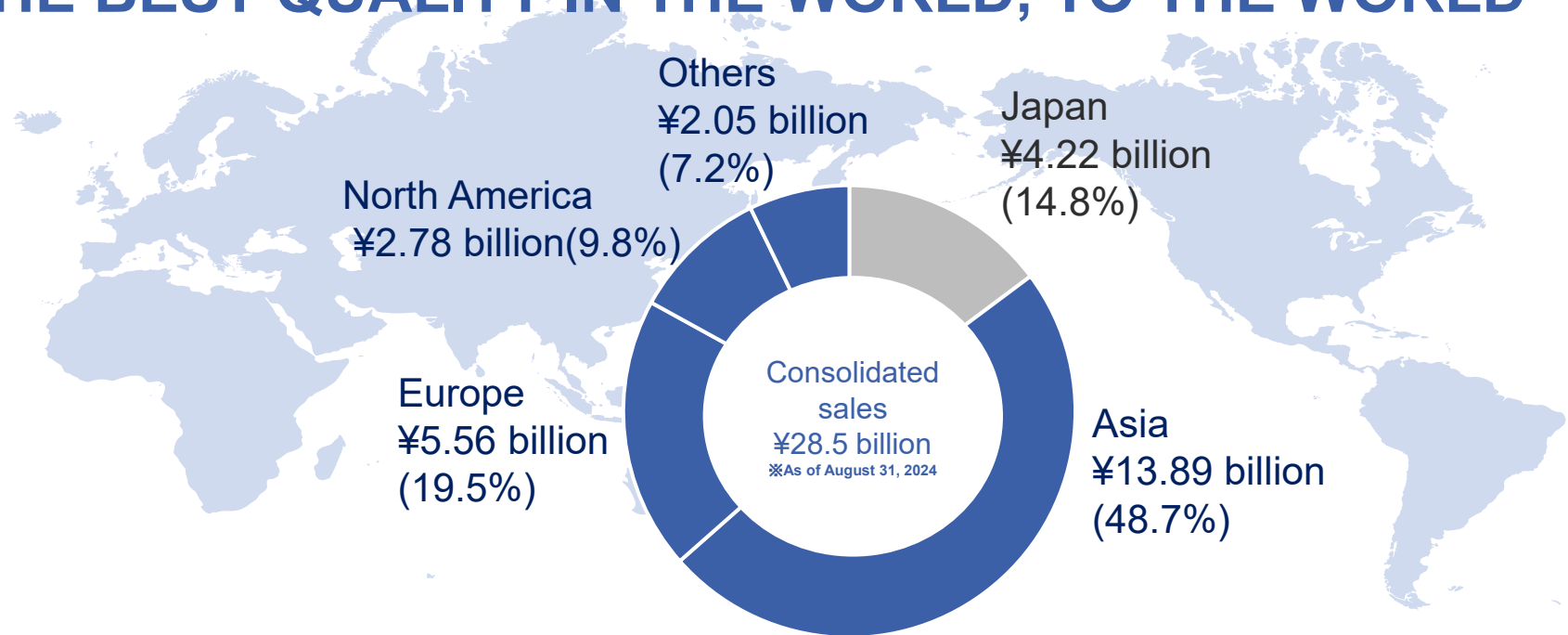


Dental Restoration Material

# Company Overview

Company Name	MANI, INC.	Representative	CEO Masaya Watanabe
Stock code	7730	Employees	403 (consolidated: 4,154) (as of August 31, 2024)
Established	1956	Capital	¥1,087 million (as of August 31, 2024)
Head Office	8-3 Kiyohara Industrial Park, Utsunomiya, Tochigi		

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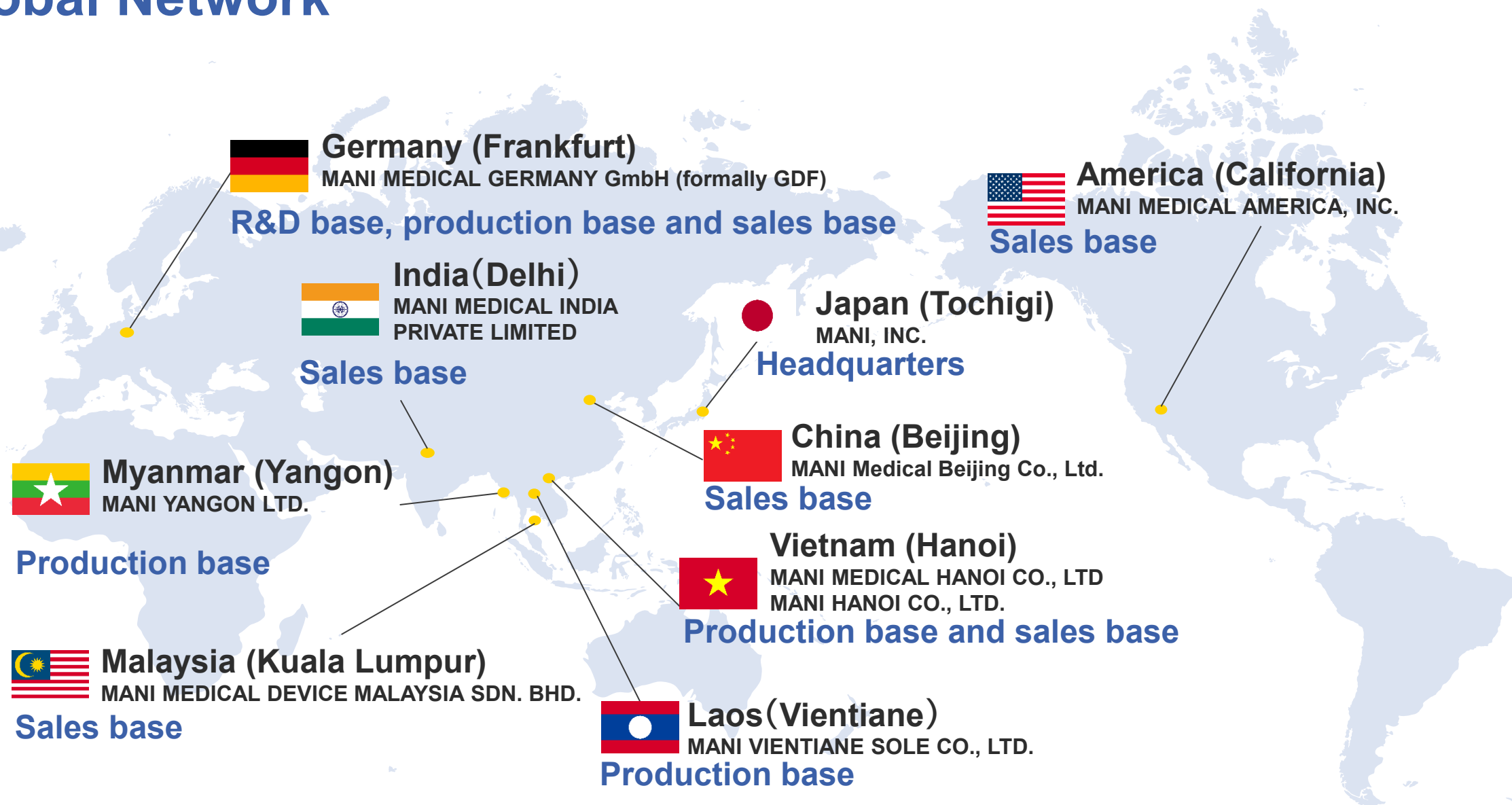


Sales region  
Over **120** countries/regions

Overseas sales ratio  
**85.2%**

Ophthalmic knives  
global share  
approx. **30%**

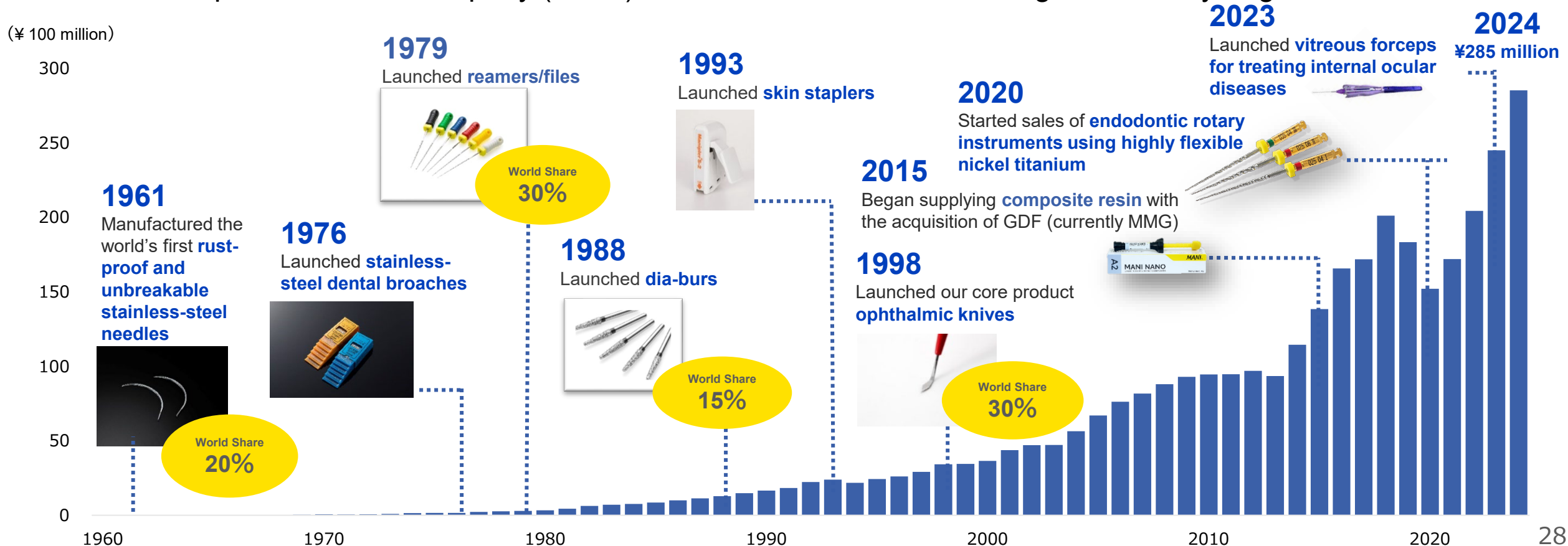
# Global Network



# History

Since our foundation, MANI has consistently worked on the development, production, and sales of consumer healthcare products and expanding business

- **1996:** Established production base in Vietnam
- **2010 onward:** Established overseas sales bases (Vietnam ⇒ China ⇒ India ⇒ Malaysia ⇒ USA)
- **2015:** Acquired German company (MMG) in the dental field, also seeking business synergies



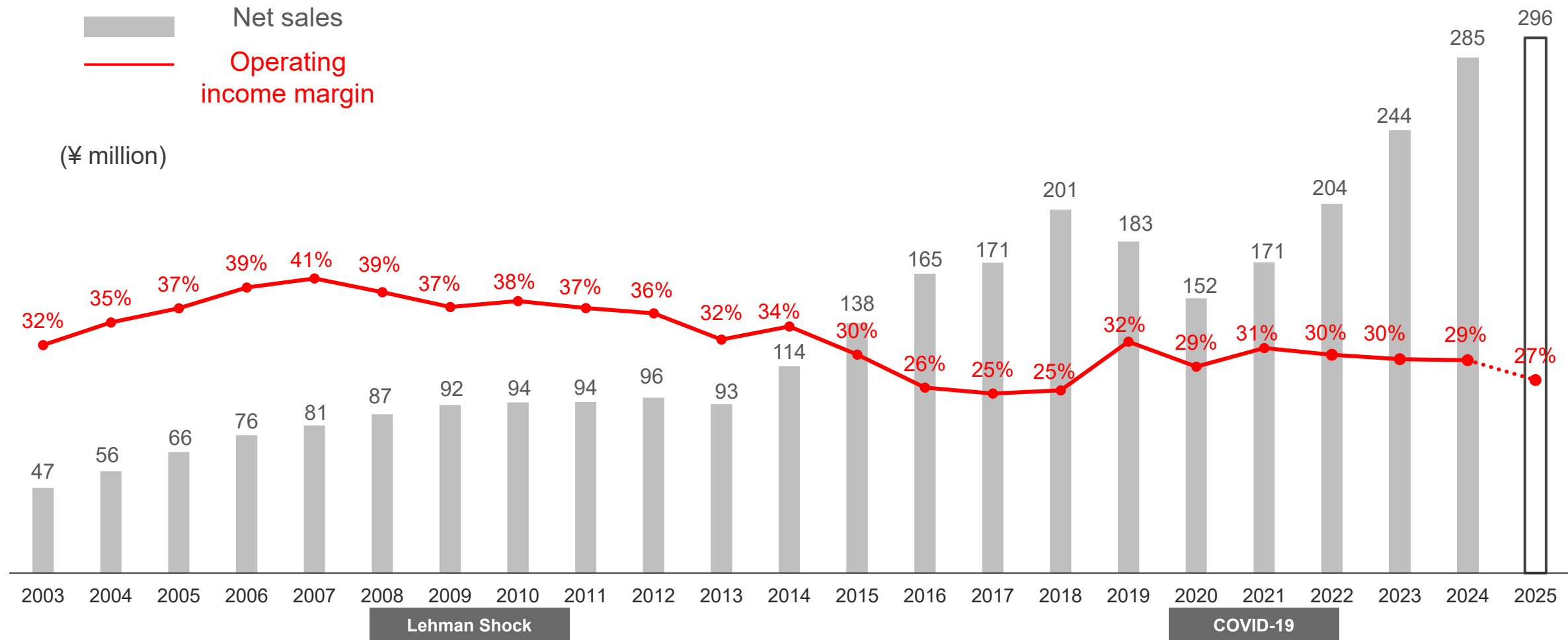
## Strategy Planning Criteria “Off-Limits” Management

- ① We only deal in medical devices
- ② We only aim for the best quality in the world
- ③ We only deal in products with a long product life
- ④ We only enter niche markets

(annual global market of around ¥500 billion or less)

# Achieving Long-Term Growth (1)

- Achieve both sales growth and high profit margins
- Business model that has resilience in the recession period (high income margin even in the event of the Lehman shock and COVID-19 shock)



# Achieving Long-Term Growth (2)



(Note) This graph was on data from "Speeda"



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