

Leaders
in Trusted
Technologies

NISSHA

Management Briefing

Reinforcing and Rationalizing
the Business Portfolio
Medical Devices CDMO Update

July 7, 2026

Nissha Co., Ltd.

Today's Agenda

- Reinforcing and Rationalizing the Business Portfolio
- Medical Devices CDMO Update
- Medical Segment Update

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Reinforcing and Rationalizing the Business Portfolio

Junya Suzuki

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

Nissha's Characteristics

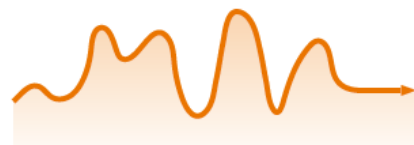
- B2B, manufacturer of intermediate components & materials
- CDMO business model (Contract Design/Development and Manufacturing)
- Global supply to global leading companies
- Core technologies for processing

- Business (Product) Portfolio Strategy
 - Launch new products in existing markets
 - Explore and shift to markets to grow
 - Avoid overreliance on any single business
 - Selective and disciplined diversification

Reinforcing and Rationalizing the Business Portfolio: Disciplined diversification

2010s

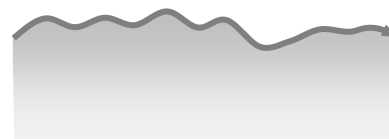
Overreliance on the IT devices



Highly volatile business environment

2020s (through the present)

Building a business portfolio through selective focus and diversification



Selective diversification helps mitigate demand volatility, while performance variance among businesses becomes more apparent

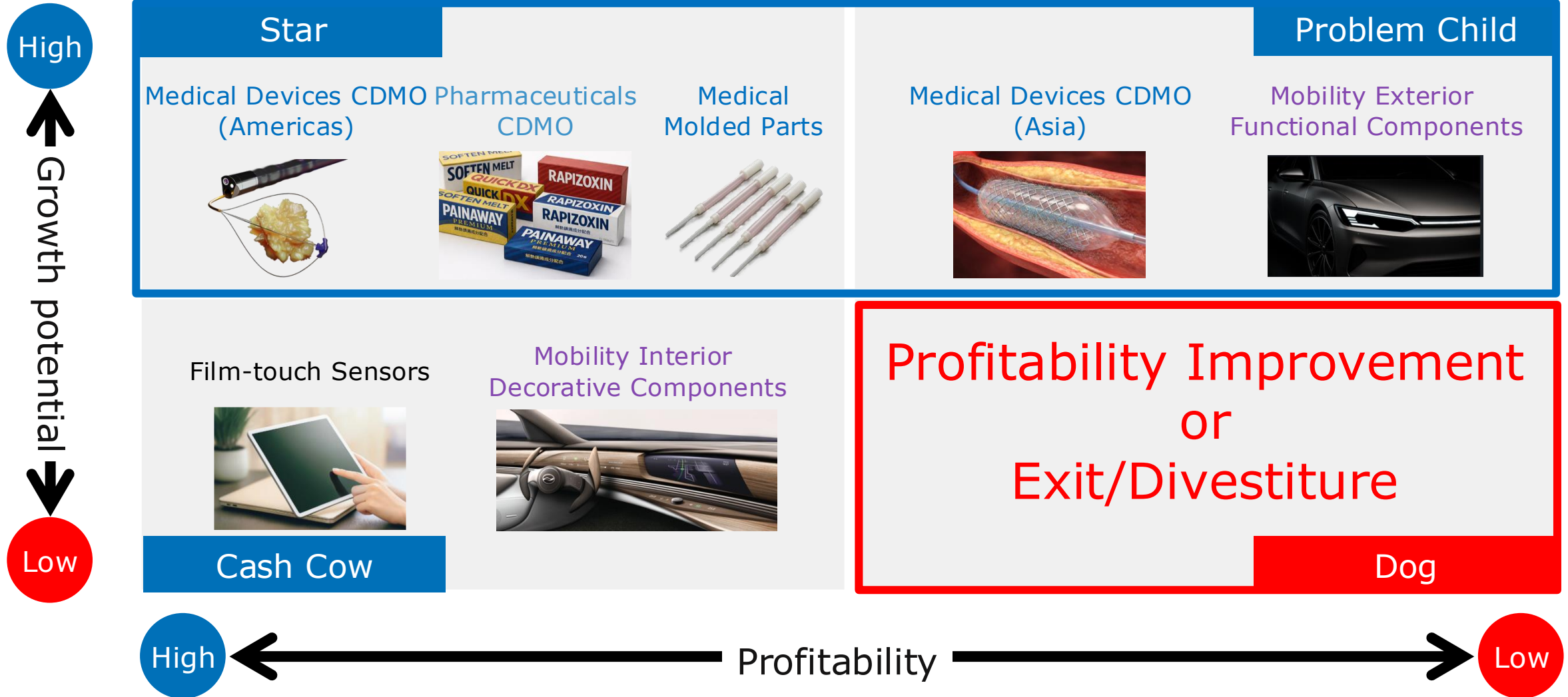
Toward 2030

Selective and disciplined diversification



Stable growth expected

Selective and Disciplined Diversification Standing on Growth Potential and Profitability




Investing in High-Profitability and High-Growth Business (Medical)

Capital Reallocation through Operating CF and Exits/Divestitures

Capacity Expansion OTC Pharmaceuticals CDMO

- 1-plant to 2-plant production



Tsu Plant (Mie Pref.)
Resumption of Operation for Pharmaceuticals

	JPY5.0 billion	JPY12.0 billion
	Net Sales	Inquiries
		Ordered
		Existing
2025 Results		2030

More than double

Value-Added Enhancement Medical Devices CDMO

- Strengthen design & development capabilities
- Improve capabilities for steerability & miniaturization



Nissha Technology Hub Nashville (Tennessee)



Micro-Molding Capacity Expansion (Wisconsin)

Profitability Improvement through Business Portfolio Management

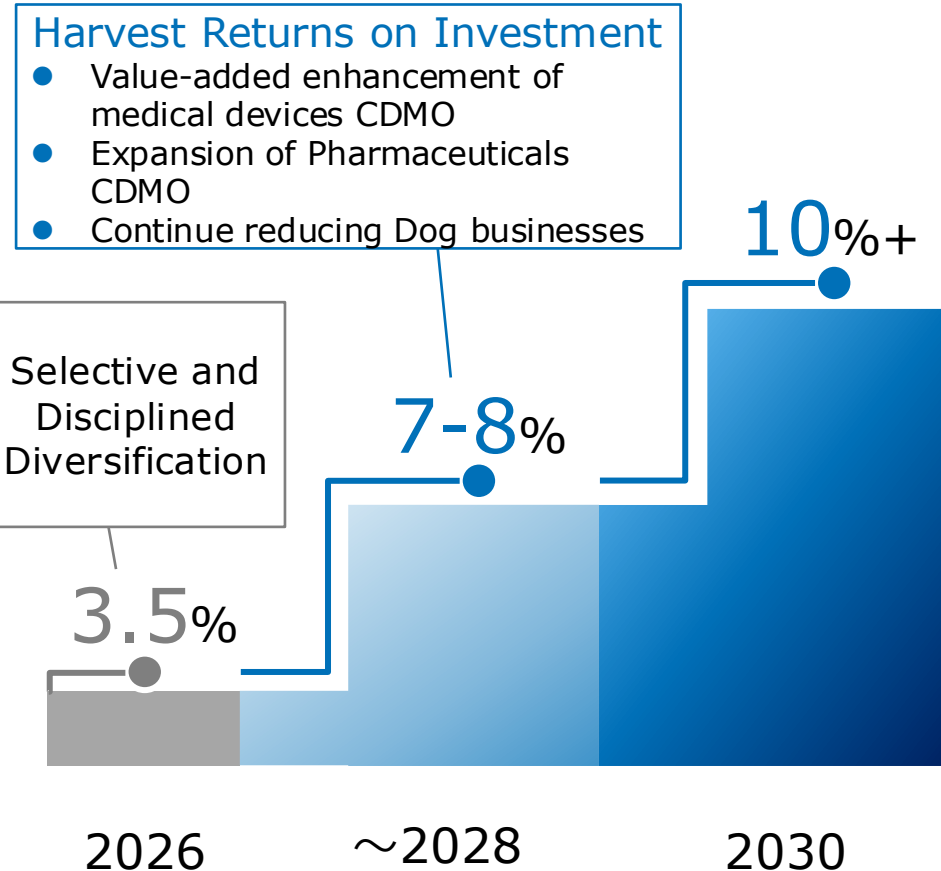
- Profitability improvement through strategic investment in high-profitability businesses centered on Medical and downsizing low-growth and low-profitability businesses

2026

- Reduce Dog ratio

low-growth
low-profitability

- Strategic investment in Medical



2030

- Operating Profit Margin

10%+

- Medical Sales Ratio

50%+



Medical Devices CDMO Strategy Updates

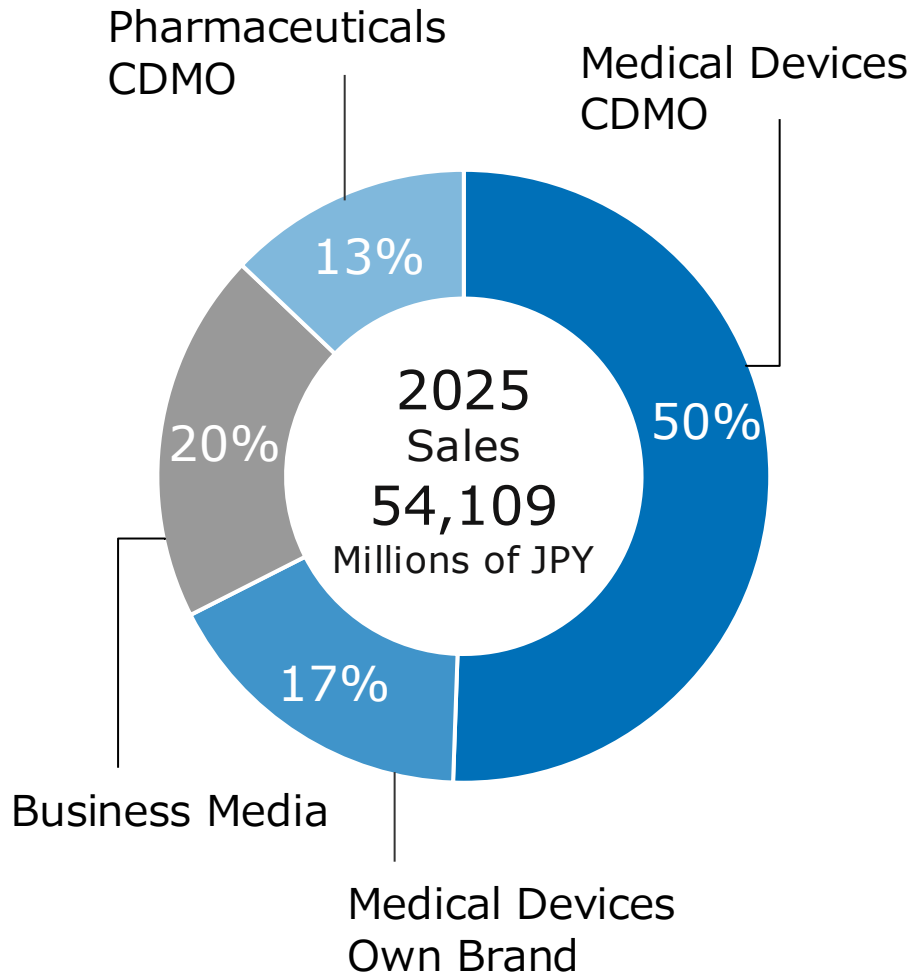
Brandon Hoffman

Senior Vice President

Medical Technologies Business Unit

CEO, Nissha Medical Technologies

Medical Segment: Products and Services



* CDMO : Contract Design/Development and Manufacturing Organization



Medical Devices (CDMO*)

Pharmaceuticals (CDMO*)

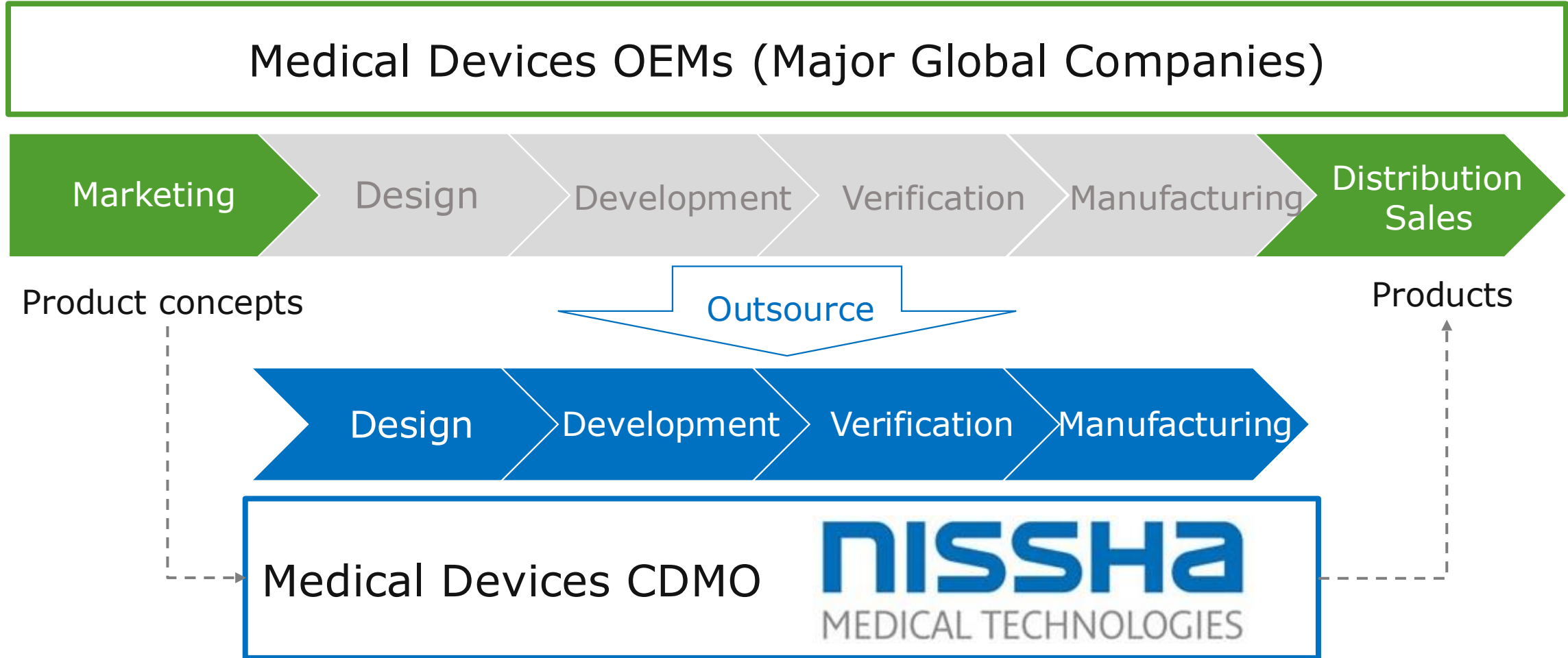
Medical Devices (Own Brand)

Business Media



Medical Devices CDMO: Our Roles

One-stop service provider from design to manufacturing



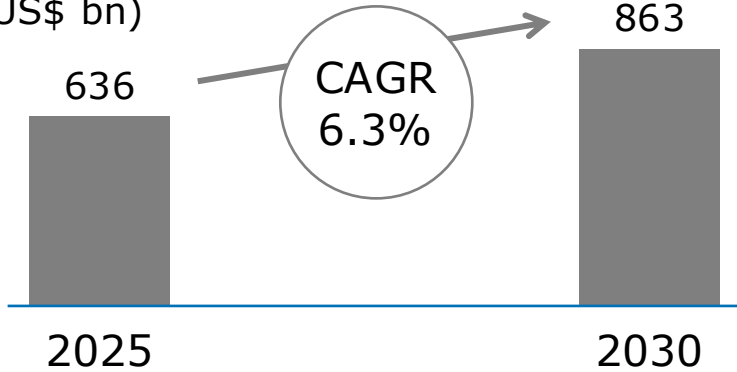
High Growth in the Medical Devices CDMO Market

- Global medical devices CDMO market is growing faster than the overall medical device market, and our target segment shows strong growth potential

Market Growth

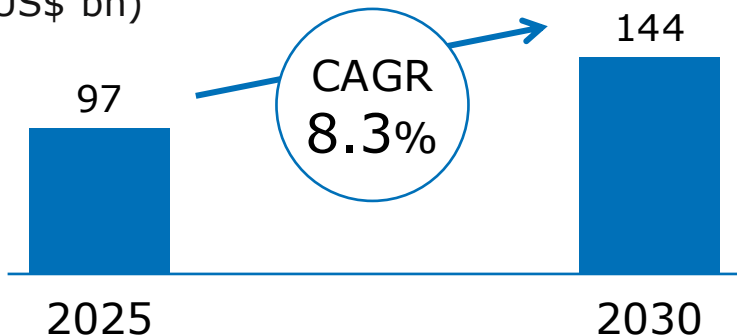
Global Medical Devices Market ^{*1}

(US\$ bn)



Global Medical Devices **CDMO** Market ^{*2}

(US\$ bn)



Faster Growth than Overall Market!

Our Focus with Strong Growth

Cardiovascular Devices



Cardiovascular Devices
Patient Monitoring

CAGR

6.9%
(2025-2030)

Surgical Devices



Minimally Invasive
Endoscopic Devices
Energy Devices
Surgical Navigation

CAGR

9.7%
(2025-2030)

Robotics



End Effectors
Navigation Systems

CAGR

12.5%
(2025-2030)

Drug Delivery Systems



Minimally Invasive
Cannulas

CAGR

9.1%
(2025-2030)

Medical Devices CDMO Sales Breakdown by Application

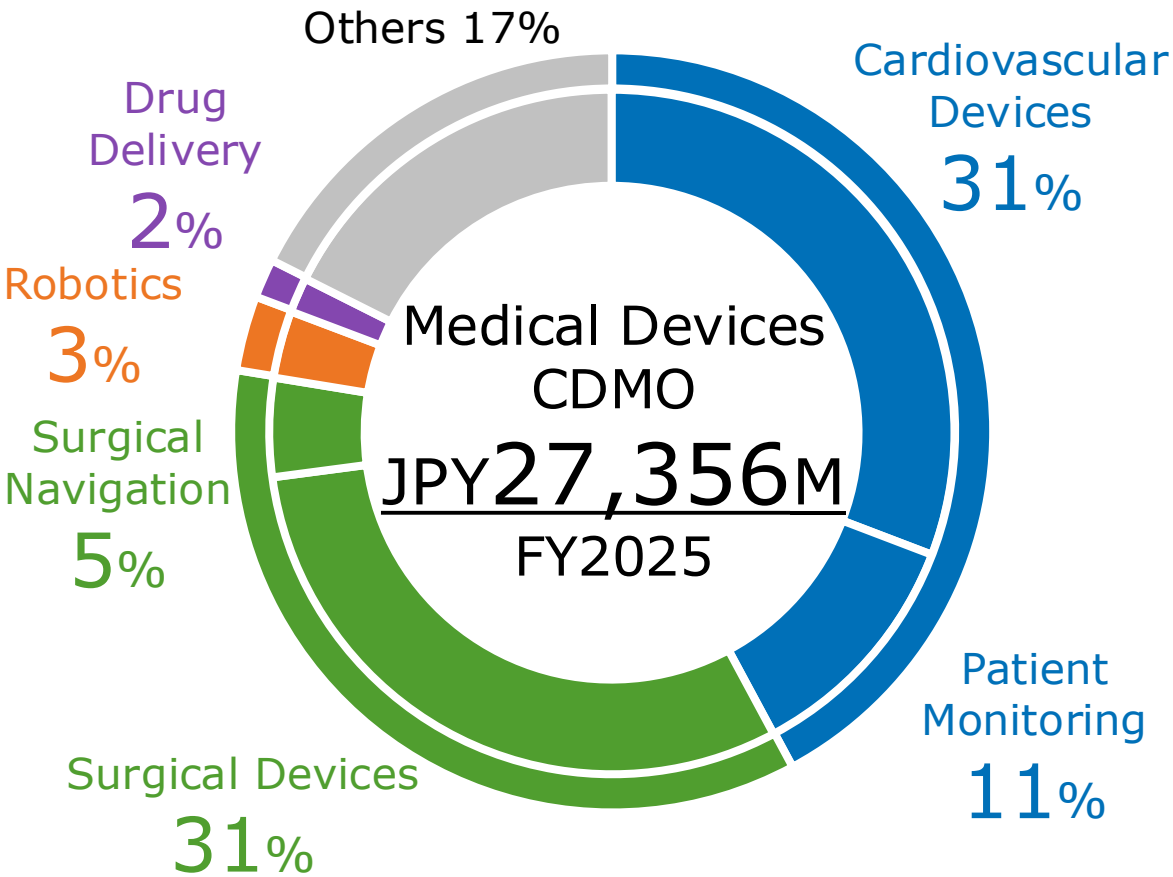
Drug Delivery Systems



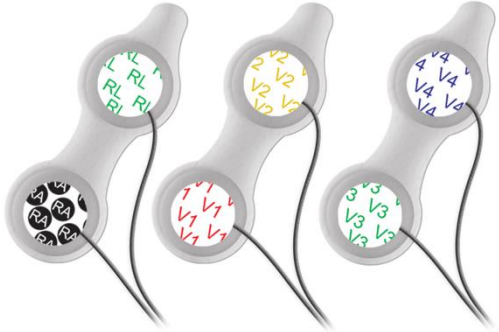
Robotics



Surgical Devices

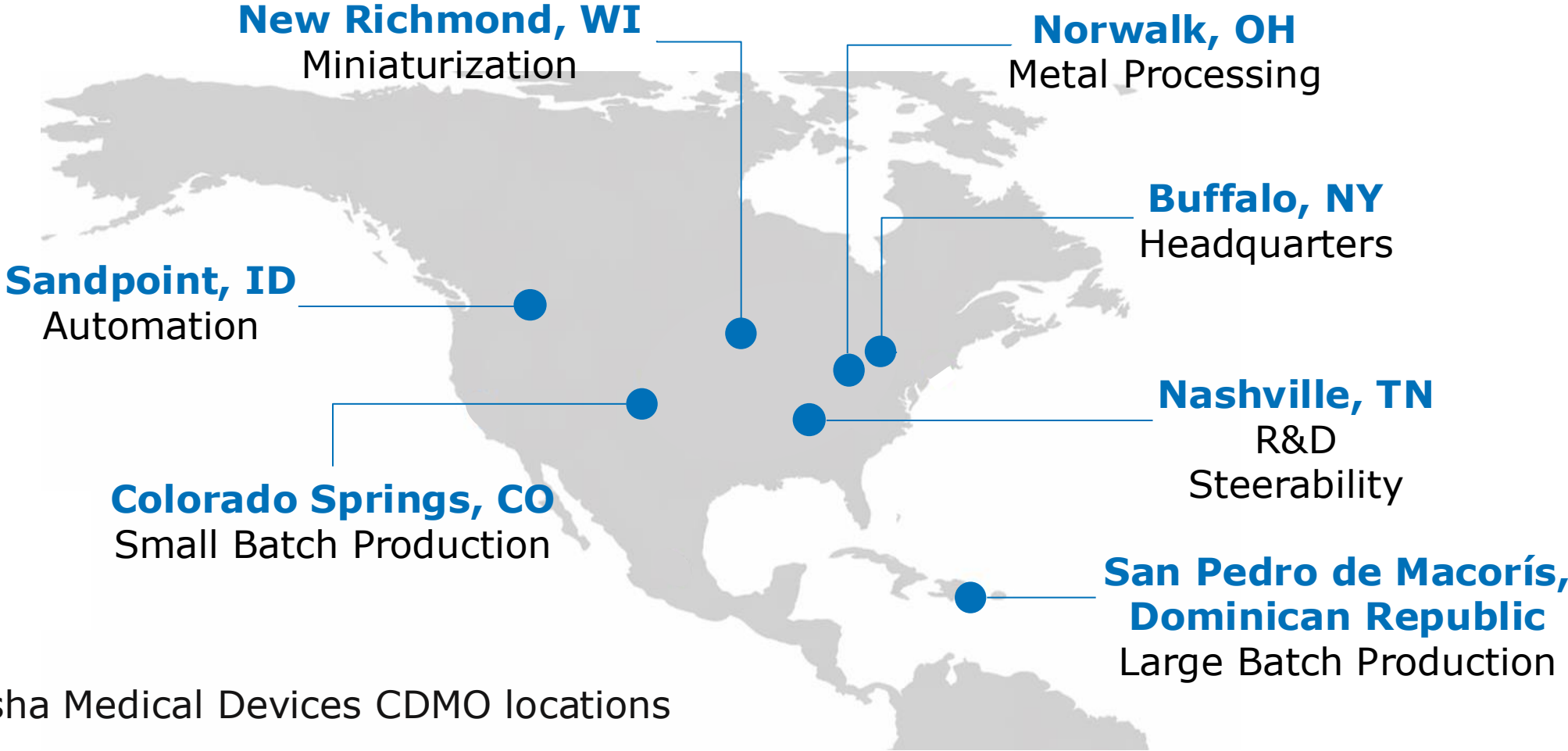


Cardiovascular Devices



Footprint in the U.S., a Medically Advanced Country

- Adjacent to and jointly developing with U.S. medical devices OEM



Megatrends in the U.S. Medical Devices OEM Outsourcing

Market Trend

- Post-Covid priorities for supply chain reliability, coupled with geopolitical tensions, are accelerating the regionalization of supply chains and partially reversing globalization
- Bridging competency gaps due to convergence of technologies in smart devices, robotic platforms, enhancing quality of life for people



...someone that we can partner with on innovation...brings new ideas to us that we can work with to be able to even provide better products



EVP at Medical Device OEM



Smaller, less invasive devices that eliminate the need for major surgery



EVP at Medical Device OEM

Target CDMO Value Proposition

- Leverage vertical integration that enables high-functioning devices
- Design and development capabilities become an essential extension of OEMs' innovation efforts
- Differentiation no longer driven just by providing engineering & manufacturing services, innovation now required technology driven solutions with the ability to translate to clinical applications

Converging Technology is Driving Innovation

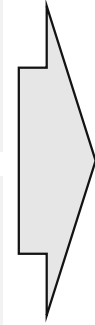
Medical Industry

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

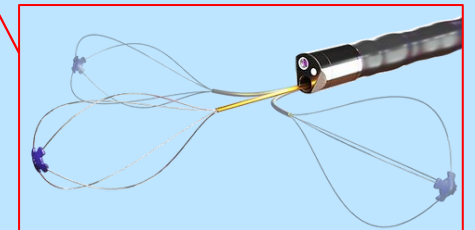
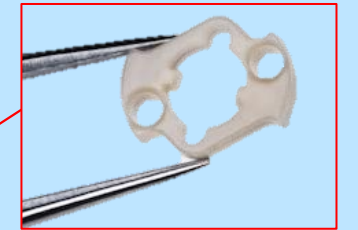
Supported by many capabilities including:

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

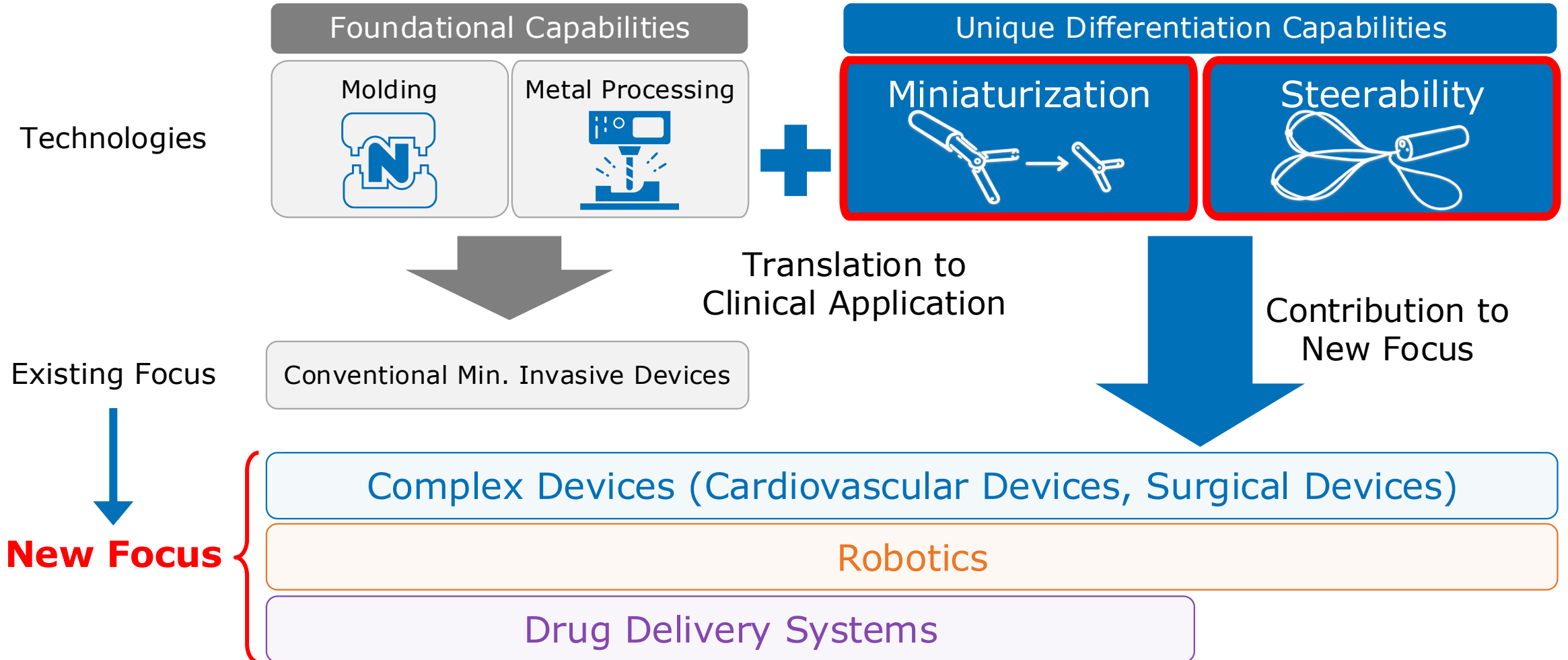


Uniquely Positioned

- Miniaturization
- Steerability
- Navigation & Visualization



Our Focus with Unique Differentiation Capabilities



Nissha Technology Hub Nashville

- Technology development and translation to clinical application, driving concept development to commercialization

1

Integrated Technology Hub
Seamlessly connects research, development, and clinical validation for concept

2

R&D Facility on Vanderbilt Univ. Campus
Direct access to world-class clinical environments

3

Accelerating Medical Device Development
A unique model in the specialized mid-tier CDMO space



Vanderbilt University

- A premier U.S. research university with a **top 10** medical school *
- Adjacent medical center performs **79,000+** surgeries per year

Scaling Micro Molding Facility

- New ~50,000 sq ft facility under construction; targeted completion April 2027

1

Strong Demand Visibility

Order backlog up 86% since the 2024 acquisition

2

Expected Impact

Proximity to Minneapolis, a global hub for medical devices OEMs

3

Alignment with market trends

Growing demand for miniaturized, high-precision components in surgical robotics and navigation



New facility at New Richmond, WI



Micro molded components for surgical devices

Extended Opportunities of Micro Molding Capability

Medical Opportunities

Cannulas for Diagnostics and Drug Delivery

- Micro requirements in diabetes management driven by patient comfort



Market
(2025) *

\$2.0B

CAGR

~7%

(2025-2030)

Bioabsorbables for Medical Devices

- Applications include orthopedic, cardiovascular, wound care



Market
(2025) *

\$1.7B

CAGR

~10%

(2025-2030)

AI/Data Center Opportunities

Connectors for Data Centers

- Strong demand growth driven by AI data center expansion
- Drives Nissha precision tooling and micro molded parts sales

Market
(2025) *

\$1.3B

CAGR

~8%

(2025-2031)

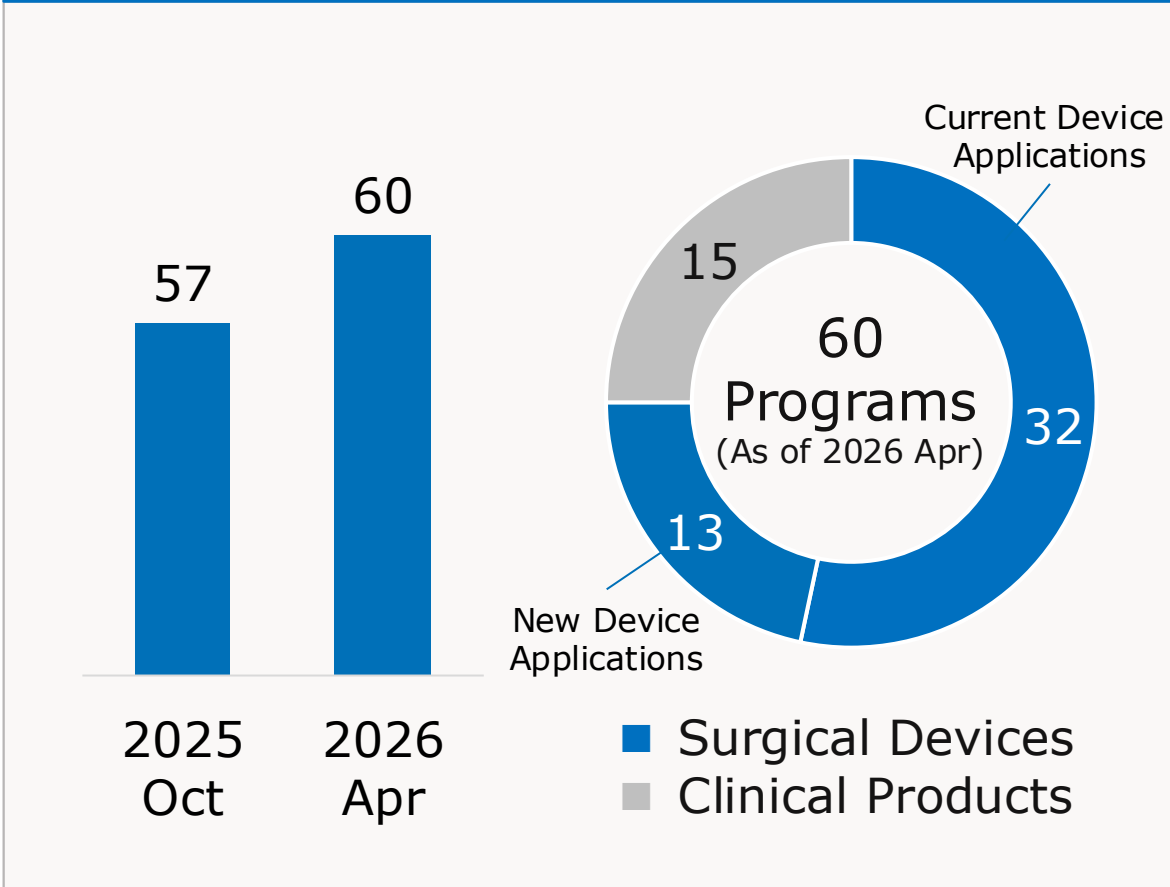


Programs in Pipeline

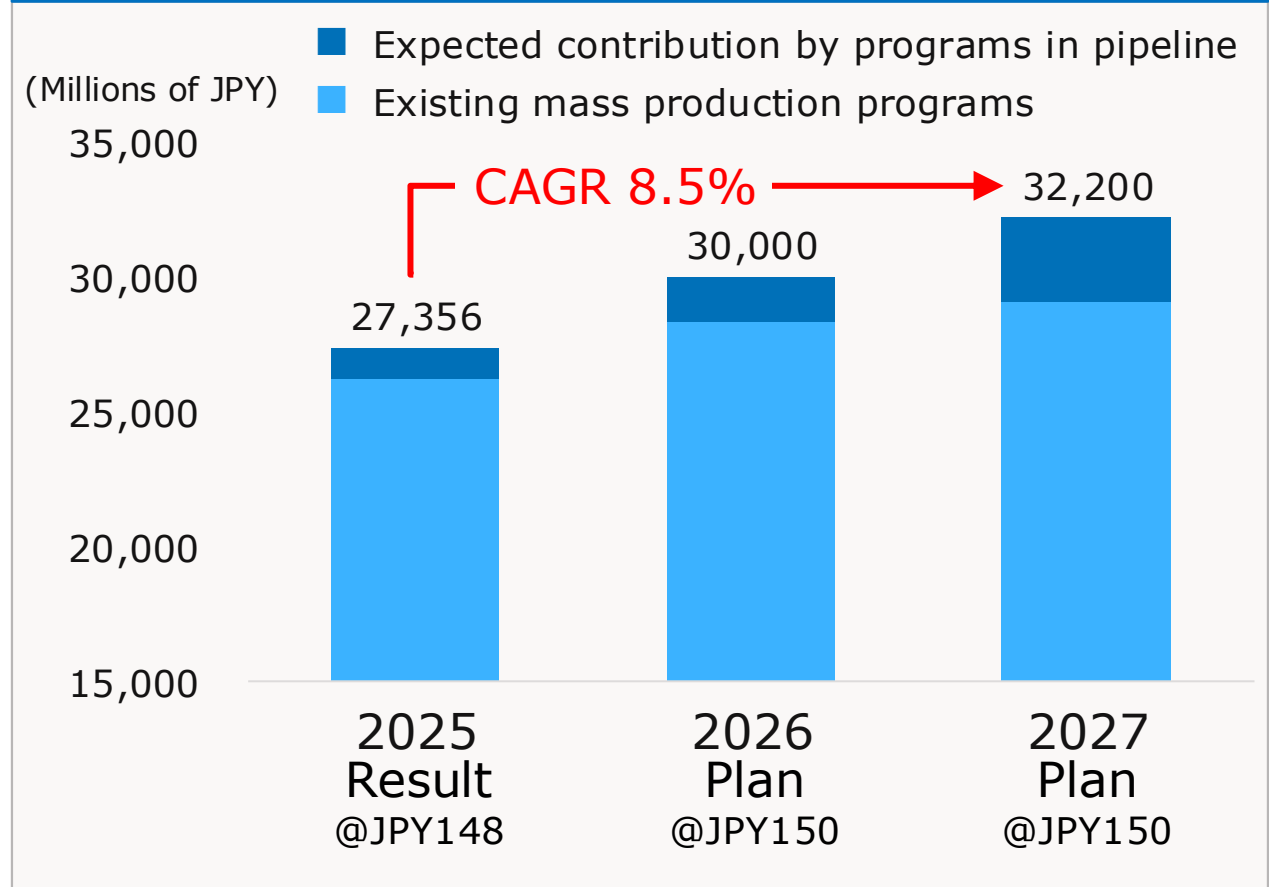
Securing Our Medical Devices CDMO Growth

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

Programs in Pipeline



Sales Contribution by Programs in Pipeline

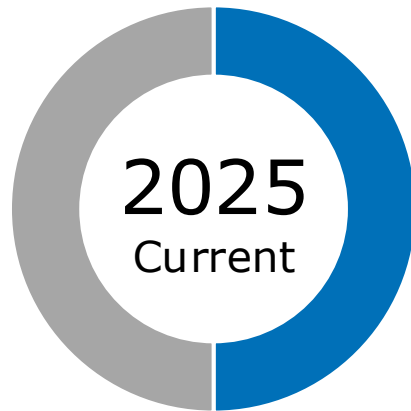


Profitability Initiatives

- Reinforce the CDMO business expansion and operational improvements

CDMO Business Expansion

- CMO vs CDMO ratio helps the profitability, in addition to increase the CDMO business volume



Operational Improvements

1

Production Improvements

+JPY200M

- Automation
- Workforce Engagement
- Optimization of Work Layouts

2

Inventory Management

+JPY75M

- Installation of system planning tools

3

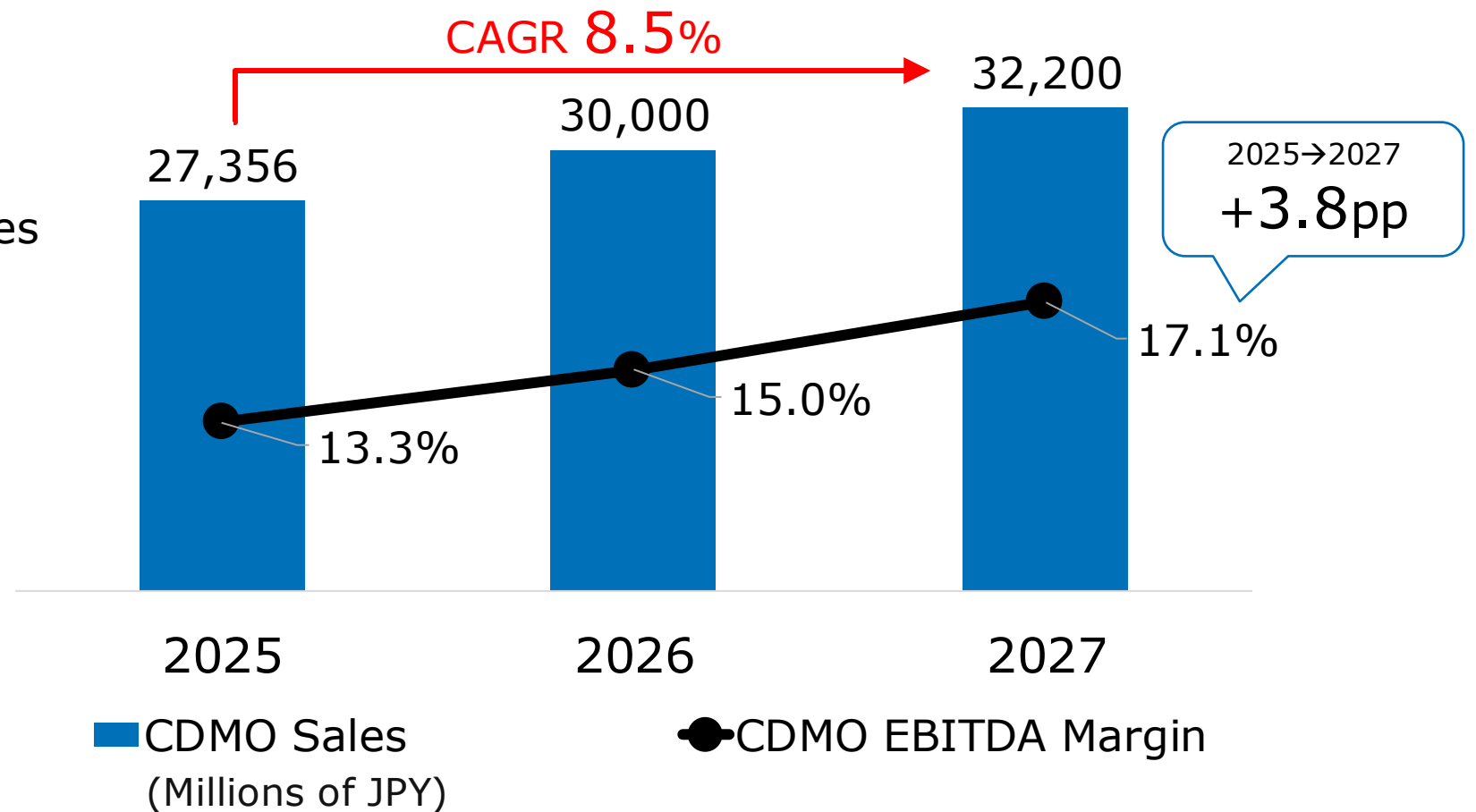
SG&A Expense Control

+JPY75M

- Corporate overhead consolidation

Projection of growth and profitability

- Sales growth contributed by the programs in pipeline
- EBITDA target 17.1% in 2027
 - Sales growth
 - Shift to more CDMO programs
 - Profitability improvement initiatives





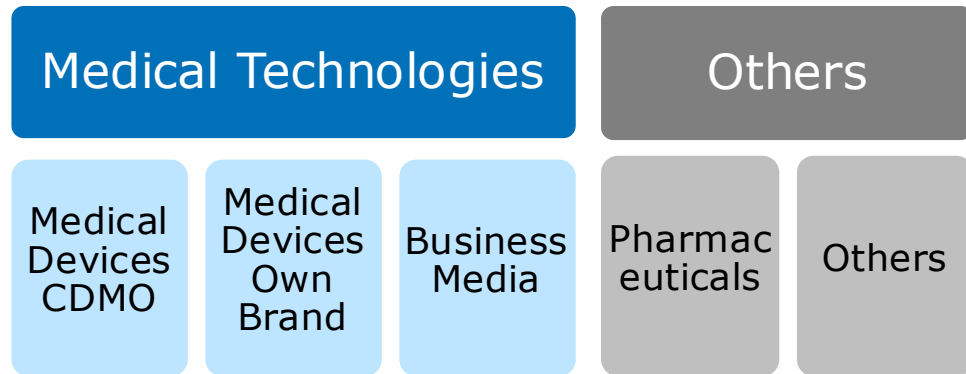
Medical Segment Update

Wataru Watanabe
Director of the Board
Senior Executive Vice President
Chief Strategy Officer
Nissha Co., Ltd.

Medical Segment

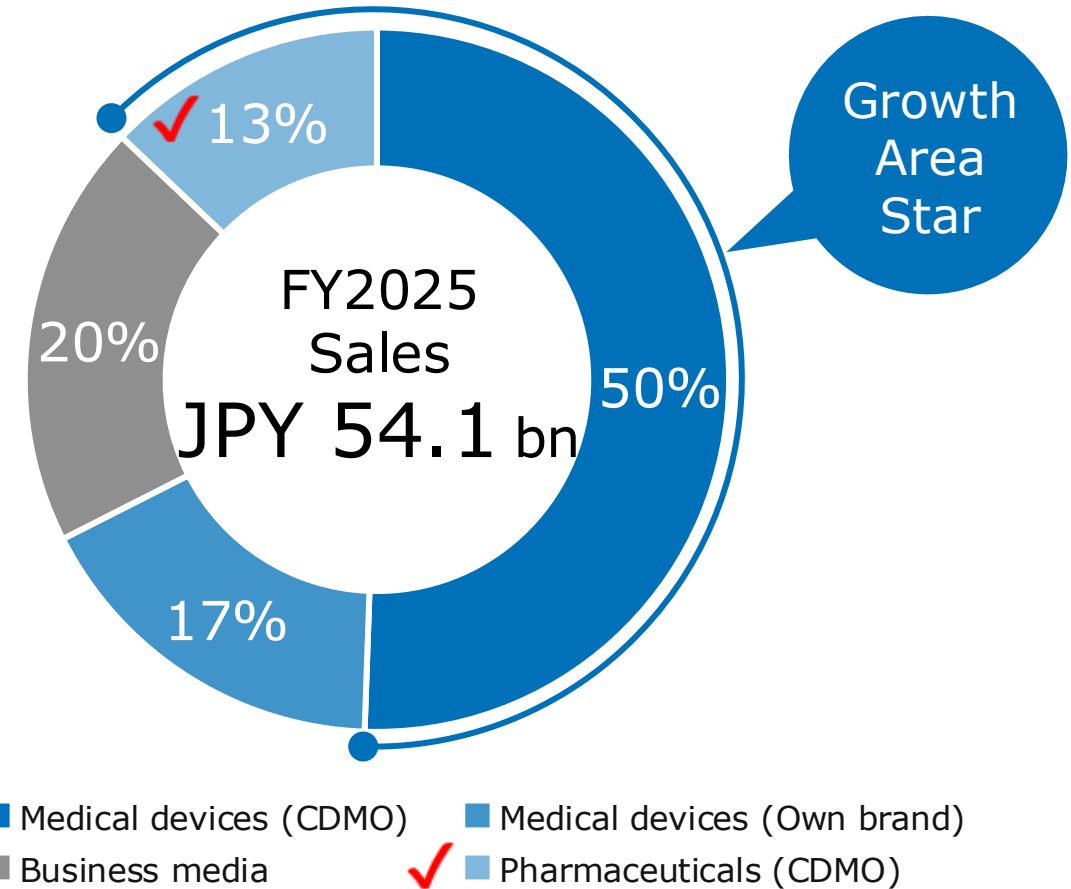
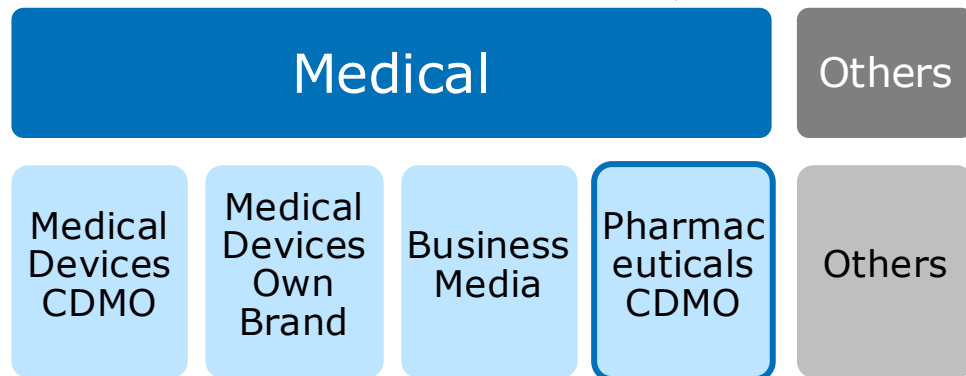
- 2026 Q1: Integrating Medical Technologies business and Pharmaceuticals into Medical Segment

Before



Reclassified

After

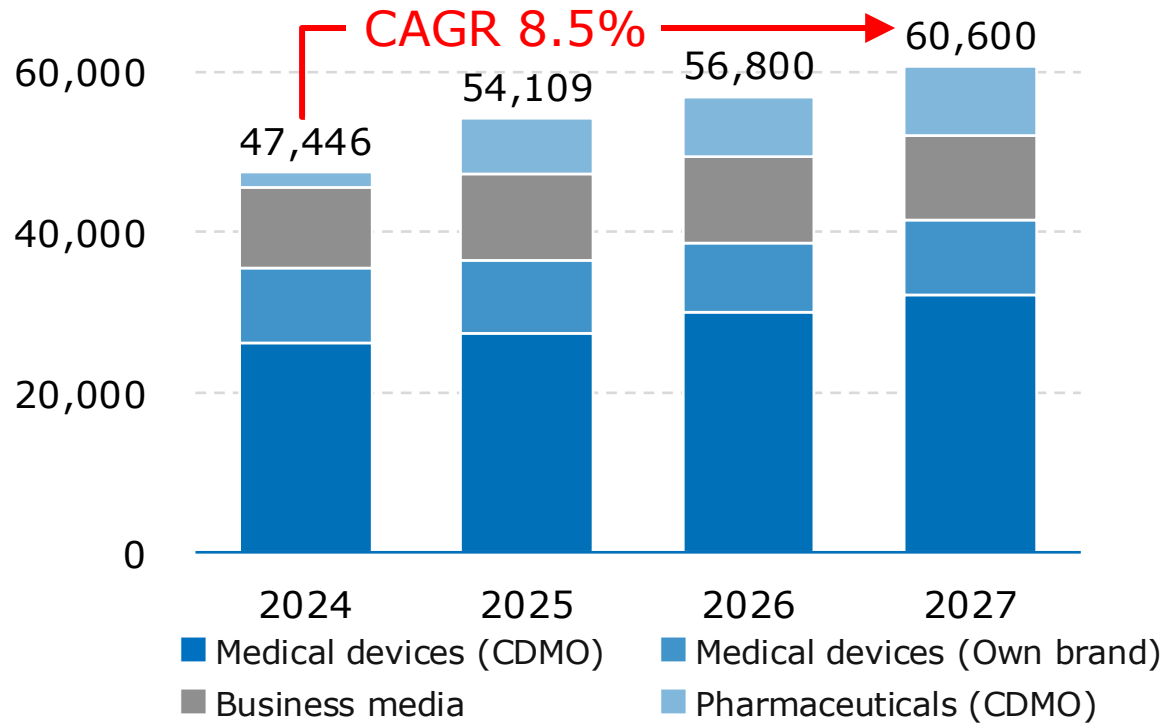


Medical Segment: Business Projection

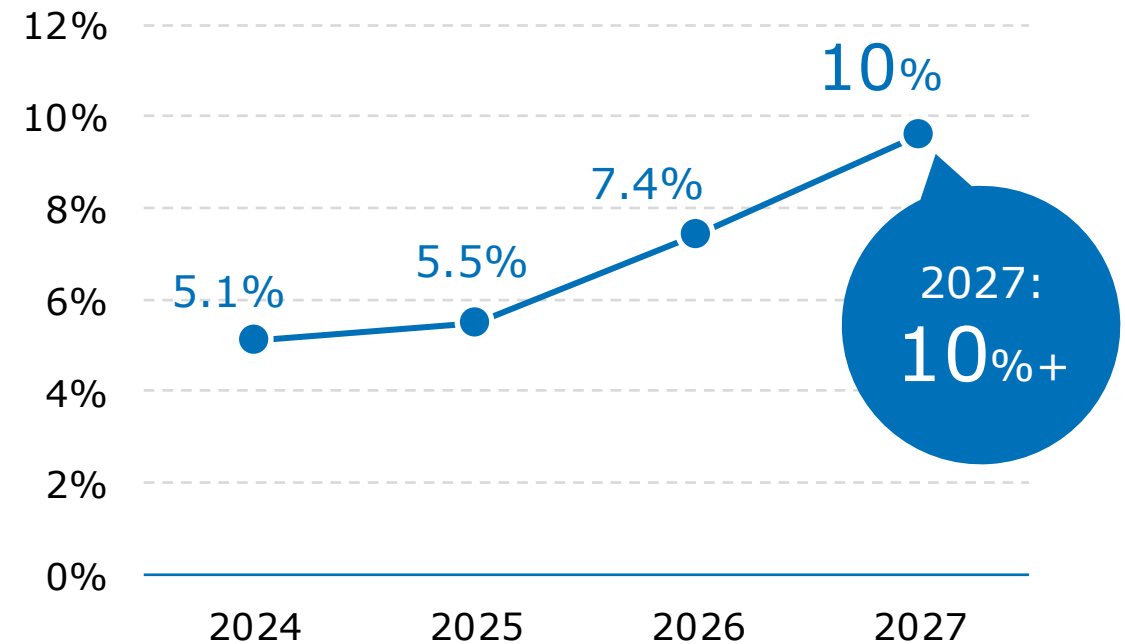
- Sales growth accelerated by Medical Devices CDMO and Pharmaceuticals CDMO
- Operating profit continues to improve, reaching 10% over in 2027

Medical Segment Sales

(Millions of JPY)

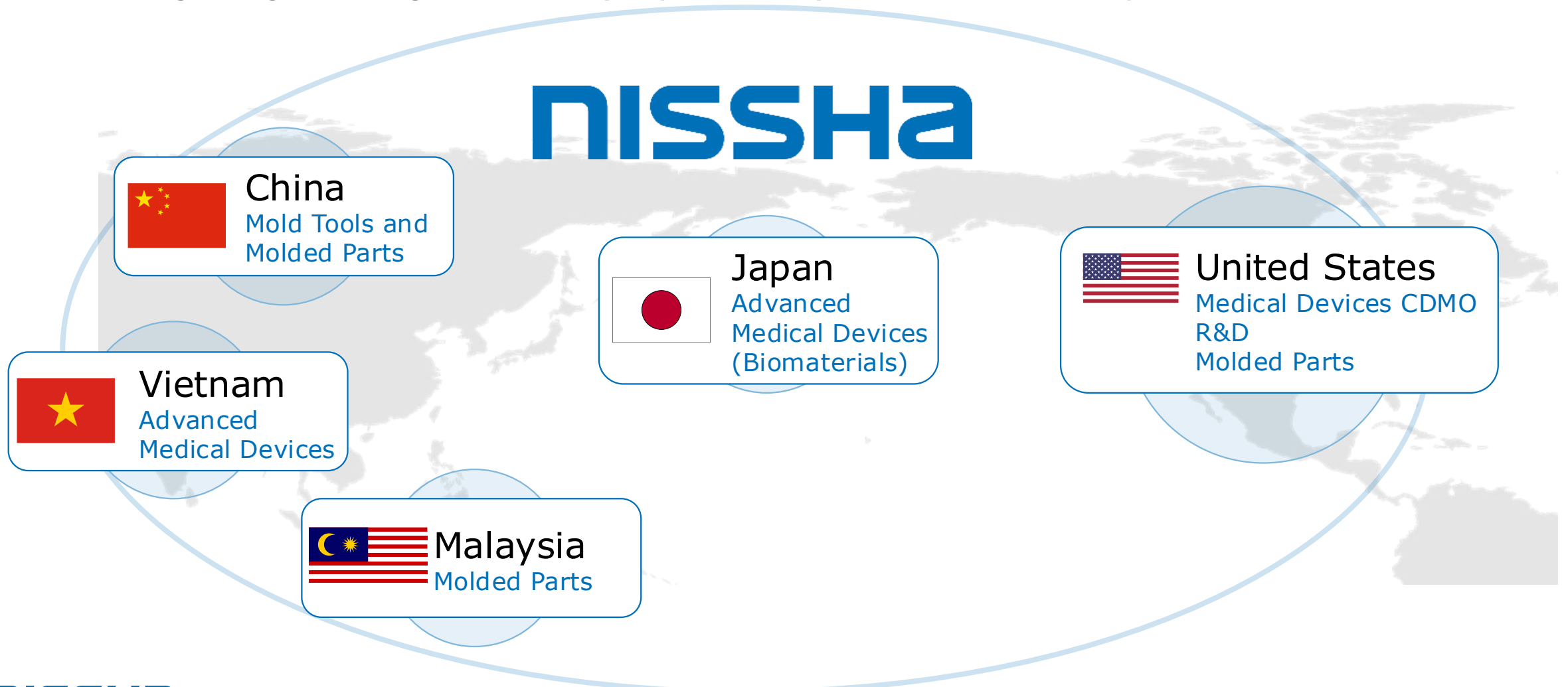


Medical Segment Operating Profit



Creating Global Connection of Strategic Assets for Medical Devices

- Reconfiguring Strategic Assets (Capabilities) across the Group



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