Overseas Business Strategy and Product Strategy

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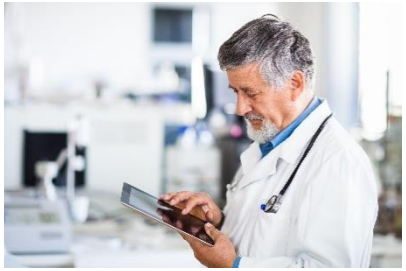
1. Market Trends

Increasing Dialysis Patients and Growing Dialyzer Demand

Dialysis Market Environment

Deployment of **region-specific strategies** in response to changes in **competitive players** and market environments.



Added value

Premiumization through
High-Performance Dialyzer/Clinical Value

Visualization of **Therapeutic Value** (NephroFlow)
Quality of Care & Operational Efficiency↗

Global dialysis patient growth : CAGR **+6.1%**

Amount

Capturing **High-Volume Segment**
(**Securing sales volumes** through bidding and broad geographic coverage)

Execute

Cost Reduction Driven by Production Automation / Improving Quality / Strengthening Compliance

Make it happen!

2. Strategy & Initiatives

Regional Strategy / Cost Reduction Measures

Regional Strategy

Executing **Regional Strategies** Aligned with Local Market Characteristics.

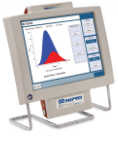
EU

Using iMEP /
Expanding **high value-added product** sales through sustained technical marketing. /
Development of **Next-Generation Dialysis Systems**.

India

※Mobile iMEP (India)

Development of **mobile iMEP**.
NephroFlow



China

Localization of Dialysis Systems.
New Normal **(CDDS)**

Factory
11 countries
18 factory

Sales
58 countries
164 locations

Americas

High-Performance Dialyzer
HDF Dialysis Systems
New factory in North Carolina

Asia

Promotion of **Single-Use**.
Expansion of **Safety Products**.

iMEP

institute for MEdical Practice / Medical Training Facility

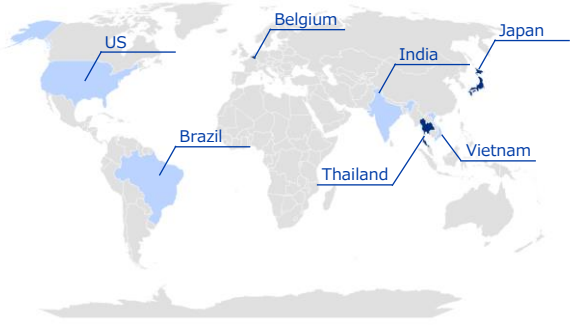
【Challenges】

Continuous Acquisition of Advanced **Medical Technologies** and **Expertise**. / **Team-Based Healthcare** Training / **Reskilling**

These opportunities are **lacking** in healthcare settings.

【Strategy of NIPRO】

Contributing to the advancement of regional healthcare through **medical training at iMEP**.



Operating

Japan
iMEP HQ

Belgium
Mechelen

Thailand
Bangkok

Coming soon

Vietnam

India

Americas

※Mobile iMEP(India)

Since opening in 2014,
cumulative users **exceed 160,000**.

Cost reduction across the entire supply chain

Demand Forecasting → Inventory → Production → Distribution → Customers

1. **Strengthening demand analysis** through PSI management.
Product Sales Inventory

Reducing workload and BO rates through **logistics optimization**.
/ Reduction in excess inventory.

2. Enhancement of **Supply Capacity**./Lowering of **Costs**.
(Progressively reducing headcount through full automation.
/Accelerating Local Production for Local Consumption.)

3. **Standardization** of Manufacturing Processes.
(Product Code Consolidation/Packaging/Specifications
/Process/Quality Standards)

3．Mid- to Long-Term Strategic Vision

Progress on the Mid-Term Management Plan /

Free Cash Flow / Long-Term Vision

Generation of Free Cash Flow

Self-Sustaining Capital Cycle

Sustainable Growth Strategy Investments

1 After taxes EBITDA

※(Net Sales-manufacturing costs - SG&A expenses) × （1-Effective tax rate)

Impact of Interest rate & Foreign exchange.

Transfer and Mitigation of Non-Operating Profit and Loss Volatility Risks.

2 Reduction of working capital

※(Inventory) + (Accounts Receivable) − (Accounts Payable)

Enhancement of PSI management./ Reducing Lead Times through Local Production for Local Consumption. / Shortening of Accounts Receivable & Inventory Holding Period.

3 Investment

※(New capital expenditures) − (Depreciation Expense)

Promoting Management with a Focus on Cost of Capital.
(As part of company-wide ROIC-based management)

Mid- to Long-Term Growth Vision

Expanding **existing portfolio** while cultivating **new growth drivers**.

Strong and Established Sales Base

Sales
58 countries
164 locations

Factory
11 countries
18 factory

Training
19 countries
26 locations

New Normal

Aiming to expand a broad portfolio of Japan-proven healthcare products into overseas markets.

Pharmaceuticals/Regenerative medicines / Infectious Disease Prevention Measures Areas

Developing Non-Dialysis Growth Areas

Actively promoting digital-related products

Strengthening Sales of Safety-Related Products

New Normal

Other than dialysis

Mainly dialysis-related

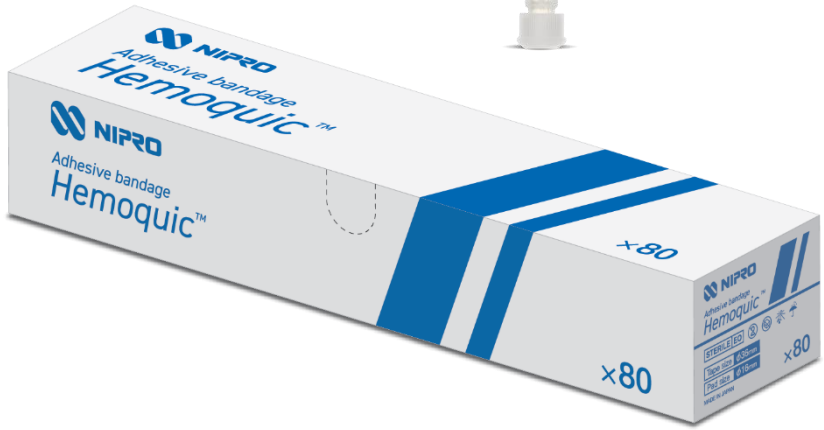
FY1990 FY1995 FY2000 FY2005 FY2010 FY2015 FY2020 FY2025 FY2030 FY2035 FY2040

4. Future Strategies and Initiatives

Dialysis Product Strategy

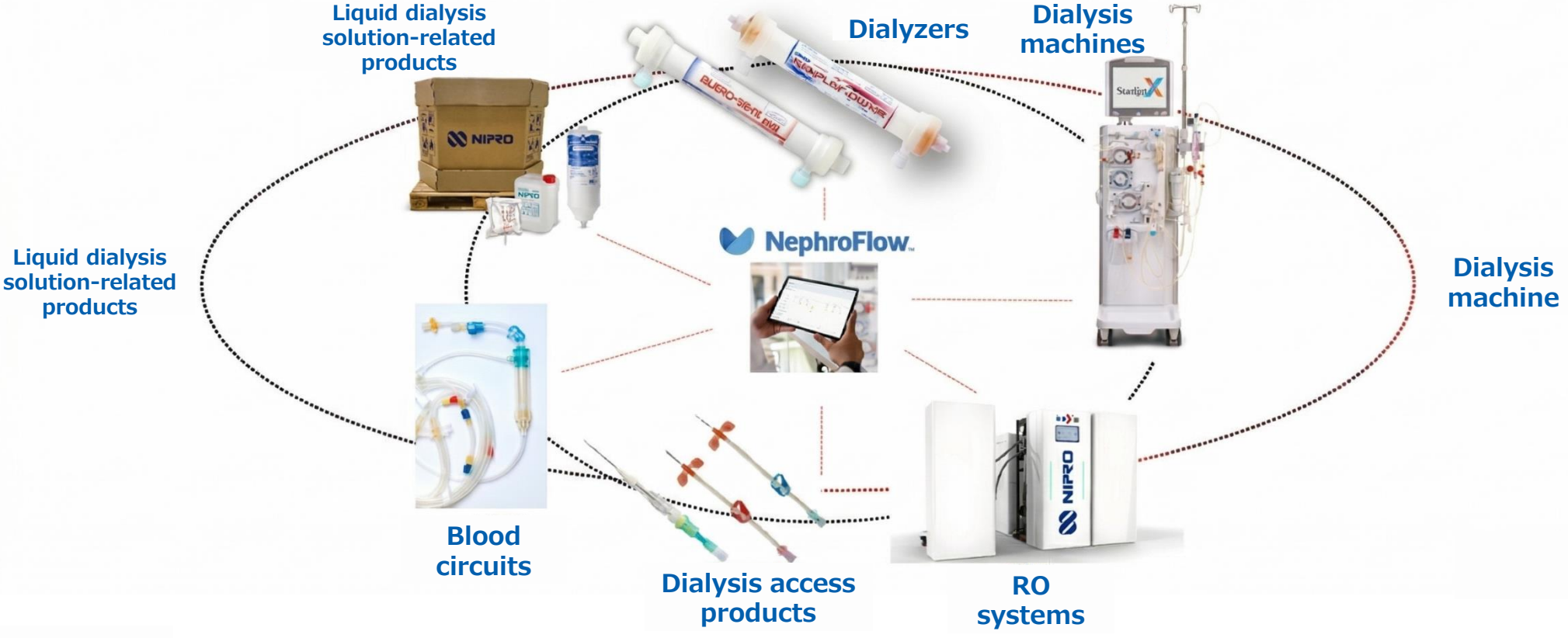
Dialysis Product Strategy

- Dialyzers
- Dialysis Access



Bringing Japan's Dialysis Technology to the World

Comprehensive Support for Dialysis Treatments
Bringing Japanese Superior Dialysis Treatment and Equipment to the World.

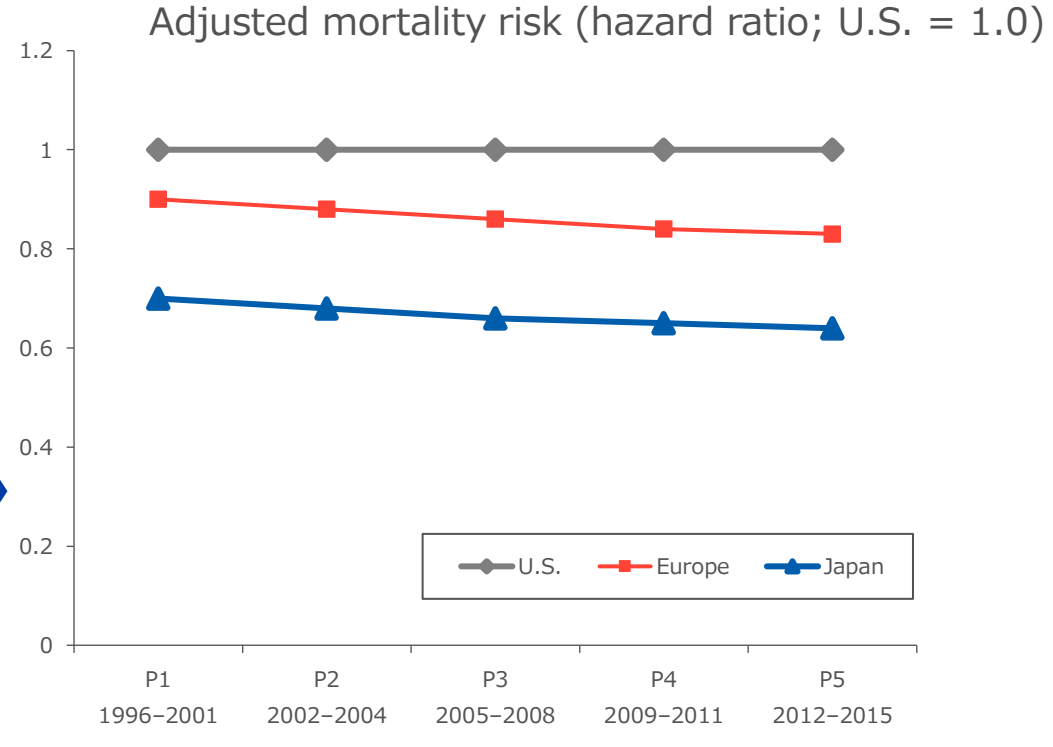


Superior Survival Outcomes for Dialysis Patients in Japan

Characteristics of Dialysis Treatment in Japan

Key factors contributing to favorable outcomes in Japan. (based on DOPPS, etc.)

- High use rate of native vascular access.
- Longer dialysis duration and adequate dialysis dose.
- High quality of dialysis care.



Source: Dialysis Outcomes and Practice Patterns Study (DOPPS)

Dialysis Product Strategy

Dialyzers

Bringing Japan's Dialysis Technology to the World

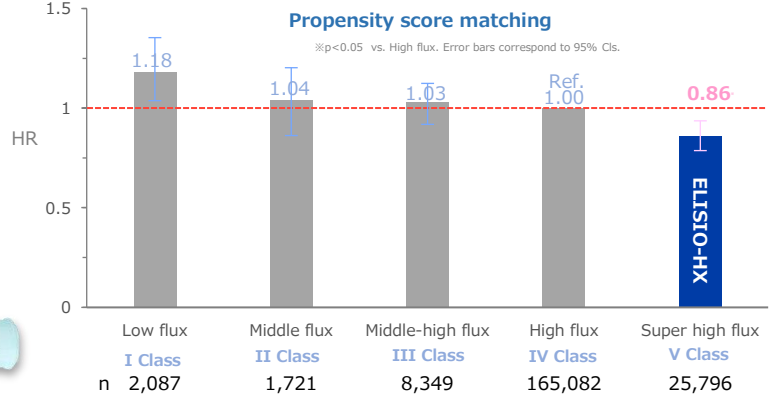
Reducing total cost while enabling safer dialysis treatment and improving patient QOL

SUPER HIGH-FLUX ELISIO-HX

Super High Flux Dialyzer

- Higher uremic toxin removal performance than High Flux.
- 14% lower mortality risk than High Flux*.
- Improves symptoms and enhances patient QOL.

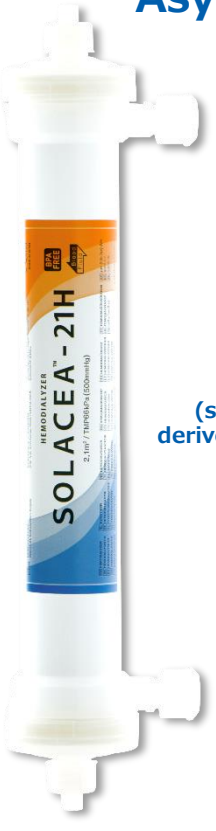
Mortality risk associated with differences in dialyzer removal performance.



*Abe M et al. Nature. 2021.

FDA clearance obtained; sales in the U.S. commenced this year.

Asymmetric triacetate(ATA) membrane



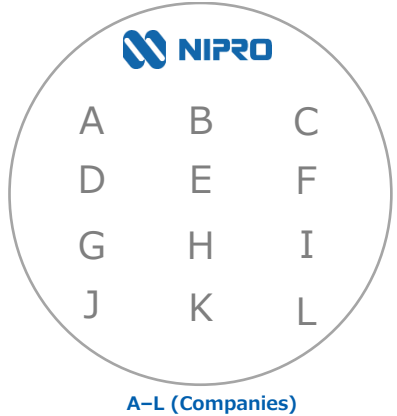
A uniquely differentiated semi-synthetic polymer membrane.

- Excellent biocompatibility from naturally derived materials (strong anticoagulant performance without hydrophilic agents), helping reduce patient burden
- Reduced incidence of membrane material-related allergic symptoms, supporting safer treatment

CTA/ATA membranes are differentiated dialysis membranes not offered by other companies.

CTA/ATA
(semi-synthetic polymer membrane derived from naturally sourced materials)

Synthetic polymer membrane



A–L (Companies)

Key Product Highlight (1)

SUPER HIGH-FLUX,SHARP CUT-OFF DIALYZER

ELISIO™-HX

ELISIO Dialyzer Product Lineup by Performance

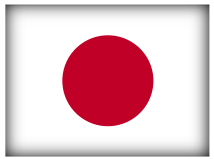
Removal Performance

Super High Flux NEW	ELISIO-HX
High Flux	ELISIO-H
※Mild-High Flux	ELISIO-K
Middle Flux	ELISIO-M
Low Flux	ELISIO-L

※Mild High-Flux means high flux dialyzer which will show smaller amount of albumin losses compared to ELISIO-H.

Difference of dialyzer between EU/US and Japan

Parameter		Low-flux	Mid-flux	High-flux
UF	mL/mmHg/h	<20	20-30	30-50
Urea	Kd(mL/min)	<180	180-200	200-220
	KoA(mL/min)	<500	500-600	600-700
	eKt/V	<1.2	1.2-1.4	1.4-1.6
β2MG	Kd(mL/min)	**<20**	**20-40**	**40-60**
	KoA(mL/min)	<30	30-50	50-100
Albumin leakage	g/session	0	0	<2



Japan's unique, high standards : Super-high-flux

Classification in Japan~2013		Ⅰ	Ⅱ	Ⅲ	Ⅳ	Ⅴ
β2MG clearance	mL/min	**<10**	**10-30**	**30-50**	**50-70**	**≧70**

*QB=200mL/min, membrane surface area1.5㎡

Source: Masanori Abe「The 63rd Annual Meeting of the Japanese Society for Dialysis Therapy」

Japanese Dialyzer Classification (2016~)

Type Classification (Prior to 2016)	Ⅰ	Ⅱ	Ⅲ	Ⅳ	Ⅴ
β_2-MG clearance (mL/min)	<10	10-30	30-50	50-70	≧70
Category	Low	High	High	High	Super high

Type Classification (Prior to 2016)	Type Ⅰ		Type Ⅱ	
	Ⅰa	Ⅰb	Ⅱa	Ⅱb
Urea clearance (mL/min)	≧125		≧185	
β_2-MG clearance (mL/min)	<70		≧70	
Albumin sieving coefficient (SC)	<0.03	≧0.03	<0.03	≧0.03
Classification	Category			

Addition of albumin sieving coefficient (SC) (item added from 2016)

*QB=200mL/min, membrane surface area1.5㎡
Source: Masanori Abe「The 63rd Annual Meeting of the Japanese Society for Dialysis Therapy」

Dialysis Product Strategy

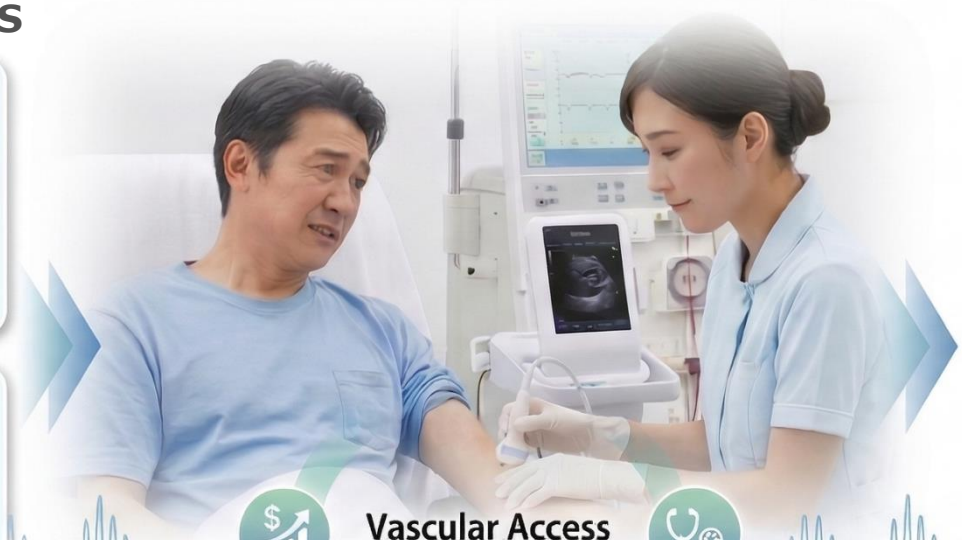
Dialysis Access

Reducing “Puncture-Related Stress” in Dialysis Care

NIPRO’s differentiated approach to improving patient QOL while enhancing clinical efficiency

Challenges for Patients

- **Frequent punctures** (More than 150 times a year)
- **Fear and anxiety about needle pricks**



Challenges for staff

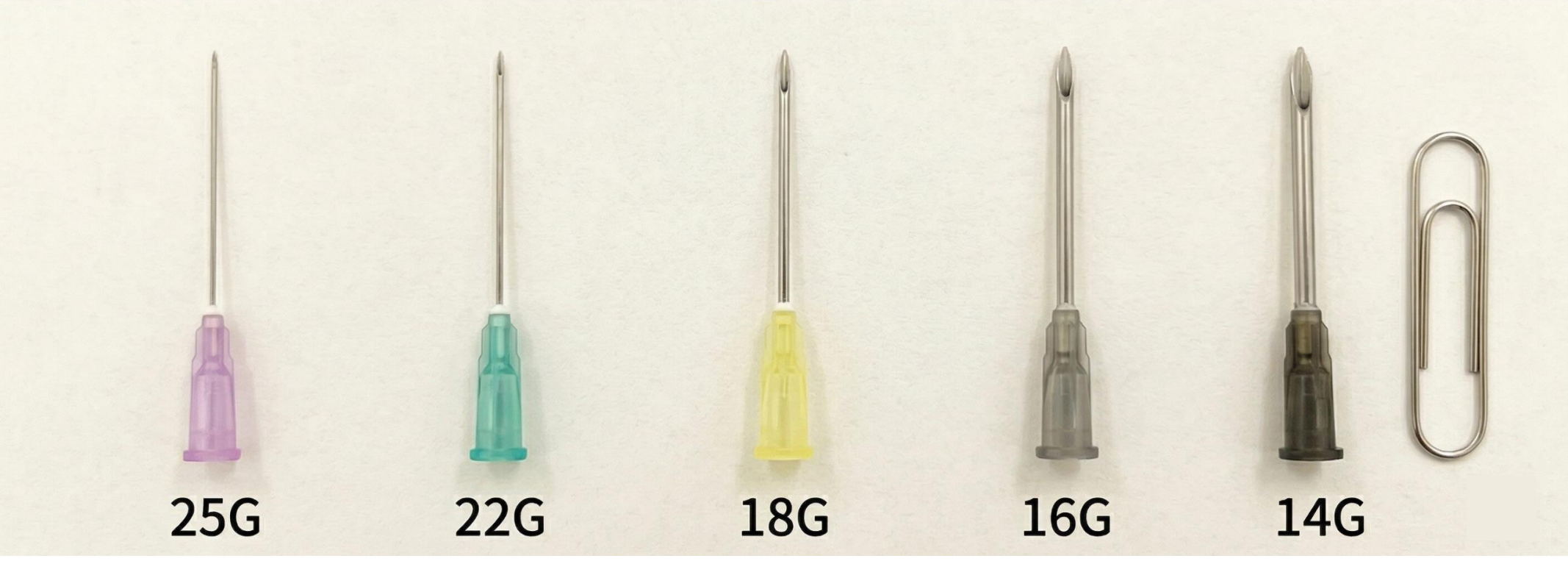
- **The pressure of having no room for error**
- **The burden of managing difficult cases.**
- **Ensuring safe and reliable procedures.**

Comprehensive support for improving puncture success rates and maintaining long-term access.

[NIPRO’s Strengths] Improving puncture success rates while maintaining long-term access—covering all stages.

Side-by-side comparison of actual needles

Vaccination	Blood draw	Intravenous Fluids and Blood	Dialysis (Standard)	Dialysis (for high blood flow)
(Outer diameter: 0.50㎜)	(Outer diameter: 0.70㎜)	(Outer diameter: 1.25㎜)	(Outer diameter: 1.60㎜)	(Outer diameter: 2.10㎜)

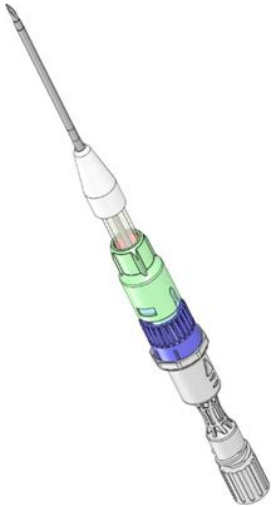


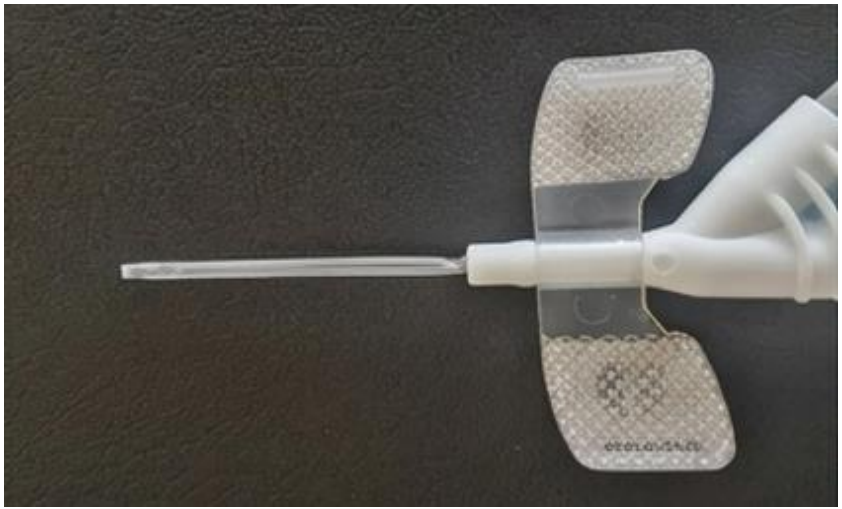
Comparison: Plastic Needle vs. Metal Needle

Plastic needle (Indwelling needle)

Features

→Flexibility
→Reduced burden on blood vessels
→Suitable for long-term placement





Metal needle

Features

→Lower cost
→Sharper puncture
→Enables shorter procedures

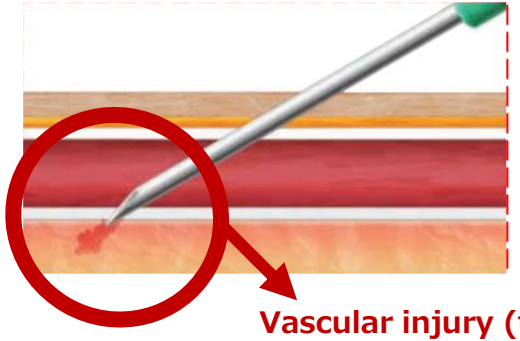
Benefits of plastic needles

— Minimizing vascular access injury (trauma) —

With metal needles, patient movement may increase the risk of vascular injury.

Because plastic needles are flexible, the risk of injury during treatment is lower.

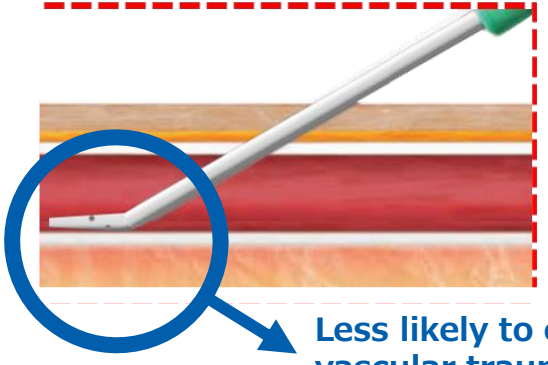
Metal Needle
(Current)



Vascular injury (trauma)

- Risk of puncture failure
- Risk of vascular injury
- Difficulty achieving hemostasis

Plastic Needle
(New)



Less likely to cause
vascular trauma

- Lower risk of vascular trauma.
- Patients can move more safely.

New Plastic Needle Product

SAFETOUCH™ DIALYSIS CATH PLUS

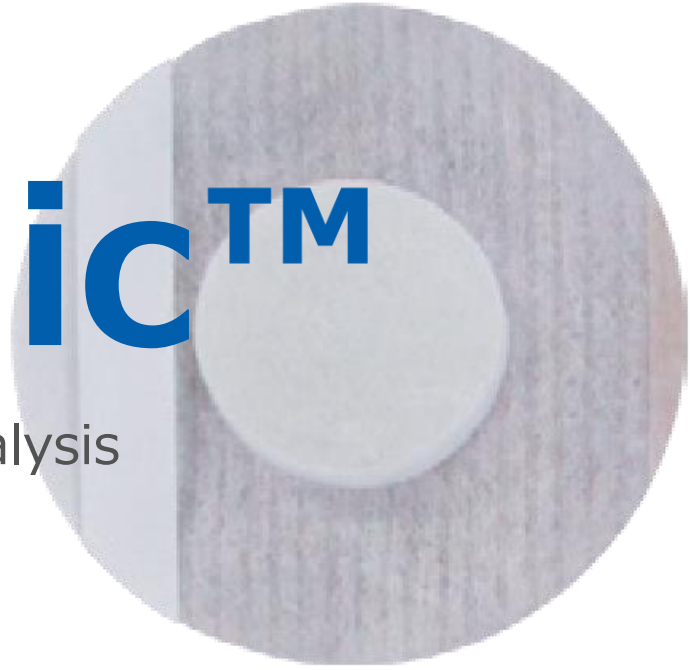
Auto Priming Hemostatic Valve Type

NEW

New Approach to Post-treatment Hemostasis

Hemoquic™

High-quality bandage for dialysis



Progression Stages of Dialysis Access and Optimal Devices

~ NIPRO's technologies supporting the entire lifecycle of dialysis access~

① Improve cannulation success rate

- Reduce puncture failures.

✓Buttonhole cannulation

✓Ultrasound-guided cannulation

- IP ECHO®

✓Improve cannulation success rate.

✓Enhance patient reassurance.

②Reduce vascular damage

- Extend shunt lifespan.

✓Dull needle

✓Plastic Needle

✓Reduce puncture resistance.

✓Protect blood vessels

③Reconstruct access

- When native vessels cannot be used

- Outer layer
- : adhesion to surrounding tissue
- Middle layer
- : structural reinforcement
- Inner layer
- : endothelialization / antithrombogenicity

④Final access

✓Suppress thrombus formation

✓Long-term patency

✓Long-term dialysis access

- Urokinase coating

NIPRO's technologies and product portfolio supporting the full dialysis access lifecycle.

NIPRO Healthcare Platform

Global medical technology supporting frontline healthcare.

Medical Devices

- Dialysis Systems
- IV・Injection-related Products
- Global Kidney Care
- DX Solutions

Vascular Business

- PTCA-related Products
- Guidewires
- Imaging Devices
- Vascular Grafts

NIPRO Healthcare Platform

Pharmaceuticals

- Injections
- Biopharmaceuticals
- CDMO

PharmaPackaging

- Vials
- Ampoules
- Prefilled Syringes

Regenerative Medicine

- Cell Culture
- Cell Processing
- Regenerative Medicine Technologies

NIPRO integrates medical devices, pharmaceuticals, and pharmaceutical technologies to provide comprehensive healthcare solutions globally.

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