

Financial Results for the Six Months Ended September 30, 2023

 **DAIKEN MEDICAL CO., LTD.**

Tokyo Stock Exchange Standard Market
Securities Code: 7775



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Summary of Financial Results for the Six Months Ended September 30, 2023

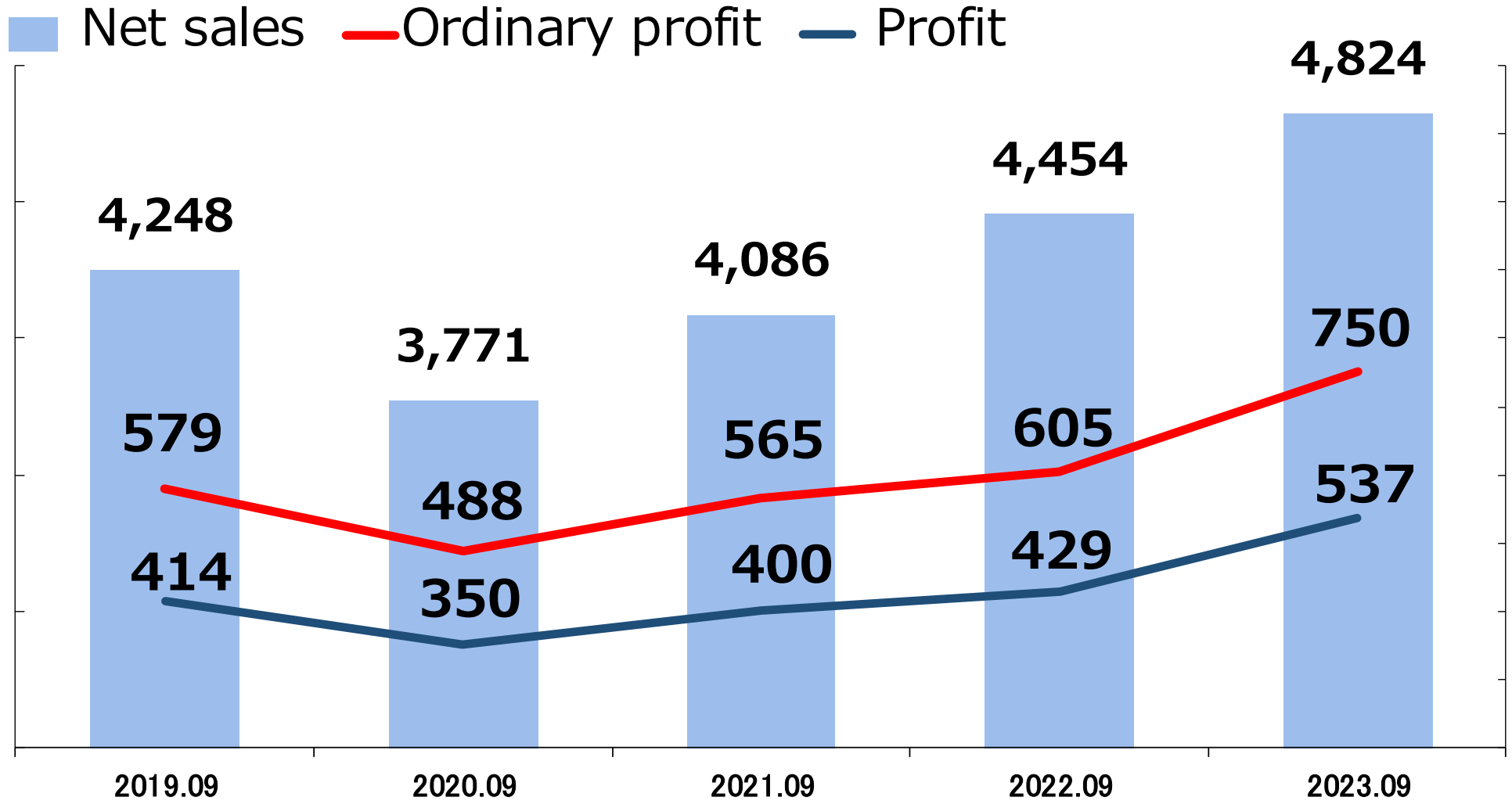
Financial Results

(Unit: million yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023	YoY
Net sales	4,454	4,824	+8.3%
Gross profit (Gross margin)	1,841 (41.3%)	1,993 (41.3%)	+8.2%
SG&A expenses (SG&A ratio)	1,236 (27.8%)	1,247 (25.9%)	+0.9%
Operating profit	605	745	+23.2%
Ordinary profit (Ordinary profit ratio)	605 (13.6%)	750 (15.5%)	+24.0%
Profit	429	537	+25.2%

Financial Results

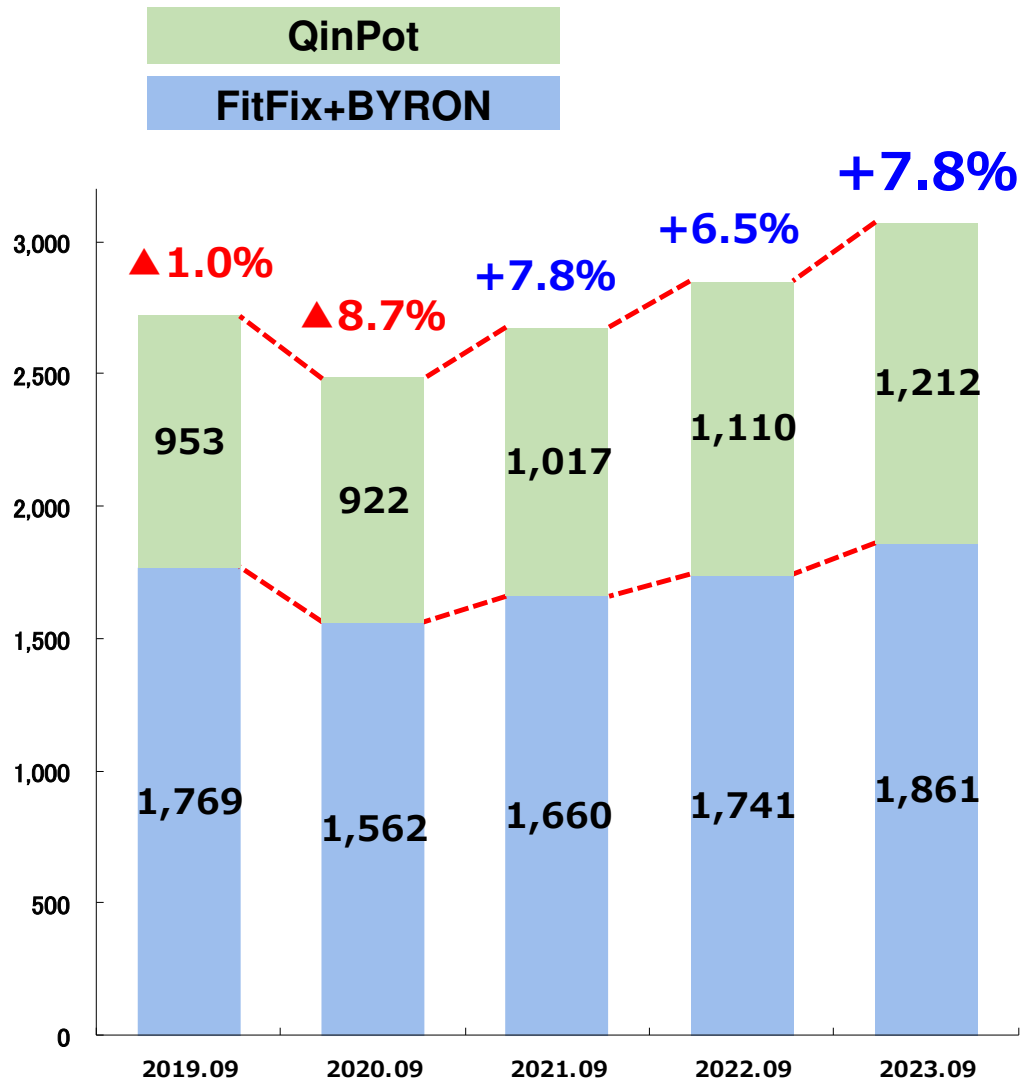
(Unit: million yen)



«Suction device»

Net sales

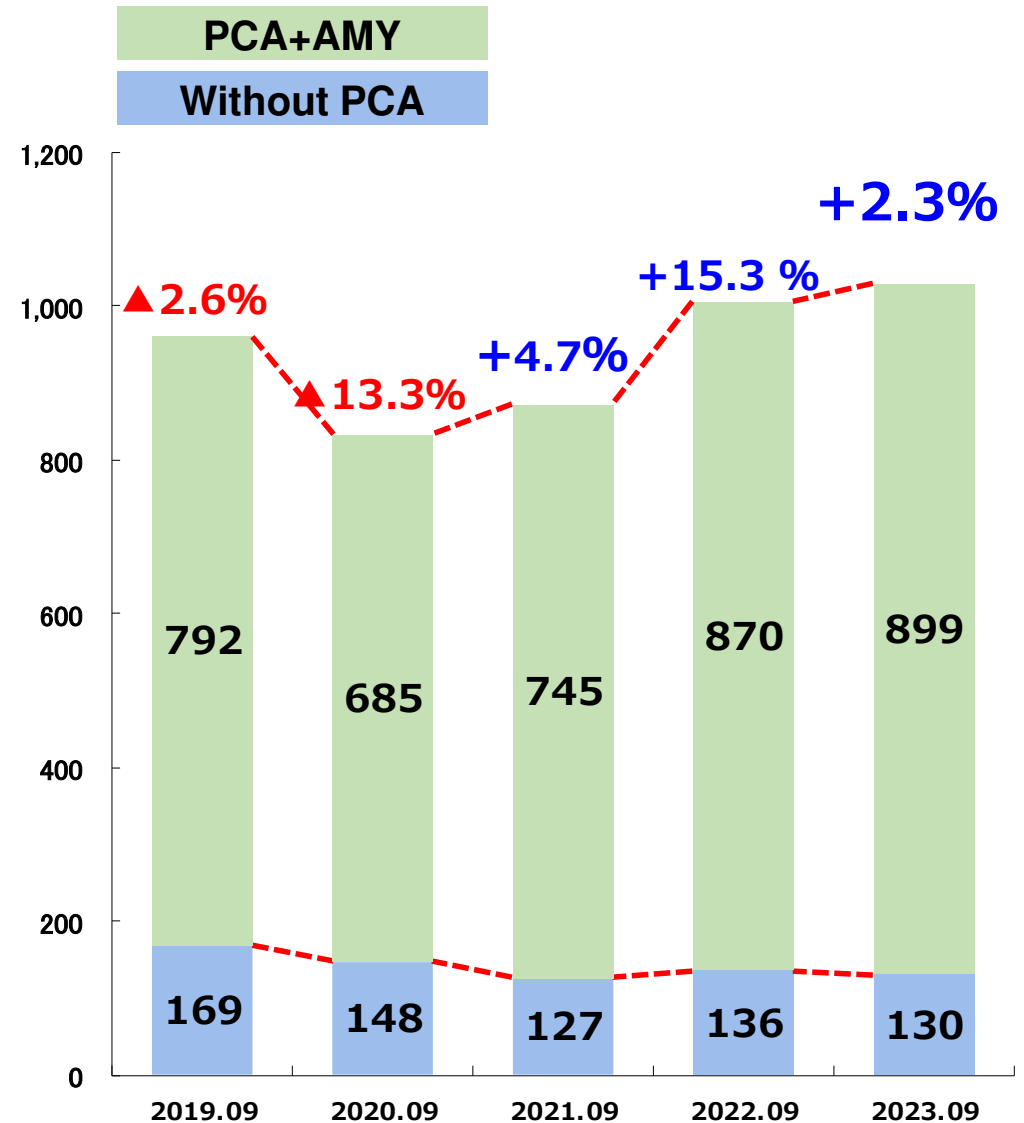
(Unit: million yen)



«Infusion pump»

Net sales

(Unit: million yen)



1 Expansion of QinPot into the medical treatment facility market



First half sales of
expendables in Japan

YoY **+8.2%**

2 Expanding use of AMY (hybrid PCA)

 amy PCA
カテックエイミーPCA

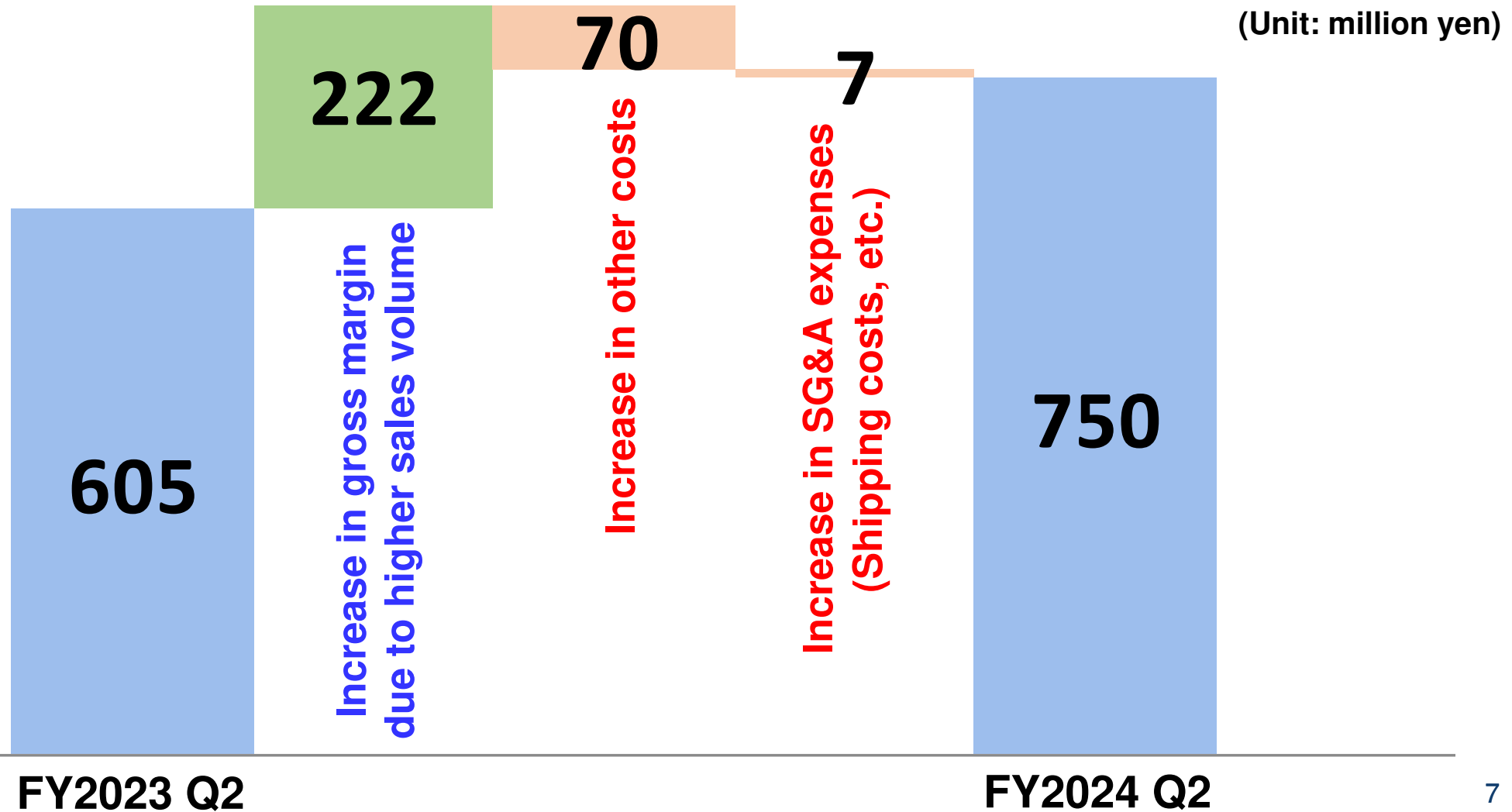


AMY-related sales

YoY **+24.2%**

Analysis of Variance of Ordinary Profit for the Six Months
Ended September 30, 2023 (YoY)

Although the effect of increased cost rates from previous year remains, sales of mainstay products were steady



Forecast for the Fiscal Year Ending March 31, 2024

❑ Forecasts and Dividends for the Fiscal Year Ending March 31, 2024

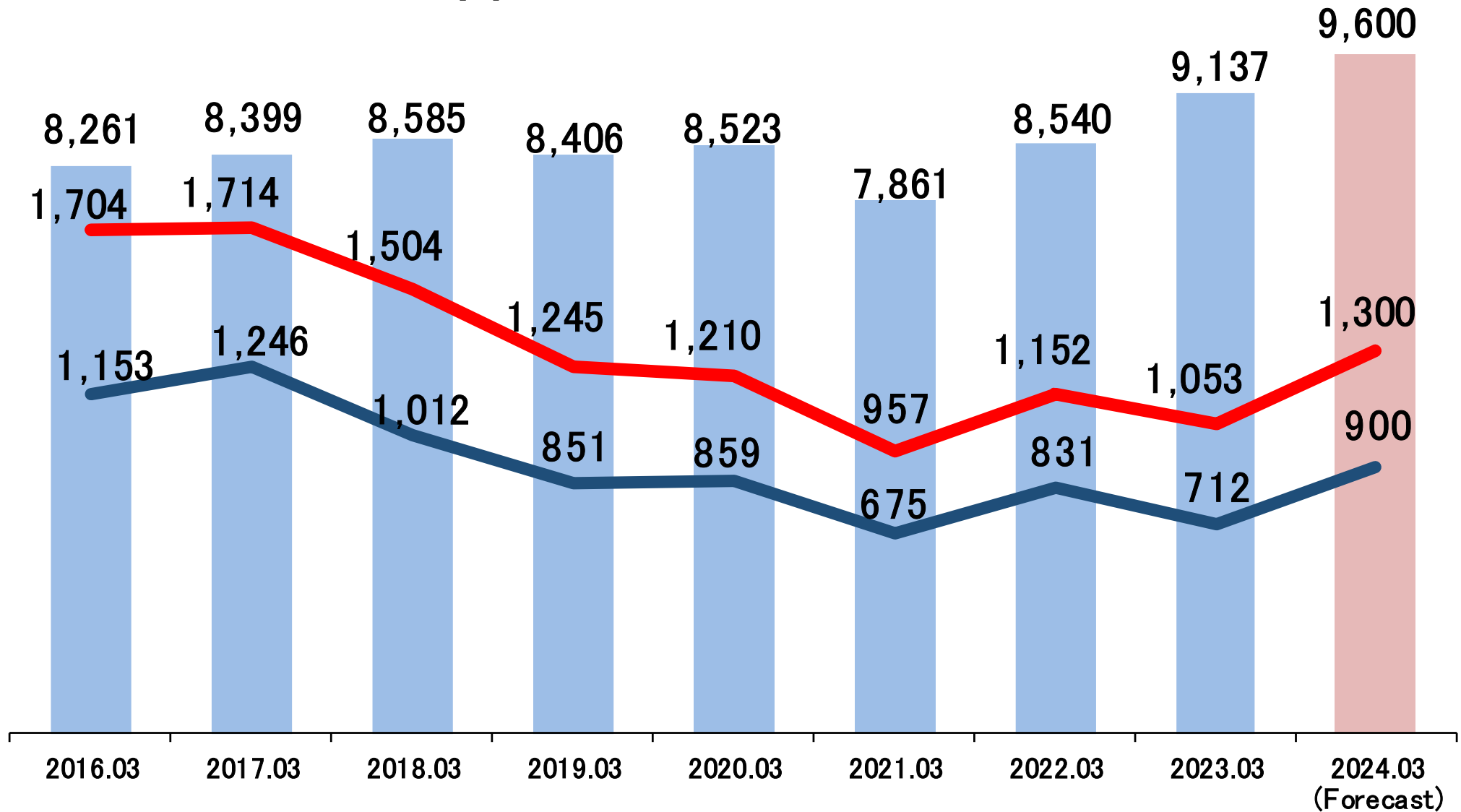
(Unit: million yen)

	Fiscal year ended March 31, 2023 (Actual)	Fiscal year ending March 31, 2024 (Forecast)	YoY
Net sales	9,137	9,600	+5.1%
Operating profit	1,054	1,300	+23.3%
Ordinary profit (Ordinary profit ratio)	1,053 (11.5%)	1,300 (13.5%)	+23.4%
Profit	712	900	+26.4%
Dividend per share	¥20.0	¥20.0	—
Dividend payout ratio	80.7%	63.8%	—

Financial Results

(Unit: million yen)

■ Net sales
 — Ordinary profit
 — Profit



Mid-to-long Term Strategic Direction

□ Goal for the Company

Products developed based on **original ideas** stemming from our investigations in medical settings



Innovating the **future** of **medical care** by maximizing the potential of cutting-edge technology and **developing original medical equipment**

Recognition of Current Situation and Mid-to-long Term Strategic Direction

(1) Decline in unit price

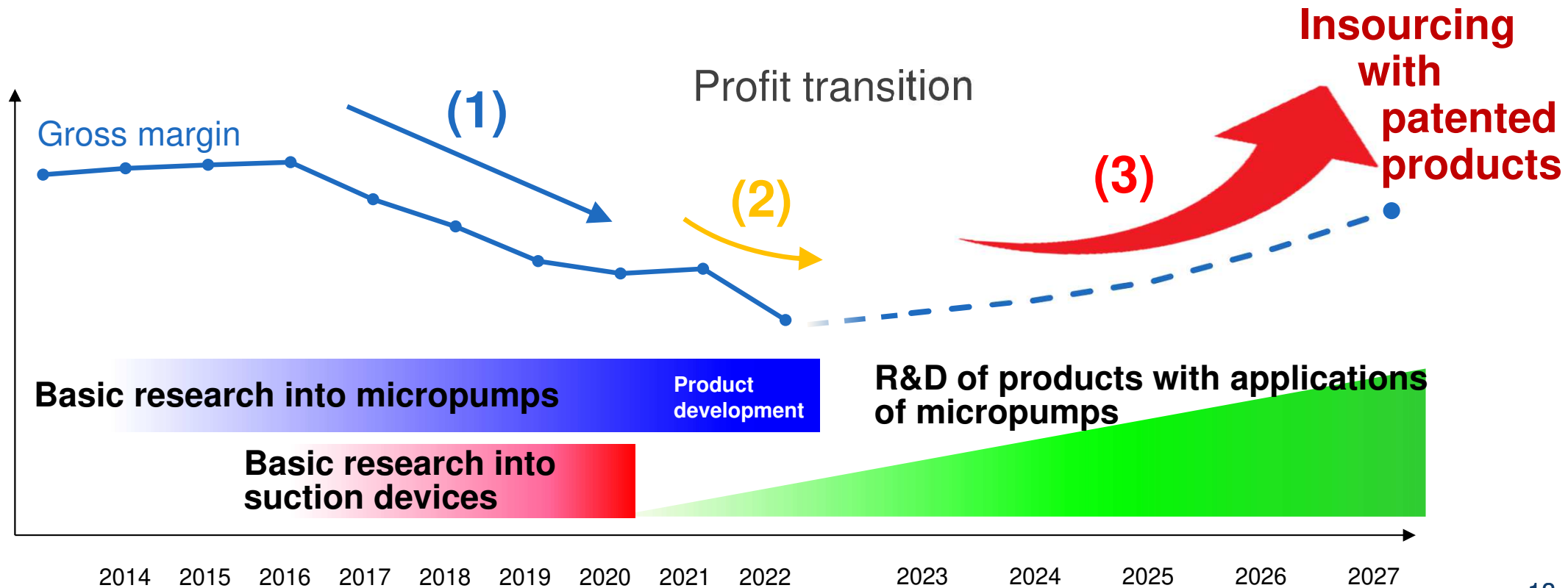
- Price competition with similar products due to patent expiration
- Decline in unit price due to group buying

(2) Sharp increase in cost of materials

- Sharp increase in costs of crude oil and materials due to situation in Ukraine and weak yen
- Sharp increase in distribution costs due to COVID-19

(3) Profit ratio improvement

- Switch to AMY and BYRON, which are patented and have strong product appeal
- Insource production to our facilities in Japan.



Strategy for Growth

Mid-to-long Term Strategy Overview and Growth Strategy

Sales expansion of new products

Replacement of existing products

FitFix



Syrinjector



Balloonjector

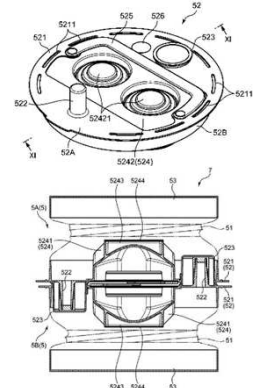
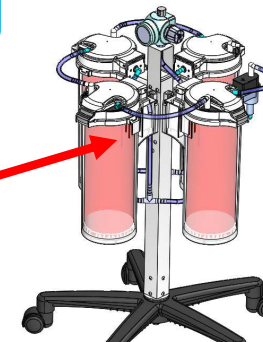


Patents expired

Improved BYRON



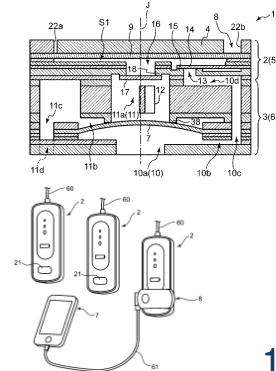
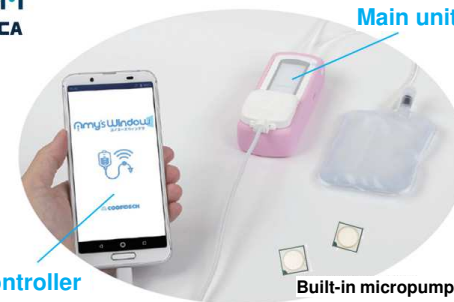
Patent number 7269851, etc.



AMY

Patent number 6726166, etc.

amy pca
ケデックエイミー-PCA

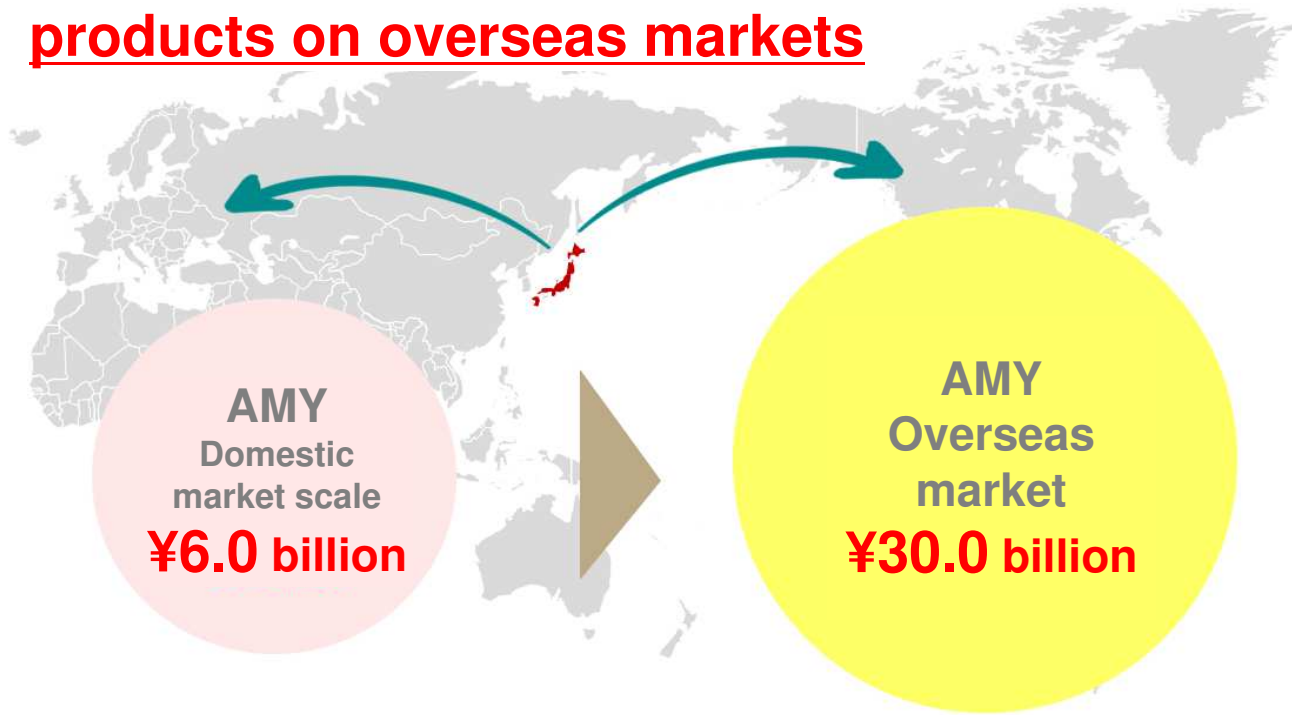


Mid-to-long Term Strategy Overview and Growth Strategy

Sales expansion in overseas markets

Entering the overseas market with AMY

Also sell highly original products on overseas markets



State of progress

Acquisition of MDR
Planned for **FY2024**

* Delay of approximately six months expected waiting for certification authority

Currently building organization for **clinical evaluation** in Europe quickly after acquisition

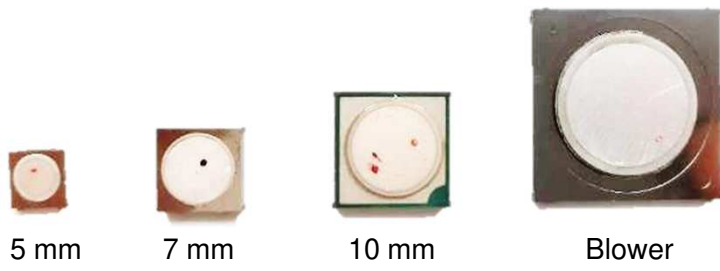
Mid-to-long Term Strategy Overview and Growth Strategy

Development of new fields and products

Development of new fields and products based on basic technologies such as micropumps



New micropump varieties added



Insulin pump (Diabetes treatment)

Domestic market scale
Over ¥30.0 billion

Basic research is in progress for expansion of mid-to-long term financial results.



Product development research center (Izumi-shi, Osaka, Japan)

 **DAIKEN MEDICAL CO., LTD.**

For inquiries regarding this material and information on IR, please contact the below.

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Any forward-looking statements in this document, including figures and strategies, are based on current assumptions and projections in light of the information currently available to us and are subject to risks and uncertainties. Actual results may differ from the forecasts due to various factors.