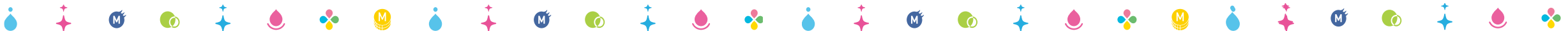


# **Consolidated Financial Results for the Six Months Ended September 30, 2024**

**Securities Code: 7780**

Menicon Co., Ltd.  
November 13, 2024

- I Summary of Consolidated Financial Results for 2Q FY2024
- II Forecast of Consolidated Financial Results for FY2024



# I . Summary of Consolidated Financial Results for 2Q FY2024

# Summary of Consolidated Financial Results for FY2024 2Q

(JPY mn)	FY2023 2Q	FY2024 2Q	YoY
<b>Net sales</b>	<b>58,126</b>	<b>60,571</b>	<b>+4.2%</b>
Cost of sales	27,674	27,770	+0.3%
[Cost of sales ratio]	47.6%	45.8%	[-1.8pt]
<b>Gross profit</b>	<b>30,451</b>	<b>32,801</b>	<b>+7.7%</b>
SGA	25,197	27,313	+8.4%
[SGA ratio]	43.3%	45.1%	[+1.8pt]
<b>Operating profit</b>	<b>5,253</b>	<b>5,487</b>	<b>+4.5%</b>
[Operating profit margin]	9.0%	9.1%	[+0.1pt]
<b>EBITDA</b>	<b>9,061</b>	<b>9,455</b>	<b>+4.4%</b>
[EBITDA margin]	15.6%	15.6%	[±0.0pt]
<b>Ordinary profit</b>	<b>4,952</b>	<b>5,618</b>	<b>+13.4%</b>
<b>Profit attributable to owners of parent</b>	<b>3,321</b>	<b>3,622</b>	<b>+9.0%</b>

\* EBITDA is calculated from operating profit, depreciation and amortization of goodwill, etc.

(Reference) Past figures are available in the following data book.

<https://www.menicon.com/corporate/ir/databook>



# Key Factors

1DAY-lens sales increased in Japan and orthokeratology-related sales increased due to sales expansion in Japan/Singapore/Korea. Operating profit and EBITDA increased due to sales expansion and price revisions in Japan, even after making investments for future growth.

**Net sales** JPY 60.5 bn **YoY** +4.2%

**Vision Care** **Net sales** JPY 56.2 bn **YoY** +6.1% (growth in local currency: +3.9%)

- ↑ Increased sales due to price revisions in Japan.
- ↑ 1DAY-lens: Increased number of MELS Plan members. Increased sales in Japan.  
Orthokeratology-related: Increased sales in Japan/Singapore/Korea.

**Healthcare and Life Care** **Net sales** JPY 4.2 bn **YoY** -16.0% (growth in local currency: -16.5%)

- ↓ Reduced the Food business scale in China.

**Gross profit** JPY 32.8 bn **YoY** +7.7%

- ↑ Increased in sales due to 1DAY-lens sales expansion and improved profitability due to price revisions in Japan.

**Operating profit** JPY 5.4 bn **YoY** +4.5%

- Strengthened of investments for future growth (new plants, personnel reinforcement, R&D).

**EBITDA** JPY 9.4 bn **YoY** +4.4%

- ↑ Increased in operating profit and EBITDA due to sales expansion and effect of price revision in Japan.



# Breakdown of Net Sales

(JPY mn)	FY2023 2Q	FY2024 2Q	YoY
<b>Net sales</b>	<b>58,126</b>	<b>60,571</b>	<b>+4.2%</b>
<b>Vision Care</b>	<b>53,037</b>	<b>56,295</b>	<b>+6.1%</b>
<b>1DAY-lens</b>	<b>14,055</b>	<b>15,389</b>	<b>+9.5%</b>
Japan_MELS Plan* <sup>1</sup>	10,222	11,195	+9.5%
Japan_Product sales* <sup>2</sup>	2,242	2,777	+23.9%
Overseas	1,590	1,416	-10.9%
<b>Orthokeratology-related</b>	<b>7,496</b>	<b>7,656</b>	<b>+2.1%</b>
Ortho-K (Global)	2,628	2,840	+8.1%
Lens care products (Asia)	4,868	4,816	-1.1%
<b>Other Contact lenses and Lens care products</b>	<b>31,486</b>	<b>33,249</b>	<b>+5.6%</b>
MELS Plan* <sup>1</sup>	12,816	13,687	+6.8%
Contact lenses	13,581	14,110	+3.9%
Lens care products (Non-Asia)	5,088	5,450	+7.1%
<b>Healthcare and Life Care</b>	<b>5,088</b>	<b>4,276</b>	<b>-16.0%</b>

\*<sup>1</sup> FY2024 2Q MELS Plan sales : JPY 24,883 mn (YoY +8.0%).

\*<sup>2</sup> "Product sales" refers to contact lenses and lens care products.

(Reference) Past figures are available in the following data book.

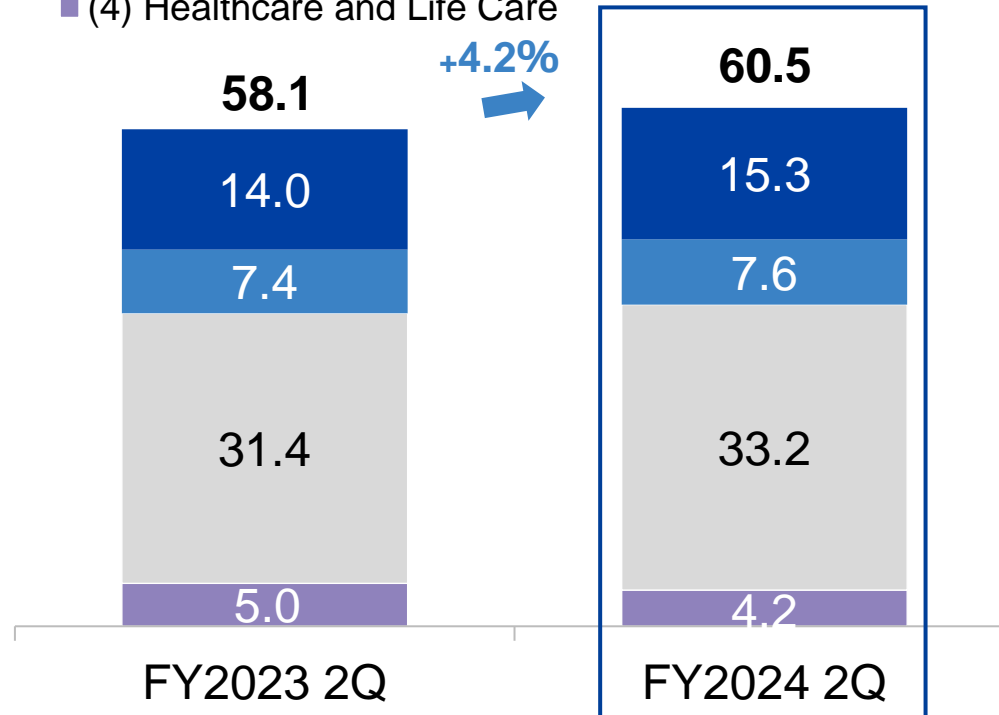
<https://www.menicon.com/corporate/ir/databook>

# Consolidated Net Sales

## Growth due to expansion of 1DAY-lens sales and effect of price revision in Japan.

(JPY bn)

- (1) 1DAY-lens
- (2) Ortho-K-related
- (3) Other Contact lenses and Lens care products
- (4) Healthcare and Life Care



### Vision Care (YoY : JPY +3.25 bn)

- Enjoyed effect of price revision in Japan (JPY +2.21 bn)

#### 1 1DAY-lens (YoY : JPY +1.33 bn)

- Expanded 1DAY-lens sales mainly in Japan

#### 2 Orthokeratology-related (YoY : JPY +0.16 bn)

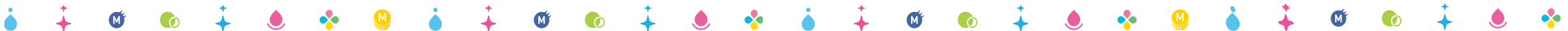
- Expanded ortho-K sales in Japan/Singapore/Korea

#### 3 Other Contact lenses and Lens care products (YoY : JPY +1.76 bn)

- Expanded 1MONTH-lens sales in Europe

#### 4 Healthcare and Life Care (YoY : JPY -0.81 bn)

- Reduced the Food business scale in China

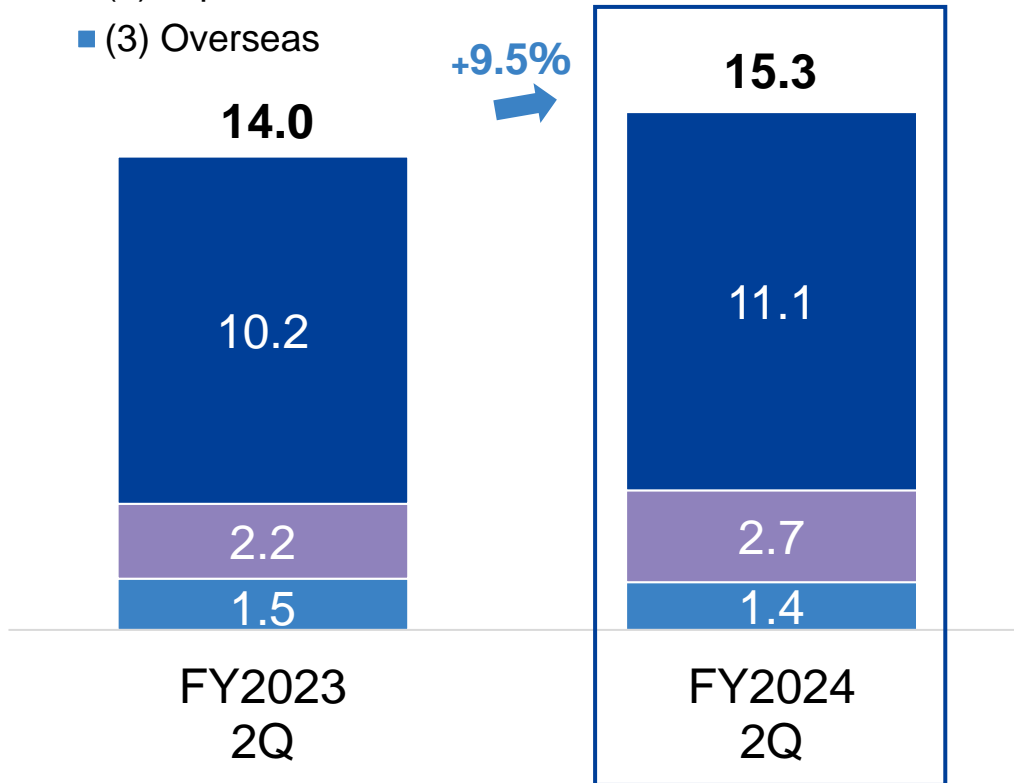


# 1DAY-lens Sales (Breakdown of Sales)

**Growth due to increase in number of MELS Plan members and effect of price revision in Japan.**

(JPY bn)

- (1) Japan\_MELS Plan
- (2) Japan\_Product sales
- (3) Overseas



**1 Japan\_MELS Plan (YoY : JPY +0.97 bn)**

- Increased membership due to increased supply
- Enjoyed effect of price revision (JPY +0.59 bn)

**2 Japan\_Product sales (YoY : JPY +0.53 bn)**

- Increased sales due to increased supply
- Enjoyed effect of price revision (JPY +0.11 bn)

**3 Overseas (YOY : JPY -0.17 bn)**

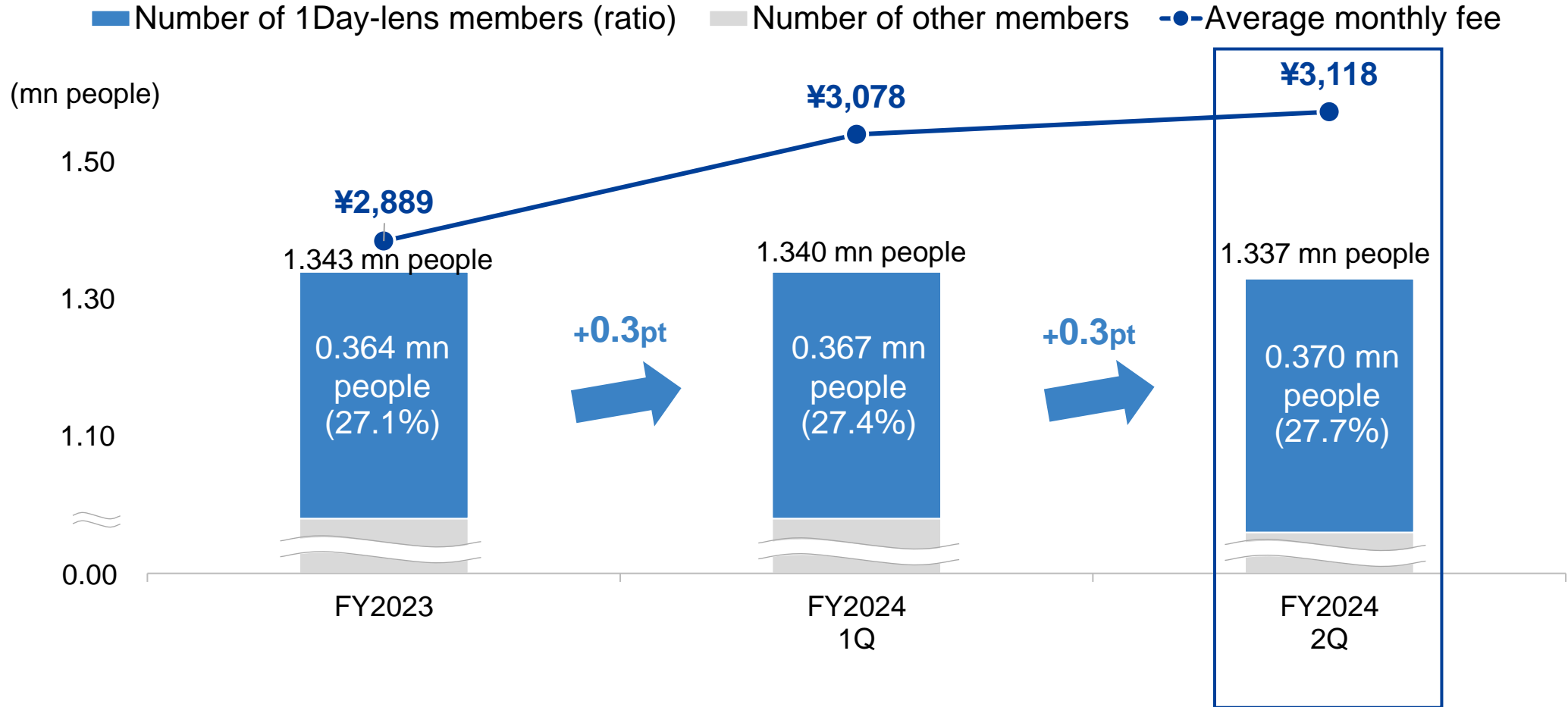
- Controlled sales volume due to tight supply and demand
- Adjusted inventory in North America and China





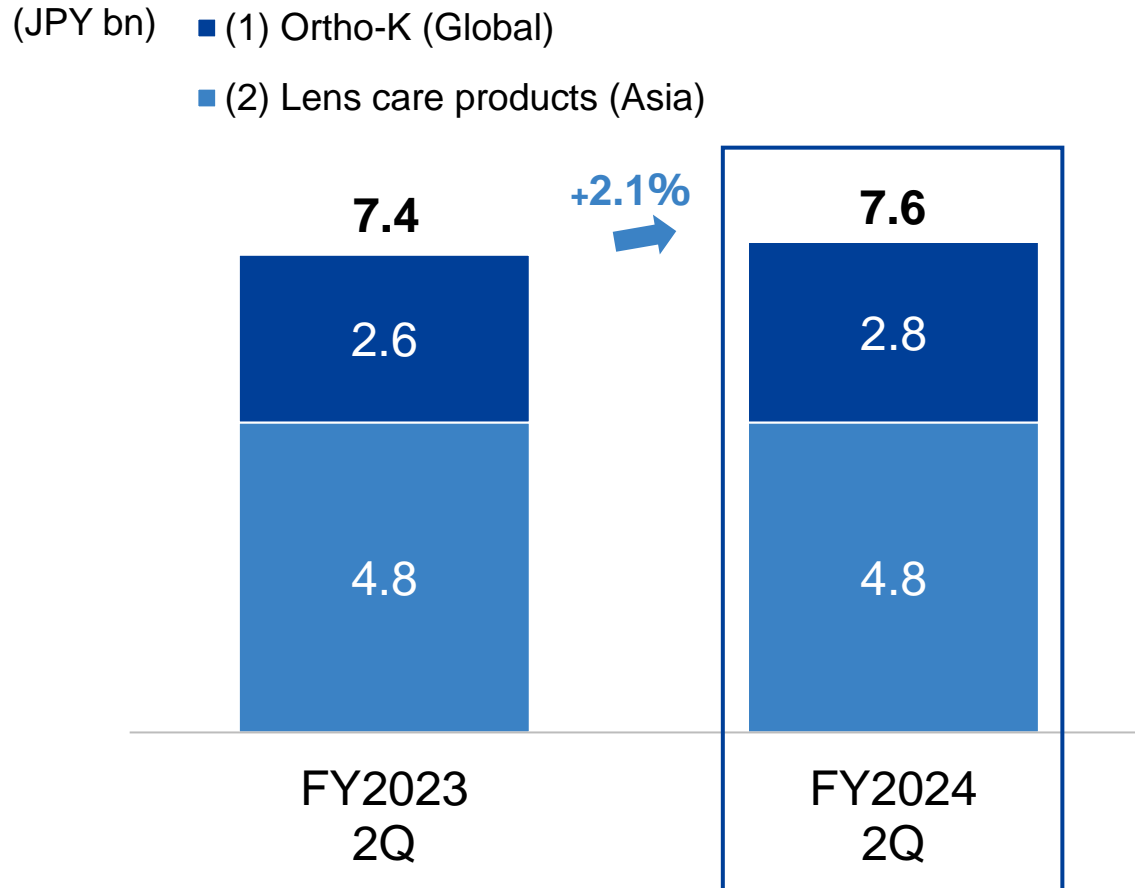
# Total Number of MELS Plan Members

**Increased average monthly fee due to higher ratio of high-unit-price 1DAY-lens members and price revisions.**



# Orthokeratology-related Sales (Breakdown of Sales)

**Growth due to expansion of Ortho-K sales in Japan/Singapore/Korea.**



**1 Ortho-K (Global) (YoY : JPY +0.21 bn)**

- China : Maintained sales to distributors, foreign exchange impact (JPY +0.07 bn)
- Japan : Expanded the number of facilities handled (JPY +0.07 bn)
- Singapore/South Korea : Increased sales (JPY +0.05 bn)

**2 Lens care products (Asia) (YoY : JPY -0.05 bn)**

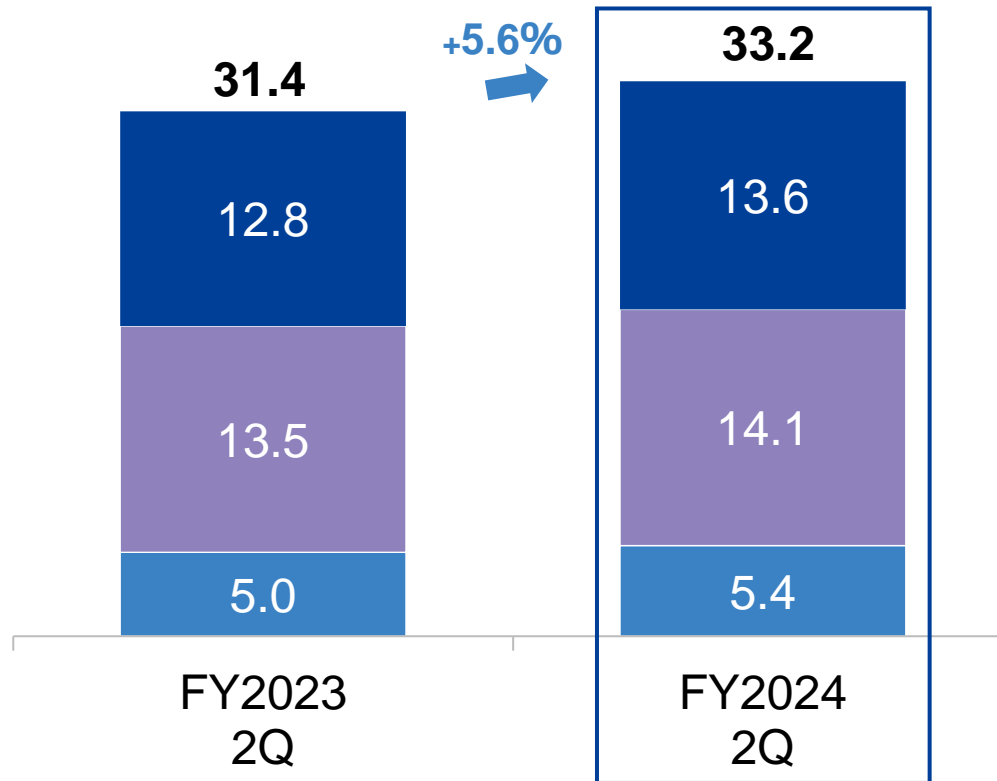
- China: Suffered a decreased in sales due to deteriorated competitive environment and economic stagnation (JPY -0.04 bn)



# Other Contact Lenses and Lens Care Products (Breakdown of Sales)

**Growth due to expansion of 1MONTH-lens sales in Europe and effect of price revision in Japan.**

- (1) MELS Plan
- (JPY bn) ■ (2) Contact lenses
- (3) Lens care products (Non-Asia)



**1 MELS Plan (YoY : JPY +0.87 bn)**

- Enjoyed effect of price revision (JPY +1.23 bn)
- Suffered a decrease in non-1DAY-lens membership due to increased 1DAY-lens demand

**2 Contact lenses (YoY : JPY +0.52 bn)**

- Increased 1MONTH-lens sales through expansion of sales network in Europe
- Enjoyed effect of price revision in Japan (JPY +0.22 bn)

**3 Lens care products (Non-Asia) (YoY : JPY +0.36 bn)**

- Expanded sales in North America
- Expanded sales of high-unit-price products in Japan

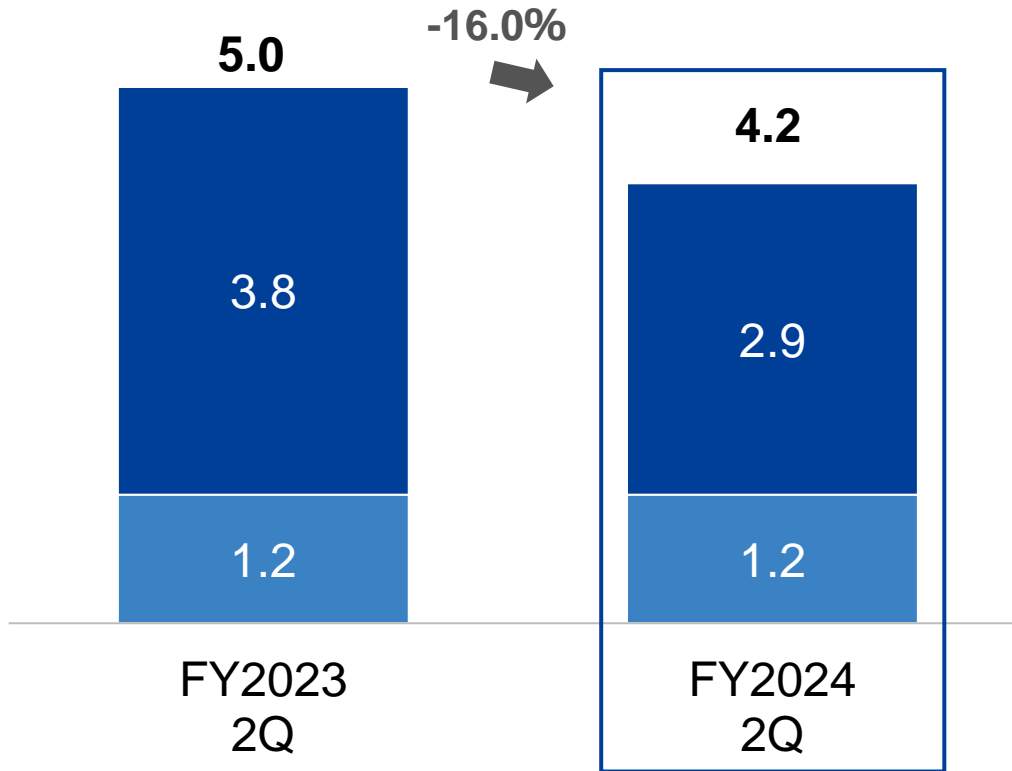


# Healthcare and Life Care Net Sales

**Decrease in sales due to the scale reduction of the Food business in China, etc.**

(JPY bn)

- (1) Food business
- (2) Others



**1 Food business (YoY : JPY -0.85 bn)**

- China : Decreased sales due to reduced scale of food business in China, etc.
- Japan : Increased due to effect of price revision, etc.

**2 Others (YoY : JPY +0.04 bn)**

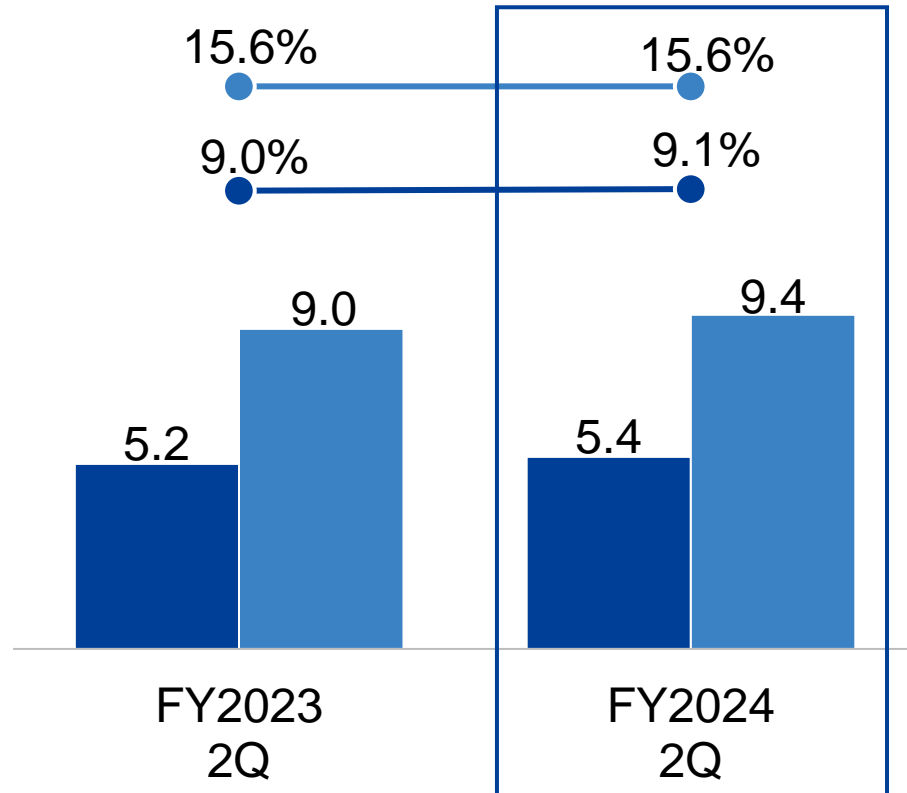
- Increased sales in Life Care businesses and the Veterinary Medical business, etc.



# Operating Profit and EBITDA

Increased due to expansion of 1DAY-lens sales, etc. and effect of price revision in Japan, even after making investments for future growth.

(JPY bn) ■ (1) Operating profit ■ (2) EBITDA  
● (1) Operating profit margin ● (2) EBITDA margin



**1** Operating profit (YoY : JPY **+0.23** bn)

Operating profit margin (YoY : **-0.1** pt)

- Gross profit : JPY **+2.34** bn (JPY 30.4 bn → JPY **32.8** bn)  
Sales expansion of 1DAY-lens, etc., effect of price revision in Japan
- SGA : JPY **+2.11** bn (JPY 25.1 bn → JPY **27.3** bn)  
Strengthening of investment for growth (new plants, personnel reinforcement, R&D)

**2** EBITDA (YoY : JPY **+0.39** bn)

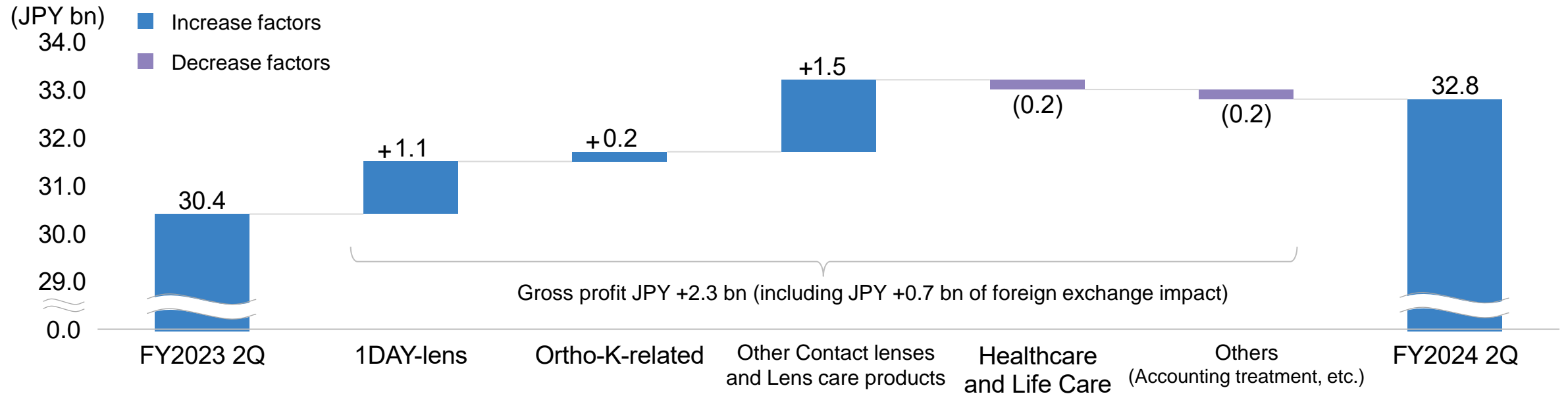
EBITDA margin (YoY : **±0.0** pt)

- Depreciation : JPY **+0.12** bn (JPY 3.60 bn → JPY **3.73** bn)  
Increase due to 1DAY-lens investment, etc.



# Analysis of Changes in Consolidated Gross Profit

**Increased due to expansion of sales and effect of price revision in Japan.**



- Main reasons for increase/decrease \*Including foreign exchange impact

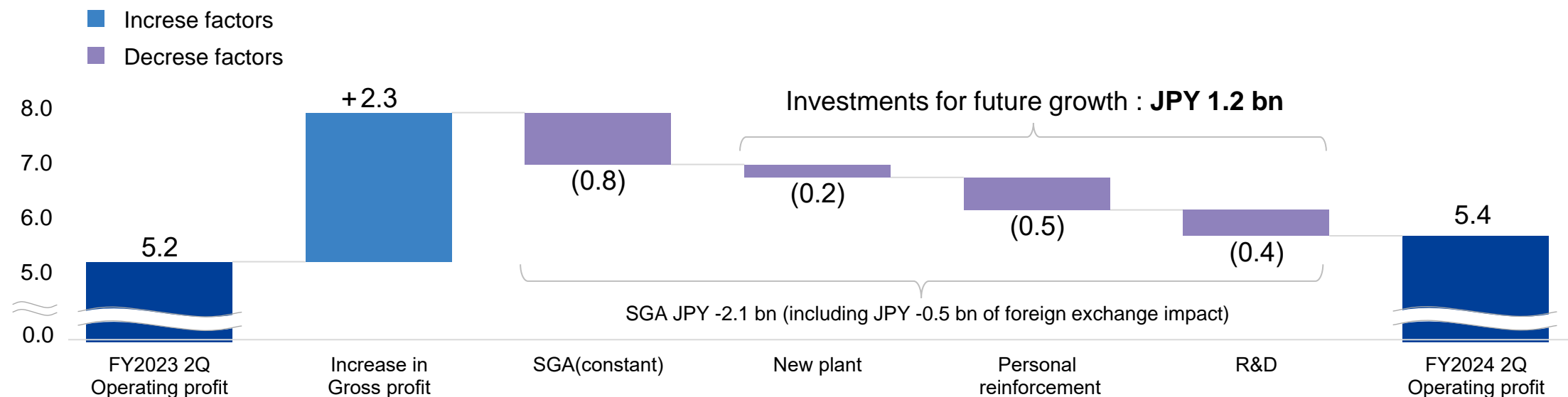
Items	
1DAY-lens	Increased in number of MELS Plan members, expansion of product sales in Japan, and effect of price revision in Japan
Orthokeratology-related	Expanded Ortho-K sales in global markets
Other Contact lenses and Lens care products	Expanded sales in Europe and effect of price revision in Japan
Healthcare and Life Care	Decreased in Food business scale in China



# Analysis of Changes in Operating Profit

**Increased operating profit even after making investment for future growth.**

(JPY bn)



• Major breakdown of SGA expenses (constant) \*Including foreign exchange impact

Items	Amount (JPY bn)
Office outsourcing fee	(0.3)
Rent	(0.1)

• Major breakdown of investment for future growth \*Including foreign exchange impact

Items	Amount (JPY bn)
New plant	(0.2)
Personnel reinforcement	(0.5)
R&D	(0.4)



# Summary of Consolidated Balance Sheet

(JPY mn)	FY2023	FY2024 2Q	Change
Cash and deposits	46,911	40,465	(6,446)
Notes and accounts receivable - trade	13,340	14,093	+753
Inventories	18,803	20,319	+1,516
Other	6,716	6,057	(658)
<b>Current assets</b>	<b>85,771</b>	<b>80,936</b>	<b>(4,834)</b>
Property, plant and equipment	75,508	81,210	+5,702
Intangible assets	11,668	14,150	+2,481
Investments and other assets	6,863	7,034	+171
<b>Non-current assets</b>	<b>94,040</b>	<b>102,395</b>	<b>+8,355</b>
<b>Total assets</b>	<b>179,812</b>	<b>183,332</b>	<b>+3,520</b>

Investment for 1DAY-lens plants, etc.

(JPY mn)	FY2023	FY2024 2Q	Change
Notes and accounts payable - trade	6,181	6,081	(99)
Short-term interest-bearing debt	26,217	26,079	(137)
Accounts payable - other	7,338	5,381	(1,956)
Other	10,316	9,781	(535)
<b>Current liabilities</b>	<b>50,053</b>	<b>47,323</b>	<b>(2,729)</b>
Long-term interest-bearing debt	44,580	46,615	+2,034
Other	3,372	3,473	+100
<b>Non-current liabilities</b>	<b>47,953</b>	<b>50,088</b>	<b>+2,135</b>
<b>Total liabilities</b>	<b>98,007</b>	<b>97,412</b>	<b>(594)</b>
<b>Total net assets</b>	<b>81,804</b>	<b>85,919</b>	<b>+4,114</b>

Including convertible bonds of JPY 22.988 mn



Straight bonds of JPY 10.0 bn (issued in Oct. 2024)  
 Syndicated loan of JPY 12.0 bn (to be executed in Nov. 2024)  
 →To be used as redemption funds in January 2025.

September 30, 2024

Equity Ratio	45.5%
Net DER	0.4

Cash and deposit balance	40,465
Interest-bearing debt	72,695

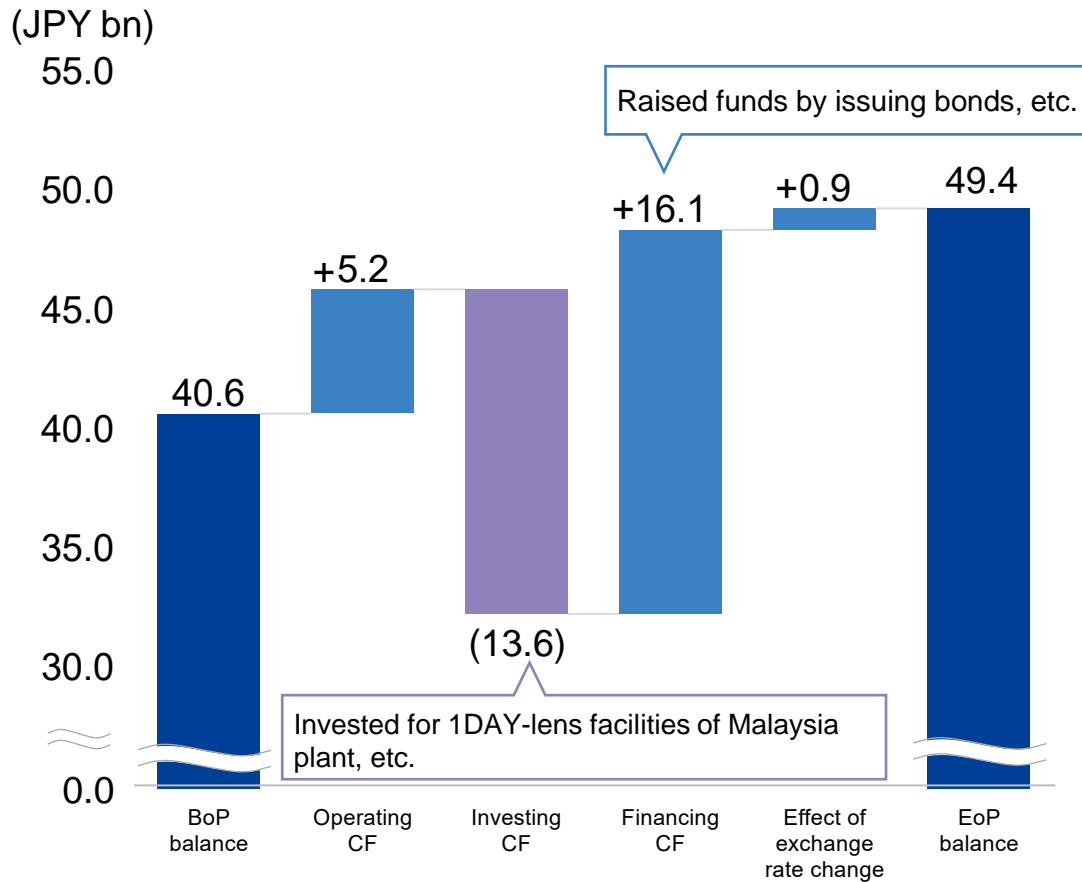
To be used mainly for capital investment for 1DAY-lens plants.



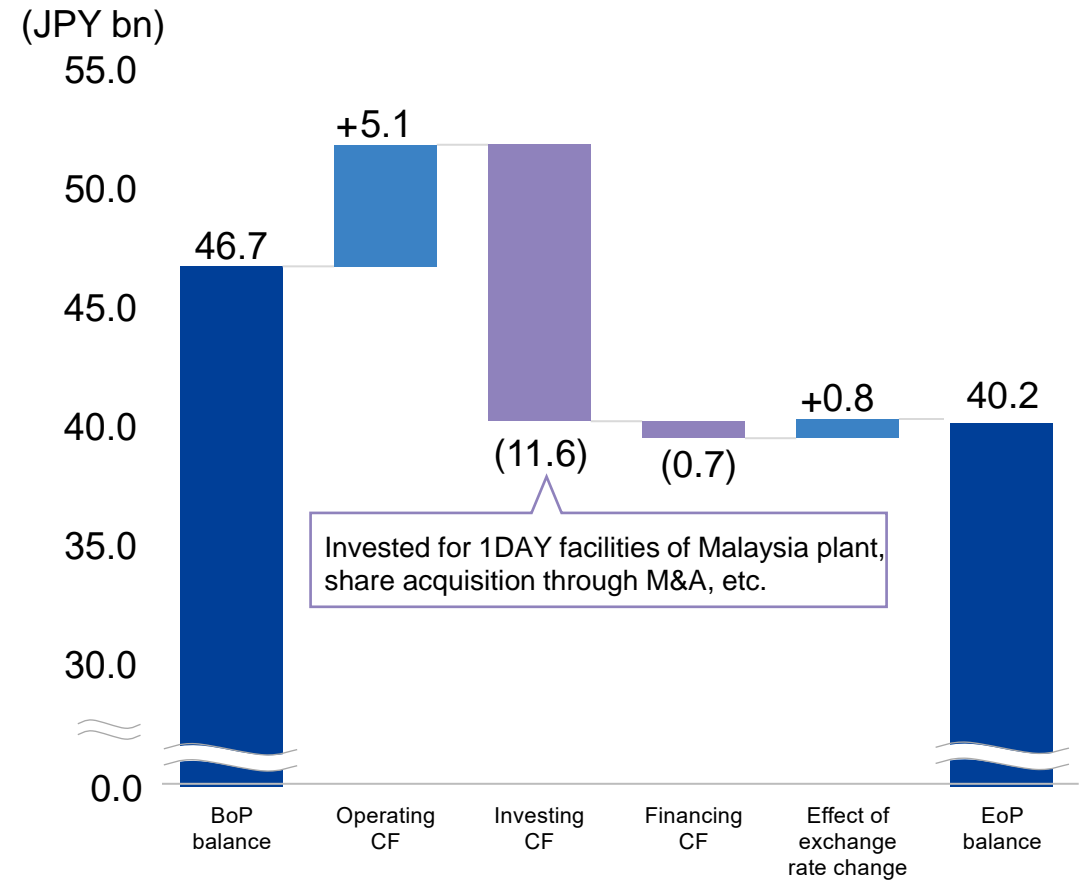


# Consolidated Cash Flow Comparison

## FY2023 2Q



## FY2024 2Q



## Ⅱ . Forecast of Consolidated Financial Results and Outlook for FY2024

# Breakdown of Net Sales Forecast

**No change from the consolidated earnings forecast (Net sales).**

**The breakdown of net sales forecast has been revised, reflecting the current situation (announced on November 13, 2024).**

(JPY mn)	FY2024 (1) Previous forecast	FY2024 (2) Revised forecast	FY2024 Change (2)-(1)
<b>Net sales</b>	<b>122,700</b>	<b>122,700</b>	<b>-</b>
<b>Vision Care</b>	<b>115,100</b>	<b>114,100</b>	<b>(1,000)</b>
<b>1DAY-lens</b>	<b>32,000</b>	<b>31,600</b>	<b>(400)</b>
MELS Plan	23,400	23,000	(400)
Product sales in Japan	5,100	5,500	+400
Overseas	3,500	3,100	(400)
<b>Orthokeratology-related</b>	<b>15,600</b>	<b>14,500</b>	<b>(1,100)</b>
<b>Other Contact lenses and Lens care products</b>	<b>67,500</b>	<b>68,000</b>	<b>+500</b>
<b>Healthcare and Life Care</b>	<b>7,600</b>	<b>8,600</b>	<b>+1,000</b>

(Reference) MELS Plan sales for FY2024: JPY 50.8 bn (forecast as of May 14, 2024)⇒JPY 50.0 bn (announced on Nov. 13, 2024)



# Financial Forecast

**No change from the consolidated financial forecast (net sales, operating profit and other line-item profits below).  
Cost of sales and SGA forecasts have been revised, reflecting the current situation (announced on November 13, 2024).**

(JPY mn)	FY2024 (1) Previous forecast	FY2024 (2) Revised forecast	FY2024 Change (2)-(1)
<b>Net sales</b>	<b>122,700</b>	<b>122,700</b>	<b>-</b>
Cost of sales	57,500	57,800	<b>+300</b>
[Cost of sales ratio]	46.9%	47.1%	[+0.2%]
<b>Gross profit</b>	<b>65,200</b>	<b>64,900</b>	<b>(300)</b>
Selling, general and administrative expenses	55,200	54,900	<b>(300)</b>
[SGA Ratio]	45.0%	44.7%	[-0.3%]
<b>Operating profit</b>	<b>10,000</b>	<b>10,000</b>	<b>-</b>
[Operating profit margin]	8.1%	8.1%	-
<b>EBITDA</b>	<b>20,437</b>	<b>19,600</b>	<b>(837)</b>
[EBITDA margin]	16.7%	16.0%	[-0.7%]
<b>Ordinary profit</b>	<b>9,500</b>	<b>9,500</b>	<b>-</b>
<b>Profit attributable to owners of parent</b>	<b>7,000</b>	<b>7,000</b>	<b>-</b>

\* Exchange rates in FY2023

Exchange rates in assumed in financial forecast FY2024

EUR: JPY 157.7, USD: JPY 145.3, CNY: JPY 19.9

EUR: JPY 159.0, USD: JPY 147.0, CNY: JPY 20.3

# Financial Forecast and Progress

(JPY mn)	FY2023	FY2024 2Q	FY2024 (Revised forecast)	Progress rate
<b>Net sales</b>	<b>116,192</b>	<b>60,571</b>	<b>122,700</b>	<b>49.4%</b>
Cost of sales	55,181	27,770	57,800	<b>48.0%</b>
(Cost of Sales Ratio)	47.5%	45.8%	47.1%	---
<b>Gross profit</b>	<b>61,010</b>	<b>32,801</b>	<b>64,900</b>	<b>50.5%</b>
Selling, general and administrative expenses	52,058	27,313	54,900	<b>49.8%</b>
(SGA Ratio)	44.8%	45.1%	44.7%	---
<b>Operating profit</b>	<b>8,951</b>	<b>5,487</b>	<b>10,000</b>	<b>54.9%</b>
(Operating profit margin)	7.7%	9.1%	8.1%	---
<b>EBITDA</b>	<b>17,048</b>	<b>9,455</b>	<b>19,600</b>	<b>48.2%</b>
(EBITDA margin)	14.7%	15.6%	16.0%	---
<b>Ordinary profit</b>	<b>8,225</b>	<b>5,618</b>	<b>9,500</b>	<b>59.1%</b>
<b>Profit attributable to owners of parent</b>	<b>4,538</b>	<b>3,622</b>	<b>7,000</b>	<b>51.7%</b>

\* Exchange rates in FY2023

EUR: JPY 157.7, USD: JPY 145.3, CNY: JPY 19.9

Exchange rates in 2Q FY2024

EUR: JPY 165.8, USD: JPY 152.5, CNY: JPY 21.3

Exchange rates assumed in financial forecast FY2024

EUR: JPY 159.0, USD: JPY 147.0, CNY: JPY 20.3

# Breakdown of Net Sales and Progress

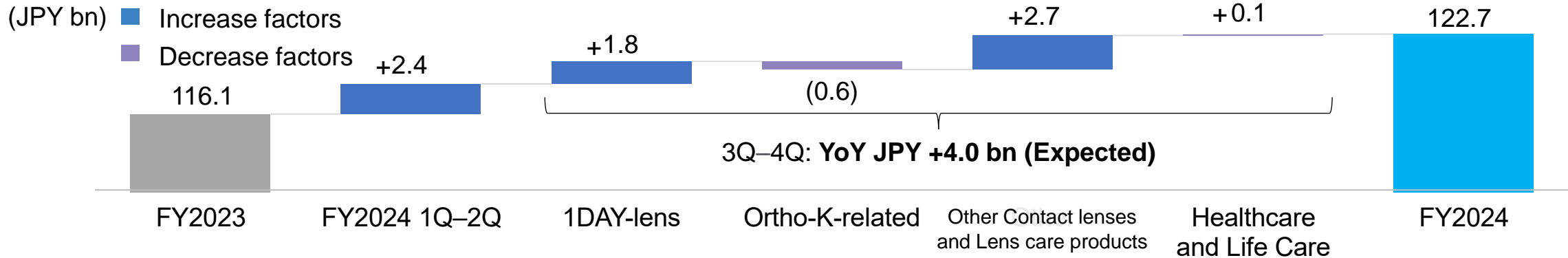
(JPY mn)	FY2023	FY2024 2Q	FY2024 (Revised forecast)	Progress rate
<b>Net sales</b>	<b>116,192</b>	<b>60,571</b>	<b>122,700</b>	<b>49.4%</b>
<b>Vision Care</b>	<b>106,887</b>	<b>56,295</b>	<b>114,100</b>	<b>49.3%</b>
<b>1DAY-lens</b>	<b>28,429</b>	<b>15,389</b>	<b>31,600</b>	<b>48.7%</b>
MELS Plan	20,740	11,195	23,000	48.7%
Product sales in Japan	4,711	2,777	5,500	50.5%
Overseas	2,977	1,416	3,100	45.7%
<b>Orthokeratology-related</b>	<b>15,001</b>	<b>7,656</b>	<b>14,500</b>	<b>52.8%</b>
<b>Other Contact lenses and Lens care products</b>	<b>63,456</b>	<b>33,249</b>	<b>68,000</b>	<b>48.9%</b>
<b>Healthcare and Life Care</b>	<b>9,304</b>	<b>4,276</b>	<b>8,600</b>	<b>49.7%</b>

(Reference) MELS Plan sales for FY2024 are expected to be JPY 50.0 bn.  
 MELS Plan sales for FY2024 2Q were JPY24.8 bn (49.8% progress)



# Sales Forecast for FY2024

**Expand 1DAY-lens sales due to increase in supply and price revisions in Japan;  
Decrease orthokeratology-related sales due to slow down in China, even after penetrating in Non-China regions.**

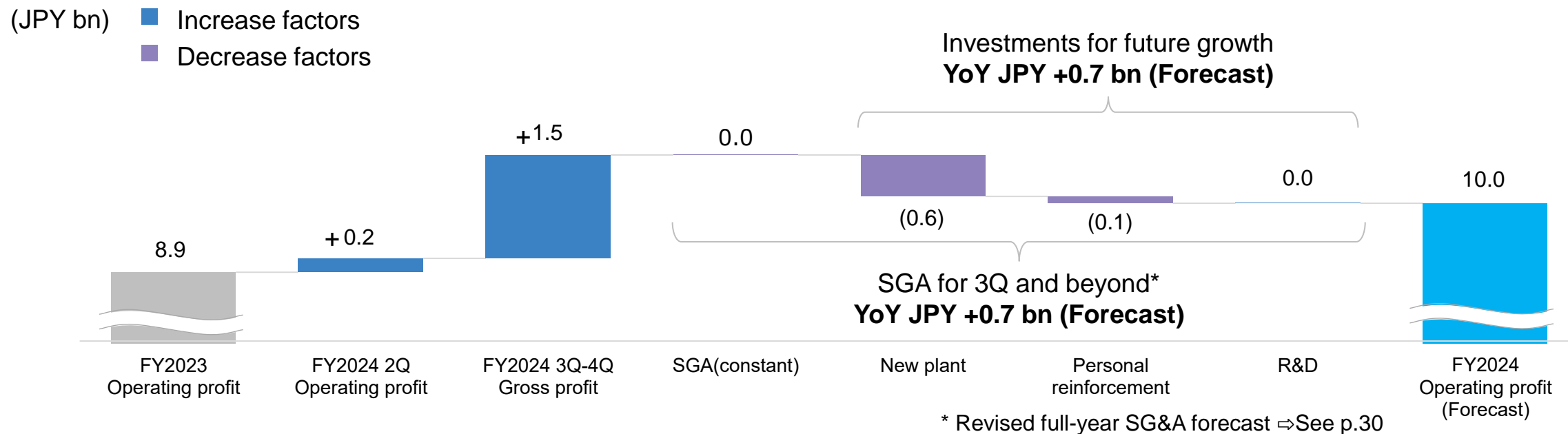


Category	Forecast for 3Q and beyond	Factors Affecting Business Performance
1DAY-lens	Overall: ○ Increase supply Japan: ○ Expand sales channels and effect of price revision in Japan Overseas: △ Adjust inventory in North America and China, etc.	<ul style="list-style-type: none"> <li>• Deteriorating competitive environment and changes in economic trends and national policy for Ortho-K in China</li> <li>• Foreign exchange fluctuations</li> </ul>
Orthokeratology-related	Japan: ○ Expand penetration in Japan Overseas: △ Anticipate an increase in competition in China and intensification of competition due to alternative technology diffusion ○ Expand penetration in Non-China regions	
Other Contact lenses and Lens care products	Japan: ○ Switch to high value-added products ○ Expand sales of hydrogen peroxide-type lens care products ○ Enjoy effect of price revision in Japan Overseas: ○ Enjoy effect of M&A of sales companies in Asia ⇒p.26	



# Operating Profit Forecast for FY2024

**Expect increase in gross profit due to expand 1DAY-lens sales and price revisions in Japan.  
Appropriate control of SGA while planning investment expenses for future growth.**



Items		Forecast for 3Q and beyond	Factors Affecting Business Performance
Gross profit		Expand sales of 1DAY-lens and enjoy effect of price revision in Japan	<ul style="list-style-type: none"> <li>• Deteriorating competitive environment for Ortho-K and changes in economic trends and national policy in China</li> <li>• Progress of investments</li> <li>• Variation in the amount of expenses used based on sales conditions</li> <li>• Foreign exchange fluctuations</li> </ul>
SGA	New plant	Prepare for the operation of the Malaysia plant, a new 1DAY-lens production site	
	Personnel reinforcement	Reinforce personnel at about the same level as the previous fiscal year	
	R&D	Implement as planned	



# 1DAY-lens Growth Strategies

Expand sales through unique SMART TOUCH package and region-specific sales strategies.

## Sales Strategy by Region

<b>Japan</b>	<ul style="list-style-type: none"> <li>• Promote MELS Plan in approx. 1,600 stores</li> <li>• Utilize approx. 170 group stores</li> </ul>
<b>Europe &amp; North America</b>	<ul style="list-style-type: none"> <li>• Expand sales to major volume retail chains</li> </ul>
<b>Asia</b>	<ul style="list-style-type: none"> <li>• Expand sales by group sales companies</li> </ul>



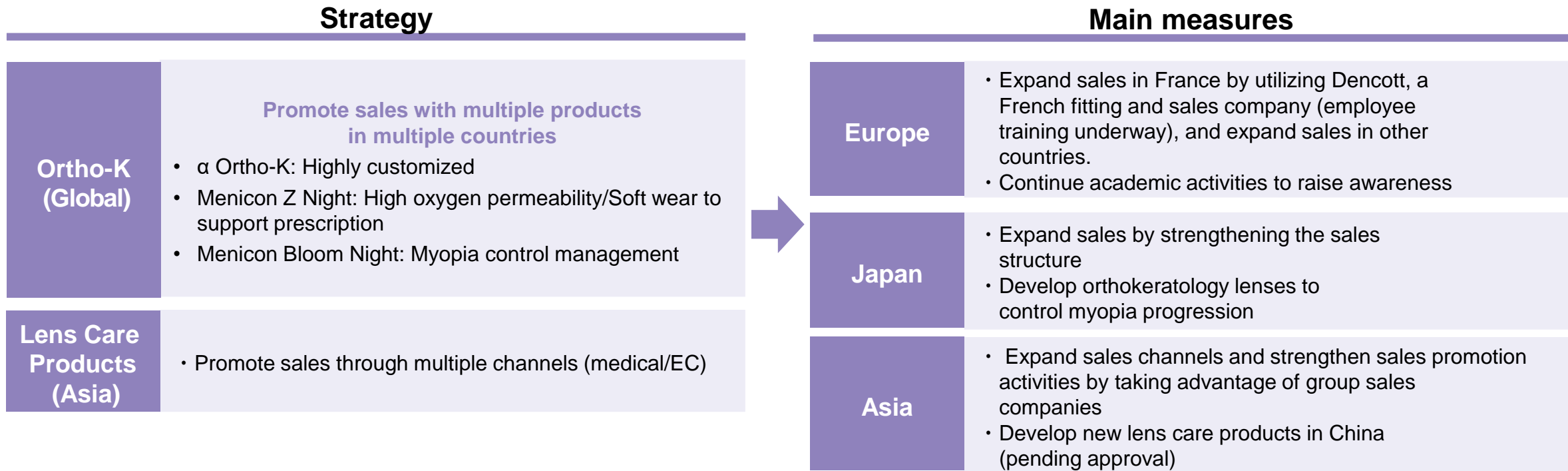
## Main measures

- **Attract customers making their debut in contact lenses by introducing “Miru First Contact Lenses”, a new service offered by sales companies in the Group**
  - Promote MELS Plan enrollment through expansion of MELS Plan member shop and online consultation, and retraining of shop staff
  - Open new group shop/relocation to favorable locations
- 
- Europe: Establish long-term partnership with a major mass retailer chain and scheduled to conclude contracts with new potential suppliers as production capacity increases
  - North America: Expand business partners by flexibly responding to OEM supply needs of each sales channel, etc.
- 
- **China: Cultivate own brand and sales expansion through alliances with an online contact lens specialty retailer**
  - **Southeast Asia: Expand sales by utilizing the sales networks of the three sales companies that became subsidiaries in September.** ⇨ See p.26



# Orthokeratology-related Growth Strategies

Expand market share by increasing orthokeratology lenses penetration and establishing a position as a specialist company offering multiple products.



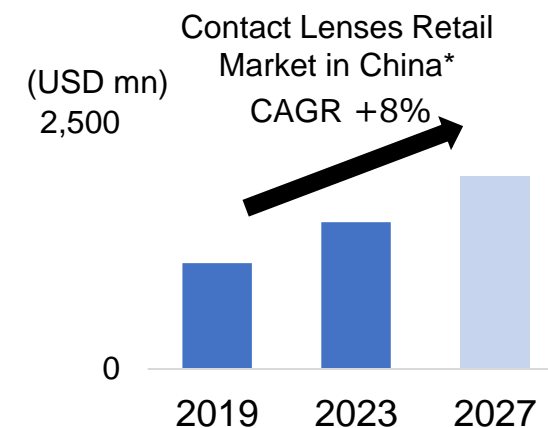
# Expansion of Overseas Sales Channels: Strengthen Asian Sales Network

Formed an alliance with an online contact lenses retailer in China, where the disposable contact lenses market is expanding. Acquired a distributor in Southeast Asia in anticipation of medium- to long-term growth in demand.

## Partnering with online retailers in China

Closed Strategic Partnership in November 2024

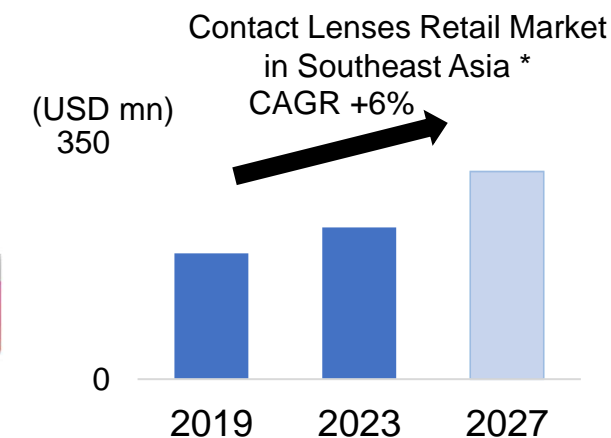
Purpose	Aime to cultivate and expand sales of the Menicon brand in the Chinese disposable contact lenses market through a partnership with Sigo, one of China's largest online contact lens specialty retailers in terms of sales.
Target Area	All over China
Target product	1DAY-lens and 1MONTH-lens (scheduled)
Start of Transaction	2025 (scheduled)



## Acquired three Southeast Asian sales companies (Oculus) as subsidiaries

Became a subsidiary in September 2024

Purpose	Utilize a sales network of over 2,000 stores, expand sales in Malaysia and Indonesia, where the contact lens market is expected to grow significantly, and in Singapore, where the ratio of 1DAY-lens is high.
Target Area	Singapore, Malaysia, Indonesia
Target Product	1DAY-lens, Ortho-K lenses, and lens care products



\*Source: Euromonitor International, Eyewear (ver.2025) 26  
Target countries: Southeast Asia (Singapore, Indonesia, Malaysia), China



# Strengthening the Supply Chain: Production

**Expand production system for 1DAY-lens, Ortho-K lenses and Lens care products in anticipation of mid- to long-term demand growth.**

## 1DAY-lens



### Singapore Plant

Products: Magic  
 Sales Area: Global  
 Operation schedule: [Line No.9-10 by FY2025 1H](#)



### Kakamigahara Plant

Products : 1DAY Menicon PremiO  
 Sales area: Global  
 Operation schedule: [Line No.11 in FY2024 2H](#)  
[Line No.12 in FY2026 2H](#)



### Malaysia Plant

Products: 1DAY-lens  
 Sales Area: Global  
 Operation schedule: [Line No.1 in FY2025 2H](#)  
[Line No.2-5 by FY2026 2H](#)

## Orthokeratology-related



### Wuxi Plant

Products : α Ortho-K  
 Sales area: China  
[Reinforcement of production system to meet demand](#)



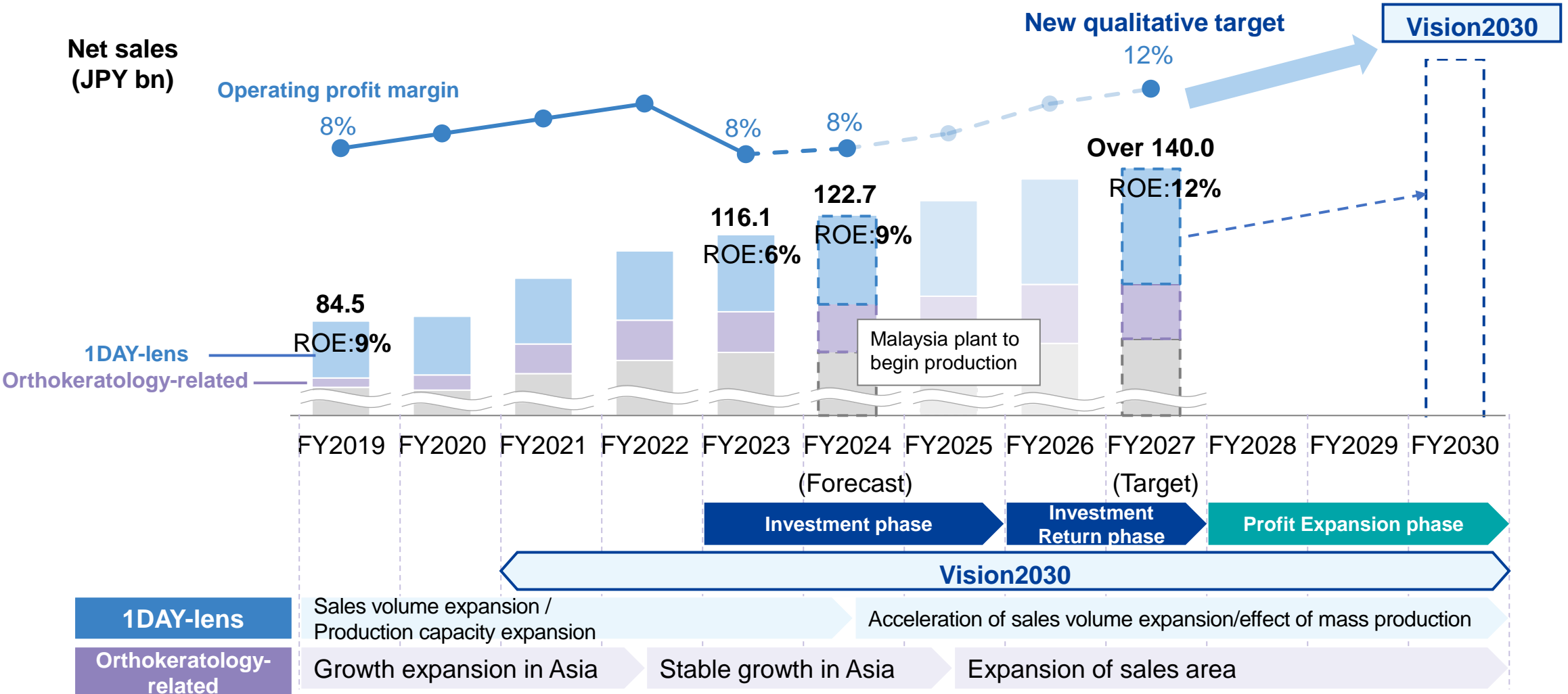
### Gujo Plant

Products : Lens care products for Hard/Soft lenses  
 Sales Area: Global  
 Operation schedule: [New Line in FY2025 1H](#)



# Milestone 2027

Set quantitative targets at the midpoint (FY2027) of Vision 2030.

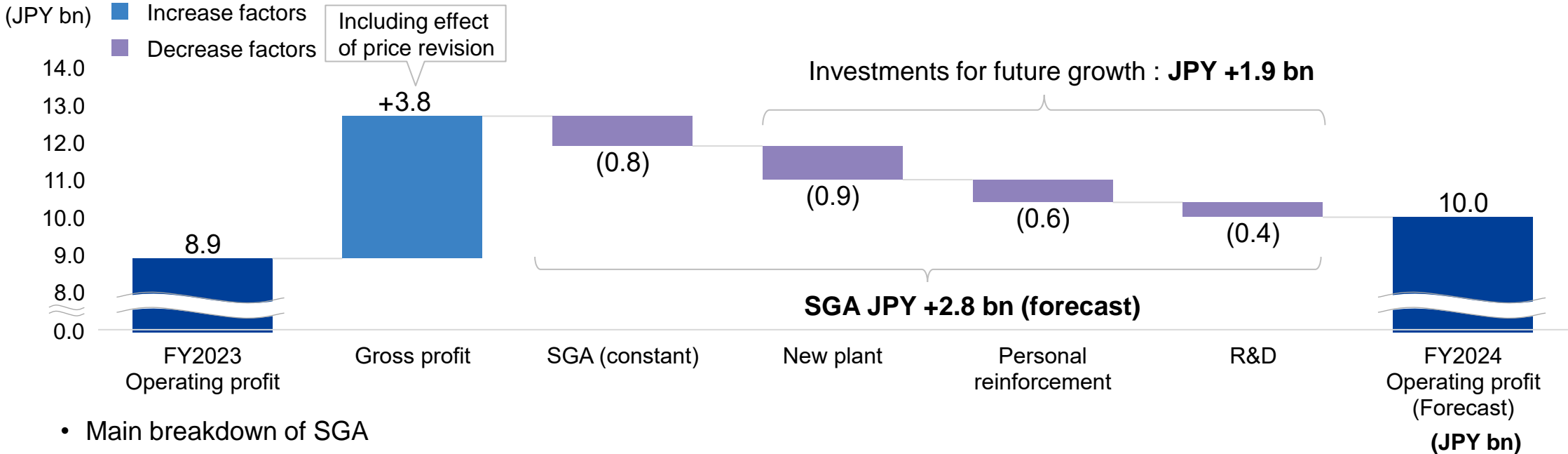


# Reference

# Analysis of Changes in Operating Profit for FY2023 and Forecast for FY2024



## Reviewed gross profit and SGA breakdown reflecting the current situation.



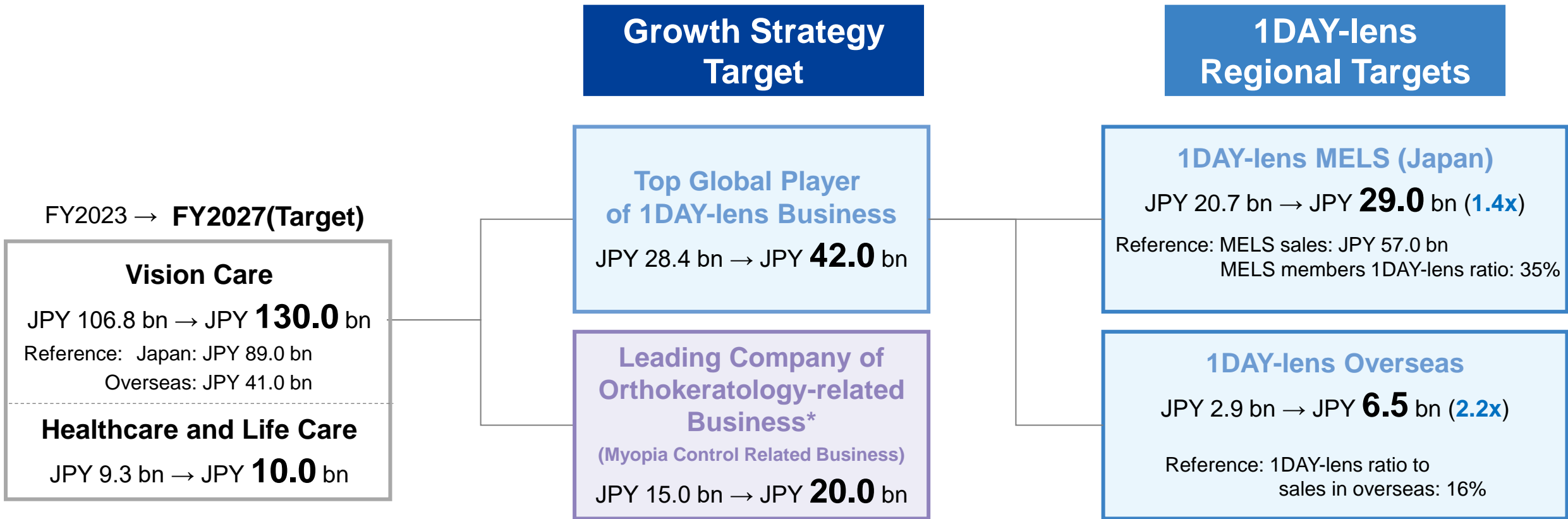
Item	Previous forecast	Revised forecast
Constant	(1.3)	(0.8)
New plant	(1.3)	(0.9)
Personnel reinforcement	(0.3)	(0.6)
R&D	(0.1)	(0.4)



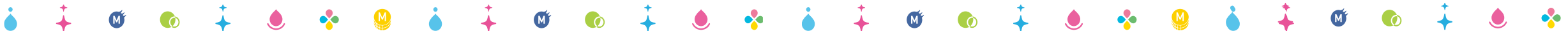
# Growth Strategy Targets & 1DAY-lens Regional Targets



Expect targets by implementing growth strategies.



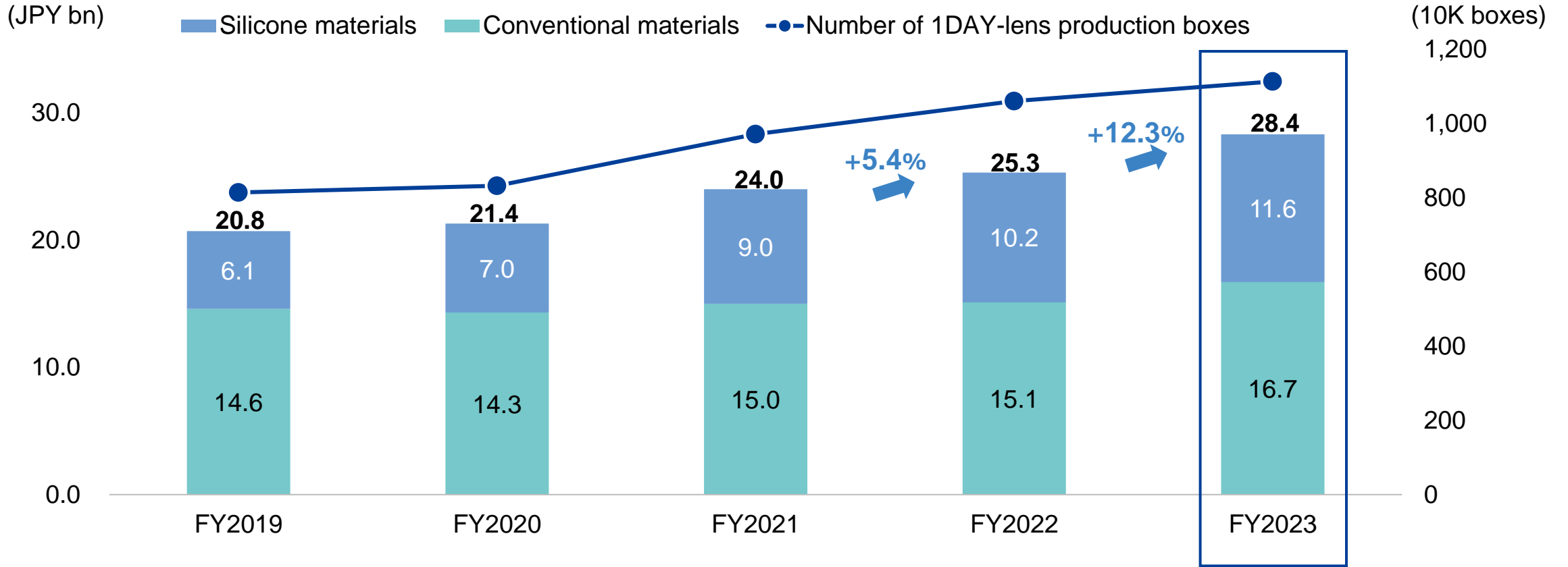
\* Total of Orthokeratology lenses (Global) and Lens care products (Asia)



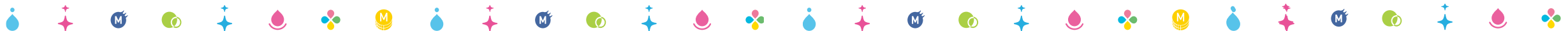


# 1DAY-lens Sales Trends

Increase in 1DAY-lens sales due to increase production capacity.



\*1DAY-lens sales include products supplied by other companies on an OEM basis.

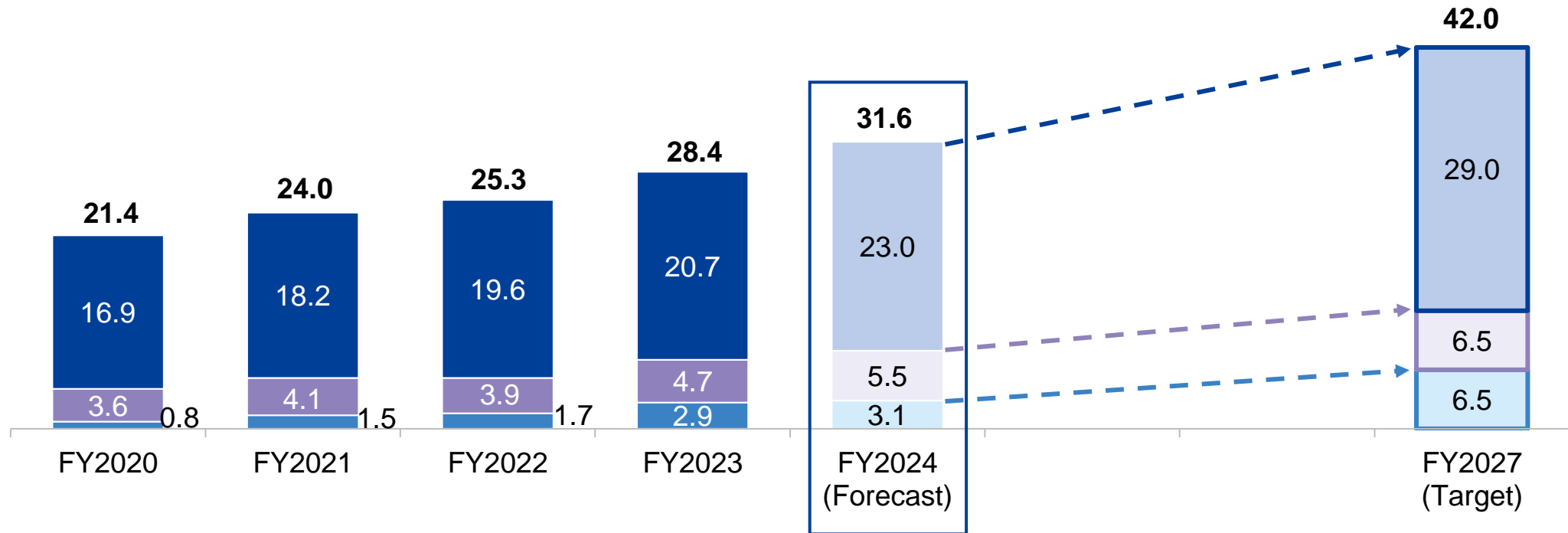


# 1DAY-lens Sales Forecast (Breakdown of Sales)

**Forecast growth in MELS Plan (increase in 1DAY-lens membership) and Overseas (sales expansion mainly in Europe and North America) due to increase production capacity.**

(JPY bn)

■ Japan\_MELS Plan ■ Japan\_Product sales ■ Overseas

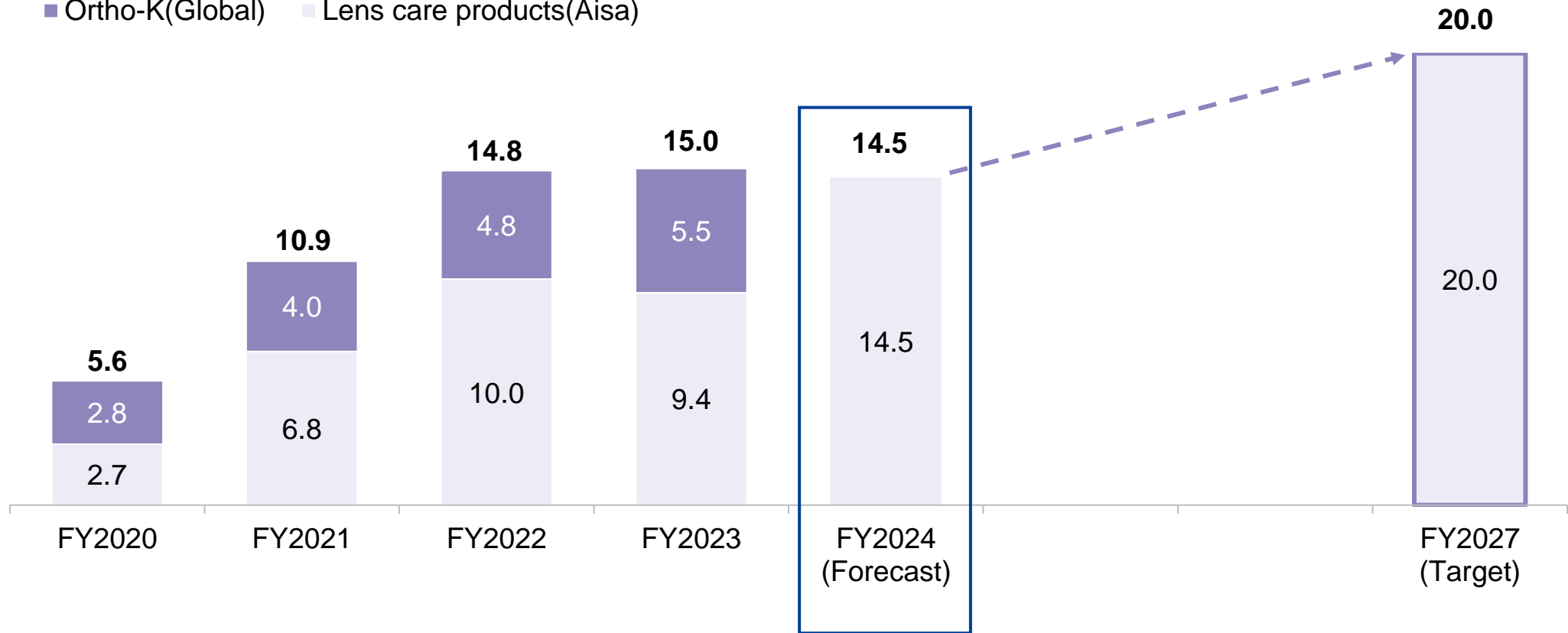


# Orthokeratology-related Sales Forecast (Breakdown of Sales)

**Orthokeratology Lenses : Expect growth in Japan and other regions.**

**Lens Care Products : Expect impact of economic stagnation in China and changes in the competitive environment.**

(JPY bn) ■ Ortho-K(Global) ■ Lens care products(Aisa)



# Strengthening the Supply Chain: Logistics

**Develop a logistics structure that has the capacity to handle an increase in the number of products and the volume of inventory, and to enable efficient operations in anticipation of medium- to long-term demand growth.**

## Menicon SC GmbH

Established in March 2024

Transfer of Menicon GmbH's distribution center management and operation functions

Target Area Mainly Europe



Germany



## Global Logistics Center

Established in May 2024

Consolidation of logistics functions in Northern Japan (Miyagi pref.) and Komaki (Aichi pref.)

Target Area Overseas and throughout Japan (Kanto and north area)



Chiba pref.

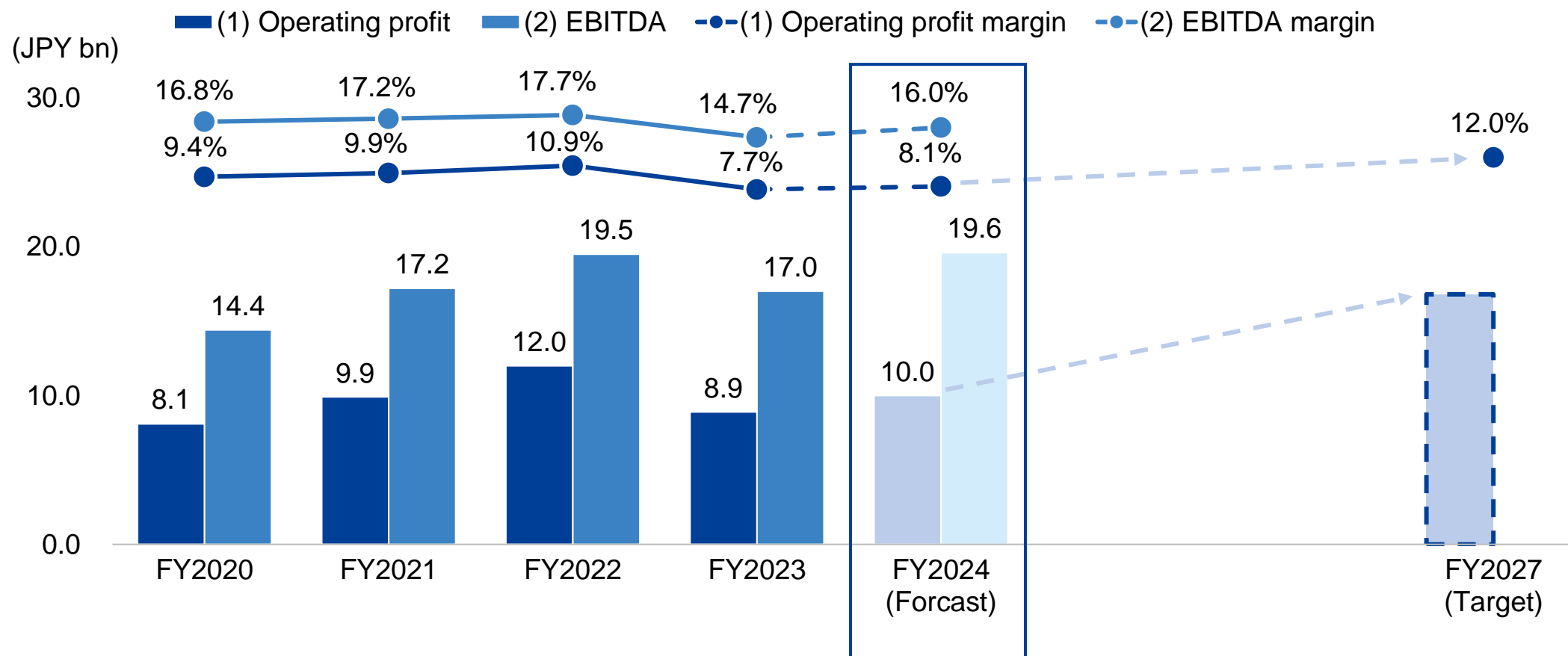


- ✓ Increase capacity to handle increase number of products and inventory levels
- ✓ Save manpower through automation and digitalization of operations, etc.
- ✓ Close to major sales areas for efficient operations

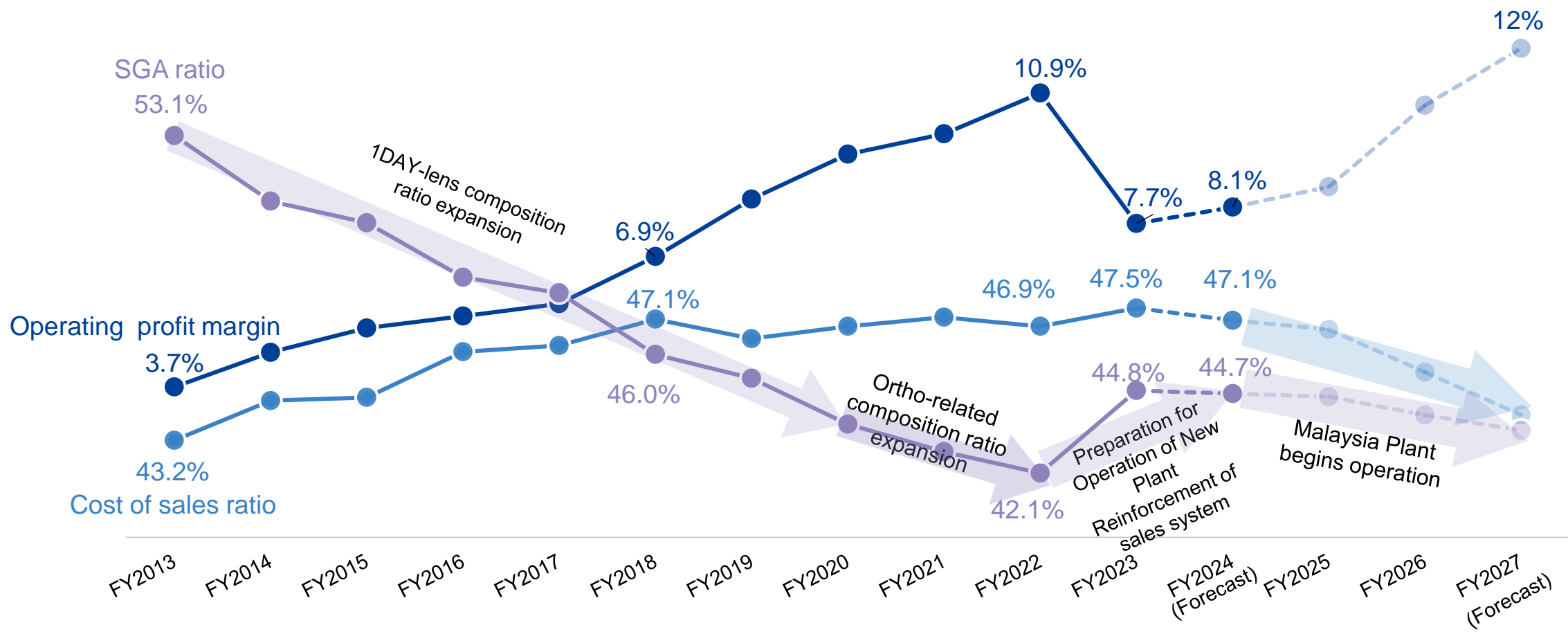


# Operating Profit / EBITDA Forecast

**Expect higher growth in EBITDA than operating profit due to the recognition of depreciation in line with capital expenditures.**



# Cost of Sales Ratio / SGA Ratio / Operating Profit Margin



# Expansion of Business Domain

Promote business expansion based on growth potential, uniqueness, and social contribution.

## Assisted reproductive technology



### Development and Sales

- For clinics
- Sperm preparation equipment

Spread to general gynecology facilities, driven by insurance coverage of infertility treatment

## Healthcare



### Development and Sales

- For clinics/EC/retailers
- Healthcare/ pregnancy/beauty supplements, etc.

Expansion of sales through growth in femtech area and diversification of sales methods

## Life care



### Development and Sales

- For farmers/livestock producers
- Composting accelerator
  - Rice straw decomposition accelerator, etc.

Expansion of sales of environment-related businesses and reduction of environmental impact

## Food



### Sales

- For supermarkets/wholesalers
- Fresh fish and rice ,etc.(export)
  - Dry goods, etc. (imported)

Increase in profitability through expansion of transaction volume

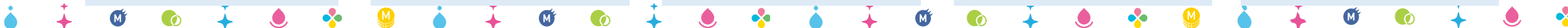
## Veterinary medical



### Development and Sales

- For veterinary hospitals /EC/retailers
- Intraocular lenses for animals / contact lenses / surgical equipment
  - Supplements for animals, etc.

Development of new channels and expansion of sales in Asia



# Information Dissemination Tools of Menicon

## Financial Results

- [Consolidated Financial Results \(every quarter\)](#)
- [Financial data \(every quarter\)](#)
- [Databook](#)

## General business, strategic and non-financial

- [Menicon report \(once a year\)](#)



- [Medium-term Management Plan](#)
- [Company introduction materials \(updated as needed\)](#)





# Disclaimer on Forward-Looking Statements

## Disclaimer

- This document was created by Menicon Co., Ltd. (hereinafter referred to as the "Company") for the purpose of understanding the current situation of the Company in order to serve as a reference for investors.
- The contents of this document have been prepared based on the generally recognized economic and social conditions as of November 13, 2024 and certain assumptions that the Company deems reasonable. The contents are subject to change without notice due to changes in the business environment
- When making an investment, please be sure to make your own judgment.

## Notes on forward-looking statements

- The document and information provided in this presentation include so-called "forward-looking statements". These are based on current expectations, forecasts and risks assumptions and contain uncertainties that could lead to results that are substantially different from these statements.
- These risks and uncertainties include general industry and market conditions, general domestic and international economic conditions such as interest rates and currency exchange fluctuations.
- Even if there is new information or future events, we are not obligated to update or revise the "outlook information" included in this announcement.

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