



INTEGRATED REPORT
MANI, INC. Integrated Report **2024**



<https://www.mani.co.jp/en/>

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



The Future Envisioned by MANI

Realizing Our Ideal Future

MANI’s social mission is to contribute to the happiness of the people in the world through high-quality medical devices.

We are working to create long-term value by embodying our mission, vision, and values.

Embodying
our Mission,
Vision,
and Values



- ▶ MISSION
Contributing to the welfare of people worldwide through the distribution of products beneficial to patients and doctors
- ▶ VISION
The Best Quality in the World, to the World
- ▶ VALUE
Ardent, tenacious and persistent efforts with a scientific mind
Commitment to “Trade-Off”
Relentless challenge to creativity and evolution



MANI's goals

We aim to deliver that quality as “the Best in the World”

Our focus on being “the Best in the World” is the origin of MANI and has continued since our foundation.

The pursuit of products that benefit patients and doctors arise from our very DNA.

Our mission at MANI is to ensure that everyone in the world has access to “good treatment” with “good products.”

Lineup of various products

Surgical

Ophthalmic Domain/Surgical Domain

- Ophthalmic knives, staplers for suturing the skin's surface, etc.
- Competitive advantages: superior sharpness, microfabrication technologies that cater to miniaturization, and increased precision of surgical procedures



Ophthalmic knives

Skin stapler

Eyeless Needle

Surgical Domain

- Surgical suture needles (eyed needles), needles for surgical sutures (eyeless needles)
- Competitive advantages: superior sharpness, in-house developed materials that are rust-resistant and difficult to break, fine laser processing technologies, and drill processing technologies



Eyed needles

Eyeless needles

Dental

Dental Domain

- Dental instruments, dental restoration materials
- Competitive advantages: superior durability, lineup of various products, people-friendly by avoiding the use of hazardous substances and materials



Dental root canal treatment instruments (reamers and files)

Dental rotary cutting instruments (dia-burs)

Dental restoration materials

Key Messages Covered in Integrated Report 2024

Top Message (Message from Our CEO)

Here, we share interviews with Masaya Watanabe, who was newly appointed as President and Representative Executive Officer, and Masahiko Saito, appointed as Technical Fellow. Masaya Watanabe discusses MANI's future management vision and Masahiko Saito shares MANI's strengths in manufacturing, and challenges in research and development.

Global × Human Capital

Here, we introduce MANI's customer base and sales capabilities as a global sales network expanding worldwide. Also, we share messages from the frontlines of manufacturing in Japan and Vietnam, as well as messages from our female employees.

Ophthalmology and MANI

Here, we discuss the product value of our mainstay ophthalmic knives from the standpoint of quality of vision. We also share a message from an ophthalmologist.

Sustainability

Here, we enhanced our disclosure through such methods as explaining the status of initiatives including our human rights policy and human rights due diligence, as well as clearly outlining discussions conducted at the Board of Directors meetings.

Tradition Passed Down Through Generations

The Spirit of Pursuing Technologies and Service to the Healthcare Field

Our Passion and Commitment: The Best Quality in the World

We aim to contribute to society through “beautiful work” that allows us to provide more precise, safer treatments for both doctors and patients.

To realize this vision, MANI has undertaken numerous challenges up to now.

For “beautiful fine work”

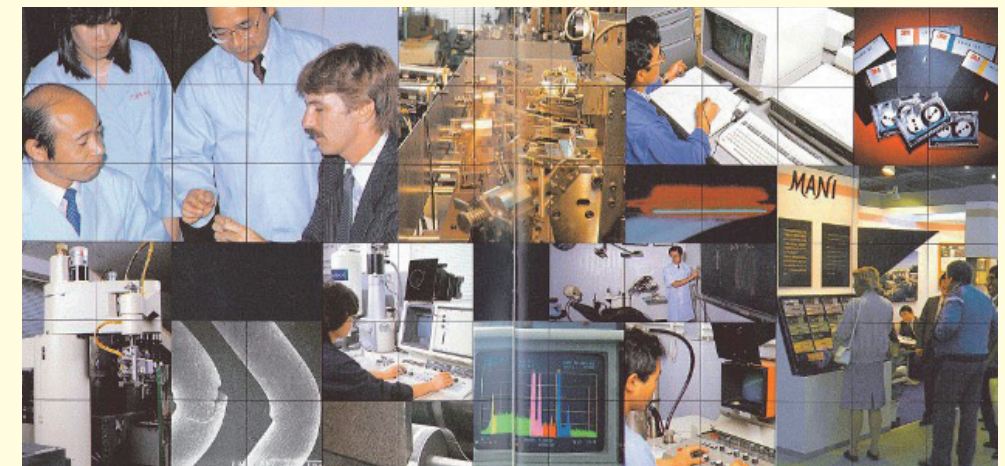
To obtain high quality armamentaria is one of indispensable conditions to guarantee “beautiful fine work” of high reliance and high efficiency for more reliable treatment. *MANI*® always keep on challenging for “this” beautiful work.

より確かな治療に向って高品質のインスツルメン
い美しい治療を保証するために必要不可欠な条
めに日夜たえず注がれる努力とその精神は、
るものです。MANIは常にこの“美しい仕事”の

トを手にする——それは信頼性と効率の高
件です。また、この“美しい仕事”の実現のた
さらによりよい革新を生み出しつづける基盤にも
ために挑戦しつづけているのです。



“Contributing to beautiful work through precision technologies that work as one with the hand of the doctor”



Excerpts from company guides to the former MATSUTANI SEISAKUSYO CO., LTD. from 1970 to around 1990.



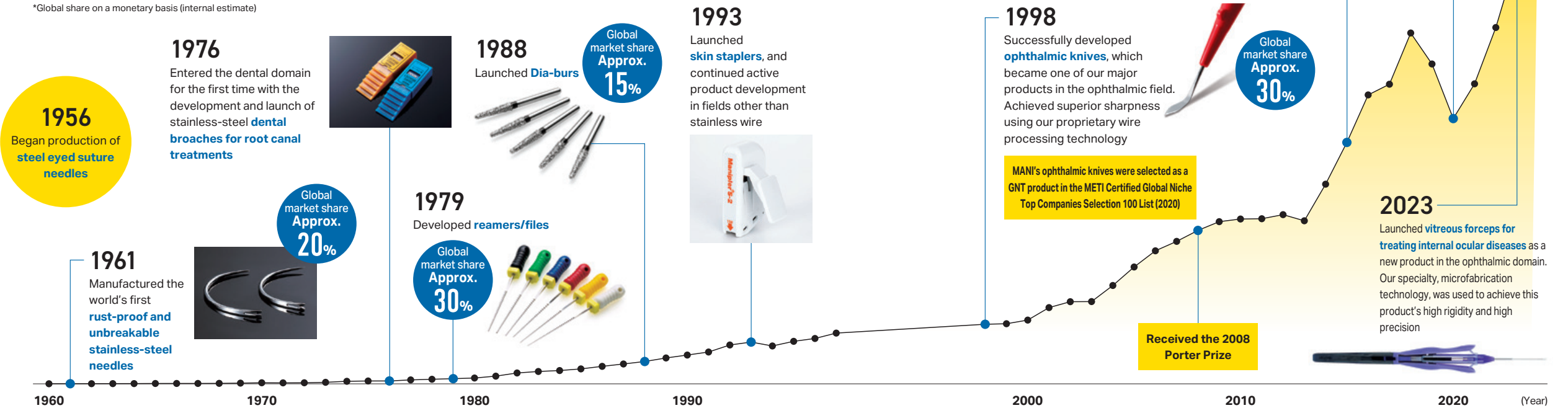
History of MANI

Our Challenge and Path to
Becoming the Best in the World

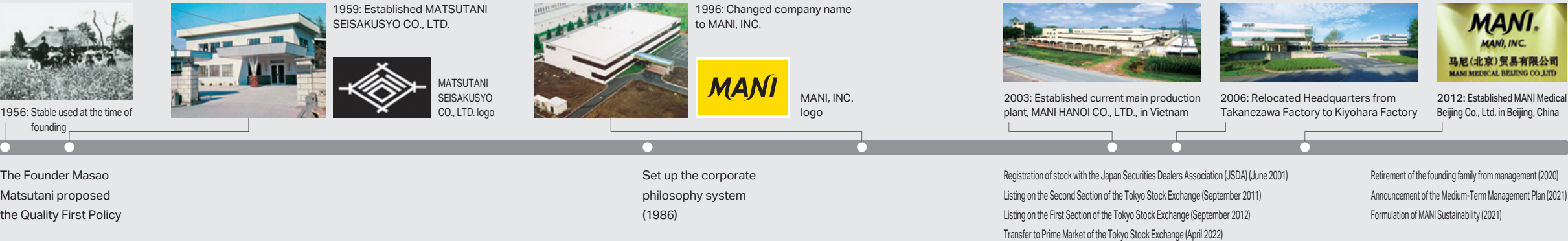
Since our foundation, MANI has pursued the creation of products that are beneficial to patients and doctors. We have grown by evolving our business model and expanding globally in the domains of medical and dental instruments that require microfabrication technologies. We will continue to strive for sustainable growth through business expansion that is fine-tuned to meet the needs of society and changes in the business environment.

History of MANI and Consolidated Net Sales Trends

*Global share on a monetary basis (internal estimate)



Business Expansion and Evolution of Governance



Awards and External Evaluation

- Received the 2008 Porter Prize <https://www.porterprize.org/english/pastwinner/2008/12/03115525.html>
- Selected for the METI Certified Global Niche Top Companies Selection 100 List https://www.meti.go.jp/policy/mono_info_service/mono/gnt100/pdf/2020_gnt100_company_list_en.pdf
- Received the METI Minister's Award for Corporate Governance of the Year 2023 by the Japan Association of Corporate Directors https://www.jacd.jp/en/conference/240111_japan-association-of-corporate-directors-announces-its-corporate-governance-of-the-year-2023-prize-w.html
- Tochigi SDGs Promotion Company <https://www.pref.tochigi.lg.jp/t01/work/shoukougyou/sesaku/tochigisdgs2023.html> (Japanese only)
- Eruboshi Certification (Level 3 certification) https://jsite.mhlw.go.jp/tochigi-roudoukyoku/newpage_00881.html (Japanese only)
- Earned Committed Badge from EcoVadis (2024) <https://ssl4.eir-parts.net/doc/7730/announcement2/103262/00.pdf>
- MSCI ESG rating "A" (2025)

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Contents

Introduction

1. The Future Envisioned by MANI 1
2. MANI's goals 3
3. Tradition passed down through generations 5
4. History of MANI 7

Business Strategies

- Top Message (Message from Our CEO) 9
- Source of Value Creation 13
- Interview with Chairperson 15
- New Management Structure 17
- MANI Outlook 19
- MANI's Value Creation Story 21
- Strengthening Our Management Capital 23
- Medium-Term Management Plan 25

- FOCUS**
- Global Sales Network Expanding Worldwide 27
- FOCUS**
- Technology and Manufacturing 29
- Business Overview (FY2024) 31
- Feature**
- Ophthalmic Domain and MANI 33

Foundation for "The Best Quality in the World" -ESG at MANI-

- MANI Sustainability Overview 35
- Environment 36
- Society (Human Capital) 39
- Corporate Governance 45
- Interview with an Outside Director 57

Data Section

- Financial & Non-Financial Highlights 59
- Financial & Non-Financial Changes (11 Years) 61
- Stock Information 63
- Company Information 64

Policy for Compilation of the Integrated Report

- Basic Approach**
- This report mainly covers the results of MANI, INC. and the Group companies (nine consolidated subsidiaries) in the fiscal year ended August 31, 2024 (from September 1, 2023 to August 31, 2024). It also includes some information directly before and after this period.
- Matters for attention concerning future forecasts**
- Any statements in the contents of the "MANI, INC. Integrated Report 2024" that are not historical facts are forward-looking statements based on the forecasts and plans concerning the future of MANI, INC. These forward-looking statements include risks, uncertainties, and other factors, and the actual results and performance, etc., may vary from these forward-looking statements.
- Date of issue:** April 2025

TOP Message

Director, President and
Representative Executive Officer

Masaya Watanabe

Message from Our CEO

Aim for the “Best Quality in the World” and Become a True Global Company

— Aiming to achieve a leap to a 50-billion-yen company in the next 10 years, and then soar further to a 100-billion-yen company —

Driving Innovation Utilizing Our Healthcare Knowledge

My name is Masaya Watanabe, and I was appointed as Director, President and Representative Executive Officer on November 25, 2024. I began my career in 1982 in large-scale computer development at Hitachi, Ltd. Since 2009, as Hitachi, Ltd. rebounded sharply from significant losses and advanced reforms towards growth, I have been involved as a member of the management team in areas such as the HDD business (United States), information and telecommunications, Hitachi America Ltd., Healthcare Company, and Smart Transformation. Since 2015, I have also accumulated experience in the public sector at industry groups and as a government committee member, having gained broad insight into the healthcare field throughout my entire career. Since 2022, I have served as an outside director at MANI, and it wouldn't be an exaggeration to say that the medical device business, a business of great social significance, is my life's work.

An important philosophy to me in approaching management is the “principle of three realities.” The “principle of three realities” focuses on the three factors of *genjitsu* (“actual situations”), *genba* (“actual sites”), and *genbutsu* (“actual objects”). This anchors our management decisions at MANI. In sales, *genjitsu* (“actual situations”) refers to customer relationships. How are MANI's products viewed by our customers? Employees engaged in development and manufacturing on the frontlines understand *genba* (“actual sites”) better than anyone. The focus is not on having academic discussions, and rather on taking a close look at *genjitsu* (“actual situations”) in making decisions. The first thing that I did after being appointed as President was to travel to our Japanese locations and hold town hall meetings. The town hall meetings were an opportunity for me to explain our corporate policy directly and to hear the frank opinions of our employees. This made me realize anew that we should be proud of the MANI Group's culture in which everyone can speak

directly regardless of their rank or position. We will first properly review every one of our employees' valuable opinions and then incorporate those opinions into future innovation. Moreover, overseas we have around 3,500 employees primarily in Vietnam and around 200 employees in our other six business and sales locations, and I am visiting those locations in order. Thus far, I have visited India and China, and both of these locations are significantly expanding their sales. China is particularly noteworthy, having an average employee age of 31 and boasting an average growth rate of more than 20% over the past five years. These young employees at our overseas locations are expanding MANI's product lineup and strengthening our customer base. MANI is a research and development-type company, but I realized that we have grown through business development that is strongly rooted in each of these regions.

Relentless Challenge Toward Creativity and Evolution

On January 9, 2025, we announced both the progress in our Medium-Term Management Plan and our future corporate policy. At the start of that announcement, I reintroduced our mission, vision, and values as the MANI Group. The intention conveyed is to value the strengths that MANI has developed since its founding, while also introducing new ideas for future advancement. The MANI Group's mission is, “Contributing to the welfare of people worldwide through the distribution of products beneficial to patients and doctors.” This is the social mission that MANI strives to fulfill. Moreover, our vision of “The Best Quality in the World, to the World” is an extremely simple yet powerful message and forms the core of the behavioral guidelines for all our employees. “Quality” is also a word with an extremely broad meaning for MANI. Quality not only means having a low product defect rate and failure rate. For example, when referring to the quality of the ophthalmic knives used by doctors in cataract surgeries, we would see if the knives are far superior to competitors' knives in terms of comfort, ease of use, sharpness, and hand feeling in use.



At the town hall meeting in India

MANI has three core values. The first core value is “ardent, tenacious and persistent efforts with a scientific mind,” which has been passed down since our founding. With a scientific mindset and a desire for self-improvement, we believe that all employees should have an ardent and tenacious approach to their work. The second core value is the “Commitment to Trade-Off.” As MANI has grown from a small business to a mid-sized business, our core approach has been to build a strategy that focuses our resources on fields in which we can win, so that we do not lose out to competitors due to limited resources. In other words, we do not handle products other than medical devices; we do not aim for quality other than the best in the world; we do not deal in products with a short market trend, and we do not enter markets other than niche markets. This “Off-Limits Management” is the source of the company’s strengths, including an extremely high operating income margin and equity capital ratio. The third core value that we have newly added is “relentless challenge to creativity and evolution.” Our main products, “Eyeless Needles,” “Reamers and Files,” “Dia-burs,” and “Ophthalmic Knives” have been developed through our uncompromising philosophy of “Our Passion and Commitment: The Best Quality in the World,” which has been passed down since our founding. MANI’s manufacturing DNA of pursuing the best quality in the world is naturally present in our engineers, as well as in our sales and corporate staff. The MANI Group will challenge ourselves to reach unprecedented heights.

Evolution as a Global Company

The globalization of business at MANI involves not only exports and establishments of local subsidiaries but also advancing efforts to meet the medical needs of each

country by coordinating operations from a global perspective. For example, we earnestly receive feedback from doctors who have performed surgeries using MANI products and continue to improve our products to enhance their quality. We are also strengthening our relationships with the global KOL network in terms of product development. In the future, rather than handling all product development in Japan, by selecting the optimal countries and regions to pursue development in response to their unique needs, we aim to optimize our operations worldwide.

In terms of manufacturing, in the late 1990s, we shifted our production base to Vietnam, maintaining product quality while lowering manufacturing costs. In terms of sales, as I mentioned earlier, we are enjoying significant sales expansion in China and India. Speaking with local workers in China, it is clear that they have a strong resolve not only to sell products, but also to gather doctors’ opinions to provide feedback in development and reflect them in our products, thereby improving MANI’s value to Chinese medical institutions. That proactive attitude has been well received, and we are moving forward with preparations to accommodate it.

Future Corporate Policy

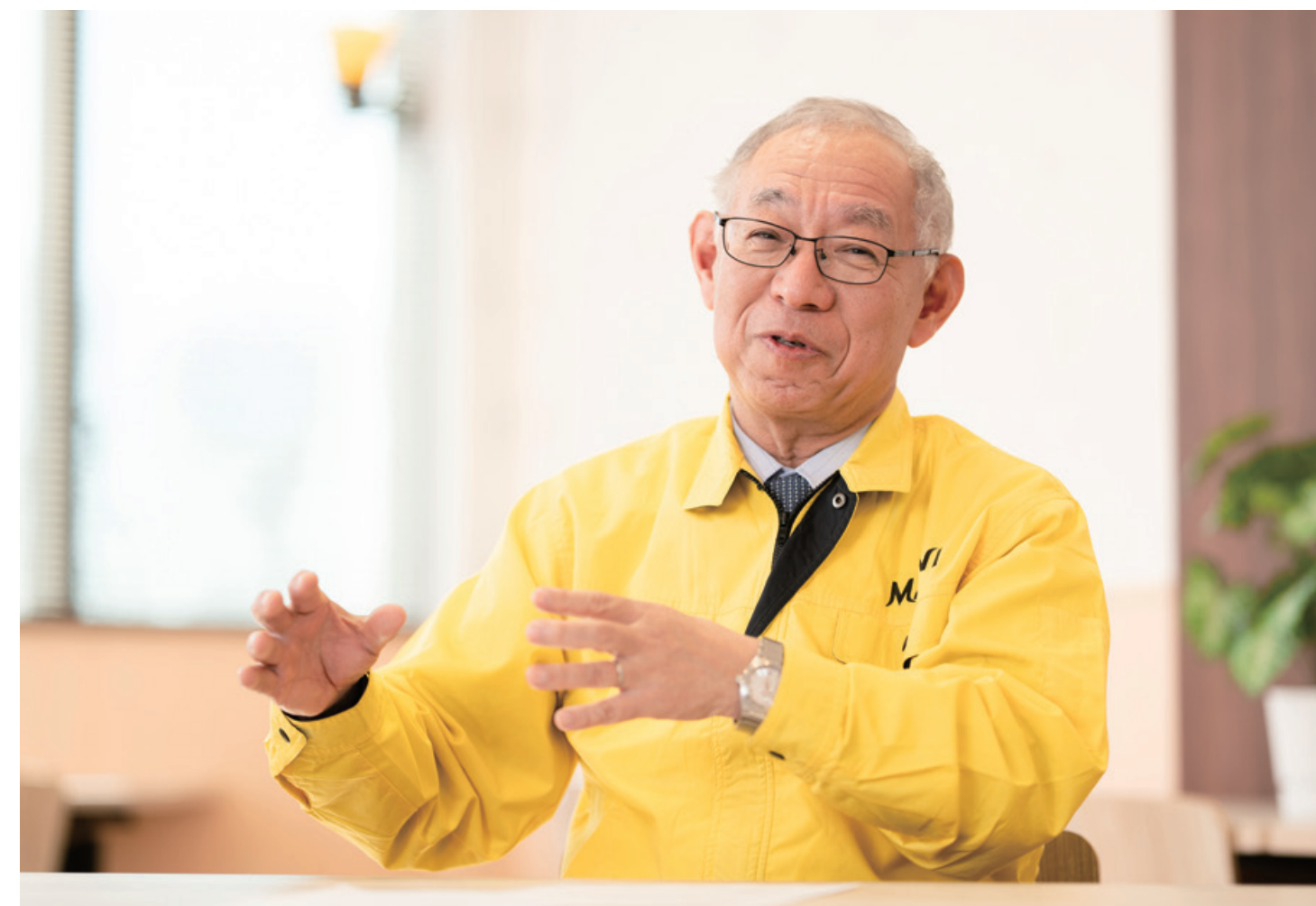
Our future corporate policy includes four focus policies. The first focus policy is to leverage the superiority of our products, which is MANI’s strength, to further expand our global market share, and then to maximize our potential as a research and development-type company to enhance our manufacturing capabilities. Specifically, in addition to the four main products that currently support MANI, we would like to create a fifth and sixth main product. Moreover, driven by our goal to “distribute products throughout the world,” in addition to Japan, China, India, and the Asian region, where we currently have a strong market share, we plan to expand our sales routes in Europe and America to increase our market share in those regions. The second focus policy is positioning the coming ten years as a period of dramatic growth in which we achieve the milestones of ¥50.0 billion and ¥100.0 billion in consolidated net sales and strengthen our business base to handle that level of expansion in our corporate scale. As one example, we are reforming our current supply chain in preparation for a future expansion in sales. Additionally, with MANI’s products being supplied to more than 120 countries and regions worldwide, we must comply with the legal regulations for the pharmaceutical business in each country. Further bolstering this compliance creates a platform for medical device manufacturers. The third focus policy is to go beyond our existing approach and to challenge ourselves in new areas. One example of this is the acquisition of Schütz Dental Group as a subsidiary in 2015, through which we are engaging in the dental restoration materials business. This move is strategically

aimed at expanding our business domain in the dental field. The fourth focus policy is the strategic development of our business, including the use of alliances and M&A. In particular, we aim to improve ROE by executing growth strategies such as strategic investments utilizing cash on hand.

In the progress in our Medium-Term Management Plan and future corporate policy announced in January 2025, we plan to achieve our established goal of ¥50.0 billion two years ahead of schedule in FY2029. Since the commencement of the current Medium-Term Management Plan in 2021, the MANI Group has maintained a sales growth rate (compound annual growth rate) of around 12%, which we plan to continue to maintain. Naturally, we expect changes in our business environment, as well as various risks and opportunities in the coming four years. Regarding risks specifically, we see the possibilities of a move toward the nationalization of medical device manufacturing in China and emerging countries, as well as the appearance of low-cost competitors. We hope to identify these risks early on and respond to them immediately. Furthermore, as a new growth opportunity, we also hope to challenge ourselves in new fields including robotic surgery and minimally invasive treatments.

Evolving into a Company that is Appealing to Diverse Stakeholders

The MANI Group’s mission continues to be “Contributing to the welfare of people worldwide through the distribution of products beneficial to patients and doctors.” We provide overwhelmingly easy-to-use devices to customers on the frontlines of healthcare worldwide. For all our investors, in addition to delivering solid results that meet their expectations, we will strive to ensure clear and detailed communication regarding our approach to management and the progress of our management plan. We will also strive to create workplace environments in which everyone involved with MANI can feel enthusiastic and do a good job while enjoying their work. As the initial phase of these efforts, we have succeeded in the business model reforms put forth in our current 5-year Medium-Term Management Plan. From 2026, we hope to fulfill the expectations of all our investors by aiming for high-level growth without limiting ourselves and evolving into a company that is appealing to diverse stakeholders. We humbly ask for your continued, unwavering support.



Source of Value Creation

Becoming the “Best in the World,” MANI’s DNA

As part of our efforts to realize “The Best Quality in the World, to the World,” we hold a “The Best in the World or Not” conference once every six months, and run programs aimed at being the best in the world for each required characteristic of quality. We segmentize each product and scrutinize each characteristic to determine if we are the best in the world or not, and then we make improvements.

As our product strategy, we are clarifying and implementing the trade off, or the “Off-Limits” fields in R&D. While it is important to adapt technological strategies to technological changes in the markets we face, we will continue to inherit the core concept of our management and aim for sustainable growth.

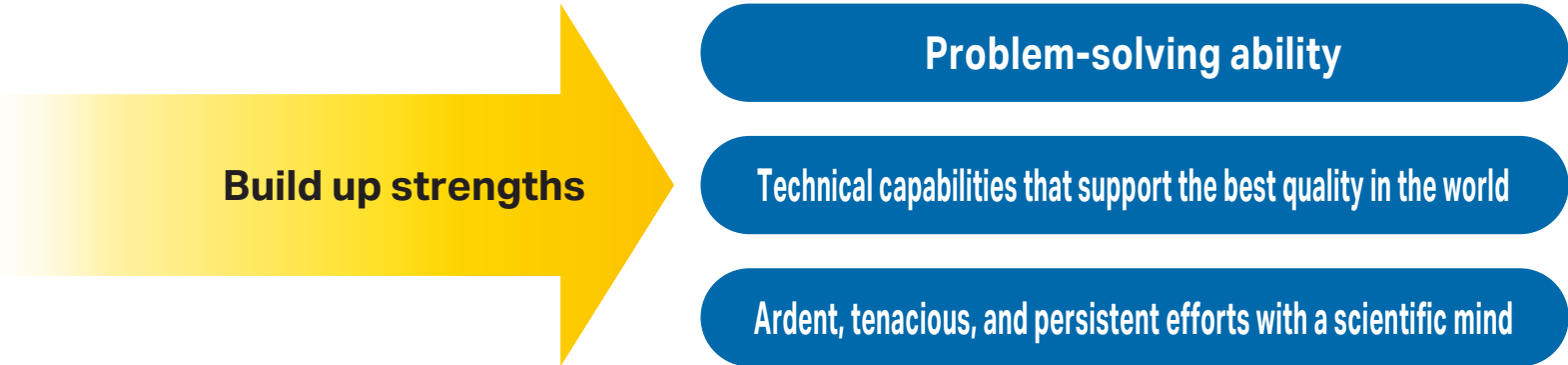


- 1 We only deal in medical devices
 - 2 We only aim for the best quality in the world
 - 3 We only deal in products with a long product life
 - 4 We only enter niche markets ^(Note)
- (Note) Niche markets: annual global market scale of around ¥500 billion or less

Unique initiatives: “The Best in the World or Not” conference



- To evaluate whether a product is the best in the world, we quantify not only its performance but also factors such as market price and availability. We then create objective data and conduct comparisons and data verification with competitors’ products.
- For characteristics that need improvement, we develop action programs intending to provide high-quality products that enable better treatment.
- We ask ourselves even for products that were once the best in the world, “Are these products really still the best in the world?” and “Why can we say so?” While asking ourselves these harsh questions, we have been working enthusiastically and persistently to develop products, with a healthy sense of urgency.



Interview with Chairperson

Continuing to Produce Overwhelmingly Superior Products

Chairperson of Board of Executive Officers, Technical Fellow **Masahiko Saito**



Accelerating the Speed of Growth Through the New System

Since being appointed as MANI's Director, President and Representative Executive Officer in November 2020, I have worked to evolve our platforms for sales, production, and development and strived to grow MANI into a "true global company." Thus far, our Medium-Term Management Plan, which looks ahead to 2026, has been progressing smoothly. However, to realize the further evolution of the MANI Group in the coming 5-10 years, we have deemed that bold

management reforms including strengthening and reforming our organizational structure and business operations are essential. To drive these reforms, we require leaders who possess both a sense of urgency and the ability to execute effectively. Since joining MANI in 1990, I have been dedicated to manufacturing and feel a sense of pride that I have grown together with the Company. Although I am closely familiar with our products, my work has mainly been involved with the niche sector of the medical and healthcare fields. Meanwhile,

Masaya Watanabe, who was appointed as an outside director in 2022, possesses abundant management experience not only in Japan but also at US corporations, as well as broad knowledge of high-quality manufacturing and the medical and healthcare fields, making him the optimal person to act as my successor. Considering the next Medium-Term Management Plan (starting in 2026), we have determined that now is the best time to change the President and CEO. Therefore, we handed over the management baton on November 25, 2024. Going forward, I am convinced that Masaya Watanabe will promote management reforms through strong leadership and communication skills and accelerate the speed of growth of the MANI Group.

Improving Our Manufacturing and Sales System to Expand Global Sales Channels

In terms of the progress and results of the current Medium-Term Management Plan, we have first worked aggressively to develop the next main product following our ophthalmic knives. We brought three new products to the market. The first was the NiTi rotary file "JIZAI," used for root canal treatment in the dental field. The second was the vitreous forceps "MANI Micro Forceps" used for retinal vitreous surgeries in the ophthalmic field. The third was the dental restoration material "MANI EG Composite" developed jointly with our German consolidated subsidiary MANI MEDICAL GERMANY GmbH (MMG). Furthermore, in terms of production, at the company's founding location of Hanaoka, Takanezawa Town, Tochigi Prefecture, we completed construction of our Smart Factory (hereinafter, "Hanaoka Factory") at the end of January 2025. As a pilot facility responsible for evolving MANI's manufacturing, the Hanaoka Factory aims to establish mass production technologies for new products and automated manufacturing lines for our main existing products. Furthermore, we plan to begin mass production of our ophthalmic knives in 2026, with future plans to expand this automated production structure to our factories in Vietnam. In terms of sales, to strengthen our marketing in emerging countries, we have established sales companies in Vietnam, China, and India. We also newly established sales bases in Malaysia in 2023 and the US in 2024, and we are progressing with the establishment of a business platform in the North American region, a region with advanced medical care, as a key management issue.

A Strong Spirit of "Ardent, Tenacious and Persistent Efforts With a Scientific Mind"

I resigned from my position as Director on November 25, 2024 and newly assumed the role of as Chairperson of Board of Executive Officers without representative authority. Going



forward, while continuing with the execution of duties in the areas of new product development and human resources development, I will support Mr. Watanabe in his role as President and Representative Executive Officer. MANI has put forth a policy of "the Best Quality in the World" to compete with major global competitor, and we are challenging ourselves to perform at the highest level of manufacturing possible. The key to the MANI Group's growth has been our culture that focuses on quality above all else. What doctors in the field prioritize the most is ease of use when they hold the product. More than anything, MANI's mission is to provide the highest quality products that allow doctors to control the device exactly as they envision and perform the surgery exactly as they plan. To ensure this, we allow doctors who are KOL (key opinion leaders) in each field to actually use our products. Based on their detailed feedback, we create numerical ratings for the functions truly desired by doctors, down to the feeling of the device in their hand, and reflect this feedback in our product design. What we always tell our technicians is that, "if something can be done by ordinary thinking, someone has already done it. To pursue overwhelmingly easy-to-use products, the answer lies in places where no one has thought to look." This approach to manufacturing is at the core of our Company Credo of "ardent, tenacious and persistent efforts with a scientific mind." This is the reason that competitors are unable to keep up with MANI's quality and the reason we have enjoyed support over the long term. We have already launched the next product that we expect to be a main product. However, at present, in terms of diversifying ourselves from competitors' products, we cannot yet fully claim to have established overwhelming superiority. As a Technical Fellow, while working to develop younger employees, I am searching for answers to produce overwhelmingly superior products and working to evolve MANI's manufacturing even further.



New Management Structure

Inheriting the Spirit and
Aiming for Evolution

Front line from left to right:
Chairperson of Board of Executive Officers Masahiko Saito
Director, President and Representative Executive Officer Masaya Watanabe
Director and Executive Vice President Kazuo Takahashi
Rear line from left to right:
Managing Executive Officer Naohisa Hashimoto
Senior Managing Executive Officer Hideshi Fukumoto
Senior Managing Executive Officer Shuichi Kurita
Managing Executive Officer Tomomi Kosaka

MANI Outlook

Our Operations as a Top Global Niche Company

MANI contributes to the welfare of people around the world by providing safe and high-quality medical devices, created through our microfabrication technologies, to the medical field in over 120 countries and regions. In particular, we have a high market share both domestically and globally for ophthalmic knives that are used in cataract surgeries.

History

Founded in 1956

Global expansion
Sales regions

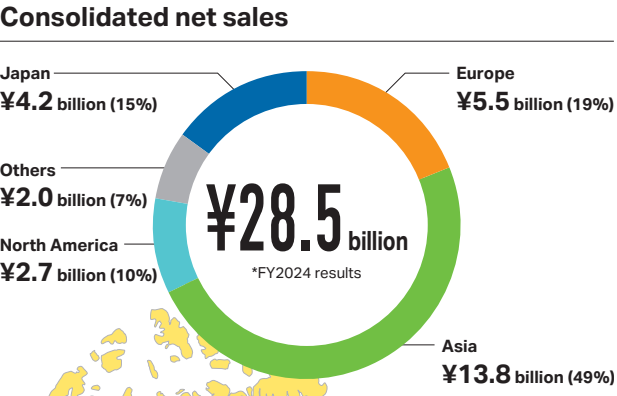
Over 120 countries and regions

Global expansion
Overseas sales ratio*

85.2 %

Ophthalmic knives
Global market share

Approx. 30 %



Ophthalmic knives
Domestic market share

No.1

Total number of eyeless needles
(Approx. 17 years from 2007 to 2024)

2.7 billion needles shipped (internal estimate)

Dental product types

Over 1,500 types

Sales growth rate
(Compound Annual Growth Rate)

CAGR +9.6 %
(FY2014 to FY2024)

ROE*

12.3 %

Dividend payout ratio*

61.1 %

Recent Key Initiatives

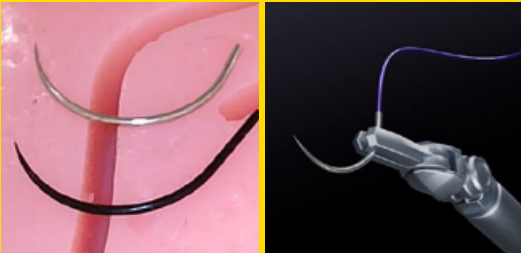
Launched "JIZAI Pre020 04"

MANI addresses the needs of KOL dentists, who want to widen the breadth and quality of dental root canal treatments by enhancing the "JIZAI" product lineup.



Developed and domestically launched eyeless needles for robotic surgery

Using "MANI hard-fiber stainless steel," our proprietary stainless material, MANI developed eyeless needles designed for robotic surgery.



Constructed and completed the Smart Factory

The Smart Factory was completed in January 2025. Mass production of ophthalmic knives scheduled to commence from 2026.



Established a sales subsidiary in California, United States

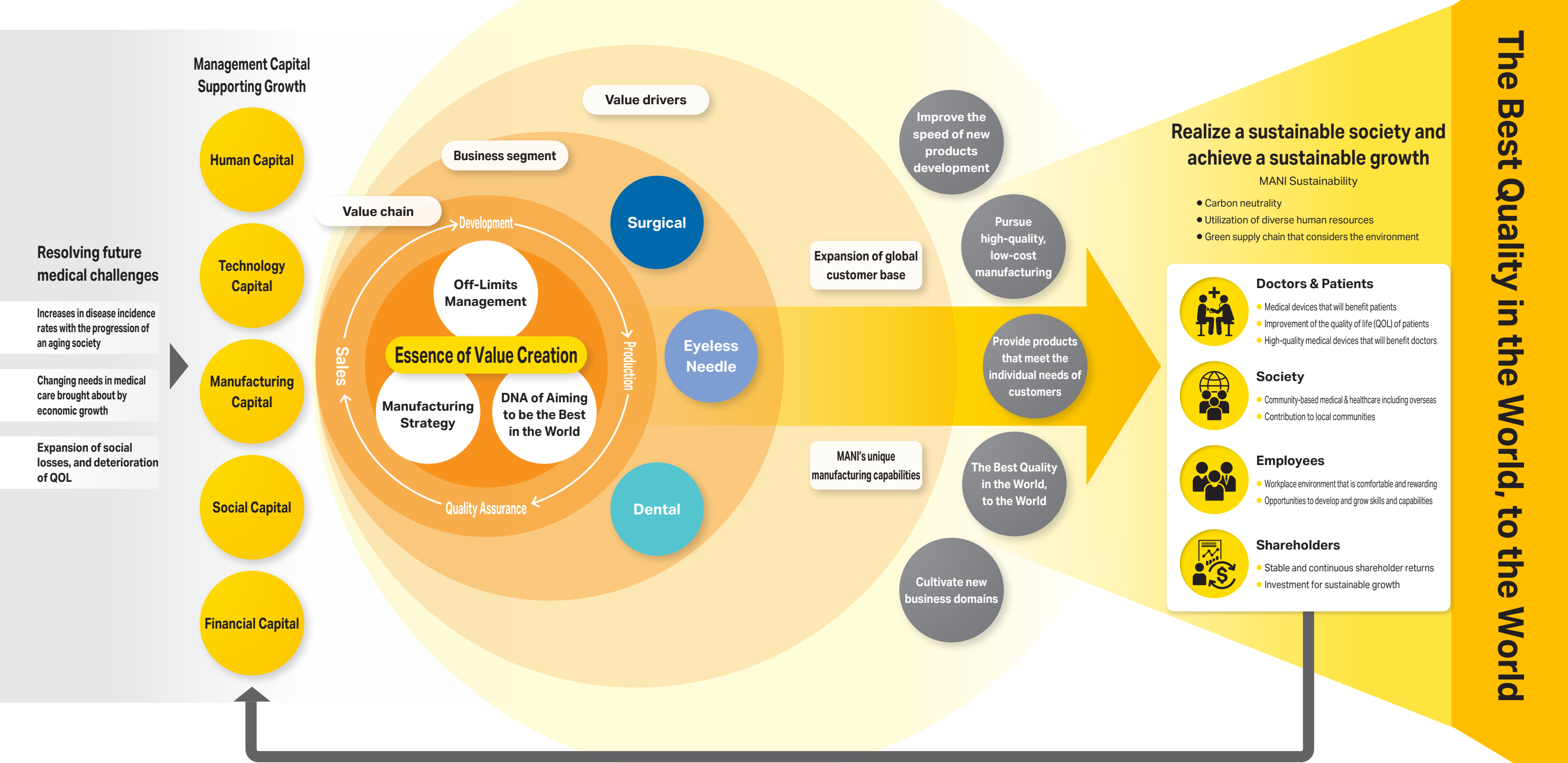
We established the new sales subsidiary MANI MEDICAL AMERICA, INC. in California, United States. Preparations are underway to expand business in the North American market.



MANI's Value Creation Story


MANI has been leveraging the management capital we have accumulated over many years to provide high-quality products based on our strengths in three areas: "Off-Limits Management," "Manufacturing Strategy," and "DNA of Aiming to be the Best in the World." We will continue to build on these strengths and provide high added value MANI products throughout the world, as we aim to contribute to the welfare of our stakeholders including doctors and patients, society, employees, and shareholders, and of people worldwide.

Contributing to the welfare of people worldwide through the distribution of products beneficial to patients and doctors



Strengthening Our Management Capital

Continuously strengthening our management capital, the main input for value creation, is essential for MANI's medium- to long-term growth, and furthermore leads to providing value to our stakeholders.



Human Capital

- Abundant human resources**
Number of employees **4,154** (Consolidated)
Employee average length of service **14.3** years (Non-consolidated)
- Global**
Ratio of foreign national employees Around **90%** (Consolidated)
- Corporate culture**
The spirit of "ardent, tenacious and persistent efforts with a scientific mind"

Strength


Creating understanding and sharing our vision of "the best quality in the world, to the world."

Key Issues

Acquiring and developing global management personnel

Key points

- Focusing on personnel development and acquisition to implement our growth strategy
- Launching our company-wide project "Transform M"
- Promoting D&I



Technology Capital

- Accumulation of innovative technology**
Number of patents owned **489**
Microfabrication technologies (laser microfabrication technology, etc.), Metal material technologies (MANI hard-fiber stainless steel, etc.)
- Investment in research and development**
Ratio of R&D expenses to net sales **8.4%**

Strength

Accumulating creative technologies and materials, unique patents, etc.

Key Issues

Exploring new technologies and new fields

Key points

- Complete market launch of key development products (NiTi rotary file "JIZAI," vitreous forceps, dental restoration materials)
- Focus on initiatives to strengthen MANI's unique manufacturing capabilities, shorten product development speed, and innovate research and development processes
- Start opportunity exploration through open innovation with external partners



Manufacturing Capital

- Differentiation**
Proprietary production technologies and quality assurance system
- Global**
Overseas production system centered in Vietnam

Strength

Our production system centered on Vietnam and differentiation

Key Issues

Build mass production systems through the Smart Factory and promote labor-saving

Key points

- Hanaoka Factory (Smart Factory) construction completed in January 2025
- Continuing productivity improvement activities and our BCP measures in Vietnam



Social Capital

- Business relations**
Worldwide customer base, networks with KOL doctors ^(Note), partner with local communities

Strength


Business relations (strong customer base in Asia, network with KOL doctors, and regional and social collaboration)

Key Issues

Acquiring business relations in North America and Europe (building networks with local KOL doctors)

Key points

- Pivoting from an export-centric business to a regionally oriented business
- Strong customer platform at overseas sales subsidiaries (China, India)
- Full-scale entry into the North American market (establishment of a sales subsidiary)



Financial Capital

- Very sound financial foundation**
High profitability, strong equity capital

Strength

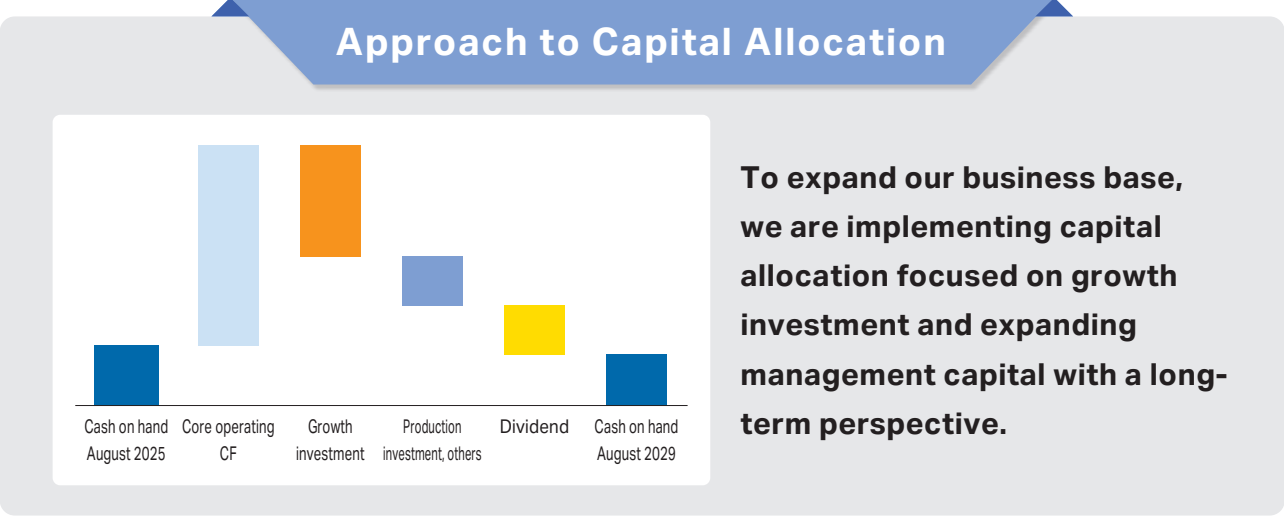
Profitability exceeding industry averages, strong equity capital, cashflow generation capabilities

Key Issues

Effective use of surplus funds (capital allocation)

Key points

- High levels of profitability that create positioning at the top of global niches (operating income margin in the 30% range)
- Implementing capital allocation centered on allocation of funds to growth investment



(Note) KOL doctors: Influential doctors in medical and dental fields who are viewed as key opinion leaders

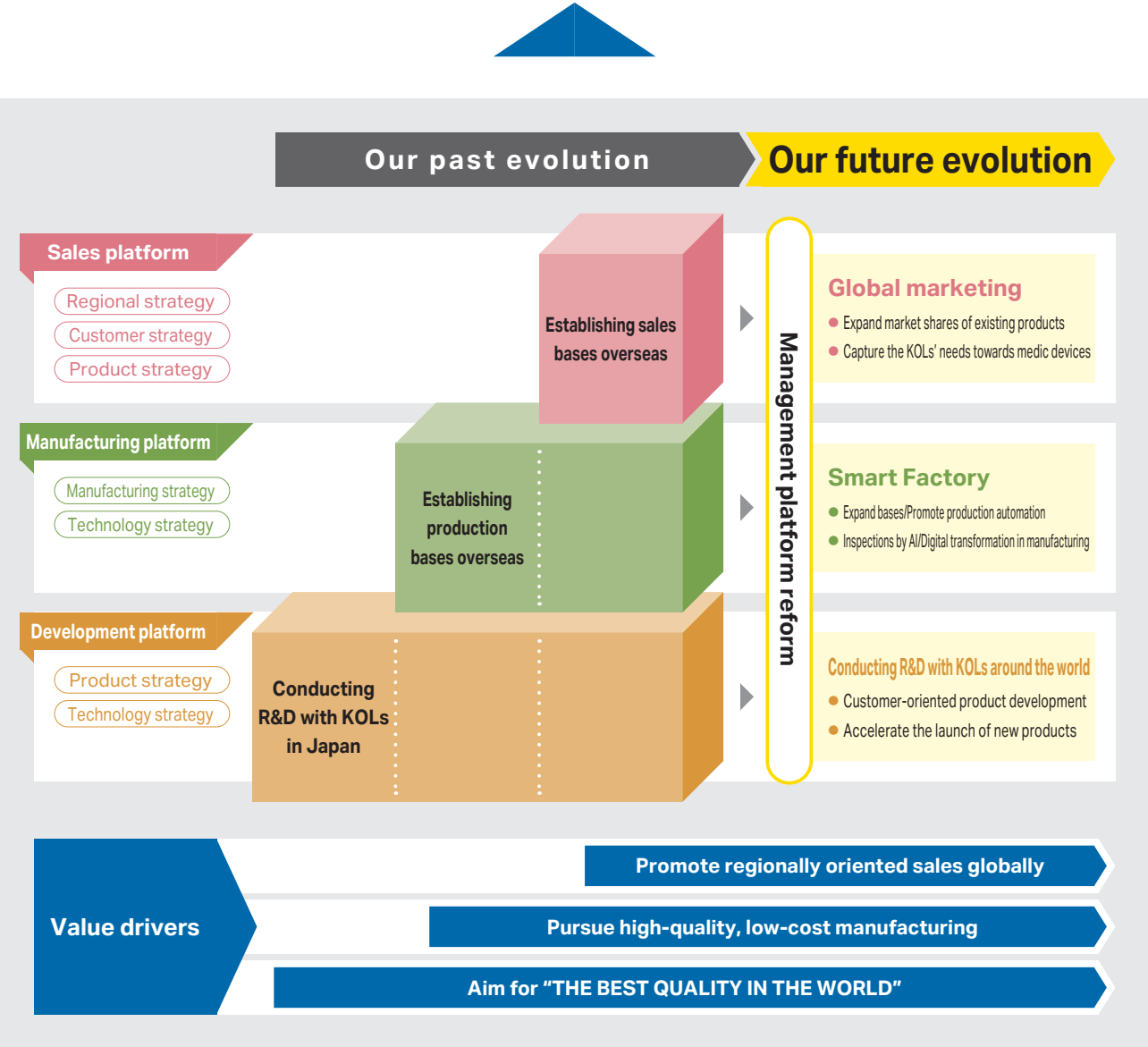
Medium-Term Management Plan — Business Model Innovation —

In April 2021, we announced MANI Group's Medium-Term Management Plan ending August 31, 2026. This plan is for sustainable growth and strengthening the business base to support that.

In our current Medium-Term Management Plan, we aim to achieve our goals of 1) "Contributing to the welfare of people worldwide through the development, production and distribution of products beneficial to patients and doctors" and 2) promoting the evolution of our sales, production, and development platforms and pursuing innovation to transform MANI from "an aggregate of development-based niche companies" into a "true global company."

Doing what we say of delivering **"the best quality in the world, to the world"**
→ **Achieving the MANI Corporate Philosophy**

Transforming MANI from an **"aggregate of development-based niche companies"** into a **"true global company"**



Main Areas of Progress in FY2024

New Product Development

	NiTi Rotary File "JIZAI"	Vitreous forceps "MANI Micro Forceps"
Progress	<ul style="list-style-type: none">Launched in February 2020 (Japan)Added two items to the lineup in September 2024 ⇒ Complete treatment sequences with MANI productsExpand into major markets (China is in the process of regulatory filing)	<ul style="list-style-type: none">Launched in April 2023 (27G, Japan)Acquired MDR certification in EuropeGathering feedbacks from KOL dentists
Advantages	<ul style="list-style-type: none">Excellent centering ability to root canals, flexibility, and durability	<ul style="list-style-type: none">Tip of the forceps have excellent gripping strength
Future plans	<ul style="list-style-type: none">Launch product in ChinaImprove product: improving cutting ability, etc.Begin mass production at Hanaoka Factory (Smart Factory) from 2026	<ul style="list-style-type: none">Launch product mainly in Japan, Europe and ChinaImprove product: adding 25G to the product lineup, improving doctor's usability, etc.Develop production technology at Hanaoka Factory (Smart Factory)

Goals Develop new products into MANI's mainstay products

Dental Restoration Material Business (MMG)

Progress	<ul style="list-style-type: none">2015: Acquired Schütz Dental Group2018: Sold sales subsidiary and began specializing in development and manufacturing2023: Changed company name to MMG and began operation at the new factoryFocusing on OEM business for PB (Note)Develop and expand products as MANI brands in Japan, China and Vietnam
Advantages	<ul style="list-style-type: none">Compatible with customization, easy to create color tones and shapesHigh aestheticsSmall lot production
Future plans	<ul style="list-style-type: none">Acquire new PB customersLaunch products in ChinaStrengthen business structure and improve profitability

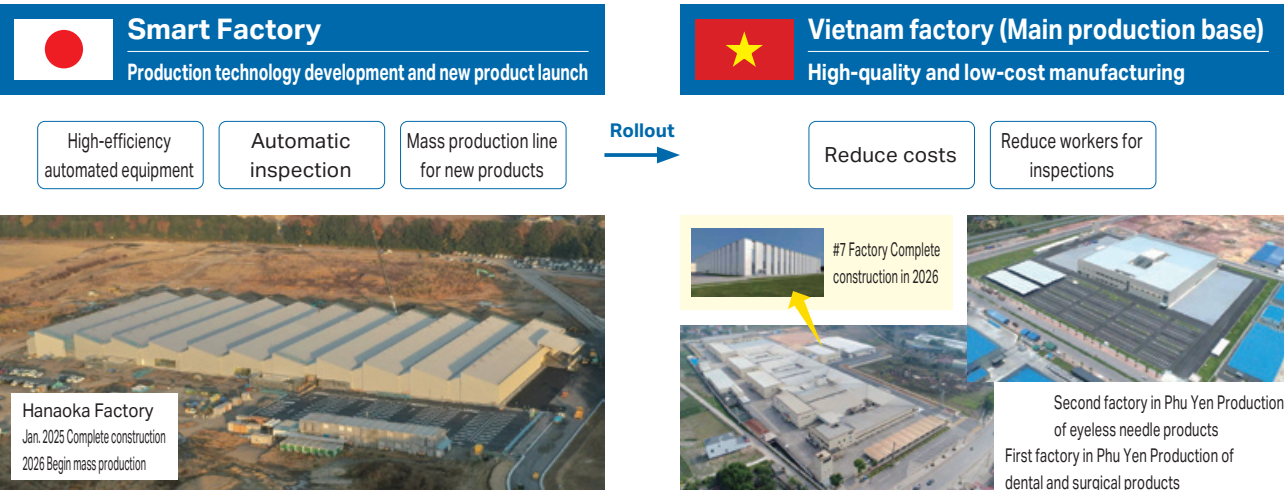
(Note) PB refers to Private Brand



MMG's new Head Office Factory (Germany)

Goals Further improvement to growth potential and profitability

Global Production System Begin production at our 2 main production bases from 2025



FOCUS

Global Sales Network Expanding Worldwide

 **India** MANI MEDICAL INDIA PRIVATE LIMITED

I.P.C. (Code of Conduct) for building team trust

It has been an absolute honor working with such a futuristic company that aims to deliver "The best quality in the world, to the world" for healthier tomorrow. I feel blessed to work with such an energetic team of seniors & colleagues who constantly support and supply products without any limitations. I.P.C. (Code of Conduct) helps us to build trust among team members. By supporting and praising each other's successes, we can grow both personally and as an organization.



Amit Rana
Zonal Sales Manager

 **Malaysia** MANI MEDICAL DEVICE MALAYSIA SDN. BHD

Superior products and first-class service

Throughout my extensive experience in the dental field, I have observed that MANI's products are crafted with superior quality while remaining affordably priced. I am thrilled to join a team dedicated to delivering these exceptional products to our customers, providing top-tier service, and contributing to MANI's continued growth and success.



Owen Yew
International Dental Sales Manager


 **China** MANI Medical Beijing Co., Ltd.

The essence of management and marketing

I believe in this view: The essence of management is to inspire and release everyone's goodwill. The essence of marketing is to continuously improve customer satisfaction.



Jiao Weiran
General Manager

 **U.S.A.** MANI MEDICAL AMERICA, INC.


Jobs employees can feel passionate about

I am passionate about working at MANI MEDICAL AMERICA, INC. As a member of the team, I help build strong relationships with customers and deliver the best solutions to improve healthcare.



Anika Atsuyo Kahn

Strengthening global business development through our overseas subsidiaries to become "Global One MANI"

 **Germany** MANI MEDICAL GERMANY GmbH

The joy that comes with providing excellent products

We love working with our team on providing the best restorative dental products to our customers and contribute to MANI's approach "The best quality in the world, to the world".



Frederik Metzner
Director Global Business Development & Sales



Antje Maurer
Deputy Head of Sales

 **Vietnam** MANI MEDICAL HANOI CO.,LTD

Turning customer feedback into motivation

I am proud to have been a part of the MANI team in Thailand for over seven years, contributing my efforts to bringing high-quality ophthalmic knives to the market. The strong trust and preference from our customers, along with their positive feedback on the value and quality of our products, serve as a great motivation for me to keep striving for excellence.



Pattanun Aphiwatchirakit

Achieving a top share in Vietnam for more than 10 years

I am truly happy to be a part of the MANI team in Vietnam and to contribute to delivering high-quality products and effective solutions to doctors. After more than 10 years of market development, we have built the trust of our customers and achieved over 70% market share in dental burs and hand files. This inspires us to continue our journey with the mission "The best quality in the world, to the world."



Nguyen Thi Thu Ha

FOCUS

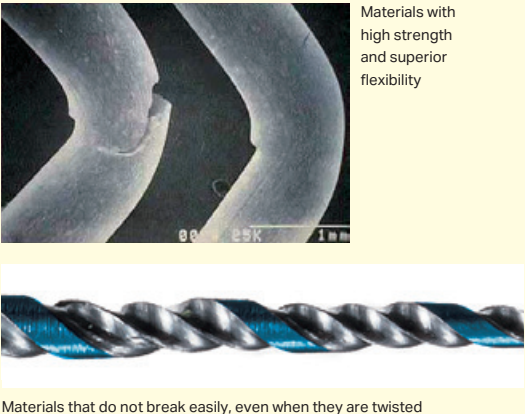
Technology and Manufacturing

Development and Technical Strengths

Strength 1 Development of Proprietary Materials

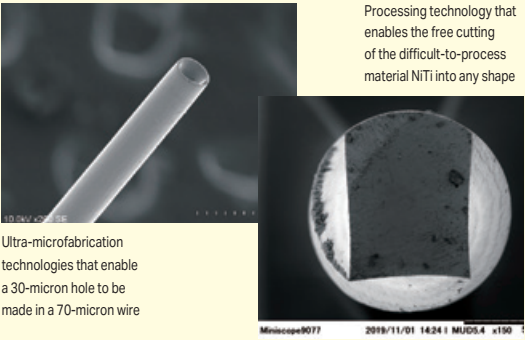
MANI developed the world's first Austenite stainless steel medical-use suture needles. We developed a new material to realize creating rust-proof and unbreakable suture needles. We have also created original and optimal processing methods, even for materials that are unsuitable for processing, which we use to make these materials into products. Within the company, we refer to that material as "MANI hard-fiber stainless steel."

Now we have products that are made not only of stainless steel, but also of tungsten carbide (super steel), nickel titanium, and multiple types of metal materials, as well as products made of composite resins. We use multiple types of materials and processing methods to develop a diverse range of products.



Strength 2 Microfabrication Technologies for Metals

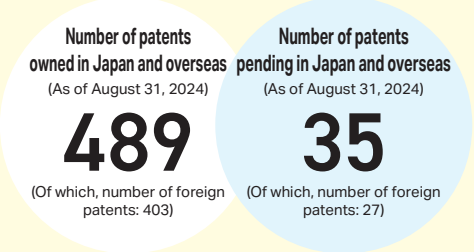
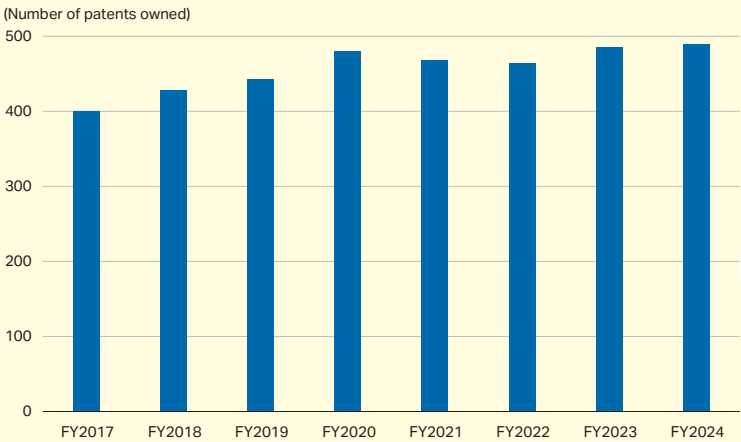
An increase in the use of minimallyinvasive treatments is also facilitating an expansion of the areas where MANI's specialty of microfabrication technologies are used. The core of MANI's manufacturing and processing equipment is our proprietary development and design. Due to this, we were able to make materials into products, carry out high-mix production, achieve a stable level of high quality, and realize cost competitiveness and mass production. MANI products are also distinctive for their long product life, and our continual product-quality improvement is also our major competitive strength. We will continue the challenge of incorporating advanced technologies that are one step ahead and continually evolving our microfabrication technologies.



Intellectual Capital (Patent strategy)

In line with our basic management policy to "secure future profits with a law-abiding spirit and creative technologies," MANI is working to acquire patents and other rights to the products and processing and production technology that we have developed. We place particular emphasis on quality over quantity with respect to patents, and we are actively and strategically pursuing patents in Asia and elsewhere.

Number of patents owned



From the Front-lines of Manufacturing

Accelerating product development that capitalizes on MANI's technological capabilities

At MANI, we handle relatively simple medical devices. The simple nature of our devices is exactly why the true value of their basic performance is tested. At the Research and Development Department, we conduct daily research and thorough refinement of technologies to realize such performance, aiming to develop them into the best products in the world.

In the world of ophthalmic treatment, minimally invasive approaches are evolving at a surprisingly fast rate. Precision devices requiring less than 0.1mm of precision are now in demand, meaning there is an extremely high level of compatibility with those demands and the specific technologies of MANI, which specialize in microfabrication and our great strength in providing value unique to MANI. This strength is greatly utilized in the newly launched key development product, vitreous forceps. We develop devices that can realize treatments

envisioned by doctors with the highest quality, contributing to the medical field.



Yoshiyuki Tazawa
Research and Development Surgical Group Manager
Research and Development Department

Contributing to medical care through unique Vietnamese manufacturing

For about 30 years since joining the company, I have been involved in the development of manufacturing technologies for eyeless needles and ophthalmic knives in Vietnam. Since 2014, as the manager of the Manufacturing and Development Section for surgical products at our Headquarters, I have experience leading manufacturing in both Japan and Vietnam.

MHC's strength in manufacturing is its ability to develop high-quality, low-cost products quickly by maximizing the "principle of three realities," *genba* ("actual sites"), *genbutsu* ("actual objects"), and *genjitsu* ("actual situations"). We have capitalized on the unique ideas present in Vietnam and the country's passion for work in our productivity improvement activities.

Thus far, we have made progress in the automation of manufacturing processes in each product segment and produced results. Going forward, we will pursue further automation at our factories, create manufacturing processes capable of responding

to our customers' diverse needs, and continue to deliver the highest quality products to both doctors and patients worldwide.

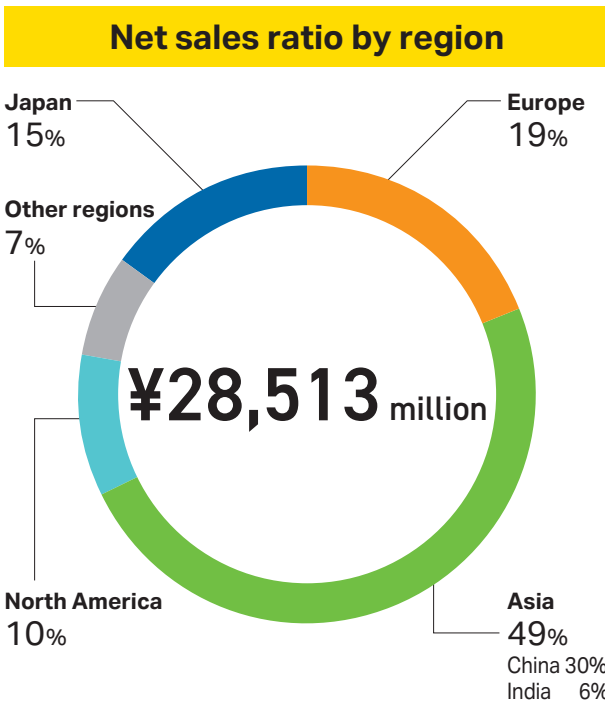
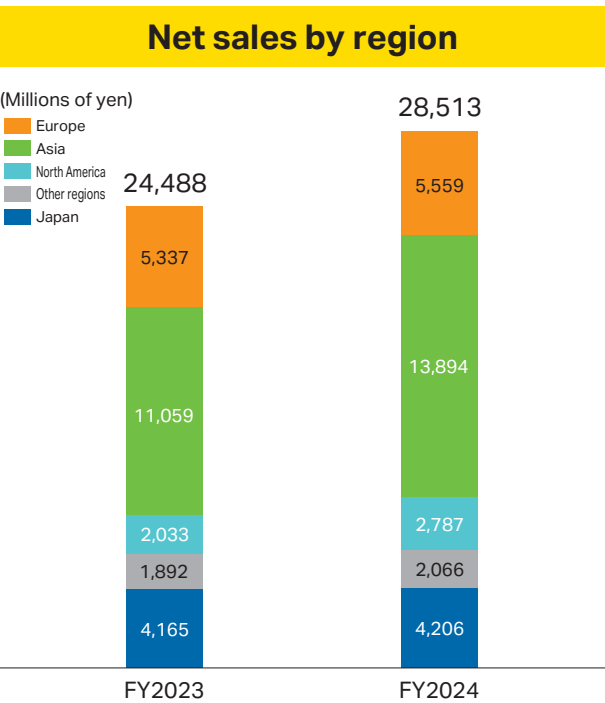
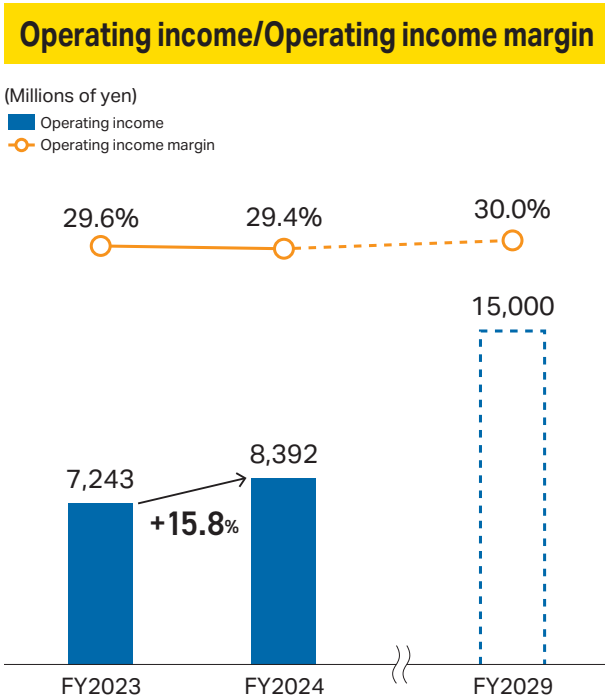
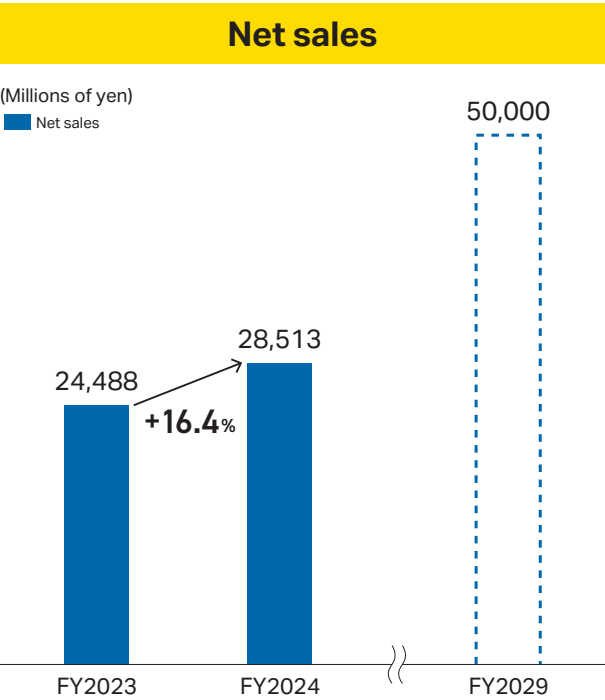


Nguyen Ngoc Duong
Vice President in Charge of Production and Technology
MANI HANOI CO., LTD (MHC)

Business Overview (FY2024)

— Achieving Increased Sales and Profits through Double-digit Growth —

In terms of our consolidated results for FY2024, in addition to increased sales mainly in the regions of Asia and North America, against the backdrop of increased overseas sales driven by yen depreciation, net sales totaled ¥28,513 million (+16.4% YoY), and operating income totaled ¥8,392 million (+15.8 YoY), both trending very strongly.



Surgical

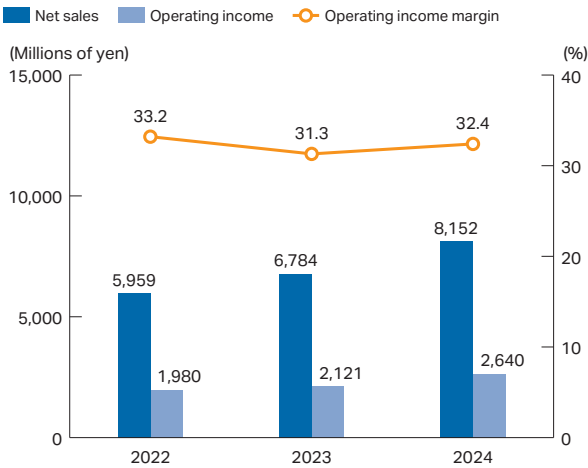
Overview

- Demand for ophthalmic knives is expanding mainly in Europe and Asia
- Expand market share in Europe and North America

Performance

- Sales and operating income grew due to an increase in demand for ophthalmic knives in Asia, particularly in China, Europe and North America

Net sales/Operating income margin



Eyeless Needle

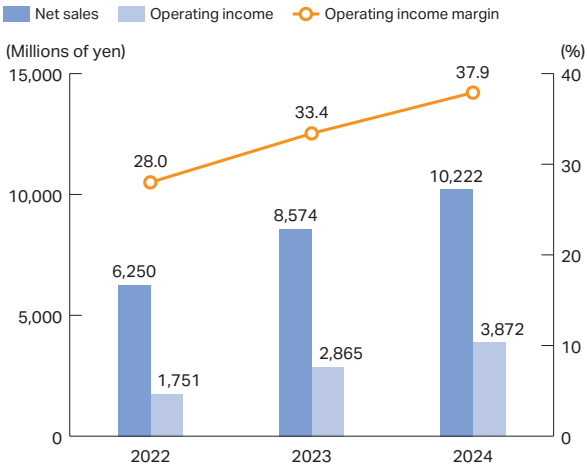
Overview

- Since the end of COVID-19, the number of surgeries is recovering and gradually increasing
- North American and Chinese customers' product demands have increased, and other OEM customers are spreading
- Possibilities of application to new fields, such as robotic surgery

Performance

- Sales and operating income have continued to increase due to an increase in orders for eyeless needles in Asia, particularly in China, and North America

Net sales/Operating income margin



Dental

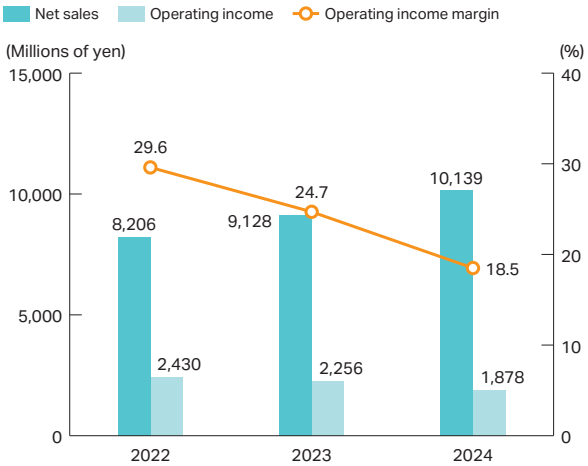
Overview

- Basic dental treatment needs, such as cavity treatment, are growing steadily, especially in emerging countries
- Focus on JIZAI's growth
- Expand market share and marketing in Asian countries, Europe and North America

Performance

- Sales of MANI dental products (mostly dia-burs and reamers/files) were strong mainly in Asia. Sales of MMG products (mainly dental restorative materials) were weak
- Operating income decreased due to higher SG&A expenses in India and Southeast Asia, and higher expenses related to MMG's Head Office Factory

Net sales/Operating income margin



(Note) Net sales of each segment is net sales to external customers.

Contributing to the Increased Social Demand for Ophthalmic Medical Care Through Microfabrication Technologies

Quality of Vision

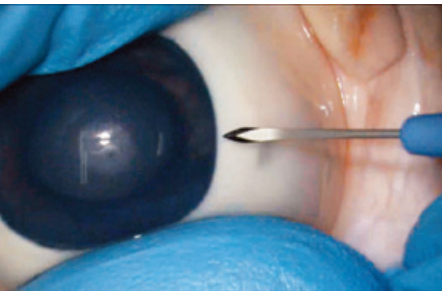
Humans are believed to obtain more than 80% of their information through their eyes, making vision an indispensable part of daily life. On the other hand, in today's aging society, there is a growing demand for improving the quality of life through the extension of healthy life expectancy, and among these, enhancing the Quality of Vision (QOV) is gaining attention. One prominent example of QOV improvement is cataract surgeries. As shown in the image on the right, the cloudy vision seen before surgery becomes clear after the procedure, providing significant therapeutic benefits to patients.



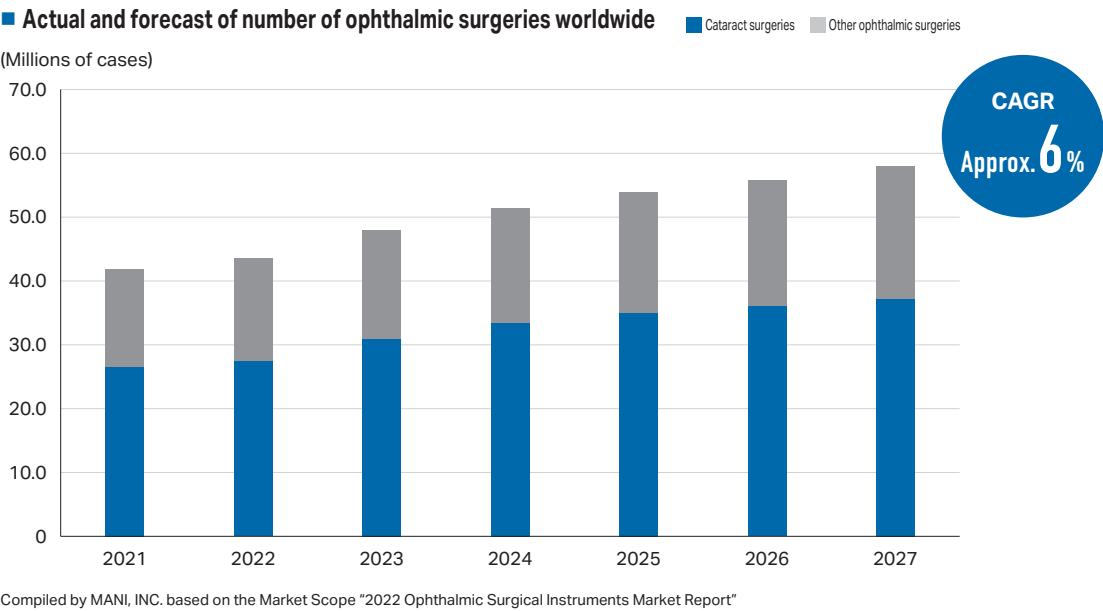
Vision with cataracts (image)

Trend in Ophthalmic Surgeries

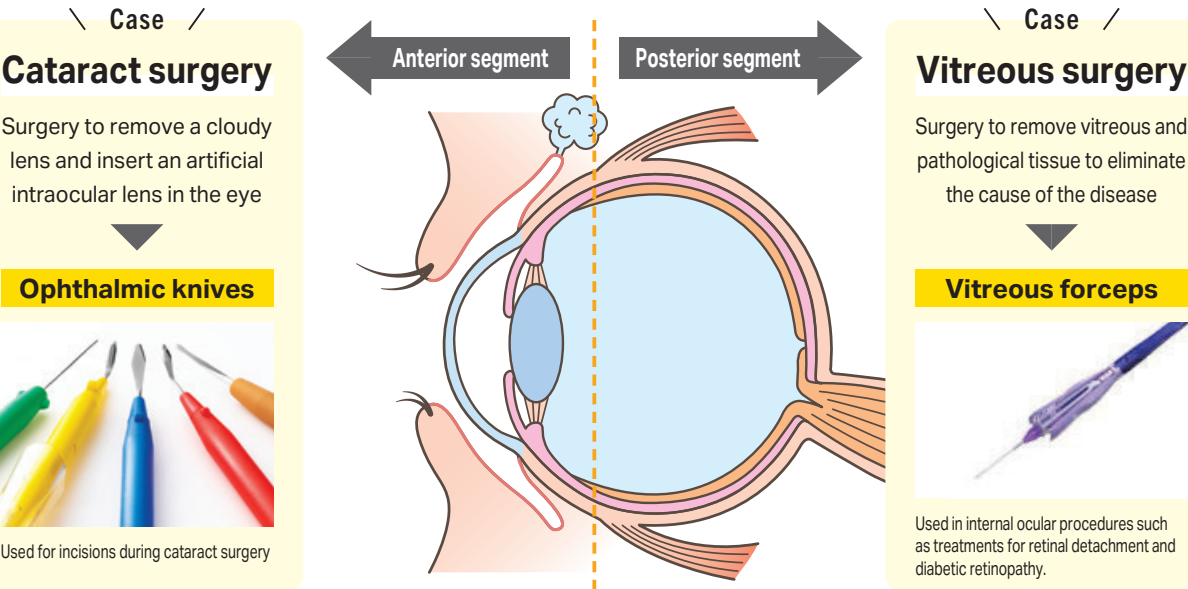
Cataracts are a disease in which the clouding of the crystalline lens (the eye's lens) causes gradual vision loss. Cataracts mostly occur as people age, and as the aging of society progresses in advanced nations such as Japan, Europe and North America, the number of cataract patients is increasing worldwide. MANI's ophthalmic knives with superior sharpness are used in cataract surgery worldwide, helping to shorten surgical times and lessen the burden on patients.



Testing the sharpness of an ophthalmic knife using a pig's eye



Relationship Between Major Eye Diseases and MANI's Business



Recent initiatives

Special feature pamphlet (English version) on ophthalmic knives at the European Society of Cataract and Refractive Surgeons Featuring the voices of KOL

URL
<https://ssl4.eir-parts.net/doc/7730/announcement2/103972/00.pdf>



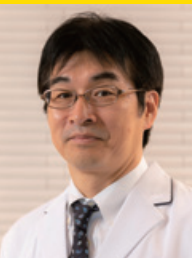
Launch of collaborative innovation with pharmaceutical companies Joint development of a glaucoma treatment device (double step knife) with Santen Pharmaceutical



Voice of Customer

MANI's Knives Contribute to the Improvement of Ophthalmic Surgery Quality.

MANI's ophthalmic knives are a supportive "partner" in my career. When I began my journey as an ophthalmologist, diamond knives were a popular alternative to stainless steel knives, but the feeling when I first held a knife made by MANI is still crystal clear even today. MANI's knives' sharpness rivals that of diamond, and its usability made it my go-to knife in many different procedures including cataract, glaucoma, and vitreous surgeries. Especially with cataract surgery, the performance of MANI's ophthalmic knives is indispensable in precision incisions into the cornea and in insertions of intraocular lenses. By reducing stress and boosting concentration during surgery, MANI's ophthalmic knives increase the quality of surgical procedures. Furthermore, because the incisions are clean and there is little damage to the tissue, the patient enjoys a faster post-surgical recovery, while the risks of inflammation and complications are reduced, allowing them to get back to their lives more quickly and contributing to improved quality of life. While ophthalmology advances on a daily basis, the fundamental act of "cutting" remains unchanged. MANI, INC. looks forward to further technological innovations and hopes that it can help as many patients as possible to recover their vision.

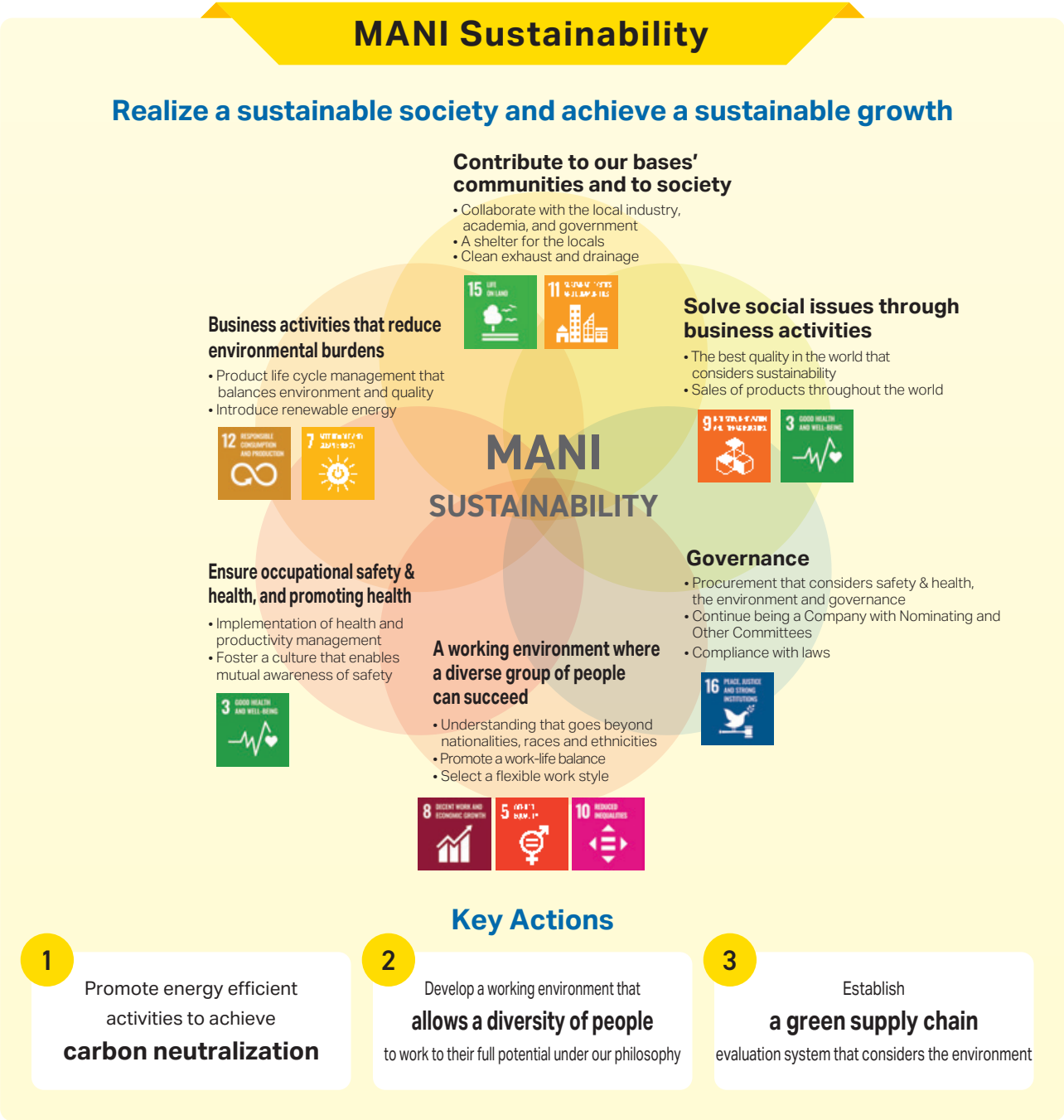


Director **Tsukasa Hanemoto**
HANEMOTO EYE CLINIC
(Mito-shi, Ibaraki)

Foundation for “The Best Quality in the World” — ESG at MANI —

MANI Sustainability Overview

In the Medium-Term Management Plan formulated in April 2021, we set the key issues (materiality) in sustainability as MANI Sustainability. The Corporate Philosophy of MANI is Contributing to the world welfare through development, production and distribution of its products beneficial to patients and doctors. We believe the development and distribution of high added value products with the best quality in the world will contribute to solving a range of issues in society, including medical issues that affect patients, medical & healthcare workers, and other consumers. To achieve sustainable growth of the company’s businesses and through that create sustainable value in society, we have set individual targets to work on and are moving forward with initiatives to achieve sustainability. In particular, we are promoting matters related to carbon neutrality, the active participation of diverse personnel, and supply chain evaluation as key measures in the Medium-Term Management Plan.



Environment

Basic Approach

The MANI Group has made it its basic stance to balance reducing environmental impact with business growth. Since our founding when we located our factory in the countryside, MANI has been striving to coexist with local communities by investing from an early stage to reduce the environmental impact of our activities. During the period of rapid economic growth, we put in place equipment to clean up wastewater from our factory. In 1979, MANI received the "Excellent Company Award for Pollution Prevention" from the governor of Tochigi Prefecture. A large part of MANI Group's products are small products made by processing stainless steel wire, with minimum energy required in processing, and they are extremely lightweight as well, so there is minimal environmental impact in the transportation of our products. In addition, the Group is working as one to disseminate "good treatment" with "good products" in medical fields around the world. For example, MMG in Germany promotes measures to reduce CO₂ emissions and the development of dental restoration materials that do not contain environmental hormones that take the impact on the human body into account. Furthermore, we are working to reduce greenhouse gas emissions by promoting MANI Sustainability while considering international frameworks related to climate change, such as the Paris Agreement adopted at the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21).

Point 1	Coexistence with local communities by investing in environmental impact reduction measures since the founding of our Company	Point 2	Small products, which minimize the materials waste disposal and energy required in processing	Point 3	Dealing in small and lightweight products, which also minimizes the environmental impact of transportation
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Climate Change Response (Approach to Information Disclosure in Line with the TCFD Recommendations)

We are continually disclosing information on the four items recommended by the TCFD recommendations: (1) Governance (organizational governance regarding climate-related risks and opportunities), (2) Strategy (impact on business brought about by climate-related risks and opportunities), (3) Risk Management (methods for identifying, evaluating, and managing climate-related risks), and (4) Metrics and Targets (indicators and targets for assessing and managing climate-related risks and opportunities).

Governance

The ESG & Environment Group will work with related departments of MANI Group as the lead department to address key elements of "MANI Sustainability," including climate change, human rights, coexistence with local communities, and governance. Important matters related to these activities are reported to the Board of Directors for supervisory oversight.

Strategy

As a strategy for responding to climate change, based on the two future scenarios we have formulated, we have organized the major risks, opportunities, and financial impact in each scenario as shown in the table below.

Scenario Overview	① 1.5–2°C scenario: Governments toughen environmental regulations and advance their response to climate change	② 4°C scenario: Climate change response does not progress, and disasters intensify and increase
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Scenario		① 1.5–2°C scenario	② 4°C scenario
Overview		Governments toughen environmental regulations and advance their response to climate change	Climate change response does not progress, and disasters intensify and increase
Risks	Transition risks	Although our procurement costs for products are expected to rise due to the introduction of policies to control greenhouse gas emissions, the financial impact will be limited due to the low material cost ratio in the cost structure of our products.	Although our procurement costs for products are expected to rise due to the introduction of policies to control greenhouse gas emissions, the financial impact will be limited due to the low material cost ratio in the cost structure of our products.
	Physical risks	<ul style="list-style-type: none">There is a risk of an increase in damage to business locations and disruption of logistics networks due to typhoons and heavy rain. This also has a significant impact on finances.Although there is a risk of an increase in sea level and flooding, our main manufacturing location in Vietnam is located inland and therefore the impact will be limited.	<ul style="list-style-type: none">There is a risk of a further increase in damage to business locations and disruption of logistics networks due to typhoons and heavy rain. This also has an extremely significant impact on finances.Although there is a risk of an increase in sea level and flooding, our main manufacturing location in Vietnam is located inland and therefore the impact will be limited.
Opportunities	Market	There are no changes expected for the time being in the medical & healthcare market in MANI Group's product areas.	There are no changes expected for the time being in the medical & healthcare market in MANI Group's product areas.

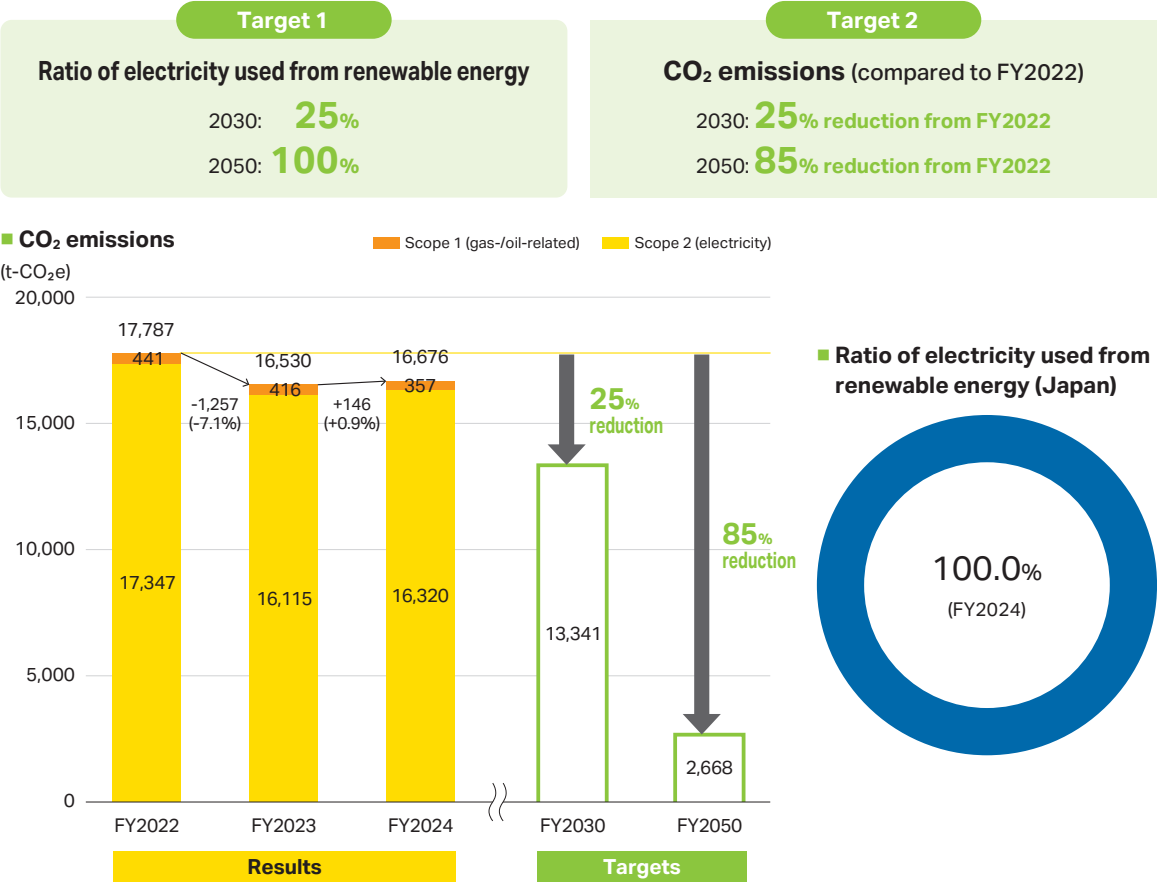
Risk Management

We have set the promotion of MANI Sustainability as a company-wide activity target, and review initiatives to achieve targets on a monthly basis and monitor the progress of MANI Sustainability at the Board of Directors meetings.

Metrics and Targets

We have set the following metrics and targets and are working as one to achieve them. The total greenhouse gas emissions (Scope 1 & 2) within the Group are shown below. P. 60 Relevant data

Since 2022, we switched all of the electricity used in Japan to electricity derived from renewable energy, and we have been making even further reductions in CO₂ emissions. We are currently focusing on environmental initiatives in Japan, but will gradually consider environmental measures at overseas bases, considering the status of business activities throughout the Group.



CO₂ emissions

Scope 1 (gas/oil-related)

Scope 2 (electricity)

(t-CO₂e)

20,000

15,000

10,000

5,000

0

FY2022

FY2023

FY2024

FY2030

FY2050

17,787

16,530

16,676

13,341

2,668

441

416

357

-1,257
(-7.1%)

+146
(+0.9%)

25%
reduction

85%
reduction

Results

Targets

Ratio of electricity used from renewable energy (Japan)

100.0%
(FY2024)

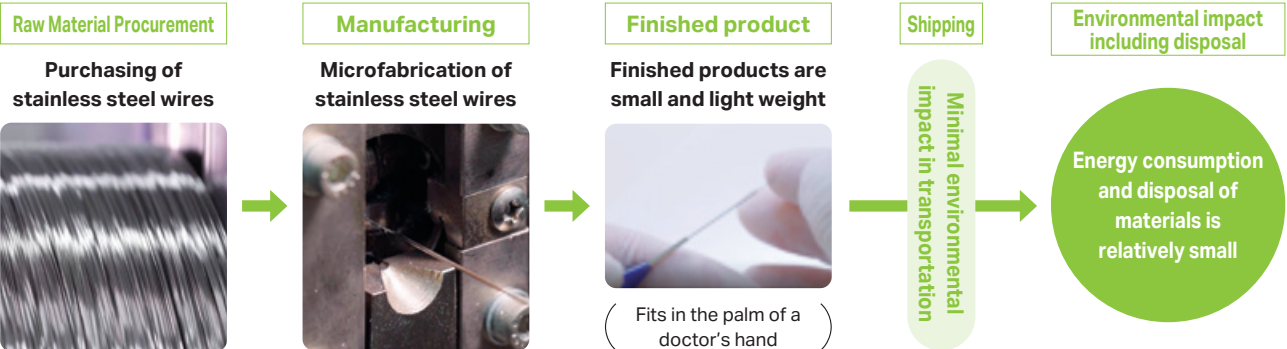
(Note) Regarding our FY2024 performance, although we emitted a total of 16 tons of CO₂ in Japan, through the use of power derived from renewable energy and carbon credits, we have realized carbon neutrality in Japan. The CO₂ emission data are the total values as of January 31, 2025.

CO₂ Emission Change Factors in FY2024

- With the increase in manufacturing volume at our Vietnam Factory, Scope 2 emissions increased from the previous fiscal year
- As a result of carbon credits and the use of power derived from renewable energy in Japan, Group-wide CO₂ emissions only increased slightly from the previous fiscal year.

Initiatives for Resource Saving • Resource saving and environmental impact reduction throughout the supply chain

We acquire stainless steel materials in bulk in Japan, and after manufacturing mainly at our overseas factories mainly in Vietnam, we ship our finished products following quality inspections. However, as our finished products are both minute and lightweight, we both minimize our resource consumption and realize high-quality manufacturing over the long term.



Resource Saving Initiatives through Efficient Packaging when Shipping

The minute and light-weight nature of our finished products is also effective in increasing packaging efficiency during shipping. As around 30,000 eyeless needles can be packaged in a single cardboard box, this contributes to reducing shipping costs and resource saving.



Approx. 30,000
lightweight eyeless
needles can be packed
in one carton

Status of Initiatives in FY2024

We are introducing solar power generation and other systems at our bases in Japan, Vietnam, and Germany to promote environmentally friendly business activities.

Japan	At MANI's Headquarters Kiyohara Factory, we signed a Power Purchase Agreement with a local company and began operating a solar power generation system in June 2024. The annual power generation at our headquarters will be approximately 153,080 kWh, which is expected to reduce CO ₂ emissions by approximately 67 tons per year. In July 2024, a similar power purchase agreement was concluded for the Hanaoka Factory (Smart Factory), and the factory is scheduled to start operation in June 2025. Annual solar power generation at the Hanaoka Factory is expected to be approximately 734,528 kWh, which is expected to reduce CO ₂ emissions by approximately 324 tons per year.
Vietnam	We are working to reduce CO ₂ by converting all the lighting in our Vietnam Factory to energy-saving LED lighting. At the second factory in Phu Yen, construction is progressing with the goal of completing the installation of solar panels.
Germany	The solar panels installed at the new factory began operation in September 2023 and generated 165,000 kWh of electricity in the previous fiscal year. In addition, to utilize the EV charger station installed within the factory grounds, we have formulated the "Electronic Vehicle Car Policy" and are promoting efforts to gradually switch company cars to EV vehicles. Furthermore, we have begun using a rainwater collection system to sprinkle water on trees on the new factory site and are making efforts to use rainwater more efficiently.

Activities to Reduce Our Environmental Impact in Collaboration with Regional Financial Institutions

At the Kiyohara Headquarters Factory and the Hanaoka Factory (Smart Factory), the MANI Group concluded PPAs and is collaborating with regional financial institutions ^(Note) to promote activities reduce our environmental impact through the use of solar power systems.

(Note) THE TOCHIGI BANK, LTD.'s subsidiary CLEAN ENERGY SOLUTION Co., Ltd.



External Evaluations and Certifications

- Earned Committed Badge from EcoVadis (August 2024)



- Acquired an MSCI ESG "A" Rating (February 2025)



* The use by MANI, INC. of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of MANI, INC. by MSCI. MSCI services and data are the property of MSCI or its information providers and are provided "as-is" and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

Society (Human Capital)

Basic Approach

The MANI Group has the corporate philosophy of “Contributing to the welfare of people worldwide through development, production and distribution of products beneficial to patients and doctors.” This corporate philosophy has been the basis for decisions made in all of our Group’s business activities since its founding in Takanezawa Town, Tochigi Prefecture, and has been instilled as values shared by all of our employees.

Demand is growing stronger and stronger for companies to respond to “business and human rights,” and the MANI Group as well is called on to respond appropriately in our business activities. In conducting our business activities, MANI, INC. is aware that those activities may impact human rights either directly or indirectly. In order ensure that we respect the human rights of everyone associated with our business activities, in September 2024, we formulated the “MANI Group Human Rights Policy” in line with the United Nation’s “UN Guiding Principles on Business and Human Rights.” Going forward, we will work to ensure that our management considers human rights through human rights due diligence initiatives.

▶ Human Resource Strategy

As our most important management issues, we have established “Global production system: High-quality and low-cost production,” “Product development to compete globally,” and “Global business expansion.” In order to achieve the key issues and ensure our “future evolution,” we have set the following three themes as our personnel strategy.

Secure Personnel to Ensure Our “Future Evolution”	We will focus on recruiting and training the personnel who will transform the business model and realize the evolution into a truly global company.
Secure Diversity in Personnel	We aim to create a structure that can grasp customer needs through the perspectives and experiences of diverse personnel and create speedy innovation.
Improve Work Engagement	It is essential that employees and management work together as one to implement the management strategies. We aim for a work environment where each employee can demonstrate their abilities.

We believe that it is important to foster an awareness of aiming for value creation and growth using individual initiative, and cooperation that leverages each individual's differences, which is directed towards our “future evolution”. Against this background, we have set “value creation, autonomy, growth, and respect for diversity” as the elements we look for in all personnel. In the future, we will progress with the creation of an environment in which these four elements will be instilled throughout the company, such as creating opportunities for communication, so that each employee can embody them.

Personnel and Training Initiatives to Ensure Our “Future Evolution”

- 1

Policy to secure and train the personnel necessary for “Global business expansion”

We believe it is necessary to promote marketing that is tailored to the different market characteristics and needs in each country and region. We recognize the need for more strategic marketing activities, transformation to a more proactive sales style, and experts in each region and product segment, in order to quickly identify the needs of customers around the world and develop and provide products that will solve their problems and issues. In addition to recruiting such specialized personnel, we are working to strengthen in-house specialist training and OJT.
- 2

Policy to secure and train the personnel the necessary for “Product development to compete globally”

We recognize that specialized personnel are required for each product area and development process in order to accelerate the development of new products with “pursuing the best quality in the world” as the keyword. In order to develop such personnel, we are cultivating specialized medical and dental knowledge and the techniques and skills necessary for product development, and assigning roles with an eye to each individual's career. We are also promoting recruitment based on individual expertise and strengthening collaboration with KOL doctors.
- 3

Policy to secure and train the personnel necessary to establish a high-quality, low-cost global production system

Construction of the Hanaoka Factory (Smart Factory) was commenced in October 2023. In order to improve production processes using digital technology, we are hiring and training personnel with digital skills and experience in matters such as equipment maintenance and yield improvement.

In addition, we are training production technology and manufacturing technology experts to strengthen the mass production phase after product development and the rapid transfer of development technology to production subsidiaries.

Initiatives to Secure Personnel and Diversity to Ensure Our “Future Evolution”

The following are examples of our specific initiatives taken in line with our personnel and training policy to realize our “future evolution”. In terms of diversity of our personnel, we are incorporating diverse perspectives that were not previously present in our company by proactively recruiting experienced personnel. We will work to increase the ratio of female management positions, with the aim of creating an environment where both men and women can thrive. In addition, we will provide opportunities for information dissemination and training to foster a culture of accepting diversity.

Examples of initiatives	Global business expansion	Product development to compete globally	Establishing a global production system
• Core skills/techniques workshops • Workshops in each division	●	●	●
On-site training in overseas factories		●	●
Recruits with experience from a variety of backgrounds	●	●	●

■ Internal environment development policy aimed at realizing our personnel strategy

In line with the revision of our personnel system, we have developed a company-wide education system with the aim of strengthening each employee’s awareness of their role throughout the organization, and as part of this, we have begun level-based training for employees. In addition, we are developing an education system to enhance the expertise needed to advance our business operations, such as improving operational efficiency and productivity. As a specific company-wide initiative, we will advance the digitalization of our operations and implement various measures to improve the IT literacy of our employees.

■ Metrics and targets

Our personnel strategy and metrics, targets and results in line with each key measure are shown in the table on the right. The results are monitored periodically to achieve the targets.

(Note) The company considers the ratio of female management positions metric to be important as an initiative to promote personnel diversity, and we have set a target for the ratio of female management positions only (fiscal year ending August 31, 2026), and will monitor the other initiatives as metrics. Furthermore, as the laws and regulations of each country, labor practices, and employee composition differ at our consolidated subsidiaries, and as listing these figures on a consolidated basis is challenging, the metrics and goals listed to the right are listed on a non-consolidated basis.

Non-consolidated metrics and results

Initiatives to achieve key measures	Metrics ^(Note)	FY2024 results
Mid-career recruitment that supports growth	Recruitment adequacy ratio	Target exceeded
Recruits with experience (managers)	Employment rate of managers with experience	33%
Women leaders’ training	Ratio of female management positions: 15% or more (Non-consolidated)	4.9%
Investment in personnel development	Amount invested in personnel development	¥150,000 per person annually
Operation of personnel system to promote challenge	Execution of operation advancement measures	Progressing according to plan
Improvement of work engagement	Execution of measures to improve communication	Progressing according to plan

■ New employee training

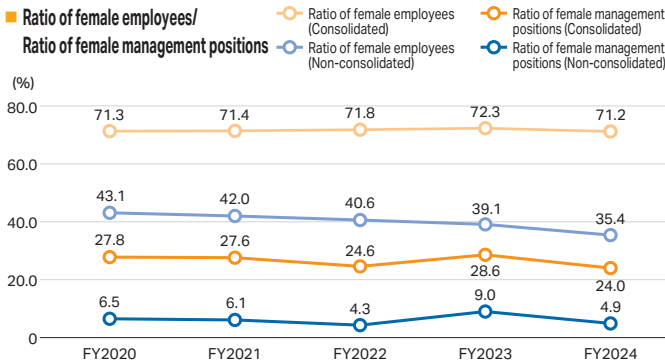
New recruits do one year of on-the-job training in manufacturing, including a certain period of training in Vietnam. After this basic training, each employee is assigned a theme that they follow from development to manufacturing; this lets them experience the full flow in all of processes. Currently, our production bases are centered in overseas factories. However, we believe that incorporating new ideas from fresh perspectives creates innovation in the development of new products, and leads to “the best quality in the world.” Through the on-site training in manufacturing, employees can understand the background of each operation by knowing the overall image of manufacturing. Therefore, even if they are assigned to departments outside of development, they will be able to work more proactively.

■ Remuneration

We have introduced a year-end bonus in addition to the ordinary bonus. We believe it will increase the awareness of employee participation in management. By linking this bonus to the company’s results and determining the amount, it will encourage employees to also be aware of the overall management of MANI.

KPIs that Are the Foundation for Vitalization of Human Capital

We are continuously and proactively implementing multifaceted measures, such as setting up systems and education support, so that our employees, each with their own career vision and background, can work with peace of mind and motivation to keep challenging themselves.



▶ Making working at MANI easier

Maternity leave and childcare leave system to promote various easier working styles

In terms of working styles, we are considering measures that will make working at MANI even easier for all employees, so they can balance their personal life with their career. In addition, we provide diversity management training not only for employees who are already working in management positions, but also for young employees who are considered to be next-generation leaders. In recent years, there have been more cases of male employees taking long-term childcare leave and making use of reduced working hours.

▶ Improvement in Job Satisfaction

Holding internal workshops

As part of our independent employee career development and support for skill development, we hold multiple internal workshops each year with external lecturers.

■ Main workshops and lectures held in 2024

"Making Tochigi a Leading Area in First Aid —Safe and Secure Community Development—"

Head of Tochigi Emergency Medical Center,
ICU Department, Saiseikai Utsunomiya Hospital
Doctor Takayuki Ogura

"Mastering Dental Treatments"

Director of Okaguchi Dental Clinic
Doctor Morio Okaguchi

"Hayabusa 2 Project Risk Response"

Former Vice President of JAXA
Mr. Yuichi Yamaura



Doctor Takayuki Ogura

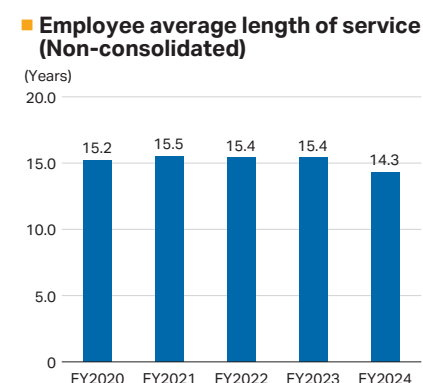
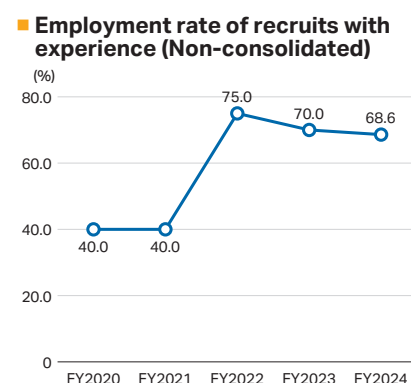
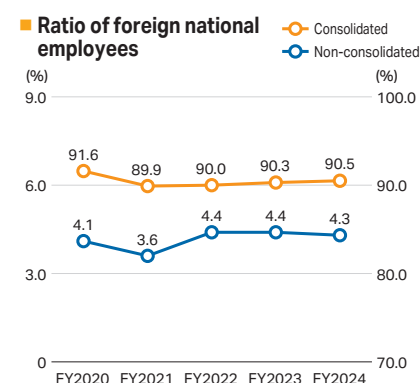
Comments from participants

- Differently from product workshops, I was able to learning about overall healthcare, which was very good.
- Being able to learn about local healthcare initiatives was extremely valuable, and I learned quite a lot.

Initiatives in the company-wide "Transformer M" project

We launched this company-wide project with the goal of creating workplaces in which every employee can thrive.

The three goals of the project are for all members working globally at the MANI Group to 1) associate, co-create, and compete, 2) build a culture focused on achieving results, and 3) challenge ourselves and collaborate to pursue self-growth. Furthermore, to break free from a reliance on established rules and old habits and to create a growth engine for individual success, we implement a wide range of personnel and management policies.



VOICE

~Global Careers/Female Advancement~

Flexible Career Development in a Global Environment



Corporate Planning Group
MANI, INC. (Japan)

Fabiana Kaori Kawaguchi

As a Japanese-Brazilian, I grew up in both Japanese and Brazilian culture and have always naturally accepted diverse viewpoints. After joining MANI, I gained experience in operations in management accounting such as budget control and operations associated with information disclosure such as IR at the Corporate Planning Group. Thereafter, at our German consolidated subsidiary MANI MEDICAL GERMANY GmbH, I was involved with overseas sales back office operations such as order management. Through working in different countries and cultures, I realized the importance of communication and developed a global perspective and flexible adaptability. My current workplace also provides an environment in which I work alongside employees of diverse backgrounds. By valuing different perspectives and values, engaging in dialogue, and cooperating with one another, every day I feel that opportunities are created for new realizations and learning and that the scope of our work expands.

I have taken maternity leave and childcare leave in both Germany and Japan, and with the support of my colleagues, I am balancing work and family. Because of flexible workstyles that match employees' life stages are possible and our work environment in which members support one another, I truly feel that I can approach my work with peace of mind. While continuing to value communication, I am eager to make use of my own experiences and work hard at my job in a way that contributes to the Company's development.

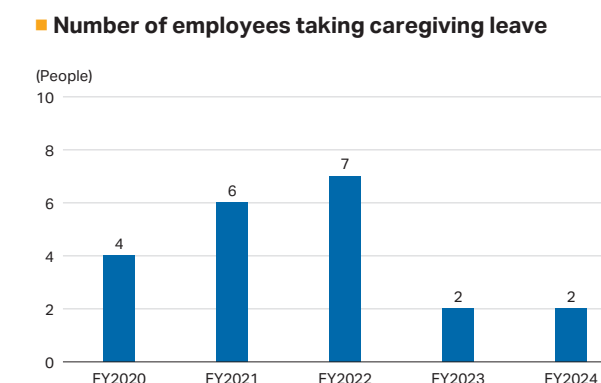
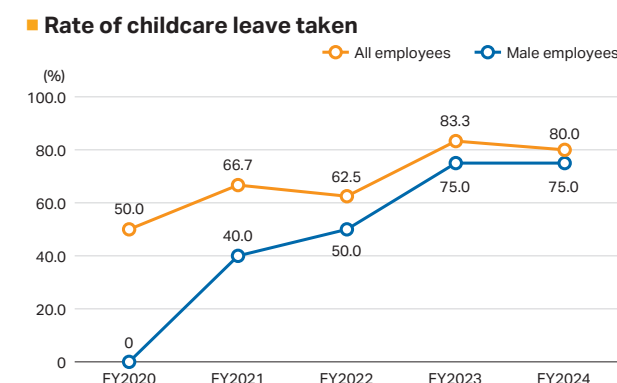
Experiencing Self-Growth Through Sales Work

All great professions are, to some extent, forms of "sales". With this mindset, I decided to join MANI at the age of 24. Nearly two years have passed, and I remain unwearied of this choice—instead, I feel increasingly grateful for my decision to enter MANI. The greatest joy during my time as a salesperson here lies in encountering diverse individuals, sparking unique chemistry and conversational experiences. Through this process, I've felt myself growing more vibrant, gradually sensing my connection to society and discovering life's meaning and value through helping others and being helped in return. Now, I no longer view this job merely as a tool for making a living. Rather, it has become my lifestyle and a journey of personal growth.



Eyeless Needle Business Unit
MANI Medical Beijing Co., Ltd. (MMB)

Liu Zhanying



▶ Employee Welfare

Systems and Environments for Diverse Working Styles

In addition to letting employees choose the workplace according to their situation, including working from home or at satellite offices, we have also introduced flextime and staggered working hours. In addition to Tokyo, we have also opened a satellite office in Osaka. We are also expanding various leave systems, including support for balancing childcare and caregiving with work. Understanding for balancing childcare commitments with work has become ingrained as a part of corporate culture, and the percentage of female employees returning to work after childcare leave has been 100% since 2011 on a non-consolidated basis.



Tokyo Satellite Office



Osaka Satellite Office (inside the shared office space)

Scholarship/Student Loan Proxy Repayment System

With the launch of the Corporate Scholarship Repayment Support (Proxy Repayment) System in 2021 by the Japan Student Services Organization (JASSO), in FY2021 we also established and started operating the rules for repayment of scholarships on behalf of employees.

- Conditions
- There is a balance remaining on the scholarship, and the employee is currently making repayments
 - The employee has been employed for at least 18 months and the scholarship is not more than ¥3 million

Better Health

The MANI Group is promoting a better quality of life (QOL) for patients through our products, as well as maintaining the health of our employees. We have established an in-house public health nurse consultation service that allows employees to consult a nurse with ease. Also, our employee cafeteria offers nutritionally-balanced meals, with the nutritional content displayed. From the fiscal year ended August 31, 2024, we will start the "spouse medical checkup system" with the aim of preventing employees taking extended leave or resigning in the future due to having to provide nursing care. We will partially subsidize the cost medical checkups for the spouses of employees aged 40 or older.

Employee Shareholding Association

To raise each employee's awareness of participation in management, we have established employee shareholding association. With this association, when employees purchase company shares, the company will cover 20% of the purchase cost. As of October 31, 2024, 66% of MANI employees were members of the employee shareholding association.

▶ Formulation of the MANI Group Human Rights Policy

Recently, MANI formulated the "MANI Group Human Rights Policy" in line with the United Nation's "UN Guiding Principles on Business and Human Rights" covering the MANI Group, including both MANI, INC. and its subsidiaries. Based on this policy, we will continue to promote management that respects human rights in the countries and regions involved in our business and contribute to the realization of a sustainable society.

■ MANI Group Human Rights Policy

1. Basic approach to human rights

2. Scope of application

3. Governance

4. Human rights due diligence
5. Corrective actions and remedies

6. Education and training

7. Information disclosure

8. Dialogue and discussions with stakeholders

Human rights due diligence

In September 2024, in response to adverse impacts on human rights that were occurring or could occur in the execution of business at the Myanmar manufacturing subsidiary MANI YANGON LTD., following the United Nation's "UN Guiding Principles on Business and Human Rights," we worked with an external legal office to implement human rights due diligence and performed a risk assessment related to human rights. As of the date of issue of this report, we did not confirm any matters that could be considered human rights violations in Myanmar.

■ Items

- Business outline and local value chain analysis and mapping of groups and other related stakeholders that could potentially be impacted
- Evaluation of rights holders that could be negatively impacted and the nature of those rights, as well as those who could potentially have their human rights violated considering the current conditions in Myanmar
- Gathering opinions from relevant stakeholders

Details of the MANI Group Human Rights Policy

<https://ssl4.eir-parts.net/doc/7730/announcement2/104308/00.pdf>

▶ Contributing to Local Communities and Society

Giving Back to Local Communities by Providing Education and Training Opportunities

The Matsutani family, the founding family of MANI, established the MANI Matsutani Medical Scholarship Foundation (Representative Director: Kanji Matsutani) in October 2019. The human resources that support medical & healthcare are important in the advancement of this field. This Foundation aims to contribute to the development and improvement of medical & healthcare around the world, and the training of skilled human resources who can contribute to that. Keeping in mind how MANI was founded in Tochigi Prefecture, the Foundation provides financial assistance in the form of scholarships to medical students with a connection to Tochigi Prefecture and who are studying for a Doctor of Medicine degree to become doctor, dentist, nurse, or dental hygienist. We also support the activities of the MANI Matsutani Medical Scholarship Foundation, and donate funds for its activities. (¥20 million was donated in the fiscal year ended August 31, 2024). MANI MEDICAL HANOI CO., LTD. in Vietnam also provides educational assistance in the form of scholarships to Thai Nguyen Medical University students of surgery and dentistry, who are experiencing economic hardship. By building a network with medical universities through scholarship support, we contribute to educational activities in the medical field, such as internships at universities.

■ Donations to the MANI Matsutani Medical Scholarship Foundation

October 20, 2020 (First time)	¥10 million
November 30, 2021	¥10 million
May 31, 2022	¥10 million
November 30, 2022	¥10 million
May 31, 2023	¥10 million
November 30, 2023	¥10 million
June 17, 2024	¥10 million

Sponsorship of UTSUNOMIYA BREX








Since the 2019-2020 season, MANI has signed an official sponsorship agreement for the Japanese B League basketball team UTSUNOMIYA BREX. Going forward, we will actively participate in the revitalization of local communities and the promotion of sports.



Corporate Governance

Directors (As of November 26, 2024. Number of the Company’s shares owned is as of February 28, 2025.)

CFO : Chief Financial Officer CRO : Chief Risk Management Officer

									
Position		Director, President and Representative Executive Officer, Chairperson of the Strategy Committee	Director, Executive Vice President, Assistant to the President (Special Appointive Officer), CRO, Vice-Chairperson of Strategy Committee	Director, Vice-Chairperson of the Board of Directors, Member of Nominating Committee, Compensating Committee and Strategy Committee		Outside Director, Chairperson of Nominating Committee, Chairperson of Audit Committee, Member of Strategy Committee	Outside Director, Chairperson of Compensating Committee, Member of Audit Committee and Strategy Committee	Outside Director, Chairperson of the Board of Directors, Member of Audit Committee and Strategy Committee	Outside Director, Member of Nominating Committee, Compensating Committee, Audit Committee and Strategy Committee
Name		Masaya Watanabe	Kazuo Takahashi	Toshihide Takai		Tatsushi Yano	Yukiko Moriyama	Yosuke Mitsusada	Yukio Matsui
Main career summary		<ul style="list-style-type: none">Apr. 1982 Joined Hitachi, Ltd.Apr. 2014 Vice President and Executive Officer of Hitachi, Ltd., President and CEO, Hitachi America Ltd. (U.S.), Chairman of Hitachi Consulting, Ltd. (U.S.)Apr. 2015 Vice President and Executive Officer of Hitachi, Ltd., CEO of Health Care Company, Hitachi, Ltd.June 2017 Chairman of The Japan Federation of Medical Devices AssociationsApr. 2019 Vice President and Executive Officer, Chief Information Security Officer and General Manager of Smart Transformation Project Initiative Division of Hitachi, Ltd.Nov. 2022 Outside Director of MANI, INC.Jan. 2023 Outside Director of CROSS SYNC, INC. (present)Aug. 2023 Member of Japan Agency for Medical Research and Development, Cabinet Office, Government of Japan (present)Jan. 2024 Visiting Professor of Health Care Data Science, Graduate School of Medicine, Ehime University (present)Nov. 2024 Director, President and Representative Executive Officer of MANI, INC. (present)	<ul style="list-style-type: none">Mar. 1978 Joined HOGY CO., LTD. (currently HOGY MEDICAL CO., LTD.)June 2009 Director, and General Manager of Corporate Planning Division and Product Management Division of HOGY CO., LTD.Nov. 2014 Executive Officer of MANI, INC.Nov. 2016 Managing Executive OfficerNov. 2018 Director (present) Executive Vice PresidentNov. 2020 Vice President and Representative Executive OfficerNov. 2021 Executive Vice President (present)Sept. 2024 Assistant to the President (Special Appointive Officer), CRO (present)	<ul style="list-style-type: none">Apr. 1977 Joined the Nippon Fudosan Bank, Ltd. (formerly The Nippon Credit Bank, Ltd.; currently Aozora Bank, Ltd.)Oct. 2006 Advisor of MANI, INC.Nov. 2006 Managing Executive Officer, General Manager of the Corporate Planning DepartmentNov. 2007 Managing Executive OfficerNov. 2008 Senior Managing Executive OfficerNov. 2011 Executive Vice PresidentNov. 2013 Director (present) President and Representative Executive OfficerNov. 2020 Chairperson of the Board of ExecutivesNov. 2021 Vice-Chairperson of the Board of Directors (present)		<ul style="list-style-type: none">Apr. 1974 Joined TOMEN CorporationJune 2003 Executive Officer, General Manager of North America and President of TOMEN U.S.A.Apr. 2006 Director of SANYO Chemical Industries, Ltd. (Transferred)June 2006 Director and Executive Officer of SANYO Chemical Industries, Ltd.June 2010 Director, Managing Executive Officer of SANYO Chemical Industries, Ltd.June 2012 Director, Senior Managing Executive Officer of SANYO Chemical Industries, Ltd.June 2019 Outside Director of Kokusai Pulp and Paper CO., LTD. (currently KPP GROUP HOLDINGS CO., LTD.) (present)Nov. 2019 Outside Director of MANI, INC. (present)Nov. 2020 Chairperson of the Board of Directors	<ul style="list-style-type: none">Dec. 2008 Registered as an attorney. Belonged to a law firm in TokyoOct. 2010 Assistant Counselor of Cabinet Office (Preparatory Office for the Revised Information Disclosure Law)Jan. 2015 Participated in Waseda Legal Commons Law Office, Partner Lawyer (present)July 2020 Member of the Personal Information Protection Examination Committee in Wako CityNov. 2020 Outside Director of MANI, INC. (present)Apr. 2022 Chairperson of the Personal Information Protection Examination Committee in Wako City (present)	<ul style="list-style-type: none">Apr. 1986 Joined the Nippon Credit Bank, Ltd. (currently Aozora Bank, Ltd.)Oct. 1999 Joined Unison Capital, Inc.July 2002 Director of Bolsa Co., LTD. (present)Mar. 2005 Joined Asuka Asset Management Limited. (currently Aizawa Asset Management Co., Ltd.)Apr. 2012 Professor of Institute of Management, SANNO University (present)July 2013 Joined Asuka Asset Management Co., Ltd. (currently Aizawa Asset Management Co., Ltd.) (present)Aug. 2013 Director and Founding Partner of Asuka Corporate Advisory Co., Ltd. (present)June 2021 Outside Director of Kyodo Printing Co., Ltd. (present)Nov. 2023 Outside Director of MANI, INC. (present)July 2024 Chairperson of the Board of Directors of MANI, INC. (present)	<ul style="list-style-type: none">Apr. 1984 Joined Fujisawa Pharmaceutical Co., Ltd. (currently Astellas Pharma Inc.)Apr. 2015 Executive Officer, Head of Global Marketing Strategy of Astellas Pharma Inc.Apr. 2016 Executive Officer, Head of Europe, Middle East & Africa Business of Astellas Pharma Inc.July 2018 Senior Managing Executive Officer, Chief Commercial Officer of Astellas Pharma Inc.Apr. 2024 Goldman Sachs Asset Management Value Accelerator Operating Advisor (present)Nov. 2024 Outside Director of MANI, INC. (present)Feb. 2025 Advisor of TOHO HOLDINGS CO., LTD. (present)
Number of the Company's shares owned		10,073	45,230	51,000		3,000	400	2,800	0
Number of years in position		2 years	6 years	11 years		5 years	4 years	1 year	—
Attendance at Board of Directors meetings (FY2024)		100% (19 times/19 times)	100% (19 times/19 times)	100% (19 times/19 times)		100% (19 times/19 times)	100% (19 times/19 times)	100% (16 times/16 times)	—
Committee memberships (◆Chairperson ◇Vice-Chairperson ■Member)	Nominating Committee			■		◆			■
	Compensating Committee			■			◆		■
	Audit Committee					◆	■		■
	Strategy Committee	◆	◇	■		■	■	■	■
Skills matrix	Corporate Management	●	●	●		●		●	●
	Manufacture/Technology/R&D	●	●			●			
	Global	●		●		●		●	●
	Sales/Marketing	●	●	●		●			●
	Finance/Accounting		●	●				●	
	Human Resources/General Affairs			●			●		
	Legal Affairs/Risk Management		●	●			●	●	●
	Governance	●	●	●		●	●	●	●

Definition of skills








Corporate Management	Management experience as a representative, executive director, titled executive officer
Manufacture/Technology/R&D	Experience and knowledge as an officer in charge or a person involved in management or practical work relating to technical strategies, technology and product development, production, procurement, logistics, and quality, etc.
Global	Management experience at an overseas company
Sales/Marketing	Experience and knowledge as an officer in charge or a person involved in management or practical work relating to domestic and overseas sales and marketing, technical services, etc.

Finance/Accounting	Experience and knowledge as an officer in charge or a person involved in management or practical work relating to account management, finance, accounting, business management, etc.
Human Resources/General Affairs	Experience and knowledge as an officer in charge or a person involved in management or practical work relating to human resources, labor, training of personnel, diversity, etc.
Legal Affairs/Risk Management	Experience and knowledge as an officer in charge or a person involved in management or practical work relating to legal affairs, compliance, risk management, etc.
Governance	Experience in management or supervision on a Board of Directors, etc., to ensure the sound management of companies and organizations.

▶ Executive Officers



(As of November 26, 2024. Number of the Company’s shares held is as of February 28, 2025.)

CFO : Chief Financial Officer CRO : Chief Risk Management Officer

								
Position	Chairperson of Board of Executive Officers	Director, President and Representative Executive Officer, Chairperson of the Strategy Committee	Director, Executive Vice President, Assistant to the President (Special Appointive Officer), CRO, Vice-Chairperson of Strategy Committee		Senior Managing Executive Officer, Division Head of Monozukuri Division, Division Head of Research and Development Division	Senior Managing Executive Officer, Division Head of Business Division , Office Head of Corporate Planning Office and Department Head of Global Sales Department	Managing Executive Officer, Assistant Division Head of Monozukuri Division, Department Head of Manufacturing Department	Managing Executive Officer, Assistant to the President (Deputy Corporate Officer), CFO, Department Head of Business Administration Department
Name	Masahiko Saito	Masaya Watanabe	Kazuo Takahashi		Hideshi Fukumoto	Shuichi Kurita	Tomomi Kosaka	Naohisa Hashimoto
Main career summary	<ul style="list-style-type: none">Apr. 1990 Joined MATSUTANI SEISAKUSYO CO., LTD. (currently MANI, INC.)Nov. 2014 Executive OfficerSept. 2016 Executive Officer and Department Head of Manufacturing DepartmentOct. 2019 Senior Managing Executive Officer and Department Head of Corporate Planning DepartmentNov. 2020 Director, President and Representative Executive OfficerSept. 2024 Chief Executive OfficerNov. 2024 Chairperson of the Board of Executives (present)	(Refer to P. 45)	(Refer to P. 45)		<ul style="list-style-type: none">Apr. 1982 Joined Hitachi, Ltd.Apr. 2005 Director of Machinery Research Institute of Hitachi, Ltd.Oct. 2009 Vice President (Worldwide Research) of Hitachi Global Storage Technologies, Inc.Apr. 2011 Director of Technology Strategy Office, Research and Development Div. of Hitachi, Ltd.Apr. 2017 Managing Executive Officer, Chief Technology Officer, Division Head of Research and Development, General Manager of Client Solutions Group of Hitachi Construction Machinery Co., Ltd.Oct. 2023 Joined MANI, INC.Mar. 2024 Senior Managing Executive Officer (present), Department Head of Research and Development Department (present)Sept. 2024 Division Head of Monozukuri Division (present)	<ul style="list-style-type: none">Apr. 1986 Joined NIHON KOHDEN CORPORATIONApr. 2018 Operating Officer, General Manager of Sales Operations, International Business Operations of NIHON KOHDEN CORPORATIONApr. 2023 Operating Officer, General Manager of Business Strategy Operations of NIHON KOHDEN CORPORATIONMay 2024 Joined MANI, INC., Senior Managing Executive Officer (present)Representative of MANI MEDICAL DEVICE MALAYSIA SDN. BHD. (present)Director of MANI HANOI CO., LTD. (present)Chairman of MANI MEDICAL GERMANY GmbH (present)Director and Chairman of MANI MEDICAL INDIA PRIVATE LIMITED (present)July 2024 Chairman of MANI MEDICAL BEIJING CO., LTD. (present)Sept. 2024 Division Head of Business Division, Office Head of Corporate Planning Office, Department Head of Global Sales Department (present)Director and Chairman of MANI MEDICAL AMERICA, INC. (present)	<ul style="list-style-type: none">Apr. 1984 Joined Honda Motor Co., Ltd.Apr. 2014 President and CEO of Honda of America Mfg. Inc. (Operating Officer of Honda Motor Co., Ltd.)Apr. 2017 Vice President of Fuel Cell System Manufacturing LLC. (Operating Officer of Honda Motor Co., Ltd.)Apr. 2019 President and Representative Director of Honda Engineering Co., Ltd. (Operating Officer of Honda Motor Co., Ltd.)Jan. 2022 Joined MANI, INC.Mar. 2022 Assistant Department Head of Manufacturing DepartmentNov. 2022 Managing Executive Officer, Department Head of Manufacturing Department (present)Director and Chairman of MANI HANOI CO., LTD. (present)Director and Chairman of MANI YANGON LTD. (present)Director and Chairman of MANI VIENTIANE SOLE. CO., LTD. (present)Sept. 2024 Assistant Division Head of Monozukuri Division (present)	<ul style="list-style-type: none">Apr. 1989 Joined Mitsubishi Kasei Corporation (currently Mitsubishi Chemical Group Corporation)Jan. 2014 Special Adviser to the Director General for Economic, Fiscal and Social Structure, Cabinet OfficePrivate Sector Member of the Council on Economic and Fiscal Policy, Cabinet OfficeMar. 2016 Global Deputy CFO of Lucite International, Inc.Apr. 2018 President of Mitsubishi Chemical Holdings America, Inc.Managing Director of Mitsubishi Chemical Holdings Europe GmbHApr. 2021 Executive Management Position and Division Head of Basic Materials Planning Division of Mitsubishi Chemical Group CorporationApr. 2022 Manager of Industry Research & Produce Group of MUFG Bank, Ltd.May 2024 Joined MANI, INC.Managing Executive Officer, CFO (present)Sept. 2024 Assistant to the President (Deputy Corporate Officer), Department Head of Business Administration Department (present)Director of MANI HANOI CO., LTD. (present)Auditor of MANI MEDICAL BEIJING CO., LTD. (present)Director of MANI MEDICAL GERMANY GmbH (present)
Number of the Company's shares owned	39,339	10,073	45,230		8,458	8,261	11,140	7,308
Number of years in position	10 years	—	10 years		1 year	—	2 years	—

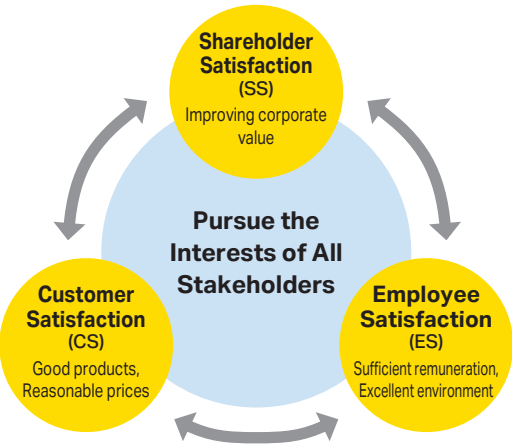
▶ Administrative Officers

(As of September 1, 2024)

		
Name	Kentaro Inatomi	Kaoru Ogane

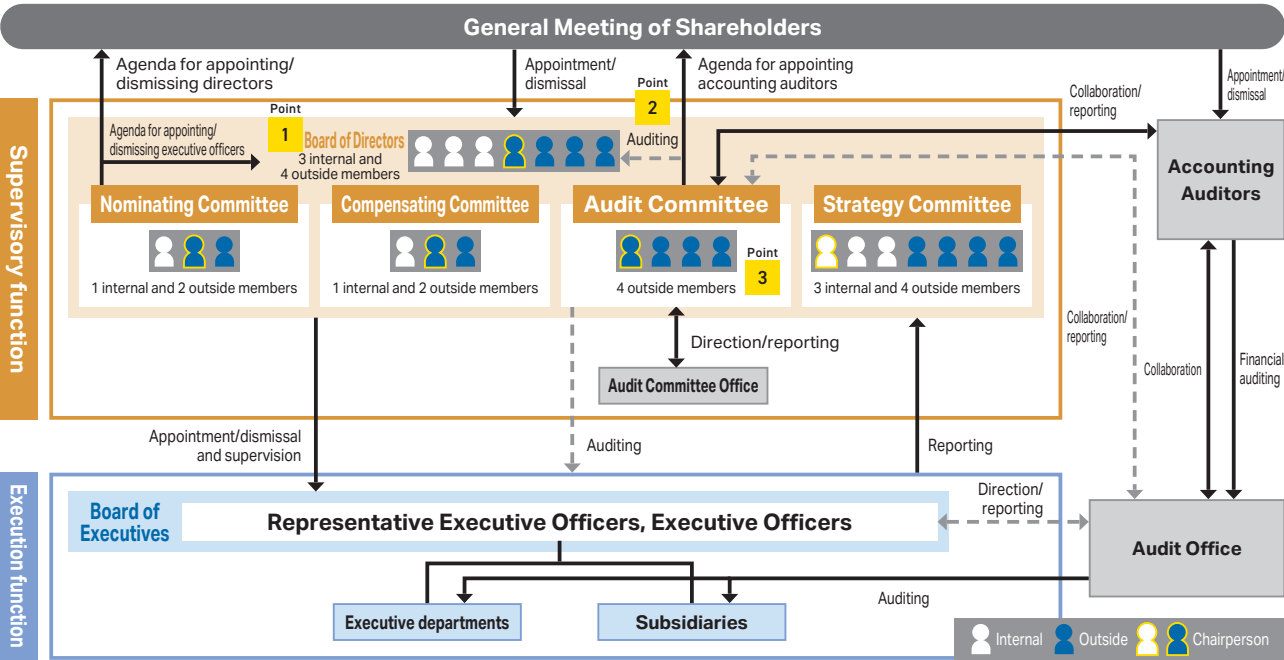
Corporate Governance Basic Policy -Pursue the Interests of All Stakeholders-

Our basic corporate governance policy is to "pursue the interests of all stakeholders." For customers, we aim to increase sales and profits by seeking to improve customer satisfaction (CS) by providing customers with good products at reasonable prices. For customers, we aim to achieve efficient corporate activities by improving employee satisfaction by providing employees with an excellent working environment and performance-based system that provides sufficient compensation and enable them to produce results. The Board of Directors supervises the direction of executive action and evaluates executive officers. Through this governance system, we aim to increase shareholder interests and secure shareholder satisfaction. "Pursue the interests of all stakeholders" means that the interests of our customers are the interests of our employees and shareholders, the interests of our employees are the interests of our customers and shareholders, and the interests of our shareholders are also the interests of our customers and employees. We believe that the basis of corporate governance is to conduct appropriate decision making, and to prevent the interests of one stakeholder causing the loss of interests of other stakeholders.



Corporate Governance Report <https://ssl4.eir-parts.net/doc/7730/announcement2/105182/00.pdf>

Corporate Governance: System and Features



As a Company with Nominating and Other Committees Division of Duties and Collaboration of the Board of Directors and Executive Divisions

Decisions on matters are made at the Board of Directors meeting, and discussions about their actual execution occur at the Board of Executives. All matters on reports and resolutions are thoroughly discussed at the Board of Directors meeting. For example, even at the reporting stage, the direction of a project may change according to the opinions of outside directors, and resolutions may also be vetoed.

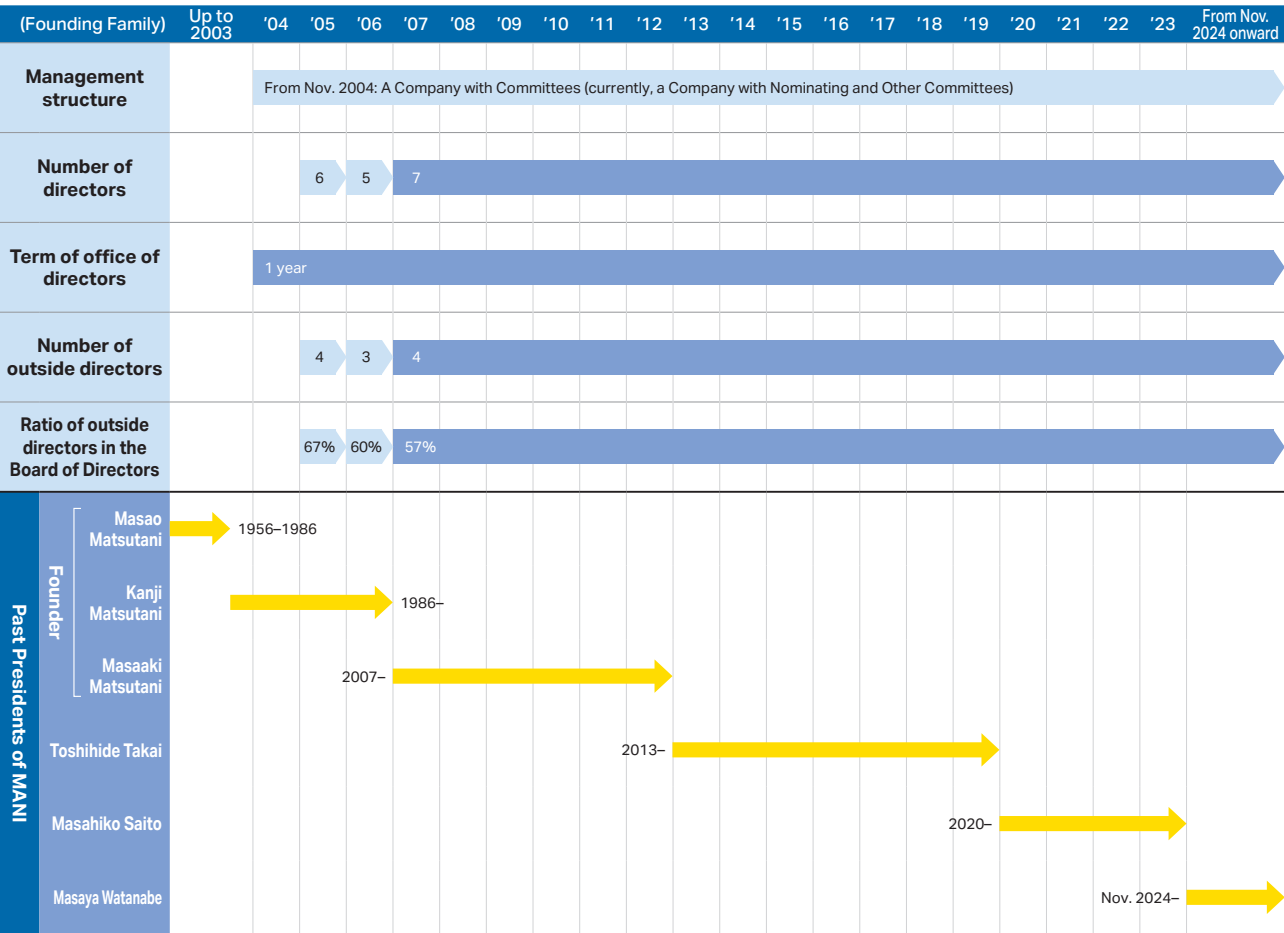
- Point 1 **Independence of the Board of Directors and Transparency of Management**
 - Transition to being a Company with Committees in 2004 (currently: a Company with Nominating and Other Committees)
 - Set up four board committees
 - The chairpersons of Nominating Committee, Compensating Committee and Audit Committee are outside directors
 - Four of the seven directors are outside directors
 - The chairperson of the Board of Directors is an outside director that does not hold a concurrent position as an executive officer
 - Division of supervision and execution
 - Matters concerning the disposal and transfer of important property and assets are resolved at the Board of Directors meeting
- Point 2 **Effectiveness of Audits**
 - The Audit Office and each division hold regular reporting sessions
 - The Audit Committee holds regular meetings with accounting auditors, and reviews the status of their audits
- Point 3 **Update of Governance System**
 - Since 2018, an independent outside director has been serving as the chairperson of the Board of Directors
 - Newly established Strategy Committee in November 2023

Role of the Board of Directors and the Four Committees

	Role	Number of meetings held
Board of Directors	Entrusts executive officers with administrative authority within the scope of laws and regulations, and focus on the supervision of the execution of work status and decisions on important matters associated with the basic policies of management, including the Medium-Term Management Plan and corporate policy.	19
Nominating Committee	Makes decisions on proposals relating to the appointment and dismissal of directors for presentations at the General Meeting of Shareholders, and decisions on proposals relating to the selection and dismissal of representative executive officers and titled executive officers, and the appointment and dismissal of executive officers for presentations at the Board of Directors.	20
Compensating Committee	Makes decisions on policies relating to determining individual remuneration for directors and executive officers, and decisions on individual remuneration.	13
Audit Committee	Audits and compiles audit reports on the execution of the professional duties of directors and executive officers, and makes decisions on the content of proposals relating to the appointment and dismissal of accounting auditors for presentation at the General Meeting of Shareholders, and on the non-reappointment of accounting auditors.	13
Strategy Committee	Examines medium- to long-term corporate strategy and offers its opinions to the directors to help present the broad direction of corporate strategy, which is one of the responsibilities of the Board of Directors.	10

Initiatives to Strengthen Corporate Governance

Although the Company started under the ownership of the founding family, from an early stage we began to build a corporate governance system with a strong emphasis on restricting arbitrary decision making (based on favoritism, etc.). In 2020, all members of the founding family withdrew from management roles, passing the role on to the next generation of management. A highly transparent corporate governance system is essential to enable the continuous development of a company. We have adopted the system of a Company with Nominating and Other Committees. By ensuring that Directors who are members of committees such as the Nominating Committee have voting rights in the Board of Directors, composing the majority of the Board with outside directors, and having an outside director serve as the Chairperson of the Board of Directors, we strengthen the supervisory function of the Board of Directors and improve the transparency and objectivity of management. The appointment of outside directors further strengthens and improves the supervisory functions of the Board of Directors. Executive officers are also delegated with tasks to facilitate decision making on business execution and respond quickly to changes in the business environment. The current management structure is as follows: Seven directors (including four outside directors), seven executive officers (including two who are also directors).



Evaluation of the Effectiveness of the Board of Directors

Basic Approach

So as to promote management focused on improving corporate value, since FY2015 the Company has been conducting an annual evaluation of the Board of Directors and Committees. From FY2023, in order to make a more objective and in-depth examination of the effectiveness, the Company has introduced a method of conducting a third-party investigation (conducting and collecting questionnaires from each individual director and conducting individual interviews) and holding discussions at the Board of Directors based on the investigation results. The Board of Directors will continue to undergo regular evaluations, and the Company will use the views and other feedbacks obtained from the process and results of evaluating the effectiveness of the Board of Directors and Committees to continuously improve their performance, as we strive for the continual improvement of corporate value.

Overview of Effectiveness Evaluation

Composition

The Board of Directors is generally of an appropriate scale and ratio of outside directors, and composed of members that have been selected to achieve a balance of knowledge, experience, skills, gender, and age, etc. From the perspective of diversity, we have outside directors with a range of specialist knowledge as corporate managers, lawyers, and professors, as well as sophisticated skills in management decision making. These outside directors engage in a lively exchange of opinions from their respective specialist viewpoints, which helps to strengthen the supervisory function of management.

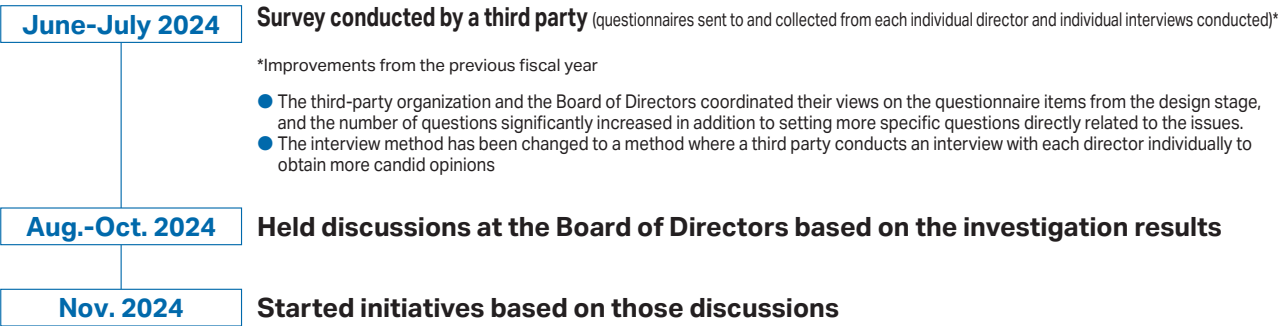
Operation

The members are provided with materials in advance so they can thoroughly discuss the topics of the Board of Directors meeting. To further improve the effectiveness of these meetings, we are also making improvements to the way the meetings are operated, such as providing the materials earlier on, organizing the main points of the meeting materials, narrowing down the agenda items, and ensuring there is sufficient time to discuss important topics. We are also carrying out initiatives to invigorate discussions, such as holding meetings only for independent outside directors.

Status of Topics and Discussions

Sufficient time is allocated to discuss topics scheduled for the Board of Directors meeting, and each director strives to understand the topics in advance and provide information on them, using their knowledge and experience with the topics to engage in appropriate discussions. An independent outside director also serves as the Chairperson of the Board of Directors, which is another way of creating an atmosphere that respects open, frank, and constructive discussions. For important matters concerning management, we conduct transparent and fair decision making, which also incorporates the objective and rational opinions of outside directors.

Evaluation Process



Main Evaluation Items of the Survey

- (1) Composition of the Board of Directors, operation and discussion, and monitoring system

(2) Support (including training) for directors

(3) Performance of directors and executive officers
- (4) Management and support structure of each committee

(5) Dialogue with shareholders

Evaluation Results for FY2024

Items with a high evaluation	Items that require improvement	Initiatives going forward
<ul style="list-style-type: none">Creates an atmosphere that respects open, frank, and constructive discussionsAcknowledges the fiduciary responsibility to shareholders, and makes transparent and fair decisions for the interest of all stakeholders (employees, customers, shareholders)Engages in strategic discussions for sustainable corporate value enhancement, and supports and monitors the execution of operations with the appropriate level of vigilance.	<ul style="list-style-type: none">To deepen discussions on sustainable corporate value enhancement, we need to take a fresh look at the skills and backgrounds required of the Board of Directors and promote diversity in its composition.Need to improve discussions aimed at enhancing sustainability, including our response to ESG.	<ul style="list-style-type: none">Aim to hold open, constructive discussions to sustainably improve our corporate value and limit downside risks.Ensure sufficient time for discussions related to important management issues such as the Medium-Term Management Plan and our medium- to long-term business strategies as part of our efforts to improve discussions.Continue efforts to streamline operations of meetings of the Board of Directors.

Activities of the Board of Directors

Membership of Directors

The Board of Directors is composed of seven members, with a majority being outside director. The internal directors are Masaya Watanabe, Kazuo Takahashi, and Toshihide Takai, and the outside directors are Tatsushi Yano, Yukiko Moriyama, Yosuke Mitsusada, and Yukio Matsui. The Chairperson of the Board of Directors is, in principle, a director who does not concurrently serve as an executive officer. Until July 2024, the position was held by outside director Masaya Watanabe, and subsequently, it has been held by outside director Yosuke Mitsusada. The change of the Chairperson of the Board of Directors was made in July 2024 through a personnel change following an internal decision to have outside director Masaya Watanabe serve as President and Representative Executive Officer. Furthermore, to ensure the effectiveness of the Board of Directors, the composition of the Board of Directors take into account a balance of knowledge, experience, abilities, and gender among its members.

Operations of the Board of Directors

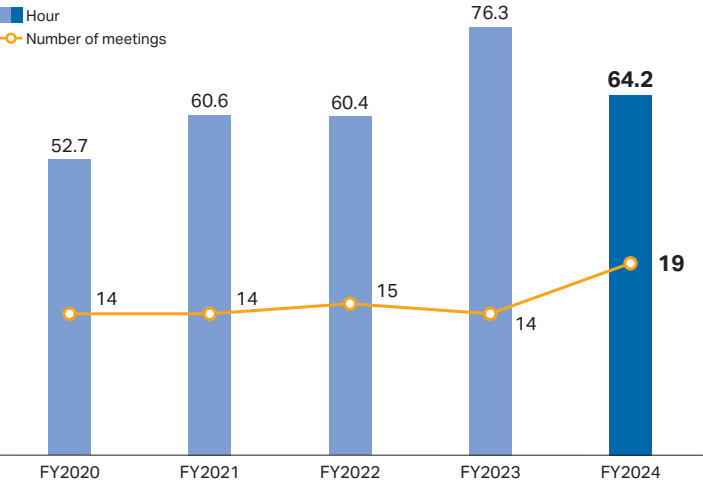
Our Board of Directors oversees management through important corporate decision-making and supervision of executive officers. By delegating decision-making authority for business execution to executive officers, the Board of Directors ensures the separation of management supervision and business execution, achieving swift and efficient business operations. The intended role of the Board of Directors is to strengthen control functions to strive to improve medium- to long-term corporate value and to appoint appropriate managers. In the current fiscal year, the Board of Directors met a total of 19 times, and all Directors had a 100% attendance rate. Our Board of Directors engages in active discussions at each meeting, with outside directors providing advice, suggestions, deliberations, and decisions from their specialized perspectives to ensure the validity and appropriateness of the Board's decision-making.

Main Deliberation Themes at Meetings of the Board of Directors Held in FY2024

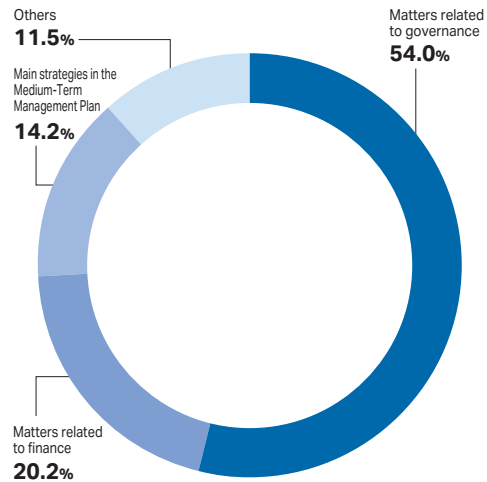
Themes	Contents of deliberation
Main strategies in the Medium-Term Management Plan	<ul style="list-style-type: none">Progress of the Medium-Term Management PlanGlobal sales strategies including North American strategyProgress of the Hanaoka Factory (Smart Factory)Progress of new product development
Matters related to finance	<ul style="list-style-type: none">Progress of management plan in fiscal year ended August 31, 2024 and establishment of business plan for fiscal year ending August 31, 2025Establishment of medium-to long-term capital policy
Matters related to governance	<ul style="list-style-type: none">Change of President and Representative Executive Officer and enhancement of management teamRecognition of recent risks and initiatives for risk-responseInitiatives in complianceInternal audit and reports regarding regulatory authority complianceEvaluation of Board of Directors effectiveness
Other important management issues	<ul style="list-style-type: none">Human capital management and corporate culture reformStrengthen product development systemSystem strategy and digital transformation strategy

Trends in required time for meetings of the Board of Directors and number of meetings held (excluding committee meetings)

- The number of meetings of the Board of Directors increased in FY2024 compared to the previous fiscal year
- We have worked proactively to streamline discussions, contributing to more appropriate required time for meetings



Discussion themes at meetings of the Board of Directors(FY2024)



Activities of Each Committee

		Number of meetings held (attendance rate)
Nominating Committee	<ul style="list-style-type: none">Prepared the “Criteria for Selection of Candidates for Directors” and the “Criteria for Submission of Proposals for Dismissal of Directors,” which are reviewed and applied every term.With regards to the appointment of outside directors, the committee has established the criteria for selecting candidates based on their independence from the Company, and in principle, candidates who have served more than six terms in office will not be appointed as candidates for outside directors for the next term.	20 (100%)
Compensating Committee	<ul style="list-style-type: none">Prepared the “Policy for Determining Individual Remuneration of Directors and Executive Officers,” which is reviewed and applied every term.Based on this policy and the remuneration levels of other companies, the committee deliberates and decides on the establishment of remuneration systems for directors and executive officers, including basic remuneration and performance-linked remuneration, as well as the amount of remuneration for each individual director and executive officer. Along with giving incentives for the continual improvement of MANI's corporate value, and to further share value with shareholders, at the Compensating Committee meeting held on October 26, 2022, the Company decided to abolish the performance units and executive retirement benefits system that had been provided to executive officers, and introduce a new remuneration of restricted stock (RS).	13 (100%)
Audit Committee	See “Effectiveness of the Audit Committee” below.	13 (100%)
Strategy Committee	<ul style="list-style-type: none">Aims to assist in presenting the broad direction of corporate strategy, which is one of the responsibilities of the Board of Directors, by examining medium- to long-term corporate strategies and providing opinions to directors.As one of the roles to be fulfilled by the Board of Directors and part of “improving medium- to long-term corporate value,” by holding effective deliberations centered on strategically related themes, the management team and outside directors share their visions and plans. This allows the management team to swiftly advance growth strategies, thereby strengthening organizational capabilities, establishing strategic processes, utilizing external resources, and embedding strategic processes and practices within the organization.In FY2025, we plan to hold effective deliberations that contribute further “improving medium- to long-term corporate value.”	10 (100%)

Effectiveness of the Audit Committee

The Audit Committee is composed of four outside directors selected by the Board of Directors. We have also set up the Audit Committee Office (one member) as an audit organization; this Office ensures the independence of the Audit Committee, by being independently (from an executive role) in charge of secretariat work to assist in the professional duties of the Audit Committee. The Audit Committee regularly receives reports from directors, executive officers, employees, and other relevant personnel on the status of its establishment and operation. It regularly requests explanations as needed, expresses opinions, and conducts investigations in collaboration with the Company's Audit Office and other departments in charge of internal control. This includes examining the decision-making processes and contents of important meetings, major approval documents, other significant documents related to business execution, the execution of status of duties performed by executive officers and key employees, and the Company's business and asset conditions. With respect to subsidiaries, the Committee communicates and exchanges information with the directors and other relevant personnel of the subsidiaries, requests business reports from the subsidiaries as necessary, and examines the status of their operations and assets. Additionally, the Committee holds meetings with accounting auditors on the policies and methods of audits, receives explanations and reports on the implementation status and audit results, and exchanges opinions on these matters. The Committee also verifies the consolidated financial statements, financial statements and supplementary schedule, and business reports. Furthermore, the Audit Committee receives reports from the Audit Office on the status of audits and strives to share audit information.

Remuneration of Officers

Basic Approach

The Company has established the policy for determining the amount of compensation for officers and the method of calculation as follows. The Compensating Committee, which has a majority of outside directors, has the authority to determine this policy. Based on this policy, the Compensating Committee deliberates and determines the individual remuneration amount and builds and reviews systems of remuneration, such as for the basic remuneration of directors and executive officers and performance-linked remuneration. The individual remuneration of directors and executive officers for this fiscal year is also determined in accordance with this policy. Along with giving incentives for the continual improvement of MANI's corporate value, with the aim of further promoting the sharing of value with shareholders, at the Compensating Committee meeting held on October 26, 2022, the Company decided to abolish the performance units and executive retirement benefits system that had been provided to executive officers and introduce a new remuneration of restricted stock (RS). Accordingly, from FY2022, the policy and methods for determining the remuneration of officers have been amended as follows.

Policy on the Remuneration of Directors

The remuneration of directors is composed of basic remuneration (fixed remuneration) only. The basic remuneration is an amount equivalent to the workload of each director, and there is no retirement benefits system in place. If a director holds a concurrent position as an executive officer, then he/she is not paid as a director.

Policy on the Remuneration of Executive Officers

The remuneration of executive officers is composed of basic remuneration (fixed remuneration) and variable remuneration in the general ratio of 65%:35% (during standard performance). The basic remuneration (fixed remuneration) takes into consideration factors, such as the management environment of the Company and the levels at other companies and is set at an amount that is necessary and sufficient for doing one's work. The variable remuneration is composed of performance-linked remuneration (short-term incentives) and restricted stock units (long-term incentives, non-residents of Japan are handled separately).

Calculation Methods of Performance-linked Remuneration

Performance-linked remuneration is calculated by multiplying the monthly basic remuneration by the sum of two coefficients: the “coefficient of average relative achievement rate of the most recent past two fiscal years” and the “coefficient of the relative achievement rate of the past highest fiscal year.”

Monthly basic remuneration × (1 Coefficient of the average relative achievement rate of the most recent past two fiscal years + 2 Coefficient of the relative achievement rate of the past highest fiscal year)

(Note 1) Coefficient of the average relative achievement rate of the most recent past two fiscal years: Calculated from the achievement rate (growth rate) of the consolidated operating income of the said fiscal year relative to the average consolidated operating income of the previous two fiscal years of the executive officer's term of service, based on the table on the right.

(Note 2) Coefficient of the relative achievement rate of the past highest fiscal year: Calculated from the achievement rate (growth rate) of the consolidated operating income of the said fiscal year relative to the consolidated operating income of the highest fiscal year of the most recent previous four periods, based on the table on the right.

(Note 3) If the abovementioned achievement rate (%) is under 100%, then the achievement rate is set at zero.

Achievement rate (%)	Achievement rate coefficient
Up to 130	3.70
125	3.08
120	2.47
115	1.85
110	1.23
105	0.62
100	0.00

Calculation Method of Restricted Stock (RS)

(1) Medium-Term Management Plan Achievement Requirement RS

In the first fiscal year of the Medium-Term Management Plan, RS of an amount of 15% of the remuneration amount (100%), with 65% as fixed remuneration, will be granted in a single amount in accordance with the Medium-Term Management Plan period (expected to be five years). In the final fiscal year of the Medium-Term Management Plan, if all targets have been reached for the three indexes of consolidated net sales, consolidated operating income, and share price, and if the requirement of service at the company has also been satisfied, then the restriction on transfer of the granted stock (RS) will be lifted. In all other cases, the company will acquire all of the granted stock (RS) at no cost.

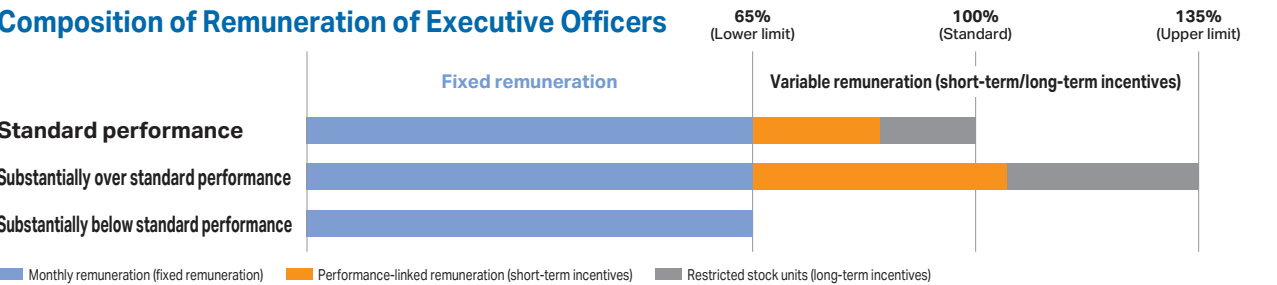
(2) Medium-Term Management Plan Intermediate Target Achievement Requirement RS

In each fiscal year during the Medium-Term Management Plan, for the portion that exceeds 100% of the weighted average of the achievement rate of the three indexes of consolidated net sales, consolidated operating income, and share price, based on a calculated achievement rate of up to 200% maximum, RS of an amount from 0 to 15% of the remuneration amount (100%), with 65% as fixed remuneration, will be granted. In the final fiscal year of the Medium-Term Management Plan, if the requirement of service at the company has been satisfied, then the restriction on transfer of the granted stock (RS) will be lifted. In all other cases, the company will acquire all of the granted stock (RS) at no cost.

Details on the system for the remuneration of officers (Corporate Governance Report)

<https://ssl4.eir-parts.net/doc/7730/announcement2/105182/00.pdf>

Composition of Remuneration of Executive Officers



Compliance and Risk Management

We recognize that the building and improvement of effective internal controls by the key management of directors and executive officers improve the soundness of management, maintain the corporate governance system, and enhance corporate value. To achieve that, we have set up a structure that emphasizes risk management, and we are focusing on internal audits and other measures to confirm the effectiveness of compliance systems to ensure that the internal rules we have prepared, and the laws and regulations are followed.

As for our risk management system, the company comprehensively and generally manages the risks throughout the Group through careful deliberations and decision-making procedures at the Board of Directors, the Board of Executives, and other meeting bodies. In addition, a Chief Risk Management Officer (CRO) has been appointed as the executive officer in charge of risk management, and under the CRO, a risk management system for the entire Group, including subsidiaries, has been established and operated. Furthermore, we have appointed an officer responsible for overseeing the quality of the Group and a Chief Safety and Health Officer responsible for occupational health and safety. We have established and operate a quality management system and an occupational health and safety management system in compliance with ISO standards.

As for financial reports, we have built a system of internal controls for financial reports, as well as a system for setting up, operating, and evaluating an organizational structure that is compatible with the Japanese-version of the Sarbanes-Oxley Act (SOX Act). The same is also applied to overseas offices according to their functions and importance.

For compliance, MANI group's basic management policy includes "Compliance Spirit," and our code of conduct defines "Integrity." Compliance with laws and regulations is a prerequisite for all employees' action. In addition, a Compliance Committee has been established to continue to develop the compliance system and raise awareness within the Company. To ensure thorough compliance in business operations, we have formulated a Compliance Manual and conduct regular training to enhance employees' awareness.

As part of our information management system, we store documented information (including electromagnetic media and emails) on the execution of professional duties by executive officers in accordance with laws, regulations, and internal rules such as the Rules for the Management of Documents, and directors have access to these documents at all times.

With regard to the system to ensure the appropriateness of business operations of the Group, the company stipulates the departments in charge of Group companies, the roles of those departments, matters requiring approval from and reporting to the company by Group companies, and accounting reports necessary for the preparation of consolidated financial statements, and conducts appropriate business operations as a group. In addition, executive officers are appointed for each function or business category of the Group with respective responsibilities. These executive officers are responsible for the management of the Group companies under their control and supervise the development of the legal compliance and risk management systems of the Group companies concerned. Furthermore, the Audit Office conducts internal audits of the status of management and operations for the Group companies, and the Audit Committee audits group management, including the status of internal audits on the executive side. The Audit Committee has set up meetings to confirm accounting audits with accounting auditors, as well as the Audit Committee Office as a supervisory execution organization under the Audit Committee.

Initiatives to Prevent Corruption and Create Transparency in Corporate Activities

At MANI Group, our "MANI Group Compliance Policy" and "MANI Group Compliance Manual" lay out our approach to compliance that should be shared among all officers and employees from three broad perspectives: 1) Compliance with laws and regulations and standards both within Japan and overseas, 2) sound business activities and ensuring profits, and 3) safe and healthy work environments. As part of compliance with laws and regulations and rules related to manufacturing and sales activities for medical devices in the above policy and manual, the prohibition of acts of corruption such as bribery is clearly stipulated. Moreover, from the standpoint of building ethical business relationships with doctors and medical institutions, based on our "Guidelines on Transparency in Relationships with Medical Institutions," we regularly disclose on our website information related to the provision of funding to medical institutions within Japan.

Information related to the provision of funding to medical institutions, etc. <https://www.mani.co.jp/transparency/> (in Japanese)

Furthermore, MANI, INC. has no history of providing funding that could be considered political contributions or lobbying activities.

TOPICS

Establishment of a Whistleblower Hotline

We have established a system to enable whistleblowers to report without prejudice any violations or potential violations of laws and regulations that they discover within the organization. Specifically, we have newly established a system to ensure that information received via the hotline is consolidated by the Compliance Committee, which is composed of executive officers, and new Rules Concerning Whistleblowing, which clearly prohibits dismissal or disadvantageous treatment of whistleblowers. Furthermore, a system has been established to accept reports not only from MANI's officers and employees, but also from business partners and contractors through a dedicated hotline.

■ Framework

Compliance Committee (executive officers)

Reporting channels
(external contact (law firm), internal contact)

Employees
(including part-time and temporary employees)

Overseas employees

Whistleblowing website
dedicated form

Business partners

Evaluation and response to business risks

Identification of Business Risks

Risk Categories

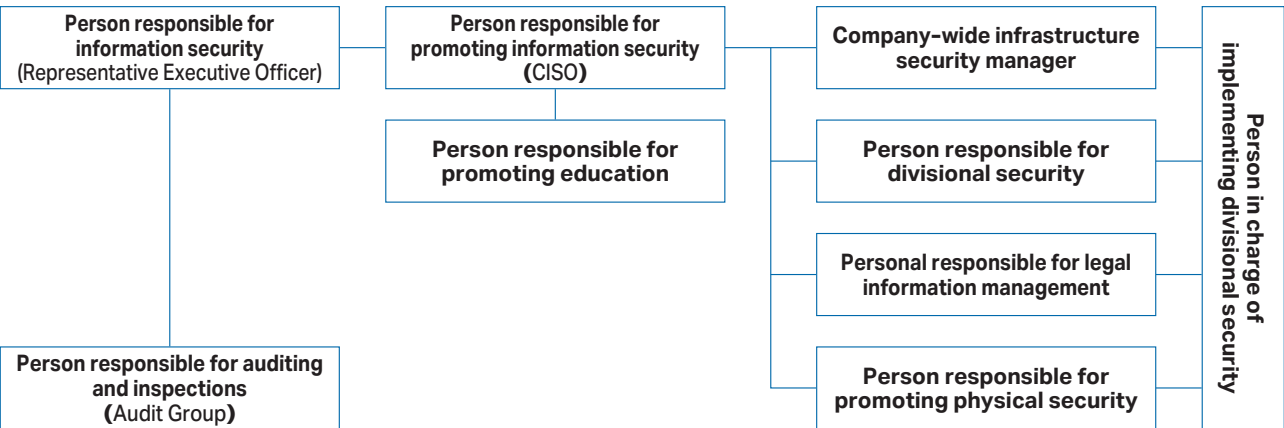
- The Integrated Risk Management Committee categorizes and monitors the risks faced by the Group.

	Overview	Examples of risk manifestations
Management risks	Risks posed by mismanagement and business strategies	Insufficient market expansion in strategic areas Excessive capital investment Country risks Climate change risks Subsidiary management risks
Product risks	Risks due to insufficient product quality or quantity	Missing or excess inventory Rapid price fluctuations Delays in new product development Recall due to insufficient quality
Financial risks	Risks related to monetary receivables and payables from purchases and sales	Uncollectible due to bankruptcy of counterparty Decrease in value of assets due to exchange rate fluctuations, etc.
Human resource risks	Risks arising from human resources, risks related to labor and occupational injury	Occupational injuries, labor issues and infectious diseases Decline in quality of human resources and difficulty in hiring
Equipment risks	Risks posed by the destruction of factory buildings and manufacturing machinery	Destruction of facilities due to natural disasters Environmental problems around the plant
Risks related to information systems	Risks arising from system infrastructure and information management	System troubles Cyberattack/information leakage
Risks related to laws and regulations and legal affairs	Risks of failure to comply with laws and regulations	Deficiencies in notifications related to the PMD Act Delayed or inadequate compliance with laws and regulations Litigation and disputes

Details of analysis and response to business risks (Securities Report) https://ssl4.eir-parts.net/doc/7730/yuho_pdf/S100UUGP/00.pdf (in Japanese)

About Our Information Security System

- We have built and operate the following information security system
- We have introduced an EDR (Endpoint Detection and Response) system to determine suspicious program behaviors and prevent them from running.
- We hold regular information security training sessions



Interview with an Outside Director

Active Discussions that Improve Our Group's Added Value

Outside Director
Chairperson of the Board of Directors

Yosuke Mitsusada



MANI's Approach from an Investor's Perspective

I have extensive experience in the investment fund industry, having been involved in corporate acquisitions through buyout funds and establishing engagement funds where I served as the Chief Investment Officer and Director, allowing me to observe many companies from the position of an investor. What I learned from this experience was that the core of management lies in "how to capture people's hearts." No matter how much effort the management puts in, nothing will change if the employees do not act. Moreover, whether or not one can motivate people and organizations depends solely on dialogue. This has been a personal lesson for me as well.

When investing in companies, it is crucial to determine whether the management possesses "GOD": "G=Growth Mind" means whether or not the person has the desire to grow. "O=Open" means the ability to listen openly to the opinions of others. Maintaining these

attitudes allows managers to broaden their perspective. Lastly, "D=Discipline" means whether or not discipline at work is maintained.

During my involvement in investment operations, there were many opportunities for me to have constructive dialogues with the management team of MANI at the time. I have always had the impression of MANI as an attractive company from the standpoints of the competitive advantages of our products created by the microfabrication of stainless steel materials and the potential for global niche markets. Thereafter, in 2023, I was offered of becoming an outside director, and in November 2023, I was officially appointed as outside director.

Challenges Seen After Becoming an Outside Director

In 2004, MANI, INC. transitioned to being a Company with Committees (currently a Company with Nominating and Other Committees), and has strengthened governance early on by establishing a system where the Board of Directors, with a majority of outside

directors, supervises executive officers. By promoting disciplined management, even if performance temporarily struggles, I believe that the company can supplement its deficiencies and continue to grow steadily. My impression of MANI after becoming an outside director is that there are two main challenges. The first issue is that the spirit of challenge within the Company is somewhat low. The second issue is that there seems to be little human investment in the indirect divisions of the Company, such as Human Resources or global pharmaceutical legal compliance. Regarding the first issue, MANI's management has been supported by the excellent quality and very long product lifespan of our main products, starting with our eyeless needles and ophthalmic knives. However, on the other hand, any corporate culture that has been built over a long period of time cannot be changed overnight. We need to work diligently to build a culture that values challenges and does not fear failure. Repeated failure also builds organizational knowledge. The second issue involving emphasizing indirect divisions is essential in establishing a system that emphasizes governance, including modern human capital management and legal and regulatory compliance. Effective means of making up for these shortcomings in the Company include overhauling our business execution system, as is being done in our current system changes, and hiring diverse experienced recruits. These kinds of measures will not lead to results immediately. However, I am sure that several years down the line, they will appear in the form of changes in our corporate culture and improvement in our medium- to long-term, the continual improvement of corporate value.

The Board of Directors as a Platform to Support and Promote Management Execution

It is essential for members of the Board of Directors to raise objections and questions without hesitation when feeling that management execution is heading in the wrong direction, and to support it when it is believed to be moving in the correct direction. There is also the issue of timelines. Development requires extremely long timelines. The Board of Directors needs to understand the timelines associated with MANI's unique manufacturing and to support management execution aimed at improving medium- to long-term corporate value based on that understanding. As a member of that body, I am well aware, based on my standpoint of having engaged with the capital markets, that where there are demands from our shareholders, I am expected to engage in proactive dialogue, provide feedback to the Board of Directors, and discuss those demands.

Improving the Effectiveness of the Board of Directors and Facilitating High-Quality Discussions

I have served as Chairperson of the Board of Directors since July 2024. While being aware of creating an atmosphere where attendees feel comfortable, I would like the meetings of the Board of Directors to generate opinions from our Directors from a neutral and fair



standpoint and to facilitate broad-based discussion from diverse positions and perspectives. Additionally, I strive to ensure that both internal and outside directors can exchange opinions freely. Through this, I aim to provide insights to the management team and draw out high performance. Moreover, starting in FY2025, we will be conducting monitoring to ensure that our business execution system is being strengthened, that authorities for business execution are being delegated as they should be as a Board of Directors at a Company with Nominating and Other Committees, and that management execution is progressing smoothly.

To enhance the effectiveness of the Board of Directors, for important issues, we decide the initial discussion themes and deliberation schedule and record the time spent on each deliberation session. One of these themes is the nature and functioning of the Board of Directors. Related to this theme, each year we assess and evaluate the effectiveness of the Board of Directors. We conduct surveys and interviews with third-party organizations from the standpoint of increasing independence and objectivity, and the tabulated results are analyzed and assessed at the Board of Directors. Furthermore, we set up discussion forums for the issues that emerge from these evaluations, ensuring the PDCA cycle of the Board of Directors.

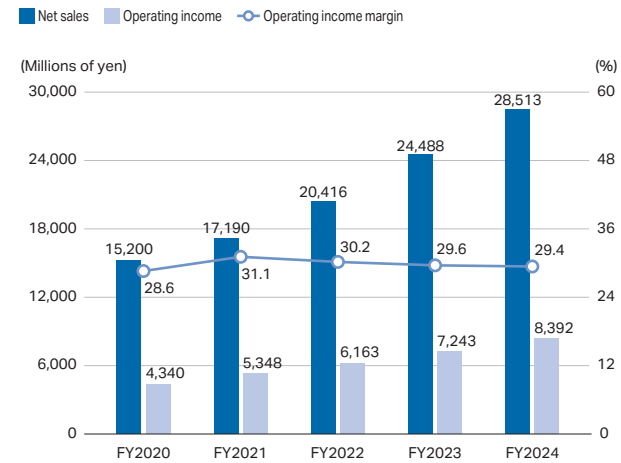
Reforming and improving corporate management and governance is a never-ending process. As the Chairperson of the Board of Directors, from the starting point of the MANI Group's mission of "Contributing to the welfare of people worldwide through distribution of products beneficial to patients and doctors," I have renewed my own resolve to respond flexibly to diverse changes through high-quality discussions at the Board of Directors and to connect those discussions to the continual improvement of corporate value.



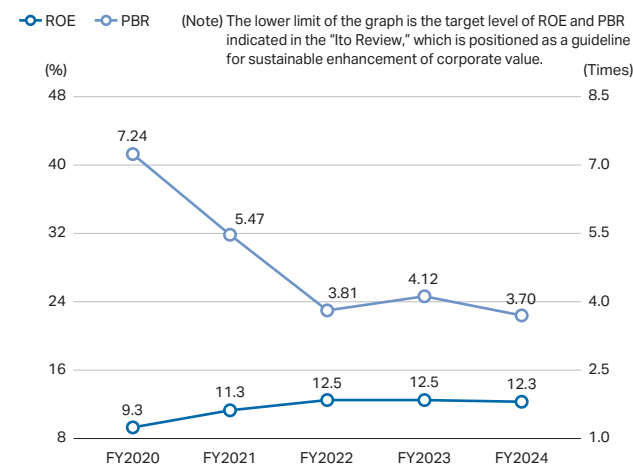
Financial & Non-Financial Highlights

Financial Highlights

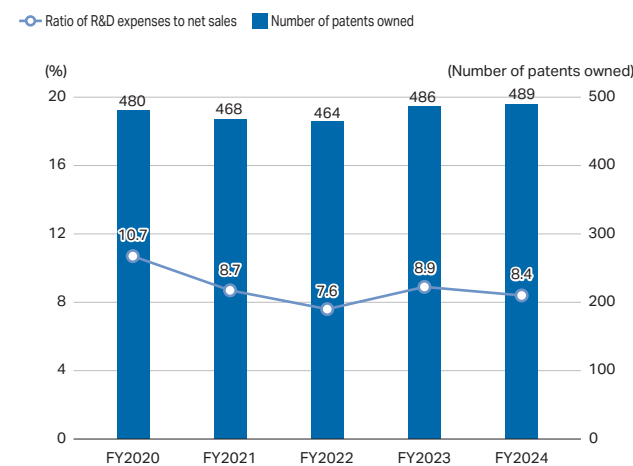
Net sales/Operating income/Operating income margin



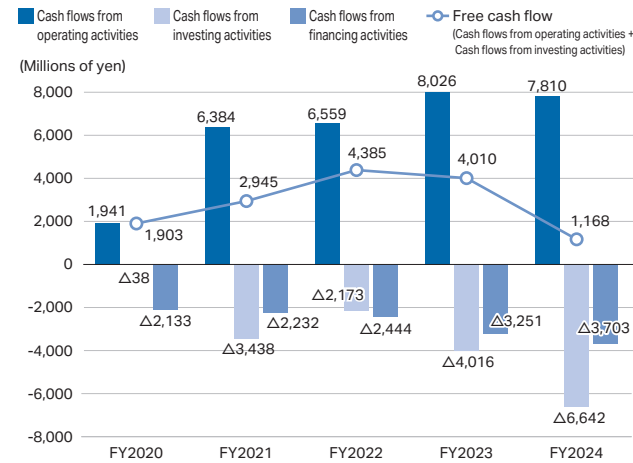
ROE/PBR



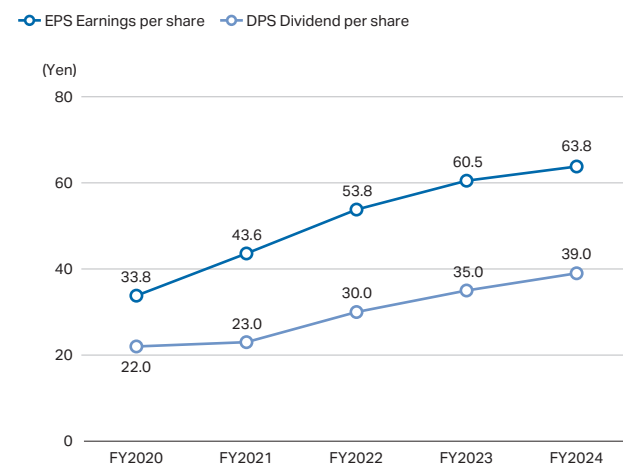
Ratio of R&D expenses to net sales/Number of patents owned



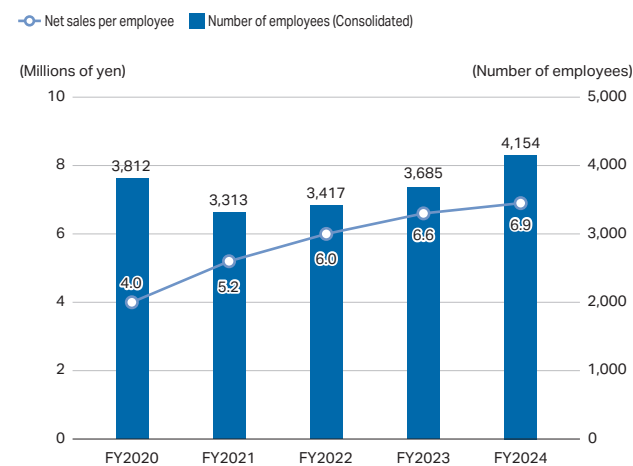
Cash flows



EPS Earnings per share/DPS Dividend per share



Net sales per employee/Number of employees (Consolidated)

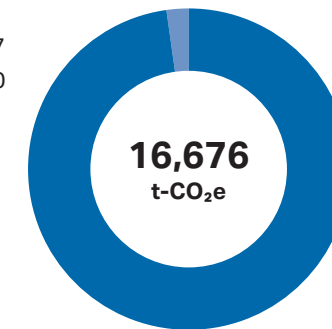


Non-Financial Highlights (As of August 31, 2024)

CO₂ emissions (Scope 1 & 2) (Note) The CO₂ emission data are the total values as of January 31, 2025.

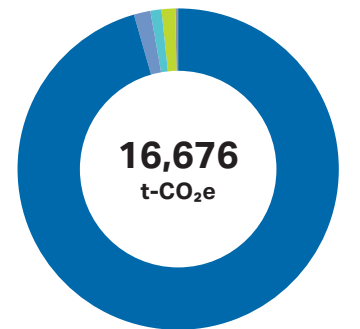
By factor

Scope1	357
Scope2	16,320



By region

Vietnam	15,933	(95.5%)
Germany	281	(1.7%)
Laos	207	(1.2%)
Myanmar	225	(1.3%)
India	8	(0.0%)
China	4	(0.0%)
Malaysia	2	(0.0%)
U.S.A.	0	(0.0%)
Japan	16	(0.1%)



(Note) Although we emitted a total of 16 tons of CO₂ in Japan, through the use of power derived from renewable energy and carbon credits, we have realized carbon neutrality in Japan.

Employee average length of service (Non-consolidated)



14.3 years

Employment rate of recruits with experience (Non-consolidated)



68.6%

Ratio of outside directors



57.1%

No management involvement by the founding family

Ratio of female employees (Consolidated/Non-consolidated)



Consolidated: 71.2%
(Non-consolidated: 35.4%)

Return-to-work rate after childcare leave (Non-consolidated)



100%

Ratio of female directors



14.3%

Ratio of female management positions (Consolidated/Non-consolidated)



Consolidated: 24.0%
(Non-consolidated: 4.9%)

Ratio of male employees taking childcare leave (Non-consolidated)



75.0%

Diversification of skills of directors

Appointment of directors with diverse backgrounds

Persons with managerial experience (including the healthcare industry)

Attorney

Investor

etc.



► Financial & Non-Financial Changes (11 Years)

	FY2014	FY2015	FY2016	FY2017		FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	
(Millions of yen)													
Net sales	11,440	13,833	16,555	17,167		20,102	18,327	15,200	17,190	20,416	24,488	28,513	
Operating income	3,900	4,178	4,245	4,261		5,080	5,865	4,340	5,348	6,163	7,243	8,392	
Operating income margin	34.1%	30.2%	25.6%	24.8%		25.3%	32.0%	28.6%	31.1%	30.2%	29.6%	29.4%	
Ordinary income	4,040	4,346	4,055	4,624		5,221	5,688	4,424	5,679	7,544	7,995	8,464	
Net income attributable to owners of parent	2,606	2,932	3,005	3,315		3,770	6,101	3,329	4,291	5,290	5,953	6,286	
ROE	11.8%	11.6%	11.1%	11.6%		11.8%	17.7%	9.3%	11.3%	12.5%	12.5%	12.3%	
PBR	3.09 times	3.87 times	2.56 times	2.74 times		4.75 times	6.92 times	7.24 times	5.47 times	3.81 times	4.12 times	3.70 times	
(Millions of yen)													
Cash flows from operating activities	3,417	2,923	3,567	4,793		5,569	5,305	1,941	6,384	6,559	8,026	7,810	
Cash flows from investing activities	(1,677)	(3,974)	(2,605)	(2,230)		144	810	(38)	(3,438)	(2,173)	(4,016)	(6,642)	
Cash flows from financing activities	(707)	(860)	(1,488)	(1,052)		(1,146)	(1,773)	(2,133)	(2,232)	(2,444)	(3,251)	(3,703)	
(Yen)													
Earnings per share	26.2	29.5	30.4	33.7		38.3	62.0	33.8	43.6	53.8	60.5	63.8	
Dividend per share	8.0	8.9	10.0	11.3		14.0	20.0	22.0	23.0	30.0	35.0	39.0	
Dividend payout ratio	30.5%	30.1%	32.9%	33.6%		36.5%	32.3%	65.0%	52.8%	55.8%	57.9%	61.1%	
(Millions of yen)													
Total assets	26,285	30,940	29,922	34,244		37,683	39,813	39,289	42,693	50,113	54,977	57,177	
Total liabilities	2,915	3,605	3,140	4,063		4,136	4,486	2,723	3,490	4,698	5,149	4,846	
Total equity	23,370	27,334	26,781	30,478		33,546	35,327	36,566	39,202	45,414	49,827	52,330	
Equity capital ratio	88.9%	88.3%	89.5%	89.0%		89.0%	88.7%	93.1%	91.8%	90.6%	90.6%	91.5%	
(Employees)													
Number of employees	(consolidated)	2,919	3,229	3,266	3,230		3,653	3,810	3,812	3,313	3,417	3,685	4,154
Number of employees	(non-consolidated)	326	334	325	315		302	315	320	333	350	366	403
Ratio of female employees	(non-consolidated)	53.1%	52.4%	50.5%	48.9%		45.7%	44.8%	43.1%	42.0%	40.6%	39.1%	35.4%
Ratio of female managerial employees	(non-consolidated)	0.0%	4.0%	4.0%	4.0%		3.7%	7.4%	6.5%	6.1%	4.3%	9.0%	4.9%
Ratio of R&D staff	(non-consolidated)	24.2%	23.1%	23.6%	24.6%		27.7%	34.0%	32.9%	33.1%	30.1%	30.3%	32.8%
Ratio of R&D expenses to net sales		9.3%	8.8%	7.7%	7.1%		8.0%	9.3%	10.7%	8.7%	7.6%	8.9%	8.4%
Total number of patents owned		310	333	359	400		429	443	480	468	486	489	
Number of patents owned in Japan		89	87	89	90		90	90	84	78	83	86	
Number of patents owned overseas		221	246	270	310		339	353	396	390	403	403	

(Note) The Company implemented a 1:3 share split on common shares on September 1, 2015, and also on September 1, 2019. Therefore, the earnings per share and dividend per share shown in this page are calculated based on the assumption that these share splits were conducted at the beginning of FY2013 (September 2012).

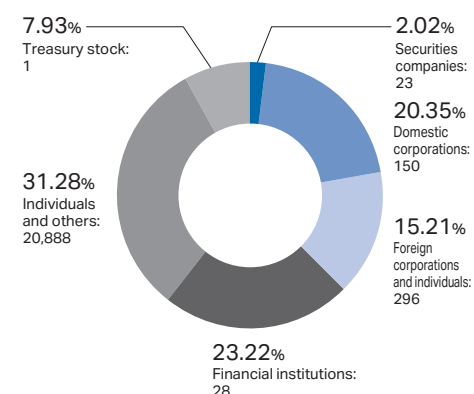


Stock Information

Basic information (as of August 31, 2024)

Total number of authorized shares	356,400,000
Total number of shares outstanding	107,003,277
Number of shareholders (including holders of shares less than one unit)	21,386

Distribution of shares by shareholder type (as of August 31, 2024)



Major shareholders (as of August 31, 2024)

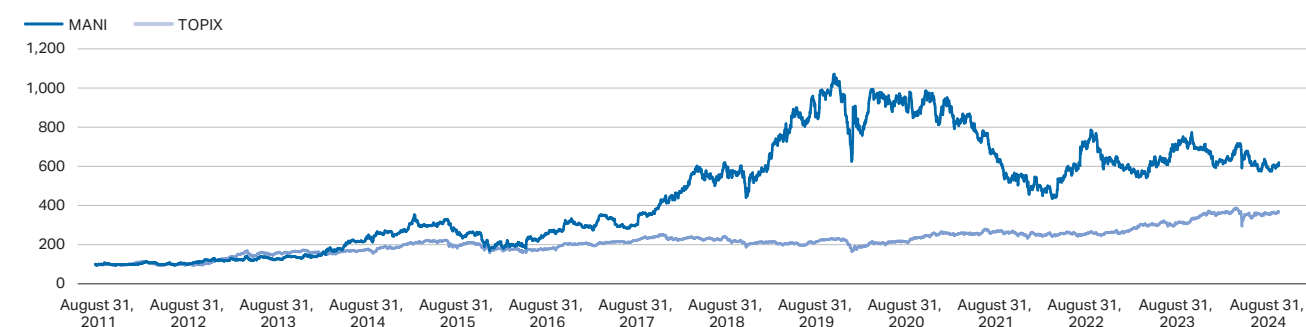
Excluding MANI	Name of shareholder	Number of shares held (thousand shares)	Shareholding/ownership ratio
1	The Master Trust Bank of Japan, Ltd. (Trust Account)	12,913	13.11%
2	Manix Co., Ltd.	10,600	10.76%
3	Custody Bank of Japan, Ltd. (Trust Account)	7,152	7.26%
4	Matsutanigiken Co., Ltd.	5,084	5.16%
5	Mani Matsutani Medical Scholarship Foundation	3,200	3.25%
6	Kanji Matsutani	2,169	2.20%
7	CEPLUX-COLUMBIA THREADNEEDLE (LUX) I	2,099	2.13%
8	Masamitsu Matsutani	2,064	2.10%
9	Masamitsu Co., Ltd.	2,048	2.08%
10	Masaaki Matsutani	1,828	1.86%

Total shareholder return (TSR) movement

	FY2020end	FY2021end	FY2022end	FY2023end	FY2024end
MANI	109.1%	89.5%	73.7%	80.9%	85.2%
Reference: TOPIX	109.8%	135.9%	139.3%	170.1%	202.4%

(Note) Total shareholder return is calculated as follows.
(Share price at the end of each fiscal year + Accumulated amount of dividends per share for each of the four fiscal years prior to the current fiscal year) / Share price at the end of the five fiscal years prior to the current fiscal year

Share price (indexed with September 2011 share price treated as 100)



(Note) The Company implemented a 1:3 share split on common shares on September 1, 2015, and also on September 1, 2019. The share price movement shown in this page is calculated based on the assumption that these share splits were conducted.

MANI IR

Communication with Stakeholders

IR Activities: Basic Policy

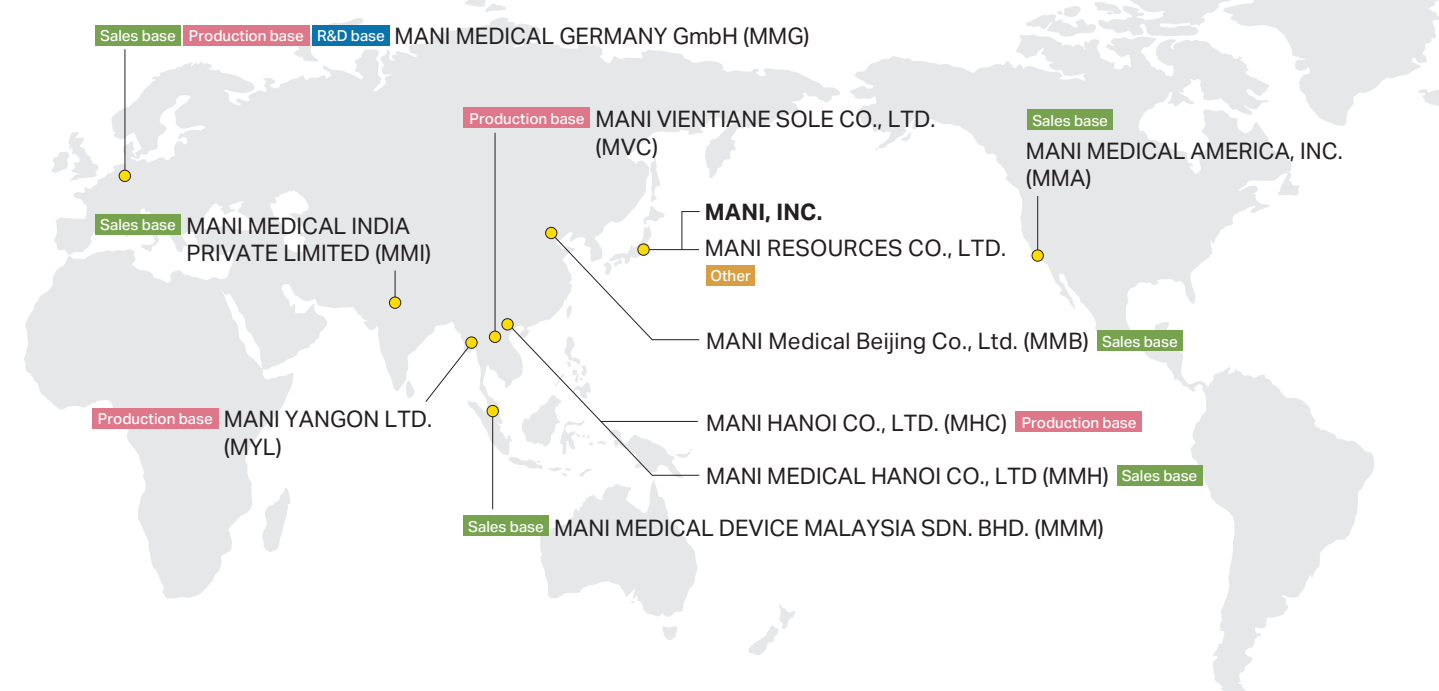
The company has positioned "the building of long-term relations of trust with all stakeholders, including shareholders and investors" as one of its key management matters. The company will do so through timely, appropriate, and fair disclosure of necessary and sufficient information for making investment decisions. In addition to the disclosure of information in accordance with the Companies Act, Financial Instruments and Exchange Act, and Timely Disclosure Rules stipulated by the Tokyo Stock Exchange, the company is also endeavoring to actively disclose information that is outside of this scope to enable a deeper understanding of MANI, and to acquire an appropriate appraisal of the company through constructive dialogue with all shareholders and investors, which will lead to improving corporate value in the medium to long term.

Results of IR activities

	FY2022	FY2023	FY2024
Face-to-face meetings with institutional investors	203	204	211
Financial results briefings for analysts	2	2	2
Briefings for individual investors	2	3	3

Company Information

Consolidated subsidiaries



Company overview

Company name	MANI, INC.
Established	December 24, 1959
Representative	Director, President & Representative Executive Officer Masaya Watanabe
Capital	JPY 1,087 million (as of August 31, 2024)
Employees	403 (as of August 31, 2024)
URL	https://www.mani.co.jp/en/
Stock Exchange Listing	The Tokyo Stock Exchange (Prime Market) Securities code: 7730
Fiscal year	From September 1 to August 31 of the following year
Business outline	• Manufacturing and distribution of medical devices • Import and sale of medical devices • Subsidiary businesses
Accounting Auditor	Deloitte Touche Tohmatsu LLC



Financial results briefings



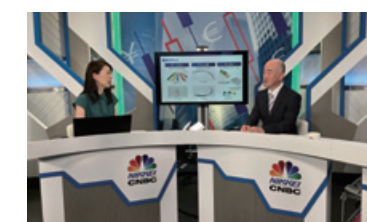
- On-site briefings for analysts
- On-demand video distribution (Japanese/English)
- Enhancement of English disclosure

Investor relations for individual investors



- Exhibited at Sawakami Fund Management Report Meeting 2024 (in Osaka)

Public relations



- Appeared on NIKKEI CNBC "Ask the Top"