Fiscal Year Ended June 30, 2025

Earnings Presentation Materials



August 8, 2025 Medius Holdings Co., Ltd.

Securities Code: 3154

Today's Key Points



- Medical fee revision that came into effect in June 2024 has raised medical fees paid to doctors and hospitals but lowered drug prices and material prices. Meanwhile, the outlook surrounding our group remains uncertain, as costs have continued to rise due to high energy prices and the effects of exchange rate fluctuations. The medical fee revision has called on medical institutions to raise salaries for medical care professionals, address the "Work Style Reform for Doctors," and promote medical digital transformation (DX), among other matters. In response to these demands, we remain committed to ensuring a stable supply of products while resolving customer issues in order to build a sustainable medical system.
- In the current consolidated fiscal year, net sales and gross profit increased due to an increase in the number of surgical operations and the acquisition of new customers, and expanded sales from companies that were acquired or spun off prior to the previous year. Although selling, general and administrative expenses rose compared to the previous year, the increase in revenue led to an overall improvement in profitability.
- Having largely achieved the numerical targets of the previous Medium-Term Business Plan up to FYE 6/2025, ahead
 of schedule in FYE 6/2024, we announced a new three-year plan. Additionally, based on the financial results for FYE
 6/2025 and changes in the business environment, we further rolled the plan forward and formulated a new one
 through to FYE 6/2028.
 - To ensure the continued sustainable growth of the Medius Group, we will steadily carry out the necessary business investments while enhancing shareholder returns through an appropriate dividend policy, thereby striving to further increase corporate value.
- Going forward, the Medius Group will maintain its contribution to regional medical care through business activities centering on the sale of medical devices.
 To provide persistent medical care, we will strive to ensure that our own company continues to be sustainable.

► Financial Results for the FYE 6/2025



(Millions of yen, %)

	FYE June 2024 (Results)	FYE June 2025 (Results)		YoY	
	Amount	Amount	% of net sales	Increase/ decrease	Percentage
Net sales	259,789	288,689	100.0	28,900	111.1
Medical Device Sales Business	253,996	282,688	97.9	28,691	111.3
Welfare Device Business	5,792	6,001	2.1	209	103.6
Operating profit	1,327	1,875	0.6	548	141.3
Ordinary profit	1,750	2,422	0.8	671	138.4
Profit attributable to owners of parent	1,124	1,375	0.5	250	122.3
Earnings per share (yen)	51.21	61.91	-	-	1

Group Companies





- Active Medical Co., Ltd.
- NOAH INTERNATIONAL co.,ltd.
- Akita Medical Instruments Co., Ltd.
- Kuribara Medical Instruments Co.,Ltd.
- Tsumugu Medical Co., Ltd.
- ORTHO EDGE JAPAN co., Ltd
- MEDIUS Solution Co., Ltd.

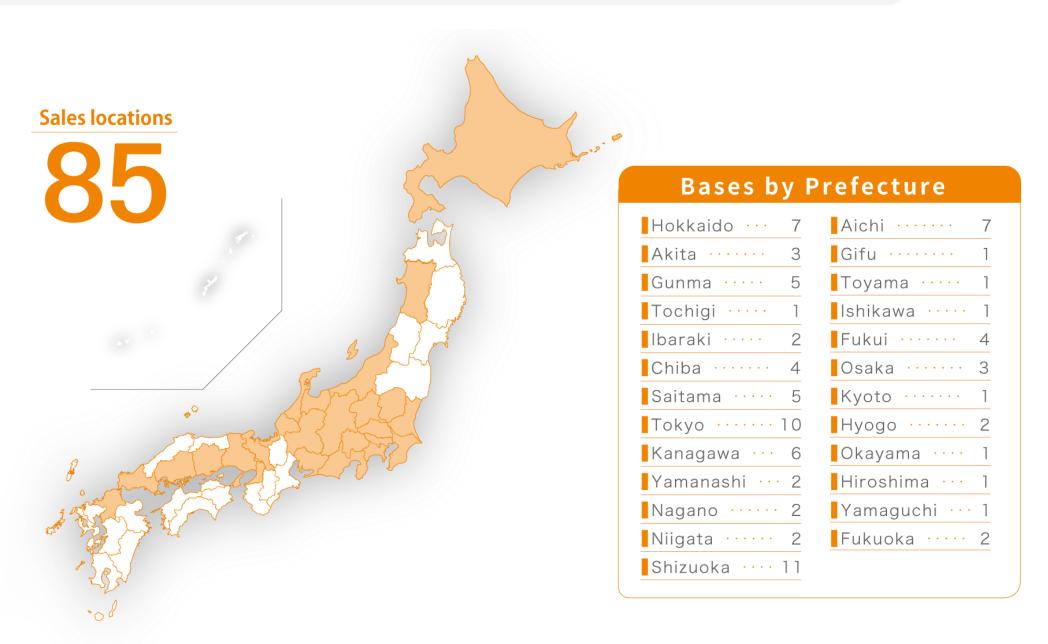
Group Companies



- ALVAUS, Inc.
- MAKOTO MEDICAL SYSTEMS INC.
- Kyowa Medical Corporation
- MITAS Inc.
- Ishikawa Medical Instruments Co.,Ltd.
- Sano Co. Ltd.
- Althent, Inc.

Sales Locations





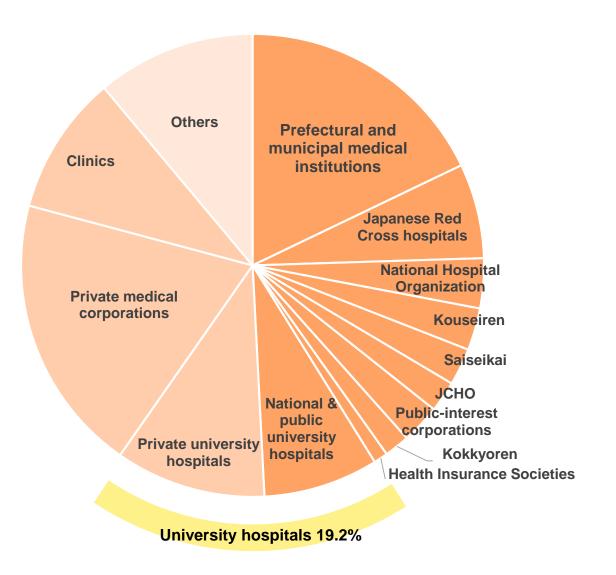
Medical Device Sales Customer Segments



Public Medical Institutions	Prefectural and municipal medical institutions	16.8%	
	Japanese Red Cross hospitals	6.3%	
	National Hospital Organization	3.7%	
	Federations of Agricultural Cooperatives for Health and Welfare (Kouseiren)	2.6%	
	Saiseikai Imperial Gift Foundation (Saiseikai)	2.8%	48.1%
	Japan Community Healthcare Organization (JCHO)	2.0%	
	Public-interest corporations	2.6%	
	Federation of National Public Service Personnel Mutual Aid Associations (Kokkyoren)	1.5%	
	Society-Managed Health Insurance	1.0%	
	National university hospitals	8.9%	
Private Medical Institutions	Private university hospitals	10.3%	
	Private medical corporations	19.3% 39.9%	
	Clinics	10.3%	
Other Medical Institutions	Others	12.1%	12.1%

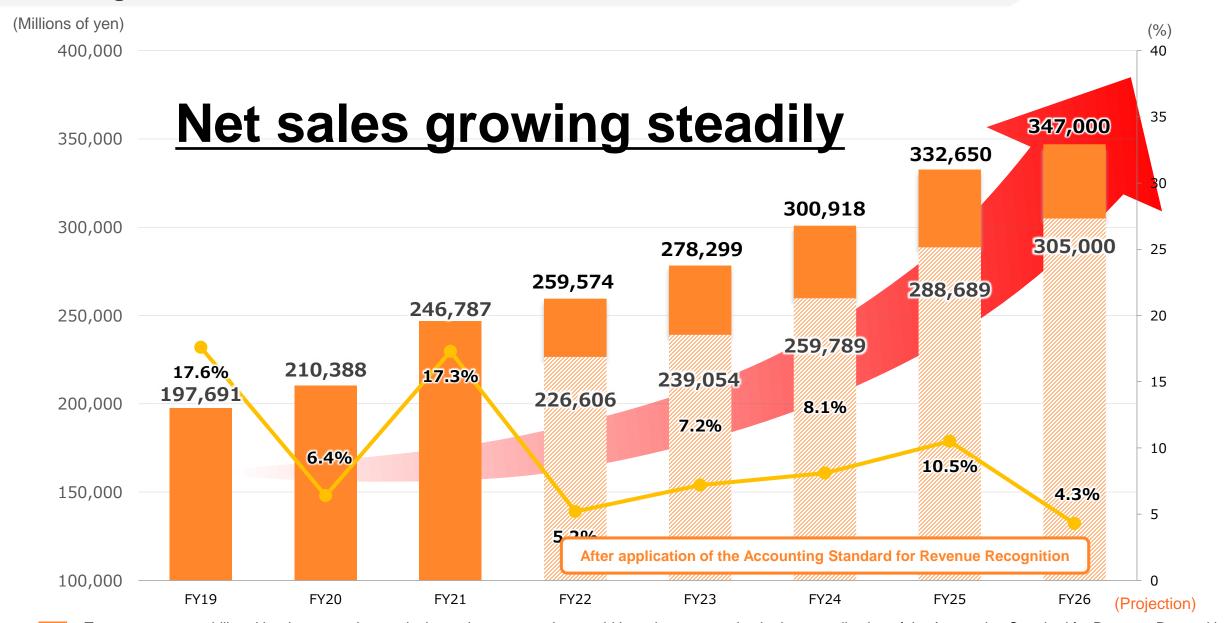


Note: The medical institutions above include customer hospitals that are business partners of our sales agents.



Changes in Sales



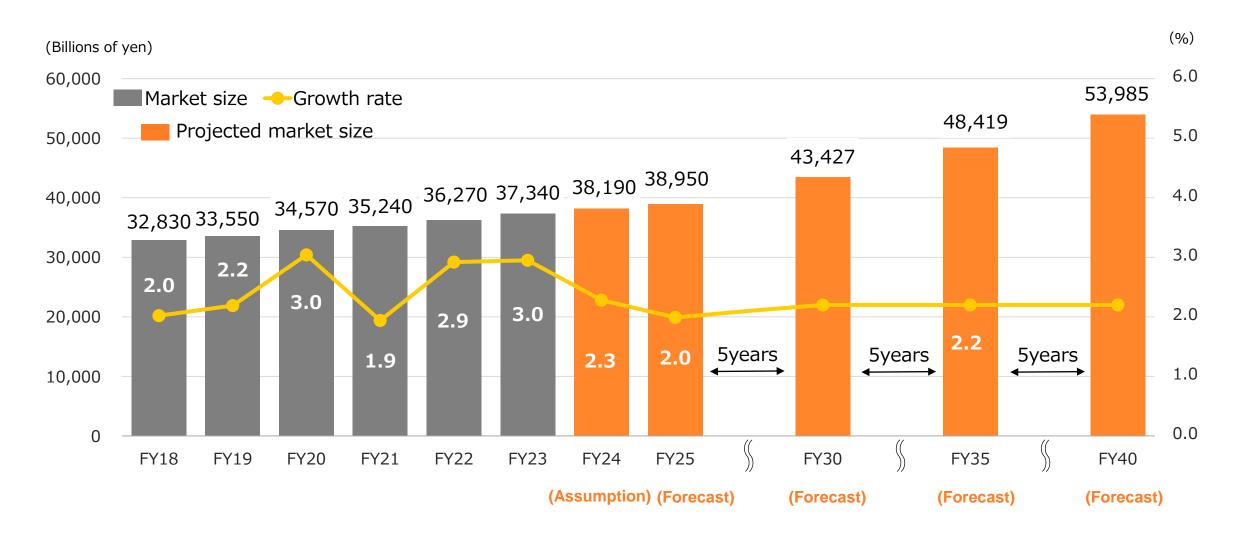


:To ensure comparability with prior years, the graph shows the amounts that would have been recognized prior to application of the Accounting Standard for Revenue Recognition.

:Growth rate (comparison before revenue recognition changes)

Market Conditions for Medical Devices





Source: Figures up to FY25 (Assumption) are from the 2025 Yearbook of Medical Devices and Supplies: Market Analysis Edition, published by R&D Co., Ltd. Figures from FY30 onward were calculated from the market growth rate forecasts in Employing Estimates of the Medical Devices Market in 2025 and 2040 to Think about the Industry's Future, published by the Medical Device Strategy Institute of the Japan Association for the Advancement of Medical Equipment.

► Medium-Term Business Plan: FYE 6/2026 – FYE 6/2028



Reinforce existing businesses

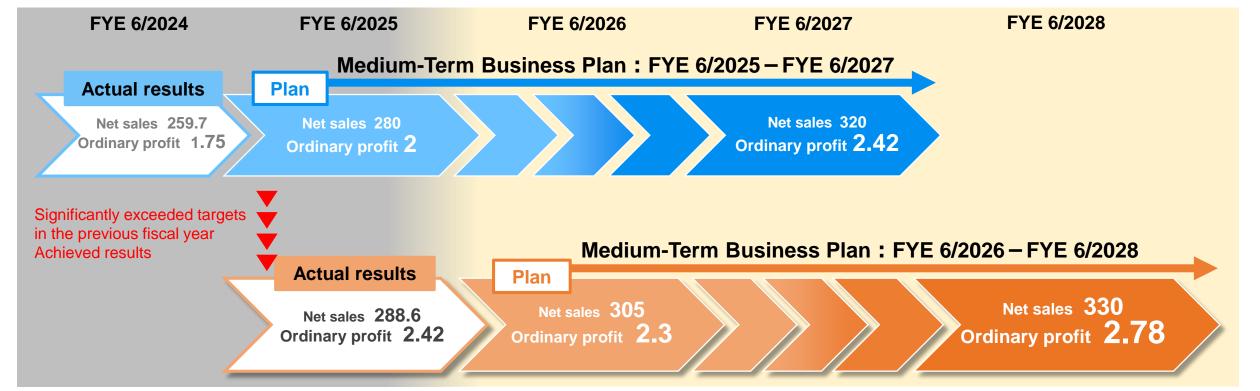
+ Aim to expand scale through M & A



Ordinary profit Up 10% annually

Use ordinary profit as a key indicator to improve profitability and strengthen existing businesses. On the other hand, continue business expansion through M&A. Enhance business efficiency by developing new business models, aiming for further growth.

(billion yen)



Medium-Term Business Plan: Strategies to Enhance Corporate Value





Restructuring of Existing Businesses

Improve operational efficiency

Treating increased profits as the highest-priority issue, seek to enhance productivity in operating activities and streamline operational costs of all kinds.

Improve capital efficiency

Focus investment on M&A strategies that will lead to growth, aiming for rapid profit contribution.

Policies & Measures

Strengthen human capital

Steadily strengthen human capital by bolstering profitability as the basis for enhancement of corporate value into the future.

Selective, Focused Business Investment

<u>Cultivate a solid</u> financial foundation

Target a solid financial foundation by improving operational efficiency and capital efficiency.

Returns to shareholders

Leverage an improved financial foundation and greater shareholder returns to enhance the Company's stock market evaluation.



Sustainability-Focused Management

Stable supply
To support uninterrupted
medical care

Solutions

To contribute to medical and nursing care business management

Environmental conservation
For a habitable planet

Strengthened human capital As the bedrock for value creation

Governance
To establish sustained trust

M&A & Alliance Strategy: Background



▼ Japan's medical device market

- ✓ The market is projected to continue growing until 2040 as Japan's society ages. There is plenty of scope for growing the top line.
- However, growth in Japan's medical device market has slowed compared with previous years in an environment where overseas medical device manufacturers are overwhelmingly dominant and rank highest in the world for net sales. What is more, the appeal of the Japanese market for overseas manufacturers has waned and it has become less of a priority. Reasons for this include reimbursement prices that held down selling prices then caused them to fall significantly, making the market unprofitable, and the high costs of bringing new products to market—including obtaining regulatory approval.

Net sales of medical device manufacturers

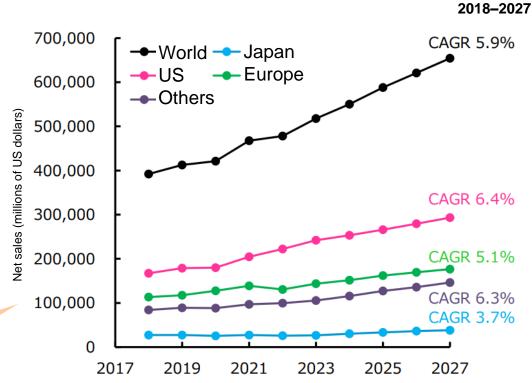
Company	Country	FY	Net sales
Medtronic	Ireland	2025/4	4,997 billion yen
Johnson & Johnson	US	2024/12	4,746 billion yen
Abbott	US	2024/12	4,220 billion yen
Terumo	Japan	2025/3	1,362 billion yen
FUJIFILM	Japan	2025/3	1,226 billion yen
Olympus	Japan	2025/3	996 billion yen

(Source) Cited from each company's website

Note: Net sales of overseas medical device manufacturers were calculated from the US dollar amounts using an exchange rate of US\$1 = 146 yen.

Expected growth rates are 6.4% for the US, 5.1% for Europe, and 6.3% for other regions. However, the expected CAGR for the Japanese medical device market is 3.7%, indicating low growth compared with other regions.

Growth in medical device markets and CAGR



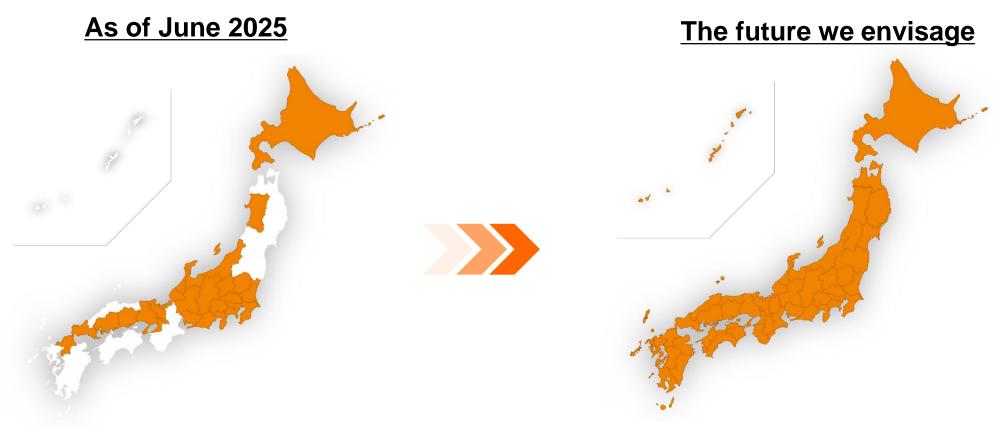
Source: Excerpt from *Vision for the Medical Device Industry 2024*, published by the Japanese Ministry of Economy, Trade and Industry

M&A & Alliance Strategy: Background



▼What manufacturers want

- ✓ Manufacturers are focused on reducing costs (operating costs and logistics costs); they therefore want sales agents to undertake that role.
- ✓ They also want <u>widespread operations</u>, <u>regional market shares</u>, <u>financial stability</u>, <u>capacity to maintain and manage stock</u>, <u>sales capability</u>, and a <u>compliance system</u>.



We will use M&A and alliances to <u>establish a logistics network enabling widespread</u> operations in order to become the dealer of choice for manufacturers.

► M&A Strategy: Medius Holdings M&A in Recent Years (Subject to Consolidation)



Year	Month	Target company	Status at time of M&A	Current status
2020	Mar.	Active Medical Co., Ltd.	Consolidated subsidiary	Became part of current ALVAUS, Inc. following restructuring within the Group. Operations in the Hokkaido area transferred to current Active Medical Co., Ltd.
		Cor Medica Co., Ltd.	Consolidated subsidiary Note: Sub-subsidiary (former Active Medical Co., Ltd.)	Apr. 2022 Sold
	July	Sefnet Co., Ltd.	Business taken over by Kuribara Medical Instruments Co., Ltd.	
		Core Medical Co., Ltd.	Business taken over by Kuribara Medical Instruments Co., Ltd.	
2021	Apr.	Therapy Co., Ltd.	Business taken over by Kuribara Medical Instruments Co., Ltd.	
	Oct.	Sano Co. Ltd.	Consolidated subsidiary	
2022	Oct.	NOAH INTERNATIONAL Co., Ltd.	Consolidated subsidiary Note: Sub-subsidiary (Active Medical Co., Ltd.)	
		Shibuya Medical Co., Ltd.	Business transferred to Active Medical Co., Ltd.	
	Sept.	Medical Leaders Co., Ltd.	Business taken over by Kuribara Medical Instruments Co., Ltd.	
2023	July	Tanaka Medical Instruments Co., Ltd.	Business taken over by ORTHO EDGE JAPAN Co., Ltd.	
2024	Mar.	Futuro Co., Ltd.	Business taken over by ORTHO EDGE JAPAN Co., Ltd.	
	Apr.	MAKOTO MEDICAL SYSTEMS INC.	Consolidated subsidiary	Integration of KYOWA MEDICAL CORPORATION Kofu Branch

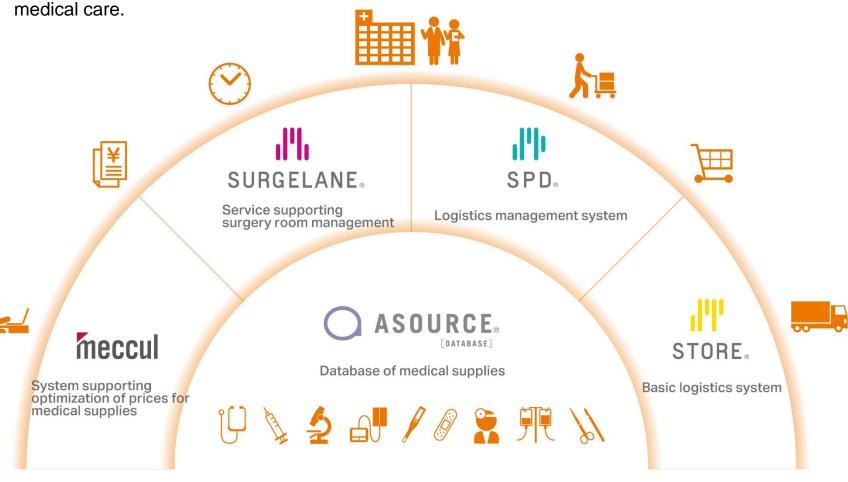
Total Solutions Strategy





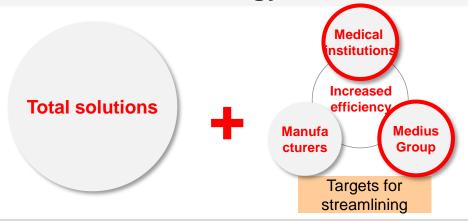
Medical institutions are facing increasingly serious management challenges, including the need to respond to workstyle reforms for doctors, declining revenues due to healthcare cost containment policies, and rising expenses such as utilities and labor costs.

The Medius Group has earned trust due to the multifaceted support it offers on the frontlines of medicine and nursing care by providing IT-based solutions needed by medical institutions seeking to develop better conditions for the provision of



Total Solutions Strategy: Solutions Lineup





ASOURCE® DATABASE

This database of medical supplies developed independently by Medius Holdings is one of the largest in Japan.

Forming the cornerstone of the Medius Group's IT-based solutions, it contributes to improved information gathering and the streamlining of operations as a comprehensive, trustworthy, instantaneous service.

→ Enhances Medius Group operations

Having received positive reviews from industry peers, the database could provide opportunities for alliances.

→ Expands sales channels and operations

meccul ANALYSIS SERVICE

This service supports purchasing management in the highly specialized medical supplies market by analyzing individual medical institutions' purchasing patterns from various perspectives and identifying issues.

meccul aggregates data on the prices paid for medical supplies by around 2,000 hospitals. Individual hospitals can use this data to compare their own purchasing data with that of other hospitals and with market averages. Thus, they can gain an understanding of reasonable price levels within the overall market, empowering them to negotiate on prices or select the right products.

→Helps to streamline operations and business management on the medical frontline

SPD

SPD stands for Supply, Processing, and Distribution. It is a strategy originating in the US for streamlining the management of distribution within hospitals.

Our solution goes beyond a conventional SPD solution's streamlining of logistics management to also help with selecting the right medical supplies and determining reasonable purchase prices.

→ Helps to streamline operations and business management on the medical frontline

ASOURCE STORE

This is a basic SPD service for small and medium-sized hospitals.

It manages medical supplies appropriately, tracks their rate of usage, and supplies the items required all together at the same time. The service eliminates time spent by nurses on managing supplies, as well as wastage caused by stock that is defective or out of date. Visualizing these processes in data form also enables monitoring of changes in order volumes.

→ Helps to streamline operations and business management on the medical frontline

SURGELANE®

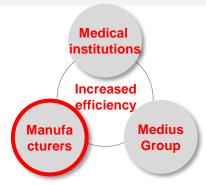
This service visualizes surgery-related revenue and expenditure, which is the key to hospital management. An entire hospital's balance of revenue and expenditure can be improved by streamlining back-office operations and boosting revenue from surgery.

The service combines two features that can support surgery room management. One feature is helping to streamline back-office operations within the hospital, such as the management and preparation of medical supplies used in operations; the other is visualizing surgery rooms' utilization rates, revenue and expenditure, and so on.

→ Helps to streamline operations and business management on the medical frontline

Streamlining of Operations: For Manufacturers

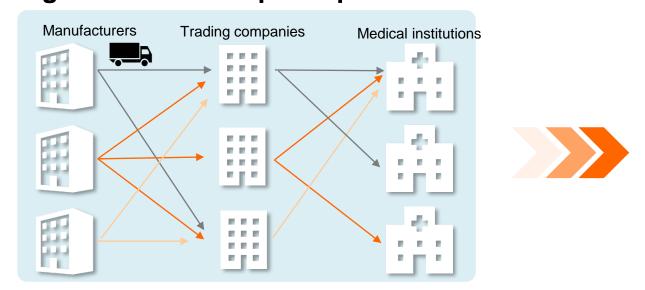




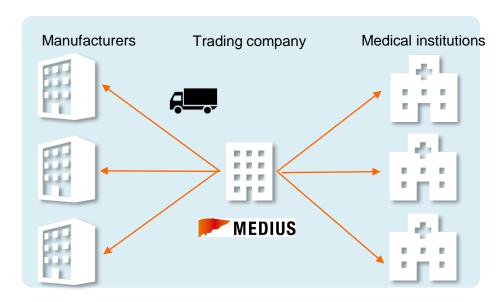
Manufacturers and medical device trading companies need to take action to address higher logistics costs and reduced working hours.

The Medius Group alleviates the associated burdens on manufacturers by picking up products from them for distribution. In addition, we help to solve manufacturers' logistics-related problems by offering services through our 3PL business, such as inventory management and delivery from warehouses.

▼Logistics based on pick-up from manufacturers



Conventional logistics: Manufacturers transport products to sales agents



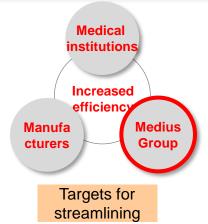
Pick-up-based logistics: A sales agent (trading company) picks up products from manufacturers

▼Third Party Logistics (3PL) business: Management of warehouse operations

Medius makes use of a distribution center to take on and perform logistics work outsourced by manufacturers.

Streamlining of Operations: Within the Medius Group





Establish shared corporate operations

Strengthen & diversify human capital

Consolidate specialist domains Reorganize within the Group

Streamline the whole **Group's operations for** further growth

> Advance digitalization

Optimize procurement & logistics

Transform business administration

Topics: Established three new operating companies







Mediris Logistics Co., Ltd.

July 2025

Spun off as a specialized company focused on logistics functions by consolidating the group's accumulated expertise in medical device logistics. Aiming to build a logistics system with higher specialization and flexibility, while ensuring a safe and prompt healthcare delivery system, thereby contributing to the medical field.



Product Procurement

MIUL Healthcare Co., Ltd.

July 2025

Product development division spun off.
Leveraging direct sourcing from
overseas manufacturers and agile
product development reflecting
consumer needs to strengthen the
group's private brand strategy and
contribute to profit maximization.

Aiming to establish a fabless model that integrates planning, procurement, and sales of medical devices and replacement supplies.



Contract Sales Support

REPS Corp.

July 2025

Contract business of KURIBARA MEDICAL Instruments was incorporated as a separate company. Aiming to build a new ecosystem in the medical supply chain by leveraging expertise as professionals in medical sales.

By establishing a proprietary partner dealer system tailored to each manufacturer's products, it will support nationwide sales activities.

Topics: Advancing to the Next Stage





Toward Unified Medical Information Infrastructure Nationwide

Partial Free Access to MECCUL Database

March 2025

Began offering some functions of the paid version of the MECCUL medical materials database free of charge. Aimed at uplifting the entire medical distribution industry by supporting operational efficiency of peers amid challenges such as logistics issues and declining reimbursement prices.

The paid version offers daily updates on list prices and reimbursement price history, while the free version allows monthly downloads of the full dataset as of the release date. The customizable paid version will continue, enhancing support for medical settings through advanced data use.



Contributing to Healthcare Across Hokkaido

Establishment of A+north Medical Inc.

October 2025 (planned)

Active Medical Co., Ltd. and its subsidiary, NOAH INTERNATIONAL co., Itd., which joined the Group in 2020 and 2022 respectively, will be integrated to establish A+north Medical Inc. Both companies have worked to strengthen their sales capabilities by sharing expertise and information they own.

This integration will consolidate management resources and build a robust network and sales structure covering entire Hokkaido. By ensuring the prompt and stable delivery of medical materials, it aims to further contribute as a reliable partner that supports medical front.

Topics: Advancing to the Next Stage



ORTHO EDGE JAPAN Co., Ltd. Surging Ahead!

Established in July 2023 as a subsidiary of KURIBARA MEDICAL Instruments, the company began operations as a specialized trading firm focused on orthopedics. Since then, it has actively expanded its nationwide sales activities in collaboration with regional Group companies, steadily achieving results from Akita in the north to Kagoshima in the south. In just two years since founding, it has grown to become one of the leading players in the domestic orthopedic market.

Aims to swiftly deliver innovative global medical solutions to patients in Japan and serve as a bridge between global and domestic markets. Will further strengthen Group collaboration to support broader and more sustainable healthcare.

ORTHO EDGE JAPAN Co., Ltd. President & CEO Genji Tamura received the "Healthcare Elite of the Year" award in the Healthtech & Wellness category at the Fluxx Awards 2025.

The Fluxx Awards honor individuals and organizations driving innovation and transformation in various fields worldwide. Hosted by Fluxx Events, winners are selected from thousands of candidates based on leadership, achievements, recommendations, career history, and financial stability. The inaugural ceremony was held on June 5, 2025, at The Ritz-Carlton in Hong Kong.

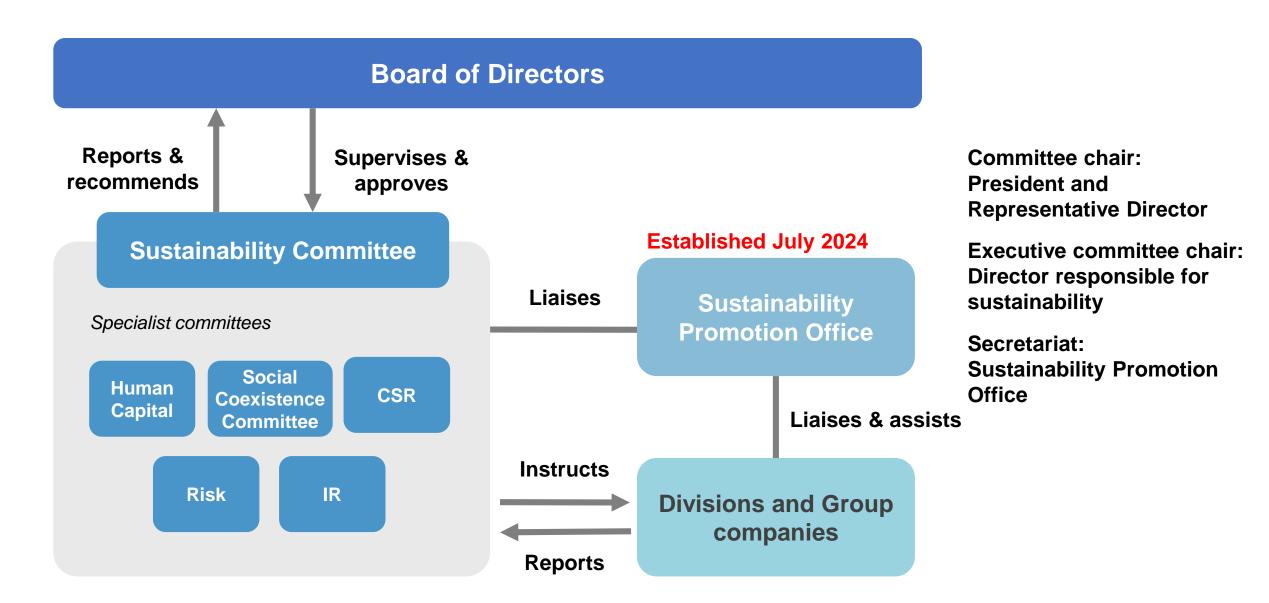
Genji Tamura, President and CEO of ORTHO EDGE JAPAN Co., Ltd., received the "Healthcare Elite of the Year" award in the HealthTech & Wellness category for his innovative initiatives and outstanding leadership.



Provided by Fluxx Events

Structure for Promoting Sustainability





Sustainability: Identification of Material Issues



- Consider ESG issues
- Identify material issues
- Prioritize material issues
- Set metrics & targetsDetermine overall
- Determine overall policies
- •Plan & implement

- Manage progress
- Spread Groupwide awareness

• Integrate into business management

	Material Issues	Subtopics			
	Stable supplying reliable medical and nursing care equipment	 Select and supply products that are high-quality, safe, and reasonably priced 			
		 Ensure rapid, stable delivery of supplies required for provision of medical and nursing care 			
1		 Create a structure for delivery of supplies that can respond to emergencies such as natural disasters or another infectious disease 			
		 Join forces with our suppliers to fulfill our societal responsibilities and contribute to society 			
	Supporting medical and nursing	 Provide our total solutions service to help with medical and nursing care business management 			
2	care transform by using our imagination.	 Take local characteristics into account when helping to provide information to the front lines of medical and nursing care and develop infrastructure 			
3	Consorving onvironment	Act on global warming			
3	Conserving environment	Implement measures to establish a circular economy			
4 0	Promoting human resource development that leads to value creation.	 Establish and maintain appropriate relations between management and workers, and promote occupational health and safety 			
		 Promote increased understanding and protection of human rights, and create workplaces and systems that enable active participation by a diverse range of human resources 			
		 Develop an HR system, and education and training programs, that enable both individuals and the Company to grow 			
	Balancing sustainable trust and growth.	Maintain compliance and prevent corruption			
5		Strengthen governance and risk management			
		Reinforce our business foundation and expand our operations			
		 Improve disclosure of information on topics such as growth strategies and sustainability strategies 			

Sustainability: Climate Change Response



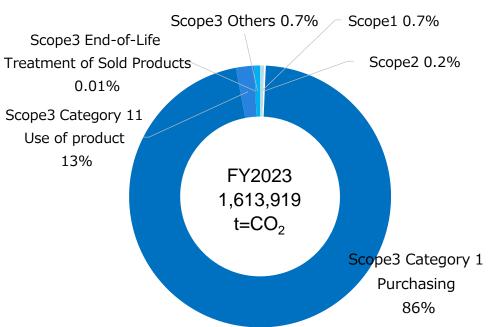
To assess and manage the impact of climate-related issues on business management, the Group began calculating greenhouse gas (GHG) emissions (Scope 1–3) in FY2022 (July 2022–June 2023) based on the GHG Protocol, and continued doing so in FY2023 (July 2023–June 2024).

We have set a target to reduce Scope 1 and 2 GHG emissions of the Group by 42% from the FY2022 baseline by FY2030.

Moving forward, efforts will extend beyond the Group to include the entire supply chain.

**GHG emissions (Scope 1 and 2) in FY2024 (July 2024–June 2025) are scheduled to be disclosed on website in October 2025.

[Medius Group Greenhouse gas emissions from Scope 1 to Scope 3 from April 2023 to March 2024]



Scopes 1 & 2 10,133 (t-Co₂) Scope 3 1,603,786 (t-Co₂)

Reduction target for FY2030
Scopes 1 & 2 42% reduction
compared with FY2022

Note: We omitted the following categories of Scope 3 emissions from our calculations as they are not relevant to our business: category 8 (Upstream leased assets), category 9 (Downstream transportation and distribution), category 10 (Processing of sold products), category 13 (Downstream leased assets), category 14 (Franchises), and category 15 (Investments).

Sustainability: Promoting the Active Participation of All Human Resources



		Results for FYE 6/2024			Results for FYE 6/2025			
		Medius Holdings co., Ltd.	Kuribara Medical Instruments Co., Ltd.	Kyowa Medical Corporation	Medius Holdings co., Ltd.	Kuribara Medical Instruments Co., Ltd.	Kyowa Medical Corporation	
Ratio of women in management (Note 1)		16.7	12.9	6.3	14.8	12.8	5.1	
Ratio of eligible men taking parenting leave (Note 2)		— (Note3)	31.3	12.5	50.0	81.0	18.2	
Ratio of women's pay	All workers	— (Note4)	61.7	51.5	— (Note4)	59.8	52.4	
to men's pay (Note 1)	Regular workers	— (Note4)	66.3	61.5	— (Note4)	63.6	62.3	
	Part-time/fixed- term workers	— (Note4)	65.1	75.5	— (Note4)	69.3	69.0	

Notes:

- 1. Ratios are calculated in accordance with the provisions of the Act on Promotion of Women's Participation and Advancement in the Workplace (Act No. 64 of 2015).
- 2. Ratios of eligible men taking parenting leave are calculations of the childcare leave usage ratios in Article 71, paragraph 4-1 of Japan's Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labor No. 25 of 1991) pursuant to Japan's Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Act No. 76 of 1991).
- 3. During the period in question, there were no male employees eligible for parenting leave at Medius Holdings.
- 4. Ratios of women's pay to men's pay are omitted for Medius Holdings as the Company is not obliged to disclose this information according to the provisions of the Act on Promotion of Women's Participation and Advancement in the Workplace (Act No. 64 of 2015).

Sustainability: Social Contribution Activities



Donation to the UN World Food Programme (WFP) Red Cup Campaign

The Red Cup Campaign subsidizes provision of school meals to improve the nutritional status of children who are not attending school, create opportunities for them to go to school, and increase their motivation to study as a means of enhancing their future lives. Participating companies sell certain products bearing the "Red Cup" mark and donate a portion of the revenue from these products to the campaign.

- √The Company donated a portion of the revenue from the ASOURCE® SELECT private brand.
- √The company joined the campaign in April 2023 and donated a total of 14,790,674 yen.

ひとりでも多くの子どもたちに学校給食を









Donation gift-matching for Médecins Sans Frontières (Doctors without Borders)

We conducted a donation gift-matching campaign, inviting employees to make voluntary donations to which the Company added the same amount again before donating the total. We also added a gift-matching option to our benefits for shareholders, whereby shareholders could indicate their wish to donate their benefits and the Company added an equivalent amount before making the donations.

√The Company started collecting donations from employees in January 2023, and by June 30, 2025, we had donated <u>a total of 4,895,000 yen</u>.

√With respect to Shareholder benefits with a record date of the end of June 2024, the Company donated <u>a total of 176,000 yen</u>, having matched the donations of shareholders who chose the option of contributing to society.



Sustainability: Social Contribution Activities



Contributing to society alongside local

Projects in collaboration with local communities

▶ Paper Cup Recycling

Kuribara Medical Instruments Co.,Ltd. X Thespa Gunma X Kokusai Pulp & Paper Co., Ltd. X Oji Holdings Corporation

In collaboration with Thespa Gunma, Kokusai Pulp & Paper Co., Ltd. and Oji Holdings Corporation, we conduct material recycling of paper cups generated at Shoda Shoyu Stadium and MADRE (distribution center) on Thespa Gunma match days. The collected paper cups undergo crushing and washing and other processes before being recycled into tissue boxes, which are then used at stadiums and stores.

► The Ota Health Promotion 39 Project <u>Kuribara Medical Instruments Co., Ltd. X Ota City (local authority) X Gunma Crane Thunders</u>

✓ We addressed sustainability and corporate social responsibility (CSR) by creating a partnership with Ota City and the Gunma Crane Thunders regional basketball team to launch the Ota Health Promotion 39 Project. From April 2023 to March 2025, we held five events in which participants litter-picked along a set course with checkpoints on the way.







Contributing to local social welfare initiatives

S-Pulse Social Welfare Fund

Medius Group X Shimizu S-Pulse

- √ Three Group companies—Medius Holdings, Kuribara Medical Corporation, and Alvaus—support the S-Pulse Social Welfare Fund, which enables the activities of the Shimizu S-Pulse regional soccer club to contribute to local social welfare initiatives.
- ✓ Shimizu S-Pulse sets aside a donation fund according to the number of goals scored in its home games and the number of spectators attending games. At the end of the season, it makes donations to local social welfare organizations and medical institutions. In 2021,the fund was used to present a wheelchair-accessible vehicle to an institution in the city of Shizuoka.



Sustainability: Social Contribution Activities



Boosting medicine's potential through the potential of the young

Hands-on medical experience event, MEDI-Message

Kyowa Medical Corporation & ALVAUS X MEDI-Message Executive Committee (Shizuoka Medical Association, etc.)

We hold medical experience events in Shizuoka Prefecture since 2007 to foster local healthcare talent, offering children opportunities to engage with medical professions through recreated operating rooms, real medical equipment, and talks by active doctors.

Approximately 5,500 visitors attended "MEDI-Message 2024" held in Shizuoka City, gaining valuable hands-on experience with real medical technologies.

Advance notice

MEDI-Message 2025 To be held in November 2025



Dates: November 15th and 16th, 2025

Venue: Kira Messe Numadu



Overview of the FYE 6/2025



Net Sales

Net Sales 288.6 billion yen

(YoY +11.1% year on year / vs. initial plan +3.1%)

► Year-on-year

Increase due to increased surgical operations, acquisitions of new customers, full-year contribution from MAKOTO MEDICAL SYSTEMS INC., and sales growth at Althent, Inc.

«Replacement supplies»

✓ Increase in surgical operations and progress in acquisition of new customers, mainly in orthopedics and cardiovascular fields (+)

《Equipment》

- ✓ Full-year sales of equipment at MAKOTO MEDICAL SYSTEMS INC. (+)
- ✓ Sales of large equipment such as radiology devices (+)
- ►Vs. initial plan Higher-than-expected surgical operations, strong acquisitions of new surgical operations mainly in orthopedics and cardiovascular fields

Overview of the FYE 6/2025



Profits

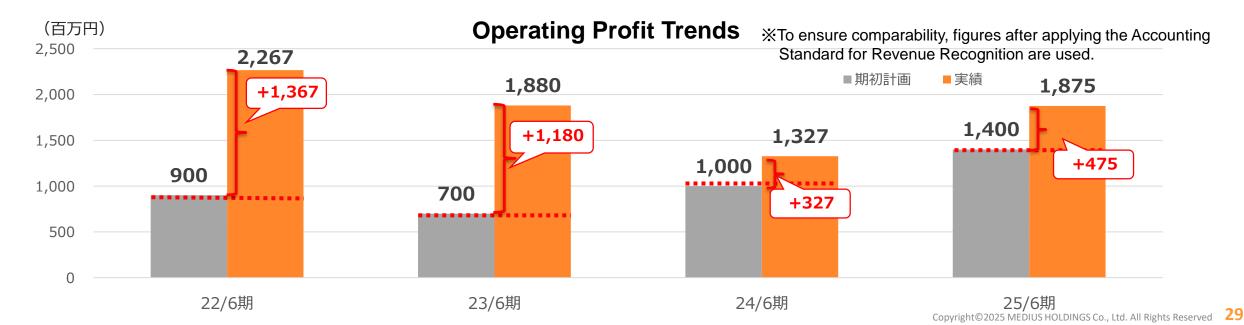
Gross Profit Operating Profit 1.87 billion yen 34.4 billion yen (YoY +41.3% / vs. initial plan +34.0%) (YoY **+10.8%** / vs. initial plan -)

► Year-on-year Despite soaring cost of sales and lower reimbursement prices in June 2024, gross profit

margin was maintained through strong sales capabilities. Operating profit grew as higher

sales offset increased costs from business expansion.

▶ Vs. Initial Plan Sales was higher than the plan, and efforts to delay relocation and cut expenses related to various measures kept SG&A within budget, resulting in operating profit above plan.

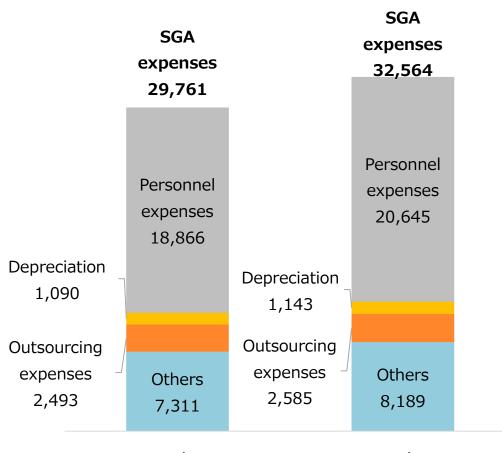


Overview of the FYE 6/2025



Selling, general and administrative expenses

Selling, general and administrative expenses 32.56 billion yen (YoY +9.4%)(Of which) Personnel expenses 20.64 billion yen (YoY +9.4%)



Personnel expenses

- ✓ Personnel hiring due to business expansion (+)
- ✓ Full-year recording of MAKOTO MEDICAL SYSTEMS INC. results (+)
- ✓ Recording of Tsumug Medical co. results due to its addition to consolidation (+)

Depreciation

✓ Full-year recording of costs related to newly opened bases in FYE 6/2024. (+)

Outsourcing expenses

✓ Outsourcing costs for logistics, etc. (+)

Others

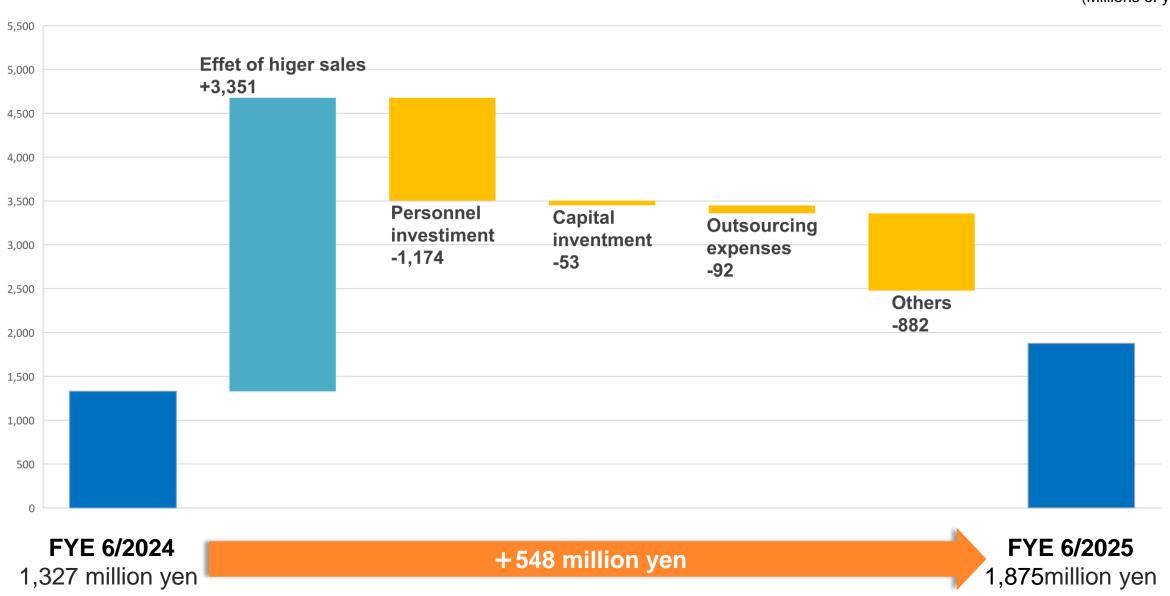
- ✓ Full-year recording of running costs for the warehouse management system launched in Q4 of FYE 6/2024 (+)
- License costs from bulk replacement of business PCs (+)

FYE 6/2025

► Analysis of Factors Contributing to Operating Profit

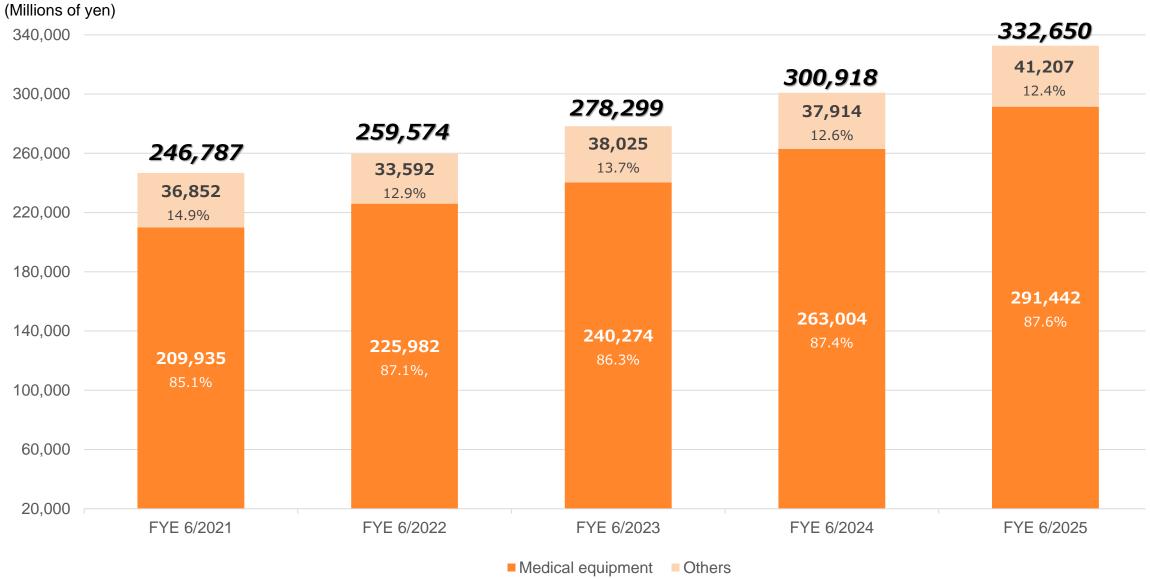


(Millions of yen)



Net Sales (Medical Equipment and Others)



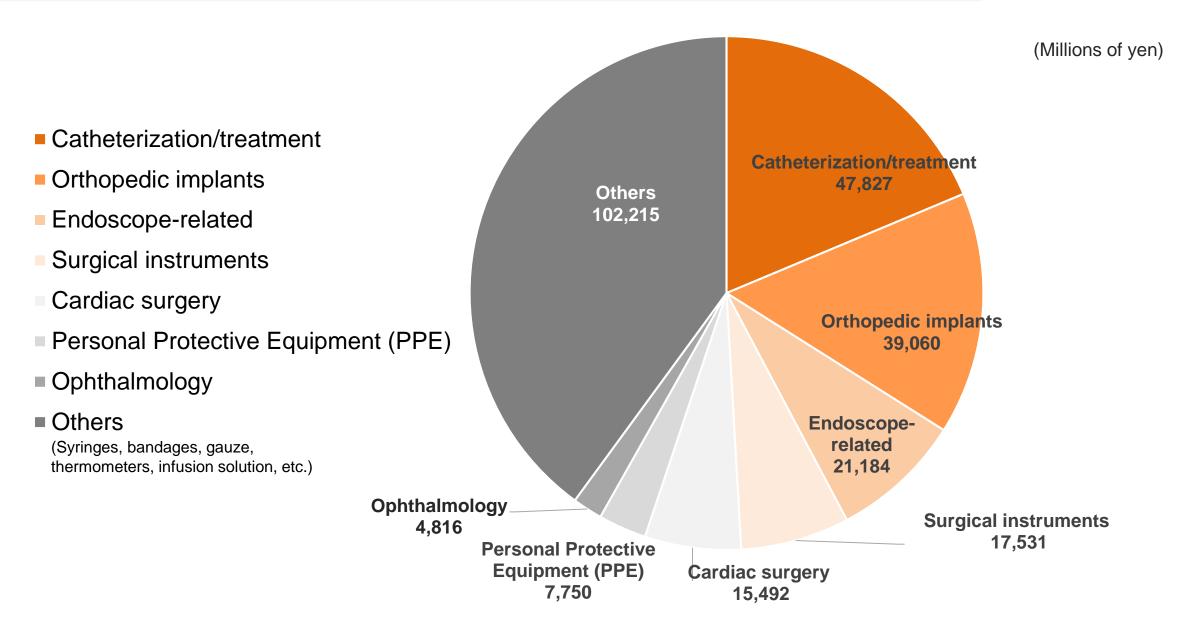


Notes:

- 1. The figures above were calculated based on the standard in force prior to application of the Accounting Standard for Revenue Recognition.
- 2. "Others" comprises sales of replacement supplies, repair fees, etc.

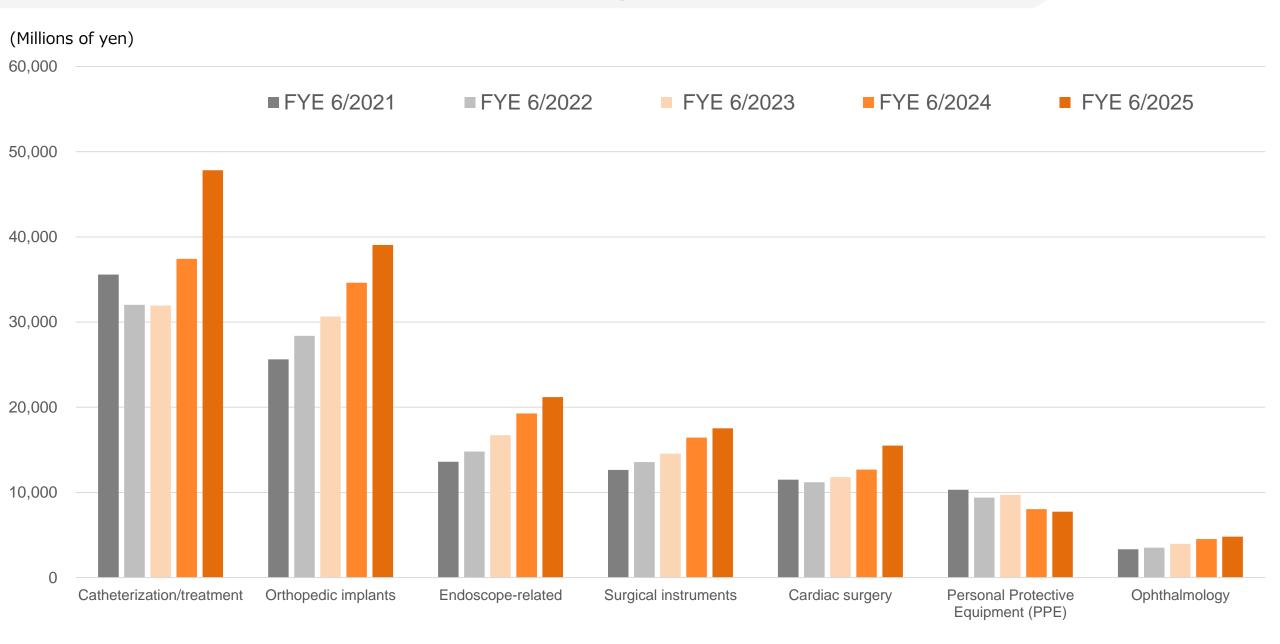
Replacement Supplies FYE 6/2025 Net Sales by Category





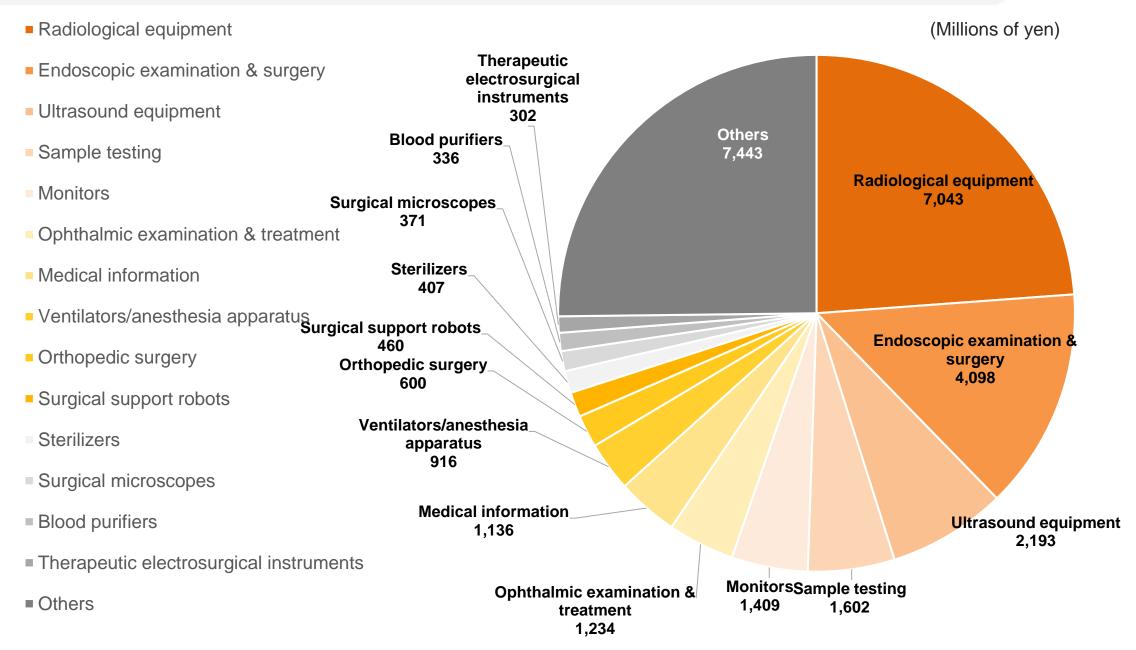
Replacement Supplies Net Sales in Main Product Categories (FYE June 2021–FYE June 2025)





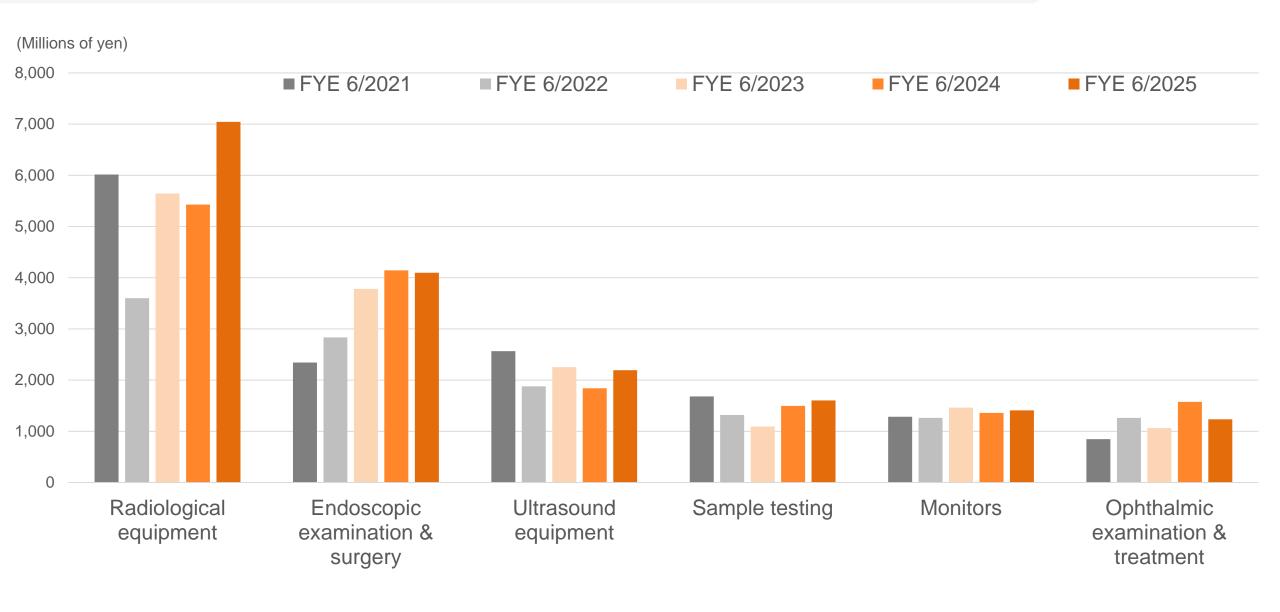
Medical Equipment FYE 6/2025 Net Sales by Category





► Medical Equipment Net Sales in Main Product Categories (FYE 6/2021–FYE 6/2025)





► FYE 6/2026 Full-Year Financial Results Outlook



(Millions of yen)

	FYE 6/2025	FYE 6/2026		
	Full-year	Full-year (Plan)	YoY	
Net sales	288,689	305,000	105.6%	
Operating profit	1,875	1,750	93.3%	
Ordinary profit	2,422	2,300	94.9%	
Profit attributable to owners of parent	1,375	1,300	94.5%	
Ratio of operating profit to net sales	0.6%	0.6%	-	

Full-Year Financial Results Outlook for FYE 6/2026: Further Information



Net sales & gross profit

- ✓ Sales expansion driven by enhanced solution offerings and new SPD contracts
- ✓ Increase in testing and surgical operations, with new operations mainly in cardiology and orthopedics
- ✓ Cost of sales expected to rise due to yen depreciation and inflation, but strengthened sales efforts are projected to maintain gross profit margin at the prior-year level
- ✓ Capital investment expected to be suppressed as medical institutions face increasing financial pressures

Operating profit, ordinary profit, and profit attributable to owners of parent

- ✓ Personnel costs expected to rise due to continued hiring driven by business expansion at key subsidiaries, as well as basic wage increases
- ✓ Logistics costs expected to increase due to higher sales volume and rising delivery unit prices.
- ✓ IT-related costs expected to rise due to expenses for the strengthening of security systems to prevent critical risks that may undermine the management foundation, as well as development of mission-critical system

Dividend Payout Ratio and Policy



Dividend payout ratio

The Company's basic policy is to distribute the results commensurate with its growth while securing the internal reserves necessary to maintain stable growth over the medium to long term. To this end, the Company pays dividends with a target consolidated <u>dividend payout ratio of 30% or more</u>.

	FYE 6/2018	FYE 6/2019	FYE 6/2020	FYE 6/2021	FYE 6/2022	FYE 6/2023	FYE 6/2024	FYE 6/2025	FYE 6/2026 (Projection)
Dividend per share (Initial projection)	14.0	14.0	14.0	14.0	14.0	14.0	14.0	19.0	20.0
Dividend per share	14.0	14.0	14.0	21.0	19.0	22.0	21.0	20.0	_
Consolidated payout ratio (%)	36.7	_	32.1	22.1	22.3	32.2	41.0	32.3	34.2

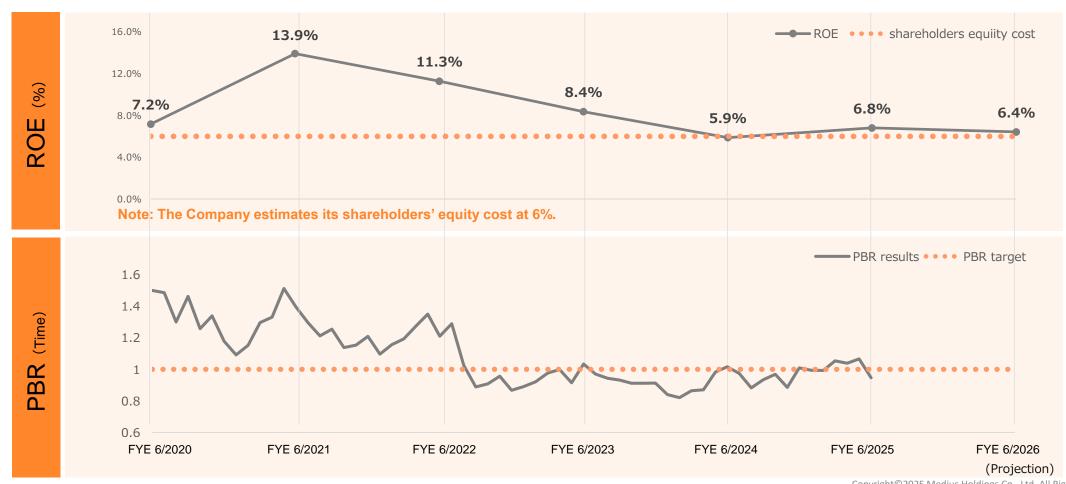
Dividends for FYE June 2025

Considering the above policy and the situation including adjustment of our financial results, we raised the dividend by 1 yen from our initial projection to 20 yen per share.

Management Conscious of Cost of Capital and Stock Price: Analysis of Current Situation



- The Company's shareholders' equity cost is estimated at 6% on a capital asset pricing model (CAPM) basis.
- ◆ ROE is now on a downward trajectory, having peaked during the FYE 6/2021, but it still exceeds the cost of shareholders' equity. In the medium term, ROE is forecast to remain around the 6-7% range, but in the long term, we are targeting 8% or more as a result of profit growth.
- ◆ PBR has hovered around 1x since the fiscal year ended June 2022 due to a decline in stock price. Going forward, we will seek to improve our market valuation by growing profits through a range of measures and strengthening our external communications



Management Conscious of Cost of Capital and Stock Price: Analysis of Current Situation



ROE Medium-term 6% Long-term 8% or more

Improve profitability

- Restructure and strengthen existing businesses
- Cultivate businesses in new domains

Grow gross profit

Curb SGA expenses

Optimize allocation of business resources

- Enhance business profitability
- Expand sales of private brand products
- Expand business into new domains
- Enhance productivity by streamlining operations
- Invest aggressively in priority fields and human resources
- Deploy human resources effectively

Optimize the balance sheet

- Maintain shareholders' equity at a certain level
- ◆ Optimize capital composition

Improve capital efficiency

Investment M&A & alliances

Enhance returns to shareholders

- Improve the cash conversion cycle (minimize inventories and optimize business receivables and payables)
- Conduct selective, focused investment in projects with growth potential
- Maintain a dividend payout ratio of 30% or more



Our philosophy remains unchanged since the Company's founding

Contributing to Community Hearthcare



Our Business: Medical device sales and maintenance business

Nursing care and welfare product sales and rental business

Established

July 2009

(Changed to present company name in 2010)

Capital

1.38 billion yen

(As of June 30, 2025)

No. of employees

2,614

Group total (As of June 30, 2025)



June 30

Representative

President and Representative Director

Yasuhiko Ikeya



Toho Hibiya Building, 1-2-2 Yuraku-cho, Chiyoda-ku, Tokyo, Japan

The Medius Group's Businesses



Medical Device Sales Business

The Medius Group sells medical devices purchased from medical device manufacturers and others in Japan to medical institutions and undertakes repair and maintenance of such medical devices. Alongside its sale of medical devices, the Group provides an IT-based system for managing the purchase of medical supplies and inventory to medical institutions, medical supply dealers, and SPD* business operators.

Cutting-edge medical devices







Replacement supplies/Medical equipment





^{*}SPD stands for Supply, Processing, and Distribution. It is a system whereby hospitals outsource management of medical supply logistics to decrease their own stocks of supplies and reduce their own work burden in terms of managing supplies.

Welfare Device Business

The Medius Group sells and rents nursing care and welfare products purchased from medical device manufacturers and others in Japan to medical institutions and individuals.

Rental of nursing care and welfare equipment & supplies

■ Hospital beds, wheelchairs, rollators, walking sticks, adaptive clothing and footwear, hygiene products, etc.

Examples of assistive products that can be rented under Japan's long-term care insurance system











beds and accessories

Items to preve bedsores

Wheelchairs and accessori Walking frames rollators

Walking sticks

Images: From the Japanese Ministry of Health, Labour and Welfare's website (Rental of Assistive Products)

Sales of nursing care and welfare equipment & supplies

 Nursing care and welfare equipment & supplies Hospital beds, wheelchairs, etc.





► The Accounting Standard for Revenue Recognition



The Company applied the Accounting Standard for Revenue Recognition in the FYE 6/2022.

√ Impacts of applying standard

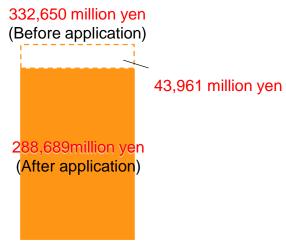
For transactions in which the Medius Group acts as an agent, net sales are reduced because revenue is recognized based on the net amount after deducting the payment to the supplier from the amount received from the customer.

(In the first half ended December 31, 2025, application of the standard resulted in net sales being 43,961 million yen lower than they would have been before the standard was applied). However, there was no impact on gross profit, operating profit, ordinary profit, or profit attributable to owners of parent as a result of applying this accounting standard.

✓ Agent transactions

A transaction in which the Medius Group does not bear the primary responsibility for sales transactions. For example, the Group arranges that other sales companies provide customers with products.

Agent transactions include invoicing undertaken on behalf of medical institutions where the Group is providing SPD services.



Major Suppliers (in Japanese alphabetical order)



Asahi Kasei Medical Co., Ltd.

Atom Medical Corporation

Abbott Medical Japan LLC

ALCARE Co., Ltd.

Alfresa Pharma Corporation

Intuitive Surgical G.K.

Air Water Medical Inc.

ASP Japan GK

Edwards Lifesciences Corporation

O&M Halyard Japan, G.K.

Osaki Medical Corporation

Okamoto Industries, Inc.

Olympus Marketing, Inc.

ORIX Rentec Corporation

Cardinal Health K.K.

Kao Professional Services Company, Limited

Kaneka Medix Corporation

Kawamoto Corporation

Canon Medical Systems Corporation

KYOCERA Corporation

Covidien Japan Inc.

Konica Minolta Japan, Inc.

Tokyo Saraya Co., Ltd.

Santen Pharmaceutical Co., Ltd.

GE Healthcare Japan Corporation

Siemens Healthcare K.K.

JMS Co., Ltd.

Sysmex Corporation

Johnson & Johnson K.K.

Zimmer Biomet G.K.

SB-Kawasumi Laboratories, Inc.

Senko Medical Instrument Mfg. Co., Ltd.

Century Medical, Inc.

Takara Belmont Corporation

Terumo Corporation

TOYOBO Co., Ltd.

Toray Medical Co., Ltd.

TOP Corporation

NAKASHIMA HEALTHFORCE CO., LTD.

Nichiban Medical Corp.

Nidek Co., Ltd.

Nipro Corporation

Alcon Japan Ltd.

W. L. Gore & Associates G.K.

Nihon Kohden Corporation

Stryker Japan K.K.

MC Medical, Inc.

Medtronic Japan Co., Ltd.

Japan Lifeline Co., Ltd.

Hakujuji Co. Ltd.

Baxter Limited

Paramount Bed Co., Ltd.

Hitachi, Ltd.

Philips Japan, Ltd.

FUJIFILM Medical Co., Ltd.

Hogy Medical Co., Ltd.

Boston Scientific Japan K.K.

Hoya Corporation

Medicon, Inc.

Medline Japan G.K.

Unicharm Corporation

Leica Microsystems K.K.

LifeScan Japan K.K.

Rakuten Medical K.K.

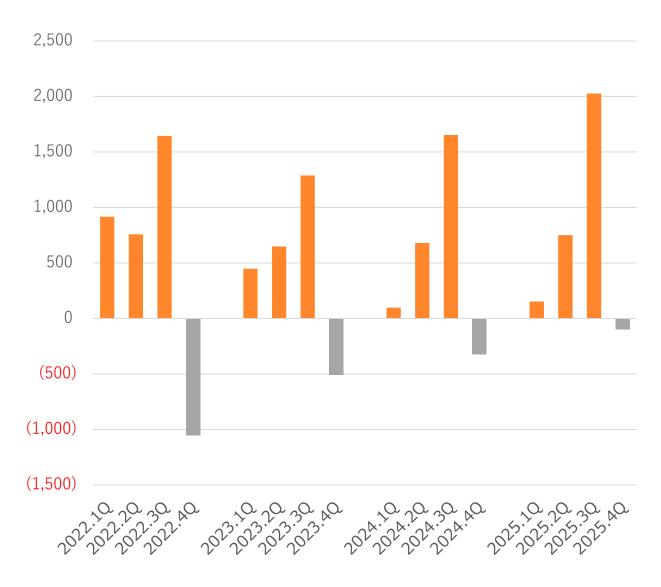
Radiometer K.K.

LiveDo Corporation

Medius Group Earnings Structure Seasonal



Quarterly operating profit



Seasonal factors

3Q: January to March

• This is the end of the fiscal year for medical institutions, so purchasing of medical equipment is concentrated at this time, driving up net sales.

4Q: April to June

- Net sales decrease as a reaction to the higher sales in 3Q.
- Personnel expenses increase due to hiring of new employees.
- Unit sales prices fall due to revised reimbursement prices.
- Impairment losses sometimes occur.

4Q to 1Q: April to September

 The number of patients tends to be relatively lower during the warmer months.

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