

# Summary of Consolidated Financial Results for the Fiscal Year Ended August 31, 2025 (Based on Japanese GAAP)

October 8, 2025

Company name: MANI, INC.

Stock exchange listing: Tokyo

Stock code: 7730 URL <https://www.mani.co.jp/en/>

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Scheduled date of annual general meeting of shareholders: November 19, 2025

Scheduled date to submit securities report: November 18, 2025

Scheduled date to commence dividend payments: November 5, 2025

Preparation of supplementary material on financial results: Yes Scheduled to be disclosed on October 8, 2025

Holding of financial results meeting: Yes (For analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the fiscal year ended August 31, 2025 (from September 1, 2024 to August 31, 2025)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes)

	Net Sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended August 31, 2025	29,968	5.1	8,193	(2.4)	8,271	(2.3)	5,167	(17.8)
Year ended August 31, 2024	28,513	16.4	8,392	15.8	8,464	5.9	6,286	5.6

Note: Comprehensive income:

For the fiscal year ended August 31, 2025 ¥5,589 million (8.5%)  
For the fiscal year ended August 31, 2024 ¥6,101 million (17.6%)

	Earnings per share	Diluted earnings per share	Return on equity	Return on assets	Operating margin
	Yen	Yen	%	%	%
Year ended August 31, 2025	52.46	—	9.7	14.3	27.3
Year ended August 31, 2024	63.82	—	12.3	15.1	29.4

Reference: Share of profit (loss) of entities accounted for using equity method

As of August 31, 2025 ¥ - million  
As of August 31, 2024 ¥ - million

(2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of August 31, 2025	58,537	54,111	92.4	549.34
As of August 31, 2024	57,177	52,330	91.5	531.18

Reference: Equity

As of August 31, 2025 ¥54,111 million  
As of August 31, 2024 ¥52,330 million

(3) Consolidated cash flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended August 31, 2025	7,017	(7,154)	(3,895)	17,401
Year ended August 31, 2024	7,810	(6,642)	(3,703)	21,017

2. Cash dividends

	Annual dividends per share					Total dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
Year ended August 31, 2024	Yen –	Yen 16.00	Yen –	Yen 23.00	Yen 39.00	Millions of yen 3,841	% 61.1	% 7.5
Year ended August 31, 2025	–	16.00	–	23.00	39.00	3,841	74.3	7.2
Year ending August 31, 2026	–	17.00	–	24.00	41.00		62.6	

3. Forecast of consolidated financial results for the fiscal year ending August 31, 2026 (from September 1, 2025 to August 31, 2026)

(Percentages indicate year-on-year changes)

	Net Sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Second quarter	15,580	7.0	4,300	3.1	4,150	(3.0)	3,000	2.0	30.46
Full year	32,800	9.4	9,200	12.3	8,950	8.2	6,450	24.8	65.48

※ Notes

(1) Significant changes in the scope of consolidation during the annual period: None

Newly included: –

Excluded: –

(2) Application of unique accounting methods in the preparation of annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

①Changes in accounting policies due to revisions to accounting standards and other regulations: None

②Changes in accounting policies due to other reasons: None

③Changes in accounting estimates: None

④Restatement: None

(3) Number of issued shares (common shares)

①Total number of issued shares at the end of the period (including treasury shares)

As of August 31, 2025	107,003,277 shares	As of August 31, 2024	107,003,277 shares
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②Number of treasury shares at the end of the period

As of August 31, 2025	8,500,674 shares	As of August 31, 2024	8,484,606 shares
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③Average number of shares during the period (cumulative from the beginning of the fiscal year)

As of August 31, 2025	98,500,211 shares	As of August 31, 2024	98,502,410 shares
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\* The financial statement is not subject to audit by certified public accountants or auditing firms.

\* Proper use of earnings forecasts and other special matters:

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ substantially due to various factors.

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## 1. Overview of Operating Results

### (1) Explanation of Operating Results for the Fiscal Year Ended August 31, 2025

MANI Group aims to contribute to the well-being of people around the world by providing our products worldwide, based on our commitment: “The Best Quality in the World, to the World.” To achieve further growth, we have started our medium-term management plan from the fiscal year ended August 31, 2022, and are engaged in realizing our corporate philosophy and evolving to “a truly global company” by evolving and transforming our platforms in sales, production, and development functions. The following is a summary of major initiatives during the consolidated fiscal year ended August 31, 2025.

#### Voluntary product recall of “MANI DIA-BURS” in China

Regarding the “MANI DIA-BURS (Generic name is Dental Diamond Burs)” that the Company manufactures and sells, it was found that part of the product registration information submitted to the Chinese regulatory authorities was incomplete. Therefore, we have decided to conduct a voluntary recall of the affected products. The recall began in March 2025 and was mostly completed by August 2025. The impact on business performance is shown in the table below. Please note that the Company has determined that there are no problems with the quality, efficacy, or safety of the product and that there is no risk of harm to patients' health. The regulatory approval process in China is progressing ahead of schedule, and we expect to regain approval and resume sales of the all dia-burs in the second quarter of the fiscal year ending August 2026 (December to February).

(Millions of yen)		
Impact amount (YoY)	Fiscal year 2025 (Forecast)	Fiscal year 2025 (Results)
Quantity recalled (units)	3.75 million	4.2 million
Sales reduction (YoY)	(1,520)	(1,481)
Decrease in new orders	(1,190)	(1,100)
Returned amount	(330)	(381)
Impact on operating income	(1,200)	(1,192)

#### Sales progress of the “JIZAI” series

Since 2020, we have been launching “JIZAI,” a NiTi rotary file for dental root canal treatment, as a key product in our medium-term management plan. In September 2024, we added “JIZAI 020 04,” an intermediate-sized file, to the JIZAI series lineup, enabling a level of usability in treatment sequences that is unmatched by competitors. Furthermore, in June 2025, we began selling sterilized JIZAI series products in Europe and North America.

Sales for the JIZAI series increased by 56% year-on-year, with expansion primarily in Japan, India, Vietnam, and Western markets. Looking ahead, we plan to launch in China by September 2026 and will continue to strengthen the product lineup.

#### Strategic partnership with MicroSurgical Technology (MST)

In April 2025, we entered into a strategic partnership agreement with MicroSurgical Technology (hereinafter “MST”), a U.S.-based medical device manufacturer, for the sales of ophthalmic knives and custom packs in the United States. For further details, please refer to the following notice disclosed on April 18, 2025.

URL Link: <https://ssl4.eir-parts.net/doc/7730/announcement2/108891/00.pdf>

#### Malaysian Sales Subsidiary as the Regional Headquarters for Asia

From September 1, 2025, the existing Malaysia sales subsidiary began operations as the Asia regional headquarters, “MANI ASIA SDN. BHD,” (hereinafter “MANI ASIA”). For further details, please refer to the following notice disclosed on August 5, 2025.

URL Link: <https://ssl4.eir-parts.net/doc/7730/announcement2/113075/00.pdf>

### Operating results for the fiscal year ended August 31, 2025

Net sales were ¥29,968 million, which increased 5.1% year on year. This increase was driven by two positive factors. Firstly, there were strong sales of Surgical products, such as ophthalmic knives, in Europe, Asia, particularly in China, Japan, and North America. Secondly, there was an increase in sales of Eyeless Needle products in other regions, such as Asia, particularly in China and Thailand, and Central and South America (mainly sales by North American customers with production bases in Central and South America). On the other hand, the sales of Dental products were weak, mainly due to the impact of the voluntary recall of dia-burs in China (as stated above) and poor sales performance of the German subsidiary MANI MEDICAL GERMANY GmbH (MMG) in Europe. While gross profit was ¥19,317 million (up 7.9% year on year), selling, general and administrative expenses were ¥11,124 million (up 17.0% year on year) due to the posting of performance-linked bonuses associated with the results from the previous fiscal year, strengthening of sales, development, and corporate functions, and an increase in domestic personnel. As a result, operating income was ¥8,193 million (down 2.4% year on year). Although foreign exchange gains were recorded, ordinary income was ¥8,271 million (down 2.3% year on year) due to increased depreciation costs related to the Hanaoka Factory (Smart Factory), including unoperated land-related costs. Profit attributable to owners of parent was ¥5,167 million (down 17.8% year on year) due to the recording of an impairment loss of ¥1,190 million on MMG's non-current assets as an extraordinary loss.

The following is an overview of financial results by segment. Segment sales figures are those from external customers.

	Net sales		Segment income (Operating income)	
	Millions of yen	Year on year	Millions of yen	Year on year
Surgical products	9,274	13.8%	3,080	16.6%
Eyeless Needle products	11,183	9.4%	4,002	3.4%
Dental products	9,509	(6.2%)	1,110	(40.9%)
Consolidated total	29,968	5.1%	8,193	(2.4%)

#### (Surgical products)

The segment sales were ¥9,274 million (up 13.8% year on year), and the segment income was ¥3,080 million (up 16.6% year on year). Segment sales and income have increased from the previous fiscal year due to a growth in sales for ophthalmic knives used in cataract surgery, mainly in Europe, Asia, particularly in China, Japan, and North America.

#### (Eyeless Needle products)

The segment sales were ¥11,183 million (up 9.4% year on year), and the segment income was ¥4,002 million (up 3.4% year on year). Segment sales and income have increased from the previous fiscal year due to continued growth in purchase orders in Asia, particularly in China and Thailand, and other regions, such as Central and South America (including sales by North American customers with production bases in Central and South America).

#### (Dental products)

The segment sales were ¥9,509 million (down 6.2% year on year), and the segment income was ¥1,110 million (down 40.9% year on year). Sales declined significantly due to the voluntary recall of dia-burs in China. However, sales growth in other dental products such as reamers/files, along with dia-bur sales outside China, has increased 20.4% year on year in regions including Russia and Japan. Sales of MMG products, which are mainly dental restoration materials, remained weak, especially in Europe.

Segment income has decreased substantially due to lower sales and higher selling, general and administrative expenses, including personnel expenses and sales promotion expenses at sales subsidiaries.

#### ※Reference: Exchange rates

	Previous consolidated accounting period (Year ended August 31, 2024)				Current consolidated accounting period (Year ending August 31, 2025)			
	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	151.57	149.77	148.91
EUR/JPY	159.30	159.38	161.40	162.94	161.99	161.25	161.51	163.62
CNY/JPY	20.47	20.45	20.68	20.84	20.88	21.00	20.71	20.63
INR/JPY	1.79	1.78	1.80	1.81	1.77	1.78	1.76	1.74

**(2) Explanation of Financial Position and Cash Flows for the Fiscal Year Ended August 31, 2025****i). Financial position**

	As of August 31, 2024	As of August 31, 2025	(Millions of yen)
Total assets	57,177	58,537	1,359
Current assets	31,942	29,978	(1,963)
Non-current assets	25,235	28,559	3,323
Liabilities	4,846	4,425	(420)
Net assets	52,330	54,111	1,780

Total assets as of the fiscal year ended August 31, 2025 stood at ¥58,537 million, an increase of ¥1,359 million from the end of the previous consolidated accounting period. This was primarily due to an increase of ¥3,323 million in non-current assets (mainly an increase of ¥4,995 million from the construction of the Smart Factory, offset by a decrease of ¥1,246 million from impairment of buildings and land at MMG) and a decrease of ¥1,963 million in current assets (mainly a decrease in cash and deposits of ¥3,219 million due to capital expenditures related to the Smart Factory, while other current assets, including consumption tax receivable, increased by ¥926 million).

Total liabilities as of the fiscal year ended August 31, 2025 stood at ¥4,425 million, a decrease of ¥420 million from the end of the previous consolidated accounting period. This was primarily due to a decrease in accounts payable.

Total net assets as of the fiscal year ended August 31, 2025 stood at ¥54,111 million, an increase of ¥1,780 million from the end of the previous consolidated accounting period. This was primarily due to a decrease in retained earnings from dividend payments of ¥3,841 million, an increase from net income attributable to owners of the parent of ¥5,167 million, and an increase of ¥449 million in foreign currency translation adjustments due to the depreciation of the yen.

**ii). Cash flows**

	Year ended August 31, 2024	Year ended August 31, 2025	(Millions of yen)
Cash flows from operating activities	7,810	7,017	(793)
Cash flows from investing activities	(6,642)	(7,154)	(512)
Cash flows from financing activities	(3,703)	(3,895)	(192)
Effect of exchange rate change on cash and cash equivalents	(245)	417	662
Cash and cash equivalents at beginning of period	23,798	21,017	(2,780)
Cash and cash equivalents at end of period	21,017	17,401	(3,615)

During the fiscal year ended August 31, 2025, the cash flows and factors contributing to those amounts are as follows.

**(Cash flows from operating activities)**

Cash inflows from operating activities were ¥7,017 million (down 10.2% year on year). This was primarily due to a decrease in operating cash inflow from decreased profit before income taxes, as well as an increase in operating cash outflow resulting from payments such as provisional consumption tax for the Hanaoka Factory building and settlement of accounts payable.

**(Cash flows from investing activities)**

Cash outflows from investing activities were ¥7,154 million (up 7.7% year on year). This was primarily due to a cash outflow from increased purchases of property, plant and equipment related to the Hanaoka Factory.

**(Cash flows from financing activities)**

Cash outflows from financing activities were ¥3,895 million (up 5.2% year on year). This was primarily due to a cash outflow from increased dividend payments.

**(3) Future Outlook**Assumed exchange rates

The assumed exchange rate is set at a strong yen level in consideration of the exchange rate fluctuation risks expected in 2024.

(1 USD = 143.00 JPY, 1 EUR = 161.00 JPY, 1 CNY = 20.00 JPY, 1 INR = 1.70 JPY)

Our Group's overseas sales ratio is approximately 84% (as of the fiscal year ended August 31, 2025), and the appreciation of the yen poses a revenue reduction risk. On the other hand, most of our manufacturing processes have been transferred to Vietnam and other Southeast Asian countries. When factoring in our overseas sales subsidiaries, a stronger yen leads to lower foreign currency-denominated costs, including cost of sales, selling, general administrative expenses. As a result, fluctuations in exchange rates have a mitigated impact on gross profit and operating income, allowing us to maintain a stable business model that consistently generates operating income.

Net sales: ¥32.8 billion (up 9.4% year on year)

**Surgical products:** Sales of ophthalmic knives, which are used in cataract surgery, will increase mainly in North America, Europe, and Asia, especially in China. Particularly, in North America, we expect steady sales growth through joint sales activities for ophthalmic knives between our U.S. sales subsidiary, MANI MEDICAL AMERICA, INC., and U.S. medical device manufacturer MST.

**Eyeless Needle products:** Sales of eyeless needles will gradually increase, mainly in Asia, Central and South America, and North America.

**Dental products:** The impact of the previously mentioned voluntary recall of dia-burs in China has subsided in the fiscal year ended August 31, 2025, and we expect a full recovery in sales from the fiscal year ending August 31, 2026. In addition, we expect sales of reamers/files and dia-burs to increase due to sales expansion activities in emerging markets in Asia, mainly India and Malaysia, as well as sales of MMG products, which are mainly dental restoration materials.

The negative impact of U.S. tariff policy is expected to be about ¥200 million.

Cost of sales: ¥11.4 billion (up 7.0% year on year)

While material and labor costs at overseas production subsidiaries and manufacturing costs for the full-scale operation of the Hanaoka Factory, the cost of sales ratio will improve due to the subsiding impact of the voluntary recall of dia-burs in China in the fiscal year ending August 2025 and ongoing productivity improvement efforts.

Selling, general and administrative expenses: ¥12.2 billion (up 9.7% year on year)

Selling, general and administrative expenses will increase significantly due to an increase in expenses for strengthening sales activities at local subsidiaries in North America and India, and an increase in expenses related to reinforcing the structure of our corporate and quality assurance (regulatory affairs) departments and business development.

Operating income: ¥9.2 billion (up 12.3% year on year)

In addition to the recovery in sales from the resale of dia-burs in China, the expansion of business in each product segment is expected to absorb the increase in selling, general and administrative expenses, resulting in higher operating profit.

## Forecast of Consolidated Business Results

	Net sales (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Profit attributable to owners of parent (Millions of yen)	Net income per share (yen)
Year ended August 2026 (Forecast)	32,800	9,200	8,950	6,450	65.48
Year ended August 2025 (Actual)	29,968	8,193	8,271	5,167	52.46
Year on year	9.4%	12.3%	8.2%	24.8%	24.8%

Disclosure of New Medium-Term Management Plan

For details on the progress of the current medium-term management plan and the next medium-term management plan starting from the fiscal year ending August 2026, please refer to the announcement " Medium-Term Management Plan 2029 ~Toward New Growth~" released on October 8, 2025.

**(4) Basic Policy on Profit Distribution and Dividends for the Current and Next Fiscal Years**

For the current fiscal year, there will be no change from the initial forecast, and the dividend will be set at 39 yen per share (¥16 interim dividend, ¥23 year-end dividend).

For the next fiscal year, we plan to increase the dividend by ¥2, resulting in ¥41 per share (¥17 interim dividend, ¥24 year-end dividend). By executing the financial management outlined in the medium-term management plan announced on October 8, 2025, we aim to achieve stable dividend increases and enhance shareholder returns.

## **2. Basic Policy Regarding Selection of Accounting Standards**

Our Group policy is to prepare its consolidated financial statements in accordance with Japanese GAAP for the time being, considering the comparability of the consolidated financial statements between periods and between companies.

Our Group's policy on applying International Financial Reporting Standards (IFRS) is to respond appropriately based on considerations of various conditions in Japan and overseas.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheet

(Millions of yen)

	As of August 31, 2024	As of August 31, 2025
<b>Assets</b>		
<b>Current assets</b>		
<b>Cash and deposits</b>	21,644	18,424
Notes receivable - trade	210	122
<b>Accounts receivable - trade</b>	2,710	2,851
Securities	18	310
Merchandise and finished goods	896	744
Work in process	3,244	3,147
Raw materials and supplies	2,221	2,446
Other	1,009	1,935
Allowance for doubtful accounts	(14)	(3)
<b>Total current assets</b>	<u>31,942</u>	<u>29,978</u>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
<b>Buildings and structures</b>	12,442	20,896
Accumulated impairment	—	(1,216)
<b>Accumulated depreciation</b>	(5,662)	(6,298)
Buildings and structures, net	6,779	13,382
<b>Machinery, equipment and vehicles</b>	16,901	17,996
Accumulated depreciation	(12,445)	(13,859)
Machinery, equipment and vehicles, net	4,456	4,136
<b>Tools, furniture and fixtures</b>	2,582	2,542
Accumulated depreciation	(1,950)	(1,856)
Tools, furniture and fixtures, net	631	685
<b>Land</b>	4,427	4,432
<b>Construction in progress</b>	6,290	3,044
<b>Other</b>	148	206
Accumulated depreciation	(64)	(130)
Other, net	83	76
<b>Total property, plant and equipment</b>	<u>22,669</u>	<u>25,758</u>
<b>Intangible assets</b>		
<b>Software</b>	642	557
<b>Other</b>	696	785
<b>Total intangible assets</b>	<u>1,338</u>	<u>1,342</u>
<b>Investments and other assets</b>		
<b>Investment securities</b>	303	63
<b>Deferred tax assets</b>	593	1,004
<b>Insurance funds</b>	214	248
<b>Other</b>	116	141
Allowance for doubtful accounts	(0)	—
<b>Total investments and other assets</b>	<u>1,228</u>	<u>1,457</u>
<b>Total non-current assets</b>	<u>25,235</u>	<u>28,559</u>
<b>Total assets</b>	<u>57,177</u>	<u>58,537</u>

(Millions of yen)

	As of August 31, 2024	As of August 31, 2025
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	181	250
Accounts payable - other	1,153	582
Lease liabilities	39	49
Income taxes payable	996	1,089
Provision for bonuses	401	423
Other	1,139	1,097
<b>Total current liabilities</b>	<u>3,912</u>	<u>3,494</u>
<b>Non-current liabilities</b>		
Lease liabilities	44	27
Retirement benefit liability	583	612
Asset retirement obligations	233	248
Other	73	43
<b>Total non-current liabilities</b>	<u>934</u>	<u>931</u>
<b>Total liabilities</b>	<u>4,846</u>	<u>4,425</u>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,087	1,087
Capital surplus	1,134	1,160
Retained earnings	48,124	49,450
Treasury shares	(3,125)	(3,118)
<b>Total shareholders' equity</b>	<u>47,220</u>	<u>48,578</u>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	11	2
Foreign currency translation adjustment	5,057	5,507
Remeasurements of defined benefit plans	42	23
<b>Total accumulated other comprehensive income</b>	<u>5,110</u>	<u>5,532</u>
<b>Total net assets</b>	<u>52,330</u>	<u>54,111</u>
<b>Total liabilities and net assets</b>	<u>57,177</u>	<u>58,537</u>

## (2) Consolidated Income Statements and Consolidated Comprehensive Income Statements

## (Consolidated Income Statements)

(Millions of yen)

	Fiscal year ended August 31, 2024	Fiscal year ended August 31, 2025
Net sales	28,513	29,968
Cost of sales	10,616	10,650
Gross profit	17,897	19,317
Selling, general and administrative expenses	9,505	11,124
Operating profit	8,392	8,193
Non-operating income		
Interest income	206	240
Gain on investments in investment partnerships	7	—
Foreign exchange gains	—	71
Gain on sale of scraps	54	62
Other	40	27
Total non-operating income	309	402
Non-operating expenses		
Interest expenses	6	3
Loss on extinguishment share-based compensation expenses	40	4
Foreign exchange losses	164	—
Unoperated land-related costs	23	310
Other	3	6
Total non-operating expenses	237	324
Ordinary profit	8,464	8,271
Extraordinary income		
Surrender value of insurance policies	26	15
Gain on sale of non-current assets	5	13
Total extraordinary income	31	28
Extraordinary losses		
Loss on sale of non-current assets	—	1
Loss on retirement of non-current assets	15	17
Impairment losses	56	1,190
Other	—	3
Total extraordinary losses	71	1,212
Profit before income taxes	8,424	7,087
Income taxes - current	2,107	2,291
Income taxes - deferred	30	(371)
Total income taxes	2,137	1,919
Profit	6,286	5,167
Profit attributable to owners of parent	6,286	5,167

## (Consolidated Comprehensive Income Statements)

(Millions of yen)

	Fiscal year ended August 31, 2024	Fiscal year ended August 31, 2025
Net income	6,286	5,167
Other comprehensive income		
Valuation difference on available-for-sale securities	(6)	(8)
Foreign currency translation adjustment	(194)	449
Remeasurements of defined benefit plans	20	(18)
Total other comprehensive income	(179)	422
Comprehensive income (item)	6,106	5,589
Comprehensive income attributable to owners of parent	6,106	5,589

## (3) Consolidated Statements of Changes in Net Assets

Fiscal year ended August 31, 2024 (from September 1, 2023 to August 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,066	1,113	45,482	(3,125)	44,536
Changes during period					
Issuance of new shares	20	20			41
Dividends of surplus			(3,644)		(3,644)
Profit attributable to owners of parent			6,286		6,286
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares					
Net changes in items other than shareholders' equity					
Total changes during period	20	20	2,642	(0)	2,683
Balance at end of period	1,087	1,134	48,124	(3,125)	47,220

	Other accumulated comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	17	5,251	21	5,290	49,827
Changes during period					
Issuance of new shares					41
Dividends of surplus					(3,644)
Profit attributable to owners of parent					6,286
Purchase of treasury shares					(0)
Disposal of treasury shares					—
Net changes in items other than shareholders' equity	(6)	(194)	20	(179)	(179)
Total changes during period	(6)	(194)	20	(179)	2,503
Balance at end of period	11	5,057	42	5,110	52,330

Fiscal year ended August 31, 2025 (from September 1, 2024 to August 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,087	1,134	48,124	(3,125)	47,220
Changes during period					
Issuance of new shares					
Dividends of surplus			(3,841)		(3,841)
Profit attributable to owners of parent			5,167		5,167
Purchase of treasury shares					
Disposal of treasury shares		25		6	32
Net changes in items other than shareholders' equity					
Total changes during period	—	25	1,325	6	1,358
Balance at end of period	1,087	1,160	49,450	(3,118)	48,578

	Other accumulated comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	11	5,057	42	5,110	52,330
Changes during period					
Issuance of new shares					
Dividends of surplus					(3,841)
Profit attributable to owners of parent					5,167
Purchase of treasury shares					—
Disposal of treasury shares					32
Net changes in items other than shareholders' equity	(8)	449	(18)	422	422
Total changes during period	(8)	449	(18)	422	1,780
Balance at end of period	2	5,507	23	5,532	54,111

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended August 31, 2024	Fiscal year ended August 31, 2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	8,424	7,087
Depreciation	2,270	2,471
Impairment losses	56	1,190
Increase (decrease) in allowance for doubtful accounts	1	(11)
Increase (decrease) in provision for bonuses	(401)	20
Increase (decrease) in retirement benefit liability	10	6
Interest income	(206)	(240)
Loss (gain) on investments in investment partnerships	(7)	1
Interest expenses	6	3
Foreign exchange losses (gains)	46	(336)
Loss (gain) on sale of non-current assets	(5)	(11)
Loss on retirement of non-current assets	15	17
Surrender value of insurance policies	(26)	(15)
Decrease (increase) in trade receivables	(578)	(35)
Decrease (increase) in inventories	39	99
Decrease (increase) in other current assets	(237)	(968)
Increase (decrease) in trade payables	21	68
Increase (decrease) in accounts payable - other	(39)	(370)
Increase (decrease) in other current liabilities	160	(59)
Other, net	344	73
Subtotal	9,895	8,989
Interest received	220	236
Interest paid	(6)	(3)
Income taxes paid	(2,298)	(2,205)
Net cash provided by (used in) operating activities	7,810	7,017
<b>Cash flows from investing activities</b>		
Payments into time deposits	(594)	(436)
Proceeds from withdrawal of time deposits	1,600	14
Purchase of property, plant and equipment	(7,423)	(6,418)
Proceeds from sale of property, plant and equipment	14	20
Purchase of intangible assets	(258)	(252)
Purchase of investment securities	—	(75)
Proceeds from distribution of investments in business partnership	10	13
Purchase of insurance funds	(46)	(49)
Proceeds from cancellation of insurance funds	52	31
Other, net	2	0
Net cash provided by (used in) investing activities	(6,642)	(7,154)

	(Millions of yen)	
	Fiscal year ended August 31, 2024	Fiscal year ended August 31, 2025
<b>Cash flows from financing activities</b>		
Repayments of lease liabilities	(56)	(54)
Purchase of treasury shares	(0)	—
Dividends paid	(3,646)	(3,840)
Net cash provided by (used in) financing activities	<b>(3,703)</b>	<b>(3,895)</b>
Effect of exchange rate change on cash and cash equivalents	(245)	417
Net increase (decrease) in cash and cash equivalents	(2,780)	(3,615)
Cash and cash equivalents at beginning of period	23,798	21,017
<b>Cash and cash equivalents at end of period</b>	<b>21,017</b>	<b>17,401</b>

## (5) Notes to Consolidated Financial Statements

### (Notes on Premise of Going Concern)

Not applicable.

### (Segment Information, etc.)

#### [Segment Information]

##### 1. Overview of reportable segments

The reportable segments of the Group are constituent units of our Group for which separate financial information is obtainable.

These segments are periodically examined by decision-making bodies, such as the Board of Directors, for deciding the allocation of management resources and evaluating business performances.

Our Group formulates comprehensive strategies and conducts business activities in domestic and overseas markets relating to the products it handles.

Therefore, our Group consists of product segments based on manufacturing and sales systems. The three reportable segments are Surgical products, Eyeless Needle products, and Dental products.

The major products belonging to each reportable segment are as follows.

Reportable segments	Major products, etc.
Surgical products	Surgical instruments
Eyeless Needle products	Needles for surgical sutures, surgical sutures, surgical needles
Dental products	Root canal treatment instruments, dental endodontic rotary cutting instruments, dental materials

##### 2. Calculation methods for the amounts of sales, income or loss, assets, liabilities, and other items by reportable segment

The reported accounting method for reportable segments is generally the same as the accounting method of consolidated financial statements.

Profits of reportable segments are figures based on operating income. Intersegment sales or transfers are calculated based on production costs.

As assets are not allocated to business segments, descriptions of assets are omitted.

## 3. Information on net sales, income or loss, assets, liabilities and other items by reportable segment

Fiscal year ended August 31, 2024 (September 1, 2023, to August 31, 2024)

	Reportable segments				Adjustments	Amount on the consolidated financial statements (Note)
	Surgical products	Eyeless Needle products	Dental products	Total		
Net sales						
Revenues from external customers	8,152	10,222	10,139	28,513	—	28,513
Transactions with other segments	—	0	—	0	(0)	—
Total	8,152	10,222	10,139	28,514	(0)	28,513
Segment profit	2,640	3,872	1,878	8,392	—	8,392
Other items						
Depreciation	484	776	1,009	2,270	—	2,270

Note: 1. Segment income is adjusted for operating income on the consolidated financial statements.

2. Segment assets are not stated because segment assets are not allocated to business segments.

Fiscal year ended August 31, 2025 (from September 1, 2024 to August 31, 2025)

	Reportable segments				Adjustments	Amount on the consolidated financial statements (Note)
	Surgical products	Eyeless Needle products	Dental products	Total		
Net sales						
Sales to external customers	9,274	11,183	9,509	29,968	—	29,968
Intersegment sales or transfer	—	1	—	1	(1)	—
Total	9,274	11,184	9,509	29,969	(1)	29,968
Segment profit	3,080	4,002	1,110	8,193	—	8,193
Other items						
Depreciation	545	762	940	2,249	222	2,471

Note: 1. Segment income is adjusted for operating income on the consolidated financial statements.

2. Segment assets are not stated because segment assets are not allocated to business segments.

3. Depreciation adjustment of ¥222 million primarily consists of depreciation expenses not attributable to any reportable segment.

## 【Related Information】

Fiscal year ended August 31, 2024 (September 1, 2023, to August 31, 2024)

## 1. Information by products and services

This information is omitted because the same information is disclosed in the segment information.

## 2. Information by regions

## (1) Net sales

(Millions of yen)							
Japan	North America	Europe		Asia		Others	Total
		Of which, Germany	Of which, China	Of which, China	Of which, China		
4,206	2,787	5,559	1,589	13,894	8,643	2,066	28,513

Note: Sales are classified by country or region based on customer location.

## (2) Property, plant and equipment

(Millions of yen)				
Japan	Europe	Asia		Total
		Of which, Germany	Of which, China	
11,787	3,701	7,179	6,828	22,669

Note: Amount classified under Europe is entirely attributable to Germany.

## 3. Information by major customers

(Millions of yen)		
The name of the customer	Net sales	Affiliated Segment
GKHT (Beijing) Medical Technology Co., Ltd.	3,939	Dental products

Fiscal year ended August 31, 2025 (September 1, 2024, to August 31, 2025)

## 1. Information by products and services

This information is omitted because the same information is disclosed in the segment information.

## 2. Information by regions

## (1) Net sales

(Millions of yen)							
Japan	North America	Europe		Asia		Others	Total
		Of which, Germany	Of which, China	Of which, China	Of which, China		
4,871	2,909	5,721	1,407	13,426	7,558	3,038	29,968

Note: Sales are classified by country or region based on customer location.

## (2) Property, plant and equipment

(Millions of yen)					
Japan	North America	Europe	Asia		Total
			Of which, Germany	Of which, China	
16,324	17,304	2,601	6,815	6,403	25,758

Note: Amount classified under Europe is entirely attributable to Germany.

## 3. Information by major customers

No external customers account for 10% or more of consolidated net sales; therefore, no disclosure is required.

[Information of impairment loss on non-current assets by reportable segment]  
 Fiscal year ended August 31, 2024 (from September 1, 2023 to August 31, 2024)

(Millions of yen)

	Surgical products	Eyeless Needle products	Dental products	Unallocated amounts and elimination	Total
Impairment loss	56	—	—	—	56

Fiscal year ended August 31, 2025 (September 1, 2024, to August 31, 2025)

(Millions of yen)

	Surgical products	Eyeless Needle products	Dental products	Unallocated amounts and elimination	Total
Impairment loss	—	—	1,190	—	1,190

[Information on amortization of goodwill and unamortized balance by reportable segment]  
 Fiscal year ended August 31, 2024 (from September 1, 2023 to August 31, 2024)

Not applicable.

Fiscal year ended August 31, 2025 (September 1, 2024, to August 31, 2025)

Not applicable.

[Information on gain on negative goodwill by reportable segment]  
 Not applicable.

## (Revenue Recognition)

Breakdown information of revenue from contracts with customers

Fiscal year ended August 31, 2024 (from September 1, 2023 to August 31, 2024)

(Millions of yen)

	Reportable segments			Total
	Surgical products	Eyeless Needle products	Dental products	
Japan	2,460	835	910	4,206
Asia	2,193	5,072	6,627	13,894
Europe	2,171	1,693	1,694	5,559
North America	566	1,630	590	2,787
Others	760	989	316	2,066
Revenue arising from contracts with customers	8,152	10,222	10,139	28,513
Sales revenue to external customers	8,152	10,222	10,139	28,513

Fiscal year ended August 31, 2025 (September 1, 2024, to August 31, 2025)

(Millions of yen)

	Reportable segments			Total
	Surgical products	Eyeless Needle products	Dental products	
Japan	2,635	954	1,282	4,871
Asia	2,433	5,637	5,354	13,426
Europe	2,586	1,642	1,493	5,721
North America	692	1,536	681	2,909
Others	927	1,413	697	3,038
Revenue arising from contracts with customers	9,274	11,183	9,509	29,968
Sales revenue to external customers	9,274	11,183	9,509	29,968

## (Per Share Information, etc.)

Fiscal year ended August 31, 2024 (from September 1, 2023 to August 31, 2024)		Fiscal year ended August 31, 2025 (From September 1, 2024 to August 31, 2025)	
Net assets per share	¥531.18	Net assets per share	¥549.34
Earnings per share	¥63.82	Earnings per share	¥52.46

Note: 1. Diluted earnings per share is not presented because there are no dilutive shares.

2. The basis of calculating earnings per share is as follows:

	Fiscal year ended August 31, 2024 (from September 1, 2023 to August 31, 2024)	Fiscal year ended August 31, 2025 (From September 1, 2024 to August 31, 2025)
Earnings per share		
Profit attributable to owners of parent (Millions of yen)	6,286	5,167
Amounts not attributable to common stock (Millions of yen)	—	—
Profit attributable to owners of parent attributable to common stock (Millions of yen)	6,286	5,167
Average number of shares during the period (thousands of shares)	98,502	98,500

## (Significant Subsequent Events of Going Concern)

Not applicable.

#### 4.Others

##### (1) Changes in officers

###### 1). Changes in other officers

- Candidates for new directors (as of November 19, 2025)

Director: Hiroyuki Sasa	Former Director of Olympus Corporation Current Outside Director of Kyosan Electric Manufacturing Co., Ltd. Outside Director of Kanematsu Corporation Outside Director of AMADA CO., LTD.
Director: Nao Tsuchiya	Former Part-time Director of LAC Co., Ltd. Current Outside Director of Meiko Electronics Co., Ltd. EVP, Corporate Officer, General Manager of Legal Department of LY Corporation

Note: Mr. Hiroyuki Sasa and Ms. Nao Tsuchiya are candidates for outside directors.

- Candidates for re-election of directors (as of November 19, 2025)

Director: Masaya Watanabe	Current Member of Japan Agency for Medical Research and Development Visiting Professor of Health Care Data Science Course, Graduate School of Medicine, Ehime University Adviser of Japan Institute for Health Security (JIHS)
Director: Kazuo Takahashi	Current Full-time Advisor of MANI, INC.
Director: Toshihide Takai	
Director: Yosuke Mitsusada	Current Professor of Institute of Management, Sanno University Outside Director of Kyodo Printing Co., Ltd.
Director: Yukio Matsui	Current Goldman Sachs Asset Management Value Accelerator Operating Advisor Advisor of TOHO HOLDINGS CO., LTD.

Note: Mr. Yosuke Mitsusada and Mr. Yukio Matsui are candidates for outside directors.

###### • Retiring directors

Director: Tatsushi Yano	Current Outside Director of KPP GROUP HOLDINGS CO., LTD.
Director: Yukiko Moriyama	Current Partner Lawyer of Waseda Legal Commons Law Office, Member of the Prosecutorial Review Board's Information Disclosure and Personal Information Protection Review Committee, Chairperson of the Wako City Personal Information Protection Deliberative Council, Independent External Audit and Supervisory Board Member of PHC HOLDINGS CORPORATION

###### 2). Changes in executive officers

Not applicable.

##### (2) Others

Not applicable.