

# 03 Long-Term Management Vision and Medium-Term Management Plan

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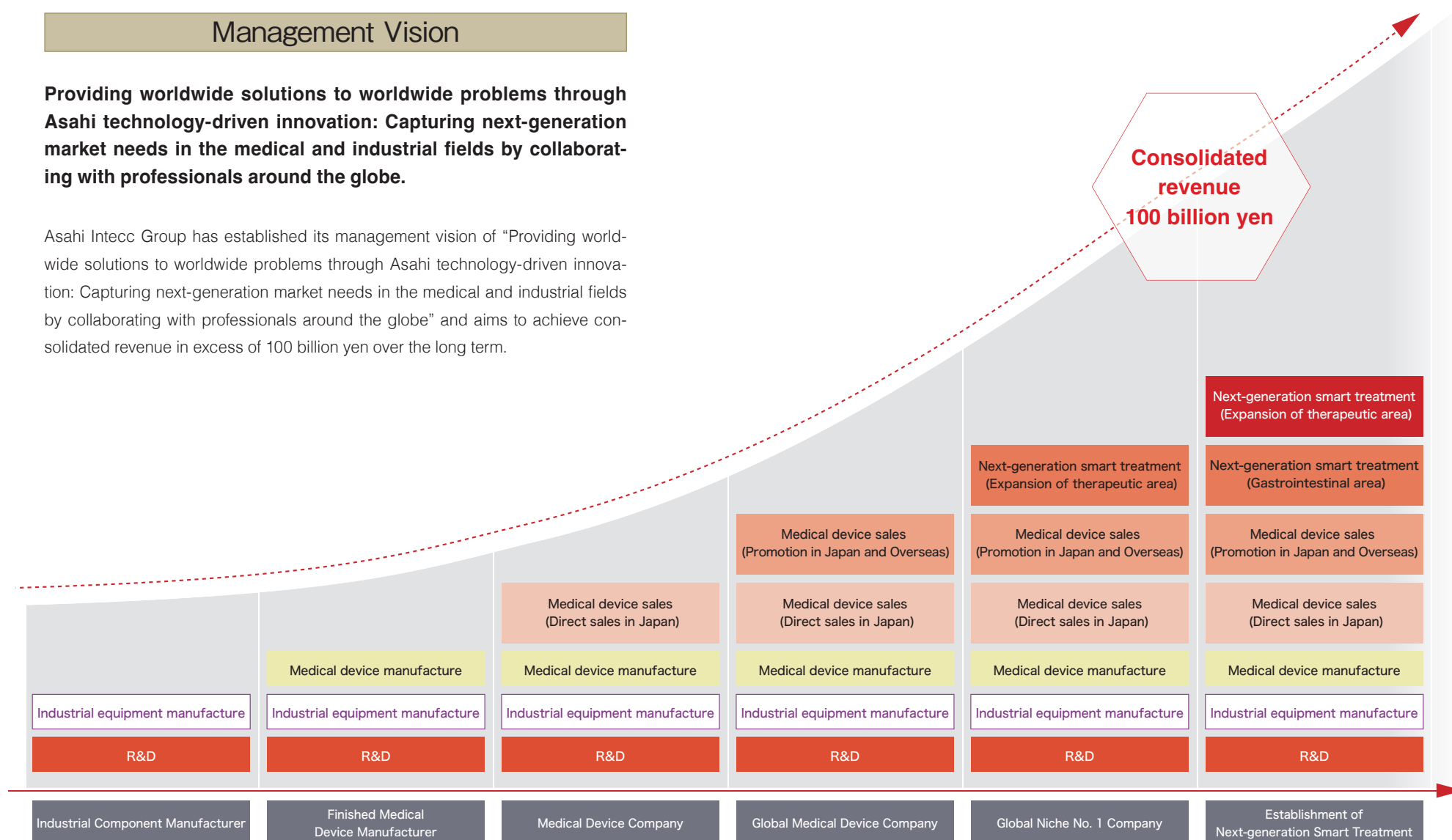


## 3-1 Long-Term Management Vision

### Management Vision

**Providing worldwide solutions to worldwide problems through Asahi technology-driven innovation: Capturing next-generation market needs in the medical and industrial fields by collaborating with professionals around the globe.**

Asahi Intecc Group has established its management vision of “Providing worldwide solutions to worldwide problems through Asahi technology-driven innovation: Capturing next-generation market needs in the medical and industrial fields by collaborating with professionals around the globe” and aims to achieve consolidated revenue in excess of 100 billion yen over the long term.



## 3-2 Medium-Term Management Plan “ASAHI Going Beyond 1000”

We aim to expand our corporate value by steadily advancing our growth strategy through ambidextrous management.

We, Asahi Intecc Group, are striving to “Develop Global Market Strategically and Expand Affected/Treatment Area” to build a business portfolio for further growth with consolidated revenue exceeding 100 billion yen based on our Medium-Term Management Plan “ASAHI Going Beyond 1000” for the five years to FYE June 2026. Going forward, we aim to expand our corporate value by steadily advancing our growth strategy. The current medium-term management plan aimed to achieve consolidated revenue of 110 billion yen in the fiscal year ending June 2026, but as of November 2024, we expect to achieve this goal one year ahead of schedule, in the fiscal year ending June 2025.

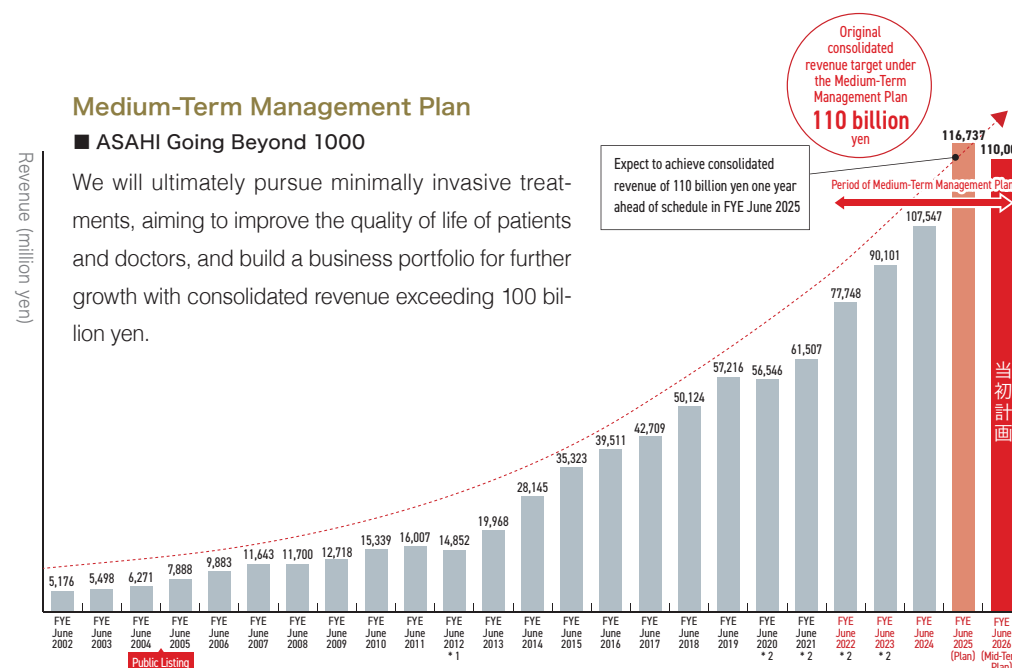
Our basic strategy for achieving further growth in excess of 110 billion yen in consolidated revenue remains largely unchanged from that outlined in the current medium-term management plan.

As for the next medium-term management plan, we will disclose it when we are certain to achieve our goal ahead of schedule.

### Medium-Term Management Plan

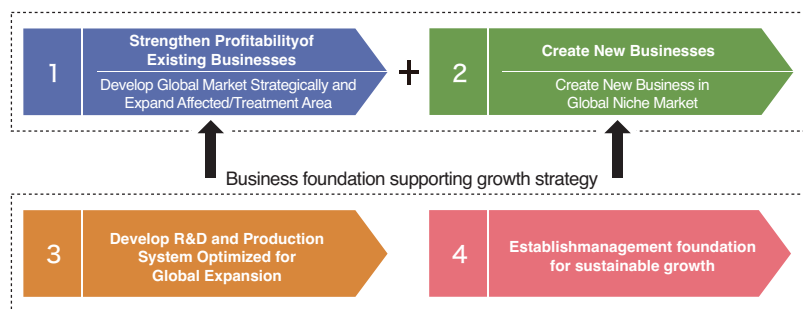
#### ■ ASAHI Going Beyond 1000

We will ultimately pursue minimally invasive treatments, aiming to improve the quality of life of patients and doctors, and build a business portfolio for further growth with consolidated revenue exceeding 100 billion yen.



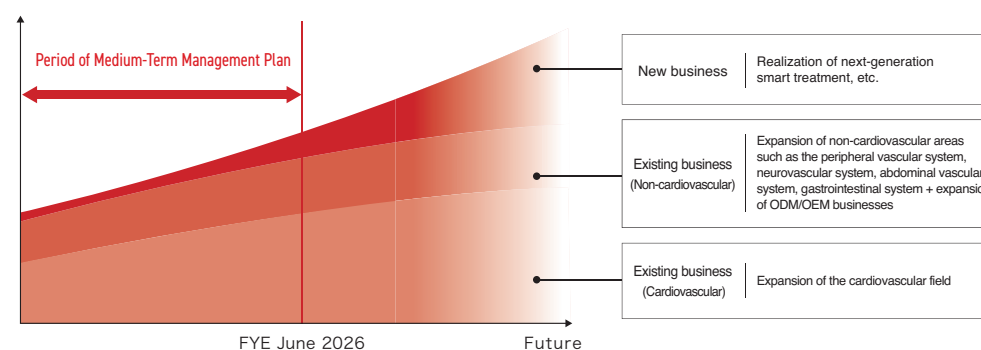
### ASAHI Going Beyond 1000

Building a business portfolio for further growth with consolidated revenue exceeding 100 billion yen



### ASAHI Going Beyond 1000

Five-Year Plan from FYE June 2022 to FYE June 2026



Basic  
Policy

1

# Develop Global Market Strategically and Expand Affected/Treatment Area

## » Develop Global Market Strategically

Asahi Intecc Group currently sells products to more than 110 countries and regions around the world. The number of cases of intravascular diseases for which our Group products are used is expected to continue to grow on a global scale, particularly in emerging countries. Amid this backdrop, we will strengthen our earnings base on a global scale by further enhancing our sales and marketing functions in each region.

### Japan

Actively launch new products despite the impact of falling medical device reimbursement prices / Start selling robotics products

In Japan, we sell our own brand products directly to hospitals and other institutions, and we have a high share in both cardiovascular and non-cardiovascular products. In the non-cardiovascular field, we sell other companies' products through our direct sales system as well as strengthen our own brand products in the gastrointestinal field.

In addition, as our new business, we started selling ANSUR surgery support robots from this fiscal year. We will continue to strive to expand earnings and business domains.

### Europe

Gradually shift to direct sales / Gain high market share through direct sales and community-based distributors

In the European market, we sell our own brand products directly and through several community-based distributors, and we have a high share mainly in cardiovascular products. In some regions of the European market, we are gradually shifting to direct marketing -- in France in July 2019, in Germany in January 2021, and in Italy in July 2021.

Going forward, we will strive to further increase profits by expanding our market share.

### U.S.

Reinforce sales by leveraging the direct sales system / Enhance products mainly in the peripheral vascular field to increase profits

We sell our own branded products directly in the U.S. market.

In addition to expanding our business in the cardiovascular field, we have positioned peripheral vascular systems and neurovascular systems in the non-cardiovascular field as priority markets, and will actively launch new products and further enhance our marketing and sales functions to enable us to grasp market trends more quickly in close contact with physicians who are end customers in order to further promote sales and expand our market share.

Through these strategies, we will strive to further increase earnings.

### China

Number of cases tending to rise after the COVID-19 pandemic  
Seek to expand share in the booming Chinese market

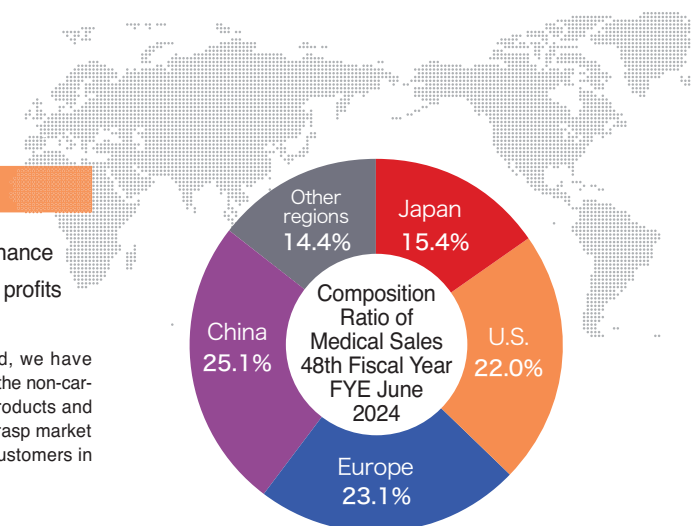
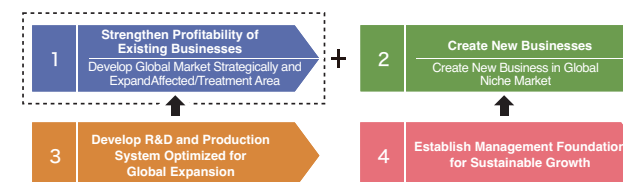
In the Chinese market, we mainly sell our own brand products through local distributors, and we have a high share mainly in cardiovascular products. The number of cases in both cardiovascular and non-cardiovascular fields is increasing steadily, and the China market is expected to experience particularly high growth and development in the global market.

Despite the ongoing changes in the business environment, including the introduction of a bidding system, we will continue to strive to further expand earnings in light of market conditions by introducing new products, enhancing marketing and sales activities, and strengthening the backup system closely linked to local distributors.

### Other Regions

Continue to strengthen sales, focusing on emerging markets with growth potential

Focusing on emerging countries with growth potential in Asia, the Middle East, Oceania, South America, and other regions, we sell our own branded products, mainly through locally based community distributors, and have a high market share in cardiovascular products. We aim to further expand earnings in both the cardiovascular and non-cardiovascular fields.





# Basic Policy 1

## Develop Global Market Strategically and Expand Affected/Treatment Area

### » Expand Affected/Treatment Area

#### “Number One” Product Strategy

In the field of our mainstay PCI guide wires in the cardiovascular field, we will focus on the development of products for CTO that are difficult to treat but in which our technology has strengths. In addition, we will strive to expand the lineup of products for the treatment of common lesions, thereby solidifying our overall number one position.

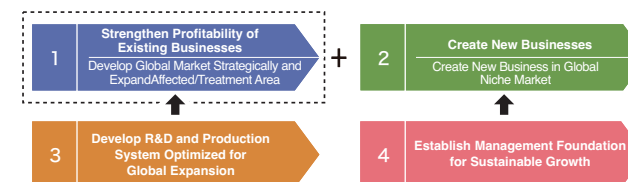
In addition, we will further strengthen and expand our product lineup in the catheter field in order to establish a second and third mainstay product after PCI guide wires. In addition, we will continue to promote measures to strengthen product development not only in the cardiovascular fields but also in non-cardiovascular fields such as the peripheral vascular system, neurovascular system, abdominal vascular system and gastrointestinal system. In the non-cardiovascular fields, we will expand new products by laterally applying the technologies cultivated in the cardiovascular fields. At the same time, we will strengthen our sales structure, especially overseas, to gain market share on a global scale.

#### “Only One” Product Strategy

Currently, PCI treatment for CTOs, which are considered

difficult to treat, is not absolutely perfect even in Japan, which is an advanced country in PCI treatment, and bypass surgery is still used in some cases mainly in overseas markets.

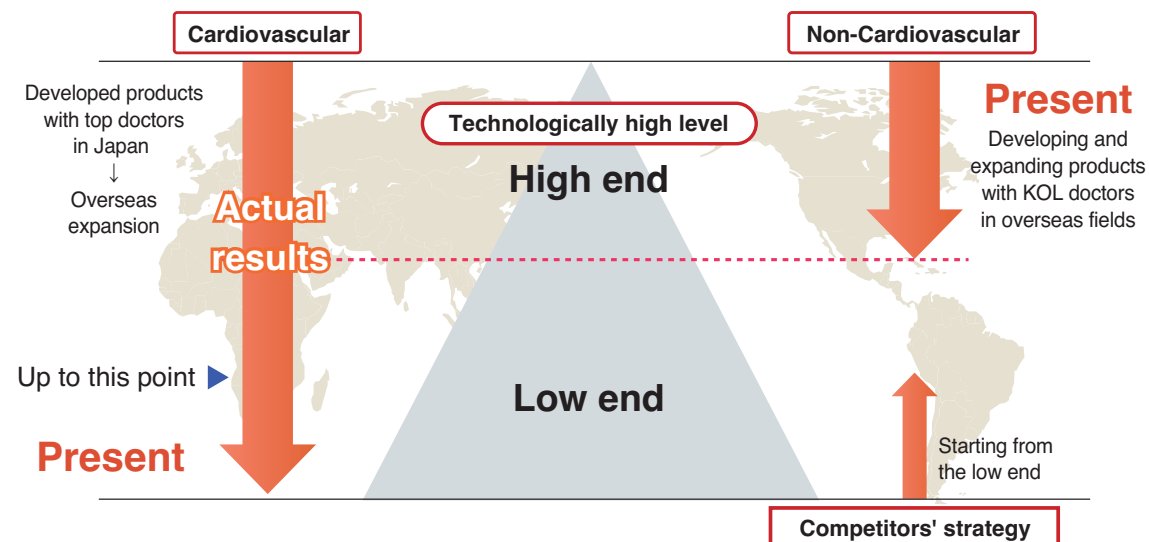
Amid this backdrop, Asahi Intecc Group has developed and marketed products necessary for minimally invasive treatments such as PCI guide wires and penetration catheters, which have a high product advantage unmatched by other companies and are capable of CTO treatment,



and has contributed to expanding the selection rate of PCI treatment in the CTO field.

As an R&D-oriented company, we will continue to develop products that retain new functions using advanced technologies, such as plasma guide wire (cardiovascular system and peripheral vascular system) and stroke smart guide wire (neurovascular system), and contribute to the spread and development of minimally invasive treatments.

#### Guide Wire Strategy



Basic Policy

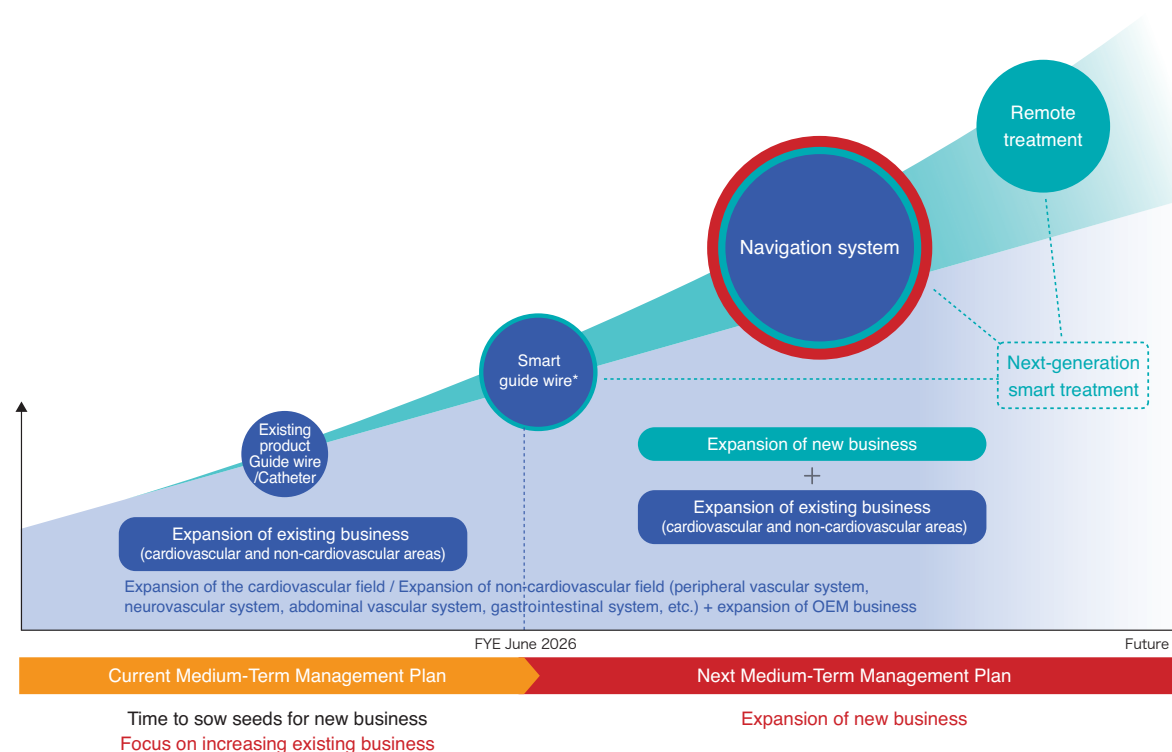
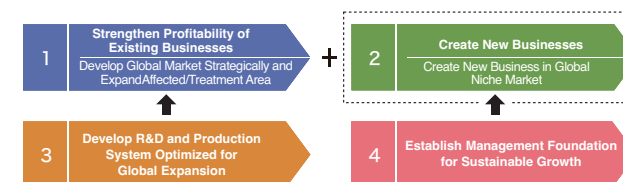
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## Create New Business in Global Niche Market

As an R&D-oriented company, Asahi Intecc Group has advanced and highly unique material processing technologies based on four core technologies. In addition to these technologies, we have established an integrated production system from raw materials to products, which enables us to develop and manufacture products with unique materials and functions. This is a strength unique to our Group, which engages in both the industrial equipment field and the medical device field, and is a major factor in differentiating the Group from competitors in the medical device field in terms of cost and technology.

In order to win global competition and continue to grow and prosper as a company with consolidated revenue exceeding 100 billion yen, we recognize the necessity to set the measures that will be the foundation of our business from now, and have begun to advance into new fields such as the gastrointestinal, neurovascular and robotics fields by strengthening our Group's advanced technological capabilities.

In addition, when we require the fusion of our technologies with new ones, we are more active in promoting strategic alliances with leading partners, including the introduction of new technologies from outside, by making full use of technological alliances, M&As, and minority investment. By creating new businesses in global niche markets, we will strive to strengthen our business portfolio and aim to become a company with sustainable global growth.



\*Smart guide wires: A generic term for innovative guide wires with more functional values by adding new technologies to our existing guide wires.

Basic  
Policy

## 3

## Develop R&D and Production System Optimized for Global Expansion

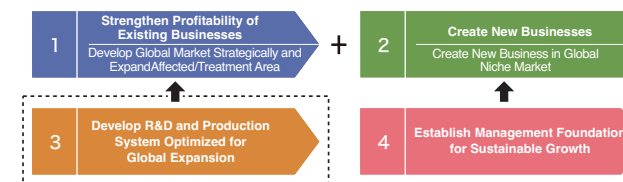
As for the globalization of R&D, at Asahi Intecc USA, Inc., our consolidated subsidiary, which is a direct sales base in the U.S., we have built an R&D structure that is able to reflect the needs and feedback of doctors, our core customers, directly in our products, even at the prototype level. At Asahi Intecc Thailand Co., Ltd., another consolidated subsidiary, we have enhanced the R&D base, enabling more proactive improvement of existing products, including considering product specifications.

In Japan, we develop products under an environment close to clinical sites at our Group's Global Headquarters and R&D Center (Seto City, Aichi Prefecture), which serve as the core of our Group's R&D bases. In addition to expanding the Osaka R&D Center, which is to strengthen the development of core technologies, and the Tokyo R&D Center, which is designed to

develop next-generation medical device technologies, we will further enhance our domestic R&D structure by building a new R&D building (ANNEX Building), which serves as an R&D base centered on new product development, on the premises of the Headquarters.

Currently, while our Group specializes in R&D and prototyping in Japan, mass production is generally transferred to our consolidated subsidiaries overseas such as Asahi Intecc Thailand Co., Ltd. [Thailand factory], Asahi Intecc Hanoi Co., Ltd. [Hanoi factory], and Toyoflex Cebu Corporation [Cebu factory], where a system that enables integrated production from materials to finished product is in place.

In this context, from the perspectives of risk management and BCP\*, we are optimizing production bases across



the entire Group by enabling all three factories to manufacture the same products so that in the event of one or more factories ceasing operations due to local factors or otherwise, another factory can cover the majority of the lost production. In addition to these objectives, we are currently expanding our Hanoi factory in order to build a structure to further increase production.

Going forward, we intend to support our Group's growth strategy by building and expanding R&D bases and production systems that are ideal for global expansion.

\*BCP (business continuity plan): A plan of a company to set out appropriate activities and methods and means for business continuity in emergencies such as a natural disaster, a large fire, or a terrorist attack, to minimize the damage to business assets and enable continuation or early restoration of the core business

### Expansion and decentralization of production capacity across the Group



Global Headquarters and R&amp;D Center

Global Headquarters and R&D Center  
New R&D Building (ANNEX Building)

- Center for R&D
- R&D functions are decentralized in Seto, Osaka, Shizuoka, Tohoku, Tokyo, etc.
- New R&D Building (ANNEX Building) was built in the premises of the Headquarters and started operation

Based on country risk, the same products can be produced at these three factories



ASAHI INTECC THAILAND CO., LTD.

- Decentralize production to Hanoi/Cebu Factory
- Support the launch of Hanoi/Cebu Factory



ASAHI INTECC HANOI CO., LTD.

- Accept decentralized production from Thailand Factory
- Transfer production to Cebu Factory
- Build a new plant to increase production



TOYOFLEX CEBU CORPORATION

- Accept decentralized production from Hanoi Factory
- Launch mass production of finished products in the medical equipment field in addition to the industrial equipment field

## Directly deliver products to customers worldwide

- Expand overseas sales warehouses
- Optimize the movement of the entire supply chain and build a timely supply system

Basic Policy

4

## Establish Management Foundation for Sustainable Growth

The demand for minimally invasive treatments that are less burdensome, both physically and economically, is increasing on a global scale owing to population aging around the world, especially in developed countries, and economic growth in emerging countries, and mainly in emerging economies the number of catheterization cases is increasing. Under such circumstances, Asahi Intecc Group aims to solve issues on the site by developing, manufacturing, and selling innovative medical devices using our unique technologies and to improve the quality of life (QOL) of patients all over the world.

Amid increasing risk events such as large-scale natural disasters and pandemics, our Group is working to strengthen its risk management, including its business continuity plan (BCP) as a global medical device company that supplies products to medical facilities around the world. We will respond to environmental and human rights regulations around the world by looking at the entire supply chain.

Considering the impact that these changes may have on Asahi Intecc Group's business environment, we have examined key issues regarding sustainability. By addressing these key issues in terms of both growth strategy and the strengthening of the management base, we aim to realize sustainability of society and our Group.

As the importance of sustainability increases worldwide, the megatrends that may affect our business are constantly changing, and we will review the key issues accordingly.

