

Leaders
in Trusted
Technologies

NISSHA

Medical Market
Strategy Update
Medical Devices CDMO
OTC Pharmaceuticals CDMO

June 24, 2025

For institutional investors and analysts

Today's Agenda

- Medical Market Strategy Update
- Growth Strategy of Medical Devices CDMO
- Growth Strategy of OTC Pharmaceutical CDMO

Leaders
in **Trusted**
Technologies

Medical Market Strategy Update

Junya Suzuki

Chairman of the Board and Group CEO
Nissha Co., Ltd.

Achieving stable growth in the three priority markets of Non-IT Devices

IT Devices Market
(Smartphones and tablets)



Non-IT Devices Market
(Medical, Mobility, Sustainable Materials)



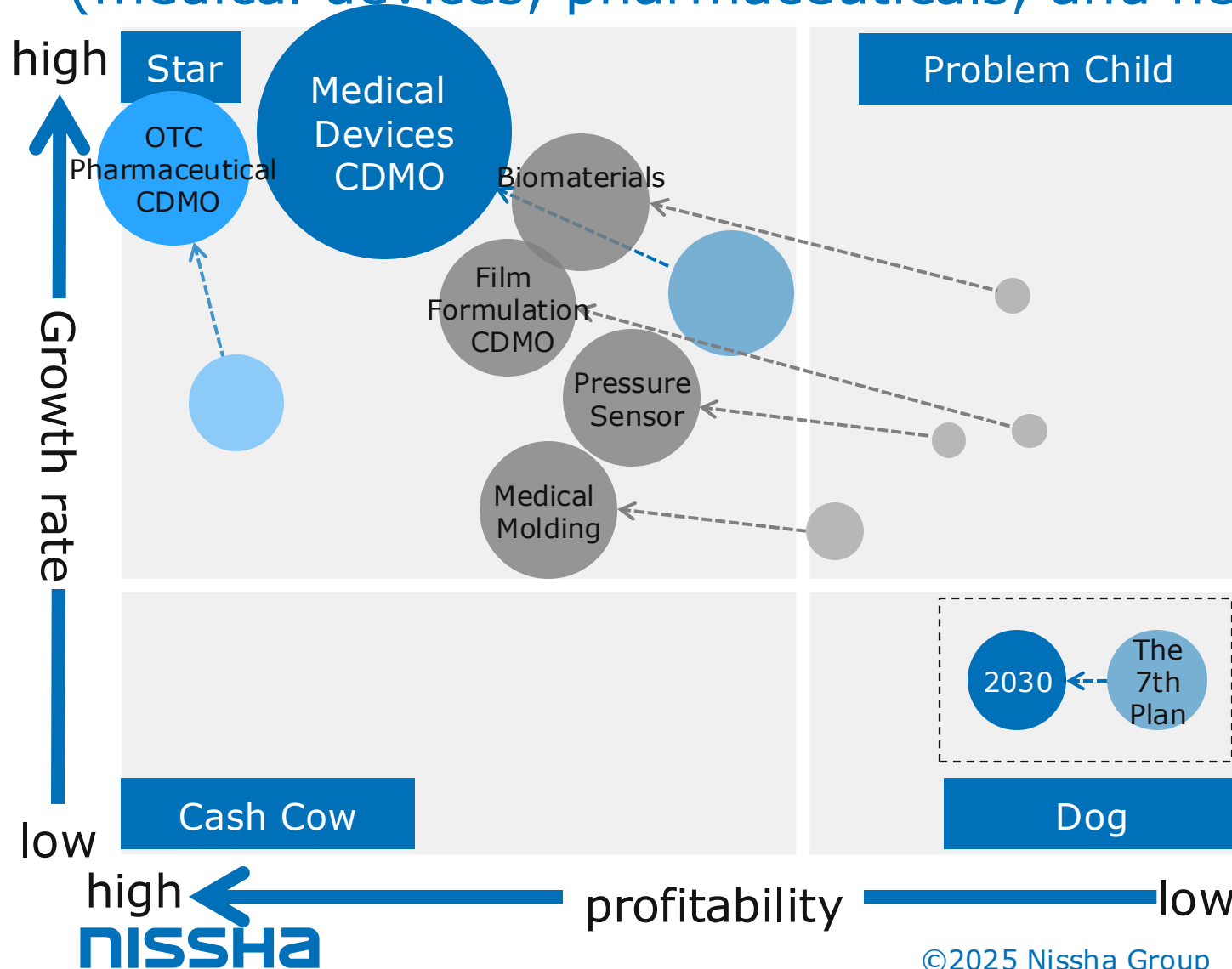
Abundant business opportunities,
but a rapidly changing environment



Expecting stable growth

The product portfolio in the medical market

Companywide efforts to be taken to tackle the medical market (medical devices, pharmaceuticals, and healthcare products)



● Medical Devices CDMO (Medical Technologies)



● OTC Pharmaceutical CDMO (Shigaken Pharm)



● Pressure Sensor (Devices)



● Medical Molding (Industrial Materials)



● Film Formulation CDMO (Sparsha Parma USA)

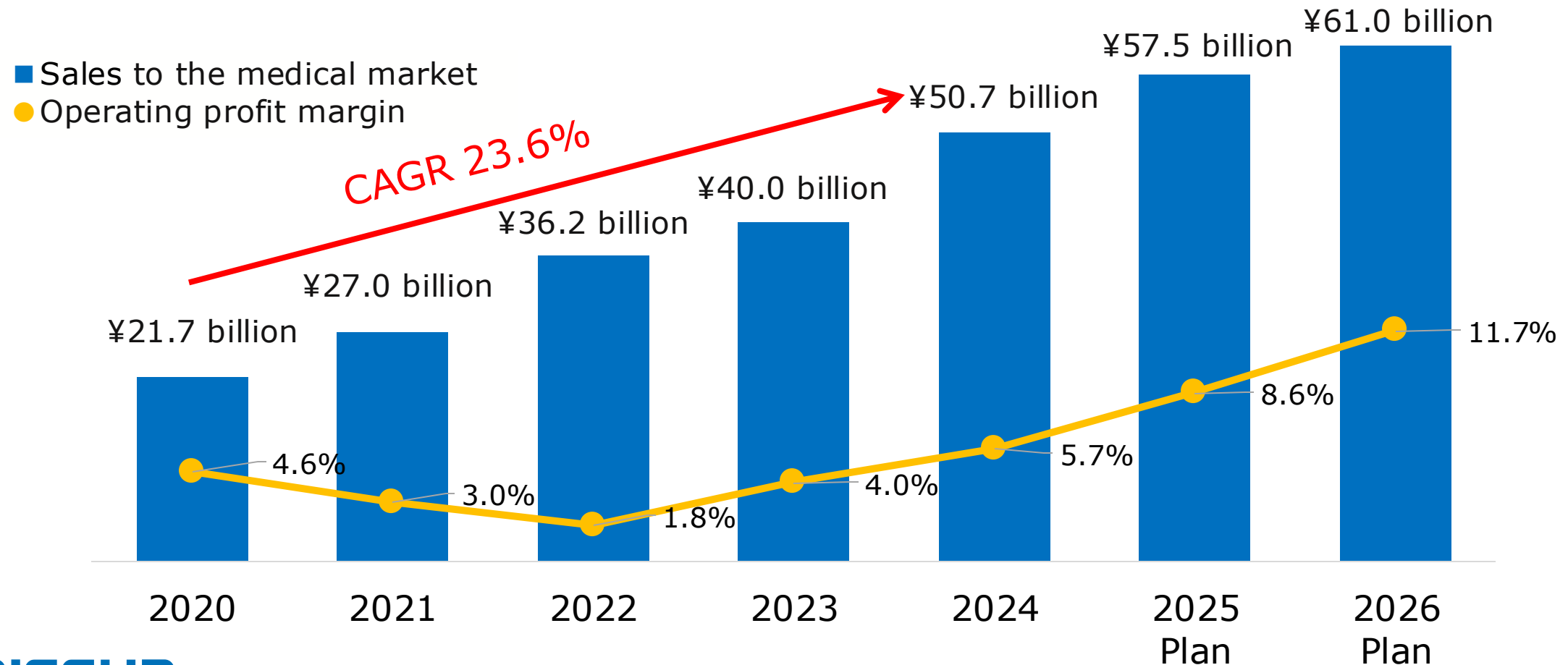


● Biomaterials (Business Development Office)



Medical Market Performance Trends

- 2024 Results: Improved profitability in the Medical Technologies
- 2025 Plan: Continued growth and improved profitability in Medical Technologies and Contribution from Shiga Pharmaceutical performance





Medical Devices CDMO

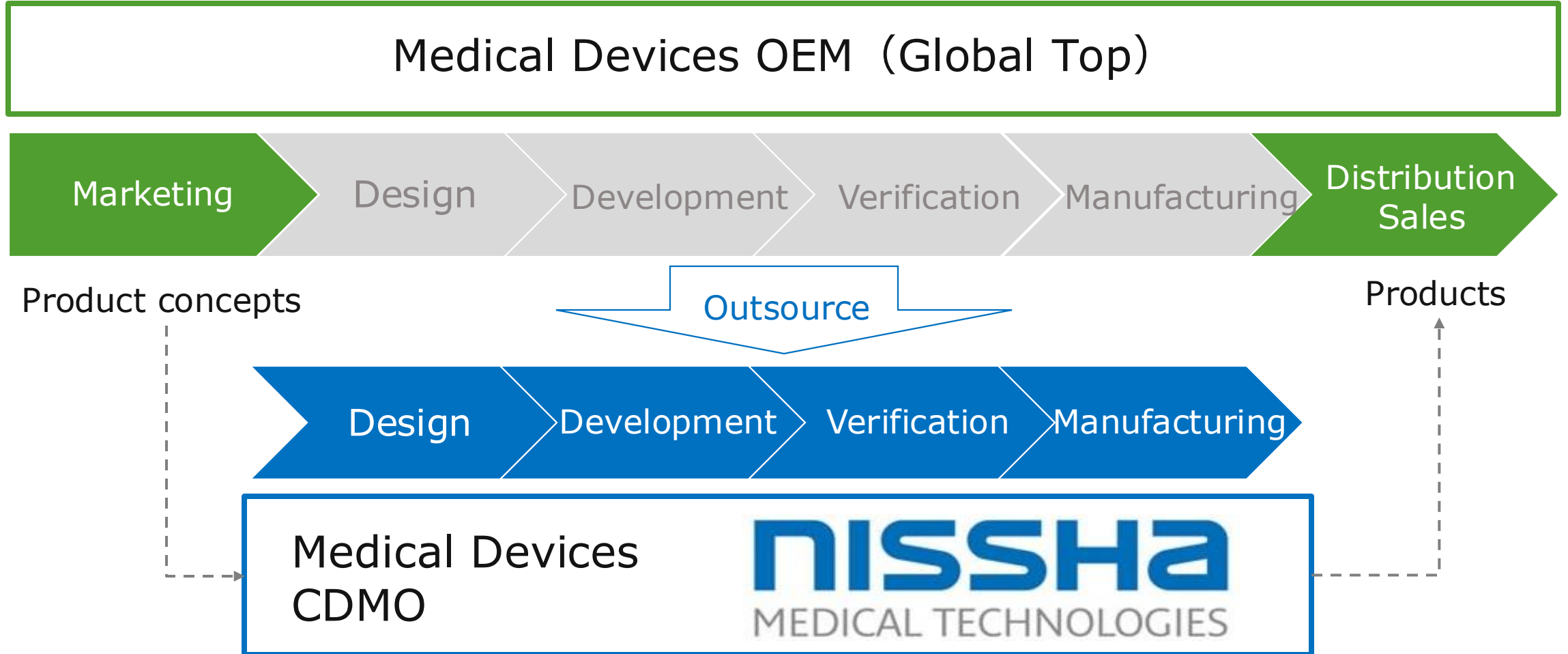
Sam Heleba

Executive Vice President, MTBU

CEO, Nissha Medical Technologies

Medical Devices CDMO: Our Roles

One-stop service provider from design to manufacturing



Medical Devices CDMO: Our Specialization (Single-use)

Surgical Devices



Minimally Invasive Surgical Devices
Endoscopes, Laparoscopes, Biopsy Devices,
Ablation Catheters, Surgical Robots, and
Surgical Navigation Systems

Clinical Products



Medical Wearable Sensors

Grounding Pads

Defibrillator Electrodes

Note: These images are for illustrative purposes.

Converging Technology is Driving Innovation

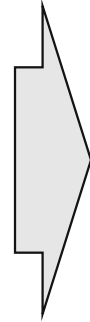
Medical Industry

Healthcare Pathway

- Diagnosis
- Treatment
- Post procedure
- Chronic care

Targeted Healthcare Benefits Digital Surgery/Smart Device

- Improved patient outcomes
- Enhanced healthcare delivery
- Patient empowerment



Long Term Focus Digital Surgery/Smart Device

- Robotic platforms
- Navigation
- Visualization
- Data collection
- Connectivity
- Analytics with AI



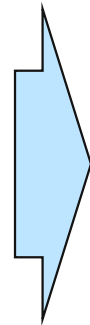
Nissha

Current Device Applications

- Minimally Invasive Surgical Devices
- Clinical Products

Supported by many capabilities including:

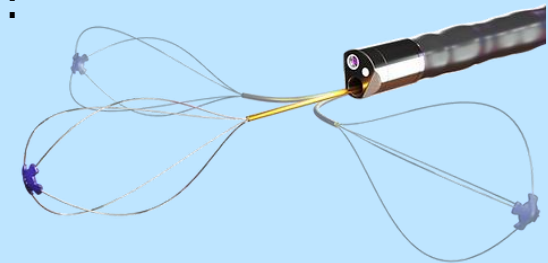
- End-to-end design and development
- Vertically integrated manufacturing technologies
- Automation platforms



Uniquely Positioned

Near term emerging technologies:

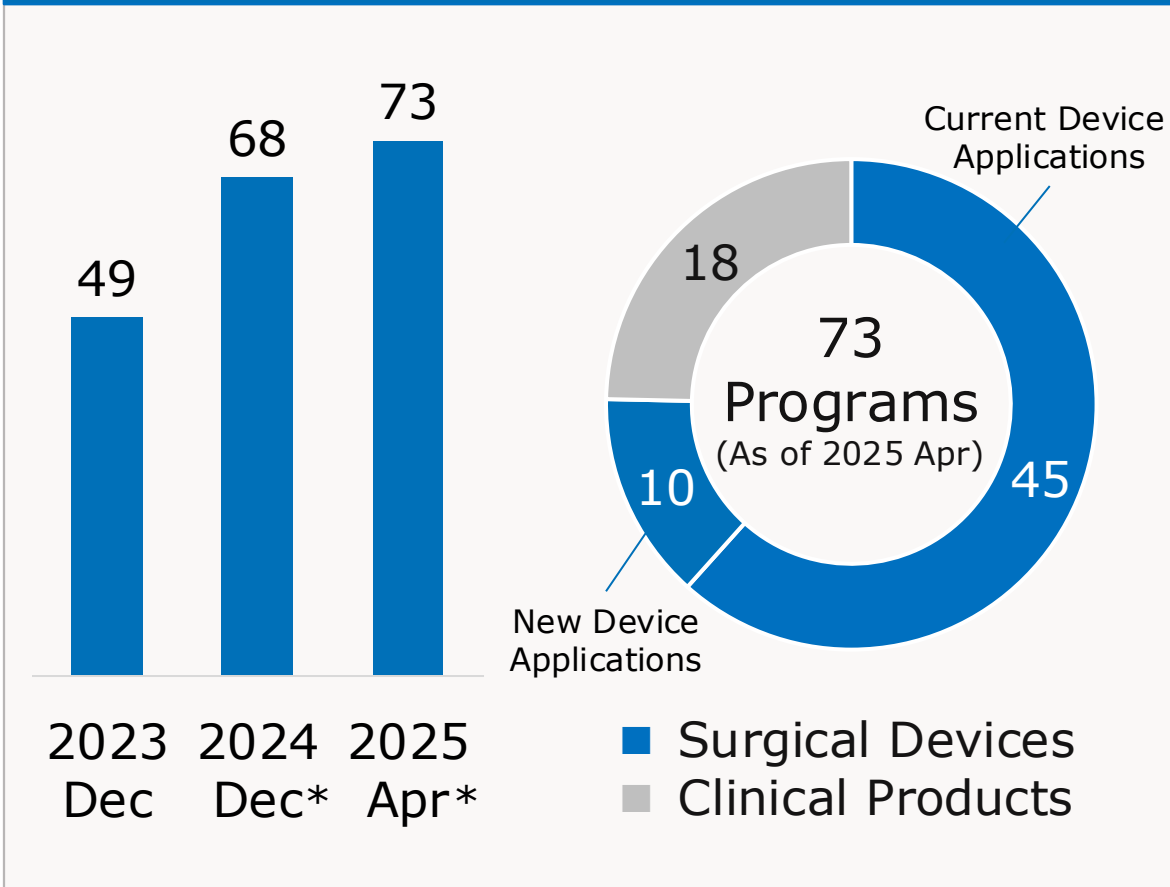
- Steerability
- Miniaturization
- Navigation & Visualization



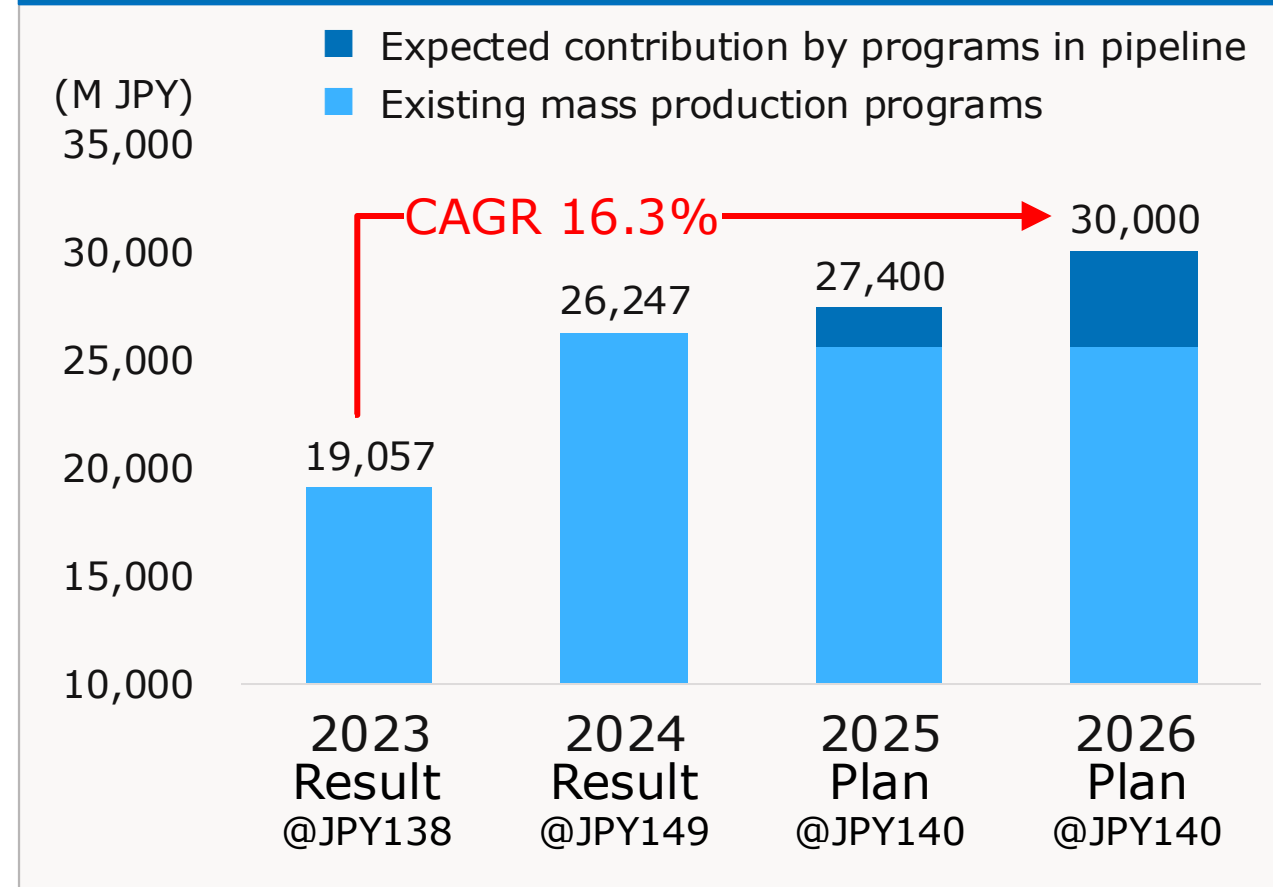
Securing Our Growth (Programs in Pipeline)

- Increasing opportunities in accordance with our enhanced CDMO capabilities and the market trend
- Numerous programs in our pipeline is enabling growth for the medium term

Programs in Pipeline



Sales Contribution by Programs in Pipeline



Pipeline Program 1



- Customer: Top 5 OEM
- Product: Tracker for Orthopedic Surgical Robotic Platform
- Category: Robotics, Visualization
- Schedule
 - Pilot Run: 2024Q4~
 - Full Volume Production Expected: 2027

- Why we have been chosen

- **Integrated Capabilities:** Full CDMO value proposition with Development and Manufacturing services
- **Development:** Engineering services in both product design and manufacturing process development
- **Vertical Integration:** All in-house capabilities
 - Mold tooling design – complex part geometry with undercuts and 4 shut off slides with dual action in 2 planes of motion
 - Injection molding – difficult to mold, glassed filled engineered resin
 - Complex assembly
 - Metal processing
- **Low-Cost Labor:** Option of existing production site for product life cycle management

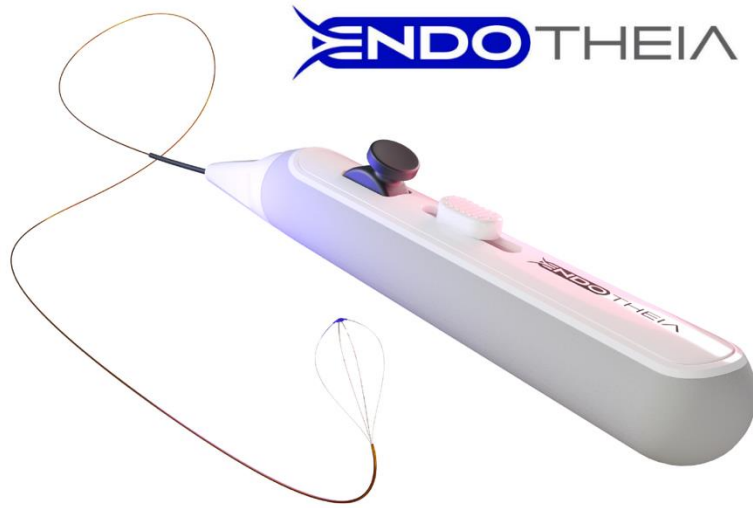


Pipeline Program 2

- Customer: Top 5 OEM
- Product: Endoscope sheath for ENT surgery
- Category: Visualization
- Schedule
 - Pilot Run: 2025Q3~
 - Full Volume Production Expected: 2028
- Why we have been chosen
 - **Integrated Capabilities:** full CDMO value proposition with Development and Manufacturing services
 - **Development:** Engineering services in both product design and manufacturing process development
 - **Vertical Integration:** All in-house capabilities
 - Mold tooling design and injection micro molding
 - Complex assembly
 - Metal processing with laser welding
 - **Low-Cost Labor:** Option of existing near shore production site



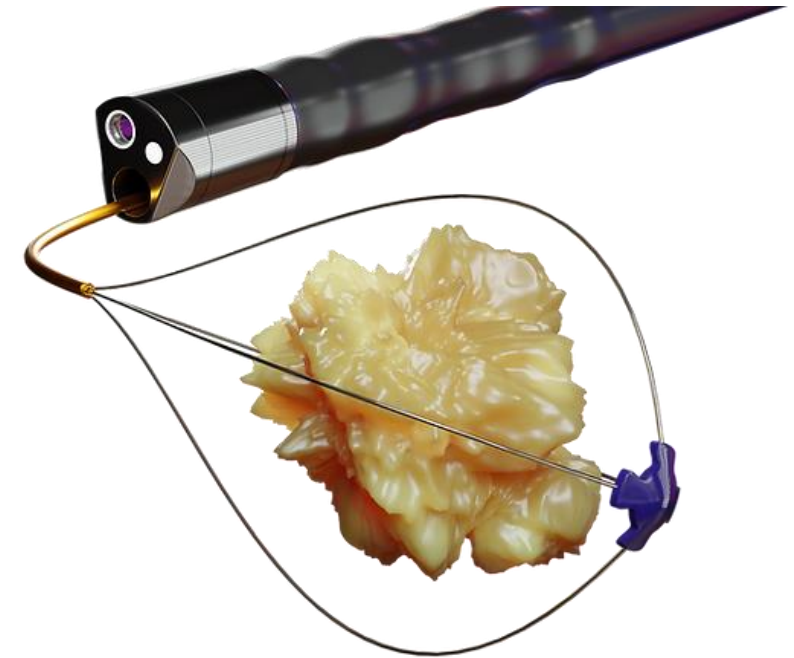
Pipeline Program 3



- Customer: Top 10 OEM
- Product: Kidney Stone Removal Basket
- Category: Steerability
- Schedule
 - Commercialized: 2025Q4~

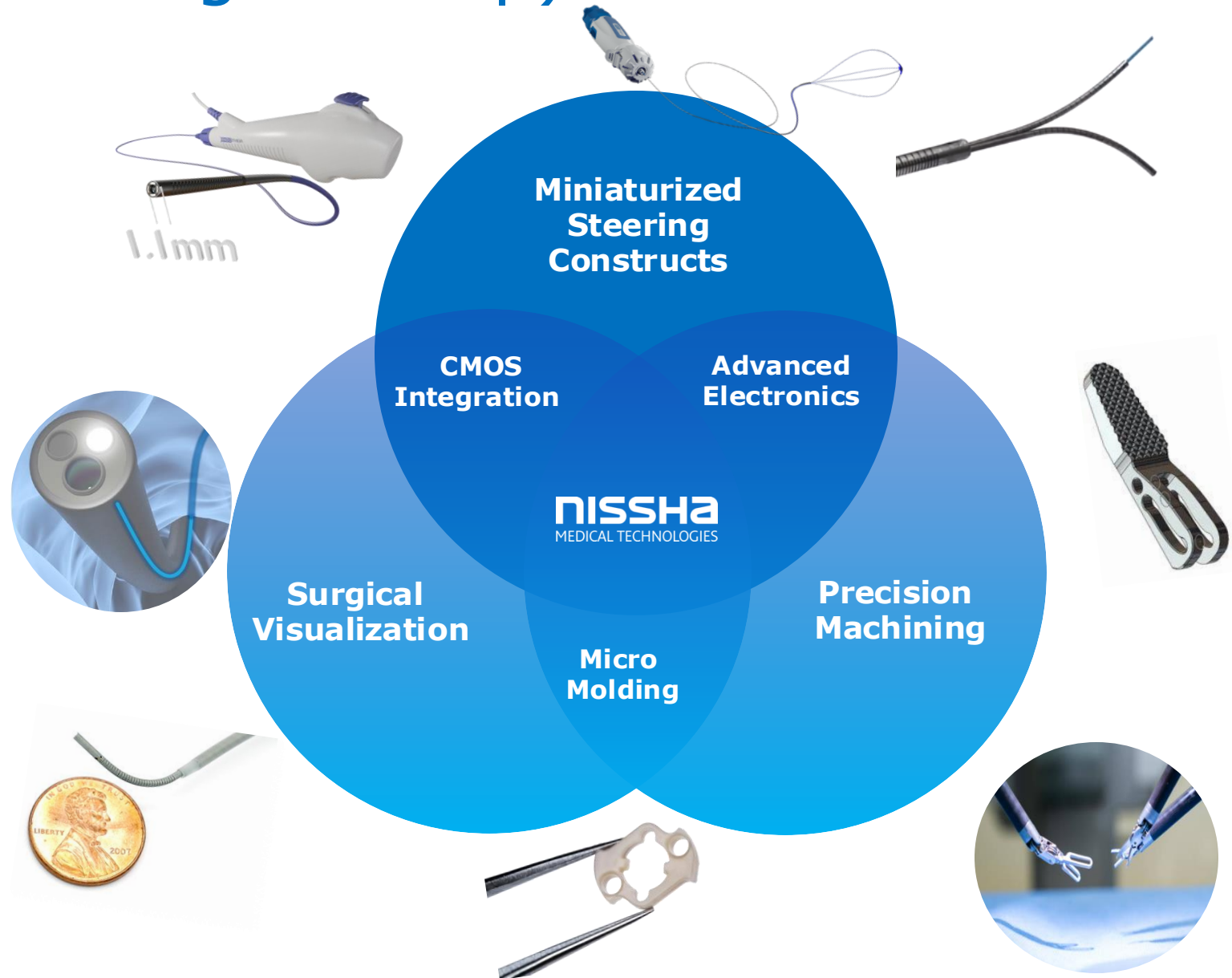
- Why we have been chosen

- Steering of a basket with a **0.7mm shaft** which is not achievable with current steering solutions available in med device market
- Improves efficiency of procedure and effectiveness of retrieving
- Our exclusive patented technology

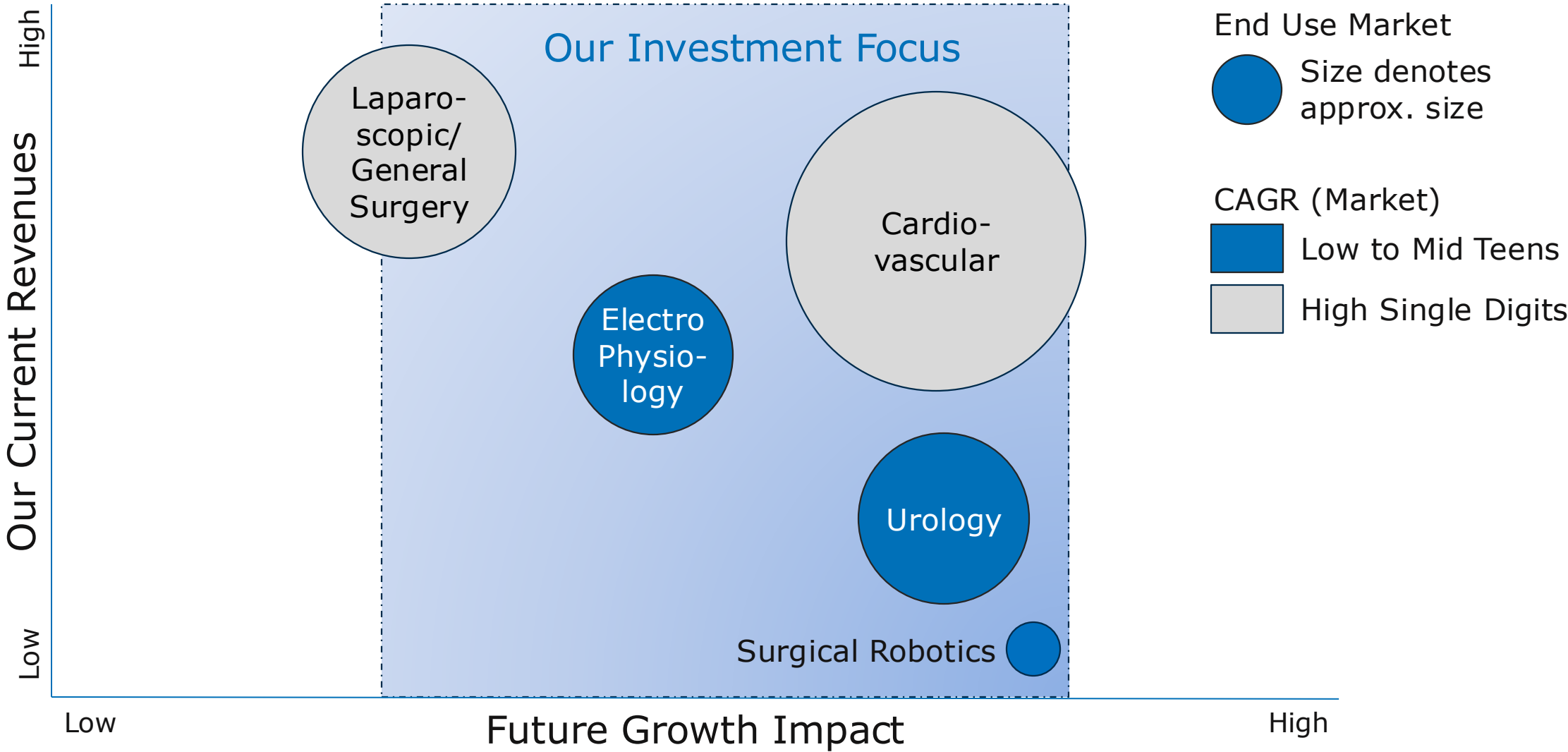


Future M&A Focus (Closing the Gap)

- Surgical Visualization
- Steerability of Endoscopic Tools
- Complex catheters and min invasive device (development & manufacturing)
- Miniaturized forming technologies Micro Molding/Micro Assembly
- Sensing (in collaboration with Devices BU)
- Systems Engineering supporting technology integration



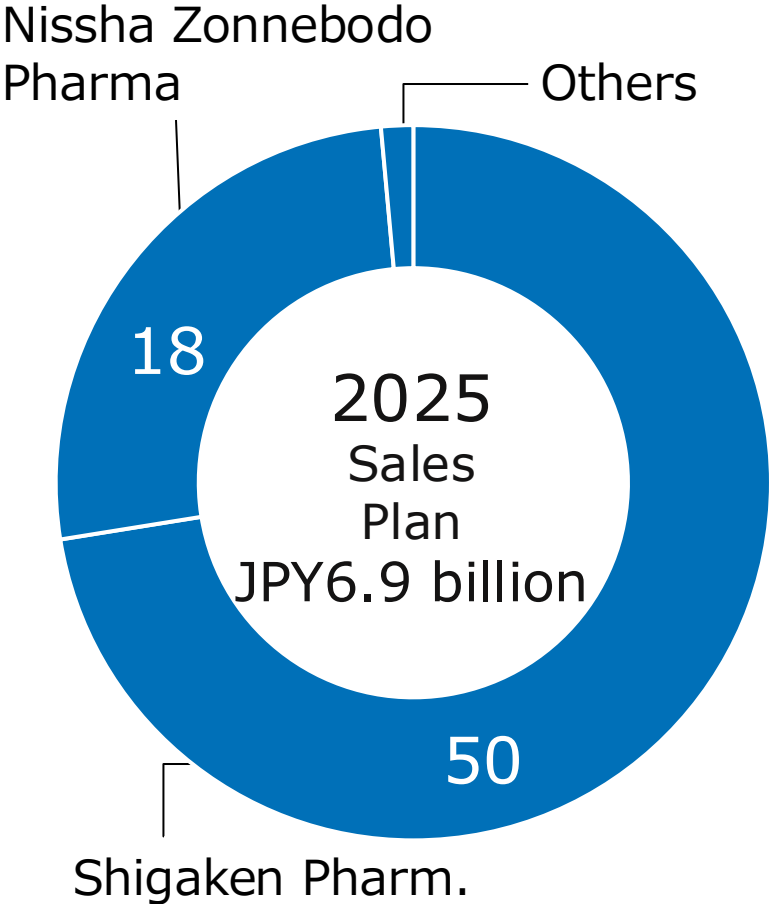
Our Investment Focus



OTC Drug CDMO

Toshiyuki Yasui
Representative Director of
Shigaken Pharm. Ind. Co., Ltd.

Overview of Nissha Pharmaceuticals Business



Shigaken Pharm.



Manufacture and sale of pharmaceuticals
CDMO for OTC drugs



Nissha Zonnebodo Pharma



Manufacture and sale of pharmaceuticals
Private label of prescription drugs
CDMO of film-based formulations



Sparsha Pharma USA

*Equity Method affiliates



Manufacture and sale of pharmaceuticals
CDMO of film-based formulations



Overview of Shigaken Pharm.

Company Name	SHIGAKEN PHARM. IND. CO., LTD..	Business Description	Manufacturing and sales of pharmaceuticals, quasi-drugs, and health-related products
Location	879 Takino, Koka-cho, Koka-shi, Shiga Prefecture	Licenses	<ul style="list-style-type: none">- Type 2 pharmaceutical manufacturing and sales business- Quasi-drug manufacturing and sales business- Pharmaceutical manufacturing business- Quasi-drug manufacturing business
Representative	Toshi Yasui, Representative Director		
Number of Employees	105 (as of June 2025)		
Establishment	1943	Web	https://www.shigaken-pharm.co.jp/

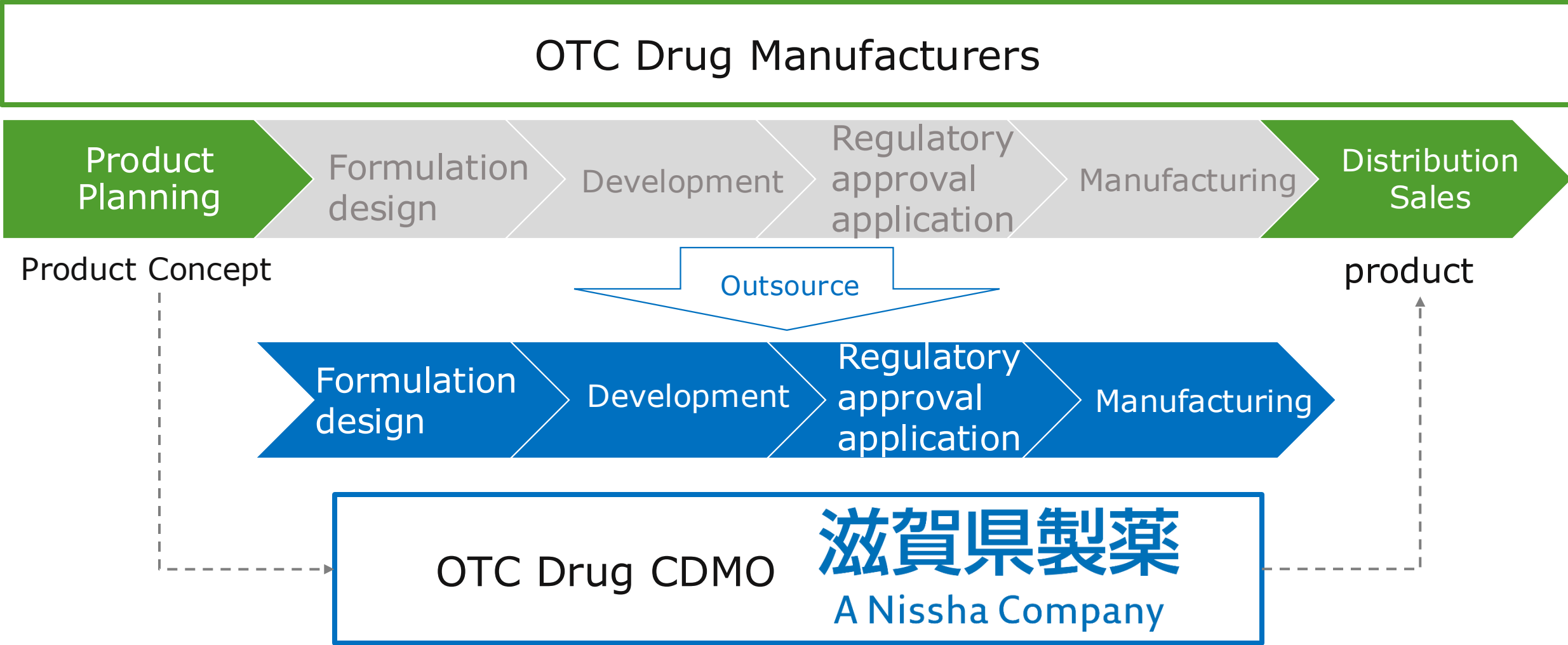
滋賀県製薬
A Nissha Company

NISSHA



OTC Drug CDMO: Our Roles

One-Stop Service from formulation design to manufacturing



Capable of handling a wide range of products in various dosage forms

● Dosage Forms

Tablets



Granules



Powders



Capsules



Liquids



● Number of Formulations Manufactured

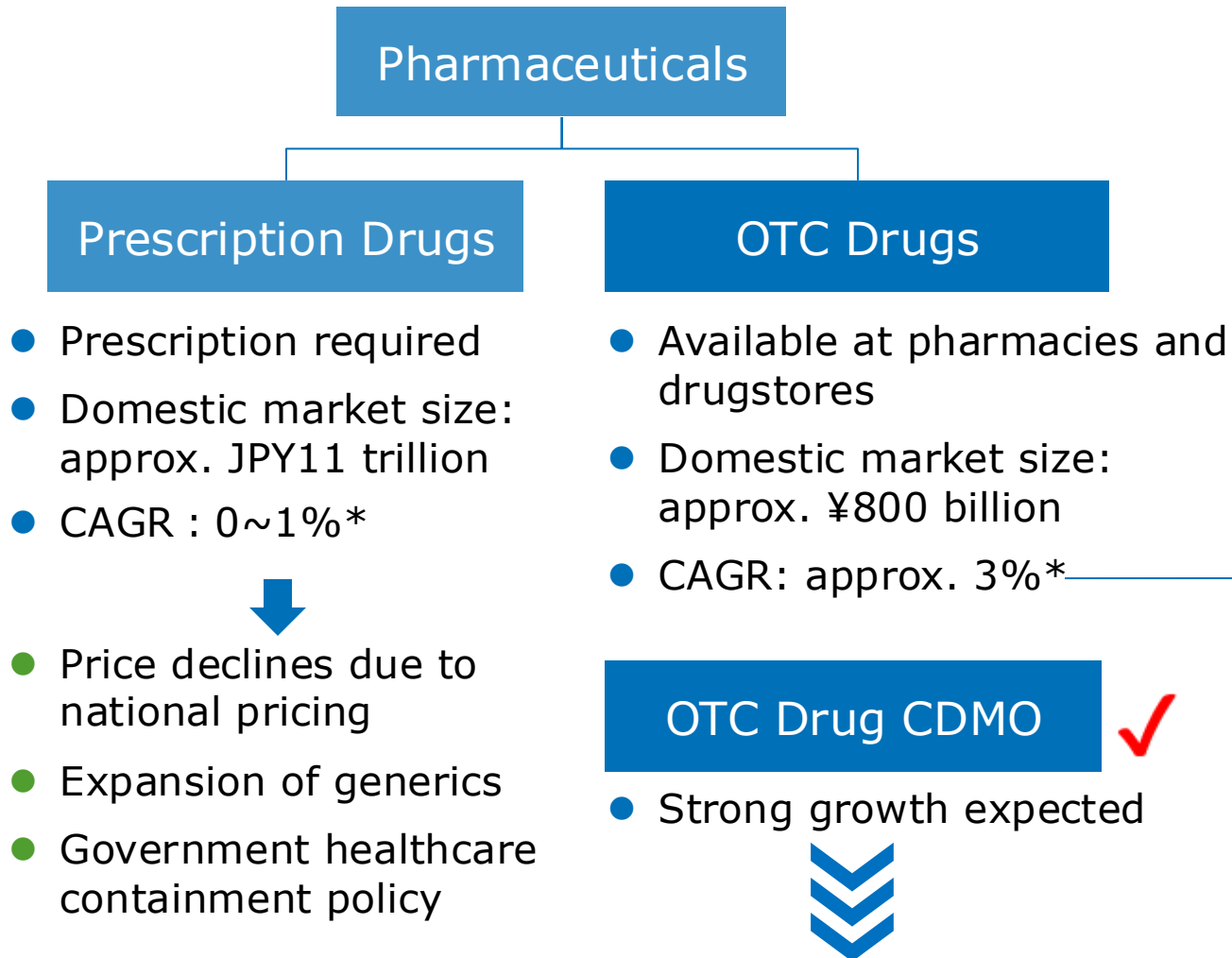
Extensive experience, primarily in cold remedies and antipyretic analgesics

Current Total: 44 formulations

Solid oral formulations: 32

Liquid oral formulations: 12

OTC drugs are outpacing prescription drugs in growth



→ Growth drivers ✓

Government healthcare containment policy

- Promotion of self-medication
- Promotion of switch OTC
- Broader sales channels (CVS, e-commerce)
- Increased inbound demand
- OTC demand surge due to Rx drug shortages (e.g., antipyretic analgesics)
- Not subject to the national drug pricing system (Lower risk of price reductions)

Strong growth expected in OTC drug CDMO market

Pharma companies increasingly outsourcing manufacturing

- Focus shifting to planning and marketing



CDMOs prioritize prescription drug supply

- GMP violations have led to ongoing supply shortage of prescription drugs, which requires CDMOs to react urgently as they are responsible for stable supply



Shortage of OTC drug CDMO capacity

- Few specialized OTC CDMOs; mostly small and cautious about capacity expansion
- A significant market opportunity for us

Strengths of Shigaken Pharm.



Track Record

- Long-standing experience as a CDMO
- Stable transactions with major pharmaceutical manufacturers
- Accumulated manufacturing expertise and GMP compliance capabilities



Formulation Design Capabilities

- Advanced formulation and analysis for diverse OTC APIs
- Capability to support high-difficulty formulation projects



OTC Specialization

- Diverse production lines dedicated to OTC drugs
- Capacity to handle large-scale projects
- Among the fastest PTP packaging lines in Japan



Speed

- Flexible and responsive operations
- Rapid coordination with regulatory authorities

Partnerships with OTC drug manufacturers and drugstores

DAIICHI SANKYO HEALTHCARE CO., LTD.

Kowa Company., Ltd.

KYUSHIN PHARMACEUTICAL CO., LTD.

Shiono Chemical Co., Ltd.

Sato Pharmaceutical Co., Ltd.

TOKIWA Pharmaceutical Co., Ltd.

Zenyaku Kogyo Co., Ltd.

Shiraishiyakuhin.co., Ltd.

Customer Feedback

Speed & Responsiveness

Fast and quick launch of production transfer from another company

Development
Pharmaceutical
company

Quick response to raw material changes, contributing to stable supply

Quality Technology
Pharmaceutical
company

Prompt, accurate testing and prototyping

Quality Assurance
Pharmaceutical
company

Faster regulatory response compared to another companies

Development
Pharmaceutical
company

Quality & Reliability

Stable supply even when competitors face shortages

Development
Drugstore chain

Well-established QC system and accurate analytical data

Quality Technology
Pharmaceutical
company

Technical Capability

High formulation development skills

Development
Pharmaceutical
company

Deep manufacturing know-how and reliable production readiness

Development
Pharmaceutical
company

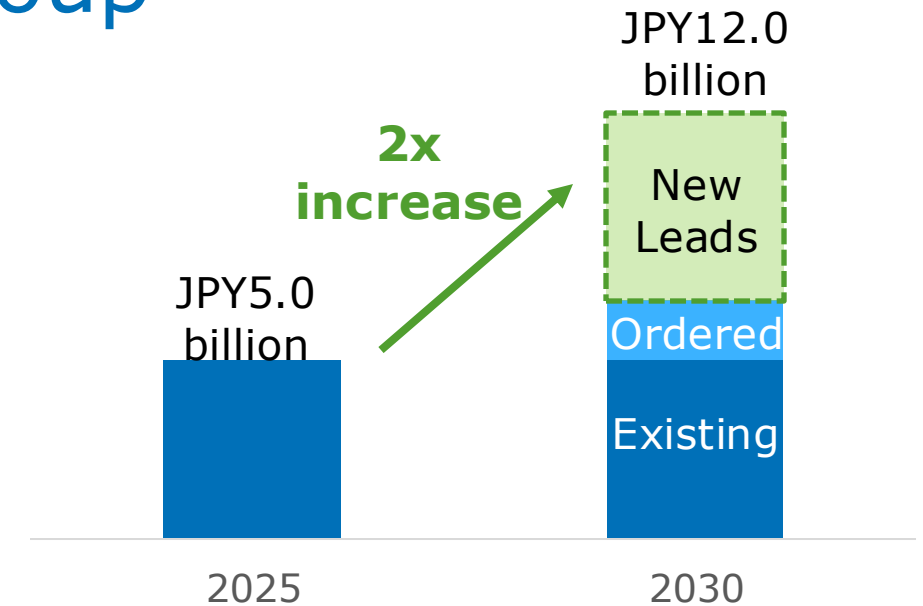
Becoming the No.1 OTC drug CDMO through synergies with Nissha Group

● Lead Expansion

- Enhanced recognition and credibility through integration into Nissha Group
- Increased inquiries driven by expectations for production capacity expansion
- Growing number of leads for large-scale projects from new clients

● Production Capacity Expansion

- Increased output via shift operations and domestic site utilization
- Workforce re-skilling (utilizing personnel from the Devices Business), recruitment, and talent development
- Productivity improvements leveraging Nissha's manufacturing expertise
 - Advanced manufacturing and quality control
 - Automation, labor-saving, and digital transformation



Leaders in Trusted Technologies

Among the information included in this presentation and provided at investor briefings and conferences, performance targets, plans, outlooks, strategies and other information that is not constituted of actual past facts, is information that has been judged reasonable by the managers of the Company based on the information available at the time of its creation and contains elements of risk and uncertainty. Actual business results may differ greatly depending on various factors such as economic trends, market demand, and fluctuations in exchange rates.