

Nissha Co., Ltd.  
Medical Technologies Presentation  
Q&A Overview  
(May 26, 2023)

Q1. What are the advantages of the Medical Technologies business over other CDMOs?

A1. Major OEMs recognize us as their partner in design, development and manufacturing, and we believe that we have earned the achievements and their trust.

Q2. Currently, Nissha is developing its CDMO business mainly in the United States, but do you have any plan to establish bases in Asia in the future to supply products globally?

A2. OEMs are requesting CDMOs to set up bases in Southeast Asia, and we would like to have a presence there. Since there are still few CDMOs that have established operations in Southeast Asia, it will give us an advantage, if we establish operations there.

Q3. How many years ahead is the pipeline running? And do you have enough resources to realize the pipeline?

A3. The pipeline is expected to continue to grow in both existing and emerging areas. It takes two to three years until mass production. Resources can be added flexibly, and we are looking to strengthen the design area in particular. In addition to organic growth, we are also considering growth through M&A. We would like to establish a position as a CDMO not only in the United States, but also in Southeast Asia and Europe.

Q4. In terms of profitability, is it possible to achieve an EBITDA of 15% in 2025?

A4. It is achievable, and we are aiming to further improve profitability. The performance for this fiscal year exceeded our expectations so far, and we could continue to improve profitability in this manner.

Q5. In 2022, an independent outside director (Juichi Takeuchi) from a medical device manufacturer joined the Company. What benefits has this brought?

A5. Mr. Takeuchi is not only familiar with the medical device industry, but also has in-depth knowledge and experience in managing business in the United States, and his advice has been extremely valuable.