

Consolidated Financial Results for the Nine Months Ended December 31, 2024

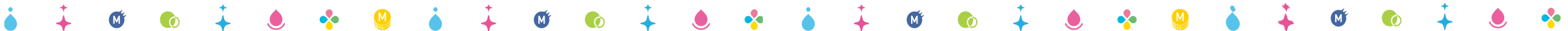
Securities Code: 7780

Menicon Co., Ltd.

February 14, 2025

Table of Contents

- I Consolidated Financial Results Summary for 3Q FY2024
- II Consolidated Financial Results Forecast and Outlook for FY2024



I. Consolidated Financial Results Summary for 3Q FY2024

Consolidated Financial Results Summary for 3Q FY2024

| (JPY mn) | FY2023 3Q | FY2024 3Q | YoY |
|--|---------------|---------------|---------------|
| Net sales | 87,401 | 91,509 | +4.7% |
| Cost of sales | 41,563 | 42,069 | +1.2% |
| (Cost of sales ratio) | 47.6% | 46.0% | (-1.6 pt) |
| Gross profit | 45,837 | 49,439 | +7.9% |
| SGA | 38,308 | 40,870 | +6.7% |
| (SGA ratio) | 43.8% | 44.7% | (+0.9 pt) |
| Operating profit | 7,529 | 8,569 | +13.8% |
| (Operating profit margin) | 8.6% | 9.4% | (+0.8 pt) |
| EBITDA* | 13,366 | 14,654 | +9.6% |
| (EBITDA margin) | 15.3% | 16.0% | (+0.7 pt) |
| Ordinary profit | 7,269 | 8,198 | +12.8% |
| Profit attributable to owners of parent | 4,576 | 5,115 | +11.8% |

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

(Reference) Past figures are available in the following databook.

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



Key Factors

1DAY-lens sales grew due to increased sales in Japan, while Ortho-K-related remained largely unchanged due to factors such as China's economic stagnation and the intensifying competitive environment.

Profit grew due to the effect of price revisions in Japan and SGA control, even after investments for future growth.

Net sales JPY 91.5 bn **YoY** +4.7%

Vision Care Business **Net sales** JPY 84.5 bn **YoY** +5.5% (growth in local currency: +3.7%)

↑ 1DAY-lens: Increased the number of MELS Plan members/Increased sales in Japan, effect of revenue growth due to price revisions in Japan.

➡ Ortho-K-related: Remained largely unchanged due to factors such as the intensifying competitive environment in China.

Healthcare and Life Care Business **Net sales** JPY 6.9 bn **YoY** -4.4% (growth in local currency: -4.9%)

↑ Effect of price revisions in Japan, expanded sales channels in North America. ↓ Downsized the Food business in China.

Gross profit JPY 49.4 bn **YoY** +7.9%

• ↑ Effect of revenue growth due to increased 1DAY-lens sales, profitability improved due to price revisions in Japan.

Operating profit JPY 8.5 bn **YoY** +13.8%

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

EBITDA JPY 14.6 bn **YoY** +9.6%

• ↑ Profit grew due to the effect of price revisions in Japan and SGA control.

Raising funds

Issued straight bonds and implemented syndicated loans. → Applied to redemption of JPY 23.0 bn of convertible bonds 4 in January 2025.

Breakdown of Net Sales

| (JPY mn) | FY2023 3Q | FY2024 3Q | YoY |
|--|---------------|---------------|--------------|
| Net sales | 87,401 | 91,509 | +4.7% |
| Vision Care | 80,126 | 84,556 | +5.5% |
| 1DAY-lens | 21,186 | 23,013 | +8.6% |
| Japan_MELS Plan*1 | 15,430 | 16,818 | +9.0% |
| Japan_Product sales*2 | 3,482 | 4,093 | +17.5% |
| Overseas | 2,273 | 2,101 | -7.6% |
| Orthokeratology-related | 11,301 | 11,263 | -0.3% |
| Ortho-K (Global) | 4,389 | 4,545 | +3.6% |
| Lens care products (Asia) | 6,911 | 6,718 | -2.8% |
| Other Contact lenses and Lens care products | 47,638 | 50,278 | +5.5% |
| MELS Plan*1 | 19,286 | 20,559 | +6.6% |
| Contact lenses | 20,497 | 21,539 | +5.1% |
| Lens care products (Other than Asia) | 7,854 | 8,179 | +4.1% |
| Healthcare and Life Care | 7,274 | 6,952 | -4.4% |

*1 3Q FY2024 MELS Plan net sales: JPY 37,377 mn (YoY +7.7%).

*2 "Product sales" refers to contact lenses and lens care products.

(Reference) Past figures are available in the following databook.

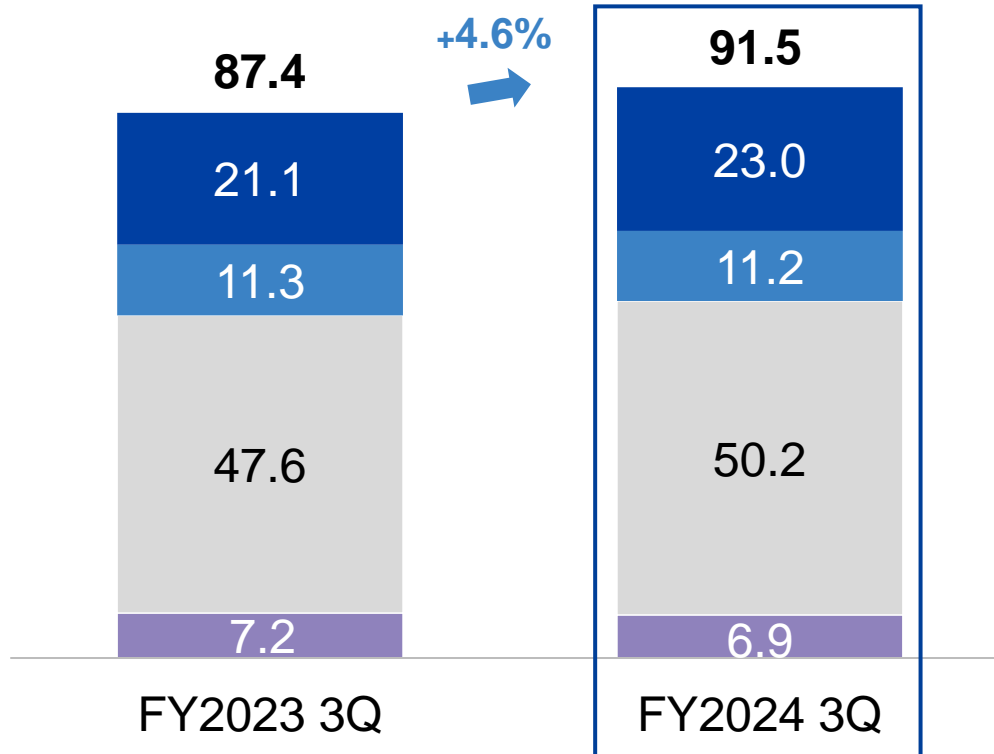
<https://www.menicon.com/corporate/ir/databook>



Consolidated Net Sales

Net sales grew due to the increased sales of 1DAY-lens in Japan and 1MONTH-lens in Europe, in addition to the effect of price revisions 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 **+4.42** bn)

1 1DAY-lens (YoY: JPY **+1.82** bn)

- Increased 1DAY-lens sales mainly in Japan
- Effect of price revisions in Japan* (JPY **+1.02** bn)

2 Orthokeratology-related (YoY: JPY **-0.03** bn)

- Increased Ortho-K sales in Japan, Singapore and Korea.
- Impact due to factors such as the intensifying competitive environment in China, etc.

3 Other Contact lenses and Lens care products (YoY: JPY **+2.63** bn)

- Effect of price revisions in Japan* (JPY **+2.17** bn)
- Increased 1MONTH-lens sales in Europe.

4 Healthcare and Life Care (YoY: JPY **-0.32** bn)

- Largely unchanged due to the effect of price revisions in Japan and expanded sales channels in North America.

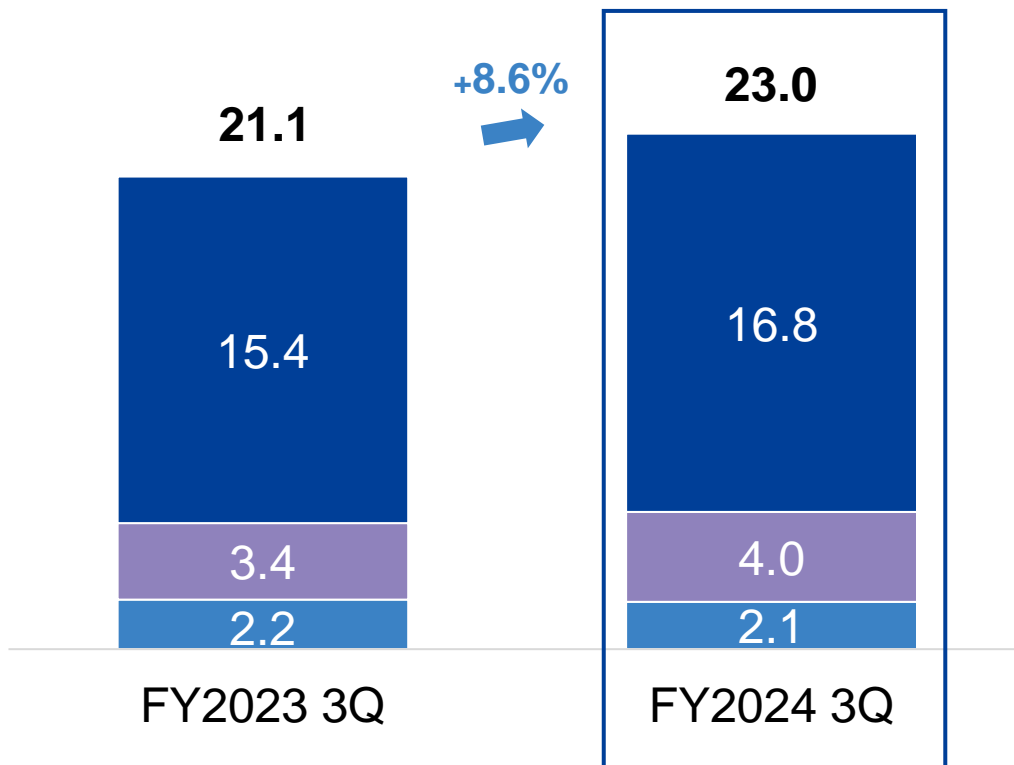
*Total effect of price revisions in Japan: JPY **+3.20** bn



1DAY-lens Net Sales (Breakdown of Sales)

Net sales grew due to increased number of 1DAY-lens MELS Plan members and increased sales in Japan, in addition to the effect of price revisions in Japan.

- (JPY bn)
- (1) Japan_MELS Plan
 - (2) Japan_Product sales
 - (3) Overseas



1 Japan_MELS Plan (YoY: JPY +1.38 bn)

- Increased the number of members by increasing supply.
- Effect of price revisions (JPY +0.89 bn)

2 Japan_Product sales (YoY: JPY +0.61 bn)

- Increased sales due to increased supply.
- Effect of price revisions (JPY +0.13 bn)

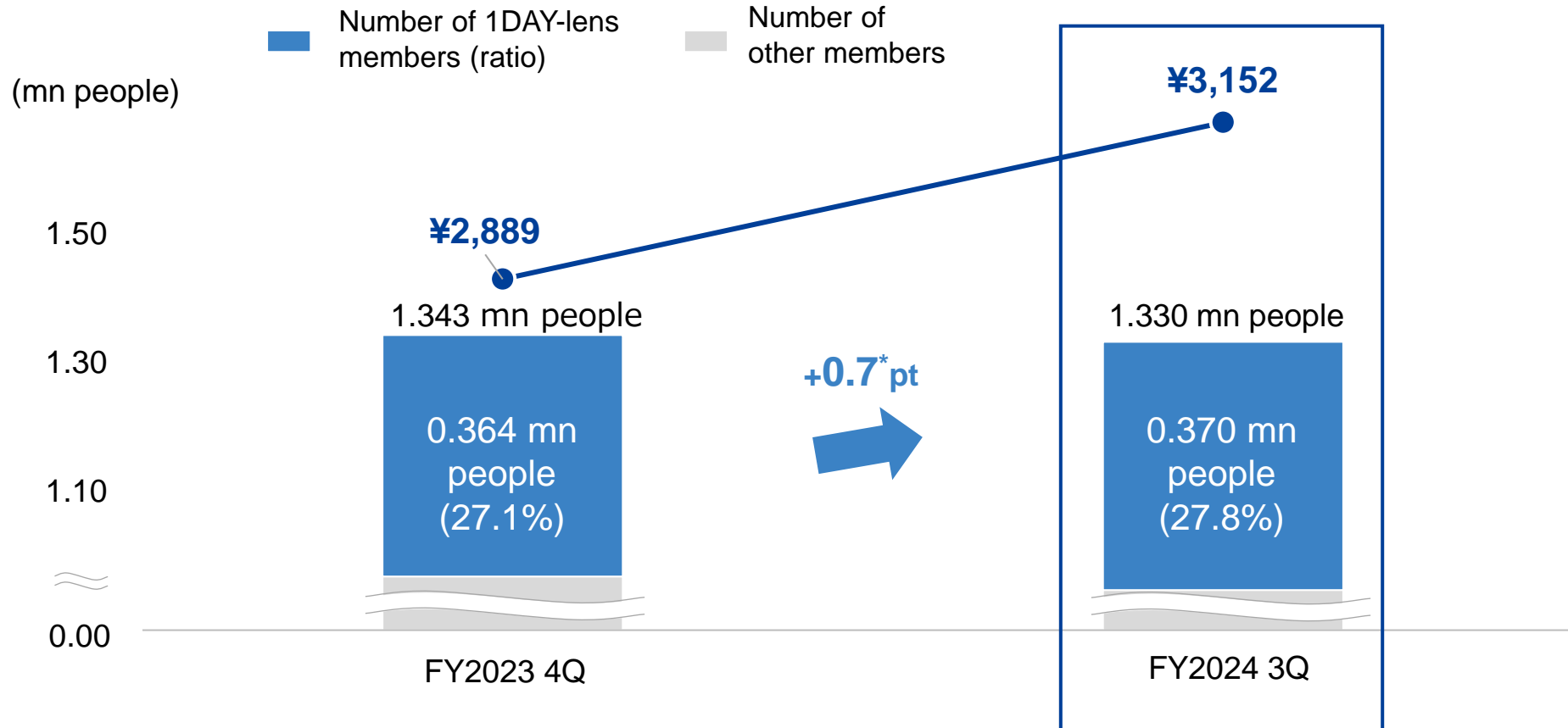
3 Overseas (YoY: JPY -0.17 bn)

- Controlled sales volume due to supply shortages.
- Temporarily decreased sales associated with the switchover to a new sales outlet in China.



Change in Total Number of MELS Plan Members

The average monthly fee increased due to the higher ratio of high-unit-price 1DAY-lens and bifocal types for other members as well as price revisions.



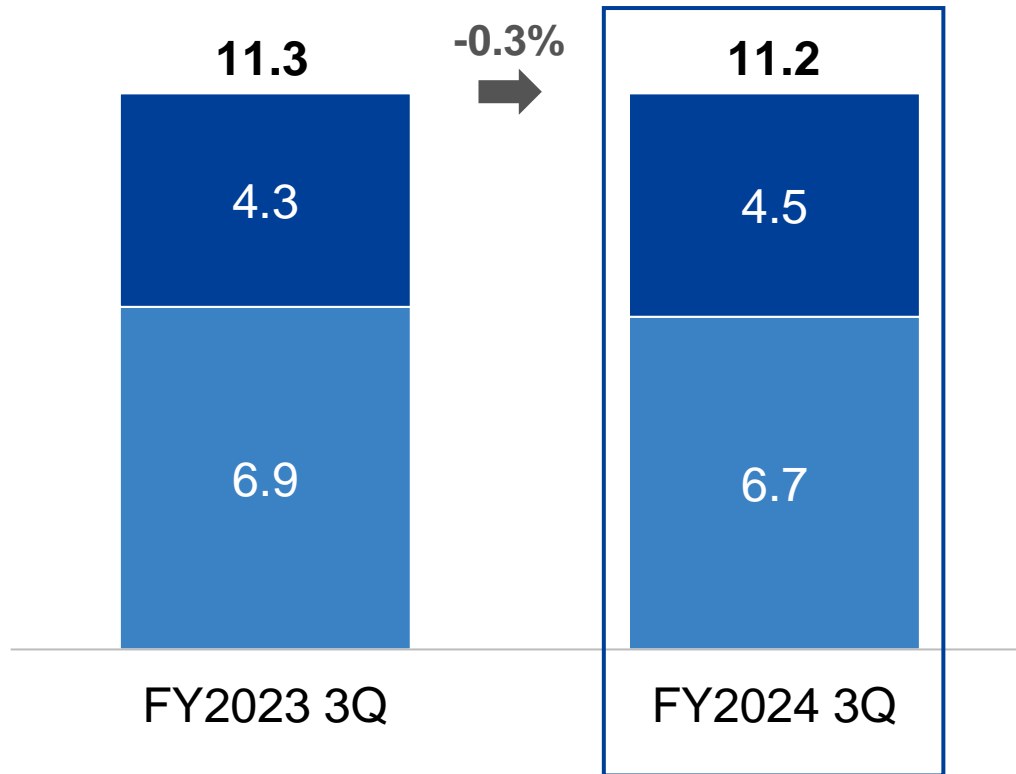
* +0.8 pt when including Magic members of Miru First Contact Lenses.



Orthokeratology-related Net Sales (Breakdown of Sales)

While sales increased in Japan, Singapore and Korea, Ortho-K-related remained largely unchanged due to factors such as China’s economic stagnation and the intensifying competitive environment.

(JPY bn) ■ (1) Ortho-K (Global)
 ■ (2) Lens care products (Asia)

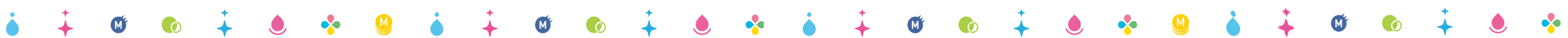


1 Ortho-K (Global) (YoY: JPY +0.15 bn)

- Japan: Expanded the number of handling facilities (JPY +0.10 bn)
- Singapore & South Korea: Increased sales (JPY +0.06 bn)
- China: Decreased sales due to factors such as the penetration of alternative products because of economic stagnation (JPY -0.04 bn)

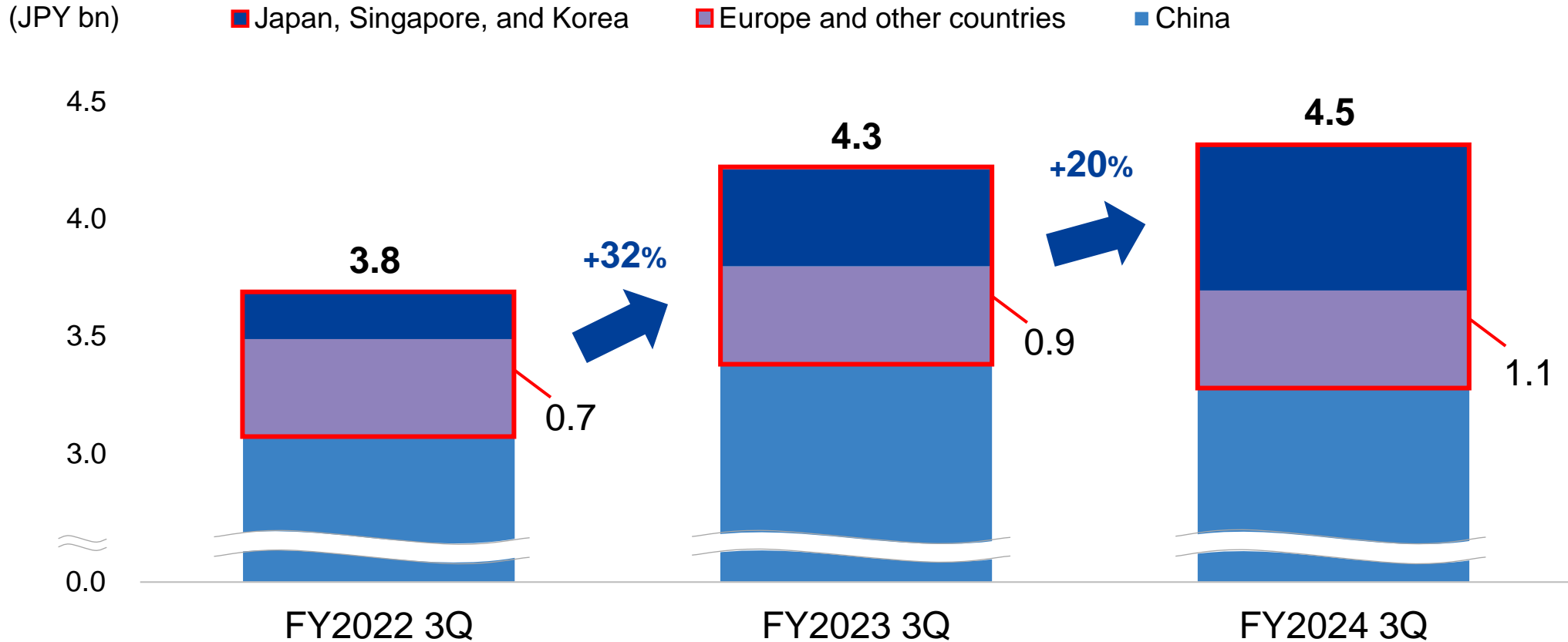
2 Lens care products (Asia) (YoY: JPY -0.19 bn)

- Southeast Asia: Effect of M&A of sales companies (JPY +0.04 bn)
- China: Decreased sales price per unit due to the effect of economic stagnation and the prolonged intensifying competitive environment (JPY -0.23 bn)



Change in Orthokeratology Lenses Net Sales

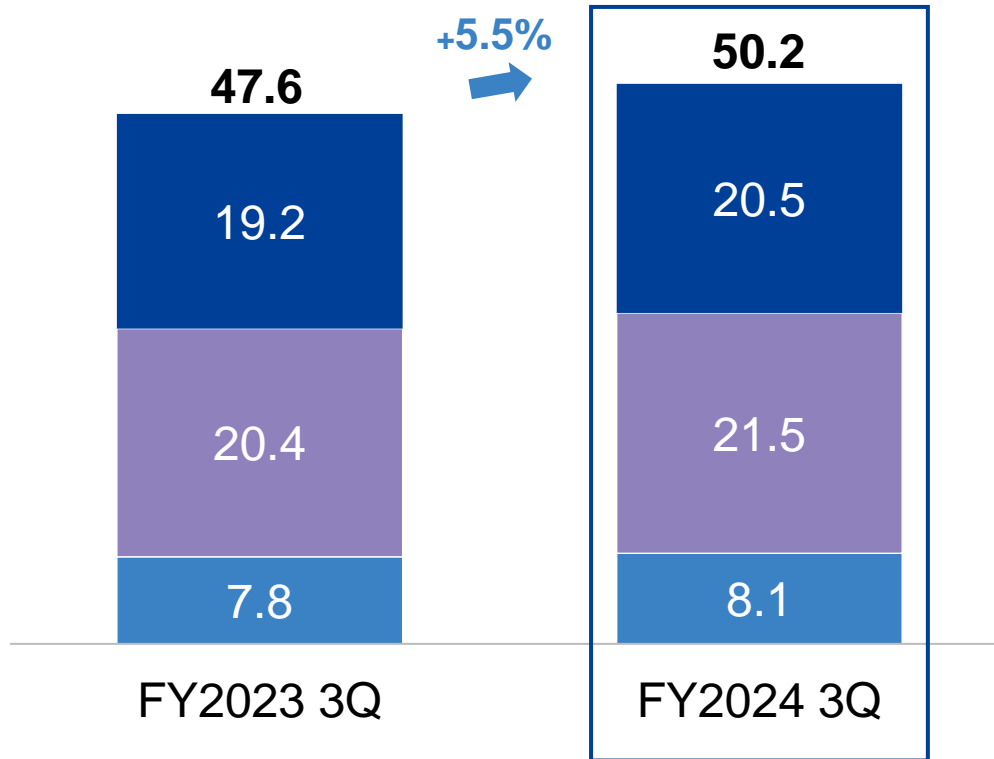
Net sales continue to grow significantly mostly in Japan, Singapore and Korea due to the increase in the number of handling facilities for our products and the expanding market.



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

Net sales grew due to the increased sales of 1MONTH-lens in Europe, in addition to the effect of price revisions in Japan.

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



1 MELS Plan (YoY: JPY +1.27 bn)

- Grew due to the effect of price revisions (JPY +1.84 bn) despite a decrease in the number of members.
- Increased the number of members for high-unit-price bifocal types.

2 Contact lenses (YoY: JPY +1.04 bn)

- Increased 1MONTH-lens sales by expanding our sales network in Europe.
- Effect of price revisions in Japan (JPY +0.31 bn)

3 Lens care products (other than Asia) (YoY: JPY +0.32 bn)

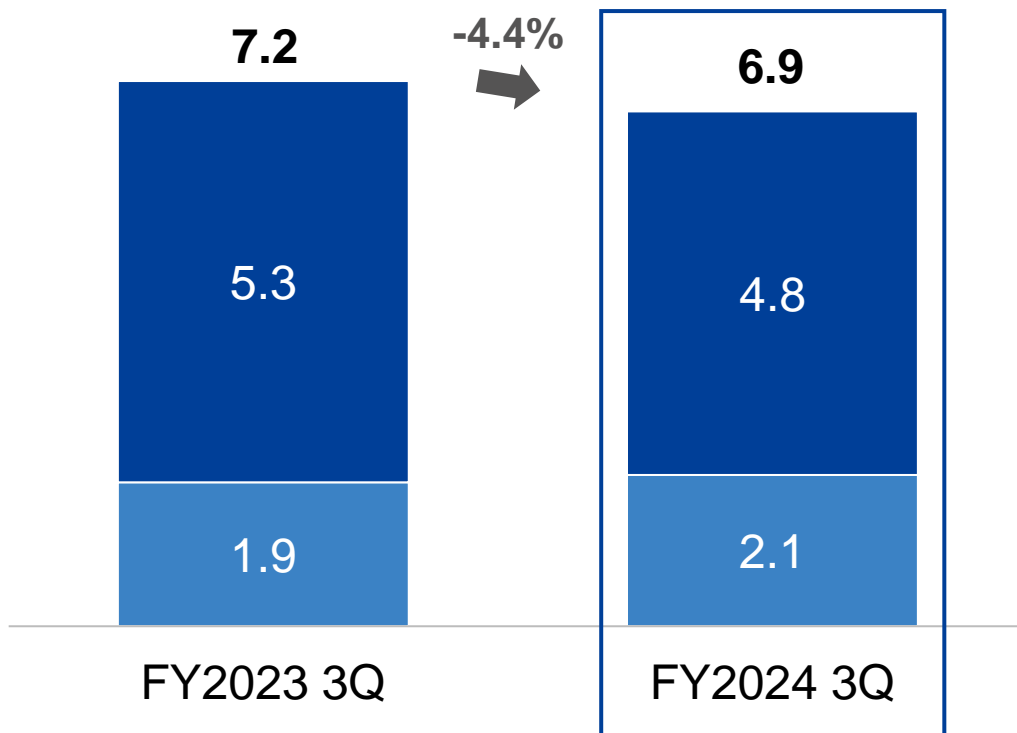
- Increased sales in North America.
- Increased sales of high-unit-price products in Japan.



Healthcare and Life Care Net Sales

Net sales were largely unchanged due to the effect of price revisions in Japan and expanded sales channels in North America while the Food business was downsized in China.

(JPY bn) ■ (1) Food business ■ (2) Other



1 Food business (YoY: JPY **-0.49** bn)

- China: Downsized the business of importing food from Japan.
- Japan: Grew due to the effect of price revisions, etc.
- North America: Increased sales.

2 Other (YoY: JPY **+0.16** bn)

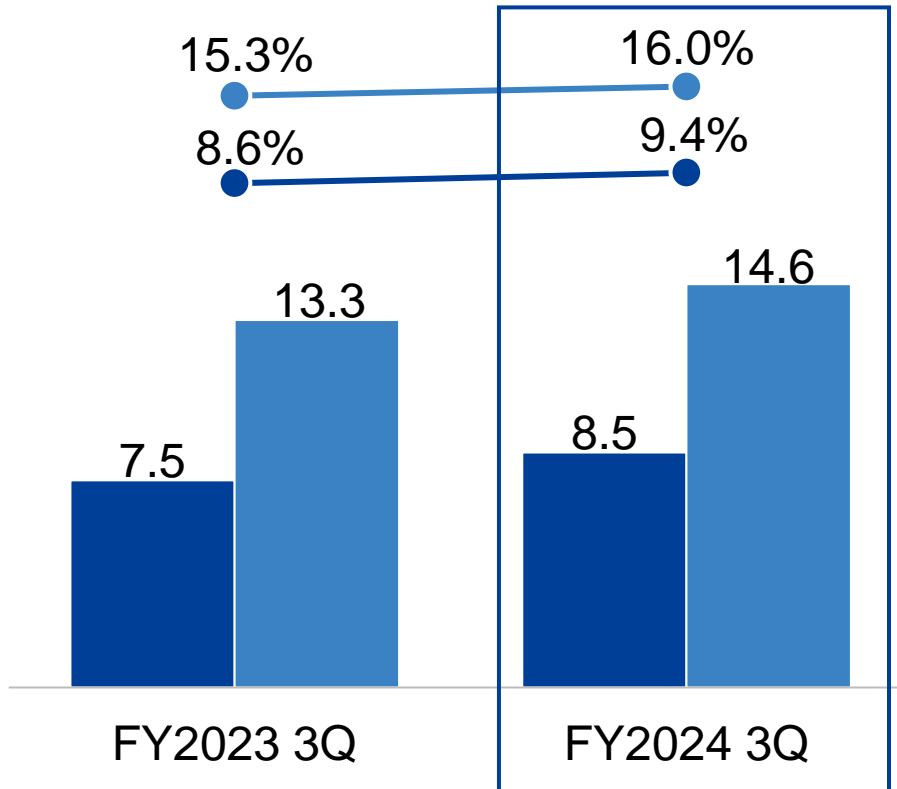
- Increased in the Environment-related Business and the Animal Medical Care Business, etc.



Operating Profit and EBITDA

Profit increased due to the effect of price revisions in Japan and SGA control while investing for future growth.

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

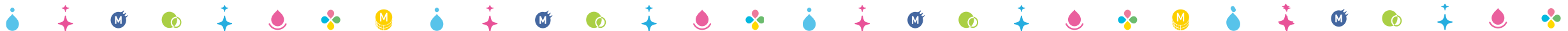


1 Operating profit (YoY: JPY +1.03 bn)
 Operating profit margin (YoY: JPY +0.8 pt)

- Gross profit: JPY +3.60 bn (JPY 45.8 bn → JPY 49.4 bn)
 Sales increased for 1DAY-lens, etc.
 Effect of price revisions in Japan.
- SGA: JPY +2.56 bn (JPY 38.3 bn → JPY 40.8 bn)
 Strengthened investment for growth
 (new plants, personnel reinforcement and R&D)
 while controlling SGA.

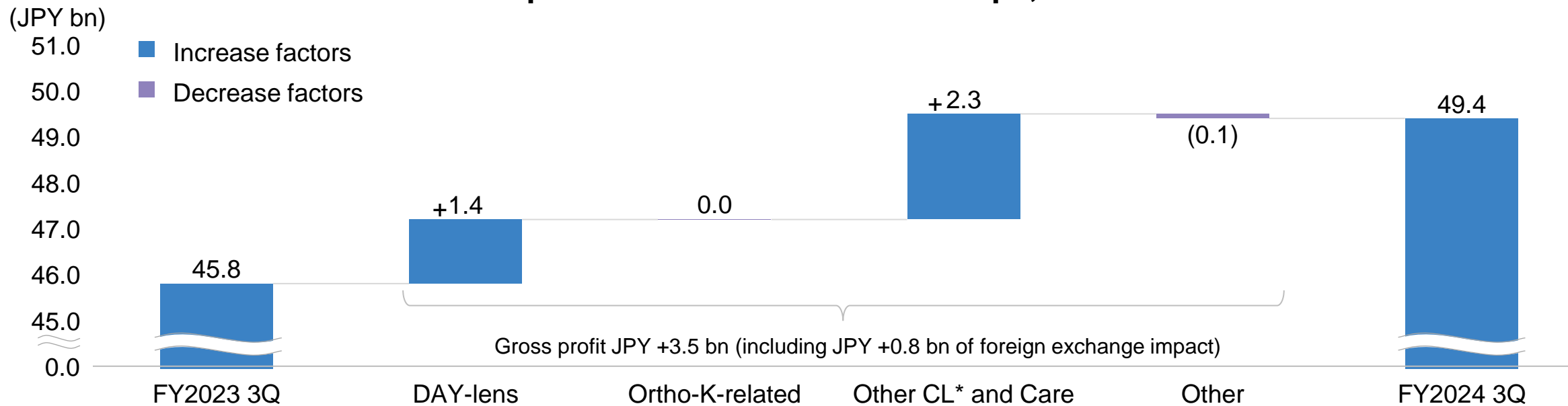
2 EBITDA (YoY: JPY +1.28 bn)
 EBITDA margin (YoY: +0.7 pt)

- Depreciation: JPY +0.14 bn (JPY 5.53 bn → JPY 5.68 bn)
 Increase due to 1DAY-lens investment, etc.



Analysis of Changes in Consolidated Gross Profit

The Vision Care Business except for Ortho-K-related products in China remained firm, which includes increased sales of 1DAY-lens in Japan and 1MONTH-lens in Europe, etc.



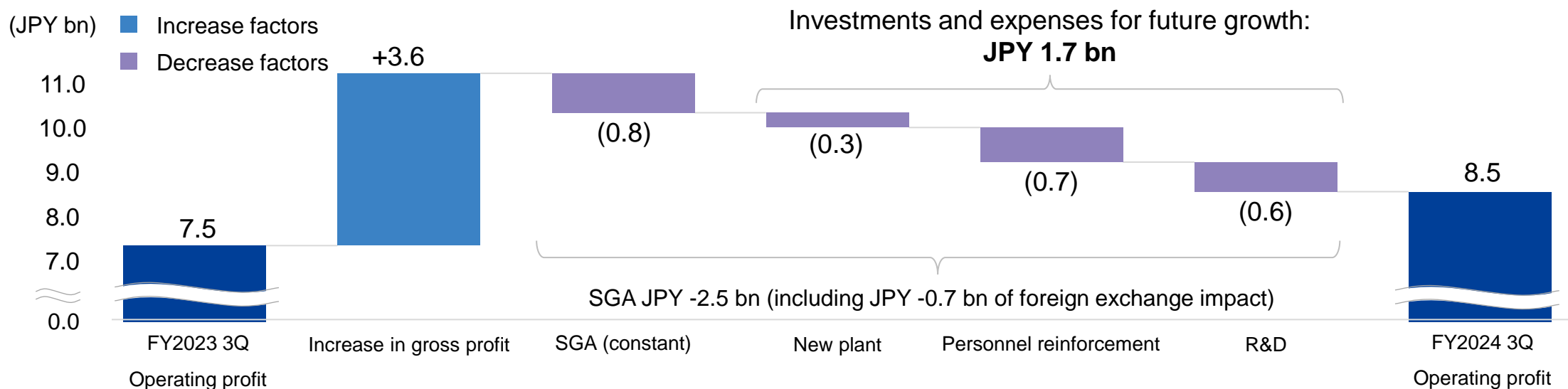
- Main reasons for increase/decrease *Including foreign exchange impact

| Items | |
|--------------------|---|
| 1DAY-lens | Increased the number of MELS Plan 1DAY-lens members, increased product sales in Japan, and the effect of price revisions in Japan. |
| Ortho-K-related | Remained largely unchanged due to factors such as China's intensifying competitive environment while sales increased in Japan, Singapore and Korea. |
| Other CL* and Care | Increased 1MONTH-lens sales in Europe and the effect of price revisions in Japan. |
| Other | Factors such as the impact from lower sales of Healthcare and Life Care. |

*Abbreviation for contact lenses

Analysis of Changes in Operating Profit

Profit increased due to SGA control while investing for future growth.



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

| Items | | Amount (JPY bn) |
|------------------------|--|-----------------|
| Office outsourcing fee | M&A related costs and costs of Distribution center in Europe, etc. | -0.3 |
| Rent | Start of Global Logistics Center operation, etc. | -0.2 |

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

| Items | | Amount (JPY bn) |
|-------------------------|---|-----------------|
| New plant | Prepare for operation at the Malaysia plant, a new 1DAY-lens production site. | -0.3 |
| Personnel reinforcement | Wage increases, personnel increases, etc. in Japan and overseas. | -0.7 |
| R&D | Development and clinical trial costs for new products, increase in research personnel, etc. | -0.6 |



II. Consolidated Financial Results Forecast and Outlook for FY2024

Progress of Net Sales Forecast and Outlook for 4Q

There is no change to the net sales breakdown forecast and the outlook for 4Q is as follows:

- **1DAY-lens, Other CL and Care:** Increased sales is expected due to the demand period and our wider product lineup in Japan, and due to the start of new dealings and an increase in handled products overseas.
- **Orthokeratology-related:** Expected to slow down due to the deteriorating competitive environment in China

| (JPY mn) | FY2024 3Q Results | FY2024 Forecast | Progress rate |
|--|----------------------|--------------------|------------------|
| Net sales | 91,509 | 122,700 | 74.6% |
| Vision Care | 84,556 | 114,100 | 74.1% |
| 1DAY-lens | 23,013 | 31,600 | 72.8% |
| MELS Plan | 16,818 | 23,000 | 73.1% |
| Product sales in Japan | 4,093 | 5,500 | 74.4% |
| Overseas | 2,101 | 3,100 | 67.8% |
| Orthokeratology-related | 11,263 | 14,500 | 77.7% |
| Other Contact lenses and Lens care products | 50,278 | 68,000 | 73.9% |
| Healthcare and Life Care | 6,952 | 8,600 | 80.8% |

(Reference) MELS Plan net sales for FY2024 is expected to be JPY 50.0 bn.

MELS Plan net sales for 3Q FY2024 was JPY 37.3 bn (progress rate of 74.8%).



Comparison of Net Sales Forecast With Previous Year

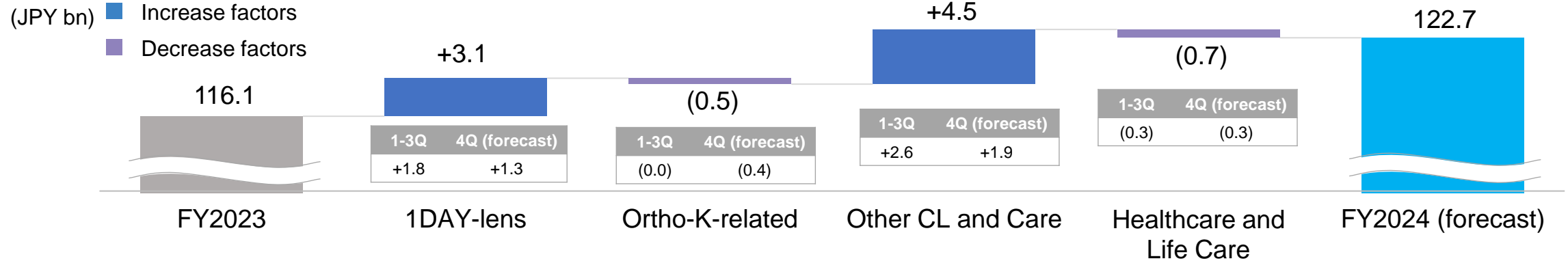
| (JPY mn) | FY2023 Results | FY2024 Forecast | YoY |
|--|-------------------|--------------------|---------------|
| Net sales | 116,192 | 122,700 | +5.6% |
| Vision Care | 106,887 | 114,100 | +6.7% |
| 1DAY-lens | 28,429 | 31,600 | +11.2% |
| MELS Plan | 20,740 | 23,000 | +10.9% |
| Product sales in Japan | 4,711 | 5,500 | +16.7% |
| Overseas | 2,977 | 3,100 | +4.1% |
| Orthokeratology-related | 15,001 | 14,500 | -3.3% |
| Other Contact lenses and Lens care products | 63,456 | 68,000 | +7.2% |
| Healthcare and Life Care | 9,304 | 8,600 | -7.6% |

(Reference) MELS Plan net sales for FY2024 is expected to be JPY 50.0 bn.
MELS Plan net sales for FY2023 was JPY 46.4 bn (YoY +7.6%).



Sales Outlook for FY2024 (Comparison With Previous Year)

1DAY-lens sales are expected to increase due to increased supply and price revisions in Japan, and Ortho-K-related sales are expected to decrease due to slowdown in China but will increase penetration in other regions (besides China).



| Items | 4Q outlook (comparison with previous year) |
|-------------------|---|
| 1DAY-lens | Overall: ○ Increase supply (silicone materials 1DAY-lens: Operation of new production line in November 2023). Japan: ○ Expand sales outlets in Japan, wider product lineup, and effect of price revisions. Overseas: ○ Effect of M&A of sales companies in Asia △ Decrease in sales temporarily associated with the switchover to a new sales outlet in China. |
| Ortho-K-related | Japan: ○ Expand penetration. Overseas: ○ Expand penetration in Asian countries. △ Decrease in sales volume of Ortho-K due to deteriorating competitive environment because of the increase in rival companies and the emergence of alternative products in China. Decrease in lens care products sales. Decrease in unit sales price. |
| Other CL and Care | Japan: ○ Increase sales of high value-added products (such as multifocal lenses and regularly-replaced hard lenses) Increase sales of hydrogen peroxide type lens care products, effect of price revisions Overseas: ○ Effect of M&A of sales companies in Asia, increase in handled products at existing volume retail stores in Europe. |



Progress of Consolidated Financial Results Forecast and Outlook for 4Q

There is no change to the consolidated financial results forecast and the outlook for 4Q is as follows:

- **Operating profit:** It is expected that despite implementing sales promotion activities during the demand period in Japan and recording R&D expenses, etc., we will make a profit.
- **Profit attributable to owners of parent:** Reversal of share acquisition rights associated with CB redemption (extraordinary income) is expected to be recorded.

| (JPY mn) | FY2024 3Q Results | FY2024 Forecast | Progress rate |
|--|----------------------|--------------------|------------------|
| Net sales | 91,509 | 122,700 | 74.6% |
| Cost of sales | 42,069 | 57,800 | 72.8% |
| (Cost of sales ratio) | 46.0% | 47.1% | --- |
| Gross profit | 49,439 | 64,900 | 76.2% |
| SGA | 40,870 | 54,900 | 74.4% |
| (SGA ratio) | 44.7% | 44.7% | --- |
| Operating profit | 8,569 | 10,000 | 85.7% |
| (Operating profit margin) | 9.4% | 8.1% | --- |
| EBITDA | 14,654 | 19,600 | 74.8% |
| (EBITDA margin) | 16.1% | 16.0% | --- |
| Ordinary profit | 8,198 | 9,500 | 86.3% |
| Profit attributable to owners of parent | 5,115 | 7,000 | 73.1% |

*Prevailing exchange rates in FY2023
 EUR: JPY 157.7, USD: JPY 145.3, CNY: JPY 19.9
 Prevailing exchange rates in 3Q of FY2024
 EUR: JPY 165.1, USD: JPY 153.0, CNY: JPY 21.1
 Assumed prevailing exchange rates for FY2024 (forecast)
 EUR: JPY 159.0, USD: JPY 147.0, CNY: JPY 20.3



Comparison of Consolidated Financial Results Forecast With Previous Year

| (JPY mn) | FY2023 Results | FY2024 Forecast | YoY |
|--|-------------------|--------------------|---------------|
| Net sales | 116,192 | 122,700 | +5.6% |
| Cost of sales | 55,181 | 57,800 | +4.7% |
| (Cost of sales ratio) | 47.5% | 47.1% | --- |
| Gross profit | 61,010 | 64,900 | +6.4% |
| SGA | 52,058 | 54,900 | +5.5% |
| (SGA ratio) | 44.8% | 44.7% | --- |
| Operating profit | 8,951 | 10,000 | +11.7% |
| (Operating profit margin) | 7.7% | 8.1% | --- |
| EBITDA | 17,048 | 19,600 | +14.9% |
| (EBITDA margin) | 14.7% | 16.0% | --- |
| Ordinary profit | 8,225 | 9,500 | +15.5% |
| Profit attributable to owners of parent | 4,538 | 7,000 | +54.2% |

*Prevailing exchange rates in FY2023

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

Prevailing exchange rates in 3Q of FY2024

EUR: JPY 165.1, USD: JPY 153.0, CNY: JPY 21.1

Assumed prevailing exchange rates for FY2024 (forecast)

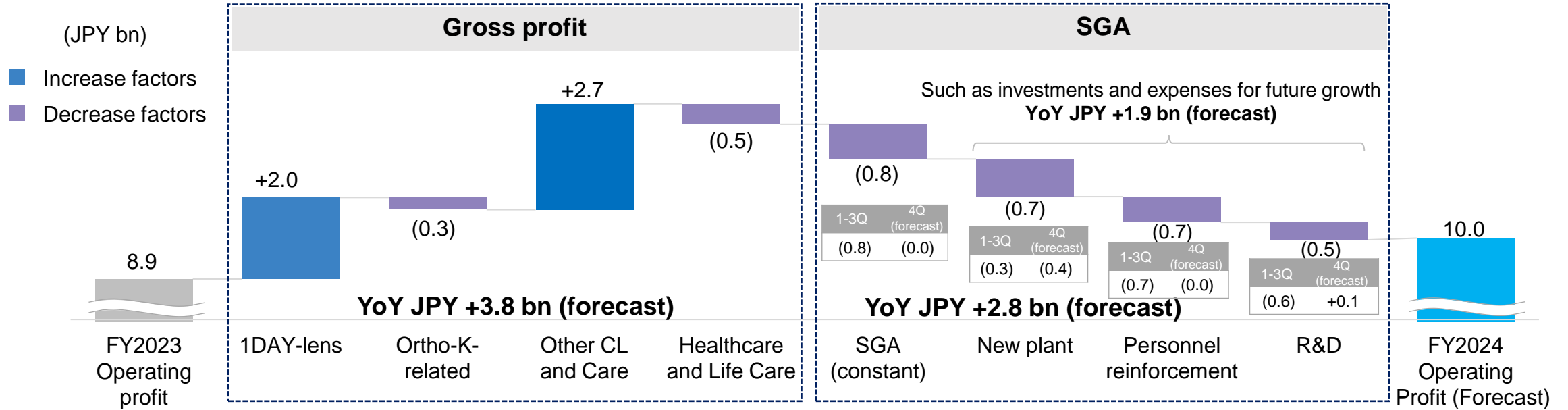
EUR: JPY 159.0, USD: JPY 147.0, CNY: JPY 20.3



Operating Profit Outlook for FY2024 (Comparison With Previous Year)

Increased gross profit is expected due to increased sales of 1DAY-lens and price revisions in Japan despite Ortho-K-related being affected by China.

We plan to invest in SGA expenses for future growth but will appropriately control it.



| Items | 4Q outlook (comparison with previous year) |
|-------------------------|--|
| Gross profit | Change depending on sales, increase due to the effect of price revisions in Japan. |
| SGA | |
| Constant | Control appropriately (make profit by effective use). |
| New plant | Prepare for operation at the Malaysia plant, a new 1DAY-lens production site (plan to operate from 3Q FY2025). |
| Personnel reinforcement | Expect about the same level of expenses as the previous fiscal year. |
| R&D | Implement as planned (plan to pay expenses for acquiring global permits such as for clinical trials). |

1DAY-lens Growth Strategies

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

Sales strategy by region

| | |
|--|---|
| <p>Japan</p> | <ul style="list-style-type: none"> • Promote MELS Plan in around 1,600 stores • Use around 170 group stores |
| <p>Europe & North America</p> | <ul style="list-style-type: none"> • Increase sales to major volume retail chains |
| <p>Asia</p> | <ul style="list-style-type: none"> • Increase sales by group sales companies |



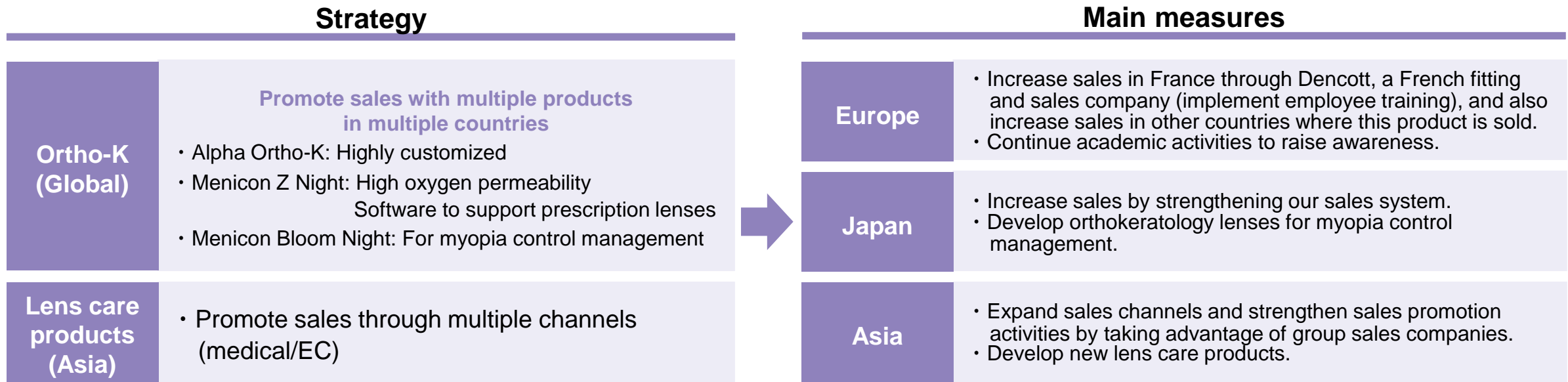
Main measures

- Attract customers who have never worn contact lenses before (introduce “Miru First Contact Lenses,” a new service provided by group stores, **implement the under 18 sales campaign**).
 - Promote MELS Plan enrollment through the expansion of MELS Plan affiliated facilities and the use of online consultations, as well as re-training of shop staff.
 - Open new group stores and relocate to favorable locations
-
- Europe: Build long-term partnerships with a major volume retailer chains and plan to conclude contracts with new potential suppliers as production capacity increases. **(plan to start dealings with Northern Europe volume retailer chains in 1Q of FY2025)**
 - North America: Increase suppliers by flexibly responding to the OEM supply needs in each sales channel, etc.
-
- China: Develop our own brand and increase sales by partnering with online contact lens specialty retailer. **(plan to start dealings in 4Q of FY2024)**
 - Southeast Asia: Increase sales using the sales networks of the three sales companies that became subsidiaries in September.



Orthokeratology-related Growth Strategies

Increase our market share by increasing the penetration of Ortho-K and establishing a position as a specialist company offering multiple products.



Business Situation in China

The current situation is uncertain for Ortho-K-related due to economic conditions, and we are using SGA effectively while implementing initiatives from a medium- to long-term perspective.

Aiming to increase our market share using the EC channel in the disposable CL^{*1} market, which is expanding steadily.

| | Market | Medium- to long-term measures | Progress |
|-----------------------------|--|--|--|
| Ortho-K-related | <ul style="list-style-type: none"> The situation from 2025 is uncertain because it relies on economic conditions. Intensifying competitive environment due to the increase in rival companies and the emergence of alternative products. Ortho-K has an advantage over alternative technologies due to the wealth of evidence and prescription performance. | <ul style="list-style-type: none"> Increase our target base with a wider product lineup and by reviewing pricing strategies. Restructure our business management system to enable us to make a profit during this uncertain situation. | <ul style="list-style-type: none"> Develop new lens care products. (pending approval) Promote knowledge and understanding of our products by enhancing technical support systems for prescription professionals. |
| Disposable CL ^{*1} | <ul style="list-style-type: none"> The market in 2024 grew by 7% at 1,500 million dollars (2021 to 2027 retail market)^{*2} Online sales are around 70% of contact lens sales. | <ul style="list-style-type: none"> Increase sales using online contact lens specialty retailer (Sigo). | <ul style="list-style-type: none"> Plan to start shipment of 1DAY-lens from 4Q of FY2024 |

*1 Disposable CL refers to 1DAY-lens, 2WEEK-lens and 1MONTH-lens.

*2 Source: Euromonitor International, Eyewear (2025 edition)

Target countries: China



Strengthening the Supply Chain: Production

Strengthen production systems for 1DAY-lens, orthokeratology lenses, and lens care products in anticipation of increases in medium- to long-term demand.

1DAY-lens



Singapore Plant

Products: Magic
Sales area: Worldwide

1H of FY2025: Plan to operate product lines No. 9 to 10.



Kakamigahara Plant

Products: 1DAY Menicon PremiO
Sales area: Worldwide

December 2024: Start operation at production line No. 11

2H of FY2026: Plan to operate product line No. 12.



Malaysia Plant

Products: 1DAY-lens
Sales Area: Worldwide

2H of FY2025: Plan to operate production line No.1.
Plan to expand up to production line No.5 by 2H of FY2026.

Orthokeratology-related



Wuxi plant

Products: Alpha Ortho-K
Sales area: China

Reinforce production system to meet demand.



Gujo Plant

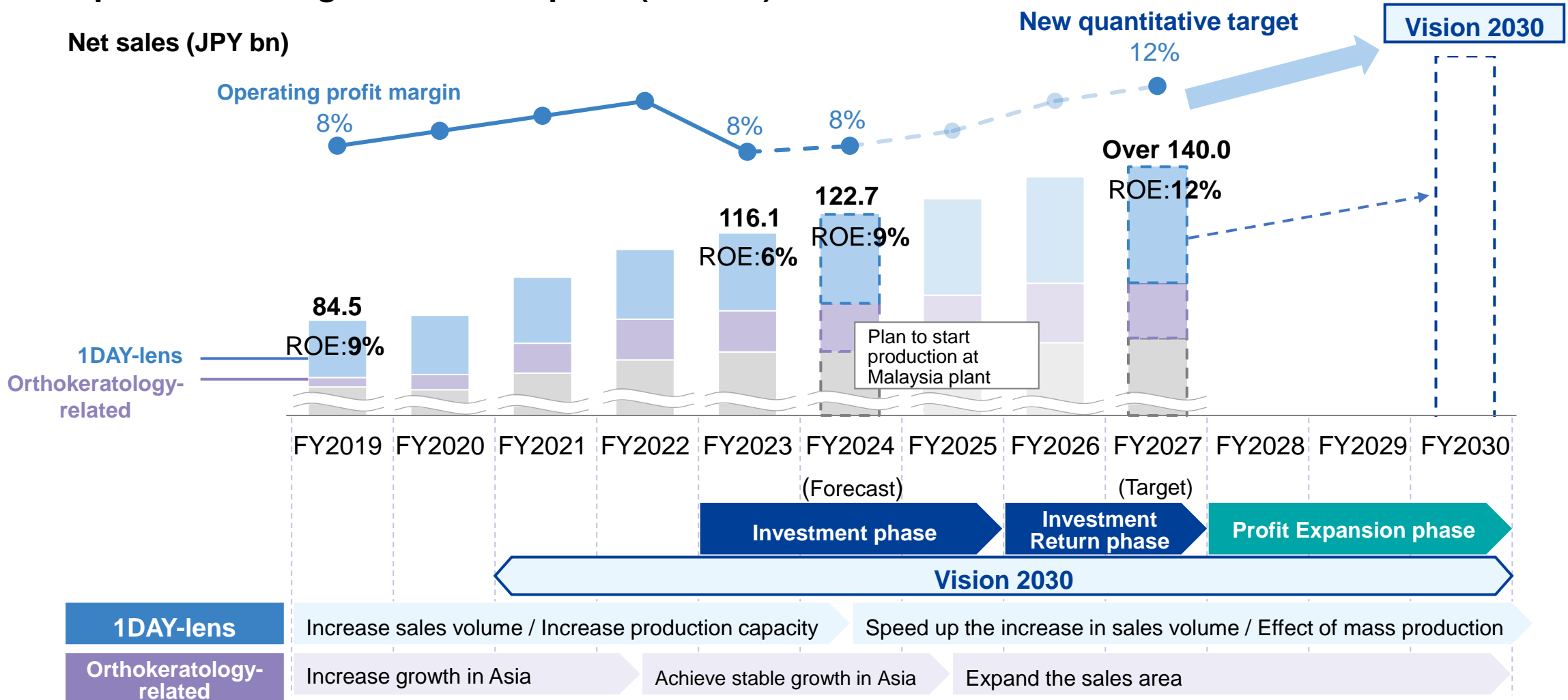
Products: Lens care products for hard and soft lenses
Sales area: Worldwide

Need to review period to operate new production line with consideration for the Ortho-K-related market environment.



Milestone 2027

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



Reference Material

Forecast Breakdown for Net Sales

The forecast was revised in November for the forecast breakdown of net sales.

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

(Reference) MELS Plan net sales for FY2024: JPY 50.8 bn (May forecast) ⇒ JPY 50.0 bn (November forecast)



FY2024 Consolidated Financial Results Forecast

The forecast was revised in November for the cost of sales and SGA forecast.

| (JPY mn) | FY2024 (1) May forecast | FY2024 (2) November forecast | FY2024 Change in amount (2)-(1) |
|--|----------------------------|------------------------------------|---------------------------------------|
| Net sales | 122,700 | 122,700 | - |
| Cost of sales | 57,500 | 57,800 | +300 |
| (Cost of sales ratio) | 46.9% | 47.1% | +0.2% |
| Gross profit | 65,200 | 64,900 | (300) |
| SGA | 55,200 | 54,900 | (300) |
| (SGA ratio) | 45.0% | 44.7% | (0.3%) |
| Operating profit | 10,000 | 10,000 | - |
| (Operating profit margin) | 8.1% | 8.1% | - |
| EBITDA | 20,437 | 19,600 | (837) |
| (EBITDA margin) | 16.7% | 16.0% | (0.7%) |
| Ordinary profit | 9,500 | 9,500 | - |
| Profit attributable to owners of parent | 7,000 | 7,000 | - |

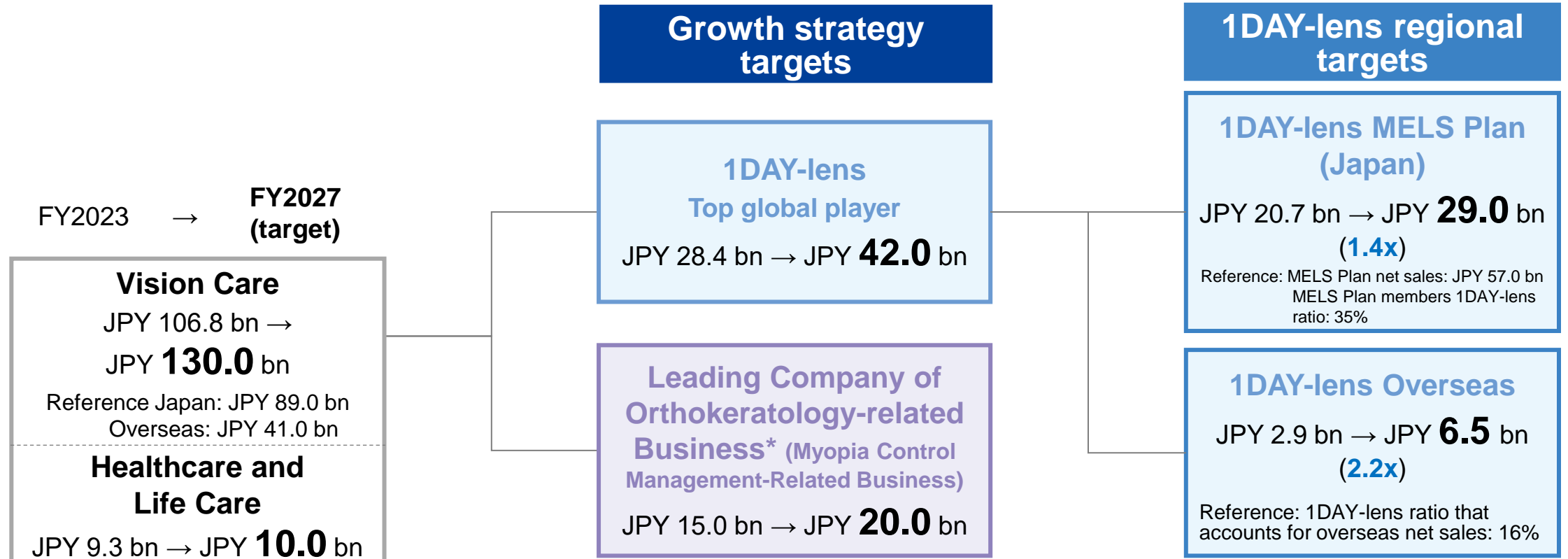
*Prevailing exchange rates in FY2023

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

Assumed prevailing exchange rates for FY2024 EUR: JPY 159.0, USD: JPY 147.0, CNY: JPY 20.3

Growth Strategy Targets & 1DAY-lens Regional Targets

Targets are expected to be achieved by implementing growth strategies.

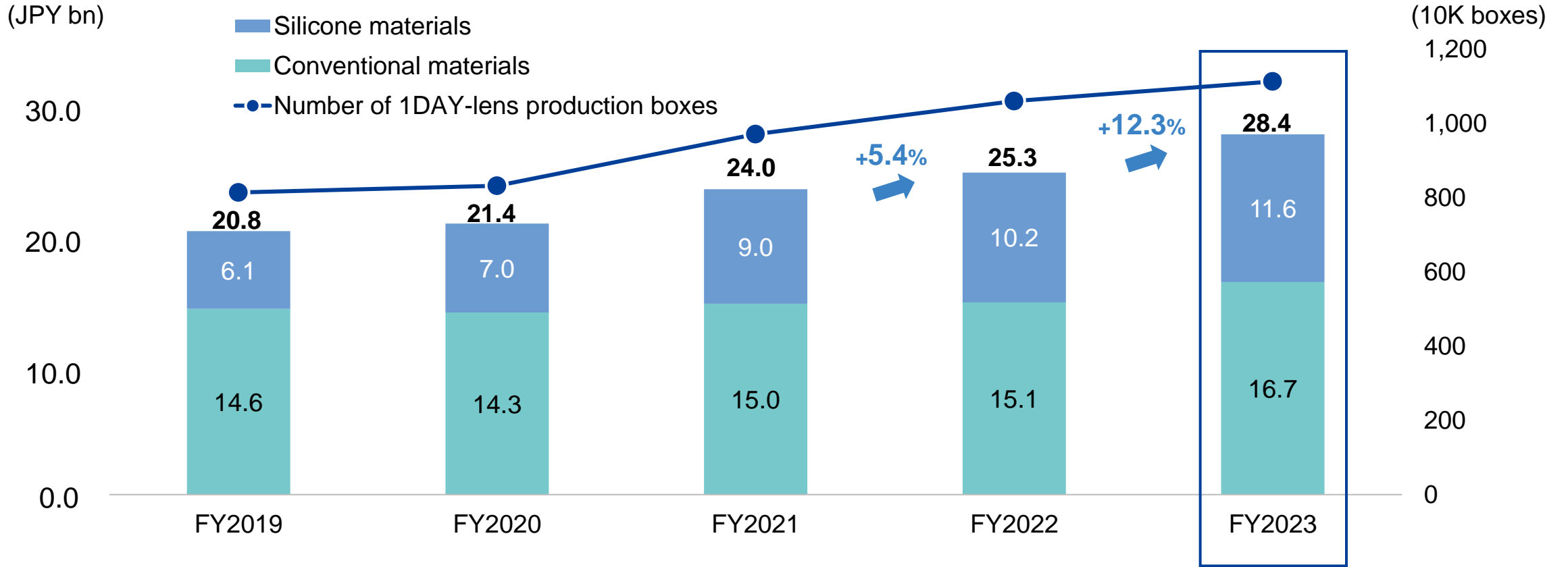


* Total of Orthokeratology lenses (Global) and Lens care products (Asia)



1DAY-lens Sales Trends

Net sales have increased due to the increase in production capacity.



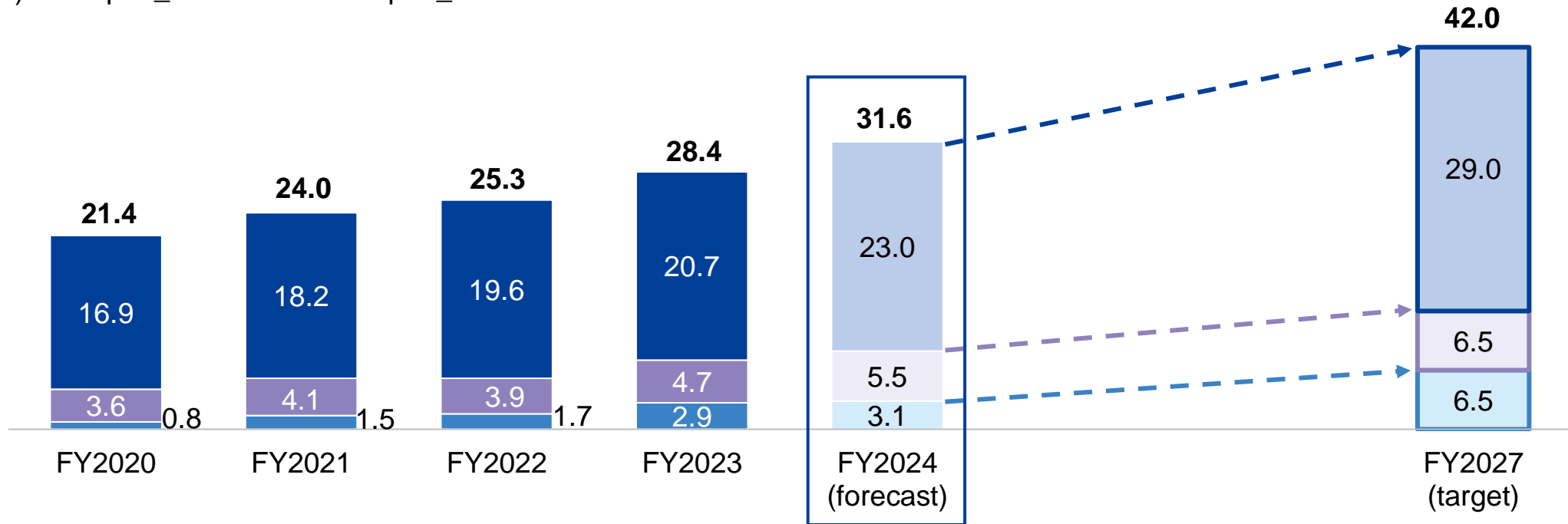
*1DAY-lens net sales: Includes products supplied by other companies on an OEM basis.



1DAY-lens Sales Forecast (Breakdown of Sales)

Net sales are forecast to grow in the MELS Plan (increase in number of 1DAY-lens members) and overseas (increase in sales mainly in Europe and North America) because of the increase in production capacity.

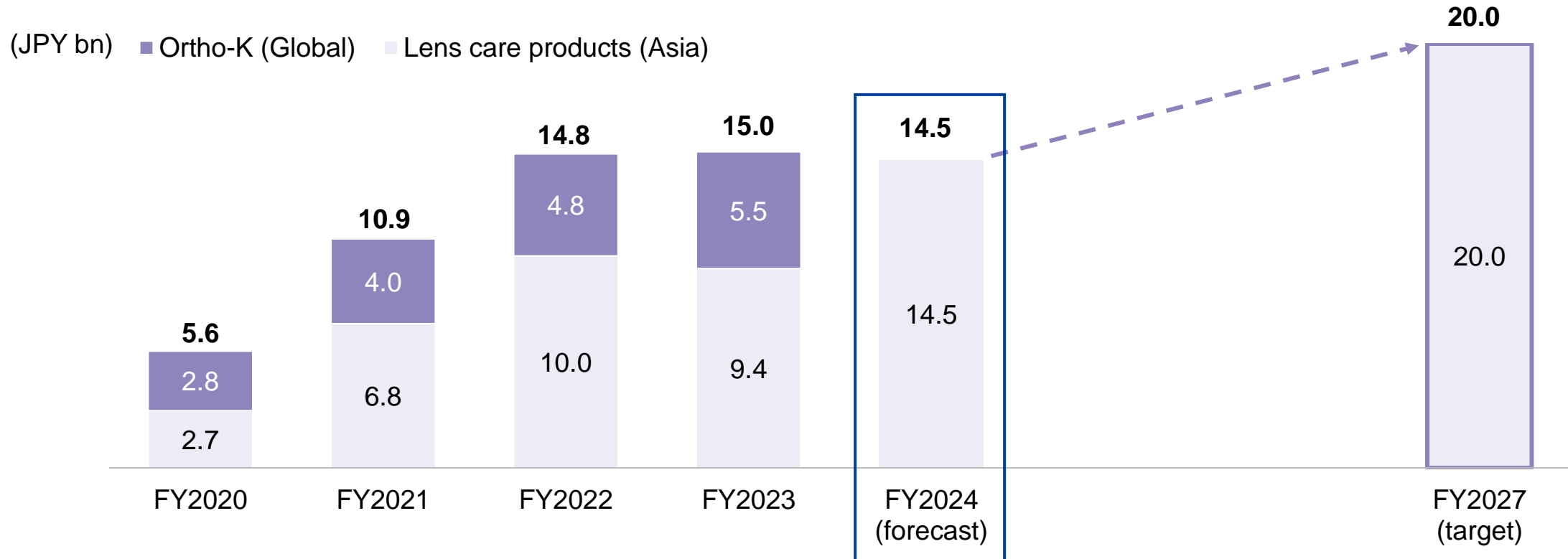
(JPY bn) ■ Japan_MELS Plan ■ Japan_Product sales ■ Overseas



Orthokeratology-related Sales Forecast (Breakdown of Sales)

Orthokeratology lenses: Growth is expected in Japan and other regions.

Lens care products: Economic stagnation in China and changes in the competitive environment are expected to affect net sales.



Strengthening the Supply Chain: Logistics

Establish a logistics system that has the capacity to support an increase in the number of products and inventory quantity, and to enable efficient operations in anticipation of increases in medium- to long-term demand.

Menicon SC GmbH

Established in March 2024

Background

Relocated Menicon GmbH's distribution center management and operation functions

Target area

Mainly Europe

Germany



Global Logistics Center in Japan

Established in May 2024

Background

Consolidated logistics functions in Northern Japan (Miyagi Prefecture) and Komaki (Aichi Prefecture)

Target area

Overseas and throughout Japan (mainly the Kanto region and northwards)



Chiba Prefecture

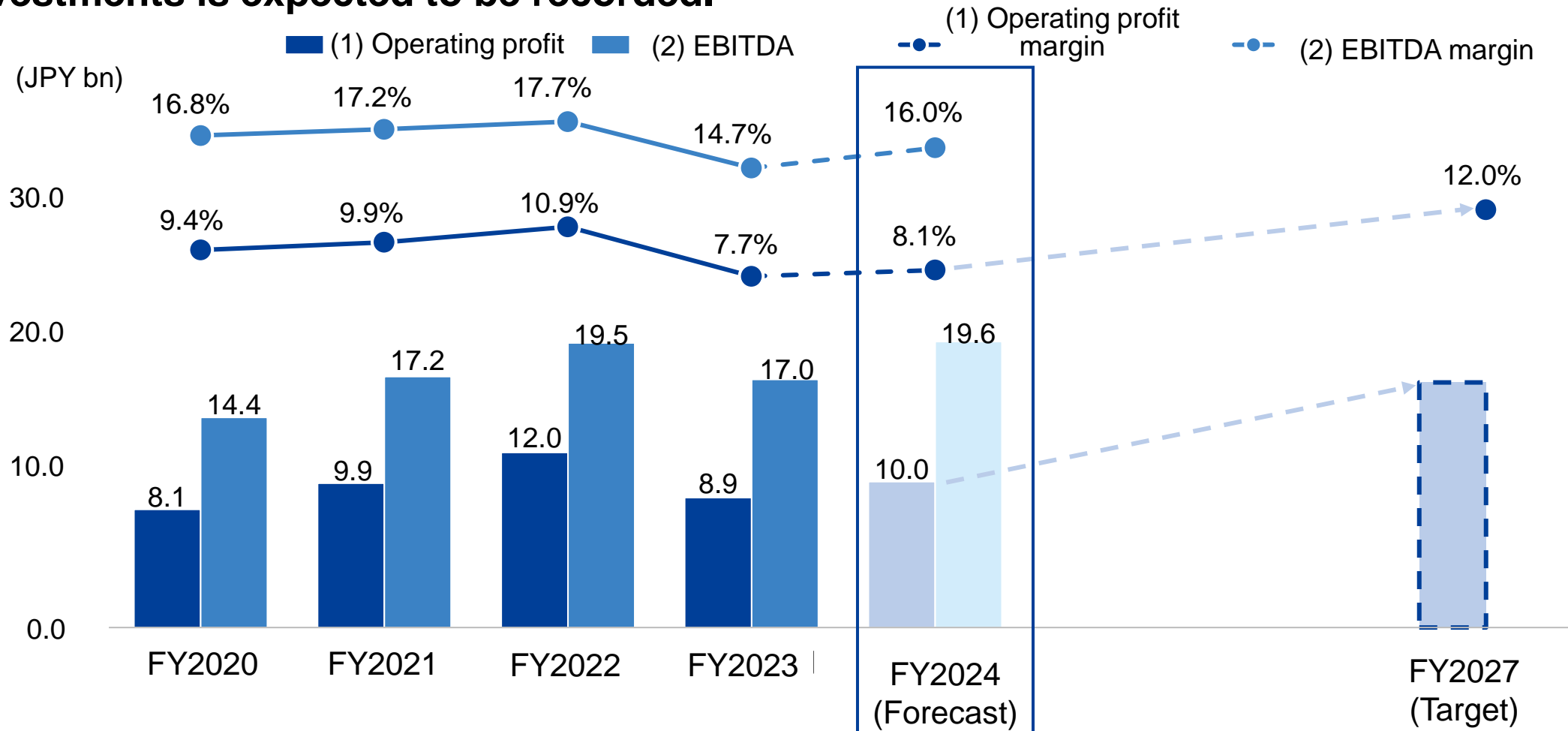


- ✓ Increase capacity to support an increase in the number of products and inventory quantity.
- ✓ Save manpower through automation and digitization of operations, etc.
- ✓ Position close to major sales areas to achieve efficient operation.

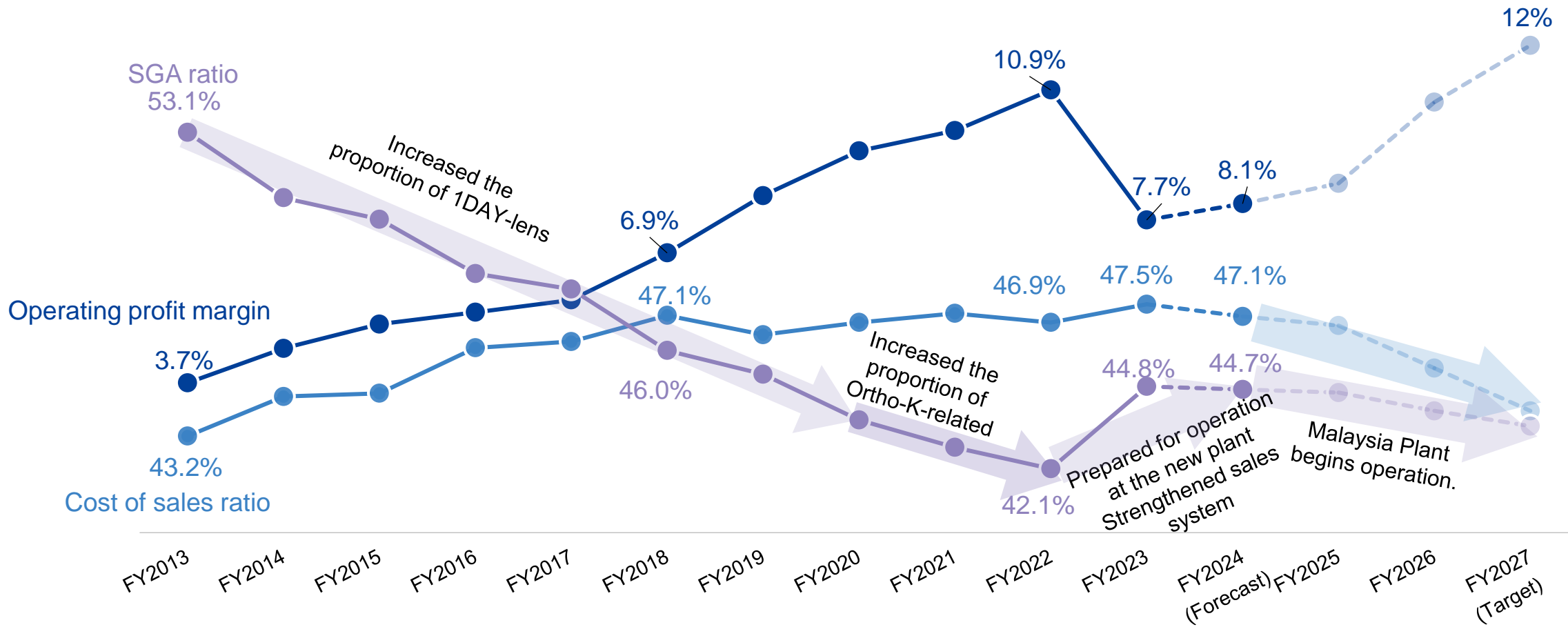


Operating Profit / EBITDA Forecast

EBITDA is expected to grow higher than operating profit because depreciation due to investments is expected to be recorded.



Cost of Sales Ratio / SGA Ratio / Operating Profit Margin



Expanding Our Business Domain

We are promoting the expansion of our business based on growth potential, uniqueness and social contribution.

Assisted reproductive technology



Development and Sales

For clinics

- **Motile sperm isolation device**

Increased use in general gynecology facilities because infertility treatment is now covered by health insurance.

Healthcare



Development and Sales

For clinics, electronic commerce retailers, etc.

- **Healthcare, pregnancy and beauty supplements, etc.**

Increased sales due to growth in the femtech sector and diversification of sales methods.

Life Care



Development and Sales

For farmers and livestock producers

- **Compost accelerator**
- **Rice straw decomposition facilitator, etc.**

Achieved an increased of sales in environment-related businesses while reducing environmental impact.

Food



Sales

For food supermarkets and wholesalers

- **Fresh fish and rice (exported)**
- **Dry goods, etc. (imported)**

Improved profitability by increasing the volume of trade.

Veterinary Medical



Development and Sales

For veterinary hospitals and electronic commerce retailers, etc.

- **Intraocular lenses, contact lenses and surgical equipment for animals**
- **Supplements for animals, etc.**

Developed new channels and increased sales in Asia.



Menicon's Information Dissemination Tools

Financial results information

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

General business, strategic and non-financial

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



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

Business, culture and society

- [Podcast \(several episodes a month\)](#)
* In Japanese only



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Disclaimer

- This document was created by Menicon Co., Ltd. (hereinafter referred to as the “Company”) for the purpose of understanding the Company’s current situation in order to serve as a reference for all investors.
- The contents of this document have been prepared based on the generally recognized economic and social conditions as of February 14, 2025 and certain assumptions that the Company deems reasonable. The contents are subject to change without notice due to factors such as changes in the business environment.
- Investors should always rely upon their own judgment when making an investment.

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- 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, the Company is not obligated to update or revise the "forward-looking statements" included in this presentation.

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